

Public Power Corporation SA

Financial Results 9 Months 2009



Athens, November 10, 2009



Agenda

Financial Results

George Angelopoulos, CFO

Business Update & 2009 Outlook

Takis Athanassopoulos, Chairman and CEO

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Good afternoon to Europe and good morning in the States

I am Takis Athanassopoulos, Chairman and Chief Executive Officer of Public Power Corporation.

With me today is Mr. George Angelopoulos our Chief Financial Officer.

I would like to welcome you to this conference call on PPC's financial results for the 9 months 2009.

Mr. Angelopoulos will present to you a summary of the financial results and I will then update you on our key operational developments.

Next slide please.



Financial Results 01.01 – 30.09.2009

**George Angelopoulos
Chief Financial Officer**



Summary Financial Results 9M2009/9M2008 (Group)

Key Figures (€ mil.)	9M2009	9M2008	Δ	Δ%
Total Revenues	4,494.5	4,416.3	78.2	1.8
Revenues from Energy Sales	4,225.9	4,137.4	88.5	2.1
<i>Energy Sales (GWh)</i>	40,385	43,062	-2,677	-6.2
Payroll Expense	1,091.8	1,038.0	53.8	5.2
Liquid Fuel	454.6	834.3	-379.7	-45.5
Natural Gas	342.6	656.0	-313.4	-47.8
Energy Purchases	410.2	772.1	-361.9	-46.9
Expenses for CO2 emission rights	64.8	108.7	-43.9	-40.4
Realized profit from 2008 CO2 liabilities	(17.6)		-17.6	
Transmission System Charges	232.9	256.7	-23.8	-9.3
Other Operating Expenses	406.8	393.6	13.2	3.4
Provisions	51.2	15.8	35.4	224.1
EBITDA	1,374.6	280.8	1,093.8	389.5
EBITDA MARGIN	30.6%	6.4%		
Depreciation	393.9	383.8	10.1	2.6
Net Financial Expense	114.1	131.5	-17.4	-13.2
EBT	869.0	(258.3)	1,127.3	
EAT	642.7	(244.6)	887.3	

Good afternoon Ladies and Gentlemen,

The positive evolution of the factors that contributed to the Company's profitability in the first two quarters of the year, followed the same pattern during 3Q 2009 resulting in EBT of €869.0 m, compared to losses of €258.3 m in 9M 2008. Net income in 9M 2009 amounted to €642.7 m, versus losses of €244.6 m in 9M 2008.

Total Sales for 9M2009 stood at €4.494,5 m versus €4.416,3 m in 9M2008, an increase of €78,2 m (1,8%).

Revenues from electricity sales increased by €88.5 m (2.1%), from €4,137.4 m in 9M 2008 to €4,225.9 m, mainly as a result of the weighted average tariff increase of 7.3% from 1.7.2008 and a change in the sales mix, while, on the other hand, the volume of sales decreased by 6.2% (2,677,000 MWh), mainly due to the reduction in sales to the industrial sector by 17%, associated to the economic slowdown.

Total operating expenses, excluding depreciation, decreased by €1,015.6 m (-24.6%), from €4,135.5 m in 9M 2008 to €3,119.9m, mainly due to the decrease in the expenditure for fuels, energy purchases and CO2 emission rights.

Payroll expenses increased by €53.8 m (5.2%), from €1,038.0 m in 9M 2008, to €1,091.8 m.

The decrease in CO2 emissions rights deficit, together with the decrease in the relevant prices, had as a consequence that 9M 2009 financial results were impacted by an expenditure of €64.8 m to cover for the estimated deficit of CO2 emission rights during the respective period, while the corresponding magnitude in 9M 2008 was €108.7 m(-40.4%).

In December 31, 2008 the Company recorded a CO2 emission rights deficit amounting to €84 m, valued at 31.12.2008 prices. PPC covered this deficit with actual purchases within 9M 2009. This fact had a positive impact on the 9M 2009 financial results, amounting to €17.6 m, due to the difference between the valuation of the abovementioned deficit at 31/12/2008 prices and the actual purchase cost.

Provisions for bad debt, litigation and slow moving materials increased by €35.4 m from €15.8 m to €51.2 m. In 3Q 2009 total provisions increased by €18.4 m, mainly due to the increase in the provisions for bad debt.

Depreciation expense in 9M 2009 amounted to €393.9 m compared to €383.8 m in 9M 2008, an increase of €10.1 m (2.6%). The Group has assigned to an independent firm the appraisal of its property, plant and equipment at December 31, 2009 values. The results of the appraisal will be recorded in the financial statements of December 31, 2009. De-valuations, if any, will impact 2009 financial results while the depreciation of the new appraised values will commence on January 1, 2010.

Capital expenditure amounted to €760.4 m compared to €717.3m in 9M 2008, an increase of €43.1 m (6.0%).

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Summary Financial Results 9M2009 Actual/Budget (Parent Company)

Key Figures (€ mil.)	9M2009 Actual	9M2009 Budget	Δ	Δ%
Revenues from Energy Sales	4,217.4	4,375.4	-158.0	-3.6
<i>Energy Sales (GWh)</i>	<i>40,385</i>	<i>43,235</i>	<i>-2,850</i>	<i>-6.6</i>
Payroll Expense	1,088.7	1,139.9	-51.2	-4.5
Controllable Expenses	402.0	421.0	-19.0	-4.5
Fuel and Energy Expenses	1,214.9	1,635.9	-421.0	-25.7
EBITDA	1,367.2	974.2	393.0	40.3
EBITDA Margin	30.5%	20.9%		
EBT	865.7	400.9	464.8	115.9

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Comparing 9M 09 results with the budget, we note that, although revenues from energy sales are down by 3.6%, the significant drop in fuel and energy expenses and the containment of controllable expenses led to an improvement of EBITDA margin to 30.5% from 20.9% in the budget.

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Summary Financial Results 3Q2009/3Q2008 (Group)

Key Figures (€ mil.)	3Q2009	3Q2008	Δ	Δ%
Total Revenues	1,566.1	1,651.4	85.3	-5.2
Revenues from Energy Sales	1,483.0	1,565.3	82.3	-5.3
<i>Energy Sales (GWh)</i>	<i>14,602</i>	<i>15,940</i>	<i>-1,338</i>	<i>-8.4</i>
Payroll Expense	370.6	359.7	10.9	3.0
Liquid Fuel	182.9	363.0	-180.1	-49.6
Natural Gas	114.8	258.6	-143.8	-55.6
Energy Purchases	137.2	310.7	-173.5	-55.8
Expenses for CO2 emission rights	25.8	51.8	-26.0	-50.2
Realized loss from 2008 CO2 liabilities	1.6		1.6	
Transmission System Charges	75.9	89.0	-13.1	-14.7
Other Operating Expenses	133.0	138.5	-5.5	-4.0
Provisions	18.4	-4.2	22.6	
EBITDA	475.8	58.6	417.2	711.9
EBITDA MARGIN	30.4%	3.5%		
Depreciation	132.4	129.6	2.8	2.2
Net Financial Expense	32.9	48.9	-16.0	-32.7
EBT	311.5	(143.3)	454.8	
EAT	230.6	(132.8)	363.4	

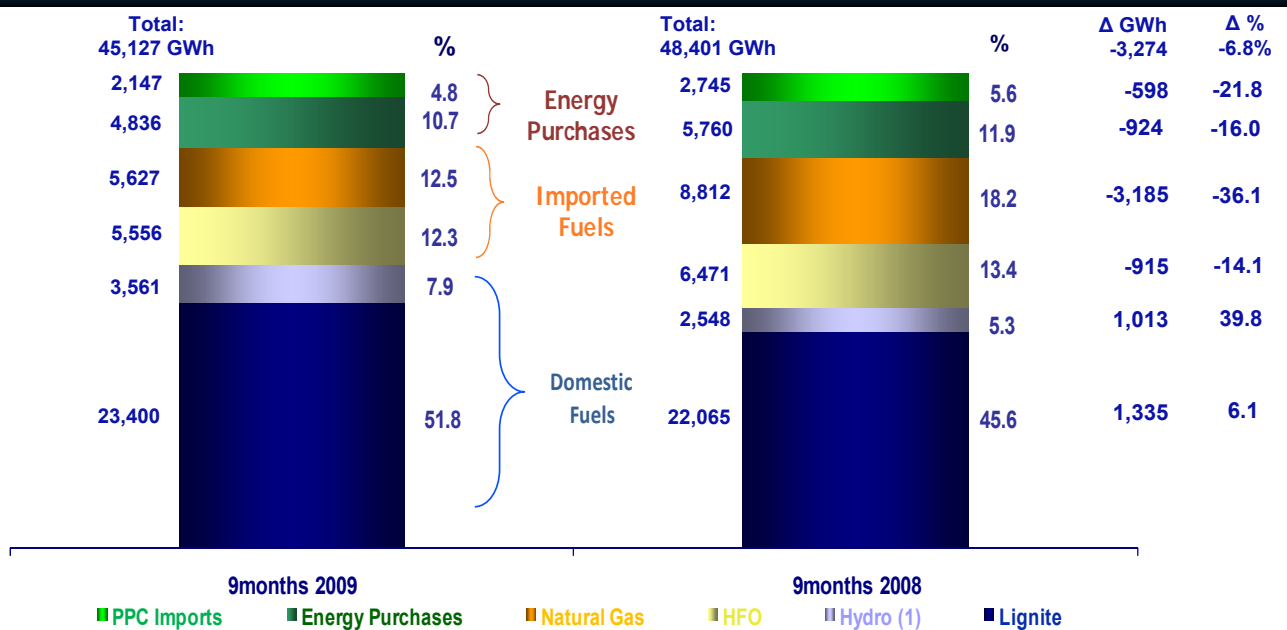
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In this slide we provide the comparison of the financial results between 3Q2009 and 3Q2008.

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PPC Energy Generation and Purchases 9M2009 / 9M2008



During the 9m 2009, 59.7% of the energy was produced by domestic fuel (lignite, hydro, RES) as compared to 50.9% in 9m 2008.

1. Including PPC Renewables generation of 183 GWh in 9m 2009 & 146 GWh in 9m 2008.

In 9M 2009, lignite generation increased by 1,335 GWh to 23,400 GWh (6.1%).

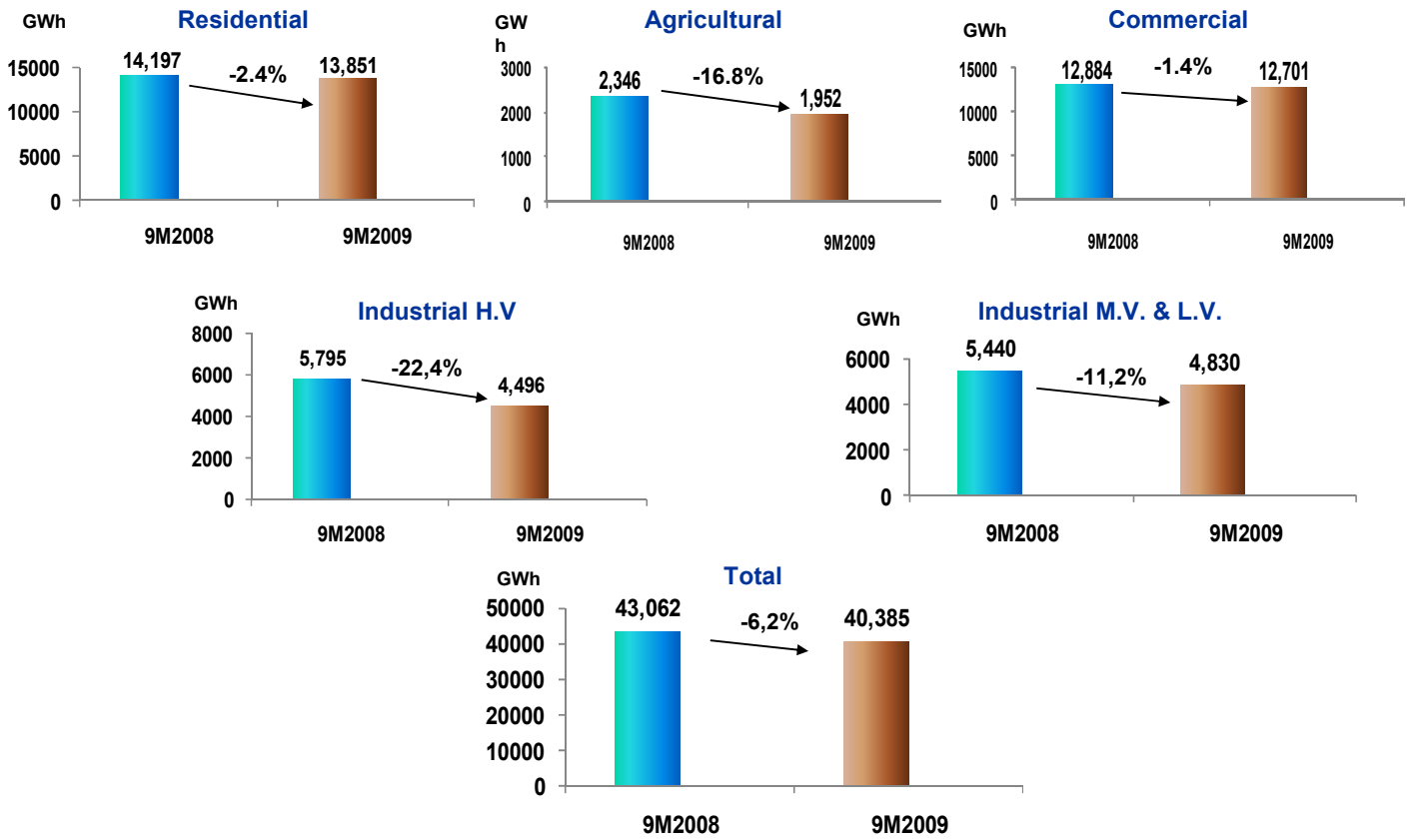
Hydro generation increased by 1,013 GWh (39.8%), compared to 9M 2008, which was a period of very poor hydro conditions.

It is interesting to note that during 9M 2009, 59.7% of the energy was generated by domestic fuel (lignite, hydro, RES), as compared to 50.9% and 55.1% in 9M 2008 and 9M 2007 respectively.

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Electricity Sales (GWh) declined by 6.2% in the first nine months of 2009 mainly due to the reduced demand in industrial and agricultural sectors



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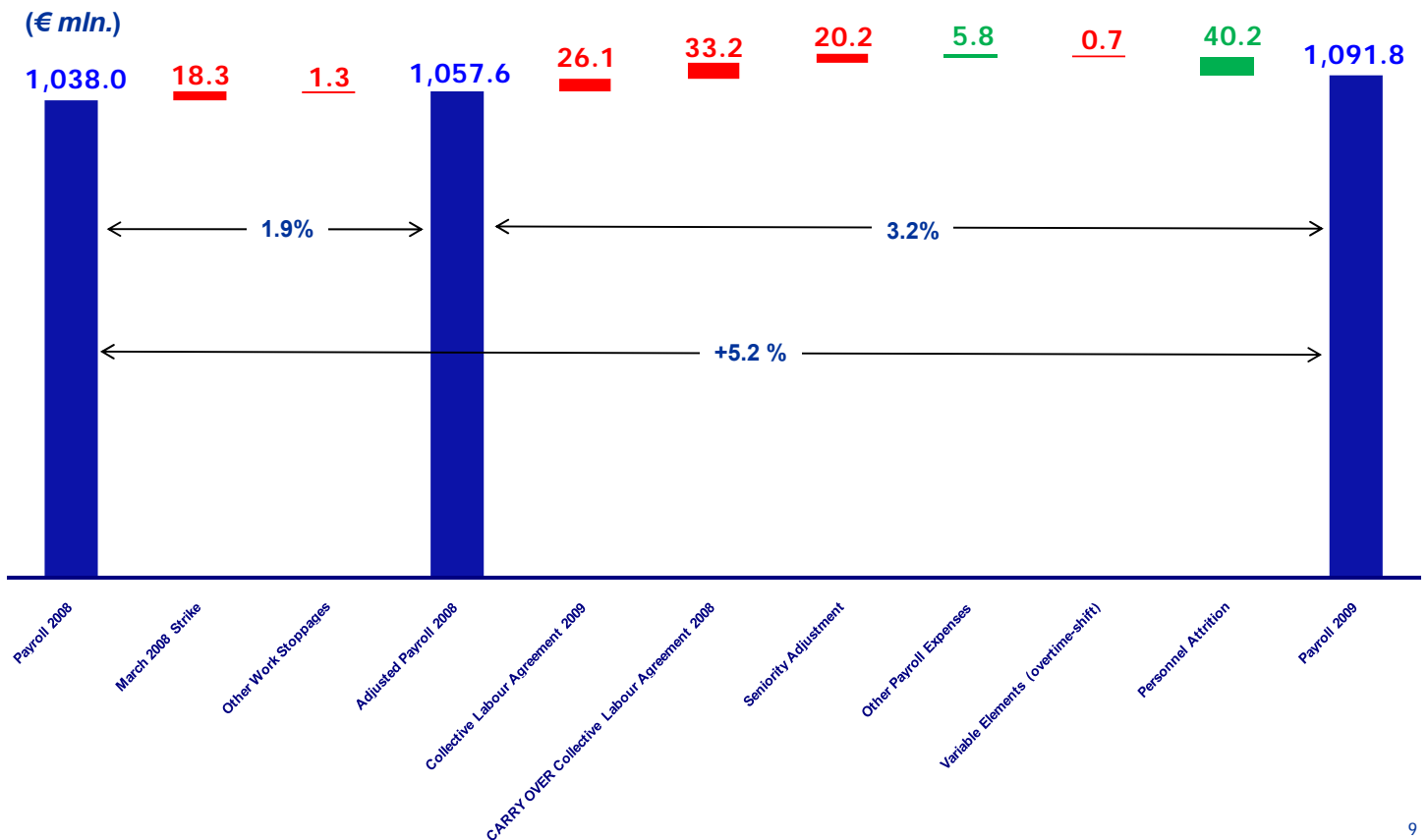
On the demand side, we see electricity sales declining by 6,2% from 43,062 GWh to 40,385 GWh (a decrease of 2,677 GWh), mainly due to:

- > the reduction of sales to the industrial sector by 17%, as a result of economic conditions
- > the reduction of sales to the agricultural sector by 16.8%, as a result of increased rainfalls.
- > the reduction of residential sales by 2.4%, as a result mainly of relatively mild weather conditions
- > the reduction of commercial sales(-1.4%) from 12,884,000 MWh to 12,701,000 MWh, which is attributed by approximately 80% (147,000 MWh), to the loss of market share to other suppliers. It must be noted that the loss of market share intensified in 3Q 2009

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Adjusted Evolution of Payroll Expenses 9M2009 vs 9M2008



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Payroll expenses increased by €53.8 m (5.2%), from €1,038.0 m in 9M 2008, to €1,091.8 m. This increase is attributed to the reduced 9M 2008 payroll cost by €18.3 m due to the March strike, the carry over from the 2008 collective bargaining agreement payroll increases (3.5% from 1.2.08 and 3.5% from 1.9.08) and the corresponding 2009 increases 3% and 3.5% from 1.2.09 and 1.9.09 respectively. On the other hand, the reduction in full time employees by 773 from 23,900 at the end of 9M 2008 to 23,127, reduced payroll expenses by €40.2m.

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Evolution of Total Payroll Expenses 9M2009 vs 9M2008

(€ mln.)

	9M2009	9M2008	Δ	Δ%
Total Payroll	1,249.8	1,175.3	74.5	6.3
Capitalized Payroll	158.0	137.3	20.7	15.1
P&L Payroll	1,091.8	1,038.0	53.8	5.2
Capitalization ratio	12.6%	11.7%		
Capex	760.4	717.3	43.1	6.0

The increase of CAPEX for distribution networks by 24 % and transmission network by 17%, fully accounts for the increase in the capitalization ratio.

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Looking at the total payroll expenses, the increase in the 9M 09 vs 9M 08 amounts to 6.3% compared to 5.2% in the P&L payroll, as a result of a higher capitalization ratio, which is, in turn, due to the increase of labor-intensive capex for distribution networks (by 24%) and transmission networks (by 17%).

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Evolution of Fuel and Energy Prices paid by PPC in 9M2009

	Fuel & Energy Prices 2009	Fuel & Energy Prices 2008	Price Change (%)	9M2009 Quantities	Change in Quantities (%) 9M2009 vs 9M2008
Heavy Fuel-oil (€/tn)	271.93	420.75	-35.4	1,117,636 tn	-12.7
Diesel-oil (€/klit)	456.94	701.74	-34.9	329,679klit	-21.7
Natural Gas (€/kNm ³)	0.27827	0.34286	-18.8	1,231.1mNm ³	-35.7
System Marginal Price (€/MWh)	44.88	88.68	-49.4	4,404 GWh	-18.0
PPC Imports (€/MWh)			-22.9	2,147 GWh	-21.8

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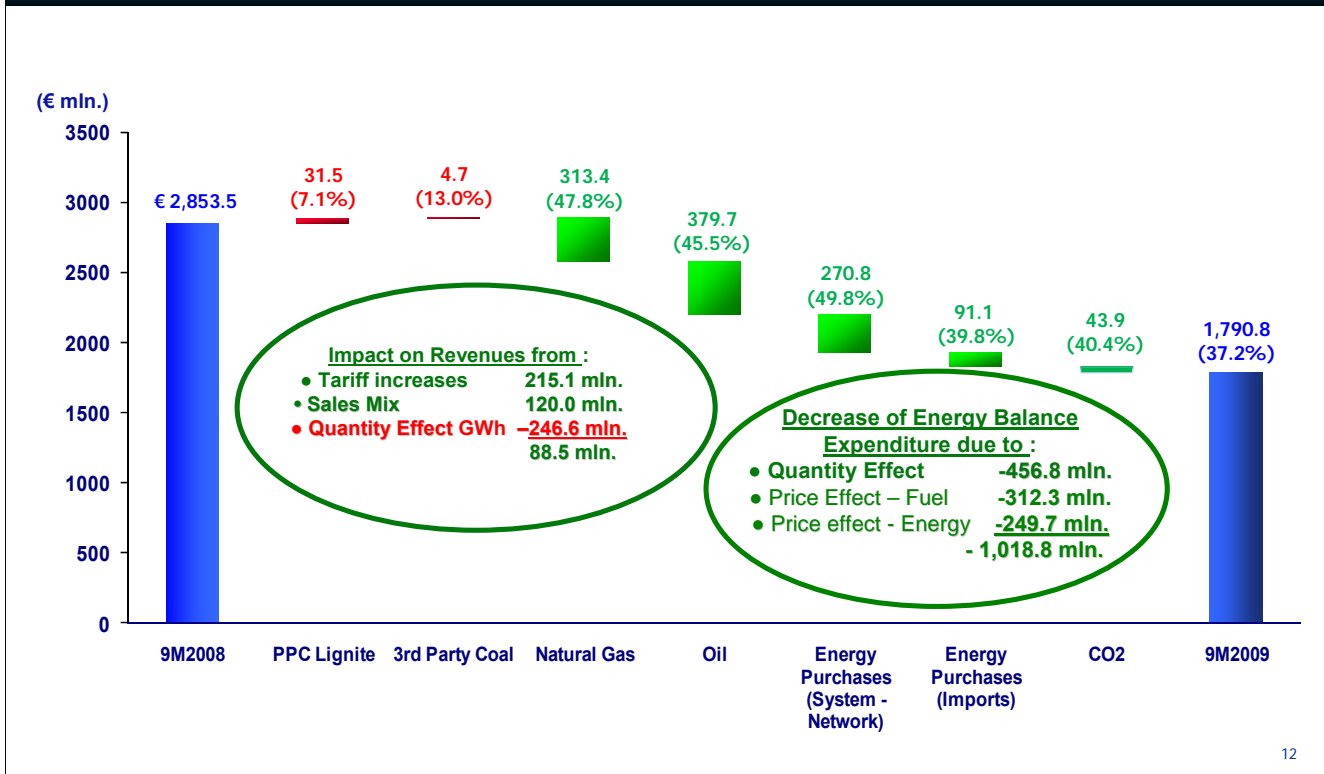
Prices for heavy fuel oil decreased on average by 35,4%, for diesel oil by 34,9% and natural gas prices decreased by 18.8% due to the time lag effect.

The System Marginal Price decreased by 49.4% while the average price of PPC Imports decreased by 22.9%.

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Total fuel and energy purchases expenditure 9M2009 vs 9M2008



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Compared to 9M 2008, the impact on the energy balance expenditure due to the evolution in prices of liquid fuel, natural gas, energy purchases and lignite, resulted in a reduction of expenditure of €562 m, of which €312.3 m is attributed to the fuel price effect and €249.7 m to the Energy price effect, whereas the impact of the lower quantities of fuel, amounted to €456.8 m, leading to total savings of € 1,018.8 m.

More specifically the decrease in power generation from natural gas by 3,185,000 MWH (-36.1%) together with the decrease in natural gas prices by 18.8% resulted in the decrease in the relevant expenditure by €313.4 m (-47.8%), from €656.0 m in 9M 2008 to €342.6 m in 9M 2009.

The reduced oil-fired generation by 915,000 MWH (-14.1%), coupled to the impact from the decrease of heavy fuel oil and diesel oil prices by 35.4% and 34.9% respectively and the partial substitution of diesel generation by heavy fuel oil, resulted in the decrease of the respective expenditure by €379.7 m (-45.5%), from €834.3 m in 9M 2008 to €454.6 m.

Expenditure for energy purchases decreased by €361.9 m (-46.9 %), €270.8 m less energy purchase expenditure from the system and the network and €91.1 m less imports expenditure, from €72.1 m in 9M 2008 to €410.2 m, due to the purchase of lower quantities of energy from the System and the Network by 924,000 MWH (-16%), the decrease of the System Marginal Price by 49.4%, the decrease in PPC import prices by 22.9%, while, PPC imports also decreased by 598,000 MWH (-21.8%).

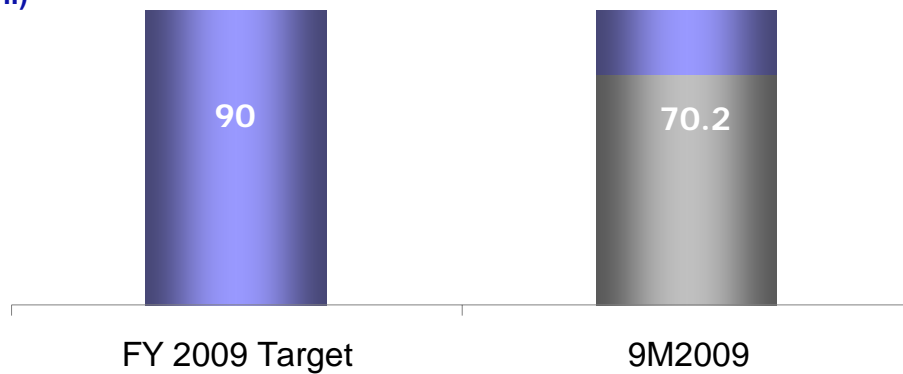
On the revenue side, the impact from tariff increases (€215.1 m) and sales mix (€120 m) amounted to € 335.1 m, whereas lower quantities sold had a negative contribution of € 246.6 m.

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Cost Savings

(€ mln.)



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Cost savings of controllable costs in the nine months 2009, amount to € 70.2 m against a full year target of € 90 m. Savings achieved so far mainly relate to delays of planned new hirings, reduction of subcontracting activity and containment of overtime.

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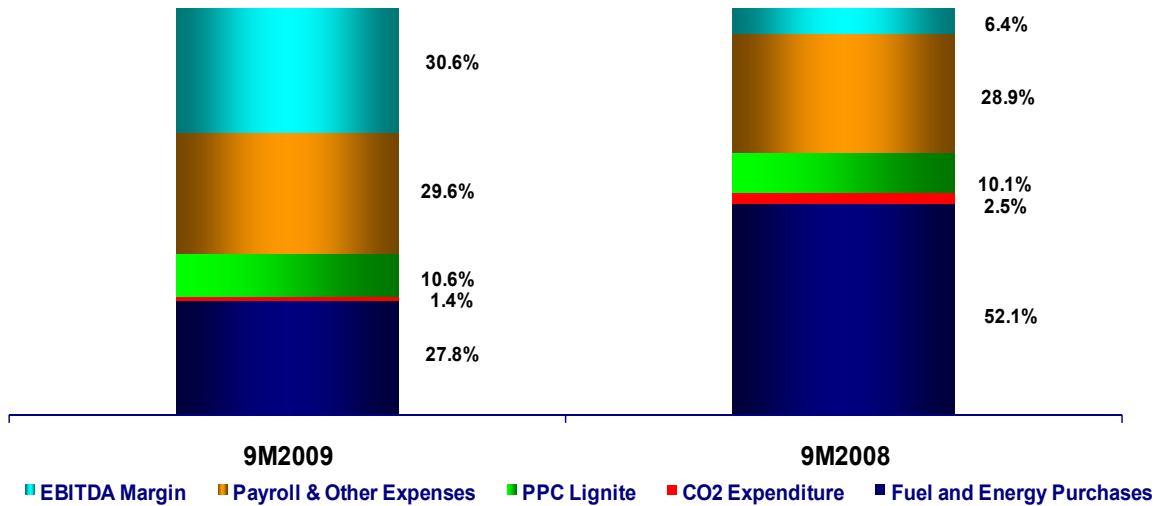
Fuel, other energy costs and EBITDA as percentage share of Revenues 9M2009 vs 9M2008

Total Revenues

€ 4,494.5 mln.

Total Revenues

€ 4,416.3 mln.



In 9M2009, 29.2% of revenues was absorbed by expenses for fuel, energy purchases and CO2 vs 54.6% in 9M2008. As a result, EBITDA margin almost multiplied by five to 30.6% from 6.4% in 9M2008.

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While in 9M 2008, 54.6 % of the Company's revenues was absorbed by expenses for liquid fuel, natural gas, energy purchases and CO2 emission rights, the respective percentage in 9M 2009 marked a vertical drop to 29.2%.

As a result, EBITDA margin almost multiplied by five to 30.6% from 6.4% in 9M 2008.

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Net Debt - Liquidity

- **Decrease in net debt by € 433 m from € 4,544 m as of year end 2008, to € 4,111 mln. on 30/9/2009.**
- **Remaining maturities for Q4 2009 : € 248 mln.**
- **Available liquidity as of 30/9/2009 : € 1.6 bln.**
- **Next major bullet repayment (€ 400 mln.) in November 2010.**

As a result of positive cash flow generation, net debt decreased by € 433 mln. to € 4.111 m on 30/9/09 from € 4.544 mln. as of year end 2008.

Remaining maturities till end 2009 amount to € 248 mln.

As of end September 2009 we have secured available liquidity in the order of € 1,6 bln.

Next major bullet repayment (€ 400 mln.) is due in November 2010.



Business Update & 2009 Outlook

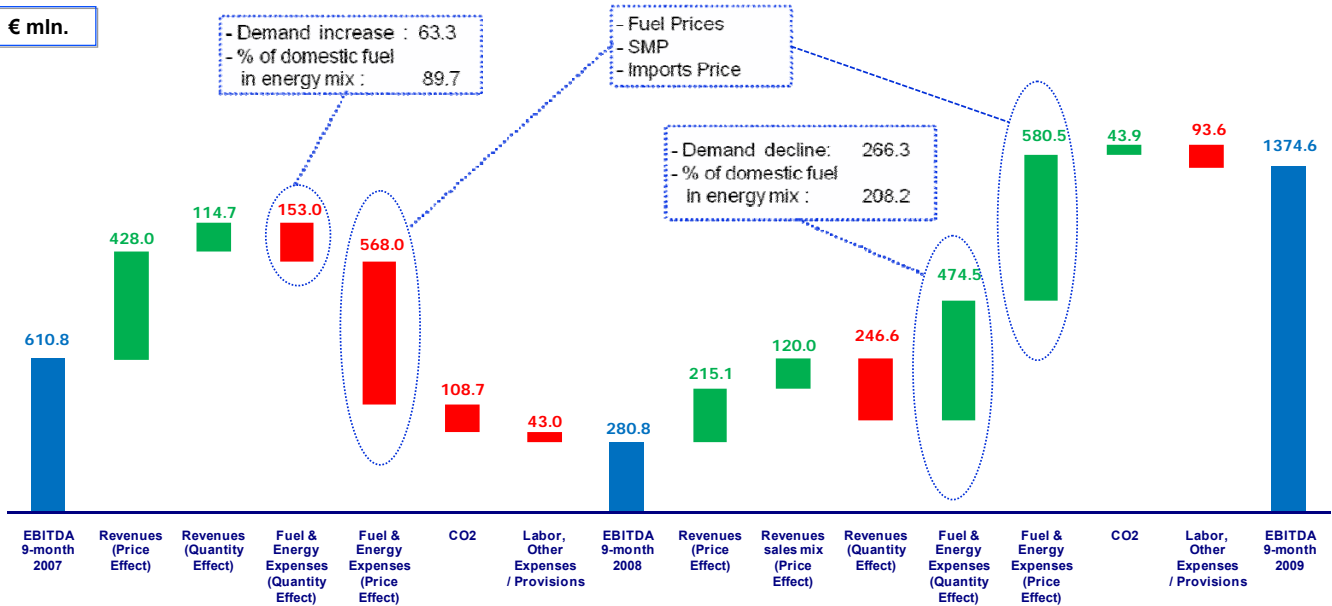
Takis Athanasopoulos
Chairman of the Board and Chief Executive Officer

Following Mr. Angelopoulos' presentation on the 9 months 2009 financial results, I would like now to update you on major operational developments and full year outlook.

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Our financial performance is heavily dependent on exogenous factors.



The fluctuation in fuel and energy prices caused a c. € 1.2 bln swing in profitability between 9M 2007-2008 and 2008-2009

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As I have stated in a number of occasions, the evolution of the financial results over the last two years clearly demonstrates how vulnerable PPC is to the fluctuations of exogenous factors.

With the exception of the increased lignite generation, the complete turnaround in PPC's financials in 2009 was drastically influenced by factors outside PPC's control: the sharp drop in fuel and energy prices, the increased participation of hydro generation in the energy mix as well as the drop in demand, mainly in low tariff customer segments.

More specifically, the fluctuation in fuel and energy prices, alone, caused approximately a € 1.2 bln swing in profitability between 9M 2007-2008 and 2008-2009

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Good profitability in 2009, while the customer continues to enjoy low electricity bill.

Electricity Prices for households (including all taxes) – September 2009			
Sort by Price	City	€ cent / kWh	Change comparing with previous month
1	Copenhagen	29.90	▲
2	Berlin	21.29	▶
3	Luxembourg	19.86	▼
4	Vienna	19.71	▶
5	Amsterdam	19.55	▶
6	Brussels	19.22	▼
7	Dublin	18.13	▼
8	Rome	16.64	▶
9	Madrid	16.18	▲
10	Lisbon	15.71	▲
11	London	14.59	▲
12	Stockholm	13.91	▲
13	Paris	12.35	▲
14	Helsinki	11.44	▶
15	Athens	11.43	▶

(source : E-Control and VaasaEET)

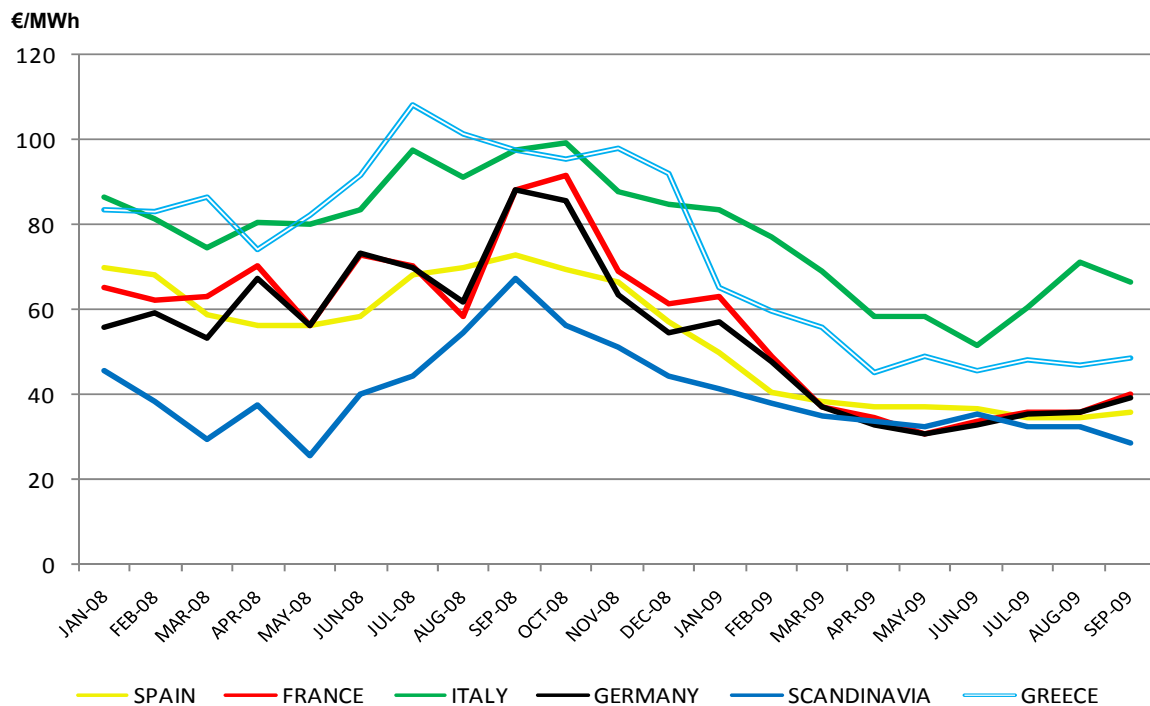
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From the above table, it is evident that PPC's good profitability this year does not prevent the Greek consumer to continue to enjoy the lowest electricity bill in EU-15.

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Comparison of European Settlement Prices



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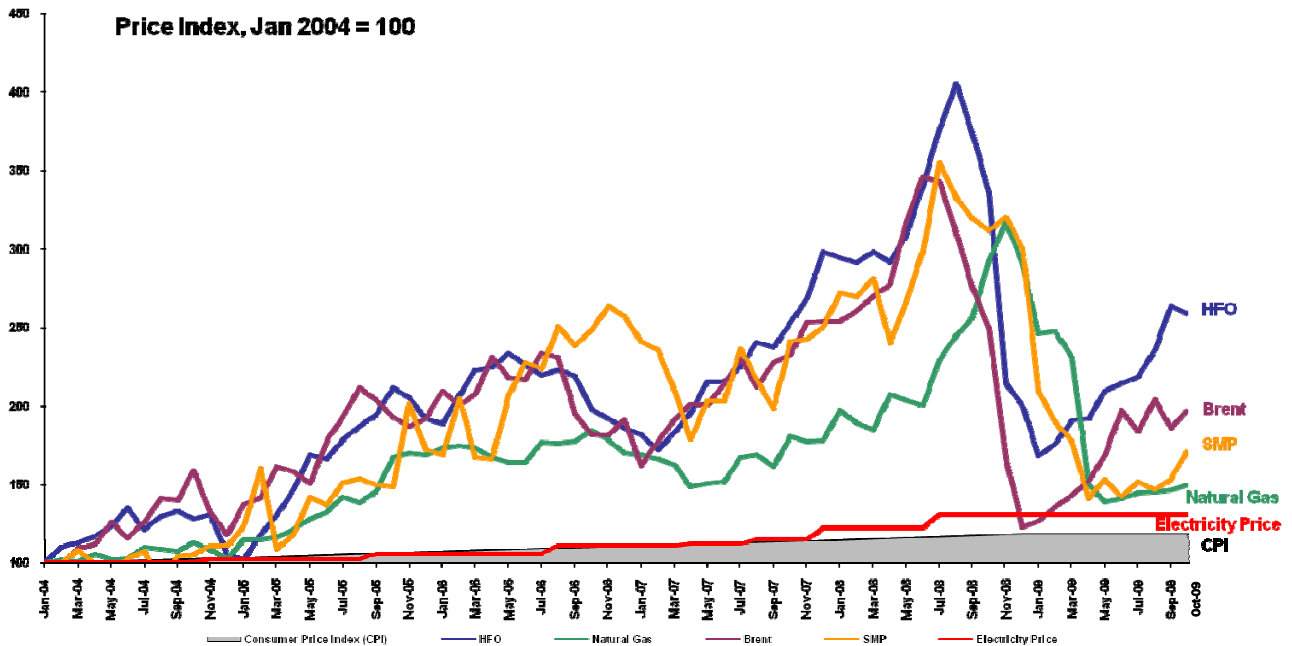
In 2009, the System Marginal Price in Greece converged to that of the mainstream European countries, as the reserve capacity margin became wider.

Under conditions of a shrinking reserve capacity margin (system stress), as was the case in 2008, there was a spike in the System Marginal Price, which, during most of 2008, was at the high end of the range of European prices, resulting for last year in a significant cost burden for PPC.

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The evolution of the tariff level in the recent years has failed to track the fluctuations in the fuel and energy prices resulting in significant earnings volatility.



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The evolution of the tariff level in the recent years has failed to track the fluctuations in the fuel and energy prices resulting in significant earnings volatility.

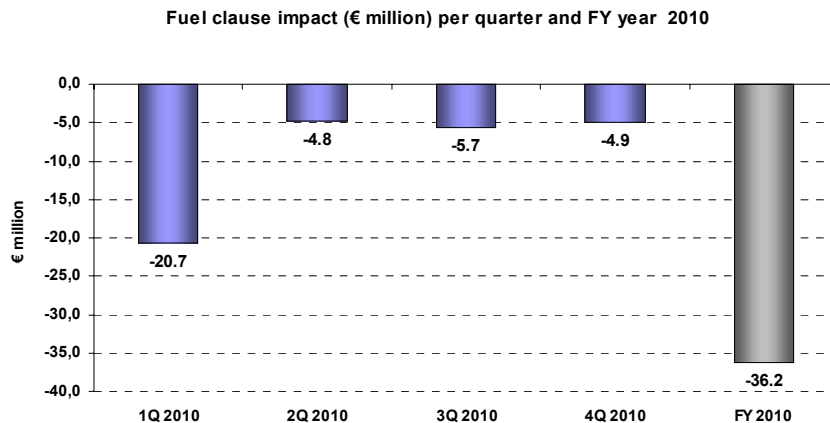
The underlying factors of this volatility are: the commodity price fluctuations, on the one hand, and, the fluctuation of the System Marginal Price, on the other, whose absolute level is also determined, as mentioned before, by the reserve capacity margin and PPC's obligation to act as the last resort, which in turn means having to operate some of its old and inefficient units. All of these factors need to be addressed in order to achieve a sustainable level of earnings necessary to fund investments in fleet renewal with more efficient and environmentally friendly units, so that tariffs can remain low in the future.

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A responsive and neutral fuel clause is a necessary instrument to mitigate earnings volatility. . .

Under current commodity environment, the application of the fuel clause in 2010 will result in a slight tariff reduction.



Quarter	Tariff impact €/MWh)
1Q 2010	-1.47
2Q 2010	-0.35
3Q 2010	-0.35
4Q 2010	-0.35

Reference prices set at the end of 2007 : 290€/Mt for HFO and 25.5€/MWht for Natural Gas

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In order to mitigate earnings volatility stemming from the fuel price fluctuation, we need a responsive fuel clause that acts as a neutral instrument between the company and the customer.

The approved fuel clause intends to mitigate the volatility related to the oil and natural gas price fluctuation in the interconnected system.

The fuel clause was not applied for the last two years and is scheduled to start being implemented as of Jan. 1st, 2010.

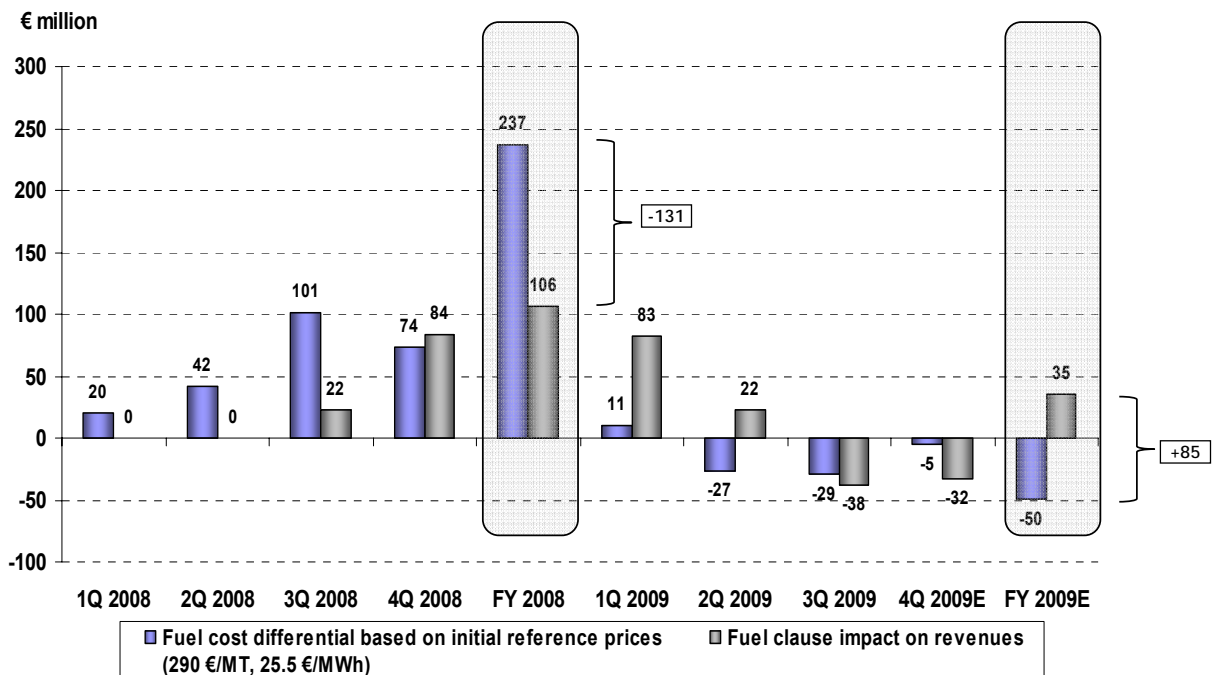
Reference prices were set at the end of 2007 at 290€/Mt for HFO and 25.5€/MWht for Natural Gas.

Under the current commodity environment, Brent oil at 78\$/bbl and 1.47 \$/€ exchange rate resulting in 320 €/MT for HFO and 25.8 €/MWht for Natural Gas, it is estimated that the application of the approved fuel clause in 2010, will have as a result a slight reduction in tariffs and a negative impact on revenues in the order of € 36 million.

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... however, the existing fuel clause is not time and price - responsive.



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If the fuel clause was in effect since the beginning of 2008, when the reference prices were set, PPC would have recovered €106 million in 2008 against incremental fuel costs of €237 million in the interconnected system. Another €105 million would have been recovered, with a lag, in the 1st half of 2009, despite a falling commodity environment. This lack of time responsiveness creates a mismatch between the time the actual costs are being incurred and the time that they are reflected in the tariffs, not easily understood by the customer.

Similarly, in 2009, although on an annual basis fuel cost differential in the interconnected system is estimated to go down by app. €50 million, the fuel clause would have a positive contribution to revenues in the order of €35 million, leading to an overall net positive effect for PPC of €85 million for 2009. This means, that as the fuel prices evolve in the course of the year, the postponement of the application of the fuel clause from Jan 2009 to Jan 2010 actually will not benefit PPC as it is widely perceived.

It is clear that the existing fuel clause is not time and price responsive. This is due to the existence of primary ($\pm 10\%$) and secondary ranges ($\pm 20\%$) and the lag effect resulting from the quarterly application.

Therefore, we believe that, as it has been decided, the fuel clause should be applied, with a request to RAE to review it and make it more responsive in terms of time and impact.

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Generation Investment Plan: Installation of Thermal Power Plants (TPPs) in the Interconnected System

Power Stations	Fuel	Installed Capacity (MW)	Commissioning Year	Stage
Aliveri V	Natural Gas	427	2011	Under construction
Megalopolis V	Natural Gas	835	2012	Contract awarded
Ptolemaida V	Lignite	550-660	2016	Tender Approved by BoD
Meliti II	Lignite	350-450	2016	Tender Approved by BoD
Aliveri VI	Coal	800		Reassessment
Larymna	Coal	800		Reassessment

Under Construction
Or Contract Awarded

Ready to Tender

Not in Progress /
Reassessment

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The execution of the Generation Investment Plan is of key importance to deliver the Business Plan targets. Although we have faced delays, mainly due to external factors, significant progress has been made.

- We recently obtained the Building Permits for the 427 MW CCGT Plant in Aliveri and construction has commenced. Completion is expected by end 2011.
- We awarded the Contract for the construction of the 835MW CCGT plant in Megalopolis the commissioning of which is expected by 2012.
- We have completed the tender documents for a 550-660 MW Lignite Plant in Ptolemaida. We are working on smoothing out the final details for the conclusion of the necessary land expropriation in Pontokomi and Mavropigi communities in order to proceed as soon as possible with the issue of the tender. We will issue the tender as soon as we receive the preliminary environmental approval.
- We are ready to proceed with our second call for tenders for the 350 - 450 MW Lignite Unit of Meliti II as soon as the State decides the award of exploitation rights for the yet unassigned part of the Vevi mine. This assignment as well as the co-exploitation of the deposit, between the party to be awarded with the rights and PPC, is absolutely necessary so that PPC can effectively exploit its own part of Vevi mine to feed both Meliti Units.

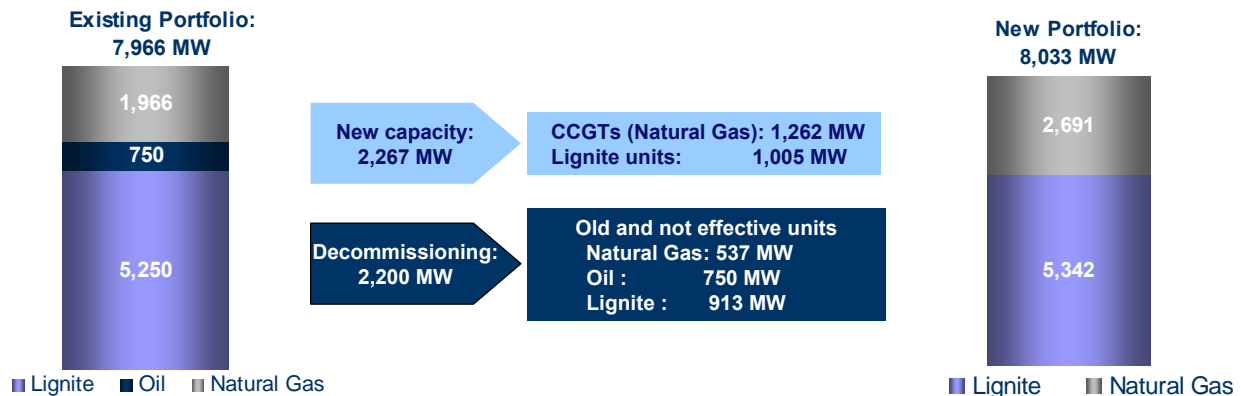
The Investment Plan for building two hard coal units (Aliveri VI and Larymna) is being reassessed following the State decision to exclude hard coal from the country's energy mix.

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Generation Investment Plan: Existing vs. New Portfolio of TPPs in the Interconnected System with the exclusion of the two hard coal plants

New Capacity and Decommissioning Plan up to year 2016



The new portfolio, with the addition of new technology units, will lead to:

- More efficient and competitive Units. → Operating (Fuel) cost, €/MWh, will be reduced by 10%.
- CO₂ emissions reduction. → CO₂ emissions, g/KWh, will be reduced by 15%
- Dust, SO₂ and NO_x pollutants reduction. → Dust, SO₂ and NO_x emitted, g/KWh will be reduced by 55%, 75% and 15% respectively.

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According to PPC's Investment Plan the new capacity to be added in the Interconnected System up to the year 2016, excluding the two hard coal plants, sums up to 2,267 MW.

1,262 MW of the new units represent CCGT Units burning Natural Gas and the remaining 1,005 MW Lignite Units.

At the same time a number of old and inefficient Lignite, Oil and Natural Gas Units are to be decommissioned, whose installed capacity sums up to 2,200 MW.

As a result, the installed capacity of the portfolio of Thermal Power Plants in the Interconnected System will be in 2016 app. at the same level as today, around 8,000 MW and will consist of Lignite and Natural Gas Units.

With the addition of these new state of the art technology units, we will achieve:

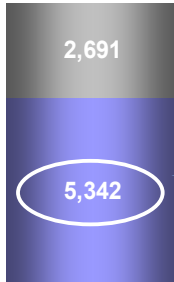
- Increased efficiency (10% fuel cost reduction),
- CO₂ emissions reduction (by 15%), and
- Dust, SO₂ and NO_x pollutants reduction (by 55%, 75% and 15% respectively).

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Generation Investment Plan: New Capacity and Decommissioning Plan after the year 2016 (1)

New Portfolio:
8,033 MW



■ Lignite ■ Natural Gas

- A number of critical base load Units (total capacity: 2,000 – 3,000 MW) may need to be decommissioned, earlier than scheduled, due to:
 - ➔ Stricter new environmental requirements (the final version of the new E.U. Directive for industrial emissions is pending for approval - expected no later than in the next six months).
 - ➔ Obsolescence (technical and economic) of the units.

- Expecting the finalization of the environmental requirements set by the new E.U. Directive, PPC is reexamining its Generation Strategy, for the period after the year 2016, i.e.:
 - ✓ Retrofit a number of Units, with a significant remaining useful life, by improving and/or adding pollution abatement equipment achieving full compliance with the new environmental requirements, and/or
 - ✓ Construct new best available technology Units in order to replace the capacity of the base load Units to be decommissioned.

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A number of critical base load Units (total installed capacity: 2,000 – 3,000 MW) may need to be decommissioned, earlier than scheduled, due to stricter new environmental requirements based on the final version of the new E.U. Directive for industrial emissions, which is expected within the next six months, as well as the technical and economic obsolescence of these Units.

Expecting the finalization of the environmental requirements to be set by the new EU Directive, PPC is reexamining its Generation Strategy for the period after the year 2016, i.e.:

- **Retrofitting a number of Units by improving and/or adding pollution abatement equipment and thus achieving full compliance with the new environmental requirements (for the Units with a significant remaining useful life), and/or**
- **Constructing new best available technology Units in order to replace the capacity of the Base Load Units to be decommissioned.**

Next slide please.



Generation Investment Plan: New Capacity and Decommissioning Plan after the year 2016 (2)

The alternatives under consideration for this new capacity addition are Retrofit Lignite Units, Natural Gas CCGTs, New Lignite Units (with or without CCS), and Coal Units (with or without CCS) with the following emission characteristics compared to old lignite Units:

	CO ₂ Emissions (g/KWh,net)	Mode of operation	Fuel
Old Lignite Units	1300	Base Load	Indigenous lignite
Retrofit Old Lignite Units with CCS	140	Base Load	Indigenous lignite
CCGTs	360	Medium & Peak Load	Imported Natural Gas
New Lignite Units	140 with CCS 940 without CCS	Base load	Indigenous lignite
Coal Units	115 with CCS 770 without CCS	Base load	Imported Coal

The selection among the types of the Units, consistent with PPC Strategy, should:

maintain reliability of supply, continue to offer low prices to the customer and focus on drastically improving our environmental footprint

PPC is currently examining proposals by expert companies concerning the aforementioned technologies for the replacement of base load capacity.

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The alternatives that could be considered for this new capacity addition are Retrofit Lignite Units, Natural Gas CCGTs, New Lignite Units (with or without CCS) and Coal Units (with or without CCS) .

The emission characteristics of the type of Units under consideration in comparison to old lignite Units are depicted in the slide.

The selection among the types of the Units, consistent with PPC Strategy, should:

- maintain reliability of supply,
- continue to offer low prices to the customer and,
- focus on drastically improving our environmental footprint

PPC is currently examining proposals by expert companies concerning the aforementioned technologies for the replacement of base load capacity.

Next slide please.



Generation Investment Plan: Installation of Hydroelectric Units in the Interconnected System

Power Stations	Fuel	Installed Capacity (MW)	Commissioning Year	Stage
Mesohora	I,II	160	2011	In completion phase
Ilarionas	I,II	153	2011	In completion phase
Metsovitiko	I,II	29	2012	Tender Authorized by BoD

Under Construction
Or Contract Awarded

Ready to Tender

Not in Progress /
Reassessment

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We are also proceeding with our large Hydroelectric Projects for a total capacity of 342MW.

The Mesohora and Ilarionas Units are expected to be commissioned by 2011, whereas the tender documents for the Metsovitiko Hydro Power Plant have been approved by the BoD and the tender will be issued soon. Commissioning is expected by mid 2012.

Next slide please.



Generation Investment Plan: Installation program for Power Plants on the Islands

Power Stations	Fuel	Installed Capacity (MW)	Commissioning Year	Stage
Rhodes	Low sulphur fuel oil	115	2011	Contract signed
Atherinolakkos, Crete	Low sulphur fuel oil/Natural Gas	100	2013	Ready for new tender
Palei Galini, Crete	Natural gas/Diesel	250	2015	Land acquisition phase
Palei Galini, Crete	Natural gas/Diesel	250	2015	Land acquisition phase
Lesvos	Low sulphur fuel oil	120	2015	Licensing in process
Cyclades Interconnection			2014	Tender Authorized by BoD

Under Construction
Or Contract Awarded

Ready to Tender

Not in Progress /
Reassessment

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The installation program for power plants in the Islands is progressing. We signed the contract for the construction of a 115 MW oil-fired plant in South Rhodes, burning low sulphur heavy fuel oil and commissioning is expected to start in Q4 2011 and be completed by Q1 2012.

The tender documents for the Atherinolakkos III oil-fired plant in Crete with a capacity of 100 MW were approved by the Board of Directors and we are ready to proceed with the tender. Commissioning is expected by mid 2013.

Finally, we obtained the approval of the Environmental Impact Study for the Cyclades Interconnection and we decided to proceed with the initiation of the tendering procedures for the selection of the contractor.

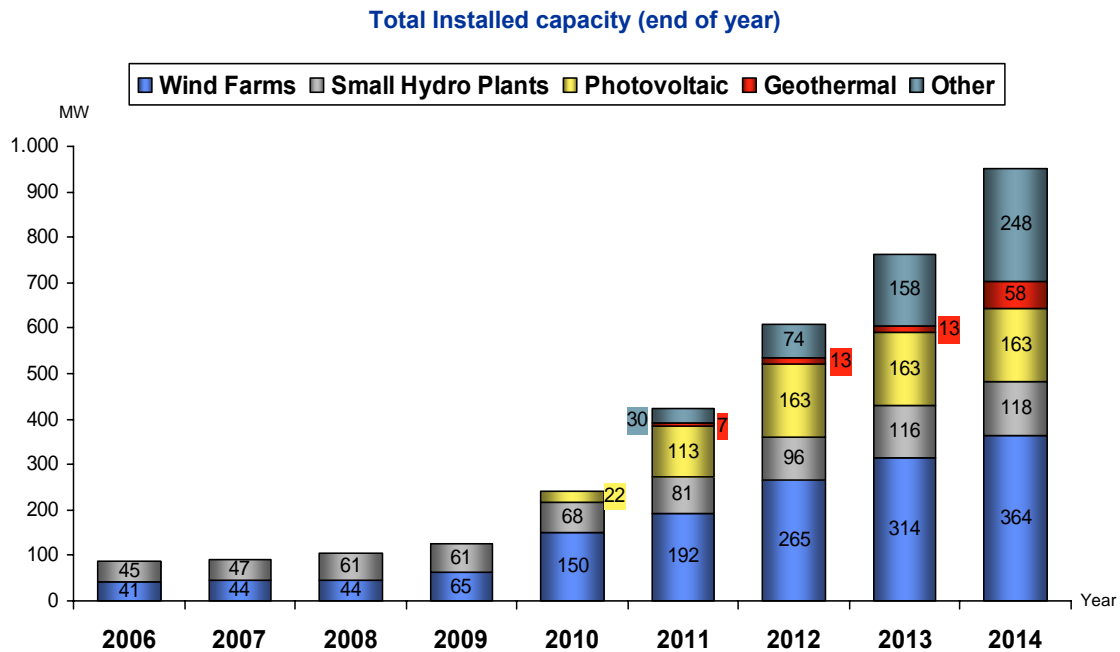
The Cyclades Interconnection Project aims at:

- The security and reliability of the energy supply in the islands of Syros, Paros, Naxos and Mykonos
- The improvement of the quality of the supplied energy at a lower cost
- The improvement of the environmental conditions in the islands due to the decommissioning or placement in cold reserve of the autonomous power stations
- The possibility of future exploitation of the geothermal fields in Milos as well as energy generated by wind farms.

Next slide please.



PPC Renewables plans to approach 1 GW installed capacity by 2014, investing about €2B



Source: Public Power Company Renewables Analysis

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- PPC Renewables has a business plan target to approach 1 GW installed capacity by 2014, investing about €2 billion.
- In 2009, we have, so far, increased our installed capacity to 125 MW, whereas we have a significant pipeline of projects.



Planned Installed Capacity for Wind Farms

Investment	Type of Renewable	Installed Capacity ¹ (MW)	Commissioning Year	Stage
Viotia ²	Wind Farm	17.7	2009	In Operation
Paros	Wind Farm	2.7	2009	Under Construction
Acquisition Targets	Wind Farm	57.5	2010	In advanced negotiations
Small WF (Rhodes, Lesvos)	Wind Farm	7.6	2010	Near Construction
Small WF [Crete (Akoumia, Koprino), Limnos, Samos (Marathokampos, Pythagoreio)]	Wind Farm	20.2	2010	Near Construction
Small WF (Sifnos, Kefalonia, Lefkada, Mykonos, Tinos, Andros)	Wind Farm	20.5	2011	Pre tender
Mouzaki ²	Wind Farm	14.7	2011	Pre tender ⁴
Re-powering I	Wind Farm	6.0	2011	Licensing
Re-powering II	Wind Farm	8.0	2012	Licensing
Andros ³	Wind Farm	58.8	2012	Licensing

1. Capacity directly allocated to PPCR 2. Developed by JV: PPCR and EDF Energies Nouvelles 3. Developed by JV: PPCR and Platina Finance. 4. Currently the project is pending before the Council of State, however it is expected to have positive results beginning 2010
Source: Public Power Company Renewables Analysis

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This year, we have completed the construction and set in operation, one of the largest WF in Greece, totaling 38 MW, through our JV with EDF EN

- **We have also started the construction for 9 WF in 7 islands, totaling 35MW, of which the one in Paros, will be finalized this year.**
- **We are strongly progressing the licensing process for several WF, of which Mouzaki 30MW and Andros 120MW could be expected to enter the construction phase within 2010.**



Planned Installed Capacity for Photovoltaic

Investment	Type of Renewable	Installed Capacity ¹ (MW)	Commissioning year	Stage
Other Photovoltaics (Atherinolakkos, Stylida I & II, Aitolikow I, Small PV)	Photovoltaic	11.0	2010	Licensing
Megalopoli I	Photovoltaic	11.0	2010	Pre tender ²
Megalopoli II	Photovoltaic	39.0	2011	Pre tender ²
Aitolikos II	Photovoltaic	4.2	2011	Licensing
JV with Piraeus Bank's industrial areas	Photovoltaic	17.4	2011	Licensing
Kozani I & II	Photovoltaic	30.0	2011	Licensing
Ptolemaida	GSP	50.0	2012	Licensing

1. Capacity directly allocated to PPCR 2. Currently the project is pending before the Council of State, however construction is expected to start early 2010
Source: Public Power Company Renewables Analysis

In 2010, we expect to start construction, one of the largest PV plants in Europe of as of today, with installed capacity of 50MW within our lignite mine area of Megalopoli. Moreover, in 2010 we expect to start construction of several PV plants, with varied installed capacity, ranging from 180KW to another large one of 30MW in Kozani.



Planned Installed Capacity for Small Hydro Plants, and Geothermal

Investment	Type of Renewable	Installed Capacity ¹ (MW)	Commissioning year	Stage
Ikaria	Small Hydro Plant & Wind Farm (Hybrid)	6.5	2010	Under Construction
Papadia	Small Hydro Plant	0.5	2010	Under or near Construction
Small Hydro Plants I (Alatopetra, Mesochora, Ilarionas, Makrochori II)	Small Hydro Plant	12.9	2011	Under or near Construction
Small Hydro Plants II (Smokovo II & IV, Ladonas, Kalamas, Pourmari III)	Small Hydro Plant	14.6	2012	Licensing
Temenos	Small Hydro Plant	15.0	2013	Licensing
Small Hydro Plants III (Arkoudorema, Imaret, Estia Edessas)	Small Hydro Plant	5.1	2013	Licensing
Lesvos I	Geothermal	7.2	2011	Licensing
Nisiros I & II	Geothermal	5.7	2012	Licensing

1. Capacity directly allocated to PPCR
Source: Public Power Company Renewables Analysis

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- In 2010, we are expecting to finalize construction the first RES Hybrid plant (Wind and Hydro) in Europe in the island of Ikaria.

-Finally in Geothermal, we will conclude the licensing process of Lesvos project in 2010 and start the construction of the first geothermal plant soon after, and to be followed by larger Geothermal investment in Nisiros and Milos.

Next slide please.



Joint Ventures

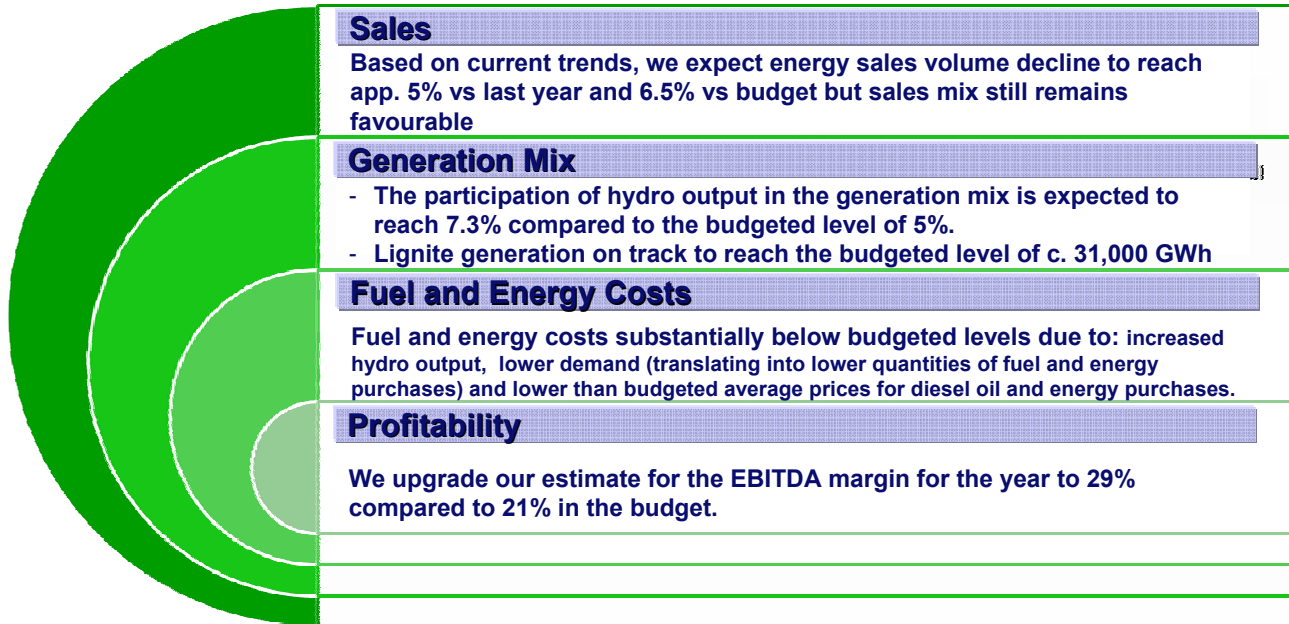
Partnerships	Scope	Territory	Commissioning Year (est.)	Stage
Halyvourgiki	880 MW CCGT	Greece	Q1 2013	Obtained Approval of National Competition Authority for the JV License Transfer Pending
RWE	800 MW Hard Coal Plant	Albania	2016	Awaiting Government decision on submitted Investment Proposal
Urbaser	2 sites of 25 MW Waste-to-Energy (WtE) Plant	Greece	N/A	Awaiting Government progress on waste treatment Public Tenders
Quantum Corporation Limited and Bank of Cyprus	166 MW (2 HPPs)	Bosnia	2015	Ready to submit Investment Proposal to Government
SENCAP/ENEL	1,000 MW Lignite TP & Mine	Kosovo	N/A	Awaiting Government Progress on Competitive Process
RWE	250 MW HPPs Cascade	Albania	N/A	Awaiting Government Announcement for a Concession Tender

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Significant steps were also taken regarding the establishment of joint ventures and partnerships for investments in Greece and expansion in new markets, in line with our Strategic Plan.

The progress made so far is summarized in the slide.

Next slide please.



With respect to the full year outlook,

- Based on current trends, we expect energy sales volume decline to reach 5% compared to last year and 6.5% compared to budget but sales mix still remains favourable as the significant drop in industrial demand continues to outweigh by far the decrease in residential and commercial consumption
- The participation of hydroelectric generation in the energy generation mix is estimated to reach 7.3% compared to 5% in the budget, whereas the lignite generation is on track to reach the budgeted level of 31 thousand GWh.
- This fact, in combination with the demand drop and the lower than budgeted average prices for diesel oil and energy purchases, is expected to lead to lower energy balance costs compared to budget.
- We upgrade the estimate for the EBITDA margin for the year to 29% compared to 21% in the budget.

Next slide please.



2009

A year with a good return on assets, given prevailing favorable conditions compared to previous years, but still not quite adequate to comfortably fund our ambitious investment program that will permit us:

- to continue to offer reliable electricity services,
- maintain our low prices, and
- drastically improve our environmental footprint

Going forward

New regulated cost reflective tariff structure (*proposals already submitted to RAE*) in order to:

- mitigate distortions between and inside tariffs
- allow for the differentiation of energy sensitive customer groups
- permit consolidation of customer categories, leading to the decrease of the number of tariffs
- incorporate proper fuel clause

Efficiency improvements through :

- fleet renewal and
- cost cutting initiatives

2009 is turning out to be a year with good return on assets, given prevailing favorable conditions compared to previous years, but still not quite adequate to comfortably fund our ambitious investment program that will permit us:

- to continue to offer reliable electricity services,**
- maintain our low prices, and**
- drastically improve our environmental footprint**

Going forward, and in order to ensure sustainable profitable growth, management key priorities are:

- **new regulated cost reflective tariff structure in order to :**
 - mitigate distortions between and inside tariffs**
 - allow for the differentiation of energy sensitive customer groups**
 - permit consolidation of customer categories, leading to the decrease of the number of tariffs and,**
 - incorporate proper fuel clause**

as well as

- **efficiency improvements through :**
 - fleet renewal and**
 - cost cutting initiatives**



DISCLAIMER

Some of the information contained herein includes forward-looking statements. It is noted that the Company is subject to various risks, which, among other, relate to \$/€ exchange rate, oil, natural gas and electricity prices as well as the price of CO2 emission rights that could cause actual results to differ materially from those anticipated in the forward-looking statements.