PUBLIC POWER CORPORATION S.A.

ANNUAL REPORT 2010

JUNE 2011

PUBLIC POWER CORPORATION S.A.

ANNUAL REPORT

JANUARY 1, 2010 - DECEMBER 31, 2010

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PART A

1. Selected financial and operating data

Summary Financials (Euro million)

	GROUP			PARENT COMPANY		
	2010	2009	Δ%	2010	2009	Δ%
Total Revenues	5,811.4	6,030.4	-3.6%	5,793.7	6,017.1	-3.7%
EBITDA	1,497.7	1,677.5	-10.7%	1,483.2	1,668.1	-11.1%
EBITDA Margin	25.8%	27.8%		25.6%	27.7%	
Profit/(Loss) before Taxes & Fin. Expenses (EBIT)	871.3	1,136.1	-23.3%	861.1	1,131.8	-23.9%
EBIT Margin	15.0%	18.8%		14.9%	18.8%	
Net Income/(Loss)	557.9	693.3	-19.5%	546.5	690.7	-20.9%
EPS/(Loss) (In euro)	2.40	2.99	-19.7%	2.36	2.98	-20.8%
No of Shares (m.)	232	232		232	232	
Net Debt	4,210.3	4,056.3	3.8%	4,213.2	4,064.6	3.7%

Summary Balance Sheet & Capex (Euro million)

	GROUP			PARENT COMPANY		
	2010	2009	Δ%	2010	2009	Δ%
Total Assets	16,200.4	15,784.2	2.6%	16,171.2	15,768.9	2.6%
Net Debt	4,210.3	4,056.3	3.8%	4,213.2	4,064.6	3.7%
Total Equity	6,769.5	6,461.3	4.8%	6,746.3	6,449.2	4.6%
Capital expenditure	962.7	1,103.6	-12.8%	928.1	1,088.3	-14.7%

2. Company information

2.1 General Information

PPC was incorporated as a Societe Anonyme on 1st January 2001, under the Liberalisation Law (2773/1999). Until January 2001 PPC was wholly owned by the Hellenic Republic.

The corporate seat is in the Municipality of Athens, Greece. PPC's executive offices are at 30 Chalkokondyli Street, 104 32 Athens, Greece.

In accordance with article 3 of the Articles of Incorporation, currently the object of the Company is:

a) the engagement in commercial and industrial activities in the energy sector, in Greece and abroad. These activities shall include, but not be limited to:

- the study, supervision, construction, exploitation, maintenance and operation of power plants, as well as, of transmission and distribution networks,
- the supply and sale of electricity,
- the extraction, production and supply of energy raw materials,
- the assignment to third parties, by virtue of contract, of any activity similar to those set forth herein above.

b) the engagement in commercial and industrial activities in the telecommunications sector, the provision of services to third parties related to Projects study, management and supervision issues, the provision of services to third-party Companies on organization and information technology issues, as well as the exploitation of all kinds of assets held by the company.

c) the establishment of companies, the participation in joint ventures, as well as, the acquisition of shares of other companies, Greek or foreign, and, in general, the participation in enterprises pursuing aims similar to those under (a) and (b) of this paragraph or, the activities of which (enterprises) are directly or indirectly related to the objective of the company or which have as objective the profitable use of the movable or immovable assets of the company and the exploitation of its resources.

In order to attain the objectives referred to in the preceding paragraph, PPC S.A. may, in particular, a) conclude any kind of contracts or agreements with domestic or foreign natural or legal persons and inter-state organizations, b) participate in the capital of existing companies or in the capital of companies to be established in the future, grant loans to the said companies and furnish guarantees in their favor, c) issue any bonded loans of any nature whatsoever and participate in the share capital of companies to which the company has granted loans through the conversion or not of the bonds of the aforesaid loans into shares.

The company may engage in any other action or activity in order to fulfill its objectives within the scope of the Articles of Incorporation hereof and of the standing provisions, in any commercial or other activity and perform any material or legal act, directly or indirectly connected with its objectives.

The Company has secured the trademark No. 160076 "Public Power Corporation Societe Anonyme" and "P.P.C. S.A."

In accordance with the classification of the Hellenic Statistical Authority (EL.STAT) (STAKOD 03), the economic activity of PPC S.A. comes under:

Branch of Economic Activity (STAKOD 08)	***Total revenues*** 1.1.2010 – 31.12.2010
«Generation, transmission and distribution of electric energy», 35.1	€ 5,811.4 million

2.2 Historical background

PPC was established in 1950 having as purpose to generate, transmit and distribute electricity throughout the Greek territory. Prior to the establishment of PPC, the right to generate, transmit and distribute electricity had been assigned by the Greek Government to private and municipal companies.

PPC started its operation in 1953 by generating and selling electric energy to the abovementioned private and municipal companies. During the period 1957-1963, the Company bought out the above electric companies, including the Electric Company of Athens-Piraeus Ltd, which used to service the largest urban area of Greece and was generating a significant percentage of the total electricity consumed in the Greek market.

The Laws 1559 and 2244 which were enacted in the years 1985 and 1994 respectively, provided for a relevant exception from PPC's exclusive right in electricity generation mainly in order to give the right to industrial companies to generate electricity for their own use. Moreover, the said legislation allowed individuals to generate electricity from renewable sources and cogeneration exclusively for commercial use.

By virtue of Law 2773/1999 concerning the liberalization of the electricity market and pursuant to the PD 333/2000, PPC, as of January 1st 2001, was converted into a societe anonyme wholly owned by the Greek State having as main purpose the generation and supply of electric energy.

In December 2001, following an increase of share capital and an offering of existing shares held by the Hellenic Republic, PPC's shares were listed on the Athens Exchange. In parallel, GDRs were admitted to London Stock Exchange.

The Hellenic Republic further reduced its stake in PPC through secondary offerings in December 2002 and October 2003 and now holds 51.12% of the company's share capital.

2.3 Overview of Company's activities

PPC S.A. is Greece's largest electricity generator, the sole owner of transmission and distribution assets, providing electricity to approximately 7.5 million customers. It is also the owner of the National Electricity Transmission System, as well as of the Distribution Networks.

PPC currently holds significant assets in lignite mines, power generation, transmission and distribution. PPC's current power portfolio consists of conventional thermal and hydroelectric power plants, as well as RES units, accounting for approximately 78% of the total installed capacity in the country.

PPC is currently active in the RES sector through its subsidiary company "PPC Renewables S.A.", with a portfolio of 20 wind farms, 12 small scale hydroelectric plants and 8 photovoltaic units of total installed capacity of 94 MW (not including 8 plants in which PPC Renewables participates through joint ventures: PPC's share out of their total installed capacity is 29,1 MW).

Most of the country's electricity is generated at power plants in Northern Greece, in close proximity to the majority of the lignite mines, which is the primary fuel source.

Some of the islands, in close proximity to the mainland, such as the Ionian islands and certain Aegean islands, are connected to the mainland transmission system through submarine cables ("the Interconnected System").

The remaining islands, which are referred to as "the non-interconnected islands", are served by autonomous generating power plants (oil-fired). In some of the islands, demand is also covered by wind-powered facilities. The largest power plants in the non-interconnected islands are in Crete and Rhodes (with total thermal capacity exceeding 1000 MW).

In 2010, PPC's electricity generation including electricity imports, covered 77.3% of total demand.

The following table shows selected operating data for the electricity operations for the three years ended 31st December 2010, 2009 and 2008:

Year ended 31st December	2010	2009	2008
Installed Capacity (GW)	12.8	12.8	12.8
Net Production (TWh) (1)	45.5	50.1	52.4
Electricity sold to end customers (TWh)(2)	51.6	53	55.9
Customers year end in millions	7.5	7.6	7.5
Number of employees (3)	21,845	22,582	23,611
Customers served per employee	343	335	316
Electricity sold per employee (MWh)	2,362	2,349	2,368

(1) Net production equals gross production of electricity less internal consumption of electricity in the generating process.
(2) Including domestic sales and exports.
(3) Excluding the employees of HTSO S.A.. while including in 2010. 375 employees who retired on December 31st 2010.

In 2010, PPC's power generation mix involves generation from lignite (60.3%), oil (11.1%), natural gas (13.3%), hydroelectric (14.7%) and renewable energy sources (0.6%).

2.4 Challenges and Strategic priorities

PPC is currently faced with important changes, mainly relating to the regulatory framework governing the energy market liberalization, which impact its operating model.

In this new competitive landscape, that is shaping up, PPC's goal is to secure its sustainable growth with:

- investments in new, more efficient and environmental friendly units, for the replacement of old and inefficient plants,

- focus on customer-centered sales philosophy in conjunction with the rationalization of tariffs,
- optimization of business and financial risks management,
- promotion of renewable investments in order to increase their participation in our energy mix,
- expansion in foreign markets through partnerships,

At an organizational / operational level, PPC has set specific targets such as:

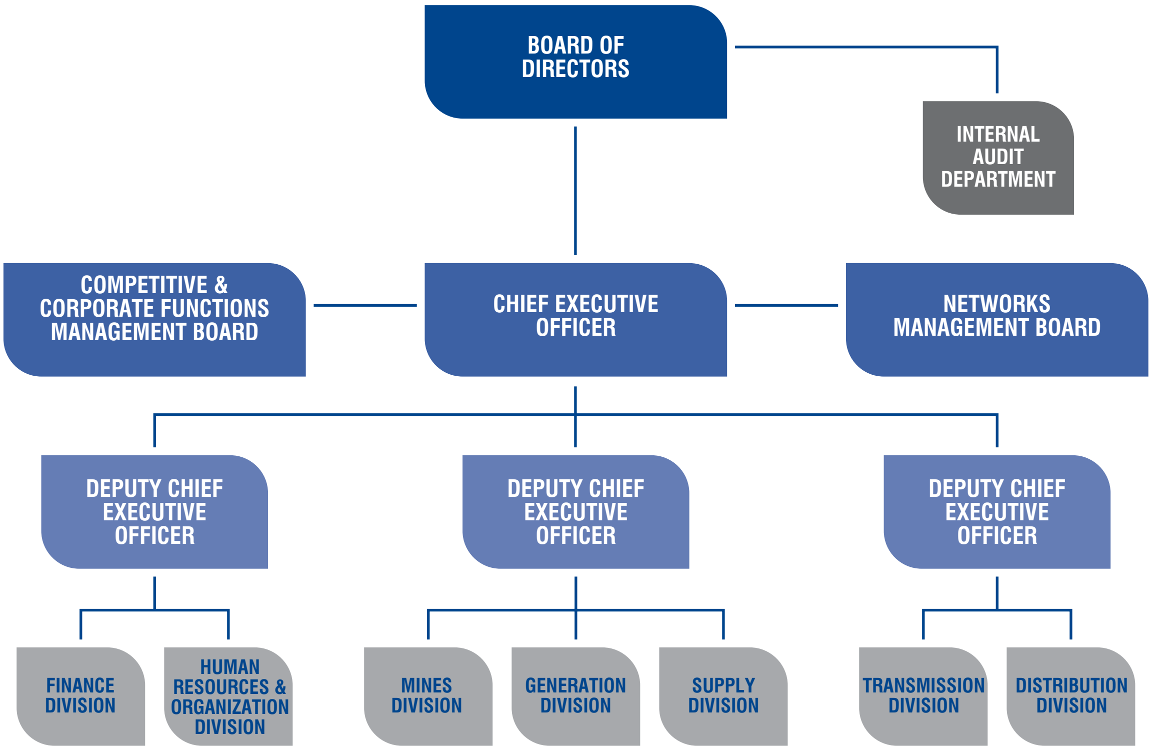
- successful implementation of the Group's new organizational structure, including the new subsidiaries of Transmission and Distribution, ensuring the independence of the market operation, and
- further cost containment in areas like overtime costs, travel expenses, contracted work, third party fees, optimization of work shifts, etc.

PPC is striving to meet abovementioned targets, while meeting the requirements of all its stakeholders, in a balancing way, by providing:

- to its customers: integrated, innovative and high quality services and products in competitive prices
- to its employees: a fulfilling work environment
- to its shareholders: maximized added value creation
- to the suppliers and partners: mutually beneficial relations
- to the environment: respect and protection
- to society: support of economic development and social welfare

3. Organizational structure, management, employees

3.1 Organizational Structure



PPC S.A.'s detailed organizational chart is posted on the company's website: http://www.dei.com.gr/Default.aspx?id=10437&nt=18&lang=2

3.2 Management - Corporate Governance

The Corporate Governance constitutes a system of principles, based on which the optimum organization, management and operation of the societe anonyme is pursued along with transparency in its relations with the shareholders and more generally the safeguarding of corporate interest.

PPC has established this corporate governance code that applies, posted on the website of the company: http://www.dei.gr/Documents2/CODE%20OF%20CORPORATE%20GOVERNANCE.pdf

The corporate governance code provides a description of the following:

- the composition, competence and functioning of the governing bodies, the Committees of the Board of Directors and their competences.
- the competence and functioning of the General Meeting of Shareholders, shareholders' rights, the concern for their briefing, as well as data required in accordance with article 10 par. 1 of Directive 2004/25/EC of the European Parliament and the Council of the European Union.
- the main characteristics of the Company's internal audit and risk management systems in relation with the procedure of financial statements' establishment.

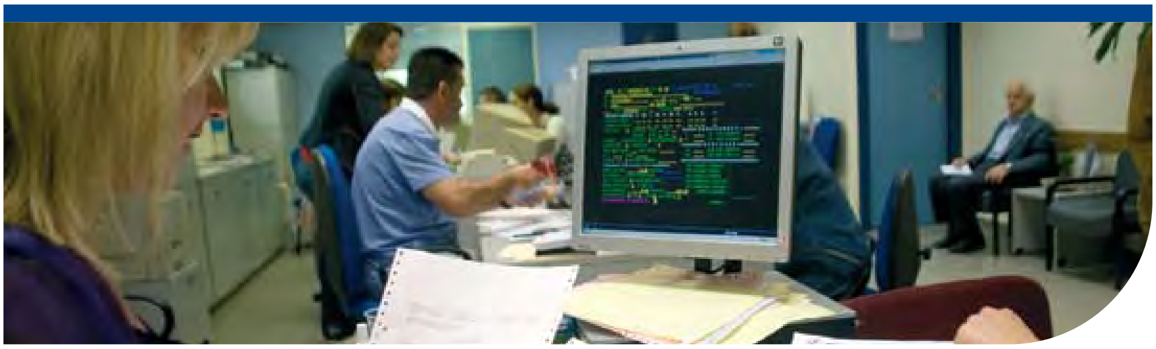
The Board of Directors on 31/12/2010 consisted of:

NAME	POSITION
ZERVOS Arthouros	Chairman BoD / C.E.O./ Executive Member
PETROPOULOS Evangelos	Vice Chairman BoD - Non Independent - Non Executive Member
MEMBERS	
ALEXAKIS Panagiotis	Independent - Non Executive Member / Representative of the Minority
ANTONIOU Ilias	Independent - Non Executive Member / Representative of the Greek Economics and Social Committee
KARAVASSILIS Ioannis	Non Independent - Non Executive Member / Representative of Employees
KATSOULAKOS Ioannis	Independent - Non Executive Member / Representative of the Minority
BARATSIS Apostolos	Non Independent- Executive Member
BOUZOULAS Evangelos	Non Independent - Non Executive Member / Representative of Employees
NELLAS Georgios	Independent - Non Executive Member
PANETAS Konstantinos	Independent - Non Executive Member
TSAROUCHAS Ioannis	Non Independent - Non Executive Member

3.3 Employees

The total workforce consisted of 21,845 full time employees at 31st December 2010 (not including the employees of the HTSO S.A., while including the 375 employees who retired on December 31st, 2010). The following table shows a breakdown of employees by category on the dates indicated:

CATEGORY	2010	2009
Administration	2,429	2,490
Generation	5,828	6,041
Transmission	1,273	1,349
Distribution	6,953	7,147
Supply	1,001	1,051
Mines	4,361	4,504
TOTAL	**21,845**	**22,582**




0.8738
1.4109
1.4119
1.3618
0.8237
110.80
110.84
1.2330
1.6532
134.47
134.55
1.4971
1.4975
1.1042

4. Share capital - Dividend

4.1 Share capital

PPC's share capital amounts to € 1,067,200,000, divided into 232,000,000 common shares of nominal value € 4.60 each.

In the past five years there has been no change in the share capital of the Company.

The company's shares are traded in the «Big Cap» category of the Athens Exchange (ATHEX), while in the London Stock Exchange they are traded in the form of Global Depositary Receipts (GDRs).

The company's shares are included in the ATHEX Composite Share Price Index, the FTSE/ATHEX-20, the FTSE/ATHEX-140, the FTSE Med 100, FTSE/ ATHEX International, the FTSE/ ATHEX Utilities as well as in a number of other indices as those of MSCI Greece and Dow Jones Stoxx.

4.2 Shareholding Structure

The Company's shareholding structure as at 31st December 2010 was as follows:

SHAREHOLDERS	%
Greek State	51.12
IKA-ETAM/TAP-PPC and TAYTEKO/TEAPAP-PPC (PPC's Pension Funds)	3.81
Institutional Investors & general public (1)	45.07
TOTAL	**100.00**

Note (1):

Including the total holdings of the company "Silchester International Investors LLP" as of November 1st, 2010 amounting to 14,783,793 shares or 6.37% of PPC's voting rights, in its capacity as investment manager for its following clients:
- Silchester International Investors International Value Equity Trust,
- Silchester International Investors International Value Equity Taxable Trust,
- Silchester International Investors International Value Equity Group Trust,
- Silchester International Investors Tobacco Free International Value Equity Trust,
- The Calleva Trust.

The Company is not aware of any shareholders, other than the "Greek State", the "Silchester International Investors LLP" and jointly "IKA-ETAM/TAP-PPC" and "TAYTEKO/TEAPAP-PPC" (PPC's Pension Funds) and which hold directly an amount greater than or equal to 3% of its share capital.

According to article 12 paragraph 18 of the recently voted and published in the Official Gazette Law 3851/2010 (Government Gazette issue A' 85/4.6.2010), there were revoked the provisions of paragraphs 2 and 3 of article 8 of the Presidential Decree (P.D.) No. 333/2000 (Government Gazette Issue A' 278/20.12.2000), with respect to the conversion of Public Power Corporation (PPC) to a societe anonyme (P.P.C. S.A.) and the ratification of its Articles of Incorporation. Pursuant to the aforementioned provisions of article 8 of the Articles of Incorporation (based on P.D. 333/2000) referring to the Participation Percentage of the Greek State, P.P.C.'s shareholders' representation and voting rights in the company's Shareholders General Meetings were being restricted, to the extent that the percentage of any shares possessed by the shareholders themselves or the associated with them companies, was exceeding 5% of the total shares of the Company

The required adaptation of the PPC S.A.'s Articles of Incorporation and more in particular of article 8 hereof to the provisions of article 12 par. 18 of Law 3851/20101, was effected on April 26th, 2010.

The Members of our Board possessed on 31.12.2010 in total 0.00027% of PPC's share capital.

4.3 Dividend

The Board of Directors of PPC decided to propose to the Annual General Meeting a dividend of € 0.79 (seventy nine euro cents) per share for the year 2010.

5. Associates and subsidiaries

The following table presents the participation of PPC S.A. in other companies as at 31/12/2010.

PPC S.A.	Ownership 2010
PPC RENEWABLES S.A.	100%
PPC RHODES S.A.	100%
PPC TELECOMMUNICATIONS S.A.	100%
PPC FINANCE PLC	100%
LARCO S.A.	11.45%
HTSO S.A.	49%
SENCAP S.A.	50%

PPC RENEWABLES S.A.	Ownership 2010
PPC RENEWABLES ROKAS S.A.	49%
PPC RENEWABLES TERNA ENERGIAKI S.A.	49%
PPC RENEWABLES NANKO ENERGY – MYHE GITANI S.A.	49%
PPC RENEWABLES MEK ENERGIAKI S.A.	49%
PPC RENEWABLES ELTEV AIFOROS S.A.	49%
PPC RENEWABLES EDF EN GREECE S.A.	49%
EEN VOIOTIA S.A.	46.60%
GOOD WORKS S.A.	49%
ORION ENERGIAKI S.A.	49%
ASTREOS ENERGIAKI S.A.	49%
PHOIBE ENERGIAKH S.A.	49%
IAPETOS ENERGIAKI S.A.	49%
AIOLIKO PARKO LOYKO S.A.	49%
AIOLIKO PARKO BABO BIGLIES S.A.	49%
AIOLIKO PARKO KILIZA S.A.	49%
AIOLIKO PARKO LEFKIVARI A.E.	49%
AIOLIKO PARKO AGIOS ONOUFRIOS S.A.	49%
ARKADIKOS ILIOS ENA S.A.	100%
ARKADIKOS ILIOS DIO S.A.	100%
ILIAKO VELOS ENA S.A.	100%
ILIAKO VELOS DIO S.A.	100%
SOLARLAB S.A.	100%
ILIAKA PARKA DITIKIS MAKEDONIAS ENA S.A.	100%
ILIAKA PARKA DITIKIS MAKEDONIAS DIO S.A.	100%
HPP OINOUSA S.A.	100%

ΔΕΗ

PART B

ΔΕΗ

A

ANNUAL FINANCIAL REPORT

JANUARY 1, 2010 - DECEMBER 31, 2010

The attached Financial Report of the fiscal year 2010, has been established according to article 4 of Law 3556/2007, has been approved by the Board of Directors of "Public Power Corporation S.A." on March 28th, 2011, and is available for the investors, on the internet, at the web site address www.dei.gr, for at least the next 5 (five) years.

PUBLIC POWER CORPORATION S.A.

Registration No 47829/06/B/00/2
30, Chalkokondili Str., GR 104 32 Athens

The Condensed Financial Statements for the fiscal year 2010
presented through pages 29 to 247, both for the Group and the Parent Company,
have been approved by the Board of Directors on March 28, 2011.

Chairman and Chief Executive Officer	Vice Chairman	Chief Financial Officer	Chief Accountant
Arthouros Zervos	Evangelos Petropoulos	George C. Angelopoulos	Efthimios A. Koutroulis

Statement of members of the Board of Directors

(According to article 4, par.2 of Law 3556/2007)

1. Arthouros Zervos, Chairman and C.E.O. of P.P.C. S.A.
2. Evangelos Petropoulos, Vice Chairman BoD,
3. Apostolos Baratsis, Member of the Board of Directors and Deputy CEO,

HEREBY DECLARE

that, to the best of our knowledge:

a) the accompanying Financial Statements of the Parent Company and the Group, for the year ended December 31, 2010, which were prepared according to the International Accounting Standards - currently in effect- as adopted by the European Union, are truthfully depicting assets, liabilities, equity and the statement of income of Public Power Corporation S.A., as well as the companies included in the consolidation, according to the provisions of article 4 of Law 3556/2007 and,

b) the accompanying Board of Directors' Report, truthfully depicts the development, the performance and the status of Public Power Corporation S.A. and the companies included in the consolidation, as well as a description of the confronted major risks and uncertainties.

Athens March 28, 2011

Chairman and C.E.O	Vice Chairman BoD	Member of the Board and Deputy CEO
Arthouros Zervos	Evangelos Petropoulos	Apostolos Baratsis

ΔΕΗ

Executive summary of the Board of Directors of Public Power Corporation S.A. (PPC S.A.) and Group PPC for the fiscal year 2010

Dear Shareholders,

Following the end of the Public Power Corporation's ninth fiscal year as a Societe Anonyme, we have the honor to submit for approval, according to the Company's statutes, the financial statements for the year ended 31.12.2010, as well as, our comments on the respective statements. Furthermore we submit for approval the unbundled financial statements for the year 2010 (Appendix I of the annual financial statements) according to the provisions of L. 2773/1999 and L. 3426/2005 and the approved by the Energy Regulatory Authority, methodology of accounting unbundling.

The Group's subsidiaries which are consolidated in the Group's financial statements are the following: "PPC Telecommunications S.A.", "PPC Renewables S.A.", "PPC Rhodes S.A" "Arkadikos Ilios 1 S.A.", "Arkadikos Ilios 2 S.A.", "Iliako Velos Ena S.A.", "Iliako Velos Dio S.A.", "Solarlab S.A.", "Iliaka Parka Ditikis Makedonias 1 S.A.", "Iliaka Parka Ditikis Makedonias 2 S.A.", "HPP OINOUSA SA" and "PPC FINANCE PLC". In June 2006, the Annual Shareholders' General Assembly of PPC Rhodes S.A. decided to dissolve the aforementioned company and to initiate the appropriate procedures on July 1, 2006, according to national commerce law. In November 2010, the Annual General Meeting of the subsidiary decided the revival of "PPC RHODES SA".

Based on L. 2190/1920 article 134, PPC S.A. prepared the financial statements for the year ended 31.12.2010 (ninth fiscal year), in accordance to International Financial Reporting Standards (IFRS),as endorsed by the European Union.

According to L. 2773/1999 for the liberalization of the Greek energy market, Public Power Corporation, was transformed into a societe anonyme, effected on January 1, 2001. Its share capital at December 31, 2010 amounted to Euro 1,067.2 million divided in 232 million common shares of a nominal value of Euro 4.60, each.

Until the enactment of L. 2773/99 for the liberalization of the energy market (as amended by L. 3175/2003, L. 3426/2005 and L. 3587/2007) known as the "liberalization law"), PPC was functioning as a wholly state owned utility whose objective was to develop the country's energy resources and to provide low cost electricity to support the development of the Greek economy.

In 1999, the Hellenic Republic enacted the Liberalization Law, which incorporated the provisions of Directive 96/92/EC of the European Parliament and of the Council of the European Union into Greek legislation and which liberalized the Greek electricity market. The Liberalization Law provided for, among other provisions, the transformation of PPC into a société anonyme from January 1, 2001 (by virtue of Presidential Decree 333/2000).

PPC's Board of Directors, in the framework of the development of the Strategy for the Parent Company in relation to the 2009/72/EK Directive decided the following:

In August 2010:
- The most advantageous solution in view of the separation of the Transmission Activity is the creation of an Independent Transmission Operator (ITO), according to Chapter V of the 2009/72/EK Directive.
- The most appropriate choice for the separation of the Distribution Activity from PPC's other activities, is the establishment of a Distribution Company (PPCs' 100% subsidiary), which will undertake the role of the Grid Operator as well as the provision of all the network's services. As far as the ownership of the Distribution assets is concerned, the most advantageous solution is the choice to continue to belong to PPC, that will then concede their use to the Distribution Company in order for her to exercise its activities. The Distribution Subsidiary should be manned with the existing personnel of PPC's Distribution Business Unit.

In October 2010:
- To transfer the operation of the network, the provision of network services throughout the country, as well as the activity of the Non –Interconnected Islands' operator, to a PPCs' 100% subsidiary. All of PPC's properties, as well as the pertinent to the above mentioned activities, assets and liabilities will be transferred to the above mentioned subsidiary, with the exception of the network's fixed assets and the Distribution's installations, which will remain in PPC's ownership.
- To transfer the activities of the Transmission of Electricity (currently performed by PPC's Transmission Business Unit) to its wholly owned subsidiary "PPC Telecommunications" (whose Articles of Incorporation will be amended, accordingly). Also approved the transfer to the subsidiary of all the Parent Company's assets, which functionally belong to the activities of the Transmission's Division as well as assets and liabilities coherent with the activities of the above mentioned Division.

In December 2010 decided:
- To initiate procedures for the transfer of all the activities of the Transmission Division, in order to transfer and integrate in its wholly owned subsidiary "PPC Telecommunications" the personnel, currently in place in the Division's units - and the fixed assets. By the same Decision, 01.01.2011 was set as the date for the census of the assets to be transfered to the Transmission subsidiary.
- The activities of Distribution of Electricity, General Division of Distribution and the Non – Interconnected Islands' Operator, the personnel assigned to them as well as the fixed assets (with the exception of the network's fixed assets which will remain PPC's ownership) will be conceded to PPC's wholly owned subsidiary "PPC Rhodes S.A.". Also, determined 01.01.2011 as the date of the census of the fixed assets to be transfered to the Distribution Subsidiary as well as the preparation of the respective balance sheet.
- To convene PPC's Extraordinary Shareholders' General Assembly in order to a) approve the transfer of the activity of the General Division of Transmission to a wholly owned subsidiary and b) approve the transfer of the General Division of Distribution as well as the activities of the

Operator of the Non – Interconnected Islands to a wholly owned PPC subsidiary.

On December 30th, 2010 PPC's Extraordinary Shareholders' General Assembly was convened and the following was decided:

- It has approved, in principal, the transfer of all activities of the Transmission of Electricity, currently exercised by PPC's General Division of Transmission to its wholly owned subsidiary "PPC Telecommunications" (whose articles of incorporation will be amended accordingly), as well as the initiation of the appropriate procedures.
- It has also approved, in principal, the transfer of all activities of the Distribution of Electricity, currently exercised by PPC's General Division of Distribution and the Operator of the Non Interconnected Islands to its wholly owned subsidiary "PPC Rhodes S.A." (whose articles of incorporation will be amended accordingly), as well as the initiation of the appropriate procedures.

The implementation of the new Directive 2009/72 is leading to the change of PPCs' organisational structure, with the legal unbundling of the transmission and distribution activities. The Parent Company considers that completion, ratification and implementation of the Law will define the structure and the activities of the new companies as well as relations with the Parent Company and consequently will then be in a position to evaluate whether IFRS 5 can be applied.

Amendments in the current legal framework during 2010.

All the amendments in the current legal framework are analytically presented in Note 2 of the Financial Statements.

2010 Financial Data

- EBT in 2010 amounted to € 740.7 m, compared to € 993.1 m in 2009, a decrease of € 252.4 m (-25.4%), while net income amounted to € 557.9 m, versus € 693.3 m respectively, a reduction of € 135.4 m (-19.5%).
- Total electricity demand (including exports) remained flat in 2010 at 61,817 GWh vs 61,842 GWh in 2009.
- PPC's total electricity sales (including exports) decreased by 1,450 GWh (-2.7%) to 51,587 GWh, while the corresponding revenues declined by 5.0%. Exports increased by 233 GWh (456 GWh vs 223 GWh in 2009) while electricity sales and revenues in the domestic retail market decreased by 1,683 GWh (-3.2%) and by 5.2% respectively.
- Turnover reached € 5,811.4 m, versus € 6,030.4 m in 2009, a reduction of € 219.0 m (-3.6%). Turnover includes an amount of € 194.5 m reflecting network users' contributions for connections to the network (2009 : € 168.9 m).
- In 2010, PPC's electricity generation, including electricity imports, covered 77.3% of total demand, while, the corresponding percentage in 2009 was 85.6%, a reduction of 5,123 GWh. The respective percentage in the Interconnected System, being the market segment practically open to competition was 76.1% vs 85.1% the previous year.
- Third party thermal generation increased by 2,709 GWh, from 1,614 GWh in 2009 to 4,323 GWh in 2010, an increase of approximately 168%.

In 2010, thermal capacity of approximately 850 MW was installed by two independent power producers.

- Third party electricity imports increased by 51.7% from 3,987 GWh in 2009, to 6,049 GWh, while PPC imports decreased to 2,255 GWh from 2,774 GWh in 2009 (-18.7%).
- Concerning RES generation, in 2010 PPC RENEWABLES generated 274 GWh compared to 247 GWh in 2009, an increase of 27 GWh. RES generation from third parties amounted to 3,658 GWh in 2010, compared to 3,331 GWh in 2009, an increase of 327 GWh (+9.8%). Pre tax profits of PPC RENEWABLES amounted to € 11.9 m versus € 5.6 m in 2009.
- Electricity generation from lignite, decreased by 3,102 GWh vs 2009, while the contribution of lignite to the total energy mix of PPC, decreased to 48.0% from 51.6% in 2009.
- In 2010, 32.0% of the Company's total revenues were expensed for liquid fuel, natural gas, energy purchases third parties fossil fuel and CO_2 emission rights, marking an increase of 3.8 percentage points compared to the corresponding 2009 figure, which stood at 28.2%.
- The expenditure for liquid fuel, natural gas and energy purchases increased by € 199.5 m, an increase of 12.6% compared to 2009, mainly driven by the higher expense for energy purchases (€ 104.9 m) and the increase of the Special Consumption Tax on diesel (€ 65 m).
- Following the implementation of Laws 3833/2010 and 3845/2010, total payroll reduction, including capitalized payroll, in 2010, is estimated at € 204 m. In addition, due to 2010 retirements significantly outnumbering hirings and the reduction of overtime payments, the total reduction of payroll cost, including capitalized payroll between the two years amounts to € 294.1 m.
- The EGM of April 26, 2010, decided to extend an extraordinary one off contribution to PPC's Personnel Insurance Organizations, of an amount up to the payroll reduction provided for in Article 1 of Law 3833/2010. Consequently, an amount of € 99.6 m has been charged to 2010 financial results.
- By the end of 2010, 1,237 employees had been hired in accordance with the 1/2007 & 2/2007 Tenders. On the other hand, 2,349 employees retired in 2010 (the reduction in the number of employees on payroll by the end of the year was 1,974 as 375 employees retired on 31.12.2010). This development translates into a significant cost reduction with, however, a negative impact from the loss of technical and financial know-how, at a time when the company is faced with an increasingly challenging and demanding environment.
- Provisions for bad debt, litigation and slow moving materials reached € 179.5 m, an increase of € 54 m (+43.0%) compared to 2009. Due to the fact that in 4Q2010 the Company decided to adopt a more conservative approach regarding the recognition of bad debt of low and medium voltage customers, the corresponding annual provision increased by € 113.6 m. Based on the previous approach for the measurement of bad debt, the increase of the provision in question would have been € 27 m. Litigation provisions decreased by € 58.1 m, while the provision for slow moving materials increased by € 6.1 m.
- EBITDA amounted to € 1,497.7 m in 2010 compared to € 1,677.5 m in 2009, reduced by

€ 179.8 m (-10.7%). EBITDA margin reached 25.8%, compared to 27.8% in 2009.

- Operational cash flow decreased by € 206 m, compared to the corresponding figure in 2009.

Dividend Policy

Within 2010, the dividends distributed, for the fiscal year 2009, to the Shareholders amounted to € 1.00 per share.

For the year 2010, the Board of Directors of the Parent Company decided to suggest to the Company's Shareholders General Assebly the distribution of dividends amounting € 183.28 m. (Euro: 0.79 per share).

Debt Evolution

Net debt amounted to € 4,210.3 m, an increase of € 154 m compared to 31/12/2009 (€ 4,056.3 m).Consequently, net debt/equity ratio reached 0.62, as at 31.12.2010.

Capital Expenditure Programme of Business Units

Total capital expenditure for the Group amounted to Euro 962.7 million and allocated in Euro 120.6 m to Mines, Euro 246.8 m to Generation, Euro 88.8 million to Transmission, Euro 462.7 m to Distribution, Euro 1.8 million to the Supply and Euro 7.4 million to activities of the Administrative Divisions. Capital expenditures of the year 2010 are decreased by Euro 140.9 million, compared to those of 2009, presenting an decrease of 12%.

Capital expenditure of PPC RENEWABLES S.A. for the year 2010 is € 34.6 million.

Mines Business Unit

Total Capital expenditure amounted to Euro 120.6 million analyzed as follows:

- € 6 m. have been expended in Megalopolis out of which concern belt conveyor's elongation and improvement and € 4 m. flood preventing works.
- € 18 m. have been expended in Western Macedonia, out of which concern belt conveyor's elongation, € 9 m. land expropriations, € 4.7 m. new Ypsilantis mine, € 4.1 m. for connection with belt conveyors between Kardia Field and
- South Field, € 6.3 m. for earthmoving works for the installation of the 3rd spreader line in Main Field, € 3.1 m. for first bench earthmoving works in South Field, € 10 m. for new Klitos mine and € 12 m. new distribution point in South Field.
- A new lignite conveyor belt line which connects Kardia Field Mine with Ag. Dimitrios Power Plant is constructed. The operation of this conveyor belt is expected to reduce the transportation cost and to enhance the quality of the consumed lignite.
- An Environmental Impact Study for "The Extension of Mavropigi and Southwest Fields to the West" was submitted to the Ministry of Environment, Energy and Climate Change in order to accelerate the expropriation procedure of Mavropigi and Pontokomi villages. These expropriations are necessary for the above mentioned extensions which already have been approved by the Greek Government in June 2010. Revised Environmental Impact Study

for the Ptolemais Mines was submitted to the Ministry of Environment, Energy and Climate Change also in June 2010, which was originally submitted in August 2009, after consultation with the local authorities and the relative Approval is expected.

- The excavation works for the foundation of the new power station in Ptolemais started in December 2010.

Generation Business Unit (GBU)

Total Capital expenditure for the Production Sector amounted to Euro 246.8 million.

Exploitation

- During 2010 total net generation of GBU's Power Stations was 45.26 TWh, reduced by 9.3% compared with 2009.
- GBU's Energy Balance cost, regarding Natural Gas and liquid fuels consumption, was increased during year 2010, compared with 2009, by, approximately, 9.6% or € 99.1 m. (from € 1,030.6 m.in 2009 to € 1,129.7 m. in 2010). This increase is due to increased prices for fuels which was partially offset by reducing fuel quantities consumption.
- Lignite generation decrease is directly related to market operation and hydros' increased generation and not with availability decrease. It is noted that, the availability of the thermal Stations of the Interconnected System, was the highest for the last 4 years due to:
  - Preservation of failures at a low level.
  - Achieving maintenance non – availability to be at the programmed levels (set targets) for the time period concerned.
  - Reduced oil Units Utilization (mainly).
- During the summer period the South System reserve was reinforced by hiring Generating Sets (G/S), of 60 MW total net generating capacity, for Megalopolis B' Station.
- In order to cover the increased summer demand of 2010 hired capacity of 20 MW for Rhodes, 16 MW for Crete (Atherinolakkos) and 6 MW for other non – interconnected islands, was added.
- It is noted that according to obsolete and polluting Units' Decomissioning Schedule Unit I (70 MW) of Ptolemaida Station was withdrawn in June 2010, which was commissioned in 1959.

Investments

Applying PPC S.A.'s Strategic Priorities Plan GBU has undertaken the implementation of Investment Projects in order to replace obsolete Units with new ones, environmentally friendly, with state of the art technology and higher performance. As it concerns Projects' progression during 2010 it is noticed that:

Thermal Units

Combined Cycle Unit No V of Aliveri Station, 416.95 MW net power, of € 219 m. budgeted price:

- After issuing of the civil works license, in July 2009, construction Works began in September 2009 according to a revised timetable foreseeing completion of the Project in September 2011. Civil works as well as delivering of the electromechanical equipment and Studies elaboration have almost been completed. Main electromechanical equipment's installation continues.
- Megalopoli Natural Gas Combined Cycle Unit No

V, 811 MW net power at reference conditions, of € 499.5 m. budgeted price:

Relevant Contract, with "METKA S.A. – ETADE S.A." consortium, was signed in November 13, 2009 and the Common Ministerial Decision of Environmental Terms Approval of this Unit was issued in May 2010.

In September 2010 the Space Configuration License for building this Unit in the field of Megalopolis B' Station was issued.

- Steam Electric Unit V, of Ptolemaida Station, joint force capacity 550- 660 MW (+ 140 MWth for District Heating), of pulverized lignite fuel and € 1,320 m. budget:

The Volumes of the Inquiry for this Project were approved by PPC S.A.'s Board of Directors in April 14, 2010 and relevant Tender was announced in April 20, 2010 with September 1, 2010 as tenders' submission date. The Project is expected to be completed within 70 months from the date the Contract will be signed.

Up to now there have been issued five Supplements and, according to last one of them, tenders' submission date is defined to be March 30, 2011.

In September 2010 the Ministry of Environment, Energy and Climate Change (MEECC) issued the relevant Generation License as well as the Heat Distribution License while in October of the same year the Environmental Impact Assessment of the Unit was submitted to the above said Ministry.

- Steam Electric Unit II of Meliti Station, installed capacity 420 – 450 MW (+ 70 MWth for District Heating), of pulverized lignite fuel.

The Tender for this Project, announced in July 2008, proved fruitless since there was no one interested to participate.

After this outcome basic technical and commercial parameters of the Project are re-examined in order this to be announced again.

Hydroelectric Units

- Messochora HEP

Following the ruling No 141/2010 by the competent Suspension Committee of the Council of State, the immediate cease of all works has been ordered at all relevant projects, as well as the cease of operation of all completed projects, until the final judgment is issued by the Plenary of the Council of State.

Further developments, namely the final judgment, will be issued by the Plenary of the Council of State after taking into consideration the ruling of the European Court of Justice in relevant preliminary questions, already addressed to this Court, referring to the compatibility of the provisions of the Law 3481/2006 with the European legal framework.

PPC considers that the Hydroelectric Plant of Messochora is independent from the Acheloos River Diversion to Thessaly Scheme and therefore it should be not affected from the abovementioned issues. PPC examines the possibility to disengage Messochora Power Plant from the overall Acheloos River Diversion Scheme, so that the Project can be faced as an independent unit and have its own environmental terms, i.e. independently from the other Projects of the Diversion Scheme. For this purpose, PPC waits for the completion of the Water Management Study, ordered by the Ministry of Environment and Climate Change, related to the compilation of the

Water Management Plan of the Catchment Areas in the water territories of the Western Central Greece and Thessaly, in which the Catchment Area of the River Acheloos is included. These studies are expected to be completed in February 2012. Here after, the process for the issue of the WATER MANAGEMENT PLANS the ministry with follow, which taking into account the necessary-provided by law- consultation period, is expected to be completed around May 2012.

On December 31, 2010 the aggregate amount for HEP Mesochora is amounted to Euro 283.9 million, which according to the above is considered to be fully recoverable and is expected to require further Euro 127 million to complete the project, estimated in 2014

- Smokovo Small HEP (SHEP):

  The Protocol of putting Unit I into Commercial operation was signed in April, 2010. Operation tests are planed of Unit II, during the summer period (irrigation season), in order the Unit to be put into Commercial operation, also continued.

- Metsovitiko HEP:

  Offers of the Bidders for Inquiry MTH-3 (Main Electromechanical Equipment) were submitted and are evaluated by the Evaluation Committee.

  At the same time an Inquiry for the remaining Civil Engineering Works, (not constructed in the frame of Contract MTH-2), is programmed

  According to IAS 36, the company has to review the recoverability of the total project cost, which on December 31, 2010 amounts to € 37.1 m. Based on the impairmenttest results, the Parent Company made an impairment provision of € 8 m which impacted 2010 financial results.

- Ilarionas HEP:

  The execution of waterproofing works in Elati basin as well as those of reconstructing the roads flooded by Project's reservoir is in progress. Concreting at all tunnels has been completed while grouting works at the tunnels continue. At the same time construction of Bridges and Roads' parts has almost been completed as foreseen in the relevant Contract (ILH-4).

  Construction works of 2nd stage concrete structures and installation of output tubes' gates in the Power Plant have been completed. Installation of spiral cases in Units I and II as well as installation and testing of Gantry type crane have, also, been completed.

Non-Interconnected Islands (Crete, Rhodes, Other)

- Diesel Units in Atherinolakkos Station, 95 -105 MW total installed capacity, € 135 m. budgeted price:

  Relevant Inquiry was announced in February 10, 2010 and the final offers submission date was July 21, 2010.

  There were four Offers submitted which were all typically accepted. Technical evaluation is in progress.

- Two new Combined Cycle Units, 260 MW maximum Power each, to be constructed in the new Korakia Station:

  Imprinting of the space needed has been completed, by using aero photographs, and the file for an eventual expropriation has been prepared.

- New South Rhodes Station, 115.4 MW, consisting of seven similar G/S with four – stroke Diesel engines, and € 182.8 m. budgeted price:

Relevant Contract, with TERNA S.A., was signed in July, 2009. Project's Common Ministerial Decision of Environmental Terms Approval was issued in December 1, 2010.

Project's licensing procedure is in progress and works will begin soon after its completion.

- Rhodes' peak demand needs coverage during summer 2011:

  Until the New South Rhodes' Station starts operating an inquiry process for purchasing and installing a new mobile Gas Turbine Unit of 20 -25 MW generating capacity is in progress.

Other Non Interconnected Islands:

- Installation of approximately 19.73 MW of power generation capacity in Siros Autonomous Power Station (APS) (1 G/S x 8.25 MW) and in Local Power Stations (LPS) of Patmos (4 G/S x 1,275 MW each), Sifnos (3 G/S x 1.275 MW each) and Simi (2 G/S x 1.275 MW each) has been completed.
- Installation of approximately 22.80 MW of power generation capacity in the APSs of Samos (1 G/S x 8.25 MW), Kalimnos (1 G/S x 8.25 MW), Mykonos (1 G/S x 5.88 MW) and in the LPS of Megisti (2 G/S x 0.25 MW each) is in progress.

Environmental Management

- Acting towards the improvement of the environmental behavior of its Power Generation Units GBU during 2010 proceeded in:
  - Completion of Megalopolis A' Unit III's flue gas desulfurization Project of € 86.5 m. budgeted value. Performance tests were successfully completed in August 11, 2010 and the Project is under the procedure of Temporary Acceptance.
  - Implementation of a series of Projects for the upgrading of existing Units and their antipollution equipment (waste treatment systems, noise reduction works, construction of central flue gas stacks etc.).
- Furthermore, during 2010:
  - GBU continued the systematic monitoring of the monitoring, recording and reporting system for CO_2 emissions of all thermal Units which are under European Trading System for emissions rights and the systematic monitoring of air pollutants emissions, as well as of the air quality monitoring Networks.
  - GBU continued the adaptation to the ISO 14001:2004 Standard of the already operating Environmental Management Systems (EMS) in Power Stations in order to certify them.
- In 2010 the new Directive 2010/75/EU for Industrial Emissions has been issued. In the framework of updating Generation's Strategy, for the time period after 2015, alternative approaches are examined and evaluated for adapting existing Units to Directive's requirements.

Transmission Business Unit

Capital expenditure amounted to Euro 88.8 million

In 2010, new investments in the Transmission System have been made totaling € 81.5 m., in accordance with the Five Years Transmission Development Studies (2009-2013) requirements.

- The expansion of the EHV Substation in Acharnes has been constructed.

- The construction of the EHV Substation in Lagada and the construction of EHV the Substation in Nea Santa were continued.
- The construction of the GIS Substation in Atherinolakkos was continued.
- The construction of Skala substation has been completed.
- The expansion of substations Aitolikou, Platamona, Methanon, Rethymnou, Ioannina I and Ioannina II was completed.
- The construction of the new GIS Substation in Heraklio I has been completed.
- The construction of the 400 kV Aliveri - System transmission line (overhead and underground) was continued.
- The conductor replacement of the 150 kV Sitia - Ierapetra transmission line was completed.
- The construction of the 150 kV Skala - System was completed.
- The refurbishing of the 150 kV Alexandroupoli - Didimotixo transmission line was started.
- The construction of the 400 kV Amyntaio-Lagadas transmission line was continued.
- The construction of the 150 kV Rethymno - Spili transmission line was started.
- Furthermore expansions or reinforcements in many 150/20 kV Substations have been completed.
- The construction of the cable lines 150 kV Heraklio I-Transmission System and the construction of cable line Finikas-Nea Helvetia have been completed.
- The installation of the 150 kV shunt capacitor bank at Velos substation was completed.
- The installation of 12 automated 20 kV capacitor control systems were completed in 8 substations.
- The environmental impact study of the EHV Patras was completed.
- The environmental impact study for the following projects was completed.
  - EHV Megalopoli substation and its companion transmission lines.
  - 400 kV transmission line of EHV Megalopoli substation to EHV Patra substation.
- 10 new environmental studies for Lines and Substations have been submitted.
- The public deliberation concerning the issues of the Declaration of the connection of Cycladic Islands with the connected Transmission System has been completed.

Distribution Business Unit

Capital expenditure amounted to Euro 462.7 million

Development & Exploitation of Distribution Network

1,800 km of new MV Network have been manufactured as well as 2,200 km of new LV Network and 3,200 new transformers were installed, while there were 8,000 network removals.

Distribution Network Users came to 7,564,7777 of which 9,961 are connected to MV.

With the actions mentioned above, Distribution has managed to reciprocate to the need for new connections and at the same time reinforce the credibility and improve the operation of the Distribution Network.

€ 8m. of the investments were invested for the realization of big projects. The most significant ones are:

- The completion of cable HV line in Thessalonica, between P. Melas Distribution Center and Agios Dimitrios HV Substation.
- The reinforcement with a third transformer 150/20 kV, 50 MVA of Chalkidona, Pallini and Vari HV Substations.

Improvement of Service Time

The service time (study – construction) of new connections was stabilized in the satisfactory levels of 2009. In particular, the average service time of simple connections is 13 days, while the average service time of connections that require network and of network requests variants is 33 and 46 days respectively.

Customers' Metering Reception System (IVR)

The Customers' Metering Reception System has been operating in Crete and the Aegean Islands.

Through the new system, each customer has the opportunity to take his meter's indication on his own and announce it to PPC via the telephone, internet or sms.

Environmental Issues

3,600 km of twisted conductor cables were installed, in view of the generalized use of twisted cables instead of conductors. This will have a positive impact to the environment.

Great emphasis was given to the development of underground networks, for environmental as well as operational reasons. This led to the doubling of underground networks that were constructed during the last year, in comparison to the past.

This was promoted also through the plan of the aesthetic step – up of networks, in collaboration and co-financing with Municipal Services (50% of the cost is financed by Distribution and 50% by Municipal Services). It mainly concerns the replacement of overhead by underground networks and the conversion of Aerial Distribution Substations to Indoor or Compact Type, in heavy city centers and touristic or folkloristic areas.

Supply Business Unit

Capital expenditure amounted to Euro 1.8 million

Supply division's activities for 2010 are especially focused on the following issues:

1. Supply Division's upgrade:

1.1 Improvement of Services:

- Ensuring nationwide, points for payment PPC's bills with no charge to the customer (133 PPC officers - 100 Hellenic Post Offices).
- Full phone customer support where PPC has no branches (approx.80 regions) providing:
  - Phone support for every commercial situations.
  - Sending documents via courier.
  - Inform for all alternative payment methods via posters, brochures.
- Full One Stop Service, at 41 PPC's branches (One Stop Shop)

- 6,000 pay points nationwide for the handling of bills as well as facilitating customer services
- Extension of the due date of payment bill up to 1 month after the edit and information before the disconnection due to debt.
- Upgrade and Extension of the CALL CENTER in Attica Region, with an average of 60,000 calls per month.
- Full Customer Service for Social Domestic Tariff.
- Management and direct response to the submitted complaints and requests via PPC's web site: www.dei.gr (app. 3,000 requests in 2010).

1.2 Market Researches

- Survey of customers satisfaction from provided services in PPC' s branches.
- Survey of customer's opinion about the payment bill paperprint.

1.3 Promoting of payments

Through cooperative sales synergies and networks as well as by extending and developing alternative methods of payment (ex. Installation of ATMs equipment in our Branches, developing banking commodities and more precisely payment through ΑΠΛΟ, credit cards, using internet facilities etc).

1.4 «Improvement of Customer Information provided in our branches

- Enrichment of leaflets with information about local account paying sites.
- New forms of Α.Π.Λ.Ο with attached application form.
- Information form for the beneficiaries of SDT.
- Promoting Α.Π.Λ.Ο in shops and entries of sector journals (Engineers, Doctors etc).
- Restructuring of PPC's web site: (www.dei.gr) according to the new standards, customer-oriented, direct information for homes, industries, entrepreneurs, etc. as well as the relevant potential for providing due information to handicapped people promoting simultaneously of SDT via web site.
- Fitting Plasma tv screens in 4 branches for pilot transmission of informing messages.

1.5 New Contemporary PPC's branches.

- Design and pilot implementation of visual identity in order to have a distinct and identifiable label of PPC Marketing.
- Installation of priority systems. The relevant bid has been completed.

1.6 Upgrading of stores' security Systems

- Installation of bulletproof glass windows
- Pilot installation of «access prevent cabin» in the company's stores.

2. New Businesses & Services:

2.1. European Program for energy upgrades and building certification "Green Building"

The European Union adopted the voluntary participation of Company in that program. As part of this program will be attempted, privately owned buildings of the firm to become energy upgraded in order to meet the projected demands for energy savings and then to be certified by the competent institution of the EU. Doing so will be the first certified energy-efficient buildings of the Company.

2.2 Development of provided energy services

In accordance with the requirements of Directive 2006/32 and Law No 3855/2010, a venture process and more specifically scheduling the "Preparation of PPC to establish a new function, that of providing energy services, developing the relevant business strategy".

The project's objective is:

a. Investigating opportunities in the Greek market, the provision of energy services.

b. The development of business strategy and operational plan.

c. The choice of organizational structure, methodology and process for implementation of the business.

3. Developmental projects in the context of General Directorate of Trading investment program.

3.1 New Software System for Billing & Customer Care (SAP-IBM)

A new software system for customer service (SAP) which in cooperation with IT Division will be applied to improve the services provided to customers.

3.2 New ETRM Software System

The elaboration of the bidding documents concerning the new information system ETRM (Energy Trading and Risk Management System) has been completed.

The proclamation of the bidding procedure, is scheduled for spring of 2011.

The project refers to an integrated Information System, serving multiple users, similar to those of other established in European Power companies. The new ETRM, will be reflected in all the wholesale business activity, internationally, while assessing and controlling risks, in which PPC is exposed, and additionally will be supported everything related to tenders of Units in the Daily Energy Planning (DEP) and the liquidation of the Greek Energy market.

3.3 New Cash Register System (in Real Time)

The supply of 280 new modern cash machines has already been completed and they have already started their operation in the Supply Divisions' stores.

Significant events for the year 2010

Significant events for the year 2010 are analytically presented in Note 38 of the Financial Statements.

Outlook for 2011

PPC's Board of Directors, in February 2011, approved the budget of the Group for 2011. The budget is based on assumptions for Brent oil at $96/bbl and a €/$ exchange rate of 1.25, while the key financials are estimated to be as follows:

Revenues from energy sales: € 5.1 bln.
Total Revenues: € 5.8 bln.
EBITDA Margin: ~24%

It is noted that the Parent Company's results are impacted, among other, by fluctuations in €/$ exchange rate, oil, natural gas and electricity prices as well as the price of CO_2 emission rights, which could cause deviations from the budgeted figures.

Major risks - Uncertainties

The Group's activities are subject to various risks. Specifically:

Interest rate risk and foreign currency risk: The Group's principal financial liabilities comprise bank loans, bonds and overdrafts. It is the Group's policy to hedge, solely for protection purposes, through derivatives the risk arising from the fluctuation of the floating interest rates and the foreign currency exchange differences of its debt portfolio. The existing derivatives transactions refer to specific, interest rate swaps (conversion of floating rate liabilities to fixed rates liabilities) and forward currency contracts, in order to manage the relative risks. The main risks arising from managing the Group's debt liabilities is focused in results and cash flows, mainly as a consequence of the fluctuation of interest rates and, to a minimum extent, on foreign currency exchange fluctuation, considering that 99% of the existing debt is denominated in Euro. On the contrary, the fluctuation of € / $ rate constitutes a risk concerning the Parent Company's liabilities arising from fuel purchases. In order to cover the foreign currency risk from liquid fuel purchases, the Board of Directors of the Parent

Company approved in 2010, the framework policy for hedging transactions. The abovementioned policy is implemented in 2011. It should be noted that, hedging transactions may not avoid the occurrence of financial losses.

Market risk:

The Parent Company is exposed to the risk of increase in prices (commodity prices) of oil, natural gas, electricity purchased from the System and the Network, CO_2 emission rights as well electricity prices of direct PPC imports. The Parent Company has hedged price volatility of the liquid fuel consumption for 2009, 2010 and is examining to implement the same policy for 2011. Furthermore, the Parent Company has fully covered the estimated CO_2 deficit for the period 2008-2012, therefore, has covered the price volatility relevant risk. On the contrary, the Parent Company has not established a hedging policy against the risk arising from the price volatility of natural gas and electricity purchases.

Merchandise price risk:

Prices for primary material that the Group uses, except fuel, for its operation and development are defined by the international merchandise markets resulting to the Group's exposure to the risk of the fluctuation of the relevant prices.

Credit risk:

For its commercial receivables the Group is not exposed to substantial credit risk, since there is diversification of electricity sales to a large customer range, with a wide spectrum of economic activity. Despite that, the general financial conjecture has a negative impact in liquitidy due to the difficulty of payments from customers. Due to that, the Parent Company is taking measures to limit the impact. The Parent Company is systematically monitoring outstanding balances aiming at:

- facilitating customers to repay their debts by installments,
- proceeding to interruption of electricity from the Network services to customers that do not cooperate.
- securing revenues through underwritings and guarantees.

The Group has no significant concentrations of credit risk with respect to derivative transactions, due to the fact that the Group monitors the credit ratings of counterparties and the level of contracts it enters into with any counterparty. The Parent Company has established a policy to protect against credit risk arising from depositing the available liquidity.

Liquidity risk:

Liquidity risk is connected with the need for adequate financing for the operation and development of the Group. The Group manages its liquidity risk by monitoring and budgeting its cash flows, appropriately acting by ensuring sufficient credit lines and cash deposits, while aiming at the same time at the extension of the average maturity of its debt and the diversification of its funding sources.

Risk of exposure in competition:

The competition, that the Group is facing, has increasing intensity and extent, both in the field of the wholesale market as well as in the retail market. The loss of market share in customers categories with large profit margin as well as PPC's role as "last resort" has a negative impact in the Company's' profitability.

The Parent Company believes that, the approval by the Ministry of Environment and Climate Change of the new unbundled and cost-reflective tariffs that apply from January 1, 2011, will limit the disproportionate negative impact in the Parent Company's financial results, due to the existing market distortions. The abovementioned risk, could be further minimized with the implementation of the second phase of the new unbundled and cost-reflective tarrifs that will remove the largest part of the market distortions of the regulated tariffs.

In the framework of the Memorandum between the Greek Government and the European Union, the European Central Bank and the International Monetary Fund, in July 2010, EU (DG Competition) requested the gradual transfer (starting from January 2012) of 40% of PPC's lignite-fired generation to third parties (generators or/and suppliers).

Risk of not having Fixed Asset insurance:

The Parent Company does not insure the fixed assets in use (with the exception of the information technology equipment), with a consequence that if a potential significant damage occurs that would possibly have a respective adverse impact on PPC's profitability, given the fact that PPC has self-insurance. Also, the material and spare parts, as well as, the liabilities against third parties are not insured. The Parent Company is examining the possibility to proceed to a competitive bidding process for the selection of an insurance company, for the insurance cover of its property, plant and equipment operations, as well as liabilities against third parties, taking into consideration and the legal unbundling of Transmission and Distribution Activities.

Credit Rating Risk:

After the international financial crisis, Rating Agencies apply stricter criteria in the area of liquidity adequancy, having as a result even if a company has ensured, among other, a reliable coverage plan for its capital needs, to face the risk of a rating downgrade if the company does not fulfill the new stricter criteria.

Furthermore, Standard and Poor's (S&P), in its report dated 19.02.10 lowered PPCs' credit rating from BBB- to BB+, after the reassesment by S&P of the priority that the Hellenic Republic would give in the extraordinary event that PPC would need support. In April 2010, after the downgrading of the Hellenic Republic outlook from stable to negative, S&P automatically downgraded PPCs' outlook to negative. Also, S&P considers as PPCs' weaknesses the following:

- the low regulated tariffs, which are not cost-reflective and which are likely to prove difficult to increase in the current domestic economic environment,
- a large proportion of carbon-intensive lignite generation capacity and high levels of CO_2.

S&P reports that the current PPCs' reassessment reflects the following views:

- PPC will maintain FFO coverage of debt of at least 20% and adequate liquidity,
- PPC would not significantly increase its capital expenditure from current levels of about € 1bn per annum without having previously secured the necessary offsetting revenues.

In December 2010, after a similar action on Greece, S&P automatically placed PPCs' rating (BB+) on credit watch negative.

Hydrologic Conditions:

The evolution of the hydrologic conditions has a very significant impact in the Company's profitability.

Availability of lignite reserves:

The Parent Company believes that lignite reserves are adequate to cover medium term levels of supply required for energy generation by lignite-fired thermal power plants.

Tariff risk:

Since retail tariffs remain regulated, there is always a risk that these tariffs for 2011, which will remain stable for the whole year by a Ministerial Decision, do not reflect adverse changes in the cost of the wholesale market. It should be noted that from August 1st 2010 the implementation of the fuel clause mechanism was suspended, while RAE has issued an opinion for the necessity of establishing a mechanism of tariff adjustments, according to the wholesale market volatility.

CO_2 Emission allowances:

In December 2008 the Greek National Allocation Plan for the period 2008 – 2012 was approved. PPC buys systematically CO_2 emission rights in order to cover the deficit between the allocated rights and the actual CO_2 emissions. This deficit, according to the prevailing conditions, (electricity demand, new power units, hydrologic conditions etc), is estimated to vary between 17 to 22 million tones of CO_2 emissions during the five year period 2008-2012, while the deficit for the period 2011-2012, is of the order of 4 m tones for the basic scenario, fluctuating between 2 m tones (minimum) to 7 m tones at the most (extreme emissions scenarios).

From the abovementioned deficit, 23 million tones (fully covering the period 2008-2012, with a small surplus for 2013-2020) have been fully secured against price volatility risk as follows:

(a) part of them has already been contracted through Carbon Funds for deliveries of CERs, in predetermined prices, up to the year 2012,

(b) the rest has already been covered by purchases of EUAs mainly through Stock Exchanges.

Based upon recent information, the impact in generation cost due to CO_2 emission right deficit is estimated to be approximately €23 million per year for the period 2011-2012 according to the basic emission scenario, with the possibility to fluctuate between € 11 m at least to € 40 m at the most according to the extreme emissions scenarios. In case the deficit exceeds the abovementioned estimates due to unforeseen circumstances, it will lead to a negative impact to generation cost and as a consequence, to the Parent's Company financial results. In addition, any change in the environmental legislation will affect the Group's financial results.

Regulatory Risk:

Potential modifications and/or additions in the regulatory framework of the electricity market, according to the provisions of EU legislation and the implementation of the MOU signed between the Greek State, EU and IMF, might have a significant impact in the operation and the financial results of the Group. The implementation of the new Directive 2009/72 is leading to the change of PPCs' organisational structure, with the legal unbundling of the transmission and distribution activities. The relevant legislation from the State has not yet been adopted.

Risk from Potential Undertaking of Social Security Liabilities:

Despite the fact that, under current legislation the Parent Company does not have the obligation to cover any deficit between income and expenses to PPCs' personnel Social Security Funds, there can be no assurance that this regime will not change in the future.

Litigations Risk:

The Group is a defendant in several legal proceedings, whereas any adverse outcome against PPC will have a significant impact on the financial results.

Risk from alterations in tax and other regulations:

Any potential alteration in tax and other regulations referring to the period when PPC was not a Societe Anonyme, might have a negative impact on the Groups' financial results.

Risk from regulated rate of return on Network activities:

The regulated rate of return on the Network investments may have a negative impact in the Groups' profitability, if it does not cover the reasonable return in the invested capital.

Risk from providing Public Service Obligations (PSOs):

PPC does not fully recovers the cost for the provision of PSO. According to the existing methodology for PSO calculation, the Group might not be fully compensated for providing Public Service Obligations. More specifically, as far as the cost of electricity generation in the Islands is concerned, the recent changes in the framework of Fuel Taxation are not reflected in the current methodology of PSO's calculation. This risk is intensified after the increases of Special Consumption Tax. With the end of the first implementation period of the outstanding methodology of 2011, a new methodology that will allow PPC to have a better recovery of PSO must be introduced.

PPC is subject to certain laws and regulations generally applicable to companies of the broader public sector: As long as the Hellenic Republic holds at least 51% of its share capital, the Company will, in some respects, continue to be classified as a public sector company in Greece. As a public sector company, it will be subject to certain laws and regulations generally applicable to public sector companies in Greece affecting some aspects of its business, including but not limited to salaries, maximum level of salaries, hiring, firing and compensation of employees as well as the procurement policies. These laws and regulations, particularly in the present financial conjecture and the relevant decisions of the Central Management, which are not applied to our current and future competitors, may limit the Companys' operational flexibility and may also have a material adverse impact to the Financial Results. Specifically, the implementation of the provisions of art. 2 of L.3833/2010 might have significant adverse consequences in the operation of the Company.

It should be noted that, the Group might not have the possibility to hire or keep the experienced staff, while the loss of experts may have an adverse impact on the Group's ability to develop and implement its strategy in the new competitive environment.

Revised Memorandum

In the revised Memorandum published in February 2011, the following actions for the energy sections are foreseen:

4th Quarter of 2010

Measures previously agreed and legislated

Government presents its detailed plans for the liberalisation of the energy market, including opening up lignite-fired electricity generation to third parties in line with EU law.

Government adopts a plan for phased transitory cost-based access to lignite-fired generation, taking into account the decommissioning of the power plants scheduled under the Government's Energy Plan to meet the 20-20-20 target. This access will remain in place until effective implementation of the liberalisation has taken place.

Government adopts a plan to either award the hydro reserves management to an independent body or to assign this role to the independent system operator.

Government adopts a mechanism to ensure that the energy component of regulated tariffs reflects, gradually and at the latest by June 2013, wholesale market prices, except for vulnerable consumers. Government adopts a revised definition of vulnerable consumers and a tariff for this category of consumers.

To ensure that network activities are unbundled from supply activities, as foreseen in the second and third energy liberalisation packages, Government identifies the assets and personnel associated with the electricity transmission system and the electricity distribution system.

1st Quarter of 2011

Government commences implementation of plan for opening up lignite-fired electricity generation to third parties.

Government presents detailed plans for ensuring a maximum market opening as regards the non-interconnected system.

Government commences implementation of its commitment to award the hydro reserves management to an independent body.

Government starts to implement the mechanism to ensure that the energy component of regulated tariffs reflects, gradually and at the latest by June 2013, wholesale market prices, except for vulnerable consumers.

In order to ensure that network activities are unbundled from supply activities as foreseen in the second and third energy liberalisation packages, the following measures are implemented:

- Government adopts a Decision on the modalities of unbundling of the transmission system operator in line with the third energy liberalization package, ensuring timely management appointments, and adopts necessary legislation to ensure the creation of fully unbundled electricity and gas transmission system operators by March 2012.
- Government ensures the creation and effective operation of an independent Distribution System Operator, in line with the second and third energy liberalisation packages.

Government transfers to RAE (Regulatory Authority for Energy) all regulatory powers assigned to EU energy regulators in the third energy liberalisation package (licensing, network access, network charges, market monitoring, etc).

Government adopts measures to ensure the independence of RAE (impartial and transparent nomination of board, management authority with regard to budget and personnel, etc. in line with the third energy liberalisation package).

3rd Quarter of 2011

Fully implement the green tax and increase its annual yield by least EUR 150 m.

4th Quarter of 2011

Government removes regulated tariffs for customers except households and small enterprises (as defined in the second and third energy liberalisation packages).

Balances and Transactions With Related Parties

PPC balances with its subsidiaries and its associates for December 31, 2010 are as follows:

	December 31, 2010	
	Receivable	Payable
Subsidiaries		
PPC Telecommunications S.A.	198	-
PPC Renewables S.A	26,093	(13,320)
PPC Rhodes S.A.	29	-
Arkadikos Ilios Ena S.A.	3	-
Arkadikos Ilios Dio S.A.	1	-
	26,324	**(13,320)**
Associates		
PPC Renewables ROKAS S.A.	-	(250)
PPC Renewables TERNA Energiaki S.A.	-	-
PPC Renewables DIEKAT Energy S.A.	1	-
PPC Renewables MEK Energiaki S.A.	-	-
EEN VOIOTIA S.A.	-	-
Larco (energy and ash)	90,407	-
Sencap S.A..	137	-
	90,545	**(250)**
Other		
HTSO	448,516	(413,189)
	448,516	**(413,189)**

PPC's transactions with its subsidiaries and its associates for 2010 are as follows:

	2010	
	Invoiced to	**Invoiced from**
Subsidiaries		
PPC Telecommunications S.A.	37	-
PPC Renewables S.A.	7,367	(7,397)
PPC Rhodes S.A.	10	-
Arkadikos Ilios Ena S.A.	-	-
Arkadikos Ilios Dio S.A.	-	-
	7,414	**(7,397)**
Associates		
PPC Renewables ROKAS S.A.	-	(1,801)
PPC Renewables TERNA Energiaki S.A.	1	-
PPC Renewables DIEKAT Energy S.A.	-	-
PPC Renewables MEK Energiaki S.A.	-	-
PPC Renewables ELTEV AEIFOROS S.A.	-	-
EEN VOIOTIA S.A.	-	-
Larco (energy and ash)	65,034	(6,481)
Sencap S.A.	-	-
	65,035	**(8,282)**
Other		
HTSO	66,713	(608,558)
	66,713	**(608,558)**

Procurement of lignite from LARKO S.A

On August 24, 2007 the Parent Company signed a contract for the procurement of lignite from LARCO S.A. for a total amount of 1.2 million tones (with a right to increase up to 15%) for a period of four years and a total amount of Euro 25.8 million. Given the fact that at the time of signing the contract LARCO S.A. had outstanding payables of an equal amount to PPC from the supply of electricity, payments for the procurement of lignite will be settled against the abovementioned receivable from LARCO S.A. PPC had made a provision for the abovementioned receivables, which was reversed in 2007, due to the fact that the collection of the amount was secured not only by the abovementioned contract, but also by a guarantee bond that LARCO S.A. raised in favour of PPC, covering the total duration of the contract and the total contractual amount. During 2010, LARCO lignite deliveries invoiced value amounted to € 7.9m, while the unexecuted amount of the 2007 contract on December 31, 2010 amounted to €4.9m.

LARCO S.A. is liable for sums due and payable to PPC related to the consumption of electric energy since December 2008. For all sums due to PPC for the period November 1, 2008 until April 30, 2009, an action has been filed by PPC before the competent Multimembered Court of Athens (for a sum of Euro 24.2 m.) whereas, for the sums due to PPC for the period May 2009 – October 2009 (for a total sum of Euro 18.8 m.) an action has been filed against the said Company, the hearing of the case having been set for November 14, 2013. In July 2010 the Board of Directors of the Parent Company approved an agreement for the settlement of new debts incurred by LARCO's electricity consumption for the period 1.11.2008 to 31.05.2010. The above mentioned framework agreement was already approved by LARCO's Board of Directors. As foreseen in the above mentioned agreement, a new framework agreement for the settlement of LARCO's new debts will be conducted, part of which will be paid by concluding a new lignite procurement contract, following the pattern set by the existing one, which is estimated to be completed until July 2011. As far as payment of the rest of the debt is concerned, LARCO will disburse predetermined amounts, on a monthly basis, based on the fluctuation of nickel's stock market price. In addition with the aforementioned contract frame, LARCO is binded to pay in time the electricity bills for the consumption for the period following June 1, 2010. In this framework, LARCO has paid in time bills concerning electricity consumption for the months July to December 2010. Up to now the process of finalizing the abovementioned new agreement has not been completed.

Transactions and balances with other government owned entities

The following table presents purchases and balances with government owned entities Hellenic Petroleum ("ELPE") and National Gas Company ("DEPA"), which are PPC's liquid fuel and natural gas suppliers.

	Purchases		Balance	
	31.12.10	**31.12.09**	**31.12.10**	**31.12.09**
ELPE, purchases of liquid fuel	259,636	78,954	16,468	8,674
DEPA, purchases of natural gas	380,558	467,436	45,227	40,772
	640,194	**546,390**	**61,695**	**49,446**

In August 2010, the Parent Company's Board of Directors decided to proceed to the cash payment of 85% of the amount charged by DEPA for the procurement of natural gas, along the lines of the existing contract, given that PPC considers, in principle, that this reduced payment is reflecting the material change of circumstances, which define PPC's contractual obligation, beginning with the invoices concerning the consumption of July 2010. In the Parent Company's financial statements, the cost for natural gas reflects the full charge (100%) by DEPA S.A. For the abovementioned issue, DEPA, resorted to arbitration, as provided for in the PPC-DEPA Contract, requesting the payment in full of the billed amounts, plus interest. In January 2011, DEPA sent a letter to PPC regarding the commitment that arises from not receiving the minimum contractual quantities (take or pay). The Parent Company has requested additional data from DEPA, in the context of L. 3175/2003, in order to further evaluate DEPA's submitted request. Consequently, it is not possible, for now, to define whether a take-or-pay obligation by PPC to DEPA exists and consequently to estimate the amount of the abovementioned obligation. Finally, PPC has also resorted to arbitration requesting a compensatory return according to article 25 of the Contract.

Further to the above, PPC enters into transactions with many government owned profit or non-profit oriented entities within its normal course of business (sale of electricity, services received, etc.). All transactions with government owned entities are performed at arm's length terms.

Management compensation

Fees concerning management members (Board of Directors and General Managers) for the year ended December 31, 2010 and 2009 have as follows:

	Group		Company	
	2010	**2009**	**2010**	**2009**
Compensation of members of the Board of Directors				
Executive members of the Board of Directors	276	742	143	447
Non-executive members of the Board of Directors	177	344	133	186
Compensation / Extra fees	-	292	-	-
Contribution to defined contribution plans	-	-	-	-
Other Benefits	33	7	33	7
	486	**1,385**	**309**	**640**
Compensation of Vice Managing Directors and General Managers				
Regular compensation	1,132	1,725	1,132	1,725
Contribution to defined contribution plans	187	212	187	212
Compensation / Extra fees	217	217	217	217
	1,536	**2,154**	**1,536**	**2,154**
Total	**2,022**	**3,539**	**1,845**	**2,794**

Compensation to members of the Board of Directors does not include standard payroll, paid to representatives of employees that participate in the Parent Company's Board of Directors and related contributions to social security funds. Also, it does not include the electricity benefit based on the PPC personnel invoice to the Board of Director members, the Vice Managing Directors and the General Managers.

Contents of the Statement of Corporate Governance

1. Introduction

Code of Corporate Governance of the Company

The Corporate Governance constitutes a system of principles, based on which the optimum organization, management and operation of the societe anonyme is pursued along with transparency in its relations with the shareholders and more generally the safeguarding of corporate interest.

The observance of the principles of corporate governance constitutes the major commitment and priority of PPC S.A. in view of its important role in the Greek Economy, as well of the public service character of its services.

It is noted that the Company is subject to specific laws and regulations applicable to companies of the wider public sector, as long as the Hellenic Republic, as the main shareholder, holds 51% of its share capital. Consequently, its business shall continue to fall under the laws and provisions applicable to companies owned by the Greek State and shall affect specific procedures such as those concerning, indicatively and not restrictively, the policy of personnel remuneration. The said laws and provisions, to which the current competitors of the Company are not expected to be subject, may restrict its operating flexibility and the implementation of the relevant best practices of corporate governance.

PPC has established and implements its own code of corporate governance, posted on the website of the company (www.dei.gr).

The basic axes of the Corporate Governance System of PPC are the following:

Governing Bodies

Composition, competence and functioning of the governing bodies. Committees of the Board of Directors and their competences.

Shareholders

Competence and functioning of the General Meeting of Shareholders, shareholders' rights, the concern for their briefing, as well as data required in accordance with article 10 par. 1 of Directive 2004/25/EC of the European Parliament.

Internal audit and risk management

Main characteristics of the Company's internal audit and risk management systems in relation with the procedure of financial statements' establishment.

2. Corporate Governance Practices implemented by PPC in addition to Law (article 2 par. 2 L. 3873/2010)

1. The prohibition applied to the members of the Board of Directors to perform competitive acts is valid for a period of two years following termination of any reason whatsoever of the term of office of the member of the BoD or his retirement from the Board of Directors. (article 14 par.2 of Articles of Incorporation).
2. The Board of Directors consists of different categories of members: 6 members elected by the main shareholder during a General Meeting where he is the only participant, 2 members elected by the minority shareholders in a Special General Meeting where only the minority shareholders participate, 2 members elected by GENOP-PPC and 1 member designated by the Economic and Social Committee (article 10 of Articles of Incorporation).
3. In case that the positions of Chairman and CEO are held by the same person, the Board of Directors shall elect a Vice Chairman (article 15 of Articles of Incorporation).
4. Apart from the Board of Directors and the CEO, the Governing Bodies of the Company include the Competitive and Corporate Functions Management Board and the Networks Management Board (article 9 of Articles of Incorporation and article 3 of Operation Regulation).
5. A Remunerations Committee has been established, consisting of three (3) non executive members of the Board of Directors, two of which at least are independent.
6. PPC and the CEO sign a management contract (article 17 of Articles of Incorporation).
7. By virtue of a special contract, the CEO may hire independent consultants in order to support him or the Deputy CEOs or the General Managers in carrying out their duties. The number of independent consultants shall not exceed 10 (article 24 of Operation Regulation).
8. By virtue of the Resolution of the Board of Directors no 38/23.02.2009 a Corporate Governance and Monitoring Committee of the subsidiary company of PPC S.A. under the trade name "PPC Renewables S.A." was established.

The said Committee, by virtue of the Resolution of the Board of Directors no 97/14.04.2010, consists of the Chairman of PPC Renewables S.A. Mr Arthouros Zervos, the CEO of PPC Renewables S.A. Mr. Ioannis Tsipouridis, the Deputy CEO of PPC S.A. Mrs. R. Aikaterinari, the General Manager of Finance of PPC S.A. Mr. G. Angelopoulos and the General Counsel of PPC S.A. Mr. A. Oikonomou.

The above practices are posted on PPC website.

3. Description of internal audit and risk management systems in relation with the procedure of financial statements' drawing up

3.1 Safeguards at corporate level

In December 2010 the BoD of the Company decided the merger of the Internal Audit Entity and the Administration and Financial Control Department operating over decades and their transformation to the Internal Audit Department which reports directly to the BoD. Its mission is the integrated audit coverage of all corporate risks of the Company. The IAD is supervised by the Audit Committee which consists of three independent-non executive members of the BoD, who have been appointed by the General Meeting of the Shareholders.

The members of the Audit Committee, in accordance with the Operation Regulation of the Company, assume the obligations provided for by the legislation concerning corporate governance, including:

- follow up of the financial information procedure,
- follow up of the effective operation of the internal audit system and the risk management system, as well as follow up of the proper operation of the IAD.
- follow up of the process of obligatory audit of individual and consolidated financial statements,
- review and follow up of issues relating to the existence and preservation of the objectivity and independence of chartered auditors-accountants concerning, in particular, other services rendered by them to the Company and its subsidiaries.

The annual audit plan of the IAD is drawn up based on the determination, updating and assessment of corporate risks of the Group and taking into consideration the strategic goals of the Company and all evolutions concerning the Company and its environment. The audit plan is submitted for approval by the BoD through the Audit Committee.

3.2 Safeguards for information systems

The Company has developed a Framework of Information Systems Security within which the policies concerning Information Systems Security are defined in regard with information classification, security in matters of personnel, physical and environmental security, management of communications and information systems operations, access control, development and maintenance of information systems, business continuity management, compliance with the obligations deriving from the regulatory-legislative framework.

Moreover, the roles and competencies concerning the information systems security are defined.

3.3 Safeguards for the procedure of drawing up financial statements and reports

The basic areas where safeguards concerning the drawing up of the Company's financial statements and financial reports are implemented, are the following:

- ***Allocation of Competencies***

  The executives being involved have clearly defined roles and areas of responsibility, reinforcing thus the effectiveness of the Internal Audit System.

- ***Procedures for accounting monitoring and drawing up of financial statements***

  Integrated policy principles for the operation of the Accounting Services of the Group.

  Procedures in relation to the issuing of financial statements and their consolidation at Group level.

Regular follow up of the International Financial Reporting Standards, as these are adopted by the European Union, and respective adaptation of the accounting principles and policies of the Group, as required.

A special approval by the top executives of the Company is required for the posting of accounting entries, which concern specialized, non recurrent accounting events.

Controls are being carried out by the Information Department on the information subsystems data, before being integrated into General Accounting.

Regular communication of the executives of the Finance Division with the Top Management and the Audit Committee for the ratification and recording of important events that influence financial statements.

Regular communication of the Chartered Auditors with the Top Management and the Audit Committee with regard to the progress and the results of the Company's obligatory audit.

- ***Procedures for property safekeeping***

  Implementation of safeguards for fixed assets, reserves, assets-cheques and client management information systems. Indicatively we mention the existence of analytical procedures and audit mechanisms for carrying out the annual materials inventory.

- ***Transaction approval limits***

  The operation of the Services, at all management levels, as well as of the Company Bodies is governed by the Financial and Administrative Jurisdictions System by which the jurisdictions in matters of approvals by the Governing Bodies and the executives of the Company are defined.

4. Information required in accordance with article 10 par. 10 items c), d), f), g) and h) of Directive 2004/25/EC of the European Parliament and the Council, dated April 21st, 2004 concerning Takeover Bids

4.1 Share Capital Structure

The Company's share capital amounts to Euro 1,067,200,000 divided into 232,000,000 ordinary registered shares corresponding to 232,000,000 voting rights with a nominal value of Euro 4.60 each.

4.2 Restrictions in transferring Company shares

Pursuant to article 43 par.3 of L.2773/1999 the Greek State's percentage in PPC's share capital cannot be less than 51% of the shares with voting right of the Company following any increase of the share capital.

4.3 Significant direct or indirect participations within the meaning of articles 9 to 11 of L. 3356/2007

Major participant is the Greek State holding 51,12%.

Significant participation (over 5%) at December 31, 2010 had the Greek State and Silchester International Investors LLP.

On 8/1/2010	1. “Silchester International Investors Limited” ” for its clients: *- Silchester International Investors International Value Equity Trust,* *- Silchester International Investors International Value Equity Taxable Trust,* *- Silchester International Investors International Value Equity Group Trust,* *- Silchester International Investors Tobacco Free International Value Equity Trust,* *- The Calleva Trust.*	5.0145%
On 3/8/2010	2. “BlackRock, Inc“ in its capacity as innvestment manager for the following companies: *- BlackRock Asset Management Australia Limited.* *- BlackRock Asset Management Japan Limited.* *- BlackRock Advisors (UK) Limited.* *- BlackRock Institutional Trust Company, N.A.* *- BlackRock Fund Advisors.* *- BlackRock Asset Management Canada Limited.* *- BlackRock Financial Management, Inc.* *- BlackRock Investment Management, LLC.* *- BlackRock Investment Management (Australia) Limited.* *- BlackRock Investment Management (Dublin) Limited.* *- BlackRock (Netherlands) B.V.* *- BlackRock Fund Managers Limited.* *- BlackRock International Limited.* *- BlackRock Investment Management (UK) Limited*	5.0163%
On 13/8/2010	3. “BlackRock, Inc“ in its capacity as investment manager for the following companies: *- BlackRock Asset Management Australia Limited.* *- BlackRock Asset Management Japan Limited.* *- BlackRock Advisors (UK) Limited.* *- BlackRock Institutional Trust Company, N.A.* *- BlackRock Fund Advisors.* *- BlackRock Asset Management Canada Limited.* *- BlackRock Financial Management, Inc.* *- BlackRock Investment Management, LLC.* *- BlackRock Investment Management (Australia) Limited.* *- BlackRock Investment Management (Dublin) Limited.* *- BlackRock (Netherlands) B.V.* *- BlackRock Fund Managers Limited.* *- BlackRock International Limited.* *- BlackRock Investment Management (UK) Limited.*	4.9998%
On 1/11/2010	4.A. Silchester International Investors Limited (“Silchester Limited”) transferred its regulated business to Silchester International Investors LLP (“Silchester LLP”). On the same day, “Silchester Limited” changed its name to Silchester Partners Limited. All employees of “Silchester Limited”, including all portfolio managers, investment analysts and members, investment analysts and members of its administration and operations teams, became partners or employees of “Silchester LLP”. As of 1st November 2010, “Silchester Limited” does not exercise any control over Public Power Corp shares.	0%
On 1/11/2010	4.B. Silchester International Investors LLP in its capacity as investment manager for the clients: *Silchester International Investors International Value Equity Trust,* *Silchester International Investors International Value Equity Taxable Trust,* *Silchester International Investors International Value Equity Group Trust,* *Silchester International Investors Tobacco Free International Value Equity Trust,* *The Calleva Trust*	6.3723%

4.4 Shares with special control rights

There are no shares granting special control rights, stricto sensu. It is hereby noted, the procedure of election of the members of the Board of Directors, (articles 10 and 20 of the Company's Articles of Incorporation), through two General Shareholders' Meetings. In the first one participates among the company's shareholders the majority shareholder – i.e. the Greek State –, while in the other participate only the minority shareholders.

4.5 Voting rights restrictions

- According to article 10 par.2 (a) of the Company's Articles of Incorporation in force, the minority shareholders are not entitled to participate in the General Meeting of shareholders [in which among others participate the majority shareholder (i.e. the Greek State)], by which six (6) members of the Board of Directors, the CEO included, are elected.
- According to article 20 of the Company's Articles of Incorporation in force, whenever an election of a minority representative to the Board of Directors is required (it is provided in article 10 par.2c that two minority representatives participate in the Board of Directors) a Special General Meeting is convened, which only the minority shareholders and not the Greek State- majority shareholder- are entitled to attend (participate and vote).

4.6 Agreements between Company shareholders

The Company has no knowledge of agreements existing between its shareholders.

4.7 Regulations on appointing and replacing members of the Board of Directors

According to article 10 of the Company's Articles of Incorporation in force, the Company's Board of Directors is composed of eleven (11) members, divided into executive and non executive members, among which:

- Six (6) members, including the CEO, are elected by the General Meeting of the majority shareholder (the Greek State) in which the minority shareholders are not entitled to participate.
- Two (2) members representing the Company's employees are elected by the members of the Most Representative Trade Union of the Company.
- Two (2) members are elected by a Special General Meeting of the minority shareholders (article 20 of the Company's Articles of Incorporation in force), in which the Greek State is not entitled to participate.
- One (1) member is designated by the Economic and Social Committee (ESC) who is involved in agencies performing activities similar to those of the Company.

In the event that, for any reason whatsoever, any representative of the employees or the representative of ESC is not elected or in the event any vacancy in the office of the aforesaid representatives is not promptly filled or/and in the event that the minority shareholders have not appointed their representatives in the Board of Directors or in the event they have not filled in the office of the said members, this shall not impede the Board of Directors' constitution and functioning, without said members.

According to article 10 par. 5a of the Company's Articles of Incorporation in force, in case that, for whichever reason, there is a vacancy in the office of a member of the Board of Directors elected by the General Meeting of the majority shareholder (Greek State) (procedure per article 10 par. 2a of the Company's Articles of Incorporation in force), the remaining Board members shall elect another member for the balance of the term of the vacant member and such election shall be certified at the next meeting of the General Meeting.

According to article 20 par. 1 subpar. c)' of the Company's Articles of Incorporation in force, in case that, for whichever reason, there is resignation or a vacancy in the office of a member of the Board of Directors elected by the Special General Meeting of the minority shareholders, they shall be substituted by means of the same procedure applied for their election.

4.8 Duties of the Board of Directors with regard to the issuance of new or the purchase of own shares

According to article 7 par.3 of the Company's Articles of Incorporation in force, the Company may, by resolution of the Board of Directors, issue provisional share warrants, which shall be exchanged for the final ones upon their issue.

Article 16 of Codified Law 2190/1920, as amended and currently in force, provides for the Company's ability to purchase own shares, with the Board of Directors responsibility, under the requirements specifically indicated by the above article. There is no provision in the Company's Articles of Incorporation in force, concerning specifically the Board of Directors' competence for the purchase of own shares.

4.9 Significant agreements that become effective are amended or terminated in the event of change of control

Many loan agreements provide that, in case of an alteration in ownership, if the participation of the Greek State in the Company's share capital is reduced to less than 51%, the fact is termed as an event of default.

4.10 Agreements with members of the Board of Directors or Company Personnel.

There are no share distribution program to members of the Board of Directors and/ or employees of the Company.
PPC has signed contracts with the Chairman and Chief Executive Officer Mr. A. Zervos and with the Deputy CEO Mr. A. Baratsis.

5. Information on the functioning of the General Meeting of the shareholders and its main powers, as well as description of the shareholders' rights and of their exercise

5.1 Competence of the General Meeting

1. The General Meeting of shareholders is the supreme authority of the Company and shall have the right to make decisions on all matters concerning the company, unless otherwise stipulated in the Articles of Incorporation hereof, and more particularly to decide regarding:

(a) Amendments of the Articles of Incorporation. Such amendments are also deemed to include the increase or reduction of the share capital, subject to the provisions of article 6 hereof and article 34 par. 2 of Codified Law 2190/1920, as currently in force. The decisions concerning amendments to the Articles of Incorporation hereof shall be valid, provided that the relevant amendment is not prohibited by an express provision hereof or by law.

(b) The election of members of the Board of Directors, pursuant to articles 10 and 20 of the Articles of Incorporation hereof, of the Chief Executive Officer and of the regular auditors.

(c) The approval of the balance sheet of the company.

(d) The distribution of the annual profits.

(e) The issue of loan through bonds convertible into shares, subject to the provisions of article 6 hereof. The issue of bonded loans not convertible to shares shall be permitted also by virtue of a decision of the Board of Directors.

(f) The merger, division (demerger), conversion, revival, extension of term or dissolution of the company; and

(g) The appointment of liquidators.

2. Any holder of fully-paid up voting shares shall participate in the General Meeting of shareholders of the company only to the extent of the number of shares which he holds.

3. The Greek State shall, as shareholder of the company, exercise the rights conferred to it by the Articles of Incorporation hereof and by the relevant provisions pertaining to sociétés anonymes.

4. The Greek State shall attend the General Meeting, being represented by the Minister of Finance or his lawful representative. The Minister of Development or his lawful representative may attend, without voting right, the General Meeting, particularly with respect to those issues, which fall within the competence of the General Meeting and are stated in paragraphs 2(a) and 5(a) of article 10 hereof.

5. This article cannot be amended by resolution of the General Meeting.

5.2 Convocation of the General Meeting

1. The General Meeting of shareholders of the company shall be convened by the Board of Directors and shall meet at the seat of the company and/or at any other place outside such seat, in accordance with the provisions of article 25 of Codified Law 2190/1920, at least once a year, always within the first six (6) months following the termination of the financial year. The Board of Directors may convene an Extraordinary General Meeting of the shareholders, whenever this is prescribed by special provisions or whenever the BoD considers it appropriate.

2. Within ten (10) days from the submittal by the auditors of a request to the Chairman of the Board of Directors, the Board of Directors shall be bound to convene the General Meeting of shareholders having for items on the agenda those listed in the submitted request.

5.3 Invitation to the General Meeting

1. The Invitation to the General Meeting, with the exception of repeat General Meetings and of meetings regarded as such, shall clearly state, at least, the venue, date and time of the meeting, the items on the agenda, the shareholders entitled to participate, as well as precise instructions about the way the shareholders shall be able to participate in the meeting and exercise their rights in person or by proxy or, potentially, through remote attendance (from a distance), shall be posted in a prominent place at the registered office of the company and shall be published as follows:

(a) In the Bulletin of Sociétés Anonymes and Limited Liability Companies of the Official Gazette, in accordance with article 3 of Presidential Decree dated 16/22 January 1930 on "Bulletin of Sociétés Anonymes."

(b) In a daily newspaper published in Athens, which, according to the opinion of the Board of Directors, has a nation-wide circulation, selected from among the papers listed in article 3 of Legislative Decree 3757/1957 regarding "Prerequisites to Be Met by Newspapers Which Publish Material Referring to Sociétés Anonymes and Limited Liability Companies" (Official Gazette, volume A, issue no. 184), as currently in force.

(c) In a daily financial newspaper from among those designated in paragraph 2(c) of article 26 of Codified Law 2190/1920.

(d) In two newspapers with a wide circulation in Europe and the United States, provided that this shall be permitted by the standing legislation of the place of publication.

2. The General Meeting shall be convened at least twenty (20) days prior to the date set for the meeting, inclusive of days legally excluded (holidays). Publication in the Bulletin of Sociétés Anonymes and Limited Liability Companies of the Official Gazette shall be made at least ten (10) full days and in the other newspapers twenty (20) days prior to the said appointed date. In the event of repeat General Meetings, the time limits set forth herein are reduced by one half.
3. The day of publication of the notice of invitation to attend a General Meeting and the day on which such meeting shall be held are not counted.
4. Ten days prior to the Ordinary General Meeting shareholders may obtain from the company its annual financial statements, as well as the relevant reports of the Board of Directors and of the Auditors.
5. The invitation to the General Meeting contains information on the shareholders' rights, the voting procedure by proxy or by post or electronic means, the date of registration, the place where all documents of the General Meeting shall be available and the webpage where all information on the General Meeting shall be posted (article 3 of Law 3884/2010).

A list with the names of shareholders with voting right at the General Meeting, with indication of their proxies, the number of shares and votes of each shareholder as well as the addresses of the shareholders and of their proxies shall be posted in a prominent place at the registered office of the company, 24 hours prior to the General Meeting. As of the date of publication of the invitation and until the date of General Meeting, at least the following information shall be posted on the webpage of the company: the invitation to the General Meeting, the total number of shares and voting rights on the date of the invitation, the documents to be submitted to the General Meeting, a draft resolution for each item on the agenda or, in case that no resolution is submitted for approval, a comment by the Board of Directors for each item on the agenda, any draft decisions proposed by the shareholders right after their service to the company and the printed forms to be used for the exercise of the voting right by proxy (article 4 Law 3884/2010).

5.4 Participation in the General Meeting

Shareholders shall be entitled to participate and vote at the General Meeting without being required to block their shares or observe any other process that restricts them from selling or transferring their shares during the time period intervening between the record date and the date of the General Meeting. Shareholders participate and vote either in person or by proxy. A proxy holder holding proxies from several shareholders may cast votes differently for each shareholder. Legal entities participating in the General Meeting may appoint up to three natural persons as proxies. The appointment and recall of proxy holders shall be made in writing or through electronic means and shall be notified to the company according to the same procedure at least three (3) days prior to the General Meeting. Each shareholder may appoint up to three (3) proxy holders. Any person appearing as a shareholder in the registry of stock exchange which keeps the dematerialized securities of the Company shall be entitled to participate in the General Meeting. The shareholding capacity shall be evidenced by providing a relative written confirmation by the said body or alternatively electronically through online connection with the records of the latter. The shareholding capacity shall be valid on the commencement of the fifth day prior to the date of the General Meeting (record date). The relative written or electronic confirmation with regard to the shareholding capacity shall be serviced to the company at the latest the third day prior to the General Meeting. Shareholders may attend the Repeat General Meeting in accordance with the same formal requirements set out above. The shareholding capacity shall be valid on the commencement of the fourth day prior to the Repeat General Meeting (record date of the Repeat General Meetings). The relative written or electronic confirmation with regard to the shareholding capacity shall be serviced to the company at the latest the third day prior to the General Meeting. The participation and voting right shall be exercised only by those holding the shareholding capacity on the said registration date. In any other case, the shareholder may attend the General Meeting only upon authorization of the General Meeting. (article 6 of L.3884/2010).

5.5 Ordinary Quorum and Majority

1. A quorum of the General Meeting shall be deemed to be achieved for the proper discussion of the issues on the agenda, when shareholders representing at least one fifth (1/5) of the paid-up share capital are present or represented thereat.
2. If the quorum referred to in the preceding paragraph is not obtained, the General Meeting shall by held again within twenty (20) days from the date of the postponed meeting, by invitation being notified at least ten (10) days prior to the meeting date. For the postponed meeting, a quorum shall be deemed to be obtained in order to duly discuss the items set out in the original agenda, independently of the proportion of the paid-up share capital represented thereat.

   A new notice of invitation is not required, in the event that the original notice of invitation states the venue and date of the repeat meetings provided for by the law, in case a quorum has not been reached, provided that ten (10) full-days intervene between the postponed meeting and the repeat one (article 7 of Law 3884/2010).
3. The resolutions of the General Meeting shall be made by absolute majority of the votes represented thereat.

5.6 Extraordinary Quorum and Majority

1. As an exception, for resolutions involving:

a) the change in the nationality of the company,

b) the modification of the object of the company,

c) the issuance of bonded loans convertible into shares, as stipulated by article 21 par. 1(e), hereof,

d) the increase of the shareholders' obligations,

e) the increase of the share capital, subject to the provisions of article 6 hereof, or unless it is imposed by law or is effected by capitalization of reserves,

f) the decrease of the share capital, with the exception of the case of par. 6 of Codified Law 2190/1920, as currently in force, or with the exception of those cases which are regulated in a different manner according to a special law or to the Articles of Incorporation hereof,

g) change in the manner of profits distribution,

h) the restriction or abolition of the preferential right of the old shareholders in all cases of increase of the share capital not effected by transfers in kind or by the issuance of convertible bonds,

i) the merger, division (demerger), conversion, revival, extension of term or dissolution of the company,

j) the granting or renewing of powers to the Board of Directors for the increase of the share capital or the issuance of bonded loan in accordance with the provisions of article 6 par. 2(b), hereof, and,

k) any amendment to the present article and in any other case provided for by the law, a quorum shall be deemed to be obtained for the proper transaction of the business set out in the agenda, when shareholders representing two thirds (2/3) of the paid-up share capital are present or represented at the relevant meeting.

2. If the said quorum is not obtained, a second General Meeting shall be held in accordance with the provisions of paragraph 2, article 25, hereof, a quorum of which shall be obtained for the proper transaction of the business set out in the original agenda, when at least one half (1/2) of the paid-up share capital is represented thereat. If such quorum is still not obtained, the General Meeting is held upon notice of invitation and convened as stipulated above, a quorum of which shall be obtained, when shareholders representing at least one fifth (1/5) of the paid-up capital, are present or represented at said meeting.

   A new notice of invitation is not required, in the event that the venue and time of the repeat meetings, as provided for by law, are set by the initial invitation, for the cases quorum is not obtained, provided that ten (10) full-days intervene between each postponed meeting and the repeat one (article 7 of Law 3884/2010).

3. The resolutions stipulated in paragraph 1 of the article herein shall be made by a two-thirds (2/3) majority of the votes represented at the General Meeting.

5.7 Chairmanship of the General Meeting

1. The Chairman of the Board of Directors shall preside, provisionally, as chairman at the General Meetings. If unable to perform his duties, he shall be replaced by his substitute. Secretarial duties at the meetings shall be performed, provisionally, by a person appointed by the Chairman.

2. Following approval of the final list of shareholders with voting rights, the General Meeting shall proceed to the election of its Chairman and of one (1) Secretary, who shall also act as scrutineer.

5.8 Agenda - Minutes of the Meetings

1. The discussions and the resolutions of the General Meeting shall be limited to the items on the agenda published in accordance with article 23 hereof.

2. A summary of all the items discussed and resolved at the General Meeting shall be entered in a minute book signed by the Chairman and the Secretary. Following request, if any, by any shareholder, the Chairman shall record an exact summary of

the said shareholder's opinion in the minutes. A list of shareholders attending in person or by proxy the General Meeting established in accordance with par. 2 of article 27 of Codified Law 2190/1920 shall be recorded in the said minutes. The results of the voting shall be posted on the company's webpage under the responsibility of the Board of Directors, within five (5) days at the latest as of the date of the General Meeting, stating for each resolution at least the number of shares for which valid votes were cast, the proportion of the share capital represented by such votes, the total number of valid votes as well as the number of votes cast in favour or against each resolution and the number of abstentions.

3. Copies of and extracts from the minutes of the General Meeting shall be certified by the Chairman of the Board of Directors or his substitute.

4. If only one shareholder is present at a meeting of the General Meeting, then a representative of the Ministry of Environment, Energy and Climate Change - Section of Supervision of Sociétés Anonymes or a notary public authorized to do business in the district where the seat of the Company is located, shall attend the said General Meeting and countersign the minutes thereof.

5.9 Discharge from Liability of the members of the Board of Directors and of the Auditors

Following the approval of the annual financial statements, the General Meeting shall decide by a special vote, taken by roll call, regarding the discharge of the members of the Board of Directors and of the auditors from any liability for damages. The said discharge shall be null and void in those instances provided by article 22 (a) of Codified Law 2190/1920, as currently in force.

5.10 Minority Rights

1. At the request of shareholders representing one twentieth (1/20) of the paid-up share capital, the Board of Directors shall be bound to convene an extraordinary General Meeting, setting the date of such a meeting, which shall not be later than forty five (45) days from the date of service of such request to the Chairman of the Board. The agenda items shall be stated in detail in the said request. If the General Meeting is not convened by the Board of Directors within twenty (20) days from the service of the said request, the meeting is convened by the requesting shareholders at the expense of the company, upon decision of the Single-Member Court of First Instance at the company's registered seat, issued following the procedure of interim measures. The place and date of the meeting, as well as the items on the agenda, shall be defined by the said decision.

   At the request of shareholders representing one twentieth (1/20) of the paid-up share capital, the Board of Directors shall make available to the shareholders in accordance with the provisions of article 27 par. 3 of Codified Law 2190/1920, at least six (6) days prior to the General Meeting any draft resolutions included in the agenda, provided that the said request is submitted to the Board of Directors at least seven (7) days prior to the General Meeting (article 12 of L.3884/2010).

2. At the request of shareholders representing one twentieth (1/20) of the paid-up share capital, the Board of Director shall include on the agenda of the General Meeting that has already convened additional issues, if the

request is received in the Board fifteen (15) days before the General Meeting. Additional issues to be published or communicated with the responsibility of the Board, according to article 26 Law 2190/1920, seven (7) days before the General Meeting. The request should be accompanied by a justification or a draft decision for adoption by the General Meeting and the revised agenda published in the same way as the previous agenda, thirteen (13) days before the date of the General Meeting and also made available to shareholders in the company's website, along with a justification or a draft decision submitted by the shareholders as provided in article 27, paragraph 3 of Law 2190/1920.

3. At the request of shareholders representing one twentieth (1/20) of the paid-up share capital, the Chairman of the General Meeting shall be obliged to postpone, only once, the decision making at an ordinary or extraordinary General Meeting, setting at the same time, as date for the continuation of the meeting, the one specified in the request of the shareholders, which may not be later than thirty (30) days from the date of postponement. The General Meeting, which follows the postponement, is deemed to be in continuation of the previous one and no repetition of the formalities for the publication of the shareholders' invitation is required. New shareholders may also attend this meeting, by complying with the provisions of article 27 par. 2, 28 and 28a of Codified Law 2190/1920 (article 12 of L. 3884/2010).

4.a) At the request of shareholders representing one twentieth (1/20) of the paid-up share capital submitted to the company, the Board of Directors shall be bound to announce to the General Meeting of shareholders, provided it is an ordinary General Meeting, the amounts paid by the company, for whatever reason, within the last two (2) years, to members of the Board of Directors, to the General Managers, to the Managers or other employees of the company, as well as of any other benefit paid to the said persons or of any contract of the company concluded with the above mentioned persons for any reason whatsoever.

b) At the request of any of the shareholders submitted to the company within five (5) full days prior to the General Meeting, the Board of Directors shall be obliged to provide the requested information with respect to the company affairs, to the extent that such information is useful for the actual evaluation of the agenda items.

In both cases a) and b) above, the Board of Directors may refuse to provide the requested information, if sufficient material grounds exist, recording the reasons for such refusal in the minutes.

5. At the request of shareholders representing one fifth (1/5) of the paid-up share capital submitted to the company within the time limit referred to in the preceding paragraph, the Board of Directors shall be obliged to provide to the said shareholders, during the General Meeting or, if it prefers, before such meeting to their representative, and irrespective of whether they shall be represented on the Board of Directors, information on the progress of the affairs and on the financial condition of the company. The Board of Directors may refuse to provide the requested information, if sufficient material grounds exist, recording the reasons for such refusal in the minutes.

6. In the cases referred to in paragraphs 3a and 4 of the article herein, any issue in dispute over the validity of the reasons for such refusal by the Board of Directors shall be resolved by the Single-Member Court of First Instance at

the company's registered seat, following the procedure of interim measures.

7. At the request of shareholders representing one twentieth (1/20) of the paid-up share capital, a resolution concerning any item on the agenda of the General Meeting shall be made by roll call.

8. In the cases referred to in paragraphs 1 up to 4 of the article herein, the shareholders submitting such a request are obliged to provide evidence of their shareholder's status, in accordance with article 24 hereof, as well as of the number of their shares granting them the above rights, from the date of service of their request up to the date of the General Meeting, and in the cases referred to in paragraphs 5, up to the date of issuance of the judgment by the appropriate court. Such evidence shall also be the deposit of shares in accordance with the provisions of article 28 of Codified Law 2190/1920 or the submittal of a certification issued by the body which keeps the securities of the company or the confirmation of the shareholders capacity through online connection of the company with the said body (article 12 of L. 3884/2010).

9. Shareholders of the company representing one twentieth (1/20) of the paid-up share capital, shall have the right to request by the Single-Member Court of First Instance of the company's registered seat the carrying out of an audit of the company. Such audit shall be ordered, if it is assumed that certain acts reported against the company, violate the provisions of the laws or the Articles of Incorporation hereof or resolutions of the General Meeting. In all cases, the petitions requesting an audit must be filed within three (3) years from the date of approval of the annual financial statements of the financial year within which such reported acts took place.

10. Shareholders of the company representing one fifth (1/5) of the paid-up share capital shall have the right to request from the court referred to in the preceding paragraph the carrying out of an audit of the company, provided it is assumed from the general progress of the company affairs, that the management thereof is not carried out in accordance with the principles of honesty and prudence. The last period of paragraph 3 article 40 of Codified Law 2190/1920 shall not be applicable.

11. Shareholders, who make a request, in accordance with paragraphs 8 and 9 of the article herein, must provide evidence to the Court that they are in possession of the shares, as stipulated in article 24 hereof, granting them the right to request the audit of the company and submit the relevant auditing petition, until the issuance of the court judgment and, at any rate, for a period of time no less than thirty (30) days from the filing of the petition.

6. Composition and functioning of the Governing Bodies

6.1 Governing Bodies

The Governing Bodies of the company shall be:

(a) The Board of Directors.

(b) The Chief Executive Officer and

(c) The Competitive and Corporate Functions Management Board and the Networks Management Board.

1. The Board of Directors shall consist of eleven (11) members divided into executive and non executive members and elected for a three-year term. In order to ensure continuity in the administration of the affairs and the representation of the company, the term of office of each member may be extended ipso

jure until the first Ordinary General Meeting to be held after the expiration of term of each member.

2. The Board of Directors shall consist of:

a) Six (6) members, including the Chief Executive Officer, elected by the General Meeting of the shareholders of the company, in which, however, cannot participate the shareholders who are entitled to attend the General Meeting stipulated in article 20 hereof. The Board of Directors shall elect from among the said members its Chairman and Vice Chairman, pursuant to article 15 hereof.

b) Two (2) members representing the employees of the company. These members shall be elected by direct, general ballot by means of the proportional representation system, within a time period of two (2) months from the relevant notification to the most representative trade union (ASOP). The election of the representatives of the employees to the Board of Directors shall be conducted by an election committee appointed by the most representative trade union of the company, in which (committee) at least one representative from the remaining trade unions of the company shall participate. The procedure of the said election, the appointment of the local election committees, the time and the details of the polling, as well as the counting of the votes and the announcement of the results thereof, shall be the job of said committee, which shall be presided over by a judicial functionary pursuant to the provision of article 11 of Law No. 1264/1982 concerning "Democratization of the Trade-union Movement – The Rights of the Unions" (Official Gazette, volume A, issue no. 79). The same procedure shall also apply to the appointment of the substitute members in replacement of the members of the Board elected in accordance with the procedure set forth in the paragraph herein. In case the substitute member resigns or leaves his office vacant, for any reason whatsoever, his position shall be occupied by his exact following substitute.

c) Two (2) members representing the minority shareholders, pursuant to the provisions of article 20 of the Articles of Incorporation hereof.

d) One (1) member designated by the Economic and Social Committee (ESC) and coming from agencies relating to the activities of the company. The member designated by the ESC shall be proposed as a member within a time period of two (2) months as from the notification to the said Committee by the Minister of Environment, Energy and Climate Change and shall be appointed by virtue of Decision of the said Minister. The same procedure shall also apply to the substitution of the said member, in the event of resignation or vacancy in the office of said member, for any reason whatsoever, as well as to the revocation of said member.

3. In the event that, for any reason whatsoever, any representative of the employees or the representative of ESC is not elected or in the event any vacancy in the office of the aforesaid representatives is not promptly filled within the time limit of two (2) months, as from the notification to the agencies, this shall not impede the constitution and functioning of the Board of Directors.

4. In the event that, for any reason whatsoever, the minority shareholders shall not elect the members representing such minority or in the event they shall not fill any vacancy in the

office of said members, this shall not impede the constitution and functioning of the Board of Directors.

5. (a) In case that, for whichever reason, there shall be a vacancy in the office of a member of the Board of Directors elected in accordance with the procedure set forth in paragraph 2(a) of the present article, the remaining members of the Board shall elect another member for the balance of the term of the member in the office of whom a vacancy has occurred, and such election shall be certified at the next meeting of the General Meeting.

   (b) In the event of a vacancy in the office of the Chief Executive Officer, for any reason whatsoever, the Chairman of the Board of Directors shall temporarily act as Chief Executive Officer, or if the posts of Chairman of the Board of Directors and of Chief Executive Officer coincide to the same person, the Vice Chairman of the Board of Directors, appointed pursuant to article 15 par. 1, of the present Articles of Incorporation, shall act as Chief Executive Officer. In such instances, the Board of Directors shall call a meeting of the General Meeting of shareholders within the shortest possible time for the election of the new Chief Executive Officer.

   (c) In the event of a vacancy in the office of the Chairman of the Board of Directors, for any reason whatsoever, the Chief Executive Officer of the company shall temporarily act as Chairman, or if the posts of Chairman of the Board of Directors and of Chief Executive Officer coincide to the same person, the Vice Chairman of the Board of Directors, appointed pursuant to article 15 par. 1, of the present Articles of Incorporation, shall act as Chairman. In the event of a vacancy in the office of both the Chairman and the Chief Executive Officer, and should no Vice Chairman of the Board of Directors have been elected, the Chairman shall be substituted by the senior member of the Board of Directors.

   (d) In the event that the Chief Executive Officer or the Chairman are absent or temporarily unable to perform their functions, the Vice Chairman, and, if there is no Vice President, a person designated by the Board of Directors among its members who have been elected by the General Meeting in accordance with Article 10 par. 2(a) of the Articles of Incorporation, shall substitute for them.

6. Failure to certify the election or the substitution of a member of the Board of Directors by the General Meeting shall not invalidate the resolutions of the Board of Directors taken with the participation of the said member.

6.2 Competence of the Board of Directors

1. The Board of Directors is the supreme governing body of the company, which shall formulate, primarily, its development strategy and policy, as well as supervise and exercise control over the management of its property. The Board of Directors shall approve, upon recommendation of the Chief Executive Officer: (a) the Strategic Plan, which determines the strategic goals for the attainment of the purpose of the company; (b) the Business Plan of the company of a duration between three (3) and five (5) years, which specifies the goals of the Strategic Plan for each year of its duration; (c) the methods for the implementation of the Strategic Plan and the Business Plan for each year of their duration. The Board of Directors shall also

follow up the implementation of both the Strategic and the Business Plan.

2. The Board of Directors shall represent the company and shall be vested with unlimited authority to decide on any act and to exercise full power concerning the management of the company, the management of its property and, in general, the fulfilment of its object, with the exception of those issues which, either by law or by the Articles of Incorporation hereof, expressly fall within the jurisdiction of the General Meeting.

3. The Board of Directors shall, upon recommendation of the Chief Executive Officer, approve the annual budget of the company, prepare, approve and submit to the General Meeting for approval the annual financial statements of the company and prepare and submit to the General Meeting the annual report.

4. The Board of Directors shall, upon the recommendation of the Chief Executive Officer, decide on: a) the necessity of creating positions of Deputy Chief Executive Officers, as well as on their number and competences thereof, b) the basic organization of the Company divided into General Divisions, which constitute the highest administrative level of its organizational structure, c) the creation of positions of General Managers and their competences.

5. The Board of Directors may, upon recommendation of the Chief Executive Officer, delegate part of its competences, except for those which, pursuant to Codified Law 2190/1920 and to the Articles of Incorporation hereof, require collective action, or fall within the exclusive jurisdiction of the Chief Executive Officer in accordance with Article 16 hereof, as well as the administration, management or supervision of the affairs or the representation of the company, to the Chairman, to the Chief Executive Officer, to the Deputy Chief Executive Officers, to one or more of its members, to the Competitive and Corporate Functions Management Board, to the Networks Management Board, to the General Managers, Managers or employees of the company.

   The aforesaid persons to whom the competences of the paragraph herein are delegated and who have not the capacity of member of the Board of Directors, carry the same responsibility towards the company as the members of the Board of Directors, pursuant to par. 6, article 22 of Codified Law 2190/1920, as currently in force, and article 13 of the Articles of Incorporation hereof.

6.3 Convocation and Functioning of the Board of Directors

1. The Board of Directors shall meet at the seat of the company and/or outside its seat at the facilities of PPC SA at Kozani, Megalopolis and Aliveri, upon the call of the Chairman or his substitute on such day and hour as determined by him, whenever required following the needs of the company.

2. The Board of Directors may lawfully meet by way of teleconference upon invitation to the members of the Board of Directors, which includes all necessary information with respect to their participation in the meeting.

3. Upon application by two (2) members, the Chairman or his substitute shall be obliged to convoke the Board of Directors, setting the

date of the meeting, which shall not be later than seven (7) days from the submission of the relevant application, in which (application) the Chairman or his substitute shall be obliged to include any proposed item on the agenda of the first meeting held following submission of the relevant application.

4. The agenda of the meetings shall be determined by the Chairman and its items shall be included in the notice sent to the members of the Board at least two (2) working days prior to the date of the meeting, otherwise the decision taking is permitted, only if all members of the Board of Directors are present or represented at the meeting and none of them objects to the taking of decisions.

5. A quorum of the Board shall be deemed to be present and the meeting shall be deemed valid if, pursuant to paragraph 6 of the present article, one more than half the number of members are present or represented. In no case, however, shall the number of members physically present be less than three (3). In determining the number required to form a quorum, fractions, if any, shall be ignored.

6 The Board of Directors shall take its decisions by absolute majority of the members present or represented. In case of equality of votes, the Chairman's vote shall prevail.

7. A member of the Board may, following a written authorization, validly represent only one member thereof. The representative appointed may not be a person, who is not a member of the Board.

8. Minutes of the proceedings and decisions of the Board of Directors shall be kept in accordance with the Law (Article 20, Codified Law 2190/1920, as currently in force). The minutes are signed by the Chairman and the members of the Board present at the relevant meeting and certified at the next meeting of the Board of Directors.

9. The copies of and extracts from the minutes of the Board of Directors shall be signed by the Chairman, or, in the event he is absent or unable to perform his duties, by his substitute, without any other validation being necessary.

10. The General Counsel may attend the meetings of the Board of Directors without having the right to vote, except as otherwise decided by the Board of Directors.

11. The drawing up and signing of minutes by all the members of the Board of Directors or their representatives is equal to a decision of the Board of Directors, even if no meeting has proceeded.

6.4 Liability of the Members of the Board of Directors

1. The members of the Board of Directors shall be liable to the company for any fault committed by them during the performance of their duties, as specifically provided for under articles 22(a) and 22(b) of Codified Law 2190/1920, as currently in force.

2. The members of the Board shall be bound to keep absolute secrecy with regard to all confidential information in respect of the affairs of the company coming to their knowledge in their capacity as Board members.

3. The appointment and the dismissal for any reason whatsoever of the Board members and of the persons empowered to represent the company jointly or severally shall be subject

to publicity, as stipulated by articles 7(a) and 7(b) of Codified Law 2190/1920, as currently in force, together with their identity particulars.

6.5 Prohibition of competition - Participation in the Board of Directors of subsidiary companies

1. The members of the Board of Directors, the Deputy Chief Executive Officers, the General Managers, the Managers, as well as the employees of the company shall not be permitted to perform, on occasion or by profession, without the authorization of the General Meeting of shareholders of the company, either on their own behalf or on behalf of third parties, acts falling within the object of the company, or be members of Boards of Directors, executives, employees or representatives of companies pursuing aims similar to those of the company. The subsidiary companies of the company or the companies in the capital of which the company participates shall not be subject to the abovementioned prohibition.

2. The prohibition referred to above shall be valid for a period of two (2) years following expiry, for any reason whatsoever, of the term of office of the member of the Board or his retirement from the Board or following retirement from the company of an officer or employee, who had participated in any Management Board of the company thereof or in the Board of Directors.

6.6 Chairman and Vice Chairman of the Board of Directors

1. The Board of Directors shall elect its Chairman, whose position may coincide with that of the Chief Executive Officer. In the event that the aforesaid positions shall coincide to the same person, the Board shall elect a Vice Chairman, too.

2. The Chairman shall represent the company and monitor the implementation of the decisions of the Board of Directors. He shall convene the Board, preside at the meetings thereof, determine the items on the agenda, conduct the meetings and put said items under vote. The Chairman shall also submit, at regular intervals, the reports regarding the conduct of business and the activities of the company stipulated by the provisions in effect and the Articles of Incorporation hereof.

6.7 Chief Executive Officer

1. The Chief Executive Officer of the company shall be elected by the General Meeting of shareholders for a three-year term of office.

2. The Chief Executive Officer shall be the highest-ranking executive officer of the company, he shall be at the head of all the services thereof, conduct their activities, decide on the further organization of the company within the scope of the Articles of Incorporation hereof and the relevant decisions of the Board of Directors, make the necessary decisions within the framework of the provisions governing the operation of the company, of the approved plans and budgets, of the Strategic Plan (S.P.), of the Business Plan (B.P.) and of the terms of the Management Contract he has entered into with the company pursuant to Article 17 hereof. The Chief Executive Officer shall represent the company within the limits of his duties on the basis of the Articles of Incorporation hereof or of the decisions of the Board of Directors and may authorize or empower other persons, members of

the Board or low-ranking or high-ranking executives of the company to represent him.

3. The Chief Executive Officer shall have the following duties under the Articles of Incorporation hereof, as well as all other duties, which shall be delegated to him upon resolution of the Board of Directors. He shall:
   (a) Submit to the Board of Directors of the company the proposals and recommendations required for the attainment of the company's objects, as specified in the Strategic Plan and the Business Plan.
   (b) Make decisions on the conclusion of contracts of a value to be determined each time by decision of the Board of Directors.

6.8 Deputy Chief Executive Officers

1. The Deputy Chief Executive Officers report to the Chief Executive Officer and are at the head of wider business activities structured into General Divisions. They can be members of the Board of Directors, among those elected by the General Meeting of the shareholders of the company.

2. The number and duties of the Deputy Chief Executive Officers are determined by the Board of Directors upon recommendation of the Chief Executive Officer.

3. The Deputy Chief Executive Officers are selected through an open tender procedure, unless otherwise decided by the Board of Directors in special cases. The Deputy Chief Executive Officers are appointed by decision of the Chairman of the Board of Directors, upon the recommendation of the Chief Executive Officer. In the event that the positions of the Chairman and of the Chief Executive Officer coincide to the same person, the decision for their appointment is made by the Board of Directors. The Deputy Chief Executive Officers, in cases they are also members of the Board of Directors elected by the Shareholders' General Meeting, are appointed by decision of the Board of Directors and upon recommendation by the Chief Executive Officer. Their term of office shall be for three (3) years, their remuneration and other benefits shall be fixed by the Chief Executive Officer, who shall sign the relevant contract. The contract refers, among others, to their evaluation as provided for by the Regulation of Operation of the company.

6.9 Management Contract and follow-up of its implementation

1. A Management Contract shall be entered into by and between the company, represented by the Chairman and, in the event that the positions of Chairman of the Board and Chief Executive Officer shall coincide, by a specially authorized member of the Board designated by decision of the latter, and the Chief Executive Officer. By virtue of the said Contract, the goals which the Chief Executive Officer undertakes to achieve during his term of office shall be specified within the framework of the Strategic Plan and the Business Plan.

2. The Management Contract shall, in particular, include:
   (a) The terms and rules for the achievement of the goals of the Business Plan and the procedure of follow-up of its implementation.
   (b) The terms and conditions of its amendment, particularly in case of revision of the Business Plan.
   (c) Special occasions of material or moral reward to the Chief Executive Officer at the end of the financial year and/or at the expiry of his term of office. This reward

is given in such cases where the annual or overall goals of the Business Plan have been achieved to a degree higher than the one provided for in the Management Contract thanks to his special skills, initiatives and diligence.

(d) The grounds for its termination.

(e) The indices of crucial financial figures, which might include indicatively indices of product manufacturing cost or of services furnishing, of productivity, of HR degree of development, of quality of manufactured products or of services rendered.

(f) The total amount allocated annually for personnel expenditures in relation to the other basic financial data of the company.

3. The Management Contract shall be terminated by the Board of Directors on the grounds stipulated therein, in the event that there is a substantial deviation from the figures or from the deadlines set for the achievement of its goals, that cannot be sufficiently justified, or for any other important reason. The Chief Executive Officer shall have no voting right in the meeting for the adoption by the Board of Directors of the decision authorizing termination of the Management Contract. Upon termination of the Management Contract, the Chief Executive Officer shall be ipso jure removed from office and relieved from his capacity as member of the Board of Directors. As regards his substitution up until the election of a new Chief Executive Officer by the General Meeting, the provisions of article 10, par. 5(c), hereof shall be applicable.

6.10 Remuneration and Compensation of Members

Any remuneration or compensation paid, for any reason whatsoever, to members of the Board of Directors shall be deemed to be borne by the company, only if the relevant amount pertaining to each member is approved by special resolution of the Ordinary General Meeting of shareholders and is proportional to the time the members of the Board of Directors devote to either the meetings of the Board of Directors or any meetings of Committees except for the Board of Directors, and in general to the performance of their assigned duties, in accordance with the provisions of Codified Law 2190/1920 and Law 3016/2002 regarding corporate governance, as currently in force. All remunerations and compensations of the non executives members of the Board of Directors shall be stated in a separate category in the Appendix of the annual financial statements and the annual report of the company (remuneration report), which shall be also posted on the company website. The study and submission for approval of proposals to the Board of Directors regarding the determination of any kind of remunerations and compensations: a) of the members of the Board of Directors, and b) of the top executives of the company, in this case in cooperation with the Chief Executive Officer, are effected by the Remuneration Committee of the company (R.C.) which consists of three (3) non executive members of the Board, among which two (2) at least are independent.

6.11 General Managers

1. The General Managers are high-ranking executives of the company, at the head of independent sectors of the company's business activities. They report to the Chief Executive Officer or/and to the Deputy Executive Officers. In case of absence of the General Manager, for any reason whatsoever, the temporary execution of his duties may be assigned to another General Manager, who participates in the same Management Board.

2. The number and duties of the General Managers, as well as of the General Divisions, shall be determined by the Board of Directors upon recommendation of the Chief Executive Officer. The General Managers, who may or may not be employees of the company, are selected through an open tender procedure, unless otherwise decided by the Board of Directors in special cases. The General Managers are appointed for a five-year term of office by the Chief Executive Officer upon the recommendation of the competent Deputy Chief Executive Officer.

3. The General Managers shall conclude a special contract with the Chief Executive Officer, by which, among others, their remuneration, any benefits and matters related to their evaluation shall be determined. More specifically, their evaluation is regulated by the Regulation of Operation of the company.

6.12 Competitive and Corporate Functions Management Board - Networks Management Board

1. A Competitive and Corporate Functions Management Board (CCFMB) and a Networks Management Board (NMB) are formed within the company. The CCFMB is responsible for the management of issues and matters concerning the corporate activities and the activities exposed to competition (Mines-Generation and Energy Supply). The NMB is responsible for the activities which are not exposed to competition (Transmission System - Distribution Network).

2. The CCFMB is composed of the Chief Executive Officer who acts as its Chairman, the Deputy Chief Executive Officers, if any, and the General Managers who are responsible for the competitive activities of the Company, as well as those responsible for Financial Affairs and Functions, Human Resources and Corporate Functions.

   The NMB is composed of the Chief Executive Officer, who acts as its Chairman, the Deputy Executive Officers, if there are any, and the General Managers who are responsible for the non competitive activities of the Company, as well as those responsible for Financial Affairs and Functions, Human Resources and Corporate Functions.

   The General Counsel of the Company may attend their meetings at the discretion of the Chief Executive Officer.

3. The Management Boards operate in conformity with the decisions of the Board of Directors, ensuring the necessary collective handling of administrative and operational issues of the company, as well as the consistency in its operation, within their areas of responsibility. Within this framework, each Board is responsible for important matters concerning, inter alia, the productivity, the performance of the Company units, the organization and operation of activities within its area of responsibility, as well as for the budget, the Strategic and the Business Planning.

   Moreover, said Boards decide on the conclusion of contracts concerning supplies, assignment of projects, furnishing of services and generally any kind of financial contract up to an amount fixed by the Board of Directors. The aforesaid Boards also make decisions and settle any matter pertaining to the execution of the said contracts.

4. Both Management Boards hereof operate in accordance with their Rules of Operation, as approved by the Board of Directors upon recommendation by the Chief Executive Officer.

6.13 Representation of Minority Shareholders

1. Whenever election of a minority representative to the Board of Directors is required, the minority shareholders shall be invited by the Board to a special General Meeting at the seat of the company, having as sole item on the agenda the election of the members of the Board, who are entitled to elect the aforesaid representative. For the calling of said special meeting, articles 25, 26, 26a, 27, 28 and 30 of Codified Law 2190/1920 and articles 23 and 24 hereof shall be applicable, and the decisions shall be made in accordance with the usual quorum and majority requirements, by applying, accordingly, the provisions of article 29 par. 1 and 2, of Codified Law 2190/1920. Every shareholder, who participates properly with the right to vote, shall be entitled to propose at least three (3) full days prior to the General Meeting and vote the members he wishes, irrespective of the number of shares held by him. In the event of resignation or vacancy of the office, for any reason whatsoever, of any member of the minority shareholders elected in accordance with the procedure set forth herein, the same election procedure is repeated, as provided under the present paragraph. The Greek State-shareholder shall be excluded from attending the said meeting.

2. In all other respects, the provisions of article 18 of Codified Law 2190/1920 shall apply accordingly or directly, as per case.

6.14 Management Board Committees

In compliance with the legislation in force as well as in line with best practices of corporate governance, an Audit Committee as well as a Remunerations Committee have been set up. Each Committee is composed of members of the Board of Directors of the Company.

The Audit Committee consists of at least two (2) non executive members and one independent non executive member of the Board of Directors, who shall have proven knowledge of accountancy and auditing. The members of the Audit Committee are appointed by the General Meeting of the Shareholders and, without altering or reducing their obligations as members of the Board of Directors, they undertake the obligations provided for by the law on corporate governance, including:

- the follow up of the financial information procedure,
- the follow up of the efficient operation of the internal audit system and of the risk management system, as well as the follow up of the proper

operation of the Internal Audit Unit,

- the follow up of the process of obligatory audit of individual and consolidated financial statements,
- the review and follow up of issues related to the objectivity and independence of chartered auditors-accountants, particularly with regard to other services they provide to the Company and its subsidiaries.

The proposal of the Board of Directors to the General Meeting for the appointment of chartered auditors-accountants is submitted following the recommendation of the Audit Committee. The chartered auditors-accountants are obliged to report to the Audit Committee any issue regarding the process and results of the obligatory audit, as well as to submit a separate report on the weaknesses of the internal audit system, and in particular the weaknesses in the procedures concerning financial information and the drawing up of financial statements.

The Audit Committee consists of Mr. K. Panetas, Mr. P. Alexakis and Mr. I. Katsoulakos.

In 2010 the Audit Committee was convened 15 times. The members of the Audit Committee participated in all meetings except for one member absent in two of the meetings. The issues discussed during said meetings are the following:

- Follow up of the implementation and faithful observance of the Operation Regulation and Articles of Incorporation of the Company, as well as of the relevant legislation and in particular the legislation concerning Societes Anonymes and stock exchange.
- Research on the existence of cases of conflict of private interests of the Obligors, as these are set forth in the Operation Regulation, with the Company's interests.
- Audit concerning the observance of the obligations from the part of the Company as these derive from the Resolutions of the Capital Market Committee and generally from any relevant Resolution of the Supervisory Authorities or the law.
- Audit concerning the observance of the commitments contained in the Information Bulletins and the business plans of the Company concerning the use of funds raised in the Capital Market
- Audit concerning the lawfulness of remunerations and allowances of any kind to the members of the Governing Bodies and the Managers, as these are defined in the Company's Articles of Incorporation and the Operation Regulation, based on the relevant resolutions of the competent bodies of the Company.
- Audit concerning the relations and transactions of the Company with its associated companies, in accordance with those provided for by the legislation in force.
- Follow up of the work of the Departments of Internal Audit of the Company subsidiaries.

The Remunerations Committee of the Company consists of three (3) non-executive members of the Board of Directors, out of which two (2) at least are independent. They are responsible for the study and submission of proposals to the Board of Directors on the determination of any remunerations and emoluments whatsoever: a. of the members of the Board of Directors and b. of the managers of the Company, with the collaboration of the Chief Executive Officer.

The Remunerations Committee consists of Mr. G. Nellas, Mr. P. Alexakis and Mr. I. Katsoulakos.

The Company is subject to specific laws and regulations which apply to the wider public sector companies as long as the Hellenic Republic, as the main shareholder, holds 51% of its share capital. PPC shall continue to be considered as a Public Sector company in certain areas. Consequently, its business shall continue to be subject to the laws and provisions which are applicable to the Greek Public Sector companies and shall affect specific procedures.

By virtue of L.3833/10 and L.3845/10, the remunerations of the members of the Board of Directors are not allowed to exceed the ceiling set forth by the said laws. As a result, the remunerations of the BoD members are clearly defined and the Remunerations Committee practically has not the power to perform its duties. That means that the establishment of the above remunerations directly by the Law renders inactive to a great extend the duties of the said committee. The Remunerations Committee was not convened within 2010.

6.15 Board of Directors' Members

PPC S.A. BOARD OF DIRECTORS		As of	Until
ZERVOS Arthouros	Chairman BoD / C.E.O. / Executive Member	15/12/2009	14/12/2012
PETROPOULOS Evangelos	Vice Chairman BoD / Non Independent Non Executive Member	29/6/2010	29/6/2013

Members			
ALEXAKIS Panagiotis	Independent Non Executive Member Representative of the Minority	17/12/2009	16/12/2012
ANTONIOU Ilias	Independent Non Executive Member Representative of the Greek Economic and Social Committee	20/7/2010	29/6/2013
KARAVASSILIS Ioannis	Non Independent Non Executive Member Representative of Employees	2/3/2010	1/3/2013
KATSOULAKOS Ioannis	Independent Non Executive Member Representative of the Minority	17/12/2009	16/12/2012
BARATSIS Apostolos	Non Independent Executive Member	29/6/2010	29/6/2013
BOUZOULAS Evangelos	Non Independent Non Executive Member Representative of Employees	2/3/2010	1/3/2013
NELLAS Georgios	Independent Non Executive Member	29/6/2010	29/6/2013
PANETAS Konstantinos	Independent Non Executive Member	29/6/2010	29/6/2013
TSAROUCHAS Ioannis	Non Independent Non Executive Member	29/6/2010	29/6/2013

The Board of Directors has met 42 times within 2010. The participation frequency of each member at the BoD meetings is as follows:

A/A	Members	BoD Meetings
1	ZERVOS Arthouros	42
2	ALEXAKIS Panagiotis	38
3	ANTONIOU Ilias	20
4	KARAVASSILIS Ioannis	37
5	KATSOULAKOS Ioannis	26
6	BARATSIS Apostolos	41
7	BOUZOULAS Evangelos	33
8	NELLAS Georgios	34
9	PANETAS Konstantinos	41
10	PETROPOULOS Evangelos	36
11	TSAROUCHAS Ioannis	42

Members of the Board CVs

Arthouros Zervos,
Chairman & CEO

Arthouros Zervos is a Professor at the National Technical University of Athens. In 1974 he received his Bachelor of Science in Engineering and in 1975 his Master of Science in Engineering, both from the Department of Aerospace and Mechanical Sciences of Princeton University, U.S.A. He continued his studies at the Université P. et M. Curie in Paris, where he took his Diplôme d' Études Approfondies (D.E.A) de Mécanique Expérimentale des Fluides-Aérodynamique in 1978 and his Diplôme de Docteur - Ingénieur in 1981.

Professor Arthouros Zervos has more than 25 years of high - level expertise in policy, science, research and technology across the European renewable energy sector. He has led the key European renewable energy bodies. He has acted as policy advisor to Governments, EU bodies and policy fora.

As Faculty Member at the National Technical University of Athens since 1982, he has been teaching courses on wind energy, renewable energy sources and aerodynamics and he has been leading and implementing 76 R&D, demonstration, dissemination and training projects funded by the European Commission and Greek public authorities. He is responsible for the Wind Energy Specialization of the European Renewable Energy Master, organized by EUREC - Agency in collaboration with eight European Universities since 2003.

He is currently President of the European Renewable Energy Council (EREC), Chairman of the Global Wind Energy Council (GWEC) and President of the European Wind Energy Association (EWEA). In addition, he is member of the Steering Committee of the European Wind Energy Technology Platform and of the Global Renewable Energy Policy Network for the 21st Century (REN21).

During the period 1990-1995 he worked as a scientific officer in the Renewable Energy Unit of DG Research of the European Commission in Brussels.

He is the author of more than 130 publications in international magazines and conference proceedings and author, co-author, editor, contributor, coordinator of 50 publications. He was the lead author of the White Paper on Renewable Sources of Energy of the EC in 1997. He is member of the Advisory Board of the International Journal of Sustainable Energy and Editor of the Wind Energy Journal and of the IET Renewable Energy Generation Journal.

He has been the Chairman of 18 international conferences, participated and presented at more than 220 international conferences, in 170 of them as invited speaker. He has been Chairman of the scientific / programme committee of ten international conferences, member of 25 scientific committees and of 60 Organising/Steering Committees.

Evangelos Petropoulos,
Vice Chairman

Evangelos Petropoulos studied Economics at the Economic University of Athens, Law at the Law Department of the University of Athens and Political Sciences at Pandeion University of Athens.

Following a career as an economic consultant from 1977 - 1982, he founded the A. Petropoulos & Associates law office in 1982, aiming at offering companies ultimate legal and financial coverage. A member of the Lawyers' Association (the Bar) since 1982, he was lawyer to the Court of First Instance (1982-1986), the Court of Appeal (1986-1990) and the Supreme Court of Appeal since 1990.

He has served as legal and financial advisor in a number of Organisations such as the Greek Air Force Industry (1981-82), the Greek Export Organisation of Medium - Sized Companies (EOMMEX) (1987-88), the Greek Coastal Shipping (1988) and the Ministry of Industry (1987-88).

He is a member of the International Fiscal Association, the Union of European Lawyers (UAE), the Greek Association of Taxation Law and has published many articles in a number of legal and financial magazines.

Panagiotis Alexakis,
member

Panagiotis Alexakis, has studied Economics in Greece, (B.A., 1975) and in Great Britain, (M.SC., 1977 in Economics and Finance and Ph.D. in International Money and Finance, 1981).

In Greece, following his military service, he worked at the Ministry of National Economy, Division of Inter-Country Economic Relations and, in 1984, at the Bank of Greece, Currency Section of the Studies and Research Division. In 1985 he started his academic career, at the Department of Business Administration of the University of the Aegean and, since 1995, at the Department of Economics of the University of Athens, where he is an Professor, teaching managerial economics and finance. He has published scientific articles in international journals in his field, while he has presented papers in international conferences.

He has worked as a financial consultant and has held management posts for industrial firms, banks, foreign exchanges, and non-bank financial institutions. In May 1998 he was appointed Chairman and Managing Director of Athens Derivatives Exchange and the Athens Derivatives Clearing House S.A., while in August 2000 he also became President and CEO of the Athens Stock Exchange S.A. The two exchanges merged and the Athens Exchange S.A. was formed in which Dr Alexakis became a President and CEO until June 2004.

He was also appointed Chairman (Aug.2000-Oct.2003) and CEO (Aug.2000-June 2004) of Hellenic Exchanges S.A., the listed holding company that controls the Athens Exchange and the clearing and settlement houses of the group.

He has been a member of the BOD of the Hellenic Capital Market Commission (August 2000-September 2004). He was also a member of the Scientific Council of the Hellenic Banks Association during the period 1994-2004. Since November 2004 he is a member of the Corporate Advisory Committee of the Cyprus Stock Exchange. In Sept. 2004 - Jan. 2006, he was Advisor to the Board and member of the BOD of the Investment Bank of Greece.

Since January 2006, he undertook the post of Advisor to the Board and (since May 2006) the post of Executive Vice Chairman and member of the BOD of NIREUS AQUACULTURE S.A. Since, July 2006, he is also a member of the BOD of PROTON BANK (Greece). Finally, he is a member of the Scientific Council of the Entrepreneurship Club of Athens.

Ilias Antoniou,
member

Ilias Antoniou was born in Athens in 1972. He graduated from the National and Kapodistrian University of Athens, School of Sciences, Department of Geology with specialization in the Geological Systems of Information in 1996. He worked at the respective laboratory of the Department of Geology. He participated in researches and publications with various research groups. From 1998 to 2001 he cooperated with offices specializing in Geological studies.

In 2003 he was elected as Secretary General of the Young People in the European Socialist Party having its seat in Brussels. Since September 2005 he serves as employee at the University of Athens.

Ioannis Karavassilis,
member

In 1981 he was recruited at Kardia Power Plant of PPC as technician and has worked at the Control Room.

In 1990 he was elected to the Board of Directors of GENOP-DEH (General Federation of Employees of PPC) until 30.03.1997.

From 1989 until 1994 he has served as president of the TDE/ETE of Kardia Power Plant, and has participated in many GENOP conferences.

In 1997 he was appointed chairman of the Board of Directors of the Association "I ENOSI" until 30.03.2006.

On 20/5/2003 he was elected to the Board of Directors of the GSEE (Greek General Confederation of Labor) until today.

On 25/7/2005 he was appointed chairman of the INE (Institute for Employment and Labor) - GSEE (Greek General Confederation of Labor) - ADEDY (Supreme Administration of Greek Civil Servants) of West Macedonia.

Since 30/10/2006 he has been a member of the Association "SPARTAKOS" and has represented the Association at various conferences of Labor Unions and GENOP-DEH.

He is very active in the trade union movement and has participated in many conferences in Greece, in the Balkans as well as in Europe with corresponding labor unions.

Ioannis Katsoulakos,
member

He is University Vice Rector for Academic Affairs (2007 -) and Professor of Economics at the Department of Economic Science of the Athens University of Economics and Business (AUEB) (1994 -).

He has been Director of the Department's Program of Post-graduate Studies (2000 - 2004). He currently directs the Executive MSs in Applied Economics and Finance (2003 -). He got his MSc and his PhD (1984) in Economics from the London School of Economics and he has been teaching since 1981 Economics of Competition and Regulation Policy, Theory of Industrial Organization, and Economics of Technological Change and Innovation at under-graduate and post-graduate level. His main research interests are in the areas of Competition Policy and Regulation and the Economics of Technical Change and Innovation. He has also published in the areas of Environmental Economics and Transport Economics.

After serving as a teaching assistant at LSE during his PhD studies (1978-1981), he taught at the Universities of Southampton, Bristol and. Liverpool. He was appointed Associate Professor at AUEB in 1989. He has been Visiting Professor of the University of Pittsburgh (1992-1993) at the Center of Economic Research and Graduate Education, Charles University (Prague), Visiting Research Fellow (1994) at the Centre de Recherche en Économie et Statistique, CREST-ENSAE (Paris), Director of the Institute of Economic Policy Studies (Athens, 1993-1995), and Director of the Joint Doctorate Programme in Economics of AUEB and the Economic Science Department of the University of Athens (2001 -2003). He has also been:

- a Research Fellow of the Center of Economic Policy Research (CEPR, London, 1992 - 2001),
- a Member of the Executive Board of the European Association for Research in Industrial Economics (1993-1998),
- a Member of the Management Committee of the European Commission Research Programme "Targeted Socio-Economic Research" representing Greece (1994-1998),
- a Full Member of the Hellenic Competition Policy Commission (1995 - 2005), and
- a Member of the Council of Economic Advisors of the Ministry of the National Economy of Greece (2002 - 2004).

He has been the author or co-author of over 60 articles, many of which in top international refereed journals (including the European Economic Review, Economic Journal, Journal of Industrial Economics, Scandinavian Journal of Economics, Journal of Regional Science and Urban Economics, Journal of Comparative Economics, Journal of Competition Law and Economics etc). He has also written 8 books among which the standard Greek text on "Competition and Regulation Policy" (2004), with N. Vettas (in Greeek, "Politiki Antagonismou & Rithmistiki Politiki", Dardanos Publications).

His work has been cited in over 650 scientific articles, many of which have appeared in some of the very top international academic journals (American Economic Review, Review of Economic Studies, Economic Journal, European Economic Review, Journal of Industrial Economics, International Journal of Industrial Organization, etc).

He has acted as advisor or consultant to the European Commission (CEU), the OECD, the World

Bank, Competition and Regulatory Authorities and major corporations at various times since 1986. He has coordinated or has been principal investigator in over 35 research projects funded by the CEU.

As a full member in the Hellenic Competition Commission (1995-2005), he participated in the examination of over 150 cases involving Mergers, Collusive Behavior and the abuse of Dominant Market Position. He has been the author or co-author of the Commission's Decision in a number of the most important of the above cases.

Since 2004 he has acted as consultant to the World Bank in projects appraising the Competition Policy and Regulatory regime in Southern Balkan countries.

Since 2005 he chairs the Scientific Committee and organizes the annual European Competition and Regulation Summer School and Conference (CRESSE) - www.cresse.info. The other members of the Scientific Committee are Prof. M. Motta, Prof. P. Rey and D. Ulph.

Apostolos Baratsis,
member

Apostolos Baratsis is a professional Manager with over 30 years of experience working exclusively in the private sector mainly in Greece and the USA. He is a graduate (1977) of the University of Patras. He also has made graduate studies in the USA, where he got: Master of Science (1978) in Computers and Mathematics, Clarkson University, New York, Master of Science (1980) in Industrial Engineering, University of Illinois and Master in Business Administration (1986), Northwestern University, Chicago.

Evangelos Bouzoulas,
member

Evangelos Bouzoulas was born in 1956 and has worked at different PPC power units. He has served as trainer at PPC's Technical Training Center, wrote books on related subjects and introduced new technologies (LASER) in training. He has also served as professor at the Sivitanidios Public School of Trades and Vocations.

He was appointed member of the Supreme Committee for Occupational Health & Safety of the Ministry of Labor as representative of the GCGE (Greek General Confederation of Labor).

In 1992 he was elected to the Association of PPC Technicians, holding the positions of Organizing Secretary, Treasurer and Secretary General.

In 2004 he was elected Secretary General of GENOP-DEH KHE and has served in that post until he was appointed member of the Board of Directors of PPC S.A. as employees' representative, in 2010.

He is very active in the trade union movement and has participated in many conferences in Greece, in the Balkans, as well as in Europe with corresponding labor units.

Georgios Nellas,
member

He holds a degree in Civil Engineering from the National Technical University of Athens and a M.Sc. in Transportation Engineering, minors in Economics and Operations Research from the School of Civil and Environmental Engineering at Cornell University USA.

Mr. Georgios Nellas is Managing Director of ERGA OSE S.A. His previous Professional Activities include

ERGA OSE S.A., G. Nellas & Associates, TRAM S.A., ATTIKO METRO S.A., DOXIADIS ASSOCIATES S.A.

He is a member of : the Technical Chamber of Greece, the Association of Civil Engineers of Greece, the Hellenic Institute of Transportation Engineers - BOD Member (1990 - 1994), the Institute of Transportation Engineers (ITE), USA.

Konstanatinos Panetas,
member

Mr. Panetas holds a degree of electrical and mechanical Engineering from the National Technical University of Athens. Since joining PPC in 1972, Mr. Panetas has served in various management positions and has represented PPC in international conferences and associations in numerous occasions. Mr. Panetas was the General Manager of the Generation business unit of PPC for 5 years (2000-2005).

Prior to this position, Mr. Panetas was the General Manager of the Distribution business unit (network & Supply) for 7 years (1993-2000). From 1996 to 2004, Mr. Panetas was member of the board of directors of DEPA S.A. (Public Gas Corporation). He was also of PPC Renewables S.A. from 2001 to 2006.

From 2000 to 2005, Mr. Panetas was member of ENERGY POLICY & GENERATION COMMITTEE of EURELECTRIC (Union of the Electricity Industry).

IoannisTsarouchas,
member

From 1980 to 1984 he served as head engineer of the contractor for the construction of big hydroelectric PPC plants and from 1984 to 1997 he worked as researcher in the field of big hydroelectric plants. From 1997 to 2002 he was Head of the Purchasing Section in the Distribution Division, while from 2002 he has been Staff Director at Basic Organizational Unit level, responsible for keeping track of electric energy market issues.

He has taken intense action as member of the board of employees' associations and organizations of PPC S.A., whereas he has presented a large number of publications and presentations at conferences and meetings on energy and institutional context subjects.

6.16 Outside Professional Engagements of the Members of the Board of Directors

NAME	PROFESSION	Participation as member to the Board of Directors of other companies or Non-Profit Organizations (in any capacity e.g. Independent Member, Executive Member, Independent Non Executive Member, etc.)
ZERVOS Arthouros	Professor at the National Technical University of Athens.	BoD Chairman / PPC Renewables
		EWEA Chairman (European Wind Energy Association)
		EREC Chairman (European Renewable Energy Council)
PETROPOULOS Evangelos	Lawyer	DIOPHAR AE Independent Non Executive Member
		KOTSAKIS SA Independent Non Executive Member
ALEXAKIS Panagiotis	Professor at the University of Athens	PROTON BANK SAE Independent Non Executive Member
		TA.NE.O SA (New Economy Development Fund S.A.) Independent Non Executive Member
		Property Development and Management Company of the Athens University
ANTONIOU Ilias	Employee of the University of Athens	BoD Member of the Archaeological Resources Fund (Ministry of Culture)
KARAVASSILIS Ioannis	Employee of PPC.SA – BoD Member	-
KATSOULAKOS Ioannis	Professor at the Athens University of Economics and Business	2011 Independent Non executive Member of FG EUROBANK SA
BARATSIS Apostolos	Working in the Private Sector	-
BOUZOULAS Evangelos	Employee of PPC.S.A. BoD Member	-
NELLAS Georgios	Civil Engineer – Transportation Engineer	-
PANETAS Konstantinos	Retired Electrical and Mechanical Engineer	-
TSAROUCHAS Ioannis	Electrical and Mechanical Engineer National Technical University of Athens	-

6.17 Contracts with Members of the Board of Directors

PPC S.A. concluded employment contracts with the Chairman and CEO Mr. Arthouros Zervos at 15.12.2009 and until 15.12.2012 and with the Deputy CEO Mr. Apostolos Baratsis at 15.01.2010 until 14.1.2013.

There is no provision for granting of shares, call options on the company stocks or other similar titles for the members of the BoD.

Nevertheless there are other contractual provisions as regards the executive members of the BoD, such as:

- Compensation for service termination in case that the Company decides termination of the contract
- personal use of company-provided automobile including driver, maintenance, insurance and fuels.
- Expense benefit during the performance of their duties (travel expenses, mobile phone, restaurant bills, etc.) provided that these expenses are accompanied by the necessary receipts and are approved by the Company based on its policy.

In the past according the policy of the company the remunerations of the executive members and the members of the BoD were structured as follows: a) firm part (basic fees-salary) and b) variable performance-related part (variable part of the remuneration). An annual bonus was provided for in the past, valid only for a small period of time.

By virtue of L.3833/10 and 3845/10 the remunerations of the executive members of the BoD are not allowed to exceed the ceiling established by the said Laws. As a result, they are clearly established and do not include variable performance related elements.

6.18 Information on the Deputy CEOs and the General Managers

At the date of issuance of the present statement, the Deputy CEOs and the General Managers of PPC S.A. are the following:

Aikaterinari Ourania,

Deputy CEO supervising the Corporate Functions Divisions (Finance and Human Resources & Organization Divisions)

Baratsis Apostolos,

Deputy CEO supervising the Mines, Generation and Supply Divisions.

Hatziargyriou Nikolaos,

Deputy CEO supervising Transmission and Distribution Divisions, the Islands Network Operation Department and the Tests, Research & Standards Department.

Angelopoulos George

General Manager of Finance, Economist.

Aravantinos Nikolaos,

General Manager of Distribution, Mechanical-Electrical Engineer.

Vassos Spyridon,

General Manager of Transmission, Electrical Engineer.

Karalazos Lazaros,

General Manager of Supply, Electrical Engineer.

Kopanakis Ioannis,

General Manager of Generation,
Electrical Engineer

Nikolakakos Panagiotis,
General Manager of Mines, Mining Metallurgical Engineer – Economist.

Triantafyllis Georgios,
General Manager of Human Resources & Organization, Civil Engineer.

Explanatory report of board of directors

(Article 4, paragraph 7 & 8 of L. 3556)

a) Share Capital Structure

The Company's share capital amounts to Euro 1,067,200,000 divided into 232,000,000 ordinary registered shares, corresponding to 232,000,000 voting rights with a nominal value of Euro 4.60 each.

b) Restrictions in transferring Company shares

The Greek State's percentage, in PPC's share capital, cannot be less than 51%, according to article 43 para.3 of L. 2773/1999.

c) Significant direct or indirect participations to articles 9 to 11 of L. 3356/2007

Major participant is the Greek State holding 51.12%.

Significant participation (over 5%) at December 31, 2010 had the Greek State and Silchester International Investors LLP.

On 8/1/2010	4. "Silchester International Investors Limited" for its clients: *- Silchester International Investors International Value Equity Trust,* *- Silchester International Investors International Value Equity Taxable Trust,* *- Silchester International Investors International Value Equity Group Trust,* *- Silchester International Investors Tobacco Free International Value Equity Trust,* *- The Calleva Trust.*	5.0145%
On 3/8/2010	5. "BlackRock, Inc " in its capacity as investment manager for the following companies: *- BlackRock Asset Management Australia Limited.* *- BlackRock Asset Management Japan Limited.* *- BlackRock Advisors (UK) Limited.* *- BlackRock Institutional Trust Company, N.A.* *- BlackRock Fund Advisors.* *- BlackRock Asset Management Canada Limited.* *- BlackRock Financial Management, Inc.* *- BlackRock Investment Management, LLC.* *- BlackRock Investment Management (Australia) Limited.* *- BlackRock Investment Management (Dublin) Limited.* *- BlackRock (Netherlands) B.V.* *- BlackRock Fund Managers Limited.* *- BlackRock International Limited.* *- BlackRock Investment Management (UK) Limited*	5.0163%

On 13/8/2010	6. "BlackRock, Inc " in its capacity as investment manager for the following companies: *- BlackRock Asset Management Australia Limited.* *- BlackRock Asset Management Japan Limited.* *- BlackRock Advisors (UK) Limited.* *- BlackRock Institutional Trust Company, N.A.* *- BlackRock Fund Advisors.* *- BlackRock Asset Management Canada Limited.* *- BlackRock Financial Management, Inc.* *- BlackRock Investment Management, LLC.* *- BlackRock Investment Management (Australia) Limited.* *- BlackRock Investment Management (Dublin) Limited.* *- BlackRock (Netherlands) B.V.* *- BlackRock Fund Managers Limited.* *- BlackRock International Limited.* *- BlackRock Investment Management (UK) Limited.*	4.9998%
On 1/11/2010	7. A. Silchester International Investors Limited ("Silchester Limited") transferred its regulated business to Silchester International Investors LLP ("Silchester LLP"). On the same day, "Silchester Limited" changed its name to Silchester Partners Limited. All employees of "Silchester Limited", including all portfolio managers, investment analysts and members, investment analysts and members of its administration and operations teams, became partners or employees of "Silchester LLP". As of 1st November 2010, "Silchester Limited" does not exercise any control over Public Power Corp shares.	0%
On 1/11/2010	7. B. Silchester International Investors LLP in its capacity as investment manager for the clients: *- Silchester International Investors International Value Equity Trust,* *- Silchester International Investors International Value Equity Taxable Trust,* *- Silchester International Investors International Value Equity Group Trust,* *- Silchester International Investors Tobacco Free International Value Equity Trust,* *- The Calleva Trust*	6.3723%

d) Shares with special control rights

There are no shares granting special control rights, stricto sensu. It is hereby noted, the procedure of election of the members of the Board of Directors, (articles 10 and 20 of the Company's Articles of Incorporation), through two General Shareholders' Meetings. In the first one participates among the company's shareholders the majority shareholder – i.e. the Greek State –, while in the other participate only the minority shareholders.

e) Voting rights restrictions

- According to article 10 par.2 (a) of the Company's Articles of Incorporation in force, the minority shareholders are not entitled to participate in the General Meeting of shareholders [in which among others participate the majority shareholder (i.e.the Greek State)], by which six (6) members of the Board of Directors, the CEO included, are elected.

- According to article 20 of the Company's Articles of Incorporation in force, whenever an election of a minority representative to the Board of Directors is required (it is provided in article 10 par.2c that two minority representatives participate in the Board of Directors) a Special General Meeting is convened, which only the minority shareholders and not the Greek State-majority shareholder- are entitled to attend (participate and vote).

f) Agreements between Company shareholders

The Company has no knowledge of agreements existing between its shareholders

g) Regulations on appointing

According to article 10 of the Company's Articles of Incorporation in force, the Company's Board of Directors is composed of eleven (11) members, divided into executive and non executive members, among which :

- Six (6) members, including the CEO, are elected by the General Meeting of the majority shareholder (the Greek State) in which the minority shareholders are not entitled to participate.
- Two (2) members representing the Company's employees, are elected by the members of the Most Representative Trade Union of the Company.
- Two (2) members are elected by a Special General Meeting of the minority shareholders (article 20 of the Company's Articles of Incorporation in force), in which the Greek State is not entitled to participate.
- One (1) member is designated by the Economic and Social Committee and comes from agencies performing activities similar to those of the Company.

In the event that, for any reason whatsoever, any representative of the employees or the representative of ESC is not elected or in the event any vacancy in the office of the aforesaid representatives is not promptly filled or/and in the event that the minority shareholders have not appointed their representatives in the Board of Directors or in the event they have not filled in the office of the said members, this shall not impede the Board of Directors' constitution and functioning, without said members.

According to article 10 par.5a of the Company's Articles of Incorporation in force, in case that, for whichever reason, there is a vacancy in the office of a member of the Board of Directors elected by the General Meeting of the majority shareholder (Greek State) (procedure per article 10 par. 2a of the Company's Articles of Incorporation in force), the remaining Board members shall elect another member for the balance of the term of the vacant member and such election shall be certified at the next meeting of the General Meeting.

According to article 20 par. 1 subpar.c' of the Company's Articles of Incorporation in force, in case that, for whichever reason, there is resignation or a vacancy in the office of a member of the Board of Directors elected by the Special General Meeting of the minority shareholders, they shall be substituted by means of the same procedure applied for their election.

h) Duties of the Board of Directors with regard to the issuance of new or the purchase of own shares.

According to article 7 par.3 of the Company's Articles of Incorporation in force, the Company may, by resolution of the Board of Directors, issue provisional share warrants, which shall be exchanged for the final ones upon their issue.

Article 16 of Codified Law 2190/1920, as amended and currently in force, provides for the Company's ability to purchase own shares, with the Board of Directors responsibility, under the requirements specifically indicated by the above article. There is no provision in the Company's Articles of Incorporation in force, concerning specifically the Board of Directors' competence for the purchase of own shares.

i) Significant agreements that become effective, are amended or terminated in the event of change of control.

Many loan agreements provide that, in case of an alteration in ownership, if the participation of the Greek State in the Company's share capital is reduced to less than 51%, the fact is termed as an event of default. In addition, the change in PPC's share capital, which will lead to change in control over the Company is a reason for dissolution of the shareholders' agreement between PPC and Contour Global, relating to SENCAP. Change in control over the Company is considered any case leading to the loss by a person or a legal entity of the ownership of the majority of shares in a company or loss of the possibility of appointing management or exercise material influence during important decision making by the controlled company.

j) Agreements with members of the Board of Directors or Company Personnel.

There are no share distribution programmes to members of the Board of Directors and/ or employees of the Company.

PPC has signed contracts with the Chairman and Chief Executive Officer Mr A. Zervos and with the Deputy CEO Mr A. Baratsis.

Athens, March 28, 2011

For the Board of Directors
The Chairman and CEO

Arthouros Zervos

ΔΕΗ

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

ERNST & YOUNG (HELLAS)
Certified Auditors – Accountants S.A.

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Independent Certified Auditor's Accountant's Report

To the Shareholders of

PUBLIC POWER CORPORATION S.A.

Introduction

We have audited the accompanying separate and consolidated financial statements of Public Power Corporation S.A., and its subsidiaries, which comprise the separate and consolidated statements of financial position as at December 31, 2010, and the related separate and consolidated statements of income, statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Separate and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these separate and consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the separate and consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the separate and consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate and consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the separate and consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the separate and consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects the financial position of Public Power Corporation S.A. and its subsidiaries as at December 31, 2010, and their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Report on Other Legal and Regulatory Requirements

The Board of Directors' Report is includes a statement of Corporate Governance, which provides the information required by paragraph 3d of article 43a of Codified Law 2190/1920.

We confirm that the information given in the Board of Directors' Report is consistent with the accompanying separate and consolidated financial statements in the context of the requirements of articles 43a, 108 and 37 of Codified Law 2190/1920.

We have also audited the Company's unbundled balance sheets as at December 31, 2010 and the unbundled statements of income before tax for the period from January 1, 2010 to December 31, 2010. Management is responsible for the preparation for these balance sheets and statements of income before tax ("the unbundled financial statements") in accordance with Law 2773/1999, Law 3426/2005 and the unbundling methodology approved by the Regulatory Authority for Energy which is further discussed in detail in Appendix I in the accompanying notes.

The audit of the unbundled financial statements mainly includes the determination of whether the Company has properly applied the unbundling allocation rules and whether it has complied with its obligation for the avoidance of discriminations and cross-subsidizations among activities.

In our opinion, the unbundled financial statements presented in Appendix I in the accompanying notes have been prepared in accordance with Law 2773/1999, Law 3426/2005 and the unbundling methodology approved by the Regulatory Authority for Energy.

Athens, March 28, 2011

THE CERTIFIED AUDITOR ACCOUNTANT

PANAGIOTIS PAPAZOGLOU

S.O.E.L. NO. 16631

ERNST & YOUNG (HELLAS)
CERTIFIED AUDITORS ACCOUNTANTS S.A.

11th km NATIONAL ROAD ATHENS-LAMIA
14451 METAMORFOSI

S.O.E.L. R.N. 107

PUBLIC POWER CORPORATION S.A.

Consolidated and Separate
Financial Statements
December 31, 2010

In accordance with
International Financial Reporting Standards
adopted by the European Union

The attached separate and consolidated financial statements have been approved by the Board of Directors of Public Power Corporation S.A. March 28, 2011 and they are available on the web site of Public Power Corporation S.A. at www.dei.gr

Chairman And Chief Executive Officer	Vice Chairman	Chief Financial Officer	Chief Accountant
Arthouros Zervos	Evangelos Petropoulos	George C. Angelopoulos	Efthimios A. Koutroulis

Statements of income
for the year ended December 31, 2010

(All amounts in thousands of Euro, unless otherwise stated - except for share and per share data)

		Group		Company	
	Note,	2010	2009	2010	2009
Revenues:					
Revenue from energy sales	4	5,233,232	5,507,446	5,215,577	5,494,185
Other sales	4	578,154	522,935	578,154	522,935
		5,811,386	**6,030,381**	**5,793,731**	**6,017,120**
Expenses:					
Payroll cost	5	950,500	1,124,457	947,571	1,117,810
Lignite		810,458	799,856	810,458	799,856
Liquid Fuel		667,772	564,443	667,772	564,443
Natural Gas		458,562	467,436	458,562	467,436
Depreciation and Amortization	8	503,811	449,711	499,563	444,572
Energy purchases	6	650,221	545,292	657,618	555,134
Materials and consumables		107,766	119,079	107,766	119,079
Transmission system usage	7	248,210	291,096	248,210	291,096
Utilities and maintenance		74,089	99,150	69,381	96,872
Third party fees		46,568	47,734	45,374	46,290
Emission allowances	15,37	6,122	51,098	6,122	51,098
(Provision Reduction)/ Provision for risks	32	(25,627)	32,569	(25,627)	32,246
Provision for slow – moving materials	20	14,186	8,126	14,132	8,096
Allowance for doubtful balances	21,22	190,906	84,837	190,906	84,837
Financial expenses	9	170,310	165,946	170,183	165,802
Financial income	10	(40,931)	(21,104)	(40,665)	(22,038)
Other expenses, net	11	236,591	70,636	234,887	68,292

Devaluation of fixed assets		-	138,663	-	138,188
Loss of impairment on associate	17	-	-	2,764	-
Gain of associates and joint ventures, net	17,18	(1,437)	(765)	-	-
Foreign currency loss/gains, net		2,604	(978)	2,604	(978)
		5,070,681	**5,037,282**	**5,067,581**	**5,028,131**
Profit for the year before tax		**740,705**	**993,099**	**726,150**	**988,989**
Income tax expense	13	(182,780)	(299,780)	(179,629)	(298,253)
Profit for the year net		**557,925**	**693,319**	**546,521**	**690,736**
Profit Earnings per share, basic and diluted		**2,40**	**2,99**		
Weighted average number of shares		**232,000,000**	**232,000,000**		

The accompanying notes are an integral part of these financial statements.

Statements of comprehensive income
for the year ended December 31, 2010

(All amounts in thousands of Euro, unless otherwise stated - except for share and per share data)

	Group		Company	
	2010	2009	2010	2009
Profit for the period, net	**557,925**	**693,319**	**546,521**	**690,736**
Other Comprehensive income / (loss) for the period				
Profit / (Loss) from investments available for sale valuation	(20,813)	7,538	(20,813)	7,538
Income tax effect	-	-	-	-
	(20,813)	7,538	(20,813)	7,538
Revaluation of property, plant and equipment	-	974,603	-	961,813
Income tax effect	-	(195,039)	-	(192,363)
	-	779,564	-	769,450
Other Comprehensive income / (loss) for the period, after tax	(20,813)	787,102	(20,813)	776,988
Total Comprehensive income for the period, after tax	**537,112**	**1,480,421**	**525,708**	**1,467,724**

The accompanying notes are an integral part of these interim consolidated and separate financial statements.

Balance sheets
December 31, 2010

(All amounts in thousands of Euro, unless otherwise stated - except for share and per share data)

		Group		Company	
Assets	**Note**	**31/12/2010**	**31/12/2009**	**31/12/2010**	**31/12/2009**
Non – Current Assets:					
Tangible Assets	14	13,354,142	13,142,337	13,236,285	13,054,387
Intangible assets, net	15	89,146	78,813	89,040	78,692
Investments in subsidiaries	16	-	-	91,078	75,761
Investments in joint ventures	17	-	-	-	2,764
Investments in associates	18	17,563	14,915	-	-
Available for sale financial assets	23	22,073	34,312	22,073	34,312
Other non- current assets		23,984	18,304	23,587	18,302
Total non-current assets		**13,506,908**	**13,288,681**	**13,462,063**	**13,264,218**
Current Assets:					
Materials, spare parts and supplies, net	20	849,971	807,706	849,182	806,909
Trade receivables, net	21	1,022,736	1,006,412	1,021,295	1,003,576
Other receivables, net	22	175,322	177,031	197,641	199,152
Other current assets		25,013	24,292	24,001	23,286
Cash and cash equivalents	24	620,449	480,042	617,040	471,782
Total Current Assets		**2,693,491**	**2,495,483**	**2,709,159**	**2,504,705**
Total Assets		**16,200,399**	**15,784,164**	**16,171,222**	**15,768,923**
Equity and liabilities:					
Equity					
Share capital	25	1,067,200	1,067,200	1,067,200	1,067,200
Share premium		106,679	106,679	106,679	106,679

Legal reserve	26	107,491	80,165	107,491	80,165
Fixed assets' statutory revaluation surplus included in share capital		(947,342)	(947,342)	(947,342)	(947,342)
Revaluation surplus		5,013,103	5,026,614	4,976,962	4,990,473
Other Reserves	27	197,811	218,624	197,811	218,624
Retained earnings		1,224,586	909,374	1,237,533	933,426
Total Equity		**6,769,528**	**6,461,314**	**6,746,334**	**6,449,225**
Non-Current Liabilities:					
Interest bearing loans and borrowings	29	3,885,625	2,857,751	3,885,413	2,857,751
Post retirement benefits	31	242,256	238,184	242,237	238,159
Provisions	32	218,954	264,210	217,841	262,877
Deferred tax liabilities	13	449,348	488,811	451,562	490,749
Deferred customers' contributions and subsidies	33	1,925,305	1,988,997	1,919,084	1,981,058
Other non-current liabilities	34	507,239	520,374	507,180	520,314
Total Non-Current Liabilities		**7,228,727**	**6,358,327**	**7,223,317**	**6,350,908**
Current Liabilities:					
Trade and other payables	35	850,744	924,306	844,139	922,498
Short – term borrowings	36	250,250	213,500	250,000	213,500
Current portion of interest bearing loans and borrowings	29	716,923	1,499,420	716,899	1,499,417
Dividends payable	28	171	91	171	91
Payable Income Tax		159,515	148,503	166,213	155,141
Accrued and other current liabilities	37	224,541	178,615	224,149	178,055
Derivative liabilities	30	-	88	-	88
Total Current Liabilities		**2,202,144**	**2,964,523**	**2,201,571**	**2,968,790**
Total Liabilities and Equity		**16,200,399**	**15,784,164**	**16,171,222**	**15,768,923**

The accompanying notes are an integral part of these financial statements.

Consolidated statement of changes in shareholders' equity December 31, 2010

(All amounts in thousands of Euro, unless otherwise stated - except for share and per share data)

	Share Capital	Share Premium	Legal Reserve	Revaluation Surplus
Balance, December 31, 2008	**1,067,200**	**106,679**	**45,628**	**4,256,570**
Net profit for the year	-	-	-	-
Other income / (loss) after taxes for the year recognized directly in equity	-	-	-	779,564
Total income and expense recognized for the period after tax	**-**	**-**	**-**	**779,564**
Transfers	-	-	34,537	(9,520)
Other Movements	-	-	-	-
Balance, December 31, 2009	**1,067,200**	**106,679**	**80,165**	**5,026,614**
Net profit for the year	-	-	-	-
Other income / (loss) after taxes for the year recognized directly in equity	-	-	-	-
Total income and expense recognized for the period after tax	**-**	**-**	**-**	**-**
Transfers	-	-	27,326	(13,511)
Dividends	-	-	-	-
Other Movements	-	-	-	-
Balance, December 31, 2010	**1,067,200**	**106,679**	**107,491**	**5,013,103**

The accompanying notes are an integral part of these financial statements.

	Other Reserves					
Reversal of Fixed Assets Statutory Revaluation Surplus	Fair value of available for sale financial assets	Tax - free and Other Reserve	Other Reserves Total	Retained Earnings	Total Equity
(947,342)	**3,099**	**208,433**	**211,532**	**241,099**	**4,981,366**
-	-	-	-	693,319	693,319
-	7,538	-	7,538	-	787,102
-	**7,538**	**-**	**7,538**	**693,319**	**1,480,421**
-	-	-	-	(25,017)	-
-	-	(446)	(446)	(27)	(473)
(947,342)	**10,637**	**207,987**	**218,624**	**909,374**	**6,461,314**
-	-	-	-	557,925	557,925
-	(20,813)	-	(20,813)	-	(20,813)
-	**(20,813)**	**-**	**(20,813)**	**557,925**	**537,112**
-	-	-	-	(10,437)	3,378
-	-	-	-	(232,000)	(232,000)
-	-	-	-	(276)	(276)
(947,342)	**(10,176)**	**207,987**	**197,811**	**1,224,586**	**6,769,528**

Statement of changes in shareholders' equity
December 31, 2010

(All amounts in thousands of Euro, unless otherwise stated - except for share and per share data)

	Share Capital	Share Premium	Legal Reserve	Revaluation Surplus
Balance, December 31, 2008	**1,067,200**	**106,679**	**45,628**	**4,230,543**
Net profit for the year	-	-	-	-
Other income / (loss) after taxes for the year recognized directly in equity	-	-	-	769,450
Total income and expense recognized for the period after tax	**-**	**-**	**-**	**769,450**
Transfers	-	-	34,537	(9,520)
Other Movements	-	-	-	-
Balance, December 31, 2009	**1,067,200**	**106,679**	**80,165**	**4,990,473**
Net profit for the year	-	-	-	-
Other income / (loss) after taxes for the year recognized directly in equity	-	-	-	-
Total income and expense recognized for the period after tax	**-**	**-**	**-**	**-**
Transfers	-	-	27,326	(13,511)
Dividends	-	-	-	-
Other Movements	-	-	-	-
Balance, December 31, 2010	**1,067,200**	**106,679**	**107,491**	**4,976,962**

The accompanying notes are an integral part of these financial statements.

	Other Reserves					
Reversal of Fixed Assets Statutory Revaluation Surplus	Fair value of available for sale financial assets	Tax - free and Other Reserve	Other Reserves Total	Retained Earnings	Total Equity
(947,342)	**3,099**	**208,433**	**211,532**	**267,707**	**4,981,947**
-	-	-	-	690,736	690,736
-	7,538	-	7,538	-	776,988
-	**7,538**	**-**	**7,538**	**690,736**	**1,467,724**
-	-	-	-	(25,017)	-
-	-	(446)	(446)	-	(446)
(947,342)	**10,637**	**207,987**	**218,624**	**933,426**	**6,449,225**
-	-	-	-	546,521	546,521
-	(20,813)	-	(20,813)	-	(20,813)
-	**(20,813)**	**-**	**(20,813)**	**546,521**	**525,708**
-	-	-	-	(10,437)	3,378
-	-	-	-	(232,000)	(232,000)
-	-	-	-	23	23
(947,342)	**(10,176)**	**207,987**	**197,811**	**1,237,533**	**6,746,334**

Statements of cash flows
December 31, 2010

(All amounts in thousands of Euro, unless otherwise stated)

	Group		Company	
	2010	2009	2010	2009
Cash flows from operating activities				
Profit / (Loss) before tax from continuing operations	740,705	993,099	726,150	988,989
Adjustments:				
Depreciation and amortization	700,908	614,397	696,217	608,785
Devaluation of fixed assets	10,000	138,663	10,000	138,188
Amortization of customers' contributions and subsidies	(74,536)	(73,061)	(74,113)	(72,561)
Provision for CO_2 Deficit and valuation	4,584	50,058	4,584	50,058
Fair value gain of derivative instruments	(88)	(161)	(88)	(161)
Impairment loss on associate	-	-	2,764	-
Share of loss / (profit) of associates	(1,437)	(765)	-	-
Interest income	(40,931)	(18,343)	(40,665)	(19,276)
Sundry provisions	202,258	126,230	202,203	127,451
Unrealized foreign exchange losses on interest bearing loans an borrowings	(5,458)	641	(5,225)	641
Unbilled revenue	75,667	4,710	75,667	4,710
Retirements of fixed assets and software	44,526	27,075	44,447	32,668
Amortization of loan origination fees	5,192	3,078	5,192	3,078
Interest expense	153,633	154,938	153,633	154,876
Operating profit before working capital changes	**1,815,023**	**2,020,559**	**1,800,766**	**2,017,446**
(Increase)/decrease in:				
Accounts receivable, trade and other	(308,132)	(151,045)	(307,006)	(153,480)
Other current assets	(721)	4,312	(715)	5,069
Materials, spare parts and supplies	(56,450)	(53,295)	(56,404)	(53,213)

Increase/(decrease) in:				
Trade and other payables	(73,562)	31,598	(78,359)	12,040
Other non – current liabilities	(13,134)	18,800	(13,134)	18,740
Accrued/ other liabilities excluding interest	35,353	(12,115)	35,520	(12,140)
Income tax paid	(204,181)	-	(203,141)	-
Net Cash from Operating Activities	**1,194,196**	**1,858,814**	**1,177,527**	**1,834,462**
Cash Flows from Investing Activities				
Interest received	40,931	18,343	40,665	19,276
Capital expenditure of fixed assets and software	(983,888)	(1,277,232)	(949,225)	(1,260,341)
Proceeds from subsidies	10,844	82,055	12,139	79,764
Investments in subsidiaries and associates and investments available for sale	(9,969)	(6,267)	(23,891)	(3,711)
Net Cash used in Investing Activities	**(942,082)**	**(1,183,101)**	**(920,312)**	**(1,165,012)**
Cash Flows from Financing Activities				
Net change in short term borrowings	36,750	(145,000)	36,500	(144,000)
Proceeds from interest bearing loans and borrowings	1,733,000	1,315,000	1,733,000	1,315,000
Principal payments of interest bearing bonds and borrowings	(1,493,081)	(1,269,652)	(1,493,081)	(1,269,652)
Interest paid and issuance fees paid	(156,545)	(199,322)	(156,545)	(199,260)
Dividends paid	(231,831)	(147)	(231,831)	(147)
Net Cash used in Financing Activities	**(111,707)**	**(299,121)**	**(111,957)**	**(298,059)**
Net increase/(decrease) in cash and cash equivalents	140,407	376,592	145,258	371,391
Cash and cash equivalents at beginning of year	480,042	103,450	471,782	100,391
Cash and cash equivalents at the end of the year	**620,449**	**480,042**	**617,040**	**471,782**

The accompanying notes are an integral part of these financial statements.

ΔΕΗ

Notes to the Financial Statements according to International Financial Reporting Standards as endorsed by the European Union December 31, 2010

(All amounts in thousands of Euro, unless otherwise stated - except for share and per share data)

1. Corporate information

Public Power Corporation S.A. ("PPC" or the "Parent Company") was established in 1950 in Greece for an unlimited duration as a State owned and managed corporation for electricity generation, transmission and distribution throughout Greece.

In 1999, the Hellenic Republic enacted Law 2773/1999 ("the Liberalization Law"), which provided for, among other provisions, the transformation of PPC into a société anonyme. PPC's transformation to a société anonyme was effected on January 1, 2001, by virtue of Presidential Decree 333/2000 and its duration was set for 100 years.

Effective December 2001, PPC's shares are listed on the Athens and the London Stock Exchanges.

The accompanying financial statements include the separate financial statements of PPC and the consolidated financial statements of PPC and its subsidiaries ("the Group"). In addition, based on L. 2773/1999 and L. 3426/2005, the unbundled financial statements are presented at appendix I, of the separate and consolidated financial statements.

PPC headquarters are located at 30, Chalkokondili Street, Athens, 104 32 Greece.

At December 31, 2010, the number of staff employed by the Group was approximately 21,845 (2009: 22,582), excluding employees engaged in Hellenic Electricity Transmission System Operator S.A. ("HTSO").

At December 31, 2010, 169 employees (2009: 199), have been transferred to several State agencies (ministries, organizations, etc.) out of which,145 were compensated by PPC (2009: 156). The total payroll cost of such employees, at December 31, 2010, amounted to Euro 6,648 (2009: Euro 9,602), and is included in the income statement.

As a vertically integrated electric utility, PPC generates electricity in its own 63 power generating stations (40 additional stations belong to PPC Renewables) facilitates the transmission of electricity through its own power lines of 12,200 kilometres (high voltage) and distributes electricity to consumers through its own distribution lines of 226,456 kilometres (medium and low voltage).

Lignite for PPC's lignite-fired power stations is extracted mainly from its own lignite mines.

PPC has also constructed approximately 1,916 kilometres of fibre-optic network along its transmission lines, almost 161 kilometres of urban underground fibre optics network and almost 17 kilometres of underwater fibre optics network.

2. Legal framework

Amendments to the legislative framework of the Electricity Market in 2010.

A. Amendments concerning the Wholesale Electricity Market

With the Ministerial Decision of the Ministry for the Environment, Energy and Climate Change (MIEECC) of OG B' 1585/29.9.2010, the basic amendments to the provision of the GPEC are:

i. The addition of the Average Specific Cost of Carbon Emissions to the variable cost of thermal generation units. The Average Specific Cost of Carbon Emissions is defined as the average cost for the coverage of the deficit of emission allowances of each unit.

ii. A procedure is enacted, through which, RAE shall review, the bids submitted by thermal units, to ascertain whether they reflect at least their variable, as it is stated in the provisions of Law 2773/1999 as amended.

iii. The validity of the Variable Cost Recovery Mechanism is extended. According to the Mechanism, each unit which is instructed by the TSO and generates energy for the System, is entitled to recover at least its variable cost for the generation of energy which corresponds to the instructions, for each Cost Coverage Period of the Dispatching Day. RAE has the obligation, through a Decision, to determine the Variable Cost Recovery Periods as well as the percentage of surcharge that will be applied.

iv. The definition of variable INS Tut is modified. The specific parameter is used in the calculation of the deviations of the generation units.

v. A non-compliance penalty is enacted for the cases that a significant deviation among the submitted values of technical characteristics and their realized values, is ascertained by the TSO.

vi. The Weekly Declaration for the management of Mandatory Hydro Output, which is submitted by Hydro Plants is considered hereinafter as binding.

vii. The validity of the Transitory Capacity Assurance Mechanism is extended. The provisions concerning the calculation of the Capacity Assurance Coefficient, are amended. This coefficient is hereinafter calculated on an hourly basis.

viii. It is specified that the calculation of the non-compliance charges is performed indicatively until 31.01.2011. The TSO until January 15th, 2011, will review the whole issue and submit a report to RAE, with the purpose of revaluing the calculation coefficients of the respective amounts.

The Decision of the MIEECC published in OG B' 1557/22.09.2010 specifies the 30th of September 2010 as 5th Reference Day.

In the Decision of the MIEECC published in OG΄1700/29.10.2010 titled Determination of the Capacity Payment Unit Price according to the provisions of article 333 of the Grid and Power Exchange Code (OG 655/B'/17.05.2005) the numerical value of the Capacity Payment Unit Price was set to forty five thousand Euros per MW per year (45.000€/MW/year). The aforementioned decision is implemented from 1.11.2010.

After the implementation of the 5th Reference Day it became necessary that the time periods of electricity market settlement payments should be redefined. Following a public consultation organized by RAE among Participants of the Electricity Market the ministerial decision of the MIEECC published in OG B' 1874/30-11-2010 was issued, which modifies the provisions of the Greek Grid & Exchange Code concerning the aforementioned payment schedules.

In order to achieve the integration of the settings needed for the operation of the wholesale market, RAE issued decision 2312/2010 (OG B' 2046/30-12-2010) by which it determined the value of parameter TOL, which is used in the calculations of the deviations of the generation units. Its value was set to 2%.

In the same framework RAE issued decision 2258/2010 (OG B' 2046/30-12-2010) by which the percentage of surcharge calculated in the Variable Cost Recovery Mechanism of the generation units is set to 10%. In the same decision all 24 hours of a day are specified as variable cost Coverage Periods.

B. New Laws

New legislative initiatives took place, aiming at either incorporating existing EU Directives, or supplementing the existing legislative framework.

1. In OG A΄ 85/4.06.2010, Law 3851/2010 was published titled Acceleration of the development of the Renewable Resources of Energy to address climate change and other provisions in issues concerning the authorities of the Ministry for the Environment, Energy and Climate Change. The specific Law amends Law 3468/2006 which regulated issues concerning energy generation from plants that use Renewable Resources of Energy.
2. In OG A' 95/23.06.2010 Law 3855/2010 was published titled Measures for the end-use efficiency, energy services and other provisions.By the specific Law the Greek legislation complies with Directive 2006/32/EC of the 5th of April 2006, which aims at the financially effective amelioration of energy efficiency and the development of an energy services market.
3. In the OG A' 204/2.12.2010 Law 3894/2010 was published titled Acceleration and Transparency of Strategic Investments. It concerns the Law with the alternative name 'Fast Track', by which the organization 'Invest in Greece' is created, through which the evaluation, promotion and implementation of strategic investments will be achieved. The law enacts specific criteria by which an investment is characterized as strategic and enacts measures through which the necessary procedures for their implementation are accelerated.

C. Measures which amend the institutional texts of electricity market

In OG B' 646/14.05.2010 the ministerial Decision of the MIEECC was published with subject the organization and Application of System providing Guarantees of Origin of electricity generation by RES and Cogeneration plants as well as its Assurance Mechanism.

In order to comply with this measure the Ministry of Finance and the MIEECC issued common Ministerial decision OG B' 989/30.06.2010 specifying the details for data transfer, concerning the collection of the Specific TAX by the departments of the MIEECC, RAE, HTSO, DSO as well as the suppliers of electricity, to the Controlling Customs Department of the Ministry of Finance.

For the same purpose the Ministry of Finance issued a decision ΔΕΦΚ.5025778ΕΞ2010 (OG B' 1001/30.06.2010) regulating issues concerning the submission of Specific tax Declarations, the certification and the collection of the corresponding amounts.

D. Measures which amend the regulations texts of the electricity market

RAE issued Decision 4308/2009 (OG B' 2612/ 31.12.2009) which amended provisions of the Metering Management and Periodical Network Suppliers Settlement Manual. The basic amendments concern:

- new powers for the DSO
- procedural issues in the representation of medium voltage customers and the management of the related metering data
- representation of medium voltage customers by more than one Supplier
- issues concerning calculations, certification and collection of charges concerning, use of the System, the Network, Public Service Obligations, RES fee as well as third party charges.

1. RAE put to public consultation, the draft of the new Electrical Energy Supply Code, aiming at complying with EU Directives and responding to the new necessities of the electricity market.
2. RAE put into public consultation the draft of the Grid Code for Non Interconnected Islands. The draft of the Code was elaborated by the Network Operator of the Non Interconnected Islands according to the provisions of article 23 of Law 2773/1999. The public consultation ended on 29.10.2010.
3. RAE with a series of Decisions approved Manuals which are drafted by HTSO, according to the Grid Power Exchange Code and must be approved till the fifth Reference Day. Analytically RAE approved:
   - The manual for the calculation of the Cost for the Operation of generating Units. (RAE 547/2010 OG B' 318/24-3-2010).
   - The Manual for the Operation of the Market (RAE 545/2010 OG B' 328/26-3-2010).
   - The Dispatching Manual (RAE 546/2010 OG B' 341/30-3-2010).
   - The manual for the Capacity Assurance Mechanism (RAE 548/2010 OG B' 370/1-04-2010).

E. New Tariff Policy

Several regulative texts in 2010 enacted the new tariff policy for electricity, which concerns:

a. The application of the Social Household Tariff (SHT)

MIEECC issued a decision (06.08.2010), which specifies the preconditions for the use of the SHT by the different categories of the beneficiaries, as well as the procedure for the application of the SHR. This Decision was published in OG B΄1403 (06.09.2010) titled "Application of the Social Household Tariff (SHT)" and follows RAE Opinion 340/04.08.2010 by which RAE expressed positively for the application of the SHT. Aiming at completing the application of the SHT, the MIEECC issued a Decision which was published in the OG B΄ 1614 (6.10.2010) under the title "Incorporation of the Social Household Tariff in Public Service Obligations", which amends the Presidential Decree ΠΔ5/ΗΛ/Β/Φ1Β/12924/13.06.2007 and incorporates the supply of electricity to vulnerable groups of customers as they are defined in the ministerial decision Δ5-ΗΛ/Β/Φ29/16027/06.08.2010 to the Public Service Obligations.

b. Regulatory Control Tariffs

1. The Regulatory Control Tariffs as defined by the OG B' 1736/5.11.2010 are structured aiming at the removal of the existing cross-subsidies among the different categories of consumers, on the basis of the existing data for the characteristics of their load, taking into account the real cost which is in the system by each category of customer, the proportion of consumption of electricity in hours of high and low load and the features of the installed meters.
2. The average allowed revenue per customer category and the pricelist for the Competitive Charges of the regulated tariffs of Medium and Low Voltage of PPC SA, for the year 2011 were defined in the Decision of the MIEECC OG B' 2031/29.12.2010.
3. The Decision was issued following RAE opinion 381/28.12.2010 by which RAE expressed positive opinion for the acceptance of the pricelist of the competitive charges of PPC's regulated tariffs, as well as for the re-specification of the transitory Average Competitive Revenue for 2011 per customer category.

c. Calculation of the annual return for the supply of the public service obligations for the years 2009 and 2010 and readjustment of the limit of the annual customers' charge of the electrical energy customers due to the special fee of article 40, par.3, case c of L.2773/1999.

According to Decision of the MIEECC, published in OG B 815/10.06.2010, the special fee of article 40, par. 3, case c of L.02773/1999 was specified to 5,57 €/MWh. The fee payment starts in June 1, 2010 with the exception of household tariffs where the payment will be determined with a later decision until the issuance of the abovementioned decision, the special fee remains at the same rate.

RAE Decision 2211/9.12.2010 readjust the limit of the annual charge of electricity customers, per consumption point, due to the special fee of Article 40, par. 3, case c of L.2773/1999, for the year 2010, to € 735.

The allocation coefficients of the special fee of Article 40, par. 3, case c of L.2773/1999 for the year 2011, per Customer category, are defined in the Official Gazette B 2095/31.12.2010

Respectively, RAE with the Decision 2210/9.12.2010 readjusts the limit of the electricity Customers maximum annual charge to cover the expenses for the Public Service Obligations for the year to € 735.

The annual return for the Public Service Obligations for the year 2010 is defined to € 496.7 m, (OG B' 2045/30.12.2010) while the corresponding revenue for the year 2009 was determined in € 416.5 m (OG 189/25.02.2010).

The allocation coefficients of the annual return for the Public Service Obligations and the unit charges per customers category for the year 2010 were defined in OG 189/25.02.2010.

F. Environmental legislation

In the year 2010 the following new legislative initiatives for the completion of the legal framework were adopted:

1. In Official Gazette, (OG), 182/A/14.10.2010 Law 3889/2010 was published for Financing Environmental Interventions, Green Fund, Ratification forest maps and other provisions. Law 3889/2010 aims to establish an integrated and specific system of financing environmental interventions for the achievement of development through environmental protection and the efficient and transparent management of resources to upgrade and restore the environment and to confront climate change. The financing scheme includes the establishment of the Strategic Environmental Policy Commission, assurance, qualification, classification and systematization of resources for the protection, enhancement and restoration of the environment and the restructuring and organization of the management operator of these resources, which is the legal public corporation with the name "Green Fund".
2. In Official Gazette (OG) 94/A/23.06.2010 Law 3854/2010 was published for the alternative management of packaging and other products and the National Organization of packaging and other products (E.O.E.D.S.A.P.) and other provisions.
3. Published in Official Gazette, (OG), 70/A/14.05.2010 Presidential Decree 32 specifies ecological design requirements for products that consume energy and amends Presidential Decision 335/1993 (OG 1407/B/2001) in compliance with Directive 2005/32/EC.
4. Published in Official Gazette, (OG), B/1625/11.10.2010 Common Ministerial Decision defines the measures, conditions and schedule for the alternative management of waste batteries and accumulators in compliance with Directives 2006/66/EC and 2008/103/EC.
5. Common Ministerial Decision 5825/30.03.2010 for the approval of the Energy Performance of Buildings Regulation is published in Official Gazette, (OG) B/407/09.04.2010. By the abovementioned Regulation, the concept of integrated energy planning is now incorporated to the study of the buildings.
6. The instruction 1603/04.10.2010 of Ministry of Environment, Energy and Climate Change sets two basic requirements for the Implementation of Energy Performance of Buildings Regulation (KENAK). The Requirements are:
   - The obligation for the Study of Energy Efficiency of Buildings for issuing a building permit.
   - The requirement of energy audits of buildings, boilers and heating and air conditioning.

7. Common Ministerial Decision 36259 for measures, conditions and schedule for the alternative management of waste from excavations, construction and demolition (EECCA) is published in Official Gazette, (OG) 1312/24.08.2010.

Excise Tax on consumption of electricity

Law 3833/2010 imposed, an excise tax on consumers from 02.05.2010, (2.5 and 5 Euros/MWh for business and non business use, respectively) for electricity produced domestically or from other EU Member States as well as to the one imported from third countries into the European Union. Additionally as provided by Laws 2093/1992 and 2960/2001 a special fee of 5‰ was imposed on the consumers. The basis for calculating the excise tax is the MWh.

With the enactment of Law 3899/17.12.2010 the excise tax amounts to 2.2 Euro / MWh for electricity used by domestic consumers, 5 Euro / MWh for business and non-business consumers and 2.5 Euro / MWh for Industrial consumers. Electricity used for agriculture is exempt from December 17, 2010 from excise tax. This excise tax is charged to consumers (through their electricity bills) and attributed to the Greek state from all suppliers of electricity. PPC is required to collect the "excise tax and the special fee" and attribute to the Greek government.

Fuel clause - Tariffs

In December 2007, by decision of the Minister of Development concerning PPC S.A. tariffs' increase and the modification of the Supply Code, a mechanism for handling changes of the international fuel prices, the ''fuel clause", was established. The purpose of this mechanism was to minimize the risks caused to PPC due to the high volatility of imported fuel prices in the sense that they have an important effect in the operational cost of the company which cannot be recovered by the regulated tariffs.

In December 2008, the Minister of Development asked RAE to submit its opinion concerning the suspension of the fuel clause until January 1, 2010 and with a Ministerial Decision the implementation of the fuel clause was postponed until January 1, 2010. With a Decision of the MIEECC, as of August 1, 2010 the implementation of the Fuel Clause was suspended after its implementation for the period 01.01.2010 - 31.07.2010.

3. Basis of preparation and principal accounting policies

3.1. Basis of preparation

Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Approval of financial statements

The Board of Directors approved the accompanying financial statements for the year ended December 31, 2010 on March 28, 2011. These financial statements are subject to approval by PPC's General Assembly of shareholders.

Basis of preparation of financial statements

The accompanying financial statements (thereon "financial statements") have been prepared under the historical cost convention except for tangible assets, financial assets held – for – sale and derivative financial assets that have been measured at fair value, assuming that PPC and its subsidiaries will continue as a going concern. The financial statements are presented in thousands of Euro and all values are rounded to the nearest thousand, except when otherwise indicated.

Basis of consolidation

The consolidated financial statements comprise the financial statements of PPC and its subsidiaries, drawn up to December 31 each year. Subsidiaries (companies in which the Group directly or indirectly through other subsidiaries has an interest of more than one half of the voting rights or otherwise has power to exercise control over their operations) have been consolidated. Subsidiaries are consolidated from the date on which effective control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance. A change in the ownership interest of a subsidiary is accounted for as an equity transaction. All significant inter-company balances and transactions have been fully eliminated as well as unrealized inter – group gains and losses. Where necessary, the accounting policies of subsidiaries have been revised to ensure consistency with the policies adopted by the Group. Certain of the abovementioned requirements were applied on a prospective basis. The following differences, however, are carried forward in certain instances from the previous basis of consolidation:

- Acquisitions of non-controlling interests, prior to January 1, 2010, were accounted for using the parent entity extension method, whereby, the difference between the consideration and the book value of the share of net assets acquired were recognized as goodwill.
- Losses incurred by the Group were attributed to the non-controlling interest until the balance was reduced to nil. Any further excess losses were attributed to the parent, unless the non-controlling interest had a biding obligation to cover these.

3.2. Changes in accounting policies

The accounting policies applied to the separate and consolidated financial statements are the same as those applied to the annual separate and consolidated financial statements for the year ended December 31, 2009 with the exception of the following interpretations that were applied initially in January 1st, 2010:

- IFRIC 17 Distributions of Non-cash Assets to Owners
- IFRS 3 Business Combinations (Revised) and IAS 27 Consolidated and Separate Financial Statements (Amended)
- IFRS 2 Group Cash-settled Share-based Payment Transactions (Amended)
- IAS 39 Financial Instruments: Recognition and Measurement (Amended) – eligible hedged items
- IFRS Annual Improvements (May 2008): The effective dates of the improvements are for the financial year beginning December 31, 2009, apart from IFRS 5, "Non-current Assets Held for Sale and Discontinued Operations": The amendment clarifies that all of a subsidiary's assets and liabilities are classified as held for sale, under IFRS 5, even when the entity will retain a non-controlling interest in the subsidiary after the sale.

In April 2009, the IASB issued its second omnibus of amendments to its standards, primarily with a view to removing inconsistencies and clarifying wording. The effective dates of the improvements are various and the earliest is for the financial year beginning July 1, 2009 and had no impact on PPC's financial statements.

- IFRS 2 Share-based Payment
- IFRS 5 Non-current Assets Held for Sale and Discontinued Operations
- IFRS 8 Operating Segment Information
- IAS 1 Presentation of Financial Statements
- IAS 7 Statement of Cash Flows
- IAS 17 Leases
- IAS 18 Revenue
- IAS 36 Impairment of Assets
- IAS 38 Intangible Assets
- IAS 39 Financial Instruments: Recognition and Measurement
- IFRIC 9 Reassessment of Embedded Derivatives
- IFRIC 16 Hedges of a Net Investment in a Foreign Operation

In case the adoption of another Standard or Interpretation had an impact on the Financial Statements, or in the Group's activity, this impact is as follows:

- IFRS 3 Business Combinations (Revised) and IAS 27 Consolidated and Separate Financial Statements (Amended). The revised IFRS 3 introduces a number of changes in the accounting for business combinations which will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results. Such changes include the expensing of acquisition-related costs and recognising subsequent changes in fair value of contingent consideration in the profit or loss (rather than by adjusting goodwill). The amended IAS 27 requires that a change in ownership interest of a subsidiary is accounted for as an equity transaction. Therefore such a change will have no impact on goodwill, nor will it give raise to a gain or loss. Furthermore the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary.

3.3. Significant accounting judgments and estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may ultimately differ from those estimates. The principle judgments and estimates referring to events the development of which could significantly affect the items of the financial statements during the forthcoming twelve months period are as follows:

Post-retirement benefits

PPC's employees and pensioners are entitled to supply of energy at reduced tariffs. Such reduced tariffs to pensioners are considered to be retirement obligations and are calculated at the discounted value of the future retirement benefits deemed to have accrued at year-end based on the employees earning retirement benefit rights steadily throughout their working period. The above mentioned obligations are calculated on the basis of financial and actuarial assumptions. Further details, according to the basic assumptions and estimates, are included in Note 31.

Fair value and useful lives of property, plant and equipment

PPC carries its property, plant and equipment at revalued amounts (estimated fair values) as determined by an independent firm of appraisers. Revaluations are performed periodically (every three to five years). The determination of the fair values of property, plant and equipment requires from management to make assumptions, estimates and judgements with respect to the ownership, the value in use and the existence of any economic, functional and physical obsolescence of property, plant and equipment. Furthermore, the Management has to make certain estimates with respect to the total and the remaining useful lives of depreciable assets, which are subject to a periodic review. The total useful lives, as appraised, are included in Note 3.4.

Impairment of property, plant and equipment

PPC assesses at each reporting date whether there is an indication that an asset may be impaired. The determination of whether such indications exists, require assumptions and judgments with respect to external and internal factors that may affect the recoverability of its assets, as well as assumption on the determination of its cash generating units (Note 14 & 38).

Cost of dismantling of property, plant and equipment

Based on the provisions of IAS 16 "Property, plant and equipment" the cost of an item of property, plant and equipment includes, among others, the initial estimate of the costs required for the dismantling and removal of such an item. These costs are quantified and recognized in the financial statements in accordance with the provisions of IAS 37 "Provisions, contingent liabilities and contingent assets". The management estimates that the cost of dismantling may, especially in the cases of lignite fired power plants as well as gas fired stations, be funded by the proceeds of the materials that will be resulted from such a dismantling and, on that basis has not made any provision for such costs.

Provisions for risks

The Group is establishing provisions concerning claims by employees against companies of the Group and which might lead to an outflow of resources for their settlement. Provisions are established based on claim and the possible outcome of the trial.

Provisions for trade receivables

The provision for doubtful debts is established for high voltage customers on specific balances, when there are indications that the debts will not be collected. For medium and low voltage customers, the Company is establishing a general provision for the total of their outstanding balances of more than 3 and 6 months respectively, per customer. This policy is reviewed periodically in order to be readjusted accordingly the outstanding circumstances. Additional details are included in Note 21.

Provisions for income taxes

Current income tax liabilities for the current and prior years are measured at the amounts expected to be paid to the taxation authorities, using the tax rates that have been enacted by the balance sheet date. Provision for income taxes includes taxes reported in the respective income tax returns and potential additional tax assessments that may be imposed by the tax authorities upon settlement of the open tax years on the basis of the findings of prior tax audits. The final settlement of the income taxes might differ from the income taxes that have been accounted for in the financial statements. Deferred taxes are recognized on carried forward tax losses to the extent that it is probable that future taxable profits will be reported to offset carried forward tax losses. Deferred tax receivables that are recognized require Management to make assessments as to the time and level of realization of future taxable profits.

Provision for unbilled revenue

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue from all types of electricity sales is accounted for on an accrual basis. At each balance sheet date, unbilled revenue is recorded to account for electricity delivered and consumed by customers but not yet billed. Unbilled revenue is estimated using certain assumption with respect to quantities of electricity consumed, network losses and average electricity sale prices. Actual amounts finally billed may differ from those provided for.

3.4. Principal accounting policies

Foreign currency translation

The functional and reporting currency of all the Group entities is the Euro. Transactions involving other currencies are converted into Euro using the exchange rates, which were in effect at the time of the transactions. At the balance sheet dates, monetary assets and liabilities that are denominated in other currencies are adjusted to reflect the current exchange rates. Gains or losses resulting from foreign currency adjustments are reflected in foreign currency gains (losses), net, in the accompanying statements of income.

Intangible assets

Intangible assets include software and CO_2 emission rights allowances.

Software

Software programs are depicted at their acquisition cost minus accumulated depreciation and impairments. For all assets retired or sold, their acquisition cost and related depreciation are removed from the accounts. And any gain or loss is included in the statement of income. Software costs are amortized on a straight-line basis over a period of five years.

CO_2 Emissions Rights

PPC acquires CO_2 emission rights in order to meet its obligation resulting from the shortage of allocated emission allowances as compared to actual emissions made. PPC is implementing the net liability method, according to which a liability for emissions is recognized when the emissions are in excess from the allocated allowances and the acquired CO_2 allowances (taking into account the maximum allowed proportion between EUAs and CERs). This liability is accounted in fair values to the extend that PPC has the obligation to cover the CO_2 emission deficit through purchase (after the set of any acquired CO_2 emission rights). Emission rights purchased and additionally acquired are recognized as an intangible asset, at cost less any accumulated impairment losses.

Tangible Assets

Tangible assets (with the exception of mines and lakes which are valued at cost minus accumulated depreciation and eliminations) are valued at their fair values minus accumulated depreciation and eliminations. Estimations of fair values are performed periodically by independent appraisers (three to five years) in order to ensure that fair value does not differ significantly from the net value of the asset. The last assets' evaluation was completed December 31st 2009. Any valuation increase is credited to the revaluation surplus net of deferred taxes. At the date of revaluation, accumulated depreciation are offset against pre depreciation accounting values and net amounts are restated according to restated amounts. Any decrease is first offset against an earlier valuation increase in respect of the same fixed asset and thereafter charged to the income statement. Upon disposal of revalued tangible asset, the relevant portion of the revaluation surplus is released from the revaluation surplus directly to retained earnings. Repairs and maintenance are charged to expenses as incurred. Subsequent future expenditures are capitalized when they increase the asset's useful life, improve its productivity or decrease its operational cost. For all assets retired or sold, their acquisition cost and related depreciation are removed from the accounts at the time of sale or retirement, and any gain or loss is included in the statement of income.

Borrowing costs

From January 1st, 2009, borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset that needs a substantial period of time to get ready for its intended use or sale, is capitalised as part of the cost of the relevant assets. The new accounting policy is implemented on fixed assets recognized from January 1, 2009 herein (new constructions). All the remaining borrowing costs are recognized as expenses in the period in which they are incurred.

Depreciation

Depreciation is calculated on a straight-line basis over the average estimated remaining useful economic life of the assets. The useful lives (in years) applied for the calculation of depreciation, have as follows:

BUILDINGS AND CIVIL WORKS	
Buildings of general use	50
Industrial buildings	40-50
Dams	50
Machinery and Equipment	
Thermal power plants	35-40
Gas Turbines	30
Mines	20-40
Hydro power plants	50
Autonomous diesel power plants	25
Transmission	
Lines	35
Substations	35
Distribution	
Substations	35
Low and medium voltage distribution network	35
Transportation assets	15
Furniture, fixtures and equipment	5-25

Mining activities

PPC owns and operates open-pit lignite mines. Land acquisition (mainly through expropriation) and initial (pre-production) development costs relating to mines are capitalized and amortized (upon commencement of the mines' commercial operation) over the shorter of the life of the mine and 20 years. Exploration, evaluation and ongoing development costs are charged to the cost of lignite production as incurred. A provision for land restoration is established for the Group's estimated present obligation for restoration and is calculated based on the surface disturbed to date and the average cost of restoration per metric unit. It is accounted for at the present value of the related obligation to restore land back to a beneficial use and is included both in fixed assets (mines) and in provisions.

Investments in subsidiaries

In the separate financial statements, investments in subsidiaries are accounted for at cost less any impairment losses.

Investments in associates

These are entities in which the Group has significant influence and which are neither a subsidiary nor a joint venture of the Group. The Group's investments in associates are accounted for under the equity method of accounting. The investments in associates are carried on the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associate, less possible provisions for any impairment in value. The income statement reflects separately the Group's share of the results of its associates, while amounts that are registered by the associates directly to their equity are recognized directly to the Group's equity. Non – realizable profit or loss resulting from the transactions of the Group with said associates are eliminated to the extent of the interest in the associates. The associates' accounting principles are adjusted, when necessary, in order to comply with those adopted by the Group. In the separate financial statements such investments are accounted for at cost less any accumulated impairment losses.

Investments in joint ventures

The Group has interests in joint venture which are jointly controlled entities with other companies with which the Group has a contract. In the consolidated financial statements, investments in joint ventures are accounted for under the equity method. The investments in joint ventures are carried on the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associate, less any impairment value. The consolidated statement of income reflects the Group's share of the results of its joint ventures while amounts that are registered by the joint ventures directly to their equity are recognized directly to the Group's equity. Non – realizable profit or loss incurring from the transactions of the Group with those joint ventures are eliminated to the extent of the interest in the joint ventures. The joint ventures' accounting principles are adjusted, when necessary, in order to comply with those adapted by the Group. In the separate financial statements such investments are accounted for at cost less any impairment losses.

Impairment of assets

PPC assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when PPC makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's fair value less cost to sell and its value in use and is determined for an individual asset unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. The fair value of sale (after the deduction of sales costs) is determined, in each case, according to the implementation of a revaluation model. Impairment losses of continuing operations are recognized to the income statement. An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the assets' recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized for the asset in prior years. Such reversal is recognized in profit and loss unless the asset is carried at revalued amounts in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Investments and other financial assets

Financial assets in the scope of IAS 39 are classified based on their nature and their characteristics in financial assets at fair value through profit and loss, loans and receivables, held-to-maturity investments, and available-for-sale financial assets. When financial assets are recognized initially, they are measured at fair value, plus, in the case of investments not at fair value through profit and loss, directly attributable transaction costs. PPC determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates this designation at each financial year-end. All regular way purchases and sales of financial assets are recognized on the trade date, i.e. the date that the Group commits to purchase the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the market place.

Financial assets at fair value through profit and loss

This category includes financial assets classified as held for trading. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term unless they are designated as effective hedging instruments. Gains or losses on investments held for trading are recognized in income.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortized cost using the effective interest method. Gains and losses are recognized in income when the loans and receivables are derecognized or impaired, as well as through the amortization process.

Held - to - maturity investments

Financial assets with fixed payments and fixed maturity are classified as held - to - maturity, when the Company has the intention and the ability to hold them to maturity. Held – to – maturity investments which are held for an infinite or non – defined maturity cannot be classified into this category.

Held – to – maturity investments are carried at amortized cost using the effective interest method. Gains and losses are recognized in income when the investments are derecognized or eliminated as well as through the amortization process.

Available-for-sale investments

Available-for-sale investments are those non-derivative financial assets that are not classified in any of the three preceding categories. After initial recognition available-for sale investments are measured at fair value with gains or losses being recognized as a separate component of equity. On disposal, impairment or de-recognition of the investment, the cumulative gain or loss is transferred to the income statement. The fair value of investments that are actively traded in organized financial markets is determined by reference to quoted market bid prices at the close of business on the balance sheet date. For investments where there is no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions; reference to the current market value of another instrument, which is substantially the same; discounted cash flow analysis and option pricing models.

Impairment of financial assets

The Group assesses at each balance sheet date whether a financial asset or group of financial assets is impaired.

Assets carried at amortized cost

If there is objective evidence that an impairment loss on loans and receivables carried at amortized cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced through use of an allowance account. The amount of the loss shall be recognized in profit or loss. The Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the asset is included in a group of financial assets with similar credit risk characteristics and that group of financial assets is collectively assessed for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognized are not included in a collective assessment of impairment. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed. Any subsequent reversal of an impairment loss is recognized in the income statement, to the extent that the carrying value of the asset does not exceed its amortized cost at the reversal date.

Available-for-sale financial assets

If an available-for-sale asset is impaired, an amount comprising the difference between its acquisition cost (net of any principal payment and amortization) and its current fair value, less any impairment loss previously recognized in profit or loss, is transferred from equity to the income statement.

Reversals in respect of equity instruments classified as available-for-sale are not recognized in profit. Reversals of impairment losses on debt instruments are reversed through profit or loss if the increase in fair value of the instrument can be objectively related to an event occurring after the impairment loss was recognized in profit or loss.

Inventories

Inventories include consumables, materials, lignite and liquid fuel.

Materials and consumables

Materials and consumables are stated at the lower of cost or net realizable value, the cost being determined using the weighted average method. These materials are recorded in inventory when purchased and then are expensed or capitalized to plant, as appropriate, when installed. A provision is established for write down to recoverable amount expected to be realized from their use.

Lignite (self-produced and purchased)

The cost of lignite inventories which have been excavated / purchased but not yet consumed at the date of the financial statements is depicted at the balance sheet. Lignite inventories are stated at the lower of production cost / purchase cost and net realizable value, the cost being determined using the weighted average production / purchase cost method. Production / purchase cost mainly consists of expenses incurred in order for lignite inventories to be brought to its present location. Consumption of lignite is separately reflected in operating expenses in the accompanying statement of income.

Liquid fuel

Liquid fuel is stated at the lower of cost and net realisable value. The cost of liquid fuel reflects purchase price plus any taxes (other than VAT), levies and other costs necessary to bring it to its present location and condition and is determined using the weighted average method for the period. Liquid fuel costs are expensed as consumed and are separately reflected in the accompanying statements of income.

Cash and cash equivalents

The Group considers time deposits and other highly liquid investments with original maturity of three months or less, to be cash equivalents.

Share capital

Share capital represents the par value of shares fully issued and outstanding. Any proceeds in excess of par value are recorded in share premium. Expenses related directly to new shares issuance are recognized directly to Equity net of proceeds.

De-recognition of financial assets and liabilities

Financial Receivables

A financial receivable (or, where applicable a part of a financial receivable or part of a group of similar financial receivables) is derecognized where: (1) the rights to receive cash flows from the asset have expired, (2) PPC retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement and (3) PPC has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the assets, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. Where PPC has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of PPC's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that PPC could be required to repay. Where continuing involvement takes the form of a written and/or purchase option (including a cash-settled option or similar provision) on the transferred asset, the extent of PPC's continuing involvement is the amount of the transferred asset that PPC may repurchase, except that in the case of a written put option (including a cash-settled option or similar provision) on an asset measured at fair value, the extent of PPC's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

Financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in profit or loss.

Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount is presented in the balance sheet only when PPC has a legally enforceable right to set off the recognized amounts and intends to either to settle such asset and liability on a net basis or to realize the asset and settle the liability simultaneously.

Interest bearing loans and borrowings

All loans and borrowings are initially recognized at cost, being the fair value of the consideration received net of issue costs associated with the borrowing. After initial recognition, they are subsequently measured at amortized cost using the effective interest rate method. Amortized cost is calculated by taking into account any issue costs.

Provisions for risks and expenses, contingent liabilities and contingent claims

Provisions are recognised when the Group has a present legal, contractual or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle this obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the present value of the expenditure expected to be required to settle the obligation. Contingent liabilities are not recognised in the financial statements but are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognised in the financial statements but are disclosed when an inflow of economic benefits is probable.

Post-retirement benefits

PPC's employees and pensioners are entitled to supply of energy at reduced tariffs. Such reduced tariffs to pensioners are considered to be retirement obligations and are calculated at the discounted value of the future retirement benefits deemed to have accrued at year-end based on the employees earning retirement benefit rights steadily throughout the working period. Retirement obligations are calculated on the basis of financial and actuarial assumptions. Net costs for the period are included in the payroll cost in the statements of income and consist of the present value of the benefits earned in the year, decreased by the benefits offered to the pensioners. The retirement benefit obligations are not funded. Unrecognized gains or losses that exceed 10% of the projected benefit obligation at the beginning of each period are recognized over the average remaining service period of active employees and included as a component of net pension cost for a year.

Subsidies for fixed assets

PPC obtains subsidies from the Hellenic Republic and from the European Union (through the investment budget of the Hellenic Republic) in order to fund specific projects executed through a specific time period. Subsidies are recorded upon collection and are reflected as deferred income in the accompanying balance sheets. Amortization is accounted for in accordance with the remaining useful life of the related assets, and is included in depreciation and amortization in the accompanying statements of income.

Customers and producers contributions in the construction of fixed assets and Contributions of fixed assets from customers and producers

Customers and producers, who are connected with the transmition and distribution network, are required to participate in the initial network connection cost (metering devices, lines, substations, etc.) or other type of infrastructure, through the deposit of institutionally defined amounts or through fixed assets contribution. Until December 31, 2008, due to the lack of detailed accounting guidance under current IFRS, PPC has elected to record upon collection of contribution from customers and producers for the construction of assets needed for their connection with the network, and were reflected in the Balance Sheet as deferred income. Their amortization was accounted for in accordance with the remaining useful life of the related financed assets and was included in the depreciation and amortisation of the income statement (PPC implemented the accounting policy used for contributions). From January 1st, 2009, PPC implementing earlier the Interpretation 18 "Transfers of Assets from Customers" recognize the cash and the assets received from customers and producers needed for their connection with the network, in fair values in the Income Statement. For cash received until December 31st, 2008, PPC used the previous adopted accounting policy.

Derivative financial instruments and hedging

PPC uses derivative financial instruments to hedge its risks associated with interest rate, of foreign currency and liquid fuel prices consumed by PPC fluctuations. Such derivative financial instruments are measured at fair value at the balance sheet date. The fair value of such derivatives is determined by reference to market values for similar instruments and it is confirmed with the respective financial institutions. The effective part of hedges that qualify for hedge accounting is recognized directly to equity if it is related to cash flow hedges while the ineffective part is charged to the consolidated income statement. If the hedge is related to effective fair value hedges, the gain or loss from remeasuring the derivative hedging instrument at fair value is recognized in profit or loss and the gain or loss on the hedged item attributable to the hedged risk adjusts the carrying amount of the hedged item and is also recognized in profit or loss. Under cash flow hedge accounting, when the hedged firm commitment results in the recognition of non-financial asset or a non-financial liability, then, at the time the asset or liability is recognized the associated gains or losses that had previously been recognized in equity are included in the initial measurement of the acquisition cost or other carrying amount of the asset or liability. For all other cash flow hedges, the gains or losses that are recognized in equity are transferred to the income statement in the same year in which the hedged firm commitment affects the net profit and loss. For derivatives that do not qualify for hedge accounting, any gains or losses arising from changes in fair value are taken directly to net profit or loss for the year. Certain derivatives, although characterized as effective hedges based on Group policies, do not meet the criteria for hedge accounting in accordance with the provisions of IAS 39 and, therefore, gains or losses are recognized in the statements of income.

Income taxes (current and deferred)

Current Income Taxes

Current income tax expense consists of income taxes for the current year based on the Parent Company's profits and on the other companies of the Group as adjusted in its tax returns and, provisions for additional income taxes to cover potential tax assessments which are likely to occur from tax audits by the tax authorities, using the enacted or substantively enacted tax rates.

Deferred Income Taxes

Deferred income tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities. Deferred income tax liabilities are recognized for all taxable temporary differences.

Except where the deferred income tax liability arises from initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss. Deferred tax assets are recognized for all deductible temporary differences, carried forward of unused tax credits and unused tax losses, to the extent that it is possible that taxable profit will be available against the deductible temporary differences and the carried forward of unused tax credits and unused tax losses can be utilized. Except where the deferred income tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; the deferred tax assets are reviewed at each balance sheet date and reduced at the time where it is not considered as possible that enough taxable profits will be presented against which, a part or the total of assets can be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Income tax relating to items recognized directly in equity is recognized in equity and not in the statement of income.

Defined contribution plans

PPC recognizes as an expense the contribution for the employees' services payable to PPC Personnel Insurance Organization and as a liability the amount that has not been paid yet.

Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue from all types of electricity sales is accounted for on an accrual basis. At each balance sheet date, unbilled revenue is recorded to account for electricity delivered and consumed by customers but not yet billed. Deductions from reduced consumption of electricity as defined by specific return policies of the Company are accounted when they can reliably be estimated (based on historical data, if available or on prior year's data). Revenue from rendering of services is recognized based on the stage of completion of the service rendered and to the extent that the related receivable will be collected. Revenue from interest is recognized within the period incurred and revenue from dividends is recognized when the Group's right on such dividends is approved by the respective bodies of the companies' that declare them.

Electricity

Electricity costs are expensed as purchased and separately reflected in the accompanying statements of income.

Leases

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date: whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right or use the asset.

Group as a lessee

Leases, which do not transfer to the Group substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognized as an expense in the statement of income on a straight line basis over the lease term.

Group as a lessor

Leases where the Group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognized as revenue in the statement of income on a straight line basis over the lease term.

Earnings / (Losses) per share

The basic and diluted earnings per share, are computed by dividing net income by the weighted average number of shares outstanding during the relevant year. The weighted average number of shares is derived by adding the existing shares, that the share capital is divided, with the rights that the Company owns and potentially could exercise.

Subsequent events

Post period-end events that provide additional information about the Group's position at the balance sheet date (adjusting events), are reflected in the financial statements. Post-period-end events that are not adjusting events are disclosed in the notes.

Operating Segment

According to L. 2773/1999 and L. 3426/2005, the Company is obliged to prepare and integrate in its financial statements, accounting unbundled financial statements for each sector. These include PPC's activities in the Sectors of Generation, Transmission, Distribution, Supply to Eligible Customers, Supply to non – eligible customers and Management of the Non-Interconnected Islands. As a result, information disclosures by operational sector as well as the principles of segment as presented in IFRS 8 "Operating Segment" are stated in the Appendix 1.

3.5. New standards and interpretations issued but not yet effective

The new standards, amendments / improvements of standards or Interpretations listed below, were issued but have not been adopted in the accounting period, beginning in January 1, 2010:

- *IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments:* The interpretation is effective for annual periods beginning on or after 1 July 2010. This interpretation addresses the accounting treatment when there is a renegotiation between the entity and the creditor regarding the terms of a financial liability and the creditor agrees to accept the entity's equity instruments to settle the financial liability fully or partially. IFRIC 19 clarifies such equity instruments are "consideration paid" in accordance with paragraph 41 of IAS 39. As a result, the financial liability is de-recognized and the equity instruments issued are treated as consideration paid to extinguish that financial liability.The implementation of this Interpretation, is not expected to have impact in PPC's financial statements.
- *IFRIC 14 Prepayments of a Minimum Funding Requirement (Amended):* The amendment is effective for annual periods beginning on or after 1 January 2011. The purpose of this amendment was to permit entities to recognize as an asset some voluntary prepayments for minimum funding contributions. This Earlier application permitted and must be applied retrospectively. This Interpretation does not have any impact on the PPC's financial statements.
- *IFRS 9 Financial Instruments – Phase 1 financial assets, classification and measurement:* The new standard is effective for annual periods

beginning on or after 1 January 2013. Phase 1 of this new IFRS introduces new requirements for classifying and measuring financial assets. Early adoption is permitted. This standard has not yet been endorsed by the EU. PPC is in the process of assessing the impact of the new standard in the financial Statements.

- *IAS 32 Classification on Rights Issues (Amended):* The amendment is effective for annual periods beginning on or after 1 February 2010. This amendment relates to the rights issues offered for a fixed amount of foreign currency which were treated as derivative liabilities by the existing standard. The amendment states that if certain criteria are met, these should be classified as equity regardless of the currency in which the exercise price is denominated. The amendment is to be applied retrospectively PPC does not expect that this amendment will have an impact in the financial Statements.
- *IAS 24 Related Party Disclosures (Revised):* The revision is effective for annual periods beginning on or after 1 January 2011.This revision relates to the judgment which is required so as to assess whether a government and entities known to the reporting entity to be under the control of that government are considered a single customer. In assessing this, the reporting entity shall consider the extent of economic integration between those entities. Early application is permitted and adoption shall be applied retrospectively. PPC is in the process of assessing the impact of this amendment will have an impact in the financial Statements.
- *IFRS 7 Financial Instruments: Disclosures as part of its comprehensive review of off balance sheet activities (Amended):* The amendment is effective for annual periods beginning on or after 1 July 2011. The purpose of this amendment is to allow users of financial statements to improve their understanding of transfer transactions of financial assets (e.g. securitisations), including understanding the possible effects of any risks that may remain with the entity which transferred the assets. The amendment also requires additional disclosures if a disproportionate amount of transfer transactions are undertaken around the end of a reporting period. The amendments broadly align the relevant disclosure requirements of IFRSs and US GAAP. This amendment has not yet been endorsed by the EU. The Group does not expect that this amendment will have an impact in the financial statements.
- *IAS 12 Deferred tax: Recovery of Underlying Assets (Amended)* The amendment is effective for annual periods beginning on or after 1 January 2012. This amendment concerns the determination of deferred tax on investment property measured at fair value and also incorporates SIC-21 Income Taxes — Recovery of Revalued Non-Depreciable Assets into IAS 12 for non-depreciable assets measured using the revaluation model in IAS 16. The aim of this amendment is to include a) a rebuttable presumption that deferred tax on investment property measured using the fair value model in IAS 40 should be determined on the basis that its carrying amount will be recovered through sale and b) a requirement that deferred tax on non-depreciable assets, measured using the revaluation model in IAS 16, should always be measured on a sale basis. This amendment has not yet been endorsed by the EU. The Group does not expect that this amendment will have an impact in the financial statements.

In May 2010 the IASB issued its third omnibus of amendments to its standards, primarily with a view to removing inconsistencies and clarifying wording.

The effective dates of the improvements are various and the earliest is for the financial year beginning 1 July 2010. Early application is permitted in all cases and the EU has adopted those modification on February 18th 2011.

- *IFRS 3 Business Combinations, effective for annual periods beginning on or after 1 July 2010.* This improvement clarifies that the amendments to IFRS 7 Financial Instruments: Disclosures, IAS 32 Financial Instruments: Presentation and IAS 39 Financial Instruments: Recognition and Measurement, that eliminate the exemption for contingent consideration, do not apply to contingent consideration that arose from business combinations whose acquisition dates precede the application of IFRS 3 (as revised in 2008).

  Moreover, this improvement limits the scope of the measurement choices (fair value or at the present ownership instruments' proportionate share of the acquiree's identifiable net assets) only to the components of non-controlling interest that are present ownership interests that entitle their holders to a proportionate share of the entity's net assets. Finally, it requires an entity (in a business combination) to account for the replacement of the acquiree's share-based payment transactions (whether obliged or voluntarily), i.e., split between consideration and post combination expenses. The implementation of this IFRS, is not expected to have impact in PPC's financial statements.

- *IFRS 7 Financial Instruments:* Disclosures, effective for annual periods beginning on or after 1 January 2011. This improvement gives clarifications of disclosures required by IFRS 7 and emphasises the interaction between quantitative and qualitative disclosures and the nature and extent of risks associated with financial instruments.

- *IAS 1 Presentation of Financial Statements, effective for annual periods beginning on or after 1 January 2011.* This amendment clarifies that an entity will present an analysis of other comprehensive income for each component of equity, either in the statement of changes in equity or in the notes to the financial statements.

- *IAS 27 Consolidated and Separate Financial Statements, effective for annual periods beginning on or after 1 July 2010.* This improvement clarifies that the consequential amendments from IAS 27 made to IAS 21 The Effect of Changes in Foreign Exchange Rates, IAS 28 Investments in Associates and IAS 31 Interests in Joint Ventures apply prospectively for annual periods beginning on or after 1 July 2009 or earlier when IAS 27 is applied earlier.

- *IAS 34 Interim Financial Reporting, effective for annual periods beginning on or after 1 January 2011.* This improvement provides guidance to illustrate how to apply disclosure principles in IAS 34 and add disclosure requirements.

- *IFRIC 13 Customer Loyalty Programmes, effective for annual periods beginning on or after 1 January 2011.* This improvement clarifies that when the fair value of award credits is measured based on the value of the awards for which they could be redeemed, the amount of discounts or incentives otherwise granted to customers not participating in the award credit scheme, is to be taken into account.

4. Revenues

	Group		Company	
	2010	**2009**	**2010**	**2009**
Energy sales				
- High voltage	410,729	384,409	410,729	384,409
- Medium voltage	957,943	1,059,259	957,943	1,059,259
- Low voltage	3,846,905	4,050,517	3,846,905	4,050,517
- Renewable Energy Sources	17,655	13,261	-	-
	5,233,232	**5,507,446**	**5,215,577**	**5,494,185**
Fees charged to HTSO				
- Transmission system fees	247,341	268,965	247,341	268,965
- Administrative fees	10,325	14,123	10,325	14,123
	257,666	283,088	257,666	283,088
- Received customers' contributions	194,539	168,938	194,539	168,938
- Public Service Obligations	22,168	2,492	22,168	2,492
- Distribution Network Revenue	28,733	5,076	28,733	5,076
Other	75,048	63,341	75,048	63,341
	578,154	**522,935**	**578,154**	**522,935**
Total	**5,811,386**	**6,030,381**	**5,793,731**	**6,017,120**

5. Payroll cost

	Group		Company	
	2010	2009	2010	2009
Payroll cost	1,083,640	1,320,613	1,080,760	1,314,019
Employer's social contributions	321,260	378,788	321,211	378,735
Provision for reduced tariffs	4,079	3,645	4,079	3,645
Payroll cost included in:				
- fixed assets	(163,910)	(210,982)	(163,910)	(210,982)
- lignite production	(294,569)	(367,607)	(294,569)	(367,607)
Total	**950,500**	**1,124,457**	**947,571**	**1,117,810**

6. Energy purchases

	Group		Company	
	2010	2009	2010	2009
Arrangements of differences	429,247	257,610	429,247	257,610
Imports	103,251	160,863	103,251	160,863
Other imports	74,720	55,714	82,117	65,556
Net charge to secure sufficient capacity	(17,698)	21,596	(17,698)	21,596
Net additional charge for RES	10,056	18,510	10,056	18,510
Purchase rights	7,970	11,773	7,970	11,773
Other purchase	42,675	19,226	42,675	19,226
Total	**650,221**	**545,292**	**657,618**	**555,134**

7. Distribution network fees

	Group		Company	
	2010	2009	2010	2009
Distribution network fees	210,696	267,216	210,696	267,216
Recovery of administrative costs from HTSO	19,892	19,151	19,892	19,151
Arrangement of losses	17,385	4,451	17,385	4,451
Other charges	237	278	237	278
Total	**248,210**	**291,096**	**248,210**	**291,096**

8. Depreciation and amortization

	Group		Company	
	2010	2009	2010	2009
Depreciation / amortization:				
- Fixed assets (note 14)	697,959	610,954	693,333	605,363
- Software (note 15)	2,949	3,470	2,884	3,422
- Transfer to subsidies and customers contributions (note 33)	(74,556)	(73,061)	(74,113)	(72,561)
Depreciation included in lignite excavation cost	(122,541)	(91,652)	(122,541)	(91,652)
Total	**503,811**	**449,711**	**499,563**	**444,572**

9. Financial expenses

	Group		Company	
	2010	2009	2010	2009
Interest expense	153,633	154,876	153,633	154,876
Bank charges	1,049	835	1,049	835
Amortization of loans' issuance costs	5,192	3,078	5,192	3,078
Commissions on letters of guarantee	6,349	4,504	6,349	4,504
Finance cost on mine restoration provision (note 32)	2,009	1,227	2,009	1,227
Other	2,078	1,426	1,951	1,282
Total	**170,310**	**165,946**	**170,183**	**165,802**

10. Financial income

	Group		Company	
	2010	2009	2010	2009
Unrealized gain on interest rate swaps (note 30)	88	161	88	161
Interest on outstanding energy receivables	14,058	12,674	14,058	12,674
Interest on bank and time deposits (note 24)	18,799	5,550	18,692	5,485
Dividends from Subsidiaries	-	-	-	1,000
Dividends from investments "held-for-sale" (note 23)	155	118	155	118
Other	7,831	2,601	7,672	2,600
Total	**40,931**	**21,104**	**40,665**	**22,038**

11. Other (income) expense, net

	Group		Company	
	2010	2009	2010	2009
OTHER EXPENSE				
Transportation and travel expenses	21,767	33,273	21,567	33,023
Taxes and duties (including lignite levy)	22,542	26,469	21,633	25,689
Loss on retirements of fixed assets	14,311	5,551	14,311	5,551
Loss on write down of Construction in Progress	10,000	14,664	10,000	14,664
Attribution in Insurance Funds (note 38)	99,619	-	99,619	-
Extraordinary Provisions	41,716	-	41,716	-
Extraordinary other receivables write offs	20,693	-	20,693	-
Consumables	8,598	8,165	8,587	8,155
Other	21,594	8,358	21,010	7,054
Total	**260,840**	**96,480**	**259,136**	**94,136**
OTHER REVENUE				
Penalties to suppliers/contractors	(8,000)	(5,323)	(8,000)	(5,323)
Subsidies on expenses	(398)	(361)	(398)	(361)
Income from rentals	(780)	(1,220)	(780)	(1,220)
Other	(15,071)	(18,940)	(15,071)	(18,940)
Total	**(24,249)**	**(25,844)**	**(24,249)**	**(25,844)**
Grand Total	**236,591**	**70,636**	**234,887**	**68,292**

12. Transmission – Distribution spin off

Shaping PPC's Strategy in relation to the 2009/72/EK Directive and its implementation in Domestic Law. In August 2010, the Parent Company's Board of Directors decided that:

- The most advantageous solution in view of the separation of the Transmission Activity from PPCs' other activities, is the establishment of an Independent Transmission Operator (ITO), according to Chapter V of the 2009/72/EK Directive.
- The most appropriate choice for the separation of the Distribution Activity from PPC's other activities, is the establishment of a Distribution Company (PPCs' 100% subsidiary), which will

undertake the role of the Grid's Operator as well as the provision of all the network's services. As far as the ownership of the Distribution assets is concerned, the most advantageous solution is the choice to continue to belong to PPC, who will then concede their use to the Distribution Company in order for her to exercise its activities.

- The Distribution Subsidiary should be manned with the existing personnel of PPC's Distribution Business Unit.

In October 2010, the Parent Company's Board of Directors decided to transfer the operation of the network, the provision of network services throughout the country, as well as the activity of the Non –Interconnected Islands' operator, to a PPCs' 100% subsidiary. All of PPC's properties, as well as the pertinent to the above mentioned activities, assets and liabilities will be transferred to the above mentioned subsidiary, with the exception of the network's fixed assets and the Distribution's installations, which will remain in PPC's ownership.

In October 2010, PPC's Board of Directors also decided to transfer the activities of the Transmission of Electricity (currently performed by PPC's Transmission Business Unit) to its wholly owned subsidiary "PPC Telecommunications" (whose Articles of Incorporation will be amended, accordingly). Also approved the transfer to the subsidiary of all the Parent Company's assets, which functionally belong to the activities of the Transmission's Division as well as assets and liabilities coherent with the activities of the above mentioned Division.

In December 2010, the Parent Company's Board of Directors, decided to initiate the procedures for the transfer of all the activities of the Transmission Division, in order of the personnel, currently in place in the Division's units – and the fixed assets to be transferred and integrated in its wholly owned subsidiary "PPC Telecommunications". By the same Decision, January 1st, 2011 was set as the date for the census of the assets to be transferred to the Transmission subsidiary.

In December 2010, PPC's Board of Directors decided to convene PPC's Extraordinary Shareholders' General Assembly in order to a) approve the transfer of the activity of the General Division of Transmission to a wholly owned PPC subsidiary and b) approve the transfer of the General Division of Distribution as well as the activities of the Operator of the Non – Interconnected Islands to a wholly owned PPC subsidiary.

In December 2010, the Parent Company's Board of Directors, has approved that the activities of Distribution of Electricity, the General Division of Distribution and the Non – Interconnected Islands' Operator, the personnel assigned to them as well as the fixed assets (with the exception of the network's fixed assets which will remain PPC's ownership) will be conceded to PPC's wholly owned subsidiary "PPC Rhodes S.A.". Also, determined January 1st, 2011 as the date of the census of the fixed assets to be contributed to the Disposal group as well as the preparation of the respective balance sheet.

On December 30th, 2010 PPC's Extraordinary Shareholders' General Assembly was convened and the following were decided:

- It has approved, in principal, the transfer of all activities of the Transmission of Electricity, exercised by PPC's General Division of Transmission to its wholly owned subsidiary "PPC Telecommunications" (whose articles of incorporation will be amended accordingly), as well as the initiation of the appropriate procedures.
- It has also approved, in principal, the transfer

of all activities of the Distribution of Electricity, exercised by PPC's General Division of Distribution and the Operator of the Non Interconnected Islands to its wholly owned subsidiary "PPC Rhodes S.A." (whose articles of incorporation will be amended accordingly), as well as the initiation of the appropriate procedures.

The Parent Company considers that during the preparation of Financial Statements as of December 31st, 2010 IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" cannot be implemented taking under consideration that the Law that will incorporate the European Directive and will define the structure as well as the activities of the new companies (Transmission System Operator and Independent Distribution System Operator) has not yet been ratified by the Greek Parliament up to the publication of the Financial Statements.

The Parent Company considers that completion, ratification and implementation of the Law will define the structure and the activities of the new companies as well as relations with the Parent Company and consequently will then be in a position to evaluate whether IFRS 5 can be applied.

13. Income taxes (current and deferred)

	Group		Company	
	2010	2009	2010	2009
Current income taxes	207,821	115,877	204,519	114,064
Deferred income taxes	(36,085)	142,201	(35,810)	142,737
Provision for additional taxes	11,044	41,702	10,920	41,452
Total income tax expense	**182,780**	**299,780**	**179,629**	**298,253**

Companies of the Group that have their residence in Greece are subject to an income tax of 24%.

Based on the legislative regime on December 31st, 2010 the tax rate for the year 2014 will be reduced to 20%, decreasing by 1 percentage point every year.

Tax returns are filed annually but the profits or losses declared for tax purposes remain provisional until such time, as the tax authorities examine the returns and the records of the taxpayer and a final assessment is issued.

Tax losses, to the extent accepted by the tax authorities, can be used to offset profits of the five fiscal years following the fiscal year to which they relate.

The tax audit, for fiscal year 2008 for the Parent Company was completed in March 2010.

From the tax audit incurred charges due to accounting differences of approximately Euro 21 million. The abovementioned accounting differences reduced the tax losses of the said Financial Year and which were offset with the taxable earnings of the year 2009. VAT and other taxes approximately incurred a charge of Euro 1 million which was offset by tax returns owed to the company by the Greek State.

As part of the said audit, a provisional audit report for Income Tax was issued as in previous fiscal years 2006 and 2007, since the case of taxation of the electricity sales invoice to the company's personnel has not been definitively resolved. For all other assessments the tax authorities issued final audit reports.

Tax unaudited years:

Company	Country	Unaudited years
PPC (Parent Company)	Greece	2009 - 2010
PPC Renewables S.A.	Greece	2009 -2010
PPC Rhodes S.A.	Greece	1999 – 2010
PPC Telecommunications S.A.	Greece	2007 – 2010
Arkadikos Ilios Ena S.A.	Greece	2007 – 2010
Arkadikos Ilios Dio S.A.	Greece	2007 – 2010
Hliako Velos Ena S.A.	Greece	2007 – 2010
Hliako Velos Dio S.A.	Greece	2007 – 2010
SOLARLAB S.A.	Greece	2007 – 2010
Iliaka Parka Ditikis Makedonias Ena S.A.	Greece	2007 – 2010
Iliaka Parka Ditikis Makedonias Dio S.A.	Greece	2007 – 2010
HPP OINOUSA S.A.	Greece	2010
PPC FINANCE PLC	United Kingdom	-

For the unaudited tax periods the Group establishes a provision on the basis of the findings of prior tax audits.

An analysis and numerical reconciliation between tax expense and the product of accounting profit multiplied by the nominal applicable tax rate is set out below:

	Group		Company	
	2010	2009	2010	2009
Profit before tax	**740,705**	**993,099**	**726,150**	**988,989**
Nominal tax rate	24%	25%	24%	25%
Income tax calculated at nominal tax rate	177,769	248,275	174,276	247,247
Provision for additional taxes	11,044	41,702	10,920	41,452
Non deductible expenses	3,350	2,748	3,350	2,499
Non taxable income	(37)	(367)	(37)	(367)
Subsidiaries and associates	-	-	-	-
Additional taxes	-	7,422	-	7,422
Impact from tax rate change	(9,346)	-	(8,880)	-
Income tax expense	**182,780**	**299,780**	**179,629**	**298,253**
	24,7%	**30,2%**	**24,7%**	**30,2%**

The movement of the deferred income tax account is as follows:

	Group		Company	
	2010	2009	2010	2009
At January 1	**(488,811)**	**(151,571)**	**(490,749)**	**(155,648)**
Profit and loss account (charge)	36,085	(142,201)	35,810	(142,737)
Debit directly in other total income	3,378	(195,039)	3,378	(192,364)
At December 31	**449,348**	**(488,811)**	**451,561**	**(490,749)**

Deferred income tax receivables and liabilities are disclosed in the accompanying balance sheets as follows:

	Group		Company	
	2010	2009	2010	2009
Deferred income tax				
- Receivable	217,489	159,234	217,230	158,810
- Liability	(666,838)	(648,045)	(668,792)	(649,560)
Total	**(449,349)**	**(488,811)**	**(451,562)**	**(490,749)**

Deferred income receivablesare attributable to the following items:

	Group		Company	
	2010	2009	2010	2009
Deferred tax receivables				
- Materials and spare parts	14,708	11,990	14,708	11,990
- Trade receivable	58,735	(24,417)	58,735	(24,417)
- Risks and accruals	23,651	23,172	23,651	23,172
- Post retirement benefits	48,451	50,013	48,451	50,013
- Subsidies and customers' contributions	36,116	62,258	35,872	62,014
- Provision for CO_2	6,941	7,331	6,941	7,331
- Fixed assets	28,872	28,871	28,872	28,871
- Tax losses	-	-	-	-
- Other	15	15	-	(164)
Deferred tax receivables	**217,489**	**159,234**	**217,230**	**158,810**
Deferred tax liabilities				
- Long-term debt fees and expenses	(2,941)	(2,300)	(2,941)	(2,300)
- Depreciation and revaluation of assets	(663,862)	(645,597)	(659,772)	(641,065)
- Derivatives	-	21	-	21
- Foreign exchange gains	(35)	(169)	(35)	(172)
- Subsidiaries and associates	-	-	(6,044)	(6,044)
Deferred tax liability	**(666,838)**	**(648,045)**	**(668,792)**	**(649,560)**
Deferred Tax Liability net	**(449,348)**	**(488,811)**	**(451,562)**	**(490,749)**

Deferred income tax charge to the statement of income is attributable to the following items:

	Group		Company	
	2010	2009	2010	2009
- Materials and spare parts	2,718	1,619	2,718	1,619
- Trade receivables receivable	83,152	(33,401)	83,152	(33,401)
- Risks and accruals	479	2,492	479	2,492
- Post retirement benefits	(1,562)	3,111	(1,562)	3,111
- Subsidies	(26,142)	(7,682)	(26,142)	(7,711)
- Fixed assets	-	63	-	63
- Derivatives	-	(41)	-	(41)
- Long-term debt fees and expenses	(641)	(2,023)	(641)	(2,023)
- Subsidiaries and associates		-	-	-
- Depreciation	(21,643)	(9,073)	(22,085)	(9,543)
- Foreign exchange (gains)	135	53	116	53
- Provision for CO_2	(390)	(11,152)	(390)	(11,152)
- Loss from tax	-	(86,040)	-	(86,040)
- Other	(21)	(128)	164	(164)
Deferred tax charge	**36,085**	**(142,201)**	**35,810**	**(142,737)**

14. Tangible assets

GROUP	Land	Mines	Lakes	Buildings & Technical Works
Net book value				
December 31, 2008	**674,816**	**339,677**	**11,370**	**1,704,538**
- Additions	-	35,040	-	-
- Depreciation expense	-	(16,398)	(452)	(84,661)
- Disposals	(12)	-	-	(2,316)
- Transfers from CIP	5,993	4,578	-	63,756
- Transfers	-	-	-	(1,758)
- Other movements / write off	-	1	-	(1)
- Revaluation surplus	343,503	-	-	53,216
- Devaluation of fixed assets	(1,913)	-	-	(28,436)
December 31, 2009	**1,022,387**	**362,898**	**10,918**	**1,704,338**
- Additions	2,450	9,068	-	63
- Depreciation expense	-	(46,514)	(452)	(86,358)
- Disposals	-	-	-	(62)
- Transfers from CIP	5,830	29,170	-	110,099
- Transfers	(2,144)	-	-	(1,159)
- Other movements / write off	(7,358)	-	-	77
December 31, 2010	**1,021,165**	**354,622**	**10,466**	**1,726,998**
At January 1, 2009				
Gross carrying amount	674,816	551,327	22,603	2,037,007
Accumulated depreciation	-	(211,650)	(11,233)	(332,469)
Net carrying amount	**674,816**	**339,677**	**11,370**	**1,704,538**
At December 31, 2009				
Gross carrying amount	1,022,387	590,946	22,603	1,750,949
Accumulated depreciation	-	(228,048)	(11,685)	(46,611)
Net carrying amount	**1,022,387**	**362,898**	**10,918**	**1,704,338**
At December 31, 2010				
Gross carrying amount	1,021,165	629,184	22,603	1,861,188
Accumulated depreciation	-	(274,562)	(12,137)	(134,190)
Net carrying amount	**1,021,165**	**354,622**	**10,466**	**1,726,998**

Machinery	Transport, Assets	Furniture & Equipment	Construction in progress	Total
7,783,941	**58,951**	**134,779**	**1,146,320**	**11,854,392**
937	-	-	1,069,339	**1,105,316**
(482,777)	(7,721)	(18,945)	-	**(610,954)**
(13,249)	(2)	(1,497)	(19,423)	**(36,499)**
886,275	11,426	11,091	(987,190)	**(4,071)**
(2,504)	3	(220)	4,479	**-**
(1,816)	(1)	-	31	**(1,786)**
561,966	7,091	8,827	-	**974,603**
(107,708)	(21)	(585)	-	**(138,663)**
8,625,065	**69,726**	**133,450**	**1,213,556**	**13,142,337**
124	-	291	954,978	**966,974**
(532,148)	(10,648)	(21,839)	-	**(697,959)**
(29,225)	(88)	(1,013)	-	**(30,388)**
720,091	17,080	9,550	(894,505)	**(2,685)**
1,838	12	(181)	1,634	**-**
-	-	-	(16,856)	**(24,137)**
8,785,745	**76,082**	**120,258**	**1,258,807**	**13,354,142**
9,675,097	86,502	228,551	1,146,320	**14,422,223**
(1,891,156)	(27,551)	(93,772)	-	**(2,567,831)**
7,783,941	**58,951**	**134,779**	**1,146,320**	**11,854,392**
8,665,793	69,726	189,222	1,213,556	**13,525,182**
(40,728)	-	(55,772)	-	**(382,845)**
8,625,065	**69,726**	**133,450**	**1,213,556**	**13,142,337**
9,387,846	86,818	199,063	1,258,807	**14,466,673**
(602,101)	(10,736)	(78,805)	-	**(1,112,531)**
8,785,745	**76,082**	**120,258**	**1,258,807**	**13,354,142**

PARENT COMPANY	Land	Mines	Lakes	Buildings & Technical Works
Net book value				
December 31, 2008	**672,754**	**339,677**	**11,368**	**1,696,402**
- Additions	-	35,040	-	-
- Depreciation expense	-	(16,398)	(452)	(83,645)
- Disposals	(12)	-	-	(2,140)
- Transfers from CIP	5,993	4,578	-	58,919
- Transfers	-	-	-	(1,033)
- Other movements	-	1	-	-
- Revaluation surplus	342,159	-	-	47,908
- Devaluation of fixed assets	(1,876)	-	-	(28,304)
December 31, 2009	**1,019,018**	**362,898**	**10,916**	**1,688,107**
- Additions	2,450	9,068	-	-
- Depreciation expense	-	(46,514)	(452)	(85,403)
- Disposals	-	-	-	(14)
- Transfers from CIP	5,830	29,170	-	109,054
- Transfers	(2,144)	-	-	(1,159)
- Other movements	(7,355)	-	-	-
December 31, 2010	**1,017,799**	**354,622**	**10,464**	**1,710,585**
At January 1, 2009				
Gross carrying amount	672,754	551,327	22,594	2,011,931
Accumulated depreciation	-	(211,650)	(11,226)	(315,529)
Net carrying amount	**672,754**	**339,677**	**11,368**	**1,696,402**
At December 31, 2009				
Gross carrying amount	1,019,018	590,946	22,594	1,734,715
Accumulated depreciation	-	(228,048)	(11,678)	(46,608)
Net carrying amount	**1,019,018**	**362,898**	**10,916**	**1,688,107**
At December 31, 2010				
Gross carrying amount	1,017,799	629,184	22,594	1,843,769
Accumulated depreciation	-	(274,562)	(12,130)	(133,184)
Net carrying amount	**1,017,799**	**354,622**	**10,464**	**1,710,585**

	Machinery	Transport, Assets	Furniture & Equipment	Construction in progress	Total
	7,751,048	58,948	134,477	1,124,535	**11,789,209**
	-	-	-	1,053,385	**1,088,425**
	(478,216)	(7,723)	(18,929)	-	**(605,363)**
	(12,660)	-	(1,497)	(19,423)	**(35,732)**
	876,983	11,426	11,091	(973,061)	**(4,071)**
	(2,504)	3	(220)	3,754	**-**
	(1,816)	(1)	-	111	**(1,705)**
	556,008	7,087	8,651	-	**961,813**
	(107,403)	(21)	(585)	-	**(138,189)**
	8,581,440	**69,719**	**132,988**	**1,189,301**	**13,054,387**
	-	-	-	920,843	**932,361**
	(528,573)	(10,646)	(21,745)	-	**(693,333)**
	(29,132)	(88)	(1,000)	-	**(30,234)**
	718,166	17,080	9,550	(891,535)	**(2,685)**
	1,838	12	(181)	1,634	**-**
	-	-	-	(16,856)	**(24,211)**
	8,743,739	**76,077**	**119,612**	**1,203,387**	**13,236,285**
	9,624,813	86,467	227,638	1,124,535	**14,322,059**
	(1,873,765)	(27,519)	(93,161)	-	**(2,532,850)**
	7,751,048	**58,948**	**134,477**	**1,124,535**	**11,789,209**
	8,622,168	69,719	188,761	1,189,301	**13,437,222**
	(40,728)	-	(55,773)	-	**(382,835)**
	8,581,440	**69,719**	**132,988**	**1,189,301**	**13,054,387**
	9,342,172	86,811	198,311	1,203,387	**14,344,027**
	(598,433)	(10,734)	(78,699)	-	**(1,107,742)**
	8,743,739	**76,077**	**119,612**	**1,203,387**	**13,236,285**

Real Estate legal status:

PPC is reviewing in detail a list of its total real estate and for that reason has created a real estate assets register according to which all pertinent properties by name shall be registered with the relevant land registries and shall obtain ownership and encumbrance certificates. When the said procedure is concluded with PPC will acquiring strong valid ownership titles against any third party at the full application and operation of the Hellenic Cadastre.

Insurance Coverage:

The property, plant and equipment of PPC are located all over Greece and therefore the risk of a major loss is reduced. Currently, PPC does not carry any form of insurance coverage to date on its property, plant and equipment, except for its information technology equipment. The Company is evaluating the possibility to proceed to a procurement procedure with object the selection of an insurance company, shall be covering its property, plant and equipment operations, as well as liabilities against third parties.

Encumbrances on intangible assets:

The intangible assets are held free from encumbrances.

Revaluation of Fixed Assets:

Within 2009, the Group proceeded with the revaluation of its operating fixed assets as of December 31, 2009. The revaluation was carried out by an independent firm of appraisers, according to IAS 16. The results of the above appraisal which excluded lakes, the land for the extraction of lignite and the construction in progress, were recorded in the Companys' books on December 31, 2009. The previous revaluation took place on December 31, 2004.

The method and the significant assumptions used by the independent appraiser for the valuation are as follows:

(a) All properties appraised were considered to be the ownership of PPC Group, while properties that, the Group notified to the independent appraiser or during the appraiser's site inspection, were identified as having restraints and properties for which the legal ownership of PPC is being disputed at law have not been included in the assets measured at fair value.

(b) The title deeds, building permits and other similar permits, required by the Greek law, are available by PPC Group.

(c) The majority of properties appraised is held for use by the Mines, the Generation, the Transmission and the Distribution divisions of PPC Group, or for administrative purposes, and are expected to be used as such for their remaining useful lives.

(d) The Fair Value of land, buildings and equipment was determined by use of the Market Approach (market-based evidence), undertaken by professionally qualified appraisers. The fair value for special purpose buildings, machinery and civil works was determined by use of the cost approach, and more particularly the depreciated replacement cost method where adjustments were made to reflect the physical, functional and economic obsolescence.

(e) The economic obsolescence was determined by the appraiser by using the income approach, through a Discounted Cash Flow analysis. The economic obsolescence was allocated proportionally to all tangible assets, which were revalued based on the cost approach, as required by the International Valuation Standards.

(f) Any additional surcharges from CO_2 emissions that may arise after the period 2008-2012, it was considered that will be fully passed on and recovered through the regulated tariffs.

The revalued amounts, from appraisers' work, compared to Net Book Value of the fixed assets, resulted, for the Parent Company to net surplus amounted to approximately Euro 770 m, which was credited directly in Revaluation Surplus in Equity (Euro 962 m net of Deferred Taxes). Additionally, an amount of Euro 138 m which was not offset by previous years' Revaluation Surplus was charged in the Statement of Income for the year ended at December 31, 2009.

Annual Regulated Return for Transmission and Distribution Network in 2011

On December 31, 2010, with corresponding Ministerial Decisions, the budget of annual costs and the unit charges of the Transmission and Distribution Network, were approved.

RAE recommended to YPEKA that the surplus value arising from the revaluation of PPCs' assets should not be included in the Transmission and Distribution Units fixed asset base in 2011. The abovementioned revaluation was conducted as of 31.12.2009, by an independent appraiser according to the International Appraisal Standards and IFRS.

In the rationale of the abovementioned opinion, it is referred that the above exemption is justified, in order to protect customers from significant non-linear changes in charges related to the activities of electricity supply.

According to the unbundling statements of 2009, the abovementioned surplus amounted to € 340,5 million and € 422,0 million for the Transmission and Distribution units, respectively.

The above rationale of RAE differs from all RAE's previous decisions that take into account the results of the assets revaluation, of 2000 and 2004 for the calculation of the Annual Return of the Transmission System and Distribution network.

Following that, PPC has proceeded, according to IAS 36, in an impairment test of its fixed assets for the Transmission and Distribution Units as of 31.12.2010, due to the reduction of income that these generate for the Parent Company.

The recoverable amount of the above mentioned cash flows generating units was defined based on the Value in Use method.

Value due to use was calculated using estimated future cash flows for the above mentioned units, which were initially projected to a five year period and then to perpetuity.

For the calculation the following were used:

- Budgetary margins for the operational profit as well as EBITDA, which were based on historical data of the previous years adapted in order to take under consideration the expected profit fluctuation
- Internal rate of return is based on data for both units in order to define the present value for their future cash flows.

The basic assumptions used are consistent with independent external information sources. Based on the results of the impairment test as of December 31, 2010, no impairment losses were recorded.

15. Intangible assets, net

	Company					
	2010			2009		
	Software	Emission Allowances	Total	Software	Emission Allowances	Total
Net book value, January 1	**6,425**	**72,267**	**78,692**	**5,801**	**-**	**5,801**
Additions	2,685	16,480	19,165	4,048	176,388	180,436
Prior Year Deficit Finalization	-	1,999	1,999	-	-	-
Depreciations	(2,884)	-	(2,884)	(3,422)	-	(3,422)
Impairment/ Reversal of Impairment	-	7,922	7,922	-	(8,146)	(8,146)
Disposals	(2)	-	(2)	(2)	-	(2)
Cover of CO_2 deficit	-	(15,852)	(15,852)	-	(95,975)	(95,975)
December 31	**6,224**	**82,816**	**89,040**	**6,425**	**72,267**	**78,692**

	Group					
	2010			2009		
	Software	Emission Allowances	Total	Software	Emission Allowances	Total
Net book value, January 1	**6,546**	**72,267**	**78,813**	**5,870**	**-**	**5,870**
Additions	2,735	16,480	19,215	4,148	176,388	180,536
Prior Year Deficit Finalization	-	1,999	1,999	-	-	-
Depreciation expense	(2,949)	-	(2,949)	(3,470)	-	(3,470)
Impairment	-	7,922	7,922	-	(8,146)	(8,146)
Disposals	(2)	-	(2)	(2)	-	(2)
Cover of CO_2 deficit	-	(15,852)	(15,852)	-	(95,975)	(95,975)
December 31	**6,330**	**82,816**	**89,146**	**6,546**	**72,267**	**78,813**

During the year 2010, the Parent Company has realized general expenses by its participation in Carbon Funds for purchasing emission rights of Euro 1,695 (2009: Euro 1,039), which are included in emission allowances purchases in the income statement. Also, there is a provision in the income statements for emission rights deficit amounting to Euro 22,515 (2009: Euro 63,388), as well as, Euro 7,922, concerning the partial reversal of a previous impaired loss of CO_2 which was recognized in 2009 (Euro 8,146) for which no longer exists on December 31, 2010. Also, a positive impact was recognized on the results for the year ended December 31, 2010, of Euro 10,166 from the finalization of the previous years' deficit and its valuation in current values (2009: Euro 21,475).

	Group	Company
At December 31, 2008		
Gross carrying amount	51,926	51,784
Accumulated amortization	(46,056)	(45,983)
Net carrying amount	**5,870**	**5,801**
At December 31, 2009		
Gross carrying amount	56,072	55,830
Accumulated amortization	(49,526)	(49,405)
Net carrying amount	**6,546**	**6,425**
At December 31, 2010		
Gross carrying amount	58,807	58,515
Accumulated amortization	(52,477)	(52,291)
Net carrying amount	**6,330**	**6,224**

16. Investments in subsidiaries

	Group		Company	
	2010	2009	2010	2009
PPC Telecommunications			4,441	4,441
PPC Rhodes S.A.	-	-	838	838
PPC Renewables S.A.	-	-	85,799	70,482
PPC FINANCE PLC	-	-	-	(72,561)
Total	**-**	**-**	**91,078**	**75,761**

The consolidated financial statements include the financial statements of PPC and its subsidiaries. The subsidiaries included in the consolidation are the following:

Name	Ownership Interest		Country and Year of Incorporation and activity	Principal Activities
	2010	2009		
PPC Renewables S.A.	100%	100%	Greece - 1998	RES
PPC Rhodes S.A.	100%	100%	Greece - 1999	Engineering, construction and operation of a power plant
PPC Telecommunications S.A.	100%	100%	Greece - 2000	Telecommunication services
Arkadikos Ilios Ena S.A.	100%	100%	Greece - 2007	RES
Arkadikos Ilios Dio S.A.	100%	100%	Greece - 2007	RES
Iliako Velos Ena S.A.	100%	100%	Greece - 2007	RES
Iliako Velos Dio S.A.	100%	100%	Greece - 2007	RES
Solarlab S.A.	100%	100%	Greece - 2007	RES
Iliaka Parka Ditikis Makedonias Ena S.A.	100%	100%	Greece - 2007	RES
Iliaka Parka Ditikis Makedonias Dio S.A.	100%	100%	Greece - 2007	RES
HPP OINOUSA S.A.	100%	-	Greece – 2010	RES
PPC FINANCE PLC	100%	100%	UK - 2009	General Commercial Company

In June 2006, the Annual Shareholders' General Assembly for "PPC RHODES S.A." decided to dissolve the aforementioned company and to initiate the appropriate procedures on July 1, 2006, according to national commerce law. In November 2010, the Annual General Meeting of the subsidiary decided the revival of "PPC RHODES SA".

"PUBLIC POWER CORPORATION FINANCE PLC" (PPC FINANCE PLC) was incorporated on 21 January 2009 and its shareholders are PPC S.A. and PPCs' by 100% subsidiary PPC RENEWABLES S.A. PPC FINANCE PLC has its registered office in London, UK, and its main corporate purpose is to carry on business as a general commercial company. The authorised share capital of PPC FINANCE PLC is Euro 65.6, divided into 65,600 shares of Euro one (€ 1.00) each. PPC S.A. holds 59,040 shares (representing 90% of the entire issued share capital) and PPC RENEWABLES S.A. holds 6,560 shares (representing 10% of the entire issued share capital). PPC FINANCE PLC obtained a certificate issued by Companies' Registry on 27 July 2009, which entitles PPC FINANCE PLC, as a public company, to do business and borrow in accordance with applicable laws.

In July 2010, PPC Renewable S.A. (a 100% PPC's subsidiary) completed a share capital increase of € 15.3m.

In October 2010, PPC's 100% subsidiary, PPC Renewable SA, acquired the 100% of HPP OINOUSA SA at Serres. The aforementioned company has an Hydroelectric Plant of an 1,5 MV capacity. The acquisition price was set at the amount of € 1.395.

17. Investments in joint ventures

At December 31, 2010 and 2009 PPC's share in assets, liabilities, income and expenses of SENCAP was as follows:

	2010	2009
Assets	136	148
Liabilities	(216)	(188)
Equity	80	40
Income	-	-
Loss after taxes	(40)	(375)
Loss recognized in the consolidated income statement	-	(335)

During the year ended December 31, 2010 the Parent Company recognized an impairment loss of € 2,764 with regard to participation in the joint venture Sencap.

18. Investments in associates

	Group		Company	
	2010	2009	2010	2009
PPC Renewables ROKAS S.A.	1,476	1,572	-	-
PPC Renewables TERNA Energiaki S.A.	2,560	1,414	-	-
PPC Renewables DIEKAT Energy S.A.	2,552	2,373	-	-
PPC Renewables MEK Energiaki S.A.	962	954	-	-
PPC Renewables ELTEV AIFOROS S.A.	1,071	946	-	-
PPC Renewables EDF EN GREECE S.A.	8,736	7,435	-	-
Good Works S.A.	145	148	-	-
Aioliko Parko LOYKO S.A.	16	12	-	-
Aioliko Parko MAMBO BIGLIES S.A.	9	13	-	-
Aioliko Parko KILIZA S.A.	12	16	-	-
Aioliko Parko LEFKIVARI A.E.	9	13	-	-
Aioliko Parko AGIOS ONOUFRIOS S.A.	15	19	-	-
	17,563	**14,915**	**-**	**-**

Data concerning the above mentioned associates as well as the Group's ownership interest in them as at December 31, 2010 and 2009 are as follows:

Name	Note	Ownership Interest		Country and year of Incorporation	Principal Activities
		31.12.2010	31.12.09		
Larco S.A.		11.45%	11.45%	Greece – 1989	Metallurgical
PPC Renewables ROKAS S.A.		49.00%	49.00%	Greece – 2000	RES
PPC Renewables TERNA Energiaki S.A.		49.00%	49.00%	Greece – 2000	RES
PPC Renewables NANKO Energy – MYHE Gitani S.A.		49.00%	49.00%	Greece – 2000	RES
PPC Renewables MEK Energiaki S.A.		49.00%	49.00%	Greece – 2001	RES
PPC Renewables ELTEVAIFOROS S.A.		49.00%	49.00%	Greece – 2004	RES
PPC Renewables EDF EN GREECE S.A.		49.00%	49.00%	Greece – 2007	RES
EEN VOIOTIA S.A.	1	46.60%	46.60%	Greece – 2007	RES
Good Works S.A.		49.00%	49.00%	Greece – 2005	RES
ORION ENERGIAKI S.A.	2	49.00%	49.00%	Greece – 2007	RES
ASTREOS ENERGIAKI S.A.	2	49.00%	49.00%	Greece – 2007	RES
PHOIBE ENERGIAKH S.A.	2	49.00%	49.00%	Greece – 2007	RES
IAPETOS ENERGIAKI S.A.	2	49.00%	49.00%	Greece – 2007	RES
Aioliko Parko LOYKO S.A.		49.00%	49.00%	Greece – 2008	RES
Aioliko Parko MAMBO BIGLIES S.A.		49.00%	49.00%	Greece – 2008	RES
Aioliko Parko KILIZA S.A.		49.00%	49.00%	Greece – 2008	RES
Aioliko Parko LEFKIVARI A.E.		49.00%	49.00%	Greece – 2008	RES
Aioliko Parko AGIOS ONOUFRIOS S.A.		49.00%	49.00%	Greece – 2008	RES

1. It is consolidated from the associate company PPC Renewables EDF EN GREECE S.A. as it participates by 95% in its share capital.

2. They are consolidated by the associate company Good Works S.A. as they participate by 100% in their share capital.

The acquisition cost of PPCs' participation in LARCO on December 31, 2010 amounted to € 46,787. PPCs' participation in LARCO has been fully impaired in 2008. Also, since PPC maintains its participation in LARCOs' Board of Directors, considers that has a significant influence and preserves LARCOs' classification in investments in associates.

In the year ended December 31, 2010, the Group participated in a share capital increase of its associate companies by a total amount of Euro 674 (2009: Euro Zero).

The Group received dividends, for the year ended December 31, 2010, from its associates which amounted to Euro Zero (2009: Euro Zero).

The following table presents condensed financial information of the PPC share in its associates' assets, liabilities and shareholders' equity as at December 31, 2010 and 2009:

	December 31, 2010		
	Assets	Liabilities	Equity
PPC Renewables ROKAS S.A.	1,797	(353)	(1,444)
PPC Renewables TERNA Energiaki S.A.	9,348	(6,788)	(2,560)
PPC Renewables DIEKAT Energy S.A.	4,531	(1,971)	(2,560)
PPC Renewables MEK Energiaki S.A.	3,544	(2,506)	(1,038)
PPC Renewables ELTEV AIFOROS S.A.	1,316	(245)	(1,071)
PPC Renewables EDF EN GREECE S.A.	29,115	(24,299)	(4,816)
Good Works S.A.	147	(3)	(144)
Aioliko Parko LOYKO S.A.	8	0	(8)
Aioliko Parko MAMBO BIGLIES S.A.	10	(1)	(9)
Aioliko Parko LEFKIVARI A.E.	9	0	(9)
Aioliko Parko AGIOS ONOUFRIOS S.A.	17	(2)	(15)
Aioliko Parko KILIZA S.A.	13	(1)	(12)
	49,855	**(36,169)**	**(13,686)**

	December 31, 2009		
	Assets	Liabilities	Equity
PPC Renewables ROKAS S.A.	2,833	(1,268)	(1,565)
PPC Renewables TERNA Energiaki S.A.	9,376	(7,962)	(1,414)
PPC Renewables DIEKAT Energy S.A.	4,562	(2,180)	(2,382)
PPC Renewables MEK Energiaki S.A.	4,320	(3,365)	(955)
PPC Renewables ELTEV AIFOROS S.A.	1,200	(254)	(946)
PPC Renewables EDF EN GREECE S.A.	38,893	(33,910)	(4,983)
Good Works S.A.	150	(3)	(147)
Aioliko Parko LOYKO S.A.	15	(3)	(12)
Aioliko Parko MAMBO BIGLIES S.A.	18	(5)	(13)
Aioliko Parko LEFKIVARI A.E.	15	(2)	(13)
Aioliko Parko AGIOS ONOUFRIOS S.A.	22	(3)	(19)
Aioliko Parko KILIZA S.A.	21	(4)	(17)
	61,425	**(48,959)**	**(12,466)**

PPC's share of its associates' revenue and results for the year ended December 31, 2010 and 2009 has as follows:

	December 31, 2010		December 31, 2009	
	Sales	Profit/(Loss)	Sales	Profit/(Loss)
PPC Renewables ROKAS S.A.	802	513	858	488
PPC Renewables TERNA Energiaki S.A.	1,342	411	1,262	521
PPC Renewables DIEKAT Energy S.A.	781	178	748	311
PPC Renewables MEK Energiaki S.A.	1,229	664	1,164	56
PPC Renewables ELTEV AIFOROS S.A.	-	(22)	-	(12)
PPC Renewables EDF EN GREECE S.A.	2,701	(292)	1,103	(212)
Good Works S.A.	-	(3)	-	(3)
Aioliko Parko LOYKO S.A.	-	4	-	(12)
Aioliko Parko MAMBO BIGLIES S.A.	-	(4)	-	(12)
Aioliko Parko LEFKIVARI A.E.	-	(4)	-	(11)
Aioliko Parko AGIOS ONOUFRIOS S.A.	-	(4)	-	(6)
Aioliko Parko KILIZA S.A.	-	(4)	-	(8)
	6,855	**1,437**	**5,135**	**1,100**

19. Balances and transactions with related parties

PPC balances with its subsidiaries and its associates as of December 31, 2010 and 2009 are as follows:

	December 31, 2010		December 31, 2009	
	Receivable	Payable	Receivable	Payable
Subsidiaries				
- PPC Telecommunications S.A.	198	-	160	-
- PPC Renewables S.A.	26,093	(13,320)	19,905	(5,427)
- PPC Rhodes S.A.	29	-	29	-
- Arkadikos Ilios Ena S.A.	3	-	3	-
- Arkadikos Ilios Dio S.A.	1	-	1	-
	26,324	**(13,320)**	**20,098**	**(5,427)**
Associates				
PPC Renewables ROKAS S.A.	-	(250)	-	(254)
PPC Renewables TERNA Energiaki S.A.	-	-	-	-
PPC Renewables DIEKAT Energy S.A.	1	-	-	-
PPC Renewables MEK Energiaki S.A.	-	-	-	-
EEN VOIOTIA S.A.	-	-	-	-
- Larco (energy and ash)	90,407	-	63,031	-
- Sencap	137	-	137	-
	90,545	**(250)**	**63,168**	**(254)**
Other				
- HTSO	448,516	(413,189)	655,751	(694,253)
	448,516	**(413,189)**	**655,751**	**(694,253)**

PPC's transactions with its subsidiaries and its associates are as follows:

	2010		2009	
	Invoiced to	Invoiced from	Invoiced to	Invoiced from
Subsidiaries				
- PPC Telecommunications S.A.	37	-	37	-
- PPC Renewables S.A.	7,367	(7,397)	18,411	(9,842)
- PPC Rhodes S.A.	10	-	10	-
- Arkadikos Ilios Ena S.A.	0	-	-	-
- Arkadikos Ilios Dio S.A.	0	-	-	-
	7,414	**(7,397)**	**18,458**	**(9,842)**
Associates				
PPC Renewables ROKAS S.A.	-	(1,801)	-	(1,750)
PPC Renewables TERNA Energiaki S.A.	1	-	-	-
PPC Renewables DIEKAT Energy S.A.	0	-	1	-
PPC Renewables MEK Energiaki S.A.	-	-	1	-
PPC Renewables ELTEV AEIFOROS S.A.	-	-	150	-
EEN VOIOTIA S.A.	-	-	2,550	-
Larco (energy and ash)	65,034	(6,481)	44,047	(3,270)
Sencap S.A.			-	-
	65,035	**(8,282)**	**46,749**	**(5,020)**
Other				
HTSO	66,713	(608,558)	25,538	(344,303)
	66,713	**(608,558)**	**25,538**	**(344,303)**

Procurement of lignite from LARKO S.A.

On August 24, 2007 the Parent Company signed a contract for the procurement of lignite from LARCO S.A. for a total amount of 1.2 million tones (with a right to increase up to 15%) for a period of four years and a total amount of Euro 25.8 million. Given the fact that at the time of signing the contract LARCO S.A. had outstanding payables of an equal amount to PPC from the supply of electricity, payments for the procurement of lignite will be settled against the abovementioned receivable from LARCO S.A. PPC had made a provision for the abovementioned receivables, which was reversed in 2007, due to the fact that the collection of the amount was secured not only by the abovementioned contract, but also by a guarantee bond that LARCO S.A. raised in favour of PPC, covering the total duration of the contract and the total contractual amount. During 2010, LARCO lignite deliveries invoiced value amounted to € 7.9m, while the unexecuted amount of the 2007 contract on December 31st, 2010 amounted to €4.9m.

LARCO S.A. is liable for sums due and payable to PPC related to the consumption of electric energy since December 2008. For all sums due to PPC for the period November 1, 2008 until April 30, 2009, an action has been filed by PPC before the competent Multimembered Court of Athens (for a sum of Euro 24.2 m.) whereas, for the sums due to PPC for the period May 2009 – October 2009 (for a total sum of Euro 18.8 m.) an action has been filed against the said Company, the hearing of the case having been set for November 14, 2013. In July 2010 the Board of Directors of the Parent Company approved an agreement for the settlement of new debts incurred by LARCO's electricity consumption for the period 1.11.2008 to 31.05.2010. The above mentioned framework agreement was already approved by LARCO's Board of Directors.

As foreseen in the above mentioned agreement, a new framework agreement for the settlement of LARCO's new debts will be conducted, part of which will be paid by concluding a new lignite procurement contract, following the pattern set by the existing one, which is estimated to be completed until July 2011. As far as payment of the rest of the debt is concerned, LARCO will disburse predetermined amounts, on a monthly basis, based on the fluctuation of nickel's stock market price. In addition with the aforementioned contract frame, LARCO is binded to pay in time the electricity bills for the consumption for the period following June 1st, 2010. In this framework, LARCO has paid in time bills concerning electricity consumption for the months July to December 2010. Up to now the process of finalizing the abovementioned new agreement has not been completed.

Transactions and balances with other government owned entities

The following table presents purchases and balances with government owned entities Hellenic Petroleum ("ELPE") and National Gas Company ("DEPA"), which are PPC's liquid fuel and natural gas suppliers, respectively.

	Purchases		Balance	
	31.12.10	**31.12.09**	**31.12.10**	**31.12.09**
ELPE, purchases of liquid fuel	259,636	78,954	16,468	8,674
DEPA, purchases of natural gas	380,558	467,436	45,227	40,772
	640,194	**546,390**	**61,695**	**49,446**

In August 2010, the Parent Company's Board of Directors decided to proceed to the cash payment of 85% of the amount charged by DEPA for the procurement of natural gas, along the lines of the existing contract, given that PPC considers, in principle, that this reduced payment is reflecting the material change of circumstances, which define PPC's contractual obligation, beginning with the invoices concerning the consumption of July 2010. In the Parent Company's financial statements, the cost for natural gas reflects the full charge (100%) by DEPA S.A. For the abovementioned issue, DEPA, resorted to arbitration, as provided for in the PPC-DEPA Contract, requesting the payment in full of the billed amounts, plus interest. In January 2011, DEPA sent a letter to PPC regarding the commitment that arises from not receiving the minimum contractual quantities (take or pay). The Parent Company has requested additional data from DEPA, in the context of L. 3175/2003, in order to further evaluate DEPA's submitted request. Consequently, it is not possible, for now, to define whether a take-or-pay obligation by PPC to DEPA exists and consequently to estimate the amount of the abovementioned obligation. Finally, PPC has also resorted to arbitration requesting a compensatory return according to article 25 of the Contract.

Further to the above, PPC enters into transactions with many government owned or- nonprofit oriented entities within its normal course of business (sale of electricity, services received, etc.). All transactions with government owned entities are performed at arm's length terms.

Management compensation

Fees concerning management members (Board of Directors and General Managers) for the year ended December 31, 2010 and 2009 have as follows:

	Group		Company	
	2010	**2009**	**2010**	**2009**
Compensation of members of the Board of Directors				
- Executive members of the Board of Directors	276	742	143	447
- Non-executive members of the Board of Directors	177	344	133	186
- Compensation / Extra fees	-	292	-	-
- Contribution to defined contribution plans	-	-	-	-
- Other Benefits	33	7	33	7
	486	1.385	309	640
Compensation of Vice Managing Directors and General Managers				
- Regular compensation	1.132	1.725	1.132	1.725
- Contribution to defined contribution plans	187	212	187	212
- Compensation / Extra fees	217	217	217	217
	1.536	2.154	1.536	2.154
Total	**2.022**	**3.539**	**1.845**	**2.794**

Compensation to members of the Board of Directors does not include standard payroll, paid to representatives of employees that participate in the Parent Company's Board of Directors and related contributions to social security funds. Also, it does not include the electricity benefit based on the PPC personnel invoice to the Board of Director members, the Vice Managing Directors and the General Managers.

20. Materials, spare parts and supplies, net

	Group		Company	
	2010	2009	2010	2009
Lignite	64,391	70,506	64,391	70,506
Liquid fuel	197,861	144,833	197,861	144,833
Materials and consumables	729,857	707,733	728,958	706,880
Purchased materials in transit	39,230	51,816	39,230	51,816
	1,031,339	**974,888**	**1,030,440**	**974,035**
Provision for materials' write down to recoverable amount	(181,368)	(167,182)	(181,258)	(167,126)
Total	**849,971**	**807,706**	**849,182**	**806,909**

During 2010, the Group and the Parent Company made an additional provision for materials' write down to recoverable amount expected to be realized from their use of Euro 14,186 (2009: Euro 8,126) and Euro 14,132 (2009: Euro 8,096) respectively. Materials, spare parts and supplies of the Parent Company and the Group are held free of encumbrances.

21. Trade receivables, net

	Group		Company	
	2010	2009	2010	2009
High voltage	262,998	187,351	261,173	184,515
Medium and low voltage	896,711	691,657	897,095	691,657
Customers contributions	6,804	9,109	6,804	9,109
	1,166,513	**888,117**	**1,165,072**	**885,281**
Unbilled revenue	268,911	344,578	268,911	344,578
	1,435,424	**1,232,695**	**1,433,983**	**1,229,859**
Allowance for doubtful balances	(412,688)	(226,283)	(412,688)	(226,283)
Total	**1,022,736**	**1,006,412**	**1,021,295**	**1,003,576**

High voltage customer balances relate to (a) receivables from sales of energy to 32 large local industrial companies, which are invoiced at the end of each calendar month, based on individual agreements and actual metering and (b) exports to foreign customers.

Medium voltage customers are mainly industrial and commercial companies. Billing is made on a monthly basis based on actual meter readings. Low voltage customers are mainly residential and small commercial customers.

The majority of low voltage customers are billed every four months based on actual meter readings, while interim bills are issued every two months based mainly on the energy consumed during the corresponding period in the prior year.

There are different types of invoices for both medium and low voltage customers with different tariff structures based on different types of energy use (commercial, residential, etc). Revenues from the supply of electricity to medium and low voltage customers provided during the period from the last meter reading or billing through each reporting date are accounted for as unbilled revenue.

The provision for doubtful debts is formed, on specific customer balances. For medium and low voltage customers, the Company was forming a provision for the total of their outstanding balances of more than 6 and 12 months respectively, per customer. The Company, in the fourth quarter of 2010 and in a process of updating its policy, reduced the time that a debt is considered as doubtful to 3 and 6 months for the medium and low voltage customers respectively, taking into consideration the current economic conjecture as well as the required time for the completion of the procedures for the collection of receivables under the current legislation. The aforementioned change had an impact on the financial results amounting to € 86.6 m.

	Group		Company	
	2010	2009	2010	2009
As at January 1	**226,283**	**146,470**	**226,283**	**146,470**
- Provision charge	187,711	81,782	187,711	81,782
- Reversal of unused provision	-	-	-	-
- Utilisation	(1,306)	(1,969)	(1,306)	(1,969)
As at December 31	**412,688**	**226,283**	**412,688**	**226,283**

At December 31, 2010 and 2009, the ageing analysis of the invoiced trade accounts receivable had as follows:

	Total	Non Past due and not impaired	Past due and not impaired (days)			
			< 45	45 – 180	180 – 365	> 365
2010	752,384	194,098	174,727	198,251	156,890	28,418
2009	658,998	171,953	164,159	197,366	112,947	12,573

22. Other receivables, net

	Group		Company	
	2010	2009	2010	2009
Value Added Tax	10,141	89,219	2,539	85,612
Assessed taxes and penalties	38,777	38,777	38,777	38,777
Social security funds				
- in dispute	18,059	18,059	18,059	18,059
- current	3,195	3,195	3,195	3,195
State participation in employees' Social security contributions	1,546	1,546	1,546	1,546
Pensioners' advances, in dispute	5,262	5,262	5,262	5,262
Loans to employees	33,304	21,723	33,304	21,723
Receivables from contractors	11,743	16,244	11,743	16,244
Receivables from subsidiaries	-	-	29,925	25,847
HTSO	49,178	-	49,178	-
Tellas (fibre-optics rental)	8,642	4,208	8,642	4,208
Lignite levy	-	690	-	690
Other	31,198	10,636	31,194	10,517
	211,045	**209,559**	**233,364**	**231,680**
Allowance for doubtful balances	(35,723)	(32,528)	(35,723)	(32,528)
Total	**175,322**	**177,031**	**197,641**	**199,152**

Assessed taxes and penalties: The amount represents additional income taxes and penalties assessed to and paid by the Parent Company as a result of a preliminary tax audit performed in previous years by the tax authorities for the fiscal years from 1992 through to 1997. The amounts were paid in order to be able to file a case against the tax courts. These amounts have as follows:

- For the fiscal year 1992, it was paid (in 2006) an amount of Euro 8,048 (income tax of Euro 1,064, additional taxes of Euro 2,724 and penalties of Euro 4,260).
- For the fiscal years from 1995 through to 1997, it was paid an amount of Euro 30,728 (Euro 18,173 paid in 2005 and Euro 12,555 paid in periods prior to December 31, 2004).
- For the fiscal years from 1994 through to 1995, it was paid an amount of Euro 1,480. Within 2007, this amount was settled against other tax liabilities.

Against the above receivables, the Parent Company has established a provision of Euro 42,676 (note 32).

Social Security Funds in Dispute: The amount relates to social security contributions and deductions (during years 1983-1993) for employees who have worked with other employers before joining PPC. As PPC undertook the obligation to cover for the whole amount of their pensions and other related benefits, part of their contributions to other social security funds (mainly IKA (SSI i.e. Social Security Institute), the major Greek social security fund) has been claimed by PPC. The claim was not accepted by IKA and the case was brought by PPC before the courts. Following an adverse court decision, PPC together with PPC - PIO appealed said decision before the second degree courts. The second degree court rejected PPC's appeal, whereas PPC – PIO's appeal against IKA is still pending. For the abovementioned amount, an equal provision has been established at the attached financial statements.

Advances to Pensioners in Dispute: The amount of Euro 5,262 represents an advance payment made in 1993 to pensioners. A respective provision has been established for non-collection of this amount.

State Participation in Employees' Social Security Contributions: The amount represents the claim of PPC from the State for the latter's contribution to the social security contributions of employees who started working after January 1, 1993. For the above mentioned amount, an equal provision has been established.

The movement in the allowance for other receivables is as follows:

	Group		Company	
	2010	2009	2010	2009
As at January 1	**32,528**	**29,474**	**32,528**	**29,474**
- Provision charge	3,195	3,054	3,195	3,054
- Reversal of unused provision	-	-	-	-
-Utilisation	-	-	-	-
As at December 31	**35,723**	**32,528**	**35,723**	**32,528**

23. Investments available for sale

	Group		Company	
	2010	2009	2010	2009
National Bank of Greece	19,287	30,982	19,287	30,982
Heracles Cement S.A.	2,401	2,945	2,401	2,945
Evetam	241	241	241	241
HTSO	144	144	144	144
Total	**22,073**	**34,312**	**22,073**	**34,312**

The change in the fair value of investments equity securities available for sale (shares) totalled Euro 20,813/loss (2009: Euro 7,538/profit) debited to "Marketable securities valuation surplus", in shareholders' equity (note 27). In the year 2010, the Parent Company received dividends from the above investments, of a total amount of Euro 155 (2009: Euro 118) (note 10). In addition, during the year 2010, the Parent Company participated in the National Bank's share capital increase by practising its preference right and thus paying the amount of Euro 8,574.

24. Cash and cash equivalents

	Group		Company	
	2010	2009	2010	2009
Cash in hand	1,454	941	1,452	938
Cash at banks	18,995	36,101	15,588	27,844
Time deposits	600,000	443,000	600,000	443,000
Total	**620,449**	**480,042**	**617,040**	**471,782**

Interest earned on cash at banks and time deposits is accounted for on an accrual basis and amounted to Euro18,799 (2009: Euro 5,550), for the Group and to Euro 18,692 (2009: Euro 5,485) for the Parent Company and are included in financial income in the accompanying statements of income (note 10). All cash and cash equivalents are denominated in Euro.

25. Share capital

Under Law 2773/1999 PPC was transformed, into a société anonyme. The Articles of Incorporation of PPC specify, among other things, that the Greek State is not permitted to hold less than 51% of the voting shares of PPC, after any increase in its share capital.

At December 31, 2010 and 2009, PPC's share capital (fully authorised and issued) amounted to Euro 1,067,200 divided into 232,000,000 common shares of Euro four and sixty cents (Euro 4.60) per value each.

26. Legal reserve

Under Greek corporate law, corporations are required to transfer a minimum of 5% of their annual net profit as reflected in their financial statements to a legal reserve, until such reserve equals one-third of the paid-in share capital. This reserve cannot be distributed through the life of the corporation. For the year ended 2010 the Group established a legal reserve amounting € 27,326 (2009: € 34,537).

27. Other reserves

	Group		Company	
RESERVES	**2010**	**2009**	**2010**	**2009**
- Tax free	113,208	113,208	113,208	113,208
- Specially taxed reserves	94,779	94,779	94,779	94,779
- Fair values of investments "held-for-sale" (note 23)	(10,176)	10,637	(10,176)	10,637
Total	**197,811**	**218,624**	**197,811**	**218,624**

Tax-free and specially taxed reserves represent interest income which is either free of tax or tax is withheld at source. However, if distributed, such reserves are subject to income tax (estimated at approximately Euro 49.9 m at December 31, 2010, assuming a tax rate of 24%). On the above reserves, no deferred taxes are accounted for. For the years 2010 and 2009, the Group did not establish tax-free reserves or specially taxed reserves.

28. Dividends

Under Greek corporate law, companies are required each year to declare and pay from statutory profits dividends of at least 35% of after-tax profit, after allowing for the legal reserve. However, with the consent of at least the 70% of the Company's shareholders, a company may not declare any dividend.

Furthermore, Greek corporate law requires certain conditions to be met before dividends can be distributed, specifically, no dividends can be distributed (a) as long as a company's net equity, as reflected in the statutory financial statements, is, or after such distribution, will be less than the outstanding capital plus non-distributable reserves, and (b) as long as the unamortized balance of "Pre-operating Expenses", as reflected in the statutory financial statements, exceeds the aggregate of distributable reserves plus retained earnings.

For the year 2010, the Board of Directors of the Parent Company decided to propose to the Company's Shareholders General Assembly the distribution of dividend amounting to € 183,280 (Euro: 0,79 per share).

As at December 31, 2010, the unpaid balance of dividends was Euro 171 (2009: Euro 91).

29. Interest bearing loans and borrowings

	Group		Company	
	2010	2009	2010	2009
Bank loans	1,373,354	1,263,199	1,373,118	1,263,196
Bonds payable	3,229,194	3,093,694	3,229,194	3,093,694
Bills payable	-	278	-	278
Total	**4,602,548**	**4,357,171**	**4,602,312**	**4,357,168**
Less current portion:				
- Bank loans	126,923	119,139	126,899	119,139
- Bonds payable	590,000	1,380,000	590,000	1,380,000
- Bills payable	-	281	-	278
Total	**716,923**	**1,499,420**	**716,899**	**1,499,417**
Long-term portion	**3,885,625**	**2,857,751**	**3,885,413**	**2,857,751**

The total interest expense on total debt for the period ended December 31, 2010 is included in financial expenses in the accompanying statements of income (note 9).

	2010	2009
Bank loans and bonds		
- Fixed rate	150,000	600,000
- Floating rate	3,079,194	2,493,694
European Investment Bank		
- Fixed rate	824,438	644,518
- Floating rate	523,988	590,098
Project financings		
- Fixed rate	-	-
- Floating rate	24,692	28,858
Total	**4,602,312**	**4,357,168**

Long term debt represents unsecured obligations of the Group and the Company. Certain loans and bonds include certain non-financial covenants, the most important of which is that the Company should not cease to be a corporation controlled as to at least 51% by the Greek State. Certain loan agreements of outstanding balance as of December 31, 2010 of € 402.5m include financial covenants like the obligation to retain the following ratios in certain levels: i) EBITDA/Interest higher than 2, ii) Liabilities/Equity below 2 and iii) Net Debt/Tangible Assets and Investments in Joint Ventures and Associates below "0.5", whose non-observance may lead to default.

Analysis of borrowings by currency (including bank overdrafts)

	2010	2009
EURO	99.5%	99.4%
CHF	0.5%	0.6%

During 2010 the Parent Company issued twenty series of bonds totaling Euro 1,758 million (one of them refer to refinancing, by extending the maturity in the year 2015 of existing Bonds, initially maturing in the period 2012-2013 of total amount €250 m) repayable within the period 2011 – 2020 bearing interest at EURIBOR plus a margin and proceeded to the renewal for one more year of bonds of a total amount of Euro 115 m with an annual initial duration. Three of the above loan agreements of a total amount of € 220 m include a covenant that the downgrade of the Company's rating may lead to default or the increase of borrowing cost.

Furthermore

- The Board of Directors of the Parent Company approved a 15 year financing line of € 280 m., provided by EIB for the project Megalopolis Power Plant V CCGT.
- A first drawdown was made of loan amount of € 225 million with 15 year duration out of total € 950 million financing line from EIB for the Transmission-Distribution V Project, for which has been approved by Board of Directors in 2009.
- The total repayments for the year ended December 31, 2010 amounted to 1,493 mil. Included the bullet redemption of an international bond of Euro 400 m. in November 2010.

The annual principal payments required to be made subsequent to December 31, 2010 and 2009 (based on the exchange rates as at December 31, 2010 and 2009) are as follows:

	2010	2009
On demand or within one year	716,899	1,499,417
In the second year	1,095,098	485,410
In the third to fifth years inclusive	1,697,959	1,620,545
After five years	1,092,356	751,796
Total	**4,602,312**	**4,357,168**

There are no bonds that are publicly traded at December 31, 2010. The respective fair value of the bonds that are publicly traded at December 31, 2009 totaled Euro 408 million.

The fair value of long-term loans with floating interest rates approximate their carrying amounts.

Revision of PPC's outlook by rating houses

In February 2010 the rating agency S&P lowered

PPC's credit rating from BBB- with negative credit watch to BB+ with stable outlook. In April 2010, S&P lowered PPC's outlook from stable to negative in order to reflect the credit rating of the Hellenic Republic (BB+ with negative outlook). In December 2010 S&P put PPC on negative credit watch after relevant rating action on the Hellenic Republic.

Forward Contracts

At December 31, 2010, the Company had one group of currency forward contract outstanding concerning the purchase of an initial amount of YEN 4.1 billion, for the full repayment of an amortizable EIB loan covering the period January 2011 - January 2016.

30. Financial instruments

	Group		Company	
	2010	2009	2010	2009
Derivative liabilities	-	88	-	88
Derivative assets	-	-	-	-

Derivative financial instruments represent interest rate swaps. At December 31, 2010, PPC had no interest rate swap agreements outstanding. Changes in their fair values of these derivatives are included in financial (expense) income, net, in the accompanying statements of income.

The net change in the fair values of swap agreements for the years ended December 31, 2010 amounted to Euro 88 (2009: Euro 161).

31. Post retirement benefits

PPC's employees and pensioners are entitled to supply of energy at reduced tariffs. Such reduced tariffs to pensioners are considered to be retirement obligations and are calculated at the discounted value of the future retirement benefits deemed to have accrued at year-end based on the employees earning retirement benefit rights steadily throughout the working period. The relevant retirement obligations are calculated on the basis of financial and actuarial assumptions.

Net costs for the period are included in the payroll cost in the accompanying statements of income and consist of the present value of the benefits earned in the year, interest cost on the benefit obligation, prior service cost, and actuarial gains or losses. The retirement benefit obligations are not funded.

The details of the actuarial study for the years December 31, 2010 and 2009 have as follows:

	Group		Company	
	2010	2009	2010	2009
Present value of unfunded obligations	337,431	309,528	337,431	309,528
Unrecognised net loss	(95,194)	(71,369)	(95,194)	(71,369)
Net liability in balance sheet	**242,237**	**238,159**	**242,237**	**238,159**
Components of net service cost				
Current Service cost	3,520	3,454	3,520	3,454
Interest cost	15,353	16,640	15,353	16,640
Amortization of unrecognised loss	2,805	1,259	2,805	1,259
	21,678	**21,353**	**21,678**	**21,353**
Movements during the year in net liability in balance sheet				
Net liability at beginning of the year	238,159	234,513	238,159	234,513
Actual benefits utilised	(17,599)	(17,707)	(17,599)	(17,707)
Total expense recognised	21,677	21,353	21,677	21,353
Net liability, end of the year	**242,237**	**238,159**	**242,237**	**238,159**
Change in benefit obligation				
Liability at beginning of year	309,528	278,241	309,528	278,241
Current Service cost	3,520	3,454	3,520	3,454
Interest cost	15,353	16,640	15,353	16,640
Actuarial (gains)/loss	26,629	28,900	26,629	28,900
Benefits utilised	(17,599)	(17,707)	(17,599)	(17,707)
Liability, end of the year	**337,431**	**309,528**	**337,431**	**309,528**
Weighted average assumptions				
Discount rate	4.68%	4.96%	4.68%	4.96%
Rate of tariff increase per annum:	0%-3%	0%-2%	0%-3%	0%-2%
Average future working life	14.40	13.61	14.40	13.61

Further to the abovementioned benefits, the subsidiary company PPC Renewable S.A., has made a provision for personnel compensation in case of service termination amounting to Euro 19 (2009: 25) regarding the personnel which is directly employed from PPC Renewables.

32. Provisions

	Group		Company	
	2010	2009	2010	2009
Litigation with employees and third parties (note 37)	160,377	195,595	160,377	195,595
Disputes with tax authorities (note 21)	42,676	42,676	42,676	42,676
Mines' land restoration	12,385	17,231	12,385	17,231
PPC-PIO fixed assets	2,400	7,373	2,400	7,373
Other	1,116	1,335	3	2
Total	**218,954**	**264,210**	**217,841**	**262,877**

During the year ended December 31, 2010, PPC established a reversed provision for litigation with employees and third parties of Euro 25,627 (2009: Euro 32,246 (additional provision - loss). In addition, in 2010 the Parent Company paid Euro 630 for finalized cases (2009: Euro 1,808).

The movement of the provisions for disputes with tax authorities and mines' restoration for the Parent Company and the Group has as follows:

	Group		Company	
	2010	2009	2010	2009
Balance at beginning of the year	**17,231**	**16,541**	**17,231**	**16,541**
- Change in outflow included in assets	(4,264)	2,063	(4,264)	2,063
- Reversal of unused amounts	(2,591)	(2,600)	(2,591)	(2,600)
- Finance cost (note 9)	2,009	1,227	2,009	1,227
Balance at the end of the year	**12,385**	**17,231**	**12,385**	**17,231**

33. Deferred customers' contributions and subsidies

GROUP	Subsidies	Customer Contributions	Total
Net book value			
December 31, 2008	**369,411**	**1,610,592**	**1,980,003**
- Subsidies and contributions received	82,055	-	82,055
- Transfer to revenues (note 8)	(16,752)	(56,309)	(73,061)
December 31, 2009	**434,714**	**1,554,283**	**1,988,997**
- Subsidies and contributions received	10,864	-	10,864
- Transfer to revenues (note 8)	(18,090)	(56,466)	(74,556)
December 31, 2010	**427,488**	**1,497,817**	**1,925,305**

PARENT COMPANY	Subsidies	Customer Contributions	Total
Net book value			
December 31, 2008	**363,263**	**1,610,592**	**1,973,855**
- Subsidies and contributions received	79,764	-	79,764
- Transfer to revenues (note 8)	(16,252)	(56,309)	(72,561)
December 31, 2009	**426,775**	**1,554,283**	**1,981,058**
- Subsidies and contributions received	12,139	-	12,139
- Transfer to revenues (note 8)	(17,647)	(56,466)	(74,113)
December 31, 2010	**421,267**	**1,497,817**	**1,919,084**

34. Other non-current liabilities

	Group		Company	
	2010	**2009**	**2010**	**2009**
Customers' deposits	507,166	520,300	507,166	520,300
Other	73	74	14	14
Total	**507,239**	**520,374**	**507,180**	**520,314**

The amount customers' advances relates to deposits made from customers upon initial connection to the transmission and/or distribution networks and is considered as coverage against unbilled consumption outstanding as of any time. Such deposits are refundable (non-interest bearing) upon termination of connection by the customer. As the refund of such amounts, which are payable on demand, is not expected to be realised within a short period of time the amounts are classified as non-current liabilities and they are not pre-paid.

35. Trade and other payables

	Group		Company	
	2010	2009	2010	2009
Trade:				
Suppliers and contractors	450,071	407,466	443,670	406,646
Municipalities' duties	191,739	202,541	191,739	202,541
Social security funds, other	51,289	95,327	51,283	95,315
Greek TV	52,322	51,688	52,322	51,688
HTSO	-	38,699	-	38,699
Taxes withheld	10,250	39,566	10,059	39,334
Excise Tax	14,839	-	14,839	-
Credit customers' balances	37,976	35,485	37,976	35,485
Benefits on employee overtime	-	14,031	-	14,031
Bank of Crete	12,053	12,053	12,053	12,053
Other	30,205	27,450	30,198	26,706
Total	**850,744**	**924,306**	**844,139**	**922,498**

Municipal Duties and Greek TV: The amounts represent duties collected by PPC through the bills issued to medium and low voltage customers and certain high voltage customers. The payment of such amounts to the beneficiaries is made by PPC at the end of each month and relates to collections made two months prior. For this service PPC charges a fee of 2% and 0.5%, on the amounts collected on behalf of Municipalities and Greek TV, respectively. Such fees for the year 2010 totaled Euro 30,699 (2009: Euro 30,359), and are included in other revenues in the accompanying statements of income. Furthermore, receivables from Municipalities relating to energy consumption are offset against amounts paid for the duties collected on behalf of the Municipalities.

36. Short-term borrowings

In 2010 the Parent Company concluded a short term financing of € 150 m. At December 31, 2010, the available short term financing lines amounted to Euro 250 m. which was disbursed in full and in total bearing interest at EURIBOR plus a margin.

In the year 2010, the subsidiary PPC RENEWABLE concluded a new short-term financing agreement of a total amount of €2 million, This financing was concluded without the provision of any security. At December 31, 2010, the available short term financing lines amounted to Euro 5 m. and an amount of 250 was disbursed in total bearing interest at EURIBOR plus a margin.

	Group		Company	
	2010	2009	2010	2009
Committed Overdraft facilities				
- Credit lines available	255,000	78,000	250,000	75,000
- Unused portion	4,750	3,000	-	-
- Used portion	250,250	213,500	250,000	213,500

37. Accrued and other current liabilities

	Group		Company	
	2010	2009	2010	2009
Accrued interest on interest bearing loans and borrowings	40.352	32.630	40.352	32.630
Natural gas and liquid fuel purchases	35.462	45.337	35.462	45.337
Energy purchases	4.266	11.139	4.266	11.139
HTSO	13.850	-	13.850	-
Mining related services	8.169	3.325	8.169	3.325
Additional expropriation costs	3.725	3.725	3.725	3.725
Personnel day off and overtime	65.202	28.347	65.202	28.347
RAE fees	6.621	6.810	6.621	6.810
Purchase of Emission Allowances	36.174	33.323	36.174	33.323
Projects under construction	4.195	8.414	4.195	8.414
Other	6.525	5.565	6.133	5.005
Total	**224.541**	**178.615**	**224.149**	**178.055**

38. Commitments, contingencies and litigation

Ownership of Property

Major matters relating to the ownership of PPC's assets, are as follows:

1. Public Power Corporation S.A. is the legal successor to all property rights of the former PPC legal entity. Its properties are for the most part held free of encumbrances. Although all property is legally owned, legal title in land and buildings will not be perfected and therefore title may not be enforced against third parties until the property is registered at the relevant land registry in PPC's name. PPC is in the process of registering this property free of charge at the relevant land registries following a simplified registration procedure. This process is not yet finalised.
2. In a number of cases, expropriated land, as presented in the expropriation statements, differs (in quantitative terms), with what PPC considers as its property.
3. Agricultural land acquired by PPC through expropriation in order to be used for the construction of hydroelectric power plants, will be transferred to the State at no charge, following a decision of PPC's Board of Directors and a related approval by the Ministry of Development, if such land is no longer needed by PPC S.A. for the fulfilment of its purposes.

Protection of National Economy

Provisions of Law 3833/2010 "Protection of National Economy-Additional measures to strengthen fiscal targets of Stability and Growth Programme" and Law 3845/2010, "Provisions for the implementation of the support mechanism for the Greek Economy by the member states of the Euro zone and the International Monetary fund".

The technical difficulties of incorporating the provisions of L. 3833/2010 and L. 3845/2010, in PPC's payroll structure (a large number of personnel categories and specialties as well as many types of allowances that often differ per personnel category and specialty) resulted in the realization of the above mentioned incorporation in July 2010. Total payroll reduction, including capitalised payroll, for the year 2010, resulting from the implementation of the above mentioned legislation, is estimated at Euro 204.4 m.

According to the 26.04.2010 Decision of the Extraordinary Shareholders' Meeting the one-off financial support to PPC's Personnel Insurance Organizations up to the amount of payroll reduction, under the provisions of article 1, L. 3833/2010, is provided for. Consequently, the financial results for the year 2010 have been burdened with Euro 99.6 m. (Note 11), out of which Euro 79.5 m within 2010 were paid.

Special levy on profits of legal entities

Under Article 5 of Law 3845/2010 a special levy is imposed on the profits of legal entities for the year 2010.

Net profits on which the "emergency" special levy is imposed cannot exceed the double of the average of total net income or net profits of the previous two financial years 2008 and 2009.

The application of this Law does not burden the financial results for 2010 since the abovementioned criteria are not met.

Litigation and Claims

The Group is a defendant in several legal proceedings arising from its operations. The total amount claimed as at December 31, 2010 amounts to, Euro 713 m, as further analysed below:

1. *Claims with contractors, suppliers and other claims:* A number of contractors and suppliers have raised claims against the Company, mainly for disputes in relation to the construction and operation of power plants. These claims are either pending before courts or in arbitration and mediation proceedings. The total amount involved is Euro 383 m. In most cases the Group has raised counter claims, which are not reflected in the accounting records until the time of collection.

2. *Fire incidents and floods:* A number of individuals have raised claims against the Company for damages incurred as a result of alleged electricity-generated fires and floods. The total amount involved is Euro 41 m and Euro 9 m, respectively.

3. *Claims by employees:* Employees are claiming the amount of Euro 192 m, for allowances and other benefits that according to the employees should have been paid by PPC.

4. *Litigation with PPC Personnel Insurance Organization (PPC-PIO) (in Greek it is "OAP-DEI" i.e. PPC's Social Security Fund):* Until December 31, 2010, the PPC Personnel Insurance Organization (former "PPC PIO", TAYTEKO/ IKA at present) had filed, before the courts, seven (7) lawsuits against PPC, claiming an amount in total of Euro 87,704 and, aiming to: (a) obtain the ownership of a building sold by PPC in 1999 for an amount of Euro 13,294, (b) obtain the ownership of certain properties owned by PPC and collect the rents earned by PPC over a specified period of time, for an amount of Euro 6,962 (three actions), these cases will be resolved with the decision of the Plenary Session of the Supreme Court for one of these actions, (c) obtain the ownership of a building, of estimated value of Euro 8,000, (d) be compensated for securities and shares which became property of PPC, and part of which has been sold, as well as for related dividends collected by PPC for a total amount of Euro 59,393 and (e) to oblige PPC to render detailed accounts concerning management of bonds that PPC kept on behalf of PPC – PIO an amount of Euro 55.

   The aforementioned cases are finally resolved with the recent issued Decision of the Plenary Session of the Supreme Court regarding the (a) case, according to which invalidates the 2007 Decision of the Court of Appeal, that had originally accepted PIO's action against PPC.

   Under Judgment by the Supreme Court No. 13/2010, the Court reached inter alia the decision that the prohibition of conveyance or any kind of freezing or change of Insurance Fund's "Insurance Fund of Personnel" (IFP / ΤΑΠ ΗΕΑΠ-ΕΗΕ) assets, provided for under art.5 par.3 Law No. 163/1975, extends from the application of Law No 163/1975 until the repeal of the above mentioned Insurance Fund (taken place on 31.5.1985) and does not extend to time subsequent of the repeal, when PPC would become the assets holder under art.5 par.1 Law No. 163/1975.

The abovementioned Decision of the Plenary

Session remitted the case to the Court of Appeal for the typical final resolution of the said dispute. The aforementioned Decision creates a precedent in relation to all other abovementioned pending cases (b) to (e) and therefore the established provision on December 31, 2009 was reversed within 2010 fiscal year.

For the above amounts the Group has established provisions, which at December 31, 2010 totalled approximately Euro 160 m. (Note 32)

"Alouminion of Greece" (ALOUMINION)

The PPC's Board of Directors, at its meeting held on June 24th, 2008, has approved the filing of a recourse (automatic right for appeal) against the Ministerial Decision referring to the amendment of the electricity generation licences related to the electricity generation plants of "ALOUMINION". On July 30th, 2008, the Minister of Development decided to modify the electricity generation licences pertaining to "ALOYMINION". In October and November 2008, the Parent Company has terminated its contract with "ALOUMINION" dated 13.06.2008, for providing power under 150 KV according to Invoice A, a contract concluded and being in effect since March 7th, 2008. "ALOUMINION" has sought interim measures challenging PPC's contract termination as well as before the Council Of State for the annulment of the Ministerial Decision. The hearing of the relevant application (for interim measures) was set for the 23rd of January 2009, however ALOUMINION withdrew from the said application. There are pending actions before the Athens Multimembered Court of First Instance at the one hand of ALOUMINION versus PPC (the said action from ALOUMINION after many postponements, has been set for the December 15th, 2011), as well as, on the other hand, of PPC versus ALOUMINION. ALOUMINION claims the continuation of the status of the initial Contract between the parties whereas PPC claims, among others, the amounts regarding to the differences in tariffs. Specifically PPC has filed, an action before the competent Multimembered Athens Courts against "ALOUMINION" for all sums related to the consumption of electric energy due and payable to PPC by "ALOUMINION" for the period from October 2008 until end of September 2009 for an amount of Euro 49.8 m plus an amount of Euros 414 (for interest due to PPC by the "ALOUMINION" for four (4) electricity bills within the year 2009) where the date of the hearing was set initially for the 29.4.2010 but it was postponed for October 11th 2012.

On February 23, 2010 a decision how been issued by the Arbitration Court in relation to the application of the terms of the relevant ministerial decision of 30.11.2007 which held:

- That there was a valid contract as between PPC and ALOUMINION, which was valid before the date on which relevant increase of 10% was introduced (in consequence, before the 1st of July 2008) (tariff A-150).
- That the obligation to negotiate vis a vis ALOUMINION concerned only the percentage pertaining to the said increase (0%-10%), limited at the lowest, in all cases, to the ceiling of the tariff of A-150, currently in force.
- That the relevant obligation to negotiate with ALOUMINION, was under the condition that PPC would in all cases, respect, even on a unilateral basis, and not necessarily vis a vis each and everyone of the different consumers, the general principles of good faith and of bonos mores, of free competition as well as the principle of the protection of the consumers.

In August 2010, PPC's Board of Directors approved a framework agreement between PPC S.A. and ALOUMINION SA. The abovementioned framework agreement has been already accepted by ALOUMINION SA and will be the basis that the two counterparties will use in order to proceed to the signing of the new contract of electricity supply.

According to the framework agreement, the following are in force until 31/12/2013:

1. PPC S.A. will supply electricity to ALOUMINION S.A. for the hours that are within the off peak demand zone, including Saturdays, Sundays and holidays, with a charge of € 40.70/MWh, which corresponds to A 150 tariff, as it was valid at 30.06.2008 plus 10% increase for the hours of off peak demand zone.

2. ALOUMINION SA will cover its electricity needs as self supplied from the Pool for the rest hours of the day.

3. In addition, and under the same framework agreement, the financial disputes that had arisen in the past, are settled and specifically, the repayment of the remaining debt for the electricity consumption for the period 01.07.08 – 30.06.10, which is determined after compromise at the amount Euro 82.6m.

On November 15th, 2010, ALOUMINION SA made in part of outstanding debts (Euro 10.9 million) in advanced to Euro 20 million as provided in the Decision of the Board of PPC S.A. No. 177/3.8.2010. Until that date, ALOUMINION SA had not paid electricity bills for the months July, August and September 2010, which have become unpaid while until that time PPC and ALOUMINION had not completed the process of preparing the new contract to reflect the above mentioned agreement framework.

Since then ALOUMINION SA has made in payments for instalments against old debts as well as for current consumption from 1/7/2010 and thereafter. The provisions of the above mentioned Agreement are implemented in that part that does not exist differences between the two companies and is expected the comments from RAE for both the forthcoming Contract and the differences between the two parties on how to share certain fees, in that part of the agreement on the supply of ALOUMINION SA where the company functions as self supplied from the Pool.

Today there are debts of ALOUMINION SA on both the repayment of the remaining debt for the electricity consumption for the period 01.07.08 - 30.06.10, which amount is determined after compromise, and the payments of amounts related to the agreement section on the supply of aluminum as self supplied from the Pool and especially the Special Tax for Consumption, the Fees for Execution of Custom Works, Fees for Renewable Energy Sources and all other charges (as Charges for Transmission Use of System, Capacity Assurance Mechanism, Public Services Obligation, etc.) for the period from July 2010 to date.

Bank Of Crete

The dispute with the old "Bank of Crete" is dating back to 1989, when the bank was under liquidation due to serious legal violations revealed at that time. More precisely, by an action filed on July 22, 1991 as against the Bank of Crete, PPC claimed an amount amounting to GRD 2.2 billion (Euro 6.5 million) due to the fact that transverse of the claims of PPC to stake-holding in the share capital of the Bank and to obligatory credit to the Bank, introduced by virtue of the 21/9.6.1989 Act of the trustee of the Bank was held invalid. The action was withdrawn by no 9004/1996 Decision of the Multimember Court of

Athens. PPC appealed against the said Decision of the Court which was also rejected by Decision Nr 4613/1997 of the Athens Appeal Court.

Said decision was brought to review by PPC before the Supreme Court and appellate Decision was quashed by Decision Nr 746/1998 of the Supreme Court. In consequence the case was brought to trial before the Court of Appeals, which by its Decision Nr 5514/1999 held that an expert report should take place. After said experts report, a Decision (Nr 7956/2005) was held partially in PPC's favour. Awarding in favour of PPC the amount of almost GRD 1,936 billion (Euro 5.7 million).

However, a petition for review before the Supreme Court was filed against the aforesaid Decision which was accepted by Decision Nr 1968/2007of the Supreme Court, was resubmitted to the Court of Appeals for a new trial. The decision issued by the Court of Appeals (Nr 4093/2009) postponing the final decision ordered the completion of the expertise report concerning the requested amount of the compound interest by PPC's lawsuit. The Decision seems to accept almost in its entirety the lawsuit of PPC, so that after the completion of the expertise report, with the issuance of the final Decision, there may be a decrease of the requested compound interest amounts. It should be noted that, on the 4th of February 2010, an application made by the Bank was heard before the Athens Court of Appeals by which, the Bank asked that it should be taken additionally into account within the context of the Decision of the said Court of Appeals Decision Nr 4093/2009, so that the Experts Report should also include a counterclaim by the Bank offered by the Bank an amount of GRD 100 m. (Euro 293) approximately, as against the claim of PPC on trial. As a consequence thereof, the addition of the Expert Report already decided by Decision Nr 4093/2009, is further postponed until the issuing of a final judgement of the same Court on the said application for an addition made by the Bank. The aforementioned application of the Bank for an addition in a final judgement of the Athens Court of Appeals was rejected with the Decision 1732/2010 of the said Court. Thus, the court for the above mentioned lawsuits is continued and the issuance of the abovementioned supplementary expert report is expected.

Complaint against the European Commission's Decision regarding lignite extraction rights

On May 13th, 2008, the parent Company filed before the General Court of the European Union (General Court), an application for annulment of the Commission's decision of March 5th 2008 regarding the granting by the Hellenic Republic of lignite extraction rights. The Greek State has intervened before the aforementioned Court in favour of PPC, while two undertaking– competitors of PPC – have intervened in favour of the European Commission. On February 19, the Hellenic Republic submitted its observations before the Genera l Court. Furthermore, on August 4th, 2009, the European Commission issued a second decision (which was notified to PPC on August 7,2009), in which the measures for the compliance with the decision of March 5th, 2008 were defined as obligatory for the Hellenic Republic. The Commission's Decision defined as obligatory for the Hellenic Republic the launching of public tender procedures for the concession of lignite rights for the mines of Drama, Ellassona,Vevi and Vegora to third parties excluding PPC, with the exception of those cases where there are no other valid and binding offers. The Hellenic Republic was also obliged to assure that the third parties that would be awarded the relevant extraction rights, would not sell to PPC the extracted lignite from the specific mines with the exception of those cases where there would be no other valid and binding offers. With regard to the above mentioned mines, the Decision of August 4 2009, defined that the tender procedures should be launched within six (6) months from the notification of the decision and the extraction rights should be awarded to the successful bidders within twelve (12) months from the date of notification of the decision. PPC timely (on 19/10/09) and lawfully submitted an application for annulment of the said decision of the Commission before the CFI of the European Communities. Furthermore, the Hellenic Republic has timely intervened before the CFI in the said proceedings in favour of PPC. Additionally, PPC has timely and lawfully submitted (May 3rd 2010) its observations to the European Communities and against the abovementioned Commissioners' Decision of August 4, 2009 for the said case (C (2009) 6244). Finally, PPC, filed lawfully (July 2010), comments on the application for assistance of the Greek Republic in favour of PPC, in this case.Furthermore, with its letter dated14 December 2010 the General Court requested the Hellenic Republic as well as PPC S.A. to reply to some questions related to the Case T-169/2008 setting the deadline for the answers the 1st of February 2011. PPC replied timely to the request. The Commission asked for an extension of the deadline for its reply. Such extension was granted to the Commission by a letter of the Court dated 10-3-2011 which mentioned that the reply by the Commission has only been partly accepted by the Court and by which a new deadline, that is the 18th of March 2011 was set for the parties to submit possible relevant confidentiality requests to the Court.

Finally, by a Letter dated 14-2-2011 of the Greffe of the General Court, it was notified to the parties that the hearing of the Case T-169/2008 (regarding the a.m. Decision of the Commission of 5 March 2008-PPC S.A., "the Hellenic Republic as intervening party versus The Commission of the European Communities, "Energeiaki Thessalonikis s.a." and "HE&DSA" as intervening parties" will take place on the 6th of April 2011. PPC and the Hellenic Republic are in the process of preparation of the respective oral presentations of the case.

Environmental Obligations

Key uncertainties that may influence the final level of environmental investment which the Group will be required to make over the forthcoming decade, include:

1. Following the issuance of Environmental Permits, by Common Ministerial Decisions, for all Hydroelectric (H/E) Plants, environmental permits are still pending, only for "Plastiras" H/E Plant and the national transmission network, for which the Environmental Impact Assessment Studies have already been submitted to the Ministry for the Environment.

   According to Greek Law 3481/2006, the environmental terms for the continuation, completion and operation of the projects of the Acheloos River Diversion Scheme to Thessaly, in which Messochora HP is included, were approved and their fulfilment is a prerequisite for the implementation of the projects and for which responsibility lies with the administrator, responsible for construction and operation of the respective projects.

   Public Projects, as well as PPC's projects that have been auctioned and constructed or are under construction and are related to projects of the Acheloos River Diversion Scheme to Thessaly and energy projects are allowed to operate or be completed, according to the approved

Administration Plan and the above-mentioned environmental terms.

Based on the above-mentioned terms the continuation of the project was allowed for the completion and operation of Messochora HP as well as the completion of the construction project of the tunnel, which are already been completed and are finally delivered from 17.06.2010.

After the publication of Law 3734/2009, matters concerning the Messochora Hydroelectric Project are arranged, with which the completion and operation of the Project becomes possible. These matters concern expropriation of areas in the Messochora HEP Reservoir, expropriation of the Messochora Village and of the areas where it will be relocated and arrangement of compensations to the affected inhabitants. All the above mentioned expropriations are declared for public utility reasons of great importance and their settlement will allow the completion of the Project and the operation of the Messochora Power Plant.

Following the ruling No 141/2010 by the competent Suspension Committee of the Council of State, the immediate cease of all works has been ordered at all relevant projects, as well as the cease of operation of all completed projects, until the final judgment is issued by the Plenary of the Council of State.

Further developments, namely the final judgment, will be issued by the Plenary of the Council of State after taking into consideration the ruling of the European Court of Justice in relevant preliminary questions, already addressed to this Court, referring to the compatibility of the provisions of the Law 3481/2006 with the European legal framework.

PPC considers that the Hydroelectric Plant of Messochora is independent from the Acheloos River Diversion to Thessaly Scheme and therefore it should be not affected from the abovementioned issues. PPC examines the possibility to disengage Messochora Power Plant from the overall Acheloos River Diversion Scheme, so that the Project can be faced as an independent unit and have its own environmental terms, i.e. independently from the other Projects of the Diversion Scheme. For this purpose, PPC waits for the completion of the Water Management Study, ordered by the Ministry of Environment and Climate Change, related to the compilation of the Water Management Plan of the Catchment Areas in the water territories of the Western Central Greece and Thessaly, in which the Catchment Area of the River Acheloos is included. These studies are expected to be completed in February 2012. Here after, the process for the issue of the WATER MANAGEMENT PLANS the ministry will follow, which taking into account the necessary-provided by law- consultation period, is expected to be completed around May 2012. On December 31, 2010 the aggregate amount for HEP Messochora is amounted to Euro 283.9 million, which according to the above is considered to be fully recoverable and is expected to require further Euro 127 million to complete the project, estimated in 2014.

2. Under IPPC (Integrated Pollution Prevention and Control) Directive, the Best Available Techniques for Large Combustion Plants (with a thermal capacity greater than 50 MW) have been defined on July 2006 at a European level. These may: (a) require additional to the already foreseen investments at PPC's larger thermal power plant stations, (b) reduce the permitted hours of operation of its oil fired power stations. In

accordance with European Directive 2001/80/EC, a pollutants emissions reduction plan for existing Large Combustion Plants has been approved by PPC's Board of Directors, and this includes, among others, the following measures:

i. Units I and II of Megalopolis A plant will enter the status of limited hours of operation (20,000 hours both of them as one installation) from January 1, 2008 until December 31, 2015 at the latest.

ii. Until the end of 2007, all measures for facing the operational problems of the flue gas desulphurisation plant in unit IV of Megalopolis B plant, should have been completed.

iii. Until the end of 2007, all measures for the installation and continuous operation of the flue gas desulphurization plant in Unit III of Megalopolis A plant, should have been completed.

iv. Until the end of 2007, all necessary modifications for using low sulphur heavy fuel oil, in all the existing oil fired plants included in the pollutants emissions reduction plan, should have been implemented.

PPC's emission reduction plan was submitted to the authorities and has been incorporated in the National Emissions Reduction Plan of the country, according to the provisions of the aforementioned Directive. For the Linoperamata Steam Electric Station, the use of low sulphur heavy fuel oil has already started from January 1st, 2007. From October 2007, all oil fired power plants which use heavy fuel oil, are supplied with low sulphur heavy fuel oil, as requested in measure (iv). The aforementioned measure (ii) was completed during the first semester of 2008, while about measure (iii) on 29.03.2010 its commercial operation period was finished. The relative performance tests were started on April 2010 and were completed on August 11, 2010. Based on the results of performance tests' valuation report submitted by the assigned third party (TUV AUSTRIA), the guaranteed parameters of the project have been accomplished. The project is now under temporal acceptance procedure.

The renewal of certain thermal power plants' environmental permits is expected within 2011, after the issue (August 2008) of the Common Ministerial Decision for the National Emissions Reduction Plan (Directive 2001/80/EC).

In December 2007, the new Directive (2010/75/EK) was issued for industrial emissions (Industrial Emissions Directive – IED), which is effective from 06.01.2011 and which amends Directives IPPC and 2001/80/EK. Additional investments that might be required to the already existing units will be assessed, taking into account remaining operational life of the units.

3. The extent of land contamination has yet to be assessed for many of PPC's installations. At present, there appears to be no requirement for large-scale remediation projects at PPC's sites in the short term, and it is unlikely that this will be required at the mining areas or at the lignite-fired power stations for the foreseeable future. Remediation, however, may be required, at some of the company's oil-fired power stations and depots, in the future.

4. PPC has performed limited studies on the presence of asbestos-containing materials, at its premises. Upon submission by PPC of a full environmental impact assessment study, the Ministry of Environment issued on May 2004 the

environmental permit for the construction and operation of an environmentally – controlled landfill site for the management and final disposal of asbestos containing construction materials, existing in its premises located in Northern Greece.

5. During the operation of the Transmission Lines, Substations and Hyperhigh Voltage Centers, there is no electromagnetic radiation, but two separate fields, the magnetic and the electric field. At places where the public or the Company's personnel might find themselves close to the above mentioned lines and substations, the values of those fields are substantially less than the limits. Those limits were established by the International Commission on Non Ionizing Radiation Protection (ICNIRP) in collaboration with the World Health Organization (WHO). The above mentioned limits have also been adopted by the European Union as well as the Greek State. It must be noted though, that the limits stated in the above regulations for both fields do not constitute dangerous values, but rather contain large safety factors, in order to cover for some vagueness due to the limited knowledge about both the magnetic and electric fields' influence in order to fulfil the requirement for the prevention of any adverse impacts.

4. In the year 2011, the issuance of permits for the Ptolemais lignite is expected, which was revised in June 2010, in order for the updated mining plan be authorized, the sterile component of lignite and ash, produced by burning coal in power stations in the region of Ptolemais and a waste management plan in accordance with KYA 39624/2209/E103/25.09.2009 (GG V/2076/ 25.09.2009) on Waste Management Extractive Industry. Expected in 2011, the renewal of environmental licensing of the activity "Management of solid waste from burning coal in power stations Megalopolis lignite mine, in the homonymous mine (the depleted mine of Thoknias).

CO_2 Emissions

In November 2007, PPC submitted 31 applications to the competent authority for the issuance of the emissions permits for its bound power plants, concerning the period 2008-2012. In December 2007, the competent authority approved the submitted Monitoring Plans and issued the respective permits for the second trading period 2008-2012. In December 2008 the Greek National Allocation Plan for the period 2008 – 2012 was approved. According to the final allocation, 44.2 Mt CO_2 allowances have been allocated to the 31 existing bound plants of PPC for 2009. Additional allowances 0.39 Mt CO_2 were allocated to PPC's new entrance units for 2009 (extension to the installed capacity of existing plants). By the end of March 2010, the verification of the annual emissions reports, for all 31 bound plants, by accredited third party verifiers was completed successfully and the reports were promptly submitted to the Competent Authority. The total verified emissions of all 31 bound plants of PPC for 2009 amount to 49.9 Mt CO_2.

According to the final allocation of CO_2 emissions allowances and the final CO_2 emissions from PPC's bound plants, PPC exhibited a CO_2 emission rights deficit of 5.3 Mt CO_2 for 2009. On December 31, 2009 there was a CO_2 emission rights' deficit to cover for the year 2009 which amounted to Euro 33.3 million valued at prices of 31.12.2009. Since the finalization of the 2009 CO_2 emission rights' deficit and its valuation in fair values of December 31, there was a positive effect on the year's results which ended on December 31, 2010 and which amounted to Euro 10 million. In the year ended

December 31, 2010. The Parent Company has covered part of the abovementioned deficit with purchases amounting to Euro 15.8 million.

Based on final data of 2010 the total amount of CO_2 emissions for PPC's bound plants for 2010, amounts to 46.5 Mt. It is noted that CO_2 emissions for 2010 will be considered final after March 2011, when the verification of the annual emissions reports by accredited third party verifiers is completed. Emission rights that are allocated to PPC's bound plants for the year 2010 amount to 44.2 Mt, while respective emission rights amounting to 0.39 Mt were allocated to PPC for the year 2010 due to new entrance units of year 2009.

According to the above, PPC will exhibit a shortage of emission allowances for 2010 amounting to 1.9 Mt CO_2 approximately and thus a provision was formed for the coverage of the emission rights' deficit amounting to Euro 22,515. It is noted that the exact amount of the deficit will be finalised only after the arrangement of the allocation of the additional emission rights due to new entrance units in the non - interconnected islands for the year 2010.

Investments

Combined cycle natural gas fired power plant of a 416.95 MW in Aliveri

After an international tender, the Project "Study, supply, transportation, installation and putting in operation of a 416.95 MW net combined cycle natural gas fired Unit V at Aliveri" was awarded to the successful bidder company (Metka S.A.). The contract for the construction of the Project was signed in October 2007, the contractual price is Euro 219 million and the contractual deadline for completion was 27 months after the contract is signed.

In July 2009, the Building Permission was issued, which was also revised twice within 2010 for arrangement of urban-planning pendencies, new works etc. In September 2009, the construction began, with a revised time schedule which anticipates the completion of the Project within 24 months (September 2011). In May 2010, the Supplement No 2 of the Contract was signed, according to which PPC shall pay the Contractor the amount of Euro 31 million for the delay of the Project, due to antiquities found on the construction site and difficulties about the progress of the permissions, as well as for additional works. In June 2010, the Common Ministerial Decision Approval of Environmental Terms was modified with reference to the delimitation and regulation of existing stream, in the watercourse of which the pump room cooling sea water will be placed.

In October 2010, the Supplement No3 of the Contract was signed, according to which the valid period of guarantee of the Project and consequently of the Equipment is extended for 2 months with the payment to the Contractor of the amount of Euro 1.8 million and according to the provisions of the Supplement No2.

The civil works, the delivery of electromechanical equipment and the preparation of the studies for the Project have been almost completed. The installation of main electromechanical equipment is on going.

On December 8, 2010, PPC submitted a request to Hellenic Transmission System Operator S.A. for a Connection Offer of the Unit. On January 7, 2011, the Hellenic Transmission System Operator S.A. sent to PPC the Connection Offer.

On January 21, 2011, the Board of Directors of PPC approved the additional extension of the new guarantee period of the Project and consequently of the Equipment, for 8 months, according to the provisions of Supplement No3, with the payment to the Contractor of the amount of 7.2 million Euro.

Commission of study, procurement of equipment and construction of a "closed type" GIS substation in Soroni, Rhodes

In June 2008, PPC S.A. concluded a tender regarding the project "Design, Procurement of equipment, construction and commission of a "closed type" GIS substation in Soroni, Rhodes" and awarded it to ABB, who offered the lowest price, amounting to Euro 12.3 m, approximately. The project was scheduled to be completed in two phases. According to the timetable the building phase A of the substation was to be completed by April 2010, so the generating units would have been put in operation for the summer of 2010. But, due to the delay of issuance of the building permit, which originally was expected to be issued by March 2009, the building phase A of the substation is estimated to be completed in the first half of 2013.

International tender for the construction of the new lignite station in Florina

In July 2008, an international tender regarding the "Study, procurement, transportation, installation and putting in operation of the Steam-Electric Unit II in Meliti Power Station, with a power of 420-450 MW, using pulverized lignite as fuel and with the capability of providing thermal energy of 70 MWth for district heating" was announced. The budgeted cost for the new unit was 675 million Euro. The new Unit will be fully equipped with modern and up-to-date antipollutive systems and with a provision of space for future installation of CO_2 emissions' capture system. The above mentioned Project had been defined to be completed within 52 months, commencing with the signing of the contract. Due to the fact that no offer was submitted, the basic technical and commercial parameters of the Project are in reconsideration, so that a new international tender shall be announced.

International tender for the construction of a new Steam Electric unit in Ptolemaida

In May 2009, modifying a previous Decision, PPCs' Board of Directors decided that the new Steam Electric unit in Ptolemaida shall be of pulverized lignite technology, instead of fluidized bed, and installed capacity of 550-660 MW, instead of 450 MW, with the capability of providing thermal energy of 140MWth, instead of 120 MWth, for district heating. The International tender was announced on April 20, 2010. The announcement was published on the Supplement to the Official Journal of the European Union and Greek press, on April 23, 2010, and the date for offers' submission was on September 01, 2010. The total budget of the Project amounts to Euro 1,320 million and the Project is expected to be completed within 70 months as from the signing of the contract. According to the Supplement No1, issued in August 2010, the deadline for the offers submission was extended to 15.12. 2010. In September 2010, the Ministry of Environment Energy and Climate Change issued the permission for electricity generation and the permission for the distribution of thermal energy. In October 2010, the Study of Environmental Impacts of the Unit was submitted to the Ministry of Environment Energy and Climate Change. With the Supplements 2,3,4 and 5, the deadline for the tenders was transferred successively to 30.3.2011.

A new diesel engine Power Plant 115.4 MW in South Rodos burning of heavy fuel oil with low sulphur content

After an international tender, the Project

"Construction of a diesel engine Power Plant 115.4 MW in South Rodos burning heavy fuel oil with low sulphur content" was assigned to the successful bidder company (TERNA S.A.). In July 2009, the relevant Contract was signed. The Contract price is Euro 182.8 million. The construction will start after the completion of the permission issuance procedure, which is still in progress. The main equipment of the project (engines and generators) is ready, but its transportation from the manufacturer is postponed until the completion of the construction of a temporary storage room by the Contractor. The aforementioned construction has already begun. In March 2010, the lease contract for the land was signed between Public Land Corporation and PPC. However, due to the fact that the lease of land creates difficulties with the progress of the Licenses procedure, PPC has commonly agreed with Public Land Corporation the purchase of the above land and the conclusion of the contract is expected. In September 2010, the Decision of the Ministry of Environment Energy and Climate Change for the modification of the Generation License concerning the power (115,439 MW) and the number of units (7 generating sets) was issued. In December 2010, the Common Ministerial Decision Approval of Environmental Terms was issued.

HP Metsovitiko I, II (29 MW)

PPC proceeded to the reissuance of the tender documents for the HP Metsovitiko project for the main electromechanical equipment and the remaining civil engineering works. The tender for the main electromechanical equipment was held on 23.06.2010 and received 6 bids. The date of putting in operation the unit is the year 2013. According to IAS 36, the Parent Company has to review the recoverability of the total project cost, which on December 31, 2010 amounts to € 37.1 m. Based on the impairment test results, the Company made an impairment provision for the project cost of € 8 m which impacted 2010 financial results.

A new combined cycle unit at Megalopolis

On August 25, 2009 the Board of Directors of the Parent Company approved the award of the Project "Study, supply, transportation, installation and putting in operation of a new 811MWnet, in reference conditions, combined cycle unit at Megalopolis" to the successful bidder, the Consortium METKA S.A. and ETADE S.A. Furthermore, the contractor has accepted that he will not raise any claims related to eventual delay up to 13 months, due to unavailability of Transmission Network of 400 kV and Natural Gas. This time interval of 13 months starts, for the delay of supply of natural gas in the Unit, 26 months as from the date of signing of the Contract and for the delay of connection with the network 400 KV, 24 months as from the date of signing of the Contract.

On November 13, 2009, the relevant Contract for the implementation of the Project was signed and the contract price amounts to € 499.5 million. The geotechnical investigation was completed and the relevant study was submitted in July 2010. In March 2010, PPC submitted a request to Regulatory Authority of Energy for the modification of the current Generation Licence (850 MW) concerning the final net power, in reference conditions (811MW). In May 2010, the Common Ministerial Decision Approval of Environmental Terms was issued. In July 2010, PPC submitted a request to Hellenic Transmission System Operator S.A. for the Connection Offer of the Unit. In September 2010:

- The permission of space configuration for the addition of the Unit to SES Megalopolis B was issued.

- There was positive opinion by Regulatory Authority of Energy for the modification of Generation License.
- Hellenic Transmission System Operator S.A. sent to PPC the offer for the connection of the Unit with the System.

In November 2010, PPC accepted the terms for the connection of the Unit with the System.

On January 18th, 2011 the Ministry of Environment Energy and Climate Change issued a Decision modifying the Generation License as concerns the capacity of the Unit (845 MW, max net power, in ISO conditions). Issuance of the Installation License is expected and the Signing of the Contract for the Long Term Maintenance of the Unit is expected.

Contract signed for the construction of underwater line

In May 2010 a contract was signed with Nexans Norway AS Company for the construction of underwater lines POLYPOTAMOS - Nea Makri, with a total budget of € 64 m. With this project, there is a capability of transferring power generated by Wind Parks of about 400MW from South Evia to Attica, while the power supply of eastern Attica is reinforced. The project is constructed with underwater lines of 150KV, 200 MVA with synthetic insulation, environmentally friendly buried at a depth of one meter below the seafloor and is expected to be completed in three years.

DMS System of Attica

The Board of Directors of PPC SA in June 2010 approved the award the project of the supply and installation of management of distribution networks in Attica to the Company EFACEC Sistemas de Electronica SA, following an international open tender.

With this system, which will be using the most modern technology, the Distribution Network Control Center in Attica will be able to telecontrol and teleoperate all high-voltage cable lines, all the main High to Medium Voltage Substations and it will provide the ability to operate and control by distance a large number of distribution substations Medium - Low Voltage in Attica.

The operation of the abovementioned system, which is one of the largest infrastructure information systems of PPC, will lead to:

- Significant improvement of the power quality provided to consumers.
- Reduce of energy losses due to the distribution networks and reduction of the corresponding environmental burden.
- Safer working conditions for the technical staff of PPC.
- Reduction of operating costs of the Company.

PPC Renewables (PPCR)

Construction of new RES production plants from PPCR S.A.

In February 2009, PPCR S.A. announced the construction of nine new Wind Parks, of total installed capacity of 35.1 MW, in seven Greek islands and more particularly two in Crete (Akoumia and Koprino), two in Samos (Marathokampos and Pythagoreio) and one in Paros, Lesvos, Rhodes, Sifnos and Limnos respectively, a total investment of € 64m. The company ENERCON GmbH has been appointed as the contractor of these nine Wind Farms. The installation process of the Wind Farms in Paros, Lesvos, Samos (Marathokampos) and Crete (Akoumia) was completed in December 2010, whilst their connection to the grid is due to be completed within 2011.

Public Tender Procedure for the construction of Megalopolis Photovoltaic (PV) Plant

In June 2010, PPCR S.A. announced an open Public Tender, for the procurement, transfer, installation and operation of Megalopolis PV Plant, with a total installed capacity of 50MW and a total projected investment of €140m. Upon its completion, this plant will be amongst the largest PV plants in Europe. Megalopolis PV plant will be situated in an area of 2,000,000 m^2 and is due to be in operation within 2012. The closing date of the bidders' final submission to the Public Tender Procedure was December 7th, 2010. PPCR SA is currently evaluating the bids received from the potential contractors.

Partnership agreement between EP Global Energy Ltd and PPCR S.A. – Establishment of joint venture

PPCR S.A., PPC S.A.'s 100% owned subsidiary, in the context of implementing its business plan, has signed a shareholders' agreement with EP Global Energy Ltd to jointly establish a holding company aiming at the development of RES projects in the Balkans and Middle East regions. In November 2010, PPC S.A. announced the signing of a Shareholders Agreement between its wholly owned subsidiary PPCR S.A. and EP Global Energy Ltd (EPGE) for the establishment of a Portfolio Joint Venture, whose business objective is the development of projects related to:

a) the acquisition of RES production units,

b) the development, including the financing, of units using RES, and

c) the electricity production through the operation and maintenance of RES units in the Balkans and Middle East regions.

The Joint Venture's initial share capital is €60 with PPCR S.A. and EPGE's shares being 49% and 51% respectively. In the context of the aforementioned partnership, PPCR S.A. and EPGE have jointly established REA Ltd., with headquarters based in Cyprus, aiming at the development of RES projects and the implementation of their mutual agreement.

Approval of the partnership's framework between EDF Energies Nouvelles and PPCR S.A.

In September 2010, PPC S.A. has approved the framework of the partnership between the French EDF Energies Nouvelles, EDF EN GREECE, PPC S.A. and PPCR S.A., to jointly develop RES projects in Greece. This partnership, based on the know-how and experience of the two Groups, targets at the joint development and exploitation of large-scale, complex and technologically advanced RES projects. In the context of this partnership, the two Groups are due to jointly develop important projects in the RES sector. Priority will be given to the development of Wind Farms of at least 250MW in the Florina region, as well as in a Hybrid Power Plant in Crete, which combines Wind Farms of installed power 90MW with a pumped storage hydro plant. By signing this agreement, PPC S.A. and EDF Energies Nouvelles further strengthen their partnership in Greece, as they have already collaborated successfully in the past for the development and operation of a Wind Farm of installed power 38MW in the prefecture of Voiotia.

Development of a Photovoltaic (PV) plant of installed capacity 200MW

In December 2010, PPC announced that, Iliako Velos I, a PPCR S.A.'s wholly owned subsidiary, submitted an application to RAE for a Production Licence of a 200MW PV plant on a PPC-owned area situated within the Western Macedonia Lignite Center.

Business Collaboration

Joint venture between PPC S.A. and URBASER S.A.

PPC and the Spanish company Urbaser agreed in April 2009 on a "MoU", providing for the development of projects in relation with Waste-to-Energy, the Waste Management sector in general, as well as urban and industrial Waste Water Treatment. On April 28, 2010, the Board of Directors of PPC S.A. approved the signing of the Shareholders Agreement for the establishment of a joint company between PPC S.A. and Urbaser S.A. The Shareholders Agreement was signed by both parties on June 23rd 2010, wirh Urbaser owning 51% of the share capital of the joint venture and PPC 49%.

Following the positive opinion from the Directorate General for Competition of the European Commission in December 2010 regarding the formation of the JV between PPC S.A. and Urbaser S.A., PPC S.A. and Urbaser S.A concluded in February 2011 the corporate establishment procedure of the joint company, with the distinct name 'Waste Syclo Waste Management Services SA'. The initial paid-up share capital of the company is € 60,000.

The joint company will be responsible for the study, performance of projects and the rendering of all types of services related to:

- waste management in general,
- electricity generation from waste management and
- urban and industrial waste water treatment, within the territory of Greece.

Waste Syclo submitted in March 15, 2011, an Expression of Interest in the Tender launched by DIADYMA (Waste Management System of Western Macedonia S.A.) for the Project of "construction and operation of a Waste-treatment plant, a Waste disposal site, Refuse disposal and treatment transport services" in Kozani.

Business collaboration with "Halyvourgiki"

In April 2008, PPC's Board of Directors approved a business collaboration memorandum with Halyvourgiki referring to the exploration of collaboration capabilities in the sector of electricity generation (construction and operation of combined cycle natural gas fired units). In 2009, PPC and Halyvourgiki signed the Shareholders' Agreement and agreed on the draft of the Articles of Association. Halyvourgiki S.A. will own 51% of the share capital of the joint venture and PPC will own 49%. Also PPC and Halyvourgiki S.A. filed an application to the Independent Committee of Competition, for the formation of the aforementioned company. In May 2009, the Independent Committee of Competition approved the formation of the company. Based on recent developments in the Greek electricity market, the counterparties are discussing the termination of their collaboration.

Business Collaboration with Quantum Corporation Ltd and Bank of Cyprus

PPC signed in July 2009 a "MoU" with Bank of Cyprus and Quantum Corporation Ltd for conducting the feasibility study for the construction and operation of power plants in Bosnia-Herzegovina. In August 2010, the government of Republic of Srpska of Bosnia-Herzegovina announced a public invitation for the submission of a "Letter of Interest" in the pre-qualification phase of a tender for the research, construction and exploitation of four new hydro plants in the upper Drina. On 22nd September 2010, PPC submitted a "Letter of Interest" to the government of Republic of Srpska. According to the tender procedure, it is expected the announcement of the government of Republic of Srpska that PPC meets the pre qualification criteria and the invitation for negotiations in the second stage of the tender. The results of the prequalification phase of the tender have been delayed due to the parliamentary elections which were held in October 2010.

Business Collaboration with Contour Global for Kosovo Energy Project

On December 18th 2009, the Ministry of Energy and Mining of Kosovo announced request for expression of interest for the pre-qualification phase of a new tender redefining the object of the Energy Project (development of the allocated portion of the Sibovic Lignite Field, rehabilitation of Kosovo B and the construction of a new electric power generation plant with estimated installed capacity of 600 MW). On February 26th 2010, deadline date for Submissions of Interest, PPC and Controur Global have jointly submitted an Expression of Interest, without using SENCAP company/entity. On March 5th 2010, it was announced that the PPC-Contour Global consortium, together with another three (3) competitive consortiums, have been short-listed to participate in the second phase of the forthcoming international tender.

In August 2010, the Draft RfP (Request for Proposals) was issued and sent it to the prequalified bidders in order to make their comments before the issuance of the final RfP which is expected to be issued in December 2010. On December 12th, 2010, governmental elections were held leading to a delay of the tender procedures.

Business collaboration with RWE

The Parent Company's Board of Directors, in its meeting in April 2008 approved a business collaboration memorandum with RWE. The memorandum refers to the exploration of collaboration capabilities in a series of energy projects in the greater Balkan area. This collaboration is re-examined in the context of the review of the new Business Plan of the Company.

Tax Issues

Abolition of the excise tax exemption for diesel used by PPC

According to L.3833/15.03.2010 the exemption that PPC had, according to L.2960/2001 from the excise tax for diesel, used from PPC only for electricity generation, was abolished, resulting in a readjustment of the excise tax to 382 €/Klit. It should be noted that, the excise tax for diesel for the period January 1, 2002 until February 8, 2010 was 120 €/Klit and for the period February 9, 2010 until March 3, 2010 was 170 €/Klit. The excise tax based on L. 3845/6.5.2010 was raised to 412 €/klit. The additional impact on 2010 financial results amounted to € 65 m.

With a letter dated 02/11/2010 the Parent Company requested from RAE to issue a positive opinion in order to add separately in 2010 PSOs, PPC's impact for the power generation in the non interconnected islands due to the increase of the excise tax on fuels.

Other

Option for acquisition of DEPA shares

PPC's Board of Directors, on October 2, 2007 decided to proceed to the exercise of its option for acquisition of a number of DEPA (the natural gas company) shares, which has been granted in the context of Law 2593/1998 with a contract signed between PPC and the Greek State. This decision has been announced on January 7, 2008, to the Ministry of Economy. Currently, PPC in collaboration with its advisors is examining its next steps.

Completion of the Public Consultation on Cyclades Interconnection

In July, 2010, the public consultation process for the Cyclades to the mainland electricity grid interconnection project was completed. In October, 2010, PPC's Board of Directors approved the public consultation for the issuance of the tender documents for the abovementioned project.

PPC SA Directors & Officers Liability Insurance Scheme

In August, 2010, PPCs' Board of Directors approved to proceed with a Request for Proposal for the insurance against civil liability of the Board Members, members of the Steering Committee and Directors of PPC departments. The insurance scheme covers for acts or omissions pertaining to the performance of their duties as well as legal costs.

Lignite SWAPS

In the framework of the Memorandum signed in August 2010 between the Greek Government, the European Union, the European Central Bank and the International Monetary Fund, it is envisaged the adaption from the Greek Government of a plan for the gradual and based on the cost access of third parties in lignite fired generation.

The Hellenic Republic in its capacity as shareholder and legislator, is in discussions with the DG Competition of the EU in order to implement the respective commitment undertaken in the Memorandum. PPC is examining its options in the new environment.

39. Financial risk management

The overall financial risk management program is focused on unpredictability of financial and non-financial markets and seeks to minimize potential adverse effects in the Group's financial position. The Group identifies, evaluates and if necessary, hedges risks relating to the Group's operating activities. The Group does not undertake any transactions of a speculative nature. The Group periodically controls and revises the relative policies and procedures in connection with financial risk management, which are summarized below:

Credit risk

For its commercial receivables the Group is not exposed to substantial credit risk, since there is diversification of electricity sales to a large customer range, with a wide spectrum of economic activity. Despite that, the general financial conjecture has a negative impact in liquitidy due to the difficulty of payments from customers. Due to that, the Parent Company is taking measures to limit the impact. The Parent Company is systematically monitoring outstanding balances aiming at:

- facilitating customers to repay their debts by installments,
- proceeding to interruption of electricity from the Network services to customers that do not cooperate.
- securing revenues through underwritings and guarantees.

The Group has no significant concentrations of credit risk with respect to derivative transactions, due to the fact that the Group monitors the credit ratings of counterparties and the level of contracts it enters into with any counterparty. The Parent Company has established a policy to protect against credit risk arising from depositing the available liquidity.

Fair value

The carrying amounts reflected in the accompanying balance sheets for cash and cash equivalents, short-term receivables, and current liabilities approximate their respective fair values due to the relatively short-term maturity of these financial instruments. The fair values of marketable securities are based on their quoted market prices at the balance sheet date. The carrying amounts of the long-term borrowing approximate their fair value in spite of the fact that, the loans are in local currency and interest at a floating rate. The fair values of derivative instruments are based on marked to market valuations (discounted cash flow analysis). For all swap agreements, the fair values are confirmed to the Group by the financial institutions through which the Group has entered into these contracts.

Liquidity risk

Liquidity risk is connected with the need for adequate financing for the operation and development of the Group. The Group manages its liquidity risk by monitoring and budgeting its cash flows, appropriately acting by ensuring sufficient credit lines and cash deposits, while aiming at the same time at the extension of the average maturity of its debt and the diversification of its funding sources.

(In million Euro)	On demand	3 months	3 to 12 months	1 to 5 years	> 5 years	TOTAL
Year ended 31 December 2009						
Overdraft facilities	213.5	-	-	-	-	**213.5**
Short-term borrowing	-	440.3 (1)	1,059.4(2)	-	-	**1,499.7**
Interest bearing loans and borrowings	-	-	-	2,105.9	751.8	**2,857.7**
	213.5	440.3	1,059.4	2,105.9	751.8	**4,570.9**
Year ended 31 December 2010						
Overdraft facilities	250.3	-	-	-	-	**250.3**
Short-term borrowing	-	276.6	440.4	-	-	**717.0**
Interest bearing loans and borrowings	-	-	-	2,793.1	1,092.4	**3,885.5**
	250.3	276.6	440.4	2,793.1	1,092.4	**4,852.8**

(1) Repayments of bond loans of total amount Euro 65 million with one year initial duration with the exclusive right of PPC for their renewal for one more year are included.

(2) Repayments of bond loans of total amount Euro 50 million with one year initial duration with the exclusive right of PPC for their renewal for one more year are included.

Interest rate risk, foreign currency risk, and liquid fuel supply risk

The Group's principal financial liabilities comprise bank loans, bonds and overdrafts. It is the Group's policy to hedge, solely for protection purposes, through derivatives the risk arising from the fluctuation of the floating interest rates and the foreign currency exchange differences of its debt portfolio. The existing derivatives refer to, specifically, interest rate swaps (conversion of floating rate liabilities to fixed rates liabilities) and forward currency contracts, in order to manage the relative risks. The main risks arising from managing the Group's debt liabilities is focused in results and cash flows, mainly as a consequence of the fluctuation of interest rates and, to a minimum extent, on foreign currency exchange fluctuation, considering that 99% of the existing debt is denominated in Euro. On the contrary, the fluctuation of € / $ rate constitutes a risk concerning the Parent Company's liabilities arising from fuel purchases. In order to cover the foreign currency risk from liquid fuel purchases, the Board of Directors of the Parent Company approved in 2010, the framework policy for hedging transactions. The abovementioned policy is implemented in 2011. The Parent Company is exposed to the risk of increase in prices (commodity prices) of oil, natural gas, electricity purchased from the System and the Network, CO_2 emission rights as well as electricity prices of direct PPC imports. The Parent Company has hedged price volatility of the liquid fuel consumption for 2009, 2010 while the Parent Company is examining to implement the same policy for 2011. Furthermore, the Parent Company has fully covered the estimated CO_2 deficit for the period 2008-2012, therefore, has covered the price volatility relevant risk. On the contrary, the Parent Company has not established a hedging policy against the risk arising from the price volatility of natural gas and electricity purchases. It should be noted that, the hedging transactions may not percent the occurrence of financial losses.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group' s profit before tax (through the impact on floating rate borrowings).

	Increase / Decrease in basis points (%)	(in € million) Effect on profit before tax
2010		
Euro	+15	(5.78)
CHF	+15	(0.04)
Euro	-15	5.78
CHF	-15	0.04
2009		
Euro	+15	(4.9)
CHF	+15	(0.04)
Euro	-15	4.9
CHF	-15	0.04

The following table demonstrates the sensitivity to a reasonably possible changes in the Swiss Franc exchange rate, with all other variables held constant, of the Group' s profit before tax (through as the impact on foreign currency borrowings).

	Increase / Decrease in CHF	(in € million) Effect on profit before tax (CHF)
2010		
	+5%	(1.3)
	-5%	1.2
2009		
	+5%	(1.5)
	-5%	1.4

In order to cover the foreign currency risk (fluctuation of €/$ exchange rate) from liquid fuel purchases the Board of Directors of the Parent Company approved in the second quarter of 2010 the framework policy for hedging transactions. The Parent Company has not applied in 2010 the above mentioned hedging mechanism. This policy is applied in 2011.

Market risk

The sensitivity analysis on natural gas, liquid fuel and system marginal price are as follow:

	Liquid Fuel (tones)	Natural Gas (in m^3)	System Marginal Price (MWH)
Change in price unit	+ 1 € (+ one Euro)	+ 0.01 € (+ one Cent of Euro)	+ 1 € (+ one Euro)
Impact	1.7 Euro million	16.9 Euro million	5.9 Euro million

The Parent Company in January 2010, hedged 49% and 63% of fuel oil and diesel oil respectively, consumed within 2010 in the non- interconnected system. During 2010, PPC was compensated from the operation of the hedging mechanism with the amount of € 4.6 m. ($ 6.1 m.) and with this amount, offset liquid fuel prices over the safety limit that had originally purchased. On December 31, 2010, the abovementioned hedging contracts had expired.

Availability of lignite reserves

Management believes that exploitable lignite reserves are adequate to cover the current and anticipated levels of supply for energy generation by lignite-fired thermal power stations for many years.

Concentration of natural gas supply

Taking into account the new legal framework for the liberalization of the natural gas market in Greece, the Group is renegotiating the existing contract with DEPA, as well as other opportunities for natural gas sourcing. In the framework of differentiation of PPC's portfolio of natural gas supply sources, the Parent Company proceeded to the purchase in competitive prices of LNG cargos during the second semester of 2010 and the first quarter of 2011.

Evolution of net debt ratio

The ratio net debt/equity amounts has as follows:

	2010	2009
Long term loans	4,602,548	4,357,171
Short term borrowings	250,250	213,500
Minus: cash	(620,449)	(480,042)
Net debt	**4,232,349**	**4,090,629**
Shareholders' equity	6,773,026	6,461,314
Minus: reserve of evaluation of investments "held-for-sale"	**10,176**	**(10,367)**
	6,792,441	**6,450,677**
Ratio net debt/equity	**62%**	**63%**

40. Operating lease arrangements

	Group		Company	
	2010	2009	2010	2009
Minimum lease payments under operating leases recognised as expense	39,643	39,250	39,263	38,881

At the balance sheet date, the Group's outstanding commitments for future minimum lease payments under non-cancellable operating leases are approximately the current year's lease expenses, which are expected not to significantly altered during the next years.

Operating lease payments represent mainly rentals payable by the Group for certain of its office properties, machinery, vehicles and furniture and equipment. Lease fees for office properties are generally fixed for an average term of twelve years. Lease fees for machinery and vehicles are generally fixed for an average of 1 and 3 year, respectively.

41. Subsequent events

Bond Issues

In February 2011, the Parent Company issued bond series of a total amount of €128 m. In one bond agreement of a total amount of € 50m the following financial covenants were included:

i. EBITDA/Interest higher than 2,

ii. Debt/Equity below 2 and

iii. Net Debt/Tangible Assets and Investments in Joint Ventures and Associates below "0.5".

Violation of these covenants may lead to default or increase in the borrowing cost.

Furthermore, in March 2011 the Board of Directors approved the issue of bonds of a total amount of €70 m.

European Investment Bank

In February 2011, the Parent Company proceeded to a second drawdown of an amount of € 350 million with a 15 year duration out of a total € 950 m financing line from EIB for the Transmission-Distribution V Project, for which has been approved by the Parent Company's Board of Directors in 2009.

Foreign currency Hedging transactions

In February 2011, the Company hedged approximately 70% of the foreign currency exposure (fluctuation of €/$ exchange rate) for the estimated liquid fuel purchases for 2011.

Signing a Memorandum of Understanding (MoU) with ELIKA S.A.

In January 2011, PPCR S.A. and ELIKA S.A., signed a MoU aiming at the joint development of RES projects.

Such a project is ELIKA's large-scale Wind Farms in Crete which combines the development of Wind Farms of total installed power ~850MW, which have already obtained a Production License from RAE and whose design includes interconnection to the mainland Grid.

Implementation of energy measures in Western Macedonia, including development Photovoltaic (PV) power stations 200 MW

In February 2011, after the application for a Generation License to RAE, PPC S.A., PPCR S.A. and Iliako Velos I (a PPCR S.A.'s wholly owned subsidiary) announced the Expression of Interest (EoI) to find a strategic partner for the joint implementation of RES projects in Western Macedonia. These plans include, besides the development of the PV plant, the construction and operation of a PV equipment factory, as well as other energy ventures with strong local impact.

This investment is estimated at about €600m and will be situated on an approximately 5,300,000m^2 area within Western Macedonia Lignite Center. Based on initial estimates, 550 people will be employed and 200 new job positions will be created thanks to this project. The PV plant's net annual production is estimated at 260 GWh, which corresponds to coverage of electricity consumption for about 55,000 households and contributes towards the "post-lignite" era of the energy center in the area of Ptolemaida. Another important benefit of the PV plant's operation will be the annual reduction in the CO_2 emissions by 300,000 tons CO_2.

Changes in the Income Taxation

According to the recently ratified Law "Treatment of tax evasion, restructuring of tax administration and other provisions concerning the Ministry of Finance " the income tax rate for the current year is defined to 24% on total profits while for the fiscal years beginning on or after 01.01.2011 shall be reduced from 24% to 20%.

APPENDIX I UNBUNDLED FINANCIAL STATEMENTS

Under the provisions of law 2773/1999 and law 3426/2005 and the approved methodology of the Regulatory Authority for Energy.

Group unbundled income statement
as of 31st December 2010
(expressed in million euro)

	MINES		GENERATION		TRANSMISSION		DISTRIBUTION NETWORK	
	2010	2009	2010	2009	2010	2009	2010	2009
REVENUES								
Revenue from energy sales								
Energy sales to customers	-	-	-	-	-	-		-
Energy sales to HTSO S.A.	-	-	2,207.9	2,333.0	-	-	-	-
Energy exports	-	-	-	-	-	-	-	-
Capacity assurance mechanism	-	-	326.4	400.0	-	-	-	-
Services to HTSO S.A.	-	-	24.6	143.0	10.3	14.0	-	-
Distribution Network rentals	-	-	-	-	247.3	269.0	-	-
Customer's contribution	-	-	-	-	11.7	4.0	183.0	164.0
PSO'S revenues of other suppliers	-	-	-	-	-	-	-	-
Network distribution fees	-	-	-	-	-	-	28.7	-
Other Sales	1.7	1.0	6.5	7.0	3.4	2.0	30.4	16.0
Inter-Segment Sales								
Public Service obligations	-	-	426.8	521.5	-	-	-	-
Contract for Differences between PPC's Generation and Supply	-	-	329.4	534.0	-	-		-
Energy	-	-	259.8	234.4	-	-	-	-
Lignite	884.3	907.0	-	-	-	-	-	-
Other Services	18.1	-	-	-	-	-	-	-
Distribution Network usage rentals	-	-	-	-	-	-	827.3	809.0
Managerial expenses of Administrators	-	-	-	-	-	-	-	-
REVENUES (SALES)	**904.1**	**908.0**	**3,581.3**	**4,172.9**	**272.7**	**289.0**	**1,069.4**	**989.0**
EXPENSES								
Payroll Cost	312.3	367.0	394.5	491.8	68.1	84.6	292.3	341.0
Third party lignite and lignite reserve variation	7.0	(3.0)	62.3	54.4	-	-	-	-
Liquid fuel	-	-	667.7	565.4	-	-	-	-
Natural Gas	-	-	458.6	467.4	-	-	-	-
Depreciations	122.2	91.4	255.3	244.8	56.9	69.6	173.2	120.0
Energy Purchases from third party	-	-	8.9	-	-	-	-	-
Energy imports	-	-	-	-	-	-	-	-
Energy Purchases from HTSO S.A.	-	-	-	-	-	-	-	-
Charge for the capacity assurance mechanism	-	-	-	-	-	-	-	-
Network system usage fees	-	-	-	-	-	-	-	-
HTSO uplift charge	-	-	-	-	-	-	-	-
Materials & Consumables	82.5	67.0	60.1	75.0	4.4	3.0	34.7	37.0
Utilities & Maintenance	152.1	141.0	49.0	67.0	2.4	2.0	40.3	37.0
Thrid party fees	1.8	1.0	9.8	13.0	1.3	1.0	18.7	16.0
Taxes and duties	24.4	25.0	3.2	2.0	1.1	1.0	4.1	4.0
Provisions	(8.3)	8.0	11.1	15.0	(0.5)	3.0	(6.9)	12.0
Financial expenses	20.3	22.0	77.3	74.0	24.9	25.0	48.2	41.0
Financial income	(3.5)	(1.0)	(11.6)	(3.0)	(3.6)	(1.0)	(7.6)	(2.0)
Devaluation of fixed assets	-	7.0	-	84.0	-	21.0	-	22.0
Other income/ (expense), net	18.2	4.0	43.4	31.0	20.1	7.0	17.8	(0.5)
Extraordinary insurance contribution	25.4	-	31.8	-	5.4	-	23.5	-
CO_2 Emissions	-	-	6.1	50.0	-	-	-	-
Investments in associates gains/ (losses), net	-	-	-	-	-	-	-	-
Foreign currency gains/ (losses), net	0.4	-	0.9	(2.0)	0.4	-	0.8	-
Allocated Administration expenses	35.1	36.0	45.2	66.0	14.9	15.0	61.1	60.0
Inter-Segment Expenses								
Public service oblications	-	-	-	-	-	-	-	-
Contract for Differences between PPC's Generation and Supply	-	-	-	-	-	-	-	-
Energy Purchases	64.9	56.0	33.3	40.4	0.1	-	5.5	-
Lignite	-	-	884.3	907.0	-	-	-	-
Other Services	-	-	18.1	-	-	-	-	-
Distribution Network usage	-	-	-	-	-	-	-	-
Managerial expenses of Administrators	-	-	-	-	-	-	18.1	-
PROFIT (LOSS) BEFORE TAX	**49.4**	**86.6**	**472.2**	**929.7**	**76.8**	**57.8**	**345.4**	**301.5**

SUPPLY		ADMINISTRATORS		ELIMINATIONS		TOTAL PPC		SUBSIDIARIES, AFFILIATES		TOTAL GROUP	
2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
5,188.9	5,477.4	-	-	-	-	5,188.9	5,477.4	-	-	5,188.9	5,477.4
-	-	-	-	(2,207.9)	(2,330.6)	-	2.4	17.7	13.0	17.7	15.4
26.7	15.0	-	-	-	-	26.7	15.0	-	-	26.7	15.0
-	-	-	-	(304.6)	(400.0)	21.8	-	-	-	21.8	-
	-	-	-	(24.6)	(143.0)	10.3	14.0	-	-	10.3	14.0
-	-	-	-	-	-	247.3	269.0	-	-	247.3	269.0
-	-	-	-	-	-	194.6	68.0	-	-	194.6	168.0
22.2	3.0	-	-	-	-	22.2	3.0	-	-	22.2	3.0
-	-	28.7	3.0	(28.7)	-	28.7	3.0	-	-	28.7	3.0
132.6	52.5	-	-	(121.4)	(14.0)	53.3	64.5	-	-	53.3	64.5
-	-	426.8	521.0	(853.6)	(1.043.0)	-	-	-	-	-	-
-	-	-	-	(329.4)	(534.0)	-	-	-	-	-	-
103.7	95.5	259.8	234.0	(623.3)	(563.0)	-	0.4	-	-	-	0.4
-	-	-	-	(884.3)	(907.0)	-	-	-	-	-	-
-	-	-	-	(18.1)	-	-	-	-	-	-	-
-	-	827.3	823.0	(1,654.6)	(1,634.0)	-	-	-	-	-	-
-	-	18.3	-	(18.2)	-	-	-	-	-	-	-
5,474.0	**5,643.4**	**1,560.9**	**1,581.0**	**(7,068.7)**	**(7,568.6)**	**5,793.8**	**6,016.7**	**17.7**	**13.0**	**5,811.5**	**6,029.7**
50.4	57.4	8.8	10.0	-	-	1,126.5	1,351.8	2.9	7.0	1,129.4	1,359.5
-	-	-	-	-	-	69.3	51.4	-	-	69.3	51.4
-	-	-	-	-	-	667.7	565.4	-	-	667.7	565.4
-	-	-	-	-	-	458.6	467.4	-	-	458.6	467.4
1.1	1.0	5.6	3.0	-	-	614.3	529.8	4.2	5.0	618.5	534.8
89.5	80.0	-	-	-	-	98.4	80.0	-	-	98.4	80.0
111.2	173.0	-	-	-	-	111.2	173.0	-	-	111.2	173.0
2,665.6	2,720.0	-	-	(2,207.9)	(2,331.0)	457.7	389.0	(7.4)	(10.0)	450.4	379.2
304.6	413.6	-	-	(304.6)	(399.0)	-	14.6	-	-	-	14.6
210.7	267.0	28.7	-	(210.7)	(142.0)	28.7	125.0	-	-	28.7	125.0
173.8	81.0	-	-	36.0	(15.5)	209.8	65.5	-	-	209.8	65.5
1.5	1.0	0.2	-	-	-	183.4	183.0	-	-	183.4	183.0
26.3	27.0	1.1	-	-	-	271.1	274.0	4.7	2.0	275.8	276.0
5.6	1.0	0.6	-	-	-	37.8	32.0	1.2	1.0	39.0	33.0
3.4	8.0	0.1	-	-	-	36.3	40.0	0.9	1.0	37.2	41.0
186.6	85.0	-	-	-	-	182.0	123.0	0.1	-	182.1	123.0
(1.7)	3.0	1.3	1.0	-	-	170.3	166.0	0.1	-	170.4	166.0
(14.2)	(14.0)	(0.2)	-	-	-	(40.7)	(21.0)	(0.3)	1.0	(41.0)	(20.0)
-	-	-	2.0	-	-	-	136.0	-	-	-	136.0
16.0	(2.0)	0.8	-	-	-	116.3	39.5	(2.0)	2.0	114.3	41.5
4.2	-	-	-	-	-	90.3	-	-	-	90.3	-
-	-	-	-	-	-	6.1	50.0	-	-	6.1	50.0
-	-	-	-	-	-	-	-	(1.4)	(1.0)	(1.4)	(1.0)
-	-	-	-	-	-	2.5	(2.0)	-	-	2.5	(2.0)
13.8	16.0	-	-	-	-	170.1	193.0	-	-	170.1	193.0
426.8	521.4	426.8	521.2	(853.6)	(1,043.0)	-	0.4	-	-	-	0.4
329.4	534.0	-	-	(329.4)	(534.0)	-	-	-	-	-	-
259.8	234.0	259.8	234.4	(623.3)	(563.0)	0.1	0.3	-	-	0.1	0.3
-	-	-	-	(884.3)	(907.0)	-	-	-	-	-	-
-	-	-	-	(18.1)	-	-	-	-	-	-	-
827.3	825.0	827.3	809.4	(1,654.6)	(1,634.0)	-	0.4	-	-	-	0.4
-	-	-	-	(18.2)	-	(0.1)	-	-	-	(0.1)	-
(217.8)	**(389.0)**	**-**	**-**	**-**	**-**	**726.1**	**989.2**	**14.6**	**5.0**	**740.6**	**993.3**

Interconnected system unbundled income statement
as of 31st December 2010
(expressed in million euro)

	MINES		GENERATION	
	2010	2009	2010	2009
Revenue from energy sales				
Energy sales to customers	-	-	-	-
Energy sales to HTSO S.A.	-	-	2,207.9	2,333.0
Energy exports	-	-	-	-
Capacity assurance mechanism	-	-	326.4	400.0
Services to HTSO S.A.	-	-	24.6	143.0
Distribution Network rentals	-	-	-	-
Customer's contribution	-	-	-	-
PSO'S revenues of other suppliers	-	-	-	-
Network distribution fees	-	-	-	-
Other Sales	1.7	1.0	6.1	7.0
Inter-Segment Sales				
Public Service obligations	-	-	-	-
Contract for Differences between PPC's Generation and Supply	-	-	329.4	534.0
Energy	-	-	-	-
Lignite	884.3	907.0	-	-
Other Services	18.1	-	-	-
Distribution Network usage rentals	-	-	-	-
Managerial expenses of Administrators	-	-	-	-
REVENUES (SALES)	**904.1**	**908.0**	**2,894.3**	**3,417.0**
EXPENSES				
Payroll Cost	312.3	367.0	309.3	389.4
Third party lignite and lignite reserve variation	7.0	(3.0)	62.3	54.4
Liquid fuel	-	-	48.4	129.0
Natural Gas	-	-	458.6	467.4
Depreciations	122.2	91.0	208.9	202.4
Energy Purchases from third party	-	-	5.4	-
Energy imports	-	-	-	-
Energy Purchases from HTSO S.A.	-	-	-	-
Charge for the capacity assurance mechanism	-	-	-	-
Network system usage fees	-	-	-	-
HTSO uplift charge	-	-	-	-
Materials & Consumables	82.5	67.0	35.1	51.0
Utilities & Maintenance	152.1	141.0	39.9	52.0
Thrid party fees	1.8	1.0	3.3	3.0
Taxes and duties	24.4	25.0	2.5	2.0
Provisions	(8.3)	8.0	8.9	11.0
Financial expenses	20.3	22.0	62.1	60.0
Financial income	(3.5)	(1.0)	(9.3)	(3.0)
Devaluation of fixed assets	-	7.0	-	61.0
Other income/ (expense), net	18.2	4.0	37.6	29.0
Extraordinary insurance contribution	25.4	-	25.0	-
CO_2 Emissions	-	-	5.6	45.0
Investments in associates gains/ (losses), net	-	-	-	-
Foreign currency gains/ (losses), net	0.4	-	0.7	(2.0)
Allocated Administration expenses	35.1	36.0	35.3	52.0
Inter-Segment Expenses				
Public service oblications	-	-	-	-
Contract for Differences between PPC's Generation and Supply	-	-	-	-
Energy Purchases	64.9	56.0	31.8	39.0
Lignite	-	-	884.3	907.0
Other Services	-	-	18.1	-
Distribution Network usage	-	-	-	-
Managerial expenses of Administrators	-	-	-	-
PROFIT (LOSS) BEFORE TAX	**49.4**	**87.0**	**620.8**	**867.4**

TRANSMISSION		DISTRIBUTION NETWORK		SUPPLY		TOTAL	
2010	2009	2010	2009	2010	2009	2010	2009
-	-	-	-	4,607.5	4,888.0	4,607.5	4,888.0
-	-	-	-	-	-	2,207.9	2,333.0
-	-	-	-	26.7	15.0	26.7	15.0
-	-	-	-	-	-	326.4	400.0
10.3	14.0	-	-	-	-	34.9	157.0
247.3	269.0	-	-	-	-	247.3	269.0
11.7	4.0	149.9	139.0	-	-	161.6	143.0
-	-	-	-	22.2	3.0	22.2	3.0
-	-	28.7	-	-	-	28.7	-
3.4	2.0	24.2	13.0	113.8	45.5	149.2	68.5
-	-	-	-	-	-	-	-
-	-	-	-	-	-	329.4	534.0
-	-	-	-	101.8	94.0	101.8	94.0
-	-	-	-	-	-	884.3	907.0
-	-	-	-	-	-	18.1	-
-	-	725.1	714.0	-	-	725.1	714.0
-	-	-	-	-	-	-	-
272.7	**289.0**	**927.9**	**866.0**	**4,872.0**	**5,045.5**	**9,871.0**	**10,525.5**
68.1	84.6	249.6	287.0	44.9	51.0	984.2	1,179.0
-	-	-	-	-	-	69.3	51.4
-	-	-	-	-	-	48.4	129.0
-	-	-	-	-	-	458.6	467.4
56.9	69.6	150.7	103.0	1.0	1.0	539.7	467.0
-	-	-	-	8.3	14.0	13.7	14.0
-	-	-	-	111.2	173.0	111.2	173.0
-	-	-	-	2,665.6	2,719.6	2,665.6	2,719.6
-	-	-	-	304.6	413.6	304.6	413.6
-	-	-	-	210.7	267.0	210.7	267.0
-	-	-	-	179.0	81.0	179.0	81.0
4.4	3.0	29.0	30.0	0.8	1.0	151.7	152.0
2.4	2.0	33.9	31.0	26.1	26.0	254.3	252.0
1.3	1.0	15.9	14.0	4.3	1.0	26.6	20.0
1.1	1.0	3.7	4.0	3.4	8.0	35.1	40.0
(0.5)	3.0	(5.9)	10.0	165.4	81.0	159.6	113.0
24.9	25.0	43.0	37.0	(2.2)	3.0	148.1	147.0
(3.6)	(1.0)	(6.7)	(2.0)	(12.4)	(12.0)	(35.5)	(19.0)
-	21.0	-	22.0	-	-	-	111.0
20.1	7.0	15.4	-	15.9	(2.0)	107.2	38.0
5.4	-	20.1	-	3.7	-	79.6	-
-	-	-	-	-	-	5.6	45.0
-	-	-	-	-	-	-	-
0.4	-	0.7	-	-	-	2.2	(2.0)
14.9	15.0	52.5	51.0	12.6	14.0	150.4	168.0
-	-	-	-	379.2	466.0	379.2	466.0
-	-	-	-	329.4	534.0	329.4	534.0
0.1	-	5.1	-	-	-	101.9	95.0
-	-	-	-	-	-	884.3	907.0
-	-	-	-	-	-	18.1	-
-	-	-	-	725.1	713.0	725.1	713.0
-	-	1.1	-	-	-	1.1	-
76.8	**57.8**	**319.6**	**279.0**	**(304.6)**	**(507.7)**	**762.0**	**783.5**

Crete unbundled income statement
as of 31st December 2010
(expressed in million euro)

	GENERATION 2010	GENERATION 2009
REVENUES		
Revenue from energy sales		
Energy sales to customers	-	-
Energy sales to HTSO S.A.	-	-
Energy exports	-	-
Capacity assurance mechanism	-	-
Services to HTSO S.A.	-	-
Distribution Network rentals	-	-
Customer's contribution	-	-
PSO'S revenues of other suppliers	-	-
Network distribution fees	-	-
Other Sales	0.1	-
Inter-Segment Sales		
Public Service obligations	228.9	283.0
Contract for Differences between PPC's Generation and Supply	-	-
Energy	133.2	120.0
Lignite	-	-
Other Services	-	-
Distribution Network usage rentals	-	-
Managerial expenses of Administrators	-	-
REVENUES (SALES)	**362.2**	**403.0**
EXPENSES		
Payroll Cost	31.3	37.0
Third party lignite and lignite reserve variation	-	-
Liquid fuel	337.3	231.0
Natural Gas	-	-
Depreciations	20.0	19.0
Energy Purchases from third party	1.2	-
Energy imports	-	-
Energy Purchases from HTSO S.A.	-	-
Charge for the capacity assurance mechanism	-	-
Network system usage fees	-	-
HTSO uplift charge	-	-
Materials & Consumables	8.0	8.0
Utilities & Maintenance	2.2	2.0
Thrid party fees	0.2	-
Taxes and duties	0.3	-
Provisions	0.1	1.0
Financial expenses	7.5	7.0
Financial income	(1.1)	-
Devaluation of fixed assets	-	11.0
Other income/ (expense), net	2.9	(2.0)
Extraordinary insurance contribution	2.5	-
CO_2 Emissions	0.2	3.0
Investments in associates gains/ (losses), net	-	-
Foreign currency gains/ (losses), net	0.1	-
Allocated Administration expenses	3.7	5.0
Inter-Segment Expenses		
Public service oblications	-	-
Contract for Differences between PPC's Generation and Supply	-	-
Energy Purchases	1.1	1.0
Lignite	-	-
Other Services	-	-
Distribution Network usage	-	-
Managerial expenses of Administrators	-	-
PROFIT (LOSS) BEFORE TAX	**(55.1)**	**80.0**

DISTRIBUTION NETWORK		SUPPLY		TOTAL	
2010	2009	2010	2009	2010	2009
-	-	304.3	310.0	304.3	310.0
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
18.0	12.0	-	-	18.0	12.0
-	-	-	-	-	-
-	-	-	-	-	-
2.4	1.0	10.5	4.0	13.0	5.0
-	-	-	-	228.9	283.0
-	-	-	-	-	-
-	-	1.3	1.0	134.5	121.0
-	-	-	-	-	-
-	-	-	-	-	-
53.9	50.0	-	-	53.9	50.0
-	-	-	-	-	-
74.2	**63.0**	**316.1**	**315.0**	**752.5**	**781.0**
18.6	23.0	3.1	4.0	53.0	64.0
-	-	-	-	-	-
-	-	-	-	337.3	231.0
-	-	-	-	-	-
8.2	5.0	-	-	28.2	24.0
-	-	59.1	46.0	60.3	46.0
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	(2.7)	-	(2.7)	-
1.9	2.0	-	-	9.9	10.0
1.9	2.0	0.1	1.0	4.2	5.0
1.2	1.0	0.7	-	2.1	1.0
0.2	-	-	-	0.5	-
(0.4)	1.0	10.8	2.0	10.5	4.0
1.5	1.0	0.3	-	9.3	8.0
(0.3)	-	(1.0)	(1.0)	(2.4)	(1.0)
-	-	-	-	-	11.0
1.0	0.5	0.1	-	4.0	(1.5)
1.5	-	0.3	-	4.3	-
-	-	-	-	0.2	3.0
-	-	-	-	-	-
-	-	-	-	0.1	-
3.6	4.0	0.6	1.0	7.9	10.0
				-	
				-	
-	-	24.9	29.0	24.9	29.0
-	-	-	-	-	-
0.2	-	133.2	120.0	134.5	121.0
-	-	-	-	-	-
-	-	-	-	-	-
-	-	53.9	59.0	53.9	59.0
8.9	-	-	-	8.9	-
26.1	**23.5**	**32.6**	**54.0**	**3.6**	**157.5**

Other no interconnected islands unbundled income statement
as of 31st December 2010
(expressed in million euro)

	GENERATION 2010	GENERATION 2009
REVENUES		
Energy sales to customers	-	-
Energy sales to HTSO S.A.	-	-
Energy exports	-	-
Capacity assurance mechanism	-	-
Services to HTSO S.A.	-	-
Distribution Network rentals	-	-
Customer's contribution	-	-
PSO'S revenues of other suppliers	-	-
Network distribution fees	-	-
Other Sales	0.3	-
Inter-Segment Sales		
Public Service obligations	197.9	238.5
Contract for Differences between PPC's Generation and Supply	-	-
Energy	126.6	114.4
Lignite	-	-
Other Services	-	-
Distribution Network usage rentals	-	-
Managerial expenses of Administrators	-	-
REVENUES (SALES)	**324.8**	**352.9**
EXPENSES		
Payroll Cost	54.0	65.0
Third party lignite and lignite reserve variation	-	-
Liquid fuel	282.1	206.0
Natural Gas	-	-
Depreciations	26.4	23.0
Energy Purchases from third party	2.3	-
Energy imports	-	-
Energy Purchases from HTSO S.A.	-	-
Charge for the capacity assurance mechanism	-	-
Network system usage fees	-	-
HTSO uplift charge	-	-
Materials & Consumables	17.1	16.0
Utilities & Maintenance	6.9	13.0
Thrid party fees	6.3	10.0
Taxes and duties	0.4	-
Provisions	2.1	3.0
Financial expenses	7.7	7.0
Financial income	(1.2)	-
Devaluation of fixed assets	-	12.0
Other income/ (expense), net	2.9	4.0
Extraordinary insurance contribution	4.3	-
CO_2 Emissions	0.3	2.0
Investments in associates gains/ (losses), net	-	-
Foreign currency gains/ (losses), net	0.1	-
Allocated Administration expenses	6.2	9.0
Inter-Segment Expenses		
Public service oblications	-	-
Contract for Differences between PPC's Generation and Supply	-	-
Energy Purchases	0.4	-
Lignite	-	-
Other Services	-	-
Distribution Network usage	-	-
Managerial expenses of Administrators	-	-
PROFIT (LOSS) BEFORE TAX	**(93.5)**	**(17.1)**

DISTRIBUTION NETWORK		SUPPLY		TOTAL	
2010	2009	2010	2009	2010	2009
-	-	277.1	279.0	277.1	279.0
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
15.1	13.0	-	-	15.1	13.0
-	-	-	-	-	-
-	-	-	-	-	-
3.8	2.0	8.4	3.0	12.5	5.0
-	-	-	-	197.9	238.5
-	-	-	-	-	-
-	-	0.6	-	127.2	114.4
-	-	-	-	-	-
-	-	-	-	-	-
48.3	45.0	-	-	48.3	45.0
-	-	-	-	-	-
67.2	**60.0**	**286.1**	**282.0**	**678.1**	**694.9**
24.1	29.0	2.4	3.0	80.5	97.0
-	-	-	-	-	-
-	-	-	-	282.1	206.0
-	-	-	-	-	-
14.3	12.0	0.1	-	40.8	35.0
-	-	22.1	20.0	24.4	20.0
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	(2.5)	-	(2.5)	-
3.8	5.0	0.7	-	21.6	21.0
4.4	4.0	0.1	-	11.4	17.0
1.6	1.0	0.6	-	8.5	11.0
0.2	-	-	-	0.6	-
(0.6)	1.0	10.4	2.0	11.9	6.0
3.6	3.0	0.2	-	11.5	10.0
(0.6)	-	(0.8)	(1.0)	(2.6)	(1.0)
-	-	-	-	-	12.0
1.4	(1.0)	-	-	4.3	3.0
1.9	-	0.2	-	6.4	-
-	-	-	-	0.3	2.0
-	-	-	-	-	-
0.1	-	-	-	0.2	-
5.0	5.0	0.6	1.0	11.8	15.0
-	-	22.7	27.0	22.7	27.0
-	-	-	-	-	-
0.2	-	126.6	114.0	127.2	114.0
-	-	-	-	-	-
-	-	-	-	-	-
-	-	48.3	53.0	48.3	53.0
8.1	-	-	-	8.1	-
(0.3)	**1.0**	**54.4**	**63.0**	**(39.4)**	**46.9**

Unbundled income statement of administrators
as of 31st December 2010
(expressed in million euro)

	NETWORK ADMINISTRATOR		ADMINISTRATOR OF NON-INTERCONNECTED ISLANDS	
	2010	2009	2010	2009
REVENUES				
Energy sales to customers	-	-	-	-
Energy sales to HTSO S.A.	-	-	-	-
Energy exports	-	-	-	-
Capacity assurance mechanism	-	-	-	-
Services to HTSO S.A.	-	-	-	-
Distribution Network rentals	-	-	-	-
Customer's contribution	-	-	-	-
PSO'S revenues of other suppliers	-	-	-	-
Network distribution fees	28.7	3.0	-	-
Other Sales	-	-	-	-
Inter-Segment Sales				
Public Service obligations	-	-	426.8	521.0
Contract for Differences between PPC's Generation and Supply	-	-	-	-
Energy	-	-	259.8	234.0
Lignite	-	-	-	-
Other Services	-	-	-	-
Distribution Network usage rentals	725.1	712.0	102.2	111.0
Managerial expenses of Administrators	1.2	-	17.1	-
REVENUES (SALES)	**755.0**	**715.0**	**805.9**	**866.0**
EXPENSES				
Payroll Cost	0.9	1.0	7.9	9.0
Third party lignite and lignite reserve variation	-	-	-	-
Liquid fuel	-	-	-	-
Natural Gas	-	-	-	-
Depreciations	-	-	5.6	3.0
Energy Purchases from third party	-	-	-	-
Energy imports	-	-	-	-
Energy Purchases from HTSO S.A.	-	-	-	-

Charge for the capacity assurance mechanism	-	-	-	-
Network system usage fees	28.7	-	-	-
HTSO uplift charge	-	-	-	-
Materials & Consumables	-	-	0.2	-
Utilities & Maintenance	0.1	-	1.0	-
Thrid party fees	0.1	-	0.5	-
Taxes and duties	-	-	0.1	-
Provisions	-	-	-	-
Financial expenses	0.1	-	1.2	1.0
Financial income	-	-	(0.2)	-
Devaluation of fixed assets	-	-	-	2.0
Other income/ (expense), net	-	-	0.8	-
Extraordinary insurance contribution	-		-	-
CO_2 Emissions	-	-	-	-
Investments in associates gains/ (losses), net	-	-	-	-
Foreign currency gains/ (losses), net	-	-	-	-
Allocated Administration expenses	-		-	-
Inter-Segment Expenses				
Public service oblications	-	-	426.8	521.2
Contract for Differences between PPC's Generation and Supply	-	-	-	-
Energy Purchases	-	-	259.8	234.4
Lignite	-	-	-	-
Other Services	-	-	-	-
Distribution Network usage	725.1	714.0	102.2	95.4
Managerial expenses of Administrators	-	-	-	-
PROFIT (LOSS) BEFORE TAX	**-**	**-**	**-**	**-**

Group unbundled balance sheet
as of 31st December 2010
(expressed in million euro)

	ADMINISTRATION		MINES		GENERATION		TRANSMISSION		DISTRIBUTION NETWORK	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
ASSETS										
NON-CURRENT ASSETS										
Tangible Assets	-	-	1,507.9	1,493.0	4,980.0	5,013.0	1,669.5	1,794.0	4,835.8	4,523.0
Intangible Assets	-	-	0.3	1.0	84.1	73.0	0.1	-	0.2	-
Investments in related parties	91.1	79.0	-	-	-	-	-	-	-	-
Other non-current assets	-	-	2.8	2.0	10.6	8.0	3.4	3.0	6.6	5.0
Marketable and other securities	-	-	2.6	4.0	10.0	15.0	3.2	5.0	6.2	9.0
Administration non-current assets	-	-	16.0	28.0	57.9	49.0	-	9.0	49.7	27.0
TOTAL NON-CURRENT ASSETS	**91,1**	**79,0**	**1,529.6**	**1,528.0**	**5,142.7**	**5,157.0**	**1,676.3**	**1,811.0**	**4,898.5**	**4,564.0**
CURRENT ASSETS										
Inventories	-	-	85.4	95.0	502.0	462.0	56.3	58.0	187.1	176.0
Trade Accounts Receivable	-	-	-	-	2.6	-	-	-	37.1	9.0
Various Debtors	-	-	15.3	36.0	264.0	22.0	132.7	6.0	17.3	46.0
Income tax	-	-	-	-	-	-	-	-	-	-
Other current assets	-	-	9.7	8.0	9.4	8.0	0.3	2.0	3.9	5.0
Derivatives asset	-	-	-	-	-	-	-	-	-	-
Cash in hand	-	-	71.0	59.0	273.6	202.0	88.5	72.0	170.3	122.0
Administration current assets	-	-	1.9	4.0	7.0	7.0	-	1.0	7.5	4.0
TOTAL CURRENT ASSETS	**-**	**-**	**183.3**	**201.0**	**1,058.6**	**701.0**	**277.8**	**139.0**	**423.1**	**361.0**
TOTAL ASSETS	**91.1**	**79.0**	**1,712.9**	**1,729.0**	**6,201.3**	**5,859.0**	**1,954.1**	**1,950.0**	**5,321.6**	**4,925.0**
LIABILITIES AND EQUITY										
EQUITY										
Share Capital	1,067.2	1,067.0	-	-	-	-	-	-	-	-
Revaluation Surplus	106.7	107.0	-	-	-	-	-	-	-	-
Legal reserve	107.5	46.0	-	-	-	-	-	-	-	-
Fixed assets' revaluation surplus	4,977.0	4,990.0	-	-	-	-	-	-	-	-
Capitalised Fixed assets' tax revaluation surplus	(947,3)	(947,0)	-	-	-	-	-	-	-	-
Reserves	197,8	219,0	-	-	-	-	-	-	-	-
Retained earnings	1,237,5	968,0	-	-	-	-	-	-	-	-
TOTAL EQUITY	**6,746.3**	**6,449.0**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
CAPITAL FUNDING TO BUSSINESS UNITS	**(11,967.8)**	**(11,442.0)**	**1,490.5**	**1,502.0**	**5,390.1**	**5,043.0**	**1,696.2**	**1,670.0**	**3,414.2**	**2,917.0**
NON-CURRENT LIABILITIES										
Long-term debt	3,885.4	2,858.0	-	-	-	-	-	-	-	-
Actuarial Provision and Provison for Riks	460.1	501.0	-	-	-	-	-	-	-	-
Deferred tax liabilities	-	-	52.8	58.0	203.7	211.0	65.9	71.0	126.8	121.0
Subsidies for fixed assets acquisition	-	-	2.0	2.0	235.3	209.0	140.6	116.0	1,541.1	1,655.0
Other long-term liabilities & Customers' advances	-	-	-	-	-	-	-	-	-	-
Administration non-current liabilities	-	-	0,2	1,0	0,7	2,0	-	-	1,8	1,0
TOTAL NON-CURRENT LIABILITIES	**4,345.5**	**3,359.0**	**55.1**	**61.0**	**439.7**	**422.0**	**206.5**	**188.0**	**1,669.7**	**1,776.0**
CURRENT LIABILITIES										
Accounts Payable and Various Creditors	-	-	119.7	128.0	168.1	195.0	12.3	61.0	161.3	167.0
Short-term borrowings	250.0	214.0	-	-	-	-	-	-	-	-
Income tax payable	-	-	19.5	20.0	75.2	74.0	24.3	25.0	46.8	42.0
Current portion of long-term bank loans	716.9	1,499.0	-	-	-	-	-	-	-	-
Derivatives Liability	-	-	-	-	-	-	-	-	-	-
Dividens payable	0.2	-	-	-	-	-	-	-	-	-
Accrued and other current liabilities	-	-	27.5	13.0	125.9	117.0	14.6	4.0	24.4	19.0
Administration current liabilities	-	-	0.5	4.0	2.2	7.0	-	1.0	4.9	4.0
TOTAL CURRENT LIABILITIES	**967.1**	**1,713.0**	**167.2**	**166.0**	**371.3**	**394.0**	**51.3**	**92.0**	**237.5**	**232.0**
TOTAL LIABILITIES AND EQUITY	**91.1**	**79.0**	**1,712.9**	**1,729.0**	**6,201.3**	**5,859.0**	**1,954.1**	**1,950.0**	**5,321.6**	**4,925.0**

SUPPLY		ADMINISTRATORS		ELIMINATIONS		TOTAL PPC		SUBSIDIARIES, AFFILIATES		TOTAL GROUP	
2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
33.9	34.0	79.0	81.0	-	-	13,106.1	12,938.0	117,9	88,0	13,224.0	13,026.0
0.1	-	-	1.0	-	-	84.8	75.0	0.1	-	84.9	75.0
-	-	-	-	-	-	91.1	79.0	(73.5)	(64.0)	17.6	15.0
(0.3)	-	0.2	-	-	-	23.4	18.0	0.4	-	23.7	18.0
(0.2)	1.0	0.2	-	-	-	21.9	34.0	-	-	22.0	34.0
11.1	8.0	-	-	-	-	134.8	121.0	-	-	134.7	121.0
44.6	**43.0**	**79.3**	**82.0**	**-**	**-**	**13,462.1**	**13,264.0**	**44.8**	**24.0**	**13,506.9**	**13,288.0**
-	2.0	3.8	3.0	-	-	834.6	796.0	0.8	1.0	835.4	797.0
981.7	995.0	-	-	-	-	1,021.3	1,003.0	1.4	3.0	1,022.8	1,007.0
150.3	86.0	8.8	2.0	(391.3)	-	197.1	198.0	(22.3)	(22.0)	174.8	176.0
-	-	-	-	-	-	-	-	-	-	-	-
9.7	-	0.1	-	(8.1)	-	25.1	23.0	1.0	1.0	26.0	24.0
-	-	-	-	-	-	-	-	-	-	-	-
4.0	9.0	4.5	4.0	-	-	611.9	467.0	3.4	8.0	615.3	476.0
2.7	1.0	-	-	-	-	19.1	17.0	-	-	19.1	17.0
1,148.5	**1,093.0**	**17.2**	**9.0**	**(399.3)**	**-**	**2,709.1**	**2,504.0**	**(15.7)**	**(9.0)**	**2,693.4**	**2,495.0**
1,193.1	**1,136.0**	**96.5**	**91.0**	**(399.3)**	**-**	**16,171.2**	**15,768.0**	**29.2**	**15.0**	**16,200.4**	**15,784.0**
-	-	-	-	-	-	1,067.2	1,067.0	-	-	1,067.2	1,067.0
-	-	-	-	-	-	106.7	107.0	-	-	106.7	107.0
-	-	-	-	-	-	107.5	46.0	-	-	107.5	46.0
-	-	-	-	-	-	4,977.0	4,990.0	36.1	36.0	5,013.1	5,026.0
-	-	-	-	-	-	(947,3)	(947,0)	-	-	(947,3)	(947,0)
-	-	-	-	-	-	197.8	219.0	-	-	197.8	219.0
-	-	-	-	-	-	1,237.5	968.0	(12.9)	(24.0)	1,224.6	944.0
-	**-**	**-**	**-**	**-**	**-**	**6,746.3**	**6,449.0**	**23.2**	**12,0**	**6,769.5**	**6,461.0**
(109.0)	**231.0**	**85.9**	**80.0**	**-**	**-**	**-**	**-**	**-**	**-**	**0.0**	**1.0**
-	-	-	-	-	-	3,885.4	2,858.0	0.2	-	3,885.6	2,858.0
-	-	-	-	-	-	460.1	501.0	1.1	1.0	461.2	502.0
(4.9)	9.0	3.4	3.0	-	-	447.8	473.0	(2.2)	(2.0)	445.5	471.0
-	-	-	-	-	-	1,919.1	1,982.0	6.2	8.0	1,925.2	1,990.0
507.2	520.0	-	-	-	-	507.2	520.0	0.1	-	507.3	520.0
1.1	-	-	-	-	-	3.8	4.0	-	-	3.8	4.0
503.5	**530.0**	**3.4**	**3.0**	**-**	**-**	**7,223.3**	**6,338.0**	**5.4**	**7.0**	**7,228.8**	**6,346.0**
764.3	351.0	5.6	7.0	(391.3)	-	840.1	910.0	6.6	2.0	846.6	911.0
-	-	-	-	-	-	250.0	214.0	0.3	-	250.3	214.0
(1.8)	3.0	1.2	1.0	-	-	165.3	167.0	(6.7)	(7.0)	158.5	158.0
-	-	-	-	-	-	716.9	1,499.0	-	-	716.9	1,499.0
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	0.2	-	-	-	0.2	-
33.1	21.0	0.4	-	(8.1)	-	217.8	175.0	0.4	-	218.2	174.0
3.1	1.0	-	-	-	-	10.7	17.0	-	-	10.7	17.0
798.7	**376.0**	**7.2**	**8.0**	**(399.3)**	**-**	**2,200.9**	**2,981.0**	**0.6**	**(5.0)**	**2,201.6**	**2,976.0**
1,193.1	**1,136.0**	**96.5**	**91.0**	**(399.3)**	**-**	**16,171.2**	**15,768.0**	**29.2**	**15.0**	**16,200.4**	**15,784.0**

Interconnected system unbundled balance sheet
as of 31st December 2010
(expressed in million euro)

	MINES		GENERATION	
	2010	2009	2010	2009
ASSETS				
NON-CURRENT ASSETS				
Tangible Assets	1,507.9	1,493.0	4,038.6	4,089.0
Intangible Assets	0.3	1.0	77.4	64.0
Investments in related parties	-	-	-	-
Other non-current assets	2.8	2.0	8.6	7.0
Marketable and other securities	2.6	4.0	8.0	12.0
Administration non-current assets	16.0	28.0	46.6	38.0
TOTAL NON-CURRENT ASSETS	1,529.6	1,528.0	4,179.2	4,210.0
CURRENT ASSETS				
Inventories	85.4	95.0	316.9	322.0
Trade Accounts Receivable	-	-	2.5	-
Various Debtors	15.3	36.0	262.1	15.0
Income tax	-	-	-	-
Other current assets	9.7	8.0	1.8	4.0
Derivatives asset	-	-	-	-
Cash in hand	71.0	58.0	220.0	164.0
Administration current assets	1.9	4.0	5.6	5.0
TOTAL CURRENT ASSETS	183.3	201.0	808.9	510.0
TOTAL ASSETS	**1,712.9**	**1,729.0**	**4,988.0**	**4,720.0**
LIABILITIES AND EQUITY				
EQUITY				
Share Capital	-	-	-	-
Revaluation Surplus	-	-	-	-
Legal reserve	-	-	-	-
Fixed assets' revaluation surplus	-	-	-	-
Reserves	-	-	-	-
Retained earnings	-	-	-	-
TOTAL EQUITY	-	-	-	-
CAPITAL FUNDING TO BUSSINESS UNITS	**1,490.5**	**1,502.0**	**4,327.7**	**4,108.0**
NON-CURRENT LIABILITIES				
Long-term debt	-	-	-	-
Actuarial Provision and Provison for Riks	-	-	-	-
Deferred tax liabilities	52.8	58.0	163.8	172.0
Subsidies for fixed assets acquisition	2.0	2.0	233.1	181.0
Other long-term liabilities & Customers' advances	-	-	-	-
Administration non-current liabilities	0.2	1.0	0.6	1.0
TOTAL NON-CURRENT LIABILITIES	**55.1**	**61.0**	**397.5**	**354.0**
CURRENT LIABILITIES				
Accounts Payable and Various Creditors	119.7	129.0	96.2	124.0
Short-term borrowings	-	-	-	-
Income tax payable	19.5	20.0	60.4	61.0
Current portion of long-term bank loans	-	-	-	-
Derivatives Liability	-	-	-	-
Dividens payable	-	-	-	-
Accrued and other current liabilities	27.5	13.0	104.3	68.0
Administration current liabilities	0.5	4.0	1.6	5.0
TOTAL CURRENT LIABILITIES	**167.2**	**166.0**	**262.5**	**258.0**
TOTAL LIABILITIES AND EQUITY	**1,712.9**	**1,729.0**	**4,988.0**	**4,720.0**

TRANSMISSION		DISTRIBUTION NETWORK		SUPPLY		TOTAL	
2010	2009	2010	2009	2010	2009	2010	2009
1,669.5	1,794.0	4,243.8	3,976.0	31,1	31,0	11,490.9	11,383.0
0,1	-	0,1	-	0,1	-	78,1	65,0
-	-	-	-	-	-	-	-
3,4	3,0	5,9	4,0	(0,3)	-	20,4	16,0
3,2	5,0	5,5	8,0	(0,3)	1,0	19,1	30,0
-	9,0	43,5	23,0	9,8	8,0	115,8	106,0
1,676.3	1,811.0	4,298.9	4,011.0	40,4	40,0	11,724.2	11,600.0
56.3	58.0	152.3	142.0	-	2.0	610.9	619.0
-	-	30.5	7.0	858.0	882.0	891.1	889.0
132.7	6.0	11.1	40.0	134.0	77.0	555.3	174.0
-	-	-	-	-	-	-	-
0.3	2.0	3.7	4.0	9.8	-	25.3	18.0
-	-	-	-	-	-	-	-
88.5	71.0	152.1	109.0	1.3	8.0	532.8	410.0
-	1.0	6.5	3.0	2.4	1.0	16.5	14.0
277.8	138.0	356.4	305.0	1,005.5	970,0	2,631.8	2,124.0
1,954.1	**1,949.0**	**4,655.2**	**4,316.0**	**1,045.8**	**1,010.0**	**14,356.0**	**13,724.0**
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
	-		-		-		
1,696.2	**1,670.0**	**3,043.4**	**2,603.0**	**(141.1)**	**203.0**	**10,416.6**	**10,086.0**
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
65.9	71.0	113.2	108.0	(6.0)	8.0	389.8	417.0
140.6	116.0	1,294.4	1,402.0	-	-	1,670.2	1,701.0
-	-	-	-	438.0	460.0	438.0	460.0
-	-	1.5	1.0	1.0	-	3.3	3.0
206,5	**187,0**	**1,409.1**	**1,511.0**	**433.0**	**468.0**	**2,501.2**	**2,581.0**
12.3	62.0	133.8	144.0	724.0	314.0	1,086.1	773.0
-	-	-	-	-	-	-	-
24.3	25.0	41.8	38.0	(2.2)	3.0	143.9	147.0
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
14.6	4.0	22.8	17.0	29.2	21.0	198.4	123.0
-	1.0	4.2	3.0	2.9	1.0	9.1	14.0
51,3	**92,0**	**202,5**	**202,0**	**753,9**	**339,0**	**1,437.4**	**1,057.0**
1,954.1	**1,949.0**	**4,655.2**	**4,316.0**	**1,045.8**	**1,010.0**	**14,356.0**	**13,724.0**

Crete unbundled balance sheet
as of 31st December 2010
(expressed in million euro)

	GENERATION	
	2010	2009
ASSETS		
NON-CURRENT ASSETS		
Tangible Assets	440.2	442.0
Intangible Assets	3.8	5.0
Investments in related parties	-	-
Other non-current assets	1.0	1.0
Marketable and other securities	1.0	1.0
Administration non-current assets	5.3	4.0
TOTAL NON-CURRENT ASSETS	**451.3**	**453.0**
CURRENT ASSETS		
Inventories	90.2	66.0
Trade Accounts Receivable	-	-
Various Debtors	0.7	3.0
Income tax	-	-
Other current assets	2.8	1.0
Derivatives asset	-	-
Cash in hand	26.5	18.0
Administration current assets	0.6	1.0
TOTAL CURRENT ASSETS	**120.8**	**89.0**
TOTAL ASSETS	**572.1**	**542.0**
LIABILITIES AND EQUITY		
EQUITY		
Share Capital	-	-
Revaluation Surplus	-	-
Legal reserve	-	-
Fixed assets' revaluation surplus	-	-
Reserves	-	-
Retained earnings	-	-
TOTAL EQUITY	**-**	**-**
CAPITAL FUNDING TO BUSSINESS UNITS	**516.9**	**462.0**
NON-CURRENT LIABILITIES		
Long-term debt	-	-
Actuarial Provision and Provison for Riks	-	-
Deferred tax liabilities	19.7	19.0
Subsidies for fixed assets acquisition	0.3	13.0
Other long-term liabilities & Customers' advances	-	-
Administration non-current liabilities	-	-
TOTAL NON-CURRENT LIABILITIES	**20.0**	**32.0**
CURRENT LIABILITIES		
Accounts Payable and Various Creditors	19.8	16.0
Short-term borrowings	-	-
Income tax payable	7.3	7.0
Current portion of long-term bank loans	-	-
Derivatives Liability	-	-
Dividens payable	-	-
Accrued and other current liabilities	8.0	24.0
Administration current liabilities	0.1	1.0
TOTAL CURRENT LIABILITIES	**35.2**	**48.0**
TOTAL LIABILITIES AND EQUITY	**572.1**	**542.0**

DISTRIBUTION NETWORK		SUPPLY		TOTAL	
2010	2009	2010	2009	2010	2009
230.3	208.0	1.3	1.0	671.8	651.0
-	-	-	-	3.8	5.0
-	-	-	-	-	-
0.2	-	-	-	1.2	1.0
0.2	-	-	-	1.2	1.0
2.4	2.0	0.8	-	8.5	6.0
233.1	**210.0**	**2.2**	**1.0**	**686.6**	**664.0**
11.9	2.0	-	-	102.1	68.0
2.4	1.0	68.1	62.0	70.5	63.0
1.8	2.0	9.0	5.0	11.5	10.0
-	-	-	-	-	-
0.5	-	-	-	3.3	1.0
-	-	-	-	-	-
5.4	4.0	1.6	1.0	33.5	23.0
0.4	-	0.2	-	1.2	1.0
22.4	**9.0**	**78.9**	**68.0**	**222.1**	**166.0**
255.5	**219.0**	**81.0**	**69.0**	**908.6**	**830.0**
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	**-**	**-**	**-**	**-**	**-**
			-		
112.3	**81.0**	**19.5**	**18.0**	**648.7**	**561.0**
-	-	-	-	-	-
-	-	-	-	-	-
4.0	3.0	0.7	1.0	24.4	23.0
125.4	124.0	-	-	125.7	137.0
-	-	34.2	30.0	34.2	30.0
0.1	-	0.1	-	0.2	-
129.6	**127.0**	**34.9**	**31.0**	**184.5**	**190.0**
11.3	9.0	23.9	20.0	55.0	45.0
-	-	-	-	-	-
1.5	1.0	0.3	-	9.1	8.0
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
0.5	1.0	2.2	-	10.7	25.0
0.3	-	0.1	-	0.5	1.0
13.6	**11.0**	**26.6**	**20.0**	**75.4**	**79.0**
255.5	**219.0**	**81.0**	**69.0**	**908.6**	**830.0**

Other no interconnected islands unbundled balance sheet
as of 31st December 2010
(expressed in million euro)

	GENERATION		DISTRIBUTION NETWORK		SUPPLY		TOTAL	
	2010	2009	2010	2009	2010	2009	2010	2009
ASSETS								
NON-CURRENT ASSETS								
Tangible Assets	501.2	482.0	361.6	339.0	1.5	2.0	864.3	823.0
Intangible Assets	2.9	3.0	-	-	-	-	2.9	3.0
Investments in related parties	-	-	-	-	-	-	-	-
Other non-current assets	1.1	1.0	0.5	-	-	-	1.6	1.0
Marketable and other securities	1.0	1.0	0.5	1.0	-	-	1.5	2.0
Administration non-current assets	6.0	7.0	3.8	2.0	0.6	-	10.4	9.0
TOTAL NON-CURRENT ASSETS	512.2	494.0	366.5	343.0	2.2	2.0	880.9	839.0
CURRENT ASSETS								
Inventories	95.0	74.0	22.9	31.0	-	-	117.9	105.0
Trade Accounts Receivable	-	-	4.1	1.0	55.7	51.0	59.8	52.0
Various Debtors	1.2	5.0	4.3	4.0	7.2	4.0	12.7	13.0
Income tax	-	-	-	-	-	-	-	-
Other current assets	4.8	3.0	(0.4)	-	-	-	4.4	3.0
Derivatives asset	-	-	-	-	-	-	-	-
Cash in hand	27.1	19.0	12.8	10.0	1.2	-	41.1	29.0
Administration current assets	0.7	1.0	0.6	-	0.1	-	1.4	1.0
TOTAL CURRENT ASSETS	129.0	102.0	44.3	46.0	64.1	56.0	237.4	204.0
TOTAL ASSETS	641.1	596.0	410.8	388.0	66.3	57.0	1,118.2	1,041.0
LIABILITIES AND EQUITY								
Share Capital	-	-	-	-	-	-	-	-
Revaluation Surplus	-	-	-	-	-	-	-	-
Legal reserve	-	-	-	-	-	-	-	-
Fixed assets' revaluation surplus	-	-	-	-	-	-	-	-
Reserves	-	-	-	-	-	-	-	-
Retained earnings	-	-	-	-	-	-	-	-
TOTAL EQUITY	-	-	-	-	-	-	-	-
CAPITAL FUNDING TO BUSSINESS UNITS	545.5	473.0	258.5	232.0	12.5	10.0	816.5	715.0
NON-CURRENT LIABILITIES								
Long-term debt	-	-	-	-	-	-	-	-
Actuarial Provision and Provison for Riks	-	-	-	-	-	-	-	-
Deferred tax liabilities	20.2	19.0	9.6	10.0	0.4	-	30.2	29.0
Subsidies for fixed assets acquisition	1.9	14.0	121.3	129.0	-	-	123.2	143.0
Other long-term liabilities & Customers' advances	-	-	-	-	35.0	31.0	35.0	31.0
Administration non-current liabilities	0.1	-	0.1	-	-	-	0.2	-
TOTAL NON-CURRENT LIABILITIES	22.2	34.0	131.0	139.0	35.5	31.0	188.7	204.0
CURRENT LIABILITIES								
Accounts Payable and Various Creditors	52.1	57.0	16.3	13.0	16.3	16.0	84.7	86.0
Short-term borrowings	-	-	-	-	-	-	-	-
Income tax payable	7.5	7.0	3.5	3.0	0.2	-	11.2	10.0
Current portion of long-term bank loans	-	-	-	-	-	-	-	-
Derivatives Liability	-	-	-	-	-	-	-	-
Dividens payable	-	-	-	-	-	-	-	-
Accrued and other current liabilities	13.6	25.0	1.1	1.0	1.7	-	16.4	26.0
Administration current liabilities	0.5	1.0	0.4	-	0.1	-	1.0	1.0
TOTAL CURRENT LIABILITIES	73.6	89.0	21.3	18.0	18.3	16.0	113.2	123.0
TOTAL LIABILITIES AND EQUITY	641.1	596.0	410.8	388.0	66.3	57.0	1,118.2	1,041.0

Unbundled balance sheet of administrators
as of 31st December 2010
(expressed in million euro)

	NETWORK ADMINISTRATOR		ADMINISTRATOR OF NON-INTERCONNECTED ISLANDS	
	2010	2009	2010	2009
ASSETS				
NON-CURRENT ASSETS				
Tangible Assets	-	-	79.0	81.0
Intangible Assets	-	-	-	1.0
Investments in related parties	-	-	-	-
Other non-current assets	-	-	0.2	-
Marketable and other securities	-	-	0.1	-
Administration non-current assets	-	-	-	-
TOTAL NON-CURRENT ASSETS	-	-	79.3	82.0
CURRENT ASSETS				
Inventories	-	3.0	3.8	-
Trade Accounts Receivable	-	-	-	-
Various Debtors	7.8	1.0	0.9	1.0
Income tax	-	-	-	-
Other current assets	-	-	0.1	-
Derivatives asset	-	-	-	-
Cash in hand	0.4	-	4.1	3.0
Administration current assets	-	-	-	-
TOTAL CURRENT ASSETS	8.2	4.0	8.9	4.0
TOTAL ASSETS	8.3	4.0	88.2	86.0
LIABILITIES AND EQUITY				
Share Capital	-	-	-	-
Revaluation Surplus	-	-	-	-
Legal reserve	-	-	-	-
Fixed assets' revaluation surplus	-	-	-	-
Reserves	-	-	-	-
Retained earnings	-	-	-	-
TOTAL EQUITY	-	-	-	-
CAPITAL FUNDING TO BUSSINESS UNITS	7.8	4.0	78.1	75.0
NON-CURRENT LIABILITIES				
Long-term debt	-	-	-	-
Actuarial Provision and Provison for Riks	-	-	-	-
Deferred tax liabilities	0.3	-	3.1	3.0
Subsidies for fixed assets acquisition	-	-	-	-
Other long-term liabilities & Customers' advances	-	-	-	-
Administration non-current liabilities	-	-	-	-
TOTAL NON-CURRENT LIABILITIES	0.3	-	3.1	3.0
CURRENT LIABILITIES				
Accounts Payable and Various Creditors	-	-	5.6	7.0
Short-term borrowings	-	-	-	-
Income tax payable	0.1	-	1.1	1.0
Current portion of long-term bank loans	-	-	-	-
Derivatives Liability	-	-	-	-
Dividens payable	-	-	-	-
Accrued and other current liabilities	-	-	0.3	-
Administration current liabilities	-	-	-	-
TOTAL CURRENT LIABILITIES	0.2	-	7.0	8.0
TOTAL LIABILITIES AND EQUITY	8.3	4.0	88.2	86.0

Notes to the unbundled financial statements

1. General information

According to the provisions of European Directives 96/92 and 2003/54 (as well as the provisions of Law 2773/1999 and Law 3426/2005, which embodied the aforementioned European Directives into the national legislation), unbundling is the separation of financial statements (balance sheet and income statement) of an integrated electric utility into different financial statements for each one of its activities.

The unbundled financial statements will reflect each activity's financial position, assets and liabilities, as if such activities prepared financial statements had they been separate (independent) legal entities.

PPC, as a vertically organized integrated electric utility, keeps in its internal accounting, separate accounts for its activities and prepares separate balance sheets and statements of income for each one of its activities (balance sheet and statement of income before tax – hereinafter referred to as "unbundled financial statements"), as if these activities were carried out by different entities, in order to avoid discriminations, cross subsidization and distortion of competition.

Further to the above, PPC should keep separate accounts for its activities carried out in the non-interconnected islands in accordance with the provisions of art. 23 of Law 3426/2005.

The summary totals of the unbundled financial statements are equal and agree with PPC's issued consolidated balance sheet and statement of income, prepared in accordance with International Financial Reporting Standards, with the exception of provision for income tax, as unbundled statements of income are presented before tax.

The accounting principles applied for the preparation of the unbundled financial statements are those applied for the preparation of the Company's separate and consolidated financial statements.

The preparation of the unbundled financial statements requires management to make estimates, assumptions and judgments that affect the reported assets and liabilities for each activity. Such estimates, assumptions and judgments are regularly reviewed in order to reflect the managements' current view on facts and transactions concerned.

The unbundling methodology applied by the Company, for the preparation of the accompanied unbundled financial statements is approved by the regulatory Authority for Energy.

The unbundled financial statements were approved by the Company's Board of Directors, in its meeting, held on March 28, 2010.

2. Accounting unbundling methodology

The methodology applied for the preparation of the unbundled financial statements consists of the following phases:

- Determination of activities into which the integrated electric utility should be unbundled
- Preparation of unbundled trial balances

- Preparation of unbundled balance sheets and establishment of «Capital Funding» account
- Preparation of the unbundled statements of income
- Quantification of inter-segment revenues and expenses among activities through the application of an internal pricing system
- Embodying of the result of the Contract for Differences between PPC's Generation and Supply.

Determination of activities into which the integrated electric utility should be unbundled

The activities for which unbundled financial statements are prepared, on a first level and for the whole Group, are Mines, Generation, Transmission, Distribution Network, Supply, Network Administrator and Corporate.

On a second level, these activities are presented as follows:

- Interconnected System
  - Mines
  - Generation
  - Transmission
  - Distribution network
  - Supply
  - Network Administrator
- System of Crete
  - Generation
  - Distribution network
  - Supply
- System of other non interconnected islands
  - Generation
  - Distribution network
  - Supply
- Network Administrator of non-interconnected islands (Crete and other non-interconnected islands)
- Corporate

Mines

Mines include the lignite extraction activity carried out in the Lignite Centers of West Macedonia and Megalopolis.

Generation

Generation includes the electricity generation activities in the interconnected system, the system of Crete and the system of non interconnected islands.

Transmission

Transmission is responsible for the monitoring, the maintenance and the repair of high tension grid, which is used for the transmission of electricity, and is compensated, as the owner of the grid by the Hellenic Transmission System Operator (“HTSO”).

Distribution Network

Distribution Network includes the operation of electricity distribution to medium and low voltage customers in the interconnected system, the system of Crete in and the system of non interconnected islands.

Supply

Supply reflects the Company's activity which monitors relationships with final customers in the interconnected system, the system of Crete in and the system of non interconnected islands.

Network Administrator

Network Administrator includes the operation of the network in order to distribute electric power to the consumers of low and medium voltage of the interconnected system and the system of non-interconnected islands.

Corporate

The Corporate acts as the lender (funding source) of all activities and retains in its balance sheet all investments in subsidiaries, associates and joint ventures and in its liabilities and shareholders' equity all equity accounts, funding and provisions of a financial nature. The capital funding account which is also presented in the liabilities side of Corporate reflects the funds that have been made available to activities in order to finance their operations.

The balance sheet and statement of income of the Corporate is further allocated based on certain allocation rules which are described in detail in the following pages.

Related parties are reflected as a separate activity in the unbundled financial statements.

Preparation of unbundled trial balances

In the Company's accounting system, each cost centre represents an organizational entity, in which the assets and liabilities are recorded.

General and Cost Accounting trial balances, through the codification of each cost centre, provides the ability of detection and grouping of data which are directly ascribed to activities, and of composition of activities trial balances.

These trial balances include the balances of all balance sheet and statement of income accounts per activity.

In order for these trial balances to be generated, the following tasks are performed (this process is applied per account and cost centre for the minimum account degree in General and Cost Accounting):

- Cost centers are recorded in order to identify the boundaries of activities and then all cost centers to be assigned to activities with which they are related to.
- It is ensured that all cost centers are subordinate to one of the predefined activities and, at the same time, there is no possibility that two distinct activities include the same cost centre.
- The sum totals of the cost centers and accounts are reconciled with the comprehensive trial balance of the Company.
- Each modification in cost centers and trial balance accounts is detected and recorded in order to be embedded in the proper activities or balance sheet and income statement accounts respectively.
- The trial balance accounts are codified and grouped into sections of the balance sheet and of the income statement based on company's needs and its published financial statements.
- The amounts that are depicted in the Corporate trial balance (which include the central financial services where a significant amount of the accounting entries is performed) and relate to the activities (e.g. significant balances of suppliers and contractors, taxes etc), are identified and ascribed in the activities based on the information extracted through the peripheral subsystems (subsystem of beneficiaries', fixed assets, constructions etc).
- The account balances, which, due to their nature, do not relate to activities into which have been ascribed, are reclassified and ascribed into the correct activities.

- The account balances which relate to activities and have not been directly ascribed or correlated with specific activities, are concentrated separately, in order to be allocated based on allocation criteria per fourth-degree account (the lowest account degree where the accounting entries are performed).

The allocation criteria, which are used for the first level of allocations and derived from trial balances amounts, are the following:

- ***Payroll:*** applies for the allocation of account balances related either with payroll or with general personnel issues (e.g. various payroll receivables and obligations, social securities funds, personnel loans etc). The specific allocation criterion is defined based on the payroll of employees who were actually employed in this activity (allocated payroll). According to this criterion, each activity proportionally receives an amount from the allocated Corporate accounts, based on the percentage of its participation in the total payroll amount of activities.
- ***Material consumption:*** applies for the allocation of account balances which are related to the materials consumption and suppliers cycle (e.g. orders from abroad, purchases in transit, suppliers etc.). According to this criterion, each activity's proportion depends on the total amount of activity's material consumptions in terms of total consumption.
- ***Net book value of assets:*** applies for the allocation of the account balances that are related to the fixed assets cycle (e.g. projects receivables, projects advances, subsidies, contractor works beneficiaries, contractors taxes etc) and reflects the total amount of assets net book value for each activity in terms of total net book value.
- ***Total Operating Expenses:*** used for the allocation of general nature's accounts balances and expresses total value of operating expenses of every activity expressed in terms of total operating expenses.
- ***Compensation and third party fees:*** applies for the allocation of the corresponding category of accounts and reflects the ratio of Compensation and third party fees of every activity expressed in terms of total.
- ***Third party allowances:*** used for the allocation of the trial balance accounts that relate to third party allowances (apart from contract works), such as rentals, water supply, postage, etc.
- ***Various expenses:*** used for the allocation of various expenses accounts balances except for travel expenses, which relate to payroll; it is quantified as the ratio of every activity's various expenses expressed in terms of total various expenses.
- ***Depreciation Expense:*** applies for the allocation of depreciation expense accounts balances. The value of every activity's depreciation expense expressed in terms of total depreciation expense represents the corresponding percentage from the allocation.
- ***Sales:*** it is used for the allocation of accounts balances that relate to the Company's sales.

The account balances of financial nature included in the balance sheet and income statement (cash and cash equivalents, loans, derivatives etc), are aggregated separately, in order to be further allocated in the activities.

Preparation of unbundled balance sheets and establishment of «Capital Funding» account

The balances of balance sheet accounts of financial nature are allocated in the activities according to each activity's capital funding, which equals the capital employed of every activity including the provisions of liabilities and excluding the investments in affiliates of assets.

Then, the balance sheet accounts' balances are allocated in the activities, which have still remained to the Corporate (fixed assets, inventories, cash & cash equivalents etc.), based on total of assets and liabilities of each activity. Corporate keeps in its balance sheet only investments in subsidiaries, joint ventures and affiliates as well as total equity and liabilities of the entity.

Upon completion of the aforementioned allocations, the balance sheets per activity are prepared.

Capital Funding, presented in separate line of liabilities, represents capitals been granted from the Company to every activity for the achievement of its business goals.

Total Capital Funding equals total equity, liabilities and provisions of the whole Company excluding the investments in related parties (subsidiaries, joint ventures and affiliates)

The allocated assets and liabilities of Corporate in activities are presented in a separate line item in each activity's financial statement.

Preparation of the unbundled statements of income

Income statement accounts of financial nature are allocated to activities based on Capital Funding of every activity, as calculated above.

Then, income statement account balances that have remained in Corporate are allocated in the activities. For the allocation of expenses the following procedure is applied:

Allocation of expenses of Information technology Department

Allocation of expenses of the Information Technology Department is performed in two phases. Initially, expenses that relate to the "ERMIS" system of customers' monitoring and billing are assigned to Distribution network and Supply. Then, the remaining expenses are allocated in the activities based on the number of employees of each activity.

Allocation of expenses of Real Estate Housing Department

The allocation criterion used for the allocation of the Real Estate Department's expenses is the surface occupied (in square meters) by each unit for housing its operations.

Allocation of Human resources Division

This Department consists of the Training Department, the Human Resources Department, the Organization, Health, Safety & Security Department and is allocated into the activities based on the number of employees (staff) of every activity.

Other Corporate Departments

All other Corporate Departments are allocated to activities based on direct expenses of every activity. These Departments are the following:

- CEO office
- Finance & Administrative Control Department
- Strategy Department
- Corporate Affairs & Communications Department
- Legal Department
- Tests, Research & Standards Center
- Internal Audit Department

- Finance Division
- Procurement and Supplies

Upon completion of the above allocations, the statements of income for each activity are prepared.

The Corporate expenses allocated to the activities are presented separately in a line item in each activity.

Quantification of inter-segment revenues and expenses among activities through the application of an internal pricing system

Within the framework of an integrated utility products and services are exchanged among its activities, which would be recorded if these activities would operate as independent entities.

In order for these products and services to be quantified and recorded, an internal pricing system is applied if necessary (where there is no external determination of internal exchanges).

The most important services and products internally exchanged in PPC among its activities that are presented in the unbundled financial statements are the following:

	Activity which	
Product/ Service	**Renders**	**Receives**
Interconnected system		
Lignite	Mines	Generation
Other Services	Mines	Generation
Energy self-consumption	Supply	Mines
Energy self-consumption	Supply	Generation
Energy self-consumption	Supply	Distribution Network
Energy self-consumption	Supply	Transmission Network
Rental of distribution network	Distribution Network	Network Administrator
Use of distribution network	Distribution Network	Supply
Self-consumption Energy	Supply	Generation

System of Crete

Energy	Generation	Administrator of Non interconnected islands
Rental of distribution network	Distribution Network	Network Administrator
Use of distribution network and Energy	Distribution Network	Supply
Self-consumption Energy	Supply	Generation

System of other non-interconnected islands

Energy	Generation	Administrator of Non-interconnected islands
Rental of distribution network	Distribution Network	Administrator of Non-interconnected islands
Use of distribution network and energy	Administrator of Non-interconnected islands	Supply
Self-consumption Energy	Supply	Generation

Return of receivable Public service obligations

Return of receivable Public service obligations	Interconnected Supply	Administrator of Non-interconnected islands
Return of receivable Public service obligations	Crete supply	Administrator of Non-interconnected islands
Return of receivable Public service obligations	Supply of Non-interconnected islands	Administrator of Non-interconnected islands
Return of receivable Public service obligations	Administrator of Non-interconnected islands	Crete Generation
Return of receivable Public service obligations	Administrator of Non-interconnected islands	Generation of Non-interconnected islands

Each activity's revenues from product sales or services to another activity are quantified, through the internal pricing system.

Also, the activity that receives the product/ service records the related cost (expense).

For unbundled balance sheet preparation purposes, it is considered that all transactions among the activities are settled in cash and as a result, no accounts receivable or accounts payable are recorded among the activities in their balance sheets.

The inter-segment energy sales for self-consumption are calculated based on each activity's metered consumption of energy and the prices applied for third party sales of the same customer class.

In more detail, in the interconnected system:

- The Mines internal revenue is calculated in accordance of the agreement the lignite supply between Mines and Generation. Other services from Mines to Generation are also calculated the same way.
- The Generation revenues are recorded based on the daily market transaction settlements carried out by the HTSO.
- The Transmission revenue reflects actual billings to HTSO for the rent of the Transmission Grid.
- The internal revenues of the Distribution Network are recorded based on the charged prices of the Distribution network.
- The Supply revenue reflects actual billings to the final consumers.
- The Network Administrators revenue, is the rental reflects registered billings of the use of the distribution network

In the system of Crete and in the system of other non-interconnected islands:

- The internal Generation revenues are calculated on basis of the calorific production and the estimated average marginal price of the interconnected system.
- The internal revenues of the Distribution Network are recorded based on the charged prices of the Distribution network.
- The Supply revenue reflects actual billings to the final consumers.
- The Network Administrators revenues are calculated as follows:
    - The rental reflects registered billings of the use of the distribution Network.
    - The selling energy produced by the Non-interconnected islands to the Supply.
    - The Public Service Obligations which are collected and yielded from the Supply to the Administrator of the Non-interconnected islands, finally are yielded to the Generation of the Non-interconnected islands.

Finally, for the purpose of preparation of the unbundled financial statements, services that PPC receives / renders to / from the HTSO (ancillary services, energy, etc.) are quantified and presented separately, and not on a net basis, a practice which is applied by PPC through the preparation process of its consolidated financial statements.

Settlement of Economic Differences between General Division of Generation and General Division of Supply from transaction of Electric Energy

As it is known, in the context of operation of wholesale market of electric energy, the activity of the General Division of Supply is debited with the supply of electric energy on the Marginal Price of the System (SMP), which is then invoiced to the customers on the basis of regulated tariffs, resulting in a substantial divergence between income and expenses. Respectively, the activity of the General Division of Generation is credited by the market on the basis of SMP..

The applied methodology allows the settlement of economic relations between the activity of the General Division of Generation and the General Division of Supply and it functions at way similar with the "Contracts of Differences" as foreseen by the provisions of article 230 of the code. Given that PPC constitutes a single legal entity, practically, the particular methodology corresponds to a process of internal pricing between the two activities and it aims in the internal correction of debits and credits of Supply and Generation respectively, that result from the wholesale market.

Description of basic methodology

The methodology that is applied is summarized as follows:

The activity of the General Division of Generation and the activity of the General Division of Supply, in the context of the up coming year's budget, agree in trading specific quantities of electric energy by zone of charge (Base, Intermediate, Peak) and time period (Winter/December – January – February – March, Summer/June – July – August – September, Remaining Months) in specific prices. In other words, they agree a total price by zone of charge and time period.

The income from the trading in question added up to the income from the Transient Capacity Assurance Mechanism (article 330 ep. KDS and SIE), the income from the provision of Complementary Services (article 328 KDS and SIE) and the income from variable cost of Generation Units (article 326 KDS and SIE) cover the reasonable cost of the activity of the General Division of Generation, as this results from the unbundled budget of the particular year, including a reasonable return on the capital employed.

In this context, the price of the settlement of economic differences between the two activities, the General Division of Generation and the General Division of Supply, is equal to the product of the difference between the calculated middle price of clearing and the agreed price multiplied by the produced quantity. Continuously, in case that the calculated middle price of clearing is bigger than the agreed price, then the return of the additional income goes from the the activity of the General Division of Generation to the activity of the General Division of Supply, but in the opposite case, it goes in reverse order.

In case of divergence from the agreed, there will be clauses of readjustment of the agreed price. More specifically:

- If the prices of liquid fuels and natural gas change, the prices that were agreed upon for the transaction will be readjusted, on the basis of the provided readjustment of prices of sale of electric energy to third parties via the clauses of fuel readjustment.
- If the agreed quantities of electric energy change, there will be anticipated correction of the agreed price via clauses for the reimbursement of the relative cost of each side.

Lignite Supply Contract

The lignite supply contract determines the internal lignite market, i.e the lignite sales of the activity of the Lignite General Division to the activity of the Generation General Division. The contract has to do with the consumption of the lignite stations on a continuous basis, as well as with the necessary stock for the specific period. The calculation of the relative amounts takes place on the monthly basis, taking into account the monthly consumption and the calorific value of the lignite delivered.

ΔΕΗ

DISTRIBUTION OF PROFITS FOR THE YEAR 2010

Distribution of profits for the year 2010

(Amounts in thousands of Euro)

	Profit of the year	726,150,000.00
PLUS	Profit carried forward	691,906,150.00
	Total	**1,418,056,150.00**
MINUS	Income Tax	179,629,000.00
	Profit for distribution	**1,238,427,150.00**
	1. Legal Reserve	27,326,050.00
	2. Dividends	183,280,000.00
	3. Retained Earnings	1,027,821,100.00
	Total	**1,238,427,150.00**

Note
The suggested dividends amounting € 183.280.000 will be covered exclusively from the net profit for the year.

ΔΕΗ

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CONDENSED FINANCIAL DATA AND INFORMATION

JANUARY 1, 2010 - DECEMBER 31, 2010

published in accordance to the article 135 of the corporate law 2190, for companies who prepare the annual consolidated and stand alone financial statements in accordance with IAS / IFRS

(All amounts in thousands of Euro, unless otherwise stated)

PUBLIC POWER CORPORATION S.A.

Company's data

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30, Chalkokondili Str., GR 104 32 Athens

Reg. No:
47829/06/B/00/2

Appropriate Authority:
Ministry of Energy and Climate Change

Web site address:
www.dei.gr

Date of approval by the Board of Directors:
March 28, 2011

Certified auditor accountant:
Papazoglou Panagiotis

Audit company:
Ernst & Young (Hellas) Certified Auditors Accountants S.A.

Type of auditors' report:
Unqualified opinion

Board of Directors:

Chairman & Chief Executive Officer:
Zervos Arthouros

Vice Chairman
non independent - non executive member:
Petropoulos Evangelos

Non independent and Deputy ceo:
Baratsis Apostolos

Independent - non executive member:
Alexakis Panagiotis
Antoniou Ilias
Katsoulakos Ioannis
Nellas Georgios
Panetas Konstantinos

Non independent - non executive member:
Karavassilis Ioannis
Bouzoulas Evangelos
Tsarouchas Ioannis

The purpose of the following data is to provide users with general financial information about the financial condition and the results of operations of Public Power Corporation S.A. and PPC Group. We recommend users that, before proceeding to any kind of investing activity or transaction with the Company, to access the company's web site where the condensed financial statements and the auditor's review report, when is required are published.

Data from statement of financial position

(Amounts in thousands of Euro)

	Group		Company	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
ASSETS				
Tangible assets	13,354,142	13,142,337	13,236,285	13,054,387
Intangible assets, net	89,146	78,813	89,040	78,692
Other non- current assets	41,547	33,219	114,665	96,827
Materials, spare parts and supplies	849,971	807,706	849,182	806,909
Trade receivables	1,022,736	1,006,412	1,021,295	1,003,576
Other current assets	200,335	201,323	221,642	222,438
Available for sale financial assets	22,073	34,312	22,073	34,312
Cash and cash equivalents	620,449	480,042	617,040	471,782
TOTAL ASSETS	**16,200,399**	**15,784,164**	**16,171,222**	**15,768,923**
EQUITY AND LIABILITIES				
Share capital	1,067,200	1,067,200	1,067,200	1,067,200
Share premium	106,679	106,679	106,679	106,679
Other equity items	5,595,649	5,287,435	5,572,455	5,275,346
Equity attributable to shareholders of the parent (a)	6,769,528	6,461,314	6,746,334	6,449,225
Minority interests (b)	0	0	0	0
Total Equity (c)=(a)+(b)	**6,769,528**	**6,461,314**	**6,746,334**	**6,449,225**
Interest bearing loans and borrowings	3,885,625	2,857,751	3,885,413	2,857,751
Provisions / other non current liabilities	3,343,102	3,500,576	3,337,904	3,493,157
Short term borrowings	967,173	1,712,920	966,899	1,712,917
Other current liabilities	1,234,971	1,251,603	1,234,672	1,255,873
Total liabilities (d)	9,430,871	9,322,850	9,424,888	9,319,698
TOTAL EQUITY AND LIABILITIES (c) + (d)	**16,200,399**	**15,784,164**	**16,171,222**	**15,768,923**

Data from statement of comprehensive income

(Amounts in thousands of Euro)

	Group		Company	
	01.01-31.12.2010	01.01-31.12.2009	01.01-31.12.2010	01.01-31.12.2009
Sales	5,811,386	6,030,381	5,793,731	6,017,120
Gross operating results	1,101,117	1,365,912	1,099,699	1,370,388
Profit / (Loss) before tax, financing and investing activities	871,251	1,136,198	861,036	1,131,775
Profit / (Loss) before tax	740,705	993,099	726,150	988,989
Profit / (Loss) after tax (A)	557,925	693,319	546,521	690,736
Distributed to:				
- Owners of the Parent	557,925	693,319	546,521	690,736
- Minority interests	0	0	0	0
Other comprehensive income after tax (B)	(20,813)	787,102	(20,813)	776,988
Total comprehensive income after tax (A)+(B)	**537,112**	**1,480,421**	**525,708**	**1,467,724**
- Owners of the Parent	537,112	1,480,421	525,708	1,467,724
- Minority interests	0	0	0	0
Earnings / (Loss) per share, basic and diluted (in Euro)	2,4048	2,9884	2,3557	2,9773
Interim dividend	0,7900	1,0000	0,7900	1,0000
Profit before tax, financing and investing activities and depreciation and amortisation	1,497,603	1,677,561	1,483,140	1,667,999

Data from statement of changes in equity

(Amounts in thousands of Euro)

	Group		Company	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
Total equity at beginning of the period (01.01.2010 and 01.01.2009, respectively)	6,461,314	4,981,366	6,449,225	4,981,947
Total comprehensive income after tax	537,112	1,480,421	525,708	1,467,724
Dividends	(232,000)	0	(232,000)	0
Other	3,102	(473)	3,401	(446)
Equity at the end of the period (31.12.2010 and 31.12.2009, respectively)	**6,769,528**	**6,461,314**	**6,746,334**	**6,449,225**

Data from statement of cash flow

(Amounts in thousands of Euro)

	Group		Company	
	01.01-31.12.2010	01.01-31.12.2009	01.01-31.12.2010	01.01-31.12.2009
Cash Flows from Operating Activities				
Profit / (Loss) before tax from continuing operations	740,705	993,099	726,150	988,989
Adjustments:				
Depreciation and amortisation	700,908	614,397	696,217	608,785
Devaluation of fixed assets	10,000	138,663	10,000	138,188

Amortisation of customers' contributions and subsidies	(74,536)	(73,061)	(74,113)	(72,561)
Provision for CO_2 emission rights	4,584	50,058	4,584	50,058
Fair value (gain) / loss of derivative instruments	(88)	(161)	(88)	(161)
Share of loss of joint venture	0	0	2,764	0
Share of loss of associates	(1,437)	(765)	0	0
Interest income	(40,931)	(18,343)	(40,665)	(19,276)
Sundry provisions	202,258	126,230	202,203	127,451
Unrealised foreign exchange losses (gains) on interest bearing loans and borrowings	(5,458)	641	(5,225)	641
Unbilled revenue	75,667	4,710	75,667	4,710
Retirement of fixed assets and software	44,526	27,075	44,447	32,668
Amortisation of loan origination fees	5,192	3,078	5,192	3,078
Interest expense	153,633	154,938	153,633	154,876
Working capital adjustments:				
(Increase) / Decrease in:				
Accounts receivable, trade and other	(308,132)	(151,045)	(307,006)	(153,480)
Other current assets	(721)	4,312	(715)	5,069
Materials, spare parts and supplies	(56,450)	(53,295)	(56,404)	(53,213)
Increase / (decrease) in:				
Trade and other payables	(73,562)	31,598	(78,359)	12,040
Other non-current liabilities	(13,134)	18,800	(13,134)	18,740

Accrued / other liabilities excluding interest	35,353	(12,115)	35,520	(12,140)
Income tax paid	(204,181)	0	(203,141)	0
Net Cash from Operating Activities (a)	**1,194,196**	**1,858,814**	**1,177,527**	**1,834,462**
Cash Flows from Investing Activities				
Interest received	40,931	18,343	40,665	19,276
Capital expenditure of fixed assets and software	(983,888)	(1,277,232)	(949,225)	(1,260,341)
Proceeds from customers' contributions and subsidies	10,844	82,055	12,139	79,764
Investments in subsidiaries and associates	(9,969)	(6,267)	(23,891)	(3,711)
Net Cash used in Investing Activities (b)	**(942,082)**	**(1,183,101)**	**(920,312)**	**(1,165,012)**
Cash Flows from Financing Activities				
Net change in short-term borrowings	36,750	(145,000)	36,500	(144,000)
Proceeds from interest bearing loans and borrowings	1,733,000	1,315,000	1,733,000	1,315,000
Principal payments of interest bearing loans and borrowings	(1,493,081)	(1,269,652)	(1,493,081)	(1,269,652)
Interest paid	(156,545)	(199,322)	(156,545)	(199,260)
Dividends paid	(231,831)	(147)	(231,831)	(147)
Net Cash used in Financing Activities (c)	**(111,707)**	**(299,121)**	**(111,957)**	**(298,059)**
Net increase / (decrease) in cash and cash equivalents (a)+(b)+(c)	**140,407**	**376,592**	**145,258**	**371,391**
Cash and cash equivalents at the beginning of the period	480,042	103,450	471,782	100,391
Cash and cash equivalents at the end of the period	**620,449**	**480,042**	**617,040**	**471,782**

Additional data and information

(All amounts in thousands of Euro, unless otherwise stated)

1. The Group's companies with their respective addresses and participation percentages, as well as their unaudited tax years, that are included in the consolidated financial statements are listed below:

Full consolidation method:

Company	% participation	Country of incorporation	Unaudited tax Years
PPC S.A.	Parent Company	Greece	2009-2010
PPC RENEWABLE SOURCES S.A.	100%	Greece	2009-2010
PPC RHODES S.A.	100%	Greece	1999-2010
PPC TELECOMMUNICATIONS S.A.	100%	Greece	2007-2010
ARKADIKOS ILIOS 1 S.A.	100%	Greece	2007-2010
ARKADIKOS ILIOS 2 S.A.	100%	Greece	2007-2010
ILIAKO VELOS 1 S.A.	100%	Greece	2007-2010
ILIAKO VELOS 2 S.A.	100%	Greece	2007-2010
SOLARLAB S.A.	100%	Greece	2007-2010
ILIAKA PARKA DITIKIS MAKEDONIAS 1 S.A.	100%	Greece	2007-2010
ILIAKA PARKA DITIKIS MAKEDONIAS 2 S.A.	100%	Greece	2007-2010
HPP OINOUSA S.A.	100%	Greece	2010
PPC FINANCE PLC	100%	UK	-

In November 2010, the Annual General Meeting of the subsidiary decided the revival of "PPC RHODES SA". Further information is presented in Note 16 of the Financial Report.

Equity method:

Company	Note	% participation	Country of incorporation	Unaudited tax years
LARCO S.A.		11.45%	Greece	2002-2010
SENCAP S.A.		50%	Greece	2006-2010
PPC RENEWABLES ROKAS S.A.		49%	Greece	2010
PPC RENEWABLES – TERNA ENERGIAKI S.A.		49%	Greece	2010
PPC RENEWABLES – MEK ENERGIAKI S.A.		49%	Greece	2010
PPC RENEWABLES NANKO ENERGY – MYHE GITANI S.A.		49%	Greece	2007-2010
PPC RENEWABLES ELTEV AIFOROS S.A.		49%	Greece	2008-2010
GOOD WORKS S.A.		49%	Greece	2005-2010
PPC RENEWABLES EDF EN GREECE S.A.		49%	Greece	2008-2010
EEN VOIOTIA S.A.	1	46.60%	Greece	2007-2010
ORION ENERGIAKI S.A.	2	49%	Greece	2007-2010
ASTREOS ENERGIAKI S.A.	2	49%	Greece	2007-2010
PHOIBE ENERGIAKI S.A.	2	49%	Greece	2007-2010
IAPETOS ENERGIAKI S.A.	2	49%	Greece	2007-2010
AIOLIKO PARKO LOUKO S.A		49%	Greece	2008-2010
AIOLIKO PARKO BABO VIGLIES S.A.		49%	Greece	2008-2010
AIOLIKO PARKO LEFKIVARI S.A.		49%	Greece	2008-2010
AIOLIKO PARKO AGIOS ONOUFRIOS S.A.		49%	Greece	2008-2010
AIOLIKO PARKO KILIZA S.A.		49%	Greece	2008-2010

1. It is consolidated from the associate company PPC Renewables EDF EN GREECE S.A. as it participates by 95% in its share capital.

2. They are consolidated by the associate company Good Works S.A. as they participate by 100% in their share capital.

Further information for the unaudited tax years of the Parent Company as well as Group's companies, is presented in Note 13 of the Financial Report.

2. The accounting policies adopted in the preparation of the financial statements of 2010 are presented in Note 3.4 of the financial report and are consistent with those followed in the preparation of the financial statements for the year ended December 31, 2009, except from them who are presented in Note 3.2 of the financial report.

3. No burdens exist on the Group's fixed assets.

4. Adequate provisions have been established for all litigation.

5. Provisions of the Group and the Parent Company as of December 31, 2010 are as follows :

	Group	Company
a) Provision for litigation and arbitration	(25,627)	(25,627)
b) Provision for unaudited fiscal years by tax authorities	964	840
c) Other provisions	205,092	205,038

6. Total payrolls of the Group and the Company number 21,845 employees and 22,582 employees as of December 31, 2010 and 2009 respectively. Further information is presented in Note 1 of the Financial Report.

7. Sales and purchases of the Group and the Parent Company for the period ended December 31, 2010 as well as receivables and payables as of December 31, 2010 of the Group and the Parent Company, according to IAS 24 are as follows:

	Group	Company
a) Sales	131,748	139,162
b) Purchases	616,840	624,237
c) Receivables from related parties	539,061	565,385
d) Payables to related parties	413,439	426,759
e) Key management personnel compensations	2,022	1,845
f) Receivables from key management personnel compensations	0	0
g) Payables to key management personnel compensations	0	0

8. Capital expenditure of the Group and the Parent Company for the period ended December 31, 2010 amounted to Euro 962.7 million and of Euro 928.1 million respectively.

9. Other Comprehensive income / (loss) after tax which was recognized directly in equity for the period ended December 31, 2010 are as follows :

	Group	Company
Profit / (Loss) from fair value available for sale valuation	(20,813)	(20,813)
Total	(20,813)	(20,813)

10. In August 2010, PPC's Board of Directors approved a framework agreement between PPC S.A. and "ALOUMINION S.A.", which concerns the out of court settlement of their differences. The abovementioned framework agreement has been already accepted by "ALOUMINION S.A." and will be the basis that the two counterparties will use in order to proceed to the signing of the new contract of electricity supply. Further information is presented in Note 38 of the Financial Report.

11. In August 2010, the Parent Company's Board of Directors decided to proceed to the cash payment of 85% of the amount charged by DEPA S.A. for the procurement of natural gas, along the lines of the existing contract, given that PPC S.A. considers, in principle, that this reduced payment is reflecting the material change of circumstances, which define PPC's contractual obligation, beginning with the invoices concerning the consumption of July 2010. In the Parent Company's financial statements, the cost for natural gas reflects the full charge (100%) by DEPA S.A. Further information is presented in Note 19 of the Financial Report.

12. The financial report include an estimation of payroll reduction on financial results from the impact of Law 3833/2010 and Law 3845/2010. Total payroll reduction, including capitalised payroll, for the year 2010, resulting from the implementation of the above mentioned legislation, is estimated at Euro 204.4 m. According to the 26.04.2010 Decision of the Extraordinary Shareholders', the financial results for the year 2010 have been burdened with Euro 99.6 m. Further information is presented in Note 38 of the Financial Report.

13. The provision for doubtful debts has been burdened with the amount of Euro 86.6 m, as a result of a more conservative accounting recognition. Further information is presented in Note 21 of the Financial Report.

14. In October 2010, PPC's Board of Directors decided to transfer the activities of the Transmission of Electricity (currently performed by PPC's Transmission Business Unit) to its wholly owned subsidiary "PPC TELECOMMUNICATIONS S.A.". Further information is presented in Note 12 of the Financial Report.

15. In December 2010, the Parent Company's Board of Directors, has approved that the activities of Distribution of Electricity, the General Division of Distribution and the Non – Interconnected Islands' Operator, the personnel assigned to them as well as the fixed assets (with the exception of the network's fixed assets which will remain PPC's ownership) will be conceded to PPC's wholly owned subsidiary "PPC RHODES S.A.".

16. On December 30th, 2010 PPC's Extraordinary Shareholders' General Assembly was convened and approved the transfer of all

activities of the Transmission and Distribution of Electricity, to its wholly owned subsidiaries "PPC TELECOMMUNICATIONS S.A." and "PPC RHODES S.A.", respectively. The Parent Company considers that completion, ratification and implementation of the Law will define the structure and the activities of the new companies as well as relations with the Parent Company and consequently will then be in a position to evaluate whether IFRS 5 can be applied. Further information is presented in Note 12 of the Financial Report.

Athens, March 28, 2011

CHAIRMAN & CHIEF EXECUTIVE OFFICER	VICE CHAIRMAN	CHIEF FINANCIAL OFFICER	CHIEF ACCOUNTANT
ARTHOUROS ZERVOS	EVANGELOS PETROPOULOS	GEORGE C. ANGELOPOULOS	EFTHIMIOS A. KOUTROULIS

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RELATED PARTIES TRANSACTIONS

Related parties transactions for the year 2010

(Amounts in thousands of Euro)

	31.12.10
Due from:	
PPC TELECOMMUNICATIONS S.A.	198
PPC RENEWABLES S.A.	26,093
PPC RHODES S.A.	29
ARKADIKOS ILIOS 1 S.A.	3
ARKADIKOS ILIOS 2 S.A.	1
TOTAL	**26,324**
Due to:	
PPC RENEWABLES S.A.	13,320
TOTAL	**13,320**
Revenues form:	
RENTALS PPC TELECOMMUNICATIONS S.A.	37
SERVICES RENDERED TO PPC RENEWABLES S.A.	7,360
RENTALS PPC RENEWABLES S.A.	7
RENTALS PPC RHODES S.A.	10
TOTAL	**7,414**
Expenses to:	
EXPENSES FROM SERVICES TO PPC RENEWABLES S.A..	7,397
TOTAL	**7,397**

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ANNOUNCEMENTS TO THE ASE 2010

Announcements to the ASE 2010

The Company's announcements that were publicised for the briefing of the investor community, during 2010, according to the Law 3401/2005 - article 10, are available on the company's website www.dei.gr, in the electronic address www.dei.gr/InvestorRelation/Announcements.

Table of Announcements 2010	
1.	Resignation of Deputy CEO Pr. Efthymoglou *(8 Jan 2010)*
2.	Announcement according Law 3556/07 *(12 Jan 2010)*
3.	Appointment of Deputy Chief Executive Officers *(12 Jan 2010)*
4.	Appointment of members of the Audit Committee of PPC S.A. *(14 Jan 2010)*
5.	BoD Member - Term Renewal - Formation of Body of the BoD of P.P.C. S.A. *(15 Jan 2010)*
6.	Comment on Press Article *(5 Feb 2010)*
7.	New BoD at PPC RENEWABLES S.A. *(5 Feb 2010)*
8.	Increase in Hydro Generation *(23 Feb 2010)*
9.	Comment on Press Article - Clarifications regarding Tariffs *(2 Mar 2010)*
10.	The cooperation with Mrs Tzannetou and Mr Trizoglou was terminated by mutual agreement *(2 Mar 2010)*

11.	Abolishment of Corporate Activities and West Macedonia Divisions *(4 Mar 2010)*
12.	Formation of Body for the Board of Directors of PPC S.A. *(10 Mar 2010)*
13.	Date of Financial results for the year 2009 *(18 Mar 2010)*
14.	Consolidated Financial Results 12M 2009 *(30 Mar 2010)*
15.	Financial calendar for the year 2010 *(30-Mar-2010)*
16.	Presentation to Analysts of PPC S.A. annual results *(30 Mar 2010)*
17.	Condensed Financial Data and Information for the Year January 1, 2009 - December 31, 2009 - FINANCIAL REPORT (January 1, 2009 - December 31, 2009) *(30 Mar 2010)*
18.	Invitation to the Extraordinary General Meeting of Shareholders *(30 Mar 2010)*
19.	Proposed amendments of the Company's Articles of Incorporation to the Extraordinary General Meeting of Shareholders *(13 Apr 2010)*
20.	Approval of the Tender Documents for the Ptolemaida Unit *(15 Apr 2010)*
21.	Results of the Extraordinary General Meeting of the Shareholders of PPC S.A. *(27 Apr 2010)*
22.	Joint venture between PPC S.A. and URBASER S.A. *(29 Apr 2010)*
23.	Appointment to the position of General Manager of Human Resources and Organization *(29 Apr 2010)*

24.	Changes to financial calendar for 2010 *(30 Apr 2010)*
25.	Date of 1Q 2010 Financial Results *(11 May 2010)*
26.	Contract signed for the construction of submarine cable *(17 May 2010)*
27.	PPC' s consolidated 1Q 2010 Financial Results *(19 May 2010)*
28.	Presentation to Analysts of PPC S.A. - 1Q 2010 Financial Results *(19 May 2010)*
29.	Information for the period January 1, 2010 – March 31, 2010 - Financial Statements for the period January 1, 2010 – March 31, 2010 *(19 May 2010)*
30.	Recall of appointment of General Manager of the Mines Division *(20 May 2010)*
31.	Invitation to the Annual General Meeting of the Shareholders of PPC S.A *(28 May 2010)*
32.	Addition of a new item in the Agenda of the AGM *(16 Jun 2010)*
33.	Construction of Megalopolis Photovoltaic Park *(16 Jun 2010)*
34.	Clarifications on the Agenda regarding the Invitation to the 8th Annual General Meeting of PPC S.A. Shareholders. *(21 Jun 2010)*
35.	Release of Regulated Information, Law 3340/2005 *(25 Jun 2010)*
36.	Results of the 8th Annual General Meeting of the Shareholders of PPC S.A. *(29 Jun 2010)*

37.	Payment of dividend for the financial year 2009 *(29 Jun 2010)*
38.	Results of the Extraordinary General Meeting of the Shareholders-except the minority shareholders- of PPC S.A. *(30 Jun 2010)*
39.	Corrected Announcement - Results of the 8th Annual General Meeting of the Shareholders of PPC S.A. *(1 Jul 2010)*
40.	Appointment to the position of General Manager of Mines Division *(1 Jul 2010)*
41.	Formation of Body of the Board of Directors of PPC S.A. *(7 Jul 2010)*
42.	Formation of Body of the Board of Directors of PPC S.A. *(21 Jul 2010)*
43.	Denial of Press Articles *(30 Jul 2010)*
44.	Framework agreement between PPC SA and Aluminium SA *(5 Aug 2010)*
45.	Announcement according Law 3556/2007 *(11 Aug 2010)*
46.	Additional information on previous announcement *(11 Aug 2010)*
47.	Announcement according Law 3556/2007 *(18 Aug 2010)*
48.	Date of 1H 2010 Financial Results *(19 Aug 2010)*
49.	PPC's consolidated 1H 2010 financial results *(26 Aug 2010)*

50.	Presentation to Analysts of PPC S.A. -1H 2010 Financial Results *(26 Aug 2010)*
51.	Information for the period January 1, 2010 – June 30, 2010 - Condensed Interim Financial Statements of the Company and the Group (January 1, 2010 - June 30, 2010) *(27 Aug 2010)*
52.	Comment on press article *(30 Aug 2010)*
53.	BoD approves the acquisition of Wind Parks *(3 Sep 2010)*
54.	Clarifications for acquisition of Wind Parks *(7 Sep 2010)*
55.	PPC submits expression of interest for the construction of hydro power plants in Bosnia - Herzegovina *(23 Sep 2010)*
56.	Partnership between EDF Energies Nouvelles and PPC groups for RES projects in Greece *(28 Sep 2010)*
57.	Comment on Press Articles – Clarifications on wind parks acquisition *(29 Sep 2010)*
58.	Expiration of the five year period for the collection of the year 2004 dividend *(30 Sep 2010)*
59.	BoD approval regarding Distribution activities *(12 Oct 2010)*
60.	BoD approval regarding Transmission activities *(20 Oct 2010)*
61.	PPCR signs Shareholders' Agreement with EPGE *(2 Nov 2010)*
62.	Denial of press articles *(2 Nov 2010)*

63.	Announcement according Law 3556/2007 *(4 Nov 2010)*
64.	Date of 9M2010 Financial Results *(16 Nov 2010)*
65.	Recall of Appointment of General Manager of the Supply Division *(17 Nov 2010)*
66.	PPC' s consolidated 9M 2010 Financial Results *(24 Nov 2010)*
67.	Presentation to analysts of PPC S.A. - 9M 2010 Financial Results *(24 Nov 2010)*
68.	Information for the period January 1, 2010 – September 30, 2010 - Condensed Interim Financial Statements of the Company and the Group (January 1, 2010 - September 30, 2010) *(25Nov 2010)*
69.	Release of Regulated Information, Law 3340/2005 *(25 Nov 2010)*
70.	Increase in Hydro Generation *(29 Nov 2010)*
71.	Appointment of BoD Members *(1 Dec 2010)*
72.	Release of Regulated Information, Law 3340/2005 *(2 Dec 2010)*
73.	Signing of MoU with EDF Energies Nouvelles *(2 Dec 2010)*
74.	LNG procurement by PPC S.A. for the 1st quarter of 2011 *(7 Dec 2010)*
75.	Invitation to the Extraordinary General Meeting of Shareholders *(8 Dec 2010)*

76.	Application for generation license for a 200 MW PV Station *(13 Dec 2010)*
77.	Press Comment - Unpaid Electricity Bills *(16 Dec 2010)*
78.	Clarifications on the Agenda items of the Extraordinary General Meeting *(16 Dec 2010)*
79.	Submission for approval of 2011 pricelist *(21 Dec 2010)*
80.	Competition Authority approves PPC-Urbaser JV *(22 Dec 2010)*
81.	New BoD Member in PPC RENEWABLES S.A. *(24 Dec 2010)*
82.	BoD decision regarding Internal Audit Department *(24 Dec 2010)*
83.	Settlement of debt for Small and Medium Enterprises *(24 Dec 2010)*
84.	New tariffs for medium and low voltage customers *(30 Dec 2010)*
85.	Resolutions of the Extraordinary General Meeting of the Shareholders of PPC S.A. *(31 Dec 2010)*

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Planning & Performance Management Department PPC S.A.

Publication Supervision:

Corporate Affairs & Communications Department PPC S.A.

Design and Art Supervision:

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