



PUBLIC POWER CORPORATION S.A.

**Interim Consolidated and Stand-Alone
Financial Statements**

**for the nine month period
from January 1, 2005 to
September 30, 2005**

**in accordance with
International Financial
Reporting Standards,
adopted by the**

European Union

PUBLIC POWER CORPORATION S.A.

CONDENSED CONSOLIDATED AND STAND – ALONE STATEMENT OF INCOME FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2005 IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS

(All amounts in thousands of Euro- except per share data)

	GROUP				PARENT COMPANY			
	01.01.2005- 30.09.2005	01.01.2004- 30.09.2004	01.07.2005- 30.09.2005	01.07.2004- 30.09.2004	01.01.2005- 30.09.2005	01.01.2004- 30.09.2004	01.07.2005- 30.09.2005	01.07.2004- 30.09.2004
REVENUES:								
Revenue from energy sales	3,004,575	2,852,332	1,038,162	998,870	3,004,575	2,852,332	1,038,162	998,870
Other	234,862	226,069	82,272	76,666	234,862	226,069	82,272	76,666
	<u>3,239,437</u>	<u>3,078,401</u>	<u>1,120,434</u>	<u>1,075,536</u>	<u>3,239,437</u>	<u>3,078,401</u>	<u>1,120,434</u>	<u>1,075,536</u>
EXPENSES :								
Payroll cost	700,784	654,309	230,085	218,604	700,784	654,309	230,085	218,604
Fuel	1,216,860	1,001,668 *	498,606	387,142 *	1,216,860	1,001,668 *	498,606	387,142 *
Depreciation and Amortization	338,438	344,190	119,260	117,587	338,438	344,190	119,260	117,587
Energy purchases	155,115	146,276	71,658	71,708	155,115	146,276	71,658	71,708
Emission allowances	69,019	-	23,985	-	69,019	-	23,985	-
Provisions	15,786	2,453	1,146	168	15,786	2,453	1,146	168
Other expenses	201,505	223,987	66,783	85,376	201,266	223,652	66,696	85,388
Transmission system usage	214,452	192,011	77,059	64,568	214,452	192,011	77,059	64,568
PROFIT FROM OPERATIONS	<u>327,478</u>	<u>513,507</u>	<u>31,852</u>	<u>130,383</u>	<u>327,717</u>	<u>513,842</u>	<u>31,939</u>	<u>130,371</u>
Financial expenses	113,817	123,923	38,458	41,772	113,816	123,919	38,457	41,771
Financial income	20,452	30,119	9,195	3,945	20,272	30,077	9,066	3,918
Share of loss of associates	8,333	9,902	2,424	2,871	-	-	-	-
Foreign currency gains / (losses), net	(5,226)	(13,474)	1,575	4,018	(5,226)	(13,474)	1,575	4,018
Other income/ (expense), net	11,800	11,701	7,368	2,444	11,771	11,690	7,369	2,444
PROFIT BEFORE TAX	<u>232,354</u>	<u>408,028</u>	<u>9,108</u>	<u>96,147</u>	<u>240,718</u>	<u>418,216</u>	<u>11,492</u>	<u>98,980</u>
Income tax expense	77,213	151,748	1,660	32,742	77,213	151,748	1,660	32,742
PROFIT AFTER TAX	<u>155,141</u>	<u>256,280</u>	<u>7,448</u>	<u>63,405</u>	<u>163,505</u>	<u>266,468</u>	<u>9,832</u>	<u>66,238</u>
Earnings per share, basic and diluted	<u>0.67</u>	<u>1.10</u>	<u>0.03</u>	<u>0.27</u>	<u>0.70</u>	<u>1.15</u>	<u>0.04</u>	<u>0.29</u>
Weighted average number of shares	<u>232,000,000</u>	<u>232,000,000</u>	<u>232,000,000</u>	<u>232,000,000</u>	<u>232,000,000</u>	<u>232,000,000</u>	<u>232,000,000</u>	<u>232,000,000</u>

* An amount of Euro 12,358 which represents the lignite levy has been reclassified from Other Expenses to Fuel in the 9M 2004 balances, for comparison purposes with 9M 2005 results.

The accompanying notes are an integral part of these interim consolidated and stand – alone financial statements

PUBLIC POWER CORPORATION S.A.
CONDENSED CONSOLIDATED AND STAND – ALONE BALANCE SHEET AS OF SEPTEMBER 30, 2005
IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS
(All amounts in thousands of Euro)

	GROUP		PARENT COMPANY	
	30/09/2005	31/12/2004	30/09/2005	31/12/2004
<u>ASSETS</u>				
Non – Current Assets:				
Property, plant and equipment, net	11,080,644	9,717,147	11,080,639	9,717,140
Software, net	16,053	8,281	16,053	8,281
Other non- current assets	17,462	114,511	71,579	158,034
Total non-current assets	11,114,159	9,839,939	11,168,271	9,883,455
Current Assets:				
Materials, spare parts and supplies, net	578,307	582,669	578,307	582,669
Trade and other receivables, net and other current assets	847,034	737,007	847,614	737,626
Marketable and other securities	37,105	28,439	37,105	28,439
Cash and cash equivalents	39,036	28,071	31,763	20,274
Total Current Assets	1,501,482	1,376,186	1,494,789	1,369,008
Total Assets	12,615,641	11,216,125	12,663,060	11,252,463
<u>EQUITY AND LIABILITIES</u>				
EQUITY:				
Share capital	1,067,200	1,067,200	1,067,200	1,067,200
Share premium	106,679	106,679	106,679	106,679
Revaluation surplus	4,133,567	3,145,640	4,133,567	3,145,640
Reversal of fixed assets' statutory revaluation surplus included in share capital	(947,342)	(947,342)	(947,342)	(947,342)
Reserves	284,046	275,381	284,046	275,381
Retained earnings	524,115	577,851	568,912	614,207
Total Equity	5,168,265	4,225,409	5,213,062	4,261,765
Non-Current Liabilities:				
Interest bearing loans and borrowings	3,062,762	3,107,427	3,062,762	3,107,427
Provisions	449,287	443,033	449,287	443,033
Other non-current liabilities	2,154,576	1,807,939	2,157,223	1,807,939
Total Non-Current Liabilities	5,666,625	5,358,399	5,669,272	5,358,399
Current Liabilities:				
Trade and other payables and other current liabilities	978,361	1,047,899	978,336	1,047,884
Dividends payable	26,894	211	26,894	211
Short term borrowings	211,660	187,050	211,660	187,050
Current portion of interest bearing loans and borrowings	563,836	397,157	563,836	397,154
Total Current Liabilities	1,780,751	1,632,317	1,780,726	1,632,299
Total Liabilities and Equity	12,615,641	11,216,125	12,663,060	11,252,463

The accompanying notes are an integral part of these interim consolidated and stand – alone financial statements

PUBLIC POWER CORPORATION S.A.
CONDENSED CONSOLIDATED CHANGES IN EQUITY FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2005
IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS
(All amounts in thousands of Euro)

	Share Capital	Share Premium	Legal Reserve	Revaluation Surplus	Reversal of Statutory Revaluation Surpluses on Fixed Assets	Reserves		Retained Earnings/ (Accumulated Deficit)	Total Equity	
						Marketable Securities Valuation Surplus	Tax - free and other Reserves			
Balance, December 31, 2004	<u>1,067,200</u>	<u>106,679</u>	<u>33,319</u>	<u>3,145,640</u>	<u>(947,342)</u>	<u>18,278</u>	<u>223,784</u>	<u>242,062</u>	<u>577,851</u>	<u>4,225,409</u>
Net income for the period	-	-	-	-	-	-	-	-	155,141	155,141
Dividends	-	-	-	-	-	-	-	-	(208,800)	(208,800)
Amendments of 2004 revaluation of assets	-	-	-	(14,447)	-	-	-	-	-	(14,447)
Deferred tax on the revaluation surplus	-	-	-	(335,417)	-	-	-	-	-	(335,417)
Revaluation surplus of machinery, transportation means, furniture and fixture	-	-	-	1,337,791	-	-	-	-	-	1,337,791
Valuation of marketable securities	-	-	-	-	-	8,665	-	8,665	-	8,665
Other	-	-	-	-	-	-	-	-	(77)	(77)
Balance, September 30, 2005	<u>1,067,200</u>	<u>106,679</u>	<u>33,319</u>	<u>4,133,567</u>	<u>(947,342)</u>	<u>26,943</u>	<u>223,784</u>	<u>250,727</u>	<u>524,115</u>	<u>5,168,265</u>
Balance, December 31, 2003	<u>1,067,200</u>	<u>106,679</u>	<u>21,116</u>	<u>2,543,342</u>	<u>(947,342)</u>	<u>9,640</u>	<u>211,561</u>	<u>221,201</u>	<u>471,558</u>	<u>3,483,754</u>
Net income for the period	-	-	-	-	-	-	-	-	256,280	256,280
Dividends	-	-	-	-	-	-	-	-	(162,400)	(162,400)
Valuation of marketable securities	-	-	-	-	-	3,435	-	3,435	-	3,435
Other	-	-	-	-	-	-	-	-	(8)	(8)
Balance, September 30, 2004	<u>1,067,200</u>	<u>106,679</u>	<u>21,116</u>	<u>2,543,342</u>	<u>(947,342)</u>	<u>13,075</u>	<u>211,561</u>	<u>224,636</u>	<u>565,430</u>	<u>3,581,061</u>

The accompanying notes are an integral part of these interim consolidated and stand – alone financial statements

PUBLIC POWER CORPORATION S.A.
CONDENSED STAND – ALONE CHANGES IN EQUITY FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2005
IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS
(All amounts in thousands of Euro)

	Share Capital	Share Premium	Legal Reserve	Revaluatio n Surplus	Reversal of Statutory Revaluation Surpluses on Fixed Assets	Reserves				Total Equity
						Marketable Securities Valuation Surplus	Tax - free and other Reserves	Reserves Total	Retained Earnings / (Accumulated Deficit)	
Balance, December 31, 2004	<u>1,067,200</u>	<u>106,679</u>	<u>33,319</u>	<u>3,145,640</u>	<u>(947,342)</u>	<u>18,278</u>	<u>223,784</u>	<u>242,062</u>	<u>614,207</u>	<u>4,261,765</u>
Net income for the period	-	-	-	-	-	-	-	-	163,505	163,505
Dividends	-	-	-	-	-	-	-	-	(208,800)	(208,800)
Amendments of 2004 revaluation of assets	-	-	-	(14,447)	-	-	-	-	-	(14,447)
Deferred tax on the revaluation surplus	-	-	-	(335,417)	-	-	-	-	-	(335,417)
Revaluation surplus of machinery, transportation means, furniture and fixture	-	-	-	1,337,791	-	-	-	-	-	1,337,791
Valuation of marketable securities	-	-	-	-	-	8,665	-	8,665	-	8,665
Balance, September 30, 2005	<u>1,067,200</u>	<u>106,679</u>	<u>33,319</u>	<u>4,133,567</u>	<u>(947,342)</u>	<u>26,943</u>	<u>223,784</u>	<u>250,727</u>	<u>568,912</u>	<u>5,213,062</u>
Balance, December 31, 2003	<u>1,067,200</u>	<u>106,679</u>	<u>21,116</u>	<u>2,543,342</u>	<u>(947,342)</u>	<u>9,640</u>	<u>211,561</u>	<u>221,201</u>	<u>501,776</u>	<u>3,513,972</u>
Net income for the period	-	-	-	-	-	-	-	-	266,468	266,468
Dividends	-	-	-	-	-	-	-	-	(162,400)	(162,400)
Valuation of marketable securities	-	-	-	-	-	3,435	-	3,435	-	3,435
Other	-	-	-	-	-	-	-	-	(9)	(9)
Balance, September 30, 2004	<u>1,067,200</u>	<u>106,679</u>	<u>21,116</u>	<u>2,543,342</u>	<u>(947,342)</u>	<u>13,075</u>	<u>211,561</u>	<u>224,636</u>	<u>605,835</u>	<u>3,621,466</u>

The accompanying notes are an integral part of these interim consolidated and stand – alone financial statements

PUBLIC POWER CORPORATION S.A.
CONDENSED CONSOLIDATED AND STAND – ALONE STATEMENT OF CASH FLOWS FOR
THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2005
IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS
(All amounts in thousands of Euro)

	GROUP		PARENT COMPANY	
	01.01.2005- 30.09.2005	01.01.2004- 30.09.2004	01.01.2005- 30.09.2005	01.01.2004- 30.09.2004
Cash flows from operating activities				
Profit before tax	232,354	408,028	240,718	418,216
Adjustments :				
Depreciation and amortization	476,468	499,715	476,468	499,715
Amortization of customers' contributions and subsidies	(84,774)	(83,749)	(84,774)	(83,749)
Interest expense	103,070	114,617	103,069	112,827
Other adjustments	(30,200)	(25,336)	(38,353)	(33,450)
Changes in assets	(72,366)	(83,717)	(72,127)	(86,791)
Changes in liabilities	56,871	38,219	57,125	41,276
Income tax paid	(160,164)	(189,522)	(160,164)	(189,522)
Net Cash from Operating Activities	521,259	678,255	521,962	678,522
Cash Flows from Investing Activities				
Capital expenditure/ (disposal) of fixed assets and software	(529,057)	(530,434)	(529,057)	(530,434)
Proceeds from customers' contributions and subsidies	138,611	205,903	138,611	205,903
Interest received	11,732	7,603	11,552	7,601
Investments	-	(8,000)	-	(13,000)
Net Cash used in Investing Activities	(378,714)	(324,928)	(378,894)	(329,930)
Cash Flows from Financing Activities				
Net change in short term borrowings	24,610	5,150	24,610	5,150
Proceeds from interest bearing loans and borrowings	395,000	480,000	395,000	480,000
Principal payments of interest bearing bonds and borrowing	(277,812)	(575,620)	(277,812)	(575,620)
Interest paid	(91,261)	(95,186)	(91,260)	(95,182)
Dividends paid	(182,117)	(162,487)	(182,117)	(162,487)
Net Cash used in Financing Activities	(131,580)	(348,143)	(131,579)	(348,139)
Net increase/(decrease) in cash and cash equivalents	10,965	5,184	11,489	453
Cash and cash equivalents at beginning of year	28,071	27,493	20,274	24,389
Cash and cash equivalents at the end of the period	39,036	32,677	31,763	24,842

The accompanying notes are an integral part of these interim consolidated and stand – alone financial statements

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1. CORPORATE INFORMATION

Public Power Corporation S.A.
Notes to the interim consolidated and stand alone financial statements
In accordance with IFRS
September 30, 2005
(All amounts in thousands of Euro, unless otherwise stated)

Public Power Corporation S.A. ("PPC") 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 Liberalisation 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 were listed on the Athens and London Exchange. The accompanying interim financial statements include the financial statements of PPC (Parent Company) and the consolidated financial statements of Group PPC (Group).

PPC headquarters are located at 30, Chalkokondili Street, Athens, 104 32 Greece. The Group's payrolls at September 30, 2005 and 2004 totalled approximately 27,503 and 27,794 respectively, excluding employees engaged in Hellenic Electricity Transmission System Operator ("HTSO").

As a vertically integrated electric utility, PPC generates electricity in its own 99 power generating stations, facilitates the transmission of electricity through approximately 11,500 kilometres of high voltage power lines and distributes electricity to consumers through approximately 207,000 kilometres of distribution network.

Lignite for PPC's lignite-fired power stations is extracted mainly from its lignite mines. PPC has also constructed approximately 1,530 kilometres of fibre-optic network along its transmission lines (note 6).

The Parent Company's activities present a significant seasonality, which is at its peak in the summer and winter months due to the increased demand for electricity, a fact that is reflected in its quarterly financial statements as well as those of the Group's.

2. CHANGES IN LEGAL FRAMEWORK

In the context of the liberalization of the electricity market, according to the provisions of Law 2773/1999, as it was amended by Law 3175/2003, the Grid and Power Exchange Code was introduced in May 2005, taking into account the provisions of Law 3175/2003 for the implementation of the day-ahead market.

The Ministry of Development has prepared a draft Law amending Law 2773/1999 and Law 3175/2003 in accordance with the provisions of the new Electricity Directive 2003/54/EC, concerning the internal energy market, which was submitted to the Greek Parliament on November 8, 2005.

3. BASIS OF PRESENTATION FOR THE INTERIM FINANCIAL STATEMENTS

The accompanying interim consolidated financial statements as well as the interim financial statements of the Parent Company, for the nine month period ended September 30, 2005 have been prepared in accordance with IAS 34 which defines the form and the content of the interim financial statements.

Accordingly the accompanying financial statements include condensed notes and do not include fully explanatory notes based on the requirements of the International Financial Reporting Standards (IFRS).

The accompanying financial statements have been prepared based on the same accounting principles and methods as the annual financial statements for the Group with the exception of the following :

3. Basis of Presentation for the interim financial statements - continued

Public Power Corporation S.A.
Notes to the interim consolidated and stand alone financial statements
In accordance with IFRS
September 30, 2005
(All amounts in thousands of Euro, unless otherwise stated)

a) Changes in Accounting Principles :

The Group and the Parent Company have adopted the following new standards and the revised IAS for which the effective date is January 1, 2005 :

- IAS 1 "Presentation of Financial Statements,"
- IAS 2 "Inventories,"
- IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors,"
- IAS 10 "Events after the Balance Sheet Date,"
- IAS 16 "Property, Plant and Equipment,"
- IAS 17 "Leases,"
- IAS 21 "The Effects of Changes in Foreign Exchange Rates,"
- IAS 24 "Related Party Disclosures,"
- IAS 27 "Consolidated and Separate Financial Statements,"
- IAS 28 "Investments in Associates,"
- IAS 31 "Interests in Joint Ventures,"
- IAS 32 "Financial Instruments: Disclosure and presentation ,"
- IAS 33 "Earnings per Share,"
- IAS 36 "Impairment of assets,"
- IAS 38 "Intangible assets,"
- IAS 39 " Financial Instruments: Recognition and Measurement," and
- IAS 40 "Investment Property."
- IFRS 2 "Share- based payment," (which superseded several requirements of IAS 19 "Employee Benefits")
- IFRS 3 "Business combination,"(which superseded IAS 22 "Business combination")
- IFRS 5 "Non-current Assets Held For Sale and Discontinued Operations","(which superseded IAS 35 "Discontinuing Operations")

The revised standards also supersede the following interpretations, which are withdrawn:

- SIC 1 "Consistency—Different Cost Formulas for Inventories,"
- SIC 2 "Consistency—Capitalization of Borrowing Costs,"
- SIC 3 "Elimination of Unrealized Profits and Losses on Transactions with Associates,"
- SIC 5 "Classification of Financial Instruments—Contingent Settlement Provisions,"
- SIC 6 "Costs of Modifying Existing Software,"
- SIC 11 "Foreign Exchange—Capitalization of Losses Resulting from Severe Currency Devaluations,"
- SIC 14 "Property, Plant and Equipment—Compensation for the Impairment or Loss of Items,"
- SIC 16 "Share Capital—Reacquired Own Equity Instruments (Treasury Shares),"
- SIC 17 "Equity—Costs of an Equity Transaction,"
- SIC 18 "Consistency—Alternative Methods,"
- SIC 19 "Reporting Currency—Measurement and Presentation of Financial Statements under IAS 21 and IAS 29,"
- SIC 20 "Equity Accounting Method—Recognition of Losses,"
- SIC 23 "Property, Plant and Equipment—Major Inspection or Overhaul Costs,"
- SIC 24 "Earnings Per Share—Financial Instruments that May Be Settled in Shares,"
- SIC 30 "Reporting Currency—Translation from Measurement Currency to Presentation Currency," and
- SIC 33 "Consolidation and Equity Method—Potential Voting Rights and Allocation of Ownership Interest."

3. Basis of Presentation for the interim financial statements - continued

Until December 31, 2004 the Group prepared and published consolidated financial statements in accordance with the International Financial Reporting Standards, while from January 1,

Public Power Corporation S.A.
Notes to the interim consolidated and stand alone financial statements
In accordance with IFRS
September 30, 2005
(All amounts in thousands of Euro, unless otherwise stated)

2005 and for any future publication of interim or annual financial statements, is required by law to publish the Parent Company's financial statements as well. The Parent Company adopts the same accounting principles with those of the Group, except for the revised IAS 27, according to which the Parent Company evaluates its investments in subsidiaries and associates in cost, except for the cases in which their cost is fully devaluated.

The adoption of the above mentioned new and revised standards by the Group and the Parent Company has not led to any adjustment in the financial statements and the comparative data.

In 2005, IFRS 6 "Exploration for and Evaluation of Mineral Resources", IFRIC 4 "Determining whether an Arrangement contains a Lease" and IFRIC 5 "Rights to Interest Arising from Decommissioning, Restoration, and Environmental Rehabilitation Funds" whose effective date is January 1, 2005, were issued and an early adoption is encouraged.

The above mentioned IFRS and IFRICs have not presently been adopted, and their future adoption is not considered to have a material effect on the Parent Company and the Group's financial statements.

- b) CO₂ Emissions :** According to Decision 2002/358/EK for the ratification of the Kyoto protocol by the European Commission and the observance of the relevant commitments, Greece is committed to reduce the CO₂ emissions for the period 2008 - 2012 to 25% of the emissions of the base year (1990).

According to the Directive 2003/87 (which has already been incorporated to the Greek Legislation by the Common Ministerial Decision H. Π. 54409/2632/27.12.2004) concerning emission trading, every member state of the European Union is obliged to prepare and submit to the European Commission a National Allocation Plan (NAP) for the three year period 2005 – 2007, which will allocate the aggregate quantity of emission allowances, their allocation between the bound plants and the total of basic rules that govern the emissions allocation as well as the function of the relevant system.

The National Allocation Plan has been prepared by the competent national authorities and was submitted to the European Union at December 2004. On June 20, 2005 the European Commission has notified its decision for the acceptance of the NAP. A Joint Ministerial Decision by the Ministers of Development and Environment is expected in order to finalize the allocation of the emission allowances between the bound plants.

According to the National Allocation Plan the Parent Company has been allocated emission allowances of 159.2 million tones of CO₂ (52.1 million tones CO₂ for 2005) for the period 2005 - 2007.

The Parent Company, after an initial study of the parameters defining the levels of CO₂ emissions of its production installations (power plants) has estimated that the overall annual CO₂ emissions for the year 2005 is expected to arise to 56.2 million tones (42.2 million tones of CO₂ for the nine month period ended September 30, 2005) which will present a deficit of approximately 4.06 million tones of CO₂ for the year 2005 (a deficit of 3 million tones of CO₂ for the nine months ended September 30, 2005)

The above mentioned estimate can be altered when the methods of measuring CO₂ emissions will be determined, during the approval procedure by the competent authorities.

Based on the above mentioned data, the Parent Company, has recognized a provision, of approximately 61.4 million, in the nine month period ended September 30, 2005, for the future purchase of emission allowances based on the price for an emission allowance on September 30, 2005 in German's Energy Exchange (Euro 22.7 per CO₂ tone).

The Parent Company has purchased emission allowances for the nine month period ended September 30, 2005, amounting to Euro 7.6 million with a corresponding charge to the Income Statement.

- c) Changes in estimates :** The Group on January 1, 2005 has revaluated and redefined its fixed assets' useful life as follows :

Public Power Corporation S.A.
Notes to the interim consolidated and stand alone financial statements
In accordance with IFRS
September 30, 2005
(All amounts in thousands of Euro, unless otherwise stated)

	Useful Life	
	January 1	December 31
	2005	2004
Buildings and Civil Works		
Hydro power plants	35-50	50
Buildings of general use	50	20
Industrial buildings	35	12.5
Machinery and Equipment		
Thermal power plants	40	25
Mines	20-40	20
Hydro power plants	40	50
Autonomous diesel power plants	25	12.5
Transmission		
Lines	35	33.3
Substations	35	25
Distribution		
Substations	35	16.7
Low and medium voltage distribution network	35	16.7-20
Transportation assets	15	5-6.6
Furniture, fixtures and equipment	5-12	3.3-5

The Company estimates that the above mentioned change of estimates will not affect significantly theist financial results due to the simultaneous revaluation of its fixed assets which resulted to a surplus estimated at approximately Euro 1,338 million (note 4).

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4. PROPERTY, PLANT AND EQUIPMENT

	GROUP									
	Land	Mines	Lakes	Buildings	Technical Works	Machinery	Transportation Assets	Furniture And Equipment	Construction In Progress	Total
Cost										
At December 31, 2003	379,706	181,128	13,630	420,668	997,312	6,170,828	10,674	68,169	793,012	9,035,127
Additions	3,462	29,137	-	30,886	49,635	646,532	14,153	29,125	727,923	1,530,853
Removals/Transfers	(269)	(1,667)	-	(444)	(190)	(13,825)	(116)	(582)	(771,707)	(788,800)
Depreciation	-	(11,887)	(453)	(55,117)	(50,485)	(512,400)	(6,532)	(26,900)	-	(663,774)
Revaluation	348,215	-	-	255,526	-	-	-	-	-	603,741
At December 31, 2004	731,114	196,711	13,177	651,519	996,272	6,291,135	18,179	69,812	749,228	9,717,147
Modifications on 2004 revaluation of assets	(16,414)	-	-	(505)	-	-	-	-	-	(16,919)
Transfers	(39,115)	39,115	-	(7,495)	7,495	-	-	-	-	-
Revaluation	-	-	-	-	93,030	1,087,381	36,496	112,107	-	1,329,014
Additions	457	63,576	-	9,942	1,957	218,397	4,260	6,444	534,415	839,448
Removals/Transfers	(885)	-	-	(99)	-	(5,600)	(5)	(61)	(308,867)	(315,517)
Depreciation	-	(10,402)	(339)	(26,996)	(32,785)	(371,267)	(5,492)	(24,348)	-	(471,629)
Other Movements	33	-	-	-	(1)	6	-	47	(986)	(901)
At September 30, 2005	675,190	289,000	12,838	626,366	1,065,968	7,220,053	53,438	164,001	973,790	11,080,644

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4. Property, Plant and Equipment - continued

	Parent Company									
	Land	Mines	Lakes	Buildings	Technical Works	Machinery	Transportation Assets	Furniture And Equipment	Construction In Progress	Total
Cost										
At December 31, 2003	379,706	181,128	13,630	420,664	997,312	6,170,826	10,674	68,168	793,012	9,035,120
Additions	3,462	29,137	-	30,886	49,635	646,532	14,153	29,125	727,923	1,530,853
Removals/Transfers	(269)	(1,667)	-	(444)	(190)	(13,825)	(116)	(582)	(771,707)	(788,800)
Depreciation	-	(11,887)	(453)	(55,117)	(50,485)	(512,400)	(6,532)	(26,900)	-	(663,774)
Revaluation	348,215	-	-	255,526	-	-	-	-	-	603,741
At December 31, 2004	731,114	196,711	13,177	651,515	996,272	6,291,133	18,179	69,811	749,228	9,717,140
Modifications on 2004 revaluation of assets	(16,414)	-	-	(505)	-	-	-	-	-	(16,919)
Transfers	(39,115)	39,115	-	(7,495)	7,495	-	-	-	-	-
Revaluation	-	-	-	-	93,030	1,087,381	36,496	112,107	-	1,329,014
Additions	457	63,576	-	9,942	1,957	218,397	4,260	6,444	534,415	839,448
Removals/Transfers	(885)	-	-	(99)	-	(5,600)	(5)	(61)	(308,867)	(315,517)
Depreciation	-	(10,402)	(339)	(26,996)	(32,785)	(371,267)	(5,492)	(24,348)	-	(471,629)
Other Movements	33	-	-	-	(1)	6	-	49	(986)	(899)
At September 30, 2005	675,190	289,000	12,838	626,362	1,065,968	7,220,051	53,438	164,002	973,790	11,080,639

4. Property, Plant and Equipment - Continued

(a) **Legal Status of Property:** The Parent Company is in the process of preparing a detailed listing of its real property and developing a fixed assets' register in order to register all its property in its name at the relevant land registries and to obtain ownership and encumbrance certificates.

(b) **Insurance Coverage:** The property, plant and equipment of the Parent Company are located all over Greece and therefore the risk of a major loss is reduced. The Parent Company does not carry any form of insurance coverage to date on its property, plant and equipment, except for its information technology equipment.

(c) **Statutory Revaluation of Fixed Assets:** Until December 31, 2000, in accordance with Greek tax legislation, real estate assets (land and buildings) are periodically revalued (every four years). These revaluations relate to machinery (up to 1987), land, mines and buildings and are based on non-industry specific indices that were determined by the Ministry of Economy and Finance. Both cost and accumulated depreciation are increased by these indices while the net revaluation surplus is credited to reserves in equity. As such statutory revaluations do not meet the criteria required by IAS 16 "Property, plant and equipment" they have been reversed in the accompanying financial statements. As at December 31, 2000, statutory revaluations that had been performed in the past resulted in a total revaluation surplus of Euro 947,342 an amount already used to set up part of PPC's share capital according to relevant Greek Law for revaluations.

From 2004 onwards, Greek tax legislation provides for the companies which prepare the financial statements in conformity with International Financial Reporting Standards, to proceed with the revaluation of their real estate assets to their estimated fair values, as determined by independent appraisers.

On December 31, 2004, the real estate assets of the Parent Company are revalued to their estimated fair values at that date as determined by independent appraisers. The above appraisal resulted to a net surplus of Euro 586,826, which was totally credited to reserves in equity (see paragraph (d) below).

(d) **Appraisal of Fixed Assets:** Within 2004, the Parent Company proceeded with the revaluation of its fixed assets with an effective date of December 31, 2004. The revaluation was carried out by an independent appraiser.

The above appraisal which excluded lakes, was completed within 2005 in two phases:

1. Appraisal of fixed assets: The procedure of revaluating the real estate assets of the Parent Company (property and plant) with an effective date of December 31, 2004, was completed within 2005 and accounted for as of December 31, 2004.

The above appraisal of land and buildings resulted initially to a net surplus of Euro 586,826 (a positive surplus of Euro 819,604 and a negative surplus of Euro 232,778), out of which the amount of Euro 603,349 was directly credited in equity, and a negative surplus of Euro 16,523 which was not fully offset against the valuation surplus of previous revaluations, was charged directly in the Income Statement. Due to the fact that the negative surplus is not recognized by Greek tax legislation, it was recorded net of the relevant deferred taxes amounting to Euro 17,891. In addition, the positive surplus was recorded net of the relevant tax on revaluation surplus amounting to Euro 36,584.

4. Property, Plant and Equipment – Continued

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Upon the completion of the procedure of registering, accounting settlement and physical/accounting correlation of its revalued real estate assets with the existing fixed assets register, the Parent Company encountered negative differences related to the positive surplus which was recorded on December 31, 2004 as well as differences related to negative surplus which decreased the revaluation surplus of previous revaluations, charged directly in the Income Statement of December 31, 2004. Therefore, the Parent Company proceeded, within the nine month period ended on September 30, 2005, with the reversal of a portion of the above surplus amounting to Euro 22,031, by decreasing equally the net book value of fixed assets, and additionally with the reversal of the recorded negative surplus of Euro 542, by decreasing the positive surplus of the revaluation of the fixed assets.

- 2. Appraisal of other fixed assets and software:** The appraisal of other fixed assets (machinery and other equipment, technical works, transportation assets, furniture and fixtures) and software of the Parent Company will be completed during the fourth quarter of 2005. The comparison between the values as determined by the independent appraisers until the publication of the financial statements for the nine month period ended September 30, 2005 and the net book value of the above classes of assets, resulted to a net surplus amounting to approximately Euro 1,338 million, out of which an amount of Euro 1,329 million reflects the revaluation surplus of property, plant and equipment, and an amount of Euro 9 million reflects the revaluation surplus of intangible assets (software). The total amount of the revaluation surplus was credited, net of the relevant deferred taxes of income, directly in equity, within the nine months ended September 30, 2005.

Also, the depreciation for the nine months ended September 30, 2005, which was calculated based on the new fair values and the remaining useful life of the above mentioned assets, as determined by the independent appraiser, amounts to approximately Euro 433 million and is included in the accompanying statement of operations.

Till the date of the publication of the accompanying financial statements and due to the fact that the appraisal has not been completed, the Parent Company has not completed the procedure of recording the results from the valuation of the above assets, since the physical/accounting correlation and the reconciliation between the fixed assets' register and the accounting settlements of the results from the valuation, have not been completed. Any possible differences (positive or negative) that may arise to the revaluated fair value of the aforementioned assets as of January 1, 2005 (and furthermore as of September 30, 2005), to the net estimated revaluation as of January 1, 2005 (and furthermore as of September 30, 2005) and to the estimated depreciation, that were calculated and recorded for the respective assets for the nine month period ended September 30, 2005, will be defined, finalized and recorded during the period of the above procedure, which is expected to be completed until the publication of the financial statements for the fiscal year ended December 31, 2005.

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

- (a) All properties appraised were considered to be at the ownership of PPC.
- (b) Properties that, during the appraiser's site inspection, were identified as having restraints were not valued.
- (c) The title deeds, building permits and other similar permits, required by the Greek law, are available by the Parent Company.

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- (d) The majority of properties appraised are held for use by Mines, Generation, Transmission and Distribution divisions of PPC, or for administrative purposes and are expected to be used as such for their remaining useful lives.
 - (e) IAS 16 "Property, Plant and Equipment" was applied with respect to the fair valuation of all fixed assets with the exception of some properties where IAS 40 "Investment Properties" was applied.
 - (f) 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.
 - (g) 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, as required by the International Valuation Standards.
- (e) **Asset Dismantlement Cost:** Based on the provisions of IAS 16 "Property, Plant and Equipment" the acquisition cost of an asset includes, among others, the initial estimates for the required dismantlement and removal cost of the asset in question. These costs are quantified and recognised in the financial statements, according to IAS 37 "Provisions, Contingent Liabilities and Contingent Assets". The Parent Company considers that dismantlement costs can be financed through the sell-out of materials deriving from the dismantlement procedure (mainly iron), especially in the case of lignite fired stations and the natural gas fired stations. In addition, as far as oil power plants are concerned, the Parent Company is currently in the process of examining the parameters that shape the dismantlement cost. The accompanying financial statements do not include a provision concerning the future dismantlement cost for all the above mentioned plant categories.

5. LOAN AGREEMENTS – REPAYMENTS

Within the nine month period ended September 30, 2005 the Parent Company has concluded the following loan agreements:

- One loan agreement of annual duration (with PPC's renewal option for one more year) of an amount of Euro 100 million, which has been reimbursed within the said period.
- Three long term agreements (with a duration of four, five and fifteen years, respectively) of a total amount Euro 385 million, out of which the amount of Euro 295 million was disbursed within the nine month period ended September 30, 2005.
- Four new overdraft facilities with total available credit line of Euro 145 million,. At September 30, 2005 the available credit line of the overdraft facilities amounted to Euro 295 million, while the non used portion of all overdraft facilities of the Parent Company amount to Euro 83,340.

The loan repayments for the nine month period ended September 30, 2005 amounted to Euro 277,812.

6. TRANSACTIONS WITH RELATED COMPANIES

The Parent Company's transactions with its subsidiaries and its associates for the nine months ended September 30, 2005 are as follows:

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	September 30	September 30
	2005	2004
Transactions with subsidiaries		
- PPC Telecommunications (rental charges)	25	-
Transactions with associates		
<u>HTSO S.A</u>		
- Transmission system usage	172,655	164,553
- Administrative fees	7,808	7,692
- Other services	18,272	17,328
- Transmission system usage fees	(214,452)	(192,011)
- Energy purchases from renewable sources	(41,192)	(30,033)
<u>Larko</u>		
- Energy sales	27,372	19,455
<u>Tellas</u>		
- Rental charges	64	-
- Optic fibre rental charges (note 1)	2,294	1,649
- Other income	337	11
- Telephone charges	(1,167)	(933)

Fees concerning management members amounted to Euro 1,285 and Euro 1,353 for the nine month period ended September 30, 2005 and September 30, 2004, respectively and Euro 1,937 for the year ended December 31, 2004.

The Parent Company has guaranteed for loans of an associate company (Tellas) up to the amount of Euro 30 million. This guarantee has been renewed on July 5, 2005 and it is valid until September 30, 2005.

The Parent Company's balances with its subsidiaries and its associates as of September 30, 2005 and December 31, 2004 are as follows :

	September 30	December 31
	2005	2004
Balances with subsidiaries		
<u>PPC Telecommunications S.A.</u>		
- Receivables (rental charges)	2,479	251
- Payables	-	-
Balances with associates		
<u>HTSO</u>		
- Receivables	34,492	26,364
- Payables	(45,891)	(35,692)
<u>Tellas</u>		
- Receivables	9,272	6,549
- Payables	(5,260)	(2,754)
<u>Larko</u>		
- Receivables	34,839	39,315
- Payables	-	-
<u>PPC Renewables S.A.</u>		

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- Receivables	958	958
- Payables	-	-
<u>PPC Rhodes S.A.</u>		
- Receivables	29	29
- Payables	-	-
<u>PPC Crete</u>		
- Receivables	18	18
- Payables	-	-

Transactions and balances between the Parent Company and its subsidiaries have been eliminated for consolidation purposes. Furthermore, the Parent Company, on September 30, 2005, has established a provision of Euro 28,541 against receivables from LARKO.

7. DIVIDENDS

The Parent Company's Shareholders General Assembly which took place on the April 20, 2004, approved the distribution of dividend of a total amount Euro 162,400 (Euro 0.70 per share), for the year 2003 of which an amount of Euro 162,189 has been paid until December 31, 2004 and an amount of Euro 19 has been paid during the six month period ended June 30, 2005.

On June 6, 2005 the Parent Company's Shareholders General Assembly approved the distribution of dividends of a total amount Euro 208,800 (Euro 0.90 per share), for the year 2004, of which an amount of Euro 182,098 has been paid until September 30, 2005.

8. COMMITMENTS AND CONTINGENCIES

(a) Agreement with WIND: One of PPC's subsidiaries, PPC Telecommunications S.A., has formed a new company with WIND. The company, WIND-PPC Holdings N.V., which participates exclusively in Tellas S.A. Telecommunications ("Tellas"), started providing fixed and fixed wireless telephony as well as Internet services in Greece in 2003. The Group's total estimated equity contribution into Tellas is expected to be approximately Euro 80 million, of which an amount of approximately Euro 51 million has already been invested through PPC Telecommunications S.A.

Furthermore, the Parent Company has also constructed a fibre-optic network along its existing lines which is leased to Tellas under an agreement expiring on December 31, 2017. PPC is responsible for maintaining the fibre-optic network in good order while rentals are receivable annually in arrears based on a formula defined in the agreement.

(b) Acquisition Program:

In December 2004, the Management Committee of the Parent Company approved the participation of the Company in the tender process for the privatization of 3 power plants in Bulgaria in Varna, Bobov Dol and Russe.

8. Commitments and Contingencies – Continued

(b) Acquisition Program - Continued

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At the beginning of 2005, the Company decided to restrict its participation in the bidding process to the power plants of Varna (6 generating units of 210 MW each, fuelled by imported coal) and Bobov Dol (3 generating units of 210 MW each, fuelled by domestic lignite) submitting the highest offer equal to Euro 70.9 million. Additionally, the Parent Company announced that it will proceed to a capital increase of Euro 34.4 million, approximately, in the event it acquires the plant of Bobov Dol.

The Bulgarian Privatization Agency (P.A.) has cancelled the open tender for the sale of TPP "Bobov Dol" EAD. According to P.A., the decision was motivated by the unsatisfactory offers which do not comply with the tender's objectives. The Parent Company has appealed the decision of the P.A., in front of the Supreme Administrative Court (S.A.C) of Bulgaria. The appeal was heard on November 8, 2005. During the above mentioned hearing, PPC asked for the P.A. to submit additional documents, in order to complete the brief. The Court has approved PPC's request and will set a new court date, as soon as the additional data are submitted.

(c) **Ownership of Property:** According to a study performed by an independent law firm, 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 (note 4).
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, following a decision of PPC's Board of Directors and a related approval by the Ministry of Development, to the State, at no charge, if this land is no more necessary to PPC S.A. for the fulfilment of its purposes.

(d) **Litigation and Claims:** The Group is a defendant in several legal proceedings arising from its operations. The total amount claimed as at September 30, 2005 amounts to approximately, Euro 365 million, as further analysed below:

1. **Claims with contractors, suppliers and other claims:** A number of contractors and suppliers have raised claims against the Group, 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 approximately Euro 212 million. In most cases the Group has raised counter claims, which are not reflected in the accounting records until the time of collection.

8. Commitments and Contingencies – Continued

(d) **Litigation and Claims - Continued**

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2. **Fire incidents:** A number of individuals have raised claims against the Group for damages incurred as a result of alleged electricity-generated fires. The cases relate mainly to the years 1993 through 1996 and the total amount involved is approximately Euro 54 million.
3. **Claims by employees:** Employees are claiming the amount of Euro 99 million, for allowances and other benefits that according to the employees should have been paid by PPC. The majority of the above amount relates to periods prior to 1996.

For the above amounts the Group has established provisions, which at September 30, 2005 totalled approximately Euro 149 million.

(f) 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. Several Environmental Permits and operating Licenses have yet to be obtained by individual PPC operating units. This includes some of the mines, Megalopolis A power station, some of the hydroelectric stations and a large part of the national transmission network and the new small exploitations of the Achlada and Klidi mines.
2. The Messochora inhabitants have challenged the last environmental permit granted for the Acheloos project, including Messochora, as well as ancillary specific construction relating to Messochora on environmental grounds and the law relevant to the expropriation of the land for flooding of the Messochora dams. The Parent Company has invested Euro 263.9 million on this project at September 30, 2005. The final hearing to the environmental permit for Acheloos took place on June 4th, 2004 and the relevant decisions No 1688/2005(June 3, 2005) and 1691/2005 (June 3, 2005) issued by the Supreme Court repealed the environmental permit granted for the Acheloos project as well as the ancillary projects. After these Decisions a new Environmental Impact Assessment study dealing only with the Messochora hydroelectric project and the three ancillary projects of PPC SA, was prepared by PPC S.A. This study was submitted to the Greek Ministry of Environment, in October 2005, for the issue of New Environmental Terms of the Messochora Hydroelectric Project and the three ancillary projects of PPC S.A. and therefore will disconnect PPC SA from the whole Acheloos project issue. The Management estimates that a new Environmental Permit will be granted and the project will be completed.
3. Under IPPC (Integrated Pollution Prevention and Control), the Best Available Techniques for Large Combustion Plants (with a capacity greater than 50 MW) are about to be defined at a European level. These may: (1) require additional to the already foreseen investments at PPC's larger thermal power plants stations, (2) reduce the hours of operation of its oil fired stations. Under European Directive 2001/80/EC, for existing Large Combustion Plants, a pollutants emission reduction plan has been approved by the PPC's Board of Directors, and this includes the following measures:

8. Commitments and Contingencies - Continued

(f) Environmental Obligations - Continued

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- Units I and II of Megalopolis A plant will enter the status of limited hours of operation (20,000 hours each) from January 1, 2008 until December 31, 2015 at the latest.
- Until the end of 2007, all measures for facing the operational problems of the flue gas desulphurisation plant in unit IV of Megalopolis plant should be completed.
- 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 reduction plant, should be implemented.

PPC's emission reduction plan has been submitted in time to the authorities, in order to be incorporated in the national emission reduction plan of the country, according to the provisions of the aforementioned Directive.

4. The extent of contaminated land has yet to be defined 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 stations for the foreseeable future. Remediation, however, may be warranted at some of the firm's oil-fired stations, and depots and of its underground networks in the future.
5. PPC has undertaken limited studies on the presence of asbestos-containing materials at its premises. Upon submission by PPC S.A. of a full environmental impact assessment, the Ministry of Environment has issued in May 2004 the environmental permit by the Common Ministerial Decision 124528 for the construction and operation by our Company of an environmentally – controlled landfill site for the disposal of the bulk of our asbestos containing material at this facility.
6. Exposure of the public to electromagnetic fields from PPC's transmission lines and substations, is substantially less than the exposure guidelines thresholds developed by the International Commission on Non Ionising Radiation Protection (ICNIRP), CENELEC and defined by the Greek Legislation based on L. 3060 FOR 238 (Official Gazette 512B/25.04.2002).

9. Subsequent Events

- In November 2005 the Parent Company realized the last disbursement of Euro 90 million from a long term loans of a total amount Euro 260 million which was concluded in June 2005 for the financing of its investments.
- In November 2005, the Parent Company entered into three interest rate swap transactions from floating to fixed interest rate, for a total amount of Euro 175 million.

10. Segment Information

	September 30,2005						
	Mines	Generation	Transmission	Distribution	Eliminations	Total	
Revenues	584,441	2,328,856	153,318	3,071,370	(2,898,548)	3,239,437	
Segment result	40,162	197,251	44,047	46,018	-	327,478	

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Net financial results												(86,791)
Share of loss in associates												(8,333)
Profit before tax												232,354
Income Taxes												(77,213)
Net Profit												155,141

	September 30, 2004						
	Mines	Generation	Transmission	Distribution	Eliminations	Total	
Revenues	658,089	2,175,342	156,260	2,921,094	(2,832,384)	3,078,401	
Segment result	71,486	279,899	65,385	96,737	-	513,507	
Net financial results						(95,577)	
Share of loss in associates						(9,902)	
Profit before tax						408,028	
Income Taxes						(151,748)	
Net Profit						256,280	

The expense of emission allowances of CO₂ for the nine month period ended September 30,2005 is included in the sector of Generation

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11. Summary of Significant Differences between Greek GAAP and IFRS

The following reconciliation table summarises the significant adjustments to shareholders' equity as at December 31, 2003, September 30, 2004 and December 31, 2004 that were applied to the statutory financial statements in order to comply with IFRS:

	Group		
	December 31	September 30	December 31
	2003	2004	2004
Shareholders' equity per Greek GAAP	4,459,662	4,919,859	5,245,493
- Account for fixed assets subsidies and customers' contributions as deferred income rather than as part of the shareholders' equity	(1,272,828)	(1,391,963)	(1,416,092)
- Reverse depreciation on fixed assets statutory revaluation surplus	(72,534)	(72,534)	(76,108)
- Account for deferred income taxes	104,422	89,563	87,487
- Account for marketable securities and financial instruments at fair values	(46,437)	(38,903)	(33,813)
- To defer and amortise loan fees and expenses	12,034	10,248	9,653
- Fixed assets' depreciation	77,751	131,767	151,608
- Income Tax	-	(126,989)	-
- Unrealised foreign exchange gains/(losses)	51,684	50,240	40,176
- Dividends	162,400	-	208,800
- Lignite costing	(875)	(875)	(875)
- Other	8,475	10,648	9,080
	(975,908)	(1,338,798)	(1,020,084)
Shareholders' equity per IFRS	3,483,754	3,581,061	4,225,409

	Parent Company		
	December 31	September 30	December 31
	2003	2004	2004
Shareholders' equity per Greek GAAP	4,459,662	4,919,859	5,245,493
- Account for fixed assets subsidies and customers' contributions as deferred income rather than as part of the shareholders' equity	(1,272,828)	(1,391,963)	(1,416,092)
- Reverse depreciation on fixed assets statutory revaluation surplus	(72,534)	(72,534)	(76,108)
- Account for deferred income taxes	104,422	89,563	87,487
- Account for marketable securities and financial instruments at fair values	(46,437)	(38,903)	(33,813)
- To defer and amortise loan fees and expenses	12,034	10,248	9,653
- Fixed assets' depreciation	77,751	131,767	151,608
- Income Tax	-	(126,989)	-
- Unrealised foreign exchange gains/(losses)	51,684	50,240	40,176
- Dividends	162,400	-	208,800
- Lignite costing	(875)	(875)	(875)
- Reversal of provision for the devaluation of associates	30,218	42,578	36,356
- Other	8,475	8,475	9,080
	(945,690)	(1,298,393)	(983,728)
Shareholders' equity per IFRS	3,513,972	3,621,466	4,261,765

Public Power Corporation S.A.
Notes to the interim consolidated and stand alone financial statements
In accordance with IFRS
September 30, 2005
(All amounts in thousands of Euro, unless otherwise stated)

11. Summary of Significant Differences between Greek GAAP and IFRS - continued

The Reconciliation Table below summarises the significant adjustments to net income (loss) for the year 2003, for the nine months ended September 30, 2004 and the year 2004 that were applied to the statutory financial statements in order to comply with IFRS:

	Group		
	December 31	September 30	December 31
	2003	2004	2004
Net income per Greek GAAP	199,788	341,071	244,061
- Reverse depreciation on fixed assets statutory revaluation surplus	1,920	-	-
- Real estate assets devaluation	-	-	(17,065)
- Account for deferred income taxes	(5,465)	(14,859)	(34,826)
- Account for marketable securities and financial instruments at fair values	14,659	4,099	3,986
- To defer and amortise loan fees and expenses	(1,405)	(1,786)	(2,381)
- Fixed assets' depreciation	67,308	54,016	73,857
- Income tax	8,933	(126,989)	-
- Tax on revaluation surplus	-	-	(36,398)
- Unrealised foreign exchange gains/(losses)	3,606	(1,444)	(11,508)
- Reverse unused provisions	2,353	-	-
- Lignite costing	4,233	-	-
- Other	8,698	2,172	604
	104,840	(84,791)	49,065
Net income per IFRS	304,628	256,280	293,126

	Parent Company		
	December 31	September 30	December 31
	2003	2004	2004
Net income per Greek GAAP	199,788	341,071	244,061
- Reverse depreciation on fixed assets statutory revaluation surplus	1,920	-	-
- Real estate assets devaluation	-	-	(17,065)
- Account for deferred income taxes	(5,465)	(14,859)	(34,826)
- Account for marketable securities and financial instruments at fair values	14,659	4,099	3,986
- To defer and amortise loan fees and expenses	(1,405)	(1,786)	(2,381)
- Fixed assets' depreciation	67,308	54,016	73,857
- Income tax	8,933	(126,989)	-
- Tax on revaluation surplus	-	-	36,398
- Unrealised foreign exchange gains/(losses)	3,606	(1,444)	(11,508)
- Reverse unused provisions	2,353	-	-
- Lignite costing	4,233	-	-
- Reversal of provision for the devaluation of associates	27,303	12,360	8,785
- Other	8,698	-	604
	132,143	(74,603)	57,850
Net income per IFRS	331,931	266,468	301,911