

CHALKOKONDYLI 30 - 104 32 ATHENS

ASSETS Total non current assets Materials, spare parts and supplies, net Trade receivables

Other current assets TOTAL ASSETS **EQUITY AND LIABILITIES** Non current liabilities Short term borrowings Other curent liabilities Total liabilities (a)
Total Shareholders' Equity (b) Minority interests (c)

TOTAL LIABILITIES AND EQUITY (a)+(d)

FINANCIAL DATA AND INFORMATION FOR THE PERIOD January 1 2006 - September 30 2006

REG. No: 47829/06/B/00/2

THE GROUP $\underline{01.01\text{--}30.09.2006} \quad \underline{01.01\text{--}30.09.2005} \quad \underline{01.07\text{--}30.09.2006} \quad \underline{01.07\text{--}30.09.2005}$

According to the Decision 2/396/31.08.2006 of the Hellenic Capital Market Commission's Board of Directors

The following infromation is a general overview of the financial status of Public Power Corporation S.A. and PPC Group. We recommend to our readers before proceeding to any investing transaction to visit our site, www.dei.gr, where all the periodically financial statements are published, according to IAS as well as the auditor's report whenever is requested. The interim financial statements as of September 30, 2006 have been approved by the Board of Directors of November 21, 2006

BALANCE SHEET Amounts in thousands of Euro

STATEMENT OF OPERATIONS Amounts in thousands of Euro

	THE GR	OUP	THE CO	MPANY	
	30.09.2006	31.12.2005	30.09.2006	31.12.2005	Sales
	11.259.484 585.903 918.845 76.447 12.840.679	11.243.339 557.834 781.617 79.859 12.662.649	11.320.434 585.903 919.916 71.685 12.897.938	11.304.032 557.834 782.281 71.034 12.715.181	Gross operating results Profit before tax, financing and investing activities and depreciation and amortisation Profit before tax, financing and investing activities
	5.609.902 1.097.750 963.229	5.894.469 636.080 923.319	5.609.902 1.097.750 963.190	5.894.469 636.080 923.285	Profit before tax Income tax expense Profit after tax from continuing activities (a) Profit after tax from discontinuing activities (b) Profit after tax (continuing and discontinuing activities) (a)+(b)
1)	7.670.881 5.169.798 0 5.169.798 12.840.679	7.453.868 5.208.781 0 5.208.781 12.662.649	7.670.842 5.227.096 0 5.227.096 12.897.938	7.453.834 5.261.347 0 5.261.347 12.715.181	<u>Distributed to:</u> Company's Shareholders Minority interests Earnings per share, basic and diluted (in Euro)

Sales Gross operating results	3.575.940 552.283	3.239.437 1.104.834	1.244.616 91.152	1.120.434 306.218
Profit before tax, financing and investing activities and depreciation and amortisation	632.579	731.215	155.686	174.038
Profit before tax, financing and investing activities	189.746	339.521	4.367	39.464
Profit before tax Income tax expense	106.347 (34.196)	231.892 (77.065)	(35.096) 11.074	9.117 (1.663)
Profit after tax from continuing activities (a)	72.151	154.827	(24.022)	7.454
Profit after tax from discontinuing activities (b)	0	0	0	0
Profit after tax (continuing and discontiuing activities) (a)+(b)	72.151	154.827	(24.022)	7.454
Distributed to:				
Company's Shareholders	72.151	154.827	(24.022)	7.454
Minority interests	0	0	0	0
Earnings per share, basic and diluted (in Euro)	0,31	0,67	(0,10)	0,03

STATEMENT OF CHANGES IN EQUITY

Amounts in thousands of Euro

	THE GROUP		THE COMPANY	
	30.09.2006	30.09.2005	30.09.2006	30.09.2005
Balance at the beginning of the year (01.01.2006 and 01.01.2005, respectively)	5.208.781	4.221.370	5.261.347	4.257.726
Profit after tax	72.151	154.827	76.883	163.191
Increase / (Decrease) of Share Capital	0	0	0	0
Dividends distributed	(116.000)	(208.800)	(116.000)	(208.800)
Net gains and losses recognised directly in equity	4.866	1.015.464	4.866	1.015.541
Purchase / (Sale) of own shares	0	0	0	0
Equity at the end of the period (30.09.2006 and 30.09.2005, respectively)	5.169.798	5.182.861	5.227.096	5.227.658

Additional data and information for the Group:

Amounts in thousands of Euro

1	. The Group's companies with their respective address	es and participation perc	entages, that are included in	the consolidated	d financial statem	ents are listed bel	low:
	PPC S.A.	Parent Company	30, Chalkokondyli str.	Athens	104 32	Greece	
	PPC Renewable Sources S.A.	100%	56-58, Agisilaou str.	Athens	104 36	Greece	
	PPC Rhodes S.A. (formerly KOZEN HELLAS)	100%	57, Veranzerou str.	Athens	104 38	Greece	
	PPC Telecommunications S.A.	100%	89, Dyrahiou str.	Athens	104 43	Greece	
	PPC Kriti S.A.	100%	56-58, Agisilaou str.	Athens	104 36	Greece	

The above -mentioned companies have been consolidated.

The Annual Shareholders' General Assemblies for PPC Rhodes S.A. and PPC Kriti S.A. have decided to dissolve the aforementioned companies and to initiate the appropriate procedures on July 1st, 2006. The liquidation procedures are yet to be completed.

The Group's subsidiaries which are fully consolidated have not been audited by the tax authorities since their establishment, with the exception of PPC

- Telecommunications S.A. which has been audited by the tax authorities up to December 31, 2002 according to the provisions of Law 3259/2004
- 3. There was no change in the accounting principles for the audited consolidated financial statements for the year ended December 31, 2005. 4. There exist no burdens on the Group's fixed assets, the existence of which could materially affect the Group's financial position.
- 5. Adequate provisions have been established for all litigation.
- 6. Total payrolls of the Group number 26.669 employees and 27.656 as of 09.30.2006 and 09.30.2005, out of which 140 employees and 153 employees, respectively work
- exclusively for the Hellenic Transmission System Operator and for which the Parent Company is compensated.

 7. Sales and purchases of the Group, for the nine month period ended September 30, 2006, as well as receivables and payables, that arose from the transactions of the Group to its related companies according to IAS 24, amount to Euro 255.701, Euro 452.407, Euro 167.389 and Euro 175.403, respectively. Fees concerning management members amounted to Euro 1.129 for the nine-month period en
- Capital expenditure of the Group for the period amounted to approximately Euro 493 million.
- 9. The final clearance and reconciliation of the balances of the PPC Personnel Insurance Organisation (PPC PIO) has not yet been finalised

Additional data and information for the Parent Company:

1. The Parent Company has been audited by the tax authorities up to December 31, 2003.

- 2. There was no change in the accounting principles for the audited financial statements for the year ended December 31, 2005. Till 31.12.2004 the provision for mines' restoration was calculated based on the total surface for restoration as at the end of each period, multiplied by the average cost of restoration per metric unit. On 31.12.2005 the company modified the above methodology in accordance with the provisions of the IFRIC 1 "Changes in existing Decommissioning, Restoration and similar Liabilities". The compared financial statements for the nine month period ended September 30, 2005 have been readjusted after the adoption of the revisions as per the IFRIC 1. These revisions have had as effect the decrease of the profits before tax by Euro 462 and of the profit after tax by Euro 314, and the decrease in accrued
- provision by Euro 18,9 million which was credited in the beginning Retained Earnings and the creation of asset and provision with value amounting to Euro 14,4 million.

 In April 2005, PPC participated in the tender process for the privatization of 3 power plants in Bulgaria. PPC has submitted offers for two out of the three companies (Boboy Dol and Varna) and was the highest bidder for the Boboy Dol power plant. After a legal dispute that stalled the tender procedure for the sale of Thermal Power Plant of Bobov Dol EAD for more than a year, the Privatization Agency of Bulgaria with its Decision No 3074P of July 4, 2006 declared PPC as the winning bidder, for the Bobov Dol power plant and summoned PPC to negotiations in order to complete the deal. PPC, due to the amount of time elapsed, proceeded with a confirmatory due diligence, after which negotiations were repeated in order to conclude the Agreement, until September 12, 2006. Bulgaria's Privatization Agency rescheduled, in time, the above mentioned deadline for December 11, 2006. The negotiations are currently under way.
- In May 2006, PPC's Board of Directors has approved the Company's Business Plan for the five year period 2006 2010, as well as a Study for the enhancement of performance and the rationalization of costs, for the same period. The basic axis of PPC's Business Plan is the Conversion Programme under the name "HERCULES".
- 5. PPC's Board of Directors, by its Decision 2/10.01.2006, has approved lump sum payments of up to 20 monthly wages to employees who would retire voluntarily until December 31, 2006, subject to terms specified in the above mentioned Decision. In the nine months ended September 30, 2006, 72 employees filed applications for voluntary retirement, with a corresponding cost that amounts to Euro 6.348 and for which the Parent Company has established a provision in the accompanying financial statements. The Parent Company estimates that the total amount to be paid to employees' voluntary retirement will not exceed Euro 17,6 million.

 6. In the context of PPC's new Business Plan for the period 2006-2010, the Board of Directors approved, in July 2006, PPC's participation in a Societe Anonyme for
- investment, development and management of energy sector projects. The new company's object is the ownership, investment, operation, development and management of energy sector projects, including exploitation of mineral rights, in South East Europe, Italy, Turkey and selectively in the Mediterranean area. In addition, the Board of Directors approved, in July 2006, the Business Strategy Plan for the 2006 -2011 period for the Holding Company SENCAP S.A. ("SENCAP"), as well as the payment of an amount of Euro 5.030 for PPC's initial participation in the SENCAP's share capital, in order to cover for operational costs by the end of 2007. Finally, in August 2006, the Board of Directors approved the new Shareholders' Agreement according to which PPC and Contour Global will each participate by 50% in the SENCAP's share capital, which will amount to Euro 600 million for the next five years with corresponding voting rights. Moreover, it approved the commencement of negotiations, by PPC, with the European Bank for Research and Development (EBRD) for the latter's participation in SENCAP's share capital by 10%. In that event, PPC and Contour Global will participate by 45% each in SENCAP's share capital while EBRD will participate by the remaining 10%.
- There exist no burdens on the Parent Company's fixed assets, the existence of which could materially affect the Parent Company's financial position
- 8 Adequate provisions have been established for all litigation
- 9. Total payrolls of the Parent Company number 26.669 employees and 27.655 employees as of 09.30.2006 and 09.30.2005 respectively, out of which 140 employees and 153 employees, respectively work exclusively for the Hellenic Transmission System Operator and for which the Parent Company is compensated.
- 10. Sales and purchases of the Parent Company to its related companies (according to IAS 24), for the nine month period ended September 30, 2006 amount to Euro 255.746 and Euro 452.407, respectively. As at September 30, 2006 the receivables and the payables of the Parent Company due to the related companies amount to Euro 168.918 and Euro 175.403, respectively. Fees concerning management members amounted to Euro 1.071 for the nine-month period ended September 30, 2006. Capital expenditure of the Parent Company for the period, amounted to approximately Euro 493 million.
- 12. The issuance of the common Ministerial Decision 36028/1604 (Official Gazette 1216/B/01.09.2006) finalized the Greek National Allocation for the first trading period 2005 – 2007. According to the above mentioned National Allocation Plan, PPC has been allocated for the period 2005 - 2007 emission allowances of 159.131 kt CO₂ out of which 52.224 kt CO₂2 correspond to the year 2005, 53.297 kt CO₂ to the year 2006 and 53.610 kt to the year 2007. For the nine months of 2006, it is estimated that PPC has a surplus of 1,61 Mt CO2 allowances. Consequently, no charge for CO2 emission allowances purchases has been made to the income statement for the nine months ended September 30. 2006.

S	AIEMEN	T OF OPERATIONS
	Amounte i	n thousands of Furo

	THE COMPANY			
	01.01- 30.09.2006	01.01- 30.09.2005	01.07- 30.09.2006	01.07- 30.09.2005
Sales	3.575.940	3.239.437	1.244.616	1.120.434
Gross operating results	552.283	1.104.834	91.152	306.218
Profit before tax, financing and investing activities and				
depreciation and amortisation	632.820	731.425	155.751	174.126
Profit before tax, financing and investing activities	189.987	339.731	4.432	39.552
Profit before tax	111.079	240.256	(32.952)	11.501
Income tax expense	(34.196)	(77.065)	11.074	(1.663)
Profit after tax from continuing activities (a)	76.883	163.191	(21.878)	9.838
Profit after tax from discontinuing activities (b)	0	0	0	0
Profit after tax (continuing and discontiuing activities) (a)+(b)	76.883	163.191	(21.878)	9.838
Distributed to:				
Company's Shareholders	76.883	163.191	(21.878)	9.838
Minority interests	0	0	0	0
Earnings per share, basic and diluted (in Euro)	0,33	0,70	(0,09)	0,04

CASH FLOW STATEMENT Amounts in thousands of Euro

		THE GROUP		THE COMPANY	
		01.01- 30.09.2006	01.01- 30.09.2005	01.01- 30.09.2006	01.01- 30.09.2005
	Cash Flows from Operating Activities				
	Profit before tax	106.347	231.892	111.079	240.256
	Plus / minus adjustments :				
	Depreciation and amortisation	485.617	476.468	485.617	476.468
(Amortisation of customers' contributions and subsidies	(42.784)	(84.774)	(42.784)	(84.774)
	Fair value (gain)/loss of derivative instruments	(14.152)	(7.928)	(14.152)	(7.928)
	Share of loss / (gain) of associates	(6.393)	8.333	(11.201)	Ó
	Interest income	(9.686)	(14.171)	(9.682)	(13.991)
	Sundry provisions	18.916	18.073	18.916	18.073
	Unrealised foreign exchange (gains)/losses on interest bearing loans and borrowings	(535)	387	(535)	387
	Unbilled revenue	(3.320)	(36.047)	(3.320)	(36.047)
	Amortisation of loan origination fees	1.634	1.615	1.634	1.615
	Interest expense	114.947	103.070	114.944	103.069
	Operating profit before working capital changes	650.591	696.918	650.516	697.128
	(Increase) / Decrease of materials	(18.184)	9.334	(18.184)	9.334
	(Increase) / Decrease of matchas	(152.883)	(81.700)	(153.290)	(81.461)
	Increase / (Decrease) of liabilities (excluding banks)	62.614	(103.293)	62.609	(103.039)
	Net Cash from Operating Activities (a)	542.138	521.259	541.651	521.962
	Cash Flows from Investing Activities	0.200	0211200		
er	Investments	(14.759)	0	(10.207)	0
	Capital expenditure for fixed assets and software	(493.012)	(534.416)	(493.012)	(534.416)
	Disposal of fixed assets and software	7.979	5.359	7.978	5.359
	Interest received	9.686	11.732	9.682	11.552
	Proceeds from customers' contributions and subsidies	136.972	138.611	136.972	138.611
	Net Cash used in Investing Activities (b)	(353.134)	(378.714)	(348.587)	(378.894)
	Cash Flows from Financing Activities				
	Net change in short-term borrowings	80.600	24.610	80.600	24.610
	Proceeds from interest bearing loans and borrowings	450.000	395.000	450.000	395.000
	Principal payments of interest bearing loans and borrowings	(501.481)	(277.812)	(501.481)	(277.812)
	Interest paid	(104.844)	(91.261)	(104.841)	(91.260)
	Dividends paid	(115.631)	(182.117)	(115.631)	(182.117)
	Net Cash used in Financing Activities (c)	(191.356)	(131.580)	(191.353)	(131.579)
	Net increase / (decrease) in cash and cash equivalents (a) + (b) + (c)	(2.352)	10.965	1.711	11.489
	Cash and cash equivalents at the beginning of the period	38.176	28.071	29.351	20.274
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13. In the nine month period ended September 30, 2006 the Parent Company has reversed part of the established provision for the impairment of its investment in LARKO S.A., which amounted to Euro 11.201 and which was also recognised by the Group as revenue resulting from an investment in LARKO, at September 30, 2006, based on the Equity Method). The Parent Company appointed an independent company to evaluate its investment in LARKO, at September 30, 2006, according to IAS 36. The above mentioned evaluation that will determine the retrievable amount of PPC's investment is yet to be completed.

35.824

39.036

31.062

31.763

- 14. The final clearance and reconciliation of the balances of the PPC Personnel Insurance Organisation (PPC PIO) has not yet been finalised.
- 15. According to Greek Law 3481/A/162/02.08.2006, article 13, paragraphs 3 and 4, the environmental terms for the continuation, completion and operation of the projects of the Acheloos River Diversion Scheme to Thessaly were approved and their compliance is a prerequisite for the realisation of the projects and for which responsibility lies with the administrator for execution and operation. Public Works 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. Under these terms, the continuation, completion and operation of the Messohora Power Plant are allowed. Based on the above-mentioned, the concessionaire of the contract has been given orders to continue with the project of
- 16. In September 2006, the Parent Company's Board of Directors has approved PPC's participation in a tender for the lease of research and exploitation of mineral rights in a public extractive area, which is located in Vevi, in the Florina prefecture. The Parent Company has submitted its offer and the evaluation process is continued.
- 17. In the context of PPC's right to replace old units with a capacity up to 1600 MW, its Board of Directors has decided for the Parent Company to take all necessar actions towards RAE and the Ministry of Development, in order to define the additional terms and prerequisites for a Combined Circle Unit with a capacity of 400 MW. using natural gas as a fuel, which will be implemented in Megalopolis Power Plant and which will be finished by the end of 2011.
- 18. The Company continues the procedure of clearing and settlement of the remaining balances for supplying materials and spare parts contracts

Cash and cash equivalents at the end of the period

FINANCIAL MANAGER ACTING CHIEF FINANCIAL OFFICER THE CHAIRMAN OF THE BOARD THE MANAGING DIRECTOR THE CHIEF ACCOUNTANT KONSTANTINOS A. KYRIAKOPOULOS GEORGE C. ANGELOPOULOS DIMITRIOS L. MANIATAKIS ELEFTHERIOS G. EXAKOUSTIDIS