



Public Power Corporation SA

Q1 2008

Athens, May 27, 2008



Agenda

Financial Results

Mr. George Angelopoulos, CFO

Actions to date

Dr. Takis Athanasopoulos,
Chairman and CEO



Financial Results

Mr. George Angelopoulos
Chief Financial Officer



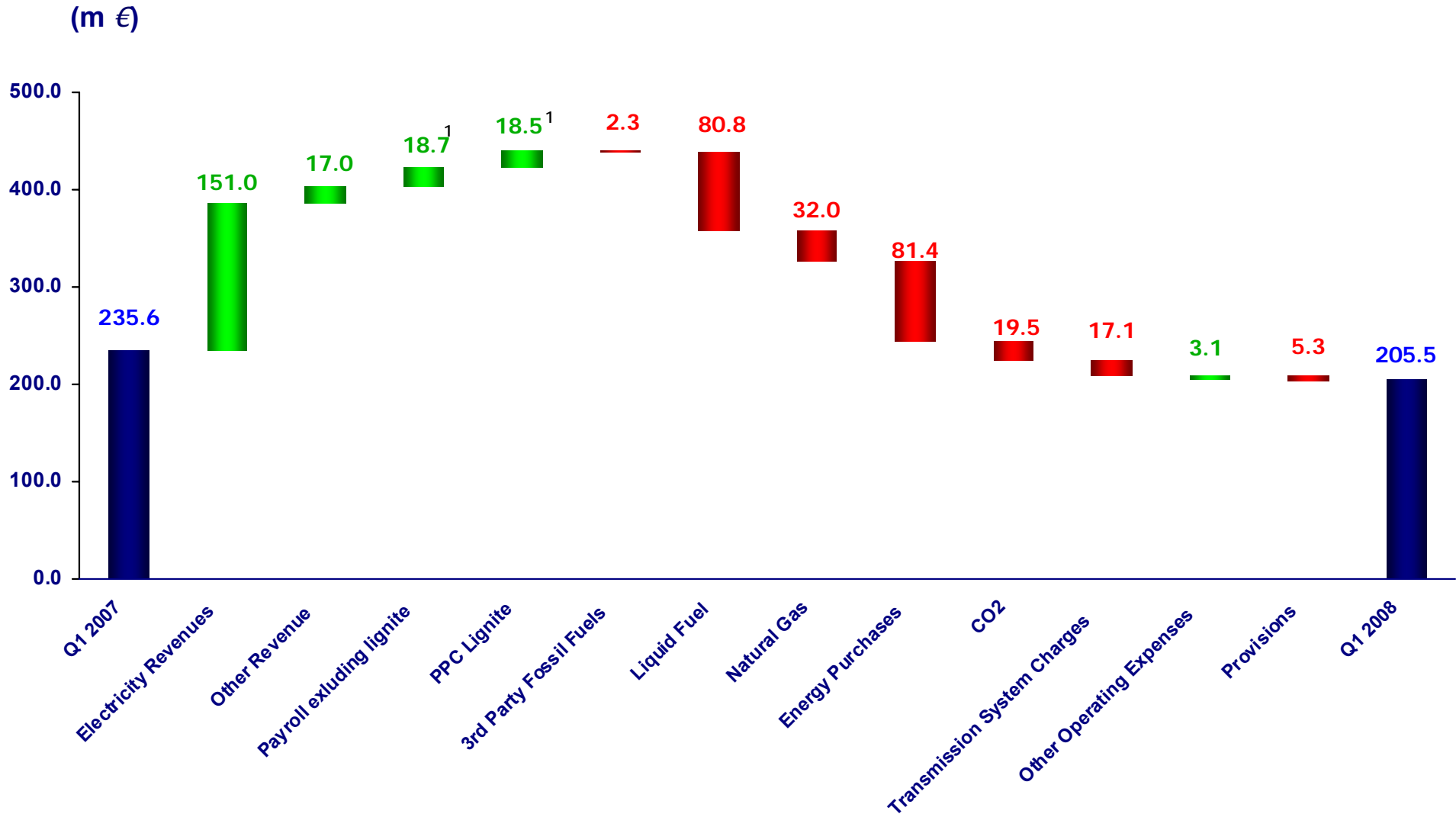
1th Quarter 08 Summary Financial Results: P&L

Key Figures (€ m)	1Q08	1Q07	Δ%
Total Sales	1,410.5	1,242.5	13.5
Electricity Sales	1,306.6	1,155.6	13.1
Payroll excluding Lignite ¹	235.6	254.3	-7.4
PPC Lignite ¹	139.0	157.5	-11.7
3 rd party fossil fuels	9.8	7.5	30.7
Fuel Costs	412.9	300.1	37.6
Energy Purchases	233.1	151.7	53.7
CO2	0.5	4.5	
Transmission System Charges	89.1	72.0	23.8
Other Operating Expenses	55.8	58.9	-5.3
CO2 Provisions	23.5	0	
Provisions	5.7	0.4	
EBITDA	205.5	235.6	-12.8
Depreciation (incl. lignite)	125.6	140.7	-10.7
Net Financial Expense	43.8	38.7	13.2
Pre-tax Profits	34.3	57.0	-39.8
Net Income	30.0	41.0	-26.8
EPS (€ per share)	0.13	0.18	

¹Does not include an impact from the Collective Labour Agreement under negotiation



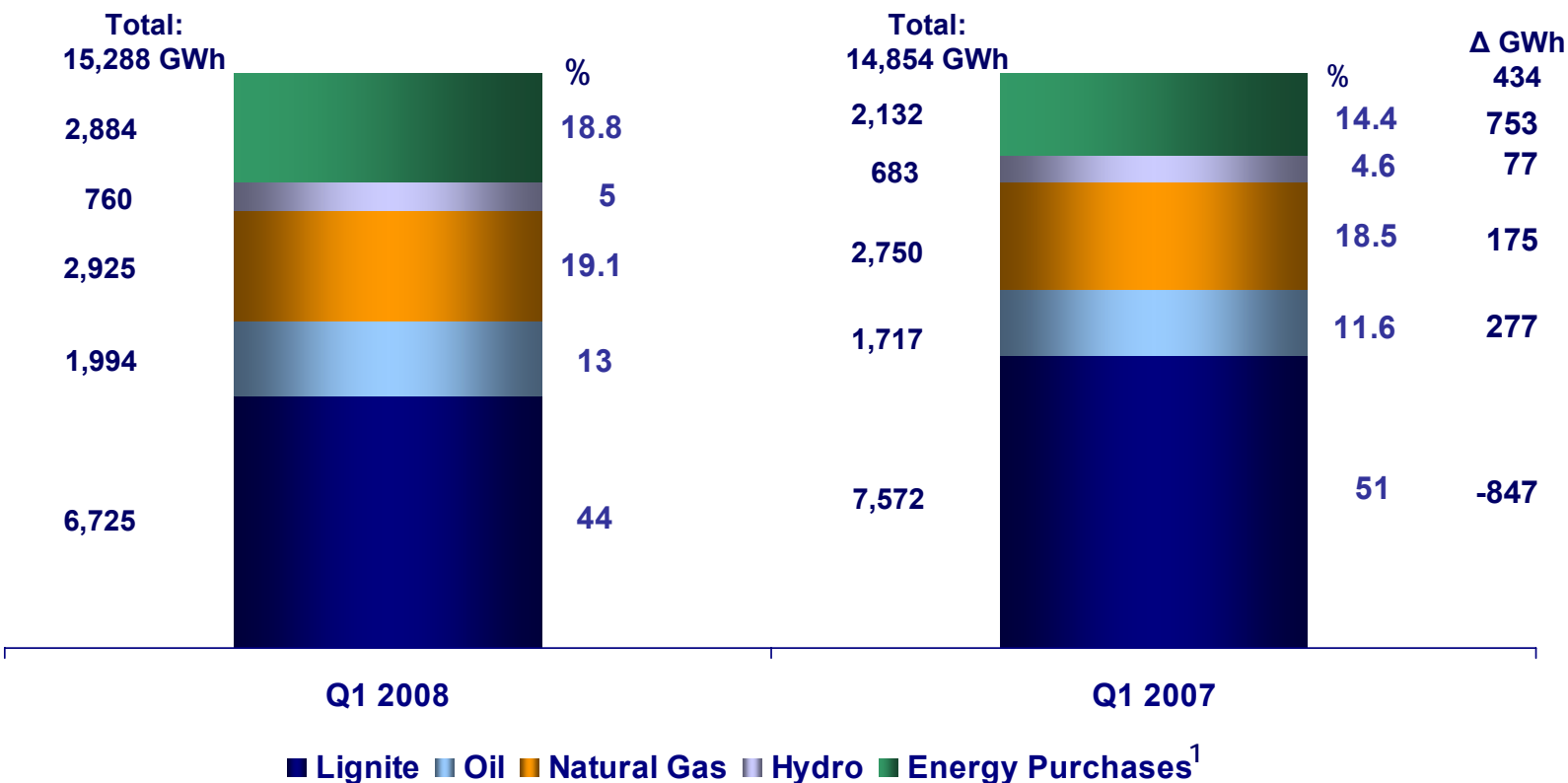
EBITDA Reconciliation – Q1 '08 vs. Q1 '07



¹Does not include an impact from the Collective Labour Agreement under negotiation



Energy Balance

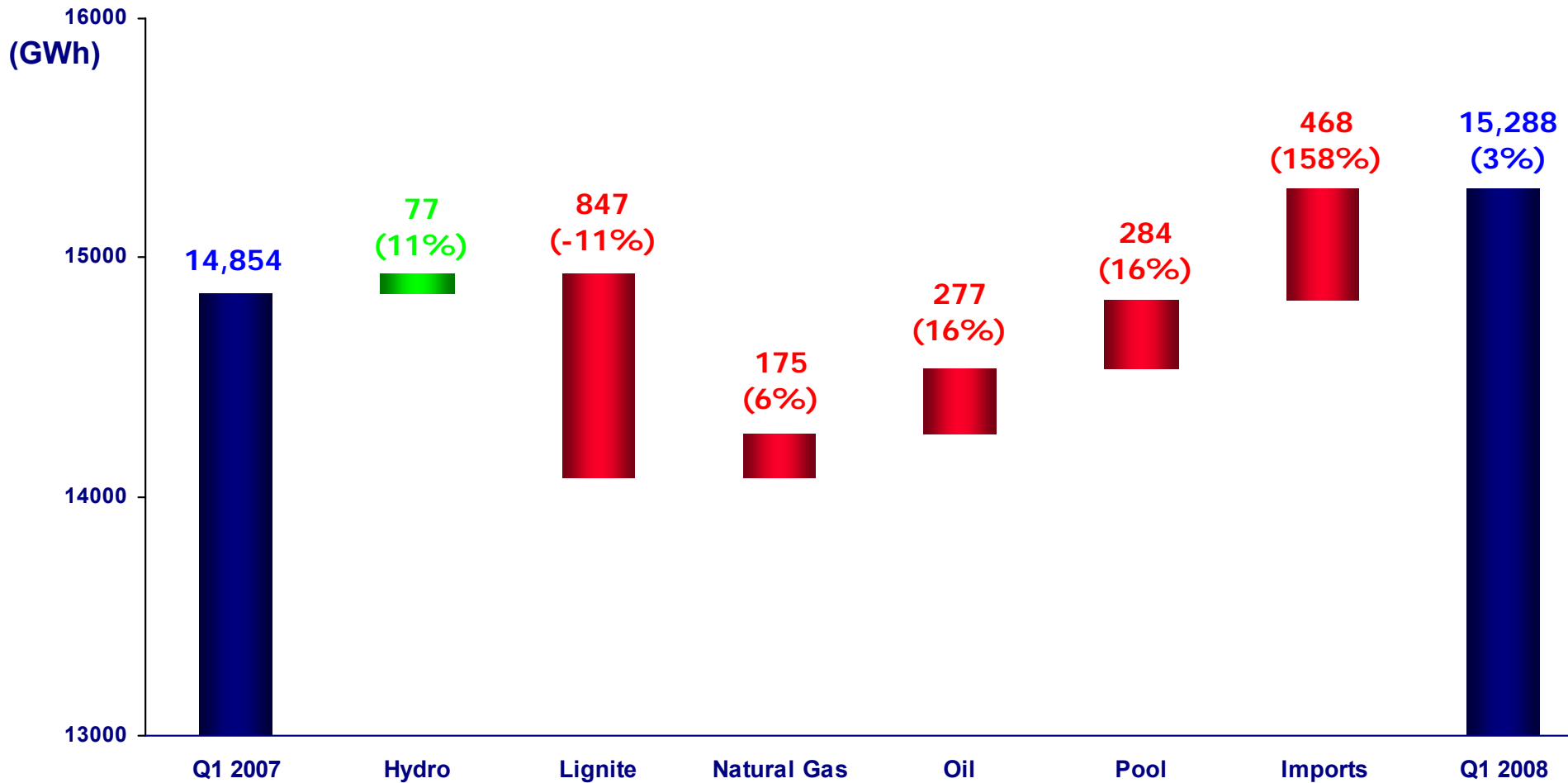


- Due to the March 08 18-day-strike and increased long term lignite plant maintenance, lignite generation decreased by 11%
- Despite the supply restrictions during the strike, total demand increased by 3% (434 GWh)
- Hydro conditions remained dry as in Q1 07
- As a result of the above, PPC met the increased demand and the reduced lignite generation by resorting to more expensive fuels and energy purchases

¹ Including PPC renewables generation 38GWh in Q108 & 39GWh in Q107



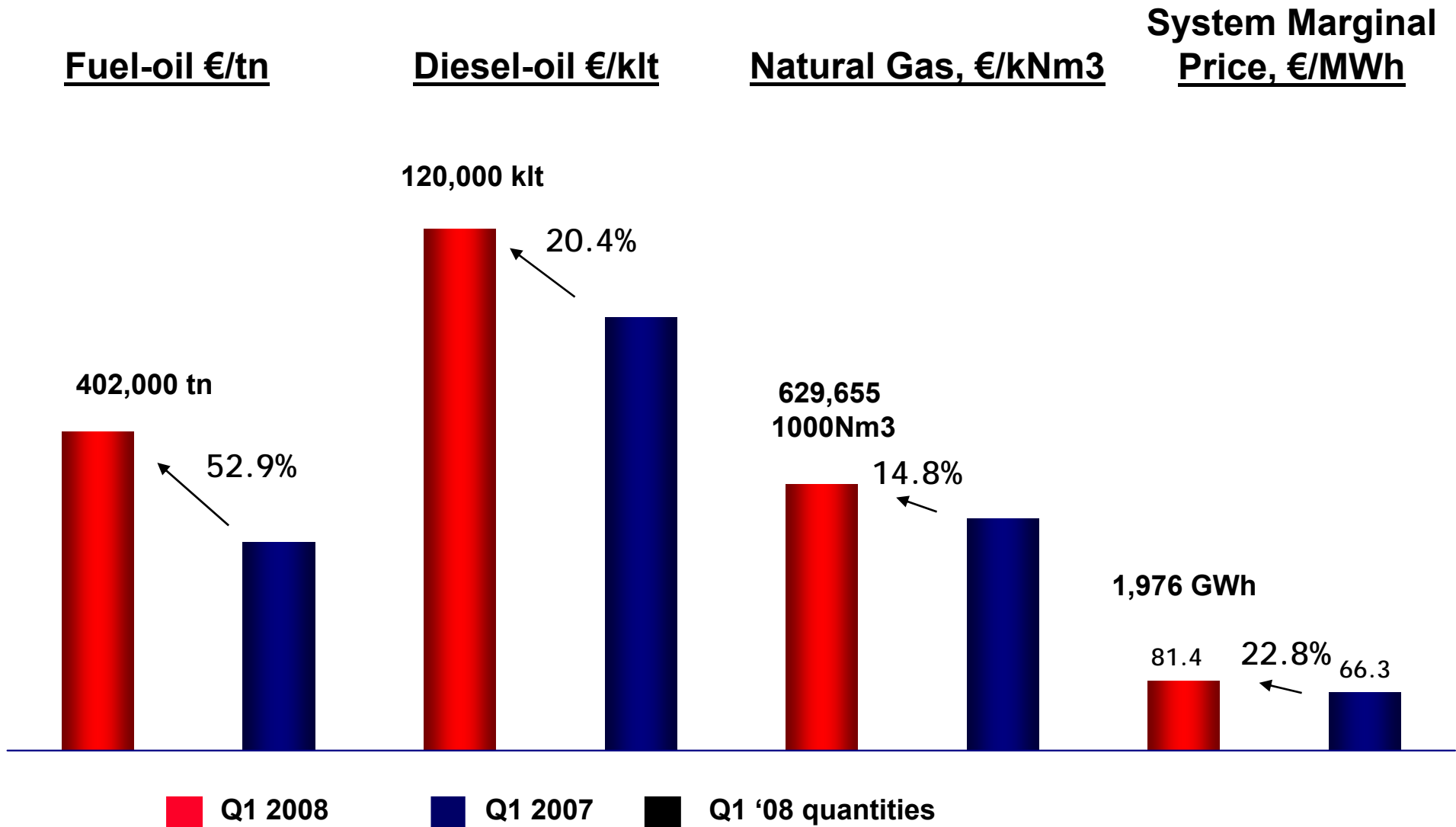
Energy Balance Reconciliation Q1 '08 vs. Q1 '07



- Expensive fuels and energy purchases replaced the decrease of lignite generation and covered the increase in demand

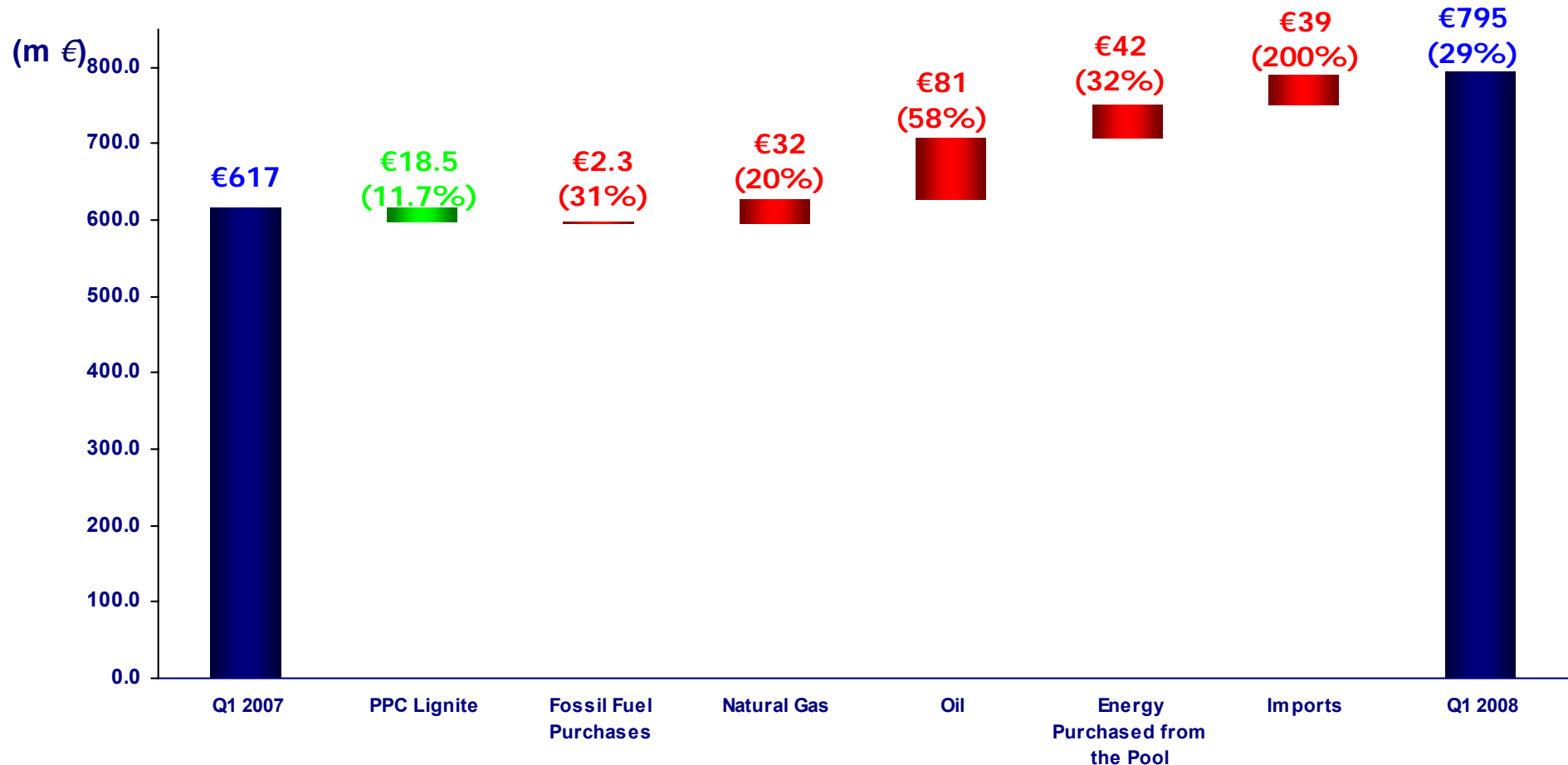


Unit Fuel Prices – Q1 '08 vs. Q1 '07





Energy Expenditure Q1 '08 vs. Q1 '07



- The 13.5% increase in revenues was outweighed by the 29% increase in energy expenditure.

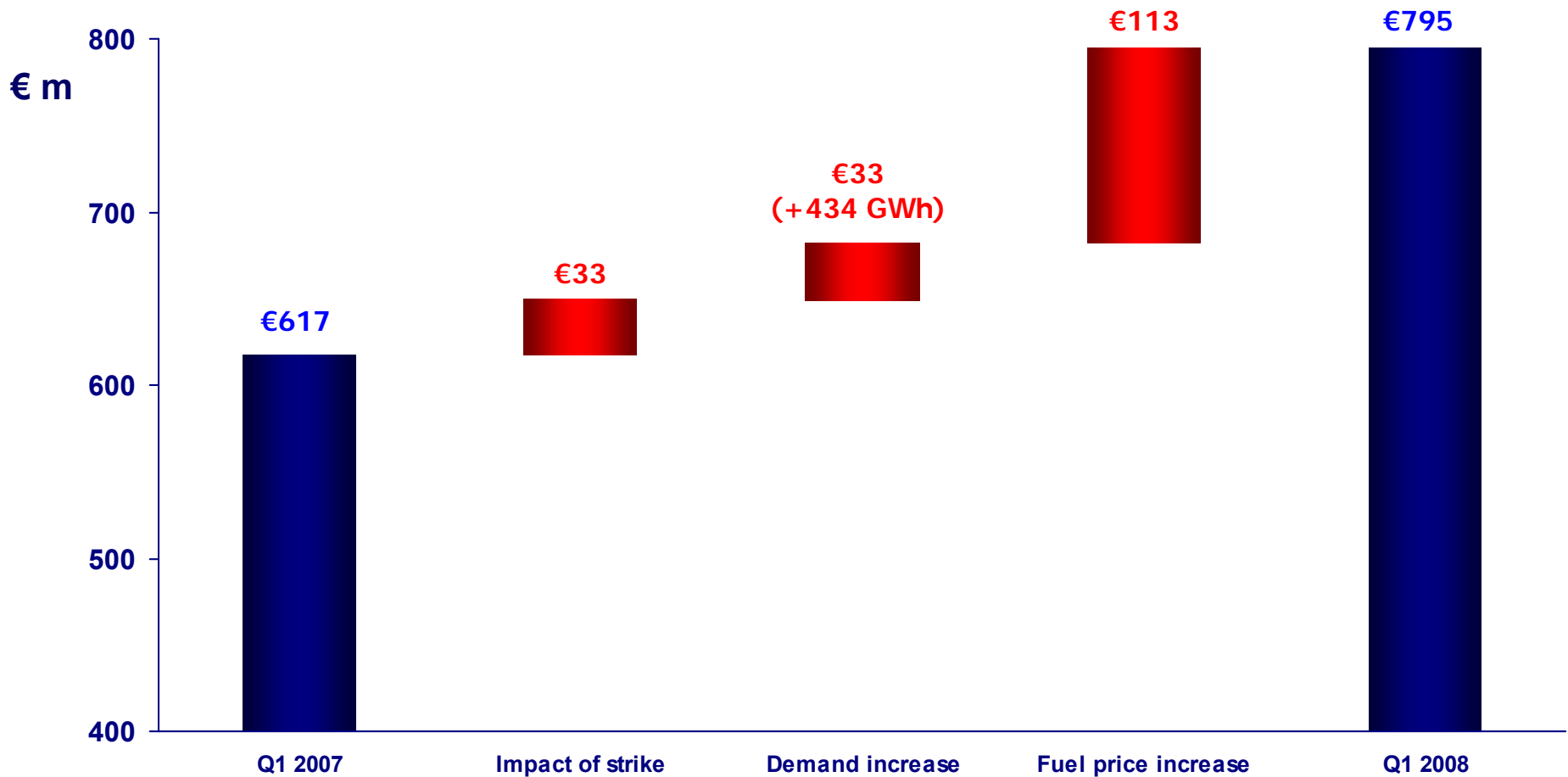


Actions to date

Dr. Takis Athanasopoulos
Chairman of the Board, and
Chief Executive Officer



Energy Expenditure Reconciliation Q1 '08 vs. Q1 '07



- The entire benefit in Q1 08 from all 2007 tariff increases (10%, € 116m), was offset by the incremental expenditure on fuel costs attributed to price increases (€ 113m)



Application of the Fuel Adjustment Mechanism

- **On a quarterly basis, the fuel adjustment mechanism will partially incorporate fuel price changes in the end-user electricity tariffs starting from January 1st 2009.**
- **If oil price and €/€ rate remain at today's (late May) levels for the rest of 2008, and given that the price of gas follows with a 3-month lag the oil price, the application of the adjustment mechanism will result in a revenue increase of about 5% for Q1 09.**



Application of the PSO Regulation for 2009

- **On an annual basis, the PSO cost will partially incorporate oil price changes and CPI, starting from January 1, 2009.**
- **If the oil price remains at today's (late May) levels for the rest of 2008, an increase of approximately 1.5% is expected to 2009 revenues due to the application of the PSO regulation.**



Discussions with the Regulator and the Ministry of Development re:

- **Tariff unbundling : Enabling discrete price adjustment for Regulated activities (Transmission & Distribution) and Public Service Obligations.**
- **Allocation of the approved 7% tariff increase of July 08 to various customer categories.**
- **Investments in improving the quality of network services and incentive regulation (RAB, required return, regulatory period)**



Regulatory

- **The PPC's decision to contest its obligations as "The Supplier of Last Resort" as compared with par.3 of art.3 of Directive 2003/54/EC**
- **The context of these obligations imposed on PPC and the mechanism for recovering the costs involved.**
- **A proposal to expand the Fuel Adjustment mechanism in order to reflect CO2 costs.**
- **Issues related to the deregulation of High Voltage tariffs.**



Lignite rights

- **PPC filed an appeal before the European Court of First Instance requesting the annulment of the decision of the European Commission regarding the re-allocation of rights by the Greek State to PPC for the exploitation of lignite in Greece.**



Legal Unbundling - Organization

- **Completed the study on PCC's corporate structure in the European environment.**
- **Continue the study of adapting the proposed corporate structure to the Greek legal framework.**



Partnerships

Approval of MoU with RWE :

- **Study the development in Albania of a 500-800MW coal-fired power plant.**
 - **In case the Project proves feasible, a separate legal entity will be created to undertake the development and operation of the Project.**
 - **RWE will own 51% of the new entity, PPC 39% and TITAN SA, a major Greek cement maker, 10%.**
- **Natural Gas in Greece.**
- **Renewable Energy Sources.**
 - **RWE will have a share of 51% whereas PPC Renewables will have a share of 49%.**



Partnerships

Approval of MoU with Halyvourgiki SA :

- **Study the development of two identical combined cycle gas fired plants with a total capacity of 880MW to be built within the premises of Halyvourgiki.**
 - **In case the Project proves feasible, a separate legal entity will be created to undertake the development and operation of the Project.**
 - **Halyvourgiki, a major Greek steel maker, will own 51% and have the management of the new entity and PPC 49%.**
- **Conversion to natural gas firing and upgrading of two existing units located on the premises of Halyvourgiki S.A. having a total capacity of 100MVA, to meet increased demand requirements.**



Main New Investments

- **Aliveri V CCGT 417 MW**
 - under construction

- **Megalopolis V 800MW CCGT**
 - Bids for the EPC of the Plant to be submitted by July 2008

- **Florina II 450MW Lignite**
 - Tender documents for the EPC of the Plant to be issued shortly

- **Interconnections**
 - 208 km, 400 kV line with Turkey to be operational by June 2008



Management Appointments

- **Mr. Christos Poseidon, General Manager of Supply Division**
- **Mr. Dimitrios Lappas, General Manager of Western Macedonia Division**
- **Mr. Christos Trizoglou, General Manager of Corporate Activities Division**
- **Ms. Irimi Tzannetou, General Manager of Human Resources & Organisation Division**