Public Power Corporation SA

Financial Results
1st Half 2013

Athens, August 29, 2013

Agenda

Financial Results

George Angelopoulos, CFO

Business Update & Outlook

Arthouros Zervos, Chairman and CEO



Financial Results
1st Half 2013

George Angelopoulos

Chief Financial Officer

Summary Financial Results 1H2013 / 1H2012

Key Figures - Group (€ mln.)	1H2013	1H2012	Δ	Δ%
Total Revenues	**2,951.2**	**2,938.0**	***13.2***	***0.4***
Revenues from Energy Sales	*2,856.5*	*2,802.5*	54.0	1.9
Total Energy Sales (GWh)	*24,604*	*25,083*	*-479*	*(1.9)*
Domestic Energy Sales (GWh)	*24,060*	*24,775*	*-715*	*(2.9)*
Other revenues	*94.7*	*135.5*	*-41*	*(30.1)*
Payroll Expense (*)	470.4	472.9	*(2.5)*	*(0.5)*
Liquid Fuel	368.9	437.9	*(69.0)*	*(15.8)*
Special Consumption Tax	*59.9*	*78.2*	*(18.3)*	*(23.4)*
Natural Gas	105.7	256.0	*(150.3)*	*(58.7)*
Special Consumption Tax	*12.8*	*29.1*	*(16.3)*	*(56.0)*
Expenditure for CO_2 emission rights	106.2	0.4	*105.8*	
Energy Purchases	776.0	812.2	*(36.2)*	*(4.5)*
Variable cost recovery mechanism	*215.2*	*124.7*	*90.5*	*72.5*
Other Operating Expenses (controllable)	296.2	259.7	*36.5*	*14.1*
Provisions (**)	189.0	142.4	*46.6*	*32.7*
EBITDA	**586.3**	**489.0**	***97.3***	***19.9***
EBITDA MARGIN (%)	**19.9%**	**16.6%**		
Depreciation	305.1	319.4	*(14.3)*	*(4.5)*
Net Financial Expenses	107.6	116.9	*(9.3)*	*(7.9)*
Financial expenses	*130.6*	*138.5*	*(7.9)*	*(5.7)*
Financial income	*23.0*	*21.6*	*1.4*	*6.6*
EBT	**170.2**	**52.5**	***117.7***	***224.2***

(*) 1H2013 payroll expense does not include an amount of € 6 mln that the State has to pay to PPC representing the State's contribution to the salaries of employees of PPC's Personnel Insurance Organisation, who are empoyed at State Social Security Funds .

(**) 1H2012 includes a € 52.7 mln reversal of the provisions for the Attica region traffic lights and one off provisions of a total amount of € 43.9 mln. of IPTO and HEDNO regarding third party suppliers debt.

Despite the increased expenditure for CO_2 emissions by € 105.8 mln, the overall energy mix cost decreased by € 146 mln (-8.1%). This is the main reason for the increase of EBITDA margin to 19.9% versus 16.6%.

Summary Financial Results 2Q2013 / 2Q2012

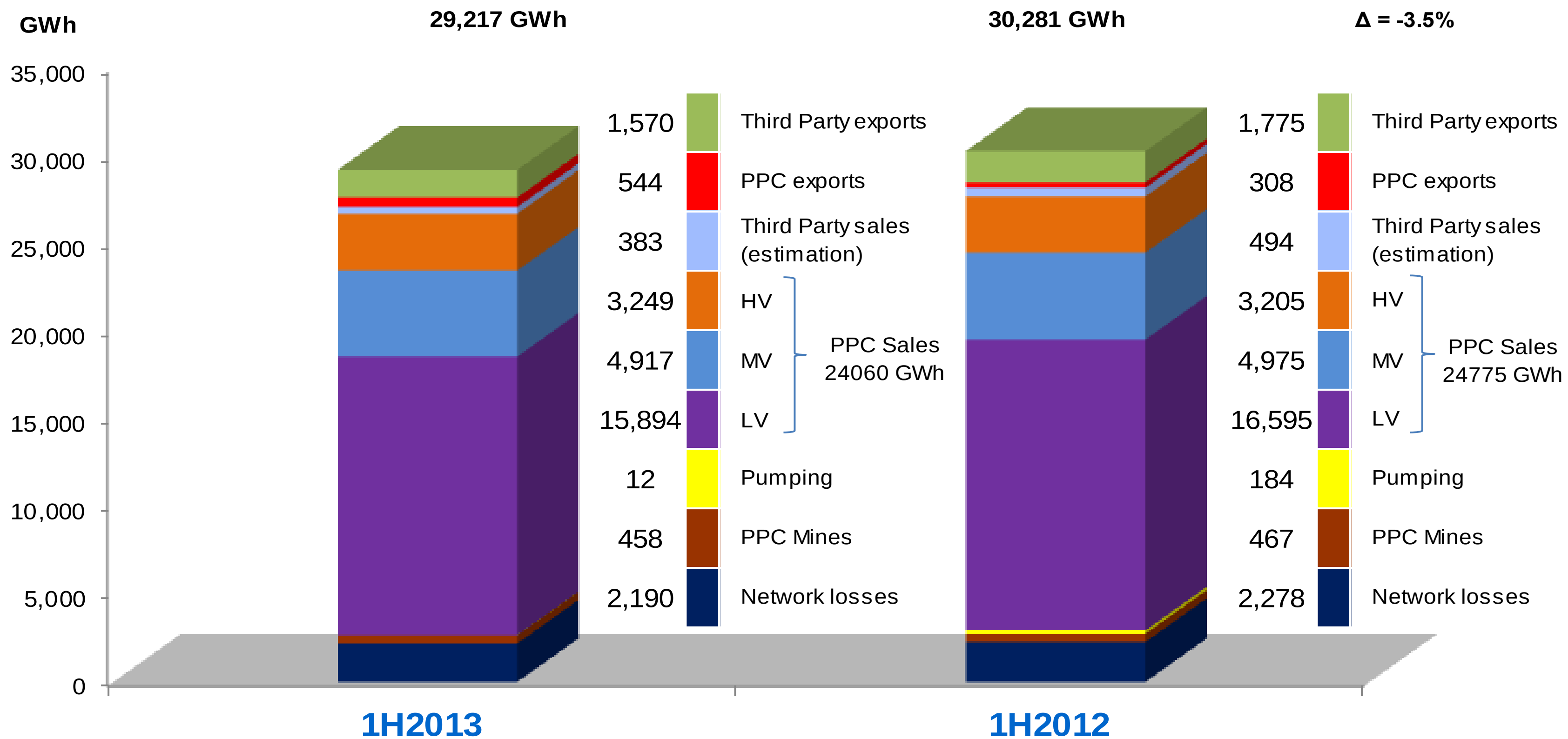
Key Figures - Group (€ mln.)	2Q2013	2Q2012	Δ	Δ%
Total Revenues	**1,464.4**	**1,405.1**	**59.3**	**4.2**
Revenues from Energy Sales	*1,416.4*	*1,354.9*	*61.5*	*4.5*
Total Energy Sales (GWh)	*11,831*	*12,037*	*-206*	*(1.7)*
Domestic Energy Sales (GWh)	*11,566*	*11,861*	*-295*	*(2.5)*
Other revenues	*48.0*	*50.2*	*-2*	*(4.4)*
Payroll Expense (*)	235.9	237.5	*(1.6)*	*(0.7)*
Liquid Fuel	187.4	225.4	*(38.0)*	*(16.9)*
Special Consumption Tax	*30.7*	*37.9*	*(7.2)*	*(19.0)*
Natural Gas	60.5	79.9	*(19.4)*	*(24.3)*
Special Consumption Tax	*7.6*	*8.7*	*(1.1)*	*(12.6)*
Expenditure for CO_2 emission rights	35.5	-4.8	*40.3*	
Energy Purchases	363.7	380.1	*(16.4)*	*(4.3)*
Variable cost recovery mechanism	*110.1*	*84.6*	*25.5*	*30.1*
Other Operating Expenses (controllable)	146.6	129.0	*17.6*	*13.6*
Provisions (**)	90.7	95.3	*(4.6)*	*(4.8)*
EBITDA	**332.3**	**257.0**	***75.3***	***29.3***
EBITDA MARGIN (%)	**22.7%**	**18.3%**		
Depreciation	152.7	161.1	*(8.4)*	*(5.2)*
Net Financial Expenses	52.9	58.6	*(5.7)*	*(9.7)*
Financial expenses	*65.5*	*70.6*	*(5.1)*	*(7.2)*
Financial income	*12.6*	*11.9*	*0.7*	*5.8*
EBT	**125.1**	**37.5**	***87.6***	***233.6***

(*) 2Q2013 payroll expense does not include an amount of € 3 mln that the State has to pay to PPC representing the State's contribution to the salaries of employees of PPC's Personnel Insurance Organisation, who remain at State Social Security Funds.

(**) 2Q2012 includes one off provisions of a total amount of € 43.9 mln. of IPTO and HEDNO regarding third party suppliers debt.

EBITDA margin increased to 22.7% versus 18.3%, as total revenues increased by 4.2% and the overall energy mix cost decreased by € 13.3 mln (-1.7%), despite the increased expenditure for CO_2 emissions by € 40.3 mln.

Electricity Demand 1H2013 / 1H2012



PPC domestic sales :	24,060 GWh
Average Market share (estimation) :	98.4%

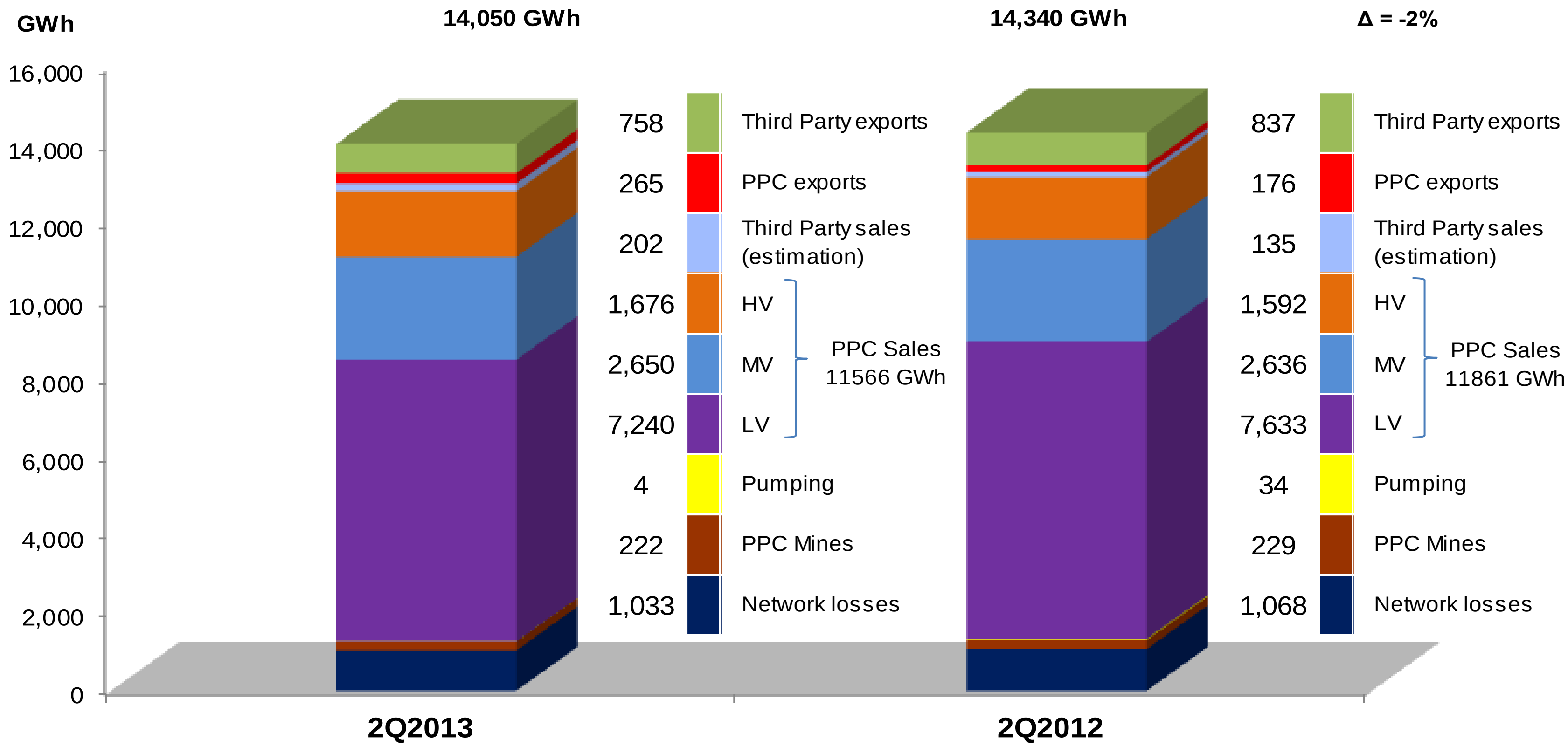
PPC domestic sales :	24,775 GWh
Average Market share (estimation) :	98.0%

PPC exports:	544 GWh
Average Market share :	25.7%

PPC exports:	308 GWh
Average Market share :	14.8%

Total electricity demand, excluding pumping and exports, decreased by 3.3% (923 GWh) between the two periods. PPC's domestic sales decreased by 2.9% (715 GWh).

Electricity Demand 2Q2013 / 2Q2012



2Q2013	
PPC domestic sales :	11,566 GWh
Average Market share (estimation) :	98.3%

2Q2012	
PPC domestic sales :	11,861 GWh
Average Market share (estimation) :	98.9%

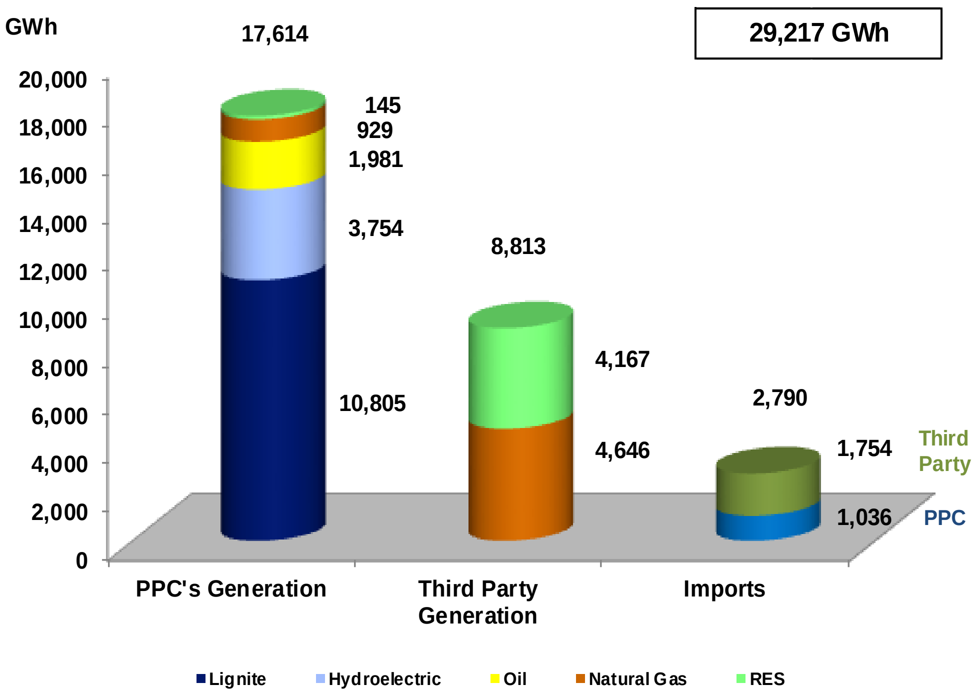
2Q2013	
PPC exports:	265 GWh
Average Market share :	25.9%

2Q2012	
PPC exports:	176 GWh
Average Market share :	17.4%

Total electricity demand, excluding pumping and exports, decreased by 2% (270 GWh) between the two quarters. Taking also into account PPC's market share reduction in the retail market by 0.6 percentage points, PPC's domestic sales decreased in 2Q 2013, by 2.5% (295 GWh), compared to 2012.

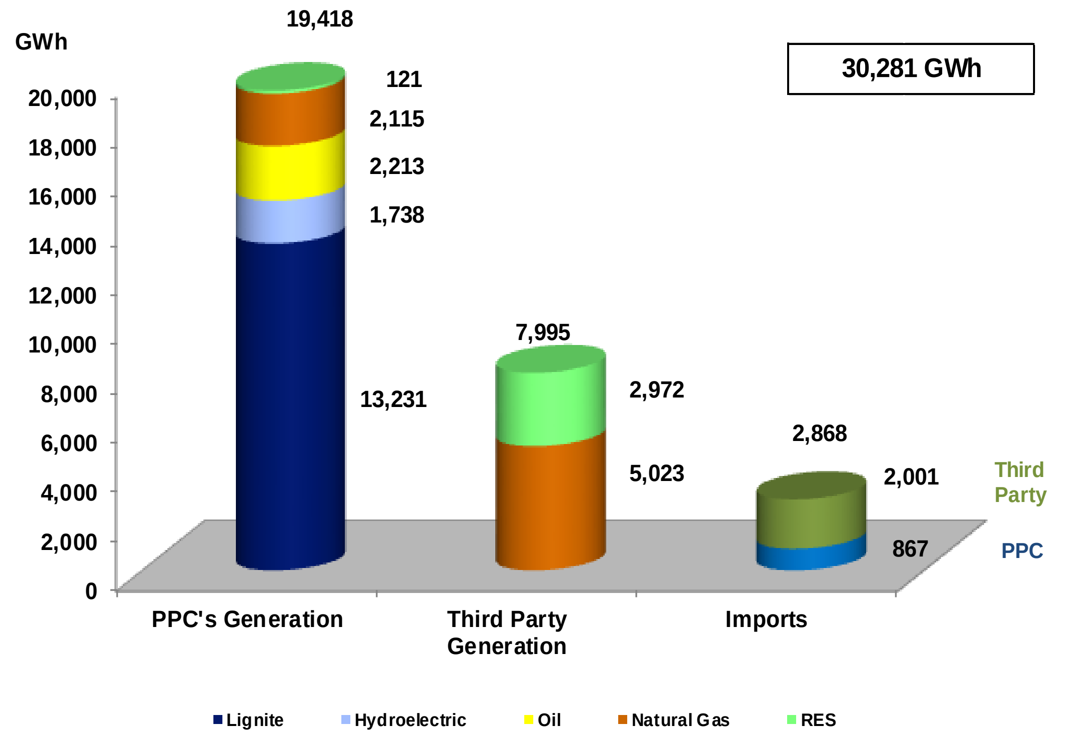
Electricity Generation and Imports 1H2013 / 1H2012

1H2013



PPC generation: 17,614 GWh	PPC imports: 1,036 GWh
Average Market share: 66.7%	Average Market share: 37.1%

1H2012

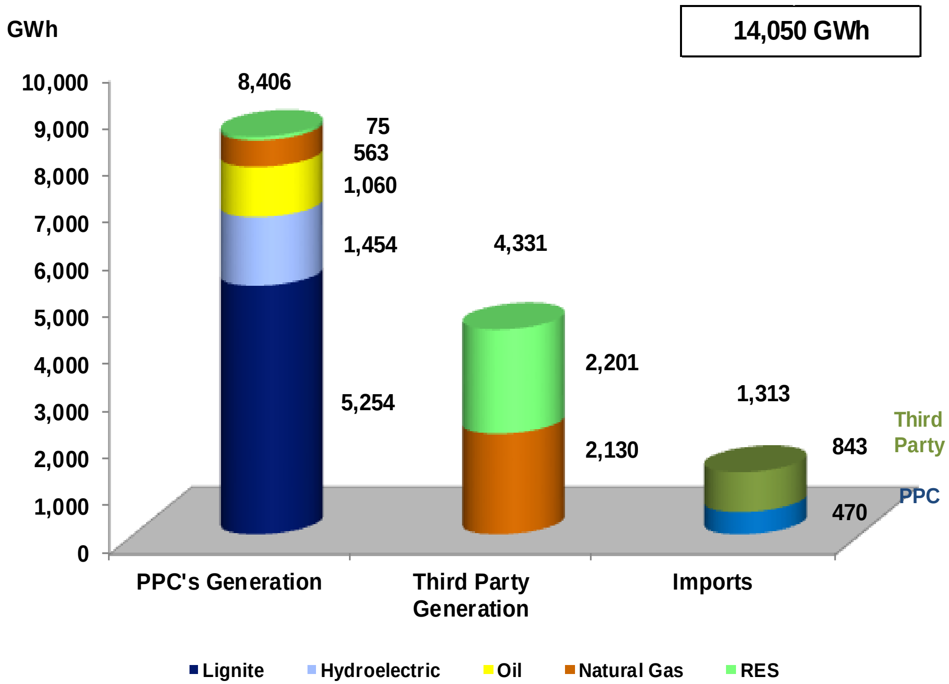


PPC generation: 19,418 GWh	PPC imports: 867 GWh
Average Market share: 70.8%	Average Market share: 30.2%

In 1H2013, PPC's electricity generation and imports, covered 63.8% of total demand, while the corresponding percentage in 1H2012 was 67%.

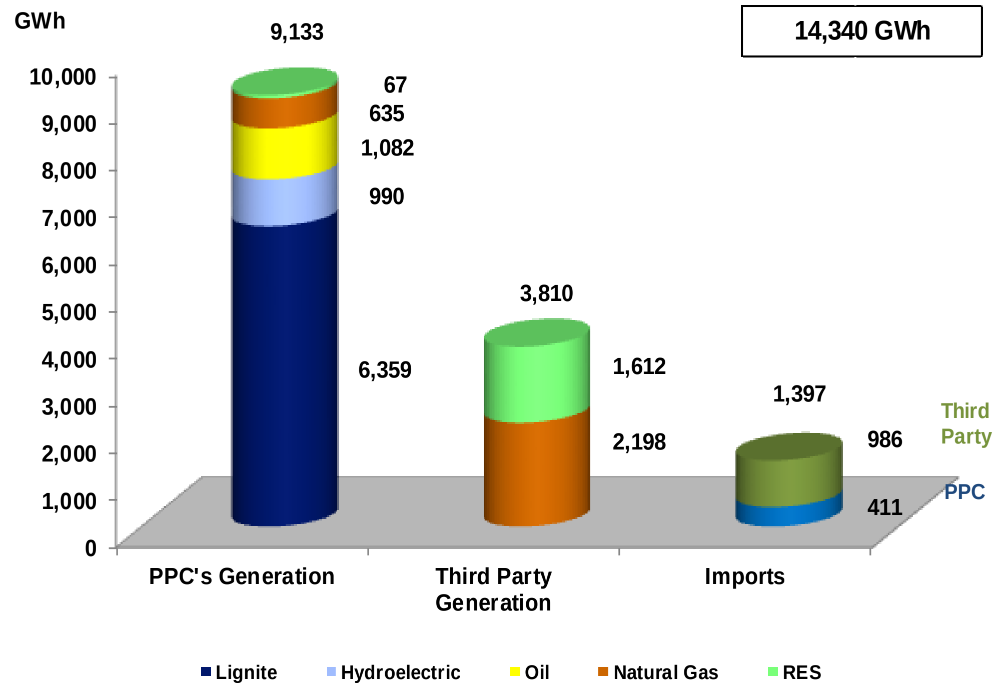
Electricity Generation and Imports 2Q2013 / 2Q2012

2Q2013



PPC generation: 8,406 GWh	PPC imports: 470 GWh
Average Market share: 66.0%	Average Market share: 35.8%

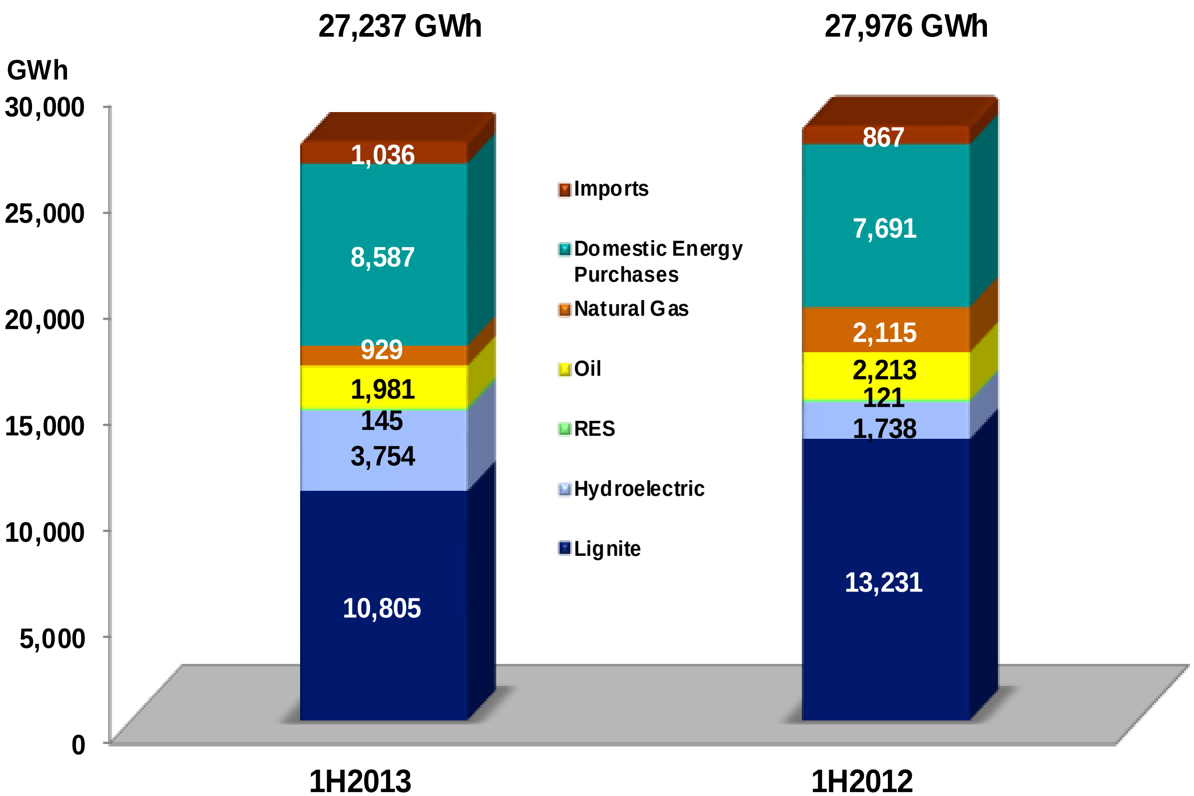
2Q2012



PPC generation: 9,133 GWh	PPC imports: 411 GWh
Average Market share: 70.6%	Average Market share: 29.4%

In 2Q2013, PPC’s electricity generation and imports, covered 63.2% of total demand, while the corresponding percentage in 2Q2012 was 66.6%.

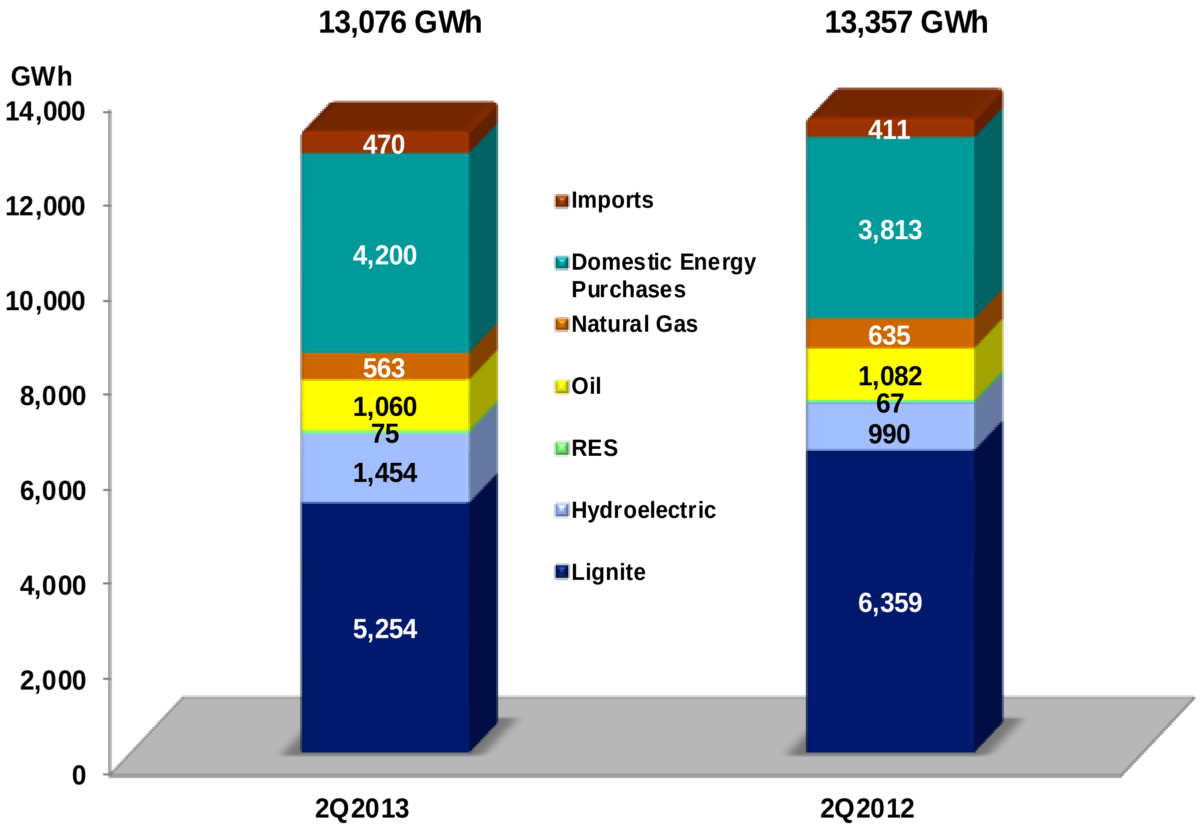
PPC/ Energy Generation and Purchases (GWh) 1H2013 / 1H2012



	TOTAL	Δ GWh	Δ %	% Participation	
		-739	-2.6%	1H2013	1H2012
PURCHASES	Imports	169	19.5%	3.8%	3.1%
	Domestic Energy Purchases	896	11.6%	31.5%	27.5%
IMPORTED FUELS	Natural Gas	-1,186	-56.1%	3.4%	7.6%
	Oil	-232	-10.5%	7.3%	7.9%
DOMESTIC FUELS	RES	24	19.8%	0.5%	0.4%
	Hydroelectric	2,016	116.0%	13.8%	6.2%
	Lignite	-2,426	-18.3%	39.7%	47.3%
TOTALS	**PURCHASES**			35.3%	30.6%
	IMPORTED FUELS			10.7%	15.5%
	DOMESTIC FUELS			54.0%	53.9%

In 1H2013, electricity generation from lignite decreased by 18.3% (2,426 GWh) compared to 1H2012.
In the same period the percentage participation of lignite in PPC's total energy mix, declined to 39.7% vs 47.3% for 1H2012.
Energy purchases (excluding PPC's imports) from the System and the Network increased by 11.6% (896 GWh) due to the increase of third party RES generation.
Hydro generation more than doubled between the two periods.

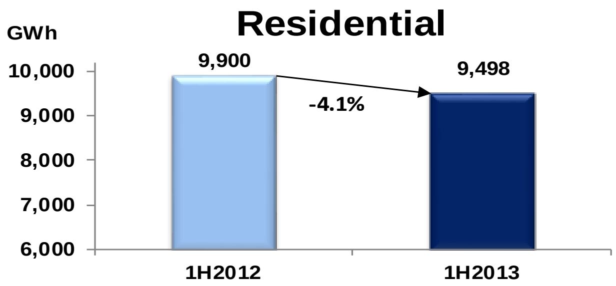
PPC/ Energy Generation and Purchases (GWh) 2Q2013 / 2Q2012

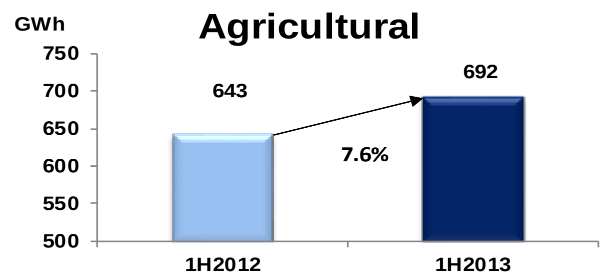


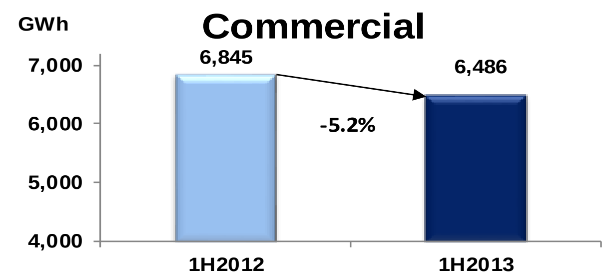
	TOTAL	Δ GWh	Δ %	% Participation 2Q2013	% Participation 2Q2012
		-281	-2.1%		
PURCHASES	Imports	59	14.4%	3.6%	3.1%
PURCHASES	Domestic Energy Purchases	387	10.1%	32.1%	28.5%
IMPORTED FUELS	Natural Gas	-72	-11.3%	4.3%	4.8%
IMPORTED FUELS	Oil	-22	-2.0%	8.1%	8.1%
DOMESTIC FUELS	RES	8	11.9%	0.6%	0.5%
DOMESTIC FUELS	Hydroelectric	464	46.9%	11.1%	7.4%
DOMESTIC FUELS	Lignite	-1,105	-17.4%	40.2%	47.6%
TOTALS	PURCHASES			35.7%	31.6%
TOTALS	IMPORTED FUELS			12.4%	12.9%
TOTALS	DOMESTIC FUELS			51.9%	55.5%

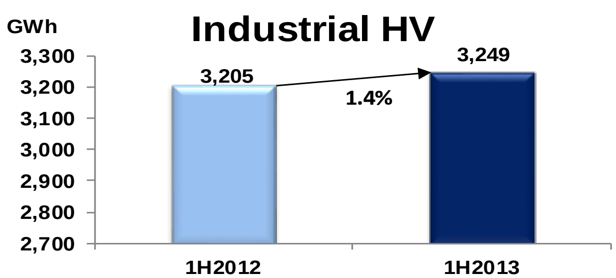
In 2Q2013, electricity generation from lignite decreased by 17.4% (1,105 GWh) compared to 2Q2012.
In the same period the percentage participation of lignite in PPC's total energy mix, declined to 40.2% vs 47.6% for 2Q2012.
Energy purchases (excluding PPC's imports) from the System and the Network increased by 10.1% (387 GWh) due to the increase of third party RES generation.
Hydro generation increased by 46.9% (464 GWh) between the two periods.

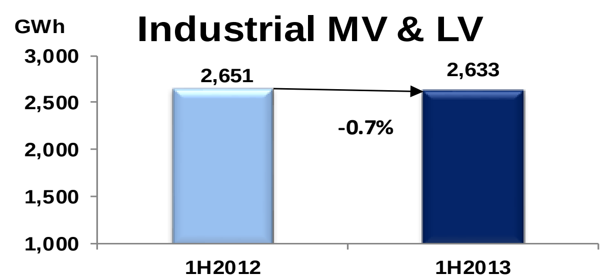
Electricity Sales (GWh) 1H2013 / 1H2012

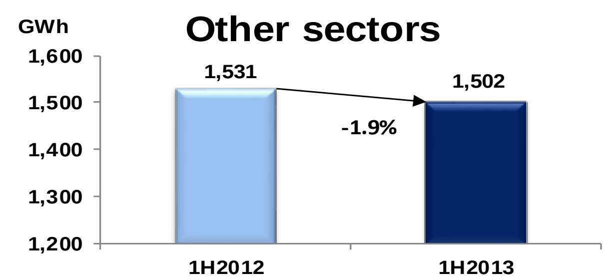


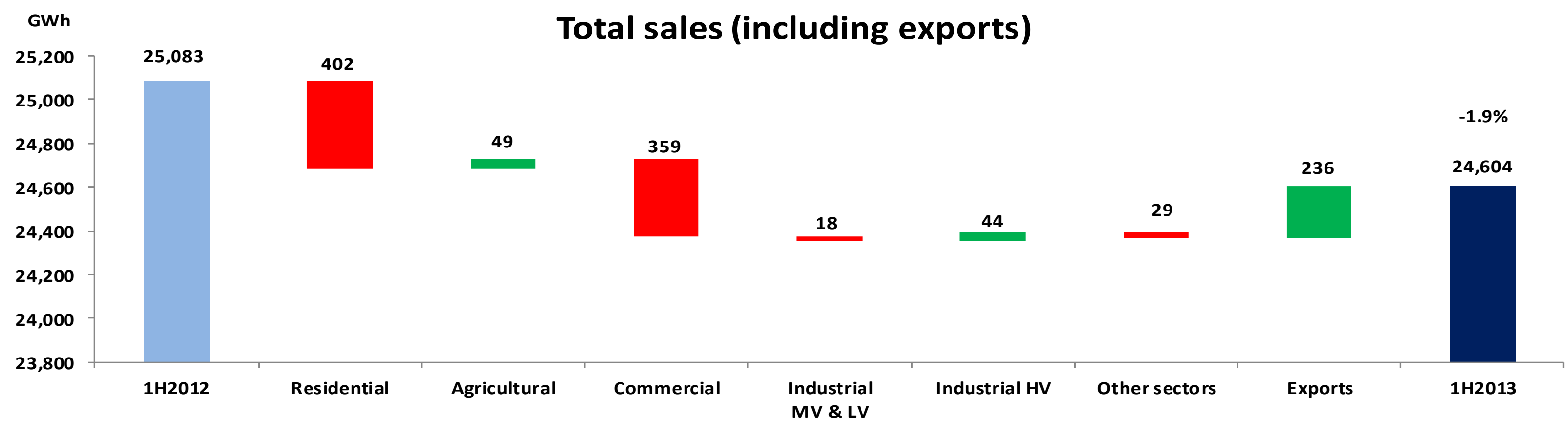






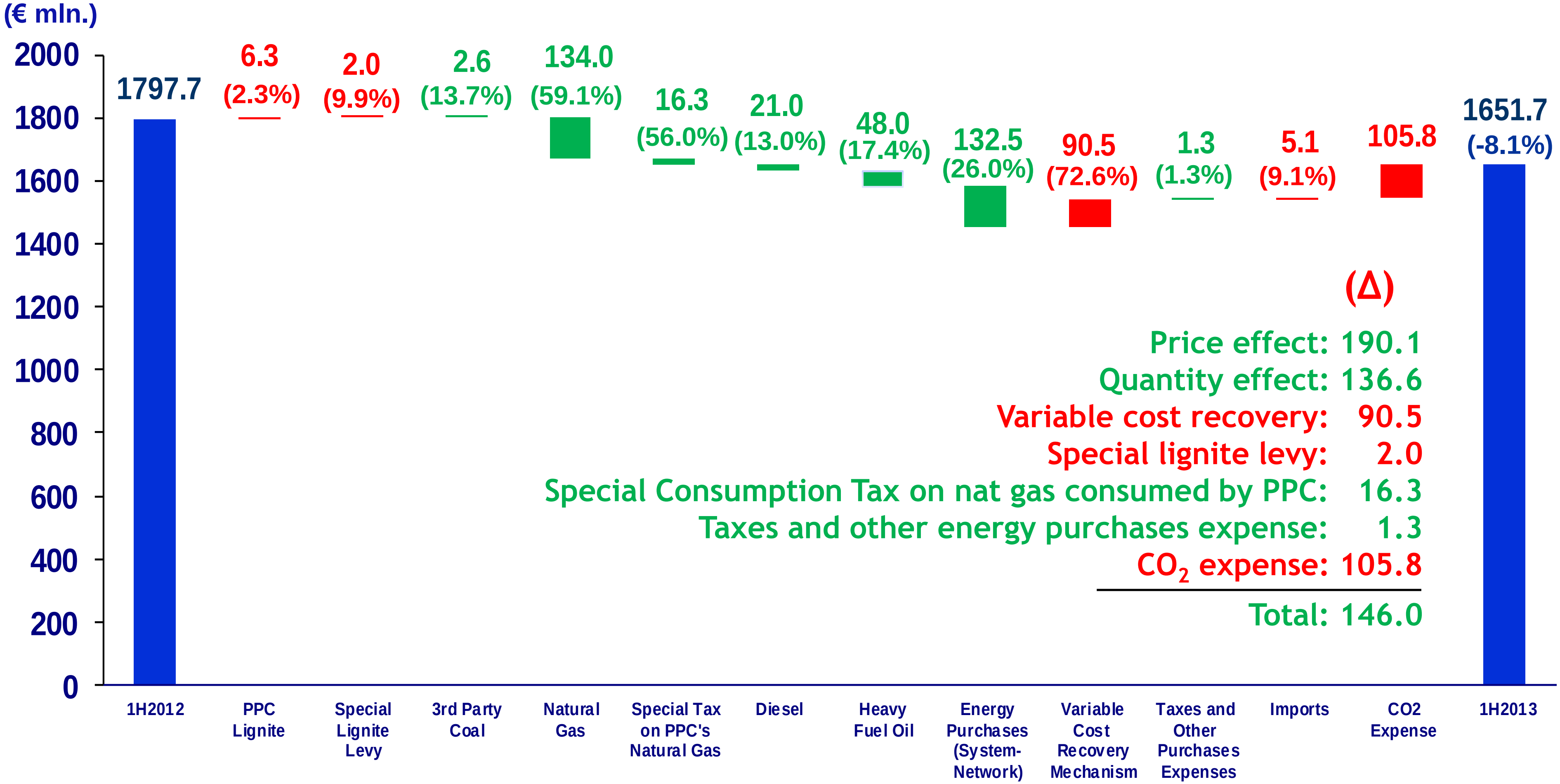






In 1H2013, PPC's electricity sales, including exports, decreased by 1.9% (479 GWh) compared to 1H2012, mainly due to lower sales to the residential sector by 402 GWh and to the commercial sector by 359 GWh. Excluding exports, which increased by 236 GWh, the decrease amounts to 2.9% (715 GWh).

Energy mix cost 1H2013 / 1H2012



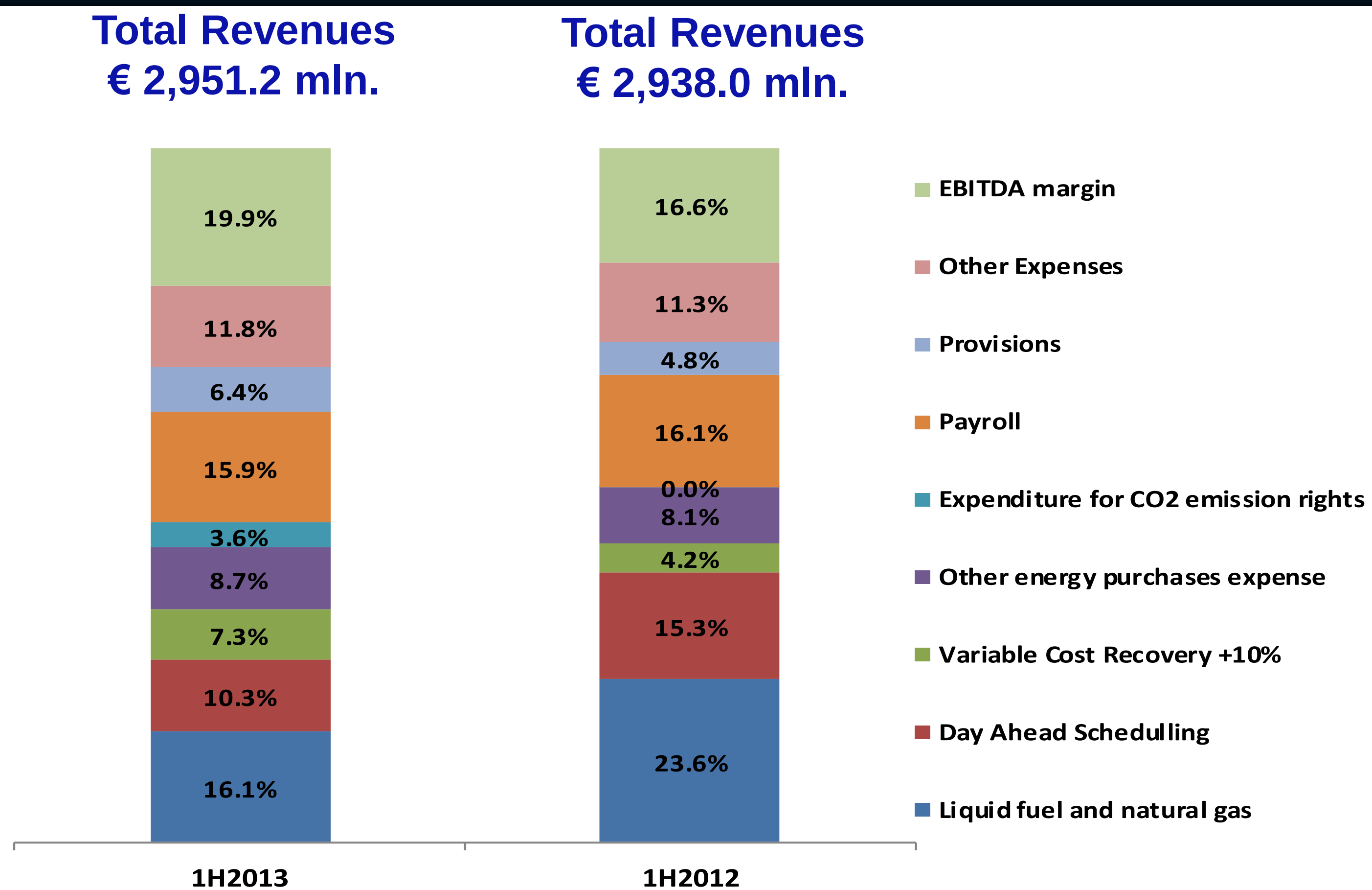
(Δ)

Price effect: 190.1
Quantity effect: 136.6
Variable cost recovery: 90.5
Special lignite levy: 2.0
Special Consumption Tax on nat gas consumed by PPC: 16.3
Taxes and other energy purchases expense: 1.3
CO_2 expense: 105.8

Total: 146.0

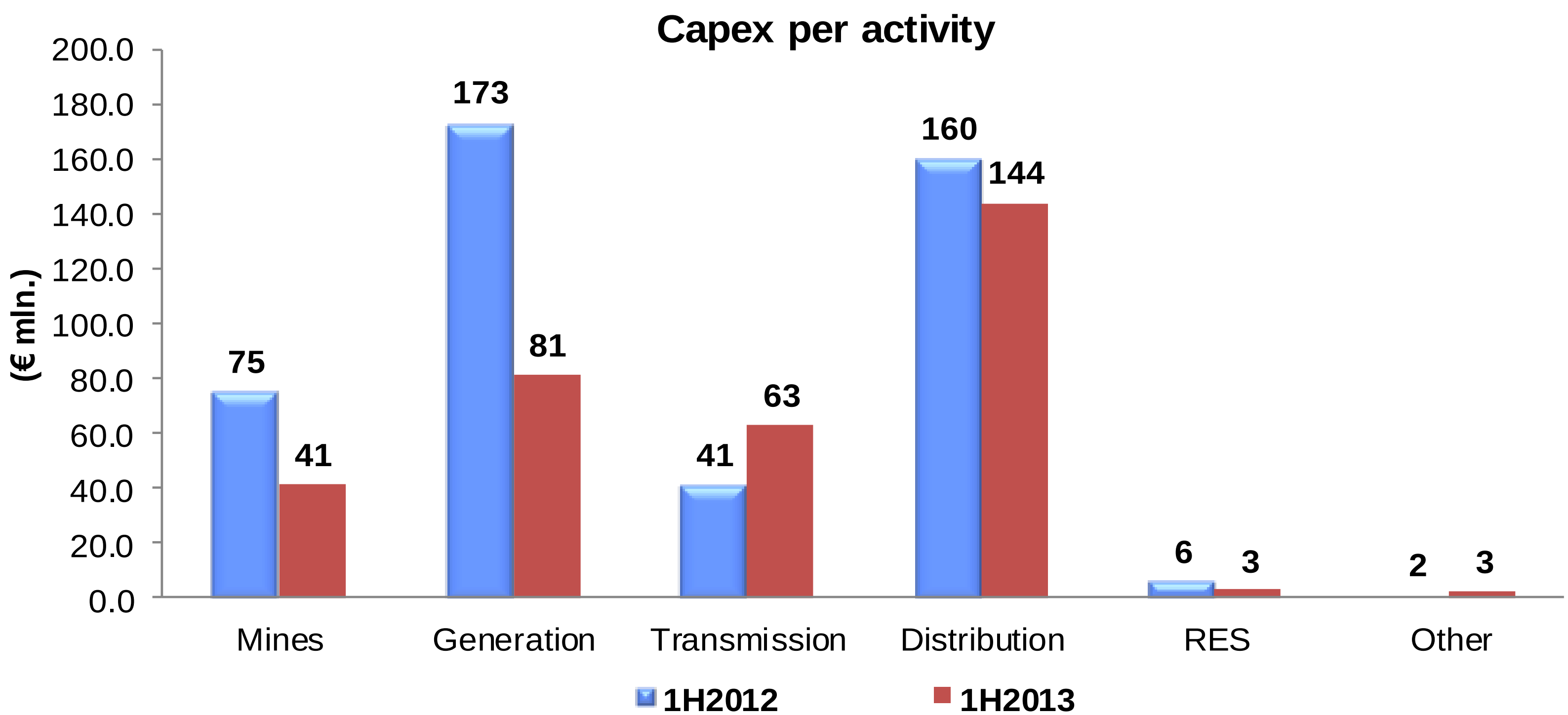
Energy mix cost decreased by € 146 mln (-8.1%) compared to 1H2012, mainly driven by the lower expense for natural gas and to a lesser extent for liquid fuel, despite the increase in CO_2 expense by € 105.8 mln.
Regarding energy purchases expense, the positive impact from the reduction of the System Marginal Price, was to a great extent offset by the higher expense for the variable cost recovery of IPP's.
As a result, there is no proportionate reduction in the energy purchase expense .

Fuel, CO_2, other expenses and EBITDA as percentage of revenues (1H2013 / 1H2012)



In 1H2013, 46% of the Company's total revenues were expensed for fuel, CO_2 and energy purchases compared to 51.2% in 1H2012, a fact which relates mainly to the decrease of the share of liquid fuel and natural gas expenses, to 16.1% from 23.6%, despite the increase of the variable cost recovery share to 7.3% from 4.2% and the increase of CO_2 expense to 3.6%. The share of provisions amounted to 6.4% of total revenues in 1H2013 compared to 4.8% in the respective period of 2012.

Capex



- **Capital expenditure in 1H2013 amounted to € 335 m. compared to € 457.3 mln. in 1H2012, reduced by € 122.3 mln, while, as a percentage of total revenues it declined to 11.4% from 15.6%.**
- **Excluding network users' contributions for their connection to the network (€ 43.1 mln. and € 64.7 mln. in 1H2013 and 1H2012 respectively), which fund a significant part of network projects, capital expenditure amounted to 10% and 13.7% of total revenues in 1H2013 and 1H2012 respectively.**

Debt Evolution

- Net debt amounted to € 4,609.6 mln, a reduction of € 167.7 mln. compared to 30.6.2012 (€ 4,777.3 mln.) and by € 69.4 mln compared to 31.12.2012 (€ 4,679 mln.).
- Debt repayments in 1H2013 amounted to € 242 mln.
- In June, the Parent Company proceeded to an intermediate refinancing facility of a total amount of € 1,229 mln, maturing in April 2014, a development which was one of the main reasons for the recent upgrade by Standard & Poor's.
  In the meantime, PPC and the syndicate banks are working on a medium to long term syndicated loan, which according to the MoU signed with the banks, is envisaged to be concluded until the end of 2013.
- Current portion of long term debt to be repaid in the second half of the year amounts to € 403 mln.

Business Review
& Outlook

Arthouros Zervos

Chairman and CEO

Public Power Corporation S.A.

Comments on Financial results

- ✓ In the second quarter, Group's turnover increased by 4.2% and operating profitability (EBITDA) by 29.3%.
- ✓ On a semi-annual level, operating profitability improved with EBITDA margin reaching 19.9% compared to 16.6% in the respective period of 2012.
- ✓ Despite the increase of CO_2 expense by approximately € 106 mln., the reduction of the energy mix cost by € 146 mln. (-8.1%), attributed to a large extent to hydro generation which more than doubled (increase of 2,016 GWh or 116%), had a significant positive impact on Group's results.
- ✓ The Variable Cost Recovery Mechanism for natural gas-fired units of third party generators remains a substantial cost element for 2013, which, despite the lower demand, had a significant negative impact on first half 2013 financial results. The cost of this mechanism amounted to € 215.2 mln. compared to € 124.7 mln in the first half of 2012.

Major regulatory developments

Wholesale Market (RAE Decisions 338 & 339)

On July 18th, the Regulatory Authority for Energy announced the following decisions regarding changes in the Greek wholesale market operation:

a) Capacity payments:

   i. abolition of capacity payments for 1,249 MW available capacity of old units of PPC,

   ii. increase by 100% of capacity payments for modern OCGT & CCGT units, owned by IPPs and PPC, with a total available capacity of 3,998 MW and

   iii. capacity payments for Suppliers are set at a uniform price of 56,000 €/MW-year.

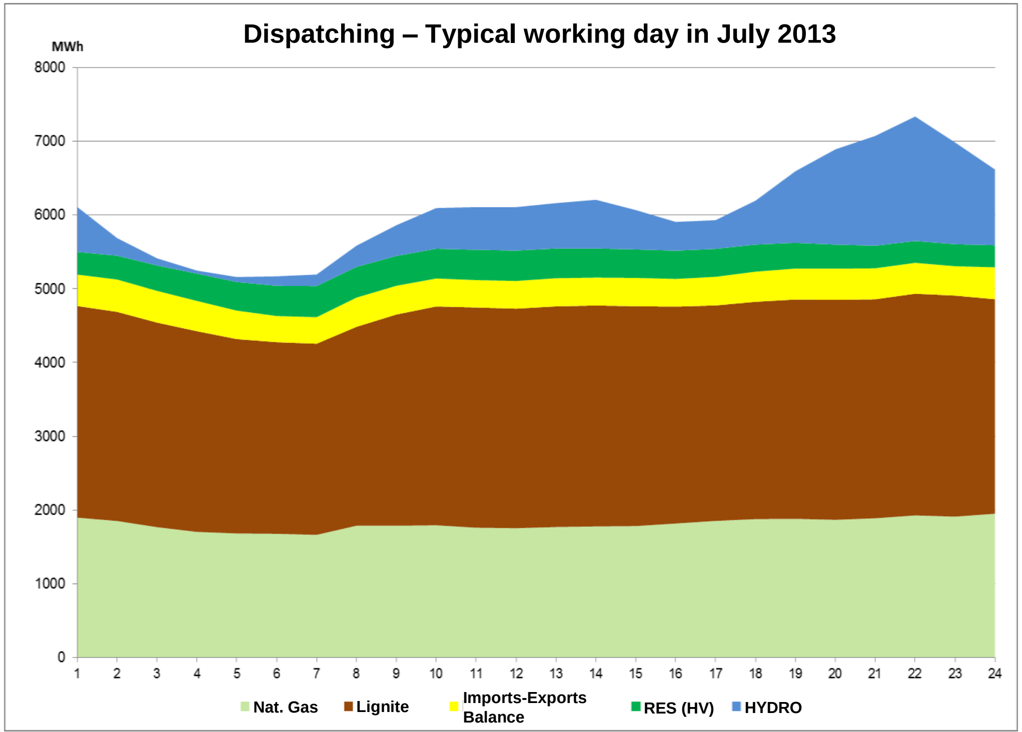
   The two last measures are transitional (in force until end Sept. 2014).

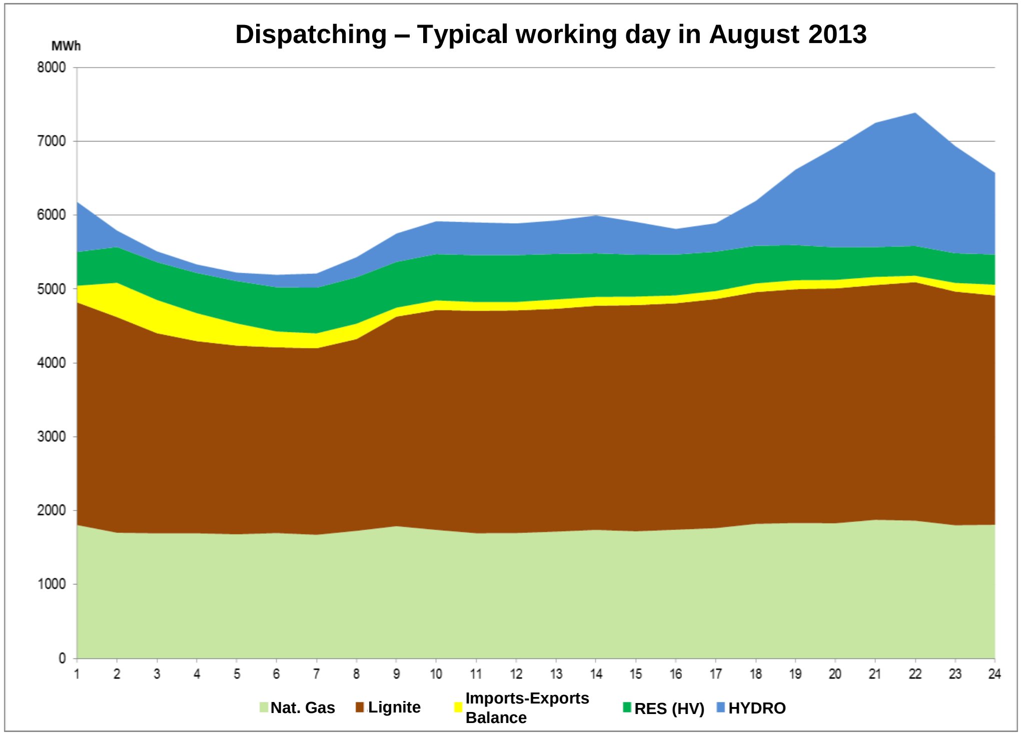
b) Abolition of the 10% mark up of the Variable Cost Recovery Mechanism.

c) Abolition of the 30% rule with respect to bidding of generation units, as of 1.1.2014.

d) Complete abolition of the Variable Cost Recovery Mechanism as of 1.7.2014.

Operation of wholesale market in a typical day in July and August





The new measures announced by RAE for addressing the distortions in the wholesale market, have not up to now brought any changes as to the rationalization of the operation of the wholesale market. As indicated in the graphs, the independent gas-fired units continue to operate as base load units, without any flexibility, hence they have no contribution to the evening peak of the System. On the other hand, hydro units are the most flexible units and they contribute to the evening peak to a very large extent. Nevertheless, under the new regulatory regime, there is no provision for hydro units compensation through capacity payments for their role as "flexible" units.

Major regulatory developments

Allocation of the Day Ahead Schedule deficit by the Market Operator (RAE Decision 285)	Decision issued by the Regulator for the allocation of the Day Ahead Schedule deficit by the Market Operator (LAGIE). Letter sent by LAGIE according to which, an amount of € 96.6 m. is seemingly allocated to PPC. Alleged claim will be contested by PPC.

Major operational developments

New HV and MV tariffs

In August 2013, PPC S.A. announced the offering of fifteen new tariffs to its High and Medium Voltage customers, - seven in the High Voltage (HV) and eight in the Medium Voltage (MV) with the aim of providing a wider selection of tariff structures to fit their consumption profile and lead to competitive electricity pricing.

Four of the abovementioned eight new MV tariffs are available for large customers, mainly industrial, with annual consumption of more than 13 GWh.

Aliveri V CCGT (417MW)

The unit is in commercial operation since August 12th 2013.

Cyclades Interconnection

Following the conclusion of public consultation, IPTO has proceeded to the re-tendering of the project for the connection of Cyclades with the Hellenic Electricity Transmission System, with a total budget of € 240 mln.

Major operational developments – Joint Ventures

PPC Bulgaria

- In August 2013, PPC S.A signed a Joint Venture Agreement with Alpiq Central Europe Ltd. for the establishment of a commercial subsidiary company in Bulgaria, under the name PPC Bulgaria.
- PPC S.A. will hold a 85% stake of the share capital of the joint venture company and Alpiq Central Europe Ltd will hold 15%.
- Through this partnership, PPC seeks to penetrate neighboring electricity markets, to expand its cross-border activity beyond Greek borders and also to achieve synergies on know-how with regards to trading in multiple electricity markets, by acting together with an established company with presence in many European countries and significant experience in cross-border electricity trading.

PPC SOLAR SOLUTIONS S.A.

- In August 2013, the Board of Directors of PPC S.A. approved the joint establishment with DAMCO ENERGY S.A., of a company under the tradename “PPC SOLAR SOLUTIONS S.A.” and the signing of the Shareholders Agreement and the Articles of Incorporation of the above company.
- The share capital of PPC SOLAR SOLUTIONS S.A. will amount to € 2 mln. and PPC S.A. will participate with a percentage of 49%.
- The company’s objective will be the promotion, via a national network of shops using the method of franchising, of integrated solutions for household photovoltaic systems, the provision of energy services and products of energy saving, as well as the provision of customer services for the clients of PPC S.A.

Full Year Outlook

For the full year, assuming Brent oil at $ 105/bbl, €/$ exchange rate of 1.28 and price for CO_2 emission rights of € 5/tn, for the period September-December 2013, key financials are estimated to be as follows:

- **Revenues from energy sales: € 5.9 bln**
- **Total Revenues: € 6.1 bln**
- **EBITDA margin: 16.5% - 17%**

DISCLAIMER

Some of the information contained herein includes forward-looking statements. It is noted that the Group is subject to various risks, which, among other, relate to €/$ exchange rate, oil, natural gas, electricity prices and the price of CO_2 emission rights, as well as changes in the market, legal, regulatory and fiscal framework and bad debt evolution, that could cause actual results to differ materially from those anticipated in the forward-looking statements.