Public Power Corporation SA

Financial Results
9 Months 2010

Athens, November 24, 2010

Agenda

Financial Results

George Angelopoulos, CFO

Business Update & Outlook

Arthouros Zervos, Chairman and CEO

Financial Results
9M 2010

George Angelopoulos

Chief Financial Officer

Summary Financial Results 9M2010 / 9M2009 (Group)

Key Figures (€ mln.)	9M2010	9M2009 *	Δ	Δ%
Total Revenues	**4,467.6**	**4,595.8**	***-128.2***	***-2.8***
Revenues from Energy Sales	4,024.2	4,225.9	*-201.7*	*-4.8*
Energy Sales (GWh)	*39,545*	*40,385*	*-840*	*-2.1*
Payroll Expense	942.8	1,091.8	*-149.0*	*-13.6*
Contribution to PPC's Personnel Insurance Funds	51.1			
Liquid Fuel	527.3	454.6	*72.7*	*16.0*
Natural Gas	368.4	342.6	*25.8*	*7.5*
Energy Purchases	500.5	410.1	*90.4*	*22.0*
CO_2 deficit	23.4	64.8	*-41.4*	*-63.9*
Transmission System Charges	214.8	209.2	*5.6*	*2.7*
Other Operating Expenses (Controllable)	399.7	406.8	*-7.1*	*-1.7*
Provisions	88.0	51.2	*36.8*	*71.9*
EBITDA	**1,223.6**	**1,499.7**	***-276.1***	***-18.4***
EBITDA MARGIN	**27.4%**	**32.6%**		
Depreciation	438.6	395.2	*43.4*	*11.0*
Net Financial Expense	94.3	114.1	*-19.8*	*-17.4*
EBT	**689.6**	**992.8**	***-303.2***	***-30.5***

* adjusted to include the impact of incorporating 100% of the customer contributions for network connections

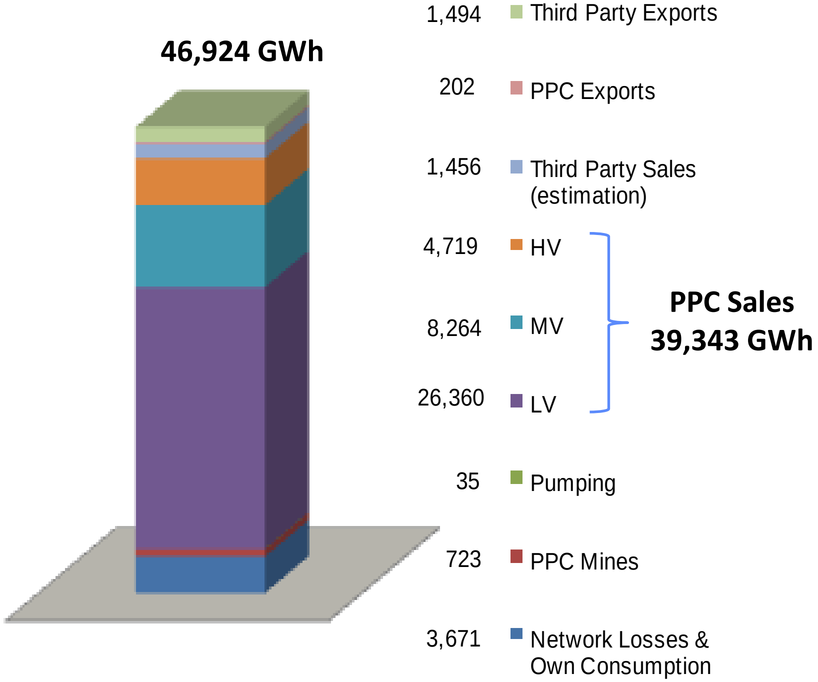
Summary Financial Results 3Q2010 / 3Q2009 (Group)

Key Figures (€ mln.)	3Q2010	3Q2009 *	Δ	Δ%
Total Revenues	**1,573.1**	**1,605.5**	***-32.4***	***-2.0***
Revenues from Energy Sales	1,416.7	1,483.0	*-66.3*	*-4.5*
Energy Sales (GWh)	*14,622*	*14,602*	*20*	*0.1*
Payroll Expense	298.1	370.6	*-72.5*	*-19.6*
Liquid Fuel	249.8	182.9	*66.9*	*36.6*
Natural Gas	136.0	114.8	*21.2*	*18.5*
Energy Purchases	169.8	136.2	*33.6*	*24.7*
CO_2 deficit	9.1	25.8	*-16.7*	*-64.7*
Transmission System Charges	73.3	70.5	*2.8*	*4.0*
Other Operating Expenses (Controllable)	145.2	133.0	*12.2*	*9.2*
Provisions	26.7	18.4	*8.3*	*45.1*
EBITDA	**402.5**	**521.4**	***-118.9***	***-22.8***
EBITDA MARGIN	**25.6%**	**32.5%**		
Depreciation	147.0	133.1	*13.9*	*10.4*
Net Financial Expense	33.2	32.9	*0.3*	*0.9*
EBT	**226.0**	**356.5**	***-130.5***	***-36.6***

* adjusted to include the impact of incorporating 100% of the customer contributions for network connections

Electricity Demand 9M2010 / 9M2009

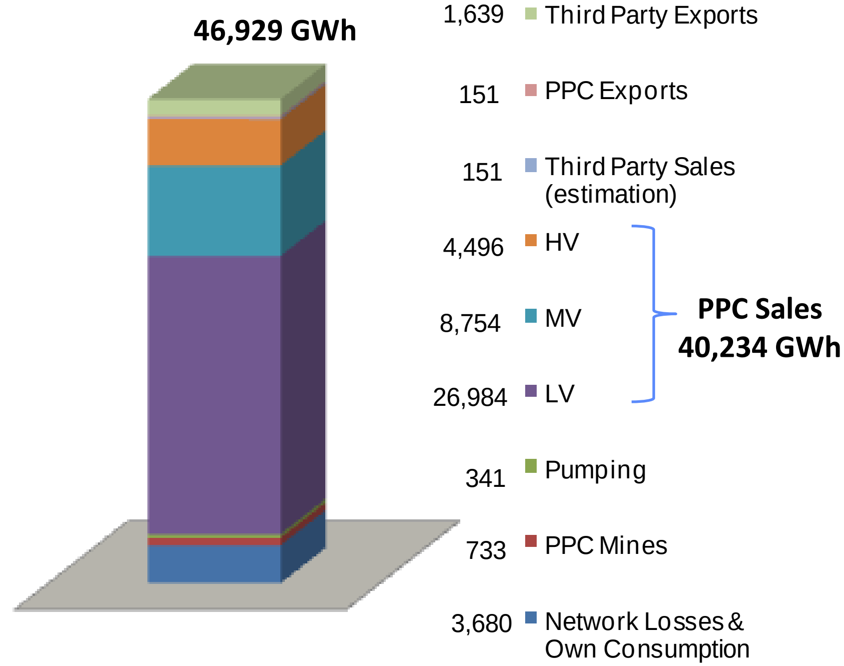
9M2010



PPC domestic sales : 39,343 GWh
Market share : 96.43%

PPC exports : 202 GWh
Market share on exports : 11.91%

9M2009



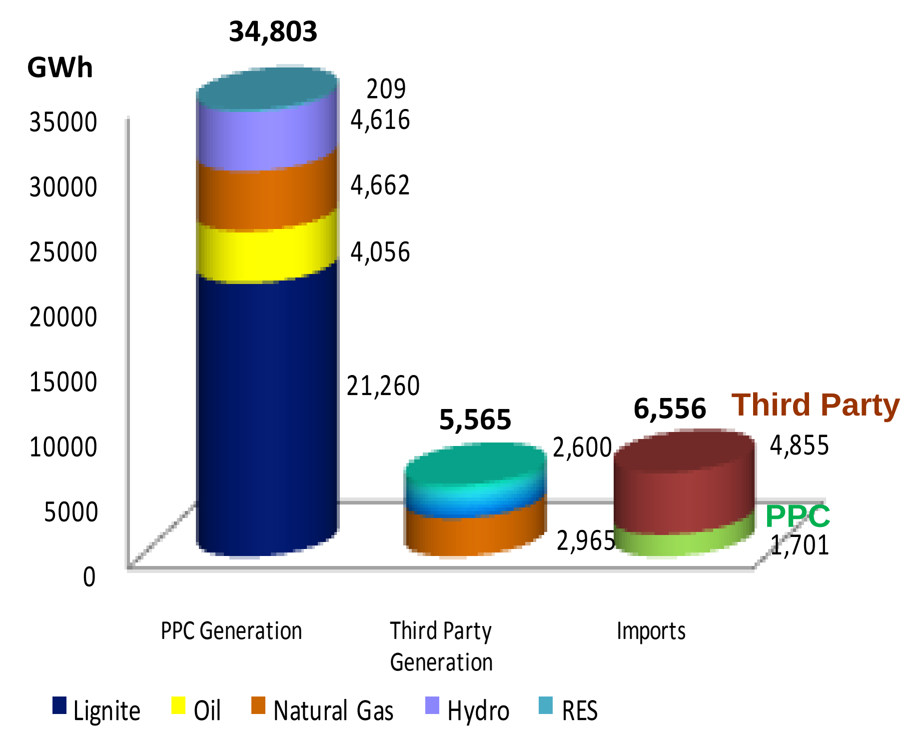
PPC domestic sales : 40,234 GWh
Market share : 99.63%

PPC exports : 151 GWh
Market share on exports : 8.44%

Although electricity demand in the 9M2010 remained at the same level compared to the 9M2009, the market share loss of 3.2 percentage points resulted to the reduction of PPC domestic sales by 2.2% (891 GWh).

Electricity Supply 9M2010 / 9M2009

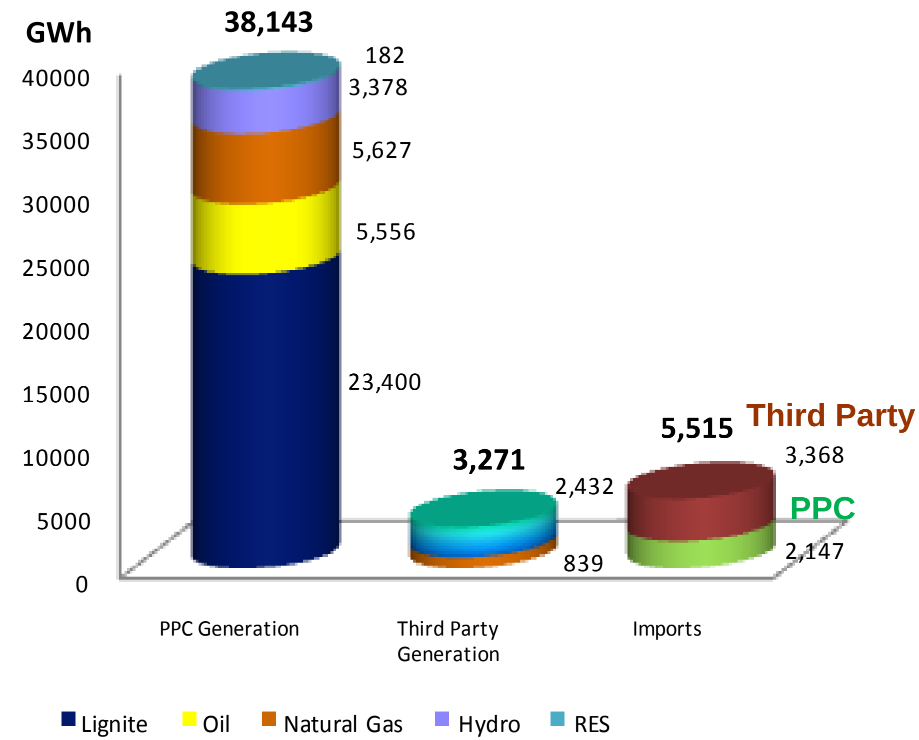
9M2010



PPC generation: 34,803 GWh
Market share : 86.21%

PPC imports: 1,701 GWh
Market share on imports : 25.95%

9M2009

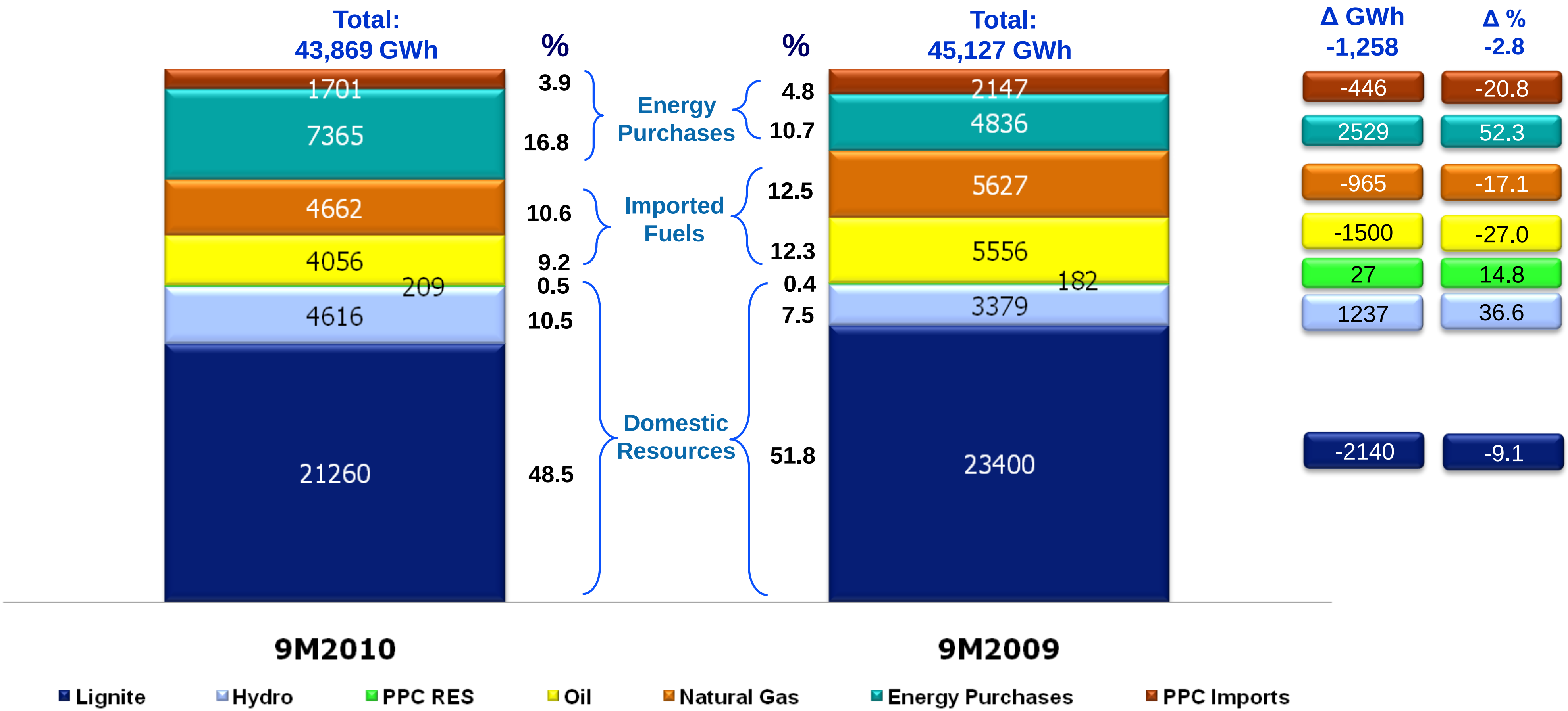


PPC generation: 38,143 GWh
Market share : 92.10%

PPC imports: 2,147 GWh
Market share on imports : 38.93%

In 9M2010, PPC's electricity generation including electricity imports, covered 77.8% of total demand, while, the corresponding percentage in 9M2009 was 85.9%, a reduction of 8.1 percentage points .

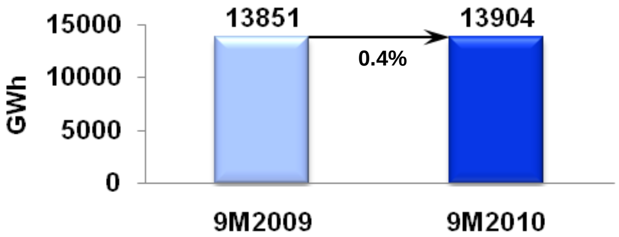
PPC Energy Generation and Purchases 9M2010 / 9M2009



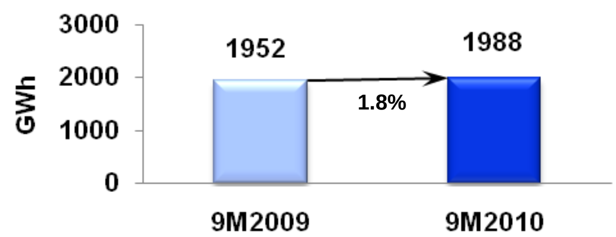
Electricity generation from lignite, decreased by 9.1% (-2,140 GWh), thus resulting in the reduction of the percentage participation of lignite in the total energy mix of PPC to 48.5% from 51.8% in the respective period of 2009. Energy purchases increased by 52.3% (2,529 GWh).

Electricity Sales (GWh) 9M2010 / 9M2009

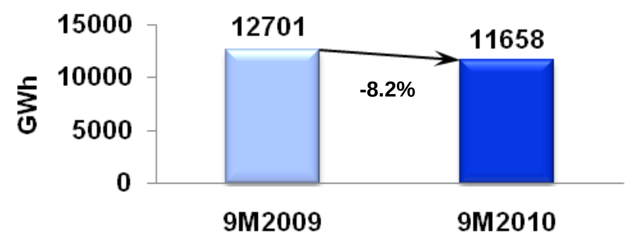
Residential



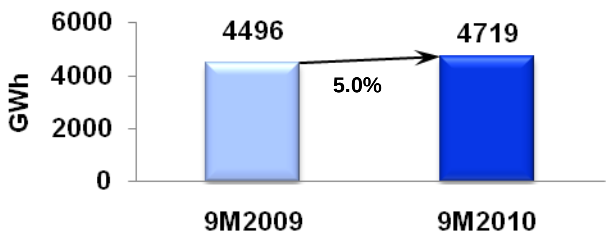
Agricultural



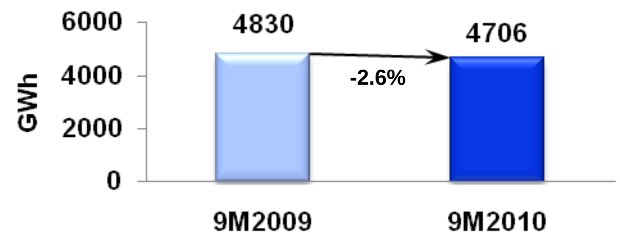
Commercial



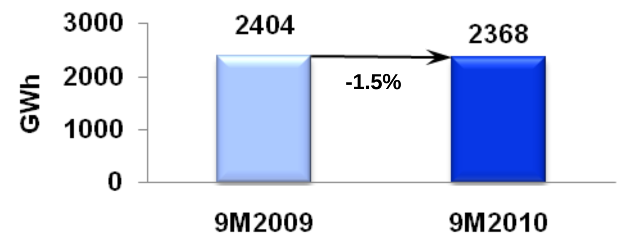
Industrial HV



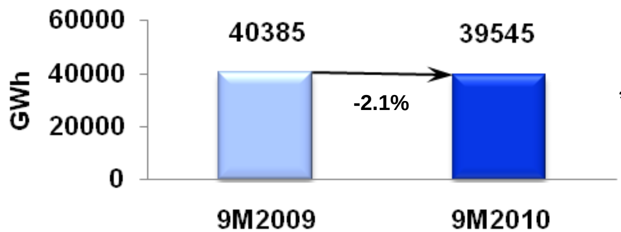
Industrial LV & MV



Other sectors



Total sales *



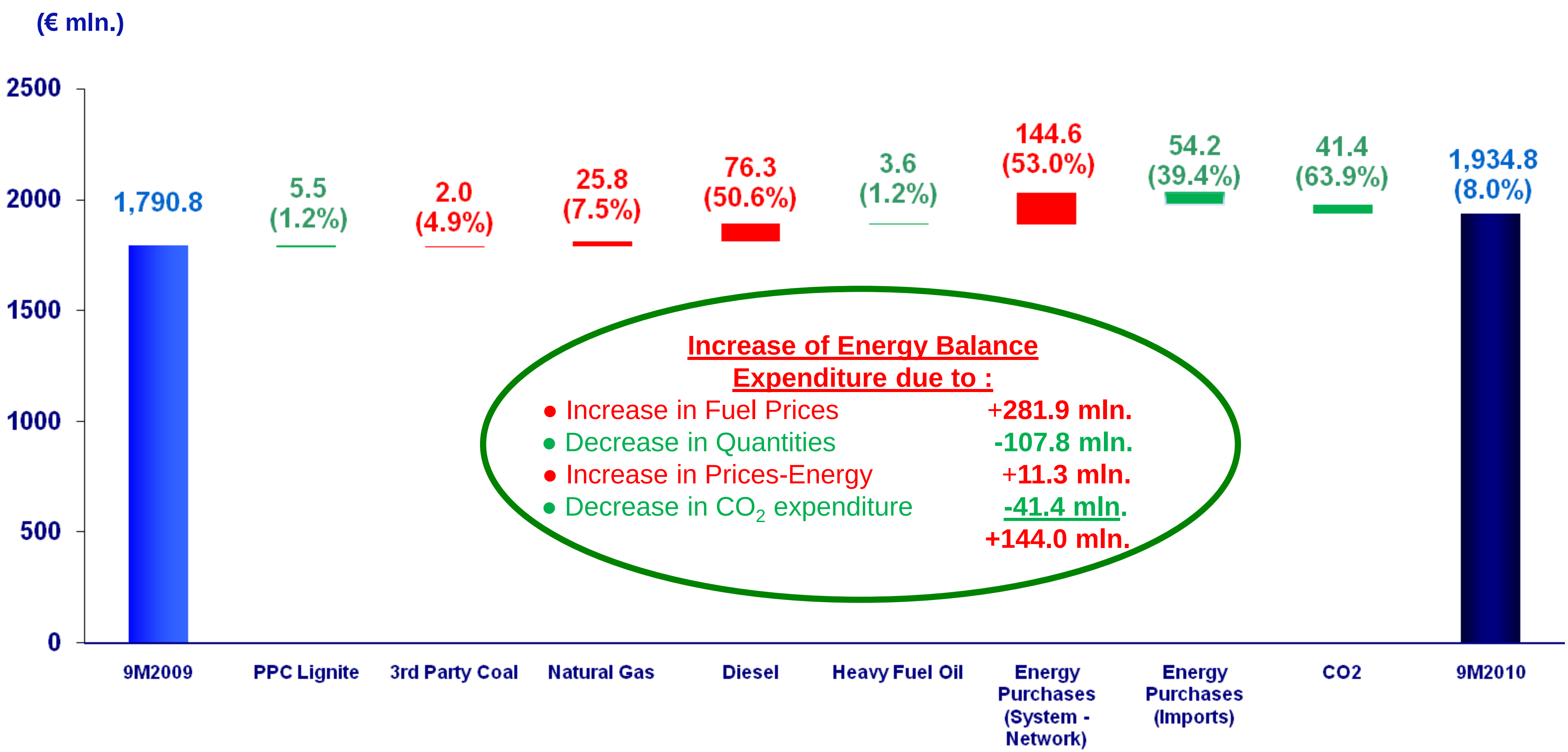
* Including exports

Evolution of Fuel and Energy Prices paid by PPC in 9M2010

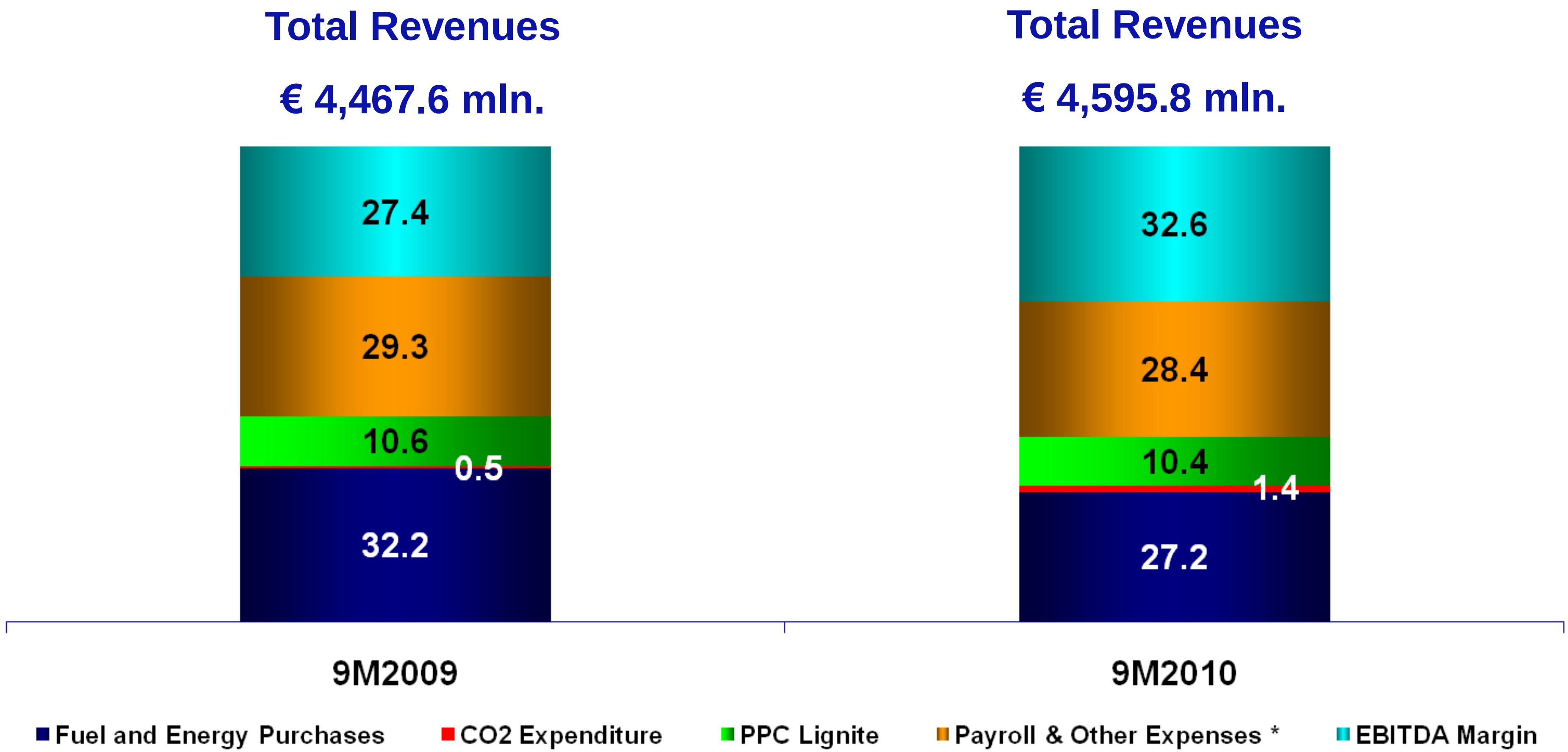
	Price Change (%)	Quantities 9M2010	Change in Quantities (%) 9M2010 vs 9M2009
Heavy Fuel-oil (€/tn)	46.8	752,408tn	-32.7
Diesel-oil (€/klt)	24.1 *	317,492klt	-3.7
Pipe Gas (€/Nm^3)	30.3	927 mNm^3	-24.7
System Marginal Price (€/MWh)	13.4	6,909 GWh	56.9
PPC Imports (€/MWh)	-23.4	1,701 GWh	-20.8

*** Taking into account the Special Consumption Tax, the increase of diesel price amounts to 56.4%.**

Total fuel and energy purchases expenditure 9M2010 / 9M2009



Fuel, CO2, other expenses and EBITDA as percentage of revenues 9M2010 / 9M2009



In 9M2010, 32.7% of revenues was absorbed by expenses for fuel, energy purchases and CO_2 vs 28.6% in 9M2009. As a result, EBITDA margin decreased to 27.4% from 32.6% in 9M2009.

** Other expenses also include income/expenses regarding CO_2 emission rights valuation*

Capex - Net Debt Evolution - Liquidity

- Capex in 9M2010 amounted to € 694.6 mln. compared to € 760.4 mln. in 9M2009 and € 932.2 mln. in the budget.
- Increase in net debt by € 222.6 mln. from € 4,056.3 mln. on 31/12/2009 to € 4,278.9 mln. on 30/9/2010 and increase of € 167.8 mln, compared to 30/9/2009 (€ 4,111.1 mln). This increase is mainly attributed to the dividend payment of € 232 mln. and the payment of five installments (out of 8) for the Income Tax and the Advance Payment for Tax, amounting to € 127 mln. (total amount of Tax and Advance Payment: € 203 mln.)
- As of 30/9/2010, debt repayment for the 9M2010 amounted to € 1,050 mln. In the 3Q2010 debt repayment reached € 365 mln, whereas in the 4Q2010 debt redemptions amount to € 443 mln, of which € 400 mln. relate to an International Bond that was fully repaid in November.
- Available Lines as of 30/9/2010 : € 1.5 bln
- In addition, cash deposits of € 700 mln.

Business Update
& Outlook

Arthouros Zervos

Chairman and CEO

Recent Developments – Regulatory Framework

Tariffs

- Regulatory Control Tariffs :
  - Ministerial approval of the tariff categories in Medium and Low Voltage (number of tariffs reduced to 9 from 30)
  - Ministerial approval of the average energy component of the tariff per customer category for the gradual rationalisation of the tariffs and the lifting of existing cross-subsidisation.
- High Voltage Tariffs: RAE requested that PPC determines the energy component of the High Voltage (HV) Tariffs, based on stand-alone data per HV customer.
- Social Residential Tariff: Based on relevant ministerial decision, the Social Residential Tariff, whose implementation will start on 1/1/2011, is included in the Public Service Obligations (PSOs).

Wholesale Energy Market

- The following major changes were approved with respect to the operation of the wholesale energy market:
  - Inclusion of the cost of the CO_2 deficit in the calculation of the Variable Cost of the Thermal Units.
  - Modification of the calculation methodology for the Variable Cost of the Hydro Power Stations, which will be determined by RAE, and setting of the Maximum Daily Injection of Hydro Generated Energy into the System.
  - Extension of the Transitory Mechanism for Securing Adequate Capacity for one year (Oct. 2010 – Sep. 2011).
  - Increase of the compensation for capacity availability as of 1/11/2010 to € 45,000 per MW compared to € 35,000 per MW today.

Recent Developments – Transmission / Distribution

Cyclades Interconnection	On 22/10/2010, the Board of Directors approved the results of the public consultation and authorised the Chairman and CEO to approve the final Tender Documents.
Greece – Turkey Interconnection	On 18/9/2010, the 400kV interconnection line between Greece and Turkey was put into trial operation, which is expected to last for one year.
Unbundling of Transmission Activities	On 19/10/2010, the Board of Directors approved the transfer of all the activities as well as assets and liabilities of the Transmission Division to a 100% subsidiary of PPC S.A.
Unbundling of Distribution Activities	On 12/10/2010, the Board of Directors approved the transfer of all the activities of the Distribution Division as well as the activities of the Non-Interconnected Islands Operator, to a 100% subsidiary of PPC S.A. Furthermore, it also approved the transfer to the subsidiary of the respective assets and liabilities, with the exception of the fixed assets of the distribution network, and the land, buildings and installations of the Distribution Division, which will remain in the ownership of the parent company PPC S.A.

Recent Developments - Renewables / Joint Ventures

Renewables

- Construction of two Wind Parks in Paros & Lesvos, with a total installed capacity of 6.3 MW, whereas by December 2010, two more parks will have been constructed in Crete (Akoumia) and Samos (Marathokampos), with a total installed capacity of 9MW.
- Acquisition of a small Hydro Power Station in Serres, with a total installed capacity of 1.5 MW.
- Approval of a framework agreement between EDF Energies Nouvelles, EDF EN GREECE, PPC S.A. and PPC Renewables S.A., for the development of renewable projects in Greece.
- Shareholders' agreement with EP Global Energy Ltd for the establishment of a Joint Venture company, which will be active in the development of renewable projects in the Balkans and the Middle East Region.
- Initiation of evaluation process for the development framework of photovoltaic projects in the West Macedonia region.

Joint Venture with Quantum Corporation Limited and Bank of Cyprus

Submission of Expression of Interest for the construction and exploitation of four hydro power plants, with a total capacity of 238MW, in Bosnia-Herzegovina.

Discussion of Financial Results

- In the 3rd quarter of 2010, the market share loss in the high margin customer segments intensified, with PPC's share in the respective market segment of the Interconnected System further declining to 87.1%, from 90.4% in the 1st half. This development resulted in the reduction of revenues from energy sales in the 3rd quarter by 4.5%, compared to the respective period in 2009, despite the fact that sales volume was flat, as there was an increase in residential and industrial demand.

- Nonetheless, the application of the new regulatory control tariffs as of 1.1.2011 is expected to limit the distortion, which existed in the retail market over the last two years, as well as the disproportionate negative impact on our revenues from the market share loss and to promote the development of competition on equal terms.

- The aforementioned reduction in revenues from energy sales combined with the increase of fuel and energy expenses and relative taxes, led to an EBITDA of € 402.5 mln (22.8% reduction versus the respective quarter in 2009).

- In the nine months period, profitability remains at satisfactory levels with the EBITDA margin reaching 27.4% and pre-tax profits amounting to € 690 mln.

Full Year Outlook

- Domestic electricity demand is estimated to be at 2009 levels compared to a 0.7% increase that was initially projected.

- PPC's domestic sales volume is estimated to decrease by 3.5% compared to 2009, versus the budgeted estimate of 1.8%, mainly due to the loss of market share in the high margin customer segments. PPC's market share in the domestic electricity retail market for 2010 is expected to decline to 95.7% compared to 99.5% in 2009, whereas the respective share in the high margin customer segment is expected to decrease to 86.6% from 98.3% in 2009.

- The cost of the energy balance is expected to be slightly higher than budgeted, as the levels of the international fuel prices (in € terms) are trending higher than the budgeted ones, while diesel consumption is burdened with the increased special tax.

- Taking into account the expected reduction in payroll, from the application of laws 3833 and 3845, as well as the extraordinary one-off contribution to PPC personnel insurance funds, the EBITDA margin, for the full year, is estimated to be in the order of 26%.

Goals & Prospects

- PPC is currently faced with important changes which impact both the regulatory framework of the energy market as well as its operating model.
- In this new competitive landscape, that is shaping up, PPC's goal is to secure its sustainable growth with:
  - investments in new, more efficient and environmental friendly units, for the replacement of old and inefficient plants,
  - optimization of the Transmission and Distribution network infrastructure, within PPC Group, while, at the same time, ensuring the independence of the market operation,
  - emphasis on customer-centered policy in conjunction with the rationalization of tariffs,
  - promotion of renewable investments in order to increase their participation in our energy mix,
  - expansion in foreign markets through partnerships, as well as
  - taking advantage of competitive market conditions for natural gas procurement, and pursuing alternative sources of financing.

DISCLAIMER

Some of the information contained herein includes forward-looking statements. It is noted that the Company is subject to various risks, which, among other, relate to $/€ exchange rate, oil, natural gas and electricity prices as well as the price of CO2 emission rights that could cause actual results to differ materially from those anticipated in the forward-looking statements.