



PUBLIC POWER CORPORATION S.A.

Interim Condensed Consolidated and Separate Financial Statements

**for the three month period
from January 1, 2011 to
March 31, 2011**

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

The attached interim condensed consolidated and separate financial statements were approved by Public Power Corporation Board of Directors on May 26, 2011 and they are available in the web site of Public Power Corporation S.A. at www.dei.gr.

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PUBLIC POWER CORPORATION S.A.
INTERIM CONDENSED CONSOLIDATED AND SEPARATE STATEMENTS OF INCOME
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2011

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

	GROUP		PARENT COMPANY	
	01.01.2011- 31.03.2011	01.01.2010- 31.03.2010	01.01.2011- 31.03.2011	01.01.2010- 31.03.2010
REVENUES:				
Revenue from energy sales	1,232,640	1,353,968	1,228,982	1,349,245
Other	143,498	137,251	143,498	137,251
	1,376,138	1,491,219	1,372,480	1,486,496
EXPENSES:				
Payroll cost	217,238	265,960	216,519	264,755
Fuel	478,249	417,684	478,249	417,684
Depreciation and Amortization	127,546	118,366	126,432	117,332
Energy purchases	194,760	132,865	196,527	134,581
Transmission system usage	74,312	69,792	74,312	69,792
Emissions Allowances	11,528	13,784	11,528	13,784
Provisions	45,682	35,389	45,682	35,362
Financial expenses	50,362	38,176	50,324	38,171
Financial income	(10,929)	(6,970)	(10,895)	(6,949)
Other (income)/expense, net	67,199	60,683	65,711	59,520
Share of loss/(profit) of associates and Joint Ventures	(398)	(634)	-	-
Foreign currency (gains)/losses, net	(818)	2,501	(818)	2,501
PROFIT BEFORE TAX	121,407	343,623	118,909	339,963
Income tax expense	(28,103)	(86,161)	(27,606)	(85,484)
PROFIT AFTER TAX	93,304	257,462	91,303	254,479
Earnings per share, basic and diluted	0.40	1.11	0.39	1.10
Weighted average number of shares	232,000,000	232,000,000	232,000,000	232,000,000

The accompanying notes are an integral part of these interim condensed consolidated and separate financial statements.

PUBLIC POWER CORPORATION S.A.
INTERIM CONDENSED CONSOLIDATED AND SEPARATE STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2011

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

	GROUP		PARENT COMPANY	
	01.01.2011- 31.03.2011	01.01.2010- 31.03.2010	01.01.2011- 31.03.2011	01.01.2010- 31.03.2010
Profit for the period	93,304	257,462	91,303	254,479
Other Comprehensive income / (loss) for the period				
Profit / (Loss) from fair value available for sale valuation	(7,768)	(5,472)	(7,768)	(5,472)
Valuation of Derivatives	-	7,053	-	7,242
Other Comprehensive income / (loss) for the period, after tax	(7,768)	1,581	(7,768)	1,770
Total Comprehensive income / (loss) for the period after tax	85,536	259,043	83,535	256,249

The accompanying notes are an integral part of these interim condensed consolidated and separate financial statements.

PUBLIC POWER CORPORATION S.A.
INTERIM CONDENSED BALANCE SHEETS
AS OF MARCH 31, 2011

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

	GROUP		PARENT COMPANY	
	31.03.2011	31.12.2010	31.03.2011	31.12.2010
ASSETS				
Non – Current Assets:				
Property, plant and equipment, net	13,342,228	13,354,142	13,218,923	13,236,285
Intangible assets, net	89,625	89,146	89,531	89,040
Available for sale financial assets	22,807	22,073	22,807	22,073
Other non- current assets	40,842	41,547	113,777	114,665
Total non-current assets	13,495,502	13,506,908	13,445,038	13,462,063
Current Assets:				
Materials, spare parts and supplies, net	869,242	849,971	868,443	849,182
Trade and other receivables, net and other current assets	1,314,686	1,223,071	1,315,868	1,242,937
Cash and cash equivalents	715,760	620,449	712,211	617,040
Total Current Assets	2,899,688	2,693,491	2,896,522	2,709,159
Total Assets	16,395,190	16,200,399	16,341,560	16,171,222
EQUITY AND LIABILITIES				
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
Fixed assets' statutory revaluation surplus included in share capital	(947,342)	(947,342)	(947,342)	(947,342)
Revaluation surplus	5,013,103	5,013,103	4,976,962	4,976,962
Reserves	297,534	305,302	297,534	305,302
Retained earnings	1,317,566	1,224,586	1,328,566	1,237,533
Total Equity	6,854,740	6,769,528	6,829,599	6,746,334
Non-Current Liabilities:				
Interest bearing loans and borrowings	3,661,701	3,885,625	3,661,570	3,885,413
Provisions	465,866	461,210	464,712	460,078
Other non-current liabilities	2,861,541	2,881,892	2,857,711	2,877,826
Total Non-Current Liabilities	6,989,108	7,228,727	6,983,993	7,223,317
Current Liabilities:				
Trade and other payables and other current liabilities	1,140,092	1,075,285	1,113,622	1,068,288
Dividends payable	153	171	153	171
Income Tax payable	190,754	159,515	196,964	166,213
Short term borrowings	78,014	250,250	75,000	250,000
Current portion of interest bearing loans and borrowings	1,142,329	716,923	1,142,229	716,899
Total Current Liabilities	2,551,342	2,202,144	2,527,968	2,201,571
Total Liabilities and Equity	16,395,190	16,200,399	16,341,560	16,171,222

The accompanying notes are an integral part of these interim condensed consolidated and separate financial statements.

PUBLIC POWER CORPORATION S.A.

INTERIM CONDENSED CONSOLIDATED CHANGES IN EQUITY FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2011

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

	Share Capital	Share Premium	Legal Reserve	Revaluation Surplus	Reversal of Revaluation Gains	Other Reserves		Reserves Total	Retained Earnings /(Accumulated Deficit)	Total Equity
						Marketable Securities Valuation Surplus	Tax - free and other Reserves			
Balance, December 31, 2009	1,067,200	106,679	80,165	5,026,614	(947,342)	10,637	207,987	218,624	909,374	6,461,314
Net income for the period	-	-	-	-	-	-	-	-	257,462	257,462
Other Comprehensive income / (loss) for the period recognized directly in equity	-	-	-	-	-	(5,472)	7,242	1,770	(189)	1,581
Total Comprehensive income / (loss) for the period after tax	-	-	-	-	-	(5,472)	7,242	1,770	257,273	259,043
Dividends	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	(67)	(67)
Restated Balance March 31, 2010	1,067,200	106,679	80,165	5,026,614	(947,342)	5,165	215,229	220,394	1,166,580	6,720,290
Balance, December 31, 2010	1,067,200	106,679	107,491	5,013,103	(947,342)	(10,176)	207,987	197,811	1,224,586	6,769,528
Net income for the period	-	-	-	-	-	-	-	-	93,304	93,304
Other Comprehensive income / (loss) for the period recognized directly in equity	-	-	-	-	-	(7,768)	-	(7,768)	-	(7,768)
Total Comprehensive income / (loss) for the period after tax	-	-	-	-	-	(7,768)	-	(7,768)	93,304	85,536
Transfers	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	(324)	(324)
Balance March 31, 2011	1,067,200	106,679	107,491	5,013,103	(947,342)	(17,944)	207,987	190,043	1,317,566	6,854,740

The accompanying notes are an integral part of these interim condensed consolidated and separate financial statements.

PUBLIC POWER CORPORATION S.A.

INTERIM CONDENSED SEPARATE CHANGES IN EQUITY FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2011

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

	Share Capital	Share Premium	Legal Reserve	Revaluation Surplus	Reversal of Revaluation Gains	Other Reserves		Retained Earnings /(Accumulated Deficit)	Total Equity	
						Marketable Securities Valuation Surplus	Tax - free and other Reserves			
Balance, December 31, 2009	<u>1,067,200</u>	<u>106,679</u>	<u>80,165</u>	<u>4,990,473</u>	<u>(947,342)</u>	<u>10,637</u>	<u>207,987</u>	<u>218,624</u>	<u>933,426</u>	<u>6,449,225</u>
Net income for the period	-	-	-	-	-	-	-	-	254,479	254,479
Other Comprehensive income / (loss) for the period recognized directly in equity	-	-	-	-	-	(5,472)	7,242	1,770	-	1,770
Total Comprehensive income / (loss) for the period after tax	-	-	-	-	-	<u>(5,472)</u>	<u>7,242</u>	<u>1,770</u>	<u>254,479</u>	<u>256,249</u>
Dividends	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Restated Balance March 31, 2010	<u>1,067,200</u>	<u>106,679</u>	<u>80,165</u>	<u>4,990,473</u>	<u>(947,342)</u>	<u>5,165</u>	<u>215,229</u>	<u>220,394</u>	<u>1,187,905</u>	<u>6,705,474</u>
Balance, December 31, 2010	<u>1,067,200</u>	<u>106,679</u>	<u>107,491</u>	<u>4,976,962</u>	<u>(947,342)</u>	<u>(10,176)</u>	<u>207,987</u>	<u>197,811</u>	<u>1,237,533</u>	<u>6,746,334</u>
Net income for the period	-	-	-	-	-	-	-	-	91,303	91,303
Other Comprehensive income / (loss) for the period recognized directly in equity	-	-	-	-	-	(7,768)	-	(7,768)	-	(7,768)
Total Comprehensive income / (loss) for the period after tax	-	-	-	-	-	<u>(7,768)</u>	-	<u>(7,768)</u>	<u>91,303</u>	<u>83,535</u>
Transfers	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	(270)	(270)
Balance March 31, 2011	<u>1,067,200</u>	<u>106,679</u>	<u>107,491</u>	<u>4,976,962</u>	<u>(947,342)</u>	<u>(17,944)</u>	<u>207,987</u>	<u>190,043</u>	<u>1,328,566</u>	<u>6,829,599</u>

The accompanying notes are an integral part of these interim condensed consolidated and separate financial statements.

PUBLIC POWER CORPORATION S.A.
INTERIM CONDENSED CONSOLIDATED AND SEPARATE STATEMENT OF CASH FLOWS
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2011

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

	GROUP		PARENT COMPANY	
	01.01.2011- 31.03.2011	01.01.2010- 31.03.2010	01.01.2011- 31.03.2011	01.01.2010- 31.03.2010
Cash flows from operating activities				
Profit before tax from continuing operations	121,407	343,623	118,909	339,963
Adjustments:				
Depreciation and amortization	186,742	164,569	185,525	163,432
Amortization of customers' contributions and subsidies	(18,695)	(18,141)	(18,592)	(18,037)
Interest expense	47,640	35,791	47,602	35,786
Other adjustments	62,345	65,285	62,674	66,280
Changes in assets	(163,466)	(113,997)	(144,935)	(107,825)
Changes in liabilities	59,246	(85,844)	39,774	(89,541)
Net Cash from Operating Activities	295,219	391,286	290,957	390,058
Cash Flows from Investing Activities				
Capital expenditure/ (disposal) of fixed assets and software	(180,605)	(241,642)	(173,888)	(239,525)
Proceeds from customers' contributions and subsidies	117	590	150	590
Interest and dividends received	10,895	6,269	10,895	6,248
Investments	(128)	-	(30)	(8,000)
Net Cash used in Investing Activities	(169,721)	(234,783)	(162,873)	(240,687)
Cash Flows from Financing Activities				
Net change in short term borrowings	(172,236)	(138,500)	(175,000)	(138,500)
Proceeds from interest bearing loans and borrowings	478,000	630,000	478,000	630,000
Principal payments of interest bearing loans and borrowings	(276,628)	(375,290)	(276,628)	(375,290)
Interest paid	(59,305)	(34,657)	(59,267)	(34,652)
Dividends paid	(18)	-	(18)	-
Net Cash used in Financing Activities	(30,187)	81,553	(32,913)	81,558
Net increase/(decrease) in cash and cash equivalents	95,311	238,056	95,171	230,929
Cash and cash equivalents at beginning of the period	620,449	480,042	617,040	471,782
Cash and cash equivalents at the end of the period	715,760	718,098	712,211	702,711

The accompanying notes are an integral part of these interim condensed consolidated and separate financial statements.

PUBLIC POWER CORPORATION S.A.
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
MARCH 31, 2011

(All amounts in thousands of Euro, unless otherwise stated)

SELECTED EXPLANATORY NOTES

1. CORPORATE INFORMATION

Public Power Corporation S.A. ("PPC" or the "Parent Company") 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 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 are listed on the Athens and the London Stock Exchanges.

The accompanying condensed financial statements include the separate financial statements of PPC and the consolidated financial statements of PPC and its subsidiaries ("the Group").

PPC headquarters are located at 30, Chalkokondili Street, Athens, 104 32 Greece.

At March 31, 2011, the number of staff employed by the Group was approximately 21,509 (2010: 22,367), excluding employees engaged in Hellenic Electricity Transmission System Operator S.A, ("HTSO").

At March 31, 2011, 171 employees (2010: 183), have been transferred to several State agencies (ministries, organizations, etc.) out of which the 1st quarter of 2011, 147 were compensated by PPC (2010: 149). The total payroll cost of such employees, at March 31, 2011, amounted to Euro 1,129 (2010: Euro 1,690), and is included in the income statement.

As a vertically integrated electric utility, PPC generates electricity in its own 63 power generating stations (40 additional stations belong to PPC Renewables) facilitates the transmission of electricity through its own power lines of 12,093 kilometres (high voltage) and distributes electricity to consumers through its own distribution lines of 227,300 kilometres (medium and low voltage). Lignite for PPC's lignite-fired power stations is extracted mainly from its own lignite mines. PPC has also constructed approximately 1,916 kilometres of fibre-optic network along its transmission lines, almost 161 kilometres of urban underground fibre optics network and almost 17 kilometres of underwater fibre optics network.

2. CHANGES IN LEGAL FRAMEWORK

Amendments to the legislative framework of the Electricity Market in the first three months of 2011

On 16/05/2011, the Ministry for the Environment, Energy and Climate Change, put into public consultation the draft of the Law titled «Operation of Electricity and Natural Gas Energy Markets» (implementation of Directives 2009/72/EC and 2009/73/EC). The following provisions are included:

- Adoption of the ITO model for the Transmission System Operator.
 - Formation of a 100% subsidiary of PPC, namely ITSO (Independent Transmission System Operator), which will undertake the transmission operations of PPC, including its assets and personnel, as well as the transmission activities of the current HTSO.
 - ITSO should be certified by RAE as System Operator by March 2012.
 - HTSO will be renamed to Market Operator.
- Formation of the Distribution System Operator, a 100% subsidiary of PPC, which will undertake the distribution activities as well as all respective assets and liabilities of PPC associated with the aforementioned activities, with the exception of the fixed assets of the distribution network, the buildings and the facilities of the Distribution Division, which will remain at the parent company level.

Other provisions under the presented draft bill are:

- the broadening of responsibilities and the enhancement of independence of the Regulatory Energy Authority (RAE)
- measures for the protection of the consumer from unfair practices
- measures for the deregulation of the natural gas market.

A. Provisions concerning the determination of the quantity of emission allowances to be auctioned.

In 2011 legislative initiatives were taken for the determination of the quantity of emission allowances that are available for auctioning according to the National Allocation Plan of greenhouse gas (GHG) allowances for the period 2008-2012. The Ministerial Decision **186310** was published in **OG B' 574/11.04.2011**, according to which 10.000.000 greenhouse gas emission allowances will be auctioned.

The terms and the procedure for the auctioning of the GHG emission allowances within the Community from New-entrants Depository, for the period 2008-2012, are determined in the Ministerial Decision **186446**, which was published in **OG B' 575/11.04.2011**, according to the Common Ministerial Decision of the Ministers of Environment, Planning and Public Works as well as Economy and Finance no

PUBLIC POWER CORPORATION S.A.
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
MARCH 31, 2011

(All amounts in thousands of Euro, unless otherwise stated)

2. CHANGES IN LEGAL FRAMEWORK (CONTINUED)

52115/2970/E102/2008. The 95% of the revenues resulting from the auctions will be allocated to the Hellenic Transmission System Operator and the 5% to the Public Entity under the name "Green Fund".

B. Settings concerning the Wholesale Electricity Market and the regulative texts by which it operates

RAE issued Opinion **4/2011** on the 4th of February 2011, for the amendment of the provisions of the Grid and Power Exchange Code(GPEC) and more specifically for the replacement of paragraph 9 of Article 335 indicating that the charges provided in paragraph 1 of article 73 are indicative until the 31st of March 2011. Specifically charges concerning non compliance with dispatching instructions according to article 92, they will be indicative until the 30th of April 2011.

OG B' 129/09.02.2011 includes the following amendments of the Grid and Power Exchange Code:

- i) The calculation formulas of the constrained payments provided in article 189 are amended.
- ii) A new paragraph is added in article 335 which sets that the settlement and the return of any financial imbalances resulting from the transactions of article 189 par (2), will take place within 6 months since 1/1/2011 and up to the completion of the necessary software by HTSO, the latest.
- iii) Wordings of the GPEC are rephrased.

C. New Tarrif Policy

Application of the Social HouseHold Tarrif (SHT)

Within 2011, the Ministry for the Environment, Energy and Climate Change issued a decision (OG 322/28.02.2011) defining that, the applications for the use of SHT will be submitted every year within the period between 1.10.2010 up to 31.03.2011. For those applications for which the verification has been completed after the 01.01.2011 or will be completed after the entry into force of this Decision, the incorporation will be made back since 01.01.2011.

In the framework of the present adverse economic coincidence, RAE issued the Opinion 9/2011, so that, higher elasticity is provided a) concerning the upper limits of the quarterly consumption for all of the categories of the beneficiaries included in the current ministerial decision and b) concerning the income criteria especially for category D (handicapped individuals) in relation to the tax-free threshold, as they are determined in the existing provisions.

D. Provisions which amend the regulative texts of the Energy Market

RAE issued Decision 215/2010 (OG B 2093/31.12.2010) which amended its Decision 1332/2009 which approves the methodology-manual for the Use of Distribution System Charges and specifically paragraphs (1) and (5) of Article 5, by adding a new client category, the Household Public Service Obligation. Load coefficient will be 0% and energy coefficient will be 100% for this category.

3. BASIS OF PRESENTATION FOR THE INTERIM CONDENSED FINANCIAL STATEMENTS

3.1. BASIS OF PREPARATION

Basis of preparation of financial statements: The accompanying interim condensed consolidated and separate financial statements ("financial statements") for the three month period ended March 31, 2011 have been prepared in accordance with IAS 34 "Interim Financial Reporting" which defines the form and the content of the interim financial statements. The accompanying financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the latest annual financial statements as at December 31, 2010 made publicly available.

The accompanying financial statements have been prepared under the historical cost convention except for certain assets that have been measured at fair value, assuming that PPC and its subsidiaries will continue as a going concern.

The financial statements are presented in thousands of Euro and all amounts are rounded to the nearest thousand, except when otherwise stated.

Approval of Financial Statements: The Board of Directors approved the accompanying financial statements for the three month period ended March 31, 2011, on May 26, 2011

3.2 CHANGES IN ACCOUNTING POLICIES

The accounting policies applied to the separate and consolidated financial statements are the same as those applied to the annual separate and consolidated financial statements for the year ended December 31, 2010 except for the adoption of the following new and amended IFRS and IFRIC interpretations which became effective for the accounting periods beginning January 1, 2011.

PUBLIC POWER CORPORATION S.A.
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
MARCH 31, 2011

(All amounts in thousands of Euro, unless otherwise stated)

3.2 CHANGES IN ACCOUNTING POLICIES

- **IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments**
- **IFRIC 14 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction (Amended)**
- **IAS 32 Classification on Right Issues (Amended)**
- **IAS 24 Related Party Disclosures (Revised)**

In May 2010 the IASB issued its third omnibus of amendments to its standards, primarily with a view to removing inconsistencies and clarifying wording

- **IFRS 3 Business Combinations**
- **IFRS 7 Financial Instruments: Disclosures**
- **IAS 1 Presentation of Financial Statements**
- **IAS 27 Consolidated and Separate Financial Statements**
- **IAS 34 Interim Financial Reporting**
- **IFRIC 13 Customer Loyalty Programs**

The adoption of the above new and amended IFRS and IFRIC interpretations is not expected to have an impact on the financial statements or performance of the Group or the Company.

The following new and amended IFRS and IFRIC interpretations have been issued but are not effective for the financial year beginning January 1, 2011. They have not been early adopted and the Group and the Company are in the process of assessing their impact, if any, on the financial statements:

- **IFRS 9 Financial Instruments – Phase 1 financial assets and financial liabilities, classification and measurement:** The new standard is effective for annual periods beginning on or after January 1, 2013. Phase 1 of this new IFRS introduces new requirements for classifying and measuring financial assets and financial liabilities. Early adoption is permitted. This standard has not yet been endorsed by the EU.
- **IAS 12 Deferred tax: Recovery of Underlying Assets (Amended)** The amendment is effective for annual periods beginning on or after 1 January 2012. This amendment concerns the determination of deferred tax on investment property measured at fair value and also incorporates SIC-21 Income Taxes Recovery of Revalued Non-Depreciable Assets into IAS 12 for non-depreciable assets measured using the revaluation model in IAS 16. The aim of this amendment is to include a) a rebuttable presumption that deferred tax on investment property measured using the fair value model in IAS 40 should be determined on the basis that its carrying amount will be recovered through sale and b) a requirement that deferred tax on non-depreciable assets, measured using the revaluation model in IAS 16, should always be measured on a sale basis. This amendment has not yet been endorsed by the EU.
- **IFRS 7 Financial Instruments: Disclosures as part of its comprehensive review of off balance sheet activities (Amended)** The amendment is effective for annual periods beginning on or after 1 July 2011. The purpose of this amendment is to allow users of financial statements to improve their understanding of transfer transactions of financial assets (e.g. securitisations), including understanding the possible effects of any risks that may remain with the entity which transferred the assets. The amendment also requires additional disclosures if a disproportionate amount of transfer transactions are undertaken around the end of a reporting period. The amendments broadly align the relevant disclosure requirements of IFRSs and US GAAP. This amendment has not yet been endorsed by the EU.

Deviation from the standards for a more accurate and fair presentation of the economic performance

PPC recognises a liability to cover the CO₂ emission right shortage, independently of whether actual emissions exceed the allocated ones on the base of estimated expected shortage in year level. Such accounting policy is not in accordance with the provisions of IAS 37 “Provisions, Contingent Liabilities and Contingent Assets”, according to which the relevant liability is allowed to be recognised at the time the shortage occurs, which is when the actual CO₂ emission exceed the allocated ones.

PPC follows the above mentioned policy, in order to recognise any shortage –if occurred- for each year, during the year and not in the last quarter in accordance with the provisions of IAS 37 “Provisions, Contingent Liabilities and Contingent Assets”, considering that it would be misleading and would lead to adverse conclusions than the ones the financial statements aim to, which is to provide reliable and as much as possible, relevant information concerning the effect of the relative matter to the results of the interim periods. For those reasons PPC decided, in order to achieve the accurate and fair presentation for the interim periods to proceed with the above mentioned deviation. This accounting policy is adopted since 2008.

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4. TRANSMISSION – DISTRIBUTION SPIN OFF

Shaping PPC's Strategy in relation to the 2009/72/EK Directive and its implementation in Domestic Law.

The Parent Company considers that during the preparation of Financial Statements as of March 31st, 2011 IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" cannot be implemented taking under consideration that the Law that will incorporate the European Directive and will define the structure as well as the activities of the new companies (Transmission System Operator and Independent Distribution System Operator) has not yet been adopted by the Greek Parliament until the publication of the Financial Statements.

The Parent Company considers that completion, adoption and implementation of the Law will define the structure and the activities of the new companies as well as relations with the Parent Company and consequently will then be in a position to evaluate whether IFRS 5 can be applied.

5. SEASONALITY OF OPERATIONS

The Company's operations are subject to seasonality due to the increased demand for electricity during the summer and winter months, a trend which is not reflected in its operating results as these are affected by external factors (fuel prices, hydrological conditions etc.).

6. INCOME TAXES (CURRENT AND DEFERRED)

	Group		Company	
	31.03.2011	31.03.2010	31.03.2011	31.03.2010
Current income taxes	28,351	75,150	27,780	74,580
Deferred income taxes	(2,974)	7,091	(2,874)	7,016
Provision for additional taxes	2,726	3,920	2,700	3,888
Total income tax expense	28,103	86,161	27,606	85,484

Companies of the Group that have their residence in Greece are subject to an income tax of 20%.

Tax returns are submitted annually, although declared profits or losses are considered temporary, until the tax authorities audit the company's books and returns and the final audit report is released. Tax losses, to the extent that are recognized by the tax authorities, can offset future earnings for five years, from the year in which they incurred.

The Parent Company's unaudited years are 2009 and 2010. In the context of the Company's tax audit for the years 2006 – 2008, a temporary audit report was issued, due to the fact that, as far as Income Tax is concerned, the matter of taxation of the tariff for supply of electricity to the Parent Company's personnel is still pending. For all other aspects of the tax audit, the final audit reports are issued.

Tax unaudited years:

	Company	Country	Unaudited years
- PPC (Parent Company)			2009-2010
- PPC Renewables S.A.		Greece	2009-2010
- PPC Rhodes S.A.		Greece	1999-2010
- PPC Telecommunications S.A.		Greece	2007-2010
- Arkadikos Ilios Ena S.A.		Greece	2007-2010
- Arkadikos Ilios Dio S.A.		Greece	2007-2010
- Hliako Velos Ena S.A.		Greece	2007-2010
- Hliako Velos Dio S.A.		Greece	2007-2010
- SOLARLAB S.A.		Greece	2007-2010
- Iliaka Parka Ditikis Makedonias Ena S.A.		Greece	2007-2010
- Iliaka Parka Ditikis Makedonias Dio S.A.		Greece	2007-2010
-HPP OINOUSA S.A.		Greece	2010
- PPC FINANCE PLC		United Kingdom	-
-WASTE SYCLO S.A.		Greece	-

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7. INVESTMENTS IN SUBSIDIARIES

The direct subsidiaries of PPC are as follows:

	Group		Company	
	31.03.2011	31.12.2010	31.03.2011	31.12.2010
PPC Telecommunications S.A.	-	-	4,441	4,441
PPC Rhodes S.A.	-	-	838	838
PPC Renewables S.A.	-	-	85,799	85,799
PPC FINANCE PLC	-	-	-	-
Total	-	-	91,078	91,078

The consolidated financial statements include the financial statements of PPC and the subsidiaries listed below:

Name	Ownership Interest		Country and Year of Incorporation and activity	Principal Activities
	31.03.2011	31.12.10		
PPC Renewables S.A.	100%	100%	Greece - 1998	RES
PPC Rhodes S.A.	100%	100%	Greece - 1999	Engineering, construction and operation of a power plant
PPC Telecommunications S.A.	100%	100%	Greece - 2000	Telecommunication services
Arkadikos Ilios Ena S.A.	100%	100%	Greece - 2007	RES
Arkadikos Ilios Dio S.A.	100%	100%	Greece - 2007	RES
Iliako Velos Ena S.A.	100%	100%	Greece - 2007	RES
Iliako Velos Dio S.A.	100%	100%	Greece - 2007	RES
Solarlab S.A.	100%	100%	Greece - 2007	RES
Iliaka Parka Ditikis Makedonias Ena S.A.	100%	100%	Greece - 2007	RES
Iliaka Parka Ditikis Makedonias Dio S.A.	100%	100%	Greece - 2007	RES
HPP OINOUSA S.A.	100%	100%	Greece - 2010	RES
PPC FINANCE PLC	100%	100%	UK - 2009	General Commercial Company

8. INVESTMENTS IN ASSOCIATES

PPC's and the Group's associates at March 31, 2011 and December 31, 2010 are as follows:

	Group		Company	
	31.03.2011	31.12.2010	31.03.2011	31.12.2010
PPC Renewables ROKAS S.A.	1,591	1,476	-	-
PPC Renewables TERNA Energiaki S.A.	2,560	2,560	-	-
PPC Renewables NANKO Energy – MYHE Gitani S.A.	2,737	2,552	-	-
PPC Renewables MEK Energiaki S.A.	1,153	962	-	-
PPC Renewables ELTEV AIFOROS S.A.	1,070	1,071	-	-
PPC Renewables EDF EN GREECE S.A.	8,374	8,736	-	-
Good Works S.A.	222	145	-	-
Wind Park LOYKO S.A.	8	16	-	-
Wind Park MAMBO BIGLIES S.A.	9	9	-	-
Wind Park KILIZA S.A.	12	12	-	-
Wind Park LEFKIVARI A.E.	9	9	-	-
Wind Park AGIOS ONOUFRIOS S.A.	15	15	-	-
Waste Syclo SA	16	-	-	-
	17,776	17,563	-	-

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Data concerning the above mentioned associates as well as the Group's ownership interest in them as at March 31, 2011 and December 31, 2010 are as follows:

Name	Ownership Interest		Country and year of Incorporation	Principal Activities
	31.03.11	31.12.10		
Larco S.A.	11.45%	11.45%	Greece – 1989	Metallurgical
PPC Renewables ROKAS S.A.	49.00%	49.00%	Greece - 2000	RES
PPC Renewables TERNA Energiaki S.A.	49.00%	49.00%	Greece – 2000	RES
PPC Renewables NANKO Energy – MYHE Gitani S.A.	49.00%	49.00%	Greece – 2000	RES
PPC Renewables MEK Energiaki S.A.	49.00%	49.00%	Greece - 2001	RES
PPC Renewables ELTEVAIFOROS S.A.	49.00%	49.00%	Greece – 2004	RES
PPC Renewables EDF EN GREECE S.A.	49.00%	49.00%	Greece – 2007	RES
EEN VOIOTIA S.A.	1 46.60%	46.60%	Greece – 2007	RES
Good Works S.A.	49.00%	49.00%	Greece – 2005	RES
ORION ENERGIAKI S.A.	2 49.00%	49.00%	Greece – 2007	RES
ASTREOS ENERGIAKI S.A.	2 49.00%	49.00%	Greece – 2007	RES
PHOIBE ENERGIAKH S.A.	2 49.00%	49.00%	Greece – 2007	RES
IAPETOS ENERGIAKI S.A.	2 49.00%	49.00%	Greece – 2007	RES
Aioliko Parko LOYKO S.A.	49.00%	49.00%	Greece – 2008	RES
Aioliko Parko MAMBO BIGLIES S.A.	49.00%	49.00%	Greece – 2008	RES
Aioliko Parko KILIZA S.A.	49.00%	49.00%	Greece – 2008	RES
Aioliko Parko LEFKIVARI A.E.	49.00%	49.00%	Greece – 2008	RES
Aioliko Parko AGIOS ONOUFRIOS S.A.	49.00%	49.00%	Greece - 2008	RES
WASTE SYCLO S.A.	49.00%	-	Greece - 2011	Waste Management Services

1. It is consolidated from the associate company PPC Renewables EDF EN GREECE S.A. as it participates by 95% in its share capital.
2. They are consolidated by the associate company Good Works S.A. as they participate by 100% in their share capital.

PPC and the Spanish company Urbaser agreed in April 2009 on a “MoU”, providing for the development of projects in relation with Waste-to-Energy, the Waste Management sector in general, as well as urban and industrial Waste Water Treatment. In April 2010, the Board of Directors of PPC S.A. approved the signing of the Shareholders Agreement for the establishment of a joint company between PPC S.A. and Urbaser S.A. The Shareholders Agreement was signed by both parties in June 2010, with Urbaser owning 51% of the share capital of the joint venture and PPC 49%.

Following the positive opinion from the Directorate General for Competition of the European Commission in December 2010 regarding the formation of the JV, PPC S.A. and Urbaser S.A concluded in February 2011 the corporate establishment procedure of the joint company, with the distinct name 'Waste Syclo Waste Management Services SA'. The initial paid in share capital of the company is €60.000.

The joint company will be responsible for the study, performance of projects and the rendering of all types of services related to:

- waste management in general,
- electricity generation from waste management, and
- urban and industrial waste water treatment, within the territory of Greece.

9. INVESTMENTS IN JOINT VENTURES

At March 31, 2011 and December 31, 2010, PPC's share in assets, liabilities, income and expenses of SENCAP was as follows:

	March 31, 2011	December 31, 2010
Assets	132	136
Liabilities	(221)	(216)
Equity	89	80
Income	-	-
Loss after taxes	(9)	(40)
Loss recognized in the consolidated income statement	-	-

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10. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

PPC balances with its subsidiaries and its associates as of March 31, 2011 and December 31, 2010, are as follows:

	March 31, 2011		December 31, 2010	
	Receivable	(Payable)	Receivable	(Payable)
Subsidiaries				
- PPC Telecommunications S.A.	208	-	198	-
- PPC Renewables S.A.	22,056	(1,912)	26,093	(13,320)
- PPC Rhodes S.A.	29	-	29	-
- Arkadikos Ilios Ena S.A.	3	-	3	-
- Arkadikos Ilios Dio S.A.	1	-	1	-
	22,297	(1,912)	26,324	(13,320)
Associates				
PPC Renewables ROKAS S.A.	-	(282)	-	(250)
PPC Renewables DIEKAT ENERGY S.A.	-	-	1	-
PPC Renewables NANKO MYHE Gitani S.A.	10	-	-	-
- Larco (energy, lignite and ash)	89,212	-	90,407	-
- Sencap	137	-	137	-
	89,359	(282)	90,545	(250)
Other				
- HTSO	444,373	(432,409)	448,516	(413,189)
	444,373	(432,409)	448,516	(413,189)

PPC's transactions with its subsidiaries and its associates for the period ended March 31, 2011 and 2010, are as follows:

	31.03.2011		31.12.2010	
	Invoiced to	Invoiced from	Invoiced to	Invoiced from
Subsidiaries				
- PPC Telecommunications S.A.	10	-	9	-
- PPC Renewables S.A.	965	(1,767)	1,130	(1,716)
- PPC Rhodes S.A.	3	-	2	-
	978	(1,767)	1,141	(1,716)
Associates				
PPC Renewables ROKAS S.A.	-	(414)	-	(615)
EEN VIOTIA SA	37	-	-	-
LARCO	19,659	(984)	11,957	(1,120)
	19,696	(1,398)	11,957	(1,735)
Other				
- HTSO	7,582	(176,264)	3,357	(102,699)
	7,582	(176,264)	3,357	(102,699)

Procurement of lignite from LARCO S.A.:

On August 24, 2007 the Parent Company signed a contract for the procurement of lignite from LARCO S.A. for a total amount of 1.2 million tones (with a right to increase up to 15%) for a period of four years and a total amount of Euro 25.8 million. Given the fact that at the time of signing the contract LARCO S.A. had outstanding payables of an equal amount to PPC from the supply of electricity, payments for the procurement of lignite will be settled against the abovementioned receivable from LARCO S.A. PPC had made a provision for the abovementioned receivables, which was reversed in 2007, due to the fact that the collection of the amount was secured not only by the abovementioned contract, but also by a guarantee bond that LARCO S.A. raised in favour of PPC, covering the total duration of the contract and the total contractual amount. During the 1st quarter of 2011, LARCO lignite deliveries invoiced value amounted to € 1.2m, while the unexecuted amount of the 2007 contract on March 31st, 2011 amounted to €3.7m. LARCO S.A. is liable for sums due and payable to PPC related to the consumption of electric energy since December 2008. For all sums due to PPC for the period November 1, 2008 until April 30, 2009, an action has been filed by PPC before the competent Multimembered Court of Athens (for a sum of Euro 24.2 m.) whereas, for the sums due to PPC for the period May 2009 – October 2009 (for a total sum of Euro 18.8 m.) an action has been filed against the said Company, the hearing of the case having been set for November 14, 2013. In July 2010 the Board of Directors of the Parent Company approved an agreement for the

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10. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

settlement of new debts incurred by LARCO's electricity consumption for the period 1.11.2008 to 31.05.2010. The above mentioned framework agreement was already approved by LARCO's Board of Directors.

As foreseen in the above mentioned agreement, a new framework agreement for the settlement of LARCO's new debts will be conducted, part of which will be paid by concluding a new lignite procurement contract, following the pattern set by the existing one, which is estimated to be completed until July 2011. As far as payment of the rest of the debt is concerned, LARCO will disburse predetermined amounts, on a monthly basis, based on the fluctuation of nickel's stock market price. In addition with the aforementioned contract frame, LARCO is binded to pay in time the electricity bills for the consumption for the period following June 1st, 2010. In this framework, LARCO has paid in time bills concerning electricity consumption for the months July 2010 to March 2011. Up to now the process of finalizing the abovementioned new agreement has not been completed. In view of the formation and implementation of the new debt restructuring agreement, Larco paid in April 2011 the amount of € 1 m and another € 1 m in May 2011.

Transactions and balances with other government owned entities: The following table presents purchases and balances with government owned entities Hellenic Petroleum ("ELPE") and National Gas Company "DEPA", which are PPC's liquid fuel and natural gas suppliers, respectively.

	Purchases		Balance	
	31.03.2011	31.03.2010	31.03.2011	31.12.2010
ELPE, purchases of liquid fuel	31,377	-	7,263	16,468
DEPA, purchases of natural gas	53,167	101,904	63,126	45,227
	84,544	101,904	70,389	61,695

In August 2010, the Parent Company's Board of Directors decided to proceed to the cash payment of 85% of the amount charged by DEPA for the procurement of natural gas, along the lines of the existing contract, given that PPC considers, in principle, that this reduced payment is reflecting the material change of circumstances, which define PPC's contractual obligation, beginning with the invoices concerning the consumption of July 2010. In the Parent Company's financial statements, the cost for natural gas reflects the full charge (100%) by DEPA S.A. For the abovementioned issue, DEPA, resorted to arbitration, as provided for in the PPC-DEPA Contract, requesting the payment in full of the billed amounts, plus interest. In January 2011, DEPA sent a letter to PPC regarding the commitment that arises from not receiving the minimum contractual quantities (take or pay). The Parent Company has requested additional data from DEPA, in the context of L. 3175/2003, in order to further evaluate DEPA's submitted request. Consequently, it is not possible, for now, to define whether a take-or-pay obligation by PPC to DEPA exists and therefore to estimate the amount of the abovementioned obligation. Finally, PPC has also resorted to arbitration requesting a compensatory return according to article 25 of the Contract.

Further to the above, PPC enters into transactions with many government owned or- nonprofit oriented entities within its normal course of business (sale of electricity, services received, etc.). All transactions with government owned entities are performed at arm's length terms.

Management compensation: Fees concerning the Group's management members (Board of Directors and General Managers) for the three month period ended March 31, 2011 and 2010, have as follows:

	GROUP		COMPANY	
	31.03.2011	31.03.2010	31.03.2011	31.03.2010
<u>Compensation of members of the Board of Directors</u>				
- Executive members of the Board of Directors	61	108	35	71
- Non-executive members of the Board of Directors	41	53	34	53
- Compensation/Extra fees	-	-	-	-
- Contribution to defined contribution plans	-	-	-	-
- Other Benefits	3	3	3	3
	105	164	72	127
<u>Compensation of Vice Managing Directors and General Managers</u>				
- Regular compensation	333	472	333	472
- Contribution to defined contribution plans	60	55	60	55
- Compensation/Extra fees	-	-	-	-
	393	527	393	527
Total	498	691	465	654

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10. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

Compensation to members of the Board of Directors does not include standard payroll, paid to representatives of employees that participate in the Parent Company's Board of Directors and related contributions to social security funds. Also, it does not include the electricity benefit based on the PPC personnel invoice to the Board of Director members, the Vice Managing Directors and the General Managers.

11. LOAN AGREEMENTS – REPAYMENTS

Within the three months period ended March 31, 2011 the Parent Company issued two (2) bond series for a total amount of Euro 128 m (out of which one series (1) of a total amount of Euro 78 m, represents the second series of a bond with an initial amount of € 240 m that was approved by the Board of Directors in 2010), repayable within the period 2014 – 2015, bearing interest at EURIBOR plus a margin.

Furthermore PPC reimbursed a second tranche of € 350 mil of a loan agreement with 15 year duration out of the total financing line of € 950 m from EIB, for the Project Transmission – Distribution V which was approved by the Board of Directors in 2009.

At March 31, 2011 the total available short term financing lines amounted to Euro 175 m out of which € 75 mil were disbursed.

The loan repayments for the three month period ended March 31, 2011 amounted to Euro 276.6 m.

Foreign currency Hedging transactions

Within the three month period ended March 31, 2011 the Company hedged approximately 70% of the foreign currency exposure (fluctuations of €/€ exchange rate) for the estimated liquid fuel purchases for 2011.

12. COMMITMENTS AND CONTINGENCIES

Ownership of Property

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.
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 to the State at no charge, following a decision of PPC's Board of Directors and a related approval by the Ministry of Development, if such land is no longer needed by PPC S.A. for the fulfilment of its purposes.

Litigation and Claims

The Group is a defendant in several legal proceedings arising from its operations. The total amount claimed as at March 31, 2011 amounts to, Euro 704 m, as further analysed below:

1. *Claims with contractors, suppliers and other claims:* A number of contractors and suppliers have raised claims against the Company, 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 Euro 372 m. In most cases the Group has raised counter claims, which are not reflected in the accounting records until the time of collection.
2. *Fire incidents and floods:* A number of individuals have raised claims against the Company for damages incurred as a result of alleged electricity-generated fires and floods. The total amount involved is Euro 43 m and Euro 9 m, respectively.
3. *Claims by employees:* Employees are claiming the amount of Euro 192 m, for allowances and other benefits that according to the employees should have been paid by PPC.

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12. COMMITMENTS AND CONTINGENCIES (CONTINUED)

4. *Litigation with PPC Personnel Insurance Organization (PPC-PIO) (in Greek it is "OAP-DEI" i.e. PPC's Social Security Fund):* Until March 31, 2011, the PPC Personnel Insurance Organization (former "PPC PIO", TAYTEKO/IKA at present) had filed, before the courts, seven (7) lawsuits against PPC, claiming an amount in total of Euro 87,704 and, aiming to: (a) obtain the ownership of a building sold by PPC in 1999 for an amount of Euro 13,294, (b) obtain the ownership of certain properties owned by PPC and collect the rents earned by PPC over a specified period of time, for an amount of Euro 6,962 (three actions), these cases have been resolved with a decision of the Plenary Session of the Supreme Court (13/2010), (c) obtain the ownership of a building, of estimated value of Euro 8,000, (d) be compensated for securities and shares which became property of PPC, and part of which has been sold, as well as for related dividends collected by PPC for a total amount of Euro 59,393 and (e) to oblige PPC to render detailed accounts concerning management of bonds that PPC kept on behalf of PPC – PIO' of an amount of Euro 55.

The aforementioned cases are finally resolved with the recent issued Decision of the Plenary Session of the Supreme Court regarding the (a) case, according to which invalidates the 2007 Decision of the Court of Appeal, that had originally accepted PIOs' action against PPC.

Under Judgment by the Supreme Court No. 13/2010, the Court reached inter alia the decision that the prohibition of conveyance or any kind of freezing or change of Insurance Fund's "Insurance Fund of Personnel" (IFP / ΤΑΠ ΗΕΑΠ-ΕΗΕ) assets, provided for under art.5 par.3 Law No. 163/1975, extends from the application of Law No 163/1975 until the repeal of the above mentioned Insurance Fund (taken place on 31.5.1985) and does not extend to time subsequent of the repeal, when PPC would become the assets holder under art.5 par.1 Law No. 163/1975.

The abovementioned Decision of the Plenary Session remitted the case to the Court of Appeal for the typical final resolution of the said dispute. The aforementioned Decision creates a precedent in relation to all other abovementioned pending cases (b) to (e) and therefore the established provision on December 31, 2009 was reversed within 2010 fiscal year.

For the above amounts the Group has established provisions, which at March 31, 2011 totalled approximately Euro 165 m.

"Alouminion of Greece" (ALOUMINION)

There are pending actions before the Athens Multimembered Court of First Instance at the one hand of ALOUMINION versus PPC (the hearing day of the said action of ALOUMINION after many postponements, has been set for the December 15th, 2011), as well as, on the other hand, of PPC versus ALOUMINION. ALOUMINION claims that initial contract between the parties is still valid and binding as between the parties, whereas PPC claims, among others, the amounts regarding to the differences in tariffs. In particular PPC has filed, an action before the competent Multimembered Athens Courts against "ALOUMINION" for all sums related to the consumption of electric energy due and payable to PPC by "ALOUMINION" for the period from October 2008 until the end of September 2008, for an amount of Euro 4.3 m plus an amount of Euros 414 thousand (for interest due to PPC by the "ALOUMINION" for four (4) electricity bills within the year 2009). The date of the hearing of the said cases was set initially for the 29.4.2010 and it was been postponed for October 11th 2012.

On February 23, 2010 a decision has been issued by the Arbitration Court in relation to the application of the terms of the relevant ministerial decision of 30.11.2007 which held:

- That there was a valid contract as between PPC and ALOUMINION, which was valid before the date on which relevant increase of 10% was introduced (in consequence, before the 1st of July 2008) (tariff A-150).
- That the obligation to negotiate vis a vis ALOUMINION concerned only the percentage pertaining to the said increase (0%-10%), limited at the lowest, in all cases, to the ceiling of the tariff of A-150, currently in force.
- That the relevant obligation to negotiate with ALOUMINION, was under the condition that PPC would in all cases, respect, even on a unilateral basis, and not necessarily vis a vis each and everyone of the different consumers, the general principles of good faith and of bonos mores, of free competition as well as the principle of the protection of the consumers.

In August 2010, PPC's Board of Directors approved a framework agreement between PPC S.A. and ALOUMINION S.A. The abovementioned framework agreement has been already accepted by ALOUMINION S.A. and will be the basis that the two counterparties will use in order to proceed to the signing of the new contract of electricity supply.

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12. COMMITMENTS AND CONTINGENCIES (CONTINUED)

According to the framework agreement, the following are in force until 31/12/2013:

1. PPC S.A. will supply electricity to ALOUMINION S.A. for the hours that are within the off peak demand zone, including Saturdays, Sundays and holidays, with a charge of € 40.70/MWh, which corresponds to A 150 tariff, as it was valid at 30.06.2008 plus 10% increase for the hours of off peak demand zone.
2. ALOUMINION S.A. will cover its electricity needs as self supplied from the Pool for the rest hours of the day.
3. In addition, and under the same framework agreement, the financial disputes that had arisen in the past, are settled and specifically, the repayment of the remaining debt for the electricity consumption for the period 01.07.08 – 30.06.10, which is determined after compromise at the amount € 82.6m.

Since then ALOUMINION S.A. has made monthly payments regarding in one hand, capital (the cap of the amount of which depends on the current stock-exchange price of aluminium) as well as interest and the contracted amount of downpayment amounting to € 20 m., against old debts and also for amounts owed to PPC S.A. for current consumption for the time period as from 1/7/2010 and thereafter. As a consequence of the foregoing, the initial debt of ALOUMINION S.A. has been decreased from an initial amount of € 82.6 m. to the amount of € 52.6 m. until 31.03.2011. The provisions of the above mentioned Agreement are implemented in that part that does not exist differences between the two companies and is expected the comments from RAE for both the forthcoming Contract and the differences between the two parties on how to share certain fees.

Today there are still outstanding debts of ALOUMINION S.A. further to the outstanding old debt towards PPC S.A. as regards the time period up to 30.06.2010, regarding both the repayment of the remaining debt for the electricity consumption for the period 01.07.08 – 30.06.10, which amount has been determined after compromise between the two parties, and the payments of amounts related to the Special Tax for Consumption, the Fees for Execution of Custom Works, Fees for Renewable Energy Sources and all other charges (as Charges for Transmission Use of System, Capacity Assurance Mechanism, Public Services Obligation, etc.) for the period from July 2010 to date for the payment of which has been objected by ALOUMINION S.A.

For the period from 1.7.2010 and onwards, ALOUMINION S.A. is paying the amounts resulting from the mutual agreement, excluding, certain fees and charges for which a relevant question has been submitted to RAE.

Bank Of Crete

The dispute with the old "Bank of Crete" is dating back to 1989, when the bank was under liquidation due to serious legal violations revealed at that time. More precisely, by an action filed on July 22, 1991 as against the Bank of Crete, PPC claimed an amount amounting to GRD 2.2 billion (Euro 6.5 million) due to the fact that transverse of the claims of PPC to stake-holding in the share capital of the Bank and to obligatory credit to the Bank, introduced by virtue of the 21/9.6.1989 Act of the trustee of the Bank was held invalid. The action was withdrawn by nr 9004/1996 Decision of the Multimember Court of Athens. PPC appealed against the said Decision of the Court which was also rejected by Decision Nr 4613/1997 of the Athens Appeal Court.

Said decision was brought to review by PPC before the Supreme Court and appellate Decision was quashed by Decision Nr 746/1998 of the Supreme Court. In consequence the case was brought to trial before the Court of Appeals, which by its Decision Nr 5514/1999 held that an expert report should take place. After said experts report, a Decision (Nr 7956/2005) was held partially in PPC's favour. Awarding in favour of PPC the amount of almost GRD 1,936 billion (Euro 5.7 million). However, a petition for review before the Supreme Court was filed against the aforesaid Decision which was accepted by Decision Nr 1968/2007 of the Supreme Court, was resubmitted to the Court of Appeals for a new trial. The decision issued by the Court of Appeals (Nr 4093/2009) postponing the final decision ordered the completion of the expertise report concerning the requested amount of the compound interest by PPCs' lawsuit. The Decision seems to accept almost in its entirety the lawsuit of PPC, so that after the completion of the expertise report, with the issuance of the final Decision, there may be a decrease of the requested compound interest amounts. It should be noted that, on the 4th of February 2010, an application made by the Bank was heard before the Athens Court of Appeals by which, the Bank asked that it should be taken additionally into account within the context of the Decision of the said Court of Appeals Decision Nr 4093/2009, so that the Experts Report should also include a counterclaim by the Bank offered by the Bank an amount of GRD 100 m. (Euro 293) approximately, as against the claim of PPC on trial. As a consequence thereof, the addition of the Expert Report already decided by Decision Nr 4093/2009, is further postponed until the issuing of a final judgement of the same Court on the said application for an addition made by the

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Bank. The aforementioned application of the Bank for an addition in a final judgement of the Athens Court of Appeals was rejected with the Decision 1732/2010 of the said Court. Thus, the court for the above mentioned lawsuits is continued and the issuance of the abovementioned supplementary expert report is expected.

Complaint against the European Commission's Decision regarding lignite extraction rights

On May 13th, 2008, the parent Company filed before the General Court of the European Union (General Court), an application for annulment of the Commission's decision of March 5th 2008 regarding the granting by the Hellenic Republic of lignite extraction rights. The Greek State has intervened before the aforementioned Court in favour of PPC, while two undertaking-competitors of PPC – have intervened in favour of the European Commission. On February 19, the Hellenic Republic submitted its observations before the General Court. Furthermore, on August 4th, 2009, the European Commission issued a second decision (which was notified to PPC on August 7, 2009), in which the measures for the compliance with the decision of March 5th, 2008 were defined as obligatory for the Hellenic Republic. The Commission's Decision defined as obligatory for the Hellenic Republic the launching of public tender procedures for the concession of lignite rights for the mines of Drama, Ellassona, Vevi and Vegora to third parties excluding PPC, with the exception of those cases where there are no other valid and binding offers. The Hellenic Republic was also obliged to assure that the third parties that would be awarded the relevant extraction rights, would not sell to PPC the extracted lignite from the specific mines with the exception of those cases where there would be no other valid and binding offers. With regard to the above mentioned mines, the Decision of August 4 2009, defined that the tender procedures should be launched within six (6) months from the notification of the decision and the extraction rights should be awarded to the successful bidders within twelve (12) months from the date of notification of the decision. PPC timely (on 19/10/09) and lawfully submitted an application for annulment of the said decision of the Commission before the CFI of the European Communities. Furthermore, the Hellenic Republic has timely intervened before the CFI in the said proceedings in favour of PPC. Additionally, PPC has timely and lawfully submitted (May 3rd 2010) its observations to the European Communities and against the abovementioned Commissioners' Decision of August 4, 2009 for the said case (C (2009) 6244). Finally, PPC, filed lawfully (July 2010), comments on the application for assistance of the Greek Republic in favour of PPC, in this case. Furthermore, with its letter dated 14 December 2010 the General Court requested the Hellenic Republic as well as PPC S.A. to reply to some questions related to the Case T-169/2008 PPC replied timely to the said request. Finally the hearing of the Case T-169/2008 (regarding the a.m. Decision of the Commission of 5 March 2008-PPC S.A., "the Hellenic Republic as intervening party *versus* The Commission of the European Communities, "Energeiaki Thessalonikis s.a." and "HE&DSA" as intervening parties" was set for April 6, 2011. The hearing of the case took place before the General Court on the scheduled date, namely on April 6, 2011 with a cross hearing of all litigant parties. The Decision of the Court is expected within 2011.

THIRD PARTY ACCESS TO ELECTRICITY GENERATION FROM LIGNITE

In the framework of the Memorandum signed in August 2010 between the Greek Government, the European Union, the European Central Bank and the International Monetary Fund, it is envisaged the adaption from the Greek Government of a plan for the gradual and based on the cost access of third parties in lignite fired generation.

The Hellenic Republic in its capacity as shareholder and legislator is in discussions with the DG Competition of the EU in order to implement the respective commitment undertaken in the Memorandum. PPC is examining its options in the new environment.

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. Following the issuance of Environmental Permits, by Common Ministerial Decisions, for all Hydroelectric (H/E) Plants, environmental permits are still pending, only for "Plastiras" H/E Plant and the national transmission network, for which the Environmental Impact Assessment Studies have already been submitted to the Ministry for the Environment.

According to Greek Law 3481/2006, the environmental terms for the continuation, completion and operation of the projects of the Acheloos River Diversion Scheme to Thessaly, in which Messochora HP is included, were approved and their fulfilment is a prerequisite for the implementation of the projects and for which responsibility lies with the administrator, responsible for construction and operation of the respective projects.

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Public Projects, 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.

Based on the above-mentioned terms the continuation of the project was allowed for the completion and operation of Messochora HP as well as the completion of the construction project of the tunnel, which are already been completed and are finally delivered from 17.06.2010.

After the publication of Law 3734/2009, matters concerning the Messochora Hydroelectric Project are arranged, with which the completion and operation of the Project becomes possible. These matters concern expropriation of areas in the Messochora HEP Reservoir, expropriation of the Messochora Village and of the areas where it will be relocated and arrangement of compensations to the affected inhabitants. All the above mentioned expropriations are declared for public utility reasons of great importance and their settlement will allow the completion of the Project and the operation of the Messochora Power Plant.

Following the ruling No 141/2010 by the competent Suspension Committee of the Council of State, the immediate cease of all works has been ordered at all relevant projects, as well as the cease of operation of all completed projects, until the final judgment is issued by the Plenary of the Council of State. Further developments, namely the final judgment, will be issued by the Plenary of the Council of State after taking into consideration the ruling of the European Court of Justice in relevant preliminary questions, already addressed to this Court, referring to the compatibility of the provisions of the Law 3481/2006 with the European legal framework.

PPC S.A. considers that the Hydroelectric Plant of Messochora is independent from the Acheloos River Diversion to Thessaly Scheme and therefore it should be not affected from the abovementioned issues. PPC S.A. examines the possibility to disengage Messochora Power Plant from the overall Acheloos River Diversion Scheme, so that the Project can be faced as an independent unit and have its own environmental terms, i.e. independently from the other Projects of the Diversion Scheme. For this purpose, PPC waits for the completion of the Water Management Study, ordered by the Ministry of Environment and Climate Change, related to the compilation of the Water Management Plan of the Catchment Areas in the water territories of the Western Central Greece, Epirus and Thessaly, in which the Catchment Area of the River Acheloos is included. These studies are expected to be completed in March 2012. Here after, the process for the issue of the WATER MANAGEMENT PLANS the ministry with follow, which taking into account the necessary-provided by law- consultation period, is expected to be completed around May 2012. On March 31, 2011 the aggregate amount for HEP Mesochora is amounted to Euro 284.1 million, which according to the above is considered to be fully recoverable and is expected to require further Euro 127million to complete the project, estimated in 2014.

2. Under IPPC (Integrated Pollution Prevention and Control) Directive, the Best Available Techniques for Large Combustion Plants (with a thermal capacity greater than 50 MW) have been defined on July 2006 at a European level. These may: (a) require additional to the already foreseen investments at PPC's larger thermal power plant stations, (b) reduce the permitted hours of operation of its oil fired power stations. In accordance with European Directive 2001/80/EC, a pollutants emissions reduction plan for existing Large

Combustion Plants has been approved by PPC's Board of Directors, and this includes, among others, the following measures:

- (i) Units I and II of Megalopolis A plant will enter the status of limited hours of operation (20,000 hours both of them as one installation) from January 1, 2008 until December 31, 2015 at the latest.
- (ii) Until the end of 2007, all measures for facing the operational problems of the flue gas desulphurisation plant in unit IV of Megalopolis B plant, should have been completed.
- (iii) Until the end of 2007, all measures for the installation and continuous operation of the flue gas desulphurization plant in Unit III of Megalopolis A plant, should have been completed.
- (iv) 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 pollutants emissions reduction plan, should have been implemented.

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PPC's emission reduction plan was submitted to the authorities and has been incorporated in the National Emissions Reduction Plan of the country, according to the provisions of the aforementioned Directive. For the Linoperamata Steam Electric Station, the use of low sulphur heavy fuel oil has already started from January 1st, 2007. From October 2007, all oil fired power plants which use heavy fuel oil, are supplied with low sulphur heavy fuel oil, as requested in measure (iv). The aforementioned measure (ii) was completed during the first semester of 2008, while about measure (iii) on 29.03.2010 its commercial operation period was finished. The relative performance tests were started on April 2010 and were completed on August 11, 2010. Based on the results of performance tests' valuation report submitted by the assigned third party (TUV AUSTRIA), the guaranteed parameters of the project have been accomplished. The Temporary Acceptance Protocol was signed on 03.03.2011, having 30.03.2010 as valid Temporary Acceptance date. The project is now in guarantee period, while the approval of the Temporary Acceptance Protocol is underway.

The renewal of certain thermal power plants' environmental permits is expected within 2011, after the issue (August 2008) of the Common Ministerial Decision for the National Emissions Reduction Plan (Directive 2001/80/EC). In December 2010, the new Directive (2010/75/EK) was issued for industrial emissions (Industrial Emissions Directive – IED), which is effective from 06.01.2011 and which amends Directives IPPC and 2001/80/EK. Additional investments that might be required to the already existing units will be assessed, taking into account remaining operational life of the units.

3. The extent of land contamination has yet to be assessed 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-fired power stations for the foreseeable future. Remediation, however, may be required, at some of the company's oil-fired power stations and depots, in the future.
4. PPC has performed limited studies on the presence of asbestos-containing materials, at its premises. Upon submission by PPC of a full environmental impact assessment study, the Ministry of Environment issued in May 2004 the environmental permit for the construction and operation of an environmentally – controlled landfill site for the management and final disposal of asbestos containing construction materials, existing in its premises located in Northern Greece.
5. During the operation of the Transmission Lines, Substations and Hyperhigh Voltage Centers, there is no electromagnetic radiation, but two separate fields, the magnetic and the electric field. At places where the public or the Company's personnel might find themselves close to the above mentioned lines and substations, the values of those fields are substantially less than the limits. Those limits were established by the International Commission on Non Ionizing Radiation Protection (ICNIRP) in collaboration with the World Health Organization (WHO). The above mentioned limits have also been adopted by the European Union as well as the Greek State. It must be noted though, that the limits stated in the above regulations for both fields do not constitute dangerous values, but rather contain large safety factors, in order to cover for some vagueness due to the limited knowledge about both the magnetic and electric fields' influence in order to fulfil the requirement for the prevention of any adverse impacts.
6. In the year 2011, the issuance of permits for the Ptolemais lignite mine is expected, which was revised in June 2010, in order for the updated mining plan to be authorized, the sterile component of lignite and ash, produced by burning coal in power stations in the region of Ptolemais and a waste management plan in accordance with KYA 39624/2209/E103/25.09.2009 (GG V/2076/25.09.2009) on Waste Management Extractive Industry. Expected in 2011, the renewal of environmental licensing of the activity "Management of solid waste from burning coal in power stations Megalopolis lignite mine, in the homonymous mine (the depleted mine of Thoknias).

CO2 Emissions

In November 2007, PPC submitted 31 applications to the competent authority for the issuance of the emissions permits for its bound power plants, concerning the period 2008-2012. In December 2007, the competent authority approved the submitted Monitoring Plans and issued the respective permits for the second trading period 2008-2012. In December 2008 the Greek National Allocation Plan for the period 2008 – 2012 was approved. According to the final allocation, 44.2 Mt CO₂ allowances have been allocated to the 31 existing bound plants of PPC for 2010. Additional annual allowances 0.39 Mt CO₂ were allocated to PPC's new entrance units for the years 2009-2012 (extension to the installed capacity of existing plants). By the end of March 2011, the verification of the annual emissions reports, for all 31 bound plants, by accredited third party verifiers was completed successfully and the reports were promptly submitted to the

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Competent Authority. The total verified emissions of all 31 bound plants of PPC for 2010 amount to 46.4 Mt CO₂. According to the allocation of CO₂ emissions allowances and the final CO₂ emissions from PPC's bound plants, PPC exhibited a CO₂ emission rights deficit of 1.8 Mt CO₂ for 2010.

According to the temporary results, the CO₂ emissions of PPC's bound plants for the period 01.01.2011 – 31.03.2011 amounts to 11.96 Mt. According to recent projections, the CO₂ emissions for the remaining period 01.04.2011 – 31.12.2011 are estimated to 34.7 Mt, thus the total CO₂ emissions for 2011 are estimated to 46.7 Mt, approximately. It should be noted that the emissions of 2011 will be considered final by the end of March 2012, when the verification of the annual emissions reports by accredited third party verifiers will be completed. According to CMD 52115/2970/E103/2008 (Official Gazette/B/2575/ 19.12.2008) 43.7 Mt CO₂ allowances have been allocated to the 31 existing bound plants of PPC for 2011, while respective emission rights amounting to 0.39 Mt were allocated to PPC for the year 2011 due to new entrance units of year 2008. According to the above, it is estimated that PPC will exhibit a shortage of emission allowances for 2011 amounting to 2.6 Mt CO₂ out of which 0.7 Mt CO₂ respond to the period from 01.01.2011 to 31.03.2011.

It is noted that the exact amount of the deficit for years 2010 and 2011 will be finalised only after the arrangement of the allocation of the additional emission rights due to new entrance units in the non - interconnected islands for the year 2010-2011.

Combined cycle natural gas fired power plant of a 416,95 MW in Aliveri

After an international tender, the Project "Study, supply, transportation, installation and putting in operation of a 416,95 MWnet combined cycle natural gas fired Unit V at Aliveri" was awarded to the successful bidder company (Metka S.A.). The contract for the construction of the Project was signed in October 2007, the contractual price is Euro 219 million and the contractual deadline for completion was 27 months after the contract is signed.

In July 2009, the Building Permission was issued, which was also revised twice within 2010 for arrangement of urban-planning dependencies, new works etc. In September 2009, the construction began, with a revised time schedule which anticipates the completion of the Project within 24 months (September 2011).

In May 2010, the Supplement No 2 of the Contract was signed, according to which PPC shall pay the Contractor the amount of 31.1 million Euro for the delay of the Project, due to antiquities found on the construction site and difficulties about the progress of the permissions, as well as for additional works.

In June 2010, the Common Ministerial Decision Approval of Environmental Terms was modified with reference to the delimitation and regulation of existing stream, in the watercourse of which the pump room cooling sea water will be placed.

In October 2010, the Supplement No3 of the Contract was signed, according to which the valid period of guarantee of the Project and consequently of the Equipment is extended for 2 months with the payment to the Contractor of the amount of Euro 1.8 million and according to the provisions of the Supplement No2.

In December 2010, PPC submitted a request to Hellenic Transmission System Operator S.A. for a Connection Offer of the Unit . In January 2011, Hellenic Transmission System Operator S.A. sent to PPC the Connection Offer. In February 2011, PPC accepted the terms of the connection for the above Unit.

On January 21, 2011, the Board of Directors of PPC approved the additional extension of the new guarantee period of the Project and consequently of the Equipment, for 8 months, according to the provisions of Supplement No3, with the payment to the Contractor of the amount of 7.2 million Euro and according to the provisions of Supplement No2. In February 2011, the Supplement No4 of the Contract was signed.

The civil works, the delivery of electromechanical equipment and the preparation of the studies for the Project have been almost completed. The installation of main electromechanical equipment is ongoing.

Commission of study, procurement of equipment and construction of a "closed type" GIS substation in Soroni, Rhodes

In June 2008, PPC S.A. concluded a tender regarding the project "Design, Procurement of equipment, construction and commission of a "closed type" GIS substation in Soroni, Rhodes" and awarded it to ABB, who offered the lowest price, amounting to Euro 12.3 m, approximately. The project was scheduled to be completed in two phases. According to the timetable the building phase A of the substation was to be completed by April 2010, so the generating units would have been put in operation for the summer of 2010. But, due to the delay of issuance of the building permit, which originally was expected to be issued by March 2009, the building phase A' of the substation is estimated to be completed by the end of 2013.

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International tender for the construction of a new Steam Electric unit in Ptolemaida

In May 2009, in the frame of modification of previous Decision, the Board of Directors of PPC decided that the new Steam Electric unit in Ptolemaida shall be of pulverized lignite technology, instead of fluidized bed, and installed capacity of 550-660 MW, instead of 450 MW, with the capability of providing thermal energy of 140MWth, instead of 120 MWth, for district heating.

The International tender was announced on April 20, 2010. The announcement was published on the Supplement to the Official Journal of the European Union and Greek press, on April 23, 2010, and the date for offers' submission was on September 01, 2010. The total budget of the Project amounts to Euro 1,320 million and the Project is expected to be completed within 70 months as from the signing of the contract. According to the Supplement No1, issued in August 2010, the deadline for the offers submission was extended to 15.12. 2010.

In September 2010, the Ministry of Environment Energy and Climate Change issued the permission for electricity production and the permission for the distribution of thermal energy.

In October 2010, the Study of Environmental Impacts of the Unit was submitted to the Ministry of Environment Energy and Climate Change.

According to the Supplement No2, issued in November 2010, there are modifications and additions to certain terms of the Inquiry and the deadline for the offers submission was extended to 29.12.2010.

According to Supplement No3, issued in December 2010, there are modifications and additions to certain terms of the Inquiry and the deadline for the offers submission was extended to 08.02.2011.

With the Supplements 4, 5, 6, 7 and 8, the deadline for the offers submission was extended to 28.06.2011.

A new diesel engine Power Plant 115,4 MW in South Rodos burning of heavy fuel oil with low sulphur content

After an international tender, the Project "Construction of a diesel engine Power Plant 115.4 MW in South Rodos burning heavy fuel oil with low sulphur content" was assigned to the successful bidder company (TERNA S.A.). On July 2009, the relevant Contract was signed. The Contract price is Euro 182.8 million.

In September 2010, the Decision of the Ministry of Environment Energy and Climate Change for the modification of the Generation License concerning the power (115,439 MW) and the number of units (7 generating sets) was issued.

On 01.12.2010, the Common Ministerial Decision Approval of Environmental Terms was issued.

On March 30, 2011, the definitive study for the building facilities of the new Plant was approved by the Ministry of Culture and Tourism.

The construction will start after the completion of the permission issuance procedure, which is still in progress.

The main equipment of the project (engines and generators) is ready, but its transportation from the manufacturer had been postponed until the completion of the construction of a temporary storage room by the Contractor. The aforementioned construction has already begun. On March 27 and 28, 2011, the aforementioned equipment was transported for temporary storage to place in the seaport of Elefsina.

In March 2010, the lease contract for the land was signed between Public Land Corporation and PPC.

However, due to the fact that the lease of land creates difficulties with the progress of the Licenses procedure, PPC has commonly agreed with Public Land Corporation the purchase of the above land. On April 27, 2011, PPC with a relevant letter requested from the Minister of Economics to approve the Decision of Board of Directors of Public Land Corporation as soon as possible, so that the relevant contract will be signed.

A new combined cycle unit at Megalopolis

On August 25, 2009 the Board of Directors of PPC approved the award of the Project "Study, supply, transportation, installation and putting in operation of a new 811MWnet, in reference conditions, combined cycle unit at Megalopolis" to the successful bidder, the Consortium METKA S.A. and ETADE S.A. Furthermore, the contractor has accepted that he will not raise any claims related to eventual delay up to 13 months, due to unavailability of Transmission Network of 400 kV or/and Natural Gas. This time interval of 13 months starts, for the delay of supply of natural gas in the Unit, 26 months as from the date of signing of the Contract and for the delay of connection with the network 400 KV, 24 months as from the date of signing of the Contract.

On November 13, 2009, the relevant Contract for the implementation of the Project was signed and the contract price amounts to € 499.5 m.

The preparation of studies by the Contractor for the permission procedure of the Project is in progress. Moreover, the geotechnical investigation was completed and the relevant study was submitted on July 2010.

In March 2010, PPC submitted a request to Regulatory Authority of Energy for the modification of the current Generation Licence (850 MW) concerning the final net power, in reference conditions (811MW).

In May 2010, the Common Ministerial Decision Approval of Environmental Terms was issued.

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In July 2010, PPC submitted a request to Hellenic Transmission System Operator S.A. for the Connection Offer of the Unit.

In September 2010:

- The permission of space configuration for the addition of the Unit to SES Megalopolis B' was issued.
- There was positive opinion by Regulatory Authority of Energy for the modification of Generation License.
- Hellenic Transmission System Operator S.A. sent to PPC the offer for the connection of the Unit with the System.

In November 2010, PPC accepted the terms for the connection of the Unit with the System.

On January 18, 2011 the Ministry of Environment Energy and Climate Change issued a Decision modifying the Generation License as concerns the capacity of the Unit (845 MW, max net power, in ISO conditions).

In January 2011, the folder of the techno-economical study for capture, transport and storage of CO₂ was submitted to the Ministry of Environment Energy and Climate Change.

On March 3, 2011, the Installation License was issued.

The procedure for obtaining approval of height deviation from the relevant Department is at the final stage.

The works for modulation of the space is in progress.

The signing of the Contract for the Long Term Maintenance of the Unit is expected.

Option for acquisition of DEPA shares

PPC's Board of Directors, on October 2, 2007 decided to proceed to the exercise of its option for acquisition of a number of DEPA (the natural gas company) shares, which has been granted in the context of Law 2593/1998 with a contract signed between PPC and the Greek State. This decision has been announced on January 7, 2008, to the Ministry of Economy. Currently, PPC in collaboration with its advisors is examining its next steps.

Joint venture between PPC S.A. and URBASER S.A.

PPC S.A. and Urbaser S.A concluded in February 2011 the corporate establishment procedure of the joint company, with the distinct name 'Waste Syclo Waste Management Services SA'. Waste Syclo, submitted in March 15 2011, an Expression of Interest in the Tender launched by DIADYMA (Waste Management System of Western Macedonia S.A.) for the Project of "construction and operation of a Waste-treatment plant, a Waste disposal site, Refuse disposal and treatment transport services" in Kozani.

Business Collaboration with Quantum Corporation Ltd and Bank of Cyprus

PPC signed in July 2009 a "MoU" with Bank of Cyprus and Quantum Corporation Ltd for conducting the feasibility study for the construction and operation of power plants in Bosnia-Herzegovina. In August 2010, the government of Republic of Srpska of Bosnia-Herzegovina announced a public invitation for the submission of a "Letter of Interest" in the pre-qualification phase of a tender for the research, construction and exploitation of four new hydro plants in the upper Drina. On 22nd September 2010, PPC submitted a "Letter of Interest" to the government of Republic of Srpska. According to the tender procedure, it is expected the announcement of the government of Republic of Srpska that PPC meets the pre qualification criteria and the invitation for negotiations in the second stage of the tender. The results of the prequalification phase of the tender have been delayed due to the parliamentary elections which were held in October 2010.

Following to the participation of PPC in the pre qualification phase of a tender for the research, construction and exploitation of four new hydro plants in the upper Drina, in February of 2011, the Ministry of Industry, Energy and Mining of Republic of Srpska invited PPC to proceed with prolonging the cooperation for the realization of the Project.

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Business Collaboration with Contour Global for Kosovo Energy Project

In December 2009, the Ministry of Energy and Mining of Kosovo announced request for expression of interest for the pre-qualification phase of a new tender redefining the object of the Energy Project (development of the allocated portion of the Sibovic Lignite Field, rehabilitation of Kosovo B and the construction of a new electric power generation plant with estimated installed capacity of 600 MW). On February 26th 2010, deadline date for Submissions of Interest, PPC and Contour Global have jointly submitted an Expression of Interest, without using SENCAP company/entity. On March 5th 2010, it was announced that the PPC-Contour Global consortium, together with another three (3) competitive consortiums, have been short-listed to participate in the second phase of the forthcoming international tender.

In August 2010, the Draft RfP (Request for Proposals) was issued and sent it to the prequalified bidders in order to make their comments before the issuance of the final RfP which was expected to be issued in December 2010.

In December 2010, governmental elections were held leading to a delay of the tender procedures.

Construction of new RES production plants from PPCR S.A.

In February 2009, PPCR S.A. announced the construction of nine new Wind Parks, of total installed power 35.1MW, in the Greek islands and more particularly two in Crete (Akoumia and Koprino), two in Samos (Marathokampos and Pythagoreio) and one in Paros, Lesvos, Rhodes, Sifnos and Limnos respectively, a total investment of € 64m. The company ENERCON GmbH has been appointed as the contractor of these nine Wind Farms. The installation process of the Wind Farms in Paros, Lesvos, Samos (Marathokampos) and Crete (Akoumia) was completed in December 2010, whilst their connection to the network is due to be completed within 2011.

Public Tender Procedure for the construction of Megalopolis Photovoltaic (PV) Plant

In June 2010, PPCR S.A. announced an open Public Tender, for the procurement, transfer, installation and operation of Megalopolis PV Plant, with total installed power 50MW and a total projected investment of €140m. Upon its completion, this plant will be one of the largest PV plants in Europe. Megalopolis PV plant will be situated in an area of 2.000.000m² and is due to be in operation within 2012. The closing date of the bidders' final submission to the Public Tender Procedure was on December 7th, 2010. PPCR SA is currently evaluating the bids received from the potential contractors.

Partnership agreement between EP Global Energy Ltd and PPCR S.A. – Establishment of joint venture.

PPCR S.A., PPC S.A.'s 100% owned subsidiary, in the context of implementing its business plan, has signed a shareholders' agreement with EP Global Energy Ltd to jointly establish a holding company aiming at the development of RES projects in the Balkans and Middle East regions. In November 2010, PPC S.A. announced the signing of a Shareholders Agreement between its wholly owned subsidiary PPCR S.A. and EP Global Energy Ltd (EPGE) for the establishment of a Portfolio Joint Venture, whose business objective is the development of projects related to:

- a) the acquisition of RES production units,
- b) the development, including the financing, of units using RES, and
- c) the electricity production through the operation and maintenance of RES units in the Balkans and Middle East regions.

The Joint Venture's initial share capital is €60 with PPCR S.A. and EPGE's shares being 49% and 51% respectively.

In the context of the aforementioned partnership, PPCR S.A. and EPGE have jointly established REA Ltd., with headquarters based in Cyprus, aiming at the development of RES projects and the implementation of their mutual agreement.

Approval of the partnership's framework between EDF Energies Nouvelles and PPCR S.A.

In September 2010, PPC S.A. has approved the framework of the partnership between the French EDF Energies Nouvelles, EDF EN GREECE, PPC S.A. and PPCR S.A., to jointly develop RES projects in Greece. This partnership based on the know-how and experience of the two Groups, targets at the joint development and exploitation of large-scale, complex and technologically advanced RES projects.

In the context of this partnership, the two Groups are due to jointly develop important projects in the RES sector. Priority will be given to the development of Wind Farms of at least 250MW in the Florina region, as well as in a Hybrid Power Plant in Crete, which combines Wind Farms of installed power 90MW with a pumped storage hydro plant.

PUBLIC POWER CORPORATION S.A.
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(All amounts in thousands of Euro, unless otherwise stated)

12. COMMITMENTS AND CONTINGENCIES (CONTINUED)

By signing this agreement, PPC S.A. and EDF Energies Nouvelles further strengthen their partnership in Greece, as they have already collaborated successfully in the past for the development and operation of a Wind Farm of installed power 38MW in the prefecture of Voiotia.

Business collaboration with RWE

The Parent Company's Board of Directors, in its meeting in April 2008 approved a business collaboration memorandum with RWE. The memorandum refers to the exploration of collaboration capabilities in a series of energy projects in the greater Balkan area. This collaboration is re-examined in the context of the review of the new Business Plan of the Company.

13. SIGNIFICANT EVENTS

Signing a Memorandum of Understanding (MoU) with ELIKA S.A.

In January 2011, PPCR S.A. and ELIKA S.A., signed a MoU aiming at the joint development of RES projects. Such a project is ELIKA's large-scale Wind Farms in Crete which combines the development of Wind Farms of total installed power ~850MW, which have already obtained a Production License from RAE and whose design includes interconnection to the mainland Grid.

Diversification of PPC's portfolio of natural gas supply sources.

Taking into account the new legal framework for the liberalization of the natural gas market in Greece, the Group is renegotiating the existing contract with DEPA and also the Group is exploring other opportunities for natural gas sourcing. Within the context of differentiation of PPC's portfolio of natural gas supply sources, the Parent Company has already purchased during the second semester of 2010 and the first quarter of 2011 a number of LNG cargos in competitive prices.

Implementation of energy measures in Western Macedonia, including development Photovoltaic (PV) power stations 200 MW

In February 2011, after the application for a Generation License to RAE, PPC S.A., PPCR S.A. and Iliako Velos I (a PPCR S.A.'s wholly owned subsidiary) announced the Expression of Interest (EoI) to find a strategic partner for the joint implementation of RES projects in Western Macedonia. These plans include, besides the development of the PV plant, the construction and operation of a PV equipment factory, as well as other energy ventures with strong local impact.

This investment is estimated at about €600m and will be situated on an approximately 5.300.000m² area within Western Macedonia Lignite Center. Based on initial estimates, 550 people will be employed and 200 new job positions will be created thanks to this project. The PV plant's net annual production is estimated at 260 GWh, which covers the electricity consumption of about 55.000 households and contributes towards the "post-lignite" era of the energy center in the area of Ptolemaida. Another important benefit of the PV plant's operation will be the annual reduction in the CO₂ emissions by 300.000 tons CO₂.

FYROM: Submission of Prequalification Application

At the end of January of 2011, the Ministry of Economy of the FY Republic of Macedonia published an invitation for Prequalification Applications for granting a water concession for water usage for generation of electricity from Hydro Plants on Crna River and participating in Public – Private Partnership with ELEM (State company for electricity generation of FYROM).

This involves the design, financing, construction, operation and maintenance of new hydro power plants Cebren (333 MW) and Galiste (193.5 MW) as well as operation of the existing hydro power plant Tikves (116 MW).

On March 16th, 2011, PPC submitted prequalification application in order to participate to this tender procedure.

14. SUBSEQUENT EVENTS

Bond Issues

In April 2011 the Parent Company issued a bond series for an amount of € 50 m, repayable within 2012.

Revision of PPC's outlook by rating agencies

In April 2011 the rating agency S&P lowered PPC's credit rating from BB+ with negative credit watch to BB- with credit watch negative. In May 2011, S&P proceed to a further downgrade to B with credit watch negative.

PUBLIC POWER CORPORATION S.A.
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
MARCH 31, 2011

(All amounts in thousands of Euro, unless otherwise stated)

14. SUBSEQUENT EVENTS (CONTINUED)

Liquid fuel hedging transactions

In May 2011, the Company hedged approximately 28% and 41% of the Fuel Oil 1% and the ULSD 10 ppm respectively for the estimated consumption for the period June to September 2011.

Interest rate SWAP transaction

In April 2011, the Company entered into an interest rate swap transaction from floating to fixed rate of an outstanding loan amounted to € 50 mil.

PPC prequalifies for tender in FYROM

In April, 2011 and according to the relevant announcement issued by the Government of FYROM, PPC S.A. has been pre-qualified at the international tender for the construction of the hydro plants Cebren and Galiste at Crna river.

The qualified bidder will enter into a partnership with the state company Macedonian Power Plants (ELEM).

Taxation on Dividends

According to L.3943/7.4.2011, from the year 2011, the dividend withholding tax rate increased from 21% to 25%

Tax Audit

In May 2011, the tax audit of the Parent Company begun for the year 2009.

Strategic Partnership with Sinovel Wind Group Co Ltd

In April 2011, PPC S.A. announced the signing of a Strategic Partnership with Sinovel Wind Group Co Ltd concerning the development of wind parks, with an indicative project being the construction of a 200-300 MW wind park in the interconnected system, as well as the construction of wind generators plant in Greece. This partnership combines the know-how and experience of PPC with that of Sinovel Wind Group, the leading company in Asia in wind generators construction and the 2nd largest in the world, in line with PPC's strategic goal to play a leading role in the development of Renewable Energy in Greece.

Business Collaboration between PPC S.A. and the Renewable Energy Saving Center for investments to improve energy efficiency in the residential sector.

In April 2011, the BoD of PPC S.A. approved a business collaboration with the Centre for Renewable Energy Saving for investments to improve energy efficiency in households.

Construction of a new plant in the "Sarakina the City of Mandamados the island of Lesvos.

In April 2011, the BoD of PPC S.A. approved to start the procedure in order to acquire the license for building new power plants and port facilities in the "Sarakina" Mandamados, the municipality of the Island of Lesvos, with a total capacity of 120 MW and authorized a committee to investigate and negotiate the purchase of required land, 300 acres in the above position.

1 st phase of RES strategic partner selection completed

In May 2011, PPC Group announced the completion of the invitation for expression of interest procedure for the selection of a long-term strategic partner in the RES field, in order to jointly develop with PPC Group a project involving the construction and operation of a photovoltaic park with a total capacity of 200MW in the area of Kozani, as well as the construction and operation of a plant for solar panels.

The procedure was completed on April 2011 with the submission of 21 proposals.

After the evaluation of the submitted proposals, the companies that meet the acceptance criteria of the 1st phase will be invited to participate in the 2nd phase of the tender.

Approval for the signing of the Articles of Incorporation for the formation of a subsidiary by PPC S.A., Quantum Corporation Ltd and Bank of Cyprus

In May, 2011, the BoD of PPC S.A. approved the signing of the Articles of Incorporation for the formation of a subsidiary, in which PPC S.A. will hold a 51% stake, Quantum 40% and Bank of Cyprus 9%, under the name "PPC QUANTUM ENERGY S.A.". The objective of the company will be, amongst other, the study, design, founding, construction, operation, management and exploitation of power plants in the region of the Republic of Srpska in Bosnia-Herzegovina.

PUBLIC POWER CORPORATION S.A.
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
MARCH 31, 2011

(All amounts in thousands of Euro, unless otherwise stated)

15. SEGMENT INFORMATION

Sales and inter segment results are as follows:

	Sales		Results	
	31.03.2011	31.03.2010	31.03.2011	31.03.2010
<u>Interconnected system</u>				
Mines	235,486	203,249	8,657	5,703
Generation	666,902	745,143	127,920	219,797
Transmission	69,317	67,842	34,859	26,606
Distribution Network	215,972	224,523	82,977	88,476
Supply	1,166,147	1,255,227	(77,034)	5,863
	2,353,824	2,495,984	177,377	346,445
<u>Creta Network</u>				
Generation	85,194	77,602	(5,818)	4,343
Distribution Network	14,570	20,691	3,750	11,854
Supply	69,811	70,580	2,172	16,783
	169,575	168,873	104	32,980
<u>Other non interconnected network</u>				
Generation	74,004	66,039	(9,174)	(11,062)
Distribution Network	14,422	15,731	(483)	2,121
Supply	58,858	55,434	3,546	12,472
	147,284	137,204	(6,111)	3,531
Operator of connected network	185,796	184,975	-	577
Operator of Island Network	187,042	166,241	-	(3,666)
Eliminations	(1,667,383)	(1,662,058)	-	-
Financial expenses	-	-	(50,362)	(36,878)
Subsidiaries and related parties	-	-	398	634
Income tax	-	-	(28,103)	(86,161)
Grand total	1,376,138	1,491,219	93,304	257,462

FIGURES AND INFORMATION



Reg. No : 47829/06/B/00/2
Chalkokondyli 30 - 104 32 Athens
FINANCIAL DATA AND INFORMATION FOR THE PERIOD
January 1, 2011 - March 31, 2011

In accordance with the Decision 4/507/28.04.2009 of the Hellenic Capital Market Commission.

The purpose of the following data is to provide users with general financial information about the financial condition and the results of operations of "Public Power Corporation S.A." and PPC Group. Therefore, we recommend users that, before proceeding to any kind of investing activity or transaction with the Company, to access the company's web site where the financial statements and the auditor's review report, when is required are published.

Company's Web site:	www.dei.gr
Date of approval of financial statements from the Board of Directors:	May 26, 2011

DATA FROM STATEMENT OF FINANCIAL POSITION				
Amounts in thousands of Euro				
	GROUP		COMPANY	
	31.03.2011	31.12.2010	31.03.2011	31.12.2010
ASSETS				
Tangible assets	13.342.228	13.354.142	13.218.923	13.236.285
Intangible assets, net	89.625	89.146	89.531	89.040
Other non-current assets	40.842	41.547	113.777	114.665
Materials, spare parts and supplies	869.242	849.971	868.443	849.182
Trade receivables	960.570	1.022.736	957.880	1.021.295
Other current assets	354.116	200.335	357.988	221.642
Available for sale financial assets	22.807	22.073	22.807	22.073
Cash and cash equivalents	715.760	620.449	712.211	617.040
TOTAL ASSETS	16.395.190	16.200.399	16.341.560	16.171.222
EQUITY AND LIABILITIES				
Share capital	1.067.200	1.067.200	1.067.200	1.067.200
Other equity items	5.787.540	5.702.328	5.762.399	5.679.134
Equity attributable to shareholders of the parent (a)	6.854.740	6.769.528	6.829.599	6.746.334
Minority interests (b)	0	0	0	0
Total Equity (c)=(a)+(b)	6.854.740	6.769.528	6.829.599	6.746.334
Interest bearing loans and borrowings	3.661.701	3.885.625	3.661.570	3.885.413
Provisions / other non-current liabilities	3.327.407	3.343.102	3.322.423	3.337.904
Short term borrowings	1.220.343	967.173	1.217.229	966.899
Other current liabilities	1.330.999	1.234.971	1.310.739	1.234.672
Total liabilities (d)	9.540.450	9.430.871	9.511.961	9.424.888
TOTAL EQUITY AND LIABILITIES (c) + (d)	16.395.190	16.200.399	16.341.560	16.171.222

DATA FROM STATEMENT OF COMPREHENSIVE INCOME				
Amounts in thousands of Euro				
	GROUP		COMPANY	
	01.01.2011-31.03.2011	01.01.2010-31.03.2010	01.01.2011-31.03.2011	01.01.2010-31.03.2010
Sales	1.376.138	1.491.219	1.372.480	1.486.496
Gross operating results	245.501	455.258	243.402	452.243
Profit / (Loss) before tax, financing and investing activities	159.624	376.696	157.520	373.686
Profit / (Loss) before tax	121.407	343.623	118.909	339.963
Profit / (Loss) after tax (A)	93.304	257.462	91.303	254.479
Distributed to:				
- Owners of the Parent	93.304	257.462	91.303	254.479
- Minority interests	0	0	0	0
Other comprehensive income after tax (B)	(7.768)	1.581	(7.768)	1.770
Total comprehensive income after tax (A) + (B)	85.536	259.043	83.535	256.249
- Owners of the Parent	85.536	259.043	83.535	256.249
- Minority interests	0	0	0	0
Earnings / (Loss) per share, basic and diluted (in Euro)	0.4022	1.1098	0.3935	1.0969
Profit before tax, financing and investing activities and depreciation and amortisation	327.671	523.125	324.453	519.081

DATA FROM STATEMENT OF CHANGES IN EQUITY				
Amounts in thousands of Euro				
	GROUP		COMPANY	
	31.03.2011	31.03.2010	31.03.2011	31.03.2010
Total equity at beginning of the period (01.01.2011 and 01.01.2010, respectively)	6.769.528	6.461.314	6.746.334	6.449.225
Total comprehensive income after tax	85.536	259.043	83.535	256.249
Other	(324)	(67)	(270)	0
Equity at the end of the period (31.03.2011 and 31.03.2010, respectively)	6.854.740	6.720.290	6.829.599	6.705.474

DATA FROM STATEMENT OF CASH FLOW
Amounts in thousands of Euro

	GROUP		COMPANY	
	01.01.2011-31.03.2011	01.01.2010-31.03.2010	01.01.2011-31.03.2011	01.01.2010-31.03.2010
Cash Flows from Operating Activities				
Profit / (Loss) before tax from continuing operations	121.407	343.623	118.909	339.963
Adjustments:				
Depreciation and amortisation	186.742	164.569	185.525	163.432
Amortisation of customers' contributions and subsidies	(18.695)	(18.141)	(18.592)	(18.037)
Provision for CO ₂ emission rights	11.528	13.784	11.528	13.784
Share of loss of associates	(398)	(634)	0	0
Interest income	(10.895)	(6.269)	(10.895)	(6.248)
Sundry provisions	45.833	35.421	45.833	35.401
Unrealised foreign exchange losses (gains) on interest bearing loans and borrowings	(110)	(1.277)	(115)	(1.277)
Unbilled revenue	11.089	16.438	11.089	16.438
Retirement of fixed assets and software	5.298	7.822	5.234	8.182
Amortisation of loan origination fees	1.361	1.187	1.361	1.187
Interest expense	46.279	34.604	46.241	34.599
Working capital adjustments:				
(Increase) / Decrease in:				
Accounts receivable, trade and other	(33.326)	(76.073)	(14.784)	(69.801)
Other current assets	(109.670)	(5.084)	(109.691)	(5.094)
Materials, spare parts and supplies	(20.470)	(32.840)	(20.460)	(32.930)
Increase / (decrease) in:				
Trade and other payables	41.383	(90.486)	22.279	(94.328)
Other non-current liabilities	1.200	164	1.201	164
Accrued / other liabilities excluding interest	16.663	4.478	16.294	4.623
Net Cash from Operating Activities (a)	295.219	391.286	290.957	390.058
Cash Flows from Investing Activities				
Interest received	10.895	6.269	10.895	6.248
Capital expenditure of fixed assets and software	(180.605)	(241.642)	(173.888)	(239.525)
Proceeds from customers' contributions and subsidies	117	590	150	590
Investments in subsidiaries and associates	(128)	0	(30)	(8.000)
Net Cash used in Investing Activities (b)	(169.721)	(234.783)	(162.873)	(240.687)
Cash Flows from Financing Activities				
Net change in short-term borrowings	(172.236)	(138.500)	(175.000)	(138.500)
Proceeds from interest bearing loans and borrowings	478.000	630.000	478.000	630.000
Principal payments of interest bearing loans and borrowings	(276.628)	(375.290)	(276.628)	(375.290)
Interest paid	(59.305)	(34.657)	(59.267)	(34.652)
Dividends paid	(18)	0	(18)	0
Net Cash used in Financing Activities (c)	(30.187)	81.553	(32.913)	81.558
Net increase / (decrease) in cash and cash equivalents (a)+(b)+(c)	95.311	238.056	95.171	230.929
Cash and cash equivalents at the beginning of the period	620.449	480.042	617.040	471.782
Cash and cash equivalents at the end of the period	715.760	718.098	712.211	702.711

1. The Group's companies with their respective addresses and participation percentages, as well as their unaudited tax years, that are included in the consolidated financial statements are listed below:

Company	% participation	Country of incorporation	Unaudited tax years
PPC S.A.	Parent Company	Greece	2009-2010
PPC RENEWABLE SOURCES S.A.	100%	Greece	2009-2010
PPC RHODES S.A.	100%	Greece	1999-2010
PPC TELECOMMUNICATIONS S.A.	100%	Greece	2007-2010
ARKADIKOS ILIOS 1 S.A.	100%	Greece	2007-2010
ARKADIKOS ILIOS 2 S.A.	100%	Greece	2007-2010
ILIAKO VELOS 1 S.A.	100%	Greece	2007-2010
ILIAKO VELOS 2 S.A.	100%	Greece	2007-2010
SOLARLAB S.A.	100%	Greece	2007-2010
ILIAKA PARKA DITIKIS MAKEDONIAS 1 S.A.	100%	Greece	2007-2010
ILIAKA PARKA DITIKIS MAKEDONIAS 2 S.A.	100%	Greece	2007-2010
HPP OINOUSA S.A.	100%	Greece	2010
PPC FINANCE PLC	100%	UK	-

Company	Note	% participation	Country of incorporation	Unaudited tax years
LARCO S.A.		11.45%	Greece	2002-2010
SENCAP S.A.		50%	Greece	2006-2010
WASTE SYCLO S.A.		49%	Greece	-
PPC RENEWABLES ROKAS S.A.		49%	Greece	2010
PPC RENEWABLES - TERNA ENERGIKI S.A.		49%	Greece	2010
PPC RENEWABLES - MEK ENERGIKI S.A.		49%	Greece	2010
PPC RENEWABLES NANKO ENERGY - MYHE GITANI S.A.		49%	Greece	2007-2010
PPC RENEWABLES ELTEV AIFOROS S.A.		49%	Greece	2008-2010
GOOD WORKS S.A.		49%	Greece	2005-2010
PPC RENEWABLES EDF EN GREECE S.A.		49%	Greece	2008-2010
EEN VOIOTIA S.A.	1	46.60%	Greece	2007-2010
ORION ENERGIKI S.A.	2	49%	Greece	2007-2010
ASTREOS ENERGIKI S.A.	2	49%	Greece	2007-2010
PHOIBE ENERGIKI S.A.	2	49%	Greece	2007-2010
IAPETOS ENERGIKI S.A.	2	49%	Greece	2007-2010
AIOLIKO PARKO LOUKO S.A.		49%	Greece	2008-2010
AIOLIKO PARKO BABO VIGLIES S.A.		49%	Greece	2008-2010
AIOLIKO PARKO LEFKIVARI S.A.		49%	Greece	2008-2010
AIOLIKO PARKO AGIOS ONOFRIOS S.A.		49%	Greece	2008-2010
AIOLIKO PARKO KILIZA S.A.		49%	Greece	2008-2010

1. It is consolidated from the associate company PPC Renewables EDF EN GREECE S.A. as it participates by 95% in its share capital.
2. They are consolidated by the associate company Good Works S.A. as they participate by 100% in their share capital.

- In May 2011, the tax audit of the Parent Company for the fiscal year 2009 began. Further information for the unaudited tax years of the Parent Company as well as Group's companies, is presented in Note 6 of the Interim Financial Statements.
- The accounting policies adopted in the preparation of the financial statements are presented in Note 3.2 of the Interim Financial Statements and are consistent with those followed in the preparation of the financial statements for the year ended December 31, 2010, except from them who are presented in Note 3.2 of the Interim Financial Statements.
 - No burdens exist on the Group's fixed assets.
 - Adequate provisions have been established for all litigation.
 - Provisions of the Group and the Parent Company as of March 31, 2011 are as follows:
- | | Group | Company |
|--|---------|---------|
| a) Provision for litigation and arbitration | (4,484) | (4,484) |
| b) Provision for unaudited fiscal years by tax authorities | 26 | 0 |
| c) Other provisions | 41,198 | 41,198 |
- Total payrolls of the Group and the Parent Company number 21,509 employees and 22,367 employees as of March 31, 2011 and 2010 respectively. Further information is presented in Note 1 of the Interim Financial Statements.
 - Sales and purchases of the Group and the Parent Company for the period ended March 31, 2011 as well as receivables and payables as of March 31, 2011 of the Group and the Parent Company, according to IAS 24 are as follows:

	Group	Company
a) Sales	27,278	28,256
b) Purchases	177,662	179,429
c) Receivables from related parties	533,732	556,029
d) Payables to related parties	432,691	434,603
e) Key management personnel compensations	498	465
f) Receivables from key management personnel compensations	0	0
g) Payables to key management personnel compensations	0	0

8. Capital expenditure of the Parent Company and the Group for the period ended March 31, 2011 amounted to Euro 173.6 million and of Euro 180.4 million respectively.
9. Other Comprehensive income / (loss) after tax, which was recognized directly in equity for the period ended March 31, 2011 are as follows:

	Group	Company
Profit / (Loss) from fair value available for sale valuation	(7,768)	(7,768)
Total	(7,768)	(7,768)

- In August 2010, PPC's Board of Directors approved a framework agreement between PPC S.A. and "ALUMINION S.A.", which concerns the out of court settlement of their differences. The above-mentioned framework agreement has been already accepted by "ALUMINION S.A." and will be the basis that the two counterparties will use in order to proceed to the signing of the new contract of electricity supply. Further information is presented in Note 11 of the Interim Financial Statements.
- In August 2010, the Parent Company's Board of Directors decided to proceed to the cash payment of 85% of the amount charged by DEPA S.A. for the procurement of natural gas, along the lines of the existing contract, given that PPC S.A. considers, in principle, that this reduced payment is reflecting the material change of circumstances, which define PPC's contractual obligation, beginning with the invoices concerning the consumption of July 2010. In the Parent Company's financial statements, the cost for natural gas reflects the full charge (100%) by DEPA S.A. Further information is presented in Note 9 of the Interim Financial Statements.
- In July 2010 the Board of Directors of the Parent Company approved an agreement for the settlement of new debts incurred by LARCO's electricity consumption for the period 01.11.2008 to 31.05.2010. LARCO has paid in time bills concerning electricity consumption for the months July 2010 to March 2011, while the process of finalizing the above-mentioned new agreement has not been completed yet. Further information is presented in Note 9 of the Interim Financial Statements.

Athens, May 26, 2011

CHAIRMAN & CHIEF EXECUTIVE OFFICER
ARTHOUROS ZERVOS

VICE CHAIRMAN
EVANGELOS PETROPOULOS

CHIEF FINANCIAL OFFICER
GEORGE C. ANGELOPOULOS

CHIEF ACCOUNTANT
EFTHIMIOS A. KOUTROULIS