PPC

Consolidated q1 2007 financial results

- Total Revenues amounted to Euro 1.24 bil versus Euro 1.2 bil in Q1 2006, an increase of 3.5%.
- Very low snow and rain fall levels in the last months, caused a decrease in hydro generation by 71% in Q1 2007, compared to Q1 2006.
- EBITDA was Euro 235.6m, compared to Euro 294.8m in Q1 2006, a decrease of 20.1%.
- Net income for Q1 2007 amounted to Euro 41m, compared to Euro 88.4m in Q1 2006, a decrease of 53.6%.
- Other operating expenses amounted to Euro 146.4m, from Euro 160m in Q1 2006, a decrease of 8.5%.
- Capital expenditure remained flat at Euro 164 m.

More specifically,

REVENUES

Revenues from energy sales increased by 3.8%, from Euro 1,112.8m in Q1 2006 to Euro 1,155.6m in Q1 2007, as a result of an average tariff increase of 4.8% in August 2006, of a change in the sales mix and of a volume decrease of 1.8%, due to mild weather conditions.

OPERATING EXPENSES

Operating expenses (excluding depreciation) increased by 11.2%, from Euro905.3m in Q1 2006 to Euro 1,006.9m in Q1 2007, an increase mainly attributed to the increase in expenditure for natural gas and energy purchases. More specifically, as a result of the reduction by 71% of hydro generation, PPC was obliged to substitute hydro with natural gas and energy purchases:

- the increase in natural gas generation (83%) resulted in an increase in the relevant expenditure by 68.4%,(Euro65.5m) from Euro 95.7m in Q1 2006 to Euro 161.2m in Q1 2007.
- the expenditure for energy purchases increased by 67.8% an increase of Euro 61.3 m from Euro 90.4m in Q1 2006 to Euro 151.7m in Q1 2007, due to the sale of larger quantities of electric energy from third parties to the Pool and to the increase of the System Marginal Price, while direct imports by PPC decreased by 307 GWH(51%)

Expenditure for liquid fuel, marked a decrease of 12.7%, a decrease of Euro 20.2 m, from Euro159.1 in Q1 2006 to Euro 138.9 m in Q1 2007, due to the reduction in liquid fuel generation as well as to a decrease in liquid fuel prices.

Due to the change of the generation mix away from hydro generation, increased expenditure for natural gas and energy purchases were the main reasons that led to a reduction of Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA) by 20.1% compared to Q1 2006, from Euro 294.8m in Q1 2006 to Euro 235.6m in Q1 2007. The electricity tariff adjustments of 4.8% in August 2006 did not cover the negative impact from the significant rise in the expenditure for natural gas and energy purchases.

Payroll expenses increased by 4.4% from Euro 322.5m in Q1 2006, to Euro 336.7m in Q1 2007. This increase, attributed to the impact of the collective agreement and to seniority salary adjustments, was partially offset by the headcount reduction of 965 employees.

Other operating expenses decreased by 8.5%, from Euro 160m in Q1 2006 to Euro 146.4m in Q1 2007.

Based on the estimation of the actual CO_2 emissions during Q1 2007, as well as the projected generation for the April-December 2007 period, the Company estimates that there will be no deficit of CO_2 emission rights for the year 2007. Despite this fact, Q1 2007 results have been affected by an expenditure amounting to Euro 4.6m as a result of the valuation at 31.03.2007 values, of the outstanding emission rights purchases. In Q1 2006, no corresponding expenditure for CO_2 emission rights was recorded.

EBITDA margin reached 19%, compared to 24.6% in Q1 2006.

FINANCIAL EXPENSES

Due to the increase in debt to Euro 3,833m at the end of Q1 2007 from Euro 3,774m at the end of Q1 2006, the significant increase of lending rates in the european capital markets between Q1 2006 and Q1 2007, and a decrease in financial income that is mainly attributed to the change in the fair values of outstanding derivatives as of 31.3.2007, net financial expenses increased to Euro 38.7 m in Q1 2007, from Euro 28.3 m in Q1 2006.

PARTICIPATION IN ASSOCIATED COMPANIES

The share of loss in associated companies is nil, while the corresponding amount in Q1 2006 was Euro 1.7m and corresponds to PPC?s investment in Tellas S.A., the telecommunications company.

Full time employees, excluding personnel assigned to HTSO, was reduced to 25,955 employees as compared to 26,920 at the end of Q1 2006.

The financial information contained in this statement has been prepared according to International Financial Reporting Standards, formerly International Accounting Standards.

Dr. Takis Athanasopoulos Public Power Corporation’s Chairman and Chief Executive Officer, said:

"I am relatively satisfied with our performance during Q1 2007 as the profitability of the company which was affected by a single factor - namely very low snow and rain fall - would have exceeded last year?s levels provided that the hydro generation remained at those of Q1 2006. In March 2007, I outlined my top five priorities to take us forward. We have started work in the formulation of our strategic plan to be presented in the fall".

For further information, please contact:

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The financial data and relevant information on the Financial Statements for Q1 2007, shall be published in the Press, on May 26, 2007.

The financial data and relevant information on the Financial Statements for Q1 2007, as well as analytical Financial Statements for Q1 2007, on a standalone and on a consolidated basis shall be published in the Company?s web site (www.dei.gr) on May 25, 2007 after the closing of the Athens Stock Exchange.