



# PUBLIC POWER CORPORATION S.A.

Reg. No : 47829/06/B/00/2

Chalkokondyli 30 - 10432 Athens

## Financial data and information for the period January 1 2006 - June 30 2006

The following information is a general overview of the financial status of Public Power Corporation S.A. and PPC Group. We recommend to our readers before proceeding to any investing transaction to visit our site www.dei.gr where all the periodically financial statements are published, according to IAS as well as the auditor's report whenever is requested.

### COMPANY'S DETAILS

Certified auditor accountants: Dimitrios Constantinou, Vassilios Kaminaris  
Audit company: Ernst & Young (Hellas) Certified Auditors Accountants S.A.  
Type of auditors' review report: Opinion with exception

**Board of Directors:**  
Kyriakopoulos Konstantinos Chairman  
Maniatakis Dimitrios Managing Director  
Althanasia Paraskevi Member  
David Charalambos Member  
Theodoropoulos Spyridon Member  
Loftsalis Panagiotis Member  
Magirou Evaggelos Member  
Manos Ioannis Member  
Mergos Georgios Member  
Panagopoulos Ioannis Member  
Petrou Anastasios Member

### BALANCE SHEET

Amounts in thousands of Euro

	THE GROUP		THE COMPANY	
	30.06.2006	31.12.2005	30.06.2006	31.12.2005
<b>ASSETS</b>				
Total non current assets	11.241.581	11.243.339	11.304.698	11.304.032
Materials, spare parts and supplies, net	582.034	557.834	582.034	557.834
Trade receivables	830.883	781.617	831.677	782.281
Other current assets	78.456	79.859	69.667	71.034
Total assets	12.732.954	12.662.649	12.788.076	12.715.181
<b>EQUITY AND LIABILITIES</b>				
Non current liabilities	5.769.517	5.894.469	5.769.517	5.894.469
Short term borrowings	812.422	636.080	812.422	636.080
Other current liabilities	964.466	923.319	964.434	923.285
Total liabilities (a)	7.546.405	7.453.868	7.546.373	7.453.834
Share Capital	1.067.200	1.067.200	1.067.200	1.067.200
Other items of shareholders' equity	4.119.349	4.141.581	4.174.503	4.194.147
Total Shareholders' Equity (b)	5.186.549	5.208.781	5.241.703	5.261.347
Minority interests (c)	0	0	0	0
Total Equity (d)=(b)+(c)	5.186.549	5.208.781	5.241.703	5.261.347
TOTAL LIABILITIES AND EQUITY (e)=(a)+(d)	12.732.954	12.662.649	12.788.076	12.715.181

### STATEMENT OF OPERATIONS

Amounts in thousands of Euro

	THE GROUP			
	01.01-30.06.2006	01.01-30.06.2005	01.04-30.06.2006	01.04-30.06.2005
Sales	2.331.324	2.119.003	1.131.181	1.039.257
Gross operating results	461.131	798.616	155.051	462.088
Profit before tax, financing and investing activities and depreciation and amortisation	476.893	552.594	180.797	217.395
Profit before tax, financing and investing activities	185.379	295.625	31.223	86.690
Profit before tax	141.443	222.775	14.629	47.828
Income tax expense	(45.270)	(75.402)	(7.944)	(16.003)
Profit after tax	96.173	147.373	6.685	31.825
Distributed to:				
Company's Shareholders	96.173	147.373	6.685	31.825
Minority interests	0	0	0	0
Earnings per share, basic and diluted (in Euro)	0,41	0,64	0,03	0,14

### STATEMENT OF OPERATIONS

Amounts in thousands of Euro

	THE COMPANY			
	01.01-30.06.2006	01.01-30.06.2005	01.04-30.06.2006	01.04-30.06.2005
Sales	2.331.324	2.119.003	1.131.181	1.039.257
Gross operating results	461.131	798.616	155.051	462.088
Profit before tax, financing and investing activities and depreciation and amortisation	477.069	552.746	180.888	217.547
Profit before tax, financing and investing activities	185.555	295.777	31.314	86.842
Profit before tax	144.031	228.755	15.416	51.137
Income tax expense	(45.270)	(75.402)	(7.944)	(16.003)
Profit after tax	98.761	153.353	7.472	35.134
Distributed to:				
Company's Shareholders	98.761	153.353	7.472	35.134
Minority interests	0	0	0	0
Earnings per share, basic and diluted (in Euro)	0,43	0,66	0,03	0,15

### STATEMENT OF CHANGES IN EQUITY

Amounts in thousands of Euro

	THE GROUP		THE COMPANY	
	30.06.2006	30.06.2005	30.06.2006	30.06.2005
Balance at the beginning of the year (01.01.2006 and 01.01.2005, respectively)	5.208.781	4.221.370	5.261.347	4.257.726
Profit after tax	96.173	147.373	98.761	153.353
	5.304.954	4.368.743	5.360.108	4.411.079
Increase / (Decrease) of Share Capital	0	0	0	0
Dividends distributed	(116.000)	(208.800)	(116.000)	(208.800)
Net gains and losses recognised directly in the equity	(2.405)	662.541	(2.405)	662.618
Purchase / (Sale) of own shares	0	0	0	0
Equity at the end of the period (30.06.2006 and 30.06.2005, respectively)	5.186.549	4.822.484	5.241.703	4.864.897

### Additional data and information for the Group:

Amounts in thousands of Euro

- The Group's companies with their respective addresses and participation percentages, that are included in the consolidated financial statements are listed below:

Company	Parent Company	Address	Participation
PPC S.A.	100%	30, Chalkokondyli str. Athens 104 32, Greece	100%
PPC Renewable Sources S.A.	100%	56-58, Agiassou str. Athens 104 36, Greece	100%
PPC Rhodes S.A. (formerly KOZEN HELLAS)	100%	57, Veranzeros str. Athens 104 38, Greece	100%
PPC Telecommunications S.A.	100%	89, Dyrachou str. Athens 104 43, Greece	100%
PPC Kriti S.A.	100%	56-58, Agiassou str. Athens 104 36, Greece	100%

The above -mentioned companies have been consolidated.  
The Annual Shareholders' General Assemblies for PPC Rhodes S.A. and PPC Kriti S.A. have decided to dissolve the aforementioned companies and to initiate the appropriate procedures on July 1st, 2006.
- The Group's subsidiaries which are fully consolidated have not been audited by the tax authorities since their establishment, with the exception of PPC Telecommunications S.A. which has been audited by the tax authorities up to December 31, 2002 according to the provisions of Law 3259/2004.
- There was no change in the accounting principles for the audited consolidated financial statements for the year ended December 31, 2005.
- There exist no burdens on the Group's fixed assets, the existence of which could materially affect the Group's financial position.
- Adequate provisions have been established for all litigation.
- Total payrolls of the Group number 26.792 employees out of which 143 employees work exclusively for the Hellenic Transmission System Operator and for which the Parent Company is compensated.
- Sales and purchases of the Group, for the six month period ended June 30, 2006, as well as receivables and payables, that arose from the transactions of the Group to its related companies according to IAS 24, amount to Euro 168.994, Euro 256.452, Euro 75.195, and Euro 82.596, respectively.
- Capital expenditure of the Group for the period amounted to approximately Euro 326 million.
- The final clearance and reconciliation of the balances of the PPC Personnel Insurance Organisation (PPC - PIO) has not yet been finalised.

### Additional data and information for the Parent Company:

Amounts in thousands of Euro

- The Parent Company has been audited by the tax authorities up to December 31, 2003.
- There was no change in the accounting principles for the audited financial statements for the year ended December 31, 2005.  
Till 30.09.2005 the provision for mines' restoration was calculated based on the total surface for restoration as at the end of each period, multiplied by the average cost of restoration per metric unit. On 31.12.2005 the company modified the above methodology in accordance with the provisions of the IFRIC 1 "Changes in existing Decommissioning, Restoration and similar Liabilities".  
The compared financial statements for the six month period ended June 30, 2005 have been readjusted after the adoption of the revisions as per the IFRIC 1. These revisions have had as effect the decrease of the profits before tax by Euro 471 and of the profit after tax by Euro 320, and the decrease in accrued provision by Euro 18,9 million which was credited in the beginning Retained Earnings and the creation of asset and provision with value amounting to Euro 14,4 million.
- In April 2005, Public Power Corporation participated in the tender process for the privatization of 3 power plants in Bulgaria. PPC has submitted offers for two out of the three companies (Bobov Dol and Varna) and was the highest bidder for the Bobov Dol power plant. After a legal dispute that stalled the tender procedure for the sale of Thermal Power Plant of Bobov Dol EAD, for more than a year, the Privatization Agency of Bulgaria with its Decision No 3074-P of July 4th, 2006 declared PPC as the winning bidder. Negotiations between the Privatization Agency and PPC have already started. In March 2006, PPC's Board of Directors approved the common PPC's participation with the company Contour Global, to the tender process for the privatization of one power plant and one mine, in Pjlevija in Montenegro, under the condition that the participation of PPC to the final phase of the tender will be approved favourable after the completion of special audits. After the completion of these audits the Board of Directors with its resolution 114/22.5.2006 decided that PPC should not participate in the tender; hence no binding offer was submitted.
- In May 2006, PPC's Board of Directors has approved the Company's Business Plan for the five year period 2006 - 2010, as well as a Study for the enhancement of performance and the rationalization of costs, for the same period. The basic axis of PPC's Business Plan is the Conversion Programme under the name "HERCULES".
- PPC's Board of Directors, by its Decision 2/10.01.2006, has approved lump sum payments of up to 20 monthly wages to employees who would retire voluntarily until 31.12.2006, subject to terms specified in the above mentioned Decision.  
In the first semester of 2006, when Decision 2/10.01.2006 was effected, 39 employees filed applications for voluntary retirement, with a corresponding cost that amounts to Euro 2.728 and for which the Parent Company has established a provision in the financial statements.  
The Parent Company estimates that the total amount concerning employees' voluntary retirement will not exceed Euro 17,6 million, until the end of 2006.
- In the context of the new Business Plan for the period 2006-2010 of PPC, the Board of Directors approved the basic principles of the participation of PPC to a Holding Company with a subject of International Activities. In July 2006, the Board of Directors approved the Business Strategy Plan for the 2006 -2011 period for the Holding Company formed by PPC and Contour Global, as well as the payment of an amount of Euro 5.030 for PPC's initial participation in the Holding Company's share capital, which isn't realized yet.
- There exist no burdens on the Parent Company's fixed assets, the existence of which could materially affect the Parent Company's financial position.
- Adequate provisions have been established for all litigation.
- Total payrolls of the Parent Company number 26.792 employees out of which 143 employees work exclusively for the Hellenic Transmission System Operator and for which the Company is compensated.
- Sales and purchases of the Parent Company to its related companies (according to IAS 24), for the six month period ended June 30, 2006 amount to Euro 169.024 and Euro 256.452, respectively. As at June 30, 2006 the receivables and the payables of the Parent Company due to the related companies amount to Euro 76.713 and Euro 82.596 respectively.
- Capital expenditure of the Parent Company for the period, amounted to approximately Euro 326 million.
- The expenditure for CO<sub>2</sub> emissions shall be deemed as final, only after the issuance of a relevant joint Ministerial Decision determining the final emission

### CASH FLOW STATEMENT

Amounts in thousands of Euro

	THE GROUP		THE COMPANY	
	01.01-30.06.2006	01.01-30.06.2005	01.01-30.06.2006	01.01-30.06.2005
<b>Cash Flows from Operating Activities</b>				
Profit before tax	141.443	222.775	144.031	228.755
Plus / minus adjustments :				
Depreciation and amortisation	320.103	311.822	320.103	311.822
Amortisation of customers' contributions and subsidies	(28.172)	(54.853)	(28.172)	(54.853)
Fair value (gain) / loss of derivative instruments	(15.200)	(2.001)	(15.200)	(2.001)
Expenses / (Revenues) from readjustments of fixed assets	0	(542)	0	(542)
Share of loss / gain of associates	(8.725)	5.909	(11.201)	0
Interest income	(6.336)	(8.679)	(6.271)	(8.628)
Sundry provisions	18.266	15.715	18.266	15.715
Gain on disposal of fixed assets	126	4.219	126	4.219
Unbilled revenue	13.653	(20.266)	13.653	(20.266)
Amortisation of loan origination fees	1.087	1.112	1.087	1.112
Interest expense	74.092	68.162	74.092	68.162
Operating profit before working capital changes	510.337	543.373	510.514	543.495
Increase / (Decrease) in:				
Increase / (Decrease) of materials	(20.264)	18.849	(20.264)	18.849
Increase / (Decrease) of receivables	(101.338)	(72.857)	(101.468)	(72.822)
Increase / (Decrease) of liabilities (excluding banks)	65.147	(85.140)	65.149	(85.143)
Net Cash from Operating Activities (a)	453.882	404.225	453.931	404.379
<b>Cash Flows from Investing Activities</b>				
Investments	(1.752)	0	(1.700)	0
Capital expenditure for fixed assets and software	(325.796)	(362.708)	(325.796)	(362.708)
Disposal of fixed assets and software	9.256	944	9.256	944
Interest received	6.336	5.796	6.271	6.163
Proceeds from customers' contributions and subsidies	87.838	90.540	87.838	90.540
Net Cash used in Investing Activities (b)	(224.118)	(265.428)	(224.131)	(265.061)
<b>Cash Flows from Financing Activities</b>				
Net change in short-term borrowings	12.100	(55.250)	12.100	(55.250)
Proceeds from interest bearing loans and borrowings	200.000	225.000	200.000	225.000
Principal payments of interest bearing loans and borrowings	(256.215)	(226.304)	(256.215)	(226.304)
Interest paid	(70.693)	(64.809)	(70.693)	(64.809)
Dividends paid	(115.620)	(19)	(115.620)	(19)
Net Cash used in Financing Activities (c)	(230.428)	(121.382)	(230.428)	(121.382)
<b>Net increase / (decrease) in cash and cash equivalents (a) + (b) + (c)</b>	<b>(664)</b>	<b>17.415</b>	<b>(628)</b>	<b>17.936</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>38.176</b>	<b>28.071</b>	<b>29.351</b>	<b>20.274</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>37.512</b>	<b>45.486</b>	<b>28.723</b>	<b>38.210</b>

- allowances to PPC. Taking into account the assumption that the initially allocated emission allowances by National Allocation Plan (NAP) will not change, it is expected that there will be no CO<sub>2</sub> emissions allowance shortage in the end of the year 2006 for the company.
- In the six month period ended June 30, 2006 the Parent Company has reversed part of the established provision for the impairment of its investment in LARKO S.A., which amounted to Euro 11.201 and which was also recognised by the Group as revenue resulting from an investment in an associate (valuation based on the Equity Method).
- The final clearance and reconciliation of the balances of the PPC Personnel Insurance Organisation (PPC - PIO) has not yet been finalised.
- The Supreme Court's Decisions 1691/2005 and 1688/2005 repealed both the Environmental Permits granted for the Acheloos river diversion and the ancillary projects. Part of the latter is the Messohora hydroelectric station - currently under construction - whose cost amounted to approximately Euro 267 million as of June 30, 2006 and which is included in "Property, Plant and Equipment, net" in both the Parent Company and the Group's Condensed Balance Sheet, as of June 30, 2006.  
On July 19, 2006 the Greek Parliament voted an amendment - addendum to the Law "Amendments in legislation concerning the National Land Register, the assignment and execution of contracts, projects, studies and other stipulations", according to which the environmental terms for the continuation, completion and operation of the projects of the Acheloos River Diversion Scheme to Thessaly were approved and whose observance is a prerequisite for the realisation of the projects and for which responsibility lies with the administrator for execution and operation.  
Also Public Works as well as PPC's projects that have been auctioned 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 to finish construction according to the approved administration plan and the above-mentioned environmental terms. Under these terms, the continuation, completion and operation of the Messohora Power Plant are allowed.
- The Company continues the procedure of clearing and settlement of the remaining balances for supplying materials and spare parts contracts.

Athens, August 29, 2006

THE CHAIRMAN OF THE BOARD  
KONSTANTINOS A. KYRIAKOPOULOS

THE MANAGING DIRECTOR  
DIMITRIOS L. MANIATAKIS

THE CHIEF FINANCIAL OFFICER  
GREGORIS G. ANASTASIADIS

THE CHIEF ACCOUNTANT  
ELEFTHERIOS G. EXAKOUSTIDIS