PUBLIC POWER CORPORATION S.A.

Interim Condensed
Consolidated and Separate
Financial Statements

March 31, 2012

In accordance with
International Financial Reporting Standards
adopted by the European Union

The attached separate and consolidated financial statements have been approved by the Board of Directors of Public Power Corporation S.A. May 29th, 2012 and they are available on the web site of Public Power Corporation S.A. at www.dei.gr.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER	VICE CHAIRMAN	CHIEF FINANCIAL OFFICER	CHIEF ACCOUNTANT
ARTHOUROS ZERVOS	KONSTANTINOS THEOS	GEORGE C. ANGELOPOULOS	EFTHIMIOS A. KOUTROULIS

Index

D1. FINANCIAL STATEMENTS

PUBLIC POWER CORPORATION S.A.

INTERIM CONDENSED CONSOLIDATED AND SEPARATE STATEMENTS OF INCOME

FOR THE THREE MONTH PERIOD ENDED MARCH 31,2012

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

	GROUP		COMPANY	
				(restated)
	01.01.2012-31.03.2012	**01.01.2011-31.03.2011**	**01.01.2012-31.03.2012**	**01.01.2011-31.03.2011**
REVENUES:				
Revenue from energy sales	1,447,635	1,232,640	1,444,729	1,228,982
Other	102,196	141,835	72,350	72,691
	1,549,831	**1,374,475**	**1,517,079**	**1.301.673**
EXPENSES:				
Payroll cost	179,871	217,238	166,263	200.380
Fuel	586,490	478,249	586,490	478.249
Depreciation and amortization	126,887	127,546	112,150	112.313
Energy purchases	432,073	193,382	419,104	195.149
Transmission system usage	32,272	74,027	85,321	74.027
Emission allowances	20,913	11,528	20,913	11.528
Provisions	47,064	45,682	46,595	45.682
Financial expenses	67,969	50,362	61,238	44.855
Financial income	(9,663)	(10,929)	(9,380)	(10.895)
Other (income)/ expense, net	50,651	67,199	46,434	64.017
Share of loss/(profit) of associates and joint ventures, net	(135)	(398)	-	-
Foreign currency (gains)/ losses, net	464	(818)	464	(818)
PROFIT / (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	**14.975**	**121.407**	**(18,513)**	**87,186**
Income tax expense	(16,385)	(28,103)	(9,724)	(21.261)
PROFIT / (LOSS) AFTER TAX FROM CONTINUING OPERATIONS	**(1.410)**	**93.304**	**(28,237)**	**65,925**
PROFIT / (LOSS) AFTER TAX FROM DISPOSAL GROUP	**-**	**-**	**-**	**25,378**
NET PROFIT / (LOSS)	**(1,410)**	**93,304**	**(28,237)**	**91,303**
Earnings per share, basic and diluted	(0.01)	0.40		
Weighted average number of shares	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 31,2012
(All amounts in thousands of Euro - except share and per share data)

	GROUP		COMPANY	
	01.01.2012-31.03.2012	**01.01.2011-31.03.2011**	**01.01.2012-31.03.2012**	**01.01.2011-31.03.2011**
Profit / (losses) for the period	**(1,410)**	**93,304**	**(28,237)**	**91,303**
Other Comprehensive income / (losses) for the period				
Profit / (Losses) from fair value available for sale valuation	940	(7,768)	940	(7,768)
Other Comprehensive income / (losses) for the period after tax	940	(7,768)	940	(7,768)
Total Comprehensive income / (losses) after tax	**(470)**	**85,536**	**(27,297)**	**83,535**

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, 2012

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

	GROUP		COMPANY	
	31/3/2012	**31/12/2011**	**31/3/2012**	**31/12/2011**
ASSETS				
Non – Current Assets:				
Property, plant and equipment, net	13,772,600	13,702,609	11,953,378	11,885,466
Intangible assets, net	55,167	92,703	54,987	92,512
Available for sale financial assets	7,375	6,435	7,375	6,435
Other non-current assets	66,662	66,736	861,658	865,015
Total non-current assets	**13,901,804**	**3,868,483**	**2,877,398**	**2,849,428**
Current Assets:				
Materials, spare parts and supplies, net	851,113	847,585	793,152	793,809
Trade and other receivables, net and other current assets	1,888,066	1,564,241	1,824,583	1,473,061
Cash and cash equivalents	173,067	364,495	108,750	339,539
Total Current Assets	**2,912,246**	**2,776,321**	**2,726,485**	**2,606,409**
Total Assets	**16,814,050**	**16,644,804**	**15,603,883**	**15,455,837**
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	4,981,047	4,984,663	4,207,516	4,211,132
Reserves	322,047	315,229	316,169	315,229
Retained earnings	915,031	922,266	1,522,479	1,547,147
Total Equity	**6,444,662**	**6,448,695**	**6,272,701**	**6,300,045**
Non-Current Liabilities:				
Interest bearing loans and borrowings	3,495,166	3,565,542	3,148,187	3,142,670
Provisions	455,237	454,163	423,238	422,652
Other non-current liabilities	2,819,007	2,822,288	2,419,882	2,422,920
Total Non-Current Liabilities	**6,769,410**	**6,841,993**	**5,991,307**	**5,988,242**
Current Liabilities:				
Trade and other payables and other current liabilities	1,873,565	1,664,393	1,829,016	1,608,274
Dividends payable	210	210	210	210
Income tax payable	35,805	26,577	0	0
Short-term borrowings	208,712	233,735	199,000	224,000
Current portion of interest bearing loans and borrowings	1,481,686	1,429,201	1,311,649	1,335,066
Total Current Liabilities	**3,599,978**	**3,354,116**	**3,339,875**	**3,167,550**
Total Liabilities and Equity	**16,814,050**	**16,644,804**	**15,603,883**	**15,455,837**

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

PUBLIC POWER CORPORATION S.A.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

MARCH 31, 2012

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

						Other reserves				
	Share Capital	**Share Premium**	**Legal Reserve**	**Revaluation Surplus**	**Reversal of Revaluation Gains**	**Marketable Securities Valuation Surplus**	**Tax-free and Other Reserve**	**Reserves Total**	**Retained Earnings/ (Accumulated Deficit)**	**Total Equity**
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**
Balance, December 31, 2011	**1,067,200**	**106,679**	**107,491**	**4,984,663**	**(947,342)**	**(249)**	**207,987**	**207,738**	**922,266**	**6,448,695**
Net income for the period	-	-	-	-	-	-	-	-	(1,410)	(1,410)
Other comprehensive income/(loss) for the period recognized directly in equity	-	-	-	-	-	940	-	940	-	940
Total Comprehensive income/(loss) for the period after tax	**-**	**-**	**-**	**-**	**-**	**940**	**-**	**940**	**(1,410)**	**(470)**
Transfers	-	-	5,878	(3,616)	-	-	-	-	(6,371)	(4,109)
Dividends	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	546	546
Balance, March 31, 2012	**1,067,200**	**106,679**	**113,369**	**4,981,047**	**(947,342)**	**691**	**207,987**	**208,678**	**915,031**	**6,444,662**

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

PUBLIC POWER CORPORATION S.A.

INTERIM CONDENSED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

MARCH 31, 2012

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

						Other reserves				
	Share Capital	**Share Premium**	**Legal Reserve**	**Revaluation Surplus**	**Reversal of Revaluation Gains**	**Marketable Securities Valuation Surplus**	**Tax-free and Other Reserve**	**Reserves Total**	**Retained Earnings/ (Accumulated Deficit)**	**Total Equity**
Balance, December 31, 2010	**1,067,200**	**106,679**	**107,491**	**4,976,962**	**(947,342)**	**(10,176)**	**207,987**	**197,811**	**1,237,533**	**6,746,334**
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	**-**	**-**	**-**	**-**	**-**	**(7,768)**	**-**	**(7,768)**	**91,303**	**83,535**
Transfers	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	(270)	(270)
Balance, March 31, 2011	**1,067,200**	**106,679**	**107,491**	**4,976,962**	**(947,342)**	**(17,944)**	**207,987**	**190,043**	**1,328,566**	**6,829,599**
Balance, December 31, 2011	**1,067,200**	**106,679**	**107,491**	**4,211,132**	**(947,342)**	**(249)**	**207,987**	**207,738**	**1,547,147**	**6,300,045**
Net income for the period	-	-	-	-	-			-	(28,237)	(28,237)
Other comprehensive income/(loss) for the period recognized directly in equity	-	-	-	-	-	940	-	940	-	940
Total Comprehensive income/(loss) for the period after tax	**-**	**-**	**-**	**-**	**-**	**940**	**-**	**940**	**(28,237)**	**(27,297)**
Transfers from retirements of fixed assets	-	-	-	(3,616)	-	-	-	-	3,616	-
Transfers	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-		-	-	-
Other	-	-	-	-	-	-	-	-	(47)	(47)
Balance, March 31, 2012	**1,067,200**	**106,679**	**107,491**	**4,207,516**	**(947,342)**	**691**	**207,987**	**208,678**	**1,522,479**	**6,272,701**

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 CASH FLOWS

FOR THE THREE MONTH PERIOD ENDED MARCH 31,2012

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

	GROUP		COMPANY	
				(restated)
	01.01.2012-31.03.2012	01.01.2011-31.03.2011	01.01.2012-31.03.2012	01.01.2011-31.03.2011
Cash Flows from Operating Activities				
Profit before tax from continuing operations	14,975	121,407	(18,513)	87,186
Profit before tax from disposal group	-	-	-	31,723
Adjustments :				
Depreciation and amortization	177,261	186,742	161,191	169,669
Amortization of customers' contributions and subsidies	(18,996)	(18,695)	(17,663)	(16,855)
Interest expense	64,125	47,640	57,320	42,133
Other adjustments	(9,319)	62,345	(9,422)	58,665
Changes in assets	(329,456)	(163,466)	(340,956)	(108,968)
Changes in liabilities	243,394	59,246	250,117	34,807
Disposal Group	-	-	-	(7,403)
Net Cash from Operating Activities	**141,984**	**295,219**	**82,074**	**290,957**
Cash Flows from Investing Activities				
Capital expenditure/(disposal) of fixed assets and software	(232,729)	(180,605)	(214,591)	(147,352)
Proceeds from customers' contributions and subsidies	792	117	792	135
Interest and dividents received	9,663	10,895	9,380	10,895
Investments	-	(128)	-	(30)
Disposal Group	-	-	-	(26,521)
Net Cash used in Investing Activities	**(222,274)**	**(169,721)**	**(204,419)**	**(162,873)**
Cash Flows from Financing Activities				
Net change in short term borrowings	(25,023)	(172,236)	(25,000)	(175,000)
Proceeds from interest bearing loans and borrowings	200,000	478,000	150,000	478,000
Principal payments of interest bearing loans and borrowings	(218,159)	(276,628)	(168,136)	(276,628)
Interest paid	(67,956)	(59,305)	(65,308)	(59,267)
Dividends paid	-	(18)	-	(18)
Net cash used in Financing Activities	**(111,138)**	**(30,187)**	**(108,444)**	**(32,913)**
Net increase/ (decrease) in cash and cash equivalents	(191,428)	95,311	(230,789)	95,171
Cash and cash equivalents at beginning of the period	364,495	620,449	339,539	617,040
Cash and cash equivalents at the end of the period	**173,067**	**715,760**	**108,750**	**712,211**

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

D.2 NOTES TO THE FINANCIAL STATEMENTS

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 ("the Liberalization Law"), 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 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, 2012, the number of staff employed by the Group and the Parent Company was 20,858 (2011: 21,509, excluding employees engaged in the Hellenic Transmission System Operator "HTSO" (now Hellenic Electricity Market Operator "HEMO").
At March 31, 2012, 113 employees (2011: 171), have been transferred to several State agencies (ministries, organizations, etc.) out of which,99 were compensated by PPC (2011: 147). The total payroll cost of such employees, at March 31, 2012, amounted to Euro 741 (2011: Euro 1,129), and is included in the income statement.

PPC Group generates electricity in its own 63 power generating stations of the Parent Company and from the additional 46 stations which belong to its wholly owned subsidiary PPC Renewables, facilitates the transmission of electricity through power lines of 12,178 kilometres and distributes electricity to consumers through its own distribution lines (Medium and Low voltage) of 229,450 kilometres, approximately.

Lignite consumed by the Parent Company's lignite-fired power stations is extracted mainly from its own lignite mines.

The Group PPC has also constructed approximately 1,900 kilometres of fibre-optic network along its transmission lines, approximately 200 kilometres of urban underground fibre optics network and approximately 17 kilometres of underwater fibre optics network.

2. CHANGES IN THE LEGAL FRAMEWORK

CHANGES IN THE LEGAL FRAMEWORK OF ELECTRICITY MARKET

- The recent Memorandum of Understanding for reducing the public debt includes a detailed schedule of activities in the electricity sector, part of which was already included in the third energy package - L.4001/2011. Further, in L.4046/2012 (A'28 Gazette, 14/2/2012), provides that :
  a) completion of required actions for the establishment and operation of IPTO S.A. and HEDNO S.A. (February 2012 and first quarter 2012 respectively) and the certification of the first (second quarter 2012)
  b) the finalization and implementation of arrangements for third party access to both lignite (November 2012) and hydroelectric power generation and to other productive assets of the Company,
  c) the gradual full liberalization of the low voltage tariffs (except the one for vulnerable consumers) until the second quarter of 2013, as it is provided after the adoption of Law 4038/2012 Article 32 § 1,
  d) the completion of the transfer and implementation of EU Directive 2009/28/EC on RES and of the project supporting renewable energy programs in the first quarter of 2012 (including feed in premium model), to make them more compatible to the market developments
  e) to promote the implementation of the "Helios" project and to develop cooperation with our partners in the EU, for electricity exports.
- By a legislative act (Official Gazette A' 268/31.12.2011), Article 97 of L.4001/2011 was amended which was stipulating that IPTO SA would always be under the direct or indirect control of the State.
- The final texts of the Grid Control Code and Power Exchange Code of the Hellenic Electricity Transmission System were approved by RAE (Decisions 56 and 57, Official Gazette B 104 and 103 respectively) for the transition of the Greek wholesale electricity market in its new structure under the provisions of L.4001/2011.

2. CHANGES IN THE LEGAL FRAMEWORK (Continued)

Pricing Policy

- By a ministerial Decision published in **OG B' 7**/5.1.2012, the low voltage tariffs of PPC S.A. for the competitive part were defined for 2012, with the possibility of redefining them every semester, as proposed by PPC and for which RAE positively opinioned (Opinion 39/2011).
- IPTO S.A., based on the Ministerial decision (**OG B' 342**/16.2.2012), will receive on a monthly basis and by each registered lignite generator unit, a specific lignite generation electricity fee. The revenues from these fees are revenues of the special managing account and thus will be rendered each month by IPTO SA to HEMO SA.
- The budgeted average variable cost for the non-interconnected islands was defined by RAE (**Decision 244**/2012) for the first half of 2012 to 180,20 €/MWh. For its determination RAE took into account the estimates of the competent Operator for the electricity produced by thermal plants and RES units, the quantities of fuel and the average additional variable cost of thermal units for Crete, Rhodes and the other non-interconnected islands for the first half of 2012, as well as international crude oil prices ($ / bbl) and the euro / dollar parity in the last quarter.
- To ensure public service obligations supply (PSOs) in the electricity sector, article 36 was added in Law 4067/2012 OG A' 79 / 9.4.2012 (which was ratified on 29.03.2012) according to which, from 1.1.2012 the persons liable for the PSOs return are the respective users of each electricity supply, who pay it to electricity suppliers with a distinct charge to the bills they receive. The procedure and the attributing way are analytically described in the article. After the entry into force of this Law, the ministerial Decision ΗΛ/Β/Φ.1.17/2123/2857/2010 and the RAE decision 1527/2011 are repealed.
- In the **Law 4051**/2012 (OG A'40/29.02.2012) settings concerning the amendment of the timetable for the return of the amounts collected for the electrified surfaces special fee (EETHDE) to the Greek State are included. More specifically it's clarified that the amounts of that fee collected by PPC S.A. and the alternative electricity suppliers will be attributed to the Greek State until the tenth day of the month following the month in which the amounts were collected. Similarly in **Law 4047**/2012 (OG A' 31/23.02.2012), details are included concerning the collection, certification and return procedures, e.t.c. Finally by the Act of Legislation published in OG A' 103/30.04.2012, PPC and alternative suppliers are given the opportunity to withhold the electrified surfaces special fee payments collected in March and April 2012 till 30/06/2012, removing in that case the withholding percentage of 0,25% from the collected amounts. In the case that those amounts have been already paid by PPC and the alternative suppliers to the Greek State, then, they can be returned within 10 days after entry into force of this Act.

Other Issues

- Following the recent developments in the electricity market, in **OG B' 97**/31.01.2012 the Ministerial Decision 31.1.2012 was published according to which the provisions of the Customer Supply Code were amended in order to introduce the necessary regulatory arrangements due to the activation of the Last Resort Supplier (LRS). RAE also decided to promote a temporary arrangement to facilitate the consumers of LRS (**Decision 279**/12.04.2012). Under the new arrangement, these consumers, for a maximum period of two (2) additional months after 24/4/2012, will normally continue to purchase electricity from PPC S.A, but under the regime of Universal Service Supplier (USS). After the expiration of those two additional months, and provided that no supplier selection has been done by those consumers, the provisions of the measurements management and periodic settlement network suppliers Manual will be applied, according to which the Network Operator will be required, without further information, to start the process of their facility cut-off.
- In the above OG B '97 there are also settings on the pricing of electricity produced by photovoltaic parks except the ones of up to 15 kW in the household sector and small businesses. The new prices are concerning sale contracts for which a request for concluding contract with full documentation has not yet submitted.
- In **OG B' 65**/26.1.2012 the total amount of greenhouse gas emissions allowance offered for auction for the year 2012 and the additional quantity of allowances for the months November - December 2011 were announced (except the one specified in the ministerial decision οικ.186446/2011 (OG B' 575/11.04.2011) through spot transactions, which can be equal to ten million tones. The auction of the mentioned amount shall be gradually executed during the period from 1.11.2011 to 30.12.2012. The auctions are carried out as mandated by the Ministry or any other authorized person especially for that purpose, at a date which will be promptly announced in each stock.

2. CHANGES IN THE LEGAL FRAMEWORK (Continued)

- Following PPC S.A complaints (as the Network Operator) to RAE for the inconsistency of companies ENERGA POWER TRADING SA & HELLAS POWER SA concerning the payment of the fees for the network use, RAE justified PPC complaints and, until its final decision on the complaints, imposed provisional measures. These measures consist of guarantee provisions equal to 25% of the mentioned claims for each of the above companies, which will be provided in favor of the Network Operator (amounts of Euro **29.071.800,70** and Euro **35.421.002,76** € respectively - **Decisions 63 and 64**). These companies have failed to provide guarantees and that is why a penalty of 5000 € for each day of non-compliance was imposed by RAE (**Decisions 138 & 138a**). Complaints are also existing by PPC S.A. against the companies REVMAENA LTD, ELPEDISON COMMERCIAL SA and Greek Alternative Energy Inc., for not fulfilling their obligations on the Network Use charges. The final RAE Decision on the complaints of PPC for companies ENERGA POWER TRADING SA & HELLAS POWER SA (**Decisions 212 and 213** of 22.03.2012) as well as the companies ELPEDISON COMMERCIAL SA, REVMAENA LTD, and Greek Alternative Energy Inc. (**Decisions 214, 215 and 216** of 03.22.2012) have not been announced to date.
- RAE made a statement on 24.04.2012, according to which the companies of electricity supply and trading are required to immediately and fully settle any overdue debts and to submit their required bonds, according to their contractual obligations to IPTO S.A and HEMO S.A. no later than 15.05.2012. In the opposite case, if the debts are not fully covered within the specified period, RAE is threatening to launch an immediate process of imposing sanctions under the current legislative framework, including administrative penalties and revocation of this electricity supply license.
- RAE issued the **Decision 261**/2012 for approval - presentation of the final text of the Arbitration Regulation under Article 37 of Law 4001/2011.

3. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

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, 2012 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, 2011 made publicly available.
The accompanying financial statements (thereon "financial statements") have been prepared under the historical cost convention (except for tangible assets, financial assets held – for – sale and derivative financial 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 values are rounded to the nearest thousand, except when otherwise indicated.
At March 31, 2012 total current liabilities of the Group and the Parent Company exceed the total current assets by the amount of approximately Euro 688 mil. and Euro 613 mil., respectively, and they may not be able to meet part of their contractual obligations, if they do not proceed with the immediate refinancing of their short term loan obligations.
Given that, the refinancing of the Group's of existing loan obligations through bilateral loans with the initial lenders has a positive outcome and negotiations are in an advanced stage, the management of the Parent Company and the Group estimates that the above mentioned refinancings will be completed successfully and therefore the financial statements of the Parent Company and the Group have been prepared on the basis that they will continue as a going concern.

Approval of Financial Statements: The Board of Directors approved the accompanying financial statements for the three month period ended March 31, 2012, on May 29th, 2012.

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, 2011 with the exception of the following interpretations, that are valid as of 1 January 2012 onwards and which had no effect in the Group and the Parent Company for the reporting period:

- **IFRS 7 Financial Instruments: Disclosures (Amended) - Enhanced Derecognition Disclosure Requirements**

The following new and amended IFRS standards and IFRIC interpretations have been issued but are not effective for the financial year beginning January 1, 2012:

- **IAS 1 Financial Statement Presentation (Amended) – Presentation of Items of Other Comprehensive Income**
  The amendment is effective for annual periods beginning on or after 1 July 2012. The amendments to IAS 1 change the grouping of items presented in OCI. Items that could be reclassified (or 'recycled') to profit or loss at a future point in time (for example, upon derecognition or settlement) would be presented separately from items that will never be reclassified. The amendment affects presentation only and has no impact on the Group's financial position or performance. This amendment has not yet been endorsed by the EU. PPC is in the process of assessing the impact of this amendment on its financial position or performance.
- **IAS 12 Income Taxes (Amended) – Recovery of Underlying Assets**
  The amendment is effective for annual periods beginning on or after 1 January 2012. The amendment clarified the determination of deferred tax on investment property measured at fair value. The amendment introduces 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. Furthermore, it introduces the requirement that deferred tax on non-depreciable assets that are measured using the revaluation model in IAS 16 always be measured on a sale basis of the asset. This amendment has not yet been endorsed by the EU. The Group is in the process of assessing the impact of this amendment on the financial position or performance of the Group
- **IAS 19 Employee Benefits (Amended)**
  The amendment is effective for annual periods beginning on or after 1 January 2013. The IASB has issued numerous amendments to IAS 19. These range from fundamental changes such as removing the corridor mechanism and the concept of expected returns on plan assets to simple clarifications and re-wording. Early application is permitted. This amendment has not yet been endorsed by the EU. The Group is in the process of assessing the impact of this amendment on the financial position or performance of the Group.
- **IAS 27 Separate Financial Statements (Revised)**
  The Standard is effective for annual periods beginning on or after 1 January 2013. As a consequence of the new IFRS 10 and IFRS 12, what remains of IAS 27 is limited to accounting for subsidiaries, jointly controlled entities, and associates in separate financial statements. Earlier application is permitted. This amendment has not yet been endorsed by the EU. The Group is in the process of assessing the impact of this amendment on the financial position or performance of the Group..
- **IAS 28 Investments in Associates and Joint Ventures (Revised)**
  The Standard is effective for annual periods beginning on or after 1 January 2013. As a consequence of the new IFRS 11 and IFRS 12, IAS 28 has been renamed IAS 28 Investments in Associates and Joint Ventures, and describes the application of the equity method to investments in joint ventures in addition to associates. Earlier application is permitted. This amendment has not yet been endorsed by the EU. The Group is in the process of assessing the impact of this amendment on the financial position or performance of the Group.
- **IAS 32 Financial Instruments: Presentation (Amended) - Offsetting Financial Assets and Financial Liabilities**
  The amendment is effective for annual periods beginning on or after 1 January 2014.This amendment clarifies the meaning of "currently has a legally enforceable right to set-off" and also clarifies the application of the IAS 32 offsetting criteria to settlement systems (such as central clearing house systems) which apply gross settlement mechanisms that are not simultaneous. The amendments to IAS 32 are to be retrospectively applied. Earlier application is permitted. However, if an entity chooses to early adopt, it must disclose that fact and also make the disclosures required by the IFRS 7 Offsetting Financial Assets and Financial Liabilities amendments. This amendment has not yet been endorsed by the EU. The Group is in the process of assessing the impact of the amendment on the financial position or performance of the Group.

3.1. BASIS OF PREPARATION (CONTINUED)

- **IFRS 7 Financial Instruments: Disclosures (Amended) - Offsetting Financial Assets and Financial Liabilities**
  The amendment is effective for annual periods beginning on or after 1 January 2013.The amendment introduces common disclosure requirements. These disclosures would provide users with information that is useful in evaluating the effect or potential effect of netting arrangements on an entity's financial position. The amendments to IFRS 7 are to be retrospectively applied. This amendment has not yet been endorsed by the EU. The Group does not expect that this amendment will have an impact in the financial statements.
- **IFRS 9 Financial Instruments - Classification and Measurement**
  The new standard is effective for annual periods beginning on or after 1 January 2015. IFRS 9 as issued reflects the first phase of the IASBs work on the replacement of IAS 39 and applies to classification and measurement of financial assets and financial liabilities as defined in IAS 39. Phase 1 of IFRS 9 will have a significant impact on (i) the classification and measurement of financial assets and (ii) a change in reporting for those entities that have designated financial liabilities using the FVO. In subsequent phases, the IASB will address hedge accounting and impairment of financial assets. The completion of this project is expected over the first half of 2012. Early application is permitted. This standard has not yet been endorsed by the EU. The Group is in the process of assessing the impact of the amendment on the financial position or performance of the Group.
- **IFRS 10 Consolidated Financial Statements**
  The new standard is effective for annual periods beginning on or after 1 January 2013. IFRS 10 replaces the portion of IAS 27 Consolidated and Separate Financial Statements that addresses the accounting for consolidated financial statements. It also includes the issues raised in SIC-12 Consolidation — Special Purpose Entities. IFRS 10 establishes a single control model that applies to all entities including special purpose entities. The changes introduced by IFRS 10 will require management to exercise significant judgment to determine which entities are controlled, and therefore, are required to be consolidated by a parent, compared with the requirements that were in IAS 27.This standard has not yet been endorsed by the EU. The Group is in the process of assessing the impact of the amendment on the financial position or performance of the Group.
- **IFRS 11 Joint Arrangements**
  The new standard is effective for annual periods beginning on or after 1 January 2013. IFRS 11 replaces IAS 31 Interests in Joint Ventures and SIC-13 Jointly-controlled Entities — Non-monetary Contributions by Venturers. IFRS 11 removes the option to account for jointly controlled entities (JCEs) using proportionate consolidation. Instead, JCEs that meet the definition of a joint venture must be accounted for using the equity method. This standard has not yet been endorsed by the EU. The Group is in the process of assessing the impact of the amendment on the financial position or performance of the Group.
- **IFRS 12 Disclosures of Involvement with Other Entities**
  The new standard is effective for annual periods beginning on or after 1 January 2013. IFRS 12 includes all of the disclosures that were previously in IAS 27 related to consolidated financial statements, as well as all of the disclosures that were previously included in IAS 31 and IAS 28. These disclosures relate to an entity's interests in subsidiaries, joint arrangements, associates and structured entities. A number of new disclosures are also required. This standard has not yet been endorsed by the EU The Group is in the process of assessing the impact of the amendment on the financial position or performance of the Group.
- **IFRS 13 Fair Value Measurement**
  The new standard is effective for annual periods beginning on or after 1 January 2013. IFRS 13 establishes a single source of guidance under IFRS for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. This standard should be applied prospectively and early adoption is permitted. This standard has not yet been endorsed by the EU. The Group is in the process of assessing the impact of the amendment on the financial position or performance of the Group.
- **IFRIC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine**
  The interpretation is effective for annual periods beginning on or after 1 January 2013.This interpretation only applies to stripping costs incurred in surface mining activity during the production phase of the mine ('production stripping costs'). Costs incurred in undertaking stripping activities are considered to create two possible benefits a) the production of inventory in the current period and/or b) improved access to ore to be mined in a future period (striping activity asset). Where cost cannot be specifically allocated between the inventory produced during the period and the stripping activity asset, IFRIC 20 requires an entity to use an allocation basis that is based on a relevant production measure. Early application is permitted. IFRIC 20 has not yet been endorsed by the EU. The Group is in the process of assessing the impact of the interpretation on the financial position or performance of the Group.

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

4. SPIN – OFF OF TRANSMISSION ACTIVITY AND CONTRIBUTION TO A NEW SUBSIDIARY "OPERATOR OF THE INDEPENDENT TRANSMISSION SYSTEM (IPTO) S.A."

On August 22nd, 2011, L. 4001 was published, based on which, the contribution of the General Division of Transmission, to PPC's wholly owned subsidiary "Independent Power Transmission Operator" (IPTO S.A), was decided. The above mentioned contribution was realized based on the provisions of L. 2910/1920, L. 2166/1993 and L. 4001/2011.
By L. 4001/2011, IPTO is being assigned with the Hellenic Transmission System Operation (HETSO) management, which is organized and operates as an independent transmission operator (model ITO - Independent Transmission Operator), under the provisions of Chapter of Directive 2009/72/EK, through the Transfer to IPTO of the activities of management, operation, maintenance and development of the Hellenic Transmission System Operator (HETSO). This is accomplished through the contribution to IPTO by the spin – off of:

- the total assets, liabilities and personnel of General Activity of Transmission ("PPC's Transmission Activity").
- all HTSO's activities except for the Electricity Market Operation - the operation of the Day-Ahead Electricity Market to be conducted by the independent company "Hellenic Electricity Market Operator (HEMO)" (note 5).

The PPC transmission activity's spin – off was concluded within the time limits defined by L. 4001/2011 (November 2011).

The spin –off of PPC's Transmission activity was completed in the time limits provided for in L. 4001/2011 (November 2011). The share capital of IPTO as a result of the spin-off was increased by the amount of Euro 31,925. The spin –off and the contribution were accounted for the separate financial statements of December 31, 2011, as a transaction between companies under common control. The received shares were recognised as an addition to the investment cost of the subsidiary on November 30, 2011 with a value equal to the carrying value of the net assets contributed on January 1, 2011, according to L. 4001/2011 and L.2166/1993.

The contribution of the results of the transitory period (January 1st, 2011 – November 30, 2011) to the subsidiary, according to the provisions of L. 4001/2011 and L. 2166/1993 were completed and recorded at the same date.

The results of the Separate Financial Statements of the corresponding period (01.01- 31.03./2011) were reclassified in order to depict the spin –off and become comparable the respective amounts of the current period.

The results of the spin –off for the three month period ended in March 31, 2011 and which were reclassified were as follows:

	1/1 - 31/03/2011
SALES :	
Other sales	69,144
COSTS :	
Payroll cost	16,139
Depreciation	14,119
Materials and consumables	639
Other expenses	1,055
Interest expenses(income)net	5,469
PERIOD PROFIT BEFORE TAX	**31,723**
Income tax	**(6,345)**
NET PROFIT	**25,378**

5. SPIN – OFF AND CONTRIBUTION OF ACTIVITY OF MANAGEMENT OF TRANSMISSION SYSTEM BY HTSO (NOW HEMO)

According to article 99 L. 4001/2011 in a period of three months by the time the law came into force (until November 22, 2011) the societe anonyme "Operator of the Hellenic Transmission System S.A" (HTSO S.A.) which was incorporated according to P.D. 328/2000 and authorized by article 14 of L. 2773/1999 transfers to IPTO SA. the organizational units and activities that pertain to the management, operation, development and maintenance of the Transmission System, including the relevant fixed assets as well as HTSO's personnel, which is employed to the abovementioned activities which comprise HTSO's Transmission Activity. The activities that are transferred are all of HTSO's activities apart from the operation of the Electricity Market – "Daily Ahead Schedule" or "DAS", which will be conducted by the independent " Operator of Electricity Market" (HEMO S.A.).
HTSO's above mentioned contribution is realized through spin-off, according to L. 4001/2011, articles 68 to 79 of L. 2190/1920 as well as articles 1 to 5 of L. 2166/1993, of the aggregate of HTSO's fixed assets that pertain to the disposal group. According to the above mentioned provisions IPTO's share capital is increased, due to the absorption, to the amount of the book value of the above mentioned HTSO's contributing activity, as defined at the spin-off balance sheet date of August 31, 2011. With the completion of the absorption, IPTO S.A. issues new shares, which are consigned to HTSO. In a period of three months by the completion of the above mentioned spin – off, HTSO transfers to PPC the total of its IPTO shares due to spin off and contribution, for a return equal to the shares' nominal value.

The spin –off and contribution of HTSO's (now HEMO) Operation of Transmission System was completed on January 31st, 2012 and therefore since February 1st, 2012 the operational duties of the Hellenic Electricity Transmission System are undertaken by IPTO.

The above mentioned spin – off and contribution of activity to the Group's subsidiary, falls under the scope of IFRS 3 "Business Combinations", given that it regards acquisition of elements that comprise a business units and the transaction concerns entities that are not under common control. Consequently the acquisition method at the acquisition date (date at which Group PPC takes over control of the disposal group) is applied.
Due to the fact that until today the determination of the accounting figures of the activity of HEMO which IPTO has acquired at the completion date of the transaction (January 31, 2012) has not been possible, the above mentioned transaction as well as all assets and liabilities which were acquired at the said date have not been included to the accompanying consolidated financial statements for the first quarter 2012.
On the contrary the transactions of the System Management, which were undertaken by IPTO on February 1st, 2012 and the balances which were formed for the period February 1st – March 31st 2012 are included in the consolidated financial statements for the first quarter 2012.
By the acquisition date (February 1st, 2012) until March 31, 2012, the activity of management of Transmission System contributed to the Group's profit before tax Euro 4 mil, approximately. With regard to the accounting of the transaction of January 31st, 2012, it is estimated that it will not have a material impact to equity and the Group's activities.

6. SPIN – OFF OF DISTRIBUTION ACTIVITY AND CONTRIBUTION TO A NEW SUBSIDIARY "OPERATOR OF THE HELLENIC ELECTRICITY DISTRIBUTION NETWORK (HEDNO) S.A."

By L. 4001/2011 the spin – off of the activity of the General Division of Distribution, including the Non – Interconnected Islands Operator as well as assets by PPC along with its liabilities which fall under the above mentioned activity with the exception of fixed assets of the Distribution Network and the Non – Interconnected Islands' Network (herein the "Distribution Division of PPC") was decided and its contribution to a wholly owned subsidiary called "Operator of the Hellenic Electricity Distribution Network or HEDNO S.A." was decided.

This contribution is in accordance with the directions of Laws 2190/20, 2166/93 and 4001/11.
It is noted that according to article 123 of L. 4001 (O.G. A 179/22.08.2011) PPC is obliged, in eight months by its effect date, to accomplish the legal as well as the operational unbundling of the activity of the management of the Hellenic Electricity Distribution Network (HEDN), as specified in article 2 of L. 4001/2011, from the other activities of the vertically integrated company, by contributing the Distribution Division to its subsidiary HEDNO.

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

6. SPIN – OFF OF DISTRIBUTION ACTIVITY AND CONTRIBUTION TO A NEW SUBSIDIARY "OPERATOR OF THE HELLENIC ELECTRICITY DISTRIBUTION NETWORK (HEDNO) S.A." (Continued)

HEDNO is responsible for the development, operation and maintenance, in an efficient manner, in order to ensure the reliable, efficient and secure operation, as well as, its long term ability to respond to plausible power needs, showing the necessary concern for the environment and energy efficiency as well as to ensure in the most economic, transparent and unbiased manner, the access of all users to HEDN, in order to exercise their activities, according to the Management Permit of HEDN which is granted according to the provisions of L. 4001/20111 and according to the Management Code of HEDN.
In November 2011 PPC's Board of Directors decided to set December 31st, 2011 (instead of January 1st, 2011) as the inventory date of the net assets to be contributed as well as the date for the spin-off Balance Sheet of PPC's Distribution Division.

In February 28th, 2012 PPC's Board of Directors has approved the spin off of the PPC's Distribution Division, as defined in article 123 of L. 4001/2011,as is in effect, and its contribution to its existing wholly owned subsidiary "PPC RHODOS S.A." (renamed by law to "Hellenic Electricity Distribution Network Operator or HEDNO S.A.". It also approved:

- PPC's Distribution Division's financial position as at December 31ST, 2011
- PPC's Distribution Division's Audit Report and verification of the assets and liabilities as well as
- The Spin-off contract draft of the above mentioned Distribution Division

The above mentioned was approved by PPC's Extraordinary General Shareholders' Meeting, which took place on March 29th, 2012.
The spin – off was completed between the deadlines set by L. 4001/2011 (April 23rd, 2012). HEDNO's share capital due to the spin off was increased by Euro 35,342. By the completion of the absorption of the activity, HEDNO will issue new shares which will be delivered to PPC. The aforementioned shares provide PPC with a right to the absorbed company's profits.

The Parent Company considers that during the preparation of Financial Statements as of December 31, 2011 the provisions of IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" are not applicable given that according to the management's judgment the above mentioned transaction does not have commercial substance. The spin –off and the contribution will be recorded upon completion of the transaction, which is the approval date by the relevant authorities.

7. 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.).

8. INCOME TAXES (CURRENT AND DEFERRED)

	Group		Company	
	31.03.2012	31.03.2011	31.03.2012	31.03.2011
Current income taxes	8,443	28,351	2,872	27,780
Deferred income taxes	5,879	(2,974)	4,789	(2,874)
Additional taxes	2,063	2,726	2,063	2,700
Total income tax expense	**16,385**	**28,103**	**9,724**	**27,606**

Companies of the Group that have their residence in Greece are subject to an income tax of 20%.
Tax returns are filed annually but the profits or losses declared for tax purposes remain provisional until such time, as the tax authorities examine the returns and the records of the company and a final assessment is issued.

Tax losses, to the extent accepted by the tax authorities, can be used to offset profits of the five fiscal years following the fiscal year to which they relate.

Based on the applicable Income Tax Code (article 82), from the financial year 2011 and onwards, certified auditors issue an "Annual Certificate" after conducting a tax audit at the same time with the financial audit. The tax audit is conducted on particular tax areas, specified by an audit program, according to the provisions of POL. 1159/2011. Audit matters which are not covered by the above mentioned decision are dealt in accordance to the ISAE 3000 "Assurance Engagements other than Audits or Reviews of Historical Financial Information".

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

8. INCOME TAXES (CURRENT AND DEFERRED) (Continued)

The tax conformity report as well as notes of detailed information, which is an indispensable part of the report, for the year 2011 were issued with an “unmodified opinion” and were submitted electronically by its lawful Auditors to the Ministry of Finance on 26.04.2012.

On July 25th 2011, the final audit reports of the Company’s tax audit for the years 2006 – 2008, as far as the Income Tax is concerned were released and the Athens Intraperipheral Audit Center determined, after a relevant decision of the Ministry of Finance that electricity benefit from the personnel electricity tariff to the Parent Company’s employees and pensioners “constitutes the Company’s’ own discretion and free will and cannot be deducted from its gross revenue”. The difference between the tariff for residential use and the personnel tariff to the Parent Company’s employees and pensioners for the years 2006 - 2007 – 2008 amounts to € 107 m. Based on the Board of Directors’ Decision 191/20.09.2011 the Parent Company appealed on 24.10.2011 to the

Administrative Courts for the annulment of the final audit reports of the years 2006- 2007-2008, regarding the abovementioned difference.

Furthermore, on 04.10.2011 a partial audit report was delivered to the Company for the auditing year 2009 for the settlement of the abovementioned difference (€ 107 m), given the fact that the aforementioned amount equally reduces the taxable loss of the previous years. The Parent Company on 04.12.2011 has filed a new appeal for the annulment of the a partial audit report for the auditing year 2009 by paying an amount of Euro 17.94 mil. in the first quarter 2012, to the Greek State, which corresponds to 50% of the income tax, which is predetermined after the appeal is filed.

On 2.5.2012 the Company was served with an Audit Order for the temporary audit of the fiscal years 2009 and 2010 concerning the personnel electricity tariff to the Parent Company’s employees and pensioners. The difference between the tariff for residential use and the personnel tariff to the Parent Company’s employees and pensioners for the years 2009 - 2010 amounts to € 86.5 m.

It is noted that the Parent Company for the year 2011 only, by the Parent Company Board’s decision 111/25.04.2012, has decided to reclassify its tax results for the above mentioned year by Euro 43.3 m. which concerns the difference arising between the tariff for residential use and the personnel tariff to the Parent Company’s employees and pensioners. For any other matter the Board’s decision 191/20.09.2011 is in force.

For the accounting differences for the years 2006 -2010 (Euro 192.8 mil.) the Parent Company has established adequate provisions.

Tax unaudited years for the Parent Company and the subsidiaries of the Group:

Company	Country	Unaudited years since
- PPC (Parent Company)	Greece	2009
- PPC Renewables S.A.	Greece	2009
- PPC Rhodes S.A.(now HEDNO)	Greece	1999
- IPTO S.A.(former PPC Telecommunications S.A.)	Greece	2007
- Arkadikos Ilios Ena S.A.	Greece	2007
- Arkadikos Ilios Dio S.A.	Greece	2007
- Iliako Velos Ena S.A.	Greece	2007
- Iliako Velos Dio S.A.	Greece	2007
- SOLARLAB S.A.	Greece	2007
- Iliaka Parka Ditikis Makedonias Ena S.A.	Greece	2007
- Iliaka Parka Ditikis Makedonias Dio S.A.	Greece	2007
- HPP OINOUSA S.A.	Greece	2010
- PPC FINANCE PLC	United Kingdom	-
- PPC QUANTUM ENERGY LTD	Cyprus	-

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

9. INVESTMENTS IN SUBSIDIARIES

	Group		Company	
	31.03.2012	**31.03.2011**	**31.03.2012**	**31.03.2011**
IPTO S.A (former PPC Telecommunications)	-	-	729,973	729,973
HEDNOS.A. (former PPC Rhodes S.A.)	-	-	838	838
PPC Renewables S.A.	-	-	85,799	85,799
PPC FINANCE PLC	-	-	-	-
PPC Quantum Energiaki Ltd	-	-	-	-
Total	**-**	**-**	**816,610**	**816,610**

The consolidated financial statements include the financial statements of PPC and its subsidiaries. The subsidiaries included in the consolidation are the following:

Name	Ownership Interest		Country and Year of Incorporation and activity	Principal Activities
	31.03.12	**31.12.11**		
PPC Renewables S.A.	100%	100%	Greece - 1998	RES
HEDNO S.A. (former PPC Rhodes S.A.)	100%	100%	Greece - 1999	HEDN
IPTO S.A.(former PPC Telecommunications S.A.)	100%	100%	Greece - 2000	HETS
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%	-	Greece – 2010	RES
PPC FINANCE PLC	100%	100%	UK - 2009	General Commercial Company
PPC Quantum Energy Ltd	51%	-	Cyprus	Engineering, construction and operation of a power plant

HPP Oinoussa SA was incorporated in 1999 but it was acquired by the Group in 2010

10. INVESTMENTS IN ASSOCIATES

	Group		Company	
	31.03.2012	**31.12.2011**	**31.03.2012**	**31.12.2011**
Larco S.A.	-	-	-	-
PPC Renewables ROKAS S.A.	1.741	1.537	-	-
PPC Renewables TERNA Energiaki S.A.	2.166	1.570	-	-
PPC Renewables NANKO Energy – MYHE Gitani S.A.	2.230	2.014	-	-
PPC Renewables MEK Energiaki S.A.	1.163	1.012	-	-
PPC Renewables ELTEV AIFOROS S.A.	1.310	1.322	-	-
PPC Renewables EDF EN GREECE S.A.	9.980	8.194	-	-
Good Works S.A.	215	217	-	-
Aioliko Parko LOYKO S.A.	3	3	-	-
Aioliko Parko MBAMBO VIGLIES S.A.	-	-	-	-
Aioliko Parko KILIZA S.A.	3	3	-	-
Aioliko Parko LEFKIVARI S.A.	13	14	-	-
Aioliko Parko AGIOS ONOUFRIOS S.A.	8	10	-	-
Renewable Energy Applications LTD	27	27	-	-
WASTE SYCLO S.A.(Note 39)	42	20	-	-
	18.901	**15.943**	**-**	**-**

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

10. INVESTMENTS IN ASSOCIATES (Continued)

Data concerning the above mentioned associates as well as the Group's ownership interest in them as at March 31, 2012 and 2011 are as follows:

Name		Ownership Interest 31.03.2012	Ownership Interest 31.12.11	Country and year of Incorporation	Principal Activities
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 ENERGIAKI S.A. P/V projects		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
Renewable energy applications LTD		49.00%	49.00%	Cyprus - 2010	RES
Waste Syclo S.A.		49.00%	49.00%	Greece - 2011	Waste Management

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 L. 4046/2012 (OG A' 28/14.02.2012) by which the Memorandum of Economic and Financial Policies was ratified by the Greek Parliament and especially in the privatization schedule, it is provided that the privatization period for LARCO will start on the second quarter of 2012. As an intermediate stage, the adoption of a restructuring law, by March 2012, is provided for. By O.G. B' 2061/16.09.2011 and O.G. B' 1363/26.04.2012, 7,686,362 of LARCO's shares are transferred to the Hellenic Republic Asset Development Fund, which were owned by the Greek State and which represent 55.19% of LARCO's share capital along with the relevant voting rights.
The acquisition cost of PPC's share in Larco on December 31, 2011 amounts to Euro 46,787. The above mentioned cost is fully impaired since 2008. Given that PPC participates in Larco's Board of Directors, it considers that it exercises significant influence and therefore classifies this investment as an investment in associates.

11. INVESTMENTS IN JOINT VENTURES

At March 31, 2012 and December 31, 2011 PPC's share (50%) in assets, liabilities, income and expenses of SENCAP was as follows:

	31.03.2012	31.12.2011
Assets	129	129
Liabilities	(5)	(3)
Equity	(124)	(126)
Income	-	-
Profit/ (Loss) after taxes	(2)	110
Profit/ (Loss) recognized in the consolidated income statement	-	-

SENCAP's General Extraordinary Shareholders' Meeting during its meeting held in August 5th, 2011 unanimously decided to dissolve the company.

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

12. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

PPC balances with its subsidiaries and its associates as of March 31, 2012 and December 31, 2011 are as follows:

	March 31, 2012		December 31, 2011	
	Receivable	**Payable**	**Receivable**	**Payable**
Subsidiaries				
- IPTO	96,521	(253,443)	2,422	(15,117)
- PPC Renewables S.A.	35,687	(2,140)	36,116	(1,215)
- HEDNO (former PPC Rhodes S.A.)	-	-	-	-
- Arkadikos Ilios Ena S.A.	3	-	3	-
- Arkadikos Ilios Dio S.A.	1	-	1	-
	132,212	**(255,583)**	**38,542**	**(16,332)**
Associates				
PPC Renewables ROKAS S.A.	-	(252)	-	(195)
PPC Renewables TERNA Energiaki S.A.	-	-	-	-
PPC Renewables DIEKAT Energy S.A.	-	-	-	-
PPC Renewables MEK Energiaki S.A.	-	-	-	-
EEN VOIOTIA S.A.	-	-	-	-
- Larco (energy, lignite and ash)	111,052	-	99,344	-
- Sencap	-	-	137	-
	111,052	**(252)**	**99,481**	**(195)**
Other				
HEMO S.A.	**229,502**	**(319,822)**	**-**	**-**
IPTO S.A	**-**	**-**	**507,774**	**(520,408)**

PPC's transactions with its subsidiaries and its associates are as follows:

	31.03.2012		31.03.2011	
	Invoiced to	**Invoiced from**	**Invoiced to**	**Invoiced from**
Subsidiaries				
- IPTO S.A.	882	(195,137)	10	-
- PPC Renewables S.A.	243	(2,070)	965	(1,767)
-HEDNO (former PPC Rhodes S.A.)	3	-	3	-
- Arkadikos Ilios Ena S.A.	-	-	-	-
- Arkadikos Ilios Dio S.A.	-	-	-	-
	1,128	**(197,207)**	**978**	**(1,767)**
Associates				
PPC Renewables ROKAS S.A.	-	(238)	-	(414)
PPC Renewables TERNA Energiaki S.A.	-	-	-	-
PPC Renewables DIEKAT Energy S.A.	-	-	-	-
PPC Renewables MEK Energiaki S.A.	-	-	-	-
PPC Renewables ELTEV AEIFOROS S.A.	-	-	-	-
EEN VOIOTIA S.A.	-	-	37	-
Larco	25,293	(2,768)	19,659	(984)
Sencap S.A.	-	-	-	-
	25,293	**(3,006)**	**19,696**	**(1,398)**
Other				
HEMO S.A.	**18,497**	**(315,162)**	**-**	**-**
HTSO S.A	**-**	**-**	**7,582**	**(176,264)**

In November 2011, the Parent Company has provided a guarantee for a short term loan amounting to Euro 5 million of its wholly owned subsidiary PPC Renewables.

11. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (Continued)

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 tonnes (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. Taking under consideration the worth of lignite deliveries until July 2011 and the invoicing for August 2011 for the revised lignite prices for the deliveries of the period 01.01.2010 – 31.12.2010, the payment in full of LARCO's old debt, through the 2007 contract is considered to be completed by July 2011.

LARCO S.A. is liable for sums due and payable to PPC related to the consumption of electricity 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 settlement of new debts incurred by LARCO's electricity consumption for the period 1.11.2008 to 30.06.2010. 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. 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 July1st, 2010. In this framework, LARCO has paid in time bills concerning electricity consumption for the months July 2010 to July 2011 and part of the consumption bills for August 2011. At March 31, 2012 there are overdue receivables of Euro 44.5 mil (2011: Euro 28.3 mil.)

The process of completing the contract for the settlement of new debts as well as the new contract for the procurement of lignite which depict the above mentioned framework agreement, was completed and approved by the Parent Company's Board of Directors in July 2011. It is noted that in view of the materialisation of the above mentioned contract for the settlement of new debts, LARCO has paid Euro 1 mil., in April 2011 and Euro 1 mil., in May 2011, and thus the final debt amounts to Euro 76.7mil. (principal not including interest).

The above mentioned contracts were signed on August 1st, 2011. In the context of the new contract for lignite procurement, deliveries of lignite amounting to a worth of Euro 8.2 m. have been made, by March 31st, 2012 as well as one payment of Euro 2 mil. which results to the old debt of Euro 76.7 mil. to be reduced to Euro 66.5 mil. The total amount of LARCO's debt on march 31, 2012 consisting of old debt and current consumption bills amounts to Euro 111 mil (2011: Euro 98 mil.). For LARCO's debts PPC has established adequate provision.

PPC's Board of Directors decided on March 12, 2012, to address a Judicial Reminder of debtor's default to LARKO in accordance with the provision of article 11 par. 12 of the existing Code for Supply for the payment of sums due from LARKO to PPC. In case of non-payment within 20 days' time as of service of the same to LARKO PPC to proceed with discontinuation of the supply of electricity to the respective customer. Furthermore, it was decided upon to file interim measures as against LARKO as well as an action due to debtor's default in payment before the competent Courts in order to safeguard the payment of sums due to PPC. PPC served on 16-3-2012 a Judicial Statement- Protest- Reminder of debtor's default and summoning to LARKO reserving all its rights.

PPC, after the relevant decision 100/10.04.2012 of its Board of Directors proceeded with the filing of an application of interim measures before the competent Court of Athens as against LARKO for the provisory seizure of any and all of the movable assets as well as all the real property of LARKO , with the

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

11. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (Continued)

simultaneous filing of an application for an injunction and also, the filing of an action due to debtor's default in payment before the Multimembered Court of Athens. PPC accordingly, filed before the abovementioned application of interim measures and the application for the granting of an injunction, the hearing of which was initially set for the 9th of May 2012 and, following a relevant petition by LARKO, the said hearing has been set for the 8th of June 2012.

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	
	31.03.2012	**31.03.2011**	**31.03.2012**	**31.12.2011**
ELPE, purchases of liquid fuel	37,579	31,377	13,080	4,012
DEPA, purchases of natural gas	176,111	53,167	207,558	157,898
	213,690	**84,544**	**220,638**	**161,910**

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 management members (Board of Directors and General Managers) for the year ended March 31, 2012 and 2011 have as follows:

	GROUP		COMPANY	
	31.03.2012	**31.03.2011**	**31.03.2012**	**31.03.2011**
Compensation of members of the Board of Directors				
- Executive members of the Board of Directors	64	61	36	35
- Non-executive members of the Board of Directors	42	41	34	34
- Compensation / Extra fees	-	-	-	-
- Contribution to defined contribution plans	-	-	-	-
- Other Benefits	3	3	3	3
	109	**105**	**73**	**72**
Compensation of Deputy Managing Directors and General Managers				
- Regular compensation	253	333	253	333
- Contribution to defined contribution plans	41	60	41	60
- Compensation / Extra fees	-	-	-	-
	294	**393**	**294**	**393**
Total	**403**	**498**	**367**	**465**

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 Deputy Managing Directors and the General Managers.

13. INTEREST BEARING LOANS AND BORROWINGS

Bond Issues
In January 2012 the Group proceeded to the refinancing of a bond amounted to € 200 mil. with initial maturity the first quarter 2012 with gradual repayments regarding the amount of € 150 mil. during the period 2013 – 2015 while the remaining amount has a bullet repayment in July 2014.

The company renewed for three more months a bond series amounted to € 450 mil., with initial maturity in March 2012.

On March 31, 2012 the total available short term financing lines of the Company amounted to € 199 mil. (Group € 208.7 mil.) out of which € 199 mil. (Group € 208.7 mil.) were disbursed.

13. INTEREST BEARING LOANS AND BORROWINGS (Continued)

The loan repayments for the three month period ended on March 31, 2012 amounted to € 168.1 mil. (Group € 218.1 mil.)

Revision of PPC's outlook by rating houses
In February 2012, ICAP proceeded to a downgrade of the Company's credit rating to BB under surveillance, from A with negative outlook.
The subsidiary IPTO S.A. maintains a credit rating A under surveillance.

14. COMMITMENTS, CONTINGENCIES AND LITIGATION

14.1 OWNERSHIP OF PROPERTY

Major matters relating to the ownership of PPC's assets, are as follows:

1. PPC is at the end of the process of registering in detail this property and creating a fixed assets registry at the relevant land registries in order to be able to register all its assets in the competent Cadastre and Mortadge Registries.
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.
4. The property, plant and equipment of PPC are located all over Greece and therefore the risk of a major loss is reduced. Currently, PPC does not carry any form of insurance coverage to date on its property, plant and equipment, except for its information technology equipment. The Company is evaluating the possibility to proceed to a procurement procedure in order to select an insurance company, to insure its property, plant and equipment operations, as well as liabilities against third parties.

14.2 LITIGATION AND CLAIMS

The Group is a defendant in several legal proceedings arising from its operations. The total amount claimed as at March 31, 2012 amounts to, Euro 688 m, as further analysed below:

1. Cla*ims with contractors, suppliers and other claims:* A number of contractors and suppliers have raised claims against the Company.
   These claims are either pending before courts or under arbitration and mediation proceedings. The total amount involved is Euro 359 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 45 m and Euro 10 m, respectively.
3. *Claims by employees:* Employees are claiming the amount of Euro 187 m, for allowances and other benefits that according to the employees should have been paid by PPC.
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, 2012, 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 will be resolved with the decision of the Plenary Session of the Supreme Court for one of these actions, (c) obtain the

14. COMMITMENTS, CONTINGENCIES AND LITIGATION (Continued)

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 strongly expected to be resolved in favor of PPC pursuant to the recent issued Decision No 13/2010 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, PPC remains the asset holder also for the establishment of PPC/PIO according to Law No 2773/1999, as in force.
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 and the Parent Company have established provisions, which as at March 31, 2012 amounted approximately Euro 135.5 m. and 136 m., respectively (2011: 165m.)

"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 said action from 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 the continuation of the status of the initial Contract between the parties whereas PPC claims, among others, the amounts regarding to the differences in tariffs. Specifically 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 July 2008 until end of September 2008 for an amount of Euro 4.3 mil., which corresponds to a 10% raise by the 23860/30.11.2007 Ministerial Decision of the Minister of Development and a lawsuit for an amount of Euro 48.9 mil. plus an amount of Euros 414 for interest due to PPC by the "ALOUMINION" for four (4) electricity bills within the year 2009, where the date of the hearing was set initially for April 29, 2010 but it was postponed for October 11, 2012 and have a possible positive outcome.

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 every one 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, defined the limits of ALOUMINION's tariff.

In August 2010, PPC's Board of Directors by its Decision 177/03.08.2010 approved a framework agreement between PPC S.A. and ALOUMINION SA. The abovementioned framework agreement has been already accepted by ALOUMINION SA 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.

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.

14. COMMITMENTS, CONTINGENCIES AND LITIGATION (Continued)

2. ALOUMINION SA 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 Euro 82.6m.

Since then ALOUMINION has made monthly payments thus resulting to the initial amount of 82.6 mil. to be reduced to the amount of Euro 39.6 mil. on March 31, 2012.

ALOUMINION has also paid for current consumptions from 01.07.2010 until 31.08.2011. The provisions of the above mentioned Agreement are implemented in that part of the Agreement that there are no pending differences between the two companies(such differences being mainly the issue of how to share certain fees). PPC by a letter to RAE has asked for its comments for the contract as well as for the existing differences which are depicted further. RAE has responded with its Decision Nr 798/30.6.2011, by which it asks that the electricity tariffs as provided under the said Agreement between PPC and ALOUMINION are in accordance with the "Basic Principles for Tariffs of electric Energy" (RAE Decision 692/6.6.2011) as promulgated after the proposal by PPC for the new tariffs of High Voltage Customers. PPC after having taken into consideration the 798/2011 letter of RAE, asked ALOUMINION by its letter dated 7.7.2011 to countersign the final Agreement, in view also of the existing legal and regulatory regime.

Since August 2011, ALOUMINION only pays the sums due, after taking into account the tariff provided for in A150 Tariff (plus raise of 10%) as a ceiling and not after the special terms provided under the said Agreement. Furthermore PPC and ALOUMINION have agreed to recourse to Arbitration at RAE in accordance with the provision of Article 37 of Law 4001/22.8.2011 (OG A' 179) in order to resolve all pending differences between the parties as regards the terms of supply of electricity. The relevant petition has been submitted to RAE. RAE with its letter dated 16.05.2012 (no 0-51162) which was received by PPC on 17.05.2012, notified to both PPC and Alouminion the designation of the arbitrator in the above mentioned case according to article 37of L. 4001/2011.

It is mentioned that in the relevant Decision of the BoD of PPC which approved the relevant Agreement for recourse to Arbitration at RAE, and which has been made known to ALOUMINION in November 2011, it was provided that until a Decision is issued by the Court of Arbitration at RAE, ALOUMINION would be under an obligation to pay regularly to PPC all sums due under the existing Agreement for the supply of energy including all sums owed for fees for the total of 8.760 hours annually, as provided by the said Agreement dated 04.08.2010, and irrespective to the recourse of the matter to the Arbitration at RAE. ALOUMINION however has not adhered to the abovementioned Agreement, in that it does not pay any sums currently due to PPC and that in case it makes any such payments, these are made after calculating by the A150 Tariff (plus 10%) which it considers as a ceiling to such amounts paid.

The total amount of sums due by ALOUMINION to PPC until March 31, 2012 in accordance with the above mentioned Agreement amount to Euro 151.1 mil. and to Euro 116.9 mil. up to 23.05.2012.

PPC's Board of Directors decided to address a Judicial Reminder of debtor's default to ALOUMINION in accordance with the provision of article 11 para. 12 of the existing Code for Supply for the payment of sums due from ALOUMINION to PPC.

In case of non-payment within 20 days' time as of service of the Judicial Reminder to ALOUMINION, PPC is to proceed with discontinuation of the supply of electricity to the respective customer. Furthermore, it was decided that PPC will file interim measures as against ALOUMINION as well as an action due to debtor's default in payment before the competent Courts in order to safeguard the payment of sums due to PPC.

PPC has served ALOUMINION with a Judicial Reminder of debtor's default reserving all its rights on March 15, 2012 .

The Board of Directors of PPC, after relevant discussion of the issue in its meetings of 30.03.2012, 04.04.2012 and 10.04.2012, decided to proceed with the filing of an application of interim measures before the competent Court of Athens as against ALOUMINION for the provisory seizure of any and all of the movable assets as well as all the real property of ALOUMINION , and also, the filing of an action due to debtor's default in payment before the Multimembered Court of Athens. PPC accordingly, filed before the competent Court the abovementioned application of interim measures and the application for the granting of an injunction, the hearing of which has been set for the 1st of October 2012.

14. COMMITMENTS, CONTINGENCIES AND LITIGATION (Continued)

ALOUMINION by a judicial statement and summoning to PPC dated 29.03.2012 and serviced to PPC on the same date, repels the Judicial Reminder of debtor's default and Summoning which was addressed to ALOUMINION by PPC on March 15, 2012 in accordance with the provision of article 11 par. 12 of the existing Code for Supply for the payment of sums due, and states that it will pay to PPC the amount of Euro 27 mil. plus an amount of Euro 8.7 for the supply of energy of February 2012, totally amounting to the sum of Euro 35.7, which ALOUMINION further states by the above mentioned judicial statement and summoning that it will pay to PPC by a bank note dated April 2, 2012.

According to the content of the above mentioned judicial statement and summoning , this sum corresponds to and is offered as full payment of all sums due by ALOUMINION to PPC for the electricity supply of the industrial installations of ALOUMINION for the period from August 2011 to February 2012, reserving its rights as regards the total (final) settlement of any financial pending issues between the parties that may arise after the issuing of the Decision by RAE for the determination of a temporary price for the supply of energy by PPC to ALOUMINION and, finally, by the Decision to be issued by the Court of Arbitration. Finally by the same Judicial Reminder of debtor's default and summoning invites PPC to refrain from actions that are based on the above mentioned default notice

PPC furthermore, by its judicial Statements dated April 2 and 10, 2012, stated to ALOUMINION, that it does not accept the aforementioned payment but as a partial payment of sums due to it by ALOUMINION, reserving its rights to file any and all claims it has or may have against ALOUMINION.

Furthermore, on 27.07.2011 PPC received notification of the Decision No. E (2011) 4916/13.07.2011 of the European Commission after investigation on whether state aid (C2/2010) exists in favour of ALOUMINION of Greece and its successor ALOUMINION S.A., addressed to the Hellenic Republic, with which the Commission decided that state aid of the amount of Euro 17.4 m. was granted in favour of ALOUMINION of Greece. According to this Decision, the Hellenic Republic shall ensure that this recovery takes place within four months from the date of the notification of the Decision. According to the Decision, the state aid was granted in the form of reduced electricity tariffs, which the state-controlled PPC supplied to ALOUMINION of Greece from January 2007 up to March 2008, and which provided an unjustified advantage to ALOUMINION of Greece Company, thus violating EU state aid regulations. It is noted that, according to the Decision, the Hellenic Republic must keep the European Commission informed and provide specific information (detailed description of the amounts including interest, and measures taken for the implementation of the Decision of the European Commission) within a two month period from the date of its notification to the Hellenic Republic.

The above mentioned aid must be refunded to PPC SA with the addition of statutory interest in accordance with the law on state aid. PPC SA has already sent to ALOUMINION SA an out-of-court declaration-invitation-notice without prejudice to its rights which was served upon ALOUMINION SA on October 18, 2011, (also notified to the Minister of Environment, Energy and Climate Change, the Minister of Finance and RAE), by which ALOUMINION SA was asked to pay to PPC SA in order to implement the above Commission' s decision, the latest on November 2, 2011, the amount of Euro 21.6 mil. plus the amount of Euro 2.6 per day from the date of service until the November 2, 2011. Given that the company has not made the requested payment, PPC has already filed actions against ALOUMINION (an action, among others, has been filed by PCC, the hearing of which has been set for October 4, 2012).

ALOUMINION has filed an action against the July 13, 2011 Decision of the European Commission for which no date has been set, yet. PPC has intervened in favour of the European Commission on January 30, 2012 for the above mentioned trial which was accepted by the General Court.

ALOUMINION has submitted to RAE on March 16, 2012 a complaint (Art. 34 of Law 4001/2011) - a request for specific regulatory measures (article 140 of Law 4001/2011) - an application for interim measures (Article 35 L. 4001/2011) seeking, inter alia, to be judged by the RAE "that negotiations between ALOUMINION and PPC have been rejected and that the tariffing framework which is reflected in the various texts ... is contrary to mandatory rules ...", to be taken by RAE the especially necessary regulatory measures as defined in that document as well as the necessary provisional measures, also defined in the above document (i.e, prohibition of ALOUMINION to be invoiced until a final decision of RAE by the A150 tariff plus 10% or by the framework agreement and application of a temporary tariffing framework to a maximum of Euro 40 per MWH consumption for all hours, including all competitive charges, to threaten PPC with a fine of Euro 100,000 per day for any non-compliance and finally, to take any other appropriate measure at the discretion of RAE). RAE has asked PPC to the expression of opinion on the above document of ALOUMINION until March 28, 2012. PPC asked the RAE by its document on March 26, 2012 to extend the

14. COMMITMENTS, CONTINGENCIES AND LITIGATION (Continued)

deadline by ten working days and furthermore, it submitted timely the relevant Statement of Pleas before RAE. On 16-5-2012, RAE served to PPC its Decision by which it ruled that the following interim measures shall apply:

1) The price for the supply of electricity for ALOUMINION will be temporarily fixed at 42 Euro/ MWh plus fees for PSOs for Renewables and for the use of the Transmission System, plus other taxes and charges.
2) The above mentioned price to be applied to the total of operating hours of ALOUMINION due to its monozonic profile during the day.
3) The temporary price for the supply of electricity to be applied until the issuing of the Decision by RAE with regard to the complaint and request for specific regulatory measures filed by ALOUMINION, or until the issuing of the Decision of the competent Court of Arbitration, or until there is an (earlier) outcome of the negotiations between the two parties, RAE inviting (by the a.m. Decision) the two parties to continue negotiations in good faith.
4) The pricing of the supplies of electricity to ALOUMINION by PPC priced temporarily at the a.m. temporary price, to be finally settled after the (final) determination of the price for the supply of electricity in the future (as mentioned hereinabove)

Given that RAE, by its a.m. Decision, accepts almost all pleas made before it by ALOUMINION whereas, it does not accept the relevant, fully substantiated (in the opinion of PPC) pleas of the latter, and thus resulting to PPC being under an obligation, until the final outcome of the case, to supply electricity to ALOUMINION below PPC's cost, PPC will file any and all legal actions provided by National, as well as European law, against the aforementioned Decision of RAE.

Old Bank Of Crete
The dispute with the old "Bank of Crete" is dating back to 1989, when the bank was under liquidation. More precisely, by an action of the then trustee of the Bank, the claims of PPC were obliged to be converted to stake-holding in the share capital of the Bank and to obligatory credit to the Bank. PPC by its July 22, 1991 lawsuit against the bank asked to be compensated for GRD 2.2 billion approximately, (Euro 6.5 mil.) plus legal interest for the reason that the above mentioned Act of the trustee of the Bank was held invalid.
The action was rejected by the Multimember Court of Athens and PPC appealed against the said Decision of the Court which was also rejected by the Athens Appeal Court.
The above mentioned decision was brought to review by PPC before the Supreme Court, which accepted it and in consequence the case was again brought to trial before the Court of Appeals, which held that an expert report should take place. After the said expert report the Court's decision was held partially in PPC's favour.
However, a petition for review before the Supreme Court was filed against the aforementioned Decision which was then accepted by the Supreme Court and then was resubmitted to the Court of Appeals which by its inconclusive decision (Nr 4093/2009) ordered the completion of the expert report.
Until today the official expert report has not yet been notified to PPC while PPC's appeal was set to be heard before the Court of Appeals on May 17, 2012 , date on which the hearing was finally aborted.
Following that, the hearing of the case will take place on October 25, 2012. The above mentioned expert report deals with the calculation of interest owed by the Bank of Crete to PPC as well as with the calculation of the Bank's counterclaims which were offset with PPC's claim and which reduce the aforementioned claim.
The Parent Company, given that it has not yet been informed of the official expert report, is not able to estimate the possible consequences of the above mentioned report.

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. 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

14. COMMITMENTS, CONTINGENCIES AND LITIGATION (Continued)

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. 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. Similarly, after a relevant summons of the Secretary of the EU General Court, on the scheduled date of hearing on 13th of July 2011, the application for the annulment of the Commission's Decision dated 4th of August 2009 regarding the above case [C (2009) 6244] was tried after a hearing before the General Court in Luxembourg. Due to the fact that the Chairman of the composition of the Court that heard the two appeals became Minister, the General Court of the European Union, decided to postpone the issuance of the relevant Decisions, and by an action determined a new trial date (February 2nd, 2012) for the repetition of the hearing under its new composition for both the above mentioned cases. The trial took place as programmed and the relevant decisions are expected in the coming months

Litigation with DEPA SA.

In January, September and November 2011, DEPA sent letters to PPC regarding the commitment that arises from not receiving the minimum contractual quantities (take or pay) for the year 2010. The above mentioned letters do not include any relevant data that support the eligibility by law for the foundation of the payment of the take or pay clause for the year 2010.

PPC has resorted to arbitration according to the provision of article 23 of the 09.06.1994 Gas Supply Contract between DEPA and PPC requesting a compensatory return according to article 25 of the same Contract. Arbitration has already issued a decision fully in PPC's favor since the Court of Arbitration by its Decision 42/15.12.2011 recognized as valid PPC's right for the return of profits by DEPA, as described in article 25 of the above mentioned Contract and thus obliged DEPA to pay to PPC the amount of Euro 17.3 mil. plus interest by June 1, 2009 until its full payment. DEPA has filed an action for annulment of the said Decision before the Athens Court of Appeals on March 16, 2012, the hearing of which has been set for February 23, 2013.

In August 2010, the Parent Company's Board of Directors decided to proceed to the cash payment of 85% of the amount invoiced 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 SA filed a petition for arbitration/writ of action dated 24.01.2011 against PPC SA before the Arbitration Court, by which DEPA SA requests to receive by PPC the total amount of Euro 22.1 mil. with additional statutory interest accrued on the dates specifically mentioned in the said petition. The above amount corresponds to 15% of the total amounts of PPC's gas consumption bills during the period from 1.7.2010 to 30.11.2010, which PPC SA has not paid to DEPA SA as it considers this amount as the reasonable amount PPC is entitled to deduct from the relevant monthly payments to DEPA SA, due to changes of the financial conditions of the Contract between the two parties.

Arbitration Decision 3/2012 has already been issued, since December 15, 2011 which has been notified to the related parties on January 30, 2012 PPC and which is partially in favor of PPC, by accepting that it is refundable to DEPA by PPC for the time of the above mentioned arbitration (August 2010 – November 2010) plus legal interest the amount of Euro 14.7 mil. against the requested amount by DEPA (for the above mentioned time) of Euro 22 mil. DEPA has filed an action for annulment of the said Decision before the Athens Court of Appeals in April 26th , 2012, the hearing of which has been set for March 23, 2013.

In the context of the conclusion of a new contract for purchase of natural gas, the managements of PPC and DEPA are in negotiation for the overall examination of all differences and mutual claims which derive from the already existing purchase contract for natural gas, including the take or pay clause, for the period until 2011.In the above mentioned context PPC's Board of Directors has approved by its Decision 98/10.04.2012 the relevant Framework Agreement for the settlement of existing differences between the two companies up to December 31, 2011. PPC's management estimates that the final outcome will be positive for the Parent Company and the Group.

Since the result of the above mentioned negotiations as well as both arbitrations is not yet finalized, PPC has not recognized any benefit in its accompanying financial statements.

14. COMMITMENTS, CONTINGENCIES AND LITIGATION (Continued)

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 provides for the adaption from the Greek Government of a plan for the, gradual and based on 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, examining in parallel, together with other measures, the selling of lignite units.

PPC is examining its options in the new environment.

As far as third party access to electricity generation from lignite is concerned the memorandum of February 14th, 2012, the following deadlines must be observed:

- 1st quarter 2012 : Finalization of the measures in order to ensure third party access to electricity generation in lignite
- 2nd quarter 2012 : Initiation of the above mentioned measures
- November 2013 : Completion of the application of measures ensuring third party (PPC competitors) access to electricity generation in lignite. Third parties are able to use effectively electricity generation from lignite.

14.3 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. 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.

   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 dealt with 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 has assign the updating of the Environmental Impact Assessment for HEP MESSOCHORA, whilst 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

14. COMMITMENTS, CONTINGENCIES AND LITIGATION (Continued)

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. This is estimated that it will be completed by October 2012. It is also estimated that the procedure for the issuance of the Environmental Permit for the project as an independent entity will be completed by December 2012. On March 31, 2012 the aggregate amount for HEP MESSOCHORA is amounted to Euro 284.8 million, which according to the above is considered to be fully recoverable and is expected to require further Euro 125.3 million to complete the project, estimated in 2015.

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 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 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.

   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 approval of the Temporary Acceptance Protocol was accomplished on 19.07.2011. The guarantee period was completed on 13.12.2011. The project is now under Final Acceptance procedure.
   After the issue (August 2008) of the Common Ministerial Decision for the National Emissions Reduction Plan (Directive 2001/80/EC), the environmental permits of SES Ptolemaida, Kardia, Amyntaio, Liptol and Agios Georgios were renewed. The same is expected within 2012 for the remaining thermal power plants as well. In December 2010, the new Directive (2010/75/ EC) was issued for industrial emissions (Industrial Emissions Directive – IED), which is effective from 06.01.2011 and which amends Directives IPPC and 2001/80/ EC. 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 from PPC, in its premises in Ptolemaida area of an environmentally – controlled landfill site for the management and final disposal of asbestos containing construction materials, from the plants of the Northern System.
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

14. COMMITMENTS, CONTINGENCIES AND LITIGATION (Continued)

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. The Environmental permit for the operation of Ptolemais mines was issued (CMD 133314 / 2929 / 09.11.2011), regulating the extraction waste and ash (lignite combustion for power generation product), the co- dumping within mine area and the Waste Management Plant according to Common Ministerial Decision 39627/2209/E103 (O.G. B 2076/25.09.2009). The renewal of environmental permit of the lignite burn for power generation in Megalopolis Power Station, solid by-products management, within Megalopolis Mine area (Thoknia Mine), is expected, within 2012.

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 CO_2 allowances have been allocated to the 31 existing bound plants of PPC for 2011. Additional allowances 0.6 Mt CO_2 for the year 2011 were allocated to PPC's new entrance units (extension to the installed capacity of existing plants). By the end of March 2012, 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 Competent Authority. The total verified emissions of all 31 bound plants of PPC for 2011 amount to 46.8 Mt CO_2. According to the allocation of CO_2 emissions allowances and the final CO_2 emissions from PPC's bound plants, PPC exhibited a CO_2 emission rights deficit of 2.0 Mt CO_2 for 2011.

The CO_2 emissions of PPC's bound plants for the period 01.01.2012 – 31.03.2012 amounts to 12.1 Mt CO_2. According to recent projections, the CO_2 emissions for the remaining period 01.04.2012 – 31.12.2012 are estimated to 35.9 Mt, thus the total CO_2 emissions for 2012 are estimated to 48 Mt, approximately. It should be noted that the emissions of 2012 will be considered final by the end of March 2013, when the verification of the annual emissions reports by accredited third party verifiers is completed. According to CMD 52115/2970/E103/2008 (Official Gazette/B/2575/ 19.12.2008) 42.5 Mt CO_2 allowances have been allocated to the 31 existing bound plants of PPC for 2012, while for the same year additional emission rights amounting to 0.6 Mt were allocated to PPC due to new entrance units, and 0.5 Mt CO_2 allowances were deducted due to the closure of Ptolemaida 1. According to the above, it is estimated that PPC will exhibit a shortage of emission allowances for 2012 amounting to 5.4 Mt CO_2.

It is noted that the exact amount of the deficit for years 2011 and 2012 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 years 2011-2012.

14.4 INVESTMENTS

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 MW net 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, with a contractual price of Euro 219 mil.

In July 2009, the Building Permission was issued, and in September 2009, the construction began.

In May 2010, the Supplement No 2 of the Contract was signed, according to which PPC shall pay the Contractor the amount of Euro 31,15 mil. 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 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 mil. and according to the provisions of the Supplement No2.

On February 18, 2011, PPC accepted the terms for the connection of the above Unit with the System following a relative correspondence with HTSO.

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, with the payment to the Contractor of the amount of Euro 7,2 million. In February 2011, the Supplement No4 of the Contract was signed.

14. COMMITMENTS, CONTINGENCIES AND LITIGATION (Continued)

The delivery of electromechanical equipment, the preparation of the studies for the Project and the installation of main electromechanical equipment have been completed. The civil works have been almost completed.
On March 31, 2012 the total expenditure for the project amounted to Euro 263.4 mil.

International tender for the construction of the new lignite station in Florina
In July 2008, an international tender regarding the "Study, procurement, transportation, installation and putting in operation of the Steam-Electric Unit II in Meliti Power Station, with a power of 420-450 MW, using pulverized lignite as fuel and with the capability of providing thermal energy of 70 MWth for district heating" was announced. The budgeted cost for the new unit was Euro 675 million.
Due to the fact that no offer was submitted, the basic technical and commercial parameters of the Project are in reconsideration, so that a new international tender shall be announced.

International tender for the construction of a new Steam Electric unit in Ptolemaida
The International tender was announced on April 20, 2010. The total budget of the Project amounts to Euro 1.320 mil. and the Project is expected to be completed within 70 months as from the signing of the contract.
In September 2010, the Ministry of Environment Energy and Climate Change issued the license for electricity generation and the license for the distribution of thermal energy.
On June 28, 2011, the following two bids were submitted:

- The bid from TERNA S.A
- The bid from the Consortium led by Alstom Power Systems S.A and including ALSTOM Power Systems GmbH, ALSTOM Hellas S.A, METKA S.A and DAMCO Energy S.A.

On November, 25, 2011, the Board of Directors of PPC decided to award the project to the successful bidder company "Terna SA" and the contractual price is 1.394.634.137,82 Euro.
At this stage, discussions are in progress with "TERNA S.A" for the preparation of the Contract while at the same funding options are explored.
For the financing of the construction of the new lignite plant "Ptolemais V", the Parent Company examines among others, the partial financing with the provision of insurance from the German ECA Euler Hermes.
In line with the above initial meetings took place between PPC, its financial advisors and the ECA. Furthermore the relevant application has been already submitted, and under consideration.

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 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 mil.
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.
The construction will start after the completion of the permission issuance procedure, which is still in progress.
On June 29, 2011, the relevant contract for the purchase of the above land was signed.
The initiation of the procedure for the purchase of the land of the coastal facilities is also expected.
In September 2011, the Installation License was issued and was modified on January 20, 2012.
On March 31, 2012 the total expenditure for the project amounted to Euro 81.4 mil.

A new combined cycle unit at Megalopolis
On August 25, 2009 the Board of Directors of PPC approved the award of the Project to the successful bidder 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 Euro 499,5 million.
In November 2010, PPC accepted the terms for the connection of the above Unit with the System following a relative correspondence.
On May 31, 2011 the Contract for the Long Term Maintenance of the Unit was signed with the company METKA S.A.

14. COMMITMENTS, CONTINGENCIES AND LITIGATION (Continued)

On July 8, 2011, the Building License of the above Unit was issued.
On October, 17, 2011, after a related request from the Contractor Joint Venture «METKA S.A. – ETADE S.A.», the Board of Directors of PPC approved the substitution of the above Joint Venture from the Joint Venture «METKA S.A. – TERNA S.A.»
The related Supplement No1 came into force on December, 12, 2011.
The civil works, the delivery of electromechanical equipment and the erection works of electromechanical equipment are in progress.
On March 31, 2012 the total expenditure for the project amounted to Euro 381.8 mil.

HP Metsovitiko I, II (29 MW)
The process of evaluation of tenders for the main Electromechanical Equipment of the project is concluded. The relevant suggestion to PPC's Board of Directors for the awarding of the contract to the successful bidder has been forwarded. At the same time the auction for the remaining civil works is in progress. The projected date of operation of the project is in 2015.
The Parent Company has, under IAS 36, reviewed the recoverability of the total project cost, which at 31.12.2011 amounts to Euro 37,1 million. Based on the above mentioned audit the Parent Company has formed a special impairment provision of Euro 10,4 million, which had a negative impact in the results for the year 2011 (note 11). It is noted that in 2010 the Parent Company had formed an impairment provision of Euro 8 million. The impairment audit was conducted by calculating the value due to use by using estimation of future cash flows, which were projected to a period of fifty years by the estimated date of operation of the station, the estimated cost of completion of the project as well as the expected income by its operation.

14.5 PPC RENEWABLE (PPCR)

Construction of new Wind Parks 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 Euro 64 mil. The installation process of the Wind Farms in Paros, Lesvos, Rhodes, Samos (Marathokampos), Crete (Akoumia) and Limnos has been completed. In December 2011 the wind parks in Paros, Lesvos, Samos and Rhodes had been connected to the network, In January 2012 the park in Limnos was also connected and it is expected that the wind park in Crete (Akoumia) will be connected to the network in 2012.

Hybrid Project in Ikaria
The hybrid project in Ikaria is under construction and is expected to be completed in the beginning of 2013. The project is comprised of two small hydro power plants (SHPP of Proesperas, with an installed capacity of 1.05 MW and SHPP of Kato Proesperas with an installed capacity of 3.1 MW), a Pumping Station (with 12 pumps of 250 KW each) and a Wind Farm with three wind turbines with a total installed capacity of 2.7 MW, combining these two renewable energy sources.

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. The Megalopolis PV plant will be situated in an area of 2,000,000m2 and is due to enter operation within 2013. Following the evaluation of the technical components of the Bids, in August 2011 the financial bids were opened. J&P Avax S.A. was announced as the winning bidder. PPCR S.A. is engaged in contacts and discussions with Banks, including the European Investments Bank for the organization of the funding while it has hired HSBC as financial consultant for this purpose.

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

14. COMMITMENTS, CONTINGENCIES AND LITIGATION (Continued)

In the context of the aforementioned partnership, PPCR S.A. and EPGD have jointly established REA Ltd., with headquarters based in Cyprus, aiming at the development of RES projects and the implementation of their mutual collaboration agreement. The Joint Venture's initial share capital is €60 with PPCR S.A. and EPGD's shares being 49% and 51% respectively.

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 EDF Group (EDF Energies Nouvelles), EDF EN GREECE, Group PPC (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. 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.

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.

PV Megalopolis NER 300 – 40MW
In February 2011, PPCR S.A. submitted a request for financing of a PV park of 40 MW in Megalopolis, through the European program NER300. The proposal is currently under evaluation from the European Investments Bank (EIB). The application for generation license has been submitted in April 2011.

Implementation of energy measures in Western Macedonia, including the development of 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 an Expression of Interest (EoI) process 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, operation and maintenance of a PV equipment factory, as well as other energy ventures with a strong local impact.
This investment will be situated on an approximately 5,000,000 m2 area within Western Macedonia Lignite Center. 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.
In July 2011, PPC Group announced the completion of the 1st phase of the Invitation for Expression of Interest procedure for the selection of a long-term strategic partner. 15 out of the 21 groups, that submitted proposals in the Invitation for Expression of Interest procedure, met the acceptance criteria of the 1st phase.
In August 2011 the final stage of the tender begun by sending to the participants that were preselected, the invitation for the submission of their bidding offers. The target is for the final offers to be submitted in 2012. The generation license was granted on 22.09.2011.
It should be noted that, the investor's, ILIAKO VELOS S.A., request for the inclusion of its investment proposal to the Strategic Investments Procedures of Law No. 3894/10 has been approved by the Biministerial Committee for Strategic Investments and the investment has been included in the relevant provisions.

Strategic Partnership with Sinovel Wind Group Co Ltd
In April 2011, PPC Group and the Chinese company Sinovel Wind Energy Group Co Ltd, the second largest wind generators' constructor globally, announced the signing of a Strategic Partnership in order to develop wind parks as well as construct a plant for the production of wind generators in Greece. The above mentioned partnership includes the development of wind energy in the country with an indicative project being the construction of a 200-300 MW wind park in the interconnected system, the exploration of the possibility to develop a sea wind park, as well as the construction of a plant producing wind generators.

14. COMMITMENTS, CONTINGENCIES AND LITIGATION (Continued)

Rights of the exploitation of the geothermal fields
In June and July 2011 the rights of exploitation of the geothermal fields of Lesvos, Nisiros and Milos-Kimolos-Polyegos transferred to PPCR S.A. The rights of the geothermal field of Methana were transferred in December 2011. By decisions of the Deputy Minister of Development the Public International Bidding Contest for the lease of rights of exploitation of geothermal fields in the following areas : a)Sousaki in the Corinthos prefecture, b) the Sperhios basin in the Fthiotida prefecture, c) Akropotamos in the Kavala prefecture and d) the island of Ikaria

Application for wind parks of 1.34GW
In June 2011, PPCR S.A. applied for the production license for a number of wind farms with a total installed capacity of 1,339 MW in Crete, Kassos, Karpathos and Rhodes.

PV Atherinolakkos park in Crete
In the fourth quarter of 2011, 4 P/V stations of a total capacity of 0.32 MW (4x0.80) were completed and connected to the network, while in the first quarter 2012 2 P/V stations of a total capacity of 0.16 MW (2x0.80) were completed and connected to the network, in Atherinolakkos, Crete.

14.6 IPTO S.A.

Construction of underwater line “POLYPOTAMOS – NEA MAKRI”
By this project the transfer of wind power of a total capacity of 400MW approximately, from South Evia to Attica, while at the same time East Attica’s power supply is strengthened. The project is being constructed using submarine cables of 150kV, 200MVA of synthetic insulation, friendly to the environment, buried at approximately one meter under the sea floor and it is estimated to be completed in three years.
The signing of the contract with the concessionaire took place on May 14, 2010 with a deadline of May 2013.The project has a budget amounting to Euro 84.3 mil. The seabed survey works have been completed and the industrialization of the cable has begun. The intentions of the municipality of Nea Makri remain still unspecified in relation to the permit for the use of shore line and adjacent sea area as well as for the permit to excavate for the subterranean part of the Transmission line which passes through the municipality of Nea Makri.

Cyclades Interconnection
In March 2011, the declaration of the project was put in public consultation with a deadline of July 2010. At the same time, the issues of the declaration were send for approval to Special Secretariat for Competitiveness – Special Management Service of the Ministry of Finance due to the project being financed by the National Strategic Reference Framework (NSRF) by 35%. The approval was granted in April 2011. The declaration of the project was published in June 2011 with a submission deadline of mid – October 2011, which was further extended for January 2012, which was when the bids were unsealed. There were two offers and the procedure is now at the stage of technical evaluation.
The project’s budget amounts to Euro 400 mil.

Construction of High Voltage Center (HVC) in Aliveri and interconnection transmission line of 400 kV
The project refers to the interconnection of the new unit in Aliveri power station and its budget amounts to Euro 120 mil. The constructions of the HVCs are in progress and are expected to be completed by the end of June 2012, while the interconnection line of Aliveri with the System of 400kV is in construction since October 2010. The overhead part of the interconnection cable is to be completed by the end of July 2012, almost at the same time with the subterranean part (one circuit). In parallel there are works in progress for the extraction of energy through the 150kV system if that should become necessary.

14.7 BUSINESS COLLABORATION

Joint venture between PPC S.A. and URBASER S.A. – Participation in DIADYMA’S tender.
Waste Syclo, joint company of PPC S.A. and Spanish Urbaser S.A, established in February 2011, with Urbaser owning 51% and PPC 49% of the share capital, responsible for the study, performance of projects, 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, submitted on March 15th, 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, and was successfully pre-selected in Phase A of the tender in June 23rd 2011. In May 28th, 2012, DIADYMA published the Invitation for Submission of Offers for the Phase B of the tender.

14. COMMITMENTS, CONTINGENCIES AND LITIGATION (Continued)

Kosovo Energy Project – Cooperation with Contour Global
On March 5th 2010 the consortium PPC and Contour Global was short-listed together with another three (3) competitive consortiums to participate in the second phase of tender by the Ministry of Energy and Mining of Kosovo, regarding the development of the allocated portion of the Sibovc Lignite Field, the rehabilitation of Kosovo B and the construction of a new electric power generation plant with estimated installed capacity of 2X350 MW. This tender had been announced again in the past but it was never completed. Due to the past delays of the issuance of the final Request for Proposal, Contour Global has decided not to pursue further the Kosovo tender since November 2011.

In March 2012, the final version of the RfP was issued, according to which the deadline for submitting an offer was set for September 28, 2012. PPC S.A. retains its interest for the project and continues its evaluation.

International public tender in FYROM
In January of 2011, the Ministry of Economy of the FY Republic of Macedonia (FYROM), 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).. In December 15 2011, bids were submitted by PPC and Chinese CWE. Government of FYROM has not yet announced the first ranked bidder.

Business Collaboration between PPC S.A. and the Renewable Energy Saving Center, for investments in order to improve energy efficiency in the residential sector.
In April 2011 PPC's Board of Directors approved a business collaboration with the Centre for Renewable Energy Sources and Saving (CRES) for investments in order to improve energy efficiency in households. In February 2012 a contract was signed between PPC and CRES and the planning of the materialization of the individual provisions of the contract has begun.

Business Collaboration with Quantum Corporation Ltd and the Bank of Cyprus - PPC's participation in a public tender in Republic of Srpska of Bosnia- Herzegovina.
In June 2011, 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 In July 2011, PPC submitted a "Letter of Interest" to the government of Republic of Srpska for this project. It is noted that the deadline for participation in the tender expired on August 11th, 2011 and that except PPC, RWE and Chinese CWE have also submitted an offer.
PPC has been invited to further negotiations by the Republic of Srpska, for awarding the project.
At the same time, PPC - QUANTUM ENERGY LTD, a joint company founded by PPC, Quantum Corporation LTD and Bank of Cyprus, with share capital participation 51%, 40% and 9% respectively, whose objectives are studying, designing, founding, constructing, operating, managing and exploiting of power plants in the region of the Republic of Srpska, is expanding the purpose of its establishment and is planning and exploring future energy needs of Greece and Cyprus and is studying the interconnection between Greece and Cyprus, as well as between Israel – Cyprus – Greece. In this direction, PPC QUANTUM ENERGY LTD has signed a Memorandum of Understanding with Israeli Electric Cooperation regarding the feasibility study of an underwater cable which will transfer electrical energy from Asia to Europe. (EuroAsia Interconnector Project). .

Option for acquisition of DEPA shares
PPC maintains its option for the acquisition of a number of DEPA shares, based on L. 2593/1998, in accordance with a relevant contract signed between the Greek State and PPC S.A.
The medium term framework of fiscal strategy 2012-2015, described in L. 3985/2011 (O.G. A' 151/01.07.2011) and specifically in the Privatization Program 2011-2015, provides for, the sale of 55% of DEPA's share capital out of 65% currently owned by the Greek State, in the 4th quarter of 2011.
It also provides for the sale of 31% of DESFA out of 65% currently owned by the Greek State in the same period. Consequently PPC is negotiating with the Privatization Fund, regarding its option for the acquisition of a number of DEPA shares, in view of the target for the privatization of DEPA.
Based on L. 4046/2012 (OG 28/A/14.2.2012) by which the Memorandum of Understanding between the Hellenic Republic, the European Commission and the Bank of Greece, the Greek Government is committed

14. COMMITMENTS, CONTINGENCIES AND LITIGATION (Continued)

to initiate the privatization of DEPA/DESFA after the separation of the Operator of the Natural Gas Distribution System, in accordance with the commitments of the new memorandum and controls the procedure in order to ensure competition in the market.
Specifically in the privatization program of the new memorandum as far as DEPA/DESFA is concerned the privatization procedure is to be initiated in the first quarter of 2012.
By Decision 187/06.09.2011 of the Interministerial Committee for Restructuring and Privatizations, the "Hellenic Republic Asset Development Fund (HRADF) S.A." and the Hellenic Republic jointly agreed on a contract dated 16.11.2011 by which the Hellenic Republic granted to HRADF the voting rights which derive by the Hellenic Republic's capacity as owner of DEPA shares. According to Decision 206/25.04.2012 of the Interministerial Committee for Restructuring and Privatizations the Hellenic Republic granted its DEPA shares to HRADF (O.G B' 1363/26.04.2012).
Following PPC's Board of Directors' decision 201/04.10.2011, which approved the common (along with the Hellenic Republic) appointment of an independent appraiser for the evaluation of PPC's option, HRADF and PPC appointed Citi as an independent financial advisor who has to submit its evaluation regarding PPC's fair compensation in case of resigning the above mentioned option. Citi will base its opinion on internationally recognized evaluation methods, to the extent that Citi considers intentional and necessary, both methodologies reported in the original Option Agreement as well as the common views of both parties.

Excise duty on fuel
After the ratification, on June 30, 2011, of the measures for the application of the medium term fiscal strategy 2012-2015, a new excise tax is imposed on natural gas, amounting to 1.5 Euro/GJ and effective since September 1st, 2011 while the already existing excise tax on fuel oil was doubled, from 19 Euro/Mt to 38 Euro/Mt with a retrospective effect since June 27, 2011

Sale of PPC's share through the Privatization Fund.
In July 2011 and in application of the medium term fiscal strategy, the Privatization program of Law 3985 (O.G. A' 151) provided for the sale of 17% of PPC's share capital, currently owned by the Greek State, by the third quarter 2012. In Law 3986 (O.G. A'152) is stipulated that the sale will go through the Privatization Fund.
The Biministerial Committee for Reconstruction and Privatization, in order to realize the Greek Government's privatization program, has announced, the selection of the state's legal consultant covering
Greek, international and European law, for the further privatization of PPC S.A. through the sale of shares and/or the sale generation
units of the Company, and the assignment to ALPHA BANK S.A., BANK OF AMERICA MERILL LYNCH, CREDIT SUISSE SECURITIES (EUROPE) LIMITED and NATIONAL BANK OF GREECE as financial advisors. The law firm of "KYRIAKIDES, GEORGOPOULOS AND DANIOLOS ISAIAS Law firm" will act as legal advisor for matters of Greek law while "SHEARMAN STERLING LLP" will act as advisor for matters of international and European law.
By Decision of the Biministerial Committee for Privatizations (O.G B' 1363/26.04.2012), the Minister of Finance is authorized to stipulate with the "Hellenic Republic Asset Development Fund S.A." contracts by which the aforementioned company will exercise for the Hellenic Republic the voting rights which derive by the Hellenic Republic's capacity as owner of PPC's shares which correspond to a 17% of the share capital (39.440.000 shares) up to the completion of the privatization process as described in the Privatization Program of the Medium Term Fiscal Strategy 2012 – 2015 (L. 3985/2011, O.G. A' 151).

15. SIGNIFICANT EVENTS

Memorandum of Strategic Partnership with SILCIO Group
In January 2011, PPC's Board of Directors, approved the signing of a Memorandum of Strategic Partnership between PPC S.A. and SILCIO, a Greek Group of Companies - subsidiary of DAMCO ENERGY and INTERNATIONAL CONSTRUCTIONAL - for the joint establishment of a commercial Societe Anonyme, in which PPC S.A. will participate with 49%. The new entity will aim at promoting, through a national franchising network, integrated solutions for household photovoltaic systems, energy services and products for saving energy, as well as provision of services to PPC's customers, at the discretion of the Company.
PPC S.A. will also participate by 49% in the share capital of the production facilities of photovoltaic equipment under the names PIRITIUM S.A. and SILCIO S.A. of the Group, which will provide the commercial company with the respective equipment.
The final partnership agreement will be signed once the necessary preparatory actions have been completed.

15. SIGNIFICANT EVENTS (CONTINUED)

New Low Voltage Tariffs 2012

PPC SA, after on opinion of RAE and the decision of the Ministry of Environment, Energy and Climate Change, announced the new Low Voltage tariffs, applicable from January 5st, 2012.
According to these tariffs:
The weighted average tariff increase at low voltage reached 9.2%, including taxes on electricity, excluding the levy for Renewable Energy Sources (RES).
The Social Residential Tariff remains unchanged, as well as the tariffs for families with four or more protected children.
The increase in electricity bills for residential customers is ranging from 9.0% to 12.1%, Out of the weighted average increase 9.2% for the Low Voltage customers only 1.1% partly offsets the increase of PPC's expenditure costs. The remaining 8.1% refers to cost increases for:
-Public Service Obligations (PSOs) – due to the application of the Social Residential tariff, the excise duties (tax) on fuel and diesel oil, increases on international liquid fuel prices etc., 3.5%
-Special Consumption tax on natural gas used for electricity generation 2.6%,
-Lignite levy 0.9% and
-VAT 1.1%

New Medium Voltage Tariffs 2012

In accordance with the regulatory framework, Medium Voltage tariffs were liberalised from January 1st, 2012. The new Medium Voltage tariffs of PPC are applicable for the customers' consumptions starting from February 1st, 2012.
PPC prepared the new basic tariffs, taking into account:
-Company's cost data for 2012.
-Customers' consumption profile.
-Removal of distortions between customer groups.
-Simplification of the consumptions' pricing.

New High Voltage Tariffs 2012

The High Voltage tariffs, according to the regulatory framework, are liberalised. PPC, in the framework of the obligations arising from the existing legislation, has proposed unbundled alternative tariffs, concerning the competitive and the regulated components.. These tariffs were formed after long deliberations. PPC has formed the final high voltage tariffs notifying the clients as well, of the necessity to sign new contracts.In any other case PPC will denounce the contracts. The Company's Board of Directors gave a deadline for signing new contracts at June 30, 2012.

CO2 sale

In February 2012 PPC S.A. proceeded to a sale of 2,500,000 tonnes of EUAs of a total value of Euro 21 mil., in the context of the management of its portfolio of CO2 emission rights

IPTO undertook the operation of the Greek Power Transmission System

PPC S.A. announced that as of February 1st, 2012, the operation of the Greek Power Transmission System was undertaken by the Independent Transmission System Operator (IPTO), a 100% subsidiary of PPC S.A., which was established pursuant to Law 4001/2011, in accordance with the model of the Independent Transmission Operator (ITO), as it is provided for by the EU legislation.

2012 Budget approved by PPC's Board of Directors

In March 2012, the Parent Company's Board of Directors approved the budget of the Group for 2012. The budget is based on assumptions for Brent oil at $109/bbl and a €/$ exchange rate of 1.30, while the key financials are estimated to be as follows:
Revenues from energy sales : € 5.7 bln.
Total Revenues : € 6.2 bln.
EBITDA Margin : 17% - 18%
It is noted that Group results are impacted, among other, by fluctuations in €/$ exchange rate, oil, natural gas and electricity prices and the price of CO2 emission rights, as well as changes in the legal, regulatory and fiscal framework and bad debt evolution, which could cause deviations from the budgeted figures.

Offsetting of claims against the State

The Parent Company has claims amounting to Euro 52.7 mil. against the Ministry of Infrastructure, Transport and Networks regarding electricity consumption bills for the operation of traffic lights in Attica.

15. SIGNIFICANT EVENTS (CONTINUED)

Given that the prerequisites of the Code for Collection of Public Income are observed meaning a)PPC's claim is certified and cleared b)it is not confiscated, it is not conceded and it is not paid, and c) the claim against the State ids proved by a public document, the Parent Company has offset the amount of Euro 52.7 with equal tax obligations , reversing an equal provision.

16. SUBSEQUENT EVENTS

Income tax return for the year 2011
In April 2012, the Parent Company has filed the tax return for the year 2011, to the competent revenue service and due to the fact that the year 2011 was a loss making year, the amount of Euro 129.8 mil. was returned to the Company by the relevant Ministry, on April 27th, 2012.

Advance payment to PPC against sums due by Government Bodies
In April 2012 and based on L. 4075/2012 art. 58, PPC was paid an advance of Euro 50 mil. against overdue bills ofelectricity consumption by the General Government bodies, .

Expansion of the activities of PPC abroad (Turkey and Georgia), and establishment of commercial subsidiaries
In April 2012, the Parent Company's Board of Directors decided to expand PPC's commercial activities by establishing subsidiaries commercial companies with TRAKI Ltd. as minority shareholder in Turkey and with STG Energy Ltd. as minority shareholder in Georgia. The Board has also authorized the Chairman and CEO to negotiate the terms of the joint venture agreement with these companies.

Expansion of in PPC Bulgaria, and establishing trading company, together with the company ALPIQ, based in Sofia
In April 2012, the Board of the Parent Company decided to expand PPC's commercial activities in Bulgaria by establishing a subsidiary trading company, with the company Alpiq as minority shareholder. The Board also authorized for this purpose, the Chairman and CEO to negotiate the terms of the joint venture agreement with this company.

Debt Repayments
Within the period April – May 2012, the Company proceeded to the loan repayments amounted to € 68.8 mil (Group € 70.8 mil.). Of the above mentioned amount € 15 mil. with initial maturity in May 2012, were refinanced for three more years.

Revision of PPC's outlook by rating Agencies
In May 2012, ICAP proceeded to a further downgrade of the Company's credit rating to C, from BB under surveillance.

Hellenic Electricity Distribution Network S.A. becomes operational
PPC S.A. announced that, as of 1.5.2012, the Hellenic Electricity Distribution Network Operator S.A. (HEDNO S.A.) became operational.
HEDNO S.A. is a 100% subsidiary of PPC S.A., following the spin-off of the Distribution segment and was established, according to Law 4001/2011 and in compliance to Directive 2009/72/EC of the European Union. HEDNO is responsible for the development, operation and maintenance of the Hellenic Electricity Distribution Network.

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

17. SEGMENT INFORMATION

Sales and inter segment results are as follows:

	Sales		Results	
	01.01.2012-31.03.2012	**01.01.2011-31.03.2011**	**01.01.2012-31.03.2012**	**01.01.2011-31.03.2011**
Interconnected system				
Mines	210,096	235,486	10,550	8,657
Generation	836,798	663,244	238,397	125,422
Transmission	-	69,317	-	34,859
Distribution Network	228,537	215,972	102,195	82,977
Supply	1,417,063	1,164,484	(348,475)	(77,034)
	2,692,494	**2,348,503**	**2,667**	**174,881**
Creta Network				
Generation	129,841	85,194	10,194	(5,818)
Distribution Network	15,561	14,570	6,190	3,750
Supply	83,598	69,811	47	2,172
	229,000	**169,575**	**16,431**	**104**
Non – Interconnected Islands System				
Generation	121,834	74,004	20,563	(9,174)
Distribution Network	14,742	14,422	1,609	(483)
Supply	72,340	58,858	1,455	3,546
	208,916	**147,284**	**23,627**	**(6,111)**
Operator of Network	178,873	185,796	**-**	**-**
Operator of Island Network	278,965	187,042	**-**	**-**
Financial expenses (Parent Company)	-	-	(61,238)	(50,324)
Eliminations (Parent Company)	(2,071,169)	(1,667,383)	-	-
Total (Parent Company)	**1,517,079**	**1,370,817**	**(18,513)**	**118,550**
IPTO S.A.	350,154	-	39,059	-
Other Companies (Group)	4,975	3,658	1,160	2,895
Financial expenses (Group)	-	-	(6,731)	(38)
Eliminations (Group)	(322,377)	-	-	-
Income tax	-	-	(16,385)	(28,103)
Grand total (Group)	**1,549,831**	**1,374,475**	**(1,410)**	**93,304**

FIGURES AND INFORMATION

PUBLIC POWER CORPORATION S.A.

Reg. No: 47829/06/B/00/2
Chalkokondyli 30 - 104 32 Athens

FINANCIAL DATA AND INFORMATION FOR THE PERIOD
January 1, 2012 -March 31, 2012

In accordance with the Decision 4/507/28.04.2009 of the Hellenic Capital Market Commission
(All amounts in thousands of Euro, unless otherwise stated)

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 29, 2012

DATA FROM STATEMENT OF FINANCIAL POSITION

	GROUP		COMPANY	
ASSETS	31.03.2012	31.12.2011	31.03.2012	31.12.2011
Tangible assets	13.772.600	13.702.609	11.953.378	11.885.466
Intangible assets, net	55.167	92.703	54.987	92.512
Other non- current assets	66.662	66.736	861.658	865.015
Materials, spare parts and supplies	851.113	847.585	793.152	793.809
Trade receivables	1.343.508	979.816	1.337.062	977.596
Other current assets	544.558	584.425	487.521	495.465
Available for sale financial assets	7.375	6.435	7.375	6.435
Cash and cash equivalents	173.067	364.495	108.750	339.539
TOTAL ASSETS	**16.814.050**	**16.644.804**	**15.603.883**	**15.455.837**
EQUITY AND LIABILITIES				
Share capital	1.067.200	1.067.200	1.067.200	1.067.200
Share premium	106.679	106.679	106.679	106.679
Other equity items	5.270.783	5.274.816	5.098.822	5.126.166
Equity attributable to shareholders of the parent (a)	6.444.662	6.448.695	6.272.701	6.300.045
Minority interests (b)	0	0	0	0
Total Equity (c)=(a)+(b)	6.444.662	6.448.695	6.272.701	6.300.045
Interest bearing loans and borrowings	3.495.166	3.565.542	3.148.187	3.142.670
Provisions / other non current liabilities	3.274.244	3.276.451	2.843.120	2.845.572
Short term borrowings	1.690.398	1.662.936	1.510.649	1.559.066
Other current liabilities	1.909.580	1.691.180	1.829.226	1.608.484
Total liabilities (d)	10.369.388	10.196.109	9.331.182	9.155.792
TOTAL EQUITY AND LIABILITIES (c) + (d)	**16.814.050**	**16.644.804**	**15.603.883**	**15.455.837**

DATA FROM STATEMENT OF CHANGES IN EQUITY

	GROUP		COMPANY	
	31.03.2012	31.03.2011	31.03.2012	31.03.2011
Total equity at beginning of the period (01.01.2012 and 01.01.2011, respectively)	6.448.695	6.769.528	6.300.045	6.746.334
Total comprehensive income after tax	(470)	85.536	(27.297)	83.535
Other	(3.563)	(324)	(47)	(270)
Equity at the end of the period (31.03.2012 and 31.03.2011, respectively)	**6.444.662**	**6.854.740**	**6.272.701**	**6.829.599**

DATA FROM STATEMENT OF COMPREHENSIVE INCOME

	GROUP		COMPANY	(restated)
	01.01- 31.03.2012	01.01- 31.03.2011	01.01- 31.03.2012	01.01- 31.03.2011
Sales	1.549.831	1.374.475	1.517.079	1.301.673
Gross operating results	106.832	245.501	66.776	212.505
Profit / (Loss) before tax, financing and investing activities	73.610	159.624	33.809	120.328
Profit / (Loss) before tax from continuing operations	14.975	121.407	(18.513)	87.186
Profit / (Loss) after tax from continuing operations (a)	(1.410)	93.304	(28.237)	65.925
Profit / (Loss) after tax from disposal group (b)	0	0	0	25.378
Profit / (Loss) after tax from (continuing operations and disposal group)(a)+(b)=(c)	**(1.410)**	**93.304**	**(28.237)**	**91.303**
Distributed to:				
- Owners of the Parent	(1.410)	93.304	(28.237)	91.303
- Minority interests	0	0	0	0
Other comprehensive income after tax (d)	940	(7.768)	940	(7.768)
Total comprehensive income after tax (c)+(d)	(470)	85.536	(27.297)	83.535
- Owners of the Parent	(470)	85.536	(27.297)	83.535
- Minority interests	0	0	0	0
Earnings / (Loss) per share, basic and diluted (in Euro)	(0,0061)	0,4022	(0,1217)	0,3935
Profit before tax, financing and investing activities and depreciation and amortisation	231.875	327.671	177.337	273.142

DATA FROM STATEMENT OF CASH FLOW

	GROUP		COMPANY	(restated)
	01.01- 31.03.2012	01.01- 31.03.2011	01.01- 31.03.2012	01.01- 31.03.2011
Cash Flows from Operating Activities				
Profit / (Loss) before tax from continuing operations	14.975	121.407	(18.513)	87.186
Profit / (Loss) before tax from disposal group	0	0	0	31.723
Adjustments:				
Depreciation and amortisation	177.261	186.742	161.191	169.669
Amortisation of customers' contributions and subsidies	(18.996)	(18.695)	(17.663)	(16.855)
Provision for CO2 emission rights	20.913	11.528	20.913	11.528
Fair value (gain) / loss of derivative instruments	331	0	331	0
Share of loss of associates	(135)	(398)	0	0
Interest income	(9.663)	(10.895)	(9.380)	(10.895)
Sundry provisions	48.220	45.833	47.731	47.011
Unrealised foreign exchange losses (gains) on interest bearing loans and borrowings	268	(110)	236	(115)
Unbilled revenue	(76.661)	11.089	(76.661)	11.089
Retirement of fixed assets and software	7.408	5.298	7.408	47
Amortisation of loan origination fees	1.547	1.361	1.222	1.361
Interest expense	62.578	46.279	56.098	40.772
Working capital adjustments:				
(Increase) / Decrease in:				
Accounts receivable, trade and other	(346.192)	(33.326)	(342.241)	(14.784)
Other current assets	19.480	(109.670)	(156)	(74.647)
Materials, spare parts and supplies	(2.744)	(20.470)	1.441	(19.537)
Increase / (decrease) in:				
Trade and other payables	174.024	41.383	119.515	22.279
Other non-current liabilities	9.044	1.200	9.044	1.201
Accrued / other liabilities excluding interest	60.326	16.663	121.558	11.327
Disposal group	0	0	0	(7.403)
Net Cash from Operating Activities (a)	**141.984**	**295.219**	**82.074**	**290.957**
Cash Flows from Investing Activities				
Interest received	9.663	10.895	9.380	10.895
Capital expenditure of fixed assets and software	(232.729)	(180.605)	(214.591)	(147.352)
Proceeds from customers' contributions and subsidies	792	117	792	135
Investments in subsidiaries and associates	0	(128)	0	(30)
Disposal group	0	0	0	(26.521)
Net Cash used in Investing Activities (b)	**(222.274)**	**(169.721)**	**(204.419)**	**(162.873)**
Cash Flows from Financing Activities				
Net change in short-term borrowings	(25.023)	(172.236)	(25.000)	(175.000)
Proceeds from interest bearing loans and borrowings	200.000	478.000	150.000	478.000
Principal payments of interest bearing loans and borrowings	(218.159)	(276.628)	(168.136)	(276.628)
Interest paid	(67.956)	(59.305)	(65.308)	(59.267)
Dividends paid	0	(18)	0	(18)
Net Cash used in Financing Activities (c)	**(111.138)**	**(30.187)**	**(108.444)**	**(32.913)**
Net increase / (decrease) in cash and cash equivalents (a)+(b)+(c)	**(191.428)**	**95.311**	**(230.789)**	**95.171**
Cash and cash equivalents at the beginning of the period	**364.495**	**620.449**	**339.539**	**617.040**
Cash and cash equivalents at the end of the period	**173.067**	**715.760**	**108.750**	**712.211**

ADDITIONAL DATA AND INFORMATION

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:

Full consolidation method:

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

Equity method:

Company	Note	% participation	Country of incorporation	Unaudited tax years from
LARCO S.A.		11.45%	Greece	2002
SENCAP S.A.		50%	Greece	2006
WASTE SYCLO S.A.		49%	Greece	-
PPC RENEWABLES ROKAS S.A.		49%	Greece	2010
PPC RENEWABLES – TERNA ENERGIAKI S.A.		49%	Greece	2010
PPC RENEWABLES – MEK ENERGIAKI S.A.		49%	Greece	2010
PPC RENEWABLES NANKO ENERGY – MYHE GITANI S.A.		49%	Greece	2007
PPC RENEWABLES ELTEV AIFOROS S.A.		49%	Greece	2008
GOOD WORKS S.A.		49%	Greece	2005
PPC RENEWABLES EDF EN GREECE S.A.		49%	Greece	2008
EEN VOIOTIA S.A.	1	46.60%	Greece	2007
ORION ENERGIAKI S.A.	2	49%	Greece	2007
ASTREOS ENERGIAKI S.A.	2	49%	Greece	2007
PHOIBE ENERGIAKI S.A.	2	49%	Greece	2007
IAPETOS ENERGIAKI S.A.	2	49%	Greece	2007
AIOLIKO PARKO LOUKO S.A		49%	Greece	2008
AIOLIKO PARKO BABO VIGLIES S.A.		49%	Greece	2008
AIOLIKO PARKO LEFKIVARI S.A.		49%	Greece	2008
AIOLIKO PARKO AGIOS ONOUFRIOS S.A.		49%	Greece	2008
AIOLIKO PARKO KILIZA S.A.		49%	Greece	2008
RENEWABLE ENERGY APPLICATIONS LTD		49%	Cyprus	-
PPC QUANTUM ENERGY LTD		51%	Cyprus	-

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.

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.

2. 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, 2011, except from them who are presented in Note 3.2 of the Interim Financial Statements.
3. No burdens exist on the Group's fixed assets.
4. Adequate provisions have been established for all litigation.
5. Provisions of the Group and the Parent Company as of March 31, 2012 are as follows:

	Group	Company
a) Provision for litigation and arbitration	82	551
b) Tax provisions	2,063	2,063
c) Other provisions	47,146	47,146

6. Total payrolls of the Group and the Parent Company number 20,858 employees and 19,313 employees as of March 31, 2012 respectively (2011: 21,509 Group and Parent Company). Further information is presented in Note 1 of the Interim Financial Statements.
7. Sales and purchases of the Group and the Parent Company for the period ended March 31, 2012 as well as receivables and payables as of March 31, 2012 of the Group and the Parent Company, according to IAS 24 are as follows:

	Group	Company
a) Sales	43,790	44,918
b) Purchases	318,168	515,375
c) Receivables from related parties	340,554	472,766
d) Payables to related parties	320,074	575,657
e) Key management personnel compensations	367	403
f) Receivables from key management personnel compensations	-	-
g) Payables to key management personnel compensations	-	-

8. Capital expenditure of the Parent Company and the Group for the period ended March 31, 2012 amounted to Euro 235,2 million and of Euro 253,9 million respectively.
9. Other Comprehensive income / (loss) after tax which was recognized directly in equity for the period ended March 31, 2012 are as follows:

	Group	Company
Profit / (Loss) from fair value available for sale valuation	940	940
Total	940	940

10. The progress regarding the terms of electricity supply between PPC S.A. and ALOUMINION S.A., is presented in Note 11 of the Interim Financial Statements.
11. 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 11 of the Interim Financial Statements.
12. In July 2011 the Board of Directors of the Parent Company approved an agreement for the settlement of new debts incurred by LARCO's electricity consumption as well as the new contract for the procurement of lignite which was depicted in the framework agreement in July 2010 and were signed on August 1st 2011. Further information is presented in Note 10 of the Interim Financial Statements.
13. Beginning May 1st, 2012, the Hellenic Electricity Distribution Network Operator S.A. (HEDNO S.A.) became operational. HEDNO S.A. is a 100% subsidiary of PPC S.A., following the spin-off of the Distribution segment and was established, according to Law 4001/2011 and in compliance to Directive 2009/72/EC of the European Union. HEDNO is responsible for the development, operation and maintenance of the Hellenic Electricity Distribution Network. Further information is presented in Note 6 of the Interim Financial Statements.
14. In February 2012, IPTO, PPC's wholly owned subsidiary, has being assigned with the Hellenic Transmission System Operation (HETSO) management. IPTO has been incorporated according to the provisions of L. 4001/2011 in compliance with the Independent Transmission Operator (ITO) model, as provided for in the EU legislation. Due to the fact that IPTO has not received audited and confirmed from certified auditors accounting figures by the Finance Department of HEMO (former HTSO) the financial data of the activity of system management of HTSO, those have not been incorporated to PPC's consolidated financial statements for the first quarter 2012. Further information is presented in Note 4 and 5 of the Interim Financial Statements.

Athens, May 29, 2012

CHAIRMAN & CHIEF EXECUTIVE OFFICER	Vice Chairman & Deputy CEO	CHIEF FINANCIAL OFFICER	CHIEF ACCOUNTANT
ARTHOUROS ZERVOS	**THEOS KONSTANTINOS**	**GEORGE C. ANGELOPOULOS**	**EFTHIMIOS A. KOUTROULIS**