

PPC's

PRESS RELEASE

PPC's CONSOLIDATED 1H 2006 FINANCIAL RESULTS

ATHENS AUGUST 29,2006

- Total Revenues increased by 10% and amounted to € 2,33 bil versus € 2,12 bil in 1H 2005.
- Financial expenses decreased by 26,3% and amounted to € 52,6m, compared to € 71,4m in 1H 2005.
- Net income for 1H 2006 amounted to € 96,2m, a decrease of 34,7% compared to € 147,4m in 1H 2005, a reduction mainly attributed to exogenous factors.
- Total equity increased by 7,5% and amounted to € 5.186,5m versus € 4.822,5m in 1H 2005.
- Capital expenditure amounted to € 326m, versus € 363m in 1H 2005.

More specifically,  
REVENUES

Revenues from energy sales, increased by 9,9%, from € 1.966,4m to € 2.160,1m, as a result of an increase in sales by approximately 5%, of an average electricity tariff adjustment of 3,2% in September 2005 and of a change in the sales mix.

OPERATIONAL EXPENSES

Operational expenses (excluding depreciation) increased by 18,7%, from € 1.561,8m in 1H 2005, to € 1.854,5m in 1H 2006, an increase mainly attributed to the increase in expenditure for liquid fuel, natural gas and energy purchases. More specifically, the rise in liquid fuel and natural gas prices, compared to 1H 2005, resulted in an increase of the corresponding expenditure by € 131,9m. In addition, expenditure for energy purchases marked a significant increase, from € 83,5m in 1H 2005 to € 193,1m in

1H 2006, an increase of 131,3%, due to the sale of larger quantities of electric energy from third parties to the Pool. Thus, increased expenditure for liquid fuel, natural gas and energy purchases, were the main reasons that led to a reduction of Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA) by 14,4% with respect to 1H 2005, to € 476,8m, given that the electricity tariff adjustment of 3,2% in September 2005, did not cover the negative impact from the sharp rise in fuel prices and in the expenditure for energy purchases.

Payroll expenses increased by 7,9% from € 620m in 1H 2005, to € 668,7m in 1H 2006. This increase, is attributed to the impact of the new collective agreement retroactive to February 2006, to seniority salary adjustments and to the decrease of payroll capitalized. Total payroll expenses in 1H 2006, amounting to € 671,4m, include an amount of the order of € 2,7m, related to an once off expense, to date, for a limited voluntary retirement scheme for PPC's cadres.

Based on the actual CO2 emissions during 1H 2006, as well as on the projected generation for the July-December 2006 period, it is estimated that the Company will not incur, during 2006, a deficit of CO2 emission rights. Consequently, 1H 2006 results have not been affected by a relevant expenditure, while the respective expenditure in 1H 2005 amounted to €45m.

EBITDA margin reached 20,5%, compared to 26,3% in 1H 2005.

FINANCIAL EXPENSES

Financial expenses decreased to € 52,6m, versus € 71,4m in 1H 2005 (- 26,3%).

Despite the increase in debt to € 3.789m from € 3.639m at the end of 1H 2005 and the significant increase of lending rates in the European capital markets between 1H 2006 and the corresponding period in 2005, PPC achieved a reduction in net financial expenses of 10,4%, from € 64,6m to € 57,9m.

#### PARTICIPATION IN ASSOCIATED COMPANIES.

The share of loss in associated companies decreased to € 2,5m from € 5,9m in 1H 2005 and corresponds to PPC's investment in Tellas S.A, the telecommunications company.

The share of profit in associated companies amounting to € 11,2m-while the corresponding magnitude in 1H 2005 was equal to zero- reflects the fact that LARCO, a nickel producing company, in which PPC holds a 28,6% stake, is achieving an improvement of its equity, due, mainly, to the significant rise in nickel prices.

Headcount, excluding personnel assigned to HTSO, was reduced to 26.649 employees as compared to 27.546 at the end of 1H 2005.

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

#### Summary Financials (€ mil )

|                                     |         |           |        |
|-------------------------------------|---------|-----------|--------|
|                                     | 1H 2006 |           |        |
| Audited                             |         |           |        |
|                                     | 1H 2005 |           |        |
| Audited                             |         |           |        |
|                                     | Δ%      |           |        |
| Total Revenues                      | 2.331,3 | 2.119,0   | 10,0%  |
| EBITDA                              | 476,8   | 557,2 (2) | -14,4% |
| EBITDA Margin                       | 20,5%   | 26,3%     |        |
| Profit before Taxes & Fin. Expenses | 185,3   | 300,2 (2) | -38,3% |
| Margin                              | 7,9%    | 14,2%     |        |
| Net Income                          | 96,2    | 147,4 (2) | -34,7% |
| EPS (In euro)                       | 0,41    | 0,64      | -35,9% |
| No of Shares (m.)                   | 232     | 232       | -      |
| Net Debt                            | 3.713,9 | 3.562,1   | 4,3%   |

#### Summary Profit & Loss (€ mil)

|   |         |               |        |
|---|---------|---------------|--------|
|   | 1H 2006 |               |        |
| Audited                                       |         |               |        |
|   | 1H 2005 |               |        |
| Audited                                       |         |               |        |
|   | Δ%      |               |        |
| Total Revenues                                | 2.331,3 | 2.119,0       | 10,0%  |
| - Revenues from energy sales                  | 2.160,1 | 1.966,4       | 9,9%   |
| - Other revenues                              | 171,2   | 152,6         | 12,2%  |
| Total Operating Expenses (excl. depreciation) | 1.854,5 | 1.561,8 (2)   | 18,7%  |
| - Total Payroll Expenses                      | 671,4   | 620,0 (1)     | 8,3%   |
| - Total Fuel Expenses                         | 530,5   | 398,6         | 33,1%  |
| - Energy Purchases                            | 193,1   | 83,5          | 131,3% |
| - Transmission System Usage                   | 141,7   | 137,4         | 3,1%   |
| - Other operating expenses                    | 317,8   | 322,3 (1),(2) | -1,4%  |
| EBITDA  | 476,8   | 557,2(2)      | -14,4% |
| EBITDA Margin                                 | 20,5%   | 26,3%         |        |
| Depreciation and amortization                 | 291,5   | 257,0         | 13,4%  |
| Profit before Taxes & Fin. Expenses           | 185,3   | 300,2(2)      | -38,3% |
| Margin  | 7,9%    | 14,2%         |        |
| Financial Expenses                            | 52,6    | 71,4 (2)      | -26,3% |
| - Net Financial Expenses                      | 57,9    | 64,6 (2)      | -10,4% |
| - Foreign Currency Gains / (Losses)           | 5,3     | (6,8)         |        |
| Share of loss in associated companies         | 2,5     | 5,9           | -57,6% |

|   |       |          |        |
|---|-------|----------|--------|
| Share of profit in associated companies | 11,2  | -        |        |
| Pre-tax profits                         | 141,4 | 222,9(2) | -36,6% |
| Net Income                              | 96,2  | 147,4(2) | -34,7% |
| EPS (in Euro)                           | 0,41  | 0,64     | -35,9% |

Summary Balance Sheet & Capex (Euro m)

|                     |          |             |        |
|---------------------|----------|-------------|--------|
|                     | 1H 2006  |             |        |
| Audited             | 1H 2005  |             |        |
| Audited             | Δ%       |             |        |
| Total Assets        | 12.733,0 | 12.140,6    | 4,9%   |
| Net Debt            | 3.713,9  | 3.562,1     | 4,3%   |
| Total Equity        | 5.186,5  | 4.822,5 (2) | 7,5%   |
| Capital expenditure | 325,9    | 362,7       | -10,1% |

(1) Adjusted for comparison purposes.

(2) Adjusted according to the provisions of IFRIC 1.

Mr. Maniatakis Public Power Corporation's Chief Executive Officer, said:

A considerable effort is being carried out today in the Company, aiming at the improvement of the reliability of the electric energy system and of the quality of services provided to its customers. This goal shall be achieved through a new organization, new state of the art services and customer management systems, in order for PPC to develop a new customer oriented culture and relationship .

With respect to the Company's financials, it is noted that in 1H 2006 net income was negatively impacted by the rise in fuel prices which burdened the Company with, approximately, an extra €130 mil. The implementation of PPC's new Business Plan is being carried out in all business units and, as already mentioned, first results are expected in 4Q 2006.

For further information, please contact:

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The financial data and relevant information on the Interim Financial Statements for 1H 2006 shall be published in the Press on August 31, 2006.

The financial data and relevant information on the Interim Financial Statements for 1H 2006 as well as the Interim Financial Statements for 1H 2006 on a stand alone and on a consolidated basis shall be published in the Company's web site ([www.dei.gr](http://www.dei.gr)) on August 30, 2006 after the closing of the Athens Stock Exchange session.