

ANNUAL ANALYST'S PRESENTATION

Transforming the Enterprise



Athens, May 3 2006

Public Power Corporation S.A.

- ❑ **What is PPC – attractive assets in advantaged market**
- ❑ **2005 results – year of transition**
- ❑ **Looking ahead – transforming the enterprise and creating value for shareholders**

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PPC IS A VERTICALLY INTEGRATED UTILITY IN UNIQUELY ADVANTAGED POSITION WITH HIGHLY ATTRACTIVE ASSETS

Vertically integrated value chain spanning mining, generation, transmission, distribution and supply

The market leader in all its core businesses...

...in one of the fastest growing electricity markets in Europe

Among the largest industrial companies in Southern Europe

Also with interests beyond Greek power including Balkans, telecoms, gas, renewables and real estate

One of the strongest brands in Greece and highest credit ratings in Greece



Significant potential value yet to be exploited

INTEGRATED BUSINESS SPANNING POWER VALUE CHAIN

Market-Leading Position in all Activities



Mines

- 2 lignite centers
- Western Macedonia
- Megalopolis

68 M tons lignite p.a.

Generation

Interconnected system

- Lignite (5,245 MW)
- Oil/gas (2,331 MW)
- Hydro (3,060 MW)

Islands (1,600 MW)

Transmission

11,400 km transmission lines

- 2,600 400 kV lines
- 8,800 150 kV lines

Distribution

206,000 km distribution lines

- 109,000 km LV
- 97,000 km MV

Supply

7.1 M customers
277 branches



65% share

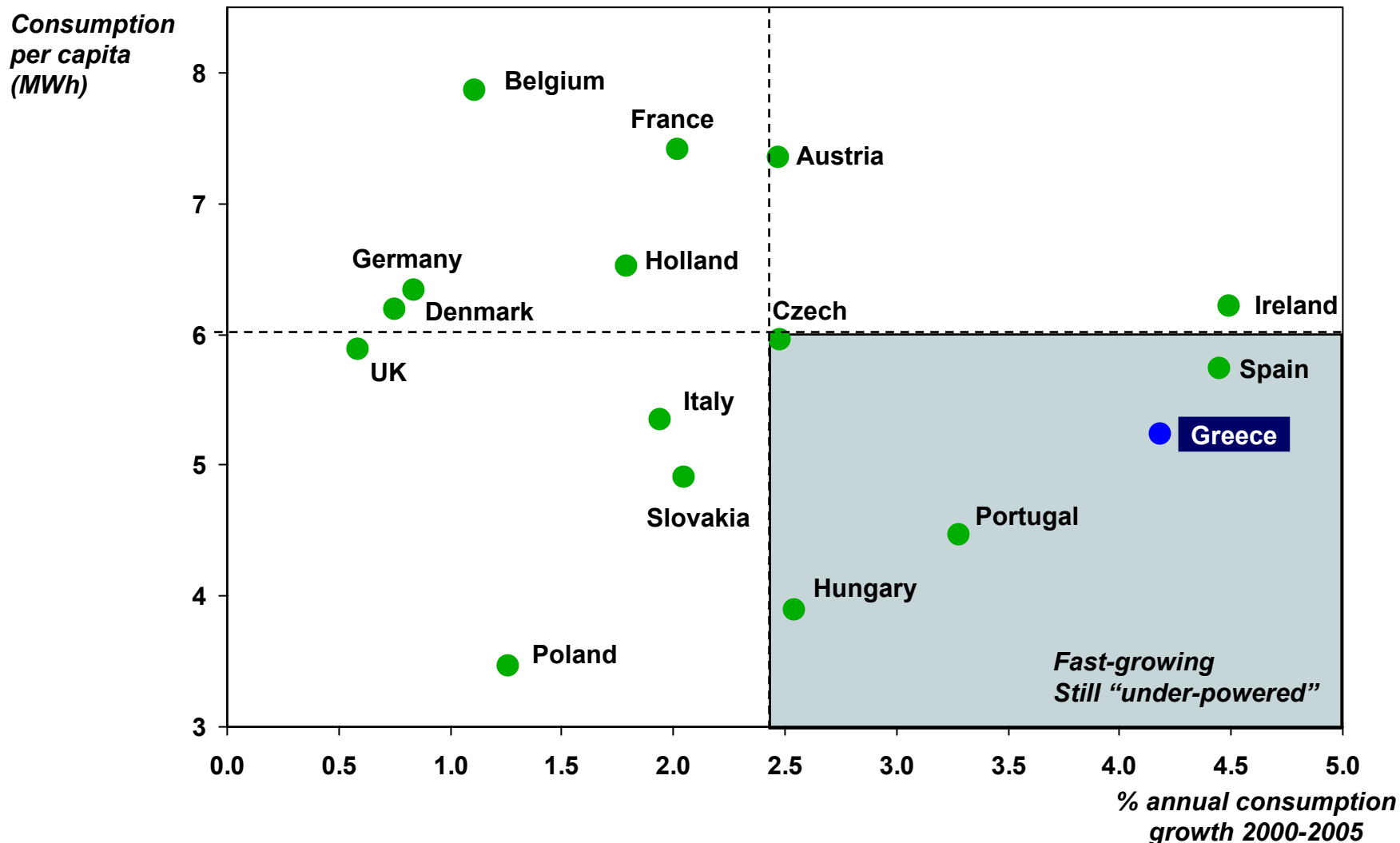
96% share

100% share

100% share

97% share

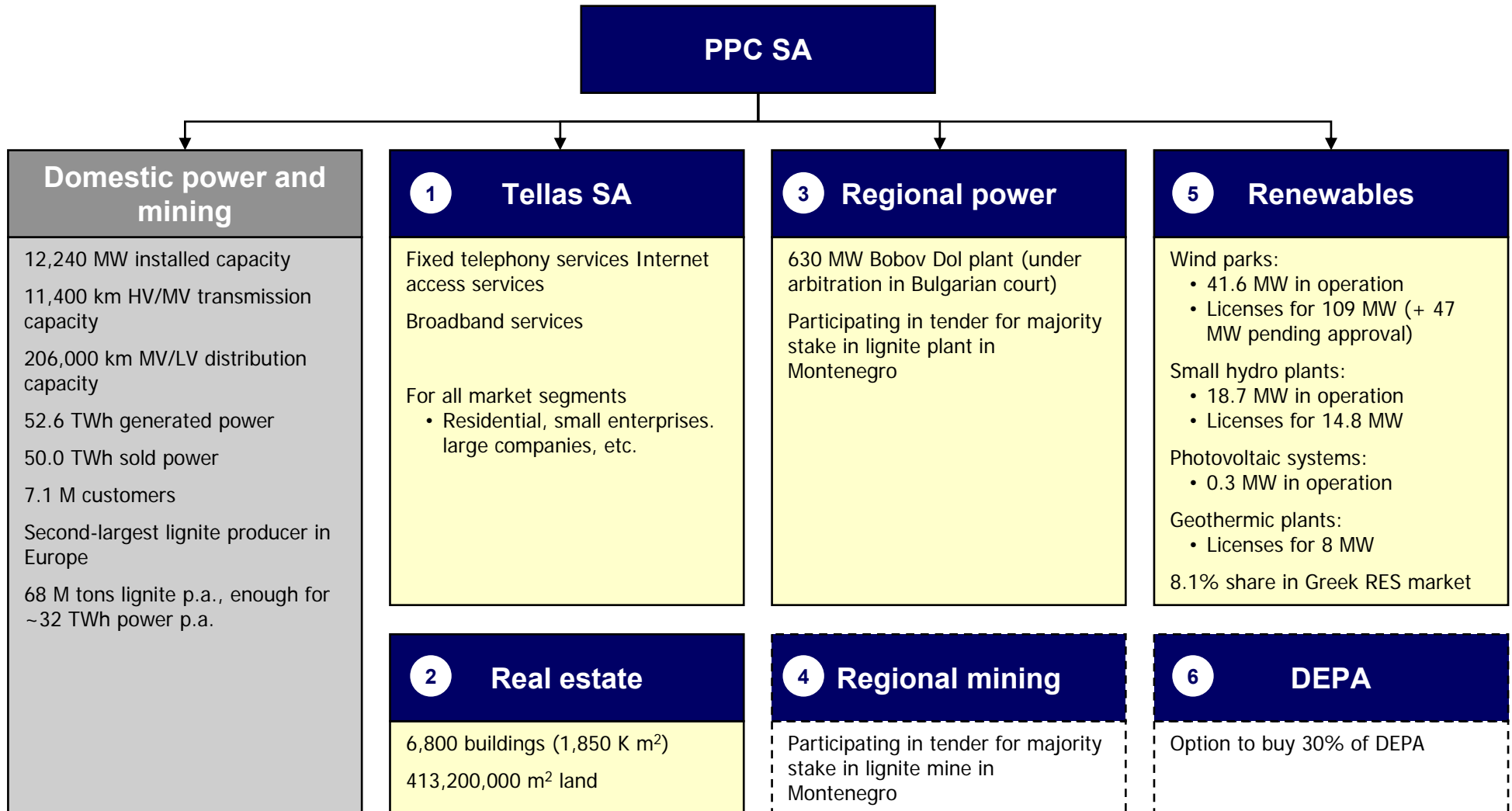
IN ONE OF THE FASTEST GROWING BUT STILL RELATIVELY “UNDER-POWERED” ELECTRICITY MARKETS IN EUROPE



Source(s): Economist Intelligence Unit



INTERESTS BEYOND GREEK POWER INCLUDING BALKANS TELECOMS, GAS, RENEWABLES AND REAL ESTATE



- ❑ **What is PPC – attractive assets in advantaged market**

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2005 – YEAR OF REBUILDING

Financial Results

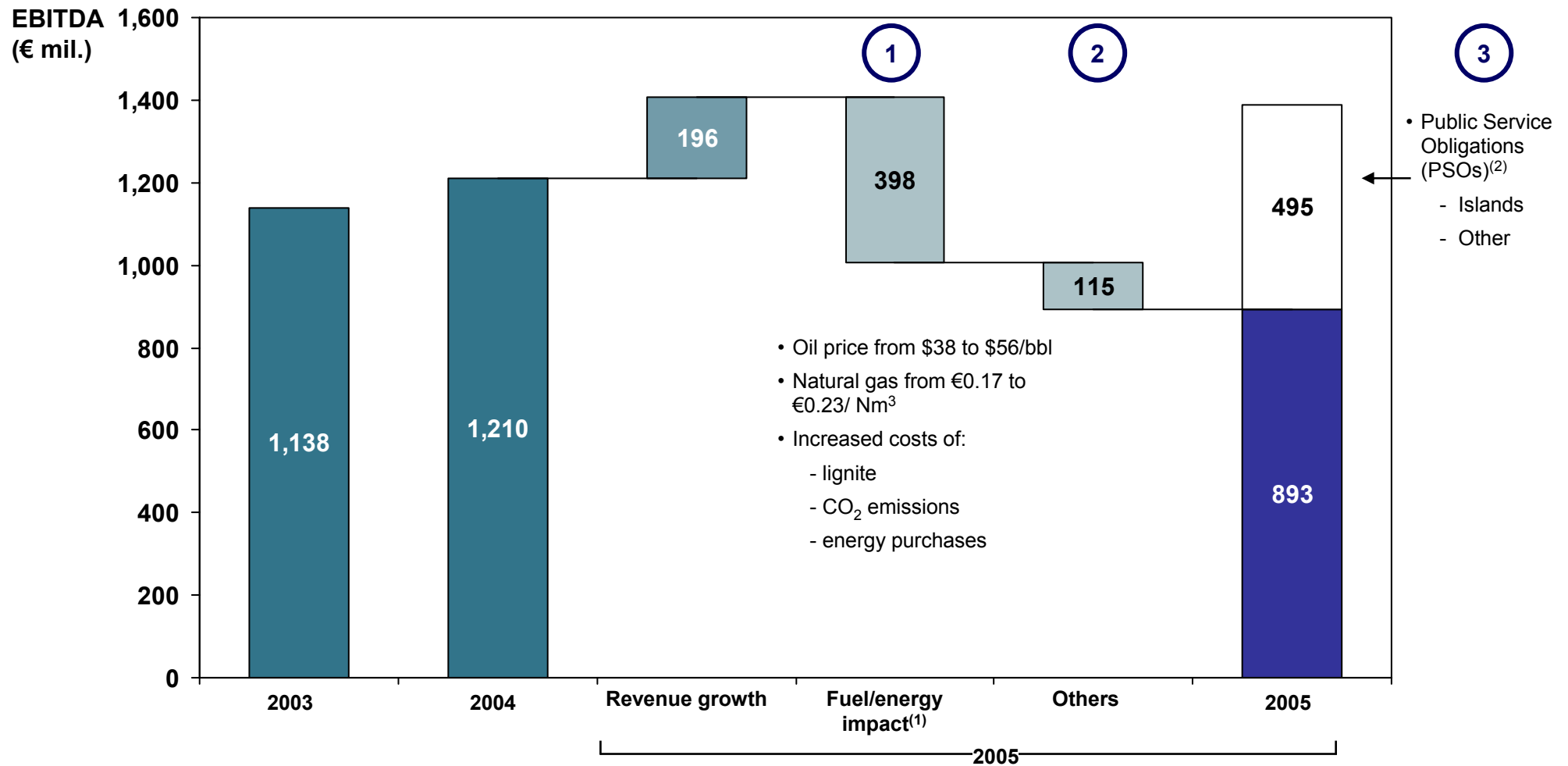
	2003	2004	2005	'04-05 Δ (%)
Revenues (€ mil)	3,898	4,095	4,291	4.8
Costs (€ mil)	2,760	2,885	3,398	17.6
EBITDA (€ mil)	1,138	1,210	893	-26.2
Net profit (€ mil)	305	293	139	-52.6
Total assets (€ mil)	10,502	11,216	12,622	12.5
Net debt (€ mil)	3,891	3,635	3,755	3.3
Number of employees ⁽¹⁾	28,176	27,970	27,326	-2.3

(1) Year end employees



CHANGING ENVIRONMENT IMPACTED PROFITABILITY

EBITDA Evolution 2003-2005



(1) With comparable power generation, fuel mix and plant thermal efficiency

(2) Do not include "stranded costs" estimated at ~ € 1.5 bn

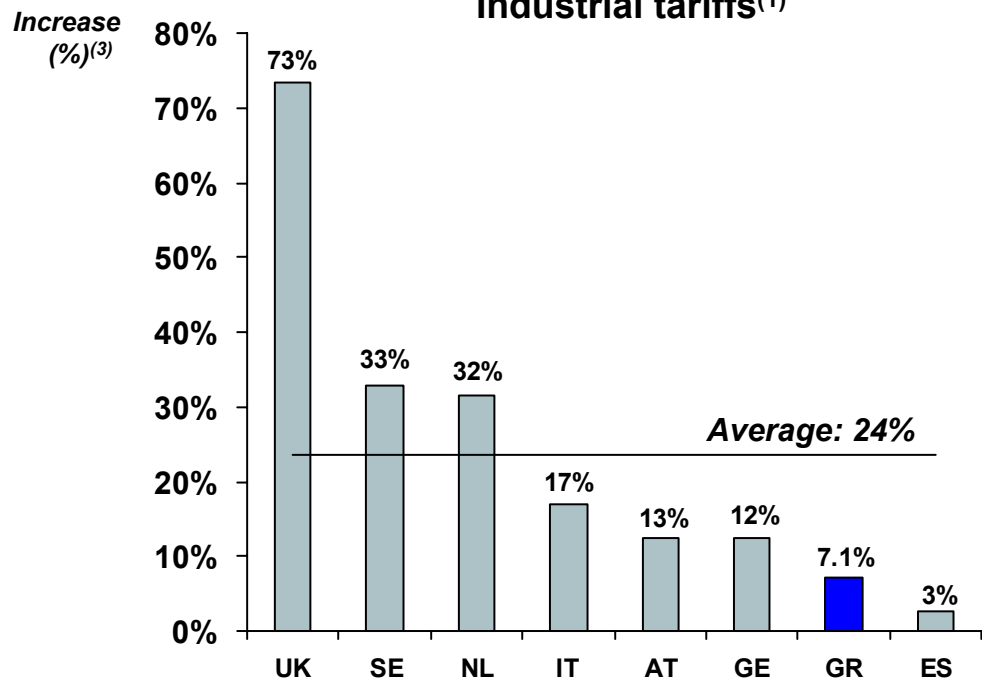
Source(s): PPC financial data, business plan model



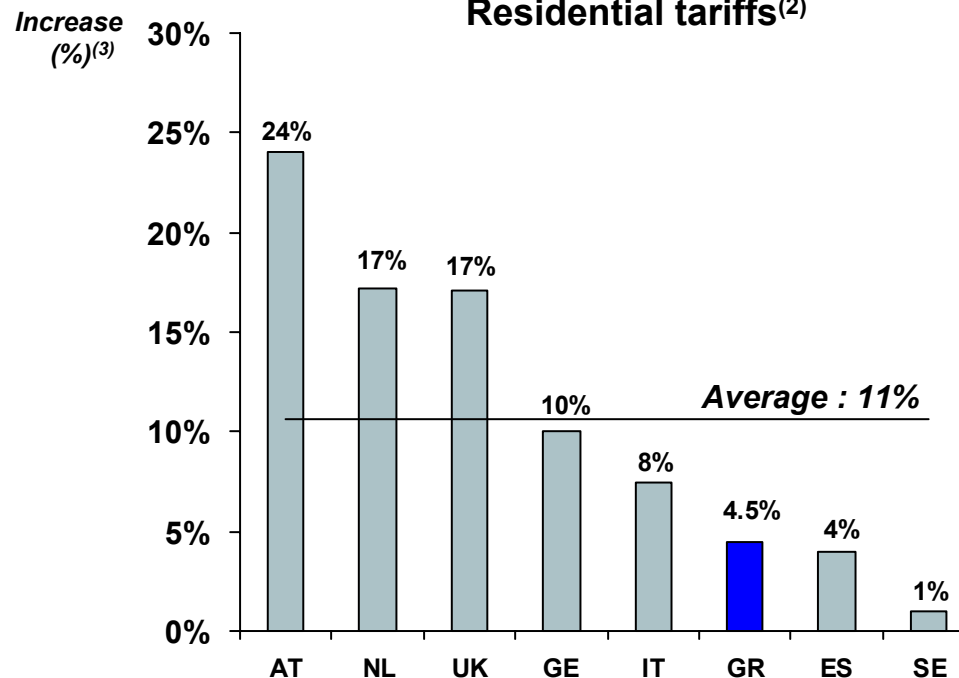
FUEL PRICE INCREASES NOT PASSED TO ELECTRICITY USERS IN GREECE

Price increases between January 2004 and January 2006

Industrial tariffs⁽¹⁾



Residential tariffs⁽²⁾



(1) Based on 1.5 GWh consumption

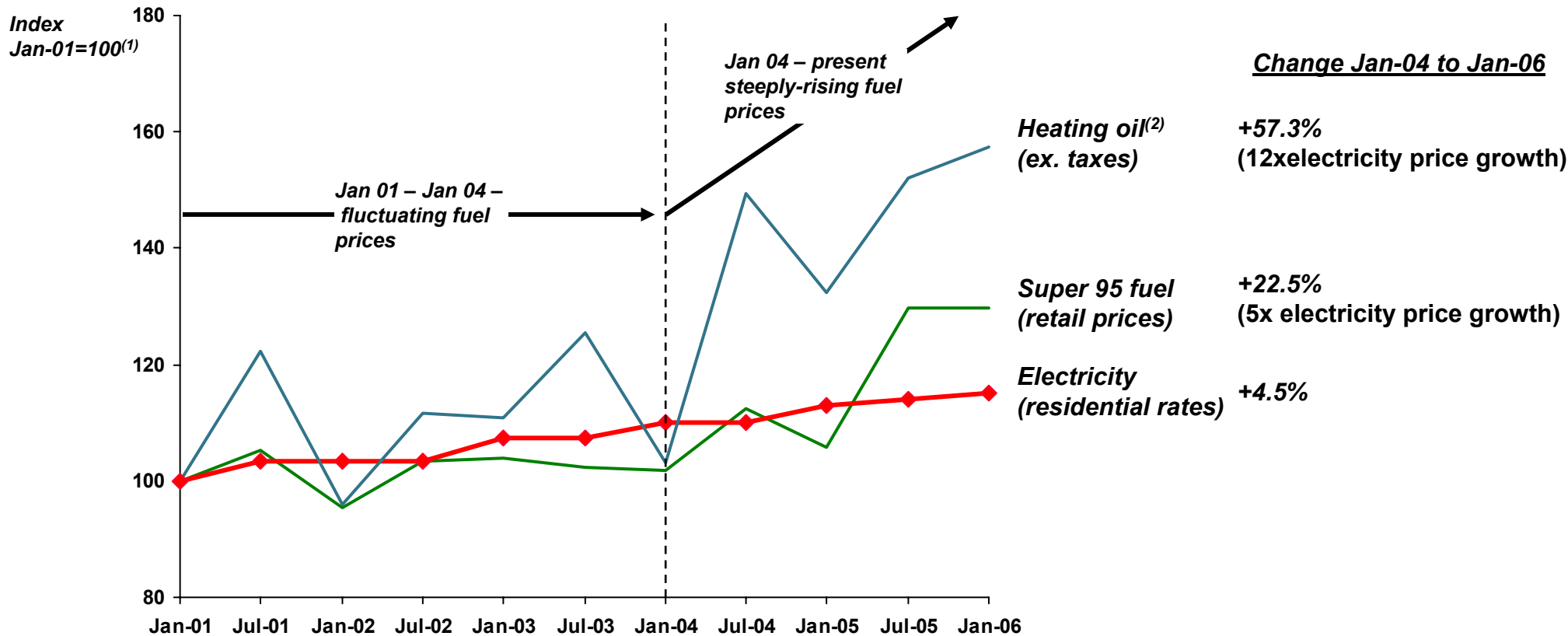
(2) Based on 3.5 MWh consumption

(3) Increase over Jan 2004 tariffs

Source(s): Energy Advice Ltd; Eurostat



GREEK CONSUMERS ACCEPT HIGHER COSTS FOR OTHER FORMS OF ENERGY

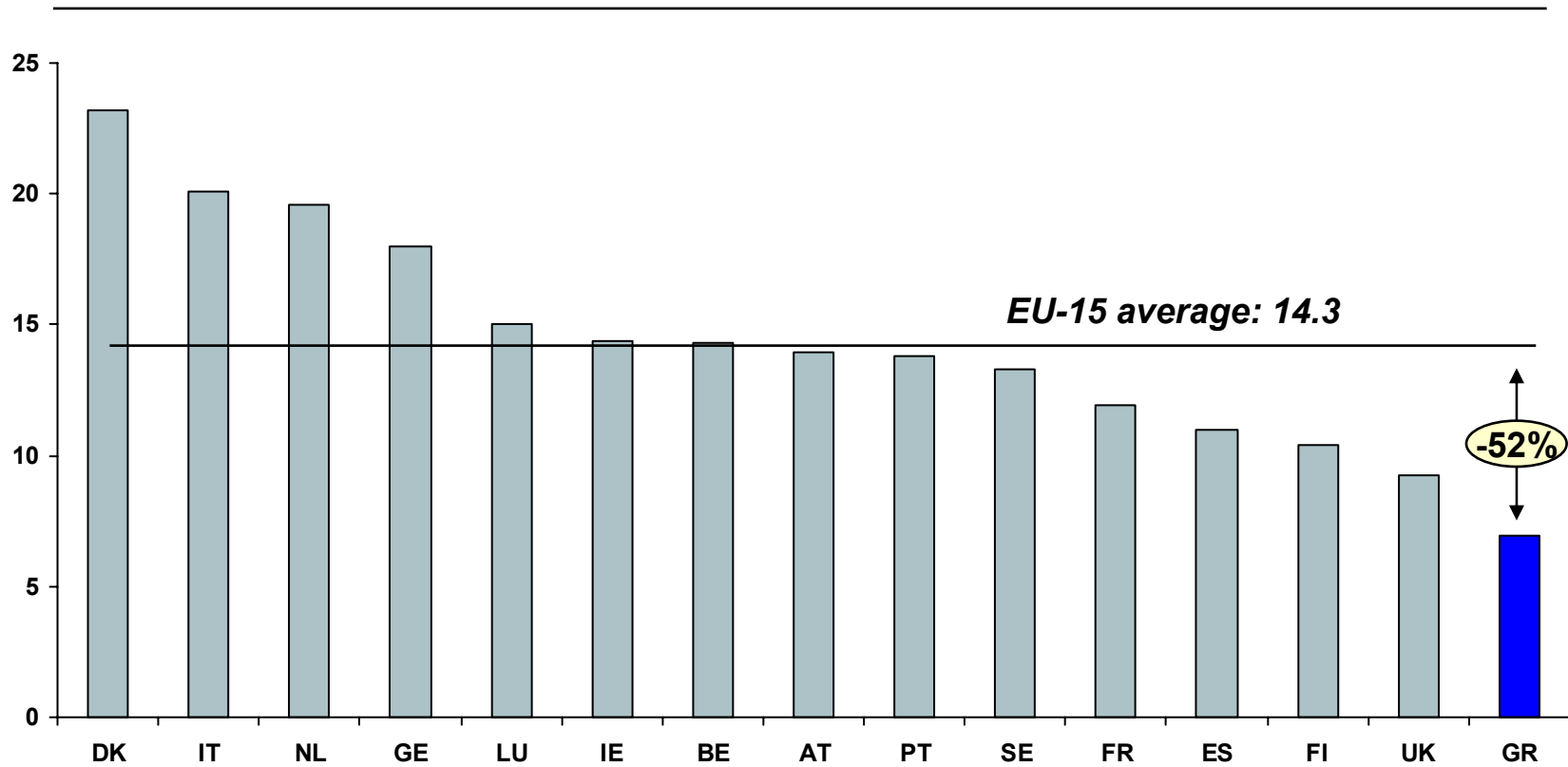


(1) Average of previous 6 months
 (2) Data for Jul-05 and Jan-06 are estimates
 Source(s): Eurostat; EIU



THE LOWEST RESIDENTIAL ELECTRICITY PRICES IN THE EU-15

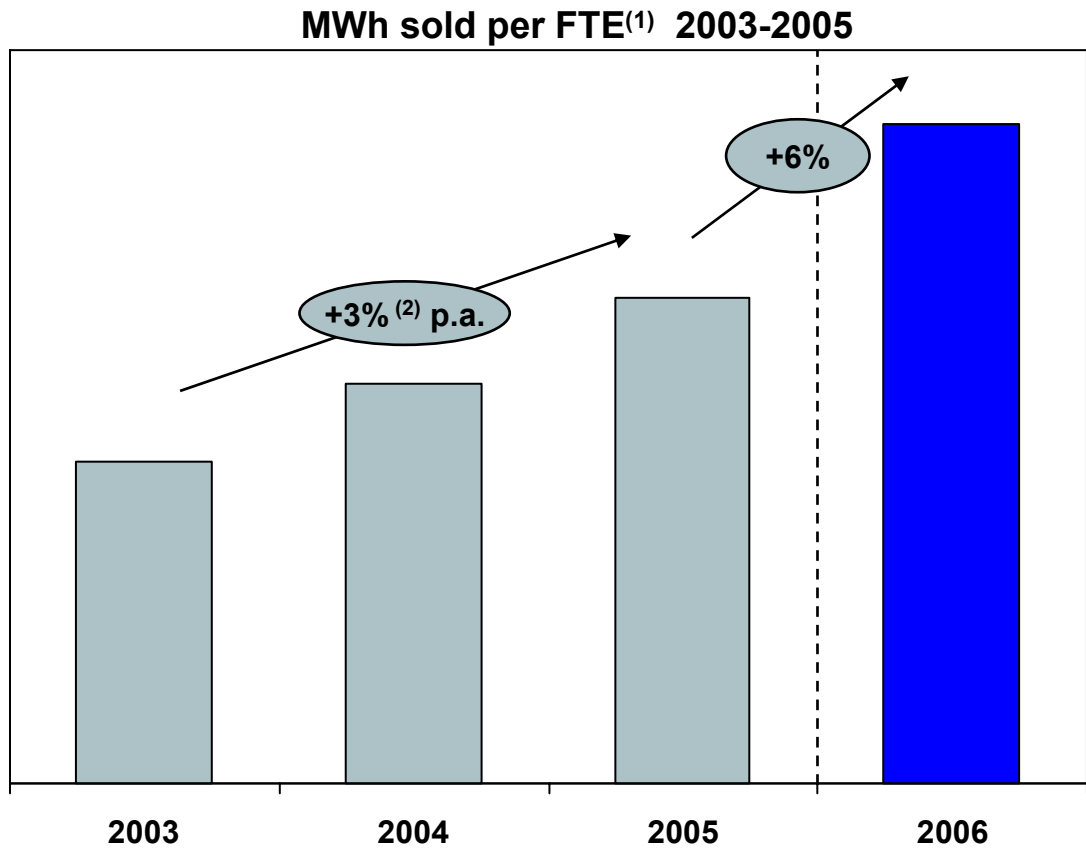
Residential tariffs
(€/100kWh, July 2005)



Note: Data for Luxemburg not available
Source(s): Eurostat, Economist Intelligence Unit



LABOR PRODUCTIVITY RISING DUE TO RESTRAINED HIRING



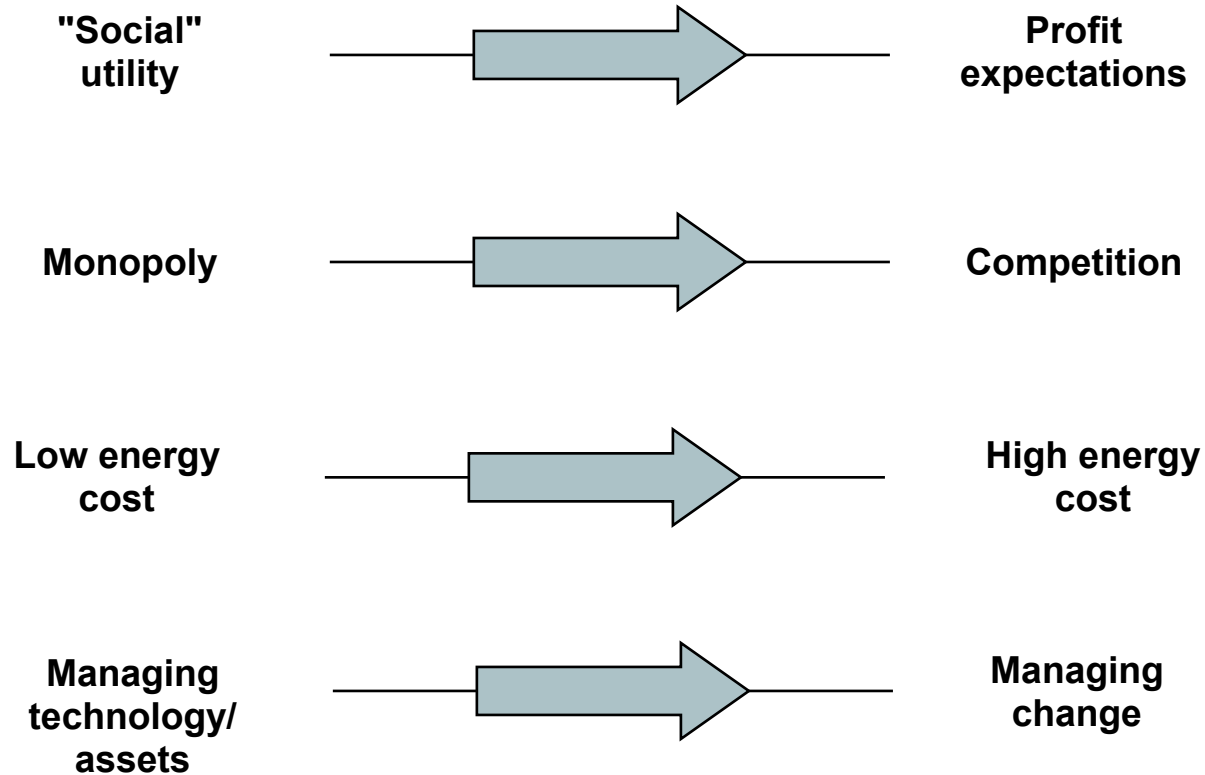
Target: reduce personnel
1,500 to 1,600 by 2010
(from 27,300 to 25,800)

(1) End of year employees
(2) Average annual increase

Source(s): Historic data; PPC estimates; business plan model



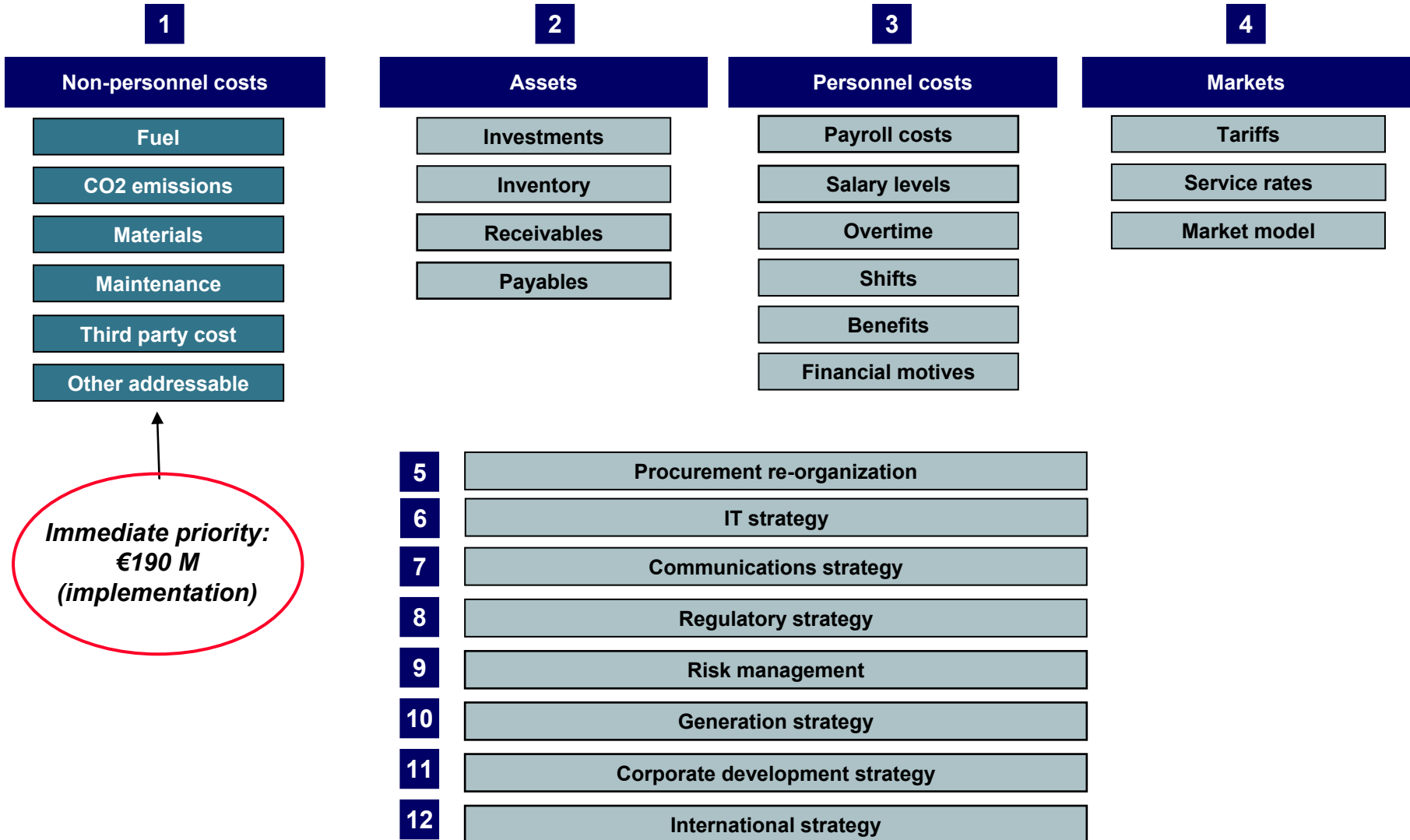
IMPLICATION: ENVIRONMENT CHANGING – SO MUST PPC



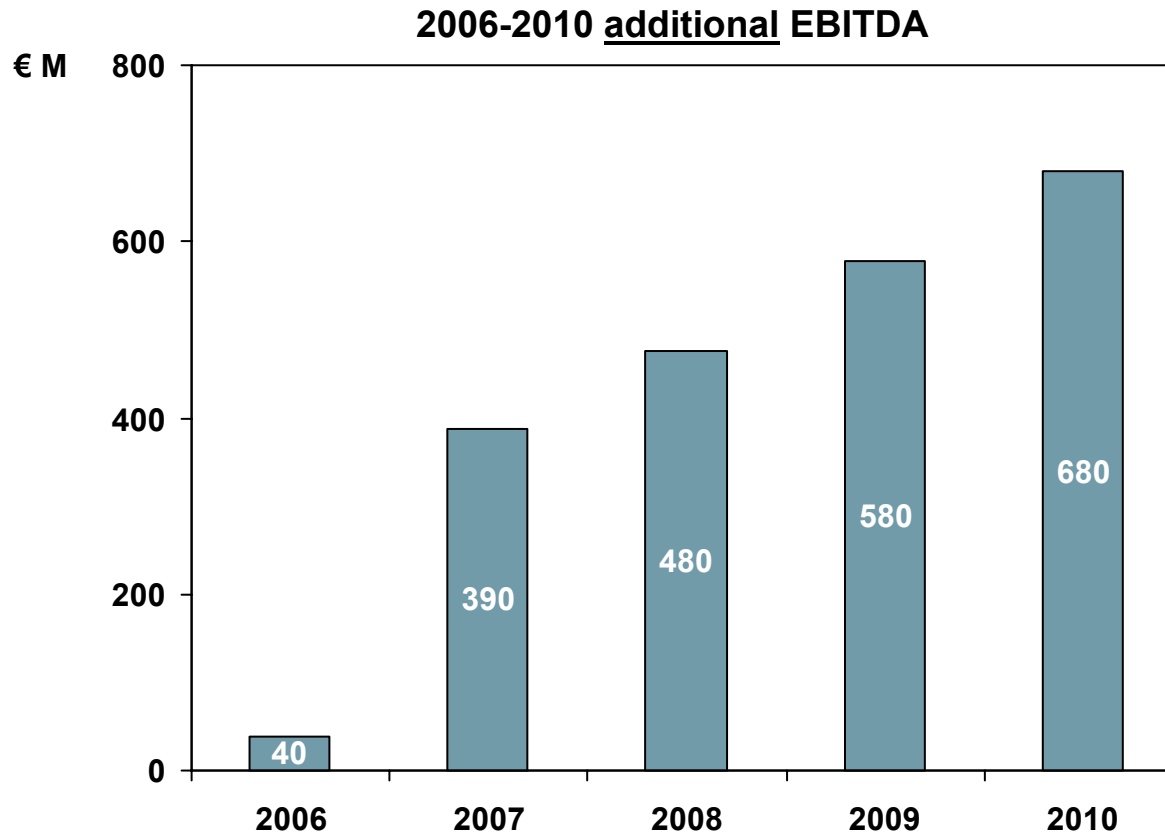
2005 & 2006: Transition years

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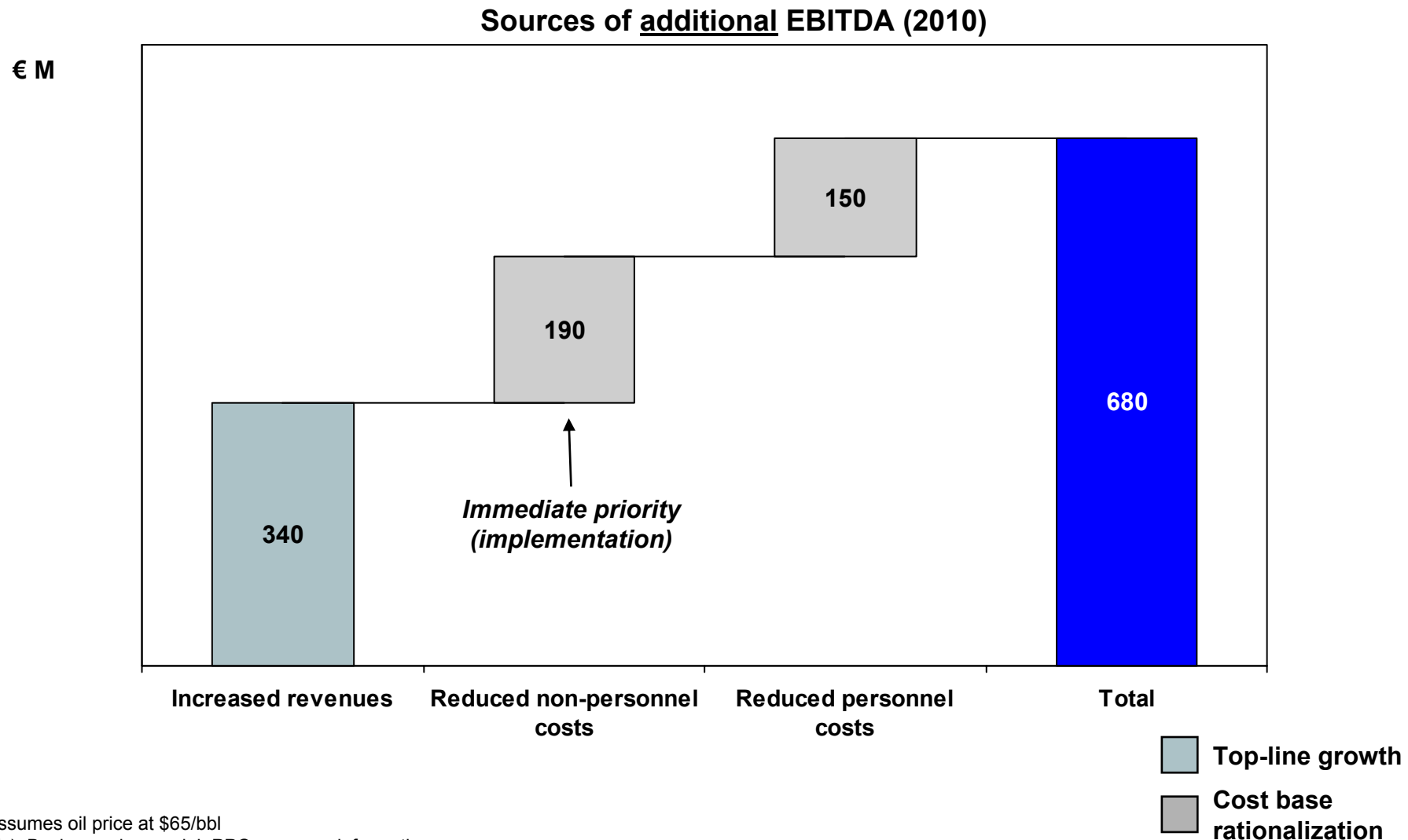
12 INITIATIVES FOR TRANSFORMATION – PROGRAM HERCULES



TRANSFORMATION CAN ADD ~€2.2B CUMULATIVE EBITDA IN NEXT 5 YEARS



TRANSFORMING DOMESTIC POWER CAN ADD ~€680M TO 2010 EBITDA



Note: Assumes oil price at \$65/bbl

Source(s): Business plan model; PPC company information



“CORPORATE DEVELOPMENT” OPPORTUNITIES TO BE PURSUED SELECTIVELY

International	Generation, T&D, commercial	PPC bringing substantial assets to table Many opportunities with clear “window” of attractive prices and high growth/restructuring potential
	“Upstream“	Attractive opportunities in regional coal/lignite mines Ability to hedge demand/market risk by importing to Greece an advantage
Domestic	Gas	PPC owns option to purchase 30% stake in DEPA
	Telecoms	Opportunity to capture growth upside
	Renewables	Current investments both profitable and fulfill also social-responsibility objectives
	Real estate	Investigating option to establish an independent real estate subsidiary and monetize underlying value

Clearly profitable opportunistic investments will be pursued, where possible with strategic partner – ensuring no distraction from domestic power restructuring



CONCLUSION: THREE STRATEGIC IMPERATIVES FOR VALUE CREATION

In Order of Priority

I. Transformation of domestic power

II. Investing to renew the asset base

III. Corporate development

