PUBLIC POWER CORPORATION S.A.

Interim Condensed Consolidated and Separate Financial Statements

for the nine month period from January 1, 2009 to September 30, 2009

in accordance with International Financial Reporting Standards, adopted by the European Union

The attached interim condensed consolidated and separate financial statements were approved by Public Power Corporation Board of Directors on November 10, 2009 and they are available in the web site of Public Power Corporation S.A. at www.dei.gr.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER	VICE CHAIRMAN AND DEPUTY CHIEF EXECUTIVE OFFICER	CHIEF FINANCIAL OFFICER	CHIEF ACCOUNTANT
PANAGIOTIS J. ATHANASOPOULOS	NIKOLAOS D. CHATZIARGYRIOU	GEORGE C. ANGELOPOULOS	EFTHIMIOS A. KOUTROULIS

Public Power Corporation S.A.
Registration No 47829/06/B/00/2
Chalkokondyli 30 - 104 32 Athens

PUBLIC POWER CORPORATION S.A.
INTERIM CONDENSED CONSOLIDATED AND SEPARATE STATEMENTS OF INCOME
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2009
(All amounts in thousands of Euro - except share and per share data)

	GROUP				PARENT COMPANY			
	01.01.2009-30.09.2009	**01.01.2008-30.09.2008**	**01.07.2009-30.09.2009**	**01.07.2008-30.09.2008**	**01.01.2009-30.09.2009**	**01.01.2008-30.09.2008**	**01.07.2009-30.09.2009**	**01.07.2008-30.09.2008**
REVENUES:								
Revenue from energy sales	4,225,873	4,120,461	1,482,967	1,552,667	4,217,380	4,120,326	1,478,809	1,552,566
Other	268,606	295,858	83,087	98,714	268,606	295,858	83,087	98,714
	4,494,479	4,416,319	1,566,054	1,651,381	4,485,986	4,416,184	1,561,896	1,651,280
EXPENSES:								
Payroll cost	823,424	792,068	280,354	271,520	820,291	788,720	279,990	270,233
Fuel	1,381,356	2,034,428	500,668	814,861	1,381,356	2,034,428	500,668	814,861
Depreciation and Amortization	328,377	321,962	110,568	108,929	324,672	318,862	109,220	107,852
Energy purchases	410,212	772,106	137,206	310,687	417,723	783,852	139,647	315,764
Transmission system usage	232,898	256,712	75,899	89,060	232,898	256,712	75,899	89,060
Expenditure for CO_2 emission rights	65,540	110,153	26,330	52,440	65,540	110,153	26,330	52,440
Provisions	51,190	15,821	18,321	(4,089)	51,171	15,821	18,314	(4,089)
Loss/(Profit) from cover of CO_2 liabilities of the year 2008	(17,553)	-	1,624	-	(17,553)	-	1,624	-
Financial expenses	128,020	155,675	38,307	55,676	127,957	155,640	38,302	55,661
Financial income	(13,840)	(24,151)	(5,327)	(6,705)	(14,802)	(99,181)	(5,308)	(6,690)
Other (income)/expense, net	238,348	215,987	71,688	78,803	232,960	211,669	69,001	77,219
Share of loss/(profit) of associates	(515)	15,109	104	11,449	-	-	-	-
Foreign currency (gains)/losses, net	(1,938)	8,729	(1,250)	12,005	(1,938)	8,729	(1,250)	12,005
PROFIT/ (LOSS) BEFORE TAX	**868,960**	**(258,280)**	**311,562**	**(143,255)**	**865,711**	**(169,221)**	**309,459**	**(133,036)**
Income tax expense	(226,251)	13,650	(80,989)	10,414	(225,080)	13,614	(80,572)	11,194
PROFIT/ (LOSS) AFTER TAX	**642,709**	**(244,630)**	**230,573**	**(132,841)**	**640,631**	**(155,607)**	**228,887**	**(121,842)**
Earnings /(loss)per share, basic and diluted	2.77	(1.05)	0.99	(0.57)				
Weighted average number of shares	232,000,000	232,000,000	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 NINE MONTH PERIOD ENDED SEPTEMBER 30, 2009
(All amounts in thousands of Euro - except share and per share data)

	GROUP				PARENT COMPANY			
	01.01.2009 - 30.09.2009	**01.01.2008 – 30.09.2008**	**01.07.2009 – 30.09.2009**	**01.07.2008 – 30.09.2008**	**01.01.2009 - 30.09.2009**	**01.01.2008 – 30.09.2008**	**01.07.2009 – 30.09.2009**	**01.07.2008 – 30.09.2008**
Profit for the period / (Loss)	**642,709**	**(244,630)**	**230,573**	**(132,841)**	**640,631**	**(155,607)**	**228,887**	**(121,842)**
Other Comprehensive income / (loss) for the period								
Profit / (Loss) from fair value available for sale valuation	18,936	(29,004)	10,664	(4,475)	18,936	(29,004)	10,664	(4,475)
Other	(229)	-	(120)	-	843	-	952	-
Other Comprehensive income / (loss) for the period, after tax	18,707	(29,004)	10,544	(4,475)	19,779	(29,004)	11,616	(4,475)
Total Comprehensive income / (loss) after tax	**661,416**	**(273,634)**	**241,117**	**(137,316)**	**660,410**	**(184,611)**	**240,503**	**(126,317)**

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

PUBLIC POWER CORPORATION S.A.
INTERIM CONDENSED BALANCE SHEETS
AS OF SEPTEMBER 30, 2009
(All amounts in thousands of Euro- except share and per share data)

	GROUP		**PARENT COMPANY**	
	30.09.2009	**31.12.2008**	**30.09.2009**	**31.12.2008**
ASSETS				
Non – Current Assets:				
Property, plant and equipment, net	12,145,957	11,854,392	12,080,874	11,789,209
Software, net	5,568	5,870	5,470	5,801
Available for sale financial assets	45,710	23,256	45,710	23,256
Other non- current assets	33,316	21,067	97,267	86,240
Total non-current assets	**12,230,551**	**11,904,585**	**12,229,321**	**11,904,506**
Current Assets:				
Materials, spare parts and supplies, net	820,122	762,537	819,373	761,792
Trade and other receivables, net and other current assets	1,279,989	1,183,651	1,295,378	1,191,552
Cash and cash equivalents	447,811	103,450	442,488	100,391
Total Current Assets	**2,547,922**	**2,049,638**	**2,557,239**	**2,053,735**
Total Assets	**14,778,473**	**13,954,223**	**14,786,560**	**13,958,241**
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
Revaluation surplus	(947,342)	(947,342)	(947,342)	(947,342)
Fixed assets' statutory revaluation surplus included in share capital	4,256,570	4,256,570	4,230,543	4,230,543
Reserves	276,493	257,160	276,493	257,160
Retained earnings	882,736	241,099	908,337	267,707
Total Equity	**5,642,336**	**4,981,366**	**5,641,910**	**4,981,947**
Non-Current Liabilities:				
Interest bearing loans and borrowings	3,300,203	2,821,696	3,300,203	2,821,696
Provisions	473,668	466,260	473,668	466,260
Other non-current liabilities	2,916,489	2,633,148	2,912,499	2,631,077
Total Non-Current Liabilities	**6,690,360**	**5,921,104**	**6,686,370**	**5,919,033**
Current Liabilities:				
Trade and other payables and other current liabilities	1,141,328	1,202,234	1,153,836	1,208,758
Dividends payable	92	238	92	238
Short term borrowings	0	358,500	0	357,500
Current portion of interest bearing loans and borrowings	1,304,357	1,490,781	1,304,352	1,490,765
Total Current Liabilities	**2,445,777**	**3,051,753**	**2,458,280**	**3,057,261**
Total Liabilities and Equity	**14,778,473**	**13,954,223**	**14,786,560**	**13,958,241**

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

PUBLIC POWER CORPORATION S.A.

INTERIM CONDENSED CONSOLIDATED CHANGES IN EQUITY FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2009

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

						Reserves				
	Share Capital	Share Premium	Legal Reserve	Revaluation Surplus	Reversal of Revaluation Gains	Available for sale Financial Assets Valuation Surplus	Tax - free and other Reserves	Reserves Total	Retained Earnings /Accumulate Deficit	Total Equity
Balance, December 31, 2007	**1,067,200**	**106,679**	**45,628**	**4,175,422**	**(947,342)**	**53,641**	**208,433**	**262,074**	**570,240**	**5,279,901**
Valuation of available for sale financial assets	-	-	-	-	-	(29,004)	-	(29,004)	-	(29,004)
Total income and expense for the period recognized directly in equity	-	-	-	-	-	(29,004)	-	(29,004)	-	(29,004)
Net loss for the period	-	-	-	-	-	-	-	-	(244,630)	(244,630)
Total income and expense for the period	-	-	-	-	-	(29,004)	-	(29,004)	(244,630)	(273,634)
Dividends	-	-	-	-	-	-	-	-	(23,200)	(23,200)
Changes due to reduction of tax rate	-	-	-	64,316	-	-	-	-	-	64,316
Other	-	(85)	4,052	-	-	-	-	-	(4,051)	(84)
Balance September 30, 2008	**1,067,200**	**106,594**	**49,680**	**4,239,738**	**(947,342)**	**24,637**	**208,433**	**233,070**	**298,359**	**5,047,299**
Balance, December 31, 2008	**1,067,200**	**106,679**	**45,628**	**4,256,570**	**(947,342)**	**3,099**	**208,433**	**211,532**	**241,099**	**4,981,366**
Valuation of available for sale financial assets	-	-	-	-	-	18,936	-	18,936	-	18,936
Other	-	-	-	-	-	-	843	843	(1,072)	(229)
Total income and expense for the period recognized directly in equity	-	-	-	-	-	18,936	843	19,779	(1,072)	18,707
Net income for the period	-	-	-	-	-	-	-	-	642,709	642,709
Total income and expense for the period	-	-	-	-	-	18,936	843	19,779	641,637	661,416
Dividends	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	(446)	(446)	-	(446)
Balance September 30, 2009	**1,067,200**	**106,679**	**45,628**	**4,256,570**	**(947,342)**	**22,035**	**208,830**	**230,865**	**882,736**	**5,642,336**

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

PUBLIC POWER CORPORATION S.A.

INTERIM CONDENSED SEPARATE CHANGES IN EQUITY FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2009

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

						Reserves				
	Share Capital	Share Premium	Legal Reserve	Revaluation Surplus	Reversal of Revaluation Gains	Available for sale Financial Assets Valuation Surplus	Tax - free and other Reserves	Reserves Total	Retained Earnings /Accumulate Deficit	Total Equity
Balance, December 31, 2007	**1,067,200**	**106,679**	**45,628**	**4,150,222**	**(947,342)**	**53,641**	**208,433**	**262,074**	**523,827**	**5,208,288**
Valuation of available for sale financial assets	-	-	-	-	-	(29,004)	-	(29,004)	-	(29,004)
Total income and expense for the period recognized directly in equity	-	-	-	-	-	(29,004)	-	(29,004)	-	(29,004)
Net loss for the period	-	-	-	-	-	-	-	-	(155,607)	(155,607)
Total income and expense for the period	-	-	-	-	-	(29,004)	-	(29,004)	(155,607)	(184,611)
Dividends	-	-	-	-	-	-	-	-	(23,200)	(23,200)
Changes due to reduction of tax rate	-	-	-	63,489	-	-	-	-	-	63,489
Other	-	-	-	-	-	-	-	-	1	1
Balance September 30, 2008	**1,067,200**	**106,679**	**45,628**	**4,213,711**	**(947,342)**	**24,637**	**208,433**	**233,070**	**345,021**	**5,063,967**
Balance, December 31, 2008	**1,067,200**	**106,679**	**45,628**	**4,230,543**	**(947,342)**	**3,099**	**208,433**	**211,532**	**267,707**	**4,981,947**
Valuation of available for sale financial assets	-	-	-	-	-	18,936	-	18,936	-	18,936
Other	-	-	-	-	-	-	843	843	-	843
Total income and expense for the period recognized directly in equity	-	-	-	-	-	18,936	843	19,779	-	19,779
Net income for the period	-	-	-	-	-	-	-	-	640,631	640,631
Total income and expense for the period	-	-	-	-	-	18,936	843	19,779	640,631	660,410
Dividends	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	(446)	(446)	(1)	(447)
Balance September 30, 2009	**1,067,200**	**106,679**	**45,628**	**4,230,543**	**(947,342)**	**22,035**	**208,830**	**230,865**	**908,337**	**5,641,910**

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 STATEMENT OF CASH FLOWS
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2009
(All amounts in thousands of Euro)

	GROUP		PARENT COMPANY	
	01.01.2009 – 30.09.2009	01.01.2008 – 30.09.2008	01.01.2009 – 30.09.2009	01.01.2008 – 30.09.2008
Cash flows from operating activities				
Profit/(loss) before tax from continuing operations	868,960	(258,280)	865,711	(169,221)
Adjustments:				
Depreciation and amortization	451,504	433,721	447,431	430,311
Amortization of customers' contributions and subsidies	(57,609)	(49,383)	(57,241)	(49,693)
Interest expense	119,877	149,722	119,814	149,687
Other adjustments	50,984	(6,726)	50,513	(21,812)
Changes in assets	(231,105)	(553,019)	(233,579)	(561,216)
Changes in liabilities	(127,589)	344,216	(129,110)	380,925
Net Cash from Operating Activities	**1,075,022**	**60,251**	**1,063,539**	**158,981**
Cash Flows from Investing Activities				
Capital expenditure/ (disposal) of fixed assets and software	(743,094)	(716,752)	(736,018)	(711,337)
Proceeds from customers' contributions and subsidies	204,881	153,631	202,572	153,631
Interest received and dividends received	13,840	19,683	14,802	19,679
Investments	(6,186)	(49)	(3,712)	62,173
Net Cash used in Investing Activities	**(530,559)**	**(543,487)**	**(522,356)**	**(475,854)**
Cash Flows from Financing Activities				
Net change in short term borrowings	(358,500)	205,825	(357,500)	204,800
Proceeds from interest bearing loans and borrowings, net of issuance fees	1,315,000	815,000	1,315,000	815,000
Principal payments of interest bearing loans and borrowing	(1,022,723)	(524,990)	(1,022,707)	(524,990)
Interest paid	(133,879)	(136,866)	(133,879)	(136,831)
Dividends paid	-	(23,190)	-	(23,190)
Net Cash used in Financing Activities	**(200,102)**	**335,779**	**(199,086)**	**334,789**
Net increase/(decrease) in cash and cash equivalents	344,361	(147,457)	342,097	17,916
Cash and cash equivalents at beginning of the period	103,450	196,541	100,391	28,290
Cash and cash equivalents at the end of the period	**447,811**	**49,084**	**442,488**	**46,206**

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

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SELECTED EXPLANATORY NOTES

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 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 condensed 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 September 30, 2009 and 2008, the number of staff employed by the Group was approximately 23,127 and 23,900, respectively, excluding employees engaged in Hellenic Electricity Transmission System Operator ("HTSO"), and for which PPC is compensated.
At September 30, 2009 and 2008, 254 and 247 employees, respectively have been transferred to several State agencies (ministries, organizations, etc.) out of which, 206 and 199, payroll is paid by PPC and whose total payroll cost amounted to Euro 6,505 and Euro 6,350 for the nine month period ended September 30, 2009 and 2008, respectively.
As a vertically integrated electric utility, PPC generates electricity in its own 63 power generating stations (38 additional stations belong to PPC Renewables), facilitates the transmission of electricity through approximately 12,100 kilometres of high voltage power lines and distributes electricity to consumers through approximately 221,000 kilometres of distribution network.
Lignite for PPC's lignite-fired power stations is extracted mainly from its own lignite mines. PPC has also constructed, along its transmission lines, approximately 1,900 kilometres of fibre-optic network, almost 200 kilometres of urban underground fibre optics network and almost 17 kilometres of underwater fibre optics network.

2. CHANGES IN LEGAL FRAMEWORK

Provisions of Law 3734/2009

With the provisions of Law 3734/2009, Greek legislation is harmonized with the Directive 2004/8/EC of the European Parliament and of the Council related to the promotion of energy cogeneration and the modification of Directive 92/42/EEC and is supplemented by the legal framework for the promotion of two or more useful forms of energy cogeneration. Also, this law modifies the existing regulatory framework and specifically the provisions of L. 2773/1999, L. 3175/2003 and L. 3468/2006.

A. The basic provisions of Law 3734/2009 regarding PPC directly are:
- Regulation of issues related to the expropriations and compensations, as well as relocation of the affected inhabitants that concern the Messochora Hydroelectric Project.
- It is granted to PPC a power production license to renew and replace old units with new technology units, without voltage limitation.
- From hereafter the pending applications that PPC has submitted according to Law 3175/2003 and Law 3587/2007 are under the regulations of this Law.
- The validity of the Temporary Integrated Production License that was granted according to Law 2941/2001 to PPC units, referring to Law 2773/1999 and is included in the Integrated Production License of PPC, is extended until December 31, 2013.
- At the PPCs' units that have granted production licenses from January 24, 2002 until the appliance of this Law, it is granted a Temporary Production License until December 31, 2013, according to paragraph 5 of article 8 of Law 2941/2001.
- The abovementioned regulations have effect in all PPC units that have been transferred to the subsidiary company "PPC Renewables S.A.".

B. Regarding issues in general for the promotion of Renewable Energy Sources, the basic provisions of the abovementioned law are:
- Regulation of issues related to power production from Renewable Energy Sources, specifically, issues related to photovoltaic units and issues related to the connection of power production units from Renewable Energy Sources.
- A statutory authorisation is given in order to enact a Special Programme called "Photovoltaic units on roofs", aiming to give incentives and create a framework for simple administrative procedures, that will allow the effective use of environmentally friendly technologies.

2. CHANGES IN LEGAL FRAMEWORK (Continued)

Furthermore, it should be noted that other, non major, additions and amendments of the regulatory framework are also included in Laws 3769/2009 and 3784/2009.

Ministerial Decision of Ministry of Development

A. In 2009 Ministerial Decisions were issued relating to the functioning of the relevant market and governing the following issues and through which a detailed and discrete listing of charges in the invoice of the final consumer can be materialised, as it is required by the current institutional framework:
- "Budget of transmission system's annual cost and customer's unity transmission system fee for the year 2009",
- "Factor allocation of the annual cost for the payment of public services obligations (PSOs) and of the charges per customer group",
- "Annual budget of the electricity grid for the year 2009 and the respective charges for the use of grid",
- Methodology – guide for usage fee of the customer's transmission system grid.
- Methodology - guide for the allocation of the annual cost for the payment of public services obligations (PSOs).

B. Furthermore, the Special Programme "Photovoltaic units of roofs", which is implemented since July 1st, 2009, provides to the customers the possibility to exploit the green energy by installing photovoltaic systems up to 10kWp on lofts and building roofs for electric power generation, under favourable incentives and simple procedures. The applications for the connection with the photovoltaic systems of the abovementioned programme are submitted at the local PPCs' offices and further information is available on PPCs' site.

Decisions of the Regulatory Authority of Energy

According to the provisions of the Greek Grid and Exchange Code, the Regulatory Authority of Energy determined the following:

- The unit charges rates of surcharges and other parameters applied for the calculation of the charges for non compliance due to non legal Offers and Statements for the calendar year 2009.
- The arithmetic value of the smoothing rate for the dependable period Oct. 2008 – Sept. 2009.
- The surcharge rate of the variable cost for the calendar year 2008.

The third package of measures was finalised and adopted for the internal energy market (published in the European Union Official Gazette on 13/07/09), which include among others:

1. The Directive 2009/72/EC of the European Parliament and of the Council "Relating issues for the single regulations of the internal energy market and the abolishment of Directive 2003/54/EC". The most important regulations are the following:

- Effective unbundling of supply and generation activities from the TSO. Apart from the legal, operational and accounting unbundling, even more obligations are imposed for ownership unbundling, with an alternative possibility to appoint an Independent System Operator. Strong regulatory control is anticipated in order to ensure the various alternative solutions.
- The unbundling of the Distribution System Operators.
- Further alignment of the responsibilities of the National Regulatory Authorities of Energy in order to empower their independency from any intervention.
- More transparency on the energy market function.
- Protection and consumer information in the liberalised energy market.
- The establishment of a European common final consumer market.

2. Regulation 714/2009 of the European Parliament and of the Council "Relating issues with the terms and conditions of the network access for the inter-border energy transactions and the abolishment of 1228/2003 Regulation".

3. Regulation 713/2009 of the European Parliament and of the Council "for the establishment of an Organisation for the cooperation of the Regulatory Agencies of Energy".

3. BASIS OF PRESENTATION FOR THE INTERIM CONDENSED FINANCIAL STATEMENTS

3.1. BASIS OF PREPARATION

Basis of preparation of financial statements: The accompanying interim condensed consolidated and separate financial statements ("financial statements") for the nine month period ended September 30, 2009 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, 2008 made publicly available.
The accompanying financial statements have been prepared under the historical cost convention except for certain 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 amounts are rounded to the nearest thousand, except when otherwise indicated.

Approval of Financial Statements: The Board of Directors approved the accompanying financial statements for the nine month period ended September 30, 2009, on Nobember 10th, 2009.

3.2. 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, 2008 with the exception of the following interpretations that were applied initially in January 1st, 2009, without causing any effect in the financial statements:

- **IFRIC 13, "Customer Loyalty Programmes":** this interpretation is not applicable on PPC's operations.
- **IFRIC 15, "Agreements for the Construction of Real Estate":** this interpretation is not applicable on PPC's operations.
- **IFRIC 16, "Hedges of a Net Investment in a foreign operation":** this interpretation has no impact on the financial statements as PPC does not hedge the net investment in a foreign operation.
- **Amendments to IFRS 1 "First-time Adoption of International Financial Reporting Standards" and IAS 27 "Consolidated and Separate Financial Statements":** this interpretation is not applicable on PPC's operations.
- **IFRS 2, "Share-based Payments" (Amended):** this Interpretation has no impact on the financial statements.
- **IFRS 8, "Operating Segments":** IFRS 8 replaces IAS 14 'Segment reporting' and adopts a management approach to segment reporting. The information reported is that which management uses internally for evaluating the performance of operating segments and allocating resources to those segments. The adoption of this standard did not affect PPCs' disclosured regarding segment information.
- **IAS 1, "Presentation of Financial Statements" (Revised):** IAS 1 has been revised to enhance the usefulness of information presented in the financial statements. Of the main revisions are: the requirement that the statement of changes in equity includes only transactions with shareholders; the introduction of a new statement of comprehensive income that combines all items of income and expense recognised in profit or loss together with "other comprehensive income"; and the requirement to present restatements of financial statements or retrospective application of a new accounting policy as at the beginning of the earliest comparative period, i.e. a third column on the statement of financial position. PPC has made the necessary changes to the presentation of its current financial statements and elected to present comprehensive income in a separate statement.
- **IAS 32 and IAS 1, "Puttable Financial Instruments" (Amended):** These amendments are not applicable on the financial statements.

3.2 ACCOUNTING POLICIES (Continued)

- **IAS 39 "Financial Instruments: Recognition and Measurement" – Eligible Hedged Items:** the amendment has no impact on the financial statements as PPC has not entered into any related hedges.
- **IAS 23, "Borrowing Costs" (Revised):** The benchmark treatment in the previous standard of expensing all borrowing costs to the income statement has been eliminated in the case of qualifying assets. All borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset must be capitalised. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. In accordance with the transitional requirements of the Standard, the Group adopted this revision from the date of its application and in future use. No changes have been made for borrowing costs incurred prior to January 1, 2009 that have been expensed. The impact of the application of this amendment was not significant.
- **IAS 39, "Financial Instruments: Recognition and Measurement" and IFRS 7 "Financial Instruments: Disclosures; Reclassification of Financial Assets":** the amendment has no impact on the financial statements as PPC has not entered into any reclassifications of financial assets.

In addition to those standards and interpretations that have been disclosed in the financial statements for the year ended December 31, 2008, the following new standards, amendments to standards and interpretations have been issued but are not effective for the financial year beginning January 1, 2009 and have not been early adopted:

- **IFRS 2, "Share-based Payments" (Amended),** effective for annual periods beginning on or after 1 January 2010. The amendment has not yet been endorsed by the EU. The amendment will have no impact on the financial position or performance of the Group, as it has not entered into any such arrangements.
- In April 2009, the IASB issued its second omnibus of amendments to its standards, primarily with a view to removing inconsistencies and clarifying wording. The effective dates of the improvements are various and the earliest is for the financial year beginning July 1, 2009. This annual improvements project has not yet been endorsed by the EU.

Deviation from the standards for a more accurate and fair presentation of the economic performance

PPC recognises a liability to cover the CO_2 emission right shortage, independently of whether actual emissions exceed the allocated ones on the base of estimated expected shortage in year level. Such accounting policy is not in accordance with the provisions of IAS 37 "Provisions, Contingent Liabilities and Contingent Assets", according to which the relevant liability is allowed to be recognised at the time the shortage occurs, which is when the actual CO_2 emission exceed the allocated ones.

PPC follows the above mentioned policy, in order to recognise any shortage –if occurred- for each year, during the year and not in the last quarter in accordance with the provisions of IAS 37 "Provisions, Contingent Liabilities and Contingent Assets", considering that it would be misleading and would lead to adverse conclusions than the ones the financial statements aim to, which is to provide reliable and as much as possible, relevant information concerning the effect of the relative matter to the results of the interim periods. For those reasons PPC decided, in order to achieve the accurate and fair presentation for the interim periods to proceed with the above mentioned deviation. This accounting policy is adopted since 2008.

4. 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.).

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

5. INVESTMENTS IN SUBSIDIARIES

The direct subsidiaries of PPC are as follows:

	Group		Company	
	30.09.2009	**31.12.2008**	**30.09.2009**	**31.12.2008**
PPC Telecommunications S.A.	-	-	4,441	4,441
PPC Rhodes S.A.	-	-	838	838
PPC Renewables S.A.	-	-	70,482	70,482
PPC FINANCE PLC	-	-	59	-
Total	**-**	**-**	**75,820**	**75,761**

The consolidated financial statements include the financial statements of PPC and the subsidiaries listed bellow:

Name	Ownership Interest		Country and Year of Incorporation and activity	Principal Activities
	30.09.09	**31.12.08**		
PPC Renewables S.A.	100%	100%	Greece - 1998	RES
PPC Rhodes S.A.	100%	100%	Greece - 1999	Engineering, construction and operation of a power plant
PPC Telecommunications S.A.	100%	100%	Greece - 2000	Telecommunication services
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
PPC FINANCE PLC	90%	-	UK - 2009	General Commercial Company

In June 2006, the Annual Shareholders' General Assembly for PPC Rhodes S.A.decided to dissolve the aforementioned company and to initiate the appropriate procedures on July 1, 2006, according to national commerce law. The process is yet to be completed.

PPC FINANCE PLC
"PUBLIC POWER CORPORATION FINANCE PLC" (PPC FINANCE PLC) was incorporated on 21 January 2009 and its shareholders are PPC S.A. and PPCs' by 100% subsidiary PPC RENEWABLES S.A. PPC FINANCE PLC has its registered office in London, UK, and its main corporate purpose is to carry on business as a general commercial company. The authorised share capital of PPC FINANCE PLC is Euro 65.6, divided into 65,600 shares of Euro one (€ 1.00) each. PPC S.A. holds 59,040 shares (representing 90% of the entire issued share capital) and PPC RENEWABLES S.A. holds 6,560 shares (representing 10% of the entire issued share capital). PPC FINANCE PLC obtained a certificate issued by Companies House on 27 July 2009, which entitles PPC FINANCE PLC, as a public company, to do business and borrow in accordance with applicable laws.

6. INVESTMENTS IN ASSOCIATES

	Group		Company	
	30.09.09	**31.12.08**	**30.09.09**	**31.12.08**
LARCO S.A.	-	-	-	-
PPC Renewables ROKAS S.A.	1,341	1,278	-	-
PPC Renewables TERNA Energiaki S.A.	1,333	893	-	-
PPC Renewables NANKO Energy – MYHE Gitani S.A.	2,303	2,062	-	-
PPC Renewables MEK Energiaki S.A.	963	892	-	-
PPC Renewables ELTEV AIFOROS S.A.	946	958	-	-
PPC Renewables EDF EN GREECE S.A.	4,036	5,762	-	-

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

6. INVESTMENTS IN ASSOCIATES (Continued)

Good Works S.A.	150	153	-	-
Aioliko Parko LOYKO S.A.	22	24	-	-
Aioliko Parko MAMBO BIGLIES S.A.	22	24	-	-
Aioliko Parko KILIZA S.A.	22	24	-	-
Aioliko Parko LEFKIVARI A.E.	22	24	-	-
Aioliko Parko AGIOS ONOUFRIOS S.A.	22	24	-	-
	11,182	**12,118**	**-**	**-**

Data concerning the above mentioned associates as well as the Group's ownership interest in them as at September 30, 2009 and December 31, 2008 are as follows:

Name		Ownership Interest 30.09.09	Ownership Interest 31.12.08	Country and year of Incorporation	Principal Activities
Larco S.A.		28.56%	28.56%	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 S.A.		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
PPC FINANCE PLC		10.00%	-	UK - 2009	General Commercial Company

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 December 2007, the sale of associate Wind – PPC Holding N.V. was completed. That transaction resulted in a profit of Euro 165 million which was charged in the Group's results of year 2007. In the nine month period ended on September 30, 2008, PPC Telecommunications distributed dividends that amounted to Euro 77 million, approximately, and which is charged in the Parent Company's results.

The share of profit in related parties (associates and joint ventures) amounted € 0.5 (2008: 15.1 m loss).

In May 2009, the Extraordinary General Assembly of LARCOs' shareholders decided the decrease of share capital of the company for the amount of € 120,002 with the decrease of the nominal share value (from €29.35 per share to € 7.85 per share) and simultaneously offsetting accumulated losses of previous years. Also, the same Extraordinary General Assembly decided the increase of the share capital of the company by amount € 134,337 with the issuance of 17,112,940 new shares of nominal value € 7.85 per share and the corresponding cash deposit. This procedure has not concluded until the date of publication of PPCs' financial statements. PPC, within June 2009, notified its intention not to participate in the increase. Therefore, PPCs' participation in LARCO on September 30, 2009 amounted € 12,515 (1,594,282 shares of nominal price € 7.85 per share). After the completion of the abovementioned share capital increase, PPCs' participation in LARCO will be finalised, although, it is not expected to influence the consolidated and separate financial statements of PPC given the fact that the participation in LARCO has been fully impaired in the previous years. Also, since PPC maintains its participation in LARCOs' Board of Directors, considers that has a significant influence and preserves LARCOs' classification in investments in associates.

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

7. INVESTMENTS IN JOINT VENTURES

In October of 2006, the Parent Company together with Contour Global LLC, established a 50% jointly controlled entity named SENCAP S.A. ("SENCAP" - a holding entity) whose objective is the ownership, investment, operation, development and management of energy sector projects, including exploitation of mineral rights, the procurement and trading of fuel, minerals and other materials in South East Europe, Italy, Turkey, and selectively in the Mediterranean area. After several capital increases, on September 30, 2009 the share capital of Sencap amounted Euro 5,530 (December 31, 2008: Euro 5,140). In accordance with the shareholders' agreement signed between PPC and Contour Global LLC, each partner can be invited to contribute an amount of up to Euro 300 million within the forthcoming five years in order for SENCAP to be able to finance its investment opportunities. On June 29th, 2009 the the General Assembly of the shareholders approved the decrease of the share capital by Euros four million thirty six thousands nine hundred euro (4,036,900). The abovementioned procedure has not yet been completed.
At September 30, 2009 PPC's share in assets, liabilities, income and expenses of SENCAP was as follows:

	30/09/2009	31/12/2008
Assets	177	312
Liabilities	(175)	(172)
Equity	(2)	(140)
Income	-	-
Loss after taxes	(333)	(1,228)

8. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

PPC balances with its subsidiaries and its associates as of September 30, 2009 and December 31, 2008 are as follows:

	30.09.2009		31.12.2008	
	Receivable	Payable	Receivable	Payable
Subsidiaries				
- PPC Telecommunications S.A.	152	-	122	-
- PPC Renewables S.A.	18,038	(6,882)	17,112	(8,736)
- PPC Rhodes S.A.	29	-	33	-
- Arkadikos Ilios Ena S.A.	91	-	35	-
- Arkadikos Ilios Dio S.A.	24	-	9	-
	18,334	**(6,882)**	**17,311**	**(8,736)**
Associates				
PPC Renewables ROKAS S.A.	-	(152)	-	(195)
PPC Renewables TERNA Energiaki S.A.	-	-	-	-
PPC Renewables NANKO Energy – MYHE Gitani S.A.	-	-	-	-
PPC Renewables MEK Energiaki S.A.	-	-	-	-
EEN VOIOTIA S.A.	-	-	-	(2,550)
- Tellas	-	-	-	-
- Larco (energy and ash)	52,244	-	24,924	-
- Sencap	137	-	137	-
	52,381	**(152)**	**25,061**	**(2,745)**
Other				
- HTSO	306,069	(356,783)	548,834	(617,820)
	306,069	**(356,783)**	**548,834**	**(617,820)**

PPC's transactions with its subsidiaries and its associates for the period ended September 30, 2009 and 2008 are as follows:

	30.09.2009		30.09.2008	
	Invoiced to	Invoiced from	Invoiced to	Invoiced from
Subsidiaries				
- PPC Telecommunications S.A.	27	-	26	-
- PPC Renewables S.A.	6,392	(7,511)	3,473	(11,746)
- PPC Rhodes S.A.	8	-	7	-
- Arkadikos Ilios Ena S.A.	54	-	4	-
- Arkadikos Ilios Dio S.A.	14	-	1	-
	6,495	**(7,511)**	**3,511**	**(11,746)**

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

8. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (Continued)

Associates				
PPC Renewables ROKAS S.A.	-	(1,260)	292	(1,048)
PPC Renewables TERNA Energiaki S.A.	-	-	4	-
PPC Renewables NANKO Energy – MYHE Gitani S.A.	1	-	2	-
PPC Renewables MEK Energiaki S.A.	-	-	40	-
EEN VOIOTIA S.A.	2,550	-	928	-
- Tellas	-	-		
- Larco (energy and ash)	31,004	(1,670)	52,409	(5,561)
- Sencap	-	-	(105)	-
	33,555	**(2,930)**	**53,570**	**(6,609)**
Other				
- HTSO				
- Use of the transmission system	186,507	-	224,923	-
- Fees for seconded staff	10,235	-	9,488	-
- Access to and operation of transmission system	-	(232,898)	-	(256,712)
- Energy purchases	-	(202,122)	-	(467,689)
- Other services rendered	23,936	-	21,524	-
	220,678	**(435,020)**	**255,935**	**(724,401)**

Procurement of lignite from LARKO S.A.: On August 24, 2007 the Parent Company signed a contract for the procurement of lignite from LARKO S.A. for a total amount of 1.2 million tones (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 LARKO 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 LARKO 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 favor of PPC, covering the total duration of the contract and the total contractual amount. The value of PPC's lignite procurement based on this contract, for the year 2008, amounted Euro 7.9 m (2007: Euro 1.3 m). In December 2008, LARCO S.A. interrupted the supply of lignite stating that bad weather did not allow the Mine to operate. LARCO S.A. stated its intention to continue the deliveries of lignite as soon as the damages were restored and not later than the end of March 2009. But the deliveries did not start due to the fact that the mine is closed until the environmental permits are approved. The environmental permits were granted and LARCO restarted the deliveries of lignite since end of June 2009. During the ninemonth period of 2009, LARCO has invoiced for lignite deliveries an amount of € 1.7 m approximately.

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	
	30.09.2009	**30.09.2008**	**30.09.2009**	**31.12.2008**
ELPE, purchases of liquid fuel	88,312	343,463	12,122	12,836
DEPA, purchases of natural gas	342,592	655,984	37,504	60,595
	430,904	**999,447**	**49,626**	**73,431**

Further to the above, PPC enters into transactions with many government owned profit 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 the Group's management members (Board of Directors and General Managers) for the nine month period ended September 30, 2009 and 2008, have as follows:

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

8. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (Continued)

	GROUP		COMPANY	
	30.09.09	**30.09.08**	**30.09.09**	**30.09.08**
Compensation of members of the Board of Directors				
- Executive members of the Board of Directors	293	360	143	360
- Non-executive members of the Board of Directors	253	167	136	164
- Compensation / Extra fees	216	-	216	-
- Contribution to defined contribution plans	-	-	-	-
- Other Benefits	4	1	4	1
	766	**528**	**499**	**525**
Compensation of Vice Managing Directors and General Managers				
- Regular compensation	1,201	1,056	1,201	1,056
- Contribution to defined contribution plans	146	120	146	120
- Compensation / Extra fees	237	-	237	-
	1,584	**1,176**	**1,584**	**1,176**
Total	**2,350**	**1,704**	**2,083**	**1,701**

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 Vice Managing Directors and the General Managers.

9. DIVIDENDS

Due to the fact that the year 2008 had loss, there was no dividend distribution in 2009.

10. LOAN AGREEMENTS – REPAYMENTS

Within the nine month period ended September 30, 2009 the Parent Company issued sixteen (16) bond series for a total amount of Euro 1,315 million repayable within the period 2010-2016, bearing interest at EURIBOR plus a margin and proceeded to the renewal for one more year of bonds of a total amount of Euro 220 million with an annual initial duration. Furthermore, the Board of Directors of the Parent Company has approved the issue of bonds of an amount of Euro 840 million, out of which the amount of Euro 160 million has a committed line with availability period of one year from the singing of the loan agreements.

For the first time the Parent Company has included in one loan agreement financial and other covenants (besides ownership) which may lead to default or the increase of borrowing cost, like downgrade of its rating, obligation to retain the following ratios in certain levels: i) EBITDA/Interest higher than 2, ii) Liabilities/Equity below 2 and iii) Net Debt/Tangible Assets and Investments in Joint Ventures and Associates below "0.5".

At September 30, 2009 the available committed credit lines of the overdraft facilities amounted to Euro 275 million, which was unused in total.

The loan repayments for the nine month period ended September 30, 2009 amounted to Euro 1,023 million including the bullet redemption of a Eurobond of an amount of Euro 500 million in March 2009.

11. COMMITMENTS AND CONTINGENCIES

Ownership of Property
According to a study performed by an independent law firm, major matters relating to the ownership of PPC's assets, are as follows:

1. Public Power Corporation S.A. is the legal successor to all property rights of the former PPC legal entity. Its properties are for the most part held free of encumbrances. Although all property is legally owned, legal title in land and buildings will not be perfected and therefore title may not be enforced against third parties until the property is registered at the relevant land registry in PPC's name. PPC is in the process of registering this property free of charge at the relevant land registries following a simplified registration procedure. This process is not yet finalised.

11. COMMITMENTS AND CONTINGENCIES (Continued)

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.

Litigation and Claims
The Group is a defendant in several legal proceedings arising from its operations. The total amount claimed as at September 30, 2009 amounts to approximately, Euro 674 million, as further analysed below:

1. Cl*aims with contractors, suppliers and other claims:* A number of contractors and suppliers have raised claims against the Company, mainly for disputes in relation to the construction and operation of power plants. These claims are either pending before courts or in arbitration and mediation proceedings. The total amount involved is approximately Euro 376 million. 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***:** A number of individuals have raised claims against the Company for damages incurred as a result of alleged electricity-generated fires. The total amount involved is approximately Euro 46 million.

3. *Claims by employees:* Employees are claiming the amount of Euro 173 million, 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 September 30, 2009, the PPC Personnel Insurance Organization ("PPC PIO") 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 a consideration amounting to 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, at the amount of Euro 6,962 (three 3 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 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 all for the 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'. Cases described under (a) have been discussed before second instance courts, however PPC has filed a petition for review before the Supreme Court discussed in September 2008 and was remitted to the Plenary Session of the Supreme Court in January 2009, due to the importance of the case. It is noted that the recommendation in favour of PPC by the said Chamber of the Supreme Court it will be taken into account by the Plenary Session. Furthermore it should be noted that any ruling by the Plenary Session of the Supreme Court shall create a precedent in relation to all other pending cases with similar claims, (b) has already been discussed before first instance courts and the decision issuance process is on hold until the issuance of an irrevocable decision on case (a) above, (c) has been discussed before first instance courts and PPC has filed an appeal, discussed on September, 2008 with the decision still pending, (d) has been discussed before first instance courts, however the decision is still pending, and (e) OAPs' lawsuit was rejected by the Court of Appeal with the Decision No 1459/2009.
For the above amounts the Group has established provisions, which at September 30, 2009 totalled approximately Euro 173 million.

Bank of Crete
The dispute with the old "Bank of Crete" is dating back to 1989, when the bank was under liquidation due to serious legal violations revealed at that time. PPC's deposits of Euro 6,806 (included in other long term assets) with the bank were blocked, while PPC ceased payments on its loans by said bank amounting back then to Euro 12,053. The case, following a pertinent ruling by the Superior Court, was brought to the Court of Appeals which issued a decision partially in PPC's favor. However, a petition for review before the Supreme Court has been filed appeal against the aforesaid decision. The petition was discussed in October 2007, before the Supreme Court and it was sent to the Court of Appeals for a new trial, discussed on March 5th, of 2009. The decision of the Court of Appeals was issued, postponing the final decision and ordering the completion of the expertise report concerning the requested amount of the compound interest by PPCs'

11. COMMITMENTS AND CONTINGENCIES (Continued)

lawsuit. The Decision seems to accept almost in its entirety the lawsuit of PPC, so that after the completion of the expertise report, with the issuance of the final Decision, there may be a decrease of the requested compound interest amounts.

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. Following the issuance of Environmental Permits, by Common Ministerial Decisions, for all Hydroelectric (H/E) Plants, environmental permits are still pending, only for “Plastiras” H/E Plant and the national transmission network, for which the Environmental Impact Assessment Studies have already been submitted to the Ministry for the Environment.

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 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. According to these terms, the continuation, completion and operation of the Messohora Power Plant are permited. Based on the above-mentioned, the concessionaire of the contract for the road communications network project, has been given instructions to continue with the project. The works have been completed and the contract is in the phase of acceptance. On September 30, 2009, the accumulated investment expenses for the Messochora Power Plant project amounted to Euro 278.9 million and it is estimated that until the completion of the project an additional amount of Euro 103.1 million will be required. After the publication of Greek 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 Pindeon Municipality 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.

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: (1) require additional to the already foreseen investments at PPC’s larger thermal power plant stations, (2) reduce the permitted hours of operation of its oil fired power stations. In accordance with European Directive 2001/80/EC, a pollutants emission 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 be 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 Emission 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) the commissioning of the desulphurization plant has started in July 2009.

11. COMMITMENTS AND CONTINGENCIES (Continued)

The renewal of certain thermal power plants' environmental permits is expected, after the issue (August 2008) of the Common Ministerial Decision for the National Emissions Reduction Plan (Directive 2001/80/EC).

In December 2007, a proposal for a new Industrial Emissions Directive (IED) amending IPPC Directive and 2001/80/EK was published by the European Commission. In June 2009, the Council of Ministers for the Environment reached a political agreement on Commission's proposal. The IED text will be finilised following the co-decision procedure between the Council and the European Parliament. After the finalisation of this new proposed directive, eventually additional investments, referring to the above measures (i) and (ii) for existing Units, will be assessed on the new basis and redefined.

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, in PPC's property in Ptolemaida area, of an environmentally – controlled landfill site for the management and final disposal of asbestos containing construction materials existing in its premises located in Northern Greece.

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 World Health Organization (WHO). The above mentioned limits have also been adopted by the European Union as well as the Greek Legislation. 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.

Combined cycle natural gas fired power plant of a 417 MW, in Aliveri

After an international tender, the Project "Study, supply, transportation, installation and putting in operation of a 416.95 MW combined cycle natural gas fired Unit V at Aliveri" was awarded to the successful bidder company (Metka S.A.). The contract with the company was signed on October 2007. The Contract price of the Project is Euro 219 million and the contractual deadline for completion was 27 months after the contract is signed. Construction of the plant is delayed due to antiquities found on the construction site and difficulties about the progress of the permissions. Regarding this Project:

- The Common Ministerial Decision approving the environmental terms has been issued.
- The elaboration and approval of studies for the Project and the delivery of electromechanical equipment are in progress.
- The Study of Treatment and Disposal of Industrial Waste Water was approved.
- On January 13, 2009, Public Power Corporation sent a request to Ministry of Environment and Public Works for modification of the Common Ministerial Decision for the Approval of Environmental Terms (modification for the Regulation of the existing stream).
- On May 12, 2009, the Ministry of Development decided the modification of the installation licence of the new Unit concerning less important changes about the arrangement and the size of the facilities as well as concerning the addition of the Center of Ultrahigh Voltage.
- The Ministry of Civilization approved the construction of main and auxiliary facilities.
- On July 23, 2009, the Building Permission was issued and on September 17, 2009, the site works started.

Discussions with the Contractor about the revised time schedule of the Project and solution of economic subjects and technical modifications, that arose, were completed.

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

11. COMMITMENTS AND CONTINGENCIES (Continued)

Option for acquisition of DEPA shares

PPC's Board of Directors, on October 2, 2007 decided to move with exercising its option for acquisition of DEPA (the natural gas company) shares, which has been done through a contract, decision that has been announced, on January 7, 2008, to the Ministry of Economy. In September 2009 PPC S.A. reached an agreement with National Bank of Greece and BNP Paribas for the provision of advisory services in relation to the exercise of its option and the acquisition of a stake in the share capital of DEPA and DESFA.

Approval of Business Collaboration with Restis Group

PPC and Restis Group of Companies singed on the May 14th, 2009 an "MoU", for examining cooperation in the areas of: (a) Development, construction and operation of lignite mines and lignite power plants in Montenegro, (b) Joint participation in the tender launched by the government of Montenegro for the partial sale and share capital increase of the company "EPCG" (electric utility active in the generation, distribution and supply of energy) and (c) Development, construction and operation of RES projects in Greece and Southeast Europe.

Commission of study, procurement of equipment and construction of a "closed type" substation in Soroni, Rhodes

In June 2008, the Parent Company concluded a tender regarding the project "Design, Procurement of equipment, construction and comission of a "closed type" substation in Soroni, Rhodes" and awarded it to ABB, who offered the lowest price of Euro 12.3 million, approximately. The project is scheduled to complete in two phases. According to the timetable the building phase of the substation was to be completed by April 2010, so the units generation would have been energized for the summer of 2010. But, due to the delay of issuance of the building permit, wich originally was expected to be issued in March 2009, the building phase of the substation is estimatedto be completed in the first half of 2012.

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 to provide thermal energy of 70 MWth for district heating" was announced. The budgeted cost for the new thermal unit was 675 million Euro. The new Unit will be fully equipped with modern and up-to-date antipollutive systems and with a provision of space for future installation of CO2 emissions' capture system. The above mentioned Project had been defined to be completed within 52 months, commencing with the signing of the contract. 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 Inquiry shall be announced.

On July 27, 2009 the decision about the determination of the terms and conditions of the permission for electricity production and for the distribution of thermal energy 70 MWth was issued by Ministry of Development.

The envelope which will be submitted to the relevant Authorities, for renewal and modification of Common Ministerial Decision of the Approval of Environmental Terms, is under preparation.

Tax unaudited years

In 2009 the tax audit of the Parent Company was completed for the years 2006 and 2007, which resulted to accounting differences of Euro 18 million approximately from Income Tax. From VAT, withholding taxes and any other tax obligations, the Company was surcharged with the amount of Euro 1 million approximately, which was paid after the settling off the liabilities of the Greek State. Temporary results of the tax audit for the income tax and VAT were issued until the final resolution of the tax problem with the energy sales invoice to PPC personnel.

Tax unaudited years, for which provisions are established on the basis of the findings of prior tax audits are:

Company	Country	Unaudited years
- PPC Parent Company	Greece	2008
- PPC Renewables S.A.	Greece	2007-2008
- PPC Rhodes S.A.	Greece	1999-2008
- PPC Telecommunications S.A.	Greece	2007-2008
- Arkadikos Ilios Ena S.A.	Greece	2007-2008
- Arkadikos Ilios Dio S.A.	Greece	2007-2008
- Hliako Velos Ena S.A.	Greece	2007-2008
- Hliako Velos Dio S.A.	Greece	2007-2008
- SOLARLAB S.A.	Greece	2007-2008
- Iliaka Parka Ditikis Makedonias Ena S.A.	Greece	2007-2008
- Iliaka Parka Ditikis Makedonias Dio S.A.	Greece	2007-2008
- PPC FINANCE PLC	United Kingdom	-

11. COMMITMENTS AND CONTINGENCIES (Continued)

Business Collaboration with URBASER
PPC and the Spanish company Urbaser agreed in April 2009 on an "MoU", providing for the development of projects in relation with Waste-to-Energy, the Waste Management sector in general, as well as urban and industrial Waste Water Treatment.

Approval of business collaboration with RWE
The Parent Company's Board of Directors, in its meeting dated April 22, 2008 has approved a business collaboration memorandum with RWE. The memorandum between PPC and RWE refers to the exploration of collaboration on the following: a) the development in Porto Romano of Albania of a coal burning unit with a power of 500 – 800 MW. The collaboration memorandum anticipates that if the above mentioned investment is rated as viable, a new separate company will be formed in order to construct and operate the above mentioned station with RWE owning 51%, PPC 39% and TITAN 10% of its share capital. RWE and PPC signed the memorandum of understanding back in June 2008. The Albanian government initiated a short-listing procedure for the erection of this hard coal-fired power plant at the end of 2008. The consortium lead-managed by RWE participates in the first phase of this process and officially submitted, to the Albanian government, an application for the erection and operation of the power plant at the end of February 2009. The evaluation results from the Albanian government are expected in Q4 2009. b) natural gas in Greece and c) renewable energy sources. For the renewable energy sources projects the collaboration memorandum anticipates that RWE will hold 51% of the company's share capital while PPC Renewables S.A., PPC's wholly owned subsidiary will hold 49%.

PPC RENEWABLE
Public Power Corporation Renewables S.A. (PPCR) announced, on the 10th of February 2009, the construction of nine (9) wind parks (W/P) with a total capacity of 35.1 MW. The nine wind parks are located, in Crete (2 W/P), in Samos (2 W/P), in Paros, in Lesvos, in Rhodes, in Sifnos and in Limnos, with a total capital expenditure of € 60 m. Contractor of the nine wind parks is ENERCON GmbH. Our estimation for the construction and the delivery of the wind parks from ENERCON to PPCR will be completed in April 2010 for the projects in Rhodes, Paros and Lesvos and in February 2011 for the projects in Sifnos, Crete, Limnos and Samos.

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 February 2009 the competent authority issued guidelines for the verification of the emissions reports of the year 2008. 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 2008. By the end of March 2009, 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 2008 amount to 52,2 Mt CO_2.

According to the final allocation of CO_2 emissions allowances and the final CO_2 emissions from the 31 bound plants of PPC for 2008 mentioned above, PPC exhibited a shortage of emissions allowances for 2008 in the range of 8,0 Mt CO_2. PPC's results will be burdened by the purchase of the corresponding emission allowances. It should be noted that the shortage of emissions allowances for 2008 will be considered final only after the probable additional allocation of allowances to some new entrance units for the non interconnected islands for 2008, but, in any case, no substantial changes are expected.

According to the temporary results, the CO_2 emissions of PPC's bound plants for the period 01.01.2009 – 30.09.2009 amounts to 38.2 Mt. According to recent projections, the CO_2 emissions for the remaining period 01.10.2009 – 31.12.2009 are estimated to 12.8 Mt, thus the total CO_2 emissions for 2009 are estimated to 51 Mt, approximately. It should be noted that the emissions of 2009 will be considered final by the end of March 2010, when the verification of the annual emissions reports by accredited third party verifiers is completed. The allowances that have been allocated to the 31 existing bound plants of PPC for 2009 are 44.2 Mt CO_2. According to the above, it is estimated that PPC will exhibit a shortage of emission allowances for 2009 amounting to 6.8 Mt CO_2, out of which 5.1 Mt correspond to the ninemonth period enden 30.09.09.

In December 31, 2008 the Company recorded a CO2 emission rights deficit amounting to € 84 m, valued at 31.12.2008 prices. PPC covered this deficit with actual purchases within 9M 2009. This fact had a positive impact on the 9M 2009 financial results, amounting to € 17.6 m, due to the difference between the valuation of the abovementioned deficit at 31/12/2008 prices and the actual purchase cost.

11. COMMITMENTS AND CONTINGENCIES (Continued)

Memorandum of Understanding with MEDGAS

The Board of Directors of the Parent Company approved on May the 28th, 2009 the signing of a MoU with MEDGAS S.A. in order to evaluate a proposal for supply of compressed natural gas (CNG) to the Power Plants of Crete. This proposal was submitted by MEDGAS S.A. to PPC, in order to supply on a long term basis CNG to all Power Plants in Crete – existing and future ones – as an alternative solution to the supply with liquefied natural gas (LNG). The shareholders of MEDGAS S.A. are: (a) EGAS, the company of natural gas of the Egypt Ministry of Oil, by 30%, (b) Kopelouzos Group, by 60% and (c) ARABIA GAZ, a private company of natural gas in Egypt, by 10%. PPCs' Generation Strategy in Crete provides for the use of natural gas in all of its Power Plants, considering two alternative scenarios: (a) The construction by DESFA of an LNG Tterminal in Korakia as well as of all necessary pipelines, to be used for unloading, storage, regasification of LNG and transportation to PPCs' Power Plants; DESFA S.A. has, already taken actions towards studying and developing the infrastructure required, or (b) the supply of compressed natural gas (CNG) from MEDGAS by means of CNG Carriers, to multiple delivery points over the island, in order to be used by PPCs' Power Plants.

Construction of a new Steam Electric unit in Ptolemaida

On May 19th, 2009, in the frame of modification of previous Decision, the Board of Directors of PPC decided that the new Steam Electric unit in Ptolemaida shall be of pulverized lignite technology, instead of fluidized bed, and installed capacity of 550-660 MW, instead of 450 MW, with the capability to provide thermal energy of 140MWth, instead of 120 MWth, for district heating. Moreover, PPC's Chairman and CEO was authorized to select the date of the announcement of inquiry provided that the conditions for the free implementation of the Project, and specifically the forced expropriation of settlements Pontokomis and Mavropigis, have been ensured.
The total budget of the Project amounts to € 1.320 million and the Project is expected to be completed in 70 months from the signing of the contract.
The envelope of the new request to Regulatory Authority of Energy about the determination of general and special terms and conditions of the permission of electricity production has been prepared.
Moreover, the envelope of the request to be submitted to relevant Authorities about the Study of Environmental Impacts is prepared.

Contract for the construction of a diesel engine Power Plant 115,4 MW in South Rodos burning of heavy fuel oil with low sulphur content

After an international tender with the method of restricted procedure, the Project was assigned to the successful bidder company (TERNA S.A.). On July 30, 2009, the relative Contract was signed. The Contract price is Euro 182.8 million.
The issue of the Common Ministerial Decision for the Approval of the Environmental Terms is expected soon.
The procedure of permissions is expected to be completed within 12 months from the date of signing of the contract and then the construction of the Units will start.

Alouminion of Greece"

The Parent Company's Board of Directors, at its meeting held on June 24th, 2008, has approved the filing of a recourse (automatic right for appeal) against the Ministerial Decision referring to the amendment of the electricity generation licences related to the electricity generation plants of "Alouminion of Greece". On July 30th, 2008, the Minister of Development decided to modify the electricity generation licences pertaining to "Alouminion of Greece". In October and November 2008, the Parent Company has terminated its contract with "Alouminion of Greece" dated 13.06.2008, for providing power under 150 KV according to Invoice A, a contract concluded and being in effect since March 7th, 2008. "Alouminion of Greece" has sought interim measures challenging PPC's contract termination as well as before the Council Of State for the annulment of the Ministerial Decision. The hearing of the relevant application (for interim measures) was set for the 23rd of January 2009, however AtE withdrew from the said application. Further to the above mentioned actions, there are also pending actions before the Athens Multimembered Court of First Instance of the one hand of AtE as against PPC, as well as, on the other hand, of PPC as against Alouminio of Greece. Alouminio of Greece 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. On July 7th, 2009, PPCs' Board of Directors approved PPC to enter into an arbitration agreement by virtue, with Alouminion of Greece, for the dispute between the parties concerning the prerequisites and the application of December 2007 Ministerial Decision regarding the high voltage customers´ tariffs. In July 2009 the arbitration agreement was signed, however, the procedure before the Court of Arbitration has not been completed yet. PPC is filing a law suit before the Multi Membered Court of Athens against the "Alouminion of Greece" for all sums related to the consumption of electric energy due and payable to PPC by the "Alouminion of Greece" (including also the sums due to the consumption period of September 2009).

11. COMMITMENTS AND CONTINGENCIES (Continued)

CLAIMS AGAINST LARKO S.A.
LARKO S.A. has refused to pay all sums due and payable to PPC related to its consumption of electric energy since December 2008. As for the sums due and payable to PPC related to the consumption of the period 1.11.2008 to 30.4.2009, PPC has already filed a lawsuit before the Multi Membered Court of Athens against the abovementioned company, the hearing day of which has been set for the 10.3.2011. A new lawsuit will be filled soon (within November 2009) in relation to the rest of sums due to PPC by the said company.

Complaint against the European Commission's Decision regarding lignite extraction rights
On May 13th, 2008, PPC filed before the Court of First Instance of the European Communities (CFI), an application for annulment of the Commission's decision of March 5th 2008 regarding the granting by the Hellenic Republic of lignite extraction rights to PPC. 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. On February 19, the Hellenic Republic submitted its observations before the CFI. Consequently, on February 25 2009, a Commissioner's Letter was addressed to the Hellenic Republic as well as PPC, by which it was made known that the set of measures to be adopted by the Republic must include, the concession through public tender procedures, as soon as possible, to enterprises with the exclusion of PPC, of the relevant lignite rights of the mines of Drama, Elassona, Vevi and Vegora, as well as the disposition of the related extracted amounts to third parties, excluding PPC (save for those cases where no valid offers have been submitted), and the abolishment of article 3 para 3 of Greek law 134/75 by which the relevant lignite extraction rights had been granted to PPC. Finally, both the Hellenic Republic and PPC were requested by the said Letter of the Commission to submit their observations within the period of three (3) weeks. The abovementioned objections were submitted by the Hellenic Republic and PPC to the Commission in time. 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 are defined as obligatory for the Hellenic Republic. The Commission's Decision defines as obligatory for the Hellenic Republic the launching of public tender procedures for the concession of lignite rights for the mines of Drama, Elassona, 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 is also obliged to assure that the third parties that will be awarded the relevant extraction rights, will not sell to PPC the extracted lignite from the specific mines with the exception of those cases where there are no other valid and binding offers. Specifically, with regard to Drama, Elassona and Vegora mines, the Decision of August 4 2009, defines that the tender procedures should be launched within six months from the notification of the decision and the extraction rights should be awarded to the successful bidders within 12 months from the date of notification of the decision. PPC has timely and lawfully submitted (on 19/10/09) an application for annulment of the said decision of the Commission before the CFI of the European Communities.

Oil hedging transactions
In June 2009, the Board of Directors of the Parent Company approved the policy of oil hedging transactions against the increasing volatility in the liquid fuel prices, for the types of fuels that the Company consumes. The company has already hedged a more than 70% of the estimated consumption for the types of liquid fuels that the company consumes, for the second half of 2009.

Joint Venture with Golden Energy One Holdings Ltd (Restis Group of Companies) in the Tender launched by the Government of Montenegro
The Board of Directors of PPC S.A. approved on July 14, 2009, the participation of the Company through a Joint Venture with Golden Energy One Holdings Ltd, a member of Restis Group of Companies, in the Tender launched by the Government of Montenegro for the acquisition of shares and participation in the share capital increase, up to a 45% stake in the company Electroprivreda Crne Gore AD Niksic (EPCG). In addition, the Board of Directors of PPC approved the terms of participation of the Joint Venture in the Tender for the submission of the relevant bid.
On July 17th, 2009 the bid was successfully submitted. On July 24th, 2009 the Privatisation Council of the Government of Montenegro opened in public the financial offers of the remaining bidders. The Financial offer of the Joint Venture of PPC and Golden Energy One Holdings Ltd was the highest one. On July 30th, 2009 the competent Tender Commission of the State of Montenegro evaluated the bids submitted by the Qualified Bidders and the bid submitted by the Consortium Public Power Corporation S.A. – Golden Energy Capital Management S.A. was rejected / refused. Following the contemplated process, the Consortium was informed on August 4, 2009, by the Privatization Council of the Government of Montenegro, that the offer submitted by the Consortium Public Power Corporation S.A. - Golden Energy One Holdings Ltd was rejected, and that the bid was awarded to the last remaining contestant in the tender procedure, Italian company A2A. The Consortium decided not to appeal to the abovementioned decision.

11. COMMITMENTS AND CONTINGENCIES (Continued)

Tender for the supply and installation of a new combined cycle unit at Megalopolis

In April 2008, an international tender was announced for the "Study, supply, transportation, installation and putting in operation of a 750-835 MW combined cycle natural gas fired Unit V in Megalopolis". The budgeted cost for the new thermal unit was Euro 570 million with a delivery time of 34 months after the contract is signed. The Board of Directors of PPC on the July 28th, 2009 decided the unsealing of the financial offers and authorised the Chairman and CEO after the unsealing of the financial offers to ensure the best benefit of the company concerning the accomplishment of a price for the above mentioned tender with the highest limit of Euro 500 million and the resignation of the successful bidder from any claims related to the 12 months delay, at the commercial operation of the new unit, and more specifically due to any delay in the Projects for the natural gas pipeline construction or/and the Projects for the Ultra high Voltage Center construction in Patra and Megalopolis, as well as the High Voltage Transmission Line Patra – Megalopolis construction, for any reason not within PPCs' liability.

On July 31, 2009, the unsealing of Economical Offers was realised. The Committee of Evaluation completed the economical evaluation of offers according to inquiry and on August 3, 2009, submitted the report, wherein the sorting of the bidders is referred. PPC proceeded in discussions with the successful bidder. On August 25, 2009 the Board of Directors of PPC approved the award of the contract to the successful bidder, the Consortium METKA S.A. and ETADE S.A. The contract price amounts to €500 million instead of the initial offer that was € 543 million. 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 from the date of signing of the Contract and for the delay of connection with the network 400 KV, 24 months from the date of signing of the Contract. The Preliminary Environmental Assessment-Evaluation of the Unit was issued by the Authorities and the Study for Environmental Impacts of the Unit was submitted. Moreover, the Preliminary Environmental Assessment of the works, concerning the Regulation of the stream "Kouvelorema" inside the Plant site, was also submitted.

The issue of Common Ministerial Decision Approval of Environmental Terms is expected.

On September 28, 2009, the Consortium METKA – ETADE was invited for the preparation of the Contract, which is expected to be signed soon.

Agreement for Collaboration with the Ministry of Employment

On August 5th, 2009, the Ministry of Employment and PPC S.A. agreed to collaborate in order PPC to engage 2.000 unemployed people. Until the approval date of the Financial Statements, there has not been any delvelopmet regarding this agreement.

Common participation with ENEL SpA in Kosovo's tender:

In November 2006, SENCAP signed an agreement with ENEL SpA, the Italian power company, to form a bidding consortium in order to commonly participate in a tender of the Ministry of Energy and Mines of Kosovo's Temporary Self Administration. The Ministry was seeking participation of competent private investors for the preliminary stage of the tender. A common expression of interest was filed in late November 2006. The project of the above mentioned tender consists of: (a) construction of a new power generating station with an installed capacity up to 2,100 MW, approximately, (b) development of a new lignite mine for the existing power generating stations, (c) development of a new mine in order to supply new generating stations and d) upgrading of the existing power generating station. By late December 2006, Kosovo's Ministry of Energy and Mines announced that the bidding consortium formed by SENCAP and ENEL SpA was among the four competitors, out of ten, pre-selected, thus will proceed to the next stage of the tender. At the beginning of August 2007, the Project Steering Committee announced the engagement of an international firm of advisors for the transaction. According to the preliminary schedule released on July 20, 2009 by the Tender Advisor, it is evaluated that the bid competitors are going to be invited by the Kosovos' Ministry of Energy and Mines, to participate in a Request for Proposals to be launched no later then the 1st quarter of 2010.

Approval of business collaboration with "Halyvourgiki"

The Parent Company's Board of Directors, in its meeting dated April 3, 2008 has approved a business collaboration memorandum with Halyvourgiki. The memorandum between PPC and Halyvourgiki refers to the exploration of collaboration on the following: (a) the construction and operation of two combined cycle natural gas fired units, with a power of 880 MW, in an area inside Halyvourgiki's infrastructure with both units embodying the best available environmentally friendly technology and (b) the transformation of two existing power units with a total power of 100 MVA, in order to compensate for summer's peak demand. The business collaboration memorandum also anticipates the formation of an independent societe anonyme to undertake the above mentioned project with Halyvourgiki owning 51% of the company's capital share and PPC owning 49%. On August 28, 2008 PPCs' Board of Directors approved the terms and conditions of the shareholders collaboration (PPC and HALYVOURGIKI S.A.), for the under formation societe anonyme

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

11. COMMITMENTS AND CONTINGENCIES (Continued)

company. In October 2008, PPC's Board of Directors approved the appropriate actions for the inception of a separate societe anonyme, which will handle the aforementioned project with Halyvourgiki S.A holding 51% of its share capital and PPC 49%, as well as the payment of Euro 4,900 in order for PPC to participate to the new company's share capital. PPC and Halyvourgiki signed the Shareholders' Agreement on 12.02.09 and agreed on the draft of the Articles of Association. Halyvourgiki S.A. will own 51% of the share capital of the joint venture and PPC will own 49%. In February 16, 2009 PPC and HALYVOURGIKI S.A. filed an application to the Independent Committee of Competition, for the formation of the aforementioned company. On May 29th, 2009, the Independent Committee of Competition approved the formation of the company. A contract with the Technical Advisor of the project has already been signed and in July 2009, the contract with the Financial Advisor was signed also. HALYVOURGIKI S.A. filed an application to the Regulatory Authority of Energy for the advisory opinion to the Ministry of Environment, Energy and Climate Change on the transfer of the generation license owned by HALYVOURGIKI to the NewCo which will be jointly formed based on the Shareholders Agreement.

Approval of Business Collaboration with Quantum Corporation Ltd and Bank of Cyprus
PPC signed on the July 2rd, 2009 a "MoU" with Bank of Cyprus and Quantum Corporation for studying the feasibility of the construction and operation of power plants in Bosnia-Herzegovina.

12. SUBSEQUENT EVENTS

Financing from European Investment Bank (EIB)
In October 2009, the European Investment Bank sent a proposal for financing Transmission – Distribution projects for the period 2008 – 2011 amounted € 950 million.

13. SEGMENT INFORMATION

Sales and inter segment results are as follows:

	Sales		Result	
	30.09.2009	**30.09.2008**	**30.09.2009**	**30.09.2008**
Interconnected system				
Mines	598,302	583,816	23,059	17,927
Generation	2,468,170	3,596,287	721,867	228,193
Transmission	198,456	236,930	54,940	108,693
Distribution network	576,281	563,418	197,213	199,295
HTSO	567,398	-	(215)	-
Supply	3,866,972	4,692,754	(136,066)	(261,609)
	8,275,579	**9,673,205**	**860,798**	**292,499**
Creta Network				
Generation	268,160	362,539	34,914	(912)
Distribution network	36,793	37,178	7,979	2,743
Supply	247,327	241,918	64,962	(185,643)
	552,280	**641,635**	**107,855**	**(183,812)**
Non interconnected network				
Generation	244,638	354,362	(30,141)	2,343
Distribution network	34,142	33,455	(6,901)	(15,590)
Supply	221,317	213,838	68,959	(184, 347)
	500,097	**601,655**	**31,917**	**(197,594)**
Operator of Island Network	**580,971**	**-**	**(10,061)**	**-**
Eliminations	(5,414,448)	(6,500,176)	-	-
Financial expenses	-	-	(122,064)	(154,264)
Subsidiaries and related parties	-	-	515	(15,109)
Income tax	-	-	(226,251)	13,650
Grand total	**4,494,479**	**4,416,319**	**642,709**	**(244,630)**

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 2009 - September 30 2009

(In accordance with the Decision 4/507/28.04.2009 of the Hellenic Capital Market Commission)

The purpose of the following information and financial data is to provide users with general financial information about the financial position 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: November, 10 2009

DATA FROM STATEMENT OF FINANCIAL POSITION

Amounts in thousands of Euro

	GROUP		COMPANY	
ASSETS	**30.09.2009**	**31.12.2008**	**30.09.2009**	**31.12.2008**
Tangible assets	12.145.957	11.854.392	12.080.874	11.789.209
Intangible assets, net	5.568	5.870	5.470	5.801
Other non- current assets	33.316	21.067	97.267	86.240
Materials, spare parts and supplies	820.122	762.537	819.373	761.792
Trade receivables	1.056.977	865.179	1.055.699	865.179
Other current assets	223.012	318.472	239.679	326.373
Available for sale financial assets	45.710	23.256	45.710	23.256
Cash and cash equivalents	447.811	103.450	442.488	100.391
TOTAL ASSETS	**14.778.473**	**13.954.223**	**14.786.560**	**13.958.241**
EQUITY AND LIABILITIES				
Share capital	1.067.200	1.067.200	1.067.200	1.067.200
Other equity items	4.575.136	3.914.166	4.574.710	3.914.747
Equity attributable to shareholders of the parent (a)	5.642.336	4.981.366	5.641.910	4.981.947
Minority interests (b)	0	0	0	0
Total Equity (c)=(a)+(b)	5.642.336	4.981.366	5.641.910	4.981.947
Interest bearing loans and borrowings	3.300.203	2.821.696	3.300.203	2.821.696
Provisions / other non current liabilities	3.390.157	3.099.408	3.386.167	3.097.337
Short term borrowings	1.304.357	1.849.281	1.304.352	1.848.265
Other current liabilities	1.141.420	1.202.472	1.153.928	1.208.996
Total liabilities (d)	9.136.137	8.972.857	9.144.650	8.976.294
TOTAL EQUITY AND LIABILITIES (c) + (d)	**14.778.473**	**13.954.223**	**14.786.560**	**13.958.241**

DATA FROM STATEMENT OF CHANGES IN EQUITY

Amounts in thousands of Euro

	GROUP		COMPANY	
	30.09.2009	**30.09.2008**	**30.09.2009**	**30.09.2008**
Total equity at beginning of the period (01.01.2009 and 01.01.2008, respectively)	4.981.366	5.279.901	4.981.947	5.208.288
Total comprehensive income after tax	661.416	(273.634)	660.410	(184.611)
Dividends	0	(23.200)	0	(23.200)
Other	(446)	64.232	(447)	63.490
Equity at the end of the period (30.09.2009 and 30.09.2008, respectively)	**5.642.336**	**5.047.299**	**5.641.910**	**5.063.967**

DATA FROM STATEMENT OF COMPREHENSIVE INCOME

Amounts in thousands of Euro

	GROUP			
	01.01- 30.09.2009	01.01- 30.09.2008	01.07- 30.09.2009	01.07- 30.09.2008
Sales	4.494.479	4.416.319	1.566.054	1.651.381
Gross operating results	1.307.144	346.514	459.276	(11.963)
Profit / (Loss) before tax, financing and investing activities	980.687	(102.918)	343.396	(70.830)
Profit / (Loss) before tax	868.960	(258.280)	311.562	(143.255)
Profit / (Loss) after tax (A)	642.709	(244.630)	230.573	(132.841)
Distributed to:				
- Owners of the Parent	642.709	(244.630)	230.573	(132.841)
- Minority interests	0	0	0	0
Other comprehensive income after tax (B)	18.707	(29.004)	10.544	(4.475)
Total comprehensive income after tax (A)+(B)	661.416	(273.634)	241.117	(137.316)
- Owners of the Parent	661.416	(273.634)	241.117	(137.316)
- Minority interests	0	0	0	0
Earnings / (Loss) per share, basic and diluted (in Euro)	2,7703	(1,0544)	0,9938	(0,5726)
Profit before tax, financing and investing activities and depreciation and amortisation	1.374.582	280.800	475.743	58.697

	COMPANY			
	01.01- 30.09.2009	01.01- 30.09.2008	01.07- 30.09.2009	01.07- 30.09.2008
Sales	4.485.986	4.416.184	1.561.896	1.651.280
Gross operating results	1.310.893	347.581	461.469	(10.896)
Profit / (Loss) before tax, financing and investing activities	976.928	(104.033)	341.203	(72.060)
Profit / (Loss) before tax	865.711	(169.221)	309.459	(133.036)
Profit / (Loss) after tax (A)	640.631	(155.607)	228.887	(121.842)
Distributed to:				
- Owners of the Parent	640.631	(155.607)	228.887	(121.842)
- Minority interests	0	0	0	0
Other comprehensive income after tax (B)	19.779	(29.004)	11.616	(4.475)
Total comprehensive income after tax (A)+(B)	660.410	(184.611)	240.503	(126.317)
- Owners of the Parent	660.410	(184.611)	240.503	(126.317)
- Minority interests	0	0	0	0
Earnings / (Loss) per share, basic and diluted (in Euro)	2,7613	(0,6707)	0,9866	(0,5252)
Profit before tax, financing and investing activities and depreciation and amortisation	1.367.118	276.585	472.202	56.390

DATA FROM STATEMENT OF CASH FLOW

Amounts in thousands of Euro

	GROUP		COMPANY	
	01.01- 30.09.2009	01.01- 30.09.2008	01.01- 30.09.2009	01.01- 30.09.2008
Cash Flows from Operating Activities				
Profit / (Loss) before tax from continuing operations	868.960	(258.280)	865.711	(169.221)
Adjustments:				
Depreciation and amortisation	451.504	433.721	447.431	430.311
Amortisation of customers' contributions and subsidies	(57.609)	(49.383)	(57.241)	(49.693)
Expenditure for CO_2 emission rights	27.980	0	27.980	0
Fair value (gain) / loss of derivative instruments	736	2.483	736	2.483
Share of loss of associates	(515)	15.221	0	0
Interest income	(13.840)	(19.683)	(14.802)	(19.679)
Sundry provisions	51.460	8.233	51.441	8.233
Loss / (Profit) from cover of CO_2 liabilities of the year 2008	(17.553)	0	(17.553)	0
Unrealised foreign exchange losses (gains) on interest bearing loans and borrowings	(194)	3.494	(199)	3.398
Unbilled revenue	13.742	(17.770)	13.742	(17.770)
Amortisation of loan origination fees	(10.832)	1.296	(10.832)	1.523
Interest expense	119.877	149.722	119.814	149.687
Working capital adjustments:				
Increase / (Decrease) in:				
Accounts receivable, trade and other	(170.291)	(412.477)	(173.001)	(422.978)
Other current assets	(5.021)	(13.649)	(4.785)	(12.415)
Materials, spare parts and supplies	(55.793)	(126.893)	(55.793)	(125.823)
Increase / (decrease) in:				
Trade and other payables	(145.644)	127.576	(147.211)	164.329
Other non-current liabilities	14.899	27.892	14.839	27.848
Accrued/other liabilities excluding interest	3.156	188.748	3.262	188.748
Net Cash from Operating Activities (a)	**1.075.022**	**60.251**	**1.063.539**	**158.981**
Cash Flows from Investing Activities				
Interest received	13.840	19.683	14.802	19.679
Capital expenditure of fixed assets and software	(760.376)	(717.273)	(753.300)	(712.868)
Disposal of fixed assets and software	17.282	521	17.282	1.531
Proceeds from customers' contributions and subsidies	204.881	153.631	202.572	153.631
Investments in subsidiaries and associates	(3.712)	(49)	(3.712)	62.173
Loan allowances in subsidiaries	(2.474)	0	0	0
Net Cash used in Investing Activities (b)	**(530.559)**	**(543.487)**	**(522.356)**	**(475.854)**
Cash Flows from Financing Activities				
Net change in short-term borrowings	(358.500)	205.825	(357.500)	204.800
Proceeds from interest bearing loans and borrowings, net of issuance fees	1.315.000	815.000	1.315.000	815.000
Principal payments of interest bearing loans and borrowings	(1.022.723)	(524.990)	(1.022.707)	(524.990)
Interest paid	(133.879)	(136.866)	(133.879)	(136.831)
Dividends paid	0	(23.190)	0	(23.190)
Net Cash used in Financing Activities (c)	**(200.102)**	**335.779**	**(199.086)**	**334.789**
Net increase / (decrease) in cash and cash equivalents (a)+(b)+(c)	**344.361**	**(147.457)**	**342.097**	**17.916**
Cash and cash equivalents at the beginning of the period	**103.450**	**196.541**	**100.391**	**28.290**
Cash and cash equivalents at the end of the period	**447.811**	**49.084**	**442.488**	**46.206**

ADDITIONAL DATA AND INFORMATION

All amounts in thousands of Euro, unless otherwise stated

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
PPC S.A.	Parent Company	Greece	2008
PPC Renewable Sources S.A.	100%	Greece	2007-2008
PPC Rhodes S.A.	100%	Greece	1999-2008
PPC TELECOMMUNICATIONS S.A.	100%	Greece	2007-2008
ARKADIKOS ILIOS 1 S.A.	100%	Greece	2007-2008
ARKADIKOS ILIOS 2 S.A.	100%	Greece	2007-2008
ILIAKO VELOS 1 S.A.	100%	Greece	2007-2008
ILIAKO VELOS 2 S.A.	100%	Greece	2007-2008
SOLARLAB S.A.	100%	Greece	2007-2008
ILIAKA PARKA DITIKIS MAKEDONIAS 1 S.A.	100%	Greece	2007-2008
ILIAKA PARKA DITIKIS MAKEDONIAS 2 S.A.	100%	Greece	2007-2008
PPC FINANCE PLC	90%	UK	-

In 2009 the tax audit of the Parent Company was completed for the years 2006 and 2007, which resulted to accounting differences of Euro 18 million approximately from Income Tax. From VAT, withholding taxes and any other tax obligations, the Company was surcharged with the amount of Euro 1 million approximately, which was paid after the settling off the liabilities of the Greek State. Temporary results of the tax audit for the income tax and VAT were issued until the final resolution of the tax problem with the energy sales invoice to PPC personnel.

In June 2006, the Annual Shareholders' General Assemblies for PPC Rhodes S.A. decided to dissolve the aforementioned company and to initiate the appropriate procedures on July 1, 2006, according to international commerce law. The process for PPC Rhodes S.A. is yet to be completed.

Equity method:

Company	Note	% participation	Country of incorporation	Unaudited tax Years
LARCO S.A.		28.56%	Greece	2002 - 2008
SENCAP S.A.		50%	Greece	2006 - 2008
PPC RENEWABLES ROKAS S.A.		49%	Greece	2007 - 2008
PPC RENEWABLES – TERNA ENERGIAKI S.A.		49%	Greece	2006 - 2008
PPC RENEWABLES – MEK ENERGIAKI S.A.		49%	Greece	2002 - 2008
PPC RENEWABLES NANKO ENERGY – MYHE GITANI S.A.		49%	Greece	2007 - 2008
PPC RENEWABLES ELTEV AIFOROS S.A.		49%	Greece	2008
GOOD WORKS S.A.		49%	Greece	2005 - 2008
PPC RENEWABLES EDF EN GREECE S.A.		49%	Greece	2007 -2008
EEN VOIOTIA S.A.	1	46.60%	Greece	2007 -2008
ORION ENERGIAKI S.A.	2	49%	Greece	2007 -2008
ASTREOS ENERGIAKI S.A.	2	49%	Greece	2007 -2008
PHOIBE ENERGIAKI S.A.	2	49%	Greece	2007 -2008
IAPETOS ENERGIAKI S.A.	2	49%	Greece	2007 -2008
AIOLIKO PARKO LOUKO S.A		49%	Greece	-
AIOLIKO PARKO BABO VIGLIES S.A.		49%	Greece	-
AIOLIKO PARKO LEFKIVARI S.A.		49%	Greece	-
AIOLIKO PARKO AGIOS ONOUFRIOS S.A.		49%	Greece	-
AIOLIKO PARKO KILIZA S.A.		49%	Greece	-
PPC FINANCE PLC		10%	UK	-

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.

2. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the preparation of the financial statements for the year ended December 31, 2008.
3. There exist no burdens on the Group's fixed assets, the existence of which could materially affect the Group's financial position.
4. Adequate provisions have been established for all litigation.
5. Provisions of the Group and the Parent Company as of September 30, 2009 are as follows :

Amounts in thousands of Euro	Group	Company
a) Provision for litigation and arbitration	7,550	7,550
b) Provision for audited by tax authorities fiscal years	4,975	4,793
c) Other provisions	43,640	43,621

6. Total payrolls of the Group and the Company number 23,127 employees and 23,900 employees as of September 30, 2009 and 2008 respectively. On September 30, 2009 and 2008, 254 and 247 employees have been transferred to Public Sector Services (ministries etc.) out of which, 206 and 199 were compensated by PPC. The total payroll cost of such employees amounted to Euro 6,505 and Euro 6,350 for the period ended September 30, 2009 and 2008, respectively.
7. Sales and purchases of the Group and the Parent Company for the period ended September 30, 2009 as well as receivables and payables as of September 30, 2009 of the Group and the Parent Company, according to IAS 24 are as follows:

Amounts in thousands of Euro	Group	Company
a) Sales	254,233	260,728
b) Purchases	437,950	445,461
c) Receivables from related parties	358,450	376,784
d) Payables to related parties	356,935	363,817
e) Key management personnel compensations	2,350	2,083
f) Receivables from key management personnel compensations	0	0
g) Payables to key management personnel compensations	0	0

8. Capital expenditure of the Group and the parent company for the period ended September 30, 2009 amounted to Euro 760.4 million and of Euro 753.3 million respectively.
9. Other Comprehensive income / (loss) after tax which was recognized directly in equity for the period ended September 30, 2009 are as follows:

Amounts in thousands of Euro	Group	Company
Profit / (Loss) from fair value available for sale valuation	18,936	18,936
Other	(229)	843
Total	18,707	19,779

10. According to the temporary results, the CO_2 emissions of PPC's bound plants for the period 01.01.2009 – 30.09.2009 amounts to 38.2 Mt. According to recent projections, the CO_2 emissions for the remaining period 01.10.2009 – 31.12.2009 are estimated to 12.8 Mt, thus the total CO_2 emissions for 2009 are estimated to 51 Mt, approximately. It should be noted that the emissions of 2009 will be considered final by the end of March 2010, when the verification of the annual emissions reports by accredited third party verifiers is completed. The allowances that have been allocated to the 31 existing bound plants of PPC for 2009 are 44.2 Mt CO_2. According to the above, it is estimated that PPC will exhibit a shortage of emission allowances for 2009 amounting to 6.8 Mt CO_2, out of which 5.1 Mt correspond to the nine month period ended 30.09.2009. In December 31, 2008 the Company recorded a CO_2 emission rights deficit amounting to Euro 84 m, valued at 31.12.2008 prices. PPC covered this deficit with actual purchases within nine month period ended 30.09.2009. This fact had a positive impact on the nine month period ended 30.09.2009 financial results, amounting to Euro 17.6 m, due to the difference between the valuation of the abovementioned deficit at 31.12.2008 prices and the actual purchase cost.
11. On May 19th, 2009, in the frame of modification of previous Decision, the Board of Directors of PPC decided that the new Steam Electric unit in Ptolemaida shall be of pulverized lignite technology, instead of fluidized bed, and installed capacity of 550-660 MW, instead of 450 MW, with the capability to provide thermal energy of 140 MWth, instead of 120 MWth, for district heating. Moreover, PPC's Chairman and CEO was authorized to select the date of the announcement of inquiry provided that the conditions for the free implementation of the Project, and specifically the forced expropriation of settlements Pontokomis and Mavropigis, have been ensured. The total budget of the Project amounts to Euro 1.320 million and the Project is expected to be completed in 70 months from the signing of the contract. The envelope of the new request to Regulatory Authority of Energy about the determination of general and special terms and conditions of the permission of electricity production has been prepared. Moreover, the envelope of the request to be submitted to relevant Authorities about the Study of Environmental Impacts is prepared.
12. After an international tender with the method of restricted procedure, the Project for the construction of a diesel engine Power Plant 115,4 MW in South Rodos burning of heavy fuel oil with low sulphur content was assigned to the successful bidder company (TERNA S.A.). On July 30, 2009, the relative Contract was signed. The Contract price is Euro 182.8 million. The issue of the Common Ministerial Decision for the Approval of the Environmental Terms is expected soon. The procedure of permissions is expected to be completed within 12 months from the date of signing of the contract and then the construction of the Units will start.
13. In June 2009, the Board of Directors of the Parent Company approved the policy of oil hedging transactions against the increasing volatility in the liquid fuel prices, for the types of fuels that the Company consumes. The company has already hedged a more than 70% of the estimated consumption for the types of liquid fuels that the company consumes, for the second half of 2009.
14. On August 5th, 2009, the Ministry of Employment and PPC S.A. agreed to collaborate in order PPC to engage 2.000 unemployed people. Until the approval date of the Financial Statements, there has not been any development regarding this agreement.
15. In April 2008, an international tender was announced for the "Study, supply, transportation, installation and putting in operation of a 750-835 MW combined cycle natural gas fired Unit V in Megalopolis". The budgeted cost for the new thermal unit was Euro 570 million with a delivery time of 34 months after the contract is signed. The Board of Directors of PPC on the July 28th, 2009 decided the unsealing of the financial offers and authorized the Chairman and CEO after the unsealing of the financial offers to ensure the best benefit of the company concerning the accomplishment of a price for the above mentioned tender with the highest limit of Euro 500 million and the resignation of the successful bidder from any claims related to the 12 months delay, at the commercial operation of the new unit, and more specifically due to any delay in the Projects for the natural gas pipeline construction or/and the Projects for the Ultra high Voltage Center construction in Patra and Megalopolis, as well as the High Voltage Transmission Line Patra- Megalopolis construction, for any reason not within PPCs' liability. On July 31, 2009, the unsealing of Economical Offers was realized. The Committee of Evaluation completed the economical evaluation of offers according to inquiry and on August 3, 2009, submitted the report, wherein the sorting of the bidders is referred. PPC proceeded in discussions with the successful bidder. On August 25, 2009 the Board of Directors of PPC approved the award of the contract to the successful bidder, the Consortium METKA S.A. and ETADE S.A. The contract price amounts to Euro 500 million instead of the initial offer that was Euro 543 million. 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 from the date of signing of the Contract and for the delay of connection with the network 400 KV, 24 months from the date of signing of the Contract. The Preliminary Environmental Assessment-Evaluation of the Unit was issued by the Authorities and the Study for Environmental Impacts of the Unit was submitted. Moreover, the Preliminary Environmental Assessment of the works, concerning the Regulation of the stream "Kouvelorema" inside the Plant site, was also submitted. The issue of Common Ministerial Decision Approval of Environmental Terms is expected. On September 28, 2009, the Consortium METKA - ETADE was invited for the preparation of the Contract, which is expected to be signed soon.
16. On May 13th, 2008, PPC filed before the Court of First Instance of the European Communities (CFI), an application for annulment of the Commission's decision of March 5th 2008 regarding the granting by the Hellenic Republic of lignite extraction rights to PPC. 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. On February 19, the Hellenic Republic submitted its observations before the CFI. Consequently, on February 25 2009, a Commissioner's Letter was addressed to the Hellenic Republic as well as PPC, by which it was made known that the set of measures to be adopted by the Republic must include, the concession through public tender procedures, as soon as possible, to enterprises with the exclusion of PPC, of the relevant lignite rights of the mines of Drama, Elassona, Vevi and Vegora, as well as the disposition of the related extracted amounts to third parties, excluding PPC (save for those cases where no valid offers have been submitted), and the abolishment of article 3 para 3 of Greek law 134/75 by which the relevant lignite extraction rights had been granted to PPC. Finally, both the Hellenic Republic and PPC were requested by the said Letter of the Commission to submit their observations within the period of three (3) weeks. The abovementioned objections were submitted by the Hellenic Republic and PPC to the Commission in time. 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 are defined as obligatory for the Hellenic Republic. The Commission's Decision defines as obligatory for the Hellenic Republic the launching of public tender procedures for the concession of lignite rights for the mines of Drama, Elassona, 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 is also obliged to assure that the third parties that will be awarded the relevant extraction rights will not sell to PPC the extracted lignite from the specific mines with the exception of those cases where there are no other valid and binding offers. Specifically, with regard to Drama, Elassona and Vegora mines, the Decision of August 4 2009, defines that the tender procedures should be launched within six months from the notification of the decision and the extraction rights should be awarded to the successful bidders within 12 months from the date of notification of the decision. PPC has timely and lawfully submitted (on 19.10.2009) an application for annulment of the said decision of the Commission before the CFI of the European Communities.

Athens, November 10, 2009

CHAIRMAN & CHIEF EXECUTIVE OFFICER	VICE CHAIRMAN & DEPUTY CEO	CHIEF FINANCIAL OFFICER	CHIEF ACCOUNTANT
PANAGIOTIS J. ATHANASOPOULOS	NIKOLAOS D. CHATZIARGYRIOU	GEORGE C. ANGELOPOULOS	EFTHIMIOS A. KOUTROULIS