

PUBLIC POWER CORPORATION S.A.

CONSOLIDATED BALANCE SHEETS

31st March, 2004 and 2003, UNAUDITED

IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS

(All amounts in thousands of Euro)

ASSETS	2004	2003
Non-Current Assets:		
Property, plant and equipment, net	9.046.750	8.947.861
Software, net	10.063	1.880
Investments in associates	19.428	30.597
Other non-current assets	11.439	12.875
Deferred tax assets	153.394	133.451
Total non-current assets	9.241.074	9.126.664
Current Assets:		
Materials, spare parts and supplies, net	550.014	570.462
Trade receivables, net	662.480	624.355
Other receivables, net	69.299	73.328
PPC Personnel Insurance Organisation	-	22.164
Other current assets	8.120	8.557
Derivative asset	7.643	9.902
Marketable and other securities	20.631	9.020
Cash and cash equivalents	22.120	38.014
Total current assets	1.340.307	1.355.802
Total assets	10.581.381	10.482.466
EQUITY AND LIABILITIES		
EQUITY:		
Share capital	1.067.200	1.067.200
Share premium	106.679	106.679
Legal reserve	21.116	11.127
Revaluation surplus	2.543.342	2.547.711
Reversal of fixed assets' statutory revaluation surplus included in share capital	(947.342)	(947.342)
Reserves	222.031	204.890
Retained earnings	424.785	281.932
Total equity	3.437.811	3.272.197
Non-Current Liabilities:		
Long-term debt, net of current portion	3.212.928	3.170.051
Provisions	443.570	431.551
Deferred customers' contributions and subsidies	1.287.462	1.208.839
Deferred income tax liability	49.191	31.225
Other non-current liabilities	363.314	350.460
Total non-current liabilities	5.356.465	5.192.126
Current Liabilities:		
Trade and other payables	670.029	524.739
Short-term borrowings	22.000	69.900
Current portion of long-term debt	563.588	832.500
Derivative liability	51.248	78.325
Dividends payable	162.626	116.099
Income tax payable	211.706	262.359
Accrued and other current liabilities	105.908	134.221
Total current liabilities	1.787.105	2.018.143
Total liabilities and equity	10.581.381	10.482.466

PUBLIC POWER CORPORATION S.A.

CONSOLIDATED STATEMENT OF INCOME
FOR THE THREE MONTHS ENDED 31st MARCH, 2004 AND 2003, UNAUDITED
IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS
(All amounts in thousands of Euro - except per share data)

	<u>2004</u>	<u>2003</u>
REVENUES:		
Revenue from energy sales	967.815	884.637
Other	75.525	68.597
	<u>1.043.340</u>	<u>953.234</u>
EXPENSES:		
Payroll cost	213.309	202.744
Lignite	137.039	126.120
Liquid fuel	88.160	109.189
Natural gas	76.991	47.245
Depreciation and amortization	115.295	102.013
Energy purchases	36.074	34.674
Materials and consumables	29.059	19.105
Transmission system usage	63.947	60.095
Utilities and maintenance	19.069	16.536
Third party fees	5.239	4.382
Taxes and duties	5.787	5.511
Provision for risks	1.250	3.496
Provision for slow-moving materials	2.025	5.920
Allowance for doubtful balances	2.268	1.863
Other expenses	11.178	10.076
PROFIT FROM OPERATIONS	<u>236.650</u>	<u>204.265</u>
Financial expenses	(44.155)	(45.697)
Financial income	2.542	4.335
Share of loss of associates	(3.189)	(9.107)
Foreign currency gains/ (losses), net	(6.275)	17.664
Other income/ (expense), net	697	2.863
PROFIT BEFORE TAX	<u>186.270</u>	<u>174.323</u>
Income tax expense	(70.643)	(69.720)
PROFIT AFTER TAX	<u>115.627</u>	<u>104.603</u>
Earnings per share, basic and diluted	<u>0,50</u>	<u>0,45</u>
Weighted average number of shares	<u>232.000.000</u>	<u>232.000.000</u>

PUBLIC POWER CORPORATION S.A.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED 31st MARCH, 2004 AND 2003, UNAUDITED
IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS
(All amounts in thousands of Euro)

	<u>2004</u>	<u>2003</u>
Cash Flows from Operating Activities		
Profit before tax	186.270	174.323
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortisation	164.876	153.677
Amortisation of customers' contributions and subsidies	(26.463)	(24.217)
Fair value (gain)/ loss of derivative instruments	6.978	(3.380)
Share of loss of associates	(3.196)	9.107
Interest income	(2.542)	(2.094)
Sundry provisions	5.929	11.415
Unrealised foreign exchange gains on interest bearing loans and borrowings	3.176	(14.379)
Unbilled revenue	-	(41.652)
Interest expense	38.311	43.489
Operating profit before working capital changes	<u>373.339</u>	<u>306.289</u>
(Increase)/ Decrease in:		
Accounts receivable, trade and other	(65.769)	(18.084)
Other current assets	(1.354)	(2.390)
PPC Personnel Insurance Organisation	-	39.130
Materials, spare parts and supplies	(12.165)	(14.755)
Other non-current assets	(594)	-
Increase/ (Decrease) in:		
Accounts payable	(28.334)	(57.372)
Other non-current liabilities	5.750	4.415
Accrued liabilities excluding bank loan interest	39.264	33.897
Net Cash from Operating Activities	<u>310.137</u>	<u>291.130</u>
Cash Flows from Investing Activities		
Interest received	2.542	2.094
Capital expenditure for fixed assets and software	(171.774)	(118.000)
Disposal of fixed assets and software	3.514	1.227
Proceeds from customers' contributions and subsidies	37.245	37.909
Investments	(5.000)	(10.464)
Net Cash used in Investing Activities	<u>(133.473)</u>	<u>(87.234)</u>
Cash Flows from Financing Activities		
Net change in short-term borrowings	(35.100)	(33.500)
Proceeds from interest bearing loans and borrowings	200.000	24.965
Principal payments of interest bearing loans and borrowings	(309.220)	(135.164)
Interest paid	(37.717)	(50.590)
Net Cash used in Financing Activities	<u>(182.037)</u>	<u>(194.289)</u>
Net decrease in cash and cash equivalents	(5.373)	9.607
Cash and cash equivalents at beginning of year	<u>27.493</u>	<u>28.407</u>
Cash and cash equivalents at end of year	<u><u>22.120</u></u>	<u><u>38.014</u></u>

PUBLIC POWER CORPORATION S.A.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE THREE MONTHS ENDED 31st MARCH , 2004, UNAUDITED
 IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS
 (Expressed in thousands of Euro)

	Share Capital	Share Premium	Legal Reserve	Revaluation Surplus	Reversal of Revaluation Gains	Reserves			Retained Earnings/ (Accumulated Deficit)	Total Equity
						Marketable Securities Valuation Surplus	Tax-free and Other Reserve	Reserves Total		
Balance, 31st December 2003	1.067.200	106.679	21.116	2.543.342	(947.342)	9.640	211.561	221.201	471.558	3.483.754
Net income for the year		0	0	0	0	0	0	0	115.627	115.627
Dividends		0	0	0	0	0	0	0	(162.400)	(162.400)
Valuation of marketable securities		0	0	0	0	830	0	830	0	830
Balance, 31st March 2004	1.067.200	106.679	21.116	2.543.342	(947.342)	10.470	211.561	222.031	424.785	3.437.811

PUBLIC POWER CORPORATION S.A.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE THREE MONTHS ENDED 31st MARCH , 2003, UNAUDITED
 IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS
 (Expressed in thousands of Euro)

	Share Capital	Share Premium	Legal Reserve	Revaluation Surplus	Reversal of Revaluation Gains	Reserves			Retained Earnings/ (Accumulated Deficit)	Total Equity
						Marketable Securities Valuation Surplus	Tax-free and Other Reserves	Reserves Total		
Balance, 31st December 2002	1.067.200	106.679	11.127	2.547.711	(947.342)	2.405	206.031	208.436	293.329	3.287.140
Net income for the year		0	0	0	0	0	0	0	104.603	104.603
Dividends		0	0	0	0	0	0	0	(116.000)	(116.000)
Valuation of marketable securities		0	0	0	0	(3.546)	0	(3.546)	0	(3.546)
Balance, 31st March 2003	1.067.200	106.679	11.127	2.547.711	(947.342)	(1.141)	206.031	204.890	281.932	3.272.197