

PRESS RELEASE

11 FEBRUARY 2004

<p>HERMES S.A. AND GEK S.A. ANNOUNCE THEIR STRATEGIC MERGER</p>

Following their assemblies on February 10th 2004, the Boards of Directors of HERMES S.A. ("HERMES") and GEK S.A. ("GEK") unanimously decided to propose the absorption of GEK by HERMES to their shareholders - according to the provisions of L. 2166/1993 and P.L. 2190/1920.

The contributing value of each company as well as the merger's exchange ratio will be proposed following compilation of the absorption's financial statements with a date on 03/31/2004, and will be approved by the General Shareholder Meetings. The General Shareholder Meetings will be also informed through reports made by independent auditor accountants, who will perform the valuation of the two companies and decide on a fair ratio relating to the merging values of the two companies.

According to the current legislation, the merger process is under the relevant approvals provided by the General Shareholder Meetings and the corresponding state authorities. It is estimated that the merger phase will complete within 6 months from the reference date of the absorption's financial statements.

Following the above merger, the new company will be active in property development and management, and participate in one of the largest construction companies in Greece, TERNA. Furthermore, the new company will hold a significant position in the developing energy sector through its participation in TERNA ENERGY.

The Boards of Directors view that the proposed merger is to the benefit of their shareholders. The completion of this merger will lead to a major restructuring of the Group's operating activities, forming a group of companies with a strong capital structure and a significant presence and specialization in construction, energy, as well as property development and management.

EFG Telesis Finance acts as the advisor on the merger.

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