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Press Release

FOR IMMEDIATE RELEASE

GEK GROUP continues to deliver strong growth in the first quarter 2004

Company	Sales*	Ch%**	Operating Profit	Ch%	PBT (a.m)*	Ch%
GEK	91,1	16%	15,8	131%	10,1	147%
TERNA	91,2	15%	15	116%	14,4	123%

**Amounts in million euros-consolidated, profits after minorities*

***Changes% refer to the equivalent period last year*

- **Excellent performance of the construction sector of the group in the first quarter**
- **The merge between GEK S.A and HERMES S.A is proceeding, further reinforcing the already strong capital base of the group/ numerous synergies should be expected**
- **Wind parks perform very well, whilst the group is currently building the first private gas-fired plant in Greece (operational in June 2004)**

Athens, Greece May 27th 2004 – GEK group announces consolidated results for the first quarter of 2004 ended March 31th, 2004.

1. Overview

GEK S.A consolidated results*:

million euros	Q1 04	Q1 03	Change %
Sales	91,1	78,7	16%
Operating profit	15,8	6,8	131%
PBT a.m	10,1	4,1	147%

Revenues rose 16%, reaching € 91,1. million compared to € 78,7 million in the same period last year, mainly driven by the very good performance of the Group's construction sector.

Operating Profit increased by 131% to € 15,8 million, compared to € 6,8 million in the same period last year.

Profit before taxes and after minorities recorded an increase of 147% by reaching € 10,1 million compared to € 4,1 million in Q1 03.

Cash position amounted to € 18,4 million.

Long and short-term borrowings reached 52,2 million

Depreciation stood at € 3,2 million.

TERNA S.A consolidated results*:

million euros	Q1 04	Q1 03	Change %
Sales	91,2	79,5	15%
Operating Profit	15	6,9	116%
PBTam**	14,4	6,4	123%

* The results are perfectly comparable with last year results

**Profit before taxes and after minorities

Revenues increased 15 % reaching € 91,2 million from € 79,5 million in the prior year.

Operating profit reached € 15 million and increased by 116%, whilst operating margin reached 16% demonstrating the positive impact of the successful restructuring and cost efficiencies.

Income before taxes and after minorities reached € 14,4 million, an increase of 123% compared to the equivalent period.

Cash stood at € 14,9 million and the company has € 13 million long-term debt (the bulk of which is attributed to the financing of energy investments). Short-term borrowings stood at € 27 million, which is mainly for working capital needs.

As the management commented: “ **the first quarter is very satisfactory, since the construction sector of the Group is performing very well, aided by the cost efficiencies and synergies created during the last period.**

In the energy sector, we expect that 2004 will be the catalyst for this business unit of the Group. More wind parks are under construction, whilst the first Greek private gas fired plant will be ready in June and will be operated by us.

The merger of GEK S.A with HERMES S.A will generate numerous synergies and moreover, it will further strengthen the Group’s capital base.

2. Main operations’ outlook

The first quarter 2004 results illustrate the synergies created through restructuring in construction operations and the contributing value of the energy sector of the group.

In the **construction business** area, TERNA’s results were very satisfactory, indicating the continuation of an upward trend in sales and profitability for the full year. The company has the critical size and the fundamental soundness to consolidate its position as a contractor and energy producer in the broader geographic area.

Terna is currently pre-selected for the construction of 4 concession road works, having an indicative value of 3 billion euros. Moreover, the company is currently bidding for several large-scale contracts domestically and abroad, from which new order taking should result.

In the **energy business** area, sales from wind parks (41MW installed so far) stood at approximately € 2,3 million, whereas profitability stood at c1 million. It is worth mentioning that another 70MW are currently under constructions, which are expected to generate income by the end of 2004- beginning 2005. Also, the group is building the first Greek private gas-fired plant (147 MW), which will be ready to operate and generate income in June 04.

In the **real estate** business, the group proceeds with the merge of GEK SA. and HERMES S.A (one of the largest Greek real estate companies) and thus, the real estate sector of the Group is being strengthened, offering synergies, flexibility, solid capital base and increased profitability for the coming years.

About GEK group

GEK group is activated mainly in three business areas, Construction, Real Estate end Energy, achieving synergies and diversification of its activities. The group's excellent execution track record in its construction sector, the well established position in the Greek energy market and its major Real Estate assets have already consolidated the group among the leaders in these business areas. GEK group envisages future development through its credibility, extensive know how and substantial experience, together with its commitment on delivering to its customers the optimum outcome and creating shareholder's value.

APPENDIXConsolidated Interim Income Statement for **GEK Group**

For the first quarter 2004 period ended March 31, 2004

Consolidated Income Statement

(In thousands)

	<u>Q1 04</u>	<u>Q1 03</u>
Company Sales	91,149	78,756
<i>Sales from Joint ventures</i>	26,771	39,790
Cost of goods sold	52,233	33,802
<u>Gross profit</u>	<u>12,144</u>	<u>5,163</u>
Other operating income	122	629
Pre tax profit from JV (net)	7,361	4,962
S & A expenses	3,176	3,492
Net Financial results	(557)	(375)
Net Extraordinary results	269	355
Total Depreciation	3,202	2,954
<i>Less: charged to the operating cost</i>	3,190	2,559
<u>Profit before taxation</u>	<u>16,151</u>	<u>6,848</u>
<u>Minority interests</u>	<u>6,010</u>	<u>2,742</u>
<u>Net Profit before taxation</u>	<u>10,140</u>	<u>4,106</u>

Consolidated Interim Income Statement for **TERNA S.A**

For the first quarter 2004 period ended March 31, 2004

Consolidated Income Statement

(In thousands)

	<u>Q1 04</u>	<u>Q1 03</u>
Company Sales	91,276	79,543
<i>Sales from Joint Ventures</i>	26,771	39,790
Cost of goods sold	53,732	34,353
<u>Gross profit</u>	<u>10,772</u>	<u>5,399</u>
Other operating income	122	259
Pre Tax Profit from JV (net)	7,419	4,962
S & A expenses	2,832	3,282
Net Financial results	(454)	(378)
Net Extraordinary results	243	355
Total depreciation	3,113	2,906
<i>Less: charged to the operating cost</i>	3,101	2,512
<u>Profit before taxation</u>	<u>15,257</u>	<u>6,922</u>
Minority interests	827	470
<u>Net Profit before taxation</u>	<u>14,430</u>	<u>6,451</u>