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Press Release

FOR IMMEDIATE RELEASE

GEK & TERNA exhibit strong growth in the nine month period of 2004

Company	Sales*	Ch%*	Operating Profit	Ch%	PBT (a.m)**	Ch%
GEK	352,1	20%	58,4	48%	37,4	37%
TERNA	358,5	21%	55,4	42%	52	40%

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

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

- **Construction continues to perform excellently**
- **The merger between GEK S.A and HERMES S.A is on a final stage, further reinforcing the already strong capital base of the group/ numerous synergies should be expected/ the group achieves a “critical size”, an important fact within a maturing market**
- **Existing wind parks perform very well, whilst the group has already installed the first private gas-fired plant in Greece**

Athens, Greece November 29th 2004 – GEK group announces consolidated results for the nine month period, ended September 30th, 2004.

1. Overview

GEK S.A consolidated results:

million euros	Nine months 04	Nine months 03	Change %
Sales	352,1	294,6	20%
Operating profit	58,4	39,5	48%
PBT α.m	37,4	27,4	37%

Revenues rose 20%, reaching € 352,1 million compared to € 294,6 million in the same period last year. This performance is mainly attributed to the Group's construction sector.

Operating Profit increased by 48% to € 58,4 million, compared to € 39,5 million in the same period last year.

Profit before taxes and after minorities recorded an increase of 37%, reaching € 37,7 million compared to € 27,4 million in the nine months period of 03.

Cash position amounted to € 43,8 million.

Long -term debt stood at € 45,2 million and is attributed to the energy and real estate investments

Short - term borrowings reached 86 million, which is mainly working capital needs and is attributed to state delays to proceed with the payments of Olympic works, executed by the Group. It is the management's estimation that by the end of the year the bulk of this amount will have been received and the short-term bank loans will be eliminated. **Depreciation** stood at € 8,8 million.

TERNA S.A consolidated results*:

million euros	Nine months 04	Nine months 03	Change %
Sales	358,5	296,8	21%
Operating Profit	55,4	39	42%
PBTam**	52	37,1	40%

* The results are perfectly comparable with last year results

**Profit before taxes and after minorities

Revenues increased 21% reaching € 358,5 million from € 296,8 million in the prior year.

Operating profit reached € 55,4 million, increasing by 42%, whilst operating margin reached 15,3% demonstrating the positive impact of the successful restructuring and cost efficiencies.

Income before taxes and after minorities reached € 52 million, an increase of 40% compared to the equivalent period.

Cash stood at € 33,7 million and the company has € 27,8 million long-term debt (the bulk of which is attributed to the financing of energy investments). Short-term borrowings stood at € 68 million, mainly for working capital needs, due to- as mentioned above- the state delays to pay off the Olympic works.

As the management commented: “ **the nine month period is very satisfactory: the construction sector of the Group is performing very well, due to cost efficiencies and synergies created during the last restructuring that took place within the group.**

In the energy sector, FY 2004 and H1 05 will be the catalyst for this business unit. The first Greek private gas-fired plant is already in place by our Group, whilst more wind parks are under construction.

Moreover, the merger of GEK S.A with HERMES S.A creates a strong corporate entity, generates numerous synergies and also, it further reinforces the Group’s capital base and cash position.

2. Main operations’ outlook

The nine-month period of 2004 illustrates 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 a very strong set of results for the full year period. The company has the critical size and the fundamental soundness to consolidate its position as a contractor in the broader geographic area.

TERNA has already been the lowest bidder in several projects, the finalization of which is going to bring back the Group's backlog in satisfactory levels. Moreover, numerous tenders regarding public works will soon be launched by the state- within the next three months- (estimated value of these contracts: 2,3 billion).

In the **energy business** area, sales from wind parks (41MW installed as of today) stood at approximately € 6,2 million. Another 70MW of wind parks are currently under construction, 30 of which are expected to generate income by the end of 2004- beginning 2005.

Also, the group has already installed the first Greek private gas-fired plant, having a 147 MW capacity). The total investment for this plant amounted 80 million.

In the **real estate** business, the merger of GEK SA. and HERMES S.A is being completed. Several real estate projects are maturing and is expected that they will significantly contribute to Group's profitability.

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, financial soundness 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 nine month period ended September 30, 2004

Consolidated Income Statement

(In thousands)

	<u>9 months 04</u>	<u>9 months 03</u>
Company Sales	229,248	184,927
<i>Sales from Joint ventures</i>	<i>122,859</i>	<i>109,679</i>
Cost of goods sold	173,431	146,029
<u>Gross profit</u>	<u>55,816</u>	<u>38,897</u>
Other operating income	0,5	1,014
Pre tax profit from JV (net)	16,432	12,297
S & A expenses	12,008	11,689
Net Financial results	-2,378	-0,9
Net Extraordinary results	7,0	2,630
Total Depreciation	8,884	9,692
<i>Less: charged to the operating cost</i>	<i>8,846</i>	<i>9,692</i>
<u>Profit before taxation</u>	<u>58,415</u>	<u>42,222</u>
<u>Minority interests</u>	<u>20,940</u>	<u>14,814</u>
<u>Net Profit before taxation</u>	<u>37,474</u>	<u>27,407</u>

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

For the 9 month period ended September 30, 2004

Consolidated Income Statement

(In thousands)

	<u>9 months 04</u>	<u>9 months 03</u>
Company Sales	235,736	187,218
<i>Sales from Joint Ventures</i>	<i>122,859</i>	<i>109,679</i>
Cost of goods sold	183,560	296,897
<u>Gross profit</u>	<u>52,175</u>	<u>148,516</u>
Other operating income	0,5	0,9
Pre Tax Profit from JV (net)	16,491	12,086
S & A expenses	11,353	10,892
Net Financial results	-2,417	-1,895
Net Extraordinary results	3,0	-205
Total depreciation	8,618	9,417
<i>Less: charged to the operating cost</i>	<i>8,580</i>	<i>9,417</i>
<u>Profit before taxation</u>	<u>55,445</u>	<u>38,814</u>
Minority interests	3,385	1,651
<u>Net Profit before taxation</u>	<u>52,059</u>	<u>37,162</u>
