

GEK TERNA FY 08 FINANCIAL RESULTS									
Sales	Ch%	EBITDA	Ch%	PBT	Ch%	Net Income	Ch%	EPS	Ch%
669.2	+56	82.7	-2.8	34.9	-16.5	22.2	-38.1	0.32	-37.3

Changes% refer to the equivalent period last year/Amounts in million euros-consolidated - Under IFRS

All figures refer to continuing operations

- **Lower Real Estate profitability affects net income - Real Estate activity generated €17.8 million EBIT in FY 08 compared with 35.8 million in FY 07.**
- **Construction sales up 55% (€52 million) and construction EBIT at 23.8-up 52%. Construction backlog stands at €1.9 billion, remaining stable compared to FY 2007.**
- **Operating free cash flow at €148.7 million compared to €30.0 m in 2007**
- **In Thermal Energy business, the construction of the CCGT plant (435 MW) proceeds (testing operation in 2H 2009). A second CCGT (435 MW) is in licensing procedure.**
- **In Renewables, land planning law for RES is getting in force: sector's mid term prospects are improved, though short term delays are triggered**

Overview

GEK TERNA segments (continuing operations):

Million €	Sales			EBITDA			EBIT		
	FY08	FY07	Ch%	FY08	FY07	Ch%	FY08	FY07	Ch%
Real estate	31.5	17.8	+77	18.4	36	-49	17.8	35.8	-50
Construction	552	355	+55	36.7	24.1	+52	23.8	15.6	+52.5
Concessions	22.5	7	+221	4.3	3.2	+34	2.6	2.5	-4
Thermal Energy*	26.8	17.5	+53	3.7	5.1	-27	1.6	3	-46.6
*From continuing operations									
Renewables	25.3	21	+20	17.5	14.7	+19	12.6	10.2	+23.5
Industrial	10.7	9.3	+15	2.1	1.7	+24	1.3	0.3	+330
Total	669	428	+56	82.7	85.1	-2.7	59.8	67.4	-11.2

Revenues increased by 56%, reaching € 669 million from € 428 million in FY 07. This increase is primarily driven by the increased construction turnover, both in Greece and abroad.

EBITDA reached € 82.7 million, decreasing by 2.7% compared to last year, impacted by weaker real estate profitability.

Net income after minorities reached € 22.2 million, a decrease of 38.1% compared to € 35.9 m in FY 2007, a decrease attributed mostly due to lower real estate profitability and the non operating profits that occurred in FY 07 (4.8 m-adjusted for minorities). Also, c2 m is the impact in taxation due to the merger with TERNA. Excluding these non recurring items, net income decreased by 23.7%.

Operating cash flow reached **€148,7** million from 30 million in FY 07

Net debt position in the group level reached € c18 million.

Main operations' results & outlook

Real estate:

In **real estate**, EBIT reached € 17.8 m compared to € 35.8 m in FY 2007. Sales reached c € 43 million (including the sale of a real estate SPV) compared to € 17.8 m in 2007. Visibility in Real estate profitability is low due to the world crisis, thus estimations about future profitability in this activity are not “allowed”. Expansion in Russia and Ukraine is “frozen” and exposure in these countries remains zero. In the fourth quarter, there was a negative portfolio revaluation of c€ 5.5 m. The net debt in real estate stood at € 61 million.

Concessions:

Ionian road and parkings' revenues stood at €22.5 million, EBITDA generated from concessions stood at € 4.3 (€ 3.2 m in 2007). Also, numerous PPPs will be tendered in the coming periods, in which the group has targeted a significant share.

It is worth reminding that debt financing for the 2 concessions is already secured since 2007. Net debt in concessions reached c10 m

Thermal Energy:

Sales from the existing gas-fired plant (HERON 1 - 147 MW) stood at c26.8 mio, c€ 3.7 m EBITDA and EBIT of c1.6 mio. It is underlined that 50% of HERON operations are now reported, since after the deal with GDF SUEZ the remaining 50% is considered as discontinued operation.

The construction of the second project (HERON 2 – 435 MW CCGT) proceeds according to plan and it is expected to be on a testing period in late 2009-early 2010.

Moreover, the Group proceeds with the preparation of a third plant (CCGT-435 MW), targeting to more than 1000 MW (thermal capacity) in operation within the coming years. Net debt in Thermal Energy reached 91 million.

Construction:

Backlog reaches c1.9 billion euros, and its execution starts accelerating: construction sales stood at € 552 million compared to 355 m in FY 07 and EBIT at 23.8 m compared to 15.6 m in FY 07. EBIT margins stood at 4.3%, stable compared to 07. Ionian Road and Central Greece motorway are starting gradually execution, expected to contribute in construction turnover for the coming 5-6 years. Construction has a 25 million net cash position

Renewable Energy:

In Renewables Energy Sources (RES), TERNA ENERGY proceeds with its investment plans: 177 MW of wind and small hydro are either operational or at the latest stages of construction. The Land Planning for Renewables is in force and, although it triggers delays in the short term, it will greatly facilitate new installations in the mid term. Also, TERNA ENERGY is expected to secure licenses and start construction in key markets outside Greece in the coming periods. RES carries a 135 m net cash position.

APPENDIX**GEK TERNA - Consolidated PnL & Balance sheet FY 2008 (incl. non-current assets held for sale and discontinued operations)**

	FY 2008	FY 2007
Turnover	696	446
Cost of sales	(610)	(379)
EBITDA	85	90
EBIT	60	71
Profit before tax	56	68
Profit after tax	35	54
Attributable to:		
Shareholders of the Company	24	38
Minority interests	11	16
Basic earnings after tax per share (in euro)	0,34	0,53

<u>ASSETS</u>		
Tangible fixed assets	428	313
Investment property	106	147
Intangible assets	65	7
Other non current assets	116	123
Inventories	106	61
Trade receivables	264	219
Other current assets	697	550
Non-current assets held for sale	119	0
TOTAL ASSETS	1.901	1.420

<u>LIABILITIES AND EQUITY</u>		
Share capital	49	24
Other equity	443	363
Total shareholders' equity	492	387
Minority interest	198	334
Total equity	690	721
Long term bank debt	197	165
Provisions/other L/T liabilities	233	78
Short term bank debt	362	215
Other S/T liabilities	333	241
Liabilities associated to non-current assets held for sale	86	0
Total Liabilities	1.211	699
TOTAL LIABILITIES AND EQUITY	1.901	1.420

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