

GEK & TERNA nine month 05 results

| Comp. | Sales | Ch% | EBITDA | Ch% | Net income (a.m) | Ch% |
|-------|-------|-------|--------|-------|------------------|-------|
| GEK* | 195 | -47 | 44,8 | -17 | 20.2 | -25 |
| TERNA | 172.6 | -45.5 | 29 | -47.2 | 15 | -52.4 |

Under IFRS

* Non comparable with 2004

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

- **Construction remains weak in the third quarter/ recovery should start in Q4, for which a 4-5 million (only construction) contribution should be expected at the bottom line/ construction backlog at year end 2005 will be almost double compared to year end 2004, signaling an improvement in construction activity in 2006**
- **Construction cash flow further improved in the third quarter, due to continued collections from the state/still 60 million to be collected from Olympic works**
- **Wind park installation on track with schedule/ beginning 2006 installed capacity will reach 85 MW compared to 41 MW in the beginning of 2005/ same percentage growth expected within the next 12 months/ installation of hydro power plants seems to accelerate**
- **Concession motorways (budgeted up to 4 billion) will soon be tendered, with GEK S.A being the concessionaire and TERNA the construction company**

Athens, Greece November 29th 2005 – GEK & TERNA group announces consolidated results for the nine month period of 2005, ended September 30th, 2005.

1. Overview

TERNA S.A consolidated results:

Revenues reached €172.6 million, a decrease of 45.5% compared to €317.3 million in the same period last year. Although the comparison with “Olympic” nine months of 04 seems unfair, the change of government and the consequent delays of the state to launch new projects further affected Greek construction sector. However, TERNA has secured important projects both in the local market and abroad that will support construction activity in the near future.

Net debt (including leasing obligations) further reduced (by c13 million) compared to the previous quarter (currently 100.7 million from 113 million in the 6 month period- a total reduction of 42 million within Q2 and Q3).

In Q3, TERNA group generated c15 million of **Operating Cash Flow**, totaling 35.5 million since the beginning of 2005. Operating cash flow in the equivalent period last year was negative (- 43.2 million).

EBITDA reached 29 million compared to €55 million in 04. Energy operations generated EBITDA of c10 million, or c34% of total EBITDA. Energy EBITDA stood at c4 million in the equivalent period last year, or c 7% of total EBITDA.

Net income after minorities recorded a decrease of c52%, reaching €15 million compared to €31.4 million in nine months of 2004.

Receivables fell to c161 million from 175 million in H1 05, but still, there are over 60 million to be received for Olympic works, to be collected within the following quarters.

GEK S.A consolidated results:

*non comparable with last year

Revenues decreased 47% reaching € 195 million from € 317 million in the prior year's equivalent period. This decrease is attributed to relatively weak construction results of TERNA.

EBITDA reached €44,7 million, decreasing by 17%.

Net income after minorities reached € 20,2 million, a decrease of 25% compared to the equivalent period.

Net Cash position (in the parent level) amounted to c€41 million, aided by the sale of TERNA's shares. The company holds enough cash to finance its participation in the forthcoming motorway concessions.

Long -term debt related to GEK's Real estate stood at c€20 million.

All other long term and short - term borrowings are attributed to TERNA and are related to increased working capital needs (short term) and energy investments (short and long term).

As the management commented: **“the nine months period results continued to be weak in our construction division. During the third quarter, several construction projects were finished, whilst new ones started within Q4. However, backlog has already recovered and 2006 seems promising for our construction division.**

Motorway concessions' projects are expected within the coming months, and, if the Group is successful, significant value will be created both in concession and construction company level.

Wind park installation plan is on track, whereas several small hydro power plants start to proceed. Moreover, the gas fired plant surpasses our expectations”.

2. Main operations' outlook

TERNA S.A

Construction:

Within the third quarter, construction results were weak, due to completion of several key projects and the delay of the new ones to start being executed. This situation will be improved significantly in Q4, since key projects (locally and abroad) started generating sales and profitability.

The backlog is already improved and currently stands at c400 million. Year 2006 is expected to start with a construction backlog at these levels, which is almost double that the equivalent at the beginning of 2005.

The large motorway concessions (over 4 billion) are expected to be tendered within the first months of 2006. TERNA participates in the construction JV together with the Spanish FERROVIAL and ACS DRAGADOS.

The improved outlook in construction increases confidence for a stronger 2006 in construction.

Energy:

In the **energy business** area, sales from wind parks (65 MW current installed capacity, however power generation of 25 MW recently installed has not yet been invoiced) stood at approximately €6million. Another 58 MW of wind parks are currently under construction. TERNA's target remains the 180-200 MW installed by end 2006 and 400-450 installed by 2009.

HERON S.A*, the gas fired plant (147 MW), generated sales of c25.4 million, c12.5 million EBITDA and PBT of c8.3 million.

Overall, energy is c34% of total TERNA's EBITDA from c7% in H1 04.

*HERON is owned 50% by TERNA and 50% by GEK and is consolidated equivalently.

GEK S.A

Apart from consolidating Construction and Energy activity of TERNA, GEK's activities are:

Real estate:

In the **real estate** business of GEK, in the nine month period of 2005, operating profitability amounted to c10 million.

Also, both Greek and Balkan real estate investments proceed very well, creating value that will be reflected in the accounts within the next 1-2 years.

Concessions:

Currently, GEK participates in several parking stations' concessions (more than 4.300 parking spaces).

GEK is the concessionaire company in the forthcoming motorway concessions. Three major tenders are expected till end of H1 06. GEK's JV with Ferrovial - CINTRA and ACS DRADADOS will contest for these value creating investments.

About GEK & TERNA group

GEK is the parent company of a group that is active mainly in four business areas, Construction, Energy, Real Estate and Concessions, achieving synergies and diversification of its activities. Construction and Energy are represented by TERNA, whereas Real Estate and Concessions are GEK's activities.

The group's excellent execution track record of its construction division, the well established position in the Greek energy market, its major Real Estate assets and the intense activity in Concession business, have already consolidated the group among the leaders in these business areas. GEK group envisages future development through its credibility, 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 Financial Statements of **GEK Group**

For the nine month period 2005 ended September 30, 2005

Consolidated Balance Sheet

| Assets | | |
|--|----------------|----------------|
| Fixed assets | 218.773 | 206.258 |
| Participations & Other L/T financial receivables | 21.485 | 17.368 |
| Inventory | 60.637 | 63.499 |
| Investment property | 79.891 | 59.739 |
| Receivables from clients | 220.252 | 293.855 |
| Cash and cash equivalents | 91.696 | 83.786 |
| Other L/T assets | 18.724 | 20.550 |
| TOTAL ASSETS | 711.458 | 745.055 |
| Liabilities | | |
| Long term loans | 69.349 | 51.008 |
| Leasing obligations | 33.203 | 40.277 |
| Other L/T liabilities | 1.013 | 5.722 |
| Provisions | 3.574 | 4.754 |
| Subsidies | 15.135 | 12.822 |
| Deferred income tax | 4.289 | 3.109 |
| Short term bank debt | 95.862 | 127.851 |
| Other S/T liabilities and accrued income | 119.161 | 172.475 |
| Total liabilities (a) | 341.586 | 418.018 |
| Net asset value of shareholders | 269.093 | 244.737 |
| Minority rights | 100.779 | 82.300 |
| Total net asset value (b) | 369.872 | 327.037 |
| Total liabilities (a) + (b) | 711.458 | 745.055 |

Consolidated Income Statement

| | 1.1.2005- | 1.7.2005- | 1.1.2004- | 1.7.2004- |
|---|-------------------|-------------------|-------------------|-------------------|
| | 30.09.2005 | 30.09.2005 | 30.09.2004 | 30.09.2004 |
| Sales | 195.489 | 76.294 | 316.862 | 54.639 |
| Cost of sales | -143.852 | -63.449 | -244.153 | -41.025 |
| Gross profit | 51.637 | 12.845 | 72.709 | 13.614 |
| EBITDA | 44.871 | 8.098 | 54.068 | 3.869 |
| Depreciation | 8.219 | 2.539 | 6.859 | 2.331 |
| EBIT | 36.652 | 5.559 | 47.209 | 1.538 |
| Earnings before tax | 31.250 | 4.693 | 41.679 | 165 |
| Tax | -2.900 | 285 | -4.644 | 3.037 |
| Earnings after tax | 28.350 | 4.978 | 37.035 | 3.202 |
| Distributed to: | | | | |
| Shareholders of the company | 20.233 | 4.934 | 27.091 | 2.049 |
| Minority rights | 8.117 | 44 | 9.944 | 1.153 |
| Total | 28.350 | 4.978 | 37.035 | 3.202 |
| Earnings after tax per share – basic (in €) | 0,31 | 0,08 | 0,98 | 0,07 |

Consolidated Financial Statements of **TERNA S.A**

For the nine month period 2005 ended September 30, 2005

Consolidated balance sheet

| | | |
|--|----------------|----------------|
| <u>Assets</u> | | |
| Fixed assets | 156.336 | 156.817 |
| Participations & Other L/T financial receivables | 209 | 263 |
| Inventory | 17.268 | 14.528 |
| Investment property | 26.278 | 29.368 |
| Receivables from clients | 161.712 | 220.338 |
| Cash and cash equivalents | 49.740 | 37.013 |
| Other L/T assets | 58.001 | 52.052 |
| TOTAL ASSETS | 469.544 | 510.379 |
| <u>Liabilities</u> | | |
| Long term debt | 39.687 | 28.673 |
| Leasing obligations | 18.721 | 22.924 |
| Other L/T liabilities | 19.838 | 23.534 |
| S/T bank liabilities | 88.087 | 110.840 |
| Other S/T liabilities and accrued income | 120.911 | 148.103 |
| Total liabilities (a) | 287.244 | 334.074 |
| Net asset value | 163.245 | 158.358 |
| Minority rights | 19.055 | 17.947 |
| Total net asset value (β) | 182.300 | 176.305 |
| TOTAL LIABILITIES (a) + (b) | 469.544 | 510.379 |

Consolidated Income Statement

| | <u>01/01/05- 30/09/05</u> | <u>01/01/04- 30/09/04</u> | <u>01/07/05- 30/09/05</u> | <u>01/07/04- 30/09/04</u> |
|--|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Sales | 172.625 | 317.302 | 74.139 | 59.759 |
| Cost of sales | -133.811 | -249.021 | -65.791 | -47.621 |
| Gross profit | 38.814 | 68.281 | 8.348 | 12.138 |
| EBITDA | 29.091 | 55.272 | 5.724 | 5.796 |
| Depreciation | 6.021 | 6.714 | 1.511 | 2.283 |
| EBIT | 23.070 | 48.558 | 4.213 | 3.513 |
| Earnings before tax | 17.104 | 43.808 | 1.637 | 180 |
| Minus (tax) | -340 | -8.541 | -1.899 | 2.306 |
| Earnings after tax | 16.764 | 35.267 | -262 | 2.486 |
| Distributed to: | | | | |
| Shareholders of the company | 15.000 | 31.471 | -234 | 2.218 |
| Minority rights | 1.764 | 3.796 | -28 | 268 |
| Earnings after tax per share – basic (in €) | 0,33 | 0,68 | -0,01 | 0,05 |

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