

GEK & TERNA 9M 06 results

Comp.	Sales	Ch%	EBITDA	Ch%	PBT *	Ch%	Net Income	Ch%
GEK	217.3	11.2	48.8	+8.7	27.8	-8.9	11.8	-39
TERNA	203	+17.7	38.9	+33.7	21.5	+25.7	14.4	-1

Under IFRS

* Profit before tax and minorities

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

- Construction backlog reached 630 mio in 9M 06 compared to 560 mio in H1 06/ more than 550 mio of new construction projects are expected to be signed by the end of the year (“Ionian road” and Middle East projects)/ Positive development in the Central Greece Motorway concession project (1.5 bio construction value)-Supreme Court decides in favour of GEK
- Two more large scale motorways to contest for in the coming months (3-3.5 bio construction value)
- Energy contributes c43% of group’s EBITDA
- Real Estate (parent GEK) generated 7.7 million of PBT during the nine month period
- Construction profitability in Q3 06 is burdened by non-recurring costs (c2 mio) related to the establishment of Middle East operations and preparation of TERNA’s construction offer in concession projects/ TERNA collected 50 mio from “Olympic” related receivables within November

Athens, Greece November 29th 2006 – GEK & TERNA group announces consolidated results for the nine month period of 2006, ended September 30th, 2006.

1. Overview

TERNA S.A consolidated results:

Revenues reached €203 million, an increase of 17.7% compared to €172.6 million in 9M05. This increase in sales is attributed to higher construction revenues, although one specific public project (raiwor) is significantly delayed due to “bureaucratic” reasons (16% execution instead of 100% that was expected by the end of the 9 month period).

Gross profit is burdened in Q3 by c2 mio non-recurring costs related to the establishment of Middle East operations and the preparation of construction offers of TERNA for the building of concessions.

EBITDA reached €38.9 million compared to €29 million in 9M05, increasing by 33.7%.

Profit before tax increased by 25.7%, reaching €21.5 million.

Net income after minorities recorded a decrease of c 5.4%, reaching € 14.1 million compared to €14.9 million in 9M 2005, an unfavorable comparison due to a deferred taxation asset which positively affected last period’s results. It is worth mentioning that this deferred taxation asset was “inversed” in Q4 05 so that the FY 05 net income stood at 13.8 (lower than the 9M 06 net income)

Net debt (including leasing obligations) reached € 130 million, decreased by 2 million compared to the previous quarter. Cash collections from “Olympic” receivables were almost completed within November, thus operating cash flow in Q4 should be expected strong.

GEK S.A consolidated results:

Revenues increased 11.2% reaching €217 million from €195 million in 9M 05. This increase is due to construction turnover of TERNA.

EBITDA reached €48.8 million, increasing by 8.7%. Non recurring costs (c1 mio) for the

preparation of concession bids burdened GEK in Q3, and moreover, depreciation charges stood at c12 mio compared to 8.8 mio in 9M 05.

Net income after minorities reached €12.4 million, a decrease of 37%. The impact from last year's deferred taxation asset of TERNA also affected GEK and will be "reversed" in the next quarter.

Net Cash position (in the parent level) amounted to c€51 million.

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

As Mr Peristeris, Chairman of GEK, commented: **"Construction operations recover significantly, increasing our confidence for a strong construction business in the coming years. Only the concession projects assure very good construction sales for the next 5-6 years. In the energy business, increasing interest worldwide for companies involved in renewables makes TERNA ENERGY a very valuable asset for our group and, in the mid term, the value of this company will increase significantly through the roll out of new wind parks.**

In the concessions' business, the first motorway (Ionian road) will soon be an asset to our portfolio, whilst we contest for 3 more projects.

Expansion of GEK's real estate in the broader geographic area, makes this activity a growth driver for GEK in the coming years.

2. Main operations' outlook

TERNA S.A

Construction:

The Ionian road project (1.1 bio -33% out of which is the contracted construction work for TERNA) is expected to be signed within 2006, and one more project in Bahrain (c170 mio for TERNA) is expected to be signed in December, which increases the backlog in this region to

200 mio. The total construction backlog currently stands at 630 mio (from 560 mio at H1 06) and by the end of the year will exceed 1.1 bio.

Energy:

In the **energy business** area, EBITDA generated from wind parks stood at approximately € 9.1 mio compared to c €5 million IN 9M 05. Installed capacity reaches 109 MW (wind parks), whilst another 58 MW of wind parks and 15 MW of small hydro plants are under construction.

Moreover, extensive wind measurements executed in selected areas outside Greece provide further potential to this Group's activity.

HERON S.A*, the gas fired plant (147 MW), generated sales of c24.2 million, c12 million EBITDA and PBT of c7 million.

*HERON is owned 50% by TERNA and 50% by GEK and is consolidated proportionally by each company.

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, for the nine month period, profit before tax reached c€7.7 million compared to 5.2 million in 9M 2005.

GEK has already acquired land in the Balkans, the development of which will generate significant profitability in the coming years. Also, the portfolio of land in Greece will soon start being developed (developments in an industrial area in Northern Greece owned by GEK, residential developments etc) further supports future profitability.

Concessions:

GEK, being the concessionaire company of the Group, contests for 4 large scale motorway concessions (together with FERROVIAL – CINTRA and ACS DRAGADOS). The group has been declared as the provisional contractor in Ionian Road concession, awaiting for the

signing of the project. In the second one (Central Greece motorway), the Supreme Court decided in favour of GEK's JV, and the final ministerial decision is now expected.

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 months of 2006 ended September 30, 2006

Consolidated Balance Sheet

ASSETS	9M 2006	9M 2005
Fixed assets	241.529	210.476
Participations and other long-term financial assets	9.581	9.059
Inventories	87.829	77.227
Real estate investments	61.270	59.569
Trade receivables	290.671	162.924
Cash and cash equivalents	87.444	104.179
Other Assets	24.482	77.076
TOTAL ASSETS	802.806	700.510
LIABILITIES AND EQUITY		
Long-term loans	94.542	68.957
Loans from finance leases	15.182	30.860
Other long-term liabilities	31.489	25.790
Current liabilities to banks	97.133	82.129
Other short-term liabilities and deferred income	177.153	127.478
Total liabilities (a)	415.499	335.214
Shareholders' equity	23.567	23.567
Other equity	256.993	241.604
Total shareholders' equity	280.560	265.171
Minority interests	106.747	100.125
Total equity (b)	387.307	365.296
TOTAL LIABILITIES AND EQUITY	802.806	700.510

Consolidated Income Statement

	9M 2006	9M 2005
Turnover	217.321	195.489
Cost of sales	-170.386	-152.665
Gross profit	46.935	42.824
EBITDA	48.808	44.871
Depreciation	12.911	8.813
EBIT	35.897	36.058
Profit before tax	27.865	30.656
Income tax	-8.535	-2.744
Profit after tax	19.330	27.912
Attributable to:		
Shareholders of the Company	11.873	19.979
Minority interests	7.457	7.933
	19.330	27.912
Basic earnings after tax per share (in euro)	0,18	0,31

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

For the nine months of 2006 ended September 30, 2006

Consolidated balance sheet

	9M 2006	9M 2005
<u>ASSETS</u>		
Fixed assets	186.481	160.496
Participations and other long-term financial assets	1.294	256
Inventories	29.038	26.305
Real estate investments	16.842	14.260
Trade receivables	217.943	163.511
Cash and cash equivalents	34.146	49.067
Other Assets	63.697	54.191
TOTAL ASSETS	549.441	468.086
<u>LIABILITIES AND EQUITY</u>		
Long-term loans	78.263	53.994
Loans from finance leases	8.680	17.353
Other long-term liabilities	27.555	21.474
Short-term liabilities to banks	87.938	75.267
Other short-term liabilities and deferred income	161.754	119.873
Total liabilities (a)	364.190	287.961
Share capital	53.319	53.319
Other equity	113.323	108.205
Minority interests	18.609	18.601
Total equity (b)	185.251	180.125
TOTAL LIABILITIES AND EQUITY (a) + (b)	549.441	468.086

Consolidated Income Statement

	9M 2006	9M 2005
Turnover	203.781	172.625
Cost of sales	-160.223	-133.811
Gross profit	43.558	38.814
EBITDA	38.897	29.091
Depreciation	10.872	6.616
EBIT	28.025	22.475
Profit before tax	21.794	16.509
Income tax	-6.455	-182
Profit after tax	15.339	16.327
Attributable to:		
Shareholders of the Company	14.407	14.563
Minority interests	932	1.764
	15.339	16.327
Basic earnings after tax per share (in euro)	0,31	0,32

Contact: Mr Aristotelis Spiliotis, tel 0030-210-6968431, email: tspiliotis@gekgroup.gr