

GEK TERNA H1 08 FINANCIAL RESULTS								
Company	Sales	Ch%	EBITDA	Ch%	PBT	Ch%	Net Income	Ch%
<b>GEK</b>	301.4	+52.4	52.9	+27.1	35.1	+2.9	15.7	+11.8
<b>TERNA</b>	264.6	+54.6	28.1	+20	18.6	+1	5.3	-55.4

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

- **Construction sales up 60.5 % (€ 234.5 mio) and construction EBIT up 197%% (TERNA). Construction backlog stands at €c2 bio, compared to €1.7 bio in H1 07, but execution now starts to accelerate.**
- **Operation of Ionian motorway concession project started contributing in the results ( € 5.3 mio) in H1 08, boosting Group’s concession segment profitability**
- **Real Estate activity of GEK generated €19.8 mio EBIT in H1 08 compared with 18.2 million in H1 07, mostly from the Balkan developments.**
- **In Thermal Energy business, the construction of the CCGT plant (435 MW) proceeds well and the plant is expected to be in operation in 2009. A second CCGT (435 MW) is now in preparation: total installed capacity in gas turbine plants will exceed 1000 MW in the coming years.**
- **In Renewables, numerous new RES constructions will start in the coming period, boosting installed capacity by the end of 2009.**
- **Completion of the merger between GEK and TERNA is expected by the end of 2008**

## Overview

### *GEK S.A consolidated results:*

Million €	Sales			EBITDA			EBIT		
	H108	H107	Ch%	H108	H107	Ch%	H108	H107	Ch%
Real estate	18.8	11.3	+66.3	19.9	18.3	+8.7	19.8	18.2	+8.8
Construction	229.3	151	+51.8	15.4	6.4	+140.6	9.7	2.5	+288
Concessions	9.7	1.4	+593	6.3	.7	+800	1.1	.3	+266
Thermal Energy	27.8	17.7	+57	4.6	6.7	-31.3	2.5	4.6	-45.6
Renewables	10.2	10	+2	6.4	7.7	-16.9	4.2	4.7	-10.6
Industrial	5.6	6.4	-12.5	0.7	1.4	-50	.3	1.1	-72.7
Other	0	.3	-	-.4	.4	-	-.4	.4	-
Total	301.4	198.1	+52.1	52.9	41.6	+27.1	37.2	31.8	+16.9

**Revenues** increased by 52.1%, reaching € 301 million from € 198.1 million in H1 07. This increase is primarily due to the increased construction turnover, both in Greece and abroad.

**EBITDA** reached € 52.9 million, increasing by 27.1% compared to last year, aided by stronger construction and concessions' profitability.

**Net income after minorities** reached € 15.7 million, a decrease of 11.8% compared to € 17.8 mio in H1 2007, a decrease attributed mostly due to non operating profits reported last year.

**Net cash position** in the group level reached € c34.1 mio, whilst total equity reaches € c725 mio

### *TERNA S.A consolidated results:*

Million €	Sales			EBITDA			EBIT		
	H108	H107	Ch%	H108	H107	Ch%	H108	H107	Ch%
Construction	234.5	146.1	+60.5	17.9	8	+123	12.2	4.1	+197
Renewables	10.2	10	2	6.4	7.7	-16.9	4.2	4.7	-10.6
Thermal Energy	13.9	8.9	+56.1	2.5	3.4	-26.4	1.4	2.3	-39
Real estate	-	.2	-	.4	3	-86	.4	3	-86
Industrial	6	6	0	.9	1.3	-30.7	.5	1.1	-54
Total	264.6	171.2	54.5	28.1	23.4	+20	18.7	15.2	+23

**Revenues** reached € 264.6 million, an increase of 54.5% compared to €171.2 million in H107. Revenues from construction stood at 234.5 mio, a 60.5% increase compared to c146.1 mio in H1 07. The rest is turnover from renewables (10.2 mio), HERON – 50% (13.9 mio) and Industrial activity (6 mio).

**EBITDA** reached € 28.1 mio compared to € 23.4 mio in H1 07, increasing by c20%, mainly due to stronger construction.

EBIT margins from construction stood at 5.2%.

**Profit before tax increased** by 1%, reaching € 18.6 mio, compared to 18.4 mio last year. It is worth mentioning that in H1 07, c8 mio non operating profits were reported.

**Net income after minorities** recorded a 55.4% decrease, reaching € 5.3 mio compared to 11.9 mio in H1 2007.

**Consolidated Net cash** stood at € c144 mio.

## **Main operations' outlook**

### **GEK S.A**

Apart from consolidating the Construction and Renewable Energy activities of TERNA and TERNA ENERGY, GEK's activities include:

#### **Real estate:**

In **real estate**, EBIT reached € 19.8 mio compared to € 18.2 mio in H1 2007. For the coming periods, Real estate profitability is expected strong, since major developments in Bulgaria are maturing.

#### **Concessions:**

Toll collections from Ionian Road started contributing in the profitability, generating c5.3 mio EBITDA. Toll income from Ionian is now c1/5 of the income that will be collected in full operation of Ionian. The group adopted a very conservative stance in the accounting treatment of Ionian.

Also, numerous PPPs will be tendered in the coming periods, in which the group has already targeted a significant share.

**Thermal Energy:**

The existing gas-fired plant (147 MW) generated sales of c27.8 mio, c4.6 mio EBITDA and EBIT of c2.5 mio, lower compared to H1 07, mainly due to the lack of trading profits. The construction of the second project (435 CCGT) proceeds according to plan and it is expected to be operational within 2009.

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.

**TERNA S.A**

**Construction:**

Backlog reaches c2 bio euros, and its execution starts accelerating: construction sales stood at € 234.5 mio compared to 146.1 mio in H1 07 and EBIT at 12.2 mio compared to 4.1 mio in H1 07. EBIT margins stood at 5.2%, favoured already by economies of scale generated by bigger construction turnover.

**Renewable Energy:**

In Renewables, TERNA ENERGY proceeds with its investment plans: 177 MW of wind and small hydro are either operational or at the latest stages of construction. More construction licenses are expected to be obtained within the coming semester. The Land Planning for Renewables is expected to come in force soon and will greatly facilitate new installations. Efforts to expand wind business abroad is maturing: TERNA ENERGY is expected to secure licenses and start construction in key markets outside Greece in the coming periods.

## APPENDIX

### GEK & TERNA Consolidated Income Statements – H1 2008

	GEK			TERNA	
	H1 2008	H1 2007		H1 2008	H1 2007
Turnover	301.388	198.189		264.684	171.202
Cost of sales	-258.866	-167.338		-229.427	-145.896
Gross profit	42.522	30.851		35.257	25.306
EBITDA	<b>52.878</b>	<b>41.600</b>		<b>28.102</b>	<b>23.417</b>
Depreciation	-15.666	-9.786		9.344	8.178
EBIT	<b>37.212</b>	<b>31.814</b>		<b>18.758</b>	<b>15.239</b>
Income tax	-11.215	-8.457		-7.497	-4.182
Profit after tax	<b>23.930</b>	<b>25.686</b>		<b>11.179</b>	<b>14.257</b>
Attributable to:					
Shareholders of the Company	<b>15.720</b>	<b>17.866</b>		<b>5.340</b>	<b>11.907</b>
Minority interests	8.210	7.820		5.839	2.350
Basic earnings after tax per share (in euro)	<b>0,2413</b>	<b>0,2729</b>		<b>0,120</b>	<b>0,260</b>

**GEK & TERNA Consolidated Balance Sheet – H1 2008**

	GEK		TERNA	
	30.06.2008	31.12.2007	30.06.2008	31.12.2007
<b>ASSETS</b>				
Tangible fixed assets	375.038	312.551	289.527	257.058
Investment property	121.099	147.364	2.519	8.671
Intangible assets	47.207	6.934	6.903	6.925
Other non current assets	102.913	122.953	81.030	81.951
Inventories	86.418	60.582	12.461	14.450
Trade receivables	279.834	219.571	247.022	198.743
Other current assets	587.323	549.870	562.785	491.174
<b>TOTAL ASSETS</b>	<b>1.599.832</b>	<b>1.419.825</b>	<b>1.202.247</b>	<b>1.058.972</b>
<b>LIABILITIES AND EQUITY</b>				
Share capital	23.567	23.567	53.319	53.319
Other equity	367.523	363.103	248.812	252.002
Total shareholders' equity	391.090	386.670	302.131	305.321
Minority interest	334.553	333.781	188.901	186.559
Total equity	725.643	720.451	491.032	491.880
Long term bank debt	174.498	165.124	127.317	122.726
Provisions/other L/T liabilities	106.827	77.973	64.772	56.849
Short term bank debt	264.510	215.390	152.247	132.939
Other S/T liabilities	328.354	240.887	366.879	254.578
Total Liabilities	874.189	699.374	711.215	567.092
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>1.599.832</b>	<b>1.419.825</b>	<b>1.202.247</b>	<b>1.058.972</b>

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