

GEK TERNA 9M 08 FINANCIAL RESULTS								
Company	Sales	Ch%	EBITDA	Ch%	PBT	Ch%	Net Income	Ch%
GEK	477.8	+58.4	68.5	+23.6	46	+6.9	19.9	-10.3
TERNAS.A.	465.2	+74.4	48.8	+49.2	33	+42	11.4	-18.4

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

- **Construction sales up 82% (€ 418 mio) and construction EBIT at 21.7-up 185% (TERNAS.A.). Construction backlog stands at € c2.1 bio, compared to € 1.8 bio in 9M 07.**
- **Real Estate activity of GEK generated € 21.4 mio EBIT in 9M 08 compared with 21.6 million in 9M 07.**
- **In Thermal Energy business, the construction of the CCGT plant (435 MW) proceeds (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**
- **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	27.1	24.1	+12.4	21.6	21.6	-	21.4	21.5	-
Construction	364.5	223.8	+62.8	23.2	13.2	+75	13.5	6.9	+95.6
Concessions	17.5	10	+75	3.3	-0.05	+650	1.3	-0.4	+450
Thermal Energy	43.8	29.7	+47.4	7.2	8.8	-18	4	5.6	-28
Renewables	16.5	15.5	+6.4	11	10.7	+4	7.7	7.4	+4
Industrial	8.2	1.7	+280	1.7	0.8	+112	1.1	0.2	
Other	0.1	-	-	-	-	-	-	-	-
Total	477.8	301.6	+58.4	68.5	55.4	+23.6	49.3	41.3	+19.3

Revenues increased by 58.4%, reaching € 477.8 million from € 301.6 million in 9M 07. This increase is primarily driven by the increased construction turnover, both in Greece and abroad.

EBITDA reached € 68.5 million, increasing by 23.6% compared to last year, aided mostly by stronger construction.

Net income after minorities reached € 19.9 million, a decrease of 10.3% compared to € 22.2 mio in 9M 2007, a decrease attributed mostly due to non operating profits (4.8 mio-adjusted for minorities) reported last year. Excluding these non operating profits, net income increased by 9.5%. Also, c2 mio is the impact in taxation due to the merger with TERNA.

Operating cash flow reached 104.9 mio from (12.7) mio in 9M 07

Net cash position in the group level reached € c33 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	418	234.5	+78.6	31.3	13.9	+125	21.7	7.6	+185
Renewables	16.6	15.5	+7	11.2	10.7	+4.6	7.7	7.4	+4
Thermal Energy	21.9	14.8	+47.9	3.9	4.4	-12.8	2.3	2.8	-18.2
Real estate	-	0.2	-	0.3	3.3	-91	0.3	3.3	-91
Industrial	15.1	8.4	+79	1.9	0.2	+850	1.3	-0.3	-
Total	465.2	266.6	+74.4	48.8	32.7	+49.2	33.5	20.9	+60

Revenues reached € 465.2 million, an increase of 74.4% compared to € 266.6 million in 9M 07. Revenues from construction stood at 418 mio, a 78.6% increase compared to c234.5 mio in 9M 07. The rest is turnover from renewables (16.6 mio), HERON – 50% (21.9 mio) and Industrial activity (8.7 mio).

EBITDA reached € 48.8 mio compared to € 32.7 mio in 9M 07, increasing by c49.2%, mainly due to stronger construction.

EBIT margins from construction stood at 5.2%.

Profit before tax increased by 42.8%, reaching € 33 mio, compared to 23.1 mio last year.

Net income after minorities recorded a 18.4% decrease, reaching € 11.4 mio compared to 13.5 mio in 9M 2007. It is worth mentioning that in 9M 07, c8.8 mio non operating profits were reported. Adjusting for these profits, the increase in net profitability is 125%.

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 € 21.4 mio compared to € 21.5 mio in 9M 2007. For the coming periods, visibility in Real estate profitability is low: economic crisis does not allow estimations about future profitability. Expansion in Russia and Ukraine is “frozen” and exposure in these countries remains zero.

Concessions:

Ionian road contributes already

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 c43.8 mio, c7.2 mio EBITDA and EBIT of c4 mio, lower compared to 9M 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 c2.1 bio euros, and its execution starts accelerating: construction sales stood at € 418 mio compared to 229.8 mio in 9M 07 and EBIT at 21.7 mio compared to 7.6 mio in 9M 07. EBIT margins stood at 5.2%. Ionian Road and Central Greece motorway started execution, expected to contribute in construction turnover for the coming 5-6 years.

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. The Land Planning for Renewables is getting in force and 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.

APPENDIX

GEK & TERNA Consolidated Income Statements – 9M 2008

	GEK			TERNA	
	9M 2008	9M 2007		9M 2008	9M 2007
Turnover	477.868	301.679		465.279	266.693
Gross Profit	58.575	49.435		54.394	38.773
EBITDA	68.513	55.491		48.842	32.734
EBIT	49.318	41.388		33.528	20.949
Profit before tax	46.006	43.035		33.028	23.180
Profit after tax	28.987	32.105		20.195	17.203
Attributable to:					
Shareholders of the Company	19.914	22.223		11.403	13.544
Minority interests	9.073	9.882		8.792	3.659
	28.987	32.105		20.195	17.203
Basic earnings after tax per share (in euro)	0,3058	0,3395		0,250	0,290

GEK & TERNA Consolidated Balance Sheet – 9M 2008

	GEK		TERNA	
	30.09.2008	31.12.2007	30.09.2008	31.12.2007
ASSETS				
Tangible fixed assets	419.913	312.551	319.676	257.058
Investment property	109.794	147.364	2.519	8.671
Intangible assets	56.578	6.934	6.855	6.925
Other non current assets	104.171	122.953	80.862	81.951
Inventories	96.858	60.582	11.922	14.450
Trade receivables	255.485	219.571	223.895	198.743
Other current assets	609.224	549.870	558.884	491.174
TOTAL ASSETS	1.652.023	1.419.825	1.204.613	1.058.972
LIABILITIES AND EQUITY				
Share capital	23.567	23.567	53.319	53.319
Other equity	371.610	363.103	255.530	252.002
Total shareholders' equity	395.177	386.670	308.849	305.321
Minority interest	329.819	333.781	191.750	186.559
Total equity	724.996	720.451	500.599	491.880
Long term bank debt	196.247	165.124	121.007	122.726
Provisions/other L/T liabilities	111.573	77.973	64.748	56.849
Short term bank debt	313.728	215.390	189.852	132.939
Other S/T liabilities	305.479	240.887	328.407	254.578
Total Liabilities	927.027	699.374	704.014	567.092
TOTAL LIABILITIES AND EQUITY	1.652.023	1.419.825	1.204.613	1.058.972

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