

GEK & TERNA Q1 08 results								
Company	Sales	Ch%	EBITDA	Ch%	PBT	Ch%	Net Income	Ch%
GEK	145.2	+51.9	30.4	+10.5	22.2	+6.7	13.1	+25.9
TERNA	118.6	+42.2	15.1	-6.7	8.7	-17.9	2.8	-48

See APPENDIX for detailed PnL and Segment Reporting

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

- Real Estate activity of GEK group generated €13.6 mio EBIT in Q1 08 compared with 11.5 Million in Q1 07, an increase driven by the Balkan developments.
- In Thermal Energy business, the construction of the first CCGT plant (435 MW) proceeds well and the plant is expected to be in operation in late H1 09. A second CCGT is now in preparation: total installed capacity in gas turbine plants will exceed 1000 MW in the coming years.
- Construction backlog now reaches c2.1 billion compared to c1.9 bio in the beginning of the year. Execution will accelerate in the second half of the year aided by Middle East projects and construction of motorway concessions in Greece
- In Renewables, new RES constructions will start soon
- Completion of the merger between GEK and TERNA is expected in Q4 2008

## Overview

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

Million €	Sales			EBITDA			EBIT		
	Q108	Q107	Ch%	Q108	Q107	Ch%	Q108	Q107	Ch%
Real estate	12.7	5.7	+122	13.7	11.6	+18	13.6	11.5	+18.2
Construction	110.7	69.5	+59	9.9	5.2	+90	6.9	3.5	+97
Concessions	1.8	0.6	+200	0.6	0.2	+200	0.5	0.1	+500
Thermal Energy	12.6	7.7	+63	1.9	4.2	-54	0.9	3.2	-71
Renewables	5.5	6.1	-9	4	5	-20	2.9	3.5	-17
Industrial	1.7	5.7	-70	0.2	1.1	-80	0.1	1	-90
Total	145	95.6	+51.9	30.4	27.5	+10.5	25	22.9	+9.1

**Revenues** increased by 51.9%, reaching €145.2 million from €95.6 million in Q1 07. This increase is primarily due to the increased construction turnover, both in Greece and abroad.

**EBITDA** reached €30.4 million, increasing by 10.5% compared to last year, aided by stronger real estate and construction profitability.

**Net income after minorities** reached €13.1 million, an increase of 25.7% compared to €10.4 mio in 2007

**Net Cash position** in the group level reached c57.1 mio.

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

Million €	Sales			EBITDA			EBIT		
	Q108	Q107	Ch%	Q108	Q107	Ch%	Q108	Q107	Ch%
Construction	105.2	68.6	+53.3	9.5	4.6	+106	6.5	2.8	+132
Renewables	5.5	6.1	-9.8	4	5	-20	2.9	3.4	-14.7
Thermal Energy	6.3	3.8	+65	1	2.1	-48	.5	1.6	-68.7
Real estate	0	0	0	0.3	3.4	-90	0.3	3.4	-90
Industrial	1.5	4.8		0.3	1.1	-72	0.1	1	-67
Total	118.6	83.4	+42.2	15.1	16.2	-6.7	10.3	12.3	-16

**Revenues** reached €118.6 million, an increase of 42.2% compared to €83.4 million in Q107. Revenues from construction stood at 105.2 mio, a 53.3% increase compared to c68.6 mio in Q1 07. The rest is turnover from renewables (5.5 mio), HERON (6.2 mio) and Industrial activity (1.5 mio).

**EBITDA** reached €15.1 million compared to €16.2 million in Q1 07, decreasing by c6.7%, mainly due to lower real estate profits.

EBIT margins of construction stood at higher levels of 6.2%.

**Profit before tax decreased** by 17.9%, reaching €8.7 million, compared to 10.6 mio last year.

**Net income after minorities** recorded a 48% decrease, reaching €2.8 million compared to 5.4 mio in Q1 2007.

**Consolidated Net cash** stands at €c 142 million

## **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 €13.6 million compared to €11.5 million in Q1 2007. For the coming periods Real estate profitability is expected strong, since major developments in Bulgaria are maturing.

#### **Concessions:**

Ionian Road and Central Greece Motorway (E65) have already started operations, but the construction is still at a very early stage and will accelerate in the second semester.

It is worth mentioning that numerous PPP's will be tendered soon in Greece, in which the Group targets for a significant share.

**Thermal Energy:**

The existing gas-fired plant (147 MW) generated sales of c12.6 million, c1.9 million EBITDA and EBIT of c0.8 million, lower compared to Q1 07, mainly due to the lack of trading profits and c0.5 mio of expenses related to the construction of the new 435 MW CCGT. The construction of the second project (435 CCGT) proceeds according to plan and it is expected to be operational within H1 09.

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 2.1 bio euros, and the recovery in margins is evident (EBIT margin stood at 6.2% in Q1 08), as increased construction turnover generates economies of scale.

**Renewable Energy:**

In Renewables, TERNA ENERGY proceeds with its investment plans: by the end of this year, 177 MW of wind and small hydro will be installed and more will be under construction. The Land Planning for Renewables is expected to come in force soon and will greatly facilitate new installations. The effort to expand wind business abroad is continuous, anticipating significant installed capacity for TERNA ENERGY in key markets in the coming periods.

## APPENDIX

### GEK & TERNA Consolidated Income Statements – Q1 2008

	GEK		TERNA	
	Q1 2008	Q1 2007	Q1 2008	Q1 2007
Turnover	145.278	95.621	118.605	83.480
Cost of sales	-122.050	-78.589	-101.020	-69.993
Gross profit	23.228	17.032	17.585	13.487
EBITDA	30.445	27.529	15.177	16.247
Depreciation	-5.444	-4.177	4.871	3.858
EBIT	25.001	23.352	10.306	12.389
Profit before tax	22.298	20.872	8.723	10.611
Income tax	-4.744	-6.042	-2.750	-3.470
Profit after tax	17.554	14.830	5.973	7.141
Attributable to:				
Shareholders of the Company	13.142	10.452	2.805	5.429
Minority interests	4.412	4.378	3.168	1.712
Basic earnings after tax per share (in euro)	0,2014	0,1597	0,060	0,120

**GEK & TERNA Consolidated Balance Sheet – Q1 2008**

	GEK		TERNA	
	31.03.2008	31.12.2007	31.03.2008	31.12.2007
<b>ASSETS</b>				
Tangible fixed assets	321.355	312.551	264.406	257.058
Investment property	142.634	147.364	2.519	8.671
Intangible assets	16.730	6.934	6.945	6.925
Other non current assets	121.696	122.953	83.973	81.951
Inventories	58.428	60.582	14.460	14.450
Trade receivables	266.856	219.571	227.249	198.743
Other current assets	557.685	549.870	488.040	491.174
<b>TOTAL ASSETS</b>	<b>1.485.384</b>	<b>1.419.825</b>	<b>1.087.592</b>	<b>1.058.972</b>
<b>LIABILITIES AND EQUITY</b>				
Share capital	23.567	23.567	53.319	53.319
Other equity	374.650	363.103	253.926	252.002
Total shareholders' equity	398.217	386.670	307.245	305.321
Minority interest	337.772	333.781	189.705	186.559
Total equity	735.989	720.451	496.950	491.880
Long term bank debt	161.378	165.124	118.911	122.726
Provisions/other L/T liabilities	101.525	77.973	56.866	56.849
Short term bank debt	246.555	215.390	144.728	132.939
Other S/T liabilities	239.937	240.887	270.137	254.578
Total Liabilities	749.395	699.374	590.642	567.092
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>1.485.384</b>	<b>1.419.825</b>	<b>1.087.592</b>	<b>1.058.972</b>

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