TERNA SOCIETE ANONYME
TOURISM TECHNICAL SHIPPING COMPANY
85 Mesogeion Ave., 115 26 Athens
S.A. Reg. No.56330/01/B/04/506(08)

INTERIM CONDENSED FINANCIAL STATEMENTS
SEPARATE AND CONSOLIDATED
OF 31 MARCH 2010

(January 1st to March 31st 2010)

In accordance with the International Accounting Standard 34

CONTENTS

INTERIM CONDENSED FINANCIAL STATEMENTS SEPARATE AND CONSOLIDATED OF 31 MARCH 2010

It is ascertained that the accompanying financial statements for the period 1.1.2010-31.3.2010 are those approved by the Board of Directors of "TERNA SOCIETE ANONYME TOURISM TECHNICAL AND SHIPPING COMPANY" (TERNA SA), during its meeting on 27 May 2010. The present financial statements for the period 1.1.2010-31.3.2010 are posted on the internet at the website www.terna.gr, where such will remain available for investors for a period of at least five (5) years from the preparation and release date of such.

THE CHAIRMAN OF THE BOARD	THE VICE-CHAIRMAN & MANAGING DIRECTOR
NIKOLAOS KAMBAS	GEORGIOS PERISTERIS

THE CHIEF ACCOUNTANT

AIKATERINI HALKOROKA-ATHANASOPOULOU

(Amounts in thousand Euros, unless stated otherwise)

STATEMENT OF FINANCIAL POSITION	Note	GROUP 31 March 2010	GROUP 31 December 2009	COMPANY 31 March 2010	COMPANY 31 December 2009
ASSETS					
Non-current assets					
Goodwill	10	47,517	0	0	0
Intangible fixed assets	5	5,175	5,210	5,070	5,127
Tangible fixed assets	5	102,106	102,653	87,105	89,065
Investment property		1,596	1,596	1,596	1,596
Participations in subsidiaries	10	0	0	55,775	4,610
Participations in associates		7,936	7,400	0	0
Participations in joint ventures	10, 14	763	763	3,453	3,453
Investments available for sale		36	36	36	36
Other long-term assets		737	695	620	648
Deferred tax assets		9,535	9,036	2,817	2,319
Total non-current assets		**175,401**	**127,389**	**156,472**	**106,854**
Current assets					
Inventories		8,611	8,993	4,104	3,879
Trade receivables		186,979	213,527	114,793	139,607
Receivables according to IAS 11		130,267	109,274	64,322	52,518
Prepayments and other receivables		104,992	66,560	85,373	54,190
Income tax receivables		8,989	9,843	6,490	7,385
Cash and cash equivalents		147,280	144,431	57,965	85,048
Total current assets		**587,118**	**552,628**	**333,047**	**342,627**
TOTAL ASSETS		**762,519**	**680,017**	**489,519**	**449,481**
EQUITY AND LIABILITIES					
Shareholders' Equity					
Share capital	12	28,910	28,910	28,910	28,910
Share premium account		35,922	35,922	35,922	35,922
Reserves		27,180	27,488	26,984	26,665
Retained earnings		60,778	56,660	42,589	37,640
Total		**152,790**	**148,980**	**134,405**	**129,137**
Non-controlling interests		2,134	1,666	0	0
Total equity		**154,924**	**150,646**	**134,405**	**129,137**

(Amounts in thousand Euros, unless stated otherwise)

Long term liabilities					
Long-term loans	6	6,645	6,361	0	0
Finance leases liabilities	6	42,315	44,230	42,315	44,230
Other long-term liabilities		42,516	0	92,516	50,000
Provisions for staff leaving indemnities	7	4,874	4,522	3,331	3,233
Other provisions		3,120	3,120	2,819	2,819
Grants		14	0	0	0
Deferred tax liabilities		10,705	10,393	0	0
Total long term liabilities		**110,189**	**68,626**	**140,981**	**100,282**
Short term liabilities					
Suppliers		114,700	112,329	66,571	80,124
Short term loans	6	90,085	88,617	51,344	51,210
Long term liabilities falling due during the next year	6	12,458	13,961	10,527	10,809
Liabilities according to IAS 11		23,996	31,727	17,328	23,972
Accrued and other short term liabilities		255,038	212,013	68,363	52,753
Income tax payable	9	1,129	2,098	0	1,194
Total short term liabilities		**497,406**	**460,745**	**214,133**	**220,062**
TOTAL EQUITY AND LIABILITIES		**762,519**	**680,017**	**489,519**	**449,481**

The accompanying notes constitute an integral part of the financial statements.

(Amounts in thousand Euros, unless stated otherwise)

STATEMENT OF COMPREHENSIVE INCOME		**GROUP**		**COMPANY**	
	Note	**1/1 - 31/3 2010**	**1/1 - 31/3 2009**	**1/1 - 31/3 2010**	**1/1 - 31/3 2009**
Continued operations					
Turnover		110,394	141,860	79,405	88,221
Cost of sales		(99,537)	(127,656)	(72,237)	(80,604)
Gross profit		**10,857**	**14,204**	**7,168**	**7,617**
Administrative & distribution expenses		(5,206)	(3,778)	(3,813)	(3,431)
Other income/(expenses)	8	761	(1,004)	2,521	4,140
Operating results		**6,412**	**9,422**	**5,876**	**8,326**
Financial income/(expenses)		(1,565)	(1,355)	(1,367)	(1,219)
Profit / (Loss) from associates consolidated under the equity method		0	0	0	0
Earnings before tax		**4,847**	**8,067**	**4,509**	**7,107**
Income tax expense	9	(302)	(1,359)	468	196
Net Earnings from continued operations		**4,545**	**6,708**	**4,977**	**7,303**
Discontinued operations					
Earnings/(losses) from discontinued operations after tax		0	172	0	0
NET EARNINGS		**4,545**	**6,880**	**4,977**	**7,303**
Other comprehensive income					
Foreign exchange differences from translation of foreign entities		(266)	(429)	292	(55)
Income Tax related to the above income		0	0	0	0
Other comprehensive income for the period net of tax		**(266)**	**(429)**	**292**	**0**
TOTAL COMPREHENSIVE INCOME		**4,279**	**6,451**	**5,269**	**7,248**

(Amounts in thousand Euros, unless stated otherwise)

Net earnings for the periods attributed to:		
Owners of the parent company from continued operations	4,304	6,576
Owners of the parent company from discontinued operations	0	172
Non-controlling interests from continued operations	241	132
	4,545	**6,880**
Total comprehensive income attributed to:		
Owners of the parent company from continued operations	3,968	6,141
Owners of the parent company from discontinued operations		172
Non-controlling interests from continued operations	311	138
	4,279	**6,451**
Earnings per share (in Euro):		
From continued operations attributed to owners of the parent	14.8876	22.7465
From discontinued operations attributed to owners of the parent	0	0.5949
Weighted average number of shares:		
Basic	289,100	289,100

(Amounts in thousand Euros, unless stated otherwise)

STATEMENT OF CASH FLOWS

		GROUP		COMPANY	
	Note	**1/1 - 31/3 2010**	**1/1 - 31/3 2009**	**1/1 - 31/3 2010**	**1/1 - 31/3 2009**
Cash flows from operating activities					
Profit before tax		4,847	8,068	4,509	7,107
Adjustments for the agreement of the net flows from the operating activities					
Depreciation of fixed assets	5	4,242	3,887	3,863	3,208
Provisions		669	954	488	691
Interest and related revenue		(308)	(1,214)	(157)	(761)
Interest and other financial expenses		1,873	2,569	1,524	1,980
Results from participations		0	(94)	0	(4,736)
Results from the sale of fixed assets and investment property		(34)	77	(34)	80
Foreign exchange differences		(83)	1,030	(240)	1,436
Operating profit before changes in working capital		**11,206**	**15,277**	**9,953**	**9,005**
(Increase)/Decrease in:					
Inventories		523	2,991	(215)	2,326
Trade receivables		7,054	(17,660)	14,994	(6,178)
Prepayments and other short term receivables		(39,449)	(3,494)	(30,694)	(4,263)
Increase/(Decrease) in:					
Suppliers		2,231	(28,131)	(14,885)	(29,341)
Accruals and other short term liabilities		34,586	8,273	6,909	(5,877)
Other long-term receivables and liabilities		(34)	(7,705)	49	(6,324)
Income tax payments		(1,166)	(2,238)	(882)	(1,411)
Operating flows from discontinued operations		0	317	0	0
Net cash flows from operating activities		**14,951**	**(32,370)**	**(14,771)**	**(42,063)**
Cash flows from investment activities					
(Purchases) / Sales of fixed assets		(1,076)	(3,023)	(905)	(2,448)
(Purchases) / Sales of investment property		0	3	0	2
Interest and related income received		258	1,025	157	761
(Purchases) / sales of participations and securities		0	(655)	(8,650)	2,762
Cash from consolidated company	10	191	0	0	0
Investment flows from discontinued operations		0	10	0	0
Net cash flows from investment activities		**(627)**	**(2,640)**	**(9,398)**	**1,077**

(Amounts in thousand Euros, unless stated otherwise)

Cash flows from financial activities				
Net change of short-term loans	(6,675)	5,044	0	(84)
Net change of long-term loans	(1,828)	(1,517)	0	0
Payments of liabilities from financial leases	(1,887)	(1,595)	(1,887)	(1,595)
Dividends paid	0	0	0	0
Interest and other financial expenses paid	(1,767)	(3,499)	(1,388)	(2,846)
Change of other financial assets	0	0	0	2
Financial flows from discontinued operations	0	(1,389)	0	0
Net cash flows from financial activities	**(12,157)**	**(2,956)**	**(3,275)**	**(4,523)**
Effect of foreign exchange differences in cash	682	990	361	(418)
Net increase /(decrease) of cash & cash equivalents				
Net increase /(decrease) of cash & cash equivalents from continued operations	**2,849**	**(35,912)**	**(27,083)**	**(45,927)**
Net increase /(decrease) of cash & cash equivalents from discontinued operations	0	(1,062)	0	0
Cash & cash equivalents at the beginning of the period				
Cash & cash equivalents at the beginning of the period from continued operations	144,431	186,930	85,048	115,198
Cash & cash equivalents at the beginning of the period from discontinued operations	0	2,031	0	0
Cash & cash equivalents at the end of the period				
Cash & cash equivalents at the end of the period from continued operations	147,280	153,049	57,965	69,271
Cash & cash equivalents at the end of the period from discontinued operations	0	969	0	0

The accompanying notes constitute an integral part of the financial statements

(Amounts in thousand Euros, unless stated otherwise)

STATEMENT OF CHANGES IN EQUITY

TERNA S.A.	Share Capital	Share Premium	Reserves	Profit carried forward	Total
1 January 2009	**28,908**	**35,922**	**27,223**	**24,920**	**116,973**
Total comprehensive income for the period	0	0	(55)	7,303	**7,303**
Share capital increase	2	0	0	0	**2**
31 March 2009	**28,910**	**35,922**	**27,168**	**32,223**	**124,223**
1 January 2010	**28,910**	**35,922**	**26,665**	**37,640**	**129,137**
Total comprehensive income for the period	0	0	292	4,977	**5,269**
Dividends	0	0	0	0	**0**
Formation of reserves/Transfers	0	0	27	(28)	**(1)**
31 March 2010	**28,910**	**35,922**	**26,984**	**42,589**	**134,405**

(Amounts in thousand Euros, unless stated otherwise)

TERNA GROUP	Share Capital	Share Premium	Reserves	Profit carried forward	Sub-total	Non-controlling Interest	Total
1 January 2009	**28,908**	**35,922**	**27,219**	**42,821**	**134,870**	**114**	**134,984**
Total comprehensive income for the period	0	0	(435)	6,748	**6,313**	138	**6,451**
Share capital increase	2	0	0	0	**2**	0	**2**
Acquisition of subsidiary	0	0	0	0	**0**	0	**0**
Transfers - other movements	0	0	0	(2)	**(2)**	0	**(2)**
31 March 2009	**28,910**	**35,922**	**26,784**	**49,567**	**141,183**	**252**	**141,435**

1 January 2010	**28,910**	**35,922**	**27,488**	**56,660**	**148,980**	**1,666**	**150,646**
Total comprehensive income for the period	0	0	(336)	4,303	**3,697**	311	**4,278**
Dividends	0	0	0	0	**0**	0	**0**
Change in percentage of consolidated subsidiary	0	0	0	(157)	(157)	157	**0**
Transfers - other movements	0	0	28	(28)	**0**	0	**0**
31 March 2010	**28,910**	**35,922**	**27,180**	**60,778**	**152,790**	**2,134**	**154,924**

NOTES ON THE FINANCIAL STATEMENTS

1 ESTABLISHMENT AND ACTIVITY OF THE COMPANY

"TERNA SOCIETE ANONYME TOURISM TECHNICAL SHIPPING COMPANY" (the "Company" or "TERNA"), as renamed from LITHOS SOCIETE ANONYME COMPANY by virtue of the decision dated 6.11.2008 by the Extraordinary General Shareholders Meeting, which was published in the Government Gazette Issue 14207/30.12.2008 (SA & LTD Issue), is registered in the Societe Anonyme Registrar of the Athens Prefecture, under Reg. No.56330/01/B/04/506(08). The company's duration has been set to ninety (90) years.
On 23.12.2008, the merger through absorption of part of the construction activities of the company TERNA SOCIETE ANONYME TOURISM TECHNICAL SHIPPING COMPANY, was approved by virtue of the decision by the Ministry of Development under Reg. No. K2-15458/23.12.2008 together with the increase of the share capital by 28,388,000.00 euro and therefore the share capital amounts to euro 28,910,000.00 divided into 289,100 common registered shares, with a nominal value of 100.00 euro each.
The basic sector in which the Company and Group are active is constructions. TERNA S.A. holds a 7th grade construction certificate and its main activity is to undertake and carry out public and private construction projects of any kind. According to the legislation in effect, companies that hold a 7th grade construction certificate may undertake public projects of over 35 mil. euros. There is no upper limit to the budget of the projects that the Group may independently undertake. Furthermore, TERNA owns and operates a quarry and trades in inert materials.
The consolidated financial statements of TERNA are included in the consolidated financial statements of its parent GEK TERNA SA, which during the balance sheet date, owned 100% of its share capital.
The group's activities are mainly conducted in Greece, however at the same time its operations are increasing in the Balkans and the Middle East.

2 BASIS FOR THE PRESENTATION OF THE FINANCIAL STATEMENTS

a) Basis for the Preparation of the financial statements
The accompanying separate and consolidated financial statements have been prepared according to the historic cost principal, except for investment property and investments available for sale that are measured at fair value. Also, several self-used tangible fixed assets on the transition date (1 January 2004) to the International Financial Reporting Standards (IFRS) were measured at fair values, which were used as implied cost, according to the provisions of IFRS 1 "First time adoption of IFRS".
The interim condensed financial statements, which consist of the separate and consolidated financial statements of the Parent Company and its Group, have been prepared according to IFRS, as such have been adopted by the European Union, and specifically according to the provisions of IAS 34 "Interim Financial Statements". The interim condensed financial statements should be read together with the annual financial statements of 31 December 2009.

b) New standards, interpretations and amendments of standards
The accounting principles applied during the preparation of the financial statements are the same as those followed for the preparation of the Group's and company's financial statements for the period ended on December, 31 2009, except for the adoption of new standards and interpretations, whose application is mandatory for periods beginning on 1 January 2010.
Therefore, from January 1st 2010 the Group and the company adopted new standards, amendments of standards and interpretations as follows:

Amendments to standards that are part of the IASB (International Accounting Standards Board) annual improvements plan published in May 2008. The application of all amendments issued is for 31 December 2009, with the following exception:

Part I: IFRS 5 (Amendment) "Non-Current Assets Held for Sale and Discontinued Operations" (and subsequent amendments to IFRS 1 "First Adoption of International Financial Reporting Standards")

The amendment clarifies that all assets and liabilities of a subsidiary are classified as held for sale if a sales plan for partial distribution results in loss of its control and therefore the relevant disclosures must be made for the subsidiary given that the definition for a discontinued operation is met. The subsequent amendment to IFRS 1 defines that such amendments will be applied in the future from the transition date to IFRS.
This amendment will not affect the financial statements of the Group and Company during the presented period.

–IAS 27 (Amended) "Consolidated and Separate Financial Statements"
The amended IAS 27 requires that transaction that lead to changes in participation percentages in a subsidiary, be registered in equity. Moreover, the amended standard changes the accounting treatment for losses realized by a subsidiary as well as the loss of control in a subsidiary.
The approval of the amendments to IAS 27 entails amendments to international financial reporting standards (IFRS)1, IFRS 4, IFRS 5, IAS1, IAS 7, IAS 14, IAS 21, IAS 28, IAS 31, IAS 32, IAS 33, IAS 39 and interpretation 7 of the Standing Interpretation Committee (SIC) in order to ensure consistency between the international accounting standards.

–IAS 39 (Amendment) "Financial instruments: Recognition and Measurement"
The present amendment clarifies how the hedge accounting is used on the part of the financial instrument that corresponds to inflation and to options when such are used as hedging instruments.
This amendment does not apply to the financial statements of the Group and Company during the presented period.

–IFRS 1 (Replacement) "First implementation of I.F.R.S."
The restructured IFRS 1 replaces the existing IFRS 1, in order to facilitate the use of IFRS 1 and its amendment in the future. Moreover, the restructured IFRS 1 deletes from the standard several transitional guidances and it includes several less significant restatements. The effective requirements remain unchanged.
The specific amendment has no effect on the Company's and Group's financial statements as the Company has already made the transition to IFRS.

–IFRS 2 (Amendment) "Share Based Payments" – Vesting Conditions and Cancellations
The amendment clarifies the definition of "vesting conditions", with the introduction of the term "non-vesting conditions" for terms that do not constitute service of performance terms. It also clarifies that all cancellations either arising from the entity itself or from third parties, must have the same accounting treatment.
The amendment has no effect on the financial statements.

–IFRS 3 (Revised) "Business Combinations"
The revised IFRS 3 introduces a series of changes in the accounting treatment of business combinations that will affect:
a) The amount of goodwill that arises,
b) The results of the reported period during which the companies' acquisition takes place and
c) The future results.
Such changes include:
a) The registration in the results of expenses related to the acquisition and
b) The registration in the results of subsequent changes to the fair value of the potential price

The approval of revised IFRS 3 entails amendments to IFRS 1, IFRS 2, IFRS 7, to International Accounting Standards (IAS 12), IAS 16, IAS 28, IAS 32, IAS 33, IAS 34, IAS 36, IAS 37, IAS 38, IAS 39 and interpretation 9 of the International financial Reporting Interpretation Committee (IFRIC) in order to ensure consistency between the international accounting standards.
The amendment applies to the financial statements of the Group and Company during the presented period.

–IFRIC 16 "Hedges of a Net Investment in a Foreign Operation"
The interpretation applies to an economic entity that hedges the foreign exchange risk from a net investment in a foreign operation and meets the condition for accounting hedge according to IAS 39.
The interpretation provides guidance regarding the way in which an entity must define the amounts reclassified from equity to the results both for the hedge instrument and for the hedged item.
The interpretation does not apply to the Group's and Company's financial statements during the presented period, as the Group and Company do not apply accounting hedging for any investment in a foreign operation.

–IFRIC 17 "Distribution of Non-Cash assets to Owners"
The interpretation provides guidance on the accounting treatment of the following non-reciprocal distributions of assets from the economic entity to shareholders who act under their capacity as such: a) distribution of non-cash assets and b) distributions providing the option to shareholders of either non-cash assets or cash. Also several amendments were made to IFRS 5 and IAS 10.
This interpretation does not apply to the Group's and Company's financial statements during the presented period.

–IFRIC 18 "Transfers of assets from customers"
The interpretation clarifies the requirements of IFRS for the agreements under which the economic entity receives tangible assets from one customer, and subsequently it must use such assets to provide constant access to goods or services to the customer. In several cases, the economic entity receives cash from a customer that must be used only for the purchase or construction of the tangible asset.
Several amendments were also made to IFRS 1.
This interpretation does not apply to the Group's and Company's financial statements during the presented period.

Standards and Interpretations mandatory after 1 January 2010

Specific new standards, amendments of standards and interpretation that have been issued and are mandatory for accounting periods beginning during the present period or after. The Company's (and Group's) assessment regarding the effect from the application of the new standards, amendments and interpretations, is presented below.

–IAS 32 (Amendment) "Financial instruments: Presentation"
Applied for annual accounting periods beginning on or after 1 February 2010.
The amendment to IAS 32 clarifies the accounting treatment of several options when the issued instruments are expressed in a currency other than the issuer's operational currency. If such instruments are distributed proportionately to existing shareholders of the issuer for a specific amount of cash, such must be classified as share capital, even if their exercise price is in a currency different than the issuer's operational currency. Specifically, the amendment concerns, rights, pre-emptive rights, options for the purchase of a specific number of equity instruments of the economic entity.
The amendment will not apply to the Company and Group.

c)Use of Estimates
The Group makes estimations, assumptions and judgments in order to choose the best accounting principles related to the future evolution of events and transactions. These estimations, assumptions and judgments are continuously assessed in order to reflect current information and risk and are based on the management's experience related to level/volume of transactions or events.
The main assumptions and judgments that refer to data that may affect the financial statements in the coming 12 months are as follows:
i) Recognition of income from construction contracts and agreements for the construction of real estate: The Group uses the percentage of completion method to recognize such income, in accordance with IAS 11. According to this method the construction cost as of each date of the statement of financial position, is compared to the budgeted total cost of the project in order to determine the percentage of completion of such. The cumulated effect of the restatements/reassessments of the total budgeted cost of the projects and the total contractual payment (recognition of work over and above the contract) is recorded in the financial years during which such restatements arise. The total budgeted cost arises from estimation procedures and is reassessed and reviewed at each statement of financial position date.
ii)Depreciation of fixed assets: For the calculation of depreciations, the group reviews the useful life and residual value of tangible and intangible assets based on the technological, institutional and financial developments, as well as on experience from their use.
iii)Value readjustment of investment property: For the valuation of its investment property, the Group defines the fair value based on valuation reports prepared on its behalf from independent appraisers.
iv)Valuation of inventories: For the valuation of its inventories, the Group estimates, based on statistical data and market conditions, expected sale prices and the cost of their finalization and distribution, per category of inventory.
v)Impairment of assets and their reversal: The Group evaluates the technological, institutional and financial developments looking for indications of impairment of any kind of assets (fixed, trade and other receivables, financial assets etc) as well as their reversal.
vi)Provision for staff indemnities: The Group, based on IAS 19, proceeds with estimations of assumptions based on which the provision for staff indemnities is calculated actuarially.
vii)Provision for income tax: The Group, based on IAS 12, makes a provision for income tax, current and deferred. The provision for current income tax is calculated by (i) estimating taxable profit of the present period, (ii) deriving the estimated real current tax rate and (iii) applying the rate on the taxable profit of the interim period. It also includes a provision for additional taxes that may arise from tax audits. The final settlement of income tax may differ from the respective amounts registered in the interim and annual financial statements.

vii)Provision for environmental rehabilitation: The Group creates a provision against its relevant liabilities for dismantlement of the technical equipment of wind parks and rehabilitation of the environment, which emanate from the documented environmental law or from the Group's binding practices. The provision for environmental rehabilitation reflects the present value (based on an appropriate discount rate), during the date of the financial statements, of the rehabilitation liability reduced by the estimated recoverable value of materials expected to be dismantled and sold.

3 SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES

The main accounting principles adopted during the preparation of the attached financial statements are the following:

a) Basis of consolidation
The attached consolidated financial statements include those of TERNA SA and its subsidiaries. The subsidiaries in which the Group has a direct or indirect participation of more than half of the voting rights has the right to control the consolidated operations. The subsidiaries are consolidated from the date the Group acquires the control and stop being consolidated at the date this control ceases to exist.

The participation of the Group in Joint ventures when there is common control, are incorporated in the attached financial statements with the method of proportionate consolidation which includes the proportion of the joint-venture on the assets, liabilities and total income with the inclusion of the items in their Financial Statements.
Intragroup transactions and balances are deleted from the attached consolidated financial statements. When necessary, the accounting bodies of subsidiaries are amended in order to secure the consistency with the accounting principles adopted by the Group.

b) Investments in Associates
Includes companies in which the Group exercises significant influence however they are not subsidiaries or joint ventures. The Group's participating interests are recorded using the equity method. According to this method the participating interest in the associate company is carried at acquisition cost plus any change in the percentage of its Equity held by the Group, less any provisions for impairment.
The consolidated comprehensive income statement shows the Group's share in the total comprehensive income of the associate companies.

c) Investments and other (non-derivative) financial assets
Financial assets that fall under the provisions of IAS 39 and are governed by them are classified according to their nature and characteristics into one of the following four categories:
(i)Investments available for sale
(ii)Receivables and loans
(iii)Financial assets at fair value through the comprehensive income statement
(iv)Investments held to maturity
Initially they are recognized at acquisition cost, which represents the fair value plus, in some cases, the direct transaction and acquisition expenses.
The classification of the above financial assets is made upon their initial recognition and wherever permitted it is reviewed and reassessed on a periodic basis.
(i)Investments available for sale
Financial assets (non-derivative) that cannot be classified in any of the above categories are designated and classified as investments available for sale. After the initial recognition, available for sale investments are valued at fair value with the resulting gains or losses being recognized in the other total income of the Comprehensive income statement. Upon sale or write-off or impairment of the investment the accumulated gains or losses are included in the net earnings.
(ii)Receivables and loans
Receivables and loans created by the activities of the Company (and which fall outside the usual credit limits), are valued at net amortized cost using the effective interest rate method. Gains or losses are recorded in the net earnings when the relevant amounts are written-off or suffer impairment as well as through the amortization process.
(iii)Financial assets at fair value through the net earnings
This relates to the trading portfolio and comprises investments acquired with a view to liquidate them in the near future. Gains or losses from the valuation of such assets are recorded in the net earnings.
(iv)Investments held to maturity
Financial assets (non-derivative) with defined flows and defined maturity are classified as held to maturity when the company is willing and able to retain them until their maturity. Investments held indefinitely or for a predetermined period cannot be classified in this category. Held to maturity investments are valued, after the initial recognition, at net amortized cost using the effective interest rate method. Gains or losses are recorded in the net earnings when the relevant amounts are written-off or suffer impairment as well as through the amortization process.
The fair value of such investments that are traded in an organized exchange is derived by the exchange value of the investment at the closing date. As regards to investments that are not traded in an active market, their fair value is calculated on the basis of relevant valuation techniques. These techniques are based on recent arm's-length investment transactions, with reference to the exchange value of another investment with characteristics similar to the investment valued, discounted cash-flow analysis and investment valuation models.

d) Financial Instruments and Risk Management

Non-derivative financial assets and liabilities in the Statement of financial position include cash balances, receivables, participations bank loans and other short and long-term liabilities. The Company does not use derivative financial tools. The accounting principles for the recognition and measurement of these items are mentioned in the respective accounting principles, which are presented in this Note. Financial instruments are disclosed as receivables, liabilities or equity based on the substance and the contents of the relevant contracts from which they stem.

Interest, dividends, gains and losses resulting from the financial instruments that are classified as receivables or liabilities are accounted for as expenses or income respectively. The distribution of dividends to shareholders is accounted for directly through equity. Financial instruments are netted-off when the Company, according to the law, has this legal right and intends to set them off (against each other) on a net basis or to recover the asset and net the liability off at the same time. Financial risk management aims to reduce possible negative consequences. More specifically:

(i)Interest rate risk and exchange rate risk

The Group's bank debt is mainly in Euro and is subject to variable and fixed interest rates. The Management of the Group follows the development of interest rates and exchange rates and takes the necessary measures to reduce the risk.

(ii)Fair Value

The amounts appearing in the attached Statements of financial position for cash balances, short-term receivables and other short-term liabilities approximate their respective fair values due to their short-term nature. The fair value of short-term bank loans does not differ from their accounting value due to the use of floating interest rates.

(iii)Credit Risk Concentration

A substantial part of trade receivables in general relate to agencies and entities of the Public sector with which there is no credit risk, per se. Company's policy is to seek business with customers of satisfactory credit standing while the constant aim is to resolve any resulting differences within a amicable settlement context. Moreover the credit risk concentration is limited due to the great dispersion of the balances.

(iv)Market Risk

The Company has not entered into contracts in order to hedge the market risk arising from its exposure to fluctuations in the prices of raw materials used in the production process.

e) Operation and Presentation Currency and Foreign Exchange Conversion

The euro is the currency of operation and presentation of the Company. Transactions in other currencies are converted into euros using the exchange rates in effect at the date of the transaction. At the date of compilation of the financial statements the monetary asset and liability items that are denominated in other currencies are adjusted so as to reflect the current exchange rates.

The profits and losses resulting from transactions in foreign currencies and from the end-of-year valuation of monetary items in foreign currencies are recorded in the net earnings.

The currency of operation for the foreign subsidiaries of the Group is the official currency of the country in which the subsidiary operates. Therefore, at any financial statements date all subsidiaries' accounts in the Statement of financial position are translated to euro based on the foreign exchange rate prevailing at that date. Revenues and expenses are translated based on the weighted average exchange rate of the year. Any foreign exchange differences resulting as mentioned above, are recoded directly in other comprehensive income. During the sale or distribution of foreign subsidiaries the cumulative foreign exchange differences are recorded in net earnings.

f) Intangible assets

Intangible assets mainly consist of royalties related to quarries, software acquisition costs and all expenses incurred to develop the software in order to bring it to operating condition.

Amortization on royalties are based on straight line method during the normal period for the use of quarries (30 years) and the one on software is accounted for based on the straight line method for a period of three years.

g) Revenue recognition

Revenue is recognized to the extent that it is probable that economic benefits will result for the Group and that the relevant amounts can be accurately measured. The following specific recognition criteria must also be met for the recognition of revenue.

(i) Revenue from construction activities

Income from construction contracts is recognized in the accounting books based on amounts invoiced to customers, which result from the relevant partial certifications of work completed that are issued by the responsible engineers and correspond to the work completed up to the closing date. For reasons of compliance with the IFRS, income from construction activity is accounted for in the attached consolidated financial statements using the percentage-of-completion method in accordance with the provisions of IAS 11 “Construction Contracts”.

According to the percentage-of-completion method the construction costs incurred up to the date of the Statement of Financial position, are compared to the total estimated cost of the project in order to determine the percentage of the project that has been completed. This percentage is applied to the total revised contract price in order to determine the cumulated income from the project, based on which the invoiced income to date is revised. The cumulated effect of the revisions of the total estimated construction cost and the total contract price are accounted for during the accounting periods in which they arise. In the cases of contracts where it is forecast that the total estimated cost will exceed the total contract price, the entire loss is recognized in the year during which the loss-making events become probable.

Non-invoiced accrued income relates to income recognized on the basis of the method described above that has not yet been invoiced, while non-accrued income comprises amounts invoiced up to the balance sheet date over and above the income calculated using the percentage-of-completion method.

Project execution down-payments represent amounts received by the Company upon signing the relevant contracts and are proportionally netted-off with the partial invoicing. The remaining amount due appears as a liability in the attached financial statements.

(ii)Sale of goods

Revenue from the sale of goods, net of trade discounts, sales incentive discounts and the corresponding VAT, is recognized when the significant risks and benefits from ownership of the goods have been transferred to the buyer.

(iii) Rent Revenue

Rent revenue (operating leases) is recognized using the straight-line method, according to the terms of the lease.

(iv) Dividends

Dividends are accounted for when the right to receive them has been finalized by the shareholders by virtue of a Shareholders’ General Meeting resolution.

(v) Interest

Interest income is recognized on an accruals basis.

h)Tangible Fixed Assets

As previously mentioned, the Company has valued certain land and buildings at fair value on January 1st , 2004 and these fair values have been used as deemed cost at the date of transition to IFRS. The resulting surplus was credited to the profits carried forward account. The remaining land, buildings, machinery and vehicles are measured at purchase cost less accumulated depreciation and any provisions for impairment.

Repairs and maintenance are booked as expenses during the year in which they are incurred. Significant improvements are capitalized in the cost of the respective fixed assets provided that they augment the useful economic life, increase the production level or improve the efficiency of the respective fixed assets.

Tangible fixed asset items are eliminated from the balance sheet on disposal or withdrawal or when no further economic benefits are expected from their continued use. Gains or losses resulting from the elimination of an asset from the balance sheet are included in the income statement of the financial year in which the fixed asset in question is eliminated.

Fixed assets under construction include fixed assets that are work in progress and are recorded at cost. Fixed assets under construction are not depreciated until the asset is completed and put into operation.

i)Depreciation

Depreciation is calculated according to the straight-line method using rates that approximate the relevant useful economic life of the respective assets. The useful economic life per fixed asset category ranges between:

Category of Fixed Asset	Years
Buildings and Construction projects	8-30
Machinery and Technical Installations	3-12
Vehicles	5-12
Fixtures and Other Equipment	3-12

j)Impairment of the Value of Fixed Assets

The book values of long-term assets, other than goodwill and tangible fixed assets with an indefinite life, are reviewed for impairment purposes when facts or changes in circumstances imply that the book value may not be recoverable. When the book value of an asset exceeds its recoverable amount, the respective impairment loss is recorded in the ret earnings. The recoverable amount is defined as the largest between the fair value minus the sale cost and the value in use.
The fair value minus the sale cost is the plausible income from the sale of an asset in the context of an arm's-length transaction, in which all parties have full knowledge and willingness, after the deduction of each additional direct sales cost for the asset. The value in use consists of the net present value of future estimated cash flows expected to occur from the continuous use of the asset and from the income expected to arise from its sale at the end of its estimated useful economic life. In order to determine the impairment, the asset items are grouped at the lowest level for which cash flows can be recognized separately.
A reversal of an impairment for the value of assets accounted for in previous years, takes place only when there are sufficient indications that such an impairment no longer exists or it has been reduced. In these cases the above reversal is treated as income in net earnings.
The Management estimates that there is no case of impairment of the Group's fixed assets and thus a calculation of the assets' recoverable amounts has not been made.

k) Investment property

Investments in property are those held for the purpose to receive rent or capital appreciation and are valued at their fair value which is based on market value, that is to say at the estimated value of which the property may be sold, at the day of the estimation, in a normal transaction. The estimation is contacted regularly by external professional estimators who have the knowledge on the property market.
Profits or losses that arise from changes in the fair value of investments in property are included in the net earnings of the period during which they arise. Repairs and maintenance are recorded as expenses in the year in which they are incurred. Material subsequent expenses are capitalized when they augment the useful economic life of the buildings, their productive capacity or reduce their operation cost.
The investment property is eliminated from the Statement of financial position upon sale. All gains or losses resulting from the sale of an investment property are included in the net earnings of the year during which it was sold.
Investment property being build or developed are monitored, as those completed, at fair value.

l) Inventories

Inventories include excavated from the quarry material, construction material, spare parts and raw material. Inventories are valued at the lower of cost and net realizable value. The cost of raw materials, semi-finished and finished products is defined based on the weighted average method.

The cost of finished and semi-finished products includes all the realized expenses in order for them to reach the current point of storing and processing and consists of raw materials, labor costs, general industrial expenses and other costs that directly relate to the purchase of materials. The net realizable value of finished products is their estimated selling price during the Company's normal course of business less the estimated costs for their completion and the estimated necessary costs for their sale. The net realizable value of raw materials is their estimated replacement cost during the normal course of business. A provision for impairment is made if it is deemed necessary.

m) Receivables Accounts
Short-term receivables are accounted for at their nominal value less the provisions for doubtful receivables, while long-term receivables are valued at net amortized cost based on the effective interest rate method. At each date of the financial statements, all overdue or doubtful receivables are reviewed in order to determine the necessity for a provision for doubtful receivables.
The balance of the specific provision for doubtful receivables is appropriately adjusted at each balance sheet date in order to reflect the estimated relevant risks. Each write-off of customer balances is debited to the existing provision for doubtful receivables.

n) Cash and Cash Equivalents
The Group considers time deposits and other highly liquid investments with an initial maturity less than three months, as cash and cash equivalents.
For the compilation of the cash flow statements, cash and cash equivalents consist of cash, deposits in banks and cash and cash equivalents as defined above.

o)Long-term loan liabilities
All long-term loan liabilities are initially booked at cost, which is the actual value of the received payment less the issuance expenses related to the loan. After the initial recording, interest-bearing loans are valued at the net book value using the effective interest rate method. The net book value is calculated after taking into account the issuance expenses and the differences between the initial amount and the amount at maturity.
Profits and losses are registered in the net profit or loss when the liabilities are written off or impaired and through the amortization procedure. Interest expenses are recognized on an accruals basis.
We note that interest on loans related to the construction of fixed assets and inventories, whose construction requires a significant period of time, increase the value of relevant assets, based on the revised IAS 23. The capitalization of interest is disrupted when the asset is ready for the use it is intended for.

p)Provisions for Staff Retirement Indemnities
According to the provisions of L2112/20, the Group reimburses its retiring or dismissed employees, and the amount of the relevant indemnities depends on the years of service, the level of wages and the reason for exit from employment (dismissal or retirement).
The liabilities for staff retirement indemnities are calculated using the discounted value of future benefits that have accrued at the end of the year, based on the recognition of the employees' benefit rights during the duration of their expected working years. The above liabilities are calculated based on the financial and actuarial assumptions and are defined using the projected unit method of actuarial valuation.
Net retirement costs for the period are included in the net earnings and consist of the present value of benefits that have accrued during the year, the interest on the benefits' liability, the cost of prior service, the actuarial profit or loss and any other additional retirement costs. The prior service costs are recognized on a straight line basis over the average period during which access to the program's benefits is earned. The liabilities for retirement benefits are not financed. As at the 1st of January 2004 (transition date to IFRS and compilation of initial Balance Sheet) the Company, applying the exemptions provided for by IFRS 1 for the first-time application of the IFRS, recognized the total actuarial losses that had accumulated as of the 1st of January 2004. During the compilation of subsequent financial statements TERNA, applying the general provisions of IAS 19, followed the "margin" method for the recognition of accumulated actuarial losses/profits.

Actuarial profits and losses are registered as income or expenses when the accumulated actuarial profit or losses for each program separately exceed 10% of the largest value between the liability of the defined benefit and the actual value of the program's assets. These profits or losses are systematically recorded during the expected average remaining working life of employees participating in the programs.

q) Government Pension Plans

The staff of the Group is mainly covered by the main Government Social Security Fund for the private sector (IKA) and which provides pension and medical-pharmaceutical benefits. Each employee is required to contribute part of his/her monthly salary to the fund, while part of the total contribution is covered by the Company. At the time of retirement, the pension fund is responsible for the payment of retirement benefits to the employees. Consequently, the Company has no legal or constructive obligation for the payment of future benefits according to this plan.

r) Income Tax (Current and Deferred)

Current and deferred taxes are calculated based on the financial statements of each of the companies included in the consolidated statements that are compiled according to the tax regulations in effect in Greece or in other countries in which the foreign subsidiaries operate.

Current income tax is calculated based on the earnings of the Company as such are reformed on the company's tax returns, additional income tax emerging from the Tax Authorities' tax audits, on deferred income tax based on the enacted tax rates, as well as any other extraordinary tax contribution calculated on earnings.

Deferred income tax is calculated using the liability method on all temporary differences between the tax base and the book value of assets and liabilities on the date of the financial statements. Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are recognized for all the exempt temporary differences and the transferable tax losses, to the extent that it is likely that there will be available taxable earnings, which will be set against the exempt temporary differences and the transferable unused tax losses.

The deferred tax assets are estimated on each date of the financial statements and are reduced to the degree that it is not considered likely that there will be adequate taxable earnings against which part or the total of receivables from deferred income taxes may be used.

Deferred tax assets and liabilities are calculated according to the tax rates that are expected to be in effect during the financial year when the asset will be realized or the liability will be settled, and are based on the tax rates (and tax regulations) that are effective or enacted on the date of the financial statements.

Income tax that relates to items, which have been directly recognized in other comprehensive income, is also recognized in other comprehensive income.

s) Finance and Operating Leases

Finance leases, which essentially transfer to the Group all the risks and returns related to the leased fixed asset, are capitalized during the inception of the lease based on the leased asset's fair value or, if it is lower, on the present value of the minimal leases. Payments for finance leases are allocated between the financial expenses and the reduction of the financing liability, in order to achieve a fixed interest rate on the remaining portion of the liability. The financial expenses are debited directly to the net earnings. Capitalized leased fixed assets are depreciated based on straight lime method during the useful life of the asset.

Leases where the lessor maintains all the risks and returns related to ownership of the fixed asset, are recorded as operating leases. The payments of operating leases are recognized as an expense in the net earnings on a constant basis for the duration of the lease.

u) Provisions, Contingent Liabilities and Contingent Receivables

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is possible that a transfer of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The provisions are reviewed on each date of the financial statements and are adjusted in order to reflect the present value of expenses that are expected to be required for the settlement of the liability.

If the effect of the time value of money is significant, then provisions are calculated by discounting the expected future cash flows with a pre-tax rate, which reflects the market's current estimations for the time value of money, and wherever considered necessary, the risks related specifically to the obligation. Contingent liabilities are not recognized in the financial statements but are disclosed, unless the outflow of economic resources that include an economic loss benefits is probable.
Contingent assets are not recognized in the consolidated financial statements but are disclosed when an inflow of financial benefits is possible.

w)Earnings per Share
Basic earnings per share (EPS) are calculated by dividing net earnings corresponding to the parent's owners with the average weighted number of common shares that are outstanding during each year, with the exception of the average common shares acquired by the group as treasury-shares.
Diluted earnings per share are calculated by dividing the net earnings corresponding to owners of the parent (after deducting the interest on convertible shares, after taxes) with the weighted average number of shares that are outstanding during the year (adjusted for the effect of the diluted convertible shares).

x) Business Combinations, Goodwill from Acquisitions and Changes in Minority Stakes
Business/activity combinations are accounted for with the acquisition method. According to this method, assets (including previously not recognized intangible assets) and liabilities (including contingent liabilities) of the acquired company/activity are recognized at fair values at the transaction date. The goodwill from business/activity combinations results as the difference of the fair values, at the transaction date, between: a) the aggregate of the consideration transferred, the amount of any non-controlling interest and any previously held interest and b) the value of the identifiable assets acquired and liabilities assumed. At the transaction date (or during the completion date of the relevant allocation of the acquisition price), the goodwill that is acquired, is allocated to the cash flow generating units or in groups of cash flow generating units that are expected to benefit from this combination. If the fair value of assets acquired exceeds the cost of the combination, then the Group re-estimates the recognition and measurement of recognizable net assets and the cost of the combination, and it directly recognizes the negative difference of the acquisition price and the fair value of net assets (negative goodwill) in the results.
Expenses of business combinations are recognized directly in the results during the period when the combination took place.
Goodwill is measured at historic cost minus accumulated impairment losses. Goodwill is not amortized but is subject to impairment reviews on an annual basis or more frequently if events or changes in conditions indicate that its value may be impaired.
If the book value of a cash flow generating unit, including the corresponding goodwill, exceeds its recoverable amount, then impairment loss is recognized. The impairment is calculated by estimating the recoverable amount of the cash flow generating units, which are related to the goodwill.
If part of a cash flow generating unit to which goodwill has been allocated, is sold, then the goodwill that corresponds to the sold portion is included in the book value of this portion in order to define the profit or loss. The value of goodwill that corresponds to the sold portion, is defined according to the relevant values of the part sold and the part of the cash flow generating unit that remains.
Goodwill that has resulted from acquisitions or business combinations, has been allocated and is monitored on a Group level to the basic cash flow generating units, which have been defined according to the provisions of IAS 36 "Impairment of Assets".
When the Group increases its participation percentage in existing subsidiaries (acquisition of minority stakes), the total difference between the acquisition price and the proportion of minority stakes acquired, is settled directly in equity given that it is considered a transaction between shareholders (entity concept method). Accordingly, when minority stakes are sold (without the final participation leading to loss of control on the subsidiary), then the relevant profit or loss is recognized directly in equity.

(Amounts in thousand Euros, unless stated otherwise)

4 GROUP STRUCTURE

During the period ended on 31.3.2010, the acquired company ENERGY TECHNICAL DEVELOPMENT OF WESTERN GREECE SA together with the joint venture it participates in, namely J/V METKA-ETADE (Construction of PPC steam-electric stations in Megalopoli), which are included in the industrial and construction segment respectively, were included in the consolidation for the first time due to acquisition.

The table that follows presents the participations of TERNA SA in economic entities at 31.3.2010 and which were included in the consolidation:

ECONOMIC ENTITY	DOMICILE	TOTAL PARTICIPATION %	CONSOLIDATION METHOD
VRONTIS QUARRY PRODUCTS SA	Greece	100.00	Full
ENERGY TECHNICAL DEVELOPMENT OF WESTERN GREECE SA	Greece	100.00	Full
TERNA OVERSEAS LTD	Cyprus	100.00	Full
TERNA QATAR LLC **	Qatar	40.00	Full
TERNA BAHRAIN HOLDING WLL	Bahrain	99.99	Full
PCC TERNA WLL	Bahrain	80.00	Full
TERNA CONTRACTING CO WLL	Bahrain	100.00	Full
TERNA ELECTRICAL MECHANICAL WLL	Bahrain	70.00	Full
CEMENT PRODUCTION AND EXPORT FZC	Libya	75.00	Full
MALCEM CONSTRUCTION MATERIALS LTD	Malta	75.00	Full
J/V TERNA SA - IMPEGILO SPA (TRAM)	Greece	55.00	Proportionate
J/V ANCIENT OLYMPIA BY-PASS	Greece	50.00	Proportionate
J/V TERNA SA / AKTOR SA - GOULANDRIS MUSEUM	Greece	50.00	Proportionate
J/V UNDERGROUND CARS THESSALONIKI	Greece	50.00	Proportionate
J/V ATHENS CONCERT HALL	Greece	69.00	Proportionate
J/V TERNA SA-ATHINA ATE ARAHTHOS PERISTERI PROJECT	Greece	62.50	Proportionate
J/V PERISTERI METRO	Greece	50.00	Proportionate
J/V TERNA SA - KARAGIANNIS TEFAA KOMOTINI PROJECT	Greece	24.00	Proportionate
J/V THALES ATM SA-TERNA IMPROVEMENTS OF TACAN STATIONS	Greece	50.00	Proportionate
J/V ETETH-TERNA-AVAX PANTECHNIKI HORSE RIDING CENTRE	Greece	35.00	Proportionate
J/V AVAX-VIOTER (OLYMPIC VILLAGE CONSTRUCTION)	Greece	37.50	Proportionate
J/V TERNA S.A. PANTECHNIKI S.A.	Greece	83.50	Proportionate
J/V TERNA S.A. AKTOR A.T.E. J&P AVAX	Greece	69.00	Proportionate
J/V TERNA S.A. J&P AVAX - PANTECHNIKI-HORSE RIDING CENTRE MAINTENANCE	Greece	35.00	Proportionate
J/V TERNA SA - TH. KARAGIANNIS SA PROJECT CONSTRUCTION MEPW	Greece	50.00	Proportionate
J/V SALONIKA PARK	Greece	50.00	Proportionate
J/V TERNA-MICHANIKI AGRINIO BY-PASS	Greece	65.00	Proportionate
J/V AKTOR-DOMOTECHNIKI-THEMELIODOMI-TERNA-ETETH	Greece	25.00	Proportionate

(Amounts in thousand Euros, unless stated otherwise)

ECONOMIC ENTITY	DOMICILE	TOTAL PARTICIPATION %	CONSOLIDATION METHOD
J/V CONSTRUCTION OF PROJECT PARADEISIA-TSAKONA	Greece	49.00	Proportionate
J/V UNDERGROUND CHAIDARI-PART A	Greece	50.00	Proportionate
J/V FOUNDATION OF THE HELLENIC WORLD-COMPLETE CONSTRUCTION	Greece	60.00	Proportionate
J/V VIOTER SA-TERNA SA	Greece	50.00	Proportionate
J/V TERNA SA - IONIOS SA	Greece	90.00	Proportionate
J/V ATHINA-PANTECHNIKI-TERNA-J/V PLATAMONAS PROJECT	Greece	39.20	Proportionate
J/V VIOTER SA-TERNA SA	Greece	50.00	Proportionate
J/V TERNA-MOCHLOS ATE	Greece	70.00	Proportionate
J/V TERNA-VIOTER SA	Greece	50.00	Proportionate
J/V EDRASI-PSALLIDAS-TERNA-EDRACO	Greece	51.00	Proportionate
J/V TERNA-AKTOR-EMPEDOS-J&P ABAX-J&P AVAX-IMEC GmbH	Greece	24.00	Proportionate
J/V EUROPEAN TECHNICAL-HOMER-TERNA	Greece	50.00	Proportionate
J/V TERNA-THEMELIODOMI	Greece	60.00	Proportionate
J/V TERNA-EDRASI-STROTIRES - WP	Greece	41.00	Proportionate
J/V UNIVERSITY OF CRETE-RETHYMNON	Greece	25.00	Proportionate
J/V EKTER-TERNA (THETIKON)	Greece	50.00	Proportionate
J/V AKTOR-TERNA SA	Greece	50.00	Proportionate
J/V AKTOR-TERNA SA IASO BUILDING	Greece	50.00	Proportionate
TERNA SA - PANTECHNIKI S.A. (OAKA)	Greece	50.00	Proportionate
J/V ALPINE MAYREDER BAU GmbH-TERNA SA-PANTECHNIKI SA	Greece	31.50	Proportionate
J/V TERNA-MOCHLOS-AKTOR KIATO-AIGIO	Greece	35.00	Proportionate
J/V J&P AVAX-TERNA-AKTOR PLATANOS TUNNEL	Greece	33.33	Proportionate
J/V THEMELIODOMI-TERNA-DIEKAT-KTIRIODOMI SA	Greece	25.00	Proportionate
J/V MINISTRY OF TRANSPORTATION	Greece	33.33	Proportionate
J/V AEGEK TERNA	Greece	45.00	Proportionate
J&P AVAX SA-TERNA SA-EYKLEIDIS	Greece	35.00	Proportionate
J/V EURO IONIA	Greece	33.33	Proportionate
J/V AKTOR ATE – J&P AVAX - TERNA SA	Greece	12.00	Proportionate
J/V AKTOR ATE – J&P AVAX - TERNA SA	Greece	12.00	Proportionate
J/V TERNA - AKTOR	Greece	50.00	Proportionate
J/V CENTRAL GREECE MOTORWAY E-65	Greece	33.33	Proportionate
J/V TERNA SA-AKTOR ATE J&P AVAX PIRAEUS –TREIS GEFYRES	Greece	33.33	Proportionate
J/V TERNA SA- AKTOR ATE DOMOKOS	Greece	50.00	Proportionate
J/V TERNA SA-THALES RAIL SIGNALING SOLUTIONS	Greece	37.40	Proportionate
J/V J&P AVAX SA-VIOTER SA-TERNA SA	Greece	33.33	Proportionate
J/V ALPINE BAU-TEPNA SA	Greece	49.00	Proportionate
J/V AKTOR-TERNA	Greece	50.00	Proportionate
J/V EVAGGELISMOS PROJECT C	Greece	50.00	Proportionate

(Amounts in thousand Euros, unless stated otherwise)

ECONOMIC ENTITY	DOMICILE	TOTAL PARTICIPATION %	CONSOLIDATION METHOD
J/V EPL DRAMAS	Greece	40.00	Proportionate
J/V K. MANIOTIS - TERNA -ENERGIAKI	Greece	37.50	Proportionate
J/V TERNA-TERNA ENERGY-TSAMBRAS (DRAMA HOSPITAL)	Greece	40.00	Proportionate
J/V METKA-ETADE	Greece	90.00	Proportionate
JV QBC S.A. - TERNA S.A.	Qatar	40.00	Proportionate
HAMRIYAH CEMENT COMPANY FZC	U.A.E.	40.00	Equity

** The company TERNA QATAR LLC is consolidated with the full consolidation method according to SIC 12 "Consolidation-Special Purpose Vehicles" as the group has the management control based on an agreement.

The following table presents the joint ventures for the construction of technical projects, in which the Group participates. Such joint ventures have already concluded the projects they were established for, the guarantee period has expired, their relations with third parties have been settled and their final liquidation is pending.

Therefore such are not included in the consolidation.

COMPANY NAME	TOTAL PARTICIPATION % (Indirect)
J/V BIOTER SA-TERNA SA- REVIEW	50.00%
J/V BIOTER SA-TERNA SA-FENCING (APOLLONIA SPA)	50.00%
J/V EMPEDOS SA-TERNA SA (PROJECT EKTHE THIRD PARTY)	50.00%
J/V CAR PARK "PARKING WHEEL SA"	12.16%
J/V MARITIME MIDSHIPMEN –GNOMON ATE-GEK SA-GENER SA	33.00%
J/V IMPREGILO Spa – TERNA SA-ALTE SA (EXECUTIONS)-in clearance	33.33%
J/V ARCHIRODON HELLAS ATE-TERNA SA	30.00%
J/V ATHINA ATE-PANTECHNIKI SA –TERNA SA	33.33%
J/V EVINOU-AEGEK-METON SA-TERNA SA-EYKLEIDIS SA	33.33%
J/V MAIN ARROGATION CANAL D 1	75.00%
J/V IRAKLEION CAMPUS	50.00%
J/V AKTOR, AETERNA, EKTER, TERNA AIRPORT INSTAL. SPATA	20.00%
J/V TERNA SA / AKTOR SA - GOULANDRIS MUSEUM	50.00%
J/V DEPA PROJECT	10.00%
J/V ARTA-FILIPPIADA BY-PASS	98.00%
J/V ATHENS CAR PARKS	20.00%
J/V OSE BUILDING CONSTRUCTION SA	13.30%
J/V FRAGMATOS PRAMORITSA	33.33%
J/V TERNA S.A.- VERMION SA-ANAPLASEON SA (In clearance)	50.00%
J/V TERNA SA - ERGODOMI SA - KTISTOR SA	50.00%
J/V TERNA S - TH. KARAGIANNIS SA	50.00%
J/V ENERGEIAKI SA - OLYMPIOS SA	50.00%

(Amounts in thousand Euros, unless stated otherwise)

The voting rights of TERNA in all the above participations coincide with the stake it owns in their share capital.

5 FIXED ASSETS

The summary movement of intangible and tangible fixed assets for the period 1.1-31.3.2010 and the respective comparable period, is as follows:

A. Tangible fixed assets

	GROUP		COMPANY	
	1.1-31.3.2010	**1.1-31.3.2009**	**1.1-31.3.2010**	**1.1-31.3.2009**
Net book value 1 January	**102,653**	**80,764**	**89,065**	**68,919**
Purchases	1,122	3,074	966	2,507
Acquisitions of fixed assets through financial leasing	591	3,122	591	3,122
Additions due to acquisition	1,471	0	0	0
Transfers	0	(107)	0	0
Foreign exchange differences	481	472	319	201
Sales/Write-offs during the period	(41)	(188)	(41)	(185)
Depreciations	(4,171)	(3,812)	(3,795)	(3,138)
Net book value 31 March	**102,106**	**83,325**	**87,105**	**71,426**

B. Intangible fixed assets

	GROUP		COMPANY	
	1.1-31.3.2010	**1.1-31.3.2009**	**1.1-31.3.2010**	**1.1-31.3.2009**
Net book value 1 January	**5,210**	**5,387**	**5,127**	**5,307**
Purchases	33	9	12	44
Additions due to acquisition	8	0	0	
Foreign exchange differences	3	0	0	
Transfers	0	44	0	0
Amortization	(79)	(73)	(69)	(67)
Net book value 31 March	**5,175**	**5,367**	**5,070**	**5,284**

6 LOANS

A. Long-term debt

The Group's long-term debt is limited, it concerns only companies in the Middle East, it is in USD or in currencies pegged to such (2.5% of total) and represents about 5.9% of the Group's total debt.

(Amounts in thousand Euros, unless stated otherwise)

During the period no new loans were received, while 107 was paid to repay debt on existing loans.
The weighted average effective interest rate of long-term debt during the period, amounted to 2.1% compared to 4.1% during 2009.

B. Financial leasing contracts

During the period the group signed new financial leasing contracts for machinery and other site equipment amounting to a total of 591, while for the payment of installments on existing contracts the amount of 1,896 was paid, with an average effective interest rate of 3.9%, compared to 5.2% during 2009.

The remaining total capital of financial leasing contracts, on 31.3.2010, amounts to 52,842 and represents 34.9% of total debt.

C. Short-term debt

Short-term loans constitute the main financing source of the Group's construction activity and are in euro or in currencies pegged to such and represent about 59.2% of the Group's total debt. Short-term loans mainly cover the working capital needs.
The average effective interest rate on short-term debt during the period corresponded to 4.25%, compared to 5% during 2009.

7 PROVISION FOR STAFF LEAVING INDEMNITIES

The summary movement of the provision for staff leaving indemnities of the Group and Company on 31.3.2010 and 31.3.2009, was as follows:

	GROUP		COMPANY	
	1.1-31.3.2010	**1.1-31.3.2009**	**1.1-31.3.2010**	**1.1-31.3.2009**
Balance 1 January	**4,522**	**2,995**	**3,233**	**2,168**
Additional provisions charged against net earnings	670	420	488	156
Transfers from/(to) other provisions/liabilities	0	19	0	(30)
Foreign exchange differences	178	36	89	36
Used provisions	(536)	(78)	(479)	(78)
Additions due to acquisition	40	0	0	0
Balance 31 March	**4,874**	**3,392**	**3,331**	**2,252**

There were no changes in the actuarial assumptions in relation to the comparative period, while the assumptions are those presented in the annual financial statements of the previous year.

8 OTHER INCOME/EXPENSES

The analysis of other income/expenses on 31.3.2010 is presented in the following table:

(Amounts in thousand Euros, unless stated otherwise)

	GROUP		COMPANY	
	1.1-31.3.2010	**1.1-31.3.2009**	**1.1-31.3.2010**	**1.1-31.3.2009**
Income from participations in joint ventures	0	94	1,758	4,736
Other services rendered	413	520	414	520
Other income	374	456	1,805	320
Foreign exchange differences	83	0	240	0
	870	**1,070**	**4,217**	**5,576**
Taxes - duties	(2)	0	(2)	0
Other expenses	(107)	(1,038)	(1,694)	0
Foreign exchange differences	0	(1,036)	0	(1,436)
	(109)	**(2,074)**	**(1,696)**	**(1,436)**
Total	**761**	**(1,004)**	**2,521**	**4,140**

9 INCOME TAX

The expense for income tax is recognized based on the best estimation of the management regarding the weighted average tax rate for a full year. This rate on 31.3.2010 was 6.2% for the Group (16.8% on 31.3.2009)
The Company has been audited by the tax authorities up to fiscal year 2008 included.
As regards to the tax un-audited fiscal years of the other consolidated companies and joint ventures, we note that there has been no change in the tax un-audited years presented in the relevant table of Note 21 of the annual financial statements of 31.12.2009, apart from the fact that year 2010 is now added to the tax un-audited fiscal years.

10 BUSINESS COMBINATIONS

On 8.1.2010 the group acquired 100% of the shares and voting rights in ENERGY TECHNICAL DEVELOPMENT OF WESTERN GREECE SA. The latter company is included in the industry segment and specifically it constructs mechanical equipment, machinery as well as turn key projects in the industrial and energy sector. Moreover, the company participates by 90% in the joint venture ETADE SA – METKA SA, which has undertaken the construction of PPC's new project "Steam-electric Station of Megalopoli – Design, procurement, transfer, installation and commissioning of combined cycle unit No. 5, with capacity of 811 MW, running on natural gas", with a total budget of approximately 500 mil euro.
The consideration transferred was 42,515 and it is payable during 2011, while in the Statement of financial position it is presented in the account Other long-term liabilities. Also it is noted that the company essentially had no activity and thus no results from the acquisition date.
Information on the net assets acquired and goodwill, is as follows:

Consideration transferred	42,515
Minus: Fair value of net recognizable assets	(5,002)
Goodwill*	**47,517**

(Amounts in thousand Euros, unless stated otherwise)

The goodwill that emerged, which was recognized in assets, also reflects the expected earnings that will result for the group from the construction of PPC's project "Steam-electric Station of Megalopoli – Design, procurement, transfer, installation and commissioning of combined cycle unit No. 5, with capacity of 811 MW, running on natural gas", with a total budget of approximately 500 m euro, through the joint venture ETADE SA – METKA SA, in which the company participates by 90%.
The provisional fair value of assets and liabilities acquired is presented in the following table:

	Fair value during acquisition
Fixed assets	1,479
Inventories	151
Trade receivables	1,488
Other receivables	14
Cash & cash equivalents	191
Loans	(8,039)
Other liabilities	(286)
Net assets	**(5,002)**

11 LITIGATIONS OR DIFFERENCES UNDER ARBITRATION

During the execution of its activities, the Company may face contingent legal claims by third parties. According to the Management, as well as the Legal Counsel of the Company, any such claims are not expected to have a significant effect on the Company's operation and financial position as at 31.3.2010.

12 SHARE CAPITAL

The company's share capital and number of shares did not change in relation to 31.12.2009.
On 31.3.2010 the Group did not own, either directly through the parent or indirectly through subsidiaries, treasury shares.

13 TRANSACTIONS WITH RELATED PARTIES

The transactions of the Company and Group with related parties for the period ended on 31.3.2010 and 31.3.2009, as well as the balances of receivables and liabilities that have emerged from such transactions at 31.3.2010 and 31.12.2009, are as follows:

Period 31.3.2010	**GROUP**				**COMPANY**			
Related party	**Sales**	**Purchases**	**Debit Balances**	**Credit Balances**	**Sales**	**Purchases**	**Debit Balances**	**Credit Balances**
Parent	0	80	0	2,728	0	80	0	750
Subsidiaries	0	0	0	0	1,611	3,411	7,572	9,026
Joint Ventures	0	0	0	0	7,540	276	49,698	80,082
Associates	0	105	6,090	1,058	0	50	245	1,058
Other related parties	5,686	1,662	13,394	105,787	17,783	804	12,090	1,818

(Amounts in thousand Euros, unless stated otherwise)

Period 31.3.2009 / 31.12.2009	**GROUP**				**COMPANY**			
Related party	**Sales**	**Purchases**	**Debit Balances**	**Credit Balances**	**Sales**	**Purchases**	**Debit Balances**	**Credit Balances**
Parent	349	53	0	2,694	307	53	0	716
Subsidiaries	0	0	0	0	127	2,206	805	3,015
Joint Ventures	0	0	0	0	2,914	82	42,102	67,116
Associates	0	0	5,495	0	0	0	0	0
Other related parties	17,644	1,739	18,433	110,029	426	133	8,018	3,666

Remuneration of the Board of Directors members and senior executives: The remuneration of the Board of Directors members and senior executives of the group and Company, recognized for the period 1.1 – 31.3.2010 are as follows:

	GROUP		**COMPANY**	
	1.1-31.3.2010	**1.1-31.3.2009**	**1.1-31.3.2010**	**1.1-31.3.2009**
Remuneration of executives included in the executive Board members	220	168	189	168
Remuneration for participation in Board meetings	0	0	0	0
	220	**168**	**189**	**168**

14 RIGHTS ON JOINT VENTURES

The group owns rights on jointly controlled entities. The financial statements of the group present the group's rights on the assets, liabilities, income and expenses of jointly controlled companies, as follows:

	31.3.2010	**31.12.2009**
Non-current assets	3,340	3,347
Current assets	308,331	270,051
Long-term liabilities	(3,812)	(3,483)
Short-term liabilities	(301,962)	(256,977)
Net assets	**5,897**	**12,938**
Revenue	18,840	33,729
Expenses	(16,722)	(30,223)
Net earnings	**2,118**	**3,506**

15 SIGNIFICANT CHANGES OF BALANCES IN THE FINANCIAL STATEMENTS OF THE PRESENT PERIOD

The balanced of the invoiced Trade receivables decreased significantly during the period and specifically that relating to the construction segment, given that significant balances were collected, amounting to 40,000.
The balance Prepayments and other receivables increased during the period, a fact attributed to the advances to foreign suppliers for new construction projects, amounting to 30,500.
The balance Accrued and other short-term liabilities increased during the period, a fact attributed to the collection of advances from customers of new construction projects, amounting to 55,000.

16 SIGNIFICANT EVENTS DURING THE PERIOD

The total backlog of construction projects of the Group on 31.3.2010 amounts to 1,900,000.

17 CYCLICALITY-SEASONALITY

The group's activities and specifically those of the construction are affected by economic circumstances and the total performance of the economy at the mid-long-term horizon.
Also, several construction activities are affected by abrupt weather conditions or delays due to force majeure. As a result of the above, gross profit presents fluctuations.

18 SIGNIFICANT EVENTS AFTER THE FINANCIAL STATEMENTS DATE

On 27.4.2010 the joint venture TERNA SA -SICES CONSTRUCTIONS S.p.A., in which the subsidiary of the group TERNA SA participates by 50%, was announced as the lowest bidder for the project "Mechanical projects/Area 1" of the Elefsina plant of Hellenic Petroleum, with a budget of 68,371.

19 CONTINGENT LIABILITIES

The Group's Management considers that there are no changes in contingent liabilities in relation to those mentioned in the annual financial statements of 31.12.2009.