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 31st March 2012

(January 1st to 31st of March 2012)

In accordance with International Accounting Standard 34

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INTERIM CONDENSED FINANCIAL STATEMENTS SEPARATE AND CONSOLIDATED OF 31ST OF MARCH 2012

It is ascertained that the accompanying interim condensed financial statements for the period 1.1.2012-31.03.2012 are those approved by the Board of Directors of “TERNA SOCIETE ANONYME TOURISM TECHNICAL SHIPPING COMPANY” (TERNA SA), during its meeting on 28th of May 2012. The present financial statements for the period 1.1.2012-31.03.2012 are posted on the internet at the website www.terna.gr and will remain available for investors for a period of at least five (5) years from their preparation and release.

THE CHAIRMAN OF THE BOARD	THE MANAGING DIRECTOR
DIMITRIOS ANTONAKOS	GEORGIOS PERISTERIS
THE BOARD MEMBER	THE CHIEF ACCOUNTANT
PANAGIOTIS POTHOS	AIKATERINI HALKOROKA - ATHANASOPOULOU

(Amounts in thousand Euro, unless stated otherwise)

STATEMENT OF FINANCIAL POSITION

	Note	GROUP 31 March 2012	GROUP 31 December 2011	COMPANY 31 March 2012	COMPANY 31 December 2011
ASSETS					
Non-current assets					
Tangible fixed assets	5	93,502	97,868	69,853	73,133
Intangible fixed assets	5	53,529	56,157	4,654	4,711
Goodwill		8,912	8,912	0	0
Investment property		2,220	2,220	1,596	1,596
Participations in subsidiaries		0	0	103,469	98,510
Participations in associates	6	0	8,268	0	0
Participations in joint ventures	13	764	764	7,457	6,957
Investments available for sale		51	51	36	36
Other long-term assets		53,326	45,698	40,558	33,087
Deferred tax assets		21,633	20,292	13,309	11,524
Total non-current assets		**233,937**	**240,230**	**240,932**	**229,554**
Current assets					
Inventories		21,472	21,817	3,280	3,422
Trade receivables	16	266,481	343,542	204,510	232,402
Receivables from construction contracts		168,183	165,272	78,789	86,343
Advances and other receivables		93,778	80,932	92,983	96,516
Income tax receivables		16,672	25,248	6,916	15,470
Cash and cash equivalents		138,873	129,506	94,152	84,137
Total current assets		**705,459**	**766,317**	**480,630**	**518,290**
TOTAL ASSETS		**939,396**	**1,006,547**	**721,562**	**747,844**
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		46,606	47,394	45,880	46,040
Retained earnings		21,549	22,556	16,120	23,208
Total		**132,987**	**134,782**	**126,832**	**134,080**
Non-controlling interests		15,874	15,957	0	0
Total equity		**148,861**	**150,739**	**126,832**	**134,080**

(Amounts in thousand Euro, unless stated otherwise)

Non-current liabilities					
Long-term loans	7	80,000	84,350	80,000	84,350
Loans from finance leases	7	21,901	24,591	21,901	24,591
Other long-term liabilities		109,479	115,708	63,932	63,932
Provisions for staff leaving indemnities	8	4,447	4,447	3,023	3,085
Other provisions	9	5,100	2,488	4,800	2,188
Grants		0	0	0	0
Deferred tax liabilities		21,554	21,986	0	0
Total non-current liabilities		**242,481**	**253,570**	**173,656**	**178,146**
Current liabilities					
Suppliers		127,889	180,723	83,477	94,685
Short term loans		100,813	141,512	78,801	122,687
Long term liabilities payable during the next financial year	7	90,013	72,239	88,606	69,317
Liabilities from construction contracts		73,333	22,388	70,460	18,021
Accrued and other short term liabilities		155,644	173,891	99,730	119,704
Income tax payable		362	11,485	0	11,204
Total current liabilities		**548,054**	**602,238**	**421,074**	**435,618**
TOTAL EQUITY AND LIABILITIES		**939,396**	**1,006,547**	**721,562**	**747,844**

The accompanying notes constitute an integral part of the financial statements

(Amounts in thousand Euro, unless stated otherwise)

STATEMENT OF COMPREHENSIVE INCOME

	Note	GROUP		COMPANY	
		1/1 - 31/3 2012	**1/1 - 31/3 2011**	**1/1 - 31/3 2012**	**1/1 - 31/3 2011**
Turnover		85,175	133,953	45,940	112,836
Cost of sales		(82,442)	(130,843)	(42,242)	(108,441)
Gross profit		**2,733**	**3,110**	**3,698**	**4,395**
Administrative and distribution expenses		(4,690)	(4,581)	(3,877)	(3,551)
Research and development expenses		(27)	(158)	(27)	(158)
Other income/(expenses)	10	5,535	948	(2,351)	2,180
Operating results		**818**	**(3,791)**	**(6,255)**	**(1,529)**
Financial income/(expenses)		(5,815)	(2,772)	(5,796)	(2,668)
Earnings before tax		**(2,264)**	**(3,453)**	**(8,353)**	**198**
Income tax	11	1,036	1,247	1,265	954
NET EARNINGS FOR THE PERIOD		**(1,228)**	**(2,206)**	**(7,088)**	**1,152**
Other comprehensive income					
FX translation differences from incorporation of foreign units		(812)	(1,845)	(160)	(423)
Other comprehensive income for the period net of tax		**(812)**	**(1,845)**	**(160)**	**(423)**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**(2,040)**	**(4,051)**	**(7,248)**	**729**
Net earnings attributed to:					
Owners of the parent from continued operations		(1,007)	(2,107)		
Non-controlling interests from continued operations		(221)	(99)		
		(1,228)	**(2,206)**		
Total comprehensive income attributed to:					
Owners of the parent from continued operations		(788)	(3,867)		
Non-controlling interests from continued operations		(24)	(184)		
		(812)	**(4,051)**		
Earnings per share (in Euro)					
From continued operations attributed to owners of the parent		(3.4832)	(7.2881)		
Weighted average number of shares - basic		289,100	289,100		

(Amounts in thousand Euro, unless stated otherwise)

STATEMENT OF CASH FLOWS

		GROUP		COMPANY	
	Note	**1/1 - 31/3 2012**	**1/1 - 31/3 2011**	**1/1 - 31/3 2012**	**1/1 - 31/3 2011**
Cash flows from operating activities					
Profit before tax from continued operations		(2,264)	(3,453)	(8,353)	198
Adjustments for the agreement of the net flows from the operating activities					
Depreciation of fixed assets	5	6,136	4,516	2,783	2,780
Impairment of trade receivables		2,275	0	1,575	0
Provisions		2,961	574	2,823	246
Interest and related revenue		(1,124)	(993)	(819)	(581)
Interest and other financial expenses		6,915	3,766	6,615	3,249
Results from participations		(10,235)	0	0	(2,330)
Results from sales of fixed assets and valuation of investment property		506	(4)	506	(4)
Foreign exchange differences		140	(641)	86	38
Operating profit before changes in working capital		**5,310**	**3,765**	**5,216**	**3,596**
(Increase)/Decrease in:					
Inventories		345	1,124	139	965
Trade receivables		63,726	5,428	23,539	(20,494)
Prepayments and other short term receivables		(472)	(5,248)	(519)	(6,413)
Increase/(Decrease) in:					
Suppliers		(16,185)	20,701	(4,441)	21,472
Accruals and other short term liabilities		2,768	(30,606)	40,278	(17,966)
Other long-term receivables and liabilities		2,624	(133)	(192)	4
Income tax payments		(3,577)	(747)	(3,460)	(864)
Net cash flows from operating activities		**54,539**	**(5,716)**	**60,560**	**(19,700)**
Cash flows from investing activities					
(Purchases)/Sales of fixed assets		(447)	(2,468)	(72)	(723)
Interest and related income received		159	395	190	145
(Purchases) / sales of participations and securities		0	(870)	(5,459)	(832)
Net change of provided loans		(6,949)	(28,300)	(6,949)	(28,300)
Receipt of dividends and earnings from joint ventures		0	0	0	2,330
Cash from consolidated company	13	0	0	0	0
Net cash flows for investing activities		**(7,237)**	**(31,243)**	**(12,290)**	**(27,380)**

(Amounts in thousand Euro, unless stated otherwise)

Cash flows from financing activities					
Proceeds from share capital increase of subsidiaries		162	0	0	0
Net change of short-term loans		(40,699)	(19,875)	(42,921)	(5,000)
Net change of long-term loans		13,978	6,567	15,500	9,500
Payments of liabilities from financial leases	7	(3,244)	(2,974)	(3,244)	(2,974)
Dividends paid		0	0	0	0
Interest and other financial expenses paid		(7,882)	(3,961)	(7,500)	(3,463)
Net cash flows for financing activities		**(37,685)**	**(20,243)**	**(38,165)**	**(1,937)**
Effect from exchange rate changes in cash from continued activities		(250)	(1,837)	(90)	(477)
Net increase /(decrease) of cash and cash equivalents		**9,367**	**(59,039)**	**10,015**	**(49,494)**
Cash and cash equivalents at the beginning of the period		129,506	168,234	84,137	93,671
Cash and cash equivalents at the end of the period		**138,873**	**109,195**	**94,152**	**44,177**

The accompanying notes constitute an integral part of the financial statements

(Amounts in thousand Euro, unless stated otherwise)

STATEMENT OF CHANGES IN EQUITY

TERNA S.A.	Share Capital	Share Premium	Reserves	Retained earnings	Total
1 January 2011	**28,910**	**35,922**	**44,028**	**1,816**	**110,676**
Total comprehensive income for the period	0	0	(423)	1,152	**729**
Formation of reserves/Transfers	0	0	1,895	(1,895)	**0**
31 March 2011	**28,910**	**35,922**	**45,500**	**1,073**	**111,405**
1 January 2012	**28,910**	**35,922**	**46,040**	**23,208**	**134,080**
Total comprehensive income for the period	0	0	(160)	(7,088)	**(7,248)**
31 March 2012	**28,910**	**35,922**	**45,880**	**16,120**	**126,832**

(Amounts in thousand Euro, unless stated otherwise)

TERNA GROUP	Share Capital	Share Premium	Reserves	Retained earnings	Subtotal	Non-controlling interests	Total
1 January 2011	**28,910**	**35,922**	**44,739**	**22,867**	**132,438**	**15,805**	**148,243**
Total comprehensive income for the period	0	0	(1,760)	(2,107)	**(3,867)**	(184)	**(4,051)**
Transfers – other movements	0	0	1,510	(1,510)	**0**	0	**0**
31 March 2011	**28,910**	**35,922**	**44,489**	**19,250**	**128,571**	**15,621**	**144,192**

1 January 2012	**28,910**	**35,922**	**47,394**	**22,556**	**134,782**	**15,957**	**150,739**
Total comprehensive income for the period	0	0	(788)	(1,007)	**(1,795)**	(245)	**(2,040)**
Establishment of subsidiary	0	0	0	0	**0**	162	**162**
31 March 2012	**28,910**	**35,922**	**46,606**	**21,549**	**132,987**	**15,874**	**148,861**

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 Société 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.
Moreover, through the acquisition of a majority stake in the share capital (54.77%) of BIOMAGN S.A., the Group will expand its activities in the mining of magnesite and the management of property with the construction of an Industrial Area in the region of Mandoudi in North Evia, for which a relevant application has been submitted.

The consolidated financial statements of TERNA are included in the consolidated financial statements of its parent GEK TERNA SA, which during the end of the present reporting period, 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, financial derivatives and investments available for sale that are valued 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 valued at fair value, which were used as deemed cost, according to the provisions of IFRS 1 "First adoption of IFRS".

The interim condensed financial statements consist of the separate and consolidated financial statements of the Parent Company and its Group and have been prepared according to IFRS, as such have been adopted by the European Union, and specifically under the provisions of IAS 34 "Interim Financial Statements". The interim condensed financial statements should be read in conjunction with the annual financial statements of 31 December 2011.

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 2011, except for the adoption of new standards and interpretations, whose application is mandatory for periods beginning on 1 January 2012.
Therefore, from January, 1 2012 the Group and Company adopted new standards, amendments of standards and interpretations as follows:

Standards and Interpretations mandatory for 2012

- IAS 12 (Amendment) "Income tax"
The amendment of IAS 12 provides a main practical method for the measurement of the deferred tax liabilities and deferred tax assets when the investment property is valued according to the fair value method based on IAS 40 "Investment in property". The amendment has not been adopted yet by the E.U.

- IFRS 7 (Amendment) "Financial instruments: Disclosures"– transfer of financial assets
The current amendment provides disclosures for transferred financial assets which have not been yet totally de-recognized and for transferred assets that have been fully de-recognized but for which the Group has continued involvement. It also provides guidance for the implementation of the required disclosures.

Standards and Interpretations mandatory for the financial statements which commence after 1st of January 2012

Specific new standards, amendments of standards and interpretations, have been issued but their applications are obligatory for accounting periods, which begin during the present fiscal year or later. The assessment of the Company and Group with regards to the effect from the application of these new standards, amendments and interpretations board is presented below

-IAS 1 Presentation of the Financial Statements (Amendment) –Presentation of the other comprehensive income
The amendment is applied on annual accounting periods which commence on or after the 1st of July 2012. The amendments of IAS 1 change the grouping of figures which are presented at Other Comprehensive Income. Figures which could be re-classified (or "recycled") in the results in the future (for example under the de-recognition or clearing) will be presented separately from the figures which will never be re-classified. The amendment affects the presentation only and it does not have any effect on the financial position or the performance of the Company or the Group. The amendment has not been adopted yet from the E.U. The Group is under the procedure of examining the effect of this amendment on the financial statements.

-IAS 19 Provision for staff indemnities
The amendment is implemented on the annual accounting periods which commence on or after 1 January 2013. The amended IAS 19 suggests significant changes at the accounting treatment of provision for staff indemnities, including the option's elimination for deferred recognition of the assets and liabilities change in pension schemes (known as "margin method"). The result of the above will be the higher volatility on the companies' balance sheet which implement until today the margin method. In addition, with these alterations, the changes in the net asset will be eliminated (or liability) of the pension scheme which are recognized at the financial results in net income (expense) interest and in the cost of the current employment. The expected performance from the schemes' assets will be replaced from a credit at the income which will be based on the performance of the corporate bond. Moreover, the amended standard requires immediate recognition of the previous work experience cost as a result of the changes in the scheme (at the financial results) and entails that the provision for staff indemnities will only be recognized when the offer becomes legally binding and it cannot be withdrawn.

The earlier implementation is allowed. The European Union has not adopted this amendment yet. The Group is currently examining the effect of this amendment on the financial statements.

-IFRS 7 "Financial instruments: Disclosures" (Amendment) – Offsetting of the Financial Assets and Liabilities
The amendment is implemented in annual accounting periods which commence on or after the 1st of January 2013. The amendment introduces common requirements for disclosures. These disclosures will provide to the readers information which is useful for the evaluation of the impact or the potential impact of the offsetting agreements on the financial position of an entity. The amendments of the IFRS 7 are applied retrospectively. The E.U. has not adopted yet this amendment. The Group is under the procedure of examining the effect of the amendment on its financial statements.

– **IFRS 9 "Financial Instruments" (applied to the annual accounting periods starting from or after the 1st of January 2013)**
The IFRS 9 constitutes the first part of the first phase of the project of the IASB (International Accounting Standards Board) for the replacement of IAS 39. The IASB aims at extending the IFRS 9 during 2010, so that new requirements are added for the classification and measurement of the financial obligations, the de-recognition of the financial instruments, the impairment of the value and the accounting hedging. The IFRS 9 defines that all the financial assets are initially measured at their fair value plus, in case of a financial asset which is not at fair value through the results, certain trade costs. The posterior assessment of the financial assets is performed either at the depreciated cost or the fair value and depends on the business model of the financial entity with regards to the management of the financial assets and the conventional cash flows of this financial asset. The IFRS 9 forbids the reclassifications, apart from the rare cases where the business model of the financial entity changes and in that case the financial entity is required to reclassify in the future the affected financial assets. According to the principles of the IFRS 9, all the investments equities have to be assessed at fair value. Nevertheless, the Management has the option of presenting among the other total income, the realized and unrealized gains and losses of fair value of equities which are not held for commercial purposes. This determination is executed during the initial recognition of each financial asset separately and cannot be changed. The gains and losses of fair value are not carried forward to the results, while the income stemming from the dividends will continue being recognized at the results. The IFRS 9 abolishes the exception of valuation at cost for the non-listed shares and the derivatives on non-listed shares, but provides guidance as to when the cost can be a representative assessment of the fair value.
The Group is in the process of assessing the effect of the IFRS 9 on its financial statements. The standard has not yet been adopted by the E.U.

- IFRS 13 "Fair value measurement" (applied for annual accounting periods beginning on or after the 1st January 2013)
The new standard is applied to the annual fiscal periods which commence on or after 1 January 2013. The main reason for the issuance of IFRS 13 is to reduce the complexity and improve the consistency on the implementation during the measurement of the fair value. There is no change as to when an entity is required to make use of the fair value but it provides guidance regarding the way of fair value measurement according to IFRS, when the fair value is required or allowed from the IFRS. IFRS 13 consolidates and clarifies the guidelines for the fair value measurement and in addition enhances the convergence with the American Accounting Standards which have been amended from the Board of the American Accounting Standards. The standard has future application while in advance implementation is allowed. The European Union has not yet adopted the specific standard. The Group is examining currently the effect of the standard on the financial statements.

- Group of standards regarding consolidation and joint arrangements (applied on annual accounting periods beginning on or after 1st of January 2013)

The IASB published five new standards regarding consolidation and joint arrangements: IFRS 10, IFRS 11, IFRS 12, IAS 27 (Amendment), IAS 28 (Amendment). These standards are applied on annual accounting periods beginning on or after 1st of January 2013. Their early implementation is allowed only in case all of the five standards are applied simultaneously. The standards have not been adopted yet by the E.U.

The basic terms of the standards are the following:

IFRS 10 'Consolidated Financial Statements'

The IFRS 10 replaces all the guidelines regarding the control and the consolidation which are provided in IAS 27 and in SIC 12. The new standard alters the definition of the control as a determinant factor as to whether an economic entity will be consolidated or not. The standard provides extensive clarifications which dictate the different ways according to which an economic entity (investor) can control another economic entity (investment). The revised definition of the control focuses on the need of simultaneous existence of the right (the possibility to direct the activities which significantly affect the performances) and the variable performances (positive, negative or both) in order for control to exist. The new standard provides as well clarifications regarding the equity rights and protective rights, as well as with respect to the relations between brokerage/entity being in brokerage.

IFRS 11 "Joint Arrangements"

The IFRS 11 provides a more realistic approach to the joint arrangements focusing on the rights and liabilities rather than on their legal form. The types of the arrangements are constrained into two: jointly controlled activities and joint ventures. The method of the proportional consolidation is no longer allowed. The participants in joint ventures implement compulsory the equity consolidation method. The economic entities which participate in jointly controlled activities implement a similar accounting treatment to the one implemented currently by the participants in jointly controlled assets or jointly controlled activities.

The standard provides additionally clarifications regarding the participants in joint arrangements, without joint control existing.

IFRS 12 'Disclosure of interests in other entities'

The IFRS 12 refers to the necessary disclosures of an economic entity, including important judgments and assumptions, which allow to the readers of the financial statements to evaluate the nature, the risks and the financial implications which are related to the participation of the economic entity in subsidiaries, associates, or joint arrangements and non-consolidated economic entities (structured entities).

An economic entity has the possibility to make some or all of the aforementioned disclosures without being obliged to implement IFRS 12 complete, or the IFRS 10 or 11 or the amended IFRS 27 or 28.

IAS 27 (Amendment) 'Separate financial statements'

The standard was published at the same time with IFRS 10 and in combination, these two standards replace IAS 27 'Consolidated and separate financial statements'. The amended IAS 27 defined the accounting treatment and the necessary disclosures regarding the participations in subsidiaries, joint ventures and associates when an economic entity prepares separate financial statements. Simultaneously, the IASB has transferred the IAS 27 terms of IAS 28 'Investments in associates' and of IAS 31 "Participations in joint ventures" which refer to separate financial statements.

IAS 28 (Amendment) 'Investments in associates and joint ventures'

The IAS 28 *'Investments in associates and joint ventures'* replaces the IAS 28 'Investments in associates'. The aim of the standard is to define the accounting treatment regarding the investments in associates and to display the requirements for the implementation of the equity consolidation method according to the accounting of the investments in associates and joint ventures, as it stems from the publication of IFRS 11.

-IFRIC 20 "Disclosure Expenses during the Production Phase of Surface Mining" (applied on annual accounting periods beginning on or after 1st of January 2013)

The purpose of interpretation is to prescribe the accounting treatment of the two benefits associated with the process of uncovering surface mining, which involves cleaning and removal of mine waste. The two benefits are the useful ore for further processing and exploitation, which are recognized as stock and the improved access to additional quantities of materials for future mining, which is recognized as an addition or improvement of mine. This interpretation has not yet been adopted by the European Union.

c)Use of estimates

The Group makes estimations, assumptions and judgments in order to choose the best accounting principle 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) are 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 depreciation, 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 reversals: 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.

viii)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 or has the right to control its operations are consolidated. 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.

Intergroup 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 Group has entered into interest rate swap agreements in order to reduce its exposure to interest rate risk from several of its significant bank debt. 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. Despite the aforementioned fact these receivables are under special monitoring and in case it is considered necessary respective adjustments will be made. Group's policy is to seek business with customers of satisfactory credit standing while the constant aim is to resolve any resulting differences within an 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 euro 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 rights related to quarries and mines, software acquisition costs as well as acquired rights (licenses of wind parks, quarries, and construction agreements recognized on acquisition at fair value).
Furthermore intangible assets include the fair value of rights under service concession agreements with the state and more specifically those providing for the building, operating, transferring (BOT) of motorways and car parks. Fair value is calculated as construction costs plus a reasonable construction profit.
Amortization on rights regarding the use of quarries, mines and wind parks licenses are based on straight line method during the normal period for the use of quarries (20-50 years) and within the period of their productive use while the amortization on software is accounted for based on the straight line method for a period of three years. The amortization on the acquired right for construction agreements is made based on the rate of execution of the respective projects.
Amortization of service concession arrangements for motorways is based in usage, starting on commencement of operation and throughout the concession period, whereas amortization of concessions for car parks is based on the duration of the concession.

g) 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.

h)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

i)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 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.

j) 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.

k) Inventories

Inventories include under construction or real estate for development which are intended to be sold, excavated from the quarry material, construction material, spare parts and raw and auxiliary 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.

l) 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.

m) 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.

n) 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.

o) 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 1^{st} 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 1^{st} 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.

p) 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.

q) 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.

r) Government Grants

Government grants relating to subsidies of tangible fixed assets are recognized when there is reasonable certainty that the grant will be received and all relevant terms will be met.

These government grants are recorded in a deferred income account and are transferred to the comprehensive income statement in equal annual installments based on the expected useful life of the asset that was subsidized, as a reduction to the relevant depreciation expense. When the grant relates to an expense it is recognized as income during the period deemed necessary to match the grant on a systematic basis with the expenses it is meant to reimburse.

s) 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.

t) Financial Derivatives and Hedging Instruments

The Group has used financial derivatives and specifically in enters into interest rate swaps to hedge its risk linked to fluctuations of interest rates for substantial loans. The financial derivatives are valued at fair value during the reference date. The fair value of such derivatives is mainly defined based on the market value and is confirmed by the counterparty financial institutions.

For the purposes of hedge accounting, the hedges are classified as follows:

-Fair value hedges when used to hedge the changes in the fair value of a recognized asset or liability or a non-recognized certain corporate commitment.

-Cash flow hedges when used for the hedge of the fluctuation of cash flows in relation to a recognized asset or liability or in relation to a very possible commitment.
-Hedges of a net investment in a foreign operation.
The full hedged part of the profit/loss of a measurement of derivatives that meet the conditions for hedge accounting is registered in other comprehensive income, if such refers to cash flow hedges, while the non-effective part is registered in net earnings.
If such refers to a fair value hedge, the relevant profit or loss is recognized in net earnings, where the fair value change if the hedged instrument is registered respectively.
When the estimated hedged future transactions or liabilities lead to the recognition of a receivable or liability, the profit or losses previously registered in the statement of comprehensive income (cash flow hedges) are incorporated in the initial valuation of the cost of such receivables or liabilities. Otherwise, the amounts presented in equity are transferred to the statement of comprehensive income and are characterized as an income or expense during the period in which the estimated hedged transactions affect the statement of comprehensive income.

u) Revenue recognition
Revenue is recognized to the extent that it is probable that economic benefit 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
The construction subsidiaries and joint ventures realize the income from construction contracts in their 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) Revenues from tolls and car parks
Revenues from tolls come from concessions for the operation of motorways and car parks. Such revenue equals the amounts received.
(iv) Revenue from the sale of Electric Energy
Revenue from the sale of Electric Energy is accounted for in the year in which it accrues. Revenue from sales of electric energy to DESMHE or any other buyer that have not yet been invoiced is recognized as accrued non-invoiced income in the financial statements.

(v) Revenue from the construction and sale of buildings
Buildings owned by the Company that are under construction, appear as inventories. From the price defined by the sale contract drawn by a final notary deed or memorandum agreement (given that the relevant risks in the context of the company's guaranteed responsibilities are covered by insurance), the portion that corresponds to the realized construction cost of the sold building or part of such until the end of the period, is recognized in the revenue for the period according to the percentage-of-completion method.
(vi) Rent Revenue
Rent revenue (operating leases) is recognized using the straight-line method, according to the terms of the lease.
(vii)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.
(viii)Interest
Interest income is recognized on an accruals basis.

v) 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 possible 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.

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 Percentages of non-controlling Participations
Business Combinations are accounted on the basis of the acquisition method. According to this method, the financial assets (including the formerly not recognized intangible assets) and the obligations (including the possible obligations) of the acquired firm/activity are recognized at fair value at the date of the transaction.

(Amounts in thousand Euro, unless stated otherwise)

The goodwill arising from the Business Combinations derives as the difference of the fair values at the transaction date of a) the price paid, the amount which corresponds to the percentage to the percentage of non-controlling participation and the potential participation in the acquired company and b) the value of the individual assets which were acquired and the liabilities undertaken. At the date of the transaction (or at the date that the allocation of the respective price paid is completed), the goodwill which gained, is distributed to cash generating units or to cash generating units which are expected to be benefitted from this combination. If the fair value of the assets acquired exceeds the cost of the combination, then the Group re-estimates the recognition and the measurement of the recognized net assets and the cost of the combination and recognizes immediately in the results the negative difference between the price of the acquisition and the fair value of the net assets (negative goodwill).
The goodwill is valued at historical cost minus the accumulated impairment losses. The goodwill is not depreciated but is subject to impairment control on annual basis or more frequently when the situation or changes of conditions imply that the value might have been impaired.
If the book value of a cash generating unit, including the pro rata goodwill, exceeds its recoverable sum, then loss impairment is recognized. This impairment is defined by estimating the recoverable sum of the units generating cash flows, which are associated with the goodwill.
If part of the cash flow generating unit to which the goodwill has been distributed, is sold, then the goodwill which is proportionate to the sold part, is defined according to the relevant prices of the part that was sold and the part of the cash flow generating unit that remains.
The goodwill that has arisen from acquisitions or business combinations has been distributed and is being monitored on Group basis at the basic units generating cash flows, which have been defined according to IAS 36 "Impairment of Assets".
When the Group increases its participation ratio to current subsidiaries (acquisition of percentages of non-controlled participations) the total difference between the acquisition price and the proportion of the percentages of the non-controlled participations which are acquired is recognized directly to the shareholders' equity as it is deemed as a transaction between shareholders. Respectively, when percentages of non-controlled participations are sold (without the final participation leading to the loss of control on the subsidiary), the relevant gains or losses are directly recognized in equity.

4. GROUP STRUCTURE

During the present period, the following companies were established: the company TERNA SAUDI ARABIA LTD, which is a subsidiary by 60% and is based in Saudi Arabia and the company TERNA VENTURES WLL, which is a 100% subsidiary based in Bahrain, both companies are included in the construction sector.

The table that follows presents the participations of the Company, direct and indirect, in economic entities at the end of the present period and which were included in the consolidation:

ECONOMIC ENTITY	DOMICILE	DIRECT PARTICIPATION %	INDIRECT PARTICIPATION %	TOTAL PARTICIPATION %	CONSOLIDATION METHOD
BIOMAGN SA	Greece	29.84	65.16	95.00	Full
ENERGEIAKI TECHNIKI ANAPTYXIAKI OF WESTERN GREECE S.A.	Greece	100.00	0.00	100.00	Full
EUROPEAN METAL AGENCIES S.A.	Greece	0.00	100.00	100.00	Full
VRONDIS QUARRY PRODUCTS SA	Greece	100.00	0.00	100.00	Full
TERNA OVERSEAS LTD	Cyprus	0.00	100.00	100.00	Full
QE ENERGY EUROPE LTD	Cyprus	0.00	100.00	100.00	Full
TERNA QATAR LLC **	Qatar	0.00	40.00	40.00	Full

(Amounts in thousand Euro, unless stated otherwise)

ECONOMIC ENTITY	DOMICILE	DIRECT PARTICIPATION %	INDIRECT PARTICIPATION %	TOTAL PARTICIPATION %	CONSOLIDATION METHOD
TERNA BAHRAIN HOLDING WLL	Bahrain	0.00	99.99	99.99	Full
PCC TERNA WLL	Bahrain	0.00	100.00	100.00	Full
TERNA CONTRACTING CO WLL	Bahrain	0.00	100.00	100.00	Full
TERNA ELECTRICAL MECHANICAL WLL	Bahrain	0.00	70.00	70.00	Full
CEMENT PRODUCTION AND EXPORT FZC	Libya	0.00	75.00	75.00	Full
MALCEM CONSTRUCTION MATERIALS LTD	Malta	0.00	75.00	75.00	Full
TERNA SAUDI ARABIA LTD	Saudi Arabia	60.00	0.00	100.00	Full
TERNA VENTURES WLL	Bahrain	0.00	99.95	99.95	Full
J/V TERNA SA - IMPEGILO SPA (TRAM)	Greece	55.00	0.00	55.00	Proportionate
J/V ANCIENT OLYMPIA BY-PASS	Greece	50.00	0.00	50.00	Proportionate
J/V TERNA SA / AKTOR SA - GOULANDRIS MUSEUM	Greece	50.00	0.00	50.00	Proportionate
J/V UNDERGROUND CARS THESSALONIKI	Greece	50.00	0.00	50.00	Proportionate
J/V ATHENS CONCERT HALL	Greece	69.00	0.00	69.00	Proportionate
J/V PERISTERI METRO	Greece	50.00	0.00	50.00	Proportionate
J/V TERNA SA - KARAGIANNIS TEFAA KOMOTINI PROJECT	Greece	24.00	0.00	24.00	Proportionate
J/V THALES ATM SA-TERNA IMPROVEMENTS OF TACAN STATIONS	Greece	50.00	0.00	50.00	Proportionate
J/V ETETH-TERNA-AVAX PANTECHNIKI HORSE RIDING CENTRE	Greece	35.00	0.00	35.00	Proportionate
J/V AVAX-VIOTER (OLYMPIC VILLAGE CONSTRUCTION)	Greece	37.50	0.00	37.50	Proportionate
J/V TERNA S.A. PANTECHNIKI S.A.	Greece	83.50	0.00	83.50	Proportionate
J/V TERNA S.A.-ATHENS ATE ARACHTHOU-PERISTERIOU	Greece	62.50	0.00	62.50	Proportionate
J/V TERNA S.A. AKTOR A.T.E. J&P AVAX	Greece	69.00	0.00	69.00	Proportionate
J/V TERNA S.A. J&P AVAX - PANTECHNIKI-HORSE RIDING CENTRE MAINTENANCE	Greece	35.00	0.00	35.00	Proportionate
J/V TERNA SA - TH. KARAGIANNIS SA PROJECT CONSTRUCTION MEPW	Greece	50.00	0.00	50.00	Proportionate
J/V SALONIKA PARK	Greece	50.00	0.00	50.00	Proportionate
J/V TERNA-MICHANIKI AGRINIO BY-PASS	Greece	65.00	0.00	65.00	Proportionate
J/V AKTOR-DOMOTECHNIKI-THEMELIODOMI-TERNA-ETETH SA	Greece	25.00	0.00	25.00	Proportionate
J/V CONSTRUCTION OF PROJECT PARADEISIA-TSAKONA	Greece	49.00	0.00	49.00	Proportionate
J/V UNDERGROUND CHAIDARI-PART A	Greece	50.00	0.00	50.00	Proportionate
J/V FOUNDATION OF THE HELLENIC WORLD-COMPLETE CONSTRUCTION	Greece	60.00	0.00	60.00	Proportionate
J/V VIOTER SA-TERNA SA	Greece	50.00	0.00	50.00	Proportionate

(Amounts in thousand Euro, unless stated otherwise)

ECONOMIC ENTITY	DOMICILE	DIRECT PARTICIPATION %	INDIRECT PARTICIPATION %	TOTAL PARTICIPATION %	CONSOLIDATION METHOD
J/V TERNA SA - IONIOS SA	Greece	90.00	0.00	90.00	Proportionate
J/V ATHINA-PANTECHNIKI-TERNA-J/V PLATAMONAS PROJECT	Greece	39.20	0.00	39.20	Proportionate
J/V VIOTER SA-TERNA SA	Greece	50.00	0.00	50.00	Proportionate
J/V TERNA-MOCHLOS ATE	Greece	70.00	0.00	70.00	Proportionate
J/V TERNA-VIOTER SA	Greece	50.00	0.00	50.00	Proportionate
J/V EDRASI-PSALLIDAS-TERNA-EDRACO	Greece	51.00	0.00	51.00	Proportionate
J/V TERNA-AKTOR-EMPEDOS-J&P ABAX-J&P AVAX-IMEC GmbH	Greece	24.00	0.00	24.00	Proportionate
J/V EUROPEAN TECHNICAL-HOMER-TERNA SA	Greece	50.00	0.00	50.00	Proportionate
J/V TERNA SA -THEMELIODOMI SA	Greece	60.00	0.00	60.00	Proportionate
J/V TERNA-EDRASI-STROTIRES – WP	Greece	41.00	0.00	41.00	Proportionate
J/V UNIVERSITY OF CRETE-RETHYMNON	Greece	25.00	0.00	25.00	Proportionate
J/V EKTER SA-TERNA SA(THETIKON)	Greece	50.00	0.00	50.00	Proportionate
J/V AKTOR-TERNA SA	Greece	50.00	0.00	50.00	Proportionate
J/V AKTOR-TERNA SA IASO BUILDING	Greece	50.00	0.00	50.00	Proportionate
TERNA SA - PANTECHNIKI S.A. (OAKA)	Greece	50.00	0.00	50.00	Proportionate
J/V ALPINE MAYREDER BAU GmbH-TERNA SA-PANTECHNIKI SA	Greece	31.50	0.00	31.50	Proportionate
J/V TERNA-MOCHLOS-AKTOR KIATO-AIGIO	Greece	35.00	0.00	35.00	Proportionate
J/V J&P AVAX-TERNA-AKTOR PLATANOS TUNNEL	Greece	33.33	0.00	33.33	Proportionate
J/V MINISTRY OF TRANSPORTATION	Greece	33.33	0.00	33.33	Proportionate
J/V AEGEK TERNA	Greece	45.00	0.00	45.00	Proportionate
J/V J&P AVAX SA-TERNA SA-EYKLEIDIS	Greece	35.00	0.00	35.00	Proportionate
J/V EURO IONIA	Greece	33.33	0.00	33.33	Proportionate
J/V AKTOR – J&P AVAX - TERNA SA	Greece	12.00	0.00	12.00	Proportionate
J/V AKTOR – J&P AVAX - TERNA SA	Greece	12.00	0.00	12.00	Proportionate
J/V TERNA – AKTOR	Greece	50.00	0.00	50.00	Proportionate
J/V CENTRAL GREECE MOTORWAY E-65	Greece	33.33	0.00	33.33	Proportionate
J/V TERNA SA-AKTOR ATE J&P AVAX PIRAEUS –TREIS GEFYRES	Greece	33.33	0.00	33.33	Proportionate
J/V TERNA SA- AKTOR ATE DOMOKOS	Greece	50.00	0.00	50.00	Proportionate
J/V TERNA SA - THALES AUSTRIA	Greece	37.40	0.00	37.40	Proportionate
J/V J&P AVAX SA-VIOTER SA-TERNA SA	Greece	33.33	0.00	33.33	Proportionate
J/V ALPINE BAU-TEPNA SA	Greece	49.00	0.00	49.00	Proportionate
J/V AKTOR-TERNA	Greece	50.00	0.00	50.00	Proportionate
J/V EVAGGELISMOS PROJECT C	Greece	50.00	0.00	50.00	Proportionate

(Amounts in thousand Euro, unless stated otherwise)

ECONOMIC ENTITY	DOMICILE	DIRECT PARTICIPATION %	INDIRECT PARTICIPATION %	TOTAL PARTICIPATION %	CONSOLIDATION METHOD
J/V EPL DRAMAS	Greece	40.00	0.00	40.00	Proportionate
J/V K. MANIOTIS - TERNA –ENERGIAKI	Greece	37.50	0.00	37.50	Proportionate
J/V TERNA-TERNA ENERGY-TSAMBRAS (DRAMA HOSPITAL)	Greece	40.00	0.00	40.00	Proportionate
J/V METKA-ETADE (former METKA - ETADE, due to replacement of member)	Greece	90.00	0.00	90.00	Proportionate
J/V TERNA SA-SICES CONSTRUCTIONS S.p.A	Greece	50.00	0.00	50.00	Proportionate
J/V APION KLEOS	Greece	17.00	0.00	17.00	Proportionate
J/V TERNA SA - NEON SA - RAMA SA	Greece	51.00	0.00	51.00	Proportionate
JV QBC S.A. - TERNA S.A.	Qatar	0.00	40.00	40.00	Proportionate
HAMRIYAH CEMENT COMPANY FZC	U.A.E.	0.00	40.00	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 MARITIME MIDSHIPMEN –GNOMON ATE-GEK SA-GENER SA	33.00%
J/V IMPREGILO Spa – TERNA SA-ALTE SA (EXECUTIONS)- In liquidation	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, AEGEK, 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 FRAGMATOS PRAMORITSA	33.33%
J/V TERNA S - TH. KARAGIANNIS SA	50.00%

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

(Amounts in thousand Euro, unless stated otherwise)

5. FIXED ASSETS

The summary movement of intangible and tangible fixed assets for the period 1.1-31.3.2012 and the respective period of 2011, is as follows:

A. Tangible fixed assets

	GROUP		COMPANY	
	1.1-31.3.2012	1.1-31.3.2011	1.1-31.3.2012	1.1-31.3.2011
Net book value 1 January	**97,868**	**105,148**	**73,133**	**81,848**
Purchases	661	2,555	292	861
Acquisitions of fixed assets through finance leasing	0	67	0	67
Additions due to acquisition	0	0	0	0
Foreign exchange differences	(386)	(731)	(122)	(282)
Sales/ Write-offs	(758)	(165)	(752)	(165)
Depreciation for the period	(3,468)	(3,401)	(2,698)	(2,693)
Transfers	(415)	0	0	0
Net book value 31March	**93,502**	**103,473**	**69,853**	**79,636**

B. Intangible fixed assets

	GROUP		COMPANY	
	1.1-31.3.2012	1.1-31.3.2011	1.1-31.3.2012	1.1-31.3.2011
Net book value 1 January	**56,158**	**83,082**	**4,711**	**4,978**
Purchases	40	74	28	21
Additions due to acquisition	0	0	0	0
Foreign exchange differences	(4)	(6)	0	0
Amortization for the period	(2,665)	(1,101)	(85)	(77)
Net book value 31March	**53,529**	**82,049**	**4,654**	**4,922**

The net book value of intangible assets include the rights from an acquired construction contract of 21,173 and the rights from licenses for management of quarries and mines amounting to 31,830.

6. PARTICIPATIONS IN ASSOCIATES

The account "Participation in associates" concerns a participation of a 40% subsidiary of the Company in the United Arab Emirates in a cement production company in the same area. According to the final decision by the ICC International Court of Arbitration the payment of 24,104 to the Group was ordered, for its 40% participation in the aforementioned company.

(Amounts in thousand Euro, unless stated otherwise)

7. LOANS

A. Long-term debt

Long-term debt is in Euro (99.1% of total) and USD (0.9% of total) and represents about 54.3% of the Group's total debt. Long-term debt covers the financing needs of projects from the construction segment.

Within the examined period, new loans were received by the Group and Company amounting to 17,000, while the amounts of 2,919 and 1,500 respectively were paid for repayment of existing loans. During the next 12 months repayments amounting to approximately 87 mil and 85 mil for the Group and Company respectively are due.

B. Finance leasing contracts

Finance leasing represents about 11.5% of the Group's total debt.

During the present period, the amount of 3,486 was paid for lease payments on existing contracts.

The remaining total outstanding capital of finance leasing contracts after accrued interest, during the end of the present reporting period, amounts to 33,728 mil from which 11,827 is payable within the next 12 months.

C. Short-term debt

Short-term debt is in local currencies of each Group company and overall is almost exclusively in euro (97.1%), while the remaining in AED. Moreover, it represents about 34.4% of the Group's total debt and by 93.5% covers the working capital needs of the construction segment, and the remaining covers the industrial segment.

8. PROVISION FOR STAFF INDEMNITIES

The summary movement of the account "Provision for staff indemnities" in the accompanying statement of financial position of the Group and Company, is as follows:

	GROUP		COMPANY	
	1.1-31.3.2012	1.1-31.3.2011	1.1-31.3.2012	1.1-31.3.2011
Balance 1January	**4,447**	**4,150**	**3,085**	**3,134**
Additional provisions charged on net earnings	345	520	206	232
Used provisions and additional payments for dismissals	(227)	(487)	(226)	(468)
Transfer to other short-term liabilities	(38)	0	0	0
Foreign exchange differences	(80)	(143)	(42)	(77)
Balance 31 March	**4,447**	**4,040**	**3,023**	**2,821**

There were no changes in the assumptions in relation to the comparative period, while the assumptions are those presented in the annual financial statements of 31.12.2011.

(Amounts in thousand Euro, unless stated otherwise)

9. OTHER PROVISIONS

The summary movement of the account "Other provisions" in the accompanying statement of financial position of the Group and Company, is as follows:

	GROUP		COMPANY	
	1.1-31.3.2012	**1.1-31.3.2011**	**1.1-31.3.2012**	**1.1-31.3.2011**
Balance 1 January	**2,488**	**5,674**	**2,188**	**2,374**
(Used provisions)	0	(591)	0	(591)
Additional provisions charged on net earnings	2,618	314	2,618	314
Foreign exchange differences	(6)	7	(6)	7
Balance 31 March	**5,100**	**5,404**	**4,800**	**2,104**

Moreover, the additional provisions of the Group and Company during the present period include an amount of 2,618 which concerns the undertaking of a liability for provision of construction services to a customer, in the context of an arbitration decision.

10. OTHER INCOME / (EXPENSES)

The analysis of other income / (expenses) on 31.3.2012 is presented in the following table:

	GROUP		COMPANY	
	1.1-31.3.2012	**1.1-31.3.2011**	**1.1-31.3.2012**	**1.1-31.3.2011**
Other income				
Income from provision of related services	59	229	38	329
Income from leases of facilities/machinery	31	8	31	8
Sales of useless material	35	21	33	20
Foreign exchange differences	0	637	0	0
Value of bonus shares from the share capital increase of a subsidiary by capitalization of earnings	0	0	0	2,330
Income from participations in joint ventures	0	0	2,062	0
Late payment interest on trade receivables	35	0	0	0
Result of ICC final decision (note 6)	10,235	0	0	0
Other general income	439	55	26	54
	10,834	**950**	**2,190**	**2,741**

(Amounts in thousand Euro, unless stated otherwise)

Other expenses				
Losses from participations in joint ventures	0	0	0	(524)
Taxes – Dues	(263)	0	(262)	0
Foreign exchange differences	(143)	0	(86)	(37)
Other sundry expenses	0	(2)	0	0
Impairments and provisions on customers	(4,893)	0	(4,193)	0
	(5,299)	**(2)**	**(4,541)**	**(561)**
Total	**5,535**	**948**	**(2,351)**	**2,180**

11. INCOME TAX

The expense / (income) for income tax of the Group for the period is analyzed as follows:

	1.1-31.3.2012	**1.1-31.3.2011**
Current tax	410	57
Differences from tax of previous years	327	(489)
Deferred tax	(1,773)	(815)
Tax expense/(income)	**(1,036)**	**(1,247)**

A reconciliation of income tax and the accounting profit multiplied by the applicable tax rate for the Group is as follows:

	31.3.2012	**31.3.2011**
Profit/(loss) before tax	**(2,264)**	**(3,453)**
Nominal tax rate	**20%**	**20%**
Tax expense/(income) based on the current nominal tax rate	**(453)**	**(691)**
Adjustments for:		
Deemed taxation method	3	(97)
Additional property tax	0	0
Expenses not included in the calculation of tax	169	(38)
Effect of differences in tax rate	116	(28)
Tax differences from previous years	327	(489)
Difference in taxation of foreign companies	(1,273)	(343)
Write-off/(Offsetting) of tax losses	137	558
Tax-exempt results	(62)	(119)
Effective tax expense/(income)	**(1,036)**	**(1,247)**

(Amounts in thousand Euro, unless stated otherwise)

The Company has been audited by the tax authorities up to fiscal year 2009 included. For fiscal year of 2011 the parent company and its subsidiaries have been placed under the tax audit of the Certified Auditors according to the clauses of article 82 p. 5 L.2238/1994.

As regards to the tax unaudited fiscal years of the other consolidated companies and joint ventures, we note that there hasn't been any significant change in the unaudited fiscal years which are displayed in the relevant table in Note 22 of the annual financial statement of 31.12.2011, apart from the fact that year 2012 is now added to the unaudited fiscal years.

12. SHARE CAPITAL

The company's share capital and number of shares did not change in relation to 31.12.2011.

During the end of the present period the Group did not hold, either direct through the parent or indirectly through subsidiaries, any treasury shares.

The weighted average number of outstanding shares during the present period, for the purpose of earnings per share, amounted to 289,100 shares (the same shares were outstanding during the comparative period).

The losses per share during the presented period amount to euro 3.4832 (losses of euro 7.2881 during the comparative period) and were calculated based on losses from continued activities that correspond to owners of the parent amounting to 1,007 (losses of 2,107 during the comparative).

13. RIGHTS ON JOINTLY CONTROLLED ENTITIES

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

	31.3.2012	**31.12.2011**
Non-current assets	4,091	4,660
Current assets	370,814	369,720
Long-term liabilities	(3,781)	(3,726)
Short-term liabilities	(343,746)	(351,888)
Net assets	**27,378**	**18,766**

	1,1 - 31,3,2012	**1,1 - 31,3,2011**
Income	12,658	15,786
Expenses	(10,509)	(16,346)
Net earnings	**2,149**	**(560)**

(Amounts in thousand Euro, unless stated otherwise)

14. DIFFERENCES UNDER DISPUTE OR ARBITRATION

Under the framework of its operations' execution, the Company may face probable legal claims from third parties. According to the Company's management and legal consultant this type of claims are not expected to have a significant impact on the operations and financial situation of the Company as of the 31.03.2012.

15. TRANSACTIONS WITH RELATED PARTIES

The transactions of the Company and Group with related parties for the period ended on 31.03.2012 and 31.03.2011, as well as the balances of receivables and liabilities that have resulted from such transactions on 31.03.2012 and 31.12.2011are as follows:

Period 31.3.2012	**GROUP**				**COMPANY**			
Related party	**Sales**	**Purchases**	**Debit Balances**	**Credit Balances**	**Sales**	**Purchases**	**Debit Balances**	**Credit Balances**
Parent	342	699	22,661	2,205	342	636	22,661	460
Subsidiaries	-	-	-	-	488	173	8,027	9,409
Joint Ventures	-	-	-	-	95,319	0	184,350	115,710
Associates	0	0	0	0	0	0	0	0
Other related parties	1,504	1,248	102,645	96,538	944	1,247	32,999	4,596

The debit balance of the Group and the Company that amounts to 22,661 concerns capital and interest on a bond loan of the parent GEK TERNA.

Period 31.3.2011 / 31.12.2011	**GROUP**				**COMPANY**			
Related party	**Sales**	**Purchases**	**Debit Balances**	**Credit Balances**	**Sales**	**Purchases**	**Debit Balances**	**Credit Balances**
Parent	164	395	15,371	2,453	164	277	15,370	654
Subsidiaries	-	-	-	-	734	1,778	7,664	9,916
Joint Ventures	-	-	-	-	14,264	0	198,008	133,756
Associates	0	0	6,036	0	0	0	10	0
Other related parties (apart from management executives)	12,578	12,448	103,296	97,364	12,436	12,264	33,919	5,437

The transactions between the related parties are conducted under the same conditions which are applied to the transactions with third parties.

(Amounts in thousand Euro, unless stated otherwise)

The Company has income from jointly controlled companies equal to the amount of 1,575.

Transactions and 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 ended on 31.3.2012 and 31.3.2011, as well as the balances of receivables and liabilities that have emerged from such transactions on 31.3.2012 and 31.12.2011are as follows:

	GROUP		COMPANY	
	1.1-31.3.2012	1.1-31.3.2011	1.1-31.3.2012	1.1-31.3.2011
Remuneration of executives included in the executive Board members	273	197	273	197
Remuneration for participation in Board meetings	0	0	0	0
	273	**197**	**273**	**197**
	31,3,2012	**31,12,2011**	**31,3,2012**	**31,12,2011**
Relevant liabilities	231	**233**	231	**233**
Relevant receivables	519	**585**	519	**585**

16. SIGNIFICANT CHANGES OF ACCOUNTS IN THE PRESENT FINANCIAL STATEMENTS

The change during the present period of the accounts “Trade receivables” in the accompanying statement of financial position of the Group mainly concerns receipts of part of these receivables.

17. SIGNIFICANT EVENTS DURING THE PERIOD

During the present reporting period, new construction contracts were signed amounting in total to 347 mil euro, mainly in South East Europe and the Middle East.

The Group remains at temporary suspension of operations with respect to the projects of Ionian road, Central Greece E-65 and Elefsina-Patra-Pyrgos-Tsakona, pending the resolution of issues on the construction and collection of tolls by the Greek state.

The episodes in Libya have halted the initiation of the undertaken projects in the region, of a total budget 87 mil euro.

The backlog of the Group’s construction projects on 31.03.2012, amount to 1,652 million euro.

Finally it should be noted that the Group has been declared as preferred bidder for projects of total budget 1,400 million euro.

18. CYCLICALITY-SEASONALITY

The Group's construction activities are affected by economic circumstances and the total performance of the economy in the mid to long-term horizon.

Also, several construction activities are affected by abrupt weather conditions or delays due to force majeure. This results in a fluctuation of gross profit.

19. SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD

After the date of the financial statements, new construction contracts were signed with a total budget of 110 million euro, raising the current backlog of the Group's signed construction contracts to 1,510 million euro.

20. 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 31.12.2011.