GEK TERNA

GROUP OF COMPANIES

GEK TERNA SOCIETE ANONYME
HOLDINGS REAL ESTATE CONSTRUCTIONS

85 Mesogeion Ave., 115 26 Athens Greece
S.A. Reg. No. 6044/06/B/86/142

ANNUAL FINANCIAL REPORT

for the year

1 January to 31 December 2008

According to article 4 of L. 3556/2007 and the relevant executive Decisions by the BoD of the Hellenic Capital Market Commission

TABLE OF CONTENTS

I. STATEMENTS BY MEMBERS OF THE BOARD OF DIRECTORS
(according to article 4 par. 2 of L. 3556/2007)

We,

1. George Peristeris, Chairman of the Board of Directors
2. Nikolaos Kampas, Vice-Chairman of the Board and Managing Director and,
3. Panayiotis Pothos, Non-executive Member of the Board of Directors

STATE THAT

To the best of our knowledge:

a. the annual company and consolidated financial statements of GEK TERNA SA HOLDINGS REAL ESTATE CONSTRUCTIONS for the year from January 1st 2008 till December 31st 2008, which were prepared in accordance with the accounting standards in effect, truly present the assets and liabilities, the shareholders' equity and the results for the year of the Group and Company, as well as of the companies included in the consolidation and considered aggregately as an entity, and

b. the Board of Directors Report accurately presents the developments, the performance and position of the Company, as well as the companies included in the consolidated and considered aggregately as an entity, including the description of main risks and uncertainties such face.

Athens, 27 March 2009

Chairman of the BoD	Vice-President of the BoD & Managing Director	Board Member
George Peristeris	Nikolas Kampas	Panayiotis Pothos

II. AUDIT REPORT BY INDEPENDENT CERTIFIED AUDITOR ACCOUNTANT

AUDIT REPORT
BY INDEPENDENT CERTIFIED AUDITOR ACCOUNTANT

Towards the Shareholders of "GEK TERNA SA"

Report on the Financial Statements

We have audited the accompanying individual and consolidated Financial Statements of "GEK SA", (the Company), which consist of the individual and consolidated balance sheet as at December 31st 2008, the income statements, statements of changes in equity and cash flow statements for the period ending on the aforementioned date as well as the summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

The Management of the Company is responsible for the preparation and fair presentation of the Financial Statements according to the International Financial Reporting Standards, as such have been adopted by the European Union. This responsibility includes the planning, implementation and maintenance of an internal audit system as regards to the preparation and fair presentation of the financial statements, free from substantial inaccuracies due to fraud or errors. This responsibility also includes the selection and implementation of appropriate accounting principles and the conduct of accounting estimations that are reasonable for the circumstances.

Auditor's Responsibility

Our responsibility is limited to the formation and expression of opinion on the Financial Statements, based on the conducted audit. Our audit was conducted based on the Greek Auditing Standards, which are in line with the International Auditing Standards. These Procedures demand our compliance with the ethics rules and the planning and implementation of the audit in a way that reassures with reasonable certainty that the financial statements do not include substantial inaccuracies or omissions.

The audit includes the conduct of procedures for the collection of audit data, supporting the amounts and information included in the financial statements. The procedures are selected according to the auditor's judgment and include the estimation of risk from substantial inaccuracies of the financial statements due to fraud or error. For the estimation of this risk, the auditor takes into account the internal audit system as regards to the compilation and fair presentation of financial statements, and aims at planning auditing procedures that correspond to the circumstances and not for the expression of an opinion on the effectiveness of the Company's internal audit system. The audit also includes the evaluation of the followed accounting principles, the Management's estimations and generally, the overall presentation of the financial statements.

We believe that the audit data collected are adequate and appropriate for the formation of our opinion.

Opinion

In our opinion, the accompanying individual and consolidated Financial Statements, accurately present in every aspect, the Company's and Group's financial status as at December 31st 2008, as well as their financial performance and Cash Flows for the period ending on the aforementioned date, according to the International Financial Reporting Standards, as such have been adopted by the European Union.

Report on other Legal and Regulative Issues

We have verified the reconciliation of the contents of the Board of Directors' Management Report with the accompanying Financial Statements, in the contexts of those stipulated by articles 43a, 107 and 37 of C.L. 2190/20.

Athens 30 March 2009
THE CERTIFIED AUDITOR ACCOUNTANT

ΑΠΟΚΛΕΙΣΤΙΚΟΣ Αντιπρόσωπος της Horwath
ΣΟΛ α.ε.
ΟΡΚΩΤΟΙ ΕΛΕΓΚΤΕΣ ΛΟΓΙΣΤΕΣ
Αριθμ. Μητρώου Σ.Ο.Ε.Λ. 125

VASILIOS PAPAGEORGAKOPOULOS
S.O.E.L. Reg. No. 11681
SOL S.A.
CERTIFIED AUDITORS ACCOUNTANTS
3 Fok. Negri Str, Athens

III. ANNUAL REPORT OF THE BOARD OF DIRECTORS FOR THE FINANCIAL YEAR 2008

The present Report by the Board of Directors was prepared in accordance with the provisions of C.L. 2190/1920 (article 107 par. 3), of par.6 article 5 of L. 3556/2007 and the relevant executive decisions 1/434/3-7-2007 and 7/448/11-10-2007 of the BoD of the Hellenic Capital Markets Commission.

A. Financial Developments & Performance for the Period

The closing year 2008 was an extremely critical year. The problem of subprime mortgages in the USA, the elevated global financial leverage of companies and individuals, together with the policy of financial institutions, were just some of the factors that led the global economy to a financial crisis, surely one of the worst during the last decades.

The interventions by central banks were not sufficient to reverse the negative trend of economies, and as a result, governments were led to the enforcement of direct measures to strengthen economic activity and provide liquidity in the banking system. Capital of enormous amounts was injected and continues to be injected to save industrial, banking and insurance giants, in an effort to limit the effects of the crisis.

However, the decline in consumer demand together with increasing unemployment, continue to threaten the prospects for a quick recovery, while expectations remain at low levels.

In this context, GEK TERNA Group, as in the past, continues to follow a careful path in all the sectors it operates in, maintaining high liquidity, while its planned investments continue to be implemented with an even more careful pace.

For the Group, 2008 was a significant year, as the corporate transformations that simplified its structure and strengthened its capital structure, were concluded. Specifically the subsidiary company TERNA S.A. was separated, with its construction activities absorbed by the company LITHOS S.A., which was further renamed to TERNA S.A., and its remaining activities were absorbed by the parent company GEK S.A., which was further renamed to GEK TERNA S.A.

The Group’s Assets amount to 1,901 million euro, while total equity amounts to 690 million euro.

Our Group is strategically placed in particularly dynamic sectors (Constructions, Real Estate, Concessions, Energy, Industry), implementing increased investments that put the Group in a leading position amongst the specific sectors in Greece.

The basic Consolidated Financial data of 2008 according to the International Financial Reporting Standards, are as follows:

Turnover towards third parties, from continued activities, amounted to approximately 669 million euro, compared to 428 million euro in 2007, posting about a 56% increase, mainly to the increased activities of the construction sector. At the same time, sales between the group’s sectors amounted to 207 million euro, compared to 37 million euro in 2007 and mainly concern the construction of capital goods, which will provide returns in the future.

Earnings before interest, tax, depreciation and amortization from continued operations (EBITDA) amounted to 82.7 million euro, posting a decrease of 2.8% compared to 2007.

Earnings before tax, from continued and discontinued operations, amounted to 56 million euro, compared to 67.6 million in 2007, decreased by 17.1%.

Earnings after tax and minority interests amounted to 23.6 million euro, posting a decline of 37% compared to the previous year.

The Net Cash Position of the GEK TERNA Group (cash & cash equivalents minus financial debt, excluding discontinued operations) as at 31.12.2008 amounted to approximately minus 18 million euro, compared to 44 million, in 31.12.2007. The difference in the Net Cash Position is due to the Group's increased investments, which during 2008 amounted to 212 million euro.

The Group's capital base amounts to 690 million euro, compared to 720 million euro on 31.12.2007.

The reduction is due to the valuation of interest rate swaps, which have been used to hedge interest rate risk, that emerges from debt connected to concession projects. The valuation of the interest rate swaps was effected in accordance to the provisions of IFRS, and was affected by the particularly low levels of interbank rates during the specific period. The BoD position is that the reduction should not have affected the Group's initial net assets, taking in account that the use of derivatives turns the debt from floating to fixed interest rate, for the total of the loan's term. This fixed interest is the interest that was taken into account to calculate the investment's return in concessions.

The Board of Directors of GEK TERNA, taking the Group's investment plan into account, proposes the distribution of dividend amounting to 0.12 euro per share, constant compared to the previous year.

B. Significant events during 2008

Currently, the GEK TERNA Group constitutes one of the leaders in the 4 basic sectors of economic activity in Greece, while at the same time it also has achieved significant activities outside of Greece.

Construction sector

The construction sector continued to present an exceptional dynamic, as income from our construction activities follows an upward trend, while maintaining a high backlog.

TERNA S.A. holds the highest construction license and is one of the most powerful Greek construction companies, with significant presence in the Balkans and the Middle East, while it constitutes the construction arm of our Group.

Turnover from construction towards third parties amounted to 552 million euro, excluding intragroup sales of an amount of 177 million euro, compared to 30 million euro for the previous year. This turnover relates to the construction of capital assets.

The backlog of signed contracts at the end of the year amounted to 1,900 million euro, in line with the levels at the end of 2007. It is noted that 35% of the backlog concerns projects implemented abroad.

Earnings before interest, tax, depreciation and amortization amounted to 36.7 million euro, compared to 24.1 million the previous year, posting an increase of 52%. At the same time earnings before interest and tax amounted to 23.8 million euro compared to 15.6 the previous year, posting a 52.5% increase. The above amounts do not include earnings from the sales between the Group's sectors.

The turnover of the sector, amounting to 552 million, emerges from activities in Greece by 64%, from activities in the Balkans by 17% and from activities in the Middle East by 19%.

In the Middle East, TERNA has a significant presence, as during 2008 contracts amounting to 427 million euro were signed, while the total backlog at the end of the year amounted to 525 million euro.

The Net Cash Position of the construction sector (cash & cash equivalents minus financial debt) on 31.12.2008 amounted to approximately 25.4 million euro, compared to minus 44 million on 31.12.2007.

The outlook of the construction market in Greece is considered positive, as the forthcoming 4rth European Community Support Framework will be able to enhance the construction activities for infrastructure for the next years, while Public and Private Partnerships will further reinforce the construction activities of healthy construction Groups.

Moreover, in the mid-term, the inclusion of the South East European countries in the European Union, and the subsequent investments of such countries in infrastructure, as well as the established presence of TERNA in the dynamic Middle Eastern market, allow the estimation for the maintenance of our significant presence in such regions.

Real Estate Development Sector

Taking into account the adverse market conditions, the contribution of the Real Estate sector during 2008 to the Turnover and profitability of the Group was quite significant. Specifically, revenues amounted to euro 31.6 million compared to 17.7 million in 2007, posting an increase of 78.5%. It should be noted that revenues of 2008 do not include, according to IFRS, the sale proceeds of an investment property, of an amount of 12.5 million euro.

Earnings before tax, interest, depreciation and amortization amounted to 18.5 million euro, significantly less than the 36 million euro the previous year. The Debt to Asset ratio rises to 30.70%, a ratio quite secure given the financial circumstances.

a) Real Estate Activity Abroad

Bulgaria

During the last quarter of the year, the construction of the housing, office and store complex on Bulgaria Ave. in Sofia was completed. Also, the construction of the Gerganitsa Palace in Boyanna has been completed by 95%.

Total revenue from the above developments during 2008 amounted to 19.5 million euro, while earnings before interest and tax amounted to 8 million euro.

In October the company received the new license, based on the amended study for the building development on a self-owned land-plot in a very central point in Sofia, namely on the Macedonia Square, which includes the construction of a luxury office and store building with a total area of approximately 53,000 sq.m., including 370 parking spaces.

The project is expected to be completed during the 2^{nd} half of 2012. The privileged position of the land-plot provides a guarantee, even during the current conditions, for the profitable implementation of the project. The commercial interest is already noteworthy, while it is expected to increase with the progress of the construction activities.

Also, the company received all the necessary licenses and it has significantly proceeded with construction activities to implement a model vacation complex of luxury houses on a self-owned land-plot in the winter resort of Borovets, with a total area of 15,000 sq.m. Specifically, during the A' phase, the company plans to develop a complex of 175 luxury apartments as well as 9 independent luxury houses.

Given the maturity of the project and the present conditions in the market, the company intends to develop an adjacent self-owned land-plot with a total area of 4,300 sq.m. at a later stage.

The above developments, together with the existing completed property for sale, are expected to significantly reinforce the Group's profitability in the Real Estate sector also during the next years.

Romania
As regards to the company's activity in Romania, the company concluded all the necessary procedures for licensing of a self-owned property with a total area of 6,987 sq.m. in the road axis Bucharest – Ploiesti, near the international airport of Bucharest. Any development (activities for the development of an office and store building) will depend on the business climate of the local market.

Additionally, the Group proceeded with studies in order to secure the necessary licensing for the development of a land-plot of the company HERMES DEVELOPMENT SRL, with a total area of 1,899 sq.m., in a particularly privileged point at Unirii Avenue. During 2009, the issue of the necessary licenses is expected to be completed. The development of this property will also depend on the commercial interest that will be exhibited.

b) Real Estate Activities in Greece

Development in Metaxourgeio
During the 1st half of 2009, the company will complete the development activities of a model housing and store complex on a self-owned land-plot at Myllerou Str. in Metaxourgeio. Until 31/12/2008 the company proceeded with contracting a memorandum of agreement for the transfer of (50%) of the complex.

VIPA Thessaloniki SA
The company completed the infrastructure projects with the aim to create and develop the 1st Private Industrial Park with a total area of 988,000 sq.m. in the Agios Athanasios area (Kato Gefyra Thessaloniki). From the 988,000 sq.m., the land-plots for sale comprise a total area of 470,000 sq.m. Until today a percentage of 23% has been sold and an official market interest has been expressed for 35% of the developing area for sale. The revenue of the company for 2008 amounted to 8.3 million euro.

Energy Production Sector

The GEK TERNA Group, operating in the Energy sector from the mid 1990s, has been able to play a leading role both in the renewable energy sources sector (RES) through "TERNA ENERGY SA", and in thermal production of energy, through "IRON Holdings SA" and "IRON Thermoelectric SA", in Greece.

During 2008, the Group's investment plan carried on: in RES, a wind park and a small hydroelectric project with a total capacity of 30.6 MW were commissioned, while during 2009 a wind park of 19.35 MW and a small Hydroelectric project of 8.5 MW are expected to commence operations.

Sales from the production of energy from renewable sources amounted to 25.3 million euro, while earnings before interest tax depreciation and amortization (EBITDA) reached 17.5 million euro. The observed delays in the licensing process for projects in the RES sector lead to a time lag in TERNA ENERGY investment plan, without a significant change to the company's objectives as regards to the installed capacity during the next years.

During 2008, IRON Holdings continues to implement the investment that concerns the large thermoelectric unit with a capacity of 435 MW, in Viotia. The commercial operation of the unit is placed at the beginning of 2010. At the same time IRON Thermoelectric continues to operate the unit with a capacity of 147 MW in the Thiva region.

At the end of 2008, the GEK TERNA Group entered into an agreement with the French company GDF SUEZ for the share participation of the latter by 50% in the two aforementioned stations, as well as for joint management. The agreement is subject to the approvals stipulated by law. The French Group is one of the largest energy producers globally, holding a large number of energy units.

Sales from the sector of thermal energy production for continued operations, amounted to 26.8 million euro, while earnings before interest tax depreciation and amortization (EBITDA) amounted to 3.7 million euro.

Concessions – Self/Co-financed projects

2008 was a milestone for the Group as regards to this activity, as the concession project of Ionia Road began operations, thus contributing to the Group's results. Apart from this project, the group has also undertaken the concession project of the Central Greece Motorway. We note that the Group executes these two Concession agreements together with the Spanish companies FERROVIAL- CINTRA and ACS-DRAGADOS. The duration of the concession has been set to 30 years, while it is estimated that income from this activity will be particularly significant during the next years.

The Group's activity was also significant through the operation of 11, in total, central car park stations.

The total sales from the concessions sector amounted to 22.6 million euro, while EBITDA amounted to 4.3 million euro compared to 3.2 million euro in 2007.

C. Significant Events after the end of 2008

There are no significant events from the end of 2008 until today.

D. Risks and Uncertainties

The Group is subject to several risks and uncertainties, such as market risk (volatility in exchange rates, interest rates market prices etc.), credit and liquidity risk, as well as wind and weather conditions.

To handle the financial risks, the Group has a risk management program that aims to minimize the negative effect on the financial results of the group that emerges from the inability to predict financial markets and the volatility of the cost and sales variables.

The financial instruments used by the Group mainly consist of bank deposits, trade debtors and creditors, other receivable and payable accounts, long-term and short-term loans as well as derivatives for hedging purposes.

Following, it is presented the effect of basic risks and uncertainties on the Group's activities.

Credit risk

The Group continuously controls its receivables, either separately or by group and it incorporates the resulting information in its credit control. When necessary, external reports or analysis are used as regards to existing or potential clients.

The Group is not exposed to significant credit risk from trade receivables. This is due to both the Group's policy that focuses on working with credible customers and also to the nature of the Group's activities. Specifically, the total receivables correspond either to the broader public sector in Greece and abroad, or to customers with particularly large financial abilities.

Credit risk for cash equivalents, as well as for other receivables is negligible, given that the relevant parties are reliable banks with high quality capital structure, the Greek state or companies of the broader public sector or powerful business groups.

The management considers that all the above financial assets, for which the necessary impairments have taken place, are of high credit quality.

Foreign exchange risk

The Group is active in Greece as well as in the Middle East and the Balkans and therefore is exposed to foreign exchange risk that arises from the exchange rate of the euro with other currencies. This type of risk may emerge from trade agreements in foreign currency, from investments in financial assets denominated in foreign currency as well as from net investments in foreign entities. In order to manage this type of risk the risk management department of the group ensures that the Group's cash management is covered against foreign exchange volatility.

Regarding the transactions of the company with foreign companies, these mainly take place with European groups and the settlement currency is euro.

Interest rate risk

The Group's policy is to minimize its exposure to interest rate risk as regards to long-term financing. In the context of this policy, long-term loans are mainly in euro and with a fixed rate, either directly or through Interest Rate Swaps for the coverage of interest rate risk and therefore there is no interest rate risk for such loans.

The Group's short-term debt is also exclusively in euro and under a floating rate linked to Euribor. Short-term loans are received mainly either as working capital or as financing for the construction of the Group's investments. Such loans are repaid either directly from the collection of trade receivables, or with the receipt of the relevant government grants, or with long-term loan agreements entered into at completion of the construction and the commissioning of the investments. Therefore, the Group is exposed to interest rate risk from its short-term debt.

Analysis of liquidity risk

The Group manages its liquidity needs with careful monitoring of its long-term liabilities as well as the daily payments. The liquidity needs are monitored in different time zones, on a daily or weekly base as well as in a rolling 30-day period. The liquidity needs for the coming 6 months and the coming year are estimated on a monthly basis.

The company maintains cash and equivalents in banks in order to cover liquidity needs for periods up to 30 days. The capital for the mid-term liquidity needs are taken from the company's time-deposits.

Other risks and uncertainties

a. The Group's activity is exposed to trends prevailing in the construction market and thus may be negatively affected by the slowdown of construction activity in Greece and abroad, which may be due, amongst others, to the general economic conditions. The backlog of construction contracts are not necessarily indicative of future income from the Group's activity in this sector. Despite the fact that the backlog of such contracts represent projects that are considered certain, there is no guarantee that there will be no cancellations or adjustments to their scope. The backlog of construction contracts of the Group can be subject to fluctuations related to project delays, external market factors and economic factors not under its control.

b. The real estate sector is subject to significant effects, in the short-term from the existing economic crisis, as well as from the economic measures to reinforce consumption, taken mainly by governments during this period.
The Group actively operates in the development and management of property in Greece and also in the broader Balkans region. Possible changes in prices both of the property market and of leases, directly affect the effectiveness of the Group's investment in land and property, as well as its broader activity in the real estate sector.

c. The company is partially exposed to short-term fluctuations of wind and hydrological data, due to the fact that the implementation of its investments require extensive studies that concern the long-term behavior of the two aforementioned factors.

E, Estimated course and Outlook

As results from the analysis of the individual sectors, the Group's outlook, despite the fact of the existing economic crisis, is considered positive. This is also reinforced by the common effort of governments to reverse the effects of the crisis with the injection of capital to productive investments and infrastructure projects.

The diversification of the Group's activities offers a dispersion of risk and a less dependence of profitability on specific sectors. At the same time, the fact that exceptional synergies are achieved between the different activities, is quite important and particularly beneficial for the Group (i.e. self-construction of energy production units, real estate projects etc.).

F. Treasury Shares

According to the decision by the company's ordinary General Shareholders' Meeting dated 25 June 2008, which decided the acquisition of 10% of the company's total shares, during the period from 10 July 2008 to 31 December 2008, a total of 202,748 shares were purchased with a nominal value of 115,566.36 euro and an acquisition value of 1,076,489.32 euro. Also, according to the decision by the company's ordinary General Shareholders' Meeting dated 27 June 2007 which decided the acquisition of 10% of the company's total shares, during the period from 1 January 2008 to 23 June 2008, a total of 165,010 shares were purchased with a nominal value of 94,055.70 euro and an acquisition value of 1,374,109 euro.

As at 31 December 2008, the company owned 545,524 treasury shares, namely a percentage of 0.635%.

G. Transactions with Related Parties

The transactions of the Company with its related parties for the period 1.1-31.12.2008 have as follows:

a) Sales by GEK TERNA SA

- to "GEKE AEBE" for leases of storage spaces amounting to 19,600 euro.
- to "VI.PA THESSALONIKI SA" for accounting support amounting to 42,479 euro. The debit balances with the company amount to 17,021 euro.
- to "CAR PARKS AG. NIKOLAOS PIRAEUS SA" for accounting support amounting to 31,140 euro. The debit balances with the company amount to 9,358 euro.
- to "ICON EOOD" for technical advisory services amounting to 200,000 euro. The debit balances with the company amount to 200,000 euro.
- to "GLS LTD" for loan interest amounting to 110,301 euro. The debit balance with the company amounts to 238,614 euro. Also, a loan amounting to 2,000,000.00 euro has been provided to the company.

- to “PRIME PROPERTY MANAGEMENT LTD” for market support and research services amounting to 380,000 euro.
- to “CAR PARK CHIRON SA” for accounting support amounting to 67,500 euro. The debit balances with the company amount to 17,850 euro.
- to “NEA ODOS SA” for technical advisory services amounting to 579,040 euro. The debit balances with the company amount to 177,357 euro.
- to “CENTRAL GREECE MOTORWAY SA” for bid expenses amounting to 3,411,460 euro.
- to “EKTONON SA” from the sale of an investment property amounting to 6,250,000 euro.
- the company has debit balances from construction joint ventures for provided technical advisory services amounting to 2,603,022euro.

b) Pricing to GEK TERNA SA

- from “TERNA SA” for the construction of houses amounting to 4,559,562 euro. The credit balances with the company amount to 423,006 euro.
- from “EKTONON SA” for property leases amounting to 60,000 euro.

c) Remuneration to Management

The remuneration for the BoD members and the senior executives of the Group and the Company at 31.12.2008 are as follows:

	GROUP	COMPANY
Amounts in thousand euro		
Remuneration for BoD meetings	1,625	470
Remuneration of executives included in the executive members of the BoD	2,241	382
	3,866	**852**
Relevant Liabilities	225	15

EXPLANATORY REPORT OF THE BOARD OF DIRECTORS ACCORDING TO ARTICLE 4 OF L. 3556/2007

The present Explanatory Report by the Board of Directors, is submitted to the Company’s Ordinary General Shareholders’ Meeting, according to paragraph 8 article 4 of L. 3556/2007 and has been prepared according to those stipulated by paragraph 7 article 4 of the same law.

a) Structure of Share Capital

The Company’s Share Capital amounts to forty eight million nine hundred and fifty three thousand one hundred and thirty two euro and sixteen cents (48,953,132.16), it is fully paid up and divided into eighty five million eight hundred and eighty two thousand six hundred and eighty eight (85,882,688) common registered shares with voting right and with a nominal value of fifty seven cents (0.57) each.
The Company’s shares are listed and traded on the Securities Market (“Large Capitalization” Category) of the Athens Exchange.
All the rights and obligations stipulated by Law and the Company’s Articles of Association emanate from each share.

b) Limitations to the transfer of Company shares

The transfer of Company shares take place according to Law and there are no limitations to their transfer according to its Articles of Association.

c) Significant direct or indirect participations according to the definition of the provisions of L. 3556/2007

On 23/12/08 by virtue of the Decision No. K2-15458 by the Minister of Development, the increase of the Company's Share Capital was approved according to the decision dated 18/11/2008 by the Extraordinary General Shareholders' Meeting, for the increase with absorption of part of the splited company TERNA SA. The Shareholders of the splitted company TERNA (apart from the shareholder GEK SA) exchanged each one (1) common voting right share towards 0.950000021 common voting right shares of GEK (already renamed to GEK TERNA). The shareholders of GEK, continued to own the same number of shares, as before the above corporate action. The new shares were credited to the beneficiary shareholders on 2/1/2009.
The following Table of Shareholders presents those who owned a percentage over 5% before and after the transformation.

SHAREHOLDER NAME	No. of shares	%	No. of shares	%
	Prior to the transformation		After the transformation	
Georgios Peristeris	11,907,364	18.19%	12,004,270	13.98%
Nikolaos Kambas	8,532,335	13.03%	8,538,985	9.94%
Maria Kamba	3,866,365	5.91%		

d) Shares providing special control rights

According to the Company's Articles of Association there are no shares that provide special control rights.

e) Limitations to voting rights

According to the Company's Articles of Association there are no limitations of voting rights emanating from its shares.

f) Agreements between Company Shareholders

To the best of the Company's knowledge, there are no agreements between its Shareholders, which imply limitation to the transfer of its shares or to the exercise of voting rights emanating from its shares.

g) Rules for appointment and replacement of BoD Members and amendments of the Articles of Association

The Company's Articles of Association have been conformed to the provisions of L. 3604/2007 and their provisions do not differ from those stipulated by C.L. 2190/20 as in effect, both as regards to the appointment and replacement of BoD Members and as regards to the amendment of its articles.

h) Authority of the BoD for the issuance of new shares or the purchase of treasury shares

According to those stipulated by par. 2 article 5 of the Articles of Association, the General Meeting may, by means of its decision, assign authority to the Board of Directors to increase by means of its decision, the share capital according to those stipulated by C.L. 2190/20.

According to the provisions of article 13 par. 13 of C.L. 2190/20, as in effect, the Board of Directors may increase the share capital by issuing new shares in the context of implementing the approved by the General Meeting Stock Option Plan, for acquisition of Company shares by the beneficiaries.

According to the provisions of article 16 of C.L. 2190/1920, as in effect, following approval of the General Meeting, the Company may with the responsibility of the Board of Directors, acquire through the Athens Exchange, its own shares with the condition that the nominal value of shares acquired, including shares acquired previously and maintained by the Company, does not exceed 10% of its paid up share capital.

i) Important agreements put into effect, amended or terminated in case of change in control following a tender offer

There are no agreements which are put into effect, amended or terminated in case of change in the Company’s control following a tender offer.

j) Agreements of Members of the Board of Directors or the Company’s Employees

There are no agreements of the Company with members of its Board of Directors or its employees, which include the payment of indemnity, specifically in case of resignation or termination without reasonable cause or termination of term or employment due to a tender offer.

Dear Shareholders,

2008 was a year during which the Group continued its profitable path. Moreover, the Group carefully continues its investment plan, by maintaining at the same time adequate liquidity.
We would like to express our thank you to the Board or Directors, our Staff, Executives and Partners for their contribution to our work.

We also thank our Customers, Suppliers and cooperating Banks and of course you Shareholders for your trust in us.

Athens, 27 March 2009
On behalf of the Board of Directors

Nikolaos Kambas
BoD Vice-Chairman & Managing Director

IV. ANNUAL FINANCIAL STATEMENTS, INDIVIDUAL AND CONSOLIDATED, OF 31 DECEMBER 2008

(1 January - 31 December 2008)

According to the International Financial Reporting Standards

The Financial Statements were approved by the Board of Directors of GEK TERNA SA HOLDINGS REAL ESTATE CONSTRUCTIONS on 27 March 2009 and have been published by being posted on the internet at the web address www.gekterna.gr in which they remain at the disposal of the investment community for at least 5 years since their publication. It is noted that the published in the press Data and Information aim at providing the reader with certain general financial information but do not provide a full picture of the financial position and the results of the Group, in accordance with the International Financial Reporting Standards (IFRS).

GEK TERNA GROUP
BALANCE SHEET
31st of DECEMBER 2008
(All amounts are expressed in thousand Euros, unless stated otherwise)

		GROUP		COMPANY	
	Note	**31 December 2008**	**31 December 2007**	**31 December 2008**	**31 December 2007**
ASSETS					
Non current assets					
Intangible fixed assets	6	64,545	6,934	98	0
Tangible fixed assets	7	428,461	312,551	12,756	12,944
Investment property	8	105,953	147,364	15,609	21,769
Participations in subsidiaries	4	0	0	181,417	183,499
Participations in associates	4, 9	53,073	50,535	39,239	41,921
Participations in joint ventures	4, 30	221	21,086	39,921	27,940
Investments available for sale	14	12,030	12,193	12,028	12,157
Other long-term assets	10	19,310	25,942	2,016	3,212
Deferred tax assets	24	30,896	13,197	0	0
Total non current assets		**714,489**	**589,802**	**303,084**	**303,442**
Current assets					
Inventories	11	106,389	60,582	12,842	11,540
Trade receivables	12	264,638	219,571	20,650	23,773
Prepayments and other receivables	12	134,176	105,945	828	11,404
Income tax receivables		16,060	14,186	3,527	2,885
Other financial assets	14	4,970	5,069	4,970	5,069
Cash and cash equivalents	15	541,720	424,670	14,251	19,308
Total current assets		**1,067,953**	**830,023**	**57,068**	**73,979**
Non-current assets held for sale	29	118,658	0	0	0
TOTAL ASSETS		**1,901,100**	**1,419,825**	**360,152**	**377,421**
EQUITY & LIABILITIES					
Equity attributable to the shareholders of the parent					
Share capital	23	48,953	23,567	48,953	48,500
Share premium account		356,865	242,762	170,410	170,410
Reserves		36,567	67,037	47,613	53,134
Profit carried forward		49,025	53,304	28,529	32,862
Total		**491,410**	**386,670**	**295,505**	**304,906**
Minority interest		198,376	333,781	0	0
Total equity		**689,786**	**720,451**	**295,505**	**304,906**

	Note				
Long term liabilities					
Long-term loans	16	168,024	143,603	25,500	36,500
Loans from finance leases	16	29,289	21,522	0	0
Other long-term liabilities	20	42,676	1,723	95	176
Other Provisions	18	16,683	6,235	60	0
Provisions for staff indemnities	17	3,468	1,763	90	178
Grants	19	95,632	51,697	0	0
Liabilities from derivatives	22	52,719	0	0	0
Deferred tax liabilities	24	22,084	16,554	1,863	2,685
Total long term liabilities		**430,575**	**243,097**	**27,608**	**39,539**
Short term liabilities					
Suppliers	20	134,646	86,824	540	245
Short term loans	21	321,470	182,215	21,822	18,771
Long term loans payable during the next financial year	16	40,953	33,175	11,230	9,000
Liabilities from derivatives	22	2,953	0	0	0
Accrued and other short term liabilities	20	186,359	145,352	2,700	3,291
Income tax payable		9,083	8,711	747	1,669
Total short term liabilities		**695,464**	**456,277**	**37,039**	**32,976**
Liabilities directly connected to non-current assets held for sale	29	85,275	0	0	0
TOTAL LIABILITIES & EQUITY		**1,901,100**	**1,419,825**	**360,152**	**377,421**

The accompanying notes constitute an integral part of the financial statements

GEK TERNA GROUP
INCOME STATEMENT
31st December 2008

(All amounts are expressed in thousand Euro, unless stated otherwise)

		GROUP		COMPANY	
		1/1 - 31/12	**1/1 - 31/12**	**1/1 - 31/12**	**1/1 - 31/12**
	Note	**2008**	**2007**	**2008**	**2007**
Continued operations					
Revenue	5	669,224	428,565	8,186	25,343
Cost of sales	25	(586,424)	(365,616)	(5,505)	(19,295)
Gross profit		**82,800**	**62,949**	**2,681**	**6,048**
Administration and Distribution expenses	25	(38,873)	(33,206)	(2,833)	(2,062)
Research and Development expenses		(2,102)	(2,135)	0	0
Other income / (expenses)	26	15,638	47,800	8,959	6,608
Net financial income/(expenses)	27	(501)	(11,401)	(3,135)	(1,174)
Profit / (loss) from the valuation of associates under the equity method		(2,324)	1,454	0	0
PROFIT BEFORE TAX		**54,638**	**65,461**	**5,672**	**9,420**
Income tax	24	(21,082)	(12,955)	(721)	(2,185)
Net profit from continued operations		**33,556**	**52,506**	**4,951**	**7,235**
Discontinued operations					
Profit from discontinued operations after tax	29	1,407	1,577	0	0
NET PROFIT		**34,963**	**54,083**	**4,951**	**7,235**
Attributed to:					
Shareholders of the parent company from continued operations	23	22,229	35,952		
Shareholders of the parent company from discontinued operations	29	1,407	1,577		
Minority interest from continued operations		11,327	16,554		
Minority interest from discontinued operations		0	0		
		34,963	**54,083**		
Basic earnings per share (in euro)					
From continued operations attributed to shareholders of the parent	23	0.32	0.51		
From discontinued operations attributed to shareholders of the parent		0.02	0.02		
Weighted average number of shares					
Basic	23	70,258,879	70,258,879		

GEK TERNA GROUP
CASH FLOW STATEMENT
31st December 2008
(All amounts are expressed in thousand Euro, unless stated otherwise)

	GROUP		COMPANY	
	1/1 - 31/12 2008	**1/1 - 31/12 2007**	**1/1 - 31/12 2007**	**1/1 - 31/12 2007**
Cash flow from operating activities				
Profit before tax from continued operations	54,638	65,461	5,672	9,420
Adjustments for the agreement of the net flows from the operating activities				
Depreciation	24,930	19,202	545	391
Provisions	10,898	2,500	124	57
Interest and related revenue	(22,237)	(6,284)	(834)	(2,060)
Interest and other financial expenses	22,739	17,685	3,969	3,234
Results from participations and securities	2,103	(13,383)	(8,183)	(5,811)
Results from intangible and tangible assets and investment property	(9,248)	(35,111)	(60)	(952)
Amortization of grants	(2,028)	(1,820)	0	0
Other adjustments	1,447	1,731	0	12
Operating profit before changes in working capital	**83,242**	**49,981**	**1,233**	**4,291**
(Increase)/Decrease in:				
Inventories	(5,479)	(5,107)	(1,302)	5,206
Trade receivables	(46,125)	(28,841)	3,050	(557)
Prepayments and other short term receivables	7,341	(23,354)	10,873	(686)
Increase/(Decrease) in:				
Suppliers	52,225	10,130	295	(542)
Accruals and other short term liabilities	46,972	41,807	(239)	(753)
Collection of grants	35,562	5,392	0	0
(Increase)/Decrease of other long term claims and liabilities	1,855	(7,922)	987	(1,582)
Income Tax payments	(19,501)	(13,203)	(2,469)	(237)
Operating flows from discontinued operations	(7,379)	950	0	0
Net Cash inflow from operating activities	**148,713**	**29,833**	**12,428**	**5,140**
Cash flows from investment activities				
Net additions of tangible assets	(209,096)	(66,023)	(492)	(43)
Sale of tangible fixed assets	180	1,623	37	0
Interest and related income received	21,763	4,391	818	2,060
(Purchases) / sales of participations and securities	(5,541)	(54,915)	(6,107)	(74,380)
Dividends from investments	55	9	3,742	5,399
Investment Property	9,632	(31,031)	6,220	4,120
Cash from the acquisition of companies	21,921	0	0	0
Investment flows from discontinued operations	(67,401)	(13,980)	0	0
Cash outflows for investment activities	**(228,486)**	**(159,926)**	**4,218**	**(62,844)**

Cash flows from financial activities				
Increase of share capital	579	(996)	(144)	0
Purchase of treasury shares	(6,559)	(2,050)	(2,450)	(2,050)
Proceeds from share capital increase of subsidiaries	0	289,868	0	0
Net change of short-term loans	153,574	99,148	3,100	18,771
Net change of long-term loans	43,404	45,851	(9,000)	15,500
Payments of Loans from Financial Leases	(9,417)	(7,868)	0	0
Dividends paid	(14,228)	(12,787)	(7,962)	(7,856)
Interest paid	(22,905)	(14,505)	(2,547)	(269)
Change of other financial assets	(2,700)	35,695	(2,700)	29,658
Financial flows from discontinued operations	54,205	13,367	0	0
Cash outflows for financial activities	**195,954**	**445,723**	**(21,703)**	**53,754**
Effect from foreign exchange differences in cash	870	0	0	0
Net increase of cash & cash equivalents	**117,050**	**315,630**	**(5,057)**	**(3,950)**
Cash & cash equivalents at the beginning of the year from continued operations	421,899	109,040	19,308	23,258
Cash & cash equivalents at the beginning of the year from discontinued operations	2,771	0	0	0
Cash & cash equivalents at the end of the year from continued operations	**541,720**	**424,670**	**14,251**	**19,308**

The accompanying notes constitute an integral part of the financial statements

GEK TERNA SA
STATEMENT OF CHANGES IN EQUITY
31st December 2008
(All amounts are expressed in thousand Euro, unless stated otherwise)

	Share Capital	Share Premium	Reserves	Profit carried forward	Total
1st January 2007	**23,567**	**170,410**	**38,913**	**44,725**	**277,615**
Absorption of sector of former TERNA SA	24,933	0	512	5,430	**30,875**
1st January 2007 restated	**48,500**	**170,410**	**39,425**	**50,155**	**308,490**
Net profit for the year	0	0	0	10,219	**10,219**
Valuation profit recognized directly in Equity	0	0	305	0	**305**
Transfer of profit from sales of financial assets available for sale	0	0	82	0	**82**
Tax on items recognized directly or transferred from Equity	0	0	(2,314)	0	**(2,314)**
Total recognized net profit	**0**	**0**	**(1,927)**	**10,219**	**8,292**
Dividends	0	0		(7,856)	**(7,856)**
Distribution of reserves	0	0	17,540	(17,540)	**0**
Absorption of sector of former TERNA SA	0	0	146	868	**1,014**
Purchase of treasury shares	0	0	(2,050)	0	**(2,050)**
31st December 2007	**48,500**	**170,410**	**53,134**	**35,846**	**307,890**
1st January 2008	**23,567**	**170,410**	**52,537**	**29,548**	**276,062**
Absorption of sector of former TERNA SA	24,933	0	597	3,314	**28,844**
1st January 2008 restated	**48,500**	**170,410**	**53,134**	**32,862**	**304,906**
Net profit for the year	0	0	0	4,951	**4,951**
Valuation profit / (loss) recognized directly in Equity	0	0	(2,740)	(58)	**(2,798)**
Expenses of share capital increase recognized directly in Equity	0	0	0	(144)	**(144)**
Tax on items recognized directly or transferred from Equity	0	0	578	0	**578**
Total recognized net profit	**0**	**0**	**(2,162)**	**4,749**	**2,587**
Dividends	0	0		(7,815)	**(7,815)**
Distribution of reserves	0	0	(872)	872	**0**
Absorption of sector of former TERNA SA	453	0	0	(2,164)	**(1,711)**
Purchase of treasury shares	0	0	(2,450)	0	**(2,450)**
Transfers	0	0	(37)	25	**(12)**
31st December 2008	**48,953**	**170,410**	**47,613**	**28,529**	**295,505**

GEK TERNA GROUP
STATEMENT OF CHANGES IN EQUITY
31st December 2008
(All amounts are expressed in thousand Euro, unless stated otherwise)

	Share Capital	Share Premium	Reserves	Profit carried forward	Sub-total	Minority Interest	Total
1st January 2007	**23,567**	**170,410**	**52,840**	**42,861**	**289,678**	**109,298**	**398,976**
Foreign exchange difference from the consolidation of foreign companies	0	0	188	0	**188**	(304)	**(116)**
Profit/(Loss) from valuation recognized directly in Equity	0	0	(1,978)	0	**(1,978)**	(247)	**(2,225)**
Total net profit recognized directly in Equity	**0**	**0**	**(1,790)**	**0**	**(1,790)**	**(551)**	**(2,341)**
Net profit for the year	0	0	0	37,529	**37,529**	16,554	**54,083**
Total recognized net profit	**0**	**0**	**(1,790)**	**37,529**	**35,739**	**16,003**	**51,742**
Dividends	0	0	0	(7,855)	**(7,855)**	(4,932)	**(12,787)**
Sale of a subsidiary	0	0	0	0	**0**	(866)	**(866)**
Decrease of stake in consolidated subsidiary	0	0	0	(3,853)	**(3,853)**	3,853	**0**
Increase of stake in consolidated companies	0	0	0	(91)	**(91)**	(5,433)	**(5,524)**
Purchase of treasury shares	0	0	(2,050)	0	**(2,050)**	0	**(2,050)**
Issue of share capital for listing on the Athens Exchange	0	73,022	0	0	**73,022**	208,940	**281,962**
Issue of share capital of subsidiaries	0	(670)	248	2,502	**2,080**	6,918	**8,998**
Distribution of reserves	0	0	19,551	(19,551)	**0**	0	**0**
31st December 2007	**23,567**	**242,762**	**68,799**	**51,542**	**386,670**	**333,781**	**720,451**

	Share Capital	Share Premium	Reserves	Profit carried forward	Sub-total	Minority Interest	Total
1st January 2008	**23,567**	**242,762**	**68,799**	**51,542**	**386,670**	**333,781**	**720,451**
Financial assets available for sale:							
Profit/(Loss) from valuation recognized directly in Equity	0	0	0	(2,993)	**(2,993)**	(8)	**(3,001)**
Cash flow hedges:							
Profit/(Loss) recognized directly in Equity	0	0	(55,579)	0	**(55,579)**	0	**(55,579)**
Foreign exchange differences from consolidation of foreign companies	0	0	1,167	0	**1,167**	(14)	**1,153**
Tax on items recognized directly or transferred from equity	0	0	13,895	1,105	**15,000**	44	**15,044**
Total net profit registered directly in Equity	**0**	**0**	**(40,517)**	**(1,888)**	**(42,405)**	**22**	**(42,383)**
Net profit for the year	0	0		23,636	**23,636**	11,327	**34,963**
Total recognized net profit	**0**	**0**	**(40,517)**	**21,748**	**(18,769)**	**11,349**	**(7,420)**
Dividends	0	0		(7,812)	**(7,812)**	(6,548)	**(14,360)**
Discontinuation of consolidation	0	0		(38)	**(38)**	0	**(38)**
Increase of stake in consolidated companies	0	0	(807)	0	**(807)**	(2,259)	**(3,066)**
Purchase of treasury shares	0	0	(6,559)	0	**(6,559)**	0	**(6,559)**
Purchase of remaining minority interest of subsidiary	25,386	114,103	0	(764)	**138,725**	(138,725)	**0**
Issue of share capital of subsidiaries	0	0	0	0	**0**	778	**778**
Distribution of reserves	0	0	17,413	(17,413)	**0**	0	**0**
31st December 2008	**48,953**	**356,865**	**38,329**	**47,263**	**491,410**	**198,376**	**689,786**

1 ESTABLISHMENT AND ACTIVITY OF THE COMPANY

"**GEK TERNA Holdings, Real Estate, Construction S.A**.", (the "Company" or "GEK TERNA") as was renamed according to the decision of the Extraordinary General Shareholders' Meeting on 18.11.2008 and approved by the No. K2-15459/23-12-2008 decision of the Minister of Development published in the Government Gazette with No. 14045/23-12-2008 (SA & LTD Companies Issue), is registered in the Societe Anonyme Registry of the Ministry of Development with Registration number 6044/06/B/86/142. The duration of the company has been set to thirty (30) years, while according to the decision of the Extraordinary General Shareholders' Meeting on 26.03.1990 the duration of the company is extended up to the 31st of December 2030.

The company is based in the municipality of Athens and its head offices are located in 85 Mesogeion Avenue, Postal Code 11526, Athens (tel: 210-6968200), following the decision of its Board of Directors on the 14th of March 2003.

The company was founded in 1960 under the name ERMIS HOTEL ENTERPRISES S.A.. In the middle of the 1960s it was renamed to ERMIS REAL ESTATE CONSTRUCTIONS ENTERPRISES S.A. with its main activity being building constructions (ERMIS building, apartment buildings and maisonettes in various areas across the country). In 1969, the company listed its shares in the Athens Stock Exchange (28.08.1969). Following the Extraordinary General Shareholders' Meeting on the 4th of August 1999 the company's ownership status is altered. On 16.10.2000, the decision No. K2-10469/16.10.2000 of the Ministry of Development is registered in the Societe Anonyme Registry. This decision approved the amendment, by changing the numbering and the provisions of the Articles, and the codification of the company's Articles of Association in accordance with the decision of the Extraordinary General Shareholders' Meeting on 17.07.2000. On the same date, the complete new text of the Articles of Association, with the amendments, is registered in the Societe Anonyme registry. On 10/02/04 the Board of Directors decided that the company should merge with the company "General Construction Company S.A." by absorbing it. The Extraordinary General Shareholders' Meetings of both the acquiring and the absorbed company, that took place on 15/10/2004, approved the Merger Contract Plan. The merger was completed on 3/12/04 with decision K2-13956 of the Ministry of Development that was published in the Government Gazette under No. 14334/3-12-04. At the same time, the change of the company's name and the amendment of its corporate objective were approved.

On 23.12.2008 the merger through absorption of part of the other activities of the company TERNA SOCIETE ANONYME TOURISM TECHNICAL AND SHIPPING COMPANY, was approved by means of the decision by the Minister of Development under Reg. No. K2-15458/23.12.2008 and at the same time the share capital increase was approved by 25,386,322.56 euro. Thus the share capital amounts to euro 48,953,132.16 divided into 85,882,688 common registered shares, with a nominal value of 0.57 euro each.

The main activity of the Company is the development and management of investment property, the construction of any kind, the management of self-financed or co-financed projects, the construction and management of energy projects, as well as its participation in companies having similar activities.

The Group has a significant and specialized presence in construction, energy as well as in the development, management and exploitation of investment property having a strong capital base.

The Group is also active in construction and quarry through its subsidiary TERNA SA, in the industrial sector through the subsidiaries of its sub-group TERNA SA, VIOMEK ABETE, which undertakes metal constructions, and STROTIRES AEBE, which produces skids from armed concrete. Also, through HERON THERMOELEKTRIKI SA, IRON HOLDINGS SA and the sub-group of its subsidiary TERNA ENERGY ABETE the Group is active in the energy sector producing electricity from thermal and renewable energy sources.

The activities of the Group mainly take place in Greece and to an increasing extent in the Balkans and the Middle East.

2 BASIS FOR THE PREPARATION OF THE FINANCIAL STATEMENTS

a)Basis for the Preparation of the financial statements
The accompanying individual 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 during the transition date (1 January 2004) to the International Financial Reporting Standards (IFRS) were valued at fair values, which were used as deemed cost, according to the provisions of IFRS 1 "First-time adoption of IFRS".

The accompanying financial statements consist of the individual 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. There are no standards that have been applied before their initial effective date, except for the revised IAS 23 and IFRIC 15.

b) Statutory Financial Statements
Until the 31st of December 2004 GEK TERNA SA and its subsidiaries kept their accounting books and prepared financial statements in accordance to the provisions of C.L. 2190/1920 and the tax legislation in effect. From January 1st, 2005 it is obliged, according to the legislation in effect, to prepare its Statutory Financial Statements in accordance to the IFRS that have been adopted by the European Union. The Company and Greek companies of the Group, continue to keep their accounting books in accordance with the provisions of the tax laws, as it has the right to do so. Necessary adjustments are then made in order to prepare the attached financial statements in accordance with the IFRS.

c) New standards, interpretations and amendments
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 2007, except for the adoption or early adoption of new standards. Therefore, from January, 1 2008 the Group and the company adopted new standards and amendments as follows:

- *IAS 23 Borrowing Cost (amendment)* (mandatory application for periods beginning on or after 1 January 2009, early adoption is permitted). The option to categorize borrowing cost that is related to the purchase, construction or production of a special asset as an expense, is repealed. The Group has applied the provisions of the revised standard as it has already adopted the standard from 1 January 2008.

- *IFRIC 12, Service Concession Arrangements* (applied for periods beginning on or after 1 January 2008). IFRIC 12 handles the way with which the concession managers of a service concession must apply the existing International Financial Reporting Standards (IFRS) to account for the liabilities they undertake and the rights provided to them in the service concession arrangement. Based on the Interpretation, concession managers must not recognize the relevant infrastructure as tangible fixed assets, but must recognize a financial or an intangible asset.

- *IFRIC 13, Customer loyalty programs* (applied for periods beginning on or after 1 July 2008). The interpretation is related to the implementation of those defined by IAS 18 for the recognition of income. IFRIC 13 "Customer loyalty programs" specifies that when companies grant their customers award credits (i.e. points) as part of a sale transaction and customers can cash such credits in the future for free or discounted goods or services, then paragraph 13 of IAS 18 should be applied. This requires that award credits be accounted for as a separate item of the sale transaction and a part of the price received or the receivable recognized to be allocated to award credits. The recognition time of this income item is postponed until the company satisfies its liabilities that are linked to the award credits, either providing such awards directly or transferring the liability to a third party. The interpretation has been adopted by the EU and its application is not expected to affect the Group's financial statements.

- *IFRIC 14, The limit on a Defined Benefit Asset, minimum funding requirements and their interaction:* (applied for periods beginning on or after 1 January 2008). IFRIC 14 addresses three issues, specifically: a) when capital refunds or reductions in future contributions should be presented as "available" in the context of paragraph 58 of IAS 19, Employee Benefits, b) how a minimum funding requirement may affect the availability of the reductions in future contributions, and c) when a minimum funding requirement creates an obligation. Furthermore, given that there is a minimum funding requirement, the Interpretation distinguishes between contributions that are necessary to cover an inadequacy for a past service on the base of the minimum contribution and, the future recognition of benefits. IFRIC 14 has been adopted by the EU. The Company considers that the application of the Interpretation will not affect the Group's financial statements.

- *Amendments to I.A.S. 39 and I.F.R.S. 7 – Reclassification of Financial Assets* (applied for periods beginning on or after January 1st 2009). The amendments to IAS 39 allow in some cases, the reclassification from the category of investments held for trading purposes to other categories, of non-derivative financial assets, as well as the reclassification of financial assets from the category of available for sale to loans and receivables. The amendments to IFRS 7 require additional disclosures in the financial statements of companies that apply the above amendments to IAS 39.

Upon the date of approval of the financial statements, there are new IFRS interpretations and amendments of existing standards that will be mandatory for the years starting on 1st of January 2009 onwards. The assessment of the management of the Group regarding the effect of these new standards and interpretations is presented below:

- *IFRS 8, Operating Sectors:* (applied for annual accounting periods beginning on or after January 1st 2009). IFRS 8 replaces IAS 14 *Financial Information by segment* and adopts an administrative approach as regards to financial information provided by segment. The information provided will be that used by management internally for the evaluation of the return by operating sectors and the allocation of resources to such sectors. This information may differ from that presented in the balance sheet and income statements and companies must provide explanations and reconciliations regarding such differences. IFRS 8 is expected to be adopted by the European Union in the near future. The Group is in the process of evaluating the effect of this standard on its financial statements.

- *IAS 1 Presentation of Financial Statements (amendment)* (applied for periods beginning on or after 1 January 2009). The revised standard includes many changes in definitions, including include changes in the titles of some of the financial statements to reflect their function more clearly (for example, the balance sheet is renamed a statement of financial position). The most important changes are:

- at the cases in which an accounting policy is applied retrospectively or a revision or a reclassifications of accounts in the financial statements, for comparability reasons it is necessary to report also the Statements of Financial Position for the previous periods.

- all income and expenses data (including those recorded directly in Equity) must be reported in one statement (Statement of Comprehensive Income), or in two statements (a separate Income Statement and a Statement of Comprehensive Income).
- the specific presentation of results that are directly recorded in equity is no longer permitted (e.g. profit/loss of fair value). Such changes that do not arise from the shareholders must be presented in the Comprehensive Income Statement, the total of which must be transferred to the Statement of Changes in Equity.
- the presentation of shareholders transactions when they are acting as owners is not allowed to be presented in the notes. The Statement of Changes in Equity must be presented as a separate financial statement.
- new requirements are introduced regarding an analytical presentation of results that are directly recorded in equity

- *IFRS 3, Business Combinations – Amended in 2007 and consequent amendments in IAS 27, 28 and 31 (effective from 1st July 2009):* The amended standard inserts new important amendments in the purchase method in order to reflect business combinations. Among the amendments in the standard is the option to present rights of third parties that have no control (minority interest), in their fair value. Also, the amended standards state that the acquisition of additional percentages in a subsidiary or the sale of part of the shares of a subsidiary must be accounted as a transactions with the shareholders of the company and any difference should be recognized in equity. The amended IFRS 3 is effective for acquisition of companies that will take place after July the 1st 2009, while there is no requirement for business combination that have taken place before the adoption of the certain standard. Therefore, this amendment will not affect the present financial position of the Company.

- *IFRS 2: Share-based payment – 2008 Revision: vesting conditions and cancellations (effective from 1st January 2009):* The revision of the standard clarifies the that vesting conditions are service conditions and performance conditions only, while other features of a share-based payment that are not vesting conditions should be included in the grant date fair value of the share-based payment at the concession date. This standard will have no effect on the financial statements of the Group.

- *IAS 32 Financial Instruments: Presentations and IAS 1 Presentation of Financial Statements – 2008 Revision: Puttable instruments and obligations arising on liquidation (effective from 1st of January2009):* This amendment sets the classification of puttable financial instruments as well as the terms of some instruments that oblige the issuer to proportionally pay the net assets of the instrument during settlement. The relevant revision will have no effect on the financial statements of the Group.

- *IFRIC 15, Agreements for the Construction of Real Estate*: (issued on July, 30 2008 and is applicable for the fiscal years starting on or after January, 1 2009). IFRIC 15 offers guidelines regarding whether an agreement for the construction of a real estate is included in the framework of IAS 11 “Construction Contracts” or IAS 18 “Revenue” and when the revenue from construction should be recognized.

- *IFRIC 16, Hedges of a Net Investment in a Foreign Operation*: (issued on July, 3 2008 and is valid for the fiscal years starting on or after October, 1 2008 and may have future or retroactive application). IFRIC 16 clarifies three major issued, in particular: a) The presentation currency of the Financial Statements does not create risk exposure in a situation that the company is in a position to hedge the risk. Therefore, the parent company may define as risk for hedging only the foreign exchange differences that arise between operating and presentation currency for the foreign operations. b) Any company belonging in the Group may hold hedging instruments, c) Despite that IAS 39 «Financial Instruments: Recognition. and Measurement» is applied to define the amount that must be transferred in Income Statement from the foreign exchange differences reserve, the IAS 21 «The effect of changes in Foreign Exchange» is applied in reference to the hedging instrument. This interpretation will not affect the Financial Statements of the Group. This interpretation is not yet adopted by the European Union.

- *IFRIC 17, Distributions of Non-Cash Assets to Owners* (applied for periods beginning on or after July 1st 2009). When a company proceeds with announcing a distribution and has the obligation to distribute assets that relate to its owners, it should recognize a liability for such dividends payable. The aim of IFRIC 17 is to provide guidance regarding when a company should recognize dividends payable, how such should be measured as well as how the differences between the book value of assets distributed and the book value of dividends payable should be booked when the company pays out the dividends payable. IFRIC 17 "Distribution of Non-Cash Assets to Owners" is effective for companies in the future for annual periods beginning on or after 01/07/2009. Prior application of the Interpretation is permitted, given that the company discloses such in the Explanatory Notes on the Financial Statements and at the same time applies IFRS 3 (as revised in 2008), IAS 27 (as amended in May 2008) and IFRS 5 (as amended by the present Interpretation). Retrospective application of the Interpretation is not permitted. This interpretation has not been adopted by the European Union.

- *IFRIC 18, Transfers of Assets from Customers* (applied for periods beginning on or after July 1st 2009). The Interpretation is applied mainly to companies in the utility sector. The aim of IFRIC 18 is to clarify the requirements of IFRS regarding agreements in which a company receives from a customer an item of property, plant and equipment that it must then use either to connect the customer to a network or to provide the customer with ongoing access to a supply of goods or services (such as a supply of electricity, gas or water) or to do both. In some cases, a company receives cash from its customers, which should be used for the purchase or construction of a facility with the objective to connect the customer with the network or the ongoing access to the network of goods or services (or both). The Interpretation clarifies the cases in which the definition of the tangible asset is met, the recognition and calculation of the initial cost. Moreover, it defines the way in which the verification of the liability can be made to provide the above services in exchange for the tangible asset as well as the recognition method of the income and the accounting treatment of cash received from customers.

- In May 2008 the IASB issued several amendments to the IFRS, as a result of its annual improvement plan, with the objective to eliminate inconsistencies and to provide clarifications. These amendments are applied for accounting periods beginning on or after January 1st 2009 and have not yet been adopted by the European Union.

- *Amendments to IFRS 5, Non-Current Assets Held of Sale and Discontinued Operations,* applied for annual accounting periods beginning on or after 1 July 2009. This amendment clarifies the fact that all assets and liabilities of a subsidiary continue to be classified as held for sale, according to IFRS 5, even in the case where the company, following a sale, maintains a non-controlling participation in the subsidiary. The amendment has a future application from the first effective date of IFRS 5. Therefore, participations in subsidiaries that have been classified as held for sale from the application date of IFRS 5, should be re-estimated. Prior application of the amendment is permitted. In case of prior application, the amendments of IAS 27 (as amended in January 2008) must also be applied during the application date of the amendments to IFRS 5.

- *Amendments to IAS 1, Presentation of Financial Statement,* (applied for annual accounting periods beginning on or after January 1st 2009). This amendment clarifies that assets and liabilities classified as held for trading purposes, according to IAS 39, Financial instruments: Recognition and calculation, are not classified automatically as short-term items in the balance sheet. The amendment has retrospective effect and prior application is encouraged.

- *Amendments to IAS 8, Accounting policies, changes in accounting estimations and errors,* (applied for annual accounting periods beginning on or after January 1st 2009). The amendment clarifies that only the application guidance, which is considered an integral part of a IFRS, is mandatory during the selection of accounting policies.

- *Amendments to IAS 10, Events after the Balance Sheet Date,* (applied for annual accounting periods beginning on or after January 1st 2009). The amendment clarifies that dividends approved after the balance sheet date are not considered as liabilities.

- *Amendments to IAS 16 Tangible assets,* applied for annual accounting periods beginning on or after January 1st 2009.
It replaces the term Net sale price with the term Fair value minus sale price as regards to the recoverable amount, in order to be consistent with IFRS 5 and IAS 36.
Tangible assets held for lease and during the ordinary course of activities intended for sale after the end of the lease period, are transferred to the Inventories account during the end of this period and are classified in assets held for sale. Proceeds from the subsequent sale are presented as income. At the same time, IAS 7 Cash flow statements, is also amended, where it is required that cash payments, for the construction or acquisition of relevant fixed assets, be classified in the category of Operating Activities. Moreover, cash proceeds from rents and subsequent sales of relevant fixed assets are presented in Operating Activities.

- *Amendments to IAS 18, Income* (applied for annual accounting periods beginning on or after January 1st 2009). This amendment replaces the term Direct costs with the term Transaction cost, as defined in IAS 39.

- *Amendments to IAS 19, Employee benefits,* (applied for annual accounting periods beginning on or after January 1st 2009).
The amendment revises the term of Service cost in order to include benefit reductions related to the service of the employee in previous periods (negative service cost) and to exclude benefit reduction in relation to the service of the employee in future periods that arise from amendments to the benefit plan. Amendments to benefit plans that lead to the reduction of benefits in relation to the service rendered in future periods, are considered as cut-backs. The amendment has future application – for changes in benefits that take place on or after January 1st 2009. Prior application is encouraged. It revises the definition of Return on assets of the plan, excluding management costs of the plan if such have been included in the actuarial assumptions based on which the committed defined benefits were calculated. The amendment has retrospective application and prior application is encouraged. It revises the definition of short-term and other long-term benefits to employees in order to focus on the point where the liability will be settled. The amendment has retrospective application and prior application is encouraged. It repeals the reference to contingent liabilities in order to conform to IAS 37, Provisions, contingent liabilities and contingent assets. IAS 37 does not allow the recognition of contingent liabilities. The amendment has retrospective application and prior application is encouraged.

- *Amendments to IAS 20, Accounting for Government Grants and Disclosure of Government Assistance,* (applied for annual accounting periods beginning on or after January 1st 2009). Loans that are granted with zero or very low interest rates compared to the market, will not be excluded by the requirement to present the implied rate. The implied rate of granted loans will be lower than the market rate, and thus it will conform to IAS 39. The difference between the amount received and the discounted amount is accounted for as a government grant. The amendment has future application for government grants received on or after January 1st 2009. Prior application is encouraged. However IFRS 1, First implementation of International Financial Reporting Standards, has not been revised for the new users of the standards and thus the presentation of the implied rate is required for all relevant loans outstanding during the transition date.

- *Amendments to IAS 23, Borrowing Cost,* (applied for annual accounting periods beginning on or after January 1st 2009). The amendment revises the definition of borrowing cost in order to unite all the borrowing cost items in one item. The interest expenses is calculated based on the real interest rate method, as described in IAS 39. The amendment has retrospective effect and prior application is encouraged.

- *Amendments to IAS 27, Consolidated and separate financial statements,* (applied for annual accounting periods beginning on or after January 1st 2009). In case where a parent company values a subsidiary at fair value according to IAS 39 in its separate financial statements, this accounting treatment holds also in the case where subsequently the subsidiary is classified as held for sale. The amendment has future application, from the first implementation date of IFRS 5. Therefore, any subsidiaries that have been classified as held for sale from the implementation date of IFRS 5, must be re-valued. Prior application is encouraged.

- *Amendments to IAS 28, Investments in associate companies* (applied for annual accounting periods beginning on or after January 1st 2009).
In case where an associated company is valued at fair value, according to IAS 39 (given that it has been exempt from the requirements of IAS 28), only the requirements of IAS 28 regarding the disclosure of the nature and extent of significant limitations to the ability of the associate company to transfer capital to the Company in the form of cash equivalents or repayment of debt, are applied. The amendment has retrospective effect, even though future application is permitted. Prior application is encouraged. In case of prior application, the Company must at the same time adopt the following amendment as well as the amendment of paragraph 3 of IFRS 7, Financial instruments: Disclosures, of paragraph 1 of IAS 31, Participations in joint ventures and of paragraph 4 of IAS 32, Financial instruments: Presentation. For the purposes of an impairment audit, the investment in an associate is considered a unique asset – including any reversal of impairment loss. Therefore, in case of impairment, a separate allocation of the impairment to the goodwill included in the investment’s balance, is not needed. The impairment loss is reversed in the case where the recoverable value of the investment in the associate increases. In case of prior application, the company must at the same time adopt the above amendment as well as the amendment of paragraph 3 of IFRS 7, Financial instruments: Disclosures, of paragraph 1 of IAS 31, Participations in joint ventures and of paragraph 4 of IAS 32, Financial instruments: Presentation.

- *Amendments to IAS 29, Presentation of financial assets in hyperinflationary economies* (applied for annual accounting periods beginning on or after January 1st 2009). This amendment revises the limiting list of exemptions as regards to asset and liability items calculated at history cost, i.e. tangible fixed assets. No special transition requirements are mentioned due to the fact that the amendment is mostly a clarification and not a change.

- *Amendments to IAS 31, Participations in joint ventures,* applied for annual accounting periods beginning on or after January 1st 2009. This amendment clarifies the fact that if a joint venture is valued at fair value, according to IAS 39 (given that is has been exempted from the requirements of IAS 31), then only the requirements of IAS 31 regarding the disclosure of obligations of the member of the joint venture and the joint venture, as well as regarding the summary of financial information for the balance sheet and results items, apply. Prior application is encouraged. In case of prior application, the company must at the same time adopt the amendment of paragraph 3 of IFRS 7, Financial instruments: Disclosures, of IAS 28, Investments in associate companies and of paragraph 4 of IAS 32, Financial instruments: Presentation.

- *Amendments to IAS 34, Interim financial reporting,* (applied for annual accounting periods beginning on or after January 1st 2009). This amendment clarifies that earnings per share are disclosed in the interim financial reports in the case where the company is subject to the application scope of IAS 33.

d) Approval of Financial Statements

The accompanying consolidated annual financial statements were approved by the Board of Directors of the Parent Company on March 27th 2009 and are subject to approval by the Annual General Shareholders' Meeting.

e) 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:

a) Recognition of income from construction contracts: The Group uses the percentage of completion method to recognize revenue from construction contracts, in accordance with IAS 11. According to this method the construction cost as of each balance sheet date is compared to the budgeted total cost of the project in order to determine the percentage of completion of the project. 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 and the total contractual payment of the projects arise from estimation procedures and are reassessed and reviewed at each balance sheet date.

b) Provision for income tax: The provision for income tax according to IAS 12 is calculated based on the estimation of taxes to be paid to tax authorities and includes the current income tax for each period and a provision for additional taxes that may occur from tax audits. The final settlement of income tax may differ from the relevant amounts recognized in the financial statements.

c) Provision for environmental rehabilitation: The Group creates a provision against its relevant liabilities for dismantlement of technical equipment of wind parks and environmental rehabilitation, that arise based on the written environmental legislation or by the Group's restrictive practices. The environmental rehabilitation provision reflects the present value (based on an appropriate discount rate), at the balance sheet date of the rehabilitation liability less the estimated recoverable value of material estimated to be dismantled and sold.

3 SUMMARY OF KEY ACCOUNTING PRINCIPLES

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

a) Basis of consolidation

The attached consolidated financial statements include those of GEK TERNA 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 their operations were 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 included in the attached financial statements with the method of proportionate consolidation which includes the proportion of the joint-venture on the assets, liabilities and results with the inclusion of the items in their Financial Statements.
Intragroup transactions and balances are eliminated from the attached consolidated financial statements. When necessary, the accounting principles of subsidiaries are amended in order to secure the consistency with the accounting principles adopted by the Group.

b) Investments in Associates
Those are companies in which the Group exercises significant influence, however they are not subsidiaries or joint ventures. The Group's participating interests are recognized 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 income statement shows the Group's share in the associate's results, while the amounts recognized by the associates directly in their equity, are recognized directly in Group's equity.

c) Investments and other (non-derivative) financial assets
Financial assets that fall under the provisions of IAS 39 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 profit or loss
(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 as a separate item in equity. Upon sale or write-off or impairment of the investment the accumulated gains or losses are included in the profit or loss.

(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 profit or loss 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 profit or loss
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 profit or loss.

(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 profit or loss 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 balance sheet 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 Company's bank loans are denominated in euros and are subject to variable and fix interest rates. The Company uses financial derivatives to reduce its exposure to interest rate risk. 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 Balance Sheets 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 customers.

(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 attached consolidated income statement.

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 balance sheet date all subsidiaries' accounts 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 from the valuation of foreign subsidiaries are recoded directly in equity. During the sale or distribution of foreign subsidiaries the cumulative foreign exchange differences are recorded in income statement.

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. Furthermore intangible assets include the fair value of rights under service concession agreements with the state and more specifically those providing for building, operating, transferring (BOT). Fair value is construction costs plus a reasonable construction profit. Depreciation starts after the infrastructure is commissioned and stretches throughout the concession period.

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 Balance Sheet date 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 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
Revenue from tolls come from concessions for the operation of motorways. Toll revenue equals to the amounts received from road users.

(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 real estate
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 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.

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:

	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 income statement. The recoverable amount is defined as the largest between the net estimated sale price and the value in use. The net sale value 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 loss 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.
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 income statement 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 acquisition cost of an investment property is eliminated from the accounts upon sale. All gains or losses resulting from the sale of an investment property are included in the income statement of the year during which it was sold. Investment property being build or developed are recorded at book value in tangible assets till their completion, and then they are transferred to investment property.

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 balance sheet date 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 to be received for the construction of fixed assets and inventories, whose construction requires a significant period of time, increase the value of relevant assets from 1.1.2008 and onwards, based on the revised IAS 23. The capitalization of interest will be 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 attached income statement 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 and on deferred income tax based on the enacted tax rates.

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 balance sheet date. 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 balance sheet date 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 balance sheet date.

Income tax that relates to items, which have been directly recognized in equity, is directly recorded in equity and not in the income statement.

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 results. Capitalized leased fixed assets are depreciated based on the estimated 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 income statement on a constant basis for the duration of the lease.

t) 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 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.

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 balance sheet date 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.

v)Earnings per Share

Basic earnings per share (EPS) are calculated by dividing net earnings 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 Company as own-shares.
Diluted earnings per share are calculated by dividing the net earnings attributable to the shareholders (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).

w) Information per sector of activity

Sector of activity is a recognizable part of the Group that produces products or services (business sector) or offers products or services in a specific geographic environment (geographic sector) which differs in risk and benefits compared to other sectors. The primary type of information is reported for business sector while the secondary one is reported for geographic sector.
Business sectors refer to activities in construction, sale of electricity from renewable and thermal sources, property management, industrial production and concessions. Geographical sectors refer to activities that take place in Greece, the Balkans and Middle East, including Cyprus. Regarding revenues and assets of geographic sectors these are presented in accordance to where the customer and the asses are based.
The basic assumption for the presentation of assets and liabilities as well as revenues and expenses for each sector, which are not included directly in a specific sector, is their allocation to sectors according to criteria that are applied consistently.
Transactions between business units take place in market terms as occurs in the case for transactions with third parties.

(Amounts in thousand Euro, unless stated otherwise)

4 GROUP STRUCTURE

The following table presents the participations of GEK TERNA SA, direct and indirect, in economic entities during 31.12.2008, which were included in the consolidation:

COMPANY NAME	DOMICILE	DIRECT PARTICIPATION %	INDIRECT PARTICIPATION %	TOTAL PARTICIPATION %	CONSOLIDATION METHOD
TERNA S.A.	Greece	100.00	0.00	100.00	Full
GEKE A.E.B.E.	Greece	100.00	0.00	100.00	Full
IRON THERMOELECTRIC S.A.	Greece	50.00	50.00	100.00	Full
IOANNINON ENTERTAINMENT DEVELOPMENT S.A.	Greece	64.59	0.00	64.59	Full
MASTRIRIOU TECHNICAL DEVELOPMENT S.A.	Greece	100.00	0.00	100.00	Full
VIPA THESSALONIKI S.A.	Greece	100.00	0.00	100.00	Full
IOLKOS S.A.	Greece	100.00	0.00	100.00	Full
CHIRON CAR PARK S.A.	Greece	99.47	0.53	100.00	Full
IRON HOLDINGS S.A.	Greece	100.00	0.00	100.00	Full
IRON II THERMOELECTRIC STATION VIOTIA S.A.	Greece	0.00	100.00	100.00	Full
IRON III THERMOELECTRIC STATION S.A.	Greece	0.00	100.00	100.00	Full
VIOMEK ABETE	Greece	0.00	66.50	66.50	Full
TERNA ENERGY SA	Greece	0.00	47.80	47.80	Full
STROTIRES AEBE	Greece	0.00	51.00	51.00	Full
ILIOCHORA SA	Greece	0.00	100.00	100.00	Full
VRONDIS QUARRY PRODUCTS SA	Greece	0.00	100.00	100.00	Full
IWECO CHONOS LASITHIOU CRETE SA	Greece	0.00	47.80	47.80	Full
ENERGIAKI SERVOUNIOU SA	Greece	0.00	47.80	47.80	Full
TERNA ENERGY EVROU	Greece	0.00	47.80	47.80	Full
PPC RENEWABLES - TERNA ENERGY SA	Greece	0.00	24.38	24.38	Full
TERNA ENERGSA SA & SIA AIOLIKI RACHOULAS DERVENOCHORION G.P.	Greece	0.00	47.80	47.80	Full
TERNA ENERGY SA & SIA AIOLIKI POLYKASTROU G.P.	Greece	0.00	47.80	47.80	Full
TERNA ENERGY SA & SIA AIOLIKI PROVATA TRAIANOUPOLEOS G.P.	Greece	0.00	47.80	47.80	Full
TERNA ENERGY SA & SIA ENERGIAKI DERVENOCHORION G.P.	Greece	0.00	47.80	47.80	Full
TERNA ENERGY SA & SIA ENERGIAKI VELANIDION LAKONIAS G.P.	Greece	0.00	47.80	47.80	Full
TERNA ENERGY SA & SIA ENERGIAKI DYSTION EVIAS G.P.	Greece	0.00	47.80	47.80	Full
TERNA ENERGY SA & SIA AIOLIKI PASTRA ATTIKIS G.P.	Greece	0.00	47.80	47.80	Full
TERNA ENERGY SA & SIA AIOLIKI MALEA LAKONIAS G.P.	Greece	0.00	47.80	47.80	Full
TERNA ENERGY SA & SIA ENERGIAKI FERRON EVROU G.P.	Greece	0.00	47.80	47.80	Full
TERNA ENERGY SA & SIA AIOLIKI DERVENI TRAIANOUPOLEOS G.P.	Greece	0.00	47.80	47.80	Full
TERNA ENERGY SA & SIA ΑΙΟΛΙΚΗ KARYSTIAS EVIAS G.P.	Greece	0.00	47.80	47.80	Full

(Amounts in thousand Euro, unless stated otherwise)

COMPANY NAME	DOMICILE	DIRECT PARTICIPATION %	INDIRECT PARTICIPATION %	TOTAL PARTICIPATION %	CONSOLIDATION METHOD
TERNA ENERGY SA & SIA ENERGIAKI ARI SAPPON G.P.	Greece	0.00	47.80	47.80	Full
TERNA ENERGY SA & SIA ENERGIAKI PELOPONNISOU G.P.	Greece	0.00	47.80	47.80	Full
TERNA ENERGY SA & SIA AIOLIKI EASTERN GREECE G.P.	Greece	0.00	47.80	47.80	Full
TERNA ENERGY SA & SIA AIOLIKI MARMARIOU EVIAS G.P.	Greece	0.00	47.80	47.80	Full
TERNA ENERGY SA & SIA ENERGIAKI PETRION EVIAS G.P.	Greece	0.00	47.80	47.80	Full
TERNA ENERGY SA & SIA AIOLIKI ROKANI DERVENOCHORION G.P.	Greece	0.00	47.80	47.80	Full
TERNA ENERGY SA & SIA ENERGIAKI STYRON EVIAS G.P.	Greece	0.00	47.80	47.80	Full
TERNA ENERGY SA & SIA ENERGIAKI NEAPOLEOS LAKONIAS G.P.	Greece	0.00	47.80	47.80	Full
AIOLIKI PANORAMATOS S.A.	Greece	0.00	47.80	47.80	Full
TERNA ENERGY SA & SIA ENERGIAKI KAFIREOS EVIAS G.P.	Greece	0.00	47.80	47.80	Full
GEK CYPRUS LTD	Cyprus	100.00	0.00	100.00	Full
TERNA OVERSEAS LTD	Cyprus	0.00	100.00	100.00	Full
TERNA ENERGY OVERSEAS LTD	Cyprus	0.00	47.80	47.80	Full
TERNA QATAR LLC **	Qatar	0.00	40.00	40.00	Full
TERNA BAHRAIN HOLDING WLL	Bahrain	0.00	99.99	99.99	Full
PCC TERNA WLL	Bahrain	0.00	80.00	80.00	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
EOLOS POLSKA SP ZOO	Poland	0.00	47.80	47.80	Full
EOLOS NOWOGRODZEC SPZO	Poland	0.00	29.16	29.16	Full
SC GEK ROM SRL	Romania	100.00	0.00	100.00	Full
HERMES DEVELOPMENT SRL	Romania	0.00	100.00	100.00	Full
ERGON CITY DEVELOPMENT SRL	Romania	0.00	100.00	100.00	Full
HIGHLIGHT SRL	Romania	0.00	100.00	100.00	Full
SC TERNA INTERNATIONAL CONSTRUCTION ROMANIA	Romania	0.00	100.00	100.00	Full
EOL TECHNICS SRL	Romania	0.00	28.68	28.68	Full
GEK STROY	Russia	100.00	0.00	100.00	Full
GEK BALKAN DOOEL	F.Y.R.O.M.	100.00	0.00	100.00	Full
ICON EOOD	Bulgaria	100.00	0.00	100.00	Full
ICON BOROVEC EOOD	Bulgaria	0.00	100.00	100.00	Full
DOMUS DEVELOPMENT EOOD	Bulgaria	0.00	100.00	100.00	Full
GP ENERGY	Bulgaria	0.00	47.80	47.80	Full
PARKING OYIL S.A.	Greece	50.00	0.00	50.00	Proportionate
ATHENS CAR PARK S.A.	Greece	20.00	0.00	20.00	Proportionate
THESSALONIKI CAR PARK S.A.	Greece	50.00	0.00	50.00	Proportionate
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Greece	30.00	0.00	30.00	Proportionate
POLIS PARK SA	Greece	20.00	0.00	20.00	Proportionate
NEA ODOS SA	Greece	33.33	0.00	33.33	Proportionate
SMYRNI PARK S.A.	Greece	20.00	0.00	20.00	Proportionate
ELLINIKO ENTERTAINMENT AND	Greece	25.00	0.00	25.00	Proportionate

(Amounts in thousand Euro, unless stated otherwise)

COMPANY NAME	DOMICILE	DIRECT PARTICIPATION %	INDIRECT PARTICIPATION %	TOTAL PARTICIPATION %	CONSOLIDATION METHOD
ATHLETIC PARKS S.A.					
CENTRAL GREECE MOTORWAY S.A.	Greece	33.33	0.00	33.33	Proportionate
J/V MAIN ARROGATION CANAL D 1	Greece	0.00	75.00	75.00	Proportionate
J/V TERNA SA - IMPEGILO SPA (TRAM)	Greece	0.00	55.00	55.00	Proportionate
J/V IRAKLEION CAMPUS	Greece	0.00	50.00	50.00	Proportionate
J/V ANCIENT OLYMPIA BY-PASS	Greece	0.00	50.00	50.00	Proportionate
J/V AKTOR, AEGEK, EKTER, TERNA AIRPORT INSTAL. SPATA	Greece	0.00	20.00	20.00	Proportionate
J/V TERNA SA / AKTOR SA - GOULANDRIS MUSEUM	Greece	0.00	50.00	50.00	Proportionate
J/V DEPA PROJECT	Greece	0.00	10.00	10.00	Proportionate
J/V UNDERGROUND CAR PARK THESSALONIKI	Greece	0.00	50.00	50.00	Proportionate
J/V ARTA-FILIPPIADA BY-PASS	Greece	0.00	98.00	98.00	Proportionate
J/V ATHENS CONCERT HALL	Greece	0.00	49.50	49.50	Proportionate
J/V ATHENS CAR PARKS	Greece	0.00	20.00	20.00	Proportionate
J/V PERISTERI METRO	Greece	0.00	50.00	50.00	Proportionate
J/V TERNA S.A. - ATHINA ATE ARAHTHOS PERIST. PROJECTS	Greece	0.00	62.50	62.50	Proportionate
J/V TERNA SA - KARAGIANNIS TEFAA KOMOTINI PROJECT	Greece	0.00	24.00	24.00	Proportionate
J/V THALES ATM SA-TERNA UPGRADE OF TACAN STATIONS	Greece	0.00	22.55	22.55	Proportionate
J/V ETETH-TERNA-AVAX PANTECHNIKI HORSE RIDING CENTRE	Greece	0.00	35.00	35.00	Proportionate
JOINT VENTURE AVAX-VIOTER (OLYMPIC VILLAGE CONSTRUCTION)	Greece	0.00	37.50	37.50	Proportionate
J/V TERNA S.A. PANTECHNIKI S.A.	Greece	0.00	83.50	83.50	Proportionate
J/V TERNA S.A. AKTOR A.T.E. J&P AVAX	Greece	0.00	49.50	49.50	Proportionate
J/V TERNA S.A. J&P AVAX - PANTECHNIKI-HORSE RIDING CENTRE MAINTENANCE	Greece	0.00	35.00	35.00	Proportionate
J/V TERNA SA - ATHINA ATE	Greece	0.00	62.50	62.50	Proportionate
J/V TERNA SA - TH. KARAGIANNIS SA PROJECT CONSTRUCTION MEPW	Greece	0.00	50.00	50.00	Proportionate
J/V SALONIKA PARK	Greece	0.00	50.00	50.00	Proportionate
J/V SIEMENS-AKTOR ATE-TERNA SA	Greece	0.00	37.50	37.50	Proportionate
J/V TERNA-MICHANIKI AGRINIO BY-PASS	Greece	0.00	65.00	65.00	Proportionate
TERNA SA BIOTER SA NAT BUILDING	Greece	0.00	50.00	50.00	Proportionate
J/V TERNA S.A.-THALES S.A.	Greece	0.00	50.00	50.00	Proportionate
J/V TOMI ABETE-ILIOHORA SA	Greece	0.00	30.00	30.00	Proportionate
J/V AVAX SA-VIOTER SA-ILIOHORA SA	Greece	0.00	37.50	37.50	Proportionate
J/V AKTOR-DOMOTECHNIKI-THEMELIODOMI-TERNA-ETETH	Greece	0.00	25.00	25.00	Proportionate
J/V BUILDING CONSTRUCTION OSE ILIOHORA SA	Greece	0.00	13.30	13.30	Proportionate
J/V CONSTRUCTION OF PROJECT PARADEISIA-TSAKONA	Greece	0.00	49.00	49.00	Proportionate
J/V UNDERGROUND CHAIDARI-PART A	Greece	0.00	50.00	50.00	Proportionate

(Amounts in thousand Euro, unless stated otherwise)

COMPANY NAME	DOMICILE	DIRECT PARTICIPATION %	INDIRECT PARTICIPATION %	TOTAL PARTICIPATION %	CONSOLIDATION METHOD
J/V FOUNDATION OF THE HELLENIC WORLD-COMPLETE CONSTRUCTION	Greece	0.00	60.00	60.00	Proportionate
J/V TERNA SA - TERNA ENERGY SA	Greece	0.00	50.00	50.00	Proportionate
J/V VIOTER SA-TERNA SA	Greece	0.00	50.00	50.00	Proportionate
J/V TERNA SA - IONIOS SA	Greece	0.00	90.00	90.00	Proportionate
J/V TERNA ENERGY SA - TERNA SA-MANIOTIS	Greece	0.00	37.50	37.50	Proportionate
J/V TERNA-TERNA ENERGY-TSMPRAS (EPL)	Greece	0.00	56.00	56.00	Proportionate
J/V ATHINA-PANTECHNIKI-TERNA-J/V PLATAMONAS PROJECT	Greece	0.00	39.20	39.20	Proportionate
J/V BIOTER SA-TERNA SA	Greece	0.00	50.00	50.00	Proportionate
J/V TERNA-MOCHLOS ATE	Greece	0.00	70.00	70.00	Proportionate
J/V TERNA-VIOTER SA	Greece	0.00	50.00	50.00	Proportionate
J/V TERNA-ERGODOMI-KTISTOR ATE	Greece	0.00	50.00	50.00	Proportionate
J/V EDRASI-PSALLIDAS-TERNA-EDRACO	Greece	0.00	51.00	51.00	Proportionate
J/V TERNA-AKTOR-EMPEDOS-J&P ABAX-J&P AVAX-IMEC GmbH	Greece	0.00	24.00	24.00	Proportionate
J/V TERNA-VERMION ATE-ANAPLASEON	Greece	0.00	50.00	50.00	Proportionate
J/V TERNA-KARAGIANNIS	Greece	0.00	50.00	50.00	Proportionate
J/V EUROPEAN TECHNICAL-HOMER-TERNA	Greece	0.00	50.00	50.00	Proportionate
J/V TERNA-THEMELIODOMI	Greece	0.00	60.00	60.00	Proportionate
J/V TERNA-AKTOR GOULANDRI MUSEUM	Greece	0.00	50.00	50.00	Proportionate
J/V FRAGMATOS PRAMORITSA	Greece	0.00	33.33	33.33	Proportionate
J/V TERNA-EDRASI-STROTIRES	Greece	0.00	41.00	41.00	Proportionate
J/V UNIVERSITY OF CRETE-RETHYMNON	Greece	0.00	25.00	25.00	Proportionate
J/V EKTER-TERNA (THETIKON)	Greece	0.00	50.00	50.00	Proportionate
TERNA SA & Co	Greece	0.00	99.00	99.00	Proportionate
J/V AKTOR-TERNA SA	Greece	0.00	50.00	50.00	Proportionate
J/V AKTOR-TERNA SA IASO BUILDING	Greece	0.00	50.00	50.00	Proportionate
TERNA SA - PANTECHNIKI S.A. (OAKA)	Greece	0.00	50.00	50.00	Proportionate
J/V ALPINE MAYREDER BAU GmbH-TERNA SA-PANTECHNIKI SA	Greece	0.00	31.50	31.50	Proportionate
J/V TERNA-MOCHLOS-AKTOR KIATO-AIGIO	Greece	0.00	35.00	35.00	Proportionate
J/V J&P AVAX-TERNA-AKTOR PLATANOS TUNNEL	Greece	0.00	33.33	33.33	Proportionate
J/V AKTOR-TERNA-J&P AVAX KALLIDROMO TUNNEL	Greece	0.00	33.33	33.33	Proportionate
J/V THEMELIODOMI-TERNA-DIEKAT-KTIRIODOMI SA	Greece	0.00	25.00	25.00	Proportionate
J/V MINISTRY OF TRANSPORTATION	Greece	0.00	33.33	33.33	Proportionate
J/V AEGEK TERNA	Greece	0.00	45.00	45.00	Proportionate
J&P AVAX SA-TERNA SA-EYKLEIDIS	Greece	0.00	35.00	35.00	Proportionate
ALTE ATE - TEPNA SA	Greece	0.00	50.00	50.00	Proportionate

(Amounts in thousand Euro, unless stated otherwise)

COMPANY NAME	DOMICILE	DIRECT PARTICIPATION %	INDIRECT PARTICIPATION %	TOTAL PARTICIPATION %	CONSOLIDATION METHOD
J/V EURO IONIA	Greece	0.00	33.33	33.33	Proportionate
J/V AKTOR ATE – J&P AVAX - TERNA SA	Greece	0.00	12.00	12.00	Proportionate
J/V AKTOR ATE – J&P AVAX - TERNA SA	Greece	0.00	12.00	12.00	Proportionate
J/V TERNA-KARAYIANNIS-ATTALOS-ILIOCHORA	Greece	0.00	50.00	50.00	Proportionate
J/V TERNA - AKTOR	Greece	0.00	50.00	50.00	Proportionate
J/V CENTRAL GREECE MOTORWAY E-65	Greece	0.00	33.33	33.33	Proportionate
J/V TERNA SA-AKTOR ATE J&P AVAX PIRAEUS –TREIS GEFYRES	Greece	0.00	33.33	33.33	Proportionate
J/V TERNA SA- AKTOR ATE DOMOKOS	Greece	0.00	50.00	50.00	Proportionate
J/V TERNA SA-THALES RAIL SIGNALING SOLUTIONS	Greece	0.00	50.00	50.00	Proportionate
J/V J&P AVAX SA-VIOTER SA-TERNA SA	Greece	0.00	33.33	33.33	Proportionate
J/V ALPINE BAU-TEPNA SA	Greece	0.00	49.00	49.00	Proportionate
J/V TRAM CIVIL ENGINEERING WORKS	Greece	0.00	36.00	36.00	Proportionate
J/V EVAGGELISMOS PROJECT C	Greece	0.00	50.00	50.00	Proportionate
J/V EPL DRAMAS	Greece	0.00	24.00	24.00	Proportionate
J/V ENERGIAKI ABETE - OLYMBIOS ATE	Greece	0.00	50.00	50.00	Proportionate
J/V K. MANIOTIS - TERNA -ENERGIAKI	Greece	0.00	37.50	37.50	Proportionate
TERNA ENERGY SA - M.E.L. MACEDONIAN PAPER COMPANY SA & SIA CO-PRODUCTION G.P.	Greece	0.00	50.00	50.00	Proportionate
TERNA ENERGY SA & SIA ENERGIAKI XIROVOUNIOU G.P.	Greece	0.00	70.00	70.00	Proportionate
J/V EMBEDOS-PANTECHNIKI-ENERG.	Greece	0.00	50.00	50.00	Proportionate
J/V THEMELI SA-TERNA ENERGY SA-J/V TERNA SA IMPREGILO SPA	Greece	0.00	40.00	40.00	Proportionate
J/V EKTER-TERNA ENERGY SA-ATHONIKI SA	Greece	0.00	31.00	31.00	Proportionate
J/V KL.ROUTSIS SA-TERNA ENERGY SA	Greece	0.00	50.00	50.00	Proportionate
TERNA ENERGY SA & SIA LTD	Greece	0.00	70.00	70.00	Proportionate
PRIME PROPERTY MANAGEMENT LTD	Cyprus	50.00	0.00	50.00	Proportionate
KEKROPS S.A.	Greece	23.91	0.00	23.91	Equity
GEKA S.A.	Greece	33.34	0.00	33.34	Equity
ATTIKAT ATE	Greece	0.00	22.15	22.15	Equity
CYCLADES RES ENERGY CENTER SA	Greece	0.00	45.00	45.00	Equity
PRIME REALTY INVESTMENTS LTD	Cyprus	25.00	0.00	25.00	Equity
JV QBC S.A. - TERNA S.A.	Qatar	0.00	40.00	40.00	Proportionate
GLS EOOD	Bulgaria	50.00	0.00	50.00	Proportionate
HAMRIYAH CEMENT COMPANY FZC	U.A.E.	0.00	40.00	40.00	Equity

** The company TERNA QATAR LLC is fully consolidated according to SIC 12 “Consolidation-Special Purpose Entities” as the group has the management control based on an agreement.

(Amounts in thousand Euro, unless stated otherwise)

No.	COMPANY NAME	TOTAL INDIRECT PARTICIPATION %
1	J/V BIOTER SA-TERNA SA- REVIEW	50.00%
2	J/V BIOTER SA-TERNA SA-FENCING (APOLLONIA SPA)	50.00%
3	J/V EMPEDOS SA-TERNA SA (PROJECT EKTHE THIRD PARTY)	50.00%
4	J/V CAR PARK "PARKING WHEEL SA"	12.16%
5	J/V MARITIME MIDSHIPMEN –GNOMON ATE-GEK SA-GENER SA	33.00%
6	J/V IMPREGILO S.p.a – TERNA SA-ALTE SA (EXECUTIONS)-in clearance	33.33%
7	J/V ARCHIRODON HELLAS ATE-TERNA SA	30.00%
8	J/V ATHINA ATE-PANTECHNIKI SA –TERNA SA	33.33%
9	J/V EVINOU-AEGEK-METON SA-TERNA SA-EYKLEIDIS SA	33.33%

The aforementioned joint ventures for technical projects construction in which the Company participates have already completed the projects for which they were established, the guarantee time has passed, the relations with third parties are cleared and their final clearance is pending.

The voting rights of GEK TERNA in all the aforementioned participations coincide with the respective participation in the share capital of such companies.

5 SEGMENT REPORTING

The following tables present the Group's segment reporting as at 31st December 2008 and 2007, as follows:

(Amounts in thousand Euro, unless stated otherwise)

Business segments 31.12.2008	**Construction**	**Electricity from renewable sources**	**Electricity from thermal sources**	**Real Estate**	**Industry**	**Concessions**	**Non-allocated**	**Inter-sectional eliminations on consolidation**	**Consolidated Total**
Sales of products	4,496	25,313	26,848	29,248	10,710	0	0		**96,615**
Sales of services	8,320	0	0	2,312	0	22,573	35		**33,240**
Income from construction services	539,369	0	0	0	0	0	0		**539,369**
Total income from external customers	**552,185**	**25,313**	**26,848**	**31,560**	**10,710**	**22,573**	**35**		**669,224**
Inter-sectional income	197,056	0	0	0	10,628	0	0	207,684	**0**
Total income from continued operations	**749,241**	**25,313**	**26,848**	**31,560**	**21,338**	**22,573**	**35**	**207,684**	**669,224**
Results from continued operations	**46,066**	**12,515**	**1,576**	**17,883**	**2,312**	**2,875**	**-365**	**-25,399**	**57,463**
Results from discontinued operations	0	0	1,407	0	0	0	0		**1,407**
Net financial results									**(501)**
Results from associate companies	(1,221)	0	0	(1,078)	(25)	0	0		**(2,324)**
Income tax									**(21,082)**
Net Results for the Period									**34,963**
Net depreciations for the period of continued operations	12,755	4,882	2,130	657	806	1,671	0		**22,901**
Net depreciations for the period of discontinued operations	0	0	2,130	0	0	0	0		**2,130**
Provisions of continued operations	419	27	0	73	89	9,832	0		**10,440**

(Amounts in thousand Euro, unless stated otherwise)

Business segments 31.12.2008	**Construction**	**Electricity from renewable sources**	**Electricity from thermal sources**	**Real Estate**	**Industry**	**Concessions**	**Non-allocated**	**Inter-sectional eliminations on consolidation**	**Consolidated Total**
Assets	412,140	273,033	114,776	214,789	21,640	62,372	630,619		**1,729,369**
Investments in associates	28,224	51	0	8,571	16,227	0	0		**53,073**
Total Assets (apart from those held for sale)	440,364	273,084	114,776	223,360	37,867	62,372	630,619		**1,782,442**
Assets held for sale	0	0	114,096	0	0	0	4,562		**118,658**
Total Assets	**440,364**	**273,084**	**228,872**	**223,360**	**37,867**	**62,372**	**635,181**		**1,901,100**
Liabilities (apart from those held for sale)	346,206	51,871	5,434	14,893	5,370	53,304	648,961		**1,126,039**
Liabilities of those held for sale	0	0	5,612	0	0	0	79,662		**85,274**
Liabilities	**346,206**	**51,871**	**11,046**	**14,893**	**5,370**	**53,304**	**728,623**		**1,211,313**
EBITDA of continued operations	36,603	17,459	3,706	18,465	2,148	4,329			**82,710**
EBIT of continued operations	23,848	12,577	1,576	17,808	1,342	2,658			**59,809**
Net debt / (surplus) from continued operations	(25,364)	(135,641)	91,931	61,286	15,754	10,050			**18,016**
Capital expenditure of continued operations	13,535	85,421	68,651	3,410	698	40,249			**211,964**
Capital expenditure of those held for sale	0	0	67,458	0	0	0			**67,458**

(Amounts in thousand Euro, unless stated otherwise)

Business Segments 31.12.2007	**Construction**	**Electricity from renewable sources**	**Electricity from Thermal sources**	**Real Estate**	**Industry**	**Concessions**	**Non-allocated**	**Inter-sectional eliminations on consolidation**	**Consolidated Total**
Sales of products	6,185	21,082	17,574	14,895	9,293				**69,029**
Sales of services	4,437			2,868		7,010	375		**14,690**
Income from construction services	344,846								**344,846**
Total income from external customers	**355,468**	**21,082**	**17,574**	**17,763**	**9,293**	**7,010**	**375**		**428,565**
Inter-sectional income	30,414	0		40	6,336			-36,790	**0**
Total income from continued operations	**385,882**	**21,082**	**17,574**	**17,803**	**15,629**	**7,010**	**375**	**-36,790**	**428,565**
Results from continued operations	**23,519**	**10,197**	**2,941**	**36,359**	**417**	**2,567**	**8,789**	**-9,381**	**75,408**
Results from discontinued operations	0	0	3,130	0	0	0	0		**3,130**
Net financial results									**(501)**
Results from associate companies	555	(2)	0	901	0	0	0		**1,454**
Income tax									**(13,481)**
Net Results for the Period									**54,083**
Net depreciations for the period of continued operations	8,562	4,523	2,126	165	1,376	639	10		**17,401**
Net depreciations for the period of discontinued operations	0	0	2,126	0	0	0	0		**2,126**
Assets	340,788	198,603	40,760	200,302	20,017	30,969	496,955		**1,328,394**

(Amounts in thousand Euro, unless stated otherwise)

Business Segments 31.12.2007	**Construction**	**Electricity from renewable sources**	**Electricity from Thermal sources**	**Real Estate**	**Industry**	**Concessions**	**Non-allocated**	**Inter-sectional eliminations on consolidation**	**Consolidated Total**
Investments in associates	29,313	10	0	12,650	8,562	0	0		**50,535**
Total Assets (apart from those held for sale)	370,101	198,613	40,760	212,952	28,579	30,969	496,955		**1,378,929**
Assets held for sale	0	0	40,896	0	0	0	0		**40,896**
Total Assets	**370,101**	**198,613**	**81,656**	**212,952**	**28,579**	**30,969**	**496,955**		**1,419,825**
Liabilities (apart from those held for sale)	**196,906**	**47,715**	**9,379**	**14,638**	**4,719**	**4,865**	**411,780**		**690,002**
Liabilities of those held for sale	0		9,373	0	0	0	0		**9,373**
Liabilities	**196,906**	**47,715**	**18,752**	**14,638**	**4,719**	**4,865**	**411,780**		**699,375**
EBITDA of continued operations	24,172	14,736	5,067	36,056	1,747	3,206	99		**85,083**
EBIT of continued operations	15,610	10,213	2,941	35,891	371	2,567	89		**67,682**
Net debt / (surplus) from continued operations	44,369	(187,017)	44,008	44,279	589	8,617			**(44,156)**
Capital expenditure of continued operations	11,717	55,960	385	44,540	841	849	80		**114,372**
Capital expenditure of those held for sale	0	0	450	0	0	0	0		**450**

(Amounts in thousand Euro, unless stated otherwise)

Geographic segments 31.12.2008	Greece	Balkans	Middle East	Non-allocated	Consolidated totals
Income from external customers	448,543	115,728	104,918	35	**669,224**
Segment assets	969,282	205,306	116,144	610,368	**1,901,100**
Capital expenditure	162,561	44,535	4,868		**211,964**

Geographic segments 31.12.2007	Greece	Balkans	Middle East	Non-allocated	Consolidated totals
Income from external customers	326,404	75,425	43,935	375	**446,139**
Segment assets	747,396	141,886	41,180	489,363	**1,419,825**
Capital expenditure	73,125	35,773	5,924		**114,822**

6 INTANGIBLE FIXED ASSETS

The intangible fixed assets as at 31 December 2008, in the attached financial statements, are analyzed as follows:

	GROUP			
	Concessions and Rights	**Software**	**Research & Development**	**Total**
Net book value 1.1.2008	**6,840**	**94**	**0**	**6,934**
Additions	40,646	449	182	41,277
Transfer of acquisition cost of concessions on 31.12.2007 from tangible fixed assets (IFRIC 12)	25,960	0	0	25,960
Transfer of accumulated amortization of concessions on 31.12.2007 from tangible fixed assets (IFRIC 12)	(1,690)	0	0	(1,690)
Transfer of grants of concessions that relate to the year (IFRIC 12)	(5,843)	0	0	(5,843)
(Amortization for the year)	(1,942)	(127)	(24)	(2,093)
Net book value 31.12.2008	**63,971**	**416**	**158**	**64,545**
Cost 1.1.2008	8,245	981	0	9,226
Accumulated Amortization	(1,405)	(887)	0	(2,292)
Net book value 1.1.2008	**6,840**	**94**	**0**	**6,934**
Cost 31.12.2008	69,008	1,430	182	70,620
Accumulated Amortization	(5,037)	(1,014)	(24)	(6,075)
Net book value 31.12.2008	**63,971**	**416**	**158**	**64,545**

(Amounts in thousand Euro, unless stated otherwise)

	GROUP		
	Concessions and Rights	**Software**	**Total**
Net book value 1.1.2007	**6,175**	**117**	**6,292**
Additions	751	41	792
Acquired companies	188	0	188
(Amortization for the Period)	(274)	(64)	(338)
Net book value 31.12.2007	**6,840**	**94**	**6,934**
Cost 1.1.2007	7,293	764	8,057
Accumulated Amortization	(1,118)	(647)	(1,765)
Net book value 1.1.2007	**6,175**	**117**	**6,292**
Cost 31.12.2007	8,245	981	9,226
Accumulated Amortization	(1,405)	(887)	(2,292)
Net book value 31.12.2007	**6,840**	**94**	**6,934**

The amortization for 2008 and 2007 has been registered in the Income Statement in Cost of Sales by euro 1,750 (85 for 2007) and in Administration and Distribution Expenses by euro 343 (253 for 2007).

The account Concessions and Rights include the recognition of purchased rights for the exploitation of quarries, with a net book value of euro 5,070 (euro 5,291 for 2007), with an initial duration agreed at 20-30 years.

Moreover, the account includes paid rights for the installation of wind parks, with a net book value of euro 1,350 (euro 1,381 for 2007).

The Company's intangible fixed assets, amounting to euro 98, relate to software with an acquisition cost of euro 255 and accumulated amortization of euro 157. The amortization of 2008 amounting to euro 24, has been registered in the Income Statement in Administration Expenses.

Rights from Concession Agreements

The account Concessions and rights include the net book value of concession rights amounting to euro 57,013.

Specifically, during the present period the Group adopted IFRIC 12 "Service Concession Arrangements" of the International Financial Reporting Interpretation Committee. As a result of the interpretation's adoption, the concession contracts were presented in intangible assets.

Specifically, for concession contracts where the construction objective had been concluded and operation had commenced on January 1st 2008, there was a reclassification of the already recognized book value from tangible to intangible assets, in application of the transition provisions of IFRIC 12. Such contracts concern, mainly, the study, construction, financing and operation of car parks. We note that the results or equity for the period were not affected by the reclassification.

(Amounts in thousand Euro, unless stated otherwise)

For the contracts regarding the study, construction, financing and operation of motorways, it was recognized: a) construction income according to IAS 11, and such was presented as intangible rights within intangible assets, and b) income from the operation of concessions according to IAS 18.

The rights from concession contracts on 31.12.2008 are as follows:

COMPANY	CONCESSION	CONSOLIDATION%	ACQUISITION COST 31.12.2008	NET BOOK VALUE 31.12.2008	REMAINING CONCESSION DURATION	CONCESSION
NEA ODOS SA	Ionia road and PATHE portions of Athens - Skarfeia and Schimatari - Halkida	33.33%	13,516	12,010	30	Under construction
CENTRAL GREECE MOTORWAY SA	Central Greece Motorway (E-65) and PATHE Skarfeia - Raches portion	33.33%	20,084	20,084	30	Under construction
ENTERTAINMENT AND ATHLETIC PARKS ELLINIKOU	Entertainment theme parks and athletic areas at the former Elliniko airport	25.00%	2,328	2,328	29	Under construction
IOLKOS SA	Preserved "Tsalapata Keramopoieio" at Volos	100.00%	6,371	5,954	45	In operation
CHIRON PARKING SA	Volos car park	100,00%	2,884	2,750	47	In operation
ATHENS CAR PARKS SA	Athens car parks (Kaniggos Sq., Aigyptoy Sq, Paidon hospital, Rizari Str.)	20.00%	6,917	5,824	26	In operation
AG. NIKOLAOS PIRAEUS CAR PARK SA	Piraeus car park (PPA)	30.00%	2,545	2,212	25	In operation
PARKING WHEEL SA	Larisa car park (Prefecture)	50.00%	1,706	1,498	22	In operation
THESSALONIKI CAR PARK SA	Thessaloniki car park (Ippokrateio hospital)	42.86%	2,768	2,576	28	In operation
SMYRNI PARK SA	Nea Smyrni car park (Karylou Sq.)	20.00%	1,777	1,777	28	Under construction
TOTAL			**60,896**	**57,013**		

7 TANGIBLE FIXED ASSETS

The account of tangible fixed assets on 31 December 2008 in the accompanying financial statements is analyzed as follows:

(Amounts in thousand Euro, unless stated otherwise)

GROUP	Quarries/ Land-Plots	Building s	Machinery	Vehicles	Other	Assets under construction and prepayments for acquisition of fixed assets	Total
Net book value 1.1.2008	**15,805**	**67,251**	**166,098**	**10,127**	**2,644**	**50,626**	**312,551**
Additions	1,644	1,230	17,628	1,669	2,545	151,594	**176,310**
Additions of discontinued operations	0	0	0	0	0	67,458	**67,458**
Additions based on financial leasing agreements	0	0	17,301	1,553	0	0	**18,854**
Transfers of constructed fixed assets	0	6,174	34,361	0	0	(40,535)	**0**
Transfer of cost on 31.12.2008 of discontinued operations	(1,193)	(6,867)	(25,395)	(10)	(165)	(72,252)	**(105,882)**
Transfer of accumulated depreciation on 31.12.2008 of discontinued operations	0	2,119	6,233	5	114	0	**8,471**
Cost of sold, written-off fixed assets	0	(5)	(232)	(149)	(1,676)	(202)	**(2,264)**
Accumulated depreciation of sold, written-off fixed assets	0	0	190	143	1,643	0	**1,976**
Cost of change in percentage of proportionately consolidated participation	0	(440)	0	0	0	(19)	**(459)**
Accumulated depreciation of change in percentage of proportionately consolidated participation	0	16	0	0	0	0	**16**
Transfer to intangible assets (IFRIC 12) of cost on 31.12.2007	0	(23,878)	0	0	0	(2,082)	**(25,960)**
Transfer to intangible assets (IFRIC 12) of accumulated depreciation on 31.12.2007	0	1,690	0	0	0	0	**1,690**
Other movements in cost of fixed assets (foreign exchange differences etc)	0	(345)	507	10	83	0	**255**
Other movements in depreciation of fixed assets	(20)	427	0	13	(10)	0	**410**
Depreciation for the year	(277)	(2,328)	(16,207)	(2,434)	(1,591)	0	**(22,837)**
Depreciation for the year of discontinued operations	0	(550)	(1,551)	0	(28)	0	**(2,129)**
Net book value 31.12.2008	**15,959**	**44,494**	**198,933**	**10,927**	**3,559**	**154,588**	**428,460**
Cost 1.1.2008	**16,082**	**79,828**	**224,692**	**17,609**	**10,767**	**50,626**	**399,604**
Accumulated Depreciation	(277)	(12,577)	(58,594)	(7,482)	(8,123)	0	(87,053)
Net book value 1.1.2008	**15,805**	**67,251**	**166,098**	**10,127**	**2,644**	**50,626**	**312,551**
Cost 31.12.2008	16,533	55,697	268,862	20,682	11,554	154,588	527,916
Accumulated Depreciation 31.12.2008	(574)	(11,203)	(69,929)	(9,755)	(7,995)	0	(99,456)
Net book value 31.12.2008	**15,959**	**44,494**	**198,933**	**10,927**	**3,559**	**154,588**	**428,460**

(Amounts in thousand Euro, unless stated otherwise)

GROUP	Quarries/ Land-Plots	Buildings	Machinery	Vehicles	Other	Assets under construction	Total
Net book value 1.1.2008	**7,361**	**68,243**	**157,934**	**6,818**	**2,243**	**14,741**	**257,340**
Additions	956	3,542	15,629	5,267	1,709	54,331	81,434
Additions based on financial leasing agreements							
Additions based on provisions	114	0	0	0	0	0	114
Transfers of constructed fixed assets	0	0	6,588	216	(8)	(6,796)	0
Sales, Write-offs	0	(266)	(835)	(97)	(168)	0	(1,366)
Acquired companies	7,651	18	1	0	0	0	7,670
Transfers to investment property	0	0	0	0	0	(2,451)	(2,451)
Transfers to inventories	0	0	0	0	0	(9,199)	(9,199)
Depreciation for the year	(277)	(4,286)	(13,219)	(2,077)	(1,132)	0	(20,991)
Net book value 31.12.2007	**15,805**	**67,251**	**166,098**	**10,127**	**2,644**	**50,626**	**312,551**
Cost 1.1.2007	7,361	76,542	203,340	12,223	9,234	14,741	323,441
Accumulated Depreciation	0	(8,299)	(45,406)	(5,405)	(6,991)	0	(66,101)
Net book value 1.1.2007	**7,361**	**68,243**	**157,934**	**6,818**	**2,243**	**14,741**	**257,340**
Cost 31.12.2007	**16,082**	**79,828**	**224,692**	**17,609**	**10,767**	**50,626**	**399,604**
Accumulated Depreciation 31.12.2007	**(277)**	**(12,577)**	**(58,594)**	**(7,482)**	**(8,123)**	**0**	**(87,053)**
Net book value 31.12.2007	15,805	67,251	166,098	10,147	2,644	50,626	312,551

(Amounts in thousand Euro, unless stated otherwise)

COMPANY	Land-Plots	Buildings	Machinery	Vehicles	Other	Assets under construction	Total
Net book value 1.1.2008	**2,113**	**10,782**	**40**	**0**	**10**	**0**	**12,945**
Additions		24	4	12	331		371
Sales, Write-offs			(40)	(31)			(71)
Depreciation of assets sold			2	31			33
Depreciation for the year		(383)	(2)		(137)		(522)
Net book value 31.12.2008	**2,113**	**10,423**	**4**	**12**	**204**	**0**	**12,756**
Cost 1.1.2008	2,113	12,614	44	61	1,226	0	16,158
Accumulated Depreciation	-	(1,832)	(4)	(61)	(1,216)	0	(3,113)
Net book value 1.1.2008	**2,113**	**10,782**	**40**	**0**	**10**	**0**	**12,945**
Cost 31.12.2008	2,113	12,638	8	42	1,557	0	16,358
Accumulated Depreciation	-	(2,215)	(4)	(30)	(1,353)	0	(3,602)
Net book value 31.12.2008	**2,113**	**10,423**	**4**	**12**	**204**	**0**	**12,756**

COMPANY	Land-Plots	Buildings	Machinery	Vehicles	Other	Assets under construction	Total
Net book value 1.1.2007	**2,112**	**11,160**	**2**	**-**	**17**	**-**	**13,291**
Additions	-	-	40	-	3	-	43
Sales, Write-offs	-	-	-	-	-	-	-
Depreciations for the year	-	(378)	(2)	-	(10)	-	(390)
Net book value 31.12.2007	**2,112**	**10,782**	**40**	**-**	**10**	**-**	**12,944**
Cost 1.1.2007	2,112	12,614	4	61	1,223	-	16,014
Accumulated Depreciation	-	(1,454)	(2)	(61)	(1,206)	-	(2,723)
Net book value 1.1.2007	**2,112**	**11,160**	**2**	**-**	**17**	**-**	**13,291**
Cost 31.12.2007	2,112	12,614	44	61	1,226	-	16,057
Accumulated Depreciation	-	(1,832)	(4)	(61)	(1,216)	-	(3,113)
Net book value 31.12.2007	**2,112**	**10,782**	**40**	**-**	**10**	**-**	**12,944**

The depreciation of the Group for 2008 have been registered in the Income Statement in Cost of Sales by euro 21,989 (19,767 in 2007), in Administration and Distribution Expenses by euro 756 (1,134 in 2007) and in Research and development expenses by euro 92 (93 for 2007).

The depreciations of the Company of euro 522, are presented in the Income Statement by euro 509 in Cost of Sales and by euro 13 in Administration and Distribution Expenses.

From the above tangible fixed assets of the Group, the following have been acquired through financial leasing:

(Amounts in thousand Euro, unless stated otherwise)

	Machinery	Vehicles	Total
Cost 31.12.2008	81,686	6,132	**87,818**
Accumulated depreciation	(15,698)	(1,471)	**(17,169)**
Net book value 31.12.2008	**65,988**	**4,661**	**70,649**

	Machinery	Vehicles	Total
Cost 31.12.2007	64,381	4,580	**68,961**
Accumulated depreciation	(7,277)	(672)	**(7,949)**
Net book value 31.12.2007	**57,104**	**3,908**	**61,012**

Mortgage prenotations have been written on property of the group's companies amounting to a total of euro 11,307 for security against bank loans.

Until 2008 included, wind generators of Wind Parks with a net book value of € 17,538, that are included in the account "Machinery", were collateralized to banks to secure loans.

The categories "Land-Plots", "Buildings and installations" and "Technological and mechanical equipment", include fixed assets with a net book value of € 6,044 and € 6,060, during December 31st 2008 and 2007 respectively, which refer to Installations of Distribution Networks constructed by the Company, and as stipulated by the agreements with PPC, such are transferred to PPC, free of charge, during the commissioning of each Wind Park. The same holds for the inventories that concern the Distribution Networks amounting to € 784. In 2008, the substation of Argyros at the Argyros Position in the Municipality of Tamyneon, S. Evia was transferred to PPC together with the installations of the distribution network of four Wind Parks of the company. However, and after their transfer, such installations will continue to serve the purpose for which they were constructed, namely for the sale of produced electric energy to PPC and DESMIE, remaining at the exclusive use of the Company and therefore, the net book cost during the transfer date, will continue to depreciate, as previously, until the 20year depreciation period of the Wind Parks is fulfilled.

8 INVESTMENT PROPERTY

Investment property as at 31 December 2008 in the accompanying financial statements, are analyzed as follows:

	GROUP		COMPANY	
	2008	2007	2008	2007
Balance January 1st	**147,364**	**68,946**	**21,769**	**24,937**
Additions for the period	4,275	34,874	29	0
Reductions for the period	(17,012)	(4,255)	(6,189)	(4,075)
Adjustments to fair value	8,192	34,714	0	907

(Amounts in thousand Euro, unless stated otherwise)

Transfer from/to inventories and fixed assets	(36,858)	13,625	0	0
Transfer of priced VAT to receivables	-	(540)	0	0
Transfer to held for sale	-	0	0	0
Balance December 31st	**105,953**	**147,364**	**15,609**	**21,769**

During 2008, investment property of the group's subsidiaries was valued at fair value and the difference (surplus) that emerged was registered in the period's results and specifically in the account Other income/expenses (see also note 26).

The valuation concerns property located in the Balkans region, which was recently valued by certified independent appraisers. The used valuation methods are the generally accepted methods for the purposes of property valuation and specifically comparative data on the local markets were used.

9 PARTICIPATIONS IN ASSOCIATE COMPANIES

The financial data of associate companies are as follows (100%):

GROUP 31.12.2008	Assets	Liabilities	Equity	Income	Net Results
GEKA SA	28,859	6,737	22,122	1,490	46
KEKROPS S.A.	16,760	5,259	11,501	1,948	(1,223)
HAMRIYAH CEMENT CO	40,061	20,800	19,261	464	(61)
ATTIKAT ATE	434,737	303,909	129,828	250,456	(5,515)
PRIMEREALTY INVESTMENTS LTD	52,703	45,870	6,834	2,185	(3,167)
CYCLADES RES ENERGY SECTOR S.A.	152	2	150	17	0

COMPANY 31.12.2008	Assets	Liabilities	Equity	Income	Net Results
GEKA SA	28,859	6,737	22,122	1,490	46
KEKROPS S.A.	16,760	5,259	11,501	1,948	(1,223)
ATTIKAT ATE	434,737	303,909	129,828	250,456	(5,515)
PRIMEREALTY INVESTMENTS LTD	52,703	45,870	6,834	2,185	(3,167)

GROUP 31.12.2007	Assets	Liabilities	Equity	Income	Net Results
GEKA SA	38,308	14,859	23,449	4,328	3,029
KEKROPS S.A.	18,977	6,254	12,723	915	4,496
HAMRIYAH CEMENT CO	12,121	12,244	(123)	102	(817)
ATTIKAT ATE	418,253	282,104	136,150	180,318	2,860
CYCLADES RES ENERGY SECTOR S.A.	49	26	23	0	(4)

(Amounts in thousand Euro, unless stated otherwise)

COMPANY 31.12.2007	Assets	Liabilities	Equity	Income	Net Results
GEKA SA	38,308	14,859	23,449	4,328	3,029
KEKROPS S.A.	18,977	6,254	12,723	915	4,496
ATTIKAT ATE	418,253	282,104	136,150	180,318	2,860

The market value of the listed on the Athens Exchange KEKROPS S.A. as at 31.12.2008 was euro 3,283 (euro 12,231 as at 31.12.2007).

The market value of the listed on the Athens Exchange ATTIKAT S.A. as at 31.12.2008 was euro 3,978 (18,174 as at 31.12.2007).

During the period, the valuation studies were concluded for the associate companies ATTIKAT S.A. and HAMRIYAH CEMENT CO FZC based in SHARJAH of the U.A.E., which had been acquired in 2007. From the valuations, no differences emerged in comparison to the recognized values during acquisition.

The basic parameter used in the aforementioned studies was the expected cash flows from the companies, discounted with the current discount rates.

10 OTHER LONG-TERM RECEIVABLES

	GROUP		COMPANY	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Receivables from grants	10,512	12,604	-	-
Receivables from deductions of customers for guarantee on good execution of projects	-	3,319	-	-
Loans to subsidiaries	-	-	2,000	3,200
Provided guarantees	8,694	10,019	16	12
Other long-term receivables	104	-	-	-
Total	**19,310**	**25,942**	**2,016**	**3,212**

Receivables from grants refer to investments in Wind Parks and an investment in a hydroelectric energy production station of Terna Energy, which have been recognized until 31.12.2008 and are expected to be received with the completion of the relevant investment plans. The amounts are included in the account Grants and are depreciated for the part that corresponds to completed and operating wind generators (see also Note 19).

Moreover, the group's Other Long-term Receivables on 31 December 2008 include given guarantees amounting to euro 8,007, which concern guarantees given to foreign companies for the commitment of factory programming on future cooperation.

(Amounts in thousand Euro, unless stated otherwise)

11 INVENTORIES

The inventories account on 31st December 2008 in the accompanying financial statements is analyzed as follows:

	GROUP		COMPANY	
	31.12.2008	**31.12.2007**	**31.12.2008**	**31.12.2007**
Raw and auxiliary materials	17,777	16,214	5,473	6,432
Finished and semi-finished products	17,234	14,163	1,054	1,306
Assets under construction	71,077	14,266	6,315	3,694
Merchandise	301	15,939	-	108
Total	**106,389**	**60,582**	**12,842**	**11,540**

Raw and auxiliary materials mainly concern materials that will be incorporated in technical works the Company undertakes.

During the present period, investment property amounting to euro 36,858 were transferred to inventories due to the commencement of their development, with the intention for sale. Those were valued at fair value and a difference of euro 908 emerged (Note 8).

As at 31 December 2008 and 2007 there was no need for the impairment of inventories.

12 TRADE RECEIVABLES AND PREPAYMENTS AND OTHER RECEIVABLES

The trade receivables on December 31st 2008, in the accompanying financial statements, are analyzed as follows:

	GROUP		COMPANY	
	31.12.2008	**31.12.2007**	**31.12.2008**	**31.12.2007**
Trade receivables	188,884	141,406	13,858	15,055
Receivables from construction projects underway	68,996	75,539	6,069	4,962
Accrued income	6,069	-	-	-
Customers - Doubtful and Litigious	2,898	5,712	647	3,506
Notes/Checks Receivable overdue	17	17	-	0
Checks receivable	3,917	4,931	100	250
Minus: Provision for doubtful receivables	(6,143)	(8,034)	(24)	0
	264,638	**219,571**	**20,650**	**23,773**

The prepayments and other receivables on December 31st 2008 in the accompanying financial statements are analyzed as follows:

(Amounts in thousand Euro, unless stated otherwise)

	GROUP		COMPANY	
	31.12.2008	**31.12.2007**	**31.12.2008**	**31.12.2007**
Prepayments to Suppliers	60,243	43,264	3	396
Accounts for Management of Prepayments and Credits	3,886	5,477	-	48
Deferred Expenses - Accrued Income	11,250	10,950	16	-
Other receivables against subsidiaries and joint ventures of the Group and other affiliates	10,890	14,395	258	316
Other Receivables - Sundry Debtors	43,427	26,751	551	10,644
Receivables from grants of Wind Parks	5,102	5,439	-	-
Blocked deposit accounts	1,742	1,493	-	-
Minus: Provisions for doubtful receivables	(2,364)	(2,364)	-	-
	134,176	**105,945**	**828**	**11,404**

On 31 December 2008 the Group has recognized a receivable from grants amounting to euro 7,828. The grants concern investments in wind and industrial parks that are expected to be collected with the completion of the relevant investment plans, within one year.

The movement of the account for impairment of receivables from customers and debtors during the period is analyzed as follows:

	GROUP	COMPANY
Balance 31.12.2007	**10,398**	**0**
Provisions for the period	24	24
Reversal of provisions for the period	(1,915)	0
Balance 31.12.2008	**8,507**	**24**

	GROUP	COMPANY
Balance 31.12.2006	**10,970**	**0**
Provisions for the period	1,060	0
Reversal of provisions for the period	(1,632)	0
Balance 31.12.2007	**10,398**	**0**

The reversal of provisions amounting to euro 1,891 is due to the fact that the reasons for which the impairment loss had been booked were repealed according to recent developments.

The Group's and Company's receivables include accounts totaling euro 15,784 and 13,106 respectively (16,984 and 2,606 respectively for 2007) that refer to overdue receivables between 1-5 years, for which impairment loss has not been recognized. The reason for such is that there is certainty that the receivables will be collected in total.

13 CONSTRUCTION CONTRACTS

The technical works assumed by the Group and company, which were under construction as at 31.12.2008, are analyzed as follows:

(Amounts in thousand Euro, unless stated otherwise)

	GROUP		COMPANY	
Cumulative from the beginning of the projects	**31.12.2008**	**31.12.2007**	**31.12.2008**	**31.12.2007**
Cumulative costs	1,425,173	1,388,472	-	16,736
Cumulative profit	201,750	248,928	-	3,529
Cumulative loss	(31,798)	(25,889)	-	-
Invoiced	1,543,916	1,572,183	-	19,001
Receivables from customers of projects	68,996	75,539	-	1,893
Liabilities to customers of projects	(17,787)	(36,211)	-	(628)
Net receivables from customers of projects	**51,209**	**39,328**	**-**	**1,265**
Received prepayments	160,606	74,151	-	-
Withheld amounts from customers of projects	40,971	11,002	-	-

14 OTHER FINANCIAL ASSETS

The other financial assets as at 31st December 2008, in the accompanying financial statements refer to shares of Societe Anonyme companies and Equity Mutual Funds, and are analyzed as follows:

	GROUP		COMPANY	
	31.12.2008	**31.12.2007**	**31.12.2008**	**31.12.2007**
Securities available for sale	14,170	16,855	14,168	16,819
Loans held until maturity	2,700	0	2,700	0
Securities of trade portfolio	130	407	130	407
	17,000	**17,272**	**16,998**	**17,226**
Non-current	**12,030**	**12,193**	**12,028**	**12,157**
Current	**4,970**	**5,069**	**4,970**	**5,069**

Securities available for sale refer to mutual funds and participations in non-listed companies by a percentage up to 10%.

On 31.12.2008 the Group's mutual funds were valued at euro 2,141 (4,662 on 31.12.2007) and those of the company at euro 2,010 (3,364 on 31.12.2008), in market prices.

From the valuation, a loss emerged amounting to euro 2,803 for the Group and 2,798 for the company (euro 381 and 206 for the Group and company respectively on 31.12.2007), which was registered in Equity.

(Amounts in thousand Euro, unless stated otherwise)

15 CASH & CASH EQUIVALENTS

The cash & cash equivalents on 31st December 2008, in the accompanying financial statements, are analyzed as follows:

	GROUP		COMPANY	
	31.12.2008	**31.12.2007**	**31.12.2008**	**31.12.2007**
Cash in hand	1,437	389	-	1
Site and Term Deposits	540,283	424,281	14,251	19,307
Total	**541,720**	**424,670**	**14,251**	**19,308**

Term deposits amount to euro 325,947, with a usual duration of 3-6 months and interest rates ranging between 6%-6.5% and 4.8%-5% for 2008 and 2007 respectively.

16 LONG-TERM LOANS AND FINANCIAL LEASES

The long-term loans and liabilities from financial leases on 31st December 2008, in the accompanying financial statements, are analyzed as follows:

	GROUP	
	31.12.2008	**31.12.2007**
Liabilities from financial leasing	37,005	34,852
Minus: Short-term portion	(7,716)	(13,331)
Long-term loans	201,261	163,447
Minus: Short-term portion	(33,238)	(19,844)
	197,312	**165,124**

The repayment period of long-term loans is analyzed in the following table:

	GROUP	
	31.12.2008	**31.12.2007**
Up to 1 Year	33,238	19,844
Between 2 & 5 Years	88,230	107,436
Over 5 Years	79,794	36,167

The repayment period of liabilities from financial leasing is analyzed in the following table:

	GROUP	
	31.12.2008	**31.12.2007**
Up to 1 Year	7,716	13,331
Between 2 & 5 Years	26,731	19,430
Over 5 Years	2,558	2,091

(Amounts in thousand Euro, unless stated otherwise)

Finance leases are in euro and for the most part concern mechanical and site equipment used for the execution needs of construction projects.

Long-term loans are in euro and for the most part used to cover the financing requirements of the development of wind parks of the energy sector of the Group, as well as the financing of concession projects. Also, part of the long term loans cover the financing requirements of building investment property.

The weighted average interest on the above loans for 2008 ranged between 5.01-5.37% (5.04% during 2007).

17 PROVISIONS FOR STAFF INDEMNITIES

According to Greek labor law, each employee is entitled to a lump-sum indemnity in case of dismissal or retirement. The amount of the indemnity depends on the length of service with the company and the employee's wages the day he/she is dismissed or retires. Employees that resign or are justifiably dismissed are not entitled to such an indemnity. The indemnity payable in case of retirement in Greece is equal to 40% of the indemnity calculated in case of dismissal. According to the practices in the countries where the subsidiaries of the Group are operating in, staff indemnity programs are usually not funded.

The liabilities for staff indemnity liabilities were determined through an actuarial study. The following tables present an analysis of the net expenditure for the relevant provisions recorded in the results for the financial year ended on the 31st of December 31, 2008 and the movement of the relevant provision accounts for staff indemnities presented in the attached consolidated Balance Sheet for the year ended on December 31st 2008.

The amount due for staff indemnities is analyzed as follows:

	GROUP		**COMPANY**	
	31.12.2008	**31.12.2007**	**31.12.2008**	**31.12.2007**
Present value of liabilities	4,046	1,799	79	141
Non-recognized actuarial losses	(578)	(36)	11	37
Recognized liability	**3,468**	**1,763**	**90**	**178**

The expense for staff indemnity recognized in the income statement in the cost of sales account, is analyzed as follows:

	GROUP		**COMPANY**	
	31.12.2008	**31.12.2007**	**31.12.2008**	**31.12.2007**
Current cost of service	1,620	399	12	13
Financial cost	106	90	9	9
Recognition of actuarial profit/losses	122	122	2	12
Cost of previous service	71	-	-	-
Effect of cut-backs or settlements	271	376	17	23
	2,190	**987**	**40**	**57**

(Amounts in thousand Euro, unless stated otherwise)

The movement of the relevant provision account in the Balance Sheet is as follows:

	GROUP		COMPANY	
	31.12.2008	**31.12.2007**	**31.12.2008**	**31.12.2007**
Opening balance	**1,763**	**1,171**	**178**	**121**
Provision recognized in the income statement	2,190	987	40	57
Transfer from other provisions	146	0	0	0
Foreign exchange differences from conversion	(101)	(31)	0	0
Provisions for discontinued operations	(10)	0	0	0
Indemnities paid	(520)	(364)	(128)	0
Closing balance	**3,468**	**1,763**	**90**	**178**

The main actuarial assumptions for financial years 2008 and 2007 are as follows:

	2008	**2007**
Discount rate	5.5%	4.1%
Average annual rate of inflation	2%	2%
Average annual long-term GDP growth	3%	3%
Mortality: Greek Mortality Table	1990	1990
Future wage increases	2.9%	2.9%
Movement of salaried workers (departure under their own will)	3%	3%
Movement of day-waged workers (departure under their own will)	2%	2%
Movement of salaried workers (laid-off)	12%	12%
Movement of day-waged workers (laid-off)	25%	25%

18 OTHER PROVISIONS

The movement of the relevant provision in the Balance Sheet for financial years 2008 and 2007 is as follows:

	GROUP				COMPANY
	Provisions for environmental rehabilitation	**Other provisions**	**Provisions of concessions sector**	**Total**	**Other provisions**
Balance 1.1.2008	**525**	**5,710**	**0**	**6,235**	**0**
Provision recognized in the income statement	6	840	9,811	10,657	**60**
Provision recognized in fixed assets	300	0	0	300	**0**
Transfer from accrued and other liabilities	0	30	0	30	
Transfer to provisions for staff indemnities	0	(146)	0	(146)	**0**
Used provisions	0	(393)	0	(393)	**0**
Balance 31.12.2008	**831**	**6,041**	**9,811**	**16,683**	**60**

(Amounts in thousand Euro, unless stated otherwise)

	GROUP		
	Provisions for environmental rehabilitation	**Other provisions**	**Total**
Balance 1.1.2007	**406**	**1,307**	**1,713**
Provision recognized in the income statement	6	1,797	**1,803**
Provision recognized in fixed assets	113	2,502	**2,615**
Used provisions	0	104	**104**
Balance 31.12.2007	**525**	**5,710**	**6,235**

The companies of the Group's energy sector are obliged to proceed to environmental rehabilitation where they install production units for electricity, after the completion of the license period that lasts for 20 years according to the licenses granting by state. The aforementioned provision of 831 euro (525 at 31.12.2007) reflects the required expenses for the removal of equipment and formation of the area in which the equipment was installed, using the available technology and materials.

During the present period provisions were made for tax unaudited fiscal years of the Group's companies amounting to euro 640, which are included in the provisions of the balance "Other provisions".

The "Provisions of the concessions sector" include:

a) an amount of euro 9,474, which is related to the contractual obligation, that a percentage of the received tolls will be returned to the State, from the initial exploitation time of the constructed motorways. The above amount represents the accrued expense, based on usage, calculated as a percentage of the already received tolls.

b) an amount of euro 337, which concerns the accrued expense, based on usage, for the required significant road resurfacing expenses, planned to take place within an average period of 15 years.

19 GRANTS

The movement of grants in the Balance Sheet for 2008 and 2007 is as follows:

Balance 1.1.2008	**51,697**
Receipt of grants	31, 406
Approved but not received grants	4,272
Transfer of grants to value of fixed assets (IFRIC 12)	(5,843)
Newly consolidated companies	18,000
Change in percentage of proportionately consolidated company	(148)
Amortization of grants for inventories	(1.724)
Amortization of grants for fixed assets	(2.028)
Balance 31.12.2008	**95,632**

(Amounts in thousand Euro, unless stated otherwise)

Balance 1.1.2007	**39,983**
Receipt of grants	3,586
Approved but not received grants	9,948
Amortization of grants for fixed assets	(1,820)
Balance 31.12.2007	**51,697**

Grants relate to government grants for the development of Wind Parks and car park stations and other infrastructure projects, and are amortized during the useful life of the granted assets.

The approved non-received grants, concern amounts not yet received and included in "Other long-term receivables" by €10,512, and in "Prepayments and other receivables" by € 7,828. Such grants were recognized based on the Group's Management certainty that all the requirements to receive such are regularly met and eventually the amounts will be received with the completion of the relevant investments. The aforementioned grants are amortized in income only by the portion that corresponds to fully completed and operating investments.

20 SUPPLIERS, ACCRUED AND OTHER LIABILITIES

The suppliers on 31st December 2008, in the accompanying financial statements, are analyzed as follows:

	GROUP		COMPANY	
	31.12.2008	**31.12.2007**	**31.12.2008**	**31.12.2007**
Suppliers	119,424	79,018	540	245
Checks payable	15,222	7,806	-	-
	134,646	**86,824**	**540**	**245**

The account Accrued and other short-term liabilities on 31st December 2008 in the attached financial statements, is analyzed as follows:

	GROUP		COMPANY	
	31.12.2008	**31.12.2007**	**31.12.2008**	**31.12.2007**
Liabilities from taxes-duties	19,278	9,056	111	139
Insurance organizations	2,186	1,735	40	34
Dividends payable	80	273	47	194
Liabilities to affiliates	4,802	16,823	63	0
BoD remuneration	-	120	-	600
Customer prepayments	164,191	68,031	2,327	1,381
Accrued expenses and deferred income and other transitory accounts	7,382	9,588	-	315
Liabilities from contracts related to construction projects under development	17,787	36,211	23	628
Sundry Creditors	13,329	5,239	184	176
	229,035	**147,076**	**2,795**	**3,467**
Long-term portion	**42,676**	**1,723**	**95**	**176**
Short-term portion	**186,359**	**145,353**	**2,700**	**3,291**

(Amounts in thousand Euro, unless stated otherwise)

The long-term liabilities refer to customer prepayments for projects whose certification and offsetting will take place after 31.12.2009.

21 SHORT-TERM LOANS

The Group's short-term loans refer mainly to current bank accounts having duration between one and three months and are renewed depending on the needs. The amounts withdrawn are mainly used to cover the short term liquidity needs for the construction of technical works or during the construction period of installments of the Group's energy sector.

Such loans, with the completion of the relevant projects, are repaid with the collection of the contractor prices, or are converted to a long-term duration as regards to wind parks or other energy projects.

The largest part of the Group's loans is issued in euro and the weighted average interest rate for such during the year amounted to 6.26% (5.5% during 2007).

22 LIABILITIES FROM DERIVATIES

The parent company GEK TERNA SA participates in jointly controlled companies, which are consolidated in the financial statements with the proportionate method and which have entered into interest rate swap agreements. The swaps aim at hedging future cash outflows that are expected to emerge from the interest on loans in the context of service concession agreements, and specifically for the study, financing, construction and operation of motorways.

The main characteristics of the above agreements are as follows:

Duration	2009 - 2036
Interest rate on fixed portion	4.4 - 4.7
Interest rate on floating portion	Euribor

Taking into account the objective of such derivatives, namely the hedging of cash flows, the companies used the hedging accounting and thus valued the assets at fair value.

The estimated fair value of such hedging instruments, at the Balance Sheet date, refers to a liability that amounts to 55,672 euro. Particular significance for the valuation had the estimations for low levels of interest rates until their maturity, namely until 2036.

The Group's equity for the present year includes the recognition of 55,672 euro, from the valuation of the above derivatives at fair value, as their hedging was considered effective. Also, equity includes the relevant deferred tax asset, amounting to euro 13,895.

The period for the settlement of interest rate swaps is analyzed in the following period:

	GROUP	
	31.12.2008	**31.12.2007**
Up to 1 Year	2,953	0
Between 2 & 5 Years	19,050	0
Over 5 years	33,669	0

23 SHARE CAPITAL

On 23.12.2008 the merger through absorption of part of the other activities of the company TERNA SOCIETE ANONYME TOURISM TECHNICAL AND SHIPPING COMPANY, was approved by means of the decision by the Minister of Development under Reg. No. K2-15458/23.12.2008 and at the same time the share capital increase was approved by 25,386,322.56 euro. Thus, the share capital amounts to euro 48,953,132.16 divided into 85,882,688 common registered shares, with a nominal value of 0.57 euro each.

The increase of the share capital emerged by euro 24,933,073.64 from the amount of the contributed share capital of TERNA SA and by 453,248.92 from capitalization of part of the account Profit carried forward, for rounding purposes. At the same time the nominal value of the company's shares increased from 0.36 to 0.57 euro.

Shareholders have the right to dividends, as such are proposed annually, while each share carries one voting right in the General Shareholders' Meetings.

According to the decision by the company's ordinary General Shareholders' Meeting dated 25 June 2008, which decided on the acquisition of 10% of the company's total shares, during the period from 10 July 2008 to 31 December 2008, a total of 202,748 shares were purchased with a nominal value of 115,566.36 euro and an acquisition value of 1,076,489.32 euro. Also, according to the decision by the company's ordinary General Shareholders' Meeting dated 27 June 2007, the acquisition of 10% of the company's total shares was decided, and thus during the period from 1 January 2008 to 23 June 2008, a total of 165,010 shares were purchased with a nominal value of 94,055.70 euro and an acquisition value of 1,374,109 euro. Moreover, 4,646 shares with a value of euro 60,900 were transferred under the company's ownership due to absorption of the remaining activities of TERNA SA.

As at 31 December 2008, the company owned 545,524 treasury shares, with a total value of euro 4,500 (173,120 shares with a value of 1,989 on 31.12.2007).

The weighted average number of shares outstanding for 2008 and 2007, for the purpose of earnings per share, corresponded to 70,258,879 shares.

The Board of Directors proposes the dividend distribution of euro 10,241 (euro 7,835 in 2007), namely euro 0.12 per share (euro 0.12 in 2007). The total dividends are derived from taxed earnings.

The earnings per share from continued operations for 2008 amount to euro 0.32 (euro 0.51 in 2007) and were calculated based on earnings corresponding to shareholders of the parent an amounting to euro 22,229 (euro 35,952 in 2007) and the weighted average number of shares outstanding during 2008 and 2007 respectively.

24 INCOME TAX

According to Greek tax legislation the tax rate corresponds to 25% for 2008 and 2009, reduced by 1% or the subsequent 5 financial years (20% for 2014). The effective tax rate differs from the nominal. The calculation of the effective tax rate is affected by several factors, the most important of which are the non-exemption of specific expenses, differences from the use of depreciation rates that emerge between the fixed asset's useful life and the use of rates stipulated by PD 299/2003 and the capability of companies to create tax-exempt discounts and tax-exempt reserves, and the aforementioned reduction of the tax rate through calculations of deferred income tax.

(Amounts in thousand Euro, unless stated otherwise)

(a) Current tax

Income tax in the accompanying income statements is analyzed as follows:

	GROUP		**COMPANY**	
	31.12.2008	**31.12.2007**	**31.12.2008**	**31.12.2007**
Current tax expense				
Current tax	16,575	11,646	872	1,784
Tax of tax differences			93	
Tax of previous years	1,450	324	-	200
	18,025	11,970	965	1,984
Deferred tax expense	2,813	1,511	(244)	201
Total	**20,838**	**13,481**	**721**	**2,185**

The aforementioned tax expense for 2008 and 2007 also includes the tax for the discontinued operations amounting to euro 224 and 526 (tax revenue), which in the income statements of 2008 and 2007 appears offset in net results from the discontinued operations.

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

	GROUP		**COMPANY**	
	31.12.2008	**31.12.2007**	**31.12.2008**	**31.12.2007**
Earnings before tax	55,802	67,564	5,672	9,420
Nominal tax rate	**25%**	**25%**	**25%**	**25%**
Income tax based on the applicable nominal tax rate	**13,951**	**16,891**	**1,418**	**2,355**
Tax on difference of accounting-deemed profit on technical works	221	115	65	115
Property tax	27	59	18	30
Deemed taxation method on technical works	799	511	-30	(245)
Expenses not included in the calculation of tax	4,169	2,209	152	98
Provision for tax audit differences	640	-	-	-
Effect of the change of tax rates	(1,879)	0	(65)	-
Tax audit differences	1,450	291	153	185
Difference in taxation of foreign companies	(4,719)	(4,169)	-	95
Non-recognition of tax losses	6,778	469	-	65
Effect from the application of the pooling of interests method from absorption of subsidiary activities	-	-	-	871
Tax-exempt reserves and income	(599)	(2,895)	(990)	(1,384)
Tax expense	**20,838**	**13,481**	**721**	**2,185**
Effective tax rate	37.3%	19.9%	12.7%	23.2

(Amounts in thousand Euro, unless stated otherwise)

The above earnings before tax for 2008 and 2007 also includes the earnings before tax of the discontinued operations amounting to euro 1,163 and 2.103 (profit), which in the income statements of 2008 and 2007 appears offset in the net results from the discontinued operations.

The income tax statement is submitted on an annual basis, however profit or losses that are state remain temporary until the tax authorities audit the books and items and issue the final tax report.

In this case it is possible that the tax authorities may impose additional taxes and surcharges. For this reason, and based on new information that emerged from tax audits of previous periods, which were conducted during the preparation of the accompanying consolidated financial statements, relevant provisions have been recognized for possible additional taxes and surcharges that may be imposed, amounting to euro 640 and 96 in the accompanying financial statements for 2008 and 2007 respectively. The provisions are included in the account "Other provisions".

The tax losses, to the extent that such are accepted by the tax authorities, may offset future profit for a period of five years from the year such emerged.

The parent company, GEK TERNA S.A., as well as its subsidiary TERNA SA were tax-audited up to the fiscal year 2007 included. During the preparation date of the accompanying financial statements, the non-audited tax years of the Group's companies are as follows:

A. Companies consolidated with the full consolidation method:

Company	Domicile	Total Participation %	Tax Unaudited Fiscal Years
GEKE A.E.B.E.	Greece	100	2006-2007
IRON THERMOELECTRIC S.A.	Greece	100	2004-2007
IOANNINON ENTERTAINMENT DEVELOPMENT S.A.	Greece	64.59	2004-2007
MONASTIRIOU TECHNICAL DEVELOPMENT S.A.	Greece	100	2004-2007
ICON EOOD	Bulgaria	100	2005-2007
VIPA THESSALONIKI S.A.	Greece	100	2002-2007
IOLKOS S.A.	Greece	100	2004-2007
CHIRON CAR PARK S.A.	Greece	100	2006-2007
SC GEK ROM SRL	Romania	100	2006-2007
GEK BALKAN DOOEL	F.Y.R.O.M.	100	2006-2007
ICON BOROVEC EOOD	Bulgaria	100	2007
DOMUS DEVELOPMENT EOOD	Bulgaria	100	2007
HERMES DEVELOPMENT SRL	Romania	100	2007
ERGON CITY DEVELOPMENT SRL	Romania	100	2007
HIGHLIGHT SRL	Romania	100	2007
IRON HOLDINGS S.A.	Greece	100	1st financial year
IRON II THERMOELECTRIC STATION VIOTIA S.A.	Greece	100	1st financial year
IRON III THERMOELECTRIC STATION S.A.	Greece	100	1st financial year
GEK STROY	Russia	100	1st financial year
GEK CYPRUS LTD	Cyprus	100	1st financial year
VIOMEK ABETE	Greece	66.5	2002-2007
TERNA ENERGY SA	Greece	47.80	2006-2007
STROTIRES AEBE	Greece	51	2002-2007
ILIOCHORA SA	Greece	100	2005-2007
VRONDIS QUARRY PRODUCTS SA	Greece	100	-
SC TERNA INTERNATIONAL CONSTRUCTION ROMANIA	Romania	100	2005-2007
TERNA OVERSEAS LTD	Cyprus	100	2006-2007
TERNA BAHRAIN HOLDING WLL	Bahrain	99.99	2006-2007

(Amounts in thousand Euro, unless stated otherwise)

Company	Domicile	Total Participation %	Tax Unaudited Fiscal Years
TERNA QATAR LLC	Qatar	35	2006-2007
PCC TERNA WLL	Bahrain	80	2007
TERNA CONTRACTING CO WLL	Bahrain	100	1st financial year
TERNA ELECTRICAL MECHANICAL WLL	Bahrain	70.00	1st financial year
IWECO CHONOS LASITHIOU CRETE SA	Greece	100	2007
ENERGIAKI SERVOUNIOU SA	Greece	100	2007
TERNA ENERGY EVROU	Greece	100	2007
GP ENERGY	Bulgaria	100	2007
PPC RENEWABLES - TERNA ENERGY SA	Greece	51	2007
TERNA ENERGSA SA & SIA AIOLIKI RACHOULAS DERVENOCHORION G.P.	Greece	100	2003-2007
TERNA ENERGY SA & SIA AIOLIKI POLYKASTROU G.P.	Greece	100	2003-2007
TERNA ENERGY SA & SIA AIOLIKI PROVATA TRAIANOUPOLEOS G.P.	Greece	100	2003-2007
TERNA ENERGY SA & SIA ENERGIAKI DERVENOCHORION G.P.	Greece	100	2003-2007
TERNA ENERGY SA & SIA ENERGIAKI VELANIDION LAKONIAS G.P.	Greece	100	2003-2007
TERNA ENERGY SA & SIA ENERGIAKI DYSTION EVIAS G.P.	Greece	100	2003-2007
TERNA ENERGY SA & SIA AIOLIKI PASTRA ATTIKIS G.P.	Greece	100	2003-2007
TERNA ENERGY SA & SIA AIOLIKI MALEA LAKONIAS G.P.	Greece	100	2003-2007
TERNA ENERGY SA & SIA ENERGIAKI FERRON EVROU G.P.	Greece	100	2003-2007
TERNA ENERGY SA & SIA AIOLIKI DERVENI TRAIANOUPOLEOS G.P.	Greece	100	2003-2007
TERNA ENERGY SA & SIA ΑΙΟΛΙΚΗ KARYSTIAS EVIAS G.P.	Greece	100	2003-2007
TERNA ENERGY SA & SIA ENERGIAKI ARI SAPPON G.P.	Greece	100	2003-2007
TERNA ENERGY SA & SIA ENERGIAKI PELOPONNISOU G.P.	Greece	100	2003-2007
TERNA ENERGY SA & SIA AIOLIKI EASTERN GREECE G.P.	Greece	100	2003-2007
TERNA ENERGY SA & SIA AIOLIKI MARMARIOU EVIAS G.P.	Greece	100	2003-2007
TERNA ENERGY SA & SIA ENERGIAKI PETRION EVIAS G.P.	Greece	100	2003-2007
TERNA ENERGY SA & SIA AIOLIKI ROKANI DERVENOCHORION G.P.	Greece	100	2003-2007
TERNA ENERGY SA & SIA ENERGIAKI STYRON EVIAS G.P.	Greece	100	2003-2007
TERNA ENERGY SA & SIA ENERGIAKI NEAPOLEOS LAKONIAS G.P.	Greece	100	2003-2007
AIOLIKI PANORAMATOS S.A.	Greece	100	2003-2007
TERNA ENERGY SA & SIA ENERGIAKI KAFIREOS EVIAS G.P.	Greece	100	2003-2007
EOL TECHNICS SRL	Romania	60	2007
TERNA ENERGY OVERSEAS LTD	Cyprus	100	1st financial year
EOLOS POLSKA SP ZOO	Poland	100	1st financial year
EOLOS NOWOGRODZEC SP ZOO	Poland	61	1st financial year

(Amounts in thousand Euro, unless stated otherwise)

B. Companies and joint ventures consolidated with the proportionately consolidation:

Company Name	Domicile	Total Participation %	Tax un-audited fiscal years
PARKING OYIL S.A.	Greece	50	2003-2007
ATHENS CAR PARK S.A.	Greece	20	2006-2007
THESSALONIKI CAR PARK S.A.	Greece	50	2006-2007
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Greece	30	2005-2007
POLIS PARK SA	Greece	20	2005-2007
NEA ODOS SA	Greece	33.33	1st financial year
GLS EOOD	Bulgaria	50	1st financial year
SMYRNI PARK S.A.	Greece	20	1st financial year
ELLINIKO ENTERTAINMENT AND ATHLETIC PARKS S.A.	Greece	25	1st financial year
CENTRAL GREECE MOTORWAY S.A.	Greece	33.33	1st financial year
PRIME PROPERTY MANAGEMENT LTD	Cyprus	50	1st financial year
JV QBC S.A. - TERNA S.A.	Qatar	40	1st financial year
J/V MAIN ARROGATION CANAL D 1	Greece	75	2002-2007
J/V TERNA SA - IMPEGILO SPA (TRAM)	Greece	55	2007
J/V IRAKLEION CAMPUS	Greece	50	2006-2007
J/V ANCIENT OLYMPIA BY-PASS	Greece	50	2004-2007
J/V AKTOR, AEGEK, EKTER, TERNA AIRPORT INSTAL. SPATA	Greece	20	2007
J/V TERNA SA / AKTOR SA - GOULANDRIS MUSEUM	Greece	50	2004-2007
J/V DEPA PROJECT	Greece	10	2004-2007
J/V UNDERGROUND CARS THESSALONIKI	Greece	50	2004-2007
J/V ARTA-FILIPPIADA BY-PASS	Greece	98	2004-2007
J/V ATHENS CONCERT HALL	Greece	49.5	2003-2007
J/V ATHENS CAR PARKS	Greece	20	2004-2007
J/V PERISTERI METRO	Greece	50	2004-2007
J/V TERNA S.A. - ATHINA ATE ARAHTHOS PERIST. PROJECTS	Greece	62.5	2007
J/V TERNA SA - KARAGIANNIS TEFAA KOMOTINI PROJECT	Greece	24	2006-2007
J/V THALES ATM SA-TERNA UPGRADE OF TACAN STATIONS	Greece	22.25	2002-2007
J/V ETETH-TERNA-AVAX PANTECHNIKI HORSE RIDING CENTRE	Greece	35	2005-2007
JOINT VENTURE AVAX-VIOTER (OLYMPIC VILLAGE CONSTRUCTION)	Greece	37.5	2005-2007
J/V TERNA S.A. PANTECHNIKI S.A.	Greece	83.5	2005-2007
J/V TERNA S.A. AKTOR A.T.E. J&P AVAX	Greece	49.5	2003-2007
J/V TERNA S.A. J&P AVAX - PANTECHNIKI-HORSE RIDING CENTRE MAINTENANCE	Greece	35	2006-2007
J/V TERNA SA - ATHINA ATE	Greece	62.5	2005-2007
J/V TERNA SA - TH. KARAGIANNIS SA PROJECT CONSTRUCTION MEPW	Greece	50	2002-2007
J/V SALONIKA CAR PARK	Greece	50	2006-2007
J/V SIEMENS-AKTOR ATE-TERNA SA	Greece	37.5	2006-2007
J/V TERNA-MICHANIKI AGRINIO BY-PASS	Greece	65	2006-2007
J/V TERNA SA BIOTER SA NAT BUILDING	Greece	50	2001-2007
J/V TERNA S.A.-THALES S.A.	Greece	50	2004-2007
J/V TOMI ABETE-ILIOHORA SA	Greece	30	2006-2007
J/V AVAX SA-VIOTER SA-ILIOHORA SA	Greece	37.5	2006-2007
J/V AKTOR-DOMOTECHNIKI-THEMELIODOMI-TERNA-ETETH	Greece	25	2007
J/V BUILDING CONSTRUCTION OSE ILIOHORA SA	Greece	13.3	2007
J/V CONSTRUCTION OF PROJECT PARADEISIA-TSAKONA	Greece	49	2007
J/V UNDERGROUND CHAIDARI-PART A	Greece	50	2007
J/V FOUNDATION OF THE HELLENIC WORLD-COMPLETE CONSTRUCTION	Greece	60	2007
J/V TERNA SA - TERNA ENERGY SA - TSAMBRA AETE	Greece	40	2004-2007
J/V TERNA SA - TERNA ENERGY SA	Greece	50	2004-2007

(Amounts in thousand Euro, unless stated otherwise)

Company Name	Domicile	Total Participation %	Tax un-audited fiscal years
J/V VIOTER SA-TERNA SA	Greece	50	2004-2007
J/V TERNA SA - IONIOS SA	Greece	90	2004-2007
J/V TERNA ENERGY SA - TERNA SA- MANIOTIS	Greece	37.5	2004-2007
J/V TERNA-TERNA ENERGY-TSMPRAS (EPL)	Greece	56	2004-2007
J/V ATHINA-PANTECHNIKI-TERNA-J/V PLATAMONAS PROJECT	Greece	39.2	2005-2007
J/V BIOTER SA-TERNA SA	Greece	50	2004-2007
J/V TERNA-MOCHLOS ATE	Greece	70	2001-2007
J/V TERNA-VIOTER SA	Greece	50	2004-2007
J/V TERNA-ERGODOMI-KTISTOR ATE	Greece	50	2004-2007
J/V EDRASI-PSALLIDAS-TERNA-EDRACO	Greece	51	2004-2007
J/V TERNA-AKTOR-EMPEDOS-J&P ABAX-J&P AVAX-IMEC GmbH	Greece	24	2003-2007
J/V TERNA-VERMION ATE-ANAPLASEON	Greece	50	2005-2007
J/V TERNA-KARAGIANNIS	Greece	50	2005-2007
J/V EUROPEAN TECHNICAL-HOMER-TERNA	Greece	50	1998-2007
J/V TERNA-THEMELIODOMI	Greece	60	2004-2007
J/V TERNA-AKTOR GOULANDRI MUSEUM	Greece	50	2002-2007
J/V FRAGMATOS PRAMORITSA	Greece	33.33	2004-2007
J/V TERNA-EDRASI-STROTIRES-WP	Greece	41	2003-2007
J/V UNIVERSITY OF CRETE-RETHYMNON	Greece	25	2006-2007
J/V EKTER-TERNA (THETIKON)	Greece	50	2004-2007
TERNA SA & Co	Greece	99	2004-2007
J/V AKTOR-TERNA SA	Greece	50	2004-2007
J/V AKTOR-TERNA SA IASO BUILDING	Greece	50	2004-2007
TERNA SA - PANTECHNIKI S.A. (OAKA)	Greece	50	2005-2007
J/V ALPINE MAYREDER BAU GmbH-TERNA SA-PANTECHNIKI SA	Greece	31.5	2007
J/V TERNA-MOCHLOS-AKTOR KIATO-AIGIO	Greece	35	2007
J/V J&P AVAX-TERNA-AKTOR PLATANOS TUNNEL	Greece	33.33	2007
J/V AKTOR-TERNA-J&P AVAX KALLIDROMO TUNNEL	Greece	33.33	2007
J/V THEMELIODOMI-TERNA-DIEKAT-KTIRIODOMI SA	Greece	25	2003-2007
J/V MINISTRY OF TRANSPORTATION	Greece	33	2004-2007
J/V AEGEK TERNA	Greece	44.78	2004-2007
J&P AVAX SA-TERNA SA-EYKLEIDIS	Greece	35	2004-2007
ALTE ATE - TEPNA SA GP	Greece	50	2004-2007
J/V EURO IONIA	Greece	33.33	2007
J/V AKTOR ATE – J&P AVAX - TERNA SA	Greece	12	2007
J/V AKTOR ATE – J&P AVAX - TERNA SA	Greece	12	2007
J/V TERNA-KARAYIANNIS-ATTALOS-ILIOCHORA	Greece	50	2007
J/V TERNA - AKTOR	Greece	50	2007
J/V TERNA-THALES RAIL SIGNALING	Greece	50	2007
J/V CENTRAL GREECE MOTORWAY E-65	Greece	33.33	1st financial year
J/V TERNA SA-AKTOR ATE J&P AVAX PIRAEUS –TREIS GEFYRES	Greece	33.33	1st financial year
J/V TERNA SA- AKTOR ATE DOMOKOS	Greece	50	1st financial year
K/Ξ ALPINE BAU-TEPNA AE	Greece	49.00	1st financial year
J/V J&P AVAX SA-VIOTER SA-TERNA SA	Greece	33.33	1st financial year

(Amounts in thousand Euro, unless stated otherwise)

C. Companies consolidated with the equity method:

COMPANY NAME	DOMICILE	TOTAL PARTICIPATION %	TAX UNAUDITED FISCAL YEARS
KEKROPS S.A.	Greece	23.91	2005-2007
GEKA S.A.	Greece	33.34	2005-2007
ATTIKAT SA	Greece	22.14	2003-2007
CYCLADES RES ENERGY SECTOR SA	Greece	45.00	2006-2007
PRIME REALTY INVESTMENTS LTD	Cyprus	25.00	1st financial year
HAMRIYAH CEMENT COMPANY FZC	U.A.E.	40.00	2007

(b) Deferred tax

Deferred income tax is calculated on all the temporary tax differences between the book value and the tax basis of the assets and liabilities.

The Group and company maintain tax-exempt reserves amounting to euro 81,098 and 44,708 respectively (euro 72,768 and 45,650, respectively for 2007), which in case of distribution or capitalization will be taxed under the current tax rate. In the future the Group does not plan to distribute or capitalize this reserve.

Deferred income tax is calculated on all the temporary tax differences between the book value and the tax basis of the assets and liabilities. The deferred income tax is calculated using the expected tax rate at the time in which the tax receivable/ liability matures:

	GROUP		COMPANY	
	31.12.2008	**31.12.2007**	**31.12.2008**	**31.12.2007**
Net deferred tax receivable / (liability)	**8,812**	**(3,420)**	**(1,863)**	**(2,685)**
Opening Balance	**(3,420)**	**(672)**	**(2,685)**	**(254)**
(Debit)/Credit recognized in the income statement	(2,813)	(1,511)	244	(201)
(Debit)/Credit recognized in Equity	15,044	(1,237)	578	(2,230)
Closing Balance	**8,812**	**(3,420)**	**(1,863)**	**(2,685)**

The amount of euro 15,044 which was debited to deferred tax receivables, relates to the deferred tax on the valuation at fair value of liabilities from interest rate swaps (Note 22).

The deferred taxes (receivables and liabilities) of 2008 and 2007 are analyzed as follows:

(Amounts in thousand Euro, unless stated otherwise)

GROUP	**Balance Sheet**		**Results (Debit)/Credit**	**Net Position (Debit)/Credit**
	31.12.2008	**31.12.2007**	**1.1 – 31.12.2008**	**1.1 – 31.12.2007**
Deferred tax asset				
Expense for issuing capital	3,373	3,491	(162)	44
Recognition of technical project income according to IAS 11	1,231	5,967	(4,736)	0
Provision for staff indemnity	389	401	(12)	0
Valuation of derivatives	13,895	0	0	13,895
Recognized tax losses	3,234	1,732	1,502	0
Other provisions	2,463	310	2,153	0
Provisions for doubtful receivables	1,747	2,468	(721)	0
Deferred tax liability				
Investment property valuation	(6,680)	(5,969)	(711)	0
Recognition of financial leases	(5,585)	(10,086)	4,501	0
Valuation of fixed assets	(2,115)	(2,840)	10	715
Valuation of investments	(1,208)	(1,760)	162	390
Expense of intangible fixed assets	(1,417)	778	(2,195)	0
Difference in depreciation	(515)	2,089	(2,604)	0
Deferred tax on results/equity			**(2,813)**	**15,044**
Net deferred income tax asset / (liability)	**8,812**	**(3,420)**		

The balance of the deferred tax asset also includes the deferred tax liability of the discontinued operations amounting to euro 2,054.

GROUP	**Balance Sheet**		**Results (Debit)/Credit**	**Net Position (Debit)/Credit**
	31.12.2007	**31.12.2006**	**1.1 – 31.12.2007**	**1.1 – 31.12.2007**
Deferred tax asset				
Expense of intangible fixed assets	778	1,242	(464)	0
Expense for issuing capital	3,491	0	0	3,491
Recognition of technical project income according to IAS 11	5,967	2,011	3,956	0
Provision for staff indemnity	401	293	108	0
Valuation of investments	(1,760)	1,094	0	(2,854)
Recognized tax losses	1,732	301	1,431	0
Other provisions	310	162	148	0
Provisions for doubtful customers	2,468	2,507	(39)	0
Deferred tax liability				
Investment property valuation	(5,969)	(311)	(5,658)	0
Recognition of financial leases	(10,086)	(8,466)	(1,620)	0
Valuation of fixed assets	(2,840)	(970)	4	(1,874)
Difference in depreciation	2,089	1,466	623	0
Deferred tax on results/equity			**(1,511)**	**(1,237)**
Net deferred income tax asset / (liability)	**(3,358)**	**(610)**		

(Amounts in thousand Euro, unless stated otherwise)

COMPANY	**Balance Sheet**		**Results (Debit)/Credit**	**Net Position (Debit)/Credit**
	31.12.2008	**31.12.2007**	**1.1 – 31.12.2008**	**1.1 – 31.12.2008**
Deferred tax asset				
Expense of intangible fixed assets	4	30	(26)	0
Expense for issuing capital	33	0	0	33
Provision for staff indemnity	18	44	(26)	0
Valuation differences of fixed assets	201	0	0	201
Deferred tax liability				
Investment property valuation	(21)	(282)	261	0
Difference in depreciation of fixed assets	(303)	(279)	(24)	0
Valuation of investments	(1,544)	(1,888)	0	344
Recognition of income according to IAS 11	(251)	(310)	59	0
Deferred tax on results/equity			**244**	**578**
Net deferred income tax asset / (liability)	**(1,863)**	**(2,685)**		

COMPANY	**Balance Sheet**		**Results (Debit)/Credit**	**Net Position (Debit)/Credit**
	31.12.2007	**31.12.2006**	**1.1 – 31.12.2007**	**1.1 – 31.12.2007**
Deferred tax asset				
Expenses of intangible fixed assets	30	50	(20)	0
Valuation of investments	(1,888)	342	0	(2,230)
Provision for staff indemnity	44	30	14	0
Other	0	150	(150)	0
Deferred tax liability				
Investment property valuation	(282)	(248)	(34)	0
Difference in depreciation of fixed assets	(279)	(194)	(85)	0
Recognition of income according to IAS 11	(310)	(384)	74	0
Deferred tax on results/equity			**(201)**	**(2,230)**
Net deferred income tax asset / (liability)	**(2,685)**	**(254)**		

25 COST OF SALES AND ADMINISTRATION AND DISTRIBUTION EXPENSES

The cost of sales and administration and distribution expenses as at 31st December 2008 in the attached financial statements, are analyzed as follows:

(Amounts in thousand Euro, unless stated otherwise)

Cost of Sales	**GROUP**		**COMPANY**	
	1.1-31.12.2008	**1.1-31.12.2007**	**1.1-31.12.2008**	**1.1-31.12.2007**
Cost of inventories	178,729	116,982	397	12,847
Employee remuneration	52,618	37,224	95	183
Sub-contractors	222,829	126,644	3668	3,755
Remuneration of technical advisors	35,708	28,708	566	1,960
Other third-party benefits	35,981	16,168	33	50
Taxes dues	979	0	23	0
Provisions	13,672	0	0	0
Depreciations	23,739	17,730	509	10
Other	22,169	22,140	214	490
	586,424	**365,616**	**5,505**	**19,295**

Administration and Distribution Expenses	**GROUP**		**COMPANY**	
	1.1-31.12.2008	**1.1-31.12.2007**	**1.1-31.12.2008**	**1.1-31.12.2007**
Employee remuneration	9,827	9,914	1,039	1,045
Sub-contractors	0	543	0	0
Remuneration of technical advisors	7,456	6,939	602	617
Other third-party benefits	1,197	1,020	114	28
Provisions	1,099	1,335	34	2
Transfer expenses	7,623	1.089	0	0
Other	11,671	12.366	1,044	370
	38,873	**33,206**	**2,833**	**2,062**

26 OTHER INCOME/(EXPENSES)

The other operating income / (expenses) as at 31st December 2008 in the accompanying financial statements, are analyzed as follows:

	O GROUP		**H COMPANY**	
	1.1-31.12.2008	**1.1-31.12.2007**	**1.1-31.12.2008**	**1.1-31.12.2007**
Dividends from participations in subsidiaries	0	0	7,352	5,742
Dividends from investments	0	28	31	16
Profit/loss from investment valuation	0	9,487	(526)	0
Profit from the sale of investments	0	2,578	0	205
Loss from the sale of participations in subsidiaries	0	(152)	(341)	0
Loss from the sale of other participations	0	(152)	(148)	(152)
Profit from the sale of participations in subsidiaries	0	0	1,964	0

(Amounts in thousand Euro, unless stated otherwise)

Other provision of services	4,033	3,079	0	7
Amortization of grants	2,028	1,820	0	0
Grants of expenses	1,724	0	0	0
Valuation of investment property	9,106	34,714	0	907
Income from rents	349	476	0	0
Other provisions	0	(1,998)	0	0
Foreign exchange differences	(1,431)	(1,852)	935	0
Taxes - dues	(171)	(228)	(308)	(117)
Total	**15,638**	**47,800**	**8,959**	**6,608**

27 FINANCIAL INCOME / (EXPENSES)

The financial income/ (expenses) as at 31st December 2008, in the accompanying financial statements, are analyzed as follows:

	GROUP		COMPANY	
	1.1-31.12.2008	**1.1-31.12.2007**	**1.1-31.12.2008**	**1.1-31.12.2007**
Interest on deposit accounts	22,182	6,284	834	2,060
Loan interest	(22,683)	(17,685)	(3,969)	(3,234)
Total	**(501)**	**(11,401)**	**(3,135)**	**(1,174)**

28 PAYROLL COST

Staff wages expense and the average number of employees as of December 31st 2008 are analyzed as follows:

	GROUP		COMPANY	
	1.1-31.12.2008	**1.1-31.12.2007**	**1.1-31.12.2008**	**1.1-31.12.2007**
Wages and ensuing benefits	50,329	37,360	912	862
Insurance and pension fund contributions	9,591	8,885	181	169
Provision for employee indemnities	2,190	987	40	56
Other	335	275	1	142
Total expenses	**62,445**	**47,507**	**1,134**	**1,229**
Average number of employees	1,117	950	23	25

29 NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

During December 2008, the group's management announced its decision to proceed with the sale of a 50% stake of its participation in the companies IRON THERMOELECTRIC S.A. and IRON II THERMOELECTRIC STATION OF VIOTIA S.A., to the group GDP SUEZ. The completion of the sale of the above participation stakes is expected to be completed during 2009. As at 31/12/2008 the assets and liabilities of the above operations are presented as held for sale. Moreover, the results and cash flows for the periods of 2008 and 2007 are presented as derived from "Discontinued operations".

(Amounts in thousand Euro, unless stated otherwise)

A) IRON THERMOELECTRIC S.A.

The results of the company IRON THERMOELECTRIC S.A. as at 31.12.2008 are presented as follows:

	2008	**2007**
Revenue	26,848	17,574
Cost of sales	(24,006)	(13,798)
Gross Profit (Loss)	2,842	3,778
Administration Expenses	(880)	(441)
Development expenses	-	(228)
Financial results	(662)	(1021)
Other income/expenses	156	66
Profit before tax from discontinued operations	1,456	2,154
Income tax	181	(538)
Profit (loss) for the period from discontinued operations after tax	1,637	1,616

The most significant categories of assets and liabilities of the company IRON THERMOELECTRIC S.A. during 31.12.2008 are analyzed as follows:

	31.12.2008	**31.12.2007**
Tangible fixed assets	25,559	27,041
Other long-term receivables	66	95
Current assets	7,526	14,191
Cash & cash equivalents	2,031	1,721
Net assets	35,182	43,048
Provisions	10	7
Loan liabilities	10,901	15,123
Suppliers	1,012	6,667
Other Liabilities	3,270	5,033
Net assets	15,193	26,830
Net value of discontinued operations	19,989	16,218

The net cash flows of the company IRON THERMOELECTRIC S.A. are as follows:

	2008	**2007**
Operating	5,264	990
Investment	(596)	(482)
Financial	(4,358)	(1,221)
Net cash inflows/outflows	310	(713)

(Amounts in thousand Euro, unless stated otherwise)

Earnings per share

	2008	2007
Basic earnings per share	0.025	0.024

B) IRON II THERMOELECTRIC STATION OF VIOTIA S.A.

The results of the company IRON II THERMOELECTRIC STATION OF VIOTIA S.A. as at 31.12.2008 are presented as follows:

	2008	2007
Revenue	-	-
Cost of sales	-	-
Gross Profit (Loss)	-	-
Administration Expenses	(292)	(45)
Development expenses	-	-
Financial results	(1)	(6)
Other income/expenses	-	-
Profit before tax from discontinued operations	(293)	(51)
Income tax	63	0
Profit (loss) for the period from discontinued operations after tax	(230)	(51)

The most significant categories of assets and liabilities of the company IRON II THERMOELECTRIC STATION OF VIOTIA S.A. during 31.12.2008 are analyzed as follows:

	31.12.2008	31.12.2007
Tangible fixed assets	71,855	13,500
Other long-term receivables	123	14
Current assets	13,415	-
Cash & cash equivalents	2,211	1,050
Net assets	87,604	14,564
Provisions		
Loan liabilities	68,761	13,600
Suppliers	14,513	-
Other Liabilities	1,194	5
Net assets	84,467	13,605
Net value of discontinued operations	3,137	959

The net cash flows of the company IRON THERMOELECTRIC STATION OF VIOTIA S.A. are as follows:

(Amounts in thousand Euro, unless stated otherwise)

	2008	2007
Operating	(12,643)	(40)
Investment	(66,805)	(13,498)
Financial	58,563	14,587
Net cash inflows/outflows	(20,885)	1,049

Earnings (losses) per share

	2008	2007
Basis earnings (losses) per share	(0.003)	(0.001)

30 INTERESTS IN JOINT VENTURES

The Group holds interests in jointly controlled companies. The financial statements of the Group reflect its rights on assets, liabilities, revenues and expenses of joint ventures as follows:

	31.12.2008	31.12.2007
Non-current assets	128,003	19,216
Current assets	259,980	157,917
Long-term liabilities	(116,911)	(14,295)
Short-term liabilities	(218,829)	(140,869)
Net assets/liabilities	**52,243**	**21,969**
Revenues	196,121	149,153
Expenses	187,231	142,607
	8,890	6,546

31 TRANSACTIONS WITH RELATED PARTIES

The transactions, as well as the balances of the Group with its related parties for 2008 and 2007, are analyzed as follows:

2008	**GROUP**				**COMPANY**			
Related party	**Sales**	**Purchases**	**Debit Balances**	**Credit Balances**	**Sales**	**Purchases**	**Debit Balances**	**Credit Balances**
Subsidiaries	-	-	-	-	332	4,560	230	426
Joint Ventures	-	-	-	-	4,512	0	5,028	0
Associates	13,078	31,748	397	1,293	6,250	60		

(Amounts in thousand Euro, unless stated otherwise)

2007	GROUP				COMPANY			
Related party	**Sales**	**Purchases**	**Debit Balances**	**Credit Balances**	**Sales**	**Purchases**	**Debit Balances**	**Credit Balances**
Subsidiaries	0	0	0	0	366	5,669	1,640	67
Other affiliated parties	0	0	0	0	143	0	4,734	0

The transactions with related parties take place with the same terms that hold for transactions with third parties.

Remuneration of Board of Directors members and senior executives of the Company: The remuneration of Board of Directors members and senior executives of the group and Company, recognized on 31 December 2008 and 2007 are as follows:

	GROUP	COMPANY
	31.12.2008	**31.12.2008**
Remuneration of BoD members for services rendered	1,773	130
Remuneration of BoD members as employees	468	252
Remuneration for participation in BoD meetings	1,625	470
	3,866	**852**

32 AIMS AND POLICIES OF RISK MANAGEMENT

The group is exposed to many financial risks such as market risk (volatility in exchange rates, interest rates, market prices etc.), credit risk and liquidity risk. The risk management plan aims to eliminate the negative effect of these risks on financial results of the group as these effects are the results of the uncertainty in financial markets and the changes in costs and sales. The risk management policy is undertaken by the treasury of the Group and the procedure is as follows:

- Evaluation of risks related to Group’s activities and operations.
- Planning of the methodology and choice of the necessary financial products for the reduction of risk.
- Execution/application, in accordance with the approved procedure by the management, of the risk management plan.

The financial means of the Group are mainly deposits in banks, short-term financial products of high liquidity traded on the money market, trade debtors and creditors, loans to and from subsidiaries, associates and joint ventures, shares, dividends payable and liabilities arising from leasing, derivatives.

33 FOREIGN EXCHANGE RISK

Foreign exchange risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate due to currency variance.

(Amounts in thousand Euro, unless stated otherwise)

For the group, this type of risk derives from transactions denominated in foreign currency, in countries out of the Euro-Zone and in countries which have currencies not likened to euro. The transactions relate to fixed assets and inventory purchases, trade customers and suppliers, investments in financial assets, debt, as well as investments in foreign entities. The Group operates through branches or subsidiaries in Greece, in the Middle East and in the Balkans and consequently it is exposed to foreign exchange risk.

The current operations of the Group, abroad, relate to construction and real estate, whilst RES operations are to commence.

For construction in the Balkans, the contractual receivables and liabilities to suppliers and subcontractors are denominated in euro, and foreign exchange risk is limited.

Real estate development is carried through group companies and exposure to risk coincides to the construction activities referred to above. The sales are agreed in euro so foreign exchange risk is, also, limited.

In relation to the construction activities in the Middle East the contractual receivables and liabilities to suppliers and subcontractors are denominated in local currencies, which are linked to US dollar, so there exists exposure to USD variations.

	2008							
Nominal values	**RON**	**MKD**	**BGN**	**AED**	**QAR**	**BHD**	**USD**	**ALL**
Financial assets	3,882	626	32,693	63,497	52,815	49,265	13,223	4,480
Financial liabilities	4,343	3	26,012	54,693	58,950	30,210	38,753	7,163
Total current	**8,225**	**629**	**58,705**	**118,190**	**11,765**	**79,475**	**51,976**	**11,643**
Financial assets	3,946	0	5,476	217	0	19,172	10,641	0
Financial liabilities	2,779	0	0	8,712	0	1,664	10,641	0
Total non-current	**6,725**	**0**	**5,476**	**8,929**	**0**	**20,836**	**21,282**	**0**

	2007							
Nominal values	**RON**	**MKD**	**BGN**	**AED**	**QAR**	**BHD**	**USD**	**ALL**
Financial assets	3,874	6,536	14,802	18,743	13,111	12,086	5,442	0
Financial liabilities	3,138	3,390	22,826	21,074	12,241	11,043	14,476	0
Total current	**7,012**	**9,926**	**37,628**	**39,817**	**25,352**	**23,129**	**19,918**	**0**
Financial assets	7,495	0	2	9	1,064	9,315	10,255	0
Financial liabilities	0	0	6,276	0	19	149	10,255	0
Total non-current	**7,495**	**0**	**6,278**	**9**	**1,083**	**9,464**	**20,510**	**0**

The following table presents the sensitivity of the period's results and equity in relation to financial assets and liabilities and the exchange rate of the euro against relevant currencies.

(Amounts in thousand Euro, unless stated otherwise)

For the above currencies we analyzed the sensitivity to a 10% change. For BGN we did not analyze the change as the currency is pegged to euro and therefore is not subject to currency risk.

	2008							
	RON	**MKD**	**BGN**	**AED**	**QAR**	**BHD**	**USD**	**ALL**
Effect on the Results before tax	71	62	0	31	(614)	3,656	(2,552)	(268)
Effect on Equity	(134)	0	0	(7)	48	(37)	0	1

	2007							
	RON	**MKD**	**BGN**	**AED**	**QAR**	**BHD**	**USD**	**ALL**
Effect on the Results before tax	823	315	0	(232)	192	1,021	(903)	0
Effect on Equity	(61)	0	0	0	19	18	0	0

For this type of risk the Group's Management and the risk management department puts effort, that receivables (revenue) and liabilities (expenses) are agreed either in euro or in currencies linked to euro, or in the same currency so that the risk is minimal.

34 SENSITIVITY ANALYSIS OF INTEREST RATE RISK

The Group's policy is to minimize its exposure to interest rate risk regarding its long-term financing. 43% (euro 88,141) of long-term debt and 79% (euro 29,321) of liabilities from financial leasing are in fixed rates. Moreover, euro 60,114 of long-term debt is covered by effective interest rate derivatives. Therefore, 75% (euro 177,576) of the above debt is under a fixed rate.

The following table presents the sensitivity of the results for the period as well as of equity towards a reasonable change in interest rates (for long-term and short-term debt) amounting to +20% –20% (2007: +/-10%). The changes in interest rates are estimated to be normal in relation to current market conditions.,

	2008		2007	
	+20%	-20%	+10%	-10%
Result for the period before taxes	(3,171)	3,171	(881)	881

The Group is not exposed to other interest rate risks or price risk of securities whose price is traded on a financial market.

35 ANALYSIS OF CREDIT RISK

The credit risk exposure of the Group is limited to financial assets which at the balance sheet date are as follows:

	2008	**2007**
Categories of financial assets		
Financial assets available for sale	14,300	17,262
Cash and equivalents	541,720	424,670
Loans and receivables	247,448	365,644
Total	**803,468**	**807,576**

(Amounts in thousand Euro, unless stated otherwise)

The GEK TERNA Group continuously monitors its receivables, either separately or per group and encompasses any differences in its credit risk. In cases that deemed necessary external reports related to current or potential customers are used. The Group's policy is to co-operate only with trustworthy customers.

The management of the Group assumes that the aforementioned financial assets for which necessary impairment is calculated are of high credit quality, included those in debt. (see Note 12 for further information regarding the impairment of assets or financial assets in debt).

For trade and other receivable the Group is not exposed to significant credit risk. The credit risk for receivables ready to be liquidated as well as other short-term financial assets (cash equivalents) is estimated to be minimal, given that the counterparties are reliable banks having a high grade capital structure, the Greek state or companies of the broader public sector, or powerful business groups.

36 ANALYSIS OF LIQUIDITY RISK

The GEK TERNA Group manages its liquidity needs by closely monitoring its long-term financial liabilities and the daily payments. The liquidity needs are monitored in different time-zones daily and weekly as well as in a rolling 30 days period. The liquidity needs for the coming 6 months and the coming year are estimated on a monthly basis.

The company maintains cash and deposits in banks in order to cover its liquidity needs for periods up to 30 days. The capital for long-term liquidity needs are not bonded to time-deposits of the company.
The maturity of financial liabilities at the 31st of December 2008 for the GEK TERNA Group is analyzed as follows:

	Short-term		**Long-term**
	0 to 12 months	**2 to 5 years**	**Over 5 years**
Long-term Debt	40,477	108,645	88,335
Liabilities from financial leasing	9,396	30,222	2,983
Liabilities from derivatives	3,092	20,475	64,592
Short-term Debt	323,986	0	0
Trade Liabilities	134,646	0	0
Other liabilities	186,359	42,676	0
Total	**697,956**	**202,018**	**155,910**

The respective maturity of financial liabilities for 31st December 2007, was as follows:

	Short-term		**Long-term**
	0 to 12 months	**2 to 5 years**	**Over 5 years**
Long-term Debt	29,315	139,963	21,649
Liabilities from financial leasing	3,592	21,682	1,963
Short-term Debt	182,215	0	0
Trade Liabilities	86,824	0	0
Other liabilities	154,064	1,724	0
Total	**456,010**	**163,369**	**23,612**

(Amounts in thousand Euro, unless stated otherwise)

The above contractual maturities reflect the gross cash flows, which may differ from the book values of liabilities during the balance sheet date.

37 PRESENTATION OF FINANCIAL ASSETS AND LIABILITIES PER CATEGORY

The financial assets as well as the financial liabilities during the balance sheet date, may be categorized as follows:

	2008	2007
Non-current assets		
Loans and receivables	19,310	25,942
Financial assets available for sale	12,030	12,193
Total	**31,340**	**38,135**
Current assets		
Other financial assets	2,270	5,069
Loans and receivables - Trade receivables	195,717	137,243
Loans and receivables - Prepayments and other receivables	29,721	188,273
Other financial assets	2,700	0
Cash and equivalents	541,720	424,670
Total	**772,128**	**755,255**

	2008	2007
Long-term liabilities		
Loans - Financial liabilities at depreciated cost	197,313	165,124
Derivatives - Financial liabilities at fair value	52,719	0
Trade liabilities - Financial liabilities at depreciated cost	42,676	1,724
Total	**292,708**	**166,848**
Short-term liabilities		
Loans - Financial liabilities at depreciated cost	362,423	215,390
Derivatives - Financial liabilities at fair value	2,953	0
Suppliers - Financial liabilities at depreciated cost	134,646	86,824
Accrued and other liabilities - Financial liabilities at depreciated cost	139,729	154,063
Total	**639,751**	**456,277**

The above table does not include financial assets and liabilities of non-current assets available for sale. See notes 3c, 3d for a more detailed description on how the category of financial instruments affects their subsequent valuation.

(Amounts in thousand Euro, unless stated otherwise)

38 POLICIES AND PROCEDURES FOR CAPITAL MANAGEMENT

The aims of the GEK TERNA Group regarding the management of its capital are as follows:

- To ensure the ability of the Group to continue its activity (going-concern) and
- To secure a satisfactory return for its shareholders by pricing products and services according to their level of risk.

The Group defines the level of capital in proportion to the risk of its activities, it monitors the developments of the economic environment and their effect on the risk characteristics, and it manages the capital structure (relation of debt to equity) with the adjustment of the amount and maturity of debt, the issue of new shares or the return of capital to shareholders, with the adjustment of the dividend and the sale of individual or a group of assets.

For this purpose, the Group monitors its capital based on the leverage ratio which is defined as Net Debt / Equity, where a) Net Debt is defined as Liabilities from loans and financial leases minus Cash equivalents, as such appear in the Balance Sheet

The ratio at the end of 2008 and 2007 was as follows:

	2008	**2007**
Interest bearing debt	559,736	380,514
Minus:		
Cash & Cash equivalents	(541,720)	(424,670)
Net Debt	**18,016**	**(44,156)**
Total equity	**689,786**	**720,451**
Leverage ratio	**2.6%**	**(6.13 %)**

The aim of the Group regarding the management of capital is to adjust the leverage ratio (as defined above) to a rate of at least 50% in the near future.

39 EXISTING COLLATERAL ASSETS

Mortgage prenotations to the amount of € 11,307 have been registered on the property of some subsidiaries included in the consolidation, as security for bank loans. For the same reason shares of subsidiaries and associates amounting to 13,076 euro are pledged.

40 CONTINGENT LIABILITIES-OBLIGATIONS

During the course of conducting its business, the Company may face legal claims from third parties. According to both the Management and the Company's Legal Counsel, any such claims are not expected to have a significant impact on the Company's operation and financial position as of the 31st of December 2008.

Also, guarantees have been provided for security against bank loans on behalf of participating companies amounting to euro 75,000.

The Group, in the context of the development of energy production, whose completion is expected during 2009 and 2010, has committed for the supply of equipment and fixed assets construction, amounting to approximately € 85 million.

41 EVENTS AFTER THE BALANCE SHEET DATE

There are no significant events after the end of 2008 until today.

42 ADJUSTMENTS FOR THE PRESENTATION OF THE ABSOPTION OF TERNA SA OTHER ACTIVITIES BY THE PARENT COMPANY GEK TERNA SA

During 2008, the Group's transformation was completed. The transformation provided for the separation of the subsidiary TERNA SA in two sections, one of which refers to the construction sector and was absorbed by its 100% subsidiary LITHOS SA, while the other section that included the remaining activities was absorbed by its parent GEK SA, now renamed to GEK TERNA SA.

As regards to the basis for preparation of the revised financial statements of the parent GEK TERNA SA, we specifically note the following:

- The separation of the subsidiary company TERNA in two sections, with absorption of one section by the parent GEK TERNA SA and the other by LITHOS SA, has no effect on the Consolidated Equity and Consolidated Results, as it concerns subsidiaries that were already consolidated.
- For the preparation of the revised financial statements, the following facts have been taken into account:

a) the separated company TERNA SA constitutes a subsidiary (according to the definition of IAS 27) with a total participation of GEK TERNA in such amounting to 56.38 %, while the latter has control on the former and consolidates such from 1999.
b) with the transformation, there is no change to the Equity of the Group. The only differentiation regards the reduction of the minority interests, arising from the TERNA Group, on the total net position of the GEK TERNA Group, due to the fact that the shareholders of TERNA, which represent 43.62%, are now shareholders of the parent GEK TERNA SA. Correspondingly, there is no change to the Group's Results and the only differentiation regards the reduction of the minority interest, arising from the TERNA Group, on the Consolidated Results.
c) as regards to the accounting treatment of the transformation, IFRS 3 does not apply to the consolidated financial statements of GEK TERNA. IFRS refers to the consolidation of economic entities during the date where control is acquired for the first time, a fact that does not hold for the aforementioned transformation.
d) the transformation is recognized according to the effective IAS 27, par. 30-31, according to which the difference between the book value of the specific minority and the fair value of the exchange provided, at the completion of the agreement, is recognized directly to Equity corresponding to shareholders of the parent. This basis is in accordance with the accounting policies applied by the Group.
e) the absorption by the parent GEK TERNA SA of the remaining activities of TERNA SA is not within the scope of IFRS 3 as the companies are under joint control.

Taking into account the above, for the presentation of the absorption of TERNA SA other activities, the Pooling of Interests method was selected, according to which the parent has reflected the results and net assets in the financial statements from 1 January2007.

(Amounts in thousand Euro, unless stated otherwise)

The individual financial statements (balance sheet, income statement, cash flow statement and statement of changes in equity) of the parent company GEK TERNA SA, as had been initially published and as restated, including the assets and liabilities of TERNA which were absorbed by GEK TERNA SA, are as follows:

BALANCE SHEET	**Restated accounts of 31/12/2007**	**Changes due to absorption of TERNA other activities**	**Initially published accounts of 31/12/2007**
ASSETS			
Non current assets			
Tangible fixed assets	12,944	12,894	50
Investment property	21,769	0	21,769
Participations in subsidiaries	183,499	28,444	155,055
Participations in associates	41,921	24,502	17,419
Participations in joint ventures	27,940	1,139	26,801
Other investments	12,157	0	12,157
Other long-term assets	3,212	6	3,206
Total non current assets	**303,442**	**66,985**	**236,457**
Current assets			
Inventories	11,540	0	11,540
Trade receivables	23,773	10,920	12,853
Prepayments and other receivables	11,404	9,782	1,622
Income tax receivables	2,885	0	2,885
Other short-term financial assets	5,069	1,343	3,726
Cash and cash equivalents	19,308	0	19,308
Total current assets	**73,979**	**22,045**	**51,934**
TOTAL ASSETS	**377,421**	**89,030**	**288,391**
EQUITY & LIABILITIES			
Share capital	48,500	24,933	23,567
Share premium account	170,410	0	170,410
Reserves	53,134	597	52,537
Profit/(Losses) carried forward	32,862	3,314	29,548
Total equity	**304,906**	**28,844**	**276,062**
Long term liabilities			
Long-term loans	36,500	36,500	0
Provisions for staff indemnities	178	0	178
Other long-term liabilities	176	0	176
Deferred tax liabilities	2,685	0	2,685
Total long term liabilities	**39,539**	**36,500**	**3,039**
Short term liabilities			
Suppliers	245	0	245
Short term loans	18,771	13,771	5,000
Long term loans payable during the next financial year	9,000	9,000	0
Accrued and other short term liabilities	3,291	915	2,376
Income tax payable	1,669	0	1,669
Total short term liabilities	**32,976**	**23,686**	**9,290**
TOTAL LIABILITIES & EQUITY	**377,421**	**89,030**	**288,391**

(Amounts in thousand Euro, unless stated otherwise)

INCOME STATEMENT	Restated accounts of 31/12/2007	Changes due to absorption of TERNA other activities	Initially published accounts of 31/12/2007
Turnover	25,343	0	25,343
Cost of sales	(19,295)	(379)	(18,916)
Gross profit	**6,048**	**(379)**	**6,427**
Administration and Distribution expenses	(2,062)	0	(2,062)
Research and Development expenses	0	0	0
Other income / (expenses)	6,608	359	6,249
Net financial income/(expenses)	(1,174)	(2,965)	1,791
Profit/(Losses) before tax	**9,420**	**(2,984)**	**12,404**
Income tax	(2,185)	0	(2,185)
Net profit/(losses) for the period	**7,235**	**(2,984)**	**10,219**

CASH FLOW STATEMENT	Restated accounts of 31/12/2007	Changes due to absorption of TERNA other activities	Initially published accounts of 31/12/2007
Cash flow from operating activities			
Profit before tax	9,420	(2,984)	12,404
Adjustments for the agreement of the net flows from the operating activities			
Depreciation	391	379	12
Provisions	57	0	57
(Interest and related revenue)	(2,060)	0	(2,060)
Interest and other financial expenses	3,234	2,965	269
Results from intangible and tangible asset and investment property	(952)	0	(952)
Results from participations and securities	(5,811)	(356)	(5,455)
Other adjustments	12	0	12
Operating profit before changes in working capital	4,291	4	4,287
(Increase)/Decrease in:		0	
Inventories	5,206	0	5,206
Trade receivables	(557)	0	(557)
Prepayments and other short term receivables	(686)	(1,462)	776
Increase/(Decrease) in:		0	
Suppliers	(542)	0	(542)
Accruals and other short term liabilities	(753)	(1,902)	1,149
(Increase)/Decrease of other long term claims and liabilities	(1,582)	0	(1,582)
Income Tax payments	(237)	0	(237)
Cash inflow from operating activities	**5,140**	**(3,360)**	**8,500**
Cash flows from investment activities			
(Purchases of intangible and tangible assets)	(43)	0	(43)
Interest and related income received	2,060	0	2,060
(Purchases) / Income from the sale of participations and securities	(74,380)	(25,850)	(48,530)
Income from participations	5,399	0	5,399
Investment Property	4,120	0	4,120
Cash outflows for investment activities	**(62,844)**	**(25,850)**	**(36,994)**

(Amounts in thousand Euro, unless stated otherwise)

Cash flows from financial activities			
Purchase of treasury shares	(2,050)	(61)	(1,989)
Net change of short term loans	18,771	13,771	5,000
Net change of long term loans	15,500	15,500	0
(Dividends paid)	(7,856)	0	(7,856)
(Interest paid)	(269)	0	(269)
Change of other financial assets	29,658	0	29,658
Cash outflows for financial activities	**53,754**	**29,210**	**24,544**
Net increase in cash & cash equivalents	**(3,950)**	**0**	**(3,950)**
Cash & cash equivalents at the beginning of the period	**23,258**	**0**	**23,258**
Cash & cash equivalents at the end of the period	**19,308**	**0**	**19,308**

THE CHAIRMAN OF THE BOARD

GEORGIOS PERISTERIS

THE VICE-CHAIRMAN OF THE BOARD & MANAGING DIRECTOR

NIKOLAOS KAMBAS

THE FINANCE DIRECTOR

CHRISTOS ZARIBAS

THE CHIEF ACCOUNTANT

KONSTANTINOS KONSTANTINIDIS

ΓΕΚ ΤΕΡΝΑ
ΟΜΙΛΟΣ ΕΤΑΙΡΕΙΩΝ

GEK TERNA SOCIETE ANONYME HOLDINGS REAL ESTATE CONSTRUCTIONS COMPANY

S.A. Reg. No. 6044/06/B/86/142
85 Mesogeion Ave., 11526 Athens
DATA AND INFORMATION FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2008
(Published according to C.L. 2190/1920, article 135 for companies that prepare annual financial statements, consolidated and non-consolidated, according to IAS)

The following data and information that are derived from the financial statements, aim at providing general information on the financial position and results of "GEK TERNA SOCIETE ANONYME HOLDINGS REAL ESTATE CONSTRUCTIONS COMPANY". Therefore, before proceeding with any kind of investment choice or other transaction with the company, readers should refer to the company's website where the financial statements are posted, together with the audit report by the certified auditor.

Responsible Prefecture: Athens Prefecture
Company website: www.gekterna.gr
Approval date of the annual financial statements by the board of directors: 27/3/2009
Certified auditor accountant: Vasilios Papageorgakopoulos
Auditing firm: SOL SA
Type of audit report: In accordance

Board of Directors Composition:
GEORGIOS PERISTERIS (CHAIRMAN)
NIKOLAOS CAMBAS (VICE CHAIRMAN & MANAGING DIRECTOR)
MARIA CAMBA, AGGELIS PAPPAS, MICHAEL GOURZIS (MEMBERS)
PANAGIOTIS POTHOS (NON EXECUTIVE MEMBER)
MARIA KALTSA, DIMOSTHENIS KASSAVETIS (INDEPENDENT NON EXECUTIVE MEMBERS)

BALANCE SHEET

Amounts in thousand euro

	CONSOLIDATED		COMPANY	
	31/12/08	31/12/07	31/12/08	31/12/07
ASSETS				
Self used tangible fixed assets	428.461	312.551	12.756	12.944
Investment property	105.953	147.364	15.609	21.769
Intangible assets	64.545	6.934	98	0
Other non-current assets	115.530	122.953	274.621	268.729
Inventories	106.389	60.582	12.842	11.540
Trade receivables	264.638	219.571	20.650	23.773
Other current assets	696.926	549.870	23.576	38.666
Non-current assets intended for sale	118.658	0	0	0
TOTAL ASSETS	1.901.100	1.419.825	360.152	377.421
EQUITY & LIABILITIES				
Share capital	48.953	23.567	48.953	48.500
Other equity	442.457	363.103	246.552	256.406
Total Net Position of company shareholders (a)	491.410	386.670	295.505	304.906
Minority interest (b)	198.376	333.781	-	-
Total Net Position (c) = (a) + (b)	689.786	720.451	295.505	304.906
Long-term loans	197.313	165.124	25.500	36.500
Provisions/Other-long-term liabilities	233.262	77.972	2.108	3.039
Short-term bank liabilities	362.423	215.390	33.052	27.771
Other-short-term liabilities	333.041	240.888	3.987	5.205
Liabilities related to non-current assets intended for sale	85.275	0	0	0
Total liabilities (d)	1.211.314	699.374	64.647	72.515
TOTAL EQUITY & LIABILITIES (c) + (d)	1.901.100	1.419.825	360.152	377.421

INCOME STATEMENT FOR THE 2008

Amounts in thousand euro

	CONSOLIDATED 1/1/08 - 31/12/08			CONSOLIDATED 1/1/07 - 31/12/07			COMPANY	
	Συνεχιζόμενες δραστηριότητες	Διακοπείσες δραστηριότητες	Σύνολο	Συνεχιζόμενες δραστηριότητες	Διακοπείσες δραστηριότητες	Σύνολο	1/1/08 - 31/12/08	1/1/07 - 31/12/07
Turnover	669.224	26.848	696.072	428.565	17.574	446.139	8.186	25.343
Gross profit	82.800	2.842	85.642	62.949	3.778	66.727	2.681	6.048
Profit/(Loss) before tax, financial and investment results (EBIT)	59.809	1.826	61.635	67.681	3.130	70.811	7.872	10.594
Profit/(Loss) before tax	54.638	1.163	55.801	65.461	2.103	67.564	5.672	9.420
Profit/(Loss) after tax	33.556	1.407	34.963	52.506	1.577	54.083	4.951	7.235
Attributable to:								
Shareholders of the company	22.229	1.407	23.636	35.952	1.577	37.529		
Minority interest	11.327	0	11.327	16.554	0	16.554		
	33.556	1.407	34.963	52.506	1.577	54.083		
Earnings/Losses after tax per share - basic (in €)	0,3164	0,0200	0,3364	0,5117	0,0224	0,5342	0,0705	0,1106
Proposed dividend per share							0,1200	0,1200
Profit/(Loss) before tax, financial and investment results and depreciation (EBITDA)	82.710	1.826	84.536	85.078	5.260	90.338	8.417	10.985

STATEMENT OF CHANGES IN EQUITY

Amounts in thousand euro

	CONSOLIDATED		COMPANY	
	31/12/08	31/12/07	31/12/08	31/12/07
Equity at the beginning of the period (01/01/2008 and 01/01/2007 respectively)	720.451	398.976	304.906	308.490
Profit / (loss) for the period, after tax	34.963	54.083	4.951	7.235
Increase/decrease of share capital	778	290.960	0	0
Distributed dividends	-14.360	-12.787	-7.815	-7.856
Net income registered directly in equity	-42.383	-2.341	-2.364	-1.927
Purchases/sales of treasury shares	-6.559	-2.050	-2.450	-2.050
Other movements	-3.104	-6.390	-1.723	1.014
Equity at the end of the period (31.12.08 and 31.12.07 respectively)	689.786	720.451	295.505	304.906

CASH FLOW STATEMENT (indirect method)

Amounts in thousand euro

	CONSOLIDATED		COMPANY	
	1/1/08 - 31/12/08	1/1/07 - 31/12/07	1/1/08 - 31/12/08	1/1/07 - 31/12/07
Operating activities				
Profit before tax	54.638	65.461	5.672	9.420
Plus/less adjustments for:				
Depreciation	24.930	19.202	545	391
Provisions	10.898	2.500	124	57
Interest and related income	-22.237	-6.284	-834	-2.060
Interest and other financial expenses	22.739	17.685	3.969	3.234
Results from participations and securities	2.103	-13.383	-8.183	-5.811
Results from tangible and intangible fixed assets and investment property	-9.248	-35.111	-60	-952
Amortization of grants	-2.028	-1.820	0	0
Other adjustments	1.447	1.731	0	12
Total inflows/outflows from operating activities	83.242	49.981	1.233	4.291
Plus/Less adjustments for working capital account movements or movements related to operating activities:				
Decrease / (increase) in inventories	-5.479	-5.107	-1.302	5.206
Decrease / (increase) in receivables	-46.125	-52.195	13.923	-1.243
(Decrease) / increase in liabilities (other than to banks)	143.955	49.407	1.043	-2.877
Income tax paid	-19.501	-13.203	-2.469	-237
Operating flows of suspended activities	-7.379	950	0	0
Total inflows / (outflows) from operating activities (a)	148.713	29.833	12.428	5.140
Investing activities				
Purchase of tangible and intangible fixed assets	-209.095	-66.023	-492	-43
Sales of tangible and intangible fixed assets	180	1.623	37	0
Interest received	21.763	4.391	818	2.060
Acquisitions/Sales of subsidiaries, associates, joint ventures and other investments	-5.541	-54.915	-6.107	-74.380
Income from participations	55	9	3.742	5.399
Investment property	9.632	-31.031	6.220	4.120
Cash & cash equivalents of absorbed company	21.921	0	0	0
Investment flows of suspended activities	-67.401	-13.980	0	0
Total inflows / (outflows) from investing activities (b)	-228.486	-159.926	4.218	-62.844
Financing activities				
Change in share capital	579	288.872	-144	0
Purchase of treasury shares	-6.559	-2.050	-2.450	-2.050
Net change in short-term loans	153.574	99.148	3.100	18.771
Net change in long-term loans	43.404	45.851	-9.000	15.500
Payments of loans from finance leasing	-9.416	-7.868	0	0
Dividends paid	-14.228	-12.787	-7.962	-7.856
Interest paid	-22.905	-14.505	-2.547	-269
Change in other financial assets	-2.700	35.695	-2.700	29.658
Financial flows from suspended activities	54.205	13.366	0	0
Total inflows / (outflows) from financing activities (c)	195.954	445.722	-21.703	53.754
Effect from foreign exchange rate changes in cash & cash equivalents (d)	870	0	0	0
Net increase / (decrease) in cash and cash equivalents for the period (a) + (b) + (c) + (d)	117.051	315.629	-5.057	-3.950
Cash and cash equivalents at the beginning of the period	424.670	109.040	19.308	23.258
Cash and cash equivalents at the end of the period	541.720	424.670	14.251	19.308

ADDITIONAL DATA AND INFORMATION

1. The Companies and Joint Ventures of the Group with the respective participation percentages consolidated in the Group, as well as the tax joint ventures not consolidated as the activities of such have been concluded, are reported in detail in Note 4 of the annual financial report for 31/12/2008.
The changes that took place in relation to the Financial Statements of the previous period and the respective period of the previous year, are as follows:
a) Participations of "GEK TERNA SA HOLDINGS REAL ESTATE CONSTRUCTIONS" that were consolidated in the Consolidated Financial Statements of the present period and that had not been consolidated in the respective Consolidated Financial Statements of 31/12/2007, as such were established or commenced activities in the present period.

No.	COMPANY NAME	PARTICIPATION PERCENTAGE	CONSOLIDATION METHOD
1	NEA ODOS SA	33,33%	PROPORTIONATE
2	CENTRAL GREECE MOTORWAY CONCESSION S.A.	33,33%	PROPORTIONATE
3	PRIME PROPERTY MANAGEMENT LTD	50,00%	PROPORTIONATE
4	IRON I I I VIOTIAS AE	100,00%	FULL
5	GEK STROY LTD	100,00%	FULL
6	GEK CYPRUS LTD	100,00%	FULL

b) Participations of "TERNA SA" and its subsidiary "TERNA ENERGY SA", consolidated in the Consolidated Financial Statements of the present period and which had not been consolidated in the respective Consolidated Financial Statements of 31/12/2007 as such were established in the present period.

No.	COMPANY NAME	PARTICIPATION PERCENTAGE	CONSOLIDATION METHOD
1	J/V "J/V TERNA SA - AKTOR ATE" - J&P AVAS SA	33,33%	PROPORTIONATE
2	J/V TERNA SA - AKTOR ATE	50,00%	PROPORTIONATE
3	J/V ALPINE BAU - TERNA SA	49,00%	PROPORTIONATE
4	J/V TERNA SA - THALES RAIL SIGNALLING SOLUTIONS	50,00%	PROPORTIONATE
5	J/V J&P AVAX SA - VIOTER SA - TERNA SA	33,33%	PROPORTIONATE
6	VRONTIS QUARRY PRODUCTS SA	100,00%	FULL
7	TERNA CONTRACTING CO WLL	100,00%	FULL
8	TERNA ELECTRICAL MECHANICAL WLL	70,00%	FULL
9	TERNA ENERGY OVERSEAS LTD	100,00%	FULL
10	EOLOS POLSKA Spzo	100,00%	FULL
11	EOLOS NOWOGRODZEC Spzo	61,00%	FULL

c) Participations of "TERNA SA", that were not consolidated in the Consolidated Financial Statements of the present period and which had been consolidated in the respective Consolidated Financial Statements of 31/12/2007 due to suspension of the activities and their liquidation.

No.	COMPANY NAME	PARTICIPATION PERCENTAGE	CONSOLIDATION METHOD
1	J/V TERNA SA - ATERMON SA	50,00%	PROPORTIONATE
2	J/V TERNA SA - THEMELIODOMI SA	60,00%	PROPORTIONATE
3	J/V TERNA SA - TEMA SA	36,50%	PROPORTIONATE
4	J/V BIOLOGICAL CLEANING PROJECT COMPLETION	50,00%	PROPORTIONATE

2. Based on the Decision under Reg. No. K2-14309-23.12.08 by the Ministry of Development, the process of the separation, according to the provisions of L. 2166/1993, of the subsidiary TERNA SA, with contribution of its assets to the parent "GEK TERNA SA" and to its subsidiary TERNA SA (former LITHOS SA), was completed.
3. The comparative accounts of the company were restated according to the accounting method of combination of interests due to absorption of other activities of the former subsidiary TERNA SA.
4. The Company has been audited by the tax authorities up to fiscal year 2007 included. The tax un-audited fiscal years of other Companies and Joint Ventures are reported in Note 24 of the Financial Statements.
5. There are no pending litigations or cases under arbitration by courts or arbitration authorities that may have a significant impact on the Company's or Group's financial position. The provision for all kind of litigations or cases under arbitration as at 31.12.2008 amount to 8,508 thousand € for the Group and to 24 thousand € for the Company. The other provisions that have been created until 31/12/2008 amount to 19,474 thousand € for the Group and to 90 thousand € for the Company. The amount of the provision for the tax unaudited fiscal years of the Group's companies as at 31.12.2008, amounts to 677 thousand € and for the company to 60 thousand €.
6. Number of employees at the end of the current period: Company 23, Group 1,117 (excluding Joint Ventures and Foreign Companies). Respectively at the end of the previous period 1.1 - 31.12.07: Company 25 and Group 950 (excluding Joint Ventures Foreign Companies).
7. The transactions of the GEK TERNA Group with affiliated parties for the period 1.1-31.12.08 as well as the balances as at 31st December 2008, are analyzed as follow (in thousand €):

	Group	Company
Income from sales of goods and services	13.078	11.092
Expenses for goods and services	31.748	4.620
Receivables	397	5.260
Liabilities	1.293	423
Transactions & remuneration of BoD and executives	3.866	852
Receivables from BoD members and executives	0	0
Receivables from BoD members and executives	225	15

From the above remuneration an amount of 382 thousand € for the Company & 2,241 thousand € for the Group, refer to remuneration for provided services, while the remaining 470 thousand € for the Company & 1,625 thousand € for the Group refer to remuneration for Board of Directors meetings.

8. The following were registered directly in equity a) net loss from valuation of interest rate swaps, amounting to €41,684 thousand for the Group, b) losses from valuation of mutual funds available for sale amounting to € 2,798 thousand for the Company and €2,803 thousand for the Group, c) expenses for share capital increase amounting to € 111 thousand for the Company and € 153 thousand for the Group, d) deferred tax asset from readjustment of property (L2065/92) amounting to €201 thousand for the Company and € 715 thousand for the Group, e) deferred tax asset from valuation differences of securities amounting to € 344 thousand for the company and € 390 thousand for the Group and f) positive foreign exchange differences from conversion of financial statements in euro, amounting to € 1,153 .
9. The Company owns 545,524 treasury shares with a total value of € 4,500 thousand.
10. At the end of 2008, the GEK TERNA Group made an agreement of the group GDF SUEZ for the transfer of 50% of the companies IRON THERMOELECTRIC S.A. and IRON II THERMOELECTRIC STATION OF VIOTIA S.A. This act is subject to the approvals stipulated by law and in the financial statements such has been presented as a suspended activity (note 29).

Athens, 27 March 2009

BoD CHAIRMAN	VICE-CHAIRMAN OF THE BOARD & CHIEF EXECUTIVE OFFICER
GEORGIOS PERISTERIS	NIKOLAOS D. KAMPAS ID No.: X 679387
FINANCE DIRECTOR	HEAD OF ACCOUNTING DEPARTMENT
CHRISTOS ZARIMBAS GEC No. 0013058	KONSTANTINOS KONSTANTINIDIS GEC No 0028458

VII. INFORMATION OF ARTICLE 10 L.3401/2005

Press Releases – Corporate Announcements

The following Press Releases and Corporate Announcement are posted on the Company's website as well as on the website of the Athens Exchange, at the addresses: www.gekterna.gr & www.ase.gr.

Date	Title
02/01/2008	Purchase of treasury shares
07/01/2008	Replacement of Head Accountant
11/01/2008	Disclosure of Transaction
11/01/2008	Disclosure of Transaction
16/01/2008	Purchase of treasury shares
22/01/2008	Disclosure of Transaction
22/01/2008	Disclosure of Transaction
22/01/2008	Purchase of treasury shares
23/01/2008	Disclosure of Transaction
23/01/2008	Purchase of treasury shares
24/01/2008	Disclosure of Transaction
24/01/2008	Disclosure of Transaction
25/01/2008	Disclosure of Transaction
12/02/2008	Disclosure of Transaction
12/02/2008	Disclosure of Transaction
13/02/2008	Disclosure of Transaction
29/02/2008	Purchase of treasury shares
29/02/2008	Disclosure of Transaction
29/02/2008	Disclosure of Transaction
03/03/2008	Purchase of treasury shares
03/03/2008	Disclosure of Transaction
03/03/2008	Disclosure of Transaction
04/03/2008	Purchase of treasury shares
07/03/2008	Purchase of treasury shares
07/03/2008	Disclosure of Transaction
07/03/2008	Disclosure of Transaction
07/03/2008	Disclosure of Transaction
14/03/2008	Disclosure of Transaction
14/03/2008	Disclosure of Transaction
18/03/2008	Disclosure of Transaction
18/03/2008	Disclosure of Transaction
18/03/2008	Purchase of treasury shares
20/03/2008	2008 Financial Calendar
20/03/2008	Disclosure of Transaction
20/03/2008	Disclosure of Transaction
28/03/2008	2007 Annual Financial Results of the companies GEK and TERNA
31/03/2008	Correction of published data in the Press
07/04/2008	Commencement of Merger through acquisition of TERNA by GEK

11/04/2008	Disclosure of Transaction
11/04/2008	Disclosure of Transaction
15/04/2008	Disclosure of Transaction
15/04/2008	Disclosure of Transaction
16/04/2008	Purchase of treasury shares
16/04/2008	Disclosure of Transaction
16/04/2008	Disclosure of Transaction
18/04/2008	Purchase of treasury shares
18/04/2008	Disclosure of Transaction
18/04/2008	Disclosure of Transaction
22/04/2008	Disclosure of Transaction
30/04/2008	Announcement of Separation of Construction Sector and Quarry Operations
30/04/2008	Annual briefing of Analysts
02/05/2008	Disclosure of Transaction
05/05/2008	Disclosure of Transaction
06/05/2008	Corporate Presentation to Analysts
07/05/2008	Purchase of treasury shares
12/05/2008	Disclosure of Transaction
12/05/2008	Disclosure of Transaction
19/05/2008	Disclosure of Transaction
19/05/2008	Disclosure of Transaction
20/05/2008	TERNA undertakes new projects in the Middle East
21/05/2008	Purchase of treasury shares
21/05/2008	Disclosure of Transaction
21/05/2008	Disclosure of Transaction
22/05/2008	Purchase of treasury shares
23/05/2008	Purchase of treasury shares
23/05/2008	Disclosure of Transaction
23/05/2008	Disclosure of Transaction
26/05/2008	Purchase of treasury shares
28/05/2008	Correction in the Financial Statements for the period 1/1-31/12/2007
28/05/2008	Purchase of treasury shares
29/05/2008	Purchase of treasury shares
30/05/2008	Invitation to the Annual Ordinary General Shareholders' Meeting
30/05/2008	1st quarter 2008 results of the companies GEK and TERNA
03/06/2008	2007 Annual Report
04/06/2008	Correction to "Data and Information for the period from 1 January 2008 to 31 March 2008"
13/06/2008	Purchase of treasury shares
13/06/2008	Disclosure of Transaction
13/06/2008	Disclosure of Transaction
17/06/2008	Purchase of treasury shares
18/06/2008	Purchase of treasury shares
19/06/2008	Purchase of treasury shares
20/06/2008	Purchase of treasury shares
23/06/2008	Proposed Articles of Association
23/06/2008	Announcement of draft for amendment of Articles of Association
23/06/2008	Purchase of treasury shares

24/06/2008	Announcement
24/06/2008	Purchase of treasury shares
24/06/2008	Disclosure of Transaction
24/06/2008	Disclosure of Transaction
25/06/2008	Announcement for purchase of treasury shares
25/06/2008	Decisions by the Ordinary General Shareholders' Meeting o 25/6/2008
25/06/2008	Announcement of dividend payment for 2007
27/06/2008	End of Purchase of Treasury Shares
11/07/2008	Purchase of treasury shares
16/07/2008	Replacement of Finance Director
23/07/2008	Comments on articles published in the press
23/07/2008	Announcement of Restatement of Financial Statements of 31/12/2006
08/08/2008	Disclosure of Transaction
14/08/2008	Disclosure of Transaction
29/08/2008	IR Report 30.6.2008
29/08/2008	1st half 2008 results
02/09/2008	Disclosure of Transaction
02/09/2008	Purchase of treasury shares
04/09/2008	Disclosure of Transaction
04/09/2008	Disclosure of Transaction
04/09/2008	Purchase of treasury shares
04/09/2008	Model mountain housing complex by the company ICON Ltd in Borovets Bulgaria
05/09/2008	Purchase of treasury shares
08/09/2008	Purchase of treasury shares
11/09/2008	Purchase of treasury shares
12/09/2008	Purchase of treasury shares
12/09/2008	Disclosure of Transaction
15/09/2008	Purchase of treasury shares
17/09/2008	Disclosure of Transaction
19/09/2008	Approval of Draft Separation Agreement
19/09/2008	Purchase of treasury shares
25/09/2008	Purchase of treasury shares
25/09/2008	Disclosure of Transaction
25/09/2008	Disclosure of Transaction
26/09/2008	Purchase of treasury shares
29/09/2008	Purchase of treasury shares
29/09/2008	Disclosure of Transaction
29/09/2008	Disclosure of Transaction
30/09/2008	Purchase of treasury shares
30/09/2008	Disclosure of Transaction
30/09/2008	Disclosure of Transaction
01/10/2008	Purchase of treasury shares
03/10/2008	Summary of draft separation agreement
06/10/2008	Disclosure of Transaction
06/10/2008	Disclosure of Transaction
13/10/2008	Report by Independent Appraiser, ALPHA BANK SA, for the reasonable and fair exchange ratio.

13/10/2008	Authorization for representation in the Extraordinary General Meeting of November 6th 2008
13/10/2008	Announcement of Report according to article 4.1.4.1.3 of the Athens Exchange Regulation
13/10/2008	Invitation to the Extraordinary General Shareholders' Meeting
20/10/2008	Announcement of Amendment to Articles of Association according to the provisions of article 19 of L. 3556/07
22/10/2008	Purchase of treasury shares
22/10/2008	Disclosure of Transaction
22/10/2008	Disclosure of Transaction
23/10/2008	Purchase of treasury shares
23/10/2008	Disclosure of Transaction
06/11/2008	Decisions by the Extraordinary General Shareholders' Meeting of 6/11/2008
06/11/2008	Audit report for the definition of book value of assets of the splitting company "TERNA SOCIETE ANONYME TOURISM TECHNICAL AND SHIPPING COMPANY" based on the transformation balance sheet of 30/6/2008 according to L. 2166/1993
11/11/2008	Disclosure of change in Shareholders' stake
18/11/2008	Decisions by the A' Repeated Extraordinary General Shareholders' Meeting of 18/11/2008
27/11/2008	Pre-announcement of opening for Industrial Park of Thessaloniki (VIPATHE)
28/11/2008	IR Report 30.9.2008
28/11/2008	9M 2008 results of the companies GEK and TERNA
29/11/2008	Opening of Industrial Park of Thessaloniki (VIPATHE) - Speech by BoD Vice-Chairman Mr. Aggelos Benopoulos
18/12/2008	Presentation of methods applied by the Independent Appraiser, ALPHA BANK SA, for the valuation of each individual company / sector /activity
18/12/2008	Cooperation of the GEK TERNA & GDP SUEZ groups in the energy sector
19/12/2008	Response to the letter by the Capital Market Commission
22/12/2008	Announcement of release for Prospectus of GEK S.A. regarding the share capital increase due to absorption of activities and assets of the splitting company TERNA S.A.
23/12/2008	Announcement for registration in the SA Registrar of the decision for the merger through acquisition of part of the splitting company TERNA by GEK, the share capital increase of GEK, the name change of GEK as well as the delisting of TERNA shares from the Athens Exchange.
24/12/2008	Announcement for the change of the company name and listing of the new shares
30/12/2008	Announcement for the company's share capital according to L. 3556/2007

The annual financial statements of the Group and Company as well as the financial statements of the companies consolidated, the audit report by the Certified Auditor and the Board of Directors' Reports for the period ended on 31st December 2008, have been posted on the Company's website, www.gekterna.gr