



GEK GROUP

SUMMARY INTERIM FINANCIAL STATEMENTS OF
THE PARENT COMPANY AND ITS GROUP
AS OF 30TH SEPTEMBER 2007
IN ACCORDANCE WITH THE INTERNATIONAL
FINANCIAL REPORTING STANDARDS (IFRS)

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GEK GROUP

BALANCE SHEET

30TH OF SEPTEMBER 2007

(All amounts are expressed in thousand of euros unless otherwise stated)

	Note	GROUP		COMPANY	
		30	31 December	30	31 December
		September	2006	September	2006
ASSETS					
Long-term assets					
Intangible fixed assets	7	6,921	6,292	0	0
Tangible fixed assets	7	304,957	257,340	43	19
Investment Property	8	110,336	68,946	21,769	24,937
Participations in subsidiaries	5, 17	0	0	140,156	130,235
Participations in associates	5, 9, 17	46,617	9,261	14,919	14,919
Participations in joint-ventures	5	1,647	0	7,764	5,473
Investments available for sale		13,137	14,920	13,098	12,463
Other long-term assets		15,004	12,314	3,206	1,709
Deferred income tax asset		5,573	5,053	0	0
Total long-term assets		504,192	374,126	200,955	189,755
Current assets:					
Inventories		52,456	55,352	12,928	16,746
Trade receivables		207,219	182,434	12,240	12,296
Prepayments and other claims		78,199	54,983	2,163	2,398
Income tax receivables		13,423	9,862	3,243	3,215
Other financial assets		5,561	40,040	3,867	32,835
Cash and cash equivalents		143,095	109,040	53,361	23,258
Total current assets		499,953	451,711	87,802	90,748
Non current assets available for sale	16	0	29,594	0	0
TOTAL ASSETS		1,004,145	855,431	288,757	280,503
EQUITY & LIABILITIES					
Equity attributable to the shareholders of the parent					
Share capital		23,567	23,567	23,567	23,567
Share premium account		170,410	170,410	170,410	170,410
Reserves		72,075	52,840	56,508	38,913
Profit carried forward		37,607	42,861	29,008	44,725
Total		303,659	289,678	279,493	277,615
Minority interest		108,138	109,298	0	0
Total equity		411,797	398,976	279,493	277,615

Long term liabilities:

Long-term loans		150,240	106,891	0	0
Loans from finance leases		25,252	21,231	0	0
Other long-term liabilities		3,649	4,211	173	261
Other provisions	12	4,231	1,713	0	0
Provisions for staff indemnities	12	1,639	1,171	167	121
Grants	13	46,605	37,323	0	0
Deferred tax liabilities		<u>11,562</u>	<u>5,663</u>	<u>987</u>	<u>254</u>
Total long term liabilities		<u>243,178</u>	<u>178,203</u>	<u>1,327</u>	<u>636</u>

Short term liabilities:

Suppliers		68,900	73,258	417	787
Short term loans		151,875	64,867	5,000	0
Long term loans payable during the next financial year		23,739	24,700	0	0
Accrued and other short term liabilities		96,634	96,431	1,532	1,465
Income tax payable		<u>8,022</u>	<u>4,442</u>	<u>988</u>	<u>0</u>
Total short term liabilities		<u>349,170</u>	<u>263,698</u>	<u>7,937</u>	<u>2,252</u>

Liabilities directly related to non-current assets available for sale	16	<u>0</u>	<u>14,554</u>	<u>0</u>	<u>0</u>
TOTAL LIABILITIES & EQUITY		<u>1,004,145</u>	<u>855,431</u>	<u>288,757</u>	<u>280,503</u>

The accompanying notes are an inseparable part of the consolidated financial statements

GEK GROUP
INCOME STATEMENT
30TH OF SEPTEMBER 2007

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

	Note	GROUP				COMPANY			
		1/1 - 30/9	1/7 - 30/9	1/1 - 30/9	1/7 - 30/9	1/1 - 30/9	1/7 - 30/9	1/1 - 30/9	1/7 - 30/9
		2007	2007	2006	2006	2007	2007	2006	2006
INCOME:									
Net sales	6	301,679	103,490	220,227	86,086	20,825	3,065	12,453	3,963
Cost of sales		(252,244)	(84,906)	(171,397)	(68,492)	(15,935)	(2,025)	(10,601)	(2,430)
Gross Profit		49,435	18,584	48,830	17,594	4,890	1,040	1,852	1,533
Administration and Distribution expenses		(24,739)	(8,678)	(17,071)	(5,984)	(1,360)	(505)	(1,152)	(288)
Research and Development expenses		(1,227)	(383)	(729)	(338)	0	0	0	0
Result from valuation of investment property		0	0	0	0	0	0	0	0
Other income / (expenses)	14	27,213	2,552	5,076	(806)	6,197	15	5,437	(33)
Net financial income/(expense)		(7,926)	(3,622)	(4,580)	(346)	1,502	533	17,660	2,588
Profit/(Loss) from sale and valuation of participations and other investments		279	439	(1,322)	14	0	0	0	0
EARNINGS BEFORE TAX		43,035	8,892	30,204	10,134	11,229	1,083	23,797	3,800
Income tax		(10,930)	(2,473)	(7,395)	(1,966)	(1,550)	(162)	(1,176)	(96)
NET EARNINGS		32,105	6,419	22,809	8,168	9,679	921	22,621	3,704
Attributable to:									
Shareholders of the parent company		22,223	4,357	12,492	4,028				
Minority interest		9,882	2,062	10,317	4,140				
		32,105	6,419	22,809	8,168				
Earnings per share (in euro)									
Basic		0,34	0,07	0,19	0,06				
Weighted average number of shares									
Basic		65,459,027	65,450,360	65,463,360	65,463,360				

The accompanying notes are an inseparable part of the consolidated financial statements

GEK GROUP
CASH FLOW STATEMENT
30TH OF SEPTEMBER 2007

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

	Note	GROUP		COMPANY	
		1/1 - 30/9 2007	1/1 - 30/9 2006	1/1 - 30/9 2007	1/1 - 30/9 2006
Cash flow from operating activities					
Profit before tax		43,035	30,204	11,229	23,797
<i>Adjustments for the agreement of the net flows from the operating activities</i>					
Depreciation	7	15,384	11,447	8	12
Provisions		(876)	(400)	46	(332)
Interest and related revenue		(2,822)	(1,673)	(1,681)	(844)
Interest and other financial expenses		10,748	7,884	179	35
Results from participations		(12,115)	(2,335)	(5,399)	(22,624)
Results from intangible and tangible asset and real estate		(13,298)	(4,503)	(952)	0
Amortization of grants	13	(1,281)	(690)	0	0
Other adjustments		(287)	9	(1)	0
Operating profit before changes in working capital		38,488	39,943	3,429	44
(Increase)/Decrease in:					
Inventories		2,896	(1,681)	3,818	1,870
Trade receivables		(24,785)	(66,278)	56	(8,412)
Prepayments and other short term receivables		(19,256)	(7,984)	340	(5,188)
Increase/(Decrease) in:					
Suppliers		(4,358)	27,945	(370)	(2,245)
Accruals and other short term liabilities		(505)	(2,880)	75	(962)
Collection of grants		1,557	4,241	0	0
(Increase)/Decrease of other long term claims and liabilities		2,284	(1,084)	(1,585)	(1,487)
Tax payments		(9,086)	(2,446)	(44)	(843)
Cash inflow from operating activities		(12,765)	(10,224)	5,719	(17,223)
Cash flows from investment activities					
Purchases of intangible and tangible assets		(46,248)	(44,730)	(32)	0
Sale of tangible fixed assets		1,505	60	0	0
Interest and related income received		2,674	1,602	1,576	844
(Purchases)/sales of participations and securities		(32,213)	21,029	(12,846)	23,731
Income from participations		0	0	5,399	0
Investment property		(20,385)	(6,685)	4,120	(241)
Cash outflows for investment activities		(94,667)	(28,724)	(1,783)	24,334

Cash flows from financial activities

Net change of short term loans	87,008	4,834	5,000	0
Withdrawal / (payment) of long term loans	50,786	43,329	0	0
Loan payments for finance leases	(8,398)	(8,417)	0	0
Dividends paid	(12,787)	(13,615)	(7,856)	(8,174)
Interest paid	(10,004)	(6,387)	(179)	(35)
Other movements	0	0	(445)	0
Change of other financial receivables	34,882	2,446	29,647	171
Cash outflows for financial activities	141,487	22,190	26,167	(8,038)
Net increase of cash	34,055	(16,758)	30,103	(927)
Cash at the beginning of the period	109,040	104,243	23,258	51,779
Cash at the end of the period	143,095	87,485	53,361	50,852

The accompanying notes are an inseparable part of the consolidated financial statements

GEK S.A.
STATEMENT OF CHANGES IN EQUITY
30TH OF SEPTEMBER 2007
(amounts in euro)

	<u>Share Capital</u>	<u>Share Premium Account</u>	<u>Reserves</u>	<u>Profit carried forward</u>	<u>Total</u>
1st January 2006	<u>23,567</u>	<u>170,410</u>	<u>47,176</u>	<u>16,214</u>	<u>257,367</u>
Net profit for the period	0	0	0	22,621	22,621
Dividends	0	0	0	(7,856)	(7,856)
Distribution of reserves	0	0	(2,766)	2,766	0
BoD Remuneration	0	0	0	(318)	(318)
30th of September 2007	<u>23,567</u>	<u>170,410</u>	<u>44,410</u>	<u>33,427</u>	<u>271,814</u>
1st January 2007	<u>23,567</u>	<u>170,410</u>	<u>38,913</u>	<u>44,725</u>	<u>277,615</u>
Net profit registered directly in equity	0	0	500	0	500
Net profit for the period	0	0	0	9,679	9,679
Purchase of own shares	0	0	(445)	0	(445)
Dividends	0	0	0	(7,856)	(7,856)
Creation of reserves	0	0	17,540	(17,540)	0
30th of September 2007	<u>23,567</u>	<u>170,410</u>	<u>56,508</u>	<u>29,008</u>	<u>279,493</u>

GEK GROUP
STATEMENT OF CHANGES IN EQUITY
30TH OF SEPTEMBER 2007

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

	Note	Share Capital	Share Premium Account	Reserves	Profit carried forward	Sub-Total	Minority Interest	Total
1st of January 2006		23,567	170,410	56,245	13,286	263,508	97,723	361,231
Accounting policy changes and error correction	5	0	0	(4,980)	4,698	(282)	(1,102)	(1,384)
Restated balances 1, January 2006		23,567	170,410	51,265	17,984	263,226	96,621	359,847
Net earnings for the period		0	0	0	12,491	12,491	10,317	22,808
Profit/(Loss) from valuation registered directly in equity		0	0	266	0	266	0	266
Dividends		0	0	0	(6,211)	(6,211)	(4,894)	(11,105)
Decrease of percentage of consolidated subsidiary		0	0	0	12,716	12,716	6,664	19,380
Increase of percentage of consolidated subsidiary		0	0	0	(640)	(640)	(1,959)	(2,599)
Sale of subsidiary		0	0	0	0	0	(1,299)	(1,299)
Distribution of reserves		0	0	(2,766)	801	(1,965)	0	(1,965)
Transfers-Other movements		0	0	15	(22)	(7)	0	(7)
30th of September 2006		23,567	170,410	48,780	37,119	279,876	105,450	385,326
1st of January 2007		23,567	170,410	46,944	49,064	289,985	109,955	399,940
Accounting policy changes and error correction	5	0	0	5,896	(6,203)	(307)	(657)	(964)
Restated balances 1, January 2007		23,567	170,410	52,840	42,861	289,678	109,298	398,976
Foreign exchange differences from consolidating foreign activities		0	0	(97)	0	(97)	(84)	(181)
Net earnings for the period		0	0	0	22,223	22,223	9,882	32,105
Dividends		0	0	0	(7,855)	(7,855)	(4,932)	(12,787)
Sale of subsidiary		0	0	0	0	0	(866)	(866)
Acquisition of subsidiary		0	0	0	0	0	508	508
Profit/(loss) from valuation registered directly in equity		0	0	464	0	464	0	464
Increase of percentage of consolidated subsidiary		0	0	0	(92)	(92)	(5,434)	(5,526)
Distribution of reserves		0	0	19,551	(19,551)	0	0	0
Purchase of own shares		0	0	(506)	0	(506)	0	(506)
Transfers-Other movements		0	0	(177)	21	(156)	(234)	(390)
30th of September 2007		23,567	170,410	72,075	37,607	303,659	108,138	411,797

1. THE GROUP AND ITS ACTIVITIES

“GEK Holdings, Real Estate, Construction S.A.”, (the “Company” or “GEK”) is derived from the merging between the companies “GENERAL CONSTRUCTION COMPANY SA” and “ERMIS REAL ESTATE SA” which was completed on 03/12/2004 with the No. K2-13956/3-10-04 decision of the Ministry of Development that also approved the change of its name. The company is based in the municipality of Athens and its head offices are located in 85 Messogeion Avenue, Postal Code 11526, Athens (tel: 210-6968200). The shares of the parent company are traded on the Athens Exchange since 1969.

The main activity of the Company is the development and management of investment property, the construction of any kind and 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» and its joint ventures, in industry 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» and the sub-group of its subsidiary «TERNA ENERGY ABETE» the Group is active in the energy sector

The activities of the Group are mainly taking place in Greece and in smaller extend in Balkans and Middle East.

During the first nine months of 2007 the company DIKEVE SA was sold, which is active in real estate for storing goods. Also, in the same period the Group took the control of LITHOS SA, a company that is active in quarry works, while is also participated with other investors in the establishment and common management of the company NEW IONIA ODOS SA and CENTRAL GREECE MOTORWAY S.A. that are the underwriter of the self-finances motorway that has the same name.

The interim financial statements of the company and the Group approved by the Board of Directors of the Company on November 28 2007.

2. BASIS FOR THE PREPARATION OF THE FINANCIAL STATEMENTS

- a. Basis for the preparation of the financial statements:** The accompanying summary interim consolidated financial statements (hereinafter “financial statements”) have been prepared in accordance with the IFRS, as these have been adopted by the European Union and specifically in accordance with the provisions of IAS 34 «Interim Financial Statements».

These interim summary financial statements do not include all the information and notes required for the annual financial statements and thus should be read in conjunction with the annual consolidated financial statements of 31st December 2006.

- b.** The accounting principles applied for the preparation of the interim financial statements are the same with those followed during the preparation of the annual financial statements of the Group for the period that ended on December 31st 2006 apart from the adoption of new standards, the application of which is mandatory for periods following January 1st 2007. Such standards are mentioned below (Note 2.1).

2.1. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS OF EXISTING STANDARDS

From the 1st of January 2007 the Group adopted amended standards and interpretations and their effect is as follows:

- (i) **IFRS 7, Financial assets: Disclosures** (applied for annual financial periods beginning on or after January 1st 2007). IFRS 7 inserts further disclosures of financial assets aiming to improve the offered information from financial assets. It demands the disclosure of quantitative and qualitative information regarding the exposure to risk arising from financial assets. Specifically, it predefines minimum required disclosures regarding credit risk, liquidity risk and market risk (it imposes sensitivity analysis regarding market risk). IFRS 7 replaces IAS 30 (Disclosures in Financial Statements of Banks and Financial Institutions) and the disclosure requirements of IAS 32 (Financial Instruments: Disclosures and Presentation). It is applied for all companies that compile financial statements according to IFRS.

GEK GROUP
NOTES ON THE INTERIM FINANCIAL STATEMENTS
OF THE PARENT COMPANY AND ITS GROUP , OF SEPTEMBER 30TH 2007
(Amounts in thousand Euro, unless stated otherwise)

- (ii) Supplementary adjustment to IAS 1, Reporting of Financial Statements, Capital Disclosure (applied for annual financial periods beginning on or after January 1st 2007). The relevant adjustment of IAS 1 regards disclosures relating to the amount of a company's capital as well as the way such capital is managed. The expected effect from the aforementioned changes is limited to disclosure issues.

The Group will disclose the additional information required during the preparation of the annual Financial Statements of December 31st 2007.

Until the approval date of the financial statements, new IFRS, interpretations and amendments of existing standards have been issued and which are mandatory for financial periods beginning from July 1st 2007 or after. From the 1st of January 2007 the Group adopted amended standards and interpretations and their effect is as follows:

- (i) **IFRS 8, Operating Sectors:** (applied for annual periods starting on or after January, 1 2009). IFRS 8 replaces IAS 14 Financial Information by segment and adopts a managing approach regarding the information by activity sectors. The given information must be the one the management uses internally to evaluate the performance of operating sectors and the distribution of resources in these sectors. This information may differ from that presented in the balance sheet and the income statement and the companies must provide explanatory notes and reconciliations regarding such differences. IFRS 8 is expected to be adopted by the EU in the near future. The Group is in the process of estimating the effect of this standard on its financial statements..
- (ii) **IAS 23 (amendment) (valid from 1 January 2009).** Withdrawal of the ability to expense the loan cost related to purchase, construction or production of a specific asset. The amendment of Standards 23 is expected to be adopted by the EU in the near future.
- (iii) **IFRIC 11, IFRS 2 – Transactions with Own Shares and between companies of the same Group:** (applied for annual accounting periods beginning on or after March 1st 2007). The Interpretation requires that transactions which provide to an employee rights on participating titles to be treated for accounting purposes as fees that are defined by the value of the share and settled with participating titles, even in the case where the company chooses or has the obligation to purchase such titles by third parties or if the company's shareholders provide the participating titles. The Interpretation is also extended to the way subsidiaries treat, in their individual financial statements, plans where their employees receive rights on participating titles of the parent company.

- (iv) **IFRIC 12, Concession Agreements:** (applied for annual accounting periods beginning on or after January 1st 2008). IFRIC 12 handles the way with which the concession managers of a service concession must apply IFRS to account for the liabilities they undertake and the rights provided to them in the service concession agreements. Based on the Interpretation, concession managers must not recognize the relevant infrastructure as tangible fixed assets, but must recognized a financial asset against or an intangible asset. The application of the standard is not yet adopted by EU and its application is not expected to affect the Group's financial statements.
- (v) **IFRIC 13, Customer loyalty programs:** (applied for annual accounting periods beginning on or after January 1st 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 application of the standard is not yet adopted by EU and its application is not expected to affect the Group's financial statements.
- (vi) **IFRIC 14, The limit on a Defined Benefit Asset, minimum funding requirements and their interaction:** (applied for annual accounting periods beginning on or after January 1st 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. The application of the standard is not yet adopted by EU and its application is not expected to affect the Group's financial statements.

3. IMPORTANT ACCOUNTING JUDGMENTS AND FINANCIAL RISK MANAGEMENT

The Group makes estimates, assumptions and exercises judgment either in order to select the appropriate accounting principles or regarding the future development of events and transactions. These estimates, assumptions and judgments are reviewed periodically so as to ensure that they correspond to current facts and they reflect the current risks and are based on the previous experience of the Management regarding the level/volume of relevant transactions or events.

The main estimates and judgments that relate to data the evolution of which could affect the figures in the financial statements during the next 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 of income tax based in IAS 12 is estimated using the tax paid in tax authorities and includes the current income tax for every period and provisions for additional tax that may emerge in tax audits. The final settlement of income tax may diverge from the relevant amounts that are recorded in financial statements.
- c) Provision for the restoration of environment: The Group forms a provision against related liabilities for the dismount of technical equipment of wind parks and restoration of the environment in accordance with current laws or Groups' practices. The provision for environmental restoration reflects the present value (using an appropriate discount rate), at the balance sheet date, of the liability for restoration less the estimated recoverable value of materials that are expected to be dismounted and sold.

The financial risk management aims to reduce potential negative implications and specifically:

- (i) Interest rate risk and exchange rate risk: The Company's bank loans are denominated in euros and are subject to variable and fixed interest rates. The Group does not use derivatives in order to reduce its interest rate risk exposure. 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 real values due to their short-term nature. The fair value of short-term bank loans does not differ from their accounting value.
- (iii) Credit Risk Concentration: A substantial part of trade receivables in general relate to agencies and entities of the Public sector with which there is no credit risk, per se. Company's policy is to seek business with customers of satisfactory credit standing while the constant aim is to resolve any resulting differences within a amicable settlement context. Moreover the credit risk concentration is limited due to the great dispersion of the balances.
- (iv) Liquidity risk: The Group manages liquidity risk by monitoring its cash flows. Relating to the above, the Management ensures the existence of cash and credit limits for the coverage of Groups' financial needs.
- (v) 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. However, due to the nature of the business, market risk is limited.

4. ERROR CORRECTIONS OF PREVIOUS PUBLICATIONS

During the preparation of the financial statements of March 31st 2007, certain errors and omissions were identified that related to the financial statements for December 31st 2006 and 2005 resulting from the group of the subsidiary TERNA ENERGY ABETE which is in the process of listing its shares on the Athens Exchange. The management decided to go forward with a retrospective amendment of these errors in the respective period and thus to restate the financial statements of December 31st 2006 and 2005 according to the provisions of IAS 8 "Accounting Principles, Changes in Accounting Estimations and Errors". The adjustments that took place are presented in detail in the following tables. The main adjustments concern the following cases:

- i) Provision for the dismantlement of technical equipment of Wind Parks and reinstatement of the surrounding area. In 2006 the group of the subsidiary TERNA ENERGY ABETE, in accordance with its policy, periodically reviews the provision procedures and calculations and reclassified the relevant amounts in accordance with a new study that took place taking into account the liabilities arising from the dismantlement of technical equipment of Wind Parks and reinstatement of the surrounding area and based on new estimations regarding the salvage value. Therefore, the reduced net book value of technical equipment of Wind parks would be depreciated in accordance with the useful life of the relevant assets.
- ii) In year 2006 the Group in accordance with its policy to periodically review its main accounting principles and estimations that applies for the compilation of its financial statements, and because of the change in legal framework that set the operating duration of wind parks to a minimum of 20 years, amended the depreciation period of Wind Parks and the relevant grants (Substations/Connection networks, Techniques for the installation of Wind Parks) from 14 or 15 years (depreciation period arising from the current legal framework and the depreciation factor of P.D. 299/2003) to 20 years. This re-estimation of the useful life for the technical equipment of wind parks took place in 2006 and will be valid from 2006 onwards based in IAS 16. Therefore, the grants for the construction of Wind Parks would be depreciated in accordance with the useful life of the relevant assets.
- iii) During the estimation of the completion percentage of construction projects and the procedure for the compilation of financial statements of 31/12/06 of the group of subsidiary TERNA ENERGY ABETE some deviation were observed in the estimation of the cost budget of the projects and in some cases in the contractual amount, affecting the income or the construction cost (income statement) and the relevant non invoiced accrued income and income of coming years (balance sheet accounts).

In the consolidated financial statements of 31.12.2006 there is a correction (reduction) of trade receivables and respectively the profits carried forward of 2,403 thous euro referring to 2004, and resulting from the joint-ventures of technical projects execution of TERNA ENERGY ABETE.
- iv) Reintroduction in the balance sheet of urban planning and expenses for first installation that in the original financial statements of year 2006 were recorded in income statement.
- v) The Company did not initially perform provisions for additional (new and not super addition) income tax that finally emerged in 2007 referring to the fiscal year of 2006.

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- vi) In previous years the subsidiary TERNA ENERGY ABETE did not value and record in the income statement the change in fair value of investment property in accordance with the accounting principle chosen. During the preparation of the accompanying restated financial statements the Company portioned the change in fair value of investment property that arose following the valuation taken place by independent actuarial on 19 March 2007, in the fiscal years 2000 till 2006.
- vii) The classification into expenses of the interest for the construction period that were initially recorded in the cost for the construction of tangible assets.
- viii) Reverse-accounting of the difference resulted from the discount into present value of receivables from grants as well as the relevant non-accrued.
- ix) In the fiscal year 2004, the sub-subsidiary of the Group, TERNA ENERGY ABETE recorded a tax-exempt reserve based on L.2601/98 amounting to € 5,000 approximately, interpreting the relevant provisions of the Law as regards to the time period for creating the relevant reserve. The tax audit conducted in 2006 did not recognize the ability to create the aforementioned tax-exempt reserve for 2004 and an additional tax was imposed amounting to € 1,750 for the latter period, while the recognition of the relevant tax-exempt reserve was recognized for tax purposes and registered by the Company in fiscal year 2005. Therefore, the imposed tax amount of € 1,750, which was imposed with the tax audit of 2006, was considered as a correction of the income tax for 2004. Of this amount, 1,663 thousand euro is already corrected in the financial statements of 31.12.2006 for the years 2005 and 2006.
- x) Consolidation in fiscal year 2005 of the foreign subsidiary GP ENERGY S.A., part of the group of subsidiary TERNA ENERGY ABETE
- xi) The deferred taxes for the years 2004 - 2006 were corrected following the procedures analyzed in the aforementioned paragraphs (i) - (iii) and (vii-x).
- xii) In the balance sheet and income statement accounts for fiscal year 2006, specific reclassifications took place for better presentation of the results. Such reclassifications had no effect on the periods' results.

The effect of the relevant corrections and reclassifications in the balances of 31.12.2005 and 31.12.2006 is as follows:

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GEK GROUP 31.12.2005	Balances of 31.12.2005 as previously published in consolidated financial statement of 31.12.2006	Correction of errors	Reclassification of items	Restated balances 31.12.2005
Tangible fixed assets	204,615	-237	904	205,282
Investment property	77,227	58	216	77,501
Deferred tax receivables	7,385	158	17	7,560
Inventories	59,569	0	20	59,589
Trade receivables	154,587	-718	-504	153,365
Prepayments and other receivables	50,185	1,126	-1,523	49,788
Other short-term financial assets	1,905	-150	35	1,790
Cash and equivalents	104,179	64	0	104,243
CORRECTIONS FOR TOTAL ASSETS		301	-835	
Profit / (loss) carried forward	13,286	-384	5,082	17,984
Reserves	56,245	38	-5,018	51,265
Minority interest	97,723	-1,102	0	96,621
Long term loans	68,957	0	-12,001	56,956
Other provisions	2,406	138	0	2,544
Provision for the employee benefits	1,495	-13	0	1,482
Grants	16,087	-4	93	16,176
Suppliers	40,309	284	-403	40,190
Short-term loans	82,129	0	10,170	92,299
Long-term liabilities paid in coming year	3,669	0	1,830	5,499
Accrued and other short-term liabilities	82,891	-276	1,181	83,796
Income tax payable	609	1,620	-1,769	460
CORRECTIONS FOR TOTAL LIABILITIES		301	-835	

GEK GROUP 31.12.2006	Balances of 31.12.2006 as previously published in consolidated financial statement of 31.12.2006	Correction of errors	Reclassification of items	Restated balances 31.12.2006
Intangible assets	6,209	81	2	6,292
Tangible fixed assets	250,644	7,001	-305	257,340
Other long-term receivables	5,246	7,068	0	12,314
Deferred tax receivables	5,282	-227	-2	5,053
Trade receivables	185,144	-2,710	0	182,434
Prepayments and other receivables	66,534	-11,551	0	54,983
Income tax receivables	9,943	-100	19	9,862
Reserves	46,944	-108	6,004	52,840
Profit / (loss) carried forward	49,064	-149	-6,054	42,861
Minority interest	109,955	-657	0	109,298
Provision for the employee benefits	1,114	58	-1	1,171
Other provisions	2,661	-642	-306	1,713
Grants	36,517	1,163	-357	37,323
Other long-term liabilities	1,550	0	2,660	4,210
Deferred income tax liabilities	5,655	11	-3	5,663
Accrued and other short-term liabilities	98,911	-180	-2,300	96,431
Income tax payable	4,302	121	19	4,442

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The amount of 4,217 thous euro referring to the valuation of investment property which in the financial statements of 31.3.2006 appeared under the account «Results from the valuation of investment property», in the current period was reclassified and included on 31.3.2006 in the comparative item of «Other income/expenses».

The effect of the corrections and restatements on the comparative results of the first half and first quarter of 2006 are as follows:

GEK GROUP 30.09.2006	Amounts for the period 1/1 -30/09/06 as previously published in the consolidated financial statements of 30.09.06	Correction of errors	Reclassification of items	Restated amounts for the period 1/1 – 30/09/06
Ongoing activities				
Net sales	217,321	2,906	0	220,227
Cost of sales	(170,386)	(1,011)	0	(171,397)
Gross Profit	46,935	1,895	0	48,830
Administration and Distribution expenses	(17,673)	(127)	729	(17,071)
Research and Development expenses	0	0	(729)	(729)
Result from valuation of investment property	4,217	0	(4,217)	0
Other income / (expenses)	284	575	4,217	5,076
Net financial income/(expense)	(4,576)	(4)	0	(4,580)
Earnings/ (Losses) from sale and valuation of participations and other investments	0	0	0	0
Income from participations and other investments	0	0	0	0
Earnings/ (Losses) from valuation of associates with the Net Equity method	(1,322)	0	0	(1,322)
Earnings/ (Losses) before taxes	27,865	2,339	0	30,204
Income tax	(8,535)	1,140	0	(7,395)
Net profit/ (losses) for the period from ongoing activities	19,330	3,479	0	22,809
Earnings/losses from discontinued operations after taxes	0	0	0	0
Net earnings / (losses) for the period	19,330	3,479	0	22,809
Attributable to:				
Shareholders of the parent company	11,874	618	0	12,492
Minority interest	7,456	2,861	0	10,317
Earnings/(losses) after taxes per share (in Euro)	19,330	3,479	0	22,809
Basic from ongoing activities attributable to shareholders of the parent company	0.18	0.01	0.00	0.19

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GEK GROUP 30.06.2006	Amounts for the period 1/4 - 30/09/06 as previously published in the consolidated financial statements of 30.06.06	Correction of errors	Reclassification of items	Restated amounts for the period 1/4 – 30/09/06
Ongoing activities				
Net sales	83,808	2,278	0	86,086
Cost of sales	(67,557)	(935)	0	(68,492)
Gross Profit	16,251	1,343	0	17,594
Administration and Distribution expenses	(6,535)	213	338	(5,984)
Research and Development expenses	0	0	(338)	(338)
Result from valuation of investment property	0	0	0	0
Other income / (expenses)	(961)	155	0	(806)
Net financial income/(expense)	(603)	257	0	(346)
Earnings/ (Losses) from sale and valuation of participations and other investments	0	0	0	0
Income from participations and other investments	0	0	0	0
Earnings/ (Losses) from valuation of associates with the Net Equity method	14	0	0	14
Earnings/ (Losses) before taxes	8,166	1,968	0	10,134
Income tax	(1,595)	(371)	0	(1,966)
Net profit/ (losses) for the period from ongoing activities	6,571	1,597	0	8,168
Earnings/losses from discontinued operations after taxes	0	0	0	0
Net earnings / (losses) for the period	6,571	1,597	0	8,168
Attributable to:				
Shareholders of the parent company	4,437	(409)	0	4,028
Minority interest	2,134	2,006	0	4,140
	6,571	1,597	0	8,168
Earnings/(losses) after taxes per share (in Euro)				
Basic from ongoing activities attributable to shareholders of the parent company	0.07	0.01	0.00	0,6

5. CONSOLIDATED COMPANIES

The data of consolidated companies in the Group on 30/09/2007, are given below. Referring to tax-unaudited fiscal years, GEK SA and its subsidiary TERNA SA are audited till 2004 included, while its subsidiary TERNA ENERGY SA is audited till 2005 included. In more detail, the tax unaudited years of the companies of the GEK, TERNA, TERNA ENERGY Group that are consolidated are reported below:

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A) Subsidiaries of GEK SA

Company name	Country of Domicile	Participation percentage %		Consolidation method	Tax unaudited years
		2007	2006		
TERNA SA*	Greece	54.64	54.63	Full	1
GEKE AEBE	Greece	99.99	99.99	Full	2
HERON THERMOELEKTRIKI SA**	Greece	77.32	77.32	Full	4
IOANNINA ENTERTAINMENT DEVELOPMENT SA	Greece	64.59	64.59	Full	4
MONASTHRI TECHNICAL DEVELOPMENT SA	Greece	100.00	50.00	Full	4
ICON LTD	Bulgaria	100.00	100.00	Full	3
VIPA THESSALONIKI	Greece	100.00	100.00	Full	6
IOLKOS SA	Greece	100.00	100.00	Full	4
CHIRON PARKING SA	Greece	99.47	99.47	Full	1
GEK ROMANIA	Romania	100.00	100.00	Full	2
GEK BALCAN DOOEL	F.Y.R.O.M.	100.00	100.00	Full	2
HIGHLIGHT SRL	Bulgaria	100.00	-	Full	1

* Includes the indirect participation of GEKE A.E.B.E.

** Includes the indirect participation of TERNA SA

B) Associates of GEK SA

Company name	Country of Domicile	Participation percentage %		Consolidation method	Un-audited tax years
		2007	2006		
KEKROPS SA	Greece	23.91	23.91	Equity	3
GEKA SA	Greece	33.34	33.34	Equity	3

C) Joint Ventures of GEK SA (Consolidated with the Proportionate Consolidation method)

Company name	Country of Domicile	Participation percentage %		Consolidation method	Un-audited tax years
		2007	2006		
OYIL CAR PARK	Greece	50.00	50.00	Proportionate	5
ATHENIAN CAR PARK SA	Greece	20.00	20.00	Proportionate	2
THESSALONIKI CAR PARK SA	Greece	50.00	50.00	Proportionate	2
AGIOS NIKOLAOS PIRAEUS CAR PARK (former OLP CAR PARK SA)	Greece	30.00	30.00	Proportionate	3
POLIS PARK SA	Greece	20.00	20.00	Proportionate	3
NEA IONIA ROAD SA	Greece	33.33	33.33	Proportionate	1 st financial year
GLS OOD SOFIA BULGARIA	Bulgaria	50.00	50.00	Proportionate	2
ENTERTAINMENT & ATHLETIC PARKS ELLINIKOU SA	Greece	25.00	-	Proportionate	1

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D) Subsidiaries of TERNA SA

Company name	Country of Domicile	Participation percentage %		Consolidation method	Tax unaudited years
		2007	2006		
1. BIOMEK ABETE	Greece	66.50	66.50	Full	6
2. TERNA ENERGY ABETE	Greece	63.19	63.19	Full	2
3. STROTIRES AEBE	Greece	51.00	51.00	Full	5
4. LITHOS SA	Greece	51.00	-	Full	2
5. ILIOCHORA SA	Greece	100.00	100.00	Full	2
6. SC TERNA INTERNATIONAL CONSTRUCTION ROMANIA	Romania	100.00	100.00	Full	2
7. TERNA OVERSEAS LTD	Cyprus	100.00	100.00	Full	1
8. TERNA BAHRAIN HOLDING WLL*	Bahrain	99.99	100.00	Full	1
9. TERNA QATAR LLC*	Qatar	35.00	100.00	Full**	1
10. PCC TERNA WLL*	Bahrain	80.00	-	Full	1

* Participations through TERNA OVERSEAS LTD.

** The company TERNA QATAR LLC is consolidated with the full consolidation method in accordance with MED 12 «Consolidation-Special purpose companies», because the group based on a contract has the control of the management.

E) Companies in which TERNA SA participates and are consolidated under the proportionate method:

Company Name	Country of domicile	Participation percentage 2007 and 2006 %	Tax unaudited years
1. HERON THERMOELEKTRIKI SA	Greece	50%	4
2. QBC S.A. – TERNA SA	Qatar	40%	1 st year

F) Taxed Joint Ventures of TERNA SA that were consolidated under the proportionate method on 30/09/2007

No.	Name	Participation percentage 2007 and 2006	Tax unaudited years
1.	J/V MAIN ARROGATION CANAL D 1	75.00%	6
2.	J/V TRAM CIVIL ENGINEERING PROJECTS (IMPREGILO)	55.00%	1
3.	J/V IRAKLEION CAMPUS	50.00%	2
4.	J/V ANCIENT OLYMPIA BY-PASS(ALPINE MAYREDER BAU GMBH)	50.00%	4
5.	J/V AKTOR, AEGEK, EKTER, TERNA AIRPORT INSTAL. SPATA	20.00%	1
6.	J/V TERNA SA / AKTOR SA - GOULANDRIS MUSEUM	50.00%	4
7.	J/V DEPA PROJECT	10.00%	4
8.	J/V UNDERGROUND CARS THESSALONIKI	50.00%	4
9.	J/V ARTA-FILIPPIADA BY-PASS	98.00%	4
10.	J/V ATHENS CONCERT HALL	45.00%	5
11.	J/V ATHENS CAR PARKS	20.00%	4
12.	J/V PERISTERI METRO	50.00%	4
13.	J/V TERNA S.A. - ATHINA ATE ARAHTHOS PERIST. PROJECTS	62.50%	1
14.	J/V TERNA SA - KARAGIANNIS TEFAA KOMOTINI PROJECT	24.00%	2
15.	J/V THALES ATM SA-TERNA UPGRADE OF TACAN STATIONS	22.25%	6
16.	J/V ETETH-TERNA-AVAX PANTECHNIKI HORSE RIDING CENTRE	35.00%	3
17.	JOINT VENTURE AVAX-VIOTER (OLYMPIC VILLAGE CONSTRUCTION)	37.50%	3

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18.	J/V TERNA S.A. PANTECHNIKI S.A.	83.50%	3
19.	J/V TERNA S.A. AKTOR A.T.E. J&P AVAX	33.00%	5
20.	J/V TERNA S.A. J&P AVAX - PANTECHNIKI-HORSE RIDING CENTRE MAINTENANCE	35.00%	2
21.	J/V TERNA SA - ATHINA ATE	62.50%	3
22.	J/V TERNA SA - TH. KARAGIANNIS SA PROJECT CONSTRUCTION MEPW	50.00%	6
23.	J/V SALONIKA PARK	50.00%	2
24.	J/V SIEMENS-AKTOR ATE-TERNA SA	37.50%	2
25.	J/V TERNA-MICHANIKI AGRINIO BY-PASS	65.00%	2
26.	TERNA SA BIOTER SA NAT BUILDING	50.00%	7
27.	J/V TERNA S.A.-THALES S.A.	50.00%	4
28.	J/V TOMI ABETE-ILIOHORA SA	30.00%	2
29.	J/V AVAX-BIOTER-ILIOHORA SA	37.50%	2
30.	J/V AKTOR-DOMOTECHNIKI-THEMELIODOMI-TERNA-ETETH	25.00%	1
31.	J/V BUILDING CONSTRUCTION OSE ILIOHORA SA	13.30%	1
32.	J/V CONSTRUCTION OF PROJECT PARADEISIA-TSAKONA	49.00%	1
33.	J/V UNDERGROUND CHAIDARI-PART A	50.00%	1
34.	J/V FOUNDATION OF THE HELLENIC WORLD-COMplete CONSTRUCTION	60.00%	1
35.	J/V TERNA-TERNA ENERGY-TSMPRAS	40.00%	4
36.	J/V TERNA SA - TERNA ENERGY ABETE	50.00%	4
37.	J/V BIOTER SA-TERNA SA	50.00%	4
38.	J/V TERNA SA - IONIOS SA	90.00%	4
39.	J/V TERNA ENERGY ABETE-TERNA SA - MANIOTIS	37.50%	4
40.	J/V TERNA-TERNA ENERGY-TSMPRAS (EPL)	56.00%	4
41.	J/V ATHINA-PANTECHNIKI-TERNA-J/V PLATAMONAS PROJECT	39.20%	3
42.	J/V BIOTER SA-TERNA SA	50.00%	4
43.	J/V TERNA-MOCHLOS ATE	70.00%	7
44.	J/V TERNA-VIOTER SA	50.00%	4
45.	J/V TERNA-ERGODOMI-KTISTOR ATE	50.00%	4
46.	J/V EDRASI-PSALLIDAS-TERNA-EDRACO	51.00%	4
47.	J/V TERNA-AKTOR-EMPEDOS-J&P ABAX-J&P ABAE-IMEC GmbH	24.00%	5
48.	J/V TERNA-ATERMON ATEE	50.00%	2
49.	J/V TERNA-VERMION ATE-ANAPLASEON	50.00%	3
50.	J/V TERNA-KARAGIANNIS	50.00%	3
51.	J/V EUROPEAN TECHNICAL-HOMER-TERNA	50.00%	10
52.	J/V TERNA-THEMELIODOMI	60.00%	4
53.	J/V TERNA-AKTOR GOULANDRI MUSEUM	50.00%	6
54.	J/V TERNA-THEMELIODOMI	60.00%	6
55.	J/V TERNA-TEMA SA	36.50%	5
56.	J/V FRAGMATOS PRAMORITSA	33.33%	4
57.	J/V TERNA-EDRASI-STROTIRES	41.00%	5
58.	J/V UNIVERSITY OF CRETE-RETHYMNON	25.00%	2
59.	J/V PROJECT FOR COMPLETION OF WASTEWATER TREATMENT (BIOLOGICAL)	50.00%	4
60.	TERNA SA & Co	99.00%	4
61.	J/V AKTOR-TERNA SA	50.00%	4
62.	J/V AKTOR-TERNA SA IASO BUILDING	50.00%	4
63.	TERNA SA - PANTECHNIKI SA (OAKA GP)	50.00%	3
64.	J/V ALPINE MAYREDER BAU GmbH-TERNA SA-PANTECHNIKI SA	31.50%	1
65.	J/V TERNA-MOCHLOS-AKTOR KIATO-AIGIO	35.00%	1
66.	J/V J&P AVAX-TERNA PLATANOS TUNNEL	33.33%	1
67.	J/V AKTOR-TERNA-J&P AVAX KALLIDROMO TUNNEL	33.33%	1
68.	J/V THEMELIODOMI-TERNA-DIEKAT-KTIRIODOMI SA	25.00%	5
69.	J/V MINISTRY OF TRANSPORTATION	33.00%	4
70.	J/V AEGEK TERNA	44.78%	4
71.	J&P AVAX SA-TERNA SA-EYKLEIDIS	35.00%	4
72.	ALTE ATE - TEPNA SA	50.00%	4
73.	J/V EURO IONIA	33.33%	1

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74.	J/V TERNA-KARAYIANNIS-ATTALOS-ILIOCHORA	50.00%	1 st financial year
75.	J/V AKTOR ATE - TERNA SA	50.00%	4
76.	J/V AKTOR ATE – J&P AVAX - TERNA SA	12.00%	1
77.	J/V AKTOR ATE – J&P AVAX - TERNA SA	12.00%	1
78.	J/V EKTER SA-TERNA SA (THETIKON)	50%	4

G) Taxed joint ventures of TERNA SA that were not consolidated on 30/09/2007

No.	NAME	PARTICIPATION PERCENTAGE
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 OYIL 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 EVINOOU-AEGEK-METON SA-TERNA SA-EYKLEIDIS SA	33.33%
10	J/V CENTRAL GREECE MOTORWAY E-65	33.33%

The aforementioned joint ventures from No 1 till No 9 for technical projects construction in which the Company participates have already completed the projects for which they were established for, the guarantee time has passed, the relations with third parties are cleared and their final clearance is pending. The Joint Venture 10 has not started its activities yet.

H) Associates of TERNA SA

Name	Country of domicile	Participation percentage		Consolidation method	Tax unaudited years
		2007	2006		
HAMRIYAH CEMENT COMPANY FZC	U.A.N.	40.00	-	Equity	1
ATTIKAT ATE	Greece	21.40	-	Equity	5

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I) Subsidiaries of TERNA ENERGY SA

	Name	Country of domicile	Participation percentage		Consolidation method	Tax unaudited years
			2007	2006		
1	IWECO CHONOS LASITHIOU KRITIS SA	Greece	100.00	100.00	Full	1
2	TERNA ENERGY ABETE & Co ENERGY SERVOUNIOU SA	Greece	100.00	100.00	Full	1
3	TERNA ENERGY EVROU S.A.	Greece	100.00	100.00	Full	1
4	GP ENERGY, BULGARIA	Bulgaria	100.00	100.00	Full	1
5	PPC RENEWABLE - TERNA ENERGY SA	Greece	51.00	51.00	Full	1
6	TERNA ENERGY A.B.E.T.E. & &Co AIOLIKI RAHOULAS DERVENOHORION GP	Greece	100.00	100.00	Full	5
7	TERNA ENERGY ABETE & &Co AIOLIKI POLYKASTROU GP	Greece	100.00	100.00	Full	5
8	TERNA ENERGY ABETE & &Co AIOLIKI PROVATA TRAIANOUPOLEOS GP	Greece	100.00	100.0	Full	5
9	TERNA ENERGY ABETE & &Co ENERGIAKI DERVENOHORION GP	Greece	100.00	100.00	Full	5
10	TERNA ENERGY ABETE & &Co ENERGIAKI VELANIDION LAKONIAS GP	Greece	100.00	100.00	Full	5
11	TERNA ENERGY ABETE & &Co ENERGIAKI DISTION EVIAS GP	Greece	100.00	100.00	Full	5
12	TERNA ENERGY ABETE & &Co AIOLIKI PASTRA ATTIKIS GP	Greece	100.00	100.00	Full	5
13	TERNA ENERGY ABETE & &Co AIOLIKI MALEA LAKONIAS GP	Greece	100.00	100.00	Full	5
14	TERNA ENERGY ABETE & &Co ENERGIAKI FERRON EVROU GP	Greece	100.00	100.00	Full	5
15	TERNA ENERGY ABETE & &Co AIOLIKI DERVENI TRAIANOUPOLEOS GP	Greece	100.00	100.00	Full	5
16	TERNA ENERGY ABETE & &Co AIOLIKI KARYSTIAS EVIAS GP	Greece	100.00	100.00	Full	5
17	TERNA ENERGY ABETE & &Co ENERGIAKI ARI SAPPON GP	Greece	100.00	100.00	Full	5
18	TERNA ENERGY ABETE & &Co ENERGIAKI PELOPONNISOU GP	Greece	100.00	100.00	Full	5
19	TERNA ENERGY ABETE & &Co AIOLIKI ANATOLIKIS ELLADOS GP	Greece	100.00	100.00	Full	5
20	TERNA ENERGY ABETE & &Co AIOLIKI MARMARIOU EVIAS GP	Greece	100.00	100.00	Full	5
21	TERNA ENERGY ABETE & &Co ENERGIAKI PETRION EVIAS GP	Greece	100.00	100.00	Full	5
22	TERNA ENERGY A.B.E.T.E. & &Co AIOLIKI ROKANI DERVENOHORION GP	Greece	100.00	100.00	Full	5
23	TERNA ENERGY ABETE & Co ENERGIAKI STIRON EVIAS GP	Greece	100.00	100.00	Full	5
24	TERNA ENERGY ABETE & Co ENERGIAKI NEAPOLEOS LAKONIAS GP	Greece	100.00	100.00	Full	5
25	TERNA ENERGY ABETE & Co AIOLIKI PANORAMATOS DERVENOHORION GP	Greece	100.00	100.00	Full	5
26	TERNA ENERGY ABETE & Co ENERGIAKI KAFIREOS EVIAS GP	Greece	100.00	100.00	Full	5

The General Partnerships and Limited Liability Companies of TERNA ENERGY SA have been established having as a sole purpose the acquisition of licenses required to construct energy plants producing electricity by using renewable resources, and if the construction goes ahead, they will be absorbed by TERNA ENERGY SA. Till today they have no activities and therefore no tax interest.

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J) Joint Ventures of TERNA ENERGY SA proportionally consolidated

	Name	Participation percentage 2007 and 2006		Tax unaudited years
		%		
1	J/V TRAM POLITICAL ENGINEERING WORKS	36%		4
2	J/V ENVAGELISMOU, PROJECT C'	50%		4*
3	J/V TERNA ENERGY - TSAMPR. DRAMAS HOSPITAL	40%		4*
4	J/V EPL DRAMAS	24%		4*
5	J/V TERNA ENERGY - OLYMPIOS ATE	50%		4
6	J/V K. MANIOTIS - TERNA - TERNA ENERGY	37.50%		4
7	TERNA ENERGY ABETE - MEL MACEDONIAN PAPER COMPANY & Co CO-PRODUCTION G.P.	50		5
8	TERNA ENERGY ABETE & Co ENERGEIAKI XIROVOUNIOU G.P.	70		5
9	J/V/ EMBEDOS - PANTECHNIKI - TERNA ENERGY	50.10%		4
10	J/V THEMELI-TERNA ENERGY ABETE-J/V TERNA SA IMPREGILO SPA	40%		3
11	J/V EKTER - TERNA ENERGY - ATHONIKI	31%		2
12	J/V/ KL. ROUTSIS - TERNA ENERGY ABETE	50%		3
13	TERNA ENERGY ABETE & Co	70%		5

K) Associates of TERNA ENERGY SA

Name	Country of domicile	Participation percentage %		Consolidation method	Tax unaudited years
		2007	2006		
Energy Center RES Cyclades SA *	Greece	45.00	45.00	Net Equity	2

* Participation through IWECO CHONOS LASITHIOU CRETE SA.

Shares of subsidiaries and associates of the GEK Group, amounting to a total acquisition cost of € 11,951 thousand, have been collateralized as security against bank loans.

6. INFORMATION PER SECTOR OF ACTIVITY

The following table reports the breakdown of Groups' results for the periods ended on 30/09/2007 and 30/09/2006, in accordance with its main activities as follows:

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Period 1/1 – 30/09/2007	SECTOR OF ACTIVITY							Deletions on Consolidation	Total
	Construction	Electricity from renewable sources	Electricity from Thermal sources	Real Estate	Industry	Concessions	Non-allocated		
Turnover of the sector	243,954	15,581	29,725	24,163	10,006	1,733	0		325,162
Less: intra-sectoral turnover	(20,112)	0	0	(30)	(3,341)	0	0	(23,483)	
Sales to external customers	223,842	15,581	29,725	24,133	6,665	1,733	0		301,679
Earnings before interest, tax, and depreciation (EBIDTA)	13,211	10,735	8,856	21,633	57	800	9,574		64,866
Earnings before interest and tax (EBIT)	6,954	7,427	5,670	21,512	(399)	224	9,574		50,962

Period 1/1 – 30/09/2006	SECTOR OF ACTIVITY							Deletions on Consolidation	Total
	Construction	Electricity from renewable sources	Electricity from Thermal sources	Real Estate	Industry	Concessions	Non-allocated		
Turnover of the sector	173,774	12,768	24,293	8,823	7,279	998	0		227,935
Less: intra-sectoral turnover	(6,284)	0	0	-	(1,424)	0	0	(7,708)	
Sales to external customers	167,490	12,768	24,293	8,823	5,855	998	0		220,227
Earnings before interest, tax, and depreciation (EBIDTA)	18,075	10,604	11,762	7,779	503	252	(1,055)		47,998
Earnings before interest and tax (EBIT)	13,256	8,393	8,701	7,701	101	143	(1,055)		37,240

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7. FIXED ASSETS (intangible and tangible)

The summary changes of tangible and intangible assets are as follows:

	GROUP		COMPANY	
	2007	2006	2007	2006
Net book value 1 January	256,853	210,476	19	35
Corrections and reclassifications	6,779	667	0	0
Restated net book value on 1 January	263,632	211,143	19	35
Additions for the period	56,784	44,133	32	0
Additions due to consolidation	7,838	0	0	0
Sales for the period	(996)	(226)	0	0
Depreciations	(15,380)	(11,447)	(8)	(12)
Net book value 30 September	311,878	243,603	43	23

The additions due to consolidation refer to the fixed assets of the acquires LITHOS SA (see note 17).

Wind generators belonging to companies of the Group having a net book value of € 20,245 at 30 September 2007 that are included in 'Technological and Mechanical Equipment', are given to banks as guarantee for securing loans.

8. INVESTMENT PROPERTY

The investment property on September 30th 2007 in the accompanying financial statements are analyzed as follows:

	GROUP		COMPANY	
	2007	2006	2007	2006
Balance 1 January	68,946	77,227	24,937	24,466
Corrections and reclassifications	0	274	0	0
Restated balance on 1 January	68,946	77,501	24,937	24,466
Additions for the period	23,166	6,400	0	642
Reductions for the period	(4,255)	(40)	(4,075)	(401)
Adjustments on fair value	12,925	4,242	907	0
Transfer from reserves	9,554	0	0	0
Balance 30 September	110,336	88,103	21,769	24,707

In the current period ending on 30/09/2007 the investment property of the company and the group were valued at fair value and goodwill of euro 907 and 12,925 emerged for the company and group respectively, which was recorded in the period's results, and specifically on Other income/expenses (see also note 14).

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9. PARTICIPATIONS IN ASSOCIATES

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

GROUP and COMPANY					Earnings/Losses
30.09.2007	Assets	Liabilities	Equity	Income	before taxes
GEKA SA	37,460	15,079	22,381	1,506	1,961
KEKROPS SA	17,250	5,954	11,296	527	4,189
ATTIKAT ATE	418,497	284,372	134,125	124,455	2,096
HAMRIYAH CEMENT COMPANY FZC	8,039	8,147	(108)	0	(177)
Center of Renewable Energy Sources Kyklades S.A.	78	22	56	0	(4)

The Group acquired during May and June 2007, 17,475,047 shares or a percentage of 21.4% in the listed company "ATTIKAT SA". The market value of this company (for 100%) on 30/09/2007 was 115,139 €. From the total of 17,475,047 shares that the Group owns, 2,046,050 shares are blocked as collateral by a credit institutions for the granting of financing (see relevant note 17).

Also, in July 2007 the Group acquired the 40% of the shares of the non-listed firm HAMRIYAH CEMENT COMPANY FZC based in U.A.N. (see relevant note 17).

The fair value of the participations in the associates KEKROPS SA and ATTIKAT ATE, which shares are traded on the Athens Exchange, based on prices of 30/09/2007 (for the 100%), amounts to € 71,163 and € 115,139 respectively.

10. SHARE CAPITAL

In the period 1/1-30/09/2007 the company acquired 39,000 own shares of a total value of 444,634,60 €. This resulted to the reduction of the weighted number of shares to 65,459,027 for the period 1/1-30/9/2007 and to 65,450,360 shares for the period 1/7-30/9/2007.

11. LOANS

The summary of short-term and long-term loans of the group and the company on 30/09/2007 and 30/09/2006, was as follows:

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	GROUP		COMPANY	
	2007	2006	2007	2006
Balance 1 January	217,689	185,615	0	0
New loans	187,802	52,206	5,000	0
Loans repayment	(54,385)	(10,917)	0	0
Balance 30 September	351,106	226,904	5,000	0

The company, during the first nine months of the year agreed on a monthly rollover loan of euro 5,000 having a floating rate.

The new loans of the Group include the amount of 10,535 euros that refers to fixed assets acquired through leasing, as well as long-term loans of 13,743 euros. Also, during the period the Group issued corporate loans of 34,485 euros.

The remaining amount of 124,038 euros refers to short-term loans. Short-term loans mainly refer to bank liabilities having a duration between one and three months and are renewed depending on the needs.

12. PROVISIONS

The summary changes of the provisions of the group and the company on 30/09/2007 and on 30/09/2006, were as follows:

	GROUP		COMPANY	
	2007	2006	2007	2006
Balance 1 January	3,775	3,901	121	447
Corrections and reclassifications	(891)	125	0	0
Restated balance on 1 January	2,884	4,026	121	447
Additional provision recognized in the income statement	714	110	48	20
Additional provision recognized in assets	2,614	0	0	0
Non-used provisions transferred in the income statement	(10)	0	0	(7)
Used provisions	(332)	(1,252)	(2)	(345)
Balance 30 September	5,870	2,884	167	115

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13. SUBSIDIES

The summary change of subsidies for the group and the company on 30/09/2007 and on 30/09/2006, were as follows:

	GROUP		COMPANY	
	2007	2006	2007	2006
Balance 1 January	36,517	16,087	0	0
Corrections and reclassifications	806	89	0	0
Restated balance on 1 January	37,323	16,176	0	0
Receipt of subsidies	812	5,076	0	0
Approved subsidies	9,751	10,669	0	0
Transfer of proportion in income statement	(1,281)	(690)	0	0
Balance 30 September	46,605	31,231	0	0

The subsidies refer to state grant regarding the development of wind parks and are depreciated in the income statement in accordance with the depreciation rate of the fixed assets that are subsidized.

The amount of additions for the period January 1st – September 30th , € 10,563 includes subsidies that are not yet received of € 9,751, € 5,536 of which are included in «Other long-term receivables» and € 4,215 in «Prepayments and other receivables». These subsidies are recognized based on the certainty of the Management that the receivables of these subsidies will be collected normally upon the completion of the relevant investments. The aforementioned non-received subsidies are depreciated in the income statement only for the part that refers to fully completed and operating windmills.

14. OTHER INCOME/EXPENSES

The analysis of other income/expenses on 30 September 2007, are reported in the following table:

	GROUP	COMPANY
Profit from the sale of DIKEVE	2,328	0
Goodwill from the valuation of investment property at fair value	12,925	907
Negative goodwill from acquisition of subsidiaries	9,487	0
Depreciation of subsidies	1,281	0
Income from participations	36	5,399
Other income/(expenses)	1,156	(109)
Total	27,213	6,197

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15. INCOME TAX

The expense for income tax is recorded directly based on the best assumption of the management regarding the average annual tax rate for a complete year. This rate on 30/09/2007 was 25.4% (27.05% on 30/09/2006) for the group, while for the company the tax rate was 13.8% on 30/09/2007 (5.67% on 30/09/2006).

16. DISCONTINUED OPERATIONS

At the beginning of 2007 the company DIKEVE SA was sold (see note 14), which did not present significant results till its sale. This company on 31/12/2006 was reported as discontinued operation while before was recorded in the investment property sector. The agreed amount of sale amounted to euro 27,377.

The following table reports summary financial information of the sold company at the date off its sale:

Investment property	29,158
Receivables	11,172
Cash	140
Loans	(10,802)
Other liabilities	(3,754)
Net assets and liabilities	<u>25,914</u>

17. MERGING OF COMPANIES

A) On 16/01/07 and on 12/7/2007 the group acquired the 51% and 49% respectively of the shares and voting rights of **LITHOS SA**. The acquired company did not have any cash assets. This company is active in quarry exploration.

Information on net assets that were acquired and on goodwill are as follows:

Agreed price (paid)	2,733
Direct expenses	100
Total	<u>2,833</u>
Fair value of net recognizable assets	<u>5,773</u>
Negative Goodwill	<u>2,940</u>

The amount of negative goodwill of 2,940 euros, is recorded in Other income/expenses of the consolidated results (see relevant note 14),

The difference emerged by the acquisition of LITHOS SA is due to the fact that the price paid was less than the temporary fair value of the company's assets acquired and specifically the fair value of the quarry the company exploits.

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The temporary fair value of assets and the liabilities are shown in the following table:

	Temporary fair value at valuation
Intangible assets	187
Tangible assets	7,761
Deferred tax receivables	28
Receivables	80
Provisions	(114)
Liabilities	(2,169)
Net assets	<u><u>5,773</u></u>

B) As already mentioned in note 10, the Group acquired in May and June the 21.4% of the listed company ATTI-KAT SA.

Information on net assets that were acquired and on goodwill are as follows:

Agreed price (paid)	22,718
Direct expenses	100
Total	<u><u>22,718</u></u>
Fair value of net recognizable assets	28,661
Negative Goodwill	<u><u>5,943</u></u>

The amount of negative goodwill of 5,943 euros, is recorded in Other income/expenses of the consolidated results (see relevant note 14),

The temporary fair value of assets and the liabilities are shown in the following table:

	Temporary fair value at valuation
Intangible assets	12,894
Tangible assets	111,707
Investment property	21,819
Investments	20,606
Receivables	233,746
Provisions	(750)
Loans	(102,495)
Deferred tax liabilities	(12,280)
Liabilities	(151,319)
Net assets	<u><u>133,928</u></u>
Proportion on net assets (21,4%)	<u><u>28,661</u></u>

C) Finally, on 12/7/2007 the Group acquired the 40% of shares and voting rights of HAMRIYAH CEMENT CO FZC based in SHARJAH of UAN. This company is active in the exploitation of a cement factory.

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Information on net assets that were acquired and on goodwill are as follows:

Agreed price (paid)	3,673
Direct expenses	368
Total	4,041
Fair value of net recognizable assets	(661)
Goodwill	<u>4,702</u>

The goodwill amount of 4,702 euro increased the acquisition value of the associate and is recorded in the amount Participation in Associates. In addition, the amount of 4,376 euro that refers to cash injection of the Group to an associate, has a long-term horizon aiming to be capitalized and is recorded in the amount Participations in associates.

The assets and the liabilities acquired are shown in the following table:

	Temporary fair value during the acquisition
Tangible assets	11
Receivables	226
Liabilities	<u>(1,890)</u>
Net assets	(1,653)
Proportion on net assets (40%)	<u>(661)</u>

18. LITIGATION OR UNDER ARBITRATION DIFFERENCES

During its activities, the Company may face possible legal claims from third parties. According to the Management and the Legal advisor of the Company, any claims are not expected to have a material impact on the financial position of the company on 30/09/2007.

19. TRANSACTIONS WITH RELATED PARTIES

The transactions of the Company and the Group with related parties during the period 01/01-30/09/2007, as well as the balances of receivables and liabilities that are emerged by these transactions on 30/09/2007 and 31/12/2006, are as follows:

Period 1/1-30/9/2007	GROUP				COMPANY			
	Sales	Purchases	Debit balances	Credit balances	Sales	Purchases	Debit balances	Credit balances
Subsidiaries	-	-	-	-	334	4,322	1,966	-
Joint ventures	-	-	-	-	90	-	4,688	-
Basic management staff	22	847	39	121	22	103	39	-
Total	22	847	39	121	446	4,425	6,693	-

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Period 1/1-30/9/2006 (balances refer to 31/12/2006)	GROUP				COMPANY			
	Related party	Sales	Purchases	Debit balances	Credit balances	Sales	Purchases	Debit balances
Subsidiaries	-	-	-	-	59	6,631	331	691
Basic management staff	683	-	10	-	520	-	-	-
Total	683	-	10	-	579	6,631	331	691

20. IMPORTANT EVENTS OF THE PERIOD

In the concession sector, a concession agreement was signed in May for the construction and exploitation of the Central Greece Highway (E65), while it was approved by the Greek Parliament during July. The concession period will be 30 years with commencement expected at the beginning of 2008.

The GEK Group, through its subsidiary TERNA, acquired during May and September 2007 17,475,047 shares or a percentage of 21.4% in the listed company "ATTIKAT ATE".

It also acquired the 100% of the shares of the company LITHOS SA and the 40% of HAMRIYAH CEMENT COMPANY FZC,

21. CYCLICALITY-SEASONALITY

The activities of the Group and especially the construction and investment properties sectors is affected by the economic juncture and the total outcome of the economy in the medium and long-term horizon. Also, some construction activities are affected by unexpected weather conditions or delays due to extreme events.

The activities of the Group in the energy sector refer to the alteration of wind to electric energy, The profitability of a wind park is depends on the wind conditions in the specific location, which are from their nation unpredictable and volatile. These condition may differ per year and per period. Therefore, these developments affects the activity and the financial situation of the Group and the Company.

22. IMPORTANT EVENTS AFTER THE BALANCE SHEET DATE

The shares of the subsidiary TERNA ENERGY ABETE listed and traded in Athens Exchange since 14 November 2007. Also, the Group during the period between 1/10/2007 and the date of compilation of the financial statements signed new construction agreements amounting to 163 million euro.

23. CONTINGENT LIABILITIES

The management of the Group estimates that there are no contingent liabilities of the Group and the company compared to those of 31/12/2006.

CERTIFICATE

It is ascertained that the accompanying financial statements are those approved by the Board of Directors of the Company on the 28 November 2007, and have been published by being posted on the internet at the website www.gek.gr. It is noted that the summary financial figures that have been published in the press 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). In the summary information published in the press some figures have been abbreviated.

THE CHAIRMAN OF THE BoD

THE VICE CHAIRMAN OF THE BoD & MANAGING
DIRECTOR

GEORGE PERISTERIS

NIKOLAOS KAMPAS

THE CHIEF FINANCIAL OFFICER

MERKOURIOS MOSCHOVIS