



GEK GROUP

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

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GEK GROUP**BALANCE SHEET**30TH OF JUNE 2007

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

	Note	GROUP		COMPANY	
		30 June 2007	31 December 2006	30 June 2007	31 December 2006
ASSETS					
Long-term assets					
Intangible fixed assets	7	6,998	6,292	0	0
Tangible fixed assets	7	272,783	257,340	15	19
Investment Property	8	97,623	68,946	21,769	24,937
Participations in subsidiaries	5	0	0	135,156	130,235
Participations in associates	5.9	37,761	9,261	14,919	14,919
Participations in joint-ventures	5	1,645	0	7,764	5,473
Investments available for sale		13,141	14,920	13,102	12,463
Other long-term assets		14,185	12,314	3,208	1,709
Deferred income tax asset		3,474	5,053	0	0
Total long-term assets		447,610	374,126	195,933	189,755
Current assets:					
Inventories		49,932	55,352	14,028	16,746
Trade receivables		195,279	182,434	12,069	12,296
Prepayments and other claims		68,990	54,983	7,411	2,398
Income tax receivables		10,787	9,862	2,426	3,215
Other financial assets		7,930	40,040	3,717	32,835
Cash and cash equivalents		122,504	109,040	59,519	23,258
Total current assets		455,422	451,711	99,170	90,748
Non current assets available for sale		0	29,594	0	0
TOTAL ASSETS		903,032	855,431	295,103	280,503
EQUITY & LIABILITIES					
Equity attributable to the shareholders of the parent					
Share capital	10	23,567	23,567	23,567	23,567
Share premium account		170,410	170,410	170,410	170,410
Reserves		72,617	52,840	56,854	38,913
Profit carried forward		33,229	42,861	28,087	44,725
Total		299,823	289,678	278,918	277,615
Minority interest		109,110	109,298	0	0
Total equity		408,933	398,976	278,918	277,615

Long term liabilities:

Long-term loans	11	125,181	106,891	0	0
Loans from finance leases	11	24,535	21,231	0	0
Other long-term liabilities		3,939	4,211	194	261
Other provisions	12	4,219	1,713	0	0
Provisions for staff indemnities	12	1,519	1,171	159	121
Grants	13	42,846	37,323	0	0
Deferred tax liabilities		<u>9,868</u>	<u>5,663</u>	<u>859</u>	<u>254</u>
Total long term liabilities		<u>212,107</u>	<u>178,203</u>	<u>1,212</u>	<u>636</u>

Short term liabilities:

Suppliers		65,841	73,258	664	787
Short term loans	11	81,219	64,867	5,012	0
Long term loans payable during the next financial year	11	25,473	24,700	0	0
Accrued and other short term liabilities		104,608	96,431	9,297	1,465
Income tax payable	15	<u>4,851</u>	<u>4,442</u>	<u>0</u>	<u>0</u>
Total short term liabilities		<u>281,992</u>	<u>263,698</u>	<u>14,973</u>	<u>2,252</u>

Liabilities directly related to non-current assets available for sale

		<u>0</u>	<u>14,554</u>	<u>0</u>	<u>0</u>
TOTAL LIABILITIES & EQUITY		<u>903,032</u>	<u>855,431</u>	<u>295,103</u>	<u>280,503</u>

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

GEK GROUP
INCOME STATEMENT
30TH OF JUNE 2007

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

	Note	GROUP				COMPANY			
		1/1 - 30/6	1/4 - 30/6	1/1 - 30/6	1/4 - 30/6	1/1 - 30/6	1/4 - 30/6	1/1 - 30/6	1/4 - 30/6
		2007	2007	2006	2006	2007	2007	2006	2006
INCOME:									
Net sales	6	198,189	102,568	134,141	77,356	17,760	8,188	8,490	3,932
Cost of sales		(167,338)	(88,749)	(102,905)	(61,838)	(13,910)	(6,419)	(8,171)	(5,361)
Gross Profit		30,851	13,819	31,236	15,518	3,850	1,769	319	(1,429)
Administration and Distribution expenses		(16,061)	(9,170)	(11,087)	(5,237)	(855)	(537)	(864)	294
Research and Development expenses		(844)	(516)	(391)	(206)				
Result from valuation of investment property		0	0	0	0	0	0	0	0
Other income / (expenses)		24,661	11,542	5,882	81	6,182	5,275	5,470	177
Net financial income/(expense)		(4,304)	(2,244)	(4,234)	(2,795)	969	569	15,072	332
Profit/(Loss) from sale and valuation of participations and other investments		0	0	0	0	0	0	0	(40)
Income from participations and other investments		0	0	0	0	0	0	0	5,485
Profit/(Loss) from valuation of associates with the net equity method		(160)	(160)	(1,336)	(1,257)	0	0	0	0
EARNINGS BEFORE TAX		34,143	13,271	20,070	6,104	10,146	7,076	19,997	4,819
Income tax		(8,457)	(2,415)	(5,429)	(2,304)	(1,388)	(504)	(1,080)	(737)
NET EARNINGS		25,686	10,856	14,641	3,800	8,758	6,572	18,917	4,082
Attributable to:									
Shareholders of the parent company		17,866	7,414	8,464	279	0	0	0	0
Minority interest		7,820	3,442	6,177	3,521	0	0	0	0
		25,686	10,856	14,641	3,800	0	0	0	0
Earnings per share (in euro)									
Basic		0.27	0.11	0.13	0.00	0.13	0.10	0.29	0.06
Weighted average number of shares									
Basic		65,463,360	65,463,360	65,463,360	65,463,360	65,463,360	65,463,360	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 JUNE 2007

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

	Note	GROUP		COMPANY	
		1/1 – 30/6 2007	1/1 - 30/6 2006	1/1 - 30/6 2007	1/1 - 30/6 2006
Cash flow from operating activities					
Profit before tax		34,143	20,070	10,146	19,997
<i>Adjustments for the agreement of the net flows from the operating activities</i>					
Depreciation	7	9,786	7,299	5	9
Provisions	12	(433)	(110)	38	(24)
Interest and related revenue		(1,808)	(983)	(1,073)	(519)
Interest and other financial expenses		6,394	5,146	88	30
Results from valuation of investment property		(12,732)	21	(952)	0
Results from participations		(9,575)	(7,413)	(5,390)	(19,842)
Results from intangible and tangible asset and real estate			0	0	40
Amortization of grants	13	(866)	(683)	0	0
Other adjustments		(530)	335	0	0
Operating profit before changes in working capital		24,379	23,682	2,862	(309)
(Increase)/Decrease in:					
Inventories		5,420	(8,504)	2,718	1,405
Trade receivables		(12,845)	(14,039)	227	(1,172)
Prepayments and other short term receivables		(16,356)	(26,851)	426	(8,226)
Increase/(Decrease) in:					
Suppliers		(7,417)	19,357	(123)	(2,449)
Accruals and other short term liabilities		8,177	(10,912)	47	(970)
Collection of grants	13	834	5,076	0	0
(Increase)/Decrease of other long term claims and liabilities		(1,599)	(1,530)	(1,566)	(334)
Tax payments		(6,400)	1,025	(182)	3,997
Cash flows from operating activities of discontinued operations		0	(53)	0	0
Cash inflow from operating activities		(5,807)	(12,749)	4,409	(8,058)
Cash flows from investment activities					
Purchases of intangible and tangible assets		(12,667)	(35,288)	(1)	0
Sale of tangible fixed assets		844	177	0	0
Interest and related income received		1,720	469	1,010	0
(Purchases)/sales of participations and securities		(24,095)	20,681	(7,851)	13,730
Other participations		0	0	0	0
Share capital increase in participating company/new consolidated companies, opening cash			0	0	0
Investment property		(4,135)	(10,041)	4,120	(282)
Cash outflows for investment activities		(38,333)	(24,002)	(2,722)	13,448

Cash flows from financial activities

Net change of short term loans	11	16,352	11,718	5,000	0
Withdrawal / (payment) of long term loans	11	20,302	26,994	0	0
Loan payments for finance leases	11	(5,585)	(4,842)	0	0
Dividends paid		(359)	0	0	0
Interest paid		(6,163)	(5,834)	(76)	(30)
Change of other financial receivables		33,057	2,310	29,650	(239)
Cash outflows for financial activities		57,604	30,346	34,574	(269)
Net increase of cash		13,464	(6,405)	36,261	5,121
Cash at the beginning of the period		109,040	104,179	23,258	51,779
Cash at the end of the period		122,504	97,774	59,519	56,900

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

GEK S.A.
STATEMENT OF CHANGES IN EQUITY
30TH OF JUNE 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 year	0	0	0	18,917	18,917
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 June 2007	<u>23,567</u>	<u>170,410</u>	<u>44,410</u>	<u>29,723</u>	<u>268,110</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			401		401
Net profit for the year				8,758	8,758
Dividends				(7,856)	(7,856)
Creation of reserves			17,540	(17,540)	0
30th of June 2007	<u>23,567</u>	<u>170,410</u>	<u>56,854</u>	<u>28,087</u>	<u>278,918</u>

GEK GROUP
STATEMENT OF CHANGES IN EQUITY
30TH OF JUNE 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 year		0	0	0	8,464	8,464	6,177	14,641
Dividends					(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	(124)	(124)	(1,868)	(1,992)
Distribution of reserves				(2,766)	801	(1,965)	0	(1,965)
Transfers-Other movements				(33)	22	(11)	0	(11)
30th of June 2006		23,567	170,410	48,466	33,652	276,096	102,700	378,795
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	(160)	0	(160)	209	49
Net earnings for the year		0	0	0	17,866	17,866	7,820	25,686
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	3,026	3,026
Profit/(loss) from valuation registered directly in equity		0	0	386	0	386	(11)	375
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
Transfers-Other movements		0	0	0	0	0	0	0
30th of June 2007		23,567	170,410	72,617	33,229	299,823	109,110	408,933

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.

In the first quarter 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 that is 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 August 30th 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

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. The estimation of the Group’s and Company’s Management regarding the effect from the future application of these new standards and interpretations is presented below:

- (i) ***IFRS 7, Financial assets: Disclosures and supplementary adjustment to IAS 1, Presentation of Financial Statements – Capital 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.

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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.

In the accompanying interim financial statements the information of IAS & according to IAS 34 are not presented. The Group and company will disclose the additional information required by IFRS 7 during the preparation of the annual Financial Statements of December 31st 2007.

- (ii) **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..
- (iii) **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.
- (iv) **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.
- (v) **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 recognize a financial asset against or an intangible asset.

IFRIC 12, which is expected to be adopted by the European Union in the near future, is not expected to affect the existing financial statements of the Group.

- (vi) **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 IFRIC 13 is mandatory for periods beginning on or after July 1st 2008. The application does not affect the Group's financial statements.
- (vii) **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. IFRIC 14 is expected to be adopted by the European Union in the near future. The company estimates that the application of IFRIC 14 is not expected to affect the financial statements of the Group.

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.

GEK GROUP
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(Amounts in thousand Euro, unless stated otherwise)

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.

GEK GROUP
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(Amounts in thousand Euro, unless stated otherwise)

- (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.

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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 thousand 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.

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 actuaries 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.

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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 30.06.2006	Amounts for the period 1/1 -30/06/06 as previously published in the consolidated financial statements of 30.06.06	Correction of errors	Reclassification of items	Restated amounts for the period 1/1 – 30/06/06
Ongoing activities				
Net sales	133,513	628		134,141
Cost of sales	-102,829	-76		-102,905
Gross Profit	30,684	552	0	31,236
Administration and Distribution expenses	-11,138	-340	391	-11,087
Research and Development expenses	0	0	-391	-391
Result from valuation of investment property	4,217	0	-4,217	0
Other income / (expenses)	1,245	420	4,217	5,882
Net financial income/(expense)	-3,973	-261	0	-4,234
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	-1,336	0	0	-1,336
Earnings/ (Losses) before taxes	19,699	371	0	20,070
Income tax	-6,940	1,511	0	-5,429
Net profit/ (losses) for the period from ongoing activities	12,759	1,882	0	14,641
Earnings/losses from discontinued operations after taxes				
Net earnings / (losses) for the period	12,759	1,882	0	14,641
Attributable to:				
Shareholders of the parent company	7,437	1,027	0	8,464
Minority interest	5,322	855	0	6,177
	12,759	1,882	0	14,641
Earnings/(losses) after taxes per share (in Euro)				
Basic from ongoing activities attributable to shareholders of the parent company	0.11	0.02	0.00	0.13

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GEK GROUP 30.06.2006	Amounts for the period 1/4 - 30/06/06 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 – 30/06/06
Ongoing activities				
Net sales	76,728	628		77,356
Cost of sales	-61,762	-76		-61,838
Gross Profit	14,966	552	0	15,518
Administration and Distribution expenses	-5,103	-340	206	-5,237
Research and Development expenses	0	0	-206	-206
Result from valuation of investment property	0	0	0	0
Other income / (expenses)	544	-463	0	81
Net financial income/(expense)	-3,417	622	0	-2,795
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	-1,257	0	0	-1,257
Earnings/ (Losses) before taxes	5,733	371	0	6,104
Income tax	-3,815	1,511		-2,304
Net profit/ (losses) for the period from ongoing activities	1,918	1,882	0	3,800
Earnings/losses from discontinued operations after taxes				
Net earnings / (losses) for the period	1,918	1,882	0	3,800
Attributable to:				
Shareholders of the parent company	-721	1,000		279
Minority interest	2,639	882		3,521
	1,918	1,882	0	3,800
Earnings/(losses) after taxes per share (in Euro)				
Basic from ongoing activities attributable to shareholders of the parent company	-0.01	0.01	0.00	0.00

5. CONSOLIDATED COMPANIES

The data of consolidated companies in the Group on 30/06/2007, 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:

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
MONASTERY TECHNICAL DEVELOPMENT SA	Greece	100.00	50.00	Full	4
ICON LTD	Bulgaria	100.00	100.00	Full	3
VIPA THESSALONICA	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

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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	Net Equity	3
GEKA SA	Greece	33.34	33.34	Net Equity	3
ATTIKAT ATE	Greece	21.40	-	Net Equity	

The Group participates in company GEKA SA (formerly known as PIRAEUS PRODEFIN HOLDING SA) by 33.34%, and in KEKROPS SA by 23.91%, while during the present period a percentage of 21.40% was acquired in the company (indirect participation, see note 9) ATTIKAT ATE.

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
THESSALONICA 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 1 st
NEA IONIA ROAD SA	Greece	33.33	33.33	Proportionate	financial year
GLS OOD SOFIA BULGARIA	Bulgaria	50.00	50.00	Proportionate	2
ELLINIKON ENTERTAINMENT AND SPORTS PARK 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	5
2. TERNA ENERGY ABETE	Greece	63.19	63.19	Full	2
3. STROTIRES AEBE	Greece	51.00	51.00	Full	4
4. LITHOS SA	Greece	51.00	-	Full	1
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

* 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	Tax unaudited years
		2007 and 2006 %	
1. HERON THERMOELEKTRIKI SA	Greece	50%	4
2. QBC S.A. – TERNA SA	Qatar	40%	1 st year

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**F) Taxed Joint Ventures of TERNA SA that were consolidated under the proportionate method
on 30/06/2007**

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%	5
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, AECEK, 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
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

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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-EMPEDESOS-J&P ABAX-J&P ABAΞ-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-STROTIREAS	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
74.	J/V TERNA-KARAYIANNIS-ATTALOS-ILIOCHORA	50.00%	1 st financial year
75.	J/V TERNA-KARAYIANNIS-ALTEK-EMPEDESOS-ERETVO	24.00%	2
76.	J/V AKTOR ATE - TERNA SA	50.00%	1

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G) Taxed joint ventures of TERNA SA that were not consolidated on 30/06/2007

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 ATHENS-PANTECHNIKI-TERNA (KOUKONTONI TUNNEL)	33.30%
4	J/V EMPEDOS SA-TERNA SA (PROJECT EKTHE THIRD PARTY)	50.00%
5	J/V CAR PARK "PARKING OYIL SA"	12.16
6	J/V MARITIME MIDSHIPMEN –GNOMON ATE-GEK SA-GENER SA	33.00%
7	J/V IMPREGILO S.p.a – TERNA SA-ALTE SA (EXECUTIONS)-in clearance	33.33%
8	J/V ARCHIRODON HELLAS ATE-TERNA SA	30.00%
9	J/V EVINOOU-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 for, the guarantee time has passed, the relations with third parties are cleared and their final clearance is pending.

H) 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	Greece	100.00	100.00	Full	5

GEK GROUP
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	Name	Country of domicile	Participation percentage		Consolidation method	Tax unaudited years
			2007	2006		
	DISTION EVIAS GP					
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.

GEK GROUP
 NOTES ON THE INTERIM FINANCIAL STATEMENTS
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I) 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. ROUSIS - TERNA ENERGY ABETE	50%	3
13	TERNA ENERGY ABETE & Co	70%	5

J) 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 30/06/2007 and 30/06/2006, in accordance with its main activities as follows:

GEK GROUP
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Period 1/1 – 30/06/2007	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	154,432	10,075	17,698	11,250	7,252	1,359	342		202,408
Less: intra-sectoral turnover	(3,411)	0	0	0	(808)	0	0	(4,219)	
Sales to external customers	151,021	10,075	17,698	11,250	6,444	1,359	342		198,189
Earnings before interest, tax, and depreciation (EBIDTA)	6,383	7,709	6,717	18,332	1,421	645	393		41,600
Earnings before interest and tax (EBIT)	2,496	4,730	4,593	18,241	1,113	248	393		31,814

Period 1/1 – 30/06/2006	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	97,248	6,848	16,228	8,139	13,732	674	0		142,869
Less: intra-sectoral turnover	(7,783)	0	0	(26)	(918)	0	0	(8,727)	
Sales to external customers	89,465	6,848	16,228	8,113	12,814	674	0		134,142
Earnings before interest, tax, and depreciation (EBIDTA)	11,486	5,301	8,244	4,972	2,981	315	(360)		32,939
Earnings before interest and tax (EBIT)	9,023	3,448	6,217	4,901	2,366	45	(360)		25,640

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	26,779	52,593	0	0
Sales for the period	(844)	(18,380)	0	0
Depreciations and other changes for the period	(9,786)	(8,724)	(4)	(10)
Net book value 30 June	279,781	236,632	15	25

On the fixed assets of some subsidiaries of the Group, there are some charges and prenotations on 30/06/2007 of € 11,307 (€ 26,907 on 31/12/2006). In detail:

a) Sub-group of TERNA SA

BIOMEK ABETE1,507

B) GEK SA Group

IOANNINA ENTERTAINMENT DEVELOPMENT SA7,200

MONASTIRIOU TECHNICAL DEVELOPMENT SA2,600

Total 11,307

8. INVESTMENT PROPERTY

The investment property on June 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	11,980	6,256	0	642
Reductions for the period	(4,254)	(40)	(4,075)	(401)
Adjustments on fair value	12,925	4,242	907	0
Transfer from reserves	8,026	0	0	0
Balance 30 June	97,623	87,959	21,769	24,707

GEK GROUP
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In the current period ending on 30/06/2007 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).

9. PARTICIPATIONS IN ASSOCIATES

The GEK Group through its subsidiary TERNA, acquired during May and June of 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 30/06/2007 was 92,258 € .

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

GROUP and COMPANY 30.06.2007	Assets	Liabilities	Equity	Income	Earnings/Losses before taxes
ATTIKAT SA	400,771	266,843	133,928	76,913	884

The company recognized the acquisition of its participation in ATTIKAT at its acquisition cost. On June 30th 2007 the Group made a readjustment according to the percentage of its participation in the Equity of the affiliate. From this readjustment, a positive difference emerged, which was registered in the results of the current period in the account "Other income/expenses" (Note 14).

From the total 17,475,047 shares owned by the GEK Group, 2,046,050 shares are blocked by a financial institution for the withdrawal of financings.

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

GROUP and COMPANY 30.06.2007	Assets	Liabilities	Equity	Income	Earnings/Losses before taxes
GEKA SA	37,148	16,166	20,982	1,010	562
KEKROPS SA	17,290	5,881	11,409	5,099	4,339
ATTIKAT ATE	400,771	266,843	133,928	76,913	884

GROUP and COMPANY 30.06.2006	Assets	Liabilities	Equity	Income	Results
GEKA SA	48,423	26,944	21,479	6,380	5,907
KEKROPS SA	12,940	4,609	8,331	106	(433)
ATTIKAT ATE	364,018	230,729	133,289	53,297	549

GEK GROUP
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The fair value of the participations in the associates KEKROPS SA and ATTIKAT ATE, whose shares are traded on the Athens Exchange, based on prices of 30/06/2007, amounts to € 45,175, while their respective value based on the Net Equity method, according to which they have been valued, amounts to € 36,778,

10. SHARE CAPITAL

In the period 1/1-30/06/2007, as well as in the period 1/1-30/06/2006, the number of shares and their nominal value as well as the share premium did not change.

11. LOANS

The summary of short-term and long-term loans of the group and the company on 30/06/2007 and 30/06/2006, was as follows:

	GROUP		COMPANY	
	2007	2006	2007	2006
Balance 1 January	217,689	185,615	0	0
New loans	66,990	38,712	5,012	0
Loans repayment	(28,271)	(6,862)	0	0
Balance 30 June	256,408	217,465	5,012	0

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

In the current period a subsidiary company issued a 6 year corporate bond loan of 20,000 euro paid in 10 equal installments. This loan was issued in order to replace part of the short-term loan of the company.

12. PROVISIONS

The summary changes of the provisions of the group and the company on 30/06/2007 and on 30/06/2006, were as follows:

GEK GROUP
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	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	695	110	38	0
Additional provision recognized in assets	2,500	0	0	0
Non-used provisions transferred in the income statement	(10)	0	0	(24)
Non-used provisions transferred in assets	0	0	0	0
Used provisions	(331)	(1,384)	0	(315)
Balance 30 June	5,738	2,752	159	108

13. SUBSIDIES

The summary change of subsidies for the group and the company on 30/06/2007 and on 30/06/2006, 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	1,514	5,076	0	0
Approved subsidies	4,887	11,004	0	0
Transfer of proportion in income statement	(878)	(683)	0	0
Balance 30 June	42,846	31,573	0	0

14. OTHER INCOME/EXPENSES

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

	GROUP	COMPANY
Profit from the sale of DIKEVE	2,932	0
Goodwill from the valuation of investment property at fair value	12,925	907
Negative goodwill from acquisition of subsidiaries	7,391	0
Retrieval of provision from impairment of trade receivables	0	0
Other income	1,413	0
Total	24,661	907

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 30/06/2007 was 24.8% (27.05% on 30/06/2006) for the group, while for the company the tax rate was 5.4% on 30/06/2007.

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	25,914

17. MERGING OF COMPANIES

On 16/01/07, the group through its subsidiary TERNA, acquired the 51% of the shares and voting rights of **LITHOS SA** paid in cash and amounting to 2,000 euro. 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	2,000
Direct expenses	100
Total	2,100
Fair value of net recognizable assets	2,944.60
Goodwill defined during the acquisition	844.60

GEK GROUP
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The assets and liabilities acquired are reported in the following table:

	Book value	Fair Value Readjustment	Fair value during acquisition
Intangible assets	187		187
Tangible assets	305	7,456	7,761
Deferred tax receivables	28		28
Receivables	80		80
Provisions	(114)		(114)
Liabilities	(305)	(1,864)	(2,169)
Net assets	181	5,592	5,773
51% proportion of the Group on acquired net assets (a)			2,944.60
Proportion of minority interest on net assets			2,100
Acquisition price of 51% by the Terna Group (b)			2,100
Goodwill difference from acquisition of 51% of LITHOS SA (a) - (b)			844.60

The difference that emerged from the acquisition of the percentage in LITHOS SA is due to the fact that the price paid was less than the fair value of the company's assets that were acquired and specifically the fair value of the quarry exploited by the latter.

It is noted that on July 12th 2007 the Group acquired the remaining 49% of the company for € 733 (see Note 22 Significant events after the Balance Sheet date). The owed amount during August 29th 2007 from both transactions amounts to €214 and will be paid during the current year.

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 30/06/2007.

19. TRANSACTIONS WITH RELATED PARTIES

The transactions of the Company and the Group with related parties during the period 01/01-30/06/2007, as well as the balances of receivables and liabilities that are emerged by these transactions on 30/06/2007, are as follows:

GEK GROUP
 NOTES ON THE INTERIM FINANCIAL STATEMENTS
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 (Amounts in thousand Euro, unless stated otherwise)

Period 1/1-30/6/2007	GROUP				COMPANY			
	Related party	Sales	Purchases	Debit balances	Credit balances	Sales	Purchases	Debit balances
Subsidiaries	0	0	0	0	281	3,791	5,874	246
Joint ventures	0	0	0	0	7	0	1	0
Basic management staff	22	125	104	1,095	0	0	0	0

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 June 2007 17,475,047 shares or a percentage of 21.4% in the listed company "ATTIKAT ATE".

21. 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 force majeure. This has as a result the gross profits to change in the fiscal year as well as in longer term periods.

22. IMPORTANT EVENTS AFTER THE BALANCE SHEET DATE

During July 2007 the GEK Group through its subsidiary TERNA, acquired the remaining 49% of the company LITHOS SA, and thus since then owns 100% of its shares.

The 100% subsidiary of GEK, "ICON EOOD" which is active in Bulgaria, on 2/8/2007 and following a bid realized by the Municipality of Samokov, went forward with the purchase of a land-plot in the Borovec area, with a total area of 166,356 sq.m. and at a price of 19.6 million Euro.

The above areas are defined at a distance of approximately 70 km from Sofia and constitute an attraction for mountain tourism. With the completion of the investment plan implemented in the area, the expansion of the existing winter ski routes is foreseen with the addition of an additional 22 kilometers, as well as the creation of modern and luxury hotel units, thus rendering the Borovec area as the largest tourist resort for mountain tourism in the broader Balkan region.

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 30th of August 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

Review Report on Interim Financial Information

To the Shareholders of GEK HOLDING REAL ESTATE CONSTRUCTION AE

Introduction

We have reviewed the accompanying condensed balance sheet of GEK HOLDING REAL ESTATE CONSTRUCTION AE (the "Company") as at 30 June 2007, and the related condensed statements of income, changes in equity and cash flows for the six-month period then ended, as well as the selected explanatory notes. Management is responsible for the preparation and presentation of this interim condensed financial information in accordance with International Financial Reporting Standards as adopted by the European Union (EU) and apply to interim financial information ("IAS 34"). Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", to which the Greek Auditing Standards refer.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Greek Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit.

Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard "IAS 34".

Without qualifying our review conclusion, we draw attention to:

The fact that the tax returns, for the years 2005 and 2006, have not been examined by the tax authorities as yet and, as a consequence, the possibility exists of additional taxes and penalties being assessed at the time when the returns will be examined and will be accepted as final. The outcome of these tax inspections cannot be predicted at present and, therefore, no provision has been made in these financial statements in this respect.

Athens, 30 August 2007



VASILIOS PAPAGEORGAKOPOULOS

Certified Public Accountant Auditor

SOEL Reg. No. 11681

SOL S.A. – Certified Public Accountants Auditors

3, Fok. Negri Street - Athens, Greece

Review Report on Interim Financial Information

To the Shareholders of GEK HOLDING REAL ESTATE CONSTRUCTION AE

Introduction

We have reviewed the accompanying condensed consolidated balance sheet of GEK HOLDING REAL ESTATE CONSTRUCTION AE (the "Company") as at 30 June 2007, and the related condensed consolidated statements of income, changes in equity and cash flows for the six-month period then ended, as well as the selected explanatory notes. Management is responsible for the preparation and presentation of this interim condensed financial information in accordance with International Financial Reporting Standards as adopted by the European Union (EU) and apply to interim financial information ("IAS 34"). Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

Scope of Review

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A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Greek Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit.

Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard "IAS 34".

Without qualifying our opinion, we draw attention to:

a) Note 5 in the Notes on the consolidated financial statements, where reference is made to the fact that the tax returns of the parent company for the years 2005 to 2006 as well as those of the consolidated subsidiaries and Joint-Ventures cited in the above-mentioned Note, have not been examined by the tax authorities as yet and, as a consequence, the possibility exists of additional taxes and penalties being assessed at the time when the returns will be examined and will be accepted as final. The outcome of these tax inspections cannot be predicted at present and, therefore, no provision has been made in these financial statements in this respect.

b) The fact that in the trade receivables are included and receivables overdue totalling approximately € 23.000 thousands that concern proportion of respective receivables of two Joint Ventures in which participates a subsidiary company of the Group with object the execution of a technical project. In respect of these receivables that concern the additional over contractual object of the project, no provision has been made because Management deems that, at the suggestion of the committee for temporary delivery, for the estimation of the total projects and the opinion of all the persons in charge of the project, the Joint Ventures will arrive at an amicable arrangement with the project leader and the afore-mentioned receivables will be collected to their total, following the completion of the procedure for the control and approval of accounts and protocols of change in the source of revenue for the economic operator, by the Technical Manager.

Athens, 30 August 2007



VASILIOS PAPAGEORGAKOPOULOS

Certified Public Accountant Auditor

SOEL Reg. No. 11681

SOL S.A. – Certified Public Accountants Auditors

3, Fok. Negri Street - Athens, Greece