



**GEK TERNA SOCIETE ANONYME  
HOLDINGS REAL ESTATE CONSTRUCTIONS**

85 Mesogeion Ave., 115 26 Athens Greece  
General Commercial Registry No. 253001000  
S.A. Reg. No. 6044/06/B/86/142

**SEMI-ANNUAL FINANCIAL REPORT**

**Of the period**

**January 1<sup>st</sup> to June 30<sup>th</sup> 2014**

**In accordance with the article 5 of Law 3556/2007**

## **SEMI-ANNUAL FINANCIAL REPORT**

**For the period 1<sup>st</sup> January to 30<sup>th</sup> June 2014**

**in accordance with the article 5 of Law 3556/2007**

The current Semi-Annual Financial Report is prepared according to article 5 of Law 3556/2007 and thereon issued Decision by the Hellenic Capital Market Commission Board of Directors with Number 7/448/11.10.2007 and includes:

- a) the statements by members of the Company's Board of Directors,
- b) the review report by the legal auditor,
- c) the semi-annual management report by the Company's Board of Directors,
- d) the interim condensed financial statements that refer to the 1<sup>st</sup> half of the financial year 2014 and
- e) the data and information for the period 1.1.2014-30.6.2014.

## GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1<sup>st</sup> 2014 to June 30<sup>th</sup>2014

(Amounts in thousand Euro, unless stated otherwise)

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### **I.STATEMENTS BY MEMBERS OF THE BOARD OF DIRECTORS**

**(according to article 5 par. 2 of L. 3556/2007)**

We,

Nikolaos Kampas, Chairman of the Board of Directors

George Peristeris, Managing Director and,

Panayiotis Pothos, Non-executive Member of the Board of Directors

#### STATE THAT

To the best of our knowledge:

a. the accompanying individual and consolidated Semi-Annual Financial Statements of the company GEK TERNA SOCIETE ANONYME HOLDINGS REAL ESTATE CONSTRUCTIONS for the period from January 1st 2013 to June 30th 2014, which were prepared in accordance with the effective International Financial Reporting Standards (IFRS) accurately present the data of Assets and Liabilities, the Equity and Comprehensive Income of the Company, as well as of the companies included in the consolidation and considered aggregately as an entity, according to those stipulated by paragraphs 3 to 5 of article 5 of L. 3556/2007.

b. the Board of Directors' Semi-Annual Report accurately presents the information required according to those stipulated by paragraph 6 of article 5 of L. 3556/2007.

Athens, 28August 2014

Chairman of the Board

Managing Director

Non-Executive Board Member

Nikolas Kampas

George Peristeris

Panagiotis Pothos

## **II.REVIEW REPORT ON INTERIM FINANCIAL INFORMATION**



### **Review Report on Interim Financial Information**

*To the Shareholders of the Company **GEK TERNA SOCIETE ANONYME HOLDINGS REAL ESTATE CONSTRUCTIONS***

#### ***Introduction***

We have reviewed the accompanying separate and consolidated statement of financial position of the Company GEK TERNA SOCIETE ANONYME HOLDINGS REAL ESTATE CONSTRUCTIONS as at 30 June 2014 and the relative separate and consolidated statements of comprehensive income, changes in equity and cash flows for the six-month period then ended, as well as the selected explanatory notes, that constitute the condensed interim financial information, which is an integral part of the six-month financial report under the L. 3556/2007. Management is responsible for the preparation and presentation of this condensed interim financial information, in accordance with International Financial Reporting Standards, as adopted by the European Union (EU) and which apply to Interim Financial Reporting (International Accounting Standard “IAS 34”). Our responsibility is to express a conclusion on this condensed interim 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”. 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 International Standards on Auditing 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.

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### ***Conclusion***

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

### ***Report on Other Legal and Regulatory Requirements***

Our review did not identify any inconsistency or mismatching of the other data of the provided by the article 5 of L. 3556/2007 six-month financial report with the accompanying condensed interim financial information.

Athens, 30 August 2014

Certified Public Accountant Auditor



GEORGE LAGGAS

Institute of CPA (SOEL) Reg. No. 13711

Associated Certified Public Accountants s.a.

member of Crowe Horwath International

3, Fok.Negri Street – 112 57 Athens, Greece

Institute of CPA (SOEL) Reg. No. 125

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### **III.SEMI-ANNUAL MANAGEMENT REPORT BY THE BOARD OF DIRECTORS**

of the Company GEK TERNA SOCIETE ANONYME HOLDINGS REAL ESTATE CONSTRUCTIONS for the period 1.1 – 30.6.2014.

The present Semi-Annual Report by the Board of Directors refers to the first half of the current financial year 2014. The Report was prepared and is in line with the relevant provisions of law 3556/2007 (Govt. Gazette 91A/30.4.2007) and the relevant executive decisions issued by the Hellenic Capital Market Commission and particularly Decision No. 7/448/11.10.2007 by the Board of Directors of the Capital Market Commission.

#### **A. Financial Developments and Performance for the Reporting Period**

The financial issues of the Greek Economy continued to be evidenced during the first six-month period of 2014. The constant tax amendments continue to create a financial environment into which the lack of liquidity and unemployment prevails, having as a result the prevention of any new investments into important segments of the economy.

The substantial launch of significant motor projects' construction, into which our Group participates, contributes significantly to the economy due to its considerable domestic added value, the increase of the employment rate with the creation of tens of thousands job positions (salaries– social contribution) and the providence of direct liquidity in the market, which however is not adequate in order to change the investment sentiment.

Within this economic environment, GEK TERNA Group continues to implement its investment plan, as its capital structure remains healthy.

At the same time, our Group continues to be present beyond Greek borders, as a significant portion of its turnover is generated in countries of South East Europe and the Middle East.

The basic consolidated Financial Data for the first half of 2014 according to the International Financial Reporting Standards, in comparison with the restated consolidated financial statements of 2013 according to IFRS 11 are as follows:

Turnover towards third parties amounted to approximately 389 mil euro, compared to 242 mil euros during the first half of 2013, posting an increase of about 60.3%, mainly due to the increase of activities in the construction segment.

Operating earnings before tax, interest, depreciation and amortization (EBITDA) amounted to 47.4 mil euro, compared to 37.5 mil euros during the first half of 2013, posting a 26.4% increase.

Earnings before taxes amounted to 4.9 mil euro, compared to minus 28.9 mil, improved mainly due to the reduction of bad debt provisions as well as the increase in the operating profitability.

Earnings after taxes and non-controlling interests amounted to minus 0.1 mil compared to minus 33.2mil euro the first half of 2013.

The Group's Net Debt Position (cash & cash equivalents minus debt) on 30.6.2014 amounted to approximately minus 392.6 mil euro versus minus 456 mil euro on 31.12.2013.

The Group's capital base amounts to 630 mil euros compared to 640 mil euro on 31.12.2013.

The Group's total assets amount to 2,312 mil euro.

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### **B. Significant events during the period 1.1-30.6.2014**

During the half of 2014 5 wind parks started operating in Greece total capacity of 86.2 MW.

In Poland, the Group proceeded to the acquisition of two companies which hold licenses for the installation of Wind Parks total capacity of 12MW.

It was approved the inclusion to the clause of L.3908/2011 of the investment plan's 1<sup>st</sup> phase submitted by the subsidiary of the Group TERNA LEUKOLITHI S.A. amount of 19.7 mil euro.

#### **Construction segment**

During the first half of 2014, Turnover from the activity of constructions towards third parties amounted to 332.6 mil euro compared to 188.1 mil euro. This amount does not include turnover between the Group's segments, which amounts to 11.3 mil euro and concerns constructions of capital goods for our Group.

Revenue from construction activities rose by 76.8% compared to the respective period of 2013, mainly due to the re-initiation of the Concession construction projects in Greece.

Adjusted operating earnings before tax, interest, depreciation and amortization (adjusted EBITDA) amounted to 15.4 mil euro compared to 5.7 mil euro during the first half of 2013, posting a 168% increase mainly due to the re-initiation of activities for the Concession agreements of the motorways E-65, Nea Road and Olympia Road.

Operating profit before interest and tax (EBIT) amounted to 2.9 mil euro compared to minus 3.3 mil euro during the first half of 2013, thus improved by 186%, approximately.

Turnover of the segment, amounting to 332.6 mil euro, is generated from activities in Greece by 75.6%, by activities in the Balkan countries by 11.1% and by activities in Middle Eastern countries by 13.2%.

The Net Debt Position of the construction segment (cash & cash equivalents minus debt) on 30.6.2014 amounted to approximately minus 13.4 mil euro, compared to minus 96.8 mil euro on 31.12.2013.

The total construction backlog of signed construction contracts of the Group on 30.06.2014 amounts to € 3,600 million euro.

To the above amount there are not included the construction projects of Libya with a total budget of 78 mil euro, due to the events occurring in the respective country.

#### **Energy production segment**

GEK TERNA Group, with activities in the Energy segment from the mid 1990's, has been one of the leaders both in electricity generated by renewable energy sources (RES) through "TERNA ENERGY SA" and by thermal energy plants, through "HERON Thermoelectric SA".

##### *a) Electricity production from renewable energy sources*

The usefulness of the Renewable Energy Sources (RES) has been confirmed on a global level, constituting one of the main sectors to which Greece could focus its development effort in the following years. Within this frame, the group is expected to multiply its figures, as its investments are maturing and the Group's installed capacity in RES will be enhanced substantially within the following years.

The group has 597 MW capacity in operation, from which 355 MW in Greece, 138 MW in the USA, 74 MW in Poland and 30 MW in Bulgaria, while 113 MW of capacity is at the implementation stage (101 MW in Greece and 12 MW in Poland).



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Sales from energy production from renewable energy sources during the 1<sup>st</sup> half of 2014 amounted to 52.8 mil euro versus 51.4 mil euro in 2013, posting a 2.6% increase, while operating earnings before tax, interest, depreciation and amortization (EBITDA) of the period amounted to 34 mil euro versus 34.6 mil in 2013, posting a decrease of 1.9%, which is mainly attributed to the unfavorable wind conditions.

### **b) Electricity production from thermal resources**

After the adoption of the new IFRS 11, the companies “HERON Thermoelectric SA” and “HERON II” have been recognized as jointly managed and as a result the consolidation of their financial results is compiled through the equity method. In the current period, the earnings after tax which have been incorporated, stood at 1.4mil euro compared to 3.5mil euro in 2013.

In the segment of electricity production from thermal resources, during the 1<sup>st</sup> semester of 2014, it was continued the operation of the thermoelectric unit power of 435MW as well as the operation of the small unit power of 147MW in Voiotia.

### **Real Estate development segment**

The uncertainty prevailing in the financial environment and especially the adverse financial conditions,taxes etc., prevailing in the Greek and Balkan real estate market led to the stagnation of the investment activities. Taking into account the prevailing financial conditions the Group continues to maintain a “wait and see” approach.

The revenues of the Real Estate segment amounted to 1.9 mil euro versus 1.3 mil during the 1<sup>st</sup> half of 2013, while operating earnings before tax, interest, depreciation and amortization (EBITDA) stood at 0.1 mil euro, versus minus 0.4 mil euro during the respective period of 2013. The ratio of Debt / Total Assets of the segment is circa 31%, which is considered very safe given the financial conditions

### **Concessions – Self or Jointly Financed projects**

The Group participates in three concession contracts by 33% in the Concession contracts of the Ionian Road and Central Greece Motorway, the participation percentage to which will be increased during the execution of the project as it has been agreed with the other Shareholders and by 17% on the Olympian Road. The initial duration of the concession had been set to 30 years and its termination is estimated on 2038, while it is expected that the revenues from the respective activity will be substantial in the following years.

The effective operation of the Motorway of Central Greece shall take place after the completion of its construction, which is expected to be defined during the 1<sup>st</sup> half of 2016. In addition, the full exploitation of Ionian Road’s concession parts it is placed in time at the 2<sup>nd</sup> semester of 2016.

It should be noted that along with the signing of amended concession contracts among the Concession Companies and the Greek State, in November 2013 for the motorways Ionian Road, Central Greece Motorway and Olympian Road, there were also signed agreements for the restructuring of the financing scheme among the Concession Companies and the credit institutions with the aim to restarting the construction of the above projects.

In direct relation to the above, the Group signed agreement since November 2013, based on which it has undertaken henceforth the obligation for the coverage of the required share capital increases and the providence of secondary loans to the Concession Companies of the projects Ionian Road and Central Greece Motorway, setting itself by this way the leader of the above companies.

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With the adoption of IFRS 11, the respective companies have been recognized as jointly managed and as a result of the above, the consolidation of their financial results is compiled through the equity method. In the current period, the operating results that have been consolidated, stood at 2.5 mil euro compared to 2.3 mil euro in 2013.

The Group continued its activities in the segment of management and exploitation of car parking stations, while the parking spots which corresponds in total to the Group, taking into account its participation percentage in each car parking station amounts to 2,159.

Within 2014, the implementation of the Investment of the Group's subsidiary "CAR PARK KIFISIA PLATANOU SQ. SA" was continued. The investment plan has been approved in accordance to the Development Law 3299/2004. The project is expected to be completed the last quarter of 2014.

The Revenues of the Concession segment amounted in total to 0.3 mil euro during the 1<sup>st</sup> half of 2014 versus 0.3 mil euro in 2013, while operating earnings before tax, depreciation and amortization (EBITDA) not including the cash results amounted to 0.1 mil euro versus minus 0.1 mil during the respective period of 2013.

### **Industrial Segment**

The Group is engaged in the production of quarry products and in the extraction and processing of magnesite through the licenses and mining concessions it holds. The Management estimating that the demand for caustic magnesia will be high in the coming years, has started a considerable investment program of total estimated amount of 100 mil euro in its self-owned facilities at MantoudiEvia for the increase of the industrial production of caustic magnesia through its subsidiary TERNA LEFKOLITHI, which will be completed in 2015 and it is expected within 2014 significant income revenues compared to in 2013. The sales revenue of the segment amounted to EUR 0.9million versus EUR 0.2 million in 2013.

### **C. Significant events after the end of the period 1.1 – 30.6.2014**

The Group placed in operation one wind park with 8MW capacity in August 2014.

### **D. Risks and Uncertainties**

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

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

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

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

#### **Credit risk**

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

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The Group is not exposed to significant credit risk from trade receivables. This is due to both the Group's policy that focuses on working with credible customers and also to the nature of the Group's activities.

Specifically, the total of receivables corresponds either to the broader public sector in Greece and abroad, or to customers with particularly large financial abilities. Despite the aforementioned fact these receivables are under special monitoring and in case it is considered necessary respective adjustments are made.

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

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

### **Foreign exchange risk**

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

Regarding the transactions of the company with foreign companies, these mainly take place with European groups and the settlement currency is euro and as a result this type of risk does not arise.

### **Interest rate risk**

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

The Group's short-term debt is also exclusively denominated in Euros and under a floating rate linked to Euribor. Short-term loans are received mainly either as working capital or as financing for the construction of the Group's investments. The aim of the Group is to continue the conversion of these Loans into long-term loans with fixed rate and spread.

Such loans are repaid either directly from the collection of trade receivables, or with the receipt of the relevant government grants, or with the long-term loans with the completion of the construction and the commissioning of the investments. Therefore, the Group is exposed to interest rate risk from its short-term debt.

### **Liquidity Risk**

The Group manages its liquidity needs by carefully monitoring the development of the long-term financial liabilities as well as payments that take place on a daily basis. The liquidity needs are monitored at different time zones, on a daily and weekly basis, as well as on the basis of a moving 30-day period. The liquidity needs for the next 6 months and the next year are set on a monthly basis.

The group maintains cash and cash equivalents in banks to cover its liquidity needs for periods up to 30 days. Capitals for mid-term liquidity needs are released from term deposits.

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### Other risks and uncertainties

- a. The Group's activity is exposed to trends prevailing in the construction market and thus may be negatively affected by the slowdown of construction activity in Greece and abroad, which may be continued due, amongst others, to the general economic conditions. The backlog of construction contracts is not necessarily indicative of future income from the Group's activity in this segment. Despite the fact that the backlog of such contracts represents projects that are considered certain, there is no guarantee that there shall be no cancellations or adjustments to their scope. The backlog of construction contracts of the Group may be subject to fluctuations related to project delays, external market factors and economic factors not under the Group control.
- b. The real estate segment is subject to significant effects, stemming by the existing economic crisis. The Group actively operates in the development and management of property in Greece and also in the broader Balkans region. Possible changes in prices both of the property market and of leases, directly affect the effectiveness of the Group's investment in land and real estate property, as well as its broader activity in the real estate segment.
- c. The company is partially exposed to short-term fluctuations of wind and hydrological data, in spite of the fact that the implementation of its investments requires extensive studies regarding the long-term behavior of the two aforementioned factors.

### E. Outlook and Future Developments

As results from the analysis of each segment, the Group's prospects, despite the existing economic crisis, are considered positive.

The diversification of the Group's activities offers dispersion of risk and a lower dependence of profitability on specific segments. At the same time, it is worth noting that significant synergies, which are particularly beneficial for the Group, are created between its different activities (i.e. own construction of energy production units, real estate projects, mining activity, etc.).

### F. Treasury Shares

On June 30<sup>th</sup> 2014, the company held 708,953 treasury shares, namely 0.7505% with an acquisition cost of 3,304,707.05.

### G. Related-party Transactions

Below the Company's and Group's transactions and balances with related parties for the period 1.1-30.6.2014 are the following:

#### Sales-Inflows of the Company

(amounts in euros)	Participation type	Total	Revenues from Consulting services	Revenues from administration support services	Income from leases	Income from dividends and related profits	Income from interest
TERNA SA	Subsidiary	426,467.36	274,533.14	0.00	151,934.22	0.00	0.00
TERNA ENERGY SA	Subsidiary	4,602,705.57	0.00	0.00	86,124.60	4,516,580.97	0.00
CHIRON CAR PARK S.A	Subsidiary	28,882.50	0.00	28,882.50	0.00	0.00	0.00
IOANNINON S.A.	Subsidiary	49,329.41	0.00	30,000.00	0.00	0.00	19,329.41
GEK SERVICES SA	Subsidiary	1,155.90	0.00	0.00	1,155.90	0.00	0.00
ILIOHORA S.A	Subsidiary	1,440.00	0.00	0.00	1,440.00	0.00	0.00
ROM GEK CONSTRUCTION SRL	Subsidiary	10,203.67	0.00	0.00	0.00	0.00	10,203.67
ICON BOROVEC EOOD	Subsidiary	61,918.13	0.00	0.00	0.00	0.00	61,918.13
ICON EOOD	Subsidiary	32,518.90	0.00	0.00	0.00	0.00	32,518.90

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AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Joint Venture	<b>15,000.00</b>	0.00	15,000.00	0.00	0,00	0.00
NEW ODOS SA	Joint Venture	<b>720,602.15</b>	0.00	0.00	0.00	0.00	720,602.15
CENTRAL GREECE MOTORWAY SA	Joint Venture	<b>27,474.82</b>	0.00	0.00	0.00	0.00	27,474.82
ELLINIKOU ENTERTAINMENT AND ATHLETIC PARKS S.A.	Joint Venture	<b>17,321.06</b>	0.00	0.00	0.00	0.00	17,321.06
HERON II THERMOELECTRIC STATION OF VIOTIA SA	Joint Venture	<b>15,000.00</b>	0.00	15,000.00	0.00	0.00	0.00
HERON THERMOELECTRIC S.A.	Joint Venture	<b>15,000.00</b>	0.00	15,000.00	0.00	0.00	0.00
Construction Joint Ventures	Joint Operations	<b>15,150.00</b>	0.00	0.00	15,150.00	0.00	0.00
KEKROPS S.A.	Associate	<b>20,872.23</b>	0.00	0.00	0.00	0.00	20,872.23
GEKA S.A.	Associate	<b>5,000.00</b>	5,000.00	0.00	0.00	0.00	0.00
		<b>6,066,041.70</b>	<b>279,533.14</b>	<b>103,882.50</b>	<b>255,804.72</b>	<b>4,516,580.97</b>	<b>910,240.37</b>

### Company's Receivables

(amounts in Euro)	Participation type	Total	From revenue	From Loans and Interest	Share capital reduction, Dividends and related earnings
TERNA SA	Subsidiary	<b>101,176.05</b>	101,176.05	0.00	0.00
TERNA ENERGY S.A.	Subsidiary	<b>4,516,580.97</b>	0.00	0.00	4,516,580.97
CHIRON CAR PARK S.A.	Subsidiary	<b>16,761.82</b>	16,761.82	0.00	0.00
IOANNINON S.A.	Subsidiary	<b>937,378.81</b>	214,020.00	723,358.81	0.00
GEK SERVICES SA	Subsidiary	<b>798.36</b>	798.36	0.00	0.00
CAR PARK STATION SAROKOU SQ. KERKYRA SA	Subsidiary	<b>118,422.96</b>	118,422.96	0.00	0.00
ILIOHORA S.A.	Subsidiary	<b>2,486.40</b>	2,486.40	0.00	0.00
ROM GEK CONSTRUCTION SRL	Subsidiary	<b>35,190.56</b>	0.00	35,190.56	0.00
ICON BOROVEC EOOD	Subsidiary	<b>2,355,852.51</b>	0.00	2,355,852.51	0.00
ICON EOOD	Subsidiary	<b>1,868,543.74</b>	0.00	1,868,543.74	0.00
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Joint Venture	<b>28,131.52</b>	28,131.52	0.00	0.00
PARKING WHEEL SA	Joint Venture	<b>29,625.00</b>	0.00	0.00	29,625.00
THESSALONIKI CAR PARK S.A.	Joint Venture	<b>111,980.54</b>	0.00	111,980.54	0.00
NEW ODOS SA	Joint Venture	<b>21,187,474.68</b>	0.00	21,187,474.68	0.00
CENTRAL GREECE MOTORWAY SA	Joint Venture	<b>733,271.09</b>	0.00	733,271.09	0.00
ELLINIKOU ENTERTAINMENT AND ATHLETIC PARKS S.A.	Joint Venture	<b>761,830.99</b>	118,764.47	643,066.52	0.00
HERON II THERMOELECTRIC STATION OF VIOTIA SA	Joint Venture	<b>18,450.00</b>	18,450.00	0.00	0.00
HERON THERMOELECTRIC S.A.	Joint Venture	<b>2,523,850.00</b>	23,850.00	0.00	2,500,000.00
Construction Joint Ventures	Joint Operations	<b>2,188,242.53</b>	2,114,557.21	73,685.32	0.00
KEKROPS S.A.	Associate	<b>652,997.23</b>	0.00	652,997.23	0.00
ATTIKAT S.A.	Associate	<b>1,032,439.32</b>	0.00	1,032,439.32	0.00
GLS OOD	Associate	<b>4.04</b>	4.04	0.00	0.00
		<b>39,221,489.12</b>	<b>2,757,422.83</b>	<b>29,417,860.32</b>	<b>7,046,205.97</b>

## GEK TERNA GROUP

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(Amounts in thousand Euro, unless stated otherwise)

### Purchases-Company's Outflows

(amounts in euro)	Participation type	Total	Purchases of goods	Leasing expenses	Granted loans	Interest expenses	Share capital increases
TERNA SA	Subsidiary	<b>86,584.54</b>	0.00	0.00	0.00	86,584.54	0.00
TERNA ENERGY S.A.	Subsidiary	<b>33,886.80</b>	33,886.80	0.00	0.00	0.00	0.00
ILIOHORA S.A.	Subsidiary	<b>422.72</b>	0.00	0.00	0.00	422.72	0.00
MONASTRIRIOU TECHNICAL DEVELOPMENT S.A	Subsidiary	<b>360,000.00</b>	0.00	0.00	0.00	0.00	360,000.00
ROM GEK CONSTRUCTION SRL	Subsidiary	<b>4,187,454.83</b>	0.00	0.00	0.00	0.00	4,187,454.83
TERNA MAG S.A.	Subsidiary	<b>1,332,524.00</b>	0.00	0.00	0.00	0.00	1,332,524.00
VIPA THESSALONIKI S.A.	Subsidiary	<b>15,000.00</b>	0.00	0.00	0.00	0.00	15,000.00
HERON THERMOELECTRICAL SA	Joint Venture	<b>122,546.19</b>	121,771.75	0.00	0.00	774.44	0.00
POLIS PARK S.A.	Joint Venture	<b>51,000.00</b>	0.00	0.00	0.00	0.00	51,000.00
KEKROPS S.A.	Associate	<b>500,000.00</b>	0.00	0.00	0.00	0.00	500,000.00
		<b>6,689,419.08</b>	<b>155,658.55</b>	<b>0.00</b>	<b>0.00</b>	<b>87,781.70</b>	<b>6,445,978.83</b>

### Company's Liabilities

(amounts in euro)	Participation type	Total	From purchases	From Loan and interest	From dividends and Joint-Ventures results	From share capital increases
GEK SERVICES SA	Subsidiary	<b>33,363.14</b>	33,363.14	0.00	0.00	0.00
TERNA SA	Subsidiary	<b>2,068,475.16</b>	4,878.30	2,063,596.86	0.00	0.00
TERNA ENERGY S.A.	Subsidiary	<b>41,680.76</b>	41,680.76	0.00	0.00	0.00
ILIOHORA S.A.	Subsidiary	<b>13,873.24</b>	3,873.24	10,000.00	0.00	0.00
IOANNINON S.A.	Subsidiary	<b>324,416.22</b>	0.00	0.00	0.00	324,416.22
NEW ODOS SA	Joint Venture	<b>609,867.17</b>	1.40	609,865.77	0.00	0.00
CENTRAL GREECE MOTORWAY SA	Joint Venture	<b>21,854.34</b>	0.00	21,854.34	0.00	0.00
HERON THERMOELECTRIC S.A.	Joint Venture	<b>88,502.11</b>	88,502.11	0.00	0.00	0.00
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Joint Venture	<b>147,948.21</b>	0.00	0.00	0.00	147,948.21
ATHENS CAR PARKS S.A.	Joint Venture	<b>260,878.61</b>	0.00	0.00	0.00	260,878.61
Construction Joint Ventures	Joint Operations	<b>4,600.00</b>	4,600.00	0.00	0.00	0.00
KEKROPS S.A.	Associate	<b>330,863.95</b>	0.00	0.00	0.00	330,863.95
		<b>3,946,434.92</b>	<b>176,898.95</b>	<b>2,705,316.97</b>	<b>0.00</b>	<b>1,064,106.99</b>

Below, are presented the transactions and the balances between the Group and the related parties, for the period 1.1-30.6.2014:

### Sales-Company's Inflows

(amounts in euro)	Participation type	Total	Sales of Construction Services	Revenue from Consulting services	Income from Leasing	Interest income
HERON THERMOELECTRIC S.A.	Joint Venture	<b>30,000.00</b>	0.00	30,000.00	0.00	0.00
HERON II THERMOELECTRIC STATION OF VIOTIA SA	Joint Venture	<b>601,771.00</b>	0.00	30,000.00	0.00	571,771.00
NEW ODOS SA	Joint Venture	<b>96,335,866.07</b>	95,615,263.92	0.00	0.00	720,602.15

## GEK TERNA GROUP

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(Amounts in thousand Euro, unless stated otherwise)

CENTRAL GREECE MOTORWAY SA	Joint Venture	73,840,677.27	73,813,202.45	0.00	0.00	27,474.82
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Joint Venture	15,000.00	0.00	15,000.00	0.00	0.00
THESSALONIKI CAR PARKS S.A.	Joint Venture	830.54	0.00	0.00	0.00	830.54
ELLINIKOU ENTERTAINMENT AND ATHLETIC PARKS S.A.	Joint Venture	17,321.06	0.00	17,321.06	0.00	0.00
KEKROPS S.A.	Associate	20,872.23	0.00	0.00	0.00	20,872.23
GEKA S.A.	Associate	5,000.00	5,000.00	0.00	0.00	0.00
		<b>170,867,338.17</b>	<b>169,433,466.37</b>	<b>92,321.06</b>	<b>0,00</b>	<b>1,341,550.74</b>

### Receivables of the Group

(amounts in euro)	Participation type	Total	From sales	From Loans and Interest	Dividends and results of joint ventures
HERON THERMOELECTRIC S.A.	Joint Venture	70,977.00	70,977.00	0.00	0.00
HERON II THERMOELECTRIC STATION OF VIOTIA SA	Joint Venture	10,383,670.55	36,900.00	10,346,770.55	0.00
NEW ODOS SA	Joint Venture	42,700,290.06	21,512,815.38	21,187,474.68	0.00
CENTRAL GREECE MOTORWAY SA	Joint Venture	20,141,816.74	19,408,545.65	733,271.09	0.00
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Joint Venture	28,131.52	28,131.52	0.00	0.00
THESSALONIKI CAR PARK S.A.	Joint Venture	111,980.54	111,980.54	0.00	0.00
PARKING WHEEL SA	Joint Venture	29,625.00	0.00	0.00	29,625.00
ELLINIKOU ENTERTAINMENT AND ATHLETIC PARKS S.A.	Joint Venture	799,265.66	156,199.14	643,066.52	0.00
GLS OOD	Associate	19,423.48	19,423.48	0.00	0.00
ATTIKAT S.A.	Associate	1,032,439.32	0.00	1,032,439.32	0.00
KEKROPS S.A.	Associate	652,997.23	0.00	652,997.23	0.00
		<b>75,970,617.10</b>	<b>41,344,972.71</b>	<b>34,596,019.39</b>	<b>29,625.00</b>

### Purchases-Outflows of the Group

(amounts in euro)	Participation type	Total	Purchases of goods	Sales of consulting services	Lease expenses
HERON THERMOELECTRIC S.A.	Joint Venture	546,345.97	546,345.97	0.00	0.00
NEW ODOS SA	Joint Venture	364.93	0.00	364.93	0.00
		<b>546,710.90</b>	<b>546,345.97</b>	<b>364.93</b>	<b>0.00</b>

### Liabilities of the Group

(amounts in euro)	Participation type	Total	From purchases	From Loan and interest
HERON THERMOELECTRIC S.A.	Joint Venture	423,917.58	423,917.58	0.00
NEW ODOS SA	Joint Venture	95,463,816.40	95,463,816.40	0.00
CENTRAL GREECE MOTORWAY SA	Joint Venture	66,088,215.49	66,066,361.15	21,854.34
ELLINIKOU ENTERTAINMENT AND ATHLETIC PARKS S.A.	Joint Venture	15,991.99	15,991.99	0.00
ATTIKAT S.A.	Associate	5,658.47	5,658.47	0.00
		<b>161,997,599.93</b>	<b>161,975,745.59</b>	<b>21,854.34</b>

**GEK TERNA GROUP**Semi-annual Financial Report for the period from January 1<sup>st</sup> 2014 to June 30<sup>th</sup>2014*(Amounts in thousand Euro, unless stated otherwise)*

The remuneration of the Board of Directors members and senior executives of the Group and Company, recognized for the period ended on 30.06.2014 and 30.06.2013, as well as the balances of receivables and liabilities that have emerged from such transactions on 30.06.2014 and 31.12.2013 are as follows:

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>1.1-30.6.2014</b>	<b>1.1-30.6.2013</b>	<b>1.1-30.6.2014</b>	<b>1.1-30.6.2013</b>
Remuneration to freelancers	803	710	52	75
Remuneration to full time employees	62	133	21	63
Remuneration for participation in Board meetings	1,025	630	0	0
	<b>1,890</b>	<b>1,473</b>	<b>73</b>	<b>138</b>
	<b>30.6.2014</b>	<b>31.12.2013</b>	<b>30.6.2014</b>	<b>31.12.2013</b>
Liabilities	837	469	7	94
Receivables	4	1	0	0

Athens, 28August 2014  
For the Board of Directors

Nikolaos Kampas  
Chairman of the Board of Directors



## **GEK TERNA GROUP**

Semi-annual Financial Report for the period from January 1<sup>st</sup> 2014 to June 30<sup>th</sup>2014

*(Amounts in thousand Euro, unless stated otherwise)*

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### **IV.INTERIM CONDENSED FINANCIAL STATEMENTS SEPARATE AND CONSOLIDATED OF 30 JUNE 2014**

It is ascertained that the accompanying financial statements for the period 1.1.2014-30.6.2014 are those approved by the Board of Directors of “GEK TERNA Société Anonyme Holdings Real Estate Constructions” (GEK TERNA SA), during its meeting on 28<sup>th</sup> of August 2014. The present financial statements for the period 1.1.2014-30.6.2014 are posted on the internet at the website [www.gekterna.com](http://www.gekterna.com) , where such will remain available for investors for a period of at least five (5) years from the preparation and release date of such. It is noted that the published condensed financial data aim at providing readers with specific general financial information but do not provide a full picture of the financial position and results of the company and Group according to IFRS.

## GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1<sup>st</sup> 2013 to June 30<sup>th</sup> 2014

(Amounts in thousand Euro, unless stated otherwise)

### STATEMENT OF FINANCIAL POSITION

	Note	GROUP		COMPANY	
		30.06 2014	31.12 2013 (*)	30.06 2014	31.12 2013 (*)
<b>ASSETS</b>					
<b>Non-current assets</b>					
Intangible fixed assets	6	119,514	117,476	51	52
Tangible fixed assets	6	895,446	868,838	13,442	10,854
Goodwill		9,759	9,759	0	0
Investment property	7	73,736	73,599	17,398	17,398
Participations in subsidiaries	4	0	0	185,771	179,876
Participations in associates	4,8	5,690	5,341	8,494	7,994
Participations in joint-ventures	4,9	94,996	94,637	58,938	61,387
Investments available for sale		20,685	18,444	19,713	18,262
Other long-term assets		61,281	58,659	45,662	42,135
Deferred tax assets		18,931	24,542	0	145
<b>Total non-current assets</b>		<b>1,300,038</b>	<b>1,271,295</b>	<b>349,469</b>	<b>338,103</b>
<b>Current assets</b>					
Inventories		88,580	89,235	8,255	9,601
Trade receivables		218,166	239,218	3,292	3,405
Receivables from construction contracts	10	197,682	140,811	0	153
Advances and other receivables		175,304	209,503	12,962	6,523
Income tax receivables		40,670	30,912	3,015	2,783
Investments available for sale		7,630	9,447	286	265
Cash and cash equivalents	5	284,373	326,608	17,248	52,044
<b>Total current assets</b>		<b>1,012,405</b>	<b>1,045,734</b>	<b>45,058</b>	<b>74,774</b>
Non-current assets held for sale		0	0	0	0
<b>TOTAL ASSETS</b>		<b>2,312,443</b>	<b>2,317,029</b>	<b>394,527</b>	<b>412,877</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Shareholders' equity</b>					
Share capital	16	53,844	53,844	53,844	53,844
Share premium account		364,589	364,589	186,081	186,081
Reserves		202,057	162,605	91,739	91,726
Retained earnings		(180,347)	(136,175)	(36,830)	(38,540)
<b>Total</b>		<b>440,143</b>	<b>444,863</b>	<b>294,834</b>	<b>293,111</b>
Non-controlling interests		190,412	195,195	0	0
<b>Total equity</b>		<b>630,555</b>	<b>640,058</b>	<b>294,834</b>	<b>293,111</b>

**GEK TERNA GROUP**Semi-annual Financial Report for the period from January 1<sup>st</sup> 2014 to June 30<sup>th</sup> 2014*(Amounts in thousand Euro, unless stated otherwise)*

<b>Non-current liabilities</b>					
Long-term loans	5,11	471,712	516,661	56,973	79,873
Loans from finance leases	5,11	13,299	6,762	0	0
Liabilities from financial instruments		35,970	35,217	0	0
Other long-term liabilities		179,610	76,516	132	125
Other provisions	13	9,881	8,162	0	0
Provisions for staff leaving indemnities	12	5,760	5,432	52	46
Grants	14	274,645	278,290	0	0
Liabilities from derivatives	15	3,546	2,320	0	0
Deferred tax liabilities		19,662	25,983	1,745	1,652
<b>Total non-current liabilities</b>		<b>1,014,085</b>	<b>955,343</b>	<b>58,902</b>	<b>81,696</b>
<b>Current liabilities</b>					
Suppliers		221,656	175,353	507	2,497
Short term loans	5,11	82,579	166,223	17,677	19,637
Long term liabilities payable during the next 12 months	5,11	109,362	93,655	19,434	12,876
Liabilities from construction contracts	10	51,030	33,209	1,500	708
Liabilities from financial instruments		2,689	2,879	0	0
Accrued and other short term liabilities		197,520	246,040	1,411	2,311
Income tax payable		2,967	4,269	262	41
<b>Total current liabilities</b>		<b>667,803</b>	<b>721,628</b>	<b>40,791</b>	<b>38,070</b>
Liabilities directly linked to non-current assets held for sale		0	0	0	0
<b>Total Liabilities</b>		<b>1,681,888</b>	<b>1,676,971</b>	<b>99,693</b>	<b>119,766</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,312,443</b>	<b>2,317,029</b>	<b>394,527</b>	<b>412,877</b>

(\*) The financial figures on 31/12/2013 at Group and Company level have been restated according to the clauses of IFRS 11 (see note 20)

The accompanying notes constitute an integral part of the financial statements

**GEK TERNA GROUP**

Semi-annual Financial Report for the period from January 1<sup>st</sup> 2013 to June 30<sup>th</sup>2014

*(Amounts in thousand Euro, unless stated otherwise)*

**GEK TERNA GROUP  
STATEMENT OF COMPREHENSIVE INCOME  
30<sup>th</sup> of June 2014**

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

	Note	GROUP				COMPANY			
		1.1 – 30.6 2014	1.4 - 30.6 2014	1.1 – 30.6 2013 (*)	1.4 - 30.6 2013 (*)	1.1 – 30.6 2014	1.4 - 30.6 2014	1.1 – 30.6 2013 (*)	1.4 - 30.6 2013 (*)
<b><u>Profit and Loss</u></b>									
<i>Continued operations</i>									
Turnover	5	388,533	225,039	242,313	145,509	1,024	686	1,929	968
Cost of sales		(353,938)	(208,542)	(215,444)	(119,299)	(529)	(274)	(1,561)	(588)
<b>Gross profit</b>		<b>34,595</b>	<b>16,497</b>	<b>26,869</b>	<b>26,210</b>	<b>495</b>	<b>412</b>	<b>368</b>	<b>380</b>
Administrative and distribution expenses		(18,021)	(8,925)	(16,407)	(8,935)	(683)	(339)	(759)	(539)
Research and development expenses		(1,135)	(542)	(978)	(588)	0	0	0	0
Other income/(expenses)	18	7,162	4,868	(14,330)	(15,299)	92	92	(80)	(146)
Net financial income/(expenses)	5	(20,529)	(8,532)	(22,539)	(11,238)	(1,139)	(28)	(2,308)	(1,184)
Income from participations		160	91	(282)	32	4,517	4,517	11,680	11,680
Profit / (Loss) from sale/valuation of participations		(1,059)	(1,059)	(1,867)	(1,867)	(1,027)	(1,027)	(1,450)	(1,450)
Profit / (Loss) from valuation of associates under the equity method	8	(138)	(19)	(486)	(302)	0	0	0	0
Profit / (Loss) from valuation of joint ventures under the equity method	9	3,900	1,204	1,134	1,376	0	0	0	0
<b>EARNINGS BEFORE TAX</b>	5	<b>4,935</b>	<b>3,583</b>	<b>(28,886)</b>	<b>(10,611)</b>	<b>2,255</b>	<b>3,627</b>	<b>7,451</b>	<b>8,741</b>
Income tax expense	5,17	(3,755)	(2,323)	(2,813)	(4,055)	(508)	(851)	(208)	(142)
<b>Net Earnings/(losses) from continued operations</b>		<b>1,180</b>	<b>1,260</b>	<b>(31,699)</b>	<b>(14,666)</b>	<b>1,747</b>	<b>2,776</b>	<b>7,243</b>	<b>8,599</b>
<i>Discontinued operations</i>									
Earnings from discontinued operations after tax		0	0	0	0	0	0	0	0
<b>NET EARNINGS / (LOSSES)</b>	5	<b>1,180</b>	<b>1,260</b>	<b>(31,699)</b>	<b>(14,666)</b>	<b>1,747</b>	<b>2,776</b>	<b>7,243</b>	<b>8,599</b>

## GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1<sup>st</sup> 2014 to June 30<sup>th</sup>2014

(Amounts in thousand Euro, unless stated otherwise)

### **Other Comprehensive Income**

*a) Other Comprehensive Income/(Expenses) to be reclassified in Profit and Loss in future periods*

Valuation of investments available for sale		(1,790)	(1,375)	791	816	22	(7)	27	52
Proportion in the Other Comprehensive Income of Joint Ventures	9	(1,181)	(326)	2,331	804	0	0	0	0
Proportion in the Other Comprehensive Income of Associates	8	(13)	(13)	0	0	0	0	0	0
Valuation of cash flow hedging contracts		(1,719)	(727)	2,811	1,995	0	0	0	0
Translation differences from incorporation of foreign entities		(500)	(402)	(1,005)	(2,022)	0	0	0	0
Share capital increase expenses		(169)	(89)	(312)	(137)	(55)	18	0	0
Income tax corresponding to the above results		320	(23)	83	(193)	9	(2)	(369)	0
		<b>(5,052)</b>	<b>(2,955)</b>	<b>4,699</b>	<b>1,263</b>	<b>(24)</b>	<b>9</b>	<b>(342)</b>	<b>52</b>

*β) Other Comprehensive Income which is not reclassified in Profit and Loss in future periods*

Actuarial income/(expense) from defined benefit schemes		0	0	0	0	0	0	0	0
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### **Net Other Comprehensive Income**

		<b>(5,052)</b>	<b>(2,955)</b>	<b>4,699</b>	<b>1,263</b>	<b>(24)</b>	<b>9</b>	<b>(342)</b>	<b>52</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>(3,872)</b>	<b>(1,695)</b>	<b>(27,000)</b>	<b>(13,403)</b>	<b>1,723</b>	<b>2,785</b>	<b>6,901</b>	<b>8,651</b>

### **Net earnings/(losses) attributed to:**

Owners of the parent from continued operations, Basic	16	(132)	1,825	(33,248)	(14,338)				
Non-controlling interests from continued operations		1,312	(565)	1,549	(328)				

### **Total comprehensive income attributed to:**

Owners of the parent from continued operations		(4,398)	(833)	(29,524)	(13,340)				
Non-controlling interests from continued operations		526	(862)	2,524	(63)				

Earnings/(losses) per share (in Euro)	16	(0.00148)	0.02102	(0.39416)	(0.16998)				
Diluted Earnings/(losses) per share (in Euro)	16	0.00042	0.01682	(0.39416)	(0.16998)				

(\* ) The financial figures on 30/06/2013 at Group and Company level have been restated according to the clauses of IFRS 11 (see note 20). The accompanying notes constitute an integral part of the financial statements

## GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1<sup>st</sup> 2013 to June 30<sup>th</sup> 2014

(Amounts in thousand Euro, unless stated otherwise)

STATEMENT OF CASH FLOWS	Note	GROUP		COMPANY	
		1.1 – 30.06 2014	1.1 – 30.06 2013 (*)	1.1 – 30.06 2014	1.1 – 30.06 2013 (*)
<b>Cash flows from operating activities</b>					
<b>Profit before tax</b>	5	<b>4,935</b>	<b>(28,886)</b>	<b>2,255</b>	<b>7,451</b>
<i>Adjustments for the agreement of the net flows from the operating activities</i>					
Depreciation	5,6	32,372	28,230	251	288
Grants amortization	5,14,18	(4,232)	(3,661)	0	0
Provisions		800	156	6	(48)
Impairments		(9,085)	19,228	0	1,450
Interest and related revenue	5	(3,625)	(4,254)	(1,515)	(966)
Interest and other financial expenses	5	24,154	26,793	2,654	3,274
Results from derivatives		0	0	0	0
Results from associates and joint ventures		(3,762)	(648)	0	0
Results from participations and securities		(969)	282	913	(7,050)
Results from assets		148	(87)	0	0
Foreign exchange differences		(905)	847	0	0
Other adjustments		34	0	0	0
<b>Operating profit before changes in working capital</b>		<b>39,865</b>	<b>38,000</b>	<b>4,564</b>	<b>4,399</b>
<b>(Increase)/Decrease in:</b>					
Inventories		(1,290)	(615)	(69)	(128)
Trade receivables		21,234	(7,282)	425	833
Prepayments and other short term receivables		32,360	(19,081)	(4,933)	(4,513)
<b>Increase/(Decrease) in:</b>					
Suppliers		27,435	(45,729)	(1,195)	(1,004)
Accruals and other short term liabilities		(57,231)	(9,350)	(1,525)	(784)
Collection of grants		5,251	58,084	0	0
Other long-term receivables and liabilities		90,529	(1,042)	0	21
Income tax payments		(15,187)	(4,311)	(276)	(162)
Operating flows from discontinued activities		0	0	0	0
<b>Net cash flows from operating activities</b>		<b>142,966</b>	<b>8,674</b>	<b>(3,009)</b>	<b>(1,338)</b>
<b>Cash flows from investing activities</b>					
(Purchases) / Sales of fixed assets		(43,085)	(15,328)	(8)	0
(Purchases) / Sales of investment property		0	0	0	0
Interest and related income received		5,249	4,828	917	3
(Purchases) / sales of participations and securities		(36)	19,504	(7,110)	8,676
Initial cash equivalents of companies which have been acquired or a reduction occurred in the proportional percentage of consolidation		2,130	0	0	0
Returns/(Receipts) of Loans		0	5,000	(2,355)	0
<b>Net cash flows for investing activities</b>		<b>(35,742)</b>	<b>14,004</b>	<b>(8,556)</b>	<b>8,679</b>

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<b>Cash flows from financing activities</b>					
Change in the share capital of the parent company		0	0	0	0
Collection from mandatory conversion in shares of bond loan		0	0	0	0
Payments/Receipts from increases/decrease of subsidiaries' share capital		0	(549)	0	0
Purchase of treasury shares from subsidiary		0	(151)	0	0
Net change of short-term loans		(68,031)	(27,790)	0	400
Net change of long-term loans		(50,854)	12,474	(19,646)	(3,900)
Payments for financial leases		(3,612)	(5,378)	0	0
Dividends paid		0	0	0	0
Interest and related expenses paid		(27,741)	(24,294)	(3,585)	(4,658)
Payments for financial instruments		(470)	0	0	0
Change in other financial assets		835	(11,208)	0	0
Financing flows from discontinued activities		0	0	0	0
<b>Net cash flows from financing activities</b>		<b>(149,873)</b>	<b>(56,896)</b>	<b>(23,231)</b>	<b>(8,158)</b>
Effect of foreign exchange differences in cash		414	(83)	0	0
<b>Net increase /(decrease) of cash and cash equivalents from continued activities</b>		<b>(42,235)</b>	<b>(34,301)</b>	<b>(34,796)</b>	<b>(817)</b>
<b>Net increase /(decrease) of cash and cash equivalents from discontinued activities</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Cash and cash equivalents at the beginning of the period from continued activities	5	326,608	227,934	52,044	1,589
Cash and cash equivalents at the beginning of the period from discontinued activities		0	0	0	0
<b>Cash and cash equivalents at the end of the period from continued activities</b>	<b>5</b>	<b>284,373</b>	<b>193,633</b>	<b>17,248</b>	<b>772</b>
<b>Cash and cash equivalents at the end of the period from discontinued activities</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

(\*) The financial figures on 30/06/2013 at Group and Company level have been restated according to the clauses of IFRS 11 (see note 20).

The accompanying notes constitute an integral part of the financial statements

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<b>STATEMENT OF CHANGES IN COMPANY'S EQUITY</b>	<b>Share Capital</b>	<b>Share Premium</b>	<b>Reserves</b>	<b>Retained Earnings</b>	<b>Total</b>
<b>1 January 2014 (*)</b>	<b>53,844</b>	<b>186,081</b>	<b>91,726</b>	<b>(38,540)</b>	<b>293,111</b>
Total comprehensive income for the period	0	0	(24)	1,747	<b>1,723</b>
Share capital issuance	0	0	0	0	<b>0</b>
Dividends	0	0	0	0	<b>0</b>
Purchase of Treasury Shares	0	0	0	0	<b>0</b>
Disposal of Treasury Shares	0	0	0	0	<b>0</b>
Formation of reserves/Transfers	0	0	37	(37)	<b>0</b>
<b>30 June 2014</b>	<b>53,844</b>	<b>186,081</b>	<b>91,739</b>	<b>(36,830)</b>	<b>294,834</b>
<b>1 January 2013 (*)</b>	<b>48,953</b>	<b>170,410</b>	<b>66,365</b>	<b>(10,347)</b>	<b>275,381</b>
Total comprehensive income for the period	0	0	(426)	7,327	<b>6,901</b>
Dividends	0	0	0	0	<b>0</b>
Purchase of Treasury Shares	0	0	0	0	<b>0</b>
Disposal of Treasury Shares	0	0	0	0	<b>0</b>
Formation of reserves/Transfers	0	0	1,481	(1,481)	<b>0</b>
<b>30 June 2013</b>	<b>48,953</b>	<b>170,410</b>	<b>67,420</b>	<b>(4,501)</b>	<b>282,282</b>

(\*) The financial figures on 30/06/2013 and 31/12/2013 at Group and Company level have been restated according to the clauses of IFRS 11 (see note 20).



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<b>STATEMENT OF CHANGES IN GROUP'S EQUITY</b>	<b>Share Capital</b>	<b>Share Premium</b>	<b>Reserves</b>	<b>Retained Earnings</b>	<b>Sub-total</b>	<b>Non-controlling interests</b>	<b>Total</b>
<b>1 January 2014 (*)</b>	<b>53,844</b>	<b>364,589</b>	<b>162,605</b>	<b>(136,175)</b>	<b>444,863</b>	<b>195,195</b>	<b>640,058</b>
Total comprehensive income for the period	0	0	(4,266)	(132)	<b>(4,398)</b>	526	<b>(3,872)</b>
Share capital issuance	0	0	0	0	<b>0</b>	0	<b>0</b>
Dividends	0	0	0	0	<b>0</b>	(5,321)	<b>(5,321)</b>
Return of capital	0	0	0	0	<b>0</b>	0	<b>0</b>
Purchase of treasury shares	0	0	0	0	<b>0</b>	0	<b>0</b>
Change in controlling interest of consolidated subsidiaries	0	0	0	(322)	<b>(322)</b>	12	<b>(310)</b>
Formation of reserves/Transfers	0	0	36,396	(36,396)	<b>0</b>	0	<b>0</b>
Transfers /other movements	0	0	7,322	(7,322)	<b>0</b>	0	<b>0</b>
<b>30 June 2014</b>	<b>53,844</b>	<b>364,589</b>	<b>202,057</b>	<b>(180,347)</b>	<b>440,143</b>	<b>190,412</b>	<b>630,555</b>
<b>1 January 2013 (*)</b>	<b>48,953</b>	<b>349,045</b>	<b>110,293</b>	<b>(25,892)</b>	<b>482,399</b>	<b>187,972</b>	<b>670,371</b>
Total comprehensive income for the period	0	0	3,723	(33,247)	<b>(29,524)</b>	2,524	<b>(27,000)</b>
Dividends	0	0	0	0	<b>0</b>	0	<b>0</b>
Return of capital	0	0	0	0	<b>0</b>	0	<b>0</b>
Purchase of treasury shares	0	0	0	0	<b>0</b>	0	<b>0</b>
Change in controlling interest of consolidated subsidiary	0	0	0	(681)	<b>(681)</b>	(5,315)	<b>(5,996)</b>
Formation of reserves/Transfers	0	0	6,984	(6,984)	<b>0</b>	0	<b>0</b>
<b>30 June 2013</b>	<b>48,953</b>	<b>349,045</b>	<b>121,000</b>	<b>(66,804)</b>	<b>452,194</b>	<b>185,181</b>	<b>637,375</b>

(\*) The financial figures on 30/06/2013 at Group and Company level have been restated according to the clauses of IFRS 11 (see note 20).

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### NOTES ON THE FINANCIAL STATEMENTS

#### 1. ESTABLISHMENT AND ACTIVITY OF THE COMPANY

“**GEK TERNA Holdings, Real Estate, Construction S.A.**”, (the “Company” or “GEK TERNA”) as the company GEK TERNA Holdings, Real Estate, Construction S.A. was renamed according to the decision of the Extraordinary General Shareholders’ Meeting on 18.11.2008 and approved by the No. K2-15459/23-12-2008 decision of the Ministry of Development published in the Government Gazette with No. 14045/23-12-2008 (SA & LTD Companies Issue), is registered in the General Commercial Register of the Ministry of Development under Reg. No. 253001000 and in the SociétéAnonyme Registry of the Ministry of Development with Registration number 6044/06/B/86/142. The duration of the company has been set to thirty (30) years, while according to the decision of the Extraordinary General Shareholders’ Meeting on 26.03.1990 the duration of the company is extended up to the 31st of December 2030.

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

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

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

By the decision on 6.12.2013 of the A’ Repetitive Extraordinary General Assembly it has been decided the increase of the Company’s Share Capital by the amount of 4,890,417.60 € with cash deposits, through the issuance of 8,579,680 common ordinary shares on nominal value 0.57 € and offer price of 2.50 € each. The derived difference from the share premium amounting to 16,558,782.40 € it was credited to the share premium account. The specific share capital increase has been completed through the abdication of the existing shareholders’ preference right over the company York Global Finance Offshore BDH (Luxembourg) S.a.r.l

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As a result of the above, the Share Capital stands now to the amount 53,843,549.76 euro, it is fully paid up and divided into 94,462,368 common registered shares with a nominal value of 0.57 each. On 23/12/2013 it was recorded to the General Commercial Registry the N. K2 -7312 decision of the Ministry of Development and Competitiveness by which it has been approved the aforementioned increase of the Share Capital.

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

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

The Group is also active in the production of quarry products through its subsidiary TERNA SA, and the exploitation of magnesite quarries through the rights that its subsidiary TERNA LEUKOLITHOI S.A. possesses.

The activities of the Group mainly take place in Greece, while at the same time it has significant presence in the Balkans, the Middle East, Eastern Europe and North America.

## **2. BASIS FOR THE PRESENTATION OF THE FINANCIAL STATEMENTS**

### ***a) Basis for the Preparation of the financial statements***

The accompanying separate and consolidated financial statements have been prepared according to the historic cost principal, except for investment property, financial derivatives and investments available for sale that are valued at fair value. Also, several self-used tangible fixed assets on the transition date (1 January 2004) to the International Financial Reporting Standards (IFRS) were valued at fair values, which were used as deemed cost, according to the provisions of IFRS 1 "First time adoption of IFRS".

The interim condensed financial statements consist of the separate and consolidated financial statements of the Parent Company and its Group and have been prepared according to IFRS, as such have been adopted by the European Union, and specifically in accordance with the provisions of IAS 34 "Interim Financial Statements".

The interim condensed financial statements should be read together with the annual financial statements of 31 December 2013.

### ***b) New standards, interpretations and amendments of standards***

The accounting principles applied during the preparation of the financial statements are the same as those followed for the preparation of the Group's and company's financial statements for the year ended on December, 31 2013, except for the adoption of amendments of certain standards, whose application is mandatory in the European Union for periods beginning on 1 January 2014.

Therefore, from 1<sup>st</sup> January 2014 the Group and the Company adopted specific amendments of standards as follows:

***Standards and Interpretations mandatory for 2014***

**- IAS 32 "Financial Instruments: Presentation" (Amendment) and IFRS 7 "Financial Instruments: Disclosures" (Amendment)- Offsetting financial assets and financial liabilities**

The amendment to IAS 32 concerns the guidance on the application of the standard with respect to the offsetting of a financial asset and a financial liability and the related disclosures of IFRS 7. The amendment affects the presentation only and it does not affect the financial position or the performance of the Company and the Group.

**- IAS 36 "Impairment of Assets" (Amendment) - Recoverable amount disclosures of non financial assets**

The amendment introduces the disclosure of information on the recoverable amount of impaired assets provided that the amount is based on fair value less the disposal cost. The amendment does not have important impact on the financial statements of the Company and the Group.

**- IAS 39 "Financial Instruments: Recognition and Measurement" (Amendment) - Novation of derivatives and continuation of hedge accounting**

The amendment allows the continuation of hedge accounting in a situation where a derivative, that has been designated as a hedging instrument, is novated in order to be cleared with a new central counterparty as a result of laws or regulations, provided certain conditions are met. The amendment does not have significant impact on the financial statements of the Company and the Group.

**- Group of standards regarding consolidation and joint arrangements**

The IASB published five new standards regarding consolidation and joint arrangements: IFRS 10, IFRS 11, IFRS 12, IAS 27 (Amendment), IAS 28 (Amendment).

The major terms of the standards are the following:

**IFRS 10 'Consolidated Financial Statements'**

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

**IFRS 11 «Joint Arrangements»**

The IFRS 11 provides a more realistic approach to the joint arrangements focusing on the rights and liabilities rather than on their legal form. The types of the arrangements are constrained into two: joint operations and joint ventures. The method of the proportional consolidation is no longer allowed. The participants in joint ventures implement compulsory the equity consolidation method. The economic entities which participate in joint operations (construction joint operations) incorporate their assets and liabilities in their own financial statements according to the percentage that they possess of each item. The standard provides additionally clarifications regarding the participants in joint arrangements, without joint control existing.

**IFRS 12 'Disclosure of interests in other entities'**

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

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

### **IAS 27 ‘Separate financial statements’ (Amendment)**

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

### **IAS 28 ‘Investments in associates and joint ventures’ (Amendment)**

The IAS 28 ‘*Investments in associates and joint ventures*’ replaces the IAS 28 ‘Investments in associates’. The aim of the standard is to define the accounting treatment regarding the investments in associates and to display the requirements for the implementation of the equity consolidation method according to the accounting of the investments in associates and joint ventures, as it stems from the publication of IFRS 11. The main effect will stem from the adoption of IFRS 11 «Joint Arrangements» based on which the joint-ventures or jointly controlled companies up until now will be included in the consolidated financial statement with the equity method mandatorily instead of the proportionate consolidation in effect till 31.12.2013.

### **- Consolidated Financial Statements, Joint Arrangements, Disclosures of Interests in other Entities: Transition Guidance (Amendments to IFRS 10, IFRS 11 and IFRS 12)**

In June 2012, the IASB proceeded with issuing the above guidance which provides clarifications regarding the transition provisions of IFRS 10. The amendments also provide additional facilitations during the transition to IFRS 10, IFRS 11 and IFRS 12 by reducing the requirements for providing adjusted comparative information only for the previous comparative period. Also, with respect to the disclosures for non-consolidated companies, the amendments remove the requirement to present comparative information for periods prior to the first application of IFRS 12. The Group has assessed the effect of the above on the consolidated Financial Statements (see note 20).

### **- Investment entities (Amendments to IFRS 10, IFRS 12 and IAS 27)**

The amendments provide the definition of an investment entity and introduce the exemption from the consolidation of specific subsidiaries of investment entities. The amendments require that the investment entity measures such subsidiaries at fair value along with its changes through profit and loss account in accordance with *IFRS 9 Financial instruments* in the consolidated and separate financial statements. Also, the amendments introduce new disclosures for investment entities in IFRS 12 and IAS 27.

### **- IFRIC 21 “Levies”**

IFRIC 21 is related to IAS 37 Provisions, Contingent Liabilities and Contingent Assets and examines the accounting treatment of a levy which is imposed by the Government on the operation of an economic entity. It provides guidance as to when the liability for a levy to the State should be recognized utilizing defined criteria of recognition. The interpretation has not been adopted by the European Union

### ***Standards and Interpretations mandatory in the European Union for financial statements beginning after 1 January 2014***

There have been published and are mandatory for accounting periods beginning during the current year or later, specific new standards, amendments to existing standards and interpretations. The estimate of the Company and the Group on the impact of these new standards, amendments and interpretations is set out below.

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### **-IAS 19 "Employee Benefits" (Amendment)**

Effective for annual periods beginning on or after July 1, 2014. Earlier application is permitted.

The amendment describes the accounting treatment of contributions made by an employee or a third party in a defined benefit plan. The amendment has not been adopted by the European Union and, as the Group has no defined benefit plan, it will have no impact on the financial statements of the Company and the Group.

### **- IFRS 7 "Financial Instruments: Disclosures" (Amended)**

The initial mandatory implementation date set on January 1, 2015 was postponed on the basis of the amendment to IFRS 9 in November 2013.

On 16.12.2011, the International Accounting Standards Board issued an amendment to IFRS 7, according to which disclosures regarding the transition to IFRS 9 were added to the standard. The amendment has not been adopted by the European Union. The Company (or Group) examines the impact of the adoption of this amendment on its financial statements.

### **- IFRS 9 "Financial Instruments" (Amendment) - Hedge Accounting and amendments to IFRS 9, IFRS 7 and IAS 39**

The amendment was adopted in November 2013 and, first of all, it is set the postponement of IFRS 9 mandatory application original date, which was set on January 1, 2015.

With this amendment there are introduced substantial changes to hedge accounting and now the accounting presentation aligns with risk management applied by an entity. Furthermore the related disclosures are improved.

The second important element of the amendment is the improvement in the accounting presentation of changes in fair value of the entity's debt, when its fair value measurement has been selected.

The Group is currently assessing the impact of the amendments to IFRS 9 on its financial statements. The standard has not yet been adopted by the EU.

### **-IFRS 9 "Financial Instruments"**

The original mandatory implementation date of January 1, 2015 was postponed on the basis of the amendment to IFRS 9 in November 2013.

The IFRS 9 constitutes the first part of the first phase of IASB's (International Accounting Standards Board) project for the replacement of IAS 39. The IFRS 9 defines that all the financial assets are initially measured at their fair value plus, in case of a financial asset which is not at fair value through the results, certain trade costs. The posterior assessment of the financial assets is performed either at the depreciated cost or the fair value and depends on the business model of the financial entity with regards to the management of the financial assets and the conventional cash flows of this financial asset. The IFRS 9 forbids the reclassifications, apart from the rare cases where the business model of the economic entity changes and in that case the economic entity is required to reclassify in the future the affected financial assets. According to the principles of the IFRS 9, all the investments equities have to be assessed at fair value. Nevertheless, the Management has the option of presenting among the other total income, the realized and unrealized gains and losses of fair value of equities which are not held for commercial purposes. This determination is executed during the initial recognition of each financial asset separately and cannot be changed. The gains and losses of fair value are not carried forward to the results, while the income stemming from the dividends will continue being recognized at the results. The IFRS 9 abolishes the exception of valuation at cost for the non-listed shares and the derivatives on non-listed shares, but provides guidance as to when the cost can be a representative assessment of the fair value.

The Group is in the process of assessing the effect of the IFRS 9 on its financial statements. The standard has not yet been adopted by the E.U.

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### **-IFRS 14 Regulatory Deferral Accounts**

The standard is effective for annual periods beginning on or after 1 January 2016. The aim of this interim standard is to enhance the comparability of financial reporting by entities that are engaged in rate-regulated activities, whereby governments regulate the supply and pricing of particular types of activity. This can include utilities such as gas, electricity and water. Rate regulation can have a significant impact on the timing and amount of an entity's revenue. The IASB has a project to consider the broad issues of rate regulation and plans to publish a Discussion Paper on this subject in 2014. Pending the outcome of this comprehensive Rate regulated Activities project, the IASB decided to develop IFRS 14 as an interim measure. IFRS 14 permits first-time adopters to continue to recognize amounts related to rate regulation in accordance with their previous GAAP requirements when they adopt IFRS. However, to enhance comparability with entities that already apply IFRS and do not recognize such amounts, the standard requires that the effect of rate regulation must be presented separately from other items. An entity that already presents IFRS financial statements is not eligible to apply the standard. The management of the Group is in the process of assessing the impact of this amendment on the Group's financial statements.

### **- Amendments in standards which constitute part of the annual improvement scheme (2010-2012 cycle of the IASB – International Accounting Standards Board)**

(effective for annual periods beginning on or after 1 July 2014)

The amendments set out below describe the key changes to IFRSs following the publication of the results of the IASB's 2010-12 cycle of the annual improvements project. The improvements have not yet been endorsed by the EU.

#### IFRS 2 "Share-based payment"

The amendment clarifies the definition of a 'vesting condition' and separately defines 'performance condition' and 'service condition'.

#### IFRS 3 "Business combinations"

The amendment clarifies that an obligation to pay contingent consideration which meets the definition of a financial instrument is classified as a financial liability or as equity, on the basis of the definitions in IAS 32 "Financial instruments: Presentation". It also clarifies that all non-equity contingent consideration, both financial and non-financial, is measured at fair value through profit or loss.

#### IFRS 8 "Operating segments"

The amendment requires disclosure of the judgments made by management in aggregating operating segments.

#### IFRS 13 "Fair value measurement"

The amendment clarifies that the standard does not remove the ability to measure short-term receivables and payables at invoice amounts in cases where the impact of not discounting is immaterial.

#### IAS 16 "Property, plant and equipment" and IAS 38 "Intangible assets"

Both standards are amended to clarify how the gross carrying amount and the accumulated depreciation are treated when an entity uses the revaluation model.

#### IAS 24 "Related party disclosures"

The standard is amended to include, as a related party, an entity that provides key management personnel services to the reporting entity or to the parent of the reporting entity.

#### IAS 38 Intangible Assets

The amendment clarifies that when an intangible asset is revalued the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount.

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### **- Amendments in standards which constitute part of the annual improvement scheme (period 2011-2013) of the IASB International Accounting Standards Board**

(effective for annual periods beginning on or after 1 July 2014)

The amendments set out below describe the key changes to IFRSs following the publication of the results of the IASB's 2011-13 cycle of the annual improvements project. The improvements have not yet been endorsed by the EU.

#### IFRS 3 "Business combinations"

This amendment clarifies that IFRS 3 does not apply to the accounting for the formation of any joint arrangement under IFRS 11 in the financial statements of the joint arrangement itself.

#### IFRS 13 "Fair value measurement"

The amendment clarifies that the exception provided by IFRS 13 for a portfolio of financial assets and liabilities applies to all contracts (including non-financial contracts) within the scope of IAS 39/IFRS 9.

#### IAS 40 "Investment property"

The standard is amended to clarify that IAS 40 and IFRS 3 are not mutually exclusive.

#### IFRS 1 "First-time adoption of International Financial Reporting Standards"

The amendment clarifies that a first-time adopter can use either the old or the new version of a revised standard when early adoption is permitted.

### ***c) Use of Estimates***

The Group makes estimations, assumptions and judgments in order to choose the best accounting principle related to the future evolution of events and transactions. These estimations, assumptions and judgments are continuously assessed in order to reflect current information and risk and are based on the management's experience related to level/volume of transactions or events.

The main assumptions and judgments that refer to data that may affect the financial statements in the coming 12 months are as follows:

*i) Recognition of income from construction contracts and agreements for the construction of real estate:* The Group uses the percentage of completion method to recognize such income, in accordance with IAS 11. According to this method the construction cost as of each date of the statement of financial position, is compared to the budgeted total cost of the project in order to determine the percentage of completion of such. The cumulated effect of the restatements/reassessments of the total budgeted cost of the projects and the total contractual payment (recognition of work over and above the contract) are recorded in the financial years during which such restatements arise.

The total budgeted cost arises from estimation procedures and is reassessed and reviewed at each statement of financial position date.

*ii) Depreciation of fixed assets:* For the calculation of depreciation, the group reviews the useful life and residual value of tangible and intangible assets based on the technological, institutional and financial developments, as well as on experience from their use.

*iii) Value readjustment of investment property:* For the valuation of its investment property, when there is an active market the Group defines the fair value based on valuation reports prepared on its behalf from independent appraisers. If no objective reports are available, especially due to the financial conditions, then the management based on its previous experience and taking into account the available information estimates the fair value.

*iv) Valuation of inventories:* For the valuation of its inventories, the Group estimates, based on valuation reports' statistical data and market conditions, expected sale prices and the cost of their finalization and distribution, per category of inventory.

*v) Impairment of assets and reversals:* The Group evaluates the technological, institutional and financial developments looking for indications of impairment of any kind of assets (fixed, trade and other receivables, financial assets etc) as well as their reversal.



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*vi) Provision for staff indemnities:* The Group, based on IAS 19, proceeds with estimations of assumptions based on which the provision for staff indemnities is calculated actuarially.

*vii) Provision for income tax:* The Group, based on IAS 12, recognizes income tax, current and deferred. The income tax also includes a provision for additional taxes that may arise from tax audits. The final settlement of income tax may differ from the respective amounts registered in the interim and annual financial statements.

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

*ix) Valuation of cash flow hedging agreements*

The Group uses financial derivatives and specifically it enters into interest rate swaps to hedge its risk linked to fluctuations of interest rates. The swap agreements are valued according to market estimations regarding the trend of relevant interest rates for periods up to thirty years. According to such estimated interest rates, the cash flows are discounted in order to define the liability on the date of the financial statements.

*x) Fair value of financial assets and liabilities:*

The Group applies estimation of the fair value of financial assets and liabilities.

*xi) Financial Liabilities:*

The Group has issued financial securities, in the context of a tax equity investment program, the payments of which depend on the future returns on specific Group investments. This financial liability is measured at amortized cost with the effective interest rate method. The calculation of the effective interest rate is based on management's estimations regarding the future cash flows of the specific investments for the entire expected duration of such.

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES

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

#### *a) Basis of consolidation*

The attached consolidated interim condensed financial statements include those of GEK TERNA SA and its subsidiaries. Subsidiaries are the companies at which the Group has the control of their operations and they have been consolidated under the full consolidation method. The Group is considered to have the control of a subsidiary when it holds rights which provide the current ability to manage its respective activities, namely the activities which affect substantially the performance of the subsidiary. The authority stems from the rights. In certain cases the assessment of control is relatively simple as in the case where the authority upon an issuer is gained directly and exclusively from the voting rights provided by participation titles such as shares, and it can be estimated through the examination of voting rights stemming from the specific participations. In other cases the assessment is more complicated and requires the examination of more than one factor for example when the authority stems from one of more contractual arrangements. The subsidiaries are consolidated as from the date that the Group gains control on them and ends when as from the date that the specific control ceases to exist. The intergroup transactions and balances have been omitted in the accompanying consolidated financial statements. When it is required the accounting principles of the subsidiaries have been amended as to ensure the consistency in the accounting principles adopted by the Group.

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### ***b) Investments in Joint Ventures***

The participation of the Group in Joint ventures when there is common control, are incorporated in the attached financial statements with the equity consolidation method which instructs for the presentation of the participation at its cost value plus the proportion of the participation in the joint-venture of the shareholders' equity change minus any provisions for impairment in the value of the respective participations. As a result the assets, liabilities, and total income are not incorporated in the consolidated financial statements. Under the context of the standard, as Joint-ventures are considered the forms under joint control where the members have rights in the net assets of the participations and they are responsible up to the percentage of the contribution in the share capital of the company.

### ***c) Investments in Associates***

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

The consolidated comprehensive income statement shows the Group's share in the total comprehensive income of the associate companies.

### ***d) Joint operations***

It refers to tax construction joint operations. The above do not constitute separate entity under the framework of IFRS. Their assets and liabilities are incorporated in the financial statements of the Company or its subsidiaries according to the percentage that they possess of each item.

### ***e) Investments and other (non-derivative) financial assets***

Financial assets that fall under the provisions of IAS 39 and are governed by them are classified according to their nature and characteristics into one of the following four categories:

- (i) Investments available for sale
- (ii) Receivables and loans
- (iii) Financial assets at fair value through the comprehensive income statement
- (iv) Investments held to maturity

Initially they are recognized at acquisition cost, which represents the fair value plus, in some cases, the direct transaction and acquisition expenses.

The classification of the above financial assets is made upon their initial recognition and wherever permitted it is reviewed and reassessed on a periodic basis.

#### ***(i) Investments available for sale***

Financial assets (non-derivative) that cannot be classified in any of the above categories are designated and classified as investments available for sale. After the initial recognition, available for sale investments are valued at fair value with the resulting gains or losses being recognized in the other total income of the Comprehensive income statement. Upon sale or write-off or impairment of the investment the accumulated gains or losses are included in the net earnings.

#### ***(ii) Receivables and loans***

Receivables and loans created by the activities of the Group (and which fall outside the usual credit limits), are valued at net amortized cost using the effective interest rate method. Gains or losses are recorded in the net earnings when the relevant amounts are written-off or suffer impairment as well as through the amortization process.

#### ***(iii) Financial assets at fair value through the net earnings***

This relates to the trading portfolio and comprises investments acquired with a view to liquidate them in the near future. Gains or losses from the valuation of such assets are recorded in the net earnings.

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### (iv) Investments held to maturity

Financial assets (non-derivative) with defined flows and defined maturity are classified as held to maturity when the company is willing and able to retain them until their maturity. Investments held indefinitely or for a predetermined period cannot be classified in this category. Held to maturity investments are valued, after the initial recognition, at net amortized cost using the effective interest rate method. Gains or losses are recorded in the net earnings when the relevant amounts are written-off or suffer impairment as well as through the amortization process.

The fair value of such investments that are traded in an organized exchange is derived by the exchange value of the investment at the closing date. As regards to investments that are not traded in an active market, their fair value is calculated on the basis of relevant valuation techniques. These techniques are based on recent arm's-length investment transactions, with reference to the exchange value of another investment with characteristics similar to the investment valued, discounted cash-flow analysis and investment valuation models.

### ***f) Financial Instruments and Risk Management***

Non-derivative financial assets and liabilities in the Statement of financial position include cash balances, receivables, participations bank loans and other short and long-term liabilities. The accounting principles for the recognition and measurement of these items are mentioned in the respective accounting principles, which are presented in this Note. Financial instruments are disclosed as receivables, liabilities or equity based on the substance and the contents of the relevant contracts from which they stem.

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

#### *(i) Interest rate risk and exchange rate risk*

The Group's bank debt is mainly in Euro and is subject to variable and fixed interest rates. The Group has entered into interest rate swap agreements in order to reduce its exposure to interest rate volatility risk of certain significant bank debt liabilities. The Management of the Group follows the development of interest rates and exchange rates and takes the necessary measures to reduce the risk.

#### *(ii) Fair Value*

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

#### *(iii) Credit Risk Concentration*

A substantial part of trade receivables in general relate to agencies and entities of the Public sector with which there is no credit risk, per se. Despite the aforementioned fact these receivables are under special monitoring and in case it is considered necessary respective adjustments will be made. Group's policy is to seek business with customers of satisfactory credit standing while the constant aim is to resolve any resulting differences within an amicable settlement context. Moreover the credit risk concentration is limited due to the great dispersion of the balances.

#### *(iv) Market Risk*

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

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### ***g) Operation and Presentation Currency and Foreign Exchange Conversion***

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

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

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

### ***h) Intangible assets***

Intangible assets mainly consist of rights related to quarries and mines, software acquisition costs as well as acquired rights (licenses of wind parks, quarries, and construction agreements recognized on acquisition at fair value).

Furthermore intangible assets include the fair value of rights under service concession agreements with the state and more specifically those providing for the building, operating, transferring (BOT) of motorways and car parks. Fair value is calculated as construction costs plus a reasonable construction profit.

Amortization on rights regarding the use of quarries, mines and wind parks licenses are based on straight line method during the normal period for the use of quarries (20-50 years) and within the period of their productive use while the amortization on software is accounted for based on the straight line method for a period of three years. The amortization on the acquired right for construction agreements is made based on the rate of execution of the respective projects.

Amortization of rights stemming from car parking concession contracts is conducted based on the duration of the concession.

### ***i) Tangible Fixed Assets***

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

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

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

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

### ***j) Depreciation***

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

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

### ***k) Impairment of the Value of Fixed Assets***

The book values of long-term assets, other than goodwill and tangible fixed assets with an indefinite life are reviewed for impairment purposes when facts or changes in circumstances imply that the book value may not be recoverable. When the book value of an asset exceeds its recoverable amount, the respective impairment loss is recorded in the net earnings. The recoverable amount is defined as the largest between the fair value minus the sale cost and the value in use.

The fair value minus the sale cost is the plausible income from the sale of an asset in the context of an arm's-length transaction, in which all parties have full knowledge and willingness, after the deduction of each additional direct sales cost for the asset. The value in use consists of the net present value of future estimated cash flows expected to occur from the continuous use of the asset and from the income expected to arise from its sale at the end of its estimated useful economic life. In order to determine the impairment, the asset items are grouped at the lowest level for which cash flows can be recognized separately.

A reversal of an impairment for the value of assets accounted for in previous years, takes place only when there are sufficient indications that such impairment no longer exists or it has been reduced. In these cases the above reversal is treated as income in net earnings.

### ***l) Investment property***

Investments in property are those held for the purpose to receive rent or capital appreciation and are valued at their fair value which is based on market value, that is to say at the estimated value of which the property may be sold, at the day of the estimation, in a normal transaction. When there is an active market, the Group defines the fair value of investment property based on valuation reports prepared on its behalf by independent appraisers. If no objective information is available, specifically due to economic conditions, then the Management based on its previous experience and taking into account available information, performs an estimation of fair value.

Profits or losses that arise from changes in the fair value of investments in property are included in the net earnings of the period during which they arise. Repairs and maintenance are recorded as expenses in the year in which they are incurred. Material subsequent expenses are capitalized when they augment the useful economic life of the buildings, their productive capacity or reduce their operation cost.

The investment property is eliminated from the Statement of financial position upon sale. All gains or losses resulting from the sale of an investment property are included in the net earnings of the year during which it was sold.

Investment property being build or developed are monitored, as those completed, at fair value.

### ***m) Inventories***

Inventories include under construction or real estate for development which are intended to be sold, excavated from the quarry material, construction material, spare parts and raw and auxiliary material. Inventories are valued at the lower of cost and net realizable value. The cost of raw materials, semi-finished and finished products is defined based on the weighted average method.

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

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The net realizable value of raw materials is their estimated replacement cost during the normal course of business. A provision for impairment is made if it is deemed necessary.

### ***n) Receivables Accounts***

Short-term receivables are accounted for at their nominal value less the provisions for doubtful receivables, while long-term receivables are valued at net amortized cost based on the effective interest rate method. At each date of the financial statements, all overdue or doubtful receivables are reviewed in order to determine the necessity for a provision for doubtful receivables.

The balance of the specific provision for doubtful receivables is appropriately adjusted at each balance sheet date in order to reflect the estimated relevant risks. Each write-off of customer balances is debited to the existing provision for doubtful receivables.

### ***o) Cash and Cash Equivalents***

The Group considers time deposits and other highly liquid investments with an initial maturity less than three months, as cash and cash equivalents.

For the compilation of the cash flow statements, cash and cash equivalents consist of cash, deposits in banks and cash and cash equivalents as defined above.

### ***p) Long-term loan liabilities***

All long-term loan liabilities are initially booked at cost, which is the actual value of the received payment less the issuance expenses related to the loan. After the initial recording, interest-bearing loans are valued at the net book value using the effective interest rate method. The net book value is calculated after taking into account the issuance expenses and the differences between the initial amount and the amount at maturity. Profits and losses are registered in the net profit or loss when the liabilities are written off or impaired and through the amortization procedure. Interest expenses are recognized on an accruals basis.

We note that interest on loans related to the construction of fixed assets and inventories, whose construction requires a significant period of time, increase the value of relevant assets, based on the revised IAS 23. The capitalization of interest is disrupted when the asset is ready for the use it is intended for.

### ***q) Provisions for Staff Retirement Indemnities***

According to the provisions of L2112/20, the Group reimburses its retiring or dismissed employees, and the amount of the relevant indemnities depends on the years of service, the level of wages and the reason for exit from employment (dismissal or retirement).

The liabilities for staff retirement indemnities are calculated using the discounted value of future benefits that have accrued at the end of the year, based on the recognition of the employees' benefit rights during the duration of their expected working years.

The above liabilities are calculated based on the financial and actuarial assumptions and are defined using the projected unit method of actuarial valuation.

Net retirement costs for the period are included in the net earnings and consist of the present value of benefits that have accrued during the year, the interest on the benefits' liability, the cost of prior service, the actuarial profit or loss and any other additional retirement costs. The liabilities for retirement benefits are not financed. As at the 1<sup>st</sup> of January 2004 (transition date to IFRS and compilation of initial Balance Sheet) the Company, applying the exemptions provided for by IFRS 1 for the first-time application of the IFRS, recognized the total actuarial losses that had accumulated as of the 1<sup>st</sup> of January 2004. During the compilation of subsequent financial statements the Group, applying the general provisions of IAS 19, followed the "corridor" method for the recognition of accumulated actuarial losses/profits.

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However from the beginning of 2013 based on the implementation of the revised IAS 19, both actuarial profit and losses are registered directly as income or expenses to the non-recycled other comprehensive results. The prior service costs in case that they change within the fiscal year they are recorded in the respective year's results.

### ***r) Government Pension Plans***

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

### ***s) Finance and Operating Leases***

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

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

### ***t) Government Grants***

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

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

### ***u) Provisions, Contingent Liabilities and Contingent Receivables***

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is possible that a transfer of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The provisions are reviewed on each date of the financial statements and are adjusted in order to reflect the present value of expenses that are expected to be required for the settlement of the liability. If the effect of the time value of money is significant, then provisions are calculated by discounting the expected future cash flows with a pre-tax rate, which reflects the market's current estimations for the time value of money, and wherever considered necessary, the risks related specifically to the obligation. Contingent liabilities are not recognized in the financial statements but are disclosed, unless the outflow of economic resources that include an economic loss benefits is probable. Contingent assets are not recognized in the consolidated financial statements but are disclosed when an inflow of financial benefits is possible.

### ***v) Financial Derivatives and Hedging Instruments***

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

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

- Fair value hedges when used to hedge the changes in the fair value of a recognized asset or liability or a non-recognized certain corporate commitment.
- Cash flow hedges when used for the hedge of the fluctuation of cash flows in relation to a recognized asset or liability or in relation to a very possible commitment.
- Hedges of a net investment in a foreign operation.

The full hedged part of the profit/loss of a measurement of derivatives that meet the conditions for hedge accounting is registered in other comprehensive income, if such refers to cash flow hedges, while the non-effective part is registered in net earnings. If such refers to a fair value hedge, the relevant profit or loss is recognized in net earnings, where the fair value change if the hedged instrument is registered respectively.

When the estimated hedged future transactions or liabilities lead to the recognition of a receivable or liability, the profit or losses previously registered in the statement of comprehensive income (cash flow hedges) are incorporated in the initial valuation of the cost of such receivables or liabilities. Otherwise, the amounts presented in equity are transferred to the statement of comprehensive income and are characterized as an income or expense during the period in which the estimated hedged transactions affect the statement of comprehensive income.

### **w) Revenue recognition**

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

#### *(i) Revenue from construction activities*

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

According to the percentage-of-completion method the construction costs incurred up to the date of the Statement of Financial position, are compared to the total estimated cost of the project in order to determine the percentage of the project that has been completed.

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

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

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

#### *(ii) Sale of goods*

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



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### *(iii) Revenues from car parks*

Such revenues come from concessions for the operation of car parks' operations. Such revenue equals the amounts received.

### *(iv) Revenue from the sale of Electric Energy*

Revenue from the sale of Electric Energy is accounted for in the year in which it accrues. Revenue from sales of electric energy to LAGIE or any other buyer that have not yet been invoiced is recognized as accrued non-invoiced income in the financial statements.

### *(v) Revenue from the construction and sale of buildings*

Buildings owned by the Company that are under construction, appear as inventories. From the price defined by the sale contract drawn by a final notary deed or memorandum agreement (given that the relevant risks in the context of the company's guaranteed responsibilities are covered by insurance), the portion that corresponds to the realized construction cost of the sold building or part of such until the end of the period, is recognized in the revenue for the period according to the percentage-of-completion method.

### *(vi) Rent Revenue*

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

### *(vii) Dividends*

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

### *(viii) Interest*

Interest income is recognized on an accruals basis.

## **x) Income Tax (Current and Deferred)**

Current and deferred taxes are calculated based on the financial statements of each of the companies included in the consolidated statements that are compiled according to the tax regulations in effect in Greece or in other countries in which the foreign subsidiaries operate. Current income tax is calculated based on the earnings of each company as such are reformed on the company's tax returns, additional income tax emerging from the Tax Authorities' tax audits, on deferred income tax based on the enacted tax rates, as well as any possible extraordinary tax contribution calculated on earnings.

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

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

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

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

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

## **y) Earnings per Share**

Basic earnings per share (EPS) are calculated by dividing net earnings corresponding to the parent's owners with the average weighted number of common shares that are outstanding during each year, with the exception of the average common shares acquired by the group as treasury-shares.

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Diluted earnings per share are calculated by dividing the net earnings corresponding to owners of the parent (after deducting the interest on convertible shares, after taxes) with the weighted average number of shares that are outstanding during the year (adjusted for the effect of the diluted convertible shares).

### ***z) Business Combinations, Goodwill from Acquisitions and Changes in Percentages of non-controlling Participations***

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

The goodwill arising from the Business Combinations derives as the difference of the fair values at the transaction date of a) the price paid, the amount which corresponds to the percentage to the percentage of non-controlling participation and the potential participation in the acquired company and b) the value of the individual assets which were acquired and the liabilities undertaken. At the date of the transaction (or at the date that the allocation of the respective price paid is completed), the goodwill which gained, is distributed to cash generating units or to cash generating units which are expected to be benefitted from this combination. If the fair value of the assets acquired exceeds the cost of the combination, then the Group re-estimates the recognition and the measurement of the recognized net assets and the cost of the combination and recognizes immediately in the results the negative difference between the price of the acquisition and the fair value of the net assets (negative goodwill).

The goodwill is valued at historical cost minus the accumulated impairment losses. The goodwill is not depreciated but is subject to impairment control on annual basis or more frequently when the situation or changes of conditions imply that the value might have been impaired.

If the book value of a cash generating unit, including the pro rata goodwill, exceeds its recoverable sum, then loss impairment is recognized. This impairment is defined by estimating the recoverable sum of the units generating cash flows, which are associated with the goodwill.

If part of the cash flow generating unit to which the goodwill has been distributed, is sold, then the goodwill which is proportionate to the sold part, is defined according to the relevant prices of the part that was sold and the part of the cash flow generating unit that remains.

The goodwill that has arisen from acquisitions or business combinations has been distributed and is being monitored on Group basis at the basic units generating cash flows, which have been defined according to IAS 36 "Impairment of Assets".

When the Group increases its participation ratio to current subsidiaries (acquisition of percentages of non-controlled participations) the total difference between the acquisition price and the proportion of the percentages of the non-controlled participations which are acquired is recognized directly to the shareholders' equity as it is deemed as a transaction between shareholders. Respectively, when percentages of non-controlled participations are sold (without the final participation leading to the loss of control on the subsidiary), the relevant gains or losses are directly recognized at the shareholders' equity.

## **4. GROUP STRUCTURE**

The following tables present the participations of the parent company GEK TERNA SA, direct and indirect in economic entities during 30.06.2014, which were included in the consolidation. According to the level of their consolidation, they are classified as follows:

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### 4.1 Company Structure

ECONOMIC ENTITY	DOMICILE	DIRECT PARTI- CIPATION %	INDIRECT PARTI- CIPATION %	TOTAL PARTI- CIPATION %	CONSOLI- DATION METHOD
<b>CONSTRUCTION SEGMENT – JOINT VENTURES</b>					
GEK TERNA SA & SIA E.E.	Greece	99.00	0.00	99.00	Proportionate
J/V HELLAS TOLLS	Greece	33.33	0.00	33.33	Proportionate
ALTE ATE – TERNA SA O.E.	Greece	50.00	0.00	50.00	Proportionate
<b>REAL ESTATE SEGMENT – JOINT VENTURES</b>					
GEK TERNA SA – VIOTER SA OE	Greece	50.00	0.00	50.00	Proportionate

### 4.2 Group Structure

ECONOMIC ENTITY	DOMICILE	DIRECT PARTI- CIPATION %	INDIRECT PARTI- CIPATION %	TOTAL PARTI- CIPATION %	CONSOLI- DATION METHOD
<b>CONSTRUCTION SEGEMENT - SUBSIDIARIES</b>					
TERNA SA	Greece	100.00	0.00	100.00	Full
TERNA ENERGY SA	Greece	45.91	0.00	45.91	Full
J/V EUROIONIA	Greece	0.00	100.00	100.00	Full
J/V CENTRAL GREECE MOTORWAY E-65	Greece	0.00	100.00	100.00	Full
ILIOHORA SA	Greece	70.55	29.45	100.00	Full
TERNA OVERSEAS LTD	Cyprus	0.00	100.00	100.00	Full
TERNA QATAR LLC	Qatar	0.00	40.00	40.00	Full
TERNA BAHRAIN HOLDING WLL	Bahrain	0.00	99.99	99.99	Full
TERNA CONTRACTING CO WLL	Bahrain	0.00	100.00	100.00	Full
TERNA ELECTRICAL MECHANICAL WLL	Bahrain	0.00	100.00	100.00	Full
TERNA VENTURES WLL	Bahrain	0.00	100.00	100.00	Full
TERNA SAUDI ARABIA LTD	Saudi Arabia	0.00	60.00	60.00	Full
SC TERNA INTERNATIONAL CONSTRUCTION ROMANIA	Romania	100.00	0.00	100.00	Full
<b>CONSTRUCTIONS SEGMENT - JOINT VENTURES</b>					
J/V TERNA SA - IMPEGILO SPA (TRAM)	Greece	0.00	55.00	55.00	Proportionate
J/V ANCIENT OLYMPIA BY-PASS	Greece	0.00	50.00	50.00	Proportionate
J/V UNDERGROUND CAR PARK THESSALONIKI	Greece	0.00	50.00	50.00	Proportionate
J/V ATHENS CONCERT HALL	Greece	0.00	69.00	69.00	Proportionate
J/V PERISTERI METRO	Greece	0.00	50.00	50.00	Proportionate
J/V TERNA SA - KARAGIANNIS TEFAA KOMOTINI PROJECT	Greece	0.00	24.00	24.00	Proportionate
J/V THALES ATM SA-TERNA IMPROVEMENTS OF TACAN STATIONS	Greece	0.00	50.00	50.00	Proportionate

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<b>ECONOMIC ENTITY</b>	<b>DOMICILE</b>	<b>DIRECT PARTI- CIPATION %</b>	<b>INDIRECT PARTI- CIPATION %</b>	<b>TOTAL PARTI- CIPATION %</b>	<b>CONSOLI- DATION METHOD</b>
J/V ETETH-TERNA-AVAX -PANTECHNIKI HORSE RIDING CENTRE	Greece	0.00	35.00	35.00	Proportionate
J/V AVAX-VIOTER (OLYMPIC VILLAGE CONSTRUCTION)	Greece	0.00	37.50	37.50	Proportionate
J/V TERNA S.A. -PANTECHNIKI S.A.	Greece	0.00	83.50	83.50	Proportionate
J/V TERNA S.A.-ATHENA ATE ARACHTHOS-PERISTERI	Greece	0.00	62.50	62.50	Proportionate
J/V TERNA S.A. - AKTOR A.T.E.- J&P AVAX (Concert Hall)	Greece	0.00	69.00	69.00	Proportionate
J/V TERNA-MICHANIKI AGRINIO BY-PASS	Greece	0.00	65.00	65.00	Proportionate
J/V TOMI ABETE-ILIOHORA SA	Greece	0.00	30.00	30.00	Proportionate
J/V AVAX SA-VIOTER SA-ILIOHORA SA	Greece	0.00	37.50	37.50	Proportionate
J/V AKTOR-DOMOTECHNIKI-THEMELIODOMI-TERNA-ETETH	Greece	0.00	25.00	25.00	Proportionate
J/V CONSTRUCTION OF PROJECT PARADEISIA-TSAKONA	Greece	0.00	49.00	49.00	Proportionate
J/V UNDERGROUND CHAIDARI-PART A	Greece	0.00	50.00	50.00	Proportionate
J/V AKTOR-TERNA SA	Greece	0.00	50.00	50.00	Proportionate
TERNA SA-PANTECHNIKISA (O.A.K.A.) G.P.	Greece	0.00	50.00	50.00	Proportionate
J/V ALPINE MAYREDER BAU Gmbh-TERNA SA - AKTOR - POWEL	Greece	0.00	31.50	31.50	Proportionate
J/V TERNA-MOCHLOS-AKTOR TUNNEL KIATO-AIGIO	Greece	0.00	35.00	35.00	Proportionate
J/V J&P AVAX-TERNA-AKTOR PLATANOS TUNNEL	Greece	0.00	33.33	33.33	Proportionate
J/V AEGEK-TERNA	Greece	0.00	45.00	45.00	Proportionate
J/V TERNA-KARAYIANNIS-ATTALOS-ILIOCHORA	Greece	0.00	50.00	50.00	Proportionate
J/V TERNA-AKTOR	Greece	0.00	50.00	50.00	Proportionate
J/V TERNA SA-AKTOR ATE J&P AVAX PIRAEUS –TREIS GEFYRES	Greece	0.00	33.33	33.33	Proportionate
J/V TERNA SA- AKTOR ATE DOMOKOS	Greece	0.00	50.00	50.00	Proportionate
J/V TERNA SA- THALES AUSTRIA	Greece	0.00	37.40	37.40	Proportionate
J/V J&P AVAX SA-VIOTER SA-TERNA SA	Greece	0.00	33.33	33.33	Proportionate
J/V ALPINE BAU-TERNA SA	Greece	0.00	49.00	49.00	Proportionate
J/V AKTOR-TERNA	Greece	0.00	50.00	50.00	Proportionate
J/V TRAM CIVIL ENGINEERING WORKS	Greece	0.00	36.00	36.00	Proportionate
J/V METKA-TERNA	Greece	0.00	90.00	90.00	Proportionate
J/V TERNA SA-SICES CONSTRUCTIONS S.p.A	Greece	0.00	50.00	50.00	Proportionate
J/V APION KLEOS	Greece	0.00	17.00	17.00	Proportionate
J/V TERNA SA-NEON STAR SA-RAMA SA (OPAP Project)	Greece	0.00	51.00	51.00	Proportionate
J/V AKTOR-TERNA-MOCHLOS (Florina-Niki road)	Greece	0.00	33.33	33.33	Proportionate
J/V TERNA SA-NEON STAR SA-RAMA (OPAP 1)	Greece	0.00	51.00	51.00	Proportionate
J/V AKTOR-TERNA (PATHE at Stylida road)	Greece	0.00	50.00	50.00	Proportionate
J/V TERNA - AEGEK Constructions (Promachonas road)	Greece	0.00	50.00	50.00	Proportionate

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J/V IMPREGILO SpA-TERNA SA (Cultural center of Stavros Niarchos Foundation)	Greece	0.00	49.00	49.00	Proportionate
J/V AKTOR-TERNA (Harbor of Patras )	Greece	0.00	70.00	70.00	Proportionate
J/V AKTOR ATE-J&P AVAX - TERNA SA (Koromilia-Kristalopigi project)	Greece	0.00	33.33	33.33	Proportionate
J/V ILIOCHORA-KASTAT CONSTRUCTIONS (Koumpila-Louloudi project)	Greece	0.00	70.00	70.00	Proportionate
J/V AKTOR ATE – TERNA SA (Lignite works)	Greece	0.00	50.00	50.00	Proportionate
J/V AKTOR ATE – TERNA SA (Thriasio B’)	Greece	0.00	50.00	50.00	Proportionate
TERNA ENERGY SA & CO LTD	Greece	0.00	70.00	70.00	Proportionate
J/V AKTOR SA – J&P AVAX – TERNA SA (TithoreaDomokos)	Greece	0.00	33.33	33.33	Proportionate
J/V AKTOR SA – J&P AVAX – TERNA SA (Panagopoulos Tunnel)	Greece	0.00	21.74	21.74	Proportionate
JV QBC S.A.-TERNA S.A..	Qatar	0.00	40.00	40.00	Proportionate
J/V GEK SERVICES SA – SPAKON LTD	Greece	0.00	60.00	60.00	Proportionate
J/V AKTOR SA – J&P AVAX – TERNA SA (Bridge RL 26)	Greece	0.00	45.00	45.00	Proportionate

### **CONSTRUCTION SEGMENT - ASSOCIATES**

ATTIKAT ATE	Greece	22.15	0.00	22.15	Equity
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ECONOMIC ENTITY	DOMICILE	DIRECT PARTI- CIPATION %	INDIRECT PARTI- CIPATION %	TOTAL PARTI- CIPATION %	CONSOLI- DATION METHOD
<b>RES ENERGY SEGMENT - SUBSIDIARIES</b>					
TERNA ENERGY SA	Greece	45.91	0.00	45.91	Full
IWECO HONOS LASITHIOU CRETE SA	Greece	0.00	45.91	45.91	Full
ENERGIAKI SERVOUNIOU SA	Greece	0.00	45.91	45.91	Full
TERNA ENERGY EVROU SA	Greece	0.00	45.91	45.91	Full
PPC RENEWABLES - TERNA ENERGY SA	Greece	0.00	45.91	45.91	Full
AIOLIKI RACHOULAS DERVENOCHORION S.A.	Greece	0.00	45.91	45.91	Full
AIOLIKI ILIOKASTROU S.A	Greece	0.00	45.91	45.91	Full
ENERGEIAKI XIROVOUNIOU S.A.	Greece	0.00	45.91	45.91	Full
AIOLIKI MALEA LAKONIAS S.A.	Greece	0.00	45.91	45.91	Full
ENERGIAKI FERRON EVROU S.A.	Greece	0.00	45.91	45.91	Full
AIOLIKI DERVENI TRAIANOUPOLEOS S.A.	Greece	0.00	45.91	45.91	Full
ENERGIAKI PELOPONNISOU S.A.	Greece	0.00	45.91	45.91	Full
ENERGIAKI DERVENOCHORION S.A.	Greece	0.00	45.91	45.91	Full
ENERGIAKI NEAPOLEOS LAKONIAS S.A.	Greece	0.00	45.91	45.91	Full
AIOLIKI PANORAMATOS S.A.	Greece	0.00	45.91	45.91	Full
EUROWIND S.A.	Greece	0.00	45.91	45.91	Full
DELTA AXIOU ENERGEIAKI S.A	Greece	0.00	45.91	45.91	Full
VATHICHORI ONE PHOTOVOLTAIC S.A.	Greece	0.00	45.91	45.91	Full
VATHICHORI TWO SA	Greece	0.00	45.91	45.91	Full
VATHICHORI ENVIRONMENTAL S.A.	Greece	0.00	45.91	45.91	Full

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ECONOMIC ENTITY	DOMICILE	DIRECT PARTI- CIPATION %	INDIRECT PARTI- CIPATION %	TOTAL PARTI- CIPATION %	CONSOLI- DATION METHOD
TERNA ENERGY SEA WIND PARKS S.A.	Greece	0.00	45.91	45.91	Full
TERNA ENERGY WIND PARKS XIROKAMPOS AKRATAS S.A.	Greece	0.00	45.91	45.91	Full
TERNA ENERGY SA & CO AIOLIKI KARYSTIAS EVIAS SA	Greece	0.00	45.91	45.91	Full
TERNA ENERGY SA & Co AIOLIKI POLYKASTROU G.P.	Greece	0.00	45.91	45.91	Full
TERNA ENERGY SA & Co AIOLIKI PROVATA TRAIANOUPOLEOS G.P.	Greece	0.00	45.91	45.91	Full
TERNA ENERGY SA & CO ENERGEIAKI VELANIDION LAKONIAS G.P.	Greece	0.00	45.91	45.91	Full
TERNA ENERGY SA & CO ENERGEIAKI DYSTION EVIAS G.P.	Greece	0.00	45.91	45.91	Full
TERNA ENERGY SA & CO AIOLIKI PASTRA ATTIKIS G.P.	Greece	0.00	45.91	45.91	Full
TERNA ENERGY SA & CO ENERGEIAKI ARI SAPPON G.P.	Greece	0.00	45.91	45.91	Full
TERNA ENERGY SA & CO AIOLIKI EASTERN GREECE G.P.	Greece	0.00	45.91	45.91	Full
TERNA ENERGY SA & CO AIOLIKI MARMARIOU EVIAS G.P.	Greece	0.00	45.91	45.91	Full
TERNA ENERGY SA & CO ENERGEIAKI PETRION EVIAS G.P.	Greece	0.00	45.91	45.91	Full
TERNA ENERGY SA & CO AIOLIKI ROKANI DERVENOCHORION G.P.	Greece	0.00	45.91	45.91	Full
TERNA ENERGY SA & CO ENERGEIAKI STYRON EVIAS G.P.	Greece	0.00	45.91	45.91	Full
TERNA ENERGY SA & CO ENERGEIAKI KAFIREOS EVIAS G.P.	Greece	0.00	45.91	45.91	Full
TERNA ENERGY SA VECTOR WIND PARKS GREECE-WIND PARK TROULOS G.P.	Greece	0.00	45.91	45.91	Full
CHRISOUPOLI ENERGY Ltd	Greece	0.00	45.91	45.91	Full
LAGADAS ENERGY SA	Greece	0.00	45.91	45.91	Full
DOMOKOS ENERGY SA	Greece	0.00	45.91	45.91	Full
DIRFIS ENERGY SA	Greece	0.00	45.91	45.91	Full
FILOTAS ENERGY SA	Greece	0.00	45.91	45.91	Full
MALESINA ENERGY SA	Greece	0.00	45.91	45.91	Full
ORCHOMENOS ENERGY Ltd	Greece	0.00	45.91	45.91	Full
ALISTRATI ENERGY Ltd	Greece	0.00	45.91	45.91	Full
TERNA ENERGY AI-GIORGIS SA	Greece	0.00	45.91	45.91	Full
TERNA ENERGY AMARINTHOU SA	Greece	0.00	45.91	45.91	Full
TERNA ENERGY AITOLOAKARNANIAS SA	Greece	0.00	45.91	45.91	Full
TERNA ILIAKI VIOTIAS SA	Greece	0.00	45.91	45.91	Full
TERNA AIOLIKI XEROVOUNIOU SA	Greece	0.00	45.91	45.91	Full
TERNA ILIAKI ILIOKASTROU SA	Greece	0.00	45.91	45.91	Full
TEPNA ILIAKI PANORAMATOS SA.	Greece	0.00	45.91	45.91	Full
TEPNA ILIAKI PELLOPONISSOU SA.	Greece	0.00	45.91	45.91	Full
GEOTHERMIKI ENERGY ANAPTYXIAKI SA	Greece	0.00	45.91	45.91	Full

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COLD SPRINGS WINDFARM LLC	U.S.A.	0.00	45.91	45.91	Full
DESERT MEADOW WINDFARM LLC	U.S.A.	0.00	45.91	45.91	Full
HAMMETTHILL WINDFARM LLC	U.S.A.	0.00	45.91	45.91	Full
MAINLINE WINDFARM LLC	U.S.A.	0.00	45.91	45.91	Full
RYEGRASS WINDFARM, LLC	U.S.A.	0.00	45.91	45.91	Full
TWO PONDS WINDFARM, LLC	U.S.A.	0.00	45.91	45.91	Full
MOUNTAIN AIR WIND, LLC	U.S.A.	0.00	45.91	45.91	Full
TERNA ENERGY USA HOLDING CORPORATION	U.S.A.	0.00	45.91	45.91	Full
EOLOS POLSKA SPZOO	Poland	0.00	45.91	45.91	Full
EOLOS NOWOGRODZEC SPZO	Poland	0.00	45.91	45.91	Full
TERNA ENERGY TRANSATLANTIC SPZOO	Poland	0.00	45.91	45.91	Full
EOLOS NORTH SPZOO	Poland	0.00	45.91	45.91	Full
EOLOS EAST SPZOO	Poland	0.00	45.91	45.91	Full
GP ENERGY	Bulgaria	0.00	45.91	45.91	Full
HAOS INVEST 1 EAD	Bulgaria	0.00	45.91	45.91	Full
ECOENERGY DOBRICH 2 EOOD	Bulgaria	0.00	45.91	45.91	Full
ECOENERGY DOBRICH 3 EOOD	Bulgaria	0.00	45.91	45.91	Full
ECOENERGY DOBRICH 4 EOOD	Bulgaria	0.00	45.91	45.91	Full
TERNA ENERGY OVERSEAS LTD	Cyprus	0.00	45.91	45.91	Full
VALUE PLUS LTD	Cyprus	0.00	45.91	45.91	Full
GALLETE LTD	Cyprus	0.00	45.91	45.91	Full
TERNA ENERGY NETHERLANDS BV	Holland	0.00	45.91	45.91	Full
TERNA ENERGY TRADING LTD	Cyprus	0.00	45.91	45.91	Full
JP GREEN SPZOO	Poland	0.00	45.91	45.91	Full
WIRON SPZOO	Poland	0.00	45.91	45.91	Full
ECONOMIC ENTITY	DOMICILE	DIRECT PARTI- CIPATION %	INDIRECT PARTI- CIPATION %	TOTAL PARTI- CIPATION %	CONSOLI- DATION METHOD
<b>RES ENERGY SEGMENT – JOINT VENTURES</b>					
TERNA ENERGY SA – MEL MACEDONIAN PAPER MILLS SA & CO CO-PRODUCTION GP	Greece	0,00	45,91	45,91	Proportionate
TERNA ENERGYAVETE&SIALP	Greece	0,00	45,91	45,91	Proportionate
ECONOMIC ENTITY	DOMICILE	DIRECT PARTI- CIPATION %	INDIRECT PARTI- CIPATION %	TOTAL PARTI- CIPATION %	CONSOLI- DATION METHOD
<b>RES ENERGY SEGMENT - ASSOCIATES</b>					
CYCLADES RES ENERGY CENTER SA	Greece	0,00	45,91	45,91	Equity
EN.ER.MEL S.A.	Greece	0,00	45,91	45,91	Equity

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ECONOMIC ENTITY	DOMICILE	DIRECT PARTI- CIPATION %	INDIRECT PARTI- CIPATION %	TOTAL PARTI- CIPATION %	CONSOLI- DATION METHOD
<b><i>THERMAL ENERGY SEGMENT - JOINT VENTURES</i></b>					
HERON THERMOELECTRIC S.A.	Greece	50.00	0.00	50.00	Equity
HERON II VIOTIA THERMOELECTRIC STATION S.A.	Greece	0.00	25.00	25.00	Equity
ECONOMIC ENTITY	DOMICILE	DIRECT PARTI- CIPATION %	INDIRECT PARTI- CIPATION %	TOTAL PARTI- CIPATION %	CONSOLI- DATION METHOD
<b><i>REAL ESTATE SEGMENT - SUBSIDIARIES</i></b>					
IOANNINON ENTERTAINMENT DEVELOPMENT S.A.	Greece	67.33	0.00	67.33	Full
MONASTIRIOU TECHNICAL DEVELOPMENT S.A.	Greece	100.00	0.00	100.00	Full
VIPA THESSALONIKI S.A.	Greece	100.00	0.00	100.00	Full
GEK SERVICES SA	Greece	51.00	0.00	51.00	Full
GEK CYPRUS LTD	Cyprus	100.00	0.00	100.00	Full
ICON EOOD	Bulgaria	100.00	0.00	100.00	Full
ICON BOROVEC EOOD	Bulgaria	0.00	100.00	100.00	Full
DOMUS DEVELOPMENT EOOD	Bulgaria	0.00	100.00	100.00	Full
SC GEK ROM SRL	Romania	100.00	0.00	100.00	Full
HERMES DEVELOPMENT SRL	Romania	0.00	100.00	100.00	Full
ERGON CITY DEVELOPMENT SRL	Romania	0.00	100.00	100.00	Full
HIGHLIGHT SRL	Romania	0.00	100.00	100.00	Full
<b><i>REAL ESTATE SEGMENT - JOINT VENTURES AND ASSOCIATES</i></b>					
KEKROPS S.A.	Greece	23.97	0.00	23.97	Equity
GEKA S.A.	Greece	33.34	0.00	33.34	Equity
GAIA INVESTMENT SA	Greece	35.78	0.00	35.78	Equity
VIPATHE MANAGEMENT SA	Greece	0.00	33.30	33.30	Equity
GLS EOOD	Bulgaria	50.00	0.00	50.00	Equity
ECONOMIC ENTITY	DOMICILE	DIRECT PARTI- CIPATION %	INDIRECT PARTI- CIPATION %	TOTAL PARTI- CIPATION %	CONSOLI- DATION METHOD
<b><i>CONCESSIONS SEGMENT - SUBSIDIARIES</i></b>					
IOLKOS S.A.	Greece	100.00	0.00	100.00	Full
HIRON CAR PARK S.A.	Greece	99.47	0.53	100.00	Full
KIFISIA PLATANOU SQ. CAR PARK SA	Greece	83.33	16.67	100.00	Full
PARKING STATION SAROKOU SQUARE CORFU S.A	Greece	49.00	51.00	100.00	Full



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<b>ECONOMIC ENTITY</b>	<b>DOMICILE</b>	<b>DIRECT PARTI-CIPATION %</b>	<b>INDIRECT PARTI-CIPATION %</b>	<b>TOTAL PARTI-CIPATION %</b>	<b>CONSOLIDATION METHOD</b>
<b>CONCESSIONS SEGMENT - JOINT VENTURES</b>					
NEA ODOS SA	Greece	33.33	0.00	33.33	Equity
CENTRAL GREECE MOTORWAY S.A.	Greece	33.33	0.00	33.33	Equity
PARKING OUIL SA	Greece	50.00	0.00	50.00	Equity
ATHENS CAR PARK S.A.	Greece	20.00	0.00	20.00	Equity
THESSALONIKI CAR PARK S.A.	Greece	24.39	0.00	24.39	Equity
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Greece	30.00	0.00	30.00	Equity
POLIS PARK SA	Greece	25.04	0.00	25.04	Equity
SMYRNI PARK S.A.	Greece	20.00	0.00	20.00	Equity
HELLINIKON ENTERTAINMENT AND ATHLETIC PARKS S.A.	Greece	29.62	0.00	29.62	Equity
METROPOLITAN ATHENS PARK SA	Greece	22.91	0.00	22.91	Equity
MANAGEMENT COMPANY OF HELLINIKON ENTERTAINMENT AND ATHLETIC PARKS S.A.	Greece	25.00	0.00	25.00	Equity

<b>ECONOMIC ENTITY</b>	<b>DOMICILE</b>	<b>DIRECT PARTI-CIPATION %</b>	<b>INDIRECT PARTI-CIPATION %</b>	<b>TOTAL PARTI-CIPATION %</b>	<b>CONSOLIDATION METHOD</b>
<b>INDUSTRIAL-MINES SEGMENT - SUBSIDIARIES</b>					
VIOMEK ABETE	Greece	66.50	28.64	95.14	Full
STROTIRES AEBE	Greece	51.00	0.00	51.00	Full
TERNA MAG SA	Greece	51.02	48.98	100.00	Full
EUROPEAN AGENCIES OF METALS SA	Greece	0.00	100.00	100.00	Full
VRONDIS QUARRY PRODUCTS SA	Greece	0.00	100.00	100.00	Full
CEMENT PRODUCTION AND EXPORT FZC	Libya	0.00	75.00	75.00	Full
MALCEM CONSTRUCTION MATERIALS LTD	Malta	0.00	75.00	75.00	Full

<b>ECONOMIC ENTITY</b>	<b>DOMICILE</b>	<b>DIRECT PARTI-CIPATION %</b>	<b>INDIRECT PARTI-CIPATION %</b>	<b>TOTAL PARTI-CIPATION %</b>	<b>CONSOLIDATION METHOD</b>
<b>SEGMENT OF HOLDINGS – SUBSIDIARIES</b>					
QE ENERGY EUROPE LTD	Cyprus	0.00	100.00	100.00	Full

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

The following table presents the joint ventures for the construction of technical projects, in which the Group participates. These joint ventures have already concluded the projects they were established for, their guarantee period has expired, their relations with third parties have been settled and their final liquidation is pending. Therefore such are not included in the consolidation.

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COMPANY NAME	TOTAL PARTICIPATION % (Indirect)
J/V EMPEDOS SA-TERNA SA (PROJECT EKTHE THIRD PARTY)	50.00%
J/V NAVY ACADEMY –GNOMON ATE-TERNA SA-GENER SA	33.00%
J/V IMPREGILO Spa – TERNA SA-ALTE SA (EXECUTIONS)	33.33%
J/V EVINOU-AEGEK-METON SA-TERNA SA-EYKLEIDIS SA	33.33%
J/V MAIN ARROGATION CANAL D 1	75.00%
J/V AKTOR, AEGEK, EKTER, TERNA AIRPORT INSTAL. SPATA	20.00%
J/V TERNA SA / AKTOR SA - GOULANDRIS MUSEUM	50.00%
J/V DEPA PROJECT	10.00%
J/V ARTA-FILIPPIADA BY-PASS	98.00%
J/V ATHENS CAR PARKS	20.00%
J/V FRAGMATOS PRAMORITSA	33.33%
J/V VIOTER SA-TERNA SA	50.00%
J/V TERNA SA - IONIOS SA	90.00%
J/V ATHINA-PANTECHNIKI-TERNA-PLATAMONAS PROJECT	39.20%
J/V VIOTER SA-TERNA SA	50.00%
J/V TERNA-MOCHLOS ATE	70.00%
J/V TERNA-VIOTER SA	50.00%
J/V TERNA-AKTOR-EMPEDOS-J&P ABAX-IMEC GmbH	24.00%
J/V EUROPEAN TECHNICAL-HOMER-TERNA	50.00%
J/V UNIVERSITY OF CRETE-RETHYMNON	25.00%
J/V AKTOR-TERNA SA IASO BUILDING	50.00%
J/V MINISTRY OF TRANSPORTATION & COMMUNICATION PROJECT	33.33%
J/V J&P AVAX SA-TERNA SA-EYKLEIDIS	35.00%
J/V EVAGGELISMOS PROJECT C	100.00%
J/V EPL DRAMAS	80.00%
J/V TERNA-TERNA ENERGY-TSAMBRAS (DRAMA HOSPITAL)	80.00%
J/V EMBEDOS-PANTECHNIKI-ENERG.	50.00%

## 5. OPERATING SEGMENTS

An operating segment is a component of an economic entity: a) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses that concern transactions with other components of the same economic entity) and, b) whose operating results are regularly reviewed by the chief operating decision maker of the entity to make decisions about resources to be allocated to the segment and assess of its performance.

The term “chief operating decision maker” defines the Board of Directors that is responsible for the allocation of resources and the assessment of the operating segments.

The Group presents separately the information on each operating segment that fulfils certain criteria of characteristics and exceeds certain quantitative limits.

The amount of each element of the segment is that which is presented to the “Chief operating decision maker” with regard to the allocation of resources to the segment and the evaluation of its performance.

The above information is presented in the attached statements of financial position and total comprehensive income according to the IFRS, whereas previously recorded operating segments –as presented in the financial statements of the previous year- require no modifications.

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Specifically, the Group recognizes the following operating segments that must be reported, whereas no other segments exist that could be incorporated in the “other segments” category.

Construction: refers, almost exclusively, to contracts for the construction of technical projects.

Electricity from renewable sources of energy: refers to the electricity production from wind generators (wind parks), from hydroelectric projects and other renewable energy sources.

Electricity from thermal energy sources: refers to the electricity production using natural gas as fuel.

Real estate development: refers to the purchase, development and management of real estate as well as to investments for value added from an increase of their price.

Industry: refers to the production of quarry products and the exploitation of magnesite quarries.

Concessions: refers to the construction and operation of infrastructure (i.e. roads) and other facilities (i.e. car parks etc.) of public interest with the exchange of their long-term exploitation from provision of services to the public.

Holdings: refers to the supporting operation of all of the segments of the Group and the trial operation of new operating segments.

The tables that follow present an analysis on the data of the Group’s operating segments for the period ended on 30.6.2014.

### Calculation of disclosed data on Operating segments

Following we present the calculation of disclosed data that do not result directly from the accompanying financial statements:

The item “*Net debt / (Surplus)*” is an index used by Management to judge the cash flow of an operating segment at every point in time. It is defined as the total liabilities from loans and financial leases minus Cash and cash equivalents.

The item “*Operating results (EBIT)*”, is an index used by Management to judge the operating performance of an activity. It is defined as Gross profit, minus Administrative and distribution expenses, minus Research and development expenses, plus/minus Other income/(expenses) except of the payment and valuation related Foreign exchange differences, the Impairments of fixed assets, the Impairments of inventories, the Other impairments and provisions, and the Impairments / write-offs of trade receivables, as presented in the accompanying financial statements.

The item “*EBITDA*” is defined as the *Operating results (EBIT)*, plus depreciations of fixed assets, minus the grants amortization, as presented in the attached financial statements.

The item “*adjusted EBITDA*” is defined as the EBITDA, increased by any non-cash items included therein.

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(Amounts in thousand Euro, unless stated otherwise)

Business segments 30.06.2014	Constructions	Electricity from RES	Electricity from thermal energy	Real Estate	Mining / Industry	Concessions	Holdings	Eliminations on consolidation	Consolidated Total
Revenue from external customers	332,615	52,751	0	1,900	865	343	59	0	388,533
Inter-segmental turnover	11,340	0	0	258	14	0	59	(11,671)	0
<b>Revenue</b>	<b>343,955</b>	<b>52,751</b>	<b>0</b>	<b>2,158</b>	<b>879</b>	<b>343</b>	<b>118</b>	<b>(11,671)</b>	<b>388,533</b>
<b>Operating results (EBIT)</b>	<b>2,872</b>	<b>18,877</b>	<b>(462)</b>	<b>(432)</b>	<b>(1,326)</b>	<b>(16)</b>	<b>(829)</b>		<b>18,684</b>
Interest income	636	958	572	9	0	14	1,435		3,625
Interest and related expenses	(6,373)	(13,815)	0	(2,511)	(98)	(822)	(534)		(24,154)
Foreign exchange differences and other non-operating results	2,574	370	88	155	90	0	(10)		3,268
Results from associates and Joint Ventures	0	0	1,352	(142)	0	2,553	0		3,762
Loss from valuation of holdings	(130)	0	0	(121)	0	0	0		(250)
<b>Results before tax</b>	<b>(420)</b>	<b>6,390</b>	<b>1,550</b>	<b>(3,041)</b>	<b>(1,335)</b>	<b>1,729</b>	<b>62</b>		<b>4,935</b>
Income tax	(1,029)	(2,424)	0	114	98	(8)	(507)		(3,755)
<b>Net Results before extraordinary levy</b>	<b>(1,449)</b>	<b>3,966</b>	<b>1,550</b>	<b>(2,927)</b>	<b>(1,236)</b>	<b>1,721</b>	<b>(445)</b>		<b>1,180</b>
Net depreciation	11,946	15,082	12	467	528	99	7		28,140
<b>EBITDA from continued activities</b>	<b>14,818</b>	<b>33,959</b>	<b>(450)</b>	<b>35</b>	<b>(798)</b>	<b>83</b>	<b>(823)</b>		<b>46,824</b>
Provisions and other non cash results	555	0	0	0	0	0	0		555
<b>Adjusted EBITDA from continued activities</b>	<b>15,373</b>	<b>33,959</b>	<b>(450)</b>	<b>35</b>	<b>(798)</b>	<b>83</b>	<b>(823)</b>		<b>47,379</b>
Assets	798,554	1,044,550	12,653	187,213	73,335	66,071	29,380		2,211,756
Investments in associates 30.06.2014	0	4,049	0	1,642	0	0	0		5,690

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Business segments 30.06.2014	Constructions	Electricity from RES	Electricity from thermal energy	Real Estate	Mining / Industry	Concessions	Holdings	Eliminations on consolidation	Consolidated Total
Investments in joint ventures 30.06.2014	103	0	53,474	1,902	32	42,285	(2,800)		94,996
<b>Total Assets</b>	<b>798,657</b>	<b>1,048,599</b>	<b>66,127</b>	<b>190,757</b>	<b>73,367</b>	<b>108,356</b>	<b>26,579</b>		<b>2,312,443</b>
<b>Liabilities</b>	<b>797,825</b>	<b>710,622</b>	<b>2</b>	<b>87,493</b>	<b>25,143</b>	<b>32,109</b>	<b>28,694</b>		<b>1,681,888</b>
Loans	160,445	371,616	0	78,537	11,968	28,812	25,574		676,952
Cash and Cash Equivalents	(146,952)	(117,200)	0	(2,861)	(220)	(715)	(16,425)		(284,373)
<b>Net debt / (surplus)</b>	<b>13,493</b>	<b>254,417</b>	<b>0</b>	<b>75,676</b>	<b>11,748</b>	<b>28,097</b>	<b>9,150</b>		<b>392,580</b>
<b>Capital expenditure for the period 1.1-30.06.2014</b>	<b>16,862</b>	<b>35,084</b>	<b>0</b>	<b>2,840</b>	<b>1,784</b>	<b>2,574</b>	<b>8</b>		<b>59,152</b>

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Business segments 30.06.2013 and 31.12.2013(*)	Constructions	Electricity from RES	Electricity from thermal energy	Real Estate	Mining / Industry	Concessions	Holdings	Eliminations on consolidation	Consolidated Total
<b>Revenue from external customers</b>	<b>188,116</b>	<b>51,425</b>	<b>0</b>	<b>1,303</b>	<b>215</b>	<b>335</b>	<b>919</b>	<b>0</b>	<b>242,313</b>
Inter-segmental turnover	14,059	0	0	258	686	0	94	(15,097)	0
<b>Revenue</b>	<b>202,175</b>	<b>51,425</b>	<b>0</b>	<b>1,561</b>	<b>901</b>	<b>335</b>	<b>1,013</b>	<b>(15,097)</b>	<b>242,313</b>
<b>Operating results (EBIT)</b>	<b>(3,331)</b>	<b>20,134</b>	<b>(190)</b>	<b>(936)</b>	<b>(1,992)</b>	<b>(216)</b>	<b>(912)</b>		<b>12,557</b>
Interest income	638	1,784	896	9	11	13	903		4,254
Interest and related expenses	(9,517)	(11,811)	(239)	(2,817)	(311)	(10)	(2,088)		(26,793)
Foreign exchange differences and other non-operating results	(16,842)	(471)	1	(40)	0	0	(332)		(17,684)
Results from associates	0	0	0	(486)	0	0	0		(486)
Results from Joint Ventures	0	0	3,484	(5)	0	(2,344)	0		1,134
Results from participations and securities	(1,868)	0	0	0	0	0	0		(1,868)
<b>Results before tax</b>	<b>(30,920)</b>	<b>9,636</b>	<b>3,952</b>	<b>(4,276)</b>	<b>(2,292)</b>	<b>(2,556)</b>	<b>(2,429)</b>		<b>(28,886)</b>
Income tax	2,840	(3,839)	0	(655)	(1,015)	56	(201)		(2,813)
<b>Net Results</b>	<b>(28,080)</b>	<b>5,797</b>	<b>3,952</b>	<b>(4,931)</b>	<b>(3,307)</b>	<b>(2,500)</b>	<b>(2,629)</b>		<b>(31,698)</b>
Net depreciation	8,662	14,495	0	566	742	99	5		24,568
<b>EBITDA</b>	<b>5,330</b>	<b>34,629</b>	<b>(190)</b>	<b>(369)</b>	<b>(1,251)</b>	<b>(117)</b>	<b>(907)</b>		<b>37,125</b>
Provisions and other non cash expenses/(income) (included in EBITDA)	398	0	0	0	0	0	0		398
<b>Adjusted EBITDA</b>	<b>5,728</b>	<b>34,629</b>	<b>(190)</b>	<b>(369)</b>	<b>(1,251)</b>	<b>(117)</b>	<b>(907)</b>		<b>37,523</b>

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<b>Business segments 30.06.2013 and 31.12.2013(*)</b>	<b>Constructions</b>	<b>Electricity from RES</b>	<b>Electricity from thermal energy</b>	<b>Real Estate</b>	<b>Mining / Industry</b>	<b>Concessions</b>	<b>Holdings</b>	<b>Eliminations on consolidation</b>	<b>Consolidated Total</b>
Assets 31.12.2013	756,654	1,037,523	54,923	186,249	67,789	61,839	52,074		<b>2,217,052</b>
Investments in associates 31.12.2013	0	4,049	0	1,292	0	0	0		<b>5,341</b>
Investments in joint ventures 31.12.2013	0	0	52,034	1,906	38	40,659	0		<b>94,637</b>
<b>Total Assets</b>	<b>756,654</b>	<b>1,041,572</b>	<b>106,957</b>	<b>189,447</b>	<b>67,827</b>	<b>102,498</b>	<b>52,074</b>		<b>2,317,029</b>
<b>Liabilities</b>	<b>713,876</b>	<b>705,446</b>	<b>12,042</b>	<b>90,113</b>	<b>15,343</b>	<b>62,077</b>	<b>78,074</b>		<b>1,676,971</b>
Loans	246,558	366,821	9,775	80,907	9,014	28,936	41,290		<b>783,301</b>
Cash and Cash Equivalents	(149,675)	(121,412)	0	(2,260)	(794)	(765)	(51,702)		<b>(326,608)</b>
<b>Net debt / (surplus)</b>	<b>96,883</b>	<b>245,409</b>	<b>9,775</b>	<b>78,647</b>	<b>8,220</b>	<b>28,171</b>	<b>(10,412)</b>		<b>456,693</b>
<b>Capital expenditure for the period 1.1-30.06.2013</b>	1,749	14,517	0	46	258	1,490	1		<b>18,061</b>

(\*)The financial accounts of 30/6/2013 and 31/12/2013 of the Group and the Company have been restated in accordance with the provisions of IFRS 11. (seeNote20)

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### 6. FIXED ASSETS

The summary movement of tangible and intangible fixed assets for the present period is as follows:

#### A. Tangible fixed assets

	GROUP		COMPANY	
	2014	2013 Restated	2014	2013 Restated
<b>Net book value 1 January</b>	<b>868,838</b>	<b>879,003</b>	<b>10,854</b>	<b>11,276</b>
Additions during the period	51,659	17,167	4	0
Foreign exchange differences	2,263	(2,244)	0	0
Sales/ Write-offs	(469)	(780)	0	0
Depreciation for the period	(26,845)	(24,933)	(245)	(285)
Transfers	0	0	2,829	0
<b>Net book value 30 June</b>	<b>895,446</b>	<b>868,213</b>	<b>13,442</b>	<b>10,991</b>

From the net book value of the Group's tangible fixed assets on 30.6.2014, an amount of 114,095 refers to investments under construction, out of which 109,312 concerns the sector of electricity production from renewable energy sources.

Mortgage prenotations have been written on property owned by some companies of the Group, amounting to 103,787 which cover bond loan liabilities.

#### B. Intangible fixed assets

	GROUP		COMPANY	
	2014	2013 Restated	2014	2013 Restated
<b>Net book value 1 January</b>	<b>117,476</b>	<b>83,924</b>	<b>52</b>	<b>18</b>
Additions during the period	7,492	1,687	4	0
Sales of licenses	0	0	0	0
Foreign exchange differences	73	113	0	0
Amortization for the period	(5,527)	(3,297)	(5)	(3)
<b>Net book value 30 June</b>	<b>119,514</b>	<b>82,427</b>	<b>51</b>	<b>15</b>

The net book value of the Group's intangible fixed assets includes car park stations concessions' rights of an amount of 13,457, wind parks licenses' rights of an amount of 33,194, rights from acquired construction contract of an amount of 40,137 and exploitation licenses' rights for quarries and mines of an amount of 31,384.



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### 7. INVESTMENT PROPERTY

Investment property on 30 June 2014 in the accompanying financial statements is analyzed as follows:

	GROUP		COMPANY	
	2014	2013 Restated	2014	2013 Restated
<b>Balance 1 January</b>	<b>73,599</b>	<b>81,589</b>	<b>17,398</b>	<b>18,795</b>
Additions for the period	0	0	0	0
Fair value adjustments	0	0	0	0
Foreign exchange differences	137	0	0	0
Transfer from/to inventories and fixed assets	0	1,846	0	1,846
<b>Balance 30 June</b>	<b>73,736</b>	<b>83,435</b>	<b>17,398</b>	<b>20,641</b>

### 8. PARTICIPATION IN ASSOCIATES

The movement of participation in associates during the present period is as follows:

	GROUP		COMPANY	
	2014	2013 Restated	2014	2013 Restated
<b>Balance 1 January</b>	<b>5,341</b>	<b>9,032</b>	<b>7,994</b>	<b>11,908</b>
Additions	500	60	500	0
Loss from sales	0	0	0	0
Valuation losses	0	(1,868)	0	(1,357)
Transfer of value of former subsidiary	0	0	0	0
Withdrawal of associate	0	0	0	0
Results from associates consolidated under the equity method	(151)	(486)	0	0
<b>Balance 30 June</b>	<b>5,690</b>	<b>6,738</b>	<b>8,494</b>	<b>10,551</b>

### 9. RIGHTS IN JOINT VENTURES

The Company holds interests in joint ventures which are consolidated with the Equity method. The movement of participations in joint ventures for the current period is as follows:

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	GROUP		COMPANY	
	2014	2013 Restated	2014	2013 Restated
<b>Balance 1 January</b>	<b>94,637</b>	<b>93,932</b>	<b>61,387</b>	<b>66,933</b>
Additions	51	60	51	60
Loss from sales	0	0	0	0
Earnings/(losses) from valuation	0	0	0	(93)
Reclassification of non-consolidated entities	0	0	0	0
Share capital return	(2,500)	(2,500)	(2,500)	(2,500)
Transfer of value of former subsidiary	0	0	0	0
Joint venture withdrawal	89	(200)	0	0
Results from joint ventures consolidated under the equity method	2,719	3,465	0	0
<b>Balance 30 June</b>	<b>94,996</b>	<b>94,757</b>	<b>58,938</b>	<b>64,400</b>

The major items of these entities are presented in synopsis below:

	30.06.2014		31.12.2013	
	J/V with Credit Equity	J/V with Debit Equity	J/V with Credit Equity	J/V with Debit Equity
Non-current assets	424,727	691,120	498,676	517,689
Current assets	544,177	193,003	445,746	255,955
Long-term liabilities	514,205	830,095	450,976	750,530
Short-term liabilities	158,148	99,199	199,136	40,205
<b>Net Assets</b>	<b>296,551</b>	<b>(45,171)</b>	<b>294,310</b>	<b>(17,091)</b>
	1.1 - 30.06.2014		1.1 - 30.06.2013	
	J/V with Credit Equity	J/V with Debit Equity	J/V with Credit Equity	J/V with Debit Equity
Revenues	124,433	5,421	182,599	10,318
Expenses	(113,657)	(5,391)	(182,137)	(14,736)
<b>Net Earnings</b>	<b>10,776</b>	<b>30</b>	<b>462</b>	<b>(4,418)</b>
Other comprehensive income	(3,544)	(28,111)	7,021	84,047
<b>Total Income</b>	<b>7,232</b>	<b>(28,081)</b>	<b>7,483</b>	<b>79,629</b>

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### 10. CONSTRUCTION CONTRACTS

The technical works, undertaken by the Group that were under construction on 30.6.2014 are analyzed as follows:

Cumulatively from the beginning of the projects	GROUP		COMPANY	
	30.06.2014	31.12.2013 Restated	30.06.2014	31.12.2013 Restated
Cumulative costs	2,725,187	2,397,776	8,975	8,923
Cumulative profit	323,591	290,341	3,419	3,399
Cumulative loss	(80,325)	(55,451)	0	0
Invoices	(2,852,627)	(2,549,259)	(13,894)	(12,877)
	<b>115,826</b>	<b>83,407</b>	<b>(1,500)</b>	<b>(555)</b>
Customer Receivables from construction contracts	197,682	140,811	0	153
Liabilities to construction contracts (long-term)	(30,826)	(24,195)	0	0
Liabilities to construction contracts (short-term)	(51,030)	(33,209)	(1,500)	(708)
<b>Net receivables from construction contracts</b>	<b>115,826</b>	<b>83,407</b>	<b>(1,500)</b>	<b>(555)</b>
Customers' prepayments	309,853	223,530	0	0
Withheld amounts from customers of projects	44,345	51,748	0	0

### 11. LOANS

#### A. Long-term Loans

The long-term loans mainly finance the Group's investment needs of the construction, the energy and the concession segments.

During the reported period, 23.7 million euro were received by the Group from new financing, whereas an amount of 74.5million euro was paid by the Group for the repayment of capital of existing long-term loans. During the next 12 month period, accrued interest and installments of 97.5 million euro are payable, from which 32.8 million euro are from the RES division, 30.9 million euro from the construction division, 14.2 million euro from the real estate division and 19.5 million euro from the holdings division.

Within the present period, the Company paid an amount of 22.4 million euro for the premature repayment of installments of existing bond loans, while within the next 12 month period loan installments and interest payable amount to 19.8 million euro.

#### B. Financial Leasing contracts

During the present period the Group paid the amount of 3,852 for lease payments on existing financial leasing agreements.

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The remaining balance of the financial leasing contracts, after accrued interest, as of 30.6.2014 amounted to 22,491, from which 9,192 are due within the following 12 months.

### C. Short-term Loans

The Group's short-term loans mainly cover the needs for working capital of the construction (21% of total), RES (41% of total) and real estate (12% of total) segments.

It is noted that short-term loans of the energy segment, after the conclusion of the construction of relevant fixed assets, are converted either to long-term loans or are repaid fully with the collection of the grant.

### D. Loan guarantees

For the guarantee of certain Group's loans:

- Wind parks' generators have been pledged,
- Insurance contracts and receivables from construction services have been forfeited to lending banks,
- Cash reserves of an amount 25,5million euro have been collateralized,
- Lien mortgages of various series have been written on the real estate of some of the Group's companies amounting to 103,787 and,
- Shares of subsidiary companies with a nominal value of 77,394 have been provided by the parent company as collateral.

## 12. PROVISION FOR STAFF INDEMNITIES

The movement of the provision for staff indemnities during the present period is analyzed as follows:

	GROUP		COMPANY	
	2014	2013 Restated	2014	2013 Restated
<b>Balance 1.1</b>	<b>5,432</b>	<b>5,810</b>	<b>46</b>	<b>122</b>
Provision recognized in Net earnings	772	772	6	11
Transfers from other provisions/liabilities/write offs	0	0	0	0
Used provisions	(480)	(1,248)	0	(73)
Foreign exchange translation differences	36	69	0	0
<b>Balance 30.06</b>	<b>5,760</b>	<b>5,403</b>	<b>52</b>	<b>60</b>

There was no change in the assumptions compared to the comparative period and the assumptions are those reported in the annual financial statements of 31.12.2013.

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### 13. OTHER PROVISIONS

The movement of other provisions during the present period is as follows:

	GROUP	
	2014	2013Restated
<b>Balance 1 January</b>	<b>8,162</b>	<b>7,229</b>
Additional provisions charged against net earnings	37	642
Additional provisions charged against assets	1,678	0
Used provisions	0	0
Foreign exchange differences	4	(96)
<b>Balance 30June</b>	<b>9,881</b>	<b>7,775</b>

### 14. GRANTS

The movement of the Group's grants in the Statement of financial position is as follows:

	GROUP	
	2014	2013Restated
<b>Balance as at 1.1</b>	<b>278,290</b>	<b>295,836</b>
Receipt/(Return) of grants	0	0
Approved but not yet received grants	0	0
Transfer of grants to fixed assets (IFRIC 12)	0	0
Foreign exchange differences	587	514
Amortization of grants on fixed assets	(4,232)	(3,661)
<b>Balance30.06</b>	<b>274,645</b>	<b>292,689</b>

Grants refer to those provided by the State for the development of wind parks and car park stations. The grants are amortized in accordance to the granted assets' depreciation rate.

### 15. ASSETS AND LIABILITIES FROM DERIVATIVES

Liabilities from derivative financial instruments as of 30.06.2014 & 30.06.2013 are analyzed as follows:

	GROUP			
	Nominal Value		Fair Value of Liability	Fair Value of Liability
	30.6.2014	30.6.2013	30.6.2014	30.6.2013
Interest Rate Swaps:	€ 7,537	-	529	-
Interest Rate Swaps:	€ 5,772	€ 5,772	343	245
Interest Rate Swaps:	€ 17,000	€ 17,000	1,539	1,047
Interest Rate Swaps:	€ 15,400	€ 15,400	615	271
Interest Rate Swaps:	€ 6,563	€ 6,563	520	397
			<b>3,546</b>	<b>1,960</b>

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	<b>GROUP</b>			
	<b>Nominal Value</b>		<b>Fair Value of Asset</b>	<b>Fair Value of Asset</b>
	<b>30.6.2014</b>	<b>30.6.2013</b>	<b>30.6.2014</b>	<b>30.6.2013</b>
Interest Rate Swaps:	\$25,000	\$25,000	787	1,182
			<b>787</b>	<b>1,182</b>

The asset is classified in Statement of Financial Position as Investment Available for Sale.

The Group's policy is to minimize its exposure to interest rate risk regarding its long-term financing, for which it applies hedge accounting, while the valuation result is recognized in the item "Income/(expenses) from cash flow hedging" in the statement of total comprehensive income.

### 16. SHARE CAPITAL – EARNINGS PER SHARE

On 6/12/2013, a decision of the Extraordinary General Shareholders' Meeting of GEK-TERNA approved the collaboration agreement with YORK CAPITAL MANAGEMENT. The context of the agreement provided for a share capital increase by the Company by the issuance of 8,579,680 shares for 2.5 euro per share and nominal value of 0.57 euro per share, via cash payment. Following the above, the Company's outstanding number of shares accounted on 31.12.2013 for 94,462,368, whereas the share capital amounted to 53,843,549.76 euro.

On 30.06.2014 the Group held directly through the parent and indirectly through its subsidiaries, 1,530,498 treasury shares, with a total acquisition cost of 8,860. Within the year there has been no change in the number of own shares of the Company held.

Within the year 2013, the Company in the context of its agreement with York Capital Management, issued a 5-year bond loan amounting to 68,300 thous. euro, mandatorily partially convertible, until 6/12/2018, into new shares of GEK TERNA and partially exchangeable with existing shares of TERNA ENERGY currently held by GEK TERNA.

Of the total, amount of 21,650 thous.euro concerns an item in the Equity and it was recognized as such, given that it corresponds to the share capital which will be issued mandatorily until 6/12/2018 at a predetermined conversion price of 2.5 euro. As a result, both basic and diluted earnings per share must be calculated.

In the table below the relevant calculations of the earnings per share are depicted:

<b>Calculation of diluted earnings per share</b>	<b>1.1-30.06.2014</b>	<b>1.1-30.06.2013 Restated</b>
Net earnings/(losses) attributable to Owners of the parent from continued operations	(132)	(33,248)
After tax interest attributable to obligatorily convertible bond loan	171	0
<b>Diluted earnings/(losses) attributable to Owners of the parent from continued operations</b>	<b>39</b>	<b>(33,248)</b>

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<b>Calculation of diluted weighted average number of shares</b>	<b>1.1- 30.06.2014</b>	<b>1.1-30.06.2013</b>
Basic weighted average number of shares	89,194,420	84,352,190
Average weighted effect of the obligatorily convertible bond loan	4,887,562	0
<b>Diluted weighted average number of shares</b>	<b>94,081,982</b>	<b>84,352,190</b>

## 17. INCOME TAX

The income tax in the Statement of comprehensive income is analyzed as follows:

	<b>GROUP</b>	
	<b>30.06.2014</b>	<b>30.06.2013</b>
Current tax	3,999	3,903
Provision for tax audit differences	145	205
	<b>4,144</b>	<b>4,108</b>
Deferred tax expense	(389)	(1,295)
<b>Total expense/(income)</b>	<b>3,755</b>	<b>2,813</b>

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

	<b>GROUP</b>	
	<b>30.06.2014</b>	<b>30.06.2013</b>
<b>Earnings/(loss) before tax</b>	<b>4,935</b>	<b>(28,886)</b>
Nominal tax rate	26%	26%
<b>Income tax expense/(income) based on the nominal tax rate</b>	<b>1,283</b>	<b>(7,511)</b>
Complementary property tax	0	1
Deemed taxation method	(31)	(241)
Expenses not included in the calculation of tax	(5.386)	1.837
Effect of differences of tax rate	0	2.048
Adjustments of tax of previous years	145	205
Difference in taxation of foreign companies	5.759	3.887
Write-off/(Offsetting) of tax losses	1.456	2.586
Taxation of reserves	529	0
<b>Real Tax expense</b>	<b>3.755</b>	<b>2.813</b>

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The analysis of the other income/(expenses) as of 30.06.2014 is presented in the following table:

	GROUP		COMPANY	
	1.1- 30.06.2014	1.1- 30.06.2013	1.1- 30.06.2014	1.1- 30.06.2013
Amortization of grants on fixed assets	4,232	3,661	0	0
Income from rents	48	299	0	0
Indemnities of prior year expenses	0	1,314	0	0
Amount payable written off due to settlement	0	0	0	0
Other income	1,772	1,322	96	65
Charges of expenses	385	498	0	0
Sales of fixed assets and inventories	427	(87)	0	0
Other provision of services	0	715	0	0
Foreign exchange differences on payments	1,704	386	0	0
Foreign exchange differences on valuation	1,318	(846)	0	0
Impairments of fixed assets	(360)	(416)	0	0
Impairments of inventories	0	0	0	0
Other impairments and provisions	0	0	0	0
Impairment / Write-off of receivables	(555)	(16,944)	0	0
Collection of insurance indemnities	0	388	0	0
Valuation of Investment Properties	0	0	0	0
Depreciation	0	0	0	0
Non-operating expenses (idle activities)	(625)	(533)	0	0
Levies under L. 4093/2012	(1,898)	(3,850)	0	0
Taxes – duties	(95)	(237)	(4)	(145)
Gains from sale of securities	809	0	0	0
<b>Total other income / (expenses)</b>	<b>7,162</b>	<b>(14,330)</b>	<b>92</b>	<b>(80)</b>

**19. TRANSACTIONS WITH RELATED PARTIES**

The transactions of the Company and Group with related parties for the period that ended on 30.06.2014 and 30.06.2013, as well as the balances of receivables and liabilities that resulted from such transactions during 30.06.2014 and 31.12.2013 are as follows:

Period 30.06.2014	GROUP				COMPANY			
	Revenue	Purchases	Debit Balances	Credit Balances	Revenue	Purchases	Debit Balances	Credit Balances
Subsidiaries	0	0	0	0	5,230	121	12,141	2,487
Joint Ventures	170,841	547	74,266	161,992	810	123	25,395	1,129
Associates	26	0	1,704	6	26	0	1,685	331



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Period 30.06.2013/ 31.12.2013	GROUP				COMPANY			
	Related party	Revenue	Purchases	Debit Balances	Credit Balances	Revenue	Purchases	Debit Balances
Subsidiaries	0	0	0	0	12,318	6,319	5,480	7,430
Joint Ventures	1,687	191	33,197	109,524	3,259	114	22,021	590
Associates	34	19	1,675	11	34	19	1,669	5

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

Within the period, the Company paid the amounts of 5,108, 51 and 500 for the share capital increase of subsidiaries, joint ventures and associates respectively, while it converted bond loan towards a subsidiary of amount 787 into share capital. Furthermore it granted loans of amount 1,990 to subsidiaries and joint companies, whereas it repaid loans from subsidiaries of amount 2,760. The amounts are included in the above tables.

**Transactions and remuneration of the Board of Directors members and senior executives:** The remuneration of the Board of Directors members and senior executives of the Group and Company, recognized for the period ended on 30.06.2014 and 30.06.2013, as well as the balances of receivables and liabilities that have emerged from such transactions on 30.06.2014 and 31.12.2013 are as follows:

	GROUP		COMPANY	
	1.1- 30.06.2014	1.1- 30.06.2013	1.1- 30.06.2014	1.1- 30.06.2013
Remuneration to freelancers	803	710	52	75
Remuneration to full time employees	62	133	21	63
Remuneration for participation in Board meetings	1,025	630	0	0
	<b>1,890</b>	<b>1,473</b>	<b>73</b>	<b>138</b>
	30.6.2014	31.12.2013	30.6.2014	31.12.2013
Liabilities	837	469	7	94
Receivables	4	1	0	0

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As of the beginning of the fiscal year which started on the 1st of January 2014 the Group and the Company implement IFRS 11, which replaces IAS 31 Participation in Joint Ventures and Interpretation 13 Jointly-Controlled entities – Non Cash contributions from the joint ventures. IFRS 11 abolishes the choice of the proportional consolidation of the jointly controlled companies. Instead of the above, the jointly controlled companies which meet the definition of the joint venture should be accounted by applying the equity consolidation method. The implementation of the new standard affects the interim financial position of the Group and the Company, with the replacement of the proportional method by the equity method. This concerns the joint ventures which are formed in concessions (motorways and car-parking companies), companies which operate in electric energy production from thermal sources, and a company which operated in real estate exploitation.

The effect of the change is presented in the following tables:

**STATEMENT OF FINANCIAL POSITION**

	<b>GROUP</b>			<b>COMPANY</b>		
	<b>RESTATED</b>	<b>ADJ. DUE TO IFRS 11</b>	<b>PUBLISHED</b>	<b>RESTATED</b>	<b>ADJ. DUE TO IFRS 11</b>	<b>PUBLISHED</b>
	<b>31/12/13</b>		<b>31/12/13</b>	<b>31/12/13</b>		<b>31/12/13</b>
<b>ASSETS</b>						
<b>Non-current assets</b>						
Goodwill	9,759	0	9,759			
Intangible fixed assets	117,476	(236,309)	353,785	52	0	52
Tangible fixed assets	868,838	(73,132)	941,970	10,854	0	10,854
Investment property	73,599	0	73,599	17,398	0	17,398
Participations in subsidiaries	0	0	0	179,876	(175)	180,051
Participations in associates	5,341	0	5,341	7,994	0	7,994
Participations in joint-ventures	94,637	93,779	858	61,387	15	61,372
Investments available for sale	18,444	(2)	18,446	18,262	0	18,262
Other long-term assets	58,659	31,565	27,094	42,135	1	42,134
Deferred tax assets	24,542	(8,997)	33,539	145	145	0
<b>Total non-current assets</b>	<b>1,271,295</b>	<b>(193,096)</b>	<b>1,464,391</b>	<b>338,103</b>	<b>(14)</b>	<b>338,117</b>
<b>Current assets</b>						
Inventories	89,235	(5,641)	94,876	9,601	1,445	8,156
Trade receivables	239,218	(63,746)	302,964	3,405	(53)	3,458
Receivables from construction contracts	140,811	0	140,811	153	153	0
Advances and other receivables	209,503	(59,643)	269,146	6,523	852	5,671
Income tax receivables	30,912	(112)	31,024	2,783	93	2,690
Investments available for sale	9,447	0	9,447	265	1	264
Cash and cash equivalents	326,608	(65,591)	392,199	52,044	344	51,700
<b>Total current assets</b>	<b>1,045,734</b>	<b>(194,733)</b>	<b>1,240,467</b>	<b>74,774</b>	<b>2,835</b>	<b>71,939</b>
<b>TOTAL ASSETS</b>	<b>2,317,029</b>	<b>(387,829)</b>	<b>2,704,858</b>	<b>412,877</b>	<b>2,821</b>	<b>410,056</b>

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<b>EQUITY AND LIABILITIES</b>						
Share capital	53,844	0	53,844	53,844	0	53,844
Share premium account	364,589	0	364,589	186,081	0	186,081
Reserves	162,605	1,848	160,757	91,726	0	91,726
Profit/(losses) carried forward	(136,175)	3,768	(139,943)	(38,540)	87	(38,627)
	<b>444,863</b>	<b>5,616</b>	<b>439,247</b>	<b>293,111</b>	<b>87</b>	<b>293,024</b>
Minority interests	195,195	0	195,195	0	0	0
<b>Total equity</b>	<b>640,058</b>	<b>5,616</b>	<b>634,442</b>	<b>293,111</b>	<b>87</b>	<b>293,024</b>
<b>Non-current liabilities</b>						
Long-term loans	516,661	(159,844)	676,505	79,873	0	79,873
Loans from finance leases	6,762	0	6,762	0	0	0
Liabilities from derivatives	2,320	(39,859)	42,179	0	0	0
Provisions for staff indemnities	5,432	(180)	5,612	46	0	46
Other provisions	8,162	(50,807)	58,969	0	0	0
Grants	278,290	(104,884)	383,174	0	0	0
Other long-term liabilities	76,516	1	76,515	125	7	118
Liabilities from financial instruments	35,217	0	35,217	0	0	0
Deferred tax liabilities	25,983	(5,114)	31,097	1,652	0	1,652
<b>Total non-current liabilities</b>	<b>955,343</b>	<b>(360,687)</b>	<b>1,316,030</b>	<b>81,696</b>	<b>7</b>	<b>81,689</b>
<b>Current liabilities:</b>						
Short term loans	166,223	(3,274)	169,497	19,637	2,174	17,463
Liabilities from derivatives	0	(7,307)	7,307	0	0	0
Long term liabilities payable during the next 12 months	93,655	(28,481)	122,136	12,876	0	12,876
Suppliers	175,353	(19,241)	194,594	2,497	314	2,183
Liabilities from construction contracts	33,209	(477)	33,686	708	708	0
Accrued and other short term liabilities	246,040	26,961	219,079	2,352	(469)	2,821
Liabilities from financial instruments	2,879	0	2,879	0	0	0
Income tax payable	4,269	(939)	5,208	0	0	0
<b>Total current liabilities</b>	<b>721,628</b>	<b>(32,758)</b>	<b>754,386</b>	<b>38,070</b>	<b>2,727</b>	<b>35,343</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,317,029</b>	<b>(387,829)</b>	<b>2,704,858</b>	<b>412,877</b>	<b>2,821</b>	<b>410,056</b>

## STATEMENT OF FINANCIAL POSITION

	GROUP			COMPANY		
	RESTATED		PUBLISHED	RESTATED		PUBLISHED
	IFRS	ADJ. DUE TO IFRS 11	IFRS	IFRS	ADJ. DUE TO IFRS 11	IFRS
	1/1-30/06/13		1/1-30/06/13	1/1-30/06/13		1/1-30/06/13
<b>A. Results for the period</b>						
<b>Continued operations</b>						
Turnover	242,313	(83,760)	326,073	1,929	140	1,789
Cost of sales	(215,444)	73,636	(289,080)	(1,561)	(69)	(1,492)
<b>Gross profit</b>	<b>26,869</b>	<b>(10,124)</b>	<b>36,993</b>	<b>368</b>	<b>71</b>	<b>297</b>

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Administrative and distribution expenses	(16,407)	1,272	(17,679)	(759)	(29)	(730)
Research and development expenses	(978)	0	(978)	0	0	0
Other income/(expenses)	(14,330)	549	(14,879)	(80)	0	(80)
Net financial income/(expenses)	(22,539)	6,357	(28,896)	(2,308)	(99)	(2,209)
Income from participations	(281)	0	(281)	11,680	0	11,680
Profit / (Loss) from sale/valuation of participations	(1,868)	0	(1,868)	(1,450)	0	(1,450)
Profit / (Loss) from valuation of associates under the equity method	(486)	0	(486)	0	0	0
Profit / (Loss) from valuation of joint ventures under the equity method	1,134	1,134	0	0	0	0
<b>Earnings / (Losses) before income tax for the period</b>	<b>(28,886)</b>	<b>(812)</b>	<b>(28,074)</b>	<b>7,451</b>	<b>(57)</b>	<b>7,508</b>
Income tax expense	(2,813)	1,220	(4,033)	(208)	1	(209)
<b>Net Earnings/(losses) from continued operations</b>	<b>(31,699)</b>	<b>408</b>	<b>(32,107)</b>	<b>7,243</b>	<b>(56)</b>	<b>7,299</b>
<b>B. Other comprehensive results</b>						
Valuation of investments available for sale	791	0	791	27	0	27
Proportion in the Other Comprehensive Income of Associates	0	0	0	0	0	0
Proportion in the NON reclassified in the net results, for the period, of associates	0	0	0	0	0	0
Proportion in the reclassified in the net results, for the period, of associates	0	0	0	0	0	0
Proportion in the NON reclassified in the net results, for the period, of joint ventures (JVs)	(4)	(4)	0	0	0	0
Proportion in the reclassified in the net results, for the period, of joint ventures (JVs)	2,335	2,335	0	0	0	0
Actuarial income/(expense) from defined benefit schemes	0	0	0	0	0	0
Valuation of cash flow hedging contracts	2,811	(28,124)	30,935	0	0	0
Translation differences from incorporation of foreign entities	(1,005)	0	(1,005)	0	0	0
Property revaluation according to law	0	0	0	0	0	0
Other comprehensive income for the period	(312)	5	(317)	0	0	0
Income tax corresponding to the above results	83	(2,220)	2,303	(369)	0	(369)
<b>Other Comprehensive Income for the period</b>	<b>4,699</b>	<b>(28,008)</b>	<b>32,707</b>	<b>(342)</b>	<b>0</b>	<b>(342)</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>(27,000)</b>	<b>(27,600)</b>	<b>600</b>	<b>6,901</b>	<b>(56)</b>	<b>6,957</b>

## GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1<sup>st</sup> 2014 to June 30<sup>th</sup>2014

(Amounts in thousand Euro, unless stated otherwise)

STATEMENT OF CASH FLOWS	GROUP			COMPANY		
	RESTATED		PUBLISHED	RESTATED		PUBLISHED
	IFRS	ADJ. DUE TO IFRS 11	IFRS	IFRS	ADJ. DUE TO IFRS 11	IFRS
	30/06/13		30/06/13	30/06/13		30/06/13
<b>Cash flows from operating activities</b>						
<b>Profit / (Losses) for the year before income tax</b>	<b>(28,886)</b>	<b>(811)</b>	<b>(28,074)</b>	<b>7,451</b>	<b>(57)</b>	<b>7,508</b>
<i>Adjustments for the agreement of the net flows from the operating activities:</i>						
Fixed assets' depreciation	28,230	(6,784)	35,014	288	0	288
Fixed asset grants' amortization	(3,661)	58	(3,719)	0	0	0
Fixed assets' impairments	416	(328)	744	0	0	0
Other impairments	18,812	1	18,811	1,450	0	1,450
Provisions	156	(3,547)	3,703	(48)	0	(48)
Difference between IAS 11 income and invoiced one	0	0	0	0	0	0
Interest and related income	(4,254)	(1,075)	(3,179)	(966)	0	(966)
Interest and other financial expenses	26,793	(5,282)	32,075	3,274	99	3,175
	(87)	0	(87)	0	0	0
Results from sale of fixed assets						
Results from participations	(366)	(1,009)	643	(7,050)	0	(7,050)
Results from derivatives	0	0	0	0	0	0
Results from non-current assets available for sale	0	0	0	0	0	0
Foreign exchange differences	847	2	845	0	0	0
Other adjustments	0	0	0	0	0	0
<b>Operating profit before changes in working capital</b>	<b>38,000</b>	<b>(18,776)</b>	<b>56,776</b>	<b>4,399</b>	<b>42</b>	<b>4,357</b>
<b>(Increase)/Decrease in:</b>						
Investment property as main activity	0	0	0	0	0	0
Inventories	(615)	(54)	(561)	(128)	(14)	(114)
Trade receivables	(7,282)	(16,334)	9,052	833	55	778
Prepayments and other short term receivables	(19,081)	(4,093)	(14,988)	(4,513)	16	(4,529)
<b>Increase/(Decrease) in:</b>				0	0	0
Suppliers	(45,729)	13,814	(59,544)	(1,004)	(382)	(622)
Accruals and other short term liabilities	(9,350)	(15,743)	6,393	(784)	(654)	(130)
Collection of grants	58,084	0	58,084	0	0	0
Other long-term receivables and liabilities	(1,042)	(1)	(1,041)	21	0	21
Income tax payments	(4,311)	243	(4,554)	(162)	(43)	(119)
Operating flows from discontinued activities	0	0	0	0	0	0
<b>Net cash flows from operating activities</b>	<b>8,674</b>	<b>(40,944)</b>	<b>49,618</b>	<b>(1,338)</b>	<b>(980)</b>	<b>(358)</b>

## GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1<sup>st</sup> 2014 to June 30<sup>th</sup> 2014

(Amounts in thousand Euro, unless stated otherwise)

<b>Cash flows from investing activities:</b>						
(Purchases) / Sales of fixed assets	(15,328)	9,282	(24,610)	0	0	0
(Purchases) / Sales of investment property	0	0	0	0	0	0
Interest and related income received	4,828	835	3,993	3	0	3
(Purchases) / sales of participations and securities	19,504	2,500	17,004	8,676	0	8,676
Sales of non-current assets available for sale	0	0	0	0	0	0
Receipts of dividends and earnings from joint ventures	0	0	0	0	0	0
Receipts of earnings / (Payments for coverage of losses) from joint ventures	0	0	0	0	0	0
Receipts / (Payments) from other derivatives	0	0	0	0	0	0
Net change of loans granted	5,000	5,000	0	0	0	0
Cash reserves of company absorbed or consolidated for first time or excluded from consolidation	0	0	0	0	0	0
Cash flows from investing activities of discontinued activities	0	0	0	0	0	0
<b>Net cash flows for investing activities</b>	<b>14,004</b>	<b>17,617</b>	<b>(3,613)</b>	<b>8,679</b>	<b>0</b>	<b>8,679</b>
<b>Cash flows from financing activities</b>						
Payments/Receipts from increases/decrease of subsidiaries' share capital	(549)	0	(549)	0	0	0
(Purchases) / Sales of treasury shares	(151)	0	(151)	0	0	0
Net change of short-term loans	(27,790)	0	(27,790)	400	0	400
Net change of long-term loans	12,473	1,984	10,489	(3,900)	0	(3,900)
Payments for financial leases	(5,378)	0	(5,378)	0	0	0
Dividends paid	0	0	0	0	0	0
Interest and related expenses paid	(24,294)	5,866	(30,160)	(4,658)	(65)	(4,593)
Payments for financial instruments	0	11,790	(11,790)	0	0	0
Change in other financial assets	(11,208)	0	(11,208)	0	0	0
Cash flows from financing activities of discontinued activities	0	0	0	0	0	0
<b>Net cash flows from financing activities</b>	<b>(56,897)</b>	<b>19,641</b>	<b>(76,538)</b>	<b>(8,158)</b>	<b>(65)</b>	<b>(8,093)</b>
Effect of foreign exchange differences on cash	(83)	0	(83)	0	0	0
<b>Net increase /(decrease) of cash and cash equivalents</b>						
Cash and cash equivalents at the beginning of the period from continued activities	227,934	(23,519)	251,453	1,589	1,406	183
<b>Cash and cash equivalents at the end of the period</b>	<b>193,633</b>	<b>(27,205)</b>	<b>220,837</b>	<b>772</b>	<b>361</b>	<b>411</b>

The total effect due to the change of IFRS 11 is depicted in the following tables:

**GEK TERNA GROUP**Semi-annual Financial Report for the period from January 1<sup>st</sup> 2014 to June 30<sup>th</sup>2014*(Amounts in thousand Euro, unless stated otherwise)***GROUP**

	Comparative Interim Period				Previous financial year	
	Aggregate Period		Quarter		Published before changes	Restated
	Published before changes	Restated	Published before changes	Restated		
<b>Turnover</b>	326,073	242,313	183,484	145,509	729,838	595,453
<b>Results after taxes &amp; minority interests</b>	(33,656)	(33,248)	(14,316)	(14,338)	(89,454)	(85,984)
<b>Net equity of the Company</b>	386,504	452,194	386,504	452,194	439,247	444,863

**COMPANY**

	Comparative Interim Period				Previous financial year	
	Aggregate Period		Quarter		Published before changes	Restated
	Published before changes	Restated	Published before changes	Restated		
<b>Turnover</b>	1,789	1,929	850	968	3,260	3,941
<b>Results after taxes &amp; minority interests</b>	7,299	7,243	8,605	8,599	(24,002)	(23,937)
<b>Net equity of the Company</b>	282,314	294,834	282,314	294,834	293,024	293,111

**21. CONTINGENT LIABILITIES**

In the context of executing its operations, the Group may face probable legal claims from third parties. According to the Management and legal consultant such possible claims are not expected to have a significant effect on the operations and financial position of the Company as of 30<sup>th</sup> June 2014.

**22. SIGNIFICANT EVENTS DURING THE PERIOD****Segment of production of electricity from RES**

During the present period:

In the first half of 2014, 5 wind parks were placed in operation in Greece with total capacity of 86.2 MW.

In Poland, the Group proceeded with the acquisition of two companies which hold installation licenses of Wind Parks with a total 12MW capacity.

**Construction segment**

The total construction backlog of signed construction contracts of the Group on 30.06.2014 amounts to € 3,600 million.

## **GEK TERNA GROUP**

Semi-annual Financial Report for the period from January 1<sup>st</sup> 2014 to June 30<sup>th</sup>2014

*(Amounts in thousand Euro, unless stated otherwise)*

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### **23. CYCLICALITY-SEASONALITY**

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

Also, several construction activities are affected by abrupt weather conditions or delays due to majeure. This results in a fluctuation of gross profit both during the period and through time.

The Group's activities in the segment of electricity production from renewable sources present fluctuations during the year due to the prevailing wind and hydrological conditions.

### **24. EVENTS AFTER THE BALANCE SHEET DATE**

The Group placed in operation one wind park with 8MW capacity in August 2014.

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THE CHAIRMAN OF THE BOARD

MANAGING DIRECTOR

NIKOLAOS KAMPAS

GEORGIOS PERISTERIS

THE CHIEF FINANCIAL OFFICER

THE CHIEF ACCOUNTANT

CHRISTOS ZARIMBAS

NIKOLAOS VALMAS




# GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1<sup>st</sup> 2014 to June 30<sup>th</sup> 2014

(Amounts in thousand Euro, unless stated otherwise)

## V.DATA AND INFORMATION FOR THE PERIOD 1.1.2014-30.06.2014

 <b>GEK TERNA SOCIETE ANONYME HOLDINGS REAL ESTATE CONSTRUCTIONS</b> S.A. Reg. No. 6044/06/B/86/142, General Commercial Registry No. 23301000 85 Mesogion Ave., 115 26, Athens Greece DATA AND INFORMATION FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2014 According to the 4/507/28.4.2009 decision issued by the Board of Directors of the Hellenic Capital Commission				
The data and information presented below, that are derived from the financial statements, aim at providing summary information on the financial position and results of GEK TERNA SOCIETE ANONYME HOLDINGS REAL ESTATE CONSTRUCTIONS. Therefore, before proceeding with any kind of investment choice or other transaction with the company, readers should refer to the company's website where the financial statements, as well as the auditor's report are published.				
Company's website: www.gekterna.com Date of approval of the financial statements by the Board of Directors: 28/8/2014 Legal Auditor: Georgios Laggas (SOEL: 13711) Auditing Company's firm: SOL SA Type of the audit report: Unqualified opinion				
<b>ELEMENTS OF THE STATEMENT OF THE FINANCIAL POSITION</b>				
Amounts in thousand euro				
	<b>GROUP</b>		<b>COMPANY</b>	
	30/6/14	31/12/13	30/6/14	31/12/13
<b>ASSETS</b>				
Self used tangible fixed assets	895.446	868.838	13.442	10.854
Investment property	73.736	73.599	17.398	17.398
Intangible assets	123.273	127.235	51	52
Other non-current assets	201.583	201.623	318.573	309.799
Inventories	88.580	89.235	8.255	9.601
Trade receivables	216.166	239.216	3.292	3.405
Other current assets	705.659	717.261	33.511	61.766
<b>TOTAL ASSETS</b>	<b>2.312.443</b>	<b>2.317.029</b>	<b>394.527</b>	<b>412.877</b>
<b>EQUITY &amp; LIABILITIES</b>				
Share capital	53.844	53.844	53.844	53.844
Other equity	386.299	391.019	240.990	239.267
Total equity of the owners of the parent (a)	440.143	444.863	294.834	293.111
Non-controlling interests (b)	190.412	195.195	-	-
Total Equity (c) = (a) + (b)	630.555	640.058	294.834	293.111
Long-term loans	485.011	523.423	56.973	79.873
Provisions/Other long-term liabilities	529.074	431.920	1.929	1.823
Short-term bank liabilities	191.941	259.878	37.111	32.513
Other short-term liabilities	475.862	461.750	3.680	5.557
Total liabilities (d)	1.681.888	1.676.971	99.693	119.766
<b>TOTAL EQUITY &amp; LIABILITIES (c) + (d)</b>	<b>2.312.443</b>	<b>2.317.029</b>	<b>394.527</b>	<b>412.877</b>
<b>ELEMENTS OF THE STATEMENT OF CASH FLOWS (indirect method)</b>				
Amounts in thousand euro				
	<b>GROUP</b>		<b>COMPANY</b>	
	1/1/14 - 30/6/14	1/1/13 - 30/6/13	1/1/14 - 30/6/14	1/1/13 - 30/6/13
<b>Cash flows from operating activities</b>				
Earnings before income tax	4.935	-28.885	2.255	7.451
Adjustments for the agreement of net flows from operating activities				
Depreciation and amortization of fixed assets	32.372	28.230	251	288
Amortization of grants on fixed assets	-4.232	-3.661	0	0
Provisions	600	156	6	48
Impairments	-9.085	19.228	0	1.450
Interest and related revenues	-3.625	-4.254	-1.515	-966
Interest and other financial expenses	24.154	26.793	2.654	3.274
Results from Associates and Joint Ventures	-3.762	-446	0	0
Results from sale of shares and securities	-969	282	913	-7.050
Results from the sale of fixed assets	148	-87	0	0
Foreign exchange differences	-805	846	0	0
Other adjustments	34	0	0	0
<b>Operating profit before changes in working capital</b>	<b>39.665</b>	<b>38.000</b>	<b>4.564</b>	<b>4.399</b>
(Increase)/Decrease in:				
Inventories	-1.290	-615	-69	-128
Trade receivables	21.234	-7.282	425	833
Prepayments and other short term receivables	32.360	-19.081	-4.933	-4.513
(Increase)/Decrease in:				
Suppliers	27.435	-45.729	-1.195	-1.004
Accruals and other short term liabilities	-57.231	-9.350	-1.526	-784
Collection of grants	5.251	58.084	0	0
Other long-term receivables and liabilities	90.529	-1.042	0	21
Income tax payments	-15.187	-4.311	-276	-162
Operating flows from discontinued operations	0	0	0	0
<b>Net cash flows from operating activities (a)</b>	<b>142.966</b>	<b>8.674</b>	<b>-3.009</b>	<b>-1.336</b>
<b>Cash flows from investing activities</b>				
(Purchases) / Sales of fixed assets	-43.085	-15.328	-8	0
(Purchases) / Sales of investment property	0	0	0	0
Interest and related income received	5.291	4.828	917	3
(Purchases) / sales of participations and securities	-36	19.504	-7.110	8.676
Initial cash and cash equivalents of entities which has been taken over or their proportional percent of consolidation decreased	2.130	0	0	0
Loans returned/given	0	5.000	-2.355	0
<b>Net cash flows from investing activities (b)</b>	<b>-35.742</b>	<b>14.004</b>	<b>-8.556</b>	<b>8.676</b>
<b>Cash flows from financing activities</b>				
Payments/Collections from increases/decreases of subsidiaries share capital	0	-549	0	0
Purchases of treasury shares	0	-151	0	0
Net change of short-term loans	-68.031	-27.790	0	400
Net change of long-term loans	-50.854	12.474	-19.646	-3.900
Payments of loans from financial leases	-3.612	-5.378	0	0
Interest and other financial expenses paid	-27.741	-24.294	-3.585	-4.658
Payments for financial instruments	-470	0	0	0
Other financial assets variation	835	-11.208	0	0
<b>Net cash flows from financing activities (c)</b>	<b>-149.873</b>	<b>-56.896</b>	<b>-23.231</b>	<b>-8.158</b>
Effect from foreign exchange changes in cash and cash equivalents (d)	414	-83	0	0
<b>Net increase (decrease) of cash &amp; cash equivalents (a+b+c+d)</b>	<b>-42.235</b>	<b>-34.301</b>	<b>-34.796</b>	<b>-817</b>
Cash & cash equivalents at the beginning of the period	326.808	227.934	52.044	1.580
<b>Cash &amp; cash equivalents at the end of the period</b>	<b>284.573</b>	<b>193.633</b>	<b>17.248</b>	<b>772</b>
<b>ELEMENTS OF THE STATEMENT OF COMPREHENSIVE INCOME (amounts in thousand euro)</b>				
Amounts in thousand euro				
	<b>GROUP</b>			
	1/1/14 - 30/6/14	1/1/13 - 30/6/13	1/1/14 - 30/6/14	1/1/13 - 30/6/13
	Continued activities		Continued activities	
Revenue	393.533	242.313	225.039	145.509
Gross Profit	34.595	26.869	16.497	26.210
Earnings/(Losses) before interest and tax (EBIT)	18.684	12.557	9.548	18.367
Earnings/(Losses) before tax	4.935	-28.886	3.583	-10.611
<b>Earnings/(Losses) after tax (A)</b>	<b>1.180</b>	<b>-31.699</b>	<b>1.260</b>	<b>-14.666</b>
-Owners of the Parent	-132	-33.248	1.825	-14.338
-Non-controlling interests	1.312	1.549	-565	-328
Other comprehensive income after taxes (B)	-5.052	4.699	-2.955	1.263
Total comprehensive income after taxes (A) + (B)	-3.872	-27.000	-1.695	-13.403
-Owners of the Parent	-4.398	-29.524	-833	-13.340
-Non-controlling interests	526	2.524	864	63
Earnings/(Losses) after taxes per share - basic (in Euro)	-0.00148	-0.39416	-0.02102	-0.16998
Earnings/(Losses) after taxes per share - diluted (in Euro)	0.00042	-0.39416	0.01652	-0.16998
Earnings/(Losses) before interest, tax, depreciation & amortization (EBITDA)	46.824	37.125	24.877	31.523
<b>ELEMENTS OF THE STATEMENT OF CHANGES IN EQUITY</b>				
Amounts in thousand euro				
	<b>GROUP</b>			
	30/6/2014	30/6/2013	30/6/2014	30/6/2013
Total Equity at the beginning of the period (1.1.14 and 1.1.13 respectively)	640.058	670.371	293.111	275.381
Total comprehensive income after taxes	-3.872	-27.000	1.723	6.901
Dividends paid	-5.321	0	0	0
Purchases / sales of treasury shares	0	0	0	0
Other movements	-310	-5.996	0	0
<b>Total equity at end of the period (30.6.14 and 30.6.13 respectively)</b>	<b>630.555</b>	<b>637.375</b>	<b>294.834</b>	<b>282.282</b>
<b>ADDITIONAL DATA AND INFORMATION</b>				
1. The Companies and Joint Ventures of the Group with the respective participation percentages consolidated in the Group, as well as the tax joint ventures not consolidated due to the fact that their activities have been concluded, are reported in detail in Note 4 of the condensed interim financial statements of 30/06/2014. 2. The participations of GEK TERNA HOLDINGS REAL ESTATE CONSTRUCTIONS that were consolidated in the interim condensed financial report of the present period that had not been consolidated in the interim condensed financial report of 31/03/2013, as such were established, commenced activities or were acquired during the present quarter is the following: a) JV AKTOR ATE-J&P AVAX-TERNA AE (Construction JV Bridge SG 26) b) TERNA ENERGY TRADING LTD CJIP GREEN sp.z o.o. (WJWOM). 3. There are no pending litigations or cases under arbitration by courts or arbitration authorities that may have a significant impact on the Company's or Group's financial position. The provision for all of the litigations or cases under arbitration as at 30/6/2014 amounts for the Group to 19.633 th. € and 1.451 th. € for the Company. The other provisions which have been formed up until 30/6/2014 amount to 13.659 th. € for the Group and 52 th. € for the Company. The amount provisioned for the tax un-audited fiscal years which has been formed up until 30/6/2014 amounts to 1.601 th. € for the Group. 4. The Other comprehensive income after income tax relates to: a) Loss from the evaluation of financial assets available for sale amounting to 1.790 th. € for the Group and profit 22 th. € for the Company, b) Loss from proportion of total comprehensive income of Joint Ventures, amount 1.181 th. € for the Group, c) Loss from proportion of total comprehensive income of Associates, amount 13 th. € for the Group, d) Loss from evaluation of cash flow hedging contracts amounting to 1.719 th. € for the Group, e) Loss from Foreign exchange differences from foreign operations amounting to 500 th. € for the Group, f) Expenses for share capital increase amount 169 th. € for the Group, and 55 th. € for the company, g) Income Tax that corresponds to the above amounts amounting to 320 th. € for the Group and 9 th. € for the Company. 5. At the end of the closing period the Company employed 14 individuals and the Group 1.411 (excluding Joint Ventures and Foreign Companies). Respectively, at the end of the previous fiscal year 1/1 - 31/12/13 the Company employed 11 and the Group 825 individuals (excluding Joint Ventures and Foreign Companies). 6. The transactions of the company and of the Group with related parties for the closing period 1/1 - 30/6/14 as well as the balances at 30/6/14, are analyzed as follows (in thousand €):				
	Group	Company		
Inflows - Revenues	170.967	6.066		
Outflows - Expenses	547	243		
Receivables	75.971	39.221		
Liabilities	161.998	3.947		
Transactions & remuneration of BoD members and executives	1.890	73		
Receivables from BoD members and executives	4	0		
Liabilities towards BoD members and executives	837	7		
7. The Group holds 1.530.498 treasury shares, directly through the parent GEK TERNA SA and indirectly through subsidiaries, with an acquisition cost of 8.860 thousand Euro. 8. At the beginning of the fiscal year which started at the 1st of January 2014, the Group and the Company started to implement IFRS 11, which replaced IAS 31 "Participation in Joint Ventures and Interpretation 13 Jointly-Controlled entities - Non Cash contributions from the joint ventures". IFRS 11 abolished the choice of the proportional consolidation of the jointly controlled companies. Instead of the above, the jointly controlled companies which meet the definition of the joint venture should be accounted by applying the equity consolidation method. Extensive reference is included in Note 20 of the Interim Financial Statements as of 30/06/2014 The impact from the implementation of the aforesaid definition is as follows:				
<b>GROUP</b>				
Comparative interim period 30/6/2013				
	Accumulated period		Three month period	
	Published before the restatements	Restated Amounts	Published after the restatements	Restated Amounts
Turnover	326.073	242.313	183.488	145.509
Results after tax and non-controlling interests	-33.656	-33.248	-14.316	-14.338
Shareholders equity	386.504	452.194	386.504	452.194
<b>COMPANY</b>				
Comparative interim period 30/6/2013				
	Accumulated period		Three month period	
	Published before the restatements	Restated Amounts	Published after the restatements	Restated Amounts
Turnover	1.798	1.523	650	666
Results after tax and non-controlling interests	7.299	7.243	8.609	8.599
Shareholders equity	282.314	294.834	282.314	294.834
Athens, 28 August 2014				
THE CHAIRMAN OF THE BOARD		THE MANAGING DIRECTOR		THE CHIEF FINANCIAL OFFICER
THE CHIEF ACCOUNTANT				
NIKOLAOS KAMPAS ID No. : X 679387		GEORGIOS PERISTERIS ID No. : AB 560298		CHRISTOS ZARIMBAS G.E.C. No. 0013058
NIKOLAOS VALMS G.E.C. No. 006235 - A' CLASS				