



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

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

**ANNUAL FINANCIAL REPORT**

for the period

**1 January to 31 December 2015**

**In accordance with article 4 of L. 3556/2007 and the relevant executive Decisions  
by the Board of Directors of the Hellenic Capital Market Commission**

## **GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

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### **CONTENTS**

<b>I. STATEMENTS BY MEMBERS OF THE BOARD OF DIRECTORS .....</b>	<b>4</b>
<b>II. INDEPENDENT AUDITOR'S REPORT .....</b>	<b>5</b>
<b>III. ANNUAL REPORT OF THE BOARD OF DIRECTORS FOR THE FINANCIAL YEAR 2015 .....</b>	<b>7</b>
<b>IV. ANNUAL FINANCIAL STATEMENTS SEPARATE AND CONSOLIDATED OF 31 DECEMBER 2015 (1 JANUARY - 31 DECEMBER 2015) .....</b>	<b>32</b>
<b>STATEMENT OF FINANCIAL POSITION .....</b>	<b>33</b>
<b>STATEMENT OF COMPREHENSIVE INCOME .....</b>	<b>35</b>
<b>STATEMENT OF CASH FLOWS .....</b>	<b>37</b>
<b>STATEMENT OF CHANGES IN EQUITY OF THE COMPANY .....</b>	<b>39</b>
<b>COMPANY .....</b>	<b>39</b>
<b>GROUP .....</b>	<b>40</b>
<b>V. NOTES ON THE FINANCIAL STATEMENTS .....</b>	<b>41</b>
1. ESTABLISHMENT AND ACTIVITY OF THE COMPANY .....	41
2. BASIS FOR THE PRESENTATION OF THE FINANCIAL STATEMENTS .....	43
3. SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES .....	50
4. STRUCTURE OF THE GROUP AND THE COMPANY .....	61
5. OPERATING SEGMENTS .....	68
6. INTANGIBLE FIXED ASSETS .....	74
7. TANGIBLE FIXED ASSETS .....	77
8. INVESTMENT PROPERTY .....	80
9. PARTICIPATION IN SUBSIDIARIES .....	83
10. PARTICIPATIONS IN ASSOCIATES .....	84
11. INTERESTS IN JOINT VENTURES .....	85
12. FINANCIAL ASSETS – CONCESSIONS .....	89
13. OTHER LONG-TERM RECEIVABLES .....	89
14. INVENTORIES .....	90
15. TRADE RECEIVABLES .....	90
16. CONSTRUCTION CONTRACTS .....	91
17. PREPAYMENTS AND OTHER RECEIVABLES .....	91
18. PROVISION FOR IMPAIRMENT OF RECEIVABLES .....	92
19. INVESTMENTS AVAILABLE FOR TRADING PURPOSES .....	93
20. INVESTMENTS AVAILABLE FOR SALE .....	93
21. CASH AND CASH EQUIVALENTS .....	94
22. LONG-TERM LOANS AND FINANCE LEASES .....	94

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

---

23.	LIABILITIES FROM FINANCIAL INSTRUMENTS .....	96
24.	PROVISION FOR STAFF INDEMNITIES.....	96
25.	OTHER PROVISIONS .....	98
26.	GRANTS .....	99
27.	SUPPLIERS .....	99
28.	ACCRUED AND OTHER LIABILITIES .....	100
29.	SHORT-TERM LOANS.....	101
30.	DERIVATIVE FINANCIAL INSTRUMENTS .....	101
31.	SHARE CAPITAL – EARNINGS PER SHARE .....	102
32.	RESERVES .....	103
33.	INCOME TAX.....	104
34.	COST OF SALES - ADMINISTRATIVE AND DISTRIBUTION EXPENSES - RESEARCH AND DEVELOPMENT EXPENSES .....	113
35.	AUDITORS FEES.....	114
36.	OTHER INCOME/(EXPENSES).....	114
37.	GAINS / (LOSSES) FROM SALE OF PARTICIPATION .....	115
38.	GAINS / (LOSSES) FROM VALUATION OF HOLDINGS .....	115
39.	FINANCIAL INCOME/(EXPENSES) .....	116
40.	PERSONEL COST .....	116
41.	TRANSACTIONS WITH RELATED PARTIES .....	117
42.	AIMS AND POLICIES OF RISK MANAGEMENT.....	118
43.	PRESENTATION OF FINANCIAL ASSETS AND LIABILITIES PER CATEGORY .....	122
44.	POLICIES AND PROCEDURES FOR CAPITAL MANAGEMENT Y .....	124
45.	CONTINGENT LIABILITIES .....	125
46.	EVENTS AFTER THE BALANCE SHEET DATE .....	125
<b>VI.</b>	<b>DATA AND INFORMATION FOR THE PERIOD 1.1.2015-31.12.2015 .....</b>	<b>127</b>
<b>VII.</b>	<b>INFORMATION OF ARTICLE 10 L. 3401/2005.....</b>	<b>128</b>

## **GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

---

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

We

1. Nikolaos Kampas, Chairman of the Board of Directors
2. George Peristeris, Chief Executive Officer
3. Aggelos Tagmatarhis, Independent non executive Member of the Board of Directors

STATE THAT

To the best of our knowledge:

a. the annual company and consolidated financial statements of GEK TERNA SOCIETE ANONYME HOLDINGS REAL ESTATE CONSTRUCTIONS for the period from January 1<sup>st</sup> 2015 to December 31<sup>st</sup> 2015, which were prepared in accordance with the accounting standards in effect, present a true picture of the Assets and Liabilities, the Shareholders' Equity and the Total Comprehensive Income of the Group and Company, as well as of the companies included in the consolidation and considered aggregately as an entity and

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

Athens, 29 March 2016

Chairman of the Board

Chief Executive Officer

Board Member

Nikolaos Kampas

Georgios Peristeris

Aggelos Tagmatarhis

## **II. INDEPENDENT AUDITOR'S REPORT**

Experience • Knowledge • Reliability



### **INDEPENDENT AUDITOR'S REPORT**

**To the Shareholders of the Company**

**“GEK TERNA Holdings, Real Estate, Construction SA”**

#### **Report on the Separate and Consolidated Financial Statements**

We have audited the accompanying separate and consolidated financial statements of the Company “GEK TERNA Holdings, Real Estate, Construction SA”, which comprise the separate and consolidated statement of financial position as of 31 December 2015, the separate and consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, as well as a summary of significant accounting policies and other explanatory information.

#### **Management’s Responsibility for the Separate and Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of these separate and consolidated financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union and for such internal controls as management determines is necessary to enable the preparation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on these separate and consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the separate and consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate and consolidated financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the separate and consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s system of internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the separate and consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

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### **Opinion**

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the financial position of the Company “GEK TERNA Holdings, Real Estate, Construction SA” and its subsidiaries as of 31 December 2015, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union.

### **Reference to Other Legal and Regulatory Requirements**

- a) The Report of the Board of Directors includes a corporate governance statement which provides all information set out in article 43a (§ 3d) of cod. L. 2190/1920.
- b) We verified the consistency and the correspondence of the content of the Report of the Board of Directors with the accompanying separate and consolidated financial statements, under the legal frame of the articles 43a (§ 3a), 108 and 37 of cod. L. 2190/1920.

Athens, 30<sup>th</sup> March 2016

Vassileios D. Papageorgakopoulos  
Certified Public Accountant Auditor  
Institute of CPA (SOEL) Reg. No. 11681

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

### **III. ANNUAL REPORT OF THE BOARD OF DIRECTORS FOR THE FINANCIAL YEAR 2015**

Dear Shareholders,

The present annual report of the Board of Directors, for the ending financial year 01/01/2015 until 31/12/2015, which includes the audited separate and consolidated financial statements, the notes on the financial statements and the audit report of the Certified Auditors, has been prepared in accordance with the provisions of Law 2190/1920 (Article 43a par. 3 Article 107 par. 3 and Article 136 par. 2) and of Law 3556/2007, article 4, par. 2c and the relevant executive decisions issued 1/434/3.7.2007 and 7/448/11.10.2007 of the Hellenic Capital Market Commission Board.

#### **A. Financial Developments and Performance for the Year**

The problematic conditions of the Greek economy prevailed in year 2015 as well. The macroeconomic and business environment remained negative and was affected by the constantly declining liquidity in the market, which further worsened with the imposed capital controls and the continuous changes in the tax legislation.

The delay observed in the fulfillment of any nature of obligations on behalf of the Greek State towards the private sector (for example: VAT return, payments for projects, development law obligations, etc.) led to a slowdown in economic activity. If the above weakness was treated effectively, then economic activity would significantly improve in many sectors of the economy.

The continuation of the construction of large motorway projects in which our Group also participates, contributed directly to the economy due to the substantial local added value, the increase in employment with tens of thousands new jobs (new salaries – social security fund contributions) and the provision of immediate liquidity to the market.

Under this context, GEK TERNA Group continued its investment plan mainly in the renewable energy sources, the construction sector concerning the execution equipment of projects, as well as the industrial segment of magnesium production, as its capital structure remains satisfactory.

Our Group, despite of the prevailing difficulties, continues to be present abroad since a significant part of its revenues in construction and energy stems from the countries of the S.E. Europe and Middle East.

The most important Financial Figures of 2015 according to the International Financial Reporting Standards and in comparison with the ones of 2014, are as follows:

Revenue from third parties from continuing activities reached EUR 972 million approximately versus EUR 924 million in 2014, recording an increase of approximately 5%, mainly due to the increase of the activities in the construction segment, the concessions and the trading of electric energy.

Operating earnings before depreciation, not including the non-cash results from the continuing operations (EBITDA) settled at EUR 155.2 million versus EUR 103.9 million in 2014, recording an increase of 49%, mainly due to the increased operating profits of the renewable energy sources and the construction projects.

Earnings before taxes from continuing operations amounted to EUR 18.8 million, versus EUR minus 54.8 million for financial year 2014, posting an increase mainly due to the higher operating profit of the construction projects and the renewable energy sources.

## **GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

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Earnings after taxes and minority interests amounted to EUR minus 14.4 million, versus EUR minus 61.2 million in 2014, negatively affected mainly by increased impairments of investment property and inventories, as well as the provision for impairment of an associate company dealing with electricity production from thermal sources.

The Net Debt of the Group (cash and cash equivalents less bank debt) settled on 31.12.2015 at approximately minus EUR 416 million compared to minus EUR 383 million of Net Debt Position on 31.12.2014.

The Group's equity reached EUR 562 million, compared to EUR 566 million on 31.12.2014, negatively affected by the revaluation of investment property and inventories, as well as the provision for impairment of an associate company dealing with electricity production from thermal sources.

Total Assets of the Group amounted to EUR 2,609 million, versus EUR 2,381 million on 31.12.2014.

GEK TERNA's Board of Directors, taking into consideration the Group's investment plan as well as the increased cash flow needs for working capital, proposes not to distribute any dividend.

### **B. Important Events for the Year 2015**

Following the decision on 6/12/2013 of the A' Repetitive Extraordinary General Assembly of the Company's shareholders and the decision of the Board of Directors on 27/3/2015 and 29/06/2015, the Company's share capital increased by the amount of 4,948,842.60 via the issuance of 8,682,180 new Common Registered shares, with nominal value of € 0.57 per share and offering price of €2.443 per share, due to the conversion of 210 bond securities with nominal value of one hundred thousand euro (100,000.00 €) per security of the Company's Convertible Bond Loan increased with the contractual interest payments.

From the amount of the remaining loan which accounts for 1,300,000 euro, the amount of 650,000 euro will be converted into shares of GEK TERNA, whereas the remaining amount will be converted into shares of TERNA ENERGY, according to the provisions of the existing agreement which was approved by the Extraordinary General Meeting on 06.12.2013.

Within the year 2015 the works for the following projects continued although at a problematic pace:

- a) "Research, Construction, Financing, Operation, Maintenance and Exploitation of the motorway of Central Greece"
- b) "Research, Construction, Financing, Operation, Maintenance and Exploitation of the motorway of the Ionian Road from Antirion to Ioannina, PATHE Athens (M/W Metamorfosis)-Maliakos (Skarfeia) and connection segment of PATHE Shimatari-Chalkida" and
- c) "Research, Construction, Financing, Operation, Maintenance and Exploitation of the motorway of Elefsina-Korinthos-Patra-Pyrgos-Tsakona"

In the context of the implementation of its investment plan, the subsidiary company "TERNA ENERGY SA" continued within 2015 the construction of a Wind Park of 73.2 MW capacity in the island "Ai Giorgis" of Lavreotiki Municipality with the aim to complete the project and place it under operation within the year 2016.

In the same period, the following were issued in Greece: three new installation licenses concerning Wind Parks of 48 MW capacity, one new production license of 16.2 MW capacity and four new operation licenses of 74.2 MW capacity.



## **GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

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Moreover, in the context of its growth strategy in the international market, the Company entered an agreement for the acquisition of a company in the United States of America which possesses a Wind Park of 150 MW total capacity under development. The particular agreement is subject to a series of conditions and is expected to complete within 12 months.

The Group in a joint venture with the companies Gulf Consolidated Contractors W.L.L. and Wade Adams Contracting L.L.C., has signed an agreement for the execution of a project in Qatar, "Roads and Infrastructure in Doha Industrial Area", for a total budget of 300 million approximately. The participation percentage of the Group in the above joint venture settles at 30%.

The Group in joint venture with the company RENCO SPA was named as the lowest bidder for the execution of the project "Construction of Measurement Stations in Greece and Albania" for a budget of 230 million Euro approximately. The participation percentage of the Group in the above joint venture settles at 50%.

The Court of Audit approved the agreement with the Periphery of Peloponnese for the "Total Waste Management of the Peloponnese Periphery via SDIT (PPP)". The signing of the above agreement is expected.

On 16 July 2015 with the publication of Law 4334/2015 (Gov. Gaz. A' 80/ 16-07-2015) the tax rate in effect increased from 26% to 29% for the financial years beginning on 1/1/2015.

### **Construction Segment**

The revenues from our construction activities stabilized in comparison with the year 2014, whereas the construction backlog remains at high levels.

TERNA S.A., the subsidiary of GEK TERNA, constitutes one of the strongest Greek construction companies, with significant presence in Balkans and Middle East and is the main construction arm of our Group.

Revenues related to construction activities for third parties reached EUR 779 million versus EUR 793 million in 2014. The aforementioned amount does not include the inter-group revenues between the segments of the Group, which amounted to EUR 48 million and refers to the construction of the Group's fixed assets.

Earnings before taxes, interest, depreciation and amortization (EBITDA) non including the non-cash results, amounted to EUR 59.2 million versus EUR 35.9 million in the previous financial year and they were increased by 64.8%. In parallel, earnings before interest and tax amounted to EUR 30.3 million versus EUR 3.9 million in the previous financial year. The above amounts do not include earnings from sales between segments within the Group.

The revenues of the particular segment, EUR 778 million, stem by 762% from activities in Greece, by 5.8% from activities in Balkan countries and by 18% from activities in Middle East countries.

The Net Debt Position of the construction segment (cash less bank loans) declined and amounted to approximately EUR minus 108 million versus a net debt position of EUR minus 31 million on 31.12.2014.

## **GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

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During 2015, the Group signed new construction projects' contracts of a total amount of EUR 270 million approximately.

The backlog of signed contracts on 31.12.2015 amounted to EUR 2,770 million.

The Company withdrew its interest from the execution of projects amounting to 78 million euro in Libya due to the political conditions prevailing in the country.

The implementation of the construction projects and the concession projects in Greece, the construction of energy projects for third parties, and the established presence of TERNA in the markets of the Balkans and the Middle East, support the prospect of a further improvement of the Group's financial performance in this particular business segment.

### **Energy production segment**

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

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

The support offered to the Renewable Energy Sources (RES) is evident on global level, with the sector standing as one of the top investment selections over the following years. In this context, the Group continues the development of selected RES projects in Greece and at the same time, capitalizing on its own experience and know how, intensifies its efforts aiming at a stronger presence in the USA, Poland and Bulgaria. The Group's total installed capacity of RES projects is expected to increase significantly over the following years, given the maturity of the investments that would have been implemented.

The Group's total installed capacity accounts for 664 MW. The Group has installations of 394 MW in Greece, 138 MW in the USA, 102 MW in Poland and 30 MW in Bulgaria.

At the same time, the Group possesses projects of 124 MW capacity under construction in Greece and is in the final stage concerning the conditions for the development of a new Wind Park of 150 MW capacity in Texas, USA.

Sales from energy production from renewable energy sources amounted to 140.3 mil euro versus 110.3 mil euro in 2014, posting a 27.1% increase, while operating earnings before tax, interest, depreciation and amortization (EBITDA) of the period amounted to 97.8 mil euro versus 74.2 mil in 2014, posting an increase of 31.8%. At the same time earnings before interest and taxes (EBIT) amounted to 60 million versus 41.7 million in the previous financial year, posting an increase of 43.7%, as result from the increase of the installed capacity and the favorable wind conditions.

#### *b) Electricity production from thermal resources – Sale of electric energy*

After the adoption of the new IFRS 11, the companies "HERON Thermoelectric SA" and "HERON II S.A." 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 minus 13.7 million euro compared to 5.1 million euro in 2014.

## **GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

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The main cause of the losses of the segment of electricity production from thermal energy sources during the period, related to the existing and pending issues with the Public authorities and most importantly with the lack of a legislative framework that would ensure capacity. The above factor affected the production plant of HERON II and led to operating losses as well as to the impairment of the value of the particular jointly controlled company.

In the segment of electricity production from thermal resources, during the year 2015, the operation of the thermoelectric unit power of 435MW as well as the operation of the small unit power of 147MW in Voiotia continued.

At the same time, the Group entered into a new business sector, the trading of electric energy, in Greece and abroad, via the acquisition of a company in FYROM since 2014.

The Turnover of the sector that was incorporated directly in the financial results of 2015, amounted to 26.7 million euro versus 12.3 million euro in 2014, posting marginal profitability.

### **Real Estate development segment**

The uncertainty prevailing in the financial environment and the adverse financial conditions in the real estate market since the year 2010, 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 6.1 million euro versus 3.6 million euro in 2014, while operating earnings before tax, interest, depreciation and amortization (EBITDA) and the non-cash results stood at minus 0.7 million euro, versus minus 0.7 million euro in 2014. Earnings before taxes settled at minus 15.3 million euro versus minus 29.9 million euro in 2014. The above reduction is due to the impairment of certain investment properties and inventories so that they more effectively reflect the current conditions prevailing in the property market.

The ratio of Debt / Total Assets of the segment settled at 65.4%, which is considered quite safe given the financial conditions

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

The Group participates in three Concession Companies relating to the projects of Ionian Road, Central Greece and Olympia Road. The participation of the Group in the concession companies of Nea Odos and Central Greece currently settles at 33.33% whereas in Olympia Road at 17%.

The revised agreement for the Concession projects provides for the increase of the Group’s participation in the companies Nea Odos and Central Greece. The agreement will be implemented via the future share capital increases whereas the entire participation rights were fully undertaken in each of the Joint Ventures with regard to the above two projects.

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.

## **GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

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It is noted that along with the signing of the amendment agreements for concessions between the Concession Companies and the Greek State in November 2013 which were validated through respective legislation in December 2013, there were signed agreements for the restructuring of the financing plan, between the Concession Companies and the lending banks with the aim of the re-initiating the construction of the Concession Projects.

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 3.7 mil euro compared to 6.4 mil euro in 2014.

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 amounts to 2,159.

The Group participates with 70% in the company "SOCIETE ANONYME ELECTRONIC TICKET SERVICES – HELLAS SMART TICKET", which undertook from the Athens Urban Transport Organization S.A. (OASA) based on a contractual agreement the project "Study, Financing, Installation, Support of Operation, Maintenance and Technical Administration of a Unified Automatic Ticket Collection System for the companies of OASA Group" via the SDIT (PPP) scheme.

The Revenues of the Concession segment that was directly incorporated in the financial results amounted in total to 14.7 million euro during 2015 versus 0.8 million euro in 2014, while operating earnings before tax, depreciation and amortization (EBITDA) not including the cash results amounted to minus 0.1 million euro versus minus 2.3 million during the respective period of 2014.

### **Industrial Segment**

The Group is engaged mainly in mining and manufacturing of magnesite magnesia. The Group has started a considerable investment program of total estimated amount of EUR 100 mil. in its self-owned facilities at Mantoudi Evia for increase of the industrial production of caustic magnesia, through its subsidiary Terna LEFKOLITHI S.A. From the above plan, the first phase amounting to 20 mil euro has been implemented. The remaining investments for the completion of the entire investment plan, are reassessed and revised in view of the blocked payments concerning the already approved financing schemes of the relevant development law. The turnover of the segment amounted to 3.5 million euro versus 1.8 million euro in 2014.

### **C. Significant Events after the end of the period 01.01 – 31.12.2015**

The company signed on 18/2/2016, the basic terms of a new bond loan, jointly insured and collateralized with tangible assets, with a group of Banking Institutions for the refinancing of the existing debt of Group's subsidiaries, and the coverage of part of its business needs in relation to the concession companies. The finalization of the above bond loan will take place within the year 2016.

Until the authorization date for the issuance of the Financial Statements from the Management the fair value of listed shares under Greek Stock Exchange classified as "Investments Available for Sale" has reduced by 12.754.

## **GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

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With the application as of 23/3/2016, the Bond Holder YORK CARITAL MANAGEMENT requested the repayment of the remaining amount of 1,300,000.00 € of the bond loan dated on 9/12/2013, which had been approved by the 1<sup>st</sup> Repeated Extraordinary General Meeting of Shareholders of 6/12/2013 (by 50% convertible into GEK TERNA shares and by 50% exchangeable with shares of TERNA ENERGY)

### **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.

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.

The slowdown of the Greek economy during 2015 and the other negative developments, although they cannot be accurately predicted, are not expected to negatively affect the quality of the receivables portfolio of the Group.

The credit risk with regard to the cash reserves as well as the other receivables is viewed as limited, given the recent recapitalization actions taken by the Greek banks.

Despite the aforementioned fact these receivables are under special monitoring and in case it is considered necessary respective adjustments are made.

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

## **GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

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### **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 the exchange rate of euro against other foreign currencies, 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 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.

### **Risks due to the current economic conditions prevailing in Greece**

The developments during the year 2015 created a volatile macroeconomic and financial environment in the country having as major characteristic the significant delay in the payments made from the Greek State. As result, the above conditions affected the Group.

The capital controls imposed by the Act of Legislative Content of 28th June 2015 affected negatively the Greek economy during the second half of 2015 and the above conditions will continue until the lifting of these measures. The return to economic stability largely depends on the actions and decisions of the institutional bodies.

## **GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

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The full unfolding of the consequences due to the conditions of uncertainty may negatively affect the activities, the cash flows of the Group and the Company in a way that it cannot be predicted accurately and with certainty at this stage.

Despite the existence of risks referring to the recovery of the future benefits of the asset portfolios and the adequacy of the cash flows, the activities of the Group continue at a normal pace. In this context, the Management systematically assesses the broader situation and its potential effect, in order to ensure that all necessary measures and actions are taken for the minimization of the potential effects on the Group's activities. The Management of the Group aims at immediately informing the investor community about any significant effect generated by the constantly changing conditions.

### **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.

### **F. Treasury Shares**

On December 31<sup>st</sup> 2015, the Company held 1,455,258 treasury shares, namely 1.4109% with an acquisition cost of 4,585,913.50.

### **G. Related-Party Transactions**

Below the Company's and Group's transactions and balances with its related parties are presented for the period 1.1-31.12.2015:

**GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

Sales-Inflows of the Company

(amounts in euros)	Participati on type	Total	Sales of Goods / Services	Revenues from Consulting services	Revenues from administration support services	Income from leases	Income from dividends and related profits	Income from interest	Granted Loans	Share capital reductions
TERNA SA	Subsidiary	<b>11,183,350.86</b>	0,00	879,482.42	0.00	303,868.44	10,000,000.00	0.00	0.00	0.00
TERNA ENERGY SA	Subsidiary	<b>4,076,724.06</b>	0.00	0.00	0.00	172,249.20	3,904,474.86	0.00	0.00	0.00
CHIRON CAR PARK S.A	Subsidiary	<b>184,156.60</b>	0.00	0.00	33,000.00	0.00	151,156.60	0.00	0.00	0.00
IOANNINON S.A.	Subsidiary	<b>-601,247.84</b>	0.00	0.00	60,000.00	0.00	0.00	11,892.16	-673,140.00	0.00
GEK SERVICES SA	Subsidiary	<b>2,311.80</b>	0.00	0.00	0.00	2,311.80	0.00	0.00	0.00	0.00
ILIOHORA S.A	Subsidiary	<b>41,760.00</b>	0.00	0.00	0.00	41,760.00	0.00	0.00	0.00	0.00
ROM GEK CONSTRUCTION SRL	Subsidiary	<b>107,629.04</b>	0.00	0.00	0.00	0.00	0.00	18,629.04	89,000.00	0.00
ICON BOROVS EOOD	Subsidiary	<b>155,353.13</b>	0.00	0.00	0.00	0.00	0.00	155,353.13	0.00	0.00
VIPA THESSALONIKI	Subsidiary	<b>0.00</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
GEKA SA (EX PIRAEUS PRODEFIN HOLDING)	Subsidiary	<b>0.00</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TERNA MAG SA	Subsidiary	<b>10,585.00</b>	0.00	0.00	0.00	0.00	0.00	585.00	10,000.00	0.00
STROTIRE S.A	Subsidiary	<b>179,622.00</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	179,622.00
J/V GEK TERNA – TERNA ENERGY	Subsidiary	<b>380.00</b>	0.00	0.00	0.00	380.00	0.00	0.00	0.00	0.00
ICON EOOD (BULGARIA)	Subsidiary	<b>1,147,335.23</b>	0.00	0.00	0.00	0.00	0.00	237,335.23	910,000.00	0.00
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Joint Venture	<b>30,000.00</b>	0.00	0.00	30,000.00	0.00	0.00	0.00	0.00	0.00
PARKING OUIL SA	Joint Venture	<b>39,815.54</b>	0.00	0.00	0.00	0.00	39,815.54	0.00	0.00	0.00
POLIS PARK SA	Joint Venture	<b>75,123.00</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	75,123.00
THESSALONIKI CAR PARK S.A.	Joint Venture	<b>6,139.50</b>	0.00	0.00	0.00	0.00	0.00	6,139.50	0.00	0.00
NEA ODOS SA	Joint Venture	<b>3,848,804.80</b>	820,390.00	141,709.75	1,300,897.10	0.00	0.00	1,585,807.95	0.00	0.00
CENTRAL GREECE MOTORWAY SA	Joint Venture	<b>1,497,989.16</b>	698,079.00	73,940.00	664,956.23	0.00	0.00	61,013.93	0.00	0.00
ELLINIKOU ENTERTAINMENT AND ATHLETIC PARKS S.A.	Joint Venture	<b>-63,596.44</b>	0.00	0.00	0.00	0.00	0.00	36,403.56	-100,000.00	0.00
HERON II THERMOELECTRIC STATION OF VIOTIA SA	Joint Venture	<b>40,452.09</b>	0.00	0.00	40,452.09	0.00	0.00	0.00	0.00	0.00
HERON THERMOELECTRIC S.A.	Joint Venture	<b>2,030,000.00</b>	0.00	0.00	30,000.00	0.00	0.00	0.00	0.00	2,000,000.00
Construction Joint Ventures	Joint Venture	<b>30,300.00</b>	0.00	0.00	0.00	30,300.00	0.00	0.00	0.00	0.00
KEKROPS S.A.	Associate	<b>44,755.11</b>	0.00	0.00	0.00	0.00	0.00	44,755.11	0.00	0.00
		<b>24,067,742.64</b>	<b>1,518,469.00</b>	<b>1,095,132.17</b>	<b>2,159,305.42</b>	<b>550,869.44</b>	<b>14,095,447.00</b>	<b>2,157,914.61</b>	<b>235,860.00</b>	<b>2,254,745.00</b>



## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

### Company's Receivables

(amounts in Euro)	Participation type	Total	From revenue	From Loans and Interest	From Dividends and related earnings	From share capital reductions
TERNA SA	Subsidiary	<b>2,496,610.59</b>	496,610.59	0.00	2,000,000.00	0.00
TERNA ENERGY S.A.	Subsidiary	<b>14,870.85</b>	14,870.85	0.00	0.00	0.00
CHIRON CAR PARK S.A	Subsidiary	<b>38,130.00</b>	38,130.00	0.00	0.00	0.00
IOANNINON S.A.	Subsidiary	<b>49,200.00</b>	49,200.00	0.00	0.00	0.00
GEK SERVICES SA	Subsidiary	<b>399.18</b>	399.18	0.00	0.00	0.00
CAR PARK STATION SAROKOU SQ. KERKYRA SA	Subsidiary	<b>118,422.96</b>	118,422.96	0.00	0.00	0.00
ILIOHORA S.A.	Subsidiary	<b>10,815.84</b>	10,815.84	0.00	0.00	0.00
ROM GEK CONSTRUCTION SRL	Subsidiary	<b>298,119.28</b>	0.00	298,119.28	0.00	0.00
ICON BOROEVETS EOOD	Subsidiary	<b>2,556,884.82</b>	0.00	2,556,884.82	0.00	0.00
VIPA THESSALONIKI	Subsidiary	<b>9,803.10</b>	9,803.10	0.00	0.00	0.00
ICON EOOD (BULGARIA)	Subsidiary	<b>3,954,616.01</b>	0.00	3,954,616.01	0.00	0.00
STROTIRES SA	Subsidiary	<b>179,622.00</b>	0.00	0.00	0.00	179,622.00
J/V GEK TERNA – TERNA ENERGY	Subsidiary	<b>403.68</b>	403.68	0.00	0.00	0.00
TERNA MAG SA	Subsidiary	<b>0.00</b>	0.00	0.00	0.00	0.00
TERNA & SIA LP (LARISA MOTORWAY)	Subsidiary	<b>0.00</b>	0.00	0.00	0.00	0.00
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Joint Venture	<b>18,450.00</b>	18,450.00	0.00	0.00	0.00
THESSALONIKI CAR PARK S.A.	Joint Venture	<b>121,390.47</b>	0.00	121,390.47	0.00	0.00
NEA ODOS SA	Joint Venture	<b>24,174,559.90</b>	642,939.73	23,531,620.17	0.00	0.00
CENTRAL GREECE MOTORWAY SA	Joint Venture	<b>1,931,326.95</b>	1,108,024.47	823,302.48	0.00	0.00
ELLINIKOU ENTERTAINMENT AND ATHLETIC PARKS S.A.	Joint Venture	<b>730,617.52</b>	0.00	730,617.52	0.00	0.00
HERON II THERMOELECTRIC STATION OF VIOTIA SA	Joint Venture	<b>31,306.07</b>	31,306.07	0.00	0.00	0.00
HERON THERMOELECTRIC S.A.	Joint Venture	<b>23,850.00</b>	23,850.00	0.00	0.00	0.00
Construction Joint Ventures	Joint Venture	<b>2,007,828.31</b>	2,007,828.31	0.00	0.00	0.00
GLS OOD	Joint Venture	<b>4.04</b>	4.04	0.00	0.00	0.00
KEKROPS SA	Associate	<b>710,905.21</b>	0.00	710,905.21	0.00	0.00
ATTIKAT SA	Associate	<b>32,439.32</b>	0.00	32,439.32	0.00	0.00
		<b>39,510,576.10</b>	<b>4,571,059.02</b>	<b>32,759,895.28</b>	<b>2,000,000.00</b>	<b>179,622.00</b>

### Purchases - Company's Outflows

(amounts in euro)	Participation type	Total	Purchases of goods / Services	Interest expenses	Loans Collected	Share capital increases
TERNA SA	Subsidiary	<b>4,647,550.98</b>	1,030,441.71	1,367,111.27	2,249,998.00	0.00
TERNA ENERGY S.A.	Subsidiary	<b>101,656.50</b>	101,656.50	0.00	0.00	0.00
ILIOHORA S.A.	Subsidiary	<b>6,729.10</b>	0.00	1,729.10	5,000.00	0.00
IOANNINON S.A.	Subsidiary	<b>946,987.87</b>	0.00	0.00	0.00	946,987.87
MONASTRIRIOU TECHNICAL DEVELOPMENT S.A	Subsidiary	<b>302,000.00</b>	0.00	0.00	0.00	302,000.00
KIFISIA PLATANOU SQ. CAR PARK SA	Subsidiary	<b>0.00</b>	0.00	0.00	0.00	0.00
ICON OOOD	Subsidiary	<b>500,002.56</b>	0.00	0.00	0.00	500,002.56

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

ROM GEK CONSTRUCTION SRL	Subsidiary	0.00	0.00	0.00	0.00	0.00
VIOMEK	Subsidiary	0.00	0.00	0.00	0.00	0.00
ICON BOROEVETS EOOD	Subsidiary	2,010,041.77	0.00	0.00	0.00	2,010,041.77
TERNA MAG SA	Subsidiary	2,525,612.09	0.00	0.00	0.00	2,525,612.09
VIPA THESSALONIKI S.A.	Subsidiary	0.00	0.00	0.00	0.00	0.00
NEA ODOS SA	Joint Venture	69,789.59	69,789.59	0.00	0.00	0.00
HERON THERMOELECTRIC S.A.	Joint Venture	174,423.05	171,760.40	2,662.65	00.00	0.00
POLIS PARK SA	Joint Venture	0.00	0.00	0.00	0.0	0.00
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Joint Venture	120,471.40	0.00	0.00	0.00	120,471.40
ATHENS CAR PARK SA	Joint Venture	97,712.00	0.00	0.00	0.00	97,712.00
GLS OOD	Joint Venture	39,998.36	0.00	0.00	0.00	39,998.36
HELLINIKON ENTERTAINMENT AND ATHLETIC PARKS S.A.	Joint Venture	558,130.50	0.00	0.00	0.00	558,130.50
KEKROPS SA	Associate	1,637.92	1,637.92	0.00	0.00	0.00
		<b>12,102,743.69</b>	<b>1,375,286.12</b>	<b>1,371,503.02</b>	<b>2,254,998.00</b>	<b>7,100,956.55</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
TERNA SA	Subsidiary	26,584,777.77	2,512,161.60	22,072,616.17	2,000,000.00	0.00
TERNA ENERGY S.A.	Subsidiary	121,987.80	121,987.80	0.00	0.00	0.00
ILIOHORA S.A.	Subsidiary	31,301.32	3,873.24	27,428.08	0.00	0.00
MONASTIRIOU TECHNICAL DEVELOPMENT S.A.	Subsidiary	52.01	52.01	0.00	0.00	0.00
NEA ODOS SA	Joint Venture	809,457.59	85,841.20	723,616.39	0.00	0.00
CENTRAL GREECE MOTORWAY SA	Joint Venture	26,207.00	0.00	26,207.00	0.00	0.00
HERON THERMOELECTRIC S.A.	Joint Venture	120,885.60	120,885.60	0.00	0.00	0.00
THESSALONIKI CAR PARK S.A.	Joint Venture	60.00	0.00	60.00	0.00	0.00
GLS OOD	Joint Venture	0.00	0.00	0.00	0.00	0.00
Construction Joint Ventures	Joint Venture	4,600.00	4,600.00	0.00	0.00	0.00
KEKROPS S.A.	Associate	1,896.76	1,896.76	0.00	0.00	0.00
		<b>27,701,225.85</b>	<b>2,851,298.21</b>	<b>22,849,927.64</b>	<b>2,000,000.00</b>	<b>0.00</b>

Below, the transactions and the balances between the Group and the related parties are presented for the period 1.1-31.12.2015:

### Sales - Inflows of the Group

(amounts in euro)	Participation type	Total	Revenues from Construction Services	Sales of Goods	Revenues from Consulting services	Revenues from administration support services	Income from interest	Share capital reductions
HERON THERMOELECTRIC S.A.	Joint Venture	20,958,614.00	0.00	18,805,304.00	78,501.00	74,809.00	0.00	2,000,000.00
HERON II THERMOELECTRIC STATION OF VIOTIA SA	Joint Venture	1,069,903.59	0.00	0.00	0.00	104,388.00	965,515.59	0.00
NEW ODOS SA	Joint Venture	258,173,113.95	253,449,651.00	0.00	1,442,607.00	1,695,048.00	1,585,807.95	0.00

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

CENTRAL GREECE MOTORWAY SA	Joint Venture	<b>113,515,584.93</b>	112,265,951.00	0.00	738,896.00	449,724.00	61,013.93	0.00
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Joint Venture	<b>30,000.00</b>	0.00	0.00	0.00	30,000.00	0.00	0.00
THESSALONIKI CAR PARK S.A.	Joint Venture	<b>6,139.50</b>	0.00	0.00	0.00	0.00	6,139.50	0.00
ELLINIKOU ENTERTAINMENT AND ATHLETIC PARKS S.A.	Joint Venture	<b>36,403.56</b>	0.00	0.00	0.00	0.00	36,403.56	0.00
KEKROPS S.A.	Associate	<b>56,188.00</b>	0.00	0.00	0.00	0.00	56,188.00	0.00
GEKA S.A.	Associate	<b>0.00</b>	0.00	0.00	0.00	0.00	0.00	0.00
		<b>393,845,947.53</b>	<b>365,715,602.00</b>	<b>18,805,304.00</b>	<b>2,260,004.00</b>	<b>2,353,969.00</b>	<b>2,711,068.53</b>	<b>2,000,000.00</b>

### Receivables of the Group

(amounts in euro)	Participation type	Total	From sales	From Loans and Interest	From dividends and Joint-Ventures results
HERON THERMOELECTRIC S.A.	Joint Venture	<b>1,158,544.84</b>	1,158,544.84	0.00	0.00
HERON II THERMOELECTRIC STATION OF VIOTIA SA	Joint Venture	<b>10,474,190.28</b>	44,399.18	10,429,791.10	0.00
NEW ODOS SA	Joint Venture	<b>81,662,105.65</b>	58,130,485.48	23,531,620.17	0.00
CENTRAL GREECE MOTORWAY SA	Joint Venture	<b>7,688,059.61</b>	6,864,757.13	823,302.48	0.00
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Joint Venture	<b>18,450.00</b>	18,450.00	0.00	0.00
THESSALONIKI CAR PARK S.A.	Joint Venture	<b>121,390.47</b>	0.00	121,390.47	0.00
ELLINIKOU ENTERTAINMENT AND ATHLETIC PARKS S.A.	Joint Venture	<b>730,617.52</b>	0.00	730,617.52	0.00
GLS OOD	Joint Venture	<b>9,933.00</b>	9,933.00	0.00	0.00
ATTIKAT S.A.	Associate	<b>32,439.32</b>	0.00	32,439.32	0.00
KEKROPS S.A.	Associate	<b>710,905.21</b>	0.00	710,905.21	0.00
		<b>102,606,635.90</b>	<b>66,226,569.63</b>	<b>36,380,066.27</b>	<b>0.00</b>

### Purchases - Outflows of the Group

(amounts in euro)	Participation type	Total	Purchases of goods	Purchases of administration support services	Leasing Expenses	Share Capital Increases
HERON THERMOELECTRIC S.A.	Joint Venture	<b>2,179,281.76</b>	2,179,281.76	0.00	0.00	0.00
NEW ODOS SA	Joint Venture	<b>70,420.91</b>	0.00	70,420.91	0.00	0.00
CENTRAL GREECE MOTORWAY SA	Joint Venture	<b>0.00</b>	0.00	0.00	0.00	0.00
ELLINIKOU ENTERTAINMENT AND ATHLETIC PARKS S.A.	Joint Venture	<b>559,630.50</b>	1500.00	0.00	0.00	558,130.50
GLS OOD	Joint Venture	<b>39,998.36</b>	0.00	0.00	0.00	39,998.36
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Joint Venture	<b>120,471.40</b>	0.00	0.00	0.00	120,471.40
ATHENS CAR PARK S.A.	Joint Venture	<b>97,712.00</b>	0.00	0.00	0.00	97,712.00
KEKROPS S.A.	Associate	<b>1,637.92</b>	1,637.92	0.00	0.00	0.00
		<b>3,069,152.85</b>	<b>2,182,419.68</b>	<b>70,420.91</b>	<b>0.00</b>	<b>816,312.26</b>

**GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

*(Amounts in thousands Euro, unless otherwise stated)*Liabilities of the Group

(amounts in euro)	Participation type	Total	From Purchases and Advances	From Loans and Interest
HERON THERMOELECTRIC S.A.	Joint Venture	<b>1,411,050.13</b>	1,411,050.13	0.00
NEW ODOS SA	Joint Venture	<b>40,823,870.75</b>	40,823,870.75	0.00
CENTRAL GREECE MOTORWAY SA	Joint Venture	<b>62,365,751.53</b>	62,365,751.53	0.00
THESSALONIKI CAR PARK S.A.	Joint Venture	<b>60.00</b>	60.00	0.00
ELLINIKOU ENTERTAINMENT AND ATHLETIC PARKS S.A.	Joint Venture	<b>6,557.98</b>	6,557.98	0.00
J/V STROTIRES PREMIX	Joint Venture	<b>2,461.27</b>	2461.27	0.00
ATTIKAT S.A.	Associate	<b>5,658.47</b>	5,658.47	0.00
KEKROPS S.A.	Associate	<b>1,896.76</b>	1,896.76	0.00
		<b>104,617,306.89</b>	<b>104,617,306.89</b>	<b>0.00</b>

The remuneration of members of the Board of Directors and senior executives of the Group and the Company for 2015 as well as the relative balances on 31.12.2015, has as follows:

	GROUP		COMPANY	
	1.1-31.12.2015	1.1-31.12.2014	1.1-31.12.2015	1.1-31.12.2014
Remuneration for services rendered	2,054	1,974	147	110
Remuneration to employees	100	132	44	44
Remuneration for participation in the BoD's meetings	470	1,025	0	0
	<b>2,624</b>	<b>3,131</b>	<b>191</b>	<b>154</b>
Liabilities	551	601	6	12
Receivables	10	20	0	0

**CORPORATE GOVERNANCE STATEMENT**

The company applies all the established rules and procedures from the legal, regulatory and other relevant authorities without deviation on all its activities and operations. Moreover, it has adopted internal rules and business practices that contribute to the adherence to transparency principles, professional ethics and prudent management of all company resources at all management levels, to the benefit of its shareholders and related parties. The overall above rules and practices are incorporated in the Corporate Governance Code (CGC), which was prepared by the company, in line with the provisions of Law 3873/2010. The Code has been posted on the company's website [www.gekterna.com](http://www.gekterna.com).

**2. Corporate governance rules and practices**

The CGC states, with clarity and accuracy, the following corporate governance rules and practices in detail:

**Board of Directors**

Its role is defined clearly, together with its responsibilities and duties to set and apply the company's strategy with the basic objective of protecting the interest of all its Shareholders. As the highest authority in the company's management, the Board of Directors decides on all the corporate affairs, apart from those that fall under the responsibility of the General Meeting of the Shareholders.

Specifically, the responsibilities of the Board of Directors include:

- the long-term strategic and mid-term business planning of the company
- decisions of strategic importance, such as acquisitions, mergers, liquidations, high budget investments
- the planning of the general, as well as specific, basic policies for the company's operation
- the approval, supervision and evaluation of the implementation of annual projects and budgets
- ensuring the reliability and completeness of the accounting – financial systems and data and the company financial statements derived from such
- ensuring the smooth and proper operation of the appropriate systems and mechanisms for the company's internal audit, adhering to the company's legal – operational framework, as well as assessing and managing the business risks it faces
- the continuous effort for the avoidance or prudent handling of a possible conflict of interest of the Board of Directors or its members or basic shareholders with the interests of the company, by adopting transparency and monitoring rules on its transactions
- the selection of the Chief Executive Officer and the other members of the Board, which are also evaluated on their overall activity
- defining the remuneration of the Board members and proposing their approval by the General Meeting of the Shareholders, as well as deciding on the remuneration of the company's senior executives
- deciding on the company's organizational structure, management systems and procedures, as well as the amendment of such when deemed necessary by the company's internal and external operation conditions
- the establishment and effort to ensure the proper operation of committees specified by the Corporate Governance Principles (Audit Committee and Committee for Election of Nominee Board Members and Remuneration)
- the establishment of collective bodies when deemed necessary for the improvement of the company's efficiency and operation
- the definition and effort to lay out and apply basic company values and principles, including those of corporate governance, throughout its overall relationship with all related parties.

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

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The four-year term of the BOD, according to the Law and the Company's Articles of Association, was to expire until 30<sup>th</sup> June 2015. The BOD had the following members: Nikolaos Kampas Chairman – Non Executive Member, Georgios Peristeris Chief Executive Officer – Executive Member, Dimitrios Antonakos Vice Chairman – Executive Member, Michail Gourzis Vice Chairman – Executive Member, Aggelos Benopoulos Vice Chairman – Executive Member, Konstantinos Vavaletskos – Executive Member, Emmanuel Vrailas – Executive Member, Emmanuel Moustakas – Executive Member, Panagiotis Pothos – Non Executive Member, Panagiotis Kyriakopoulos – Independent Non Executive Member, Aggelos Tachmatarchis - Non Executive Member and Apostolos Tamvakakis - Independent Non Executive Member.

The Ordinary General Meeting of 29/6/2015 elected a new twelve-member Board of Directors for the management of the Company with a four-year term, which may be automatically extended until the Ordinary General Meeting that will convene on 30/6/2019.

According to the Law and the Articles 16 and 17 of the Company's Articles of Association, the Board of Directors was formed into Body as following:

Nikolaos Kampas Chairman – Non Executive Member  
Georgios Peristeris Chief Executive Officer – Executive Member  
Konstantinos Vavaletskos Vice Chairman – Non Executive Member  
Michail Gourzis Vice Chairman – Executive Member  
Aggelos Benopoulos Vice Chairman – Executive Member  
Dimitrios Antonakos Executive Member  
Emmanuel Vrailas – Executive Member  
Emmanuel Moustakas – Executive Member  
Panagiotis Pothos – Non Executive Member  
Panagiotis Kyriakopoulos – Independent Non Executive Member  
Aggelos Tachmatarchis - Independent Non Executive Member  
Apostolos Tamvakakis - Independent Non Executive Member

Of the Members, Mr. Panagiotis Kyriakopoulos, Mr. Aggelos Tachmatarchis and Mr. Apostolos Tamvakakis fulfill the conditions of Law 3016/2002 for corporate governance as it was amended and is in effect, with regard to their capacity as independent non executive members of the Board of Directors.

According to the provisions of article 37 of Law 3693/2008, the General Meeting of 29/6/2015 appointed the Audit Committee, consisting of Mr. Nikolaos Kampas, Mr. Panagiotis Pothos and Mr. Aggelos Tachmatarchis who possess well known and sufficient knowledge in the fields of accounting and auditing.

The Board of Directors of the Company at its meeting on 19<sup>th</sup> February 2016 accepted the resignation, submitted on 17/2/2016, of Mr. Panagiotis Kyriakopoulos from the position of the independent non executive member of the BOD and did not proceed with any replacement of the above member since the conditions of Law 3016 as it was amended and is in effect, are still fulfilled.

The CVs of the Board Members can be found on the company's website.

During the exercise of their duties and the Board meetings in 2015, the Board members exhibited "diligence of a prudent businessman", they dedicated the sufficient time needed for the efficient management of the company, acted with integrity, accountability and proper judgment, avoiding actions that could endanger the company's competitiveness or conflict its interests. Also, they

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

protected the confidentiality of information they had privileged access to and ensured the prompt and simultaneous provision of information to all shareholders and interest investors on issues that could affect their decision to realize any transaction on company shares.

The Board of Directors convened seventeen (17) times during 2015.

The dates of the Board meetings were scheduled in advance in order to ensure the highest possible quorum.

NAME	NUMBER OF MEETINGS THAT TOOK PLACE DURING HIS TENURE	NUMBER OF MEETINGS IN WHICH HE PARTICIPATED	NUMBER OF MEETINGS IN WHICH HE WAS REPRESENTED	NUMBER OF MEETINGS IN WHICH HE WAS ABSENT AND NOT REPRESENTED
Nikolaos Kampas	17	17	-	-
Konstantinos Vavaletskos	17	17	-	-
Michael Gourzis	17	17	-	-
Aggelos Benopoulos	17	17	-	-
Georgios Peristeris	17	17	-	-
Dimitrios Antonakos	17	16	1	-
Emmanuel Vrailas	17	15	2	-
Emmanuel Moustakas	17	15	2	-
Panagiotis Pothos	17	17	-	-
Panos Kyriakopoulos	17	16	-	1
Aggelos Tahmatarchis	17	17	-	-
Apostolos Tamvakakis	17	17	-	-

During the meetings and the tasks of the Board of Directors, the Members were supported by the Vice-Chairman of the Board, the corporate secretary Mr. Aggelos Benopoulos whose responsibilities are described in CGC.

### Chairman of the Board of Directors

The Chairman represents the basic instrument for applying Corporate Governance Principles in the company, with responsibility, among others, for the efficient operation of the Board of Directors and the active participation of all its members in making and reviewing the application of business decisions, as well as for the smooth communication between the company and its shareholders.

The Chairman's responsibilities include convening and addressing the Board's activities on the issues of the daily agenda prepared by the Chairman himself according to the company's needs and the relevant requests by other Board members, making efforts for the efficient coordination and smooth communication between all Board members, as well as between the company and shareholders – investors, which is based on the prompt, clear and reliable provision of information towards Board members on the total activities and operation of the company, as well as ensuring the smooth incorporation of other members to the Board of Directors and their motivation in order to encourage their active and substantial participation in corporate affairs and the decision making process

The Board of Directors is supported by Committees, which carry an advisory role, but which also carry a heavy weight in the decision making process of the Board. The Committees are as follows:

### Nominee and Remuneration Committee

The Nominee and Remuneration Committee consists of three members and its role is to explore and propose the proper nominees for election in the company's Board of Directors, as well as to propose policies and systems that define remuneration for all company levels.

## **GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

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The Committee's responsibilities, in relation to proposing nominees, mainly include defining the company's requirements as regards to the size and composition of its Board of Directors, defining the role, responsibilities and skills of each position within the Board of Directors, the periodic review of the Board's size and composition and the submission of proposals for changes – improvements when deemed necessary.

In relation to its responsibilities on remuneration issues, the Nominee and Remuneration Committee convenes at least twice a year and whenever else deemed necessary. It processes and proposes the system that defines remuneration of employees, Board members and senior executives, it prepares and submits to the Board proposals for the corporate remuneration policy and assesses its application according to the relevant annual remuneration report and it prepares the proposals that must be submitted by the Board to the General Meeting of shareholders for approval.

The Board of Directors which was elected by the General Assembly on 29/6/2015 formed a Nominee and Remuneration Committee with the following members:

Aggelos Benopoulos-Vice Chairman, executive member  
Panagiotis Pothos– non executive member  
Aggelos Tachmatarchis – Independent non executive member

During the fiscal year it didn't emerge any issue with respect to any amendment in the corporate policy for remuneration and thus it was not held any meeting of the committee.

### **Investment Committee**

The mid-long-term strategic planning for the company's development includes, amongst others, the following investment policy in order to achieve and maintain its business objectives through time. The company's Board of Directors is the responsible body that sets and applies investment policy. In this context the Board bases its decisions on the appropriate proposals submitted by the Investment Committee as regards to acquisitions, mergers, strategic alliances, high budget investments, liquidation of assets and any other action of strategic importance that may affect the capital structure and future development of the company. The Investment Committee convenes once every quarter and at any other time deemed necessary for the Board to make investment decisions.

As is the case for other company committees, the I.C. has the character of providing proposals and not making decisions. Its basic responsibilities include the preparation of the investment policy and long-term investment plan of the company, the evaluation and the approval of the implementation of the annual investment plan, as well as any new investment that is separately submitted, the examination of the company's capital structure for the materialization of its investment proposal, the evaluation of the corporate risks which are linked with its materialization, the documentation of its aim and the confirmation that its materialization is included in the implementation measures of the approved corporate strategy of the company.

The Investment Committee consists of five members in which participate three (3) members of the Company's BoD and two (2) senior executives or advisors of the company, depending on the issue to be discussed. The Chairman and the Chief Executive Officer can become members of the I.C.



## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

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The Board of Directors which was elected by the General Assembly on 29/6/2015 formed an Investment Committee with the following members:

Konstantinos Vavaletskos Executive member

Emmanuel Vrailas Executive member

Emmanuel Moustakas Executive member

The members of the above Committee convened once and, after examining the course of the existing investments proceeded with a proposal for the Company's participation with 35% in the company "SOCIETE ANONYME ELECTRONIC TICKET SERVICES – HELLAS SMART TICKET" as well as for the establishment of a Joint Venture with the subsidiary company TERNA ENERGY SA (with each company participating by 50%) for the execution of a) the Sub-contracting Installation Agreement of 29.12.2014 with LG CNS & Co Ltd under the role of the Technological Provider of the System and b) the Sub-contracting Administration and Operation Agreement of 29.12.2014 with LG CNS & Co Ltd under the role of the Operator of the System regarding the project "Study, Financing, Installation, Support of Operation, Maintenance and Technical Administration of a Unified Automatic Ticket Collection System for the companies of OASA Group" via the SDIT (PPP) scheme.

### **Audit Committee**

The Audit Committee supports the Board of Directors in fulfilling its responsibility to ensure compliance of the company's bodies and actions with the provisions of the legal – institutional – regulatory framework and the Corporate Governance Principles that govern its operation, the completeness and reliability of accounting, IT and administrative systems of the company and the derived by such published financial statements and other reports, as well as the smooth and effective operation of all the company's control mechanisms in order promptly identify, apart from the above, business risks and handle such prudently and effectively.

The Audit Committee convenes at least four times a year and whenever else it deems necessary. It invites the ordinary auditor to its meeting at least twice a year to provide clarifications – explanations on its activity and its comments – conclusions on the financial statements and the general financial information of the company.

The Audit Committee has the following, by subject, basic responsibilities:

It oversees the production procedure of the company's financial statements and other financial reports, examines their reliability and sees to the smooth operation of the internal control's activities providing its support, and also periodically reviews the adequacy and reliability of internal control mechanisms and mechanisms for the management of business risks with the following criteria: the prompt identification of business risk and the quick response to handle such. It investigates possible transactions of the company with any related party in detail and submits relevant reports to the Board of Directors in order to evaluate the possibility of present conflicts of interest with complete transparency and to prevent possible damage or loss for the company.

Also, the Audit Committee receives the reports of the Internal Audit Division, assesses their contents and proposes the head of the Division to the Board of Directors, evaluates the effectiveness and efficiency of such, and based on the above proposes the continuity or termination of his/her responsibilities.

The Audit Committee monitors the conduct of activities by the ordinary auditor and assesses whether such is in accordance with the relevant legal – regulatory framework, the international standards and best practices. It also examines and evaluates the adequacy of knowledge, professional consistency, independence and effectiveness of the ordinary auditor, and based on such proposes to the Board of Directors the continuance or termination of the relationship with the ordinary auditor.

## **GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

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The Audit Committee consists of at least three (3) non-executive Board members, from which one (1) is independent. At least one (1) of the three members must have adequate knowledge and experience in accounting and auditing issues. The CGC also states that the non-executive Chairman of the Board may be a member of the Audit Committee and the Chairman of such as well.

Its members are elected by the General Meeting of Shareholders according to article 37 of Law 3693/2008.

The members of the Audit Committee Messieurs Nikolaos Kampas, Panagiotis Pothos and Aggelos Tachmatarchis were elected by the General Meeting of 29/6/2015.

The Audit Committee convened four (4) times during 2015, it exercised all its responsibilities and tasks, it cooperated with the Company's Internal Audit Department and provided the appropriate guidance for the continuation of the audit by subject and priority.

It discussed with the head of the Company's internal audit about its findings and conclusions and confirmed the correctness of the preparation procedure for the financial statements.

### **3. Internal Control and Risk Management**

Since 29/5/2014, Ms. Aggeliki Nika holds the position of the Internal Auditor.

The internal control system is defined by the total rules and procedures applied by the company, which aim at the preventive and restrictive audit of operations and procedures at all levels of the company's hierarchy and organization, in order to ensure: the legality and security of management and transactions, the accuracy and reliability of published financial statements and any other financial information and announcement, as well as the effectiveness of the company's operational systems and activities.

The Board employs the internal control system so as to protect the company's assets, estimate the evident risks from its operations and to provide accurate and complete information towards shareholders as regards to the actual condition and prospects of the company, as well as the manner in which detected risks are handled.

To implement the above, the Board defines the operational context of the internal control, approves the conduct and evaluation procedures of its results and decides on its composition, adhering to the relevant legal and regulatory framework up to the Corporate Governance Code. It establishes a special internal audit division, which is independent, is not subject to any hierarchy in relation to any other organizational unit and is supervised by the company's Audit Committee.

With the contribution of the Audit Committee, it evaluates the adequacy and effectiveness of the special internal audit division and the extent to which its reports are utilized by the Board for the continuous improvement of the company's operation at all levels and the effective management of business risks. Moreover, the Audit Committee maintains direct and regular contact with the external auditors, in order to be systematically informed on the adequacy and reliability regarding the operation of the internal control and risk management systems, as well as the accuracy and reliability of the financial information.

The evaluation and management of risks during 2015 is described in the relevant paragraph of the Company's Annual Financial Report.

#### **4. Relations – Communication with Shareholders - Investors**

The Board of Directors emphasizes greatly on protecting the rights of all company Shareholders, by facilitating the information they receive on the development of corporate affairs and by encouraging their participation in the General Meetings, where they have the opportunity to communicate directly with Management, submit questions they may have and contribute to the final positioning of the company's strategic directions.

The company has a special Investor Relations and Shareholders' Service Department, which ensures the direct, responsible and complete provision of information, as well as the facilitation of shareholders to exercise their rights.

In the same context, the Chairman of the Board and/or Chief Executive Officer may realize individual meetings with company shareholders that own a significant share of its capital, with the objective to provide more detailed information on corporate governance issues. They also collect the views stated by shareholders, transfer such to the remaining Board members and ensure that the principles and procedures of corporate governance and any other information useful for shareholders and investors are promptly available and easily accessible through modern means.

#### **5. General Meeting of Shareholders**

The company adheres to the total relevant terms, clauses and procedures stipulated by the effective legal – regulatory framework as regards to the General Meeting of its Shareholders, with particular dedication on reinforcing their ability to smoothly exercise their rights, based on the completeness, accuracy and clarity of the information such receive promptly by the relevant company bodies, through all means available to the company.

Aiming at the largest possible presence of its shareholders (institutional and private) during the General Meeting, the company promptly announces, through any appropriate means, the daily agenda issues, the date and location where the General Meeting will convene. To facilitate their active participation in the General Meeting's activities, it provides complete information on the manner and deadline for exercising the right to list issues on the daily agenda, as well as to submit questions. Also, it informs shareholders about the number of shares and voting rights, the voting procedures and offers any other required supplementary document in order to conduct the General Meeting's activities most effectively.

Members of the Board of Directors, the company auditors and any other senior company executive, who are considered essential for the provision of detailed information and clarifications on shareholders' inquiries, are present at the General Meetings.

#### **6. Disclosure of information required by items (c), (d), (f), (h) and (i) of par. 1 article 10 of the directive 2004/25/EC**

The required information is already included in another section of the Management Report that refers to the additional information of article 4 par. 7 of Law 3556/2007.

#### **7. Compliance with the provisions of the Code**

The Board of Directors has complied with the provisions of the Corporate Governance Code during 2013.

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

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

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

#### **a) Structure of Share Capital**

The Company's share capital amounts to fifty eight million, seven hundred ninety two thousand, three hundred ninety two euro and thirty six cents (58.792.392,36), is full paid in, and is divided by one hundred and three million, one hundred forty four thousand and five hundred and forty eight (103.144.548) common registered shares with voting right and with a nominal value of fifty seven cents (0.57) each.

The Company's shares are listed and traded on the Securities Main Market of the Athens Exchange. All the rights and obligations stipulated by Law and the Company's Articles of Association emanate from each share.

#### **b) Limitations to the transfer of Company shares**

The transfer of Company shares takes place according to Law and there is no limitation to their transfer according to the Articles of Association.

It is reminded that according to the clauses defined by as of 22.01.2014 Ordinary Bond Loan Issuance Scheme between the Company and Alpha Bank S.A. as Coordinator and Representative of the Bondholders, the reduction of Mr. G. Peristeris's share to less than 12.5% in the share capital of the company constitutes a breach of the terms-event of the aforementioned Ordinary Bond Loan Scheme.

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

It is displayed below the Shareholders' Table who held on 31/12/2015 percentage over 5%:

SHAREHOLDER NAME	No. of shares	%
York Global Finance Offshore BDH (Luxembourg) Sarl	17,954,118	17.407%
George Peristeris	13,363,224	12.956%
Nikolaos Kampas	10,669,209	10.344%

#### **d) Shares providing special control rights**

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

#### **e) Limitations to voting rights**

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

#### **f) Agreements between Company Shareholders**

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

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

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

***h) Authority of the Board of Directors for the issuance of new shares or the purchase of treasury shares***

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

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

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

The Ordinary General Meeting of June 26, 2014 decided to renew the share buyback program by the Company through the Athens Stock Exchange until the completion of 10% of the paid up share capital of the Company, taking into account the 708,953 own shares already held by the Company for the purpose in accordance with the provisions of L.2190 / 20 as effective, Regulation 2273/2003 and Decision 1/503 / 13.3.2009 of the Hellenic Capital Market Commission, until June 25, 2016, at a minimum purchase price of ten cents (0.10 euros) and a maximum price of thirty (30) Euros per share and authorized the Board of Directors for the implementation of that decision.

The above General Assembly in the 1st Repeat meeting of July 7, 2014 decided on a scheme providing stock options of the Company to its directors, in accordance with the provisions of par. 13 of Article 13 of the C.L. 2190 / 20, and gave the authorization to the Board of Directors to determine the beneficiaries, how to exercise the right and the other terms of the scheme.

The A' Repetitive Extraordinary General Meeting of November 6, 2013 decided to issue a bond loan of 68,300,000 euros partially convertible into common shares of the Company and partially exchangeable with shares issued by TERNA ENERGY SA owned by the Company in order to (a) partly finance (by 75%) the general corporate needs and (b) the partial funding (by 25%) of renewable energy with elimination of the existing shareholder's preemptive rights for the coverage of the loan, so as the disposal of the loan's bonds to be made at its issue with private coverage conducted by the company York Global Finance Offshore BDH (Luxembourg) S.a.r.l.

The conversion and exchange of the bonds into Company's shares and into shares issued by TERNA ENERGY SA, owned by the Company, respectively, will be made throughout the duration of the loan at a time that will be chosen by the Bondholder and the conversion price will be related to the initial conversion price (2.50 € per share), and the holding period in combination with the stock prices of GEK TERNA and TERNA ENERGY, respectively, as they have been determined during the conversion's preceding month.

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

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By exercising the right to convert the bonds into shares of the Company GEK TERNA SA an equal increase of the share capital will incur and as a result the Board of Directors will be required until the end of the next month from the date of the conversion right's exercise to ascertain the increase and adjust the respective chapter of the Article of Association, in line with the publication requirements of the article 7b of C.L. 2190/1920.

On 27<sup>th</sup> March of 2015, the BOD of the company GEK TERNA SA, following a relevant application of the Bond Holder and for the partial repayment of 140 bonds of the above Bond Loan, with total nominal value of 14,000,000.00 €, adjusted the Company's share capital through the issuance of 5,765,117 new shares.

On 29<sup>th</sup> June 2015 the Board of Directors of the company GEK TERNA SA, in implementation of a relevant application of the Bond Holder and for the partial repayment of 140 bonds with total nominal value of 14,000,000.00 €, increased with the corresponding interest of the holding period, to a percentage of 50% exchangeable with the shares of the company TERNA ENERGY SA owned by GEK TERNA SA, adjusted the Company's Share Capital via the issuance of 2,917,063 new shares and also transferred to the Bond Holder 1,668,005 shares of the company TERNA ENERGY SA from its portfolio.

Already with the application as of 23/3/2016, the Bond Holder requested the repayment of the remaining amount of 1,300,000.00 € of the bond loan dated on 9/12/2013, which had been approved by the 1<sup>st</sup> Repeated Extraordinary General Meeting of Shareholders of 6/12/2013 (by 50% convertible into GEK TERNA shares and by 50% exchangeable with shares of TERNA ENERGY).

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

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

### ***j) Agreements of Members of the Board of Directors or the Company's Employees***

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

Dear Shareholders,

2015 was a year during which the Group continued its stable trend. Moreover, the Group carefully continues its investment plan, by maintaining at the same time adequate liquidity.

We would like to express our thanks to the Board or Directors, our Staff, Executives and Partners for their contribution to our work.

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

**GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

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The Board of Directors unanimously approves the above Management Report to be submitted to the Ordinary General Meeting of Shareholders.

Athens, 29 March 2016

On behalf of the Board of Directors,

Nikolaos Kampas  
Chairman of the BOD

## **GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

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### **IV. ANNUAL FINANCIAL STATEMENTS SEPARATE AND CONSOLIDATED OF 31 DECEMBER 2015 (1 January - 31 December 2015)**

#### **In accordance with the International Financial Reporting Standards**

The accompanying Financial Statements were approved by the Board of Directors of GEK TERNA SOCIETE ANONYME HOLDINGS REAL ESTATE CONSTRUCTIONS on 29 March 2016 and have been published by being posted on the internet at the website <http://www.gekterna.com> where such will remain at the disposal of the investment community for at least 5 years from their issue and publication. It is noted that the published Data and Information aim at providing the reader with general information on the financial position and the results of the Company and Group but do not provide a full picture of the financial position and the results of the Company and Group, in accordance with the International Financial Reporting Standards (IFRS).



**GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

**STATEMENT OF FINANCIAL POSITION**

	Note	GROUP		COMPANY	
		31.12 2015	31.12 2014	31.12 2015	31.12 2014
<b>ASSETS</b>					
<b>Non-current assets</b>					
Intangible fixed assets	6	98,105	107,058	42	51
Tangible fixed assets	7	976,171	936,460	10,220	10,458
Goodwill		9,759	9,759	0	0
Investment property	8	56,215	61,214	14,529	15,007
Participations in subsidiaries	4, 9	0	0	195,710	190,228
Participations in associates	4, 10	5,628	6,203	9,195	9,195
Participations in joint ventures	4, 11	91,923	100,689	58,044	59,303
Financial Assets - Concessions	12	1,723	0	0	0
Investments available for sale	20	24,452	24,828	24,302	24,643
Other long-term assets	13	75,696	65,713	51,167	47,767
Receivables from derivatives	30	149	325	0	0
Deferred Tax Assets	33	60,403	41,442	273	0
<b>Total non-current assets</b>		<b>1,400,224</b>	<b>1,353,691</b>	<b>363,482</b>	<b>356,652</b>
<b>Current assets</b>					
Inventories	14	78,500	75,718	6,036	6,730
Trade receivables	15	318,382	228,661	5,415	5,836
Receivables from construction contracts	16	117,556	176,282		0
Advances and other receivables	17	267,280	175,087	16,955	15,953
Income tax receivables		18,168	17,957	1,551	2,859
Investments available for sale	19	18,978	778	151	194
Investments held for commercial purposes	20	24,074	0	0	0
Cash and cash equivalents	5, 21	365,637	352,739	2,476	1,680
<b>Total current assets</b>		<b>1,208,575</b>	<b>1,027,222</b>	<b>32,584</b>	<b>33,252</b>
Non-Current assets held for sale		0	0	0	0
<b>TOTAL ASSETS</b>		<b>2,608,799</b>	<b>2,380,913</b>	<b>396,066</b>	<b>389,904</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Shareholders' equity</b>					
Share capital	31	58,792	53,844	58,792	53,844
Share premium account		380,768	364,589	202,259	186,081
Reserves	32	192,770	207,227	63,593	91,463
Retained earnings		(281,589)	(261,647)	(13,384)	(33,412)
<b>Total</b>		<b>350,741</b>	<b>364,013</b>	<b>311,260</b>	<b>297,976</b>
Non-controlling interests		211,624	201,938	0	0
<b>Total equity</b>		<b>562,365</b>	<b>565,951</b>	<b>311,260</b>	<b>297,976</b>

**GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

<b>Non-current liabilities</b>					
Long-term loans	5, 22	491,358	452,396	53,434	57,472
Loans from finance leases	5, 22	20,084	23,786	0	0
Liabilities from financial instruments	23	47,569	40,847	0	0
Other long-term liabilities	28	271,397	166,705	115	121
Other provisions	25	21,712	23,988	0	0
Provisions for staff leaving indemnities	24	8,085	6,774	72	51
Grants	26	257,660	287,703	0	0
Liabilities from derivatives	30	4,743	5,553	0	0
Deferred tax liabilities	33	22,030	14,251	0	853
<b>Total non-current liabilities</b>		<b>1,144,638</b>	<b>1,022,003</b>	<b>53,621</b>	<b>58,497</b>
<b>Current liabilities</b>					
Suppliers	27	228,000	215,997	4,261	1,966
Short term loans	5, 29	119,938	131,637	0	13,348
Long term liabilities payable during the next financial year	5, 22	150,809	124,585	20,609	13,014
Liabilities from construction contracts	16	127,676	80,111	1,041	988
Liabilities from financial instruments	23	2,802	3,091	0	0
Accrued and other short term liabilities	28	265,352	227,098	5,274	2,546
Income tax payable		7,219	10,440	0	1,569
<b>Total current liabilities</b>		<b>901,796</b>	<b>792,959</b>	<b>31,185</b>	<b>33,431</b>
Liabilities directly linked to the non-current assets held for sale		0	0	0	0
<b>Total Liabilities</b>		<b>2,046,434</b>	<b>1,814,962</b>	<b>84,806</b>	<b>91,928</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,608,799</b>	<b>2,380,913</b>	<b>396,066</b>	<b>389,904</b>

The accompanying notes constitute an integral part of the financial statements.

**STATEMENT OF COMPREHENSIVE INCOME**

	Note	GROUP		COMPANY	
		1.1 – 31.12 2015	1.1 – 31.12 2014	1.1 – 31.12 2015	1.1 – 31.12 2014
<b>Profit and Loss</b>					
<b>Continued operations</b>					
Revenues	5	971,773	923,894	7,834	4,017
Cost of sales	34	(862,453)	(861,203)	(6,144)	(3,938)
<b>Gross profit</b>		<b>109,320</b>	<b>62,691</b>	<b>1,690</b>	<b>79</b>
Administrative and distribution expenses	34	(33,042)	(34,984)	(1,654)	(1,272)
Research and development expenses	34	(2,760)	(2,524)	0	(360)
Other income/(expenses)	36	9,082	(39,101)	(751)	(4,090)
Net financial income/(expenses)	39	(45,072)	(53,272)	(1,722)	(4,652)
Income/(losses) from participations		3	2,212	14,043	6,383
Profit / (loss) from sale of participations and securities	37	3	(529)	6,752	10,536
Profit / (loss) from valuation of participations and securities	38	(11,868)	(3)	0	0
Profit / (loss) from valuation of associates under the equity method	10	(512)	(341)	0	0
Profit / (loss) from valuation of joint ventures under the equity method	11	(6,336)	11,028	0	0
<b>EARNINGS BEFORE TAXES</b>	5	<b>18,818</b>	<b>(54,823)</b>	<b>18,358</b>	<b>6,624</b>
Income tax	5, 33	(23,070)	(4,240)	(2,529)	(945)
<b>Net Earnings/(losses) from continued operations</b>	5	<b>(4,252)</b>	<b>(59,063)</b>	<b>15,829</b>	<b>5,679</b>
<b>Discontinued operations</b>					
Earnings from discontinued operations after tax		0	0	0	0
<b>Net Earnings / (Losses)</b>	5	<b>(4,252)</b>	<b>(59,063)</b>	<b>15,829</b>	<b>5,679</b>
<b>Other Comprehensive Income/(Expenses)</b>					
<i>a) Other Comprehensive Income/(expenses) which are transferred to Income Statement of subsequent periods</i>					
Valuation of investments available for sale	20	(3,315)	(2,352)	(1,915)	(70)
Proportion in Other comprehensive income of joint ventures	11	789	(2,262)	0	0
Proportion in Other comprehensive income of associates		(63)	0	0	0
Valuation of cash flow hedging contracts	30	1,032	(4,071)	0	0
Translation differences from incorporation of foreign entities		1,298	(6,195)	0	0
Share capital increase expenses		(315)	(219)	(117)	(55)
Other comprehensive income	20	4,429	(2,315)	0	0
Tax corresponding to the above results	33	369	1,858	378	31
		<b>4,224</b>	<b>(15,556)</b>	<b>(1,654)</b>	<b>(94)</b>

**GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

<i>b) Other Comprehensive Income/(expenses) which are not transferred to Income Statement in subsequent periods</i>					
Actuarial gains/(losses) on defined benefit pension plan	24	(170)	(215)	(10)	7
Proportion in Other comprehensive income of joint ventures	11	(8)	9	0	0
<b>Net Other Comprehensive Income/(Losses)</b>		<b>4,046</b>	<b>(15,762)</b>	<b>(1,664)</b>	<b>(87)</b>
<b>TOTAL COMPREHENSIVE INCOME/(LOSS)</b>		<b>(206)</b>	<b>(74,825)</b>	<b>14,165</b>	<b>5,592</b>
<b>Net earnings/(losses) attributed to:</b>					
Owners of the parent from continued operations, Basic	31	(14,467)	(61,261)		
Non-controlling interests from continued operations		10,215	2,198		
<b>Total comprehensive income/(losses) attributed to:</b>					
Owners of the parent from continued operations		(10,997)	(74,738)		
Non-controlling interests from continued operations		10,791	(87)		
Basic Earnings/(losses) per share (in Euro)	31	(0.1474)	(0.65967)		
Diluted Earnings/(losses) per share (in Euro)	31	(0.1474)	(0.60001)		

The accompanying notes constitute an integral part of the financial statements.

**GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

**STATEMENT OF CASH FLOWS**

	Note	GROUP		COMPANY	
		1.1 – 31.12 2015	1.1 – 31.12 2014	1.1 – 31.12 2015	1.1 – 31.12 2014
<b>Cash flows from operating activities</b>					
<b>Profit before tax</b>	5	<b>18,818</b>	<b>(54,823)</b>	<b>18,358</b>	<b>6,624</b>
<i>Adjustments for the agreement of the net flows from the operating activities</i>					
Depreciation	5, 6, 7	77,436	73,435	248	411
Grants amortization	5, 26	(11,107)	(9,039)	0	0
Provisions		1,460	13,537	10	5
Impairments	36	(4,383)	28,392	(212)	1,272
Interest and related revenue	5, 36	(7,819)	(7,093)	(3,151)	(3,080)
Interest and other financial expenses	5, 36	52,891	60,366	4,873	7,732
Results from derivatives		0	0	0	0
Results from associates and joint ventures		6,848	(10,687)	0	0
Results from withdrawal of associate		0	0	0	0
Results from participations and securities		6,806	(4,202)	(20,847)	0
Results from investment property	8	6,821	13,061	550	3,100
Results from fixed assets		0	(338)	0	0
Foreign exchange differences		(12,050)	(7,351)	0	0
Other adjustments		8,396	57	0	0
<b>Operating profit before changes in working capital</b>		<b>144,117</b>	<b>95,315</b>	<b>(171)</b>	<b>16,064</b>
<b>(Increase)/Decrease in:</b>					
Inventories		(4,404)	741	724	(320)
Trade receivables		(10,940)	30,502	375	(2,323)
Prepayments and other short term receivables		(83,737)	32,811	2,939	(10,256)
<b>Increase/(Decrease) in:</b>					
Suppliers		(3,863)	55,641	2,555	(188)
Accruals and other short term liabilities		78,899	21,822	(1,451)	(166)
Collection of grants	16, 24	0	48,892	0	0
Other long-term receivables and liabilities		98,286	(27,310)	(7)	3
Income tax payments		(43,199)	(16,256)	(3,537)	(224)
Operating cash flows from discontinued operations		0	0	0	0
<b>Net cash flows from operating activities</b>		<b>175,159</b>	<b>242,158</b>	<b>1,427</b>	<b>2,589</b>
<b>Cash flows from investing activities</b>					
(Purchases) / Sales of fixed assets		(94,934)	(85,604)	(1)	(14)
(Purchases) / Sales of investment property		0	0	0	0
Interest and related income received		3,109	1,955	150	1,136
(Purchases) / sales of participations and securities		(8,674)	912	(5,058)	(19,199)
Receipts of dividends and earnings from joint ventures		37	0	12,095	0
Initial cash reserves of companies which were purchased or in which the proportional share of consolidation was decreased		(698)	0	0	0
Returns/(Receipts) of Loans		0	0	(910)	(3,242)
<b>Net cash flows for investing activities</b>		<b>(101,160)</b>	<b>(82,737)</b>	<b>6,276</b>	<b>(21,319)</b>

**GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

<b>Cash flows from financing activities</b>					
Change in share capital of parent	29	0	0	0	0
Receipts from bond loan mandatorily convertible into shares	29, 30	0	0	0	0
Receipts/payments from increase/(decrease) of share capital from subsidiaries		(3,668)	(7,164)	0	0
Purchase of own shares		(1,643)	(192)	(1,090)	0
Net change of short-term loans		(13,702)	(26,337)	(2,920)	500
Net change of long-term loans		65,665	(41,268)	487	(24,960)
Payments for financial leases	20	(9,872)	(10,811)	0	0
Dividends paid		(315)	0	0	0
Interest and related expenses paid		(64,911)	(53,051)	(3,384)	(7,174)
Payments for financial instruments		(2,261)	(1,340)	0	0
Change of other financial assets		(36,166)	5,992	0	0
Financing cash flows from discontinued operations		0	0	0	0
<b>Net cash flows from financing activities</b>		<b>(66,873)</b>	<b>(134,171)</b>	<b>(6,907)</b>	<b>(31,634)</b>
Effect of foreign exchange differences in cash		5,772	881	0	0
<b>Net increase /(decrease) of cash and cash equivalents from continued operations</b>		<b>12,898</b>	<b>26,131</b>	<b>796</b>	<b>(50,364)</b>
<b>Net increase /(decrease) of cash and cash equivalents from discontinued operations</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Cash and cash equivalents at the beginning of the year from continued operations	5	352,739	326,608	1,680	52,044
Cash and cash equivalents at the beginning of the year from discontinued operations		0	0	0	0
<b>Cash and cash equivalents at the end of the year from continued operations</b>	<b>5</b>	<b>365,637</b>	<b>352,739</b>	<b>2,476</b>	<b>1,680</b>
<b>Cash and cash equivalents at the end of the year from discontinued operations</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

The accompanying notes constitute an integral part of the financial statements.

**GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

*(Amounts in thousands Euro, unless otherwise stated)***STATEMENT OF CHANGES IN EQUITY OF THE COMPANY**

<b>COMPANY</b>	<b>Share capital</b>	<b>Share premium</b>	<b>Reserves</b>	<b>Retained earnings</b>	<b>Total</b>
<b>1<sup>st</sup> January 2015</b>	<b>53,844</b>	<b>186,081</b>	<b>91,463</b>	<b>(33,412)</b>	<b>297,976</b>
Total comprehensive income for the year	0	(83)	(1,581)	15,829	<b>14,165</b>
Share capital issuance	4,948	16,261	(21,000)	0	<b>209</b>
Dividends	0	0	0	0	<b>0</b>
Purchase of Treasury stocks	0	0	(1,090)	0	<b>(1,090)</b>
Discontinuation of joint venture's consolidation	0	0	0	0	<b>0</b>
Formation of reserves / Transfers	0	0	(4,199)	4,199	<b>0</b>
<b>31<sup>st</sup> December 2015</b>	<b>58,792</b>	<b>202,259</b>	<b>63,593</b>	<b>(13,384)</b>	<b>311,260</b>
<b>1<sup>st</sup> 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 year	0	0	(87)	5,679	<b>5,592</b>
Share capital issuance	0	0	0	0	<b>0</b>
Dividends	0	0	0	0	<b>0</b>
Purchase of Treasury stocks	0	0	(192)	0	<b>(192)</b>
Discontinuation of joint venture's consolidation	0	0	0	(535)	<b>(535)</b>
Formation of reserves / Transfers	0	0	16	(16)	<b>0</b>
<b>31<sup>st</sup> December 2014</b>	<b>53,844</b>	<b>186,081</b>	<b>91,463</b>	<b>(33,412)</b>	<b>297,976</b>

**GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

<b>GROUP</b>	<b>Share capital</b>	<b>Share premium</b>	<b>Reserves</b>	<b>Retained earnings</b>	<b>Sub-Total</b>	<b>Non-Controlling Interest</b>	<b>Total</b>
<b>1<sup>st</sup> January 2015</b>	<b>53,844</b>	<b>364,589</b>	<b>207,227</b>	<b>(261,647)</b>	<b>364,013</b>	<b>201,938</b>	<b>565,951</b>
Total comprehensive income for the year	0	(82)	3,553	(14,468)	<b>(10,997)</b>	10,791	<b>(206)</b>
Share capital issuance	4,948	16,261	(21,000)	0	<b>209</b>	0	<b>209</b>
Dividends	0	0	0	0	<b>0</b>	(314)	<b>(314)</b>
Share capital increase of subsidiary/associate/joint venture	0	0	0	0	<b>0</b>	1,704	<b>1,704</b>
Capital return of subsidiary/associate/joint venture	0	0	0	0	<b>0</b>	(173)	<b>(173)</b>
Purchase of Treasury stocks	0	0	0	(1,643)	<b>(1,643)</b>	0	<b>(1,643)</b>
Change in controlling interest of consolidated subsidiary	0	0	0	(841)	<b>(841)</b>	(2,322)	<b>(3,163)</b>
Formation of reserves/Transfers	0	0	2,990	(2,990)	<b>0</b>	0	<b>0</b>
<b>31<sup>st</sup> December 2015</b>	<b>58,792</b>	<b>380,768</b>	<b>192,770</b>	<b>(281,589)</b>	<b>350,741</b>	<b>211,624</b>	<b>562,365</b>
<b>1<sup>st</sup> 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 year	0	0	(13,477)	(61,261)	<b>(74,738)</b>	(87)	<b>(74,825)</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>
Share capital increase of subsidiary/associate/joint venture	0	0	0	0	<b>0</b>	147	<b>147</b>
Discontinuation of joint venture's consolidation	0	0	0	41	<b>41</b>	0	<b>41</b>
Purchase of Treasury stocks	0	0	(192)	0	<b>(192)</b>	0	<b>(192)</b>
Change in controlling interest of consolidated subsidiary	0	0	0	(5,973)	<b>(5,973)</b>	12,004	<b>6,031</b>
Formation of reserves/Transfers	0	0	58,291	(58,279)	<b>12</b>	0	<b>12</b>
<b>31<sup>st</sup> December 2014</b>	<b>53,844</b>	<b>364,589</b>	<b>207,227</b>	<b>(261,647)</b>	<b>364,013</b>	<b>201,938</b>	<b>565,951</b>



## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

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## V. 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 Société Anonyme Registry of the Ministry of Development with Registration number 6044/06/B/86/142. The duration of the company has been set to thirty (30) years, while according to the decision of the Extraordinary General Shareholders’ Meeting on 26.03.1990 the duration of the company is extended up to the 31st of December 2030.

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

The company was founded in 1960 under the name ERMIS HOTELS AND 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 Société Anonyme Registry. This decision approved the amendment, by changing the numbering and the provisions of the Articles, and the codification of the company’s Articles of Association in accordance with the decision of the Extraordinary General Shareholders’ Meeting on 17.07.2000. On the same date, the complete new text of the Articles of Association, with the amendments, is registered in the Société Anonyme registry. On 10/02/04 the Board of Directors decided that the company should merge with the company “General Construction Company S.A.” by absorbing it. The Extraordinary General Shareholders’ Meetings of both the acquiring and the absorbed company, that took place on 15/10/2004, approved the Merger Contract Plan. The merger was completed on 3/12/04 with decision K2-13956 of the Ministry of Development that was published in the Government Gazette under No. 14334/3-12-04. At the same time, the change of the company’s name and the amendment of its corporate objective were approved.

On 23.12.2008 the merger through absorption of part of the other activities of the company TERNA SOCIETE ANONYME TOURISM TECHNICAL AND SHIPPING COMPANY, was approved by means of the decision by the 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.

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

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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

As a result of the above, the share capital of the company 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.

In accordance of the A' Repetitive Extraordinary General Assembly and the decision of the BoD in 27/03/2015, the share capital of the company has been increased by the amount of 3,286,116.69 by issuing 5,765,117 new shares with a nominal value of 0.57 each and offer price of 2.43 € each due to conversion of one hundred forty (140) bonds, of nominal value 100,000.00€ of the Convertible Bond Loan of the Company, increased by the agreed interest. Subsequently and in accordance of the aforementioned decision of the General Assembly, by decision of the Board of Directors of 29.06.2015, the share capital of the Company has been increased by the amount of 1,662,725.91 through the issue of 2,917,063 new shares with a nominal value of € 0.57 and offer price of € 2.47 each, due to the conversion of seventy (70) bonds, with a nominal value of € 100.000,00 of the Convertible bond Loan of the Company, increased by the agreed interest.

As a result of those changes, the share capital of the Company stands now to the amount of 58.792.392,36 €, divided into 103,144,548 common registered shares with a nominal value of fifty-seven minutes (€ 0.57) each.

The main activity of the Company is the development and management of investment property, the construction of any kind, the management of self-financed or co-financed projects, the construction and 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 MAG 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 company and consolidated financial statements have been prepared according to the historic cost principal, except for investment property, financial derivatives, investments available for sale and the investments held for trading purposes 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 accompanying 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.

### ***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 2014, except for the adoption of amendments of several standards, whose application is mandatory by the European Union for periods beginning on 1 January 2015.

Therefore, from January 1, 2015 the Group and the company adopted specific amendments of standards as follows:

#### ***Standards and Interpretations mandatory for 2015***

##### **IFRIC 21 Levies imposed from the state**

The amendment clarifies that the obligating event which also creates an obligation for the payment of levy is the activity described in the relevant legislation which activates the payment of the levy. The interpretation is applicable in the annual accounting periods beginning on or after June 17, 2014 and is not expected to have a material effect on the financial statements of the Company and the Group.

##### **- Amendments in standards which are part of the annual improvements scheme of IASB International Accounting Standards Board**

The IASB in the context of annual improvements scheme issued in December 2013 the following amendments made in existing standards. The following amendments are not expected to have a material effect on the financial statements of the Company and the Group unless it is otherwise noted.

##### **Annual Improvements in IFRS, Cycle 2011 - 2013**

The amendments of the Cycle 2011 – 2013 were issued from the Board on 12 December 2013, are applicable in periods beginning on or after 1 February 2015. The Company and the Group applied the annual improvements for the first time in the financial statements, which are presented analytically below:

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

The amendment clarifies that an entity, in the first financial statements according to IFRS, has the ability either to apply an existing and in effect IFRS or to proceed with an earlier application of a new or revised standard which is not compulsory yet, under the condition that the new or revised standard provides for the option to apply it earlier. An economic entity is required to apply the same version of IFRS in all periods which are covered from the first financial statements according to IFRS.

## **GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

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### IFRS 3 Business combinations

The amendment clarifies that the IFRS 3 proceeds with an exception in the field of its application, which concerns the accounting treatment of the establishment of a joint arrangement in the financial statements of the joint arrangement itself. The amendment does not have material effect on the financial statements of the Company and the Group.

### IFRS 13 Fair value measurement

The amendment clarifies that the application field of the portfolio exception defined in paragraph 52 of IFRS 13, includes all the agreements which were accounted for and are under the application field of IAS 39 "Financial Instruments: Recognition and Measurement", independently of whether these fulfill the definition of the financial assets or liabilities as they are defined in IAS 32 "Financial Instruments: Presentation".

### IAS 40 Investment property

The amendment clarifies that if a certain transaction fulfils the definition of the business combination as it is defined in IFRS 3 "Business Combinations" and of the investment property as it is defined in IAS 40 "Investment Property", the separate application of each of the two standards is then required.

### ***Standards and Interpretations mandatory in the European Union for financial statements beginning after 1 January 2015***

The following new standards, amendments of standards and interpretations have been issued, however they are compulsory for subsequent accounting periods. The Company and the Group have not proceeded with an earlier adoption of the following standards and assesses their effect on the financial statements.

#### **IAS 19 (Amendment) Employee Benefits – Employee Contributions**

The amendment clarifies how the contributions from employees or third parties that are linked to service should be attributed to periods of service. In addition, it permits a practical expedient if the amount of the contributions is independent of the number of years of service. The amendment is effective for annual accounting periods beginning on or after February 1<sup>st</sup>, 2015. The above amendment will have no effect on the financial statements of the Company and the Group.

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

On 24 July 2014 the Board issued the final version of IFRS 9, which includes the classification and measurement, the impairment and the hedge accounting. The standard will replace IAS 39 and all previous versions of IFRS 9. The financial assets are valued at the non-depreciated cost, at the fair value through the results, or at the fair value through the other comprehensive income, based on the business model of the company with regard to the management of the financial assets and the conventional cash flows of the financial assets. Apart from the risk of the entity, the classification and measurement of the financial liabilities has not changed in comparison to existing requirements. The Group and the Company are in the process of assessing the effect from IFRS 9 on the financial statements. IFRS 9 is mandatorily applied for annual accounting periods beginning on or after 1<sup>st</sup> January 2018 whereas it has not been adopted by the European Union.

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

On 30<sup>th</sup> January 2014, IASB issued the IFRS 14 "Regulatory Deferral Accounts".

The aim of IFRS 14 is to define the requirements of financial information regarding the balances of the "regulated deferred accounts" which derive when an economic entity provides goods or services to customers, at a price or percentage which is under a special regulated status by the state.

IFRS 14 allows an economic entity which is a first-time adopter of the standard to continue accounting for, based on minor changes, the balances of the “regulated deferred accounts” according to previous accounting standards, both at the first adoption of the IFRS as well as in subsequent financial statements. The balances and the movements of these accounts are separately presented in the statements of financial position, results and other total comprehensive income, whereas certain disclosures are required. The new standard is applied in annual accounting period beginning on or after January 1<sup>st</sup>, 2016 and has not been adopted by the European Union.

**IFRS 15 Revenue from contracts with customers**

On May 28, 2014 the IASB issued IFRS 15 "Revenue from Contracts with Customers" whose application is mandatory for annual periods beginning on or after January 1, 2017 and it constitutes the new standard for the recognition of revenues.

IFRS 15 replaces IAS 18, IAS 11 and interpretations IFRIC 13, IFRIC 15, IFRIC 18 and SIC 31.

The new standard specifies how and when an entity should recognize revenue and requires from entities to provide to the users of the financial statements more informative related disclosures. The standard provides a single five-step model that should be applied to all the contracts with customers for the recognition of revenue. IFRS 15 has not been adopted by the European Union.

**IAS 7 (Amendment) “Cash Flow Statement”: Disclosure Initiative**

The amendment is applied in annual accounting periods beginning on or after 1.1.2017 and has not been adopted by the European Union. On 29.1.2016, the International Accounting Standards Board issued an amendment in IAS 7 according to which a company is required to disclose information which assists the users of the financial statements to evaluate the changes in those liabilities, the cash flows of which are classified in the financing activities of the cash flow statement. The changes, not only the ones relating to cash, which should be disclosed include the changes from cash flows from financing activities, the changes deriving from the acquisition or the loss of control of subsidiaries or other companies, the changes due to foreign exchange differences, the changes in the fair value and the other changes.

The Group assesses the effect from the adoption of the above amendment on its financial statements.

**IAS 12 (Amendment) “Income Taxes”: Recognition of Deferred Tax Assets for Unrealized Losses**

On 19.1.2016 the International Accounting Standards Board issued an amendment in IAS 12, according to which the following were clarified:

- The non realized losses of debit instruments, which are valued for accounting purposes at fair value and for tax purposes at cost, may lead to deductible temporary differences independently of whether their possessor is going to recover their value through the sale or use of these.
- The recoverability of a deferred tax asset is reviewed in combination with the other deferred tax assets. In the case though, in which the tax law limits the option for offsetting certain taxable losses with certain income categories, the respective deductible temporary differences should be reviewed only in combination with other deductible temporary differences of the same category.
- During the recoverability audit of the deferred tax assets, the deductible tax differences are compared with the future taxable earnings without taking into account the tax reliefs deriving from the reverse entry of deferred tax assets.

The amendment is effective for annual accounting periods beginning on or after 1.1.2017 and has not been adopted by the European Union.

**IFRS 10 (Amendment) "Consolidated Financial Statements" and IAS 28 (Amendment) "Investments in Associates and Joint Ventures" - Sale or Contribution of assets among the investor and his/her Associate or Joint Venture**

The main consequence of the amendment issued by the IASB on September 11, 2014, is that a full gain or loss is recognized when a transaction involves a company (whether is based on a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a corporation, even if these assets are located in a subsidiary. The amendment is effective for annual periods beginning on or after January 1, 2016 and has not been adopted by the European Union.

**IFRS 10, IFRS 12 and IAS 28 (Amendments) – Investment Entities: Applying the Consolidation Exception**

On 18 December 2014, the Board issued amendments to IFRS 10, IFRS 12 and IAS 28 for issues that have arisen in the context of applying the consolidation exception for Investment Entities. The amendments are applied for the annual accounting periods beginning on or after 1<sup>st</sup> January 2016, whereas earlier adoption is allowed. These have not been adopted by the European Union.

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

(Effective for annual periods beginning on or after 1 February 2014)

**Annual Improvements in IFRS, Cycle 2010 – 2012**

The amendments of the Cycle 2010 – 2012 were issued from the Board on 12 December 2013, are applicable in periods beginning on or after 1 February 2015. The Group applied the annual improvements for the first time in the financial statements, which are presented analytically below:

IFRS 2 Share Based Payment

The definitions of the vesting conditions and the market conditions are amended and definitions about performance condition and service condition are added.

IFRS 3 Business Combinations

The amendment clarifies that the potential object of exchange which is classified as asset or liability will be measured at fair value at each balance sheet date.

IFRS 8 Operating Segments

This amendment requires that the entity discloses the decisions of the Management in the application of aggregation criteria in operating segments. It also clarifies that the entity provides only reconciliations of the total assets of the presented segments with the assets of the entity if the assets of the segment are regularly presented to the head of the decision making process.

IAS 16 Property, Plant and Equipment

The amendment clarifies that when an item of the tangible fixed assets is adjusted, the gross book value is adjusted in a manner that is in line with the adjustment of the net book value.

IAS 24 Related Party Disclosures

The amendment clarifies that a company which provides key management personnel services to the reporting entity or to the parent of the reporting economic entity, constitutes a related party of the economic entity.

IAS 38 Intangible Assets

The amendment clarifies that when an intangible asset is adjusted, the gross book value of the asset is adjusted in a manner that is in line with the adjustment of the net book value.

**Amendments in standards that form part of the annual improvements scheme (period 2012-2014) of the IASB - International Accounting Standards Board**

**Annual Improvements in IFRS, Cycle 2012 – 2014**

The amendments of the cycle 2012-2014 were issued by the Board on September 25, 2014, apply to periods beginning on or after July 1, 2016 and were adopted by the European Union on December 15, 2015. The following amendments are not expected to have significant effect on the financial statements of the Company and the Group unless it is otherwise noted.

IFRS 5 Non-current Assets Held for Sale and Discontinued Operations

The amendment clarifies that the change from a disposal method to another (i.e. sale or distribution to owners) should not be considered as a new sale plan but a continuation of the initial plan. Therefore, there is no cease in the application of IFRS 5 requirements. The amendment also clarifies that change in the disposal method does not alter the classification date.

IFRS 7 Financial Instruments: Disclosures

The amendment clarifies that the service contract which involves payment may constitute a continuing involvement in a financial asset that is no longer recognized. This affects the disclosures required by the standard. The amendment also clarifies that the disclosures of IFRS 7 on the offsetting of financial assets and liabilities are not required in the condensed interim financial statements.

IAS 19 Employee Benefits-contributions from employees

The amendment clarifies that the evaluation of an active market's existence for high quality corporate bonds is evaluated based on the currency that the obligation is expressed and not based on the country that the obligation exists. When there is no active market for high quality corporate bonds in this currency, the interest rates of the government bonds are utilized.

IAS 34 Interim Financial Report

The amendment clarifies that the disclosure requirements for interim financial statements should be located either in the financial statements or to be incorporated through cross-references among the interim financial statements and the point where there are included in the interim financial report (i.e. in the Management Report). It is also clarified that the other information in the interim financial report should be to the disposal of users under the same conditions and at the same time as the interim financial statements. If the users do not have access to the other information by this way, then the interim financial report is incomplete.

**IAS 1 (Amendment) «Presentation of Financial Statements» - Disclosure Initiative**

The amendments to IAS 1 adopted by the Council on December 18, 2014, clarify that the significance applied to the whole of the financial statements and the inclusion in such trivial information may encumber the usefulness of the disclosures. In addition, the amendments clarify that the companies should use their professional judgment, determining where and in which order the information in disclosures is presented on the financial statements. The amendment is effective for annual periods beginning on or after January 1, 2016 and was adopted by the European Union on December 18<sup>th</sup>, 2015.

**IAS 16 and IAS 38 (Amendment) - Clarifications for allowable depreciation methods**

The amendment clarifies that the use of methods based on revenue are not suitable for the calculation of an asset's depreciation and that the revenues are not considered as an appropriate basis for the measurement of the economic benefits' consumption embodied in an intangible asset. As a result the ratio of revenue generated over the total revenues expected to be generated, can be used for the depreciation of the fixed assets. The amendment is effective for annual periods beginning on or after January 1, 2016 and was adopted by the European Union December 2<sup>nd</sup>, 2015.

**IAS 16 and IAS 41 (Amendments) – Agriculture: Bearer Plants**

The amendments place the bearer plants, which are used exclusively to increase the production, under the application field of IAS 16 in order to be treated in the same manner with the fixed assets. The amendments are applied for the annual accounting periods beginning on or from 1<sup>st</sup> January 2016, whereas prior application is allowed, and was adopted by the European Union on 23<sup>rd</sup> November 2015.

**IAS 27 (Amendment) "Separate Financial Statements" Equity Method in Separate Financial Statements**

The amendment in IAS 27 that issued the IASB on August 12, 2014, permits to an entity to use the equity method in order to account for its investments in subsidiaries, joint ventures and associates in its separate financial statements. This is an accounting policy option for each investment category. The amendment is effective for annual periods beginning on or after January 1, 2016 and was adopted by the European Union on December 18<sup>th</sup>, 2015.

**IFRS 11 (Amendment) "Schemes under common control" –Accounting treatment of share acquisition in joint operations**

The amendment requires from an investor to implement the method of acquisition when he/she acquires a participation in a joint operation that constitutes a "corporation". The amendment is effective for annual periods beginning on or after January 1, 2016 and was adopted by the European Union on November 24<sup>th</sup>, 2015.

**IFRS 16 "Leases" (effective for annual periods beginning on or after 01/01/2019)**

In January 2016, the IASB released a new standard, IFRS 16. The aim of the IASB was to develop a new Standard for the leases setting the principles applied by both parties in a contractual agreement, meaning the customer (or the lessee) and the supplier (or the lessor) for the provision of information regarding the leases and in a manner that accurately depicts these transactions. For the achievement of the above aim, the lessee must recognize the financial assets and liabilities emanating from the leasing agreement. The Group will consider the impact of all the above in the Financial Statements of the Group,. These have not been adopted by the European Union.

***c) Use of Estimates***

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

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

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

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



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

*iii) Value readjustment of investment property:* For the valuation of its investment property, 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 of statistical data and market conditions, expected sale prices and the cost of their finalization and distribution, per category of inventory.

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

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

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

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

*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) Liabilities from Financial Instruments:*

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.

*xii) Evaluation of agreements that include lease elements*

In the context of electric power contracts that the Group concludes with the electric energy supplier, the Group undertakes the commitment to sell the total amount of electric energy produced by a specific facility. According to the requirements of the interpretations IFRIC 4 "Defining whether a contract includes a lease", the Group examines the electric power sales contracts, in order to evaluate if these contracts include lease elements, so to recognize the relative revenues according to IAS 17 "Leases". Lease elements is considered that are included in a contract, when the total amount of production of a specific wind farm is sold to the provider and the conventional price is neither fixed nor representative of the current price of the market during the time of production.

## **GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

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The evaluation of the lease revenues, which are recognized on a straight line basis, depends on the future production of the wind farm, according to the capacity and the wind measurements.

### ***d) Risks due to the current economic conditions prevailing in Greece***

The developments during the year 2015 created a volatile macroeconomic and financial environment in the country having as major characteristic the significant delay in the payments made from the Greek State. As result, the above conditions affected the Group.

The capital controls imposed by the Act of Legislative Content of 28th June 2015 affected negatively the Greek economy during the second half of 2015 and the above conditions will continue until the lifting of these measures. The return to economic stability largely depends on the actions and decisions of the institutional bodies.

The full unfolding of the consequences due to the conditions of uncertainty may negatively affect the activities, the cash flows of the Group and the Company in a way that it cannot be predicted accurately and with certainty at this stage.

Despite the existence of risks referring to the recovery of the future benefits of the asset portfolios and the adequacy of the cash flows, the activities of the Group continue at a normal pace. In this context, the Management systematically assesses the broader situation and its potential effect, in order to ensure that all necessary measures and actions are taken for the minimization of the potential effects on the Group's activities. The Management of the Group aims at immediately informing the investor community about any significant effect generated by the constantly changing conditions.

## **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.

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.

***b) 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.

***c) 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. If the participation of the Group to the losses of a Joint Venture exceeds the value of the participation, then the Group terminates any additional recognition of losses. The allocation of the operating results and other comprehensive income is made on proportional basis, meaning according to the percentage of participation.

***d) 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. If the participation of the Group to the losses of an Associate company exceeds the value of the participation, then the Group terminates any additional recognition of losses. The allocation of the operating results and other comprehensive income is made on proportional basis, meaning according to the percentage of participation.

***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.

**(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.

## **GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

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### *(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.

### **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 recorded 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.

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

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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 for its intended use.

### ***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:

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.

## **GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

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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 and mineral resources, construction material, spare parts and raw and auxiliary material. Inventories are valued at the lower of cost and net realizable value. The cost of raw materials, semi-finished and finished products is defined based on the weighted average method.

The cost of finished and semi-finished products includes all the realized expenses in order for them to reach the current point of storing and processing and consists of raw materials, labor costs, general industrial expenses and other costs that directly relate to the purchase of materials.

The net realizable value of finished products is their estimated selling price during the Company's normal course of business less the estimated costs for their completion and the estimated necessary costs for their sale.

The net realizable value of raw materials is their estimated replacement cost during the normal course of business.

A provision for impairment is made if it is deemed necessary.

### ***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 Equivalentents***

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

For the compilation of the cash flow statements, cash and cash equivalentents consist of cash, deposits in banks and cash and cash equivalentents 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.

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.

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.

Hedge accounting is suspended when the hedging instrument matures or is sold, terminated or exercised or when the hedge no longer meets the criteria for hedge accounting. The cumulative amount of profit or losses that had been recognized directly in equity until then remains in the reserves until the hedged item affects Profit and Loss. In case where a hedge transaction is no longer expected to take place, the net cumulative profit or losses that had been registered in reserves are directly transferred to Profit or Loss.

***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.

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

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

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

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

This percentage is applied to the total revised contract price in order to determine the cumulated income from the project, based on which the invoiced income to date is revised. The cumulated effect of the revisions of the total estimated construction cost and the total contract price are accounted for during the accounting periods in which they arise.

In the cases of contracts where it is forecast that the total estimated cost will exceed the total contract price, the entire loss is recognized in the year during which the loss-making events become probable.

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

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

### *(ii) Sale of goods*

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

### *(iii) Revenues from 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. Furthermore, the expected revenues from the production of Electric Energy that includes, according to the IFRIC 4, lease elements, are recognized proportional during the duration of the contract, insofar these revenues are related with the lease contract. An Electric Energy contract is considered that includes lease elements when regards the total amount of production of a specific settlement and the conventional price per production unit is neither fixed during the duration of the contract, nor representative of the current price of the market during the time of production.

### *(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.

## **GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

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### *(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.

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.

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

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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.

### **Expenses of Mining – Mineral's Extraction Operating Development**

It refers to the expenses of mining and minerals' operational development which mainly include stripping, tunneling and waste removal. During the operational development phase of mineral-mining extraction areas (before production begins), stripping costs are usually capitalized as part of mining's developing and construction depreciable cost. The depreciation of the operational development expenditure of mineral-mining extraction areas – are calculated based on the extraction percentage of the commercially extractable deposit. Depreciation – expense of capitalized development expenditure of mineral-mining extraction is included in the cost of mining-ore extraction. The mining-ore operational development costs - are capitalized if and only if all the following conditions are met:

- (a) the Group will derive future economic benefits (improved access to the ore deposit) associated with the stripping activity,
- (b) the Group can utilize the portion of the deposit to which access has been improved and,
- (c) the cost of stripping-related activity related to this part can be measured reliably. The asset stemming from the stripping activity is been added to the cost of the mine and subsequently is measured at the cost less accumulated depreciation and any impairment in value.

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

### Provisions for dismantling of wind farms and environmental rehabilitation:

The Group is forming provisions for dismantling the wind turbines from the wind farms and the rehabilitation of the surrounding area. The provisions of dismantling and rehabilitation reflects the present value at the reference date, the estimated cost, reduced by the expected salvage value of the recoverable materials. The provisions are reviewed every time the financial statements are issued and adjust in order to reflect the present value of the expenses that expected to be disbursed for the clearing of the dismantling and rehabilitation obligation.

The relative provision is registered accretive of the acquisition cost of the wind turbines and is depreciated in fixed method basis, within the 20 year duration of the Electric Energy contract. The depreciation expense of the capitalized dismantling and rehabilitation expenses is included in the income statement with the depreciations of the wind farms.

Any changes to the evaluations in reference to the estimated cost or the discount rate are added or reduced respectively to the cost of the asset. The effect of the discount of the estimated cost is registered at the income statement as an interest expense.

### Financial Assets from Concessions– Loans and receivables

The financial assets include rights acquired based on concession agreements from the public sector and specifically concern the Study, Financing, Installation, Support of Operation, Maintenance and Technical Administration of a Unified Automatic Ticket Collection System for the companies of OASA Group.

The concessionaire will recognize a financial asset to the extent there is a contractual right to receive cash. The amount of the receivable of the concessionaire party is calculated according to IAS 39, is classified under the category “Loans and receivables” and is valued at the non depreciated cost based on the real interest rate.

The value of the financial asset increases with the construction and financial costs, plus a construction and operating profit margin, and decreases with the receipts that are made according to the relevant contract.

## 4. STRUCTURE OF THE GROUP AND THE COMPANY

The following tables present the participations of the parent company GEK TERNA SA, direct and indirect in economic entities during 31.12.2015, which were included in the consolidation. According to the level of their consolidation, they are classified as follows:

### 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>					
J/V HELLAS TOLLS	Greece	33.33	0	33.33	
ALTE ATE – TERNA SA GP	Greece	50	0	50	

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

### 4.2 Group Structure

ECONOMIC ENTITY	DOMICILE	DIRECT PARTI- CIPATION %	INDIRECT PARTI- CIPATION %	TOTAL PARTI- CIPATION %	CONSOLI- DATION METHOD
<b>CONSTRUCTION SEGMENT - SUBSIDIARIES</b>					
TERNA SA	Greece	100	0	100	Full
TERNA ENERGY SA	Greece	40.8	0	40.8	Full
J/V EUROIONIA	Greece	0	100	100	Full
J/V CENTRAL GREECE MOTORWAY E-65	Greece	0	100	100	Full
ILIOHORA SA	Greece	70.55	29.45	100	Full
TERNA OVERSEAS LTD	Cyprus	0	100	100	Full
TERNA QATAR LLC *	Qatar	0	35	35	Full
TERNA BAHRAIN HOLDING WLL	Bahrain	0	99.99	99.99	Full
TERNA CONTRACTING CO WLL	Bahrain	0	100	100	Full
TERNA ELECTRICAL MECHANICAL WLL	Bahrain	0	100	100	Full
TERNA VENTURES WLL	Bahrain	0	100	100	Full
TERNA SAUDI ARABIA LTD	Saudi Arabia	0	60	60	Full
J/V GEK TERNA – TERNA ENERGY (INSTALLATION AND OPERATION ASSK)	Greece	50	50	100	Full
<b>CONSTRUCTIONS SEGMENT - JOINT VENTURES</b>					
J/V TOMI ABETE-ILIOHORA SA	Greece	0	30	30	
J/V AVAX SA-VIOTER SA-ILIOHORA SA	Greece	0	37.5	37.5	
J/V ILIOCHORA-KASTAT CONSTRUCTIONS (Koumpila-Louloudi project)	Greece	0	70	70	
J/V TERNA-KARAYIANNIS-KARAYIANNIS-ILIOCHORA	Greece	0	50	50	
J/V GEK SERVICES SA – SPAKON LTD	Greece	0	60	60	
J/V TERNA - AKTOR - POWELL (CHAIDARI METRO)	Greece	0	66	66	
J/V TERNA - IMPEGILOSPA (TRAM)	Greece	0	55	55	
J/V ALPINEMAYREDERBAUGmbH-TERNA (ANCIENT OLYMPIA BYPASS)	Greece	0	50	50	
J/V ATHANASIADIS - TERNA (THESSAL. CAR PARK.)	Greece	0	50	50	
J/V TERNA SA - AKTOR SA-J&P-AVAX SA (LAND OF CONCERT HALL)	Greece	0	69	69	
J/V TERNA AE - WAYSS (PERISTERI METRO)	Greece	0	50	50	
J/V ETETH-TERNA-AVAX -PANTECHNIKI HORSE RIDING CENTRE	Greece	0	35	35	
J/V TERNA – PANTECHNIKI (OAKA SUR. AREAS)	Greece	0	83.5	83.5	
J/V TERNA S.A. - AKTOR A.T.E.- J&P AVAX (Concert Hall)	Greece	0	37	37	
J/V TERNA-MICHANIKI AGRINIO BY-PASS	Greece	0	65	65	
J/V THALES ATM SA-TERNA IMPROVEMENTS OF TACAN STATIONS	Greece	0	50	50	
J/V ALPINEMAYREDERBAUGmbH-TERNA SA (CHAIDARI METRO STATION, PART A')	Greece	0	50	50	
J/V ALPINEMAYREDERBAUGmbH-TERNA SA (PARADEISIA TSAKONA)	Greece	0	49	49	
J/V AKTOR-DOMOTECHNIKI-THEMELIODOMI-TERNA-ETETH (THESSAL. MEG. MUNICIPALITY)	Greece	0	25	25	
J/V TERNA - AKTOR (SUBURBAN SKA)	Greece	0	50	50	
J/V TERNA - AKTOR (R.C. LIANOKLADI - DOMOKOS)	Greece	0	50	50	
J/V TERNA SA- THALES AUSTRIA (ETCS SYSTEM PROCUREMENT)	Greece	0	37.4	37.4	

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

ECONOMIC ENTITY	DOMICILE	DIRECT PARTI- CIPATION %	INDIRECT PARTI- CIPATION %	TOTAL PARTI- CIPATION %	CONSOLI- DATION METHOD
J/V TERNA SA-AKTOR ATE J&P AVAX–TREIS GEFYRES	Greece	0	33.33	33.33	
J/V METKA-TERNA	Greece	0	90	90	
J/V APION KLEOS	Greece	0	17	17	
J/V TERNA SA-SICES CONSTRUCTIONS (HELPE REF. UPGR.)	Greece	0	50	50	
J/V AKTOR-TERNA-PORTO KARRAS (Florina-Niki road)	Greece	0	33.33	33.33	
J/V AKTOR-TERNA (PATHE at Stylida road)	Greece	0	50	50	
J/V TERNA - AEGEK Constructions (Promachonas road)	Greece	0	50	50	
J/V AKTOR-TERNA (Patras Port)	Greece	0	70	70	
J/V AKTOR ATE-J&P AVAX - TERNA SA (Koromilia-Kristalopigi project)	Greece	0	33.33	33.33	
J/V IMPREGILO SpA-TERNA SA (Cultural center of Stavros Niarchos Foundation)	Greece	0	49	49	
J/V AKTOR ATE – TERNA SA (Lignite works)	Greece	0	50	50	
J/V AKTOR ATE – TERNA SA (Thrasio B')	Greece	0	50	50	
J/V AKTOR SA – J&P AVAX – TERNA SA (Tithorea Domokos)	Greece	0	33.33	33.33	
J/V AKTOR SA – J&P AVAX – TERNA SA (Bridge RL 26, TITHOREA - DOMOKOS)	Greece	0	44.56	44.56	
J/V AKTOR SA – TERNA SA (Thrasio B' ERGOSE)	Greece	0	50	50	
JVQBCS.A.-TERNA SA	Qatar	0	35	35	
J/V AKTOR – TERNA (Joint Venture ERGOSE No. 751)	Greece	50	0	50	
<b>CONSTRUCTION SEGMENT - ASSOCIATES</b>					
ATTIKAT ATE	Greece	22.15	0	22.15	
<b>RES ENERGY SEGMENT - SUBSIDIARIES</b>					
TERNA ENERGY SA	Greece	40.8	0	40.8	Full
IWECO HONOS LASITHIOU CRETE SA	Greece	0	40.8	40.8	Full
ENERGIAKI SERVOUNIOU SA	Greece	0	40.8	40.8	Full
TERNA ENERGY EVROU SA	Greece	0	40.8	40.8	Full
PPC RENEWABLES - TERNA ENERGY SA	Greece	0	40.8	40.8	Full
AIOLIKI PANORAMATOS DERVENOCHORION S.A.	Greece	0	40.8	40.8	Full
AIOLIKI RACHOULAS DERVENOCHORION S.A.	Greece	0	40.8	40.8	Full
ENERGIAKI DERVENOCHORION S.A.	Greece	0	40.8	40.8	Full
AIOLIKI MALEA LAKONIAS S.A.	Greece	0	40.8	40.8	Full
ENERGIAKI FERRON EVROU S.A.	Greece	0	40.8	40.8	Full
AIOLIKI DERVENI TRAIANOUPOLEOS S.A.	Greece	0	40.8	40.8	Full
ENERGIAKI PELOPONNISOUS S.A.	Greece	0	40.8	40.8	Full
ENERGIAKI NEAPOLEOS LAKONIAS S.A.	Greece	0	40.8	40.8	Full
AIOLIKI ILIOKASTROU S.A.	Greece	0	40.8	40.8	Full
EUROWIND S.A.	Greece	0	40.8	40.8	Full
ENERGEIAKI XIROVOUNIOU S.A.	Greece	0	40.8	40.8	Full
DELTA AXIOU ENERGEIAKI S.A.	Greece	0	40.8	40.8	Full
TERNA ENERGY SEA WIND PARKS S.A.	Greece	0	40.8	40.8	Full
TERNA ENERGY WIND PARKS XIROKAMPOS AKRATAS S.A.	Greece	0	40.8	40.8	Full

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

ECONOMIC ENTITY	DOMICILE	DIRECT PARTI- CIPATION %	INDIRECT PARTI- CIPATION %	TOTAL PARTI- CIPATION %	CONSOLI- DATION METHOD
VATHICHORI ENVIRONMENTAL S.A.	Greece	0	40.8	40.8	Full
VATHICHORI ONE PHOTOVOLTAIC S.A.	Greece	0	40.8	40.8	Full
CHRISOUPOLI ENERGY Ltd	Greece	0	40.8	40.8	Full
LAGADAS ENERGY SA	Greece	0	40.8	40.8	Full
DOMOKOS ENERGY SA	Greece	0	40.8	40.8	Full
DIRFIS ENERGY SA	Greece	0	40.8	40.8	Full
FILOTAS ENERGY SA	Greece	0	40.8	40.8	Full
MALESINA ENERGY SA	Greece	0	40.8	40.8	Full
ORCHOMENOS ENERGY Ltd	Greece	0	40.8	40.8	Full
ALISTRATI ENERGY Ltd	Greece	0	40.8	40.8	Full
TERNA ENERGY AI-GIORGIS SA	Greece	0	40.8	40.8	Full
TERNA AIOLIKI AMARINTHOU SA	Greece	0	40.8	40.8	Full
TERNA AIOLIKI AITOLOAKARNANIAS SA	Greece	0	40.8	40.8	Full
TERNA ILIAKI VIOTIAS SA	Greece	0	40.8	40.8	Full
VATHICHORI TWO ENERGY S.A.	Greece	0	40.8	40.8	Full
TERNA AIOLIKI XEROVOUNIOU SA	Greece	0	40.8	40.8	Full
TERNA ILIAKI ILIOKASTROU SA	Greece	0	40.8	40.8	Full
TEPNA ILIAKI PANORAMATOS SA.	Greece	0	40.8	40.8	Full
AIOLIKI KARYSTIAS EVOIA S.A.	Greece	0	40.8	40.8	Full
GEOtherMIKI ENERGY ANAPTYXIAKI S.A.	Greece	0	40.8	40.8	Full
TEPNA ILIAKI PELLOPONISSOU SA.	Greece	0	40.8	40.8	Full
GP ENERGY LTD	Bulgaria	0	40.8	40.8	Full
TERNA ENERGY OVERSEAS LTD	Cyprus	0	40.8	40.8	Full
EOLOS POLSKA sp.z.o.o.	Poland	0	40.8	40.8	Full
EOLOS NOWOGRODZEC sp.z.o.o.	Poland	0	40.8	40.8	Full
TERNA ENERGY NETHERLANDS BV	Holland	0	40.8	40.8	Full
HAOS INVEST 1 EAD	Bulgaria	0	40.8	40.8	Full
VALE PLUS LTD	Cyprus	0	40.8	40.8	Full
GALLETTE LTD	Cyprus	0	40.8	40.8	Full
ECO ENERGY DOBRICH 2 EOOD	Bulgaria	0	40.8	40.8	Full
ECO ENERGY DOBRICH 3 EOOD	Bulgaria	0	40.8	40.8	Full
ECO ENERGY DOBRICH 4 EOOD	Bulgaria	0	40.8	40.8	Full
COLD SPRINGS WINDFARM LLC	U.S.A.	0	40.8	40.8	Full
DESERT MEADOW WINDFARM LLC	U.S.A.	0	40.8	40.8	Full
HAMMETTHILL WINDFARM LLC	U.S.A.	0	40.8	40.8	Full
MAINLINE WINDFARM LLC	U.S.A.	0	40.8	40.8	Full
RYEGRASS WINDFARM, LLC	U.S.A.	0	40.8	40.8	Full
TWO PONDS WINDFARM, LLC	U.S.A.	0	40.8	40.8	Full
MOUNTAIN AIR WIND, LLC	U.S.A.	0	40.8	40.8	Full
TERNA ENERGY USA HOLDING CORPORATION	U.S.A.	0	40.8	40.8	Full
TERNA ENERGY TRANSATLANTIC sp.z.o.o.	Poland	0	40.8	40.8	Full



## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

ECONOMIC ENTITY	DOMICILE	DIRECT PARTI- CIPATION %	INDIRECT PARTI- CIPATION %	TOTAL PARTI- CIPATION %	CONSOLI- DATION METHOD
EOLOS NORTH sp.z.o.o.	Poland	0	40.8	40.8	Full
EOLOS EAST sp.z.o.o.	Poland	0	40.8	40.8	Full
AIOLIKI PASTRA ATTIKIS SA	Greece	0	40.8	40.8	Full
TERNA ENERGY TRADING LTD	Cyprus	0	40.8	40.8	Full
JP GREEN sp.z.o.o.	Poland	0	40.8	40.8	Full
WIRON sp.z.o.o.	Poland	0	40.8	40.8	Full
BALLADYNA sp.z.o.o.	Poland	0	40.8	40.8	Full
TETRA DOOEL SKOPJE	FYROM	0	40.8	40.8	Full
PROENTRA D.O.O BEOGRAD	Serbia	0	40.8	40.8	Full
TERNA ENERGY SA & Co AIOLIKI POLYKASTROU G.P.	Greece	0	40.8	40.8	Full
TERNA ENERGY SA & CO ENERGEIAKI VELANIDION LAKONIAS G.P.	Greece	0	40.8	40.8	Full
TERNA ENERGY SA & CO ENERGEIAKI DYSTION EVIAS G.P.	Greece	0	40.8	40.8	Full
TERNA ENERGY SA & CO ENERGEIAKI ARI SAPPON G.P.	Greece	0	40.8	40.8	Full
TERNA ENERGY SA & CO AIOLIKI EASTERN GREECE G.P.	Greece	0	40.8	40.8	Full
TERNA ENERGY SA & CO AIOLIKI MARMARIOU EVIAS G.P.	Greece	0	40.8	40.8	Full
TERNA ENERGY SA & CO ENERGEIAKI PETRION EVIAS G.P.	Greece	0	40.8	40.8	Full
TERNA ENERGY SA & CO AIOLIKI ROKANI DERVENOCHORION G.P.	Greece	0	40.8	40.8	Full
TERNA ENERGY SA & CO ENERGEIAKI STYRON EVIAS G.P.	Greece	0	40.8	40.8	Full
TERNA ENERGY SA & SIA ENERGEIAKI KAFIREOS EVIAS G.P.	Greece	0	40.8	40.8	Full
TERNA ENERGY SA & SIA PROVATA TRAIANOUPPOULEOS	Greece	0	40.8	40.8	Full
TERNA ENERGY SA & VECTOR GREECE WIND PARKS – TROULOS WIND PARK G.P.	Greece	0	40.8	40.8	Full
<b>RES ENERGY SEGMENT – JOINT VENTURES</b>					
TERNA ENERGY SA – MEL MACEDONIAN PAPER MILLS SA & CO CO- PRODUCTION GP	Greece	0	20.4	20.4	
TERNA ENERGY AVETE & SIA LP	Greece	0	28.56	28.56	
<b>RES ENERGY SEGMENT - ASSOCIATES</b>					
CYCLADES RES ENERGY CENTER SA	Greece	0	18.36	18.36	Equity
EN.ER.MEL S.A.	Greece	0	20.07	20.07	Equity
<b>THERMAL ENERGY SEGMENT - JOINT VENTURES</b>					
HERON THERMOELECTRIC S.A.	Greece	50	0	50	Equity
HERON II VIOTIA THERMOELECTRIC STATION S.A.	Greece	0	25	25	Equity
<b>REAL ESTATE SEGMENT - SUBSIDIARIES</b>					
IOANNINON ENTERTAINMENT DEVELOPMENT S.A.	Greece	71.76	0	71.76	Full
MONASTIRIOU TECHNICAL DEVELOPMENT S.A.	Greece	100	0	100	Full
VIPA THESSALONIKI S.A.	Greece	100	0	100	Full
GEK SERVICES SA	Greece	51	0	51	Full
GEK CYPRUS LTD	Cyprus	100	0	100	Full
ICON EOOD	Bulgaria	80.94	19.04	100	Full
ICON BOROVEC EOOD	Bulgaria	15.04	84.96	100	Full
DOMUS DEVELOPMENT EOOD	Bulgaria	0	100	100	Full
SC GEK ROM SRL	Romania	100	0	100	Full

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

ECONOMIC ENTITY	DOMICILE	DIRECT PARTI- CIPATION %	INDIRECT PARTI- CIPATION %	TOTAL PARTI- CIPATION %	CONSOLI- DATION METHOD
HERMES DEVELOPMENT SRL	Romania	0	100	100	Full
HIGHLIGHT SRL	Romania	0	100	100	Full
MANTOUDI BUSINESS PARK S.A.	Greece	0	100	100	Full
<b>REAL ESTATE SEGMENT - JOINT VENTURES AND ASSOCIATES</b>					
KEKROPS S.A.	Greece	28.74	0	28.74	Equity
GEKA S.A.	Greece	33.34	0	33.34	Equity
GAIA INVESTMENT SA	Greece	35.78	0	35.78	Equity
GLS FOOD	Bulgaria	50	0	50	Equity
<b>CONCESSIONS SEGMENT - SUBSIDIARIES</b>					
IOLKOS S.A.	Greece	100	0	100	Full
HIRON CAR PARK S.A.	Greece	99.47	0.53	100	Full
KIFISIA PLATANOU SQ. CAR PARK SA	Greece	83.33	16.67	100	Full
PARKING STATION SAROKOU SQUARE CORFU S.A	Greece	49	51	100	Full
HELLAS SMARTICKET S.A.	Greece	0	40.8	40.8	Full
WASTE CYCLO S.A.	Greece	0	40.8	40.8	Full
PERIVALLONTIKI PELOPONNISOU MAE	Greece	0	40.8	40.8	Full
<b>CONCESSIONS SEGMENT - JOINT VENTURES</b>					
NEA ODOS SA	Greece	33.33	0	33.33	Equity
CENTRAL GREECE MOTORWAY S.A.	Greece	33.33	0	33.33	Equity
PARKING OUIL SA	Greece	50	0	50	Equity
ATHENS CAR PARK S.A.	Greece	21.76	0	21.76	Equity
THESSALONIKI CAR PARK S.A.	Greece	24.7	0	24.7	Equity
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Greece	34.61	0	34.61	Equity
POLIS PARK SA	Greece	28.76	0	28.76	Equity
SMYRNI PARK S.A.	Greece	20	0	20	Equity
HELLINIKON ENTERTAINMENT AND ATHLETIC PARKS S.A.	Greece	31.63	0	31.63	Equity
METROPOLITAN ATHENS PARK SA	Greece	22.91	0	22.91	Equity
<b>INDUSTRIAL-MINES SEGMENT - SUBSIDIARIES</b>					
VIOMEK ABETE	Greece	67.52	29.07	96.59	Full
STROTIREA AEBE	Greece	51	0	51	Full
TERNA MAG SA	Greece	51.02	48.98	100	Full
EUROPEAN AGENCIES OF METALS SA	Greece	0	100	100	Full
VRONDIS QUARRY PRODUCTS SA	Greece	0	100	100	Full
CEMENT PRODUCTION AND EXPORT FZC	Libya	0	75	75	Full
MALCEM CONSTRUCTION MATERIALS LTD	Malta	0	75	75	Full
<b>SEGMENT OF HOLDINGS – SUBSIDIARIES</b>					
QE ENERGY EUROPE LTD	Cyprus	0	100	100	Full

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

**GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

\* The company TERNA QATAR LLC is fully consolidated according to IFRS 10 “Consolidated Financial Statements” since based on contractual agreement the Group controls the management and the results of the company.

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.

COMPANY NAME	TOTAL PARTICIPATION % (Indirect)
J/V IMPREGILO Spa – TERNA SA-ALTE SA (EXECUTIONS)	33.33%
J/V EVINOOU-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 ATHINA – PANTECHNIKI – TERNA – J/V PLATAMONAS PROJECT	39.20%
J/V VIOTER SA – TERNA SA	50.00%
J/V TERNA SA – MOCHLOS SA	70.00%
J/V TERNA SA – VIOTER SA (KOROMILIA)	50.00%
J/V TERNA SA – AKTOR SA – EBEDOS SA – J&P AVAX SA - IMEC GmbH	24.00%
J/V EUROPEAN TECHNICAL-HOMER-TERNA	50.00%
J/V J&P AVAX SA – TERNA SA - EFKLEIDIS	35.00%
J/V EVANGELISMOS PROJECT C’	100.00%
J/V EPL DRAMA	80.00%
J/V TERNA – TERNA ENERGY – TSAMBRAS (DRAMA HOSPITAL)	80.00%
J/V EBEDOS – PANTECHNIKI – ENERG.	50.00%
J/V J&P AVAX-VIOTER-TERNA (OLYMPIC VILLAGE CONSTRUCTION)	37.50%
J/V TERNA-MOCHLOS-AKTOR TUNNEL KIATO-AIGIO	35.00%
J/V J&P AVAX-TERNA-AKTOR PLATANOS TUNNEL	33.33%
J/V J&P AVAX-VIOTER-TERNA (CANOE KAYAK)	33.33%
J/V ALPINE MAYREDER BAU GmbH-TERNA SA (PARAD. TSAKONA RING ROAD)	49.00%
J/V AKTOR TERNA (BANQUET HALL)	50.00%
J/V TERNA SA-NEON STAR SA-RAMA SA (OPAP Project)	51.00%
J/V TERNA SA-NEON STAR SA-RAMA (OPAP 1)	51.00%
J/V AEGEK-TERNA (SIATISTA – KRYSTALLOPIGI CONNECTION)	45.00%

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

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During the year 2015 the following joint entities were liquidated:

COMPANY NAME	TOTAL PARTICIPATION % (Indirect)
J/V EBEDOS SA – TERNA SA (EKTHE PROJECT FOR THIRD PARTY)	50.00%
J/V GNOMON SA – TERNA SA – GENER SA NAVAL ACADEMY PROJECT	33.00%
J/V TERNA SA - INTRAKAT SA – ALTEC SA – EBEDOS SA - -EPETBO SA (KOMOTINI TEFAA PROJECT)	24.00%
J/V VIOTER – TERNA	50.00%
J/V TERNA – IONIOS	90.00%
J/V TERNA – ATHINA (ARACTHOS – PERISTERI PROJECT)	62.50%

Furthermore, within the same year the liquidation of the companies “ELLINIKOU ENTERTAINMENT AND ATHLETIC PARKS S.A.” and “GEK TERNA & SIA LP” was completed. The above companies are not consolidated any longer.

During the year of 2015, the companies HELLAS SMARTICKET S.A. (dealing with electronic systems management) as well as WASTE CYCLO S.A. and PERIVALLONTIKI PELOPONNISOUS SA (dealing with waste management) were established.

Within the last quarter of 2015 the following were established:

- J/V GEK TERNA – TERNA ENERGY (INSTALLATION AND OPERATION ASSK), with the development of electronic systems as business objective.
- J/V AKTOR – TERNA (Joint Venture ERGOSE No. 751), with the construction of a railway station as business objective.

## 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.

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.

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

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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 and trading of electric energy: refers to the electricity production using natural gas as fuel, and to the trading of electric energy.

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 31.12.2015.

### 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.

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

Business segments 31.12.2015	Constructions	Electricity from RES	Electricity from thermal energy and trading	Real Estate	Mining / Industry	Concessions	Holdings	Eliminations on consolidation	Consolidated Total
Sales of products and goods	98	140,282	26,760	1,741	3,534	0	0		172,415
Sales of Services	1,161	0	0	4,343	0	14,697	1,485		21,686
Income from construction services	777,672	0	0	0	0	0	0		777,672
<b>Revenue from external customers</b>	<b>778,931</b>	<b>140,282</b>	<b>26,760</b>	<b>6,084</b>	<b>3,533</b>	<b>14,697</b>	<b>1,485</b>		<b>971,772</b>
Inter-segmental turnover	48,037	0	0	614	2	0	93	(48,746)	0
<b>Revenue</b>	<b>826,968</b>	<b>140,282</b>	<b>26,760</b>	<b>6,698</b>	<b>3,535</b>	<b>14,697</b>	<b>1,578</b>	<b>(48,746)</b>	<b>971,772</b>
<b>Operating results (EBIT)</b>	<b>30,330</b>	<b>59,999</b>	<b>297</b>	<b>(8,678)</b>	<b>(2,702)</b>	<b>(481)</b>	<b>94</b>		<b>78,859</b>
Interest income	1,975	1,882	10	29	10	8	2,728		6,642
Interest and related expenses	(10,411)	(33,508)	(28)	(2,508)	(1,465)	(292)	(3,502)		(51,714)
Foreign exchange differences and other non-operating results	6,537	1,791	(2)	(4,119)	(796)	0	333		3,744
Results from associates and Joint Ventures	0	(139)	(8,939)	(426)	(3)	2,659	0		(6,848)
Results from participations and securities	(56)	(1,100)	(4,781)	0	0	0	(5,928)		(11,865)
<b>Results before tax</b>	<b>28,375</b>	<b>28,925</b>	<b>(13,443)</b>	<b>(15,702)</b>	<b>(4,956)</b>	<b>1,894</b>	<b>(6,275)</b>		<b>18,818</b>
Income tax	(13,880)	(11,268)	758	345	431	113	432		(23,069)
<b>Net Results</b>	<b>14,495</b>	<b>17,657</b>	<b>(12,685)</b>	<b>(15,357)</b>	<b>(4,525)</b>	<b>2,007</b>	<b>(5,843)</b>		<b>(4,251)</b>
Net depreciation	26,162	37,799	26	817	1,063	448	13		66,328
<b>EBITDA from continued activities</b>	<b>56,492</b>	<b>97,798</b>	<b>323</b>	<b>(7,861)</b>	<b>(1,639)</b>	<b>(33)</b>	<b>107</b>		<b>145,187</b>
Provisions and other non cash results	2,725	71	0	7,170	31	7	21		10,025
<b>Adjusted EBITDA from continued activities</b>	<b>59,217</b>	<b>97,869</b>	<b>323</b>	<b>(691)</b>	<b>(1,608)</b>	<b>(26)</b>	<b>128</b>		<b>155,212</b>
Assets	959,817	1,173,343	7,474	141,065	94,732	81,516	53,301		2,511,248
Investments in associates	0	3,911	0	1,717	0	0	0		5,628
Investments in joint ventures	0	0	41,803	1,399	30	48,691	0		91,923
<b>Total Assets</b>	<b>959,817</b>	<b>1,177,254</b>	<b>49,277</b>	<b>144,181</b>	<b>94,762</b>	<b>130,207</b>	<b>53,301</b>		<b>2,608,799</b>

**GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

<b>Business segments 31.12.2015</b>	<b>Constructions</b>	<b>Electricity from RES</b>	<b>Electricity from thermal energy and trading</b>	<b>Real Estate</b>	<b>Mining / Industry</b>	<b>Concessions</b>	<b>Holdings</b>	<b>Eliminations on consolidation</b>	<b>Consolidated Total</b>
<b>Liabilities</b>	<b>945,756</b>	<b>843,021</b>	<b>1,976</b>	<b>94,345</b>	<b>61,866</b>	<b>55,115</b>	<b>44,355</b>		<b>2,046,434</b>
Loans	94,190	483,339	70	84,000	33,256	48,885	38,449		<b>782,189</b>
Cash and Cash Equivalents	202,749	154,619	1,099	1,231	1,496	2,388	2,055		<b>365,637</b>
<b>Net debt / (surplus)</b>	<b>(108,559)</b>	<b>328,720</b>	<b>(1,029)</b>	<b>82,769</b>	<b>31,760</b>	<b>46,497</b>	<b>36,394</b>		<b>416,552</b>
<b>Capital expenditure for the period 1.1-31.12.2015</b>	<b>5,585</b>	<b>80,454</b>	<b>0</b>	<b>14</b>	<b>6,474</b>	<b>367</b>	<b>2</b>		<b>92,896</b>

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

Business segments 31.12.2014	Constructions	Electricity from RES	Electricity from thermal energy	Real Estate	Mining / Industry	Concessions	Holdings	Eliminations on consolidation	Consolidated Total
Sales of products and goods	85	110,354	12,357	464	1,845	0	0		125,105
Sales of Services	1,938	0	0	0	0	2,020	264		4,222
Income from construction services	791,448	0	0	3,119	0	(1,256)	1,256		794,567
<b>Revenue from external customers</b>	<b>793,471</b>	<b>110,354</b>	<b>12,357</b>	<b>3,583</b>	<b>1,845</b>	<b>764</b>	<b>1520</b>		<b>923,894</b>
Inter-segmental turnover	21,168	0	0	565	68	0	174	(21,975)	0
<b>Revenue</b>	<b>814,639</b>	<b>110,354</b>	<b>12,357</b>	<b>4,148</b>	<b>1,913</b>	<b>764</b>	<b>1,694</b>	<b>(21,975)</b>	<b>923,894</b>
<b>Operating results (EBIT)</b>	<b>3.908</b>	<b>41.741</b>	<b>(389)</b>	<b>(14.482)</b>	<b>(3.918)</b>	<b>(2.633)</b>	<b>(645)</b>		<b>23.582</b>
Interest income	2.381	1.854	11	42	4	23	2.779		7.094
Interest and related expenses	(17.570)	(32.522)	45	(3.216)	(469)	(104)	(6.530)		(60.366)
Foreign exchange differences and other non-operating results	(20.996)	1.704	57	(14.184)	(1.120)	(3.679)	2.930		(35.288)
Results from associates and Joint Ventures	0	0	5.103	(835)	0	6.419	0		10.687
Loss from valuation of interests	2.179	0	0	(2.331)	(1)	0	(379)		(532)
<b>Results before tax</b>	<b>(30.098)</b>	<b>12.777</b>	<b>4.827</b>	<b>(35.006)</b>	<b>(5.504)</b>	<b>26</b>	<b>(1.845)</b>		<b>(54.823)</b>
Income tax	(8.860)	(4.593)	(38)	5.182	476	1.150	2.443		(4.240)
<b>Net Results</b>	<b>(38.958)</b>	<b>8.184</b>	<b>4.789</b>	<b>(29.824)</b>	<b>(5.028)</b>	<b>1.176</b>	<b>598</b>		<b>(59.063)</b>
Net depreciation	29,331	32,216	26	916	1,703	316	14		64,522
<b>EBITDA from continued activities</b>	<b>33,239</b>	<b>73,957</b>	<b>(363)</b>	<b>(13,566)</b>	<b>(2,215)</b>	<b>(2,317)</b>	<b>(631)</b>		<b>88,104</b>
Provisions and other non cash results	2,682	298	0	12,862	11	2	10		15,865
<b>Adjusted EBITDA from continued activities</b>	<b>35,921</b>	<b>74,255</b>	<b>(363)</b>	<b>(704)</b>	<b>(2,204)</b>	<b>(2,315)</b>	<b>(621)</b>		<b>103,969</b>
Assets	823,254	1,095,724	12,949	154,736	96,613	73,994	16,751		2,274,021
Investments in associates	0	4,050	0	2,153	0	0	0		6,203
Investments in joint ventures	0	0	54,663	1,411	33	44,582	0		100,689
<b>Total Assets</b>	<b>823,254</b>	<b>1,099,774</b>	<b>67,612</b>	<b>158,300</b>	<b>96,646</b>	<b>118,576</b>	<b>16,751</b>		<b>2,380,913</b>



**GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

<b>Business segments 31.12.2014</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>
<b>Liabilities</b>	<b>824,521</b>	<b>773,402</b>	<b>2,765</b>	<b>91,168</b>	<b>57,807</b>	<b>46,124</b>	<b>19,175</b>		<b>1,814,962</b>
Loans	146,483	423,379	55	82,697	26,569	41,967	14,345		<b>735,495</b>
Cash and Cash Equivalents	177,254	166,165	765	1,916	5,129	446	1,064		<b>352,739</b>
<b>Net debt / (surplus)</b>	<b>(30,771)</b>	<b>257,214</b>	<b>(710)</b>	<b>80,781</b>	<b>21,440</b>	<b>41,521</b>	<b>13,281</b>		<b>382,756</b>
<b>Capital expenditure for the period 1.1-31.12.2014</b>	<b>37,933</b>	<b>56,266</b>	<b>0</b>	<b>31</b>	<b>12,077</b>	<b>4,699</b>	<b>14</b>		<b>111,020</b>

**GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

<b>Geographical segments 31.12.2015</b>	<b>Greece</b>	<b>Balkans</b>	<b>Middle East</b>	<b>Eastern Europe</b>	<b>USA</b>	<b>Other regions</b>	<b>Consolidate d total</b>
Revenue from external customers	702,510	76,238	143,368	25,722	22,724	1,211	<b>971,773</b>
Non-current Assets (excl. Deferred tax assets and financial assets)	841,209	25,250	9,202	147,165	214,584	392	<b>1,237,802</b>
Capital expenditure	72,985	37	1,072	16,863	1,938	0	<b>92,896</b>

  

<b>Geographical segments 31.12.2014</b>	<b>Greece</b>	<b>Balkans</b>	<b>Middle East</b>	<b>Eastern Europe</b>	<b>USA</b>	<b>Other regions</b>	<b>Consolidated total</b>
Revenue from external customers	696,988	88,218	97,133	19,057	21,755	743	<b>923,894</b>
Non-current Assets (excl. Deferred tax assets and financial assets)	840,323	31,583	10,188	137,270	201,607	412	<b>1,221,383</b>
Capital expenditure	89,857	351	4,129	16,683	0	0	<b>111,020</b>

**6. INTANGIBLE FIXED ASSETS**

The account of intangible fixed assets on 31 December 2015, in the accompanying financial statements, is analyzed as follows:

	<b>GROUP</b>				<b>Total</b>
	<b>Concessions and other Rights</b>	<b>Rights from construction contract</b>	<b>Software</b>	<b>Research and development</b>	
<b>Net book value 1.1.2015</b>	<b>74,121</b>	<b>30,701</b>	<b>448</b>	<b>1,789</b>	<b>107,058</b>
Additions	732	0	175	921	1,828
Cost of borrowing	0	0	0	0	0
Change in acquisition cost due to variation in consolidation percentage/Sales	0	0	(4)	0	(4)
Transfer from tangible assets cost	1,839	0	0	0	1,839
Sales / Write offs	(116)	0	0	0	(116)
Transfer from tangible assets amortization	(894)	0	0	0	(894)
Change in amortization due to variation in consolidation percentage/Sales	0	0	4	0	4
Other changes of acquisition cost/Foreign exchange differences	914	0	34	0	948
Other changes in amortization	(104)	0	(31)	0	(135)
(Amortization for the year)	(2,824)	(9,219)	(151)	(231)	(12,426)
<b>Net book value 31.12.2015</b>	<b>73,670</b>	<b>21,482</b>	<b>475</b>	<b>2,479</b>	<b>98,105</b>

**GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

	GROUP				
	Concessions and other Rights	Rights from construction contract	Software	Research and development	Total
Cost 1.1.2015	82,219	88,021	2,840	1,938	175,018
Accumulated Amortization 1.1.2015	(8,098)	(57,320)	(2,392)	(149)	(67,960)
<b>Net book value 1.1.2015</b>	<b>74,121</b>	<b>30,701</b>	<b>448</b>	<b>1,789</b>	<b>107,058</b>
Cost 31.12.2015	85,588	88,021	3,045	2,859	179,512
Accumulated Amortization 31.12.2015	(11,918)	(66,539)	(2,570)	(380)	(81,409)
<b>Net book value 31.12.2015</b>	<b>73,670</b>	<b>21,482</b>	<b>475</b>	<b>2,479</b>	<b>98,105</b>

	GROUP				
	Concessions and other Rights	Rights from construction contract	Software	Research and development	Total
<b>Net book value 1.1.2014</b>	<b>71,542</b>	<b>45,039</b>	<b>310</b>	<b>585</b>	<b>117,476</b>
Additions	7,400	0	279	1,278	8,957
Cost of borrowing	0	0	0	0	0
Change in acquisition cost due to variation in consolidation percentage/Sales	0	0	0	0	0
Transfer of the corresponding for the year grants of concessions (IFRIC 12)	0	0	0	0	0
Sales / Write offs	(4,649)	0	0	0	(4,649)
Change in amortization due to variation in consolidation percentage/Sales	0	0	0	0	0
Other changes of acquisition cost/Foreign exchange differences	1,000	0	36	0	1,035
Other changes in amortization	875	0	(31)	0	845
(Amortization for the year)	(2,048)	(14,338)	(146)	(74)	(16,606)
<b>Net book value 31.12.2014</b>	<b>74,121</b>	<b>30,701</b>	<b>448</b>	<b>1,789</b>	<b>107,058</b>
Cost 1.1.2014	78,467	88,021	2,526	660	169,674
Accumulated Amortization 1.1.2014	(6,925)	(42,982)	(2,216)	(75)	(52,198)
<b>Net book value 1.1.2014</b>	<b>71,542</b>	<b>45,039</b>	<b>310</b>	<b>585</b>	<b>117,476</b>
Cost 31.12.2014	82,219	88,021	2,840	1,938	175,019
Accumulated Amortization 31.12.2014	(8,098)	(57,320)	(2,392)	(149)	(67,960)
<b>Net book value 31.12.2014</b>	<b>74,121</b>	<b>30,701</b>	<b>448</b>	<b>1,789</b>	<b>107,058</b>

The amortization for the years 2015 and 2014 has been recognized in Cost of sales by 11,978 (16,261 in 2014) and in Administrative and distribution expenses by 448 (338 in 2014).

The account Concessions and Other Rights includes the recognition of purchased rights for the exploitation of quarries and magnesite quarries, with a net book value of 31,035 (31,274 in 2014), with an initial agreed duration of 20-30 years.

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

Also, the account Concessions and Other Rights includes paid rights for installation of wind parks, with a net book value of 30,151 (30,042 in 2014).

Research and development expenses mainly refer to research expenses made in the magnesite quarries.

The Company's intangible assets, with a book value of 42 (51 in 2014), relate to software with a cost of 363 (363 in 2014) and accumulated amortization of 321 (312 in 2014). The amortization of year 2015 amounting to 9 (11 in 2014), has been registered in Administrative and distribution expenses.

During the year 2015, a Wind Park sub-station with acquisition cost of €1,839 and accumulated depreciation of €894 was transferred to DEDDIE at no cost. The Group withholds the exclusive right to utilize the sub-station and therefore it continues to recognize the sub-station in its fixed assets. Due to the change of the type of rights possessed by the Group on the particular asset (from full ownership to utilization right), the non depreciated cost of the sub-station was reclassified from the category of Tangible Assets to the category of Intangible Assets.

### Rights from Concession Contracts

The account Concessions and rights includes the net book value of concession rights amounting to 11,623 (11,792 in 2014).

The rights from concession contracts on 31.12.2015 are as follows:

COMPANY	CONCESSION	CONSOLIDATI ON%	COST 31.12.2015	NET BOOK VALUE 31.12.2015	CONCESSION PERIOD	NOTES
IOLKOS SA	Tsalapata preserved pottery Center in Volos	100.00%	2,110	1,668	38	In operation
HERON PARKING SA	Car park station in Volos	100.00%	2,915	2,359	40	In operation
PARKING STATION PLATANOU SQ. KIFISIA S.A.	Parking station in Kifisia Square	100.00%	8,017	7,495	18	In operation
PARKING STATION SAROKOU SQ. CORFU S.A.	Parking station in Corfu	100.00%	101	101	-	Termination of development
<b>TOTAL</b>			<b>14,628</b>	<b>11,623</b>		

The rights from concession contracts on 31.12.2014 are as follows:

COMPANY	CONCESSION	CONSOLIDATI ON%	COST 31.12.2014	NET BOOK VALUE 31.12.2014	CONCESSION PERIOD	NOTES
IOLKOS SA	Tsalapata preserved pottery Center in Volos	100.00%	2,053	1,665	39	In operation
HERON PARKING SA	Car park station in Volos	100.00%	2,888	2,392	41	In operation
PARKING STATION PLATANOU SQ. KIFISIA S.A.	Parking station in Kifisia Square	100.00%	7,738	7,634	19	In operation
PARKING STATION SAROKOU SQ. CORFU S.A.	Parking station in Corfu	100.00%	101	101	27	Termination of development
<b>TOTAL</b>			<b>12,780</b>	<b>11,792</b>		

From the impairment test, that performed in IOLKOS SA for the year 2014, an impairment loss of amount 3,699 was calculated and accounted in Other income/expenses of the Statement of Comprehensive Income. The method that was applied by an independent valuer for the valuation of the mentioned asset is Capitalized Income method. As Discount Rate was used the rate of 9-11%.

**GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

**7. TANGIBLE FIXED ASSETS**

The account of tangible fixed assets on 31 December 2015, in the accompanying financial statements, is analyzed as follows:

GROUP	Quarries/ Land-Plots	Buildings	Machinery	Vehicles	Other	Assets under constructor and prepayments for acquisition of fixed assets:	Total
<b>Net book value 1.1.2015</b>	<b>21,038</b>	<b>83,995</b>	<b>755,532</b>	<b>16,324</b>	<b>4,533</b>	<b>55,038</b>	<b>936,460</b>
Additions	2,841	680	15,924	748	1,524	68,283	<b>90,000</b>
Cost of borrowing	0	0	0	0	0	760	<b>760</b>
Transfers of cost of constructed fixed assets	1,091	(3,849)	9,001	0	282	(6,056)	<b>469</b>
Transfers of accumulated depreciation of constructed fixed assets	0	(469)	(2)	0	2	0	<b>(469)</b>
Transfer (from) / to investment property - cost	(855)	(1,391)	0	0	0	0	<b>(2,246)</b>
Transfer (from) / to investment property - accumulated depreciation	0	155	0	0	0	0	<b>155</b>
Transfer (from) / to intangible fixed assets - cost	0	0	(1,839)	0	0	0	<b>(1,839)</b>
Transfer (from) / to intangible fixed assets - accumulated depreciation	0	0	894	0	0	0	<b>894</b>
Cost of sold/written off fixed assets	(509)	(173)	(655)	(590)	(163)	(3,567)	<b>(5,657)</b>
Accumulated depreciation of sold/written off fixed assets	0	119	503	537	126	0	<b>1,285</b>
Change of percentage of proportionally consolidated company in cost	0	(13)	(103)	(13)	(47)	0	<b>(176)</b>
Change of participation percentage in accumulated depreciation	0	13	103	13	46	0	<b>175</b>
Impairments / Impairments Reversal of acquisition cost	0	(2,576)	0	0	0	0	<b>(2,576)</b>
Provisions for restoration and cleanup works	0	0	310	0	0	0	<b>310</b>
Other movements on cost of fixed assets (foreign exchange differences etc)	(0)	1,917	26,533	231	283	(173)	<b>28,791</b>
Other movements in depreciation of fixed assets (foreign exchange differences etc)	0	(34)	(4,086)	(201)	(228)	0	<b>(4,549)</b>
Depreciation for the year	(277)	(4,951)	(55,386)	(3,209)	(1,793)	0	<b>(65,616)</b>
<b>Net book value 31.12.2015</b>	<b>23,329</b>	<b>73,423</b>	<b>746,729</b>	<b>13,840</b>	<b>4,565</b>	<b>114,285</b>	<b>976,171</b>
Cost 1.1.2015	23,272	112,657	993,442	39,840	23,684	55,038	<b>1,247,933</b>
Accumulated Depreciation 1.1.2015	(2,234)	(28,662)	(237,911)	(23,516)	(19,151)	0	<b>(311,473)</b>
<b>Net book value 1.1.2015</b>	<b>21,038</b>	<b>83,995</b>	<b>755,532</b>	<b>16,324</b>	<b>4,533</b>	<b>55,038</b>	<b>936,460</b>
Cost 31.12.2015	25,840	107,252	1,042,613	40,216	25,563	114,285	<b>1,355,769</b>
Accumulated Depreciation 31.12.2015	(2,511)	(33,829)	(295,884)	(26,376)	(20,998)	0	<b>(379,598)</b>
<b>Net book value 31.12.2015</b>	<b>23,329</b>	<b>73,423</b>	<b>746,729</b>	<b>13,840</b>	<b>4,565</b>	<b>114,285</b>	<b>976,171</b>

**GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

GROUP	Quarries/ Land-Plots	Buildings	Machinery	Vehicles	Other	Assets under construction and prepayments for acquisition of fixed asset:	Total
<b>Net book value 1.1.2014</b>	<b>21,010</b>	<b>60,904</b>	<b>587,291</b>	<b>10,479</b>	<b>4,335</b>	<b>184,819</b>	<b>868,838</b>
Additions	397	360	48,647	8,524	2,402	40,755	<b>101,085</b>
Cost of borrowing	0	0	197	0	0	782	<b>978</b>
Transfers of cost of constructed fixed assets	0	24,970	143,203	0	(299)	(167,873)	<b>0</b>
Cost of sold/written off fixed assets	(182)	0	(2,008)	(123)	(65)	(268)	<b>(2,647)</b>
Accumulated depreciation of sold/written off fixed assets	0	0	2,553	270	25	0	<b>2,848</b>
Change of percentage of proportionally consolidated company in cost	0	0	(3)	0	(5)	0	<b>(8)</b>
Change of participation percentage in accumulated depreciation	0	0	3	0	5	0	<b>8</b>
Impairments / Impairments Reversal of acquisition cost	90	0	0	0	0	(2,029)	<b>(1,939)</b>
Provisions for restoration and cleanup works	0	0	3,382	0	0	0	<b>3,382</b>
Other movements on cost of fixed assets (foreign exchange differences etc)	0	1,654	21,956	257	207	(1,148)	<b>22,926</b>
Other movements in depreciation of fixed assets (foreign exchange differences etc)	0	525	(2,585)	(204)	82	0	<b>(2,182)</b>
Depreciation for the year	(277)	(4,418)	(47,102)	(2,879)	(2,154)	0	<b>(56,829)</b>
<b>Net book value 31.12.2014</b>	<b>21,038</b>	<b>83,995</b>	<b>755,532</b>	<b>16,324</b>	<b>4,533</b>	<b>55,038</b>	<b>936,460</b>
Cost 1.1.2014	22,967	85,673	778,070	31,183	21,444	184,819	<b>1,124,156</b>
Accumulated Depreciation 1.1.2014	(1,957)	(24,769)	(190,779)	(20,704)	(17,109)	0	<b>(255,318)</b>
<b>Net book value 1.1.2014</b>	<b>21,010</b>	<b>60,904</b>	<b>587,291</b>	<b>10,479</b>	<b>4,335</b>	<b>184,819</b>	<b>868,838</b>
Cost 31.12.2014	23,272	112,657	993,442	39,840	23,684	55,038	1,247,933
Accumulated Depreciation 31.12.2014	(2,234)	(28,662)	(237,911)	(23,516)	(19,151)	0	(311,473)
<b>Net book value 31.12.2014</b>	<b>21,038</b>	<b>83,995</b>	<b>755,532</b>	<b>16,324</b>	<b>4,533</b>	<b>55,038</b>	<b>936,460</b>

**GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

COMPANY	Land/ Plots	Buildings	Machinery	Vehicles	Other	Total
<b>Net book value 1.1.2015</b>	<b>2,113</b>	<b>8,282</b>	<b>1</b>	<b>0</b>	<b>62</b>	<b>10,458</b>
Additions	0	0	0	0	2	2
Acquisition cost of sold – written off fixed assets	0	(1)	(0)	0	(21)	(22)
Accumulated depreciation of sold – written off fixed assets	0	1	0	0	19	20
(Depreciation for the year)	0	(228)	(0)	0	(10)	(238)
<b>Net book value 31.12.2015</b>	<b>2,113</b>	<b>8,054</b>	<b>1</b>	<b>0</b>	<b>52</b>	<b>10,220</b>
Cost 1.1.2015	2,113	12,815	126	36	1,671	16,761
Accumulated Depreciation 1.1.2015	0	(4,533)	(125)	(36)	(1,609)	(6,303)
<b>Net book value 1.1.2015</b>	<b>2,113</b>	<b>8,282</b>	<b>1</b>	<b>0</b>	<b>62</b>	<b>10,458</b>
Cost 31.12.2015	2,113	12,814	126	36	1,652	16,741
Accumulated Depreciation 31.12.2015	0	(4,760)	(125)	(36)	(1,600)	(6,521)
<b>Net book value 31.12.2015</b>	<b>2,113</b>	<b>8,054</b>	<b>1</b>	<b>0</b>	<b>52</b>	<b>10,220</b>

COMPANY	Land/ Plots	Buildings	Machinery	Vehicles	Other	Total
<b>Net book value 1.1.2014</b>	<b>2,113</b>	<b>8,672</b>	<b>1</b>	<b>0</b>	<b>68</b>	<b>10,854</b>
Additions	0	0	0	0	4	4
Acquisition cost of sold – written off fixed assets	0	0	0	0	0	0
Accumulated depreciation of sold – written off fixed assets	0	0	0	0	0	0
(Depreciation for the year)	0	(390)	0	0	(10)	(400)
<b>Net book value 31.12.2014</b>	<b>2,113</b>	<b>8,282</b>	<b>1</b>	<b>0</b>	<b>62</b>	<b>10,458</b>
Cost 1.1.2014	2,113	12,815	126	36	1,648	16,738
Accumulated Depreciation 1.1.2014	0	(4,143)	(125)	(36)	(1,580)	(5,884)
<b>Net book value 1.1.2014</b>	<b>2,113</b>	<b>8,672</b>	<b>1</b>	<b>0</b>	<b>68</b>	<b>10,854</b>
Cost 31.12.2014	2,113	12,815	126	36	1,671	16,761
Accumulated Depreciation 31.12.2014	0	(4,533)	(125)	(36)	(1,609)	(6,303)
<b>Net book value 31.12.2014</b>	<b>2,113</b>	<b>8,282</b>	<b>1</b>	<b>0</b>	<b>62</b>	<b>10,458</b>

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

Depreciation of the Group for year 2015 has been recognized in Cost of sales by 63.100 (55,132 in 2014), in Administrative and distribution expenses by 1.668 (1,538 in 2014), in Research and development expenses by 238 (166 in 2014) and at Other income/ (expense) by 5 (0 in 2014) and in inventory 606.

Depreciation of the Company amounting to 238 (400 in 2014) is presented in the Statement of comprehensive income 137 (298 in 2014) in Cost of sales and by 101 (102 in 2014) in administrative and distribution expenses.

The above tangible assets of the Group also include those that have been acquired through financial leasing contracts:

	<b>Machinery</b>	<b>Vehicles</b>	<b>Total</b>
Cost 31.12.2015	23,926	10,209	<b>34,135</b>
Accumulated depreciation 31.12.2015	(5,281)	(3,902)	<b>(9,183)</b>
<b>Net book value 31.12.2015</b>	<b>18,645</b>	<b>6,307</b>	<b>24,952</b>

  

	<b>Machinery</b>	<b>Vehicles</b>	<b>Total</b>
Cost 31.12.2014	64,625	20,184	<b>84,809</b>
Accumulated depreciation 31.12.2014	(11,630)	(4,700)	<b>(16,330)</b>
<b>Net book value 31.12.2014</b>	<b>52,995</b>	<b>15,484</b>	<b>68,479</b>

Mortgage liens of various types amounting to a total of 57,280 have been written on the group's property for security against bond loans.

The account "Technological and mechanical equipment" includes Wind Park wind generators which have been collateralized in favor of banks to secure long-term loans.

The categories "Land-plots", "Buildings and installations" and "Technological and mechanical equipment", include fixed assets with a net book value of 18,959 and 11,975 on 31 December 2015 and 2014 respectively, which concern Installations of Distribution Networks constructed by the Company and as stipulated by contracts with D.E.D.D.I.E., are transferred to D.E.D.D.I.E., at no cost, during the initial operation of each Wind Park. However, ever after their transfer, such installations will continue to serve the purpose for which such were constructed, namely the sale of the produced electric energy to D.E.D.D.I.E. and L.A.G.I.E., remaining at the exclusive use of the Company, and thus the net book value during the transfer date will continue to be depreciated, as previously, until the fulfillment of the 20-year depreciation period of Wind Parks.

For the Group, the reductions / eliminations of the year 2015 in the item "Assets under construction" include an amount of € 3,481 concerning the accumulated construction cost of a Wind Park, the final completion and operation of which will not take place. The above amount was written-off and charged against the Results for the Year.

## 8. INVESTMENT PROPERTY

Investment property on 31 December 2015 in the accompanying financial statements is analyzed as follows:



## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

	GROUP		COMPANY	
	2015	2014	2015	2014
<b>Book value 1 January</b>	<b>61,214</b>	<b>73,599</b>	<b>15,007</b>	<b>17,398</b>
Additions for the period	0	0	0	0
Fair value adjustments	(7,161)	(13,061)	(550)	(3,100)
Foreign exchange differences	0	(33)	0	0
Transfer from/to inventories and fixed assets	2,162	709	72	709
<b>Book value 31 December</b>	<b>56,215</b>	<b>61,214</b>	<b>14,529</b>	<b>15,007</b>

During the closing year, in cases of active market there was a valuation of the fair value of the Group's property Greece and Balkans from independent auditors. The respective valuations are presented in the following table.

For the valuation of specific investment property, it was not possible to establish reliable comparable market prices, based on which the definition of fair value could be reliably evidenced. For such cases, the Management, with the assistance of real estate professionals, defined the fair values by taking into account its experience as well as the current general economic environment and conditions. Company's investment property valuation is performed taking into consideration the high and best use of each asset that is legally permissible and financially possible.

From the aggregate valuations conducted for the Group's investment property, a loss of 7,161 (13,061 in 2014) was incurred (note 36).

The following table presents data concerning the major assumptions taken into consideration for the valuation of the investment properties on 31.12.2015:

Property	Fair Value 31.12.2015	Valuer	Technique	Value	Discount Rate	Inflation	Rate of return	Cost of development
Salonica Port-Parking spaces	1,084	CBRE AXIES SA	Market comparison	65 euro per m2 per month	8.75%	-	10%	-
Metaxourgeio-Apartments and Shops	5,464	CBRE AXIES SA	Market comparison for the apartments Market comparison for shops	2,500 euro per m2 12 euro per m2 per month	- -	- -	- 8.25%	- -
Palaia Volos – Shopping mall	6,300	DANOS SA	Capitalization of income with cash flow discounting and depreciated replacement cost	1-5 euro per m2 per month 798-1,048 euro per m2	8.5%	2%	8.50%	-
Oropos Attica-Land	252	GEK TERNA Group	Market comparison	20.50 euro per m2	-	-	-	-
Ipirou Road Athens-Right in property	140	GEK TERNA Group	Market comparison	44 euro per m2	-	-	-	-
Ag. Stefanos Attica - Land	1,290	CBRE AXIES SA	Market comparison	180 euro per m2	-	-	-	-

**GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

Monastiriou Road (Salonica)- Land	8,469	CBRE AXIES SA	Development/ Market comparison	900-1,800 euro per m2	8.12%	-	8%	868 euro per m2
Paralimnio (Ioannina)- Shopping mall	12,700	DANOS SA	Capitalization of income. depreciated replacement cost	2-25 euro per m2 per month 333-917 euro per m2	10%-10.50%	2%	8%-8.50%	-
Kos - Land	1,596	GEK TERNA Group	Market comparison	38 euro per m2	-	-	-	-
Mantoudi (Evia)- Land	623	GEK TERNA Group	Market comparison	0.50 euro per m2	-	-	-	-
3 <sup>rd</sup> Septemvriou Road (Athens)- Offices	575	GEK TERNA Group	Market comparison	1,025 euro per m2	-	-	-	-
Bulgaria – Logistics Land	1,067	Independent Certified Auditor	Market comparison	5-26 euro per m2	-	-	-	-
Bulgaria - Land	9,340	Independent Certified Auditor	Development/ Market comparison	19-20 euro per m2. 35.94 euro per m2	4%	-	10%	353.12 euro per m2
Romania - Land	715	Independent Certified Auditor	Market comparison	11.26 euro per m2	-	-	-	-
Romania - Land	640	GEK TERNA Group	Market comparison	477 euro per m2	-	-	-	-
Romania - Land	3,350	Jones Lang LaSalle	Market comparison	480 euro per m2	-	-	-	-
Romania - Land	2,610	Jones Lang LaSalle	Development	13-14 euro per m2	6.50%	-	8.50%	1,311 euro per m2
	<b>56,215</b>							

The corresponding information of the major assumptions taken into consideration for the valuation of the investment properties on 31.12.2014, are as follows:

Property	Fair Value 31.12.2014	Valuer	Technique	Value	Discount Rate	Inflation	Rate of return	Cost of development
Salonica Port-Parking spaces	1,084	CBRE AXIES SA	Capitalization	65 euro per m2 per month	8.75%	-	10%	-
Metaxourgeio-Apartments and Shops	4,630	CBRE AXIES SA	Market comparison for the apartments Capitalization for shops	2,500 euro per m2 12 euro per m2 per month	-	-	-	-
Palaia Volos – Shopping mall	6,850	DANOS SA	Capitalization of income with cash flow discounting and depreciated replacement cost	1-12 euro per m2 per month	8.5%	2%	8.50%	-
Oropos Attica-Land	252	GEK TERNA Group	Market comparison	20.50 euro per m2	-	-	-	-
Ipirou Road Athens-Right in property	140	GEK TERNA Group	Market comparison	44 euro per m2	-	-	-	-

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

Monastiriou Road (Salonica)- Land	9,278	CBRE AXIES SA	Development	900-2,100 euro per m2	8%	-	-	775 euro per m2
Paralimnio (Ioannina)- Shopping mall	13,780	DANOS SA	Capitalization of income. depreciated replacement cost	1-15 euro per m2 per month	10%-10.50%	2%	8.50%	-
Kos - Land	1,596	GEK TERNA Group	Market comparison	38 euro per m2	-	-	-	-
Mantoudi (Evia)- Land	623	GEK TERNA Group	Market comparison	0.50 euro per m2	-	-	-	-
3 <sup>rd</sup> Septemvriou Road (Athens)- Offices	575	GEK TERNA Group	Market comparison	1,025 euro per m2	-	-	-	-
Bulgaria – Logistics Land	2,604	Independent Certified Auditor	Market comparison	26 euro per m2	-	-	-	-
Bulgaria - Land	11,377	Independent Certified Auditor	Market comparison	45 euro per m2	-	-	-	-
Romania - Land	715	Independent Certified Auditor	Market comparison	11.26 euro per m2	-	-	-	-
Romania - Land	640	GEK TERNA Group	Market comparison	477 euro per m2	-	-	-	-
Romania - Land	3,350	Jones Lang LaSalle	Market comparison	480 euro per m2	-	-	-	-
Romania - Land	3,720	GEK TERNA Group	Development	1,960 euro per m2	6.50%	-	8.50%	893 euro per m2
	<b>61,214</b>							

The Group received rents from investment property amounting to 670 and 727 in 2015 and 2014 respectively.

Mortgage liens amounting to a total of 28,183 have been written on the investment properties of the Group's companies for security against bond loans.

### 9. PARTICIPATION IN SUBSIDIARIES

The accounts and items of the financial statements of significant subsidiaries, in which exist non-controlling interests, are as follows:

	TERN A ENERGY SA	TERN A ENERGY SA
Geographical area of activity	Greece, Balkans, East. Europe, USA	Greece, Balkans, East. Europe, USA
Business Activity	Production of electricity from wind, hydroelectric and other RES – Construction Services.	Production of electricity from wind, hydroelectric and other RES – Construction Services.

**GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

	<b>31.12.2015</b>	<b>31.12.2014</b>
Percentage of non-controlling interests	59.20%	58.79%
Dividends of subsidiaries paid to non-controlling interests	315	0
Results corresponding to non-controlling interests	10,546	3,509
Equity corresponding to non-controlling interests	207,293	197,174
Non-current assets	919,673	861,133
Current assets	302,615	279,141
(Long-term liabilities)	(700,196)	(649,975)
(Short-term liabilities)	(175,311)	(152,054)
<b>Net fixed assets</b>	<b>346,781</b>	<b>338,245</b>
Turnover	198,608	158,251
Net Profit	17,447	5,847
Other Comprehensive Income	959	(4,010)
<b>Total Results</b>	<b>18,406</b>	<b>1,837</b>

The above financial accounts are before consolidation entries.

Apart from TERNA ENERGY SA presented above, there are no other subsidiaries with significant non-controlling interests.

**10. PARTICIPATIONS IN ASSOCIATES**

The movement of participations in associates on 31.12.2015 has as follows:

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
<b>Balance 1 January</b>	<b>6,203</b>	<b>5,341</b>	<b>9,195</b>	<b>7,994</b>
Additions	0	1,201	0	1,201
Losses from Sales	0	0	0	0
Valuation losses	0	0	0	0
Transfer of the value of former subsidiary	0	2	0	0
Withdrawal of associate	0	0	0	0
Results from the application of the equity consolidation method	(575)	(341)	0	0
<b>Balance 31 December</b>	<b>5,628</b>	<b>6,203</b>	<b>9,195</b>	<b>9,195</b>

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

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

31.12.2015	Assets	Liabilities	Equity	Turnover	Net earnings / (losses)	Other comprehensive income / (expenses)
KEKROPS SA	16,012	9,730	6,282	16	(1,299)	(1,518)
Other associates with positive equity	8,596	85	8,511	0	(290)	0
	<b>24,608</b>	<b>9,815</b>	<b>14,793</b>	<b>16</b>	<b>(1,589)</b>	<b>(1,518)</b>
Other associates with negative (debit) equity	150,872	210,049	(59,177)	954	(31,484)	0

The financial accounts of the associate company ATTIKAT SA at the table of 31.12.2015 refer to the most recent financial statements with dates 31/12/2014, as the latest available dates.

31.12.2014	Assets	Liabilities	Equity	Turnover	Net earnings / (losses)	Other comprehensive income / (expenses)
KEKROPS SA	17,367	9,567	7,800	19	(1,329)	(74)
Other associates with positive equity	8,641	12	8,629	0	(48)	0
	<b>26,008</b>	<b>9,579</b>	<b>16,429</b>	<b>19</b>	<b>(1,377)</b>	<b>(74)</b>
Other associates with negative (debit) equity	167,343	215,450	(48,106)	537	(22,566)	0

The market value of the company KEKROPS S.A., which is listed on the Athens Exchange, on 31.12.2015 amounted to 1,062 (1,002 on 31.12.2014).

The market value of the company ATTIKAT S.A., which is listed on the Athens Exchange, on 31.12.2015 amounted to 217 (235 on 31.12.2014).

## 11. INTERESTS IN JOINT VENTURES

The Group holds interests in joint ventures which are consolidated with the Equity method. The movement of participations in joint ventures as of 31.12.2015 is as follows:

	GROUP		COMPANY	
	2015	2014	2015	2014
<b>Balance 1 January</b>	<b>100,689</b>	<b>93,873</b>	<b>59,302</b>	<b>61,387</b>
Additions	0	0	0	0
Earnings/(losses) from sale	0	0	0	0
Earnings/(losses) from valuation	(4,781)	0	0	0
Capital increases	817	471	817	415
Capital decreases	(2,075)	(2,500)	(2,075)	(2,500)
Proportion in the change of equity	(5,555)	8,808	0	0
Change in participation interest	0	37	0	0
Elimination of intra-group results / items	2,828	0	0	0
<b>Balance 31 December</b>	<b>91,923</b>	<b>100,689</b>	<b>58,044</b>	<b>59,302</b>

**GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

The accounts and items of the financial statements of these important joint ventures during the year 2015 are as follows:

Joint venture name	HERON II VOIOTIA SA	HERON THERMOELECTRIC SA	NEW ODOS SA	CENTRAL GREECE MOTORWAY SA
Geographical area of activity	Greece		Greece	
Business activity	Production of electricity from natural gas		Construction and management of motorways	
Importance of the participation for the Group	Secondary due to cash factors		Secondary due to cash factors and supplementary in the construction segment	
Interest as of 31.12.15	25.00%	50.00%	33.33%	33.33%
	HERON II VOIOTIA SA	HERON THERMOELECTRIC SA	NEW ODOS SA	CENTRAL GREECE MOTORWAY SA
	31.12.2015	31.12.2015	31.12.2015	31.12.2015
Non-current assets	205,548	24,573	301,777	451,624
Cash and cash equivalents	2,661	7,353	134,328	21,752
Other current assets	19,785	57,027	138,821	251,032
<b>Total assets</b>	<b>227,994</b>	<b>88,953</b>	<b>574,926</b>	<b>724,408</b>
Long-term financial liabilities (apart from trade and other liabilities and provisions)	93,301	0	172,868	573,747
Other long-term liabilities	9,460	4,267	195,931	59,158
Short-term financial liabilities (apart from trade and other liabilities and provisions)	12,716	0	3,880	5,165
Other short-term liabilities	26,849	44,236	69,874	144,427
<b>Total liabilities</b>	<b>142,326</b>	<b>48,503</b>	<b>442,554</b>	<b>782,497</b>
<b>Net fixed assets</b>	<b>85,668</b>	<b>40,450</b>	<b>132,373</b>	<b>(58,089)</b>
Proportion in the net fixed assets before valuation differences at fair value	21,417	20,225	44,120	0
Valuation differences at fair value	0	0	0	0
<b>Proportion in the net fixed assets</b>	<b>21,417</b>	<b>20,225</b>	<b>44,120</b>	<b>0</b>
	1.1-31.12.2015	1.1-31.12.2015	1.1-31.12.2015	1.1-31.12.2015
Turnover	63,640	131,381	75,106	11,016
(Depreciation)	(11,722)	(3,488)	(13,310)	(3,778)
(Financial expenses)	(8,205)	(174)	(14,743)	0
Financial income	83	133	1,947	1
(Expense)/Income from tax	(3,099)	(2,675)	(7,682)	877
Results from continued operations	(45,060)	4,651	11,064	(2,498)
Results from discontinued operations	0	0	0	0
Other comprehensive income	(13)	(9)	2,276	23,111

**GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

<b>Total Results</b>	<b>(45,073)</b>	<b>4,642</b>	<b>13,340</b>	<b>20,613</b>
Share in the results of the Group	(11,265)	2,326	3,688	0
Share in the other comprehensive results of the Group	(3)	(5)	759	0
<b>Share in the total comprehensive results of the Group</b>	<b>(11,268)</b>	<b>2,321</b>	<b>4,446</b>	<b>0</b>

The accounts and items of the financial statements of these important joint ventures during the year 2014 are as follows:

Joint venture name	HERON II VOIOTIA SA	HERON THERMOELECTRIC SA	NEW ODOS SA	CENTRAL GREECE MOTORWAY SA
Geographical area of activity	Greece		Greece	
Business activity	Production of electricity from natural gas		Construction and management of motorways	
Importance of the participation for the Group	Secondary due to cash factors		Secondary due to cash factors and supplementary in the construction segment	
Interest as of 31.12.14	25.00%	50.00%	33.33%	33.33%
	HERON II VOIOTIA SA	HERON THERMOELECTRIC SA	NEW ODOS SA	CENTRAL GREECE MOTORWAY SA
	31.12.2014	31.12.2014	31.12.2014	31.12.2014
Non-current assets	213,406	27,750	194,590	403,030
Cash and cash equivalents	6,271	7,004	203,747	28,848
Other current assets	65,631	38,961	130,731	223,048
<b>Total assets</b>	<b>285,308</b>	<b>73,714</b>	<b>529,068</b>	<b>654,926</b>
Long-term financial liabilities (apart from trade and other liabilities and provisions)	105,277	0	139,717	579,137
Other long-term liabilities	14,579	5,116	170,512	56,494
Short-term financial liabilities (apart from trade and other liabilities and provisions)	10,292	0	43,205	56,384
Other short-term liabilities	24,422	28,790	56,600	40,614
<b>Total liabilities</b>	<b>154,570</b>	<b>33,906</b>	<b>410,034</b>	<b>733,629</b>
<b>Net fixed assets</b>	<b>130,738</b>	<b>39,808</b>	<b>119,034</b>	<b>(78,703)</b>
Proportion in the net fixed assets before valuation differences at fair value	32,685	19,904	39,674	0
Valuation differences at fair value	4,781	0	0	0
<b>Proportion in the net fixed assets</b>	<b>37,466</b>	<b>19,904</b>	<b>39,674</b>	<b>0</b>

**GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

	<b>1.1-31.12.2014</b>	<b>1.1-31.12.2014</b>	<b>1.1-31.12.2014</b>	<b>1.1-31.12.2014</b>
Turnover	93,900	111,350	72,553	7,782
(Depreciation)	(13,984)	(4,304)	(9,288)	(3,777)
(Financial expenses)	(9,224)	(114)	(14,255)	(4,917)
Financial income	168	34	765	66
(Expense)/Income from tax	(1,666)	(2,839)	(2,836)	1,952
Results from continued operations	4,446	8,002	22,628	(1,964)
Results from discontinued operations	0	0	0	0
Other comprehensive income	51	6	(6,833)	(61,589)
<b>Total Results</b>	<b>4,497</b>	<b>8,008</b>	<b>15,795</b>	<b>(63,553)</b>
Share in the results of the Group	1,112	4,002	7,542	0
Share in the other comprehensive results of the Group	12	3	(2,277)	0
<b>Share in the total comprehensive results of the Group</b>	<b>1,124</b>	<b>4,005</b>	<b>5,265</b>	<b>0</b>

Unless there is a specified note in the above tables of the significant joint ventures, the items represent 100% of the net equity of the joint ventures.

During the comparative period, no dividends were collected from the above joint ventures.

The major items of the other joint ventures (with credit net equity) are as follows:

	<b>31.12.2015</b>	<b>31.12.2014</b>
Non-current assets	10,614	11,063
Current assets	6,671	6,552
Long-term liabilities	(4,997)	(5,102)
Short-term liabilities	(6,131)	(5,902)
<b>Share in the net fixed assets</b>	<b>6,157</b>	<b>6,611</b>
	<b>1.1.-31.12.2015</b>	<b>1.1.-31.12.2014</b>
Turnover	1,233	1,214
Results from continued operations	(1,034)	(1,593)
Results from discontinued operations	0	0
Other comprehensive income	25	9
<b>Total results</b>	<b>(1,009)</b>	<b>(1,584)</b>



## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

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The above financial figures of the other joint ventures are depicted according to the Group's percentages of participation in their net equity.

The financial figures of the joint ventures are based on financial statements compiled according to the IFRS.

The account of participations in joint ventures include joint ventures with credit net equities as well as differences from valuation at fair value during the acquisition of the respective interests in accordance with the IFRS 3.

The application field of IFRS 5 is irrelevant for all joint ventures.

The financial statements of the joint ventures have been compiled with the same date compared to the ones of the Group.

### 12. FINANCIAL ASSETS – CONCESSIONS

The Group, adopting the accounting policy regarding the Concession Agreements, it recognized a financial asset referring to the concession agreement signed with the Greek State for the study, financing, installation, operational support, maintenance and technical administration of a Unified Automated Ticket Collection System for the Companies of OASA Group.

On 31<sup>st</sup> December 2015, the non depreciated balance stood at € 1,723.

### 13. OTHER LONG-TERM RECEIVABLES

The account "Other long-term receivables" on 31 December 2015 in the accompanying financial statements is analyzed as follows:

	GROUP		COMPANY	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
Loans to joint ventures and other related companies	55,668	52,522	51,142	47,742
Given guarantees	3,537	2,547	25	25
Other long-term receivables	16,491	10,644	0	0
<b>Total</b>	<b>75,696</b>	<b>65,713</b>	<b>51,167</b>	<b>47,767</b>

The Company and the Group have participated in the issuance of bond loans of joint ventures and other related companies of the road concessions segment amounting to 45,238 (42,744 during the end of the previous year). These loans carry an interest of about 7% and are paid back, along with the interests, at the maturity of these concessions.

Moreover the item "Other long-term receivables" mainly includes accrued income from agreements concerning sale of electricity from RES, with leasing elements.

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

### 14. INVENTORIES

The account “inventories” on 31 December 2015 in the accompanying financial statements are analyzed as follows:

	GROUP		COMPANY	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
Raw-auxiliary materials	7,887	6,987	0	0
Spare parts of fixed assets	1,560	1,657	0	0
Merchandise and Finished and semi-finished products	20,119	12,010	536	785
Property finished	17,384	26,158	188	894
Property to be developed	5,312	5,051	5,312	5,051
Property under construction	26,238	23,855	0	0
<b>Total</b>	<b>78,500</b>	<b>75,718</b>	<b>6,036</b>	<b>6,730</b>

The Group during the annual review process of the net realizable value of its inventories, found out, following a relevant study by independent appraisers, impairments on the value of commercial properties in Bulgaria and Greece, which are included in the real estate segment, and it recognized the resulting loss of 1,774 on Group level, whereas on Company level there was profit of 46 due to a reversed provision entry (loss 13,966 and 1,277 during the previous year respectively) in the “Other income/(expenses)” in the Statement of comprehensive income.

With the exception of the above case, there was no need for impairment of other impaired or low turnover inventories during 31 December 2015.

Mortgage liens amounting to a total of 22,017 have been written on an under development property of a company of the Group for security against bond loans.

### 15. TRADE RECEIVABLES

The trade receivables on 31 December 2015 in the accompanying financial statements are analyzed as follows:

	GROUP		COMPANY	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
Invoiced receivables	330,247	233,346	5,557	5,979
Accrued income	17	2,023	0	0
Customers – Doubtful and litigious	6,987	6,878	309	309
Notes / Checks Receivable overdue	868	868	0	0
Checks Receivable	1,539	3,387	0	0
Minus: Provisions for doubtful trade receivables	(21,276)	(17,841)	(452)	(452)
	<b>318,382</b>	<b>228,661</b>	<b>5,415</b>	<b>5,836</b>

The above trade receivables also include trade receivables from the Energy segment amounting to 41,159 (16,987 on 31 December 2014), which are pledged to banks as security against provided long-term and bond loans to finance the construction of Wind Parks.

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

In 2014, L.4254 imposed a retrospective reduce in sell prices of electric energy by 10% for wind farms and by 35% for photovoltaic parks. The Group had created a provision of amount 6,559 in the financial statements of the previous year, which was reversed at 2014.

### 16. CONSTRUCTION CONTRACTS

The technical works, undertaken by the Group that were under construction on 31.12.2015 are analyzed as follows:

	GROUP		COMPANY	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
<b>Cumulatively from the beginning of the projects</b>				
Cumulative costs	3,994,447	3,260,727	11,205	9,508
Cumulative profit	463,835	394,228	3,167	3,399
Cumulative loss	(179,979)	(134,708)	0	0
Invoices	(4,337,788)	(3,487,702)	(15,413)	(13,895)
	<b>(59,485)</b>	<b>32,545</b>	<b>(1,041)</b>	<b>(988)</b>
Customer Receivables from construction contracts	117,556	176,282	0	0
Liabilities to construction contracts (long-term)	(49,365)	(63,626)	0	0
Liabilities to construction contracts (short-term)	(127,676)	(80,111)	(1,041)	(988)
<b>Net receivables from construction contracts</b>	<b>(59,485)</b>	<b>32,545</b>	<b>(1,041)</b>	<b>(988)</b>
Customers' prepayments	377,381	266,651	0	0
Withheld amounts from customers of projects	55,733	54,146	0	0

### 17. PREPAYMENTS AND OTHER RECEIVABLES

The prepayments and other receivables on the 31st of December 2015 in the accompanying financial statements are analyzed as follows:

	GROUP		COMPANY	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
Advances to suppliers	130,110	49,253	0	0
Accounts of advances and credits	3,562	6,838	0	0
Prepayment to insurance funds (Social Security Organization of technical works)	4,682	4,421	0	0
VAT refund – offsetting entry	46,698	24,930	136	0
Receivables from other taxes except for income tax	1,874	1,874	1,874	1,874
Accrued income	10,136	3,107	5	15
Prepaid insurance premiums	5,679	7,097	4	0
Prepaid commissions for letters of guarantee	2,825	2,699	0	0
Prepaid rents	1,262	1,364	0	0
Other deferred expenses	2,371	2,360	89	348
Receivables from j/v, related companies and other associates	13,461	12,098	5,750	4,249
Receivables from wind park subsidies	9,417	13,821	0	0
Receivables from grants relating to the investment industrial plan	10,441	10,441	0	0
Receivables from insurance indemnities	506	2,032	0	0

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

Blocked bank deposit accounts	11,797	13,932	10,013	10,050
Other receivables – Sundry debtors	15,823	23,184	84	417
Minus: Provisions for doubtful other receivables	(3,364)	(4,364)	(1,000)	(1,000)
	<b>267,280</b>	<b>175,087</b>	<b>16,955</b>	<b>15,953</b>

The Group has recognized on 31st of December 2015 receivables from grants amounting to 19,858 (24,262 on 31.12.2014), which are expected to be collected with the final approval of the completion of the respective investment plans. During the financial year 2015, an amount of € 5,883 was de-recognized from the “Receivables from Grants of Wind Parks” (note 26).

The account “Receivables from taxes excluding income tax” of the Company and the Group includes withheld dividend tax, from dividends of an amount of 1,360 (1,360 on 31.12.2014). For this tax there are respective earnings for distribution in the fiscal year, defined according to the provisions of the Income Tax Code and the Greek GAAP. However, the results defined according to the requirements of the IFRS, which are implemented by the Company, report lower earnings. The Company presumes that the POL 1129/6.6.2012 is a tax clause and refers to earnings which arise from the implementation of the Income Tax Code and the Greek GAAP and not from those defined according to the IFRS and that it will offset the tax in future distributions. With respect to the specific issue, a relevant question has been submitted to the Ministry of Finance, which has not been answered until the approval date of the financial statements.

The accrued income for the year includes income from produced electric energy of December 2015, amounting to € 7,842 for the Group. The above income was invoiced at the beginning of 2016.

The change in the “Receivables from VAT” is mainly due to the VAT (to be refunded or offset) that derived from the development of new projects in RES and magnesite industry segment of the Group’s subsidiaries.

The change in supplier advances is due to a foreign supplier who has been granted 93.4 million during the year. This arises from the start of project construction AHS PTOLEMAIDA.

### 18. PROVISION FOR IMPAIRMENT OF RECEIVABLES

The movement of the account provision for impairment of trade and other receivables during the period is analyzed as follows:

	GROUP		COMPANY	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
<b>Balance 1.1</b>	<b>22,206</b>	<b>35,814</b>	<b>1,451</b>	<b>1,451</b>
Provisions for the year	3,467	2,961	0	0
Use of provision	(1,033)	(16,569)	0	0
Provisions recovery for the year	0	0	0	0
<b>Balance 31.12</b>	<b>24,640</b>	<b>22,206</b>	<b>1,451</b>	<b>1,451</b>

The above provisions for 2015 were recognized by in Other income/ (expenses).

The receivables of the Group and the Company include balances of a total amount 33,550 and 2,100 respectively (39,067 and 2,100 respectively for 2014) which concern overdue receivables apart from those impaired. The collection of these receivables is certain as they relate to the State and customers whose creditworthiness is not doubted.

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

The maturity of the above receivables has as follows:

<b>31.12.2015</b>	<b>GROUP</b>	<b>COMPANY</b>
Up to 1 year	4,011	0
1-2 years	3,324	0
2-3 years	3,912	0
More than 3 years	22,303	2,100
	<b>33,550</b>	<b>2,100</b>

<b>31.12.014</b>	<b>GROUP</b>	<b>COMPANY</b>
Up to 1 year	2,000	0
1-2 years	3,863	0
2-3 years	3,500	0
More than 3 years	29,704	2,100
	<b>39,067</b>	<b>2,100</b>

### 19. INVESTMENTS AVAILABLE FOR TRADING PURPOSES

The Group possessed at 31/12/15 banking shares, of total cost € 26.4 million. The financial assets are valued at fair at the reporting date of the statement of financial position. On 31<sup>st</sup> December 2015, the valuation of the shares resulted into a loss of € 2,658.

### 20. INVESTMENTS AVAILABLE FOR SALE

Investments available for sale on 31st December 2015, in the accompanying financial statements are analyzed as follows:

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>31.12.2015</b>	<b>31.12.2014</b>	<b>31.12.2015</b>	<b>31.12.2014</b>
Participating interests in companies	24,437	24,778	24,302	24,643
Securities	18,827	584	0	0
Other titles	15	50	0	0
Mutual Funds	151	194	151	194
	<b>43,430</b>	<b>25,606</b>	<b>24,453</b>	<b>24,837</b>
<b>Non-current</b>	<b>24,452</b>	<b>24,828</b>	<b>24,302</b>	<b>24,643</b>
<b>Current</b>	<b>18,978</b>	<b>778</b>	<b>151</b>	<b>194</b>

The participations in companies refer to participations in non-listed companies with participation percentage less than 20%.

The Group possessed at 31.12.2015 banking shares of acquisition cost 24,786. On 31.12.2015 the shares and the mutual funds held by the Group and the company were valued at 18,978, 18,827 and 151 respectively (778 and 194 on 31.12.2014 respectively), based on market prices.

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

The valuation of the investments available for sale resulted into a loss of 3,315 for the Group and 1,915 for the Company (loss of 2,352 for the Group and 70 for the Company respectively on 31.12.2014), which was recorded in the Other comprehensive income. Additionally with regard to the shares, within 2015 an amount of 4,429 was reclassified from the Other comprehensive income to the Statement of results, following an impairment test which concluded that the valuation loss is not recoverable (note 38).

The Group proceeded with the sale of equities and warrants in 2014. The gain of 1,991 resulting from the sale was recorded in Profit / (loss) from sale of participations and securities

### 21. CASH AND CASH EQUIVALENTS

The cash and cash equivalents on 31 December 2015 in the accompanying financial statements are analyzed as follows:

	GROUP		COMPANY	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
Cash in hand	213	234	30	34
Sight Deposits	280,826	242,687	2,446	1,646
Term Deposits	84,598	109,818	0	0
<b>Total</b>	<b>365,637</b>	<b>352,739</b>	<b>2,476</b>	<b>1,680</b>

Term deposits have a usual duration of 3 months and their carrying interest rates ranged during the year between 0.8-1.20% (1.70% - 2.00% for the previous year).

### 22. LONG-TERM LOANS AND FINANCE LEASES

The long-term loans and liabilities from finance leases on 31st December 2015, in the accompanying financial statements, are analyzed as follows:

	GROUP		COMPANY	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
Liabilities from finance leases	25,265	33,582	0	0
Minus: Short-term portion	(5,181)	(9,796)	0	0
Long-term loans	636,986	567,185	74,043	70,486
Minus: Short-term portion	(145,628)	(114,789)	(20,609)	(13,014)
<b>Long term part</b>	<b>511,442</b>	<b>476,182</b>	<b>53,434</b>	<b>57,472</b>

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

	GROUP		COMPANY	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
Up to 1 Year	145,628	114,789	20,609	13,014
Between 2 - 5 Years	251,396	242,651	51,247	53,782
Over 5 Years	239,962	209,745	2,187	3,690

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

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The repayment period of liabilities from finance leases is analyzed in the following table:

	GROUP	
	31.12.2015	31.12.2014
Up to 1 Year	5,181	9,796
Between 2 - 5 Years	20,021	17,990
Over 5 Years	63	5,796

### **A. Long-term Loans**

Long term debt is by 70.73% in euro (66.21% at the end of the previous year), by 12.47% in PLN (12.14% at the end of the previous year) and by 16.80% in USD (21.66% at the end of the previous year), and represents approximately 84.21% of the Group's total debt (80.81% at the end of the previous year). The long term debt mainly covers financing needs for the investments of construction and energy segments of the Group.

Within the year 2015, the amount of 59.37 million euro was repaid for long-term bank debts and received from new loans an amount of 125 million.

The average effective interest rate paid for the long-term debt during the closing year settled at 5.91 % (6.08% in the previous financial year).

### **B. Financial Leasing contracts**

During the closing financial year the Group paid the amount of 9,872 (10,811 in 2014) for lease payments and interest on existing financial leasing agreements with an average effective interest rate of 5.00% (4.10% in 2014).

During the present year, the Group entered into new leasing agreements amounting to 1,031 (28,742 during the previous year) mostly to cover the needs of the construction segment.

The remaining balance of the financial leasing contracts, with the accrued interest, as of 31.12.2015 amounted to 25,265 (33,579 in 31.12.2014), from which 5,181 are due within the following 12 months (9,793 on 31.12.2014).

### **C. Loan guarantees**

For the guarantee of certain Group's loans:

- Wind parks' generators have been pledged,
- Insurance contracts, receivables from sales to L.A.G.I.E. or D.E.D.D.I.E. as well as from construction services have been forfeited to lending banks,
- Lien mortgages of various series have been written on the real estate of some of the Group's companies amounting to 107,480 (105,280 during the end of the previous year) and,
- Shares of subsidiary companies with a nominal value of 31,638 (31,612 during the end of the previous year) have been provided by the parent company as collateral.

**23. LIABILITIES FROM FINANCIAL INSTRUMENTS**

In the USA, the TERNA ENERGY sub-group, in order to take advantage of the tax benefits provided by local law as much as possible, entered a transaction during the last quarter of 2012 where the counterparty company paid the amount of € 49,693 in order to acquire the right to receive, mainly, cash and tax losses (tax equity investment).

The basic characteristics of the transaction are as follows:

- Regardless of the participation stake in the share capital held by the counterparty company, TERNA ENERGY sub-group maintains control of management of the wind parks and therefore such are fully consolidated in the group's financial statements.
- The counterparty company receives a significant portion of the earnings and tax losses created from such wind parks until such achieve a predefined (during the initial investment) rate of return.
- The counterparty company remains a shareholder of the wind parks until the predefined rate of return on their investment is achieved.
- When the return on the investment of the counterparty company reaches the predefined level, the Group has the option to acquire the rights of the counterparty company at the amount of return of the investment.
- The return of the investment of the minority shareholders, depends exclusively on the performance of the wind parks. Even though TERNA ENERGY sub-group commits to operate such parks in the best possible manner and takes all possible measures to ensure their smooth operation, it is not obliged to pay cash to the counterparty company over the amount required to achieve the predefined return on their investment.

The Group, based on the objective of such transactions, classifies the investment of the counterparty company as a "Financial liability" in the consolidated statement of financial position. Subsequently, the financial liability is measured at amortized cost.

**24. PROVISION FOR STAFF INDEMNITIES**

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

The liabilities for staff indemnity liabilities were determined through an actuarial study. The following tables present an analysis of the net expenditure for the relevant provisions recorded in the consolidated net earnings for the financial year ended on the 31st of December, 2015 and the movement of the relevant provision accounts for staff indemnities presented in the attached consolidated Statement of financial position for the year ended on December 31st 2015.

The expense for staff indemnities is recognized by the Group in Income Statement and registered in Cost of sales by 2,585 and in Administrative and distribution expenses by 110 (2,090 and 107 during the previous year, respectively), and by the Company in Administrative and distribution expenses (during the present and previous year) is analyzed as follows:



## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

	GROUP		COMPANY	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
Current service cost	2,403	1,981	10	10
Financial cost	55	66	1	2
Effect of cut-backs or settlements	265	150	0	0
Recognition of actuarial (profits) / losses	170	215	10	(7)
	<b>2,893</b>	<b>2,412</b>	<b>21</b>	<b>5</b>

The movement of the relevant provision in the Statement of financial position is as follows:

	GROUP		COMPANY	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
<b>Balance 1.1</b>	<b>6,774</b>	<b>5,432</b>	<b>51</b>	<b>46</b>
Provision recognized in Net earnings	2,695	2,197	11	12
Provision recognized in Other Total Income	170	215	10	(7)
Provision recognized in inventories	28	0	0	0
Foreign exchange translation differences	493	496	0	0
Compensation payments	(2,075)	(1,566)	0	0
<b>Balance 31.12</b>	<b>8,085</b>	<b>6,774</b>	<b>72</b>	<b>51</b>

The main actuarial assumptions for the financial years 2015 and 2014 are as follows:

	2015	2014
Discount rate (based on the yields of the E.C.B. bonds)	2.0%	2.5%
Mortality: Greek mortality table	MT_EAE2012P	MT_EAE2012P
Future salaries increases	1.75%	2.0%
Movement of salaried workers (departure under their own will)	1%	1%
Movement of day-waged workers (departure under their own will)	1%	1%
Movement of salaried workers (laid-off)	8%	8%
Movement of day-waged workers (laid-off)	8%	8%

The following table presents the sensitivity of the liability concerning the rendering of benefits to personnel in cases of changes occurring in certain actuarial assumptions.

	Scenario 1	Scenario 2	Scenario 3	Scenario 4
Discount Rate	1.50%	2.00%	2.50%	2.50%
Future Salaries Increases	1.75%	2.00%	1.75%	1.50%
Effect on the net earnings / (losses) 2015	(137)	(66)	111	165

**25. OTHER PROVISIONS**

The movement of the relevant provision in the Statement of financial position for 2015 and 2014 is as follows:

	<b>Provisions for environmental rehabilitation</b>	<b>Other provisions</b>	<b>Total</b>
<b>Balance 1.1.2015</b>	<b>7,855</b>	<b>16,133</b>	<b>23,988</b>
Provision recognized in net earnings	18	2,964	2,982
Provision recognized in fixed assets	310	33	343
Utilized provisions	0	(4,000)	(4,000)
Interest on provisions recognized in net earnings	380	0	380
Transfer from / (to) other account	0	0	0
Non utilized provisions recognized in net earnings	0	(2,000)	(2,000)
Foreign exchange differences	15	4	19
<b>Balance 31.12.2015</b>	<b>8,578</b>	<b>13,134</b>	<b>21,712</b>

	<b>Provisions for environmental rehabilitation</b>	<b>Other provisions</b>	<b>Total</b>
<b>Balance 1.1.2014</b>	<b>4,210</b>	<b>3,952</b>	<b>8,162</b>
Provision recognized in net earnings	0	13,201	13,201
Provision recognized in fixed assets	3,382	0	3,382
Utilized provisions	0	0	0
Interest on provisions recognized in net earnings	340	0	340
Transfer from / (to) other account	0	0	0
Non utilized provisions recognized in net earnings	0	(1,020)	(1,020)
Foreign exchange differences	(77)	0	(77)
<b>Balance 31.12.2014</b>	<b>7,855</b>	<b>16,133</b>	<b>23,988</b>

In the account of “Provisions for environmental rehabilitation” there are recognized provisions which are formed by the Group’s energy segment companies, as well as some of the industry segment aiming at covering the rehabilitation expenses of the environment, where electricity production and quarries’ exploitation units are established, after the completion of the exploitation, which lasts for 20-30 years, according to the received licenses by the State. The above provision of 8,578 (7,855 on 31.12.2014) represents the required expenditure for the equipment’s dismantling and the formulation of the places where there are installed, utilizing the current technology and materials.

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

The item "Other provisions" in the above table is analyzed as follows:

	GROUP	
	31.12.2015	31.12.2014
Tax provisions with regard to unaudited financial years	1,890	1,801
Provisions for doubtful receivables	0	10,000
Provisions for litigation cases	1,380	1,690
Provisions for contractual obligations	0	642
Other provisions	9,864	2,000
	<b>13,134</b>	<b>16,133</b>

## 26. GRANTS

The movement of grants in the Statement of financial position for 2015 and 2014 is as follows:

	2015	2014
<b>Balance as at 1.1</b>	<b>287,703</b>	<b>278,290</b>
De-recognition of non collected grants	(5,883)	(3,030)
Receipts of grants	0	4,585
Approved but not yet received grants	1,479	10,441
Approved and collected grants to be returned	(20,775)	0
Transfer of grants to fixed assets (IFRIC 12)	0	0
Foreign exchange differences	6,459	6,455
Amortization of grants on fixed assets	(11,323)	(9,038)
<b>Balance as at 31.12</b>	<b>257,660</b>	<b>287,703</b>

Grants refer to those provided by the State for the development of wind parks, industrial / trade zones, car park stations and industrial development. The grants are amortized in accordance to the granted assets' depreciation or utilization rates.

The amount of the approved but not collected grants for the Group is included in the "Advances and other receivables". These grants were recognized according to the certainty that the Management has concerning the fact that all conditions for the collection of the grants are fulfilled and therefore the respective amounts will be received upon the final approval of the completion of the relevant investments.

During the year 2015, the Group applied for the return of five approved grants, amounting to € 26,658, due to the cancellation of investments in wind parks, for which the Group had received, in previous years, the amount of € 20,775. The amount of € 20,775 was reclassified in the item "Accrued and other short-term liabilities" whereas an amount of € 5,883 was de-recognized from both the item "Grants" and the item "Advances and Other Receivables" (note 17 and note 28).

## 27. SUPPLIERS

The suppliers on 31st December 2015, in the accompanying financial statements, are analyzed as follows:

**GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

	GROUP		COMPANY	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
Suppliers	214,207	205,598	4,261	1,966
Checks and notes payable	13,793	10,399	0	0
	<b>228,000</b>	<b>215,997</b>	<b>4,261</b>	<b>1,966</b>

**28. ACCRUED AND OTHER LIABILITIES**

The account "Accrued and other liabilities" (long and short term) on 31st December 2015 in the accompanying financial statements, is analyzed as follows:

**Other long-term liabilities**

	GROUP		COMPANY	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
Collected advances from customers relating to construction agreements	201,959	102,676	0	0
Liabilities from construction agreements	49,365	63,626	0	0
Guarantees of leased property	397	403	115	121
Other long-term liabilities	19,676	0	0	0
	<b>271,397</b>	<b>166,705</b>	<b>115</b>	<b>121</b>

The increase in " Collected advances from customers relating to construction agreements " is due to advance payment received by customer of AHS PTOLEMAIDA project.

In other long term liabilities 2015 are included guarantees from suppliers and subcontractors and other deductions.

**Accrued and other short-term liabilities**

	GROUP		COMPANY	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
Liabilities from taxes-duties	13,918	12,828	412	683
Social security funds	3,241	3,283	20	20
Dividends payable	34	48	10	24
Liabilities against joint ventures, associates and other related companies	15,153	17,847	2,637	1,172
Customer prepayments	177,286	162,938	2	1
Accrued expenses and deferred income and other transitory accounts	20,171	17,416	1,468	154
Personnel fees payable	3,600	1,236	20	0
Approved and collected grants to be returned	26,949	6,173	0	0
Sundry Creditors	5,000	5,329	705	492
	<b>265,352</b>	<b>227,098</b>	<b>5,274</b>	<b>2,546</b>

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

Of the long-term liabilities, an amount of 201,959 concerns customer advances for construction works, the certification and offsetting of which will be implemented after 31.12.2016 (102,676 on 31.12.2014), as well as an amount of 49,365 (63,626 on 31.12.14) which refers to obligations with regard to construction agreements that will be amortized after 31/12/2016.

### 29. SHORT-TERM LOANS

The Group's short-term loans refer mainly to revolving bank loans having duration between one and three months depending on the needs. The amounts withdrawn are used partly to cover the liquidity needs of the Group either during the construction period of technical works or during the construction period of installments of the Group's energy segment or during the development period of the investments in the mining of magnesite.

Such loans, with the completion of the relevant projects, are repaid with the collection of the contractor prices, or are converted to long-term as regards to wind parks, other energy projects and investments in the mining of magnesite.

The largest part of the Group's loans is issued in euro and the weighted average interest rate for such during the year amounted to 6.21% (6.53% during 2014).

### 30. DERIVATIVE FINANCIAL INSTRUMENTS

The Group, in the context of managing and minimizing its financial risks, has entered into interest rate swap agreements.

Interest rate swaps aim at hedging the risk from the negative fluctuation of future cash outflows that stem from interest on loan agreements that have been signed under the context of the activities mainly for the segment of and electricity production from RES in Greece and the U.S.A.

Taking into account the purpose of such derivatives, namely the hedging of cash flows, hedge accounting has been used and their fair value was calculated.

Information regarding the derivatives is displayed below:

	Nominal Value		GROUP		COMPANY	
			Liability Fair Value	Liability Fair Value	Liability Fair Value	Liability Fair Value
	31.12.2015	31.12.2014	31.12.2015	31.12.2014	31.12.2015	31.12.2014
Interest rate swaps:	€ 7,537	€ 7,537	545	673	-	-
Interest rate swaps:	€ 5,772	€ 5,772	309	379	-	-
Interest rate swaps:	€ 17,000	€ 17,000	1,705	2,020	-	-
Interest rate swaps:	€ 15,400	€ 15,400	653	771	-	-
Interest rate swaps:	€ 9,000	€ 9,000	329	312	-	-
Interest rate swaps:	€ 9,000	€ 9,000	644	760	-	-
Interest rate swaps:	€ 6,563	€ 6,563	558	638	-	0
			<b>4,743</b>	<b>5,553</b>	<b>0</b>	<b>0</b>

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

	Nominal Value		GROUP		COMPANY	
			Asset Fair Value	Asset Fair Value	Asset Fair Value	Asset Fair Value
			31.12.2015	31.12.2014	31.12.2015	31.12.2014
Interest rate swaps:	\$25,000	\$25,000	149	325	-	-
			<b>149</b>	<b>325</b>	<b>-</b>	<b>-</b>

The Group's policy aims at the minimization of its exposure against the cash flow risk relating to interest rates with regard to its long-term financing. In this context, the Group applies a hedging accounting and the result of the valuation is recognized in the item "Income/expenses from cash flow hedging" in the statement of other comprehensive income.

### 31. SHARE CAPITAL – EARNINGS PER SHARE

On 6/12/2013, a decision of the Extraordinary General Shareholders' Meeting 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 31.12.2015 the Group held directly through the parent 1.455.258 and indirectly through its subsidiaries, 1.200.184 with total amount of 2.655.442 treasury shares, with a total acquisition cost of 10,697 Within the year the number of own shares of the Company increased via the purchase of 680.905 shares.

Within the year 2013, the Company in the context of its agreement with York Capital Management (approved by the Extraordinary GM on 6/12/2013), 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.

With decision of the BoD on 27/3/2015, of the total amount of the bond loan and specifically of the amount of Euro 21,650 which concerned items of the Equity, an amount of 14,009 was recognized and was transferred to the share capital by an amount of 3,286 and to the share premium account by an amount of 10,723 via the issuance of 5,765,117 new shares with nominal value of 0.57€ per share. Furthermore, the Board of Directors on 29/6/2015 approved the second conversion of amount 7,200 (capital and accrued interest) of the bond loan referring to items of the Equity, into share capital by an amount of 1,662 and into share premium reserves by an amount of 5,538 with the issuance of 2,917,063 new shares with nominal value of € 0,57 per share. Following the above conversions, the mandatorily convertible part of the bond loan into GEK TERNA SA shares settles now at 0.65 million. A result of those changes, the share capital amounts to € 58,792,392.36 divided into 103,144,548 common registered shares of nominal value € 0.57 each.

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

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

<b>Calculation of diluted earnings per share</b>	<b>1.1- 31.12.2015</b>	<b>1.1- 31.12.2014</b>
Net earnings/(losses) attributable to Owners of the parent from continued operations	(14,467)	(61,261)
After tax interest attributable to obligatorily convertible bond loan	9	344
<b>Diluted earnings/(losses) attributable to Owners of the parent from continued operations</b>	<b>(14,458)</b>	<b>(60,917)</b>

<b>Calculation of diluted weighted average number of shares</b>	<b>1.1- 31.12.2015</b>	<b>1.1-31.12.2014</b>
Basic weighted average number of shares (without treasury shares)	98.163.217	92,866,470
Average weighted effect of the obligatorily convertible bond loan	260.000	8,660,000
<b>Diluted weighted average number of shares</b>	<b>98.423.217</b>	<b>101,526,470</b>

## 32. RESERVES

The Reserves account is analyzed as follows:

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>31.12.2015</b>	<b>31.12.2014</b>	<b>31.12.2015</b>	<b>31.12.2014</b>
Fair value reserve of assets available for sale	(4,962)	(4,399)	(2,247)	(346)
Fair value reserve from hedging derivatives	1,585	710	0	0
Contribution to Associates and JV's Other Income	(26,272)	(26,990)	0	0
Part of the mandatorily convertible into shares bond loan	650	21,650	650	21,650
Tax incentive reserves	192,623	186,819	0	4,199
Statutory reserve	27,729	23,576	7,007	7,007
Other reserves	1,415	5,861	58,183	58,953
	<b>192,770</b>	<b>207,227</b>	<b>63,593</b>	<b>91,463</b>

Tax incentive reserves in case of distribution or capitalization will be taxed according to the current tax rate.

During the current year, the Company and the Group submitted a statement for the taxation of their reserves according to Law 4172/2013 by an amount of 4,199 for the Company and 12,953 for the Group.

Of the above amounts, the total reserves of the Company were offset with existing losses, whereas for the Group an amount of 10,169 was offset with existing losses, while the remaining amount of 2,783 was taxed according to the provisions of the tax legislation.

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

### 33. INCOME TAX

According to Greek tax legislation, the tax rate corresponded to 26% for the year 2014 whereas for the year 2015 was set at 29%. The effective tax rate differs from the nominal. The calculation of the effective tax rate is affected by several factors, the most important of which are the non-tax exemption of specific expenses, differences from the use of depreciation rates that emerge between the fixed asset's useful life and the use of rates stipulated by L.4172/2013, the capability of companies to create tax-exempt discounts and tax-exempt reserves, and the aforementioned increase of the tax rate through calculations of deferred income tax.

#### (a) Income tax expense

Income tax in the total comprehensive income statement is analyzed as follows:

	GROUP		COMPANY	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
Current tax	35,641	30,254	3,277	1,569
Provision for tax audit differences	200	200	0	0
Adjustments of tax of previous years	910	556	0	0
	<b>36,751</b>	<b>31,010</b>	<b>3,277</b>	<b>1,569</b>
Deferred tax expense	(13,681)	(26,770)	(748)	(624)
<b>Total expense/(income)</b>	<b>23,070</b>	<b>4,240</b>	<b>2,529</b>	<b>945</b>

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

	GROUP		COMPANY	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
<b>Earnings/(loss) before tax</b>	<b>18,818</b>	<b>(54,823)</b>	<b>18,358</b>	<b>6,624</b>
Nominal tax rate	29%	26%	29%	26%
<b>Income tax expense/(income) based on the nominal tax rate</b>	<b>5,457</b>	<b>(14,254)</b>	<b>5,324</b>	<b>1,722</b>
Complementary property tax	6	4	0	0
Deemed taxation method	318	(42)	0	0
Expenses not included in the calculation of tax	6,473	1,219	(417)	(190)
Effect of differences of tax rate	(2,380)	2,209	(116)	0
Adjustments of tax of previous years and additional taxes	910	556	693	253
Difference in taxation of foreign companies	(5,008)	11,420	0	0
Write-off/(Offsetting) of tax losses	17,094	2,928	0	(575)
Provision for tax audit differences	200	200	0	0
Tax-exempt results	0	0	(2,955)	(265)
<b>Actual Tax expense</b>	<b>23,070</b>	<b>4,240</b>	<b>2,529</b>	<b>945</b>



**GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

The parent company GEK TERNA S.A. has been audited by the relevant tax authorities up to fiscal year 2009 included. The income tax statements are submitted on an annual basis, but earnings or losses (particularly for the parent company and the Greek subsidiaries that emerged up to 2010 included) that are stated remain temporary until the tax authorities audit the books and data of the entity and the final audit report is issued. In this case possible additional taxes and surcharges may be imposed by the tax authorities. For this purpose, and according to data that derived from tax audits of previous years, relevant provisions have been made for 2015 against additional taxes and surcharges that may be imposed to the Group amounting to 1,890 (1,801 during the previous year). Such provisions are included in the account "Other provisions". The tax losses, to the extent that such are accepted by the tax authorities, may offset future taxable earnings for a period of five years from the year such resulted in.

During the preparation date of the accompanying financial statements, the tax un-audited fiscal years of the Group's companies, including financial year 2015, are as follows:

ECONOMIC ENTITY	DOMICILE	TOTAL PARTICIPATION %	CONSOLIDATION METHOD	UNAUDITED TAX YEARS
<b>CONSTRUCTIONS SEGMENT - JOINT VENTURES</b>				
J/V HELLAS TOLLS	Greece	33.33		2010-2015
ALTE ATE – TERNA SA GP	Greece	50		2002-2015
<b>CONSTRUCTIONS SEGMENT - SUBSIDIARIES</b>				
TERNA SA	Greece	100	Full	2010-2015
J/V EUROIONIA	Greece	100	Full	2010-2015
J/V CENTRAL GREECE MOTORWAY E-65	Greece	100	Full	2008-2015
ILIOHORA SA	Greece	100	Full	2010-2015
TERNA OVERSEAS LTD	Cyprus	100	Full	2007-2015
TERNA QATAR LLC	Qatar	35	Full	2007-2015
TERNA BAHRAIN HOLDING WLL	Bahrain	99.99	Full	-
TERNA CONTRACTING CO WLL	Bahrain	100	Full	-
TERNA ELECTRICAL MECHANICAL WLL	Bahrain	100	Full	-
TERNA VENTURES WLL	Bahrain	100	Full	-
TERNA SAUDI ARABIA LTD	Saudi Arabia	60	Full	2012-2015
J/V GEK TERNA – TERNA ENERGY (INSTALLATION AND OPERATION OF ASSK)	Greece	100	Full	2015
<b>CONSTRUCTIONS SEGMENT - JOINT VENTURES</b>				
J/V TOMI ABETE-ILIOHORA SA	Greece	30		2010-2015
J/V AVAX SA-VIOTER SA-ILIOHORA SA	Greece	37.5		2007-2015
J/V ILIOCHORA-KASTAT CONSTRUCTIONS (Koumpila-Louloudi project)	Greece	70		2012-2015
J/V TERNA-KARAYIANNIS-KARAYIANNIS-ILIOCHORA	Greece	50		2010-2015
J/V GEK SERVICES SA – SPAKON LTD	Greece	60		2013-2015

**GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

ECONOMIC ENTITY	DOMICILE	TOTAL PARTICIPATION %	CONSOLIDATION METHOD	UNAUDITED TAX YEARS
J/V TERNA - AKTOR - POWELL (CHAIDARI METRO)	Greece	66		2008-2015
J/V TERNA - IMPEGILOSPA (TRAM)	Greece	55		2010-2015
J/V ALPINEMAYREDERBAUGmbH-TERNA (ANCIENT OLYMPIA BYPASS)	Greece	50		2010-2015
J/V ATHANASIADIS - TERNA (THESSAL. CAR PARK.)	Greece	50		2007-2015
J/V TERNA SA - AKTOR SA-J&P-AVAX SA (LAND OF CONCERT HALL)	Greece	69		2010-2015
J/V TERNA AE - WAYSS (PERISTERI METRO)	Greece	50		2003-2015
J/V ETETH-TERNA-AVAX -PANTECHNIKI HORSE RIDING CENTRE	Greece	35		2010-2015
J/V TERNA – PANTECHNIKI (OAKA SUR. AREAS)	Greece	83.5		2007-2015
J/V TERNA S.A. - AKTOR A.T.E.- J&P AVAX (Concert Hall)	Greece	37		2010-2015
J/V TERNA-MICHANIKI AGRINIO BY-PASS	Greece	65		2007-2015
J/V THALES ATM SA-TERNA IMPROVEMENTS OF TACAN STATIONS	Greece	50		2010-2015
J/V ALPINEMAYREDERBAUGmbH-TERNA SA (CHAIDARI METRO STATION, PART A')	Greece	50		2010-2015
J/V ALPINEMAYREDERBAUGmbH-TERNA SA (PARADEISIA TSAKONA)	Greece	49		2010-2015
J/V AKTOR-DOMOTECHNIKI-THEMELIODOMI-TERNA-ETETH (THESSAL. MEG. MUNICIPALITY)	Greece	25		2010-2015
J/V TERNA - AKTOR (SUBURBAN SKA)	Greece	50		2010-2015
J/V TERNA - AKTOR (R.C. LIANOKLADI - DOMOKOS)	Greece	50		2008-2015
J/V TERNA SA- THALES AUSTRIA (ETCS SYSTEM PROCUREMENT)	Greece	37.4		2010-2015
J/V TERNA SA-AKTOR ATE J&P AVAX–TREIS GEFYRES	Greece	33.33		2010-2015
J/V METKA-TERNA	Greece	90		2009-2015
J/V APION KLEOS	Greece	17		2010-2015
J/V TERNA SA-SICES CONSTRUCTIONS (HELPE REF. UPGR.)	Greece	50		2010-2015
J/V AKTOR-TERNA-PORTO KARRAS (Florina-Niki road)	Greece	33.33		2012-2015
J/V AKTOR-TERNA (PATHE at Stylida road)	Greece	50		2012-2015
J/V TERNA - AEGEK Constructions (Promachonas road)	Greece	50		2012-2015
J/V AKTOR-TERNA (Patras Port)	Greece	70		2012-2015
J/V AKTOR ATE-J&P AVAX - TERNA SA (Koromilia-Kristalopigi project)	Greece	33.33		2012-2015
J/V IMPREGILO SpA-TERNA SA (Cultural center of Stavros Niarchos Foundation)	Greece	49		2012-2015
J/V AKTOR ATE – TERNA SA (Lignite works)	Greece	50		2013-2015
J/V AKTOR ATE – TERNA SA (Thriasio B')	Greece	50		2013-2015
J/V AKTOR SA – J&P AVAX – TERNA SA (Tithorea Domokos)	Greece	33.33		2014-2015
J/V AKTOR SA – J&P AVAX – TERNA SA (Bridge RL 26, TITHOREA - DOMOKOS)	Greece	44.56		2014-2015
J/V AKTOR SA – TERNA SA (Thriasio B' ERGOSE)	Greece	50		2014-2015
JV QBC S.A.-TEPNA A.E.	Qatar	35		2002-2015
J/V AKTOR SA – TERNA SA (Joint Venture ERGOSE AD 751)	Greece	50		2015
<b>CONSTRUCTION SEGMENT - ASSOCIATES</b>				
ATTIKAT SA	Greece	22.15		2003-2015
<b>RES ENERGY SEGMENT - SUBSIDIARIES</b>				
TERNA ENERGY SA	Greece	40.80	Full	2009-2010
IWECO HONOS LASITHIOU CRETE SA	Greece	40.80	Full	2010-2015

**GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

ECONOMIC ENTITY	DOMICILE	TOTAL PARTICIPATION %	CONSOLIDATION METHOD	UNAUDITED TAX YEARS
ENERGIKI SERVOUNIOU SA	Greece	40.80	Full	2010-2015
TERNA ENERGY EVROU SA	Greece	40.80	Full	2010-2015
PPC RENEWABLES - TERNA ENERGY SA	Greece	40.80	Full	2010-2015
AIOLIKI PANORAMATOS DERVENOCHORION S.A.	Greece	40.80	Full	2010-2015
AIOLIKI RACHOULAS DERVENOCHORION S.A.	Greece	40.80	Full	2010-2015
ENERGIKI DERVENOCHORION S.A.	Greece	40.80	Full	2010-2015
AIOLIKI MALEA LAKONIAS S.A.	Greece	40.80	Full	2010-2015
ENERGIKI FERRON EVROU S.A.	Greece	40.80	Full	2011-2015
AIOLIKI DERVENI TRAIANOUPOLEOS S.A.	Greece	40.80	Full	2011-2015
ENERGIKI PELOPONNISOU S.A.	Greece	40.80	Full	2010-2015
ENERGIKI NEAPOLEOS LAKONIAS S.A.	Greece	40.80	Full	2010-2015
AIOLIKI ILIOKASTROU S.A	Greece	40.80	Full	2010-2015
EUROWIND S.A.	Greece	40.80	Full	2010-2015
ENERGEI KI XIROVOUNIOU S.A.	Greece	40.80	Full	2011-2015
DELTA AXIOU ENERGEI KI S.A	Greece	40.80	Full	2011-2015
TERNA ENERGY SEA WIND PARKS S.A.	Greece	40.80	Full	2011-2015
TERNA ENERGY WIND PARKS XIROKAMPOS AKRATAS S.A.	Greece	40.80	Full	2010-2015
VATHICHORI ENVIRONMENTAL S.A.	Greece	40.80	Full	2010-2015
VATHICHORI ONE PHOTOVOLTAIC S.A.	Greece	40.80	Full	2011-2015
CHRISOUPOLI ENERGY Ltd	Greece	40.80	Full	2011-2015
LAGADAS ENERGY SA	Greece	40.80	Full	2011-2015
DOMOKOS ENERGY SA	Greece	40.80	Full	2011-2015
DIRFIS ENERGY SA	Greece	40.80	Full	2012-2015
FILOTAS ENERGY SA	Greece	40.80	Full	2012-2015
MALESINA ENERGY SA	Greece	40.80	Full	2012-2015
ORCHOMENOS ENERGY Ltd	Greece	40.80	Full	2012-2015
ALISTRATI ENERGY Ltd	Greece	40.80	Full	2012-2015
TERNA ENERGY AI-GIORGIS SA	Greece	40.80	Full	2012-2015
TERNA ENERGY AMARINTHOU SA	Greece	40.80	Full	2012-2015
TERNA ENERGY AITOLOAKARNANIAS SA	Greece	40.80	Full	2012-2015
TERNA ILIAKI VIOTIAS SA	Greece	40.80	Full	2012-2015
VATHICHORI TWO ENERGY SA	Greece	40.80	Full	2012-2015
TERNA AIOLIKI XEROVOUNIOU SA	Greece	40.80	Full	2012-2015
TERNA ILIAKI ILIOKASTROU SA	Greece	40.80	Full	2012-2015
TEPNA ILIAKI PANORAMATOS SA.	Greece	40.80	Full	2012-2015
AIOLIKI KARYSTIAS EVIAS SA	Greece	40.80	Full	2007-2015
GEO THERMIKI ENERGY ANAPTYXI AKI SA	Greece	40.80	Full	2012-2015
TERNA ILIAKI PELLOPONISSOU SA.	Greece	40.80	Full	2012-2015
GP ENERGY LTD	Bulgaria	40.80	Full	2005-2015
TERNA ENERGY OVERSEAS LTD	Cyprus	40.80	Full	2009-2015
EOLOS POLSKA sp.z.o.o.	Poland	40.80	Full	2010-2015

**GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

ECONOMIC ENTITY	DOMICILE	TOTAL PARTICIPATION %	CONSOLIDATION METHOD	UNAUDITED TAX YEARS
EOLOS NOWOGRODZEC sp.z.o.o.	Poland	40.80	Full	2010-2015
TERNA ENERGY NETHERLANDS BV	Netherlands	40.80	Full	2009-2015
HAOS INVEST 1 EAD	Bulgaria	40.80	Full	2010-2015
VALE PLUS LTD	Cyprus	40.80	Full	2010-2015
GALLETTE LTD	Cyprus	40.80	Full	2009-2015
ECO ENERGY DOBRICH 2 EOOD	Bulgaria	40.80	Full	2011-2015
ECO ENERGY DOBRICH 3 EOOD	Bulgaria	40.80	Full	2011-2015
ECO ENERGY DOBRICH 4 EOOD	Bulgaria	40.80	Full	2011-2015
COLD SPRINGS WINDFARM LLC	U.S.A.	40.80	Full	2011-2015
DESERT MEADOW WINDFARM LLC	U.S.A.	40.80	Full	2011-2015
HAMMETTHILL WINDFARM LLC	U.S.A.	40.80	Full	2011-2015
MAINLINE WINDFARM LLC	U.S.A.	40.80	Full	2011-2015
RYEGRASS WINDFARM, LLC	U.S.A.	40.80	Full	2011-2015
TWO PONDS WINDFARM, LLC	U.S.A.	40.80	Full	2011-2015
MOUNTAIN AIR WIND, LLC	U.S.A.	40.80	Full	2011-2015
TERNA ENERGY USA HOLDING CORPORATION	U.S.A.	40.80	Full	2011-2015
TERNA ENERGY TRANSATLANTIC sp.z.o.o.	Poland	40.80	Full	2011-2015
EOLOS NORTH sp.z.o.o.	Poland	40.80	Full	2012-2015
EOLOS EAST sp.z.o.o.	Poland	40.80	Full	2012-2015
AIOLIKI PASTRA ATTIKIS SA	Greece	40.80	Full	2007-2015
TERNA ENERGY TRADING LTD	Cyprus	40.80	Full	2015
JP GREEN sp.z.o.o.	Poland	40.80	Full	2015
WIRON sp.z.o.o.	Poland	40.80	Full	2015
BALLADYNA sp.z.o.o.	Poland	40.80	Full	2015
TETRA DOOEL SKOPJE	FYROM	40.80	Full	2015
PROENTRA D.O.O BEOGRAD	Serbia	40.80	Full	2015
TERNA ENERGY SA & Co AIOLIKI POLYKASTROU G.P.	Greece	40.80	Full	2007-2015
TERNA ENERGY SA & CO ENERGEIAKI VELANIDION LAKONIAS G.P	Greece	40.80	Full	2007-2015
TERNA ENERGY SA & CO ENERGI AKI DYSTION EVIAS G.P.	Greece	40.80	Full	2007-2015
TERNA ENERGY SA & CO ENERGI AKI ARI SAPPON G.P.	Greece	40.80	Full	2007-2015
TERNA ENERGY SA & CO AIOLIKI EASTERN GREECE G.P.	Greece	40.80	Full	2007-2015
TERNA ENERGY SA & CO AIOLIKI MARMARIOU EVIAS G.P.	Greece	40.80	Full	2007-2015
TERNA ENERGY SA & CO ENERGI AKI PETRION EVIAS G.P.	Greece	40.80	Full	2007-2015
TERNA ENERGY SA & CO AIOLIKI ROKANI DERVENOCHORION G.P.	Greece	40.80	Full	2007-2015
TERNA ENERGY SA & CO ENERGI AKI STYRON EVIAS G.P.	Greece	40.80	Full	2007-2015
TERNA ENERGY SA & CO ENERGI AKI KAFIREOS EVIAS G.P.	Greece	40.80	Full	2007-2015
TERNA ENERGY SA & Co AIOLIKI PROVATA TRAIANOUPOLEOS G.P.	Greece	40.80	Full	2007-2015
TERNA ENERGY SA VECTOR WIND PARKS GREECE-WIND PARK TROULOS G.P.	Greece	40.80	Full	2011-2015

**GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

ECONOMIC ENTITY	DOMICILE	TOTAL PARTICIPATION %	CONSOLIDATION METHOD	UNAUDITED TAX YEARS
<b>RES ENERGY SEGMENT – JOINT VENTURES</b>				
TERNA ENERGY SA – MEL MACEDONIAN PAPER MILLS SA & CO CO-PRODUCTION GP	Greece	20.4		2009-2015
TERNA ENERGY AVETE & SIA LP	Greece	28.56		2009-2015
<b>RES ENERGY SEGMENT – RELATED COMPANIES</b>				
CYCLADES RES ENERGY CENTER SA	Greece	18.36	Equity	2012-2015
EN.ER.MEL S.A.	Greece	20.07	Equity	2012-2015
<b>THERMAL ENERGY SEGMENT - JOINT VENTURES</b>				
HERON THERMOELECTRIC S.A.	Greece	50	Equity	2010-2015
HERON II VIOTIA THERMOELECTRIC STATION S.A.	Greece	25	Equity	2009-2015
<b>REAL ESTATE SEGMENT - SUBSIDIARIES</b>				
IOANNINON ENTERTAINMENT DEVELOPMENT S.A.	Greece	71.76	Full	2010-2015
MONASTIRIOU TECHNICAL DEVELOPMENT S.A.	Greece	100	Full	2010-2015
VIPA THESSALONIKI S.A.	Greece	100	Full	2010-2015
GEK SERVICES SA	Greece	51	Full	2009-2015
GEK CYPRUS LTD	Cyprus	100	Full	2010-2015
ICON EOOD	Bulgaria	100	Full	2009-2015
ICON BOROVEC EOOD	Bulgaria	100	Full	2009-2015
DOMUS DEVELOPMENT EOOD	Bulgaria	100	Full	2007-2015
SC GEK ROM SRL	Romania	100	Full	2007-2015
HERMES DEVELOPMENT SRL	Romania	100	Full	2009-2015
HIGHLIGHT SRL	Romania	100	Full	2006-2015
MANTOUDI BUSINESS PARK S.A.	Greece	100	Full	2014-2015
<b>REAL ESTATE SEGMENT - JOINT VENTURES AND RELATED COMPANIES</b>				
KEKROPS S.A.	Greece	28.74	Equity	2010-2015
GEKA S.A.	Greece	33.34	Equity	2011-2015
GAIA INVESTMENT SA	Greece	35.78	Equity	2008-2015
GLS EOOD	Bulgaria	50	Equity	2008-2015
<b>CONCESSIONS SEGMENT - SUBSIDIARIES</b>				
IOLKOS S.A.	Greece	100	Full	2010-2015
HIRON CAR PARK S.A.	Greece	100	Full	2010-2015
KIFISIA PLATANOU SQ. CAR PARK SA	Greece	100	Full	2010-2015
PARKING STATION SAROKOU SQUARE CORFU S.A	Greece	100	Full	2010-2015

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

ECONOMIC ENTITY	DOMICILE	TOTAL PARTICIPATION %	CONSOLIDATION METHOD	UNAUDITED TAX YEARS
HELLAS SMARTICKET SA	Greece	40.80	Full	-
WASTE CYCLO SA	Greece	40.80	Full	2014-2015
PERIVALLONTIKI PELOPONNISOU SA	Greece	40.80	Full	-
<b>CONCESSIONS SEGMENT - JOINT VENTURES</b>				
NEA ODOS SA	Greece	33.33	Equity	2008-2010
CENTRAL GREECE MOTORWAY S.A.	Greece	33.33	Equity	2008-2015
PARKING OUIL SA	Greece	50	Equity	2008-2015
ATHENS CAR PARK S.A.	Greece	21.76	Equity	2010-2015
THESSALONIKI / NIKIS CAR PARK S.A.	Greece	24.7	Equity	2010-2015
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Greece	34.61	Equity	2008-2010
POLIS PARK S.A.	Greece	28.76	Equity	2010-2015
SMYRNI PARK S.A.	Greece	20	Equity	2010-2015
HELLINIKON ENTERTAINMENT AND ATHLETIC PARKS S.A.	Greece	31.63	Equity	2010-2015
METROPOLITAN ATHENS PARK SA	Greece	22.91	Equity	2010-2015
<b>INDUSTRIAL SEGMENT - SUBSIDIARIES</b>				
VIOMEK ABETE	Greece	96.59	Full	2010
STROTIRES AEBE	Greece	51	Full	2010
TERNA MAG SA	Greece	100	Full	2010
EUROPEAN AGENCIES OF METALS SA	Greece	100	Full	2010
VRONDIS QUARRY PRODUCTS SA	Greece	100	Full	2010
CEMENT PRODUCTION AND EXPORT FZC	Libya	75	Full	2010-2015
MALCEM CONSTRUCTION MATERIALS LTD	Malta	75	Full	2008-2015
<b>SEGMENT OF HOLDINGS – SUBSIDIARIES</b>				
QE ENERGY EUROPE LTD	Cyprus	100	Full	2007-2015

### (b) Deferred tax

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

	GROUP		COMPANY	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
<b>Net deferred tax asset / (liability)</b>	<b>38,373</b>	<b>27,191</b>	<b>273</b>	<b>(853)</b>
<b>Opening Balance</b>	<b>27,191</b>	<b>(1,441)</b>	<b>(853)</b>	<b>(1,507)</b>
Effect of discontinued operations/acquisitions of entities	0	0	0	0
(Expense)/Income recognized in net earnings	13,681	26,770	748	624
(Expense)/Income recognized in Other comprehensive income	369	1,857	378	30
Foreign Exchange Differences	1	5		
Other movements	(2,869)	0	0	0
<b>Closing Balance</b>	<b>38,373</b>	<b>27,191</b>	<b>273</b>	<b>(853)</b>

**GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

The deferred taxes (assets and liabilities) of 2015 and 2014 are analyzed as follows:

GROUP	Statement of financial position		Net earnings (Debit)/Credit	Other comprehensive income (Debit)/Credit
	31.12.2015	31.12.2014	1.1 – 31.12.2015	1.1 – 31.12.2015
<b>Deferred tax asset</b>				
Expense for issuing capital	3,270	3,217	(159)	212
Provision for staff indemnities	841	573	0	268
Valuation of derivatives	1,213	1,213	0	0
Recognized tax losses	8,516	8,850	(334)	0
Other provisions	10,294	5,497	4,797	0
Provisions for doubtful receivables	4,574	3,490	1,084	0
Discontinued operations	0	0	0	0
Impairment of inventories	2,860	2,860	0	0
Differences from amortized cost method in loan liabilities	(323)	576	(899)	0
Other	998	87	911	0
<b>Deferred tax liability</b>				
Investment property valuation	2,806	1,984	822	0
Recognition of finance leases	130	70	60	0
Valuation of investments	(2,407)	(911)	(1,197)	(299)
Recognition of revenue based on the percentage of completion	34,531	23,735	10,796	0
Depreciation differences	(3,001)	(11,031)	8,030	0
Intangible assets differences	2,483	911	1,572	0
Tangible assets differences	(11,958)	(1,294)	(10,852)	188
Companies' acquisitions and sales	(16,454)	(12,636)	(3,818)	0
<b>Deferred tax on net earnings/ other comprehensive income</b>			<b>10,813</b>	<b>369</b>
<b>Net deferred income tax asset / (liability)</b>	<b>38,373</b>	<b>27,191</b>		

GROUP	Statement of financial position		Net earnings (Debit)/Credit	Other comprehensive income (Debit)/Credit
	31.12.2014	31.12.2013 Restated	1.1 – 31.12.2014	1.1 – 31.12.2014
<b>Deferred tax asset</b>				
Expense for issuing capital	3,217	3,162	9	46
Provision for staff indemnities	573	476	234	(137)
Valuation of derivatives	1,213	514	0	699
Recognized tax losses	8,850	17,547	(8,697)	0
Other provisions	5,497	3,598	1,899	0
Provisions for doubtful receivables	3,490	2,736	754	0
Discontinued operations	0	0	0	0
Impairment of inventories	2,860	0	2,860	0
Differences from amortized cost method in loan liabilities	576	0	576	0
Other	87	80	7	0

**GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

**Deferred tax liability**

Investment property valuation	1,984	(507)	2,491	0
Recognition of finance leases	70	1,733	(1,663)	0
Valuation of investments	(911)	(3,129)	968	1,250
Recognition of revenue based on the percentage of completion	23,735	10,089	13,646	0
Depreciation differences	(11,031)	(8,733)	(2,298)	0
Intangible assets differences	911	(666)	1,577	0
Tangible assets differences	(1,294)	(1,042)	(252)	0
Companies' acquisitions and sales	(12,636)	(27,299)	14,663	0
<b>Deferred tax on net earnings/ other comprehensive income</b>			<b>26,774</b>	<b>1,858</b>
<b>Net deferred income tax asset / (liability)</b>	<b>27,191</b>	<b>(1,441)</b>		

COMPANY	Statement of financial position		Net earnings (Debit)/Credit	Other comprehensive income (Debit)/Credit
	31.12.2015	31.12.2014	1.1 – 31.12.2015	1.1 – 31.12.2015
<b>Deferred tax asset</b>				
Provision for staff indemnities	21	13	7	1
Valuation of investments	(2,262)	(2,527)	(19)	284
Income recognition according to IAS 11	478	281	197	0
Recognized tax losses	0	0	0	0
Other Provisions	726	93	633	0
<b>Deferred tax liability</b>				
Expensing of intangible fixed assets	(51)	35	(86)	0
Fixed asset valuation differences	406	364	0	42
Expense for issuing capital	201	150	0	51
Valuation of investment property	755	738	16	0
<b>Deferred tax on net earnings / other comprehensive income</b>			<b>748</b>	<b>378</b>
<b>Net deferred income tax asset / (liability)</b>	<b>273</b>	<b>(853)</b>		

COMPANY	Statement of financial position		Net earnings (Debit)/Credit	Other comprehensive income (Debit)/Credit
	31.12.2014	31.12.2013 Restated	1.1 – 31.12.2014	1.1 – 31.12.2014
<b>Deferred tax asset</b>				
Provision for staff indemnities	13	12	3	(2)
Valuation of investments	(2,527)	(2,650)	105	18
Income recognition according to IAS 11	281	145	136	0
Recognized tax losses	0	253	(253)	0
Other Provisions	93	0	93	0



**GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

*(Amounts in thousands Euro, unless otherwise stated)***Deferred tax liability**

Expensing of intangible fixed assets	35	100	(65)	0
Fixed asset valuation differences	364	364	0	0
Expense for issuing capital	150	136	0	14
Valuation of investment property	738	133	605	0
<b>Deferred tax on net earnings/ other comprehensive income</b>			<b>624</b>	<b>30</b>
<b>Net deferred income tax asset / (liability)</b>	<b>(853)</b>	<b>(1,507)</b>		

**34. COST OF SALES - ADMINISTRATIVE AND DISTRIBUTION EXPENSES - RESEARCH AND DEVELOPMENT EXPENSES**

The cost of sales as at 31st December 2015 in the accompanying financial statements, is analyzed as follows:

	GROUP		COMPANY	
	1.1-31.12.2015	1.1-31.12.2014	1.1-31.12.2015	1.1-31.12.2014
Inventory cost-construction materials	218,824	256,116	1,248	196
Employee remuneration	89,563	82,080	0	209
Sub-contractors	271,991	230,746	725	184
Fees of civil engineers, technical consultants and other third parties	68,751	102,449	664	338
Other third-party expenses	9,215	7,397	211	214
Taxes-duties	6,824	6,898	118	101
Provisions	1,159	5,027	153	0
Transportation expenses	1,378	1,132	0	0
Depreciation	75,078	71,393	137	298
Operating leases	34,103	41,809	0	0
Insurance premiums	7,280	7,791	7	8
Transportation expenses	28,872	15,718	0	0
Repairs-Maintenance expenses	19,329	17,450	1	2
Auditors' fees	207	127	0	0
Net financial cost of projects	21,654	13,633	2,878	2,388
Other	8,225	1,437	2	0
<b>Total</b>	<b>862,453</b>	<b>861,203</b>	<b>6,144</b>	<b>3,938</b>

The administrative and distribution costs during 2015 in the accompanying financial statements are analyzed as follows:

	GROUP		COMPANY	
	1.1-31.12.2015	1.1-31.12.2014	1.1-31.12.2015	1.1-31.12.2014
Employee remuneration	8,913	7,836	555	316
Fees of civil engineers, technical consultants and other third parties	10,084	10,804	435	299
Other third-party expenses	1,506	1,409	74	41
Travel expenses	619	634	6	12
Subscriptions and contributions	574	612	4	0

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

Promotion and advertising expenses	329	272	0	0
Depreciation	2,115	1,876	110	112
Provisions	0	411	0	0
Repairs - Maintenance	745	760	131	93
Insurance Premiums	260	248	16	17
Auditors' fees	942	803	88	98
Remuneration of BoD	470	1,025	0	0
Operating leases	1,226	1,166	56	56
Taxes - Duties	1,820	1,542	281	217
Transport expenses	124	144	0	0
Expenses concerning litigation cases	312	23	0	0
Other	3,003	5,419	(102)	11
<b>Total</b>	<b>33,042</b>	<b>34,984</b>	<b>1,654</b>	<b>1,272</b>

The Research and Development expenses during 2015 in the accompanying financial statements are analyzed as follows:

	GROUP	
	1.1-31.12.2015	1.1-31.12.2014
Employee remuneration	127	115
Fees of civil engineers, technical consultants and other third parties	1,798	1,818
Other third party expenses	23	28
Depreciation	238	166
Travel expenses	166	58
Other	408	339
<b>Total</b>	<b>2,760</b>	<b>2,524</b>

Moreover, for the year 2014 in the Company there is an amount of 360 concerning consultants' fees, included in the research and development expenses.

### 35. AUDITORS FEES

	GROUP		COMPANY	
	1.1-31.12.2015	1.1-31.12.2014	1.1-31.12.2015	1.1-31.12.2014
Fees for statutory audits	989	826	88	73
Fees for extraordinary audits	76	30	0	0
Fees for other services	84	74	0	25
<b>Total</b>	<b>1,149</b>	<b>930</b>	<b>88</b>	<b>98</b>

From the above fees for the Group, an amount of 942 (803 in 2014) has been recognized in Administrative expenses and an amount of 207 (127 in 2014) in Cost of sales. The respective fees for the Company have been recognized in Administrative expenses.

### 36. OTHER INCOME/(EXPENSES)

The analysis of the other income/ (expenses) as of 31.12.2015 is presented in the following table:

**GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

	GROUP		COMPANY	
	1.1- 31.12.2015	1.1-31.12.2014	1.1- 31.12.2015	1.1-31.12.2014
Amortization of grants on fixed assets	11,107	9,038	0	0
Other services	272	458	0	0
Income from rents	187	534	0	0
Charge of expenses	1,136	1,249	0	102
Subsidies on expenses	60	24	0	0
Sales of fixed assets and inventories	(2,421)	404	0	0
Coverage of previous years' expenses	18	1,671	17	0
Elimination of payable amount due to settlement	0	250	0	0
Other income	3,723	707	181	0
Foreign exchange differences on payments	5,566	3,120	0	0
Foreign exchange differences on valuation	6,673	8,227	0	0
Collapse of guarantees of criminal clauses	9	233	0	0
Recovery of impairments	(1,617)	(29,253)	0	364
Impairment / Write-off of receivables	(2,341)	(5,699)	0	0
Impairments of fixed assets	(1,774)	(13,996)	46	(1,277)
Impairments of inventories	(2,764)	0	0	0
Valuation of Investment Properties	(7,161)	(13,061)	(550)	(3,100)
Taxes – duties	(710)	(1,039)	(190)	(179)
Depreciation	(5)	0	0	0
Non-operating expenses (idle activities)	0	(53)	0	0
Levies under L. 4093/2012	0	(1,915)	0	0
Taxes – duties	(876)	0	(255)	0
<b>Total other income / (expenses)</b>	<b>9,082</b>	<b>(39,101)</b>	<b>(751)</b>	<b>(4,090)</b>

**37. GAINS / (LOSSES) FROM SALE OF PARTICIPATION**

The Company in June 2015 according to an agreement with the investment house YORK CAPITAL MANAGEMENT, exchanged part of the loan of 7,000 with a percentage of 1.53% of the share capital of TERNA ENERGY SA (1,668,005 shares). From this transaction, the Company generated a gain of 6,752.

The Company in November 2014 according to an agreement with the investment house YORK CAPITAL MANAGEMENT, exchanged part of the loan of 14,000 with a percentage of 4.695% of the share capital of TERNA ENERGY SA (5,133,787 shares). From this transaction, the Company generated a gain of 12,471.

**38. GAINS / (LOSSES) FROM VALUATION OF HOLDINGS**

The amount of losses of holdings valuation for the Group on 31.12.2015 are analyzed as follows:

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

	GROUP	
	31.12.2015	31.12.2014
Loss from valuation of investments held for trading	2,658	0
Impairment loss from J/V	4,781	0
Reclassification of non recoverable loss of investments available for sale (note 20)	4,429	0
Other investments valuation	0	3
	<b>11,868</b>	<b>3</b>

### 39. FINANCIAL INCOME/(EXPENSES)

The financial income / (expenses) during the year 2015, in the accompanying financial statements, are analyzed as follows:

	GROUP		COMPANY	
	1.1- 31.12.2015	1.1- 31.12.2014	1.1- 31.12.2015	1.1- 31.12.2014
Interest on sight accounts	2,382	1,815	148	300
Interest on term accounts	370	1,966	0	0
Interest on loans	3,545	3,228	3,002	2,780
Profit from valuation of interest swaps	1,178	0	0	0
Other financial income	344	84	3	0
	<b>7,819</b>	<b>7,093</b>	<b>3,153</b>	<b>3,080</b>
Interest on short-term loans and guarantees	(8,144)	(7,656)	(749)	(1,345)
Interest on long-term loans	(33,447)	(35,870)	(4,074)	(6,361)
Interests on financial leasing contracts	(4,181)	(2,956)	0	0
Bank commissions and expenses	(6,290)	(10,540)	(52)	(26)
Discounting of provisions	(398)	(329)	0	0
Expenses from interest rate swap contracts	(431)	(3,014)	0	0
	<b>(52,891)</b>	<b>(60,365)</b>	<b>(4,875)</b>	<b>(7,732)</b>
<b>Total net</b>	<b>(45,072)</b>	<b>(53,272)</b>	<b>(1,722)</b>	<b>(4,652)</b>

### 40. PERSONEL COST

Expenses for employee remuneration during the year 2015 are analyzed as follows:

	GROUP		COMPANY	
	1.1- 31.12.2015	1.1-31.12.2014	1.1- 31.12.2015	1.1-31.12.2014
Wages and related employee benefits	80,817	73,218	443	412
Social security fund contributions	15,091	14,616	101	101
Provision for employee indemnities	2,695	2,197	11	12
<b>Total</b>	<b>98,603</b>	<b>90,031</b>	<b>555</b>	<b>525</b>

**GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

*(Amounts in thousands Euro, unless otherwise stated)***41. TRANSACTIONS WITH RELATED PARTIES**

The Company's and the Group's transactions with related parties for the period ending on 31.12.2015 and 31.12.2014, as well as the balances of receivables and liabilities which have derived from such transactions on 31.12.2015 and 31.12.2014 are as follows:

Year 31.12.2015		GROUP				COMPANY			
Related party	Revenue	Purchases	Debit Balances	Credit Balances	Revenue	Purchases	Debit Balances	Credit Balances	
Subsidiaries	0	0	0	0	16,003	2,501	11,736	26,743	
Joint Ventures	391,790	2,251	101,863	104,610	5,529	244	27,032	957	
Associates	56	2	743	8	45	2	743	2	

  

Year 31.12.2014		GROUP				COMPANY			
Related party	Revenue	Purchases	Debit Balances	Credit Balances	Revenue	Purchases	Debit Balances	Credit Balances	
Subsidiaries	0	0	0	0	6,086	1,596	7,266	19,766	
Joint Ventures	422,910	1,541	52,822	150,484	3,564	239	28,252	762	
Associates	48	0	1,724	8	48	0	1,705	43	

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

During the period the Company paid 5.457 (10,570 in 2014), 326 (446 in 2014) and 0 (1,201 in 2014) for the share capital increase in subsidiaries, joint ventures and associates respectively, while it owes to subsidiaries and joint ventures from their share capital increases the amount of 45,850 and 0 (0 and 40 respectively in 2014). Also the Company gave loans of the amount of 1.009 (3,245 in 2014) to subsidiaries whereas it collected loans of 2.255 (16,020 in 2014) from its subsidiaries. The amounts described above are not included in the above tables.

Also, during the period, the company received dividends 14.055 from subsidiaries and 24 from joint ventures and the amount corresponding to the company 12,079 has been received. Similarly, two joint ventures and a subsidiary of the Company decreased its share capital and of the relevant amount of 2.255 and the amount of 2.075 corresponding to the Company has been received. The amounts described above are not 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 periods ended on 31.12.2015 and 31.12.2014, as well as the balances of receivables and liabilities that have emerged from such transactions on 31.12.2015 and 31.12.2014 are as follows:

The remuneration of the members of the Board of Directors and of the senior executives of the Group and the Company during the year 2015, as well as the relevant balances on 31.12.2015, have as follows:

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

	GROUP		COMPANY	
	1.1-31.12.2015	1.1-31.12.2014	1.1-31.12.2015	1.1-31.12.2014
Remuneration for services rendered	2,054	1,974	147	110
Remuneration of employees	100	132	44	44
Remuneration for participation in Board meetings	470	1,025	0	0
	<b>2,624</b>	<b>3,131</b>	<b>191</b>	<b>154</b>
Liabilities	551	601	6	12
Receivables	10	20	0	0

## 42. AIMS AND POLICIES OF RISK MANAGEMENT

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

The risk management policy is undertaken by the treasury of the Group.

The procedure implemented is as follows:

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

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

### MARKET RISK

The Group is exposed in risk from fluctuation of fair values of "Investments Available for Sale", which may impact the Financial Statements.

### FOREIGN EXCHANGE RISK

Foreign exchange risk is the risk that results from the fact that the fair value of future cash flows of a financial instrument will be subject to fluctuations due to changes in exchange rates.

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

This type of risk may result, for the Group, from revaluation and translation exchange differences comparing to presentation currency for the Group (Euro) of financial assets and financial liabilities stemming from transactions agreed in transactions realized in foreign currency, with countries outside the Euro zone and in countries with currencies not pegged to the euro. The transactions mainly concern purchases of fixed assets and inventories, commercial sales, investments in financial assets, loans, as well as net investments in foreign operations. The Group operates through branches and companies in Greece, the Middle East, the Balkans, in Poland, the U.S.A. and thus it may be exposed to foreign exchange risk.

The Group's current foreign activities concern construction projects, real estate development and the development of production of electricity from renewable energy resources.

As regards to the construction projects in the Balkans: the contractual receivables, liabilities to basic suppliers (cement, iron products, asphalt, cobble, skids etc) and sub-contractors are realized in euro and thus the exposure to foreign exchange risk is limited. Moreover, the Bulgarian lev (BGN) has a fixed exchange rate against the euro.

The development of real estate in the Balkans is mainly realized by the Group's construction companies and thus it is exposed to the same foreign exchange risk as the aforementioned construction companies. From the perspective of sales (and receivables), such are realized mainly in euro, and thus the exposure to foreign exchange risk is limited.

As regards to the construction projects in the Middle East: the contractual receivables, liabilities to basic suppliers (concrete, iron products, asphalt, cobble, skids etc) and sub-contractors are realized in local currencies, which are pegged to the US dollar (USD) and thus there is exposure to foreign exchange from change in the USD exchange rate.

The electricity production from renewable energy sources activity is performed in Bulgaria, Poland, and in the U.S.A. The contractual receivables, liabilities are realized in local currencies and therefore there is exposure to foreign exchange from the fluctuations of the exchange rate of USD dollar, and the Polish Zloty against Euro.

The following table presents the financial assets and liabilities in foreign currency:

(amounts in euro)	2015											
	RON	ALL	MKD	AED	QAR	BHD	IQD	SAR	USD	LYD	PLN	RSD
Financial assets	(5,256)	886	221	63,614	78,309	38,252	1,855	(69)	28,521	7,635	19,374	31,268
Financial liabilities	(21,462)	(4,855)	2,387	(38,870)	(58,323)	(43,962)	(947)	(98)	(36,645)	(2,775)	(15,592)	(81,542)
<b>Total current</b>	<b>(26,718)</b>	<b>(3,969)</b>	<b>2,608</b>	<b>24,743</b>	<b>19,986</b>	<b>(5,710)</b>	<b>908</b>	<b>(167)</b>	<b>(8,124)</b>	<b>4,860</b>	<b>3,783</b>	<b>(50,274)</b>
Financial assets	27,364	4,783	(2,426)	3,001	21,411	17,917	638	(19)	44,099	2,774	26,444	65,744
Financial liabilities	(6,168)	0	0	(18,498)	(24,327)	(2,195)	(0)	0	(159,048)	0	(85,488)	0
<b>Total non-current</b>	<b>21,196</b>	<b>4,783</b>	<b>(2,426)</b>	<b>(15,497)</b>	<b>(2,916)</b>	<b>15,722</b>	<b>638</b>	<b>(19)</b>	<b>(114,949)</b>	<b>2,774</b>	<b>(59,044)</b>	<b>65,744</b>

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

	2014											
(amounts in euro)	RON	ALL	MKD	AED	QAR	BHD	IQD	SAR	USD	LYD	PLN	RSD
Financial assets	1,800	4,024	1,135	27,209	92,511	35,294	2,556	482	10,068	3,135	11,317	50,426
Financial liabilities	1,241	110	(3,137)	29,022	99,103	39,589	501	77	7,588	7,044	9,792	- 35,317
<b>Total current</b>	<b>559</b>	<b>3,914</b>	<b>4,272</b>	<b>(1,813)</b>	<b>(6,592)</b>	<b>(4,295)</b>	<b>2,055</b>	<b>405</b>	<b>2,480</b>	<b>(3,909)</b>	<b>1,525</b>	<b>15,109</b>
Financial assets	80	59	524	7,278	3,969	1,108	180	0	55,904	81	1,412	671
Financial liabilities	3,367	40	0	12,305	11,053	2,962	1,462	0	201,465	0	48,105	3,418
<b>Total non-current</b>	<b>(3,287)</b>	<b>19</b>	<b>524</b>	<b>(5,027)</b>	<b>(7,084)</b>	<b>(1,854)</b>	<b>(1,282)</b>	<b>0</b>	<b>(145,561)</b>	<b>81</b>	<b>(46,693)</b>	<b>(2,747)</b>

The following table presents the sensitivity of Net Earnings as well as Other comprehensive income to fluctuations of exchange rates through their effect on financial assets and liabilities. For the BGN currency we did not examine the sensitivity as it maintains a stable exchange rate against the euro. For all other currencies, we examined the sensitivity to a +/- 10% change.

The table presents the effects of the +10% change. The effects of the -10% change is represented by the opposite amount.

	2015											
	RON	ALL	MKD	AED	QAR	BHD	IQD	SAR	USD	LYD	PLN	RSD
Effect on Net earnings	0	0	0	148	409	0	0	0	411	0	264	0
Effect on other comprehensive income	(1,885)	(120)	261	(90)	(7,123)	313	(386)	44	(16,130)	514	(8,402)	(3,968)

	2014											
	RON	ALL	MKD	AED	QAR	BHD	IQD	SAR	USD	LYD	PLN	RSD
Effect on Net earnings	(273)	393	480	(684)	(1,368)	(615)	77	41	(14,308)	(383)	(4,517)	1,236
Effect on other comprehensive income	(97)	(27)	6	(14)	(591)	58	0	0	81	0	0	0

To manage this category of risk, the Group's Management and financial department makes sure that the largest possible part of receivables (income) and liabilities (expenses) are realized in euro or in currencies pegged to the euro (i.e. the Bulgarian lev, BGN) or in the same currency in order to be matched against each other.

### SENSITIVITY ANALYSIS OF INTEREST RATE RISK

The Group's policy is to minimize its exposure to interest rate risk regarding its long-term financing. The percentages of 18.34%, amount of 117,324, of long-term debt (28.48%, amount 165,193 on 31.12.2014) and 2%, amount of 603 of liabilities from financial leasing (4%, amount 1,344 on 31.12.2014) are in fixed rates. Moreover, 15.7%, amount of 99,529 (19.64%, amount 113,926 on 31.12.2014) of long-term debt is covered by cash flow hedging contracts against changes in interest rates.



## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

The following table presents the sensitivity of Net earnings for the period towards a reasonable change in interest rates (on receivables and liabilities) amounting to +/-20% (2014: +/-20%). The changes in interest rates are estimated to be normal in relation to current market conditions.

	2015		2014	
	+20%	-20%	+20%	-20%
Net earnings after income tax (from interest bearing liabilities)	(284.9)	284.9	(422)	422
Net earnings after income tax (from interest earning assets)	(197.9)	197.9	294	(294)

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

### ANALYSIS OF CREDIT RISK

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

	2015	2014
Receivables from derivatives	149	325
Investments available for sale	151	194
Cash deposits	365,423	352,505
Loans and receivables	564,897	531,847
<b>Total</b>	<b>930,620</b>	<b>884,871</b>

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

The Group is not exposed to significant credit risk from customers' receivables. This is attributed to the fact that one the hand to the Group's policy which is focused on the cooperation with reliable clients and on the other to the activities' nature of the Group.

Especially the whole amount of receivables refers to the broader public segment in Greece and abroad or to clients with significant financial position. Despite that these receivables as well are under special monitoring and if it is required necessary adjustments will be made.

The credit risk for the cash and the other receivables is considered negligible given that the counterparties are reliable banks with high quality capital structure, the Greek State and the broader public sector and powerful groups.

The management of the Group assumes that the aforementioned financial assets for which necessary impairment is calculated are of high credit quality.

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

### ANALYSIS OF LIQUIDITY RISK

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

The company maintains cash and deposits in banks in order to cover its liquidity needs for periods up to 30 days. The capital for long-term liquidity needs is disbursed from time-deposits of the Group. The maturity of financial liabilities at the 31<sup>st</sup> of December 2015 for the GEK TERNA Group is analyzed as follows:

	0 to 12 months	2 to 5 years	Over 5 years
Long-term Debt	179,416	331,773	290,723
Liabilities from financial instruments	2,802	13,167	34,402
Liabilities from finance leases	5,865	21,261	63
Liabilities from derivatives	0	2,324	2,429
Short-term Debt	126,935	0	0
Trade Liabilities	228,000	0	0
Other liabilities	43,940	20,072	0
<b>Total</b>	<b>559,042</b>	<b>412,465</b>	<b>327,617</b>

The respective maturity of financial liabilities for 31st December 2014 was as follows:

	0 to 12 months	2 to 5 years	Over 5 years
Long-term Debt	148,890	325,705	281,055
Liabilities from financial instruments	3,091	11,176	29,671
Loans at fair value	0	6,059	0
Liabilities from finance leases	10,986	21,465	6,358
Liabilities from derivatives	0	2,049	3,504
Short-term Debt	132,711	0	0
Trade Liabilities	215,997	0	0
Other liabilities	30,746	60,044	0
<b>Total</b>	<b>542,421</b>	<b>426,498</b>	<b>320,588</b>

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

### 43. PRESENTATION OF FINANCIAL ASSETS AND LIABILITIES PER CATEGORY

The financial assets as well as the financial liabilities during the date of the financial statements may be categorized as follows:

	2015	2014
<b>Non-current assets</b>	75,696	
Other Long-term Assets - Loans and receivables	24,452	65,713
Financial assets in fair value - Investments available for sale	149	24,828
Financial assets in fair value - Concessions	1,723	325
<b>Total</b>	<b>102,020</b>	<b>90,866</b>

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

<b>Current assets</b>		
Financial assets in fair value - Investments available for sale	18,978	778
Financial assets in fair value - Investments held for trading	24,074	
Loans and receivables - Trade receivables	318,382	228,661
Loans and receivables - Trade receivables from construction contracts	117,556	176,282
Loans and receivables - Prepayments and other receivables	53,263	61,191
Cash and cash equivalents	365,637	352,739
<b>Total</b>	<b>897,890</b>	<b>819,651</b>
	<b>2015</b>	<b>2014</b>
<b>Non-current liabilities</b>		
Loans - Financial liabilities at amortized cost	511,442	470,123
Loans – Financial liabilities at fair value	0	6,059
Derivatives - Financial liabilities at fair value	4,743	5,553
Liabilities from financial instruments – financial liabilities at amortized cost	47,569	40,847
Trade liabilities - Financial liabilities at amortized cost	20,072	60,044
<b>Total</b>	<b>583,826</b>	<b>582,626</b>
<b>Current liabilities</b>		
Loans - Financial liabilities at amortized cost	270,747	256,222
Derivatives - Financial liabilities at fair value	0	0
Suppliers - Financial liabilities at amortized cost	228,000	215,997
Liabilities from financial instruments – financial liabilities at amortized cost	2,802	3,091
Accrued and other liabilities - Financial liabilities at amortized cost	43,940	30,746
<b>Total</b>	<b>545,489</b>	<b>506,056</b>

## FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE

The hierarchy of financial assets and liabilities measured at fair value is as follows:

- Level 1: Market prices in an active market
- Level 2: Prices from valuation models which are based on observable data of the market
- Level 3: Prices from valuation models which are not based on observable data of the market

The financial items that are valued at fair value on 31.12.2015 to the above mentioned levels of hierarchy are as follows:

Financial instrument	Hierarchy Level	Fair value of the financial asset/(liability)	Change in net earnings/(losses)	Changes in Other comprehensive Income/(expenses)
Unlisted shares (investments available for sale)	3	24,437	0	(1,871)
Listed shares (investments available for sale)	1	18,827	(4,429)	3,029
Listed shares (investments held for trading)	1	24,074	(2,658)	0
Mutual Funds (investments available for sale)	2	151	0	(43)
Cash flow hedging derivatives	2	(4,594)	0	1,032

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

(Amounts in thousands Euro, unless otherwise stated)

The respective amounts on 31.12.2014 were as follows:

Financial instrument	Hierarchy Level	Fair value of the financial asset/(liability)	Change in net earnings/(losses)	Changes in Other comprehensive Income/(expenses)
Unlisted shares (investments available for sale)	3	24,778	0	0
Listed shares (investments available for sale)	1	584	1,991	(2,282)
Mutual Funds (investments available for sale)	2	194	0	(70)
Long-term loans	2	(6,058)	(2,299)	0
Cash flow hedging derivatives	2	(5,228)	0	(4,071)

The financial derivatives are included in level 2, as the measurement of their fair value is performed with reference to the market yield curves.

#### 44. POLICIES AND PROCEDURES FOR CAPITAL MANAGEMENT Y

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

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

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

For this purpose, the Group monitors its capital based on the leverage ratio which is defined as: *Adjusted Net Debt / Adjusted Equity*, where *Adjusted Net Debt* is defined as Liabilities from loans, financial leases and liabilities from financial instruments minus Cash equivalents, as such appear in the Statement of Financial Position, while *Adjusted Equity* is defined as Equity plus Grants.

The ratio at the end of 2015 and 2014 was as follows:

	2015	2014
Interest bearing debt	782,189	732,404
Liabilities from financial instruments	50,371	43,938
Minus:		
Cash and Cash equivalents	(365,637)	(352,739)
<b>Adjusted Net Debt</b>	<b>466,923</b>	<b>423,603</b>
Equity	562,365	565,951
Grants	257,660	287,703
<b>Adjusted Equity</b>	<b>820,025</b>	<b>853,654</b>
<b>Leverage ratio</b>	<b>56.94%</b>	<b>49.62%</b>

**45. CONTINGENT LIABILITIES**

The Group in the context of construction projects, has issued Letters of Guarantee of good execution e.t.c. amounting to euro 1,237 million (1,097 million during the end of the previous year).

There are judicial cases against the Group concerning labor accidents that occurred during the execution of construction projects from companies or joint ventures which the Group participated in. Due to the fact that the Group is insured against labor accidents, no significant effect is expected from any unfavorable outcome with regard to the verdict of the above cases. Other legal or under arbitration differences as well as pending decisions of judicial or arbitration institutions are not expected to have material effect on the financial position or the operation of the Group or the Company, whereas relevant provisions have been made for certain cases.

The Group may be faced with possible legal claims by third parties. According to both the Administration and the Legal Advisor, any claims of this kind will not have a significant impact on the operation and financial position of the Company as of December 31, 2015.

**Tax Compliance Report**

For fiscal years 2011, 2012 and 2013 the parent company as well as its Greek subsidiaries have been placed under the tax audit of the Auditors provided for by Article 82 par.5 N.2238/1994 (POL 1159/26/7/2011) while for the fiscal year 2014 have been placed under the tax audit of the Auditors provided for by Article 65A par.1 N.4174/2014 (POL1124/22/6/2015). For the above fiscal years the the tax audit from the Ministry of Finance is still pending.

For the fiscal year 2015, the parent company as well as its Greek fulfilling the conditions of the article 1 of POL 1124/22/6/2015 have been placed under the tax audit of the Auditors provided for by Article 65A par. 1 N.4174/2013 (POL 1124/22/6/2015). This audit is underway and the relevant tax certificate is expected to be issued following the publication of the 2015 financial statements. The Group's Management considers that during the tax audit, no addition tax liabilities will arise that will have a significant effect, apart from those registered and presented in the financial statements.

**46. EVENTS AFTER THE BALANCE SHEET DATE**

The company signed on 18/2/2016, the basic terms of a new bond loan, jointly insured and collateralized with tangible assets, with a group of Banking Institutions for the refinancing of the existing debt of Group's subsidiaries, and the coverage of part of its business needs in relation to the concession companies. The finalization of the above bond loan will take place within the year 2016.

Until the authorization date for the issuance of the Financial Statements from the Management the fair value of listed shares under Greek Stock Exchange classified as "Investments Available for Sale" has reduced by 12.754.

**GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

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On 29 March 2015, the BoD of GEK TERNA in line with the decision of the Extraordinary Shareholders' Meeting of 6/12/2013 approved the adjustment of the Company's share capital via the issuance of 278.743 new shares with nominal value of 0.57 euro per share and offering price at 2.43 euro per share, due to the conversion of bonds held by GLOBAL FINANCE OFFSHORE BDH (LUXEMBOURG). The decision is subject to approval from the pertinent authorities.

THE CHAIRMAN OF THE BOARD

THE CHIEF EXECUTIVE OFFICER

NIKOLAOS KAMPAS

GEORGIOS PERISTERIS

THE CHIEF FINANCIAL OFFICER

THE CHIEF ACCOUNTANT

CHRISTOS ZARIBAS

NIKOLAOS VALMAS

**GK TERNA GROUP**

**Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015**

(Amounts in thousands Euro, unless otherwise stated)

**VI. DATA AND INFORMATION FOR THE PERIOD 1.1.2015-31.12.2015**

<div style="display: flex; justify-content: space-between;"> <div style="text-align: center;"> <p><b>GK TERNA SOCIETE ANONYME HOLDINGS REAL ESTATE CONSTRUCTIONS</b></p> <p>S.A. Reg. No. 6044/06/86/142, General Commercial Registry No. 253001000 85 Mesogeion Ave., 115 26, Athens Greece</p> <p><b>DATA AND INFORMATION FOR THE YEAR FROM 1 JANUARY TO 31 DECEMBER 2015</b></p> <p>According to the 4/507/28.4.2009 decision issued by the Board of Directors of the Hellenic Capital Commission</p> </div> </div>				
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 GK 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 website:		www.geterna.com		
Date of approval of the financial statements by the Board of Directors:		10/29/3/2016		
Legal auditor:		Vasilios Papageorgakopoulos (SOEL: 11681)		
Audit firm:		SOL SA		
Type of audit report:		Unqualified opinion		
Competent Authority:		General Secretary of Commerce		
Board of Directors Composition: NIKOLAOS KAMBAS (PRESIDENT NON EXECUTIVE MEMBER) KONSTANTINOS VAVALETSKOS, AGGELOS BENOPOULOS, MICHAEL GOURIS (VICE PRESIDENTS EXECUTIVE MEMBERS) GEORGIOS PERISTERIS (MANAGING DIRECTOR EXECUTIVE MEMBER) DIMITRIOS ANTONAKOS, EMMANUIL VVALAKIS, EMMANUIL MOUSTAKAS (EXECUTIVE MEMBERS) PANAGIOTIS POTHOS (NON EXECUTIVE MEMBER) AGGELOS TAGMATARHS, APOSTOLOS TAMVAKAKIS, (INDEPENDENT NON EXECUTIVE MEMBERS)				
<b>ELEMENTS OF THE STATEMENT OF THE FINANCIAL POSITION</b>				
Amounts in thousand euro				
		<b>GROUP</b>		<b>COMPANY</b>
	31/12/15	31/12/14	31/12/15	31/12/14
<b>ASSETS</b>				
Self used tangible fixed assets	976.171	936.460	10.220	10.458
Investment property	52.215	61.214	14.529	15.007
Intangible assets	107.864	116.817	42	51
Other non-current assets	259.974	239.200	338.691	331.136
Inventories	78.500	75.718	6.030	6.730
Trade receivables	318.392	228.561	8.415	8.836
Other current assets	811.693	722.843	21.133	20.686
<b>TOTAL ASSETS</b>	<b>2.608.799</b>	<b>2.380.913</b>	<b>396.066</b>	<b>389.904</b>
<b>EQUITY AND LIABILITIES</b>				
Share capital	58.792	53.844	58.792	53.844
Other equity	291.949	310.169	252.456	244.132
Total equity of the owners of the parent (a)	350.741	364.013	311.260	297.976
Non-controlling interests (b)	211.624	201.938	-	-
Total Equity (c) = (a) + (b)	562.365	565.951	311.260	297.976
Long-term loans	511.442	476.122	53.434	57.472
Provisions/Other-long-term liabilities	633.196	545.821	187	1.025
Short-term bank liabilities	270.747	256.222	20.609	26.362
Other short-term liabilities	631.049	536.737	10.676	7.069
Total liabilities (d)	2.046.434	1.814.962	84.806	91.928
<b>TOTAL EQUITY &amp; LIABILITIES (c) + (d)</b>	<b>2.608.799</b>	<b>2.380.913</b>	<b>396.066</b>	<b>389.904</b>
<b>ELEMENTS OF THE STATEMENT OF CASH FLOWS (indirect method)</b>				
Amounts in thousand euro				
		<b>GROUP</b>		<b>COMPANY</b>
	1/1/15 - 31/12/15	1/1/14 - 31/12/14	1/1/15 - 31/12/15	1/1/14 - 31/12/14
<b>Cash flows from operating activities</b>				
Earnings before income tax	16.818	-54.823	16.358	6.624
Adjustments for the agreement of net flows from operating activities				
Depreciation and amortization of fixed assets	77.436	73.435	248	411
Amortization of grants on fixed assets	-11.707	-9.039	0	0
Provisions	1.460	13.537	10	5
Impairments	5.617	28.392	-212	1.272
Interest and related revenues	-7.919	-7.093	-3.151	-3.090
Interest and other financial expenses	52.891	60.366	4.873	7.732
Results from derivatives	0	0	0	0
Results from Associates and Joint Ventures	6.848	-10.687	0	0
Results from sale of shares and securities	11.587	-4.202	-20.847	0
Results from investment properties	6.821	13.061	550	3.100
Results from fixed assets	0	0	0	0
Foreign exchange differences	-14.050	-7.351	0	0
Other adjustments	4.396	57	0	0
<b>Operating profit before changes in working capital</b>	<b>152.898</b>	<b>95.315</b>	<b>-171</b>	<b>16.684</b>
(Increase)/Decrease in:				
Inventories	-4.404	741	724	-320
Trade receivables	-20.940	30.502	375	-2.323
Prepayments and other short term receivables	-83.737	32.811	2.939	-10.256
(Increase)/Decrease in:				
Supplies	-3.863	55.641	2.555	-188
Accruals and other short term liabilities	80.118	21.822	-1.451	-166
Collection of grants	0	48.892	0	0
Other long-term receivables and liabilities	98.286	-27.310	-7	3
Income tax payments	-43.199	-16.256	-3.537	-224
Operating flows from discontinued operations	0	0	0	0
<b>Net cash flows from operating activities (a)</b>	<b>175.159</b>	<b>242.158</b>	<b>1.427</b>	<b>2.590</b>
<b>Cash flows from investing activities</b>				
(Purchases) / Sales of fixed assets	-94.934	-85.604	-1	-14
(Purchases) / Sales of investment property	0	0	0	0
Interest and related income received	3.109	1.955	150	1.136
(Purchases) / sales of participations and securities	-6.874	912	-5.058	-19.199
Collections of dividends and profits from joint ventures	37	0	12.095	0
Initial cash and cash equivalents of entities which has been taken over or their proportional percent of consolidation decreased	-698	0	0	0
Loans returned/given	0	0	-910	-3.242
<b>Net cash flows from investing activities (b)</b>	<b>-101.160</b>	<b>-82.337</b>	<b>6.276</b>	<b>-21.319</b>
<b>Cash flows from financing activities</b>				
Increase/decrease of parent's company share capital	0	0	0	0
Receipts from bond loan mandatorily convertible into shares	0	0	0	0
Payments/Collections from increases/decreases of subsidiaries share capital	-3.668	-7.164	0	0
Purchases of treasury shares	-1.643	-192	-1.090	0
Net change of short-term loans	-13.702	-26.337	-2.920	500
Net change of long-term loans	65.665	-41.268	487	-24.960
Payments of loans from financial leases	-8.672	-10.811	0	0
Dividends paid	-315	0	0	0
Interest and other financial expenses paid	-64.911	-53.051	-3.384	-7.174
Payments for financial instruments	-2.261	-1.340	0	0
Other financial assets variation	-36.166	5.992	0	0
Financial cash flows from discontinued activities	0	0	0	0
<b>Net cash flows from financing activities (c)</b>	<b>-66.873</b>	<b>-134.771</b>	<b>-6.907</b>	<b>-31.634</b>
Effect from foreign exchange changes in cash and cash equivalents (d)	5.772	881	0	0
<b>Net increase / (decrease) of cash &amp; cash equivalents (a+b+c+d)</b>	<b>12.899</b>	<b>26.151</b>	<b>796</b>	<b>-50.363</b>
Cash & cash equivalents at the beginning of the period	352.739	326.608	1.680	52.044
<b>Cash &amp; cash equivalents at the end of the period</b>	<b>365.637</b>	<b>352.739</b>	<b>2.476</b>	<b>1.681</b>
<b>ELEMENTS OF THE STATEMENT OF COMPREHENSIVE INCOME (amounts in thousand euro)</b>				
		<b>GROUP</b>		<b>COMPANY</b>
	1/1/15 - 31/12/15	1/1/14 - 31/12/14	1/1/15 - 31/12/15	1/1/14 - 31/12/14
Revenue	971.773	923.894	7.834	4.017
Gross Profit	109.320	62.891	1.690	79
Earnings/(Losses) before interest and tax (EBIT)	78.859	23.583	11.276	6.624
Earnings/(Losses) before tax	18.818	-54.823	16.358	6.624
<b>Earnings/(Losses) after tax (A)</b>	<b>-4.252</b>	<b>-59.063</b>	<b>15.829</b>	<b>5.679</b>
-Owners of the Parent	-61.261	-2.198	-	-
-Non-controlling interests	10.215	-	-	-
Other comprehensive income after taxes (B)	4.048	-15.762	-1.594	-37
Total comprehensive income after taxes (A) + (B)	-206	-74.825	14.165	5.592
-Owners of the Parent	-10.955	-74.738	-	-
-Non-controlling interests	10.791	-87	-	-
Earnings/(Losses) after taxes per share - basic (in Euro)	-0,14737	-0,65967	-	-
Earnings/(Losses) after taxes per share - diluted (in Euro)	-0,14737	-0,60001	-	-
Earnings/(Losses) before interest, tax, depreciation & amortization (EBITDA)	145.187	88.104	20.466	11.687
<b>ELEMENTS OF THE STATEMENT OF CHANGES IN EQUITY</b>				
Amounts in thousand euro				
		<b>GROUP</b>		<b>COMPANY</b>
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Total Equity at the beginning of the period (1.1.15 and 1.1.14 respectively)	565.951	640.059	297.976	293.111
Total comprehensive income after taxes	206	-74.825	14.165	5.592
Increase/decrease of share capital	147	147	209	0
Dividends paid	-314	-	-5.314	0
Purchases / sales of treasury shares	-1.643	-192	-1.090	-192
Other movements	-3.336	6.084	0	-538
<b>Total equity at end of the period (31.12.15 and 31.12.14 respectively)</b>	<b>562.365</b>	<b>565.951</b>	<b>311.260</b>	<b>297.976</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 annual statements of 31/12/2015. The participations of GK TERNA HOLDINGS REAL ESTATE CONSTRUCTIONS that were acquired were consolidated in the Financial Statements of 31/12/2015 that had not been consolidated in the Financial Statements of 31/12/2014, as such were established, commenced activities or were acquired during the present period are the following: a) HELIAS SMARTICEK S.A., b) WASTE CYCLO S.A., c) PERIVALONTIKI PELOPONISSOU M.A.E.D./ J/V GK TERNA - TERNA ENERGY (INSTALLATION AND OPERATION OF ASSK), e) J/V AKTORATE - TERNA AE (Joint Venture EGKOS A.D. 751). Due to completion of liquidation of the companies "MANAGEMENT COMPANY OF HELLIKON ENTERTAINMENT AND ATHLETIC PARKS S.A." and GK TERNA & SIA LP had not been included in the Annual Financial Statements of 31/12/2015.				
2. The parent company, GK TERNA S.A. has been audited by the tax authorities up to the fiscal year of 2009. For the fiscal years 2011, 2012 & 2013, the parent company has been audited from their Legal Auditors, as it is provided in POL 1159/26/7/2011 while for the fiscal year 2014 the parent company has been audited from their Legal Auditors, as it is provided in article 65A par. 1 N.4174/2014 (POL 1124/22/6/2015). For the above fiscal years the tax audit from the Ministry of Finance is still pending. For the fiscal year 2015 the parent company has been placed under the tax audit of the Auditors provided for by Article 65A par. 1 N.4174/2013. This audit is underway and the relevant tax certificate is expected to be issued following the publication of the 2015 financial statements. The Group's Management considers that during the tax audit, no addition tax liabilities will arise that will have a significant effect, apart from those registered and presented in the financial statements. The tax un-audited fiscal years of the other consolidated companies and joint ventures are referred to Note 33 of the annual Financial Statements of 31/12/2015.				
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 litigations or cases under arbitration and provisions for doubtful debts as at 31/12/2015 amounts for the Group 28,250th. € and 1,451 th. € for the Company. The other provisions which have been formed up until 31/12/2015 amount to 24,207 th. € for the Group and 59 th. € for the Company. The amount provisioned for the tax un-audited fiscal years which has been formed up until 31/12/2015 amounts to 1,080 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 3.315 th. € for the Group and loss 1.915 th. € for the Company, b) Profit from proportion of total comprehensive income of Joint Ventures, amount 789th. € for the Group, c) Loss from proportion of total comprehensive income of relatives amount 63 th. € for the Group, d) Various other comprehensive income amount 4,429 th. Euro due to reclassification of amounts for the Group, e) Profit from evaluation of cash flow hedging contracts amounting to 1,032 th. € for the Group, f) Profit from foreign exchange differences from foreign operations amounting to 1,298 th. € for the Group, g) Expenses for share capital Increase amount 315 th. € for the Group, and 117 th. € for the Company, h) Income Tax that corresponds to the above amounts amounting to 369 th. € income for the Group and 378 th. € for the Company.				
5. At the end of the closing period the Company employed 14 individuals and the Group 1.704 (excluding Joint Ventures and Foreign Companies). Respectively, at the end of the previous fiscal year 1/1 - 31/12/14 the Company employed 14 and the Group 1.747 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 - 31/12/15 as well as the balances at 31/12/15, are analyzed as follows (in thousand €):				
	Group	Company		
Inflows- Revenues	391.846	21.577		
Outflows- Expenses	2.253	2.747		
Receivables	102.606	39.511		
Liabilities	104.618	27.702		
Transactions & remuneration of BoD members and executives	2.624	191		
Receivables from BoD members and executives	10	0		
Liabilities towards BoD members and executives	551	6		
7. The Group holds 2.655.442 treasury shares, directly through the parent GK TERNA SA and indirectly through subsidiaries, with an acquisition cost of 10.697 thousand Euro.				
Athens, 29 March 2016				
THE CHAIRMAN OF THE BOARD		THE MANAGING DIRECTOR		THE CHIEF FINANCIAL OFFICER
NIKOLAOS KAMPAS		GEORGIOS PERISTERIS		CHRISTOS ZARIMBAS
ID No. : X 679387		ID No. : AB 560298		G.E.C. No. 0013058
				NIKOLAOS VALMAS
				G.E.C. No. 0066235 - A' CLASS

## **GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

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### **VII. INFORMATION OF ARTICLE 10 L. 3401/2005**

#### **Press Releases – Corporate Announcements**

The following Press Releases and Corporate Announcements are listed on the Company's website as well as on the website of the Athens Exchange, at the electronic addresses: [www.gekterna.com](http://www.gekterna.com) and [www.helex.gr](http://www.helex.gr)

#### **Press Releases 2015**

- 30 /11/2015 Nine-month 2015 results of GEK TERNA Group – Increase of sales and significant increase of operating profitability
- 30/11/2015 IR Report 30.09.2015
- 06/10/2015 Four new projects for TERNA in Middle East
- 31/08/2015 New Project for TERNA in Qatar
- 31/08/2015 1<sup>st</sup> Half 2015 Results of GEK TERNA Group
- 31/08/2015 IR Report 30.06.2015
- 30/05/2015 1<sup>st</sup> Quarter 2015 Results
- 30/05/2015 IR Report 31.03.2015
- 31/03/2015 Annual 2014 Results of GEK TERNA Group
- 31/03/2015 IR Report 31.12.2014

#### **Corporate Announcements 2014**

- 30/12/2015 Purchase of Treasury Shares
- 29/12/2015 Purchase of Treasury Shares
- 24/12/2015 Purchase of Treasury Shares
- 22/12/2015 Purchase of Treasury Shares
- 21/12/2015 Purchase of Treasury Shares
- 16/12/2015 Purchase of Treasury Shares
- 15/12/2015 Purchase of Treasury Shares
- 14/12/2015 Purchase of Treasury Shares
- 11/12/2015 Purchase of Treasury Shares
- 10/12/2015 Purchase of Treasury Shares
- 09/12/2015 Purchase of Treasury Shares
- 08/12/2015 Purchase of Treasury Shares



**GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

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07/12/2015 Purchase of Treasury Shares  
04/12/2015 Purchase of Treasury Shares  
03/12/2015 Purchase of Treasury Shares  
02/12/2015 Purchase of Treasury Shares  
01/12/2015 Purchase of Treasury Shares  
30/11/2015 Purchase of Treasury Shares  
27/11/2015 Purchase of Treasury Shares  
26/11/2015 Purchase of Treasury Shares  
26/11/2015 Announcement date of 3<sup>rd</sup> quarter 2015 results  
25/11/2015 Purchase of Treasury Shares  
24/11/2015 Purchase of Treasury Shares  
23/11/2015 Purchase of Treasury Shares  
17/11/2015 Purchase of Treasury Shares  
16/11/2015 Purchase of Treasury Shares  
13/11/2015 Purchase of Treasury Shares  
12/11/2015 Purchase of Treasury Shares  
09/11/2015 Purchase of Treasury Shares  
15/10/2015 Purchase of Treasury Shares  
14/10/2015 Purchase of Treasury Shares  
07/10/2015 Purchase of Treasury Shares  
05/10/2015 Purchase of Treasury Shares  
02/10/2015 Purchase of Treasury Shares  
01/10/2015 Purchase of Treasury Shares  
30/09/2015 Purchase of Treasury Shares  
29/09/2015 Purchase of Treasury Shares  
28/09/2015 Purchase of Treasury Shares  
24/09/2015 Purchase of Treasury Shares  
23/09/2015 Purchase of Treasury Shares  
22/09/2015 Purchase of Treasury Shares  
15/09/2015 Purchase of Treasury Shares  
03/09/2015 Purchase of Treasury Shares  
02/09/2015 Purchase of Treasury Shares  
01/09/2015 Purchase of Treasury Shares  
31/08/2015 Purchase of Treasury Shares

## GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

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28/08/2015 Purchase of Treasury Shares  
27/08/2015 Purchase of Treasury Shares  
26/08/2015 Purchase of Treasury Shares  
26/08/2015 Announcement date of 1<sup>st</sup> half 2015 results  
25/08/2015 Purchase of Treasury Shares  
24/08/2015 Purchase of Treasury Shares  
21/08/2015 Purchase of Treasury Shares  
17/08/2015 Purchase of Treasury Shares  
11/08/2015 Purchase of Treasury Shares  
07/08/2015 Purchase of Treasury Shares  
07/08/2015 Announcement of the Company about the share capital and the number of shares  
07/08/2015 Announcement of acquisition of shares and voting rights  
06/08/2015 Purchase of Treasury Shares  
05/08/2015 Announcement for the listing of shares issued due to share capital increase following conversion of bonds into shares  
04/08/2015 Purchase of Treasury Shares  
20/07/2015 Exchange of bonds with shares of TERNA ENERGY owned by GEK TERNA  
01/07/2015 Conversion of Bonds into the Shares of the Company and Exchange of bonds with shares of TERNA ENERGY owned by GEK TERNA  
29/06/2015 Decisions of the Ordinary General Meeting of Shareholders on 29/6/2015  
29/06/2015 Formation of Board of Directors into Body  
26/06/2015 Purchase of Treasury Shares  
25/06/2015 Purchase of Treasury Shares  
19/06/2015 Purchase of Treasury Shares  
18/06/2015 Purchase of Treasury Shares  
17/06/2015 Purchase of Treasury Shares  
16/06/2015 Purchase of Treasury Shares  
15/06/2015 Purchase of Treasury Shares  
11/06/2015 Purchase of Treasury Shares  
10/06/2015 Purchase of Treasury Shares  
09/06/2015 Purchase of Treasury Shares  
08/06/2015 Invitation to the Annual Ordinary General Meeting  
08/06/2015 Purchase of Treasury Shares  
04/06/2015 Disclosure of Transactions  
29/05/2015 Purchase of Treasury Shares

**GEK TERNA GROUP**

Annual Financial Statements of the financial year 1 January 2015 - 31 December 2015

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

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28/05/2015 Announcement date of 1<sup>st</sup> quarter 2015 results

20/05/2015 Annual Presentation to Analysts

07/05/2015 Change of the date of the Annual Presentation to Analysts

05/05/2015 Announcement of acquisition of shares and voting rights

05/05/2015 Announcement of the Company about the share capital and the number of shares

30/04/2015 Announcement for the listing of shares issued due to share capital increase following conversion of bonds into shares

22/04/2015 Purchase of Treasury Shares

30/03/2015 Conversion of Bonds into Shares of the Company

24/03/2015 Financial Calendar 2015

The annual financial statements of the Group and Company, as well as the financial statements of the consolidated companies, the audit report by the Certified Auditor and the Reports by the Board of Directors for the year ended on 31st December 2015, have been posted on the Company's website. <http://www.gekterna.com> .