



**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 2016

**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 2016 - 31 December 2016

(Amounts in thousands Euro, unless otherwise stated)

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**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. Angelos Tagmatarhis, 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 1st 2016 to December 31st 2016, 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, 26 April 2017

Chairman of the Board

Chief Executive Officer

Board Member

Nikolaos Kampas

Georgios Peristeris

Aggelos Tagmatarhis

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II. INDEPENDENT AUDITOR'S REPORT



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

Report on the Separate and Consolidated Financial Statements

We have audited the accompanying separate and consolidated financial statements of the Company "GEK TERNA SOCIETE ANONYME HOLDINGS REAL ESTATE CONSTRUCTIONS", which comprise the separate and consolidated statement of financial position as of 31 December 2016, 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 that have been incorporated into Greek legislation (G.G./B'/2848/23.10.2012). 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.

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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 SOCIETE ANONYME HOLDINGS REAL ESTATE CONSTRUCTIONS" and its subsidiaries as of 31 December 2016, 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.

Report on Other Legal and Regulatory Requirements

Whereas management is responsible for the preparation of the Report of the Board of Directors and the Corporate Governance Statement included in this report, pursuant to the provisions of paragraph 5, article 2 (part B') of L. 4336/2015, we note that:

- a) The Report of the Board of Directors includes a corporate governance statement which provides all the information set out in article 43bb of cod. L. 2190/1920.
- b) In our opinion the Report of the Board of Directors has been prepared in accordance with the applicable legal requirements of the articles 43a and 107A and the paragraph 1 (cases c' and d') of the article 43bb of cod. L. 2190/1920 and its content corresponds with the accompanying separate and consolidated financial statements for the year ended 31.12.2016.
- c) Based on our understanding obtained when performing our audit of the Company "GEK TERNA SOCIETE ANONYME HOLDINGS REAL ESTATE CONSTRUCTIONS" and its environment, we have not identified any material misstatements in the Report of the Board of Directors.

Athens, 28 April 2017

Certified Public Accountant Auditor



DIONYSIOS PAPAGEORGAKOPOULOS
Institute of CPA (SOEL) Reg. No. 37221
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 2016

Dear Shareholders,

The present report of the Board of Directors for the closing financial year 01/01/2016 - 31/12/2016, which includes the audited separate and consolidated financial statements, the notes on the financial statements and the Independent Auditor's Report, has been prepared in accordance with the provisions of P.L. 2190/1920 (article 43a, paragraph 3, article 107 paragraph 3 and article 136 paragraph 2) and of Law 3556/2007 article 4 paragraph 2c as well as the relevant issued executive decisions 1/434/3.7.2007 and 7/448/11.10.2007 of the Board of Directors of the Hellenic Capital Markets Commission.

A. Financial Developments and Performance for the Year

In 2016, the constant delays seen in the fulfillment of various obligations on behalf of the Greek State towards the Private Sector (VAT rebate, non-payment of interest on the delayed VAT rebate, payment of grants, etc.), which in combination with the frequent changes of taxation rules and insurance legislation, as well as the limitations in the free movement of capital, affected negatively the economic activity, making even more difficult the efforts to attract investments in the country and boost employment level.

Furthermore, the Banks mainly due to the uncertainty regarding the resolution of the problem of non-performing-loans were not in position to pour credit in the market while at the same time they offered loans based on high interest rates and deposits based on zero-level interest rates. The above developments aggravated the financial burden of the market and delayed the "restart" of the Greek economy.

It is noted that the construction of large motorway projects in which our Group also participated, contributed directly to the economy due to the substantial domestic added value, the increase in employment with tens of thousands new jobs (new salaries – social security fund contributions).

Under this context, GEK TERNA Group continued its investment plan mainly in the concessions segment, the renewable energy sources sector, 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 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, Middle East and America.

The most important Financial Figures of 2016 according to the International Financial Reporting Standards and in comparison with the ones of 2015 are as follows:

Revenue from third parties from continuing activities reached EUR 1,163 million approximately versus EUR 972 million in 2015, recording an increase of approximately 19.7%, mainly due to the increase of the activities in the construction segment and the energy sector.

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Operating earnings before depreciation, not including the non-cash results from the continuing operations (EBITDA) settled at EUR 252.8 million versus EUR 155.2 million in 2015, recording an increase of 62.8%, mainly due to the increased operating profits of the Construction projects and the renewable energy sources.

Earnings before taxes from continuing operations amounted to EUR 93.6 million, versus EUR 18.8 million for financial year 2015, posting an increase mainly due to the higher operating profit of the construction projects and the renewable energy sources.

Earnings after taxes and minority interests amounted to EUR 34 million, versus EUR minus 14.4 million in 2015, positively, and mainly, affected by the increased profitability of the construction segment.

The Net Debt of the Group (cash and cash equivalents less bank debt) settled on 31.12.2016 at approximately minus EUR 403 million compared to minus EUR 416 million of Net Debt Position on 31.12.2015.

The alternative performance measurement ratios are specified in note 5 of the Financial Statements of 31/12/2016.

The Group's equity reached EUR 598 million, compared to EUR 562 million on 31.12.2015.

Total Assets of the Group amounted to EUR 3,084 million, versus EUR 2,609 million on 31.12.2015.

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 Financial Year 2016

Following the decision on 6/12/2013 of the A' Repetitive Extraordinary General Assembly of the Company's shareholders the remaining amount of the convertible loan of the company York Global Finance Offshore BDH (Luxembourg) S.a.r.l. on 31.12.2015 amounted to 1,300,000 euro. Following, with the decision of 29th March 2016, the Board of Directors approved the increase of the Company's share capital by 158,883.51 €, via the issuance of 278,743 common registered shares with nominal value of 0.57€ per share and with offering price of 2.43111 € per share, due to conversion of convertible bonds, of nominal value of 650,000.00 €, increased with the interest of the holding period, in shares. The resulting difference between the nominal value and the offering price of 518,771.94 € was credited in the special reserve account "share premium account". The remaining amount was repaid in shares of TERNA ENERGY according to the provisions of the Repeated Extraordinary General Meeting on 06.12.2013. With the above, the convertible Bond Loan of the company York Global Finance Offshore BDH (Luxembourg) S.a.r.l. was fully repaid.

The Group participates in three Concession Companies relating to the projects of Ionian Road, Central Greece and Olympia Road. On 31.12.2015, the participation of the Group in the concession companies of Nea Odos and Central Greece settled at 33.33% whereas in Olympia Road at 17%.

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In implementation of the Restructuring Agreement signed with the Greek State in November 2013 and verified by law in December 2013, the parent company GEK TERNA shareholder of the Concession company NEA ODOS, paid the appropriate share capital increase of 41.8 million euro, as well as made the respective payment of secondary loan for a total amount of 27 million euro, therefore fulfilling its contractual obligations towards the specific Concession company.

With the above mentioned capital payment, the participation stake of the parent company GEK TERNA in the above concession company on 31.12.2016 settled at 57.19%.

On 11.05.2016, the Group signed with the Greek State and the Concession companies of the projects: a) "Research, Construction, Financing, Operation, Maintenance and Exploitation of the motorway of the Ionian Road from Antirio to Ioannina, PATHE Athens (M/W Metamorfosis)-Maliakos (Skarfeia) and connection segment of PATHE Shimatari-Chalkida" and b) "Research, Construction, Financing, Operation, Maintenance and Exploitation of the motorway of Central Greece", agreements which finalized the new time schedules with regard to the delivery of the projects, the additional expenditures needed for the completion of the projects and other financial pending issues. As a result, there was an increase in the construction price of the projects by an amount of EUR 210 million.

On 25 July 2016, the Greek State and the concession company under the name "OLYMPIA ODOS SA", in which the Group participates with 17%, signed an agreement for the timely completion of the project "Elefsina – Korinthos – Patra Motorway", for the additional expenditures needed in order to restore the delays of the project and for the new time schedule with regard to the delivery of the project.

In January 2016, the Group signed with the Ministry of Public Works of Iraq the contract for the reconstruction of the Motor Way No1 SECTION R7 NASIRIA – RUMAILA, for a contractual consideration of 90 million euro approximately.

The Group in joint venture with the company RENCO SPA and with participation of 50% signed on 21.04.2016 a Contract for the execution of the Project "Construction of Measurement Stations in Greece and Albania" with the company TRANS ADRIATIC PIPELINE S.A., whereas the part of the project corresponding to the Group amounts to 130 million euro.

The Group in joint venture with the company CGCE (Bahrain) and with participation stake of 50% signed two Contracts with the Ministry of Infrastructure of Bahrain concerning the construction of infrastructure projects for a contractual consideration of 55 million euro approximately.

On 06/09/2016, the Group signed with the company M.M. Makronisos Marina L.t.d. the Construction contract concerning the project "Development of Yacht Marine in Agia Napa of Cyprus" for an estimated budget of EUR 86 million.

In the context of the implementation of its investment plan, the subsidiary company "TERNA ENERGY SA" completed at the end of the year 2016 the construction of a Wind Park with 73.2 MW capacity in Ai Giorgis island of Lavreotiki Municipality and commenced the park's trial operation.

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Our Company, its subsidiaries TERNA and Terna Energy, almost all Greek Construction Companies as well as a significant number of foreign companies, were audited by the Hellenic Competition Commission (HCC) regarding their acts and actions, which could be considered that they could lead to a violation of the relevant rules.

Subsequently, our Company and its above subsidiaries, on the basis of Article 25a of Law 3959/2011 as well as the decision of the Plenary Session of the HCC no. 628/2016, they submitted after very cautious and extended consideration, for reasons of clear corporate interest and in order to implement the beneficiary provisions of Article 25^A and 14 par. 2 case id (ee) of Law 3959/2011 and the 628/2016 Decision of the HCC regarding the terms, conditions and procedure for the settlement of disputes in cases of horizontal counterparty agreements in violation of article 1 of Law 3959/2011 and /or article 101 of the Treaty on the Functioning of the European Union, a request for inclusion in the envisaged dispute settlement procedures, namely, in a process of consensual resolution as we have already informed the investment community¹.

The settlement procedure is in the process of the issuance of the relevant decision².

Following the above and always within the context of confidentiality which, in accordance with the applicable provisions, covers any relevant information, we can state that according to our submitted statements as well as the issued Recommendation, does not arise or is not being undertaken any risk of breaches regarding our Company and our subsidiary Terna Energy.

The company signed on 18/02/2016, the major terms of a new bond loan, with collateral in assets, for an amount up to 197.8 million euro with a group of Credit Institutions for the refinancing of the existing debt obligations of the Group's companies, and for the partial coverage of corporate needs with regard to the activities in the concessions division. The finalization of the bond loan will take place within the first half of 2017.

Construction Segment

The revenues from our construction activities posted an increase in comparison with the year 2015, 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 955 million versus EUR 779 million in 2015. The aforementioned amount does not include the inter-group revenues between the segments of the Group, which amounted to EUR 46.2 million and refers to the construction of the Group's fixed assets.

¹ By letter dated 17.10.2016 of parent Company GEK TERNA to the Hellenic Capital Market Commission

² It should be noted that, according to the provisions of the National and Union Legislation, all settlement procedures are being covered by full confidentiality, while the participants in it along with their attorneys-at-law they cannot disclose information regarding the case and the individual components data. Thus our commitment regarding the report of any detailed information is obvious.

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Earnings before taxes, interest, depreciation and amortization (EBITDA) not including the non-cash results, amounted to EUR 153.4 million versus EUR 59.2 million in the previous financial year, posting an increase by 159%. In parallel, earnings before interest and tax amounted to EUR 128.1 million versus EUR 30.3 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 955 million, stem by 80.8% from activities in Greece, by 3.9% from activities in Balkan countries and by 15.3% from activities in Middle East countries.

Bank debt amounted to EUR 74 million versus EUR 94 million in 2015, whereas the Net Debt Position of the construction segment (cash less bank loans) amounted to approximately EUR 380 million versus a net debt position of EUR 108 million on 31.12.2015.

During 2016, the Group signed new contracts and extensions of construction projects of a total amount of EUR 660 million approximately.

The backlog of signed contracts on 31.12.2016 amounted to EUR 2,485 million.

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.

In the context of this strategy, the company has already set in operation 738 MW in Greece and abroad. Specifically, the company has already installed 468 MW in Greece, 138 MW in the USA, 102 MW in Poland and 30 MW in Bulgaria. At the same time, the company completes a Wind Park of 150 MW capacity in Texas of USA, whereas it constructs new projects of 90 MW capacity in Greece, targeting to achieve the landmark goal of 1 GW in operation. Characteristically, during the past 5 years, the Group invested approximately 120 million euro on average basis.

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Sales from energy production from renewable energy sources amounted to 151.1 mil euro versus 140.3 mil euro in 2015, posting a 7.7% increase, while operating earnings before tax, interest, depreciation and amortization (EBITDA) of the period amounted to 109.2 mil euro versus 97.8 mil in 2015, posting an increase of 11.6%. Earnings before interest and taxes (EBIT) amounted to EUR 67 million versus EUR 60 million in 2015.

The investments of the TERNA ENERGY Group amounted to EUR 151 million during the year 2016. The company's ongoing investment activity sets the grounds to stabilize a significant flow of revenue and profitability on a long-term basis.

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

After the adoption of the new IFRS 11, the companies "HERON Thermolectric 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 taxes which have been incorporated stood at minus 1.8 million euro compared to minus 13.7 million euro in 2015.

In the segment of electricity production from thermal resources, during the year 2016, the operation of the thermoelectric unit power of 435MW as well as the operation of the small unit power of 147MW in Voiotia continued.

The sector of electricity trading generated revenues of 31.8 million euro, posting an increase by 19.1% compared to the year 2015 (26.7 million euro). Operating profit before depreciation (EBITDA) of the sector amounted to 0.4 million euro versus 0.3 million euro in 2015.

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 considers alternative scenarios for the utilization of part of its investments.

The revenues of the Real Estate segment amounted to 5.8 million euro versus 6.1 million euro in 2015, while operating earnings before tax, interest, depreciation and amortization (EBITDA) and the non-included cash results stood at minus 5 million euro, versus minus 0.7 million euro in 2015. Earnings after taxes settled at minus 6.2 million euro versus minus 15.3 million euro in 2015. The above loss is due to the impairment of certain investment properties and inventories so that they more effectively reflect the new conditions prevailing in the property market.

The ratio of Debt / Total Assets of the segment settled at 72%, 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 settled at 33.33% whereas in Olympia Road at 17%.

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The duration of the concessions is estimated until the year 2037 with regard to the projects of Nea Odos and the motorway E-65, and until the year 2041 with regard to Olympia Road. The estimated revenues from the particular activity will be significant over the following years.

In implementation of the Restructuring Agreement signed with the Greek State in November 2013 and verified by law in December 2013, the parent company GEK TERNA shareholder of the Concession company NEA ODOS, paid the appropriate share capital increase of 41.8 million euro, as well as made the respective payment of secondary loan for a total amount of 27 million euro, therefore fulfilling its contractual obligations towards the specific Concession company.

With the above mentioned capital payment, the participation stake of the parent company GEK TERNA in the above concession company on 31.12.2016 settled at 57.19%.

The increase of participation in the share capital did not alter the preexisting decision making process of the company since an increased majority is required for the approval of significant issues and decisions made from the management. As result, the Concession company NEA ODOS according to the standard IFRS 11 will be consolidated in the financial statements of the Group with the Equity method as it was the case before.

During the current period, the results after taxes incorporated amounted to EUR 4.5 million versus EUR 3.7 million in 2015.

The Group also 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 duration of the concession will be for 10 years following the construction period.

The Group continued its activities in the segment of management and exploitation of car parking stations, while the number of parking spots which corresponds in total to the Group amounts to 2,159. The financial results incorporated settled at EUR minus 0.6 million.

The Revenues of the Concession segment that was directly incorporated in the financial results amounted in total to 15.5 million euro during 2016 versus 14.7 million euro in 2015, while operating earnings before tax, depreciation and amortization (EBITDA) not including the cash results amounted to minus 0.4 million euro versus minus 0.1 million euro during the respective period of 2015.

Industrial Segment

The Group is engaged in the production of quarry products and in the extraction and processing of magnesite through the licenses and mining concessions it holds. The Management estimating that the demand for caustic magnesia will be high in the coming years, has started a considerable investment program of total estimated amount of 100 mil euro in its self-owned facilities at Mantoudi Evia for the production of caustic magnesia, DBM and Mg(OH)₂ through its subsidiary TERNA MAG SA (or TERNA LEFKOLITHI SA).

From the above plan until 31/12/2016, investments amounting to 28 million euro have been implemented. The remaining investments for fixed assets – equipment will be implemented within the following 3-year period.

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The turnover of the segment amounted to 4.2 million euro versus 3.5 million euro in 2015.

C. Significant Events after the end of the period 01.01 – 31.12.2016

On 24/02/2017 our Company and its subsidiaries TERNA and Terna Energy were notified of the Settlement Initiative by HCC. As it has already been analyzed, an irrevocable statement was submitted for the commitment and inclusion in the Dispute Settlement Procedure. Based on this statement does not arise or is not being undertaken any risk of breaches regarding our Company and our subsidiary Terna Energy.

Moreover, since at the date of the financial statements' approval, the overall settlement procedures had not been finalized, which as mentioned above are being covered by full confidentiality, as well as the exact determination of the dispute amount, our subsidiary TERNA as well as the Group proceeded to the recognition of an adequate provision which burdened the results for the year 2016. We consider that the relevant charge, according to the data known so far, does not exceed the amount of €19 million.

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 the first half of 2016 as well 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.

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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.

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, with a fixed spread and floating rate linked to Euribor. An interest rate risk exists for these loans. Whenever it is deemed that due to the length of the repayment period there is increased likelihood of changes in the interest rate, the Group proceeds with a hedging strategy based on Interest Rate Swaps for the coverage of the interest rate risk and as result there is essentially no interest rate risk for such loans.

The Group's short-term debt is to the larger extent denominated in euro and under a floating rate linked to Euribor. Short-term loans are received mainly either as working capital or as financing for the construction of the Group's investments. The aim of the Group is to continue the conversion of these Loans into long-term loans with fixed spread linked to Euribor and whenever it is deemed appropriate given the length of the repayment period, to utilize Interest Rate Swaps.

On 31/12/2016, 56.8% of total Group loans were based on floating interest rate (fixed spread) and the remainder 43.2% were based on fixed interest rate.

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 at the completion of the construction and the commissioning of the investments. Therefore, the Group is exposed to interest rate risk due to changes that may occur in the interest rates.

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.

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The company 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 the company's term deposits.

Risks due to the current economic conditions prevailing in Greece

The measures and actions that were taken for the implementation of the program (on the fronts of taxation and social security) based on agreement with the creditors had a negative effect on the economic climate and as result the Greek State became unable to fulfill its obligations.

The continuation of the measure of capital controls in the economy has a negative effect on the international transactions given the difficulty to repay contractual obligations to suppliers and creditors. The latter generates additional costs and in overall it postpones the return to economic normality whereas it further weakens the country's ability to attract investments.

The full unfolding of the consequences from the above conditions of uncertainty and the delays observed in the payments made from the State and the broader public sector toward the Group in combination with the non-compliance on behalf of the State to the various provisions of Law (for example refusal of paying interest on the delayed VAT rebates) affect negatively the cash flows and the results of the Group, to the minimum degree by the amount of interest, in a way that it cannot be predicted accurately.

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 from 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.

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E. Report concerning Payment to the Government

The Group according to the provisions of article 6 of Law 3556/2007 as it is currently in effect, due to the mining activity concerning its subsidiary company, paid to the Greek Government an amount of EUR 159 thousand during the financial year ended on 31/12/2016.

F. Non-Financial Information

INTRODUCTION

The Management Report of the year 2016, in accordance with the clauses of Law 4403/2016, includes for the first time this year a section of non-financial information, which concerns the areas with the greatest effect emanating from the Company's operations, especially in Environmental, Social, Labor issues as well as in issues of Human Rights, Fight against Corruption and Bribery.

The structure and the contents were based on the guidance of the International standard referring to the release of non-financial information, the GRI Standards and on the principles of the United Nations Global Compact.

GEK TERNA GROUP

With a dynamic presence in 16 countries and four continents, GEK TERNA Group constitutes one of the largest corporate Groups of Greece with parallel activities in the Central and Southeast Europe, the USA, the North Africa and the Middle East.

The strong corporate activity of the Group concerns the divisions of constructions, production, procurement and trade of electric energy, of the concessions, the waste management, the mining activities and the real estate development. GEK TERNA Group, with regard to the entire spectrum of its activities, aims at corporate excellence while at the same time is a leading group applying best practices and targeting the responsible development via social orientation and absolute respect to the environments where it activates.

VISION AND PRINCIPLES

The vision of GEK TERNA GROUP is to maintain its leading position in the areas where it already activates in the domestic market, thus contributing to the economic growth of the country. The Group at the same time targets to strengthen its presence in the international markets with added value projects, products and services.

The Group believes that corporate excellence and strong performance can be achieved only with ethics and principles which demonstrate respect towards the employees, the society, the environment and the economy. Within this context, the entire business activity of the Group is committed to the promotion of human values and responsible practices.

- Respect to the human being and the natural environment
- Creation of value for the employees, partners, customers and our shareholders
- Honesty and credibility
- Targeted social contribution

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STRATEGIC APPROACH FOR CORPORATE RESPONSIBILITY

The strategic priorities of our Group towards Sustainable Development are clear:

- We aim at corporate excellence and we activate responsibly, with absolute respect to the environment where we are present
- We care for our people
- We protect the environment and we constantly improve our environmental footprint
- We support the local communities and dynamically strengthen the economies in which we participate
- We systematically invest in best practices and pioneering technologies.

The Group recognizes that apart from the financial risks generated by its broader activities, it is also affected from the potential implications due to climate change. It is clear that the climate change affects almost all business activities of the Group. The days during which the construction works are suspended due to unfavorable weather conditions, the increase of construction cost due to higher degree of construction difficulty, the change in the wind elements that affect the production of wind energy, are issues attributed to climate change. However at the same time, the construction of new infrastructure projects which tend to respond to the issue of climate change, the higher demand for electric energy from thermal sources (natural gas) and from RES affect positively the activities of the Group.



CORPORATE GOVERNANCE

Organization and Administration of Issues of Corporate Responsibility

The Corporate Responsibility constitutes responsibility of all employees while there is strong requirement that all employees, with no exception, comply with the principles and conduct standards as these have been determined on formal basis. The issues that concern the Corporate Responsibility cover a wide spectrum and their effective management requires the contribution in terms of services from a group of well educated and trained employees.

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The framework of Corporate Responsibility via which the Group activates:

- Defines the actions that can be undertaken
- Creates a common culture internally for Sustainability issues – defines the future guidance
- Promotes and boosts the fruitful discussion with stakeholders
- Constitutes a driving force, competitive advantage and a risk management methodology

The administration of issues of Corporate Responsibility has been assumed by the Team of Corporate Responsibility within the Group which is coordinated by the Department of Communication and Corporate Social Responsibility. The Team of Corporate Responsibility:

- Consists of senior staff from the Group's major departments
- Manages whatever relates to the issues of Corporate Responsibility
- Is the appropriate team for the collection of all necessary elements required for the issuance of the annual Report of Corporate Responsibility
- Informs the employees for issues and initiatives of direct interest
- Informs on a frequent basis the Group's higher management
- Takes care on daily basis of the administration of the most important issues (such as Environmental Management as well as Health and Safety)
- Sets the procedures for the coordination of the respective programs and policies.

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RESPONSIBILITY FOR THE ENVIRONMENT

The protection of the environment constitutes a top priority for GEK TERNA Group. The activities of the Group are such that unavoidably have notable effect on the natural environment. GEK TERNA Group recognizes the degree of the above effect by applying methods and practices which tackle with determination the issue of the Group's environmental effect due to its business activities and overall operation. The Group has established and strictly applies, across its entire business actions, a certain Environmental Policy and an Environmental Management System, aiming at the constant improvement of its performance and the reduction of its environmental footprint.

By applying a total Environmental Management System the Group acquires a complete view of the environmental effect, detects the areas and the activities with the higher risk and takes all the necessary measures towards the optimal management and its constant improvement in the particular front.

Consumption of Electric Energy

The annual consumption of electric energy in 2016 settled at 10,802,985.56 kwh.

The consumption of electric energy mainly concerns the consumptions of companies TERNA (headquarters, construction sites), TERNA ENERGY (headquarters, production units) and TERNA MAG.

Consumption of Fuels

The annual consumption of fuel for the machineries utilized in the projects of TERNA settled at 11,112,982 liters.

Administration of Natural Resources

The measurement and analysis of the products which are recycled constitutes a basic part of the Group's liabilities. The Group cooperates with licensed companies in the fields of waste management (collection, transport, use and disposal) in such a manner that the compliance with the management practices in line with the effective legislation is ensured.

The certified Environmental Management System of TERNA is applied since the year 2008 and aims at the most optimal management of environmental issues and the constant improvement of the Group's performance on this front.

Hazardous Waste	
Oil Filters (kg)	31,900
Absorbent Materials (kg)	6,285
Batteries (kg)	4,385
Used Lubricants (kg)	117,689
Empty Contaminated Packages (kg)	1,484
Batteries (touch) (kg)	659
Whitewash coatings (kg)	134
Wastes that include petroleum (kg)	1,370
Grease waste (kg)	590

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Non-Hazardous Waste	
Vehicles OTKZ (SCRAP in kg)	2,500
Aluminum (kg)	3,580
Mixed Waste (kg)	189,820
Iron (kg)	631,975
Plastic (kg)	361,633
Paper (kg)	218,963
Electrical appliances (items)	80
Lamps (kg)	16
Tires (items)	2,221
Municipal Waste not Specified (kg)	24,900
Glass (kg)	20,280
Wooden packaging (kg)	156,058
Metal packaging (kg)	62,423
Wood (kg)	75,000
Toners (items)	381
Mineral Asphalt (kg)	60,000
Absorbent material, filter materials (kg)	31,211
Septic tank mud (kg)	4,500
Laboratory waste (kg)	1,600
Concrete (kg)	920,000
Ceramic Tiles (kg)	365,000
A mixture of concrete and bricks (kg)	365,000
Soils / Stones (kg)	124,846
excavation soil (kg)	1,911,596
Bulky solid waste (kg)	62,423
Polishing and turning products (kg)	25,149

The data presented in the above waste lists refer to the main companies of the Group in Greece, TERNA SA, TERNA ENERGY SA and TERNA LEFKOLITHI SA

GEK TERNA Group has developed and incorporated international systems aiming at integrated control and proper management in the core areas of its business operation. In accordance with the Group's procedures, the level of system adequacy is controlled internally and externally at regular intervals as each standard constitutes a dynamic tool of continuous improvement for the Group's operations.

Certified Management Systems:

Environmental Management System ISO 14001:2004: TERNA SA, TERNA ENERGY SA, TERNA LEFKOLITHI SA.

Quality Management System ISO 9001:2008: TERNA SA, TERNA ENERGY SA, ILIOCHORA SA, GEK Services SA, TERNA LEFKOLITHI SA, STROTIREAS SA.

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RESPONSIBILITY FOR THE MARKET

GEK TERNA Group, through its multi-activity and with the view of business excellence, invests in the prospects of each market, supports the economy, assists to the development of local communities in which it operates and contributes substantially, ensuring the transition to a promising future.

Categorization of the Group's suppliers based on range	GROUP 2016	
	Value of Supplies (€thous.)	Number of Suppliers
Local Suppliers	468,667	5,132
National Suppliers	417,800	645
International Suppliers	123,849	492
Affiliated Companies	3,142	5
Total	1,013,458	6,274

RESPONSIBILITY FOR THE EMPLOYEES

Our people are the most valuable asset for the GEK TERNA Group. The Group currently employs a significant number of employees covering different sectors and specialties. The Group takes care of the Health and Safety of its employees, invests in their development and education, respects and protects their rights, offers prosperity, equal employment opportunities and supports diversity.

The table below analyzes the Group's personnel at the end of the year 2016 by type of employment and geographical area.

	Total	Greece	Abroad
Employees	4,451	1,787	2,664
Freelance quasi-salaried employees	1,542	580	962
Total	5,993	2,367	3,626

The total training hours of personnel for Group companies in Greece, TERNA SA, TERNA ENERGY SA and TERNA LEFKOLITHI SA, amounted to 9,554.

Equal Opportunities

The main concern of GEK TERNA Group is to create an equal opportunities-work environment without discriminations where each employee is treated fairly and meritocratic on the basis of his / her skills and performance. Within this framework, the Group maintains non-discriminatory criteria for all issues related to human resources management - recruitment, remuneration, promotion, training, dismissals, etc. Under no circumstances will the decisions taken by the Group be linked to or been affected by any form of discrimination regarding the sex, nationality, language, religion, political belief, disability or sexual orientation of the employee.

Human Rights

GEK TERNA Group seeks to implement the internationally agreed principles on the protection of human rights as set out in the International Declaration of Human Rights. Due to its worldwide dispersion, the Group operates in accordance with national and local authorities and recognizes its corresponding responsibility. Therefore, GEK TERNA Group implements rigorous human rights protection policies and ensures their full implementation in the full range of its activities. Special emphasis is placed on child labor and forced labor by the GEK TERNA Group and ensures that, by

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applying appropriate screening procedures during recruitment, it is ensured that all the personnel employed in their activities have reached their legal age. It is noted that until now, there has been no human rights violation in the entire operation of the GEK TERNA Group in the environments in which it operates.

HEALTH AND SAFETY

The protection of health and safety at workplace is a basic principle and prerequisite that is incorporated in every business action of the GEK TERNA Group. The safeguarding of the highest possible level of protection for Health and Safety of its employees, subcontractors and, more generally, collaborators is an undeniable priority for the Group.

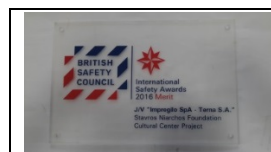
The GEK TERNA Group continuously improves its strategic plan for Health and Safety and is committed to strengthening its policies and its Health and Safety Management System. Within this framework, it is clear that the effective protection of health and safety at work is achieved only with the participation of all the parties involved. Both management and employees teams, as well as the other stakeholder groups involved in its operational action, should be actively involved and committed to the Health and Safety Principles of the Group.

The GEK TERNA Group approach is developed in five axes with the goal of achieving the full integration of the Health and Safety Principles throughout its operational action. Specifically:

1. Active role of Management
2. Employee involvement
3. Health and Safety Partnerships
4. Actions that promote Health and Safety
5. Compliance audits inspections

Health and Safety Indices	TERNA	TERNA ENERGY	TERNA LEFKOLITHI
Lost Days of Work Due to Accident	941	53	133
Events without days absent	127	2	3
Fatal Accidents	0	0	0
Nearly Accidents	4	2	3
Total Accidents with Days of Absence	35	6	2
Small Scale Accidents (absence from work up to 3 days)	2	6	0
Serious Accidents (absence from work over 3 days)	33	0	2
Number of Occupational Diseases			
Days of Absence	941	53	133

Prize



International Recognition on Health and Safety issues for the Group's Construction Consortium by the British Safety Council.

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Health and Safety Management System at the workplace

OHSAS 18001:2007: TERNA SA, TERNA ENERGY SA, TERNA LEFKOLITHI SA, HIRON

SOCIETY AND LOCAL SOCIETY

The dynamic role of the Group in the Greek economic reality implies its contribution to social development in order to ensure substantial progress. The Group's responsibility towards society and especially towards local communities is deeply rooted in its culture and is now reflected in formal strategies and policies. The social benefits of the projects are always taken into account and counted in the decision making process in order to maximize the positive social effects. The contribution at Group level as well as at individual company level is significant and stable. GEK TERNA Group focuses mainly on the following areas:

- infrastructures creation
- employment provision
- cooperation with local suppliers
- support in kind, financial support and donations

The GEK TERNA Group has contributed to the wellbeing of Greek society by supporting beneficial actions of social, sports and cultural associations.

In 2016, it completed a large sponsorship program that reached € 350,000.

The main axes of the sponsorship were:

1. Sports & culture
2. Environment
3. Schools, youth clubs & associations
4. Municipalities, social structures & bodies

“Social product” (in thous. €)

	GROUP 2016
Value of payments to Suppliers *	
Amounts without withholding taxes (VAT, Sales taxes etc)	999,777
Salaries, Contributions and Employee Benefits	135,155
Total Paid Taxes	173,962
Payments to Fund Providers	55,697
Donations / Grants to Local Communities, etc.	350
Total	1,364,739

G. 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.

H. Treasury Shares

On 31st December 2016, the Company held directly 4,011,350 treasury shares, implying a percentage of 3.878% with an acquisition value of 8,948,338.34€.

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GEK TERNA SA on December 28, 2016 informed the Investment Community with the purchase transaction of own shares on 27/12/2016 that the total of the Company's treasury shares, directly and indirectly, exceeded the 5% threshold through the 583,349 shares held by its subsidiary company TERNA SA, namely percentage of 0.5640% and the 616,835 shares held by its subsidiary ILIOCHORA SA, namely percentage of 0.5964%.

The number of treasury shares held by the above subsidiaries remains unchanged compared to 2015.

I. Related Party Transactions

Below the Company's and Group's transactions and balances with its related parties are presented for the period 1.1-31.12.2016:

Sales-Inflows of the Company

(amounts in euros)	Participation type	Total	Sales of Goods / Services	Revenues from Consulting services	Revenues from administrative support services	Income from leases	Income from dividends and related profits	Income from interest and related profit	Granted Loans	Share capital reductions
TERNA SA	Subsidiary	11.044.317,98	0,00	672.179,63	47.469,91	324.668,44	10.000.000,00	0,00	0,00	0,00
TERNA ENERGY SA	Subsidiary	4.221.350,71	0,00	0,00	8.000,00	172.249,20	4.041.101,51	0,00	0,00	0,00
CHIRON CAR PARK S.A	Subsidiary	164.316,30	0,00	0,00	36.000,00	0,00	128.316,30	0,00	0,00	0,00
IOANNINON S.A.	Subsidiary	60.000,00	0,00	0,00	60.000,00	0,00	0,00	0,00	0,00	0,00
MONASTIRIOU SA	Subsidiary	50.025,00	0,00	0,00	0,00	0,00	0,00	25,00	50.000,00	0,00
GEK SERVICES SA	Subsidiary	1.733,85	0,00	0,00	0,00	1.733,85	0,00	0,00	0,00	0,00
ILIOHORA S.A	Subsidiary	40.800,00	0,00	0,00	0,00	40.800,00	0,00	0,00	0,00	0,00
ROM GEK CONSTRUCTION SRL	Subsidiary	19.478,32	0,00	0,00	0,00	0,00	0,00	19.478,32	0,00	0,00
ICON BOROVS EOOD	Subsidiary	155.778,76	0,00	0,00	0,00	0,00	0,00	155.778,76	0,00	0,00
ICON EOOD (BULGARIA)	Subsidiary	249.407,28	0,00	0,00	0,00	0,00	0,00	249.407,28	0,00	0,00
TERNA MAG SA	Subsidiary	500,00	0,00	0,00	500,00	0,00	0,00	0,00	0,00	0,00
VRONTIS QUARRY PRODUCTS SA	Subsidiary	17.597,78	0,00	0,00	0,00	0,00	17.597,78	0,00	0,00	0,00
Construction Joint Ventures	Joint Operations	15.100,00	0,00	0,00	0,00	15.100,00	0,00	0,00	0,00	0,00
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Joint Venture	27.000,00	0,00	0,00	27.000,00	0,00	0,00	0,00	0,00	0,00
PARKING OUIL SA	Joint Venture	20.500,00	0,00	0,00	0,00	0,00	20.500,00	0,00	0,00	0,00
THESSALONIKI CAR PARK S.A.	Joint Venture	5.951,30	0,00	0,00	0,00	0,00	0,00	5.951,30	0,00	0,00
NEA ODOS SA	Joint Venture	31.571.597,48	655.630,98	158.334,00	814.028,13	0,00	0,00	2.935.672,37	27.007.932,00	0,00
CENTRAL GREECE MOTORWAY SA ELLINIKOU	Joint Venture	1.499.575,11	651.164,59	89.246,00	693.082,95	0,00	0,00	66.081,57	0,00	0,00
ENTERTAINMENT AND ATHLETIC PARKS S.A.	Joint Venture	35.910,82	0,00	0,00	0,00	1.000,00	0,00	34.910,82	0,00	0,00
HERON II THERMOELECTRIC STATION OF VIOTIA SA	Joint Venture	41.896,04	0,00	11.896,04	30.000,00	0,00	0,00	0,00	0,00	0,00
HERON THERMOELECTRIC S.A.	Joint Venture	37.000,00	0,00	7.000,00	30.000,00	0,00	0,00	0,00	0,00	0,00
ΚΕΚΡΟΣ ΑΕ	Associate	51.681,87	0,00	0,00	0,00	0,00	0,00	51.681,87	0,00	0,00
		49.331.518,60	1.306.795,57	938.655,67	1.746.080,99	555.551,49	14.207.515,59	3.518.987,29	27.057.932,00	0,00

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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	522.240,02	522.240,02	0,00	0,00	0,00
TERNA ENERGY S.A.	Subsidiary	2.495.479,83	2.495.479,83	0,00	0,00	0,00
CHIRON CAR PARK S.A	Subsidiary	3.720,00	3.720,00	0,00	0,00	0,00
IOANNINON S.A.	Subsidiary	43.400,00	43.400,00	0,00	0,00	0,00
MONASTIRIOU SA	Subsidiary	50.025,00	0,00	50.025,00	0,00	0,00
ROM GEK CONSTRUCTION SRL	Subsidiary	317.597,60	0,00	317.597,60	0,00	0,00
ICON BOROEVETS EOOD	Subsidiary	2.697.085,71	0,00	2.697.085,71	0,00	0,00
VIPA THESSALONIKI	Subsidiary	9.803,10	9.803,10	0,00	0,00	0,00
ICON EOOD (BULGARIA)	Subsidiary	4.179.082,56	0,00	4.179.082,56	0,00	0,00
TERNA MAG SA	Subsidiary	620,00	620,00	0,00	0,00	0,00
Construction Joint Ventures	Joint Operations	707.828,31	707.828,31	0,00	0,00	0,00
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Joint Venture	2.790,00	2.790,00	0,00	0,00	0,00
PARKING OUIL SA	Joint Venture	60.000,00	0,00	0,00	0,00	60.000,00
THESSALONIKI CAR PARK S.A.	Joint Venture	127.341,77	0,00	127.341,77	0,00	0,00
NEA ODOS SA	Joint Venture	53.813.655,65	338.431,17	53.475.224,48	0,00	0,00
CENTRAL GREECE MOTORWAY SA	Joint Venture	1.010.456,17	121.072,12	889.384,05	0,00	0,00
ELLINIKOU ENTERTAINMENT AND ATHLETIC PARKS S.A.	Joint Venture	766.564,34	1.036,00	765.528,34	0,00	0,00
HERON II THERMOELECTRIC STATION OF VIOTIA SA	Joint Venture	20.130,25	20.130,25	0,00	0,00	0,00
HERON THERMOELECTRIC S.A.	Joint Venture	24.000,00	24.000,00	0,00	0,00	0,00
GLS OOD	Joint Venture	4,04	4,04	0,00	0,00	0,00
KEKROPS SA	Associate	757.418,89	0,00	757.418,89	0,00	0,00
ATTIKAT SA	Associate	1.032.439,32	0,00	1.032.439,32	0,00	0,00
		68.641.682,56	4.290.554,84	64.291.127,72	0,00	60.000,00

Purchases - Company's Outflows

(amounts in euro)	Participation type	Total	Purchases of goods	Purchases of services	Rents	Interest expenses	Loans Collected	Share capital increases
TERNA SA	Subsidiary	59.137.642,26	0,00	808.680,23	16.200,00	1.582.762,03	10.980.000,00	45.750.000,00
TERNA ENERGY S.A.	Subsidiary	328.675,63	0,00	328.675,63	0,00	0,00	0,00	0,00
ILIOHORA S.A.	Subsidiary	1.901,23	0,00	0,00	0,00	1.901,23	0,00	0,00
GEK SERVICES SA	Subsidiary	1.025,64	1.025,64	0,00	0,00	0,00	0,00	0,00
IOANNINON S.A.	Subsidiary	429.316,40	0,00	0,00	0,00	0,00	0,00	429.316,40
MONASTIRIOU TECHNICAL DEVELOPMENT S.A	Subsidiary	399.802,00	0,00	0,00	0,00	0,00	0,00	399.802,00
KIFISIA PLATANOU SQ. CAR PARK SA	Subsidiary	250.000,00	0,00	0,00	0,00	0,00	0,00	250.000,00
ICON OOOD	Subsidiary	5.874.389,69	0,00	0,00	0,00	0,00	0,00	5.874.389,69
ROM GEK CONSTRUCTION SRL	Subsidiary	240.000,00	0,00	0,00	0,00	0,00	0,00	240.000,00
ICON BOROEVETS EOOD	Subsidiary	1.875.929,92	0,00	0,00	0,00	0,00	0,00	1.875.929,92
VIPA THESSALONIKIS SA	Subsidiary	184.000,00	0,00	0,00	0,00	0,00	0,00	184.000,00
TERNA BULGARIA BRANCH	Subsidiary	5.083,26	0,00	0,00	0,00	5.083,26	0,00	0,00
J/V EUROIONIA	Subsidiary	36.864.138,89	0,00	0,00	0,00	1.364.138,89	35.500.000,00	0,00

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J/V CENTRAL GREECE MOTORWAY E-65	Subsidiary	4.550.090,28	0,00	0,00	0,00	50.090,28	4.500.000,00	0,00
SAROKO PARKING SA	Subsidiary	127.400,00	0,00	0,00	0,00	0,00	0,00	127.400,00
EUROPEAN AGENCIES OF METALS SA	Subsidiary	20.016,67	0,00	0,00	0,00	16,67	20.000,00	0,00
NEA ODOS SA	Joint Venture	41.804.580,94	201,28	3.199,68	199,98	0,00	0,00	41.800.980,00
ATHENS CAR PARK SA	Joint Venture	269.296,00	0,00	0,00	0,00	0,00	0,00	269.296,00
HERON THERMOELECTRIC S.A.	Joint Venture	175.158,12	167.778,36	3.200,00	0,00	4.179,76	0,00	0,00
KEKROPS SA	Associate	1.416,07	0,00	1.416,07	0,00	0,00	0,00	0,00
		152.539.863,00	169.005,28	1.145.171,61	16.399,98	3.008.172,12	51.000.000,00	97.201.114,01

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	38.066.275,12	3.537.370,41	34.528.904,71	0,00	0,00
TERNA ENERGY S.A.	Subsidiary	407.557,77	407.557,77	0,00	0,00	0,00
ILIOHORA S.A.	Subsidiary	28.630,33	0,00	28.630,33	0,00	0,00
GEK SERVICES	Subsidiary	1.271,79	1.271,79	0,00	0,00	0,00
IOANNINON SA	Subsidiary	0,00	0,00	0,00	0,00	0,00
MONASTIRIOU TECHNICAL DEVELOPMENT S.A.	Subsidiary	52,01	52,01	0,00	0,00	0,00
TERNA BULGARIA BRANCH	Subsidiary	104.833,12	0,00	104.833,12	0,00	0,00
J/V EUROIONIA	Subsidiary	36.660.902,43	0,00	36.660.902,43	0,00	0,00
J/V CENTRAL GREECE MOTORWAY E-65	Subsidiary	4.543.364,24	0,00	4.543.364,24	0,00	0,00
SAROKO PARKING SA	Subsidiary	0,00	0,00	0,00	0,00	0,00
EUROPEAN AGENCIES OF METALS SA	Subsidiary	20.014,17	0,00	20.014,17	0,00	0,00
Construction Joint Ventures	Joint Operations	0,00	0,00	0,00	0,00	0,00
NEA ODOS SA	Joint Venture	809.099,51	85.483,12	723.616,39	0,00	0,00
CENTRAL GREECE MOTORWAY SA	Joint Venture	26.206,96	0,00	26.206,96	0,00	0,00
HERON THERMOELECTRIC S.A.	Joint Venture	94.266,22	94.266,22	0,00	0,00	0,00
THESSALONIKI CAR PARK S.A.	Joint Venture	60,00	0,00	60,00	0,00	0,00
KEKROPS S.A.	Associate	1.755,92	1.755,92	0,00	0,00	0,00
		80.764.290,58	4.127.758,23	76.636.532,35	0,00	0,00

Below, the transactions and the balances between the Group and the related parties are presented for the period 1.1-31.12.2016:

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	Rents	Income from dividends and profits from joint ventures	Income from interest	Share capital reductions
HERON THERMOELECTRIC S.A.	Joint Venture	15.748.409,71	0,00	15.629.127,01	51.062,70	68.220,00	0,00	0,00	0,00	0,00
HERON II THERMOELECTRIC STATION OF VIOTIA SA	Joint Venture	1.343.800,28	0,00	132.773,99	0,00	74.498,84	0,00	0,00	1.136.527,45	0,00
NEW ODOS SA	Joint Venture	390.064.524,70	384.300.705,29	0,00	814.028,13	2.014.118,91	0,00	0,00	2.935.672,37	0,00

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CENTRAL GREECE MOTORWAY SA	Joint Venture	166.621.098,89	165.429.395,25	0,00	693.082,95	432.539,12	0,00	0,00	66.081,57	0,00
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Joint Venture	27.000,00	0,00	0,00	0,00	27.000,00	0,00	0,00	0,00	0,00
THESSALONIKI CAR PARK S.A.	Joint Venture	5.951,30	0,00	0,00	0,00	0,00	0,00	0,00	5.951,30	0,00
ELLINIKOU ENTERTAINMENT AND ATHLETIC PARKS S.A.	Joint Venture	98.663,26	62.752,44	0,00	0,00	0,00	1.000,00	0,00	34.910,82	0,00
KEKROPS S.A.	Associate	51.681,87	0,00	0,00	0,00	0,00	0,00	0,00	51.681,87	0,00
		573.961.130,01	549.792.852,98	15.761.901,00	1.558.173,78	2.616.376,87	1.000,00	0,00	4.230.825,38	0,00

Receivables of the Group

(amounts in euro)	Participation type	Total	From sales	From Loans and Interest	From dividends and Joint-Ventures results	Share Capital Decreases
HERON THERMOELECTRIC S.A.	Joint Venture	558.689,01	558.689,01	0,00	0,00	0,00
HERON II THERMOELECTRIC STATION OF VIOTIA SA	Joint Venture	11.771.027,93	204.709,38	11.566.318,55	0,00	0,00
NEW ODOS SA	Joint Venture	87.583.467,07	34.108.242,59	53.475.224,48	0,00	0,00
CENTRAL GREECE MOTORWAY SA	Joint Venture	5.574.733,20	4.685.349,15	889.384,05	0,00	0,00
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Joint Venture	2.790,00	2.790,00	0,00	0,00	0,00
THESSALONIKI CAR PARK S.A.	Joint Venture	127.341,77	0,00	127.341,77	0,00	0,00
PARKING OUIL SA	Joint Venture	60.000,00	0,00	0,00	0,00	60.000,00
ELLINIKOU ENTERTAINMENT AND ATHLETIC PARKS S.A.	Joint Venture	766.564,34	1.036,00	765.528,34	0,00	0,00
GLS OOD	Joint Venture	9.933,00	9.933,00	0,00	0,00	0,00
ATTIKAT S.A.	Associate	32.439,32	0,00	32.439,32	0,00	0,00
KEKROPS S.A.	Associate	757.418,89	0,00	757.418,89	0,00	0,00
		107.244.404,53	39.570.749,13	67.613.655,40	0,00	60.000,00

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	3.191.916,15	3.191.916,15	0,00	0,00	0,00
NEW ODOS SA	Joint Venture	3.817,03	0,00	3.817,03	0,00	0,00
KEKROPS S.A.	Associate	1.416,07	1.416,07	0,00	0,00	0,00
		3.197.149,25	3.193.332,22	3.817,03	0,00	0,00

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Liabilities of the Group

(amounts in euro)	Participation type	Total	From Purchases and Advances	From Loans and Interest
HERON THERMOELECTRIC S.A.	Joint Venture	1.379.488,94	1.379.488,94	0,00
NEW ODOS SA	Joint Venture	9.260.859,54	9.260.859,54	0,00
CENTRAL GREECE MOTORWAY SA	Joint Venture	9.121.945,76	9.121.945,76	0,00
THESSALONIKI CAR PARK S.A.	Joint Venture	60,00	60,00	0,00
ELLINIKOU ENTERTAINMENT AND ATHLETIC PARKS S.A.	Joint Venture	6.557,98	6.557,98	0,00
ATTIKAT S.A.	Associate	5.658,47	5.658,47	0,00
KEKROPS S.A.	Associate	1.755,92	1.755,92	0,00
		19.776.326,61	19.776.326,61	0,00

The remuneration of members of the Board of Directors and senior executives of the Group and the Company for 2016 as well as the relative balances on 31.12.2016, has as follows:

	GROUP		COMPANY	
	1.1-31.12.2016	1.1-31.12.2015	1.1-31.12.2016	1.1-31.12.2015
Remuneration for services rendered	2,127	2,054	133	147
Remuneration to employees	41	100	20	44
Remuneration for participation in the BoD's meetings	770	470	52	0
	2,938	2,624	205	191
Liabilities	731	551	12	6
Receivables	58	10	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.

In this context and for greater compliance to the principles, rules and practices of ethics which must govern the operations and procedures of a modern and socially responsible corporation, the Management prepared a special Ethics Code, which will be adopted by all companies within the Group.

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.

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

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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
Angelos Tagmatarchis - Independent Non Executive Member
Apostolos Tamvakakis - Independent Non Executive Member

The Board of Directors of the Company at its meeting on 19th 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 Board of Directors, following the announcement of the non-executive member's death, Panagiotis Pothos on 13/4/2016, met on 20/4/2016 and, following the proposal of the Nominations and Remunerations Committee, elected Mr. Georgios Perdikaris of Gerasimos as the new non-executive member, in replacement of the deceased for the remainder of his tenure, namely until 30th of June 2019 at the latest.

On 30th of May, 2016, the Board of Directors, following the proposal by the Nominations and Remunerations Committee, elected Mr. Vasilios Delikaterinis as the new non-executive member in order to replace the resigning independent non-executive member Mr. Panagiotis Kyriakopoulos for the remainder of his tenure, until the 30th of June, 2019.

According to article 2.3 of the Company's Corporate Governance Code, which follows the provisions of Law 3016/2002, as amended and in force, the 1/3 of the Board of Directors' members are non-executive Members, of which at least two are independent non-executive. As a result, the composition of the Board of Directors, with the election of Mr. Vassilios Delikaterinis, as the non-executive member alone, meets the above conditions.

The above replacements were announced to the General Assembly on the 27th of June 2016.

Also, the General Assembly of 27/6/2016 appointed a new Audit Committee, composed of Messrs. Nikolaos Kambas - non executive member, Vasilios Delikaterinis - non-executive member, Georgios Perdikaris - non-executive member and Angelos Tagmatarchis - independent non-executive member with proven sufficient knowledge on accounting and auditing issues.

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Following the above replacements, the composition of the Board of Directors is the following:

1. Nikolaos Kampas, Chairman – Non Executive Member
2. Konstantinos Vavaletskos, Vice Chairman – Executive Member
3. Michail Gourzis, Vice Chairman – Executive Member
4. Aggelos Benopoulos, Vice Chairman – Executive Member
5. Georgios Peristeris, Chief Executive Officer – Executive Member
6. Dimitrios Antonakos, Executive Member
7. Emmanuel Vrailas, Executive Member
8. Emmanuel Moustakas, Executive Member
9. Vasileios Delikaterinis, Non Executive Member
10. Georgios Perdikaris, Non Executive Member
11. Aggelos Tachmatarchis, Independent Non Executive Member
12. Apostolos Tamvakakis, Independent Non Executive Member

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 2016, 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 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 twenty two (22) times during 2016.

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	22	21	-	1
Konstantinos Vavaletskos	22	21	1	-
Michael Gourzis	22	22	-	-
Aggelos Benopoulos	22	22	-	-
Georgios Peristeris	22	22	-	-
Dimitrios Antonakos	22	22	-	-
Emmanuel Vrailas	22	21	1	-
Emmanuel Moustakas	22	20	2	-
Vasileios Delikaterinis	12	12	-	-
Georgios Perdikaris	15	15	-	-
Aggelos Tahmatarchis	22	22	-	-
Apostolos Tamvakakis	22	20	-	2
Panagiotis Pothos	6	4	-	2
Panos Kyriakopoulos	3	2	-	1

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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.

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

The Committee, composed of Messrs. Angelos Benopoulos and Angelos Tahmatarchis met on 18/4/2016 on the sole issue of submitting a proposal to replace the deceased member of the Board of Directors, Panayiotis Pothos.

The late member of the Nominations and Remunerations Committee, Panayiotis Pothos was replaced on 20/4/2016 by Mr. Georgios Perdikaris.

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Under its new composition the Committee consisted of the Members:

Angelos Benopoulos Vice-Chairman, executive member

Georgios Perdikaris Non-Executive Member

Angelos Tagmatarchis Independent non-executive member

convened on 25/5/2016 on the sole subject of submitting a proposal for the replacement of the resigned member Mr. Panayiotis Kyriakopoulos.

The Ordinary General Assembly pre-approved in accordance with the provision of article 24 par. of CL 2190/1920 the payment of indemnities to the Board of Directors' members for the year 2016, the total gross amount of which may not exceed € 300,000.00. As a result of this decision, the Committee of Nominations and Remunerations met on 4/7/2016 and recommended to the Board of Directors the payment of an annual allowance of € 45,000.00 to the independent non-executive member Mr. Apostolos Tamvakakis and the amount of € 30,000.00 to the independent non-executive member Mr. Angelos Thahmatarchis, amounts that are within the limits set by the General Assembly and are in correspondence with their qualifications and contributions to the Company.

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 with regard to this matter.

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.

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

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The Committee during the year reviewed the implementation progress of the Company's planned investments.

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.

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 General Meeting of 27/6/2016 appointed a new Audit Committee with the following members: Nikolaos Kampas – non executive member, Vasileios Delikaterinis – non executive member, Georgios Perdikaris – non executive member and Aggelos Tahmatarchis – independent non executive member with strong knowledge in the fields of accounting and auditing.

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The Audit Committee convened four (4) times during 2016, 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.

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 2016 is described in the relevant paragraph of the Company's Annual Financial Report.

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.

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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's 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.

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.

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.

Compliance with the provisions of the Code

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

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.

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a) Structure of Share Capital

The Company's share capital amounts to fifty eight million, nine hundred fifty one thousand, two hundred seventy five Euros and eighty seven cents (58,951,275.87), is full paid in, and is divided by one hundred and three million, four hundred twenty three thousand and two hundred and ninety one (103,423,291) common registered shares 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. Peristeri'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 31/12/2016 percentage over 5%:

SHAREHOLDER NAME	No. of shares	%
York Global Finance Offshore BDH (Luxembourg) Sarl	18,132,551	17.532%
George Peristeris	13,363,224	12.921%
Nikolaos Kampas	10,669,209	10.316%

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 27, 2016 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 3,452,643 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 27, 2018, 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.

It is noted that the decision of the General Assembly in the 1st Repeat meeting of July 7, 2014 is still in effect. The above meeting 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.

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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.

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 27th 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 29th 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.

The Bondholder, with the relevant request dated on 23/3/2016, requested the payment of the above balance, with a total nominal value of € 1,300,000.00, plus the interest of the holding period, as follows (3rd conversion):

50% will be converted into new shares of GEK TERNA and the remaining 50% will be exchanged with shares of TERNA ENERGY SA, owned by GEK TERNA SA.

On March 29, 2016, the Board of Directors of GEK TERNA SA, in implementation of the Bondholder's request dated on 23/3/2016 for the payment of the remaining amount of €1,300,000.00 plus the interest of the holding period, by 50% in new shares of GEK TERNA and 50% exchangeable with shares of TERNA ENERGY SA, owned by GEK TERNA SA, adjusted the Share Capital of the Company by issuing 278,743 new shares and also transferred to the Bondholder 171,498 shares of the company TERNA ENERGY SA from its portfolio.

After the completion of the above conversion / exchange the bond was fully repaid.

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

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

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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,

2016 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.

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

Athens, 26 April 2017

On behalf of the Board of Directors,

Nikolaos Kampas

The Chairman of the Board of Directors

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IV. ANNUAL FINANCIAL STATEMENTS SEPARATE AND CONSOLIDATED OF 31 DECEMBER 2016 (1 January - 31 December 2016)

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 26 April 2017 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).

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STATEMENT OF FINANCIAL POSITION

	Note	GROUP		COMPANY	
		31.12 2016	31.12 2015	31.12 2016	31.12 2015
ASSETS					
Non-current assets					
Intangible fixed assets	6	81,069	98,105	33	42
Tangible fixed assets	7	1,087,192	976,171	9,820	10,220
Goodwill		9,759	9,759	0	0
Investment property	8	88,230	56,215	13,540	14,529
Participations in subsidiaries	4, 9	0	0	229,975	195,710
Participations in associates	4, 10	5,326	5,628	2,688	9,195
Participations in joint ventures	4, 11	138,365	91,923	99,454	58,044
Financial Assets - Concessions	12	10,055	1,723	0	0
Investments available for sale	20	26,775	24,452	26,756	24,302
Other long-term assets	13	121,698	75,696	82,014	51,167
Receivables from derivatives	30	1,526	149	0	0
Deferred Tax Assets	33	77,791	60,403	1,384	273
Total non-current assets		1,647,786	1,400,224	465,664	363,482
Current assets					
Inventories	14	56,606	78,500	5,813	6,036
Trade receivables	15	279,786	318,382	2,921	5,415
Receivables from construction contracts	16	118,251	117,556	377	0
Advances and other receivables	17	334,019	267,280	6,822	16,955
Income tax receivables		20,351	18,168	4,901	1,551
Investments held for commercial purposes	19	4,807	24,074	4,807	0
Investments available for sale	20	1,884	18,978	1,884	151
Cash and cash equivalents	5, 21	621,003	365,637	4,771	2,476
Total current assets		1,436,707	1,208,575	32,296	32,584
Non-Current assets held for sale		0	0	0	0
TOTAL ASSETS		3,084,493	2,608,799	497,960	396,066
EQUITY AND LIABILITIES					
Shareholders' equity					
Share capital	31	58,951	58,792	58,951	58,792
Share premium account		381,283	380,768	202,774	202,259
Reserves	32	199,327	192,770	57,313	63,593
Retained earnings		(255,712)	(281,589)	(30,336)	(13,384)
Total		383,849	350,741	288,702	311,260
Non-controlling interests		214,656	211,624	0	0
Total equity		598,505	562,365	288,702	311,260

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Non-current liabilities					
Long-term loans	5, 22	827,531	491,358	197,415	53,434
Loans from finance leases	5, 22	16,470	20,084	0	0
Liabilities from financial instruments	23	44,567	47,569	0	0
Other long-term liabilities	28	326,544	271,397	108	115
Other provisions	25	42,868	21,712	0	0
Provisions for staff leaving indemnities	24	8,392	8,085	77	72
Grants	26	180,324	257,660	0	0
Liabilities from derivatives	30	6,289	4,743	0	0
Deferred tax liabilities	33	18,204	22,030	0	0
Total non-current liabilities		1,471,189	1,144,638	197,600	53,621
Current liabilities					
Suppliers	27	238,288	228,000	5,424	4,261
Short term loans	5, 29	54,975	119,938	0	0
Long term liabilities payable during the next financial year	5, 22	125,272	150,809	1,176	20,609
Liabilities from construction contracts	16	264,162	127,676	0	1,041
Liabilities from financial instruments	23	3,987	2,802	0	0
Accrued and other short term liabilities	28	304,437	265,352	4,943	5,274
Income tax payable		23,678	7,219	115	0
Total current liabilities		1,014,799	901,796	11,658	31,185
Liabilities directly linked to the non-current assets held for sale		0	0	0	0
Total Liabilities		2,485,988	2,046,434	209,258	84,806
TOTAL EQUITY AND LIABILITIES		3,084,493	2,608,799	497,960	396,066

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

STATEMENT OF COMPREHENSIVE INCOME

	Note	GROUP		COMPANY	
		1.1 – 31.12 2016	1.1 – 31.12 2015	1.1 – 31.12 2016	1.1 – 31.12 2015
Profit and Loss					
Continued operations					
Revenues	5	1,163,480	971,773	8,358	7,834
Cost of sales	34	(950,579)	(862,453)	(6,166)	(6,144)
Gross profit		212,901	109,320	2,192	1,690
Administrative and distribution expenses	34	(36,873)	(33,042)	(1,522)	(1,654)
Research and development expenses	34	(1,682)	(2,760)	0	0
Other income/(expenses)	36	(16,075)	9,082	(1,178)	(751)
Net financial income/(expenses)	39	(50,615)	(45,072)	(4,515)	(1,722)
Income/(losses) from participations		727	3	14,921	14,043
Profit / (loss) from sale of participations	37	(3,491)	3	649	6,752
Profit / (loss) from valuation of participations	38	(15,719)	(11,868)	(27,857)	0
Profit / (loss) from valuation of associates under the equity method	10	(186)	(512)	0	0
Profit / (loss) from valuation of joint ventures under the equity method	11	4,632	(6,336)	0	0
EARNINGS BEFORE TAXES	5	93,619	18,818	(17,310)	18,358
Income tax	5, 33	(47,800)	(23,070)	361	(2,529)
Net Earnings/(losses) from continued operations	5	45,819	(4,252)	(16,949)	15,829
Discontinued operations					
Earnings from discontinued operations after income tax		0	0	0	0
Net Earnings / (Losses)	5	45,819	(4,252)	(16,949)	15,829
Other Comprehensive Income/(Expenses)					
<i>a) Other Comprehensive Income/(expenses) which are transferred to Income Statement of subsequent periods</i>					
Valuation of investments available for sale	20	(1,792)	(3,315)	(1,792)	(1,915)
Proportion in Other comprehensive income of joint ventures	11	(72)	789	0	0
Proportion in Other comprehensive income of associates		(166)	(63)	0	0
Valuation of cash flow hedging contracts	30	(873)	1,032	0	0
Translation differences from incorporation of foreign entities		4,346	1,298	0	0
Share capital expenses		(172)	(315)	0	(117)
Other comprehensive income	20	1,400	4,429	0	0
Tax corresponding to the above results	33	(324)	369	518	378
		2,347	4,224	(1,274)	(1,654)
<i>b) Other Comprehensive Income/(expenses) which are not transferred to Income Statement in subsequent periods</i>					

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Actuarial gains/(losses) on defined benefit pension plan	24	82	(170)	7	(10)
Proportion in Other comprehensive income of joint ventures	11	(15)	(8)	0	0
Net Other Comprehensive Income/(Losses)		2,414	4,046	(1,267)	(1,664)
TOTAL COMPREHENSIVE INCOME/(LOSS)		48,233	(206)	(18,216)	14,165
Net earnings/(losses) attributed to:					
Owners of the parent from continued operations, Basic	31	34,262	(14,467)		
Non-controlling interests from continued operations		11,557	10,215		
Total comprehensive income/(losses) attributed to:					
Owners of the parent from continued operations		37,037	(10,997)		
Non-controlling interests from continued operations		11,196	10,791		
Basic Earnings/(losses) per share (in Euro)	31	0.34560	(0.1474)		
Diluted Earnings/(losses) per share (in Euro)	31	0.34560	(0.1474)		

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

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STATEMENT OF CASH FLOWS

	Note	GROUP		COMPANY	
		1.1 – 31.12 2016	1.1 – 31.12 2015	1.1 – 31.12 2016	1.1 – 31.12 2015
Cash flows from operating activities					
Profit before tax	5	93,619	18,818	(17,310)	18,358
<i>Adjustments for the agreement of the net flows from the operating activities</i>					
Depreciation	5, 6, 7	77,418	77,436	410	248
Grants amortization	5, 26	(11,046)	(11,107)	0	0
Provisions		18,435	1,460	11	10
Impairments	36	24,028	5,617	28,104	(212)
Interest and related revenue	5	(8,263)	(7,819)	(4,379)	(3,151)
Interest and other financial expenses	5	60,254	52,891	8,894	4,873
Results from derivatives		(1,069)	0	0	0
Results from associates and joint ventures		(4,446)	6,848	0	0
Results from withdrawal of associate		0	0	0	0
Results from participations and securities		2,700	11,587	(15,571)	(20,847)
Results from investment property	8	8,707	6,821	1,003	550
Results from fixed assets		576	0	0	0
Foreign exchange differences		(532)	(14,050)	0	0
Other adjustments		(1,267)	4,396	0	0
Operating profit before changes in working capital		259,114	152,898	1,162	(171)
(Increase)/Decrease in:					
Inventories		1,584	(4,404)	(38)	724
Trade receivables		35,240	(20,940)	1,896	375
Prepayments and other short term receivables		(76,404)	(83,737)	8,715	2,939
Increase/(Decrease) in:					
Suppliers		8,877	(3,863)	1,365	2,555
Accruals and other short term liabilities		100,526	80,118	184	(1,451)
Collection of grants	16, 24	0	0	0	0
Other long-term receivables and liabilities		39,332	98,286	(7)	(7)
Income tax payments		(57,093)	(43,199)	(3,465)	(3,537)
Operating cash flows from discontinued operations		0	0	0	0
Net cash flows from operating activities		311,176	175,159	9,814	1,427
Cash flows from investing activities					
(Purchases) / Sales of fixed assets		(161,309)	(94,934)	(1)	(1)
(Purchases) / Sales of investment property		(9,020)	0	0	0
Interest and related income received		1,502	3,109	23	150
(Purchases) / sales of participations and securities		(27,573)	(8,674)	(107,781)	(5,058)
Receipts of dividends and earnings from joint ventures		752	37	16,921	12,095
Initial cash reserves of companies which were purchased or in which the proportional share of consolidation was decreased		0	(698)	0	0
Returns/(Receipts) of Loans		(27,008)	0	(27,008)	(910)
Net cash flows for investing activities		(222,656)	(101,160)	(117,846)	6,276

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Cash flows from financing activities					
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		1,125	(3,668)	0	0
Purchase of own shares		(4,362)	(1,643)	(4,362)	(1,090)
Net change of short-term loans		4,498	(13,702)	68,800	(2,920)
Net change of long-term loans		232,818	65,665	51,497	487
Payments for financial leases	20	(4,983)	(9,872)	0	0
Dividends paid		(6,177)	(315)	0	0
Interest and related expenses paid		(55,697)	(64,911)	(5,607)	(3,384)
Payments for financial instruments		(2,884)	(2,261)	0	0
Change of other financial assets		0	(36,166)	0	0
Financing cash flows from discontinued operations		0	0	0	0
Net cash flows from financing activities		164,338	(66,873)	110.327	(6,907)
Effect of foreign exchange differences in cash		2,508	5,772	0	0
Net increase /(decrease) of cash and cash equivalents from continued operations		255,366	12,898	2,295	796
Net increase /(decrease) of cash and cash equivalents from discontinued operations		0	0	0	0
Cash and cash equivalents at the beginning of the year from continued operations	5	365,637	352,739	2,476	1,680
Cash and cash equivalents at the beginning of the year from discontinued operations		0	0	0	0
Cash and cash equivalents at the end of the year from continued operations	5	621,003	365,637	4,771	2,476
Cash and cash equivalents at the end of the year from discontinued operations		0	0	0	0

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

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

COMPANY	Share capital	Share premium	Reserves	Retained earnings	Total
1st January 2016	58,792	202,259	63,593	(13,384)	311,260
Total comprehensive income for the year	0	0	(1,268)	(16,949)	(18,217)
Share capital issuance	159	515	(650)	0	24
Dividends	0	0	0	0	0
Purchase of Treasury stocks	0	0	(4,362)	0	(4,362)
Discontinuation of joint venture's consolidation	0	0	0	0	0
Formation of reserves / Transfers	0	0	0	(3)	(3)
31st December 2016	58,951	202,774	57,313	(30,336)	288,702
1st January 2015	53,844	186,081	91,463	(33,412)	297,976
Total comprehensive income for the year	0	(83)	(1,581)	15,829	14,165
Share capital issuance	4,948	16,261	(21,000)	0	209
Dividends	0	0	0	0	0
Purchase of Treasury stocks	0	0	(1,090)	0	(1,090)
Discontinuation of joint venture's consolidation	0	0	0	0	0
Formation of reserves / Transfers	0	0	(4,199)	4,199	0
31st December 2015	58,792	202,259	63,593	(13,384)	311,260

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GROUP	Share capital	Share premium	Reserves	Retained earnings	Sub-Total	Non-Controlling Interest	Total
1st January 2016	58,792	380,768	192,770	(281,589)	350,741	211,624	562,365
Total comprehensive income for the year	0	0	2,775	34,262	37,037	11,196	48,233
Share capital issuance	159	515	(650)	0	24	0	24
Dividends	0	0	0	0	0	(6,177)	(6,177)
Share capital increase of subsidiary/associate/joint venture	0	0	0	0	0	1,119	1,119
Capital return of subsidiary/associate/joint venture	0	0	0	0	0	0	0
Purchase of Treasury stocks	0	0	(4,362)	0	(4,362)	0	(4,362)
Change in controlling interest of consolidated subsidiary	0	0	0	533	533	(3,106)	(2,573)
Termination of subsidiary's consolidation	0	0	(300)	300	0	0	0
Formation of reserves/Transfers	0	0	9,094	(9,218)	(124)	0	(124)
31st December 2016	58,951	381,283	199,327	(255,712)	383,849	214,656	598,505
1st January 2015	53,844	364,589	207,227	(261,647)	364,013	201,938	565,951
Total comprehensive income for the year	0	(82)	3,553	(14,468)	(10,997)	10,791	(206)
Share capital issuance	4,948	16,261	(21,000)	0	209	0	209
Dividends	0	0	0	0	0	(314)	(314)
Share capital increase of subsidiary/associate/joint venture	0	0	0	0	0	1,704	1,704
Capital return of subsidiary/associate/joint venture	0	0	0	0	0	(173)	(173)
Purchase of Treasury stocks	0	0	0	(1,643)	(1,643)	0	(1,643)
Change in controlling interest of consolidated subsidiary	0	0	0	(841)	(841)	(2,322)	(3,163)
Formation of reserves/Transfers	0	0	2,990	(2,990)	0	0	0
31st December 2015	58,792	380,768	192,770	(281,589)	350,741	211,624	562,365

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.

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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.

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, the Company's share capital increased by the amount of three million two hundred eighty six thousand one hundred sixteen euro and sixty nine cents (3,286,116.69) via the issuance of five million seven hundred sixty five thousand one hundred and seventeen (5,765,117) new shares, with nominal value of fifty seven cents of euro (0.57€) per share and offering price of two euro and forty three cents (2.43€) per share, due to the conversion of one hundred forty (140) 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. Following and pursuant to the above decision of the General Assembly of the Company's shareholders, the share capital of the Company, based on the Board of Directors' decision on 29/6/2015, increased by the amount of one million six hundred sixty two thousand, seven hundred twenty five euro and ninety one cents (1,662,725.91) with the issuance of two millions nine hundred seventeen thousand and sixty three (2,917,063) new shares, with nominal value of fifty seven cents of the euro (€ 0.57) and with offering price two euro and forty seven cents (2,47€) per share, due to the conversion of seventy (70) bonds, with nominal value of one hundred thousand each (100,000.00 €) of the Convertible Bond Loan of the Company, increased with the contractual interest.

With the decision of 29th March 2016, the Board of Directors approved the increase of the Company's share capital by one hundred fifty eight thousand, eight hundred eighty three Euros and fifty one cents (158,883.51 €), via the issuance of two hundred seventy eight thousand, seven hundred forty three (278,743) common registered shares with nominal value of fifty seven cents (0.57€) per share and with offering price of two Euros and forty three cents (2.43 €) per share, due to conversion of convertible bonds (in the context of the Company's Convertible Bond), of nominal value of six hundred thousand Euros (650,000.00 €), increased with the interest of the holding period, in shares. With the above, the convertible Bond Loan signed between the Company and the company York Global Finance Offshore BDH (Luxembourg) S.a.r.l. was fully repaid.

Following the above changes, the Company's share capital amounts to fifty eight million, nine hundred fifty one thousand, two hundred seventy five Euros and eighty seven cents (58,951,275.87), is full paid in, and is divided by one hundred and three million, four hundred twenty three thousand and two hundred and ninety one (103,423,291) common registered shares with a nominal value of fifty seven cents (0.57) each.

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The main activity of the Company is the development and management of investment property, the construction of any kind, in production and energy trading, 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 trading portfolio 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 2015, except for the adoption of amendments of several standards, whose application is mandatory by the European Union for periods beginning on 1 January 2016.

Therefore, from January 1, 2016 the Group and the company adopted specific amendments of standards as follows:

Standards and Interpretations mandatory for 2016

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 or 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 rating 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.

IFRS 10, IFRS 12 and IAS 28 (Amendments) "Investment Companies: Applying the Consolidation Exemption"

On 18 December 2014 the IASB issued amendments to IFRS 10, IFRS 12 and IAS 28 regarding the requirements in applying the consolidation exemptions for the Investment Companies. The amendments are applicable for annual periods beginning on or after 1 January 2016, while earlier application is permitted and have been approved by the European Union as of 23 September 2016, with application date on 1 January 2016.

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 18th, 2015.

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IAS 16 and IAS 38 (Amendments) - 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. The amendment is effective for annual periods beginning on or after January 1, 2016 and was adopted by the European Union December 2nd, 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 1st January 2016, whereas prior application is allowed, and was adopted by the European Union on 23rd 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 18th, 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 24th, 2015.

Standards and Interpretations mandatory in the European Union for financial statements beginning after 1 January 2016

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

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 1st January 2018 and was adopted by the European Union on 22 November 2016.

IFRS 15 “Revenue from Contracts with Customers”

On 28 May 2014 the IASB issued the IFRS 15 “Revenue from Contracts with Customers”, which including also the amendments to the standard issued on 11 September 2015 is mandatory for annual periods beginning on or after 1 January 2018 and is the new standard referring to revenue recognition.

The IFRS 15 supersedes the IAS 18 “Revenue”, IAS 11 “Construction contracts” and the interpretations IFRIC 13, IFRIC 15, IFRIC 18 and SIC 31.

The new standard establishes a single, five-step model that shall be used for revenue arising from a contract with a customer (with limited exemptions), regardless of the nature of the revenue transaction or the sector. The requirements of the standard will be applied also for the recognition and measurement of gains and losses from the sale of certain non-financial assets that do not constitute production from the entity’s usual activities (e.g. sales of property, plant and equipment or intangible assets). Further disclosures shall be required, including an analysis of the total revenue, information in relation to return obligations, changes in the balance of the contract’s assets and liabilities between the periods and critical judgments and estimates. The IFRS 15 was approved by the European Union on 22 September 2016.

IFRS 14 “Regulatory Deferral Accounts”

On 30th January 2014, the International Accounting Standards Board 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 1st, 2016 and is not expected to be adopted by the European Union in anticipation of a final standard.

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 16 "Leases"

On 13 January 2016 the International Accounting Standards Board (IASB) issued the IFRS 16 which supersedes the IAS 17. Purpose of the standard is to ensure that lessors and lessees provide useful information that presents fairly the substance of the transactions concerning leases. The IFRS 16 introduces a single lessee accounting model on lessee's side, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. For the accounting, on the lessor's side, the IFRS 16 substantially incorporates the requirements of the IAS 17. Consequently, lessors continue to classify leases as operating or finance, and follow different lessor accounting for each type of contract. The new standard is applicable for annual periods beginning on or after 1 January 2019 and has not yet been approved by the European Union.

IFRS 2 Share-based Payment (Amendment) "Classification and Measurement of Share-based Payment"

The amendment to IFRS 2 "Share-based Payment" clarifies the measurement basis for cash-settled, share-based payments and the accounting for modifications that change an award from cash-settled to equity-settled. It also introduces an exception to the principles in IFRS 2 that will require an award to be treated as if it was wholly equity-settled, where an employer is obliged to withhold an amount for employee's tax obligation associated with a share-based payment and pay that amount to the tax authority. The amendment is applicable for annual periods beginning on or after 1 January 2018 and has not yet been approved by the European Union.

IFRS 4 (Amendment) “Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts”

The Board issued on 12 September amendments to IFRS 4 to address, concerns about applying the new standard IFRS 9 Financial Instruments before the application of the new Board amended IFRS 4. The amendments introduce two approaches: overlay approach and temporary exemption. The amended standard shall:

- Allow all companies that issue insurance contracts to recognize in OCI, rather than profit or loss, the volatility that may arise when IFRS 9 is applied before the new insurance contracts.
- Provide to companies with activities predominantly connected with insurance an optional temporary exemption to defer the application of IFRS 9 until 2021.

The amendment is applicable for annual periods beginning on or after 1 January 2018 and has not yet been approved by the European Union.

Clarifications to IFRS 15 “Revenue from Contracts with Customers”

On April 2016, the IASB issued clarifications to IFRS 15. The amendments to IFRS 15 do not change the basic principles of the Standard but provide clarification on how to apply these policies. The amendments clarify how to identify performance obligations recognized as a contract, how to determine whether an entity is a principal or an agent and how is determined whether the revenue from granting a license should be recognized as transferred at a point in time or over time. The Company and the Group will assess the impact of all the above on the financial statements, however is not expected any. The amendment is applicable for annual periods beginning on or after 1 January 2018 and has not yet been approved by the European Union.

Annual Improvements to IFRSs 2014-2016 Cycle

The amendments of the 2014 - 2016 Cycle were issued by the IASB on 8 December 2016, are applicable for annual periods beginning on or after 1 January 2018 and have not yet been approved by the European Union. The amendments below are not expected to have a material impact on the financial statements of the Company (The Group) unless stated otherwise.

IFRS 1 First time adoption of IFRS

The amendment eliminates the “Short-term exemptions from IFRS” which were required according to Section E of IFRS 1 under the concept that they have served their purpose and are no longer appropriate.

IAS 28 (Amendment) “Measuring an Associate or Joint Venture at fair value”

The amendment clarified that the election to measure at fair value through profit or loss an investment in an associate or a joint venture that is held by an entity that is a venture capital organization, or other qualifying entity, is available for each investment in an associate or joint venture on an investment -by- investment basis, upon initial recognition.

IFRS 12 Disclosure of Interests in Other Entities: Clarification of the scope of the Standard

The amendment clarified the scope of the standard by specifying that the disclosure requirements in the standard, except for those in paragraphs B10-B16, apply for an entity’s interests listed in paragraph 5 that are classified as held for sale, as held for distribution or as discontinued operations in accordance with IFRS 5 “Non-current Assets Held for Sale and Discontinued Operations”.

IAS 40 “Investment Property” Transfer of Investment Property

The amendments to IAS 40 issued by the IASB on 8 December 2016 clarify that an entity can transfer a property to, or from investment properties, when and only when, there is evidence of a change in use. To conclude if a property has changed use there should be an assessment of whether the

property meets the definition. A change in management's intentions for the use of a property, in isolation, is not evidence of a change in use to support a transfer.

The amendment is applicable for annual periods beginning on or after 1 January 2018 and has not yet been approved by the European Union.

IFRIC 22 Interpretation "Foreign currency transactions and Advance consideration"

The Interpretation 22 clarifies the accounting for foreign currency transactions including the receipt or the payment of consideration in advance. Specifically, it applies for the foreign currency transactions where an entity recognizes a non-monetary asset or liability arising from the payment or the receipt of consideration in advance before the entity recognizes the related item as expense or revenue. The interpretation states that the date of the transaction, for the purpose of determining the exchange rate to use on initial recognition of the related item, should be the date on which an entity initially recognizes the non-monetary asset or liability arising from the advance consideration. If there are multiple payments or receipts in advance, the date of transition is determined for each payment or receipt.

The interpretation is applicable for annual periods beginning on or after 1 January 2018 and has not yet been approved 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.

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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. 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 measures and actions that were taken for the implementation of the program (on the fronts of taxation and social security) based on agreement with the creditors had a negative effect on the economic climate and as result the Greek State became unable to fulfill its obligations.

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The continuation of the measure of capital controls in the economy has a negative effect on the international transactions given the difficulty to repay contractual obligations to suppliers and creditors.

The full unfolding of the consequences from the above conditions of uncertainty and the delays observed in the payments made from the State and the broader public sector toward the Group affect negatively the cash flows and the results of the Group in a way that it cannot be predicted accurately.

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 annual financial statements include those of GEK TERNA SA and its subsidiaries.

The attached consolidated annual 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.

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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 1st, 2004 and these fair values have been used as deemed cost at the date of transition to IFRS. The resulting surplus was credited to the profits carried forward account. The remaining land, buildings,

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machinery and vehicles are measured at purchase cost less accumulated depreciation and any provisions for impairment.

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

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

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

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

Especially for the machinery utilized in the mining of magnesite, the estimated economic life is set at 50 years.

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

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an active market, the Group defines the fair value of investment property based on valuation reports prepared on its behalf by independent appraisers. If no objective information is available, specifically due to economic conditions, then the Management based on its previous experience and taking into account available information, performs an estimation of fair value.

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

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

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

m) Inventories

Inventories include under construction or real estate for development which are intended to be sold, excavated from the quarry material 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 Equivalents

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

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

p) Long-term loan liabilities

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

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

q) Provisions for Staff Retirement Indemnities

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

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

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

Net retirement costs for the period are included in the net earnings and consist of the present value of benefits that have accrued during the year, the interest on the benefits' liability, the cost of prior service, the actuarial profit or loss and any other additional retirement costs. The liabilities for retirement benefits are not financed. As at the 1st of January 2004 (transition date to IFRS and compilation of initial Balance Sheet) the Company, applying the exemptions provided for by IFRS 1 for the first-time application of the IFRS, recognized the total actuarial losses that had accumulated as of the 1st of January 2004.

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

r) Government Pension Plans

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

s) Finance and Operating Leases

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

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the net earnings. Capitalized leased fixed assets are depreciated based on straight lime 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 of the hedged instrument is registered respectively.

The hedge accounting is discontinued when the hedging instrument expires or is sold, is terminated or is exercised, or when the hedge does not fulfill the criteria for hedge accounting. The accumulated amount of gains or losses which has been recognized directly in the equity until the above date remains as a reserve until the hedged item affects the Statement of Results. In case where a hedged transaction is not expected to be realized, the net accumulated gains or losses which had been recorded in the reserves are immediately transferred in the Statement of Results.

w) Revenue recognition

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

(i) Revenue from construction activities

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

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

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

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

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

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

(ii) Sale of goods

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

(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

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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.

(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.

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.

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.

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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 31.12.2016, 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 %	CONSOLIDATION METHOD
CONSTRUCTION SEGMENT – JOINT VENTURES					
J/V HELLAS TOLLS	Greece	33.33	0	33.33	
ALTE ATE – TERNA SA GP	Greece	50	0	50	
J/V GEK TERNA – TERNA ENERGY (INSTALLATION & OPERATION ATS)	Greece	50	50	100	

4.2 Group Structure

ECONOMIC ENTITY	DOMICILE	DIRECT PARTI-CIPATION %	INDIRECT PARTI-CIPATION %	TOTAL PARTI-CIPATION %	CONSOLIDATION METHOD
CONSTRUCTION SEGMENT -SUBSIDIARIES					
TERNA SA	Greece	100	0	100	Full
TERNA ENERGY SA	Greece	41.16	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 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
CONSTRUCTIONS SEGMENT - JOINT VENTURES					
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 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	

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ECONOMIC ENTITY	DOMICILE	DIRECT PARTI- CIPATION %	INDIRECT PARTI- CIPATION %	TOTAL PARTI- CIPATION %	CONSOLI- DATION METHOD
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	
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 Stylista 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 (Thriasio 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 (Thriasio B' ERGOSE)	Greece	0	50	50	
J/V AKTOR – TERNA (Joint Venture ERGOSE No. 751)	Greece	0	50	50	
J/V TERNA GCC WAC	Qatar	0	30	30	
J/V TERNA-AI OMAIER	Saudi Arabia	0	60	60	
J/V TERNA-CGCE (AMAS 1)	Bahrain	0	50	50	
J/V RENCO-TEPNA (Construction of compressor stations TAP)	Greece	0	50	50	
J/V J&P AVAX SA-TERNA SA-AKTOR SA-INTRAKAT (Temenos)	Greece	0	25	25	
J/V TERNA - CGCE (AMAS 2)	Bahrain	0	50	50	
CONSTRUCTION SEGMENT - ASSOCIATES					
ATTIKAT ATE	Greece	22.15	0	22.15	
RES ENERGY SEGMENT - SUBSIDIARIES					
TERNA ENERGY SA	Greece	41.16	0	41.16	Full

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IWECO HONOS LASITHIOU CRETE SA	Greece	0	41.16	41.16	Full
ENERGIAKI SERVOUNIOU SA	Greece	0	41.16	41.16	Full
TERNA ENERGY EVROU SA	Greece	0	41.16	41.16	Full
PPC RENEWABLES - TERNA ENERGY SA	Greece	0	41.16	41.16	Full
AIOLIKI PANORAMATOS DERVENOCHORION S.A.	Greece	0	41.16	41.16	Full
AIOLIKI RACHOULAS DERVENOCHORION S.A.	Greece	0	41.16	41.16	Full
ENERGIAKI DERVENOCHORION S.A.	Greece	0	41.16	41.16	Full
AIOLIKI MALEA LAKONIAS S.A.	Greece	0	41.16	41.16	Full
ENERGIAKI FERRON EVROU S.A.	Greece	0	41.16	41.16	Full
AIOLIKI DERVENI TRAIANOUPOLEOS S.A.	Greece	0	41.16	41.16	Full
ENERGIAKI PELOPONNISOU S.A.	Greece	0	41.16	41.16	Full
ENERGIAKI NEAPOLEOS LAKONIAS S.A.	Greece	0	41.16	41.16	Full
AIOLIKI ILIOKASTROU S.A.	Greece	0	41.16	41.16	Full
EUROWIND S.A.	Greece	0	41.16	41.16	Full
ENERGEIAKI XIROVOUNIOU S.A.	Greece	0	41.16	41.16	Full
DELTA AXIOU ENERGEIAKI S.A.	Greece	0	41.16	41.16	Full
TERNA ENERGY SEA WIND PARKS S.A.	Greece	0	41.16	41.16	Full
TERNA ENERGY WIND PARKS XIROKAMPOS AKRATAS S.A.	Greece	0	41.16	41.16	Full
VATHICHORI ENVIRONMENTAL S.A.	Greece	0	41.16	41.16	Full
VATHICHORI ONE PHOTOVOLTAIC S.A.	Greece	0	41.16	41.16	Full
CHRISOUPOLI ENERGY Ltd	Greece	0	41.16	41.16	Full
LAGADAS ENERGY SA	Greece	0	41.16	41.16	Full
DOMOKOS ENERGY SA	Greece	0	41.16	41.16	Full
DIRFIS ENERGY SA	Greece	0	41.16	41.16	Full
FILOTAS ENERGY SA	Greece	0	41.16	41.16	Full
MALESINA ENERGY SA	Greece	0	41.16	41.16	Full
ORCHOMENOS ENERGY Ltd	Greece	0	41.16	41.16	Full
ALISTRATI ENERGY Ltd	Greece	0	41.16	41.16	Full
TERNA ENERGY AI-GIORGIS SA	Greece	0	41.16	41.16	Full
TERNA AIOLIKI AMARINTHOU SA	Greece	0	41.16	41.16	Full
TERNA AIOLIKI AITOLOAKARNANIAS SA	Greece	0	41.16	41.16	Full
TERNA ILIAKI VIOTIAS SA	Greece	0	41.16	41.16	Full
VATHICHORI TWO ENERGY S.A.	Greece	0	41.16	41.16	Full
TERNA AIOLIKI XEROVOUNIOU SA	Greece	0	41.16	41.16	Full
TERNA ILIAKI ILIOKASTROU SA	Greece	0	41.16	41.16	Full
TEPNA ILIAKI PANORAMATOS SA.	Greece	0	41.16	41.16	Full
AIOLIKI KARYSTIAS EVOIA S.A.	Greece	0	41.16	41.16	Full
GEO THERMIKI ENERGY ANAPTYXI AKI S.A.	Greece	0	41.16	41.16	Full
TEPNA ILIAKI PELLOPONISSOU SA.	Greece	0	41.16	41.16	Full
GP ENERGY LTD	Bulgaria	0	41.16	41.16	Full
TERNA ENERGY OVERSEAS LTD	Cyprus	0	41.16	41.16	Full

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EOLOS POLSKA sp.z.o.o.	Poland	0	41.16	41.16	Full
EOLOS NOWOGRODZEC sp.z.o.o.	Poland	0	41.16	41.16	Full
HAOS INVEST 1 EAD	Bulgaria	0	41.16	41.16	Full
VALE PLUS LTD	Cyprus	0	41.16	41.16	Full
GALLETTE LTD	Cyprus	0	41.16	41.16	Full
ECO ENERGY DOBRICH 2 EOOD	Bulgaria	0	41.16	41.16	Full
ECO ENERGY DOBRICH 3 EOOD	Bulgaria	0	41.16	41.16	Full
ECO ENERGY DOBRICH 4 EOOD	Bulgaria	0	41.16	41.16	Full
COLD SPRINGS WINDFARM LLC	U.S.A.	0	41.16	41.16	Full
DESERT MEADOW WINDFARM LLC	U.S.A.	0	41.16	41.16	Full
HAMMETTHILL WINDFARM LLC	U.S.A.	0	41.16	41.16	Full
MAINLINE WINDFARM LLC	U.S.A.	0	41.16	41.16	Full
RYEGRASS WINDFARM. LLC	U.S.A.	0	41.16	41.16	Full
TWO PONDS WINDFARM. LLC	U.S.A.	0	41.16	41.16	Full
MOUNTAIN AIR WIND. LLC	U.S.A.	0	41.16	41.16	Full
TERNA ENERGY USA HOLDING CORPORATION	U.S.A.	0	41.16	41.16	Full
MOUNTAIN AIR PROJECTS LLC	U.S.A.	0	41.16	41.16	Full
MOUNTAIN AIR INVESTMENTS LLC	U.S.A.	0	41.16	41.16	Full
MOUNTAIN AIR ALTERNATIVES LLC	U.S.A.	0	41.16	41.16	Full
MOUNTAIN AIR RESOURCES LLC	U.S.A.	0	41.16	41.16	Full
MOUNTAIN AIR HOLDINGS LLC	U.S.A.	0	41.16	41.16	Full
FLUVANNA WIND ENERGY LLC	U.S.A.	0	41.16	41.16	Full
FLUVANNA HOLDINGS LLC	U.S.A.	0	41.16	41.16	Full
FLUVANNA INVESTMENTS LLC	U.S.A.	0	41.16	41.16	Full
TERNA DEN LLC	U.S.A.	0	41.16	41.16	Full
TERNA RENEWABLE ENERGY PROJECTS LLC	U.S.A.	0	41.16	41.16	Full
AEGIS LLC	U.S.A.	0	41.16	41.16	Full
MOHAVE VALLEY ENERGY LLC	U.S.A.	0	41.16	41.16	Full
TERNA ENERGY TRANSATLANTIC sp.z.o.o.	Poland	0	41.16	41.16	Full
EOLOS NORTH sp.z.o.o.	Poland	0	41.16	41.16	Full
EOLOS EAST sp.z.o.o.	Poland	0	41.16	41.16	Full
AIOLIKI PASTRA ATTIKIS SA	Greece	0	41.16	41.16	Full
TERNA ENERGY TRADING LTD	Cyprus	0	41.16	41.16	Full
JP GREEN sp.z.o.o.	Poland	0	41.16	41.16	Full
WIRON sp.z.o.o.	Poland	0	41.16	41.16	Full
BALLADYNA sp.z.o.o.	Poland	0	41.16	41.16	Full
TETRA DOOEL SKOPJE	FYROM	0	41.16	41.16	Full
PROENTRA D.O.O BEOGRAD	Serbia	0	41.16	41.16	Full
TERNA ENERGY SA & Co AIOLIKI POLYKASTROU G.P.	Greece	0	41.16	41.16	Full
TERNA ENERGY SA & CO ENERGEIAKI VELANIDION LAKONIAS G.P.	Greece	0	41.16	41.16	Full
TERNA ENERGY SA & CO ENERGI AKI DYSTION EVIAS G.P.	Greece	0	41.16	41.16	Full
TERNA ENERGY SA & CO ENERGI AKI ARI SAPPON G.P.	Greece	0	41.16	41.16	Full

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TERNA ENERGY SA & CO AIOLIKI EASTERN GREECE G.P.	Greece	0	41.16	41.16	Full
TERNA ENERGY SA & CO AIOLIKI MARMARIOU EVIAS G.P.	Greece	0	41.16	41.16	Full
TERNA ENERGY SA & CO ENERGIAKI PETRION EVIAS G.P.	Greece	0	41.16	41.16	Full
TERNA ENERGY SA & CO AIOLIKI ROKANI DERVENOCHORION G.P.	Greece	0	41.16	41.16	Full
TERNA ENERGY SA & CO ENERGIAKI STYRON EVIAS G.P.	Greece	0	41.16	41.16	Full
TERNA ENERGY SA & SIA ENERGEIAKI KAFIREOS EVIAS G.P.	Greece	0	41.16	41.16	Full
TERNA ENERGY SA & SIA PROVATA TRAIANOUPOLEOS	Greece	0	41.16	41.16	Full
TERNA ENERGY SA & VECTOR GREECE WIND PARKS – TROULOS WIND PARK G.P.	Greece	0	41.16	41.16	Full
RES ENERGY SEGMENT – JOINT VENTURES					
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	
RES ENERGY SEGMENT - ASSOCIATES					
CYCLADES RES ENERGY CENTER SA	Greece	0	18.36	18.36	Equity
EN.ER.MEL S.A.	Greece	0	20.07	20.07	Equity
THERMAL ENERGY SEGMENT - JOINT VENTURES					
HERON THERMOELECTRIC S.A.	Greece	50	0	50	Equity
HERON II VIOTIA THERMOELECTRIC STATION S.A.	Greece	0	25	25	Equity
REAL ESTATE SEGMENT - SUBSIDIARIES					
IOANNINON ENTERTAINMENT DEVELOPMENT S.A.	Greece	72.58	0	72.58	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
ICON EOOD	Bulgaria	83.53	16.47	100	Full
ICON BOROVEC EOOD	Bulgaria	22.06	77.94	100	Full
DOMUS DEVELOPMENT EOOD	Bulgaria	0	100	100	Full
SC GEK ROM SRL	Romania	100	0	100	Full
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
REAL ESTATE SEGMENT - JOINT VENTURES AND ASSOCIATES					
KEKROPS S.A.	Greece	28.74	0	28.74	Equity
GEKA S.A.	Greece	0	33.34	33.34	Equity
GAIA INVESTMENT SA	Greece	35.78	0	35.78	Equity
GLS EOOD	Bulgaria	50	0	50	Equity
CONCESSIONS SEGMENT - SUBSIDIARIES					
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	83.67	16.33	100	Full

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HELLAS SMARTICKET S.A.	Greece	0	41.16	41.16	Full
WASTE CYCLO S.A.	Greece	0	41.16	41.16	Full
PERIVALLONTIKI PELOPONNISOU MAE	Greece	0	41.16	41.16	Full
CONCESSIONS SEGMENT - JOINT VENTURES					
NEA ODOS SA**	Greece	57.19	0	57.19	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	23.2	0	23.2	Equity
THESSALONIKI CAR PARK S.A.	Greece	24.7	0	24.7	Equity
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Greece	32.42	0	32.42	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
INDUSTRIAL-MINES SEGMENT - SUBSIDIARIES					
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
SEGMENT OF HOLDINGS – SUBSIDIARIES					
QE ENERGY EUROPE LTD	Cyprus	0	100	100	Full
TERNA ENERGY MAE FINANCING	Greece	0	41.16	41.16	Full

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

* The 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 company NEA ODOS is consolidated with the Equity method since an increased majority is required among shareholders for the approval of the management’s decisions, implying conditions of joint control. The company NEA ODOS is consolidated with the equity method, although the parent's participation percentage exceeds 50%, because an increased majority is required for significant management decisions among shareholders, which implies joint control.

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

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COMPANY NAME	TOTAL PARTICIPATION % (Indirect)
J/V 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 EBEDOS – PANTEXNIKI ENERGY	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%

During the year 2016, the following joint companies were liquidated:

COMPANY NAME	TOTAL PARTICIPATION %
J/V TERNA – TERNA ENERGY – TSAMBRAS (DRAMA HOSPITAL)	40.00%
J/V EPL DRAMA	24.00%
J/V GEK SERVICES SA – SPAKON LTD	60.00%
JV QBC S.A.-TERNA SA	35.00%

In addition, during the same period, the liquidation procedure of TERNA ENERGY NETHERLANDS BV was completed and it is not included in the consolidation. In addition within the fiscal year GEK CYPRUS LTD and TERNA ELECTRICAL MECHANICAL WLL were liquidized.

During the year 2016, the following companies were established:

- JV TERNA GCC WAC, joint venture of the subsidiary TERNA SA in Qatar, with the objective of road construction and related infrastructure projects
- JV TERNA-AI OMAIER, joint venture of the subsidiary TERNA SA in Saudi Arabia with the objective of railway projects’ construction

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- JV TERNA-CGCE (AMAS 1), a joint venture of the subsidiary TERNA SA in Bahrain, with the objective of road and related infrastructure projects' construction
- J/V RENCO-TERNA, joint venture of the subsidiary TERNA SA, with activities in Greece and Albania and objective the construction of natural gas compressor stations
- J/V J&P AVAX SA-TERNA SA-AKTOR ATE-INTRAKAT, joint venture of the subsidiary TERNA SA with activity in Greece and objective mosque's construction.
- JV TERNA-CGCE (AMAS 2), a joint venture of the subsidiary TERNA SA in Bahrain with the objective of road construction.
- TERNA ENERGY SA FINANCING, whose activity is related to credit services,
- FLUVANNA HOLDINGS LLC, a subsidiary of the TERNA ENERGY Group in the USA, with the objective of development, construction and operation of RES projects
- FLUVANNA INVESTMENTS LLC, subsidiary of the TERNA ENERGY Group in the USA, with the objective of development, construction and operation of RES projects
- TERNA DEN LLC, subsidiary of the TERNA ENERGY Group in the USA, with the objective of development, construction and operation of RES projects
- TERNA RENEWABLE ENERGY PROJECTS LLC, a subsidiary of the TERNA ENERGY Group in the USA, with the objective of development, construction and operation of RES projects
- MOHAVE VALLEY ENERGY LLC, subsidiary of the TERNA ENERGY Group in the USA, with the objective of development, construction and operation of RES projects

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.

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.

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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 31.12.2016.

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.

The reconciliation of EBIT and EBITDA with the items of the Financial Statements is presented below:

	GROUP	
	1.1- 31.12.2016	1.1- 31.12.2015
Gross Profit	212.901	109.320
Administrative and distribution expenses	(36,873)	(33,042)
Research and development expenses	(1,682)	(2,760)
Other income / (expenses) determinants of the EBIT (note 36)	5,432	5,341

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EBIT	179,778	78,859
Net depreciation and amortization	66,371	66,328
EBITDA	246,149	145,187
Non cash adjustments	6,646	10,025
Adjusted EBITDA	252,795	155,212

The non cash adjustments in the above analysis concern Provisions for staff indemnities of 2,679 (2,860 in 2015), Impairments of investment property of 2,935 (7,161 in 2015) and fixed assets' impairments of 1,032.

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Business segments 31.12.2016	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 merchandise	127	151,112	31,798	555	4,197	0	0	0	187,789
Sales of services	4,812	0	0	5,271	0	15,505	180	0	25,768
Revenues from construction services	949,923	0	0	0	0	0	0	0	949,923
Revenue from external customers	954,862	151,112	31,798	5,826	4,197	15,505	180	0	1,163,480
Inter-segmental turnover	46,273	0	0	1,468	11	0	96	(47,848)	0
Revenue	1,001,135	151,112	31,798	7,294	4,208	15,505	276	(47,848)	1,163,480
Operating results from continuing activity (EBIT)	128,170	66,969	421	(8,804)	(4,990)	(853)	(1,135)	0	179,778
Interest income	2,816	1,138	0	4	1	252	3,953	0	8,164
Interest and related expenses	(7,201)	(38,464)	(33)	(2,025)	(1,630)	(1,012)	(8,414)	0	(58,779)
Foreign exchange differences and other non-operating results	(22,551)	683	(13)	4,915	(3,681)	(863)	730	0	(20,780)
Results from associates and Joint Ventures	0	(80)	1,759	(264)	0	3,031	0	0	4,446
Results from participations and securities	(5)	591	0	0	0	0	(19,796)	0	(19,210)
Results before tax	101,229	30,837	2,134	(6,174)	(10,300)	555	(24,662)	0	93,619
Income tax	(31,721)	(12,690)	(66)	(96)	2,125	56	(5,408)	0	(47,800)
Net Results	69,508	18,147	2,068	(6,270)	(8,175)	611	(30,070)	0	45,819
Net depreciation	21,653	42,118	26	885	1,210	466	13	0	66,371
EBITDA from continued activities	149,823	109,087	447	(7,919)	(3,780)	(387)	(1,122)	0	246,149
Provisions and other non cash results	3,586	120	0	2,904	19	6	11	0	6,646
Adjusted EBITDA from continued activities	153,409	109,207	447	(5,015)	(3,761)	(381)	(1,111)	0	252,795
Assets	1,183,018	1,349,930	4,409	151,541	91,914	141,298	18,692	0	2,940,802

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Business segments 31.12.2016	Constructions	Electricity from RES	Electricity from thermal energy and trading	Real Estate	Mining / Industry	Concessions	Holdings	Eliminations on consolidation	Consolidated Total
Investments in associates	0	3,881	0	1,445	0	0	0	0	5,326
Investments in joint ventures	0	0	43,544	1,241	0	93,580	0	0	138,365
Total Assets	1,183,018	1,353,811	47,953	154,227	91,914	234,878	18,692	0	3,084,493
Liabilities	1,105,851	1,019,803	2,000	110,900	64,789	156,733	25,912	0	2,485,988
Loans	73,594	641,543	78	100,095	38,544	150,603	19,791	0	1,024,248
Cash and Cash Equivalents	453,904	156,177	50	6,433	338	2,065	2,036	0	621,003
Net debt / (surplus)	(380,310)	485,366	28	93,662	38,206	148,538	17,755	0	403,245
Capital expenditure for the period 1.1-31.12.2016	14,937	150,713	0	80	2,927	1	0	0	168,658
Investments in joint venture of concessions (capital increases and secondary loans) for capital expenditures 1.1-31.12.2016	0	0	0	0	0	68,808	0	0	68,808

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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 merchandise	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
Revenues from construction services	777,672	0	0	0	0	0	0		777,672
Revenue from external customers	778,931	140,282	26,760	6,084	3,533	14,697	1,485		971,772
Inter-segmental turnover	48,037	0	0	614	2	0	93	(48,746)	0
Revenue	826,968	140,282	26,760	6,698	3,535	14,697	1,578	(48,746)	971,772
Operating results from continuing activity (EBIT)	30,330	59,999	297	(8,678)	(2,702)	(481)	94		78,859
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)
Results before tax	28,375	28,925	(13,443)	(15,702)	(4,956)	1,894	(6,275)		18,818
Income tax	(13,880)	(11,268)	758	345	431	113	432		(23,069)
Net Results	14,495	17,657	(12,685)	(15,357)	(4,525)	2,007	(5,843)		(4,251)
Net depreciation	26,162	37,799	26	817	1,063	448	13		66,328
EBITDA from continued activities	56,492	97,798	323	(7,861)	(1,639)	(33)	107		145,187
Provisions and other non cash results	2,725	71	0	7,170	31	7	21		10,025
Adjusted EBITDA from continued activities	59,217	97,869	323	(691)	(1,608)	(26)	128		155,212
Assets	959,817	1,173,343	7,474	141,065	94,732	81,516	53,301		2,511,248

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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
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
Total Assets	959,817	1,177,254	49,277	144,181	94,762	130,207	53,301		2,608,799
Liabilities	945,756	843,021	1,976	94,345	61,866	55,115	44,355		2,046,434
Loans	94,190	483,339	70	84,000	33,256	48,885	38,449		782,189
Cash and Cash Equivalents	202,749	154,619	1,099	1,231	1,496	2,388	2,055		365,637
Net debt / (surplus)	(108,559)	328,720	(1,029)	82,769	31,760	46,497	36,394		416,552
Capital expenditure for the period 1.1-31.12.2015	5,585	80,454	0	14	6,474	367	2		92,896

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Geographical segments 31.12.2016	Greece	Balkans	Middle East	Eastern Europe	USA	Other regions	Consolidate d total
Revenue from external customers	892,077	70,288	152,065	18,864	26,910	3,276	1,163,480
Non-current Assets (excl. Deferred tax assets and financial assets)	929,397	62,251	8,340	148,230	262,437	389	1,411,044
Capital expenditure	115,003	127	2,093	875	50,560	0	168,658

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

6. INTANGIBLE FIXED ASSETS

The account of intangible fixed assets on 31 December 2016, in the accompanying financial statements, is analyzed as follows:

	GROUP				Total
	Concessions and other Rights	Rights from construction contract	Software	Research and development	
Net book value 1.1.2016	73,670	21,482	475	2,479	98,105
Additions	72	0	150	540	761
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 from / (to) other asset account	(7)	0	0	7	0
Transfer from tangible assets cost	202	0	0	663	865
Transfer from tangible assets amortization	(4)	0	0	10	6
Acquisition cost of sold – written off assets	(1,520)	0	(14)	(448)	(1,982)
Accumulated amortization of sold – written off assets	0	0	14	73	88
Decrease in amortization due to variation in consolidation percentage/Sales	0	0	0	0	0

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	GROUP				
	Concessions and other Rights	Rights from construction contract	Software	Research and development	Total
(Impairments)/reversal of impairment of acquisition cost	(860)	0	0	0	(860)
(Impairments)/ reversal of impairment of accumulated amortization	(2,585)	0	0	0	(2,585)
Other changes of acquisition cost/Foreign exchange differences	326	0	14	0	340
Other changes in amortization	(73)	0	(14)	0	(87)
(Amortization for the year)	(3,654)	(9,554)	(192)	(185)	(13,584)
Net Book Value 31.12.2016	65,568	11,928	433	3,140	81,069
Cost 1.1.2016	85.588	88.021	3.045	2.859	179.512
Accumulated Amortization 1.1.2016	(11.918)	(66.539)	(2.570)	(380)	(81.409)
Net Book Value 1.1.2016	73.670	21.482	475	2.479	98.105
Cost 31.12.2016	83.800	88.021	3.194	3.622	178.638
Accumulated Amortization 31.12.2016	(18.232)	(76.093)	(2.761)	(482)	(97.569)
Net Book Value 31.12.2016	65.568	11.928	433	3.140	81.069

	GROUP				
	Concessions and other Rights	Rights from construction contract	Software	Research and development	Total
Net book value 1.1.2015	74,121	30,701	448	1,789	107,058
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)
Decrease 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)
Net Book Value 31.12.2015	73,670	21,482	475	2,479	98,105

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	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)
Net Book Value 1.1.2015	74,121	30,701	448	1,789	107,058
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)
Net Book Value 31.12.2015	73,670	21,482	475	2,479	98,105

The amortization for the years 2016 and 2015 has been recognized in Cost of sales by 12,055 (11,978 in 2015), Administrative and distribution expenses by 563 (448 in 2015), R&D expenses by 10 (0 in 2015), Other Income / (expenses) by 860 (0 in 2015) and Inventory by 96 (0 in 2015).

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 28,004 (31,035 in 2015) with an initial agreed duration of 50 years.

Furthermore, the subsidiary of the Group, TERNA SA, carried out an impairment test in a quarry as the demand for the produced products was minimal and the estimated timing of the quarry's return to normal operation did not appear in the near future. The Group recognized an impairment loss of 2.793 in the other income / (expenses) of the income statement for the period, from the fair value of the existing licenses, based on the report of an independent mineralogist.

Also, the account Concessions and Other Rights includes paid rights for installation of wind parks, with a net book value of 29,969 (30,151 in 2015).

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

The Company's intangible assets, with a book value of 33 (42 in 2015), relate to software with a cost of 363 (363 in 2015) and accumulated amortization of 330 (321 in 2015). The amortization of year 2016 amounting to 9 (9 in 2015), has been recorded 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.

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*(Amounts in thousands Euro, unless otherwise stated)***Rights from Concession Contracts**

The account Concessions and rights includes the net book value of concession rights amounting to 10,439 (11,623 in 2015).

The rights from concession contracts on 31.12.2016 are as follows:

COMPANY	CONCESSION	CONSOLIDATI ON%	COST 31.12.2016	NET BOOK VALUE 31.12.2016	REMAINING CONCESSION PERIOD	NOTES
IOLKOS SA	Tsalapata preserved pottery Center in Volos	100.00%	1,251	962	37	In operation
HERON PARKING SA	Car park station in Volos	100.00%	2,915	2,297	39	In operation
PARKING STATION PLATANOU SQ. KIFISIA S.A.	Parking station in Kifisia Square	100.00%	8,017	7,079	17	In operation
PARKING STATION SAROKOU SQ. CORFU S.A.	Parking station in Corfu	100.00%	101	101	-	Termination of development
TOTAL			12,284	10,439		

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	REMAINING 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
TOTAL			13,143	11,623		

From the impairment test, that performed in IOLKOS SA for the year 2016, an impairment loss of amount 652 was calculated and recorded in Other income/expenses of the Statement of Comprehensive Income. The method that was applied by an independent valuator for the valuation of the mentioned asset is the Capitalized Income method. As Discount Rate was used the rate of 8.50-10.50% with yield to maturity of 8%.

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*(Amounts in thousands Euro, unless otherwise stated)***7. TANGIBLE FIXED ASSETS**

The account of tangible fixed assets on 31 December 2016, in the accompanying financial statements, is analyzed as follows:

GROUP	Quarries/ Land-Plots	Buildings	Machinery	Vehicles	Other	Assets under construction and prepayments for acquisition of fixed assets	Total
Net book value 1.1.2016	23,329	73,423	746,729	13,840	4,565	114,285	976,171
Additions	49	155	81,647	810	2,885	82,351	167,896
Cost of borrowing	0	78	2,305	0	0	384	2,768
Transfers of cost of constructed fixed assets	0	8,461	92,974	0	19	(101,454)	0
Transfers of accumulated depreciation of constructed fixed assets	0	0	0	0	0	0	0
Transfer (from) / to investment property - cost	(251)	(1,105)	0	0	0	0	(1,356)
Transfer (from) / to investment property - accumulated depreciation	0	322	0	0	0	0	322
Transfer (from) / to intangible fixed assets - cost	0	(186)	124	0	0	(803)	(865)
Transfer (from) / to intangible fixed assets - accumulated depreciation	0	24	(30)	0	0	0	(6)
Cost of sold/written off fixed assets	0	(336)	(1,824)	(640)	(655)	(217)	(3,672)
Accumulated depreciation of sold/written off fixed assets	0	91	1,193	402	490	0	2,176
Change of percentage of consolidated company in cost	0	0	(77)	0	(119)	0	(195)
Change of participation percentage in accumulated depreciation	0	0	77	0	119	0	195
Impairments / Impairments Reversal of acquisition cost	(980)	0	0	(0)	0	0	(980)
Impairments / Impairments Reversal of accumulated depreciation	0	(701)	(558)	0	0	0	(1,259)
Provisions for restoration and cleanup works	0	0	3,963	0	0	0	3,963
Other movements on cost of fixed assets (foreign exchange differences etc)	0	453	5,422	81	149	2,374	8,479
Other movements in depreciation of fixed assets (foreign exchange differences etc)	0	(128)	(1,899)	(75)	(97)	0	(2,200)
Depreciation for the year	(277)	(5,329)	(55,016)	(1,994)	(1,629)	0	(64,246)
Net book value 31.12.2016	21,871	75,221	875,028	12,424	5,726	96,921	1,087,192

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Cost 1.1.2016	25,840	107,252	1,042,613	40,216	25,563	114,285	1,355,769
Accumulated Depreciation 1.1.2016	(2,511)	(33,829)	(295,884)	(26,376)	(20,998)	0	(379,598)
Net book value 1.1.2016	23,329	73,423	746,729	13,840	4,565	114,285	976,171
Cost 31.12.2016	24,658	114,772	1,227,146	40,467	27,842	96,921	1,531,807
Accumulated Depreciation 31.12.2016	(2,788)	(39,550)	(352,119)	(28,043)	(22,116)	0	(444,615)
Net book value 31.12.2016	21,871	75,222	875,028	12,424	5,726	96,921	1,087,192

GROUP	Quarries/ Land-Plots	Buildings	Machinery	Vehicles	Other	Assets under construction and prepayments for acquisition of fixed assets	Total
Net book value 1.1.2015	21,038	83,995	755,532	16,324	4,533	55,038	936,460
Additions	2,841	680	15,924	748	1,524	68,283	90,000
Cost of borrowing	0	0	0	0	0	760	760
Transfers of cost of constructed fixed assets	1,091	(3,849)	9,001	0	282	(6,056)	469
Transfers of accumulated depreciation of constructed fixed assets	0	(469)	(2)	0	2	0	(469)
Transfer (from) / to investment property - cost	(855)	(1,391)	0	0	0	0	(2,246)
Transfer (from) / to investment property - accumulated depreciation	0	155	0	0	0	0	155
Transfer (from) / to intangible fixed assets - cost	0	0	(1,839)	0	0	0	(1,839)
Transfer (from) / to intangible fixed assets - accumulated depreciation	0	0	894	0	0	0	894
Cost of sold/written off fixed assets	(509)	(173)	(655)	(590)	(163)	(3,567)	(5,657)
Accumulated depreciation of sold/written off fixed assets	0	119	503	537	126	0	1,285
Change of percentage of consolidated company in cost	0	(13)	(103)	(13)	(47)	0	(176)
Change of participation percentage in accumulated depreciation	0	13	103	13	46	0	175
Impairments / Impairments Reversal of acquisition cost	0	(2,576)	0	0	0	0	(2,576)
Provisions for restoration and cleanup works	0	0	310	0	0	0	310
Other movements on cost of fixed assets (foreign exchange differences etc)	(0)	1,917	26,533	231	283	(173)	28,791
Other movements in depreciation of fixed assets (foreign exchange differences etc)	0	(34)	(4,086)	(201)	(228)	0	(4,549)

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Depreciation for the year	(277)	(4,951)	(55,386)	(3,209)	(1,793)	0	(65,616)
Net book value 31.12.2015	23,329	73,423	746,729	13,840	4,565	114,285	976,171
Cost 1.1.2015	23,272	112,657	993,442	39,840	23,684	55,038	1,247,933
Accumulated Depreciation 1.1.2015	(2,234)	(28,662)	(237,911)	(23,516)	(19,151)	0	(311,473)
Net book value 1.1.2015	21,038	83,995	755,532	16,324	4,533	55,038	936,460
Cost 31.12.2015	25,840	107,252	1,042,613	40,216	25,563	114,285	1,355,769
Accumulated Depreciation 31.12.2015	(2,511)	(33,829)	(295,884)	(26,376)	(20,998)	0	(379,598)
Net book value 31.12.2015	23,329	73,423	746,729	13,840	4,565	114,285	976,171

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COMPANY	Land/ Plots	Buildings	Machinery	Vehicles	Other	Total
Net book value 1.1.2016	2,113	8,054	1	0	52	10,220
Additions	0	0	0	0	1	1
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	(11)	(401)
Net book value 31.12.2016	2,113	7,664	1	0	42	9,820
Cost 1.1.2016	2,113	12,814	126	36	1,652	16,741
Accumulated Depreciation 1.1.2016	0	(4,760)	(125)	(36)	(1,600)	(6,521)
Net book value 1.1.2016	2,113	8,054	1	0	52	10,220
Cost 31.12.2016	2,113	12,814	126	36	1,653	16,742
Accumulated Depreciation 31.12.2016	0	(5,150)	(125)	(36)	(1,611)	(6,922)
Net book value 31.12.2016	2,113	7,664	1	0	42	9,820
COMPANY	Land/ Plots	Buildings	Machinery	Vehicles	Other	Total
Net book value 1.1.2015	2,113	8,282	1	0	62	10,458
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)
Net book value 31.12.2015	2,113	8,054	1	0	52	10,220
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)
Net book value 1.1.2015	2,113	8,282	1	0	62	10,458
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)
Net book value 31.12.2015	2,113	8,054	1	0	52	10,220

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Depreciation of the Group for year 2016 has been recognized in Cost of sales by 61,996 (63,100 in 2015), in Administrative and distribution expenses by 1,546 (1,668 in 2015), in Research and development expenses by 139 (238 in 2015), in Other income/ (expense) 250 (5 in 2015) and in inventory by 315 (606 in 2015).

Depreciation of the Company amounting to 401 (238 in 2015) is presented in the Statement of comprehensive income by 301 (137 in 2015) in Cost of sales and by 100 (101 in 2015) in administrative and distribution expenses.

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

	Machinery	Vehicles	Total
Cost 31.12.2016	24,353	6,428	30,781
Accumulated depreciation 31.12.2016	(6,943)	(2,174)	(9,117)
Net book value 31.12.2016	17,410	4,254	21,664

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

Mortgage liens of various types amounting to a total of 49,500 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 17,261 and 18,959 on 31 December 2016 and 2015 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.

Within the fiscal year 2016, the Group recognized impairment losses on land and buildings amounting to 1,207 in the Other Income / (Expenses) of the Income Statement on the basis of estimates by independent appraisers and proceeded to the deletion of machinery and technical facilities of a particular quarry, due to the irrecoverability of the value of the amount 1.032, which was recognized in Cost of Sales.

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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 2016 in the accompanying financial statements is analyzed as follows:

	GROUP		COMPANY	
	2016	2015	2016	2015
Balance 1 January	56,215	61,214	14,529	15,007
Additions for the period	7,680	0	0	0
Cost of debt	756	0	0	0
Fair value adjustments	(8,707)	(7,161)	(1,003)	(550)
Foreign exchange differences	0	0	0	0
Transfer from/to inventories	31,252	71	0	0
Transfer from/to fixed assets	1,034	2,091	14	72
Balance 1 January	88,230	56,215	13,540	14,529

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 8,707 (7,161 in 2015) was incurred (note 36).

The following table presents data concerning the major assumptions taken into consideration for the valuation of the investment properties on 31.12.2016:

Property	Fair Value 31.12.2016	Appraiser	Method	Market value	Interest rate	Inflation	Return	Cost of develop ment
Port of Thessaloniki - Parking spaces	900	CBRE VALUES SA	Capitalization	60 euro per sqm perm month	-	-	10%	-

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Property	Fair Value 31.12.2016	Appraiser	Method	Market value	Interest rate	Inflation	Return	Cost of develop ment
Metaxourgeio- Apartments and Stores	5,130	CBRE VALUES SA	Real estate market for apartments	1,800-2,600 euro per sqm	-	-	-	-
			Real estate market for apartments	3-10 euro per sqm perm month	-	-	8.50%	-
Palaia Volos -Mall	6,280	DANOS SA	Capitalization of revenues with cash flow discounting and replacement cost	1-5 euro per sqm per month 793-1,041 euro per sqm	8,5%- 10,5%	2%	7.50%	-
Oropos –Site plot Ipiros street	252	GEK TERNA GROUP	Real estate market	20.50 euro per sqm	-	-	-	-
(Athens)-transfer right of building factor	140	GEK TERNA GROUP	Real estate market	44 euro per sqm	-	-	-	-
Site plot, Agios Stefanos, Attica	838	CBRE VALUES SA	Real estate market	3 euro per sqm per month	-	-	10%	-
Monastiri street, (Thessaloniki) – Site plot	8,243	CBRE VALUES SA	Exploitation/ Real estate market	875-1,750 euro per sqm	7,94%	-	-	300-700 euro per sqm
Lakeside (Ioannina)- Mall	8,100	DANOS SA	Capitalization of revenues, Amortized replacement cost	0.5-5.43 euro per sqm per month 324-809 euro per sqm	8,50%- 10,50%	2%	8%	-
Kos-Plots	855	CBRE VALUES SA	Real estate market	20-25 euro per sqm 1.25 euro per sqm per month	-	-	-	-
Building and Plot position of Lezides Aliveri Evoia	1,021	NAI Hellas	Real estate market and capitalization of revenues	210.08 euro per sqm building 5.51 euro. Per sqm plot	-	-	12.50%	-
Plot in Posidonia position, Laurio, Attica	13	GEK TERNA GROUP	Real estate market	1.87 euro per sqm	-	-	-	-
Madoudi, (Evoia) – Plots	623	GEK TERNA GROUP	Real estate market	0.50 euro per sqm	-	-	-	-
3 rd Septemvriou street (Athens)- Offices	530	SOLUM Property solutions	Real estate market and capitalization of revenues	1,076 euro per sqm 5.17 euro per sqm per month	-	-	8.50%	-
Bulgaria-Plots for Logistics	1,067	Ampuma(Alpha Bank	Real estate market	5-26 euro per sqm	-	-	-	-

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Property	Fair Value 31.12.2016	Appraiser	Method	Market value	Interest rate	Inflation	Return	Cost of develop ment
Bulgaria-Plots (Krivina)	601	Cushman Wakefield	Real estate market / Exploitation	19-20 euro per sqm, 35.94 euro per sqm	4%	-	10%	353,12 euro per sqm
Bulgaria-Plots (Batac)	641	Ampuma(Alpha Bank)	Real estate market / Exploitation	19-20 euro per sqm, 35.94 euro per sqm	4%	-	10%	353,12 euro per sqm
Bulgaria-Plots (Svilengrad)	232	Ampuma(Alpha Bank)	Real estate market / Exploitation	19-20 euro per sqm, 35.94 euro per sqm	4%	-	10%	353,12 euro per sqm
Bulgaria-Plots	5,410	DANOS SA	Real estate market / Exploitation	34.05 euro per sqm	-	-	-	4,50%
Bulgaria-Sofia –Plot	550	GEK TERNA GROUP	Real estate market	2,218 euro per sqm	-	-	-	-
Bulgaria-Sofia –Plot	415	Piraeus Bank	Real estate market	1,904 euro per sqm	-	-	-	-
Romania-Plot	715	ING Bank (Annika Popa)	Real estate market	11.26 euro per sqm	-	-	-	-
Romania-Plot	640	GEK TERNA GROUP	Real estate market	477 euro per sqm	-	-	-	-
Romania-Plot	3,300	Jones Lang LaSalle	Real estate market	470 euro per sqm	-	-	-	-
Romania-Plot	2,610	Jones Lang LaSalle	Exploitation	13-14 euro per sqm	6,50%	-	8.50%	1.311 euro per sqm
Bulgaria, Sofia Office and stores' building (under construction)	39,124	Independent Certified Appraiser (Simeonova- Nenova)	Real estate market / Exploitation	13.02-15.28 euro per sqm per month	-	-	8.25%- 9.25%	731,10 euro per sqm
	88,230							

The corresponding information of the major assumptions taken into consideration for the valuation of the investment properties on 31.12.2015, are as follows:

Property	Fair Value 31.12.2015	Appraiser	Method	Market value	Interest rate	Inflation	Return	Cost of develop ment
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%	-

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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	-	-	-	-
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 rd 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
	56,215							

The Group received rents from investment property amounting to 1,014 and 670 in 2016 and 2015 respectively.

Mortgage liens amounting to a total of 23,383 have been written on the investment properties of the Group's companies for security against bond loans.

Mortgage liens amounting to a total of 22,016 have been written on a property under development belonging to a company within the Group 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:

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	TERNA ENERGY GROUP	TERNA ENERGY GROUP
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.
	31.12.2016	31.12.2015
Percentage of non-controlling interests	58.84%	59.20%
Dividends of subsidiaries paid to non-controlling interests	379	315
Results corresponding to non-controlling interests	12,882	10,546
Equity corresponding to non-controlling interests	211,656	207,293
Non-current assets	1,045,128	919,673
Current assets	392,483	302,615
(Long-term liabilities)	(803,461)	(700,196)
(Short-term liabilities)	(278,920)	(175,311)
Net fixed assets	355,230	346,781
Turnover	225,560	198,608
Net Profit	21,379	17,447
Other Comprehensive Income	(578)	959
Total Results	20,801	18,406

The above financial accounts are before consolidation entries.

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

10. PARTICIPATIONS IN ASSOCIATES

The movement of participations in associates on 31.12.2016 has as follows:

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	GROUP		COMPANY	
	2016	2015	2016	2015
Balance 1 January	5,628	6,203	9,195	9,195
Additions	50	0	0	0
Losses from Sales	0	0	0	0
Valuation losses	0	0	(6,507)	0
Transfer of the value of former subsidiary	0	0	0	0
Withdrawal of associate	0	0	0	0
Results from the application of the equity consolidation method	(352)	(575)	0	0
Balance 31 December	5,326	5,628	2,688	9,195

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

31.12.2016	Assets	Liabilities	Equity	Turnover	Net earnings / (losses)	Other comprehensive income / (expenses)
KEKROPS SA	14,967	9,632	5,335	15	(369)	(578)
Other associates with positive equity	8,784	65	8,719	0	(497)	0
	23,751	9,697	14,054	15	(866)	(578)
Other associates with negative (debit) equity	149,746	210,764	(61,018)	130	(30,899)	0

The financial accounts of the associate company ATTIKAT SA at the table of 31.12.2016, which are included in the Other associates with negative equity, refer to the most recent financial statements with dates 31/12/2014, as the latest available dates.

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
	24,608	9,815	14,793	16	(1,589)	(1,518)
Other associates with negative (debit) equity	150,872	210,049	(59,177)	954	(31,484)	0

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The market value of the company KEKROPS S.A., which is listed on the Athens Exchange, on 31.12.2016 amounted to 1,400 (1,062 on 31.12.2015).

The market value of the company KEKROPS S.A., which is listed on the Athens Exchange, on 31.12.2016 amounted to 217 (217 on 31.12.2015).

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 31.12.2016 is as follows:

	GROUP		COMPANY	
	2016	2015	2016	2015
Balance 1 January	91,923	100,689	58,044	59,302
Additions	(53)	0	0	0
Earnings/(losses) from sale	0	0	0	0
Earnings/(losses) from valuation	0	(4,781)	(540)	0
Capital increases	42,070	817	42,070	817
Capital decreases	(120)	(2,075)	(120)	(2,075)
Proportion in the change of equity	4,545	(5,555)	0	0
Change in participation interest	0	0	0	0
Elimination of intra-group results / items	0	2,828	0	0
Balance 31 December	138,365	91,923	99,454	58,044

The accounts and items of the financial statements of these important joint ventures during the year 2016 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 to the construction segment	
Interest as of 31.12.16	25.00%	50.00%	57.19%	33.33%

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	HERON II VOIOTIA SA	HERON THERMOELECTRIC SA	NEW ODOS SA	CENTRAL GREECE MOTORWAY SA
	31.12.2016	31.12.2016	31.12.2016	31.12.2016
Non-current assets	178,132	21,599	520,382	439,181
Cash and cash equivalents	5,721	4,300	49,871	28,775
Other current assets	49,416	77,120	112,774	92,353
Total assets	233,269	103,019	683,026	560,309
Long-term financial liabilities (apart from trade and other liabilities and provisions)	98,010	0	172,005	551,429
Other long-term liabilities	12,191	2,215	56,905	972
Short-term financial liabilities (apart from trade and other liabilities and provisions)	11,407	0	26,305	26,942
Other short-term liabilities	27,639	56,043	246,380	12,217
Total liabilities	149,247	58,257	501,595	591,561
Net fixed assets	84,022	44,762	181,431	(31,251)
Proportion in the net fixed assets before valuation differences at fair value	21,006	22,381	103,760	0
Valuation differences at fair value	0	0	0	0
Proportion in the net fixed assets	21,006	22,381	103,760	0
	1.1-31.12.2016	1.1-31.12.2016	1.1-31.12.2016	1.1-31.12.2016
Turnover	96,225	193,725	355,000	145,494
(Depreciation / Amort.)	(11,512)	(3,517)	(1,767)	(302)
(Financial expenses)	(8,739)	(172)	(17,339)	(1,211)
Financial income	39	33	1,242	0
(Expense)/Income from income tax	(2,583)	(1,881)	7,332	(5,294)
Results from continued operations	(1,586)	4,311	7,396	37,601
Results from discontinued operations	0	0	0	0
Other comprehensive income	(58)	1	320	(10,763)
Total Results	(1,644)	4,312	7,716	26,838

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Share in the results of the Group	(397)	2,156	4,230	0
Share in the other comprehensive results of the Group	(15)	1	183	0
Share in the total comprehensive results of the Group	(411)	2,156	4,413	0

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 to 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
Total assets	227,994	88,953	574,926	724,408
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
Total liabilities	142,326	48,503	442,554	782,497

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Net fixed assets	85,668	40,450	132,373	(58,089)
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
Proportion in the net fixed assets	21,417	20,225	44,120	0
	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
Total Results	(45,073)	4,642	13,340	20,613
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
Share in the total comprehensive results of the Group	(11,268)	2,321	4,446	0

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), according to the Group's participation percentages in the net equity of these, are as follows:

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	31.12.2016	31.12.2015
Non-current assets	10,421	10,614
Current assets	6,674	6,671
Long-term liabilities	(5,619)	(4,997)
Short-term liabilities	(5,735)	(6,131)
Share in the net fixed assets	5,741	6,157
	1.1.-31.12.2016	1.1.-31.12.2015
Turnover	1,816	1,233
Results from continued operations	(622)	(1,034)
Results from discontinued operations	0	0
Other comprehensive income	26	25
Total results	(596)	(1,009)

The financial figures of the joint ventures are based on financial statements compiled according to the IFRS or according to Greek GAAP. The financial statements according to Greek GAAP have been adjusted 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.

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 31st December 2016, the non depreciated balance stood at 10,055 (1,723 in 2015).

13. OTHER LONG-TERM RECEIVABLES

The account "Other long-term receivables" on 31.12.2016 in the accompanying financial statements is analyzed as follows:

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	GROUP		COMPANY	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Loans to joint ventures and other related companies	87,465	55,668	81,986	51,142
Given guarantees	3,266	3,537	27	25
Withheld amounts of invoiced receivables	9,113	0	0	0
Other long-term receivables	21,854	16,491	1	0
Total	121,698	75,696	82,014	51,167

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 76,082 (45,238 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.

14. INVENTORIES

The account "inventories" on 31.12.2016 in the accompanying financial statements are analyzed as follows:

	GROUP		COMPANY	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Raw-auxiliary materials	8,701	7,887	0	0
Spare parts of fixed assets	1,900	1,560	0	0
Merchandise and Finished and semi-finished products	18,354	20,119	571	536
Property finished	20,567	17,384	0	188
Property to be developed	5,925	5,312	5,242	5,312
Property under construction	1,159	26,238	0	0
Total	56,606	78,500	5,813	6,036

Within the year 2016 there was a reclassification of an amount equal to 23,958 from the Inventory to the Investment Property. This amount refers to a property under construction in Sofia, Bulgaria, and the reclassification is due to the change in its expected use. In the fair value measurement, a gain was recognized in "Other income / (expenses)" of the income statement amounting to 5,770.

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 627 on Group level, whereas on the Company level there was a loss of 246 (loss of 1,774 and profit of 46 during the previous year respectively) in the "Other income/(expenses)" in the Statement of comprehensive income. Furthermore with regard to the products of the operating segment of industry/mines, following a impairment audit, there was a loss of 507 (0 in the previous fiscal year) recognized in the "Other income/(expenses)" in the Statement of comprehensive income.

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With the exception of the above case, there was no need for impairment of other impaired or low turnover inventories during 31 December 2016.

Group mortgages of a total amount of 4,169 were subscribed to the Group's inventories, for the purpose of collateral of bond loans.

15. TRADE RECEIVABLES

The trade receivables on 31.12.2016 in the accompanying financial statements are analyzed as follows:

	GROUP		COMPANY	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Invoiced receivables	281,255	330,247	2,992	5,557
Accrued income	2,197	17	0	0
Customers – Doubtful and litigious	5,528	6,987	309	309
Notes / Checks Receivable overdue	868	868	0	0
Checks Receivable	16,506	1,539	0	0
Minus: Provisions for doubtful trade receivables	(26,568)	(21,276)	(380)	(451)
Total	279,786	318,382	2,921	5,415

The above trade receivables also include trade receivables from the Energy segment amounting to 53,743 (41,159 on 31 December 2015), which are pledged to banks as security against provided long-term and bond loans to finance the construction of Wind Parks.

16. CONSTRUCTION CONTRACTS

The technical works, undertaken by the Group that were under construction on 31.12.2016 are analyzed as follows:

	GROUP		COMPANY	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Cumulatively from the beginning of the projects				
Cumulative costs	4,774,915	3,994,447	15,141	11,205
Cumulative profit	637,435	463,835	6,104	3,167
Cumulative loss	(180,844)	(179,979)	0	0
Invoices	(5,377,417)	(4,337,788)	(20,868)	(15,413)
	(145,910)	(59,485)	377	(1,041)
Customer Receivables from construction contracts	118,251	117,556	377	0
Liabilities to construction contracts (long-term)	0	(49,365)	0	0
Liabilities to construction contracts (short-term)	(264,161)	(127,676)	0	(1,041)
Net receivables from construction contracts	(145,910)	(59,485)	377	(1,041)

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Customers' prepayments	461,219	377,381	2,077	0
Withheld amounts from customers of projects	38,807	55,733	0	0

17. PREPAYMENTS AND OTHER RECEIVABLES

The prepayments and other receivables on the 31st of December 2016 in the accompanying financial statements are analyzed as follows:

	GROUP		COMPANY	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Advances to suppliers	151,610	130,110	31	0
Accounts of advances and credits	2,492	3,562	0	0
Prepayment to insurance funds (Social Security Organization of technical works)	5,321	4,682	0	0
VAT refund – offsetting entry	49,305	46,698	18	136
Receivables from other taxes except for income tax	1,874	1,874	1,874	1,874
Accrued income	14,912	10,136	0	5
Prepaid insurance premiums	4,860	5,679	3	4
Prepaid commissions for letters of guarantee	4,808	2,825	268	0
Prepaid rents	876	1,262	0	0
Other deferred expenses	3,818	2,371	4	89
Receivables from j/v, related companies and other associates	15,882	13,461	5,400	5,750
Short-term part of granted long-term loans	203	0	0	0
Receivables from wind park subsidies	1,479	9,417	0	0
Receivables from grants relating to the investment industrial plan	10,441	10,441	0	0
Receivables from insurance indemnities	6,925	506	0	0
Blocked bank deposit accounts	39,511	11,797	7	10,013
Doubtful – Litigious other receivables	1,117	0	0	0
Other receivables – Sundry debtors	22,485	15,823	217	84
Minus: Provisions for doubtful other receivables	(3,900)	(3,364)	(1,000)	(1,000)
	334,019	267,280	6,822	16,955

The Group has recognized on 31st of December 2016 receivables from grants amounting to 11,920 (19,858 on 31.12.2015), which are expected to be collected with the final approval of the completion of the respective investment plans. During the financial year 2016, an amount of € 7,938 was de-recognized from the “Receivables from Grants of Wind Parks” (5,883 in 2015) for the Group (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 31.12.2015). 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

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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 2016, amounting to € 12,293 for the Group. The above income was invoiced at the beginning of 2017.

The "Receivables from VAT" is mainly due to the VAT (to be refunded or offset) that derived from the development of new projects of the Group's subsidiaries mainly in the areas of RES.

The account "Other receivables - sundry debtors" includes an amount of EUR 11,329, which relates to the issue of loans to companies of the Group which until 31/12/2016 had not started their disbursement. This amount will be recognized, on loan disbursement, as a deduction of the amounts of the loans involved and will be amortized using the effective interest rate method.

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	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Balance 1.1	24,640	22,206	1,451	1,451
Impairments of overdue receivables	7,057	3,467	0	0
Write-off receivables	(916)	(1,033)	(71)	0
Transfers	(313)	0	0	0
Balance 31.12	30,468	24,640	1,380	1,451

The above provisions for 2016 were recognized by in Other income/ (expenses).

The receivables of the Group and the Company include balances of a total amount 35,128 and 500 respectively (33,550 and 2,100 respectively for 2015) 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.

The maturity of the above receivables has as follows:

31.12.2016	GROUP	COMPANY
Up to 1 year	1,500	50
1-2 years	12,975	50
2-3 years	3,524	50
More than 3 years	17,129	350
	35,128	500

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31.12.2015	GROUP	COMPANY
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
	33,550	2,100

19. INVESTMENTS AVAILABLE FOR TRADING PURPOSES

The movement of the account “investments available for trading purposes” is analyzed as follows:

	GROUP		COMPANY	
	31.12.2016	31.12.2016	31.12.2016	31.12.2015
Balance 1.1	24,074	0	0	0
Purchases for the year	0	45,000	4,807	0
Sales for the year	(17,102)	(18,835)	0	0
Profit/(losses) from sales	(565)	210	0	0
Profit/(losses) from valuation at fair	(1,600)	(2,301)	0	0
Balance 31.12	4,807	24,074	4,807	0

The investments available for trading purposes refer to shares of a banking institution. The financial assets are valued at fair at the reporting date of the statement of financial position.

Within the year, the Group sold 17,102 shares of a banking institution, recording losses of 565. In addition to the fair value measurement of remaining, the Group recognized a loss of 1,600 in the income statement. On 31/12/16 the Group and the Company held shares of value 4.807.

20. INVESTMENTS AVAILABLE FOR SALE

Investments available for sale on 31st December 2016, in the accompanying financial statements are analyzed as follows:

	GROUP		COMPANY	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Participating interests in companies	26,760	24,437	26,756	24,302
Securities	1,741	18,827	1,741	0
Other titles	15	15	0	0
Mutual Funds	143	151	143	151
	28,659	43,430	28,640	24,453
Non-current	26,775	24,452	26,756	24,302
Current	1,884	18,978	1,884	151

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

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The Group and the Company held on 31.12.2016 shares of banking institutions with a total acquisition value of 2,642 (24,786 and 0 at 31.12.2015, respectively). On 31.12.2016 the mutual funds and the shares of the Group and the Company were valued at 1,884 in total, 143 and 1,741 respectively (151 and 18,827 at 31.12.2015 respectively) at market prices.

Within the year, the Group sold shares of a banking institution for a total consideration of 741. The result of the sale was a loss of 2,926 which was recognized in the income statement.

The Company and the Group proceeded to share capital increases during the fiscal year, to the company's participations by 3,337.

From the valuation of available-for-sale investments a loss of 14,119 arose for the Group, which was considered final and it was recorded in the Results of the year.

For the Company and the Group a loss arose following a valuation, of 1,792 in total, 883 for participations in companies, 901 for shares and 7 for mutual fund shares which was recognized in Other comprehensive income.

The corresponding amounts at 31.12.2015 for the Group and the Company were loss of 3,315 and 1,915, which were recorded in Other comprehensive income. Also in respect of the shares, 4,429 for 2015 was reclassified from the Other comprehensive results to the Income Statement, following an impairment test where it was recognized that the impairment loss is final (note 38).

The Company and the Group proceeded to share capital increases during the fiscal year, to the company's participations of amount 3.337.

21. CASH AND CASH EQUIVALENTS

The cash and cash equivalents on 31 December 2016 in the accompanying financial statements are analyzed as follows:

	GROUP		COMPANY	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Cash in hand	168	213	29	30
Sight Deposits	536,812	280,826	4,742	2,446
Term Deposits	84,023	84,598	0	0
Total	621,003	365,637	4,771	2,476

Term deposits have a usual duration of 3 months and their carrying interest rates ranged during the year between 0.6-2.1% (0.8-1.20% for the previous year).

In cash and cash equivalents is included amounts for reimbursement from Group subsidiaries amounting to 87.051 pertaining to received subsidies due to the cancellation of the construction of certain wind farms or the expiry of the time limits of the decisions of affiliation which have not been canceled.

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Furthermore, the Group keeps reserve deposits amounting to € 39,511, which are held in certain bank accounts for the servicing of its short-term operating and financial liabilities. These reserved deposits are classified under the heading "Advances and other receivables".

22. LONG-TERM LOANS AND FINANCE LEASES

The long-term loans and liabilities from finance leases on 31st December 2016, in the accompanying financial statements, are analyzed as follows:

	GROUP		COMPANY	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Liabilities from finance leases	21,182	25,265	0	0
Minus: Short-term portion	(4,711)	(5,181)	0	0
Long-term loans	948,091	636,986	198,591	74,043
Minus: Short-term portion	(120,560)	(145,628)	(1,176)	(20,609)
Long term part	844,002	511,442	197,415	53,434

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

	GROUP		COMPANY	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Up to 1 Year	120,560	145,628	1,176	20,609
Between 2 - 5 Years	485,797	251,396	182,035	51,247
Over 5 Years	341,734	239,962	15,380	2,187

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

	GROUP	
	31.12.2016	31.12.2015
Up to 1 Year	4,711	5,181
Between 2 - 5 Years	16,271	20,021
Over 5 Years	200	63

A. Long-term Loans

Long term debt is by 76.58% in euro (70.73% at the end of the previous year), by 6.56% in PLN (12.47% at the end of the previous year) and by 16.50% in USD (16.80% at the end of the previous year), and represents approximately 94.52% of the Group's total debt (84.21% 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 2016, the amount of 85.5 million euro (59.37 in 2015) was repaid for long-term bank debts, whereas the amount of 318.3 million euro (125 in 2015) was collected from new bank loans.

The average effective interest rate paid for the long-term debt during the closing year settled at 5.60% (5.91% in the previous financial year).

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The Group has the obligation to keep specific financial ratios relating to bond loans. In Group, In the context of the agreement for the signing of a Syndicated Bond Loan amounting to 197.8m. in order to refinance part of the existing loans and financing of investments in concession companies, was granted by the banks, waiver from the observation of the financial ratios for 31/12/16, until the final signing and implementation of the syndicated loan or 31/01/2018.

Finally, should be mentioned that on 31 December 2016, there were loans amounting to 43.073 which, due to non-observance of the ratios, were reclassified to Short-term Liabilities, and specifically to the item "Long-term liabilities payable for the next fiscal year". It is noted that during the period 1.1.2017 due to the date of approval of the financial statements for the year 2016, the management of the Group has taken all the necessary actions in order to eliminate the reasons for non-compliance for loans amounting to 22,934. This loan amount will be reclassified in the first half of 2017 again to the item "Long-term Loans".

B. Financial Leasing contracts

During the closing financial year the Group paid the amount of 4,983 (9,872 in previous year) for lease payments and interest on existing financial leasing agreements with an average effective interest rate of 5.00 (5.00% in previous year).

During the present year, the Group entered into new leasing agreements amounting to 1,085 (1,031 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, at the end of the period amounted to 21,182 (25,265 at the end of previous year), from which 4,711 are due within the following 12 months (5,181 at the end of previous year).

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 99,069 (107,480 during the end of the previous year) and,
- Shares of subsidiary companies with a nominal value of 75,602 (31,638 during the end of the previous year) have been provided by the parent company as collateral.

23. LIABILITIES FROM FINANCIAL INSTRUMENTS

In USA, TERNA ENERGY Group, in order to take advantage of the tax benefits provided by local law as much as possible, entered a transaction during the financial year of 2012 where the counterparty company paid the amount of €49,693 in order to receive the right to receive, mainly, cash and tax losses (tax equity investment). The control is based on a contractual agreement with the company

MetLife, which contributed capital as Tax Equity Investor (TEI) and is fully consolidated. According to the agreement between the two parties, TEI contributed capital in exchange for 50% of the corporate shares (membership interests), the contractual rights of which define that the TEI will receive 99% of the tax losses, as well as a certain percentage of the net cash flows until the return on the invested capital (as it was defined in the relevant agreement) is achieved.

The relevant membership interests have been recognized as financial liability according to IAS 32. There are no contractual obligations of the sub-group TERNA ENERGY and its subsidiaries for the provision of any form of financial support in case of economic difficulty or inability for the repayment of obligations by Terna Energy USA Holding Corporation, including the contractual liability to the TEI.

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 of the Group.
- 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, 2016 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 31st December 2016.

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The expense for staff indemnities which was recognized by the Group in Income Statement and was recorded in Cost of sales by 2,296, in Administrative and distribution expenses by 387 and in financial expenses by 54 (2,585, 110 and 55 during the previous year, respectively), and by the Company in Administrative and distribution expenses (during the present and previous year), is analyzed as follows:

	GROUP		COMPANY	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Current service cost	2,083	2,403	10	10
Financial cost	58	55	1	1
Effect of cut-backs or settlements	663	265	0	0
Recognition of actuarial (profits) / losses	(82)	170	(6)	10
	2,722	2,893	5	21

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

	GROUP		COMPANY	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Balance 1.1	8,085	6,774	72	51
Provision recognized in Net earnings	2,737	2,695	11	11
Provision recognized in Other Total Income	(82)	170	(6)	10
Provision recognized in inventories	67	28	0	0
Foreign exchange translation differences	86	493	0	0
Compensation payments	(2,501)	(2,075)	0	0
Balance 31.12	8,392	8,085	77	72

The main actuarial assumptions for the financial years 2016 and 2015 are as follows:

	2016	2015
Discount rate (based on the yields of the E.C.B. bonds)	1.5%	2.0%
Mortality: Greek mortality table	MT_EAE2012P	MT_EAE2012P
Future salaries increases	1.25%	1.75%
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)	6%	8%
Movement of day-waged workers (laid-off)	6%	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.

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	Scenario 1	Scenario 2	Scenario 3	Scenario 4
Discount Rate	1.00%	2.00%	1.50%	1.50%
Future Salaries Increases	1.25%	1.25%	1.00%	1.00%
Effect on the net earnings / (losses) 2016	(161)	148	76	(79)

25. OTHER PROVISIONS

The movement of the relevant provision in the Statement of financial position for 2016 and 2015 is as follows:

	Provisions for environmental rehabilitation	Other provisions	Total
Balance 1.1.2016	8,578	13,134	21,712
Provision recognized in net earnings	0	22,923	22,923
Provision recognized in fixed assets	3,963	0	3,963
Utilized provisions	0	0	0
Interest on provisions recognized in net earnings	445	0	445
Transfer from / (to) other account	0	313	313
Non utilized provisions recognized in net earnings	0	(6,304)	(6,304)
Foreign exchange differences	(80)	(104)	(184)
Balance 31.12.2016	12,906	29,962	42,868

	Provisions for environmental rehabilitation	Other provisions	Total
Balance 1.1.2015	7,855	16,133	23,988
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
Balance 31.12.2015	8,578	13,134	21,712

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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 12,906 (8,578 in 31.12.2015) 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.

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

	GROUP	
	31.12.2016	31.12.2015
Tax provisions with regard to unaudited financial years	2,845	1,890
Provisions for doubtful receivables	0	0
Provisions for litigation cases	1,313	1,380
Provisions for granted guarantees	3,043	0
Other provisions	22,761	9,864
	29,962	13,134

Within the year, our Company and its subsidiaries TERNA and TERNA ENERGY, on the basis of Article 25a of Law 3959/2011 as well as the decision of the Plenary Session of the HCC no. 628/2016, they submitted, for reasons of clear corporate interest and in order to implement the beneficiary provisions of Article 25^A and 14 par. 2 case id (ee) of Law 3959/2011 and the 628/2016 Decision of the HCC regarding the terms, conditions and procedure for the settlement of disputes in cases of horizontal counterparty agreements in violation of article 1 of Law 3959/2011 and /or article 101 of the Treaty on the Functioning of the European Union, a request for inclusion in the envisaged dispute settlement procedures, namely, in a process of consensual resolution as we have already informed the investment community³.

On 24/02/2017 our Company and its subsidiaries TERNA and Terna Energy were notified of the Settlement Initiative by HCC. As it has already been analyzed, an irrevocable statement was submitted for the commitment and inclusion in the Dispute Settlement Procedure. Based on this statement does not arise or is not being undertaken any risk of breaches regarding our Company and our subsidiary Terna Energy.

Moreover, since at the date of the financial statements’ approval, the overall settlement procedures had not been finalized, which as mentioned above are being covered by full confidentiality, as well as the exact determination of the dispute amount, our subsidiary TERNA as well as the Group proceeded to the recognition of an adequate provision which burdened the results for the year 2016. We consider that the relevant charge, according to the data known so far, does not exceed the amount of €19 million.

³ By letter dated 17.10.2016 of parent Company GEK TERNA to the Hellenic Capital Market Commission

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The Group proceeded with the recognition of a provision amounting in total to 3,043 in case the company "ETVAK CONSULTING – INTERMEDIARY SERVICES FOR PROPERTY DEVELOPMENT SOCIETE ANONYME" becomes unable to repay an equivalent loan received from ALPHA BANK, in the context of the Agreement of Cooperation dated on 5/8/2013. In this case, the Group intends to exhaust all its legal rights with regard to the collection of the paid amount.

26. GRANTS

The movement of grants in the Statement of financial position for 2016 and 2015 is as follows:

	2016	2015
Balance as at 1.1	257,660	287,703
De-recognition of non collected grants	(7,938)	(5,883)
Receipts of grants	0	0
Approved but not yet received grants	0	1,479
Approved and collected grants to be returned	(60,102)	(20,775)
Transfer of grants to fixed assets (IFRIC 12)	0	0
Foreign exchange differences	1,824	6,459
Amortization of grants on fixed assets recognized in net results	(11,046)	(11,107)
Amortization of grants on fixed assets recognized in inventories	(74)	(216)
Balance as at 31.12	180,324	257,660

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.

In the year 2016, due to the cancellation of certain wind farms' construction or the time expiry of decisions for inclusion of others whose construction has not been cancelled, subsidies were de-recognized amounting to €68,040 (out of which €60,102 had been collected in previous years). The amount of € 60,102 was reclassified to the account "Accruals and other short-term liabilities", while the amount of €7,938 was de-recognized from both the accounts of Subsidies and "Advances and Other Receivables". (note 17 and note 28)

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).

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27. SUPPLIERS

The suppliers on 31st December 2016, in the accompanying financial statements, are analyzed as follows:

	GROUP		COMPANY	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Suppliers	229,366	214,207	5,424	4,261
Checks and notes payable	8,922	13,793	0	0
	238,288	228,000	5,424	4,261

28. ACCRUED AND OTHER LIABILITIES

The account "Accrued and other liabilities" (long and short term) on 31st December 2016 in the accompanying financial statements, is analyzed as follows:

Other long-term liabilities

	GROUP		COMPANY	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Collected advances from customers relating to construction agreements	307,020	201,959	0	0
Liabilities from construction agreements	0	49,365	0	0
Guarantees of leased property	393	397	108	115
Other long-term liabilities	19,131	19,676	0	0
	326,544	271,397	108	115

The balance of 31/12/2016 of the account "Collected advances from customers relating to construction agreements" concerns an advance payment from the client for the energy project of PTOLEMAIDA.

The other long-term liabilities of 2016 include guarantees of suppliers and subcontractors as well as other withheld amounts.

Accrued and other short-term liabilities

	GROUP		COMPANY	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Liabilities from taxes-duties	14,540	13,918	763	412
Social security funds	3,153	3,241	27	20
Dividends payable	1,546	34	1	10
Liabilities against joint ventures, associates and other related companies	14,520	15,153	842	2,637
Customer prepayments	156,251	177,286	2,077	2
Accrued expenses and deferred income and other transitory accounts	16,618	20,171	66	1,468
Personnel fees payable	4,824	3,600	25	20
Approved and collected grants to be returned	88,872	26,949	0	0
Sundry Creditors	4,113	5,000	1,142	705
	304,437	265,352	4,943	5,274

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Of the long-term liabilities, an amount of 307,020 concerns customer advances for construction works, the certification and offsetting of which will be implemented after 31.12.2017 (201,959 on 31.12.2015).

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 settled at 6.25% (6.21% during 2015).

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:

LIABILITY	Nominal Value		GROUP	
			Liability Fair Value	Liability Fair Value
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
For hedging purposes				
Interest rate swaps:	€ 7,537	€ 7,537	426	545
Interest rate swaps:	€ 5,772	€ 5,772	256	309
Interest rate swaps:	€ 17,000	€ 17,000	1,755	1,705
Interest rate swaps:	€ 15,400	€ 15,400	1,069	653
Interest rate swaps:	€ 11,160	-	164	-
Interest rate swaps:	€103,650	-	1,114	-
Interest rate swaps:	€ 9,000	€ 9,000	330	329
Interest rate swaps:	€ 9,000	€ 9,000	574	644
Interest rate swaps:	€ 6,563	€ 6,563	506	558
			6,194	4,743

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By the decision of the Board of Directors on 27/3/15, from the total amount of the bond loan and in particular from the amount of €21,650 which concerned Equity items, it was recognized the amount of €14,009 (capital and accrued interest) and it has been transferred to the share capital by the amount of €3,286 and to the share premium account by the amount of €10,723, by the issuance of 5,765,117 new shares with a nominal value of €0.57. Also during the Board of Directors dated on 29/6/15, it was decided a second conversion of an amount equal to 7,200 (capital and accrued interest) from the bond loan which concerned Equity items into share capital of 1,662 and into share premium reserve of 5,538 with the issuance 2,917,063 new shares with a nominal value of € 0.57. Finally, with the decision of the Board of Directors dated on 29/3/2016 it was decided a third conversion of an amount equal to 679 (capital and accrued interest) from the bond loan that concerned Equity items, into share capital by an amount of 159 and into share premium reserve by an amount of 520 with the issue of 278,743 new shares with a nominal value of € 0.57. With this conversion, the Convertible Bond Loan that the Company has signed with York Global Finance Offshore BDH (Luxembourg) S.a.r.l is repaid in full.

The basic weighted average number of outstanding shares for the purpose of earnings per share was formed to 99,138,861 pieces (98,163,217 at 31.12.2015).

The earnings per share amounted on 31.12.2016 to €0.3456 (losses per share of € 0.1474 at 31.12.2015) and they were calculated based on the profits attributable to the owners of the parent company of 34.262 (losses of 14.467 at 31.12.2015).

32. RESERVES

The Reserves account is analyzed as follows:

	GROUP		COMPANY	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Fair value reserve of assets available for sale	3,361	(4,962)	(3,519)	(2,247)
Fair value reserve from hedging derivatives	1,369	1,585	0	0
Contribution to Associates and JV's	(26,524)	(26,272)	0	0
Other Income				
Part of the mandatorily convertible into shares bond loan	649	650	0	650
Tax-exempt reserves	195,501	192,623	0	0
Statutory reserve	28,018	27,729	7,007	7,007
Other reserves	(3,046)	1,415	53,825	58,183
	199,327	192,770	57,313	63,593

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

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According to Greek tax legislation, the tax rate corresponded to 29% for the years 2016 and 2015. 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	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Current tax	68,652	35,641	215	3,277
Provision for tax audit differences	880	200	0	0
Adjustments of tax of previous years	(36)	910	14	0
	69,496	36,751	229	3,277
Deferred tax expense	(21,696)	(13,681)	(590)	(748)
Total expense/(income)	47,800	23,070	(361)	2,529

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

	GROUP		COMPANY	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Earnings/(loss) before tax	93,619	18,818	(17,310)	18,358
Nominal tax rate	29%	29%	29%	29%
Income tax expense/(income) based on the nominal tax rate	27,150	5,457	(5,020)	5,324
Complementary property tax	0	6	0	0
Deemed taxation method	0	318	0	0
Expenses not included in the calculation of tax	19,057	6,473	4,644	(417)
Effect of differences of tax rate	(2,019)	(2,380)	0	(116)
Adjustments of tax of previous years and additional taxes	(36)	910	14	693
Difference in taxation of foreign companies	5,129	(5,008)	0	0
Write-off/(Offsetting) of tax losses	(6,181)	17,094	2	0
Provision for tax audit differences	880	200	0	0

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Taxable differences of previous year for which it was not recognized a deferred tax	3,710	0	0	0
Effect of net temporary taxable differences for which no deferred tax is recognized	1,612	0	0	0
Effect of Deletion of receivable Deferred Tax	2	0	0	0
Effect of participation in the net results of associates and joint ventures	(1,543)	0	0	0
Results directly in Other comprehensive income or Equity	39	0	0	0
Tax-exempt results	0	0	0	(2,955)
Actual Tax expense	47,800	23,070	(360)	2,529

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 2016 against additional taxes and surcharges that may be imposed to the Group amounting to 2,845 (1,890 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 2016, are as follows:

ECONOMIC ENTITY	DOMICILE	TOTAL PARTICIPATION %	CONSOLIDATION METHOD
CONSTRUCTIONS SEGMENT - JOINT VENTURES			
J/V HELLAS TOLLS	Greece		2010-2016
ALTE ATE – TERNA SA GP	Greece		2002-2016
J/V/ GEK TERNA - TERAN ENERGY (INSTALLATION AND OPERATION ATS)	Greece		2015-2016
CONSTRUCTIONS SEGMENT - SUBSIDIARIES			
TERNA SA	Greece	Full	2010-2016
J/V EUROIONIA	Greece	Full	2010-2016
J/V CENTRAL GREECE MOTORWAY E-65	Greece	Full	2008-2016
ILIOHORA SA	Greece	Full	2010-2016
TERNA OVERSEAS LTD	Cyprus	Full	2007-2016
TERNA QATAR LLC *	Qatar	Full	2007-2016
TERNA BAHRAIN HOLDING WLL	Bahrain	Full	-
TERNA CONTRACTING CO WLL	Bahrain	Full	-
TERNA VENTURES WLL	Bahrain	Full	-
TERNA SAUDI ARABIA LTD	Saudi Arabia	Full	2012-2016
J/V/ GEK TERNA - TERAN ENERGY (INSTALLATION AND OPERATION ATS)	Greece	Full	2015-2016

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CONSTRUCTIONS SEGMENT - JOINT VENTURES			
J/V TOMI ABETE-ILIOHORA SA	Greece		2010-2016
J/V AVAX SA-VIOTER SA-ILIOHORA SA	Greece		2007-2016
J/V ILIOCHORA-KASTAT CONSTRUCTIONS (Koumpila-Louloudi project)	Greece		2012-2016
J/V TERNA-KARAYIANNIS-KARAYIANNIS-ILIOCHORA	Greece		2010-2016
J/V TERNA - AKTOR - POWELL (CHAIDARI METRO)	Greece		2008-2016
J/V TERNA - IMPEGILOSPA (TRAM)	Greece		2010-2016
J/V ALPINEMAYREDERBAUGmbH-TERNA (ANCIENT OLYMPIA BYPASS)	Greece		2010-2016
J/V ATHANASIADIS - TERNA (THESSAL. CAR PARK.)	Greece		2007-2016
J/V TERNA SA - AKTOR SA-J&P-AVAX SA (LAND OF CONCERT HALL)	Greece		2010-2016
J/V TERNA AE - WAYSS (PERISTERI METRO)	Greece		2003-2016
J/V ETETH-TERNA-AVAX -PANTECHNIKI HORSE RIDING CENTRE	Greece		2010-2016
J/V TERNA – PANTECHNIKI (OAKA SUR. AREAS)	Greece		2007-2016
J/V TERNA S.A. - AKTOR A.T.E.- J&P AVAX (Concert Hall)	Greece		2010-2016
J/V TERNA-MICHANIKI AGRINIO BY-PASS	Greece		2007-2016
J/V THALES ATM SA-TERNA IMPROVEMENTS OF TACAN STATIONS	Greece		2010-2016
J/V ALPINEMAYREDERBAUGmbH-TERNA SA (CHAIDARI METRO STATION, PART A')	Greece		2010-2016
J/V ALPINEMAYREDERBAUGmbH-TERNA SA (PARADEISIA TSAKONA)	Greece		2010-2016
J/V AKTOR-DOMOTECHNIKI-THEMELIODOMI-TERNA-ETETH (THESSAL. MEG. MUNICIPALITY)	Greece		2010-2016
J/V TERNA - AKTOR (SUBURBAN SKA)	Greece		2010-2016
J/V TERNA - AKTOR (R.C. LIANOKLADI - DOMOKOS)	Greece		2008-2016
J/V TERNA SA- THALES AUSTRIA (ETCS SYSTEM PROCUREMENT)	Greece		2010-2016
J/V TERNA SA-AKTOR ATE J&P AVAX–TREIS GEFYRES	Greece		2010-2016
J/V METKA-TERNA	Greece		2009-2016
J/V APION KLEOS	Greece		2010-2016
J/V TERNA SA-SICES CONSTRUCTIONS (HELPE REF. UPGR.)	Greece		2010-2016
J/V AKTOR-TERNA-PORTO KARRAS (Florina-Niki road)	Greece		2012-2016
J/V AKTOR-TERNA (PATHE at Stylida road)	Greece		2012-2016
J/V TERNA - AEGEK Constructions (Promachonas road)	Greece		2012-2016
J/V AKTOR-TERNA (Patras Port)	Greece		2012-2016
J/V AKTOR ATE-J&P AVAX - TERNA SA (Koromilia-Kristalopigi project)	Greece		2012-2016
J/V IMPREGILO SpA-TERNA SA (Cultural center of Stavros Niarchos Foundation)	Greece		2012-2016
J/V AKTOR ATE – TERNA SA (Lignite works)	Greece		2013-2016
J/V AKTOR ATE – TERNA SA (Thriasio B')	Greece		2013-2016
J/V AKTOR SA – J&P AVAX – TERNA SA (Tithorea Domokos)	Greece		2014-2016
J/V AKTOR SA – J&P AVAX – TERNA SA (Bridge RL 26, TITHOREA - DOMOKOS)	Greece		2014-2016
J/V AKTOR SA – TERNA SA (Thriasio B' ERGOSE)	Greece		2014-2016
J/V/ GEK TERNA - TERAN ENERGY (INSTALLATION AND OPERATION ATS)	Greece		2015-2016
J/V AKTOR SA – TERNA SA (Joint Venture ERGOSE AD 751)	Greece		2015-2016
J/V TERNA GCC WAC	Qatar		-

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J/V TERNA-AI OMAIER	Saudi Arabia		-
J/V TERNA-CGCE (AMAS 1)	Bahrain		-
J/V RENCO-TERNA (Construction of compressor stations TAP in Greece and Albania)	Greece		2016
J/V J&P AVAX SA – TERNA SA – AKTORS SA – INTRAKAT (Temenos)	Greece		2016
J/V TERNA - CGCE (AMAS 2)	Bahrain		2016
CONSTRUCTION SEGMENT - ASSOCIATES			
ATTIKAT SA	Greece		2003-2016
RES ENERGY SEGMENT - SUBSIDIARIES			
TERNA ENERGY SA	Greece	Full	2009-2010
IWECO HONOS LASITHIOU CRETE SA	Greece	Full	2010-2016
ENERGIAKI SERVOUNIOU SA	Greece	Full	2010-2016
TERNA ENERGY EVROU SA	Greece	Full	2010-2016
PPC RENEWABLES - TERNA ENERGY SA	Greece	Full	2010-2016
AIOLIKI PANORAMATOS DERVENOCHORION S.A.	Greece	Full	2010-2016
AIOLIKI RACHOULAS DERVENOCHORION S.A.	Greece	Full	2010-2016
ENERGIAKI DERVENOCHORION S.A.	Greece	Full	2010-2016
AIOLIKI MALEA LAKONIAS S.A.	Greece	Full	2010-2016
ENERGIAKI FERRON EVROU S.A.	Greece	Full	2011-2016
AIOLIKI DERVENI TRAIANOUPOLEOS S.A.	Greece	Full	2011-2016
ENERGIAKI PELOPONNISOU S.A.	Greece	Full	2010-2016
ENERGIAKI NEAPOLEOS LAKONIAS S.A.	Greece	Full	2010-2016
AIOLIKI ILIOKASTROU S.A	Greece	Full	2010-2016
EUROWIND S.A.	Greece	Full	2010-2016
ENERGEIAKI XIROVOUNIOU S.A.	Greece	Full	2011-2016
DELTA AXIOU ENERGEIAKI S.A	Greece	Full	2011-2016
TERNA ENERGY SEA WIND PARKS S.A.	Greece	Full	2011-2016
TERNA ENERGY WIND PARKS XIROKAMPOS AKRATAS S.A.	Greece	Full	2010-2016
VATHICHORI ENVIRONMENTAL S.A.	Greece	Full	2010-2016
VATHICHORI ONE PHOTOVOLTAIC S.A.	Greece	Full	2011-2016
CHRISOUPOLI ENERGY Ltd	Greece	Full	2011-2016
LAGADAS ENERGY SA	Greece	Full	2011-2016
DOMOKOS ENERGY SA	Greece	Full	2011-2016
DIRFIS ENERGY SA	Greece	Full	2012-2016
FILOTAS ENERGY SA	Greece	Full	2012-2016
MALESINA ENERGY SA	Greece	Full	2012-2016
ORCHOMENOS ENERGY Ltd	Greece	Full	2012-2016
ALISTRATI ENERGY Ltd	Greece	Full	2012-2016
TERNA ENERGY AI-GIORGIS SA	Greece	Full	2012-2016
TERNA ENERGY AMARINTHOU SA	Greece	Full	2012-2016

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TERNA AIOLIKI AITOLOAKARNANIAS SA	Greece	Full	2012-2016
TERNA ILIAKI VIOTIAS SA	Greece	Full	2012-2016
VATHICHORI TWO ENERGY SA	Greece	Full	2012-2016
TERNA AIOLIKI XEROVOUNIOU SA	Greece	Full	2012-2016
TERNA ILIAKI ILIOKASTROU SA	Greece	Full	2012-2016
TEPNA ILIAKI PANORAMATOS SA.	Greece	Full	2012-2016
AIOLIKI KARYSTIAS EVIAS SA	Greece	Full	2007-2016
GEO THERMIKI ENERGY ANAPTYXI AKI SA	Greece	Full	2012-2016
TERNA ILIAKI PELLOPONISSOU SA.	Greece	Full	2012-2016
GP ENERGY LTD	Bulgaria	Full	2005-2016
TERNA ENERGY OVERSEAS LTD	Cyprus	Full	2009-2016
EOLOS POLSKA sp.z.o.o.	Poland	Full	2010-2016
EOLOS NOWOGRODZEC sp.z.o.o.	Poland	Full	2010-2016
HAOS INVEST 1 EAD	Bulgaria	Full	2010-2016
VALE PLUS LTD	Cyprus	Full	2010-2016
GALLETTE LTD	Cyprus	Full	2009-2016
ECO ENERGY DOBRICH 2 EOOD	Bulgaria	Full	2011-2016
ECO ENERGY DOBRICH 3 EOOD	Bulgaria	Full	2011-2016
ECO ENERGY DOBRICH 4 EOOD	Bulgaria	Full	2011-2016
COLD SPRINGS WINDFARM LLC	U.S.A.	Full	2011-2016
DESERT MEADOW WINDFARM LLC	U.S.A.	Full	2011-2016
HAMMETTHILL WINDFARM LLC	U.S.A.	Full	2011-2016
MAINLINE WINDFARM LLC	U.S.A.	Full	2011-2016
RYEGRASS WINDFARM, LLC	U.S.A.	Full	2011-2016
TWO PONDS WINDFARM, LLC	U.S.A.	Full	2011-2016
MOUNTAIN AIR WIND, LLC	U.S.A.	Full	2011-2016
TERNA ENERGY USA HOLDING CORPORATION	U.S.A.	Full	2011-2016
TERNA ENERGY TRANSATLANTIC sp.z.o.o.	Poland	Full	2011-2016
EOLOS NORTH sp.z.o.o.	Poland	Full	2012-2016
EOLOS EAST sp.z.o.o.	Poland	Full	2012-2016
AIOLIKI PASTRA ATTIKIS SA	Greece	Full	2007-2016
TERNA ENERGY TRADING LTD	Cyprus	Full	2015-2016
JP GREEN sp.z.o.o.	Poland	Full	2015-2016
WIRON sp.z.o.o.	Poland	Full	2015-2016
BALLADYNA sp.z.o.o.	Poland	Full	2015-2016
TETRA DOOEL SKOPJE	FYROM	Full	2015-2016
PROENTRA D.O.O BEOGRAD	Serbia	Full	2015-2016
TERNA ENERGY SA & Co AIOLIKI POLYKASTROU G.P.	Greece	Full	2007-2016
TERNA ENERGY SA & CO ENERGEI AKI VELANIDION LAKONIAS G.P	Greece	Full	2007-2016
TERNA ENERGY SA & CO ENERGEI AKI DYSTION EVIAS G.P.	Greece	Full	2007-2016
TERNA ENERGY SA & CO ENERGEI AKI ARI SAPPON G.P.	Greece	Full	2007-2016

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TERNA ENERGY SA & CO AIOLIKI EASTERN GREECE G.P.	Greece	Full	2007-2016
TERNA ENERGY SA & CO AIOLIKI MARMARIOU EVIAS G.P.	Greece	Full	2007-2016
TERNA ENERGY SA & CO ENERGIAKI PETRION EVIAS G.P.	Greece	Full	2007-2016
TERNA ENERGY SA & CO AIOLIKI ROKANI DERVENOCHORION G.P.	Greece	Full	2007-2016
TERNA ENERGY SA & CO ENERGIAKI STYRON EVIAS G.P.	Greece	Full	2007-2016
TERNA ENERGY SA & CO ENERGIAKI KAFIREOS EVIAS G.P.	Greece	Full	2007-2016
TERNA ENERGY SA & Co AIOLIKI PROVATA TRAIANOUPOLEOS G.P.	Greece	Full	2007-2016
TERNA ENERGY SA VECTOR WIND PARKS GREECE-WIND PARK TROULOS G.P.	Greece	Full	2011-2016
MOUNTAIN AIR PROJECTS LLC	U.S.A.	Full	2016
MOUNTAIN AIR INVESTMENTS LLC	U.S.A.	Full	2016
MOUNTAIN AIR ALTERNATIVES LLC	U.S.A.	Full	2016
MOUNTAIN AIR RESOURCES LLC	U.S.A.	Full	2016
MOUNTAIN AIR HOLDINGS LLC	U.S.A.	Full	2016
FLUVANNA WIND ENERGY LLC	U.S.A.	Full	2016
FLUVANNA HOLDINGS LLC	U.S.A.	Full	2016
FLUVANNA INVESTMENTS LLC	U.S.A.	Full	2016
TERNA DEN LLC	U.S.A.	Full	2016
TERNA RENEWABLE ENERGY PROJECTS LLC	U.S.A.	Full	2016
AEGIS LLC	U.S.A.	Full	2016
MOHAVE VALLEY ENERGY LLC	U.S.A.	Full	2016
RES ENERGY SEGMENT – JOINT VENTURES			
TERNA ENERGY SA – MEL MACEDONIAN PAPER MILLS SA & CO CO-PRODUCTION GP	Greece		2009-2016
TERNA ENERGY AVETE & SIA LP	Greece		2009-2016
RES ENERGY SEGMENT – RELATED COMPANIES			
CYCLADES RES ENERGY CENTER SA	Greece	Equity	2012-2016
EN.ER.MEL S.A.	Greece	Equity	2012-2016
THERMAL ENERGY SEGMENT - JOINT VENTURES			
HERON THERMOELECTRIC S.A.	Greece	Equity	2010-2016
HERON II VIOTIA THERMOELECTRIC STATION S.A.	Greece	Equity	2009-2016
REAL ESTATE SEGMENT - SUBSIDIARIES			
IOANNINON ENTERTAINMENT DEVELOPMENT S.A.	Greece	Full	2010-2016
MONASTIRIOU TECHNICAL DEVELOPMENT S.A.	Greece	Full	2010-2016
VIPA THESSALONIKI S.A.	Greece	Full	2010-2016
GEK SERVICES SA	Greece	Full	2009-2016
ICON EOOD	Bulgaria	Full	2009-2016

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ICON BOROVEC EOOD	Bulgaria	Full	2009-2016
DOMUS DEVELOPMENT EOOD	Bulgaria	Full	2007-2016
SC GEK ROM SRL	Romania	Full	2007-2016
HERMES DEVELOPMENT SRL	Romania	Full	2009-2016
HIGHLIGHT SRL	Romania	Full	2006-2016
MANTOUDI BUSINESS PARK S.A.	Greece	Full	2014-2016
REAL ESTATE SEGMENT - JOINT VENTURES AND RELATED COMPANIES			
KEKROPS S.A.	Greece	Equity	2010-2016
GEKA S.A.	Greece	Equity	2011-2016
GAIA INVESTMENT SA	Greece	Equity	2008-2016
GLS EOOD	Bulgaria	Equity	2008-2016
CONCESSIONS SEGMENT - SUBSIDIARIES			
IOLKOS S.A.	Greece	Full	2010-2016
HIRON CAR PARK S.A.	Greece	Full	2010-2016
KIFISIA PLATANOU SQ. CAR PARK SA	Greece	Full	2010-2016
PARKING STATION SAROKOU SQUARE CORFU S.A	Greece	Full	2010-2016
HELLAS SMARTICKET SA	Greece	Full	2016
WASTE CYCLO SA	Greece	Full	2014-2016
PERIVALLONTIKI PELOPONNISOU SA	Greece	Full	2016
CONCESSIONS SEGMENT - JOINT VENTURES			
NEA ODOS SA	Greece	Equity	2008-2010
CENTRAL GREECE MOTORWAY S.A.	Greece	Equity	2008-2016
PARKING OUIL SA	Greece	Equity	2008-2016
ATHENS CAR PARK S.A.	Greece	Equity	2010-2016
THESSALONIKI / NIKIS CAR PARK S.A.	Greece	Equity	2010-2016
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Greece	Equity	2008-2010
POLIS PARK S.A.	Greece	Equity	2010-2016
SMYRNI PARK S.A.	Greece	Equity	2010-2016
HELLINIKON ENTERTAINMENT AND ATHLETIC PARKS S.A.	Greece	Equity	2010-2016
METROPOLITAN ATHENS PARK SA	Greece	Equity	2010-2016
INDUSTRIAL SEGMENT - SUBSIDIARIES			
VIOMEK ABETE	Greece	Full	2010
STROTIRES AEBE	Greece	Full	2010
TERNA MAG SA	Greece	Full	2010
EUROPEAN AGENCIES OF METALS SA	Greece	Full	2010

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ECONOMIC ENTITY	DOMICILE	TOTAL PARTICIPATION %	CONSOLIDATION METHOD
VRONDIS QUARRY PRODUCTS SA	Greece	Full	2010
CEMENT PRODUCTION AND EXPORT FZC	Libya	Full	2010-2016
MALCEM CONSTRUCTION MATERIALS LTD	Malta	Full	2008-2016
SEGMENT OF HOLDINGS – SUBSIDIARIES			
QE ENERGY EUROPE LTD	Cyprus	Full	2007-2016
TERNA ENERGY FINANCE	Greece	Full	2016

(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	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Net deferred tax asset / (liability)	59,587	38,373	1,384	273
Opening Balance	38,373	27,191	273	(853)
Effect of discontinued operations/acquisitions of entities	0	0	0	0
(Expense)/Income recognized in net earnings	21,698	13,681	591	748
(Expense)/Income recognized in Other comprehensive income	(324)	369	518	378
Foreign Exchange Differences	1	1	0	0
(Expense) / income recognized directly in equity	(161)	0	0	0
Other movements	0	(2,869)	2	0
Closing Balance	59,587	38,373	1,384	273

The deferred taxes (assets and liabilities) of 2016 and 2015 are analyzed as follows:

GROUP	Statement of financial position		Net earnings (Debit)/Credit	Other comprehensive income (Debit)/Credit	Equity
	31.12.2016	31.12.2015	1.1 – 31.12.2016	1.1 – 31.12.2016	1.1 – 31.12.2016
Deferred tax asset					
Expense for issuing capital	227	3,270	(3,044)	(159)	1
Provision for staff indemnities	900	841	83	(24)	0
Valuation of derivatives	1,606	1,213	(64)	457	0
Recognized tax losses	7,415	8,516	(1,101)	0	0
Other provisions	4,879	10,294	(5,416)	0	1
Provisions for doubtful receivables	6,341	4,574	1,767	0	0
Discontinued operations	0	0	0	0	0
Impairment of inventories	1,585	2,860	(1,275)	0	0
Differences from amortized cost method in loan liabilities	1,352	(323)	1,675	0	0
Other	988	998	152	0	(162)
Deferred tax liability					

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Investment property valuation	2,685	2,806	(121)	0	0
Recognition of finance leases	74	130	(56)	0	0
Valuation of investments	(1,867)	(2,407)	1,297	(757)	0
Recognition of revenue based on the percentage of completion	64,484	34,531	29,953	0	0
Depreciation differences	15,454	(3,001)	18,455	0	0
Intangible assets differences	5,786	2,483	3,303	0	0
Tangible assets differences	(14,742)	(11,958)	(2,784)	0	0
Recognition of Assets from Concessions	(6,291)	0	(6,291)	0	0
Companies' acquisitions and sales	(31,289)	(16,454)	(14,835)	0	0
Deferred tax on net earnings/ other comprehensive income			21,698	(324)	(160)
Net deferred income tax asset / (liability)	59,587	38,373			

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
Deferred tax asset				
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
Deferred tax liability				
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
Deferred tax on net earnings/ other comprehensive income			10,813	369
Net deferred income tax asset / (liability)	38,373	27,191		

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COMPANY	Statement of financial position		Net earnings (Debit)/Credit	Other comprehensive income (Debit)/Credit
	31.12.2016	31.12.2015	1.1 – 31.12.2016	1.1 – 31.12.2016
Deferred tax asset				
Provision for staff indemnities	22	21	(1)	2
Valuation of investments	(1,623)	(2,262)	123	516
Impairment of inventories	71	0	71	0
Income recognition according to IAS 11	(34)	478	(512)	0
Recognized tax losses	844	0	844	0
Other Provisions	778	726	52	0
Deferred tax liability				
Expensing of intangible fixed assets	(127)	(51)	(76)	0
Fixed asset valuation differences	406	406	0	0
Expense for issuing capital	203	201	0	2
Valuation of investment property	844	755	89	0
Deferred tax on net earnings / other comprehensive income			591	520
Net deferred income tax asset / (liability)	1,384	273		

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
Deferred tax asset				
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
Deferred tax liability				
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
Deferred tax on net earnings/ other comprehensive income			748	378
Net deferred income tax asset / (liability)	273	(853)		

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*(Amounts in thousands Euro, unless otherwise stated)***34. COST OF SALES - ADMINISTRATIVE AND DISTRIBUTION EXPENSES - RESEARCH AND DEVELOPMENT EXPENSES**

The cost of sales during the year 2016 in the accompanying financial statements, is analyzed as follows:

	GROUP		COMPANY	
	1.1-31.12.2016	1.1-31.12.2015	1.1-31.12.2016	1.1-31.12.2015
Inventory cost-construction materials	263,168	218,824	503	1,248
Employee remuneration	93,735	89,563	97	0
Sub-contractors	301,506	271,991	978	725
Fees of civil engineers, technical consultants and other third parties	74,459	68,751	1,366	664
Other third-party expenses	10,288	9,215	192	211
Taxes-duties	8,934	6,824	99	118
Provisions	(1,593)	1,159	16	153
Transportation expenses	1,009	1,378	2	0
Lab audit expenses	1,550	0	0	0
Impairments of fixed assets	1,032	0	0	0
Depreciation	74,051	75,078	301	137
Litigation and other indemnities	731	0	0	0
Expenses concerning litigation cases	351	0	0	0
Operating leases	38,372	34,103	11	0
Insurance premiums	6,769	7,280	8	7
Transportation expenses	24,616	28,872	2	0
Repairs-Maintenance expenses	21,174	19,329	0	1
Auditors' fees	212	207	0	0
Commissions and expenses	23,674	19,041	2,584	2,878
Net financial cost of projects	1,612	2,613	0	0
Other	4,929	8,225	7	2
Total	950,579	862,453	6,166	6,144

The administrative and distribution costs during 2016 in the accompanying financial statements are analyzed as follows:

	GROUP		COMPANY	
	1.1-31.12.2016	1.1-31.12.2015	1.1-31.12.2016	1.1-31.12.2015
Employee remuneration	9,801	8,913	529	555
Fees of civil engineers, technical consultants and other third parties	12,883	10,084	252	435
Other third-party expenses	1,146	1,506	12	74
Travel expenses	735	619	11	6
Subscriptions and contributions	641	574	69	4
Promotion and advertising expenses	1,710	329	4	0
Depreciation	2,108	2,115	109	110
Impairments of fixed assets	0	0	0	0
Provisions	78	0	0	0
Repairs - Maintenance	378	745	2	131

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Insurance Premiums	276	260	15	16
Auditors' fees	947	942	67	88
Remuneration of BoD	794	470	75	0
Operating leases	1,307	1,226	73	56
Taxes - Duties	1,841	1,820	300	281
Transport expenses	679	124	0	0
Expenses concerning litigation cases	17	312	0	0
Other	1,532	3,003	4	(102)
Total	36,873	33,042	1,522	1,654

The Research and Development expenses during 2016 in the accompanying financial statements are analyzed as follows:

	GROUP	
	1.1-31.12.2016	1.1-31.12.2015
Employee remuneration	118	127
Fees of civil engineers, technical consultants and other third parties	1,228	1,798
Other third party expenses	0	23
Depreciation	149	238
Taxes - Duties	3	0
Transportation expenses	13	0
Travel expenses	132	166
Insurance Premiums	13	0
Other	26	408
Total	1,682	2,760

35. AUDITORS FEES

	GROUP		COMPANY	
	1.1-31.12.2016	1.1-31.12.2015	1.1-31.12.2016	1.1-31.12.2015
Fees for statutory audits	1,081	989	67	88
Fees for extraordinary audits	67	76	0	0
Fees for other services	11	84	0	0
Total	1,159	1,149	67	88

From the above fees for the Group, an amount of 947 (942 in 2015) has been recognized in Administrative expenses and an amount of 212 (207 in 2015) 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 31.12.2016 is presented in the following table:

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	GROUP		COMPANY	
	1.1- 31.12.2016	1.1- 31.12.2015	1.1- 31.12.2016	1.1- 31.12.2015
<u>Results determining the EBIT:</u>				
Amortization of grants on fixed assets	11,046	11,107	0	0
Other services	405	272	0	0
Income from rents	199	187	0	0
Charge of expenses	645	1,136	29	0
Interest on overdue obligations	258	0	0	0
Subsidies on expenses	150	60	0	0
Gains / (losses) from sale of fixed assets and inventories	678	(2,421)	0	0
Income from legal indemnities	135	18	103	0
Income from insurance indemnities	1,113	0	1	17
Gains from elimination of liabilities	1,266	0	0	0
Other income	1,870	3,723	5	181
Collapse of guarantees of criminal clauses	313	9	0	0
Valuation of Investment Properties	(8,707)	(7,161)	(1,003)	(550)
Taxes – duties	(1,578)	(710)	(62)	(190)
Depreciation not included in the cost	(1,110)	(5)	0	0
Other expenses	(1,251)	(874)	(4)	(255)
	5,432	5,341	(931)	(797)
<u>Results determining the EBIT:</u>				
Foreign exchange differences on payments	674	5,566	0	0
Foreign exchange differences on valuation	841	6,671	0	0
Impairments of fixed assets	(4,651)	(2,341)	0	0
Recovery of impairments / Impairments of inventories	4,636	(1,774)	(247)	46
Other impairments and provisions	(15,745)	(2,764)	0	0
Recovery of impairments (Impairments / Write offs) of receivables	(7,262)	(1,617)	0	0
	(21,507)	3,741	(247)	46
Total other income / (expenses)	(16,075)	9,082	(1,178)	(751)

In Revenues from insurance indemnities amount 1,063 relates to income from insurance indemnity for repair of damage in Group wind farm.

37. GAINS / (LOSSES) FROM SALE OF PARTICIPATION

The Company in March 2016, in execution of the contractual agreement with the investment house YORK CAPITAL MANAGEMENT, exchanged a part of the loan, amount of 650, with 0,16% of the share capital of TERNA ENERGY SA (171,498 shares), The above transaction resulted into a gain of 631,

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With the above transaction, the convertible bond loan granted from the investment house YORK CAPITAL MANAGEMENT was fully repaid, Also, the Company generated a capital gain of 18 from the sale of an associate to one of its subsidiaries,

With regard to the year 2016, the Group recognized a loss from the sale of shares for trading purposes of amount 565 and a loss from the sale of sales available for sale of amount 2,926,

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,

38. GAINS/(LOSSES) FROM VALUATION OF INTERESTS

The amount of losses from the valuation of interests for the Group on 31.12.2016 is analyzed below:

	GROUP		COMPANY	
	1.1- 31.12.2016	1.1- 31.12.2015	1.1- 31.12.2016	1.1- 31.12.2015
Loss from valuation of trading portfolio (note 19)	1,600	2,658	0	0
Loss due to impairment of joint venture	0	4,781	0	0
Reclassification of non-recoverable loss from investments available for sale (note 20)	14,119	4,429	0	0
Valuation of other investments	0	0	0	0
Loss from valuation of interests in subsidiaries	0	0	20,810	0
Loss from valuation of interests in associates	0	0	6,507	0
Loss from valuation of interests in joint ventures	0	0	540	0
	15,719	11,868	27,857	0

The Management of the Group and the Company monitors on annual basis and evaluates on frequent basis the value of the business interests in subsidiaries, associates and joint ventures, This evaluation is performed by measuring the fair value of the Net Worth, in combination with the expected use of these companies, In cases where part of this value is deemed as non recoverable the Company proceeds with impairments which are recognized in the results, Within the year 2016, the Company recognized impairment losses from participations mainly with regard to the real estate segment, given the fact that it assesses the recoverability of such losses incurred in the Equity of these subsidiaries as very low.

39. FINANCIAL INCOME/(EXPENSES)

The financial income / (expenses) during the year 2016, in the accompanying financial statements, are analyzed as follows:

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	GROUP		COMPANY	
	1.1- 31.12.2016	1.1- 31.12.2015	1.1- 31.12.2016	1.1- 31.12.2015
Interest on sight accounts	2,602	2,382	25	148
Interest on term accounts	158	370	0	0
Interest on loans	5,112	3,545	4,353	3,002
Profit from valuation of interest swaps	1,069	1,178	0	0
Other financial income	292	344	0	3
	9,233	7,819	4,378	3,153
Interest on short-term loans and guarantees	(8,283)	(8,144)	(2,636)	(749)
Interest on long-term loans	(37,985)	(33,447)	(6,182)	(4,074)
Interests on financial leasing contracts	(1,122)	(4,181)	0	0
Interest on grants to be returned	(1,820)	0	0	0
Bank commissions and expenses	(6,887)	(6,290)	(75)	(52)
Discounting of provisions	(498)	(398)	0	0
Expenses from interest rate swap contracts	(3,253)	(431)	0	0
	(59,848)	(52,891)	(8,893)	(4,875)
Total net	(50,615)	(45,072)	(4,515)	(1,722)

40. PERSONEL COST

Expenses for employee remuneration during the year 2016 are analyzed as follows:

	GROUP		COMPANY	
	1.1- 31.12.2016	1.1- 31.12.2015	1.1- 31.12.2016	1.1- 31.12.2015
Wages and related employee benefits	85,434	80,817	498	443
Social security fund contributions	15,536	15,091	117	101
Provision for employee indemnities	2,737	2,695	11	11
Total	103,707	98,603	626	555

41. TRANSACTIONS WITH RELATED PARTIES

The Company's and the Group's transactions with related parties for the period ending on 31.12.2016 and 31.12.2015, as well as the balances of receivables and liabilities which have derived from such transactions on 31.12.2016 and 31.12.2015 are as follows:

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Year 31.12.2016		GROUP				COMPANY			
Related party	Revenue	Purchases	Debit Balances	Credit Balances	Revenue	Purchases	Debit Balances	Credit Balances	
Subsidiaries	0	0	0	0	15,990	4,159	11,027	79,833	
Joint Ventures	573,909	3,196	106,455	19,769	6,232	179	55,824	930	
Associates	52	1	790	7	52	1	790	2	

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	

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

Within the year, the Company paid amounts of 55,003 (5,457 in 2015) and 42,010 (326 in 2015) for the share capital increase of subsidiaries, joint ventures and associates respectively, while it owes to subsidiaries for the increase of their share capital amounts of 335 (45,850 respectively in 2015), It also granted loans of 50 (1,009 in 2015) to subsidiaries and 27,008 to joint ventures, while it received loans of 51,000 (2,255 in 2015) from its subsidiaries. The amounts are not included in the above tables.

Also, within the fiscal year, the Company received dividends of 14,169 (14,055 in 2015) from subsidiaries and 21 (24 in 2015) from joint ventures and the amount attributable to the Company 14,169 (12,079 in 2015) has been collected. Similarly, for 2016 collected from dividends 16.921 while for the year 2015 two joint ventures and one subsidiary in which the Company participates reduced their share capital by 2,255 and the amount attributable to the Company of 2,075 has been collected, The amounts 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 31.12.2016 and 31.12.2015, as well as the balances of receivables and liabilities that have emerged from such transactions on 31.12.2016 and 31.12.2015 are as follows:

	GROUP		COMPANY	
	1.1-31.12.2016	1.1-31.12.2015	1.1-31.12.2016	1.1-31.12.2015
Remuneration for services rendered	2,127	2,054	133	147
Remuneration of employees	41	100	20	44
Remuneration for participation in Board meetings	770	470	52	0
	2,938	2,624	205	191

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Liabilities	731	551	12	6
Receivables	58	10	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 to the risk emanating from changes in the fair value of financial assets "available for sale" which may affect 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, This type of risk may result, for the Group, from foreign exchange differences at the valuation and conversion into the Group's currency (Euro) of financial assets, mainly financial receivables and financial liabilities, related to transactions that are carried out in a currency other than the operating currency of the Group's entities, 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.

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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)	2016											
	RON	ALL	MKD	AED	QAR	BHD	IQD	SAR	USD	LYD	PLN	RSD
Financial assets	382	501	1,208	31,948	52,669	25,374	8,053	2,813	52,814	7,737	14,006	16,364
Financial liabilities	(454)	(1,316)	(198)	(11,942)	(20,498)	(20,938)	(26)	(2,573)	(23,631)	(8)	(17,514)	(6,165)
Total current	(72)	(815)	1,010	20,006	32,171	4,436	8,027	240	29,183	7,729	(3,508)	10,199
Financial assets	3	0	0	806	585	8,733	0	0	24,249	0	3	49
Financial liabilities	0	0	0	(13,779)	(10)	(3,571)	0	0	(217,987)	0	(47,698)	0
Total non-current	3	0	0	(12,973)	575	5,162	0	0	(193,738)	0	(47,695)	49

(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)
Total current	(26,718)	(3,969)	2,608	24,743	19,986	(5,710)	908	(167)	(8,124)	4,860	3,783	(50,274)
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
Total non-current	21,196	4,783	(2,426)	(15,497)	(2,916)	15,722	638	(19)	(114,949)	2,774	(59,044)	65,744

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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.

	2016											
	RON	ALL	MKD	AED	QAR	BHD	IQD	SAR	USD	LYD	PLN	RSD
Effect on Net earnings	0	0	0	0	37	0	0	0	418	0	255	0
Effect on other comprehensive income	(2,000)	396	269	(1,127)	(901)	1,612	(689)	(36)	(20,118)	506	(8,060)	(4,857)

	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)

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. On 31/12/2016, 56.8% of the Group's total loans are accrued at a floating rate (fixed spread) and the remaining 43.2% is settled at a fixed interest rate. Moreover, 18,93%, amount of 189.884 (15,7%, amount 99,529 on 31.12.2015) of long-term debt is covered by cash flow hedging contracts against changes in interest rates.

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% (2015: +/-20%), The changes in interest rates are estimated to be normal in relation to current market conditions.

	2016		2015	
	+20%	-20%	+20%	-20%
Net earnings after income tax (from interest bearing liabilities)	(281,4)	281,4	(284,9)	284,9
Net earnings after income tax (from interest earning assets)	(199,8)	199,8	(197,9)	197,9

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

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ANALYSIS OF CREDIT RISK

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

	2016	2015
Receivables from derivatives	1,529	149
Investments available for sale	143	151
Cash and equivalents	621,003	365,423
Loans and receivables	620,133	564,897
Total	1,242,808	930,620

The 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.

ANALYSIS OF LIQUIDITY RISK

The 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 31st of December 2016 for the GEK TERNA Group is analyzed as follows:

	0 to 12 months	2 to 5 years	Over 5 years
Long-term Debt	164,557	604,678	445,149
Liabilities from financial instruments	3,987	13,434	31,133
Liabilities from finance leases	5,679	17,708	205
Liabilities from derivatives	0	2,777	3,512
Short-term Debt	65,663	0	0

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Trade Liabilities	238,288	0	0
Other liabilities	130,458	44,567	0
Total	608,632	683,164	479,999

The respective maturity of financial liabilities for 31st December 2015 was 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
Total	559,042	412,465	327,617

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:

	2016	2015
Non-current assets		
Other Long-term Assets - Loans and receivables	120,595	75,696
Investments available for sale - Financial assets in fair value	26,775	24,452
Derivatives - Financial assets in fair value	1,526	149
Total	148,896	100,297
Current assets		
Financial assets at fair value – Investments available for sale	1,884	18,978
Financial assets at fair value – Investments held for trading purposes	4,807	24,074
Loans and receivables - Trade receivables	279,786	318,382
Loans and receivables - Trade receivables from construction contracts	118,251	117,556
Loans and receivables - Prepayments and other receivables	101,501	53,263
Cash and cash equivalents	621,003	365,637
Total	1,126,982	897,890

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	2016	2015
Non-current liabilities		
Loans - Financial liabilities at amortized cost	844,001	511,442
Derivatives - Financial liabilities at fair value	6,289	4,743
Liabilities from financial instruments – financial liabilities at amortized cost	47,569	47,569
Trade liabilities - Financial liabilities at amortized cost	44,567	20,072
Total	942,426	583,826
Current liabilities		
Loans - Financial liabilities at amortized cost	180,247	270,747
Suppliers - Financial liabilities at amortized cost	238,288	228,000
Liabilities from financial instruments – financial liabilities at amortized cost	3,987	2,802
Accrued and other liabilities - Financial liabilities at amortized cost	130,458	43,940
Total	552,980	545,489

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 31.12.2016 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	26,760	0	(901)
Listed shares (investments available for sale)	1	1,741	(14,119)	(901)
Listed shares (investments held for trading purposes)	1	4,807	(2,165)	0
Mutual Funds (investments available for sale)	2	143	0	(7)
Cash flow hedging derivatives	2	(4,763)	0	(873)

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The respective amounts on 31.12.2015 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	24,437	0	(1,871)
Listed shares (investments available for sale)	1	18,827	(4,429)	3,029
Listed shares (investments held for trading purposes)	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

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

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 2016 and 2015 was as follows:

	2016	2015
Interest bearing debt	1,024,248	782,189
Liabilities from financial instruments	48,554	50,371
Minus:		
Cash and Cash equivalents	(621,003)	(365,637)
Adjusted Net Debt	451,799	466,923

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Equity	598,505	562,365
Grants	180,324	257,660
Adjusted Equity	778,829	820,025
Leverage ratio	58,01%	56,94%

45. CONTINGENT LIABILITIES

The Group in the context of implementing construction projects, has issued Letters of Guarantee of good execution e.t.c. amounting to euro 1,538 million (1,237 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 face potential legal claims from third parties, According to both the management and the Legal Counselor, any claims of such nature are not expected to significantly affect the operations and the financial position of the Company as of 31st December 2016.

Tax Compliance Report

For the fiscal years 2011-2012-2013, the parent company and its Greek subsidiaries are subject to the tax audit by Certified Auditors Accountants as defined by the provisions of article 82 par, 5 of L, 2238/1994 (Min, Dec, 1159/26/7/2011), whereas for the years 2014 and 2015 they are subject to the tax audit by Certified Auditors Accountants as defined by the provisions of article 65A, par, 1, Law 4174/2014 (Min, Dec, 1124/22/6/2015), The finalization of the tax audit from the Ministry of Finance is pending for all the above fiscal years.

For the fiscal year 2016, the parent company is subject to the tax audit by Certified Auditors Accountants as defined by the provisions of article 65A, par, 1, Law 4174/2013 (Min, Dec, 1124/22/6/2015), This audit is underway and the relevant tax certificate is expected to be issued following the publication of the financial statements for the year 2016. The Company on 6 February 2017 received a tax audit request for the fiscal year 2012. The Group's Management considers that during the tax audit, no additional tax liabilities will arise that will have a significant effect, apart from those registered and presented in the financial statements.

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46. EVENTS AFTER THE BALANCE SHEET DATE

On 24/02/2017 our Company and its subsidiaries TERNA and Terna Energy were notified of the Settlement Initiative by HCC. The settlement procedure is in the process of taking the relevant decision.

Our subsidiary TERNA as well as the Group proceeded to the recognition of an adequate provision which burdened the results for the year 2016, We consider that the relevant charge, according to the data known so far, does not exceed the amount of €19 million.

THE CHAIRMAN OF THE BOARD

THE CHIEF EXECUTIVE OFFICER

NIKOLAOS KAMPAS

GEORGIOS PERISTERIS

THE CHIEF FINANCIAL OFFICER

THE CHIEF ACCOUNTANT

CHRISTOS ZARIBAS


NIKOLAOS VALMAS

GEK TERNA GROUP

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VI. DATA AND INFORMATION FOR THE PERIOD 1.1.2016-31.12.2016

		GEK TERNA SOCIETE ANONYME HOLDINGS REAL ESTATE CONSTRUCTIONS S.A. Reg. No. 6044/06/B/86/142, General Commercial Registry No. 253001000 85 Messogeion Ave., 115 26, Athens Greece DATA AND INFORMATION FOR THE YEAR FROM 1 JANUARY TO 31 DECEMBER 2016 According to the 4507/28.4.2009 decision issued by the Board of Directors of the Hellenic Capital Commission																																																					
		The data and information presented below, that are derived from the financial statements, aim at providing summary information on the financial position and results of GEK TERNA SOCIETE ANONYME HOLDINGS REAL ESTATE CONSTRUCTIONS. Therefore, before proceeding with any kind of investment choice or other transaction with the company, readers should refer to the company's website where the financial statements, as well as the auditor's report are published.																																																					
Company website: www.geterna.com Date of approval of the financial statements by the Board: 26/4/2017 Legal auditor: Dorysios Papageorgakopoulos (SOEL: 37221) 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 VAFALETSKOS, AGGELOS BENOPOULOS, MICHAEL GOURZIS (VICE PRESIDENTS EXECUTIVE MEMBERS) GEORGIOS PERISTERIS (MANAGING DIRECTOR EXECUTIVE MEMBER) DIMITRIOS ANTONAKOS, EMMANOUIL VRAILAS, EMMANOUIL MOUSTAKAS (EXECUTIVE MEMBERS) GEORGIOS PERDIKARIS (NON EXECUTIVE MEMBER) AGGELOS TAGMATARHIS, APOSTOLOS TAMVAKAKIS, GAGIK APKARIAN (INDEPENDENT NON EXECUTIVE MEMBERS)																																																					
ELEMENTS OF THE STATEMENT OF THE FINANCIAL POSITION		ELEMENTS OF THE STATEMENT OF COMPREHENSIVE INCOME (amounts in thousand euro)																																																					
Amounts in thousand euro		Amounts in thousand euro																																																					
		GROUP		COMPANY																																																			
		1/1/16 - 31/12/16	1/1/15 - 31/12/15	1/1/16 - 31/12/16	1/1/15 - 31/12/15																																																		
		Continued activities	Continued activities	Continued activities	Continued activities																																																		
ASSETS																																																							
Self used tangible fixed assets	1.087.192	976.171	9.820	10.220																																																			
Investment property	88.230	58.215	13.540	14.329																																																			
Intangible assets	90.828	107.864	33	42																																																			
Other non-current assets	381.536	259.974	442.271	338.691																																																			
Inventories	58.606	78.500	5.813	6.038																																																			
Trade receivables	279.786	318.382	2.921	5.415																																																			
Other current assets	1.100.315	811.693	23.562	21.133																																																			
TOTAL ASSETS	3.084.493	2.608.799	497.960	396.066																																																			
EQUITY AND LIABILITIES																																																							
Share capital	58.951	58.792	58.951	58.792																																																			
Other equity	324.898	291.948	229.751	252.468																																																			
Total equity of the owners of the parent (a)	383.849	350.741	288.702	311.260																																																			
Non-controlling interests (b)	214.656	211.624	-	-																																																			
Total Equity (c) = (a) + (b)	598.505	562.365	288.702	311.260																																																			
Long-term loans	844.001	511.442	197.415	53.434																																																			
Provisions/Other long-term liabilities	627.198	633.196	185	187																																																			
Short-term bank liabilities	180.247	270.747	1.176	20.609																																																			
Other short-term liabilities	834.552	631.049	10.482	10.576																																																			
Total liabilities (d)	2.485.988	2.046.434	209.258	84.806																																																			
TOTAL EQUITY & LIABILITIES (c) + (d)	3.084.493	2.608.799	497.960	396.066																																																			
ELEMENTS OF THE STATEMENT OF CASH FLOWS (indirect method)		ELEMENTS OF THE STATEMENT OF CHANGES IN EQUITY																																																					
Amounts in thousand euro		Amounts in thousand euro																																																					
		GROUP		COMPANY																																																			
		1/1/16 - 31/12/16	1/1/15 - 31/12/15	1/1/16 - 31/12/16	1/1/15 - 31/12/15																																																		
Cash flows from operating activities																																																							
Earnings before income tax	93.619	18.818	-17.310	18.358																																																			
Adjustments for the agreement of net flows from operating activities																																																							
Depreciation and amortization of fixed assets	77.418	77.436	410	248																																																			
Amortization of grants on fixed assets	-11.046	-11.107	0	0																																																			
Provisions	18.435	1.460	11	10																																																			
Impairments	24.028	5.617	28.104	-212																																																			
Interest and related revenues	-8.263	-7.819	-4.379	-3.151																																																			
Interest and other financial expenses	60.254	52.891	8.894	4.874																																																			
Results from derivatives	-1.069	0	0	0																																																			
Results from Associates and Joint Ventures	-4.446	6.848	0	0																																																			
Results from sale of shares and securities	2.700	11.587	-15.571	-20.847																																																			
Results from investment properties	8.707	6.821	1.003	550																																																			
Results from fixed assets	576	0	0	0																																																			
Foreign exchange differences	-432	-14.059	0	0																																																			
Other adjustments	-1.287	4.396	0	0																																																			
Operating profit before changes in working capital	259.114	152.898	1.162	-171																																																			
(Increase)/Decrease in:																																																							
Inventories	1.584	-4.404	-38	724																																																			
Trade receivables	35.240	-20.940	1.896	375																																																			
Prepayments and other short term receivables	-76.404	-83.737	8.715	2.939																																																			
(Increase)/Decrease in:																																																							
Suppliers	8.877	-3.863	1.365	2.556																																																			
Accounts and other short term liabilities	100.526	80.118	194	-1.451																																																			
Collection of grants	0	0	0	0																																																			
Other long-term receivables and liabilities	39.332	98.286	-7	-7																																																			
Income tax payments	-57.093	-43.199	-3.465	-3.537																																																			
Operating flows from discontinued operations	0	0	0	0																																																			
Net cash flows from operating activities (a)	311.176	175.159	9.814	1.427																																																			
Cash flows from investing activities																																																							
(Purchases) / Sales of fixed assets	-161.309	-94.934	-1	-1																																																			
(Purchases) / Sales of investment property	-9.020	0	0	0																																																			
Interest and related income received	1.502	3.109	23	150																																																			
(Purchases) / sales of participations and securities	-27.573	-8.674	-107.781	-5.058																																																			
Collections of dividends and profits from joint ventures	752	37	16.921	12.095																																																			
Initial cash and cash equivalents of entities which has been taken over or their proportional percent of consolidation decreased	0	0	0	0																																																			
Loans returned/given	-27.008	0	-27.008	-910																																																			
Net cash flows from investing activities (b)	-222.596	-101.160	-117.846	6.276																																																			
Cash flows from financing activities																																																							
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	1.125	-3.668	0	0																																																			
Purchases of treasury shares	-4.362	-1.643	-4.362	-1.090																																																			
Net change of short-term loans	4.498	-13.702	88.800	-2.920																																																			
Net change of long-term loans	232.818	65.665	51.497	487																																																			
Payments of loans from financial leases	-4.983	-9.872	0	0																																																			
Dividends paid	-6.177	-3.15	0	0																																																			
Interest and other financial expenses paid	-55.897	-64.911	-5.607	-3.384																																																			
Payments for financial instruments	-2.884	-2.261	0	0																																																			
Other financial assets variation	0	-36.166	0	0																																																			
Financial cash flows from discontinued activities	0	0	0	0																																																			
Net cash flows from financing activities (c)	164.338	-66.873	110.327	-6.907																																																			
Effect from foreign exchange changes in cash and cash equivalents (d)	2.508	5.772	0	0																																																			
Net increase/(decrease) of cash & cash equivalents (e)=(b)+(c)+(d)	255.366	12.898	2.295	796																																																			
Cash & cash equivalents at the beginning of the period	365.637	352.739	2.476	1.680																																																			
Cash & cash equivalents at the end of the period	621.003	365.637	4.771	2.476																																																			
		<table border="1"> <thead> <tr> <th colspan="2">ADDITIONAL DATA AND INFORMATION</th> </tr> <tr> <th>31/12/2016</th> <th>31/12/2015</th> </tr> </thead> <tbody> <tr> <td>Total Equity at the beginning of the period (1.1.16 and 1.1.15 respectively)</td> <td>562.365</td> <td>568.951</td> </tr> <tr> <td>Total comprehensive income after taxes</td> <td>48.233</td> <td>-206</td> </tr> <tr> <td>Increase/decrease of share capital</td> <td>24</td> <td>1.913</td> </tr> <tr> <td>Dividends paid</td> <td>-4</td> <td>-314</td> </tr> <tr> <td>Purchases / sales of treasury shares</td> <td>-4.362</td> <td>-1.643</td> </tr> <tr> <td>Other movements</td> <td>-1.578</td> <td>-3</td> </tr> <tr> <td>Total equity at end of the period (31.12.16 and 31.12.15 respectively)</td> <td>598.505</td> <td>562.365</td> </tr> </tbody> </table>		ADDITIONAL DATA AND INFORMATION		31/12/2016	31/12/2015	Total Equity at the beginning of the period (1.1.16 and 1.1.15 respectively)	562.365	568.951	Total comprehensive income after taxes	48.233	-206	Increase/decrease of share capital	24	1.913	Dividends paid	-4	-314	Purchases / sales of treasury shares	-4.362	-1.643	Other movements	-1.578	-3	Total equity at end of the period (31.12.16 and 31.12.15 respectively)	598.505	562.365	<table border="1"> <thead> <tr> <th colspan="2">ADDITIONAL DATA AND INFORMATION</th> </tr> <tr> <th>31/12/2016</th> <th>31/12/2015</th> </tr> </thead> <tbody> <tr> <td>Total Equity at the beginning of the period (1.1.16 and 1.1.15 respectively)</td> <td>311.260</td> <td>297.976</td> </tr> <tr> <td>Total comprehensive income after taxes</td> <td>-18.217</td> <td>14.165</td> </tr> <tr> <td>Increase/decrease of share capital</td> <td>24</td> <td>209</td> </tr> <tr> <td>Dividends paid</td> <td>0</td> <td>0</td> </tr> <tr> <td>Purchases / sales of treasury shares</td> <td>-4.362</td> <td>-1.090</td> </tr> <tr> <td>Other movements</td> <td>-3</td> <td>0</td> </tr> <tr> <td>Total equity at end of the period (31.12.16 and 31.12.15 respectively)</td> <td>288.702</td> <td>311.260</td> </tr> </tbody> </table>		ADDITIONAL DATA AND INFORMATION		31/12/2016	31/12/2015	Total Equity at the beginning of the period (1.1.16 and 1.1.15 respectively)	311.260	297.976	Total comprehensive income after taxes	-18.217	14.165	Increase/decrease of share capital	24	209	Dividends paid	0	0	Purchases / sales of treasury shares	-4.362	-1.090	Other movements	-3	0	Total equity at end of the period (31.12.16 and 31.12.15 respectively)	288.702	311.260
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		<p>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 31/12/2016. The participations of GEK TERNA HOLDINGS REAL ESTATE CONSTRUCTIONS that were consolidated in the Financial Statements of 31/12/2016, that had not been consolidated in the Financial Statements of 31/12/2015, as such were established, commenced activities or were acquired during the present period are the following: a) TERNA ENERGY FINANCINGS S.A., b) J V TERNA GCC WAC, c) J V TERNA-AL OMAIER, d) J V TERNA-CGCE(AMAS 1), e) J V RENCOC-TERNA, f) J V J&P ABAS/SA-TERNA S.A.-AKTORATE-INTRA-KAT, g) J V TERNA-CGCE(AMAS 2) h) FLUVANNA HOLDINGS LLC, i) FLUVANNA INVESTMENTS LLC, j) TERNA RENEWABLE ENERGY PROJECTS LLC and l) MOHAVE VALLEY ENERGY LLC. Due to completion of liquidation of the companies a) TERNA ENERGY NETHERLANDS BV, b) GEK CYPRUS LTD, c) TERNA ELECTRICAL MECHANICAL WLL, d) J V TERNA-ENERGY-TSAMBRI, DRAMAS HOSP, e) J V EPL DRAMAS, f) J V GEC SARVICES SA-SPACCO LTD and g) J V GEC S.A. TERNA S.A. had not been included in the Annual Financial Statements of 31/12/2016.</p> <p>2. The parent company, GEK 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 P.O.L 1159/26/7/2011 while for the fiscal years 2014-2015 the parent company has been audited from their legal auditors, as it is provided in article 65A par. 1 N.4174/2014 (P.O.L 1124/22/6/2015). For the above fiscal years the tax audit from the Ministry of Finance is still pending. For the fiscal year 2016 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 2016 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 in Note 33 of the annual Financial Statements of 31/12/2016.</p> <p>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 31/12/2016 amounts for the Group 31.781th. € and 1.380 th. € for the Company. The other provisions which have been formed up until 31/12/2016 amount to 47.101 th. € for the Group and 77 th. € for the Company. The amount provisioned for the tax un-audited fiscal years which has been formed up until 31/12/2016 amounts to 2.845 th. € for the Group.</p> <p>4. The Other comprehensive income after income tax relates to: a) Loss from the evaluation of financial assets available for sale amounting to 1.792 th. € for the Group and loss 1.792 th. € for the Company, b) Loss from proportion of total comprehensive income of Joint Ventures, amount 72 th. € for the Group, c) Loss from proportion of total comprehensive income of relatives amount 566 th. € for the Group, d) Various other comprehensive income amount 1.400 th. Euro due to reclassification of amounts for the Group e) Loss from evaluation of cash flow hedging contracts amounting to 973 th. € for the Group, f) Profit from Foreign exchange differences from foreign operations amounting to 4.346 th. € for the Group, g) Expenses for share capital increase amount 172th. € for the Group, h) Expense Tax that corresponds to the above amounts amounting to 324th. € for the Group and income tax 518th. € for the Company.</p> <p>5. At the end of the closing period the Company employed 14 individuals and the Group 1.782 (excluding Joint Ventures and Foreign Companies). Respectively, at the end of the previous fiscal year 1/1 - 31/12/15 the Company employed 14 and the Group 1.704 individuals (excluding Joint Ventures and Foreign Companies).</p> <p>6. The transactions of the company and of the Group with related parties for the closing period 1/1 - 31/12/16 as well as the balances at 31/12/16, are analyzed as follows (in thousand €):</p> <table border="1"> <thead> <tr> <th></th> <th>Group</th> <th>Company</th> </tr> </thead> <tbody> <tr> <td>Inflows- Revenues</td> <td>973.961</td> <td>22.274</td> </tr> <tr> <td>Outflows- Expenses</td> <td>3.197</td> <td>4.339</td> </tr> <tr> <td>Receivables</td> <td>107.244</td> <td>67.642</td> </tr> <tr> <td>Liabilities</td> <td>19.776</td> <td>80.764</td> </tr> <tr> <td>Transactions & remuneration of BoD members and executives</td> <td>2.937</td> <td>205</td> </tr> <tr> <td>Receivables from BoD members and executives</td> <td>58</td> <td>0</td> </tr> <tr> <td>Liabilities towards BoD members and executives</td> <td>731</td> <td>12</td> </tr> </tbody> </table>					Group	Company	Inflows- Revenues	973.961	22.274	Outflows- Expenses	3.197	4.339	Receivables	107.244	67.642	Liabilities	19.776	80.764	Transactions & remuneration of BoD members and executives	2.937	205	Receivables from BoD members and executives	58	0	Liabilities towards BoD members and executives	731	12																										
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		<p>7. The Group holds 5.211.534 treasury shares, directly through the parent GEK TERNA SA and indirectly through subsidiaries, with an acquisition cost of 15.059 thousand Euro.</p>																																																					
		<p>Athens, 26 April 2017</p>																																																					
		THE CHARMAN OF THE BOARD NIKOLAOS KAMPAS		THE MANAGING DIRECTOR GEORGIOS PERISTERIS																																																			
				THE CHIEF FINANCIAL OFFICER CHRISTOS ZARMBAS																																																			
				THE CHIEF ACCOUNTANT NIKOLAOS VALMAS																																																			
		ID No. : X 679387		ID No. : AB 560298																																																			
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GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2016 - 31 December 2016

(Amounts in thousands Euro, unless otherwise stated)

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 and www.helex.gr

Press Releases 2016

02/12/2016 9-Month 2016 Results - Significant increase in sales and profitability

02/12/2016 IR Report 30,09,2016

14/11/2016 TERNA ENERGY Issues a 60 million euro Bond Loan Cooperation with EBRD – Piraeus Bank

19/09/2016 First half 2016 Financial Results of GEK TERNA GROUP - Significant increase in sales and profitability

19/09/2016 IR Report 30.06.2016

30/05/2016 IR Report 31.03.2016

30/05/2015 1st Quarter 2016 Results - Significant increase of profitability and sales

05/05/2016 TERNA to participate in the construction of the compressor stations of the Trans Adriatic Pipeline (TAP AG)

31/03/2016 Annual Results 2015 of GEK TERNA GROUP

31/03/2016 IR Report 31.12.2015

Corporate Announcements 2016

30/12/2016 Purchase of treasury shares

29/12/2016 Purchase of treasury shares

28/12/2016 Purchase of treasury shares

28/12/2016 Announcement regarding acquisition of treasury shares based on a percentage above 5%

27/12/2016 Purchase of treasury shares

27/12/2016 Disclosure of transactions

23/12/2016 Purchase of treasury shares

22/12/2016 Purchase of treasury shares

21/12/2016 Purchase of treasury shares

20/12/2016 Purchase of treasury shares

19/12/2016 Purchase of treasury shares

GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2016 - 31 December 2016

(Amounts in thousands Euro, unless otherwise stated)

16/12/2016 Purchase of treasury shares
15/12/2016 Purchase of treasury shares
14/12/2016 Purchase of treasury shares
13/12/2016 Purchase of treasury shares
12/12/2016 Purchase of treasury shares
09/12/2016 Purchase of treasury shares
06/12/2016 Purchase of treasury shares
05/12/2016 Purchase of treasury shares
02/12/2016 Purchase of treasury shares
30/11/2016 Purchase of treasury shares
29/11/2016 Purchase of treasury shares
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09/11/2016 Purchase of treasury shares
08/11/2016 Purchase of treasury shares
07/11/2016 Purchase of treasury shares
04/11/2016 Purchase of treasury shares
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02/11/2016 Purchase of treasury shares
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19/10/2016 Purchase of treasury shares
17/10/2016 Announcement
27/10/2016 Purchase of treasury shares
16/09/2016 Purchase of treasury shares
15/09/2016 Purchase of treasury shares

GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2016 - 31 December 2016

(Amounts in thousands Euro, unless otherwise stated)

15/09/2016 Announcement date of 1st half 2016 results

14/09/2016 Purchase of treasury shares

13/09/2016 Purchase of treasury shares

01/09/2016 Disclosure of Transactions

31/08/2016 Disclosure of Transactions

30/06/2016 Purchase of treasury shares

30/06/2016 Report of Payments according to the article 6 Law 3556/2007 as it is in effect

27/06/2016 Purchase of treasury shares

27/06/2016 Decisions of the Ordinary General Meeting of Shareholders on 27/6/2016

24/06/2016 Purchase of treasury shares

23/06/2016 Purchase of treasury shares

22/06/2016 Purchase of treasury shares

17/06/2016 Purchase of treasury shares

16/06/2016 Purchase of treasury shares

15/06/2016 Purchase of treasury shares

14/06/2016 Purchase of treasury shares

13/06/2016 Purchase of treasury shares

09/06/2016 Purchase of treasury shares

08/06/2016 Purchase of treasury shares

07/06/2016 Purchase of treasury shares

03/06/2016 Purchase of treasury shares

02/06/2016 Purchase of treasury shares

02/06/2016 Invitation to the Annual Ordinary General Meeting

31/05/2016 Purchase of treasury shares

31/05/2016 Election of new Member of the Board

30/05/2016 Purchase of treasury shares

27/05/2016 Purchase of treasury shares

26/05/2016 Purchase of treasury shares

25/05/2016 Purchase of treasury shares

24/05/2016 Purchase of treasury shares

23/05/2016 Purchase of treasury shares

23/05/2016 Change of date of the Annual Presentation to Analysts

GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2016 - 31 December 2016

(Amounts in thousands Euro, unless otherwise stated)

20/05/2016 Purchase of treasury shares
18/05/2016 Purchase of treasury shares
17/05/2016 Purchase of treasury shares
16/05/2016 Purchase of treasury shares
13/05/2016 Purchase of treasury shares
12/05/2016 Purchase of treasury shares
28/04/2016 Purchase of treasury shares
27/04/2016 Purchase of treasury shares
26/04/2016 Purchase of treasury shares
25/04/2016 Purchase of treasury shares
25/04/2016 Announcement
22/04/2016 Purchase of treasury shares
21/04/2016 Purchase of treasury shares
20/04/2016 Replacement of Member of the Board
19/04/2016 Announcement of the Company about the share capital and the number of shares
15/04/2016 Purchase of treasury shares
15/04/2016 Announcement for the listing of shares issued due to share capital increase following conversion of bonds into shares
14/04/2016 Purchase of treasury shares
13/04/2016 Purchase of treasury shares
12/04/2016 Purchase of treasury shares
11/04/2016 Purchase of treasury shares
08/04/2016 Purchase of treasury shares
08/04/2016 Exchange of bonds with shares of TERNA ENERGY owned by GEK TERNA
07/04/2016 Purchase of treasury shares
06/04/2016 Purchase of treasury shares
05/04/2016 Purchase of treasury shares
04/04/2016 Purchase of treasury shares
01/04/2016 Purchase of treasury shares
31/03/2016 Purchase of treasury shares
30/03/2016 Purchase of treasury shares
30/03/2016 Conversion of bonds into shares of the Company and exchange of bonds with shares of TERNA ENERGY owned by GEK TERNA

GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2016 - 31 December 2016

(Amounts in thousands Euro, unless otherwise stated)

28/03/2016 Purchase of treasury shares
28/03/2016 Financial calendar of year 2016
24/03/2016 Purchase of treasury shares
23/03/2016 Purchase of treasury shares
22/03/2016 Purchase of treasury shares
21/03/2016 Purchase of treasury shares
18/03/2016 Purchase of treasury shares
25/02/2016 Purchase of treasury shares
22/02/2016 Purchase of treasury shares
19/02/2016 Announcement of change in the composition of the Board of Directors
12/02/2016 Purchase of treasury shares
11/02/2016 Purchase of treasury shares
10/02/2016 Purchase of treasury shares
09/02/2016 Purchase of treasury shares
08/02/2016 Purchase of treasury shares
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GEK TERNA GROUP

Annual Financial Statements of the financial year 1 January 2016 - 31 December 2016

(Amounts in thousands Euro, unless otherwise stated)

12/01/2016 Purchase of treasury shares

11/01/2016 Purchase of treasury shares

08/01/2016 Purchase of treasury shares

07/01/2016 Purchase of treasury shares

05/01/2016 Purchase of treasury shares

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 2016, have been posted on the Company's website, <http://www.gekterna.com>.