



**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)

SEMI-ANNUAL FINANCIAL REPORT

Of the period

January 1st to June 30th 2018

In accordance with the article 5 of Law 3556/2007

SEMI-ANNUAL FINANCIAL REPORT

For the period 1st January to 30th June 2018

in accordance with the article 5 of Law 3556/2007

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

- a) the statements by members of the Company's Board of Directors,
- b) the review report by the Company's Certified Auditor,
- c) the semi-annual management report by the Company's Board of Directors,
- d) the interim condensed financial statements that refer to the 1st half of the financial year 2018.

CONTENTS

I. STATEMENTS BY MEMBERS OF THE BOARD OF DIRECTORS	4
II. REVIEW REPORT ON INTERIM FINANCIAL INFORMATION	5
III. SEMI-ANNUAL MANAGEMENT REPORT BY THE BOARD OF DIRECTORS	6
IV. INTERIM CONDENSED FINANCIAL STATEMENTS SEPARATE AND CONSOLIDATED OF 30 JUNE 2018	26
STATEMENT OF FINANCIAL POSITION	27
STATEMENT OF COMPREHENSIVE INCOME	29
STATEMENT OF CASH FLOWS	31
STATEMENT OF CHANGES IN EQUITY OF THE COMPANY	33
STATEMENT OF CHANGES IN EQUITY OF THE GROUP	34
NOTES ON THE FINANCIAL STATEMENTS	36
1. ESTABLISHMENT AND ACTIVITY OF THE COMPANY	36
2. BASIS FOR THE PRESENTATION OF THE FINANCIAL STATEMENTS	38
3. STRUCTURE OF THE GROUP AND THE COMPANY	53
4. OPERATING SEGMENTS.....	61
5. FIXED ASSETS.....	68
6. INVESTMENT PROPERTY	69
7. PARTICIPATION IN ASSOCIATES	69
8. INTERESTS IN JOINT VENTURES	69
9. FINANCIAL ASSETS - CONCESSIONS	71
10. TRADE RECEIVABLES	72
11. CASH AND CASH EQUIVALENTS	73
12. LOANS.....	74
13. OTHER PROVISIONS.....	76
14. GRANTS	78
15. ASSETS AND LIABILITIES FROM DERIVATIVES	78
16. LIABILITIES FROM FINANCIAL INSTRUMENTS	80
17. SHARE CAPITAL – EARNINGS PER SHARE	82
18. INCOME TAX.....	83
19. OTHER INCOME/(EXPENSES).....	83
20. NUMBER OF EMPLOYEES	84
21. TRANSACTIONS WITH RELATED PARTIES	85
22. RISK AND UNCERTAINTIES	86
23. PRESENTATION OF FINANCIAL ASSETS AND LIABILITIES PER CATEGORY	88
24. CONTINGENT LIABILITIES	90
25. SIGNIFICANT EVENTS DURING THE PERIOD	92
26. CYCLICALITY-SEASONALITY	93
27. EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE	93
V. REPORT ON USE OF FUNDS RAISED	95

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

I. STATEMENTS BY MEMBERS OF THE BOARD OF DIRECTORS

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

We,

Konstantinos Vavaletskos, Vice Chairman of the Board of Directors

George Peristeris, Managing Director and,

Apostolos Tamvakakis, Vice Chairman-Non-executive Member of the Board of Directors

STATE THAT

To the best of our knowledge:

a. the accompanying individual and consolidated Semi-Annual Financial Statements of the company GEK TERNA SOCIETE ANONYME HOLDINGS REAL ESTATE CONSTRUCTIONS for the period from January 1st 2018 to June 30th 2018, which were prepared in accordance with the effective International Financial Reporting Standards (IFRS) accurately present the data of Assets and Liabilities, the Equity and Comprehensive Income of the Company, as well as of the companies included in the consolidation and considered aggregately as an entity, according to those stipulated by paragraphs 3 to 5 of article 5 of L. 3556/2007.

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

Athens, 28 September 2018

Vice Chairman of the Board

Managing Director

Vice Chairman of the Board

Konstantinos Vavaletskos

George Peristeris

Apostolos Tamvakakis

II. REVIEW REPORT ON INTERIM FINANCIAL INFORMATION

(This report has been translated from the Greek Original Version)

To the Board of Directors of “GEK TERNA SOCIETE ANONYME HOLDINGS REAL ESTATE CONSTRUCTIONS”

Introduction

We have reviewed the accompanying separate and consolidated interim condensed statement of financial position of GEK TERNA SOCIETE ANONYME HOLDINGS REAL ESTATE CONSTRUCTIONS as at 30 June 2018 and the related separate and consolidated condensed statement of comprehensive income, changes in equity and cash flows for the six-month period then ended, and the selected explanatory notes that comprise the interim financial information, which form an integral part of the six-month financial report of Law 3556/2007. Management is responsible for the preparation and fair presentation of this interim condensed financial statement in accordance with the International Financial Reporting Standards as adopted by the European Union and apply for interim financial information (International Accounting Standard “IAS 34”). Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing as incorporated into the Greek Legislation, and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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

Athens, 29th September 2018

The Certified Accountant Auditor

Dimitra Pagoni

SOEL Reg. No 30821



Chartered Accountants Management Consultants
56, Zefrou str., 175 64 Palaio Faliro, Greece
Registry Number SOEL 127

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

Of the Company GEK TERNA SOCIETE ANONYME HOLDINGS REAL ESTATE CONSTRUCTIONS for the period 1.1 – 30.6.2018.

The current Semi-Annual Report of the Board of Directors concerns the period from 01.01.2018 to 30.06.2018, has been prepared and is aligned with the provisions of article 5 of Law 3556/2007 and thereon executive Decisions that the Hellenic Capital Market Commission Board of Directors has issued.

A. Financial Developments and Performance for the Reporting Period

In the first half of 2018, the Greek Economy recorded a small increase in GDP and a significant improvement in Fiscal Figures. This improvement of the Fiscal Figures is mainly due to excessive taxation and to the delayed fulfillment of all Greek government liabilities towards the Private Sector (VAT refund, payment of grants, repayment of prepaid taxes), as well as to the reduced public investment.

The long delay in approving public and private investment programs, as well as the substantial delays from the State for the implementation of approved investments, continues to affect economic activity, limiting the potential for a substantial increase in Gross Domestic Product.

In addition, the cost of financing and the cost of letters of guarantee continues to be very high and restrains the effective restart of the Greek economy. At the same time, the limitation of the Greek Banks' activity abroad and the non-acceptance in several cases of the letters of guarantee issued by Greek Banks, is an inhibiting factor for the development in foreign markets.

In this context, the GEK TERNA Group continued its investment program in Greece and abroad in renewable energy and in the Industrial Sector, as its capital structure remains satisfactory.

Despite the difficulties, the Group continues to be present in countries outside Greece, as a significant part of the Construction and Energy Work Cycle comes from countries of the Southeastern Europe, the Middle East and America.

The main consolidated financial figures for the first half of the year 2018 based on the International Financial Reporting Standards as compared to the corresponding financial figures for 2017 are as follows:

Turnover from continuing operations amounted to € 683 million, compared with € 604 million in 2017, marking an increase of 13%.

Operating EBITDA excluding non-cash results amounted to EUR 143,1 million, compared with EUR 160.8 million in the corresponding period of 2017, marking a decrease of 11%.

Earnings before tax from continuing operations amounted to € 32 million, compared with € 80.5 million in the corresponding period of 2017, and were reduced mainly due to the reduced Operating Profits of the Construction sector.

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

Earnings after tax and minority interests stood at € 7.9 million compared to € 35.6 million in the corresponding period of 2017, negatively impacted mainly by the reduced earnings of the construction sector.

The Group's Net Debt Position (cash reserves less debt) amounted to approximately € 1,201 million on 30.06.2018 versus € 1,084 million on 31 December 2017. The increase in the Net Borrowing Position was mainly influenced by the decrease in cash reserves for the repayment of liabilities and the continuing investments.

The alternative performance measurement indices are specified in note 4 of the Financial Statements of 30.06.2018.

The Group's Total Assets amounted to EUR 4,028 million compared to EUR 4,093 million at 31 December 2017.

B. Significant events during the period 1/1-30/6/2018

On 01.12.2017, the Company signed a EUR 193.95 million Secured Bond Loan with Greek Credit Institutions in order to refinance existing loans of Group companies. The basic terms of this Bond Loan are a borrowing cost of 4.5% - 5.5% (spread) plus six-month euribor, depending on the interest periods and a repayment period up to 2023.

On 30.01.2018, the secured bond loan of a 193.95 million euro by the Hellenic Credit Institutions, which was signed from 01.12.2017, was fully executed and the purpose of the refinancing of the existing borrowing of the parent and other Group companies was accomplished. On 10/4/2018, the last installment of this Bond Loan amounting to € 64.5 million was prepaid and the result of this prepayment was, inter alia, the renegotiation of the interest spread, which was decreased to 4% for the total of the loan outstanding.

On February 9, 2018, an Extraordinary General Meeting of Shareholders of the subsidiary TERNA ENERGY SA was convened and approved the proposal for the increase of the share capital of the Company, with the abolition of the preference right of the old Shareholders, by the amount of € 2,850,000 with the issuance of 9,500,000 common voting shares with a nominal value of € 0.30 each and a offering price of € 4.35 per share. It was also decided that the amount of thirty eight million four hundred seventy five thousand (€ 38,475,000) euros from the issuance of shares above par to be credited to the special reserve of the Company.

At the meeting of the Hellenic Capital Market Commission on March 21, 2018, the Company's Prospectus for the public offering through cash payment and the listing of 120,000 common bonds, for a total amount of 120,000,000 euros for trading on the Athens Stock Exchange, was approved.

With the completion of the Public Offering on March 29, 2018, and according to the aggregate allocation data generated by the use of the Electronic Book of Offers (ATHEX) of the Athens Stock Exchange, a total of 120,000 common bonds of the Company were allocated with a nominal value EUR 100 each, i.e. 100% of its nominal value, and funds of EUR 120,000,000 were raised.

The distribution of the issued bonds is as follows: 78,000 Bonds (65%) of the total issued bonds were distributed to private Investors and 42,000 Bonds (35%) of the total issued Bonds were distributed to Special Investors.

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

The features of this loan are as follows:

(a) The bond yield is 3.95% and is stable over the lifetime of the loan.

(b) The interest period is six months.

(c) The duration of the loan is seven (7) years and its repayment will be realized at the end of the period of seven (7) years.

On February 26, 2018, the Company, in order to implement the decision of the 1st Repetitive General Meeting of Shareholders dated 7/7/2014, granted to seven (7) Directors, against the exercise of stock options, a total of 1,350,000 own shares, for a total consideration of EUR 769.500,00.

The Group signed on 2.2.2018 a contract with M.M. Makronisos Marina Ltd totaling to € 163.4 million for the construction of two towers of 27-28 floors of a total height of 115m which will house luxurious apartments, a residential complex consisting of 29 villas with a total area of 16,500 square meters, as well as a shopping center with luxurious shops, dining and entertainment venues, parking and event venues of a total area of 8,000 square meters, as part of the development of the Ayia Napa Marina.

During the period from 01.01.2018 to 30.06.2018, the Group also signed several new contracts and extensions with a total budget of € 110 million.

The Group started the commercial operation of three wind farms with a total installed capacity of 51 MW in various regions of Greece (Veria, Kozani, Viotia).

The Group signed on 14 June 2018 the PPP project "Integrated Waste Management of Peloponnese Region", between the Environmental Peloponnese SA, a member of the TERNA ENERGY Group and the Peloponnese Region. It is the largest waste management project in the country, which implements most of the Peloponnese PESDA (regional waste management plans), while operating alongside with the local recycling projects at the source of municipalities.

The amount of the investment amounts to € 168 million, of which € 66 million comes from an NSRF grant. The Agreement provides for the construction and operation of three (3) Waste Treatment Units (WTU) and an equal number of Sanitary Landfill Sites (SLS) in Arcadia, Messinia and Laconia, as well as for two (2) Waste Shipment Stations (WSS) in Corinthia and Argolida, finally resolving the major waste problem in the Peloponnese. The total duration of the contract is 28 years and includes the two-year construction period and the 26-year period of operation.

On 29/6/2018 the Board of Directors of the subsidiary companies TERNA SA and TERNA MAG SA decided to initiate the procedures for the merger by absorption of TERNA MAG SA by TERNA SA, based on the provisions of article 54 of Law 4172/2002 and articles 68-77 of Codified Law 2190/1920. The date of the Transformation Balance Sheet was set at 30/6/2018.

Construction Segment

The Turnover of our construction activities remains significant, while the backlog of construction work remains high.

TERNA SA, a subsidiary of the GEK TERNA Group, is one of the strongest Greek construction companies with a strong presence in the Balkans and the Middle East and is the Group's main construction arm.

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

Turnover from construction activity to third parties amounted to EUR 480.5 million compared to EUR 479.4 million in the corresponding period of 2017. This figure does not include the Turnover between the Group's segments, which amounts to EUR 30.8 million and relates to construction of capital goods for our Group.

Earnings before Interest, Tax, Depreciation and Amortization (EBITDA), net of non-cash results, amounted to € 26.5 million compared to € 104.1 million in the prior year. At the same time, Earnings before Interest and Tax (EBIT) amounted to EUR 21.3 million compared to EUR 92.4 million in the previous year. The above amounts exclude Profit from intra-group segment sales.

The Turnover of the sector comes from activities in Greece at 83.3%, from activities in the Balkan countries at 9.5% and from activities in Middle East countries at 7.2%.

Borrowing amounted to EUR 69.2 million compared to EUR 100.4 million on 31.12.2017, while the Net Debt Position (cash reserves less debt) of the Sector amounted to approximately EUR 172 million against a net cash position of EUR 234.6 million on 31.12.2017.

The backlog of signed contracts on 30.06.2018 amounted to approximately € 1,390 million. At the same time, the Group expects the signing of two new contracts in 2018, totaling to EUR 780 million.

Experience in the execution of major road, building, port and construction projects, as well as the strong presence of TERNA in the Balkan and Middle East markets, advocate further improvement of economic and other sizes and the course of this segment for the Group.

Energy production segment

The GEK TERNA Group, active in the energy sector since the mid-1990s, is one of the leading players in the renewable energy sector (RES) through the "TERNA ENERGY SA" group, as well as in thermo-produced energy, through "HERON SA" and HERON II.

α) Electricity production from renewable energy sources

The shift to Renewable Energy Sources (RES) is confirmed globally, making it one of the top investment options for years to come. In this context, the Group continues the development of selected RES projects in Greece, while capitalizing on its experience, intensifies its efforts to deepen its presence in the US, Poland and Bulgaria. It is expected that in this segment, as the investments will mature over the next few years, the installed capacity of the group in RES will increase significantly.

Within this strategy framework, the company has already put in operation 1,011.3MW in Greece and abroad. Specifically, the company has already installed 585.9MW in Greece, of which 46.2MW in test mode, 293.4MW in the US, 102MW in Poland and 30MW in Bulgaria.

Sales of energy from renewable sources amounted to € 104.3 million, compared to € 78.8 million in 2017, an increase of 32.3%, while Operating Profit before Tax, Interest and Depreciation (EBITDA) excluding the non-cash results for the period amounted to € 77.8 million, compared with € 56.6 million in 2017, an increase of 37.4%. At the same time, Earnings before Interest and Taxes (EBIT) amounted to € 54.2 million versus € 32 million in the corresponding period of 2017.

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

The investments of TERNA ENERGY Group amounted to € 17 million in the first half of 2018. The continuing investment activity of the company creates the conditions for stabilizing increased revenue flow and profitability on a long-term basis.

b) Electricity production from thermal resources – Sale of Electric Energy

With the adoption of the IFRS 11, HERON THERMOELECTRIC SA and HERON II SA have been recognized as jointly managed and, therefore, the incorporation of the financial data is made using the equity method. In the current period, earnings after taxes that were incorporated amounted to minus € 0.9 million, compared with minus € 0.4 million in the corresponding period of 2017.

In the Electricity Production Segment from Thermal Resources, in 2017, the operation of the 435 MW Heat Power Plant and of the smaller 147 MW power plant in Voiotia continued.

The turnover of the Electricity Trading Segment amounted to € 3.8 million, compared with € 5.1 million in the corresponding period of 2017, recording a decrease compared to 2017. Operating EBITDA of the segment amounted to EUR 0.0 million, compared to EUR 0.4 million in the corresponding period of 2017.

Real Estate development segment

The uncertain economic environment and the unfavorable economic conditions in the real estate market that have continued since 2010 have led to a standstill in terms of investment activities in the domestic property market. Abroad, in 2017, a multi-storey shopping center in Sofia was completed, which is almost entirely leased, and therefore the Group expects significant revenues from this operation. Taking into account the current economic conditions, the Group examines alternative scenarios for the exploitation of part of its investments and, where it deems appropriate, continues the investments.

The turnover of the Real Estate industry amounted to € 5 million, compared with € 1 million in the corresponding period of 2017. The increase in Turnover was due to the increase in rents of the shopping center in Sofia, which commenced operation in 2018. Operating EBITDA excluding non-cash results amounted to € 2.7 million, compared with € 0.2 million in the corresponding period of 2017. Earnings after taxes amounted to 0.9 million euro, compared to minus EUR 4 million in the corresponding period of 2017. The ratio of Debt to Total Assets in the segment amounts to 73.7%, a factor which is considered quite safe, given the prevailing financial conditions.

Concessions – Self or Jointly Financed Projects

The Group, with the fulfilled agreement of 29.09.2017, on the acquisition of the participation interests of one of the remaining shareholders of the Nea Odos Concession Company and of Central Greece holds 78.5% of the shares of the Concession of NEA ODOS SA and 66.6% of the Concession Company of CENTRAL GREECE E65. From 01.10.2017 and onwards, the Financial Position of these companies is consolidated by the Full Method.

The Group participates with a 70% stake in the HELLAS SMARTTICKET SA, which undertook from the Athens Urban Transport Organization the Partnership Contract for the Study, Financing, Installation, Maintenance Support, Maintenance and Technical Support Management of a Unified, Automatic Collection System for the OASA Group of Companies through PPP. The duration of the concession will be 10 years after the construction period.

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

The method of measuring annual Revenues is recognized by the pricing of construction, maintenance and operation costs, plus an imputed profit as determined by the total financial asset.

The Group's activity continued in the Segment of Car Parking Stations' Management and Operations and the total number of seats in the Group amounted to 2,278.

The Turnover of the segment as a whole in the Concessions Sector amounted to EUR 84.6 million in 2018 compared to EUR 35.7 million in the corresponding period of 2017. The significant increase in Turnover is due to the Full Method of Consolidation of the Motorways NEA ODOS and E65, which in the corresponding period of 2017 were consolidated with the equity method.

Operating Profit before Tax, Interest and Depreciation (EBITDA) net of cash results amounted to € 39.8 million versus minus € 1.3 million in the corresponding period of 2017.

Industrial Segment

The Group is active in the production of quarry products from the extraction and processing of whitewash, i.e. the production of magnesia products, through licenses and mining concessions it holds.

The Management, considering that the demand for magnesia products will be high in the coming years, has already materialized most of a significant investment program totaling to an estimated € 100 million in the privately owned facilities in Mantoudi, Evia, for the extraction and processing of lecithin, for the production of caustic magma CCM, double-caustic magnesia (DBM) and magnesium hydroxide (MDH) products through its subsidiary TERNA MAG SA

From this investment program for equipment and new installations, investments totaling approximately € 36.6 million have been realized up to 30.06.2018. The remaining investments for fixed equipment will have been completed by 31.12.2019.

The Turnover of the sector amounted to € 4.8 million, compared with € 4.7 million in the corresponding period of 2017.

EBITDA excluding non-cash results amounted to minus € 1.2 million compared to minus € 1.1 million in the corresponding period of 2017.

C. Significant Events after the end of the period 01.01 – 30.06.2018

GEK TERNA SA (GEK TERNA SOCIETE ANONYME HOLDINGS REAL ESTATE CONSTRUCTIONS), in the context of the Group's strategy for the development of alternative sources of income, has agreed with the company "Ferrovial SA" (Ferrovial) for the acquisition of the total participation of Ferrovial in the Concession Companies "NEA ODOS SA" and "CENTRAL GREECE MOTORWAYS SA" along with the participation in the Joint Venture under the name "FERROVIAL JOINT VENTURES SA" - GEK TERNA SOCIETE ANONYME OF HOLDINGS AND PROPERTIES 'and, consequently, the individual participation percentage of Ferrovial in the above Concession Companies and the Joint Venture are as follows:

- 1) for the company "MOTORWAY CENTRAL GREECE SA" E-65 by a percentage of 33.34%
- 2) for the company "NEA ODOS SA" by a percentage of 21.41% and
- 3) for the Joint Venture FERROVIAL SA - GEK TERNA SOCIETE ANONYME OF HOLDINGS AND PROPERTIES by a percentage of 21.4%.

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

The completion of the aforementioned transactions is subject to certain conditions, namely: (a) with respect to the acquisition of the shares on the NEA ODOS and MOTORWAY CENTRAL GREECE SA, the approval of the transaction by the competent Competition Commission and (b) regarding the acquisition of the stake in the Joint Venture, the approval of the transaction by the Greek State and, in both cases, the approval of the transfer of the necessary funds to the seller Ferrovial, in accordance with the current regulatory framework regarding restrictions on movements of capital.

Upon the temporary delivery of the Megalopolis B' V Electricity Unit project and in particular with the signed Interim Delivery Protocol of 28.08.2018, mutual claims between the Customer and the Contractor have been recorded, of approximately 60 million each and for the resolution of these disputes, the envisaged contractual procedure will be followed.

On 30.05.2017 the Group in a joint combination through "TERNA SA - GMR Airports Limited", was announced as Provisional Contractor of the project "Study, Construction, Financing, Operation, Maintenance and Exploitation of the New International Airport of Heraklion, Crete, as well as Study, Construction and Financing of its Road Connections". On September 14, 2018, the aforesaid joint combination was declared Final Contractor of this project and the relative legal proceedings were initiated, with the intention after their conclusion, the signing of the concession contract to take place as well as the commencement of the concession contract according to the specific terms defined therein.

On 27/09/2018 and for the implementation of the 1st Repetitive General Meeting of Shareholders' decision dated 07/07/2014, the Company granted to seven (7) Directors, against the exercise of stock option rights, a total of 400.000 own shares which represent 0,3868% of the paid up share capital, for a total consideration of € 228 thousand.

D. Risks and Uncertainties

The Group's activities are subject to several risks and uncertainties, such as the return of macroeconomic uncertainty, the 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, long-term and short-term loans as well as derivatives, trade debtors and creditors, other receivable and payable accounts. Following, the effect of basic risks and uncertainties on the Group's activities is presented.

Credit risk

The Group continuously controls its requirements, either individually or by group, and incorporates the resulting information into its credit control. Where appropriate, external reports or analyses of existing or potential customers are used.

The Group is not exposed theoretically to significant credit risk from trade receivables. This is due on the one hand to the Group's policy, which focuses on working with reliable clients and on the other hand on the nature of the Group's activities. In particular, all the requirements relate either to the wider public sector domestically and abroad, or to large customers with strong financial capabilities.

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

In spite of the above, these receivables are under special observation and Management consistently assesses the credibility of its clients, the size of each customer, regardless of whether it is an individual or domestic wider public sector entity, about the potential impact it could have, in order to take the necessary measures to minimize any impact on the Group.

The credit risk for cash and other receivables is considered to be limited given the Bank's recapitalization process.

Management considers that all financial assets for which the necessary impairment losses have been incurred 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 where there are transactions in the US, the currency settlement is in dollars, so as to minimize the risk.

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 30/06/2018, 44.41% of the total Group loans were based on a floating interest rate (fixed spread) and the remainder 55.59% were based on a 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 the 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.

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

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, as well as the non-resolution of the problem of non-performing loans with regards to Greek banks had a negative impact on the existing economic climate.

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 towards 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, and/or collections, as well as the inability to meet contractual obligations by customers due to external market factors and economic factors not controlled by the Group.

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 Group 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.

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

E. Outlook and Prospects

As it is derived from the analysis of the separate business segments, the prospects of the Group, despite the considerable issues and problems of the broader economic environment, appear to be positive. The diversification of the Group's business activities offers a more effective allocation of risk implying at the same time lower dependence of profitability on certain business segments.

F. Non Financial Information

Non Financial Information

Introduction

GEK TERNA GROUP is one of the leading business Groups in Greece with presence in Central and Southeastern Europe, the USA, North Africa and the Middle East. The group operates in the fields of infrastructure, energy production and supply, concessions, waste management, mining activities and real estate development and management.

Vision and Principles

GEK TERNA Group has been a pioneer in responsible entrepreneurship for almost half a century, with investments that contribute decisively to its business excellence and are based on three key pillars: ethics, corporate values and responsible practices.

The Group's intension to undertake risks and further expand in the fields of infrastructure, clean energy and concessions is integrally linked to its strategic choice and commitment to create opportunities for all stakeholders and thus lead to sustainable development in practice.

Implementing a long-term strategic plan that incorporates all modern Corporate Responsibility practices, GEK TERNA Group creates value for Greece within and beyond its borders. Its performance, not only in the market but with respect to employees, the environment, Health and Safety and society are key components of its business success, as the Group's plan is continuously enriched and upgraded, systematically serving its Corporate Governance principles, namely ethics, quality and effectiveness.

Robust and responsible entrepreneurship, as reflected in the actions presented below, is the key driving force of growth for GEK TERNA Group.

Corporate Governance

The Group has established a framework of stability, transparency and responsible operation that plays a crucial role in the materialization of its business and strategic goals. Its Corporate Governance principles ensure unity within the Group while enhancing its competitiveness by establishing flexible structures, pioneering approaches and a stable framework of operation.

Corporate Governance Code

The Corporate Governance Code is the cornerstone of the Group's Corporate Governance system. The Code is binding on Management in its entirety and all employees at every level of organizational structure, and sets the framework for smooth operation and acceptable conduct. In this context, the Group guarantees its continued and effective operation to the benefit of all stakeholders in order to ensure compliance with the principles of transparency, business ethics and proper management of all Group resources.

Code of Ethics and Conduct

In 2017, the Group drafted and published its Code of Ethics and Conduct, which reflects the fundamental principles, beliefs, corporate culture, business ethics and voluntary ethical commitments that characterize it. Issues relating to corruption and bribery, their combating and inappropriate behavior form the backbone of the Code.

The Code of Ethics and Conduct is the key framework of principles and values that must characterize the professional behavior of both employees and Management, while also extending to associates, sub-contractors and suppliers. The application of the Code extends to the companies of the Group, concerns all subsidiaries and all areas of activity in all the countries where the Group operates, and is taken into consideration in the Group's partnerships and joint ventures.

Risk Identification and Management

The identification and management of risks is at the heart of the Group's strategy. The comprehensive, systematic and structured approach to the management of risks related to the Group's activities requires actions summarized into the following pillars:

- Identification of the relationship with business goals and strategy
- Analysis, assessment and evaluation of risks
- Identification of opportunities and threats
- Selection of suitable tools and methodologies to reduce risks and improve opportunities
- Application and monitoring of suitable risk management measures

The main risks include strategic, financial, operational risks, as well as accidents to the natural and man-made environment, both internal and external.

Corporate Responsibility: Strategy and Development

The Group's Strategy for Sustainable Development is being continuously expanded and improved for the benefit of shareholders, investors, employees and society at large. Aiming at a long-term development, the Group supports local communities where it operates. At the same time, the Group reduces potential risks through synergies between different business units that ensure lower costs and effective risk management.

The Group's strategy for Sustainable Development is based on enhancing effectiveness through best practices, sustainable initiatives and reliable partnerships. The principles and practices of Sustainable Development are an integral part of its strategy. The results of these practices, as well as their strategic approach, are analyzed in the Corporate Responsibility Report. The Report, compiled on an annual basis and in accordance with the international standard GRI Standards, is posted on the Group's website. The annual results of the Group's Sustainable Development practices are also included in the annual financial report published by the Group.

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)



Certifications and Standards

The incorporation of international standards and management systems in the activities of GEK TERNA Group is a crucial factor for its effective operations. At the same time, the standards and systems in place are contributing to the continuous improvement and reliability of the Group, as they are subject to internal and mainly external audits by independent bodies. In 2017, the Group held the following certifications:

- ISO 9001: Quality Management System
- ISO 14001: Environmental Management System
- OHSAS 18001: Occupational Health and Safety Management System
- ISO 39001: Road Traffic Safety (RTS) Management System
- ELOT EN ISO 17025 by the Hellenic Accreditation System:
Accreditation Certificate for the Wind Measurement Laboratory of TERNAL ENERGY
- GMP/+B3 Good Manufacturing Practices - GMP certification for caustic magnesia intended for animal feed
- European Regulation 305/2011/EU: POLY CASTRO QUARRY:
Certificate of Conformity of Natural Aggregates Production Control at the Plant, in compliance with European Regulation 305/2011/EU
- European Directive 97/23/EC: Quality System of Pressure Equipment Manufacturers – Annex III – Module H. Scope: designing, manufacturing and testing of pipelines under pressure in accordance with the European Directive 97/23/EC

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

Environmental Management System

The ever-clearer adverse effects of climate change require measures to reduce greenhouse gas emissions. By implementing a modern, integrated Environmental Management System, the Group is recording the environmental effects of its activities allowing to take the necessary measures on time so as to reduce its environmental footprint and continuously improve its performance.

The Group is implementing a certified Environmental Management System in accordance with the ISO 14001 international standard for the majority of its subsidiaries: TERNA, TERNA S.A., ABU DHABI BRANCH, TERNA ENERGY, TERNA MAG, Nea Odos, Central Greece Motorway, HERON, GEK Services and ILIOCHORA.

Marketplace and Value Creation

The creation of positive results for all stakeholders lies at the heart of the business activity of GEK TERNA Group. Through its projects, the Group aims at creating measurable value for society at large and responding to the needs of the market in a transparent, responsible manner. In the context of its Corporate Responsibility strategy, the market pillar greatly determines its business decisions at the local, national and international level.

The Group ensures that it always leaves a positive social and economic footprint, and contributes to the creation of value for the market through its partnerships, the quality of its services and the enhancement of local communities. Novel ideas and initiatives that function positively are a key priority and prerequisite for the Group.

Complying with specifications, minimizing the number and impact of potential non-compliance incidents and closing such incidents on time, are a priority for the Group. The Group fully applies national legislation, international protocols and the corresponding standards that concern its projects.

Value Chain

The Group respects all stakeholder groups and keeps open channels of communication at all stages of project implementation. The Group carries out large, complex projects of national importance, the majority of which serve not only local communities but the Greek territory as a whole.

Serving the purposes of Sustainable Development and economic stability, the Group supports local communities, recognizing that the social value it creates benefits Greek society and local producers at multiple levels.

Strict compliance with key specifications is a prerequisite for cooperation with any associate and/or supplier (sub-contractor, supplier of raw materials, supplier and repairer of machinery and vehicles). In turn, the Group fully complies with:

- the applicable insurance and labor legislation
- the regulatory framework governing occupational Health and Safety
- principles concerning the protection of human rights
- internal policies, procedures, standards and Management Systems

Responsible Communication

The Group keeps an open communication with all its stakeholders in order to provide information on its operation and activities. In the context of its communication and marketing strategy, GEK TERNA Group applies strict rules and specifications that lay down a framework of legitimacy, ethics, reliability and compliance with the principles of responsible entrepreneurship.

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

Through its communication channels, the Group aims at engaging with stakeholders in order to jointly respond to modern challenges and create value for society, the environment and the business community. Information on the official policies and codes of the Group and its individual companies is directly available to the public on the websites of Group companies.

Caring for our people

Our people contribute decisively towards achieving the Group's objectives. Their professionalism, knowledge and loyalty create surplus in the services the Group offers. GEK TERNA Group invests in its people and, through the working environment it has created, cares for their Health and Safety, the development of their skills, their rights, equal opportunities and supporting diversity.

The Group takes conscious measures to achieve a balanced and safe workplace that rewards innovation, participates in the materialization of its vision, expands its international prospects and contributes towards business success. The Group has created an employee-centric working environment, follows clear procedures for our people's growth and has stood out for its corporate culture and ethical values.

Human Resources Management

The Group rigorously complies with international human rights principles and respects national and local frameworks of operation in the countries where it operates. On the one hand, the Universal Declaration of Human Rights (ILO) and the UN Global Compact and, on the other, the high corporate values of the Group lay down a strict framework for respecting human rights throughout the entire range of its activities.

Equal Opportunities and Human Rights

The Group handles all human resources issues at every stage of the employment relationship, impartially, and ensures that all employees are treated in a fair and meritocratic manner on the basis of their skills and performance.

The decisions made by the Group are never related to or affected by any type of discrimination in terms of gender, ethnicity, language, faith, political beliefs, disability, sexual orientation or other differences.

GEK TERNA Group places particular importance on issues that concern child and forced labor. The Group uses control mechanisms to ensure legality in terms of the age limits of employees at all its activities throughout the value chain it manages, and ensures that no violations of fundamental human rights occur.

Education Opportunities

For GEK TERNA Group, achieving company goals and strategies requires excellent education on its human resources. Maintaining the Group's prestige in Greece and consolidating its position abroad is based on the inter-personal skills and high technical know-how of its employees.

By offering education opportunities, the Group strengthens its corporate culture and teamwork and promotes innovation. The Group implements specialized education and training programs related to the field of each post, its strategic planning and the needs of its human resources. Internal training sessions by directors and specialized colleagues and training sessions by specialized external bodies are held on an annual basis.

Health and Safety in the Group

The Group's strategy is based on the non-negotiable principle of ensuring health and safety at work. This principle is a prerequisite for every Group business activity and equally applies to employees, subcontractors and the network of associates.

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

Health and Safety Goals

Safeguarding Health and Safety is a top priority for the Group which continually improves the strategic framework within which health and safety issues regarding all stakeholders are managed.

GEK TERNA Group fully complies with the provisions of the applicable national, European and international legislation and aims, through this strict Health and Safety Management System, at the timely identification and elimination of risks that concern all its activities. The Health and Safety policy concerns the Group in its entirety, as well as anyone directly or indirectly related to its operations.

The Group's active commitment to Health and Safety issues is proven by the application of a certified Health and Safety Management System in accordance with the requirements of the OHSAS 18001:2007 international standard.

Local Communities

Social Product

The Group's modern infrastructure and energy projects serve the goal of Sustainable Development by contributing to social prosperity and the positive promotion of Greece and internationally. The multiple benefits of the Group's business activity translate into thousands of jobs, benefits and insurance contributions, in cooperation with thousands of suppliers for the purchase of products and services, as well as taxes and investments. The indirect positive effects concern transport safety, upgraded urban structures, access to art and cultural sites, improved air quality and preservation of the natural environment.

Social Contribution

Remaining true to its vision for boosting the Greek economy, the Group continues to support local communities by mainly focusing in the fields of infrastructure, local suppliers, as well as sponsorships and donations to actions that concern:

1. Sports and culture
2. The environment
3. Schools, youth clubs and associations
4. Municipalities, social structures and bodies

G. Treasury Shares

On December 31, 2017, the Company directly owned 5,203,114 own shares, i.e. 5.03009%, with an acquisition value of 12,798,267 €. During the first half of 2018, the company acquired 15,711 own shares worth € 79,983.

On 26/02/2018 for the implementation of the 1st Repetitive General Meeting of Shareholders' decision dated 07/07/2014, the Company granted to seven (7) Directors, against the exercise of stock option rights, a total of 1,350,000 own shares which represent 1.3053% of the paid up share capital, for a total consideration of € 769.500. Therefore on 30/06/2018 the company owned 3,868,825 own shares i.e. 3.74% of total value €9,557,656.

The subsidiary company TERNA SA holds a total of 688,205 shares, i.e. 0.6654%. The subsidiary company ILIOCHORA SA owns 616,835 own shares, i.e. 0.5964%.

On 30.06.2018 GEK TERNA SA held directly and indirectly through its subsidiaries a total of 5,173,865 own shares, i.e. 5.0026% of the share capital.

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

On May 15, 2018, GEK TERNA SA informed the investment community that the total own shares held by the Company exceeded the limit of 5%.

The total number of own shares, held directly and indirectly after the transaction on 26/2/2018, amounts to 5,173,865, or 5.0026%.

H. Related-Party Transactions

Below the Company's and Group's transactions and balances with its related parties are presented for the period 1.1-30.6.2018:

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	Loans granted	Share capital reductions
TERNA SA	Subsidiary	13,242,400.32	11,879.91	0.00	40,964.32	320,184.22	0.00	760,601.87	12,009,770.00	0.00
TERNA ENERGY SA	Subsidiary	124,426.88	0.00	0.00	38,302.28	86,124.60	0.00	0.00	0.00	0.00
CHIRON CAR PARK S.A	Subsidiary	18,000.00	0.00	0.00	18,000.00	0.00	0.00	0.00	0.00	0.00
IOANNINON S.A.	Subsidiary	48,000.00	0.00	0.00	48,000.00	0.00	0.00	0.00	0.00	0.00
MONASTIRIOU SA	Subsidiary	4,079,377.78	0.00	0.00	0.00	0.00	0.00	79,377.78	4,000,000.00	0.00
GEK SERVICES SA	Subsidiary	360,000.00	0.00	0.00	0.00	0.00	0.00	0.00	360,000.00	0.00
ILIOHORA SA	Subsidiary	19,440.00	0.00	0.00	0.00	19,440.00	0.00	0.00	0.00	0.00
ROM GEK	Subsidiary	9,632.72	0.00	0.00	0.00	0.00	0.00	9,632.72	0.00	0.00
CONSTRUCTION SRL										
ICON BOROVELS EOOD	Subsidiary	(181,521.67)	0.00	0.00	0.00	0.00	0.00	68,478.33	(250,00.00)	0.00
VIPA THESSALONIKIS	Subsidiary	3,671,440.00	0.00	0.00	0.00	0.00	0.00	71,440.00	3,600,000.00	0.00
ICON EOOD (BULGARIA)	Subsidiary	109,636.23	0.00	0.00	0.00	0.00	0.00	109,636.23	0.00	0.00
TERNA LEFKOLITHI SA	Subsidiary	3,632.81	0.00	0.00	500.00	0.00	0.00	3,132.81	0.00	0.00
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Joint Venture	13,500.00	0.00	0.00	13,500.00	0.00	0.00	0.00	0.00	0.00
PARKING OUIL SA	Joint Venture	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
THESSALONIKI CAR PARK S.A.	Joint Venture	2,933.90	0.00	0.00	0.00	0.00	0.00	2,933.90	0.00	0.00
NEW ROAD SA	Subsidiary	(4,426,607.85)	49,289.93	345,164.83	0.00	0.00	0.00	2,878,344.49	(7,699,407.10)	0.00
CENTRAL GREECE MOTORWAY SA	Subsidiary	744,981.93	823,546.15	251,997.83	0.00	0.00	0.00	63,200.78	(1,883,726.69)	0.00
ELLINIKOU ENTERTAINMENT AND ATHLETIC PARKS S.A.	Joint Venture	21,790.38	0.00	0.00	0.00	600.00	0.00	21,190.38	0.00	0.00
HERON II THERMOELECTRIC STATION OF VIOTIA SA	Joint Venture	11,882.63	0.00	11,882.63	0.00	0.00	0.00	0.00	0.00	0.00
HERON THERMOELECTRIC S.A.	Joint Venture	7,000.00	0.00	7,000.00	0.00	0.00	0.00	0.00	0.00	0.00
KEKROPS SA	Associate	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		16,389,982.20	983,715.99	616,045.29	159,266.60	426,348.82	0.00	4,067,969.29	10,136,636.21	0.00

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

Company's Receivables

(amounts in euros)	Participation Type	Total	From sales	From Loans and Interest	From Dividends and related earnings	From share capital reductions
TERNA SA	Subsidiary	13,638,038.82	867,666.95	12,770,371.87	0.00	0.00
TERNA ENERGY SA	Subsidiary	9,568,908.03	62,365.71	0.00	0.00	9,506,542.32
CHIRON CAR PARK S.A	Subsidiary	101,931.86	7,440.00	0.00	94,491.86	0.00
IOANNINON S.A.	Subsidiary	199,640.00	199,640.00	0.00	0.00	0.00
MONASTIRIOU SA	Subsidiary	4,079,377.78	0.00	4,079,377.78	0.00	0.00
GEK SERVICES SA	Subsidiary	368,659.44	248.00	360,000.00	8,411.44	0.00
ILIOHORA SA	Subsidiary	23,496.48	23,496.48	0.00	0.00	0.00
ROM GEK CONSTRUCTION SRL	Subsidiary	346,655.42	0.00	346,655.42	0.00	0.00
ICON BOROEVETS EOOD	Subsidiary	2,610,917.74	0.00	2,610,917.74	0.00	0.00
VIPA THESSALONIKIS	Subsidiary	3,671,440.00	0.00	3,671,440.00	0.00	0.00
ICON EOOD (BULGARIA)	Subsidiary	4,512,572.05	0.00	4,512,572.05	0.00	0.00
TERNA LEFKOLITHI SA	Subsidiary	107,602.83	620.00	106,982.83	0.00	0.00
Construction Joint Ventures	Joint ventures	707,828.31	707,828.31	0.00	0.00	0.00
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Joint Venture	5,580.00	5,580.00	0.00	0.00	0.00
PARKING OUIL SA	Joint Venture	120,000.00	0.00	0.00	0.00	120,000.00
NEA ODOS SA	Subsidiary	79,107,528.41	389,467.07	78,718,061.34	0.00	0.00
CENTRAL GREECE MOTORWAY SA	Subsidiary	4,577,035.55	4,487,627.83	89,407.72	0.00	0.00
ELLINIKOU ENTERTAINMENT AND ATHLETIC PARKS S.A.	Joint Venture	976,054.90	2,900.80	973,154.10	0.00	0.00
HERON II THERMOELECTRIC STATION OF VIOTIA SA	Joint Venture	8,680.00	8,680.00	0.00	0.00	0.00
HERON THERMOELECTRIC S.A.	Joint Venture	14,080.00	14,080.00	0.00	0.00	0.00
GLS OOD	Joint Venture	0.00	0.00	0.00	0.00	0.00
KEKROPS SA	Associate	0.00	0.00	0.00	0.00	0.00
ATTIKAT SA	Associate	32,439.32	0.00	32,439.32	0.00	0.00
		124,778,466.94	6,777,641.15	108,271,380.17	102,903.30	9,626,542.32

Purchases - Company's Outflows

(amounts in euro)	Participation type	Total	Purchases of goods	Purchases of administrative services	Lease expenses	Interest expenses	Received Loans	Share capital increases
TERNA SA	Subsidiary	(36.303.257,29)	0.00	0.00	0.00	1,201,673.04	(37.504.930,33)	0.00
TERNA ENERGY SA	Subsidiary	68,208.03	0.00	59,928.03	8,280.00	0.00	0.00	0.00
ILIOHORA SA	Subsidiary	33,501.36	0.00	0.00	0.00	33,501.36	(1,030,844.70)	0.00
TERNA - Bulgarian Branch	Subsidiary	2,513.85	0.00	0.00	0.00	2,513.85	0.00	0.00
IOANNINON S.A.	Subsidiary	217,735.00	0.00	0.00	0.00	0.00	0.00	217,735.00
ICON EOOD	Subsidiary	30,386.07	0.00	0.00	0.00	0.00	0.00	30,386.07
KIFISIA PLATANOU SQ. CAR PARK SA	Subsidiary	100,000.00	0.00	0.00	0.00	0.00	0.00	100,000.00
ROM GEK CONSTRUCTION SRL	Subsidiary	3,000,000.00	0.00	0.00	0.00	0.00	0.00	3,000,000.00
J/V EUROIONIA	Subsidiary	(27,166,634.66)	0.00	0.00	0.00	597,365.34	(27,764,00.00)	0.00
J/V CENTRAL GREECE MOTORWAY E-65	Subsidiary	(4,153,156.15)	0.00	0.00	0.00	82,843.85	(4,236,000.00)	0.00
EUROPEAN AGENCIES OF METALS SA	Subsidiary	(21,033.27)	0.00	0.00	0.00	105.25	(21,138.52)	0.00
NEA ODOS SA	Subsidiary	3,327.71	128,03	3,199.68	0.00	0.00	0.00	0.00

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

CONSTRUCTION JVs	Joint Venture	0,00	128,03	3,199.68	0.00	0.00	0,00	0.00
ATHENS CAR PARK SA	Joint Venture	22,626.00	0,00	0.00	0.00	0.00	0.00	22,626.00
HERON THERMOELECTRIC S.A.	Joint Venture	58,679.76	58,045,75	0.00	0.00	634.01	0.00	0.00
		(65.137.948,29)	58.173,78	63,127.71	8,280.00	1,918,636.70	(70.556.913,55)	3,370,747.07

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	44,423,933.85	1,021,708.27	43,402,225.58	0.00	0.00
TERNA ENERGY SA	Subsidiary	369,159.82	369,159.82	0.00	0.00	0.00
GEK SERVICES SA	Subsidiary	0.00	0.00	0.00	0.00	0.00
ILIOHORA S.A.	Subsidiary	593,594.33	0.00	593,594.33	0.00	0.00
IOANNINON S.A.	Subsidiary	0.00	0.00	0.00	0.00	0.00
MONASTIRIOU TECHNICAL DEVELOPMENT SA	Subsidiary	52.01	52.01	0.00	0.00	0.00
ICON EOOD	Subsidiary	0.00	0.00	0.00	0.00	0.00
ROM GEK CONSTRUCTION SRL	Subsidiary	0.00	0.00	0.00	0.00	0.00
TERNA – Bulgarian Branch	Subsidiary	111,655.93	0.00	111,655.93	0.00	0.00
J/V EUROIONIA	Subsidiary	3,505,554.86	0.00	3,505,554.86	0.00	0.00
J/V CENTRAL GREECE MOTORWAY E-65	Subsidiary	355,294.31	0.00	355,294.31	0.00	0.00
EUROPEAN AGENCIES OF METALS SA	Subsidiary	0.00	0.00	0.00	0.00	0.00
NEA ODOS SA	Subsidiary	903,420.10	179,803.71	723,616.39	0.00	0.00
CENTRAL GREECE MOTORWAY SA	Subsidiary	26,206.96	0.00	26,206.96	0.00	0.00
HERON THERMOELECTRIC S.A.	Joint Venture	437,344.00	437,344.00	0.00	0.00	0.00
THESSALONIKI CAR PARK S.A.	Joint Venture	60.00	0.00	60.00	0.00	0.00
KEKROPS SA	Associate	1,650.04	1650.04	0.00	0.00	0.00
		50,727,926.21	2,009,717.85	48,718,208.36	0.00	0.00

Below, the transactions and the balances between the Group and the related parties are presented for the period 1.1-30.6.2018:

Sales - Inflows of the Group

(amounts in euro)	Participation type	Total	Revenues from Construction Services	Sales of Goods	Revenues from Consulting services	Revenues from administration support services	Income from leases	Received loans	Income from interest	Share capital reductions
HERON THERMOELECTRIC S.A.	Joint Venture	386,135.67	0.00	373,328.84	0.00	12,806.83	0.00	0.00	0.00	0.00
HERON II THERMOELECTRIC STATION OF VIOTIA SA	Joint Venture	679,018.50	0.00	0.00	0.00	11,882.63	0.00	0.00	667,135.87	0.00
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Joint Venture	13,500.00	0.00	0.00	0.00	13,500.00	0.00	0.00	0.00	0.00
THESSALONIKI CAR PARK S.A.	Joint Venture	2,933.90	0.00	0.00	0.00	0.00	0.00	0.00	2,933.90	0.00
ELLINIKOU ENTERTAINMENT AND ATHLETIC PARKS S.A.	Joint Venture	22,594.49	0.00	0.00	0.00	804.11	600.00	0.00	21,190.38	0.00
KEKROPS SA	Associate	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		1,104,182.56	0.00	373,328.84	0.00	38,993.57	600.00	0.00	691,260.15	0.00

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

*(Amounts in thousand Euro, unless stated otherwise)*Receivables of the Group

(amounts in euro)	Participation type	Total	From sales	From Loans and Interest	From dividends and Joint-Ventures results	Share capital reductions
HERON THERMOELECTRIC S.A.	Joint Venture	885,160.55	885,160.55	0.00	0.00	0.00
HERON II THERMOELECTRIC STATION OF VIOTIA SA	Joint Venture	13,488,475.38	8,680.00	13,479,795.38	0.00	0.00
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Joint Venture	5,580.00	5,580.00	0.00	0.00	0.00
PARKING OUIL SA	Joint Venture	120,000.00	0.00	0.00	0.00	120,000.00
ELLINIKOU ENTERTAINMENT AND ATHLETIC PARKS S.A.	Joint Venture	976,054.90	2,900.80	973,154.10	0.00	0.00
GLS OOD	Joint Venture	0.00	0.00	0.00	0.00	0.00
ALTE – TERNA GP	Joint Venture	0.00	0.00	0.00	0.00	0.00
ATTIKAT SA	Associate	32,439.32	0.00	32,439.32	0.00	0.00
KEKROPS SA	Associate	0.00	0.00	0.00	0.00	0.00
		15,507,710.15	902,321.35	14,485,388.80	0.00	120,000.00

Purchases - Outflows of the Group

(amounts in euro)	Participation type	Total	Purchases of goods	Revenues from Consulting services	Leasing Expenses	Share Capital Increases
HERON THERMOELECTRIC S.A.	Joint Venture	3,056,144.45	3,056,144.45	0.00	0.00	0.00
		3,056,144.45	3,056,144.45	0.00	0.00	0.00

Liabilities of the Group

(amounts in euro)	Participation type	Total	From Purchases and Advances	From Loans and Interest	Participation type
HERON THERMOELECTRIC S.A.	Joint Venture	3,965,113.07	3,965,113.07	0.00	0.00
THESSALONIKI CAR PARK S.A.	Joint Venture	60.00	60.00	0.00	0.00
ELLINIKOU ENTERTAINMENT AND ATHLETIC PARKS S.A.	Joint Venture	6,557.98	6,557.98	0.00	0.00
ALTE – TERNA GP	Joint Venture	2,016.66	0.00	0.00	2,016.66
ATTIKAT SA	Associate	5,658.47	5,658.47	0.00	0.00
KEKROPS SA	Associate	1,650.04	1,650.04	0.00	0.00
		3,981,056.22	3,979,039.56	0.00	2,016.66

The Company, in order to implement the decision of the 1st Repetitive General Meeting of Shareholders dated 7/7/2014, allocated a total of 1,350,000 treasury shares, to seven (7) Company Executives against exercise of stock option rights, for a total consideration of EUR 769.500,00.

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

The remuneration of the Board of Directors members and senior executives of the Group and the Company, recognized for the period ended on 30.6.2018 and 30.6.2017, as well as the balances of receivables and liabilities that have emerged from such transactions on 30.6.2018 and 30.06.2017 are as follows:

	GROUP		COMPANY	
	1.1- 30.06.2018	1.1- 30.06.2017	1.1- 30.06.2018	1.1- 30.06.2017
Remuneration to freelancers	1,422	1,292	55	65
Remuneration to full time employees	194	185	20	16
Remuneration for participation in Board meetings	690	38	203	0
	2,306	1,515	278	81
	30.06.2018	31.12.2017	30.06.2018	31.12.2017
Liabilities	653	694	51	54
Receivables	32	5	0	0

Athens, 28 September 2018
For the Board of Directors

George Peristeris
Managing Director

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

IV. INTERIM CONDENSED FINANCIAL STATEMENTS SEPARATE AND CONSOLIDATED OF 30 JUNE 2018

It is ascertained that the accompanying financial statements for the period 1.1.2018 - 30.6.2018 are those approved by the Board of Directors of "GEK TERNA Société Anonyme Holdings Real Estate Constructions" (GEK TERNA SA), during its meeting on 28 of September 2018. The present financial statements for the period 1.1.2018 - 30.6.2018 are posted on the internet at the website www.gekterna.gr.

The annual financial statements of the consolidated subsidiaries, as provided by the Stock Exchange Commission's Board of Directors Decision 8/754/14.4.2016, are posted on the following website www.gekterna.com

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

STATEMENT OF FINANCIAL POSITION	Note	GROUP		COMPANY	
		30.06 2018	31.12 2017(*)	30.06 2018	31.12 2017(*)
ASSETS					
Non-current assets					
Intangible fixed assets	5	820,188	838,508	95	106
Tangible fixed assets	5	1,249,035	1,246,267	9,287	9,475
Goodwill		3,183	3,183	0	0
Investment property	6	117,816	113,705	12,810	12,810
Participations in subsidiaries	3	0	0	349,485	346,137
Participations in associates	3,7	5,011	4,873	4,800	4,741
Participations in joint ventures	3,10	47,769	49,834	7,350	7,320
Financial Assets - Concessions	9	35,825	26,463	0	0
Other Equity investments	15	47,485	47,461	47,442	47,442
Other long-term assets		79,851	81,416	127,429	114,034
Receivables from derivatives		161,708	182,091	0	0
Deferred Tax Assets		85,178	86,193	0	0
Total non-current assets		2,653,049	2,679,994	558,698	542,065
Current assets					
Inventories		57,253	54,365	5,998	5,658
Trade receivables		220,465	193,143	8,552	8,219
Receivables from construction contracts		202,327	151,366	228	0
Advances and other receivables		269,427	318,568	33,010	7,203
Income tax receivables		58,176	48,897	933	2,219
Financial assets at fair value through Statement of Comprehensive Income		3,678	3,069	3,678	3,070
Investments Available for Sale		0	2,126	0	2,126
Short-term part of receivables from derivatives		17,357	0	0	0
Cash and cash equivalents	4,11	547,024	642,227	40,553	10,998
Total current assets		1,375,707	1,413,761	92,952	39,493
TOTAL ASSETS		4,028,756	4,093,755	651,650	581,558
EQUITY AND LIABILITIES					
Shareholders' equity					
Share capital	17	58,951	58,951	58,951	58,951
Share premium account		381,283	381,283	202,774	202,774
Reserves		440,115	243,935	104,440	68,549
Retained earnings		(381,975)	(195,288)	(62,684)	(32,560)
Total		498,374	488,881	303,481	297,714
Non-controlling interests		310,357	279,274	0	0
Total equity		808,731	768,155	303,481	297,714

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

Non-current liabilities					
Long-term loans	4,12	1,446,950	1,232,574	291,621	113,216
Loans from finance leases	4,12	9,198	11,692	0	0
Liabilities from financial instruments	16	135,904	134,263	0	0
Other long-term liabilities		222,275	320,583	12,546	12,102
Other provisions	13	34,889	33,665	0	0
Provisions for staff leaving indemnities		7,973	7,780	89	81
Grants	14	165,029	164,211	0	0
Liabilities from derivatives	15	176,532	200,975	0	0
Deferred tax liabilities		42,392	40,326	6,477	6,555
Total non-current liabilities		2,241,142	2,146,069	310,733	131,954
Current liabilities					
Suppliers		276,353	243,239	3,445	7,052
Short term loans	4,12	116,226	112,484	0	0
Long term liabilities payable during the next financial year	4,12	175,764	369,555	17,833	126,553
Liabilities from contracts with customers		251,925	314,435	0	986
Liabilities from financial instruments	16	24,359	25,107	7	0
Accrued and other short term liabilities		100,094	108,189	15,122	16.359
Short-term part of liabilities from derivatives		21,905	0	0	0
Income tax payable		12,257	6,522	1,029	940
Total current liabilities		978,883	1,179,531	37,436	151,890
Total Liabilities		3,220,025	3,325,600	348,168	283,844
TOTAL EQUITY AND LIABILITIES		4,028,756	4,093,755	651,650	581,558

* The Group and the Company did not proceed with any adjustment of the comparative amounts of the fiscal year 2017 during the adoption of IFRS 9 and IFRS 15 and recognized their aggregate effect in the account "retained earnings" (note 2e). For comparability purposes there were reclassifications of items that are described in note 2 e.

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

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

STATEMENT OF COMPREHENSIVE INCOME

	Note	GROUP		COMPANY	
		1.1 – 30.06. 2018	1.1 – 30.06. 2017(*)	1.1 – 30.06. 2018	1.1 – 30.06. 2017(*)
Profit and Loss					
Continued operations					
Revenues	4	683,190	604,628	3,581	5,341
Cost of sales		(561,916)	(470,733)	(2,502)	(4,017)
Gross profit		121,274	133,895	1,079	1,324
Administrative and distribution expenses		(31,497)	(19,018)	(5,106)	(795)
Research and development expenses		(1,243)	(854)	0	0
Other income/(expenses)	19	(3,012)	(6,635)	10	(512)
Net financial income/(expenses)	4	(52,655)	(28,122)	(3,032)	(3,331)
Income/(losses) from participations		998	1,730	12,417	8,226
Profit / (loss) from sale of participations and securities		(804)	1	(240)	0
Profit / (loss) from valuation of participations and securities		(232)	23	(804)	(4,388)
Profit / (loss) from associates consolidated with the equity method	7	64	(846)	0	0
Profit / (loss) from joint ventures consolidated with the equity method	8	(883)	350	0	0
EARNINGS BEFORE TAXES	4	32,010	80,524	4,324	524
Income tax	4,18	(11,271)	(38,369)	(1,411)	(129)
Net Earnings/(losses) from continued operations		20,739	42,155	2,913	395
Discontinued operations					
Earnings from discontinued operations after income tax		0	0	0	0
Net Earnings / (Losses)	4	20,739	42,155	2,913	14,230
Other Comprehensive Income/(Expenses)					
<i>a) Amounts which are reclassified to Income Statement of subsequent periods</i>					
Measurement of investments available for sale		0	5,434	0	5,434
Proportion in Other comprehensive income of joint ventures	8	7	1,258	0	0
Proportion in Other comprehensive income of associates	7	0	0	0	0
Valuation of cash flow hedging contracts		2,379	1,867	0	0
Translation differences from incorporation of foreign entities		(1,412)	550	0	0
Share capital expenses		(1,454)	(241)	0	0
Reclassification of impairment losses from items available for sale		0	0	0	0
Tax corresponding to the above results		(684)	(2,548)	0	(1,576)
		(1,164)	6,320	0	3,858
<i>b) Amounts which are not reclassified to Income Statement of subsequent periods</i>					
Actuarial gains/(losses) on defined benefit pension plan		0	0	0	0
Net Other Comprehensive Income		(1,164)	6,320	0	3,858
TOTAL COMPREHENSIVE INCOME		19,575	48,475	2,913	4,253

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

Net earnings/(losses) attributed to:			
Owners of the parent from continued operations, Basic	17	7,920	35,582
Non-controlling interests from continued operations		12,819	6,573
Total comprehensive income/(losses) attributed to:			
Owners of the parent from continued operations		7,894	41,218
Non-controlling interests from continued operations		11,681	7,257
Basic Earnings/(losses) per share (in Euro)	17	0.0809	0.3638
Diluted Earnings/(losses) per share (in Euro)	17	0.0809	0.3638

* The Group and the Company did not proceed with any adjustment of the comparative amounts of the semiannual period of 2017 during the adoption of IFRS 9 and IFRS 15 and they recognized their aggregate effect in the account "retained earnings" on 01/01/2018 (note 2e).

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

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

	Note	GROUP		COMPANY	
		1.1 – 30.06 2018	1.1 – 30.06 2017	1.1 – 30.06 2018	1.1 – 30.06 2017
STATEMENT OF CASH FLOWS					
Cash flows from operating activities					
Profit before tax	4	32,010	80,524	4,324	524
<i>Adjustments for the agreement of the net flows from the operating activities</i>					
Depreciation	4,5	54,934	42,339	215	206
Grants amortization	4,14,19	(4,019)	(5,580)	0	0
Provisions		2,406	1,107	8	4
Impairments		3,283	9,557	9	4,411
Impairments of liabilities		(1)	(14)	0	0
Interest and related revenue	4	(4,574)	(5,155)	(4,946)	(2,596)
Interest and other financial expenses	4	63,760	33,688	7,978	5,926
Results from derivatives		(6,531)	(317)	0	0
Results from associates and joint ventures		819	496	0	0
Results from participations and securities		37	(1,756)	11,774	(8,249)
Results from investment property		(136)	860	0	550
Results from fixed assets		635	(226)	0	0
Foreign exchange differences		(1,022)	6,417	0	0
Other adjustments		2,551	0	2,551	0
Operating profit before changes in working capital		142,882	161,940	1,636	776
(Increase)/Decrease in:					
Inventories		(3,022)	(47)	(340)	(79)
Trade receivables		(13,557)	17,193	(1,752)	(2,387)
Investment property as main activity		(985)	(7,675)	0	0
Prepayments and other short term receivables		45,771	(2,764)	(16,297)	(5,766)
Increase/(Decrease) in:					
Suppliers		(19,878)	(3,629)	(3,354)	(166)
Accruals and other short term liabilities		(63,854)	(85,716)	(270)	(885)
Collection / (rebate) of grants	14	(16,012)	(1,070)	0	0
Other long-term receivables and liabilities		(122,536)	(15,190)	1,517	0
Income tax payments		(11,628)	(12,484)	(74)	(137)
Operating cash flows from discontinued operations		0	0	0	0
Net cash flows from operating activities		(62,819)	50,558	(22,206)	(8,644)
Cash flows from investing activities					
(Purchases) / Sales of fixed assets		(41,383)	(73,547)	(15)	(61)
(Purchases) / Sales of investment property		0	0	0	0
Interest and related income received		5,792	1,353	9,651	1
(Purchases) / sales of participations and securities		357	(179)	386	4,578
Initial cash reserves of companies which were purchased or in which the proportional share of consolidation was decreased		0	0	0	0
Receipts of Dividends		998	947	3,207	7,165
Returns/(Receipts) of Loans		0	0	(19,970)	0
Net cash flows for investing activities		(34,236)	(71,426)	(6,741)	11,683

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

Cash flows from financing activities					
Change in share capital of parent		0	0	0	0
Receipts from bond loan mandatorily convertible into shares		0	0	0	0
Receipts/(payments) from increase/(decrease) of share capital from subsidiaries		39,871	(3,013)	(3,348)	0
Purchase of own shares		(80)	(1,169)	(80)	(1,169)
Net change of short-term loans		13,784	38,069	0	0
Net change of long-term loans		8,700	39,424	67,125	2,000
Payments for financial leases		(2,738)	(2,388)	0	0
Dividends paid		(3,028)	(5,709)	0	0
Interest and related expenses paid		(51,537)	(31,814)	(5,196)	(4,007)
Payments for financial instruments		(3,599)	(894)	0	0
Change of other financial assets		0	0	0	0
Financing cash flows from discontinued operations		0	0	0	0
Net cash flows from financing activities		1,373	32,506	58,501	(3,176)
Effect of foreign exchange differences in cash		479	(3,381)	0	0
Net increase /(decrease) of cash and cash equivalents from continued operations		(95,203)	8,257	29,555	(137)
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	4	642,227	621,003	10,998	4,771
Cash and cash equivalents at the end of the year from continued operations	4	547,024	629,260	40,553	4,634
Cash and cash equivalents at the end of the year from discontinued operations		0	0	0	0

* The Group's operating cash flows for the six-month period ended 30/06/2018 are negative by € 62.8 million. This is mainly due to the amortization of advance payments for construction contracts received in previous periods.

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

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

STATEMENT OF CHANGES IN EQUITY OF THE COMPANY	Share capital	Share premium	Reserves	Retained earnings	Total
Balance 31/12/2017	58,951	202,774	68,549	(32,560)	297,714
Change in accounting policy (note 2 e)	0	0	(393)	7	(387)
Restated balances 1/1/2018	58,951	202,774	68,156	(32,553)	297,327
Total comprehensive income for the year	0	0	0	2,913	2,913
Share capital issuance	0	0	0	0	0
Dividends	0	0	0	0	0
Purchase of treasury shares	0	0	(80)	0	(80)
Allocation of treasury shares	0	0	3,321	0	3,321
Formation of reserves / Transfers	0	0	33,044	(33,044)	0
30th June 2018	58,951	202,774	104,440	(62,684)	303,481
1st January 2017	58,951	202,774	57,313	(30,336)	288,702
Total comprehensive income for the year	0	0	3,858	395	4,253
Share capital issuance	0	0	0	0	0
Dividends	0	0	0	0	0
Purchase of treasury shares	0	0	(1,169)	0	(1,169)
Allocation of treasury shares	0	0	0	0	0
Formation of reserves / Transfers	0	0	0	0	0
30th June 2017	58,951	202,774	60,002	(29,941)	291,786

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

STATEMENT OF CHANGES IN EQUITY OF THE GROUP	Share capital	Share premium	Reserves	Retained earnings	Sub-Total	Non-Controlling Interest	Total
Balance 31/12/2017	58,951	381,283	243.935	(195.288)	488,881	279,274	768,155
Change in accounting policy (note 2 e)	0	0	(393)	(4.468)	(4,861)	0	(4,861)
Restated balances 1/1/2018	58,951	381,283	243.542	(199.756)	484,020	279,274	763,294
Total comprehensive income for the year	0	0	(26)	7,920	7,894	11,681	19,575
Share capital issuance	0	0	0	0	0	0	0
Dividends	0	0	0	0	0	(2.897)	(2.897)
Purchase of treasury shares	0	0	(80)	0	(80)	0	(80)
Redemption of treasury shares	0	0	3,321	0	3,321	0	3,321
Change in interest of consolidated subsidiary	0	0	0	3,219	3,219	(3,470)	(251)
Share capital increase of subsidiary	0	0	0	0	0	41,325	41,325
Formation of reserves	0	0	193,358	(193,358)	0	0	0
Distribution of reserves	0	0	0	0	0	(15,556)	(15,556)
Transfers / other movements	0	0	0	0	0	0	0
30th June 2018	58,951	381,283	440,115	(381,975)	498,374	310,357	808,731

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

1st January 2017	58,951	381,283	199,327	(255,712)	383,849	214,656	598,505
Total comprehensive income for the year	0	0	5,636	35,582	41,218	7,257	48,475
Share capital issuance	0	0	0	0	0	0	0
Dividends	0	0	0	0	0	(6,359)	(6,359)
Purchase of treasury shares	0	0	(1,169)	0	(1,169)	0	(1,169)
Change in interest of consolidated subsidiary	0	0	43	0	43	(456)	(413)
Share capital increase of subsidiary	0	0	0	0	0	119	119
Formation of reserves	0	0	2,283	(2,283)	0	(3,305)	(3,305)
Distribution of reserves	0	0	0	0	0	0	0
Transfers / other movements	0	0	0	0	0	0	0
30th June 2017	58,951	381,283	206,120	222,413	423,941	211,912	635,853

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

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: +30 210-6968200), 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.

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

Thus the share capital amounts to euro 48,953,132.16 divided into 85,882,688 common registered shares, with a nominal value of 0.57 euro each.

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

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

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.

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

The Group is also active in the production of quarry products and magnesia through its subsidiary TERNA SA and in the exploitation of whitewash mines through the rights held by its subsidiary TERNA MAG SA

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.

The interim financial statements for the period ended 30/06/2018 were approved by the BOD on 28th of September 2018.

2. BASIS FOR THE PRESENTATION OF THE FINANCIAL STATEMENTS

a) Basis for the Preparation of the financial statements

Compliance Statement

The accompanying separate and consolidated financial statements have been prepared according to the historic cost principal, except for investment property, financial derivatives the financial assets at fair value through Statement of Comprehensive Income.

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

The financial statements do not include all the information and notes required in the annual financial statements and should be read in conjunction with the financial statements of the Group and the Company as of 31 December 2017. Nevertheless, the financial statements include selected notes for explanation of events and transactions that are important to understand the changes in the financial position of the Group and the Company in relation to the latest published annual financial statements.

Presentation currency

The presentation currency is the Euro (the currency of the Country where the Group's headquarters are located) and all amounts are in thousand Euro, unless otherwise stated.

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

Comparability

The comparative figures of the Group and Company Financial Position of 31/12/2017 have been restated in order to present certain accounts reclassifications. These reclassifications were made for presentation purposes and had no impact on equity, non-controlling interests, turnover, profits after tax and the cash flows of the Group and the Company (please refer to Note 2e).

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 2017, except for the adoption of the new standards and the amendments of several standards, whose application is mandatory in the European Union for periods beginning on 1 January 2018.

Therefore, from January, 1 2018 the Group and the Company adopted specific amendments of standards as follows:

New Standards, Interpretations, Revisions and Amendments of existing Standards mandatory for the fiscal year 2018

The following amendments to Standards have been issued by the International Accounting Standards Board (IASB), have been adopted by the European Union and are mandatory since 01/01/2018 or later.

IFRS 9 "Financial Instruments"

On 24 July 2014, the Council adopted the final version of IFRS 9, which includes classification and measurement, impairment and hedge accounting. The standard replaces IAS 39 and all previous versions of IFRS 9. The changes made in the new standard include the creation of a logical model for classifying and measuring financial assets and financial liabilities, a single proactive model "expected damage" impairment, and also a fundamentally reformed approach to hedge accounting. The Group applied the modified retrospective method, namely the impact of the transition cumulatively recognized in "Retained earnings" at 01.01.2018 and comparative figures are not modified. The effect from the application on the Group and the Company is described in Note 2e.

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

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

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 adopted by the European Union on 22 September 2016. The Group finalized the relative impact on the Financial Statements and adopted the modified method retrospectively, i.e. the effect from the transition was recognized cumulatively in Retained Earnings, while the comparative amounts were not be modified. Detailed reference, is presented in Note 2e.

IFRS 4 (Amendment) "Applying IFRS 9 with IFRS 4"

The Board issued on 12 September 2013 amendments to IFRS 4 in order 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. From the adoption of this IFRS there was no impact on the Group's and Company's Financial Statements.

Clarifications to IFRS 15 "Revenue from Contracts with Customers"

In 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 been adopted by the European Union. Detailed reference, is presented in Note 2e.

New Standards, Interpretations, Revisions and Amendments to Existing Standards that have not yet entered into force or have not been adopted by the European Union for financial statements beginning after 1 January 2018

The following new standards, amendments to standards and interpretations have been issued but are mandatory for subsequent periods or are expected to be adopted by the European Union. The Company and the Group have not applied the following standards earlier and are studying their impact on the financial statements.

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. With regards to 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, it has been approved by the European Union and the Groups in the process of finalizing its impact on the Financial Statements. The Group does not intend to adopt the Standard before the date of its mandatory application and expects to complete the impact assessment of its application over the coming months.

IFRS 17 "Insurance Contracts"

On 18th of May 2017, the International Accounting Standards Board issued a new Standard, IFRS 17, replacing an interim Standard, IFRS 4. It is applied on annual periods that begin on or after 01/01/2021. The IASB's aim was to develop a single principle-based Standard for the accounting treatment of all types of insurance contracts, including reinsurance contracts held by an insurer. A single Standard based on principles will enhance the comparability of the financial reporting between economic entities, jurisdictions and capital markets. IFRS 17 specifies the requirements that an entity should apply on financial reporting that is related to insurance contracts that it issues and reinsurance contracts that it holds. The Group will examine the impact of all of the above on its Financial Statements, although it is not expected to have a material effect. The above has not been adopted by the European Union.

IFRS 2 (Amendment) "Share-based Payments- Classification and measurement of share-based payment transactions"

The amendment 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 was approved by the European Union on 27th of February 2018.

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.

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

The amendment is applicable for annual periods beginning on or after 1 January 2018 and was adopted by the European Union on the 15th of March 2018.

IFRIC 22 Interpretation "Foreign currency transactions and Advances 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 was adopted by the European Union on the 3rd of April 2018.

IFRIC 23 "Uncertainty regarding the Treatment of Income Tax"

On 7th June 2017, the International Accounting Standards Board issued a new Interpretation of IFRIC 23. It is effective for annual periods beginning on or after 01/01/2019. IAS 12 "Income Tax" specifies the accounting treatment of current and deferred tax, but it does not specify the way through which the effects of the uncertainty will be reflected. IFRIC 23 includes the additional to IAS 12 requirements, specifying the way through which the effects of uncertainty will be reflected on the accounting treatment of income tax. The Group will examine the impact of all of the above on its Financial Statements, although it is not expected to have a material effect. The above have not been adopted by the European Union.

Amendments to IFRS 9 "Prepayment accounts with negative returns" (effective for annual periods beginning on or after 01/01/2019)

In October 2017, the International Accounting Standards Board issued limited-purpose amendments to IFRS 9. Based on the existing requirements of IFRS 9, an entity would measure a financial asset with negative return on fair value through profit or loss, as the "negative return" characteristic could be considered as generating potential cash flows that are not only composed of capital and interest payments. Under the amendments, entities may measure specific prepaid financial assets with a negative return on amortized cost or at fair value through other comprehensive income, provided that a specific condition is met. The Group will examine the impact of all of the above in its Financial Statements, although it is not expected to have any. These have been adopted by the European Union and entered into force on 01/01/2019.

Amendments to IAS 28 "Investments in Associates and Joint Ventures" (effective for annual periods beginning on or after 01/01/2019)

In October 2017, the International Accounting Standards Board issued limited-purpose amendments to IAS 28.

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

The purpose of these amendments is to provide clarifications on the accounting treatment of long-term participations in an associate or joint venture - to which it does not apply the equity method - under IFRS 9. The Group will examine the impact of all of the above in its Financial Statements. These have not been adopted by the European Union.

Annual Improvements to IFRSs, 2014-2016 Cycle

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

Annual Improvements to IFRSs - Cycle 2015-2017

In December 2017, the International Accounting Standards Board issued the "Annual Improvements to IFRSs - Cycle 2015-2017", which consists of a series of amendments to certain Standards and is part of the program for annual improvements to IFRSs. The modifications included in this circle are as follows:

IFRS 3 - IFRS 11: Participation rights previously held by the acquirer in a joint venture,

IAS 12: Impact on income tax from payments for financial instruments classified as equity

IAS 23: Borrowing costs eligible for capitalization. The amendments shall be applied for annual periods beginning on or after 1 January 2019.

These have not been adopted by the European Union. The Group examines their possible impact on the financial statements.

Amendments to IAS 19: "Modification, Curtailment or Settlement of a Defined Benefit Plan"

In February 2018, the International Accounting Standards Board issued limited-purpose amendments to IAS 19, under which an entity is required to use updated actuarial assumptions when determining current service cost and net interest for the remaining period after the modification, curtailment or settlement of a defined benefit plan. The purpose of these amendments is to enhance the understanding of the financial statements and to provide more useful information to those users.

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

The Group will examine the impact of all of the above in its Financial Statements, although it is not expected to have any. The amendment is effective for annual periods beginning on or after 01/01/2019. These have not been adopted by the European Union.

Revision of the Conceptual Framework of Financial Reporting

In March 2018, the International Accounting Standards Board revised the Conceptual Framework of Financial Reporting, which was to incorporate important issues that were not covered, as well as updating and clarifying with regard to specific guidance. The revised Financial Reporting Conceptual Framework contains a new chapter with regards to the Measurement which analyzes the measurement concept, including factors to be taken into account when choosing a measurement basis, issues relating to presentation and disclosure in the Financial Statements and guidance regarding the de-recognition of assets and liabilities from the Financial Statements. Furthermore, the revised Financial Reporting Conceptual Framework contains improved definitions of assets and liabilities, guidance to help implement these definitions, updating the criteria for recognizing assets and liabilities, as well as clarifying significant such as management roles, conservatism, and uncertainty when measuring financial information. The Group will examine the impact of all of the above in its Financial Statements, although it is not expected to have any. The review is effective for annual periods beginning on or after 01/01/2020. These have not been adopted by the European Union. The revision is effective for annual periods beginning on or after 01/01/2020. These have not been adopted by the European Union.

c) Use of Estimates

The preparation of the interim financial statements requires the implementation of estimations and assumptions that affect the application of the accounting principles and the carrying amounts of assets and liabilities, income and expenses. For the preparation of these Financial Statements, the significant accounting estimates and judgments adopted by the Management for the application of the Group's accounting policies are consistent with those applied in the annual financial statements of 31 December 2017.

Also, the main sources of uncertainty that existed in the preparation of the Financial Statements of 31 December 2017 remained the same for the six-month interim Financial Statements for the period ended on 30 June 2018.

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.

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.

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

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.

e) Changes in Accounting Policies

IFRS 15 "Revenue from Contracts with Customers"

IAS 11 "Construction Contracts", IAS 18 "Revenue" and all Interpretations relating to income from contracts with customers are replaced by IFRS 15, unless such contract revenue falls under the scope of other standards.

The Group and the Company have applied the new Standard from 01/01/2018 retrospectively, with the cumulative effect of the initial application being recognized in the account of "Retained earnings" on the date of initial application, ie on 01/01/2018. without revising the comparative information of previous years. However, the Group and the Company had no impact on retained earnings thus no adjustment was required for the retained earnings account. The only changes that arose concerned reclassifications of the Statement of Financial Position, whereby the published financial statements of 31/12/2017 were restated for comparability and fair presentation purposes (please refer to note 2e).

Under IFRS 15, a five-step model for determining contract revenue with customers is established:

1. Determination of the contract (s) with the customer.
2. Determination of execution obligations.
3. Determination of the transaction price
4. Allocation of the transaction price to contract execution obligations.
5. Recognition of income when an entity fulfills an obligation to execute.

Revenue is recognized in the amount by which an entity expects to have in exchange for the transfer of the goods or services to a counterparty.

When awarding a contract to this standard, account shall be taken of the additional costs and direct costs incurred in completing this contract.

The Group and the Company had no impact on the "Retained earnings" account in the first IFRS 15 adoption, except for certain reclassifications between the accounts of the Statement of Financial Position, which are presented below

Revenue is defined as the amount an entity expects to be entitled to in exchange for the goods or services it has transferred to a client. If the promised consideration in a contract includes a variable amount, the entity estimates the amount of consideration that would be entitled to the transfer of the promised goods or services to the client. The amount of the consideration may vary due to discounts, price subsidies, refunds, credits, price reductions, incentives, additional performance benefits, penalties or other similar elements. The promising consideration may also change if an entity's entitlement to the consideration depends on the occurrence or non-occurrence of a future event. For example, a consideration amount will be variable if the product has been sold with a refund or if a fixed amount promise has been given as an additional benefit to achieve a specific milestone.

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

The volatility associated with the consideration promised by a client may be explicitly stated in the contract.

An entity shall measure the amount of the variable consideration using one of the following methods, whichever method it considers best suited for the amount of consideration to which it will be entitled:

- a) Estimated value - the estimated value is equal to the sum of the probability-weighted amounts in a range of possible consideration amounts. Estimated value is an appropriate estimate of the variable amount if the entity has a large number of contracts with similar characteristics.
- b) The most probable amount - the most probable amount is the only most probable amount in a range of possible consideration amounts (i.e. the only likely outcome of the contract). The most probable amount is an appropriate estimate of the variable amount if the contract has only two possible outcomes (for example, the entity provides additional performance or not).

The Group and the Company recognize revenue when it satisfies the performance of the contractual obligation by transferring the goods or services on the basis of this obligation. Acquisition of control by the client occurs when it has the ability to direct the use and to derive virtually all the economic benefits from this good or service. Control is passed over a period or at a specific time. Revenue from the sale of goods is recognized when the goods are transferred to the customer, usually upon delivery to the customer, and there is no obligation that could affect the acceptance of the good by the customer.

Revenue from the provision of services is recognized in the accounting period in which the services are provided and measured according to the nature of the services to be provided. The customer requirement is recognized when there is an unconditional right for the entity to receive the consideration for the contractual obligations performed to the customer.

A conventional asset is recognized when the Group or the Company has satisfied its obligations to the counterparty before it pays or before the payment is due, for example when the goods or services are transferred to the customer prior to the right of the Group or the Company to issue an invoice.

The contractual obligation is recognized when the Group or the Company receives a consideration from the counterparty as an advance or when it reserves the right to a consideration which is deferred prior to the performance of the obligations of the contract and the transfer of the goods or services. The contractual obligation is recognized when the contract obligations are met and the revenue is recorded in the income statement.

IFRS 9 "Financial Instruments"

IFRS 9 "Financial Instruments", which was adopted in its final version in July 2014 by the International Accounting Standards Board (IASB) and the amendment "Prepayments with negative compensation" issued by the IASB in October 2017, will be applied by the Group from 1 January 2018 and onwards.

IFRS 9 replaces IAS 39 "Financial Instruments: Recognition and Measurement". IFRS 9 includes the revised requirements regarding (a) the classification and measurement of financial assets and liabilities, (b) the impairment of financial assets and (c) hedge accounting.

The Group and the Company have applied the new Standard from 01/01/2018 retrospectively, without revising the comparative information of previous years. As a result, the adjustments resulting from the new classification and the new impairment rules were not depicted in the Statement of Financial Position as at 31/12/2017 but were recognized in the statement of financial position as at 01/01/2018.

Classification and measurement of financial assets

IFRS 9 sets out a new approach for all financial assets according to which the classification and measurement of these assets is based on the business model used by the entity to manage them and the characteristics of their contractual cash flows.

According to IFRS 9, financial assets are classified in one of the following three categories: at amortized cost, at fair value through other results directly in equity and at fair value through profit or loss results. The Standard removes the existing categories of IAS 39, i.e. the held-to-maturity investments, loans and receivables, and available-for-sale financial assets.

Financial assets will be measured at amortized cost if they are held as part of a business model whose objective is to hold the financial assets in order to collect their contractual cash flows and these contractual cash flows relate exclusively to capital payments and interest payments (solely payments of principle and interest – SPPI). Financial assets will be measured at fair value through other results directly in equity if they are held as part of a business model whose objective is both the collection of contractual cash flows and the sale of financial assets and those contractual cash flows relate exclusively to capital and interest payments. In any other case, financial assets will be measured at fair value through profit or loss results.

An entity may, at its initial recognition, determine a financial asset as measured at fair value through profit or loss results if it eliminates or significantly reduces an accounting discrepancy. In addition, at initial recognition, an entity may irrevocably choose to disclose to other earnings directly in equity the subsequent changes in the fair value of an equity investment that is not for trading. This option is made for each equity instrument separately.

In accordance with IFRS 9, the separation of an embedded derivative from its main contract does not apply when the master contract is a financial asset that is within the scope of the standard. Instead, the classification for the hybrid financial instrument will be evaluated in its entirety.

IFRS 9 retains most of the existing requirements in respect of financial liabilities. However, for financial liabilities measured at fair value through profit or loss, gains or losses attributable to changes in their credit risk should be presented at fair value through other results directly in equity and not subsequently transferred to profit or loss, unless such presentation creates or magnifies an accounting inconsistency. Under IFRS 9, all changes in the fair value of financial liabilities that are measured at fair value through profit or loss are recognized in the income statement unless such treatment creates or expands accounting discrepancy.

The Group conducted the analysis of the portfolio of financial assets for the purpose of their assessment as of:

- a. If the cash flows from each financial asset relate exclusively to capital payments and interest payments on the default dates of the contracts (only payments of principle and interest (SPPI))
- b. If the purpose of the business model for each financial asset portfolio is achieved by retaining them for the exclusive collection of their contractual flows or for selling them or for both.

This assessment shall be based on the facts and circumstances prevailing on the date of initial application, i.e. on the 1st of January 2018.

On the basis of the analysis carried out, the Group is expected to apply the following classification and measurement of the existing portfolio of financial assets within the scope of IFRS 9 as follows:

- Financial assets (other equity investments) that the Group had classified as available-for-sale under IAS 39 are now classified as Other Equity Investments and will be measured at fair value through the Statement of Other Comprehensive Income. Changes in the valuation of Other Equity Investments are included in items that will not be classified in the income statement in the future. IFRS 9 allows entities to irrevocably choose to measure an equity investment that is not held for trading at fair value through other comprehensive income.

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

• Financial assets at fair value through the statement of comprehensive income include other equity investments that the Group has not irrevocably chosen to classify in the Statement of Comprehensive Income when initially recognized or transferred. This category also includes securities whose cash flows do not meet the SPI criterion or the Group does not own them in a business model for the purpose of collecting contractual cash flows or collecting cash from their sale. The gain or loss on financial assets at fair value through comprehensive income is recognized in the income statement.

* Financial assets in discounted cost. Are classified the Financial Assets kept within the scope of Business model for perpetual ownership and collection of contractual cash flows. In this category being recorded all group financial assets apart from other equity investments.

Impairment of financial assets

The adoption of IFRS 9 led to a change in the accounting treatment of impairment losses of financial assets, as it replaced the treatment of IAS 39 for recognizing realized losses with the recognition of expected credit losses.

Impairment is defined in IFRS 9 as an Expected Credit Loss (ECL), which is the difference between the contractual cash flows attributable to the holder of a specific financial asset and the cash flows expected to be recovered, that is the cash deficits arising from default events, discounted approximately to the original effective interest rate of the asset.

Under the general approach, impairment is defined as:

- (a) the expected credit loss over the next twelve months for servicing exposures without significant credit risk increase (Stage 1)
- (b) the expected credit loss up to the remaining life of the financial instrument for serviced exposures for which credit risk has increased significantly since their initial recognition (Stage 2)
- (c) the expected credit loss over the total remaining life of the financial instrument for non-performing exposures (Stage 3)

The Group applies the simplified approach of IFRS 9 for the calculation of expected credit losses, according to which the provision for impairment is always measured at an amount equal to the expected credit losses over the life of the financial asset (other receivables and receivables from contracts with customers). In determining the expected credit losses in relation to the aforementioned claims, the Group utilizes a forecast table with aging of receivables based on the Group's historical data of for credit loss allowances, adjusted for future factors in relation to the debtors and the financial environment.

The new IFRS 9 requirements were applied retrospectively by adjusting the Group's and Company's Income Statement at the transition date (ie January 1, 2018). In particular, the Group has applied the exemption allowing for the non-re-pricing of the comparative figures for the previous periods. Consequently, the provision for impairment for the Group and the Company increased by € 4.861 and 387 respectively on 01/01/2018, with corresponding adjustment of the "Retained earnings / losses" account.

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

Classification and measurement of financial liabilities

None of the Group's financial liabilities are held for trading purposes. The Group did not opt, as permitted by IFRS 9, to determine whether any financial liabilities arising on or after 1 January 2018 at their initial recognition should be measured at fair value through profit or loss. Consequently, all the Group's financial liabilities are measured at amortized cost and there was no impact from the adoption of the new classification and measurement rules in accordance with IFRS 9.

Hedging accounting

At the date of the initial adoption of the Standard, all existing Group hedging relationships can be classified as continuing and therefore the application of the new Standard did not have significant impact on the financial statements. The Group's risk management policies are in line with the requirements of the new Standard and hedge accounting continues to apply

Impact on Financial Statements from the application of new Standards

As a result of the accounting policies changes described above, the published on 31/12/2017 Statement of Financial Position of the Group and the Company as it was previously published should be restated for comparability purposes. More specifically, the comparative figures of the Group and Company's Financial Position on 31/12/2017 have been restated by the effect of IFRS 15 in order to present certain reclassifications. These reclassifications were made for presentation purposes and had no impact on equity, non-controlling interests, turnover, earnings after taxes and cash flows of the Group and the Company. With respect to IFRS 9, the Group and the Company have applied the new Standard from 01/01/2018 retrospectively, without restating comparative information from previous years. As a result, the adjustments that resulted from the new classification of financial assets and the new impairment rules do not appear in the Statement of Financial Position as at 31/12/2017 but were recognized in the statement of financial position as at 01/01/2018.

The effect of the changes from the classification and impairment on the net position of the Group and the Company is as follows:

	Resettlement Reserve		Remaining earnings	
	Group	Εταιρία	Group	Company
Balance at 31.12.2017 IAS 39	243.935	68.549	(195.288)	(32.560)
Reclassification of Reserves	(393)	(393)	393	393
Effect of consolidation related to the equity method	0	0	(1.222)	0
Impact of impairment of long-term loans (General approach)	0	0	(124)	0
Impact of impairment on other short-term receivables (General Approach)	0	0	(94)	(94)
Impact of Impairment of Construction Contracts (Simplified Approach))	0	0	65	0
Impact of impairment of trade receivables (simplified approach)	0	0	(2.278)	(292)

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

Impact of impairment Other financial claims (simplified approach)	0	0	(1.207)	0
Adjustments to Retained Earnings from the adoption of IFRS 9 on 1 January 2018	(393)	(393)	(4.468)	7
Revalued balance 1/1/2018 - IFRS 9	243.542	68.156	(199.756)	(32.553)

The Group and the Company did not proceed into any restatement of the comparative amounts of 2017 during the adoption of IFRS 9 and IFRS 15, and recognized their entire effect in the item of “retained earnings”. For comparability purposes, reclassifications were made in the comparative amounts of the Statement of Financial Position. The following table summarizes the reclassifications and adjustments made for each item of the Statement of Financial Position as of 31/12/2017.

Group

PUBLISHED 31/12/2017	RECLASSIFICATIONS IFRS 15	RESTATED 31/12/17	RECLASSIFICATIONS IFRS 9	ADJUSTMENTS IFRS 9	RESTATED 01/01/2018
ASSETS					
Non-current assets are not available					
Non-current assets		3.183			3.183
Goodwill		838.508			838.508
Intangible fixed assets		1.246.267			1.246.267
Tangible fixed assets		113.705			113.705
Investment property		0			0
Participations in subsidiaries		4.873			4.873
Participations in associates		49.834		(1.222)	48.612
Other equity investments		47.461			47.461
Other investments		182.091			182.091
Receivables from derivatives		26.463			26.463
Financial Assets - Concessions		81.416		(124)	81.292
Other long-term assets		86.193			86.193
Total non-current assets	0	2.679.994	0	(1.346)	2.678.648
Current assets					
Inventories		54.365			54.365
Trade receivables		193.143		(2.279)	190.864
Non-invoiced revenues from contracts with customers	151.366	151.366		65	151.431
Receivables from construction contracts	(151.366)	0			0
Advances and other receivables		318.568		(1.301)	317.267
Income tax receivables		48.897			48.897
Financial assets at fair value through profit or loss		3.069	2.126		5.195
Investments Available for Sale		2.126	(2.126)		(0)
Cash and cash equivalents		642.227			642.227
Total current assets	0	1.413.761	0	(3.515)	1.410.246
Investments held for trading purposes		0			0

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

PUBLISHED 31/12/2017	RECLASSIFICATIONS IFRS 15	RESTATED 31/12/17	RECLASSIFICATIONS IFRS 9	ADJUSTMENTS IFRS 9	RESTATED 01/01/2018
Investments Available for Sale					
TOTAL ASSETS	4.093.755	4.093.755	0	(4.861)	4.088.894
EQUITY AND LIABILITIES					
Share capital	58.951	58.951			58.951
Share premium account	381.283	381.283			381.283
Reserves	243.935	243.935	(393)		243.542
Profit / (loss) carried forward	(195.288)	(195.288)	393	(4.861)	(199.756)
	488.881	488.881	0	(4.861)	484.020
Non-controlling interests	279.274	279.274			279.274
Total equity	768.155	768.155	0	(4.861)	763.294
Non-current liabilities					
Long-term loans	1.232.574	1.232.574			1.232.574
Loans from finance leases	11.692	11.692			11.692
Provisions for staff leaving indemnities	7.780	7.780			7.780
Other provisions	33.665	33.665			33.665
Grants	164.211	164.211			164.211
Liabilities from derivatives	200.975	200.975			200.975
Other long-term liabilities	320.583	320.583			320.583
Long-term liabilities from financial instruments	134.263	134.263			134.263
Deferred tax liabilities	40.326	40.326			40.326
Total non-current liabilities	2.146.069	2.146.069	0	0	2.146.069
Current liabilities					
Suppliers	243.239	243.239			243.239
Short term loans	112.484	112.484			112.484
Long term liabilities payable during the next financial year	369.555	369.555			369.555
Long-term liabilities from financial instruments payable in the following fiscal year	25.107	25.107			25.107
Liabilities from contracts with customers		314.435			314.435
Liabilities from construction contracts	179.467	0	(179.467)		0
Accrued and other short term liabilities	243.157	108.189	(134.968)		108.189
Short-term part of liabilities from derivatives	0	0			0
Income tax payable	6.522	6.522			6.522
Total current liabilities	1.179.531	1.179.531	0	0	1.179.531
Liabilities directly related to the non-current items held for sale	0				0
Total Liabilities	3.325.600	3.325.600	0	0	3.330.247
TOTAL EQUITY AND LIABILITIES	4.093.755	4.093.755	0	(4.861)	4.088.894

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

Company

PUBLISHED 31/12/2017	RECLASSIFICATIONS IFRS 15	RESTATE 31/12/17	RECLASSIFICATIONS IFRS 9	ADJUSTMENTS IFRS 9	RESTATE 01/01/2018
ASSETS					
Non-current assets					
Goodwill		0			0
Intangible fixed assets	106	106			106
Tangible fixed assets	9.475	9.475			9.475
Investment property	12.810	12.810			12.810
Participations in subsidiaries	346.137	346.137			346.137
Participations in associates	4.741	4.741			4.741
Other Equity Investments	7.320	7.320			7.320
Other investments	47.442	47.442			47.442
Receivables from derivatives		0			0
Financial Assets - Concessions		0			0
Other long-term assets	114.034	114.034			114.034
Deferred Tax Assets	0	0			0
Total non-current assets	542.065	542.065	0	0	542.065
Current assets					
Inventories	5.658	5.658			5.658
Trade receivables	8.219	8.219		(292)	7.927
Non-invoiced revenues from contracts with customers		0			0
Receivables from construction contracts	0	0			0
Advances and other receivables	7.203	7.203		(94)	7.109
Income tax receivables	2.219	2.219			2.219
Financial assets at fair value through profit or loss	3.070	3.070	2.126		5.196
Investments Available for Sale	2.126	2.126	(2.126)		(0)
Cash and cash equivalents	10.998	10.998			10.998
Total current assets	39.493	39.493	0	(387)	39.107
Non-Current assets held for sale	0				0
TOTAL ASSETS	581.558	581.558	0	(387)	581.172
EQUITY AND LIABILITIES					
Share capital	58.951	58.951			58.951
Share premium account	202.774	202.774			202.774
Reserves	68.549	68.549	(393)		68.156
Profit / (loss) carried forward	(32.560)	(32.560)	393	(387)	(32.553)
	297.714	297.714	0	(387)	297.328
Non-controlling interests					0
Total equity	297.714	297.714	0	(387)	297.328
Non-current liabilities					
Long-term loans	113.216	113.216			113.216
Loans from finance leases	0	0			0

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

PUBLISHED 31/12/2017	RECLASSIFICATIONS IFRS 15	RESTATE 31/12/17	RECLASSIFICATIONS IFRS 9	ADJUSTMENTS IFRS 9	RESTATE 01/01/2018
Provisions for staff leaving indemnities		81			81
Other provisions		0			0
Grants		0			0
Liabilities from derivatives		0			0
Other long-term liabilities		12.102			12.102
Long-term liabilities from financial instruments		0			0
Deferred tax liabilities		6.555			6.555
Total non-current liabilities	0	131.954	0	0	131.954
Current liabilities					
Suppliers		7.052			7.052
Short term loans		0			0
Long term liabilities payable during the next financial year		126.553			126.553
Long-term liabilities from financial instruments payable in the following fiscal year			0		0
Liabilities from contracts with customers	986	986			986
Liabilities from construction contracts	(985)	0			0
Accrued and other short term liabilities	(1)	16.359			16.359
Short-term part of liabilities from derivatives		0			0
Income tax payable		940			940
Total current liabilities	0	151.890	0	0	151.890
Liabilities directly related to the non-current items held for sale					0
Total Liabilities	0	283.844	0	0	283.844
TOTAL EQUITY AND LIABILITIES	0	581.558	0	(387)	581.172

There were no changes in the Income Statement, the Statement of Other Comprehensive Income and the Cash Flow Statement, from the above effects.

3. 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 30.06.2018, which were included in the consolidation. According to the level of their consolidation, they are classified as follows:

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

3.1 Company Structure

ECONOMIC ENTITY	DOMICILE	DIRECT PARTI-CIPATION %	INDIRECT PARTI-CIPATION %	TOTAL PARTI-CIPATION %	CONSOLIDATION METHOD	TAX UNAUDITED YEARS
CONSTRUCTION SEGMENT – JOINT VENTURES						
K/Ε HELLAS TOLLS	Greece	66.66	0	66.66		2012-2017
A/TE A.T.E.-TEPNA A.E. O.E.	Greece	50	0	50		2012-2017
J/V GEK TERNA – TERNA ENERGY (INSTALLATION & OPERATION ATS)	Greece	50	50	100		2015-2017

3.2 Group Structure

ECONOMIC ENTITY	DOMICILE	DIRECT PARTI-CIPATION %	INDIRECT PARTI-CIPATION %	TOTAL PARTI-CIPATION %	CONSOLIDATION METHOD	TAX UNAUDITED YEARS
CONSTRUCTION SEGMENT – SUBSIDIARIES						
TERNA SA	Greece	100	0	100	Full	2012-2017
J/V EUROIONIA	Greece	0	100	100	Full	2013-2017
J/V CENTRAL GREECE MOTORWAY E-65	Greece	0	100	100	Full	2013-2017
ILIOCHORA SA	Greece	70.55	29.45	100	Full	2012-2017
TERNA OVERSEAS LTD	Cyprus	0	100	100	Full	2012-2017
TERNA QATAR LLC ***	Qatar	0	35	35	Full	2012-2017
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	2012-2017
J/V GEK TERNA – TERNA ENERGY (INSTALLATION AND OPERATION ASSK)	Greece	50	50	100	Full	2015-2017
CONSTRUCTIONS SEGMENT - JOINT VENTURES						
J/V TOMI ABETE-ILIOCHORA SA	Greece	0	30	30		2012-2017
J/V AVAX SA-VIOTER SA-ILIOCHORA SA	Greece	0	37.5	37.5		2012-2017
J/V ILIOCHORA-KASTAT CONSTRUCTIONS (Koumpila-Louloudi project)	Greece	0	70	70		2012-2017
J/V TERNA - AKTOR - POWELL (CHAIDARI METRO)	Greece	0	66	66		2012-2017
J/V TERNA - IMPEGILOSPA (TRAM)	Greece	0	55	55		2012-2017
J/V ALPINEMAYREDERBAUGmbH-TERNA (ANCIENT OLYMPIA BYPASS)	Greece	0	50	50		2012-2017
J/V ATHANASIADIS - TERNA (THESSAL. CAR PARK.)	Greece	0	50	50		2012-2017
J/V TERNA SA - AKTOR SA-J&P-AVAX SA (LAND OF CONCERT HALL)	Greece	0	69	69		2012-2017
J/V TERNA AE - WAYSS (PERISTERI METRO)	Greece	0	50	50		2012-2017
J/V ETETH-TERNA-AVAX -PANTECHNIKI HORSE RIDING CENTRE	Greece	0	35	35		2012-2017
J/V TERNA – PANTECHNIKI (OAKA SUR. AREAS)	Greece	0	83.5	83.5		2012-2017
J/V TERNA S.A. - AKTOR A.T.E.- J&P AVAX (Concert Hall)	Greece	0	37	37		2012-2017
J/V TERNA-MICHANIKI AGRINIO BY-PASS	Greece	0	65	65		2012-2017
J/V THALES ATM SA-TERNA IMPROVEMENTS OF TACAN STATIONS	Greece	0	50	50		2012-2017

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

ECONOMIC ENTITY	DOMICILE	DIRECT PARTI-CIPATION %	INDIRECT PARTI-CIPATION %	TOTAL PARTI-CIPATION %	CONSOLIDATION METHOD	TAX UNAUDITED YEARS
J/V ALPINEMAYREDERBAUGmbH-TERNA SA (CHAIDARI METRO STATION, PART A')	Greece	0	50	50		2012-2017
J/V ALPINEMAYREDERBAUGmbH-TERNA SA (PARADEISIA TSAKONA)	Greece	0	49	49		2012-2017
J/V AKTOR-DOMOTECHNIKI-THEMELIODOMI-TERNA-ETETH (THESSAL. MEG. MUNICIPALITY)	Greece	0	25	25		2012-2017
J/V TERNA - AKTOR (SUBURBAN SKA)	Greece	0	50	50		2012-2017
J/V TERNA - AKTOR (R.C. LIANOKLADI - DOMOKOS)	Greece	0	50	50		2012-2017
J/V TERNA SA- THALES AUSTRIA (ETCS SYSTEM PROCUREMENT)	Greece	0	37.4	37.4		2012-2017
J/V TERNA SA-AKTOR ATE J&P AVAX--TREIS GEFYRES	Greece	0	33.33	33.33		2012-2017
J/V METKA-TERNA	Greece	0	90	90		2012-2017
J/V APION KLEOS	Greece	0	17	17		2012-2017
J/V TERNA SA-SICES CONSTRUCTIONS (HELPE REF. UPGR.)	Greece	0	50	50		2012-2017
J/V AKTOR-TERNA-PORTO KARRAS (Florina-Niki road)	Greece	0	33.33	33.33		2012-2017
J/V AKTOR-TERNA (PATHE at Styliada road)	Greece	0	50	50		2012-2017
J/V TERNA - AEGEK Constructions (Promachonas road)	Greece	0	50	50		2012-2017
J/V AKTOR-TERNA (Patras Port)	Greece	0	70	70		2012-2017
J/V AKTOR ATE-J&P AVAX - TERNA SA (Koromilia-Kristalopigi project)	Greece	0	33.33	33.33		2012-2017
J/V IMPREGILO SpA-TERNA SA (Cultural center of Stavros Niarchos Foundation)	Greece	0	49	49		2012-2017
J/V AKTOR ATE – TERNA SA (Lignite works)	Greece	0	50	50		2013-2017
J/V AKTOR ATE – TERNA SA (Thriasio B')	Greece	0	50	50		2013-2017
J/V AKTOR SA – J&P AVAX – TERNA SA (Tithorea Domokos)	Greece	0	33.33	33.33		2014-2017
J/V AKTOR SA – J&P AVAX – TERNA SA (Bridge RL 26, TITHOREA - DOMOKOS)	Greece	0	44.56	44.56		2014-2017
J/V AKTOR SA – TERNA SA (Thriasio B' ERGOSE)	Greece	0	50	50		2014-2017
J/V GEK TERNA – TERNA ENERGY (INSTALLATION AND OPERATION OF ASSK)	Greece	50	50	100		2015-2017
J/V AKTOR – TERNA (Joint Venture ERGOSE No. 751)	Greece	0	50	50		2015-2017
J/V TERNA GCC WAC	Qatar	0	30	30		
J/V TERNA-CGCE (AMAS 1)	Bahrain	0	50	50		
J/V TERNA-AI OMAIER	Saudi Arabia	0	60	60		
J/V RENCO-TEPNA (Construction of compressor stations TAP)	Greece	0	50	50		2016-2017
J/V J&P AVAX SA-TERNA SA-AKTOR SA-INTRAKAT (Temenos)	Greece	0	25	25		2016-2017
J/V TERNA - CGCE (AMAS 2)	Bahrain	0	50	50		2016-2017
CONSTRUCTION SEGMENT - ASSOCIATES						
ATTIKAT ATE	Greece	22.15	0	22.15	Equity	2012-2017
RES ENERGY SEGMENT - SUBSIDIARIES						
TERNA ENERGY SA*	Greece	37.95	0	37.95	Full	2012-2017
IWECO HONOS LASITHIOU CRETE SA	Greece	0	37.95	37.95	Full	2012-2017
ENERGIAKI SERVOUNIOU SA	Greece	0	37.95	37.95	Full	2012-2017
TERNA ENERGY EVROU SA	Greece	0	37.95	37.95	Full	2012-2017

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

ECONOMIC ENTITY	DOMICILE	DIRECT PARTI- CIPATION %	INDIRECT PARTI- CIPATION %	TOTAL PARTI- CIPATION %	CONSOLI- DATION METHOD	TAX UNAUDITED YEARS
PPC RENEWABLES - TERNA ENERGY SA	Greece	0	37.95	37.95	Full	2012-2017
AIOLIKI PANORAMATOS DERVENOCHORION S.A.	Greece	0	37.95	37.95	Full	2012-2017
AIOLIKI RACHOULAS DERVENOCHORION S.A.	Greece	0	37.95	37.95	Full	2012-2017
ENERGIAKI DERVENOCHORION S.A.	Greece	0	37.95	37.95	Full	2012-2017
AIOLIKI MALEA LAKONIAS S.A.	Greece	0	37.95	37.95	Full	2012-2017
ENERGIAKI FERRON EVROU S.A.	Greece	0	37.95	37.95	Full	2012-2017
AIOLIKI DERVENI TRAIANOUPOLEOS S.A.	Greece	0	37.95	37.95	Full	2012-2017
ENERGIAKI PELOPONNISOU S.A.	Greece	0	37.95	37.95	Full	2012-2017
ENERGIAKI NEAPOLEOS LAKONIAS S.A.	Greece	0	37.95	37.95	Full	2012-2017
AIOLIKI ILIOKASTROU S.A.	Greece	0	37.95	37.95	Full	2012-2017
EUROWIND S.A.	Greece	0	37.95	37.95	Full	2012-2017
ENERGEIAKI XIROVOUNIOU S.A.	Greece	0	37.95	37.95	Full	2012-2017
DELTA AXIOU ENERGEIAKI S.A.	Greece	0	37.95	37.95	Full	2012-2017
TERNA ENERGY SEA WIND PARKS S.A.	Greece	0	37.95	37.95	Full	2012-2017
TERNA ENERGY WIND PARKS XIROKAMPOS AKRATAS S.A.	Greece	0	37.95	37.95	Full	2012-2017
VATHICHORI ENVIRONMENTAL S.A.	Greece	0	37.95	37.95	Full	2012-2017
VATHICHORI ONE PHOTOVOLTAIC S.A.	Greece	0	37.95	37.95	Full	2012-2017
CHRISOUPOLI ENERGY Ltd	Greece	0	37.95	37.95	Full	2012-2017
LAGADAS ENERGY SA	Greece	0	37.95	37.95	Full	2012-2017
DOMOKOS ENERGY SA	Greece	0	37.95	37.95	Full	2012-2017
DIRFIS ENERGY SA	Greece	0	37.95	37.95	Full	2012-2017
FILOTAS ENERGY SA	Greece	0	37.95	37.95	Full	2012-2017
MALESINA ENERGY SA	Greece	0	37.95	37.95	Full	2012-2017
ORCHOMENOS ENERGY Ltd	Greece	0	37.95	37.95	Full	2012-2017
ALISTRATI ENERGY Ltd	Greece	0	37.95	37.95	Full	2012-2017
TERNA ENERGY AI-GIORGIS SA	Greece	0	37.95	37.95	Full	2012-2017
TERNA AIOLIKI AMARINTHOU SA	Greece	0	37.95	37.95	Full	2012-2017
TERNA AIOLIKI AITOLOAKARNANIAS SA	Greece	0	37.95	37.95	Full	2012-2017
TERNA ILIAKI VIOTIAS SA	Greece	0	37.95	37.95	Full	2012-2017
VATHICHORI TWO ENERGY S.A.	Greece	0	37.95	37.95	Full	2012-2017
TERNA AIOLIKI XEROVOUNIOU SA	Greece	0	37.95	37.95	Full	2012-2017
TERNA ILIAKI ILIOKASTROU SA	Greece	0	37.95	37.95	Full	2012-2017
TEPNA ILIAKI PANORAMATOS SA.	Greece	0	37.95	37.95	Full	2012-2017
AIOLIKI KARYSTIAS EVOIA S.A.	Greece	0	37.95	37.95	Full	2012-2017
GEOHERMIKI ENERGY ANAPTYXIAKI S.A.	Greece	0	37.95	37.95	Full	2012-2017
TEPNA ILIAKI PELLOPONISSOU SA.	Greece	0	37.95	37.95	Full	2012-2017
TERNA ENERGY OVERSEAS LTD	Cyprus	0	37.95	37.95	Full	2012-2017
EOLOS POLSKA sp.z.o.o.	Poland	0	37.95	37.95	Full	2012-2017
EOLOS NOWOGRODZEC sp.z.o.o.	Poland	0	37.95	37.95	Full	2012-2017
HAOS INVEST 1 EAD	Bulgaria	0	37.95	37.95	Full	2012-2017
VALE PLUS LTD	Cyprus	0	37.95	37.95	Full	2012-2017
GALLETTE LTD	Cyprus	0	37.95	37.95	Full	2012-2017

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

ECONOMIC ENTITY	DOMICILE	DIRECT PARTI- CIPATION %	INDIRECT PARTI- CIPATION %	TOTAL PARTI- CIPATION %	CONSOLI- DATION METHOD	TAX UNAUDITED YEARS
ECO ENERGY DOBRICH 2 EOOD	Bulgaria	0	37.95	37.95	Full	2012-2017
ECO ENERGY DOBRICH 3 EOOD	Bulgaria	0	37.95	37.95	Full	2012-2017
ECO ENERGY DOBRICH 4 EOOD	Bulgaria	0	37.95	37.95	Full	2012-2017
COLD SPRINGS WINDFARM LLC	U.S.A.	0	37.95	37.95	Full	2012-2017
DESERT MEADOW WINDFARM LLC	U.S.A.	0	37.95	37.95	Full	2012-2017
HAMMETTHILL WINDFARM LLC	U.S.A.	0	37.95	37.95	Full	2012-2017
MAINLINE WINDFARM LLC	U.S.A.	0	37.95	37.95	Full	2012-2017
RYEGRASS WINDFARM, LLC	U.S.A.	0	37.95	37.95	Full	2012-2017
TWO PONDS WINDFARM, LLC	U.S.A.	0	37.95	37.95	Full	2012-2017
MOUNTAIN AIR WIND, LLC	U.S.A.	0	37.95	37.95	Full	2012-2017
EOLOS NORTH sp.z.o.o.	Poland	0	37.95	37.95	Full	2012-2017
EOLOS EAST sp.z.o.o.	Poland	0	37.95	37.95	Full	2012-2017
AIOLIKI PASTRA ATTIKIS SA	Greece	0	37.95	37.95	Full	2012-2017
JP GREEN sp.z.o.o.	Poland	0	37.95	37.95	Full	2015-2017
WIRON sp.z.o.o.	Poland	0	37.95	37.95	Full	2015-2017
BALLADYNA sp.z.o.o.	Poland	0	37.95	37.95	Full	2015-2017
TERNA ENERGY SA & CO AIOLIKI POLYKASTROU G.P.	Greece	0	37.95	37.95	Full	2012-2017
TERNA ENERGY SA & CO ENERGEIAKI VELANIDION LAKONIAS G.P.	Greece	0	37.95	37.95	Full	2012-2017
TERNA ENERGY SA & CO ENERGEIAKI DYSTION EVIAS G.P.	Greece	0	37.95	37.95	Full	2012-2017
TERNA ENERGY SA & CO ENERGEIAKI ARI SAPPON G.P.	Greece	0	37.95	37.95	Full	2012-2017
TERNA ENERGY SA & CO AIOLIKI EASTERN GREECE G.P.	Greece	0	37.95	37.95	Full	2012-2017
TERNA ENERGY SA & CO AIOLIKI MARMARIOU EVIAS G.P.	Greece	0	37.95	37.95	Full	2012-2017
TERNA ENERGY SA & CO ENERGEIAKI PETRION EVIAS G.P.	Greece	0	37.95	37.95	Full	2012-2017
TERNA ENERGY SA & CO AIOLIKI ROKANI DERVENOCHORION G.P.	Greece	0	37.95	37.95	Full	2012-2017
TERNA ENERGY SA & CO ENERGEIAKI STYRON EVIAS G.P.	Greece	0	37.95	37.95	Full	2012-2017
TERNA ENERGY SA & SIA ENERGEIAKI KAFIREOS EVIAS G.P.	Greece	0	37.95	37.95	Full	2012-2017
TERNA ENERGY SA & SIA PROVATA TRAIANOUPOLEOS	Greece	0	37.95	37.95	Full	2012-2017
TERNA ENERGY SA & VECTOR GREECE WIND PARKS – TROULOS WIND PARK G.P.	Greece	0	37.95	37.95	Full	2012-2017
MOUNTAIN AIR PROJECTS LLC	U.S.A.	0	37.95	37.95	Full	2016-2017
MOUNTAIN AIR INVESTMENTS LLC	U.S.A.	0	37.95	37.95	Full	2016-2017
MOUNTAIN AIR ALTERNATIVES LLC	U.S.A.	0	37.95	37.95	Full	2016-2017
MOUNTAIN AIR RESOURCES LLC	U.S.A.	0	37.95	37.95	Full	2016-2017
MOUNTAIN AIR HOLDINGS LLC	U.S.A.	0	37.95	37.95	Full	2016-2017
FLUVANNA WIND ENERGY LLC	U.S.A.	0	37.95	37.95	Full	2016-2017
FLUVANNA HOLDINGS LLC	U.S.A.	0	37.95	37.95	Full	2016-2017
FLUVANNA INVESTMENTS LLC	U.S.A.	0	37.95	37.95	Full	2016-2017
TERNA DEN LLC	U.S.A.	0	37.95	37.95	Full	2016-2017
TERNA RENEWABLE ENERGY PROJECTS LLC	U.S.A.	0	37.95	37.95	Full	2016-2017
AEGIS LLC	U.S.A.	0	37.95	37.95	Full	2016-2017
MOHAVE VALLEY ENERGY LLC	U.S.A.	0	37.95	37.95	Full	2016-2017

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

ECONOMIC ENTITY	DOMICILE	DIRECT PARTI- CIPATION %	INDIRECT PARTI- CIPATION %	TOTAL PARTI- CIPATION %	CONSOLI- DATION METHOD	TAX UNAUDITED YEARS
RES ENERGY SEGMENT – JOINT VENTURES						
TERNA ENERGY SA – MEL MACEDONIAN PAPER MILLS SA & CO CO-PRODUCTION GP	Greece	0	20.4	20.4		2012-2017
TERNA ENERGY AVETE & SIA LP	Greece	0	28.56	28.56		2012-2017
RES ENERGY SEGMENT - ASSOCIATES						
CYCLADES RES ENERGY CENTER SA	Greece	0	18.36	18.36	Equity	2012-2017
EN.ER.MEL S.A.	Greece	0	20.07	20.07	Equity	2012-2017
ELECTRIC ENERGY TRADING SEGMENT - SUBSIDIARIES						
GP ENERGY LTD	Bulgaria	0	37.95	37.95	Full	2012-2017
TETRA DOOEL SKOPJE	FYROM	0	37.95	37.95	Full	2015-2017
PROENTRA D.O.O BEOGRAD	Serbia	0	37.95	37.95	Full	2015-2017
OPTIMUS ENERGY AE	Greece	0	37.95	37.95	Full	2017
THERMAL ENERGY SEGMENT (PRODUCTION & TRADING) - JOINT VENTURES						
HERON THERMOELECTRIC S.A.	Greece	50	0	50	Equity	2012-2017
HERON II VIOTIA THERMOELECTRIC STATION S.A.	Greece	0	25	25	Equity	2012-2017
REAL ESTATE SEGMENT - SUBSIDIARIES						
IOANNINON ENTERTAINMENT DEVELOPMENT S.A.	Greece	73.12	0	73.12	Full	2012-2017
MONASTIRIOU TECHNICAL DEVELOPMENT S.A.	Greece	100	0	100	Full	2012-2017
VIPA THESSALONIKI S.A.	Greece	100	0	100	Full	2012-2017
GEK SERVICES SA	Greece	51	0	51	Full	2012-2017
ICON EOOD	Bulgaria	83.62	16.38	100	Full	2012-2017
ICON BOROVEC EOOD	Bulgaria	23.33	76.67	100	Full	2012-2017
DOMUS DEVELOPMENT EOOD	Bulgaria	0	100	100	Full	2012-2017
I&B REAL ESTATE EAD	Bulgaria	0	90	90	Full	2016-2017
SC GEK ROM SRL	Romania	100	0	100	Full	2012-2017
HERMES DEVELOPMENT SRL	Romania	0	100	100	Full	2012-2017
HIGHLIGHT SRL	Romania	0	100	100	Full	2012-2017
MANTOUDI BUSINESS PARK S.A.	Greece	0	100	100	Full	2014-2017
REAL ESTATE SEGMENT - JOINT VENTURES AND ASSOCIATES						
KEKROPS S.A.	Greece	37.48	0	37.48	Equity	2012-2017
GEKA S.A.	Greece	0	33.34	33.34	Equity	2012-2017
GLS EOOD	Bulgaria	50	0	50	Equity	2012-2017

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

ECONOMIC ENTITY	DOMICILE	DIRECT PARTI- CIPATION %	INDIRECT PARTI- CIPATION %	TOTAL PARTI- CIPATION %	CONSOLI- DATION METHOD	TAX UNAUDITED YEARS
CONCESSIONS SEGMENT - SUBSIDIARIES						
IOLKOS S.A.	Greece	100	0	100	Full	2012-2017
HIRON CAR PARK S.A.	Greece	99.47	0.53	100	Full	2012-2017
KIFISIA PLATANOU SQ. CAR PARK SA	Greece	83.75	16.25	100	Full	2012-2017
PARKING STATION SAROKOU SQUARE CORFU S.A	Greece	83.67	16.33	100	Full	2012-2017
HELLAS SMARTICKET S.A.	Greece	35	37.95	72.95	Full	2016-2017
WASTE CYCLO S.A.	Greece	0	37.95	37.95	Full	2014-2017
PERIVALLONTIKI PELOPONNISOU MAE	Greece	0	37.95	37.95	Full	2016-2017
AEIFORIKI EPIRUS MAEES	Greece	0	37.95	37.95	Full	2017
NEA ODOS SA	Greece	78.59	0	78.59	Full	2012-2017
CENTRAL GREECE MOTORWAY S.A.	Greece	66.66	0	66.66	Full	2012-2017
CONCESSIONS SEGMENT - JOINT VENTURES						
PARKING OUIL SA	Greece	50	0	50	Equity	2012-2017
ATHENS CAR PARK S.A.	Greece	25.16	0	25.16	Equity	2012-2017
THESSALONIKI CAR PARK S.A.	Greece	24.7	0	24.7	Equity	2012-2017
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Greece	32.42	0	32.42	Equity	2012-2017
POLIS PARK SA	Greece	28.76	0	28.76	Equity	2012-2017
SMYRNI PARK SA	Greece	20	0	20	Equity	2012-2017
HELLINIKON ENTERTAINMENT AND ATHLETIC PARKS S.A.	Greece	31.63	0	31.63	Equity	2012-2017
METROPOLITAN ATHENS PARK SA	Greece	22.91	0	22.91	Equity	2012-2017
INDUSTRIAL-MINES SEGMENT - SUBSIDIARIES						
VIOMEK ABETE	Greece	67.52	29.07	96.59	Full	2012-2017
STROTIREAS AEBE	Greece	51	0	51	Full	2012-2017
TERNA MAG SA	Greece	51.02	48.98	100	Full	2012-2017
EUROPEAN AGENCIES OF METALS SA	Greece	0	100	100	Full	2012-2017
VRONDIS QUARRY PRODUCTS SA	Greece	0	100	100	Full	2012-2017
CEMENT PRODUCTION AND EXPORT FZC	Libya	0	75	75	Full	2012-2017
MALCEM CONSTRUCTION MATERIALS LTD	Greece	0	75	75	Full	2012-2017
SEGMENT OF HOLDINGS – SUBSIDIARIES						
QE ENERGY EUROPE LTD	Cyprus	0	100	100	Full	2012-2017
TERNA ENERGY UK PLC	United Kingdom	0	37.95	37.95	Full	-
TERNA ENERGY USA HOLDING CORPORATION	U.S.A.	0	37.95	37.95	Full	2012-2017
TERNA ENERGY TRANSATLANTIC sp.z.o.o.	Poland	0	37.95	37.95	Full	2012-2017
TERNA ENERGY TRADING LTD	Cyprus	0	37.95	37.95	Full	2012-2017
TERNA ENERGY FINANCE SPSA	Greece	0	37.95	37.95	Full	2016-2017
TERNA ENERGY TRADING SHPK	Albania	0	37.95	37.95	Full	2017

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

The percentage of voting rights of GEK TERNA SA in all the above participations coincide with the percentage held on companies' free float.

* TERNA ENERGY SA is a subsidiary and is fully consolidated in the GEK TERNA Group because it is subject to control. Control is the result of the following conditions:

1. The parent company has authority over the invested since it has the ability to direct the related operations (operational and financial). This is achieved through the appointment of the majority of the members of the Board of Directors and the management of the subsidiary by the parent's management.

2. The parent Company holds rights with variable returns from the participation in the subsidiary. In particular, GEK TERNA, holds the largest share among the shareholders. The other non-controlled holdings present significant variability and therefore they cannot materially influence decision-making.

3. The parent Company may exercise its power over the subsidiary in order to influence the amount of its returns. This is the result of the decision-making on subsidiary's issues through the control of the decision-making bodies (BoD and Managing Directors).

** The Group entered into a share acquisition transaction of 21.4% and 33.3% of the two new concession companies NEA ODOS SA and CENTRAL GREECE MOTORWAY E-65, resulting in holding 78.59% and 66.66% respectively, on 31/12/2017. The result of this transaction was an increase in the members of the Board represented by GEK TERNA, namely eight out of ten.

By adopting the accounting policy as to whether or not it has control, the Group has assessed the new data, namely increased participation rates, based on the provisions of IFRS 10, which are set out below:

An investing entity controls an invested entity when and only when the three following elements are cumulative.

a) Control over the invested

b) Report, or rights, to variable returns arising from participation in the investor

c) The ability to use power over the investor in order to influence performance

In assessing the concept of power over the two invested companies, the Group used as a presumption the fact that since September 2017 the two concession companies are basically in their operational period, having as result in all related activities and the relevant decisions required for their proper functioning to differ significantly from those in the previous construction period.

The Group received this substantial change in the 4th quarter of 2017, period that it acquired both the majority of shares and of the Board of Directors for both Concessions. In interpreting all of the above, the Group has been led to conclude that the existing rights of the other shareholder of the two companies constitute a type of protective rights, also based on IFRS 10, and differ significantly with the protective rights that may have existed for the whole of the construction period of the two motorways and at the same time meets the criteria of full consolidation of the two companies based on the accounting framework it adopts.

With regard to the effect of the acquisition and the assumption of control please see note 42 in the Annual Financial Statements of 2017

*** 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.

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

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

COMPANY NAME	TOTAL PARTICIPATION % (Indirect)
J/V IMPREGILO Spa – TERNA SA-ALTE SA (EXECUTIONS)	33.33%
J/V EVINOOU-AEGEK-METON SA-TERNA SA-EYKLEIDIS SA	33.33%
J/V MAIN ARROGATION CANAL D 1	75.00%
J/V AKTOR, AEGEK, EKTER, TERNA AIRPORT INSTAL. SPATA	20.00%
J/V TERNA SA / AKTOR SA - GOULANDRIS MUSEUM	50.00%
J/V DEPA PROJECT	10.00%
J/V ARTA-FILIPPIADA BY-PASS	98.00%
J/V 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 – 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 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 first half of 2018, the following entities ceased to be consolidated either due to their liquidation or sale to third parties:

COMPANY NAME	COMPANY CATEGORY	TOTAL % PARTICIPATION
GEA INVESTMENTS SA – Real Estate operating segment	AFFILIATED	35,78%
J/V "JV TERNA SA-KARAGIANNIS SA"-KARAGIANNIS SA-ILIOCHORA SA	JOINT VENTURE	50,00%

4. 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.

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

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.

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: concerns the construction and operation of infrastructure (e.g. motorways), other public interest projects (Unified Automatic Ticket Collection System and municipal waste treatment plant) and other facilities (e.g. car parking stations, etc.) in exchange for their long-term exploitation through provision of services to the public.

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

The tables that follow present an analysis on the data of the Group’s operating segments for the period ended on 30.06.2018.

Calculation of disclosed data on Operating segments

Following, the calculation of disclosed data that do not result directly from the accompanying financial statements is presented:

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.

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

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- 30.06.2018	1.1- 30.06.2017
Gross Profit	121,274	133,895
Administrative and distribution expenses	(31,497)	(19,018)
Research and development expenses	(1,243)	(854)
Other income / (expenses) determinants of the EBIT (note 23)	542	8,294
EBIT	89,076	122,317
Net depreciation and amortization	50,915	36,759
EBITDA	139,991	159,076
Non cash adjustments	3,170	1,806
Adjusted EBITDA	143,161	160,882

The Non-cash adjustments in the above analysis refer to Provisions for staff indemnities of 619 (946 in the first half of 2017) expense recognized through exercise of stock options 2.551 and impairment of investment property 0 (860 in the first half of 2017).

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

Business segments 30.06.2018	Constructions	Electricity from RES	Electricity from thermal energy and trading HP	Real Estate	Mining / Industry	Concessions	Holdings	Eliminations on consolidation	Consolidated Total
Revenue from external customers	480,543	104,305	3,824	4,972	4,862	84,631	53	0	683,190
Inter-segmental turnover	30,865	0	0	444	1	11	66	(31,387)	0
Revenue	511,408	104,305	3,824	5,416	4,863	84,642	119	(31,387)	683,190
Operating results from continuing activity (EBIT)	21,350	54,243	(7)	2,335	(2,329)	18,436	(4,952)	0	89,076
Interest income	1,098	563	1	1	2	2,006	903	0	4,574
Interest and related expenses	(1,903)	(30,114)	(8)	(1,319)	(1,624)	(18,443)	(3,818)	0	(57,229)
Foreign exchange differences and other non-operating results	(988)	(2,310)	(6)	(16)	(144)	(5)	913	0	(2,556)
Results from associates and Joint Ventures	0	0	(867)	64	0	(16)	0	0	(819)
Results from participations and securities	0	0	0	0	(2)	0	(1,034)	0	(1,036)
Results before tax	19,557	22,382	(887)	1,065	(4,097)	1,978	(7,988)	0	32,010
Income tax	(8,395)	(7,793)	(39)	(189)	1,012	5,263	(1,130)	0	(11,271)
Net Results	11,162	14,589	(926)	876	(3,085)	7,241	(9,118)	0	20,739
Net depreciation	4,690	23,521	12	427	1,060	21,192	13	0	50,915
EBITDA from continued activities	26,040	77,764	5	2,762	(1,269)	39,628	(4,939)	0	139,991
Provisions and other non cash results	422	18	0	0	15	156	2,559	0	3,170
Adjusted EBITDA from continued activities	26,462	77,781	5	2,761	(1,255)	39,784	(2,380)		143,161
Assets	915,972	1,433,403	4,852	172,112	104,968	1,269,837	74,832		3,975,976

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

Business segments	Constructions	Electricity from RES	Electricity from thermal energy and trading HP	Real Estate	Mining / Industry	Concessions	Holdings	Eliminations on consolidation	Consolidated Total
30.06.2018									
Investments in associates 30.06.2018	10	2,774	0	2,227	0	0	0		5,011
Investments in joint ventures 30.06.2018	0	0	42,533	971	0	4,265	0		47,769
Total Assets	915,982	1,436,177	47,385	175,310	104,968	1,274,102	74,832		4,028,756
Liabilities	798,789	1,071,482	191	128,694	86,826	1,005,251	128,792		3,220,025
Loans	69,224	722,733	81	119,676	53,509	668,219	114,696		1,748,138
Cash and Cash Equivalents	241,267	174,281	1,436	5,577	1,659	75,616	47,188		547,024
Net debt / (surplus)	(172,043)	548,452	(1,355)	114,099	51,850	592,603	67,508		1,201,114
Capital expenditure for the period 1.1-30.06.2018	1,662	17,316	11	5,061	5,477	15,559	0		45,086

During the six-month period ending 30 June 2018, an amount of €270 million (39.5%) of the Group's turnover derives from an external client (Customer A) in the construction sector .

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

Business segments 30.06.2017 and 31.12.2017	Constructions	Electricity from RES	Electricity from thermal energy and trading HP	Real Estate	Mining / Industry	Concessions	Holdings	Eliminations on consolidation	Consolidated Total
Revenue from external customers	479,350	78,780	5,146	920	4,701	35,661	70		604,628
Inter-segmental turnover	12,010	0	0	293	4	0	48	(12,355)	0
Revenue	491,360	78,780	5,146	1213	4,705	35,661	118	(12,355)	604,628
Operating results from continuing activity (EBIT)	92,379	32,017	349	(1,104)	(1,819)	1,093	(598)		122,317
Interest income	1,537	606	0	1	1	617	2,393		5,155
Interest and related expenses	(1,970)	(22,984)	(11)	(806)	(1,084)	(681)	(5,741)		(33,277)
Foreign exchange differences and other non-operating results	(10,529)	(2,614)	(13)	(12)	(791)	(970)	1,730		(13,199)
Results from associates and Joint Ventures	0	0	(398)	(1,002)	0	904	0		(496)
Results from participations and securities	0	0	0	0	0	0	24		24
Results before tax	81,417	7,025	(73)	(2,923)	(3,694)	963	(2,192)		80,524
Income tax	(33,082)	(4,582)	(19)	(1,061)	971	(681)	85		(38,369)
Net Results before extraordinary levy	48,335	2,443	(92)	(3,984)	(2,723)	282	(2,107)		42,155
Net depreciation	10,822	24,612	12	450	685	173	5		36,759
EBITDA	103,201	56,629	361	(654)	(1,134)	1,266	(593)		159,076
Provisions and other non cash results	908	21	0	860	11	4	2		1,806
Adjusted EBITDA	104,109	56,650	361	206	(1,123)	1,270	(591)		160,882

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

Business segments 30.06.2017 and 31.12.2017	Constructions	Electricity from RES	Electricity from thermal energy and trading HP	Real Estate	Mining / Industry	Concessions	Holdings	Eliminations on consolidation	Consolidated Total
Assets 31.12.2017	940,554	1,443,307	5,994	169,270	96,669	1,359,149	24,105		4,039,048
Investments in associates 31.12.2017	0	2,768	0	2,105	0	0	0		4,873
Investments in joint ventures 31.12.2017	0	0	44,620	971	0	4,243	0		49,834
Total Assets	940,554	1,446,075	50,614	172,346	96,669	1,363,392	24,105		4,093,755
Liabilities	833,195	1,104,634	2,554	126,633	75,334	1,104,466	78,784		3,325,600
Loans	100,379	742,597	87	115,546	42,607	688,425	36,664		1,726,305
Cash and Cash Equivalents	334,999	153,514	571	5,537	398	139,313	7,895		642,227
Net debt / (surplus)	(234,620)	589,083	(484)	110,009	42,209	549,112	28,769		1,084,078
Capital expenditure for the period 1.1-30.06.2017	2,583	63,644	0	7,727	1,492	130	0		75,576

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

5. FIXED ASSETS

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

A. Tangible fixed assets

	GROUP		COMPANY	
	2018	2017	2018	2017
Net book value 1 January	1,246,267	1,087,192	9,475	9,820
Additions during the period	36,658	67,322	14	61
Foreign exchange differences	5,045	(17,372)	0	0
Sales/ Write-offs	(4,723)	(820)	0	0
Depreciation for the period	(33,116)	(35,348)	(202)	(202)
Transfers from / to intangible and investment assets	(1,096)	(18)	0	0
Net book value 30 June	1,249,035	1,100,956	9,287	9,679

From the net book value of the tangible assets of the Group on 30.06.2018, the amount of 52.897 (84.221 to 31.12.17) relates to investments under construction, of which 27.389 (70.785 to 31.12.17) in the sector of electricity generation from renewable energy sources .

Mortgages of various series of 9,321 euros have been registered on properties of certain Group companies, in order to secure bond loans.

In addition, an amount of 994,887, relating to "Technological and mechanical equipment", including wind turbines of wind farms, has been pledged to Banks to secure long-term loans.

B. Intangible fixed assets

	GROUP		COMPANY	
	2018	2017	2018	2017
Net book value 1 January	838,508	81,069	106	33
Additions during the period	3,419	579	0	0
Sales/ Write-offs	0	(975)	0	0
Foreign exchange differences	147	(567)	0	0
Transfers from tangible assets	79	18	0	0
Amortization for the period	(21,965)	(7,070)	(11)	(3)
Net book value 30 June	820,188	73,054	95	30

The unamortized balance of intangible assets includes the rights to concession of motorways and motor vehicles amounting to 761,441 (778,507 on 31.12.17), the rights of wind farm permits amounting to 22,239 (22,725 on 31.12.17), the rights from purchased construction contracts amounting to 3,118 (3.725 on 31.12.17) and the rights of exploitation of quarries and mines amounting to 27.173 (27.458 on 31.12.17).

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

6. INVESTMENT PROPERTY

Investment property on 30 June 2018 in the accompanying financial statements is analyzed as follows:

	GROUP		COMPANY	
	2018	2017	2018	2017
Balance 1 January	113,705	88,230	12,810	13,540
Additions for the period	5,000	7,675	0	0
Sales / Write offs	(889)	0	0	0
Fair value adjustments	0	(860)	0	(550)
Foreign exchange differences	0	1	0	0
Balance 30 June	117,816	95,046	12,810	12,990

Mortgage liens amounting to a total of 72,019 have been registered on the investment properties of the Group's companies for security against bond loans.

7. PARTICIPATION IN ASSOCIATES

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

	GROUP		COMPANY	
	2018	2017	2018	2017
Balance 1 January	4,873	5,326	4,741	2,688
Additions	76	0	76	0
Loss from sales	(2)	0	(12)	0
Valuation loss	0	0	0	0
Sale of associate	0	0	(5)	0
Results from consolidations with the equity method	64	(846)	0	0
Balance 30 June	5,011	4,480	4,800	2,688

8. INTERESTS IN JOINT VENTURES

The Company and the Group holds interests in joint ventures companies producing electricity from thermal sources and automobile stations which are consolidated with the Equity method. The movement of participations in joint ventures for the present period is as follows:

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

	GROUP		COMPANY	
	2018	2017	2018	2017
Balance 1 January	49,834	138,365	7,320	99,454
Additions	33	182	30	182
Loss from sales	0	0	0	0
Earnings/(losses) from valuation	0	0	0	(3,004)
Capital return	0	(180)	0	(180)
Effect from the adoption of IFRS9 (pls refer to Note 2)	(1,222)	0	0	0
Elimination of intra-group results / distributions	0	1	0	0
Results from the application of the equity method	(876)	1,608	0	0
Balance 30 June	47,769	139,976	7,350	96,452

The major items in the financial statements of these entities are presented in synopsis below (at a percentage of 100%):

	30.06.2018		31.12.2017	
	J/V with Credit Equity	J/V with Debit Equity	J/V with Credit Equity	J/V with Debit Equity
Non-current assets	224,394	4,016	230,009	4,123
Current assets	203,688	27	171,567	31
Long-term liabilities	(114,981)	(5,079)	(120,890)	(5,381)
Short-term liabilities	(172,143)	(2,565)	(131,581)	(2,260)
Net Assets	140,958	(3,601)	149,106	(3,486)
	1.1 - 30.06.2018		1.1 - 30.06.2017	
	J/V with Credit Equity	J/V with Debit Equity	J/V with Credit Equity	J/V with Debit Equity
Income	200,207	127	321,236	74,195
Expenses	(204,744)	(243)	(321,118)	(68,931)
Net Earnings	(4,537)	(116)	118	5,264
Other comprehensive income	21	0	1,971	12,010
Total Results	(4,516)	(116)	2,089	17,274

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

9. FINANCIAL ASSETS - CONCESSIONS

The Group constructs and operates two contracts:

a) Unified Automatic Fare Collection System

On 29/12/2014, a partnership agreement (PPP) for the study, financing, installation, maintenance and technical management of a Unified Automatic Fare Collection System was signed between the OASA (Athens Transport) Group and the subsidiary Company "HST SA" for the companies of the OASA Group. The total duration of the contract is 12 years and 6 months.

At the expiration of this PPP, there is an obligation of transfer all the equipment to OASA for zero money. The Partnership Agreement has no terms of extension, only terms of termination. In addition, there is an obligation to Scheduled Lifecycle Replacement of the equipment during the Management period, if necessary.

The Group's Management, considering these contractual terms, considered that in this particular case the recognition of a financial receivable, guaranteed by the concessioner is applicable, by recognizing and accounting for the revenue and costs associated with the construction or upgrading services as well as the revenue and costs related to operating services in accordance with IFRS 15.

b) Urban Waste Treatment Plant of the Region of Epirus

On 21/07/2017 a partnership agreement (PPP) was signed between the EPIRUS REGION and the subsidiary company "AEIFORIKI EPIRUS MONOPROSOPI SPECIAL PURPOSE SOCIETE ANONYME", for the implementation of the project for the urban waste treatment plant of the Region of Epirus. The contract is executed in two periods, the period of project and the service period and is of duration of 27 years. The construction of the project began in the third quarter of 2017 and construction works are expected to be completed in January 2019, with the start of the service period. A trial period is included in the above period.

During the service period, AEIFORIKI EPIRUS is required to perform maintenance work and programmed replacements of the equipment, based on the conventional life cycle replacement schedule. When the partnership agreement expires, AEIFORIKI EPIRUS will transfer to the Region of Epirus (or to a third party designated by the Region of Epirus), in exchange for one Euro, all rights and titles on its assets. The partnership agreement does not contain any terms of extension but only termination terms.

The analysis of the movement of the generated Financial Assets from Concessions as well as the revenue per category is presented as follows:

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

Financial Assets - Concessions	Unified Automated System for Ticket Collection	Installation of civil waste processing Epirus Region	Total
Beginning balance 01/01/2017	10,055	-	10,555
Increases of Financial Item	10,906	-	10,906
Reversal of discounting (Effective interest on receivables)	616	-	616
Ending balance 30/06/2017	21,577	-	21,577
Opening balance 01/01/2018	26,463		26,463
Increases / (decreases) of Financial Item	(2,408)	13,351	10,943
Reversal of discounting (Effective interest on receivables)	1,490	-	1,490
Reclassification in the Liabilities of the Financial Assets of Concessions	-	(3,071)	(3,071)
Ending balance 30/06/2018	25,545	10,280	35,825

Analysis of revenues per category 1/1-30/6/2018			
Income from construction services	58	13,854	13,912
Income from operation services	5,471	-	5,471
Reversal of discounting (Effective interest on receivables)	1,490	-	1,490
Total	7,019	13,854	20,873

Analysis of revenues per category 1/1-30/6/2017			
Income from construction services	30,104	-	30,104
Income from operation services	3,005	-	3,005
Reversal of discounting (Effective interest on receivables)	616	-	616
Total	33,725	-	33,725

10. TRADE RECEIVABLES

The trade receivables on 30.06.2018 in the accompanying financial statements are analyzed as follows:

	GROUP		COMPANY	
	30.06.2018	31.12.2017	30.06.2018	31.12.2017
Customers - Invoiced receivables	237,129	203,210	8,913	8,160
Accrued income	0	261	0	130
Customers – Doubtful and litigious	14,816	14,611	317	309
Notes / Checks Receivable overdue	868	868	0	0
Checks Receivable	1,604	5,360	0	0
Minus: Provisions for doubtful trade receivables	(33,952)	(31,167)	(678)	(380)
Total	220,465	193,143	8,552	8,219

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

The maturity of the balances is depicted as follows:

	GROUP		COMPANY	
	30.06.2018	31.12.2017	30.06.2018	31.12.2017
Not in delay	189,499	152,562	6,624	8,083
In delay for 0-6 months	5,523	9,180	445	207
In delay for 6-12 months	11,240	12,783	237	
In delay for 12-24 months	22,724	12,642	189	309
In delay for over 24 months	31,607	37,143	1,734	0
Less: Impairments of receivables	(40,128)	(31,167)	(678)	(380)
Total	220,465	193,143	8,551	8,219

In the amounts that are not overdue it is included an amount of € 59.4 mn (€ 34.5 mn on 31/12/17), which relates to good execution withholding (retained guarantees).

The receivables for which an impairment provision was formed concern mainly receivables with a delay of more than 12 months. With regard to the entire receivables which are in delay and after the impairment, the following amounts are included:

(a) receivables from entities of the Greek State (including LAGIE) of € 3.3 mn (€ 5.01 mn on 31/12/17),

b) receivables from PPC, IPTO and HEDNO of € 2.6 mn (€ 1.4 million on 31/12/17),

c) receivables from joint ventures in which the Group participates in their equity and which are consolidated under the equity method of € 0.1 mn (€ 2.5 mn on 31/12/17) and receivables from other affiliated companies of € 5.8 mn (€ 6.8 mn on 31/12/17), which, taken as a whole, are considered to be of safe collection.

The remaining balances, after impairments, refer to customers of amount € 10.5 mn (€ 13.6 mn on 31/12/17) which, according to the Management's estimate, are considered as safe and secure collection.

Within the framework of the Group's activity, the necessary measures are taken on a case-by-case basis to ensure the recoverability of the receivables.

Lastly, important guarantees for the collection of balances are also the advances received for construction contracts, which at 30/06/2018 amounted to € 278.7 mn (€ 361.4 mn on 31/12/2017).

11. CASH AND CASH EQUIVALENTS

The cash and cash equivalents on 30th June 2018 in the accompanying financial statements are analyzed as follows:

	GROUP		COMPANY	
	30.06.2018	31.12.2017	30.06.2018	31.12.2017
Cash in hand	4,431	4,252	31	29
Sight Deposits	409,858	564,037	10,722	10,603
Term Deposits	132,735	73,938	29,800	366
Total	547,024	642,227	40,553	10,998

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

The Group's cash and cash equivalents include amounts for repayment of 6.175 (24.594 on 31.12.17) relating to subsidies received due to the cancellation of the construction or the expiry of the time limits of the inclusion decisions of certain wind parks.

In addition, the Group maintains blocked deposits amounting to 58.146 (46.545 on 31.12.17), which are held in specific bank accounts for the servicing of its short-term operating and financial liabilities. These blocked deposits are classified under the account "Advances and other receivables".

12. LOANS

The Group and Company's debt as of 30/06/2018 and 31/12/2017 is analyzed as follows:

<i>Amounts in € '000</i>	GROUP		COMPANY	
	30/06/2018	31/12/2017	30/06/2018	31/12/2017
Long term debt				
Financial leasing	14,165	16,770	-	-
Bank Loans	299,596	302,085	-	-
Bond Loans	1,318,151	1,294,966	263,203	122,309
Intra Group Loans	-	-	46,250	117,460
Minus: Leasing portion payable over the next 12 months	(4,967)	(5,078)	-	-
Minus: Long term loans portion payable over the next 12 months	(170,797)	(364,477)	(17,833)	(126,553)
Total Long term loans	1,456,148	1,244,266	291,621	113,216
<i>Amounts in € '000</i>				
Short term loans				
Financial leasing	4,967	5,078	-	-
Bank Loans	116,226	112,484	-	-
Plus: Long term loans portion payable over the next 12 months	170,797	364,477	17,833	126,553
Total Long term loans	291,991	482,039	17,833	126,553
Total Debt	1,748,138	1,726,305	309,454	239,769

The total financial cost of long-term and short-term borrowings and finance leases for the six-month period 01/01-30/06/2018 (and the corresponding six-month comparative period of 2017) is included in the line "Net Financial Income/(expenses) of the Consolidated and Company's Income Statement. The average interest rate for the Group for the period ended 30/06/2018 amounted to 4.41% : (2017: 5.14%).

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

It should be noted that on 31/12/2017, Group and Company loans of € 184.5 million was classified as short-term borrowings under the requirements of IAS 1 since the companies were not in line with the financial covenants set out in the relevant loan agreements. Accordingly, on 30/06/2018 the loans that were included in short-term borrowings due to non-compliance with the contractual commitments for loan agreements amounted to € 41.5 million for the Group and zero (-) for the Company.

During the six-month reporting period, the Group and the Company proceeded with the reclassification of debt liabilities totaling € 194 million from short-term to long-term, in the context of the completion of the debt restructuring of GEK TERNA SA, TERNA SA and other consolidated subsidiaries

The significant changes in the Group's loans for the six-month period ended 30/06/2018 are described below.

(a) Debt of the Company (GEK TERNA)

GEK TERNA Bond Loan of € 194 million for the restructuring of existing loans of the parent company and the consolidated subsidiaries of the Group

On 01/12/2017, the Company signed a € 193.95 million Secured Bond Loan Program with the Greek Banks Institutions in order to refinance existing bank loans that were contractually terminated in 2018 and which relates to the following debt amounts: (a) € 101 million of parent company (GEK TERNA), (b) € 81.7 million of the fully owned subsidiary TERNA SA and (c) € 11.2 million of other subsidiaries of the Group.

The basic terms of the Program are the following: (a) five-years tenor expiring in January 2023; (b) six-month interest period with an annual interest rate based on 6M Euribor plus a spread of 4.00% (c) modification of the repayment schedule of existing outstanding loans through annual installments; and (d) the compliance with the financial covenants at each reporting date of the financial statements (semiannually and annually).

On 30/01/2018, the total amount of € 193.95 million (two series of Bonds A & B) of the above-mentioned Committed Secured Bond Loan was covered by the Greek banks, thus the purpose of the refinancing of existing debt of the parent company as well as of the Group companies was fulfilled.

It should be noted that on 10/04/2018 an amount of € 64.6 million of the above mentioned Bond Loan was prepaid from the proceeds of the € 120 million new Corporate Bond issued by the Company (please see below). As a result of this prepayment, the Bondholders consented to: (a) a margin reduction for both series (A & B) to 4.0% effected from 10/04/2018 until repayment, and (b) the harmonization of the financial covenants of the € 193.95 million Secured Bond Loan with the ones applied on the € 120 million corporate bond issued by GEK TERNA through ATHEX.

The outstanding balance of the aforementioned loan on 30/06/2018 amounts to € 123.9 million.

Issue of a new Corporate Bond of € 120 million:

In Hellenic Capital Market Commission's meeting held on 21/03/2018, the Company's Prospectus was approved for the public offering through cash payment and the admission for trading on the Athens Stock Exchange of up to 120,000 common anonymous bonds, totaling 120 million euros. After the end of the vesting period, the above issue was fully covered. The issue price of the Bonds was set at € 1,000 each, ie 100% of its nominal value. The main characteristics of the corporate bond are the following: (a) yield of 3.95% stable over the life of the bond; (b) six months interest period; and (c) tenor of seven (7) years with bullet repayment at the end of 7th year (maturity). The corporate bond provides for the compliance with the financial covenants at each reporting date of the financial statements (semiannually and annually) with commencement date of their application being 31/12/2019.

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

On the completion of the Public Offering on 29/03/2018, and according to the aggregate allocation data generated by the use of the Electronic Book of Bids (ATHEX) of the Athens Stock Exchange, a total of 120,000 common bearer bonds of the Company were placed with a nominal value of € 1,000 each and € 120 million were raised. The distribution of the issued bonds is as follows: 78.000 Bonds (65%) of the total bonds issued were distributed to private Investors and 42.000 Bonds (35%) of the total were distributed to Special Investors.

The release date was set on 10/04/2018. From the proceeds of this Bonds, an amount of € 64.6 million was used to prepay part of the company's € 193.9 million bank bond loan signed on 01/12/2017 and the remainder will be utilized in accordance with the agreed purposes of the funds raised.

(b) Borrowing of the TERNA ENERGY GROUP

On 30/06/2018, the total debt of the TERNA ENERGY Group amounted to € 763 million, of which € 109.5 million relates to short-term borrowings.

During the six-month period, TERNA ENERGY Group has undertaken a new loan of € 29 million for the first half of 2018. It mainly concerns the financing of the investment in wind farms of group subsidiaries, along with PPP partnership funding.

On 31 December 2017, TERNA ENERGY Group fully complied with the required limits of the financial covenants, in accordance with the requirements of its loan agreements, excluding loans of € 21.7 million. These loans were reclassified Short-term, namely in the account of "Long-term loans portion payable over the next 12 months", in accordance with the requirements of IAS 1. On 30/06/2018, from the aforementioned loans an amount of € 6.9 million was reclassified in the "Long-term loans" since it complied with the terms of the loan agreements. In addition, on 30/06/2018, loans of € 8.2 million were reclassified to Short-term in the account of "Long-term loans portion payable over the next 12 months" since didn't comply with the financial covenants set forth in the relevant loan agreements.

Security of Loans

For Group loan coverage purposes the following pledges were provided in favor of the Banks:

- Wind farm turbines amounting to € 994.887 (970.524 end of 2017)
- Insurance contracts proceeds as well as receivables from the sale of electricity to LAGHE or DEDDIE, as well as construction services
- Prenotices and mortgages of various ranks have been registered on properties 81.340 (€ 133,995 on 31/12/2017) and
- Shares of subsidiaries with nominal value of € 240.732 (€ 131,784 on 31/12/2017) have been pledged.

13. OTHER PROVISIONS

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

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

	Provisions for environmental restoration	Other provisions	Total
Balance 1.1.2018	14,522	19,143	33,665
Provision recognized in net earnings	81	4,714	4,795
Provision recognized in fixed assets	765	0	765
Addition due to acquisition of subsidiaries	0	0	0
Utilized provisions	0	1	1
Interest on provisions recognized in net earnings	337	0	337
Transfer from / (to) other account	0	(4,669)	(4,669)
Non utilized provisions recognized in net earnings	0	0	0
Foreign exchange differences	(32)	27	(5)
Balance 30.06.2018	15,673	19,216	34,889

	Provisions for environmental restoration	Other provisions	Total
Balance 1.1.2017	12,906	29,962	42,868
Provision recognized in net earnings	0	1,704	1,704
Provision recognized in fixed assets	385	0	385
Utilized provisions	0	(34)	(34)
Interest on provisions recognized in net earnings	364	0	364
Transfer from / (to) other account	0	(584)	(584)
Non utilized provisions recognized in net earnings	0	0	0
Foreign exchange differences	101	(131)	(30)
Balance 30.06.2017	13,756	30,917	44,673

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

	GROUP	
	30.06.2018	30.06.2017
Tax provisions with regard to unaudited financial years	4,460	4,449
Provisions for litigation cases	5,465	1,313
Provisions for granted guarantees	0	2,459
Provision for heavy maintenance of motorways	5,717	0
Other provisions	3,574	22,696
	19,216	30,917

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

Change in Other Provisions is due to 19,000 provision on 30.06.2017 for the settlement of a dispute with the Competition Commission, which during 2018 has been recognized as a liability.

Regarding long term provisions please note that the amount are not presented on a discounted basis, since there is no accurate estimation of the incurred time.

14. GRANTS

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

	GROUP	
	2018	2017
Balance 1.1	164,211	180,324
Receipt of grants	2,408	0
Approved but not yet received grants	1,474	0
Approved and received grants to be returned	0	0
Rebate of grants	0	(1,070)
Foreign exchange differences	965	(4,288)
Amortization of grants of fixed assets on the Statement of Results (note 19)	(4,019)	(5,580)
Amortization of grants of fixed assets on inventories	(10)	(11)
Balance 30.06	165,029	169,375

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

In the first half of 2018, a subsidiary of the Group in the RES sector recognized a grant of a total of € 3,882 in the framework of the European Commission's Innovation and Networks Executive Agency Program. During the first half of 2018, an amount of 2,408 was collected, while an amount of 1,474 was collected in the past and included in the account "Accrued and other current liabilities" as the terms of the plan had not been met. During the first half of 2018 and with the fulfillment of all the prerequisites of the Program, the company recognized the total amount under the "Grants" account.

During the first half of 2018, following a relevant audit by the Ministry of Development and Competitiveness, from the collected grants concerning two wind parks of the Group, an amount of 18.420 was rebated (1.070 in the first half of 2017). These amounts are recorded in the account of Accrued and other short term liabilities as grants to be returned.

The above grants are amortized in the income only for the part which corresponds to fully completed and operational projects.

15. ASSETS AND LIABILITIES FROM DERIVATIVES

Liabilities from derivative financial instruments as of 30.06.2018 & 31.12.2017 are analyzed as follows:

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

LIABILITY	Nominal Value		GROUP	
			Fair Value of Liability	Fair Value of Liability
			30/6/2018	31/12/2017
For hedging purposes				
Interest rate swaps:	€ 7,537	€ 7,537	208	271
Interest rate swaps:	€ 9,000	€ 9,000	343	401
Interest rate swaps:	€ 5,772	€ 5,772	139	169
Interest rate swaps:	€ 17,000	€ 17,000	1,255	1,345
Interest rate swaps:	€ 15,400	€ 15,400	798	847
Interest rate swaps:	€ 11,160	€ 11,160	90	51
Interest rate swaps:	€ 103,650	€ 103,650	642	536
Interest rate swaps:	€ 6,563	€ 6,563	333	382
Interest rate swaps:	€ 30,000	€ 30,000	393	339
Interest rate swaps:	€ 20,000	€ 20,000	240	202
Interest rate swaps CENTRAL GREECE MOTORWAY	€ 322,960	€ 322,960	172,336	175,828
Interest rate swaps NEA ODOS	€ 73,409	€ 73,409	19,434	20,604
			196,211	200,975
For trading purposes				
Options (collar)	-	-	2,226	-
			198,437	200,975
ASSET	Nominal Value		GROUP	
			Asset Fair Value	Asset Fair Value
			30/6/2018	31/12/2017
For hedging purposes				
Interest rate swaps:	\$25,000	\$25,000	822	312
Options (collar)	-	-	-	200
Options (swaption)	-	-	1,040	798
Embedded Derivative				
Embedded derivative according to concession contractual agreement	-	-	177,203	180,781
			179,065	182,091

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

In September 2016, the Group entered into two derivatives, one collar derivative on the trading date of 23.09.2016 and one swaption derivative. For the collar derivative the effective date of the transaction will be on 1/1/2018 whereas for the swaption the effective date will be on 31/12/2022.

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

The Group entered into these derivatives with the ultimate purpose of using them to hedge the risk of cash flow variability in the energy for the Group's investment in a Wind Park in the USA, through its subsidiary. This particular subsidiary constructs and has been operating a wind park of 155.4 MW capacity in West Texas of the United States.

The Group's policy is to minimize its exposure to the long-term interest rate risk of cash flows for which it applies hedge accounting and the result of the measurement is recognized in the statement "Revenue / expense from cash flow hedges" of the statement of other comprehensive income revenue.

In the current period, were recognized derivatives assets liabilities (interest rate swaps) and embedded derivative recognition in accordance with the existing concession agreements between the company CENTRAL GREECE MOTORWAY SA and the Greek State. More specifically, according to article 25 of the concession agreement, the State undertakes to provide operating support CENTRAL GREECE MOTORWAY SA to cover its expenses insofar as they are not covered by own revenues.

The calculation period is defined as each successive six-month period (beginning January 1 and July 1 of each year) and the operating support for each calculation period will be the difference between the sum of the eligible project costs and the base dedicated yield minus the net revenue of each period.

Dedicated base performance and additional interest margin are included as additional support amounts. Debt servicing includes, but is not limited to, payments resulting from the six-month clearing of the liabilities of hedging instruments (exchange rate swaps).

The Company recognized the fair value of the interest rate swap derivatives and recognized respectively a derivative financial asset, that is, the part of operating support covering future payments of interest rate swaps.

The fair value of the financial asset reflects future payments on interest rate swaps. The Company has taken into account the following for discounting future flows:

- i. Future outflows.
- ii. The government credit risk as embodied in the Greek government bond yield curve with multiple maturities.
- iii. Possible time difference between payment of derivatives and receipt of operating support.

This financial asset has been classified in the fair value hierarchy at level 3.

Given all the above, the Company has conventionally transferred the risk arising from the obligation of interest rate swaps to the State. At each reporting date, the Company re-examines the financial asset for impairment. The Company has estimated that there is no evidence of impairment as at 30 June 2018.

16. LIABILITIES FROM FINANCIAL INSTRUMENTS

In the USA, TERNA ENERGY Group, in order to make optimal use of the tax benefits provided by local law, entered in 2012 in a transaction in which the counterparty paid the amount of € 49,693 to acquire the right to receive, mainly cash and tax losses (Tax equity investment). The audit is based on a contractual agreement with MetLife, which injects capital as a Tax Equity Investor (TEI) and is fully consolidated. According to the agreement between the two parties, the TEI contributed capital in exchange for 50% of the membership interests, the contractual rights of which stipulate that the TEI will receive 99% of the tax losses and a certain percentage of the net cash flows until it reaches the return on its invested capital as defined in the contract.

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

During the year 2017, construction was completed and the Fluvanna I Wind Park, with a total capacity of 155.4 MW, located in the state of Texas, USA was set in operation. Under the new tax law in the USA, which entered into force on 22/12/2017, this wind farm is eligible to depreciate for tax purposes almost all of its construction costs within its operating year, namely in the year 2017. As a result of the aforementioned tax treatment of the construction cost of the project, significant tax losses will be incurred in the year 2017. Furthermore, in addition to the tax losses incurred during the first year of operation, the wind farm is eligible to assume additional tax benefits associated with the annual energy production of the park (Production Tax Credits - PTCs).

On 28/12/2017, the group entered into a transaction in which Goldman Sachs Bank paid the amount of € 127,882 (including issuance fees) to acquire 50% of the membership interests, the contractual rights of which stipulate that the TEI will receive, in the first place, the Tax Benefits (tax losses and Production Tax Credits) of the Fluvanna I Wind Farm, with a limited amount of tax equity investment.

For the year 2017, TEI will receive 70% of the tax benefits, and from the 2018 year and until it achieves a predetermined return on its initial payment, it will receive 99% of these benefits.

The relevant membership interests of these contracts with TEIs have been recognized as a financial liability in accordance with IAS 32. There are no contractual obligations of the parent company TERNA ENERGY and its subsidiaries to provide any form of financial assistance in case of financial difficulty or any form of failure to meet the obligations of Terna Energy USA Holding Corporation, including contractual obligations to the TEI.

The main features of these transactions are:

- Irrespective of the shareholding held by the counterparties, the TERNA ENERGY SA maintains control over the management of wind farms and therefore are fully consolidated in the Group's financial statements.
- Counterparties receive a significant portion of the profits, tax losses and PTCs generated by wind farms until they achieve a predetermined (at the start of investment) rate of return.
- Counterparties remain shareholders in wind farms until they have achieved a predetermined return on their investment.
- When the return on the investment of the counterparties reaches the predetermined level, the Group has the option to redeem the counterparty's rights in the return on the investment.
- The return on the investment of the counterparties depends solely on the performance of wind farms. Although the TERNA ENERGY GROUP undertakes to operate these parks in the best possible way and to take all appropriate measures for their smooth operation, it is not obliged to pay cash to the counterparties beyond what is required to achieve the predetermined return on their investment.

The Group, based on the substance of these transactions, classifies the initial investment of the counterparty as a "financial liability" in the consolidated statement of financial position.

Other Financial Liabilities (long-term and short-term) at 30th June 2018 and 31st December 2017 in the accompanying financial statements are analyzed as follows:

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

	GROUP	
	30.06.2018	31.12.2017
Financial liabilities	111,152	111,708
Deferred income	24,752	22,555
Long-term part	135,904	134,263
Long-term financial liabilities payable in the following year	24,359	25,107
Short-term part	24,359	25,107
Total	160,263	159,370

The movement of the Other Financial Liabilities in the Statement of Financial Position is analyzed as follows:

Financial liabilities	GROUP	
	2018	2017
Balance 1 January	136,815	48,554
Distribution of cash to TEI	(1,522)	(1,596)
Value of tax benefits	(9,925)	-
Interest of the period	6,843	1,384
Foreign exchange differences	3,300	(3,828)
Balance 30 June	135,511	44,514

Deferred income	GROUP	
	2018	2017
Balance 1 January	22,555	-
Value of tax benefits	3,162	-
Amortization of benefits (Note 16)	(1,592)	-
Foreign exchange differences	627	-
Balance 30 June	24,752	-

The financial liability is measured at amortized cost using the effective interest rate method. This obligation is reduced by the cash distribution received by the TEI, depending on the terms of the contract and the value of the tax benefits.

The value of the tax benefits is recognized in the income statement. In particular, the value of the tax losses attributed to the TEI is recognized in Other income (Note 16) of the year, using the straight-line amortization method during the term of the contract (2018: € 1,592, 2017: € 0). PTCs, which are associated with the annual wind power generation, are recognized for each year based on actual production to the benefit of turnover (2018: € 6.763, 2017: € 0).

17. SHARE CAPITAL – EARNINGS PER SHARE

On 30/06/2018 the share capital of the Company amounted to 58,951,275.87 was fully paid and divided into 103,423,291 common shares of a nominal value of € 0.57.

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

Stock options

The 1st Repetitive Extraordinary General Meeting of GEK TERNA Holding, Real Estate, Construction, held on 07/07/2014, established a stock option plan of the Company to Directors in accordance with the provisions of par. 13 of article 13 of Codified Law 2190/1920, and authorized the Board to determine the beneficiaries, the way of exercising the right and the other terms of the program. The relevant decision to implement the program would be implemented by the issue of new shares or the disposal of treasury shares. The implementation period of the program was set at 5 years 2014-2018, the program could be realized up to the amount of 2,500,000 shares and the price per share was determined to be equal to their nominal value, ie € 0,57. By the decision of the Company's Board of Directors dated 20/12/2017, the details of the plan, which included performance terms and conditions to be fulfilled, were determined.

Within the six-month reporting period, the Company disposed of 1,350,000 treasury shares, representing 1.3053% of the paid-up share capital, to its Executives participating in the plan, against a total consideration of € 769,5 thousand. From this transaction, an amount of € 2.551 thousand was recognized as an expense in the consolidated and Company Income Statement of the six-month period.

On 30.06.2018, the Group owned directly 3,868,825 own shares of an acquisition value of 9,558 and indirectly through subsidiaries 1,305,040, a total of 5,173,865 own shares, with a total acquisition value of 16,097. During at six-month period, the number of treasury shares increased by purchasing 15,711 shares from the parent company while it decreased by 1,350,000 shares that were given to management executives of the company that exercised the rights they held.

The weighted average number of outstanding shares for the purpose of earnings per share was 97,837,889 (97,806,380 on 30.06.2017).

Earnings per share as at 30.06.2018 amounted to € 0.0809 (earnings per share of € 0.3638 on 30.06.2017) and were calculated on the basis of the profits attributable to the owners of the parent company 7,920 (profits of 35,582 on 30.06.2017). There are no diluted earnings per share for the six-month period ended on 30.06.2018 and for the comparative period.

18. INCOME TAX

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

	GROUP	
	30.06.2018	30.06.2017
Current tax	6,408	10,692
Tax adjustments of previous fiscal years	1,406	0
Provision for tax audit differences	1,000	1,604
	8,813	12,296
Deferred tax expense	2,458	26,073
Total expense/(income)	11,271	38,369

19. OTHER INCOME/(EXPENSES)

The analysis of the other income/(expenses) as of 30.06.2018 is presented in the following table:

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

	GROUP		COMPANY	
	1.1- 30.06.2018	1.1- 30.06.2017	1.1- 30.06.2018	1.1- 30.06.2017
Results determinants of EBIT:				
Amortization of grants on fixed assets	4,019	5,580	0	0
Income from rents	635	1,316	0	0
Operating Support Assistance Revenue	9.247	0	0	0
NEA ODOS Claims	3.878	0	0	0
Other income	2.118	696	23	0
Charges of expenses	(659)	735	89	38
Overdue interest	(18)	(32)	(1)	0
Sales of fixed assets and inventories	438	887	0	0
Other provision of services	1,043	11	0	0
Grants on expenses	376	14	0	0
Income from judicial indemnities	0	60	0	0
Income from insurance indemnities	275	521	0	0
Earnings from elimination of liabilities	468	32	0	0
Fall of guarantees with regard to criminal clauses	7	444	0	0
Valuation of Investment Properties	0	(860)	0	(550)
Expenses from insurance indemnities	(55)	0	0	0
Expenses relating to E-65 operation	(18.420)	0	0	0
Non operating expenses (idleness)	(1,523)	(887)	(93)	0
Taxes – duties	(1,123)	(117)	(1)	0
Depreciation not included in the cost	(164)	(106)	0	0
	542	8,294	17	(512)
Results non-determinants of EBIT:				
Foreign exchange differences on payment	627	1,153	0	0
Foreign exchange differences on valuation	1,022	(6,526)	0	0
Impairments of fixed assets	(264)	(1,353)	0	0
Impairment of goodwill	0	(6,576)	0	0
Recovery of impairments / Inventory impairments	(328)	(937)	0	0
Other impairments and provisions	(2,000)	0	0	0
Recovery of impairments (Impairments / Eliminations) of receivables	(2,611)	(690)	(7)	0
	(3,554)	(14,929)	0	0
Total other income / (expenses)	(3,012)	(6,635)	10	(512)

20. NUMBER OF EMPLOYEES

The average equivalent number of full-time employees of the Group in the first half of 2018 was 1,838 employees and Company 16 (1,604 and 15 respectively employees in the first half of 2017).

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

21. TRANSACTIONS WITH RELATED PARTIES

The transactions of the Company and Group with related parties for the period that ended on 30.06.2018 and 30.06.2017, as well as the balances of receivables and liabilities that resulted from such transactions during 30.06.2018 and 31.12.2017 are as follows:

Period 30.06.2018		GROUP				COMPANY			
Related party	Revenue	Purchases	Debit Balances	Credit Balances	Revenue	Purchases	Debit Balances	Credit Balances	
Subsidiaries	0	0	0	0	6,196	1,990	123,622	50,289	
Joint Ventures	1,104	3,056	15,611	3,974	57	59	1,261	437	
Associates	0	0	32	7	0	0	32	2	

Period 30.06.2017/ 31.12.2017		GROUP				COMPANY			
Related party	Revenue	Purchases	Debit Balances	Credit Balances	Revenue	Purchases	Debit Balances	Credit Balances	
Subsidiaries	0	0	0	0	7,048	2,780	99,478	126,981	
Joint Ventures	190,207	1,438	14,750	3,345	4,531	68	1,316	24	
Associates	21	0	32	7	21	0	32	2	

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

During the period the Company paid 3.348 and 23 for the share capital increase of subsidiaries and joint ventures respectively.. Following the above transactions, the Company has a receivable of 9.627 from subsidiaries' share capital reductions. It also received loan reinvestments of 9.833 from subsidiaries, granted loans of €19.970 to subsidiaries and reinvest granted loans of 70.557 to subsidiaries. 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 period ended on 30.06.2018 and 30.06.2017, as well as the balances of receivables and liabilities that have emerged from such transactions on 30.06.2018 and 31.12.2017 are as follows:

	GROUP		COMPANY	
	1.1- 30.06.2018	1.1- 30.06.2017	1.1- 30.06.2018	1.1- 30.06.2017
Remuneration to freelancers	1,422	1,292	55	65
Remuneration to full time employees	194	185	20	16
Remuneration for participation in Board meetings	690	38	203	0
	2,306	1,515	278	81

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

	30.06.2018	31.12.2017	30.06.2018	31.12.2017
Liabilities	653	694	51	54
Receivables	32	5	0	0

During the six-month reporting period, the Company disposed of 1,350,000 treasury shares, representing 1.3053% of the paid-up share capital, against a total consideration of 769,5 to its executives participating in a stock option plan.

22. RISK AND UNCERTAINTIES

The Group's activities are subject to several risks and uncertainties, such as the return of macroeconomic uncertainty, the 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, long-term and short-term loans as well as derivatives, trade debtors and creditors, other receivable and payable accounts. Following, the effect of basic risks and uncertainties on the Group's activities is presented.

Credit risk

The Group continuously controls its requirements, either individually or by group, and incorporates the resulting information into its credit control. Where appropriate, external reports or analyses of existing or potential customers are used.

The Group is not exposed theoretically to significant credit risk from trade receivables. This is due on the one hand to the Group's policy, which focuses on working with reliable clients and on the other hand on the nature of the Group's activities. In particular, all the requirements relate either to the wider public sector domestically and abroad, or to large customers with strong financial capabilities.

In spite of the above, these receivables are under special observation and Management consistently assesses the credibility of its clients, the size of each customer, regardless of whether it is an individual or domestic wider public sector entity, about the potential impact it could have, in order to take the necessary measures to minimize any impact on the Group.

The credit risk for cash and other receivables is considered to be limited given the Bank's recapitalization process.

Management considers that all financial assets for which the necessary impairment losses have been incurred 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.

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

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 where there are transactions in the US, the currency settlement is in dollars, so as to minimize the risk.

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 30/06/2018, 44.41% of the total Group loans were based on a floating interest rate (fixed spread) and the remainder 55.59% were based on a 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 the payments that take place on a daily basis. The liquidity needs are monitored at different time zones, on a daily and weekly basis, as well as on the basis of a moving 30-day period. The liquidity needs for the next 6 months and the next year are set on a monthly basis.

The 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.

Other risks and uncertainties

c. 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, and/or collections, as well as the inability to meet contractual obligations by customers due to external market factors and economic factors not controlled by the Group.

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

d. 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 Group 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.

23. 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:

Financial Assets	30.06.2018	31.12.2017
Non current Assets		
Concessions Financial Assets from Concessions - Amortized cost	35,825	26,463
Other long-term assets – Loans and receivables at Amortized cost	78,805	80,341
Available-for-sale investments - Financial assets at fair value through Other comprehensive income	0	47,461
Other equity investments in fair through Other comprehensive income	47,485	0
Receivables from derivatives Financial assets at fair value through Other comprehensive income.	161,708	182,091
Total	323,823	336,356
Current Assets		
Financial assets in fair value – investments available for sale – fair value through Other comprehensive income	0	2,126
Financial assets in fair value through comprehensive income	3,678	3,069
Trade receivables – loan and receivables at amortized cost	220,465	193,143
Receivable from construction contracts – loans and receivables at amortized cost.	202,327	151,366
Advances and other receivables – loans and receivables at amortized cost.	97,160	95,653
Current portion of derivative receivables - Fair value through other comprehensive income	17,357	0
Cash and cash equivalents	547,024	642,227
Total	1,088,011	1,087,584
Financial Liabilities	30.06.2018	31.12.2017
Long term Liabilities		
Long-term loans in amortized cost	1,446,950	1,221,097
Financial leases – Financial liabilities at amortized cost	9,198	11,692
Derivatives- Fair value through other comprehensive income	176,532	200,975
Liabilities from financial instruments at amortized cost	135,904	134,263
Other long term liabilities at amortized cost	24,157	49,796
Total	1,792,741	1,617,823

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

Short term liabilities

Short term loans at amortized cost	116,226	112,484
Long term liabilities at amortized cost	175,764	369,555
Supplies at amortized cost	276,353	243,239
Liabilities from financial instruments at amortized cost	24,359	25,107
Short term portion of derivatives liabilities fair value through other comprehensive income	21,905	0
Current liabilities at amortized cost	64,295	56,334
Total	678,902	806,719

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 30.06.2016 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 (other equity investments)	3	47,485	0	0
Listed shares (Financial assets in fair value through comprehensive income)	1	3,514	(798)	0
Mutual Funds (Financial assets through comprehensive income)	1	164	(6)	0
Receivables from embedded and other derivatives (Financial assets through comprehensive income)	3	177,203	5,596	0
Receivables from cash flow hedging derivatives (IRS) and other derivatives (Financial assets through other comprehensive income)	2	1,862	213	683
Liabilities from cash flow hedging derivatives (IRS) and other derivatives (Financial assets through other comprehensive income)	2	(198,436)	721	1,696

The respective amounts on 31.12.2017 were as follows:

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

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	47,461	0	20,686
Listed shares (investments available for sale)	1	1,956	146	530
Listed shares (investments held for trading purposes)	1	3,069	110	(1,110)
Mutual Funds (investments available for sale)	1	170	0	28
Receivables from embedded derivatives and other derivatives	3	180,780	(11,490)	0
Receivables from cash flow hedging derivatives (IRS) and other derivatives	2	1,311	12	0
Liabilities from cash flow hedging derivatives (IRS) and other derivatives	2	(200,975)	0	5,669

The financial derivatives are included in level 2, as the measurement of their fair value is performed with reference to the market yield curves.

24. CONTINGENT LIABILITIES

1. Possible tax liabilities

The tax liabilities of the Group are not definitive as there are unaudited tax years, which are analyzed in note 3 of the Financial Statements of the six-month period ended 30/06/2018. For the unaudited tax years there is the possibility of imposing additional taxes and surcharges at the time when they will be examined and finalized. The Group makes an annual estimate of the contingent liabilities that are expected to arise from the tax audit of past years, making relevant provisions were deemed necessary. The Group has made provision for unaudited tax years of 4,460 (31/12/2017: 3,460).

Management considers that, in addition to the provision made, any tax amounts that may arise will not have a material impact on the Group's, Company's and Company's equity, results and cash flows.

Tax Compliance Certificate

For the years 2011 and until 2015, the companies of the Group operating in Greece and meeting the relevant criteria for tax auditing by the Certified Public Accountants have received a Certificate on Tax Compliance according to par. 5 of article 82 of Law 2238/1994 and Article 65A paragraph 1 of Law 41174/2013, without any substantial differences. It should be noted that, according to Circular POL. 1006/2016, the companies which have been subject to the above special tax audit are not exempted from the regular tax audit by the competent tax authorities.

Furthermore, according to the relevant legislation, for the years 2016 onwards, the audit and issue of the Tax Compliance Certificate is valid on a voluntary basis. In this context, a tax compliance certificate for the year 2016 was received by the parent company and the Greek subsidiaries of the renewable energy sector. Similarly for the same companies, the special audit for the issuance of the Tax Compliance Certificate for the year 2017 is in progress and the relevant tax certificates are to be issued after the publication of the interim condensed financial statements of 30/06/2018. At the end of the tax audit, Management does not expect significant tax liabilities to incur other than those recorded and reflected in the Group's and Company's financial statements. It should be noted that, according to the issues mentioned in the Circular POL. 1192/2017, the right of the State for a tax charge up to and including the year 2011 has lapsed unless the specific provisions on 10-year, 15-year and 20-year limitation periods apply.

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

2. Commitments from construction contracts

The backlog of the construction contracts of the Group amounts to € 1,390 million on 30/06/2018 (€ 1,600 million on 31/12/2017). Under these commitments, the Group has issued good execution letters of guarantee at an amount of EUR 1,270 million, compared with € 1,374 million in the previous period.

3. Court cases

The Company and its consolidated companies are involved (in their capacity as defendant and plaintiff) in various court cases in the context of their normal operation. In particular, in the case of legal proceedings against the Group for accidents at work that occurred during the execution of construction works, it is noted that the Group is insured against accidents at work and therefore no significant burden is expected to arise from the possible negative outcome of such court cases

The Group forms provisions in the financial statements for outstanding legal affairs when it is probable that an outflow of resources will be required to settle the obligation and that this amount can be reliably estimated. In this context, the Group has recognized as of 30/06/2018 provisions of 5,465 (3,467 on 31/12/2017) for litigations.

The Management, as well as the legal advisors, consider that, besides the above-mentioned provisions, pending cases are expected to be settled without significant adverse effects on the consolidated financial position of the Group or the Company or the results of their operation, beyond the already established provision for litigations.

Client claims against Consortium in which the Company participates and the counterpart claim of the Consortium

There are pending litigations in the SIEMENS A.G. - AKTOR SA - TERNA SA Consortium (hereinafter referred to as "Consortium"), contractor of the project "Renovation of a railway line and manufacture of signaling electrification, - telecommunication in the part of Piraeus - Athens - Three bridges - SKA - Acharnes / Three bridges - Ano Liossia (connection to GYYT - Korinthos "(AS 994), with OSE SA, in which the Group participates with 37.5%.

In particular, OSE SA is bringing an action against the Consortium in which it also claims payment of EUR 18.5 million (excluding VAT) for the disputed 66th (negative) final account of the above project, which allegedly OSE SA does not respond and does not correspond to a specific contractual provision. The hearing of the above treatment was set for 6/12/2018.

Against the 66th negative final account, there is pending appeal of the Consortium against the OSE SA in relation to the recognition of the illegality of the 66th negative final account (for the reasons stated therein) and the payment of the expenses/fees made for additional studies that arose after the change of the first environmental study. s The date on which this action will be discussed was also set on 06/12/2018. The assessment of the Legal Advisers with regards to the outcome of these legal disputes is positive for the Consortium, given that No. 1038/2017 decision of the Supreme Court in the appeal of the contractor consortium against OSE SA for the annulment of the rejection decision no. 1137/2013 of the Piraeus Appeal Court (which concerns the Final Measurement of the said project), which accepted the appeal and referred for re-hearing to the Five-member Court of Appeal of Piraeus. Following a relevant call to resume the debate, the case was adjudicated on 17/5/2018. As a result of the referral for a new hearing, the appeal of the sponsor consortium will in essence be judged on the grounds that the No. 1137/2013 Decision, which was annulled, was dismissed as inadmissible.

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

25. SIGNIFICANT EVENTS DURING THE PERIOD

During the first half of 2018 the following significant events occurred:

1. On 9 February 2018, an Extraordinary General Meeting of Shareholders of subsidiary TERNA ENERGY SA was convened and approved the proposal for the increase of the share capital of the Company, with the abolition of the preference right of the old Shareholders, amounting to € 2,850,000, payment of cash through the issue of 9,500,000 common voting shares of a nominal value of € 0.30 each and a disposal price of € 4.35 per share and the amount of thirty eight million four hundred seventy five thousand € (€ 38,475,000) in a special reserve of Eta from the issue of shares above par.

2. Signing of a PPP contract for the Integrated Waste Management Project of the Peloponnese Region.

On June 14, 2018, the contract of the PPP project "Integrated Waste Management of the Peloponnese Region" was signed, between the Environmental Peloponnese SA, a member of TERNA ENERGI AKI Group and the Region of Peloponnese. It is the largest waste management project in the country, which implements most of the Peloponnese PESDA, while it operates alongside with the local recycling projects at the source of municipalities. The amount of the investment stands at € 168 million, out of which the € 66 million comes from an ESPA grant. The contract provides for the construction and operation of three (3) Waste Treatment Units (WTUs) and an equal number of landfill sites in Arcadia, Messinia and Laconia, as well as two (2) Waste Shipment Stations in Corinthia and Argolida, finally resolving the major waste problem in the periphery of Peloponnese. The total duration of the contract is 28 years and includes the two-year construction period and the 26-year operation period. The agreement also provides for the initiation of the transient waste management at the premises of the concession company from the 10th month following the entry into force of the contract.

3. The Group started the commercial operation of three wind farms with a total installed capacity of 51 MW in various regions of Greece (Veria, Kozani, Viotia).

4. On 01.12.2017, the Company signed a € 193.95 million Committed Secured Bond Loan Program with Greek Credit Institutions for the purpose of refinancing existing loans to Group companies. The basic terms of this Bond Loan are a spread of 4.5% - 5.5% plus six-month euribor, depending on the interest rates and a repayment period until 2023.

On January 30, 2018, the total amount of 193.95 million euro was signed by the Hellenic Credit Institutions and the purpose for which the refinancing of the existing borrowing of the parent company was performed and Group companies. On 10/4/2018, the last installment of this Bond Loan amounted to € 64.5 million, and the effect of this payment was, inter alia, to renegotiate the spread, which stood at 4% for the entire remaining loan.

At the convict of the Hellenic Capital Market Commission on March 21, 2018, the Company's Prospectus was approved for the public offering through cash payment and the listing of 120,000 common bearer bonds, for a total amount of 120,000,000 euros, for trading on the Athens Stock Exchange.

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

With the completion of the Public Offer on March 29, 2018, and according to the aggregate allocation data generated by the use of the Electronic Book of Bids (ATHEX) of the Athens Stock Exchange, a total of 120,000 common denominations of the Company with a nominal value EUR 100 each, ie 100% of its nominal value, and raised funds of EUR 120,000,000. The distribution of the issued bonds is as follows: 78.000 Bonds (65%) of the total issued bonds were distributed to private Investors and 42.000 Bonds (35%) of the total issued Bonds were distributed to Special Investors.

The characteristics of this loan are as follows:

(a) The bond yield is 3.95% and is stable over the lifetime of the loan.

(b) Interest is six months.

(c) The duration of the loan is seven (7) years and its repayment will be realized at the end of the period of seven (7) years.

5. On February 26, 2018, the Company, in order to implement the decision of the 1st Repetitive General Meeting of Shareholders dated 7/7/2014, allocated to a total of 1,350,000 (seven) Directors of the Company, against exercise of stock option rights own shares, for a total consideration of EUR 769.500,00.

6.. The Group signed on 2.2.2018 a contract with M.M. Makronisos Marina Ltd totaling € 163.4 million for the construction of two towers of 27-28 floors totaling 115m. which will house luxurious apartments, a residential complex consisting of 29 villas with a total area of 16,500 square meters, as well as a shopping center with luxury shopping, dining and entertainment, parking and event venues of a total area of 8,000 square meters. , as part of the development of the Ayia Napa Marina.

During the period 01.01.2018 to 30.06.2018, the Group also signed several new contracts and extensions with a total budget of € 110 million.

7. By decisions dated 29/6/2018 of the Board of Directors of the subsidiaries TERNA SA and TERNA LEYKOLITHI SA, it was decided to start the merger by absorption of TERNA MAG SA by TERNA SA, on the basis of the provisions of article 54 of Law 4172/2002 and articles 68-77 of Codified Law 2190/1920. 2190/1920. The date of the Transformation Balance Sheet was set at 30/6/2018.

26. CYCLICALITY-SEASONALITY

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

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

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

27. EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE

GEK TERNA, in the context of the strategic development of the Group's activities for the increase of alternative sources of income, has agreed with the company "FERROVIAL SA" (Ferrovial) on the acquisition of the total stake of Ferrovial to the Concession Companies "NEW ROAD SA" and "AUTOMOBILES OF CENTRAL GREECE SA" and to the Consortium under the name "FERROVIAL JOINT VENTURE SA". - GEK TERNA SOCIETE ANONYME OF HOLDINGS AND PROPERTIES 'and as the individual participation percentage of Ferrovial in the above Concession Companies and the Consortium are as follows:

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

- 1) for the company "AUTHENTIC CENTRAL GREECE SA" 33,34%
- 2) for the company "NEW ROAD SA" 21,41% and
- 3) for the Consortium FERROVIAL SA - GEK TERNA SOCIETE ANONYME OF HOLDINGS, REAL ESTATE CONSTRUCTIONS percentage 33,4% 21,4%

The completion of the aforementioned transactions is subject to certain proxies, namely: (a) with respect to the acquisition of the shares on the NEW ROAD and ROAD of CENTRAL GREECE the approval of the transaction by the competent Competition Commission and (b) regarding the acquisition of the stake in the Consortium the approval of the transaction by the Greek State and in both cases the approval of the transfer of the necessary funds to the seller Ferrovial, in accordance with the current regulatory framework regarding restrictions on movement in capital.

On 27/09/2018 and for the implementation of the decision of the 1st Repetitive General Meeting of Shareholders dated 07/07/2014, the Company granted to seven (7) Directors, against the exercise of stock option rights, a total of 400.000 own shares which represent 0,3868% of the paid up share capital, for a total consideration of 228.

Upon the temporary receipt of the Megalopolis V Vessel Unit and in particular with the signed Interim Receipt Protocol of 28.08.2018, between the Customer and the Contractor have been recorded, each with a requirement of approximately 60 million. and to resolve these disputes, the envisaged contractual procedure will be followed.

The Group on 30.05.2017 through the joint operation "TERNA SA" - GMR Airports Limited, was declared a Provisional Contractor of the project "Study, Construction, Financing, Operation, Maintenance and Exploitation of the New International Airport of Heraklion, Crete, as well as Study, Construction and Financing of its Road Connections". On September 14, 2018, the aforesaid joint operation was announced final Contractor of this project and the legal proceedings were initiated, with the intention to conclude the signing of the concession contract and the start of the concession contract according to the specific terms defined therein.

Apart from the above mentioned, there are no other events subsequent to the financial statements, which concern either the Group or the Company, to which reference is made by the International Financial Reporting Standards (IFRS).

VICE CHAIRMAN of BoD

MANAGING DIRECTOR

KONSTANTINOS VAVALETSKOS

GEORGIOS PERISTERIS

THE CHIEF FINANCIAL OFFICER

THE CHIEF ACCOUNTANT

CHRISTOS ZARIBAS

NIKOLAOS VALMAS

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

*(Amounts in thousand Euro, unless stated otherwise)***V.REPORT ON USE OF FUNDS RAISED**

GEK TERNA SOCIETE ANONYME
HOLDINGS REAL ESTATE CONSTRUCTIONS General Commercial Registry No. 253001000
(former S.A. Reg. No. 6044/06/B/86/142)
Report on funds raised from Issuance of Common Bond Loan Program
For the period from 10/04/2018 till 30/06/2018

The Board of Hellenic Capital Market Commission, approved at 21/03/2018 the Company's Prospectus for issuance of Common Bond Loan Public offering by cash payment and the admission to trading on the Athens Stock Exchange of up to 120,000 common anonymous bonds of total amount of 120,000,000 euros. After the end of the vesting period, the above issue was fully covered. The issue price of the Bonds was set at € 1,000 each, ie 100% of its nominal value. The characteristics of this loan are as follows: (a) The bond yield is 3.95% and is constant over the lifetime of the loan. (b) Interest is settled on semi-annual basis. (c) The duration of the loan is seven (7) years and its repayment will be realized at the end of the period of seven (7) years. On the completion of the Public Offering on 29/03/2018, and according to the aggregate allocation data generated by the use of the Electronic Book of Bids (ATHEX) of the Athens Stock Exchange, a total of 120,000 common anonymous bonds of the Company were a nominal value of € 1,000 each and raised funds of € 120,000,000. The distribution of the issued bonds is as follows: 78.000 Bonds (65%) of the total issued bonds were distributed to private Investors and 42.000 Bonds (35%) of the total issued Bonds were distributed to Special Investors.

Based on the above, it is disclosed that an amount of € 117.097 thousand, ie the amount of € 120.000 thousand, drawn in cash from the coverage of the COD by holders of pre-emptive and pre-subscription rights, minus € 2.903 thousand, which relates to issue costs, on 30/06/2018 as follows:

REPORT ON USE OF FUNDS RAISED					
(Amounts in 000's €)					
	Amount raised	Utilization of funds raised according to issued Prospectus	Distribution of funds raised based on Prospectus scope	Total amount utilized for the period from 10/04/2018 till 30/06/2018	Unutilized balance at 30/06/2018
Total amount raised	120.000	Within 2 months of collection (A) Immediate disposal of € 64,642,734 for the partial repayment of a € 193,947,597 bank bond loan on 01/12/2017.	64,643	64,643	0
		Within 3 years (2018-2020) (B) Amount €52.454.666 to be utilized as follows:	52.454	17.603	34.851

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

		(i) By the issuer or through, or through intra-group borrowing or Share capital increase by its subsidiaries to finance new or existing investments - up to 70% for the direct or indirect (via Share capital increase and / or lending, which at the end of the transaction will be converted into PPPs) participation in PPP or concession agreements - up to 20% to participate in share capital increase of its subsidiary TERNA LEFKOLITOI SA - the remaining for the financing (through Share Capital increase and / or borrowing, which at maturity will be converted into Share Capital) of the investments in the other sectors of its activity of the companies and the legal entities in which the Issuer participates	26.227	100	26.127
			Up € 18.359 th.	100	
			Up € 5.245 th.	0	
			Remaining € 2.623 th.	0	
Bond issuance fees	(2.903)	(ii) to meet the Company's needs in working capital, including the reduction of bank loans	26,227	17,503	8,724
Total	117.097	Total (A + B)	117,097	82,246	34,851

Notes:

The amount of € 100 thousand in participation in a share capital increase in the subsidiary company PLATANOU KIFISIAS PLANT AE

The unallocated funds of the COD of 34.851 are included in the account of Statement of Financial Position 30/06/2018 "Cash Available" and are deposited in bank accounts of the Company.

September 28, 2018

VICE CHAIRMAN of BoD

MANAGING DIRECTOR

KONSTANTINOS VAVALESKOS

GEORGIOS PERISTERIS

THE CHIEF FINANCIAL OFFICER

THE CHIEF ACCOUNTANT

CHRISTOS ZARIMBAS

NIKOLAOS VALMAS

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

Report on the findings arising from the performance of Agreed Upon Procedures in connection with the Report on Use of Funds Raised (This report has been translated from the Greek Original Version)

To the Board of Directors of «GEK TERNA SOCIETE ANONYME HOLDING REAL ESTATE CONSTRUCTIONS»

As in compliance with the assignment we received from the Board of Directors of GEK TERNA SOCIETE ANONYME HOLDING REAL ESTATE CONSTRUCTIONS (the "Company"), we have performed the following agreed upon procedures in the framework of the provisions of the Athens Stock Exchange regulatory framework and the relevant legislative framework of the Capital Market Commission regarding the Report on Use of Funds Raised of the Company concerning the issue of a Common Bond Loan, which was conducted on 29/03/2018. The Management of the Company is responsible for the preparation of the aforementioned Report according to the applicable regulations of the Athens Stock Exchange and the Capital Committee and according to the Prospectus of 29/3/2018. We have performed this work according to the International Standard on Related Services 4400 "Engagements to Perform Agreed-Upon Procedures Regarding Financial Information". Our responsibility is to perform the following agreed-upon procedure and to report our finding to you.

Processes

1. We examined the consistency of the Table of Raised Funds per Investment Sector contained in the Report with that mentioned in the Prospectus issued by the Company on March 29, 2018.
2. We compared the amounts referred to as "Total amounts of capital proceeds which were paid during the period 10/04/2018 - 30/06/2018", with the corresponding amount recognized in the basic accounting records of the Company up to 30th June 2018.
3. We examined whether the raised funds from the Bond Loan were allocated from the date of raising the funds up to 30 June 2018 according to their intended use, based on the information in the prospectus of March 29, 2018 in paragraph 4.1.2, by examining documents on a sample basis that support the relevant accounting entries.

Findings

1. We have determined that the content of the Report complies with the Prospectus, issued by the Company on March 29, 2018.
2. The amounts which are referred to as the "Total amounts of capital proceeds which were paid during the period 10/04/2018 - 30/06/2018" of the Report agree corresponding amount recognized in the basic accounting records of the Company up to 30th June 2018
3. The proceeds of the bond loan were allocated up to 30 June 2018 according to their intended use, is based on the information in the prospectus of March 29, 2018 in paragraph 4.1.2, by examining relevant documents on a sample basis that support the relevant accounting entries.

GEK TERNA GROUP

Semi-annual Financial Report for the period from January 1st 2016 to June 30th 2018

(Amounts in thousand Euro, unless stated otherwise)

Because the above procedures do not constitute either an audit or a review made in accordance with International Standards on Auditing or International Standards on Review Engagements, we do not express any other assurance except as discussed above. Had we performed additional procedures or had we performed an audit or review in accordance with International Standards on Auditing or International Standards on Review Engagements, other matters might have come to our attention that would have been reported to you.

Use Limitation

This report is addressed only to the Board of the Company in the context of its obligations to the current regulatory framework of the Athens Stock Exchange.

Consequently, this report should not be used for other purpose as it is limited to what is referred above and does not extend to the six-month financial report prepared by the Company for the period ended 30 June 2018, for which we issued a Review Report dated 28 September 2018.

Athens, 29th September 2018

The Certified Accountant Auditor

Dimitra Pagoni

SOEL Reg. No 30821

