



**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)

SIX-MONTH FINANCIAL REPORT

For the period

1 January to June 30, 2019

**According to article 5 of L. 3556/2007 and relevant executive decisions
of Hellenic Market Commission Board of Directors**

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SIX-MONTH FINANCIAL REPORT

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Under the provisions of Article 5, Law 3556/2007

The current Six-month Report has been prepared in compliance with the provisions of Article 5 of L. 3556/2007 and relevant executive decisions of Hellenic Market Commission Board of Directors No. 7/448/11.10.2007 and includes as follows:

- I. Representations of the Board of Directors members
- II. Board of Directors Six Month Report
- III. Independent Auditors' Review Report, and
- IV. Interim condensed financial statements for the first half of 2019.
- V. Report on use of funds raised

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I. REPRESENTATIONS OF THE BOARD OF DIRECTORS MEMBERS

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

The below statements are made by the following representatives:

1. George Peristeris, Chairman of the Board of Directors & Chief Executive Officer
2. Apostolos Tamvakakis, Vice Chairman, Independent Non-executive Member of the Board of Directors
3. Constantinos Vavaletskos, Vice Chairman of the Board of Directors

WHO HEREBY DECLARE AND CERTIFY

to the best of our knowledge that:

- a. The attached separate and consolidated Six Month Financial Statements of GEK TERNA SOCIETE ANONYME HOLDINGS REAL ESTATE CONSTRUCTIONS for the period from January 1st 2019 to June 30th 2019, prepared in accordance with the International Financial Reporting Standards as adopted by the European Union and apply for interim financial reporting (International Accounting Standard "IAS 34") reflect in true manner the Assets and Liabilities, the Shareholders' Equity as at 30.06.2019 and the Total Comprehensive Income for the first six month period of 2019 of the Company, as well as of the companies included in the consolidation in aggregate, according to par. 3 – 5 of article 5 of L. 3556/2007, and
- b. The six-month Board of Directors Report presents in a true and fair way the information required according to par. 6 of article 5 of L. 3556/2007.

Athens, 25 September 2019

Chairman of BoD
& Chief Executive Officer

Vice Chairman of BoD

Vice Chairman of BoD

George Peristeris

Apostolos Tamvakakis

Constantinos Vavaletskos

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II. SIX MONTH BOARD OF DIRECTORS REPORT

Dear Shareholders,

Pursuant to the provisions of Law 4548/2018 (article 150 par. 1,2,3 and article 149 par. 1) and Law 3556/2007 article 4 paragraph 2c as well as the implementing decisions issued thereon 1/434/03.07.2007 and 7/448/11.10.2007 of the Board of Directors of the Hellenic Capital Market Commission, we hereby are submitting to your attention the six-month report of the Board of Directors for the current fiscal year from 01.01.2019 to 30.06.2019.

This report contains financial and non-financial information regarding the Company and its subsidiaries and affiliates for the period from 01.01.2019 to 30.06.2019 and describes significant events that took place during this period, as well as the prospects of the company and the Group and their impact, along with the prospects of the company and the Group. It also outlines the main risks and uncertainties that Group companies may face in the coming year and, finally, records significant transactions between the Company and its related parties.

A. Financial Developments and Performance in the Reporting Period

In the A' six-month of 2019 the Greek Economy continued its stabilization and recovery. Specifically Gross Domestic Product rose by 1.3% on an annual basis in the first quarter of 2019, marking an increase for the 8th consecutive quarter. It is further noted that the improvement of significant economic precursor indexes indicates accelerating growth in the following quarters of the year.

The election period, during which the need for investment support measures and reduction in tax rates emerged, combined with improvement in macroeconomic conditions and the European Central Bank's expansionary policy, have led to a significant reduction in government bond yields and the upgrading of the Greek economy by rating agencies. The above illustrates the restoration of confidence in the possibilities and prospects of the Greek Economy.

At regional level, risk factors that directly affect the Group are as follows: a) significant under-implementation of the Public Investment Program in order to achieve the primary surplus target of 3.50%, b) non-reduction of bureaucracy in various sectors of Greek Economy, and c) constant changes in tax legislation. These factors prevent the possibility of implementing investments, that will give further impetus to the Greek Economy.

At international level, the global economy is experiencing high rates of volatility that can disrupt economic activity. Particular risk factors include the escalation of trade policy disputes, the difficulty of reaching an agreement on Brexit and financial instability associated with high levels of debt in the private sector.

In this context, GEK TERNA Group, which is strategically located in key sectors of the Greek economy, in order to benefit from its growth after a decade of recession, continued its investment program in Greece and abroad in the field of Renewable Energy Segment.

The Group continues its presence in countries outside Greece, as a significant part of its turnover in the construction and energy operating sectors stems from the countries of South East Europe, the Middle East and America.

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The Group continues its presence in countries outside Greece, as a significant part of its turnover in the construction and energy operating sectors arises from the countries of South East Europe, the Middle East and America.

The key consolidated financial items in the A' six-month of 2019 according to International Financial Reporting Standards compared to the corresponding financial items in 2018 are as follows:

Turnover to third parties from continuing activities amounted to € 566 million, compared to € 683 million in 2018, decreased by 17.1%, mainly due to the decline in the Turnover in Construction Sector.

Earnings before depreciation and amortization, including non-cash results from continuing operations (adjusted EBITDA) stood at € 147.3 million, compared to € 143.2 million in the corresponding period of 2018, increased by 2.9%.

Earnings before tax from continuing operations stood at € 52.2 million, compared to € 32 million in the corresponding period of 2018, increased by 63.1%, positively affected by the valuation of financial assets.

Earnings after tax and non-controlling interests stood at € 27.3 million, versus € 7.9 million in the corresponding period of 2018.

The Group's Net Debt (cash available less bank borrowings) amounted to approximately minus € 1,436 million as at 30.06.2019 compared to minus € 1,327 million as at 31.12.2018. The increase in Net Debt was mainly influenced by the implementation of new investments in the Energy Sector.

As at 30.06.2019, the Group's Total Assets stood at € 3.967 million, versus € 4.010 million as at 31.12.2018.

B. Significant events in the period 01.01 – 30.06.2019

The following significant events took place in the first half of 2019:

- On 05.02.2019, the Concession company under the title "INTERNATIONAL AIRPORT OF HERAKLION CRETE CONCESSION S.A." was established, which on 21.02.2019 signed the Concession Agreement with the Greek State which had been approved and had become the law of the Greek State. TERNA SA, 100% subsidiary of the Group, participates in the Concession Company, with GMR Airports Limited with 90% and 10% percentages respectively. It is noted that after the CCD and according to the concession agreement, participation percentages will be set at: TERNA 32,46% and GMR Airports Limited 21,64%, as well as the Greek State at 45,9%.
- On 21.02.2019 GEK TERNA Group signed Agreement ON Design and Construction with the company HERAKLION CRETE INTERNATIONAL AIRPORT SA CONCESSION of the new airport in Heraklion Crete at a budget of EUR 480 million and contractual term of implementation of 5 years.
- On 08.03.2019, the subsidiary of GEK TERNA Group TERNA SA, forming a joint venture with AVAX (AVAX – TERNA JV-MEDITERRANEAN CITY OF DREAMS) and with participation stake of 40%, signed an agreement valued at EUR 270 million with the company ICR CYPRUS RESORT DEVELOPMENT CO LIMITED concerning the construction of a thematic park and casino of a total area of 96,000 m2 and with a timetable of 30 months in terms of completion.

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- In the period of 01.01 - 30.06.2019, contracts were signed for various new construction projects and extensions of existing contracts, of a total budget EUR 71.2 million.
- In 2019, TERNA ENERGY GROUP started construction of nine (9) new wind farms with capacity of 121MW in Euboea. The total project budget is approximately € 150 million and wind farms are expected to complete in the first and second quarters of 2020. The term of the sales contracts is 20 years with a guaranteed feed-in-premium (FiP) sale price provided that the projects are completed by 31.12.2020.
- In the context of RAE Decision No. 230/2019, "Conducting a Common Competitive Tender Procedure for Renewable Power Plants" and given the final results of the Electronic Auction held on 15 April 2019, the Wind Farms in the Evritania region (in particular KASTRI - KOKKALIA, TYBANO - TRIPIRI, KARAVI ALOGOVOUNI, PIKROVOUNI), with a capacity of 66,6 MW, have been selected to be eligible for support in the form of operating aid through a competitive bidding procedure and a fixed sale price of electricity produced has already been secured.
- On 27.03.2019, the project "Municipal Solid Waste Treatment Plant of Epirus Region" (hereinafter MEA Epirus) commenced commercial operation. The project was implemented by Epirus Region and "Aeiforiki of Epirus", a 100% subsidiary of TERNA ENERGY Group, with the contribution of the Public & Private Partnerships (PPP) Special Secretariat. With the commercial commencement of the Waste Processing Plant of Epirus, an important part of the Regional Waste Management Plan has been implemented. The maximum annual capacity of MEA Epirus is 105,000 tn. The Waste Processing Plant will be recycling at least 17,000 tons of appropriate materials and will be producing green energy of 10,800 KWh per Green Energy year and generate savings of 12,000 tons of CO₂.
- On 28.05.2019, GEK TERNA S.A. announces that, according to the contractual obligations, of the 21.03.2018 Corporate Bond Loan Program amounting to € 120 million, the credit worthiness of the Company has been upgraded by ICAP Group S.A. from level BB to level A.
- On 22.04.2019, in accordance with the Law 3556/2007, GEK TERNA announced that on 17.04.2019 received notification from the shareholder REGGEBORGH INVEST B.V. that a change was made (increase) in the voting rights of the aforementioned shareholder, i.e. REGGEBORGH INVEST B.V. now holds 27,948,005 shares and voting rights, i.e. 27.0229% of the total voting rights of the Company, amounting to 103,423,291. Shareholder REGGEBORGH INVEST B.V. also owns a financial instrument that can lead to the acquisition of 7,909,588 shares and voting rights, i.e. 7.6477% of the Company's total voting rights. The exercise of the right to acquire the above shares and voting rights may take place at any date between the 275th and the 365th day from 21.03.2019, at which time the shareholder percentage of REGGEBORGH INVEST B.V. will amount to 34.6706% of the Company's total voting rights. In the same disclosure above, the shareholder REGGEBORGH INVEST B.V. stated that it is not controlled by another natural or legal person or other entity and does not control any other business / companies directly or indirectly holding in GEK TERNA SA.
- At the Regular General Meeting of TERNA ENERGY Shareholders held on 05.06.2019, it was announced that the 100% subsidiary of TERNA ENERGY MAEX examines the issuance of a new Bond Loan, from 120 million to € 150 million in order to raise liquidity to finance the investment program.

Construction segment

Turnover of our construction operations remains significant, while the backlog of construction projects remains high at approximately € 1,824 million as at 30.06.2019.

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TERNA SA, a subsidiary of GEK TERNA Group, is one of the most powerful Greek construction companies, with a strong presence in the Balkans and the Middle East and constitutes the main construction arm of our Group.

Turnover from construction operations to third parties amounted to € 343.6 million versus € 480.5 million in the corresponding period in 2018, decreased by 28.5%. This fact is due to the slowdown of progress on a specific project of the broader public sector, due to the delay in paying due credits, but also to the completion of projects that were under construction last year. This amount does not include Turnover between the Group's segments, which amounts to € 19.8 million and relates to the construction of capital goods for our Group.

EBITDA including non-cash results (adjusted EBITDA) stood at € 18.0 million versus € 26.5 million in the previous year. At the same time, EBIT stood at € 8.0 million versus € 21.3 million in the six-month comparative period of 2018. The aforementioned amounts do not include Earnings from sales between segments within the Group.

Turnover of the segment arises from operations performed in Greece by 87%, in Balkan countries by 5% and in the countries of the Middle East by 8%.

Borrowings stood at € 127 million versus € 105 million as at 31.12.2018, while the Net Debt in Construction Segment (cash available less borrowings) stood at approximately € 44 million, versus Net Debt of € 143 million as at 31.12.2018.

Experience in the implementation of major road, building, port as well as large scale construction projects, as well as the strong presence of TERNA in the Balkan and Middle East markets, advocate to further improvement of financial and other figures as well as to the track record of this segment for the Group.

Energy production segment

GEK TERNA Group, active in the energy segment since the mid-1990s, is one of the leading players in the Renewable Energy Sector (RES) through the Group TERNA ENERGY SA, as well as in thermo-produced energy, through "HERON Thermoelectric SA" and "HERON II".

a) Electricity production from renewable energy sources

The shift into the renewable energy sources (RES) is evident at the global level, with the segment standing out as one of the top investment options over the following years. In this context, the Group continues the development of selected RES projects in Greece and at the same time, capitalizing on its own experience and know how, intensifies its efforts aiming at a stronger presence in the USA, Poland and Bulgaria.

The Group's total installed capacity of RES projects is expected to increase significantly over the following years, given the maturity of the investments that would have been implemented.

Within the context of this strategy, the Group has already installed and operating 1,390 MW capacity in Greece and abroad. Specifically, the Group has already installed 607MW in Greece, 102MW in Poland, 30MW in Bulgaria, USA 651MW and the finalization of the acquisition of the new Wind Farm "Bearth" in Texas, USA 200MW and the inclusion of the 158MW Gopher Creek Wind Park.

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Sales from renewable energy stood at € 111.9 million, versus € 104.3 million in the comparative six-month period of 2018, increased by 7.3%. This increase is due to the production launch of new wind farm, while EBIDTA including non-cash results for the period (adjusted EBITDA) amounted to € 86.9 million, versus € 77.8 million in 2018, increased by 11.7%. At the same time, EBIT stood at € 59.9 million versus € 54.2 million in the comparative six-month period of 2018

TERNA ENERGY's investments amounted to € 112.5 million in the first half of 2019. The aforesaid Group's ongoing investment activity generates the conditions for stabilizing strong levels of revenue and profitability over the long term.

b) Electricity production from Thermal Resources – Sale of electric energy

According to the provisions of IFRS 11, the companies "HERON Thermoelectric SA" and "HERON II S.A." have been recognized as jointly managed and, as a result, the consolidation of their financial results is made under the equity method. During 2018, earnings after taxes which have been currently incorporated amounted to - € 0.3 million compared to € 0.9 million in 2018.

In 2019, electricity production from Thermal Resources as well as operation of the 435 MW Thermal Power and the smaller 147 MW Power Plant in Viotia continued.

Turnover of Electric Energy Segment stood at € 18.6 million, versus € 3.8 million in the comparative six-month period of 2018, marking an increase. Adjusted EBITDA for the segment stood at € 1.8 million, compared to € 0.0 million in the corresponding period of 2018.

Real Estate segment

The Group decided to wait-and-see the investing in the domestic real estate market. Given the current financial conditions, the Group has decided to divest in specific properties. At the same time, it is considering alternative scenarios for exploiting part of its investment, also, where it is appropriate to continue investing.

Turnover of Real Estate Segment stood at € 1.5 million, compared to € 5 million in the comparative six-month period of 2018.

The decrease in Turnover is mainly due to the decrease in rentals due to the sale of the shopping mall in Sofia, Bulgaria in December 2018. EBITDA including non-cash results (Adjusted EBITDA) stood at € 0.3 million, compared to € 2.7 million in the comparative six-month period of 2018. Profit after tax stood at minus € 0.5 million, compared to € 0.9 million in the corresponding period of 2018. The ratio of Liabilities to Total Assets in the segment is 71%, a factor quite safe, given the prevailing financial conditions.

Concessions – Self or Jointly Financed Projects

Following the acquisition agreement as at 11.12.2018 with the shareholder FERROVIAL S.A. for the acquisition of its participation share in the Concession Companies "NEA ODOS SA" and "CENTRAL GREECE MOTORWAY SA", the Group holds 100% of the shares of Concession Companies "NEA ODOS SA" and "CENTRAL GREECE MOTORWAY SA".

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Moreover, the Group also participates with a 70% stake in the HELLAS SMARTICKET SA, which has undertaken over from the Athens Urban Transport Organization, the Partnership Contract for the Study, Financing, Installation, Operation Support, Maintenance and Technical Management of a Unified, Automatic Ticket Collection System for OASA Group Companies through PPPs. The duration of the concession has been set to 10 years after the construction period. The method of measuring the annual revenues is recognized in accordance with IFRIC 12 Interpretation, based on the invoicing of the cost of construction, maintenance and operation costs, plus an imputed profit, as determined by the total financial asset.

On 27.03.2019 the Epirus Waste Processing Unit with maximum annual capacity of 105.000tn was set into operation. The Group's participation in AEIFORIKI EPIRUS MONOPROSOPI SPECIAL PURPOSE SOCIETE ANONYME is 100% and the term of the Concession will be 27 years. The method of measuring Annual Income is recognized in accordance with IFRIC 12 Interpretation, based on the invoicing of the cost of construction, maintenance and operation costs, plus an imputed profit, as determined by the total financial asset.

Further the Group activity in the segment of Management and Operation of Car Parking Stations was continued, while the total number of car parking seats attributable to the Group amounted to 2,278.

Turnover in the Concessions Segment amounted to € 85.9 million, compared to € 84.6 million in the comparative six-month period of 2018.

EBITDA including cash results (adjusted EBITDA) amounted to € 44.2 million, compared to € 39.8 million in the comparative six-month period of 2018.

At the same time, EBIT amounted to € 18.8 million compared to € 18.4 million in the comparative six-month period of 2018.

Industrial Segment

Through its subsidiary TERNA MAG, the Group is active in industry of magnesite, the extraction and processing of whitewash, i.e. the production of magnesia products, through licenses and mining concessions it holds.

Turnover of the segment amounted to € 4.7 million, compared to € 4.8 million in the comparative six-month period of 2018.

EBITDA including cash results (adjusted EBITDA) stood at minus € 1.2 million, versus minus € 1.2 million in the comparative six-month period of 2018.

Investments for the period amounted at € 3.9 million.

C. Significant Events after the end of the period 01.01 – 30.06.2019

On 04.07.2019, the Greek State gave its consent to the amendments to the Articles of Association in accordance with Articles 7.1.3 and 9.2.1 of the CENTRAL GREECE MOTORWAYS Road and NEA ODOS Concession contracts for the decrease of capital by € 59 million for CENTRAL GREECE MOTORWAYS and € 85.8 million for NEA ODOS, with simultaneous and equal change of decrease to Secondary Debt.

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At the General Meeting of Shareholders held on 09.07.2019, pursuant to Article 7.1.3 of the Concession Agreement and Article 29 of Law 4548/2018, it was decided to decrease the share capital of the Companies by € 59 million for CENTRAL GREECE MOTORWAYS and € 85.8 million for NEA ODOS. Implementation of the decision of the General Meetings will take place after approval by the competent authorities (GEMI / Prefecture/Financial Institutions).

On 22.07.2019, TERNA ENERGY MAEX repaid the total nominal value of the issued bonds pursuant to the Common Bond Loan Issuance Scheme as of 12.07.2017, up to € 60,000 thousand. As part of the prepayment and in accordance with the provisions of the CBL Program, the following amounts were paid by the Company:

- (a) the total nominal value of bonds, i.e. € 1,000 per bond;
- (b) interest accrued until 17 July 2019, which stood at Euro 1,432.5 thousand; and
- (c) an additional prepayment amount equal to 1% of the nominal value of the prepaid bonds, namely EUR 10 gross amount per bond, in compliance with clause 4 of the CBL Program ("Prepayment").

Finally in July 2019, the Group disbursed a total amount of € 112,000 thousand from short-term loans (overdrafts) in order to cover operating cash needs and / or realization of investment expenses.

Gopher Creek (Fluvanna II) Wind Farm in Borden County, Texas, with a capacity of 158MW, is activated in September 2019.

On 16.04.2019, the Company announced that the Group through its 100% subsidiary TERNA DEN LLC (a subsidiary of TERNA ENERGY USA HOLDING CORPORATION) entered into a Membership Interest Purchase Agreement (the "Transaction"), for the acquisition of a wind farm "Bearkat" in Texas (Glasscock Country) USA with an installed capacity of 200 MW. The wind farm is operating since January 2018 and has been co-financed by Tax Equity Investor (TEI). The total cost of the investment arise to the amount of \$ 310 million. The acquisition was completed in September 2019.

D. Risks and Uncertainties

The Group's activities are subject to several risks and uncertainties, such as the return to macroeconomic uncertainty, the market risk (volatility in exchange rates, interest rates, market prices, etc.), the credit risk, the liquidity risk, the special risks of the Greek market, as well as the wind and weather conditions. In order to encounter the financial risks, the Group has a risk management program that aims to minimize the sensitivity of the financial results of the group that emerges from the inability to predict 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. The effect of basic risks and uncertainties on the Group's operations is presented below.

Credit risk

The Group continuously monitors its receivables and its collectability, either separately or per group and encompasses any differences in its credit risk. In cases that is deemed necessary external reports related to current or potential customers are used.

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

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Specifically, the total receivables in relation to either the broader public sector or the private clients with large financial capabilities both domestically and abroad, are being monitored in a special manner. Management assesses on a constant basis the credibility of its clients, the size of each of them, regardless of type meaning public or private client, in relation to any impact that non-performance of their obligations might have on the Group. In this manner, the Management takes all necessary actions in order to minimize any such effect on the Group.

It is noted though, that payments coming from an entity of the wider Public Sector, are implemented with significant delays. According to announced proposals for improvement of the financial position of this entity, it is expected an amelioration regarding the compliance to its contractual obligations.

The credit risk regarding the cash reserves as well as the other receivables is deemed as limited given that the counterparties are Banking institutions of high capital structure, the Greek State or the entities of the broader Public Sector and also dynamic corporate groups.

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

Foreign exchange risk

Foreign exchange risk is the risk that results from the fact that the fair value of future cash flows of a financial instrument will be subject to fluctuations due to changes in exchange rates. This type of risk may result, for the Group, from foreign exchange differences at the valuation and conversion into the Group's currency (Euro) of financial assets, mainly financial receivables and financial liabilities, related to transactions that are carried out in a currency other than the operating currency of the Group's entities. The transactions mainly concern purchases of fixed assets and inventories, commercial sales, investments in financial assets, loans, as well as investments in foreign operations. The Group operates in Greece, the Middle East, the Balkans, in Eastern Europe, the U.S.A. and thus it may be exposed to foreign exchange risk.

In order to manage this risk category, the Group's financial management department ensures that the Group's cash management is protected from exchange rate risk by using financial instruments and based on specific policies.

As far as the Group's transactions with foreign entities are concerned, these are generally implemented with European in euro currency and where there are transactions in the USA the settlement currency used is dollars to minimize risk.

Interest rate risk

The Group's policy is to minimize exposure to interest rate risk with respect to long-term financing. Under this policy, medium-term loans are mainly denominated in euro, fixed spread and floating-rate base linked to euribor. In order to minimize the interest rate risk associated with long-term financing and to minimize the consequent volatility of financial expenses, the Group implements specific policies that include the agreement of Interest Rates Swaps.

The Group's short-term debt is to the larger extent denominated in euro and under a floating rate base linked to Euribor. Short-term loans are received mainly as working capital or to finance the construction of the Group's investments. The Group's policy is to convert these Loans into long-term fixed spread linked to Euribor and, where appropriate due to repayment time, to apply approved Interest Rate Swaps policies.

As at 30.06.2019, 42.17% of the Group's total loans are interest bearing at a floating rate (of fixed spread) and the remaining 57.83% are interest bearing at a fixed rate.

These loans are repaid, either through the collection of trade receivables, the collection of government grants or through the operating cash flows generated by the Group's activities.

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Liquidity risk

The Group manages its liquidity needs by carefully monitoring the development of the long-term financial liabilities as well as payments that take place on a daily basis. The liquidity needs are monitored at different time zones, on a daily and weekly basis, as well as on the basis of a moving 30-day period. Liquidity needs for the next 6 months and the following year are determined monthly. The Group maintains cash and cash equivalents in banks to cover its liquidity needs for periods up to 30 days. Capitals for mid-term liquidity needs are released from the Group's term deposits.

Risks due to the current economic conditions prevailing in Greece

The measures implemented in the provisions of the financial program (tax - insurance) which have been agreed with the Lenders and the delay in resolving the problem of the Banks with regard to non-performing loans, continued to adversely affect the financial environment, despite the marked recovery.

The above uncertainties and the delay in the repayment of the liabilities of the broader Public Sector to the Group, in combination with the non-compliance with various provisions of the Law by the Public Sector (eg refusal to pay interest for delayed VAT refunds) will continue to adversely affect the Group's cash flow and results.

Despite the risks described above, the Group's operations continue regularly. In this context, the Management constantly assesses the current conditions and the potential impact, in order to ensure that all necessary and possible measures and actions are taken in a timely manner to minimize any impact 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 activity of the Group in the Construction Segment might be adversely affected by the continuous reduction to which it is exposed in Greece and abroad, which may continue, inter alia, due to the uncertainty of the international political and economic environment. The backlog of construction contracts represents projects with a high degree of certainty that may become volatile due to the delays observed in the implementation of the construction projects, or/and the collection of receivables or even the inability to fulfill the contractual obligations due to market and economy factors not within the Group's control.

The Hellenic Competition Commission (HCC), ex officio audited GEK TERNA Company, its subsidiaries TERNA and TERNA ENERGY, as well as almost all Greek Construction Companies, as well as a significant number of foreign companies concerning their actions and acts, which could be considered to be in breach of the relevant rules.

Further, the Company and its above subsidiaries, pursuant to article 25a of Law 3959/2011 and the decision with no. 628/2016 of HCC (Plenary Session) and following considerable concern, submitted, on the grounds of an apparent corporate interest and in order beneficial provisions of article 25A and 14 par. 2 case (id)(ee) of Law 3959/2011 and the decision with no. 628/2016 of HCC, regarding the terms, conditions and procedure for resolving disputes in cases of horizontal partnerships in violation of Article 1 of Law 3959/2011 and/or Article 101 of the Treaty on the Functioning of the European Union, request to be subject to the prescribed disputes settlement procedures, ie in a consensual resolution process.

On 03.08.2017, the decision with no. 642/09.03.2017 of the HCC was served to the Company and its subsidiaries TERNA and TERNA ENERGY, whereby a. It was ascertained that no legal violations of Art. 1 of Law 3959/2011 for the Company and TERNA ENERGY were established and no fine and/or penalty is imposed and b. a fine of Euro 18,612 is imposed on the subsidiary company TERNA SA for violation of article 1 of Law 3959/2011 and article 101 of TFEU (for the period from 11.05.2005 to 04.01.2007 and from 04.06.2011 to 26.11.2012).

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The settlement procedure for the subsidiary TERNA was finalized and the amount of the fine amounted to Euro 18,612, which was paid in full **within 2018**.

It is noted that according to the provisions of art. 44 par. 3 of Law 3959/2011, as in force, full payment of the fine results, among other things, in **total exemption** from any other administrative sanctions, which undoubtedly includes the administrative exclusion from ongoing and future tendering procedures of article 74 of Law 4412/2016 for the award of public contracts for a reasonable period of time with a maximum exclusion period.

Furthermore, in article 73 of Law 4412/2016, the provisions of Article 57 of Directive 2014/24 were incorporated in Greek law, providing for the grounds for exclusion from participation in the public procurement process. The grounds for exclusion, which include as reason the conclusion of agreement with other entities to distort competition have been established by the Community legislator as **potential optional** and is left to the National Legislator's discretion, whether such (National Legislator) shall render such mandatory for the awarding authority or not. Within the frame of the abovementioned discretion, the Greek Legislator opted not to require awarding authorities to provide that their respective tenders, the optional grounds for exclusion; as a result, provision of such grounds for exclusion remains with each awarding authority. Also, by adding of paragraph 10 in article 73, the Greek legislator inserted in the provisions of article 73, which determine the conditions and procedure for the exclusion of an economic operator from a particular tender procedure (by decision of the body which conducts such), a provision, which determines the period of time during which application of the compulsory grounds for exclusion and the potential (respectively) grounds for exclusion is considered (3 years from the date of the relevant event), provided though that the exclusion period has not been set by an irrevocable decision. Based on the wording of that paragraph, the three-year period within which examination of the potential grounds commences from the time of infringement (consequently, according to the above provisions, the respective period for TERNA has lapsed as from 26.11.2015). The above statement, on a common acceptance and understanding basis, was also reflected in the European Single Procurement Document (ESPD) in the tender procedures.

On October 2018, decision with no. C-124/17 of the CJEU was issued, which is alleged to rule that, in case sanctions have been imposed by a decision of the competent Competition Authority, the exclusion period of three years from the procedures for the award of public contracts commences on the date of the decision imposing the sanctions.

The above development created new facts and relevant consideration, in clear distinction between situations, which the authorities and economic operators reasonably supported in relation to the timing/commencement of the above ground for exclusion, as explained above, and the related statements in the ESPD. At the level of court rulings of the Supreme Court, the above critical issue has not yet been definitively settled while temporary court are currently in place; the Group, in view of its interest and the protection of its shareholders and the retail investors, monitors and participates in court proceedings for pending tenders, in which TERNA SA has participated either before or after the issuance of the CJEU decision.

Regardless of the above, we need to note that there is no automatic ground for exclusion from tender procedures, but the awarding authority ought to, according to the provisions of article 73 par.7 of Law 4412/2016 to request the candidate to provide evidence, showing that the measures he has adopted are adequate to prove his credibility, and should such be considered to be sufficient, the above ground is lifted; otherwise the candidate is excluded and in case such is also declared as temporary contractor, his offer is rejected and the participation letter of guarantee is forfeited.

Needless to note that the Group and its companies, as well as TERNA, have voluntarily adopted a series of compliance and remedial measures, which are constantly evolving and updated, which demonstrates their credibility and solvency as defined in article 73 par. 7 of Law 4412/2016.

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To amplify the above, it is noted that an Awarding Authority has already confirmed the measures taken to be adequate, following the necessary procedure as defined in Law 4412/2016, in a tendering proceeding that TERNA SA participated in.

b) The Group is actively involved in the development and management of Real Estate in Greece and in the broader Balkan region. Any changes in the market prices of both Real Estate and rentals have a direct impact on the profitability of the Group's investment in land and Real Estate as well as its broader Real Estate business.

c) The Group is partially exposed to the short-term fluctuations of wind and hydrological data, despite the fact that extensive studies have been conducted on the long-term behavior of the above data for the implementation of its investments.

E. Prospects

In the second half of 2019, GEK TERNA will continue to implement its strategy for continuing growth in the Greek and international markets in the RES, Concessions and Construction segments. The objective is to maintain its leading position in the Greek market and to pursue its sustainable development in the overseas markets in order to achieve a satisfactory diversification of business risk and to maintain a satisfactory return on its capital. It is further noted that diversification of the Group's activities offers risk sharing and less dependence on profitability of specific segments.

Prospects for achieving the targets set for 2019 are positive as:

Energy Segment :

On 19.09.2019, a new 158 MW wind farm (Fluvanna II) was launched in Texas, USA, which will enhance the sector's results.

TERNA ENERGY Group, acquired within September 2019 through its 100% subsidiary TEPNA DEN LLC (subsidiary of TERNA ENERGY USA HOLDING CORPORATION) the wind park "Bearth" in Texas (Glasscock County), USA, of total installed capacity of 200MW. This park is operating since January 2018. The finalization of the acquisition will further enhance the results of Energy Segment.

In 2019, the construction of wind farms, in various regions of Greece, with a total capacity of 121MW, started, while the implementation of new RES investments totaling 200MW is under consideration.

If the licensing procedure is accelerated and other energy obstacles are removed, the Group intends to launch further investments of up to € 1 billion by 2020.

Construction Segment:

The backlog of contracts, amounting to € 1.8 billion at 30.06.2019, is foreseen to increase further with new projects to be implemented.

Concession Segment:

The operation of Motorway Concessions is expected to produce improved results, according to current estimates. At the same time, the Electronic Ticket Operation and the Epirus Waste Treatment Unit Operation will support the segment's results.

At the same time, Management continues to expand Group's operations abroad, it constantly monitors developments in the Greek economy, discusses and collaborates with financial agents and international market analysts and, in direct, continuous and systematic collaboration with the Group's senior executives, designs and implements measures to address any identified risk.

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As a result of the aforementioned strategy, the Group and the Company, at the reporting date of the Six-month Financial Report, maintain adequate capital adequacy, profitability and liquidity, continue to be fully consistent with their obligations to suppliers, public sector, insurance companies and other creditors and successfully implement their investment program.

F. Alternative Performance Measures (“APMs”)

(In the context of implementing the Guidelines on “Alternative Performance Measures” of the European Securities and Markets Authority (ESMA/2015/1415el) effective as from July 3rd 2016 in respect of Alternative Performance Measures (APMs))

The Group uses Alternative Performance Measures (APMs) in the context of decision making regarding financial, operational and strategic planning as well as while evaluating and recording its performance. APMs facilitate better understanding of financial and operating results of the Group and its financial position. APMs should always be taken into account in conjunction with the financial results recorded under IFRSs and should under no circumstances replace them.

The following ratios are used for describing the Group’s performance per operating segment:

“Net Debt/ (Surplus)”

It is a ratio, through which the Group’s Management assesses the cash position of an operating segment at any given time. The ratio is defined as total loan liabilities and bank leases less cash available (excluding the amounts of grants to be repaid (Note 13) less restricted deposits (included in “Prepayments and Other Receivables” item (Note 12))).

The following is a reconciliation of the "Net Debt / (Surplus)" item to the Financial Statements:

	GROUP	
	01.01- 30.06.2019	01.01- 31.12.2018
Long-term loans	1,536,629	1,567,788
Lease Liabilities due to bank (note 14 D)	9,180	6,547
Short-term loans	181,332	125,421
Long-term liabilities payable during the next financial year	214,255	150,910
Total bank debt	1,941,396	1,850,666
Less: Cash and cash equivalents	(504,644)	(523,242)
Net Debt / (Surplus) (note 5)	1,436,752	1,327,424
Less: Restricted deposits (note 12)	(56,651)	(63,908)
Approved and collected Grants to be returned (note 20)	3,024	3,024
Net Debt / (Surplus) after restricted deposits and Grants to be repaid	1,383,125	1,266,540

“Bank Debt to Total Capital Employed”

It is a ratio, based on which the Management assesses the Group's financial leverage. “Total bank debt” is defined as the sum of Short Term Loans, Long Term Loans, Bank lease liabilities and Long term liabilities payable during the next financial year.

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The Total Capital Employed is defined as the sum of Total Equity, Total bank debt and Equity investments equivalent to financial liabilities (Note 17 to the attached financial statements), the repayment of which follows the repayment of primary debt of the corresponding Wind Farms and is performed only to the extent that the required return from their operation is met, the state grants minus the amount of cash and cash equivalents which are not subject to any limitation in use or to any commitment.

The ratio at the end of the period 30.06.2019 and FY 2018 is as follows:

	GROUP	
	01.01- 30.06.2019	01.01- 31.12.2018
Total bank debt	1,941,396	1,850,666
Total equity	754,673	728,998
Equity investments equivalent to financial liabilities	156,191	160,390
Grants	158,349	162,000
<u>Less:</u>		
Cash and cash equivalents	(504,644)	(523,242)
Restricted deposits	(56,651)	(63,908)
Approved and collected Grants to be returned	3,024	3,024
Cash and cash equivalents and deposits	(558,271)	(584,126)
Total Capital Employed	2,452,338	2,317,928
Total Bank Debt / Total Capital Employed	79.17%	79.84%

“Earnings Before Interest & Taxes (EBIT)”

It is an index used by the Group's Management in order to assess the operating performance of an operating segment. It is defined as Gross Profit less Administrative and Distribution Expenses, less R&D Expenses, plus/less Other Earnings/(expenses) less foreign exchange differences in payment and valuation, Fixed Assets impairments, Inventories impairments, Other impairments and provisions and Impairments / Write-offs items as presented in the accompanying financial statements.

EBITDA (Earnings Before Interest Taxes Depreciation & Amortization)

"EBITDA" is defined as Earnings Before Interest & Taxes (EBIT), plus depreciation and amortization, less any equity-based grants as presented in the accompanying financial statements.

Adjusted EBITDA (Adjusted Earnings Before Interest Taxes Depreciation & Amortization)

"Adjusted EBITDA" is defined as EBITDA, plus any non-cash results.

The following is an EBITDA and EBITDA reconciliation with the financial statements:

	GROUP	
	01.01- 30.06.2019	01.01- 30.06.2018
Gross profit	117,840	121,274
Administrative and distribution expenses	(34,853)	(31,497)
R & D Expenses	(1,488)	(1,243)
Other income/(expenses) attributable to EBIT (note 22)	1,174	542

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EBIT (note 5)	82,673	89,076
Net depreciation/amortization	55,028	50,915
EBITDA (note 5)	137,701	139,991
Non-cash adjustments	9,657	3,170
Adjusted EBITDA (note 5)	147,358	143,161

Non-cash adjustments to the aforementioned analysis relate to Personnel Compensation Provisions 570 (619 first half 2018), expense recognized by exercise of stock options 0 (2,551 first half 2018), investment property impairment 18 (0 first half 2018), heavy maintenance and landscape restoration provisions 3.792 (0 first half 2018), provisions for bad debts 4.585 (0 first half 2018) inventory impairment 834 (0 first half 2018) and reversal on other provisions (142) (0 in the first half of 2018).

G. Non-financial Information Report

Non-financial Information Report

Anti-corruption

The Group is committed to zero tolerance of corruption, which may affect the performance of business and operational activities and operations.

To this end, the Group applies control policies, procedures and mechanisms to fully comply with and prevent any corruption incident. The Code of Ethics is the core framework of the Group's principles and values and reflects corporate culture, business ethics and the ethical commitments of its human resources. The Code applies to all companies in the Group and the Regulatory Compliance Committee ensures its sound implementation. In addition, to monitor the implementation of the Code, the Group maintains an internal control program and conducts personnel training on an annual basis to raise awareness of corruption.

The Group setting as objective to continuously improve the procedures for preventing and combating potential corruption risks, was certified in July 2019 in accordance with the international standard ISO 37001: 2016 (Anti-Bribery Standards) and ISO 19600: 2014 (Compliance Management Systems), by the independent certification body TUV HELLAS (TUV NORD) SA

Supply Chain

Supply chain issues are at the core of the Group's business activities, as the majority of the expenses relates to material acquisitions and the construction and transportation machinery acquisitions. In this context, the Group continuously monitors the potential risks in its supply chain, which can have significant adverse effects at financial and operating level. At the same time, it communicates to suppliers the minimum requirements and terms of cooperation.

The Group also ensures that all relevant insurance and labour laws, the regulatory framework relating to Occupational Health and Safety, human rights protection principles, and internal policies, procedures, standards and management systems are adhered to.

Human Rights

The Group, recognizing the potential risk of human rights abuses, maintains a responsible attitude by adopting policies and control mechanisms designed to prevent and timely deal with incidents. In this context, the Group's main concern is respect for international standards and international human rights principles. The Universal Declaration of Human Rights and the UN Universal Pact form the context of the Group's operations on human rights, which is spread throughout its activities.

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In particular, the Group, through its Recruitment Policy and the broader management of its human resources, ensures that its decisions do not include any form of discrimination regarding gender, nationality, language, religion, political beliefs, disabilities, employee's sexual orientation or other elements of diversity.

Labour Issues

The Group, recognizing the value of a balanced and safe environment at work for its people and for its going concern, takes the necessary steps to prevent and timely address potential risks. In this context, it applies the Health and Safety Policy, which is applied in the total of Group companies and its entire network of partners. Through this Policy, specific Occupational Risk Assessment Studies are conducted to avoid potential risks at both operational and financial levels. Proof of the Group's commitment to Health and Safety is its certification in accordance with international standard ISO 45001 in July 2019.

The Group considers the good training and development of its human resources as a prerequisite for achieving its corporate objectives and strategies and therefore ensures the ongoing implementation of specialized training programs that promote innovation and enhance corporate culture.

Social issues

With a vision to strengthen the Greek economy, the Group, through its activities, contributes to the stimulation of local communities. The Group is creating thousands of new jobs, focusing on boosting youth employment in its areas of activity through funding for graduate students and internships. The Group's practical social support is reflected in the Group's sponsorship and donations in the areas of education, arts and sports. (2018 exceeded € 1.5 million) Such an action in 2019 is the Group's ongoing cooperation with the ELIZA Non-Governmental Organization (NGO) to complete the first National Police Education Program for the sound and timely management of abused children.

Environmental issues

The Group puts environmental protection at the core of its strategy and adopts all necessary policies and actions to reduce its environmental impact through its activities, in particular responsible energy management, air emissions mitigation and biodiversity protection. To this end, the Group develops and implements an integrated Environmental Management System through which it records and prevents potential environmental impacts. In addition, as part of its environmental strategy, it carries out annual inspections across its scope of activities to verify certifications, internal systems and the sound implementation of the current regulatory framework. The Group's Department of Environment, as well as other external bodies, provide systematic training to properly inform and raise environmental awareness of employees.

Finally, it is worth noting that the Group, through its activity, aims to transition to a Green Economy, having recognized from the very beginning the need to address the climate change phenomenon. Thus, the renewable energy projects that the Group currently operates, constructs or has fully licensed in Greece and abroad exceed 1,500MW of installed capacity. Of these, 607MW operate in Greece providing security to our energy system while contributing to the achievement of the National Goals for the penetration of RES and the gradual release of the country from fossil fuels. In addition, the Group promotes energy storage projects using increased domestic added value technologies such as pumping saving, projects that create the basis for Greece to become a natural "battery" of the European South and a Clean Energy exporter.

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H. Treasury Shares

On 31.12.2018, the Company directly owned 3,828,652 treasury shares, i.e. a percentage of 3.7019%, amounting € 11,380,224. In the first half of 2019, the company acquired 116,000 treasury shares amounting € 497,190, i.e. a percentage of 0.1122%.

Subsidiary TERNA SA holds a total of 688,205 shares, which is 0.6654% of the acquisition value of €1,566,451. Subsidiary ILIOCHORA SA, owns 616,835 treasury shares, i.e. 0.5964% of the acquisition value of €3,751,325.

On 30.06.2019, GEK TERNA SA directly and indirectly held through its subsidiaries a total of 5,249,692 treasury shares, i.e. 5.0759% of the share capital of the total acquisition value of €17,195,190.

I. Transactions with Related Parties

Below the Company's and Group's transactions and balances with its related parties are presented for the period 01.01-31.12.2018:

Sales-Inflows of the Company

(amounts in euros)	Participation type	Total	Revenues from goods/services	Revenues from Consulting services	Revenues from administration support services	Income from leases	Income from dividends and related profits	Income from interest and related profit	Received Loans	Share capital reductions/Dividends receipts
TERNA SA	Subsidiary	2,091,140.96	112,744.00	0.00	65,527.00	157,334.00	0.00	245,765.96	1,509,770.00	0,00
TERNA ENERGY SA	Subsidiary	13,091,378.44	7,767.64	0.00	34,019.00	86,125.00	0.00	0.00	0.00	12,963,466.80
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	44,932.50	0.00	0.00	30,000.00	0.00	0.00	14,932.50	0.00	0.00
MONASTIRIOU SA	Subsidiary	94,522.22	0.00	0.00	0.00	0.00	0.00	94,522.22	0.00	0.00
GEK SERVICES SA	Subsidiary	8,507.00	0.00	0.00	0.00	0.00	0.00	8,507.00	0.00	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 CONSTRUCTION SRL	Subsidiary	372,094.32	0.00	0.00	0.00	0.00	0.00	7,823.26	364,271.06	0.00
ICON BOROVBETS FOOD	Subsidiary	2,792,478.36	0.00	0.00	0.00	0.00	0.00	48,048.83	2,744,429.53	0.00
VIPATHE	Subsidiary	1,084,678.33	0.00	0.00	0.00	0.00	0.00	84,678.33	1,000,000.00	0.00
ICON EOOD (BULGARIA)	Subsidiary	4,624,025.31	0.00	0.00	0.00	0.00	0.00	0.00	4,624,025.31	0.00
TERNA MAG SA	Subsidiary	3,323.38	0.00	0.00	0.00	0.00	0.00	3,323.38	0.00	0.00
NEA ODOS SA	Subsidiary	22,356,575.61	0.00	185,680.00	0.00	0.00	0.00	2,951,999.61	19,218,896.00	0.00
CENTRAL GREECE MOTORWAY SA J/V CINTRA-GEK-IRIDIUM HELLAS TOLLS	Subsidiary	545,545.75	0.00	257,169.00	192,93.00	0.00	0.00	0.00	95,437.75	0.00
HELLAS SMART TICKET SA	Subsidiary	420,000.00	0.00	0.00	0,00	0.00	420,000.00	0.00	0.00	0.00
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Joint Venture	12,000.00	0.00	0.00	12,000.00	0.00	0.00	0.00	0.00	0.00
PARKING OUIL SA	Joint Venture	18,303.04	0.00	0.00	0,00	0.00	18,303.04	0.00	0.00	0.00

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(amounts in euros)	Participation type	Total	Revenues from goods/ services	Revenues from Consulting services	Revenues from administration support services	Income from leases	Income from dividends and related profits	Income from interest and related profit	Received Loans	Share capital reductions/Dividends receipts
ELLINIKOU ENTERTAINMENT AND ATHLETIC PARKS S.A.	Joint Venture	161,028.59	0.00	0.00	0,00	600.00	0.00	613.00	159,815.59	0.00
HERON II THERMOELECTRIC STATION OF VIOTIA SA	Joint Venture	7,000.00	0.00	7,000.00	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
		47,772,573.81	120,511.64	456,849.00	352,485.00	264,099.00	438,303.04	3,460,214.09	29,716,645.24	12,963,466.80

Company's Receivables

(amounts in Euro)	Participation type	Total	From revenue	From Loans and Interest	From Dividends and related earnings	From share capital reductions
TERNA SA	Subsidiary	12,747,717.85	903,742.03	11,843,975.82	0.00	0.00
TERNA ENERGY SA	Subsidiary	220,104.42	220,104.42	0.00	0.00	0.00
CHIRON CAR PARK S.A.	Subsidiary	3,720.00	3,720.00	0.00	0.00	0.00
IOANNINON S.A.	Subsidiary	633,592.50	74,040.00	559,552.50	0.00	0.00
MONASTIRIOU SA	Subsidiary	4,269,988.88	0.00	4,269,988.88	0.00	0.00
GEK SERVICES SA	Subsidiary	384,299.00	0.00	384,299.00	0.00	0.00
ILIOHORA S.A.	Subsidiary	63,776.16	63,776.16	0.00	0.00	0.00
VIPATHE	Subsidiary	2,842,598.33	0.00	2,842,598.33	0.00	0.00
TERNA MAG SA	Subsidiary	113,490.93	0.00	113,490.93	0.00	0.00
NEA ODOS SA	Subsidiary	73,771,566.71	54.50	73,771,512.21	0.00	0.00
HELLAS SMART TICKET SA	Subsidiary	420,000.00	0.00	0.00	420,000.00	0.00
Constructions Joint Ventures	Joint Ventures	0.00	0.00	0.00	0.00	0.00
J/V EUROIONIA	Subsidiary	2,480.00	2,480.00	0.00	0.00	0.00
J/V CINTRA-GEK-IRIDIUM HELLAS TOLLS	Subsidiary	3,202,703.69	6,787.23	0.00	3,195,916.46	0.00
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Joint Venture	4,960.00	4,960.00	0.00	0.00	0.00
PARKING OUIL SA	Joint Venture	18,303.04	0.00	0.00	18,303.04	0.00
ELLINIKOU ENTERTAINMENT AND ATHLETIC PARKS S.A.	Joint Venture	621.60	621.60	0.00	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
		98,722,683.11	1,303,045.94	93,785,417.67	3,634,219.50	0.00

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Purchases - Company's Outflows

(amounts in euro)	Participation type	Total	Purchases of goods	Revenues from Consulting services	Lease expenses	Interest expenses	Granted Loans	Share capital increases
TERNA SA	Subsidiary	30,752.716.60	0.00	9,838.00	0.00	2,263,102.57	28,479,776.03	0.00
TERNA ENERGY SA	Subsidiary	36,836.12	0.00	21,207.00	15,629.12	0.00	0.00	0.00
ILIOHORA S.A.	Subsidiary	286,540.56	0.00	0.00	0.00	6,131.88	280,408.68	0.00
NEA ODOS SA	Subsidiary	22.09	22.09	0.00	0.00	0.00	0.00	0.00
HERON THERMOELECTRIC S.A.	Joint Venture	55,118.92	55,118.92	0.00	0.00	0.00	0.00	0.00
		31,131,234.29	55,141.01	31,045.00	15,629.12	2,269,234.45	28,760,184.71	0.00

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	99,200,585.47	389,881.32	98,810,704.15	0.00	0.00
TERNA ENERGY SA	Subsidiary	49,760.72	49,760.72	0.00	0.00	0.00
ILIOHORA S.A.	Subsidiary	254,200.00	0.00	254,200.00	0.00	0.00
MONASTIRIOU TECHNICAL DEVELOPMENT SA	Subsidiary	52.01	52.01	0.00	0.00	0.00
NEA ODOS SA	Subsidiary	723,616.39	0.00	723,616.39	0.00	0.00
CENTRAL GREECE MOTORWAY SA	Subsidiary	0.08	0.08	0.00	0.00	0.00
HERON THERMOELECTRIC S.A.	Joint Venture	20,999.39	20,999.39	0.00	0.00	0.00
		100,249,214.06	460,693.52	99,788,520.54	0.00	0.00

Below, the transactions and the balances between the Group and the related parties are presented for the period 01.01-31.06.2019:

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	Income from dividends and Joint Ventures profit	Income from interest	Share capital reductions
HERON THERMOELECTRIC S.A.	Joint Venture	1,507,646.65	0.00	1,495,260.65	0.00	12,386.00	0.00	0.00	0.00	0.00
HERON II THERMOELECTRIC STATION OF VIOTIA SA	Joint Venture	746,023.81	0.00	0.00	0.00	7,000.00	0.00	0.00	739,023.81	0.00
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Joint Venture	12,000.00	0.00	0.00	0.00	12,000.00	0.00	0.00	0.00	0.00
ELLINIKOU ENTERTAINMENT AND ATHLETIC PARKS S.A.	Joint Venture	1,213.00	0.00	0.00	0.00	0.00	600.00	0.00	613.00	0.00
		2,266,883.46	0.00	1,495,260.65	0.00	31,386.00	600.00	0.00	739,636.81	0.00

GEK TERNA GROUP

Six-month Financial Report for the period from January 1st to June 30th 2019
(Amounts in thousands Euro, unless otherwise stated)

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	1,359,405.60	1,359,405.60	0.00	0.00	0.00
HERON II THERMOELECTRIC STATION OF VIOTIA SA	Joint Venture	14,941,005.08	8,680.00	14,932,325.08	0.00	0.00
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Joint Venture	4,960.00	4,960.00	0.00	0.00	0.00
PARKING OUIL SA	Joint Venture	18,303.04	0.00	0.00	18,303.04	0.00
ELLINIKOU ENTERTAINMENT AND ATHLETIC PARKS S.A.	Joint Venture	621.60	621.60	0.00	0.00	0.00
		16,324,295.32	1,373,667.20	14,932,325.08	18,303.04	0.00

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	5,099,721.00	5,099,721.00	0.00	0.00	0.00
		5,099,721.00	5,099,721.00	0.00	0.00	0.00

Liabilities of the Group

(amounts in euro)	Participation type	Total	From Purchases and Advances	From Loans and Interest	From dividends and Joint-Ventures results
HERON THERMOELECTRIC S.A.	Joint Venture	4,386,062.52	4,386,062.52	0.00	0.00
ELLINIKOU ENTERTAINMENT AND ATHLETIC PARKS S.A.	Joint Venture	6,557.98	6,557.98	0.00	0.00
ATTIKAT SA	Associate	5,658.47	5,658.47	0.00	0.00
		4,398,278.97	4,398,278.97	0.00	0.00

The remuneration of members of the Board of Directors and senior executives of the Group and the Company for 30.06.2018 and 30.06.2019 as well as the relative balances on 30.06.2019 and 31.12.2018, has as follows:

GEK TERNA GROUP

Six-month Financial Report for the period from January 1st to June 30th 2019
(Amounts in thousands Euro, unless otherwise stated)

	GROUP		COMPANY	
	01.01- 30.06.2019	01.01- 30.06.2018	01.01- 30.06.2019	01.01- 30.06.2018
Remuneration for services rendered	1,285	1,422	54	55
Remuneration to employees	218	194	40	20
Remuneration for participation in the BoD's meetings	962	690	230	203
	2,465	2,306	324	278
	30.06.2019	31.12.2018	30.06.2019	31.12.2018
Liabilities	350	366	58	10
Receivables	0	0	0	0

Athens, 25 September 2019

Georgios Peristeris
 Chairman of the Board & Chief Executive Officer

III. INDEPENDENT AUDITOR'S REVIEW REPORT

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

Report on Review of Interim Financial Information

Introduction

We have reviewed the accompanying condensed separate and consolidated statement of financial position of "GEK TERNA SOCIETE ANONYME HOLDINGS REAL ESTATE CONSTRUCTIONS" as of 30 June 2019 and the related condensed separate and consolidated income statement and statement of comprehensive income, statements of changes in equity and cash flows for the six-month period then ended, and the selected explanatory notes that constitute the interim financial information, which forms an integral part of the six-month financial report under Law 3556/2007.

Management is responsible for the preparation and fair presentation of this condensed interim financial information in accordance with the International Financial Reporting Standards as adopted by the European Union and apply for interim financial reporting (International Accounting Standard "IAS 34"). Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". 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 Auditing Standards as incorporated into the Greek Law 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.

Report on Other Legal and Regulatory Requirements

Our review has not revealed any material inconsistency or misstatement in the statements of the members of the Board of Directors and the information of the six-month Board of Directors Report, as defined in articles 5 and 5a of Law 3556/2007, in relation to the accompanying condensed separate and consolidated financial information.

Athens, 25th September 2019

The Certified Accountant Auditor

Dimitra Pagoni

SOEL Reg. No 30821



Chartered Accountants Management Consultants
56, Zefirou str., 175 54 Palaio Faliro, Greece
Registry Number SOEL 127

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GEK TERNA GROUP

Condensed Interim Financial Statements for the period from January 1st to June 30th 2019
(Amounts in thousands Euro, unless otherwise stated)



**IV. CONDENSED INTERIM SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS FOR
THE SIX-MONTH PERIOD ENDED AS AT JUNE 30th 2019**

**Under the International Financial Reporting Standards (IFRS),
as adopted by the European Union, and, in particular, under IAS 34**

It is hereby verified that the attached Condensed Interim Separate and Consolidated Financial Statements for the period 01.01.2019-30.06.2019 were approved by the Board of Directors of GEK TERNA SOCIETE ANONYME HOLDINGS REAL ESTATE CONSTRUCTIONS (hereinafter referred to as "GEK TERNA S.A.", "the Company") at its meeting held as at 25 September, 2019 and have been posted on the internet at the website www.gekterna.com as well as on the Athens Stock Exchange's website.

The Annual Financial Statements of the consolidated subsidiaries, as provided by the Hellenic Capital Market Commission decision 8/754/14.04.2006, are available on the Internet at at the website www.gekterna.com.

GEK TERNA GROUP

Condensed Interim Financial Statements for the period from January 1st to June 30th 2019
(Amounts in thousands Euro, unless otherwise stated)

**CONDENSED INTERIM CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION AS OF
30 JUNE 2019**

	Note	GROUP		COMPANY	
		30.06. 2019	31.12. 2018 *	30.06. 2019	31.12. 2018 *
ASSETS					
Non-current assets					
Intangible fixed assets	6	773,853	802,665	121	130
Right of use assets	7	36,670	0	298	0
Tangible fixed assets	8	1,400,790	1,332,693	9,166	9,085
Goodwill		3,183	3,183	0	0
Investment property		40,626	41,030	10,853	11,290
Participations in subsidiaries		0	0	395,774	400,308
Participations in associates		4,001	4,572	4,800	4,800
Participations in joint ventures		55,666	51,443	5,159	5,159
Financial Assets - Concessions	9	39,881	36,930	0	0
Investments available for sale		48,172	48,135	48,049	48,049
Other long-term assets		96,194	88,629	109,113	139,015
Receivables from derivatives	16	181,368	154,607	0	0
Deferred Tax Assets		61,094	80,196	0	0
Total non-current assets		2,741,498	2,644,083	583,333	617,836
Current assets					
Inventories		54,091	52,756	4,834	4,929
Trade receivables	10	289,034	294,435	2,181	2,150
Receivables from contracts with customers	11	106,610	209,263	362	311
Advances and other receivables	12	200,025	229,665	23,776	41,263
Income tax receivables		49,663	37,822	992	915
Financial assets at fair value through profit & loss		4,050	1,264	4,050	1,264
Short-term part of receivables from derivatives	16	17,217	17,318	0	0
Cash and cash equivalents	5,13	504,644	523,242	59,847	48,323
Total current assets		1,225,334	1,365,765	96,042	99,155
TOTAL ASSETS		3,966,832	4,009,848	679,375	716,991
EQUITY AND LIABILITIES					
Equity attributed to the shareholders of the parent					
Share capital	18	58,951	58,951	58,951	58,951
Share premium account		381,283	381,283	202,774	202,774
Reserves	19	427,584	375,193	104,324	104,587
Retained earnings		(375,596)	(329,173)	(68,287)	(69,557)
Total		492,222	486,254	297,762	296,755
Non-controlling interests		262,451	242,744	0	0
Total equity		754,673	728,998	297,762	296,755

GEK TERNA GROUP

Condensed Interim Financial Statements for the period from January 1st to June 30th 2019
(Amounts in thousands Euro, unless otherwise stated)

Non-current liabilities					
Long-term loans	14	1,536,629	1,567,788	325,302	372,848
Liabilities from leases	14	16,624	6,547	241	0
Equity investments equivalent to financial liabilities	17	135,101	138,103	0	0
Other long-term liabilities		108,975	93,609	13,455	12,991
Other provisions	15	38,240	43,886	0	0
Provisions for staff leaving indemnities		7,614	8,572	123	137
Grants		158,349	162,000	0	0
Liabilities from derivatives	16	211,896	177,531	0	0
Deferred tax liabilities		18,400	45,956	3,044	5,494
Total non-current liabilities		2,231,828	2,243,992	342,165	391,470
Current liabilities					
Suppliers		244,239	285,927	1,469	1,376
Short term loans	14	181,332	125,421	0	0
Long term liabilities payable during the next financial year	14	214,255	150,910	26,491	15,701
Liabilities from leases	14	10,522	0	61	0
Liabilities from contracts with customers	11	184,419	301,053	543	84
Equity investments equivalent to financial liabilities	17	21,090	22,287	0	0
Accrued and other short term liabilities	20	89,359	121,991	9,339	10,112
Short-term part of liabilities from derivatives	16	22,259	21,311	0	0
Income tax payable		12,856	7,958	1,545	1,493
Total current liabilities		980,331	1,036,858	39,448	28,766
Total Liabilities		3,212,159	3,280,850	381,613	420,236
TOTAL EQUITY AND LIABILITIES		3,966,832	4,009,848	679,375	716,991

* Under the implementation of IFRS 16, the Group and the Company made no adjustments to the comparative amounts recorded in 2018 (see Note 2.6.3).

The accompanying notes form an integral part of these condensed interim separate and consolidated six-month financial statements.

GEK TERNA GROUP

Condensed Interim Financial Statements for the period from January 1st to June 30th 2019
(Amounts in thousands Euro, unless otherwise stated)

**CONDENSED INTERIM CONSOLIDATED AND SEPARATE STATEMENT OF TOTAL COMPREHENSIVE
INCOME FOR THE PERIOD 01.01-30.06.2019**

	Note	GROUP		COMPANY	
		01.01 – 30.06.2019	01.01 – 30.06.2018 *	01.01 – 30.06.2019	01.01 – 30.06.2018 *
Profit and Loss					
Turnover	5	566,370	683,190	2,167	3,581
Cost of sales		(448,530)	(561,916)	(1,999)	(2,502)
Gross profit		117,840	121,274	168	1,079
Administrative and distribution expenses		(34,853)	(31,497)	(2,347)	(5,106)
Research and development expenses		(1,488)	(1,243)	0	0
Other income/(expenses)	22	(2,283)	(3,012)	243	10
Net financial income/(expenses)	23	(31,306)	(52,655)	(4,484)	(3,032)
Income / (losses) from participations and other securities		1,386	998	1,782	12,417
Profit / (loss) from sale of participations and securities		(90)	(804)	376	(240)
Profit / (loss) from valuation of participations and securities		3,379	(232)	3,379	(804)
Profit / (loss) from the consolidation of associates under the equity method		(102)	64	0	0
Profit / (loss) from the consolidation of joint ventures under the equity method		(273)	(883)	0	0
Earnings before Taxes		52,209	32,010	(883)	4,324
Income tax	21	(6,046)	(11,271)	2,153	(1,411)
Net Earnings/(losses)		46,163	20,739	1,270	2,913
Other Comprehensive Income/(Expenses)					
<i>a) Other Comprehensive Income/(expenses) which are transferred to Income Statement of subsequent periods</i>					
Proportion in Other comprehensive income of joint ventures		14	7	0	0
Valuation of cash flow hedging contracts	16	(25,636)	2,379	0	0
Translation differences from incorporation of foreign entities		374	(1,412)	0	0
Share capital expenses		0	(1,454)	0	0
Tax corresponding to the above results	21	7,750	(684)	234	0
		(17,498)	(1,164)	234	0
<i>b) Other Comprehensive Income/(expenses) which are not re-classified in the Income Statement in subsequent periods</i>					
Proportion in Other comprehensive income of associates		(504)	0	0	0
Net Other Comprehensive Income		(18,002)	(1,164)	234	0
TOTAL COMPREHENSIVE INCOME		28,161	19,575	1,504	2,913

GEK TERNA GROUP

Condensed Interim Financial Statements for the period from January 1st to June 30th 2019
(Amounts in thousands Euro, unless otherwise stated)

Net earnings/(losses) attributed to:			
Owners of the parent		27,302	7,920
Non-controlling interests		18,861	12,819
Total comprehensive income/(losses) attributed to:			
Owners of the parent		6,598	7,894
Non-controlling interests		21,563	11,681
Basic Earnings/(losses) per share (in Euro)	18	0.2781	0.0809

* Under the implementation of IFRS 16, the Group and the Company made no adjustments to the comparative amounts recorded in 2018 (see Note 2.6.3).

The accompanying notes form an integral part of these condensed interim separate and consolidated six-month financial statements.

GEK TERNA GROUP

Condensed Interim Financial Statements for the period from January 1st to June 30th 2019
(Amounts in thousands Euro, unless otherwise stated)

**CONDENSED INTERIM SEPARATE AND CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD 01.01-30.06.2019**

	Note	GROUP		COMPANY	
		01.01 – 30.06.2019	01.01 – 30.06.2018*	01.01 – 30.06.2019	01.01 – 30.06.2018*
Cash flows from operating activities					
Profit before tax	5	52,209	32,010	(883)	4,324
<i>Adjustments for the agreement of the net flows from the operating activities</i>					
Depreciation	5,6,7,8	59,113	54,934	269	215
Fixed assets grants amortization	5,22	(4,085)	(4,019)	0	0
Provisions		(836)	2,406	7	8
Impairments		5,519	3,283	135	9
Liabilities writes-off		(106)	(1)	0	0
Interest and related revenue	5,23	(4,563)	(4,574)	(4,033)	(4,946)
Interest and other financial expenses	5,23	61,566	63,760	8,517	7,978
Results from derivatives	23	(25,696)	(6,531)	0	0
Results from associates and joint ventures		375	819	0	0
Results from participations and securities		(5,283)	37	(5,536)	(11,774)
Results from investment property		(93)	(136)	(94)	0
Results from fixed assets		(2,168)	(635)	0	0
Foreign exchange differences		(1,118)	(1,022)	0	0
Other adjustments		(43)	2,551	0	2,551
Operating profit before changes in working capital		134,791	142,882	(1,619)	(1,636)
(Increase)/Decrease in:					
Inventories		(2,817)	(3,022)	64	(340)
Trade receivables		108,101	(13,557)	(135)	(1,752)
Investment property as main activity		617	(985)	512	0
Prepayments and other short term receivables		34,988	45,771	10,837	(16,297)
Increase/(Decrease) in:					
Suppliers		(46,676)	(19,878)	92	(3,354)
Accruals and other short term liabilities		(19,530)	(63,854)	(599)	(270)
Collection / (rebate) of grants		20,837	(16,012)	0	0
Other long-term receivables and liabilities		(123,528)	(122,536)	459	1,517
Income tax payments		(13,368)	(11,628)	(86)	(74)
Net cash flows from operating activities		93,415	(62,819)	9,525	(22,206)
Cash flows from investing activities					
(Purchases) / Sales of fixed assets		(111,850)	(41,383)	(309)	(15)
Interest and related income received		1,836	5,792	176	9,651
(Purchases) / sales of participations and securities		(4,070)	357	502	386
Dividends collected		0	998	12,963	3,207
Returns/(Receipts) of Loans		0	0	29,193	(19,970)
Net cash flows for investing activities		(114,084)	(34,236)	42,525	(6,741)

GEK TERNA GROUP

Condensed Interim Financial Statements for the period from January 1st to June 30th 2019
(Amounts in thousands Euro, unless otherwise stated)

Cash flows from financing activities					
Proceeds from changes in subsidiaries without loss of control		204	0	0	0
Receipts/(payments) from increase/(decrease) of share capital of subsidiaries		(21,178)	39,871	5,000	(3,348)
Purchase of own shares		(497)	(80)	(497)	(80)
Net change of short-term loans		55,816	13,784	0	0
Net change of long-term loans		28,870	8,700	(37,326)	67,125
Payments for financial leases		(5,447)	(2,738)	(29)	0
Dividends paid		0	(3,028)	0	0
Interest and other financial expenses paid		(44,954)	(51,537)	(7,675)	(5,196)
Net change of short-term loans		(11,247)	(3,599)	0	0
Net cash flows from financing activities		1,567	1,373	(40,527)	58,501
Effect of foreign exchange differences in cash		504	479	0	0
Net increase /(decrease) of cash and cash equivalents		(18,598)	(95,203)	11,524	29,555
Cash and cash equivalents at the beginning of the year	5	523,242	642,227	48,323	10,998
Cash and cash equivalents at the end of the year	5	504,644	547,024	59,847	40,553

* Under the implementation of IFRS 16, the Group and the Company made no adjustments to the comparative amounts recorded in 2018 (see Note 2.6.3).

The accompanying notes form an integral part of these condensed interim separate and consolidated six-month financial statements.

GEK TERNA GROUPCondensed Interim Financial Statements for the period from January 1st to June 30th 2019*(Amounts in thousands Euro, unless otherwise stated)***CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**

COMPANY	Share capital	Share premium	Reserves	Retained earnings	Total
Balance 31.12.2018	58,951	202,774	104,587	(69,557)	296,755
Change in accounting policy (IFRS 16)					
Restated balances 01.01.2019	58,951	202,774	104,587	(69,557)	296,755
Total comprehensive income for the year	0	0	234	1,270	1,504
Purchase of Treasury Shares	0	0	(497)	0	(497)
30th June 2019	58,951	202,774	104,324	(68,287)	297,762
Balances 31.12.2017	58,951	202,774	68,549	(32,560)	297,714
Change in accounting policy (IFRS 9)	0	0	(393)	7	(387)
Restated balances 01.01.2018	58,951	202,774	68,156	(32,553)	297,327
Total comprehensive income for the year	0	0	0	2,913	2,913
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

GEK TERNA GROUPCondensed Interim Financial Statements for the period from January 1st to June 30th 2019*(Amounts in thousands Euro, unless otherwise stated)*

GROUP	Share capital	Share premium	Reserves	Retained earnings	Total	Share capital	Share premium
Balances 31.12.2018	58,951	381,283	375,193	(329,173)	486,254	242,743	728,998
Change in accounting policy (IFRS 16)							
Restated balances 01.01.2019	58,951	381,283	375,193	(329,173)	486,254	242,743	728,998
Total comprehensive income for the year	0	0	(20,704)	27,302	6,598	21,563	28,161
Dividends	0	0	0	0	0	(685)	(685)
Purchase of Treasury Shares	0	0	(497)	0	(497)	0	(497)
Change in interest of consolidated subsidiary	0	0	0	(133)	(133)	(1,375)	(1,508)
Share capital increase of subsidiary	0	0	0	0	0	204	204
Formation of reserves	0	0	73,592	(73,592)	0	0	0
30th June 2019	58,951	381,283	427,584	(375,596)	492,222	262,451	754,673

GEK TERNA GROUPCondensed Interim Financial Statements for the period from January 1st to June 30th 2019*(Amounts in thousands Euro, unless otherwise stated)*

GROUP	Share capital	Share premium	Reserves	Retained earnings	Total	Share capital	Share premium
Balances 31.12.2017	58,951	381,283	243,935	(195,288)	488,881	279,274	768,155
Change in accounting policy (IFRS 9)	0	0	(393)	(4,468)	(4,861)	0	(4,861)
Restated balances 01.01.2018	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
Dividends	0	0	0	0	0	(2,897)	(2,897)
Purchase of Treasury Shares	0	0	(80)	0	(80)	0	(80)
Allocation 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)
30th June 2018	58,951	381,283	440,115	(381,975)	498,374	310,357	808,731

* Under the implementation of IFRS 16, the Group and the Company made no adjustments to the comparative amounts recorded in 2018 (see Note 2.6.3). Moreover, under the application of IFRS 9, the Group and the Company recognized its cumulative effect in the item "Retained Earnings Balance" as at 01.01.2018, while no effect has arisen following the application of IFRS 15 as at 01.01.2018. The effect of application of IFRS 9 on the financial statements for FY 2018 is analyzed in Note 2.6.3 to the annual financial statements for FY ended as at 31.12.2018.

The accompanying notes form an integral part of these condensed interim separate and consolidated six-month financial statements.

GEK TERNA GROUP

Condensed Interim Financial Statements for the period from January 1st to June 30th 2019
(Amounts in thousands Euro, unless otherwise stated)

NOTES TO CONDENSED INTERIM SIX-MONTH FINANCIAL STATEMENTS

1. GENERAL INFORMATION ABOUT THE GROUP AND THE COMPANY

“**GEK TERNA Holdings, Real Estate, Construction S.A.**”, (the “Company” or “GEK TERNA”) as the company GEK TERNA Holdings, Real Estate, Construction S.A. was renamed according to the decision of the Extraordinary General Shareholders’ Meeting on 18.11.2008 and approved by the No. K2-15459/23.12.2008 decision of the Ministry of Development published in the Government Gazette with No. 14045/23.12.2008 (SA & LTD Companies Issue), is registered in the General Commercial Register of the Ministry of Development under Reg. No. 253001000 and in the Société Anonyme Registry of the Ministry of Development with Registration number 6044/06/B/86/142. The duration of the company has been set to thirty (30) years, while according to the decision of the Extraordinary General Shareholders’ Meeting on 26.03.1990 the duration of the company is extended up to the 31st of December 2030.

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

The company was founded in 1960 under the title 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 10.02.2004 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 03.12.2004 with decision K2-13956 of the Ministry of Development that was published in the Government Gazette under No. 14334/03.12.2004. 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.

The main activity of the Company is the development and management of investment property, the construction of any kind, the management of self-financed or co-financed projects, the construction and operation of energy projects, as well as its participation in companies having similar activities. The Group has a significant and specialized presence in construction, the production and trading of energy as well as in the development, management and exploitation of investment property having a strong capital base.

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 Group's operations focus on the following operating segments:

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- **Constructions:** almost exclusively, technical construction contracts.
- **Electric energy from RES:** production of electric energy arising from wind farms, solar and hydropower and biomass.
- **Thermal energy and trading in electric energy:** production of electric energy through fuels and g natural gas and trading in electric energy.
- **Industry:** refers to the production of quarry products and the exploitation of magnesite quarries.
- **Real Estate:** acquisition, development and exploitation of real estate as well as investments for the purposes of acquisition of surplus value from the increase in the real estate items prices.
- **Concessions:** construction and operation of infrastructure (eg motorways), other public interest projects (Unified Automatic Collection System and municipal waste treatment plant) and other facilities (eg parking stations, etc.) in exchange for provision of long-term exploitation services to the public.
- **Holdings:** supporting the Group's activities.

GEK TERNA companies included in the consolidated financial statements and their unaudited FYs are analytically recorded Note 4 to the Financial Statements.

The attached Condensed Interim Separate and Consolidated Financial Statements for the six-month period ended as at June 30th, 2019, were approved by the Board of Directors on 25th September 2019.

2. BASIS FOR THE PREPARATION OF FINANCIAL STATEMENTS

2.1 Basis for Financial Statements Presentation

The Company's Condensed Interim Separate and Consolidated Financial Statements as of June 30th, 2019, which cover the six-month period from January 1st to June 30th 2019 have been prepared according to the International Financial Reporting Standards (IFRS), which were published by the International Accounting Standards Board (IASB) and according to their interpretations, which have been published by the International Financial Reporting Interpretations Committee (IFRIC) and have been adopted by the European Union until June 30th, 2019. The Financial Statements for the six month period ended as at June 30th 2019 have been prepared according to the provisions of the International Accounting Standard (hereinafter IAS) "Interim Financial Reporting". The Group applies all the International Accounting Standards, International Financial Reporting Standards and their Interpretations, which apply to the Group's operations. The relevant accounting policies, whose summary is presented below in Note 2.6, have been applied consistently in all periods presented.

The Group's management estimates that the Company and its subsidiaries hold sufficient resources, which ensure their operation as "Going Concern" in the foreseeable future.

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2.2 Basis of measurement

The accompanying Condensed Interim Separate and Consolidated Financial Statements as of June 30th, 2019, have been prepared according to the principle of historical cost, apart from investment property, financial derivatives and investments in securities measured at fair value through profit or loss, carried at fair value.

2.3 Presentation currency

The presentation currency is Euro (the currency of the Group's parent domicile) and all the amounts are presented in thousand Euro unless otherwise mentioned.

2.4 Comparability

Comparative sizes recorded in the Financial statements have not been readjusted in order to present the effect of IFRS 16, since it was implemented as at 01.01.2019 (see Note 2.6.3).

2.5 Use of estimates

The preparation of the financial statements according to IFRS requires the use of estimates and judgments on the application of the Company's accounting policies. Judgements, assumptions and Management estimates affect the valuation of several asset and liability items, the amounts recognized during the financial year regarding specific income and expenses as well as the presented estimates on contingent liabilities.

The assumptions and estimates are assessed on a continuous basis according to historic experience and other factors, including expectations on future event outcomes that are considered as reasonable given the current conditions. The estimates and assumptions relate to the future and, consequently, the actual results may deviate from the accounting calculations.

The aspects requiring the highest degree of judgment as well as the aspects mostly affecting the consolidated Financial Statements are presented in Note 3 to the Financial Statements.

2.6 Key accounting policies

Condensed interim financial statements for the six-month period ended as at 30.06.2019 comprise limited scope of information as compared to that presented in the annual financial statements. The accounting policies, based on which the Financial Statements were prepared, are consistent with those used under the preparation of the annual Financial Statements for the year ended as at 31.12.2018, except for changes in Standards and Interpretations effective from 01.01.2019 (see Notes 2.6.1 and 2.6.2). Therefore, the attached condensed interim Financial Statements for the three-month period should be read in line with the last publicized annual Financial Statements as of 31.12.2018 that include a full analysis of the accounting policies and valuation methods used.

2.6.1. New Standards, Interpretations, Revisions and Amendments to existing Standards that are effective and have been adopted by the European Union

The following new Standards, Interpretations and amendments to IFRSs have been issued by the International Accounting Standards Board (IASB), are adopted by the European Union, and their application is mandatory from or after 01.01.2019.

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- **IFRS 16 “Leases” (effective for annual periods starting on or after 01.01.2019)**

In January 2016, the IASB issued a new Standard, IFRS 16. The objective of the project was to develop a new Leases Standard that sets out the principles that both parties to a contract, i.e. the customer (‘lessee’) and the supplier (‘lessor’), apply to provide relevant information about leases in a manner that faithfully represents those transactions. To meet this objective, a lessee is required to recognise assets and liabilities arising from a lease. The Group will examine the impact of the above on its consolidated and separate Condensed Interim Financial Statements. Analytical reference is made in Note 2.6.3.

- **IFRIC 23 “Uncertainty over Income Tax Treatments” (effective for annual periods starting on or after 01.01.2019)**

In June 2017, the IASB issued a new Interpretation, IFRIC 23. IAS 12 “Income Taxes” specifies how to account for current and deferred tax, but not how to reflect the effects of uncertainty. IFRIC 23 provides requirements that add to the requirements in IAS 12 by specifying how to reflect the effects of uncertainty in accounting for income taxes. The new Interpretation does not affect the consolidated and separate Condensed Interim Financial Statements.

- **Amendments to IFRS 9: “Prepayment Features with Negative Compensation” (effective for annual periods starting on or after 01.01.2019)**

In October 2017, the IASB published narrow-scope amendments to IFRS 9. Under the existing requirements of IFRS 9, an entity would have measured a financial asset with negative compensation at fair value through profit or loss as the “negative compensation” feature would have been viewed as introducing potential cash flows that were not solely payments of principal and interest. Under the amendments, companies are allowed to measure particular prepayable financial assets with so-called negative compensation at amortised cost or at fair value through other comprehensive income if a specified condition is met. The amendments do not affect the consolidated and separate Condensed Interim Financial Statements.

- **Amendments to IAS 28: “Long-term Interests in Associates and Joint Ventures” (effective for annual periods starting on or after 01.01.2019)**

In October 2017, the IASB published narrow-scope amendments to IAS 28. The objective of the amendments is to clarify that companies account for long-term interests in an associate or joint venture – to which the equity method is not applied – using IFRS 9. The amendments do not affect the consolidated and separate Condensed Interim Financial Statements.

- **Annual Improvements to IFRSs – 2015-2017 Cycle (effective for annual periods starting on or after 01.01.2019)**

In December 2017, the IASB issued Annual Improvements to IFRSs – 2015-2017 Cycle, a collection of amendments to IFRSs, in response to several issues addressed during the 2015-2017 cycle. The issues included in this cycle are the following: **IFRS 3 - IFRS 11:** Previously held interest in a joint operation, **IAS 12:** Income tax consequences of payments on financial instruments classified as equity, **IAS 23:** Borrowing costs eligible for capitalization. The amendments are effective for annual periods beginning on or after 1 January 2019. The amendments do not affect the consolidated and separate Condensed Interim Financial Statements.

- **Amendments to IAS 19: “Plan Amendment, Curtailment or Settlement” (effective for annual periods starting on or after 01.01.2019)**

In February 2018, the IASB published narrow-scope amendments to IAS 19, under which an entity is required to use updated assumptions to determine current service cost and net interest for the remainder of the reporting period after an amendment, curtailment or settlement to a plan.

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The objective of the amendments is to enhance the understanding of the financial statements and provide useful information to the users. The amendments do not affect the consolidated and separate Condensed Interim Financial Statements.

2.6.2. New Standards, Interpretations, Revisions and Amendments to existing Standards that have not been applied yet or have not been adopted by the European Union until 30.6.2019

The following new Standards, Interpretations and amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), but their application has not started yet or they have not been adopted by the European Union.

- **Revision of the Conceptual Framework for Financial Reporting (effective for annual periods starting on or after 01.01.2020)**

In March 2018, the IASB issued the revised Conceptual Framework for Financial Reporting (Conceptual Framework), the objective of which was to incorporate some important issues that were not covered, as well as update and clarify some guidance that was unclear or out of date. The revised Conceptual Framework includes a new chapter on measurement, which analyzes the concept on measurement, including factors to be considered when selecting a measurement basis, concepts on presentation and disclosure, and guidance on derecognition of assets and liabilities from financial statements. In addition, the revised Conceptual Framework includes improved definitions of an asset and a liability, guidance supporting these definitions, update of recognition criteria for assets and liabilities, as well as clarifications in important areas, such as the roles of stewardship, prudence and measurement uncertainty in financial reporting. The Group will examine the impact of the above on its consolidated and separate Condensed Interim Financial Statements. The above have not been adopted by the European Union.

- **Amendments to References to the Conceptual Framework in IFRS Standards (effective for annual periods starting on or after 01.01.2020)**

In March 2018, the IASB issued Amendments to References to the Conceptual Framework, following its revision. Some Standards include explicit references to previous versions of the Conceptual Framework. The objective of these amendments is to update those references so that they refer to the revised Conceptual Framework and to support transition to the revised Conceptual Framework. The Group will examine the impact of the above on its consolidated and separate Condensed Interim Financial Statements. The above have not been adopted by the European Union.

- **Amendments to IFRS 3: "Definition of a Business" (effective for annual periods starting on or after 01.01.2020)**

In October 2018, the IASB issued narrow-scope amendments to IFRS 3 to improve the definition of a business. The amendments will help companies determine whether an acquisition made is of a business or a group of assets. The amended definition emphasizes that the output of a business is to provide goods and services to customers, whereas the previous definition focused on returns in the form of dividends, lower costs or other economic benefits to investors and others. In addition to amending the wording of the definition, the Board has provided supplementary guidance. The Group will examine the impact of the above on its consolidated and separate Condensed Interim Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

- **Amendments to IAS 1 and IAS 8: "Definition of Material" (effective for annual periods starting on or after 01.01.2020)**

In October 2018, the IASB issued amendments to its definition of material to make it easier for companies to make materiality judgements.

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The definition of material helps companies decide whether information should be included in their financial statements. The updated definition amends IAS 1 and IAS 8. The amendments clarify the definition of material and how it should be applied by including in the definition guidance that until now has featured elsewhere in IFRS Standards. The Group will examine the impact of the above on its consolidated and separate Condensed Interim Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

•IFRS 17 “Insurance Contracts” (effective for annual periods starting on or after 01.01.2021)

In May 2017, the IASB issued a new Standard, IFRS 17, which replaces an interim Standard, IFRS 4. The aim of the project was to provide a single principle-based standard to account for all types of insurance contracts, including reinsurance contracts that an insurer holds. A single principle-based standard would enhance comparability of financial reporting among entities, jurisdictions and capital markets. IFRS 17 sets out the requirements that an entity should apply in reporting information about insurance contracts it issues and reinsurance contracts it holds. The Standard does not apply to the Group’s operations. The above have not been adopted by the European Union.

2.6.3.Effect of implementation of IFRS 16 “Leases” on the Financial Statement as of 30.06.2019

a) First implementation of IFRS 16 as of 01.01.2019

Following the changes to accounting policies, as described above (Note 2.6.1), as at January 1st, 2019, the Group and the Company adopted IFRS 16, applying the modified retrospective approach. Based on this approach, the Group recognized a liability measured at its present value, as arising from discounting the remaining leases through the incremental borrowing cost effective on the date of the Standard’s initial application, i.e. on 01.01.2019.

Furthermore, it recognized a right to use an asset by measuring that right at an amount equal to the corresponding liability that will be recognized, adjusted for any lease payments immediately effective prior to the date of initial application. Comparative information was not reworded, and no effect has arisen following the application of the new Standard on Balance of Retained Earnings under the first time adoption, i.e. on 01.01.2019.

Moreover, the Group has applied the exemption provided in the Standard with respect to determination of leases, and, in particular, the applicable practices under IFRS 16, according to which the Entity does not need to reassess whether a contract is or contains a lease at the first transition date. This practically means that IFRS 16 was applied to contracts that have already been recognized as leases under the application of IAS 17 “Leases” and IFRIC 4 “Determining whether an Arrangement contains a Lease”.

Finally, the Group also made use of exemptions to the Standard in respect of short-term leases and low value fixed assets leases. With respect to the discount rate, the Group has decided to apply a single discount rate to every category of leases with similar characteristics and depending on the residual duration of every lease.

Adoption of IFRS 16 has the following significant results for the Group:

-The Group holds operating leases in respect of land, buildings, machinery and vehicles. The Standard has mainly affected the accounting treatment of the Group's operating leases. Specifically, since the adoption of IFRS 16, liabilities stemming from operating lease contracts are presented as assets (rights to use) and liabilities from leases in the statement of financial position. The increase in the lease obligations has not led to a corresponding increase in the Group's net borrowings.

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- The nature of the expenses associated with these leases has changed, since following the application of IFRS 16, operating cost of lease is depreciated at amortized cost for the rights-related assets and interest expense on the arising liabilities. This has led to an improvement in "Operating Profit before Financial and Investment Activities, Depreciation and Amortization".
 - No effect has arisen on the statement of changes in equity under the first implementation since the Group has decided to recognize an equal liability.
 - In the statement of cash flows, the component relating to repayment of lease payments will reduce cash flows from financing activities and will no longer be included in net cash flows from operating activities. Moreover, interest payments are included in net cash flows from financing activities.

IFRS 16 has not made any significant changes to the accounting for lessors, and therefore the Group does not expect any changes for leases where they are acting as a lessor.

Effect of IFRS 16 implementation is analytically recorded in Note 2.6.3 (c).

b) New accounting policy regarding leases

Until 2018, leases were classified as finance or operating in accordance with the requirements of IAS 17. Finance leases were capitalized at the commencement of the lease at the lower value that arises between the fair value of the asset and the present value of the minimum lease payments, each of which were identified at the commencement of the lease. Every lease payment was allocated as liability and interest. Operating lease payments were recorded in the income statement on a straight-line basis over the term of the lease.

As of 01.01.2019, under IFRS 16, leases are no longer classified as operating leases and finance leases, and all leases are accounted for as items in the "Statement of Financial Position", through recognition of a "right-of-use asset" a "lease liability".

Recognition and initial measurement of the right-of-use asset

At the lease period commencement date, the Group recognizes a right-of-use asset and a lease liability, measuring the right-of-use asset at cost.

The cost of the right-of-use asset comprises:

- the amount of the initial measurement of the lease liability (see below),
- any lease payments made at or before the commencement date, less any lease incentives received,
- the initial direct costs incurred by the lessee, and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease. The Group incurs the obligation for those costs either at the commencement date or as a consequence of having used the underlying asset during a particular period.

Initial measurement of the lease liability

At the commencement date, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. When the interest rate implicit in the lease can be readily determined, the lease payments shall be discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Group shall use the Group's incremental borrowing rate.

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At the commencement date, the lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

- (a) fixed payments less any lease incentives receivable,
- (b) any variable lease payments that depend on the future change in index or a rate, initially measured using the index or rate as at the commencement date
- (c) amounts expected to be payable by the Group under residual value guarantees,
- (d) the exercise price of a purchase option if the Group is reasonably certain to exercise that option and
- (e) payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate the lease.

Subsequent measurement

Subsequent measurement of the right-of-use asset

After the commencement date, the Group shall measure the right-of-use asset applying a cost model.

The Group shall measure the right-of-use asset at cost less any accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of the lease liability.

The Group applies the depreciation requirements in IAS 16 in depreciating the right-of-use asset, which it examines for potential impairment.

Subsequent measurement of the lease liability

After the commencement date, the Group shall measure the lease liability by:

- (a) increasing the carrying amount to reflect interest on the lease liability,
- (b) reducing the carrying amount to reflect the lease payments made, and
- (c) remeasuring the carrying amount to reflect any reassessment or lease modifications.

Financial cost of a lease liability is allocated over the lease term in such a way that it results in a constant periodic rate of interest on the remaining balance of the liability.

After the commencement date, the Group shall recognize in profit or loss, (unless the costs are included in the carrying amount of another asset applying other applicable Standards), both:

- (a) financial cost of the lease liability, and
- (b) variable lease payments not included in the measurement of the lease liability in the period in which the event or condition that triggers those payments occurs.

(c) The amounts recognized in the Condensed Interim Six-month Statement of Financial Position and Comprehensive Income

The right-of-use assets and liabilities from leases recognized as at IFRS 16 transition date 01.01.2019 (increase /(decrease)), are presented below as follows:

	GROUP	COMPANY
Assets		
Right of use Assets (Note 7)	37,266	331
Tangible Assets (Note 8)	(19,381)	0
Total Assets	17,885	331

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	GROUP	COMPANY
Liabilities		
Lease Liabilities Long-term portion (Note 14)	20,280	272
Loans from finance leases	(6,547)	0
Long term liabilities payable during the next fiscal year	(5,335)	0
Lease Liabilities short-term portion (Note 14)	9,487	59
Total Liabilities	17,885	331

During the period ended June 30th 2019, the Group's EBITDA improvement due to the adoption of IFRS 16 amounted to 2,914, whereas the additional charge to the financial cost and depreciation expense amounted to 451 and 2,814 respectively.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND MANAGEMENT ASSESSMENTS

Preparation of condensed interim six-month Financial Statements for the period ended as at June 30th 2019 requires the Management to make judgments, estimates and assumptions which affect assets and liabilities, contingent receivables and liabilities disclosures as well as revenue and expenses during the presented periods. Under the preparation of these Financial Statements, 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 as of 31 December 2018.

Moreover, the main sources of uncertainty effective under the preparation of the Financial Statements as of 31 December 2018 remained the same regarding the Interim Financial Statements for the six-month period ended as at June 30th, 2019.

4. GROUP AND COMPANY STRUCTURE AS AT 30.06.2019

The following tables present the participations of the parent company GEK TERNA SA, direct and indirect in economic entities as at 30.06.2019, which were included in the consolidation. According to the level of their consolidation, they are classified as follows:

4.1 Company Structure

ENTITY	DOMICILE	DIRECT PARTI- CIPATION %	INDIRECT PARTI- CIPATION %	TOTAL PARTI- CIPATION %	CONSOLI- DATION METHOD	TAX UNAUDITED YEARS
CONSTRUCTION SEGMENT – JOINT VENTURES						
J/V GEK TERNA – TERNA ENERGY (INSTALLATION & OPERATION ATS)	Greece	50	50	100	Proportional consolidation	2015-2018
ALTE ATE - TERNA SA GP	Greece	50	0	50	Proportional consolidation	2013-2018

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4.2 Group Structure

ENTITY	DOMICILE	DIRECT PARTI- CIPATION %	INDIRECT PARTI- CIPATION %	TOTAL PARTI- CIPATION %	CONSOLI- DATION METHOD	TAX UNAUDITED YEARS
CONSTRUCTION SEGMENT – SUBSIDIARIES						
TERNA SA	Greece	100	0	100	Full	2013-2018
J/V EUROIONIA	Greece	0	100	100	Full	2014-2018
J/V CENTRAL GREECE MOTORWAY E-65	Greece	0	100	100	Full	2014-2018
J/V HELLAS TOLLS	Greece	100	0	100	Full	2013-2018
ILIOCHORA SA	Greece	70.55	29.45	100	Full	2013-2018
TERNA OVERSEAS LTD	Cyprus	0	100	100	Full	2013-2018
TERNA QATAR LLC *	Qatar	0	35	35	Full	2013-2018
TERNA BAHRAIN HOLDING WLL	Bahrain	0	99.99	99.99	Full	-
TERNA CONTRACTING CO WLL	Bahrain	0	100	100	Full	-
TERNA VENTURES WLL	Bahrain	0	100	100	Full	-
TERNA SAUDI ARABIA LTD	Saudi Arabia	0	60	60	Full	-
J/V GEK TERNA – TERNA ENERGY (INSTALLATION AND OPERATION ASSK)	Greece	50	50	100	Proportional consolidation	2015-2018
CONSTRUCTIONS SEGMENT - JOINT OPERATIONS						
J/V TOMI ABETE-ILIOHORA SA	Greece	0	30	30	Proportional consolidation	2013-2018
J/V AVAX SA-VIOTER SA-ILIOHORA SA	Greece	0	37.5	37.5	Proportional consolidation	2013-2018
J/V TERNA - AKTOR - POWELL (CHAIDARI METRO)	Greece	0	66	66	Proportional consolidation	2013-2018
J/V TERNA - IMPEGILOSPA (TRAM)	Greece	0	55	55	Proportional consolidation	2013-2018
J/V ALPINE MAYREDER BAU GmbH-TERNA (ANCIENT OLYMPIA BYPASS)	Greece	0	50	50	Proportional consolidation	2013-2018
J/V ATHANASIADIS - TERNA (THESSAL. CAR PARK.)	Greece	0	50	50	Proportional consolidation	2013-2018
J/V TERNA SA - AKTOR SA-J&P-AVAX SA (LAND OF CONCERT HALL)	Greece	0	69	69	Proportional consolidation	2013-2018
J/V TERNA AE - WAYSS (PERISTERI METRO)	Greece	0	50	50	Proportional consolidation	2013-2018
J/V ETETH-TERNA-AVAX -PANTECHNIKI HORSE RIDING CENTRE	Greece	0	35	35	Proportional consolidation	2013-2018
J/V TERNA – PANTECHNIKI (OAKA SUR. AREAS)	Greece	0	83.5	83.5	Proportional consolidation	2013-2018
J/V TERNA S.A. - AKTOR A.T.E.- J&P AVAX (Concert Hall)	Greece	0	37	37	Proportional consolidation	2013-2018
J/V TERNA-MICHANIKI AGRINIO BY-PASS	Greece	0	65	65	Proportional consolidation	2013-2018
J/V ALPINE MAYREDER BAU GmbH-TERNA SA (CHAIDARI METRO STATION, PART A')	Greece	0	50	50	Proportional consolidation	2013-2018
J/V ALPINE MAYREDER BAU GmbH-TERNA SA (PARADEISIA TSAKONA)	Greece	0	49	49	Proportional consolidation	2013-2018
J/V AKTOR-DOMOTECHNIKI-THEMELIODOMI-TERNA-ETETH (THESSAL. MEG. MUNICIPALITY)	Greece	0	25	25	Proportional consolidation	2013-2018
J/V TERNA - AKTOR (SUBURBAN SKA)	Greece	0	50	50	Proportional consolidation	2013-2018
J/V TERNA - AKTOR (R.C. LIANOKLADI - DOMOKOS)	Greece	0	50	50	Proportional consolidation	2013-2018
J/V TERNA SA- THALES AUSTRIA (ETCS SYSTEM PROCUREMENT)	Greece	0	37.4	37.4	Proportional consolidation	2013-2018

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ENTITY	DOMICILE	DIRECT PARTI- CIPATION %	INDIRECT PARTI- CIPATION %	TOTAL PARTI- CIPATION %	CONSOLI- DATION METHOD	TAX UNAUDITED YEARS
J/V TERNA SA-AKTOR ATE J&P AVAX–TREIS GEFYRES	Greece	0	33.33	33.33	Proportional consolidation	2013-2018
J/V METKA-TERNA	Greece	0	90	90	Proportional consolidation	2013-2018
J/V APION KLEOS	Greece	0	17	17	Proportional consolidation	2013-2018
J/V TERNA SA-SICES CONSTRUCTIONS (HELPE REF. UPGR.)	Greece	0	50	50	Proportional consolidation	2013-2018
J/V AKTOR-TERNA-PORTO KARRAS (Florina-Niki road)	Greece	0	33.33	33.33	Proportional consolidation	2013-2018
J/V AKTOR-TERNA (PATHE at Styliida road)	Greece	0	50	50	Proportional consolidation	2013-2018
J/V TERNA - AEGEK Constructions (Promachonas road)	Greece	0	50	50	Proportional consolidation	2013-2018
J/V AKTOR-TERNA (Patras Port)	Greece	0	70	70	Proportional consolidation	2013-2018
J/V AKTOR ATE-J&P AVAX - TERNA SA (Koromilia-Kristalopigi project)	Greece	0	33.33	33.33	Proportional consolidation	2013-2018
J/V IMPREGILO SpA-TERNA SA (Cultural center of Stavros Niarchos Foundation)	Greece	0	49	49	Proportional consolidation	2015-2018
J/V AKTOR ATE – TERNA SA (Lignite works)	Greece	0	50	50	Proportional consolidation	2014-2018
J/V AKTOR ATE – TERNA SA (Thrasio B')	Greece	0	50	50	Proportional consolidation	2014-2018
J/V AKTOR SA – J&P AVAX – TERNA SA (Tithorea Domokos)	Greece	0	33.33	33.33	Proportional consolidation	2014-2018
J/V AKTOR SA – J&P AVAX – TERNA SA (Bridge RL 26, TITHOREA - DOMOKOS)	Greece	0	44.56	44.56	Proportional consolidation	2014-2018
J/V AKTOR SA – TERNA SA (Thrasio B' ERGOSE)	Greece	0	50	50	Proportional consolidation	2015-2018
J/V AKTOR – TERNA (Joint Venture ERGOSE No. 751)	Greece	0	50	50	Proportional consolidation	2015-2018
J/V TERNA GCC WAC	Qatar	0	30	30	Proportional consolidation	2016-2018
J/V TERNA-AI OMAIER	Saudi Arabia	0	60	60	Proportional consolidation	-
J/V TERNA-CGCE (AMAS 1)	Bahrain	0	50	50	Proportional consolidation	-
J/V RENCO-TEPNA (Construction of compressor stations TAP)	Greece	0	50	50	Proportional consolidation	2016-2018
J/V J&P AVAX SA-TERNA SA-AKTOR SA-INTRAKAT (Temenos)	Greece	0	25	25	Proportional consolidation	2016-2018
J/V TERNA - CGCE (AMAS 2)	Bahrain	0	50	50	Proportional consolidation	-
JV TERNA-CGCE JOINT VENTURE (AMAS 3)	Bahrain	0	50	50	Proportional consolidation	-
JV VINCI TERNA DOO	Serbia	0	49	49	Proportional consolidation	2018
J/V AVAX-TERNA (MEDITERRANEAN CITY OF DREAMS)	Cyprus	0	40	40	Proportional consolidation	
RES ENERGY SEGMENT - SUBSIDIARIES						
TERNA ENERGY SA	Greece	38.49	0	38.49	Full	2013-2018
IWECO HONOS LASITHIOU CRETE SA	Greece	0	38.49	38.49	Full	2013-2018
ENERGIAKI SERVOUNIOU SA	Greece	0	38.49	38.49	Full	2013-2018
TERNA ENERGY EVROU SA	Greece	0	38.49	38.49	Full	2013-2018
PPC RENEWABLES - TERNA ENERGY SA	Greece	0	19.63	19.63	Full	2013-2018

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AIOLIKI PANORAMATOS DERVENOCHORION S.A.	Greece	0	38.49	38.49	Full	2013-2018
AIOLIKI RACHOULAS DERVENOCHORION S.A.	Greece	0	38.49	38.49	Full	2013-2018
ENERGIAKI DERVENOCHORION S.A.	Greece	0	38.49	38.49	Full	2013-2018
AIOLIKI MALEA LAKONIAS S.A.	Greece	0	38.49	38.49	Full	2013-2018
ENERGIAKI FERRON EVROU S.A.	Greece	0	38.49	38.49	Full	2013-2018
AIOLIKI DERVENI TRAIANOUPOLEOS S.A.	Greece	0	38.49	38.49	Full	2013-2018
ENERGIAKI PELOPONNISOUS S.A.	Greece	0	38.49	38.49	Full	2013-2018
ENERGIAKI NEAPOLEOS LAKONIAS S.A.	Greece	0	38.49	38.49	Full	2013-2018
AIOLIKI ILIOKASTROU S.A.	Greece	0	38.49	38.49	Full	2013-2018
EUROWIND S.A.	Greece	0	38.49	38.49	Full	2013-2018
ENERGEIAKI XIROVOUNIOU S.A.	Greece	0	38.49	38.49	Full	2013-2018
DELTA AXIOU ENERGEIAKI S.A.	Greece	0	25.40	25.40	Full	2013-2018
TERNA ENERGY SEA WIND PARKS S.A.	Greece	0	29.63	29.63	Full	2013-2018
TERNA ENERGY WIND PARKS XIROKAMPOS AKRATAS S.A.	Greece	0	29.63	29.63	Full	2013-2018
VATHICHORI ENVIRONMENTAL S.A.	Greece	0	38.49	38.49	Full	2013-2018
VATHICHORI ONE PHOTOVOLTAIC S.A.	Greece	0	38.49	38.49	Full	2013-2018
CHRISOUPOLI ENERGY Ltd	Greece	0	30.79	30.79	Full	2013-2018
DIRFIS ENERGY SA	Greece	0	19.63	19.63	Full	2013-2018
MALESINA ENERGY SA	Greece	0	30.79	30.79	Full	2013-2018
ORCHOMENOS ENERGY Ltd	Greece	0	30.79	30.79	Full	2013-2018
ALISTRATI ENERGY Ltd	Greece	0	30.79	30.79	Full	2013-2018
TERNA ENERGY AI-GIORGIS SA	Greece	0	38.49	38.49	Full	2013-2018
TERNA AIOLIKI AMARINTHOU SA	Greece	0	38.49	38.49	Full	2013-2018
TERNA AIOLIKI AITOLOAKARNANIAS SA	Greece	0	38.49	38.49	Full	2013-2018
TERNA ILIAKI VIOTIAS SA	Greece	0	38.49	38.49	Full	2013-2018
VATHICHORI TWO ENERGY S.A.	Greece	0	38.49	38.49	Full	2013-2018
TERNA AIOLIKI XEROVOUNIOU SA	Greece	0	38.49	38.49	Full	2013-2018
TERNA ILIAKI ILIOKASTROU SA	Greece	0	38.49	38.49	Full	2013-2018
TEPNA ILIAKI PANORAMATOS SA.	Greece	0	38.49	38.49	Full	2013-2018
AIOLIKI KARYSTIAS EVOIA S.A.	Greece	0	38.49	38.49	Full	2013-2018
GEOtherMIKI ENERGY ANAPTYXIAKI S.A.	Greece	0	19.24	19.24	Full	2013-2018
TEPNA ILIAKI PELLOPONISSOU SA.	Greece	0	38.49	38.49	Full	2013-2018
TERNA ENERGY OVERSEAS LTD	Cyprus	0	38.49	38.49	Full	2012-2018
EOLOS POLSKA sp.z.o.o.	Poland	0	38.49	38.49	Full	2013-2018
EOLOS NOWOGRODZEC sp.z.o.o.	Poland	0	38.49	38.49	Full	2013-2018
HAOS INVEST 1 EAD	Bulgaria	0	38.49	38.49	Full	2013-2018
VALE PLUS LTD	Cyprus	0	38.49	38.49	Full	2013-2018
GALLETTE LTD	Cyprus	0	38.49	38.49	Full	2013-2018
ECO ENERGY DOBRICH 2 EOOD	Bulgaria	0	38.49	38.49	Full	2013-2018
ECO ENERGY DOBRICH 3 EOOD	Bulgaria	0	38.49	38.49	Full	2013-2018
ECO ENERGY DOBRICH 4 EOOD	Bulgaria	0	38.49	38.49	Full	2013-2018
COLD SPRINGS WINDFARM LLC	U.S.A.	0	38.49	38.49	Full	2011-2018

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DESERT MEADOW WINDFARM LLC	U.S.A.	0	38.49	38.49	Full	2011-2018
HAMMETTHILL WINDFARM LLC	U.S.A.	0	38.49	38.49	Full	2011-2018
MAINLINE WINDFARM LLC	U.S.A.	0	38.49	38.49	Full	2011-2018
RYEGRASS WINDFARM. LLC	U.S.A.	0	38.49	38.49	Full	2011-2018
TWO PONDS WINDFARM. LLC	U.S.A.	0	38.49	38.49	Full	2011-2018
MOUNTAIN AIR WIND. LLC	U.S.A.	0	38.49	38.49	Full	2011-2018
EOLOS NORTH sp.z.o.o.	Poland	0	38.49	38.49	Full	2013-2018
EOLOS EAST sp.z.o.o.	Poland	0	38.49	38.49	Full	2013-2018
AIOLIKI PASTRA ATTIKIS SA	Greece	0	38.49	38.49	Full	2013-2018
JP GREEN sp.z.o.o.	Poland	0	38.49	38.49	Full	2015-2018
WIRON sp.z.o.o.	Poland	0	38.49	38.49	Full	2015-2018
BALLADYNA sp.z.o.o.	Poland	0	38.49	38.49	Full	2015-2018
TERNA ENERGY SA & CO AIOLIKI POLYKASTROU G.P.	Greece	0	38.49	38.49	Full	2013-2018
TERNA ENERGY SA & CO ENERGEIAKI VELANIDION LAKONIAS G.P.	Greece	0	38.49	38.49	Full	2013-2018
TERNA ENERGY SA & CO ENERGEIAKI DYSTION EVIAS G.P.	Greece	0	38.49	38.49	Full	2013-2018
TERNA ENERGY SA & CO ENERGEIAKI ARI SAPPON G.P.	Greece	0	38.49	38.49	Full	2013-2018
TERNA ENERGY SA & CO AIOLIKI EASTERN GREECE G.P.	Greece	0	38.49	38.49	Full	2013-2018
TERNA ENERGY SA & CO AIOLIKI MARMARIOU EVIAS G.P.	Greece	0	38.49	38.49	Full	2013-2018
TERNA ENERGY SA & CO ENERGEIAKI PETRION EVIAS G.P.	Greece	0	38.49	38.49	Full	2013-2018
TERNA ENERGY SA & CO AIOLIKI ROKANI DERVENOCHORION G.P.	Greece	0	38.49	38.49	Full	2013-2018
TERNA ENERGY SA & CO ENERGEIAKI STYRON EVIAS G.P.	Greece	0	38.49	38.49	Full	2013-2018
TERNA ENERGY SA & SIA ENERGEIAKI KAFIREOS EVIAS G.P.	Greece	0	38.49	38.49	Full	2013-2018
TERNA ENERGY SA & SIA PROVATA TRAIANOUPPOULEOS	Greece	0	38.49	38.49	Full	2013-2018
TERNA ENERGY SA & VECTOR GREECE WIND PARKS – TROULOS WIND PARK G.P.	Greece	0	34.64	34.64	Full	2013-2018
MOUNTAIN AIR PROJECTS LLC	U.S.A.	0	38.49	38.49	Full	2011-2018
MOUNTAIN AIR INVESTMENTS LLC	U.S.A.	0	38.49	38.49	Full	2011-2018
MOUNTAIN AIR ALTERNATIVES LLC	U.S.A.	0	38.49	38.49	Full	2011-2018
MOUNTAIN AIR RESOURCES LLC	U.S.A.	0	38.49	38.49	Full	2011-2018
MOUNTAIN AIR HOLDINGS LLC	U.S.A.	0	38.49	38.49	Full	2011-2018
FLUVANNA WIND ENERGY LLC	U.S.A.	0	38.49	38.49	Full	2015-2018
FLUVANNA HOLDINGS LLC	U.S.A.	0	38.49	38.49	Full	2016-2018
FLUVANNA INVESTMENTS LLC	U.S.A.	0	38.49	38.49	Full	2016-2018
TERNA DEN LLC	U.S.A.	0	38.49	38.49	Full	2016-2018
TERNA RENEWABLE ENERGY PROJECTS LLC	U.S.A.	0	38.49	38.49	Full	2016-2018
AEGIS LLC	U.S.A.	0	38.49	38.49	Full	2011-2018
MOHAVE VALLEY ENERGY LLC	U.S.A.	0	38.49	38.49	Full	2016-2018
TERNA HOLDCO INC	U.S.A.	0	38.49	38.49	Full	2016-2018
FLUVANNA I INVESTOR. INC	U.S.A.	0	38.49	38.49	Full	2018
FLUVANNA I HOLDING COMPANY. LLC	U.S.A.	0	38.49	38.49	Full	2018
FLUVANNA HOLDINGS 2. LLC	U.S.A.	0	38.49	38.49	Full	2018
FLUVANNA INVESTMENTS 2. LLC	U.S.A.	0	38.49	38.49	Full	2018
FLUVANNA WIND ENERGY 2. LLC	U.S.A.	0	38.49	38.49	Full	2018

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RES ENERGY SEGMENT – JOINT VENTURES						
TERNA ENERGY AVETE & SIA LP	Greece	0	26.94	26.94	Proportional consolidation	2013-2018
RES ENERGY SEGMENT - ASSOCIATES						
CYCLADES RES ENERGY CENTER SA	Greece	0	17.32	17.32	Equity	2013-2018
EN.ER.MEL S.A.	Greece	0	18.94	18.94	Equity	2013-2018
ELECTRIC ENERGY TRADING SEGMENT - SUBSIDIARIES						
TERNA ENERGY TRADING EOOD	Bulgaria	0	19.63	19.63	Full	2013-2018
TETRA DOOEL SKOPJE	FYROM	0	19.63	19.63	Full	2015-2018
TERNA ENERGY TRADING D.O.O	Serbia	0	19.63	19.63	Full	2015-2018
OPTIMUS ENERGY SA	Greece	0	19.63	19.63	Full	2017-2018
TERNA ENERGY TRADING SHPK	Albania	0	19.63	19.63	Full	2018
THERMAL ENERGY SEGMENT (PRODUCTION & TRADING) - JOINT VENTURES						
HERON THERMOELECTRIC S.A.	Greece	50	0	50	Equity	2013-2018
HERON II VIOTIA THERMOELECTRIC STATION S.A.	Greece	0	25	25	Equity	2013-2018
REAL ESTATE SEGMENT - SUBSIDIARIES						
IOANNINON ENTERTAINMENT DEVELOPMENT S.A.	Greece	73.32	0	73.32	Full	2013-2018
MONASTIRIOU TECHNICAL DEVELOPMENT S.A.	Greece	100	0	100	Full	2013-2018
VIPA THESSALONIKI S.A.	Greece	100	0	100	Full	2013-2018
GEK SERVICES SA	Greece	100	0	100	Full	2013-2018
ICON EOOD	Bulgaria	83.62	16.38	100	Full	2013-2018
ICON BOROVEC EOOD	Bulgaria	0	100	100	Full	2013-2018
DOMUS DEVELOPMENT EOOD	Bulgaria	0	100	100	Full	2013-2018
I&B REAL ESTATE EAD	Bulgaria	0	90	90	Full	-
SC GEK ROM SRL	Romania	100	0	100	Full	2013-2018
HERMES DEVELOPMENT SRL	Romania	0	100	100	Full	2013-2018
HIGHLIGHT SRL	Romania	0	100	100	Full	2013-2018
MANTOUDI BUSINESS PARK S.A.	Greece	0	100	100	Full	2014-2018
REAL ESTATE SEGMENT - JOINT VENTURES AND ASSOCIATES						
KEKROPS S.A.	Greece	37.48	0.00	37.48	Equity	2013-2018
GEKA S.A.	Greece	0	33.34	33.34	Equity	2013-2018
GLS EOOD	Bulgaria	50	0	50	Equity	2013-2018

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ENTITY	DOMICILE	DIRECT PARTI- CIPATION %	INDIRECT PARTI- CIPATION %	TOTAL PARTI- CIPATION %	CONSOLI- DATION METHOD	TAX UNAUDITED YEARS
CONCESSIONS SEGMENT - SUBSIDIARIES						
HIRON CAR PARK S.A.	Greece	99.47	0.53	100	Full	2013-2018
KIFISIA PLATANOU SQ. CAR PARK SA	Greece	83.33	16.67	100	Full	2013-2018
PARKING STATION SAROKOU SQUARE CORFU S.A	Greece	83.67	16.33	100	Full	2013-2018
HELLAS SMARTICKET S.A.	Greece	35	13.47	48.47	Full	2014-2018
WASTE CYCLO S.A.	Greece	0	19.63	19.63	Full	2013-2018
PERIVALLONTIKI PELOPONNISOU MAE	Greece	0	38.49	38.49	Full	2015-2018
AEIFORIKI EPIRUS MAEES	Greece	0	38.49	38.49	Full	2017-2018
NEA ODOS SA	Greece	100	0	100	Full	2013-2018
CENTRAL GREECE MOTORWAY S.A.	Greece	100	0	100	Full	2013-2018
CONCESSIONS SEGMENT - JOINT VENTURES						
PARKING OUIL SA	Greece	50	0	50	Equity	2013-2018
ATHENS CAR PARK S.A.	Greece	25.32	0	25.32	Equity	2013-2018
THESSALONIKI CAR PARK S.A.	Greece	24.7	0	24.7	Equity	2013-2018
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Greece	32.42	0	32.42	Equity	2013-2018
POLIS PARK SA	Greece	28.76	0	28.76	Equity	2013-2018
SMYRNI PARK SA	Greece	20	0	20	Equity	2013-2018
HELLINIKON ENTERTAINMENT AND ATHLETIC PARKS S.A.	Greece	31.63	0	31.63	Equity	2013-2018
METROPOLITAN ATHENS PARK SA	Greece	22.91	0	22.91	Equity	2013-2018
HERAKLION CRETE INTERNATIONAL AIRPORT SA CONCESSION	Greece	0	90	90	Equity	
INDUSTRIAL-MINES SEGMENT - SUBSIDIARIES						
VIOMEK ABETE	Greece	67.52	29.07	96.59	Full	2013-2018
STROTIRES AEBE	Greece	51	0	51	Full	2013-2018
TERNA MAG SA	Greece	51.02	48.98	100	Full	2013-2018
EUROPEAN AGENCIES OF METALS SA	Greece	0	100	100	Full	2013-2018
VRONDIS QUARRY PRODUCTS SA	Greece	0	100	100	Full	2013-2018
CEMENT PRODUCTION AND EXPORT FZC	Libya	0	75	75	Full	-
MALCEM CONSTRUCTION MATERIALS LTD	Malta	0	75	75	Full	2013-2018
SEGMENT OF HOLDINGS – SUBSIDIARIES						
QE ENERGY EUROPE LTD	Cyprus	0	100	100	Full	2013-2018
TERNA ENERGY UK PLC	United Kingdom	0	38.49	38.49	Full	-
TERNA ENERGY USA HOLDING CORPORATION	U.S.A.	0	38.49	38.49	Full	2011-2018
TERNA ENERGY TRANSATLANTIC sp.z.o.o.	Poland	0	38.49	38.49	Full	2013-2018
TERNA ENERGY TRADING LTD	Cyprus	0	19.63	19.63	Full	2015-2018
TERNA ENERGY FINANCE SA	Greece	0	38.49	38.49	Full	2016-2018

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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, they are not included in the consolidated financial statements as of 30.06.2019.

COMPANY NAME	TOTAL PARTICIPATION % (Indirect)
J/V EVINOUE-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 VIOTER SA – TERNA SA	50.00%
J/V EVROPAIKI TECHNIKI – OMIROS 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 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 (OPAP 1)	51.00%
J/V AEGEK-TERNA (SIATISTA – KRYSTALLOPIGI CONNECTION)	45.00%

Moreover, considering the fact that during consolidation the value of the associate below has been nullified, it does not have any impact on the financial statements of the Group.

CONSTRUCTION SEGMENT – ASSOCIATES	DOMICILE	DIRECT	INDIRECT	TOTAL	CONSOLIDATION METHOD
		PARTICIPATION %	PARTICIPATION %	PARTICIPATION %	
ATTIKAT ATE	Greece	22.15	0	22.15	Equity

During the first half of 2019, the following joint operations were liquidated, which till the liquidation date were consolidated, however, without significant effect.

COMPANY NAME	TOTAL PARTICIPATION %
J/V ILIOCHORA-KASTAT CONSTRUCTIONS (Koumpila-Louloudi project)	70.00%
J/V THALES ATM SA-TERNA IMPROVEMENTS OF TACAN STATIONS	50.00%

Within the first half of 2019, the following companies were established:

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-
- J/V AVAX-TERNA (MEDITERRANEAN CITY OF DREAMS), whose scope of operations pertains to construction casino and hotel units
 - HERAKLION CRETE INTERNATIONAL AIRPORT S.A. CONCESSION, whose scope of operations pertains to exploitation of airport construction concession.

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

*** Assessment of control under IFRS 10**

TERNA ENERGY and TERNA QATAR LLC are totally consolidated as subsidiaries, since the Group exercises control over them in compliance with the provisions of IFRS 10.

- As at 30.06.2019, the Group holds 38.49% (31.12.2018: 38.37%) in the issued share capital of TERNA ENERGY SA. According to the requirements of IFRS 10, the parent company exerts power over TERNA ENERGY as it has the ability to direct the respective activities. This is achieved through the appointment of the majority of the members of the Board of Directors and the directors of that subsidiary by the management of the parent. The parent company also holds rights with variable returns from its participation in the subsidiary.

GEK TERNA holds the largest share among the shareholders. The remaining share of shares not owned by the Company and its affiliated parties is highly dispersed and therefore cannot materially influence decision-making. Furthermore, the parent company has the power to use the power over the subsidiary to influence the amount of its returns. This is the result of the decision-making on affiliate matters through the control of the decision-making bodies.

- TERNA QATAR LLC, in the share capital of which the Group participates by 35% (through the wholly owned subsidiary TERNA), is consolidated as a subsidiary, as a control is assumed in accordance with the requirements of IFRS 10 "Consolidated Financial Statements". More specifically, due to contract, the Group has the control over the management and operation of the company.

Within the current six month reporting period, a reassessment of the above Management's estimates was carried out and there was no change in relation to assessment made as of 31.12.2018.

5. OPERATING SEGMENTS

An operating segment is a component of an economic entity: a) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses that concern transactions with other components of the same economic entity) and, b) whose operating results are regularly reviewed by the chief operating decision maker of the entity to make decisions about resources to be allocated to the segment and assess of its performance. The term "chief operating decision maker" defines the Board of Directors that is responsible for the allocation of resources and the assessment of the operating segments. The Group presents separately the information on each operating segment that fulfils certain criteria of characteristics and exceeds certain quantitative limits. The amount of each element of the segment is that which is presented to the "Chief operating decision maker" with regard to the allocation of resources to the segment and the evaluation of its performance.

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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.

- i. **Construction:** refers, almost exclusively, to contracts for the construction of technical projects.
- ii. **Electricity from renewable sources of energy:** refers to the electricity production from wind generators (wind parks), from hydroelectric projects and other renewable energy sources.
- iii. **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.
- iv. **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.
- v. **Industry:** refers to the production of quarry products and the exploitation of magnesite quarries.
- vi. **Concessions:** it concerns the construction and operation of infrastructure (eg motorways), other public interest projects (Unified Automatic Collection System and municipal waste treatment plant) and other facilities (eg e-ticket, car stations, etc.) in exchange for their long-term exploitation in relation to the services offered to the public.
- vii. **Holdings:** refers to the supporting operation of all of the segments of the Group.

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Business segments 30.06.2019	Constructions	Electricity from RES	Electricity from thermal energy and trading	Real Estate	Mining / Industry	Concessions	Holdings	Eliminations on consolidation	Consolidated Total
Revenue from external customers	343,648	111,885	18,615	1,554	4,752	85,862	54	0	566,370
Inter-segmental turnover	19,749	0	0	265	0	69	48	(20,131)	0
Revenue	363,397	111,885	18,615	1,819	4,752	85,931	102	(20,131)	566,370
Operating results from continuing operations (EBIT)	8,025	59,921	1,676	(44)	(2,992)	18,783	(2,696)	0	82,673
Interest income	932	150	0	81	0	2,827	573	0	4,563
Interest and related expenses	(2,010)	(24,226)	(11)	(307)	(1,796)	(2,478)	(5,041)	0	(35,869)
Foreign exchange differences and other non-operating results	(3,029)	457	(71)	(77)	(738)	3	(2)	0	(3,457)
Results from associates and Joint Ventures	0	0	(257)	(102)	0	(16)	0	0	(375)
Results from participations and securities	0	0	0	0	0	0	4,674	0	4,674
Results before tax	3,918	36,302	1,337	(449)	(5,526)	19,119	(2,492)	0	52,209
Income tax	(3,643)	(7,767)	(527)	(25)	1,330	4,117	469	0	(6,046)
Net Results	275	28,535	810	(474)	(4,196)	23,236	(2,023)	0	46,163
Net depreciation	5,442	26,128	21	303	1,047	22,027	60	0	55,028
EBITDA from continuing operations	13,467	86,049	1,697	259	(1,945)	40,810	(2,636)	0	137,701
Provisions and other non-cash results	4,544	815	62	69	741	3,422	4	0	9,657
Adjusted EBITDA from continued operations	18,011	86,864	1,759	328	(1,204)	44,232	(2,632)	0	147,358

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Business segments 30.06.2019	Constructions	Electricity from RES	Electricity from thermal energy and trading	Real Estate	Mining / Industry	Concessions	Holdings	Eliminations on consolidation	Consolidated Total
Assets	745,753	1,654,599	13,807	98,361	114,245	1,198,645	81,755	0	3,907,165
Investments in associates	10	2,776	0	1,215	0	0	0	0	4,001
Investments in joint ventures	0	0	44,307	33	2,716	8,610	0	0	55,666
Total Assets	745,763	1,657,375	58,114	99,609	116,961	1,207,255	81,755	0	3,966,832
Liabilities	642,261	1,271,947	7,964	70,278	105,337	939,926	174,446	0	3,212,159
Loans (*)	126,883	879,050	0	62,335	66,983	674,362	131,783	0	1,941,396
Cash and Cash Equivalents	171,326	182,236	2,497	9,941	917	79,439	58,288	0	504,644
Net debt / (surplus)	(44,443)	696,814	(2,497)	52,394	66,066	594,923	73,495	0	1,436,752
Net debt / (surplus) Capital expenditure for the period 01.01- 30.06.2019	2,183	112,534	0	501	3,951	1,381	312	0	120,862

During the six month period ended June 30th, 2019, an amount of € 174 million (30.7%) (€ 270 million – 39,5% in the respective comparative period of 2018) of the Group's turnover comes from a customer in the construction segment.

(*) Loans relate to long-term bank loans of 1,750,884 short-term bank loans of 181,332 and bank leases of 9,180

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Business segments 30.06.2018 and 31.12.2018	Constructions	Electricity from RES	Electricity from thermal energy and trading	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 operation (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 continuing operations	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

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Business segments 30.06.2018 and 31.12.2018	Constructions	Electricity from RES	Electricity from thermal energy and trading	Real Estate	Mining / Industry	Concessions	Holdings	Eliminations on consolidation	Consolidated Total
Adjusted EBITDA from continuing operations	26,462	77,781	5	2,761	(1,255)	39,784	(2,380)		143,161
Assets 31.12.2018	899,110	1,534,222	9,142	116,204	110,582	1,207,149	77,425		3,953,834
Investments in associates 31.12.2018	10	2,741	0	1,821	0	0	0		4,572
Investments in joint ventures 31.12.2018	0	0	44,565	33	2,716	4,129	0		51,443
Total Assets	899,120	1,536,963	53,707	118,058	113,298	1,211,278	77,425		4,009,849
Liabilities	795,739	1,181,440	4,412	87,811	97,549	944,155	169,744		3,280,850
Loans	105,173	768,363	0	75,335	64,458	695,540	141,797		1,850,666
Cash and Cash Equivalents	248,261	135,013	1,674	27,277	2,072	61,725	47,220		523,242
Net debt / (surplus)	(143,088)	633,350	(1,674)	48,058	62,386	633,815	94,577		1,327,424
Capital expenditure for the period 01.01-30.06.2018	1,662	17,316	11	5,061	5,477	15,559	0		45,086

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6. INTANGIBLE FIXED ASSETS

Changes in the Group and the Company intangible fixed assets are presented below as follows:

	GROUP		COMPANY	
	2019	2018	2019	2018
Net book value 1 January	802,665	838,508	130	106
Additions	2,154	3,419	7	0
Foreign exchange differences	56	147	0	0
Transfers from/(to) assets	(9,780)	79	0	0
Amortization	(21,242)	(21,965)	(16)	(11)
Net book value 30 June	773,853	820,188	121	95

As at 30.06.2019, net book value of intangible fixed assets of the Group mainly includes as follows: (motorways, car parking, and waste management concession rights amounting to 714,925 (31.12.2018: 745,229), paid rights for installation of wind parks amounting to 23,031 (31.12.2018 : 21,464), as well as purchased rights for the exploitation of quarries and magnesite quarries amounting to 26,583 (31.12.2018: 26,881). Further, the item includes amortized cost development expenses at 30.06.2019 amounting to 5,741 mainly related to expenses incurred in magnesite mines (31.12.2018: 5,178). The balance includes rights from construction contracts 1,725 (31.12.2018: 1,860), software 1,844 (31.12.2018: 1,908) και other rights 4 (31.12.2018: 145).

Amortizations for the period mainly pertain to amortization of intangible assets recognized from motorways concession contracts (Nea Odos and Central Greece Motorway), amortized based on the concession time.

7. RIGHT OF USE ASSETS

The right of use assets were recognized according to first implementation of IFRS 16 (see note 2.6.3). the movement is depicted below:

Group's right of use assets

	Land-Plots	Buildings and Installations	Technological and mechanical equipment	Vehicles	Other	Total
Acquisition value 1 January 2019	0	0	0	0	0	0
Adjustments implementation of new standard (Note 2.6.3)	5,972	8,429	1,382	2,100	2	17,885
Transfers from tangible assets due to implementation of new standard (Note 2.6.3)	0	0	24,291	6,428	0	30,719

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1 January 2019, Re-adjusted balance	5,972	8,429	25,674	8,528	2	48,605
Additions	1,006	1,300	176	140	0	2,623
Foreign exchange differences	46	1	(3)	0	0	45
30 June 2019	7,024	9,730	25,847	8,668	2	51,272
Accumulated amortization 1 January 2019	0	0	0	0	0	0
Transfers from tangible assets due to implementation of new standard (Note 2.6.3)	0	0	(8,469)	(2,868)	0	(11,338)
1 January 2019, Re-adjusted balance	0	0	(8,469)	(2,868)	0	(11,338)
Amortization	(276)	(1,511)	(822)	(655)	(1)	(3,264)
30 June 2019	(276)	(1,511)	(9,291)	(3,523)	(1)	(14,602)
Net book value 30 June 2019	6,748	8,219	16,556	5,145	1	36,670

Company's right of use assets

	Land-Plots	Buildings and Installations	Technological and mechanical equipment	Vehicles	Other	Total
Acquisition value 1 January 2019	0	0	0	0	0	0
Adjustments implementation of new standard (Note 2.6.3)	0	331	0	0	0	331
1 January 2019, Re-adjusted balance	0	331	0	0	0	331
Additions	0	0	0	0	0	0
30 June 2019	0	331	0	0	0	331
Accumulated amortisation 1 January 2019	0	0	0	0	0	0
Amortization	0	(33)	0	0	0	(33)
30 June 2019	0	(33)	0	0	0	(33)
Net book value 30 June 2019	0	298	0	0	0	298

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8. TANGIBLE FIXED ASSETS

Changes in the Group and the Company tangible fixed assets in the closing and the respective comparative six- month periods are presented below as follows:

	GROUP		COMPANY	
	2019	2018	2019	2018
Net book value 1 January	1,332,693	1,246,267	9,085	9,475
Transfers from/to Right of Use Assets (Note 7)	(19,381)	0	0	0
Adjusted Net book value 1 January	1,313,312	1,246,267	9,085	9,475
Additions	114,867	36,560	305	14
Cost of Loan	3,301	98	0	0
Foreign exchange differences	5,104	5,045	0	0
Disposals/Write offs	(1,332)	(4,723)	(5)	0
Depreciation	(34,895)	(33,116)	(220)	(202)
Transfers from/to intangible assets and investments	433	(1,096)	0	0
Net book value 30 June	1,400,790	1,249,035	9,166	9,287

From the unamortized value of the Group's tangible fixed assets as at 30.06.2019, an amount of 209,803 (113,193 as of 31.12.2018) relates to investments under construction, of which the amount of 199,473 (94,338 as at 31.12.2018) concerns electricity generation from renewable energy sources.

The Group's additions for the first half of 2019 mainly pertain to investments under construction amounting to 102,978 of TERNA ENERGY Group, of which an amount of 73,126 relates to the construction of the Group's wind farm (Fluvanna II) in Texas, USA, and an amount of 22,701 relates to advance payments for assets acquisition for new wind farms in Evia.

Mortgage liens of various types amounting to a total of 21,526 have been written on the Group's property for security against bond loans.

Moreover, the amount of 981,979 pertaining to the account "Technological and mechanical equipment" includes Wind Farm wind generators which have been collateralized in favor of banks to secure long-term loans.

9. FINANCIAL ASSETS – CONCESSIONS

The Group constructs and operates two projects:

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.

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The construction and installation was completed in 2017, and during the first half of 2017, the operation started, which is expected to last 10 years and 4 months.

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 a duration of 27 years. The construction of the project was completed in the first quarter of 2019, with the start of the service period.

Analytical information regarding the accounting policies applied and the aforementioned concession agreements is presented in Note 4.15 to the annual financial statements of the Group for FY ended as at December 31st 2018.

The analysis of changes of the generated Financial Assets from Concessions as well as the revenue per category are analyzed as follows:

Financial Assets - Concessions	Unified Automated System for Ticket Collection	Installation of civil waste processing Epirus Region	Total
Opening balance as at 1st January 2018	26,463	-	26,463
(Decreases)/Increases in financial item	(5,674)	12,113	6,439
Effective interest on receivables	4,049	123	4,172
Impairment under IFRS 9	(20)	(124)	(144)
Closing balance as at 31st December 2018	24,818	12,112	36,930
Opening balance as at 1st January 2019	24,818	12,112	36,930
(Decreases)/Increases in financial item	(3,258)	3,777	519
Reversal of repayment	1,900	534	2,434
Impairment under IFRS 9	-	(2)	(2)
Closing balance as at 30th June 2019	23,460	16,421	39,881
Analysis of revenues per category in the first half of 2018			
Income from construction services	58	13,854	13,912
Income from operation services	5,471	-	5,471
Effective interest on receivables	1,490	-	1,490
Total	7,019	13,854	20,873
Analysis of revenues per category in the first half of 2019			
Income from construction services	3	4,386	4,389
Income from operation services	3,594	388	3,982
Effective interest on receivables	1,900	534	2,434
Total	5,497	5,308	10,805

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10. TRADE RECEIVABLES

The Group and the Company trade receivables on 30.06.2019 and 31.12.2018 respectively in the accompanying financial statements are analyzed as follows:

	GROUP		COMPANY	
	30.06.2019	31.12.2018	30.06.2019	31.12.2018
Trade receivables	306,814	311,451	3,046	2,963
Customers – Doubtful and litigious	15,107	14,962	317	317
Notes / Checks Receivable overdue	868	868	0	0
Checks Receivable	1,834	1,025	0	0
Less: Provisions for doubtful trade receivables	(35,589)	(33,871)	(1,182)	(1,130)
Total	289,034	294,435	2,181	2,150

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. (see Note 26). Important guarantees for the collection of balances are also the advances received for construction contracts, which at 30.06.2019 amounted to € 204 million (31.12.2018: € 281.4 million.).

11. RECEIVABLES / LIABILITIES FROM CONTRACTS WITH CUSTOMERS

The receivables from contracts with customers are analyzed as follows:

	GROUP		COMPANY	
	30.06.2019	31.12.2018	30.06.2019	31.12.2018
Receivables from construction contracts with customers	98,338	200,056	244	195
Receivables from other contracts with customers	14,268	15,308	118	116
Less: Impairments of receivables from contracts with customers	(5,996)	(6,101)	0	0
	106,610	209,263	362	311

The liabilities in relation to contracts with customers are analyzed as follows:

	GROUP		COMPANY	
	30.06.2019	31.12.2018	30.06.2019	31.12.2018
Customer advances	117,021	208,605	543	84
Non-completed liabilities from construction contracts	67,398	92,448	(0)	(0)
	184,419	301,053	543	84

The changes in Receivables and liabilities from Contracts with customers within the current fiscal year are due to the following factors:

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	GROUP
Receivables from contracts with customers	
Balance 01.01.2018	172,069
Effect due to execution of existing contracts	25,210
Effect due to new contracts	11,053
Foreign exchange translation differences for the period	931
Balance 31.12.2018	209,263
Balance 01.01.2019	209,263
Effect due to execution of existing contracts	(104,082)
Effect due to new contracts	1,242
Foreign exchange translation differences for the period	187
Balance 30.06.2019	106,610
Liabilities from contracts with customers	
Short term part	179,467
Long term part	6,505
Balance 01.01.2018	185,972
Effect due to execution of existing contracts	(94,622)
Effect due to new contracts	0
Foreign exchange translation differences for the period	1,098
Balance 31.12.2018	92,448
Balance 01.01.2019	92,448
Effect due to execution of existing contracts	(25,774)
Effect due to new contracts	724
Foreign exchange translation differences for the period	0
Balance 30.06.2019	67,398

12. ADVANCES AND OTHER RECEIVABLES

The “Advances and other receivables” on June 30th, 2019 in the attached financial statements are analyzed as follows:

	GROUP		COMPANY	
	30.06.2019	31.12.2018	30.06.2019	31.12.2018
Advances and other short-term non-financial receivables				
Advances to suppliers	49,979	67,031	0	14
VAT for rebate – offsetting	20,427	25,609	308	277
Receivables from Wind Parks’ grants	1,479	1,479	0	0
Prepayment to insurance funds (Social Security Organization of technical works)	4,647	3,944	0	0

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Accounts for the management of prepayments and credits	1,896	2,034	1	0
Receivables from other taxes other than income tax	1,878	1,877	1,874	1,874
Other deferred and prepaid expenses	13,753	15,617	1,306	1,235
Other transitory asset accounts	420	359	0	0
Total	94,479	117,950	3,488	3,400

	GROUP		COMPANY	
	30.06.2019	31.12.2018	30.06.2019	31.12.2018
Other short-term financial receivables				
Receivables from j/v, related companies and other associates	14,635	9,592	11,116	19,699
Short-term part of granted long-term loans	261	0	0	0
Financial receivables from other various debtors	14,378	5,376	1,596	186
Receivables from to indemnities in relation to concession projects	6,052	17,539	0	0
Operational support of Concession projects	22,212	21,999	0	0
Receivables from Greek State and Municipalities	3,934	3,879	0	0
Restricted deposits	56,651	63,908	8,750	19,118
Doubtful – Litigious other receivables	1,132	1,132	0	0
Less: Impairments of other short-term financial receivables	(13,709)	(11,711)	(1,175)	(1,139)
Total	105,546	111,715	20,288	37,863
Total advances and other receivables	200,025	229,665	23,776	41,263

13. CASH AND CASH EQUIVALENTS

The cash and cash equivalents for the Group and the Company on June 30th, 2019 in the accompanying financial statements are analyzed as follows:

	GROUP		COMPANY	
	30.06.2019	31.12.2018	30.06.2019	31.12.2018
Cash in hand	3,711	4,347	29	32
Sight Deposits	444,400	468,702	13,818	17,292
Term Deposits	56,533	50,193	46,000	31,000
Total	504,644	523,242	59,847	48,323

The Group's cash and cash equivalents include amounts for repayment from energy sector subsidiary companies of 3,024 (3,024 on 31.12.2018), 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.

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The aforementioned grant amount has not been returned as till the accompanying financial statements approval date, since the authorities have not yet completed the relative inspection.

In addition, the Group maintains Restricted deposits amounting to 56,651 (63,908 on 31.12.2018), which are held in specific bank accounts for the servicing of its short-term operating and financial liabilities. These Restricted deposits are classified under the account "Advances and other receivables".

14. BORROWINGS AND LEASE LIABILITIES

The long-term loans and lease liabilities as at 30.06.2019 and 31.12.2018, in the accompanying financial statements, are analyzed as follows:

	GROUP		COMPANY	
	30.06.2019	31.12.2018	30.06.2019	31.12.2018
Lease Liabilities	27,146	11,882	302	0
Minus: Short-term portion	(10,522)	(5,335)	(61)	0
Long term portion of Lease Liabilities	16,624	6,547	241	0
Long-term loans	1,750,884	1,713,363	351,793	388,549
Minus: Short-term portion	(214,255)	(145,575)	(26,491)	(15,701)
Long term portion of Loans	1,536,629	1,567,788	325,302	372,848

The Group and the Company loan liabilities as at 30.06.2019 and 30.06.2018 are analyzed as follows:

	GROUP		COMPANY	
	30.06.2019	30.06.2018	30.06.2019	30.06.2018
Long-term loans				
Opening balance	1,713,363	1,597,052	388,549	239,769
Disbursements / (payments) of capital	28,870	8,700	(37,326)	67,125
Interest payments	(35,207)	(37,335)	(7,600)	(4,663)
Exchange rate differences	2,578	1,303	0	0
Loan interest on financial results (note 23)	38,931	37,786	7,961	6,993
Other Loan interest (capitalized etc.)	2,829	0	0	0
Transfers	(480)	10,240	210	230
Closing Balance	1,750,884	1,617,747	351,793	309,454

	GROUP	
	30.06.2019	30.06.2018
Short-term loans		
Opening balance	125,421	112,484
Disbursements / (payments) of capital	55,816	13,784
Interest payments	(2,076)	(3,357)

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Exchange rate differences	(223)	215
Loan interest on financial results (note 23)	2,394	3,340
Transfers	0	(10,240)
Closing Balance	181,332	116,226

The total financial cost of long-term and short-term borrowings for the six month period 01.01-30.06.2019 (and the corresponding six month comparative period of 2018) is included in the item "Net financial income/(expenses)" in the separate and consolidated Income Statement. The average interest rate for the Group for the period ended as at 30.06.2019 stood at 5.47% (30.06.2018: 5.72%).

Below are described the significant changes in the Group's and the Company's loans for the six month period ended as at 30.06.2019.

A. Company Borrowings

- **GEK TERNA Bond Loan of € 194 million for the restructuring of the existing loan liabilities of the Group's parent and consolidated subsidiaries**

On 01.12.2017, the Company signed a € 193.95 million Secured Bond Loan Program with Greek Credit Institutions with the purpose of refinancing an existing bank loan that was contractually terminated in 2018 and which relates to loans of : (a) the parent company of € 101 million, (b) the subsidiary TERNA SA of € 81.7 million and (c) the other subsidiaries of the Group amounting to € 11.2 million. The tenor of the loan is 5 years ending in January 2023 and the interest is 6M Euribor plus 4% annual spread.

The outstanding balance of the aforementioned loan as at 30.06.2019 amounts at € 113.1 million. Till June 30th 2019, the amount of total repayments stood at € 80.8 million, out of which €64.6 million from the amount raised from €120 million Common Bond Loan issuance, while the amount of € 10.8 million was repaid within the six month period of 2019.

- **The Company's Common Bond Loan (CBL) amounting to € 120 million:**

At the meeting of the Hellenic Capital Market Commission on 21.03.2018, the Company's Prospectus for the public offering with cash payment and the admission to trading on the Athens Stock Exchange of up to 120,000 common bonds of total amount of 120 million euros was approved. After the end of the vesting period, the above issuance was fully covered. The issuance price of the Bonds was set at € 1,000 each, i.e. 100% of its nominal value. The new CBL provides for the observance of financial ratios at each reporting date of the financial statements (six-month and annual) with a commencement date the 31.12.2019. With the completion of the Public Offer on 29.03.2018, and according to the aggregate allocation data generated by the use of the Electronic Book of Bids of the Athens Stock Exchange, a total of 120,000 common anonymous bonds of the Company were sold at a nominal value of € 1,000 each and funds raised amounted to € 120,000,000. The interest rate of Bonds is 3.95% stable for the whole tenor of the Common Bond Loan.

The outstanding balance of the aforementioned loan as at 30.06.2019 amounts to € 120 million.

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B. TERNA ENERGY Group loans

As at 30.06.2019, the total bank loans of TERNA ENERGY group stands at € 929.8 million (31.12.2018: € 812.4 million) of which an amount of 100 million concerned short-term loans. During the first half of 2019, the Group issued new loans (long-term and short-term) totaling € 294.3 million, primarily to finance investments in wind farms of subsidiaries in Greece and the USA, and repayment of long term loans, issued in order to finance the course of sound and timely construction. At the same time, during the six-month period total debt (long-term and short-term) of € 185.7 million was repaid.

- **Common bond loan of TERNA ENERGY MAEX (“Issuer”) under the guarantee of TERNA ENERGY (“Company” or “Guarantor”) of € 60 million.**

In 2017, TERNA ENERGY 100% subsidiary, TERNA ENERGY MAEX, issued a € 60m Common Bond Loan with the issuance of sixty thousand common bonds under TERNA ENERGY corporate guarantee, of nominal value €1 k each, following the decision of its Board of Directors dated as at 27.06.2017 and the decision of the Hellenic Capital Market Commission as of 12.07.2017, approving the contents of the Prospectus. In accordance with the terms of as of July 12, 2017 TERNA ENERGY MAEX Prospectus, TERNA ENERGY is responsible for the aforementioned issue to the bondholders. Moreover, under the terms of the Issuance Scheme of the aforementioned Common Bond Loan and the Bondholders' Representation Agreement dated 06.07.2017, the raised funds of € 60 million were invested by TERNA ENERGY MAEX into TERNA ENERGY through an intragroup loan. In particular, on 12.07.2017, TERNA ENERGY issued on a bond loan under Law 3156/2003, governed by the Intragroup Loan Scheme, covered by TERNA ENERGY MAEX by an amount of € 58.7 million. Therefore, the equivalent amount of the CBL proceeds was transferred to TERNA ENERGY, thereby lending equal amounts of funds raised to TERNA ENERGY, so that the latter could use it in its investment plan. On 30.06.2019, the bond loan of TERNA ENERGY MAEX of unamortised amount of Euro 61.6 million was reclassified from long-term to short-term liabilities of the Group and, in particular, in the item of “Long-term liabilities carried forward”. Short-term liabilities were reclassified following as of June 7, 2019 announcement of TERNA ENERGY MAEX, regarding its decision to pre-pay the total nominal value of the issued bonds and held in the context of the public offer, pursuant to the Common Bond Loan Issuance Scheme as of 12.07.2017, up to Euro 60 million and the Bondholders' Representatives Appointment Agreement (the “CBL Scheme”).

The date of 17.07.2019 was defined as the last day of trading on the Athens Stock Exchange of the aforementioned bonds of TERNA ENERGY MAEX. The repayment was made by TERNA ENERGY MAEX on 22.07.2019 in accordance with the terms of clause 4 of the CBL Prospectus. Following the exercise of the CBL early repayment option, on 30.06.2019, TERNA ENERGY MAEX revised the remaining outflows of the loan, discounting these flows at the initially defined effective interest rate, and, therefore, recognised financial cost amounting to Euro 1.3 million as the difference arising from the carrying amount of the loan liability on 30.06.2019. On 17.07.2019, the Company's intragroup loan to TERNA ENERGY MAEX was repaid in accordance with the provisions of the CBL Prospectus.

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C. TEPNA group loans

- **Bond Loan of TERNA amounting Euro 127.3 million for refinancing of its current debt liabilities and financing of the FERROVIAL acquisition**

On 07.12.2018, TERNA Group signed a Common Bond Loan Program of € 127.3 million with Greek Credit Institutions with the objective of: a) refinancing current bank debt amounting to € 42 million and b) financing (through parent company GEK TERNA) of the acquisition of FERROVIAL's participations in the Concession Companies "NEA ODOS SA" and " CENTRAL GREECE MOTORWAY SA" and in the Joint Venture under the title " FERROVIAL JOINT VENTURES SA ". - GEK TERNA HOLDINGS, REAL ESTATE SA".

The key terms of the Program provide: (a) the term of the loan at eight years (8 years) with a maturity of July 2026; (b) the six-month interest rate at 6M Euribor with an annual premium of 3.75 % depending on the time of interest, (c) 50.2% repayment of the last installment (balloon) and (d) implementation of financial ratios by GEK TERNA guarantor, in line with the Common Bond Loan Agreement (CBL) Euro 120 million issued in April 2018 by GEK TERNA guarantor.

The balance of the Bond loan as at 30.06.2019 amounts to Euro 127.3 million.

In addition to the above, no significant changes were made to the Group's loans for the six-month period ended 30 June 2019.

The Group has the obligation to maintain specific financial ratios relating to bond loans. As at 30 June 2019, the Group was in full compliance with the required limits of these ratios, apart from long-term loans held by its subsidiaries, of carrying amount of €24.5 million (on 31.12.2018, the respective amounts stood at € 22.4 million for the Group). These loans were reclassified to Short-term Liabilities in the item "Long-term liabilities carried forward" since the financial ratios of the relevant loan contracts were not complied with as at 30.06.2019. It is to be noted that the Management of the subsidiaries has taken all necessary steps to eliminate the reasons for non-compliance by providing the necessary "waivers".

Loan guarantees

For the guarantee of certain of the Group's loans:

- Wind parks' generators have been pledged for an amount of 981,979 (31.12.2018: 999,390),
- Insurance contracts and receivables from the sale of electric energy to LAGIE or DEDDIE as well as from construction services, motorways concession contracts and cash equivalence have been forfeited to lending banks,
- Lien mortgages of various series have been written on the real estate of some of the Group's companies amounting to 36,741 (31.12.2018: 40,805) and,
- Shares of subsidiaries and other related companies with a nominal value of 247,545 (31.12.2018: 247,571) have been provided by the parent company as collateral.

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D. Lease liabilities

Since January 1, 2019, when IFRS 16 was adopted, finance lease related liabilities are classified as lease liabilities.

Changes in these liabilities during the six-month period 01.01-30.06.2019 are presented below as follows:

	GROUP		COMPANY	
	30.06.2019	30.06.2018	30.06.2019	30.06.2018
Liabilities from leases				
Opening Balance	11,882	16,770	0	0
Effect due to change in accounting policies (note 2.6.3)	17,885	0	331	0
Re-adjusted Opening Balance 01.01.2019	29,767	16,770	331	0
Repayments of Lease contracts	(5,447)	(2,606)	(29)	0
Interest payments	(351)	(296)	(8)	0
Liabilities from new Lease contracts	2,489	6	0	0
Exchange rate differences	47	0	0	0
Financial cost of the period (note 23)	641	292	8	0
Closing Balance	27,146	14,165	302	0

As of 30.06.2019 leasing liabilities that are due to banks and third parties other than banks and outside the Group are distinguished as follows:

	GROUP	COMPANY
Lease Liabilities due to bank (Non-current)	2,981	0
Lease Liabilities due to bank (Current)	6,199	0
Sub-total of bank leases (a)	9,180	0
Lease Liabilities due to third parties (Non-current)	13,643	241
Lease Liabilities due to third parties (Current)	4,323	61
Sub-total of leases due to third parties (b)	17,966	302
Total of Lease liabilities (a)+(b)	27,146	302

15. OTHER PROVISIONS

Changes in other provisions for the closing and respective comparative period are as follows:

	Provisions for environmental rehabilitation	Other provisions	Total
Balance 01.01.2019	16,455	27,431	43,886
Provision recognized in the results	460	(1,170)	(710)
Transfer from/ (to) another account	0	(4,994)	(4,994)
Foreign exchange differences	60	(2)	58
Balance 30.06.2019	16,975	21,265	38,240

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	Provisions for environmental rehabilitation	Other provisions	Total
Balance 01.01.2018	14,522	19,143	33,665
Provision recognized in the results	81	4,714	4,795
Provision recognized in fixed assets	765	0	765
Provisions used	0	1	1
Interest from provisions recognized in Net Profit	337	0	337
Transfer from/ (to) another account	0	(4,669)	(4,669)
Foreign exchange differences	(32)	27	(5)
Balance 30.06.2018	15,673	19,216	34,889

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

	GROUP	
	30.06.2019	30.06.2018
Provisions for tax for non-inspected years	3,660	4,460
Provisions for litigations	5,145	5,465
Provision for major maintenance of motorways	546	5,717
Provision for loss-bearing construction contracts	8,285	0
Other provisions	3,629	3,574
	21,265	19,216

The tables, presented above, record analysis of provisions based on the nature of the commitment as well as their analysis based on the expected timing of the outflow of financial. In particular, provisions are presented as a total as long-term and are not recorded in discounted amounts as there is no accurate estimate of their payment time.

The item "Provisions for environmental rehabilitation " records the provisions made by the companies of the Group's the energy sector, as well as some provisions made by the companies of the industrial sector for the purposes of covering the costs of rehabilitation of the natural landscape where the power plants and quarry operators are installed at the end of the holding, according to the licenses received from the State. As at 30.06.2019 , the above provision of 16,975 (31.12.2018: 16,455) reflects the cost of dismantling equipment and restoring the space where they are installed, applying modern technology and materials.

The item "Provision for heavy maintenance of motorways" includes the contractual obligation of NEA ODOS AND CENTRAL GREECE MOTORWAYS SA to maintain the infrastructure on the basis of heavy maintenance planning. Moreover, in compliance with the concession agreement, the Group is under obligation to deliver the infrastructure to the concessionaire in the previously defined condition at the end of the service concession agreement.

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16. FINANCIAL DERIVATIVE INSTRUMENTS

Information on the financial derivative instruments of the Group as at 30.06.2019 and 31.12.2018 is given below:

	GROUP	
	30.06.2019	31.12.2018
Liabilities from derivatives		
<i>-Cash flow hedging</i>		
Interest rate swaps	29,644	23,883
Interest rate swaps CENTRAL GREECE MOTORWAY	203,181	170,981
Electric energy options (collar)	1,331	2,549
Term contract for the sale of electric energy (physical forward)	-	900
<i>- For trading purposes</i>		
Electric energy options (collar)	-	528
Total Liabilities from Derivatives	234,156	198,842
<i>- Long-term liabilities from derivatives</i>	211,896	177,531
<i>- Short-term liabilities from derivatives</i>	22,259	21,311
Receivables from derivatives		
<i>-Cash flow hedging</i>		
Electric energy options (collar)	6,518	1,908
Electric energy options (swaption)	4,110	1,396
Interest rate swaps	0	625
Electric energy options (collar)- cash flow hedging	0	-
Term contract for the sale of electric energy (physical forward)- cash flow hedging	2,456	-
<i>- For trading purposes</i>		
Electric energy options (collar) (Balance of Hedge)	74	-
	13,158	3,929
Embedded derivative according to the concession agreement (CENTRAL GREECE MOTORWAY)	185,427	167,996
Total Receivables from Derivatives	198,585	171,925
<i>- Long-term receivables from derivatives</i>	181,368	154,607
<i>- Short-term receivables from derivatives</i>	17,217	17,318

The aforementioned financial instruments are measured at their fair value (see Note 28)

Interest rate swaps

In order to manage the interest rate risk it is exposed to, the Group has signed interest rate swaps. Interest rate swaps objective is the hedging of risk of negative future cash outflows arising from interest on loan agreements signed in the context of its activities and based on the electric energy sector as well as the concessions sector.

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Specifically, interest rate swaps relate to contracts where the variable interest rate on the loan is converted to fixed over the entire term of the loan so that the Company is protected against any potential increase in interest rates. The fair value of these contracts was assessed by recording the effective interest rate (euribor) curve as at 30.06.2019 throughout the period of such contracts.

The fair value of these contracts as at 30.06.2019 amounted to 29,644 liabilities in total (the total nominal value of the contracts amounts to Euro 359,108 k). As at 30.06.2019, these derivatives met the cash flow hedge requirements in accordance with the provisions of IFRS 9 and from their measurement at fair value was recognized directly in other comprehensive income, loss of 6,185 and loss of ineffective amount 208 recognized in the results of the period. These financial liabilities are classified at fair value at level 2.

Liabilities and Receivables on derivatives of CENTRAL GREECE MOTORWAY (E-65): Interest Rate Swaps and Operating Support

The Group has recognized, through its 100% subsidiary CENTRAL GREECE MOTORWAY SA, a derivative obligation (i.e. the fair value of the interest rate swap derivatives) of 203,181 (nominal value Euro 366,184 k, beginning 2008 and ending 2036 and interest rate of 4.766% and floating euribor) and respectively a receivable from a derivative financial asset (i.e. the part of the Operating Support Scheme covering future payments of the exchange derivatives interest rates) of €185,427.

Detailed information on the Concession Agreement and the basis for recognition of the derivative requirement, since the Group (through its 100% subsidiary CENTRAL GREECE MOTORWAY) has contractually transferred the risk arising from the obligation of interest rate swaps to the State, are set out in note 4.14 of the accounting policies of the annual financial statements for year ended as at December 31st 2018.

- The fair value of the financial asset receivable on 30.06.2019 of €185,427 reflects current value of the future payments on interest rate swaps (31.12.2018: €167,996). The Group has taken into account the following for discounting future flows: a) Future outflows as derived from the financial model of E-65, approved by all parties (Lenders, State, Company), b) Government credit risk as embodied in the multi-maturity Greek government bond yield curve and c) Possible time difference between Derivative Payments and Operating Support Collection. The Group at every reporting date reviews the financial asset for impairment. The Group has estimated that there is no indication of impairment as at 30 June 2019. In each Calculation Period, from the total Operating Support income, the amount relating to payments for interest rate swaps is recognized as deductible from the financial derivative receivable at 30.06.2019 amounting to €9,059 (31.12.2018: €18,702). Subsequently, any change in the valuation of the derivative is recognized in profit or loss in the period that arises, i.e. as of 30th June 2019, an amount of €26,490 which substantially reflects the change in interest rates and recognized in the "Net financial income / (expense)" item of the consolidated Income Statement (see Note 23). This financial asset is classified at fair value hierarchy level 3.
- Interest rate swaps are contracts where the variable interest rate on the loan is converted to fixed over the entire term of the loan so that the subsidiary is protected against any interest rate rise. The fair value of these contracts was assessed by recording the effective interest rate (euribor) curve as at 30.06.2019 throughout the period of these contracts. As at 30.06.2019, the fair value of these contracts amounted to 203,181 in total and the Group recognized from its valuation of derivatives a total loss of €32,200, of which €6,578 relates to the ineffective part of the cash flow hedging derivatives reclassified from Other comprehensive income to Income Statement of the period. This financial liability is classified at fair value hierarchy level 2.

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Derivatives for hedging changes in energy market prices:

Through the subsidiary TERNA ENERGY, the Group proceeds to the conclusion of derivatives with a view to hedge the risk of a change in the cash flow variability of energy prices for the Group's investments in RES in the USA. Specifically:

- In September 2016, the Group entered into two derivatives, a collar call option (trading date: 23.09.2016) and a swaption option. For the collar derivative, the effective date was 01.01.2018, while for the swaption the effective date would be 31.12.2022. 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 Farm in the USA, through a subsidiary company. This particular subsidiary constructed and operated a wind park of 155,4 MW-capacity in West Texas of the United States. As at 30.06.2019, these derivatives met the cash flow hedge requirements in accordance with the provisions of IFRS 9. The fair value of the derivative requirement was determined at € 10,628 as at 30.06.2019 (31.12.2018: € 3,929 thousand) and have been classified at fair value hierarchy level 3.
- In July 2018, the Group issued a balance of hedge, through which it will swap variable income from sale of wind farm electricity to the USA for a fixed payment. The contract in question is only financially settled and does not include product swap. The Group entered into the aforementioned contracts with the ultimate purpose of using them to hedge the risk of market price changes and, secondary, their effect on revenue from sale of electric energy. The balance changes transaction effective date was 03/07/2018. As at 30.06.2019 and 31.12.2018, the aforementioned contract did not comply with hedging of cash flow risk provisions stated in IFRS 9. The fair value of the derivative receivable as at 30.06.2019 amounted to 74 and the unrealized profit from the valuation of the balance of hedge amounting to Euro 610 k, which are an operating profit of the wind farm in question and have been additionally recorded in Turnover, and have been classified at hierarchy level 2.
- In September 2018, the Group issued two derivatives, a forward contract for sale of electricity at a predetermined price, physical, and a collar option. Regarding the physical contract, the effective date will be 01.11.2019, while regarding the collar - 01.11.2024. 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 a subsidiary company. This particular subsidiary constructs and will operate the second wind park of 158 MW-capacity in West Texas of the United States. At 30.06.2019, the fair value of the derivatives was determined at Receivable 2,456 for Physical and liability 1,331 for collar (31.12.2018: liability 900 for Physical and liability 2,549 for collar) and are classified at fair value hierarchy level 3.

In the six-month period 2019, profit from changes in fair value of 5,992 (2018: profit 66) was recognized, which was also recognized in the Income Statement of the period, in "Net financial income / (expenses)" item (see note 23). Changes in fair value recognized in other comprehensive income stood at a profit of Euro 3,039 k (2018: loss of 1,415).

17. EQUITY INSTRUMENTS EQUIVALENT TO FINANCIAL LIABILITIES

In the USA, the Group has entered into agreements with "Tax Equity Investors" investors (hereinafter "TEI"). According to these agreements, the cash flows and tax benefits generated by wind farms are distributed conventionally amongst TEI investors and the Group.

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The accounting policy applied in respect of the aforementioned financial liabilities is analytically presented in Note 4.13.5(iii) to the publicized annual consolidated and separate financial statements for FY ended as at 31.12.2018.

- **Financial liability to TEI Met Life:**

The unamortized balance of the Group's liability to TEI Met Life as at 31.06.2019 stands at 42,637. In 2012, in the USA, the Group entered into transaction, in which the company Met Life (TEI) paid the amount of 49,693 to acquire the right to receive, mainly cash and tax losses (Tax Equity Investment). In FY 2013, the construction was completed and the Wind Farm Mountain Air, of total capacity of 138 MW, located in the state of Idaho, USA, started operating. 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.

After TEI's contractually agreed performance date, and in the event of a non-acquisition of its shares by TEI, TEI remains with the participating interest of a 37.75% in distributions and tax results of the Wind Farm.

Following the Group's contractual agreement with MetLife, after the date on which TEI's contractually agreed performance has been reached, the Group may acquire the membership interests of the TEI investor (100% of Class A shares) versus a consideration that would be considered reasonable after the agreement has been reached. In this context, starting from 30.06.2019, the Group has been in negotiations with TEI 30.06.2019 regarding the acquisition of its membership interests, versus a consideration that would be considered reasonable after the agreement has been reached. The aforementioned negotiations are in progress until the date of approval of the accompanying six-month financial statements and are expected to be completed within FY 2019.

- **Financial liability to TEI Goldman Sachs:**

As at 30.06.2019, the unamortized balance of the Group's liability to TEI Goldman Sachs stands at 113,556 (including an amount of 27,045 that pertains to unamortized value of tax benefits).

In 2017, construction was completed and the Fluvanna I Wind Farm, of 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 FY 2017. As a result of the aforementioned tax treatment of the construction cost of the project, significant tax losses will be incurred in FY 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 Wind Farm (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. In FY 2017, TEI received 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.

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Equity instruments having a substance of financial liabilities (long-term and short-term) as at June 30th 2019 and December 31st 2018 in the accompanying Six-month Condensed Financial Statements are analyzed as follows:

	GROUP	
	30.06.2019	31.12.2018
Financial liabilities	108,058	111,187
Deferred income	27,045	26,916
Long-term part	135,103	138,103
Long-term financial liabilities carried forward	21,090	22,287
Short-term part	21,090	22,287
Total	156,193	160,390

Changes in equity instruments having a substance of financial in the interim period 01.01-30.06.2019 and the respective six-month period of 2018 in the Statement of Financial Position are analyzed as follows:

Financial liabilities

	GROUP	
	2019	2018
Balance as at 1 January	133,474	136,815
Received from TEI	464	0
Distribution of cash to TEI	(2,868)	(1,522)
Value of tax benefits	(8,730)	(9,925)
Interest for the period	5,595	6,843
Foreign exchange differences	1,213	3,300
Balance as at 30 June	129,148	135,511

Deferred income

	GROUP	
	2019	2018
Balance as at 1 January	26,916	22,555
Value of tax benefits	1,821	3,162
Amortization of tax benefits	(1,932)	(1,592)
Foreign exchange differences	240	627
Balance as at 30 June	27,045	24,752

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

In the first half of 2019, the value of the tax losses, attributed to TEI, is recognized in Other Income for the period (Note 19), using the straight-line amortization method during the term of the agreement and stands at 1,932 (first half of 2018: 1,592). The value of PTCs, associated with the annual Wind Farm energy generation, is recognized in turnover, standing, in the first half of 2019, at 6,909 (first half of 2018: 6,763).

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18. SHARE CAPITAL – EARNINGS PER SHARE

On 30.06.2019 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. Each share of the Company entitles one vote. The share premium account amounts to 381,283 at 30.06.2019. No changes have been made to the aforementioned item within the six month period.

Basic earnings per share:

Basic earnings per share was calculated applying the weighted average number of common shares, subtracting the weighted average number of treasury shares. No adjustments have been made to earnings (numerator). Finally, no diluted earnings per share are effective. The weighted average number of outstanding shares, for the purpose of earnings per share, stood at 98,178,455 shares (97,837,889 on 30.06.2018).

Treasury shares:

As of December 31, 2018, the Company directly owned 3,828,652 treasury shares, ie a percentage of 3.7019%, amounting to € 11,380,224. During the first half of 2019, the company acquired 116,000 treasury shares worth €497,190, or 0.1122%.

The subsidiary TERNA SA holds 688,205 shares, i.e. 0.6654% with an acquisition cost of € 1,566,451. The subsidiary Iliochora SA holds 616,835 treasury shares, which is 0.5964% with an acquisition cost of € 3,751,325. As of 30.06.2019, GEK TERNA SA, directly and indirectly, held through its subsidiaries a total of 5,249,692 treasury shares, i.e. 5.0759% of the share capital with a total cost of € 17,195,190.

Stock Options:

The General Assembly of 27th June 2018 has decided, among other issues, the adoption of a stock option plan for Management Executives, for the five year period 2019-2023, according to statute of par.13 art. 13 of Law 2190/20, till the limit of 2,000,000 shares with an share price for the beneficiaries of € 4 per share. The above decision will be implemented, only if certain targets are achieved, by the issuance of new shares or the provision of Treasury shares.

The current stock option program will be incorporated in the Remuneration Policy of the Company that will be subject to approval from a forthcoming General Assembly.

19. RESERVES

The change in the Group's reserves within the six-month period ended June 30, 2019 is mainly due to: (a) the change to fair value of derivative financial instruments for cash flows hedge, i.e. a total loss of 20,632; (b) the recognition of tax-free reserves of 68,555 related to the tax depreciation of the financial contribution of the motorway concession companies (NEA ODOS and CENTRAL GREECE MOTORWAY) under Article 36.1.7 of the Concession Agreement.

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20. ACCRUED AND OTHER SHORT-TERM LIABILITIES

The account "Accrued and other short term liabilities" on 30th June 2019 in the accompanying financial statements, is analyzed as follows:

Accrued and other short-term financial liabilities

	GROUP		COMPANY	
	30.06.2019	31.12.2018	30.06.2019	31.12.2018
Dividends payable	655	66	0	0
Liabilities against joint ventures, associates and other related companies	12,631	5,796	805	1,643
Accrued expenses	18,994	19,248	133	100
Purchases under settlement	70	20,509	0	0
Sundry Creditors	8,532	31,659	1,095	1,017
	40,882	77,278	2,033	2,760

Other short-term non-financial liabilities

	GROUP		COMPANY	
	30.06.2019	31.12.2018	30.06.2019	31.12.2018
Liabilities from taxes-duties	18,868	20,800	173	184
Social security funds	3,324	3,929	47	83
Deferred income and other deferral accounts	8,454	7,177	7,085	7,085
Approved and collected grants to be returned	3,024	3,024	0	0
Provisions for loss making contracts of construction works	1,397	1,987	0	0
Provisions for heavy maintenance of motorways	13,410	7,797	0	0
	48,477	44,714	7,305	7,352
Total accrued and other short-term liabilities	89,359	121,991	9,339	10,112

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21. INCOME TAX

Income tax in the total comprehensive income statement of the Group and the Company is analyzed as follows:

	GROUP		COMPANY	
	30.06.2019	30.06.2018	30.06.2019	30.06.2018
Current tax	6,569	6,408	62	1,449
Tax adjustments of previous years	192	1,406	0	0
Provision for tax audit differences	0	1,000	0	0
Total	6,761	8,813	62	1,449
Deferred tax Expense / (Income)	(715)	2,458	(2,215)	(38)
Total expenses/(income)	6,046	11,271	(2,153)	1,411

The movement of the net deferred tax asset / (liability) in the statement of financial position is analyzed as follows:

	GROUP		COMPANY	
	30.06.2019	30.06.2018	30.06.2019	30.06.2018
Net deferred tax asset / (liability)	42,694	42,786	(3,044)	(6,477)
Opening Balance	34,240	45,867	(5,494)	(6,555)
(Expense) / Revenue recognized in net earnings	715	(2,458)	2,215	38
(Expense) / Revenue recognized in Other comprehensive income	7,750	(684)	234	0
Foreign exchange differences	(11)	22	0	0
(Expense) / Revenue recognized directly in equity	0	39	(1)	40
Closing Balance	42,694	42,786	(3,044)	(6,477)

The tax rate for Societe anonym in Greece for the period ended as at June 30th 2019 is 28%(31.12.2018: 29%). Article 23, Law 4579/2018, states that income tax rates are gradually reduced to twenty-seven percent (27%) for income of tax year 2020, to twenty-six per cent (26%) for income of tax year 2021 and twenty five per cent (25%) for income of tax year 2022 and thereafter.

22. OTHER INCOME/(EXPENSES)

The other income/(expenses) of the Group and the Company as at June 30th, 2019 and 2018, are analyzed as follows:

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	GROUP		COMPANY	
	01.01- 30.06.2019	01.01- 30.06.2018	01.01- 30.06.2019	01.01- 30.06.2018
Results defining EBIT:				
Amortization of grants on fixed assets	4,085	4,019	0	0
Income from rents	124	635	0	0
Operational support income of Motorway Concession	4,697	9,247	0	0
State's indemnities towards Motorway Concession company	4,676	3,878	0	0
Amortization of tax benefits	1,932	1,592		
Other revenues	1,116	526	171	23
Charge of expenses	529	(659)	112	89
Interest on overdue obligations	0	(18)	0	(1)
Gains / (losses) from sale of fixed assets and inventories	378	906	117	0
Other services rendered	1,054	1,043	0	0
Grants for expenses	5	376	0	0
Income from legal indemnities	72	0	0	0
Income from insurance indemnities	3,528	275	0	0
Collapse of guarantees of penal clauses	156	7	6	0
Valuation of Investment Properties	(18)	0	(18)	0
Expenses related to insurance indemnities	(20)	(55)	0	0
Operational support expense of Motorway Concession	(17,654)	(18,420)	0	0
Other expenses	(2,609)	(1,523)	(6)	(93)
Taxes – duties	(344)	(1,123)	(2)	(1)
Depreciation not included in the cost	(533)	(164)	0	0
	1,174	542	380	17
Results not defining EBIT:				
Foreign exchange differences on payments	702	627	(2)	0
Foreign exchange differences on valuation	1,118	1,022	0	0
Impairments of fixed assets	36	(264)	0	0
Recovery of impairments / Impairments of inventories	(834)	(328)	(50)	0
Other impairments and provisions	0	(2,000)	0	0
Earnings from elimination of liabilities	106	0	0	0
Recovery of impairments (Impairments / Write offs) of receivables	(4,585)	(2,611)	(85)	(7)
	(3,457)	(3,554)	(137)	(7)
Total other income / (expenses)	(2,283)	(3,012)	243	10

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23. FINANCIAL INCOME/(EXPENSES)

The financial income / (expenses) for the six month period ended at 30th June 2019, in the accompanying financial statements, are analyzed as follows:

	GROUP		COMPANY	
	01.01- 30.06.2019	01.01- 30.06.2018	01.01- 30.06.2019	01.01- 30.06.2018
Interest on deposits	970	1,570	177	68
Interest on loans	1,157	1,507	3,856	4,878
Valuation of Derivatives	32,482	6,531	0	0
Other financial income	3	7	0	0
Financial income from discount of financial assets from concessions	2,433	1,490	0	0
Total financial income	37,045	11,105	4,033	4,946
Interest on short-term loans and guarantees	(2,394)	(3,340)	0	0
Interest on long-term loans	(38,931)	(37,786)	(7,961)	(6,993)
Interest on lease liabilities	(641)	(292)	(8)	0
Bank commissions and expenses	(2,526)	(3,387)	(67)	(541)
Financial cost tax equity investor	(5,595)	(6,843)	0	0
Expenses from interest rate swap contracts	(10,515)	(11,062)	0	0
Valuation of Derivatives	(6,786)	0	0	0
Other financial expenses	(963)	(1,050)	(481)	(444)
Total financial expense	(68,351)	(63,760)	(8,517)	(7,978)
Total net	(31,306)	(52,655)	(4,484)	(3,032)

24. NUMBER OF HEADCOUNT

The average headcount of full-time employees in the Group in the first six-month of 2019 was 4,336, and the Company 16 (4,614 and 16 respectively in the first six-month of 2018).

25. TRANSACTIONS WITH RELATED PARTIES

The transactions of the Company and the Group with related parties for the period 01.01 – 30.06.2019 and the comparative six-month period 01.01-30.06.2018, as well as the other receivables and liabilities arising from such transactions as of 30.06.2019 and 31.12.2018, are as follows:

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Period 30.06.2019					COMPANY			
Related party	GROUP				Revenue	Purchases	Debit Balances	Credit Balances
	Revenue	Purchases	Debit Balances	Credit Balances				
Subsidiaries	0	0	0	0	5,047	2,316	98,676	100,228
Joint-Ventures	2,267	5,100	16,324	4,393	46	55	47	21
Associates	0	0	0	6	0	0	0	00

Period 30.06.2018 /31.12.2018					COMPANY			
Related party	GROUP				Revenue	Purchases	Debit Balances	Credit Balances
	Revenue	Purchases	Debit Balances	Credit Balances				
Subsidiaries	0	0	0	0	6,196	1,990	136,808	126,826
Joint-Ventures	1,104	3,056	15,677	5,026	57	59	396	20
Associates	0	0	32	9	0	0	32	3

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

Within the six month period the Company received an amount of 29,557 from loan returns from subsidiaries and 160 from joint venture whereas it repaid 28,760 loans to subsidiaries. Moreover, the Company has received 12.963 from subsidiary as amount due from a share capital decrease. These amounts are not included in the above tables.

Transactions and remuneration of the Board of Directors members and senior executives: The remuneration of the Board of Directors members and senior executives of the Group and Company, recognized for the periods ended on 30.06.2019 and 30.06.2018, as well as the balances of receivables and liabilities that have emerged from such transactions on 30.06.2019 and 31.12.2018 are as follows:

	GROUP		COMPANY	
	01.01- 30.06.2019	01.01- 30.06.2018	01.01- 30.06.2019	01.01- 30.06.2018
Remuneration for services rendered	1,285	1,422	54	55
Remuneration of employees	218	194	40	20
Remuneration for participation in Board meetings	962	690	230	203
	2,465	2,306	324	278
	30.06.2019	31.12.2018	30.06.2019	31.12.2018
Liabilities	350	366	58	10
Receivables	0	0	0	0

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26. RISKS AND UNCERTAINTIES

The Group's activities are subject to several risks and uncertainties, such as the return to macroeconomic uncertainty, the market risk (volatility in exchange rates, interest rates, market prices, etc.), the credit risk, the liquidity risk, the special risks of the Greek market, as well as the wind and weather conditions. In order to encounter the financial risks, the Group has a risk management program that aims to minimize the sensitivity of the financial results of the group that emerges from the inability to predict 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.

The effect of basic risks and uncertainties on the Group's operations is presented below.

Credit Risk

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

	30.06.2019	31.12.2018
Receivables from derivatives	198,585	171,925
Cash and equivalents	504,644	523,242
Loans and receivables	637,266	740,972
Total	1,340,495	1,436,139

The Group continuously monitors its receivables, either separately or per group and encompasses any differences in its credit risk. In cases that is deemed necessary external reports related to current or potential customers are used.

The Group is not exposed to significant credit risk from customers' receivables. This is attributed to the fact that on the one hand to the Group's policy which is focused on the cooperation with reliable clients and on the other to the activities' nature of the Group. Specifically, the total receivables in relation to either the broader public sector or the private clients with large financial capabilities both domestically and abroad, are being monitored in a special manner. Management assesses on a constant basis the credibility of its clients, the size of each of them, regardless of type meaning public or private client, in relation to any impact that non-performance of their obligations might have on the Group. In this manner, the Management takes all necessary actions in order to minimize any such effect on the Group.

It is noted though, that payments coming from an entity of the wider Public Sector, are implemented with significant delays. According to announced proposals for improvement of the financial position of this entity, it is expected an amelioration regarding the compliance to its contractual obligations.

The credit risk regarding the cash reserves as well as the other receivables is deemed as limited given that the counterparties are Banking institutions of high capital structure, the Greek State or the entities of the broader Public Sector and also dynamic corporate groups.

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

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Foreign exchange risk

Foreign exchange risk is the risk that results from the fact that the fair value of future cash flows of a financial instrument will be subject to fluctuations due to changes in exchange rates. This type of risk may result, for the Group, from foreign exchange differences at the valuation and conversion into the Group's currency (Euro) of financial assets, mainly financial receivables and financial liabilities, related to transactions that are carried out in a currency other than the operating currency of the Group's entities. The transactions mainly concern purchases of fixed assets and inventories, commercial sales, investments in financial assets, loans, as well as investments in foreign operations

The Group operates in Greece, the Middle East, the Balkans, in Eastern Europe, the U.S.A. and thus it may be exposed to foreign exchange risk.

In order to manage this risk category, the Group's financial management department ensures that the Group's cash management is protected from exchange rate risk by using financial instruments and based on specific policies.

As far as the Group's transactions with foreign entities are concerned, these are generally implemented with European in euro currency and where there are transactions in the USA the settlement currency used is dollars to minimize risk.

Interest rate risk

The Group's policy is to minimize exposure to interest rate risk with respect to long-term financing. Under this policy, medium-term loans are mainly denominated in euro, fixed spread and floating-rate base linked to euribor. In order to minimize the interest rate risk associated with long-term financing and to minimize the consequent volatility of financial expenses, the Group implements specific policies that include the agreement of Interest Rates Swaps.

The Group's short-term debt is to the larger extent denominated in euro and under a floating rate base linked to Euribor. Short-term loans are received mainly as working capital or to finance the construction of the Group's investments. The Group's policy is to convert these Loans into long-term fixed spread linked to Euribor and, where appropriate due to repayment time, to apply approved Interest Rate Swaps policies.

On 30.06.2019, 42.17% of total Group loans were based on floating interest rate (fixed spread) and the remainder 57.83% were based on fixed interest rate. (31.12.2018: the respective figures were 45.45% and 54.55%). Moreover, 34.71%, an amount of 671,970 of total borrowings are covered by cash flow hedging contracts (34.53%, an amount of 591,612 as at 31.12.2018). Changes in interest rates are estimated to move on a reasonable basis in relation to recent market conditions.

Liquidity risk analysis

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

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

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Risks due to the current economic conditions prevailing in Greece

The measures implemented in the provisions of the financial program (tax - insurance) which have been agreed with the Lenders and the delay in resolving the problem of the Banks with regard to non-performing loans, continued to adversely affect the financial environment, despite the marked recovery.

The above uncertainties and the delay in the repayment of the liabilities of the broader Public Sector to the Group, in combination with the non-compliance with various provisions of the Law by the Public Sector (eg refusal to pay interest for delayed VAT refunds) will continue to adversely affect the Group's cash flow and results.

Despite the risks described above, the Group's operations continue regularly. In this context, the Management constantly assesses the current conditions and the potential impact, in order to ensure that all necessary and possible measures and actions are taken in a timely manner to minimize any impact 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 activity of the Group in the Construction Sector might be adversely affected by the continuous reduction to which it is exposed in Greece and abroad, which may continue, inter alia, due to the uncertainty of the international political and economic environment. The backlog of construction contracts represents projects with a high degree of certainty that may become volatile due to the delays observed in the implementation of the construction projects, or/and the collection of receivables or even the inability to fulfill the contractual obligations due to market and economy factors not within the Group's control.

b) The Group is actively involved in the development and management of Real Estate in Greece and in the broader Balkan region. Any changes in the market prices of both Real Estate and rentals have a direct impact on the profitability of the Group's investment in land and Real Estate as well as its broader Real Estate business.

c) The Group is partially exposed to the short-term fluctuations of wind and hydrological data, despite the fact that extensive studies have been conducted on the long-term behavior of the above data for the implementation of its investments.

27. FINANCIAL ASSETS AND LIABILITIES: PRESENTATION

Financial assets and financial liabilities of the Group per category are analyzed as follows:

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30.06.2019	Financial assets in Amortized cost	Financial assets at fair value through profit & loss	Financial assets at Fair value through Other comprehensive income	Derivatives (in Fair Value)	Total
FINANCIAL ASSETS					
Listed shares & Mutual Funds	-	4,050	-	-	4,050
Investments in securities	-	-	48,172	-	48,172
Financial Assets - Concessions	39,881	-	-	-	39,881
Other Long-term Receivables	96,195	-	-	-	96,195
Embedded Derivative, Cash flow hedging derivatives (IRS) and other derivatives	-	-	-	198,585	198,585
Trade and other Receivables	501,190	-	-	-	501,190
Cash and Cash equivalents	504,644	-	-	-	504,644
Total	1,141,910	4,050	48,172	198,585	1,392,717

31.12.2018	Financial assets in Amortized cost	Financial assets at fair value through profit & loss	Fair value through Other comprehensive income	Derivatives (in Fair Value)	Total
FINANCIAL ASSETS					
Listed shares & Mutual Funds	-	1,264	-	-	1,264
Investments in securities	-	-	48,135	-	48,135
Financial Assets - Concessions	36,930	-	-	-	36,930
Other Long-term Receivables	88,629	-	-	-	88,629
Embedded Derivative, Cash flow hedging derivatives (IRS) and other derivatives	-	-	-	171,925	171,925
Trade and other Receivables	615,413	-	-	-	615,413
Cash and Cash equivalents	523,242	-	-	-	523,242
Total	1,264,214	1,264	48,135	171,925	1,485,538

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30.06.2019	Liabilities in		Total
Financial Liabilities	Amortized Cost	Fair value through Other comprehensive income	
Long-term Borrowing	1,536,629	-	1,536,629
Equity investments equivalent to financial liabilities	156,191	-	156,191
Other Long-term Liabilities	16,127	-	16,127
Trade and Other Liabilities	291,168	-	291,168
Short-term Borrowing	395,587	-	395,587
Lease Liabilities	27,146	-	27,146
Cash flow hedging derivatives (IRS)	-	234,155	234,155
Total	2,422,848	234,155	2,657,003

31.12.2018	Liabilities in		Total
Financial Liabilities	Amortized Cost	Fair value through Other comprehensive income	
Long-term Borrowing	1,567,788	-	1,567,788
Equity investments equivalent to financial liabilities	160,390	-	160,390
Other Long-term Liabilities	15,737	-	15,737
Trade and Other Liabilities	363,205	-	363,205
Short-term Borrowing	270,996	-	270,996
Lease Liabilities	11,882	-	11,882
Cash flow hedging derivatives (IRS)	-	198,842	198,842
Total	2,389,998	198,842	2,588,840

28. FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial assets and financial liabilities measured at fair value in the Statement of Financial Position of the Group and the Company are classified under the following 3 level hierarchy in order to determine and disclose the fair value of financial instruments per valuation technique:

- **Level 1:** Investments that are valued at fair value based on quoted (unadjusted) prices in active markets for comparable assets or liabilities.
- **Level 2:** Investments that are valued at fair value, using valuation techniques for which all inputs that significantly affect the fair value, are based (either directly or indirectly) on observable market data.

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- **Level 3:** Investments that are valued at fair value, using valuation techniques, in which the data that significantly affects the fair value, is not based on observable market data.

The Group and the Company financial assets and liabilities measured at fair value on 30.06.2019 and 31.12.2018 are classified in the aforementioned levels of hierarchy as follows:

30.06.2019				
Financial Assets	Level 1	Level 2	Level 3	Total
Listed shares (Financial assets at fair value through results)	3,874	-	-	3,874
Mutual Funds (Financial assets at fair value through results)	176	-	-	176
Investments in securities	-	-	48,172	48,172
Cash flow hedging derivatives (IRS) and other derivatives	-	74	-	74
Embedded derivatives and other derivatives	-	-	198,511	198,511
Total	4,050	74	246,683	250,807
Financial Liabilities				
Cash flow hedging derivatives (IRS) and other derivatives	-	232,824	1,331	234,155
Total	0	232,824	1,331	234,155
Net fair value	4,050	(232,750)	245,352	16,652

31.12.2018				
Financial Assets	Level 1	Level 2	Level 3	Total
Listed shares (Financial assets at fair value through results)	1,129	-	-	1,129
Mutual Funds (Financial assets at fair value through results)	135	-	-	135
Investments in securities	-	-	48,135	48,135
Cash flow hedging derivatives (IRS) and other derivatives	-	625	-	625
Embedded derivatives and other derivatives	-	-	171,300	171,300
Total	1,264	625	219,435	221,324
Financial Liabilities				
Cash flow hedging derivatives (IRS) and other derivatives	-	198,842	-	198,842
Total	0	198,842	0	198,842
Net fair value	1,264	(198,217)	219,435	22,483

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There were no changes in valuation technique applied by the Group within the period. There were no transfers between Levels 1 and 2 during the six month period ended as at 30.06.2019 and within financial year 2018.

Fair value measurement of Level 3 financial instruments

The movement in the Group's financial instruments classified in Level 3 during the six month period ended as at 30.06.2019 and within financial year 2018 are as follows:

	01.01- 30.06.2019		01.01 – 31.12.2018	
	Investments in securities	Embedded derivatives and other derivatives	Investments in securities	Embedded derivatives and other derivatives
Opening balance	48,135	171,300	47,461	180,780
Receipts	-	(9,059)	-	(18,702)
Acquisitions	37	-	68	-
Transfers	-	(3,449)	-	974
Total profit / (loss) recognised in comprehensive income	-	32,482	0	8,300
Total profit / (loss) recognised in Other comprehensive income	-	5,960	606	(52)
Foreign Exchange Differences	-	(54)	0	0
Closing balance	48,172	197,180	48,135	171,300

The book values of the following financial assets and liabilities approximate their fair value because of their short term nature:

- Trade and other receivables
- Cash available
- Suppliers and other liabilities
-

29. CONTINGENT LIABILITIES AND ASSETS**29.1 Contingent tax obligations**

The tax liabilities of the Group are not definitive as there are unaudited tax years, which are analyzed in Note 4 to the six month Financial Statements for the period ended as at 30.06.2019. 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.

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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 3,660 (31.12.2018: 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 2016-2017 was received by the parent company and the Greek subsidiaries of the renewable energy sector. The special audit for the issuance of the Tax Compliance Certificate for the year 2018 for Group entities operating in Greece is in progress and the relevant tax certificates are to be issued after the publication of the interim condensed financial statements of 30/06/2019. 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 2012 has lapsed unless the specific provisions on 10-year, 15-year and 20-year limitation periods apply.

29.2 Commitments from construction contracts

As at 30.06.2019, the backlog of the construction contracts of the Group amounts to 1,824 million Euro (31.12.2018: 1,618). Under these commitments, the Group has issued good performance letters of guarantee totaling 912 million Euro (versus 1,017 million Euro as at 31.12.2018).

Upon the temporary delivery of the Megalopolis V AHS B Unit and in particular by the signed Interim Receipt Protocol of August 28, 2018, there are recorded between the Customer and the Contractor, by each other receivables of approximately 60 million and for the settlement of these disputes, the envisaged contractual procedure will be followed.

29.3 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 cases 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 recognized as of 30.06.2019 provisions of 5,145 (5,143 as of 31.12.2018) for litigations.

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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 the Joint Venture, in which the Company participates and the counterpart claim of the Joint Venture

There are pending litigations of 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 GYTT - 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 postponed for 05.12.2019.

Against the 66th negative final Interim Payment Certificate (I.P.C.), there is pending appeal of the Consortium against the OSE SA in relation to the recognition of the illegality of the 66th negative final Interim Payment Certificate (I.P.C.) (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. The date on which this action will be discussed was also set on 05.12.2019. 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 postponed for 17.01.2019 date on which the case was heard and the decision is expected to release. 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.

Legal claims against TERNA ENERGY Group/ Contingent receivables

- Legal action was taken against Terna Energy S.A. by the residents of the Municipality of Sitia, Lassithi, Crete regarding a total amount of € 2,523 k. for tort law property and moral damage due to the Company's acquisition of a license for a locally established Wind Farm electricity production. According to the Company's legal consultants, the lawsuit will not be settled successfully for the claimant.
- Epirus Prefecture, with prot. no. 45431/142/01.04.2019 letter notified the company of a penalty amount of €690 thousand due to failure to make available the Epirus Prefecture Waste Treatment Plant Services at the Scheduled Date, in accordance with the terms of 21.07.2017 Agreement. The Company considers that the delay in not achieving service availability on the Scheduled Date is not due to its fault, and will therefore resort to the arbitration procedure provided for in the Agreement to cancel that penalty. The Group's Management estimates that the penalties imposed will not be settled successfully and the company will not be subject to financial burdens.

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This assessment is also based on the submitted Arbitration Appeal – Arbitrator Appointment and Arbitrator Referee Appointment Invitation with which AEIFORIKI EPIRUS MAE raises its own objections, claims and demands. In particular, on 23.07.2019, AEIFORIKI EPIRUS S.A. submitted to the Region of Epirus Arbitration Appeal – Arbitrator Appointment and Arbitrator Referee Appointment Invitation as of 19.07.2019 asking to define as unlawful a fine of € 690 thousand imposed on it as well as the return of the following amounts to the company with the legally effective default interest: (a) € 989 thousand as compensation for material damage causing prolongation of the construction period; (b) € 697 thousand as compensation for loss of income during the above period; (c) € 325 thousand as compensation for the cost of carrying out additional MAE Epirus control tests, (d) € 817 thousand as compensation for loss of revenue during the first year of operation of MAE Epirus, (e) € 1,048 thousand as compensation for the loss of revenue during the second year of operation of MAE Epirus.

- Lawsuit was filed against Panama domiciled company SILVER SUN SHIPPING S.A., which also operates office premises in Greece, regarding tort law payment of € 18,514 k in compensation of loss and adverse effect of profits suffered by the Company due to damage. On 13.03.2018, decision No. 1291/2018 was issued justifying a part of the lawsuit, and the Company is to receive an amount of € 12,034 from the beginning of 2017. Since the aforementioned decision established that the Company was co-responsible for damage at a percentage of 35%, the Company has appealed to the Three-Member Court of Appeal of Piraeus against the decision No. 1291/2018, settled for hearing on 15.11.2018. On the same date, the appeal, made by the opponent against the decision No. 1291/2018 was also to be heard. According to the Company's legal consultants, the appeal filed by the Company is expected to be accepted, though the appeal made by the opponent is expected to be rejected.

At the same time, TERNA ENERGY AI-GIORGIS S.A. has filed a lawsuit against the insurance company under the title UK PROTECTION & INDEMNITY CLUB (UK P & I CLUB), requesting the defendant insurance company to pay to its member Company under the title SILVER SUN SHIPPING SA an amount of € 18,514 k. The lawsuit was heard on 19.10.2017 and the decision No. 1394/2018 was issued rejecting the lawsuit. The Company's legal consultants are examining the actions in respect of potential appeal.

29.4 Developments of competition procedures

The Hellenic Competition Commission (HCC), ex officio audited GEK TERNA Company, its subsidiaries TERNA and TERNA ENERGY, as well as almost all Greek Construction Companies, as well as a significant number of foreign companies concerning their actions and acts, which could be considered to be in breach of the relevant rules.

Further, the Company and its above subsidiaries, pursuant to article 25a of Law 3959/2011 and the decision with no. 628/2016 of HCC (Plenary Session) and following considerable concern, submitted, on the grounds of an apparent corporate interest and in order beneficial provisions of article 25A and 14 par. 2 case (id)(ee) of Law 3959/2011 and the decision with no. 628/2016 of HCC, regarding the terms, conditions and procedure for resolving disputes in cases of horizontal partnerships in violation of Article 1 of Law 3959/2011 and/or Article 101 of the Treaty on the Functioning of the European Union, request to be subject to the prescribed disputes settlement procedures, ie in a consensual resolution process.

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On 03.08.2017, the decision with no. 642/09.03.2017 of the HCC was served to the Company and its subsidiaries TERNA and TERNA ENERGY, whereby a. It was ascertained that no legal violations of Art. 1 of Law 3959/2011 for the Company and TERNA ENERGY were established and no fine and/or penalty is imposed and b. a fine of Euro 18,612 is imposed on the subsidiary company TERNA SA for violation of article 1 of Law 3959/2011 and article 101 of TFEU (for the period from 11.05.2005 to 04.01.2007 and from 04.06.2011 to 26.11.2012). The settlement procedure for the subsidiary TERNA was finalized and the amount of the fine amounted to Euro 18,612, which was paid in full within 2018.

It is noted that according to the provisions of art. 44 par. 3 of Law 3959/2011, as in force, full payment of the fine results, among other things, in total exemption from any other administrative sanctions, which undoubtedly includes the administrative exclusion from ongoing and future tendering procedures of article 74 of Law 4412/2016 for the award of public contracts for a reasonable period of time with a maximum exclusion period.

Furthermore, in article 73 of Law 4412/2016, the provisions of Article 57 of Directive 2014/24 were incorporated in Greek law, providing for the grounds for exclusion from participation in the public procurement process. The grounds for exclusion, which include as reason the conclusion of agreement with other entities to distort competition have been established by the Community legislator as potential (optional) and is left to the National Legislator's discretion, whether such (National Legislator) shall render such mandatory for the awarding authority or not. Within the frame of the abovementioned discretion, the Greek Legislator opted not to require awarding authorities to provide that their respective tenders, the optional grounds for exclusion; as a result, provision of such grounds for exclusion remains with each awarding authority. Also, by adding of paragraph 10 in article 73, the Greek legislator inserted in the provisions of article 73, which determine the conditions and procedure for the exclusion of an economic operator from a particular tender procedure (by decision of the body which conducts such), a provision, which determines the period of time during which application of the compulsory grounds for exclusion and the potential (respectively) grounds for exclusion is considered (3 years from the date of the relevant event), provided though that the exclusion period has not been set by an irrevocable decision. Based on the wording of that paragraph, the three-year period within which examination of the potential grounds commences from the time of infringement (consequently, according to the above provisions, the respective period for TERNA has lapsed as from 26.11.2015). The above statement, on a common acceptance and understanding basis, was also reflected in the European Single Procurement Document (ESPD) in the tender procedures.

On October 2018, decision with no. C-124/17 of the CJEU was issued, which is alleged to rule that, in case sanctions have been imposed by a decision of the competent Competition Authority, the exclusion period of three years from the procedures for the award of public contracts commences on the date of the decision imposing the sanctions.

The above development created new facts and relevant consideration, in clear distinction between situations, which the authorities and economic operators reasonably supported in relation to the timing/commencement of the above ground for exclusion, as explained above, and the related statements in the ESPD. At the level of court rulings of the Supreme Court, the above critical issue has not yet been definitively settled while temporary court are currently in place; the Group, in view of its interest and the protection of its shareholders and the retail investors, monitors and participates in court proceedings for pending tenders, in which TERNA SA has participated either before or after the issuance of the CJEU decision.

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Regardless of the above, we need to note that there is no automatic ground for exclusion from tender procedures, but the awarding authority ought to, according to the provisions of article 73 par.7 of Law 4412/2016 to request the candidate to provide evidence, showing that the measures he has adopted are adequate to prove his credibility, and should such be considered to be sufficient, the above ground is lifted; otherwise the candidate is excluded and in case such is also declared as temporary contractor, his offer is rejected and the participation letter of guarantee is forfeited.

Needless to note that the Group and its companies, as well as TERNA, have voluntarily adopted a series of compliance and remedial measures, which are constantly evolving and updated, which demonstrates their credibility and solvency as defined in article 73 par. 7 of Law 4412/2016.

To amplify the above, it is noted that an Awarding Authority has already confirmed the measures taken to be adequate, following the necessary procedure as defined in Law 4412/2016, in a tendering proceeding that TERNA SA participated in.

30. SIGNIFICANT EVENTS IN THE FIRST SIX-MONTH OF 2019

The following significant events were recorded in the first six-month of 2019:

- On 05.02.2019, the Concession company under the title “INTERNATIONAL AIRPORT OF HERAKLION CRETE CONCESSION S.A.” was established, which on 21.02.2019 signed the Concession Agreement with the Greek State which had been approved and had become the law of the Greek State. TERNA SA, 100% subsidiary of the Group, participates in the Concession Company, with GMR Airports Limited with 90% and 10% percentages respectively. It is noted that after the CCD and according to the concession agreement, participation percentages will be set at: TERNA 32,46% and GMR Airports Limited 21,64%, as well as the Greek State at 45,9%.
- On 21.02.2019 GEK TERNA Group signed Agreement ON Design and Construction with the company HERAKLION CRETE INTERNATIONAL AIRPORT SA CONCESSION of the new airport in Heraklion Crete at a budget of EUR 480 million and contractual term of implementation of 5 years.
- On 08.03.2019, the subsidiary of GEK TERNA Group TERNA SA, forming a joint venture with AVAX (AVAX – TERNA JV-MEDITERRANEAN CITY OF DREAMS) and with participation stake of 40%, signed an agreement valued at EUR 270 million with the company ICR CYPRUS RESORT DEVELOPMENT CO LIMITED concerning the construction of a thematic park and casino of a total area of 96,000 m² and with a timetable of 30 months in terms of completion.
- In the period of 01.01 - 30.06.2019, contracts were signed for various new construction projects and extensions of existing contracts, of a total budget EUR 71.2 million.
- In 2019, TERNA ENERGY GROUP started construction of nine (9) new wind farms with capacity of 121MW in Euboea. The total project budget is approximately € 150 million and wind farms are expected to complete in the first and second quarters of 2020. The term of the sales contracts is 20 years with a guaranteed feed-in-premium (FiP) sale price provided that the projects are completed by 31.12.2020.

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- In the context of RAE Decision No. 230/2019, "Conducting a Common Competitive Tender Procedure for Renewable Power Plants" and given the final results of the Electronic Auction held on 15 April 2019, the Wind Farms in the Evritania region (in particular KASTRI - KOKKALIA, TYBANO - TRIPIRI, KARAVI ALOGOVOUNI, PIKROVOUNI), with a capacity of 66,6 MW, have been selected to be eligible for support in the form of operating aid through a competitive bidding procedure and a fixed sale price of electricity produced has already been secured.
- On 27.03.2019, the project "Municipal Solid Waste Treatment Plant of Epirus Region" (hereinafter MEA Epirus) commenced commercial operation. The project was implemented by Epirus Region and "Aeiforiki of Epirus", a 100% subsidiary of TERNA ENERGY Group, with the contribution of the Public & Private Partnerships (PPP) Special Secretariat. With the commercial commencement of the Waste Processing Plant of Epirus, an important part of the Regional Waste Management Plan has been implemented. The maximum annual capacity of MEA Epirus is 105,000 tn. The Waste Processing Plant will be recycling at least 17,000 tons of appropriate materials and will be producing green energy of 10,800 KWh per Green Energy year and generate savings of 12,000 tons of CO₂.
- On 28.05.2019, GEK TERNA S.A. announces that, according to the contractual obligations, of the 21.03.2018 Corporate Bond Loan Program amounting to € 120 million, the credit worthiness of the Company has been upgraded by ICAP Group S.A. from level BB to level A.
- On 22.04.2019, in accordance with the Law 3556/2007, GEK TERNA announced that on 17.04.2019 received notification from the shareholder REGGEBORGH INVEST B.V. that a change was made (increase) in the voting rights of the aforementioned shareholder, i.e. REGGEBORGH INVEST B.V. now holds 27,948,005 shares and voting rights, i.e. 27.0229% of the total voting rights of the Company, amounting to 103,423,291. Shareholder REGGEBORGH INVEST B.V. also owns a financial instrument that can lead to the acquisition of 7,909,588 shares and voting rights, i.e. 7.6477% of the Company's total voting rights. The exercise of the right to acquire the above shares and voting rights may take place at any date between the 275th and the 365th day from 21.03.2019, at which time the shareholder percentage of REGGEBORGH INVEST B.V. will amount to 34.6706% of the Company's total voting rights. In the same disclosure above, the shareholder REGGEBORGH INVEST B.V. stated that it is not controlled by another natural or legal person or other entity and does not control any other business / companies directly or indirectly holding in GEK TERNA SA.
- At the Regular General Meeting of TERNA ENERGY Shareholders held on 05.06.2019, it was announced that the 100% subsidiary of TERNA ENERGY MAEX examines the issuance of a new Bond Loan, from 120 million to € 150 million in order to raise liquidity to finance the investment program.

31. SEASONALITY

The Group's operations, in particular those regarding construction and real estate sectors, are affected by the economic environment and the overall performance of the economy over the medium to long term periods. Moreover, some construction sector operations are affected by unforeseen weather conditions or delays due to force majeure events. As a result, gross profits fluctuate both within the year and over time.

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The Group's operations electricity production from renewable energy sources fluctuate throughout the year since they depend on prevailing wind and hydrological conditions.

32. POST STATEMENT OF FINANCIAL POSITION EVENTS

- On 22.07.2019, TERNA ENERGY MAEX repaid the total nominal value of the issued bonds pursuant to the Common Bond Loan Issuance Scheme as of 12.07.2017, up to € 60,000 thousand. As part of the prepayment and in accordance with the provisions of the CBL Program, the following amounts were paid by the Company:
 - (a) the total nominal value of bonds, i.e. € 1,000 per bond;
 - (b) interest accrued until 17 July 2019, which stood at Euro 1,432,5 thousand; and
 - (c) an additional prepayment amount equal to 1% of the nominal value of the prepaid bonds, namely EUR 10 gross amount per bond, in compliance with clause 4 of the CBL Program ("Prepayment").
- In July 2019, TERNA ENERGY Group disbursed a total of 112,000 short-term loans (overdrafts) in order to cover operating cash needs and / or realization of investment costs.
- On 16.04.2019, the Company announced that the Group through its 100% subsidiary TERNA DEN LLC (a subsidiary of TERNA ENERGY USA HOLDING CORPORATION) entered into a Membership Interest Purchase Agreement (the "Transaction"), for the acquisition of a wind farm "Bearkat" localized in Texas (Glasscock County) USA with an installed capacity of 200 MW. The wind farm is operating since January 2018 and has been co-financed by Tax Equity Investor (TEI). The total cost of the investment arise to the amount of \$ 310 million. The acquisition was completed in September 2019.
- In September 2019, the Gopher Creek Wind Farm (Fluvanna II) in Borden County, Texas, has been put into commercial operation with a capacity of 158MW.
- On 04.07.2019, the Greek State gave its consent to the amendments to the Articles of Association in accordance with Articles 7.1.3 and 9.2.1 of the CENTRAL GREECE MOTORWAYS Road and NEA ODOS Concession contracts for the decrease of capital by € 59 million for CENTRAL GREECE MOTORWAYS and € 85.8 million for NEA ODOS, with simultaneous and equal change of decrease to Secondary Debt.
At the General Meeting of Shareholders held on 09.07.2019, pursuant to Article 7.1.3 of the Concession Agreement and Article 29 of Law 4548/2018, it was decided to decrease the share capital of the Companies by € 59 million for CENTRAL GREECE MOTORWAYS and € 85.8 million for NEA ODOS. Implementation of the decision of the General Meetings will take place after approval by the competent authorities (GEMI / Prefecture/Financial Institutions).

In addition to the above, there are no other subsequent events to the financial statements that relate to either the Group or the Company, which are to be reported under the International Financial Reporting Standards (IFRS).

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33. APPROVAL OF FINANCIAL STATEMENTS

The condensed interim separate and consolidated Financial Statements for the six-month period ended 30.06.2019 were approved by the Board of Directors of GEK TERNA on 25.09.2019.

CHAIRMAN of BoD &
CHIEF EXECUTIVE OFFICER

VICE CHAIRMAN of BoD

GEORGIOS PERISTERIS

CONSTANTINOS VAVALETSKOS

CHIEF FINANCIAL OFFICER

CHIEF ACCOUNTANT

CHRISTOS ZARIMPAS

NIKOLAOS VALMAS

GEK TERNA GROUP

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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 04.04.2018 to 30.06.2019

At the meeting of the Capital Markets Commission as of 21.03.2018, the Prospectus of 21 March 2018 of GEK TERNA HOLDINGS REAL ESTATE CONSTRUCTION SA (hereinafter referred to as "Company") for the public offer with cash payment and the approval of admission for trading by Athens Exchange up to 120,000 dematerialized, common, bearer bond of a total amount Euro 120,000,000 was approved. Following the completion of the option exercise period, the aforementioned issuance of the common bond loan (hereinafter referred to as "CBL") was fully covered.

The distribution price of the Bonds was defined at Euro 1,000 each, i.e. 100% of its nominal value. The characteristics of this loan are the following: (a) The bond yield is 3.95% and is fixed over the term of the loan, (b) Interest is calculated on six-month basis, (c) The term of the loan is seven (7) years and its repayment will be realized at the end of the period of seven (7) years. Upon the completion of the Public Offer on March 29, 2018, and according to the aggregated allocation reporting generated using the Athens Stock Exchange Electronic Book Building (EBB), a total of 120,000 dematerialized, common, bearer bonds of the Company were issued with nominal value Euro 1,000 each and raised funds of Euro 120,000,000.

The allocation of issued bonds is as follows: 78,000 Bonds (65%) of all issued Bonds were allocated to Private Investors and 42,000 Bonds (35%) of all issued Bonds were allocated to Special Investors.

On 16.03.2018, the Company's Board of Directors conducted the certification of payment of the capital raised. Following, one hundred twenty thousand (120 k) dematerialized, common, bearer bonds issued were listed for trading on the Fixed Income Securities of the Organized Market of the Athens Exchange with the approval of the Athens Exchange Board of Directors as of 22.03.2018.

In view of the above, it is hereby disclosed that an amount of **Euro 117,097.4 k**, i.e. an amount of Euro 120,000 k in cash raised from the CBL coverage preference and subscription rights holders, less the amount of Euro 2,902.6 k related to issuance expenses, as also incorporated without deviation into the section 4.1.3 "CBL Issuance Expenses" of the Company's Prospectus of 21 March 2018, available as of 30.06.2019 as follows:

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Table of allocation of the Capital Proceeds from the issuance of the Common Bond Loan of € € 120.000.000						
(amounts in thousand Euro)						
Allocation of the Capital Proceeds based on the objective of the Prospectus (section 4.1.2 "Reasons for Issuing the CBL and Use of Capital"	Allocation of the Capital Proceeds based on the objective of the Prospectus	Capital proceeds for the period from 04.04.2018 to 31.12.2018	Capital proceeds for the period from 01.01.2019 to 30.06.2019	Total capital proceeds till 30.06.2019	Non allocated balance as at 30.06.2019	Note.
(a) Amount of €64,642,734 will be allocated within 2 months of the CBL receipt as follows:						
Direct allocation for the partial repayment of a bank bond loan of €193,947,597 as of 01.12.2017.	64,643	64,643	-	64,643	-	(1)
Total (a)	64,643	64,643	-	64,643	-	
(b) Amount of €52,454,666 will be used within three years (2018-2020) as follows:						
(i) half by the Issuer, or through intragroup borrowing or through subsidiaries' Share Capital Increase to finance new or existing investments	26,227	967	4,500	5,467	20,760	(2)
-Up to 70% for direct or indirect (through share capital increase and/or borrowing, which upon termination will be changed to share capital increase) participation in projects via PPP contracts or concession contracts	Up to 18,359	345	4,500	4,845	13,514	2(a) & 2 (c)
-Up to 20% for participation in TERNA LEFKOLITHI SA share capital increase	Up to 5,245	-	-	-	5,245	
-The remainder to finance (through share capital increase and/or borrowing, which upon termination will be changed to share capital increase) investments in other segments of the companies activities and legal entities in which the Issuer participates	Remainder 2,623	622	-	622	2,001	2(b)
(ii) the other half to finance the Company's working capital needs, including the bank borrowing decrease	26,227	26,227	-	26,227	-	(3)
Total (b) [(i)+(ii)]	52,454	27,194	4,500	31,694	20,760	
Total investments [(a)+(b)]	117,097	91,837	4,500	96,337	20,760	(4)
CBL issuance expenses	2,903					
Total capital proceeds	120,000					

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Notes:

- 1) On 01.12.2017, the Company signed a € 193.95 million Collateral Common Bond Loan Program with Greek Credit Institutions to refinance existing bank borrowing contractually matured in 2018, which relates to borrowing of : (a) € 101 million of parent, (b) € 81.7 million of TERNA SA subsidiary and (c) € 11.2 million of other Group's subsidiaries. On 30.01.2018 the coverage at total, of the aforementioned as of 01.12.2017 signed Collateral Common Bond Loan amounting to € 193,95 million. (two A & B Bond series), from Greek Credit Institutions implemented as well as the objective to refinance the existing borrowings of the parent and Group companies. On 10.04.2018, the aforementioned Bond Loan was partially repaid by an amount of € 64.6 million from the issue of the new Common Bond Loan of the Company amounting to € 120 million, according to section 4.1.2. "Reasons for Issuing the CBL and Use of Capital" of the Company's Prospectus as of 21 March 2018.

- 2) Until 30.06.2019, the amount of 5,467 was allocated, from the amount of 26,227 which will be used within three years (2018-2020) by the Issuer, or through intra-group borrowing or from its subsidiaries share capital increase to finance new or existing investments. The analysis of the aforementioned amount as follows:
 - a) In the period from 04.04.2018 to 31.12.2018, the Company has allocated to PARKING PLATANOS SQUARE SA (100% of its subsidiary) the amount of 345 related to the participation of the Company in the subsidiary share capital increase according to the General Meeting dated 25.06.2018. On 21.05.2018 and 21.11.2018, the Company paid the amounts of 100 and 245 respectively in the framework of subsidiary's share capital increase.

 - b) In the period from 04.04.2018 to 31.12.2018, the Company has allocated to IOANNINON ENTERTAINMENT DEVELOPMENT S.A. subsidiary the total amount of 622, which is analyzed below:
 - On 24.10.2018, IOANNINON ENTERTAINMENT DEVELOPMENT S.A. (issuer) issued a bond loan of 550 in which the Company participated with the amount of 540 corresponding to equal amount of bonds. On 06.11.2018 a cash transaction of 540 was made from the Company to the issuer.

 - On 30.03.2018, the Extraordinary General Meeting of IOANNINON ENTERTAINMENT DEVELOPMENT S.A. subsidiary decided its share capital increase by 300 (171,428 new shares), in which the Company participated by full coverage of the amount of share capital increase. On 24.08.2018, the Company paid the amount of 82 which corresponds to 47 k new shares.

 - c) In the period from 01.01.2019 to 30.06.2019, the Company has allocated to its 100% subsidiary TERNA SA. (issuer) the amount of 4,500 for the participation of the Company in the issue of a bond loan of the subsidiary. On 15.02.2019 a cash transaction of 4,500 was made from the Company to the issuer. The objective of the allocated amount is the investment by TERNA as a percentage stake in the company "HERAKLION CRETE INTERNATIONAL AIRPORT SA CONCESSION". TERNA paid the amount of its participation on 08.02.2019.

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- 3) From the total amount of 26,227, that is due to be utilized within the three year period of 2018-2020 for the financing needs of the Company as working capital including the bank borrowing decrease, the total amount of 26,227 has been allocated for the coverage of working capital needs.
- 4) CBL non allocated capital amounting to 20,760 are included in the "Cash and cash equivalents" item of the Company's Statement of Financial Position as at 30.06.2019 and are deposited in the Company's bank accounts.

25 September 2019

CHAIRMAN of BoD &
CHIEF EXECUTIVE OFFICER

VICE CHAIRMAN of BoD

GEORGIOS PERISTERIS

CONSTANTINOS VAVALETSKOS

CHIEF FINANCIAL OFFICER

CHIEF ACCOUNTANT

CHRISTOS ZARIBAS

NIKOLAOS VALMAS

Report on the Findings from the Conduct of Agreed-upon Procedures on the "Report on Allocation of the Capital Proceeds"

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

Pursuant to the order we received from the Board of Directors of "GEK TERNA SOCIETE ANONYME HOLDING REAL ESTATE CONSTRUCTIONS" (hereinafter referred to as the "Company"), we conducted the following agreed-upon procedures within the regulatory framework of the provisions of Athens Stock Exchange and the relevant legislative framework of Hellenic Capital Market Commission regarding the Report on Allocation of the Capital Proceeds (hereinafter referred to as "the Report") of the Company regarding the issue of a Common Bond Loan. The Company's Management is responsible for preparation of the aforementioned Report in accordance with the effective regulations of Athens Stock Exchange and Hellenic Capital Market Commission and the Prospectus as of March 21st 2018. We undertook this assignment in compliance with the International Standard on Related Services (ISRS) 4400, "Engagements to Perform Agreed-upon Procedures Regarding Financial Information" Our responsibility is to conduct the below agreed-upon procedures and disclose our findings to you.

Procedures

The procedures we conducted can be summarized as follows:

1. We compared the consistency of the content of the Table of Allocation of the Capital Proceeds of the Report with the data reported in the Prospectus issued by the Company on March 21, 2018. In particular, we compared the consistency of the data recorded in the columns "Allocation of the Capital Proceeds based on the objective of the Prospectus" and "Allocation of the Capital Proceeds based on the objective of the Prospectus" recorded in the Table of Allocation of the Capital Proceeds of the Report with the data recorded in the Prospectus as of March 21st, 2018.
2. We compared the amounts per usage category referred to as capital proceeds in the Table of Allocation of the Capital Proceeds of the Report with the corresponding amount recognized in the key accounting records of the company until June 30th, 2019.
3. We compared the consistency of the capital proceeds arising from the Common Bond Loan until June 30th, 2019, inclusively with the projected usage of the capital proceeds based on the provisions of section 4.1.2 of the Prospectus as of March 21st 2018, examining, on a sample basis, the supporting documents in respect of the relevant accounting entries.

Findings

Under performing the above procedures, our findings are:

- i. Regarding the procedure (1) mentioned above, we have ascertained that the content of the Table of allocation of the Capital Proceeds of the Report is consistent with the data reported in the Prospectus issued by the Company on March 21st, 2018. In particular, we have ascertained that the data recorded in the columns "Allocation of the Capital Proceeds based on the objective of the Prospectus" and "Allocation of the Capital Proceeds based on the objective of the Prospectus" recorded in the Table of Allocation of the Capital Proceeds of the Report are consistent with the data recorded in the Prospectus as of March 21st, 2018.
- ii. Regarding the procedure (2) mentioned above, we have ascertained that the amounts per usage category referred to as capital proceeds in the Table of Allocation of the Capital Proceeds of the Report arise from the key accounting records of the company until June 30th, 2019.

- iii. Regarding the procedure (3) mentioned above, we have ascertained that the capital proceeds arising from the Common Bond Loan until June 30th, 2019, inclusively are consistent with the projected usage of the capital proceeds based on the provisions of section 4.1.2 of the Prospectus as of March 21th 2018, examining, on a sample basis, the supporting documents in respect of the relevant accounting entries.

Given that the performed procedure do not constitute an audit or a review in accordance with International Standards on Auditing or International Standards on Review Engagements, we do not express any assurance beyond what is mentioned above. If we had conducted additional procedures, or if we had conducted 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, which we would have disclosed to you.

Restrictions on the Use of the Report

The current report is addressed exclusively to the Company's Board of Directors, in compliance with its obligations under the effective Regulatory Framework of Athens Stock Exchange. Therefore, this report shall not be used for any other purpose, as it is limited to the items listed above and does not extend to the interim financial statements prepared by the Company for the period ended on June 30th 2019, for which we have issued a separate Review Report dated on September 25th, 2019.

Athens, September 25th, 2019
The Certified Auditor Accountant

Dimitra Pagoni
SOEL Reg. No 30821



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