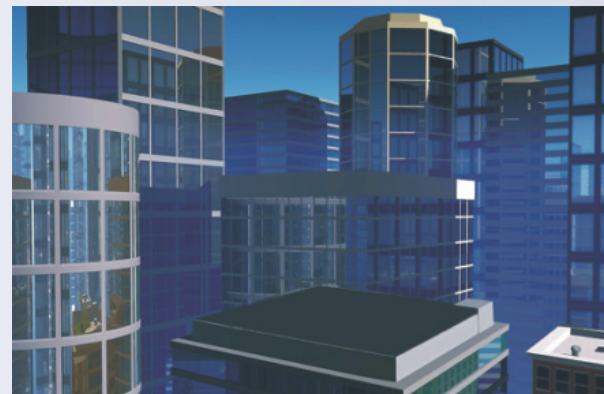


GEK - TERNA GROUP

Group presentation



GEK - TERNA Group: Overview

- **GEK and TERNA** group holds one of the leading positions in Construction, Energy, Real Estate and Concessions, in Greece
- **GEK** is the parent company of the group, consolidating **Real Estate** and **Concessions' activity**
- **Construction** and **Energy** activity are represented on **TERNA**

GEK - TERNA Group: Business Divisions

Business Divisions

Real Estate

Concessions

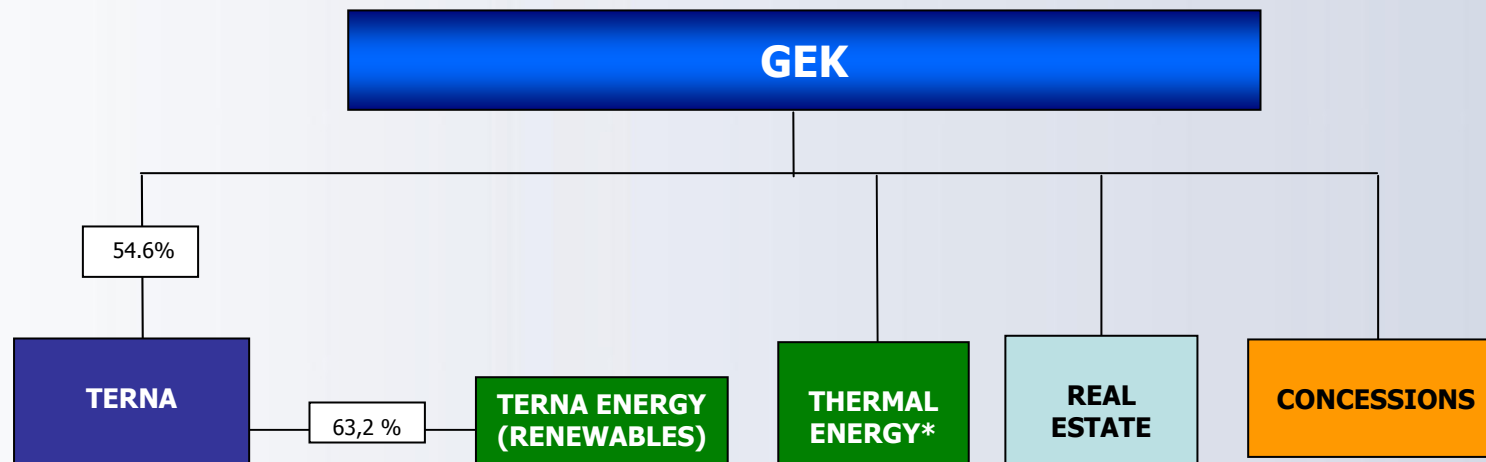
Construction

Energy

***Supplementary activities
(Industrial Products, Quarries)***

Group Structure

Group Structure



CONSTRUCTION

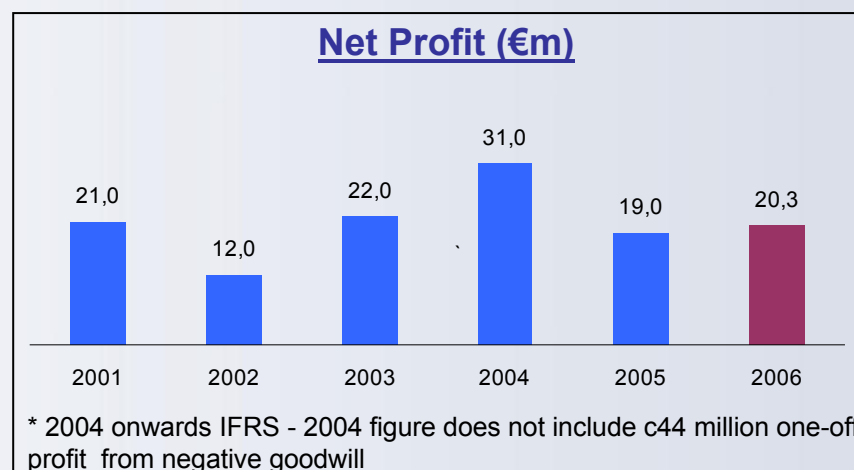
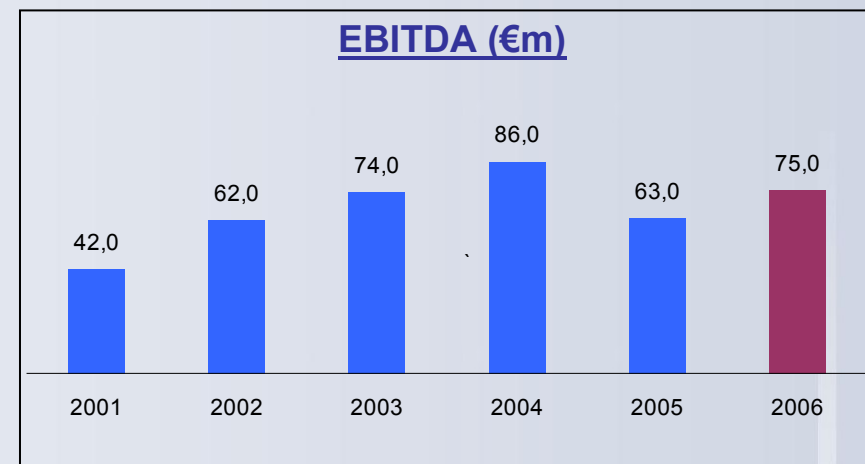
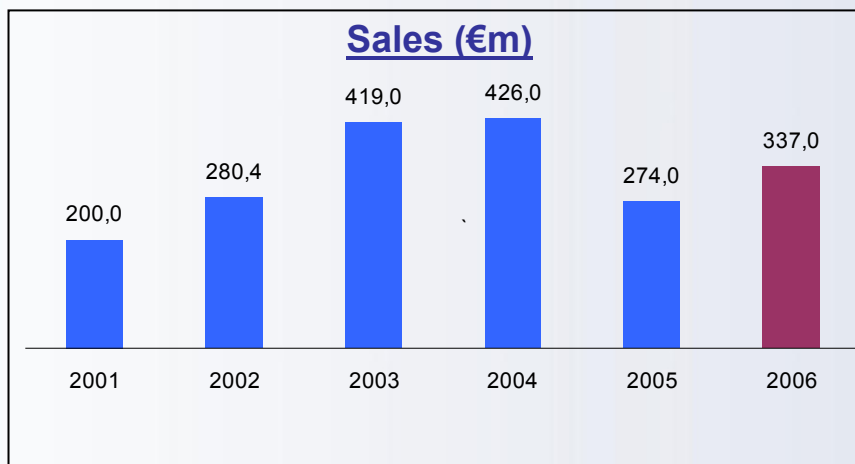
ENERGY

REAL ESTATE

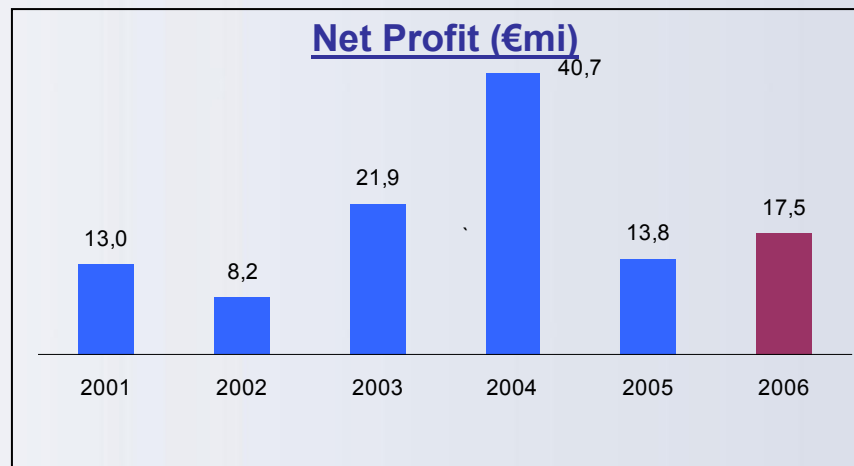
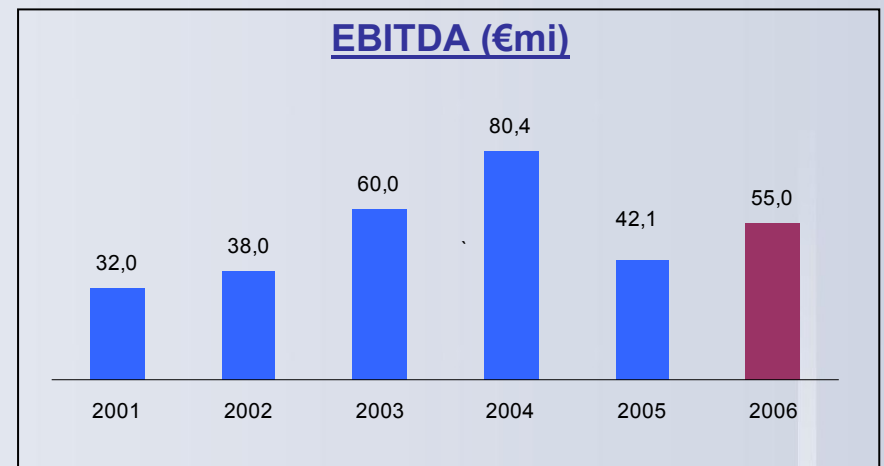
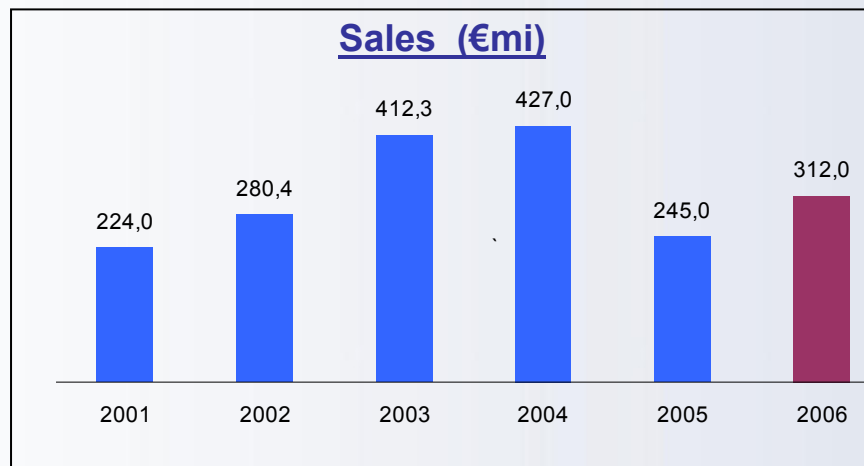
CONCESSIONS

* OCGT 50% GEK + 50% TERNA

Historical Financial Indicators-GEK

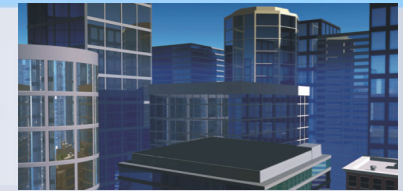


Historical Financial Indicators-TERNA

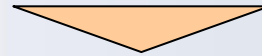


Real Estate Activity

Activity: Real Estate (GEK)



GEK, being a Real Estate developer, has a differentiated portfolio in Greece



- ✓ **Logistic centers-industrial parks**
- ✓ **Offices**
- ✓ **Entertainment parks**
- ✓ **Tourist residential**
- ✓ **Residential**
- ✓ **Commercial**

The company currently exploits
significant investment opportunities in the Balkans

+

Monitoring Russian
market



✓ **Offices, residential, commercial, etc**

REAL ESTATE

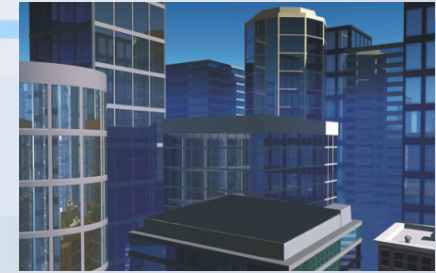
Current development pipeline

Project Type	Total sq.m.	Net Asset Value**	% of Value
Parking Spaces	423 *	6.800.843	4,28%
Warehouses - Industrial Buildings	19.366	4.548.609	2,86%
Offices for sale	5.088	11.238.827	7,07%
Offices under development	5.061	746.520	0,47%
Commercial for sale	4.115	6.935.010	4,37%
Commercial under development	2.155	317.872	0,20%
Residential for sale	8.894	13.424.230	8,45%
Residential under development	17.503	6.479.185	4,08%
Land	1.082.984	82.852.800	52,15%
Entertainment Parks	17.895	25.528.994	16,07%
Total		158.872.890	100%

*Parking spaces

** as of 31/12/2006

Real Estate: Strategy



**Currently low leverage used
(c20%)**



**Leverage will increase
(up to c50% till end 2009)
as land portfolio is being developed**

**Targeted return
on equity
employed in Real estate**



**30 % annually
till 2009**

REAL ESTATE

NAV evolution

	2004	2006	2007(e)	2009(e)
NAV	130*	159**	195	320

- The estimation for future NAV appreciation is based on the development of the existing (acquired) land
- In this estimation, no expectations for appreciation of existing developed portfolio is included

*Based on external valuation at 12/2004

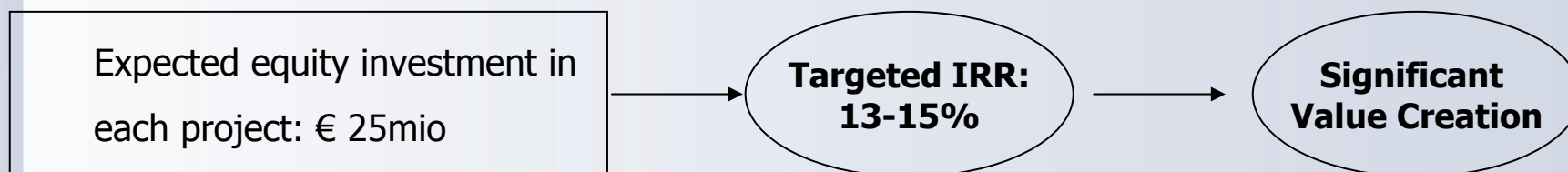
**Based on internal valuation at year end – expected external valuation within 2007

Concession Activity

Concessions – BOT (GEK)

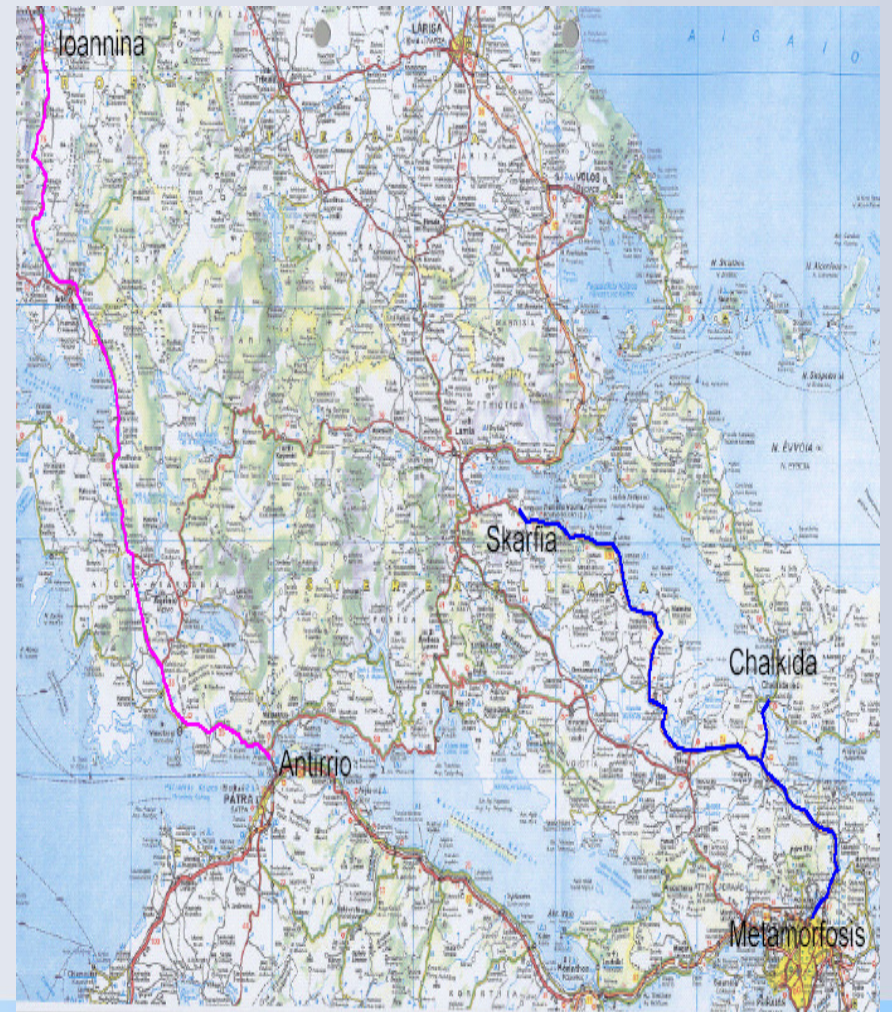
- The group contests for share in the large scale motorway concessions currently tendered in Greece
- Partnership (33.33%) with the Spanish **FERROVIAL- CINTRA and ACS - DRAGADOS**

	Status	Development value
Ionian Road	Contract signed	1.4 billion
Central Greece Motorway	Contract signed	1.7 billion (e)
North Peloponnesian Road	Bid presented	2.2 billion (e)
Attica roads	Bid estimated at mid 07	1-1.5 billion (e)



Concessions – IONIAN ROAD

- Total separate motorways in Eastern and Western coast of Greece (length: 378.7 km /159 km newly built)
- Estimated construction cost: 1.15 billion euro
- Financing during the construction phase (6 year construction period):
 - Subsidy: 330 million euro
 - Cash flow during construction from the section already in operation: 530 million euro
 - Committed Investment: 75 million equity provided by the consortium + 111 million euro Subordinated Debt
 - Senior bank debt without recourse to partners : 117 million euro
- Term: 30 years



Concessions – CENTRAL GREECE (E65)

- New motorway in Central Greece (total length: 231 km)
- Estimated construction cost: 1.5 billion euro
- 5.5 year construction period
- Financing:
 - Subsidy: c500 million euro
 - Committed Investment: 65 million equity provided by the consortium + 65 million euro Subordinated Debt
 - Senior bank debt without recourse to partners : 950 million euro
- Term: 30 years



Concessions – Parking stations

Current participations in parking stations				
Stations	Capacity	Participation (%)	Net Participation (parking spaces)	Duration of concession
Parking Station Rizari (In operation)	661	20%	132	Until 2031
Parking Station Hospital Agia Sofia Square (In operation)	640	20%	128	
Parking Station Aigiptou Square (In operation)	399	20%	80	
Parking Station Kanigos Square (In operation)	503	20%	101	
Parking Station OLP (In operation)	730	30%	219	Until 2033
Parking Station Ippokratio Hospital in Thessaloniki (In operation)	520	50%	260	Until 2034
Parking Station Antheon in the city of Thessaloniki (Under construction)	472	50%	236	
Parking Station in Nea Smyrni (Karilou Square Under Construction)	700	20%	140	Until 2034
Parking Station in the city of Larissa (In operation)	280	50%	140	Until 2027
Parking Spaces Total	4.905		1.436	

Construction Activity

Construction: Domestic Sector Outlook



- Remaining construction spending from EU funds till end 2008 (3rd CSF)¹: **€14 billion**

Greek Infrastructure Plan 2005 - 2007 (€ bn)

Roads, ports	4.4
Railways, City transports, Airports	2.1
Peripheral Infrastructure	1.6
Road Concessions	6.0
Total	14.1

Source: Ministry of Finance, Ministry of Public Works

- **4th CSF** (2007-2014): c€10 billion infrastructure spending
- An increase in private construction activity for the **post-Olympic games era** is anticipated (e.g hotels, tourism infrastructure)

Forecasted
5,9%
average growth
of Greek Construction market
till 2012³

Note (1): "CSF" Community Support Framework

Note (2): European Parliament

Note (3): Global Insight Report 2004

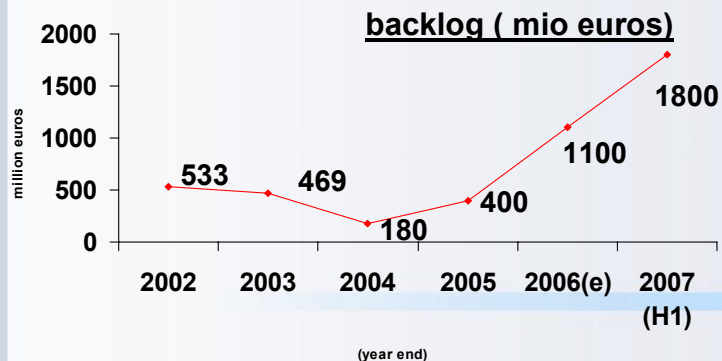
Domestic Construction Division Outlook

**Group's
position in the
post-Olympic
era**

Sustainable cash flow generation

- ✓ Greek Infrastructure Plan up to 2007
- ✓ Backlog at H106: € 1.1 billion

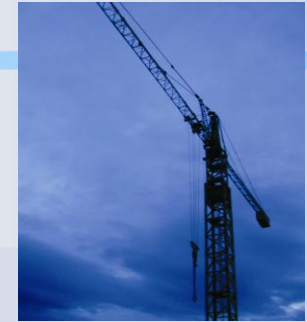
Backlog starts to increase again
after a very weak post Olympic
period



Growth Potential

- ✓ Increase market share: The critical size of the Group enables TERN to enjoy strong competitive position
- ✓ TERN is currently bidding for more than 50 Greek public and private projects (value: €1.100m)
- ✓ TERN contests for share in the construction of the remaining large scale motorway concession project
 - ✓ C1-1.5 bio (33.33% participation – partnership with FERROVIAL and ACS DRAGADOS)

Construction activities abroad



Outlook for international

Balkans

- TERNA is already well positioned in the Balkans
 - ✓ 3 projects under construction (€175m)
 - ✓ no local player involvement
 - ✓ Project funding provided by EU (CSF)
- EU enlargement: significant potential in the Balkans (accession of Bulgaria, Romania, etc)

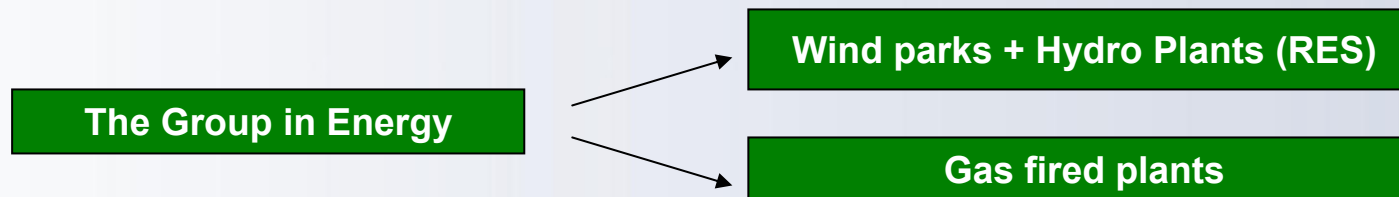
Middle East

- 4 projects awarded (Qatar, Abu Dabi, Bahrain – c375m€)
- Bidding process: Oman, Saudi Arabia, UAE, Qatar (total € 660 m)

Target:
25% of construction
sales **from abroad**
within **three years**

TERNA: Energy Activity

Energy Business Division



- Activity with **secured cash flow** and **significant potential** guaranteed by EU directives
- Site locations and licensing secured (early entrant in the market - 1997)
- Aim: be established as the largest Greek private energy producer within 3 years

Status (MW)	Wind	Hydro	Thermal
In operation	119	-	147
Under construction	61*	12	435
Production License	438	106	-
Applications	1.121	79	460
TOTAL	1.793	197	1.037

*(e) 140 MW at end 07

Energy: locations occupied

ENERGY PROJECTS
(locations occupied)



Renewable Energy (TERNA ENERGY S.A)

Renewable Energy: Size of the market

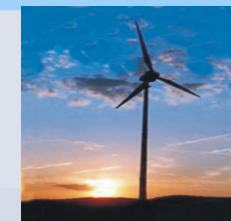
Sector outlook is positive with strong growth and guaranteed cash flow opportunities

Today: 850 MW (750 WIND)



**National target for 2010 - EU Directive 2001/77:
3700 MW (3300 wind, 250 small hydro, 150 other)**

Energy: Wind parks - Greece (TERNA ENERGY S.A)



Wind Park Installed Capacity

- ✓ 8 wind parks installed and operational till end H1 07 (**119 MW**)
- ✓ **114 MW** under construction till end H1 07
- ✓ Licensed for over **458 more MW**
- ✓ Applications for **c1.100 MW**
- ✓ 2012 targeted installed capacity in Greece: **c1.000 MW**

Financial Description

- ✓ Investment cost per MW: € 1-1.2 million
- ✓ 20 year PPA contract
- ✓ Funding structure: 30% own funds, 30% subsidies, 40% long-term debt
- ✓ Average IRR (post tax) of wind parks exceeds 20%
- ✓ Annual sales per MW: c€ 200.000
- ✓ EBITDA margin: c80%
- ✓ PBT margin: c30%
- ✓ Price per MW indexed to average electricity price increases (inflation protected)

Energy: Hydro Plants - Greece



Small Hydro plants

- ✓ 2 small hydro plants currently under construction (12 MW)
- ✓ 20 year PPA contract
- ✓ Targeted 110 MW installed by 2012 (own portion)
- ✓ Licensed for over **106 more MW**
- ✓ **Applications for 79 MW**
- ✓ Investment cost per MW: c €2 million
- ✓ Funding structure: 25% own funds, 35% subsidies, 40% long-term debt
- ✓ Similar to wind parks financial performance (i.e profitability margins, IRR etc)

Large Hydro plants

- ✓ 62 MW large hydro plant in Avlaki (production license)
- ✓ Investment cost: c €165 million
- ✓ Funding structure: 25% own funds, c30% subsidies, 45% long-term debt
- ✓ Annual sales: c23 mio
- ✓ EBITDA margin: c88%

RES expansion abroad



Targeted countries

- ✓ Bulgaria and Romania
 - EU accession “enforces” governments to provide incentives for RES investments
- ✓ In Far East, the company monitors very closely certain areas in which positive developments could arise (large scale wind projects)
- ✓ Targeted installed capacity in these 3 regions (end 2012): c400 MW

Thermal Energy

Energy: OCGT (HERON S.A)

147 MW GAS FIRED PLANT

- ✓ The first private gas-fired plant in Greece
- ✓ OCGT - 147 MW capacity
- ✓ Total investment: €80m
- ✓ **Operational** since September 2004
- ✓ It covers reserve needs

Energy: CCGT

435 MW GAS FIRED PLANT

The group has started the development of CCGT plant (400 MW capacity)

- ✓ Total investment: €240m
- ✓ c70% non-recourse project finance
- ✓ Construction period: 26 months
- ✓ Estimated IRR: >18%
- ✓ Operational: within 2009
- ✓ From all the other future IPPs in Greece Heron's plant has the most competitive position since :
 - Gas and HV interconnections are already at site
 - Has trained personnel for the implementation of the project and its subsequent operation of the plant
 - The infrastructure of the site is already there i.e gas metering, compressors, fences administration buildings workshops, storage areas etc

Energy: Coal plant

460 MW COAL FIRED PLANT

- ✓ “Unique” location in Evia
 - Old mine tunnels will receive the ashes
 - Port facilities
- ✓ Total investment: c€700m
- ✓ 70-75% non-recourse project finance
- ✓ Operational within 2011
- ✓ There is no coal currently used in Greece
- ✓ Coal is more abundant than oil and gas and even though is more Carbon intensive than CCGT it remains more profitable in all European markets
- ✓ Coal is expected to have a political support in Greece due to concerns regarding energy diversity and security

Energy: Lignite plant

460 MW LIGNITE FIRED PLANT

- ✓ TERNA is the highest bidder on a State tender for the exploitation of a lignite mine
- ✓ Taken that the mine will be eventually awarded to TERNA the first independent lignite plant can be erected on the site

GEK Group: Investment Highlights

Summary – Investment points



Achievements

- **Leading position** in Construction, Real Estate and Energy
- **Critical size**, an important fact within a maturing market
- Strong **capital structure**, which reassures:
 - ✓ easier access in financing investment opportunities

Potential

- Investments in **Energy and Concessions** → **recurrent activities**
- Change **risk profile**
- Strong **cash flow** generation
- **Growth** in earnings

GEK – TERNA GROUP OF COMPANIES

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