



TERNA GROUP

INTERIM FINANCIAL STATEMENTS OF THE
PARENT COMPANY AND ITS GROUP AS AT
THE 31ST OF MARCH 2006
IN ACCORDANCE WITH THE
INTERNATIONAL FINANCIAL REPORTING
STANDARDS (IFRS)

TABLE OF CONTENTS

THE COMPANY

BALANCE SHEET.....	3
INCOME STATEMENT.....	5
CASH FLOW STATEMENT	6
STATEMENT OF CHANGES IN EQUITY	8

THE GROUP

BALANCE SHEET.....	9
INCOME STATEMENT.....	11
CASH FLOW STATEMENT	12
STATEMENT OF CHANGES IN EQUITY	14

NOTES ON THE INTERIM PARENT & CONSOLIDATED FINANCIAL STATEMENTS 31 MARCH 2006

1. ACTIVITY OF THE GROUP.....	15
2. BASIS FOR THE PREPARATION OF THE FINANCIAL STATEMENTS	15
3. SUMMARY OF KEY ACCOUNTING PRINCIPLES	15
4. INFORMATION ON CONSOLIDATED COMPANIES	16
5. INFORMATION BY SECTOR OF ACTIVITY	19
6. EXISTING CHARGES ON ASSETS.....	20
7. DIFFERENCES UNDER LITIGATION OR ARBITRATIONS	20
8. INTRA-COMPANY TRANSACTIONS	20
9. POST BALANCE SHEET DATE EVENTS.....	21
10. CONTINGENT LIABILITIES	21

TERNA SA

**BALANCE SHEET
31 MARCH 2006**

(all amounts are in thousand euros unless otherwise stated)

	THE COMPANY	
	31 March	31 December
	2006	2005
	<hr/>	<hr/>
ASSETS		
Long-term assets		
Tangible fixed assets	40.284	41.111
Intangible assets	5.736	5.821
Real estate	7.935	7.935
Participation in affiliated companies and joint ventures	37.111	37.111
Other long-term receivables	146	146
Deferred income tax	2.990	6.446
	<hr/>	<hr/>
Total long-term assets	94.202	98.570
	<hr/>	<hr/>
Current assets		
Inventories	2.923	4.324
Trade receivables	90.163	92.726
Prepayments and other receivables	17.291	15.006
Other financial assets	4.578	4.578
Cash and cash equivalents	10.572	12.818
	<hr/>	<hr/>
Total current assets	125.527	129.452
	<hr/>	<hr/>
TOTAL ASSETS	219.729	228.022
	<hr/>	<hr/>
EQUITY AND LIABILITIES		
Equity of the shareholders of the parent		
Share capital	53.319	53.319
Share premium	35.922	35.922
Reserves	15.969	15.969
Profit carried forward	32.430	28.362
	<hr/>	<hr/>
Total equity	137.640	133.572
	<hr/>	<hr/>

Long-term liabilities

Long-term loans	-	-
Loans from finance leases	2.769	3.372
Other long-term liabilities	31	31
Provisions	757	946
Provision for staff indemnities	735	996
Subsidies	-	-
Deferred income tax	-	-

Total long-term liabilities4.2925.345**Short-term liabilities**

Suppliers	32.339	37.517
Short-term loans	23.386	26.029
Long-term liabilities falling due	22.072	25.367
Accrued and other short-term liabilities	-	-
Income tax payable	-	192

Total short-term liabilities77.79789.105**TOTAL EQUITY AND LIABILITIES**219.729228.022

The accompanying notes form an inextricable part of the consolidated financial statements

TERNA SA

**INCOME STATEMENT
FOR THE PERIOD ENDING ON 31 MARCH 2006**

(All amounts are expressed in thousand euro, except the shares)

	THE COMPANY	
	31 March 2006	31 December 2005
INCOME		
Net turnover	30.553	39.290
Cost of sales	(24.582)	(29.573)
Gross profit	5.971	9.717
Administrative and distribution expenses	(3.066)	(2.716)
Other income(expenses)	2.794	441
Net financial income(expenses)	(281)	(1.500)
EARNINGS BEFORE TAX	5.418	5.942
Income tax	(1.350)	(418)
EARNINGS AFTER TAX	4.068	5.524
Distributed to		
Shareholders of the parent		
Minority interest		
	-	-
Earnings per share (in euro)		
Basic	0,09	0,12
Diluted		
Weighted average number of shares and diluted		
Basic	45.964.500	45.964.500
Diluted		

The accompanying notes form an inextricable part of the consolidated financial statements

TERNA SA

CASH FLOW STATEMENT

FOR THE PERIOD ENDING ON 31 MARCH 2006

(all amounts are in thousand euros unless otherwise stated)

	THE COMPANY	
	31 March 2006	31 December 2005
Cash flow from operating activities		
Earnings before tax	5.418	5.942
<i>Adjustments for the agreement of net flows from operating activities</i>		
Depreciations	1.416	1.308
Provisions	(450)	(1.219)
Interest and related income	(219)	(1)
Interest and other financial expenses	501	609
(Profit)/Loss from the sale of tangible assets and investment property	(61)	0
(Profit)/loss from the sale and valuation of participations	0	1.439
Depreciation of grants	0	0
Operating profit before the changes in working capital	6.605	8.078
(Increase)/decrease in		
Inventory	1.401	3.015
Trade receivable	2.563	(11.506)
Prepayments and other short-term receivables	(82)	(6.944)
Increase(decrease) in:		
Suppliers	(5.178)	(5.380)
Accrued and other short-term liabilities	(3.488)	6.245
Subsidies receivals	0	0
(Increase)/Decrease of other long-term receivables	(2)	(2)
Cash inflows from operating activities	1.819	(6.494)
Cash flows from investing activities		
Purchases if tangible assets	(555)	(30)
Sales of tangible assets	61	0
Purchases of intangible assets	(45)	(18)
Interest and related income received	219	1
Sale of participation percentage and other changes in participations	0	(3.020)
Share capital increase of a participation		
Real estate	0	0
Cash flows from investing activities	(320)	(3.067)

Cash flows from financing activities		
Net change in short-term loans	(2.643)	9.728
Withdrawals from long-term loans	0	0
Payments of loans from financial leases	(603)	(414)
Interest paid	(501)	(609)
Change of other financial receivables	2	1.767
Cash flows from financing activities	(3.745)	10.472
Foreign exchange effect on cash and cash equivalents	0	0
Net increase in cash and cash equivalents	(2.246)	911
Cash and equivalents at the beginning of the period	12.818	3.918
Cash and equivalents at the end of the period	10.572	4.829

The accompanying notes form an inextricable part of the consolidated financial statements

TERNA SA
STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDING ON 31 MARCH 2005

(All amounts are expressed in thousand euro unless otherwise stated)

	<u>Share Capital</u>	<u>Share Premium Account</u>	<u>Reserves</u>	<u>Profit Carried Forward</u>	<u>Total</u>
1st January 2005	<u>53.319</u>	<u>35.922</u>	<u>15.669</u>	<u>33.879</u>	<u>138.789</u>
Net profit for the period	-	-	-	5.524	5.524
31st March 2005	<u>53.319</u>	<u>35.922</u>	<u>15.669</u>	<u>39.403</u>	<u>144.313</u>

	<u>Share Capital</u>	<u>Share Premium Account</u>	<u>Reserves</u>	<u>Profit Carried Forward</u>	<u>Total</u>
1st January 2006	<u>53.319</u>	<u>35.922</u>	<u>15.969</u>	<u>28.362</u>	<u>133.572</u>
Net profit for the period	-	-	-	4.068	4.068
31st March 2006	<u>53.319</u>	<u>35.922</u>	<u>15.969</u>	<u>32.430</u>	<u>137.640</u>

TERNA GROUP S.A.

BALANCE SHEET

31 MARCH 2006

(all amounts are in thousand euros unless otherwise stated)

	GROUP	
	31 March	31 December
	2006	2005
ASSETS		
Long-term assets		
Tangible fixed assets	169.999	154.637
Intangible assets	5.769	5.859
Real estate	26.305	26.305
Other long-term receivables	324	256
Deferred income tax	3.708	7.092
Total long-term assets	206.105	194.149
Current assets		
Inventories	13.659	14.260
Trade receivables	173.776	163.511
Prepayments and other receivables	46.715	38.030
Other financial assets	5.003	9.069
Cash and cash equivalents	41.781	49.067
Total current assets	280.934	273.937
TOTAL ASSETS	487.039	468.086
EQUITY AND LIABILITIES		
Equity of the shareholders of the parent		
Share capital	53.319	53.319
Share premium	35.922	35.922
Reserves	21.783	21.783
Profit carried forward	55.303	50.500
	166.327	161.524
Minority interest	19.285	18.601
Total equity	185.612	180.125

Long-term liabilities		
Long-term loans	55.731	53.994
Loans from finance leases	15.782	17.353
Other long-term liabilities	31	31
Provisions	2.027	2.092
Provision for staff indemnities	868	1.277
Subsidies	14.004	14.296
Deferred income tax	3.419	3.778
	<hr/>	<hr/>
Total long-term liabilities	91.862	92.821
Short-term liabilities		
Suppliers	81.017	87.054
Short-term loans	83.516	75.267
Long-term liabilities falling due	395	527
Accrued and other short-term liabilities	44.094	32.116
Income tax payable	543	176
	<hr/>	<hr/>
Total short-term liabilities	209.565	195.140
	<hr/>	<hr/>
TOTAL EQUITY AND LIABILITIES	487.039	468.086

The accompanying notes form an inextricable part of the consolidated financial statements

TERNA GROUP SA

INCOME STATEMENT

FOR THE PERIOD ENDING ON 31 MARCH 2006

(All amounts are expressed in thousand euro, except the shares)

	GROUP	
	31 March 2006	31 March 2005
INCOME		
Net turnover	51.473	60.963
Cost of sales	(39.872)	(45.759)
Gross profit	11.601	15.204
Administrative and distribution expenses	(4.326)	(3.582)
Other income(expenses)	1.582	755
Net financial income(expenses)	(1.268)	(2.130)
EARNINGS BEFORE TAX	7.589	10.247
Income tax	(2.422)	(663)
EARNINGS AFTER TAX	5.167	9.584
Distributed to		
Shareholders of the parent	4.483	8.738
Minority interest	684	846
	5.167	9.584
Earnings per share (in euro)		
Basic	0,10	0,19
Diluted		
Average weighted number of shares, basic and diluted		
Basic	45.964.500	45.964.500
Diluted		

The accompanying notes form an inextricable part of the consolidated financial statements

TERNA GROUP S.A.**CASH FLOW STATEMENT****FOR THE PERIOD ENDING ON 31 MARCH 2006****(all amounts are in thousand euros unless otherwise stated)**

	GROUP	
	31 March 2006	31 March 2005
Cash flow from operating activities		
Earnings before tax	7.589	10.247
<i>Adjustments for the agreement of net flows from operating activities</i>		
Depreciations	3.421	2.628
Provisions	(474)	(1.156)
Interest and related income	(324)	(82)
Interest and other financial expenses	1.605	1.751
(Profit)/loss from the sale and valuation of participations	(104)	1.377
Depreciation of grants	(292)	(289)
Operating profit before the changes in working capital	11.421	14.476
(Increase)/decrease in		
Inventory	601	550
Trade receivable	(10.265)	(11.137)
Prepayments and other short-term receivables	(8.685)	(5.213)
Increase(decrease) in:		
Suppliers	(6.037)	(5.524)
Accrued and other short-term liabilities	12.535	4.088
Subsidies receivals		2.719
(Increase)/Decrease of other long-term receivables	(68)	9
Cash inflows from operating activities	(498)	(32)
Cash flows from investing activities		
Purchases if tangible assets	(18.002)	0
Sales of tangible assets	104	3.186
Purchases of intangible assets	(90)	(18)
Interest and related income received	324	82
Sale of participation percentage and other changes in participations	0	(657)
Share capital increase of a participation		
Real estate	0	(2.569)
Cash flows from investing activities	(17.664)	24

Cash flows from financing activities		
Net change in short-term loans	8.249	(1.872)
Withdrawals from long-term loans	1.737	5.420
Payments of loans from financial leases	(1.571)	(1.401)
Interest paid	(1.605)	(1.751)
Change of other financial receivables	<u>4.066</u>	<u>(3.506)</u>
Cash flows from financing activities	<u>10.876</u>	<u>(3.110)</u>
Foreign exchange effect on cash and cash equivalents	0	0
Net increase in cash and cash equivalents	(7.286)	(3.118)
Cash and equivalents at the beginning of the period	<u>49.067</u>	<u>37.013</u>
Cash and equivalents at the end of the period	<u>41.781</u>	<u>33.895</u>

The accompanying notes form an inextricable part of the consolidated financial statements

TERNA GROUP SA
STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDING ON 31 MARCH 2006

(All amounts are expressed in thousand euro unless otherwise stated)

	Shareholders of the parent					Minority	Total
	Share capital	Share premium	Reserves	Profits carried forward	Total	Interest	equity
Balance, 1st January 2005	53.319	35.922	21.483	47.053	157.777	17.947	175.724
Profit for the period				8.738	8.738	846	9.584
Transfers-Other movements charged on equity				797	797	(765)	32
Balance, 31st March 2005	53.319	35.922	21.483	56.588	167.312	18.028	185.340
	Shareholders of the parent					Minority	Total
	Share capital	Share premium	Reserves	Profits carried forward	Total	Interest	equity
Balance, 1st January 2006	53.319	35.922	21.783	50.500	161.524	18.601	180.125
Profit for the period				4.483	4.483	684	5.167
Foreign exchange effect				320	320	0	320
Transfers-Other movdments charged on equity					0		0
Balance, 31st March 2006	53.319	35.922	21.783	55.303	166.327	19.285	185.612

TERNA GROUP
NOTES ON THE INTERIM PARENT & CONSOLIDATED FINANCIAL STATEMENTS

31 MARCH 2006

(Amounts in thousand euros, unless otherwise stated)

1. ACTIVITIES OF THE GROUP

Terna SA (hereinafter the Company or TERNA) was founded in 1972 (Govt. Gazette 1338/04.07.72), is domiciled in Athens, 85 Mesogeion Str. and has a duration of 50 years, until 04.07.2022.

TERNA S.A. holds a 7th grade construction certificate and its main activity is to undertake and carry out public and private construction projects of any kind. According to the legislation in effect, companies that hold a 7th grade construction certificate may only undertake public projects of over 35 mil. euros. There is no upper limit to the budget of the projects that the Group may independently undertake. Furthermore, TERNA owns and operates a quarry and trades in inert materials.

At the Group level, TERNA is active in the industrial sector with its subsidiary companies «BIOMEK», which undertakes metal constructions and «STROTIRES AEBE», which produces and distributes skids from armed concrete. Also, through «HERON THERMOELEKTRIKI SA» and «TERNA ENERGY ABETE» the Group is active in the energy sector through thermoelectric installations and wind parks with a total installed capacity of 148MW and 55.7MW. The consolidated financial statements of TERNA are included in the consolidated financial statements of its parent company GEK SA, which on the balance sheet date held (directly and indirectly) 54.22% of its share capital.

2. BASIS FOR THE PREPARATION OF THE FINANCIAL STATEMENTS

The attached financial statements that form the parent and consolidated financial statements of the Parent and the Group are compiled in accordance with IFRAS as these are adopted by the European Union and specifically in accordance with the provisions of IAS 34 «Interim Financial Statements». There are not any standards that have been applied prior to their adoption date. Also, the financial statements have been prepared according to the historic cost principle, except from investment property which is valued at fair value. Some own-used tangible fixed assets on the date of transition to the International Financial Reporting Standards (IFRS) (01/01/2004) were measured at fair value and these values were used as deemed cost.

3. SUMMARY OF KEY ACCOUNTING POLICIES

The main accounting policies adopted during the compilation of the attached financial statements are consistent to those followed for the compilation of the annual financial statements for the period ending on 31/12/2005. Also, the International Accounting Standards Board and the Interpretations Committee have issued a series of new Accounting Standards and interpretations as reported below:

Effect of newly issued Accounting Standards (IFRS or IAS) and Interpretations (SIC): The new IFRS and IFRIC are mandatory for the accounting periods beginning from January 1st 2006. The assessment of the Management regarding the impact of the new standards and interpretations is as follows:

TERNA GROUP

NOTES ON THE INTERIM PARENT & CONSOLIDATED FINANCIAL STATEMENTS

31 MARCH 2006

(Amounts in thousand euros, unless otherwise stated)

- **IAS 19 (amendment): Employee Benefits** (in effect from January 1st 2006). This amendment provides companies with the option of an alternative method for the recognition of actuarial gains or losses. It will probably introduce new recognition conditions for multi-employer plans where adequate information for the application of defined benefit accounting is not available. It also adds new disclosure requirements. This amendment is not applicable for the Group.
- **IAS 39 (amendment): Cash Flow Hedge Accounting for Forecast Intragroup Transactions** (in effect from January 1st 2006). This amendment allows for the foreign currency risk from a highly probable forecast intragroup transaction may qualify as a hedged item in consolidated financial statements if: (a) the transaction is denominated in a currency other than the functional currency of the entity entering into that transaction and (b) the currency risk will affect the consolidated income statement. This amendment is not relevant to the operations of the Group, as the Group does not carry out any such intragroup transactions.
- **IAS 39 (amendment): Fair Value Option** (in effect from January 1st 2006). This amendment changes the definition of the financial instruments that have been classified at fair value through profit and loss and limits the possibility of classifying financial instruments in this category. The Group considers that this particular amendment will not have a significant impact on the classification of its financial instruments since the Group has not classified any financial instruments at fair value through profit and loss other than the instruments that are held for trading purposes. The Group will apply this amendment from January 1st, 2006 onwards.
- **IAS 39 and IFRS 4 (Amendment): Financial Guarantee Contracts** (in effect from January 1st 2006). This amendment requires that financial guarantees issued, other than those that the Group has proved that they are insurance contracts, to be initially recognized at fair value and to be subsequently valued at the greatest of (a) the unamortized balance of the relevant fees that have been collected and deferred and (b) the outflow required to settle the commitment at the balance sheet date. The Management has come to the conclusion that this amendment does not apply to the Group.
- **IFRS 6: Exploration for and evaluation of mineral resources.** It is applied to financial statements that starting from January 1st 2006 onwards and it has not affected the financial statements of the Company and the Group.
- **IFRIC 4. Determining Whether an Arrangement Contains a Lease:** IFRIC 4 is applied to annual periods starting from January 1st 2006 onwards. The implementation of IFRIC 4 did not change the accounting treatment of any of the Group's current contracts.
- **IFRIC 5. Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds.** It is applied to financial statements starting from January 1st 2006 onwards and did not affect the financial statements of the Group.

4. INFORMATION ON CONSOLIDATED ENTITIES

The data of the consolidated entity of the Group as of the 31st of March 2006 are as follows:

Regarding the non-audited tax years, the Company for the years 2002-2004 as well as its subsidiary TERNA ENERGY ABETE which for the year 2004 are currently under a tax audit procedure. The non-audited tax years for the companies of the TERNA Group SA that are consolidated are as follows:

TERNA GROUP
NOTES ON THE INTERIM PARENT & CONSOLIDATED FINANCIAL STATEMENTS
31 MARCH 2006

(Amounts in thousand euros, unless otherwise stated)

A) COMPANIES FULLY CONSOLIDATED

A.1) Direct subsidiaries

A/A	COMPANY NAME	COUNTRY OF DOMICILE	PARTICIPATION PERCENTAGE	NON-AUDITED TAX YEARS
1.	TERNA ENERGY ABETE	GREECE	61,75%	2
2.	BIOMEK ABETE	GREECE	66,50%	4
3.	STROTIREA AEBE	GREECE	51%	3
4.	DIKEVE SA	GREECE	100%	3
5.	ILIOCHORA SA	GREECE	100%	1

A.2) Subsidiaries of TERNA ENERGY ABETE:

A/A	COMPANY NAME	COUNTRY OF DOMICILE	PARTICIPATION PERCENTAGE	NON-AUDITED TAX YEARS
1.	IWECO CHONOS LASITHI CRETE SA	GREECE	100%	3
2.	ENERGIAKI SERVOUNIO SA	GREECE	100%	4
3.	TERNA ENERGY EVROS SA	GREECE	100%	4
4.	PPC RENEWABLE- TERNA ENERGY SA	GREECE	51%	3

B. COMPANIES CONSOLIDATED PROPORTIONALLY

B.1) Direct consolidated companies

A/A	COMPANY NAME	COUNTRY OF DOMICILE	PARTICIPATION PERCENTAGE	NON-AUDITED TAX YEARS
1.	HERON THERMOELEKTRIKI SA	GREECE	50%	A tax audit has not been made since the company is at the preliminary stage

B.2) JOINT VENTURES OF TERNA SA

A/A	COMPANY NAME	PARTICIPATION PERCENTAGE	NON-AUDITED TAX YEARS
1.	J/V MAIN IRRIGATION CANAL D 1	75,00%	6
2.	J/V TERNA SA – IMPEGILO SPA (TRAM)	55,00%	5
3.	J/V HERACLION UNIVERSITY CITY	50,00%	2
4.	J/V DEVIATION ANCIENT OLYMPIA	50,00%	4
5.	J/V AKTOR, AEGEK, EKTER, TERNA, SPATA AIRPORT	20,00%	6
6.	J/V TERNA SA/AKTOR SA GOULANDRI MUSEUM	50,00%	3
7.	J/V DEPA PROJECT	10,00%	3
8.	J/V UNDERGROUND CAR PARK THESSALONIKI	50,00%	3
9.	J/V ARTA DEVIATION - PHILIPPIADAS	98,00%	4
10.	J/V ATHENS OPERA HOUSE	45,00%	4
11.	J/V ATHENIAN CAR PARKS	20,00%	3
12.	J/V PERISTERI METRO	50,00%	4
13.	J/V TERNA SA – ATHINA ATE PROJECT ARACHTHOU PERIST.	62,50%	4
14.	J/V TERNA SA – KARAGIANNIS PROJECT TEFAA KOMOTINIS	24,00%	3
15.	J/V THALES ATM SA-TERNA UPGRADE CAR PARK TACAN	22,25%	5
16.	J/V ETETH-TERNA-AVAX PANTHECHNIKI HORSE RIDING CENTER	35,00%	3
17.	J/V AVAX-BIOTER (CONSTRUCTION OF OLYMPIC VILLAGE)	37,50%	3
18.	J/V TERNA S.A. PANTHECHNIKI S.A.	83,50%	3
19.	J/V TERNA S.A. AKTOR A.T.E.. J&P AVAX	33,00%	4
20.	J/V TERNA SA J&P AVAX – PANTHECHNIKI MAINTENANCE OF HORSE RIDING CENTER	25,00%	3
21.	J/V TERNA SA-ATHINA ATE	62,50%	2
22.	J/V ARCHIRODON HELLAS ATE-TERNA SA	30,00%	4

TERNA GROUP**NOTES ON THE INTERIM PARENT & CONSOLIDATED FINANCIAL STATEMENTS**

31 MARCH 2006

(Amounts in thousand euros, unless otherwise stated)

23.	J/V EVINOU – AEFEK-METON SA-TERNA SA-EYKLEIDIS ATE	33,33%	3
24.	J/V TERNA SA – TH. KARAGIANNIS SA PROJECT YPEXODE CONSTRUCTION	50,00%	5
25.	J/V SALONICA PARK	50,00%	1
26.	J/V SIEMENS-AKTOR-TERNA SA	37,50%	1
27.	J/V TERNA SA- MICHANIKI SA DEVIATION OF AGRINIO	65,00%	1
28.	J/V TERNA SA/BIOTER SA - CONSTRUCTION OF NAT BUILDING	50,00%	6
29.	J/V TERNA SA-THALES SA	50,00%	3

B.3) Joint Ventures of TERNA ENERGY ABETE

	J/V NAME	PARTICIPATION PERCENTAGE	NON-AUDITED TAX YEARS
1.	J/V TRAM POLITICAL ENGINEERING WORKS, Greece	36%	3
2.	J/V ENVAGELISMOU, PROJECT C', Greece	50%	3*
3.	J/V TERNA ENERGY - TSAMPR. DRAMAS HOSPITAL, Greece	40%	3*
4.	J/V EPL DRAMAS, Greece	24%	3*
5.	J/V TERNA ENERGY - OLYMPIOS ATE, Greece	50%	3
6.	J/V K. MANIOTIS - TERNA - TERNA ENERGY, Greece	37,50%	3
7.	J/V/ EMBEDOS - PANTECHNIKI - TERNA ENERGY, Greece	50,10%	3
8.	J/V THEMELI - TERNA ENERGY - TERNA SA IMPREGILO SPA, Greece	40%	2
9.	J/V EKTER - TERNA - ATHONIKI, Greece	31%	1
10.	J/V/ KL. ROUTSIS - TERNA ENERGY ABETE, Greece	50%	2

* Without any tax interest because the project of the J/V is completed and during these years no income was generated. These J/Vs are soon expected to cease existing.

B.4) Partnership and Limited Partnership companies of the subgroup TERNA ENERGY ABETE*

* They are established in order to receive the license for the construction of facilities for the production of electrical energy using renewable resources, and if this project goes through the companies would be absorbed by TERNA ENERGY ABETE. They have no activity till today and therefore no tax interest.

	NAME	PARTICIPATION	NON- AUDITED TAX YEARS
1.	TERNA ENERGY ABETE - M.E.L. MAKEDONIKI ETAIRIA HARTOU & SIA, J/V, Greece	50%	4
2.	TERNA ENERGY A.B.E.T.E. & SIA AIOLIKI RAHOULAS DERVENOHORION, Greece	100%	4
3.	TERNA ENERGY ABETE & SIA AIOLIKI POLYKASTROU, Greece	100%	4
4.	TERNA ENERGY ABETE & SIA AIOLIKI PROVATA TRAIANOUPOLEOS, Greece	100%	4
5.	TERNA ENERGY ABETE & SIA ENERGIAKI DERVENOHORION, Greece	100%	4
6.	TERNA ENERGY ABETE & SIA ENERGIAKI VELANIDION LAKONIAS, Greece	100%	4
7.	TERNA ENERGY ABETE & SIA ENERGIAKI DISTION EVIAS, Greece	100%	4

TERNA GROUP
NOTES ON THE INTERIM PARENT & CONSOLIDATED FINANCIAL STATEMENTS

31 MARCH 2006

(Amounts in thousand euros, unless otherwise stated)

8.	TERNA ENERGY ABETE & SIA AIOLIKI PASTRA ATTIKIS, Greece	100%	4
9.	TERNA ENERGY ABETE & SIA AIOLIKI MALEA LAKONIAS, Greece	100%	4
10.	TERNA ENERGY ABETE & SIA ENERGIAKI FERRON EVROU, Greece	100%	4
11.	TERNA ENERGY ABETE & SIA AIOLIKI DERVENI TRAIANOUPOLEOS, Greece	100%	4
12.	TERNA ENERGY ABETE & SIA AIOLIKI KARYSTIAS EVIAS, Greece	100%	4
13.	TERNA ENERGY ABETE & SIA ENERGIAKI ARI SAPPON, Greece	100%	4
14.	TERNA ENERGY ABETE & SIA ENERGIAKI PELOPONNISOUS, Greece	100%	4
15.	TERNA ENERGY ABETE & SIA AIOLIKI ANATOLIKIS ELLADOS, Greece	100%	4
16.	TERNA ENERGY ABETE & SIA AIOLIKI MARMARIOU EVIAS, Greece	100%	4
17.	TERNA ENERGY ABETE & SIA ENERGIAKI PETRION EVIAS, Greece	100%	4
18.	TERNA ENERGY ABETE & SIA AIOLIKI ROKANI DERVENOHORION, Greece	100%	4
19.	TERNA ENERGY ABETE & SIA ENERGIAKI STIRON EVIAS, Greece	100%	4
20.	TERNA ENERGY ABETE & SIA ENERGIAKI NEAPOLEOS LAKONIAS, Greece	100%	4
21.	TERNA ENERGY ABETE & SIA ENERGIAKI XSIROVOUNIOU, Greece	70%	4
22.	TERNA ENERGY ABETE & SIA AIOLIKI PANORAMATOS DERVENOHORION, Greece	100%	4
23.	TERNA ENERGY ABETE & SIA ENERGIAKI KAFIREOS EVIAS, Greece	100%	4
24.	TERNA ENERGY ABETE & Co EE	70%	3

5. INFORMATION BY SECTOR OF ACTIVITY

The table below reports the analysis of the results of the Group for the 3-month period ending on 31/03/2006 and 31/03/2005 by sector.

TERNA GROUP (1/1-31/03/2005)	Construction Sector	Energy Sector	Real Estate Sector	Industrial Sector	Other Sectors	Total of Sectors
INCOME STATEMENT						
Turnover (Sales)	48,010	6,183	191	1,710	5,958	62,052
Less: inter-company sales	-1,089	0	0	0	0	-1,089
Sales of the sector	46,921	6,183	191	1,710	5,958	60,963
Earnings before interest, tax depreciation and amortization (EBITDA)	11,490	3,797	166	-2	-446	15,005
Earnings before tax	8,688	1,955	87	16	-498	10,247

TERNA GROUP
NOTES ON THE INTERIM PARENT & CONSOLIDATED FINANCIAL STATEMENTS
31 MARCH 2006

(Amounts in thousand euros, unless otherwise stated)

TERNA GROUP (1/1-31/03/2006)	Construction Sector	Energy Sector	Real Estate Sector	Industrial Sector	Other Sectors	Total of Sectors
INCOME STATEMENT						
Turnover (Sales)	44,644	7,997	169	0	962	53,772
Less: inter-company sales	-2,299	0	0	0	0	-2,299
Sales of the sector	42,345	7,997	169	0	962	51,473
Earnings before interest, tax depreciation and amortization (EBITDA)	7,494	4,979	115	115	-424	12,278
Earnings pre tax	5,350	2,580	13	83	-436	7,589

6. EXISTING CHARGES ON ASSETS

There are mortgage prenotations on some subsidiaries of the Group amounting to €17,107. Specifically,

BIOMEK ABETE	1,507
DIKEBE SA	<u>15,600</u>
Total	17,107

7. DIFFERENCES UNDER LITIGATION OR ARBITRATION

During the course of conducting its business, the Company may face legal claims from third parties. According to both the Management and the Company's Legal Counsel, any such claims are not expected to have a material impact on the Company's operation and financial position as of the 31st of 31 March 2006.

8. TRANSACTIONS WITH RELATED PARTIES

The intra-group transactions (purchases and sales) and the intra-group balances between the companies of the Group that are consolidated are eliminated in the consolidated financial statements.

The transactions with related parties for the period 01/01-31/03/2006 as well as the balances that have arisen from these transactions are as of 31.03.2005 as follows:

Category of transation	TRANSACTIONS	Amounts
Income from intra-company sales		5,760
Cost of intra-company transactions		6,208
Dividends		704

Category of balance	BALANCES	Amounts
Trade receivables		31,511
Inventory pre-payments		147
Sundry debtors		5,555
Trade payables		3,964
Sundry creditors		2,389

TERNA GROUP
NOTES ON THE INTERIM PARENT & CONSOLIDATED FINANCIAL STATEMENTS
31 MARCH 2006

(Amounts in thousand euros, unless otherwise stated)

9. POST BALANCE SHEET DATE EVENTS

The companies of TERNA SA group of companies and TERNA ENERGY ABETE together with their joint ventures signed contracts participating in projects totalling €117mil, while there are also declared bidders in other competitions having a total budget of €54mil.

The consortium «HELLENIC AUTOPISTAS» in which the Company participates by 33.33% is declared as a temporary bidder for the construction, exploitation and operation of the Ionian Road, having a construction cost of €1.4mil. Based on the signed contract for the construction of the project, TERNA SA, would participate in the construction part of the project with a participation percentage of 33.33%.

10. CONTINGENT LIABILITIES

The management of the Group estimates that there are no changes in contingent liabilities compared to those existed on 31/03/2006.

The Management of the Group estimates that there are no changes in contingent liabilities of the Group compared to the ones as of 31/12/2005.

CERTIFICATE

It is confirmed that the attached Financial Statements are those approved by the Board of Directors of the Company on May, 26 2006 and have been published with their posting on the internet, at the web page www.terna.gr. It is noted that the published in the press brief financial data, aim at providing general financial information but do not provide a complete depiction of the Company's and Group's economic status and financial results, according to the International Financial Reporting Standards.

CHAIRMAN OF BoD

VICE-CHAIRMAN OF BoD& MANAGING DIRECTOR

Nikolaos Kambas

George Peristeris

CHIEF FINANCIAL OFFICER

HEAD OF ACCOUNTING DEPARTMENT

Panayiotis Pothos

Nikolaos Athanasiou