



**Report for the Use of Raised Capital following  
the Share Capital increase through cash  
for the period 8/11/07 - 31/12/07**

It is announced that, following the decision 33/24.11.2005 of the Board of Directors of Athens Exchange, from the share capital increase of TERNA ENERGY ABETE through cash that was decided on the Extraordinary Shareholders Meeting at 20.07.2007, the net amount of € 300,572 thous was raised. (including expenses for the issuance of € 13,908 thous.).

The share capital increase took place in the period 31/10/07-2/11/07. In this context, 27.333.400 new common registered shares were issued.

All shares of the Company (109,333,400) were listed on the Athens Exchange at 14/11/2007 in the Large Capitalization category.

The proceeds' inflow was certified from the BoD of the Company that took place at 8/11/07 and was registered at the Societe Anonyme registry at 9/11/07 as verified by the announcement No. 36439.

The raised capital was used, till 31/12/2007, as described in the Bulletin and as follows:

TABLE FOR THE USE OF RAISED CAPITAL							
TIMETABLE	Utilization					Total utilized capital 08/11/07 till 31/12/07	Non- utilized capital at 31/12/07 that will be utilized in coming years
	08/11/07- 31/12/07	01/01/08- 31/12/08	01/01/09- 31/12/09	01/01/09- 31/12/10	Total		
in thous €							
Total investments in wind parks *	20,588	11,931	61,120	57,248	150,887	4,084	146,803
Total investments in hydroelectric stations	2,741	12,323	11,886	27,096	54,046	2,661	51,385
Photovoltaic stations	0	5,000	7,000	7,000	19,000	0	19,000
Electricity produced using biomass	0	5,563	4,188	5,000	14,751	0	14,751
Wind parks abroad	0	0	20,200	27,780	47,980	0	47,980
Total investments from raised capital	23,329	34,817	104,394	124,124	286,664	6,745	279,919
Expenses of issuance	13,908	0	0	0	13,908	13,380	528
Total	37.237	34.817	104.394	124.124	300.572	20.125	280.447

\* The Company, during the period of November-December 2007, has started materializing its investment plan in "wind parks" ensuring the acquisition of wind generators of approximately €162,000,000, achieving that the payment will take place in 2008 and 2009.

As it is also evident in the table, till 31/12/07, the total expenses of issuance and the investment for the hydroelectric stations were covered.

The remaining amount of issuance expenses (€ 528 thous.) was paid in February 2008.

In total, the Company during the period 8/11/07 till 31/12/07 utilized from the raised capital (€ 300,572 thous.) the amount of € 20,125 thous. The remaining amount of € 280,447 thous. is invested in short-term time deposits which, in financial statements, are shown in the account «Cash and cash equivalents».

CHAIRMAN OF THE BOD

MANAGING DIRECTOR

CHIEF FINANCIAL OFFICER

GEORGE PERDIKARIS  
ID NO.: X 516918

EMMANUEL MARAGOUDAKIS  
ID NO. AB 986527

KONSTANTINOS DIMOPOULOS  
ID NO. Ξ 101797

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**To the board of Directors of the company «TERNA ENERGY A.V.E.T.E.»**

As in compliance with the assignment we received from the Board of Directors of «TERNA ENERGY A.V.E.T.E.» (the Company), we have conducted the below agreed upon procedures within the framework prescribed by the Regulatory Framework of Athens Stock Exchange as well as the corresponding legal framework of the Capital Market as concerning the Application of Funds of the Company through an increase of share capital with cash deposit carried out on November 8<sup>th</sup>, 2007. The Company's Management is responsible for the preparation of the aforementioned Report. We undertook this assignment in compliance with the International Standard on Related Services (ISRS 4400) that is due for 'Financial Reporting Agreed upon Procedures Assignments'. Our responsibility was to conduct the below agreed upon procedures and disclose our findings to you.

**Procedures:**

1. We compared the amounts reported as cash deposits in the attached «Application of Funds through an increase of share capital with cash deposit Report» with the corresponding amounts recognized in the books and records of the Company as during the period they are reported.
2. We examined the adequacy of the Report as well as its content compliance with that reported in the Press Release, issued by the Company for this purpose, and all the corresponding decisions and announcements made by the responsible departments of the Company.

**Findings:**

A) The amounts of the period per category presented as cash deposits in the attached «Application of Funds through an increase of share capital with cash deposit Report», arise from the books and records of the Company as during the period they are reported.

B) The content of the Report includes the minimal information prescribed for this purpose by the Regulatory Framework of Athens Stock Exchange as well as the corresponding legal framework of the Capital Market and complies with that reported in the aforementioned Press Release and the corresponding decisions and announcements made by the responsible departments of the Company.

Taking into account the fact that our assignment does not constitute either an audit or review made in accordance with International Auditing Standards or International Standards on Review Engagements, we do not express any opinion except to the results of the procedures performed. If we had carried out any additional procedures or audit or review, there might have come to our attention other issues apart from those mentioned in the previous paragraph

The current report is solely addressed to the Board of Directors of the company for the purpose of compliance with the prescriptions of the Regulatory Framework of Athens Stock Exchange as well as the corresponding legal framework of the Capital Market. Therefore, the current Report is not to be used for any other purpose since it relates only to the amounts above and does not extend to the financial statements prepared by the Company for the financial year 2007 on which we issued a separate Auditor's Report dated as at 27/3/2008.

Athens, 27 March 2008  
The Certified Public Accountants Auditors

George N. Deligannis  
SOEL Reg. No 15791

Yiannis Leos  
SOEL Reg. No 24881



44, Vas. Konstantinou Str.

116 35 Athens

SOEL Reg. No 127