



Company Presentation



TERNA Energy – strategy

Become the #1 integrated and diversified renewable energy producer in Greece targeting 1.2GW installed or at late stages of construction by 2013-2014

Diversify and expand abroad in selected RES markets (mainly Eastern Europe & US) targeting 0.4GW of installed or at late stages of construction by 2013-2014

TERNA Energy – investment highlights

Experienced management team with successful track record in developing wind parks, consistently converting applications into operating facilities and **targeting** total RES capacity installed or at late stages of construction of **c. 1.6GW by 2013-2014**



1

A leading position in the fast growing Greek renewable energy market



2

Attractive regulatory framework with substantial RES support mechanisms



3

Highly visible and high quality domestic wind pipeline targeting capacity increase to c. 1.2 GW by 2013-2014



4

Develop in promising RES markets outside Greece targeting capacity c. 0.4 GW by 2013-2014



5

Technologically diversified portfolio with hydro, solar and biomass projects



6

Unique vertically integrated position with in-house successful greenfield development and RES construction capabilities



7

Profitable third party construction business operating in the attractive niche construction market of electricity-related works















SECTION 1

Overview and strategy

Overview of activities

- Leading position and proven track-record in fast growing highly attractive Greek renewable market
- Highly visible and high quality wind pipeline in Greece
 - Total owned pipeline of c. 4.1GW
 - Historical track record of conversion of licenses submission into production licences of c. 90%
 - Submissions of applications secures the sites against competitors
 - 40 years concession for use of public land
- Well diversified pipeline portfolio of RES projects
- Historical load factor of assets in operation stands at over 30%
- Well diversified pipeline portfolio of RES projects
- Expansion outside Greece
 - Eastern Europe
 - USA

Status		Wind (MW)	SHPS & Pump Storage (MW)	P/V (MW)	Biomass & Co-generation (MW)
In operation					
	<i>Greece 167</i>	 174.5	 6.6		
	<i>Poland 20</i>				
Under construction					
	<i>Greece 167</i>	 233	 8.5	 1	
	<i>Bulgaria 30</i>				
	<i>Poland 36</i>				
With production licence		 1.632	 112	 18	
Application for production license filed		 3.691 ¹	 1.510	 3	 19

Note1: gross MW (on a net MW basis equivalent to 3.401 MW)

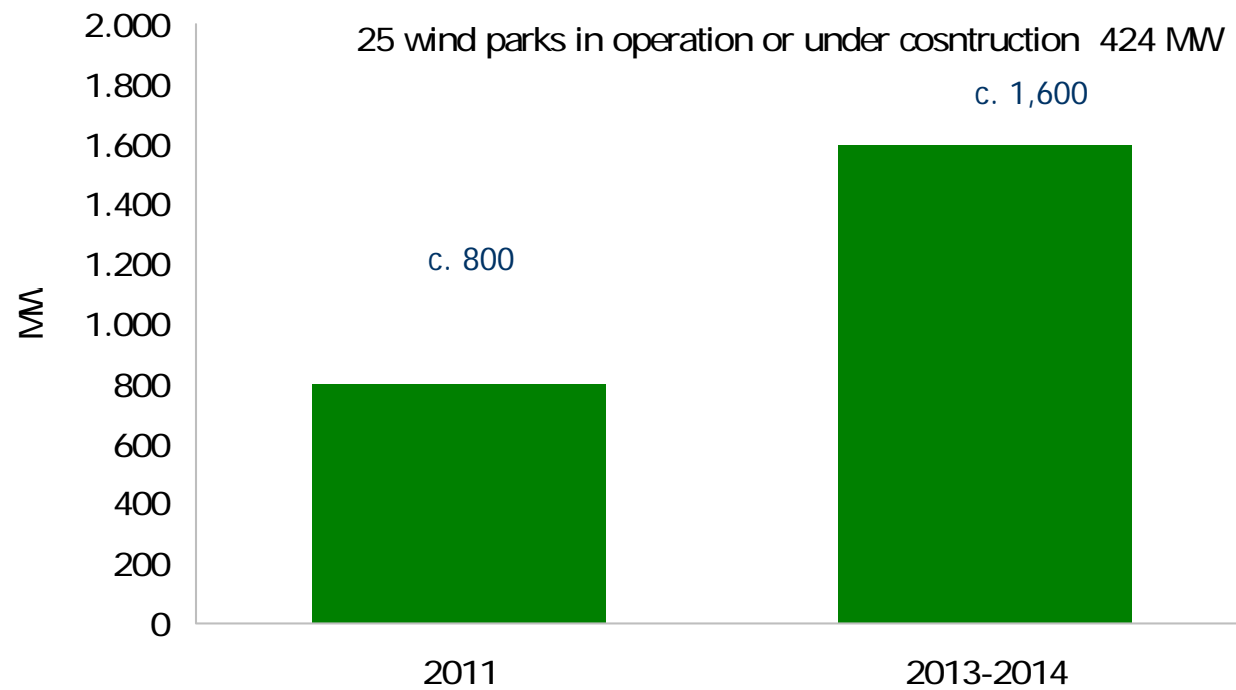
RES expansion outside Greece

TERNA ENERGY has established affiliates and/or strategic alliances in the following countries:

- **E.Europe**
 - **Poland (20 MW in operation and 36 MW under construction)**
 - **Bulgaria (30 MW under construction)**
 - **Romania**
 - **Albania**
 - **Turkey**
- **USA**

Wind projects: business plan roll-out

Targeted installed or under construction capacity at year end





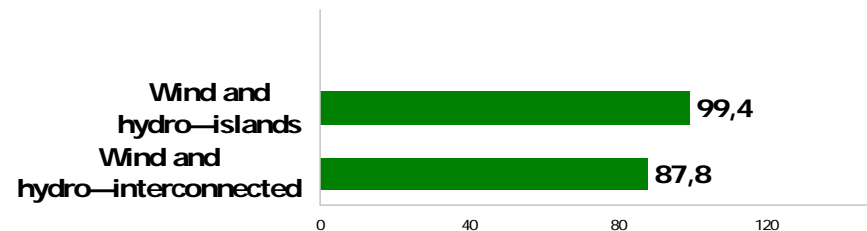
SECTION 2

RES activities and pipeline

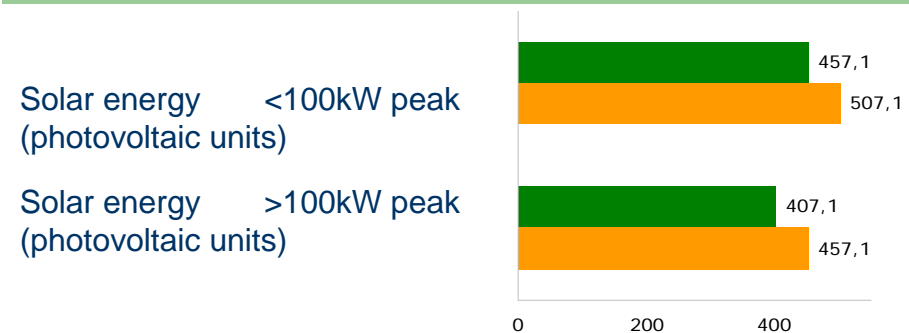
Attractive regulatory framework in Greece

- **20 years PPA** (10 years plus option for owner to renew for an additional 10 years)
- Fixed tariffs for each type of RES
- **Choose between capital subsidies for RES investments (30-50% depending on technology) and higher (20%) tariffs**
- **Tariffs adjusted annually** on the basis of weighted adjustment of the approved electricity supply tariffs of PPC
- Dispatch priority
- Up to **40 years usufruct** of public land

2010 tariffs for wind, biomass and hydro (€/MWh)

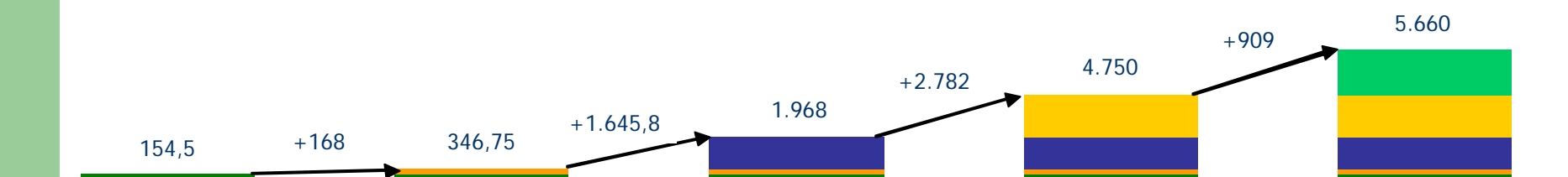


2010 solar energy tariffs (€/MWh)



Source: Law 3468/2006, Hellenic Republic Ministry of Development, Non-Interconnected islands ■ Interconnected system

Wind projects in Greece: status of applications



in operation:
10 parks 154.5MW

under construction:
10 parks 192.25 MW

with production
licences: 59 parks 1645.8 MW

Application for production
licences filed 14 sites 2.782 MW

Application for production
licences filed JVs

Site (region)	Capacity (MW)	In-service date	Site (region)	Capacity (MW)	Site (region)	Capacity (MW)	Site (region)	Capacity (MW)	Site (region)	Capacity (MW)
Tsilikoka (Evia)	10.20	June 2000	Viotia	12.80	Thrace (2 wind parks)	36.00	Crete	129.00	Giaros (Cycladic islands) (45% participation) ¹	288.00
Tsouka (Evia)	12.00	July 2000	Viotia	40.00	Attica (St. George Islet, 2 wind parks)	69.00	Evia	228.30	Petalia gulf (eastern Attica) (75% participation) ²	450.00
Profitis Ilias (Evia)	11.22	April 2001	Viotia	30.00	South Evia (17 wind parks)	298.00	Peloponnese	187.70	Kithira (90% participation)	171
Pirgari (Evia)	5.40	August 2001	Thrace	11.70	Evritania (4 wind parks)	106.80	Kefalonia	18.00	Total	909.00
Didimos Lofos (Evros)	26.00	June 2005	Aitolokarnania	7.50	Attica & Viotia (2 wind parks)	44.00	Naxos	78.00	Notes: 1. Have received adverse opinions from the Authority in respect of our applications for construction permits for six wind parks included in this project; applications have been submitted to the Authority and the Ministry of Development 2. This project involves the construction of semi off-shore wind parks	
Mitoula (Evros) (first phase)	34.20	June 2006	Viotia	34.00	Kozani (1 wind park)	14.00	Andros	129.00		
Chonos (Crete)	4.50	February 2006	Argolida	18.00	Veroia (1 wind park)	36.00	Xanthi	46.00		
Perdikokorifi (Crete)	14.45	May 2006	Evia (2 wind parks)	20.40	Crete (27 wind parks)	954.00	Evros	255.00		
Louzes (Aitolokarnania)	24.00	October 2008	Rhodes	17.85	Aitolokarnania (2 wind parks)	48.00	Kilkis	48.00		
Skopia (Aitolokarnania)	12.50	November 2010	Total	192.25	Drama	40.00	Viotia	38.00		
Total	154.5				Total	1645.80	Off shore/Thrace sea	585.00		
							Off shore/Limnos/Ag. Efstratios	320.00		
							Dodekanisa	420.00		
							Other sites	300.00		
							Total	2.782		

Sites already secured for c. 4 GW of capacity

RES expansion Outside Greece

- ✓ POLAND: TERNA ENERGY is actively pursuing more than 100 MW in 3 sites which are in the licensing stage – first project (20 MW) is in operation and 2 more (36 MW) under construction
- ✓ BULGARIA: TERNA ENERGY is actively pursuing more than 200 MW in 12 promising sites where it has installed its own masts – first 2 projects (30 MW) under construction
- ✓ USA: TERNA ENERGY has secured licenses to construct 178 MW in the country – the target is for 500 MW in the coming years



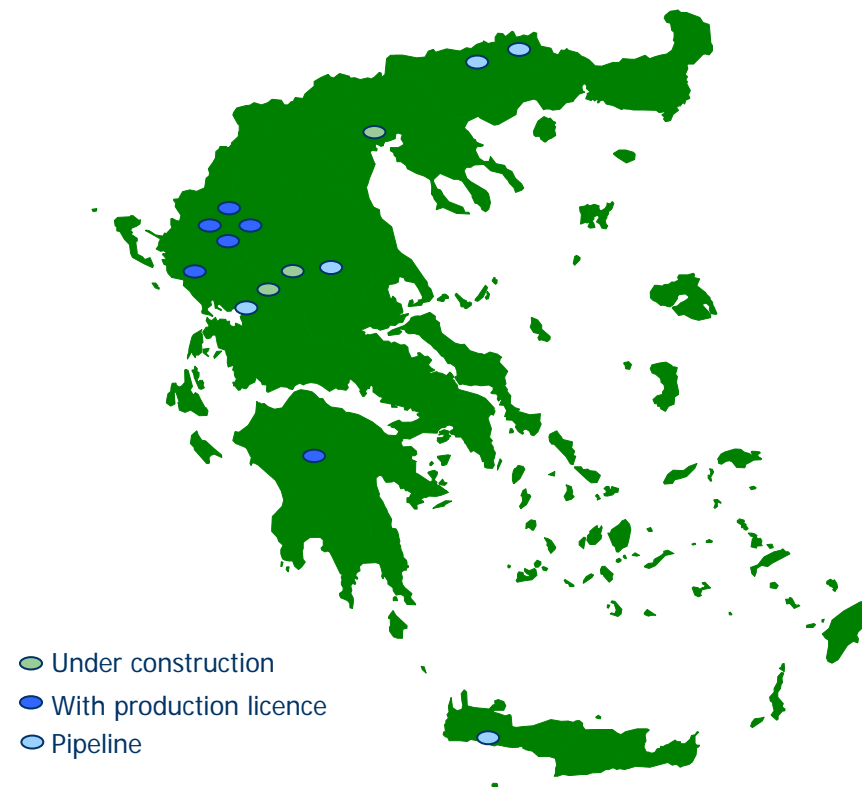
SECTION 3

Other RES technologies and pipeline

Hydro projects in Greece: overview

Substantial pipeline of hydro projects

- 220MW of total hydro capacity
 - 6.5 MW in operation
 - 8.5MW in construction
 - 112MW with production licence
 - 93MW with production licences applied for



Solar projects in Greece: overview

Technologically well-diversified portfolio with solar and biomass plants in advanced development phase ...

- 22MW of total solar capacity
 - 1MW under construction
 - applied for production licence for 21MW (8 plants)



Biomass projects in Greece: overview

Energy Production from Agricultural Biomass

- Expected gross power production exceeds 5-20 MW
- Completed technical conceptual design
- Preliminary collaboration agreement with technology provider
- Preliminary site selection for plant erection
- Negotiations of contracts to obtain raw material
- Initiated Basic and Detail engineering designs
- Initiated permitting activities



TERNA Energy – construction division overview

Profitable third party construction business in attractive niche markets with in-house RES construction capabilities

RES development

- Substantial track record and expertise in building infrastructure for RES facilities
- Deep in-house technical knowledge of construction of RES and human resources

Third party activities

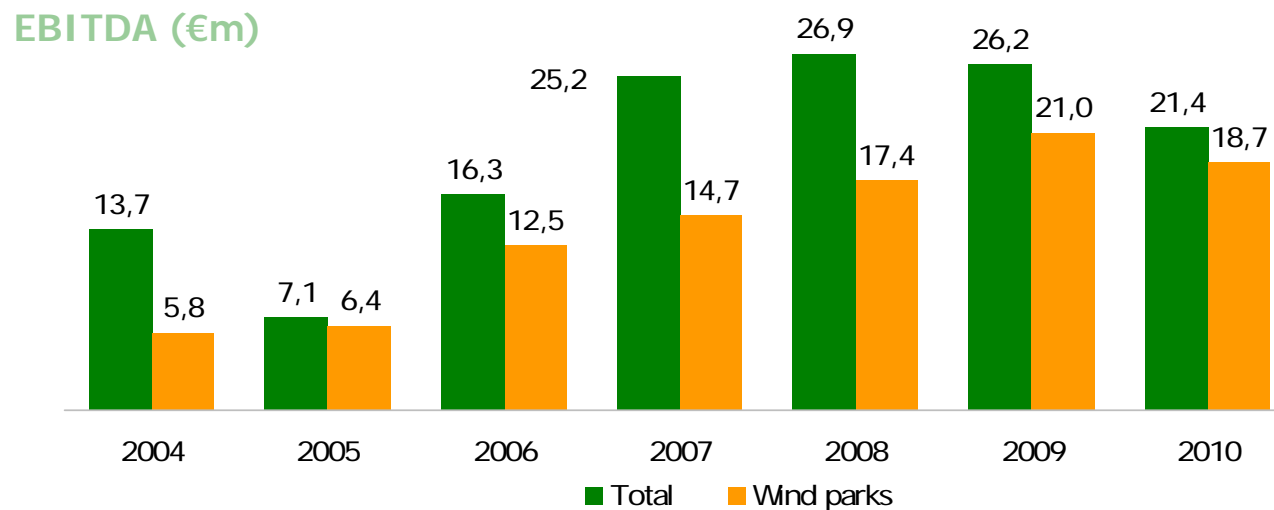
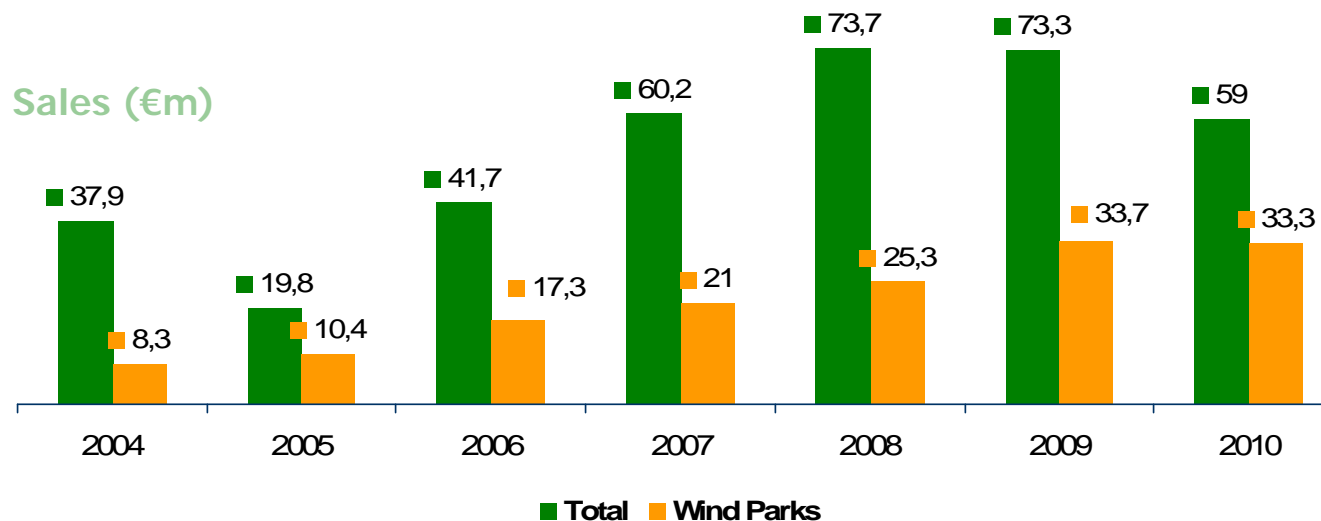
- Industry-leading expertise in the construction of electromechanical works, railway and energy projects
- 6th class construction certificate permitting participation in Government tenders up to €40m
- Competitive advantage through deep in-house knowledge and human resources
- Construction backlog stood at c. €63m as at 30/06/2010



SECTION 3

Financial overview

Historic financials



Capital structure and dividend policy

Funding of RES projects on the basis of
20% equity/80% debt

Dividend policy set by minimum legal
requirements in order to fund future growth



APPENDIX

Greek RES market overview

Renewable energy market momentum

Three factors drive renewable energy market momentum globally

Environmental awareness

- Public concern for “clean” energy sources steadily growing driven by rising environmental awareness

Regulatory framework

- Global-scale political support for the development of renewable energy sources
- Kyoto Protocol established the framework
- EU Renewable Energy Directive set targets for EU Member States to achieve by 2020
 - 20% of electricity to be produced from RES in the EU
- Growing concern for polluting gases encourages continuous research and development for more efficient RES technology

Technology

- Goal to refine and master existing renewable energy sources by developing new generation sources and technologies