



Company Presentation

Strategy

Targeting more than 750 MW installed or under construction/ready to build in Greece by end 2014

Diversify geographically in selected RES markets (mainly Eastern Europe) targeting 250-300 MW installed or under construction by end 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 GW by 2014**



1

Capital base strong enough to support fast profitable growth



2

Attractive regulatory framework with substantial RES support mechanisms



3

Technologically diversified portfolio with hydro, solar and biomass projects



4

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



5

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



SECTION 1

Overview and strategy

Portfolio

Diversified portfolio of RES projects

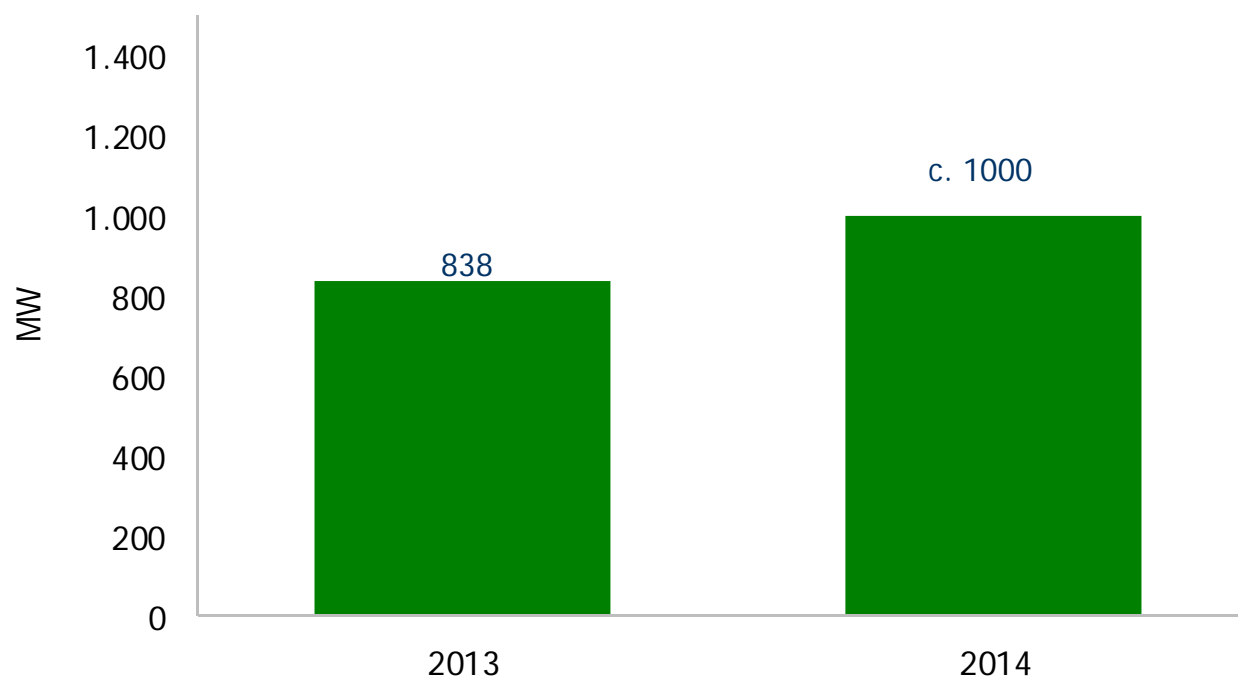
Expansion outside Greece

Status		Wind (MW)	SHPS & Pump Storage (MW)	P/V (MW)	Biomass & Co-generation (MW)
In operation	<i>Greece 302</i> <i>Poland 74</i> <i>Bulgaria 30</i> <i>USA 138</i>	520	15	8,5	
Under construction (or ready to built)	<i>Greece 282</i> <i>Poland 12</i>	292		2	
With production licence		1.630	748	18	
Application for production license filed		3.947	3.612	15	19

Wind projects: business plan roll-out

Current RES in operation or under construction or ready to build: 838 MW

Targeted installed or under construction capacity at year end



Load Factor

Average Load Factor at 27%

Load Factor	FY 2013	FY 2012
Terna Energy Wind excluding those at testing period	26,4%	27%
Terna Energy Including Mini Hydro and PV	27%	27,6 %

Key BS items

€ million	FY 2013	9M 2013
Net Debt	242.1	287.7
NET DEBT is impacted with c€181.4 million spent for the under construction or ready to build RES (c290 MW)		

Key CF items

€ million	FY 2013	FY 2012
Operating Cash Flow (before WC changes)	70.2	53.2

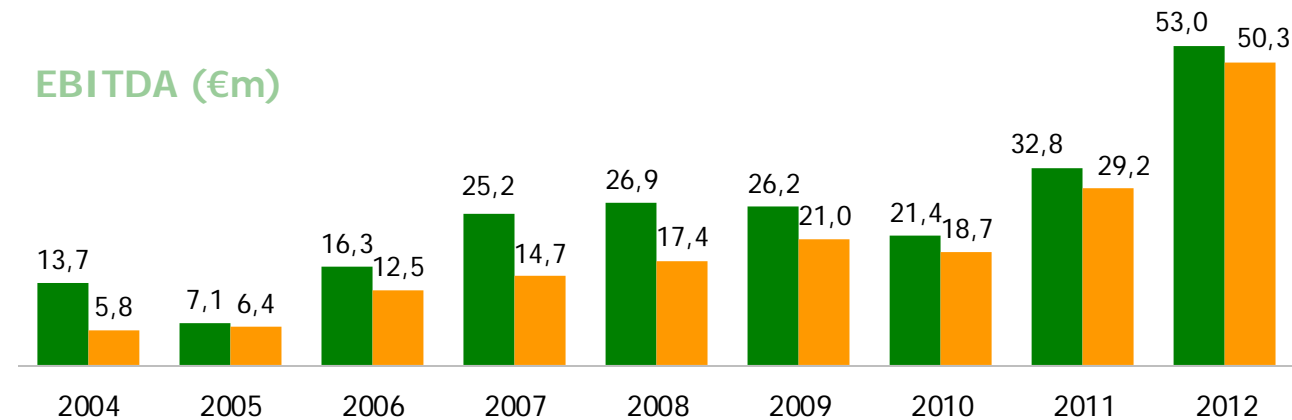
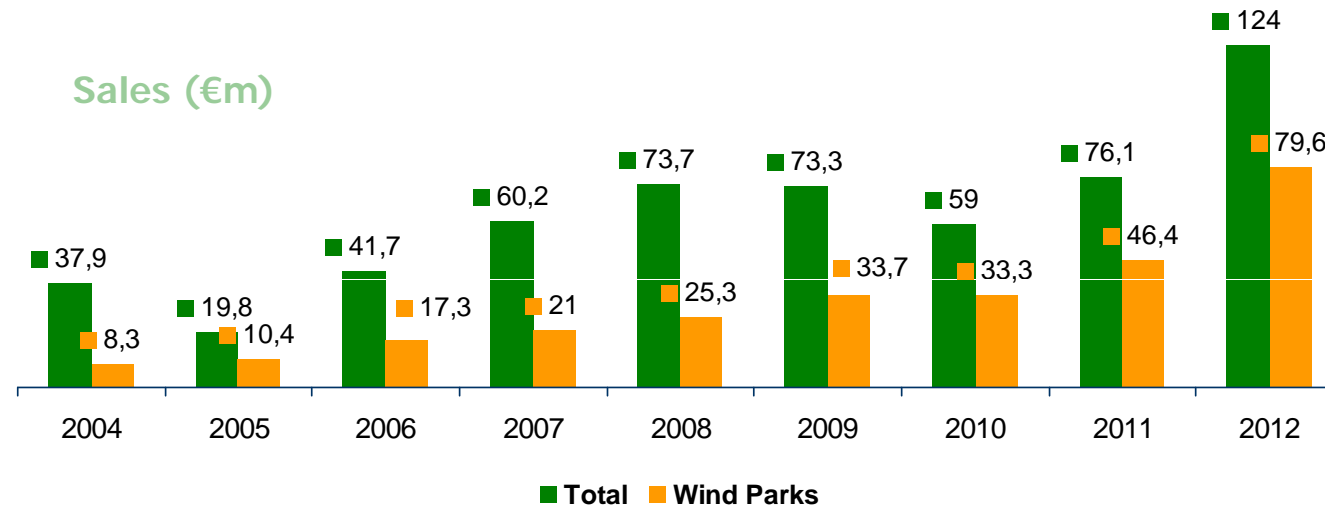
€ million	FY 2013	FY 2012
CAPEX	46.9	216.6
CAPEX will continue at a fast pace in 2014		



SECTION 2

Financial overview

Historic financials



Segments – Results

million €	SALES			EBITDA*			EBIT			NET INCOME bm		
Segments	FY 13	FY 12	Ch%	FY 13	FY 12	Ch%	FY 13	FY 12	Ch%	FY 13	FY 12	Ch%
Energy	105.7	79.6	+32.8	70.2	50.3	+39.4	36.1	32.3	+11.6	5.9	13.1	-55.4
Construction	33.9	44.4	-23.8	-0,3	2.7	-109.3	-0.4	2.5	-113.9	-1.5	1.3	-218.8
Total	139.6	124.0	+12.6	69.9	53.0	+31.9	35.7	34.9	+2.5	4.4	14.4	-69.8
* Ebitda adjusted for provision of one off charge of the Energy division (c6.5M)												

The company will propose a 0.09 euros/share capital return

Capital structure and dividend policy

Funding of RES projects on the basis of
25% equity/75% debt

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

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



APPENDIX

Financial Data

Profit & Loss

PROFIT & LOSS FY 2013		
	1/1 - 31/12	1/1 - 31/12
	2013	2012
Continuing Operations		
Net Sales	139,595	124,020
Cost of goods sold	(91,175)	(75,153)
Gross Profit	48,420	48,867
Administration Expenses	(12,831)	(13,741)
RnD Expenses	(2,489)	(2,459)
Other Income/expenses	2,199	2,211
Operating results	35,299	34,878
Net Financial Income/Expenses	(25,404)	(15,484)
Pre tax profit	9,895	19,394
Taxes	(5,540)	(4,963)
Net Profit from continuing operations	4,355	14,431
Other income recognized directly in Equity from:		
Foreign exchange differences from incorporation of foreign units	(851)	(240)
Actuarial Gain/Loss from Defined Benefit Plans	34	(81)
Cash Flow Hedge Gain/(Losses)	2,956	(7,311)
Capital Increase Expenses	(305)	(81)
Income tax recognized directly in Equity	48	670
Other income/expenses for the period net of income tax	1,882	(7,043)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	6,237	7,388
Net results attributed to:		
Shareholders of the parent from continued activities	4,101	14,220
Minority interest from continued activities	254	211
Total income attributed to:		
Shareholders of the parent from continued activities	5,983	7,177
Minority interest from continued activities	254	211
Earnings per share (in Euro)		
From continued activities attributed to shareholders of the parent	0,0376	0,1301
Average weighted number of shares	108,991,933	109,314,400

Balance Sheet

BALANCE SHEET – FY 2013		
	31.12.2013	31.12.2012
ASSETS		
Fixed assets	770,109	769,424
Investment Property	785	923
Intangible assets	28,524	29,589
Participations and other long-term financial assets	23,532	17,325
Inventories	4,027	3,303
Trade receivables	49,811	56,805
Other current assets	87,052	176,906
Cash & cash equivalents	124,630	126,778
TOTAL ASSETS	1,088,470	1,181,053
LIABILITIES AND EQUITY		
Share capital	32,794	32,796
Other equity	315,550	327,852
Total shareholders' equity	348,344	360,648
Minority interests	2,634	2,329
Total Equity	350,978	362,977
Long term bank debt	295,163	292,582
Provisions/ Other L/T Liabilities	317,636	337,125
Short term bank debt	71,658	129,883
Other S/T Liabilities	53,035	58,486
TOTAL LIABILITIES	737,492	818,076
TOTAL LIABILITIES AND EQUITY (a) + (b)	1,088,470	1,181,053

CASH FLOW

CASH FLOW STATEMENT – FY 2013		
	1/1-31/12/2013	1/1-31/12/2012
Operating activities		
Profit before tax	9,895	19,394
Plus/less adjustments for:		
Depreciation	36,337	23,917
Provisions	6,700	192
Interest and related income	(3,180)	(4,384)
Interest and related expenses	28,584	19,868
Gain/Loss from Investment Property Valuation	138	-
Amortization of grants	(8,726)	(4,840)
Other adjustments	447	(941)
Operating profit before changes in working capital	70,195	53,206
Plus/Less adjustments for working capital account movements or movements related to operating activities		
Decrease / (increase) in inventories	(723)	(1,676)
Decrease / (increase) in receivables	(15,668)	5,171
(Decrease) / increase in liabilities (other than to banks)	(4,002)	(21,248)
(Less):		
Taxes paid	(5,693)	(4,116)
Total inflows / (outflows) from operating activities (a)	44,109	31,337
Investing activities		
Purchases of tangible & intangible assets	(35,959)	(220,248)
Interest received	2,579	4,803
Investments in Associates	-	-
Collection of grants	91,067	30,458
Net change in provided loans	3,948	(880)
(Purchases)/sales of participations and securities	(1,901)	-
Total inflows / (outflows) from investing activities (b)	59,734	(185,867)
Financing activities		
Proceeds/(Outflows) from share capital Decrease/(Increase)	(9,375)	(4,763)
Purchases of treasury shares	(8,902)	(2,130)
Net change in long-term loans	5,549	102,360
Net change in short-term loans	(57,361)	(3,164)
Interest and related expenses paid	(23,317)	(22,431)
Dividends paid	-	(6,680)
Financial assets/liabilities	(12,239)	50,827
Total inflows / (outflows) from financing activities (c)	(105,645)	114,019
Effect of FX differences on cash equivalents (d)	(346)	(503)
Net increase / (decrease) in cash and cash equivalents for the period (a) + (b) + (c) +(d)	(2,148)	(41,014)
Cash and cash equivalents at the beginning of the period	126,778	167,792
Cash and cash equivalents at the end of the period	124,630	126,778