



Company Presentation

Renewables – strategy

Become a diversified renewable energy producer targeting 1 GW installed

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 or ready to build of c. **1 GW**



1

Capital base strong enough to support fast profitable growth



2

Attractive regulatory framework with substantial RES support mechanisms



3

Highly visible and high quality wind pipeline targeting capacity increase to c. 1 GW



4

Technologically diversified portfolio with hydro, solar and biomass projects



5

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



6

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

A solid green vertical bar is positioned on the left side of the slide.

SECTION 1

Overview and strategy

Portfolio

Diversified portfolio of RES projects

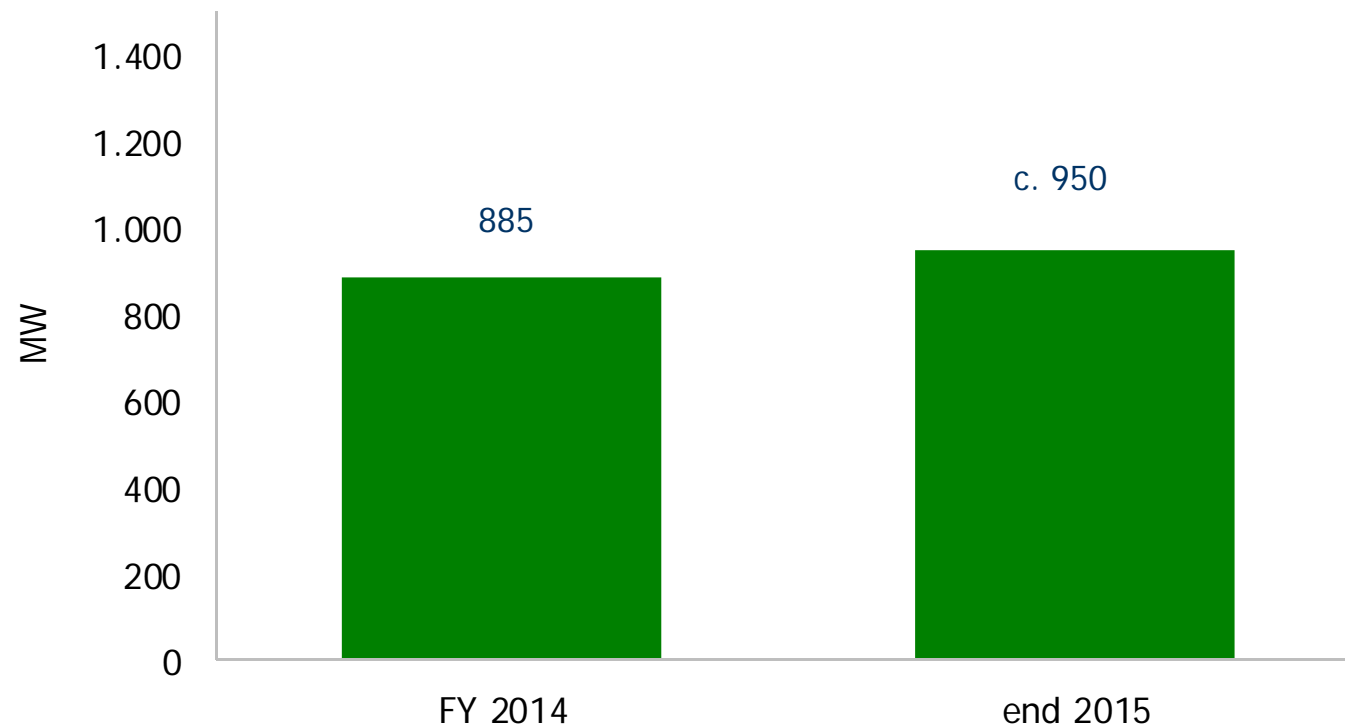
Expansion outside Greece

Status		Wind (MW)	SHPS & Pump Storage (MW)	P/V (MW)	Biomass & Co-generation (MW)
In operation	<i>Greece 386</i> <i>Poland 86</i> <i>Bulgaria 30</i> <i>USA 138</i>	614	18	8.5	
Under construction (or ready to built)	<i>Greece 228</i> <i>Poland 16</i>	244			
With production licence		1.638	761	18	
Application for production license filed		3.263	3.444	15	19

Wind projects: business plan roll-out

Current RES in operation/under construction or ready to build: 885 MW

Targeted installed/under construction or ready to build capacity at year end



Load Factor

Average Load Factor at 25.9%

Load Factor	FY 2014	FY 2013
Terna Energy Wind excluding those at testing period	25.4%	26.4%
Terna Energy Including Mini Hydro and PV	25.9%	27%

Key BS items

€ million	FY 2014	9M 2014
Net Debt	254.5	269.9
NET DEBT is impacted with c€30 million spent for the under construction or ready to build RES (c244 MW)		

Key CF items

€ million	FY 2014	FY 2013
Operating Cash Flow (after WC changes)	59.3	44.1

€ million	FY 2014	FY 2013
CAPEX	56.4	46.9
CAPEX will continue at a fast pace in the rest of the year		

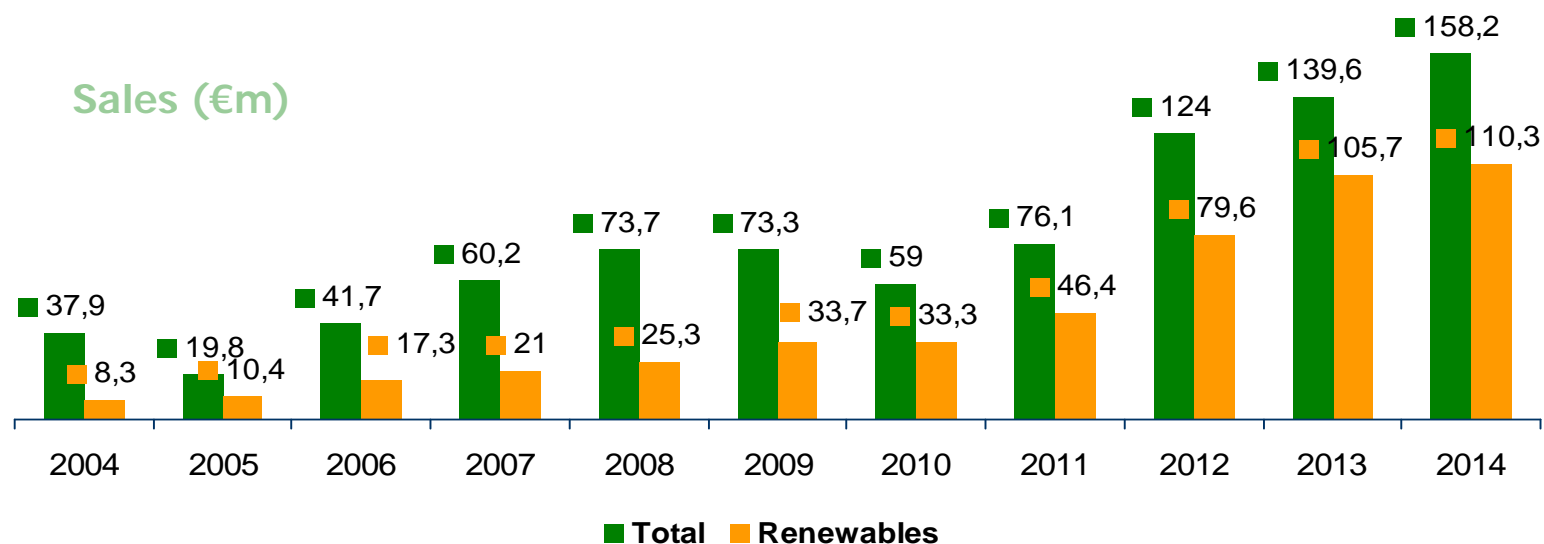


SECTION 2

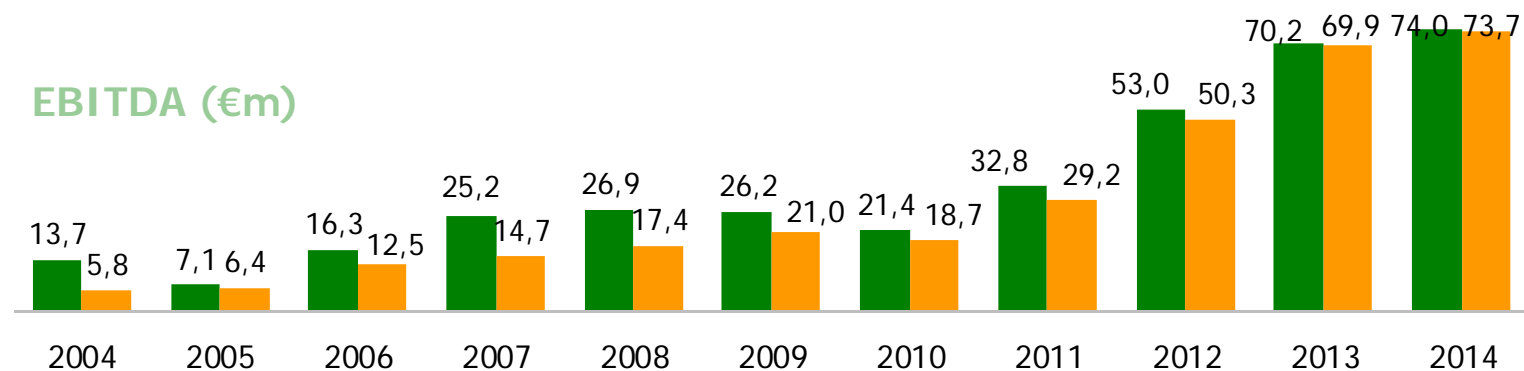
Financial overview

Historic financials

Sales (€m)



EBITDA (€m)



Segments – Results

million €	SALES			EBITDA			EBIT			NET INCOME bm		
Segments	FY 14	FY 13	Ch%	FY 14	FY 13	Ch%	FY 14	FY 13	Ch%	FY 14	FY 13	Ch%
Energy from RES	110.4	105.7	+4.4	73.7	63.6	15.9	41.6	36.1	15.3	8.1	5.9	38.5
Construction	35.5	33.9	+3.5	0.3	-0.3	+200.0	0.2	-0.3	+152.8	-2.3	-1.5	-50.0
Electric Energy Trading	12.4	0.0	n/a	0.0	0.0	n/a	0.0	0.0	n/a	0.0	0.0	n/a
Total	158.3	139.6	13.4	74.1	63.4	16.9	41.8	35.8	17.0	5.9	4.4	34.3

Strategy

Targeting more than 950 MW installed or under construction/ready to build in 2015

Critical mass of c1.000 MW will enable the company to exploit further new investment opportunities



APPENDIX

Financial Data

Profit & Loss

PROFIT & LOSS FY 2014		
	1/1 - 31/12	1/1 - 31/12
	2014	2013
Continuing Operations		
Net Sales	158,251	139,595
Cost of goods sold	(108,553)	(91,175)
Gross Profit	49,698	48,420
Administration Expenses	(13,447)	(12,831)
RnD Expenses	(2,016)	(2,489)
Other Income/expenses	9,277	2,199
Operating results	43,512	35,299
Net Financial Income/Expenses	(31,340)	(25,404)
Pre tax profit	12,172	9,895
Taxes	(6,325)	(5,540)
Net Profit from continuing operations	5,847	4,355
Other income recognized directly in Equity from:		
Foreign exchange differences from incorporation of foreign units	(644)	(851)
Actuarial Gain/Loss from Defined Benefit Plans	125	34
Cash Flow Hedge Gain/(Losses)	(4,072)	2,956
Capital Increase Expenses	(121)	(305)
Income tax recognized directly in Equity	702	48
Other income/expenses for the period net of income tax	(4,010)	1,882
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	1,837	6,237
Net results attributed to:		
Shareholders of the parent from continued activities	5,551	4,101
Minority interest from continued activities	296	254
Total income attributed to:		
Shareholders of the parent from continued activities	1,541	5,983
Minority interest from continued activities	296	254
Earnings per share (in Euro)		
From continued activities attributed to shareholders of the parent	0.0512	0.0376
Average weighted number of shares	108,447,509	108,991,933

Balance Sheet

BALANCE SHEET – FY 2014		
	31/12/2014	31/12/2013
<u>ASSETS</u>		
Fixed assets	806,873	770,109
Investment Property	575	785
Intangible assets	30,091	28,524
Participations and other long-term financial assets	23,594	23,532
Inventories	2,464	4,027
Trade receivables	56,399	49,811
Other current assets	51,475	87,052
Cash & cash equivalents	168,803	124,630
TOTAL ASSETS	1,140,274	1,088,470
<u>LIABILITIES AND EQUITY</u>		
Share capital	32,794	32,794
Other equity	302,405	315,550
Total shareholders' equity	335,199	348,344
Minority interests	3,046	2,634
Total Equity	338,245	350,978
Long term bank debt	324,947	295,163
Provisions/ Other L/T Liabilities	325,028	317,636
Short term bank debt	98,396	71,658
Other S/T Liabilities	53,658	53,035
TOTAL LIABILITIES	802,029	737,492
TOTAL LIABILITIES AND EQUITY (a) + (b)	1,140,274	1,088,470

CASH FLOW

CASH FLOW STATEMENT – FY 2014		
	1/1-31/12/2014	1/1-31/12/2013
Operating activities		
Profit before tax	12,172	9,895
Plus/less adjustments for:		
Depreciation	41,240	36,337
Provisions	512	6,700
Interest and related income	(1,969)	(3,180)
Interest and related expenses	33,309	28,584
Gain/Loss from Investment Property Valuation	210	138
Amortization of grants	(8,987)	(8,726)
Other adjustments	(1,695)	447
Operating profit before changes in working capital	74,792	70,195
Plus/Less adjustments for working capital account movements or related to operating activities		
Decrease / (increase) in inventories	1,564	(723)
Decrease / (increase) in receivables	(18,207)	(15,668)
(Decrease) / increase in liabilities (other than to banks)	8,198	(4,002)
(Less):		
Taxes paid	(7,054)	(5,693)
Total inflows / (outflows) from operating activities (a)	59,293	44,109
Investing activities		
Purchases of tangible & intangible assets	(58,130)	(35,959)
Interest received	2,365	2,579
Investments in Associates	-	-
Collection of grants	44,306	91,067
Net change in provided loans	6,862	3,948
(Purchases)/sales of participations and securities	15	(1,901)
Total inflows / (outflows) from investing activities (b)	(4,582)	59,734
Financing activities		
Proceeds/(Outflows) from share capital Decrease/(Increase)	(11,661)	(9,375)
Purchases of treasury shares	(4,903)	(8,902)
Net change in long-term loans	1,336	5,549
Net change in short-term loans	29,966	(57,361)
Interest and related expenses paid	(23,800)	(23,317)
Financial assets/liabilities	(1,340)	(12,239)
Total inflows / (outflows) from financing activities (c)	(10,402)	(105,645)
Effect of FX differences on cash equivalents (d)	(136)	(346)
Net increase / (decrease) in cash and cash equivalents for the period (a) + (b) + (c) +(d)	44,173	(2,148)
Cash and cash equivalents at the beginning of the period	124,630	126,778
Cash and cash equivalents at the end of the period	168,803	124,630