

GEK TERNA
GROUP OF COMPANIES

9M 2013 Results
GEK TERNA

Highlights

Sales	Ch%	EBITDA adj*	Ch%	PBT	Ch%	Net Income	Ch%
520.8	+8.3	92.5	+4.4	-42	n/a	-51.7	n/a
*adjusted for non cash items							

Developments



Good performance of the Energy division – 52.6m EBITDA in 9M 2013 from Renewables and 20.2 m from Thermal Energy compared to 38.7 and 17.2 respectively in 9M 2012



Significant non cash items in construction (c31m) burden net profit



Total installed, under construction or ready to build RES capacity: 798 MW



Construction backlog boosted by signing c1.4 billion energy EPC project (Ptolemais) – currently stands at c3 billion

Segments – Results

million €	SALES			EBITDA			EBIT			NET INCOME bm		
	9M 13	9M 12	Ch%	9M 13	9M 12	Ch%	9M 13	9M 12	Ch%	9M 13	9M 12	Ch%
Segments												
Construction	322.3	315.1	2.3%	13.9	26	-46.5%	0.5	7.8	-93.6%	-43.4	-6.5	567.7%
Renewables	78.4	55.2	42.0%	52.6	38.8	35.6%	30.8	25.7	19.8%	10.6	11.8	-10.2%
Thermal Energy	99.5	69.3	43.6%	20.2	17.3	16.8%	13.4	10.4	28.8%	6.2	4	55.0%
Real Estate	2	2.1	-4.8%	-0.6	-0.4	50.0%	-3.9	-3.8	2.6%	-8.9	-6.6	34.8%
Concessions	17.4	18.3	-4.9%	9.5	9.9	-4.0%	0.7	1	-30.0%	-5.1	-1.6	218.8%
Industrial	0.2	0.8	-75.0%	-1.5	-1.2	25.0%	-2.6	-2.5	4.0%	-3.6	-2.6	38.5%
Holding	1	20.1	n/a	-1.6	-1.8	-11.1%	-1.6	4.2	-138.1%	-3.1	1	-410.0%
Total	520.8	480.9	8.3%	92.5	88.6	4.4%	37.3	42.8	-12.9%	-47.3	-0.5	n/a

n/a = non applicable

Concessions

Agreements with involved parties (State, Banks, Concessionaires) for the restart of construction of the 3 motorways finalised

Construction

Backlog boosted by new orders - currently at c3 billion

Recently signed 1.4 billion energy EPC project for Public Power Corporation (lignite fired plant - Ptolemais) in Greece

The restart of the motorways will signal the undertake of the construction of the motorways by TERNA – more than c0.9 billion construction backlog will be added

Thermal Energy

Thermal Energy division generated 20.2 million EBITDA
in 9M 2013

25% of HERON 2 was agreed to be sold to Qatar Petroleum
for a c58 m USD cash consideration - GEK TERNA now owns
25% in HERON 2 (435 MW) and 50% in HERON 1 – The
cash from the sale will be collected in Q1 14

Renewables

Installed capacity increases – 508 MW currently installed

New installations are expected till end H1 14 – c140 MW

Real Estate

Low leverage – 224 million gross value of assets – 80.8 million of Net Financial Debt

No new investments in the sector

Strategy

**New investments are focusing in Renewable Energy -
1.000 MW -in total- installed in the coming years**

New EPC energy projects to enhance construction profitability

Investment in Magnesite mine will support growth

Restart of Concessions to support growth in Construction and Concessions

Key consolidated BS items – Net Bank Debt

NET DEBT	9M 2013	H1 2013
Construction	170.4	152.2
Renewables	290.6	275.8
Thermal	51.8	58.5
Real Estate	80.8	82.1
Industrial	4.5	8.1
Concessions	95.9	97.2
Holding	27.7	30.00
Total	722	703.9
<p>Net Debt increased by c18 million in Q3 mostly due to CAPEX</p>		

Key consolidated CF items

€ million	9M 2013	9M 2012
Operating Cash Flow (before WC changes)	94	85
Operating cash flow aided by Energy Operations		

€ million	9M 2013	9M 2012
CAPEX	53.3	191.5
CAPEX is currently slow but expected to accelerate in H1 2014		

APPENDIX

Financial Data

Amounts in '000 euros

Balance Sheet

BALANCE SHEET 9M 2013			
	30.09.2013		31.12.2012
<u>ASSETS</u>			
Fixed assets	983,397		1,008,244
Investment property	80,995		81,589
Intangible assets	334,483		335,341
Participations and other long-term financial assets	95,630		96,404
Inventories	121,293		122,523
Trade receivables	272,212		315,183
Other current assets	436,619		487,395
Cash & cash equivalents	204,089		251,453
Non current assets available for sale	0		0
TOTAL ASSETS	2,528,718		2,698,132
<u>EQUITY AND LIABILITIES</u>			
Share capital	48,953		48,953
Other equity	325,791		340,156
Total shareholders' equity	374,744		389,109
Non-controlling interests	187,399		187,972
Total Equity	562,143		577,081
Long term bank debt	531,267		487,076
Provisions/ Other L/T Liabilities	645,253		676,631
Short term bank debt	394,828		455,909
Other S/T Liabilities	395,227		501,435
Liabilities of non current assets available for sale	0		0
TOTAL LIABILITIES	1,966,575		2,121,051
TOTAL EQUITY AND LIABILITIES	2,528,718		2,698,132

Profit & Loss

PROFIT & LOSS 9M 2013		
	1/1 - 30/09 2013	1/1 - 30/09 2012
Continuing Operations		
Net Sales	520,897	480,942
Cost of goods sold	-458,270	-418,510
Gross Profit	62,627	62,432
Administration Expenses	-25,166	-26,440
RnD Expenses	-2,015	-1,756
Other Income/expenses	-31,179	8,657
Operating results	4,267	42,893
Net Financial Income/Expenses	-43,486	-41,473
Income from investments	-312	382
Results from the valuation/disposal of investments	-1,891	-13
Associates results under equity method	-585	-399
Pre tax profit	-42,007	1,390
Taxes	-5,253	-1,932
Net Profit from continuing operations	-47,260	-542
Other Comprehensive income from:		
Evaluation of financial assets available for sale	-296	9
Evaluation of cash flow hedging contracts	40,192	-34,884
Foreign exchange differences from incorporation of foreign units	-12	1,459
Other income/expenses for the period net of income tax	-341	-91
Income tax on other comprehensive income	-80	6,043
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-7,797	-28,006
Net results attributed to:		
Shareholders of the parent from continued activities	-51,754	-5,821
Minority interest from continued activities	4,494	5,279
Total income attributed to:		
Shareholders of the parent from continued activities	-13,433	-30,684
Minority interest from continued activities	5,636	2,678
Earnings per share (in Euro)		
From continued activities attributed to shareholders of the parent	-0,61355	-0,06896
Average weighted number of shares	84,352,190	84,352,190

CASH FLOW

STATEMENT OF CASH FLOWS 9M 2013		
	1/1 – 30/09/2013	1/1-31/09/2012
Operating activities		
Profit before tax	-42,007	1,390
Plus/less adjustments for:		
Depreciation	52,499	45,851
Provisions	6,337	6,896
Interest income and related income	-4,144	-5,175
Interest expenses and related expenses	47,630	46,648
Amortization of grants	-5,622	-3,650
Other adjustments	39,332	-6,882
Operating profit before changes in working capital	94,025	85,075
Decrease / (increase) in inventories	-316	-1,195
Decrease / (increase) in receivables	-29,893	24,683
(Decrease) / increase in liabilities (other than to banks)	-3,580	16,653
Taxes paid	-7,810	-9,848
Inflows/outflows of non continuing operating activities	0	0
Total inflows / (outflows) from operating activities (a)	52,427	115,370
Purchases of tangible & intangible assets	-34,861	-200,014
Interest received	4,599	4,511
(Purchases)/sales of participations and securities	0	0
Other adjustments	16,854	-35
Inflows / outflows of non continuing investing activities	0	0
Total inflows / (outflows) from investing activities (b)	-13,408	-195,537
Financial activities		
(Payments) / Receipts of Increases / Decreases of subsidiaries' share capital	-5,212	-2,864
Purchases of treasury shares	-544	-1,950
Net change in long-term loans	4,826	118,279
Net change in short-term loans	-7,873	-59,775
Leasing payments	-8,108	-8,792
Interest and related expenses paid	-45,565	-49,158
Dividends paid	0	-3,571
Payments for financial instruments	-12,212	0
Other adjustments related to the financial elements of assets	-11,305	1,666
Total inflows / (outflows) from financing activities (c)	-85,993	-6,165
Effect of FX differences on cash equivalents	-390	216
Net increase / (decrease) in cash and cash equivalents for the period (a) + (b) + (c)	-47,364	-86,117
Cash and cash equivalents at the beginning of the period	251,453	327,414
Cash and cash equivalents at the end of the period	204,089	241,298