

GEK TERNA
GROUP OF COMPANIES

FY 2014 Results
GEK TERNA

Highlights

Sales	Ch%	EBITDA adj*	Ch%	PBT	Ch%	Net Income	Ch%
923.9	+53.2	103.9	+15	-54.8	+27.9	-54.8	+27.9

*adjusted for non cash items, n/a= non applicable

Developments



Net financial debt now stands at 380m vs 404m in the previous quarter – a decrease driven by improvement in working capital



Total installed, under construction or ready to build RES capacity: 885 MW



Construction backlog remains at high level (c3.3 billion)



Operating cash flow after WC changes at 242.1m

Segments – Results

million €	SALES			EBITDA			EBIT			NET INCOME bm		
	FY 14	FY 13	Ch%	FY 14	FY 13	Ch%	FY 14	FY 13	Ch%	FY 14	FY 13	Ch%
Segments												
Construction	793.5	491.3	61.5	35.9	24.9	44.5	3.9	4.8	-17.9	-38.9	-61.9	37.2
Renewables	110.3	105.7	4.36	74.2	70.7	5.0	41.7	36.6	14.2	8.2	6.6	24.6
Thermal Energy	12.4	0	N/A	-0.3	-0.4	1.89	-0.4	-0.4	0	4.8	10.6	-54.7
Real Estate	3.6	3.2	11.2	-0.7	-1,0	29.88	-14.5	-12.5	-15.4	-29.8	-44.5	33.0
Concessions	0.7	0.7	0	-2.3	-0.7	-218.4	-2.6	-0.9	-183.9	1.2	11.9	-90.1
Industrial	1.9	0.6	229.4	-2.2	-1.5	-45.86	-3.9	-2.6	-48.14	-5.0	-4.1	-21.3
Holding	1.5	1.4	10.79	-0.6	-1.4	56.9	-0.6	-1.5	55.85	0.6	-2.9	120.7
Total	923.9	602.9	53.2	103.9	90.5	14.8	23.6	23.3	1.1	-59.1	-84.4	30

n/a = non applicable

Segments - Highlights

Concessions

Motorways fully restarted

Construction

Backlog remains at high level- currently at c3.3 billion

Real Estate

The activity remains weak

Segments - Highlights

Thermal Energy

Good performance of the plants – commercial trading activity of HERON 1 enhanced

Renewable Energy

Growth continues – 132 MW installed in 2015

Mining

Magnesite mine in operation

Strategy

In Renewables, 1.000 MW totally installed in the coming years

Construction cash flow will support investments of the Group

Magnesite mine will enhance growth in the future – a new stable activity which further improves risk profile of the Group

Key consolidated BS items – Net Financial Debt

NET DEBT	FY 2014	9M 2014
Construction	-30.7	-29.6
Renewables	257.2	272.2
Thermal	-0.7	-3.2
Real Estate	80.8	83.3
Industrial	21.4	17.8
Concessions	41.5	40.6
Holding	13.2	22.9
Total	382.8	404.1
<p>Net Financial Debt decreased by c22 million in FY 2014 against 9M 2014</p>		

Key consolidated CF items

€ million	FY 2014	FY 2013
Operating Cash Flow (after WC changes)	242.2	159.2
Operating cash flow aided by WC management		

€ million	FY 2014	FY 2013
CAPEX	111.0	55.0
CAPEX expected to accelerate in 2015 mostly due to Renewables', Magnesite and Concessions' investments		

APPENDIX

Financial Data

Amounts in '000 euros

Balance Sheet

BALANCE SHEET – FY 2014			
	31.12.2014		31.12.2013
<u>ASSETS</u>			
Fixed assets	936,460		868,838
Real estate investments	61,214		73,599
Intangible assets	116,817		127,235
Participations and other long-term financial assets	214,372		182,464
Inventories	75,718		89,235
Trade receivables	228,661		239,218
Other current assets	370,104		391,388
Cash & cash equivalents	352,739		326,608
Non current assets available for sale	24,828		18,444
TOTAL ASSETS	2,380,913		2,317,029
<u>EQUITY AND LIABILITIES</u>			
Share capital	53,844		53,844
Other equity	310,169		391,019
Total shareholders' equity	364,013		444,863
Minority interests	201,938		195,195
Total Equity	565,951		640,058
Long term bank debt	476,182		523,423
Provisions/ Other L/T Liabilities	545,821		431,920
Short term bank debt	256,222		259,878
Other S/T Liabilities	536,737		461,750
Liabilities of non current assets available for sale	0		0
TOTAL LIABILITIES	1,814,962		1,676,971
TOTAL EQUITY AND LIABILITIES	2,380,913		2,317,029

Profit & Loss

PROFIT & LOSS FY 2014		
	1/1 - 31/12	1/1 - 31/12
	2014	2013
Continuing Operations		
Net Sales	923,894	602,877
Cost of goods sold	-861,203	-543,185
Gross Profit	62,691	59,692
Administration Expenses	-34,984	-30,283
RnD Expenses	-2,524	-2,586
Other Income/expenses	-39,101	-73,041
Operating results	12,367	23,816
Net Financial Income/Expenses	-53,272	-53,668
Pre tax profit	-54,823	-76,068
Taxes	-4,240	-8,301
Net Profit from continuing operations	-59,063	-84,369
Other income recognized directly in Equity from:		
Profit /Loss from the evaluation of financial assets available for sale	-2,352	391
Profits to the part of the joint venture's other comprehensive incomes	-2,262	4,645
Profits to the part of the associate's other comprehensive incomes	0	0
Profit/Loss from evaluation of cash flow hedging contracts	-4,071	2,956
Profit/Loss from Foreign exchange differences from foreign operations	-6,195	570
Other comprehensive income	-2,521	453
Expenses of share capital increase	-219	-1,298
Tax which corresponds to the above results	1,858	-367
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-74,825	-77,019
Net results attributed to:		
Shareholders of the parent from continued activities	-61,261	-85,984
Minority interest from continued activities	2,198	1,615
Total income attributed to:		
Shareholders of the parent from continued activities	-74,738	-76,609
Minority interest from continued activities	-87	2,590
Earnings per share (in Euro)	-0.65967	1.01229

CASH FLOW

CASH FLOW STATEMENT – FY 2014		
	1/1-31/12/2014	1/1-31//2013
Operating activities		
Profit before tax	-54,823	-76,068
Plus/less adjustments for:		
Depreciation	73,435	56,758
Provisions	13,537	1,916
Interest income and related income	-7,093	-4,710
Interest expenses and related expenses	60,366	58,378
Amortization of grants	-9,039	-8,763
Other adjustments	18,932	65,673
Operating profit before changes in working capital	95,315	93,184
Plus/Less adjustments for working capital account movements or movements related to operating activities:		
Decrease / (increase) in inventories	741	4,510
Decrease / (increase) in receivables	30,502	30,113
(Decrease) / increase in liabilities (other than to banks)	131,856	44,186
(Less):		
Taxes paid	-16,256	-12,800
Inflows/outflows of non continuing operating activities	0	0
Total inflows / (outflows) from operating activities (a)	242,158	159,193
Investing activities		
Purchases of tangible, intangible assets & investment properties	-85,604	-43,033
Interest received	1,955	2,220
(Purchases)/sales of participations and securities	912	-23,274
Other adjustments	0	48,981
Inflows / outflows of non continuing investing activities	0	0
Total inflows / (outflows) from investing activities (b)	-82,737	-22,638
Financing activities		
Share capital's refund of the subsidiaries to the shareholders	-7,164	-4,772
Purchases of treasury shares	-192	-602
Net change in short-term loans	-26,337	-2,009
Net change in long-term loans	-41,268	15,054
Leasing payments	-10,811	-10,106
Interest and related expenses paid	-53,051	-54,332
Dividends paid	0	0
Other adjustments	4,652	19,512
Total inflows / (outflows) from financing activities (c)	-134,171	-37,255
Effect of FX differences on cash equivalents (d)	881	-626
Net increase / (decrease) in cash and cash equivalents for the period (a) + (b) + (c) + (d)	26,131	98,674
Cash and cash equivalents at the beginning of the period	326,608	227,934
Cash and cash equivalents at the end of the period	352,739	326,608