



FY 2017 Results

TERNA ENERGY

Highlights

Sales	Ch%	EBITDA	Ch%	PBT	Ch%	Net Income a.m.	Ch%
276.5	+22.6	147.6	+27.4	57.0	+57.1	37.1	+79.6

Developments

- ➔ Current installed capacity: 986 MW - Total installed, under construction or ready to build capacity: 1166 MW
- ➔ Stable Wind Load Factor (LF) at 28.9% in FY 2017 vs 28.7% in FY 2016
- ➔ New 158 MW (US) plus 21 MW (Greece) started construction
- ➔ c25m cash return proposed by BoD – a total of c30m cash distribution within 2018

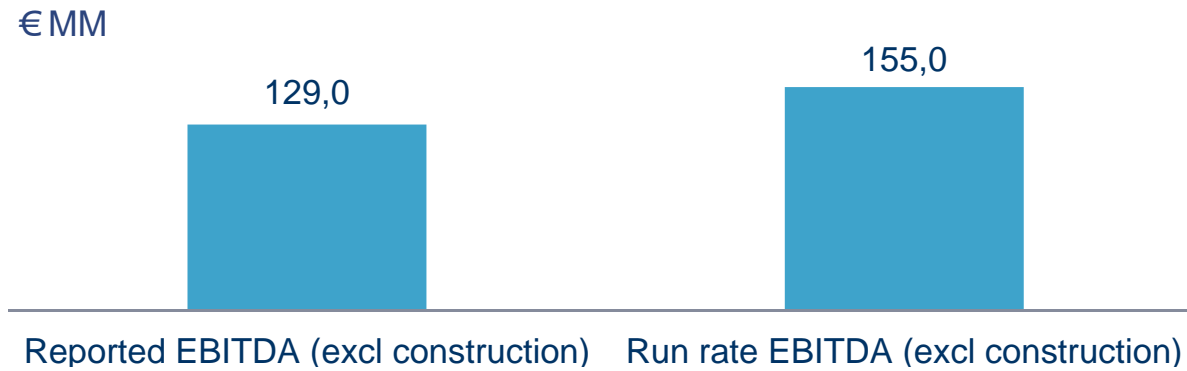
Segments – Results

million €	SALES			EBITDA			EBIT			NET INCOME bm		
	FY 17	FY 16	Ch%	FY 17	FY 16	Ch%	FY 17	FY 16	Ch%	FY 17	FY 16	Ch%
Segments												
Energy from RES	173.0	151.1	14.5	126.0	108.9	15.7	87.9	66.6	32.0	22.8	18.0	26.7
Construction	38.7	30.3	27.7	18.5	6.4	189.1	18.4	6.2	196.8	12.2	3.4	258.8
Electric Energy Trading	13.6	31.5	-56.8	1.0	0.4	150.0	1.0	0.4	150.0	0.7	0.3	133.3
Concessions (e-ticket)	51.1	12.7	302.4	2.1	0.0	n/a	2.1	0.0	n/a	1.3	-0.3	533.3
Total	276.5	225.6	22.6	147.6	115.8	27.4	109.3	73.3	49.1	37.1	21.4	73.6

Run – rate EBITDA

Run Rate EBITDA

Run rate EBITDA at c155m – including Fluvana 1 (US) and Vermio project (Greece) which were commissioned end 2017



Load Factor

Average Load Factor at 28.9%

Load Factor	FY 2017	FY 2016
Terna Energy Wind excluding those at testing period	28.2%	28.8%
Terna Energy Total Including Mini Hydro and PV	28.9%	28.7%

Key BS items

€ million	FY 2017	9M 2017
Net Debt	563.8	636

Net debt decreased in Q4 by 72m due to tax equity deal in Fluvana 1

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 561</i>	959	18	8.5	1
	<i>Poland 102</i>				
	<i>Bulgaria 30</i>				
	<i>USA 293</i>				
Under construction (or ready to built)		177			2.4
	<i>Greece 21</i> <i>USA 158</i>				
With production licence		1.605	761	18	
Application for production license filed		3.263	3.444	15	19

Portfolio

An Attractive and Value Creating Growth Story

Pipeline

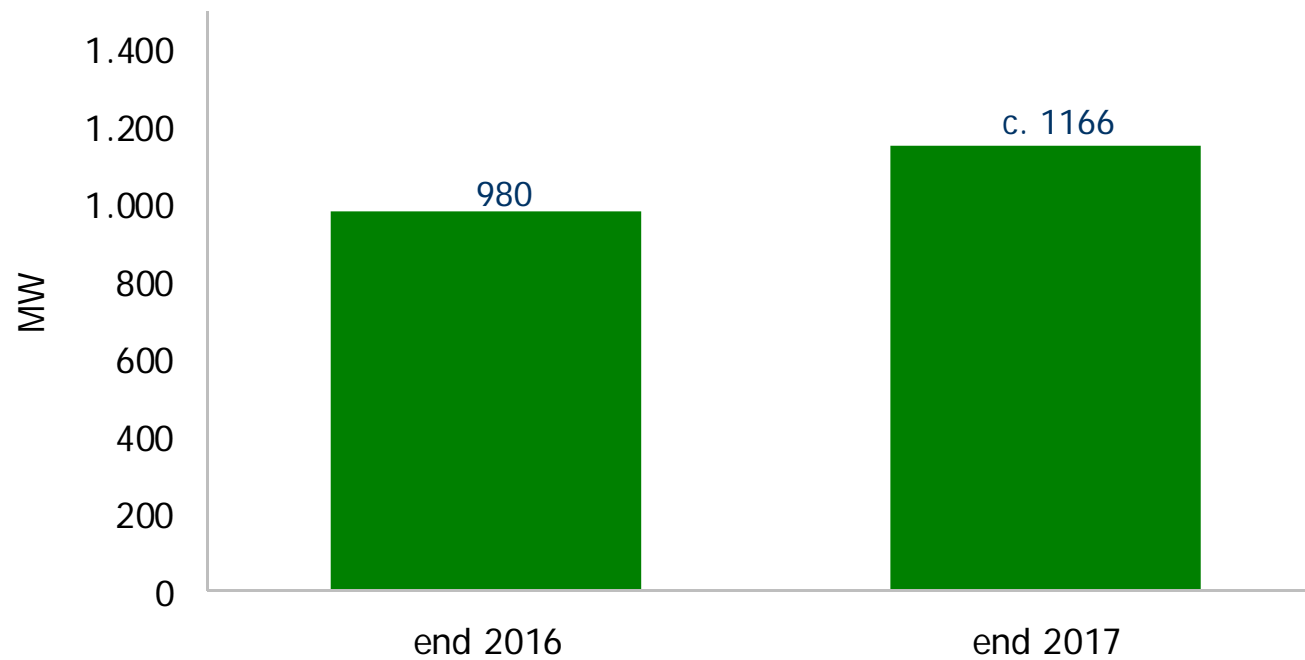
€MM, unless otherwise stated

Project	Type	Capacity (MW)	Project Cost* €MM	Cash Grant/Tax Equity €MM	Project Finance Debt €MM	Equity / Cash €MM	COD
UNDER CONSTRUCTION		178 MW					
Fluvanna 2 (USA)*	Wind	158 MW	210	125	50	33	H2-2018
Servouni	Wind	19 MW	20	-	13	7	2019
Epirus Waste Management	Waste	1.5 MW	42	20	15	7	2019
PRE-CONSTRUCTION PROJECTS		62.4 MW					
Peloponnese Waste Management	Waste	2.4 MW	122	64	35	23	2019
Evoia SPA (A phase)	Wind	60 MW	70	-	50	20	2019
TOTAL		241 MW	464	209	163	90	

Wind projects: business plan roll-out

Current RES in operation/under construction: 1166 MW

Installed & under construction capacity at year end

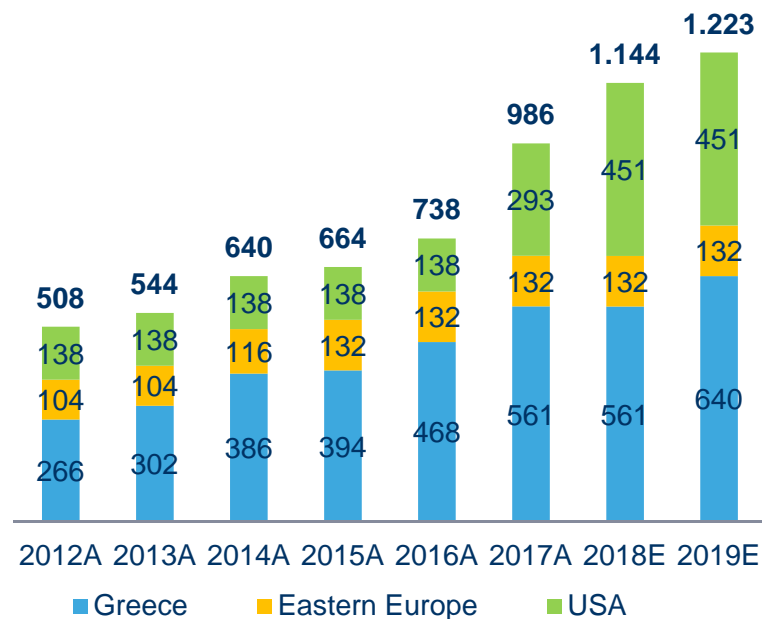


Wind projects: business plan roll-out

An Attractive and Value Creating Growth Story

- Terna Energy has delivered strong growth historically. For the 2014–2017 period, the Company has:
 - Increased its installed capacity from 640 MW to 986 MW
 - Grown capacity in Greece from 381 MW to 561 MW
 - Delivered projects on budget and on time
- Going forward, the Company has a strong and credible growth plan
 - Aim under the 7-year plan to reach 2,000 MW

Terna Energy has Delivered Growth Successfully



Strategy

Targeting to c1166 MW installed by beginning 2019/new wind parks to start construction in Greece within the coming months

Critical mass of current installed capacity now enables the company to enhance distributions to shareholders (30m cash distribution in 2018)

New investment opportunities in the sector
New long term target to reach 2.000 MW

APPENDIX

Financial Data

Profit & Loss

PROFIT & LOSS FY 2017

in '000 €	1/1 – 31/12 2017	1/1 – 31/12 2016
<u>Continued activities</u>		
Net Sales	276.535	225.560
Cost of sales	(162.410)	(151.358)
Gross profit	114.125	74.202
Administrative expenses	(14.199)	(12.269)
Research & development expenses	(1.186)	(1.152)
Other income/(expenses)	6.601	13.969
Operating results	105.341	74.750
Net Financial Income/(Expenses)	(47.226)	(39.448)
Gains / (Losses) from financial instruments measured at fair value	(1.101)	989
Pre tax profit	57.015	36.291
Taxes	(19.895)	(14.912)
Net Profit from continued activities	37.120	21.379
Other comprehensive income/(losses) to be reclassified to profit or loss in subsequent periods:		
Foreign exchange differences from incorporation of foreign units	(891)	(16)
Income tax effect	258	5
Income/(expenses) from hedging of cash flows	2.120	(873)
Income tax effect	(676)	452
Other comprehensive income/(losses) not to be reclassified to profit or loss in subsequent periods:		
Gains on defined benefit plans	92	24
Income tax effect	(25)	(7)
Expenses of capital increase	(61)	(162)
Other comprehensive gains/(losses) for the period net of tax	818	(578)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	37.938	20.801
Net results attributed to:		
Shareholders of the parent from continued activities	37.089	20.648
Minority interest from continued activities	31	731
	37.120	21.379
Total comprehensive income attributed to:		
Shareholders of the parent from continued activities	37.888	20.077
Minority interest from continued activities	50	724
	37.938	20.801
Earnings per share (in Euro)		
From continued activities attributed to shareholders of the parent	0,3542	0,1960
Average weighted number of shares		
Basic	104.700.123	105.342.255

Balance Sheet

in '000 €	31/12/2017	31/12/2016
ASSETS		
Fixed Assets	1.122.834	970.577
Investment Property	509	530
Intangible assets	22.853	27.102
Participations and other long-term financial assets	65.117	46.919
Inventories	4.218	4.063
Trade receivables	79.867	83.516
Other current assets	106.585	140.505
Cash & cash equivalents	201.328	164.399
TOTAL ASSETS	1.603.311	1.437.611
LIABILITIES AND EQUITY		
Share Capital	32.794	32.794
Other Equity	336.578	316.066
Total Shareholders' equity	369.372	348.860
Minority Interest	9.377	6.370
TOTAL EQUITY	378.749	355.230
Long term bank debt	670.152	567.175
Provisions/Other L/T Liabilities	320.878	236.286
Sort term bank debt	111.808	100.681
Other S/T Liabilities	121.724	178.239
TOTAL LIABILITIES	1.224.562	1.082.381
TOTAL LIABILITIES AND EQUITY	1.603.311	1.437.611

CASH FLOW

CASH FLOW STATEMENT - FY 2017		
in '000 €	1/1 – 31/12 2017	1/1 – 31/12 2016
Profit before tax	57.015	36.291
<u>+ / - adjustments for:</u>		
Depreciation	46.112	53.294
Provisions	61	120
Impairments	3.385	536
Interest and related income	(2.569)	(1.457)
Interest and other financial expenses	49.794	40.905
Results from intangible and tangible assets and from investment property	187	(156)
Share of loss from associates	24	80
Results from derivatives	(12)	(1.069)
Results from participations and securities	2	(586)
Amortization of grants	(7.901)	(10.868)
Foreign exchange differences	3.930	(821)
Operating profit before working capital changes	150.027	116.269
<u>(Increase)/Decrease in:</u>		
Inventories	(163)	(1.181)
Trade receivables	3.910	(23.937)
Prepayments and other short term receivables	36.196	(60.856)
Suppliers	(21.617)	14.765
Accruals and other short term liabilities	(2.470)	5.420
Other long-term receivables and liabilities	1.923	(12.793)
Income tax payment	(16.330)	(9.437)
Net cash flows from/(used in) operating activities	151.476	28.250
<u>Cash flow from investing activities:</u>		
(Purchases)/sales of tangible and intangible fixed assets	(229.194)	(145.474)
Interest and related income received	1.273	1.171
Sale of publicly traded shares		9.622
(Purchases) / sales of participations and securities	1.000	(50)
Net change in provided loans	(500)	-
Rebate of grants	(63.777)	-
Net Cash flows (used in)/from investing activities	(291.198)	(134.731)
<u>Cash flows from financing activities</u>		
Purchase of Treasury Shares	(2.070)	(3.250)
Share capital return	(5.239)	-
Proceeds from share capital increases of subsidiary	58	1.125
Net change of long term loans	236.714	219.658
Net change of short term loans	8.250	(45.777)
Dividends paid	(10.561)	(8.697)
Interest and other financial expenses paid	(47.091)	(34.479)
Change in financial liabilities	-	(2.882)
Net Cash flows from/(used in) financing activities	180.061	125.698
Effect of exchange rate changes on cash & cash equivalents	(3.411)	1.578
Net increase/decrease in cash	36.929	20.795
Cash & cash equivalents at the beginning of the period	164.399	143.604
Cash & cash equivalents at the end of the period	201.327	164.399