

Company Presentation

April 2018



Section 1: Company and Asset Overview

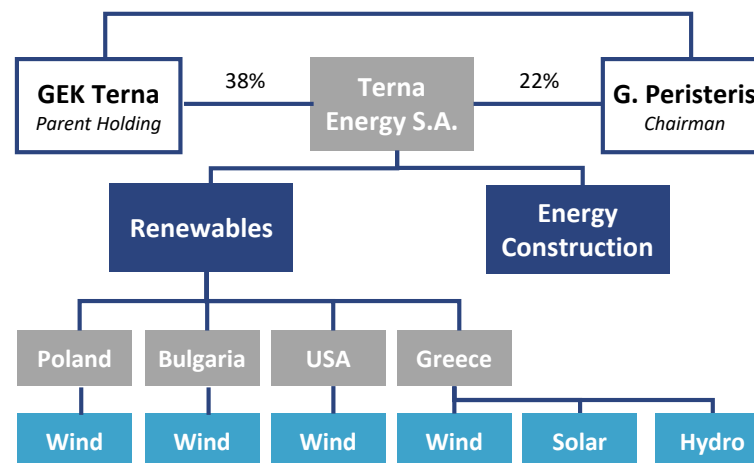
Section 2: Highlights

Section 3: Financial Performance



Terna Energy Company Overview

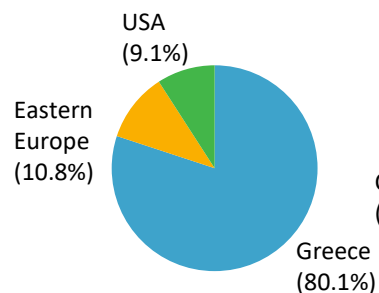
- Largest Greek renewable company
- 986 MW of installed capacity⁽¹⁾
- c178 MW under construction or ready to build capacity
- Geographic diversification with 19.9% of sales in Eastern Europe and US
- Strong financial profile with 2017 revenues of €276.5 MM and EBITDA of €147.5 MM
- Market capitalization: €583 MM as of 30 April 2018



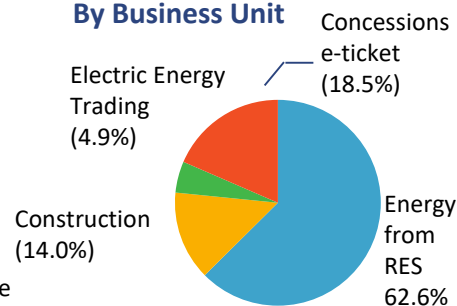
Sales by Geography and by Business Unit

FY 2017

By Geography



By Business Unit



Key Financials

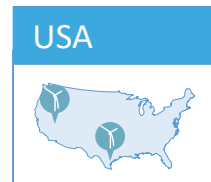
€ MM	2012A	2013A	2014A	2015A	2016A	2017A	CAGR '12 - '17
Revenue	124.0	139.6	158.2	198.6	225.6	276.5	17.4%
Revenue Growth	63%	12.9%	13.0	25.5%	13.6%	22.6%	
EBITDA	53.0	69.9	74.0	99.3	115.8	147.5	22.7%
EBITDA Growth	60.6%	32.1%	5.7%	34.2%	16.6%	27.4%	
EBITDA Margin	42.7%	50.1%	46.8%	50.0%	51.3%	53.3%	

Notes:

1. As of April 2018

Asset Portfolio Overview

48 Projects



Legends
 Wind Energy
 Solar Energy
 Hydroelectric Projects

Assets in Operation

	Energy Type	Capacity (MW)	COD	PPA Life Left (Y)
Greece		560.7		
Tsilikoka		10.2	2000	2.6
Tsouka Tsougari		12.0	2000	2.7
Profitis Elias		11.2	2001	3.4
Pyrgari		5.4	2001	3.8
Didimos Lofos		26.0	2005	14.6
Perdikokorifi		14.5	2006	15.5
Mytoula		34.2	2006	15.6
Chonos		4.5	2006	15.8
Chylos		11.7	2013	16.1
Rhodos		17.9	2014	16.2
Ksirovouni		6.3	2014	16.2
Gouri		32.2	2014	16.6
Loggarakia		18.0	2014	16.8
Raxoula (2)		8.0	2014	16.8
Derveni		24.0	2014	17.1
Mavrovouni (2)		8.0	2015	17.5
Louzes		24.0	2008	17.8
Eleoussa		6.6	2008	18.1
Adendro		1.0	2016	18.3
St. George Project		73.2	2016	18.8
Mavroplagia – Kastro		17.2	2017	19.2
Mougoulios		16.5	2017	19.5
Plagia – Psiloma		14.9	2017	19.5
Scopia		20.0	2010	19.9
Raxoula (3)		6.0	2018	20.0
Eressou Ipsoma - Fourka		36.0	2018	19.7

	Energy Type	Capacity (MW)	COD	PPA Life Left (Y)
Greece				
Lefkes Kerasia		8.0	2018	19.7
Dafnozonara		11.2	2011	20.7
Mavrovouni (1)		19.6	2011	20.8
Krekeza		30.0	2011	21.0
Raxoula (1)		30.0	2011	21.0
Vathichori Station I		6.0	2011	21.0
Louzes (PV)		1.1	2012	21.8
Vathichori Station II		1.5	2013	22.2
USA		293		
Mountain Air, Idaho		138.0	2012	22.5
Fluvanna I, Texas		155.4	2017	26
Poland		102		
Chelmza		4.0	2015	18.5
Chojnice		6.0	2015	18.5
Czarnozylly		16.0	2012	14.5
Gorzkowice		12.0	2011	13.9
Krzyzanow		20.0	2011	13.6
Makow		12.0	2014	17.4
Nasielsk		10.0	2012	22.3
Sieradz		8.0	2013	15.6
Szadek		8.0	2012	21.8
Tuchola		6.0	2015	18.5
Bulgaria		30.0		
Karapelit		12.0	2012	15.1
Vranino		18.0	2013	15.8
Total Portfolio:		986.1		

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

Terna Energy Market Positioning

1

The Leading Greek Renewable Company in attractive market

2

Attractive Core Asset Portfolio with Complementary Diversification

3

Strong Operational and Technical Excellence, Vertical Competence

4

A Stabilized Renewable Regulatory Framework in a Recovering Greek Economy

5

An Attractive and Value Creating Growth Story

6

Rapid Deleveraging from EBITDA Growth and High Cash Flow Conversion

7

A Proven Experienced, and Professional Management Team

1

The Leading Greek Renewable Company in attractive market

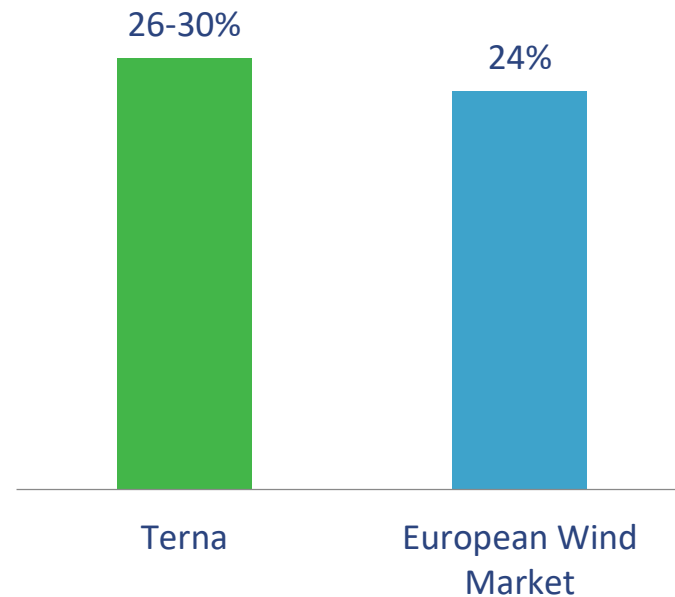
The Leading renewable energy provider

- 986 MW globally, of which 959 MW in wind
- 561 MW in Greece (#1 market share)
- As the first mover in wind energy, Terna Energy secured the best wind load locations for its farms
- Allocation on a first come first serve basis

Best-in-class load factor

- Stands at 28.9%⁽¹⁾
- Substantially higher than a number of other European wind markets

Terna Energy Historical Load Factors



Notes:
1. 2017

Terna Energy Market Positioning (cont'd)

2

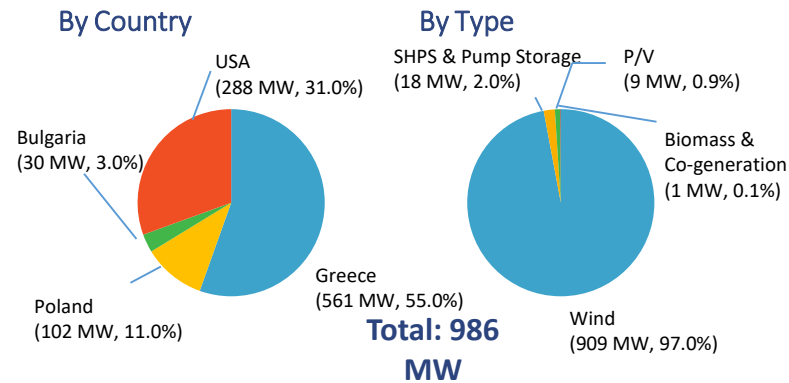
Attractive Core Asset Portfolio with Complementary Diversification

- Asset portfolio well diversified geographically

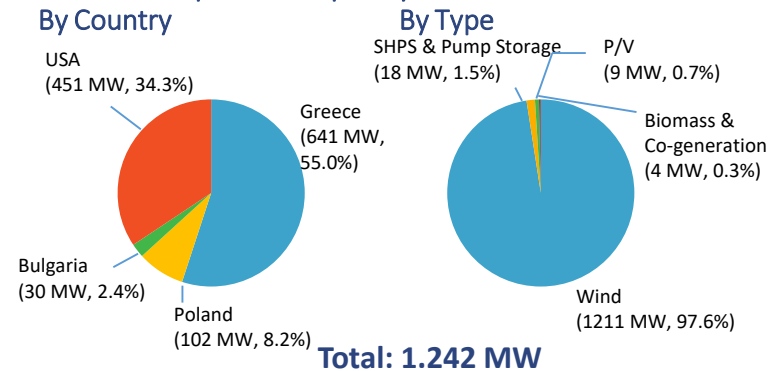
–Greece:	561 MW, 34 locations
–USA:	288 MW, 2 location
–Poland:	102 MW, 10 locations
–Bulgaria:	30 MW, 2 locations

- Pipeline: Strategic focus on wind in Greece and USA as core market due to advantageous market dynamics
- Hydro and solar assets built on an opportunistic basis
- New long term target to reach 2.000 MW

Portfolio Installed Capacity ⁽¹⁾



Portfolio Expected Capacity ⁽²⁾



Notes:

1. As of March 2017

2. Total estimated MW Q1 2019

3

Strong Operational and Technical Excellence

Skilled Engineering Team

- Founder and shareholder, as well as key senior managers have civil and mechanical engineering backgrounds
- Large technical team of over 80 engineers

Construction Synergies

- Very strong operational and technical capabilities given backbone of the construction focused parent GEK Terna
- In-house construction of projects
- Track record of projects completed on time and on budget

Maintenance & Insurance Coverage

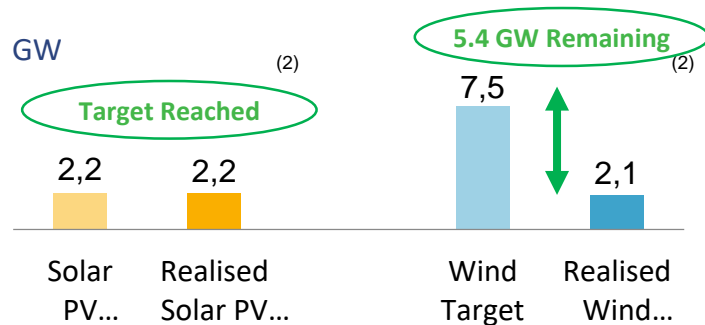
- Maintenance agreements with the turbine manufactures working with Terna Energy's engineering teams ensures transfer of valuable know-how to the company
- Full insurance coverage both for damages and revenue loss
- Turbines come with 5-year guarantees; expected life of c.25 years



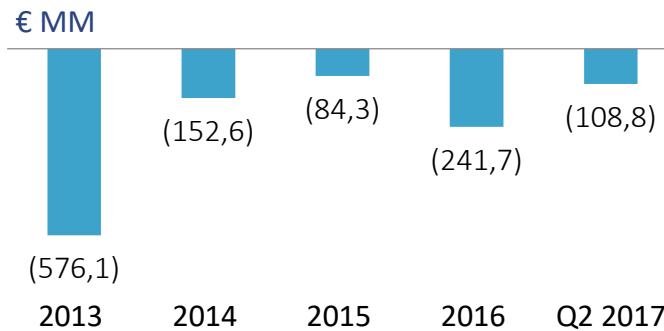
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A Stabilized Renewable Regulatory Framework in a Recovering Greek Economy

Government remains committed to its RES target for 2020



By resolving the RES deficit, the new regime offers a stable framework for the long term



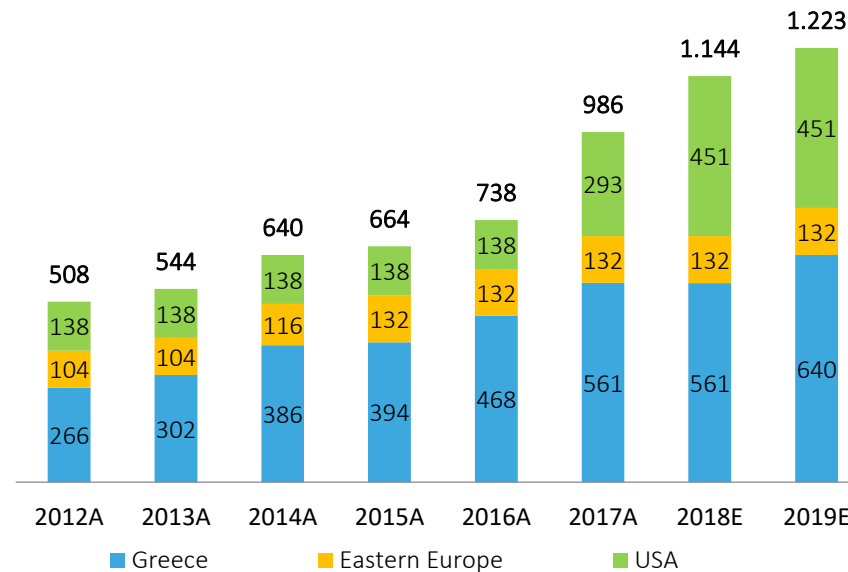
Notes:

1. IMF Forecasts World Economic Outlook, April 2017
2. As of June 2017

An Attractive and Value Creating Growth Story

- Terna Energy has delivered strong growth historically. For the 2014–2017 period, the Company has:
 1. Increased its installed capacity from 640 MW to 986 MW
 2. Grown capacity in Greece from 381 MW to 561 MW
 3. 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



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	H1 2019
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 HIGH PRIORITY		241 MW	464	209	163	90	

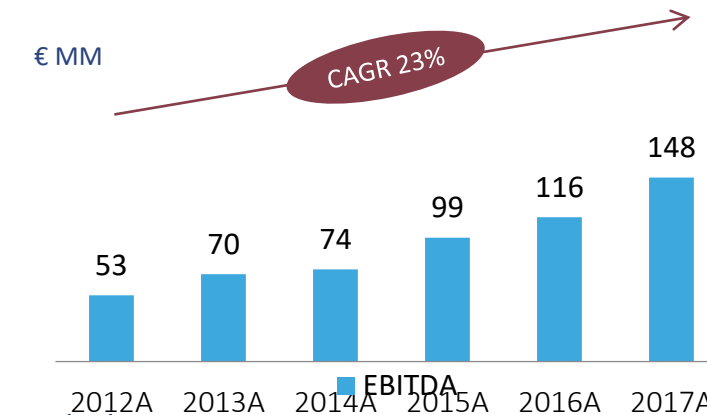
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Rapid Deleveraging from EBITDA Growth and High Cash Flow Conversion

Steady 23% EBITDA CAGR

- Long term visibility on volume off takes
- Contracted prices
- Track record of project developments

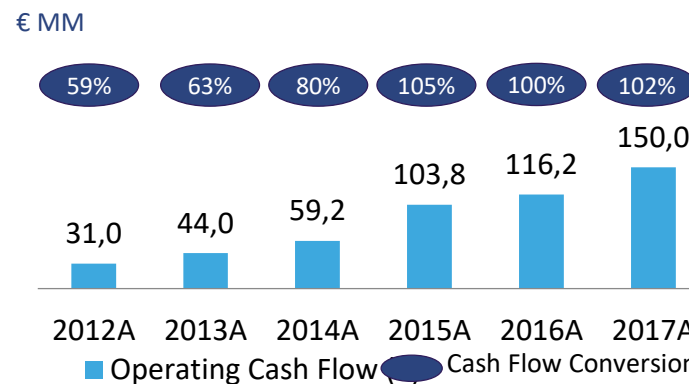
Strong Growth in Realized EBITDA



Outstanding cash flow conversion

- No maintenance capex
- Despite crisis delays in payments have remained steady in the last years
- Rapid deleveraging on a like-for-like basis

Cash Flow Conversion (1)



Notes:

1. Cash Flow Conversion = Operating Cash Flow / EBITDA
2. Operating Cash Flow after Working Capital Changes

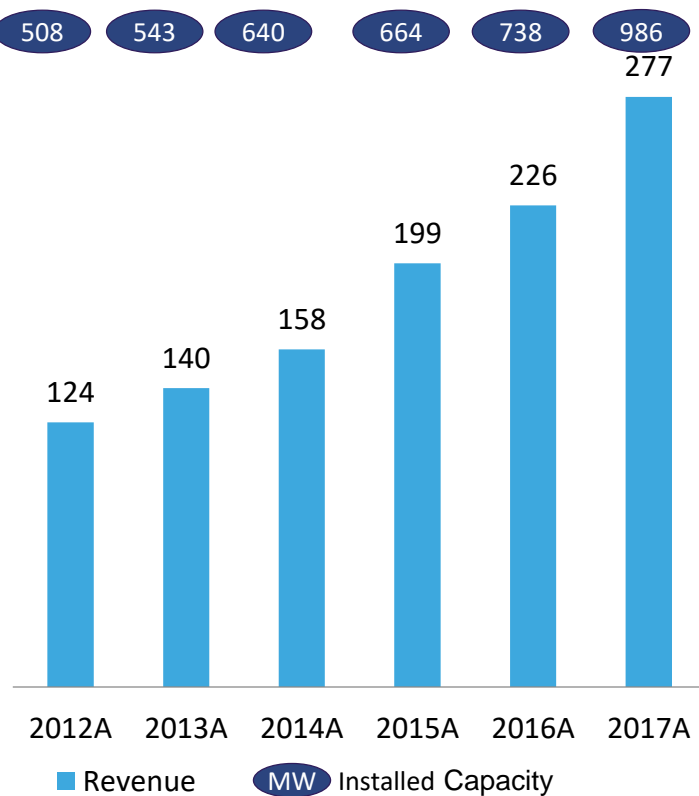
Strong Financial Performance

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%
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

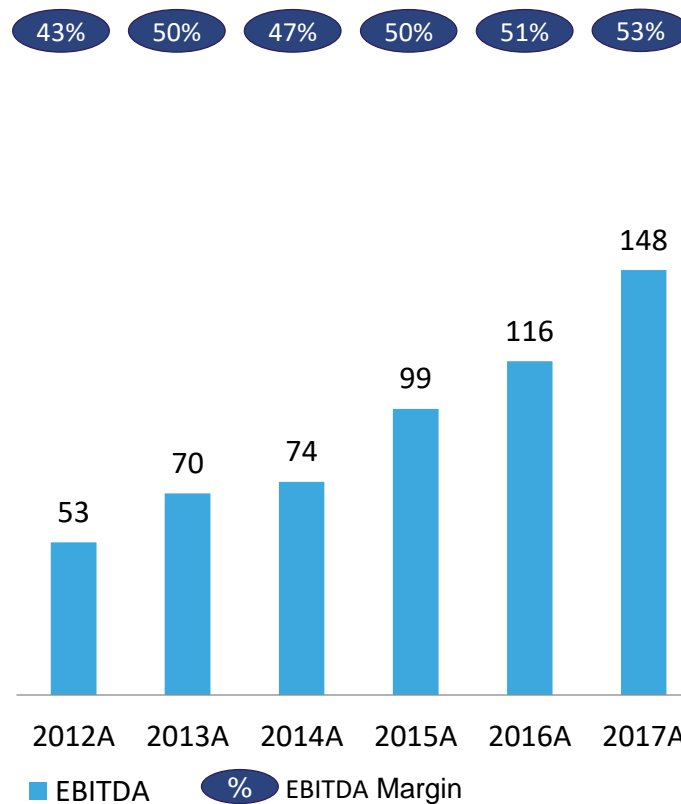
Strong Financial Performance

Run-rate EBITDA increases with capacity

Installed Capacity and Revenue
€MM

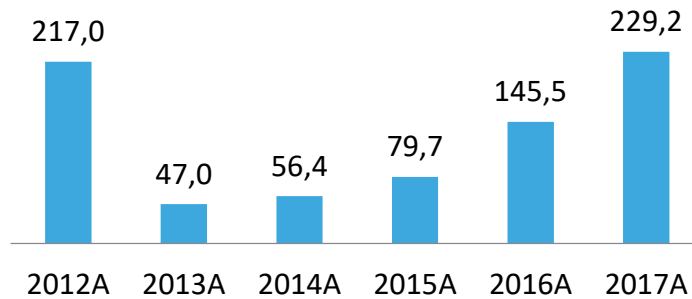


EBITDA and EBITDA Margin
€MM



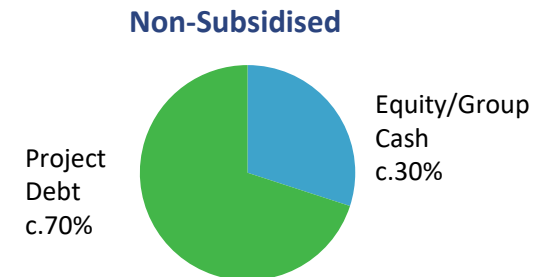
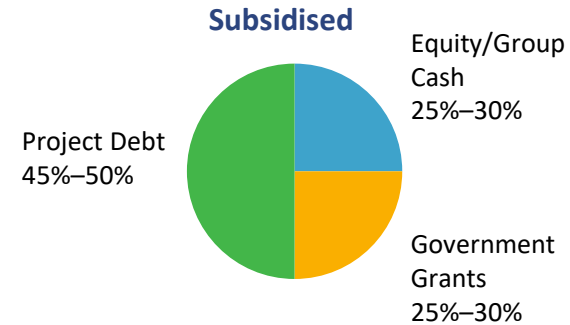
Capital Expenditure

Historical Capital Expenditure €MM



- No maintenance capex
 - Maintenance costs accounted for as operating expenses on the Income Statement
- All capex is for expansion

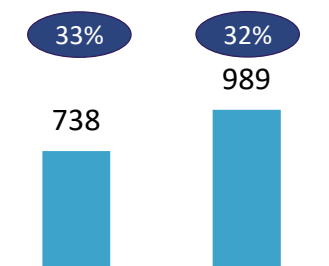
Typical Funding Structure



Projects without grants benefit from higher contracted tariffs, allowing to raise more project debt and to de-lever faster

2017 Performance Update

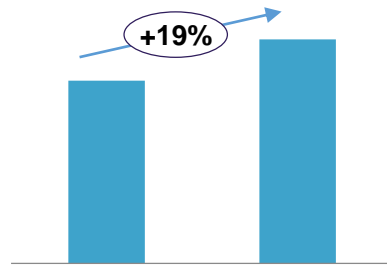
Key drivers MW



2016 2017
■ Installed Capacity

● % Load Factor

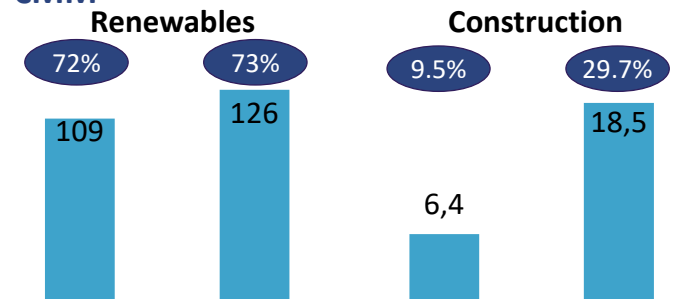
Revenues €MM



2016 2017

■ Revenue

EBITDA and EBITDA Margin €MM



2016 2017 2016 2017

■ EBITDA ● % EBITDA Margin

- Continued increase in capacity (+18% y-o-y)
- High load factor
 - Energy results negatively impacted by weather conditions, in H1 in particular
- Outstanding performance in both renewables and construction segments
 - Extraordinary levels of EBITDA margins in the renewables segment with 73% for the 2017



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