

REPORT OF USE OF RAISED CAPITAL FROM THE SHARE CAPITAL INCREASE BY CASH FOR THE PERIOD 8/11/07 – 30/06/2009

It is notified that in accordance with article 3 of the decision 7/448/11.10.2007 of the Hellenic Capital Markets Commission BoD and the decision 25/17.7.2008 of the BoD of Athens Exchange, from the share capital increase of TERNA ENERGY ABETE paid in cash that was decided by the Extraordinary General Shareholders Meeting on 20.07.2007, the net amount of € 300,572 thous was raised, (including issue expenses of € 13,908 thous.).

The period for the Public Offering was 31/10/07-2/11/07. For the share capital increase 27,333,400 new common registered shares were issued.

All shares of the company (109,333,400) were listed for trading on the Athens Exchange on 14/11/2007 in the large capitalization market segment.

The certification for the deposit of the share capital increase by the BoD of the Company was made on 8/11/07 and recorded on Societe Anonyme Registry on 9/11/07 with the announcement No 36439.

The ordinary General Meeting on 2/4/2009 decided on the restructuring of the time schedule and use of the outstanding balance, by extending the completion time of the distribution by one year, namely until 31/12/2011, due to observed delays in the licensing procedures in the RES sector. Additionally, the extraordinary General Meeting on 29/6/2009 extended the use of one account.

The total raised capital of € 300,572, according to the aforementioned amended time schedule, presented the following movement until 30/6/2009:

APPROPRIATION TABLE OF RAISED CAPITAL (AMENDMENT ACCORDING TO THE EXTRAORDINARY GENERAL MEETING DATED 29.06.2009)										
TIME PLAN OF RAISED CAPITAL	Appropriation of raised capital								TOTAL DISTRIBUTED CAPITAL 08/11/07 to 30/06/09	UNDISTRIBUTED CAPITAL 30/06/2009
	08/11/07-31/12/07	01/01/08-31/12/08	01/01/09-31/12/09			01/01/10-31/12/10	01/01/11-31/12/11	Total		
			Distributed 1 st half	To be distributed 2 nd half	Total 2009					
In thousand €										
Total investments in wind parks	4,084	10,494	20,172	28,028	48,200	99,472	15,200	177,450	34,750	142,700
Total investments in hydroelectric stations	2,661	2,853	719	581	1,300	6,700	6,700	20,214	6,233	13,981
Photovoltaic stations	0	0		1,500	1,500	4,000	6,000	11,500	0	11,500
Production of electricity from biomass	0	0		0	0	5,000	10,000	15,000	0	15,000
Wind parks abroad	0	2,500	1,300	3,700	5,000	15,000	20,000	42,500	3,800	38,700
Acquisitions of RES companies-licenses directly from the company and/or through its subsidiaries – Share capital increase of its subsidiaries for acquisition of RES companies-licenses	0	0		6,000	6,000	7,000	7,000	20,000	0	20,000
Total investments from raised capital	6,745	15,847	22,191	39,809	62,000	137,172	64,900	286,664	44,783	241,881
Issue expenses	13,380	528			0			13,908	13,908	0
Total	20,125	16,375	22,191	39,809	62,000	137,172	64,900	300,572	58,691	241,881

Notes

- The Company's Ordinary General Shareholders' Meeting on 02/04/2009 approved the decision by the Board of Directors dated 24/3/2009, which proposed the restructuring of the time plan and use of the outstanding balance, which during 31/12/2008 amounted to 264,072 thousand €, by extending the completion time of the

distribution by one year, namely until 31/12/2011. The deviation from the implementation time plan is due exclusively to the observed delays in the licensing procedures in the RES sector.

Also, the Meeting decided on the internal reclassification of the accounts to be distributed, both between the investment categories and between the years 2009 to 2011, given that such is in line with the current licensing progress of the investments to be realized. Specifically, the total capital to be distributed is increased, for investments in Wind Parks due to the accumulation of many projects to be implemented, by 26.6 mn €, in Biomass by 0.2 mn €, while the category of acquisition of RES companies is added, amounting to 20 mn €. Correspondingly, the total account, until 2011, for the distribution of investments in Hydroelectric, Photovoltaic stations and Wind Parks abroad, is decreased.

Moreover, according to the decision dated 29/06/2009 by the Company's Extraordinary General Shareholders' Meeting, the decision dated 25/6/2009 by the BoD was approved, according to which the use of the 20 mn € account was extended to enable the acquisition of RES companies or licenses not only directly by the company but also through its subsidiaries.

The initial appropriation table of raised capital according to the Prospectus of 19/10/2007, was as follows:

TIME-PLAN OF RAISED CAPITAL	INITIAL TIME-PLAN (2007) OF RAISED CAPITAL				
	08/11/07-31/12/07	01/01/08-31/12/08	01/01/09-31/12/09	01/01/09-31/12/10	Total
in thousand €					
Total investments in wind parks	20,588	11,931	61,120	57,248	150,887
Total investments in hydroelectric stations	2,741	12,323	11,886	27,096	54,046
Photovoltaic stations	0	5,000	7,000	7,000	19,000
Production of electricity from biomass	0	5,563	4,188	5,000	14,751
Wind parks abroad	0	0	20,200	27,780	47,980
Total investments from raised capital	23,329	34,817	104,394	124,124	286,664
Issue expenses	13,908	0	0	0	13,908
Total	37,237	34,817	104,394	124,124	300,572

- As evidenced in the appropriation table of raised capital, from the capital of € 300,572 thousand raised by the company, an amount of € 58,691 thousand had been distributed until 30/6/2009. From its listing on the Athens Stock Exchange and until 30/6/2009, apart from the issue expenses that amounted to € 13,908 thousand, an amount of € 13,638 thousand has been used to cover the company's participation through share capital increases of subsidiaries of TERNA ENERGY SA and an amount of € 31,145 thousand has been used for projects whose installation license is owned by TERNA ENERGY SA itself.
- The remaining outstanding amount of € 241,881 thousand has been placed in short-term time deposits, which in the financial statements are included in the account "cash & cash equivalents".

The Chairman of the Board

Georgios Perdikaris
ID No.X 516918

The Vice-Chairman
& Managing Director

Emman. Maragoudakis
ID No. AB 986527

The Chief Financial Officer

Konstantinos Dimopoulos
ID No. AI 028273

Agreed Upon Procedures Report to the Use of Proceeds Report

To the Board of Directors of the company "TERNA ENERGY SOCIETE ANONYME INDUSTRIAL COMMERCIAL TECHNICAL COMPANY SA"

According to the mandate we received from the Board of Directors of "TERNA ENERGY ABETE" (the "Company") we have performed prescribed and enumerated below in accordance with the regulatory framework of the Athens Stock Exchange and the relevant legal framework of the Hellenic Capital Markets Commission with

respect to the Report on the Use of raised capital of the Company which relates to the share capital increase paid in cash, that took place on 8 November 2007. The preparation of the report is the responsibility of the Company's management. Our engagement was undertaken in accordance with the International Standard on Related Services "ISRS 4400" which applies to the conduct of agreed upon procedures engagements. Our responsibility is solely for performing the procedures described below and to report to you on our findings.

Procedures:

1. We compared the amounts referred to as disbursements in the accompanied "Report on Usage of Raised Capital from the Share Capital Increase Paid in Cash" with the relevant amounts recorded in the Company's books and records in the respective timeframe.
2. We examined the completeness of the Report and the consistency of its content with what is referred to in the relevant Prospectus issued by the company for this purpose and the relevant Company's decisions and announcements, including the decisions by the General Shareholders' Meetings that amend the time plan and use of the raised capital.

Findings

1. The amounts which appear, per usage or investment type, as disbursements in the accompanied "Report on Usage of Raised Capital from the Share Capital Increase Paid in Cash" are derived from the Company's books and records in the respective timeframe.
2. The content of the Report includes the information which is at minimum required for this purpose from the regulatory framework of the Athens Stock Exchange and the relevant legal framework of the Hellenic Capital Markets Committee and is consistent with what is referred to in the respective Prospectus and the relevant Company's decisions and announcements, including the decisions by the General Shareholders' Meetings that amend the time plan and use of the raised capital.

Because that the above procedures do not constitute either an audit or a review made in accordance with International Standards on Auditing or International Standards on Review Engagements, we do not express any assurance on the report beyond what we have referred to above. Had we performed additional procedures or had we performed an audit or review, other matters might have come to our attention that would have been reported to you, in addition to the ones reported above.

The present report is addressed exclusively to the Board of Directors of the Company, so that the latter can fulfill its responsibilities in accordance with the legal framework of the Athens Stock Exchange and the relevant regulatory framework of the Hellenic Capital Markets Commission. Therefore this Report is not to be used for any other purpose, since it is limited to what is referred to above and does not extend to the interim financial information prepared by the Company for the financial the period from 01/01/2009 to 30/06/2009, for which we have issued a separate Review Report dated 26 August 2009.



Athens, 26 August 2009
The Certified Auditor Accountant
Ioannis G. Leos
S.O.E.L. Reg. No.24881