



FY 2018 Results

TERNA ENERGY

Highlights

Sales	Ch%	EBITDA	Ch%	PBT	Ch%	Net Income a.m.	Ch%
292	+5.6	167.9	+13.8	62.4	+9.4	44.8	+20.7

Developments

- ➔ Current installed capacity: 1032 MW - Total installed. under construction or ready to build capacity: 1312 MW
- ➔ Strong Wind Load Factor (LF) at 30.8% in FY 2018 vs 28.2% in FY 2017
- ➔ Net debt up c27m in the Q4 due to increased CAPEX

Segments – Results

million €	SALES			EBITDA			EBIT			NET INCOME bm		
	FY 18	FY 17	Ch%	FY 18	FY 17	Ch%	FY 18	FY 17	Ch%	FY 18	FY 17	Ch%
Segments												
Energy from RES	216.3	173.0	25.0	156.3	126.0	24.0	108.6	87.9	23.5	37.2	22.8	63.2
Construction	14.4	38.7	-62.8	5.2	18.5	-71.9	5.1	18.4	-72.3	3.7	12.3	-69.9
Electric Energy Trading	19.7	13.6	44.8	1.6	1.0	60.0	1.6	0.9	77.8	1.5	0.7	114.3
Concessions (e-ticket)	41.6	51.1	-18.6	4.8	2.1	128.6	4.8	2.1	128.6	4.7	1.3	261.5
Total	292.0	276.4	5.6	167.9	147.6	13.7	120.1	109.3	9.9	47.1	37.1	26.9

Load Factor

Average Load Factor at 30.8%

Load Factor	FY 2018	FY 2017
Terna Energy Wind excluding those at testing period	30.6%	28.1%
Terna Energy Total Including Mini Hydro and PV	30.8%	28.2%

Key BS items

€ million	FY 2018	Q3 2018
Net Debt	606	576

Net debt increased in Q4 by c30m due to expansion CAPEX

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 607</i>	978	18	8.5	3
	<i>Poland 102</i>				
	<i>Bulgaria 30</i>				
	<i>USA 293</i>				
Under construction (or ready to built)		278			2.4
	<i>Greece 122</i>				
	<i>USA 158</i>				
With production licence		1.605	761	18	
Application for production license filed		3.263	3.444	15	19

Portfolio

A Value Creating Growth Story

Pipeline

€MM. unless otherwise stated

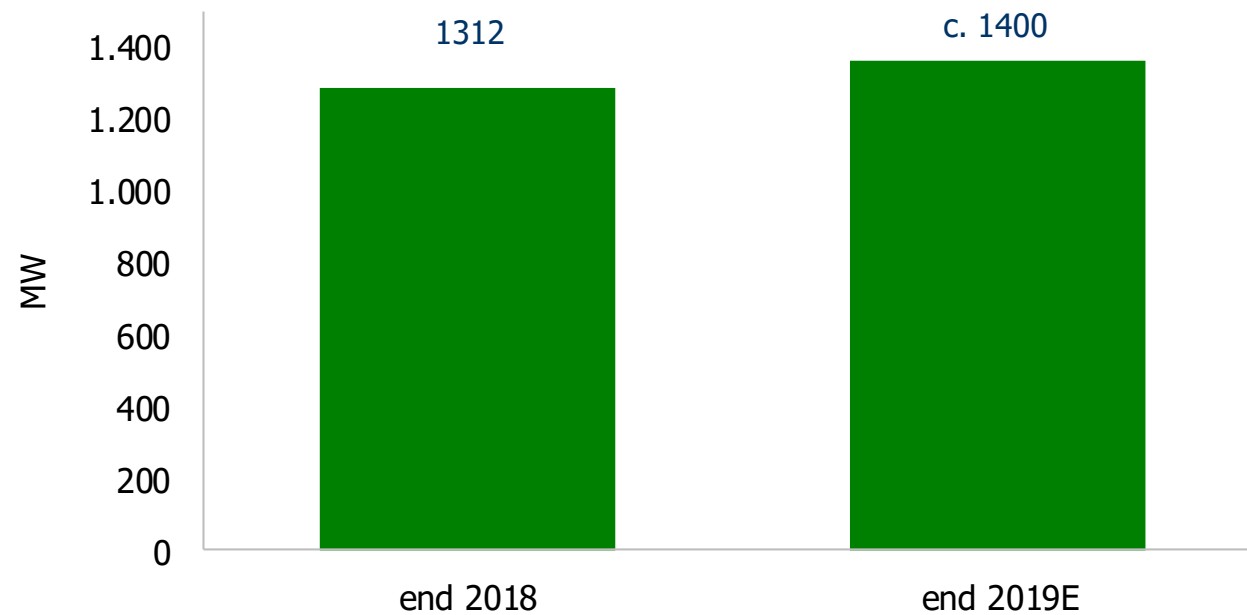
Project	Type	Capacity (MW)	Total Project Cost** € MM	Cash Grant/Tax Equity € MM (1)	Project Finance Debt € MM (2)	Equity / Cash € MM (3)	COD
UNDER CONSTRUCTION		278 MW					
Fluvanna 2 (USA)*	Wind	158 MW	210	125	50	35	H1-2019
Evoia SPA (A+B phase)	Wind	120 MW	140	-	105	35	2019-20
PRE-CONSTRUCTION PROJECTS		2.4 MW					
Peloponnese Waste Management	Waste	2.4 MW	122	64	43	15	2019
TOTAL HIGH PRIORITY		280 MW	472	189	198	85	

* Total project cost = (1)+(2)+(3) = Cash grant/Tax equity + Project finance Debt + Equity

Wind projects: business plan roll-out

Current RES in operation/under construction/ready to build: 1312 MW

Installed/under construction/ready to build capacity at year end



Strategy

Targeting to c1400 MW installed/under construction by end 2019/new wind parks to start construction in Greece (c100 MW) within 2019

**Critical mass of current installed capacity now enables the company to enhance distributions to shareholders
(c35m cash distribution in 2019)**

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

Profit & Loss

FY 2018		
in '000 €	1/1 – 31/12/2018	1/1 – 31/12/2017
<u>Continued activities</u>		
Net Sales	292.052	276.535
Cost of sales	(168.445)	(162.410)
Gross profit	123.608	114.125
Administrative expenses	(16.389)	(14.198)
Research & development expenses	(1.060)	(1.186)
Other income/(expenses)	11.909	6.602
Operating results	118.067	105.343
Net Financial Income/(Expenses)	(57.207)	(47.226)
Gains / (Losses) from financial instruments measured at fair value	1.551	(1.101)
Pre tax profit	62.411	57.015
Taxes	(15.358)	(19.895)
Net Profit from continued activities	47.053	37.120
Other comprehensive income/(losses) to be reclassified to profit or loss in subsequent periods:		
Foreign exchange differences from incorporation of foreign units	121	(891)
Income tax effect	(30)	258
Income/(expenses) from hedging of cash flows	(2.300)	2.120
Income tax effect	49	(676)
Other comprehensive income/(losses) not to be reclassified to profit or loss in subsequent periods:		
Gains on defined benefit plans	(36)	92
Income tax effect	16	(25)
Expenses of capital increase	(20)	(61)
Other comprehensive gains/(losses) for the period net of tax	(2.150)	878
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	44.903	37.998
Net results attributed to:		
Shareholders of the parent from continued activities	44.863	37.089
Minority interest from continued activities	2.189	31
	47.052	37.120
Total comprehensive income attributed to:		
Shareholders of the parent from continued activities	42.709	37.948
Minority interest from continued activities	2.194	50
	44.903	37.998
Earnings per share (in Euro)		
From continued activities attributed to shareholders of the parent	0.3984	0.3542
Average weighted number of shares		
Basic	112.601.534	104.700.123

Balance Sheet

FY 2018		
<i>in '000 €</i>	31/12/2018	31/12/2017
ASSETS		
Fixed Assets	1.189.515	1.122.834
Investment Property	538	509
Intangible assets	23.483	22.853
Participations and other long-term financial assets	87.167	65.117
Inventories	4.783	4.218
Trade receivables	77.413	77.584
Other current assets	97.012	108.875
Cash & cash equivalents	166.359	201.328
TOTAL ASSETS	1.646.270	1.603.318
LIABILITIES AND EQUITY		
Share Capital	34.176	32.794
Other Equity	345.715	336.578
Total Shareholders' equity	379.891	369.372
Minority Interest	11.242	9.377
TOTAL EQUITY	391.133	378.749
Long term bank debt	668.409	670.152
Provisions/Other L/T Liabilities	329.546	320.885
Short term bank debt	144.030	111.808
Other S/T Liabilities	113.151	121.724
TOTAL LIABILITIES	1.255.137	1.224.569
TOTAL LIABILITIES AND EQUITY	1.646.270	1.603.318

CASH FLOW

In '000 €	1/1 – 31/12/2018	1/1 – 31/12/2017
Cash flows from operating activities		
Earnings for the period before tax	62.411	57.015
Adjustments for reconciliation of net flows from operating activities		
Depreciation	55.625	46.112
Provisions	138	61
Impairment	4.000	2.296
Interest and related income	(5.153)	(2.569)
Interest and other financial expenses	62.360	49.794
Gains and losses from intangible and tangible assets and investment property	(1.095)	187
Gains and losses from participating interest and equity interests	(491)	2
Unrealized losses from derivatives	512	-
Gains and losses from derivatives	(1.088)	(12)
Amortization of grants	(7.862)	(7.901)
Gains and losses of associates	28	1.113
Foreign currency exchange differences	(1.921)	3.930
Operating profit before changes in working capital	167.464	150.028
(Increase)/Decrease in:		
Inventories	(664)	(163)
Trade and non-invoiced receivables from contracts with customers	(10.920)	3.910
Prepayments and other short term receivables	27.212	36.196
Unrealized loss from derivatives		
Increase/(Decrease) in:	(14.820)	(21.617)
Suppliers and liabilities from contracts with customers	3.223	(2.470)
Accruals and other short term liabilities	(17.619)	1.923
Income tax paid	(16.585)	(16.330)
Net cash inflows from operating activities	137.291	151.477
Cash flows from investment activities:		
Acquisition/Disposal of tangible and intangible fixed assets	(109.292)	(229.194)
Grant subsidies collected	2.408	-
Rebated grants (capital)	(21.604)	(63.777)
Interest and related income collected	952	1.273
Dividends collected	500	-
Issued loans	(303)	(500)
Proceeds from issued loans	1.184	-
Acquisition / Disposal of participating interest and equity interests	(68)	-
Cash flows from investment activities	(126.223)	(292.198)
Cash flows from financing activities		
Share capital return	(25.028)	(5.239)
Proceeds from share capital increases	39.475	58
Acquisition of Treasury Shares	(7.755)	(2.070)
Proceeds/(payments) from changes in participating interest	(1.625)	1.000
Proceeds for long term loans	89.518	211.503
Payments for long term loans	(100.624)	(98.073)
Proceeds from equity interests having a substance of financial liability	-	127.882
Payments for equity interests having a substance of financial liability	(6.157)	(4.598)
Net change in short term loans	29.873	8.250
Dividends paid	(5.868)	(10.561)
Interest paid	(58.946)	(47.091)
Net change in financial liabilities		-
Cash inflows/(outflows) from financing activities	(47.137)	181.061
Net increase/(decrease) in cash and cash equivalents	(36.069)	40.340
Effect of exchange rate changes on cash & cash equivalents	1.100	(3.411)
Opening cash and cash equivalents	201.328	164.399
Closing cash and cash equivalents	166.359	201.328