



H1 2014 Results

TERNA ENERGY

Highlights

Sales	Ch%	EBITDA	Ch%	PBT	Ch%	Net Income a.m.	Ch%
69.4	+2.9	32.6	-6.6	4.6	-51.3	2.5	-51.5

Developments



Current installed capacity: 604 MW (+96 MW ytd) - Total installed, under construction or ready to build capacity: 866 MW



Wind Load Factor (LF) at 26.1% in H1 2014 vs 27.9% in H1 2013 - exceptionally low wind conditions



44 MW (Greece and Poland) are finishing construction gradually within the coming months, resulting to a 140 MW aggregate installed capacity within 2014



H1 2014 results negatively impacted by low load factors (mainly in Q1)– new capacity in operation is not fully utilised in H1, ie is expected to boost EBITDA in the coming quarters



Net debt in Q2 2014 decreased by c10 m compared to the previous quarter – CAPEX in H1 2014 at c35.1m

Portfolio

Diversified portfolio of RES projects

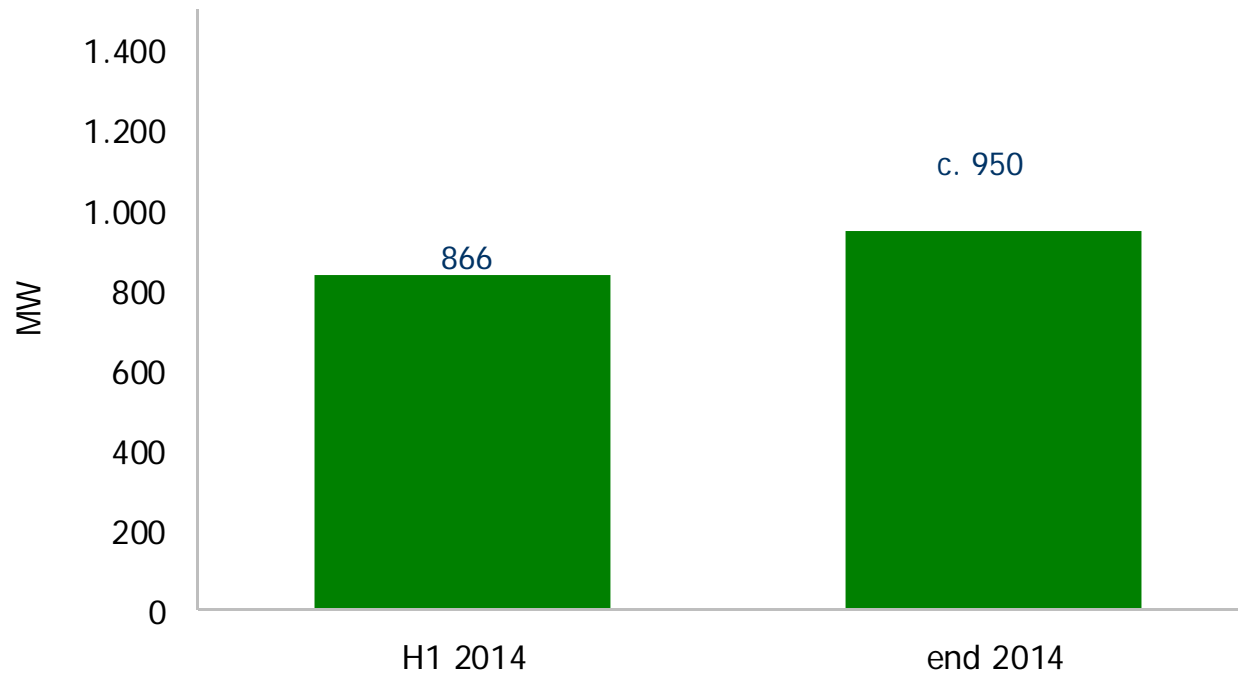
Expansion outside Greece

Status		Wind (MW)	SHPS & Pump Storage (MW)	P/V (MW)	Biomass & Co-generation (MW)
In operation	<i>Greece 362</i>	578	18	8,5	
	<i>Poland 74</i>				
	<i>Bulgaria 30</i>				
	<i>USA 138</i>				
Under construction (or ready to built)		260		2	
	<i>Greece 250</i>				
	<i>Poland 12</i>				
With production licence		1.638	761	18	
Application for production license filed		3.263	3.444	15	19

Wind projects: business plan roll-out

Current RES in operation or under construction or ready to build: 866 MW

Targeted installed or under construction or ready to build capacity at year end



Strategy

Targeting more than 950 MW installed or under construction or ready to build by end 2014

Critical mass of c1.000 MW will enable the company to exploit further new investment opportunities

Segments – Results

million €	SALES			EBITDA			EBIT			NET INCOME bm		
Segments	H1 14	H1 13	Ch%	H1 14	H1 13	Ch%	H1 14	H1 13	Ch%	H1 14	H1 13	Ch%
Energy	52.8	51.4	2.6	34	34.6	-1.7	18.9	20	-5.2	4	5.3	-23.9
Construction	16.6	16.1	3.8	-1.4	0.3	n/a	-1.5	0.2	n/a	-1.5	0	n/a
Total	69.4	67.5	2.9	32.6	34.9	-6.6	17.4	20.2	-13.7	2.5	5.3	-52.6

n/a=non applicable

Load Factor

Average Load Factor at 27%

Load Factor	H1 2014	H1 2013
Terna Energy Wind excluding those at testing period	26.1%	27.9%
Terna Energy Including Mini Hydro and PV	27%	29.2%

Key BS items

€ million	H1 2014	Q1 2014
Net Debt	247.4	257.3
NET DEBT is impacted with c€109 million spent for the under construction or ready to build RES (c262 MW)		

Key CF items

€ million	H1 2014	H1 2013
Operating Cash Flow (after WC changes)	35.2	19.8

€ million	H1 2014	H1 2013
CAPEX	35.1	14.5
CAPEX will continue at a fast pace in the rest of the year		

APPENDIX

Financial Data

Profit & Loss

PROFIT & LOSS H1 2014		
	1/1 - 30/06 2014	1/1 - 30/06 2013
Continuing Operations		
Net Sales	69,419	67,489
Cost of goods sold	(45,621)	(40,261)
Gross Profit	23,798	27,228
Administration Expenses	(8,241)	(7,014)
RnD Expenses	(1,056)	(935)
Other Income/expenses	3,281	518
Operating results	17,782	19,797
Net Financial Income/Expenses	(13,176)	(10,331)
Pre tax profit	4,606	9,466
Taxes	(2,084)	(4,144)
Net Profit from continuing operations	2,522	5,322
Other income recognized directly in Equity from:		
Foreign exchange differences from incorporation of foreign units	13	(721)
Actuarial Gain/Loss from Defined Benefit Plans	-	-
Cash Flow Hedge Gain/(Losses)	(1,720)	2,811
Capital Increase Expenses	(108)	(283)
Income tax recognized directly in Equity	347	52
Other income/expenses for the period net of income tax	(1,468)	1,859
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	1,054	7,181
Net results attributed to:		
Shareholders of the parent from continued activities	2,457	5,070
Minority interest from continued activities	65	252
Total income attributed to:		
Shareholders of the parent from continued activities	989	6,929
Minority interest from continued activities	65	252
Earnings per share (in Euro)		
From continued activities attributed to shareholders of the parent	0.0226	0.0465
Average weighted number of shares	108,718,171	109,156,241

Balance Sheet

BALANCE SHEET – H1 2014		
	30/06/2014	31/12/2013
ASSETS		
Fixed assets	783,458	770,109
Investment Property	785	785
Intangible assets	33,232	28,524
Participations and other long-term financial assets	20,964	23,532
Inventories	2,933	4,027
Trade receivables	49,230	49,811
Other current assets	75,587	87,052
Cash & cash equivalents	121,495	124,630
TOTAL ASSETS	1,087,684	1,088,470
LIABILITIES AND EQUITY		
Share capital	32,794	32,794
Other equity	306,291	315,550
Total shareholders' equity	339,085	348,344
Minority interests	2,802	2,634
Total Equity	341,887	350,978
Long term bank debt	302,687	295,163
Provisions/ Other L/T Liabilities	318,361	317,636
Short term bank debt	66,241	71,658
Other S/T Liabilities	58,508	53,035
TOTAL LIABILITIES	745,797	737,492
TOTAL LIABILITIES AND EQUITY (a) + (b)	1,087,684	1,088,470

CASH FLOW

CASH FLOW STATEMENT – H1 2014		
	1/1-30/06/2014	1/1-30/06/2013
Operating activities		
Profit before tax	4,606	9,466
Plus/less adjustments for:		
Depreciation	19,333	18,320
Provisions	-	(62)
Interest and related income	(1,037)	(2,399)
Interest and related expenses	14,213	12,730
Gain/Loss from Investment Property Valuation	-	-
Amortization of grants	(4,196)	(3,653)
Other adjustments	(333)	836
Operating profit before changes in working capital	32,586	35,238
Plus/Less adjustments for working capital account movements or related to operating activities		
Decrease / (increase) in inventories	1,095	(1,605)
Decrease / (increase) in receivables	6,854	(14,973)
(Decrease) / increase in liabilities (other than to banks)	(2,158)	3,038
(Less):		
Taxes paid	(3,142)	(1,926)
Total inflows / (outflows) from operating activities (a)	35,235	19,772
Investing activities		
Purchases of tangible & intangible assets	(33,617)	(11,945)
Interest received	1,790	3,391
Investments in Associates	-	-
Collection of grants	5,251	58,084
Net change in provided loans	4,796	(15,628)
(Purchases)/sales of participations and securities	15	-
Total inflows / (outflows) from investing activities (b)	(21,765)	33,902
Financing activities		
Proceeds/(Outflows) from share capital Decrease/(Increase)	(1,740)	(549)
Purchases of treasury shares	(427)	(8,451)
Net change in long-term loans	3,391	1,439
Net change in short-term loans	(3,701)	(40,533)
Interest and related expenses paid	(13,928)	(11,605)
Financial assets/liabilities	(470)	(11,790)
Total inflows / (outflows) from financing activities (c)	(16,875)	(71,489)
Effect of FX differences on cash equivalents (d)	270	(236)
Net increase / (decrease) in cash and cash equivalents for the period (a) + (b) + (c) +(d)	(3,135)	(18,051)
Cash and cash equivalents at the beginning of the period	124,630	126,778
Cash and cash equivalents at the end of the period	121,495	108,727