



Q1 2014 Results

TERNA ENERGY

Highlights

Sales	Ch%	EBITDA	Ch%	PBT	Ch%	Net Income a.m.	Ch%
35.6	+1.6	18.9	-8.1	5.2	-34.1	3.7	-34.5

Developments



Current installed capacity: 580 MW (+72 MW ytd) - Total installed, under construction or ready to build capacity: 865 MW



Load Factor (LF) at 28.2% in Q1 2014 including small hydro and PV vs 32.7% in Q1 2013 - exceptionally low wind conditions



30 MW (Greece and Poland) are finishing construction gradually within the coming months



Q1 2014 results negatively impacted by low load factors in Q1– new capacity in operation is expected to boost EBITDA in the coming quarters



Net debt in Q1 2014 increased by c15 m – CAPEX in Q1 2014 at c18m

Portfolio

Diversified portfolio of RES projects

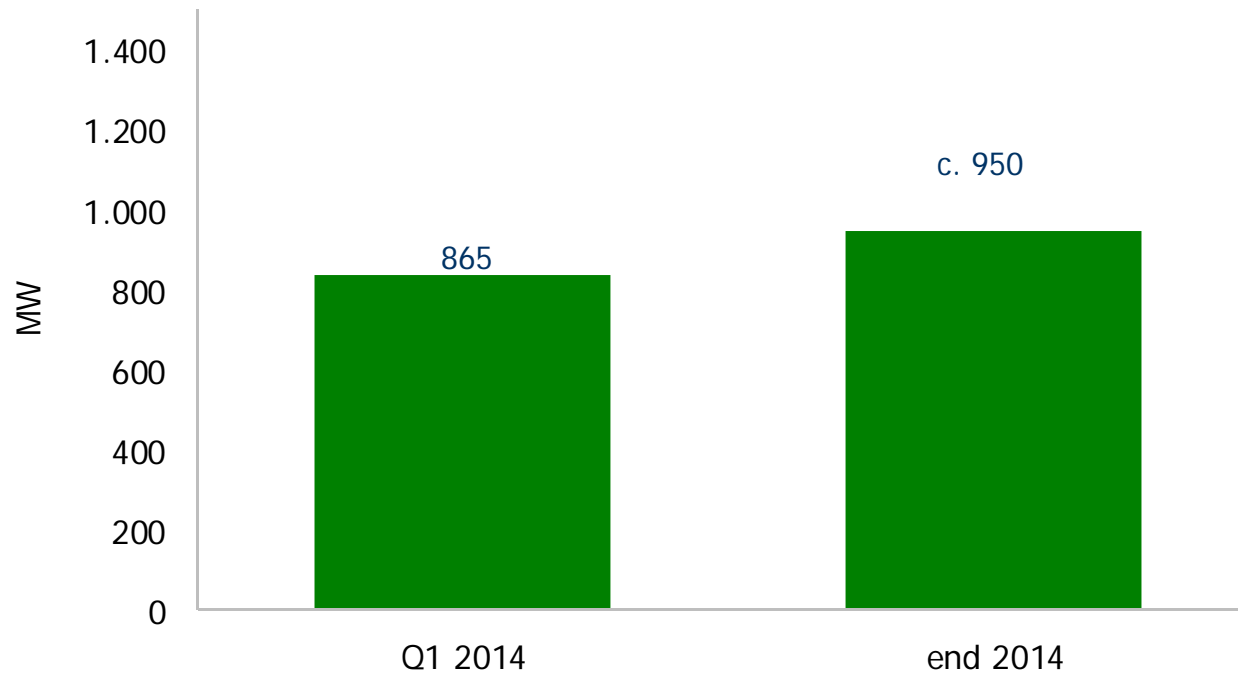
Expansion outside Greece

Status		Wind (MW)	SHPS & Pump Storage (MW)	P/V (MW)	Biomass & Co-generation (MW)
In operation	<i>Greece 338</i>	556	15	8,5	
	<i>Poland 74</i>				
	<i>Bulgaria 30</i>				
	<i>USA 138</i>				
Under construction (or ready to built)		283		2	
	<i>Greece 257</i> <i>Poland 28</i>				
With production licence		1.630	748	18	
Application for production license filed		3.947	3.612	15	19

Wind projects: business plan roll-out

Current RES in operation or under construction or ready to build: 865 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		
	Q1 14	Q1 13	Ch%	Q1 14	Q1 13	Ch%	Q1 14	Q1 13	Ch%	Q1 14	Q1 13	Ch%
Segments												
Energy	28.8	28.4	1.5%	19.2	20.4	-5.6	12.0	13.3	-10.4	4.2	5.5	-25.4
Construction	6.8	6.6	2.0%	-0.3	0.2	n/a	-0.4	0.2	n/a	-0.6	0.2	n/a
Total	35.6	35.0	1.6%	18.9	20.6	-8.1	11.6	13.5	-14.2	3.6	5.7	-37.6

n/a=non applicable

The company will distribute 0.09 euros/share capital return

Load Factor

Average Load Factor at 28.2%

Load Factor	Q1 2014	Q1 2013
Terna Energy Wind excluding those at testing period	27.4%	31.4%
Terna Energy Including Mini Hydro and PV	28.2%	32.7%

Key BS items

€ million	Q1 2014	FY 2013
Net Debt	257.3	242.1
NET DEBT is impacted with c€130 million spent for the under construction or ready to build RES (c285 MW)		

Key CF items

€ million	Q1 2014	Q1 2013
Operating Cash Flow (before WC changes)	18.9	20.5

€ million	Q1 2014	Q1 2013
CAPEX	18.1	9.7
CAPEX will continue at a fast pace in 2014		

APPENDIX

Financial Data

Profit & Loss

PROFIT & LOSS Q1 2014		
	1/1 - 31/03 2014	1/1 - 31/03 2013
Continuing Operations		
Net Sales	35,596	35,033
Cost of goods sold	(20,612)	(18,458)
Gross Profit	14,984	16,575
Administration Expenses	(3,407)	(2,812)
RnD Expenses	(565)	(381)
Other Income/expenses	535	(62)
Operating results	11,547	13,320
Net Financial Income/Expenses	(6,390)	(5,497)
Pre tax profit	5,157	7,823
Taxes	(1,592)	(2,114)
Net Profit from continuing operations	3,565	5,709
Other income recognized directly in Equity from:		
Foreign exchange differences from incorporation of foreign units	(112)	504
Actuarial Gain/Loss from Defined Benefit Plans	-	-
Cash Flow Hedge Gain/(Losses)	(992)	816
Capital Increase Expenses	-	(175)
Income tax recognized directly in Equity	198	247
Other income/expenses for the period net of income tax	(906)	1,392
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	2,659	7,101
Net results attributed to:		
Shareholders of the parent from continued activities	3,646	5,583
Minority interest from continued activities	(81)	126
Total income attributed to:		
Shareholders of the parent from continued activities	2,740	6,975
Minority interest from continued activities	(81)	126
Earnings per share (in Euro)		
From continued activities attributed to shareholders of the parent	0.0335	0.0511
Average weighted number of shares	108,921,020	109,314,400

Balance Sheet

BALANCE SHEET – Q1 2014		
	31/03/2014	31/12/2013
ASSETS		
Fixed assets	778,689	770,109
Investment Property	785	785
Intangible assets	28,414	28,524
Participations and other long-term financial assets	19,509	23,532
Inventories	3,309	4,027
Trade receivables	57,701	49,811
Other current assets	83,617	87,052
Cash & cash equivalents	118,554	124,630
TOTAL ASSETS	1,090,578	1,088,470
LIABILITIES AND EQUITY		
Share capital	32,794	32,794
Other equity	318,160	315,550
Total shareholders' equity	350,954	348,344
Minority interests	2,533	2,634
Total Equity	353,487	350,978
Long term bank debt	307,345	295,163
Provisions/ Other L/T Liabilities	316,998	317,636
Short term bank debt	68,539	71,658
Other S/T Liabilities	44,209	53,035
TOTAL LIABILITIES	737,091	737,492
TOTAL LIABILITIES AND EQUITY (a) + (b)	1,090,578	1,088,470

CASH FLOW

CASH FLOW STATEMENT – Q1 2013		
	1/1-31/03/2014	1/1-31/03/2013
Operating activities		
Profit before tax	5,157	7,823
Plus/less adjustments for:		
Depreciation	9,337	8,917
Provisions	5	(72)
Interest and related income	(554)	(894)
Interest and related expenses	6,944	6,391
Gain/Loss from Investment Property Valuation	-	-
Amortization of grants	(1,998)	(1,826)
Other adjustments	30	174
Operating profit before changes in working capital	18,921	20,513
Plus/Less adjustments for working capital account movements or related to operating activities		
Decrease / (increase) in inventories	719	(308)
Decrease / (increase) in receivables	(3,404)	(4,377)
(Decrease) / increase in liabilities (other than to banks)	(7,748)	(7,840)
(Less):		
Taxes paid	(1,443)	(320)
Total inflows / (outflows) from operating activities (a)	7,045	7,668
Investing activities		
Purchases of tangible & intangible assets	(21,453)	(10,188)
Interest received	709	727
Investments in Associates	-	-
Collection of grants	1,505	57,224
Net change in provided loans	5,390	-
(Purchases)/sales of participations and securities	15	-
Total inflows / (outflows) from investing activities (b)	(13,834)	47,763
Financing activities		
Proceeds/(Outflows) from share capital Decrease/(Increase)	(1,631)	(441)
Purchases of treasury shares	(151)	-
Net change in long-term loans	10,520	934
Net change in short-term loans	(2,866)	(40,935)
Interest and related expenses paid	(4,943)	(3,503)
Financial assets/liabilities	(281)	(11,790)
Total inflows / (outflows) from financing activities (c)	648	(55,735)
Effect of FX differences on cash equivalents (d)	65	(607)
Net increase / (decrease) in cash and cash equivalents for the period (a) + (b) + (c) +(d)	(6,076)	(911)
Cash and cash equivalents at the beginning of the period	124,630	126,778
Cash and cash equivalents at the end of the period	118,554	125,867