

Athens, September 25, 2003

IMPORTANT DISCLOSURE OF TERNA S.A

“Merge of subsidiaries with TERNA ENERGY”

Gentlemen

According to article 5 of the 5/204 decision of BoD of the Capital Market's Commission, we inform you that the BoD of our subsidiary TERNA ENERGY has decided to merge the companies “Energy Pirgari Evias” and Helleniki Idriolektriki” with the TERNA ENERGY S.A.

TERNA S.A currently participates with a 70% stake in Helleniki Idroilektriki. In parallel, TERNA ENERGY participates with a 79% stake in Energy Pirgari Evias.

TERNA S.A