



9M 2014 Results

TERNA ENERGY

Highlights

Sales	Ch%	EBITDA	Ch%	PBT	Ch%	Net Income a.m.	Ch%
104.1	+1.5	48.2	-8.8	5.5	-61.6	3.2	-66.5

Developments

- ➔ Current installed capacity: 628 MW (+120 MW ytd) - Total installed, under construction or ready to build capacity: 866 MW
- ➔ Wind Load Factor (LF) at 24.7% in 9M 2014 vs 27.2% in 9M 2013 - exceptionally low wind conditions
- ➔ 20 MW (Greece and Poland) are finishing construction gradually within the coming months, resulting to a 140 MW aggregate installed capacity within 2014
- ➔ 9M 2014 results negatively impacted by low load factors – new capacity in operation is not fully utilised in 9M, ie is expected to boost EBITDA in the coming quarters
- ➔ Net debt in 9M 2014 increased by c20 m compared to the previous quarter – CAPEX in 9M 2014 at c43.8m

Portfolio

Diversified portfolio of RES projects

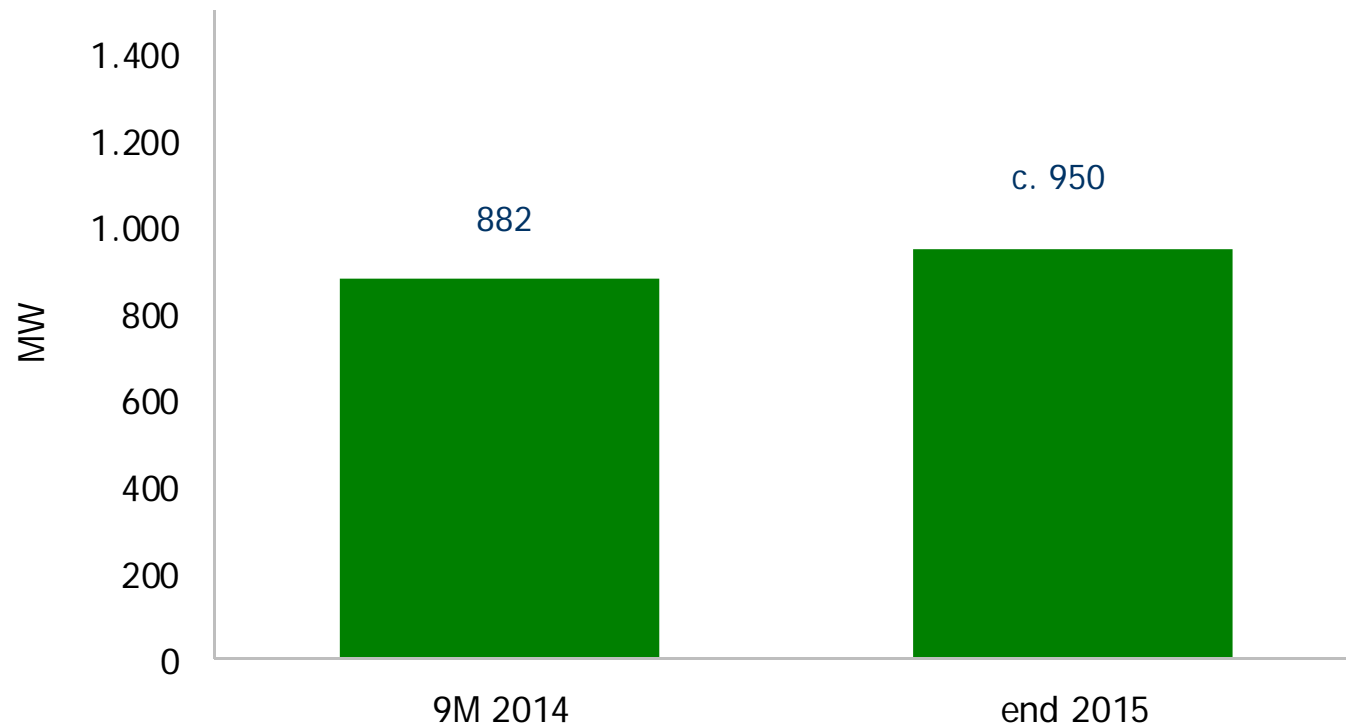
Expansion outside Greece

Status		Wind (MW)	SHPS & Pump Storage (MW)	P/V (MW)	Biomass & Co-generation (MW)
In operation	<i>Greece 386</i>	602	18	8.5	
	<i>Poland 74</i>				
	<i>Bulgaria 30</i>				
	<i>USA 138</i>				
Under construction (or ready to built)		254		2	
	<i>Greece 228</i>				
	<i>Poland 28</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: 882 MW

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



Strategy

Targeting more than 950 MW installed or under construction/ready to build in 2015

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		
	9M 14	9M 13	Ch%	9M 14	9M 13	Ch%	9M 14	9M 13	Ch%	9M 14	9M 13	Ch%
Segments												
Energy	76.8	78.5	-2.2	49.5	52.6	-5.9	27.6	30.5	-9.5	4.4	10.1	-56
Construction	27.3	24.1	13.5	-1.3	0.3	n/a	-1.3	0.2	n/a	-1.1	-0.2	n/a
Total	104.1	102.6	1.5	48.2	52.9	-8.8	26.3	30.7	-14.5	3.3	9.9	-66.8

n/a=non applicable

Load Factor

Average Load Factor at 24.7%

Load Factor	9M 2014	9M 2013
Terna Energy Wind excluding those at testing period	24.2%	26.4%
Terna Energy Including Mini Hydro and PV	24.7%	27.2%

Key BS items

€ million	9M 2014	H1 2014
Net Debt	269.9	247.4
NET DEBT is impacted with c€116 million spent for the under construction or ready to build RES (c262 MW)		

Key CF items

€ million	9M 2014	9M 2013
Operating Cash Flow (after WC changes)	43.1	24.3

€ million	9M 2014	9M 2013
CAPEX	43.7	24.6
CAPEX will continue at a fast pace in the rest of the year		

APPENDIX

Financial Data

Profit & Loss

PROFIT & LOSS 9M 2014		
	1/1 - 30/09 2014	1/1 - 30/09 2013
Continuing Operations		
Net Sales	104,100	102,552
Cost of goods sold	(72,037)	(61,109)
Gross Profit	32,063	41,443
Administration Expenses	(10,817)	(9,682)
RnD Expenses	(1,402)	(1,947)
Other Income/expenses	6,445	(82)
Operating results	26,289	29,732
Net Financial Income/Expenses	(20,778)	(15,374)
Pre tax profit	5,511	14,358
Taxes	(2,230)	(4,467)
Net Profit from continuing operations	3,281	9,891
Other income recognized directly in Equity from:		
Foreign exchange differences from incorporation of foreign units	(209)	(371)
Actuarial Gain/Loss from Defined Benefit Plans	-	-
Cash Flow Hedge Gain/(Losses)	(2,336)	2,778
Capital Increase Expenses	(114)	(299)
Income tax recognized directly in Equity	517	83
Other income/expenses for the period net of income tax	(2,142)	2,191
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	1,139	12,082
Net results attributed to:		
Shareholders of the parent from continued activities	3,236	9,648
Minority interest from continued activities	45	243
Total income attributed to:		
Shareholders of the parent from continued activities	1,094	11,839
Minority interest from continued activities	45	243
Earnings per share (in Euro)		
From continued activities attributed to shareholders of the parent	0.0298	0.0885
Average weighted number of shares	108,680,349	109,063,463

Balance Sheet

BALANCE SHEET – 9M 2014		
	30/09/2014	31/12/2013
<u>ASSETS</u>		
Fixed assets	794,055	770,109
Investment Property	785	785
Intangible assets	33,525	28,524
Participations and other long-term financial assets	23,387	23,532
Inventories	1,891	4,027
Trade receivables	45,942	49,811
Other current assets	83,429	87,052
Cash & cash equivalents	120,733	124,630
TOTAL ASSETS	1,103,747	1,088,470
<u>LIABILITIES AND EQUITY</u>		
Share capital	32,794	32,794
Other equity	305,888	315,550
Total shareholders' equity	338,682	348,344
Minority interests	2,781	2,634
Total Equity	341,463	350,978
Long term bank debt	313,001	295,163
Provisions/ Other L/T Liabilities	322,460	317,636
Short term bank debt	77,677	71,658
Other S/T Liabilities	49,146	53,035
TOTAL LIABILITIES	762,284	737,492
TOTAL LIABILITIES AND EQUITY (a) + (b)	1,103,747	1,088,470

CASH FLOW

CASH FLOW STATEMENT – 9M 2014		
	1/1-30/09/2014	1/1-30/09/2013
Operating activities		
Profit before tax	5,511	14,358
Plus/less adjustments for:		
Depreciation	29,943	27,646
Provisions	41	(81)
Interest and related income	(1,474)	(3,268)
Interest and related expenses	22,252	18,642
Gain/Loss from Investment Property Valuation	-	-
Amortization of grants	(6,543)	(5,522)
Other adjustments	(1,482)	1,003
Operating profit before changes in working capital	48,248	52,778
Plus/Less adjustments for working capital account movements or related to operating activities		
Decrease / (increase) in inventories	2,137	(424)
Decrease / (increase) in receivables	5,453	(13,941)
(Decrease) / increase in liabilities (other than to banks)	(6,975)	(10,709)
(Less):		
Taxes paid	(5,699)	(3,271)
Total inflows / (outflows) from operating activities (a)	43,164	24,433
Investing activities		
Purchases of tangible & intangible assets	(40,914)	(21,078)
Interest received	2,097	3,914
Investments in Associates	-	-
Collection of grants	5,227	63,063
Net change in provided loans	5,423	(19,458)
(Purchases)/sales of participations and securities	15	(150)
Total inflows / (outflows) from investing activities (b)	(28,152)	26,291
Financing activities		
Proceeds/(Outflows) from share capital Decrease/(Increase)	(9,354)	(7,955)
Purchases of treasury shares	(988)	(8,844)
Net change in long-term loans	7,287	18,697
Net change in short-term loans	5,326	(55,812)
Interest and related expenses paid	(19,290)	(16,179)
Financial assets/liabilities	(891)	(12,212)
Total inflows / (outflows) from financing activities (c)	(17,910)	(82,305)
Effect of FX differences on cash equivalents (d)	(999)	(274)
Net increase / (decrease) in cash and cash equivalents for the period (a) + (b) + (c) +(d)	(3,897)	(31,855)
Cash and cash equivalents at the beginning of the period	124,630	126,778
Cash and cash equivalents at the end of the period	120,733	94,923