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TERNA ENERGY S.A.

announces

the initiation of the sale of shares issued by Terna Energy S.A. to selected investors

TERNA ENERGY S.A. (the "Company") announces the initiation of the sale of up to 12,000,000 Company's common registered shares (the "Shares") to selected investors in Greece and abroad, by way of private placement through an accelerated book building process. AXIA VENTURES GROUP LTD, EUROXX SECURITIES S.A. and LXM FINANCE LLP are acting as Managers of the book building process and the results will be announced after the end of the process. The sellers reserve the right, at their discretion, to sell fewer or no Shares at all.

The Shares have not been and will not be registered under the United States Securities Act of 1933, as amended.

9,500,000 of the Shares will result from a Company's share capital increase with cancellation of the preemption rights, that shall be resolved by an extraordinary General Assembly of the Company's Shareholders (the "General Assembly"), which will be convened by the Company's Board of Directors promptly after the completion of the book building process, whilst 2,500,000 Shares, are owned by the Company's shareholder and president of the Board of Directors, Mr. G. Peristeris. In the forthcoming General Assembly, the Company's Board of Directors will propose the cancellation of 4,895,464 treasury shares held by the Company, in line with the Company's announcement dated 22.11.2017. If the General Assembly approves the above, the final maximum aggregate dilution incurred by the existing Company's shareholders will equal 4,604,536 new shares or 4.21%. The Company has received written undertakings by GEK TERNA S.A., G. Peristeris, YORK GLOBAL FINANCE OFFSHORE BDH (LUXEMBOURG) S.A.R.L., M. Gourzis and Emm. Maragkoudakis holding over 68% of the Company's issued shares and voting rights (after taking into account the stock lending described below and sale of the Shares), that they will vote in favor of the aforementioned corporate actions and not dispose the above shares for a 90 day period.

In order to facilitate and accelerate the sale of Shares by private placement, AXIA VENTURES GROUP LTD and EUROXX SECURITIES S.A. have entered into a stock lending agreement with the Company's shareholder YORK GLOBAL FINANCE OFFSHORE BDH (LUXEMBOURG) S.A.R.L., for 9,500,000 Company's Shares. The borrowed Shares will be sold to the investors of the private placement and subsequently AXIA VENTURES GROUP LTD and EUROXX SECURITIES S.A. will acquire new equivalent shares at the book building price, through the aforementioned Company's share capital increase and then return such shares to YORK GLOBAL FINANCE OFFSHORE BDH (LUXEMBOURG) S.A.R.L. in order to fulfil their obligations under the stock lending agreement.

Athens, 17 January 2018

Important Notice

The distribution of this announcement and the offer and sale of the shares in certain jurisdictions may be restricted by law. The shares may not be offered to the public in any jurisdiction in circumstances which would require the preparation or registration of any prospectus or offering document relating to the shares in such jurisdiction. No action has been taken by TERNA ENERGY S.A. or AXIA VENTURES GROUP LTD, EUROXX SECURITIES S.A. and LXM FINANCE LLP or any of their respective affiliates that would permit an offering of the shares or possession or distribution of this announcement or any other offering or publicity material relating to such securities in any jurisdiction where action for that purpose is required. Persons into whose possession this announcement comes are required to inform themselves about and to observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This announcement is for information purposes only and does not constitute or form a part of an offer to sell or a solicitation of an offer to purchase any security of TERNA ENERGY S.A. in the United States or in any other jurisdiction where such offer or solicitation is unlawful. The securities described in this announcement have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or any applicable state or foreign securities laws and may not be offered or sold in the United States absent registration or an exemption from the registration requirements of the Securities Act. There will be no public offering of securities in the United States. In the United States, the securities described in this announcement will be offered and sold solely to "qualified institutional buyers" as defined in Rule 144A under the Securities Act who are also "qualified purchasers" as defined in the US Investment Company Act of 1940, as amended.

In member states of the European Economic Area ("EEA") which have implemented the Prospectus Directive (each, a "Relevant Member State"), this announcement and any offer if made subsequently is directed exclusively at persons who are "qualified investors" within the meaning of the Prospectus Directive ("Qualified Investors"). For these purposes, the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in a Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU. In the United Kingdom this announcement is directed exclusively at Qualified Investors (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order") or (ii) who fall within Article 49(2)(A) to (D) of the Order, and (iii) to whom it may otherwise lawfully be communicated.

In connection with any offering of the shares of TERNA ENERGY S.A., AXIA VENTURES GROUP LTD, EUROXX SECURITIES S.A. and LXM FINANCE LLP and any of their affiliates acting as an investor for their own account may take up as a proprietary position any shares and in that capacity may retain, purchase or sell for their own account such shares. In addition, AXIA VENTURES GROUP LTD, EUROXX SECURITIES S.A. and LXM FINANCE LLP or their affiliates may enter into financing arrangements and swaps with investors in connection with which AXIA VENTURES GROUP LTD, EUROXX SECURITIES S.A. and LXM FINANCE LLP (or their affiliates) may from time to time acquire, hold or dispose of shares. AXIA VENTURES GROUP LTD, EUROXX SECURITIES S.A. and LXM FINANCE LLP do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

AXIA VENTURES GROUP LTD, EUROXX SECURITIES S.A. and LXM FINANCE LLP are acting on behalf of TERNA ENERGY S.A. and no one else in connection with any offering of the shares and will not be responsible to any other person for providing the protections afforded to clients of AXIA VENTURES GROUP LTD, EUROXX SECURITIES S.A. and LXM FINANCE LLP or for providing advice in relation to any offering of the shares. AXIA VENTURES GROUP LTD, EUROXX SECURITIES S.A. and LXM FINANCE LLP may participate in the transaction on a proprietary basis.

No prospectus or offering document has been or will be prepared in connection with the private placement. Any investment decision to buy securities in the private placement must be made solely on the basis of publicly available information. Such information is not the responsibility of and has not been independently verified by any of TERNA ENERGY S.A., AXIA VENTURES GROUP LTD, EUROXX SECURITIES S.A. and LXM FINANCE LLP or any of their respective affiliates.

This document includes statements that are, or may be deemed to be, forward-looking statements. These forward-looking statements may be identified by the use of forward-looking terminology, including the terms "intends", "expects", "will", or "may", or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts. Any forward-looking statements are subject to risks relating to future events and assumptions relating to TERNA ENERGY S.A.'s business, in particular from changes in political conditions, economic conditions, evolving business strategy, or the retail industry. No assurances can be given that the forward-looking statements in this document will be realised. As a result, no undue reliance should be placed on these forward-looking statements as a prediction of actual results or otherwise.