

TERNA ENERGY – PRESENTATION OF Q1 2010 FINANCIAL RESULTS

Sales	Ch%	EBITDA	Ch%	PBT	Ch%	Net Income	Ch%
16.1	11%	6.7	-11.6	5.7	-30	4.4	-27.7

Changes% refer to the equivalent period last year/Amounts in million euros-consolidated - Under IFRS

- ⇒ **4 winds parks (86 MW) in total started construction since the beginning of 2010 compared to 74 MW within FY 2009 – a total of 188.5 MW of RES is now under construction and 149 MW operating**
- ⇒ **CAPEX in Q1 2010 reached € 30.9 million (€28 m in Q4 09) –a total of €226 million has already been spent for the under construction RES installations**
- ⇒ **Increased energy sales (+9.2%) due to higher tariffs but energy EBITDA (-2.3%) burdened by higher expenses compared to last year in the effort to expand outside Greece**
- ⇒ **Wind load factors reached c34% for Q1 10**

FINANCIAL OVERVIEW

million €	SALES			EBITDA			EBIT			NET INCOME		
<i>Segments</i>	Q1 10	Q1 09	Ch%	Q1 10	Q1 09	Ch%	Q1 10	Q1 09	Ch%	Q1 10	Q1 09	Ch%
Energy	10.06	9.22	9.2	6.32	6.46	-2.3	4.71	4.88	-3.5	4.28	5.59	-23.4
Construction	6.04	5.29	14.1	0.39	1.12	-65.1	0.36	1.08	-66.6	0.17	0.59	-71
Total	16.11	14.51	11	6.71	7.58	-11.5	5.07	5.96	-14.9	4.45	6.18	-27.9

- **Total Sales** increased by 11%, reaching €16.11 million from €14.51 million in Q1 09. This increase is attributed to higher energy and construction sales for third parties. Energy sales stood at €10.06 million, up 9.2% compared to €9.22 million in Q1 09. Construction sales for third parties stood at €6.04 million, up 14.1% compared to Q1 2009.
- **EBITDA** reached € 6.71 million, decreasing by 11.5% compared to Q1 2009. EBITDA coming from Renewables stood at €6.32 million, down 2.3% compared to €6.46 million in Q1 2009. The respective margin stood at 63%, while the mid term margin is expected at c80%, since the company currently carries increased (relatively to its energy turnover) costs related to its expansion effort both in Greece and outside Greece. EBITDA from construction stood at €0.39 million, down 65.1% compared to €1.12 million in Q1 2009. The construction margin stood at 6.6% in Q1 10.
- **Net income after minorities** reached €4.45 million, decreased by 27.9% compared to Q1 09, affected by lower construction and lower financial income this year.
- **Operating cash flow before WC changes reached** €6.7 million in Q1 10 compared to €7.1 million in Q1 09.
- **Net cash at 31/03/10** amounted to €c29.5 million, compared to c€54.7m at the end of the Q4 09. It is underlined that c€226 million have already been spent for the under construction RES installations.
- **CAPEX** reached 30.9 m in Q1 10, reflecting the start of construction of new wind parks

Main operations - results & outlook

The Group currently operates in Greece 9 wind farms (142 MW) and 1 small hydro (6.6 MW). 151.5 MW are under construction in Greece (142 MW wind, 8.5 MW hydro and 1 solar MW). 38 MW are under construction outside Greece, in Eastern Europe (20 MW in Poland and 18 MW in Bulgaria). More wind parks are expected to start construction in this area within this year.

A total of 86 MW started construction within 2010 (48 MW in Greece, 20 MW in Poland and 18 MW in Bulgaria), compared to 74 MW in FY 2009. The average load factor of wind farms stood at c34% in Q1 09. The expected long term average load factor for wind parks is 30%.

In Construction business, backlog for third parties reaches € 60 million, consisting of specialized, mostly electromechanical projects. It is worth underlying that the construction division of TERNA ENERGY also executes the construction of the company's own wind parks.

In Greece, it is expected that a total of 500-600 MW will be either operational or under construction by the end of 2010. Outside Greece, it is expected that 50-100 will be in operation or under construction by the end of 2010 (Eastern Europe).

PROFIT & LOSS – Q1 2010				
	1/1 - 31/03	1/1 - 31/03	1/10 - 31/03	1/10 - 31/03
	2010	2009	2010	2010
Continuing Operations				
Net Sales	16.112	14.510	12.873	13.241
Cost of goods sold	(9.684)	(7.983)	(8.585)	(8.946)
Gross Profit	6.428	6.527	4.288	4.295
Administration Expenses	(1.514)	(950)	(1.199)	(808)
RnD Expenses	(467)	(644)	(446)	(644)
Other Income/expenses	840	1.037	292	547
Operating results	5.287	5.970	2.935	3.390
Net Financial Income/Expenses	452	2.270	864	2.888
Pre tax profit	5.739	8.240	3.799	6.278
Taxes	(1.281)	(2.055)	(680)	(1.464)
Net Profit from continuing operations	4.458	6.185	3.119	4.814
Other income recognized directly in Equity from:				
Foreign exchange differences from incorporation of foreign units	9	(17)	-	-
Expenses of subsidiary's capital increase	(7)	-	-	-
Income tax recognized directly in Equity	(138)	(140)	(139)	(140)
Other income/expenses for the period net of income tax	(136)	(157)	(139)	(140)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	4.322	6.028	2.980	4.674
Net results attributed to:				
Shareholders of the parent from continued activities	4.322	5.894		
Minority interest from continued activities	136	291		
	4.458	6.185		
Total income attributed to:				
Shareholders of the parent from continued activities	4.187	6.028		
Minority interest from continued activities	135	-		
	4.322	6.028		
Earnings per share (in Euro)				
From continued activities attributed to shareholders of the parent	0.0398	0.0541		
Average weighted number of shares	108.411.413	108.858.676		

BALANCE SHEET – Q1 2010		
	Q1 2010	FY 2009
ASSETS		
Non-current assets		
Intangible assets	366.480	1.774
Tangible assets	5.175	340.82
Investment property	923	923
Participation in subsidiaries	-	-
Participations in associates	51	51
Participation in joint-ventures	-	-
Other long-term receivables	290	219
Other investments	1	1
Deferred income tax	516	1.233
Total non-current assets	373.436	345.021
Current assets		
Inventories	423	536
Trade receivables	14.014	22.394
Receivables according to IAS 11	4.716	2.269
Prepayments and other receivables	24.91	24.88
Income tax receivables	557	518
Cash and equivalents	227.811	244.837
Total current assets	272.431	295.434
TOTAL ASSETS	645.867	640.455
EQUITY AND LIABILITIES		
Share capital	32.8	32.8
Share premium	281.923	281.93
Reserves	15.385	17.269
Profit carried forward	43.834	39.812
Total	373.942	371.811
Minority interest	1.541	1.405
Total equity	375.483	373.216
Long-term liabilities		
Long-term loans	65.751	67.646
Other provisions	1.136	1.136
Provision for staff indemnities	172	181
Grants	50.195	50.796
Deferred income tax	914	838
Total long-term liabilities	118.168	120.597
Short-term liabilities		
Suppliers	13.404	14.071
Short-term loans	121.445	111.503
Long-term liabilities falling due in the next period	11.078	10.929
Liabilities according to IAS 11	1.942	3.368
Accrued and other short-term liabilities	3.164	6.214
Income tax payable	1.183	557
Total short-term liabilities	152.216	146.642
Total liabilities	270.384	267.239
TOTAL LIABILITIES AND EQUITY	645.867	640.455

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