



H1 2011 Results

TERNA ENERGY

Highlights

Sales	Ch%	EBITDA	Ch%	PBT	Ch%	Net Income	Ch%
27,9	-3	13,2	+35,6	10	+34,9	6,7	+57,6

Developments (Year To Date)



New installation licences obtained (y-t-d): 117 MW wind + 8 MW PV



New RES installations in operation: 59.5 MW wind + 8,5 MW mini Hydro –
Installed capacity now reaches 229.5 MW



Total installed, under construction or ready to build capacity: 702 MW



Wind Load factor (LF) at 27% (28,5% including small Hydro)



CAPEX at €102 million in H1 2011



c€290 million already spent for under construction RES installations

Portfolio

Diversified portfolio of RES projects

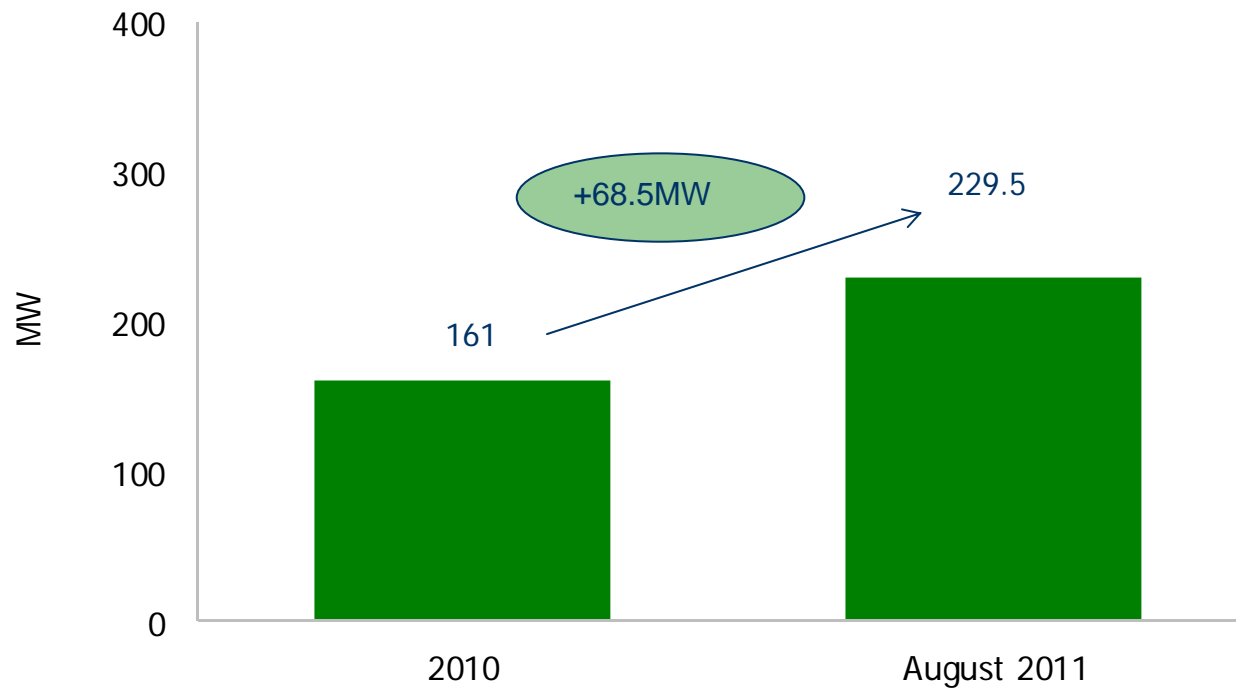
Expansion outside Greece

Status		Wind (MW)	SHPS & Pump Storage (MW)	P/V (MW)	Biomass & Co-generation (MW)
In operation	<i>Greece 197</i> <i>Poland 32</i>	214	15		
Under construction (or ready to built)	<i>Greece 231.5</i> <i>Bulgaria 30</i> <i>Poland 34</i> <i>USA 178</i>	465		9	
With production licence		1.552	157	18	
Application for production license filed		3.863 ¹	1.510	18	36

Note1: gross MW (on a net MW basis equivalent to 3.401 MW)

New installations YtD

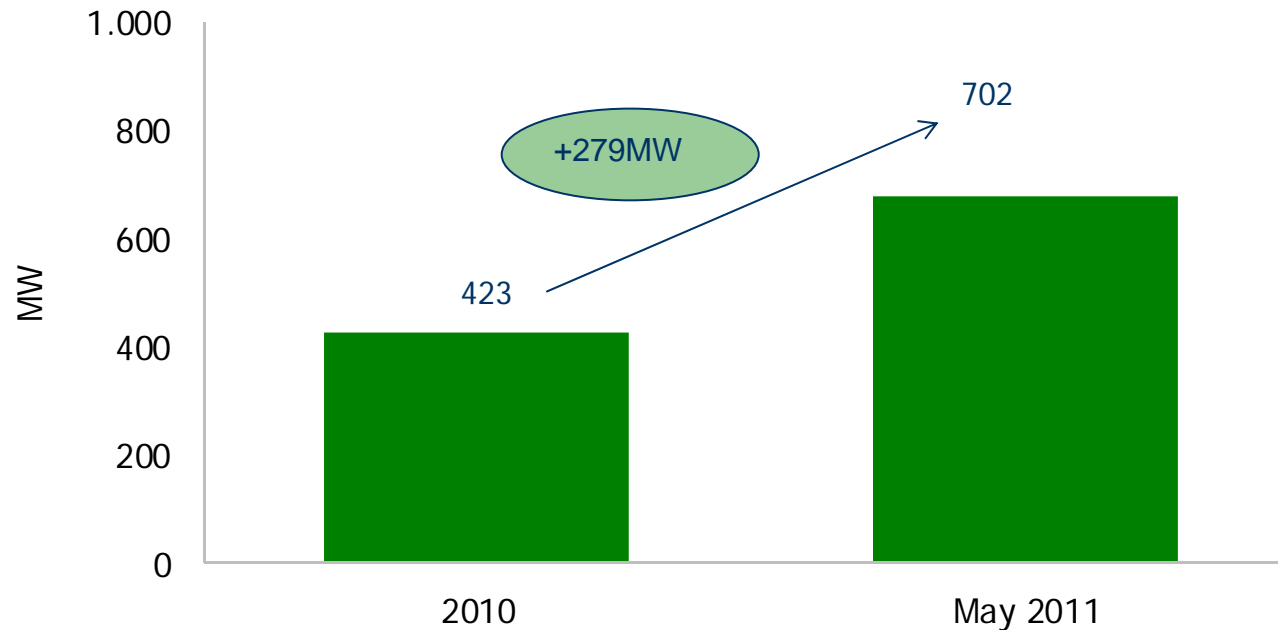
60 MW wind + 8,5 MW hydro installed (Year to Date)
Total 68.5 MW



New permits YtD

New permits obtained YtD:
178 MW wind in US + 93 MW wind in Europe + 8 PV –
Total 279 MW

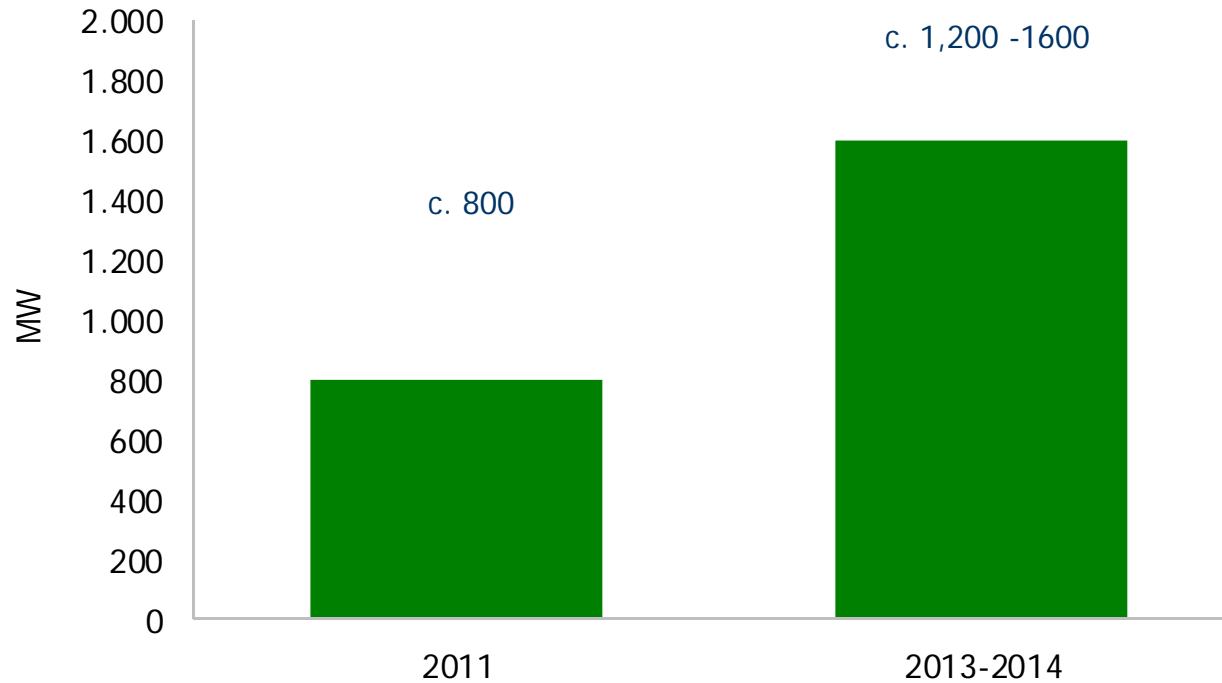
Installed or under construction capacity



Wind projects: business plan roll-out

Current RES in operation or under construction: 702 MW

Targeted installed or under construction capacity at year end



Strategy

Targeting more than 0.8 GW installed or at late stages of construction in Greece by 2013-2014

Diversify geographically in selected RES markets (mainly Eastern Europe & US) targeting 0.4-0.8GW installed or at late stage of construction by 2013-2014

Segments – Results

million €	SALES			EBITDA			EBIT			NET INCOME bm		
	H1 11	H1 10	Ch%	H1 11	H1 10	Ch%	H1 11	H1 10	Ch%	H1 11	H1 10	Ch%
Energy	20	16,4	22	12,3	8,9	38	8,3	5,7	45,6	7,4	2,9	155
Construction	7,9	12,3	-36	0,9	0,8	13	0,8	0,7	14,2	-0,008	0,2	-140
Total	27,9	28,7	-3	13,3	9,7	37	9,1	6,4	42,2	7,4	3,1	138

Energy results impacted with holding (expansionary) costs, resulting to consolidated Energy EBITDA margin at 61,6% – on a project level, EBITDA margin reaches 80% - gradually, consolidated EBITDA will be similar to project EBITDA

Construction for third parties significance is decreased – when the under construction RES capacity gets into operation, the contribution of this segment to results will be minor

Load Factor

Average Load Factor at 28,4%

Load Factor	H1 2011	H1 2010
Market source:DESMIE	24,9%	24,1%
Terna Energy Wind excluding those at testing period in H1 11 and 6,6 MW mini Hydro	26,5%	26,8%
Terna Energy Including 6,6 MW Mini Hydro	28,4%	28,2%

Key BS items

€ million	H1 2011	Q1 2011
Net Debt	113,8	70
NET DEBT is impacted with c€292 million spent for the under construction RES (465 MW)		

Key CF items

€ million	H1 2011	H1 2010
Operating Cash Flow (before WC changes)	13.2	9.7
The OCF corresponds to c160 MW –c40 MW were installed after the end of Q1		

€ million	H1 2011	H1 2010
CAPEX	91	47.1
Accelerated CAPEX pace		

APPENDIX

Financial Data

Profit & Loss

PROFIT & LOSS H1 2011		
	1/1 - 30/06 2011	1/1 - 30/06 2010
Continuing Operations		
Net Sales	27.911	28.792
Cost of goods sold	(14.773)	(18.370)
Gross Profit	13.138	10.422
Administration Expenses	(4.584)	(3.654)
RnD Expenses	(1.216)	(1.538)
Other Income/expenses	2.190	1.208
Operating results	9.528	6.438
Net Financial Income/Expenses	547	1.028
Pre tax profit	10.075	7.466
Taxes	(2.638)	(4.315)
Net Profit from continuing operations	7.437	3.151
Other income recognized directly in Equity from:		
Foreign exchange differences from incorporation of foreign units	(224)	(41)
Expenses of subsidiary's capital increase	(6)	(13)
Income tax recognized directly in Equity	1	(137)
Other income/expenses for the period net of income tax	(229)	(191)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	7.208	2.960
Net results attributed to:		
Shareholders of the parent from continued activities	6.984	2.932
Minority interest from continued activities	453	219
Total income attributed to:		
Shareholders of the parent from continued activities	6.755	2.742
Minority interest from continued activities	453	218
Earnings per share (in Euro)		
From continued activities attributed to shareholders of the parent	0,0663	0,0271
Average weighted number of shares	105.371.258	108.149.311

Balance Sheet

BALANCE SHEET – H1 2011			
	30.06.2011		31.12.2010
<u>ASSETS</u>			
Fixed assets	490.501		417.194
Real estate investments	923		923
Intangible assets	30.541		17.930
Participations and other long-term financial assets	13.111		4.089
Inventories	482		2.196
Trade receivables	11.817		14.870
Other current assets	68.200		30.544
Cash & cash equivalents	135.449		192.873
TOTAL ASSETS	751.024		680.619
<u>LIABILITIES AND EQUITY</u>			
Share capital	32.800		32.800
Other equity	330.967		331.098
Total shareholders' equity	363.767		363.898
Minority interests	3.057		2.603
Total Equity	366.824		366.501
Long term bank debt	76.571		63.204
Provisions/ Other L/T Liabilities	91.411		63.914
Short term bank debt	158.835		126.848
Other S/T Liabilities	57.383		60.152
TOTAL LIABILITIES	384.200		314.118
TOTAL LIABILITIES AND EQUITY (a) + (b)	751.024		680.619

CASH FLOW

CASH FLOW STATEMENT – H1 2011		
	1/1-30/6/2011	1/1-30/6/2010
Operating activities		
Profit before tax	10.075	7.466
Plus/less adjustments for:		
Depreciation	5.229	4.494
Provisions	(55)	29
Interest income and related income	(2.906)	(3.154)
Interest expenses and related expenses	2.359	2.126
Amortization of grants	(1.182)	(1.213)
Other adjustments	(301)	44
Operating profit before changes in working capital	13.219	9.792
Plus/Less adjustments for working capital account movements or movements related to operating activities:		
Decrease / (increase) in inventories	1.714	113
Decrease / (increase) in receivables	827	10.802
(Decrease) / increase in liabilities (other than to banks)	(4.798)	5.954
(Less):		
Taxes paid	(2.765)	(1.196)
Total inflows / (outflows) from operating activities (a)	8.197	25.465
Investing activities		
Purchases of tangible & intangible assets	(93.313)	(42.330)
Interest received	2.815	2.271
Collection of grants	3.500	2.733
Net change in provided loans	(8.000)	-
(Purchases)/sales of participations and securities	(8.594)	(4.853)
Total inflows / (outflows) from investing activities (b)	(103.592)	(42.179)
Financing activities		
Purchases of treasury shares	(2.476)	(4.567)
Net change in long-term loans	15.357	(5.129)
Net change in short-term loans	32.039	6.741
Interest and related expenses paid	(2.985)	(3.239)
Dividends paid	(4.411)	(7.329)
Total inflows / (outflows) from financing activities (c)		
Effect of FX differences on cash equivalents	447	(71)
Net increase / (decrease) in cash and cash equivalents for the period (a) + (b) + (c)	(57.424)	(30.308)
Cash and cash equivalents at the beginning of the period	192.873	244.837
Cash and cash equivalents at the end of the period	135.449	214.529