

Key points of the speech of TERNA ENERGY's Chairman, George Peristeris, at the General Assembly of Shareholders

June 5, 2019

Ladies and Gentlemen,

I would like to thank you warmly for your presence at today's General Assembly of Shareholders as well as for your support throughout the years.

I want to believe that we, on our part, have done our best to justify your trust and bring our company all of us together – namely management, employees and shareholders - to a very satisfactory level.

You know, when we started this endeavor about 25 years ago, most people considered all of us not serious enough. But today, when the whole world is talking about the clean energy revolution, the need for massive RES penetration and energy storage, we have succeeded in being a leader in Greece and abroad in this radical shift in the global energy market as well as in the global Society of Citizens.

TERNA ENERGY is today the largest RES investor in Greece and the largest Greek RES company internationally.

A few years ago we had set a target of 1,000 MW for our company. Our company operates, is constructing or has fully licensed more than 1,500 MW of RES installations, having already exceeded the target we set at that time. Moreover, we are now moving towards our new goal of 2,000 MW RES in Greece and abroad.

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Towards this end we are already making new investments of around 300 MW in Greece and the US, we are planning even more investment initiatives, and recently we have made another significant investment by acquiring a 200 MW wind farm in the US which is already in commercial operation.

At this point I would like to point out that we are currently operating in the US three wind farms with a total capacity of 493 MW, where we will add quite soon a fourth project of 158 MW. The latest park, Gopher Creek or Fluvanna 2, is expected to commence commercial operation by fall, and after that our Group's installed capacity in the US will reach 651 MW.

At the same time, we are continuing our investment program in Greece, where we are already building new wind farms in Evia, and we have also succeeded in securing new projects in Greece of over 100 MW through the new tender system.

With great patience and persistence, we continue our efforts to implement the new generation of energy storage investments that we have launched over the years. The whole world is massively turning to these investments, especially the extremely mature and tried-and-tested method of pumping, with huge investments being implemented in the US (mainly in California), Europe, China and Australia. Internationally, a real cosmogony is taking place. Just a few days ago, a new and huge, 1.5 billion euro, pump-in investment was announced in Portugal. One of the largest and most reputable newspapers in the world, Financial Times, has recently released an extensive tribute to pump storage. Here in Greece, however, we unfortunately continue to be indifferent. The regulatory framework for storage has not even begun to be drawn up, a development that otherwise would allow at some point in time many of the investments --that we, PPC and many other companies are planning to launch-- to finally start.

The issue of investment in RES and in energy storage does not concern one or two companies; instead it concerns the whole country, all Greeks! And not just for environmental reasons, but also for economic and social ones. Large-scale investments can be implemented immediately by creating thousands of new jobs that will reverse the "brain drain" issue that everyone is talking about and give hope to thousands of young unemployed scientists and beyond. These are investments with huge domestic added value, which will allow for greater penetration of RES and lower energy costs. We are talking about investments that will turn Greece into the "battery" of the European south.

In the field of storage, we are promoting two major projects totaling EUR 800 million. It is a hybrid project in Crete with 93 MW hydroelectric power and 90 MW wind power, which will be the largest hybrid project in Europe and a 680 MW pumping station investment in Amphilochia. Also please let me make a reference specifically to Crete, where while everyone has known for years that the time is coming for Crete to run out of power, no one has actually done anything. If e.g. had our investment in Amari, Crete, been promoted, the problem of energy efficiency on the island would have been addressed.

I will not be tired of saying this: Greece has the largest wind potential in the wider region of Southeast Europe and the Mediterranean. Especially if particular consideration is given to its maritime wind potential as technologies and industrial development in this sector mature (e.g. floating wind turbines). Unfortunately, an effort that we had started back in 2010 was halted by a government decision at the time, but the technological progress that has been occurring in the meantime is bringing back to the stage the issue of exploitation of maritime wind potential.

I would also like to refer to the waste management sector, where we have been leaders in recent years. Already the project "Municipal Solid Waste Treatment Plant of Epirus Region" commenced commercial operation; it is a project - model made in record time and embraced by the citizens of Epirus. In the coming weeks we expect - at last – the commencement of the construction works on the corresponding project in the Peloponnese Region. Following the successful undertaking of PPP waste projects in Epirus and the Peloponnese we will also bid for new related projects expected in other areas of the country and of course in Attica.

Lastly, let me note that, in addition to our overall striving for the good of the company, we are actually demonstrating and respecting our shareholders with decisions that pay back their trust, such as those relating to the dividend policy of our company. We have already returned cash to our shareholders since January, attaining a total increase of 15% compared to the previous year.

Thank you