

Athens, June 2, 2014

**Announcement about the approval of the increase and decrease of the share capital and the procedure for the return of capital to the shareholders**

TERNA ENERGY S.A. (the "Company") announced on April 29, 2014 the resolutions of the Annual General Meeting held on that same day, which decided, among others, the increase of the Company's share capital by the amount of 9,838,296.00 € with capitalization of part of the special share premium reserve with increase of the nominal value per share from 0.30 € to 0.39 € and at the same time the decrease of the share capital by the amount of 9,838,296.00 € with the respective decrease of the nominal value per share from 0.39 € to 0.30 € and the return of the amount of 0.09 € per share, deriving from the decrease of the share capital, to the Shareholders and announces the following:

On May 8, 2014 the amendment of article 5 par. 1 of the Articles of Association of the Company resulting from the above increase and decrease of the share capital, was approved by the Minister of Development and Competitiveness – General Secretariat of Commerce, according to his decision no. K2-2057.

The Managing Committee of the Athens Exchange, (ATHEX), during its session on May 30, 2014 was informed about the above increase and decrease of the nominal value of the Company's shares, following which the share capital of the Company currently amounts to 32,794,320 € divided into 109,314,400 common registered shares of a nominal value of 0.30 € each.

Following the above, as of July 9, 2014 (ex-rights date), the Company's shares shall be traded on the Athens Exchange with the new nominal value of 0.30 € per share and without the right to receive the amount of the capital return amounting to 0.09 € per share payable in cash. As of the same day, the opening price of the shares shall be adjusted according to the Regulation and the Decision No. 26 of the Board of Directors of the Athens Stock Exchange, as currently in force.

The Company's shareholders that are registered with the registry of the Central Depository System on July 11, 2014 (record date) shall be entitled to the return of capital amount.

The return of share capital is set to begin on July 17, 2014 and shall be effected through Piraeus Bank which shall pay the respective amount as follows:

1. To the operators of the shareholders shares (custodians - brokers) if such a right has been granted to them.
2. Through the branches of Piraeus Bank for those shareholders who have not granted or have revoked the respective authorization to their operator to collect payments on their behalf, or whose shares are kept in the Special Account, by presenting their Codified Number of Investor Account in the Central Depository System and their identity card, either by in person or through an authorized representative, by 31-12-2014.

As of 31-12-2014 the return of capital in cash shall be effected in the offices of the Company, at 85 Messogion Avenue, 115 26, Athens.

For further information Investors may contact during business hours the Investor Relations Department of the Company (Tel. +30 210 6968429, Mrs. Mary Theotokatou).