

Athens, August 29, 2012

Announcement about the approval of the increase and decrease of the share capital and the procedure for the return of capital to the shareholders, as well as the capital increase and the issuance of bonus shares.

TERNA ENERGY S.A. (the "Company") further to its announcement of May 24, 2012 in relation to the resolutions of the Annual General Meeting which decided, among others, the increase of the Company's share capital by the amount of 5,205,670€ with capitalization of part of the special share premium reserve with increase of the nominal value per share from 0.30€ to 0.35€ and at the same time the decrease of the share capital by the amount of 5,205,670€ with the respective decrease of the nominal value per share from 0.35€ to 0.30€ and the return of capital to Shareholders, announces the following:

On 22.06.2012 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, Competitiveness and Shipping, according to his decision no. K2-4453

The Athens Exchange, (ATHEX), during its session on August 28, 2012 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 31.234.020 € divided into 104.113.400 common registered shares of a nominal value of Euro 0,30 each.

Following the above, as of September 4, 2012 (ex-rights date), the Company's shares shall be traded on the Athens Stock Exchange with the new nominal value of Euro 0,30 per share and without the right to receive the amount of the capital return amounting to 0,05 € per share payable in cash. As of the same day, the opening price of the shares shall be adjusted according to its Regulation and 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 September 6, 2012 (record date) shall be entitled to the return of capital amount.

The return of share capital is set to begin on September 12, 2012 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 identification card, either by themselves or through an authorized representative, by 31-12-2012.

After 31-12-2012 the return of capital in cash shall be effected in the offices of the Company, at 85 Messogion Avenue, 115 26, Athens.

The Company further to its announcement of May 24, 2012 in relation to the resolutions of the Annual General Meeting which decided, among others, to increase the company's share capital by the amount of 1,561,701 € with capitalization of part of the special share premium reserve with the issue of 5,205,670 new common registered voting shares with a nominal value of 0.30€ each, which will be distributed freely to Company's shareholders at a ratio of 1 new share towards 20 existing shares, announces that:

On June 22, 2012 the amendment of the respective provisions of the Articles of Association of the Company due to the above share capital increase was approved by the Minister of Development, Competitiveness and Shipping, by virtue of decision K2-4453. Following the above increase of capital, the Company's share capital amounts to a total of thirty two million seven hundred and ninety five thousand seven hundred twenty one euros (32,795,721€) divided into one hundred and nine million three hundred nineteen thousand and seventy (109,319,070) common registered voting shares, with a nominal value of thirty cents of the euro (0.30€) each.

The Athens Exchange, (ATHEX), during its session on August 28, 2012, approved the listing for trading on the Athens Stock Exchange of the above mentioned bonus shares.

The following were decided by the Company:

a) September 5, 2012 was set as the ex-rights date for participation in the above share capital increase with distribution of bonus shares. As of the same day, the Company's shares will be traded without the right to participate in the aforementioned increase, and the starting price for the Company's shares in the Athens Stock Exchange will be determined according to the Athens Exchange Regulation and Resolution no. 26 of the Board of Directors of the Athens Stock Exchange, as in force,

b) the beneficiaries of the new shares shall be the shareholders registered in the records of the Dematerialized Securities System by September 7, 2012 , and

c) September 12, 2012 was set as the starting date for the trading of the new bonus shares in the Athens Stock Exchange. On this same trading start date, the new shares will be credited to the accounts of the beneficiaries, as these have been determined as above, which are kept in the Dematerialized Securities System.

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