



Athens, July 16, 2012

**Announcement regarding the cancellation of own shares and the consequent decrease of the share capital**

TERNA ENERGY S.A. (hereinafter “Company”) informs the investors that the Ordinary General Meeting of the Company’s shareholders, held on May 24, 2012, decided, inter alia, to decrease the Company’s share capital by the amount of one million five hundred and sixty six thousand euros (1,566,000 €) through the cancellation of five million two hundred and twenty thousand (5,220,000) treasury shares with a nominal value of thirty cents of a euro (€0.30) each, and to amend the respective article 5 par. 1 of the Company’s Articles of Association.

As a result of the decrease, the Company’s share capital amounts to thirty one million two hundred and thirty four thousand and twenty euros (31,234,020 €) and is divided into one hundred and four million one hundred thirteen thousand four hundred (104,113,400) common registered voting shares, with a nominal value of thirty cents of a euro (0.30€) each”.

On 22.06.2011, Decision K2-5442 of the Minister of Development, Competitiveness and Shipping was filed with the Sociétés Anonymes Register, approving the amendment of article 5 par. 1 of the Company’s Articles of Association.

The Athens Exchange, (ATHEX) during its session on July 13, 2012, was informed about the abovementioned decrease through the cancellation of the Company’s shares.

Following the above, the Company has decided that on July 19, 2012, the trading in the Athens Stock Exchange of five million two hundred twenty thousand (5.220.000) common registered shares shall cease and such shares shall be cancelled.

For more details, Shareholders may contact the Company’s Shareholders Services & Corporate Announcements Department (Contact person: Mrs M. Theotokatou, tel. +30 210 6968429).