

Athens, May 3, 2012

ANNOUNCEMENT OF DRAFT FOR AMENDMENT OF ARTICLE 5 “Share Capital” and ARTICLE 10 “Formation of the Board of Directors into a body corporate – Substitution of Members of the Board of Directors” OF THE ARTICLES OF ASSOCIATION

TERNA ENERGY informs Investors, according to the article 19 par. 2 of the L.3556/2007 and the Athens Exchange Regulation, about the draft proposed amendment of the Articles of Association in view of the Company’s upcoming Annual Ordinary General Assembly that will take place on May 24, 2012

Article 5 Share Capital

It is proposed that paragraph 1 of article 5 regarding the share capital of the Articles of Association, is supplemented as follows:

- «By virtue of the resolution of the Ordinary General Meeting of the Shareholders dated May 24, 2012 it was resolved:

a) The decrease of the Company’s share capital by the amount of one million five hundred and sixty six thousand euro (1,566,000 €) and the cancellation of 5,220,000 treasury shares. Following such, the Company’s share capital amounts to thirty one million two hundred and thirty four thousand and twenty euro (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”.

“b) the increase of the Company’s share capital by the amount of five million two hundred and five thousand six hundred and seventy euro (5,205,670€) with capitalization of part of the special share premium reserve with increase of the nominal value per share from thirty cents of a euro (0.30€) to thirty five cents of a euro (0.35€) and at the same time the decrease of the Company’s share capital by the amount of five million two hundred and five thousand six hundred and seventy euro (5,205,670€) with decrease of the nominal value per share from thirty five cents of a euro (0.35€) to thirty cents of a euro (0.30€) and the return of the relevant decrease to shareholders. Following the above, the Company’s share capital amounts to thirty one million two hundred and thirty four thousand and twenty euro (31,234,020 €) and is divided into one hundred and four million one hundred thirteen thousand and four hundred (104,113,400) common registered voting shares, with a nominal value of thirty cents of a euro (0.30€) each”.

“c) the increase of the Company’s share capital by the amount of one million five hundred sixty one thousand seven hundred and one euro (1,561,701 €) with capitalization of part of the special share premium reserve with the issue of five million two hundred and five thousand six hundred and seventy (5,205,670) new common registered shares with a nominal value of thirty cents of a euro (0.30€) each.”

As a result the Company’s share capital amounts to a total of thirty two million seven hundred and ninety five thousand seven hundred twenty one euro (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.

Paragraphs 2,3 and 4 of the article remain as currently in force

Article 10 Formation of the Board of Directors into a body corporate – Substitution of Members of the Board of Directors

It is proposed to amend par. 1-4 of article 10 of the Articles of Association which are merged into two.

Paragraph 5 is deleted, as there the need to elect a Technical Director has been abolished.

Paragraphs 6, 7 and 8 remain as currently in force and are re-numbered.

The full text of article 10, following the amendment will be as follows:

Article 10 Formation of the Board of Directors – Substitution of Members of the Board of Directors

1. The Board of Directors, immediately following its election, convenes and is formed into a body, by electing the Chairman, one or more Vice-Chairmen and the Managing Director from its members and only with absolute majority of the present and represented Members, by defining at the same time their responsibilities. The Board of Directors may also elect, according to the above, one or more Executive Consultants from its Members. The Chairman or one of the Vice-Chairmen may be elected as Managing Director.
2. The Chairman of the Board is Chair of the Board of Director meetings, is in charge of the Board's activities, controls the Company's operation and informs the Board of Directors on the Company's activities. The Chairman, when absent or unable to attend, is replaced for all his/her activities by the Vice-Chairman that is appointed for such, by means of a resolution by the Board of Directors through its formation to a Body".
3. If for any reason, a seat of a director who was appointed by the General Meeting becomes vacant, the Board of Directors, provided that the remaining members are at least three (3), elect a provisional substitute. The resolution of the said election is subject to the publication formalities according to the provisions of Article 7b of the Codified Law 2190/1920 and is announced by the Board of Directors in the immediate subsequent General Meeting which may substitute the elected members even such substitution does not constitute an item of the Agenda. The actions of the above provisional members of the B.o.d. (Directors) are valid even their election is not ratified by the General Meeting. The term of the substitute member of the B.o.d. expires at the date the member of the B.o.d. (Director) being substituted would expire.
4. It is expressly stated that in case of resignation, death or loss of capacity as a member or members of the Board of Directors due to any other cause, the remaining members may continue to conduct the management and representation of the Company without the substitution of the absent member(s) in accordance with the preceding paragraph, provided that the number of such members exceeds half of the number of the members, as it was prior to the occurrence of the above events. In any case, the said members may not be less than three (3).
5. In any case, the remaining members of the Board of Directors, regardless of their number, may proceed with the convocation of the General Meeting with the sole item of the Agenda being the election of a new Board of Directors.