



TERNA ENERGY SA

Company Presentation



TERNA Energy – strategy

Become the #1 integrated and diversified renewable energy producer in Greece targeting 1.2GW of installed capacity by 2012

Diversify and expand abroad in selected RES markets (mainly S. Eastern Europe) targeting 0.4GW of installed capacity by 2012

TERNA Energy – investment highlights

Experienced management team with successful track record in developing wind parks, consistently converting applications into operating facilities and targeting total RES capacity installed of c. **1.6GW by 2012**



1

A leading position in the fast growing Greek renewable energy market



2

Attractive regulatory framework with substantial RES support mechanisms



3

Highly visible and high quality domestic wind pipeline targeting capacity increase to c. 1.0 GW by 2012



4

Technologically well-diversified portfolio with hydro, solar and biomass projects already in construction or advanced development phase targeting domestic capacity increase to c. 0.2 GW by 2012



5

Plans to develop in promising RES markets outside Greece targeting capacity increase to c. 0.4 GW by 2012



6

Unique vertically integrated position with in-house successful greenfield development and RES construction capabilities



7

Profitable third party construction business operating in the attractive niche construction market of electricity-related works



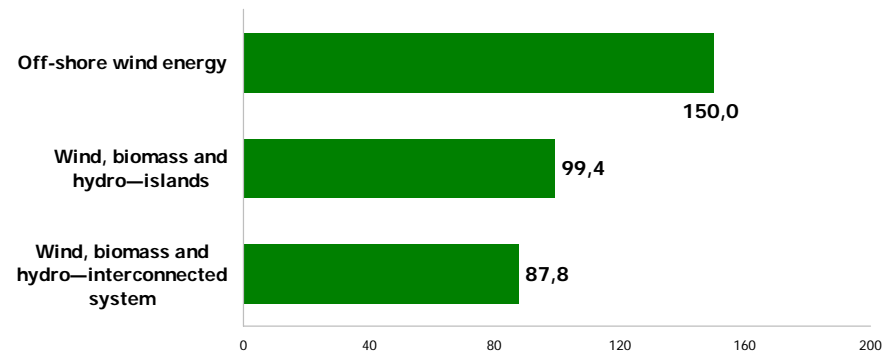
SECTION 1

Overview and strategy

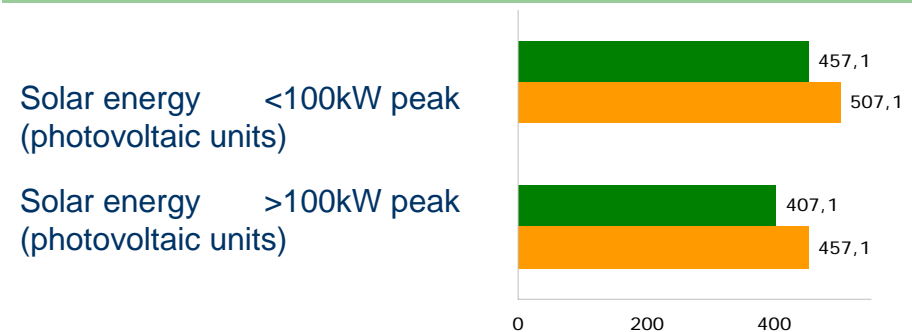
Attractive regulatory framework in Greece

- **20 years PPA** (10 years plus option for owner to renew for an additional 10 years)
- **Capital subsidies for RES investments 30-50%** depending on technology
- Fixed tariffs for each type of RES
- **Tariffs adjusted annually** on the basis of weighted adjustment of the approved electricity supply tariffs of PPC
- Dispatch priority
- Up to **40 years usufruct** of public land

2009 tariffs for wind, biomass and hydro (€/MWh)



2009 solar energy tariffs (€/MWh)



Source: Law 3468/2006, Hellenic Republic Ministry of Development Non-Interconnected system Interconnected system

Overview of activities in Greece

- Leading position and proven track-record in fast growing highly attractive Greek renewable market
- Highly visible and high quality wind pipeline
 - Total owned pipeline of (c. 2.4GW)
 - Historical track record of conversion of licenses submission into production licences of c. 90%
 - Submissions of applications secures the sites against competitors
 - 40 years concession for use of public land
 - Turbine supply agreements secured for reaching 2010 target of 450MW
- Well diversified pipeline portfolio of RES projects



Status	Wind (MW)	SHPS & Pump Storage (MW)	P/V (MW)	Biomass & Co-generation (MW)
In operation	▲ 142	● 6.6		
Under construction	▲ 124	● 8.5	● 1	
With production licence	▲ 611	● 112	● 2	
Application for production licence filed	▲ 3,078 ¹	● 1,510	● 21	● 19

High quality and highly visible pipeline targeting 1,200MW of installed capacity by 2012

Note1: gross MW (on a net MW basis equivalent to 2.789 MW)

RES expansion abroad

The GEK-TERNA Group and TERNA ENERGY Group has established affiliates and/or strategic alliances in the following countries:

- **Europe**
 - **Poland**
 - **Bulgaria**
 - **Romania**
 - **Albania**
 - **Turkey**
- **US**
- **Brazil**
- **MENA Region**

The aim of TERNA ENERGY in various countries is to pursue as a mid term base line 200 to 300 MW per country

RES expansion Outside Greece

- ✓ **POLAND:** TERNA ENERGY is actively pursuing more than 100 MW in 3 sites which are in the licensing stage – first project (20 MW) is under construction
- ✓ **BULGARIA:** TERNA ENERGY is actively pursuing more than 200 MW in 12 promising sites where it has installed its own masts – first project (18 MW) started construction
- ✓ **JORDAN:** TERNA ENERGY and its Partners are preferred bidder and are currently under negotiations with MEMR for the 40 MW Al –Kamshah wind Park - Is participating in the 90 MW Fujeij Project which is in Pre-qualifications stage
- ✓ **EGYPT:** TERNA ENERGY is pre-qualified for the first wind power 200 MW IPP tender with a significant local partner from EI Sewedy Group
- ✓ **BRAZIL:** TERNA ENERGY having established local partnerships is actively pursuing more than 200 MW
- ✓ **US:** TERNA ENERGY targets to 200-300 MW – monitoring closely the market

TERNA Energy – construction division overview

Profitable third party construction business in attractive niche markets with in-house RES construction capabilities

RES development

- Substantial track record and expertise in building infrastructure for RES facilities
- Deep in-house technical knowledge of construction of RES and human resources

Third party activities

- Industry-leading expertise in the construction of electromechanical works, railway and energy projects
- 6th class construction certificate permitting participation in Government tenders up to €40m
- Competitive advantage through deep in-house knowledge and human resources
- Construction backlog stood at c. €74m as at 30/09/2009



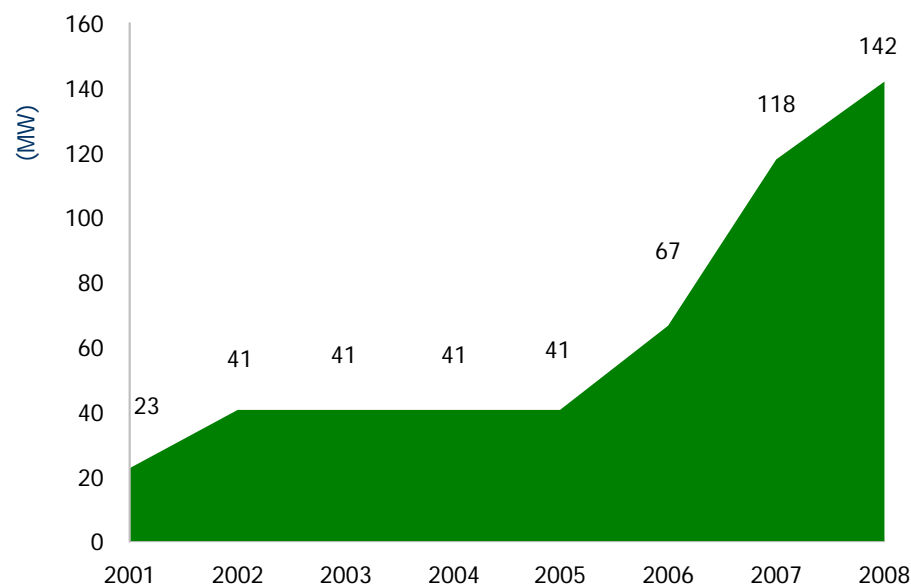
SECTION 2

RES activities and pipeline

Leading position in Greece

- Early entry into the Greek RES market in 1997 allowed TERNA Energy to secure some of the most attractive sites
- Successful development has made TERNA Energy the number two wind operator in Greece
 - 142MW in operation
 - 124MW in construction
- **Historical load factor of assets in operation stands at over 30%**
- Network and regulatory constraints slowed construction in the 2002-2005 period
- TERNA Energy focused on developing applications and securing the sites
 - Owned pipeline standing at c. 2.7GW
- Construction restarted at high pace upon resolution of such matters

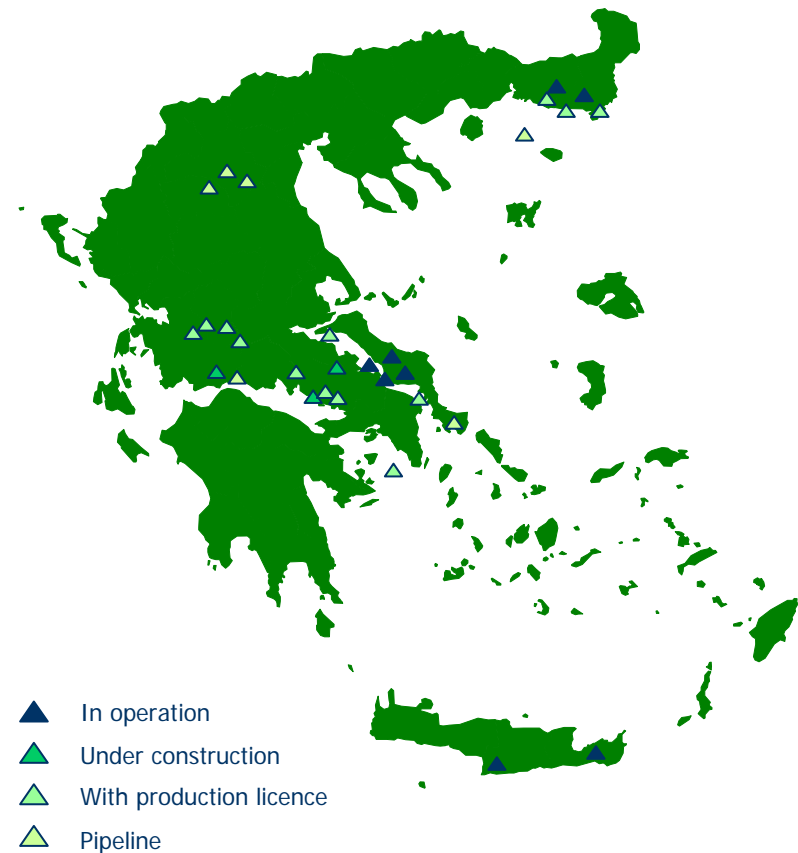
TERNA Energy installed capacity development



Proven track record and early entry secures substantial platform of operating assets in Greece

Wind project in Greece: overview

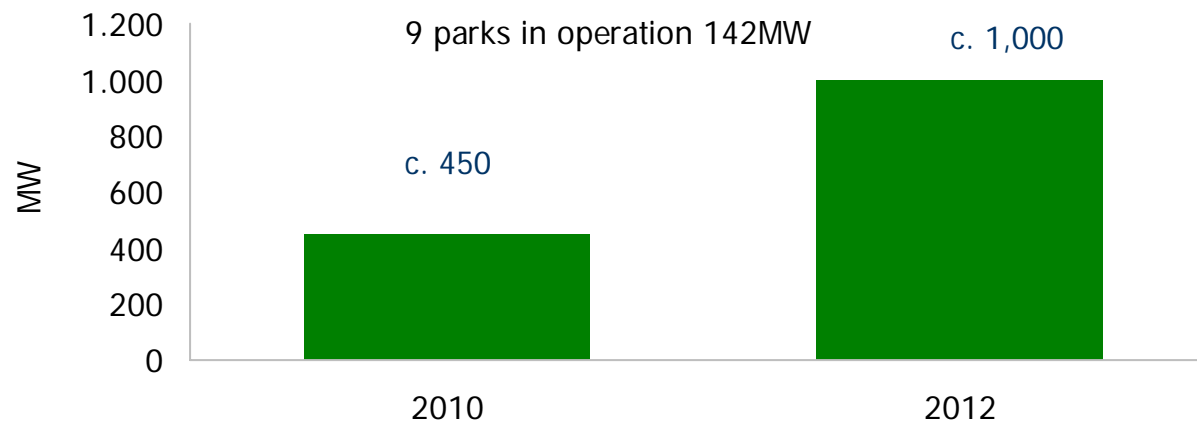
- Total existing, in construction and pipeline capacity of 3.268MW gross (3.025MW of equity capacity)
 - Predominantly mainland based capacity
- Currently 142MW in operation and 124 MW in construction
- Already obtained production licences for 611 MW of capacity with installation licence expected to be obtained
- Production licences applied for additional 3.178MW gross of which 909MW in JV
 - Other developers cannot seek to develop the sites for which TERNA Energy has filed production licence applications
- Three joint venture projects with gross capacity of 909MW (resulting in 621MW equity capacity)
 - 45% ownership in Giaros (288MW)
 - 75% ownership in Petalia gulf (450MW)
 - 90% ownership in Kithira (171MW)



Highly visible and high quality wind pipeline of projects

Wind projects in Greece: business plan roll-out

Targeted installed capacity

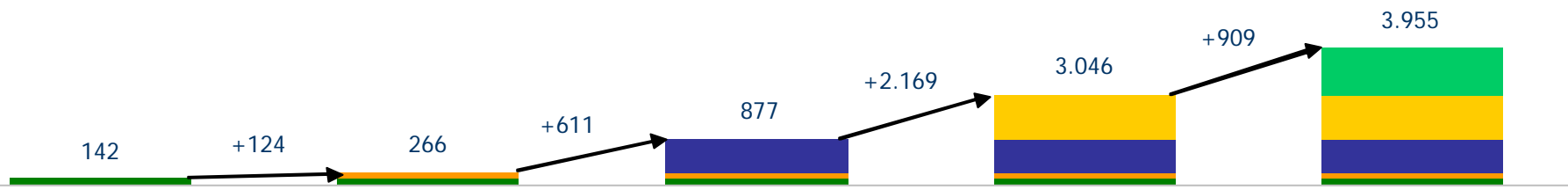


Turbine supply agreements

- Turbines' procurement secured for 265 MW

Well on track to reach installed capacity of c. 1,000MW by 2012 in Greece

Wind projects in Greece: status of applications



■ in operation: 9 parks 142MW
 ■ under construction: 6 parks 124MW
 ■ with production licences: 32 parks 611MW
 ■ Application for production licences filed 11 sites 2,169MW
 ■ Application for production licences filed JVs

Site (region)	Capacity (MW)	In-service date
Tsilikoka (Evia) ¹	10.20	June 2000
Tsouka (Evia)	12.00	July 2000
Profitis Ilias (Evia)	11.22	April 2001
Pirgari (Evia)	5.40	August 2001
Didimos Lofos (Evros)	26	June 2005
Mitoula (Evros) (first phase)	34.20	June 2006
Chonos (Crete)	4.50	February 2006
Perdikorifi (Crete)	14.45	May 2006
Louzes (Aitolokarnania)	24.00	October 2008
Total	142	

Site (region)	Capacity (MW)
Viotia	12.8
Viotia	19.55
Viotia	30
Thrace	11.7
Aitolokarnania	20
Viotia	30
Total	124

Site (region)	Capacity (MW)
Thrace (3 wind parks)	47.70
Attica (St. George Islet, 2 wind parks)	69.00
South Evia (7 wind parks)	284.00
Evia (Servouni, 2 wind parks)	20.40
Evritania (4 wind parks)	106.80
Attica & Viotia (3 wind parks)	44.00
Kozani (1 wind park)	20.00
Argolida (1 wind park)	18.00
Rhodos (1 wind park)	17.90
Total	611

Site (region)	Capacity (MW)
Crete	19.55
Evia	228.30
Peloponnese	187.70
Kefalonia	18.00
Imathia	36.00
Aitolokarnania	48.00
Xanthi	86.00
Evros	255.00
Kilkis	48.00
Viotia	38.00
Off shore/Thrace sea	585.00
Off shore/Limnos	320.00
Other sites	300.00
Total	2,169

Site (region)	Capacity (MW)
Giaros (Cycladic islands) (45% participation) ¹	288.00
Petalia gulf (eastern Attica) (75% participation) ²	450.00
Kithira (90% participation)	171
Total	909.00

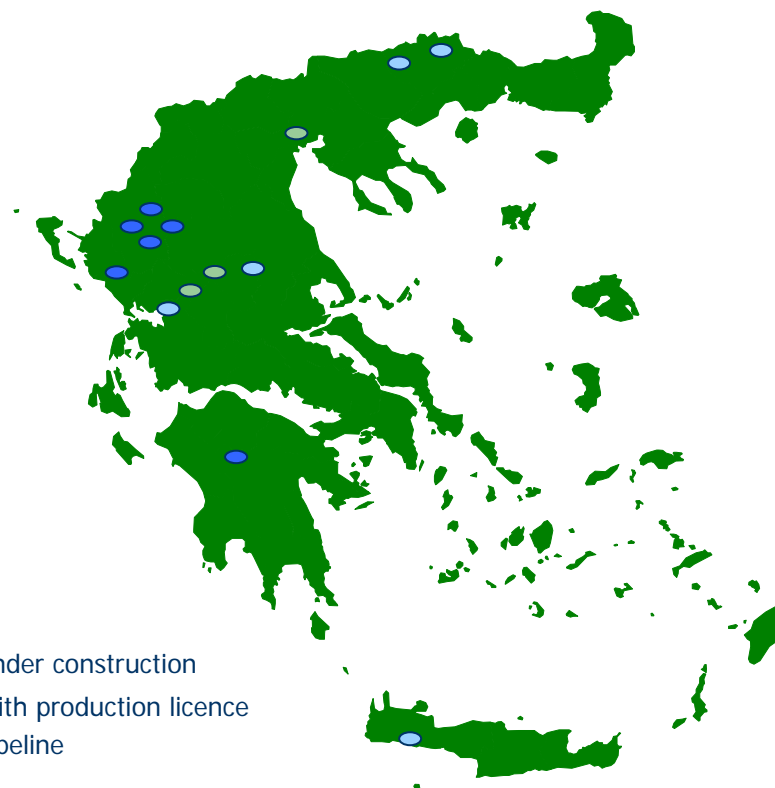
Notes:
 1. Have received adverse opinions from the Authority in respect of our applications for construction permits for six wind parks included in this project; applications have been submitted to the Authority and the Ministry of Development
 2. This project involves the construction of semi off-shore wind parks

Sites already secured for c. 3 GW of capacity

Hydro projects in Greece: overview

Substantial pipeline of hydro projects already in construction or late development phase...

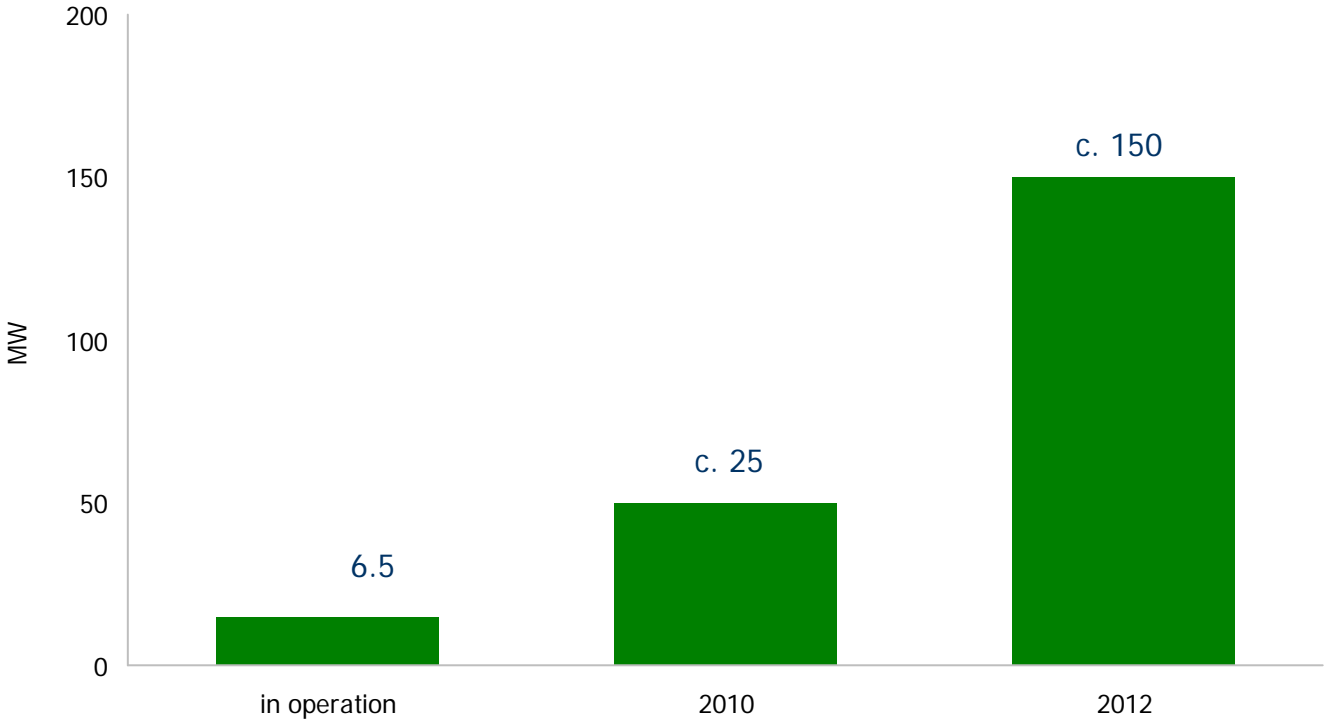
- 220MW of total hydro capacity
 - 6.5 MW in operation
 - 8.5MW in construction
 - 112MW with production licence
 - 93MW with production licences applied for



Note: C. 20MW corresponds to PPC stake in the PPC renewable TERNA Energy joint venture

Hydro projects in Greece: business plan roll-out

Targeted installed or under construction capacity at year end



Targeting installed capacity of c. 150MW by 2012 in Greece

Hydro and Pump-Storage projects in Greece: stage of development

Site (region)	Project stage	Capacity (MW)
Eleousa, Axios river, Thessaloniki ¹	In operation	6.60
Dafnozouara, Aheloos river, Western Greece	Under construction	8.50
○ Sub-total of projects under construction		15.10
Mazaraki, Kalamas river, Epirus	Production licence	10.00
Gribovo, Kalamas river, Epirus ²	Production licence	4.00
Kalamas, Kalamas river, Thesprotia ^{1,2}	Production licence	5.60
Ladonas, Ladonas river, Peloponese ¹	Production licence	8.40
Kalarites (4 small hydro power stations), Epirus ²	Production licence	19.60
Ano Goura (2 small hydro power stations), Epirus ²	Production licence	4.60
Avlaki, Aheloos river, Arta-Karditsa	Production licence	60.00
● Sub-total of projects with production licence		112.20
○ Sub-total of projects under process for approval		1510
Total		1622



Notes

1. These projects are being developed by our subsidiary PPC Renewable -TERNA Energy S.A., in which we own a 51% participation.
2. Production licences under modification for optimization of environmental performance

Solar projects in Greece: overview

Technologically well-diversified portfolio with solar and biomass plants in advanced development phase ...

- 22MW of total solar capacity
 - 1MW under construction
 - applied for production licence for 21MW (8 plants)



Biomass projects in Greece: overview

Energy Production from Agricultural Biomass

- Expected gross power production exceeds 8.1MWe
- Completed technical conceptual design
- Preliminary collaboration agreement with technology provider
- Preliminary site selection for plant erection
- Negotiations of contracts to obtain raw material
- Initiated Basic and Detail engineering designs
- Initiated permitting activities

Biomass Slurry Treatment

- Expected gross power production exceeds 6.1MWe
- Completed technical conceptual and basic designs
- Finalized collaboration with local stakeholders
- Initiated permitting activities



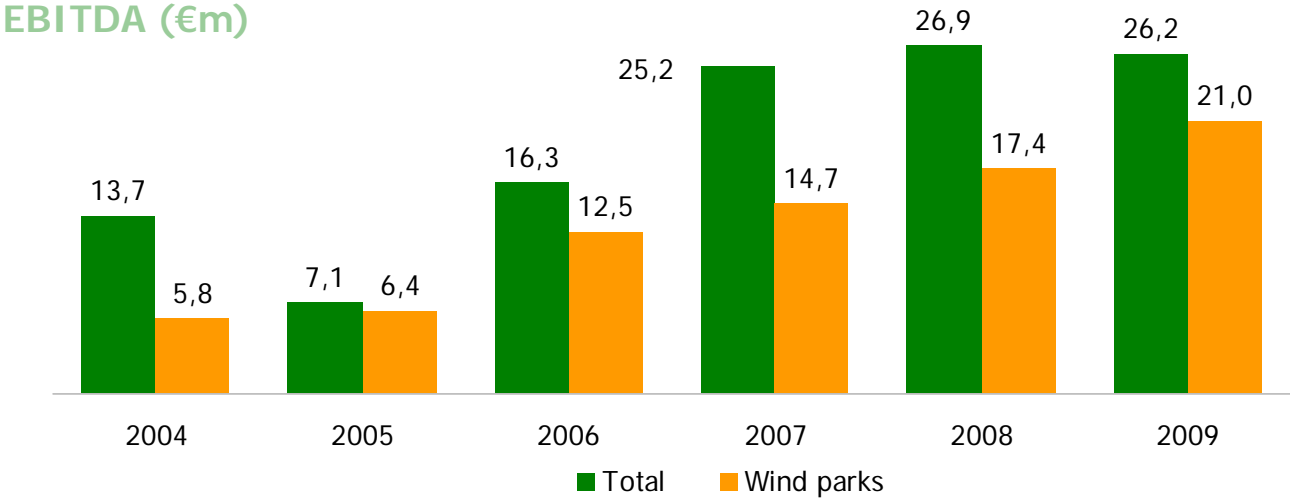
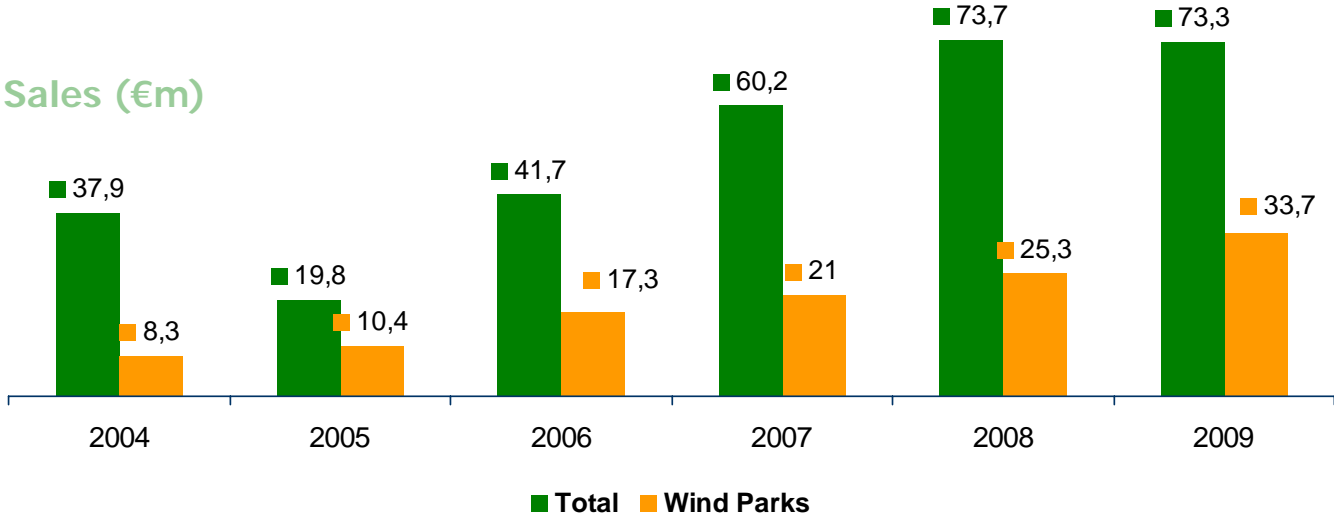
● Biomass pipeline projects



SECTION 3

Financial overview

Historic financials



Capital structure and dividend policy

Funding of RES projects on the basis of capital structure targets as defined by RES law

Dividend policy set by minimum legal requirements in order to fund future growth



APPENDIX

Greek RES market overview

Renewable energy market momentum

Three factors drive renewable energy market momentum globally

Environmental awareness

- Public concern for “clean” energy sources steadily growing driven by rising environmental awareness

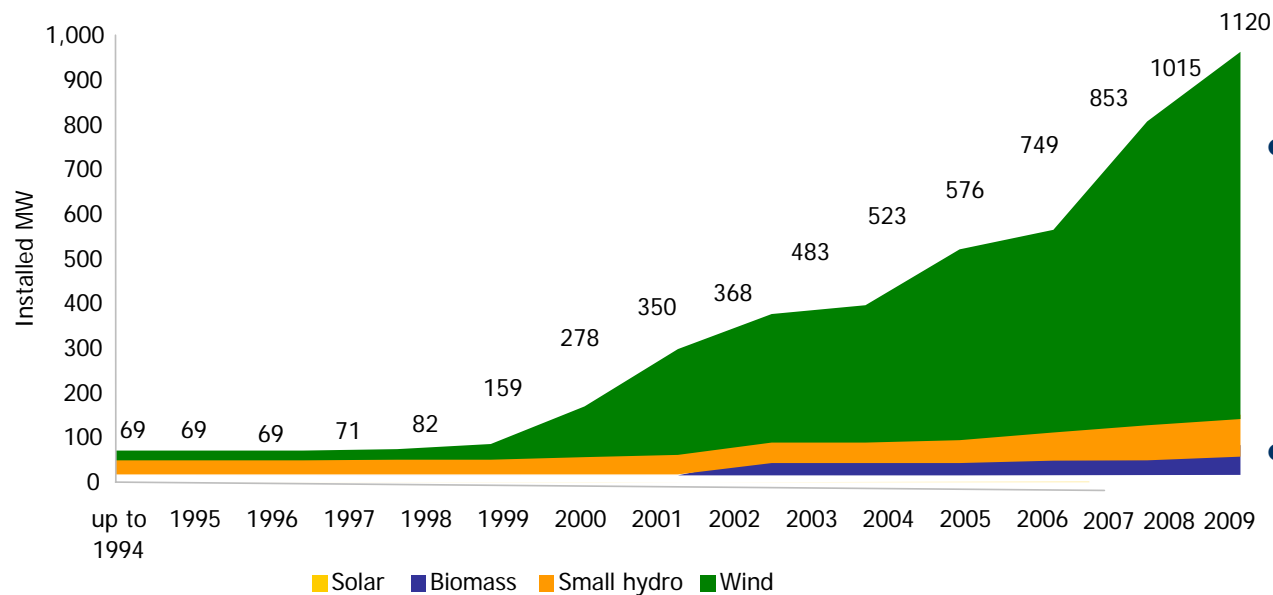
Regulatory framework

- Global-scale political support for the development of renewable energy sources
- Kyoto Protocol established the framework
- EU Renewable Energy Directive set targets for EU Member States to achieve by 2020
 - 20% of electricity to be produced from RES in the EU
- Growing concern for polluting gases encourages continuous research and development for more efficient RES technology
- Goal to refine and master existing renewable energy sources by developing new generation sources and technologies

Technology

RES targets in Greece

Government targets 20% of electricity consumption from RES sources by 2010



- Greece covers c. 4.5% of its gross electricity consumption by RES
- At the end of 2008 Greece had 1015MW of installed RES capacity

- The obligatory target for Greece under the Renewable Energy Directive is 20.1% of electricity consumption from RES by 2020
- The EU target translates into c 6-7 GW of installed RES to be operational by 2020

Source: Regulatory Authority for energy (RAE)

RES trends in Greece

Government targets for RES drive development of the Greek RES market

Large wind parks (25-50MW) expected to dominate

Increasing importance of small hydro

Increasing importance of biomass and municipal organic waste

Potential for photovoltaic boom with government long term target of 700MW