

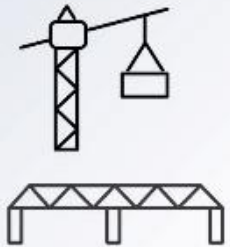
2016 Analyst Presentation

GEK TERNA
GROUP OF COMPANIES



GEK TERNA GROUP OF COMPANIES

Construction



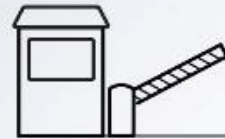
Energy Production



Mining



Concessions



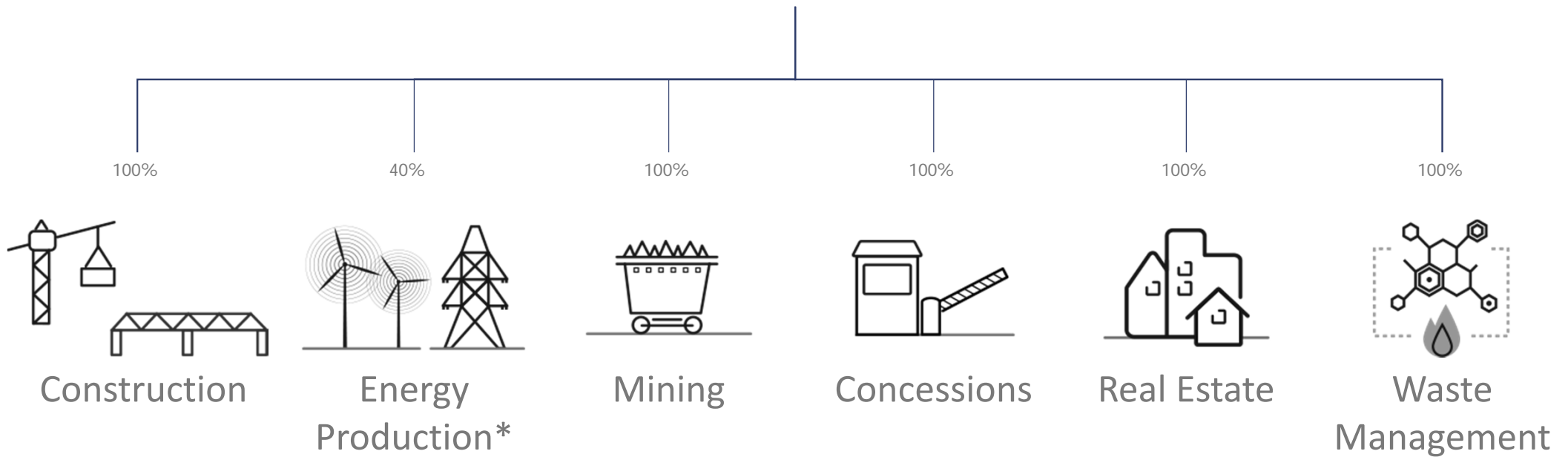
Real Estate



Waste Management



GEK TERNA GROUP OF COMPANIES



* 50% ownership in the first plant (HERON 1) and 25% in HERON 2 after the deals with GDF SUEZ and Qatar Petroleum

Changing risk profile of the Group – recurrent activities to generate considerable cash flow for GEK TERNA

Recurrent activities



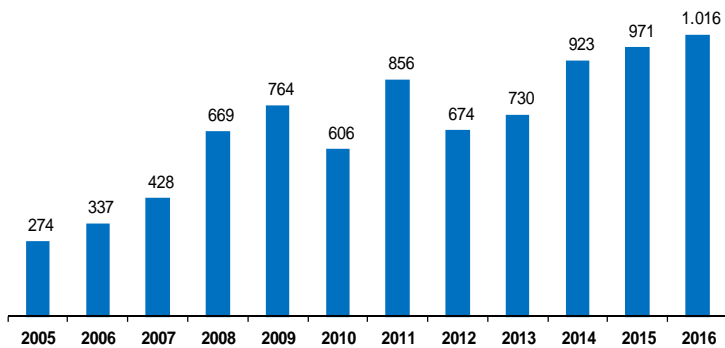
Concessions: cash distributions to GEK TERNA will boost cash flow to equity in 2017-2038

Renewables: c1.000 MW totally installed by beginning next year will signal increased cash distributions to shareholders – 40% is held by GEK TERNA

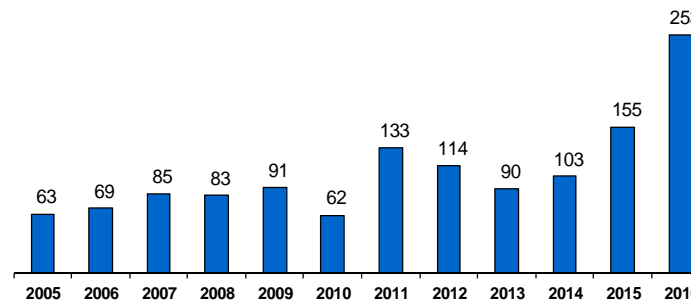
Magnesite mine: will enhance growth in the future – a new stable activity which can further improve risk profile of the Group

Historical IFRS Financials – GEK TERNA

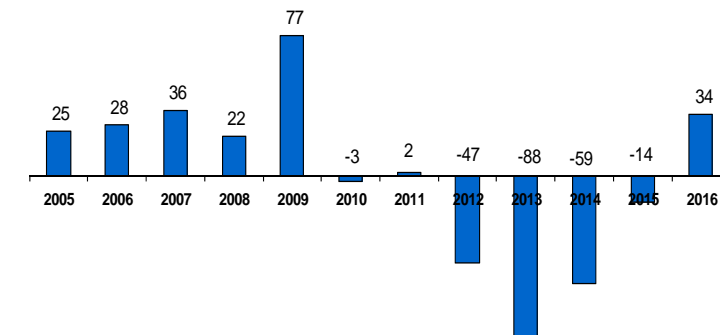
SALES(€m)



EBITDA (€m)



Net Profit (€m)



Within 2012-2015, significant impairments in real estate and construction

Segments – Results

million €	SALES			EBITDA			EBIT			NET INCOME bm		
Segments	FY 16	FY 15	Ch%	FY 16	FY 15	Ch%	FY 16	FY 15	Ch%	FY 16	FY 15	Ch%
Construction	954.9	778.9	22.6%	153.4	59.2	n/a	128.28	30.3	n/a	69.5	14.5	n/a
Renewables	151.1	140.3	7.7%	109.2	97.9	11.58%	66.9	60	11.62%	18.1	17.7	2.8%
Thermal Energy	31.8	26.8	18.8%	0.4	0.3	38.4%	0.4	0.3	41.8%	2.1	-12.7	n/a
Mining	4.2	3.56	18.8%	-3.8	-1.6	n/a	-5.0	-2.7	84.7%	-8.2	-4.5	80.7%
Concessions	15.5	14.7	5.5%	-0.4	0.0	n/a	-0.9	-0.5	77.3%	0.6	2.0	-69.6%
Real Estate	5.8	6.1	-4.2%	-5.0	-0.7	n/a	-8.8	-8.7	1.4%	-6.3	-15.4	-59.2%
Holding	0.2	1.5	-87.92%	-1.1	0.1	n/a	-1.1	0.1	n/a	-30.0	-5.8	n/a
Total	1,163.5	971.8	19.7%	252.8	155.2	62.9%	179.8	78.8	127.98%	45.8	-4.2	n/a

Key consolidated CF items

€ million	FY 2016	FY 2015
<i>Operating Cash Flow (before WC changes)</i>	311.1	175.1
<i>WC in construction improved by cash collections due to EPC construction in Ptolemais project</i>		

€ million	FY 2016	FY 2015
CAPEX	236	92.8
<i>CAPEX expected to accelerate within 2017 mostly due to Renewables', Magnesite and Concessions' investments</i>		

Key consolidated BS items – Net Financial Debt

NET DEBT	FY 2016	9M 2016
<i>Construction</i>	-380.310	-333.848
<i>Renewables</i>	485.366	389.681
<i>Thermal</i>	28	-666
<i>Real Estate</i>	93.662	85.556
<i>Industrial</i>	38.206	34.220
<i>Concessions</i>	148.538	135.749
<i>Holding</i>	17.755	19.422
Total	403.245	330.114
Net Financial Debt increased by c73 million in Q4 2016 against Q3 2016 mostly due to new investments in RES		

Construction Activity

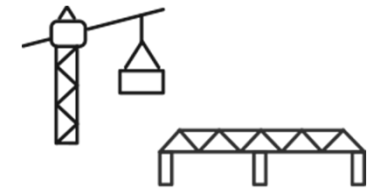
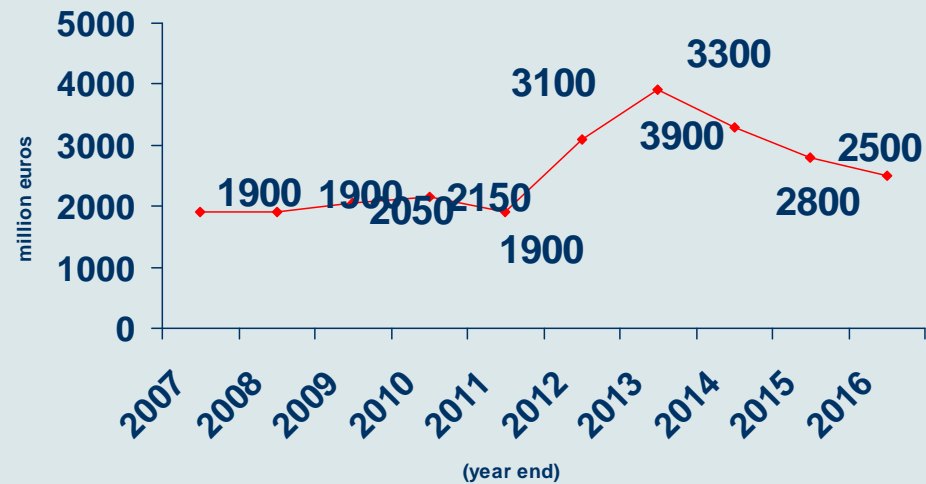
Construction

Construction Division Outlook

Strong profitability evidenced in Q4 - Backlog stayed at high level

(c2.5 billion), expectations for new additions remain high

Backlog (million euros)



Concession Activity

Concessions

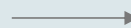
Concessions – BOT (GEK TERNA)

Motorways in operation, signaling cash distributions to GEK TERNA

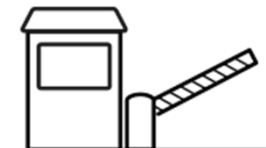
c165 m equity totally injected in the 3 Greek motorways – new investments in Kastelli airport

	<i>Status</i>	<i>Participation</i>
<i>Ionian Road</i>	<i>Under construction</i>	<i>ca 56%</i>
<i>Central Greece Motorway</i>	<i>Under construction</i>	<i>ca 50%</i>
<i>Olympia Odos Motorway</i>	<i>Under construction</i>	<i>17%</i>
<i>Kastelli Airport</i>	<i>Sole bidder</i>	<i>60%</i>

Equity investment for GEK TERNA in the 3 signed projects: ca €165 million



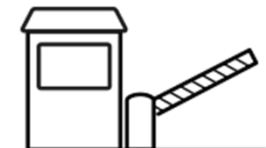
Significant Value Creation



Concessions

Concessions – IONIAN ROAD

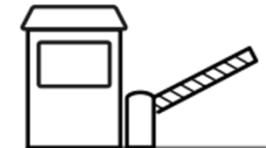
- Total separate motorways in Eastern and Western coast of Greece (length: 378.7 km /159 km newly built)
 - Equity: 192 million (100%)
 - Senior bank debt without recourse to partners: 175 million euro
- Term: 30 years



Concessions

Concessions – CENTRAL GREECE (E65)

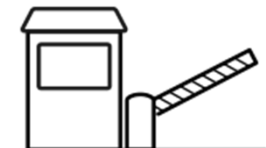
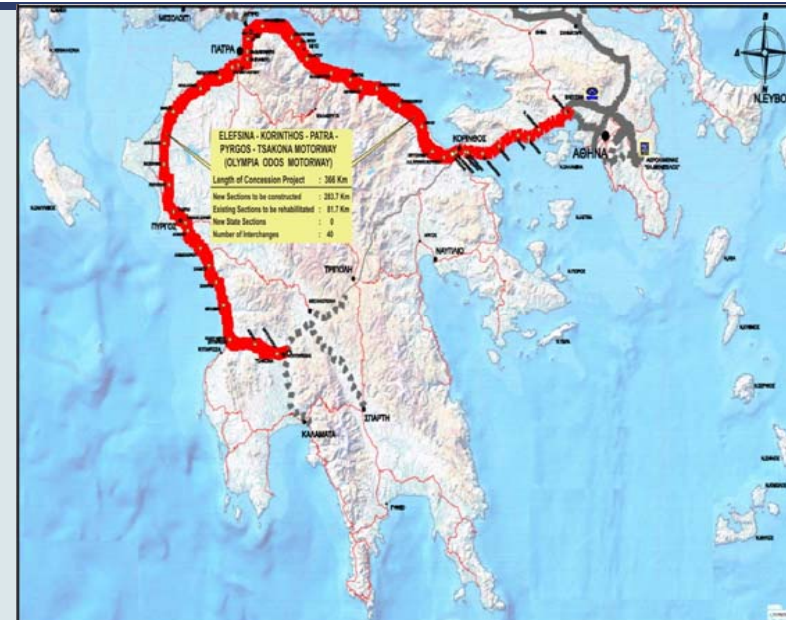
- New motorway in Central Greece (total length: 231 km)
- Financing:
- Equity: 67 million (100%)
- Senior bank debt without recourse to partners : 451 million euro
- Term: 30 years



Concessions

Concessions – Olympia Odos

- Motorway in North Peloponnesus (total length: 365 km)
- Financing:
- Equity: 209 million (100%)
- Senior bank debt without recourse to partners: 675 billion euro
- Concession Term: 30 years



Concessions

Concessions – Parking stations

Stations	Capacity	Participation (%)	Net Participation (parking spaces)	Format of Ownership
Parking Station Rizari (In operation)	657	21.31%	140	Concession until 2031
Parking Station Hospital Agia Sofia Square (In operation)	651	21.31%	139	
Parking Station Aigiptou Square (In operation)	361	21.31%	77	
Parking Station Kanigos Square (In operation)	491	21.31%	105	
Parking Station OLP (In operation)	885	31.52%	279	Concession until 2033
Parking Station Ippokratio Hospital in Thessaloniki (In operation)	528	24,7%	130	Concession until 2034
Parking Station in Nea Smyrni (In operation)	665	20%	133	Concession until 2034
Parking Station in the city of Larissa (In operation)	280	50%	140	Concession until 2027
Parking Station Platanos Square in the city of Kifisia (In operation)	617	100%	617	Concession until 2035
Parking Station in the city of Volos (In operation)	161	100%	161	Concession until 2055
Parking Station Dimitrakopoulou (Kalithea), Parking Station Dioharous, Parking Station A' Nekrotafio (Under Construction)	1.160	22.91%	26	Concession until 2036
Parking Station in the city of Kerkira (Under Construction)	358	100%	358	Concession until 2041
Parking Spaces Total	6.814		2.544	



Energy Production

Renewables – strategy

Become a diversified renewable energy producer targeting 1 GW installed within the coming years

Targeting to c936 MW installed and 44 MW under construction at end 2017

Critical mass of installed c1.000 MW will enable the company both to enhance distributions to shareholders and, in parallel, take advantage of new investment opportunities in the sector



Energy Production

Renewable Energy - Portfolio

Diversified portfolio of RES projects
Expansion outside Greece

Status		Wind (MW)	SHPS & Pump Storage (MW)	P/V (MW)	Biomass & Co-generation (MW)
In operation	Greece 468 Poland 102 Bulgaria 30 USA 138	711	18	8.5	1
Under construction (or ready to built)	Greece 92 USA 150	242			
With production licence		1.605	761	18	
Application for production license filed		3.263	3.444	15	19

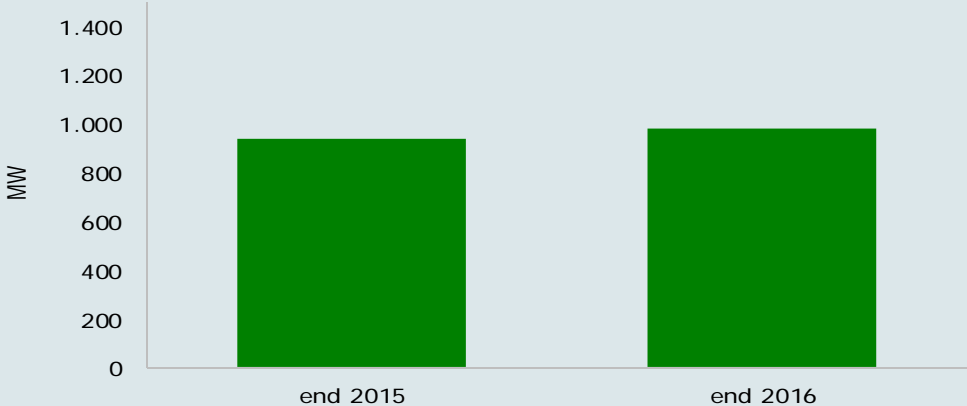


Energy Production

Wind projects: business plan roll-out

Current RES in operation/under construction: 980 MW

Installed & under construction capacity or ready to built at year end



Thermal Energy Activity – Heron Gas Plants

- HERON operates in the sectors of electric energy production and supply since 2004 through HERON THERMOELECTRIC S.A. (HERON I) and HERON THERMOELECTRIC STATION OF VIOTIA S.A. (HERON II), respectively
- GEK Terna owns 50% of HERON I and 25% of HERON II while GDF-Suez Group owns 50% of HERON I and HERON II. Both companies were 50:50 partners until July 2013 when GEK Terna sold 25% of HERON II (half of its stake) to Qatar Petroleum International (QPI) for a total consideration of \$58m



Thermal Energy Activity – Heron Gas Plants

Overview of thermal plants

Project	Status	MW	Type
HERON I	In operation	147	OCGT
HERON II	In operation	432	CCGT

HERON I

- The first private thermal plant in Greece
- OCGT - 147 MW capacity and 40% efficiency
- Total investment: €80m
- Operational since September 2004

HERON II

- The group erected and started operation of a CCGT power plant (432 MW capacity)
- Total investment: €282m
- 70% non-recourse project finance
- In operation since August 2010



Mining

Magnesite mining

- TERNAMAG (ex-Skalistiris Group) has been acquired by GEK Terna in 2010; It is situated in the northeast part of the island of Evia just 120kms from Athens and Piraeus;
- Magnesite mining activities commenced in autumn 2012 while,
- Decision to proceed with the investment in order to produce CCM (Caustic Calcined Magnesium), DBM (Dead Burned Magnesium) and other Magnesium-related products was taken in February 2013;
- Proven magnesite deposits consist of ~50 million tons of superior quality compared to other magnesite mines worldwide;
- Raw Magnesite ($MgCO_3$) that exists in nature is extracted either from underground mines or open pits and depending on the process followed can be sold either as extracted (raw magnesite) or as Caustic Calcinated Magnesite (CCM), Dead-Burned Magnesite (DBM) and other products depending on the process and final use;



Magnesite mining

- CCM is used in fertilizers, animal feed, medicine, glass industry, waste treatment, fuels & lubricants, various chemical products and in many other applications. The use of CCM is growing year by year since it is a very pure and versatile ingredient suitable for numerous different applications;
- DBM is used is mainly used in the production of refractories and in the cable and heating industries;
- TERNAMAG's magnesite deposits (i.e. the raw material) have a very rare crystalline composition and are of high quality (purity). Therefore, they offer excellent prospects since magnesite traded from China is of substantially lower quality while magnesite deposits around the globe have become scarce;
- Furthermore, through its state-of-the-art chemistry and R&D it can offer various product solutions to its customers covering their needs for different qualities, compositions, sizes, etc. gradually becoming "partner" to the major CCM clients around the globe.
- TERNAMAG is a 100% export company.



Real Estate

General Overview

- GEK Terna is engaged in Real Estate development - the company holds a differentiated portfolio in Greece, Bulgaria and Romania:
- Logistic centers-industrial parks
- Offices
- Entertainment parks
- Second home properties
- Residential properties
- Commercial properties
- Hotels
- Parking stations
- c40% of the portfolio comprises of licensed land. This secures planning safety



Real Estate

Portfolio Valuation (end 2016)

PROJECT TYPE	GROSS ASSET VALUE (mil)	
	VALUE	%
PARKING SPACES	0,7	0,5%
WAREHOUSES - INDUSTRIAL BUILDINGS	2,7	1,7%
OFFICES - COMMERCIAL	17,8	11,5%
HOTEL - RESIDENTIAL	21,6	13,9%
LAND	55,2	35,6%
ENTERTAINMENT PARKS	13,1	8,4%
PROJECTS UNDER DEVELOPMENT	43,9	28,3%
TOTAL	155,0	100,0%
GREECE	86,3	55,7%
ABROAD	68,7	44,3%



Strategy and Future Opportunities

- New opportunities in tourism related projects (hotels and holiday residential projects with recreational components)
- New opportunities in internally structured (complete with central infrastructure) logistics and industrial parks, strategically positioned and integrated with the transportation infrastructure
- Strategic decision for development and disposal of existing portfolio
- Greece is recognised as a prime location for tourism and logistics:
Hotels, holiday resorts, rehabilitation centers, medical tourism projects, 2nd home serviced residencies etc.
Industrial parks, logistics' centers, freight villages, and other strategically positioned infrastructure related to combined transport operations
- Strategic decision to evaluate and selectively participate in medium sized investments opportunities related to PPP and Privatisation Projects



Appendix – Financial Data

Balance Sheet

BALANCE SHEET – FY 2016 (Amounts in '000 euros)			
	31.12.2016		31.12.2015
ASSETS			
Fixed assets	1.087.192		976.171
Real estate investments	88.230		56.215
Intangible assets	90.828		107.864
Participations and other long-term financial assets	381.536		259.974
Inventories	56.606		78.500
Trade receivables	279.786		318.382
Other current assets	477.428		427.078
Cash & cash equivalents	621.003		365.637
Non current assets available for sale	1.884		18.978
TOTAL ASSETS	3.084.493		2.608.799
EQUITY AND LIABILITIES			
Share capital	58.951		58.792
Other equity	324.898		291.949
Total shareholders' equity	383.849		350.741
Minority interests	214.656		211.624
Total Equity	598.505		562.365
Long term bank debt	844.001		511.442
Provisions/ Other L/T Liabilities	627.188		633.196
Short term bank debt	180.247		270.747
Other S/T Liabilities	834.552		631.0491
Liabilities of non current assets available for sale	0		0
TOTAL LIABILITIES	2.485.988		2.046.434
TOTAL EQUITY AND LIABILITIES	3.084.493		2.608.799

Profit & Loss

PROFIT & LOSS FY 2016 (Amounts in '000 euros)		
	1/1 - 31/12/2016	1/1 - 31/12/2015
Continuing Operations		
Net Sales	1.163.480	971,773
Cost of goods sold	-950.579	-862,453
Gross Profit	212.901	109,320
Administration Expenses	-36.873	-33,042
RnD Expenses	-1.682	-2,760
Other Income/expenses	-16.075	9,082
Operating results	-14.037	-18,710
Net Financial Income/Expenses	-50.615	-45,072
Pre tax profit	93.619	-18,818
Taxes	-47.800	-23,070
Net Profit from continuing operations	45.819	-4,252
Other income recognized directly in Equity from:		
Profit /Loss from the evaluation of financial assets available for sale	-1.792	-3,315
Profits to the part of the joint venture's other comprehensive incomes	-72	789
Profits to the part of the associate's other comprehensive incomes	-166	-63
Profit/Loss from evaluation of cash flow hedging contracts	-873	1,032
Profit/Loss from Foreign exchange differences from foreign operations	4.346	1,298
Other comprehensive income	1.385	44.21
Expenses of share capital increase	-172	-315
Actuarial losses on defined benefit pension plan	82	170
Tax which corresponds to the above results	-324	369
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	2.414	-4.046
Net results attributed to:		
Shareholders of the parent from continued activities	34.262	-14,467
Minority interest from continued activities	11.557	10,215
Total income attributed to:		
Shareholders of the parent from continued activities	37.037	-10,997
Minority interest from continued activities	11.196	10,791
Earnings per share (in Euro)	0.34560	-0.14737

Cash Flow

CASH FLOW STATEMENT – FY 2016 (Amounts in '000 euros)	1/1-31/12/2016	1/1-31/12/2015
Operating activities		
Profit before tax	93.619	18,818
Plus/less adjustments for:		
Depreciation	77.418	77,436
Provisions	18.435	1,460
Interest income and related income	-8.263	-7,819
Interest expenses and related expenses	60.254	52,891
Amortization of grants	-11.046	-11,107
Other adjustments	28.697	21,219
Operating profit before changes in working capital	259.114	152,898
Plus/Less adjustments for working capital account movements or movements related to operating activities:		
Decrease / (increase) in inventories	1.584	-4,404
Decrease / (increase) in receivables	35.240	-20,940
(Decrease) / increase in liabilities (other than to banks)	72.331	90,804
(Less):		
Taxes paid	-57.093	-43,199
Inflows/outflows of non continuing operating activities	0	0
Total inflows / (outflows) from operating activities (a)	311.176	175,159
Investing activities		
Purchases of tangible, intangible assets & investment properties	-170.329	-94,934
Interest received	1.502	3,109
(Purchases)/sales of participations and securities	-27.573	-8,674
Other adjustments	-26.256	-661
Inflows / outflows of non continuing investing activities	0	0
Total inflows / (outflows) from investing activities (b)	-222.656	-101,160
Financing activities		
Share capital's refund of the subsidiaries to the shareholders	0	0
Purchases of treasury shares	-4,362	-1,643
Net change in short-term loans	4,498	-13,702
Net change in long-term loans	232,818	65,665
Leasing payments	-4,983	-9,872
Interest and related expenses paid	-55,697	-64,911
Dividends paid	-6,177	-3,15
Payments/Collections from increases/decreases of subsidiaries share capital	1.125	-3,668
Other adjustments	-2,884	-38,427
Total inflows / (outflows) from financing activities (c)	164,338	-66,873
Effect of FX differences on cash equivalents (d)	2,508	5,772
Net increase / (decrease) in cash and cash equivalents for the period (a) + (b) + (c) + (d)	255.366	12,898
Cash and cash equivalents at the beginning of the period	365.637	352,739
Cash and cash equivalents at the end of the period	621.003	365,637

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