

Athens, 17 October 2016

ANNOUNCEMENT

GEK TERNA S.A., in reply to the letter of the Capital Market Commission dated on 12/10/2016, provides the following information:

a. Our Company, as the parent company of TERNA S.A., is under examination, in the context of the pending ex-officio investigation of the General Division for Competition of the Hellenic Competition Commission, concerning auctions of public infrastructure projects, especially road construction projects, highway modernization and upgrades, construction of new highways, transportation projects (METRO / OSE / ports / airports). The objective of the investigation is to examine whether there are possible violations of the clauses of article 1 of Law 3959/2011 (and/ or article 1 of Law 703/1997), concerning the "Protection of Free Competition" as in force, and of article 101 of the Treaty on the European Union. The period under investigation has been set from 1989 up until 2012.

b. Our Company, according to article 25a of Law 3959/2011 as well as the decision no. 628/2016 of the Plenary Session of the Hellenic Competition Commission, submitted a relevant request for settlement and submission to the respective arbitration procedure aiming at a prompt resolution of the issue.

As a result of the submission of the above request, the settlement procedure has already started. According to the provisions of the National and the European relevant Legislation, the entire procedure concerning the settlement is covered by full confidentiality, whereas the participating parties cannot disclose any information with regard to the case as well as the separate components of the case.

According to the elements known so far, no estimation can be made with regards to the outcome of the above procedure, especially with regards to whether it will be positive or negative. The final outcome of the respective arbitration procedure depends on the final decision of the Plenary Session of the Competition Commission. In any case, our Company is committed that as soon as the possible outcome of case becomes clearer, it will proceed with a new detailed announcement.

c. In the event of detection of violation made by anti-competitive joint partnership, the Competition Commission is authorized, by virtue of article 25 of Law 3959/2011, in the context of the sanctions it may impose, to take various measures, such as to make comments and proposals, to impose the establishment of procedures and behaviors, as well as to impose a monetary penalty proportionally to the significance of the violation. The penalty cannot exceed, at maximum, the percentage of 10% of the total turnover of the company for the fiscal year during which the violation ended.

d. At present, it is not feasible to predict the effect of the above pending case on the financial position and the results of our Company. This is justified by the fact of the still pending settlement procedure and its respective uncertain outcome, as well as from the different types of penalties available at law (recommendation, establishment of procedures, fluctuant penalty, reductions concerning the settlement procedure).

The present is released following a relevant question made from the Capital Market Commission.