

GEK TERNA
GROUP OF COMPANIES

Q1 2015 Results
GEK TERNA

Highlights

Sales	Ch%	EBITDA adj*	Ch%	PBT	Ch%	Net Income	Ch%
227.1	+38.9	39.9	+81.7	14.5	+1000	3.6	+89

*adjusted for non cash items, n/a= non applicable

Developments



Construction is strengthening – backlog remains at high level (c3.1 billion)



Total installed, under construction or ready to build RES capacity: 885 MW



Operating cash flow before WC changes at 37m

Segments – Results

million €	SALES			EBITDA			EBIT			NET INCOME bm		
<i>Segments</i>	Q1 15	Q1 14	Ch%	Q1 15	Q1 14	Ch%	Q1 15	Q1 14	Ch%	Q1 15	Q1 14	Ch%
<i>Construction</i>	180.3	133	35.6%	11.11	3.9	184.9%	3.35	-0.9	472.2%	0.13	-3.8	103.4%
<i>Renewables</i>	37.5	28.8	30.2%	29.44	19.2	53.3%	20.01	11.9	68.2%	13.08	4.1	219.0%
<i>Thermal Energy</i>	6	0	n/a	0.3	-0.5	175.0%	0.3	-0.5	n/a	-0.56	2	n/a
<i>Real Estate</i>	1.9	0.9	111%	-0.09	0.1	n/a	-0.27	-0.3	10.0%	-1.25	-0.8	n/a
<i>Concessions</i>	0.6	0.2	200%	-0.08	0.03	n/a	-0.25	0	n/a	0.86	0.1	n/a
<i>Industrial</i>	0.8	0.5	60%	-0.53	-0.3	-76.7%	-1.11	-0.6	n/a	-1.1	-0.6	n/a
<i>Holding</i>	0.02	0.1	n/a	-0.26	-0.47	45.0%	-0.27	-0.5	46.0%	-0.22	-1.1	n/a
Total	227.13	163.5	38.9%	39.89	21,94	81.9%	21.76	9.1	139.1%	10.94	-0.1	n/a

n/a = non applicable

Segments - Highlights

Concessions

Motorways under construction

Construction

Backlog remains at high level- currently at c3.1 billion

Real Estate

The activity still weak - Total assets in real estate at 154.7 million

Segments - Highlights

Thermal Energy

Good performance of the plants – commercial trading activity of HERON 1 enhanced

Renewable Energy

Growth expected – 88 MW under construction

Mining

Magnesite mine in operation

Strategy

In Renewables, 1.000 MW totally installed in the coming years

Construction cash flow will support investments of the Group

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

Key consolidated BS items – Net Financial Debt

NET DEBT	Q1 2015	FY 2014
<i>Construction</i>	<i>-0.5</i>	<i>-30.7</i>
<i>Renewables</i>	<i>272.7</i>	<i>257.2</i>
<i>Thermal</i>	<i>-0.7</i>	<i>-0.7</i>
<i>Real Estate</i>	<i>80.5</i>	<i>80.8</i>
<i>Industrial</i>	<i>27.4</i>	<i>21.4</i>
<i>Concessions</i>	<i>41.5</i>	<i>41.5</i>
<i>Holding</i>	<i>10.3</i>	<i>13.2</i>
<i>Total</i>	<i>431.3</i>	<i>382.8</i>
<p><i>Net Financial Debt increased by c48 million in Q1 2015 against FY 2014 mostly due to Capex in RES and Magnesite plus WC in construction</i></p>		

Key consolidated CF items

€ million	Q1 2015	Q1 2014
<i>Operating Cash Flow (before WC changes)</i>	37.8	14.2
<i>WC in construction burdened Operating cash flow aided by WC management</i>		

€ million	Q1 2015	Q1 2014
CAPEX	8.5	24.9
<i>CAPEX expected to accelerate within 2015 mostly due to Renewables', Magnesite and Concessions' investments</i>		

APPENDIX

Financial Data

Amounts in '000 euros

Balance Sheet

BALANCE SHEET – Q1 2015			
	31.03.2015		31.12.2014
ASSETS			
Fixed assets	956,468		936,460
Real estate investments	61,134		61,214
Intangible assets	115,053		116,817
Participations and other long-term financial assets	221,696		214,372
Inventories	76,219		75,718
Trade receivables	264,748		228,661
Other current assets	376,917		370,104
Cash & cash equivalents	320,083		352,739
Non current assets available for sale	25,508		24,828
TOTAL ASSETS	2,417,826		2,380,913
EQUITY AND LIABILITIES			
Share capital	57,130		53,844
Other equity	310,254		310,169
Total shareholders' equity	367,384		364,013
Minority interests	209,353		201,938
Total Equity	576,737		565,951
Long term bank debt	486,516		476,182
Provisions/ Other L/T Liabilities	509,847		545,821
Short term bank debt	264,909		256,222
Other S/T Liabilities	579,817		536,737
Liabilities of non current assets available for sale	0		0
TOTAL LIABILITIES	1,841,089		1,814,962
TOTAL EQUITY AND LIABILITIES	2,417,826		2,380,913

Profit & Loss

PROFIT & LOSS Q1 2015		
	1/1 - 31/03 2015	1/1 - 31/03 2014
Continuing Operations		
Net Sales	227,138	163.494
Cost of goods sold	-199,988	-145.396
Gross Profit	27,150	18.098
Administration Expenses	-7,989	-9.096
RnD Expenses	-757	-593
Other Income/expenses	8,120	2.294
Operating results	26,524	10.703
Net Financial Income/Expenses	-11,933	-9.351
Pre tax profit	14,591	1.352
Taxes	-3,649	-1.432
Net Profit from continuing operations	10,942	-80
Other income recognized directly in Equity from:		
Profit /Loss from the evaluation of financial assets available for sale	100	-415
Profits to the part of the joint venture's other comprehensive incomes	-621	-855
Profits to the part of the associate's other comprehensive incomes	0	0
Profit/Loss from evaluation of cash flow hedging contracts	-775	-992
Profit/Loss from Foreign exchange differences from foreign operations	1.092	-98
Other comprehensive income	0	0
Expenses of share capital increase	-15	-80
Tax which corresponds to the above results	94	343
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-125	-2.097
Net results attributed to:		
Shareholders of the parent from continued activities	3.623	-1.957
Minority interest from continued activities	7,319	1.877
Total income attributed to:		
Shareholders of the parent from continued activities	3.289	-3.565
Minority interest from continued activities	7.528	1.390
Earnings per share (in Euro)	0,039	-0,0225

CASH FLOW

CASH FLOW STATEMENT – Q1 2015		
	1/1-31/03/2015	1/1-31/03/2014
<u>Operating activities</u>		
Profit before tax	14,951	1,352
Plus/less adjustments for:		
Depreciation	20,337	14,835
Provisions	1,108	1,391
Interest income and related income	-1,615	-1,344
Interest expenses and related expenses	13,541	13,341
Amortization of grants	-2,691	-2,024
Other adjustments	-7,444	-13,343
<u>Operating profit before changes in working capital</u>	37,827	14,208
Plus/Less adjustments for working capital account movements or movements related to operating activities:		
Decrease / (increase) in inventories	-537	1,192
Decrease / (increase) in receivables	-34,276	49,394
(Decrease) / increase in liabilities (other than to banks)	-10,876	21,279
(Less):		
Taxes paid	-2,338	-3,076
Inflows/outflows of non continuing operating activities	0	211
<u>Total inflows / (outflows) from operating activities (a)</u>	-10,200	83,208
<u>Investing activities</u>		
Purchases of tangible, intangible assets & investment properties	-8,201	-23,218
Interest received	758	976
(Purchases)/sales of participations and securities	1,280	258
Other adjustments	0	0
Inflows / outflows of non continuing investing activities	-713	0
<u>Total inflows / (outflows) from investing activities (b)</u>	-6,876	-21,984
<u>Financing activities</u>		
Share capital's refund of the subsidiaries to the shareholders	0	-1,631
Purchases of treasury shares	-192	-151
Net change in short-term loans	12,561	-65,212
Net change in long-term loans	-14,008	-36,726
Leasing payments	-2,367	-2,157
Interest and related expenses paid	-13,155	-11,234
Dividends paid	0	0
Other adjustments	-156	-2,972
<u>Total inflows / (outflows) from financing activities (c)</u>	-17,317	-120,083
Effect of FX differences on cash equivalents (d)	2,488	98
Net increase / (decrease) in cash and cash equivalents for the period (a) + (b) + (c) + (d)	-32,656	-58,760
Cash and cash equivalents at the beginning of the period	352,739	326,608
Cash and cash equivalents at the end of the period	320,083	267,848