

PRESS RELEASE

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GEK TERNA Group – 9M 2020 Results

- **Increase of operating profitability (adjusted EBITDA)¹ to 235.1 million Euros with the Group's turnover amounting to 723.3 million Euros**
- **Outstanding construction backlog of over 1.5 billion Euros - New contracts of more than 1 billion Euros are expected**
- **Strengthening the contribution of the operating Clean Energy and Concessions divisions to the Group's financial results (98% of the adjusted EBITDA)**

The increase of the operating profitability, the further strengthening of the contribution of the operating divisions of Clean Energy and Concessions, as well as the maintenance of a high outstanding construction backlog were the main characteristics of the financial results of GEK TERNA Group during the first nine months of 2020.

Despite the deterioration of global economic environment due to the COVID-19 pandemic, GEK TERNA Group maintains its financial strength, having managed to ensure the appropriate conditions in terms of health and safety for its employees. At the same time, the Group has taken all the necessary measures in order to ensure the smooth development of its main business activities, by continuously implementing its investment program and also by intensifying its efforts to stabilize the Greek economy and employment.

Specifically, the consolidated financial results for the nine months of 2020 of GEK TERNA Group are as follows:

Summary presentation of nine-month results 2020

During the first nine months of 2020, the consolidated sales of GEK TERNA amounted to 723.3 million Euros compared to 837.9 million Euros in the corresponding period of 2019. The operating profitability (adjusted EBITDA)¹ of GEK TERNA Group increased to 235.1 million Euros compared to 215.6 million Euros in the corresponding period of 2019. The earnings before taxes amounted to 55.5 million Euros compared to 64.4 million Euros in the corresponding period of 2019, the earnings after taxes settled at 48.4 million Euros compared to 53 million Euros in the corresponding period of 2019, while the net results after deduction of taxes and minority interests amounted to earnings of 11.8 million Euros compared to earnings of 29.7 million Euros in the corresponding period of 2019. The results were positively affected mainly by the sale of the mountain park "Mountain Air" and negatively mainly by the valuations of Secondary Derivatives and the increased payments of financial costs of the energy division due to contracts with Tax Equity Investors (TEI) in the US.

In addition, the consolidated results for the third quarter of 2020 in relation to the results of the third quarter of 2019 of GEK TERNA Group were as follows:

Consolidated sales amounted to 253.6 million Euros compared to 271.5 million Euros in the third quarter of 2019. Total operating earnings before interest, taxes, financial and investment results and before depreciation (Adjusted EBITDA)¹ amounted to 79.6 million Euros compared to 68.3 million Euros in the third quarter of 2019. Total earnings profit before interest and taxes (EBIT)¹ amounted to 45.1 million Euros, compared to 42.2 million Euros in the third quarter of 2019. Finally, pre-tax profits amounted to 36.2 million Euros compared to 12.2 million Euros in the third quarter of 2019.

Detailed information of results for the main operating activities of the Group

Construction

The main financial results of the Construction division during the nine months of 2020 are as follows:

- Turnover amounted to 367 million Euros (of which 128.9 million Euros corresponded to the third quarter of 2020) compared to 493.9 million Euros in the corresponding period of 2019 (of which 150.3 million Euros related to the third quarter of 2019).
- Operating profitability (adjusted EBITDA)¹ amounted to 14 million Euros (of which 9.1 million Euros for the quarter of 2020) compared to 12.5 million Euros in the corresponding period of 2019 (of which a loss of 5.6 million Euros was related to the third quarter of 2019).
- Operating profit before interest and taxes (EBIT)¹ amounted to 5 million Euros (of which 6.1 million Euros refer to the third quarter of 2020) compared to 3.3 million Euros in the corresponding period of 2019 (where a loss of 4.7 million Euros related to the third quarter of 2019).

In the construction division, the signed construction backlog of the Group on 30.09.2020 amounted to 1.52 billion Euros, maintaining the prospects of a healthy construction activity in the following period. It is worth noting that the Group expects to be awarded with new contracts for a total value of over 1 billion Euros.

Electricity from RES

In the field of RES energy, the main financial results for the first nine months of 2020 are as follows:

- Turnover amounted to 203.6 million Euros¹ (of which 61.6 million Euros relates to the third quarter of 2020), compared to 169.3 million Euros in the corresponding period of 2019 (of which 57.4 million Euros related to the third quarter of 2019).
- Operating profitability (adjusted EBITDA)¹ amounted to 150.7 million Euros (of which 43.2 million Euros were recorded for the third quarter of 2020) compared to 130.3 million Euros in the corresponding period of 2019 (of which 43.4 million Euros related to the third quarter of 2019).
- Operating profit before interest and taxes (EBIT)¹ amounted to 102.7 million Euros (of which 27.8 million Euros related to the quarter of 2020) compared to 88.9 million Euros in the corresponding period of 2019 (of which 29 million Euros were generated in the third quarter of 2019).

The total installed capacity of TERNA ENERGY Group amounts to 1,373 MW. Specifically, the Group has installed 728 MW in Greece, 513 MW in the USA and 132 MW in the SE Europe. The Group also has under construction or ready for construction RES facilities with a total capacity of 430 MW in Greece and abroad. In total, the Group has more than 1,800 MW in operation, under construction or ready for construction in Greece, USA, Central and Eastern Europe.

The goal of TERNA ENERGY is the total installed capacity of the Group to approach 2,800 MW within the next five years.

Concessions

In the operating division of concessions, the key financial results for the first nine months of 2020 are as follows:

- Turnover amounted to 118.6 million Euros (of which 51.3 million Euros relate to the third quarter of 2020) compared to 137.4 million Euros in the corresponding period of 2019 (of which 51.6 million Euros related to the third quarter of 2019).
- Operating profitability (adjusted EBITDA)¹ amounted to 79.7 million Euros (of which 30 million Euros relate to the 2020 quarter) compared to 77.6 million Euros in the corresponding period of 2019 (of which 33.3 million Euros related to the third quarter of 2019).
- Operating profit before interest and taxes (EBIT)¹ amounted to 34 million Euros (of which 15 million Euros refer to the third quarter of 2020) compared to 39.3 million Euros in the corresponding period of 2019 (of which 20.5 million Euros related to the third quarter of 2019).

The Group owns, among others, 100% in the concession companies "NEA ODOS" (PATHE and Ionia Odos motorways) and "CENTRAL GREECE MOTORWAY", while maintaining a percentage of 17% in OLYMPIA ODOS. At the same time, it owns 32.46% of the concession company "INTERNATIONAL AIRPORT OF HERAKLION CRETE CONCESSION SOCIETE ANONYME", which has undertaken the design, construction and operation of the new international airport of Heraklion, Crete. Furthermore, through TERNA ENERGY, the Group participates with a percentage of 70% in the Electronic Ticket Service Provision Company - HELLAS SMARTICKET SA as well as in SUSTAINABLE EPIRUS SINGLE MEMBER SA with a participation percentage of 100% which has undertaken the project of integrated waste management of the Region of Epirus. It is worth noting that in the following period the implementation of the PPP scheme for the integrated waste management of Peloponnese Region is expected to commence.

Electricity from thermal energy and electricity trading

The Group has participations in HERON THERMOELECTRIC (50%) and in HERON II (25%) for which the integration of the financial accounts in the consolidated financial statements is being performed by the equity method.

- In the operational division of electricity trading, turnover in the first nine months of 2020 amounted to 26.5 million Euros (of which 10.1 million Euros were recorded in the third quarter of 2020) compared to 26.3 million Euros in the corresponding comparative period of 2019 (of which 7.7 million Euros related to the third quarter of 2019).
- Operating profitability (adjusted EBITDA)¹ in the nine months of 2020 amounted to 0.6 million Euros (of which 0.2 million Euros related to the third quarter of 2020) compared to 1.9 million Euros in the corresponding comparative period of 2019 (of which 0.1 million Euros related to the third quarter of 2019).
- Operating profit before taxes and interest (EBIT)¹ in the nine months of 2020 amounted to 0.7 million Euros (of which 0.2 million Euros were reported during the third quarter of 2020) compared to 1.9 million Euros in the corresponding period of 2019 (of which 0.2 million Euros referred to the third quarter of 2019).

Real Estate / Quarries / Industrial Activities / Business Interests / Other Activities

It should be noted that the specific divisions are not included in the core business activities of the Group.

The turnover during the nine months of 2020 amounted to 7.7 million Euros (of which 1.8 million euros relate to the third quarter of 2020) compared to 10.8 million euros in the corresponding period of 2019 (of which the 4.6 million euros related to the third quarter of 2019).

Operating profitability (adjusted EBITDA)¹ in the first nine months of 2020 amounted to minus € 10 million (of which € 2.8 million in the third quarter of 2020) compared to € 6.5 million in the corresponding period of 2019 (of which minus 3.1 million euros related to the third quarter of 2019).

Basic Accounts of the Financial Position of the Group on 30.09.2020

Regarding the financial figures of the consolidated Statement of Financial Position, the following are highlighted:

The Net Debt¹ of the Group (total liabilities from loans and bank leases less cash and cash equivalents) at the end of the nine month period amounted to 1,301.7 million Euros compared to 1,519.9 million Euros in the first half of 2020, reduced by 218.2 million Euros positively affected mainly on the one hand by the sale of the wind farm "Mountain Air" in the USA by TERNA ENERGY and on the other hand by the increase of cash and cash equivalents as a result of the Private Placement in the subsidiary TERNA ENERGY within the third quarter of 2020 by the amount of 69 million.

The total Non-Current Assets amounted to 2,872 million Euros on 30.09.2020 from 3,091 million Euros on 30.06.2020, reduced by 219 million Euros. The main change was due to the sale of the "Mountain Air" wind farm in the USA.

Total Current Assets amounted to 1,724 million Euros on 30.09.2020 compared to 1,245 million Euros on 30.06.2020, increased by 479 million Euros. The main change was mainly due to the increase in the cash and cash equivalents from the issuance and coverage of the Common Bond Loan which was issued by the parent company as well as from the payment of the capital increase through the Private Investment of the subsidiary TERNA ENERGY SA. Regarding the Cash and Cash Equivalents of the Group, these amounted to 1,144 million Euros on 30.09.2020 versus 641 million Euros on 30.06.2020, increased by 503 million Euros for the reasons mentioned above.

Long-term Liabilities amounted to 2,874 million Euros on 30.09.2020 compared to 2,675 million Euros on 30.06.2020 increased by 199 million Euros. The change was mainly due to the unallocated part of the Common Bond Loan of EUR 500 million, as well as to the conversion of part of the Short-Term borrowing into Long-Term borrowing.

Current Liabilities decreased on 30.09.2020 to 907 million Euros compared to 948 million Euros on 30.06.2020, reduced by 41 million Euros. The change was mainly due to the reduction of short-term loans due to the above mentioned conversion.

Equity amounted to 815 million Euros on 30.09.2020 compared to 713 million Euros on 30.06.2020 increased by 102 million Euros. The change was due to the Private Placement of an amount of approximately 69 million Euros in the subsidiary TERNA ENERGY SA from Non-Controlling Interests as well as from the accumulated earnings after taxes of the period that amounted to 31 million Euros.

Global public health crisis from the coronavirus pandemic (COVID-19)

On 30.01.2020, the World Health Organization (WHO) declared the spread of the COVID-19 virus as an "emergency of international interest for public health", while following further developments, on 11.03.2020, the WHO declared COVID- 19 pandemic as it spread worldwide. In the context of public health protection, governments, including the Hellenic Republic, have imposed restrictions on traffic, travel and strict quarantine measures. Specifically, in Greece, gradually from 20.03.2020, strict measures were taken to safeguard public health and ensure the economic survival of workers, companies and vulnerable groups. The measures began to be phased out after 04.05.2020. In the third quarter of 2020, the Greek economy started

finding its momentum again, however the course of the gradual recovery was abruptly interrupted in the fourth quarter of 2020, due to the second and unfortunately heaviest wave of covid worldwide, with the Greek government taking again decisions for a new national lockdown in early November 2020. Specifically, on November 5, 2020, the Greek government announced restrictive measures across the country, aimed at limiting the spread of the coronavirus.

In relation to the effects of the spread of COVID-19, the Group's operations, financial performance, cash flows and financial position have not been significantly affected.

- In the Construction division, despite the existence of some delays, due to COVID-19, in the execution of the under development works, the prospects of the sector have been improved both due to the bidding procedures in which the Group participates and the expected new tenders.
- In the field of Electricity from Renewable Energy Sources (RES) in Greece there was no interruption or other negative impact on the operation of the Group's facilities. Furthermore, with regard to the RES facilities under construction, to date no delays have been caused due to the coronavirus pandemic (COVID-19) and the estimated time of completion and commissioning of the projects has not changed.
- In the field of trading and generation of electricity from thermal energy sources, COVID-19 pandemic had an impact on energy demand which is expected to be temporary.
- The operating division of Concessions includes mainly motorway concession companies (NEA ODOS CONCESSION SOCIETE ANONYME and CENTRAL GREECE MOTORWAY CONCESSION SOCIETE ANONYME) and the concession for the airport at Kastelli (INTERNATIONAL AIRPORT OF HERAKLION CRETE CONCESSION SOCIETE ANONYME). The precautionary measures taken by the Greek State against the spread of COVID-19, directly affected the traffic and, respectively, the revenues of the Motorway Concession Companies. After the removal of traffic restrictions and the return to normality, according to current estimates, the performance of this particular division of the Group will improve significantly.

The Management of the Group with an extremely high sense of responsibility, towards its customers, employees, suppliers, partners and investors, monitors the developments regarding the coronavirus pandemic (COVID-19), assessing the potential risk factors that could affect the Group's financial position, operations and results. The Group has taken all the necessary measures in order to ensure the smooth development of its main business activities, by continuously implementing its investment program and also by intensifying its efforts to stabilize the Greek economy and employment.

Information:

Investor Relations: Aristotelis Spiliotis, tel. + 30 210 6968000, tspiliotis@gekterna.com

Press Office & Public Relations: Danai Kalantidi, tel. + 30 210 6968000, dkalantidi@gekterna.com

¹ The Alternative Performance Measures (APMs) were defined in note F of the Semi-Annual Financial Report of Year 2020 within the Management Report of the Board of Directors.