

## PRESS RELEASE

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### GEK TERNA Group - First Half 2020 Results

- **Group's turnover at 470 million Euros**
- **Increased operating profitability (adjusted EBITDA)<sup>1</sup> at 155.5 million Euros**
- **Construction backlog maintained at the high level of 1.6 billion Euros**

The increase in operating profitability, an even stronger contribution of the Clean Energy and Concessions divisions, as well as a persistent high construction backlog were the main characteristics of the financial results of GEK TERNA Group during the first half of 2020.

Despite the deterioration of the economic circumstances due to the covid-19 pandemic, GEK TERNA Group maintained its financial strength, having managed to fully ensure the health and safety of its employees and the seamless continuation of its business activities.

In 2020, in a particularly challenging and demanding environment, GEK TERNA Group continued to invest in Greece in industries of a domestic higher added value (clean energy and infrastructure), as it has unceasingly been doing in recent years, even during the period of the long-term economic plight of the country. In this context, **GEK TERNA Group implements projects and investments of a total budget of 3.5 billion Euros**, while including the investment plan of TERNA ENERGY, **the total footprint of the Group's projects and investments reaches 5 billion Euros**, thus becoming the main pillar of the national effort towards the recovery of Greek economy. At the same time, the Group continues to strengthen its presence in the international markets, mainly in the field of RES.

It is also worth noting that the industries in which GEK TERNA Group operates (concessions, clean energy and infrastructure) are more resilient during the phases of the business cycle. Furthermore, during the Greek financial crisis, the most difficult and long-running financial crisis in Europe, the Group has already proven its ability to grow and reinforce its market position.

#### **Summary Presentation of Results**

During the first half of 2020, consolidated sales of GEK TERNA Group amounted to 470 million Euros compared to 566 million Euros in the first half of 2019. The operating profitability (adjusted EBITDA)<sup>1</sup> of GEK TERNA Group reached 155.5 million Euros compared to 147.4 million Euros in the previous year.

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<sup>1</sup> 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.

The earnings before taxes settled at 19.3 million Euro compared to 52.2 million Euros in the relevant period of 2019; the earnings after taxes amounted to 17.1 million Euros compared to 46.2 million Euros; whereas the net results after tax and minority rights accounted for 1.4 million Euros compared to 27.3 million Euros the previous year, negatively affected by the valuation of financial derivatives in the secondary market and also by the higher TAX EQUITY related financial cost.

## **Analytical Information of the Main Activities of the Group**

### **Electricity from RES (Renewable Energy Sources)**

Regarding the renewable energy sources sector, revenues amounted to 142 million Euros compared to 111.9 million Euros in the first half of 2019, while operating profitability (adjusted EBITDA) <sup>1</sup> for the Group increased to 107.5 million Euros, compared to 86.9 million Euros during the first half of 2019. The higher figures are mainly due to the entry of new wind farms into production. Through its strategic participation in TERNA ENERGY, the Group continues to invest in clean energy, having 1,373 MW of installed capacity in Greece, USA, Poland and Bulgaria. This increased investment activity creates the conditions for stronger revenue flow and profitability on a stable long-term basis when the investments have matured. The total capacity of the Group's RES facilities in operation, under construction or ready for construction, now exceeds 1,800 MW with the aim to reach 2,800 MW within the next five years.

### **Electricity from thermal energy and trading activity**

The Group has shares in HERON THERMOELECTRIC (50%) and in HERON II (25%) for which consolidation is achieved using the equity method. At the same time, it commercially operates an independent electricity activity whose revenues amounted to 16.3 million Euros in the first half of 2020 compared to 18.6 million Euros in the comparative period of 2019. Operating profitability (adjusted EBITDA) <sup>1</sup> amounted to 0.5 million Euros.

### **Concessions**

Regarding concessions, revenues amounted to 67.3 million Euros compared to 85.9 million Euros in the first half of 2019, while operating profitability (adjusted EBITDA) <sup>1</sup> settled at 49.7 million Euros. The Group holds 100% of the concession companies Nea Odos (PATHE and Ionia Odos motorways) and the Central Greece Motorway, while it also maintains an equity stake of 17% in Olympia Odos. On 21.02.2019 "INTERNATIONAL AIRPORT OF HERAKLION CRETE CONCESSION SOCIETE ANONYME" signed a concession contract with the Greek State. This agreement has already been passed and has become state law.

### **Construction**

Turnover amounted to 238.1 million Euros compared to 343.7 million Euros in the first half of 2019. Operating profitability (adjusted EBITDA) <sup>1</sup> amounted to 4.9 million Euros compared to 18 million Euros in the previous year. The current construction backlog of the Group settles at 1.6 billion Euros, maintaining the prospects of a healthy construction activity in the following period.

**Quarry/Industry**

The operating profit (adjusted EBITDA) <sup>1</sup> of the sector amounted to minus 3.8 million euros, compared to minus 1.2 million euros in the corresponding period of 2019, as a result of the problems of movement of goods caused by the COVID - 19 as well as the internal reorganization of the sector. It is noted that this sector is not included in the main areas of activity of the Group.

**Investments and Financing**

Total net debt<sup>1</sup> of the Group stood at 1.520 billion Euros compared to 1.437 billion Euros at the end of 2019. Specifically, cash and cash equivalents amounted to 641.1 million Euros while total borrowing stood at 2.16 billion Euros at the end of the first half of 2020. It must be noted that almost 100% of the borrowing relates to financing specific development business projects. Total equity amounted to 713 million Euros.

**Information:**

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