



Report of the Board of Directors of the societe anonyme under the trade name «GEK TERNA S.A.» pursuant to article 13 par. 10 sentence. b' of Law 2190/1920 with reference to a) the share capital increase of the Company paid in cash and the redemption of the pre-emptive rights of the current Shareholders and b) the issuance of a convertible and exchangeable bond loan pursuant to the provisions of article 3α of Law 2190/1920 and Law 3156/2003 redemption of the pre-emptive rights of the current Shareholders of the Company.

The Board of Directors of the company under the trade name «**GEK TERNA S.A.**» (hereinafter the «**Company**»), during its meeting held on November 2nd, 2013, having as a prior criterion and sole motive the corporate interest and in order to ensure the continuous development of the Company and the implementation of its investment plan, decided to convene on a Extra-Ordinary General Assembly of the Shareholders of the Company, on November 25th 2013, in order to resolve, among other, on the following items of the Agenda:

- Share Capital Increase, paid in cash with redemption of the pre-emptive rights of the current Shareholders. Amendment of par.1 of article 5 of the Articles of Association.
- Issuance of a convertible and exchangeable unsecured Bond Loan, pursuant to the provisions of Law 3156/2003, as in force redemption of the pre-emptive rights of the current Shareholders of the Company.

Pursuant to article 13 par. 10 sentence. b' of Law 2190/1920, the Board of Directors discloses the following information required to have a general picture and as a result necessary to evaluate the situation, form an opinion and finally to resolve on the aforementioned items:

The increase of the share capital of the Company with redemption of the pre-emptive rights of the current Shareholders, in combination to the issuance of a convertible with Company's shares and exchangeable with shares of the company TERNA ENERGY S.A. owned by the Company, Bond Loan, is aiming to the investment by YORK CAPITAL MANAGEMENT, one of the greatest global investment entities, via its subsidiary York Global Finance Offshore BDH (Luxembourg) S.a.r.l., as an investor for the amount of a Hundred Million Euro to the Group, which will materially enforce the liquidity of the Company, in order to secure the implementation of its investment plan and the undertaking of new projects, on a crucial moment for the recovery of the Greek Economy.

The suggested sale price of the new shares is 2,50 euro per share. This price is higher than the average stock market price of the former semester, amounting to 2,29 euro per share. This price is considered to be reasonable and advantageous, for the Company as well as for the current shareholders. Said fact, taking into account the amount of the investment within the current financial situation, is considered to be a confidence vote to the Company as well as to the recovery of the Greek Economy.

Finally, with reference to the ratio for the exchange of the bonds with shares of TERNA ENERGY S.A., owned by the Company, it will be related to the initial conversion price of GEK TERNA as well as the stock market prices of GEK TERNA and TERNA ENERGY, as formed at the moment of the conversion of the bonds.

Athens, November 2, 2013
The Board of Directors