

**Ν. ΧΡΥΣΟΧΟΪΔΗΣ ΧΡΗΜΑΤΙΣΤΗΡΙΑΚΗ**  
 ΑΝΩΝΥΜΟΣ ΕΤΑΙΡΕΙΑ ΠΑΡΟΧΗΣ ΕΠΕΝΔΥΤΙΚΩΝ ΥΠΗΡΕΣΙΩΝ  
 Μέλος του Χρηματιστηρίου Αξιών Αθηνών  
 Μέλος του Χρηματιστηρίου Παραγώγων Αθηνών  
 Μέλος του Δικτύου XNet



**N. CHRYSOCHOIDIS STOCK BROKERAGE**  
 INVESTMENT SERVICES S.A.  
 Member of the Athens Stock Exchange  
 Member of the Athens Derivatives Exchange  
 Member of the XNet Network

Τμήμα Μελετών και Αναλύσεων

Equity Research Department

<b>Share Price:</b>		<b>3,79</b>
Closing Price as 17/12/13		
Price High 52week		3,88
Price Low 52week		2,25
Market capitalisation		414.301.576
Current num. of shares		109.314.400
Long Term Debt		309.392.000

Key Financials	12/11	12/12	12/13E
Sales	46.486.000	79.604.000	166.000.000
EBITDA	33.200.000	53.951.000	67.400.000
EBITDA margin	71,42%	68%	41%
Total Debt/Equity	0,73	1,09	1,01
P/E	8,35	23,90	56,18
EPS	0,14	0,13	0,07
Dividend/Share	N/A	N/A	N/A

<b>Enterprise Value</b>	1.078.943.204
<b>Shareholders value</b>	769.551.204

## TERNA ENERGY S.A

### Sector: Utilities-Alternative Electricity

**Activity:** The company's business comprises two principal segments: Electricity generation using Renewable Sources (RES) and construction services relating to RES projects as well as other public and private sector , holding a 6th class construction certificate.

#### Outlook:

**Strengths:** Terna Energy is the dominant domestic RES energy producer.

We upgrade Terna Energy's fair price to EUR 7.00 per share from EUR 3.35 per share previously, on the back of strong results and amendments we made regarding our projections for the period 2014-2020.

The company has managed to increase its sales on a year on year basis ( CAGR 2011-2013 62%) and respective EBITDA margin ( CAGR 2011-2013 42,5% ) and reached 508 Mwh installed capacity. The company expects to reach the 1000 Mwh mark by 2016.

The contracts with Public Power S.A are securing the amount and price of kWh which Terna sells. Also the price/kwh in the foreign countries which Terna Energy operates is fixed.

Additionally, Terna Energy has already incurred capital expenditure of c.EUR 700 million by 2013 in order to expand its Mwh capacity, leaving c.EUR 300 million in CAPEX for the upcoming years.

#### Weaknesses:

Changes in fixed price/kWh with the Power Companies could have a negative impact in the company's revenues.

Potential delays in the licencing of wind parks could have a negative impact in the projected capacity of Terna Energy and its revenues.

#### Opportunities:

Terna Energy also operates as producer of electricity from Hydroelectric and Solar Power sources and plans to expand its capacity from these sources from 2016 and on. We have not incorporated any effects from this sector in our model.

#### Threats:

The complicated legal context for RES in Greece could delay the operation of already installed wind parks and impair its capacity and operation.

HMEPOMHΝΙΑ 17/12/2013

<b>FAIR ESTIMATED PRICE</b>	<b>7</b>
<b>Δ% from Current Price</b>	<b>85%</b>
<b>Investment Thesis</b>	<b>UV</b>

## TERNA ENERGY Summary Tables

Income Statement	2012	2013	2014	2015	2016
Total Sales	124.020.000,00	166.000.000,00	218.400.000,00	274.400.000,00	284.400.000,00
CGS	-56.076.000,00	-81.340.000,00	-93.600.000,00	-96.750.000,00	-127.980.000,00
<b>Gross Profit</b>	<b>67.944.000,00</b>	<b>84.660.000,00</b>	<b>124.800.000,00</b>	<b>177.650.000,00</b>	<b>156.420.000,00</b>
Sales & Adm Costs	-13.741.000,00	-16.600.000,00	-20.800.000,00	-21.500.000,00	-28.440.000,00
R & D Costs	-2.459.000,00	-1.660.000,00	-2.080.000,00	-2.150.000,00	-2.844.000,00
Rest Income/Costs	2.207.000,00	1.000.000,00	1.000.000,00	1.000.000,00	1.000.000,00
<b>EBITDA</b>	<b>53.951.000,00</b>	<b>67.400.000,00</b>	<b>102.920.000,00</b>	<b>155.000.000,00</b>	<b>126.136.000,00</b>
D&A	19.077.000,00	37.360.450,00	45.560.450,00	53.760.450,00	55.510.450,00
<b>EBIT</b>	<b>34.874.000,00</b>	<b>30.039.550,00</b>	<b>57.359.550,00</b>	<b>101.239.550,00</b>	<b>70.625.550,00</b>
Interest	-15.484.000,00	-15.000.000,00	-15.000.000,00	-15.000.000,00	-15.000.000,00
<b>EBT</b>	<b>19.390.000,00</b>	<b>15.039.550,00</b>	<b>42.359.550,00</b>	<b>86.239.550,00</b>	<b>55.625.550,00</b>
Taxation	-4.963.000,00	-7.840.000,00	-9.570.912,00	-22.422.283,00	-14.462.643,00
<b>Net Income/Loss</b>	<b>14.427.000,00</b>	<b>7.199.550,00</b>	<b>32.788.638,00</b>	<b>63.817.267,00</b>	<b>41.162.907,00</b>

### Σημειώσεις/Notes

F:	Τρέχουσα Τιμή
MCAP:	Κεφαλαιοποίηση
EPS:	Καθαρά Κέρδη Ανά Μετοχή
P/E:	Λόγος Τιμής προς Κέρδη
P/S:	Λόγος Τιμής προς Πωλήσεις
D/A:	Συνολικός Δανεισμός προς Παθητικό
DY:	Απόδοση Μερίσματος
ROE:	Απόδοση Ιδίων Κεφαλαίων
FV:	Τιμή Σωστής Αποτίμησης

Market Price  
Capitalization  
Earnings per Share

Price/Earnings Ratio

Price/Sales Ratio

Total Debt/Assets Ratio

Dividend Yield  
Return on Equity  
Fair Value Price

### Οδηγός Συστάσεων/Ratings

<b>UV</b>	Χαμηλή Αποτίμηση/ Χαμηλός Κίνδυνος
<b>UVI</b>	Χαμηλή Αποτίμηση/ Κίνδυνος
<b>FV</b>	Σωστή Αποτίμηση/ Χαμηλός Κίνδυνος
<b>OVI</b>	Σωστή Αποτίμηση/ Κίνδυνος
<b>OV</b>	Υπερτιμημένη Μετοχή

Underpriced/ Small Risk  
Stock Price < 20% of Fair  
Underpriced/ Risk  
Stock Price < 10% of Fair  
Fairly Priced/ Small Risk  
10% < Stock Price < 10%  
Fairly Priced/ Risk  
Stock Price > 10% of Fair  
Overvalued  
Stock Price > 20% of Fair

## Cash flow estimations (€)

	2013E	2014E	2015E
EBIT	30.039.550,00	57.359.550,00	101.239.550,00
Taxation	30%	26%	26%
NOPAT	21.027.685,00	42.446.067,00	74.917.267,00
Depreciation	37.360.450,00	45.560.450,00	53.760.450,00
Capital Exp.	23.000.000,00	164.000.000,00	164.000.000,00
IWC	10.794.676,51	13.474.060,24	14.399.759,04
NCF	46.182.811,51	-62.519.422,76	-20.922.523,96

## Growth/Margins/Metrics(E)

	12/11	12/12	12/13E
Sales Growth	28%	62%	33%
EBITDA growth Y-Y	40%	62%	25%
Net Profit/Loss growth	53%	-5%	-50%
<b>RATIOS</b>	<b>12/11</b>	<b>12/12</b>	<b>12/13E</b>
Debt/Equity	0,73	1,09	1,01
Capex/EBITDA	587%	408%	34%
ROE	0,04	0,04	0,02
WACC	9,00%	9,00%	9,00%
<b>VALUATION</b>	<b>12/11</b>	<b>12/12</b>	<b>12/13E</b>
Book Value	3,00	3,00	3,00
P/BV	0,89	0,89	0,89
P/E	8,35	23,90	56,18

### Ρήτρα Περιορισμού Ευθύνης:

Απαγορεύεται η αναδημοσίευση του παρόντος χωρίς την άδεια της Ν. ΧΡΥΣΟΧΟΙΔΗΣ ΧΡΗΜΑΤΙΣΤΗΡΙΑΚΗΣ Α.Ε.Π.Ε.Υ. Οι απόψεις που περιέχονται βασίζονται σε πηγές που θεωρούνται αξιόπιστες, ωστόσο η Ν. ΧΡΥΣΟΧΟΙΔΗΣ ΧΡΗΜΑΤΙΣΤΗΡΙΑΚΗ Α.Ε.Π.Ε.Υ. δεν ευθύνεται για την εγκυρότητα, ορθότητα ή αξιοπιστία τους και διατηρεί το δικαίωμα αλλαγής τους χωρίς πρότερη ειδοποίηση. Τόσο η Ν. ΧΡΥΣΟΧΟΙΔΗΣ ΧΡΗΜΑΤΙΣΤΗΡΙΑΚΗ Α.Ε.Π.Ε.Υ. όσο και οι διευθύνοντες και υπάλληλοι της δεν φέρουν ουδεμία ευθύνη για οποιαδήποτε συνέπεια των πληροφοριών αυτών. **Το παρόν δεν αποτελεί προσφορά, προτροπή ή επενδυτική πρόταση για αγορά ή πώληση μετοχών ή άλλων κινητών αξιών. Οι επενδύσεις που αναφέρονται ενδέχεται να μην είναι οι ενδεδειγμένες για ορισμένους επενδυτές.**

### Disclaimer:

This report has been issued by N. CHRYSOCHOIDIS STOCK BROKERAGE I.S.S.A., a member of the Athens Stock Exchange, and may not be reproduced in any manner or provided to any other persons. Each person that receives a copy by acceptance thereof represents and agrees that it will not distribute or provide it to any other person. The information contained herein has been obtained from sources believed to be reliable but has not been verified by N. CHRYSOCHOIDIS STOCK BROKERAGE I.S.S.A. The opinions expressed herein may not necessarily coincide with those of any member of N. CHRYSOCHOIDIS STOCK BROKERAGE I.S.S.A. No representation or warranty (express or implied) is made as to the accuracy, completeness, correctness, timeliness or fairness of the information or opinions herein, all of which are subject to change without notice. No responsibility of liability whatsoever or howsoever arising is accepted in relation to the contents hereof by N. CHRYSOCHOIDIS STOCK BROKERAGE I.S.S.A. or any of its directors, officers or employees. **This report is not an offer to buy or sell or a solicitation of an offer to buy or sell securities mentioned herein.** N. CHRYSOCHOIDIS STOCK BROKERAGE I.S.S.A. may effect transactions in or perform or seek to perform brokerage services for companies covered. The investments discussed in this report may be unsuitable for investors, depending on their specific investment objectives and financial position.