



AGREEMENT REACHED
FOR A INITIATIVE PROJECT FEATURING ERG AND ALERION AS PARTNERS IN
ENERTAD TO PURSUE FORMS OF COLLABORATION

Milan, July 27th 2006 – Today Alerion Industries S.p.A. and ERG S.p.A. reached an important understanding for the definition of guidelines for joint development of their respective activities in the wind power sector as well as to regulate – if the voluntary public tender offer launched by ERG for EnerTAD on July 6th this year (the “Offer”) is successful - their respective dealings as EnerTad shareholders.

Alerion and ERG intend to pursue forms of industrial collaboration, aiming, among other things, to integrate their respective assets in the sector of power generation using renewable sources in EnerTAD.

As regards this, the agreement envisages that Alerion will sell to ERG wind farms, once the latter have been authorised, with a total capacity of between 40 and 60 MW, also for the purpose of their possible subsequent conferment to EnerTAD, whilst respecting the autonomy of the latter’s decision-making bodies.

Also in order to move ahead on these projects also via EnerTAD, ERG has undertaken to increase, by August 3rd 2006, the price of the Offer to a total of EUR 3.10 per share, waiving the conditions indicated in points C.7 (ii), although the Minimum Threshold as defined therein still applies, and C.7 (iii) of the Offer prospectus published on June 28th 2006.

Alerion undertakes (i) not to tender in acceptance of the Offer the 16,159,920 EnerTAD shares that it owns and (ii) do everything in its power to ensure that the equity interest owned by Fintad International SA and by Tadfin SpA in EnerTAD SpA (the “Tad Group Shares”), in the number of not less than 48,000,000 shares, is tendered for the Offer,

also expressly exonerating FinTad and Tadfin from any limit or constraint stemming from the accompanying agreements signed on July 5th 2006.

The agreement reached between Alerion and ERG will be terminated if the banks belonging to the Banking Convention dated December 1st 2004 have not manifested their consent by August 2nd 2006.

Upon the successful outcome of the Offer launched by ERG, or in any case upon ERG's achievement of majority ownership of EnerATD share capital, the operating procedure agreed between the parties will be as follows:

1) Stipulation of shareholders' pact

ERG and Alerion will stipulate a 3-year shareholders' pact, to which all shares respectively owned will be allocated and that will contain provision for the right of joint sale for Alerion if ERG sells its equity interest in EnerTAD so that it descends to less than 50% plus one share of share capital and the right for Alerion to designate two directors and one standing statutory auditor.

Appointment of a pact steering committee (the "Steering Committee") is contemplated, with representation proportional to the number of EnerATD shares respectively owned by ERG and Alerion. The Steering Committee will vote on a majority basis, with respect to the number of EnerTAD shares allocated to the pact, on matters to be submitted for approval by ordinary and extraordinary meetings of EnerTAD shareholders. The Steering Committee' decisions will be binding for ERG and Alerion.

Provision will also be made for a consultation procedure so as to agree – without prejudice for the decision-making autonomy of EnerTAD's corporate bodies – EnerTAD's strategic guidelines and a programme for the possible contribution to EnerTAD or to another joint vehicle of the wind farms owned by ERG and Alerion.

Whilst it is still intended to keep the company listed, if the market listing of EnerTAD ceases for other reasons or trading of its stock is suspended for more than 2 weeks (specifying that any suspensions during the 120-day period envisaged in Article 108, paragraph 1, of the Italian Consolidated Finance Act will not be taken into account), or merger, demerger, or a capital increase of EnerTAD, or a change in EnerTAD's

corporate purpose, is decided upon without Alerion's consent, Alerion will have the right to sell its equity interest in EnerTAD to ERG at the price of EUR 3.10 per share.

As part of the agreement, it is envisaged that Alerion grant ERG the option to purchase up to 16,159,920 EnerTAD shares, with this option being exercisable from September 30th 2006 to December 31st 2007, at the price of EUR 3.2 per share.

This option will be granted for consideration and will envisage the payment on September 30th 2006 of a price of EUR 0.70 per share calculated on the basis of generally accepted methods and taking into account the option's duration, the present price of EnerTAD stock, and its volatility.

2) Provision of warranties by Alerion

In view of the strategic role played by Alerion in EnerTAD thus far and essentially considering its involvement in the operations of an extraordinary nature concerning EnerTAD, Alerion, against payment of a fee, has undertaken:

- a. If EnerTAD were under obligation to pay, for any reason, sums to buyers based on the sales contracts of EnerTAD France Sas and Tad Energia Ambiente SpA, to pay to ERG – according to the percent equity interest owned by ERG in EnerTAD – any incidental liabilities after deduction of an exempt amount of EUR 3 million.

As the fee for the indemnity obligation, ERG will accord Alerion the sum of EUR 3.5 million.

- b. To ensure that Tadfin and Fintad are managed, also from the liquidation standpoint, in such a way as to preserve their economic and financial equilibrium, as well as to hold ERG harmless from any clawback actions proposed in relation to purchase of the Tad Group Shares.

As the fee for this activity and for this warranty, ERG will accord Alerion the sum of EUR 0.5 million.



In guarantee of the obligations taken on in the agreement with ERG, Alerion will pledge 8,000,000 of the EnerTAD shares it owns in ERG's favour by September 30th 2006.

The agreements described above will be the subject of a supplement to the Offer prospectus published by ERG on June 28th this year, which will have to be submitted to CONSOB (the Italian securities & exchange commission) for review.

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For further information:

For ERG

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