



Press Release

Rome, April 5th 2004 – ERG Power & Gas, an ERG Group company operating in the production of electrical energy, has signed a joint venture agreement with CESA, a global leader in the field of wind power, to build wind farms in Italy, with a generating capacity of approximately 300 MW. The wind farms will be financed with project financing and should be built within the next four years.

The production of electricity from renewable sources is part of the “multi-energy” strategy of the ERG Group, which aims to increase its presence in this field. The market for power generated from renewable sources is growing strongly, thanks in part to regulations supporting sustainable development. Confirmation of this can be found in the figure regarding the growth of the wind power market in Italy, which in the past three years has amounted to 35%.

CESA’s activities have always been focused on the development of wind farms in Spain (445 MW installed) and throughout the world (more than 5,000 MW currently being developed). The Spanish wind power market is ranked third in the world for its size (6,202 MW), behind only the German market (14,609 MW) and the American market (6,374 MW), while Italy is currently ranked seventh (904 MW).

Profile

ERG is the largest independent Group operating in the energy and petroleum sectors in Italy, quoted on the Stock Exchange since October 1997. It is active in crude oil processing, the distribution of petroleum products and in the production of electrical power. Today it accounts for approximately 22% of the national refining capacity and is the second largest sector operator in Italy. ERG sales on the domestic market account for 9% of the national consumption of petroleum products.

Via the subsidiary ERG Power & Gas (100% ERG), ERG manages and develops the production and sale of electrical power and steam and is evaluating opportunities to enter the gas market. In particular the subholding ERG Power & Gas manages:

- ISAB Energy which produces electricity via a power station with a capacity of 524 MW, which uses as its fuel syngas derived from the gasification of residues from the ISAB Sud refinery.
- ERG Nuove Centrali manages 9 power and steam plants situated inside the ISAB Sud and Nord Refineries. The power and steam plants are currently undergoing repowering, once the project has been completed they will have, respectively, capacities of 72 MW and 450 MW, and will have use natural gas as a feedstock.

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