



Press Release

ERG Renew continues its expansion on the French wind market

Genoa, 12 November 2008 – ERG Renew's subsidiary Enerfrance today signed an agreement with VSB Energies Nouvelles, French subsidiary of the German Group WSB, which operates in the renewable energy market, to acquire two wind projects, one in Bretagne and the other to the South of Paris.

The first acquisition concerns 100% of the company Eoliennes du Vent Solaire. The company owns all rights and authorisations for the construction of the 9.2 MW Plogastel wind farm, which is expected to come into operation by the end of 2010.

For this acquisition, Enerfrance will pay VSB Energies Nouvelles the sum of 632 thousand Euro.

The second transaction refers to the execution of a memorandum of understanding for the future acquisition of the company Eoliennes de Greneville, set up for the construction of a wind farm to the South of Paris with a total capacity of 20 MW, which is expected to come into operation by the end of 2011. Enerfrance will make an advance payment of 2.4 million Euro to VSB Energies Nouvelles, by way of reservation fee, once the permit for construction, already obtained in September, can no longer be legally opposed by third parties. The acquisition's finalisation is subject to the occurrence of certain conditions precedent connected with the obtainment of all necessary authorisations. Otherwise, the contract provides for the restitution of any payment made by way of reservation fee. The acquisition has a total cost of 5.3 million Euro.

ERG Renew's Chief Executive Officer, Raffaele Tognacca, commented: "These important operations, which come in addition to our recently acquired 50% holding in Cita Wind, will enable us to further consolidate our position "beyond the Alps", where we are already present with an installed capacity of 55 MW, and to make a significant step towards implementing our geographical diversification strategy".

Contacts:

ERG Group Press Office: Alessandra Mariotti – tel. + 39 06 50092328, mobile: + 39 335 8053395

e-mail: stampa@erg.it

ERG Renew Investor Relations: Emanuela Delucchi - tel. +39 010 2401806

e-mail investor.relations@enertad.it

ERG Renew

ERG Renew (ERG Group), listed on the Milan Stock Exchange, operates in the following sectors:

- **Wind - Italy:** There are currently 4 plants operational: Troia San Vincenzo, Troia San Cireo, Viticuso and Pian dei Corsi with a total installed power of 79 MW (2.9% market share in Italy at the end of 2007). The company has 37.5 MW in the commissioning phase, 168 MW in construction, 73 MW authorised and 227 MW in development, comprising its target of 585 MW.
- **Wind – France:** ERG Renew in November 2007 entered the French market through the acquisition of 5 wind-parks for a total installed capacity of 55.2 MW. The French wind-parks are owned by Enerfrance. The 2011 target is Euro 115 MW.
- **Water services:** Through the subsidiaries Sodai and DSI, operates in the treatment of industrial waste. While Sodai operates through 20 workshops of Trenitalia, DSI undertakes solid and liquid waste treatment activities on behalf of third parties.