



Press Release

ERG expands in the Italian wind market via the acquisition of 5 wind farms with an overall capacity of 112 MW

Genoa, 23 June 2011 – ERG today reached an agreement with Maluni S.r.l. (formerly IVPC S.a.s.), leading Italian operator in the sector of power generation from wind energy sources, for the acquisition of a 100% equity interest in IVPC Power 3 S.r.l.. The company owns 5 wind farms, in operation since 2008, located in the provinces of Avellino and Benevento, with a total installed capacity of 112 MW and electricity output, when fully operative, estimated at around 240 GWh per year.

The value of the acquisition, in terms of Enterprise Value, is approximately Euro 2.1 million per MW installed. For the equity interest in IVPC Power 3, ERG will pay Maluni the sum of Euro 100 million, in addition to reimbursing, at the time of the closing, the net residual value of the loan granted to same by the parent company IVPC Power 8 (approximately Euro 33 million as at 31.12.2010).

The transaction closing, subject to approval from the Antitrust Authority and obtainment from the Ministry of Economic Development and the financing institutions of the authorisations and permissions envisaged in the loan agreements, is scheduled to take place by the end of July 2011.

ERG's Chief Executive Officer, Alessandro Garrone, commented: "we are extremely pleased about this important transaction which allows us to acquire 5 newly constructed wind farms, already fully operational, financed and excellent value both from a technological standpoint and in terms of windiness. The agreement also enables us to take a major step forward as regards our strategic growth path in the Italian wind market."

Exclusive financial advisor for this transaction was UniCredit, the firm Bonelli Erede Pappalardo acted as legal advisor and Ernst & Young acted as transaction advisor for accounting and fiscal aspects.

This press release, concerning the agreement reached with Maluni S.r.l. for the acquisition of a 100% stake in the company IVPC Power 3 s.r.l., issued at 2.30 p.m. (CEST) on 23 June 2011, has been prepared pursuant to the Regulation implementing Legislative Decree no. 58 of 24 February 1998, adopted by CONSOB under resolution no. 11971/1999, as amended and supplemented. It has been published by Borsa Italiana S.p.A. (www.borsaitaliana.it) and on the Company's website, www.erg.it.

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