



Press Release

Creation of LUKerg Renew, a joint venture in the renewable energy sector

Genoa, 20 May 2011 – ERG Renew and LUKOIL-Ecoenergo today signed an agreement for the creation of a 50-50 joint venture, LUKerg Renew, which is to be based in Vienna.

The transaction comes within the scope of a Memorandum of Understanding between ERG Renew and LUKOIL (see Press Release dated 12 July 2010) for cooperation in the market of renewable energy sources in the countries of Eastern Europe and in Russia.

The joint venture will initially focus its operations on Bulgaria and Romania, followed by Ukraine and Russia, developing both organically and through the pursuit of acquisition opportunities, in accordance with a business plan to be agreed over the coming months and approved by the end of the year.

LUKerg Renew's initial share capital of Euro 35 thousand will be subscribed and paid by each shareholder on a 50-50 basis. The creation of the company is subject to approval by the Antitrust Authority.

ERG Renew (ERG Group) is active in the generation of electricity from renewable sources, above all in the wind sector. As regards Italy, there are currently 8 wind farms in operation, with a total installed capacity of 246 MW; in France, subsidiary ERG Eolienne France S.a.s. owns 6 wind farms, with a total installed capacity of 64.4 MW.

Priority of LUKOIL-Ecoenergo is utilisation of hydro, wind and solar energy. The company has started activity at the beginning of year 2011. At present it comprises 4 hydroelectric power stations with total capacity of 296,8 MW.

This press release, concerning the creation of joint venture LUKerg Renew, issued on 20 May 2011 at 6.00 p.m. (CEST), has been drawn up in accordance with the Regulation implementing Legislative Decree no. 58 of 24 February 1998, adopted under CONSOB Resolution 11971/1999, as amended. It is available to the public at Borsa Italiana S.p.A. (www.borsaitaliana.it) and on the Company's website (www.ergrenew.it).

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