

STAR CONFERENCE
OCTOBER 2, 2014 – LONDON, UK

TERNIENERGIA

**TOWARDS
THE FIRST
ITALIAN
SMART ENERGY
COMPANY**



TERNIENERGIA COUNTRY DIFFERENTIATION

WHY WE ARE GOING GLOBAL



FLEXIBLE FOCUS ON MARKETS WHERE WE BELIEVE IT'S MORE PROFITABLE TO DEVELOP NEW PLANTS

**BUSINESS CORE IN EMERGING COUNTRIES WITH STRONG GROWTH
IN ENERGY AND ENVIRONMENTAL DEMAND**

STAR CONFERENCE

OCTOBER 2, 2014 – LONDON, UK

A SMALL GLOBAL COMPANY FULLY INTEGRATED IN THE GREEN INDUSTRY HANDLED THE SLOWDOWN SCENARIO THROUGH BUSINESS INTERNATIONALIZATION



**INDEPENDENT
POWER
PRODUCER**

- 33.3 MW in full ownership
- 5.8 MW in JV 50:50
- 1.5 MW biomass



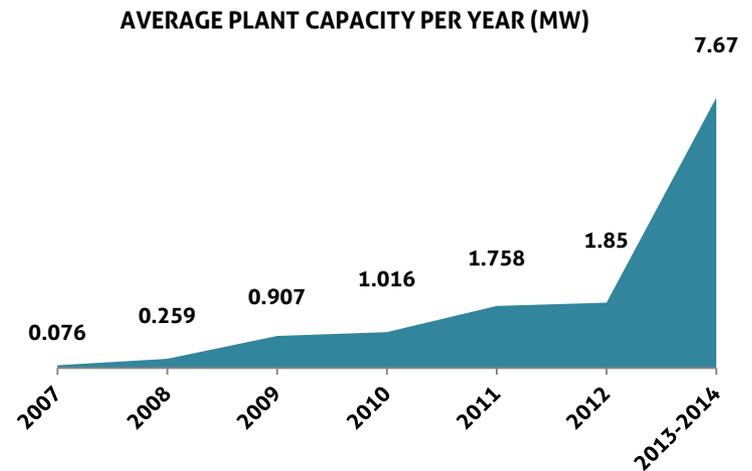
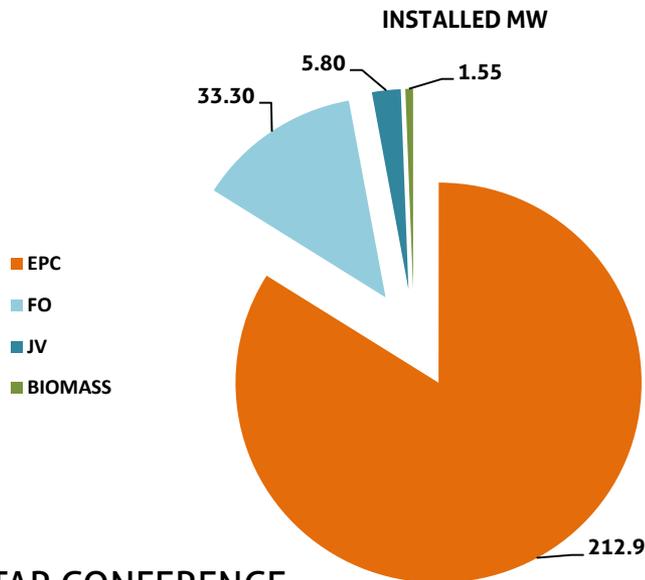
**INTEGRATED
ENERGY
SOLUTIONS**

- 273 PV Plants installed
- 284.1 MW installed
- 20,000 area lights managed



**ENVIRONMENTAL
RESOURCES
SOLUTIONS**

- 2 Biomass plants installed
- 1 Discarded Tyres recovery plant installed
- 2 water remediation plant installed

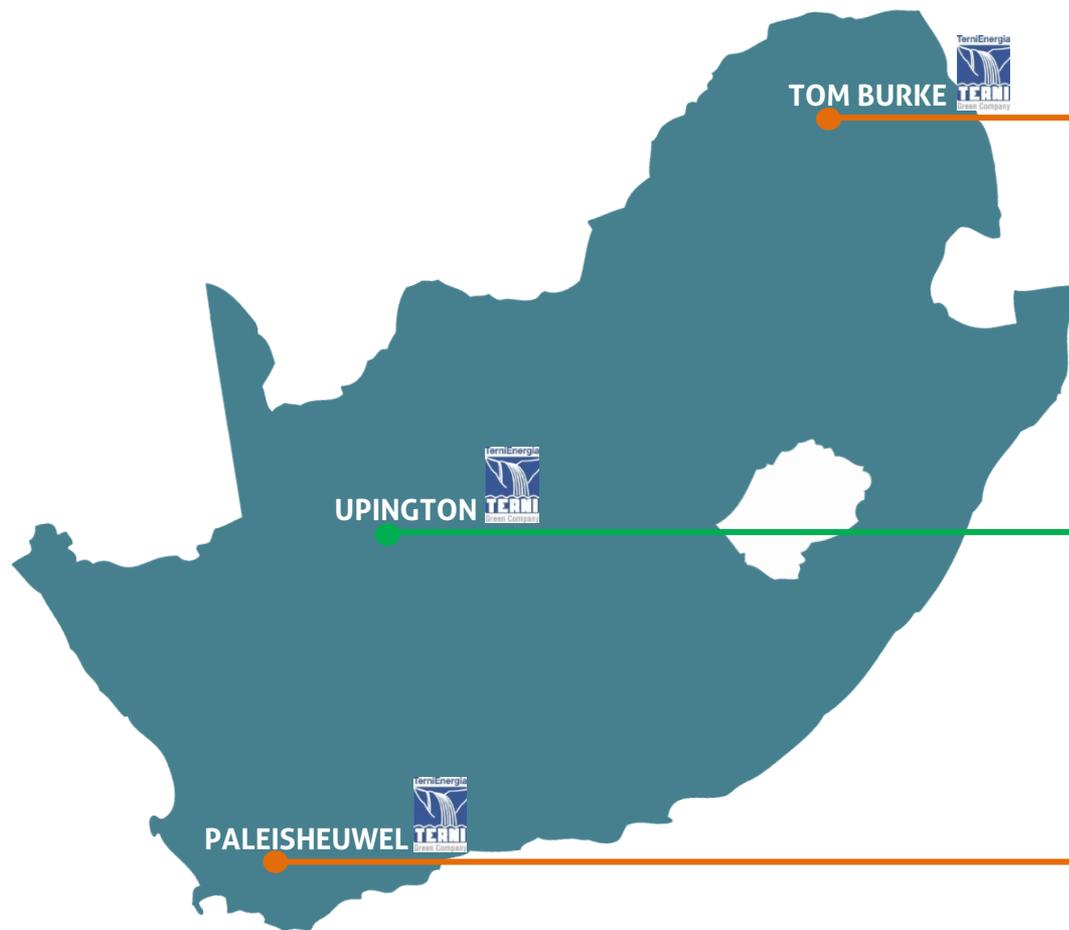


STAR CONFERENCE

OCTOBER 2, 2014 – LONDON, UK

A SMALL GLOBAL COMPANY FULLY INTEGRATED IN THE GREEN INDUSTRY

TERNIENERGIA SOUTH AFRICA WORK IN PROGRESS



SITE OPENED

VALUE: 880.000.000 rand
INSTALLED CAPACITY: 67 MWP
AREA: 195 HA
CARPENTRY: KG 5.800.000
ELECTRICAL CABLES 2.500 KM
EMPLOYEES: 450

CONNECTED TO THE GRID

VALUE: 148.000.000 rand
INSTALLED CAPACITY: 10 MWP
AREA: 30 HA
CARPENTRY: KG 700.000
ELECTRICAL CABLES 370 KM
EMPLOYEES: 150

SITE OPENED

VALUE: 1.100.000.000 rand
INSTALLED CAPACITY: 82,5 MWP
AREA: 240 HA
CARPENTRY: KG 7.000.000
ELECTRICAL CABLES 3.000 KM
EMPLOYEES: 550

STAR CONFERENCE

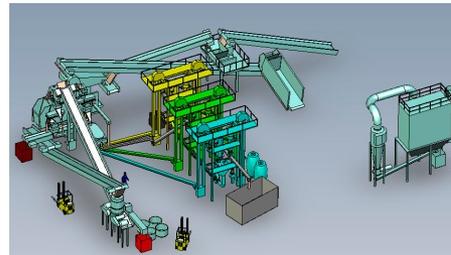
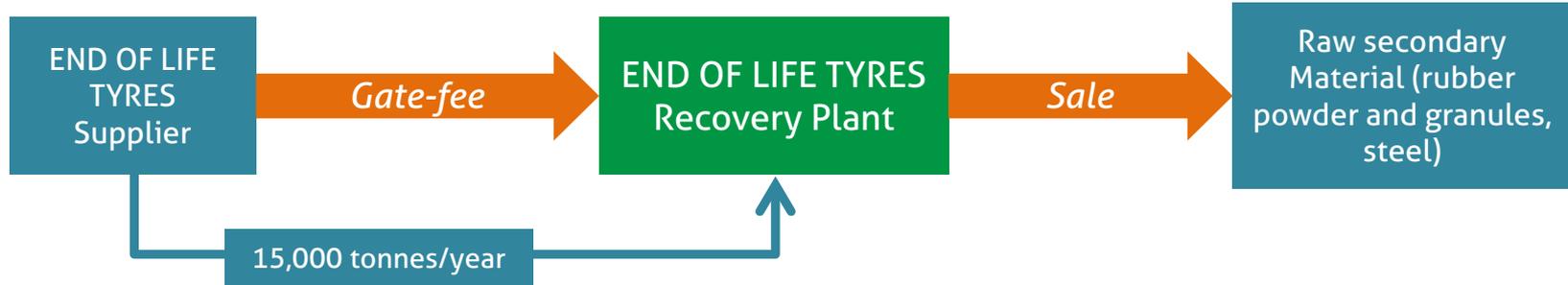
OCTOBER 2, 2014 – LONDON, UK



TERNIENERGIA IS READY TO START A NEW GROWTH STAGE

END OF LIFE TYRES TREATMENT PLANT

- **Single Authorization:** Plant operating since October 3rd, 2011
- **Capacity:** 4 tonnes /h e 15,000 tonnes/year
- **Technology:** End of life tyres Powder reduction and/or granular form separating rubber from steel and polyester fiber contained in tyres.
- **High Margin Business** (revenues from incoming waste, revenues from sale of raw secondary materials at low disposal costs)



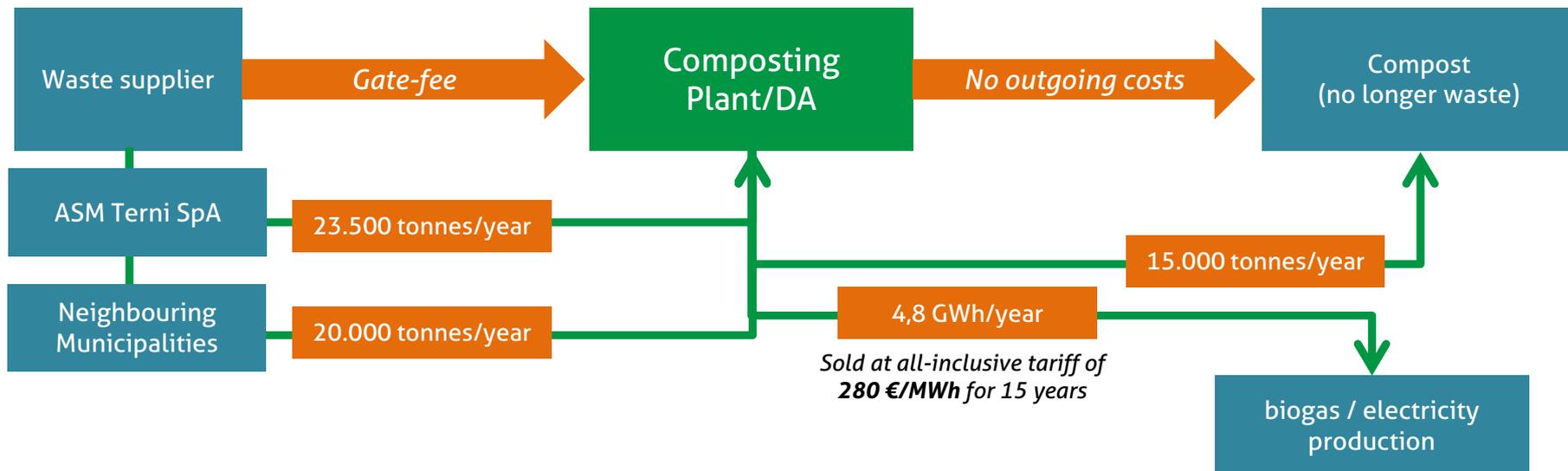
STAR CONFERENCE

OCTOBER 2, 2014 – LONDON, UK

TERNIENERGIA IS READY TO START A NEW GROWTH STAGE

ANAEROBIC DIGESTION/COMPOSTING PLANT

- **Integrated Environmental Authorization by Regione Umbria: Plant operating since December, 2012**
- **Capacity:** treatment of **43.500 tonnes/year** of organic waste;
- **Managed by: JV 50:50** between TerniEnergia and ASM Terni SpA.
- **High Margin Business** (revenues from incoming waste, revenues from sale of renewable energy)



TERNIENERGIA IS READY TO START A NEW GROWTH STAGE

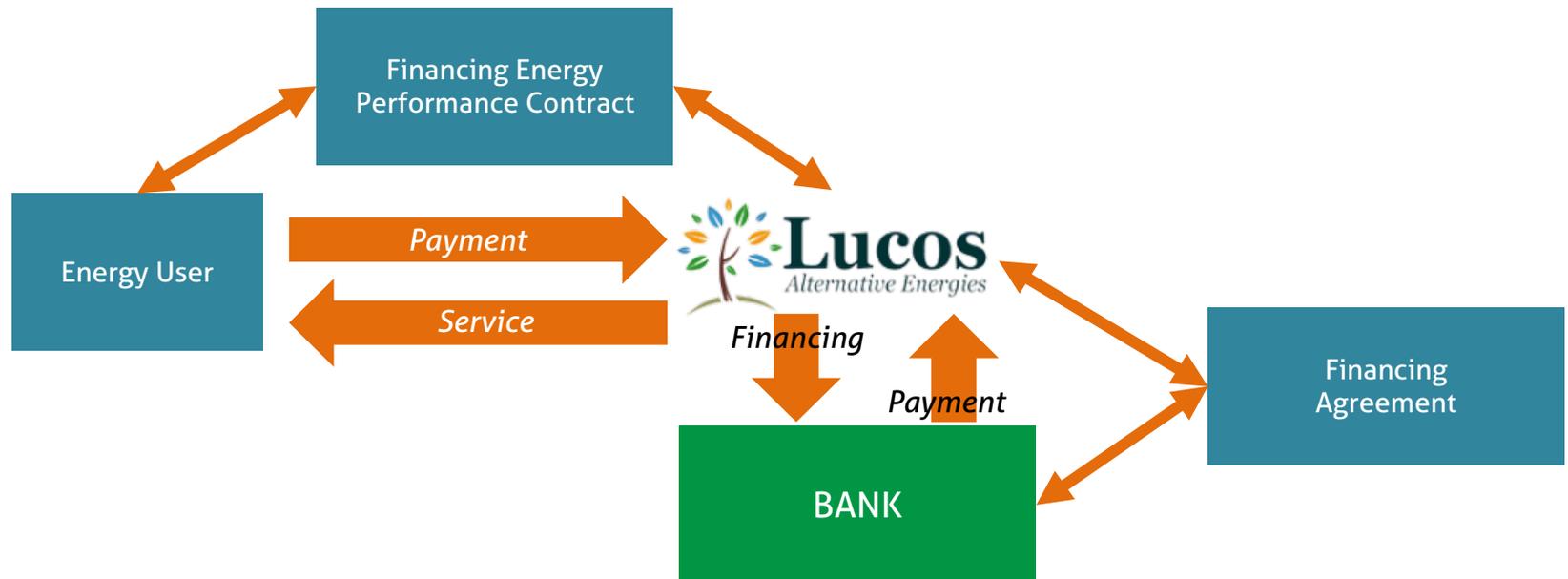
LUCOS: ESCO THIRD PARTY FINANCING

The Third Party Financing (TPF) is an innovative solution to realize, technically and economically, investments in the energy field for both single SMEs and for groups of businesses and entire industrial areas.

It allows to get funds from third parties, excluding any business risk related to the investments themselves.

The results, in terms of energy saving, represent both the financial resource to make the investments, and an environmental improvement that can be capitalized in terms of image and advertising: green marketing.

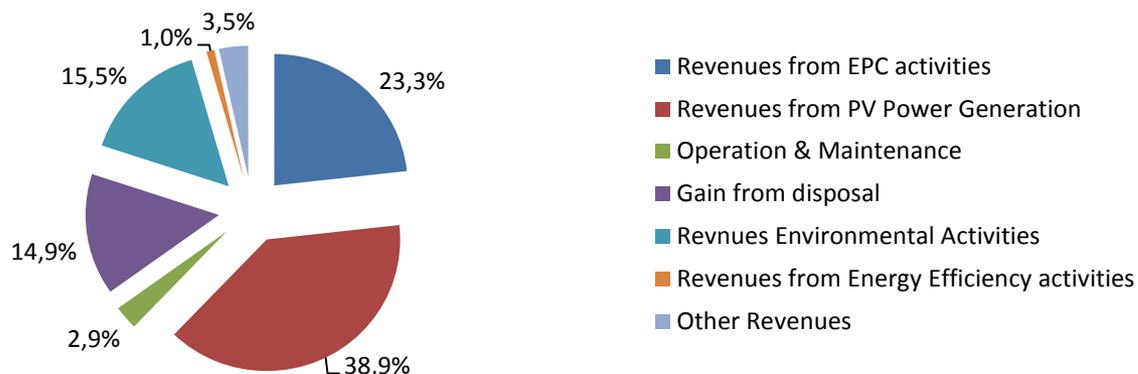
An ESCo can finance the intervention for the client with its own resources or by third parties, ensuring the energy performance (and then the economic one too) as a guarantee of the investments.



TERNIENERGIA IS READY TO START A NEW GROWTH STAGE

CONSOLIDATED FINANCIAL RESULTS 1H2014

<i>Revenues</i>	1H2014	Incidence %	1H2013	Incidence %
Revenues from EPC activities	5.001.004	27,3%	18.643.514	64,9%
Revenues from PV Power Generation	8.373.129	45,8%	4.887.914	17,0%
Operation & Maintenance	629.861	3,4%	844.908	2,9%
Gain from disposal	-	-	-	-
Revenues Environmental Activities	3.329.064	18,2%	2.784.488	9,7%
Revenues from Energy Efficiency activities	206.632	1,1%	460.281	1,6%
Other Revenues	759.255	4,1%	1.107.622	3,9%
Total	18.298.945		28.728.727	



EBITDA | MILLION EUROS 9,78

NET RESULT | 1,2 MILLION EUROS

DIVIDENDS 2013 | € 2,257 MILLIONS PAYED ON MAY 2014

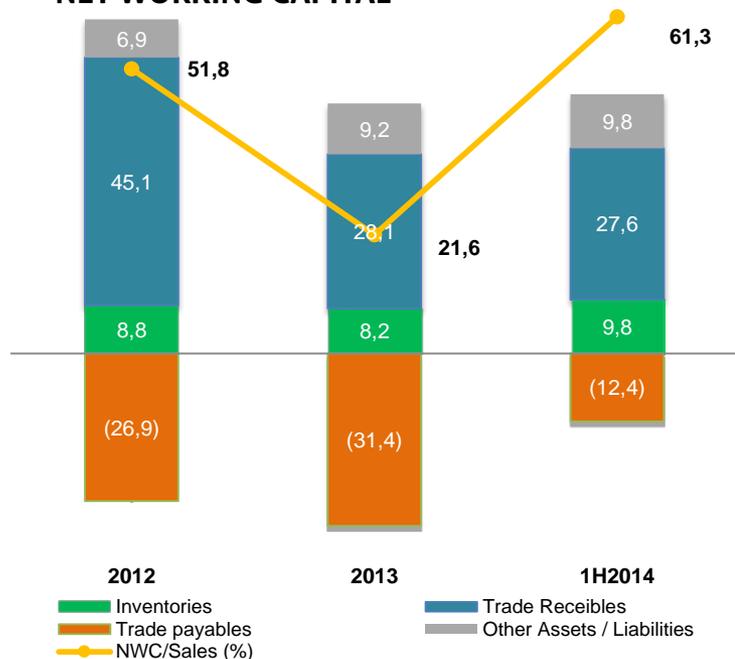
STAR CONFERENCE

OCTOBER 2, 2014 – LONDON, UK

TERNIENERGIA IS READY TO START A NEW GROWTH STAGE

FINANCIAL KEY FIGURES

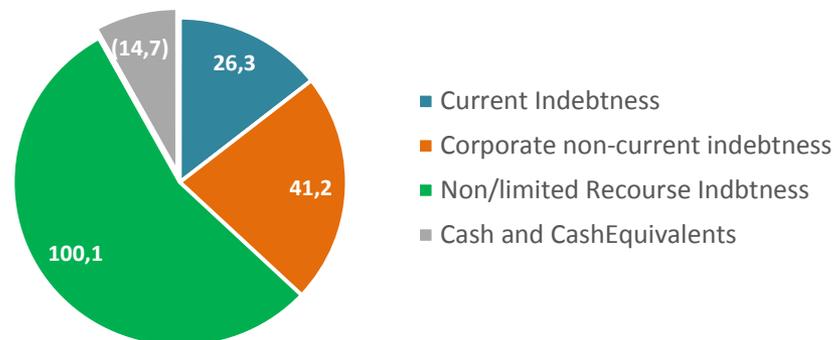
NET WORKING CAPITAL



2012 2013 1H2014

	2012	2013	1H2014
Inventories	8,8	8,2	9,8
Trade Receivables	45,1	28,1	27,6
Trade payables	(26,9)	(31,4)	(12,4)
Other Assets / Liabilities	6,9	9,2	9,8
Net Working Capital	33,9	14,1	34,8
	16		
NWC/Sales (%)	51,8	21,6	61,3

BREAKDOWN NET FINANCIAL POSITION 1H2014



- Current Indebtness
- Corporate non-current indebtiness
- Non/limited Recourse Indbtiness
- Cash and CashEquivalents

2012 2013 1H2014

	2012	2013	1H2014
Financial Indebtness	75,1	150,9	167,5
Cash and CashEquivalents	(12,8)	(15,7)	(14,7)
Net Financial Position	62,3	135,2	152,8
Current Net Financial Position	34,2	18,2	11,6
Non Current Net Financial Position	28,2	117,0	141,2
Short Net Financial Position / Equity	0,7	0,3	0,23
Net Financial Position / Equity	1,3	2,5	3,03

STAR CONFERENCE

OCTOBER 2, 2014 – LONDON, UK

TERNIENERGIA ITALIAN ACTIVITY: TOWARD THE VALUE CHAIN FULFILMENT

FREE ENERGIA ACQUISITION PROJECT

Signed a manifestation of interest for the acquisition of 100% of the share capital



2013 REVENUES ABOUT EURO 100 MIO

1Q 2014 REVENUES GROWTH +100%

ACTIVITIES:

- **INNOVATIVE ENERGY TRADING**
- **ENERGY PROVIDER TO ELECTRICITY-CONSUMPTIVE CUSTOMERS AND CONSOLIDATED RESELLER**
- **"EVOLVED" HEDGING AND TRADING PLANNING**
- **VALUE ADDED INTEGRATED SERVICES FOR RENEWABLE ENERGY POWER PRODUCER, PLATFORM BUILT IN HOUSE**
- **MARKETING SERVICES**
- **RESELLER NETWORK**



RENEWABLE ENERGY POWER GENERATION

INDUSTRIAL ENERGY EFFICIENCY

ENERGY TRADING AND SERVICES

VALUE OF TRANSACTION: ABOUT EURO 15 MIO

CAPITAL INCREASE OF TERNIENERGIA RESERVED TO SHAREHOLDERS OF FREE ENERGIA TO SUBSCRIBE THROUGH THE TRANSFER OF FREE ENERGIA SHARES, THERE IS NO CASH OUTLAY

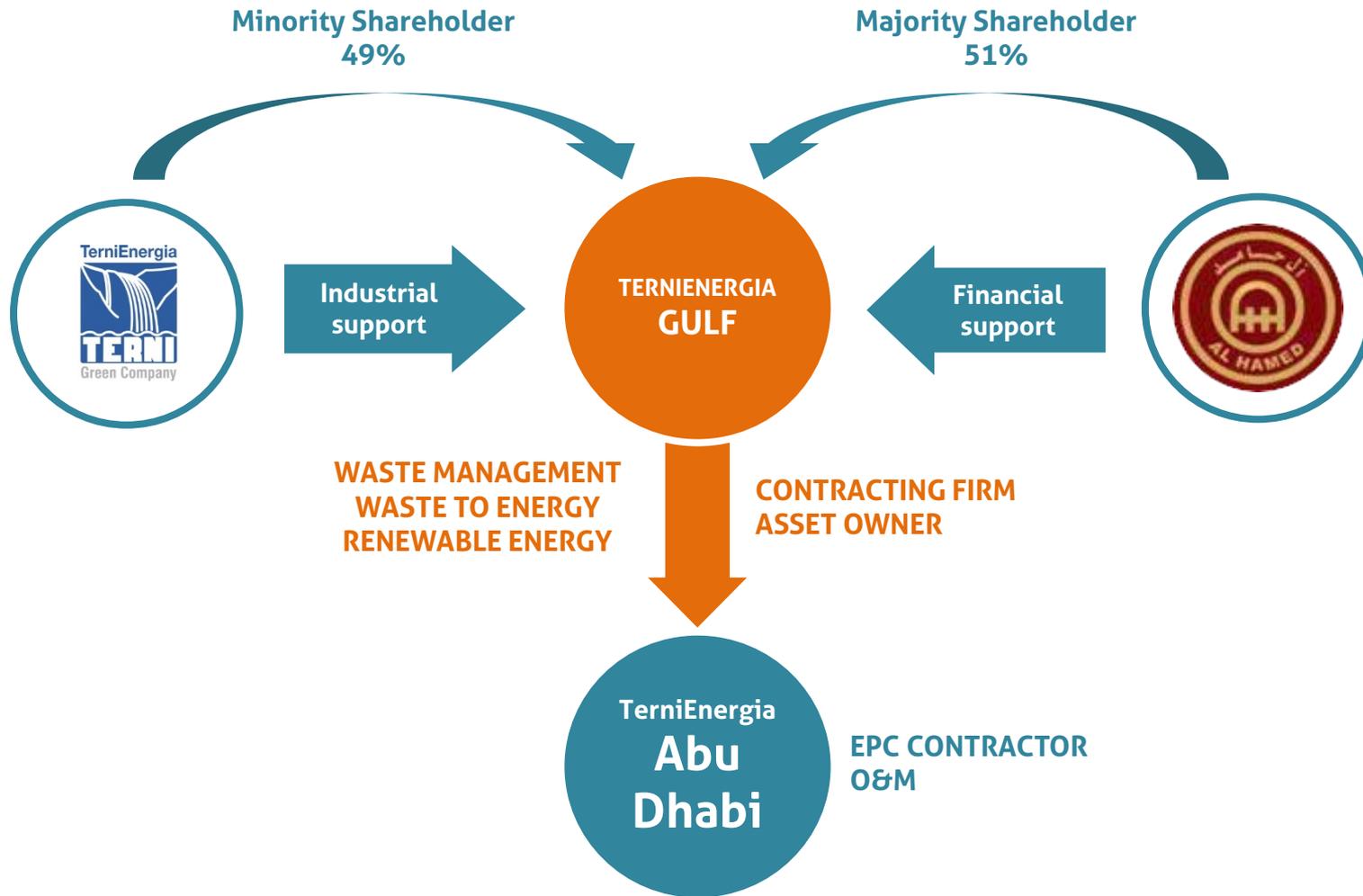
STAR CONFERENCE

OCTOBER 2, 2014 – LONDON, UK



TERNIENERGIA COUNTRY DIFFERENTIATION

TERNIENERGIA GULF PROJECT



STAR CONFERENCE

OCTOBER 2, 2014 – LONDON, UK

TERNIENERGIA IS READY TO START A NEW GROWTH STAGE

A PLATFORM FOR FUTURE DEVELOPMENT

The Green Economy is representing profiles of industrial relevance in rapidly growing not only in Italy, in particular with regard to the production of clean energy, recycling and recovery of materials and energy from marginal resources.

In the face of new needs related to sustainability are not yet integrated industrial subjects exclusively in Green, which may constitute an aggregation platform, and at the same time it is an opportunity for institutional investors.

This platform should meet the following requirements :

- Focus on clearly identifiable segments, consisting largely of tangible assets that can generate stable cash flows from long-term with a low risk profile;
- Operate in a regulated market in order to ensure transparency and the adoption of best practices and appropriate form of governance;
- International profile;
- Industrial track record adequate to demonstrate high ability to carry out management and achieve optimal performance over time;
- Size that could be an element aggregator without constraints on growth posed by the shareholder.

TerniEnergia has the features to provide a platform for aggregation at the international level that meets the expectations of the financial community and in particular the large institutional investors to allocate in the Green part of their investments, favoring the early strengthening of a new industry.

ANNEX TRACK RECORD

STAR CONFERENCE

OCTOBER 2, 2014 – LONDON, UK

TERNIENERGIA COUNTRY DIFFERENTIATION

TERNIENERGIA'S INDUSTRIAL FACILITIES



Logistics

- Distance from A1 highway A1 (Orte exit): 5 Km
- Presence of the train station
- Internal railway junction

Urban Parameters

- Total area: 24 Hectares
- Building area: 12 Hectares

STAR CONFERENCE

OCTOBER 2, 2014 – LONDON, UK

TERNIENERGIA COUNTRY DIFFERENTIATION

EXAMPLES OF PV PLANTS INSTALLED



LANUVIO Pv Plant
Installation Typology: Grounding System

Peak Power: 22,87 MW

Municipality of Lanuvio (RM) - Italy

STAR CONFERENCE

OCTOBER 2, 2014 – LONDON, UK

TERNIENERGIA COUNTRY DIFFERENTIATION

EXAMPLES OF PV PLANTS INSTALLED



ALTOMONTE Pv Plant
Installation Typology: Grounding System

Peak Power: 8,22 MW

Municipality of Altomonte (CS) – Italy

TERNIENERGIA COUNTRY DIFFERENTIATION

EXAMPLES OF PV PLANTS INSTALLED



S.Sofia Pv Plant
Installation Typology: Grounding System

Peak Power: 3,00 MW

Municipality of Narni (TR) – Italy

STAR CONFERENCE

OCTOBER 2, 2014 – LONDON, UK

TERNIENERGIA COUNTRY DIFFERENTIATION

EXAMPLES OF PV PLANTS INSTALLED



MILIS Pv Plant
Installation Typology: Greenhouses

Peak Power: 11,8 MW

Municipality of Milis (OR) – Italy

STAR CONFERENCE

OCTOBER 2, 2014 – LONDON, UK

TERNIENERGIA COUNTRY DIFFERENTIATION

EXAMPLES OF PV PLANTS INSTALLED



A.N.C.E. Pv Plant
Installation Typology: Parking

Peak Power: 264 kW

Municipality of Terni(TR) – Italy

TERNIENERGIA COUNTRY DIFFERENTIATION

TERNIENERGIA: INTERNATIONAL PV PLANTS



PURCHASE ORDERS	PLANT NAME	POWER MW
11049	KOURTESII	4,79
11050	AGRYLIA BAKA	4,89
12027	AVDIRA PEZOULA	2,80
12020	IASMOS	2,72
12023	SOUNIO	1,63
12031	KARYDIA	3,07
12006	HELIOS	5,97
12021	POLISITOS I	3,79
12022	POLISITOS II	1,63
12029	HERODASSOS	4,00
12028	PEZOULIOTIKA	3,50
TOT. MW		38,77



STAR CONFERENCE

OCTOBER 2, 2014 – LONDON, UK

TERNIENERGIA COUNTRY DIFFERENTIATION

TERNIENERGIA: INTERNATIONAL PV PLANTS

	<p>ROMANIA</p>	
---	----------------	---

PURCHASE ORDERS	PLANT NAME	POWER MW
13003	COLIBASI (Design and supply)	6,50
13004	SINESTI 1(Design)	3,62
13005	SINESTI 2 (Design)	6,18
13007	PODARI (Design and supply)	9,97
13012	TINTESTI (Design)	9,50
13008	BUZIAS SUN RISE	1,00
13009	BUZIAS GREEN FIELD	1,00
13010	BUZIAS BLUE SKY	1,00
13013	BISSI SOLAR LUGOJ 1	1,00
13014	BISSI SOLAR LUGOJ 2	1,00
13015	BISSI SOLAR LUGOJ 3	0,50
TOT. MW		41,26



STAR CONFERENCE

OCTOBER 2, 2014 – LONDON, UK

PYROGASIFICATION PLANT



PYROGASIFICATION PLANT
Power and heat generation for 6500 h/year



SYNGAS

About 850 kW_e



Cogeneration plant connected to grid

5,4 GWh/year
20 years fee

About 1 MW_t



Cogeneration plant serves heat to industrial plants

Ebitda Margin 40-45%



AWARDS & CERTIFICATIONS

TERNIENERGIA COUNTRY DIFFERENTIATION

TERNIENERGIA: AWARDS



Awarded in 2009 for excellence in budgets, for the performance of the stock exchange, for the growth of turnover and profitability.



Awarded in 2010 for the excellent companies in Umbria, by Corriere dell'Umbria and Banca Monte dei Paschi di Siena.



Awarded in 2011. Stefano Neri, president and CEO of TerniEnergia, proclaimed "Emerging Entrepreneur of the Year" for Italy by the Award Jury "Ernst & Young Entrepreneur of the Year".



TerniEnergia at the first place among Italian companies, fourth overall in Greentech and the 49th place among the 500 companies in Europe, Africa and the Middle East with the highest rate of growth and value creation, due to an increase in turnover over the past 5 years of 2.595%.

STAR CONFERENCE

OCTOBER 2, 2014 – LONDON, UK

TERNIENERGIA COUNTRY DIFFERENTIATION

TERNIENERGIA: AWARDS



TerniEnergia is selected among the 30 national finalists for the European Business Awards for the 2012/13. Competing in the most prestigious category of "The Infosys Business of the Year Award", reserved for European Companies with more than Euro 150 million turnover which have distinguished themselves for their commitment in sustainable development, good financial results and market leadership.



TerniEnergia is the best Italian company of the International Prize "Le Fonti 2012": "To be an Italian excellence in the strategic sector of renewable energy, with a unique and innovative business model that combines the creation of value with respect of supra-national environmental policies".



TerniEnergia at the first place among Italian companies and at the 84th place among the 500 companies in Europe, Africa and Middle East with the highest rate of growth and value creation, due to an increase in turnover in the last five years of 1,485%.



TerniEnergia won IAIR CORPORATE AWARDS as Best Company for Branding Valuation Energy Sector Europe with the following motivation: For its rapid growth within Europe and its attention to renewable and alternative sources of energy, above all in the photovoltaic field. As System Integrator it operates through an innovative business model that provides for integration and control of the entire operating process.

STAR CONFERENCE

OCTOBER 2, 2014 – LONDON, UK

TERNIENERGIA COUNTRY DIFFERENTIATION

TERNIENERGIA: CERTIFICATIONS

TerniEnergia is certified in accordance with the following standards:

- ISO 9001:2008 – Quality Certification

This certification was issued in accordance with the accreditation ACCREDIA of Rina;

- ISO 14001:2004 - Environmental Management System

This certification was issued in accordance with the accreditation of ACCREDIA All Cert Systems;

- OHSAS 18001:2007 – Safety and Environmental Management System

This certification was issued in accordance with the accreditation of RENAR All Cert Systems;

- ISO 3834-2:2006 - quality requirements for the proper management of the welding during the fabrication process

This certification was issued in accordance with the accreditation ACCREDIA of Rina;

- Art. 6 and Annex I (iron, steel) of the EU Regulation. 333/2011

This certification was issued in accordance with the accreditation ACCREDIA Certiquality.

- Certification of qualification for to the execution of public works pursuant to Presidential Decree 207/2010 (SOA) Cat OG9, Class VIII (unlimited)

A SMALL GLOBAL COMPANY FULLY INTEGRATED IN THE GREEN INDUSTRY

DISCLAIMER

This presentation contains statements that constitute forward-looking statements based TerniEnergia SpA's current expectations and projections about future events and does not constitute an offer or solicitation for the sale, purchase or acquisition of securities of any of the companies mentioned and is directed to professionals of the financial community.

These statements appear in a number of places in this presentation and include statements regarding the intent, belief or current expectations of the customer base, estimates regarding future growth in the different business lines and the global business, market share, financial results and other aspects of the activities and situation relating to the Company.

Such forward looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ materially from those expressed in or implied by these forward looking statements as a result of various factors, many of which are beyond the ability of TerniEnergia SpA to control or estimate precisely. Consequently it is recommended that they be viewed as indicative only.

Analysts are cautioned not to place undue reliance on those forward looking statements, which speak only as of the date of this presentation.

TerniEnergia SpA undertakes no obligation to release publicly the results of any revisions to these forward looking statements which may be made to reflect events and circumstances after the date of this presentation, including, without limitation, changes in TerniEnergia SpA business or acquisition strategy or to reflect the occurrence of unanticipated events.

Statement

The Manager mandated to draft corporate accounting documents of TerniEnergia SpA, Paolo Allegretti, attests – as per art.154-bis. comma 2 of the Testo Unico della Finanza (D.Lgs. 58/1998) – that all the accounting information contained in this presentation correspond to the documented results, books and accounting of the Company.

A SMALL GLOBAL COMPANY FULLY INTEGRATED IN THE GREEN INDUSTRY

FOR FURTHER INFORMATIONS

TERNIENERGIA

PAOLO ALLEGRETTI
CFO
HEAD OF INVESTOR RELATIONS



ALLEGRETTI@TERNIENERGIA.COM



+39 0744.7581

FEDERICO ZACAGLIONI
HEAD OF CORPORATE COMMUNICATION
PRESS OFFICE



ZACAGLIONI@TERNIENERGIA.COM

FILIPPO CALISTI
BUDGETING AND CONTROL MANAGER



CALISTI@TERNIENERGIA.COM

CREDITS

CONTENTS BY
FEDERICO ZACAGLIONI

DESIGNED BY
CRISTIANO MANZONI

THANKS TO
<http://icons8.com/>

STAR CONFERENCE

OCTOBER 2, 2014 – LONDON, UK