

JOINT PRESS RELEASE
Terni, June 28th, 2012

The Merger by incorporation of TerniGreen in TerniEnergia has been approved by TerniEnergia and TerniGreen Shareholders' Meetings

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The Shareholders' meetings of TerniEnergia, a company active in the renewable energy sector and listed on Star Segment of Borsa Italiana (hereinafter referred to as the "Incorporating"), and TerniGreen, a company active in the environmental sector, in the recovery of material and Energy, as well as in the development and production of technologies whose shares are negotiated on AIM Italy– Alternative Market of the Capital (hereinafter referred to as the "Company to be incorporated"), have approved on today' date the project of Merger by incorporation of TerniGreen into TerniEnergia

The extraordinary Shareholders' meeting has also approved the capital increase serving the Exchange ratio established for the Merger, for a maximum amount of Euro 27,319,680.00 and issue up to n. 9,792,000 shares without nominal value.

The company resulting from the Merger will create the first green operator listed on the Star segment of the Italian Stock Exchange, with a portfolio of related and complementary activities, all related to the area of the green industry and renewable energy. Based on the consolidated pro-forma results for the financial year 2011, the merged group has revenues of approximately Euro 177.5 million, EBITDA of approximately Euro 18 million, EBIT amounted to approximately Euro 15.7 million and pro-forma net income for 2011 amounted to approximately Euro 10.8 million.

The main points of strength of the aggregation are represented by the opportunity to quickly enhance the possible industrial and commercial synergies between the two companies, integrating expertise, track-record and technologic know-how of the consolidated realities. Through the operation will be possible to integrate different technologies on the *green industry* market in a horizontal manner, creating the first national *small global company* in a sector with high potential growth. The merged company will combine the component "utility" connected to working plants for energy production owned by TerniEnergia and the component of strong global growth represented by TerniGreen.

The Group resulting from the Merger shall be active in the production of energy from renewable sources in the energy efficiency, in the *waste management* sector and recovery of material, as well as in the development of new technologies within the *cleantech* section. The internationalization process recently

JOINT PRESS RELEASE **Terni, June 28th, 2012**

started by TerniEnergia in the photovoltaic sector, may also concern the development of TerniGreen projects, speeding them up and generating significant savings. The new subject resulting from the Merger aims to become an aggregative point in the environmental sector, which is still fragmented in Italy, starting a virtuous process facilitated the major dimension and by the consolidation of the financial equilibrium. For the development of the business of the Company to be Incorporated, it is necessary to consider the possibility to use the credit lines which are currently under-utilized of TerniEnergia, in order to finance projects of development in the environmental sector.

In particular, the main elements of the Merger are related to:

- *Structure of the transaction:* The Merger by incorporation of TerniGreen into TerniEnergia. It is a transaction with related parties having significant relevance in relation to which it will be drafted and published, within the terms of the regulation, the informative document on transactions with related parties provided by article 5 of the regulation adopted by Consob by resolution no. 17221 dated March 12, 2012 and amended by resolution no.17389 dated June 23, 2010 and procedures related to operation with related parties approved by each merging Company. Moreover, it has been prepared and published the Informative Document pursuant to art. 70 paragraph 4 of Consob Issuer Regulation 11971/99 as subsequently amended.
- *Share swap ratio:* no. 0,34 shares TerniEnergia having no nominal value every no. 1 share TerniGreen having no nominal value. No money equalization are foreseen. The share swap ratio shall be satisfied through the issuance of maximum no. 9,792,000 new ordinary shares having no nominal value TerniEnergia with increase of the corporate capital for Euro 2.79 for each issued share, for a maximum nominal amount of Euro 27,319,680.00. At the completion of the Merger, all the ordinary shares of TerniGreen representing the entire corporate capital of the Company to be Incorporated shall be annulled. No burden will be imposed on the Shareholders for the share swap ratio transactions.
- *Corporate Governance:* The Company resulting from the Merger by Incorporation shall have registered office in Nera Montoro, in the Municipality of Narni (TR), and operational offices in Milan, Lecce and Athens. The Board of Directors of the Incorporating shall remain unchanged as well as the Top Management of the two Companies.
- *Impact of the transaction on the composition of the shareholding:* The ordinary corporate capital of the Incorporating Company would indicatively result divided as follows, with reference to the shareholders that will hold significant shareholding and to the controlling shareholder: T.E.R.N.I. Research S.p.A. shall maintain a controlling shareholding of 55.84% of the corporate capital represented by ordinary shares of the

JOINT PRESS RELEASE Terni, June 28th, 2012

Incorporating. Nuova TIC S.r.l. shall hold 5.72% of the corporate capital. The controlling shareholding, direct and indirect of T.E.R.N.I. Research shall amount to 61.56%. At the completion of the Merger, the own shares eventually held by Terni Green shall be annulled.

Right to withdraw of TerniGreen Shareholders

Shareholders of TerniGreen that did not approve the proposed Merger shall have the right of withdrawal, in relation to all or part of shares held, because, due to the completion of the Merger, a significant change in the activity of TerniGreen shall take place with the relative change of business purpose.

For more details and information please refer to the information report prepared by the Board of Directors of TerniGreen, pursuant to art. Ter of the Civil Code 2437 deposited at the registered office of the Company and published on the website. The effectiveness of the right of withdrawal will be subject to the effectiveness of the Merger.

For a more detailed description of the terms of the transaction, please refer to the disclosure document and other documents filed and available at the offices of the Company, Italian Stock Exchange and websites www.ternienergia.com , www.ternigreen.com and www.borsaitaliana.it.

This press release is also available on the Company website www.ternienergia.com and www.ternigreen.com and on www.irtop.com.

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TerniEnergia, a company incorporated in September of 2005 and part of Terni Research Group, operates in renewable energy sector and is active in the photovoltaic field. TerniEnergia operates as system integrator, with a turn-key offer of industrial sized photovoltaic plants, on behalf of third parties and on its own mainly through joint venture companies with EDF EN Italia S.p.A. and other leading national players. The Company intends to strengthen its sale activity of energy produced from solar source.

TerniEnergia, through its controlled company Lucos Alternative Energies, operates in the development of energy efficient plants both through EPC scheme and FTT scheme (Financing Through Third Parties), pursuing the objectives of increasing energy production from renewable sources, of energy saving and reduction of emissions as set forth by environmental European policy. TerniEnergia is listed on STAR segment of Borsa Italiana S.p.A.

TerniGreen, whose ordinary shares are listed in the multilateral system of negotiations named AIM Italia, active from September 2010 and belonging to the T.E.R.N.I. Research group, operates in the environmental sector, recovery of the material and energy, development and production of technologies. In particular, the Company is active in the recovery of tires out of use, in the treatment of biodegradable waste through the implementation of biogas plants, management of plant for the biological depuration; decommissioning of industrial plants, recovery of demolition metals and cleaning of industrial sites; development and production of technological apparatus.

For informations:

Investor Relations
TerniEnergia S.p.A.
Paolo Allegretti (CFO)
Tel. +39 0744 7581
allegretti@ternienergia.com

Investor Relations
TerniGreen S.p.A.
Filippo Calisti (CFO)
Tel. +39 0744 758224
calisti@ternigreen.com

Press Office & Media Relations
TerniEnergia S.p.A. and TerniGreen S.p.A.
Federico Zacaglioni
Tel. +39 0744 758380
Mobile +39 340 5822368
zacaglioni@terniricerca.it

IR TOP
Investor Relations Consulting
Floriana Vitale
Tel. +39 02 45473884/3
ir.ternienergia@irtop.com
ir.ternigreen@irtop.com

Nominated Adviser (NOMAD)
Unipol Merchant S.p.A.
Piazza Costituzione 2/2 - 40128 Bologna
Tel. +39 051 6318211
ternigreen@unipolmerchant.it