



PRESS RELEASE
Terni, September 30, 2016

TerniEnergia strengthens strategic partnership with Roma Gas & Power, which enters as a shareholder

Green light from Board of Directors to the acquisitions of the companies Softeco-Sismat and Selesoft Consulting

- **Proposed to the Shareholders' Meeting the disposal of n. 767,095 treasury shares, equal to 1.74% of the share capital, to Roma Gas & Power against a cash consideration of Euro 0,92 million;**
- **Proposed to the Shareholders' Meeting the transfer of n. 3 million of TerniEnergia treasury shares, representing 6.80% of the share capital, to be quoted on the STAR segment of the Italian Stock Exchange by 28 February 2017, as partial consideration for the acquisition of Softeco-Sismat and Selesoft;**
- **Proposed to the Shareholders' Meeting the integration of the Board of Auditors**

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The Board of Directors of **TerniEnergia**, smart energy company active in the fields of renewable energy, energy efficiency, waste and energy management, listed on the Star segment of the Italian Stock Exchange and part of Italeaf Group, approved today the sale of n. 767,095 TerniEnergia's treasury shares, resulting from the divestment by Free Eneriay and not yet listed, to the company Roma Gas & Power S.p.A. (RGP), among the largest private national player in the field of energy management, vertically integrated in gas and electricity business, present on all major European hub.

Disposal of TerniEnergia's treasury shares to Roma Gas and Power

The transaction is part of a broad alliance between the two companies, which includes framework agreements for a strategic partnership in energy management and energy efficiency projects for the corporate, industrial and public administration customers.

The purchase price for the shares to be quoted on the STAR segment of the Italian Stock Exchange by 28 February 2017 and representing the 1.74% of the share capital of TerniEnergia, was agreed to be approximately Euro 0.92 million which will be fully paid for Cash from RGP, at the closing of the transaction.

The transaction is consistent with the "open integration strategy" developed by TerniEnergia management, which aims to achieve the strengthening the Group in its identity of "aggregation platform" that represents an



PRESS RELEASE

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opportunity for investors seeking to allocate resources in the green and digital energy sectors, promoting the enhancing of a new industrial sector.

Particularly, a closer partnership between the brand of TerniEnergia and Roma Gas & Power is considered a main priority for the business related to the energy saving and the energy management and, in the intentions of the two groups, will be very beneficial to both parties. The goal is to expand the commercial and industrial options that the groups are able to offer to their customers, leveraging on the strengths of both companies. The RGP equity investment will strengthen TerniEnergia position in terms of liquidity for strategic operations and investments and to expand its financial flexibility, while allowing the entry of a valuable strategic partner in the Company's shareholding structure.

The signing of the final contract (closing) and the transfer of the shares is subject to the positive resolution of Shareholders' Meeting TerniEnergia.

Softeco-Sismat and Selesoft acquisition

The Board of Directors approved, afterwards, the acquisition in two stages of the 100% of the share capital of Softeco-Sismat Srl and Selesoft Consulting Srl (the "Target Companies"). In particular, on July 29, 2016, the Board of Directors of TerniEnergia examined and approved two Memorandum of Understanding, the first with Ingefi S.p.A. (a holding company which holds participations in companies active in the design, development, trade and maintenance of software) and its shareholders and the other with B.Soft Group srl (a holding company active in ICT and Engineering) for the acquisition of the two Target Companies.

TerniEnergia will acquire the Target Companies into two distinct phases:

1. 66% of the share capital of the Target Companies will be acquired from Ingefi S.p.A., at a price equal to (i) n. two million TerniEnergia treasury shares (with a fixed and unchanging value of Euro 1.2 each) to be listed on the STAR segment of the Italian Stock Exchange by 28 February 2017; and (ii) Euro 1 million to be paid in cash by November 30, 2017, no award of interest;
2. the remaining 34% of the share capital of the Target Companies will be acquired from B.Soft Group, at a price equal to (i) n. one million treasury shares to be listed on the STAR segment of the Italian Stock Exchange by 28 February 2017; and (ii) Euro 1.3 million to be paid in cash by March 31, 2018, no award of interest.

Consequently, a part of the consideration for acquisition of 100% of the Target Companies' shares will result in the sale of a maximum number of n. 3,000,000 TerniEnergia treasury shares resulting from the divestment by Free Energia, equal to 6.80% of the share capital TerniEnergia, and the payment in cash of Euro 2.3 million under the conditions mentioned above.

Softeco Sismat and Selesoft Consulting, with headquarters and offices in Genoa, Milan, Rome and Catania and over 300 employees, with technical professional profiles of high level and high skills, are leading



PRESS RELEASE

Terni, September 30, 2016

national players in the development and industrial production of solutions and smart technologies for the transmission and distribution of energy (smart grid), the flexible and timely management of power generation and energy consumption, energy efficiency, management of renewable energies and cleantech (energy islands) and in the services, software and IT solutions sectors. The two companies have achieved in 2015 combined revenues of approximately Euro 26.7 million, total Ebitda of approximately Euro 2.1 million and a total NFP equal to around Euro 6.2 million.

The reasons for the acquisitions by TerniEnergia are strategical, operational, managerial and economical and are aimed at achieving several targets, including:

- (i) having an industrial base of high technology in Italy, with products and scalable solutions at a global level, which consolidate its competitive position in international markets and convey to the market the digital energy skills of the Group;
- (ii) integrating the track record and the TerniEnergia's industrial know-how as system integrator and the excellence in the field of information and communication technology of Softeco Sismat and Selesoft Consulting, entering the "digital energy" sector of the market with expertise and solutions able to integrate the industrial and "physical" business and the digital and "virtual" one;
- (iii) growing in the strategic segments of the development and industrial production of solutions and smart technologies for the transmission and distribution of energy (smart grid), the flexible and timely management of production and energy consumption, the energy efficiency, the management of the renewable energy and cleantech (energy islands), telecommunications, internetworking and optical transport, big data, and cloud applications and services, software and IT solutions, and so be able to aspire to a role as preferred supplier and prime contractor partner for the major international programs in the power generation, transmission, storage, distribution and sale of energy, with innovative solutions in line with the main market trends and technological developments;
- (iv) carrying within the TerniEnergia Group two companies, as Softeco Sismat and Selesoft, which have demonstrated the ability to select the best resources with IT culture from the high schools and the Universities, and train them quickly on cutting-edge technologies, particularly in the areas of ICT and digital applied to energy, transport, telecommunications and smart cities, sectors characterized by several years of steady growth in demand for resources with proven experience and innovative skills;
- (v) improving the TerniEnergia industrial margins, increasing the effectiveness and operational efficiency of TerniEnergia Group, integrating Softeco Company Sismat and Selesoft and their technical resources, relying on the latter, expanding the services offered to the market, simplifying the exposure among TerniEnergia and the two companies in the management of its commercial and financial relations



PRESS RELEASE

Terni, September 30, 2016

thanks to the track record, the requirements of transparency and governance and the industrial credibility of TerniEnergia.

The stated goal of the TerniEnergia Group is to become a player with unique industrial and technological characteristics and skills in the age of digitalized energy. The Group, through the acquisition, will be in a position to complete its path to become a "smart energy company", playing an innovative role in the global energy industry revolution, introducing digital application solutions along the entire value chain of the industry. The Acquisition, supported by the reasons summarized above, has therefore a significant economic value arising from the consolidation of complementarity and synergies between the TerniEnergia Group and the two companies Softeco Sismat and Selesoft.

With regard to extraordinary transactions mentioned above, TerniEnergia prepared an "Illustrative Report" pursuant to art. 125/ter of TUF, which will be made available to the public under the terms and procedures provided by the relevant regulations.

Integration of the Statutory Board of TerniEnergia

The Board of Directors finally took note of the proposal by Italeaf S.p.A., holder of 45.06% of the share capital of TerniEnergia, to appoint Mr Andrea Bellucci as Statutory Auditor and Mr. Marco Chieruzzi as Deputy Auditor.

Following the resignation from the office of Statutory Auditor of TerniEnergia resigned on June 7, 2016 by Mr. Vittorio Pellegrini, appointed by the shareholders on 27 April 2016 and taken from the list presented by the majority shareholder Italeaf SpA, Mr. Marco Chieruzzi (former Deputy Auditor appointed by the aforementioned Shareholders upon presentation of that shareholder Italeaf SpA) had taken over the office of Statutory Auditor, pursuant to art. 21 of the bylaws. Considering that, pursuant to art. 2401 of the Civil Code, the new statutory auditors remain in office until the next AGM, which must provide for the appointment of regular and deputy auditors needed to complete the Board of Auditors, in compliance with the criteria of composition of that body, the Board of Directors He has resolved to propose to the shareholders to proceed to the integration of the Board of Auditors on the basis of proposals made by Italeaf.

Ordinary Shareholders' Meeting of TerniEnergia S.p.A.

The Board of Directors of TerniEnergia, after having positively evaluated the operations, has therefore decided to grant the Chairman and Chief Executive Officer, Mr Stefano Neri, the mandate to convene for the October 31, 2016 the Ordinary Shareholders' Meeting of TerniEnergia S.p.A. to deliberate on the use of treasury shares for the acquisition of the two Target Companies, the sale of treasury shares to Roma Gas & Power and the integration of the Board of Statutory Auditors.



PRESS RELEASE

Terni, September 30, 2016

This press release is also available on the Company's website: www.ternienergia.com.

TerniEnergia, a company incorporated in September of 2005 and part of Italeaf Group, is the first Italian smart energy company and operates in renewable energy, energy efficiency, energy and waste management. TerniEnergia operates as system integrator, with a turn-key offer of industrial sized photovoltaic plants, on behalf of third parties and on its own, for the Power Generation business, also through joint venture companies with leading national players. TerniEnergia operates in the waste management 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 biodigesters, management of plant for the biological depuration; development and production of technological apparatus. Through TerniEnergia Gas & Power, the Group is active in the energy management, energy sales to energy intensive customers, software and services for energy management, administrative, financial and credit management. The Group is also active on the natural gas and liquefied natural gas (LNG) market, offering a range of services and activities in order to develop Client's business and achieve a competitive advantage providing the best market conditions and creating a high added value.

TerniEnergia 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..

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