

PRESS RELEASE
IREN: the management presents the new multiutility.
Negotiations under way.

Reggio Emilia, 1 July 2010 – The merger by incorporation of Enìa into Iride is effective from today. The new company, IREN, is the first multiutility company operating at supra-regional level, and the only entirely eco-friendly energy producer.

The company, which made its debut today on the Electronic Stock Exchange organised and managed by Borsa Italiana, goes under the name of IREN S.p.A. The Enìa ordinary shares have been delisted, while Iride securities are now traded under the new name IREN (IRE-MI).

With pro forma consolidated revenues at 31 December 2009 of €3161 million, an Ebitda of approx. €567 million and a staff of around 5000, the new Group is among the market leaders, with a high ranking in all business areas: the leading operator in the remote heating sector, third in the integrated water cycle, fifth in the gas sector in terms of sales to end customers, and sixth in the electrical energy sector in terms of volumes sold.

The industrial profile of the IREN Group is characterised by a well-balanced combination of regulated activities and free activities and integration between upstream and downstream strong enough to cover the entire value chain.

The organisational and business model of the IREN Group is characterised by the presence of an industrial holding company listed on the stock market, IREN S.p.A., with five tier-one companies under it that take care of the business area: **Iren Energia** (Turin), which manages the plants for the generation and distribution of electrical energy and heat, as well as technological services; **Iren Mercato** (Genoa), which manages the purchase, trading and sale of electrical energy and gas, as well as the sales of heat and services; **Iren Acqua Gas** (Genoa), which manages integrated water services; **Iren Ambiente** (Piacenza), which manages waste treatment and disposal plants, and **Iren Emilia** (Reggio Emilia), which takes care of the distribution of gas, waste collection services and environmental hygiene.

The *corporate governance* of the new company is based on a traditional administration and control system that comprises a Board of Directors, composed of 13 members, 2 of whom represent the minority, and an Executive Committee, headed by the Chairman of the Board of Directors and composed of the Deputy Chairman of the Board of directors, the CEO and the General Manager.

The IREN Group has excellent growth prospects in all the sectors in which it is involved:

- in the **energy market**, the aim is to reinforce its brokerage activities and to boost sales on the free market, by making the most of the availability of electrical energy and gas deriving from projects to increase domestic production capacity and develop new sources of supplies

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- in the **generation** of electricity and heat, growth is expected to come about thanks to the construction of the new Torino Nord combined cycle cogeneration plant (400 MW), the completion of the repowering operation on the electrical plants of Valle Orco and the growth of the photovoltaic sector;
- in the **remote heating** sector, growth is expected through the extension of the area served in the Turin North Zone and the creation of the link with the Integrated Environmental Centre of Parma that is currently at the construction stage;
- in the **integrated water cycle**, the new Group, following the establishment of the important partnership with the F2I infrastructure fund, is able to act as a particularly highly qualified operator equipped with the know how and financial resources to grasp further opportunities for development in the water sector in Italy.
- in the **environment sector**, the prospects for development regard the creation of the Integrated Environmental Centre, which will allow the province of Parma to become independent in terms of urban waste disposal, as well as the new opportunities offered by the extension of the local area covered.

These guidelines for development will make it possible for the new company to further extend its **activities** on the relevant markets.

All the business areas will continue to be managed and developed along the lines of sustainable development, paying particularly close attention to people, to the local area, to renewable energy resources and to advanced technologies able to reduce the environmental impact of industrial processes.

The name of the new Group, IREN, is designed to express the desire, shared by the two partners, to represent the essence of a merger in which the focus is on synergy and in which the strengths of the two complement each other to perfection. The logo also illustrates this synergy, with the graphic elements of Iride joining the logotype of Enìa.

The advertising campaign to launch the company, characterised by five bows in the colours of the logo, accompanied by the headline "*Iride + Enìa = Iren*", both represents and underlines the debut of IREN. The subtitle. "*A new energy right across Italy*", is designed to emphasise the strength of the new Group, while the slogan "*It's only just arrived, but it's already come a long way*" is a reference to the roots of Iride and Enìa, which go back over a century. The campaign will last for two weeks.

The Board of Directors of IREN S.p.A. will meet for the first time today in Reggio Emilia.

IREN is one of the leading Italian multiutility companies, created through the merger between Iride and Enìa. It provides utility services in the provinces of Genoa, Turin, Reggio Emilia, Parma and Piacenza. With a multibusiness portfolio characterised by a major presence in all the industrial supply chains (electrical energy, gas, water, waste, remote heating systems and renewable energies) and a good balance between free activities (42%) and regulated activities (58%), IREN is the third-largest multiutility company in Italy in terms of revenues and Ebitda.

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