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ILLUSTRATIVE DIRECTORS' REPORT ON THE RESERVED SHARE CAPITAL INCREASE

prepared pursuant to articles 2441, paragraphs 5, 6 and 2443 of the Italian Civil Code, and pursuant to article 72 of the Regulations adopted by CONSOB with resolution 11971 of 14 May 1999, as amended ("Issuer Regulations") and in compliance with Annex 3A, tables 2 and 3 to the same Issuer Regulations.

5 December 2017

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1. INTRODUCTION

Dear Directors, Dear Statutory Auditors,

the Shareholders' Meeting of IREN S.p.A. ("**IREN**" or the "**Company**") resolved on 9 May 2016 to grant the Company's Board of Directors, pursuant to article 2443 of the Italian Civil Code, for a period of 3 years as of the date of the Shareholders' Meeting, the power (the "**Power**") to increase share capital for payment, in one or more tranches and divisible, up to a total maximum amount of a nominal € 39,470,897.00, establishing any share premium, through the issuing of ordinary shares, with exclusion of option rights pursuant to article 2441 of the Italian Civil Code, to be reserved for public entities (as defined in article 9.1 of the IREN By-laws).

The Power granted to the Company's Board of Directors may be exercised (i) relative to the transfer of equity investments and/or companies and/or business units owned by public entities connected with or functional to the Company's purpose and the companies in which it holds an equity investment or, (ii) against the payment of cash by public entities that carry out activities connected with or functional to the Company's purpose and that of the companies in which it holds an equity investment.

The Company's Board of Directors has been granted the widest powers to identify, on a case by case basis, the recipients of the reserved share capital increase within the context of the categories identified above and to establish, in compliance with the procedures required under the regulatory and legal provisions applicable at the time and the limits indicated above, the share issue price, any share premium, and to define the terms and conditions of the reserved share capital increase.

Use of the Power for the share capital increase is mainly justified by the desire to have available flexible tools to widen the shareholding structure in order to strengthen and implement the Company's growth strategy, through the signing of agreements with public entities that would provide resources connected with or functional to the business carried out by the IREN Group.

This report (the "**Report**") was sent to CONSOB and has been made available to the public at IREN S.p.A.'s registered offices and on the Company's website <https://www.gruppoiren.it/investitori> (section Corporate Governance), as well as through Borsa Italiana S.p.A., with the methods indicated under articles 65-quinquies, 65-sexies and 65-septies of the Issuer Regulations, under the terms of the law.

2. DESCRIPTION OF AND MOTIVATIONS FOR THE SHARE CAPITAL INCREASE

2.1. DESCRIPTION OF THE OPERATION

With the initial understanding that for the purposes of achieving the objectives described above to extend the Company's shareholding structure by signing agreements with public entities that provide resources connected with or functional to the business of the IREN Group, the Company participated in May 2017 in the tender issued on 28 March 2017 with a public notice (the "**Notice**") by ACAM S.p.A. ("**ACAM**") to "*identify an economic operator to implement a transparent corporate and industrial merger with ACAM S.p.A., pursuant to article 3-bis, paragraph 2-bis, Italian Decree Law 138/2011, converted with Italian Law 148/2011, as inserted in article 1, paragraph 609, letter b), Italian Law 190/2014, as well as article 1, paragraphs 611 and 612, Italian Law 190/2014*" (hereafter, the "**Procedure**"). This Procedure had the aim of identifying an economic operator with which to carry out a merger with the objective of achieving the objectives envisaged in the ACAM Group's optimised Business Plan (hereafter, the "**Optimised Plan**").

IREN participated in the Procedure, presenting a bid (the "**Bid**") on 22 May 2017, which contained, in

addition to the declaration of the economic offer, a technical proposal to improve the Optimised Plan serving as the basis for the Procedure, involving, among other things (i) the acquisition from the public entities which are shareholders of ACAM 100% of the ACAM share capital held by the same, against the payment of a price in cash and, at the same time (ii) the subscription, by all or part of ACAM's shareholders, a share capital increase for payment, reserved for the same, to be approved by the Company's Board of Directors in execution of the relative Power granted by the IREN Shareholders' Meeting on 9 May 2016, for an amount of no less than 50% of the price offered.

In the light of the assessments made, the price indicated in IREN's Bid to acquire 100% of ACAM share capital was € 59,000,359.09 (hereafter the "**ACAM Price**").

On 23 June 2017, the Sole Director of ACAM approved the results of the assessment made by the commission to evaluate the bids received and, based on a proposal by the same commission, identified IREN as the "*subject with which to carry out the corporate and industrial merger with ACAM S.p.A.*" (the "**Award**").

Following the Award, IREN and ACAM defined the investment agreement (hereafter, the "**Investment Agreement**") aimed at governing the terms and conditions of the corporate and industrial merger between IREN, on one hand and ACAM and the public entity shareholders of ACAM on the other (the "**Merger Operation**"), which is currently undergoing approval by the relevant bodies of the public subject shareholders of ACAM.

In particular, in line with the Bid presented by IREN which was the subject of the Award, the Investment Agreement currently being finalised will involve, among other things and outlined briefly: (i) the sale and transfer by the public entity shareholders of ACAM, in favour of IREN, subordinate to the achievement of certain Conditions Precedent (as defined below), of a total equity investment in ACAM equal to at least 70% (seventy percent) of its share capital and, simultaneously (ii) the subscription and release in cash, on the part of the ACAM shareholders who have sold their shares in ACAM to IREN and who represent at least 70% of ACAM share capital prior to the sales of the ACAM shares to IREN (the "**ACAM Shareholder Subscribers**") of a share capital increase reserved for them approved by the IREN Board of Directors in execution of the Power granted to them by the Company's Shareholders' Meeting as indicated above; (iii) structuring of the corporate governance of Acam Acque S.p.A. ("**Acam Acque**"), a company providing water services in the province of La Spezia through a concession expiring on 31 December 2033 and of Acam Ambiente S.p.A. ("**Acam Ambiente**"), a company providing urban solid waste collection services in the province of La Spezia under a concession expiring on 31 December 2028 so that for 10 years the regional identity of these companies and representation of the ACAM Shareholder Subscribers is maintained in the relative management bodies of Acam Acque and Acam Ambiente; (iv) rationalisation and alignment of the ACAM Group's organisational model with the IREN Group's organisational and corporate model in line with that proposed in the Bid, to be carried out downstream from the execution of the Operation through (a) the merger by incorporation of the parent company ACAM in IREN, through the merger by incorporation in ACAM of In.Te.Gra S.r.l., a company in the ACAM Group which provides IT management for the companies within said group and, (b) the allocation of the ACAM Group subsidiaries (that is ACAM Acque, ACAM Ambiente and Centrogas) within the business companies of the IREN Group, respectively in IRETI S.p.A., IREN Ambiente S.p.A. and IREN Mercato S.p.A.

Execution of the sale as described above and the share capital increase (the "**Execution**") will be subordinate to the achievement, by 30 April 2018, of certain conditions precedent (the "**Conditions Precedent**"), including:

- (i) release of authorisation by the Italian Antitrust Authority (Autorità Garante della Concorrenza e del Mercato), without the imposition of additional charges or obligations to the awardee IREN and/or ACAM and/or any of the companies in the ACAM Group; and
- (ii) the release of written consent by the ACAM Group's lenders to proceed with the elimination of all the guarantees issued by the companies of the ACAM Group in connection with existing loans with said lenders, as of the execution date, against the full repayment on the execution date of the residual amount of the existing loans;
- (iii) the weighted 6 (six) month average of the IREN security ascertained the date prior to the Execution date falls within the range of € 1.59 per share, as the minimum value of the range, and € 2.66 per share, as the maximum value of the range (the "**Range**").

It is also noted that the Investment Agreement establishes that, subordinate to the achievement of the Conditions Precedent indicated above, as of the Execution date, in order to become a stable part of the Company's shareholding structure, the ACAM Shareholder Subscribers must adhere to the shareholders' agreement currently in existence between the public shareholders of IREN (the "**IREN Agreement**") and to the voting and blocking union governed therein, bringing, under the same terms and conditions envisaged in the IREN Agreement, the totality of the IREN shares subscribed within the share capital increase reserved for them and the subject of this Report.

In consideration of the above, and while awaiting approval by the Company and the public company shareholders of ACAM of the Investment Agreement, and in virtue of the peculiarities of the approval processes of said public entities which require that the share capital increase issue price be determined prior to the relative competent bodies beginning their decision-making process, the Board of Directors intends to partially exercise the Power granted to it by the Company's Shareholders' Meeting on 9 May 2016, increasing, subject to the fulfilment of the Conditions Precedent described above and the additional conditions precedent described below (the "**Additional Conditions Precedent**"), share capital for payment, divisible, for a maximum amount of € 27,699,660.00 (twenty seven million six hundred ninety nine thousand six hundred sixty and zero cents), at a price of € 2.13 for each ordinary IREN share (the "**Issue Price**"), of which € 1.00 to be attributed to share capital and € 1.13 as the share premium, with the exclusion of option rights pursuant to paragraph 5 and 6 of article 2441 of the Civil Code, through the issuing of a maximum of 27,699,660 ordinary shares (the "**Newly Issued Shares**"), with the same characteristics as ordinary shares in circulation, the subscription and release of which are reserved for all the ACAM shareholders who sign the Investment Agreement (the "**Share Capital Increase**").

The Share Capital Increase and its execution are subject, as well as to the fulfilment of the Conditions Precedent, also to the fulfilment of the Additional Conditions Precedent, which are:

- (i) the effective sale and transfer on the part of any of the ACAM shareholders in favour of IREN, pursuant to and in accordance with the Investment Agreement, of a total equity investment in ACAM equal to at least 70% (seventy percent) of ACAM share capital;
- (ii) the simultaneous signing of the Share Capital Increase by ACAM Shareholder Subscribers (who represent, therefore, at least 70% [seventy percent] of ACAM share capital prior to the sale of ACAM shares to IREN with the release of the debt of ACAM subscribing Shareholders, deriving from the subscription of the Share Capital Increase also through the compensation with the credit towards IREN due to ACAM subscribing shareholders because of the sale of ACAM shares.

The Conditions precedent and the Additional Conditions Precedent (the "**Conditions**") are established in

the exclusive interest of IREN, which may therefore decide whether or not to exercise these conditions in whole or in part. The effects of these conditions are not retroactive.

The fulfilment of the Conditions, without prejudice to the waiver by IREN to make use of the effects in whole or in part, and the Execution must take place under penalty of forfeiture no later than the deadline of May 31 2018.

The Share Capital Increase will be carried out without prior publication of a prospectus and listing in virtue of the exemptions envisaged respectively in letter (a) paragraph 1, of article 34-ter and letter (a), paragraph 1 of article 57 of the Issuer Regulations.

2.2. MOTIVATIONS FOR THE SHARE CAPITAL INCREASE

As anticipated in the directors' illustrative report prepared at the time of the Shareholders' Meeting of 9 May 2016, exclusion of the option right is mainly justified by the need to have flexible tools available to widen the shareholder base in order to consolidate and implement the Company's growth strategies through the signing of agreements with public entities able to provide resources connected to or associated with the business carried out by the IREN Group and to increase the Company's presence on the market for local public services.

In line with the above, the motivations for the Share Capital Increase, which is part of the Merger Operation described above, originate from the multiple factors illustrated below:

- (i) first of all, the merger of the IREN Group with the ACAM Group, whose consolidated financial statements at 31 December 2016¹ reported, among other things, production value of € 124 million, EBITDA of € 33 million, EBIT of € 16 million and net financial debt of € 131 million;
- (ii) the entry of ACAM's public entity shareholders into the Company's shareholding structure through the subscription of the Share Capital Increase will also allow the Company (a) to limit the impacts on the IREN Group's financial structure deriving from the acquisition of the ACAM Group and (b) to be able to dedicate the relative resources to meeting the requirements deriving from implementation of the Optimised Plan;
- (iii) integration of the ACAM Group into the IREN Group will allow the creation of synergies and industrial efficiencies in the provision of water and environmental services in the areas in which the ACAM Group operates and the execution of the Optimised Plan, which envisages significant investments in said services, as well as the overcoming of the limits imposed by the restructuring plan that the ACAM Group had agreed upon in the context of the agreement to restructure its own debt, pursuant to article 182-bis of the Bankruptcy Law, signed on 12 July 2013 with certain creditor banks and approved by the Court of La Spezia on 19 July 2013;
- (iv) the enrichment of the IREN Group's portfolio of concessions, with the possibility of aiming to become the reference operator in the region of Liguria for water services and of consolidating its current position relative to environmental services, as well as expanding its free services thanks to the ACAM brand, which is extremely well-known, prestigious and has extraordinary penetration in the reference areas;
- (v) compliance with the provisions of the transparent Procedure begun with ACAM with the Notice, which

¹ In preparing the 2016 consolidated financial statements, ACAM observed the regulations which take into account the provisions of Italian Legislative Decree 127/1991 of Italian Legislative Decree 6/2003 (Corporate law reform), as amended and interpreted in the National Accounting Standards.

required, among other things, the implementation of a corporate and industrial merger operation that guaranteed that the local entities which are shareholders of ACAM would remain part of the share capital of the subject resulting from the merger operation, which the Merger Operation has also made concrete using a method that is stable and lasting over time.

Additionally, we note that the following objectives have been recently added to the IREN Group's business plan (hereafter, the "**Business Plan**"), presented to the market on 14 November 2017 to update the previous business plan used as a reference at the time of the Bid and communicated to the market on 19 October 2016, which envisages significant extraordinary mergers and acquisitions (M&A) in the Group's reference areas, with a focus on an additional 100 million of EBITDA (not included in the plan numbers) to complete over 20 potential small/medium operations (in addition to any additional EBITDA deriving from the ACAM operation).

Therefore, in the light of the above, the Share Capital Increase and the associated Merger Operation are in line with the achievement of the strategic objectives contained in the Business Plan and allow the achievement of an initial significant result.

2.3. DESTINATION OF THE SHARE CAPITAL INCREASE

It is planned that, if the Share Capital Increase is fully subscribed by all ACAM shareholders (hereafter, also "**Maximum Subscription Scenario**"), IREN Group equity will increase by € 59 million while, if the Share Capital Increase is subscribed by the minimum percentage of ACAM shareholders indicated above, representing at least 70% of ACAM capital prior to the sale of ACAM shares to the Company (hereafter, also "**Minimum Subscription Scenario**"), the Company's equity will increase by € 41.3 million.

The amount of the Share Capital Increase is not significant relative to the Company's equity, which was equal to € 2,063 million at 30 September 2017, and in the case of the Maximum Subscription Scenario would lead to an increase in the same of around 2.86%.

Below the impact of the ACAM acquisition operation on the IREN Group's net financial debt is illustrated, which involves i) payment of the ACAM price and ii) consolidation of the ACAM Group's net financial position² with the termination of the existing derivative contracts³ associated with the refinancing of the ACAM Group's debt and the Share Capital Increase, both in the Maximum Subscription Scenario and the Minimum Subscription Scenario.

In order to respect the principle of homogeneity, as the most recent available consolidated and individual equity figures for IREN refer to 31 December 2016, the consolidated and individual financial statements at that date were used for both IREN and ACAM.

² ACAM figures are found in ACAM's 2016 consolidated financial statements, prepared using the National Accounting Standards.

³ The mark to market of the financial derivatives, relative to the subsidiary ACAM Acque and recognised in ACAM's 2016 consolidated financial statements among provisions for risks, was negative at 9 million.

Values in €/million (figures from consolidated financial statements at 31 December 2016)

| Maximum Subscription Scenario | | | | | |
|--------------------------------------|------------------------|-----------------------|--------------------------------------|-----------------------|-----------------------------|
| | 31/12/2016 NFD A | Acquired ACAM B | 31/12/2016 NFD Pro-Forma C=A+B | AUCAP Maximum D | NFD After AUCAP E=C+D |
| <i>Euro/Mln</i> | | | | | |
| Non-current net financial debt | 2,918 | | 2,918 | | 2,918 |
| Current financial assets | (860) | 59 | (801) | (59) | (860) |
| Current financial debt | 400 | 141 | 540 | | 540 |
| Current net financial debt | (460) | 200 | (261) | (59) | (320) |
| Net financial debt | 2,457 | 200 | 2,657 | (59) | 2,598 |

| Minimum Subscription Scenario | | | | | |
|--------------------------------------|------------------------|-----------------------|--------------------------------------|-----------------------|-----------------------------|
| | 31/12/2016 NFD A | Acquired ACAM B | 31/12/2016 NFD Pro-Forma C=A+B | AUCAP Minimum D | NFD after AUCAP E=C+D |
| Non-current net financial debt | 2,918 | | 2,918 | | 2,918 |
| Current financial assets | (860) | 59 | (801) | (41) | (843) |
| Current financial debt | 400 | 141 | 540 | | 540 |
| Current net financial debt | (460) | 200 | (261) | (41) | (302) |
| Net financial debt | 2,457 | 200 | 2,657 | (41) | 2,615 |

ACAM NFD at 31/12/2016, adjusted due to the market value of existing derivative contracts
 NFD = Net Financial Debt, AUCAP = Share Capital Increase.
 ACAM = Data prepared using the National Accounting Standards

Values in €/million (figures from individual financial statements at 31 December 2016)

| Maximum Subscription Scenario | | | | | |
|--------------------------------------|------------------------|-----------------------|--------------------------------------|-----------------------|--------------------------------|
| | 31/12/2016 NFD A | Acquired ACAM B | 31/12/2016 NFD Pro-Forma C=A+B | AUCAP Maximum D | NFD After AUCAP E=C+D |
| <i>Euro/Mln</i> | | | | | |
| Non-current net financial debt | 998 | | 998 | | 998 |
| Current financial assets | (604) | 59 | (545) | (59) | (604) |
| Current financial debt | 584 | 15 | 599 | | 599 |
| Current net financial debt | (20) | 74 | 54 | (59) | (5) |
| Net financial debt | 978 | 74 | 1,052 | (59) | 993 |

| Minimum Subscription Scenario | | | | | |
|--------------------------------------|------------------------|-----------------------|--------------------------------------|-----------------------|--------------------------------|
| | 31/12/2016 NFD A | Acquired ACAM B | 31/12/2016 NFD Pro-Forma C=A+B | AUCAP Minimum D | NFD After AUCAP E=C+D |
| Non-current net financial debt | 998 | | 998 | | 998 |
| Current financial assets | (604) | 59 | (545) | (41) | (587) |
| Current financial debt | 584 | 15 | 599 | | 599 |
| Current net financial debt | (20) | 74 | 54 | (41) | 13 |
| Net financial debt | 978 | 74 | 1,052 | (41) | 1,010 |

ACAM NFD at 31/12/2016
 NFD = Net Financial Debt, AUCAP = Share Capital Increase.

As anticipated in the previous paragraph, the Share Capital Increase is destined, in terms of priorities, for reinvestment in resources to serve the execution of the ACAM Group's Optimised Plan, based on the methods indicated in the Bid presented by the Company at the time of the Procedure. More specifically, these methods involve, among other things, the Company making the following amounts available to the operating companies of the ACAM Group (ACAM Acque and ACAM Ambiente), subordinate to obtaining any necessary authorisations to execute the Optimised Plan from the relevant Authorities:

- (i) € 30 million for ACAM Acque, to allow it (a) to not activate the extraordinary procedure to achieve financial and economic balance during financial years 2020-2023, with the consequent adoption of financial amortisation and (b) to begin the greater investments envisaged in the Optimised Plan in its optimised form;
- (ii) € 7.5 million for ACAM Ambiente.

3. GUARANTEE AND/OR PLACEMENT CONSORTIA AND ANY OTHER FORMS OF PLACEMENT

Given that the Reserved Share Capital Increase is entirely reserved for ACAM Shareholder Subscribers in compliance with that indicated above, no guarantee and/or placement consortia are envisaged, nor any other forms of placement in relation to the Newly Issued Shares deriving from the Share Capital Increase.

4. DETERMINATION OF THE ISSUE PRICE OF THE NEWLY ISSUED SHARES

4.1. MEASUREMENT APPROACH AND METHODOLOGY

In consideration of the reasons underlying the Share Capital Increase and the associative aims of the Merger Operation which, among other things, was preceded by the transparent Procedure begun by ACAM with the public Notice, the Board of Directors set the Issue Price at € 2.13 for each Newly Issued Share, of which € 1.00 attributed to share capital and € 1.13 for the share premium.

Consequently, a maximum of 27,699,660 Newly Issued Shares could be issued in execution of the Share Capital Increase, equal to 2.12% of the Company's share capital.

In determining the Issue Price, which was the result of negotiations with the public entity shareholders of ACAM while finalising the Investment Agreement, the Board of Directors took into account, among other things, the peculiarity of the approval processes for the Merger Operation and the Investment Agreement, which required that the Issue Price be determined prior to submitting the former for approval to the relative competent bodies of ACAM's public shareholders.

In consideration of the above and on the basis of the additional motivations illustrated below, the Board of Directors decided to use, as a temporal reference in determining the Issue Price, the stock market price of the IREN security on the Award date, that is on 23 June 2017, and to exclude measurement methodologies that did not allow the determination of the Issue Price prior to the start of the approval process on the part of ACAM's public entity shareholders.

While the price of the IREN security at the Award date as indicated above was considered to be the main criteria in determining the Issue Price, the Board of Directors also:

- (i) verified the trend of the IREN security subsequent to the Award date and when nearing completion of the negotiations and finalisation of the Investment Agreement - set at 20 November 2017.
- (ii) made use of control methods widely used in measurement practice, specifically the Unlevered Discounted Cash Flow (DCF) method, the market multiples method and the Target Price method.
- (iii) Took into account, in its assessments, the constraints weighing upon the ACAM Shareholder Subscribers before they can stably become part of the Company's shareholder structure, given that pursuant to the Investment Agreement they must adhere, as of the Execution date, to the IREN Agreement and the voting and blocking unions governed therein, bringing under the same, under the same terms and conditions envisaged in the IREN Agreement, all of the IREN shares subscribed in the context of the Share Capital Increase reserved for them.

To that end, note that the current IREN Agreement commits signing shareholders to stably bind a

minimum quantity of IREN shares, equal to 40% of IREN share capital and not dispose of them on the market until the third anniversary of the effective date of said IREN Agreement (specifically 9 May 2019), unless the Agreement is renewed, in which case the constraint is extended for an additional two years.

Recall the fact that the Share Capital Increase is part of a corporate merger pursuant to the Procedure and that the ACAM Shareholder Subscribers have committed themselves to bind the newly issued IREN shares until the expiration of the IREN Agreement, as above described.

Based on that established in article 2441, sixth paragraph, of the Italian Civil Code, the issue price for shares, in the case of exclusion of option rights, must be determined “*on the basis of the value of equity, taking into account, for shares listed on the stock market, the trend of listings over the last six months*”. Relative to the expression “*value of equity*”, doctrine holds that lawmakers intended a reference not to book equity, but rather the current value of the company’s economic capital. In regard to the reference to “*trend of listings over the last six months*”, practice and doctrine agree that this does not necessarily have to refer to the average of listings over the half, but also to more limited reference periods, based on the circumstances and characteristics of the security, always with the goal of identifying the current value of the issuing company. Additionally, the six-month average of the IREN security must remain within the Range, as a condition precedent to the Merger Operation at the Execution Date.

In fact, in order to avoid the Issue Price possibly being inconsistent with the development of the price of the IREN security on the stock market as of the subscription date and the release of the Share Capital Increase by the ACAM Shareholder Subscribers, the Investment Agreement establishes that the Share Capital Increase can be completed only if the weighted 6 (six) month average of the IREN security ascertained the day prior to the Execution Date falls within the Range. The range was determined on the basis of the historic annual volatility of the IREN security, equal to around 25%, which involves an equal change (maximum and minimum) with respect to the value of the IREN security on the Award date, in said way establishing a maximum tolerance relative to the changes in the IREN security during the period between the Award and the Execution dates.

4.2. DESCRIPTION OF MEASUREMENT METHODS

Main method

Stock market listing method

The stock market listing method consists in recognising a value equal to that attributed to it by the market on which its shares are traded to the company being measured, using the effective prices expressed by the market as a method of identifying the value of its economic capital. This criterion hypothesises that the market on which the company is listed is efficient and translates to the possibility of identifying the economic value of said company as the value expressed by stock market prices, registered over appropriate periods of time.

Control methods

Sum of the Parts (SOP) Method

The sum of the parts method (“**SOP**”) involves estimating the value attributable to the individual companies/business units making up the group being measured. This methodology makes it possible to

independently measure the individual elements being measured, applying different measurement methods and parameters on the basis of the characteristics of the assets measured and their risk profile. Specifically, IREN's business units (i.e. Energy, Environment, Market, Networks) as well as the IREN holding were measured using the financial methods (Unlevered Discounted Cash Flows - DCF).

Unlevered Discounted Cash Flow Method

The Unlevered Discounted Cash Flow method estimates a company's Enterprise Value as the sum of the following elements: (i) unlevered operating cash flows that the company is estimated to be able to generate over an explicit analytical forecast period, discounted at the reference date on the basis of a discount rate equal to the weighted average cost of capital ("**WACC**"); (ii) net discounted operating cash flows subsequent to the explicit forecast period ("Terminal Value"), calculated as the current value of perpetual income equal to net operating cash flow sustainable in perpetuity (or, alternatively, on the basis of an exit multiplier, generally associated with EBITDA).

In order to estimate economic capital value (equity value), the following are subtracted from the Enterprise Value: (i) net financial debt and another other balance sheet items similar to financial debt (net financial debt and other financial debt), (ii) minority interests and, if present, (iii) values relative to any non-consolidated assets or accessory equity investments (surplus assets) are added, the value of which is not expressed when applying multiples to the basic amounts associated with the company.

Application of the Unlevered Discounted Cash Flow method involves the use of the following formula,

$$W = \sum_{t=1}^n \frac{FC_t}{(1+WACC)^t} + \frac{VT}{(1+WACC)^n} + SA - IFN_{t0} - M$$

in which:

W = Value of the company's economic capital, FC_t = Annual unlevered operating cash flow expected during the period t, VT = Terminal Value, SA = Surplus Assets, NFD = Net financial Debt at moment t = 0, M = Minority interests, N = Number of projection periods, WACC = Weighted average cost of capital.

Market Multiples Method

The **Market Multiples** Method determines the value of a company by observing measurements expressed by financial markets for companies with characteristics similar to that being measured.

The method derives the value of a company from the value attributed by the market to other companies with comparable features and, in particular, determining the relationship between the stock market value of comparable companies and certain fundamental amounts (e.g. EBITDA), subsequently applying the multiples determined in this manner to the corresponding fundamental amounts of the company being measured, in order to determine its value.

The most frequently used multiple in IREN's reference sector, known as the "EV/EBITDA" multiple, provides an estimate of the company's Enterprise Value. In order to estimate economic capital value (equity value),

the following are subtracted from the Enterprise Value: (i) net financial debt and another other balance sheet items similar to financial debt (net financial debt and other financial debt), (ii) minority interests and, if present, (iii) values relative to any non-consolidated assets or accessory equity investments (surplus assets) are added, the value of which is not expressed when applying multiples to the basic amounts associated with the company.

Target Price Method

Financial brokers who publish research documents about listed companies summarise their recommendations about the securities of the listed companies being analysed by defining a “**target price**” for the security in question, which provides a quantitative indication of the economic value of the company and hence the potential for appreciation on the market of the same over the medium term. Application of this method therefore translates to analysing and comparing the objective prices indicated for the security being analysed by brokers who publish research on the security in question.

These methods are applied with the adoption of a liquidity discount relative to the constraint created by adherence to the IREN Agreement, as better specified below.

4.3. CRITERIA ADOPTED IN DETERMINING THE ISSUE PRICE FOR THE NEWLY ISSUED SHARES

In consideration of the type of Operation, in order to determine the Issue Price for the new IREN shares, the IREN Board of Directors analysed the results deriving from the main stock market listing method, as well as the control methods adopted, specifically: the DCF method, Market Multiples method and the Target Price method.

Stock market listing method

Below are the official prices for the IREN security at the Award date and the historic averages, both simple and weighted for the volumes with respect to the Award.

| IREN S.p.A. | | | | | | | |
|-----------------|------------------------|------|------|----------------|-------------------------|--------------------------------|-----------------|
| | Official prices (Euro) | Min | Max | Sum of volumes | Turnover ⁽¹⁾ | Average weighted prices (Euro) | Volatility 260D |
| 23/06/2017 | 2.13 | 2.13 | 2.13 | 1,575,033 | 3,356,850 | 2.13 | 24.3% |
| 30-day average | 2.15 | 2.10 | 2.19 | 57,996,969 | 124,921,105 | 2.15 | 25.3% |
| 60-day average | 2.08 | 1.92 | 2.19 | 133,289,158 | 275,299,999 | 2.07 | 25.4% |
| 90-day average | 2.03 | 1.88 | 2.19 | 188,784,455 | 381,901,675 | 2.02 | 25.3% |
| 180-day average | 1.81 | 1.49 | 2.19 | 324,783,675 | 603,812,679 | 1.86 | 25.7% |
| 360-day average | 1.63 | 1.33 | 2.19 | 555,409,233 | 940,375,903 | 1.69 | 26.4% |

⁽¹⁾ Source: Bloomberg. Daily turnover is calculated by multiplying daily traded volumes by daily official prices.

It can be observed that the official price of the IREN security at the Award date was € 2.13 and that this value is substantially in line with the weighted average of prices for the IREN security in the month prior to said date, corresponding to the period between the presentation of the Bid as part of the transparent Procedure begun by ACAM with the public Notice and the Award date. Considering the reference periods used from the Award date until a year after the same, the average weighted price of the IREN security ranged from a minimum of € 1.69, considering the average over 360 days, to a maximum of € 2.15, considering the one-month average.

The price of the IREN security on the last day available prior to the completion of negotiations with ACAM was also determined, agreed upon to be 20 November 2016.

| IREN S.p.A. | | | | | | | |
|-----------------|------------------------|------|------|----------------|-------------------------|--------------------------------|-----------------|
| | Official prices (Euro) | Min | Max | Sum of volumes | Turnover ⁽¹⁾ | Average weighted prices (Euro) | Volatility 260D |
| 20/11/2017 | 2.46 | 2.46 | 2.46 | 5,179,535 | 12,743,180 | 2.46 | 20.3 |
| 30-day average | 2.39 | 2.29 | 2.47 | 64,639,406 | 155,255,436 | 2.40 | 21.9 |
| 60-day average | 2.33 | 2.23 | 2.47 | 111,898,329 | 263,147,197 | 2.35 | 22.3 |
| 90-day average | 2.32 | 2.23 | 2.47 | 151,584,802 | 354,771,456 | 2.34 | 22.6 |
| 180-day average | 2.23 | 2.00 | 2.47 | 270,807,758 | 610,123,347 | 2.25 | 23.3 |
| 360-day average | 1.95 | 1.36 | 2.47 | 574,624,346 | 1,140,515,508 | 1.98 | 24.7 |

⁽¹⁾ Source: Bloomberg. Daily turnover is calculated by multiplying daily traded volumes by daily official prices.

It can be observed that the official price of the IREN security on 20 November 2017 had increased with respect to the Award date. It was equal to € 2.46, near maximum levels also with respect to the 30, 60, 90, 180 and 360-day averages, relative to which the average weighted price of the IREN security ranged from a minimum of € 1.98, considering the 360-day average and a maximum of € 2.40, considering the 30-day average.

Comparison of the price of the IREN security at the Award date, held by the Directors under the specific circumstances to represent the Company's economic value, and the average weighted prices of the security during the various reference periods used for the average period estimates starting as of 20 November 2017, shows a negative differential to be understood as the liquidity discount, justified by the agreements regarding limits on the transferability of the Newly Issued Shares being subscribed by the ACAM Subscriber Shareholders, as shown in the table below.

| | Value per share (Euro) | Discount |
|--------------------------------------|------------------------|----------|
| Price on 23 June 2017 | 2.13 | |
| Average price at 1 month from 20/11 | 2.40 | 11.32% |
| Average price at 2 months from 20/11 | 2.35 | 9.43% |
| Average price at 3 months from 20/11 | 2.34 | 8.99% |
| Average price at 6 months from 20/11 | 2.25 | 5.46% |

In relation to quantification of this discount, note that Italian corporate doctrine⁴ makes reference to studies based on an empirical/deductive approach carried out in the United States, which analyse specific issues of share-based securities done outside of organised markets, with a requirement to hold said securities in the portfolio for a given period of time (restricted stocks).

In particular, these studies compare the prices of listed corporate securities acquired through private placement, pursuant to SEC Rule 144, with stock market listings. These restricted stocks cannot be traded until they have been registered. The prices at which these securities are traded should incorporate a discount due to their lower degree of negotiability (the lack of liquidity discount).

In the case at hand, the most recent studies were used as a reference, which show discounts on the order of 17% (with a range from 7% to 22%).

| Restricted stocks | | | |
|---------------------------------|------|------|------------|
| Bajai, Denis, Ferris, Sarin | 1990 | 1995 | 7% |
| Johnson | 1991 | 1995 | 20% |
| Finnerty | 1991 | 1997 | 20% |
| Columbia Financial Advisory (1) | 1996 | 1997 | 21% |
| Columbia Financial Advisory (2) | 1997 | 1998 | 13% |
| FMV Opinions, Inc | 1980 | 2000 | 22% |
| Media | | | 17% |

Source: Emanuel Bagna. “Lo sconto per mancanza di liquidità” in “La valutazione delle aziende” (2005), James R. Hitchner “Financial Valuation: Applications and Models” 2011

All this being established, the average discount applied by the Directors falls within a range in line with the empirical evidence found in said studies and it is therefore held that this discount is reasonable and does not harm the interests of shareholders excluded from the Share Capital Increase.

SOP Method

As previously indicated, the individual IREN companies/business units were measured using the DCF method. Specifically, this measurement was based on economic/financial projections found in the IREN Business Plan as communicated to the market on 14 November 2017.

The measurement was developed by pricing the contribution of the companies/business units separately, in order to attribute evaluation parameters that represent the varying levels of risk associated with the companies being measured.

With reference to the Networks BU, liquidation of the net capital invested as of the end of the plan horizon was planned.

The discount rate used was the weighted average cost of capital (WACC), reflecting the financial and market risks associated with the individual companies/business units being measured.

⁴ see, Guatri Bini “La valutazione delle aziende” EGEA 2005; Bagna, Bertoni, De Rosa in “La valutazione delle aziende in crisi” edited by Liberatore, Amaduzzi, Comuzzi, Ferrero, Giuffrè Editore 2014; Marco Vulpiani “Special Cases of Business Valuation” McGraw-Hill 2014.

Sensitivity analysis was done on certain fundamental parameters used in the context of applying the DCF method, in order to obtain information about the volatility of the results when the selected value drivers changed (i.e. WACC and the perpetual growth rate).

Additionally, in developing the measurement, in order to reflect the limitation on the transferability of the Newly Issued IREN Shares that will be subscribed by the ACAM Shareholder Subscribers, a liquidity discount on the order of 17% was adopted, as indicated when applying the main method.

All this being established, application of the SOP method offered a value per IREN share in a range between € 1.92 and € 2.45. The value obtained from application of the stock market listing method falls within this range. Therefore, the SOP method confirms the reasonableness of the main method.

Market Multiples Method

The Market Multiples method was adopted as a control method with the aim of verifying the reasonableness of the results obtained from application of the stock market listings method. The companies held to be comparable to IREN are public utilities operating in Italy. The rolling EV/EBITDA multiple at 30 June 2017 was used as the reference multiplier. The multiple obtained in this manner was equal to 7.8x and was applied to IREN's rolling EBITDA at 30 June 2017.

Additionally, in developing the measurement, in order to reflect the limitation on the transferability of the Newly Issued Shares that will be subscribed by the ACAM Shareholder Subscribers, a liquidity discount on the order of 17% was adopted, as indicated above.

All this being established, application of the Market Multiples method produced a value of around € 2.20 per IREN share. The difference between the value obtained with the control method, as described above, and that obtained with the main method is around 3%, which in the specific circumstances can be considered to fall within a reasonable range.

Target Price Method

Estimates of financial analysts who study the IREN security and used as references were published during the month of November 2017.

The Target Prices for the IREN security, which confirm current stock market prices, also in the light of the Business Plan presented to the market on 13 November 2017, were adjusted to reflect the limitations on transferring the Newly Issued Shares that will be subscribed by the ACAM Shareholders. In particular, a liquidity discount of 17% was adopted, as indicated above. All this being established, application of the Target Price method produced a value of around € 2.18 per IREN share. The difference between the value obtained with the control method, as described above, and that obtained with the main method is around 2%, which in the specific circumstances can be considered to fall within a reasonable range.

Below is a summary of the results obtained from the various methods adopted:

| Value per share | Euro |
|-----------------------------|-------------|
| Stock market listing method | 2.13 |
| SOP Method | 1.92 - 2.45 |
| Market Multiples Method | 2.20 |
| Target Price Method | 2.18 |

* * *

The Issue Price was set at € 2.13 per newly issued IREN share by the Directors, equal to the official price recorded for ordinary IREN shares on the Award date on the Market organised and managed by Borsa Italiana S.p.A.

The Board of Directors holds that reference to the stock market prices for the IREN security is consistent with the need to identify an issue price for the shares that corresponds with their market value, as this is a company with its shares listed on regulated markets.

Additionally, the Directors hold that the control methods adopted are in line with measurement doctrine and practice for this type of operation and that the Issue Price is consistent with the results of these methods, as it falls within the range obtained from the DCF method and, with reference to the other measurement methods used, the difference as a whole appears acceptable as it is substantially contained in percentage terms and therefore can be held to fall within a reasonable range.

5. WILLINGNESS TO SUBSCRIBE THE NEWLY ISSUED SHARES RESULTING FROM THE SHARE CAPITAL INCREASE

Given the need for the ACAM shareholders to approve the Investment Agreement, at present willingness to subscribe the Newly Issued Shares resulting from the Share Capital Increase has not been formally indicated.

6. SHARE CAPITAL INCREASE EXECUTION PERIOD

Execution of the Share Capital Increase is planned for no later than 31 May 2018.

7. DATE OF ENJOYMENT FOR THE NEWLY ISSUED SHARES

The Newly Issued Shares associated with the Share Capital Increase and subscribed by the ACAM Shareholder Subscribers will have regular rights and, therefore, will grant their subscribers equal rights with respect to the ordinary shares in circulation on the date they are issued.

8. FORECASTS REGARDING THE COMPOSITION OF SIGNIFICANT SHAREHOLDERS AND THE SHAREHOLDING STRUCTURE OF THE COMPANY FOLLOWING EXECUTION OF THE SHARE CAPITAL INCREASE

8.1. SHAREHOLDING STRUCTURE FOLLOWING THE SHARE CAPITAL INCREASE

As indicated above, as of the date of this Report, it is not known which ACAM Shareholder Subscribers will sign the Investment Agreement and subscribe the Share Capital Increase.

With reference to the effects consequent to the subscription of the Share Capital Increase, in the absence of this information which will be made available only after the results of the approval of the Merger Operation by the ACAM shareholders, as described above, in order to provide complete information on the effects the Share Capital Increase could have on the Company's shareholding structure, the hypotheses corresponding

with the two most extreme scenarios are illustrated below:

- (i) Maximum Subscription Scenario, in which it is assumed that all ACAM shareholders (a) approve the above described Operation and then transfer and sell 100% of ACAM to the Company and (b) fully subscribe the Share Capital Increase;
- (ii) Minimum Subscription Scenario in which it is assumed that solely ACAM shareholders representing 70% of ACAM share capital prior to the sale (a) approve the above described Operation and then transfer and sell to the Company a total equity investment equal to 70% of ACAM share capital and (b) subscribe the Share Capital Increase.

Below the results of these two scenarios are illustrated.

| | Shareholding structure | Pre AUCAP | | IREN | Maximum Subscription Scenario | | | Minimum Subscription Scenario | | | |
|---|------------------------|-----------------------------|-------------------|-----------------|-------------------------------|--------------------|----------------|-------------------------------|----------------|----------------|--------|
| | | Shares in Min at 30/06/2017 | Shares A | | Shares in Min at 30/06/2017 | Post AUCAP | | Shares in Min at 30/06/2017 | Post AUCAP | | |
| | | | All of All Shares | | | Shares A ONLY ord. | Shares | | Shares | Shares | Shares |
| FSU | | 425.0 | 33.30% | 35.54% | 425.0 | 32.59% | 34.74% | 425.0 | 32.80% | 34.98% | |
| MUNICIPALITY OF REGGIO EMILIA | | 91.4 | 7.16% | 7.65% | 91.4 | 7.01% | 7.47% | 91.4 | 7.06% | 7.52% | |
| MUNICIPALITY OF PARMA | | 41.2 | 3.23% | 3.44% | 41.2 | 3.16% | 3.36% | 41.2 | 3.18% | 3.39% | |
| MUNICIPALITY OF PIACENZA | | 19.8 | 1.55% | 1.65% | 19.8 | 1.52% | 1.62% | 19.8 | 1.53% | 1.63% | |
| Other municipalities in Emilia | | 75.0 | 5.87% | 6.27% | 75.0 | 5.75% | 6.13% | 75.0 | 5.79% | 6.17% | |
| ACAM Shareholder Subscribers | | | | | 27.7 | 2.12% | 2.26% | 19.4 | 1.50% | 1.60% | |
| TOTAL PUBLIC ENTITY SHAREHOLDER SHARES | A | 652.3 | 51.11% | 54.55% | 680.0 | 52.15% | 55.58% | 671.7 | 51.84% | 55.28% | |
| MARKET | B | 543.4 | 42.58% | 45.45% | 543.4 | 41.67% | 44.42% | 543.4 | 41.94% | 44.72% | |
| TOTAL ORDINARY SHARES | C = A+B | 1,195.7 | 93.69% | 100.00% | 1,223.4 | 93.83% | 100.00% | 1,215.1 | 93.79% | 100.00% | |
| FCT = SAVINGS SHARES | D | 80.5 | 6.31% | | 80.5 | 6.17% | | 80.5 | 6.21% | | |
| TOTAL IREN SHARES | E = C+D | 1,276.2 | 100.00% | | 1,303.9 | 100.00% | | 1,295.6 | 100.00% | | |
| | | | | Dilution | | | 2.26% | | | 1.60% | |

In the light of the above, following the execution of the Share Capital Increase, the equity investment held by the current shareholders of the Company would be reduced, in the case of full adhesion to the Share Capital Increase, by an amount equal to 2.26% of ordinary shares (2.12% of total shares, including savings shares) and, in the case of minimum adhesion to the Share Capital Increase, by an amount equal to 1.60% of ordinary shares (1.50% of total shares, including savings shares). This represents the dilution of IREN shareholders following the Merger Operation.

8.2. EFFECTS OF THE SHARE CAPITAL INCREASE ON SHAREHOLDER AGREEMENTS OF SIGNIFICANCE PURSUANT TO ARTICLE 122 OF THE CONSOLIDATED FINANCE ACT (TUF)

The paragraphs above established that pursuant to the Investment Agreement, subordinate to the achievement of the Conditions Precedent outlined above, as of the Executive date and in order to stably make them part of the Company's shareholding structure, as of the Execution date the ACAM Shareholder Subscribers must adhere to the IREN Agreement and to the voting and block union governed therein, bringing all the IREN shares subscribed within the context of the Share Capital Increase reserved to them under it.

Therefore, it is envisaged that after the Share Capital Increase, the ACAM Shareholder Subscribers will bring within the voting and block union at least 70% of the subscribed shares, or at least 19,389,754 Newly Issued Shares.

9. AMENDMENTS TO THE BYLAWS

Pursuant to article 72 and Annex 3A of the Issuer Regulations, below is the text of article 5 (share capital) of the Bylaws in its current version and in the new version following the Share Capital Increase, with amendments shown in bold.

| Art. 5 Share Capital | Art. 5 Share Capital |
|--|--|
| <p>5.1 Share capital is € 1,276,225,677.00, represented by 1,195,727,663 ordinary shares of a nominal € 1 (one) each, and by 80,498,014 savings shares of a nominal € 1 (one) each. The shares are freely transferable.</p> | <p>5.1 Share capital is € 1,276,225,677.00, represented by 1,195,727,663 ordinary shares of a nominal € 1 (one) each, and by 80,498,014 savings shares of a nominal € 1 (one) each. The shares are freely transferable.</p> |
| <p>5.2 Share capital can be increased at any time, also through the transfer of receivables and assets, after a resolution by the Shareholders' Meetings and also with the issuing of shares with rights different from those shares already issued.</p> | <p>5.2 Share capital can be increased at any time, also through the transfer of receivables and assets, after a resolution by the Shareholders' Meetings and also with the issuing of shares with rights different from those shares already issued.</p> |
| <p>5.3 In the case of a share capital increase, the option for new shares issued will be reserved for those entitled to the same in proportion to shares held, with the exceptions allowed under the law.</p> | <p>5.3 In the case of a share capital increase, the option for new shares issued will be reserved for those entitled to the same in proportion to shares held, with the exceptions allowed under the law.</p> |
| <p>5.4 On 9 May 2016 the Company's Shareholders' Meeting resolved to grant the power to the Board of Directors, pursuant to 2443 of the Italian Civil Code, to exercise within a period of 3 (three) years as of the date of the resolution, to increase the share capital for payment and in one or more tranches and divisible, up to a maximum total amount of a nominal € 39,470,897.00, through the issuing of ordinary shares, with the exclusion of the option right pursuant to article 2441 of the Civil Code, to be reserved in favour of third parties (the "Share Capital Increase"). In exercising the power for the Share Capital Increase the directors must act so that the same is offered for subscription (i) relative to the transfer of equity investments and/or companies and/or business units held by Public Entities (as defined in article 9.1 below), connected with or functional to the Company's purpose and that of its investee companies or (ii) in favour of Public Entities (as defined in article 9.1 below) who carry out activities connected with or functional to the</p> | <p>5.4 On 9 May 2016 the Company's Shareholders' Meeting resolved to grant the power to the Board of Directors, pursuant to 2443 of the Italian Civil Code, to exercise within a period of 3 (three) years as of the date of the resolution, to increase the share capital for payment and in one or more tranches and divisible, up to a maximum total amount of a nominal € 39,470,897.00, through the issuing of ordinary shares, with the exclusion of the option right pursuant to article 2441 of the Civil Code, to be reserved in favour of third parties (the "Share Capital Increase"). In exercising the power for the Share Capital Increase the directors must act so that the same is offered for subscription (i) relative to the transfer of equity investments and/or companies and/or business units held by Public Entities (as defined in article 9.1 below), connected with or functional to the Company's purpose and that of its investee companies or (ii) in favour of Public Entities (as defined in article 9.1 below) who carry out activities connected with or functional to the</p> |

Company's purpose and that of its investee companies.

The Board of Directors is granted the widest powers to identify, on a case by case basis, the recipients of the reserved Share Capital Increase within the context of the categories identified above and to establish, in compliance with the procedures required under the regulatory and legal provisions applicable at the time and the limits indicated above, the share issue price, any share premium, and to define any other term, method or condition for the Share Capital Increase.

Company's purpose and that of its investee companies.

The Board of Directors is granted the widest powers to identify, on a case by case basis, the recipients of the reserved Share Capital Increase within the context of the categories identified above and to establish, in compliance with the procedures required under the regulatory and legal provisions applicable at the time and the limits indicated above, the share issue price, any share premium, and to define any other term, method or condition for the Share Capital Increase.

In partial execution of the power granted, pursuant to article 2443 of the Italian Civil Code, by the Company's Extraordinary Shareholders' Meeting on 9 May 2016, the Board of Directors, at its meeting on [●]resolved to increase, subordinate to the fulfilment of the conditions precedent described below, divisible and for payment, by the final deadline of 31 May 2018, the share capital of the Company for the maximum amount of € 27,699,660.00 (twenty seven million six hundred ninety nine thousand six hundred sixty and zero cents), through the issuing of a maximum 27,699,660 ordinary shares, with the same characteristics as the ordinary shares in circulation on the issue date, with regular enjoyment, at an issue price of € 2.13 for each ordinary IREN S.p.A. share, of which € 1.00 attributed to capital and € 1.13 to the share premium, with the exclusion of the option right pursuant to paragraphs 5 and 6 of article 2441 of the Italian Civil Code, to be reserved for subscription in favour of all the shareholders of ACAM S.p.A. ("ACAM") who undertake to transfer in favour of the Company their full equity investment held in ACAM (the "ACAM Shareholders" and the "Sale"). The resolution on the share capital increase and its execution are subordinate, in the exclusive interest of IREN, to the achievement of the following conditions precedent:

- (i) **the release of authorisation by the Italian Antitrust Authority (Autorità Garante della Concorrenza e del Mercato) to the Sale, without the imposition of additional charges or obligations to the awardee IREN and/or ACAM and/or any of the companies in the ACAM Group;**

| | |
|--|---|
| | <p>(ii) the release of written consent by the ACAM Group’s lenders to proceed, at the date of the effective execution of the Sale, with the elimination of all the guarantees issued by the companies of the ACAM Group in connection with existing loans with said lenders against the full repayment on the execution date of the residual amount of the existing loans;</p> <p>(iii) the weighted 6 (six) month average of the IREN S.p.A. security ascertained the date prior to the Sale execution date falls within the range of € 1.59 per share, as the minimum value of the range, and € 2.66 per share, as the maximum value of the range.</p> <p>(iv) Effective closure of the Sale and transfer to IREN S.p.A. on the part of the ACAM Shareholders of a total equity investment in ACAM equal to at least 70% (seventy percent) of ACAM share capital,</p> <p>(v) Simultaneous subscription of the share capital increase on the part of the ACAM Shareholders who have sold their ACAM shares to IREN S.p.A. and represent at least 70% (seventy percent) of ACAM share capital prior to the sale of the ACAM shares to IREN S.p.A., with the release of the debt of ACAM subscribing Shareholders, deriving from the subscription of the Share Capital Increase, also through the compensation with the credit towards IREN due to ACAM subscribing Shareholders because of the sale of ACAM shares at the maximum of the range.</p> |
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A copy of this Report has been delivered to Alessandro Nova so that, pursuant to and in accordance with article 2441, paragraph 6 of the Italian Civil Code and article 158 of the Consolidated Finance Act (TUF), he may express, in the terms envisaged in the laws in effect on the subject, his opinion on the congruence of the Issue Price for the Newly Issued Shares.

The “fairness opinion” by Prof. Alessandro Nova, under the terms established by current legislation on the subject, will be made available to the public as soon as it is given to the company. The Board of Directors decided also on the basis of the “fairness opinion” by Deloitte.