

## **Iren Group - Agreement signed to acquire the San Germano Group, primary waste collection and treatment provider in Piedmont, Emilia Romagna and Sardinia**

*Reggio Emilia, 17 October 2018* - Today, Iren signed an agreement with Gruppo Derichebourg to acquire 100% of San Germano S.r.l. and its subsidiary CMT S.p.A..

San Germano is based in Pianezza (Turin) and collects and transports waste and cleans streets for public entities, with around 65 million euro in revenues and a collection volume of approximately 250 kilo tonnes per year. The company operates 20 sites, managing environmental services in 145 municipalities, with around 1 million inhabitants, in the regions of Piedmont, Sardinia, Lombardy and Emilia Romagna, with over 800 employees.

CMT performs separated waste collection and recycles paper, cardboard and plastic, with around 11 million euro in revenues, operating six sites in Piedmont and Sardinia. The main sites are in Pianezza and La Loggia, and it has a licensed capacity of around 100 kilo tonnes per year.

The closing of the transaction, managed by Iren's M&A team led by Iren's Chairman, Peveraro, has already been given the green light by Autorità Garante della Concorrenza e del Mercato (the Italian Antitrust Authority) and is subject to certain conditions precedent, which will be verified in November 2018 and are essentially tied to the complete operational overhaul of the Pianezza and La Loggia plants, as well as the reactivation of their licenses.

The transaction supports the growth and development of IREN through its Iren Ambiente subsidiary, as it has also attained a greater competitive collection capacity, developed recycling activities and grown revenues in its current territories as well as in new and prospective areas. The total enterprise value, including CMT, comes to 25.4 million euro, with an adjusted EBITDA of 8.3 million euro.

Iren Group Chairperson Paolo Peveraro and Chief Executive Officer Massimiliano Bianco both stated:

*“Acquisition of the San Germano Group, primary waste collections and treatment provider, represents an important step forward in the implementation of the guidelines outlined in the Business Plan, and offers perfect strategic and industrial compatibility with the Environment business area’s objectives.*

*At the same time, it allows us to extend our presence in two of our main regions, Piedmont and Emilia Romagna, and to expand our activities to a new area, Sardinia.*

*Additionally, the interesting production facilities acquired in the field of waste disposal and treatment will strengthen the Group’s industrial assets.”*

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