



Press Release

ERG debuts on the bond market with a Euro 100 million issue reserved for institutional investors

Genoa, 12 July 2017 – ERG S.p.A. hereby announces the launch of a process for the issuance and placement with institutional investors of a non-convertible bond with a nominal amount of 100 million Euro, and a denomination per bond of 100 thousand Euro, as approved today by the Company's Board of Directors (the "Notes").

The purpose of the issue of the Notes is to raise additional funds for new investments in the renewable energy sector as well as to refinance investments in the Company's hydroelectric plants in Italy.

The Notes will be unrated, will not be subject to financial covenants and will be repaid in whole in January 2023.

The Notes will be issued at a price equal to 100% of their nominal value and will bear interest at a fixed rate of 2.175%. Interest will be paid annually in arrears.

The Notes will allow to extend the financial duration of the Group financial indebtedness, reduce its average cost and diversify the Group's funding sources.

The bonds, which are intended exclusively for institutional investors in Italy and abroad, will not be offered or sold in the United States, Canada, Australia, Japan or in any other country where the offer or sale of bonds is forbidden under applicable laws.

The settlement date for the Notes is expected to be on, or around, 19 July 2017 and formal application will be made for admission to trading of the bonds on the regulated market of the Luxembourg Stock Exchange.

Crédit Agricole Corporate and Investment Bank and UniCredit Bank AG are acting as Joint Lead Managers in connection with the issue of the Notes. Allen & Overy has acted as legal advisor to the Joint Lead Managers.

The minutes of the Company's Board of Directors' meeting resolving the issue of the Notes and the subsequent resolution of the Chief Executive Officer will be made available to the public, in accordance with the deadlines and terms set forth by legislative and regulatory provisions currently in force, at the Company's headquarters at Via De Marini 1, Genoa, on the Company's website (www.erg.eu), at the offices of Borsa Italiana S.p.A. and on the eMarket Storage authorised storage mechanism (www.emarketstorage.com).

This press release (including the information contained herein) does not constitute or form part of a public offering of financial products or an invitation for offers to purchase financial products and no offer for sale of such products will be made in any jurisdiction in which such offer or sale is unlawful. Distribution of this press release may be prohibited in certain jurisdictions. This press release does not constitute an offer for sale of financial products in the United States of America, Canada, Australia or Japan or any other jurisdiction where such offer or sale is prohibited and may not be directly or indirectly published or distributed in such jurisdictions. The financial products referred to in this press release have not been and will not be registered pursuant to the 1933 Securities Act of the United States of America, as subsequently amended; the said products may not be offered or sold in the United States of America without registration or an applicable exemption from registration requirements. This press release does not constitute a public offering of financial products in Italy within the meaning set forth by Article 1, paragraph 1.t of Legislative Decree no. 58 dated 24 February 1998. The documentation related to the offering has not been/will not be subjected to approval by the Italian National Commission for Companies and the Stock Exchange (CONSOB).

This press release, issued at 5.00 p.m. (CEST) on 12 July 2017, is available to the public at the offices of Borsa Italiana S.p.A., on the eMarket Storage authorised storage mechanism (www.emarketstorage.com) and on the Company's website (www.erg.eu) in the section "Media/Press releases".

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