



## Press Release

### **ERG steps up growth in France:**

#### **two wind farms acquired totalling 26 MW**

#### **and a development company with a pipeline of 750 MW**

**Genoa, 6 April 2018** – ERG, through its subsidiary ERG Power Generation S.p.A., has signed an agreement with Impax New Energy Holding Cooperatief W.A., a Dutch company owned by Impax New Energy Investors II, for the acquisition of:

- Parc Eolien du Melier SAS, which owns an **8-MW** wind farm, with an expected output of around 23 GWh. The wind farm is entitled to benefit from the 2014 feed-in-tariff (FIT) for a period of 15 years following its coming on stream, which took place in November 2016;
- Parc Eolien de la Vallée de Torfou SAS, which owns an **18-MW** wind farm currently under construction, with an estimated average output of 48 GWh, scheduled to come on stream by the end of 2018. The wind farm will benefit from the 2014 FIT for a period of 15 years;
- Epuron Energies Renouvelables SAS, which owns a pipeline of approximately 750 MW, comprising the following:
  - *Wave I*, which includes 5 projects at an advanced stage of development with a total capacity of 101 MW, whose authorisation procedure presently underway envisages access to the 2016 FIP tariff, expected to come on stream during the second half of 2021;
  - *Wave II*, which includes 5 projects at an intermediate stage of development, with a total capacity of 143 MW, whose authorisation procedure is currently under appraisal, expected to come on stream during the second half of 2022;
  - *Wave III*, which includes “early stage” projects with a total capacity of over 500 MW, expected to come on stream after 2022.

Also included within the scope of the transaction is a team of 12 people, located between the Paris and Nantes offices, with a sound and long-standing experience in the development of greenfield projects, which will supplement ERG’s existing presence in France, taking it to a total headcount of 45 comprising technicians assigned to management of the assets and professionals engaged to maximise the installed capacity.

In terms of Enterprise Value, the total price payable amounts to 57 million Euro, of which around 17 million Euro pertaining to the Project Financing outstanding as at 31 December 2017. The agreement, insofar as concerns the pipeline, also provides for an “earn-out” mechanism in favour of the Seller for a total sum of approximately 5 million Euro.

The transaction Closing, subject to certain conditions precedent, first and foremost the approval by the Project Finance financing institution, is expected to take place during the second quarter of 2018.

Luca Bettonte, ERG's Chief Executive Officer, commented: **"This transaction, which is part of our French growth strategy, will allow us to achieve an installed capacity of almost 300 MW in the country by the end of the year. We are also growing in terms of development potential, due to the acquisition of a team whose long-standing and proven experience in the sector will supplement our structures already existing in France. Moreover, in keeping with the Business Plan objectives, the pipeline acquired will enable us to expand and step up the organic growth path that commenced with the co-development agreement recently finalised with Vent d'Est, regarding a pipeline of 300 MW"**.

*This press release, issued at 7.20 p.m. (CEST) on 6 April 2018, is available to the public at the offices of Borsa Italiana S.p.A., on the eMarket Storage authorised storage mechanism ([www.emarketstorage.com](http://www.emarketstorage.com)) and on the Company's website ([www.erg.eu](http://www.erg.eu)) in the section "Media/Press releases".*

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