

FAMILY OFFICE INVESTOR DAY



Milano, Sala Convegni Intesa Sanpaolo - 8 marzo 2012

TerniEnergia

Milan – 8 March 2012



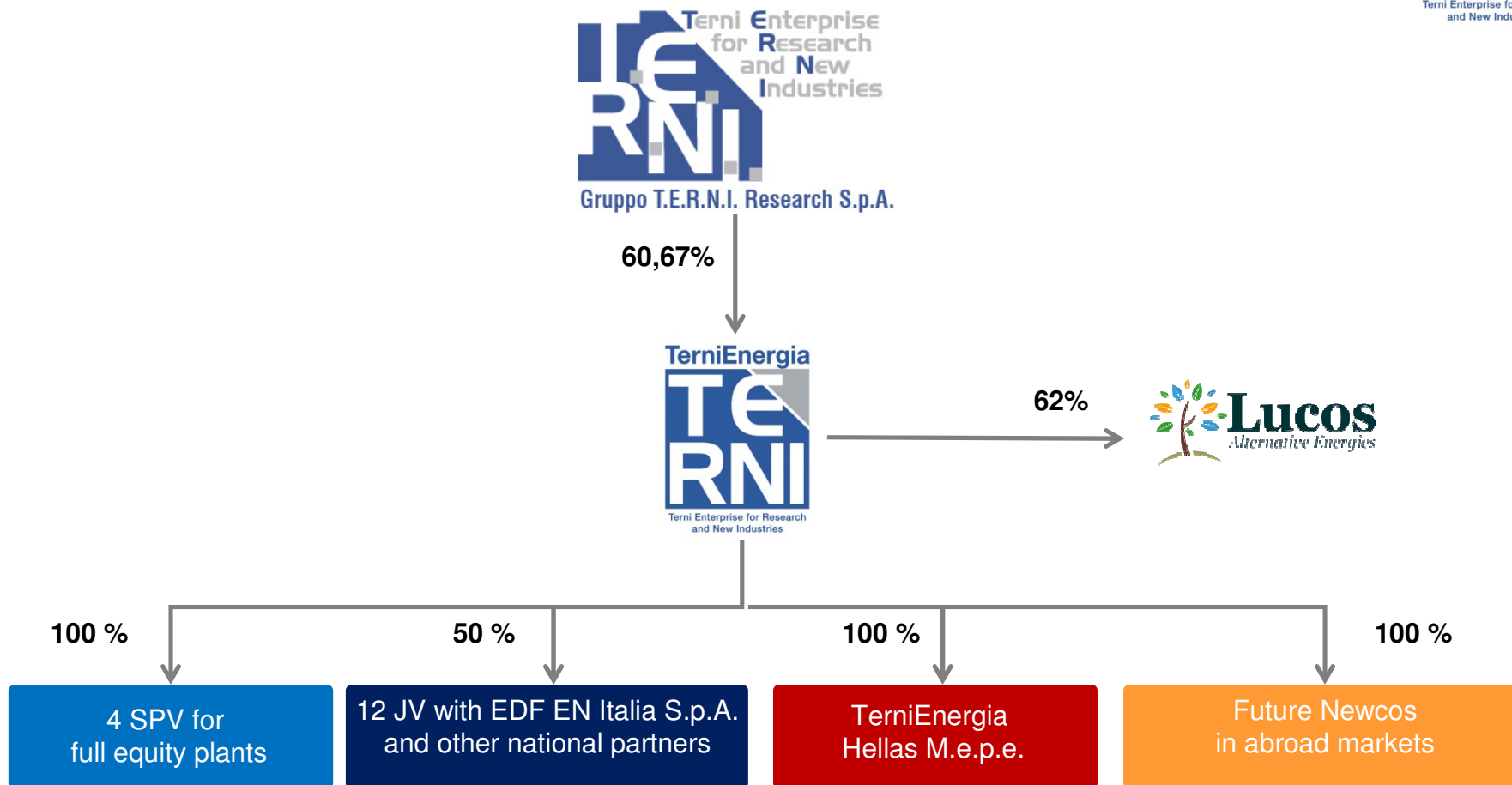
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Group structure



Listed on STAR Italian Stock Exchange

**2020
European Target**

**20%^{o1}
Renewables**

**20%^{o2}
Energy
efficiency**

**20%^{o3}
CO₂
Reduction**

TerniEnergia Group

**192,7 MW^{p4}
PV plants**

**200 mln kWh⁵
saved**

**2,4 mln ton
CO₂ avoided**

**€153 mln⁶
revenues**

**€31 mln⁷
equity**

**€75 mln⁸
capitalization**

1 20% of energy consumption from renewable sources

2 20% of reduction in final energy consumption than the trend calculated from the average of the years 2001-2005

3 20% of reduction of CO₂ emitted into the atmosphere compared to 1990

4 Data as at January 04, 2012, 245 plants built

5 Savings achieved through the company owned “Lucos Alternative Energies SpA”

6 Consolidated as at 3Q 2011

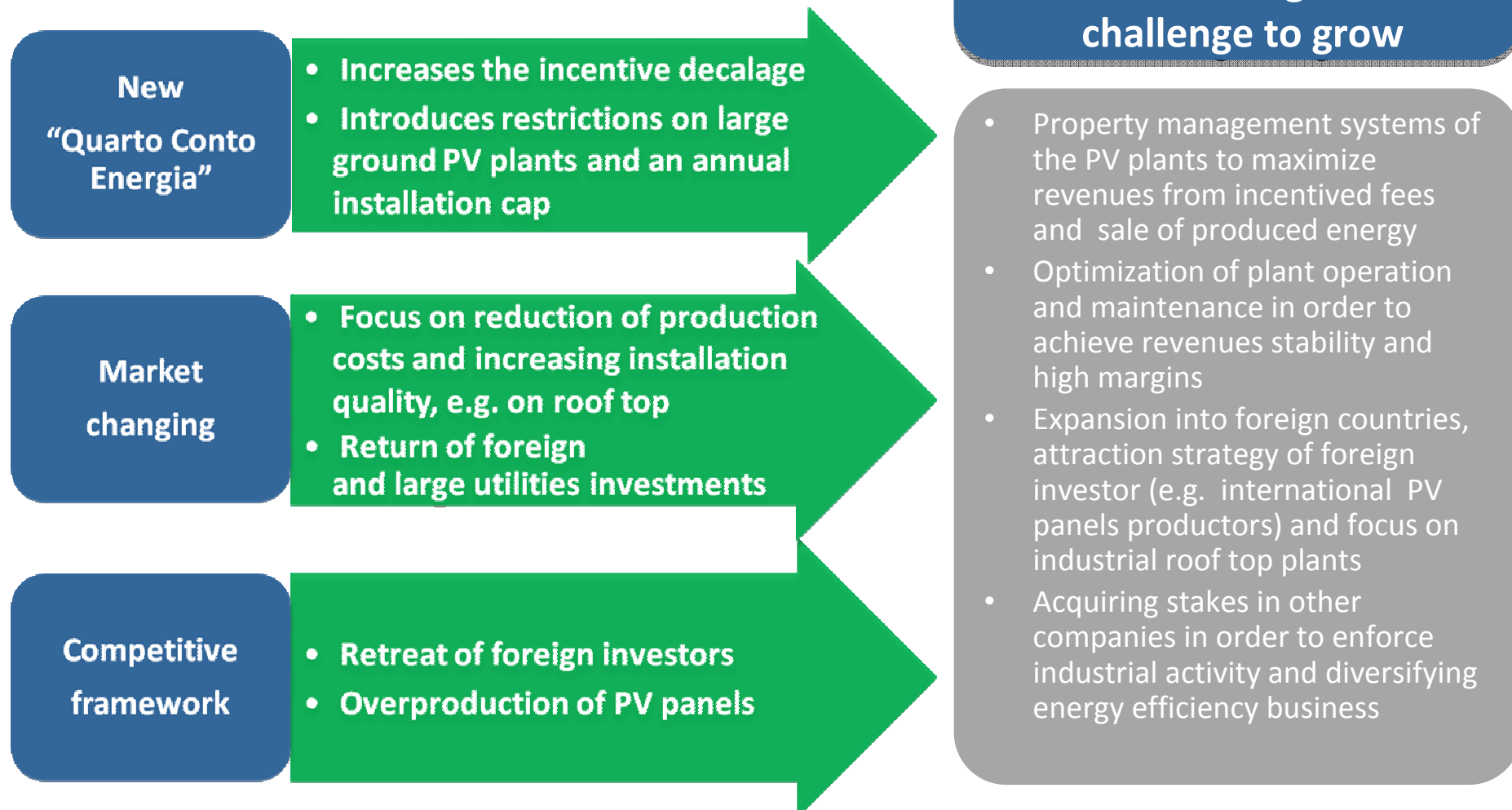
7 Net income for 2010: € 9 million

8 As at October 28, 2010. Company listed on the STAR segment of the MTA of the Italian Stock Exchange

“A strong reaction to changes in PV regulatory and incentives”



- **Advanced approach in the new industrial energy efficiency business in 2011 since now. Business no policy driven**
- **Starting abroad PV industrial activity through first EPC contract in Greece with a subsidiary of european major utilities and scouting in new abroad markets (eg. South Africa)**
- **PV activities as EPC Turnkey and JV providers: target capacity over 120 MWp in 2012-2013 (PV modules partially included)**
- **Profitability in power generation business through JV and Full equity plants guaranteed for 20 years**
- **Keep unchanged the dividend value. Net Result expected in 2011 present a light increase compared to 2010 Net result**



Market Overview

Market size limited but grew in the late 90's, to reach € 10 billion between the USA and EU in 2008

Hold strong growth over the next 10 years in Europe, even after approval of the Directive "Pacchetto Clima"

European market (EU-25) estimated at least € 75 billion for 2020, with expected growth of 10 times between 2008 and 2020

Energy Efficiency Experience

- Accredited by the AEEG and the GME
- investments in projects that generate energy efficiency for the customers
- The energy savings generated by our projects amounted to over 150 million kWh

Our activities and our proposal

- Identification of intervention areas, verification of technical feasibility and verification of the economic and financial viability of the project
- Planning of the intervention, supply of materials, execution of work - retrofitting and upgrading – plant testing
- Management and maintenance of the facility, ensuring the smooth functioning of the same

Industrial Energy Efficiency produces High Margins (over 30%)

A new business plan: Energy Efficiency guidelines

**Lightning
projects
In FTT**

- Contracts for Energy Spread or Energy Service with Public and Private
- Target: 34,000 LA in management by 2013, total investments of € 15 mln
 - Focus: Public illumination
 - Medium and large industrial groups and multi-facility in private lighting

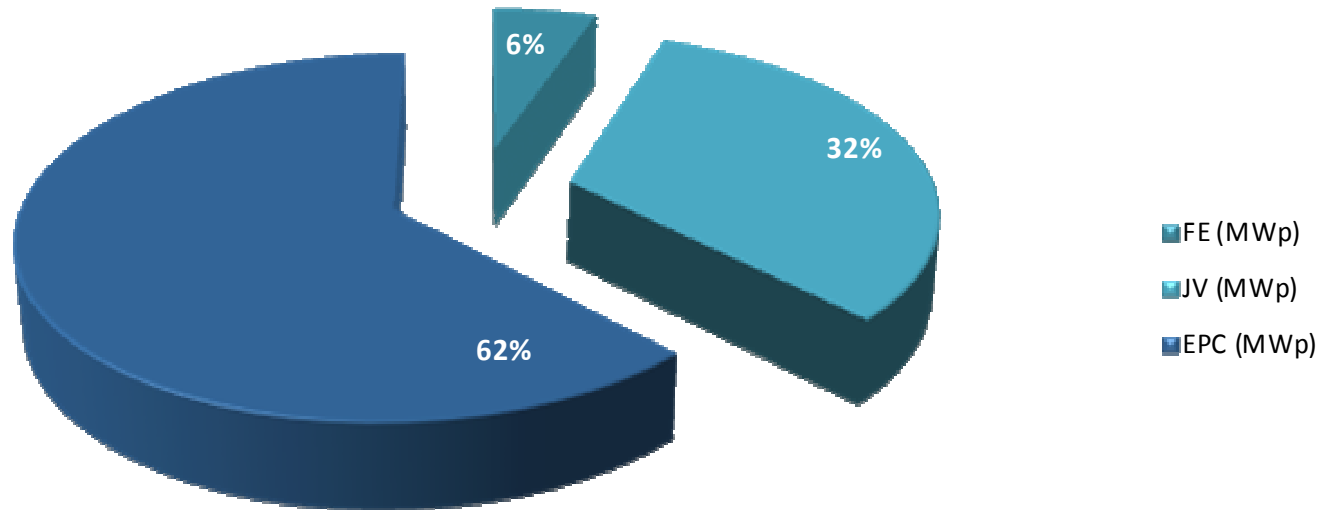
**ORC
Organic Rankine
Cycle**

Technologies: ORC (TerniEnergia), motors, inverter, others (es., actions on productivity lines, ecc.)

**Engineering
EPC**

- Achievements "turnkey" for the redevelopment of lighting systems for other energy efficiency
- *target: 23,000 LA in management by 2013;*

Total installed PV plants



Total installed plants	245	FE (MWp)	10,40
Total installed capacity (MWp)	192,70	JV (MWp)	62,10
		EPC (MWp)	120,20

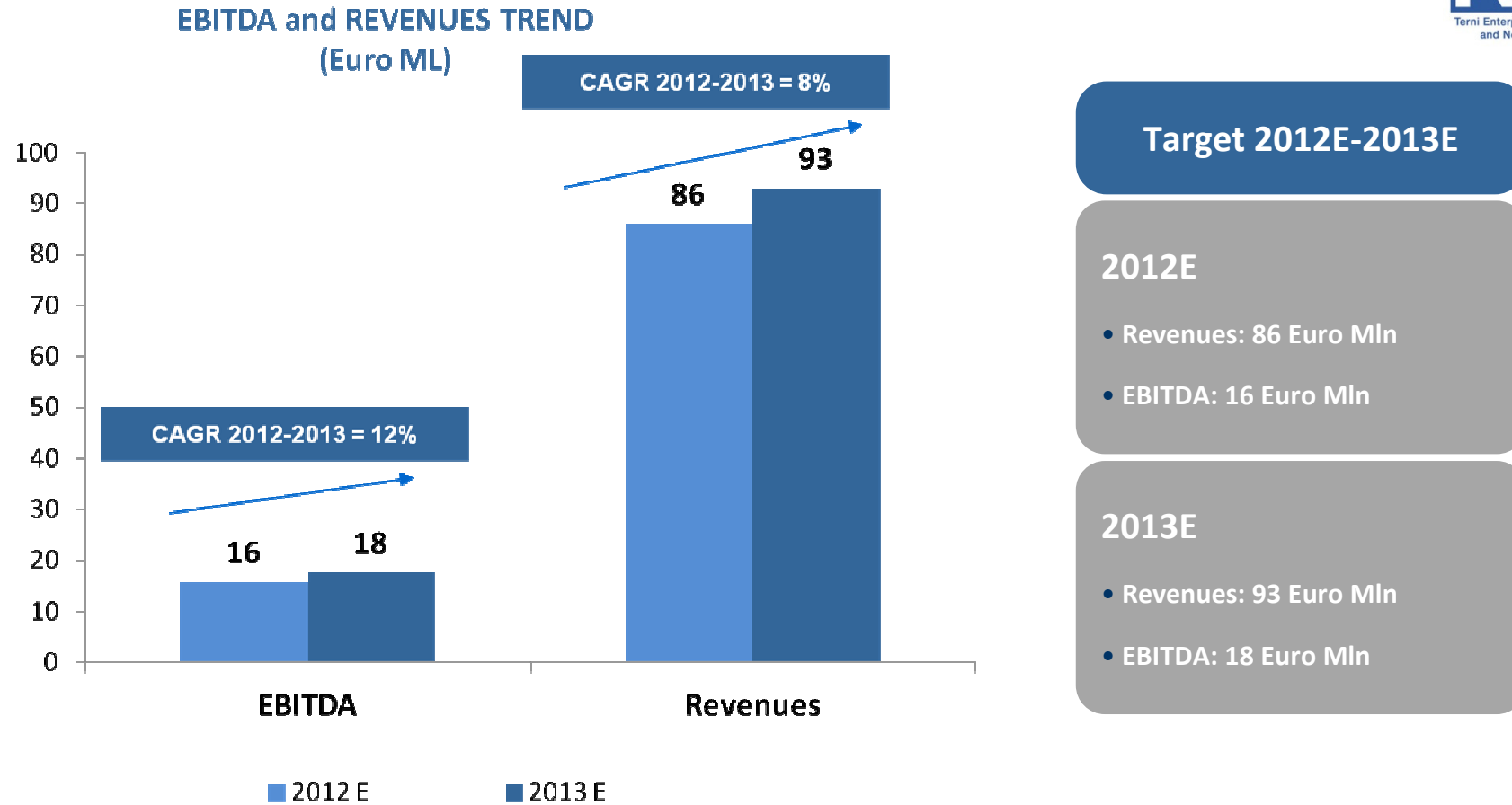
PV Business

- **Over 120 MWp of PV new installed capacity in 2012 – 2013**

New Business of Energy Efficiency

- **Industrial lighting**
Over 57.000 areas light
- **Organic Rankine Cycle (ORC)**
Starting in energy recovery plants installation

2012- 2013 Plan: EBITDA and Revenues

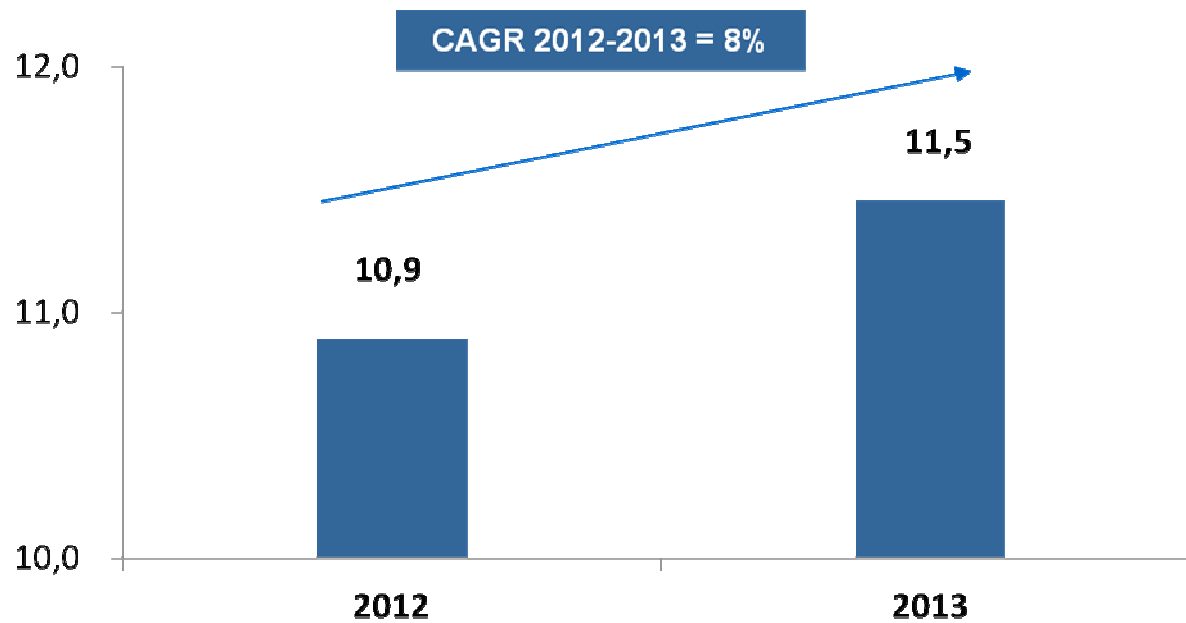


EBITDA Margin

2012 E: 18%
2013 E: 19%

2012- 2013 Plan: Capex targeted

Capex Targeted 2012-2013
(ML euro)



Total targeted Capex for JV and Energy Efficiency Business
D/E 2013: 1.0