

PRESS RELEASE 31 OCTOBER 2014

**ITALEAF: TerniEnergia discloses the new strategic lines, comes the first Italian "Smart energy company"**

**After the acquisition of Free Energia and the changing in the macroeconomic and sector scenarios, the Group is focusing on developing business with cash flow generation in Italy and the consolidation of the international development**

- **Net income for 2014 expected to around Euro 6 million.**
- **Confirmed the dividend policy and the reduction of around one-third of the Net Financial Position**
- **4 new business lines: Technical Services, Cleantech, Energy Saving and Energy Management**

TerniEnergia SpA, active in the fields of renewable energy, energy efficiency, waste and energy management, listed on the Star segment of Borsa Italiana and part of Italeaf Group, disclosed today the evolution of the strategic lines, towards the new Strategic Plan post-Acquisition of Free Energia SpA,, to the Italian financial community.

The presentation took place in Milan, in Borsa Italiana, during the workshop "Smart to restart industry" organized by Italeaf Group, holding company and the first Italian company builder, main shareholder of TerniEnergia.

Financial targets

The Chairman and CEO of TerniEnergia, Stefano Neri, announced that in 2014, the Group aims to maintain a solid financial balance and confirms a dividend policy-oriented to the shareholder remuneration.

The target net income for the current year is approximately EUR 6 million. TerniEnergia has confirmed its intention to reduce the NFP in the current year (2014) by around a third.

Strategic guidelines towards the new TerniEnergia Business Plan

The guidelines for strategic development anticipated by Fabrizio Venturi, Managing Director of TerniEnergia, and Umberto Paparelli, Chairman and CEO of Free Energia, include:

- Launch of the first Italian industrial "Smart energy company", through the integration of the energy value chain from the renewable power generation, to the development of PV utility scale plants abroad, to the energy efficiency activity through innovative technologies, up to energy and waste management;
- Development of a new organizational structure based on 4 business units:

Technical Services – Power generation from renewable sources (photovoltaic), in a sustainable and economically competitive way, activities of EPC and O&M;

Cleantech - Efficient management of energy and materials recovery plants from waste and marginal resources (biodigestion and pyrogasification, ELT treatment, water remediation) and start of new business of management of vegetable oil burning power plants and trading of vegetable oil.

Energy saving - Solutions for Energy Efficiency in the lighting and industrial sectors with highly innovative technologies, Esco (through third party financing) and Espco (EPC and consulting) through the Lucos Alternative Energies subsidiary, directly managed by Free Energia (Pierluigi Cernieri Umberto Paparelli and Salvatore Pelleriti).

Energy management - Sales of Energy to energy intensive customers, software and services for energy management, administrative, financial and credit management.

The slides of the workshop "Smart to restart industry" are available on the Company's website in the Investor Relations section at: <http://www.ternienergia.com/index.php/presentazioni-2/>

*TerniEnergia, a company incorporated in September of 2005 and part of Italeaf Group, operates in renewable energy, energy efficiency, energy and waste management. TerniEnergia operates as system integrator, with a turn-key offer of industrial sized photovoltaic plants, on behalf of third parties and on its own, for the Power Generation business, also through joint venture companies with leading national players. TerniEnergia operates in the waste management sector, recovery of the material and energy, development and production of technologies. In particular, the Company is active in the recovery of tires out of use, in the treatment of biodegradable waste through the implementation of biodigesters, management of plant for the biological depuration; decommissioning of industrial plants, recovery of demolition metals and cleaning of industrial sites; development and production of technological apparatus.*

*TerniEnergia, through Lucos Alternative Energies, operates in the development of energy efficient plants both through EPC scheme and FTT scheme (Financing Through Third Parties), pursuing the objectives of increasing energy production from renewable sources, of energy saving and reduction of emissions as set forth by environmental European policy.*

*Through Free Energia, the Group is active in the energy management, energy sales to energy intensive customers, software and services for energy management, administrative, financial and credit management.*

*TerniEnergia is listed on STAR segment of Borsa Italiana S.p.A..*

*This press release is also available on the Companies' website: [www.italeaf.com](http://www.italeaf.com) and [www.ternienergia.com](http://www.ternienergia.com).*

## **Certified Adviser**

Mangold Fondkommission AB is the Certified Adviser of Italeaf on NASDAQ OMX First North.

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***Italeaf SpA**, established in December 2010, is a holding company and a business accelerator for companies and startups in the areas of innovation and cleantech. Italeaf operates as a company builder, promoting the creation and development of industrial startups in the fields of cleantech, smart energy and technological innovation. Italeaf has headquarters and plants in Italy at Nera Montoro (Narni), Terni, Milano and Lecce; has international offices in London and Hong Kong and a research and development centre in the Hong Kong Science and Technology Park. The company controls TerniEnergia, listed on the STAR segment of the Italian Stock Exchange and active in the fields of renewable energy, energy efficiency and waste management, Greenled Industry, working in the development and production of power LED lamps for industrial energy efficiency and public lighting, WiSave in the "internet of things" field, for the development and production of thermostats and smart technologies for the remote control of electrical and heating items of buildings managed through a cloud infrastructure, and Skyrobotic, in the business development and manufacture of civil and commercial drones in mini and micro classes for the professional market.*