

**ITALEAF: the Board of directors of TerniEnergia approved the interim report  
as at 31 March 2017**

- Revenues of Euro 29.9 million, -4.59% (Euro 31.3 million as at 03/31/2016)
- EBITDA amounted to Euro 3,4 million, -15.73% (Euro 4 million as at 03/31/2016), with EBITDA margin at 11.4%
- EBIT amounted to Euro 1.4 million, -50.71% (Euro 2.8 million as at 03/31/2016)
- Net profit amounted to Euro 0.2 million, -60% (Euro 0.6 million as at 03/31/2016)
- NFP of Euro 91.2 million, short-term NFP of Euro 13.5 million (Euro 93.9 million as at 31/12/2016, short-term NFP of 14.8 million)
- Net equity amounted to Euro 59.7 million, +3.85% (Euro 57.5 million as at 03/31/2016)

The Board of Directors of TerniEnergia, smart energy company active in the fields of renewable energy, energy efficiency, waste and energy management, listed on the Star segment of the Italian Stock Exchange and part of Italeaf Group, approved today the interim financial report as at March 31, 2017.

**Stefano Neri, Chairman and CEO of TerniEnergia** commented as follows:

*"The data for the first quarter of 2017 give us a change of scenario. There are encouraging signs of trend reversal in business performance over the previous months, considering also that the value of the new photovoltaic worksites in Africa has not yet been reflected in revenues. We also think that conditions will soon be available to strengthen this trend even in the most technologically advanced business sectors, such as energy efficiency and smart grids. Finally, we express great satisfaction for the unanimous pronouncement of the Shareholders' Meeting regarding the confirmation of the appointment of new directors Piero Manzoni and Giulio Gallazzi. They are two managerial figures of international relevance and proven experience, which will help accelerate the implementation of the targets of TerniEnergia's strategic plan, Mr Manzoni also with operational responsibilities".*

**CONSOLIDATED RESULTS AS AT MARCH 31, 2017**

**Revenues** amounted to Euro 29.9 million, showing the starting of the project phase of the PV EPC worksite in Tunisia, the recovery of energy and gas trading, the presence in the consolidation scope of Softeco Sismat and Selesoft Consulting, acquired since October 31, 2016. The comparison with the first quarter of 2016 (Euro 31.3 million; -4.59%), is a conditioned by an overall decrease of EPC activity following the completion occurred in the second half 2016 of the two giant worksites in South Africa.

**EBITDA** amounted to Euro 3.4 million, showing a decrease (-15.73%) compared to March 31, 2016 (Euro 4 million), with **Ebitda Margin**, equal to 11.39%.

**Net operating income (EBIT)** amounted to Euro 1.4 million (Euro 2.8 million as at March 31, 2016, - 50.71%), after depreciation, amortization and write-downs of Euro 2 million (Euro 1.2 million at the same period of 2016).

**Net profit**, which includes the share of results from the activity of photovoltaic JV, amounted to Euro 0.2 million. Net income as at March 31, 2016 was Euro 0.6 million (-60.06%).

The **net financial position** amount to Euro 91.2 million (Euro 93.9 million at 12/31/2016). The non-current NFP is Euro 77.7 million, while the net financial position in short term amounted to Euro 13.5 million. The NFP/Net equity ratio equal to 1.52x, improves significantly (1.63x as at 31/12/2016).

**The Net Equity** amounted to Euro 59.7 million, with an increase of 3.85% (Euro 57.5 million at 12/31/2016). Net equity takes into account the treasury shares held in portfolio, which amounted to No. 1,012,224.

## **INDUSTRIAL RESULTS AS AT MARCH 31, 2017**

The design phase for the 10MW photovoltaic plant for STEG in Tunisia started.

The total number of photovoltaic plants built by TerniEnergia from the beginning of its activity is equal to 274, with an aggregate capacity of 425,27 MWp (13.2 MWp in full ownership and 30 MWp in joint venture for the Power Generation activity). Moreover, are connected to the grid biomass plants for a total of 1.5 MWe and 2 MWt.

The total energy production of the full ownership and joint ventures plants for the power generation business, in the first half was equal to around 13.5 million kWh. The business line Energy management has managed about 19 million Standard cubic meters of gas equivalent to 199,680 MWh. The Energy saving business line has made interventions for 372 lighting points with an expected saving of 2.2 million kWh and 405 TEPs.

In the environmental sector are operating two treatment and recycle plant of end of life tires (ELTs), the GreenAsm biodigestion and composting plant and finally the groundwater remediation plant in Nera Montoro (TR).

## **SIGNIFICANT EVENTS OCCURRED AFTER THE END OF FINANCIAL PERIOD**

### ***Signed an energy efficiency contract for an amount of Euro 4.3 million***

On April 5, 2017, TerniEnergia announced the signing of an energy efficiency contract with the TPF formula (third party financing), total worth approximately of Euro 4.3 million on behalf of COPERINICO Srl., a leading company in property management that promotes smartworking and accelerates business growth through a space, content and networking platform. The contract, which includes 12 years of service, regards the efficiency of COPERINICO Garibaldi, located in the former L'Oreal

building of about 12,500 square meters in the heart of Turin (ITA). The project will be realized through the TerniEnergia's formula "Hub" with the partnership of Aura Energy Srl..

## **BUSINESS OUTLOOK**

TerniEnergia, consequently to the acquisition of Softeco Sismat and Selesoft and to the strategic development programs identified by management, will complete the process of transformation in smart energy company active along the entire energy value chain, integrating, at the outcome of the due diligence procedures, the company Energetic, active in the energy management and trading "dual fuel" of gas and power. This agreement will also allow a significant increase in the activity of energy efficiency LOB, with an offer dedicated to the loyalty of the established customers of the company being acquired.

The company is focused in the entering in the field of services and development and industrial production solutions and smart technologies for the transmission and distribution of energy (smart grid), the flexible and timely management of production and energy consumption, energy efficiency, management of renewable energy and cleantech (energy islands). The Group intends to integrate the activities in renewables, energy efficiency and energy management with systems and innovative solutions with high added value, making it possible to introduce new technologies in the industry capable of act as a bridge between the industrial and "physical" business and the digital and "virtual" one.

TerniEnergia' LOB Technical services is strengthening the activities of scouting and market analysis for the development of new projects and to participate in new international tenders as "EPC contractor" for large utility or primary investors. Among the planned activities, the development of a giant scale plant in Egypt, important orders in Africa (Tunisia and Zambia) and landing in new high-growth markets (India).

The Cleantech LOB of the Company intends to complete a new plant in southern Italy for energy recovery through composting and anaerobic biodigestion. Finally it will completed the new treatment plant of industrial fluid waste in Nera Montoro (TR), which will intercept a substantial demand (58 thousand cubic meters/year) in a market segment experiencing a high technological activity with high growth prospects.

## **Declaration pursuant to Article 154-bis, paragraph two, of the Consolidated Finance Act**

*The Officer responsible for the preparation of the corporate accounting documents, Mr Paolo Allegretti, declares, pursuant to paragraph 2, art. 154-bis of the Consolidated Financial Act, that the accounting information that is contained in this press release correspond to the documentary results, the accounting books and records.*

**TERNIENERGIA (TER.MI)**, established in September 2005, and part of Italeaf Group, is the first Italian smart energy company, committed to bring worldwide integrated and sustainable energy solutions. Organized into four business lines (Technical services, Energy management, Energy efficiency and Cleantech), with about 500

employees and a geographic presence in almost the continents, with operational and sales offices, TerniEnergia develops solutions, innovative products and services based on digital and industrial technologies for the energy sector.

TerniEnergia, also through its subsidiaries, shall pursue the objectives of increasing energy production from renewable sources, energy efficiency and emissions reduction, as laid down by European environmental policy, and participates actively in the distributed power generation revolution and energy smart grids.

TerniEnergia is the ideal partner for large utilities, distributors and grid operators, power producers, public authorities, industrial customers and investors who intends to carry out large projects for the production of renewable energy plants and modern systems with high energy efficiency, solutions for the management and maintenance of the infrastructure and the electrical systems. TerniEnergia, through a complete technological and commercial offer, develops and provides technologies, turn-key services and solutions for energy consumers in the public and private sectors. The company is listed on the STAR segment of the Italian Stock Exchange.

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

### **Certified Adviser**

Mangold Fondkommission AB, +46 (0)8 5030 1550, is the Certified Adviser of Italeaf SpA on Nasdaq First North.

### **For further information please contact:**

Filippo Calisti

CFO – Italeaf S.p.A.

E-mail: [calisti@italeaf.com](mailto:calisti@italeaf.com)

**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, and Skyrobotic, in the business development and manufacture of civil and commercial drones in mini and micro classes for the professional market, Numanova, operating in the field of innovative metallurgy and additive manufacturing, and Italeaf RE, a real estate company. Italeaf holds a minority stake in Vitruviano LAB, a research center active in the R&D sector for special materials, green chemistry, digital transformation and cleantech.