



JOINT PRESS RELEASE

CIR AND VERBUND: SHAREHOLDER-BANK AGREEMENT SIGNED FOR SORGENIA

Milan, July 23 2014 – CIR-Compagnie Industriali Riunite S.p.A. and VERBUND AG announce that the current direct and indirect shareholders of Sorgenia – CIR, Sorgenia Holding and VERBUND AG - have signed an agreement with the lending banks of the energy company functional to the restructuring of the debt of Sorgenia. At the same time, Sorgenia has signed a standstill agreement with the same lending banks.

The debt restructuring process for Sorgenia will follow the “ex 182 bis” procedure and will involve, inter alia, a capital increase of 400 million euro in which the current shareholders will not take part and which will be subscribed entirely by the lending banks through the conversion of their receivables into capital of the company. The conversion of receivables by the banks is also envisaged for an amount of 200 million euro through a mandatory convertible (‘convertendo’).

Once the deal has been completed, specifically with the subscription of the capital increase by the new shareholders after ratification as per 182 bis, CIR, Sorgenia Holding and VERBUND AG will no longer hold any shares in Sorgenia. It is agreed that the direct shareholders Sorgenia Holding and VERBUND AG will receive an earn-out: more specifically, in the event of future distributions and/or sums realized, Sorgenia Holding and VERBUND AG will receive 10% of the amount obtained that is in excess of the capital subscribed by the lending banks capitalized at 10% per annum.

The next stages of the transaction, completion of which could take place around year end, will be announced promptly to the market.

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