



press release

Bologna, December 14, 2004

Merger of Agea S.p.A. into Hera S.p.A.

The public deeds were signed today for the merger of Agea S.p.A. into Hera S.p.A. and the total spin-off of Acosea S.p.A. into Hera S.p.A..

Simultaneously a new company was incorporated "Acosea Impianti S.r.l." .

The deed is effective as of December 31, 2004, with a consequent increase in the share capital of Hera S.p.A. from Euro 793,202,121 to Euro 839,903,881.

The merger and spin-off provides for the issue of new reserved shares in Hera S.p.A. to the public shareholders of Agea (51%) and Acosea (24.5%) equal to 46.7 million shares, of a nominal value of Euro 1, with an increase in the net equity of Hera equal to Euro 78.7 million.

The effective date of the merger is December 31, 2004 while the effective date for accounting and fiscal purposes is January 1, 2004.

In addition, from that date the amendments to articles 5, 16 and 17 of the Company By-Laws will be effective, approved in the most recent Shareholders' Meeting held on October 5, 2004.

The integration of Agea and the Management division of Acosea into Hera will result in the creation of a new Local Operating Company, Hera Ferrara, which will be operative as of January 1, 2005, and that in line with the model of the Hera Group, favours the integration and development of the synergies expected.

Comunicazione Hera S.p.A.

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