



## **press release**

Bologna 5/10/2004

### **PRESS RELEASE**

**HERA: the extraordinary shareholders' meeting approves the merger with Agea S.p.A. (Ferrara)**

#### **Increase in the number of members on the Board of Directors**

The shareholders' meeting of Hera S.p.A., meeting today in extraordinary session at Bologna, approved the merger/spin-off project of Agea S.p.A. and Acosea S.p.A. into Hera S.p.A..

The integration provides for the merger by incorporation of Agea S.p.A. into Hera S.p.A. and the simultaneous incorporation into Hera S.p.A. of the business unit of Acosea S.p.A. relating to the water cycle operations through a spin-off.

The effects of the merger provides for the incorporation, from January 1, 2005, of a Local Operating Company, with head office at Ferrara, that will guarantee the operational activity in the area in line with the model already adopted for Rimini, Ravenna, Forli/Cesena, Imola/Faenza and Bologna.

At Ferrara the new Geothermal and District Heating Division will be based, confirming the corporate organisational model of utilising local Know how and the excellence of the individual companies entering Hera.

The Shareholders' Meeting also approved the share capital increase of Hera S.p.A. – in relation to the merger and spin-off share swap - from the current Euro 793,202,121 up to a maximum of Euro 839,903,881 through the issue of a maximum of 46,701,760 ordinary shares, with a nominal value of Euro 1 each.

Following the integration of Agea, the Shareholders' Meeting also approved the increase in the number of members on the Board of Directors of Hera S.p.A., that passes from 13 to 14, with the entry of a new director representing the Ferrara region.