

Press release

Bologna, 19 June 2019

# The BoD of Hera S.p.A. authorises the issue of new notes and the refinancing of certain notes

The Board of Directors of HERA S.p.A. (the “**Company**”) has authorised the issue of senior non-convertible notes, under its Euro Medium Term Notes Programme updated on 18 June 2019, up to an aggregate principal amount of Euro 500,000,000, to be placed with qualified investors only (the “**Notes**”), granting to the Chief Executive Officer the powers to decide on and give effective execution to the issue of Notes, having regard to the market conditions evolution. A roadshow in the major European financial centers will start on 20 June 2019.

Net proceeds of the envisaged issue of Notes will be applied towards financing and/or refinancing, in whole or in part, the so-called eligible green projects of the Hera group identified in accordance with the so-called “Green Bond Principles” published by ICMA – International Capital Markets Association and the “Green Financing Framework” prepared by the Company and available on its website.

Furthermore, pursuant to the agreements entered into today with the Company, BNP Paribas S.A., in its capacity as offeror (the “**Offeror**”), has announced a cash tender offer addressed to qualified investors only and relating to (i) the €500,000,000 3.25 per cent. Notes due 4 October 2021 (ISIN Code: XS0976307040) (the “**2021 Notes**”) and (ii) the €500,000,000 2.375 per cent. Notes due 4 July 2024” (ISIN Code: XS1084043451) (the “**2024 Notes**”, and, together with the 2019 Notes, the “**Existing Notes**”), up to a nominal amount to be determined by the Offeror at its own discretion up to Euro 250,000,000, such amount being subject to the right of the Offeror to increase or decrease it in its sole and absolute discretion (the “**Tender Offer**”).

The purpose of the above issue is mainly to manage the Company's liabilities and extend its debt maturity profile.

The Tender Offer, whose terms and conditions are set forth in the tender offer memorandum dated 19 June 2019 and available to the noteholders of the Existing Notes (the “**Tender Offer Memorandum**”), is, *inter alia*, subject to (i) the pricing satisfactory to the Company of the Notes, (ii) the signing of a subscription agreement for the purchase of the Notes (the “**Subscription Agreement**”) and (iii) such Subscription Agreement remaining in full force and effect as at the settlement date of the Tender Offer.

The Offeror is not under any obligation to accept for purchase any Existing Notes tendered pursuant to the Tender Offer. The acceptance for purchase by the Offeror of Existing Notes is at the sole discretion of the Offeror and tenders may be rejected by the Offeror for any reason.

If the Offeror decides to accept valid tenders of Existing Notes pursuant to the Tender Offer, the total amount (rounded to the nearest €0.001, with €0.0005 rounded upwards) that, on the settlement date, will be paid by the Offeror to each noteholder whose Existing Notes have been accepted for purchase is:

with respect to the 2021 Notes, equal to the sum of

## CONTACTS

Director of External Relations  
Hera S.p.A.  
Giuseppe Gagliano  
051.287595  
[giuseppe.gagliano@gruppohera.it](mailto:giuseppe.gagliano@gruppohera.it)

Head of Media Relations  
Hera S.p.A.  
Cecilia Bondioli  
051.287138 - 320.4790622  
[cecilia.bondioli@gruppohera.it](mailto:cecilia.bondioli@gruppohera.it)

[www.gruppohera.it](http://www.gruppohera.it)

- a) the product of (i) the aggregate principal amount of the Existing Notes accepted for purchase from such noteholder pursuant to the Tender Offer and (ii) the relevant purchase price to be determined in the manner described in the Tender Offer Memorandum by reference to the purchase yield (showed in the table below); and
- b) the interests accrued on the relevant Existing Notes, from (and including) the preceding interest payment date to (but excluding) the settlement date for the Tender Offer,

with respect to the 2021 Notes, equal to the sum of

- a) the product of (i) the aggregate principal amount of the Existing Notes accepted for purchase from such noteholder pursuant to the Tender Offer and (ii) the relevant purchase price to be determined in the manner described in the Tender Offer Memorandum by reference to the purchase spread (showed in the table below); and
- b) the interests accrued on the relevant Existing Notes, from (and including) the preceding interest payment date to (but excluding) the settlement date for the Tender Offer.

The table below sets forth the terms and conditions of the Tender Offer.

Notes	ISIN Code	Outstanding principal amount	Benchmark	Purchase spread	Purchase yield
€500,000,000 3.25 per cent. Notes due 4 October 2021 (i “Titoli 2021”)	XS0976307040	€289.849.000	N/A	N/A	-0.15% <sup>1</sup>
€500,000,000 2.375 per cent. Notes due 4 July 2024 (i “Titoli 2024”)	XS1084043451	€500.000.000	2024 Notes Interpolated Mid-Swap Rate	50 bps	N/A

<sup>1</sup> For information purposes only, the purchase price for the 2021 Notes will, when determined in the manner described herein on the basis of a Settlement Date of 1 July 2019, be 107.704 per cent. Should the Settlement Date in respect of the 2021 Notes accepted for purchase pursuant to the Offer differ from 1 July 2019, the relevant purchase price will be recalculated, all as further described herein..

If the aggregate principal amount of the Existing Notes validly tendered for purchase pursuant to the Tender Offer is greater than the amount of the Existing Notes that the Offeror intends to purchase, the Offeror will accept the relevant tenders on a *pro rata* basis.

The Tender Offer, which starts today, will expire on 26 June 2019, subject to the right of the Offeror to extend, re-open, amend and/or terminate it. The settlement date for the Tender Offer is expected to fall on 1 July 2019.

Further information on the terms and conditions of the Tender Offer are set out in the Tender Offer Memorandum.

Simultaneously with, by separately from, the Tender Offer, the Company may also consider, at its sole discretion, to purchase, through the Offeror, in whole or in part, one or more series of the following series of notes issued by the Company and privately placed to a limited number of investors: (i) €32,000,000 3.5 per cent. Fixed Rate Notes due 22 May 2025 (ISIN Code: XS0935947977); (ii) €30,000,000 5.25 per cent. Fixed Rate Notes due 14 May 2027 (*Namesschuldverschreibung*); and (iii) €30,000,000 5.25 per cent. Fixed Rate Notes due 14 May 2027 (ISIN Code: XS0782473556).

**This notice does not constitute an invitation to participate in the Tender Offer in any jurisdiction in which, or to any person to whom, it is unlawful to make such invitation or for there to be such participation under applicable securities laws and regulations. The distribution of this notice or the**



**Tender Offer Memorandum in certain jurisdictions may be restricted by law and regulations. Persons into whose possession this notice comes are required to inform themselves about, and to observe, any such restrictions.**

**Specific restrictions are included in the Tender Offer Memorandum.**