



Press release

Bologna, 25 November 2016

Hera Comm is awarded contract to supply electricity to safeguarded customers in 11 regions

Around 500 million Euros in estimated annual turnover, with resultant positive effects in terms of operating profit. The Hera Group company will manage this service in the 2017-2018 two-year period for approximately 45,000 supply points, supplying a total of over 2 TWh of energy per year

From 1 January 2017 until 31 December 2018, the Hera Group's sales company Hera Comm will manage electricity services for safeguarded customers in eleven regions: Emilia-Romagna, Veneto, Friuli-Venezia Giulia, Tuscany, the Marche, Umbria, Sardinia, Campania, Abruzzo, Calabria and Sicily, which correspond to six contract areas in the national Single Buyer competitive contracting process.

This service covers approximately 45,000 supply points for safeguarded customers in the regulated market, for approximately 2.2 TWh of total energy. The annual turnover deriving from the management of this service is estimated at **approximately 500 million Euros, which is over 50 million more than the previous period** and will result in a **significant improvement in the performance of the Hera Group in electricity sales** both in terms of EBITDA (which amounted to 65 million Euros in 2015) and operating profit.

The service of supplying electricity to safeguarded customers, which Hera has managed since 2009, involves public administrations and specific businesses with more than 50 employees or more than 10 million Euros of turnover or companies that utilize medium voltage and have not chosen a provider on the unregulated market or are temporarily without a provider.

Hera Comm was chosen to provide electricity to safeguarded customers in these 11 regions due to its economically advantageous offer. This is an important achievement that joins others such as Hera's recently being awarded the natural gas default service for end customers for the October 1, 2016 - September 30, 2018 period in the same number of regions (Emilia-Romagna, Veneto, Friuli-Venezia Giulia, Trentino-Alto Adige, Tuscany, the Marche, Umbria, Valle d'Aosta, Piedmont, Liguria and Lombardy).

In this way the Hera Group confirms its leading place among energy providers on the Italian stage, with over 2.1 million energy customers served, a fifth-place position among electricity providers at the national level (with over 9.6 TWh of electricity sold in 2015) and a fourth-place position in natural gas sales (with approximately 3.4 billion cubic meters of gas sold).

As Stefano Venier, CEO of the Hera Group, has stated: "We are proud to have won this competitive bidding process, as we won the default gas one, because it represents an important step forward in terms of developing our commercial services. The experience we have gained in this sector over the past seven years will allow us to offer businesses and PA our professionalism and expertise in the management of a major market share of energy customers throughout Italy."

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