

PRESS RELEASE

**F2i purchases the entire portfolio of vegetable biomass plants of the Enel Group, becoming the leader in the sector in Italy**

**Agreements already in place with local governments and Italy's Coldiretti farmers confederation for the collection of cuttings from agricultural work and the cleaning of riverbeds and woodlands**

**The operation further reinforces the presence of F2i in the national renewable energy sector in Italy, where it already holds a leading position in the production of electricity from wind and solar sources**

**Milan, June 28th 2018** - F2i SGR, acting on behalf of its Second Fund, has signed an agreement with two companies of the ENEL Group, ENEL Produzione and ENEL Green Power, calling for:

- the purchase of two plants for the production of electric energy from vegetable biomass, for combined power of 47 MW; the plants are located in the Italian regions of Calabria and Emilia-Romagna;
- the purchase, upon completion of the period of construction (scheduled for the end of 2018), of two more plants, for a combined electrical power of 48 MW; these plants are located in the Italian regions of Sardinia and Emilia-Romagna, and production activities are scheduled to begin by the end of 2018;
- the acquisition of a development project in the Italian region of Lombardy for a fifth plant, with electrical power of 12 MW; the operation is to be completed upon conclusion of the authorisation procedure, foreseen for 2019.

With this initiative, F2i becomes one of Europe's foremost operators in the production of electric energy from vegetable biomass, reinforcing its presence in the renewable energy sector, where it already plays a leading role in wind and solar energy.

The operation is part of F2i's strategy for the entire sector of vegetable-biomass renewable energy, an effort already initiated in 2017 with the acquisition of San Marco Bioenergie Spa, a company that manages an electric power plant of 21 MW in the town of Bando d'Argenta (Province of Ferrara, Italy).

F2i acquired the company to benefit from efficiencies of production and supply while, at the same time, taking advantage of a concrete opportunity to generate meaningful social and environmental benefits by optimising and safeguarding Italy's forestry resources, cleaning riverbeds and contributing to agricultural activity through the disposal of farming waste.

F2i plans, through relations already being established with the Coldiretti farmers association for the development of multiyear, sector-wide contracts involving the reclamation of abandoned land, to take part - in accordance with current regulations and legislation on woodlands - in new rural development initiatives geared towards reclaiming unfarmed hillside land that, in decades past, has been left to grow wild, becoming low-quality forests that present a high risk of fire.

Always aware of environmental issues, F2i is also willing to work alongside government authorities and bodies, as well as the managers of river channels and beds, in carrying out maintenance activities, in order to reduce the hydrogeological risks that, due to the climate change of recent years, appear increasingly ominous.

As for integration with the farming sector, F2i's objective is to further develop the initiatives already being pursued by San Marco Bioenergie, meaning the production of energy from agricultural waste, including, among other materials, dug-up plants and pruning scraps from fruit trees that have reached the end of their cycle. This approach has already been implemented in the Emilia Romagna region, and there are plans to replicate it through a close partnership with the agricultural world, bringing into play both central organisations and local entities.

*“The challenge that we've taken upon ourselves with this investment”, observes F2i's CEO Renato Ravanelli, “is to transform electric power plants into facilities that serve the agricultural system, as well as the local authorities responsible for preventing the deterioration of woodlands, rivers and streams. F2i is simply living up to its mission of being a private investment fund capable of pursuing the objective of creating long-term value while also presenting business proposals guaranteed to result in positive fallout for the entire national economic system”.*

Completion of the operation, which depends on, among other things, approval from the antitrust authority, could take place through more than one closing during 2018 and 2019, once the conditions contractually agreed to by the parties are in place.

UniCredit acted as exclusive financial advisor for F2i.

The banks providing financing for the operation are UniCredit, UBI Banca, MPS, Banco BPM and BPER. F2i receives legal advice and services from the Chiomenti firm. Its marketing and technical advisers are, respectively, Bain&Co and Forni Engineering. The accounting and tax advisers are KPMG and CBA.

*(\*) F2i, the acronym for Fondi Italiani per le Infrastrutture, an asset management company founded in 2007 and led by CEO Renato Ravanelli, is the largest infrastructure fund operating in Italy, and one of the largest in Europe. To date, F2i's Second Fund and Third Fund have collected subscriptions for an overall total of approximately 4.7 billion euro, of which roughly 60% is already invested in infrastructure sub-compartments in Italy (airports, highways, distribution of natural gas, waterworks, renewable energy, telecommunications, logical networks and healthcare).*

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