

**TERNA: AGREEMENT SIGNED FOR THE ACQUISITION
OF THE NATIONAL TRANSMISSION AND THE HIGH VOLTAGE GRID OWNED BY A2A**

- *Agreement for the acquisition by Terna Linee Alta Tensione S.r.l. ("Telat"), a fully owned subsidiary of TERNA S.p.A., of the entire capital of Reti Trasmissione Energia Elettrica ASM S.r.l. ("Retrasm"), a company fully owned by A2A S.p.A. ("A2A").*
- *Total consideration equal to 36.45 million euro.*

Rome, December 22, 2009 – The Terna Group, through Telat, a fully owned subsidiary of TERNA S.p.A. ("Terna"), signed an agreement today with A2A for the acquisition by Telat of the entire capital of Retrasm, a transmission company fully owned by A2A.

Retrasm currently manages a portion of the electricity National Transmission Grid ("NTG"), equal to approximately 180 km of lines and of 2 substations including the substation of *Ponti sul Mincio*, which is excluded from the acquisition ("NTG Perimeter").

Based on today's agreement prior to the closing - and through a partial splitting of A2A Reti Elettriche S.p.A. ("A2A Reti Elettriche"), a company fully owned by A2A - A2A will also transfer to Retrasm the high voltage lines of A2A Reti Elettriche (currently classified as distribution assets), consistent in 108 km of lines at 132 kV, in the bays connected to these lines and located on 22 HV/MV substations, and the related obligations ("HV Lines").

2008 pro-forma revenues of NTG Perimeter, are estimated at about 3.9 million euro, with the EBITDA is at about 3.3 million euro; pro-forma revenues at regime for HV Lines is estimated at 3.5 million euro with EBITDA of 1.7 million.

The consideration for the enterprise value of the transaction - inclusive of the Perimeter of NTG and the HV Lines, but excluding the *Ponti sul Mincio* substation - is equal to 36.45 million euro. The price, to be fully paid at closing, will be reduced by Retrasm's net financial debt at the closing date.

This transaction will allow the TERNA Group to further consolidate its portion of the NTG, adding a further 0.38 % of the NTG, based on 2008 perimeter, reaching nearly 99%.

The closing of the transaction is subject, among the others conditions, to the approval of the Antitrust Authority, to the completion of the above mentioned splitting as well as to the inclusion, by the relevant Authorities, of the HV Lines into the NTG.

TERNA was assisted in the transaction by Lazard as financial advisor, by Ernst & Young as accounting advisor and by Studio Bonelli Erede Pappalardo as legal advisor.

In this release, some "alternative performance indicators" (Ebitda) were used, whose meaning and contents are explained here below pursuant to CESR/05-178b recommendation published on November 3, 2005:

- Ebitda (Gross operating margin): represents an indicator of the operating performance; it is calculated by adding amortization to the Operating Income (EBIT).