



PRESS RELEASE
Terni, March 24, 2017

**TerniEnergia: the Board of Directors approved the Stock Grant Plan
2017-2019**

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The Board of Directors of TerniEnergia, which met today, has resolved, with the approval of the Committee for the Compensation, an incentive plan (the "Stock Grant Plan 2017-2019" - the "Plan") based on shares of the Company in favor of senior management. The Plan provides for the free allocation of ordinary shares subject to the achievement of certain performance targets linked to the value of the Company and to the share price.

The plan, which will be submitted for approval to the Shareholders' Meeting, intends (i) to link the remuneration of the persons identified as beneficiaries of the Plan to the actual performance of the Company and the creation of new value for TerniEnergia, as wished for in the Corporate Governance Code for Listed Companies; (ii) orienting key corporate resources toward the creation of value and strategies for pursuing the medium to long-term results; (iii) aligning the interests of the beneficiaries of the Plan with those of shareholders and investors; (iv) introducing retention policies to retain the Plan beneficiaries and encourage their stay in the Company or in TerniEnergia Group; (v) motivate and retain the current management of the Company and develop the Company's ability to attract potential new managers, in line with its industrial market practices.

The shares at the service of the Plan will derive by an appropriate share capital increase, pursuant to article 2349, paragraph 1, of the Civil Code, to be approved by the Shareholders' Meeting.

The Board of Directors has resolved to submit the approval of the said divisible capital increase of maximum Euro 2,959,862, corresponding to a maximum n. 2,354,478 ordinary shares of the company, through the use of a special reserve of profits bound to service of the Plan, to be drawn from a pre-existing free equity reserve powered by undivided profits.

In addition to the above proposals will be submitted for approval to amend the art. 5 of the Bylaws to the extraordinary Shareholders' Meeting.

The Board has determined to grant to the Chairman and CEO, Stefano Neri, the mandate to convene the Ordinary and Extraordinary Shareholders' Meeting of TerniEnergia S.p.A. to deliberate on the floor of the Stock Grant Plan 2017-2019, the capital increase and the Bylaws changes.



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For more information, please see the information document pursuant to art. 84-bis of the Issuer Regulations and reports on the agenda of the ordinary and extraordinary Shareholders' Meeting that will be made available to shareholders in the manner and within the time prescribed by law.

The Board of Directors has finally examined and approved the Remuneration Report to be published and made available on the Company's website (www.ternienergia.com), establishing the remuneration of the Executive Directors and the guidelines for the remuneration of executives key management, according to best-practice tips.

This press release is also available on the Company's website: www.ternienergia.com.

TERNIENERGIA (TER.MI), established in September 2005, and part of Italeaf Group, is the first Italian smart energy company, committed to bring worldwide integrated and sustainable energy solutions. Organized into four business lines (Technical services, Energy management, Energy efficiency and Cleantech), with about 500 employees and a geographic presence in almost the continents, with operational and sales offices, TerniEnergia develops solutions, innovative products and services based on digital and industrial technologies for the energy sector.

TerniEnergia, also through its subsidiaries, shall pursue the objectives of increasing energy production from renewable sources, energy efficiency and emissions reduction, as laid down by European environmental policy, and participates actively in the distributed power generation revolution and energy smart grids.

TerniEnergia is the ideal partner for large utilities, distributors and grid operators, power producers, public authorities, industrial customers and investors who intends to carry out large projects for the production of renewable energy plants and modern systems with high energy efficiency, solutions for the management and maintenance of the infrastructure and the electrical systems. TerniEnergia, through a complete technological and commercial offer, develops and provides technologies, turn-key services and solutions for energy consumers in the public and private sectors. The company is listed on the STAR segment of the Italian Stock Exchange.

For further info:

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