3Q & 9M 2010 RESULTS

Pietro Giordano

Chairman

FORWARD LOOKING STATEMENTS

This document contains certain forward-looking information that is subject to a number of factors that may influence the accuracy of the statements and the projections upon which the statements are based.

There can be non assurance that the projections or forecasts will ultimately prove to be accurate; accordingly, the Company makes no representation or warranty as to the accuracy of such information or the likelihood that the Company will perform as projected.

3Q & 9M 2010 PERFORMANCE

3Q 2010

- Electricity production at 92,3GWh: +59,4% YoY
- Revenues at €15,6mn, up 48,4% YoY
- EBITDA at €5,0mn, down 2,3% YoY
- Group Net Result: -€9,3mn vs. -€4,3mn in 3Q 2009
- CAPEX were €14,1mn

9M 2010

- Electricity production at 282,3GWh: +35,9% YoY
- Revenues at €44,9mn, up 33,9% YoY
- EBITDA at €20,0mn, up 42,4% YoY
- Group Net Result: -€3,7mn vs. -€10,3mn at 30/09/2009
- CAPEX were €53,0mn

ERG Renew

3Q & 9M 2010 RESULTS

3Q & 9M 2010 EBITDA

3Q 2010	3Q 2009	% of change	Euro Millions	9M 2010	9M 2009	% of change
15,6	**10,5**	***48,4%***	**Operating Revenues**	**44,9**	**33,5**	***33,9%***
5,0	**5,1**	***-2,3%***	**EBITDA**	**20,0**	**14,1**	***42,4%***
6,4	6,1	*3,6%*	*- Wind Italy*	20,5	17,9	*14,6%*
1,0	1,1	*-8,0%*	*- Wind France*	*4,9*	4,2	*15,6%*
7,4	**7,2**	*1,8%*	***TOTAL WIND***	***25,3***	***22,1***	***14,8%***
0,4	0,1	*197,2%*	*- Water Services*	1,1	0,6	*100,7%*
(2,8)	(2,3)	*-22,8%*	*- Holding Costs*	(6,4)	(8,6)	*24,9%*

3Q 2010 EBITDA at €5,0mn vs. €5,1mn in 3Q09 as a result of:

- Rise in domestic (+89,8%), (+3.9% excl. ERG Eolica Adriatica) and slight slowdown in French production (-0,9%)
- Negative electricity price effect in Italy (-1.7%) and slightly negative in France (-1,4%)
- €2.8mn provision Italian wind business mainly associated with some extraordinary works at Vicari wind park and to a credit write-off
- 22,8% decline at the Holding level due to advisory costs relative to EEA acquisition

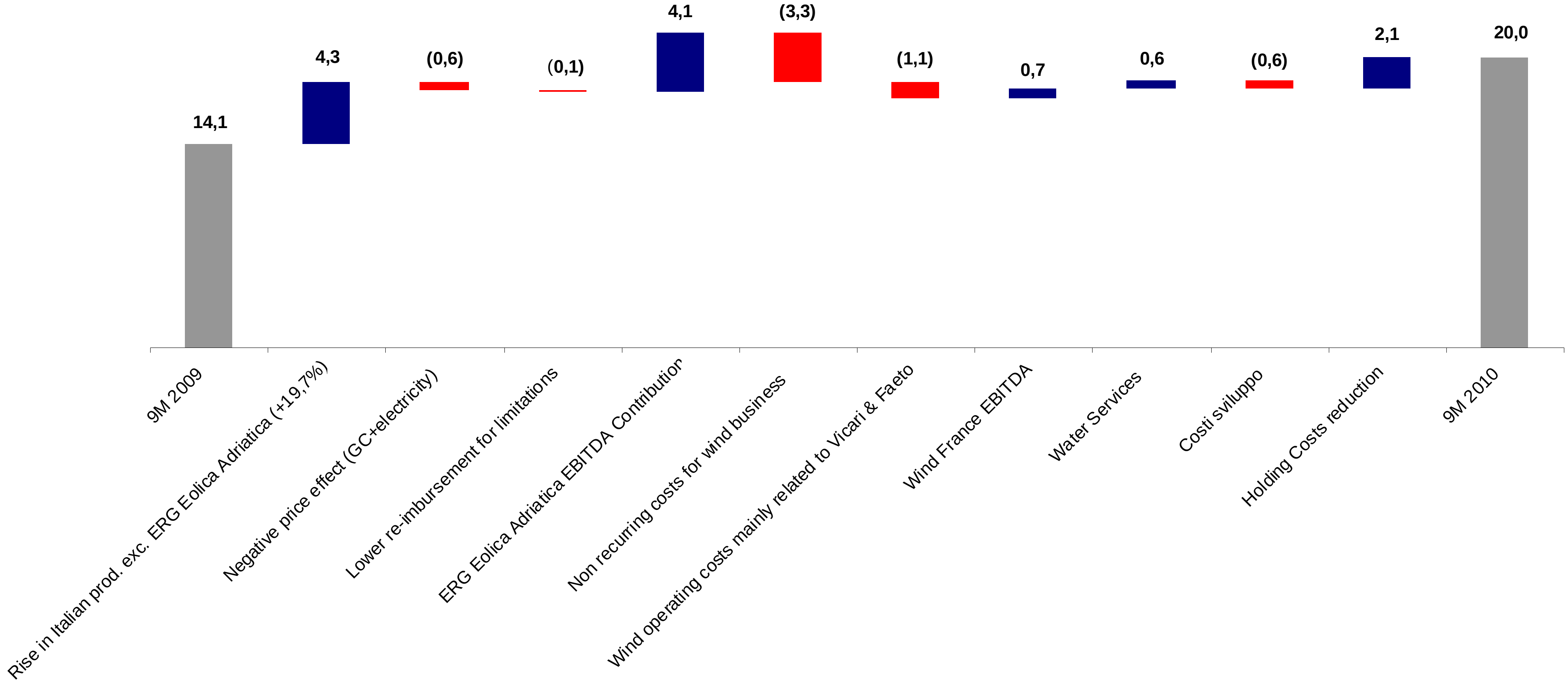
9M 2010 EBITDA at €20,0mn vs. €14,1mn in 9M09 as a result of:

- Rise in domestic (+43,6%), (+19.7% excl. ERG Eolica Adriatica) and French production (+ 20,6%)
- Negative electricity price effect in Italy (-2,9%) and in France (-1,4%)
- €3.3mn provision in Italian wind business mainly associated with some extraordinary works at Vicari wind park and to a credit write-off
- 24,9% improvement at the Holding level thanks to cost savings

Rise in production & negative one offs in Italian wind

ERG Renew

9M 2010 EBITDA AT A GLANCE



Positive contribution from ERG Eolica Adriatica, rise in production and Holding cost savings

KEY FINANCIALS

3Q 2010	3Q 2009	Euro Millions	9M 2010	9M 2009
15,6	10,5	Operating Revenues	44,9	33,5
5,0	**5,1**	**EBITDA**	**20,0**	**14,1**
31,8%	48,2%	*Margin*	*44,6%*	*42,0%*
(8,6)	(7,1)	Depreciation	(20,5)	(16,9)
(0,0)		Write-offs	(0,0)	
(3,7)	**(2,0)**	**EBIT**	**(0,5)**	**(2,8)**
-23,5%	-19,2%	*Margin*	-2,6%	-8,4%
(7,9)	(3,1)	Net Financial income (Expenses)	(12,6)	(8,9)
(0,2)	(0,2)	Net income from participations	(0,5)	(0,6)
(11,7)	**(5,3)**	**Pre-Tax Profit**	**(13,6)**	**(12,3)**
2,3	1,0	Taxes	9,0	2,4
0,0	(0,0)	Minorities	(0,1)	(0,2)
0,1	(0,0)	Results of Discontinied assets	1,0	(0,3)
(9,3)	**(4,3)**	**Net Profit**	**(3,7)**	**(10,3)**
		Net Debt	**651,5**	**291,0***
14,1	**11,3**	**Capex**	**53,0**	**27,2**

* Net Debt at 31/12/2009

Net of non ecurring items EBITDA 3Q10 would have been at € 7.8mn (50%)

Higher depreciation and financial charges as a result of EEA contribution

NET OF NON RECURRING ITEMS 9M2010 RESULT AT € (0,4)MN VS €(10.3) 9M2009

BALANCE SHEET AND CASH FLOW

Balance Sheet

Euro Millions	30/09/2010	31/12/2009
Fixed assets	685,1	401,9
Staff Leaving Indemnities	(0,6)	(0,5)
Net Working capital	67,0	(3,1)
Net Invested capital	**751,5**	**398,3**
Third parties interest	0,5	0,4
Equity	**100,0**	**107,3**
Net Debt	**651,5***	**291,0**
Total Financial Resources	**751,5**	**398,3**

* Of which €218.3mn relative to ERG Eolica Adriatica

Consolidated Cash Flow

Euro Millions	30/09/2010
Operating Profit	**(0,5)**
Depreciation & Amort.	20,6
Working capital	(70,1)
Deferred taxes	9,0
CASH FLOW FROM OPERATING ACTIVITIES	**(41,0)**
CAPEX	(53,0)
Disposals	5,2
Financial investments	0,3
Δ Consolidation perimeter	(255,8)
CASH FLOW FROM INVESTMENT ACTIVITIES	**(303,3)**
Interests	(12,6)
Other	(3,6)
CASH FLOW FROM FINANCIAL ACTIVITIES	**(16,2)**
TOTAL CASH FLOW	**(360,5)**
NFP at 31/12/2009	**(291,0)**
NFP at 30/06/2010	**(651,5)**

*

- Net Invested Capital at €751,5mn, vs. €398.3mn at the end of 2009
- Cash Flow negative at €360,5mn of which €255.8mn due to EEA acquisition
- Change in net working capital mainly due to consolidation of EEA
- Net debt at €651,5mn, vs. €291mn at 31/12/2009

WIND ITALY: KEY FIGURES

3Q 2010	3Q 2009	*% of change*	Euro Millions	9M 2010	9M 2009	*% of change*
12,1	**7,2**	*68,4%*	**Revenues**	**31,8**	**22,7**	*40,4%*
6,4	**6,1**	*3,6%*	**EBITDA**	**20,5**	**17,9**	*14,6%*
52,7%	*85,7%*		*Margin (%)*	*64,4%*	*78,9%*	
(6,5)	(5,2)		Depr., amort. & Prov.	(14,5)	(11,2)	
(0,1)	**1,0**	*-114,5%*	**EBIT**	**6,0**	**6,6**	*-9,7%*
-1,2%	*13,8%*		*Margin (%)*	*18,8%*	*29,3%*	

3Q 2010 Revenues: +68,4% YoY
- Higher volumes: from 38,5GWh to 73,1GWh
- €0.8mn reimbursement for Terna's limitations (out of which €0.5mn relative to EEA) vs. €0.2mn in 3Q 2009
- lower electricity price, from 69,2€/MWh to 68,0€/MWh

9M 2010 Revenues: +40,4% YoY
- Higher volumes: from 138,8GWh to 199,3GWh
- €1.2mn reimbursement for Terna's limitations (out of which €0.5mn relative to EEA) vs. €0,8 in 9M 2009
- Lower electricity price, from 69,3€/MWh to 67,2€/MWh

3Q 2010 EBITDA: €6,4mn vs €6,1mn
- Consolidation of ERG Eolica Adriatica as of July 24th
- €2,8mn provision for wind business

9M 2010 EBITDA: €20.5mn vs €17.9mn
- Consolidation of ERG Eolica Adriatica as of July 24th
- €3.3mn provision for wind business

Higher production and non recurring items

ERG Renew

WIND ITALY: PRODUCTION AND PRICES BY PARK

3Q 2010	3Q 2009	% of change		9M 2010	9M 2009	% of change
73,1	**38,5**	***89,8%***	**Total Sold Production (GWh)**	**199,3**	**138,8**	***43,6%***
			of which			
12,4	11,1	*11,5%*	San Vincenzo (42MW)	44,3	39,5	*12,2%*
9,9	9,8	*0,3%*	San Cireo (30MW)	37,2	34,5	*8,0%*
2,1	2,7	*-23,5%*	Viticuso (9MW)	9,8	10,8	*-9,1%*
8,5	6,3	*35,9%*	Vicari (3,5MW)	47,3	38,4	*23,2%*
6,9	8,2	*-15,3%*	Faeto (24MW)	27,0	14,7	*84,1%*
0,1	0,3	*-56,1%*	Pian dei Corsi (1,6MW)	0,6	1,0	*-42,4%*
15,0			Rotello (40MW)	15,0		
18,1			Ascoli Satriano (61,8MW)	18,1		
			Prices (Eur/GWh)			
68,0	69,2	-1,7%	Electric Energy	67,2	69,3	-2,9%
86,7	88,2	-1,7%	Green Certificates	86,7	88,2	-1,7%

- Higher electricity production in 9M 2010 (+43.6%): Vicari and Faeto wind parks full contribution,consolidation of Rotello and Ascoli Satriano as of end of July, higher limitations
- Lower electricity price (-2.9%)

WIND FRANCE: OPERATING & FINANCIAL RESULTS

3Q 2010	3Q 2009	% of change	Euro Millions	9M 2010	9M 2009	% of change
1,6	**1,7**	***-1,8%***	**Revenues**	**6,9**	**6,0**	***13,9%***
1,0	**1,1**	***-8,0%***	**EBITDA**	**4,9**	**4,2**	***15,6%***
61,1%	*65,2%*		*Margin (%)*	*70,9%*	*69,9%*	
(2,0)	(1,7)		Depr., amort. & Prov.	(5,6)	(5,2)	
(1,0)	**(0,7)**	***46,7%***	**EBIT**	**(0,7)**	**(1,0)**	***-27,3%***
-59,6%	*-39,9%*		*Margin (%)*	*-10,8%*	*-16,9%*	
19,3	**19,4**	***-0,9%***	**Total Sold Production (GWh)**	**83,0**	**68,9**	***20,6%***
			of which			
4,0	4,1	*-2,9%*	Hetomesnil (11,5MW)	15,3	13,8	*10,7%*
2,9	3,7	*-21,3%*	Le Mardeaux (11,5MW)	15,3	14,0	*9,8%*
3,4	3,6	*-6,1%*	Le Carreau (9,2MW)	15,2	13,5	*13,3%*
3,8	3,9	*-1,5%*	Lihus (11,5MW)	14,9	12,5	*19,3%*
3,4	4,1	*-18,7%*	La Bruyere (11,5MW)	16,6	15,1	*9,7%*
1,8			Plogastel (9,2MW)	5,6		
			Prices (Eur/GWh)			
84,8	86,1	*-1,4%*	Feed-in tariff	84,8	86,0	*-1,4%*

3Q 2010 Revenues:at €1.6mn, down 1,8% YoY
- Electricity produced 19,3GWh, down 0,9% YoY
- Feed-in tariff: 84,8 €/MWh, down 1,4% YoY

3Q 2010 EBITDA: at €1,0mn, down 8,0% YoY

9M 2010 Revenues:at €6.9mn, up 13,9% YoY
- Electricity produced 83,0GWh, up 20,6% YoY
- Feed-in tariff: 84,8 €/MWh, down 1,4% YoY

9M 2010 EBITDA: at €4,9mn, up 15,6% YoY

ERG Renew

WATER SERVICES: OPERATING & FINANCIAL RESULTS

3Q 2010	3Q 2009	% of change	Euro Millions	9M 2010	9M 2009	% of change
1,6	**1,7**	***-1,9%***	**Revenues**	**5,8**	**4,8**	***19,8%***
0,4	**0,1**	***197,2%***	**EBITDA**	**1,1**	**0,6**	***100,7%***
25,6%	*8,4%*		*Margin (%)*	*19,7%*	*11,8%*	
(0,1)	(0,1)		Depr., amort. & Prov.	(0,4)	(0,3)	
0,3	**0,0**		**EBIT**	**0,8**	**0,2**	***224,5%***
			Margin (%)	*13,1%*	*4,8%*	
			Volumes			
81,2	78,3	*3,8%*	SODAI (liquid waste) (cm)	275,6	278,8	*-1,2%*
8,4	13,7	*-38,9%*	DSI (liquid waste) (cm)	30,4	21,6	*40,8%*
1,4	1,3	*9,7%*	DSI (solid waste) (tons)	5,2	4,2	*25,0%*

3Q 2010 Revenues:at €1,6mn, down 1,9% YoY

- SODAI volumes up 3,8%, DSI liquid waste down 38.9%, DSI solid waste up 9.7%

3Q 2010 EBITDA: at €0.4mn, vs. €0,1mn in 3Q 2009

9M 2010 Revenues:at €5,8mn, up 19,8% YoY

- SODAI volumes down 1,2%, DSI volumes strongly up

9M 2010 EBITDA: at €1.1mn, vs. €0,6mn in 9M 2009

Water services non core assets to be disposed within the end of 2010

FINAL REMARKS

SHORT TERM OUTLOOK AND GUIDANCE FOR 2010

2013 target for installed capacity at 530MW after the IVPC Power 5 acquisition:

- Ginestra (40MW): construction almost completed, start up within 1H 2011
- Fossa del Lupo (90MW): construction in progress, to be completed within 1H 2011
- Greneville (20MW): delay in obtaining the final authorization (so called ZDE), now expected in 2011

Guidance for 2010

- Increase in overall production despite the expected continuation for the entire 2010 of slowdowns at San Vincenzo, San Cireo, Faeto, Vicari and Ascoli Satriano
- contribution of the two recently acquired wind parks (total installed capacity of 102MW) as of end of July 2010
- 2010 CAPEX lowered at €65-70mn

Expansion plan on top of the above targets under definition and backed by ERG strong commitment to renewables

ERG Renew