

ACTELIOS

Star Conference 2007



Actelios is part of the Falck Group

Falck has just celebrated 100 years of successful industrial history


1906 Falck started as a steel making company

A century of achievements



Actelios SpA is listed on the Italian Stock Exchange in the STAR segment

-  **1917** First hydro-electric plants to supply steel works
-  **1963** Listing of Falck SpA on the Italian Stock Exchange
-  **1983** Incorporation of Sondel SpA (Società Nordelettrica SpA) with 9 hydro-electric plants (330MW) feeding Falck's steel plants
-  **1986** Listing of Sondel SpA on the Italian Stock Exchange
-  **90s** Sondel becomes Italy's second largest independent power producer through expansion into gas based cogeneration and district heating
-  **2002** De-merger of Falck (exit of Sondel) and of Cmi. New business focus on **renewable energy**
Incorporation of Actelios SpA and listing on the Italian Stock Exchange
Incorporation of Falck Renewables Ltd.

-  **2006** First step of Actelios' growth realized
Successful completion of a capital increase of € 250.4 million
Development of new projects using other renewables sources (agricultural reconversion, photovoltaic, biomass)
Installed capacity in wind power has reached 122 MW

Falck Group Key activities & Financial Highlights – Ifrs Gaap

euro millions

Renewable energy

WTE/BIOMASS

ACTELIOS
GRUPPOFALCK

WIND ENERGY

FALCK RENEWABLES
GRUPPOFALCK

STEEL SECTOR

ITLA-RTL/FA-CNS

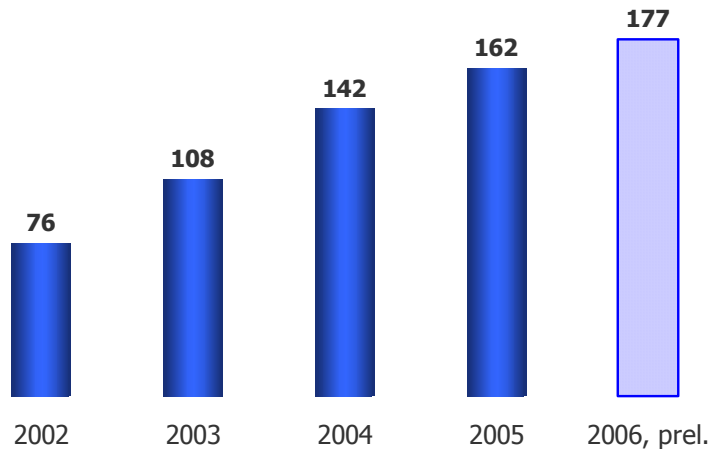
Service centres:

- Cold rolled high carbon steel strips
- Trading of hot rolled strips and coils

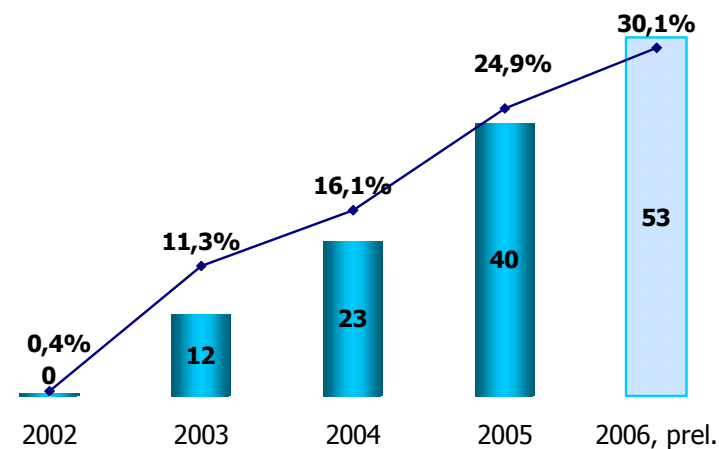
Other activities

- Financial investments in listed companies
- Factoring activities

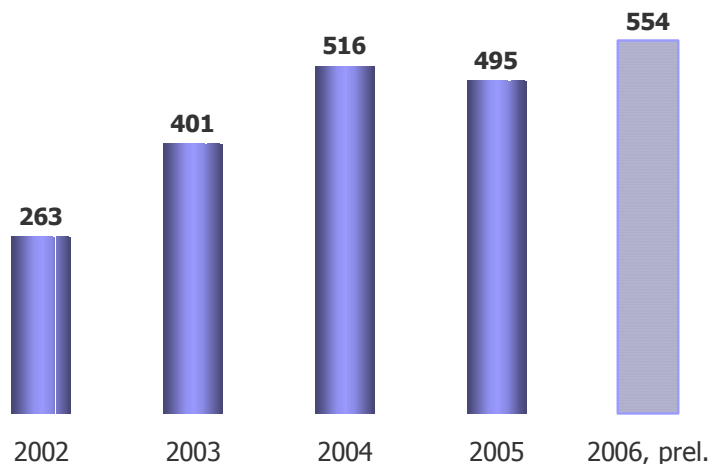
Revenues



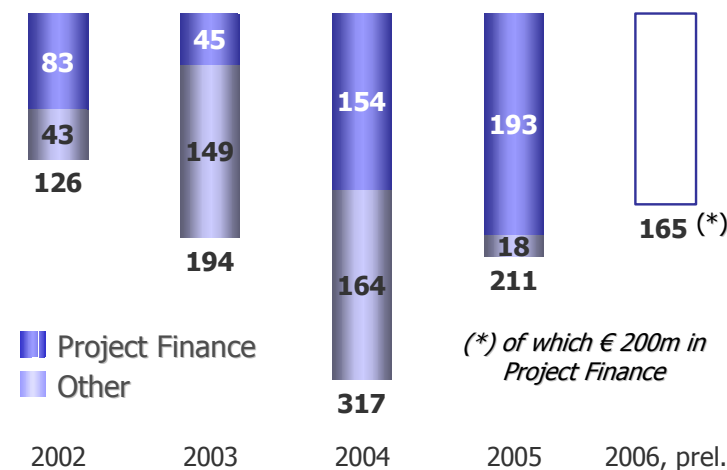
Ebitda



Net Invested Capital



Net Financial Position

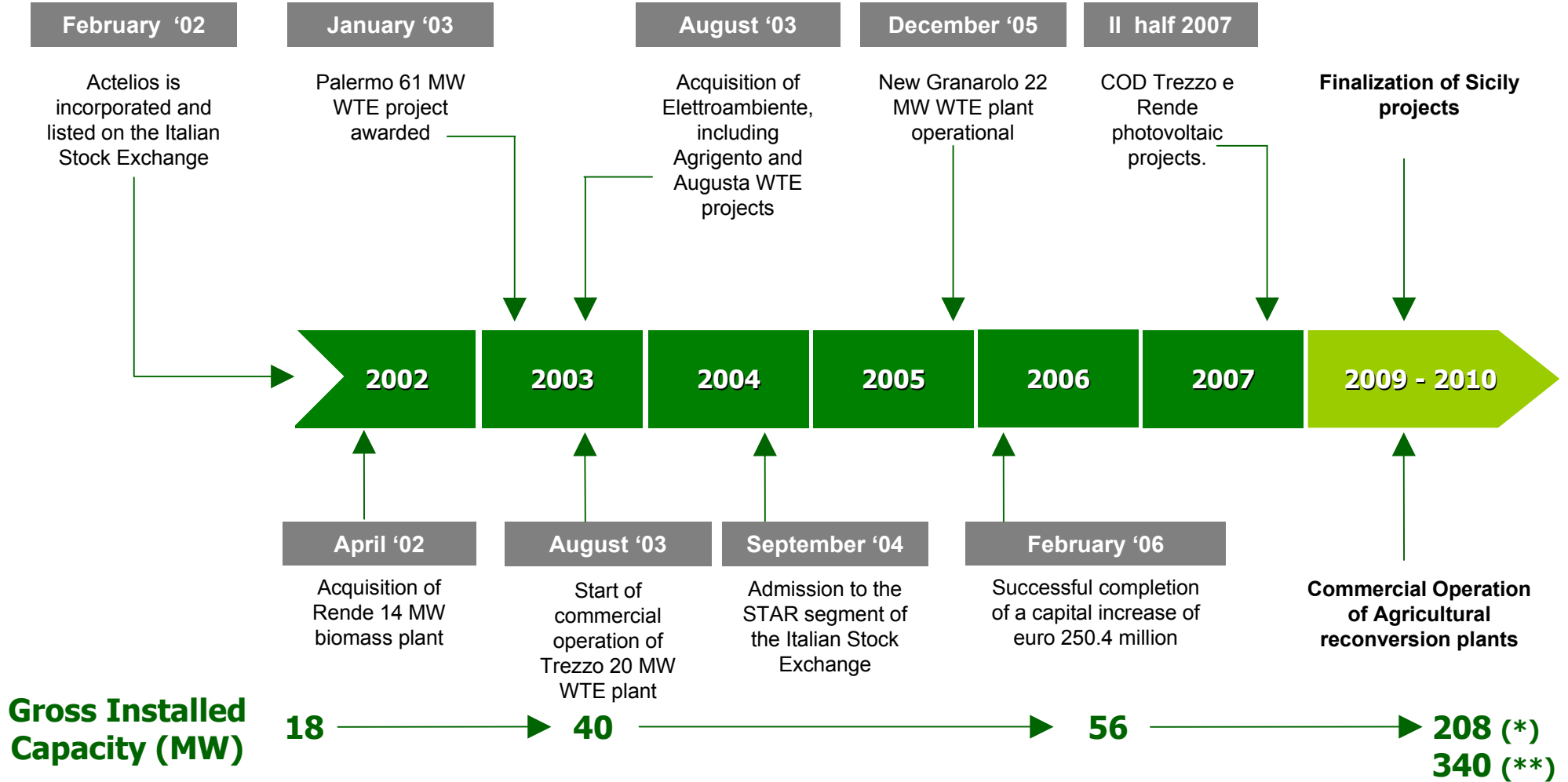


ACTELIOS



Key Milestones

"...a young company with a long history..."



(*) including only Sicily Projects
 (**) including Sicily Projects & Agricultural reconversion plants
 Economic interest of Actelios Group from 138MW to 215MW

Mission & Strategic Guidelines

Mission

“To create value through development in the sector of energy production from renewable sources; to offer innovative and competitive projects that present long term solutions to environmental problems in its territory and in specific industrial sectors according to the criteria of sustainable development”

Strategic Guidelines

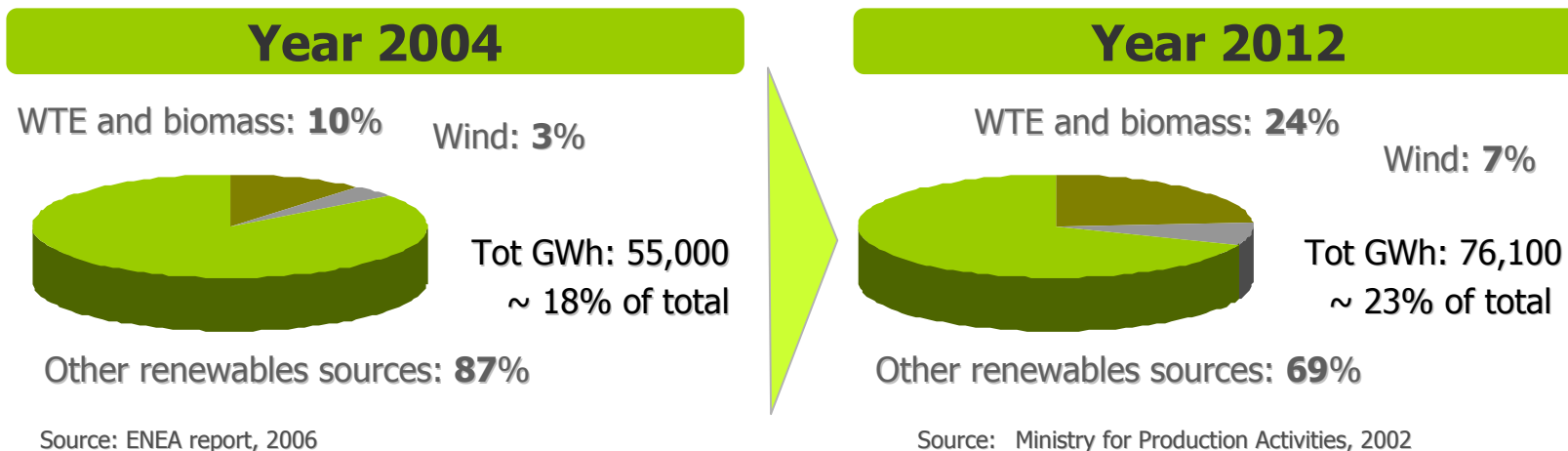
- Expand business leadership through a clear business focus on the generation of energy from renewable sources, in particular from biomass, waste and photovoltaic sources
 - Exploiting the Group’s skills and track record in the development, implementation, ownership and management of WTE plants over their useful technical lives
 - Optimization of the performance of the current operating plants from an economic and environmental point of view, while safeguarding the interests of all stakeholders
 - State of the art realisation of the Sicily Projects
 - Development of new opportunities in the biomass, WTE and photovoltaic businesses, in Italy and abroad, based on the following selection criteria:
 - Reasonable and manageable authorisation process
 - Satisfactory profitability prospects and risk profile
 - Ability to be project financed
 - Availability of suitable partners

BOO Schemes

- Development
- Structuring
- Construction
- Ownership
- O&M

Italian Market of Energy from Renewable Sources

- The share of electricity from renewable sources on total electricity production in Italy amounts to approx 6% (excl. large hydro schemes); European average shows double digit percentage.
- The development trend in the Italian renewables market is supported by regulations and economic incentives
 - CIP6/92 tariff scheme
 - "Certificati Verdi" (Green Certificates) in replacement of CIP6 regime
 - "Conto Energia" for fotovoltaic plants
- In 2012, energy from waste, biomass and wind is expected to represent more than 30% of total energy produced from renewable sources, with WTE and biomass representing 24%
- Waste, biomass and wind show superior technology and efficiency rate improvements compared to other renewable energy sources who by contrast require higher support



Italian market structure for renewables

CIP-6 (1992)

Based on a national law of 1991 and following implementation directives, **CIP n. 6/92**, introduced incentives for electricity production through renewable sources with guaranteed offtake and price:

- ④ CIP-6 price is calibrated on different energy sources
- ④ Long-term validity (from 8 to 20 years) with clear and predictable mechanism of escalation
- ④ Facilitated Project-Financing
- ④ Has been used to incentivize also other projects and technologies not directly related to renewable sources (TAR, Gas Marginal Dwells, Assimilated, Light Cogeneration, etc.)

Green Certificates (1999)

Green certificates are attributed to electricity production from renewable sources, including WtE, produced after 1/4/99. They are entitlements tradable independently from the "Green" electricity produced:

- ④ "Controlled" market mechanism of price fixing
- ④ Number of certificates needed as a function of global electricity production
- ④ Same incentive for all different renewable sources
- ④ In Italy, during last years, only wind energy has proved economically feasible based on green certificates
(extension of GC period to 12 years to enable development of biomass projects)

Conto Energia (2007)

Special incentive for **Photovoltaic Electricity**

Fixed price of the incentive for 20 years

Energy and renewables market mechanisms are well known to Actelios

All Actelios' operating plants and WtE plants under development benefit from CIP6/92

Long term, stable and predictable revenue and cash flows streams

Renewable and Cip6 electricity tariffs (€/MWh)

CIP6 tariff

€/MWh	2004	2005	2006 Adv.	2007 new avoided cost of fuel
Avoided Cost of O&M (linked to inflation)	6,8	6,9	7,0	7,1
Avoided Cost of Investment (linked to inflation)	19,6	20,0	20,4	20,8
Avoided Cost of Fuel (linked to gas price for industrial users)	44,5	60,7	60,7	60,5
Incentive (for 1 st 8 years of operation, linked to inflation)	113,5	115,9	118,0	120,5
CIP 6 Tariff	184,4	203,5	206,1	208,9

Green Certificates

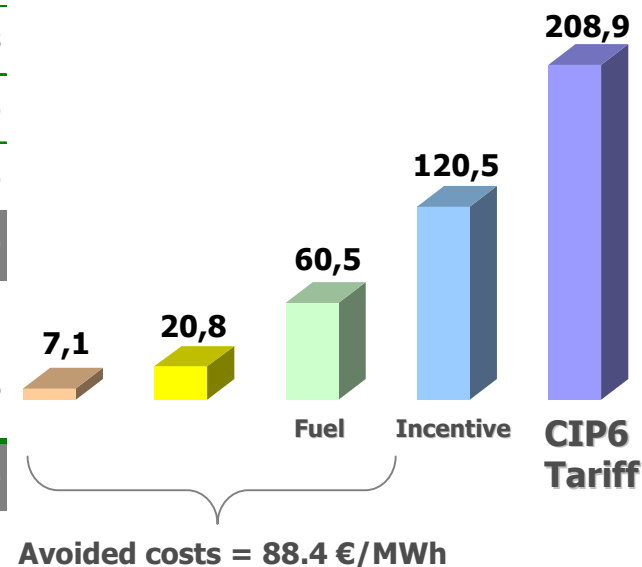
€/MWh	2003 auction	2004 auction	2005 auction	2006 auction
GREEN CERTIFICATES	82,4	97,4	108,9	125,3

Conto Energia

€/MWh	2005 Decree		2007 Decree
	2005 max pr.	2006 max pr.	2007 fixed pr.
CONTO ENERGIA (*)	490,0	490,0	360,0

(*) discounted by 2% per year, beginning in 2009

CIP6 tariff 2007 Authority advance



Pool Price

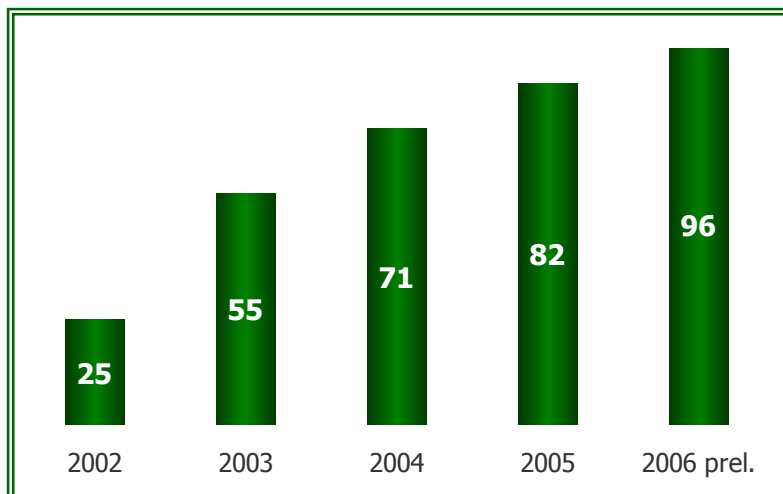
Average January 2007: € 76.34 €/MWh

Financial Highlights 2002-2006

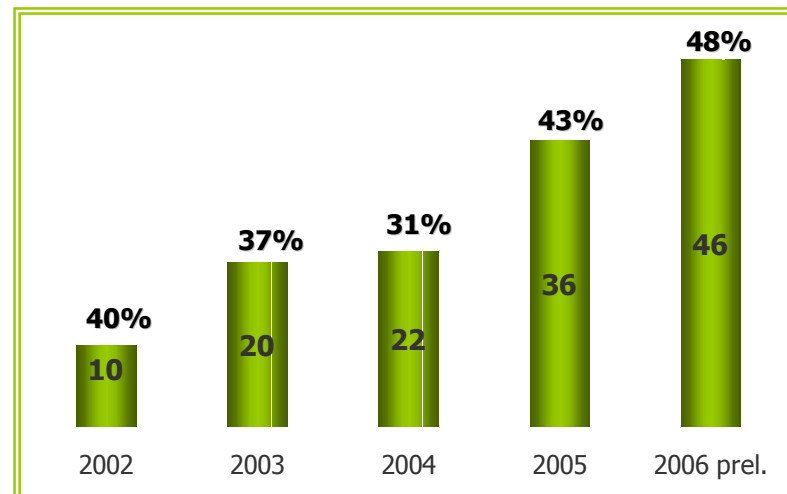
IFRS Gaap

euro millions

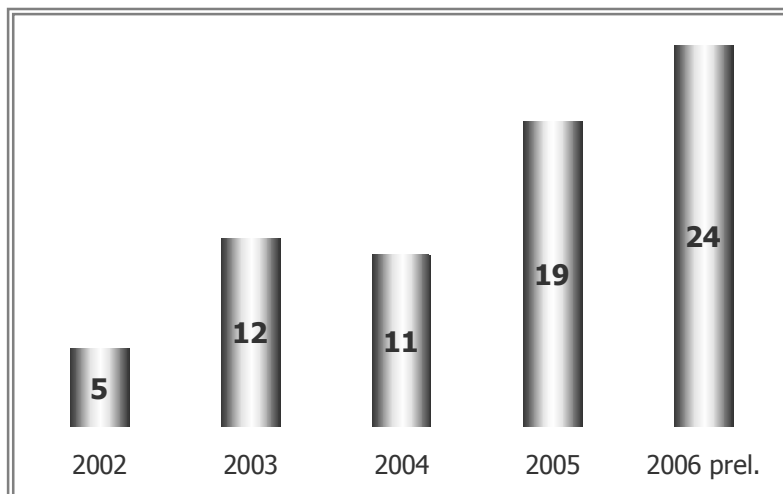
Revenues



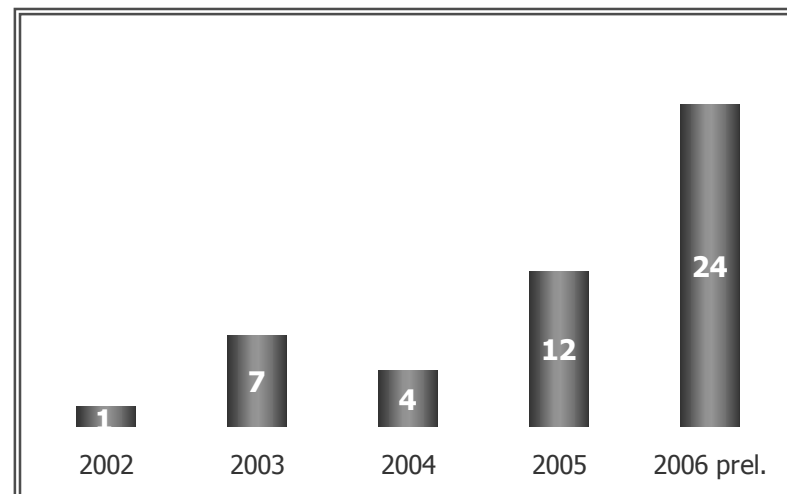
Ebit Adjusted



Ebit



Ebt



Financial Highlights 2002-2006

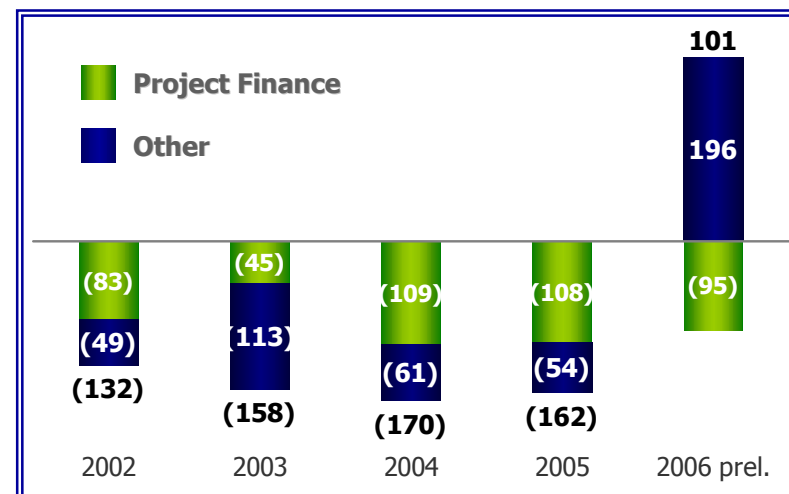
IFRS Gaap

euro millions

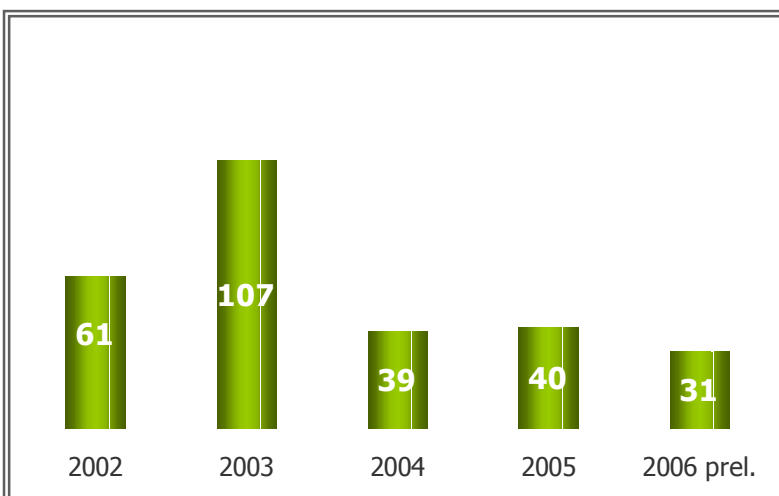
Equity



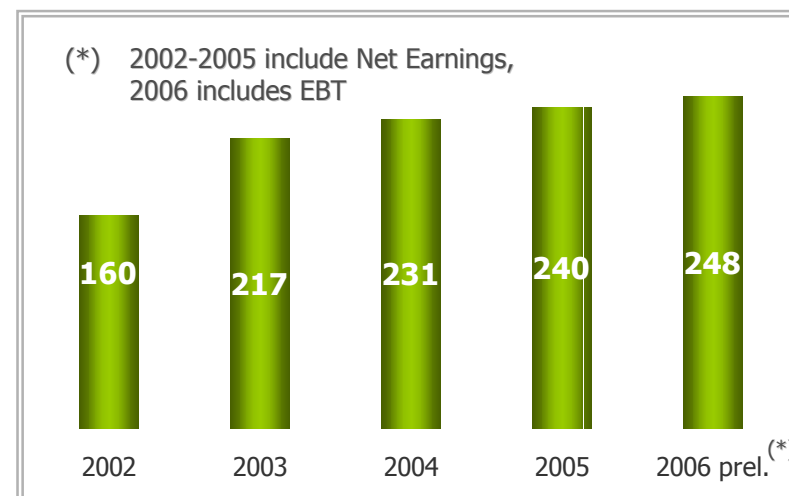
Net Financial Position



Capital expenditures



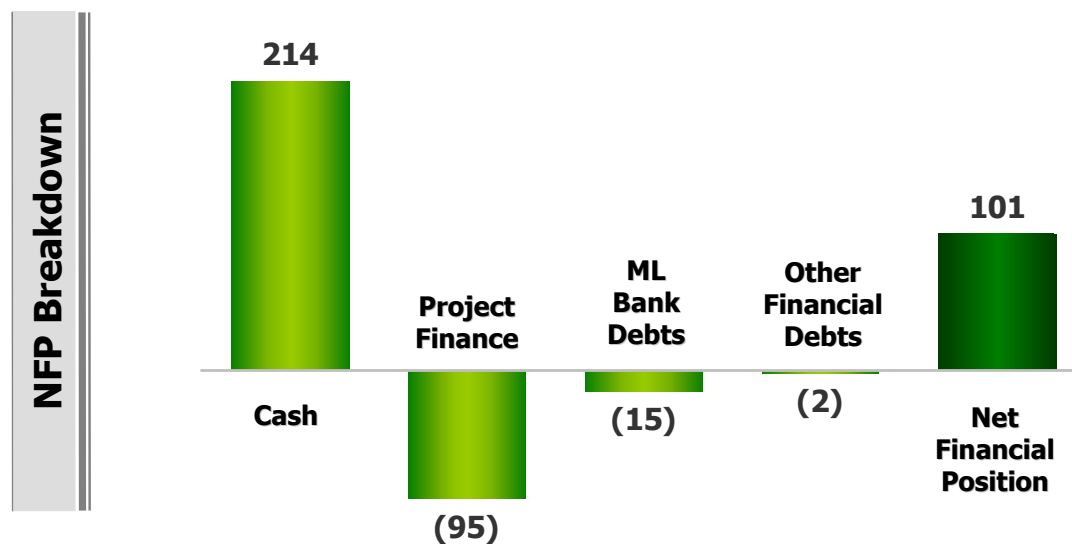
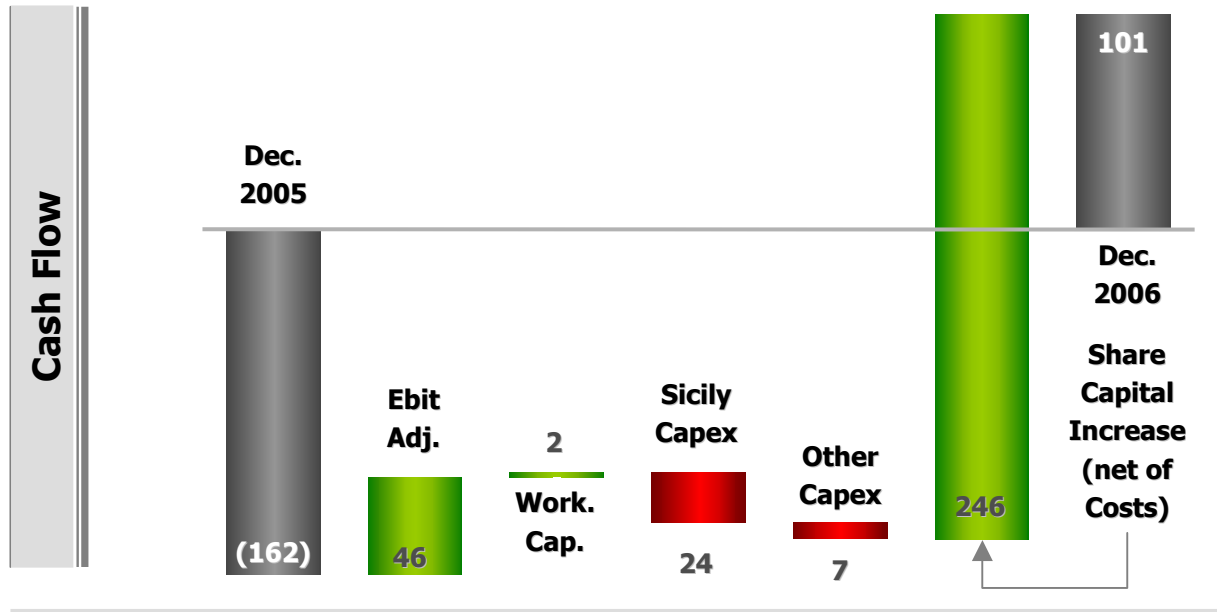
Net Invested Capital



Financial Highlights 2006

IFRS Gaap

euro millions



Actelios Spa Stock Performance

Since listing (Feb. 2002)



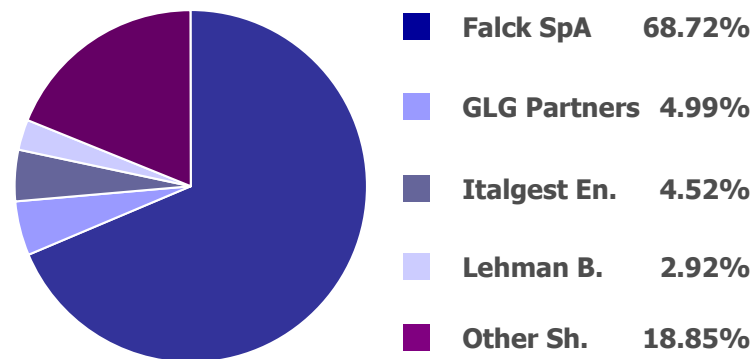
Market Data

Isin Code	IT0003198790
Exchange Code	ACT
Sector	Public utilities
Segment	S.T.A.R.
Year high	9.025 - 16th Jan 2007
Year low	8.230 - 11th Jan 2007
Ref. Price 23 Feb 2007	8,645
Capitalization (euro/million)	585
N° of shares	67.680.000
1 month Performance	4,25%
1 year Performance	(13,92%)

Current Year



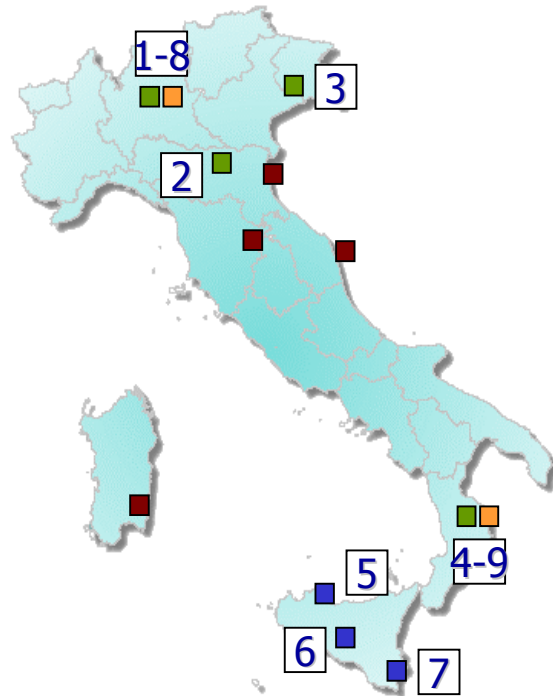
Shareholders



Plants & Projects

Operating, in construction, in development

Italy



Site	Tipology	Capacity
 1 Trezzo s/A	Wte	20 MW Operating
 2 Granarolo	Wte	22 MW Operating
 3 Fusina	Wte (O&M)	3 MW Operating
 4 Rende	Biomass	14 MW Operating
 5 Palermo	Wte	61 MW Construction
 6 Agrigento	Wte	36 MW Construction
 7 Augusta	Wte	55 MW Construction
 8 Trezzo s/A	PV	70 kWp Construction
 9 Rende	PV	1.000 kWp Construction
Various	Biomass	up to 150MW development
Italy	PV	~ 25MW development
Spain		development

Other interesting countries



Development in renewable sources

- Sugar reconversion to biomass for energy production
- Photovoltaic projects in Italy and Spain
- Biomass projects in EU markets with favourable legislation (e.g. UK)

Operating Plants

Trezzo (Mi) 20MW



COMPANY Prima Srl
C.O.D. August 2003
CAPACITY 20 MW installed, 18 MW sold
OUTPUT 131 GWh
OFF-TAKER GSE – National electricity grid

P.P.A. CIP6/92: 15MW expiry in 2014, 3MW expiry in 2017. Guaranteed offtake and price
FINANCING € 77m Project Finance non-recourse (€ 55m outstanding)
2006 TURNOVER € 45m

Granarolo (Bo) 22MW



FEA Srl
 End 2005
 22 MW installed, 20 MW sold
 144 GWh
 GSE – National electricity grid and urban district heating network
 CIP6/92 expiring in 2018. Guaranteed offtake and price
 € 145m Project Finance non-recourse (€ 82 m outstanding)
 € 48m (on 100% basis)

Rende (Cs) 14MW



Ecosesto SpA
 April 2002
 14 MW installed, 12 MW sold
 96 GWh
 GSE – National electricity grid
 CIP6/92: 9MW expiry in early 2009; 3MW expiry in 2013. Revamping in 2009
 Long Term Financing - € 5m outstanding
 € 22m



Fusina (Ve) 2.2MW O&M only

Company: Ecosesto
 O&M contract expires in 2008
 2006 Turnover: euro 3.0m

Owner: Ecoprogetto Venezia SpA
 Capacity: 2.2MW – 1.2MW sold
 Output: 7.7 GWh

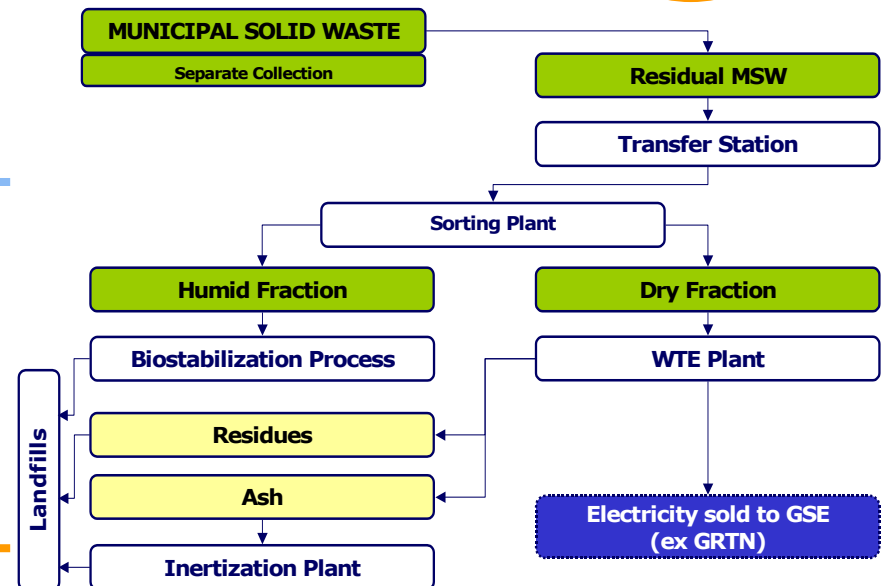
The Sicily Projects

3 integrated municipal solid waste disposal systems

WTE Location Bellolampo (PA)
Company Palermo Energia Ambiente (PEA) ScpA
% ownership 48.0% (23.3 % Actelios – 24.7 % Falck)
Capacity (gross) 61 MW
Fuel 787,400 t/Y minimum guaranteed (29.30% of Sicily)
Inhabitants (2004) 1.49 millions (29.65% of Sicily)
Total Uses ~ Euro 460 millions

WTE Location Casteltermini (AG), 40 km from Agrigento
Company Platani Energia Ambiente ScpA
% ownership 80.9%
Capacity (gross) 36 MW
Fuel 452,800 t/Y minimum guaranteed (16.96% of Sicily)
Inhabitants (2004) 0.97 millions (19.31% of Sicily)
Total Uses ~ Euro 305 millions

WTE Location Augusta (SR), 35 km from Siracusa
Company Tifeo Energia Ambiente ScpA
% ownership 84.9%
Capacity (gross) 55 MW
Fuel 676,400 t/Y minimum guaranteed (25.99% of Sicily)
Inhabitants (2004) 1.40 millions (27.88% of Sicily)
Total Uses ~ Euro 480 millions

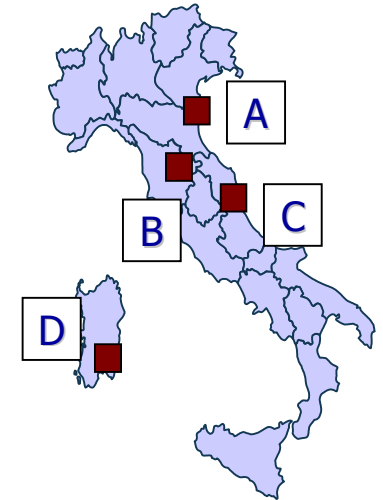


Agricultural reconversion projects

Powercrop Srl: A joint venture between Actelios & Maccaferri Group

Main terms of the Agreement:

- Reciprocal exclusive development of at least 4 projects
- Incorporation of specific entities:
 - a Project Company for each Project on a 50/50 basis
 - one fuel supply and management company
 - one power trading entity
 - one O&M legal entity



Projects		A	B	C	D
Location		Russi (RA)	Castiglion Fiorentino (AR)	Fermo (PE)	Villasor (CA)
Power		30MW	50MW	24MW	50MW
Plant		Biomass Plant	Integrated plant with a biomass line and a vegetable oil line	Vegetable oil plant	Integrated plant with a biomass line and a vegetable oil line
Fuel	Biomass	270.000 t/a	210.000 t/a	n.a.	210.000 t/a
	Vegetable oil	n.a.	37.000 t/a	37.000 t/a local sunflower	37.000 t/a local brassica (colza)
	Proteic Flour	n.a.	Residual of sunflower production, on an opportunistic basis	Residual of sunflower production, on an opportunistic basis	n.a.

Photovoltaic Projects

In construction



Location	Trezzo s/A – near Actelios Wte Plant
Investment	€ 500 k
Exp. Production	58,000 kWh/y (1 st year production)
Panels surface	700 m ²
Type	Façade Photo Voltaic Power Plant
COD	II nd half 2007
Incentive	Conto Energia - @ 0.470 €/kWh
Min Energy price	0.095 €/kWh
Off-taker	GSE (ex GRTN) national electricity grid



Location	Rende – near Actelios Biomass Plant
Investment	€ 7,0 m
Exp. Production	1,350,000 kWh/y (1 st year production)
Panels surface	7,500 m ²
Type	Ground Based PVPP
COD	End 2007
Incentive	Conto Energia - @ 0.479 €/kWh
Min Energy price	0.083 €/kWh
Off-taker	GSE (ex GRTN) national electricity grid

In development

→ Actelios Group at present is pursuing two specific markets, Italy and Spain, in accordance with the respective legislations:

→ **Conto Energia:** feed in tariff (fixed price @ 0.360 €/kWh) plus energy price for industrial projects

→ **Regio Decreto (draft):** feed in tariff (fixed price @ 0.418 €/kWh) only for large industrial projects (>100 kWp)

→ In particular, projects under active development are located in:

→ Italy (Sardinia): 3.5 MW

→ Spain: 21 MW

"...su Kyoto l'Italia è in ritardo..."

Giorgio Napolitano – Head of State in a recent letter to the Minister of Environment

- Italy is behind its own set targets!
 - This provides development opportunities in all fields of renewable energy, incl. WtE, Biomass and photovoltaic
 - Incentive schemes are in place although (too often) under discussion with a risk of not respecting the principle of godfathering

however:

- project development in Italy has to face an extremely complex, sometimes subjective and very long authorisation process
 - national, regional and local interests are often not aligned and create conflicts and delays
 - the renewable energy business requires significant development and capex commitments (years before the first revenues are achieved)
- In the above context, the Group's long lasting record of successful business leadership, of re-engineering and of transparent and open stakeholder relations makes Actelios the ideal
 - developer and project owner (in Italy and selected international markets)
 - business partner
 - plant operator

Actelios is independent, flexible and able to deliver