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PRESS RELEASE

Falck Renewables SpA

1. Hit the first key targets in line with its business plan:

- **Completion of the full revamp of the biomass-fuelled electricity generating plant at Rende. The revamp was designed internally and completed in just 8 months; the plant has already returned to commercial operation.**
- **Completion by 31-12-2010 of the construction activities in order to benefit from the 2010 Feed-In-Tariff incentive regime for 13.1 MW of total installed capacity at the three photovoltaic power plants of Cardonita (Enna), 3.8 MW, Spinasanta (Catania), 6 MW, and Sugherotorto (Ragusa), 3.3 MW.**
- **Entered into an amendment to the project finance agreement for £15 million with The Royal Bank of Scotland relating to the extension project for the Millennium wind farm (15 MW).**

2. The Board of Directors reviewed certain preliminary combined financial information of the Falck Renewables Group for the 2010 financial year.

Milan, 25 January 2011. The full revamp of the biomass-fuelled electricity generating plant located at Rende, in operation since 2002, has been completed in just eight months. The revamp was carried out so as to benefit from the Green Certificate incentive regime for the next fifteen years by achieving IAFR (Impianti Alimentati da Fonti Rinnovabili) plant qualification status (plant fuelled by renewable sources).

In accordance with the relevant laws of December 2008, the complete revamp involved dismantling the existing assets and the entire re-construction of the grid incinerator, the replacement of the incinerator refractory walls and the existing heaters, the full re-development of the steam generating unit and the replacement of the turbines and the alternator.

The renovation design and supervision was entirely carried out by personnel of Falck Renewables SpA (the “**Company**”), without involving any EPC contractor. In order to partially cover the necessary investments, the Company entered into a Euro 12.6 million long-term unsecured loan facility with a ten year maturity.

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Although the revamp of the 14 MW plant did not increase its total installed capacity, it did implement changes aimed at improving its performance, thus reducing the biomass consumption and optimizing the production cycle. This will improve the plant's flexibility and reliability.

The works began in May 2010 and completed at the end of December 2010. The hydraulic testing of the heater successfully completed on 27 September and the first parallel energy release (the first energy release to the grid) took place in early January. As the plant resumed operations on 1 January 2011, it will contribute to the Company's entire 2011 results and not only for four months as was the case for 2010.

The Rende plant uses wood residues resulting from short supply chain forest cleaning and maintenance pursuant to Italian Legislative Decree of 2 March 2010, namely woods within 70 km of the plant.

Actelios Solar SpA completed by 31 December 2010 the development activities required by Italian Law no. 129 of 2010 and the GSE operating procedure in order to benefit from the 2010 Feed-In-Tariff incentive regime for 13.1 MW of total installed capacity generated by the three photovoltaic plants at Cardonita (Enna), 3.8 MW, Spinasantà (Catania), 6 MW and Sugherotorto (Ragusa), 3.3 MW. These plants will be fully operational in 2011.

On 22 December 2010, Millennium Wind Energy Ltd, a Falck Renewables Group company, entered into an amendment to the project finance agreement for £15 million with The Royal Bank of Scotland relating to the 15 MW extension to the Millennium wind farm, increasing the farm's capacity to 65 MW.

The project finance agreement was signed a few months after the signing of the agreement for the 138 MW expansion of the Buddusò and Alà dei Sardi (Olbia-Tempio) wind farms for Euro 230 million, which represented one of the most significant project finance transactions completed in the renewable energy sector in Italy in 2010.

These plants will be fully operational in 2011.

On 25 January 2011, the Board of Directors also reviewed certain preliminary combined financial information of the Falck Renewables Group for the year ended 31 December 2010 in the context of the preparation of the Italian prospectus relating to the capital increase, which, subject to obtaining applicable authorizations, is expected to occur during the second half of February.

To provide consistency with the financial information that will be disclosed in the Italian prospectus (which information is already available on the Company's website) relating to the Falck Renewables Group's interim combined financial statements for the nine months ended 30 September 2010, the Board of Directors resolved to include in this press release certain trends resulting from the Falck Renewables Group's combined financial information for the year ended 31 December 2010.

In particular, based on the preliminary financial information still under review, the combined results for the 2010 financial year shows the following trends.

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Falck Renewables Group combined revenues for the 2010 financial year are expected to be slightly lower than those recorded in 2009 that amounted approx. to Euro 185.2 million. The combined results of the principal sectors in which the Falck Renewables Group operates in show the following trends:

- **WtE:** the 2010 combined revenues are expected to increase compared to those recorded in 2009 and will benefit from the consolidation of the companies acquired in June 2010, namely Esposito Servizi Ecologici S.r.l. and Ecocentro Soluzioni Ambientali S.r.l.;
- **Biomass:** the 2010 combined revenues are expected to drop sharply, mainly as a result of the shutdown of the Rende plant at the end of April 2010, which contributed for Euro 14.5 million in 2009 and only Euro 2.6 million for the nine months ended 30 September 2010. The Rende plant resumed operations in January 2011;
- **Photovoltaic:** the 2010 combined revenues are expected to increase compared to those recorded in 2009 as a result of the commencement of operations of the Notarpanaro plant in May 2010 and the first 12-month contribution of the La Calce plant, which commenced operations at the end of 2009; and
- **Wind power:** the 2010 combined revenues are expected to show a slight upturn compared to those recorded in 2009 notwithstanding the exceptional low wind speed rate recorded in 2010 which was offset by the commencement of operations of new plants.

Falck Renewables Group's combined operating costs for the 2010 financial year are expected to rise compared to those of the previous year that amounted approx. to Euro 130 million in light of the following:

- Falck Renewables Group combined personnel costs for the 2010 financial year are expected to increase compared to those in 2009 mainly due to the increased number of employees compared to those in 2009, resulting from the consolidation of the two companies acquired in June 2010, namely Esposito Servizi Ecologici S.r.l. and Ecocentro Soluzioni Ambientali S.r.l., partially offset by the lesser impact arising from the accounting treatment relating to the Share Plan.
- Falck Renewables Group combined direct expenses and costs for the 2010 financial year are expected to increase compared to those of the previous year, mainly as a result of higher depreciation of tangible assets and higher maintenance costs, each of which were due to increased plant installed capacity. They were partially offset by a reduction in costs of materials resulting from lower biomass purchases resulting from the shutdown of the Rende plant during 2010. This item might also reflect an adjustment relating to the valuation of goodwill, which – based on the audit currently underway for the preparation of the draft financial statements in compliance with IAS 36 - may result in a devaluation of intangible assets for an amount of not more than Euro 6 million which is not tax deductible.
- Falck Renewables Group combined overheads and administrative costs for the 2010 financial year are expected to increase compared to those of the previous year. In particular, this item is expected to include those extraordinary costs and expenses incurred during the 2010 financial year in the context of the business consolidation into the Company of all businesses under the control of Falck Renewables plc for a total amount of approximately Euro 3 million.

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Falck Renewables Group combined EBITDA for the 2010 financial year is expected to decrease slightly compared to the combined EBITDA recorded in 2009 that was approx. Euro 95 million.

Falck Renewables Group combined operating profit for the 2010 financial year is expected to decrease significantly compared to that of 2009 that amounted approximately to Euro 56 million, due to higher amortisation/depreciation resulting from increased installed capacity.

Falck Renewables Group combined earnings before tax, positive in 2010, is expected to maintain the same trend recorded in the first nine months of 2010 compared to the same period in 2009, thus reflecting a significant reduction compared to the previous full year: in 2009 it was approximately Euro 29 million. This item is expected to be affected mainly by lower revenues, the increased combined operating costs mentioned above and increased financial costs recorded in 2010 and linked to the increased net financial position.

Falck Renewables Group combined taxes for the 2010 financial year are expected to show a substantial increase compared to those in 2009 including as a result of the reduced benefits in 2010 deriving from the tax reliefs under Tremonti-Ter law, compared to those in 2009. As a result, Falck Renewables Group's combined net earnings may be slightly negative upon closing the financial statements.

The results of operations of the Group for the 2010 financial year may be further negatively influenced by a final decision by the competent authorities that the Green Certificates incentives for the production of electricity from renewable sources cannot be combined with the tax reliefs under Tremonti-ter.

The relevant administrative procedures are currently underway to complete the preparation of the financial statements of the Company's subsidiaries and the consolidation process. Upon completion of this process, differences may emerge compared to the trends described herein.

The results of operations contained in the Group consolidated financial statements as at 31 December 2010 will be significantly different compared to those set out above as, in compliance with IFRS standards, the results of operations of the Falck Renewables plc Group will be entirely consolidated with those of the Company only for the month of December 2010.

The Company's Board of Directors will meet on 24 March to approve the Falck Renewables Group consolidated financial statements and the Company's statutory financial statements, in each case for the financial year ended 31 December 2010. At the end of such meeting, the Company will issue a press release in compliance with applicable regulation and in conjunction with the publication of the Falck Renewables Group consolidated and the Company's statutory financial statements, in each case through NIS. The press release will also be available at the Company's headquarters and on the website www.falckrenewables.eu. The Company will also provide certain combined financial information for comparison with the same information for the previous year.

The Falck Renewables S.p.A. and Falck Renewables plc combined financial statements as at 31 December 2009 and the Falck Renewables S.p.A. and Falck Renewables plc combined interim financial statements as at 30 September 2010 are available at www.falckrenewables.eu.

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