

Iride S.p.A.

**Merger by incorporation of Enìa S.p.A. into Iride S.p.A.:
Prospectus publication and communication to Shareholders**

Turin, 29 June 2010 - We hereby inform that, following the publication of the Prospectus regarding the admission of ordinary Iride shares to listing for the merger of Enìa S.p.A. into Iride S.p.A., today the following mandatory communications has been issued on Italian newspapers.

Iride S.p.A.
10122 Torino – Via Bertola,48
Tel. 011 4098111 – FAX 011 0703598
www.gruppo-iride.it
Registro Imprese di Torino
Codice Fiscale e Partita IVA n. 07129470014

Investor relations
Francesco Sava –010 5586589;
Enrico Pochettino-011 4098159
investor@gruppo-iride.it
Media relations
Fabrizio Gaudio – 011 4098146 – 348 5549716 – fabrizio.gaudio@gruppo-iride.it
Barabino & Partners 010 2725048 – Roberto Stasio 335 5332483; Giovanni Vantaggi – 328 8317379



NOTICE TO SHAREHOLDERS

Merger by incorporation of ENÌA S.p.A. into IRIDE S.p.A. and change of company name to IREN S.p.A.

Following the publication of the Prospectus regarding the admission of ordinary Iride shares to listing and the registrations with the Turin Register of Companies (on 22 June 2010) and the Parma Register of Companies (on 18 June 2010) of the act establishing the merger by incorporation of ENÌA S.p.A. into IRIDE S.p.A., the merger becomes legally effective as of **1 July 2010**.

Consequently, in accordance with the resolution of the Extraordinary Shareholders' Meeting of IRIDE S.p.A. dated 30 April 2009 and that established by the Merger Act, as of 1 July, the incorporating company will change its name to IREN S.p.A., will adopt the Articles of Association attached to the Merger Project and will increase its share capital by Euro 444,183,894.00 through the issue of 444,183,894 ordinary shares with a nominal value of Euro 1.00 each, to be allocated to ENÌA S.p.A. shareholders at an exchange ratio of **4.2 ordinary IREN shares** (ISIN code IT0003027817, with standard rights, coupon 12) for **1 ordinary ENÌA share** (ISIN code IT0003830210 coupon 4). The merger will entail the cancellation of any treasury shares held by ENÌA S.p.A. without any exchange transaction.

Therefore, as of 1 July 2010, the share capital of IREN S.p.A. will be increased to Euro 1,276,225,677.00, fully subscribed and paid up, divided into € 1,181,725,677 for an equal number of ordinary shares and € 94,500,000 for an equal number of savings shares (ISIN code IT0004113269), which will also be known as IREN shares.

The ordinary IREN shares relating to the exchange will be issued in paperless form and managed by the centralised system of Monte Titoli S.p.A..

Enìa S.p.A. shareholders will be allocated the ordinary IREN shares due to them by their respective authorised brokers, which are members of Monte Titoli S.p.A., established by applying the above-cited exchange ratio, rounding down to the nearest whole number. The countervalue of any fractions of IREN shares that may be due, calculated on the basis of the weighted average of official IREN share prices recorded on the Italian Stock Market (Mercato Telematico Azionario) in the first three days of trading of the same – namely 1, 2 and 5 July 2010 – will be paid into the accounts opened by ENÌA S.p.A. shareholders at the same authorised brokers.

However, those who receive payment for fractions of IREN shares will have an option, to be exercised through their authorised brokers up until 16 July 2010, to purchase one ordinary IREN share at the above-cited price, to the extent of the shares available resulting from the grouping of the remunerated fractions.

To facilitate exchange transactions, ENÌA S.p.A. will make a service available to its shareholders, provided by the Milan branch of UniCredit Bank AG to remunerate any fractions of IREN shares resulting from the exchange and to process any purchase requests from those that exercise the above-cited option, through the respective authorised brokers.

Exchange transactions will be made exclusively by brokers which are members of Monte Titoli S.p.A.. ENÌA S.p.A. shareholders will not incur any additional charges for the above-cited transactions.

The last day of trading of ordinary ENÌA shares, which will be cancelled in the exchange, will be 30 June 2010, and as of Thursday, 1 July 2010 only ordinary IREN shares will be traded on the Italian Stock Market. The exchange will therefore be made on the basis of the number of ENÌA shares recorded in the respective accounts at the record date of 5 July 2010 (record date).

Admission to listing on the Italian Stock Market (Mercato Telematico Azionario) organised and managed by Borsa Italiana S.p.A. of 444,183,894 newly-issued ordinary shares of



ANNOUNCEMENT

of publication of the Prospectus regarding the admission to listing on the Italian Stock Market organised and managed by Borsa Italiana S.p.A. of 444,183,894 newly-issued ordinary Iride S.p.A. shares with a nominal value of Euro 1.00 each – resulting from the share capital increase resolved upon to fund the merger by incorporation of Enia S.p.A. into Iride S.p.A., to be used exclusively in the share exchange transaction – filed with Consob on 28 June 2010 following communication of the issue of authorisation with note no. 101690271, reg. n. 10057097, dated 23 June 2010.

The Prospectus is available at the registered office of the Issuer (Turin, via Bertola, 48) and at the registered office of Borsa Italiana (Milan, Piazza degli Affari no. 6), in office hours and on work days as well as on the website of the Issuer www.gruppo-iride.it.

The approval to publish the Prospectus does not entail any judgment by Consob as to the merit of the data or information relating to the same.

The terms used in this announcement in capital letters that are not expressly defined, shall have the same meaning attributed to them in the Prospectus.

1. RISK FACTORS

The following list illustrates the risk factors relating to Iride S.p.A., Enia S.p.A. and to the groups controlled by the same, to the sector in which they operate and to the listing of the Shares.

The risk factors described below must be read jointly with the information contained in the Prospectus.

- 1.1 RISK FACTORS RELATING TO IRIDE, ENIA AND TO GROUPS CONTROLLED BY THE SAME
 - 1.1.1 The risk associated to the unsuccessful integration of the structures of the companies involved in the Merger or the delayed integration of the structures of the companies involved in the operation
 - 1.1.2 The risk related to the indebtedness of the Enia Group and the Iride Group
 - 1.1.3 The risk linked to receivables of the Iride Group due from the Municipal authorities of Turin and Genoa
 - 1.1.4 Risks linked to assignments and concessions
 - 1.1.4.1 *Risks associated to uncertainties as to the residual duration of existing assignments and concessions and to the participation in tenders for the award of public services*
 - 1.1.4.2 *Risks linked to the participation in tenders for public works*
 - 1.1.5 Risks associated to plant management
 - 1.1.6 Risks linked to the construction of cogeneration power plants
 - 1.1.7 Risks related to the maintenance of gas networks
 - 1.1.8 Risks linked to the lack or potential insufficiency of insurance cover
 - 1.1.9 The risk regarding the shareholders' agreement with Delmi

- 1.1.10 Risks linked to the failure to achieve energy saving objectives
- 1.1.11 Risks associated to the impact of seasonal consumption and fluctuations in the consumption of natural gas, electrical energy and district heating on interim financial reports
- 1.1.12 Risks relating to litigation
- 1.1.13 Risks associated to environmental responsibilities
- 1.1.14 Risks associated to the future distribution of dividends
- 1.1.15 Risks linked to the non-contestability of the Issuer and to limitations related to holding shares
- 1.1.16 Risks linked to the process to establish the Exchange Ratio
- 1.1.17 Risks linked to fulfilment of the provisions set forth in articles 16 and 19 of Italian Legislative Decree dated 27 January 2010 no. 39
- 1.2. RISK FACTORS RELATING TO THE SECTOR IN WHICH IRIDE, ENÌA AND THE GROUPS CONTROLLED BY THE SAME OPERATE
 - 1.2.1 Risks regarding the reference legislative framework
 - 1.2.2 Regulatory risks relating to the definition of the criteria to calculate rates for the distribution of natural gas, for the distribution and sale of electrical energy to Protected Customers, and for the provision of the integrated water and waste management service
 - 1.2.3 Risks associated to difficulties, including geopolitical ones, regarding the procurement of natural gas and electrical energy
 - 1.2.4 Risks linked to the increase of wholesale natural gas prices
 - 1.2.5 Risks associated to the development of competition in the sale of natural gas and electrical energy
 - 1.2.6 Risks linked to compliance with quality standards in the sale and distribution of natural gas and electrical energy
 - 1.2.7 Risks associated to the status of multi-utility operator
 - 1.2.8 Risks linked to the interruption of operations of network and plant infrastructures
 - 1.2.9 Risks linked to the potential opposition of communities or local authorities regarding the construction of new plants or the extension of existing ones
- 1.3. RISK FACTORS REGARDING THE LISTING OF SHARES
 - 1.3.1 Risks relating to generalised liquidity problems in the markets and the potential volatility of Share prices

2. DESCRIPTION OF THE OPERATION

The Iride Shares admitted to listing on the Italian Stock Market organised and managed by Borsa Italiana S.p.A. are the 444,183,894 ordinary shares with a nominal value of Euro 1.00 each, with standard rights, resulting from the share capital increase resolved upon by the extraordinary shareholders' meeting of Iride S.p.A. on 30 April 2009, certified by Notarial deed of Notary Public Andrea Ganelli of Turin, index no. 14965, folder no. 9796, to be used exclusively for the share exchange related to the merger by incorporation of Enia S.p.A. into Iride S.p.A., with exclusion of the option right for Iride S.p.A. shareholders.

The Shares are nominative, freely transferrable and in paperless form, and will be placed in the centralised management system managed by Monte Titoli S.p.A., with registered office in Milan, Via Mantegna no. 6.

The Shares will have the same characteristics and will assign the same rights as the ordinary shares of Iride in circulation on the date of their issue.

Torino, 29 June 2010.