



The future belongs
to those who see it before
or more clearly than their competitors

mergermarket

Milano, 24 feb. 2005 – Workshop dell'Osservatorio sulle alleanze e aggregazioni delle Local Utilities italiane

Sintesi di alcuni interventi

Ascopiave renews interest in merger talks with Acegas after the IPO, Chairman says Ascopiave, the municipal utility of Treviso to be listed by the end of this year, is interested in restarting talks with Acegas, the listed Italian multi-utility that covers the Trieste area, Chairman Gildo Solton said. Solton was speaking on the sidelines of the Conference about Multiutilities arranged by Milan based AGICI Consulting. Previous talks had been suspended because in the proposed stake swap Ascopiave would have been valued at a discount to Acegas shares. Ascopiave is planning to float a 205% - 30% stake in the company. Ascopiave would be keen on carrying out talks for a merger of equals once its shares have increased in value on the open market. ACSM, the Italian listed multiutility company based in Como, is also considered a good partner for a merger, Solton added. An Ascopiave board meeting is scheduled for March the 18th. The company judges AIM Vicenza an interesting target for acquisition, Solton added. In 2004 Ascopiave generated EUR 268m.

Hera in course of closing three wind power acquisitions, head of M&A says Hera, the listed Italian utility company, is in the course of closing the acquisition of three projects in the field of wind-powered energy, for a total value of EUR 20m, Head of M & A Stefano Venier said today, during a phone interview; but he declined to give further details of the deal. Hera is also interested in acquisitions of electricity generators, gas distributors and sellers with revenues in the region of up to EUR 20m. When asked to name possible targets, Venier said Hera judges Società Gas Rimini (SGR) a potentially interesting target. Hera already owns a 20% stake of the assets of SGR, and would be keen on starting talks for a minority stake or the whole company, but nothing is on the table at the moment, Venier added. Hera is 55.5% owned by the municipalities of Bologna, Ravenna, Rimini, Cesena, Forlì and of other cities in the Italian region of Emilia-Romagna; 44.5% is in free float. In 2004 Hera generated EUR 1.45bn in revenues.

Acegas renews interest in starting merger talks with AIM and Ascopiave, CEO says Acegas, the listed Italian multi-utility that covers the Trieste area, is looking to carry out merger talks with AIM, the Vicenza multiutility company, according to chief executive Francesco Giacomini in an informal interview. Giacomini was speaking on the sidelines of the Conference about Multiutilities arranged by Milan based AGICI Consulting. When asked about the prospectives of the suspended merger talks with Ascopiave, the municipal utility of Treviso, Giacomini said that that option is still considered interesting, but it has to wait for the renewal of the board scheduled for June. The Acegas revenue in 2003 was EUR 495m, and the company has EUR 220m in debt with a 0.66 Debt/Equity ratio. Credit lines of EUR 50m have been secured through San Paolo Imi, Unicredit and Banca Intesa.

Unicredito could be interested in Credem, source says Unicredito, the Italian banking group, could see Credem, the listed Italian bank, as an interesting target, a Unicredito director said; but nothing is on the table at the moment, the source added. Spokespeople for Unicredito and Credem declined to comment on the situation, when asked about this suggestion. It is understood that during a meeting of the board of directors of Unicredito today, however, Credem was not one of the topics on the agenda.

Edison: Tie-up with Italgas could be discussed, Clessidra's CEO says; declines to comment on COIN. A tie-up between Edison gas network and Italgas could be discussed, Clessidra's chief executive officer Claudio Sposito said today in an informal one to one interview at the side of a conference about Multiutilities arranged by Milan based AGICI Consulting. Sposito added that this option hasn't been considered so far, but could be discussed. Edison Gas Network is owned by the Italian private equity house Clessidra. When asked to comment on the COIN auction, Sposito said that this is a fluid process, but declined to comment further on this matter. It is understood that Clessidra made a late entry into the auction for COIN but that PAI Partners is almost certain to win the auction for control of the Italian-listed retail chain. It is also understood that the COIN family has found a new urgency to sell the retail chain after the company posted disappointing fourth quarter sales. Coin and PAI Partners did not return calls for comment.

by Salvatore Bruno in Milan