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## **TERNA SHAREHOLDERS MEETING: 2006 FINANCIAL STATEMENTS APPROVED DIVIDEND OF 14 EUROCENTS PER SHARE RESOLVED REGARDING THE ENTIRE YEAR**

- *Financial statements as at December 31, 2006 approved; dividend of 14 eurocents per share for all of 2006 resolved (of which 5.3 eurocents paid as an advance in November 2006, and 8.7 eurocents, the balance, to be paid in June 2007)*
- *Appointment of two Directors confirmed*
- *Assignment of accounting audit granted through extension*
- *Amendments to the By-Laws approved linked to the Savings Protection Law*

**Rome, 24 May 2007** – Today in Rome, Chief Executive Officer Flavio Cattaneo presented the financial statements of TERNA SpA as at December 31, 2006, which were examined and approved by the Ordinary and Extraordinary Shareholders' Meetings, chaired by Luigi Roth. The consolidated financial statements were also presented.

Upon proposal by the Board of Directors, for the entire FY 2006, a dividend of 14 eurocents per share was resolved, as well as the distribution, gross of any legally required withholdings, of 8.7 eurocents per share, as the balance of the advance of 5.3 eurocents paid in November 2006 (+ 7.7% compared with 2005).

The balance of the dividend will be paid starting from June 21, 2007, with "registration date" of coupon no. 6 on June 18, 2007.

The Ordinary Shareholders' Meeting also resolved:

- to confirm the appointment of Vittorio Rispoli, Esq. and Claudio Machetti as Directors, previously co-opted by the Board of Directors on July 13, 2006 and March 21, 2007, respectively, following the resignation of two Directors. Their term of office shall expire with that of the other Directors currently in office, upon approval of the financial statements as at December 31, 2007. In compliance with the Code of Self-Governance for Listed Companies – March 2006 version, both Directors hold a non-executive role, and Mr. Rispoli is an independent Director;
- to assign to KPMG S.p.A., according to the provisions of transitory regulations regarding the extension of assignments, the accounting audit for the years 2007 to 2010, according to the terms and methods proposed by the Board of Statutory Auditors.

The Extraordinary Shareholders' Meeting approved amendments to articles 14, 15, 21, and 26 of the By-Laws, connected to both the new provisions of Law regarding savings protection and the guidelines from the new Code of Self-Governance of Borsa Italiana.

Chief Executive Officer, Flavio Cattaneo, commented *"For Terna, 2006 was a year full of challenges, which led to the achievement of excellent results. The targets set were reached, and often exceeded, starting from the quality of service and the security and reliability of the country's electricity grid. In fact, 2006 was the first year in which Terna consolidated its new role as concession holder of a service of general interest, thus increasing its responsibility towards the country. Other important operations, including the consolidation of the national transmission grid assets and the successful listing of the companies in Brazil, have enabled us to distribute a dividend which is 7.7% higher than the previous year, and at the top levels of the sector. In the next few years, Terna will be involved in bringing the most important investment plan in its history to fruition: by 2011, we intend to invest 2.7 billion euro to guarantee the development, security and reliability of the Italian electricity grid"*.