



**PRESS RELEASE**

**SORGENIA (CIR GROUP) AND KKR TO FORM JOINT-VENTURE  
IN WIND ENERGY SECTOR IN FRANCE**

**New York, NY and Milan, Italy - June 1 2011** – Sorgenia (CIR group), one of the largest Italian energy companies, and global investment firm Kohlberg Kravis Roberts & Co. L.P. (together with its affiliates, “KKR”) today announced that they have agreed to form a partnership for the production of wind energy in France. Investment programs managed or advised by Partners Group AG are also expected to co-invest with the KKR joint venture.

The assets in the joint venture will comprise wind parks already built by Sorgenia with net capacity of approximately 153 MW (approximately 149 MW fully owned by the joint venture of which 41 MW use leased turbines and approximately 16 MW in which the joint venture has a 25% ownership interest) as well as wind parks with net capacity of 95 MW that are authorized and in an advanced stage of development.

KKR and Sorgenia will have an equal share in the joint venture and Sorgenia will manage the operations. Sorgenia will continue to independently pursue the development of further renewable energy projects in France, both in the wind and photovoltaic sectors.

*“An alliance with a highly qualified and experienced investor such as KKR will enable the Sorgenia group to expand its presence in the French market and consolidate its position as a leading operator in the renewable energy sector,”* said Mario Molinari, general manager of Sorgenia. *“In the wind energy sector the business plan of the Sorgenia group envisages an increase in its generation capacity in Italy and France from 234 MW at the end of 2010 to over 450 MW in 2016.”*

For KKR, the partnership represents its first European investment in renewable energy.

*“The wind parks in this joint venture are attractive and core infrastructure assets, providing long-term cash flow visibility,”* said Jesus Olmos, the European Head of KKR’s infrastructure business. *“KKR aims to be an active investor across the entire energy spectrum, and this partnership with Sorgenia allows us to enhance our portfolio by investing in renewable energy, one of the most attractive and promising areas of infrastructure. We are especially pleased to have such an esteemed partner in Sorgenia. They are a first-class operator and we look forward to a long-term partnership with them.”*

KKR has a long history of investing in complex, regulated assets. In the energy sector, these investments have included the Colonial pipeline, ITC Holdings Corp., Texas Genco Holdings, DPL Inc. and Energy Future Holdings.

The deal is based on an enterprise value for 100% of the joint venture (without including the leased turbines for 41 MW) of approximately €236 million, which includes an earn-out of up to €8 million to be paid once the authorized wind parks commence operations. Sorgenia expects to receive a cash inflow of approximately €60 million with a positive effect on the net financial position of over €150 million. These figures will be finalized at the closing which is scheduled to take place in September.

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**About Sorgenia**

Sorgenia is the top private operator in the Italian energy market with approximately 500 thousand customers, mainly in the business segment, and with production plants with some 4,000 MW of installed capacity. The company boasts highly efficient generating facilities with a low environmental impact, including combined cycle gas turbine plants in Italy and production plants from renewable sources in Italy and France. Sorgenia was founded in 1999 when the Italian market started to be liberalized, by its majority shareholder CIR and the Austrian utility Verbund. The group has over 400 employees and closed 2010 with revenues of €2.7 billion euro.

Having consolidated its position as the number two supplier of Italian businesses, since 2011 the company has been developing a commercial campaign aimed at domestic consumers with the objective of reaching a total of two million customers by 2016. To all of its end-user customers Sorgenia proposes a dual fuel supply of electricity and gas together with services for improving energy efficiency. For information visit [www.sorgenia.it](http://www.sorgenia.it).

**About KKR**

Founded in 1976 and led by Henry Kravis and George Roberts, KKR is a leading global investment firm with \$61.0 billion in assets under management as of March 31, 2011. With 14 offices around the world, KKR manages assets through a variety of investment funds and accounts covering multiple asset classes. KKR seeks to create value by bringing operational expertise to its portfolio companies and through active oversight and monitoring of its investments. KKR complements its investment expertise and strengthens interactions with investors through its client relationships and capital markets platforms. KKR is publicly traded on the New York Stock Exchange (NYSE: KKR). For additional information, please visit KKR's website at [www.kkr.com](http://www.kkr.com).

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