

ELECTRO POWER SYSTEMS ANNOUNCES COMPLETION OF THE ACQUISITION OF MCM ENERGY LAB

Milan, 18 January 2016 – Electro Power Systems S.A. ("**EPS**", and together with its subsidiaries, the "**Group**"), technology pioneer of clean energy storage systems listed on the regulated market Euronext Paris, has announced the acquisition of 70% of MCM Energy lab ("**MCM**") – a leading R&D laboratory.

EPS already held 30% of MCM, thanks to the acquisition of the Energy and System Integration division ("**Elvi Energy**") of Elvi Electrical Vitali SpA ("**Elvi**"), launched on December 14th 2015 and completed on December 29th 2015.

The transition concluded today for 315,000 euros, of which around 76% of the proceeds will be reinvested in **EPS**, is the last step, which led to the acquisition of 100% of **Elvi Energy** and **MCM**, for a total of 2,756,922 euros of which 51% will be reinvested via a capital increase reserved to **Elvi** and **Elvi Energy** management team.

*"The transaction, concluded today, is testament to the capacity and vision of the Group to stay ahead of trends, leveraging the expertise of the **EPS** management team to seize a global market opportunity,"* said **Carlaiberto Guglielminotti**, **EPS Group** Chief Executive Officer.

This strategic association of **EPS** and **Elvi Energy** will result in a fully integrated energy storage group under a new joint brand, "Electro Power System Group". **Elvi Energy** is one of the leading storage systems integrators worldwide, with 4.6MW of hybrid power plants installed in 7 countries and 9.5MWh of energy storage systems realized.

Elvi Energy specialises in the development of software and manufacturing of inverters, power converters, and controllers to integrate different power generation and battery technologies (Li-ion, Pb, NaNiCl, LiFePO and SoNick) into sophisticated grid and microgrid systems.

The transaction of 100% of **Elvi Energy** and **MCM Energy Lab** marks a step change in **EPS**' deployment strategy in emerging markets, thus becoming an integrated supplier of despatching and capacity solutions for sustainable power systems, which is perfectly placed to provide low-cost and sustainable renewable electricity solutions for disadvantaged or isolated geographical areas.

Through this transaction, **EPS** and **Elvi Energy** will deliver reliable, sustainable and affordable clean energy solutions, fostering the COP21 global goals set in Paris by 196 countries.

Gabriele Marchegiani, Executive Vice President of **EPS Group** for the business development said: *"This transaction validates the great team, the expertise and the pipeline built together with **EPS**, and provides us the opportunity to build scale given the huge market opportunity in emerging economies"*.

About Electro Power Systems

Founded in 2005 as spin-off of the Politecnico of Turin (Italy) Electro Power Systems (EPS) operates in the sustainable energy sector, specializing in integrated storage solutions. In 2015 it announced the acquisition of Elvi Energy, a spin-off of the Politecnico of Milan and a world leader in storage system integration, broadening its technology edge. The symbiosis with Italy's two leading technical

universities positions EPS as a shining example of expertise cross fertilization between companies with a fast growing business and ground-breaking academic research.

The Group is the pioneer of technology-neutral, integrated hybrid energy storage solutions for grid support in developed economies and off-grid power generation in emerging countries. Clean energy solutions, cheaper than fossil generation, unsubsidized.

The Group’s mission is to unlock the energy transition, by mastering the intermittency of renewable energy sources. Through the seamless integration of the world best battery technologies to provide flexibility, and the Group’s unique hydrogen and oxygen storage platform suitable for longer autonomy without resorting to diesel or gas-fuelled generators, the group’s technologies enable renewable energies to power 24/7 communities in a completely cleaner and less expensive solution.

EPS is today listed on the French regulated market of Euronext, and part of the CAC® Mid & Small and CAC® All-Tradable indices: with headquarters in Paris, R&D and manufacturing in Italy and an international team based in California and Singapore.

The innovative technologies of the Group are covered by 123 patents and applications worldwide, are able to integrate any kind of battery technology and to store energy by exploiting the water cycle, with no emission or utilization of toxic or heavy metals. The Group has installed in aggregate more than 600 hydrogen systems, 4.6MW of Hybrid Power Plants powering everyday more than 100,000 people in emerging countries, and deployed 42MWh of energy storage capacity in 21 countries worldwide, including Europe, USA, Australia, China, Indonesia, India and Africa.

The Group led by **Carlalberto Guglielminotti** as CEO, supported by **Luca Dal Fabbro**, **Giuseppe Artizzu** and **Ilaria Rosso**, is a global organization which counts 83 human resources between Europe, South Africa, USA and Singapore, of which 50 involved in research and development projects.

The huge effort in R&D enabled the development of a unique technology, covered by patents in 48 countries worldwide, earning the Group the title of “*World Technology Pioneer*” by the World Economic Forum, the inclusion in the 100 Cleantech Global by the Cleantech Group, and the selection among the worldwide excellences by the Cleantech Forum in San Francisco and Rotterdam.

For more information www.electropowersystems.com

EPS Contacts	Press & Media – France	Press & Media – Italy
Francesca Cocco - Vice President Investor Relations Tel. +33 (0) 970 467 135 e-mail: fc@electropowersystems.com Alessia Di Domenico - Head of Global Communications Tel. +39 02 45435516 - +39 392 5639327 e-mail : add@electropowersystems.com	Caroline Lesage – Consultante Alexandra Prisa - Relations Presse Tel. +33 1 53673672 /+ 33 1 53673690 e-mail : apetureauux@actus.fr / aprisa@actus.fr	Roberto Grattagliano – Federica Scalvini (MYPR) Tel : +3902-54123452 – +39 338 9291793 e-mail: roberto.grattagliano@mypr.it federica.scalvini@mypr.it