

**COMPLETION OF THE ACQUISITION OF ELVI ENERGY
LEADING SYSTEMS INTEGRATOR
ELECTRO POWER SYSTEMS BECOMES AN INTEGRATED ENERGY STORAGE GROUP**

Paris-Milan, 29 December 2015 – 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 fulfilment of all conditions precedent and subsequent finalisation of the closing and the acquisition of the energy and systems integration division ("**Elvi Energy**") of Elvi Elettrotecnica Vitali S.p.A. ("**Elvi**") announced on 14 December 2015¹.

EPS acquires 100% of Elvi Energy and 30% of MCM Energy lab ("**MCM**") – a leading R&D laboratory in which the Politecnico di Milano University is a shareholder – for 2.4 million euros, of which around 48% of the proceeds will be reinvested in EPS via a capital increase reserved to Elvi for 33% and to the Elvi Energy management team for 78%, and representing approximately 2.1% of the current share capital of EPS.

EPS could also increase the participation in MCM up to 100% in early 2016 through a transaction which contemplates the reinvestment of the MCM's shareholders up to 76% of the proceeds.

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 marks a step change in EPS' deployment strategy in emerging markets through Hybrid Power Plants and turnkey off-grid and micro-grid power solutions comprised of renewables and storage technologies. EPS' hydrogen Power-to-Power platform provides long-term autonomy and generation capacity to renewable-powered electricity systems and, combined with Elvi Energy, the Group becomes 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

About Electro Power Systems

¹ See the www.electropowersystems.com or www.actusnews.com websites for the press release published on 14 December.

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

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