

NEW €6.5 MILLION FINANCING RECEIVED BY INTESA SANPAOLO TO SUPPORT EPS GROWTH

- **New credit lines of €6.5 million approved by Intesa Sanpaolo, now the EPS house bank**
- **Thanks to backlog of orders and pipeline acceleration, in less than two months, EPS has raised in aggregate new banking facilities of €9 million with Intesa Sanpaolo and Unicredit to support growth and innovation**

Paris - Milan, 26 October 2016 – Electro Power Systems S.A (“**EPS**” or the “**Group**”), a technology pioneer in clean-energy storage solutions, has entered – through the Group companies – into an agreement for €6.5 million of new committed credit lines with Intesa Sanpaolo and its subsidiaries to support future growth.

The new financing is structured in two credit lines intended to support, respectively, research and working capital:

- €3.5 million 5-year long-term credit line, by Mediocredito Italiano, a subsidiary of Intesa Sanpaolo, primarily dedicated to continuing EPS’s research and development activities on the HyESS (*Hybrid Energy Storage System*) project, which is essential to maintain the technological competitive advantage gained in over 10 years of collaboration with the Polytechnic of Turin and Milan; and
- €3 million short-term credit line to provide additional working capital and to boost the pipeline’s projects, primarily focused on Africa and Asia, where EPS hybrid solutions have already been shown to dramatically reduce energy costs thanks to the Group’s innovative and proprietary technology.

Together with the credit lines already granted by Unicredit, announced in the 2016 Half-Year Financial Report, since September 2016 the Group has raised financing for growth and innovation totalling €9 million, of which €5.5 million are medium-long term credit lines with an average spread of 3.68%.

Carlaiberto Guglielminotti, CEO of Electro Power Systems

"This agreement confirms that an Italian technology can, in less than three years after starting from what was little more than a laboratory, establish itself as a global player in energy storage, one of the greatest megatrends in history, and gain the confidence of large international banks to support its growth's acceleration."

Paolo Bonetti, CFO of Electro Power Systems

"Securing €9 millions of new financing in less than two months strengthens the financial position and the solidity of EPS for our customers and partners, increases our commitment to invest in research and innovation and, above all, confirms the sustainability of organic growth over the long term."

About Electro Power Systems

Electro Power Systems (EPS:PA) operates in the sustainable-energy sector, specializing in hybrid-storage solutions that enable intermittent renewable sources to be transformed into a stable power source.

Thanks to a technology covered by 125 patents and applications together with more than 10 years of R&D, the Group has developed vertically integrated hybrid energy storage solutions to stabilize electrical grids heavily penetrated by renewable sources and to power off-grid areas in emerging economies at a lower cost. EPS provides clean-energy solutions that reduce electricity bills without the need for any subsidy or incentive scheme.

The Group's mission is to unlock the energy transition by mastering the intermittency of renewable energy sources. By providing cutting-edge systems to control the intermittency of renewables – enhanced by storage technologies – and its unique hydrogen storage platform, which enables longer autonomy without resorting to diesel or gas-fuelled generators, the Group enables communities to be powered by renewable energies 24/7 more cleanly and less expensively. EPS is listed on the French regulated market, Euronext, is part of the CAC® Mid & Small and the CAC® All-Tradable indices and has registered offices in Paris and research, development and manufacturing in Italy. The Group has installed and under commissioning more than 10.5 MW of grid-connected energy storage systems, 8.6 MW of hybrid power plants powered exclusively by renewables plus storage and 3 MW of hybrid systems with hydrogen, for an aggregate output of 46.3 MWh and 22.1 MW in 21 countries, including the United States and countries in Europe, Latin America, Asia, and Africa.

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