ACEA GROUP

2013 Results
Business Plan 2014-2018

Agenda

APPENDIX

Acea Group description: an Integrated Multi-Utility

- Acea is one of the leading Italian multi-utilities. The company engages in the development of grids and services in the water, energy and environmental sectors.
- Founded in 1909, ACEA has been listed on the Italian Stock Exchange since 1999. The City of Rome is the largest shareholder.

Group Structure

ENVIRONMENT

- 100% Acea Risorse e Impianti per l'Ambiente
- 88% Acquaser
- 50% Ecomed

ENERGY

- 100% Acea Energia Holding
  - 100% Acea Energia
  - 100% Acea Produzione
- 100% Acea8cento

WATER

- 96% Acea Ato2
- 94% Acea Ato5
- 99% *Sarnese Vesuviano*
  - *37% Gori*
- 100% Crea Gestioni
- 40% Umbra Acque
- 85% Ombrone
  - 40% Acquedotto del Fiora
- 69% Acque Blu Arno Basso
  - 45% Acque
- 69% Acque Blu Fiorentine
  - 40% Publiacqua
- 35% Intesa Aretina
  - 46% Nuove Acque
- 1% Ingegnerie Toscane
- 25% Consorcio Agua Azul
- 51% Aguazul Bogotà
- 100% Acea Domenicana

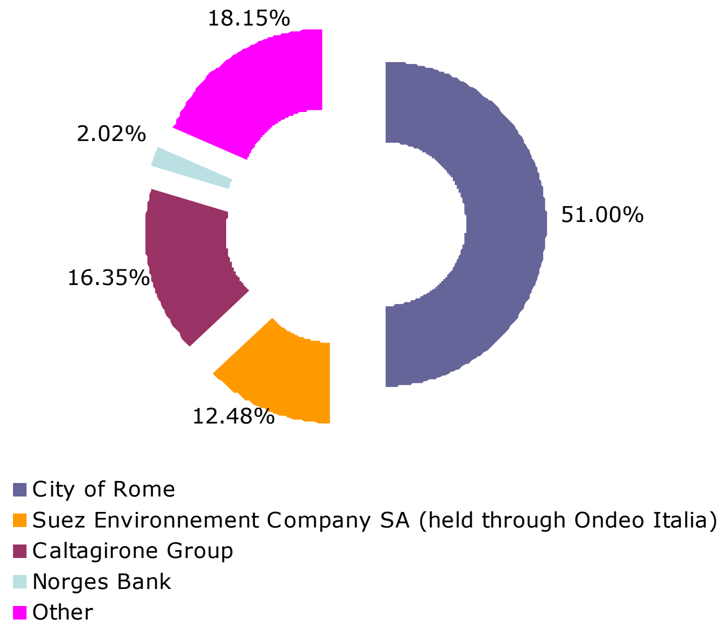
GRIDS

- 100% Acea Reti e Servizi Energetici
  - 50% Acea Distribuzione
  - 51% Ecogena
  - 49% Acea illuminazione Pubblica
- 50% Acea Illuminazione Pubblica
- 50% Acea Distribuzione

OTHER SERVICES

- 100% Laboratori

Shareholder Structure



Source: CONSOB (March 2014)

Acea Group description: Main Business Units

A leading player in the Italian market

Acea ranks fifth in Italy for waste treated, with over 700,000 tons in 2013. In the same year, the waste-to-energy plants produced over 200 GWh of electrical energy. Acea is committed to investing in waste-to-energy and organic waste treatment products with the aim of using waste to produce energy, biogas and compost and thereby benefit the environment.

Acea is one of the main Italian energy players with about 13 TWh of electricity sold in 2013 to about 1.5 million customers. Acea trades a similar amount of electricity for the benefit of its customers and for the internal consumption of the companies in the Group. To support its customers' operations, Acea has its own call center.
Moreover, Acea owns and operates 7 hydroelectric power plants (122 MW) and three thermo/cogen plants (243 MW).

In 2013, the water service division sold 565 million m^3 of potable water to nearly 9 million customers.
Acea is the leading operator in Italy, managing integrated Water Systems in the province of Rome and other parts of Lazio, Tuscany, Umbria and Campania
Acea is at the leading edge in engineering, procurement, construction and management of integrated water services, as well as carrying out multiple and daily laboratory analyses, thanks to the expertise in network management acquired in over a century. Acea has also been active for many years in Latin America countries, providing water management services.

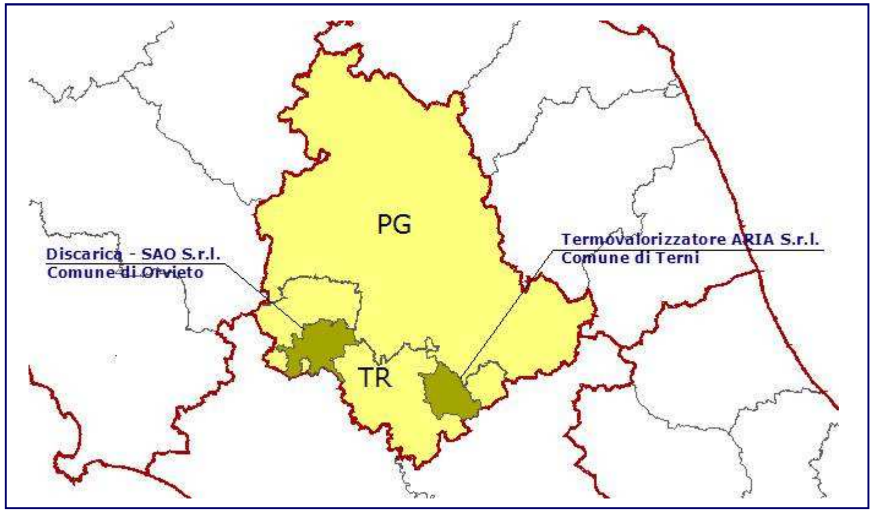
Acea is the third operator in Italy, distributing about 11 TWh of energy in the city of Rome, serving 1.6 million customers. Acea is promoting the field application of the smart grid and e-mobility through the implementation of highly innovative pilot projects, qualified by Italy's Electricity and Gas Authority.
Acea manages public lighting and floodlighting with over 204,000 lighting points distributed over an area of 1,500 km^2. Moreover, Acea is engaged in several energy efficiency projects.

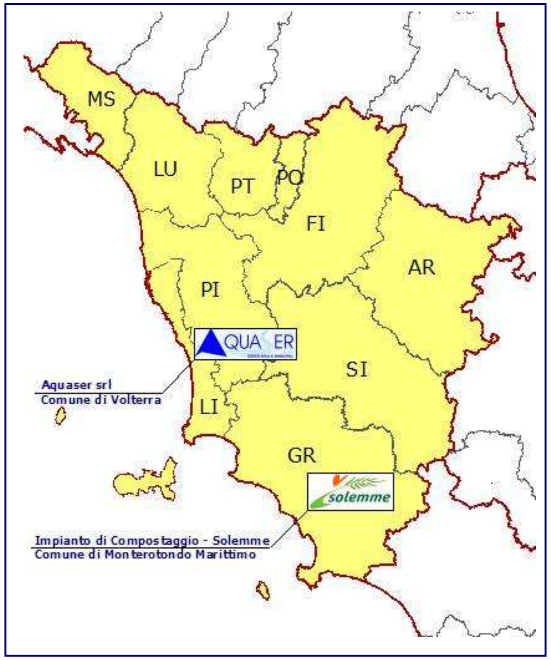
2014-2018 Business Plan highlights

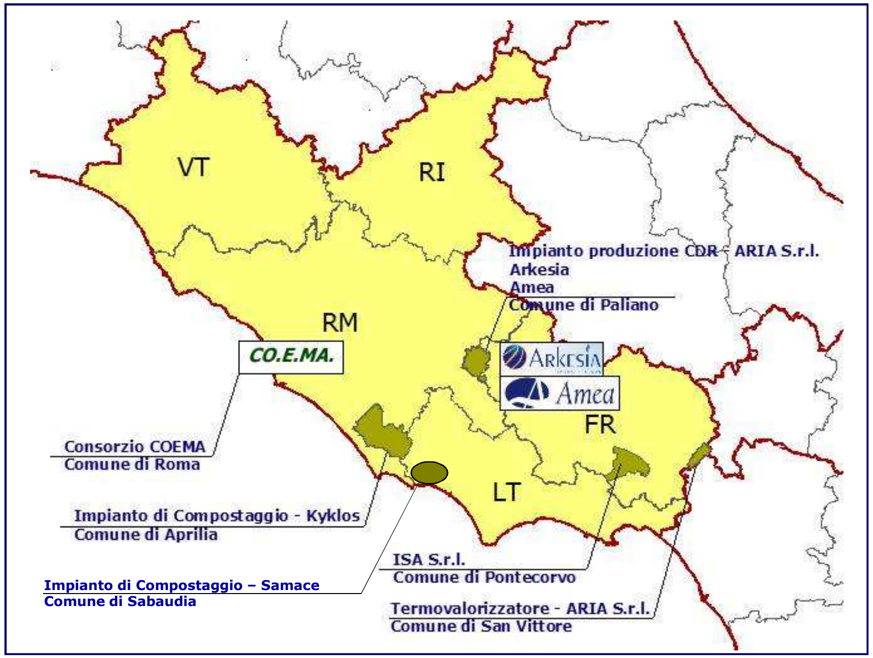
- Environment
- Energy
- Water
- Grids
- Corporate
- Acea Group

Geographical footprint of companies

The geographical and operational footprint of companies in the Environment business unit is concentrated in the three regions in central Italy: Umbria, Lazio and Tuscany

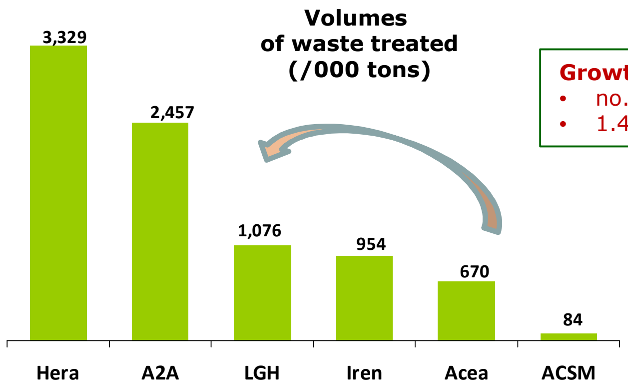






Potential developments in the Environment business

- Acea is one of the main operators in the Italian market for the industrial treatment of waste
- The aim of the Development Plan is to grow the business and become the number 3 operator in Italy by 2018



Growth targets
- no. 3 operator
- 1.4m tons per year

2012 data

Growth strategy

- **Completion of initiatives** already approved
- **Consolidation in regions served** with the upgrade/new construction of plants
- **M&A** to achieve /consolidate growth in other regions of central and northern Italy

Target and results

Environment

No. 3 OPERATOR IN ITALY
by volume of waste treated (1,421 Ktons/year)
of which 75% in the Lazio region

Waste to energy: 600 GWh/year
(equivalent to annual consumption of approx. 200,000 households)

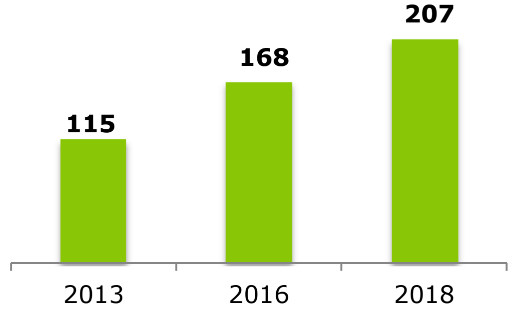
CAPEX IN THE NEXT 5 YEARS: €246m
of which Lazio region €205m

2018 INVESTED CAPITAL: €307m

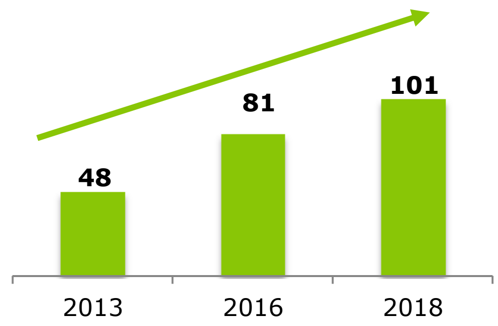
2018 EBITDA: €101m

2018 pre-tax ROIC: 20.0%

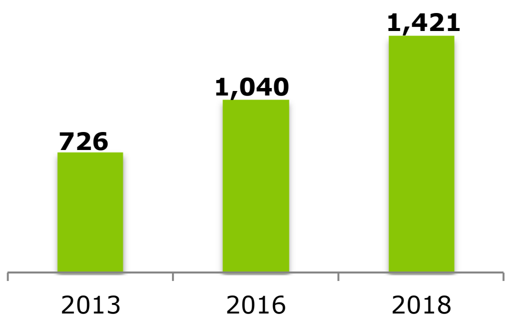
REVENUES (€m)



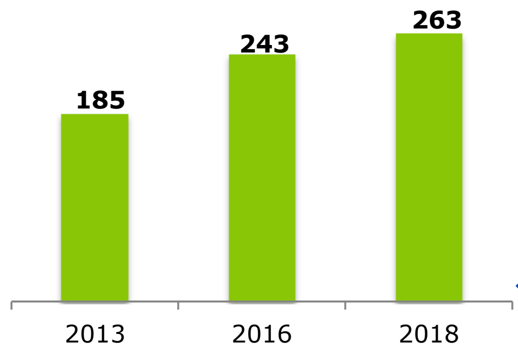
EBITDA CAGR: 16.0% (€m)



VOLUME OF WASTE TREATED (/000 tons)



NET DEBT (€m)



Incentive schemes

The disposal of urban waste through the production of energy confers the right to benefit from incentives in recognition of the electricity produced.

In 2012 a new incentives scheme based on feed-in tariffs[1] was introduced. For the plants in the Environment BU this system involves the following sums:

Type of plant	Feed-in tariff
Biogas plants of up to 1 MW	178 €/MWh
Biogas plants of between 1 and 5 MW	125 €/MWh
WTE plants > 5 MW	125 €/MWh

(1) *Legislative Decree 28 of 3 March 2011 , "implementing Directive 2009/28/EC promoting the use of renewable energy sources, amending and subsequently abrogating directives 2001/77/EC and 2003/30/EC"*

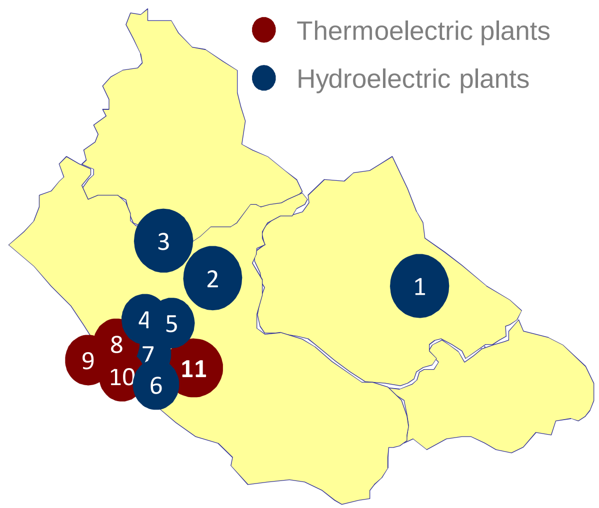
2014-2018 Business Plan highlights

- Environment
- **Energy**
- Water
- Grids
- Corporate
- Acea Group

Plants operated by Acea Produzione

Energy

		Type of plant	Capacity (MW)	Average hist. Prod. (GWh)
1	S.Angelo	reservoir	58.4	150
2	Salisano	run-of-river (potable water)	24.6	170
3	G.Marconi (Orte)	run-of-river	20.0	56
4	A. Volta (Castel Madama)	run-of-river	9.4	22
5	G. Ferraris (Mandela)	run-of-river	8.5	14
6	Cecchina mini-hydro	run-of-river (potable water)	0.4	1.6
7	Madonna del Rosario mini-hydro	run-of-river (potable water)	0.4	1.6
	TOTAL HYDRO		**121.6**	**415.2**
8	Tor di Valle	Gas-fired CCGT	125.7	n/a
9	Tor di Valle	Gas-fired CHP	19.3	n/a
10	Montemartini	Oil-fired thermo	78.3	n/a
11	9 CHP Plants	Gas-fired CHP	3.6 (Mwe)	6 (GWhe)
			16 (MWt)	18 (GWht)
	TOTAL THERMO		**242.9**	**24**



The Montemartini plant, in its actual configuration, is recognised by Terna as one of the **Essential Units for National Electricity Security** and has the role of guaranteeing the black start and supply of certain strategic areas of national importance (the black start of the city of Rome)

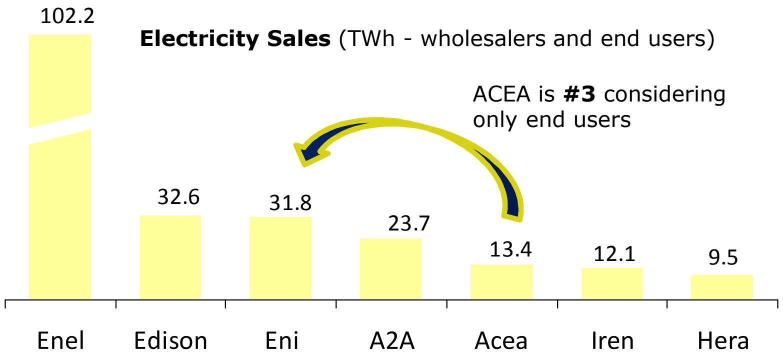
Target

Growth hypotheses: Acea Produzione

INTERNAL GROWTH STRATEGY

Strategic guidelines

Completion of plan to modernise and improve efficiency of power plants operated by Acea Produzione



2012 data

Strategic guidelines: Acea Energia

OPERATING EFFICIENCY AND OPTIMISATION OF RETAIL BUSINESS

Free Market

- Increase customer base in mass and small business markets
- Increase mass market gas customers
- Expand outside Rome
- Contain churn rate
- Develop energy management business

Enhanced Protection Market

- Implementation of a new CRM system, launch of a social platform, development of new functions for self-service channels and improvement of billing processes and systems

Target and results

RETAIL

- **Stengthen customer base** and **grow gas market presence**
- **Improve customer service** – new CRM, new contact channels, new billing systems, with the aim of entering the AEEGSI's Top Ten for service quality

PRODUCTION

- **Invest in modernising hydroelectric plants** and **create a cogeneration hub** (urban heating) in the city of Rome

CAPEX OVER THE NEXT 5 YEARS: €159m

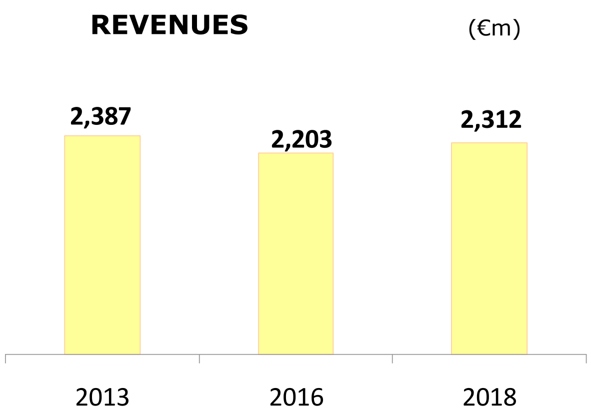
of which Lazio region €159m

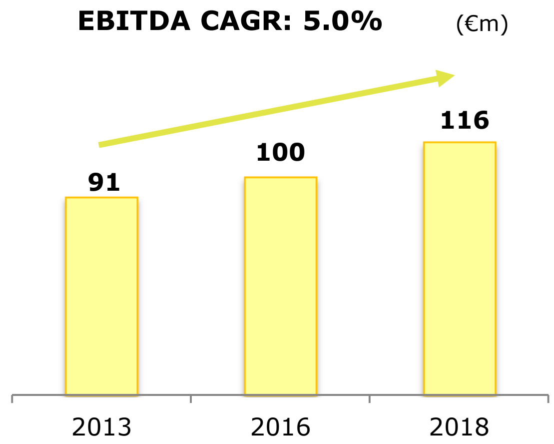
• Rome & Province €143m

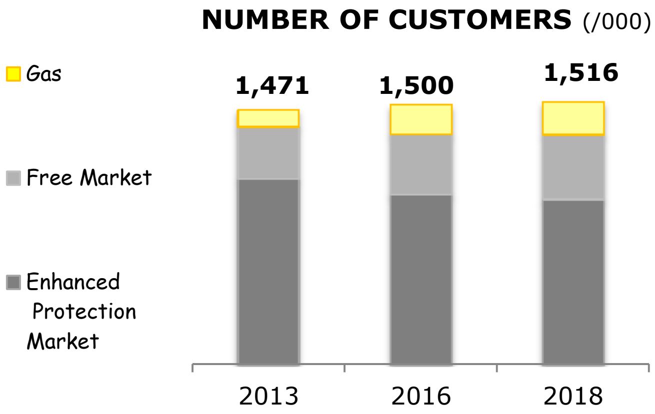
2018 INVESTED CAPITAL : €609m

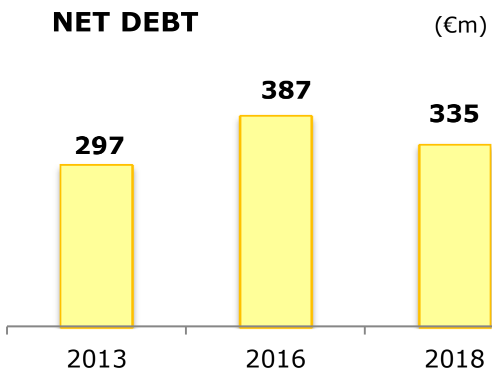
2018 EBITDA: €116m

2018 pre-tax ROIC: 10.1%









Incentive schemes

Production:

- **Green certificates**: termination of the mechanism based on certificates in 2015 and replacement with a feed-in tariff mechanism.
- **EU ETS** (CO2): a flattening of prices caused by a long position in the ETS market

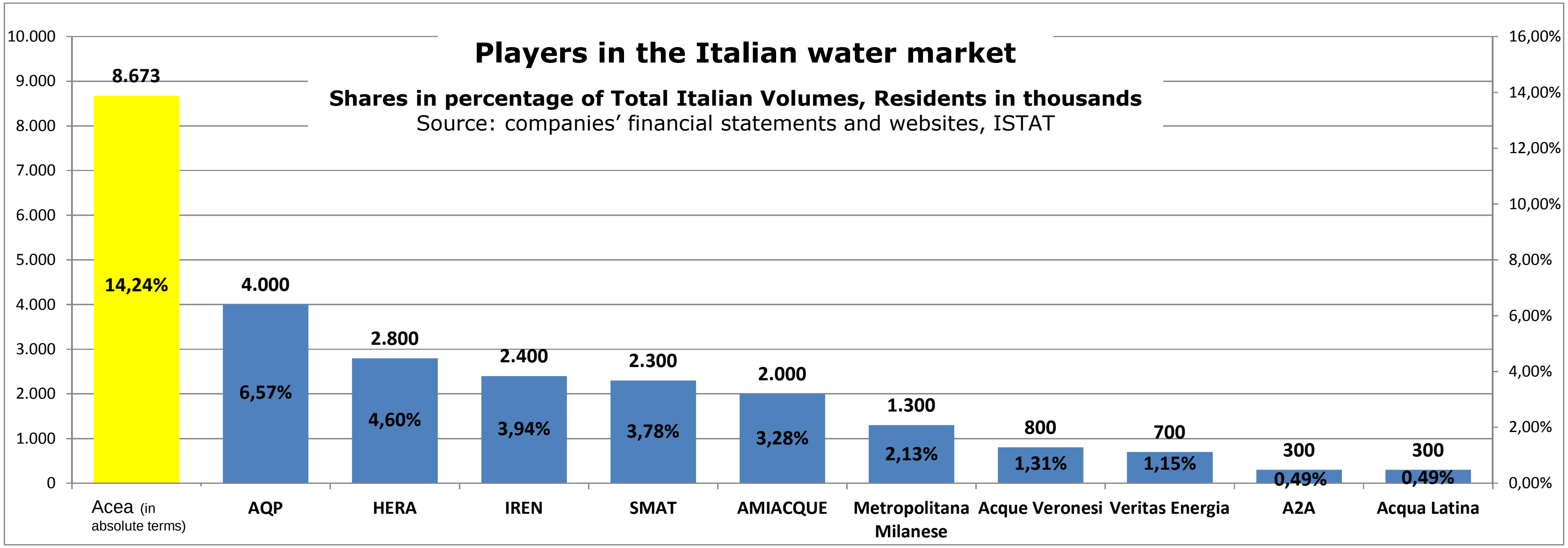
Energy scenario		2013 FWD	2014 FWD	2015 FWD	2016 FWD	2017 FWD	2018 FWD	2019 FWD	2020 FWD
Oil	$/Bbl	108.4	100.6	99.1	94.3	93.3	92.3	91.3	90.3
PUN	€/MWh	63.4	66.0	64.8	64.6	65.7	65.8	68.3	70.0
Clean Spark Spread CCGT	€/MWh	-5.1	2.5	3.0	3.5	4.0	5.0	6.0	7.0
Green certificates	€/MWh	79.3	81.3	82.4					
	Compulsory quota %	5.0%	2.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Feed-in tariffs	€/MWh				76.0	73.8	73.5	69.1	67.6
Repurchase by GSE	€/MWh	80.3	87.0	87.1					
EU-ETS	€/tons of CO2	3.8	4.5	5.3	6.0	7.8	9.5	11.3	13.0

2014-2018 Business Plan highlights

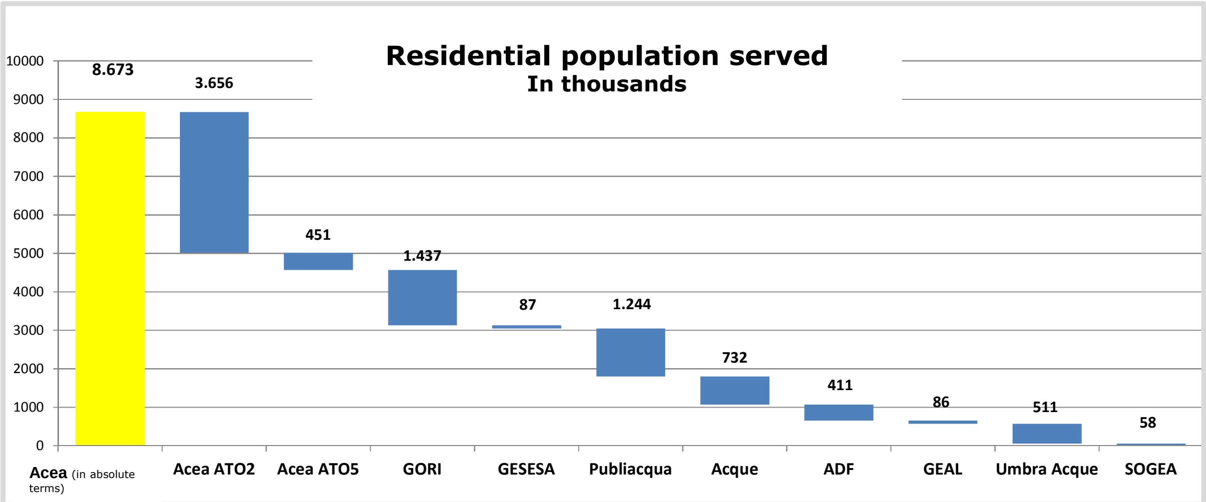
- Environment
- Energy
- **Water**
- Grids
- Corporate
- Acea Group

Acea's positioning: Italian market shares

Water



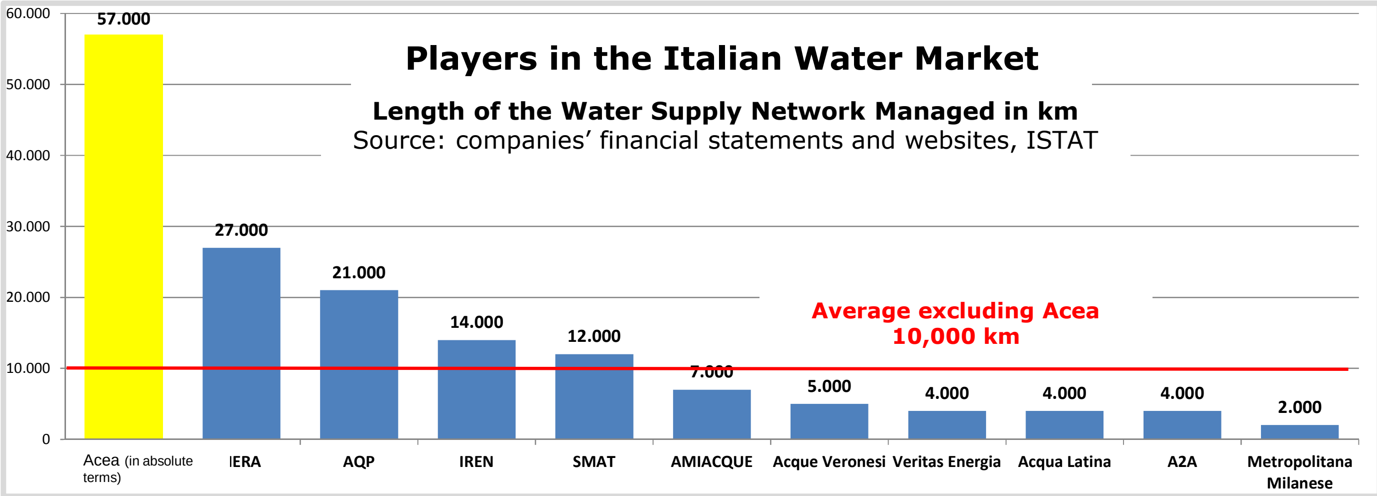
Serving 8.7m residents and with a share of 14.24%, Acea is the market leader

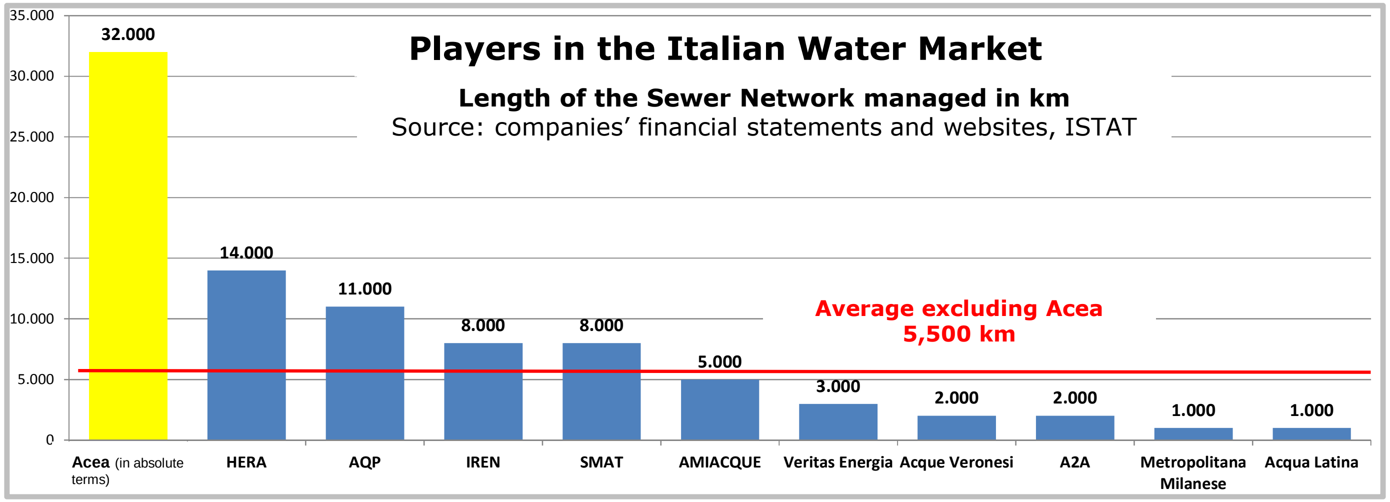


Acea's positioning: the Italian Market

Water

The asset base managed by Acea is three times the asset bases managed by its principal competitors





Target

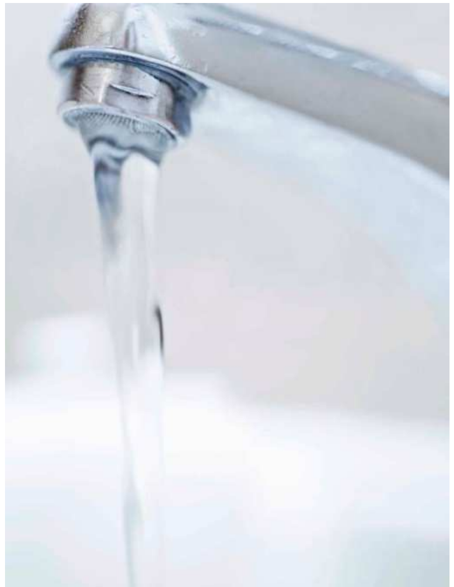
Road to growth

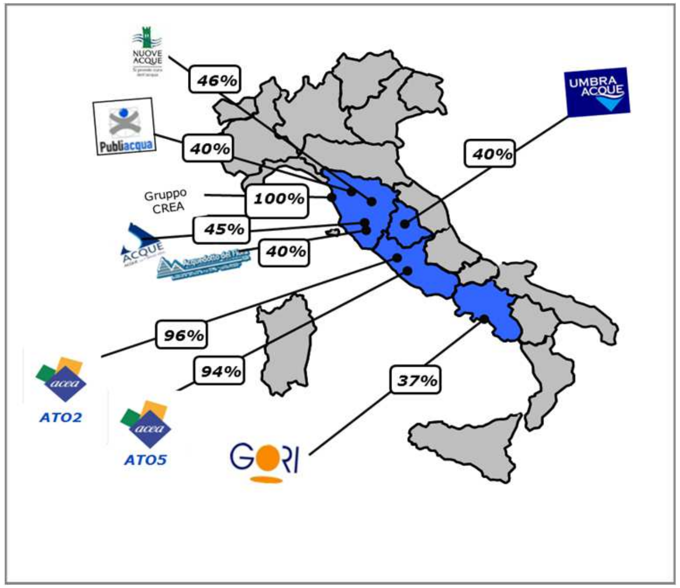
GROWTH THROUGH EFFICIENCY
to free up financial resources

- Cost efficiencies
- Adoption of advanced technologies and process automation
- Adoption of efficient processes and technologies

GROWTH THROUGH CONSOLIDATION
to apply existing best practices to new concessions

- Combination of operators within individual regions
- Assessment of potential acquisition of «concessions» in regions in which Acea is already present, with the aim of creating a single regional operator





LONG-TERM CONCESSIONS

- **ATO2-Roma (exp. 2032)**
- **Other ATOs**:
  - ATO3 Firenze (exp. 2021)
  - ATO6 Siena-Grosseto (exp. 2026)
  - ATO2 Pisa (exp. 2021)
  - ATO1 Perugia (exp. 2027)
  - ATO5 Frosinone (exp. 2032)
  - ATO3 Sarnese V. (exp. 2032)
  - ATO4 Arezzo (exp. 2023)

Target^ and results

Water

- **Consolidate leadership** in Italian market
- **Increase capex** to modernise the network, introduce new technologies and improve water treatment
- **Exploit overseas growth opportunities** in geographical areas in which Acea is present (Latin America)

CAPEX IN THE NEXT 5 YEARS: €1,290m

of which Lazio region €816m

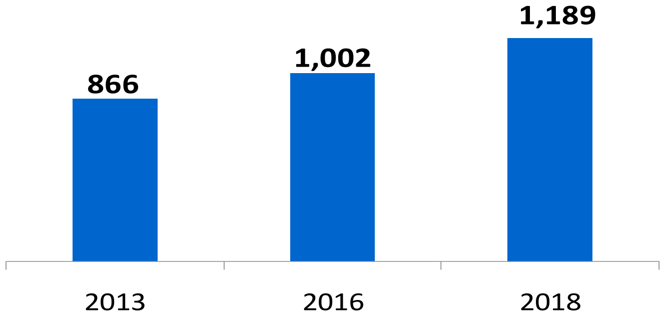
- *Rome & Province €755m*

2018 INVESTED CAPITAL: €2,284m

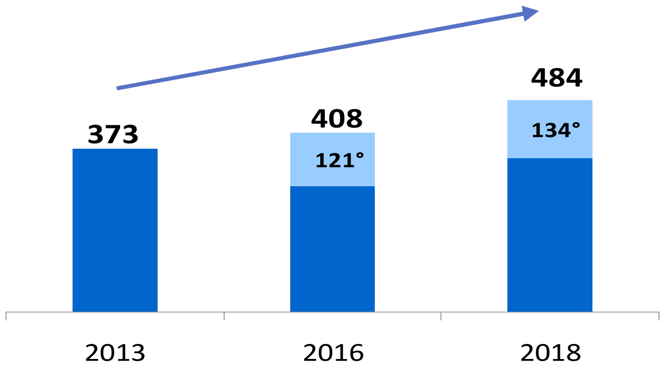
2018 EBITDA: €484m

2018 pre-tax ROIC: 10.5%

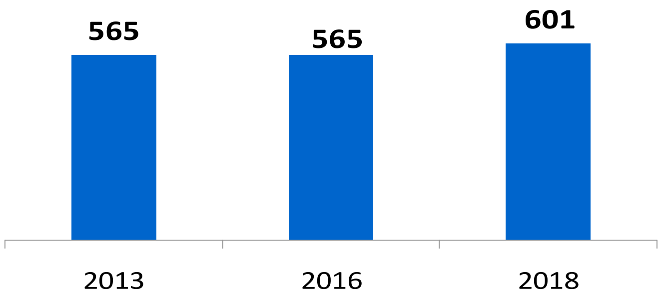
REVENUES (€m)



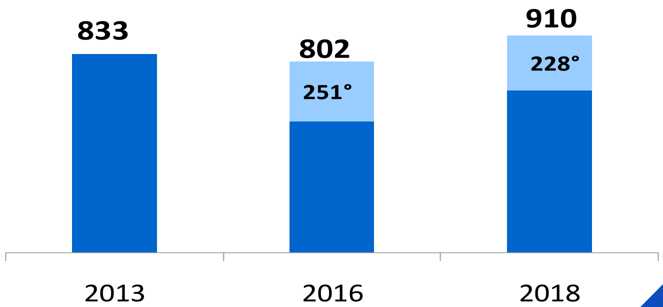
EBITDA CAGR: 5.3% (€m)



VOLUMES OF WATER SOLD* (million m^3)



NET DEBT (€m)



* *Pro-rata basis*

^ *The financial projections have been calculated using accounting standards that are consistent with those applied at 31 December 2013 and showing the contributions from the companies currently consolidated using the proportionate method*

° *Companies consolidated using the proportionate method*

Regulatory framework

New tariff regime (2012-2015 regulatory cycle)

2012-2013 transitional tariff (resolution 585/2012)

- *"Full cost recovery":* recognition of capex, opex incurred, borrowing costs and taxes
- Recognition in Net Invested Capital of all capital expenditure on assets completed by December 31st 2011, re-valuated using a deflator
- Recognition of working capital including a delay of payments average of 90 days in and 60 days out
- Average time lag of 18 months (average time between investment completed and tariff change), recognized in financial expenditure with an increase of 1%
- Regulated revenues for the transitional period are set to ensure stability to cash flows and minimize gaps compared with the previous operator revenues

2014-2015 tariff (resolution 643/2013)

General

- *Tariffs*: can rise by up to (i) 5% + inflation or (ii) 7.5% + inflation (in the event of financial depreciation)
- *Menu regulation*: the option of leveraging cash flow, based on the ability of the existing RAB to generate tariffs sufficient to finance capex envisaged in plans.

Governance

- *Tariff for 2014*: *ATOs must submit tariff proposals to the AEEG by 31 March 2014 for the AEEG to approve within the following 90 days*. If an ATO does not act, the operator can submit its tariff proposals to the ATO (notifying the AEEG). The AEEG will ask the ATO not to respond within 30 days, with the tariff being approved by AEEG on the basis of tacit consent (90 days).

Opex

- Profit Sharing: 50% of the difference between operating costs.
- In the event of changes in the scope of operations and/or of cost increases, an increase in costs will be recognised in the year in which they are incurred.
- Cost of energy: min. (cost incurred by the operator; average cost for the sector plus 10%)

Water: regulatory framework

New tariff regime (2012-2015 regulatory cycle)

Capex

- *Financial depreciation*: possible only where expected capex for the 2014-2017 period is ≥ 50% of the RAB.
- *FNI (the tariff component designed to fund to new investment)*: possibility of accessing FNI in the event of need for additional financing (i.e. project financing).
- Borrowing costs: adjustment of 10-year BTPs (Italian Treasury Certificates) (↓) and cost of debt Kd (↑).

Adjustments

- *Post-2011 (TTR)*: recovered in year n+2 (those for 2012 will be recovered in 2014) and not taken into account in calculating tariff increases for the purposes of determining the annual cap.
- *Pre-2012*: the cost component is not included in the tariff (as above) and is shown separately on bills; the minimum period for recovery reflects the amount of the adjustments due compared with annual turnover (6 months for ATO2, 2 years for GORI and 3 years for ATO5).

Unpaid bills and guarantee deposit

- *Unpaid bills*: unpaid ratios of 24 months, as a % of turnover (1.6% North, 3% Centre, 6.5% South).
- *Guarantee deposit*: 3 months.

Terminal Value

The value of infrastructure based on RAB plus any increase.

2014-2018 Business Plan highlights

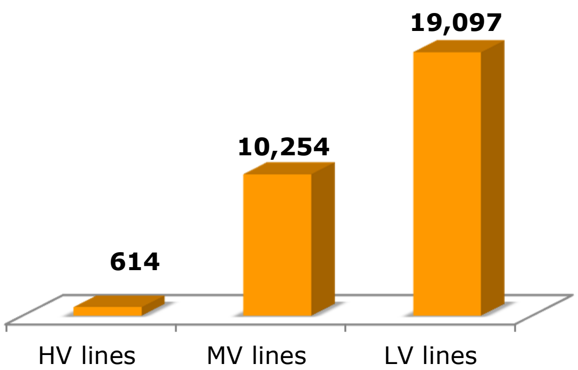
- Environment
- Energy
- Water
- **Grids**
- Corporate
- Acea Group

Nature of Acea Distribuzione's grids

As they serve a metropolitan area, Acea Distribuzione's grids primarily consist of "underground cable"

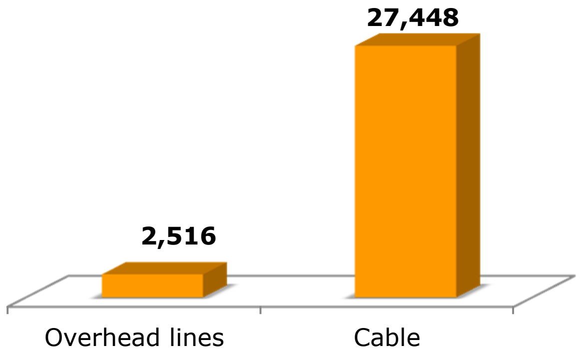
This involves higher plant and operating costs compared with a grid based on conductors and overhead cables

Grid size (km)



Secondary substations	*no.*	13,055
Primary substations	*no.*	69

Length of grid by type (km)



HV grid [1]	150 kV	60 kV
MV grid	20 kV	8.4 kV
LV grid [2]	380 V	220 V

1 Certain primary substantions have a nominal voltage of 220 kV
2 Different from eurovoltage (400 V)

Acea and public lighting in Rome

Grids

The service in Rome covers approximately 1,500 km^2 in the city of Rome, with 5,959 km of street lighting and over 650 floodlit monuments.
The public lighting network extends over 7,620 km supplying **over 204,000 lamps**, on average one every 13 residents and one every 32 metres of street. **11,000**, on the other hand, **is the number of lamps used for floodlighting**.

Over recent years old lamps have been replaced with new, energy-saving lamps, boosting the average energy efficiency of the system.
Recent innovations include the introduction of LED technology for public lighting and floodlighting.

Target

Road to growth

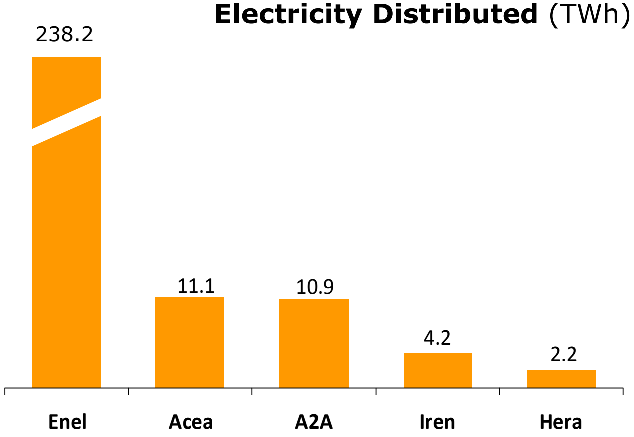
GROWTH THROUGH EFFICIENCY
to free up financial resources

- Cost efficiencies
- Adoption of advanced technologies and process automation
- Adoption of efficient processes and technologies
- Implementation of initiatives to improve corporate structures

GROWTH THROUGH EXPANSION
to apply existing best practices to new concessions

- Development of energy efficiency projects: enhancement of all initiatives through generation of EECs

Electricity Distributed (TWh)



2012 data

Target and results

Grids

- Proceed with **modernisation of the distribution network in Rome** as part of a "Smart City" approach
- **Modernise and expand the public lighting network** and launch the "Roma LED" project

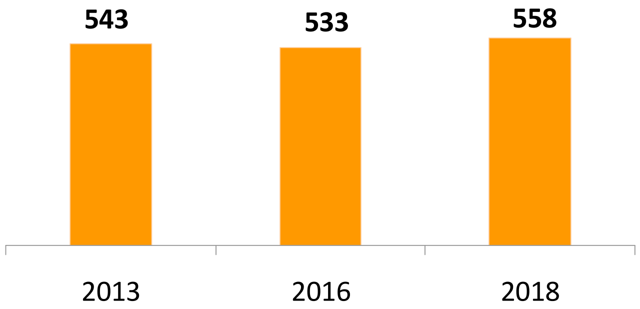
CAPEX OVER THE NEXT 5 YEARS: €642m *(Rome & Province)*
of which "Smart" €66m

2018 INVESTED CAPITAL: €1,539m

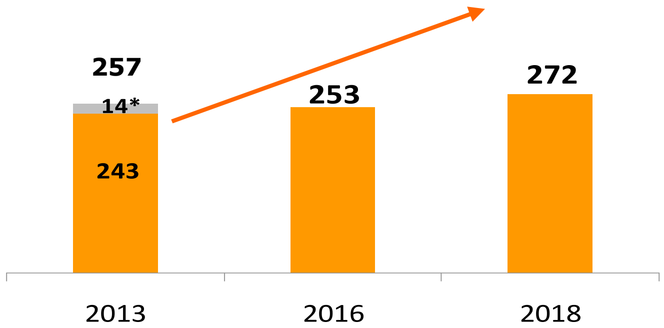
2018 EBITDA: €272m

2018 pre-tax ROIC: 11.3%

REVENUES (€m)

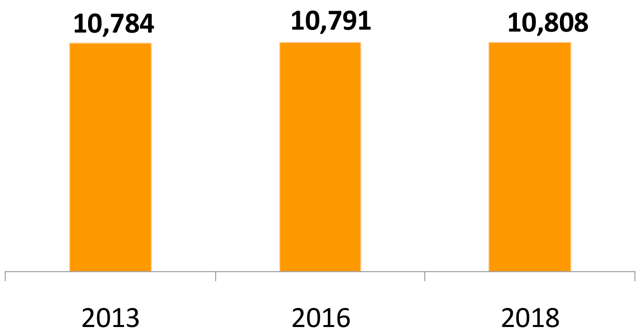


EBITDA CAGR: 2.3% (€m)

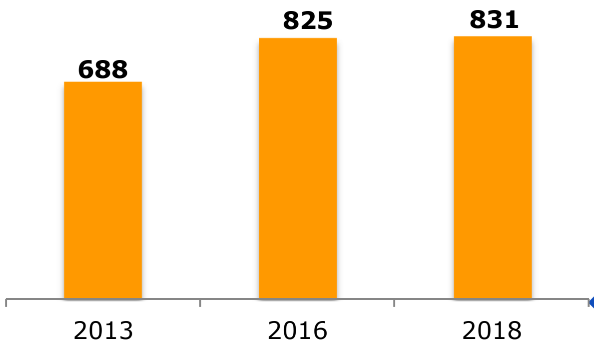


* *Previous years equalisation*

ELECTRICITY DISTRIBUTED (GWh)



NET DEBT (€m)



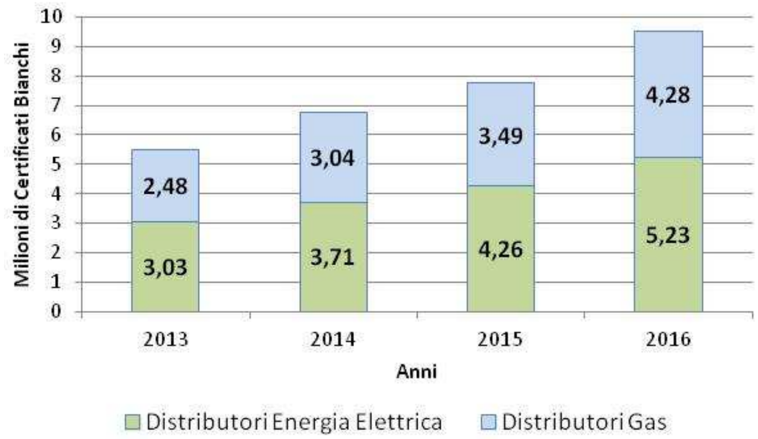
Regulatory framework

Regulatory framework

- Distribution tariff for each company to be defined on the basis of the 2013 tariff projected for future years, based on the directives contained in resolution 607/13:
- WACC of 6.4% (plus a regulatory lag of 1%) for capex post-2012;
- lump-sum subsidies to be deducted from capital invested in LV/MV lines and related depreciation;
- price cap for distribution of 2.8%, for metering of 7.1% and an increased return on incentivised investment (1.5% - 2%).

Energy efficiency scenario – Obligations in period 2013 – 2016

Each electricity and natural gas distributor in the period 2013-2016 must adopt measures and initiatives equivalent to the number of White Certificates shown in the figure (EECs)



A Ministry for Economic Development decree, to be issued by 31 December 2015, will set out national targets for the years after 2016.

Smart Grid project, Rome

Project Area

6 km^2

0.5% of City of Rome

2 primary substations

2 HV/MV transformers

1 MV/MV transformer

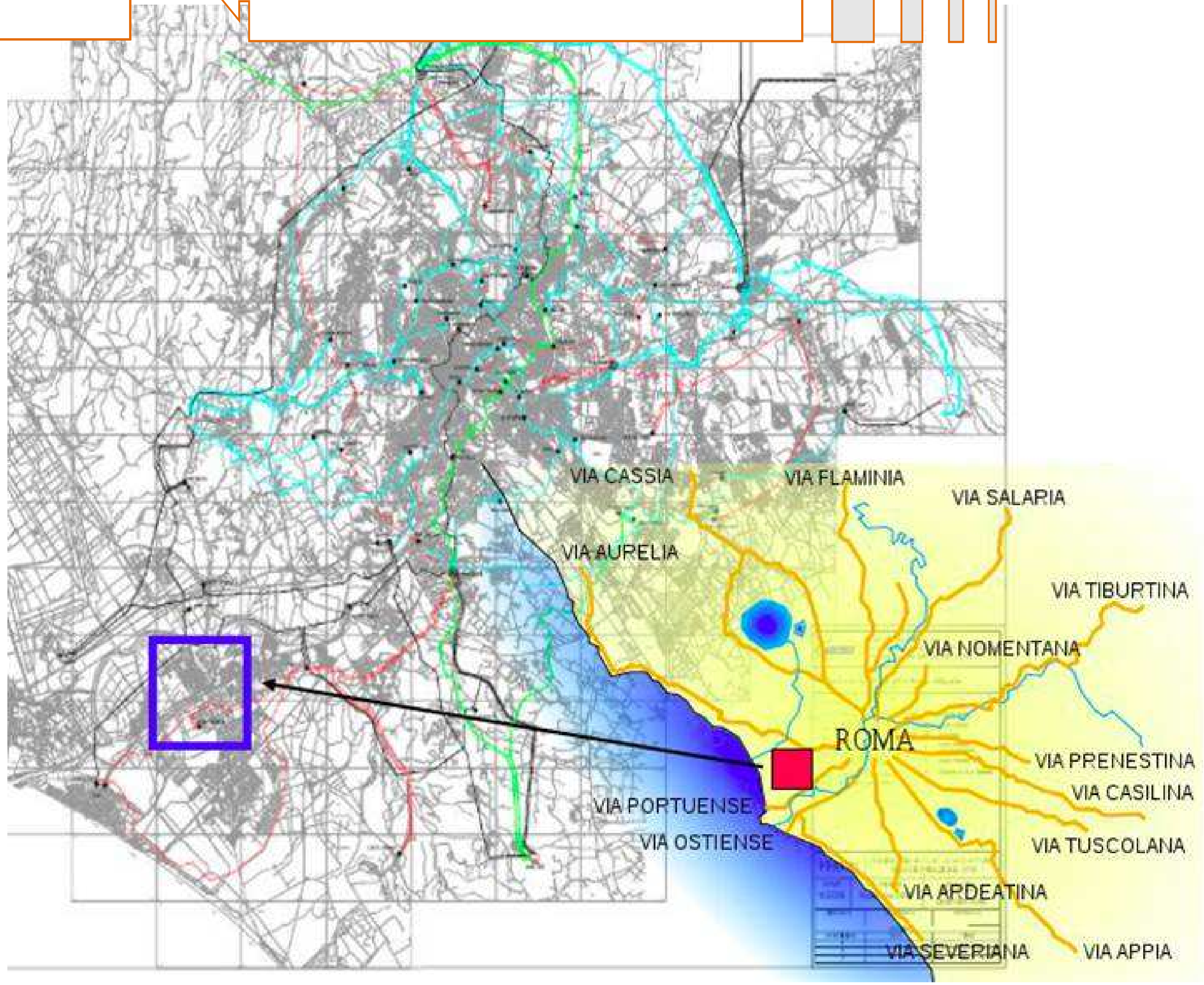
76 secondary substations

6 MV lines (70 km)

4 production plants (20 MW)

7 MV users (3.5 MW)

Cost of project: €5m



2014-2018 Business Plan highlights

- Environment
- Energy
- Water
- Grids
- **Corporate**
- Acea Group

Corporate: target and results

- **Simplify the corporate structure** in the Energy and Environment businesses
- **Facilitate synergies** between the distribution, water and public lighting grids in the Rome area (i.e.: project management, repairs, ….) using the Engineering company
- **Coordinate the implementation of new information systems** (SAP) for grids (water and electricity) and for electricity retailers
- **Review business processes**
- **Introduce the ''lean organisation''** at Corporate level and in operating companies

CAPEX OVER THE NEXT 5 YEARS: €75m

2018 EBITDA: €0

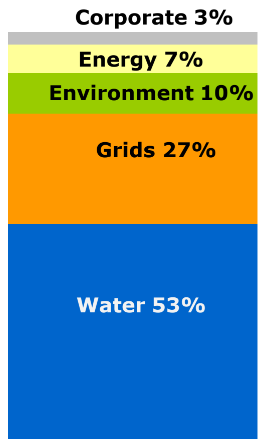
2014-2018 Business Plan highlights

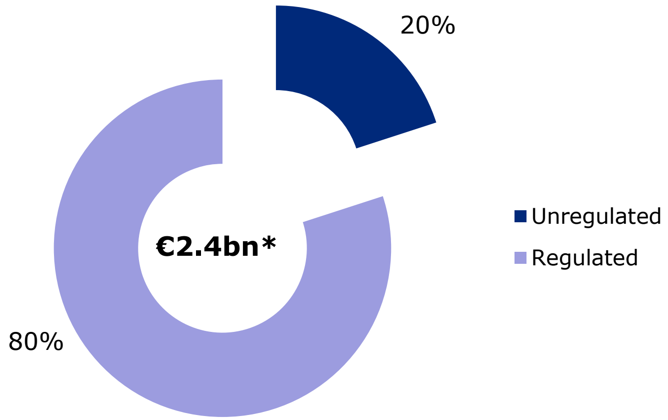
- Environment
- Energy
- Water
- Grids
- Corporate
- **Acea Group**

Acea Group 2014-2018 Business Plan highlights: total investment

Timing and purpose of investment (2014-2018)

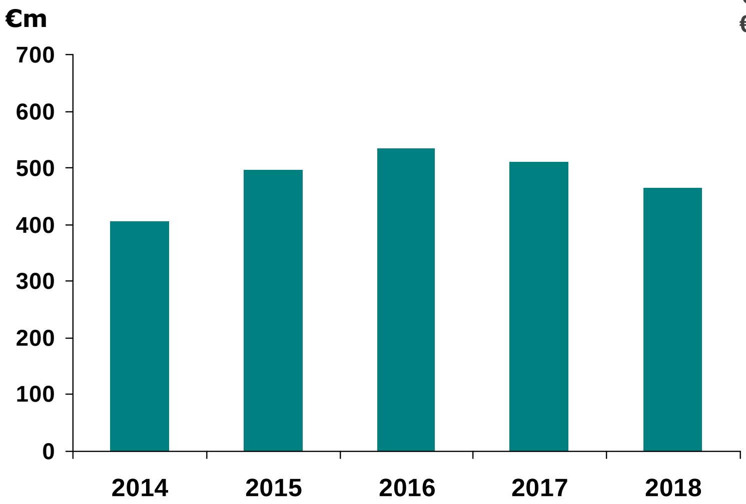
2014-2018





€1.9bn Lazio region
(of which €1.6bn Rome & Province)

***of which:**
€0.4bn in growth capex



INVESTMENT SELECTION CRITERIA:

- *Economic and financial returns*
- *Need to modernise grids and plants*
- *Indications offered by Regulator*

Acea Group 2014-2018 Business Plan highlights: key target^

	2013	2016 Plan	2018 Plan
REVENUES (€m)	3,571	3,563	3,913
EBITDA (€m)	766	857	988
(of which Companies consolidated using the proportionate method)		*(121)*	*(134)*
NET PROFIT before non-controlling interests (€m)	153	212	242
NET DEBT (€m)	2,468	2,551	2,469
(of which Companies consolidated using the proportionate method)		*(251)*	*(228)*
NET DEBT/EBITDA	3.2x	3.0x	2.4x
INVESTED CAPITAL (€m)	3,874	4,157	4,280

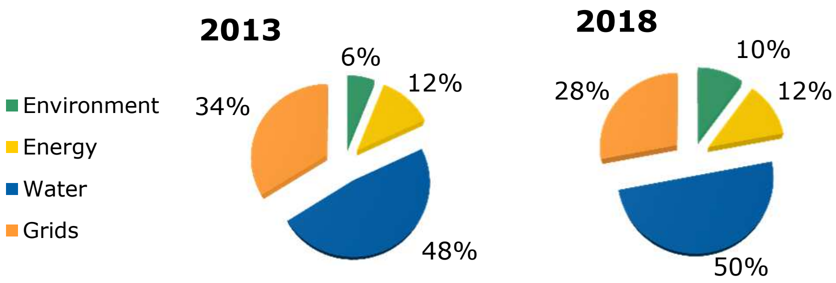
^ The financial projections have been calculated using accounting standards that are consistent with those applied at 31 December 2013 and showing the contributions from the companies currently consolidated using the proportionate method

2018 Pre-tax ROIC : 12.5%

Increase in EBITDA 2014-2018

- 28% Development
- 72% Organic growth

EBITDA breakdown by Business



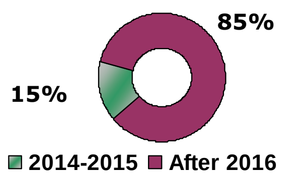
Acea Group 2014-2018 Business Plan highlights: financial structure

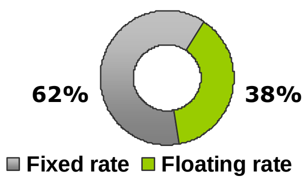
Focus on financial structure and cash flow generation

Debt average cost

All debt consolidated as long term
62% is fixed rate, at an average overall cost of 3.41%
Average term to maturity ≅ 7 years

Debt structure
(maturity and interest rates at 31 Dec 2013)





Rating

STANDARD & POOR'S
BBB- Stable Outlook

FitchRatings
BBB+ Negative Outlook

MOODY'S
Baa2 Stable Outlook

MAINTENANCE OF A SOLID FINANCIAL STRUCTURE OVER THE LIFE OF THE PLAN, WHICH COMBINED WITH THE EFFICIENCY IMPROVEMENTS ACHIEVED WILL ENABLE TO FINANCE THE BUSINESS PLAN FROM OUR OWN RESOURCES (INCLUDING THE ONGOING PAYMENT OF DIVIDENDS)

Euro Medium Term Notes (EMTN) programme up to a maximum of €1.5bn

Refinance certain bonds and borrowings nearing maturity as part of a drive to reduce borrowing costs and lengthen the average term to maturity of the Group's debt

Business Plan Key Takeaways

Business Plan Key Takeaways

2018 GROUP EBITDA: €988m (of which Companies consolidated using the proportionate method €134m)
CAPEX: €2.4bn
2018 pre-tax ROIC: 12.5%

Environment

2018 target: no. 3 Italian operator by volume of waste treated
2014-2018 Capex: €246m (of which Lazio Region €205m)
2018 EBITDA: €101m

Energy

Modernisation and improvements to efficiency of power plants
Optimisation of customer base
2014-2018 Capex: €159m of which Lazio Region €159m (Rome & Province €143m)
2018 EBITDA: €116m

Water

Consolidation of leadership in Italian market
2014-2018 Capex: €1,290m of which Lazio Region €816m (Rome & Province €755m)
2018 EBITDA: €484m (*of which Companies consolidated using the proportionate method €134m)*

Grids

Development of energy efficiency projects and adoption of advanced technologies and automated processes
2014-2018 Capex: €642m (Rome & Province)
2018 EBITDA: €272m

Closing remarks

Closing remarks

- *Strengthening profitability in all areas of business, focusing on regulated activities*
- *Selective development of businesses, exploiting opportunities offered by regulation*
- *Focus on environmental sustainability: development of energy efficiency and high-potential business initiatives (Environment sector)*
- *Ongoing improvements in operational and organisational efficiency*
- *Strategy focused on consolidating financial strength*
- *Sustainable dividend policy*

APPENDIX

Acea Group: 2013 Results

Acea Group: financial highlights

(€m)	2012	2013	Change %
Consolidated revenues	**3,612.7**	**3,570.6**	***-1.2%***
Gross Operating Margin	**1,353.2**	**1,404.5**	***+3.8%***
Operating costs	*376.0*	358.9	-4.5%
Personnel costs	*282.0*	279.5	-0.9%
EBITDA	**695.2**	**766.1**	***+10.2%***
Amortisation, depreciation and provisions	401.4	382.3	*-4.8%*
EBIT	**293.8**	**383.8**	***+30.6%***
Financial income/(expense)	(120.6)	(112.4)	*-6.8%*
Financial income for discounting to present value of Gori's debt	-	15.0	*n.s.*
Profit/Loss from equity investments	0.9	(4.8)	*n.s.*
Profit/(loss) before tax	**174.1**	**281.6**	***+61.7%***
Taxes	88.8	128.3	*+44.5%*
Net profit/(loss)	**85.3**	**153.3**	***+79.7%***
Minority interest	7.9	11.4	*+44.3%*
Group net profit/(loss)	**77.4**	**141.9**	***+83.3%***
Dividend per share (€)	0.30	0.42	*+40.0%*
Capex	**399.0***	**342.1**	**-14.3%**

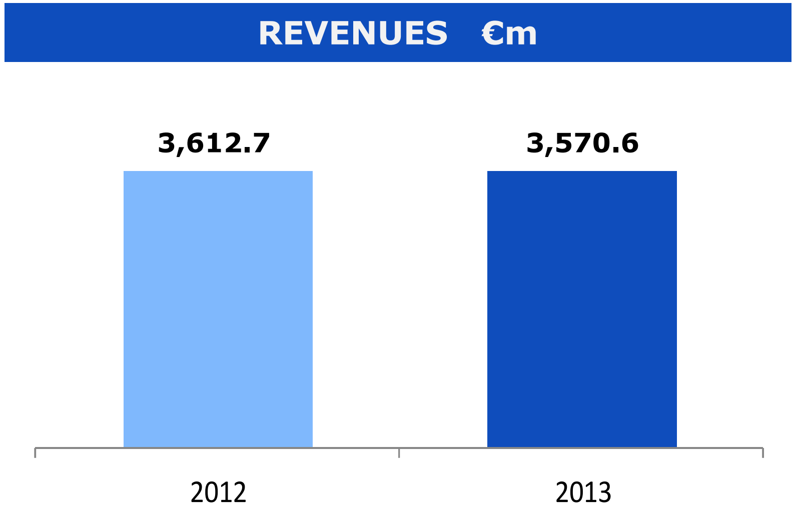
Including the interim dividend of 0.25 euros already distribuited in December 2013

(€m)	31 Dec. 2012 *restated***(a)	30 Sep. 2013 (b)	31 Dec. 2013 (c)	*Change (c-a)*	*Change (c-b)*
Net Debt	**2,495.5**	**2,536.7**	**2,468.2**	*(27.3)*	*(68.5)*
Shareholders' equity	**1,316.1**	**1,414.3**	**1,405.4**	*89.3*	*(8.9)*
Invested Capital	**3,811.6**	**3,951.0**	**3,873.6**	*62.0*	*(77.4)*

** Figure does not include the cost of purchasing the headquarters premises*

*** Entry into effect of amendments to IAS19*

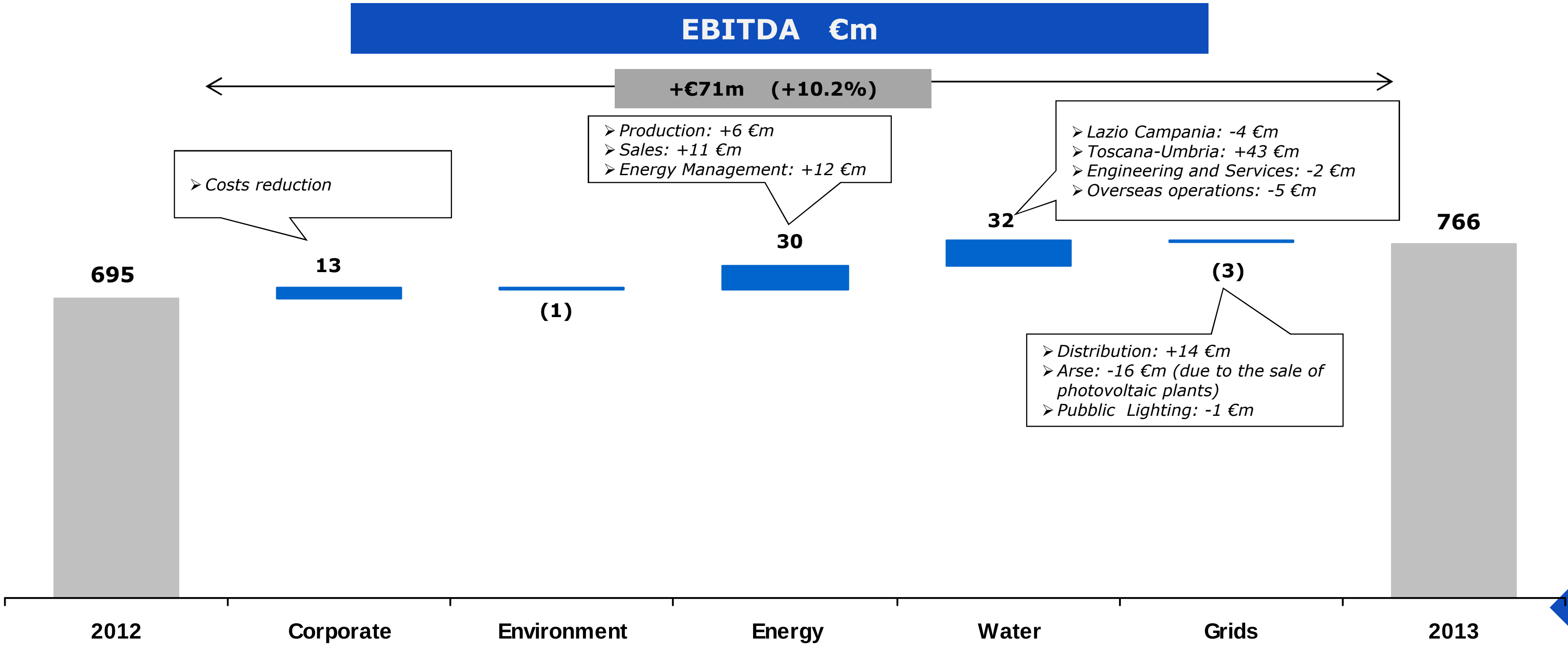
Acea Group: Revenues and EBITDA



Total number of employees	2012	2013
Acea Spa	683	666
Environment	193	216
Energy	529	515
Water °	3,144	3,117
Network	1,410	1,384
Total	**5,959**	**5,898**

° *Figures do not include:*

- *2012 Overseas water operations: 1,298*
- *2013 Overseas water operations: 404 (due to termination of Aguazul Bogotà's operating contract on 31 December 2013)*



Acea Group: financial highlights and Key quantitative data

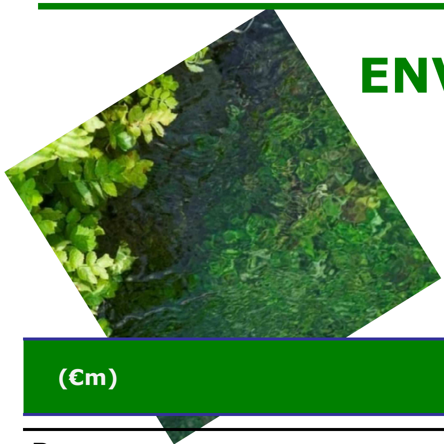
CORPORATE

- Corporate reorganization and efficiency measures

(€M)	2012 (a)	2013 (b)	*Change (b/a)*
Revenues	**106.9**	**111.1**	***+3.9%***
EBITDA	**(16.5)**	**(2.8)**	***+13.7 €m***
Capex	**8.0***	**11.9**	***+48.8%***

** Figure does not include the cost of purchasing the headquarters premises*

ENVIRONMENT



EBITDA DRIVERS

- Terni plant: operations post-revamp below expectations +3.6 €m
- SAO plant: reduced volume contributed to the waste treatment plant at a lower price -2.0 €m
- San Vittore plant: reduced volume and tariff -1.6 €m

(€m)	2012 (a)	2013 (b)	*Change % (b/a)*
Revenues	**110.2**	**115.4**	***+4.7%***
Gross Operating Margin	**78.4**	**81.8**	***+4.3%***
Operating costs	**20.4**	**23.2**	***+13.7%***
Personnel costs	**8.7**	**10.2**	***+17.2%***
EBITDA	**49.3**	**48.4**	***-1.8%***
Capex	**37.5**	**12.2**	***-67.5%***

Key quantitative data

	2012	2013
Treatment and disposal (/000s of tonnes)	**666**	**726**
WTE electricity sold (GWh)	**190**	**226**

Acea Group: financial highlights and Key quantitative data

ENERGY

EBITDA DRIVERS

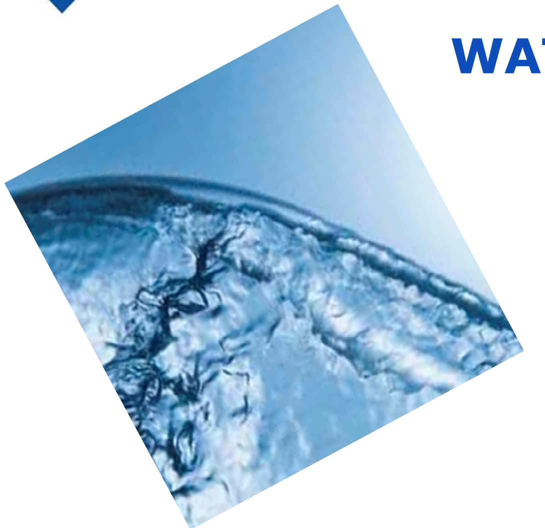
- Increased volume of electricity produced +5.2 €m
- Green Certificates Salisano and Orte plants +4.2 €m
- Energy margin increase

(€m)	2012 (a)	2013 (b)	*Change % (b/a)*
Revenues	**2,409.9**	**2,386.6**	***-1.0%***
Gross Operating Margin	**158.0**	**196.0**	***+24.1%***
Operating costs	**72.9**	**80.3**	***+10.2%***
Personnel costs	**24.1**	**25.0**	***+3.7%***
Total EBITDA	**61.0**	**90.7**	***+48.7%***
- Production	*31.4*	*37.7*	*+20.1%*
- Sales	*39.6*	*50.9*	*+28.5%*
- Energy Management	*(10.0)*	*2.1*	*+12.1€m*
Capex	**27.1**	**11.4**	***-57.9%***

Key quantitative data

	2012	2013
Total Electricity production (GWh)	**367**	**500**
Total Electricity sold (GWh)	**13,416**	**12,616**
Enhanced Protection Market	3,418	3,234
Free Market	9,998	9,382
Total Gas sold (Mmc)	**86**	**100**

Acea Group: financial highlights and Key quantitative data



WATER

EBITDA DRIVERS

- Recognition of FNI component for 2012 and 2013 approved by certain Concession Authorities (Acquedotto del Fiora, Acque, Publiacqua, Umbra Acque) €45.5m
- 2012-2013 tariff approval for ATO2 and ATO5
- Termination of Aguazul Bogotà's operating contract on 31 December 2012

(€m)	2012 (a)	2013 (b)	*Change % (b/a)*
Revenues	**890.0**	**886.0**	***-0.4%***
Gross Operating Margin	**705.5**	**722.4**	***+2.4%***
Operating costs	**230.2**	**224.5**	***-2.5%***
Personnel costs	**126.3**	**125.4**	***-0.7%***
Total EBITDA	**340.6°**	**372.5**	***+9.4%***
- Lazio Campania	*257.6*	*253.8*	*-1.5%*
- Toscana-Umbria	*62.4*	*105.5*	*+69.1%*
- Engineering and Services	*10.4*	*8.5*	*-18.3%*
- Overseas operations	*10.2*	*4.8*	*-52.9%*
Capex	**224.4**	**202.5**	***-9.8%***

° The result includes the negative impact of the Antitrust fine (€8.3m) and the recognition in 2012 of increased tariff adjustments awarded to Acea ATO2 by the Mayors' Conference of 17 April 2012 (€40.0m)

Key quantitative data

	2012	2013
Total Volumes of water sold (Mmc)*	**565**	**565**

** Pro-rata basis*

Acea Group: financial highlights and Key quantitative data

GRIDS

EBITDA DRIVERS

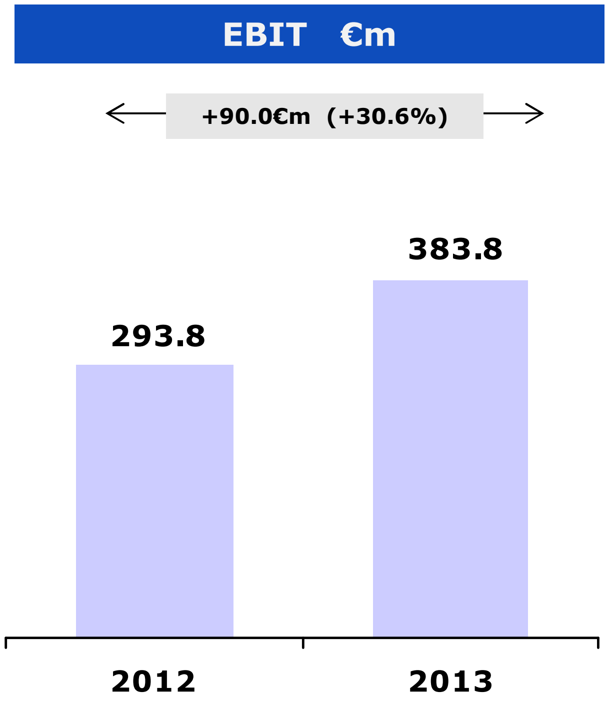
- Distribution: +14 €m
- Pubblic Lighting: -1 €m

(€m)	2012 (a)	2013 (b)	*Change % (b/a)*
Revenues	**570.3**	**543.1**	***-4.8%***
Gross Operating Margin	**410.2**	**408.6**	***-0.4%***
Operating costs	**80.3**	**80.0**	***-0.4%***
Personnel costs	**70.3**	**71.3**	***+1.4%***
Total EBITDA pro-forma	**242.9**	**257.3**	***+5.9%***
- EBITDA	*260.7*	*257.3*	*-1.3%*
- EBITDA photovoltaic plants sold	*(17.8)*	*-*	*n.s.*
Capex	**101.9**	**104.1**	***+2.2%***

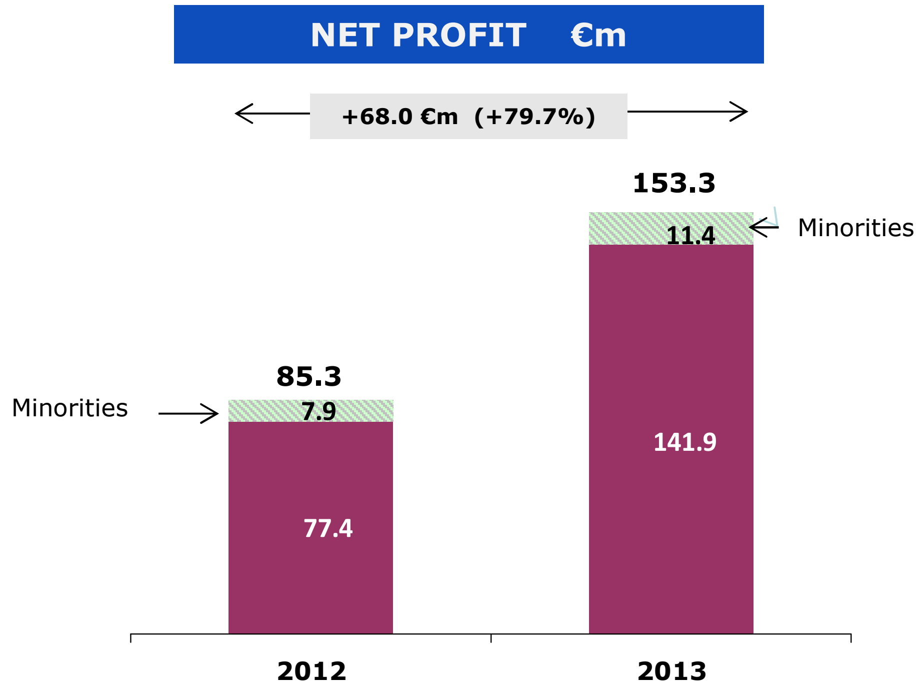
Key quantitative data

	2012	2013
Total Electricity distributed (GWh)	**11,089**	**10,784**

Acea Group: EBIT and Net Profit



(€m)	2012	2013	*Change %*
Amortisation	263.4	244.5	-7.2%
Depreciation	83.5	89.5	+7.2%
Provisions	54.5	48.3	-11.4%
Total	**401.4**	**382.3**	**-4.8%**

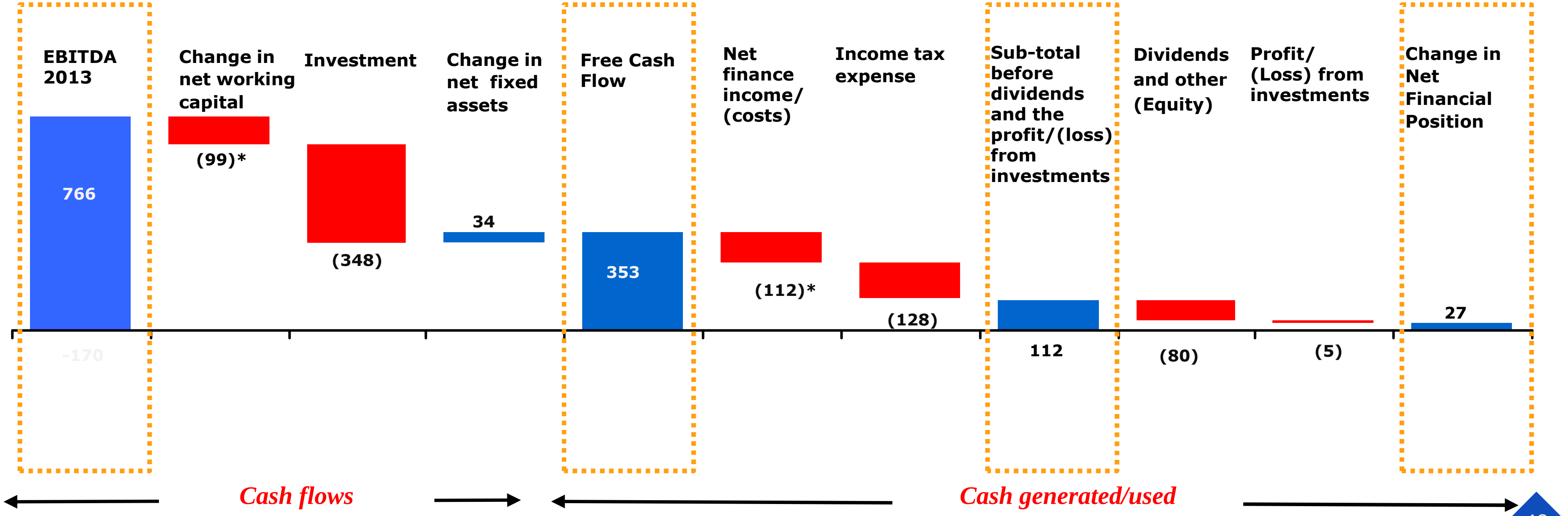


	2010	2011	2012	2013
DPS (€)	0.450	0.28	0.30	0.42

Including the interim dividend of 0.25 euros already distribuited in December 2013

Acea Group: Cash Flow

CASH FLOW ANALYSIS (€m)	2012	1Q 2013	2Q 2013	3Q 2013	4Q 2013	2013
EBITDA	703	178	193	175	221	766
Change in net working capital	(106)	(170)	126	(75)	20	(99)*
Investment	(399)	(76)	(90)	(84)	(98)	(348)
Change in net fixed assets	27	(1)	15	(20)	39	34
Free Cash Flow 1	225	(69)	244	(4)	182	353
Net finance income/(costs)	(121)	(25)	(30)	(25)	(31)	(112)*
Income tax expense	(97)	(32)	(35)	(30)	(31)	(128)
Free Cash Flow 2	7	(126)	178	(59)	120	112
Purchase of headquarters premises	(113)	0	0	0	0	0
Dividends and other (Equity)	(64)	(19)	(15)	2	(49)	(80)
Profit/(loss) from investments	1	1	(3)	(1)	(2)	(5)
Change in Net Financial Position	(169)	(143)	160	(58)	68	27



** Amount after stripping out effect of discounting to present value of Gori's debt (€15m)*

Acea Group: Net Debt

NET DEBT

(€m)	31 Dec 2012 * restated (a)	30 Sep 2013 (b)	31 Dec 2013 (c)	*Change (c-a)*	*Change (c-b)*
Medium/Long-term	**2,178.6**	**2,492.3**	**2,472.8**	*294.2*	*(19.5)*
Short-term	**316.9**	**44.4**	**(4.6)**	*(321.5)*	*(49.0)*
Net Debt	**2,495.5**	**2,536.7**	**2,468.2**	***(27.3)***	***(68.5)***

NET DEBT/ SHAREHOLDER'S EQUITY 31 Dec. 2012	NET DEBT/ SHAREHOLDER'S EQUITY 31 Dec. 2013
1.9x	**1.8x**

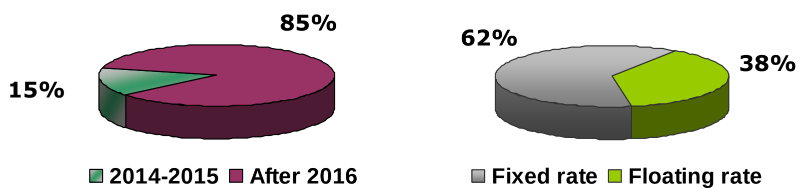
NET DEBT/ EBITDA 31 Dec. 2012	NET DEBT/ EBITDA 31 Dec 2013
3.6x	**3.2x**

All debt consolidated as long term
62% is fixed rate, at an average overall cost of 3.41%
Average term to maturity ≃ 7 years

Rating

STANDARD & POOR'S	FitchRatings	MOODY'S
BBB-	**BBB+**	**Baa2**
Stable Outlook	*Negative Outlook*	*Stable Outlook*

Debt structure
(maturity and interest rates at 31 December 2013)



Acea Group: 9M2013 Results

Acea Group: financial highlights

(€m)	9M2012	9M2013	Change %
Consolidated revenues	**2,651.3**	**2,627.0**	***-0.9%***
Gross Operating Margin	**976.8**	**1,019.8**	***+4.4%***
Operating costs	275.2	263.2	*-4.4%*
Personnel costs	217.0	211.2	*-2.7%*
EBITDA	**484.6**	**545.4**	***+12.5%***
Amortisation, depreciation and provisions	263.3	266.3	*+1.1%*
EBIT	**221.3**	**279.1**	***+26.1%***
Financial income/(expense)	(91.1)	(80.5)	*-11.6%*
Financial income for discounting to present value of Gori's debt	-	15.0	*n.s.*
Profit/Loss from equity investments	1.0	(2.5)	*-350.0%*
Profit/(loss) before tax	**131.2**	**211.1**	***+60.9%***
Taxes	68.0	97.7	*+43.7%*
Net profit/(loss)	**63.2**	**113.4**	***+79.4%***
Minority interest	6.8	8.8	*+29.4%*
Group net profit/(loss)	**56.4**	**104.6**	***+85.5%***

Capex	**292.4**	**245.9**	***-15.9%***
Headquarters premises purchase	**113.0**	**-**	***n.s.***

(€m)	30 Sept 2012 restated* (a)	31 Dec. 2012 restated* (b)	30 Sept 2013 (c)	*Change (c-a)*	*Change (c-b)*
Net Debt	2,659.5	2,495.5	**2,536.7**	*(122.8)*	*41.2*
Shareholders' equity	1,342.6	1,316.1	**1,414.3**	*71.7*	*98.2*
Invested Capital	4,002.1	3,811.6	**3,951.0**	*(51.1)*	*139.4*

** Entry into effect of amendments to IAS19*

Acea Group: 1H2013 Results

Acea Group: financial highlights

(€m)	1H2012	1H2013	*Change %*
Consolidated revenues	**1,688.9**	**1,790.3**	***+6.0%***
Gross Operating Margin	**638.8**	**687.9**	***+7.7%***
Operating costs	168.3	177.5	*+5.5%*
Personnel costs	149.8	140.0	*-6.5%*
EBITDA	**320.7**	**370.4**	***+15.5%***
Amortisation, depreciation and provisions	177.9	183.7	*+3.3%*
EBIT	**142.8**	**186.6**	***+30.7%***
Financial income/(expense)	(63.4)	(55.3)	*-12.8%*
Financial income for discounting to present value of Gori's debt	-	15.0	*n.s.*
Profit/Loss from equity investments	0.7	(1.8)	*n.s.*
Profit/(loss) before tax	**80.1**	**144.5**	***+80.4%***
Taxes	41.8	67.5	*+61.5%*
Net profit/(loss)	**38.3**	**77.0**	***+101.0%***
Minority interest	4.2	6.4	*+52.4%*
Group net profit/(loss)	**34.1**	**70.6**	***+107.0%***

Capex	**185.9**	**165.8**	***-10.8%***
Headquarters premises purchase	**113.0**	**-**	***n.s.***

(€m)	30 June 2012 restated*	31 Dec 2012 restated* (a)	31 March 2013	30 June 2013 (b)	*Change (b-a)*
Net Debt	2,566.0	2,495.5	2,638.9	**2,479.1**	*(16.4)*
Shareholders' equity	1,326.6	1,316.1	1,352.7	**1,375.5**	*59.4*
Invested Capital	3,892.6	3,811.6	3,991.6	**3,854.6**	*43.0*

** Entry into effect of amendments to IAS19*

Acea Group: 2012 Results

Acea Group: financial highlights

(€m)	2011 (a)	*2012 Pro-forma ^*	% Change (pro-forma^/a)	2012 (b)	% Change (b/a)
Consolidated revenues	**3,538.0**	*3,612.7*	**+2.1%**	**3,612.7**	*+2.1%*
Operating costs	2,880.5			2,917.3	*+1.3%*
- *Personnel costs*	*280.6*			*282.0*	*+0.5%*
- *External costs*	*2,599.9*			*2,635.3*	*+1.4%*
Net profit/(loss) on management of commodity risk	(1.7)			(0.2)	*-88.2%*
EBITDA	**655.8**	*703.5*	**+7.3%**	**695.2**	*+6.0%*
Amortisation, depreciation and provisions	433.2*			401.4	*-7.3%*
EBIT	**222.6**	*302.1*	**+35.7%**	**293.8**	*+32.0%*
Total financial income/(expense)	(120.6)			(120.6)	-
Profit/Loss from equity investments	57.1**			0.9	*-98.4%*
Profit/(loss) before tax	**159.1**	*182.4*	**+14.6%**	**174.1**	*+9.4%*
Taxes	65.6			88.8	*+35.4%*
Net profit/(loss)	**93.5**	*93.6*	**+0.1%**	**85.3**	*-8.8%*
Minority interest	7.5			7.9	*+5.3%*
Group net profit/(loss)	**86.0**	*85.7*	**-0.3%**	**77.4**	*-10.0%*
Dividend per share (€)	**0.28**			**0.30**	*+7.1%*
Capex	**413**			**513**	**+24.2%**

Including the interim dividend of 0.21 euros already paid in December 2012

(€m)	31 Dec 2011 (a)	30 Sept 2012 (b)	31 Dec 2012 (c)	Change (c-a)	Change (c-b)
Net Debt	2,325.8	2,659.5	**2,495.5**	169.7	(164.0)
Shareholders' equity	1,311.5	1,357.8	**1,332.4**	20.9	(25.4)
Invested Capital	3,637.3	4,017.3	**3,827.9**	190.6	(189.4)

^ The negative impact of the Antitrust fine has been stripped out of the pro-forma amount.

** Figure includes provision related to Acea ATO5 and Gori.*

*** Figure includes the gain realized following the unwinding of the Joint Venture with GdF Suez Energia Italia.*

Disclaimer

THIS PRESENTATION MAY CONTAIN CERTAIN STATEMENTS THAT ARE NEITHER REPORTED FINANCIAL RESULTS NOR OTHER HISTORICAL INFORMATION (“FORWARD-LOOKING STATEMENTS”).

THESE FORWARD-LOOKING STATEMENTS ARE BASED ON ACEA S.P.A.’S CURRENT EXPECTATIONS AND PROJECTIONS ABOUT FUTURE EVENTS. BECAUSE THESE FORWARD-LOOKING STATEMENTS ARE SUBJECT TO RISKS AND UNCERTAINTIES, ACTUAL FUTURE RESULTS MAY DIFFER MATERIALLY FROM THOSE EXPRESSED IN OR IMPLIED BY THESE STATEMENTS DUE TO ANY NUMBER OF DIFFERENT FACTORS, MANY OF WHICH ARE BEYOND THE ABILITY OF ACEA S.P.A. TO CONTROL OR ESTIMATE PRECISELY, INCLUDING CHANGES IN THE REGULATORY ENVIRONMENT, FUTURE MARKET DEVELOPMENTS, FLUCTUATIONS IN THE PRICE AND AVAILABILITY OF FUEL AND OTHER RISKS.

YOU ARE CAUTIONED NOT TO PLACE UNDUE RELIANCE ON THE FORWARD-LOOKING STATEMENTS CONTAINED HEREIN, WHICH ARE MADE ONLY AS OF THE DATE OF THIS PRESENTATION. ACEA S.P.A. DOES NOT UNDERTAKE ANY OBLIGATION TO PUBLICLY RELEASE ANY REVISIONS TO ANY FORWARD-LOOKING STATEMENTS TO REFLECT EVENTS OR CIRCUMSTANCES AFTER THE DATE OF THIS PRESENTATION.

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PURSUANT TO ART. 154-BIS, PAR. 2, OF THE UNIFIED FINANCIAL ACT OF FEBRUARY 24, 1998, THE EXECUTIVE IN CHARGE OF PREPARING THE CORPORATE ACCOUNTING DOCUMENTS AT ACEA, FRANCO BALSAMO – CFO OF THE COMPANY, DECLARES THAT THE ACCOUNTING INFORMATION CONTAINED HEREIN CORRESPOND TO DOCUMENT RESULTS, BOOKS AND ACCOUNTING RECORDS.

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