

# ACEA GROUP

## 2014 Results



Rome, 11 March 2015

	(€m)	2013 Restated*	2014	Change %
<b>Consolidated revenues</b>		<b>3,289.0</b>	<b>3,038.3</b>	<b>-7.6%</b>
Profit/(Loss) on investments consolidated under IFRS 11		30.3	18.8	-38.0%
- of which: EBITDA		122.3°	125.7	+2.8%
- of which: Amortisation, depreciation and provisions		(71.1)	(82.4)	+15.9%
- of which: Financial income/(expense)		2.0°°	(9.7)	n.s.
- of which: Income tax expense		(22.9)	(14.8)	-35.4%
<b>Variable Margin</b>		<b>1,198.7</b>	<b>1,233.3</b>	<b>+2.9%</b>
Personnel costs		238.3	229.5	-3.7%
Operating costs		285.0	286.1	+0.4%
<b>EBITDA</b>		<b>675.4</b>	<b>717.7</b>	<b>+6.3%</b>
Amortisation, depreciation and provisions		312.2	327.3	+4.8%
<b>EBIT</b>		<b>363.2</b>	<b>390.4</b>	<b>+7.5%</b>
Financial income/(expense)		(99.2)	(101.1)	+1.9%
Profit/Loss from equity investments		(4.8)	0.5	n.s.
<b>Profit/(loss) before tax</b>		<b>259.2</b>	<b>289.8</b>	<b>+11.8%</b>
Income tax expense		105.8	120.9	+14.3%
<b>Net profit/(loss)</b>		<b>153.4</b>	<b>168.9</b>	<b>+10.1%</b>
Minority interest		11.4	6.4	-43.9%
<b>Group net profit/(loss)</b>		<b>142.0</b>	<b>162.5</b>	<b>+14.4%</b>
<b>Dividend per share (€)</b>		<b>0.42</b>	<b>0.45</b>	<b>+7.1%</b>
<b>Capex</b>		<b>268.6</b>	<b>318.5</b>	<b>+18.6%</b>

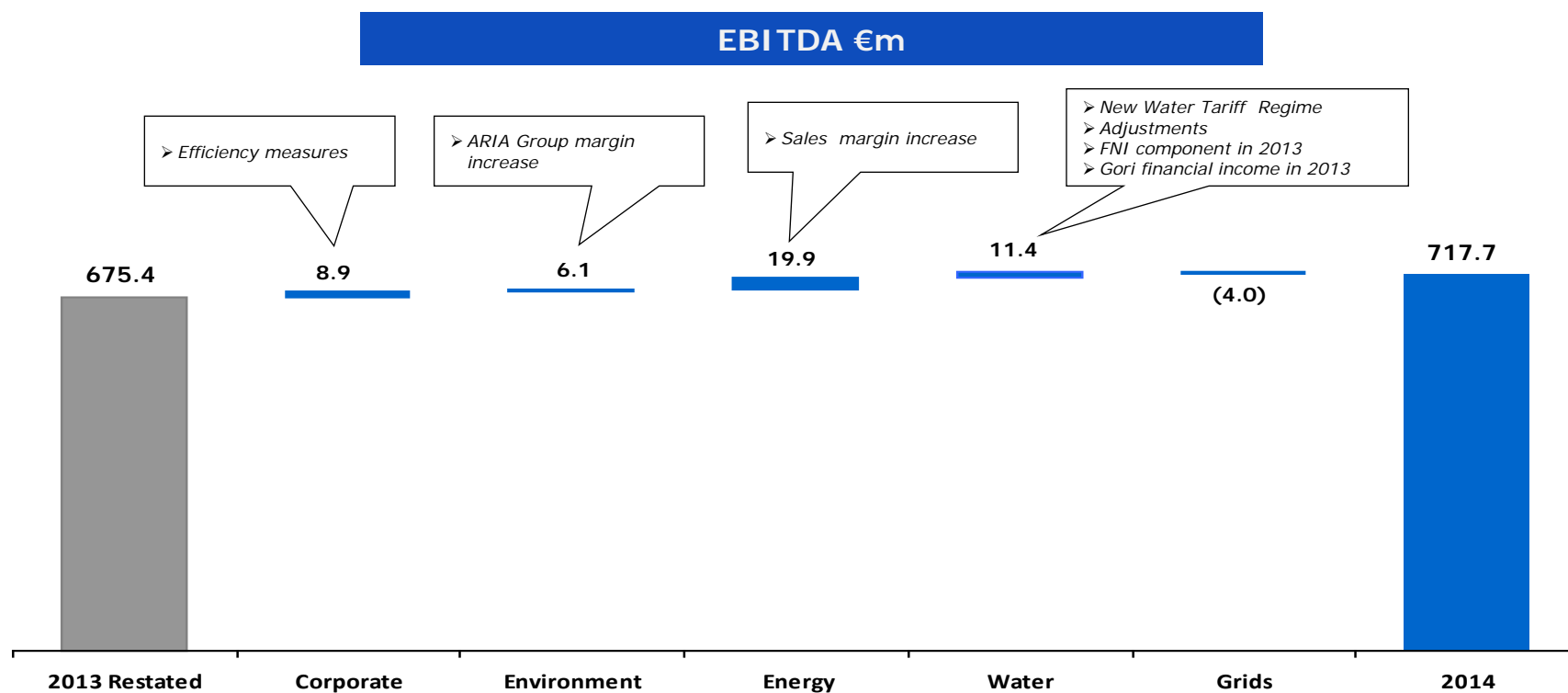
	(€m)	31 Dec. 2013 Restated* (a)	30 Sept 2014	31 Dec. 2014 (b)	Change (b-a)
<b>Net Debt</b>		<b>2,248.6</b>	<b>2,412.0</b>	<b>2,089.1</b>	<b>(159.5)</b>
<b>Shareholders' equity</b>		<b>1,406.8</b>	<b>1,461.2</b>	<b>1,502.4</b>	<b>95.6</b>
<b>Invested Capital</b>		<b>3,655.4</b>	<b>3,873.2</b>	<b>3,591.5</b>	<b>(63.9)</b>

\* After application of IFRS11.

° Figure includes FNI water component for 2012 and 2013.

° ° Figure includes financial income for discounting to present value of Gori's debt to Campania Region.





Total number of employees	2013 Restated	2014
Acea Spa	666	661
Environment	216	221
Energy	526	522
Water °	2,009	1,954
Network	1,382	1,335
<b>Total</b>	<b>4,799</b>	<b>4,693</b>

° Figures do not include:

- 2013 Overseas water operations: 396
- 2014 Overseas water operations: 412

## ENVIRONMENT

### EBITDA MAIN DRIVERS

- ▲ Aria Group (improved performance of the Terni plant following its revamp and an increase in volumes at the San Vittore plant) +7.4 €m

(€m)	2013 Restated (a)	2014 (b)	Change % (b/a)
<b>EBITDA</b>	<b>48.4</b>	<b>54.5</b>	<b>+12.6%</b>
<b>Capex</b>	<b>12.1</b>	<b>13.3</b>	<b>+9.9%</b>

### Key quantitative data

	2013	2014
Treatment and disposal (/000s of tonnes)	730	774
WTE electricity sold (GWh)	222	249

## ENERGY

### EBITDA MAIN DRIVERS

- ▲ Energy sales margin increase (despite reduced volumes) +25.7 €m
- ▼ Energy production margin decrease (due to the fall in energy prices, partially offset by increased water flow) -3.7 €m

(€m)	2013 Restated (a)	2014 (b)	Change % (b/a)
<b>EBITDA</b>	<b>91.7</b>	<b>111.6</b>	<b>+21.7%</b>
▪ Production	37.5	33.8	-9.9%
▪ Sales	52.1	77.8	+49.3%
▪ Energy Management	2.1	-	n.s.
<b>Capex</b>	<b>11.4</b>	<b>19.7</b>	<b>+72.8%</b>

### Key quantitative data

	2013	2014
<b>Total Electricity production (GWh)</b>	<b>500</b>	<b>498</b>
<b>Total Electricity sold (GWh)</b>	<b>12,616</b>	<b>10,887</b>
Enhanced Protection Market	3,234	3,000
Free Market	9,382	7,887
<b>Total Gas sold (Mmc)</b>	<b>100</b>	<b>103</b>

# WATER

## EBITDA MAIN DRIVERS

- ↑ Recognition of additional revenue following the application of the new Water Tariff Regime introduced by AEEGSI resolution 643/2013
- ↑ Tariff adjustments for 2012 and 2013
- ↓ Recognition in 2013 of FNI component for 2012 and 2013 and Gori financial income

(€m)	2013 Restated (a)	2014 (b)	Change % (b/a)
Profit/(Loss) on investments consolidated under IFRS 11	31.3	19.0	-39.3%
- of which: EBITDA	122.9*	125.9	+2.4%
- of which: Amortisation, depreciation and provisions	(70.6)	(82.4)	+16.7%
- of which: Financial income/(expense)	1.9**	(9.7)	n.s.
- of which: Income tax expense	(22.9)	(14.8)	-35.4%
<b>EBITDA</b>	<b>280.8</b>	<b>292.2</b>	<b>4.1%</b>
<b>Capex</b>	<b>130.0</b>	<b>148.9</b>	<b>14.5%</b>

## Key quantitative data

	2013	2014
<b>Total Volumes of water sold (Mmc)°</b>	<b>566</b>	<b>540</b>

\* Figure includes FNI component for 2012 and 2013

\*\* Figure includes financial income for discounting to present value of Gori's debt

° Figure includes pro-rata contribution of water companies in Toscana, Umbria and Campania.

## GRIDS

- ⬇️ A reduction in Acea Distribuzione's energy margin
- ⬇️ Reduced contribution from photovoltaic plants

(€m)	2013 Restated (a)	2014 (b)	Change % (b/a)
<b>EBITDA</b>	<b>257.3</b>	<b>253.3</b>	<b>-1.6%</b>
<b>Capex</b>	<b>103.2</b>	<b>122.4</b>	<b>+18.6%</b>

### Key quantitative data

	2013	2014
<b>Total Electricity distributed (GWh)</b>	<b>10,784</b>	<b>10,294</b>

## CORPORATE

- ⬆️ Cost savings
- ⬆️ Presence of extraordinary items

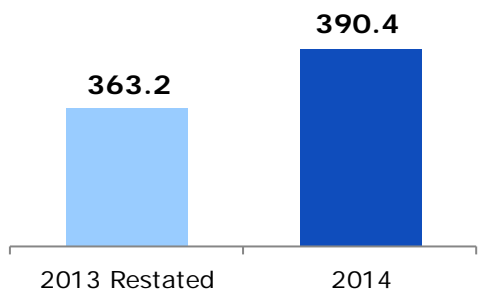
(€m)	2013 Restated (a)	2014 (b)	Change €m (b-a)
<b>EBITDA</b>	<b>(2.8)</b>	<b>6.1</b>	<b>+8.9</b>

(€m)	2013 Restated (a)	2014 (b)	Change %
<b>Capex</b>	<b>11.9</b>	<b>14.2</b>	<b>+19.3%</b>



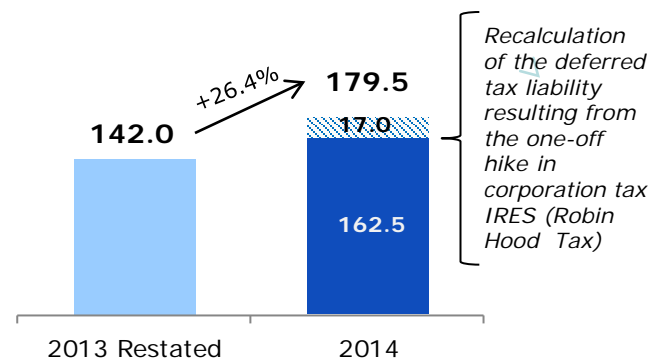
## EBIT €m

← +27.2 €m (+7.5%) →



## NET PROFIT €m

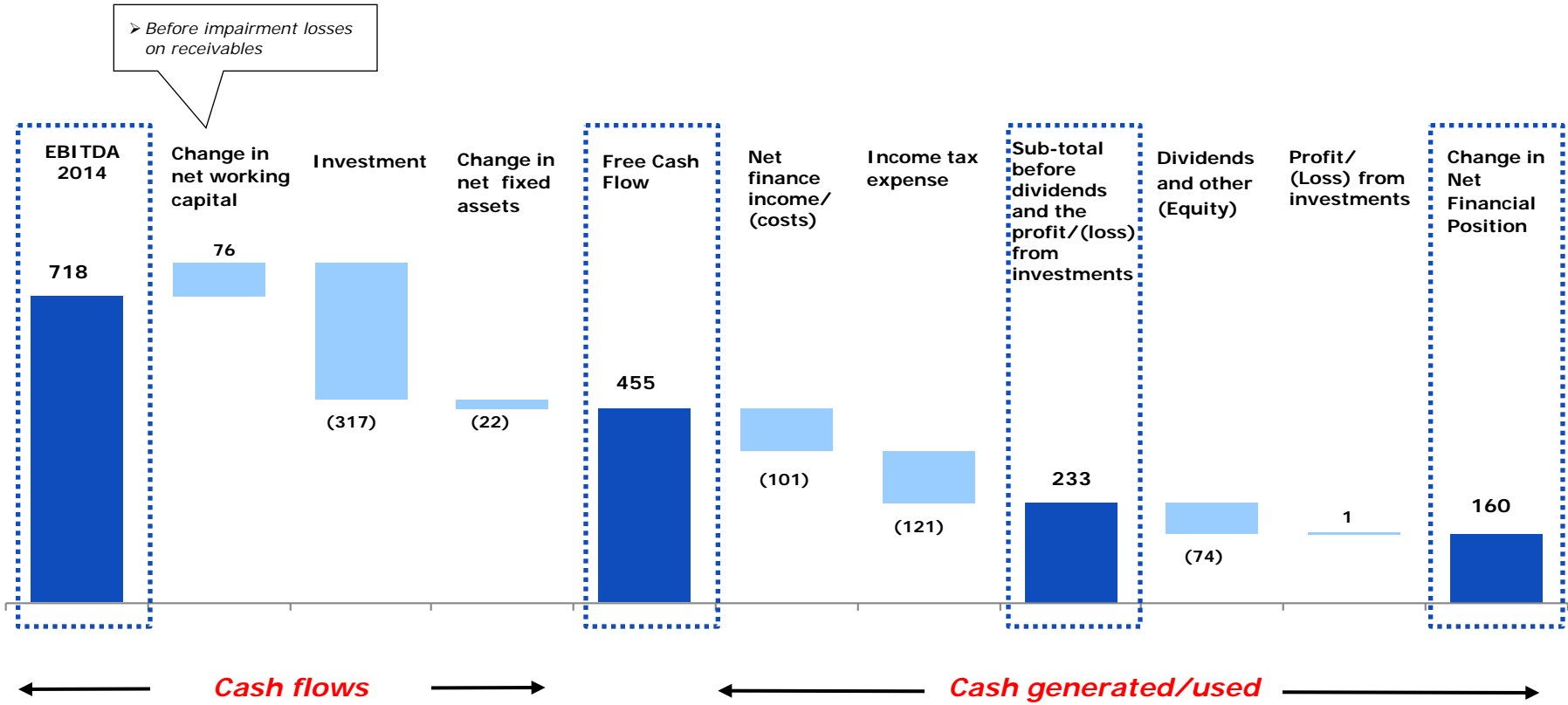
← +20.5 €m (+14.4%) →



(€m)	2013 Restated	2014	Change %
Amortisation	194.8	203.5	+4.5%
Depreciation	79.6	110.2*	+38.4%
Provisions	37.8	13.6	-64.0%
<b>Total</b>	<b>312.2</b>	<b>327.3</b>	<b>+4.8%</b>

	2010	2011	2012	2013	2014
DPS (€)	0.45	0.28	0.30	0.42	0.45

\* Increased provisions for bad debts made by the Energy and Water segments





### NET DEBT

(€m)	31 Dec. 2013 Restated (a)	30 Sep. 2014	31 Dec. 2014 (b)	Change (b-a)
Medium/Long-term	2,326.1	2,913.4	3,006.4	680.3
Short-term	(77.5)	(501.4)	(917.3)	(839.8)
<b>Net Debt</b>	<b>2,248.6</b>	<b>2,412.0</b>	<b>2,089.1</b>	<b>(159.5)</b>

NET DEBT/ SHAREHOLDER'S EQUITY 31 Dec. 2013	NET DEBT/ SHAREHOLDER'S EQUITY 31 Dec. 2014
1.6x	1.4x

NET DEBT/ EBITDA 31 Dec. 2013	NET DEBT/ EBITDA 31 Dec. 2014
3.3x	2.9x

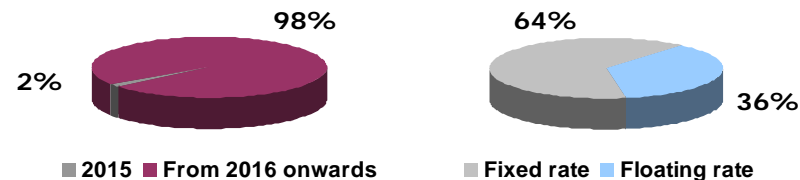
### Rating

STANDARD & POOR'S	FitchRatings KNOW YOUR RISK	Moody's
BBB- Stable Outlook	BBB+ Stable Outlook	Baa2 Stable Outlook

### Debt structure

(maturity and interest rates at 31 Dec. 2014)

- 64% fixed rate
- average overall cost 3.12%
- Average term to maturity  $\cong$  7.6 years



**THIS PRESENTATION CONTAINS CERTAIN FORWARD-LOOKING STATEMENTS THAT REFLECT THE COMPANY'S MANAGEMENT'S CURRENT VIEWS WITH RESPECT TO FUTURE EVENTS AND FINANCIAL AND OPERATIONAL PERFORMANCE OF THE COMPANY AND ITS SUBSIDIARIES.**

**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 OR PERFORMANCE 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 UPDATES OR REVISIONS TO ANY FORWARD-LOOKING STATEMENTS TO REFLECT EVENTS OR CIRCUMSTANCES AFTER THE DATE OF THIS PRESENTATION.**

**THIS PRESENTATION DOES NOT CONSTITUTE A RECOMMENDATION REGARDING THE SECURITIES OF THE COMPANY.**

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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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