



PRESS RELEASE
ACEA: BOARD APPROVES RESULTS FOR Q1 2012

Consolidated revenue: 873.8 million euros (up 5.2%)

EBITDA: 157.9 million euros (up 11.7%)

EBIT: 71.5 million euros (up 11.2%)

Group net profit: 22.4 million euros (33.0 million euros¹ in Q1 2011)

Rome, 11 May 2012 – The Board of Directors of ACEA SpA, chaired by Giancarlo Cremonesi, has approved the quarterly report for the three months ended 31 March 2012 (Q1 2012).

The results, which all show an improvement with respect to Q1 2012 thanks to the overall contribution from the four areas of business, in addition to close attention to operating costs, are in line with the targets set out in the Business Plan for the period 2012-2016. The reduction in net profit is due essentially to increased tax expense.

The figures for Q1 2011 included the joint venture with GdF Suez Energia Italia, the unwinding of which was completed on 31 March 2011.

(€m)	Q1 2011 (A)	Q1 2012 (B)	% inc./ (dec.) (B/A)
Consolidated revenue	830.3	873.8	+5.2%
EBITDA	141.4	157.9	+11.7%
EBIT	64.3	71.5	+11.2%
Profit/(Loss) before tax	41.9	43.0	+2.6%
Net profit/(loss) from continuing operations	35.1	24.2	-31.1%
Net profit/(loss) from discontinued operations*	37.4	-	n/s
Group net profit/(loss) (after non-controlling interests)	70.3	22.4	-68.1%

(€m)	Q1 2011	Q1 2012
Investment	81.6	189.6

(€m)	31 Mar 2011	31 Dec 2011	31 Mar 2012
Net debt	2,125.6	2,325.8	2,638.8
Equity	1,479.4	1,311.5	1,321.5
Invested capital	3,605.0	3,637.3	3,960.3

* Gain realised following the unwinding of the joint venture with GdF Suez Energia Italia

The above amounts do not take account of the classifications required by IFRS 5 for 2011.

ACEA GROUP'S RESULTS FOR Q1 2012

Consolidated revenue of 873.8 million euros is up 5.2% on Q1 2011.

Consolidated EBITDA is up from the 141.4 million euros of Q1 2011 to 157.9 million euros in Q1 2012, an increase of 11.7%. The change primarily reflects the unwinding of the joint venture in the Energy segment and the larger contribution from the Networks and Environment businesses (the rollout of the second and third lines of the San Vittore plant).

Contributions to total EBITDA are as follows: Water 49%; Networks 37%; Energy 8%; Environment 6%.

The increase in EBITDA in Q1 2012, compared with the same period of 2011 – on a pro forma basis after adjusting for the current size of the Energy business, is 12.0%.

The Group's **EBIT** is up 11.2% to 71.5 million euros.

¹ The amount for Q1 2011 excludes the gain of 37.4 million euros realised following the unwinding of the joint venture with GdF Suez Energia Italia.



Group net profit, after non-controlling interests, is up from 70.3 million euros in Q1 2011 to 22.4 million euros for Q1 2012. The result for 2011 included the after-tax gain realised following the unwinding of the joint venture with GdF Suez Energia Italia, totalling 37.4 million euros.

The Group's **investment** in Q1 2012 amounts to 189.6 million euros (81.6 million euros in Q1 2011) and breaks down as follows:

- Water: 47.7 million euros;
- Networks: 20.1 million euros;
- Energy: 5.6 million euros;
- Environment: 2.1 million euros;
- Parent Company: 114.1 million euros (the figure includes the cost of purchasing the Group's headquarters premises).

Net debt at 31 March 2012 totals 2,638.8 million euros (up 313 million euros on the end of 2011). The increase in net debt reflects working capital requirements, which resulted in an increase in receivables – above all due to implementation of the new IT system for the Energy business – and a significant reduction in trade payables. The increase in debt also reflects capital expenditure, above all the Parent Company's purchase of the headquarters premises.

SEGMENT INFORMATION FOR Q1 2012

Environment

The Environment segment contributed 10.7 million euros to the Group's EBITDA, marking a significant increase with respect to Q1 2011 (0.8 million euros), thanks to the rollout of the second and third lines at the San Vittore plant (in April and July 2011, respectively).

ENVIRONMENT – operational highlights	Q1 2011	Q1 2012
Treatment and disposal ('000 tonnes)	107	162
WTE electricity sold (GWh)	15	49

Energy

The Energy segment's EBITDA is down from 17.6 million euros for Q1 2011 to 12.4 million euros in Q1 2012.

In detail:

ENERGY – EBITDA (€m)	1Q11	1Q12
Energy segment	17.6	12.4
<i>Production</i>	5.3	7.3
<i>Trading</i>	6.8	0
<i>Sales</i>	5.5	5.1

ENERGY – operational highlights	Q1 2011	Q1 2012
Electricity production (GWh)	3,916	96
<i>Hydroelectric</i>	193	91
<i>Thermoelectric</i>	3,699	5
<i>Wind</i>	24	0
Electricity sold (GWh)	4,244	3,757
<i>Enhanced protection market</i>	1,124	952
<i>Free market</i>	3,120	2,805
Gas sold (million m ³)	51	43

The Salisano power plant entered into service on 1 January 2012, after repowering, whilst one of the two sets at the Orte power plant was operated in parallel for the first time at the end of February 2012, again after an upgrade.

Sales continued to reflect the difficult market environment and extremely tough competition.

Water

The Water segment reports EBITDA up 2.4% to 80.3 million euros.

The volumes of water sold total 191 million cubic metres, in line with the figure for Q1 2011.

Networks

EBITDA for the Networks segment is up 15.9% to 59.8 million euros, reflecting new tariffs and the contribution from ARSE.

The amount of electricity distributed totals 2,818 GWh (2,784 GWh in Q1 2011).



OUTLOOK

During Q1 2012 the Acea Group focused on operational and organisational efficiency in order to achieve the objectives set out in the Business Plan for the period 2012-2016. The first results have already been seen during 2011 and in the quarter under review.

During the same meeting, the Board of Directors reconfirmed Giovanni Giani's membership of the Internal Audit Committee and also elected him as a member of the Remuneration Committee, to replace Jean Louis Chaussade, who has resigned his position due to an increase in his work commitments.

As a result, the members of the Remuneration Committee are now: Paolo di Benedetto, Andrea Peruzy, Luigi Pelaggi and Giovanni Giani.

The following schedules are attached:

- CONSOLIDATED ACCOUNTS – STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2012, INCOME STATEMENT FOR THE THREE MONTHS ENDED 31 MARCH 2012; ANALYSIS OF NET DEBT AT 31 MARCH 2012 AND STATEMENT OF CHANGES IN EQUITY.

A conference call will be held at 11.00am (Italian time) on Monday, 14 May 2012 in order to illustrate the results for the three months ended 31 March 2012. To coincide with the start of the conference call, back-up material will be made available at www.aceea.it.

The Executive Responsible for Financial Reporting, Giovanni Barberis, declares that, pursuant to section two of article 154 bis of the Consolidated Finance Act, the information contained in this release is consistent with the underlying accounting records.

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2012

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ACEA GROUP			
STATEMENT OF FINANCIAL POSITION	31 March 2012	31 December 2011	Increase/ (Decrease)
(€000)	(a)	(b)	(a) - (b)
NET WORKING CAPITAL	279,971	89,266	190,705
Current receivables	1,623,934	1,510,012	113,922
- due from end users and customers	1,419,396	1,304,691	114,705
- due from the Comune di Roma	165,526	160,060	5,466
Inventories	74,835	66,106	8,729
Other current assets	225,273	246,607	(21,333)
Current payables	(1,261,264)	(1,344,785)	83,521
- trade	(1,119,773)	(1,184,975)	65,203
- due to the Comune di Roma	(118,082)	(132,796)	14,714
Other current liabilities	(382,807)	(388,673)	5,865
NON-CURRENT ASSETS/(LIABILITIES)	3,680,386	3,548,021	132,364
Property, plant and equipment and intangible assets	3,968,735	3,844,613	124,122
Investments	19,738	19,480	258
Other non-current assets	427,137	416,837	10,299
Staff termination benefits and other defined-benefit obligations	(107,827)	(104,776)	(3,051)
Provisions for liabilities and charges	(255,619)	(250,892)	(4,727)
Other non-current liabilities	(371,778)	(377,241)	5,463
INVESTED CAPITAL	3,960,357	3,637,288	323,069
NET DEBT	(2,638,824)	(2,325,831)	(312,993)
Medium/long-term loans and receivables	21,578	19,940	1,638
Medium/long-term borrowings	(2,401,656)	(2,298,916)	(102,741)
Short-term loans and receivables	216,020	172,768	43,252
Cash and cash equivalents	164,574	321,022	(156,448)
Short-term borrowings	(639,340)	(540,645)	(98,695)
Total equity	(1,321,533)	(1,311,457)	(10,076)
BALANCE OF NET DEBT AND EQUITY	(3,960,357)	(3,637,288)	(323,069)



**CONSOLIDATED INCOME STATEMENT
FOR THE THREE MONTHS ENDED 31 MARCH 2012**

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	Q1 2012	Q1 2011	Increase/ (Decrease)
Sales and service revenues	858,964	816,520	42,444
Other operating income	14,787	13,787	1,000
Consolidated net revenue	873,752	830,307	43,444
Staff costs	75,739	74,113	1,626
Cost of materials and overheads	636,994	613,124	23,870
Total operating costs	712,733	687,237	25,496
Net profit/(loss) from commodity risk management	(3,121)	(1,712)	(1,409)
Gross operating profit	157,897	141,358	16,539
Amortisation, depreciation, provisions and impairment charges	86,371	77,098	9,273
Operating profit/(loss)	71,527	64,260	7,267
Finance (costs)/income	(28,922)	(23,209)	(5,714)
Ordinary finance (costs)/income	(28,922)	(23,209)	(5,714)
Exceptional finance (costs)/income	0	0	0
Profit/(loss) on investments	378	832	(454)
Profit/(loss) before tax	42,982	41,883	1,099
Income tax expense	18,803	6,817	11,986
Net profit/(loss) from continuing operations	24,179	35,066	(10,887)
Net profit/(loss) from discontinued operations	0	37,367	(37,367)
Net profit/(loss)	24,179	72,433	(48,254)
Net profit/(loss) attributable to non-controlling interests	1,792	2,097	(305)
Net profit/(loss) attributable to owners of the Parent	22,387	70,336	(47,949)



ANALYSIS OF CONSOLIDATED NET DEBT AT 31 MARCH 2012

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	(a)	(b)	Increase/ (Decrease)
	31 March 2012	31 December 2011	(a)-(b)
Non-current financial assets/(liabilities)	1,913	1,907	6
Intercompany non-current financial assets/(liabilities)	19,665	18,033	1,632
Non-current borrowings and financial liabilities	(2,401,656)	(2,298,916)	(102,741)
Net medium/long-term debt	(2,380,079)	(2,278,976)	(101,103)
Cash and cash equivalents and securities	164,645	321,093	(156,448)
Short-term bank borrowings	(560,502)	(448,889)	(111,614)
Current financial assets/(liabilities)	(27,855)	(26,787)	(1,068)
Intercompany current financial assets/(liabilities)	114,805	107,727	7,078
Net short-term debt	(308,908)	(46,855)	(262,052)
Total	(2,688,986)	(2,325,831)	(363,155)
Fiduciary deposit	50,162	0	50,162
Total net debt	(2,638,824)	(2,325,831)	(312,993)



STATEMENT OF CHANGES IN EQUITY

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€000	Share capital	Legal reserve	Other reserves	Net profit/(loss) for the period	Total	Non-controlling interests	Total equity
Balance at 1 January 2012	1,098,899	113,731	(47,599)	71,764	1,236,795	74,662	1,311,457
Net profit/(loss) in income statement				22,387	22,387	1,792	24,179
Other comprehensive income/(losses)				(13,825)	(13,825)	(278)	(14,103)
Total comprehensive income/(loss)	0	0	0	8,562	8,562	1,514	10,076
Appropriation of net profit/(loss) for 2011		338	71,426	(71,764)	0		0
Dividends paid					0		0
Change in basis of consolidation					0		0
Balance at 31 March 2012	1,098,899	114,069	23,827	8,562	1,245,357	76,175	1,321,533