PRESS RELEASE
ACEA: BOARD APPROVES RESULTS FOR 9M 2012

Consolidated revenue:	**2,651.3 million euros, up 6.8%**
EBITDA:	**484.6 million euros, up 3.1%**
Pro forma EBITDA[1]:	**492.9 million euros, up 4.9% excluding *Antitrust fine***
EBIT:	**221.3 million euros, up 62.1%**
Pro forma EBIT[1]:	**229.6 million euros, up 68.2% excluding *Antitrust fine***
Group Net profit:	**56.4 million euros, down 11.0%**
Pro forma Group Net profit[1]:	**64.7 million euros, up 2.1% excluding *Antitrust fine***

Rome, 12 November 2012 – A meeting of the Board of Directors of Acea SpA, chaired by Giancarlo Cremonesi, has approved the report for the nine months ended 30 September 2012 (9M 2012).

Despite continuing macroeconomic uncertainty and difficulties, the Acea Group's results for 9M 2012 show significant increases in operating margins across all areas of business. The improvement in earnings was driven by organic growth, essentially reflecting the measures taken by management to boost operating and organisational efficiency.

The results for 9M 2011 reflect provisions made in response to uncertainty surrounding recovery of tariff adjustments due to ATO5-Frosinone and Gori and inclusion of the joint venture with GdF Suez Energia Italia (the unwinding of which was completed on 31 March 2011). The results also, therefore, include the gains realised as a result of the unwinding.
It should also be noted that during the third quarter of 2012 the Council of State judgement overturning the previous judgement handed down by Lazio Regional Administrative Court, and thereby confirming the fine imposed by the Antitrust Authority on Acea (8.3 million euros) and Suez Environnement in 2007 for anti-competitive practices following their joint participation in the bidding process organised by the Municipality of Florence for the acquisition of 40% of Publiacqua (the company that manages water services in Florence), was published. The Company will explore all options open to it before the competent courts in order to challenge the Council of State judgement.

(€m)	**9M 2011** (A)	***9M 2012*** *pro forma[1]*	**% inc./(dec.)** *(pro forma[1]/A)*	**9M 2012** (B)	**% inc./(dec.)** (B/A)
Consolidated revenue	2,483.3	***2,651.3***	***+6.8%***	**2,651.3**	**+6.8%**
EBITDA	470.1	***492.9***	***+4.9%***	**484.6**	**+3.1%**
EBIT[2]	136.5	***229.6***	***+68.2%***	**221.3**	**+62.1%**
Group net profit/(loss) (after non-controlling interests)[3]	63.4	***64.7***	***+2.1%***	**56.4**	**-11.0%**

(€m)	**9M 2011**	**9M 2012**
Investment	275.2	**405.4**

(€m)	**30 Sept 2011**	**31 Dec 2011**	**30 June 2012**	**30 Sept 2012**
Net debt	2,399.5	2,325.8	**2,566.0**	**2,659.5**
Equity	1,348.6	1,311.5	**1,338.3**	**1,357.8**
Invested capital	3,748.1	3,637.3	**3,904.3**	**4,017.3**

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

"The results for the first nine months," commented Giancarlo Cremonesi, Chairman of Acea, "are in line with our expectations and confirm that we have adopted the right strategy. We continue to be strongly committed to operating efficiency, to improving service quality and to focusing on our customers."

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[1] *Il dato pro-forma è epurato dell'effetto negativo prodotto dalla sanzione AGCM, pari a 8,3 milioni di Euro.*
[2] *The figure for 9M 2011 reflects provisions relating to the investments in ATO5-Frosinone and Gori.*
[3] *The figure for 9M 2011 reflects provisions relating to the investments in ATO5-Frosinone and Gori and includes the gains resulting from the unwinding of the joint venture with GdF Suez Energia Italia.*

"The actions implemented, including cost cutting," continued Marco Staderini, Acea's CEO, "are in addition to what has been done so far, making a significant contribution to the solid performances achieved by all areas of business and leading to healthy improvements in the Group's operating results."

ACEA GROUP'S RESULTS FOR 9M 2012

The analysis of the results of operations shown below does not take account of the impact of the Antitrust fine, totalling 8.3 million euros.

Consolidated revenue of 2,651.3 million euros is up 6.8% on the 2,483.3 million euros of 9M 2011.

Consolidated EBITDA, totalling 492.9 million euros, is up 4.9% on the figure for 9M 2011 (484.6 million euros, up 3.1% including the Antitrust fine).
Organic EBITDA growth was due to the contribution from the Environment business (the rollout of the second and third lines of the San Vittore plant) and the results achieved in terms of operating efficiency. The Group's Water business reports an increase in the cost of electricity procurement linked to the drought of summer 2012 and the significant charges resulting from the seizure of purification plants in the southern part of the ATO2-Central Lazio concession area.
Contributions to total EBITDA are as follows: Water 47%; Networks 38%; Energy 8%; Environment 7%.

Consolidated **EBIT** is up from 136.5 million euros for 9M 2011 to 229.6 million euros for 9M 2012, registering an increase of 68.2% (221.3 million euros, up 62.1% including the Antitrust fine). The change reflects the provisions made in 2011, in relation to the investments in ATO5-Frosinone and Gori.

Group net profit, after non-controlling interests, is 64.7 million euros (56.4 million euros including the Antitrust fine), compared with 63.4 million euros for 9M 2011. For the purposes of comparison, it should be noted that the result for 9M 2011 reflects recognition of gains on the unwinding of the joint venture with GdF Suez Energia Italia.
The tax rate for 9M 2012 is approximately 49% (37% for 9M 2011) and reflects an increase in tax expense, primarily due to additional income tax (IRES) payable by Acea Distribuzione.

The **Group's investment** amounts to 405.4 million euros (275.2 million euros in 9M 2011) and breaks down as follows: Water 164.6 million euros; Networks 72.4 million euros; Environment 25.2 million euros; Energy 23.6 million euros; Parent Company 119.6 million euros (the figure includes the cost of purchasing the Group's headquarters premises).

Net debt at 30 September 2012, totalling 2,659.5 million euros, is up 93.5 million euros compared with 30 June 2012 and 333.7 million euros compared with 31 December 2011, primarily reflecting working capital requirements (59 million euros in third quarter of 2012) and investment. The problems that led to the partial interruption to billing caused by separation of the information systems used for electricity distribution and sales have been resolved. As a result, we expect to see an improvement in working capital by the end of the current year.

SEGMENT INFORMATION FOR 9M 2012

Environment

The Environment segment contributed 35.7 million euros to the Group's EBITDA, marking a significant increase with respect to 9M 2011 (17.2 million euros), thanks to the contribution from the San Vittore plant (up 15.2 million euros) following the rollout of two new lines in April and July 2011.

ENVIRONMENT – operational highlights	**9M 2011**	**9M 2012**
Treatment and disposal ('000 tonnes)	**410**	**484**
WTE electricity sold (GWh)	**79**	**139**

Energy
The Energy segment's EBITDA is down from 46.4 million euros for 9M 2011 to 41.6 million euros for 9M 2012*.* The comparison between the two periods reflects the unwinding of the joint venture and the return to operation, on 1 April 2012, of the first generating set at the Orte hydroelectric plant and, from the end of 2011, of the Salisano hydroelectric plant.
In detail:

ENERGY – EBITDA (€m)	**9M 2011**	**9M 2012**
Energy segment	**46.4**	**41.6**
Production	*13.9*	*22.4*
Trading (joint venture)/Energy Management	*6.3*	*(5.1)*
*Sales**	*26.2*	*24.3*

ENERGY – operational highlights	**9M 2011**	**9M 2012**
Electricity production (GWh)	**4,064**	**266**
Hydroelectric	*326*	*259*
Thermoelectric	*3,711*	*7*
Wind	*27*	*-*
Electricity sold (GWh)	**12,289**	**10,309**
Enhanced protection market	*2,711*	*2,603*
Free market	*9,578*	*7,706*
Gas sold (million m^3)	**75**	**61**

**The figure also includes the call centre activities operated by Acea8Cento.*

Water
The Water segment reports substantially stable EBITDA of 235.9 million euros.
The volumes of water sold total 571 million cubic metres, in line with the figure for 9M 2011.
As noted above, this segment's EBITDA was hit by increased costs linked to this summer's drought (1.1 million euros) and charges resulting from the seizure of certain purification plants in the southern part of the ATO2-Central Lazio concession area (6.1 million euros). In this latter regard, the complexity of the sewer and water treatment system acquired from the previous local operators and the recent introduction of a tougher regulatory approach have exposed Acea ATO2 – solely in relation to the southern part of the area - to numerous allegations of illegal behaviour, for which it is not directly responsible. In order to resolve these issues, the Company has revised its investment programmes for the affected concession areas, which are to be financed through the new tariffs.

Networks
EBITDA for the Networks segment is up 1.9% to 189.9 million euros. The performance reflects growth at Acea Distribuzione and a lower contribution from Acea RSE, reflecting reduced earnings from the photovoltaic business.
The amount of electricity distributed totals 8,386 GWh (8,323 GWh in 9M 2011).

Parent Company
The Parent Company reports negative EBITDA of 10.2 million euros, an improvement of approximately 6 million euros with respect to 9M 2011. This reflects cost cutting initiatives and the reduction in lease expense following the purchase of the Company's headquarters premises.

EVENTS AFTER 30 SEPTEMBER 2012
AND OUTLOOK

On 27 October the General Meeting of the Area Agency for the Sarnese Vesuviano concession approved the proposals put forward by the Agency's Board of Directors essentially regarding the new tariff regime for 2012 and the process for determining the tariff adjustments recognised by Gori for the period 2003-2011.

On 30 October Moody's confirmed Acea SpA's long-term "Baa2" rating, with a negative outlook. This decision marks the conclusion of the Agency's rating review that began on 16 July of this year.
Confirmation of the rating, according to Moody's, reflects the Company's commitment and efforts to strengthen its financial structure and improve working capital by: taking steps to overcome difficulties in collecting accounts receivable – above all from the public sector –

against a particularly challenging macroeconomic backdrop; and the resolution of problems linked to implementation of a new information system for the Energy business.

On 31 October Standard & Poor's announced that it had cut Acea SpA's long-term rating to "BBB-" (from the previous "BBB+"), with a negative outlook.
According to the Agency, the downgrade primarily reflects the high level of debt and the increase in working capital resulting from ongoing difficulties in collecting accounts receivable, against a difficult economic and financial backdrop.

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In keeping with previous years, the Acea Group is continuing to streamline its business processes and boost operating efficiency, with the aim of countering the impact of the crisis and achieving the targets set out in the Business Plan for the period 2012-2016 by the end of 2012.

ENVIRONMENT – Acea plans to consolidate its operations in this segment, ensuring the entry into service of plants under construction or being repowered, as envisaged in the Business Plan.
ENERGY – Repowering of the Salisano and Orte hydroelectric plants has been completed, whilst work on extension of the urban heating system is continuing.
In terms of sales, the Company aims to consolidate its market share through careful management of its existing customers.
WATER – The Company's main aim, in the coming months, is to resolve the current problems surrounding tariffs in certain concession areas (Frosinone and Sarnese Vesuviano), and implement the actions needed to contain working capital.
The Water business's results for 2012 may be influenced by regulatory intervention regarding tariffs, following the Electricity and Gas Authority's assumption of responsibility for the sector.
NETWORKS – As envisaged in the 2012-2016 Business Plan, the Company is currently in the process of selling the photovoltaic business and expects to conclude a sale by the end of this year.

The following schedules are attached:

- CONSOLIDATED ACCOUNTS – STATEMENT OF FINANCIAL POSITION AT 30 SEPTEMBER 2012, INCOME STATEMENT FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2012, ANALYSIS OF NET DEBT AT 30 SEPTEMBER 2012 AND STATEMENT OF CHANGES IN EQUITY.

A conference call will be held at 11.00am (Italian time) on Tuesday, 13 November 2012 in order to present the results for the nine months ended 30 September 2012. To coincide with the start of the conference call, back-up material will be made available at www.acea.it.

The Executive Responsible for Financial Reporting, Iolanda Papalini, 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 3O SEPTEMBER 2012

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	30 September 2012	31 December 2011	Increase/ (Decrease)
NET WORKING CAPITAL	**239,240**	**89,266**	**149,973**
Current receivables	1,616,299	1,510,012	106,287
- due from end users and customers	*1,414,473*	*1,304,691*	*109,782*
- due from the Comune di Roma	*169,854*	*160,060*	*9,794*
Inventories	57,759	66,106	(8,347)
Other current assets	234,245	246,607	(12,362)
Current payables	(1,235,045)	(1,344,785)	109,740
- trade	*(1,101,755)*	*(1,184,975)*	*83,221*
- due to the Comune di Roma	*(113,819)*	*(132,796)*	*18,977*
Other current liabilities	(434,018)	(388,673)	(45,345)
NON-CURRENT ASSETS/(LIABILITIES)	**3,778,078**	**3,548,021**	**230,057**
Property, plant and equipment and intangible assets	4,045,514	3,844,613	200,901
Investments	21,461	19,480	1,981
Other non-current assets	442,885	416,837	26,048
Staff termination benefits and other defined-benefit obligations	(107,939)	(104,776)	(3,162)
Provisions for liabilities and charges	(244,912)	(250,892)	5,980
Other non-current liabilities	(378,932)	(377,241)	(1,692)
INVESTED CAPITAL	**4,017,318**	**3,637,288**	**380,030**
NET DEBT	**(2,659,499)**	**(2,325,831)**	**(333,668)**
Medium/long-term loans and receivables	25,039	19,940	5,099
Medium/long-term borrowings	(2,428,777)	(2,298,916)	(129,861)
Short-term loans and receivables	200,313	172,768	27,545
Cash and cash equivalents	86,115	321,022	(234,907)
Short-term borrowings	(542,190)	(540,645)	(1,545)
Total equity	**(1,357,818)**	**(1,311,457)**	**(46,361)**
BALANCE OF NET DEBT AND EQUITY	**(4,017,318)**	**(3,637,288)**	**(380,030)**

CONSOLIDATED INCOME STATEMENT
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2012

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	9M 2012	9M 2011	Increase/ (Decrease)
Sales and service revenues	2,597,842	2,439,067	158,775
Other operating income	53,471	44,225	9,246
Consolidated net revenue	**2,651,313**	**2,483,293**	**168,020**
Staff costs	217,029	217,779	(750)
Cost of materials and overheads	1,949,369	1,793,711	155,658
Total operating costs	**2,166,398**	**2,011,490**	**154,908**
Net profit/(loss) from commodity risk management	**(332)**	**(1,712)**	**1,381**
Gross operating profit	**484,583**	**470,090**	**14,493**
Amortisation, depreciation, provisions and impairment charges	263,327	333,601	(70,273)
Operating profit/(loss)	**221,256**	**136,490**	**84,766**
Finance (costs)/income	(91,143)	(82,478)	(8,665)
Ordinary finance (costs)/income	(91,143)	(82,478)	(8,665)
Exceptional finance (costs)/income	0	0	0
Profit/(loss) on investments	1,119	55,417	(54,299)
Profit/(loss) before tax	**131,232**	**109,429**	**21,802**
Income tax expense	68,048	40,578	27,470
Net profit/(loss) from continuing operations	**63,183**	**68,851**	**(5,668)**
Net profit/(loss) from discontinued operations	0	0	0
Net profit/(loss)	**63,183**	**68,851**	**(5,668)**
Net profit/(loss) attributable to non-controlling interests	*6,790*	*5,470*	*1,320*
Net profit/(loss) attributable to owners of the Parent	**56,393**	**63,381**	**(6,987)**

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The above statement does not contain the income statement reclassifications applied in 2011 in relation to assets held for sale or discontinued operations included in the Framework Agreement concluded by ACEA and GdF-Suez in December 2010.

ANALYSIS OF CONSOLIDATED NET DEBT AT 30 SEPTEMBER 2012

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	30 September 2012	31 December 2011	Increase/ (Decrease)
Non-current financial assets/(liabilities)	1,892	1,907	(16)
Intercompany non-current financial assets/(liabilities)	23,148	18,033	5,115
Non-current borrowings and financial liabilities	(2,428,777)	(2,298,916)	(129,861)
Net medium/long-term debt	**(2,403,738)**	**(2,278,976)**	**(124,762)**
Cash and cash equivalents and securities	86,186	321,093	(234,907)
Short-term bank borrowings	(466,509)	(448,889)	(17,621)
Current financial assets/(liabilities)	(24,777)	(26,787)	2,009
Intercompany current financial assets/(liabilities)	149,338	107,727	41,611
Net short-term debt	**(255,762)**	**(46,855)**	**(208,907)**
Total net debt	**(2,659,499)**	**(2,325,831)**	**(333,668)**

STATEMENT OF CHANGES IN EQUITY

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	Share capital	Legal reserve	Other reserves	Net profit/ (loss) for 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							
Change in basis of consolidation							
Balance at 31 March 2012	**1,098,899**	**114,069**	**23,827**	**8,562**	**1,245,357**	**76,176**	**1,321,533**
Net profit/(loss) in income statement				11,664	11,664	2,419	14,082
Other comprehensive income/(losses)				6,091	6,091	(233)	5,858
Total comprehensive income/(loss)	***0***	***0***	***0***	***17,754***	***17,754***	***2,186***	***19,940***
Appropriation of net profit/(loss) for 2011		51,090	(51,090)		0		0
Dividends paid					0	(3,178)	(3,178)
Change in basis of consolidation			34		34	(35)	(1)
Balance at 30 June 2012	**1,098,899**	**165,159**	**(27,229)**	**26,316**	**1,263,146**	**75,149**	**1,338,294**
Net profit/(loss) in income statement				22,343	22,343	2,579	24,922
Other comprehensive income/(losses)				(5,399)	(5,399)	6	(5,393)
Total comprehensive income/(loss)	***0***	***0***	***0***	***16,944***	***16,944***	***2,585***	***19,529***
Appropriation of net profit/(loss) for 2011							
Dividends paid							
Change in basis of consolidation		(89)	81		(8)	3	(5)
Balance at 30 September 2012	**1,098,899**	**165,070**	**(27,148)**	**43,260**	**1,280,081**	**77,737**	**1,357,818**