PRESS RELEASE
ACEA: BOARD APPROVES SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS FOR 2012

Consolidated revenue:	**3,612.7 million euros, up 2.1%**
EBITDA:	**695.2 million euros, up 6.0%**
Pro forma EBITDA[1]:	**703.5 million euros, up 7.3%**
EBIT:	**293.8 million euros, up 32.0%**
Pro forma EBIT[1]:	**302.1 million euros, up 35.7%**
Group Net profit:	**77.4 million euros**
Pro forma Group Net profit[1]:	**85.7 million euros**
Net Debt:	**2,495.5 million euros**

Payment of a dividend for 2012 of 0.30 euros per share (a *payout* of 75%) will be proposed to the AGM, including the interim dividend of 0.21 euros already paid

Rome, 8 March 2013 – Today's meeting of the Board of Directors of ACEA SpA, chaired by Giancarlo Cremonesi, has approved the separate and consolidated financial statements for the year ended 31 December 2012.

The Annual General Meeting (AGM) will be held on 15 April and 22 April 2013 in first and second call, respectively, to approve the financial statements and the appropriation of net profit for the year and to elect the Board of Directors and Board of Statutory Auditors.
The legally required documentation relating to approval of the financial statements for 2012 will be made available for inspection within the deadline required by law.

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In a year marked by a general worsening of the downturn in the global economy and, with regard to utilities, by regulatory uncertainty in the water industry following the outcome of the Referendum held in June 2011, the results for 2012 provided confirmation of the Acea Group's strong earnings profile and positive operating performances across all areas of business, in line with the Group's strategy and previous guidance.

"*The Group's positive results in 2012,"* commented Giancarlo Cremonesi, Chairman of Acea, *"mean that we can look forward to the future with confidence. The Company's strategic positioning and its strong balance sheet will enable the Group to remain committed to achieving the objectives in its Business Plan."*

"*Our revenue growth, the significant improvement in operating profit, alongside the Group's strong financial structure,"* emphasised Marco Staderini, Acea's CEO, *"show, once again, that the Company is on the right track, having reacted well to the negative macroeconomic situation and a regulatory scenario that remains uncertain.*"

The comparison between the results for 2012 and 2011 should take account of the following:
- *the figures for 2011 reflect provisions made in response to uncertainty surrounding recovery of tariff adjustments due to Acea ATO5 and Gori, inclusion of the joint venture with GdF Suez Energia Italia (the unwinding of which was completed on 31 March 2011) and the gains realised as a result of the above unwinding.*

[1] *The negative impact of the Antitrust fine of 8.3 million euros has been stripped out of the pro forma amount.*

- *The third quarter of 2012 saw publication of the Council of State judgement, confirming the fine imposed by the Antitrust Authority on Acea (8.3 million euros) and Suez Environnement in 2007 for anti-competitive practices, having participated jointly in the auction, organised by the Municipality of Florence, of a 40% interest in Publiacqua (the company that manages water services in Florence).*

(€m)	**2011** (a)	***2012*** *pro-forma**	**% inc./(dec.)** *(pro forma*/a)*
Consolidated revenue	3,538.0	*3,612.7*	*+2.1%*
EBITDA	655.8	*703.5*	*+7.3%*
EBIT	222.6	*302.1*	*+35.7%*
Profit/(Loss) before tax	159.1	*182.4*	*+14.6%*
Group net profit (after non-controlling interests)	86.0	85.7	-0.3%

** The negative impact of the Antitrust fine of 8.3 million euros has been stripped out of the pro forma amount.*

(€m)	**2011** (a)	**2012** (b)	**% inc./(dec.)** (b/a)
Consolidated revenue	3,538.0	**3,612.7**	**+2.1%**
EBITDA	655.8	**695.2**	**+6.0%**
EBIT	222.6	**293.8**	**+32.0%**
Profit/(Loss) before tax	159.1	**174.1**	**+9.4%**
Group net profit (after non-controlling interests)	86.0	**77.4**	**-10.0%**

The above amounts do not take account of the reclassifications required by IFRS 5 and therefore include the results generated by the photovoltaic assets sold at the end of 2012 and those of the companies forming part of the joint venture with GdF Suez Energia Italia, the unwinding of which was completed on 31 March 2011.

(€m)	**2011**	**2012**
Investment	413	**513**

(€m)	**31 Dec 2011**	**30 Sept 2012**	**31 Dec 2012**
Net debt	2,325.8	2,659.5	**2,495.5**
Equity	1,311.5	1,357.8	**1,332.4**
Invested capital	3,637.3	4,017.3	**3,827.9**

ACEA GROUP'S RESULTS FOR 2012

The operating results below include the contribution from the photovoltaic assets sold at the end of December 2012, whilst the analysis does not take account of the impact of the above Antitrust fine (8.3 million euros).

Consolidated revenue of 3,612.7 million euros compares with the 3,538.0 million euros of 2011.

Consolidated **EBITDA** of 703.5 million euros is up 7.3% compared with the 655.8 million euros of 2011, thanks to improvements in operating efficiency across all areas of business and despite the reduced margin from electricity distribution.
Contributions to total EBITDA are as follows: Water 49%, Networks 36%, Energy 8%, Environment 7%.

Consolidated **EBIT** is up 35.7% from 222.6 million euros in 2011 to 302.1 million euros in 2012.

Group net profit, after non-controlling interests, is 85.7 million euros (77.4 million euros including the Antitrust fine), in line with the result for 2011 (86.0 million euros).
The tax rate of 51.0% compares with the 41.2% of 2011. The significant change in taxation reflects recognition in 2011 of the gains resulting from unwinding of the joint venture in the

Energy segment (exempt from taxation) and application in 2012 of additional income tax (IRES) payable by Acea Distribuzione.

The **Group's investment** in 2012 amounted to 513 million euros (413 million euros in 2011) and breaks down as follows: Water 224 million euros; Networks 102 million euros; Environment 38 million euros; Energy 27 million euros; the Parent Company 122 million euros (this figure includes the cost of purchasing the Group's headquarters premises, amounting to approximately 113 million euros).

Net debt at 31 December 2012, totalling 2,495.5 million euros, is up 169.7 million euros compared with 31 December 2011. The increase in debt is due to the need to finance investment (including the purchase of the headquarters premises) and, to a lesser extent, to an increase in working capital.

The **net debt to EBITDA ratio** is substantially stable at 3.5x.
The Acea Group has an extremely strong financial structure, as its entire debt is long-term in nature (an average term to maturity of 10 years), with 64% being fixed rate at an average overall cost of 3.46%.

In view of the positive results for 2012 and the Group's strong financial structure, the Board of Directors intends to propose payment of an ordinary dividend of 0.30 euros per share to the Annual General Meeting to be held in first call on 15 April and in second call on 22 April 2013, with 0.21 euros per share already paid in December 2012 in the form of an interim dividend. This represents a payout of 75%, based on consolidated net profit before non-controlling interests.

SEGMENT INFORMATION FOR 2012

Environment
The Environment segment contributed 49.3 million euros to the Group's EBITDA, a significant increase on the figure for 2011 (31.7 million euros), thanks to the entry into service of two new lines at the San Vittore plant in April and July 2011 (up 15.7 million euros).

ENVIRONMENT – operational highlights	**2011**	**2012**
Treatment and disposal ('000 tonnes)	579	**666**
WTE electricity sold (GWh)	128	**190**

Energy
The Energy segment's EBITDA is substantially stable, changing from 61.4 million euros in 2011 to 61.0 million euros in 2012. The comparison between the two periods reflects the unwinding of the joint venture and the return to operation, in 2012, of the first generating set at the Orte hydroelectric plant and of the Salisano hydroelectric plant.
In detail:

ENERGY – EBITDA (€m)	**2011**	**2012**
Energy segment	**61.4**	**61.0**
Production	*15.6*	*31.4*
Trading (joint venture)/Energy Management	*4.5*	*(10.0)*
*Sales**	*41.3*	*39.6*

ENERGY – operational highlights	**2011**	**2012**
Electricity production (GWh)	**4,103**	**367**
Hydroelectric	*367*	*355*
Thermoelectric	*3,712*	*12*
Wind	*24*	*-*
Electricity sold (GWh)	**16,539**	**13,416**
Enhanced protection market	*3,661*	*3,418*
Free market	*12,878*	*9,998*
Gas sold (million m^3)	**96**	**86**

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

Water

The Water segment's EBITDA is up 7.8% to 349.0 million euros, primarily due to tariff adjustments recognised under the previous regime. The segment's EBITDA was negatively impacted by the increased costs resulting from the seizure of certain purification plants.
The volumes of water sold total 760 million cubic metres, in line with the figure for 2011.

Networks

EBITDA for the Networks segment is down 3.3% to 260.7 million euros, essentially reflecting a reduction in the margin on distribution and metering (calculated on the basis of Electricity and Gas Authority resolution ARG/elt 199/11 covering the fourth regulatory period for 2012-2015) and a reduction in the construction of photovoltaic plants for external customers.

NETWORKS – operational highlights	2011	2012
Electricity distributed ('000 tonnes)	**11,132**	**11,089**

As envisaged in the Business Plan for the period 2012-2016, on 28 December 2012 Acea, via its subsidiary, Acea RSE, sold Apollo, the company that operates photovoltaic plants with an installed capacity of 32.544 MWp, to RTR Capital for a price of 102.5 million euros.
Following the sale, the assets remaining in Acea RSE's portfolio have a total installed capacity of approximately 13 MWp, including 10 MWp that will be sold in 2013.

Parent Company

The Parent Company reports negative EBITDA of 16.5 million euros, an improvement of approximately 14.1 million euros with respect to 2011. This reflects successful cost cutting initiatives in 2012, which resulted in reductions in the cost of facility management and in consultants' fees. There was also a reduction in lease expense following the purchase of the Company's headquarters premises.

EVENTS AFTER 31 DECEMBER 2012 AND OUTLOOK

On 31 January the Electricity and Gas Authority approved a Ruling setting out the criteria for calculating the amounts to be returned to water customers, relating to the return on invested capital and paid after the Referendum of 12-13 June 2011 (from 21 July to 31 December 2011).
The document reflects the opinion, requested by the Authority from the Council of State, on the exact timing of its assumption of responsibility for water tariffs. The opinion states that the tariffs applied in the period from 21 July 2011 to 31 December 2011, not covered by the Transitional Tariff Regime, are not in accordance with the outcome of the above Referendum.

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In keeping with previous years, the Acea Group is continuing to take steps to boost operating efficiency and streamline its business processes, with the aim of countering the impact of the economic crisis and achieving the targets set out in the Business Plan.

In the Environment segment, the subsidiary, ARIA, has a positive outlook in view of its strategic positioning and operating environment, marked by a lack of facilities for the recovery and disposal of waste in the Lazio region.

In the Energy segment, repowering of the Salisano and Orte hydroelectric plants has been completed, whilst work on extension of the urban heating system serving a residential area of Rome is continuing. Repowering of the plants will increase the contribution of renewables to electricity generation and boost the production of Green Certificates.

With regard to the sale of electricity, Acea confirms its strong commitment to managing and developing its customer portfolio, within a changing market that requires particular focus on the quality of service offered.

The Company's main aim in the Water segment is to resolve the tariff-related issues affecting a number of concession areas. The Acea Group's water companies are also engaged until the end of March in discussing proposed tariffs with the respective concession authorities. The tariffs must be approved by the Electricity and Gas Authority by the end of the first half.

The principal activities in the Networks business regard the implementation of investment initiatives, the streamlining of business processes and improvements to operating efficiency.

CALL TO THE AGM

Acea SpA's Board of Directors has called the AGM, to be held in first call on 15 April 2013 and in second call on 22 April 2013, to approve the financial statements for 2012, acknowledge the consolidated financial statements and attached reports, elect the Board of Directors and Board of Statutory Auditors and pass the related and resulting resolutions.
As noted above, the Board of Directors intends to propose payment of an ordinary dividend of 0.30 euros per share (0.28 euros per share for 2011) to the Annual General Meeting, with 0.21 euros per share already paid in December 2012 in the form of an interim dividend. The final dividend (coupon no. 13), amounting to 0.09 euros per share, will be paid from 23 May 2013. The ex-dividend date is 20 May and the record date is 22 May.

The following schedules are attached:

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

A conference call will be held at 3.00 pm (Italian time) on Monday, 11 March 2013 in order to present the results for the year ended 31 December 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.

Acea SpA

Investor Relations
Tel. +39 06 57991
investor.relations@aceaspa.it
Corporate website: www.acea.it

Press Office
Tel. +39 06 57993718/70
ufficio.stampa@aceaspa.it

RECLASSIFIED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2012

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STATEMENT OF FINANCIAL POSITION	31 December 2012	31 December 2011	Increase/ (Decrease)
NET WORKING CAPITAL	**112,195**	**89,266**	**22,928**
Current receivables	1,477,207	1,510,012	(32,805)
- due from end users and customers	*1,346,848*	*1,304,691*	*42,157*
- due from the Comune di Roma	*94,350*	*160,060*	*(65,710)*
Inventories	41,983	66,106	(24,123)
Other current assets	221,337	246,607	(25,270)
Current payables	(1,267,161)	(1,344,785)	77,624
- trade	*(1,193,080)*	*(1,184,975)*	*(8,105)*
- due to the Comune di Roma	*(60,743)*	*(132,796)*	*72,053*
Other current liabilities	(361,171)	(388,673)	27,502
NON-CURRENT ASSETS/(LIABILITIES)	**3,715,692**	**3,548,021**	**167,671**
Property, plant and equipment and intangible assets	4,031,497	3,844,613	186,884
Investments	21,130	19,480	1,651
Other non-current assets	416,644	416,837	(194)
Staff termination benefits and other defined-benefit obligations	(105,298)	(104,776)	(521)
Provisions for liabilities and charges	(272,401)	(250,892)	(21,510)
Other non-current liabilities	(375,880)	(377,241)	1,361
INVESTED CAPITAL	**3,827,887**	**3,637,288**	**190,599**
NET DEBT	**(2,495,478)**	**(2,325,831)**	**(169,647)**
Medium/long-term loans and receivables	32,959	19,940	13,020
Medium/long-term borrowings	(2,211,609)	(2,298,916)	87,306
Short-term loans and receivables	152,225	172,768	(20,543)
Cash and cash equivalents	423,698	321,022	102,676
Short-term borrowings	(892,751)	(540,645)	(352,106)
Total equity	**(1,332,409)**	**(1,311,457)**	**(20,952)**
BALANCE OF NET DEBT AND EQUITY	**(3,827,887)**	**(3,637,288)**	**(190,599)**

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2012

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	2012	2011	Increase/ (Decrease)
Sales and service revenues	3,526,264	3,464,726	61,537
Other operating income	86,475	73,283	13,192
Consolidated net revenue	**3,612,739**	**3,538,010**	**74,729**
Staff costs	282,046	280,574	1,472
Cost of materials and overheads	2,635,271	2,599,945	35,326
Total operating costs	**2,917,317**	**2,880,519**	**36,798**
Net profit/(loss) from commodity risk management	(232)	(1,661)	1,428
Gross operating profit	**695,189**	**655,830**	**39,359**
Amortisation, depreciation, provisions and impairment charges	401,419	433,278	(31,859)
Operating profit/(loss)	**293,770**	**222,552**	**71,218**
Finance (costs)/income	(120,554)	(120,574)	20
Profit/(loss) on investments	862	57,114	(56,253)
Profit/(loss) before tax	174,078	159,092	14,986
Income tax expense	88,778	65,572	23,206
Net profit/(loss) from continuing operations	**85,300**	**93,521**	**(8,220)**
Net profit/(loss) from discontinued operations	0	0	0
Net profit/(loss)	**85,300**	**93,521**	**(8,220)**
Net profit/(loss) attributable to non-controlling interests	*7,917*	*7,563*	*354*
Net profit/(loss) attributable to owners of the Parent	**77,383**	**85,958**	**(8,574)**

The above statement does NOT contain the reclassifications of amounts for 2011 and 2012 required by IFRS 5 (Acea RSE's photovoltaic assets and unwinding of the joint venture between ACEA and GdF-Suez).

ANALYSIS OF CONSOLIDATED NET DEBT AT 31 DECEMBER 2012

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	31 December 2012	31 December 2011	Increase/ (Decrease)
Non-current financial assets/(liabilities)	2,060	1,907	153
Intercompany non-current financial assets/(liabilities)	30,899	18,033	12,867
Non-current borrowings and financial liabilities	(2,211,609)	(2,298,916)	87,306
Net medium/long-term debt	**(2,178,650)**	**(2,278,976)**	**100,326**
Cash and cash equivalents and securities	423,771	321,093	102,678
Short-term bank borrowings	(753,850)	(448,889)	(304,961)
Current financial assets/(liabilities)	(56,898)	(26,787)	(30,112)
Intercompany current financial assets/(liabilities)	70,149	107,727	(37,578)
Net short-term debt	**(316,828)**	**(46,855)**	**(269,973)**
Total net debt	**(2,495,478)**	**(2,325,831)**	**(169,647)**

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**	**74,661**	**1,311,457**
Net profit/(loss) in income statement				77,383	77,383	7,917	85,300
Other comprehensive income/(losses)				(15,926)	(15,926)	(524)	(16,450)
Total comprehensive income/(loss)	***0***	***0***	***0***	***61,457***	***61,457***	***7,392***	***68,850***
Appropriation of net profit/(loss) for 2011		51,428	20,336	(71,764)	0	0	0
Dividends paid		0	(44,635)		(44,635)	(3,178)	(47,813)
Change in basis of consolidation		(72)	1,572		1,500	(1,585)	(85)
Balance at 31 December 2012	**1,098,899**	**165,088**	**(70,326)**	**61,457**	**1,255,118**	**77,291**	**1,332,409**