



PRESS RELEASE

Acea SpA: Board of Directors' meeting called for 24 March 2014

Rome, 20 March 2014. Further to Acea SpA's press releases of 10 and 20 March 2014 and the correspondence between Acea and one of its shareholders, the City of Rome (Roma Capitale), on 18 March 2014 the CONSOB requested the Company, pursuant to art. 114, para. 5, Legislative Decree 58/68 (the CFA): *"...to disclose the action...it has taken or intends to take with respect to the request of one of its shareholders, the City of Rome, together with the reasons for such action"*, in addition to asking the Board of Statutory Auditors *"to disclose its considerations with respect to such action taken or intended to be taken by the Company's management"*.

The following information is provided in response to these requests:

1. In a letter dated 3 March 2014, the Mayor of the City of Rome requested the following items be added to the agenda for the upcoming Annual General Meeting of Acea SpA:
 - a. To reduce the number of Directors of the Company*
 - b. (should the above be approved) To elect the Board of Directors;*
 - c. To elect the Chairman;*
 - d. (in any event) To fix the remuneration of the Board of Directors."*
2. The Company reported price sensitive information on 4 March 2014 in the form of an announcement that it had sought further clarification regarding the Mayor's request;
3. On 10 March 2014, Acea's Board of Directors responded to the Mayor's letter of 3 March and the "Report on the agenda items request of 3 March 2014" submitted on 10 March by the Mayor of the City of Rome by asking, among other things, for additional information on the report, in particular, with respect to the following: "if the Board's termination regards all its members or only certain Directors, if there are any further reasons for establishing just cause and the eventual cost to be incurred by the Company as a result of the termination in question".
4. In a letter dated 13 March, the Mayor repeated his request for the Annual General Meeting to be called, stating that the information provided on 10 March was deemed adequate for the purposes of the CFA;
5. Subsequent to the Mayor's reply of 13 March:



- the Company asked its legal advisors to report on the consistency of the requests contained therein with legislation currently in force, giving due consideration to all correspondence between Acea and the City of Rome;
 - the Chairman of Acea has convened a meeting of the Board of Directors for 24 March for the Board to take a position with respect to the requests, based on the conclusions reached by its legal advisors.
6. Acea's Board of Directors will call the Annual General Meeting in accordance with statutory procedural requirements.

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Considerations of the Board of Statutory Auditors

1. The Mayor of the City of Rome requested the Board of Directors of Acea SpA (the "Company") on 3 March 2014 *"to include the following items in the agenda for the annual general meeting"*:

a. *"to reduce the number of Directors of the Company;*

(should the above be approved)

b. *to elect the Board of Directors;*

c. *to elect the Chairman;*

(in any event)

d. *to fix the remuneration of the Board of Directors."*

The Company's Board of Directors was made aware of the letter on the same date, examined its contents and resolved to seek further clarification before responding to the Mayor's request by appointing expert professionals. The Board of Statutory Auditors was in agreement with the Board of Directors' decision.

On 4 March 2014, at the CONSOB's request, Acea released a statement to the press, indicating that it had received the above letter from the Mayor of the City of Rome, which was attached to the press release for reasons of market transparency. The Company also duly explained that it *"sought further clarification regarding the Mayor's request"*.

On 6 March 2014, the Mayor of the City of Rome sent a letter to the Company's Chairman, with a copy sent to the CONSOB, regarding the decision to make public the letter dated 3 March 2014.

On 6 and 7 March 2014, the Company received the findings of the professionals appointed to look into the requests contained in the Mayor's letter of 3 March 2014.

Their opinions were that the Company's Board of Directors could call the Annual General Meeting at the request of the Mayor of the City of Rome subject, among other things, to a request for and receipt of (above all to protect the applicant from the risk of a challenge to any resolution approved at his request) a report pursuant to art. 125 *ter* of Consolidated Act 58/1998, the contents of which should include clarification of the matters to be deliberated on, as indicated in the letter of 3 March 2014 and, in particular, with respect to the *"Reduction in the number of members of the Board of Directors"* and the consequences thereof.

On 10 March 2014, based on the opinions it had received, the Board of Directors approved a letter to the Mayor of the City of Rome in which, among other things, it responded to the "Report on the agenda items request of 3 March 2014" sent on the same date by the shareholder, the City of Rome. The Company reported to the market that it had requested the City of Rome to provide the information required by art. 126 *bis* of the CFA.

On 13 March 2014, the Mayor of Rome sent the Chairman of the Board of Directors his reply to the message sent by the Company's Chairman on 10 March 2014.

The response stated that the Board of Directors was looking to "influence" the actions of the City of Rome, subordinating *"the need to meet its obligations to its own highly questionable (and, as can be seen, incorrect) assessment of the situation"*. In consequence of the above, the request to the Board of Directors to call the Annual General Meeting without delay, with an agenda containing the items requested by the Mayor of the City of Rome, was renewed. The letter was sent to the Board of Statutory Auditors *"so that it guarantee the Company's compliance with the law"*.

The Company's Chairman informed the Board Directors on 17 March 2014 that he had requested the appointed professionals to assist the Board of Directors by providing a full assessment of the documents sent from the City of Rome.

2. Based on the above, the Board of Statutory Auditors notes the following:

- we have participated in meetings of the Board of Directors at which the matter to hand was discussed and is of the opinion that the Board of Directors took prompt action to accommodate the requests made by the Mayor of the City of Rome;
- we shared the view of the Board of Directors that it was necessary to seek further clarification, given that board resolutions must be based on the principle of informed decisions;
- we examined the opinions received from authoritative professionals and verified that the response to the City of Rome was consistent with those opinions;
- we are awaiting the conclusions of the authoritative professionals regarding the additional advice requested by the Company. Such advice is of importance to the City of Rome and the market, since it will show the extent to which the agenda has been correctly formulated, thus protecting the Company from a challenge to the legality of any resolution approved and thus satisfying all market disclosure requirements;
- we are aware of the fact that the Chairman of the Board of Directors had, by letter dated 17 March 2014, instructed Directors that they should convene a board meeting without delay to approve the necessary resolutions as soon as the additional advice had been received and then, on 19 March 2014, convened a Board of Directors meeting for 24 March 2014 to deliberate the matter at hand, having been provided with the advice as requested.