



A2A

2011 Results

Milan, March 23th, 2012



Agenda

- 2011 Main financial highlights
- Non-recurring and extraordinary items
- From EBITDA to Restated Net Income
- EBITDA Segment analysis
- Net debt and Cash Flow

2011 - Main financial highlights

€M data	2010	2011	Change	Change %
NET SALES	6,041	6,198	+157	+2.6%
EBITDA	1,040	942	-98	-9.4%
EBIT	498	301	-197	-39.6%
NET INCOME	308	-420	-728	-
<i>NON-RECURRING AND EXTRAORDINARY ITEMS</i>	-147	-627		
NET INCOME (capital gain included)	455	207		
<i>CAPITAL GAINS</i>	212	39		
ADJUSTED NET INCOME	243	168	-75	-31%
	2010	2011	Change	
NFP	3,893	4,021	+128	

Analyzed as follows

2011 – Non recurring and extraordinary items

€M data	2010	2011	RELATED P&L ITEMS	IMPACT ON P&L ITEMS
ADJUSTED NET INCOME	243	168		
WRITE-DOWN OF FIXED ASSETS:	-9	-59		
EPCG GOODWILL		-94	D&A, WRITE DOWNS AND PROVISIONS	D&A, WRITE DOWNS AND PROVISIONS -110M€
<i>of which minorities</i>		53	MINORITIES	
NET EFFECT EPCG GOODWILL		-41		
OTHER WRITE-DOWNS	-9	-24	D&A, WRITE DOWNS AND PROVISIONS	
LOWER TAXES		6	TAXES	
WRITE-DOWN OF ASSOCIATES:	-138	-568		
EDIPOWER		-123	ASSOCIATES	ASSOCIATES -130M€
NET EFFECT of TdE	-132	-433	IFRS 5/MINORITIES	
OTHER	-6	-13	ASSOCIATES	
CAPITAL GAINS:	212	39		
METROWEB		39	IFRS 5	IFRS 5/MINORITIES -420M€
ALPIQ	212		IFRS 5	
TOTAL	65	-588		
NET INCOME	308	-420		

2011 - From EBITDA to Net Income (1/2)

€M data	2010	2011	Change	Non-recurring and extraordinary items impact
EBITDA	1,040	942	-98	
D&A, Write Downs and Provisions	-542	-641	-99	D&A, WRITE DOWNS AND PROVISIONS -110M€
Financial charges	-142	-139	+3	
Derivatives/others	+10	+16	+6	
Associates and JV and others	+28	-132	-160	ASSOCIATES -130M€
Others	-1	-4	-3	
EBT	393	42	-351	
ADJUSTED EBT	408	296	-112	

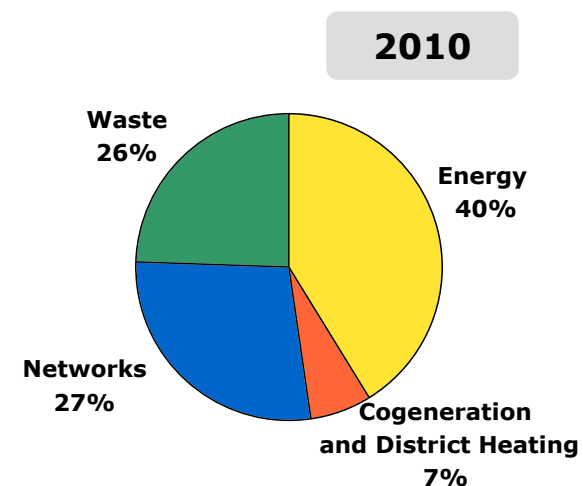
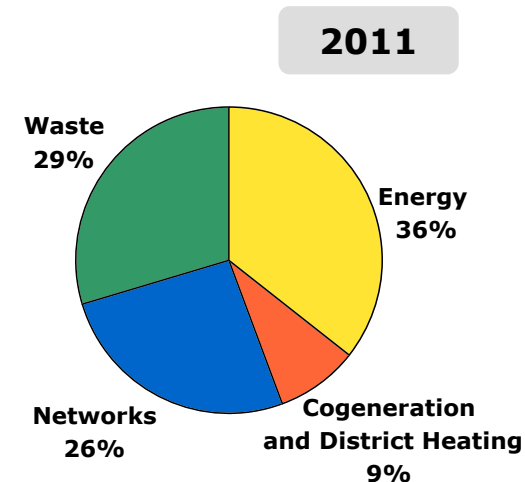
2011 - From EBITDA to Net Income (2/2)

<i>€M data</i>	2010	2011	Change	Non-recurring and extraordinary items impact
EBT	393	42	-351	
TAXES	-158	-148	+10	
IFRS 5 MINORITIES	+73	-314	-387	IFRS 5 -420M€
NET INCOME	308	-420	-728	OTHER MINORITIES +33M€
ADJUSTED NET INCOME	243	168	-75	

2011 - EBITDA breakdown

€M data	EBITDA 2010	EBITDA 2011	Δ vs 2010
ELECTRICITY	321	252	-69
GAS	82	94	12
COGENERATION AND DISTRICT HEATING	70	85	15
WASTE	262	287	25
NETWORKS	276	253	-23
OTHER SERVICES & CORPORATE	-31	-26	5
CONSOLIDATION ADJUSTMENTS	-2		2
TOTAL (EPCG not included)	978	945	-33
EPCG	62	-3	-65
TOTAL	1,040	942	-98

EBITDA BREAKDOWN

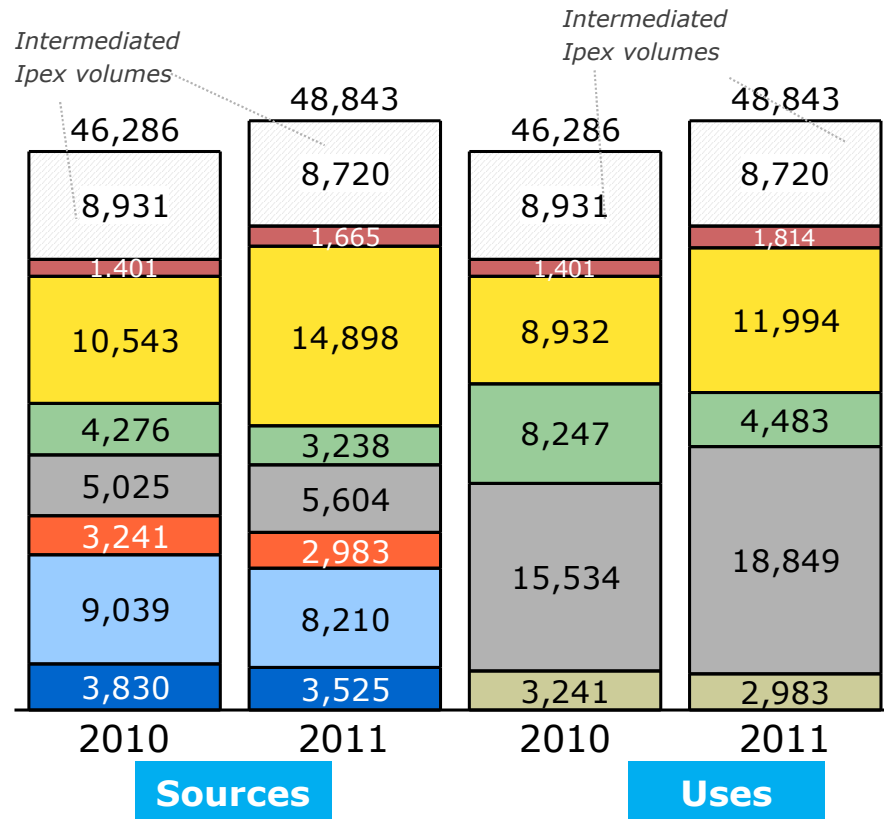


2011 Energy - Scenario

Average data		2010	2011	Var %
Brent	\$/bbl	80,27	110,83	38%
CO2 Average system cost	€/Tonn	14,45	13,25	-8%
Green Certificates avg. system cost	€/MWh	84,03	81,02	-4%
€/€	€/€	1,33	1,39	5%
Brent €	€/bbl	60,56	79,60	31%
Coal €	€/Tonn	69,56	87,34	26%
PUN BL	€/MWh	64,09	72,20	13%
PUN Peak	€/MWh	76,18	82,22	8%
PUN Off-Peak	€/MWh	57,41	66,65	16%
CCGT Cost	€/MWh	54,75	61,18	12%
Spark Spread CCGT vs Baseload	€/MWh	9,34	11,02	18%
Spark Spread CCGT vs Peakload	€/MWh	21,42	21,04	-2%
Spark Spread CCGT vs Off-Peak	€/MWh	2,66	5,47	n.a.
Spark Spread CCGT vs Baseload - Environmental costs	€/MWh	4,69	6,36	36%
Cip6 Electricity Tariff (including incentive component)	€/MWh	223,40	238,0	7%

2011 Energy - Volumes (Epcg not included)

ELECTRICITY VOLUMES (GWh)



GREEN CERTIFICATES

- A2A Group Green Certificates Long Position at 31.12.2011 ~ 0.3 TWh (0.2 TWh at 31.12.2010)

CO2 POSITION

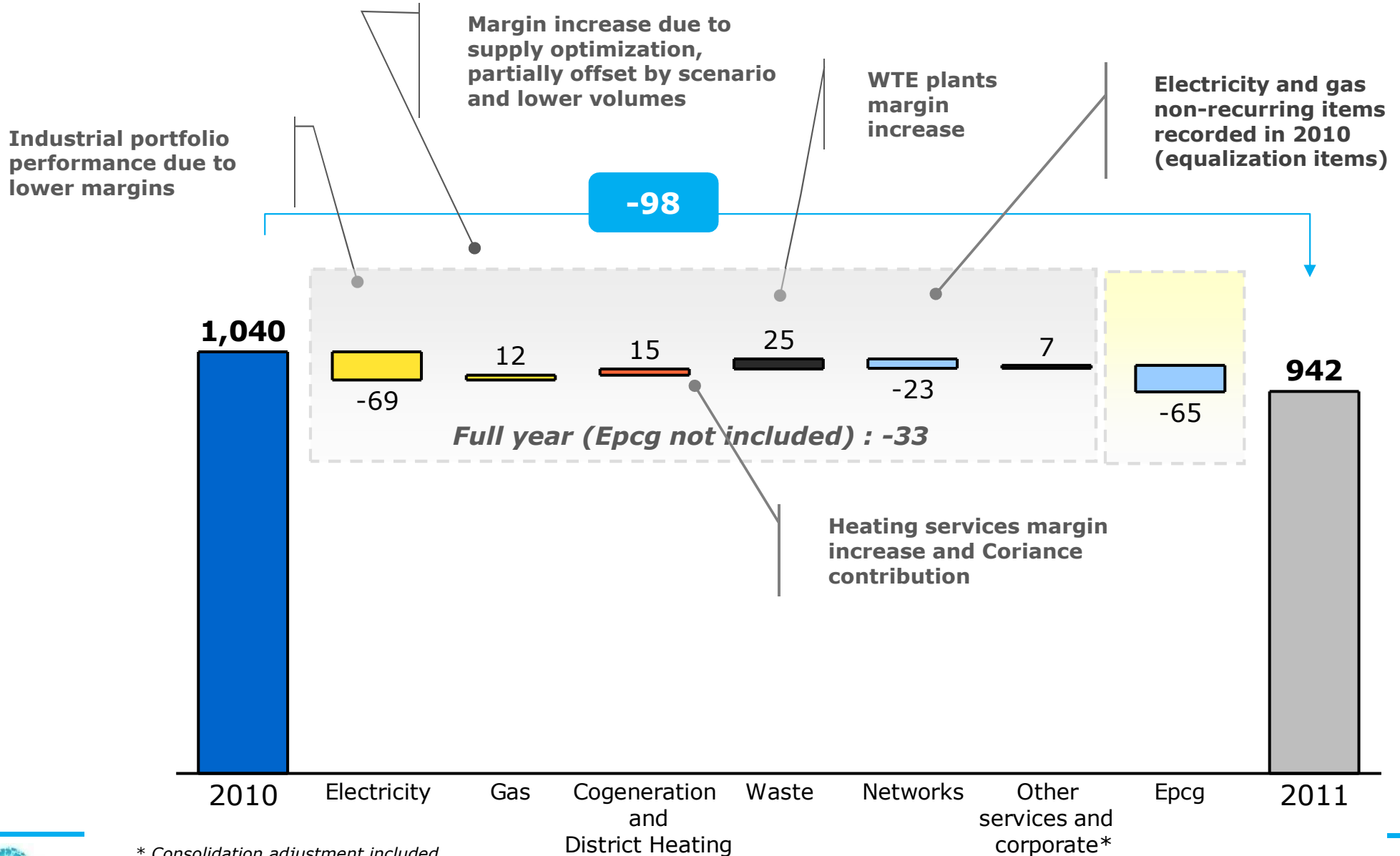
- A2A Group CO2 Long Position at 31.12.2011 ~ 1.8 Mton (1.3 Mton at 31.12.2010)

2011 Other Volumes (Epcg not included)

		2010	2011	Δ%
Electricity distributed	GWh	11,375	11,489	1%
Gas distributed	Mmc	2,255	2,011	-11%
Gas points of redelivery	Pdr	1,255,885	1,269,628	1%
Water distributed	Mmc	69	69	0%
Retail and wholesale gas sales	Mmc	4,194	4,005	-5%
Heat volumes	GWht	3,038	2,874	-5%
Cogeneration electricity	GWh	574	602	5%
Heated volumes	Mmc	73	77	5%
Collected waste	Kton	976	949	-3%
Waste disposal	Kton	2,763	2,626	-5%
WTE electricity	GWh	1,179	1,209	3%
Heat production	GWht	907	899	-1%

2011 - EBITDA by business

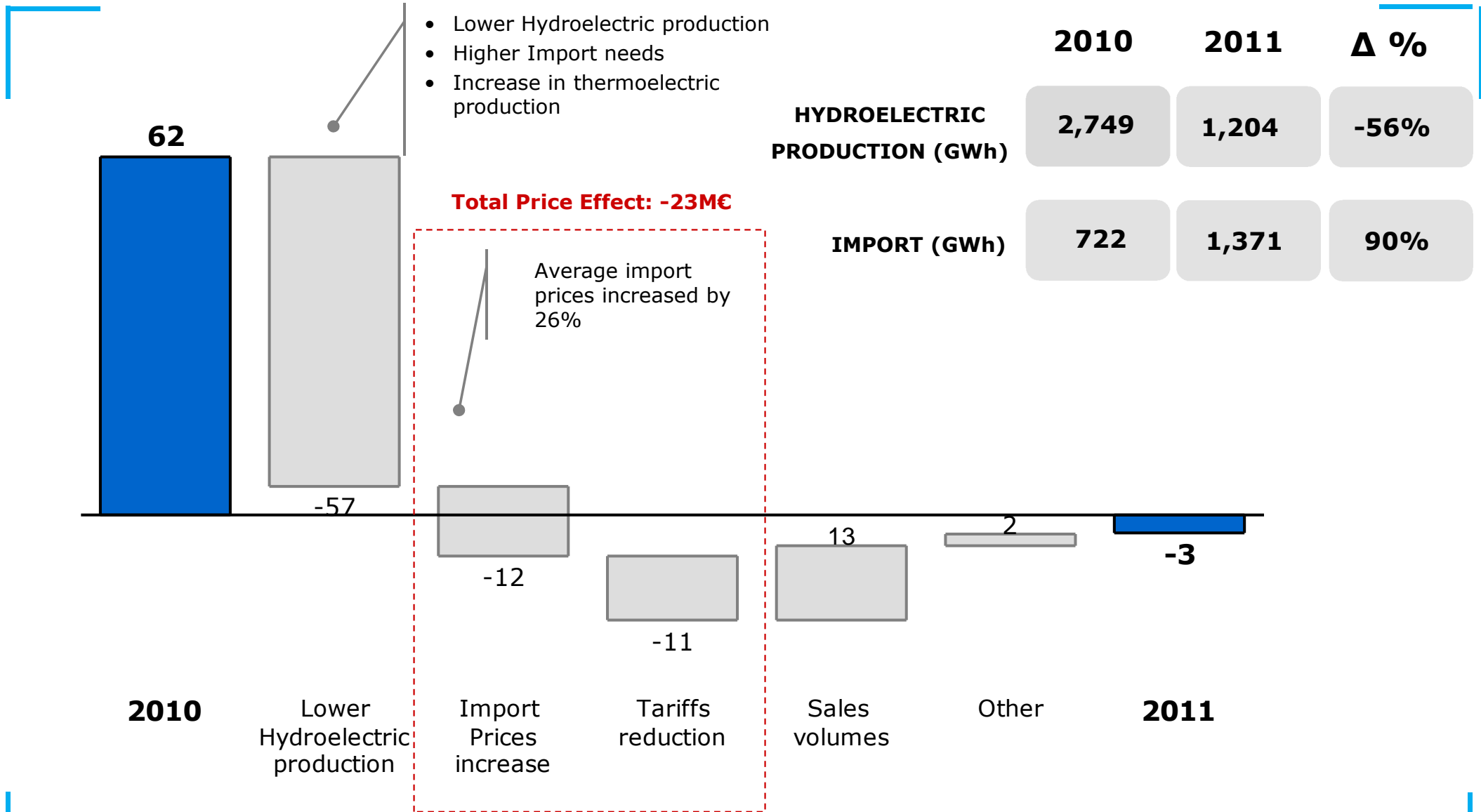
€M data



* Consolidation adjustment included

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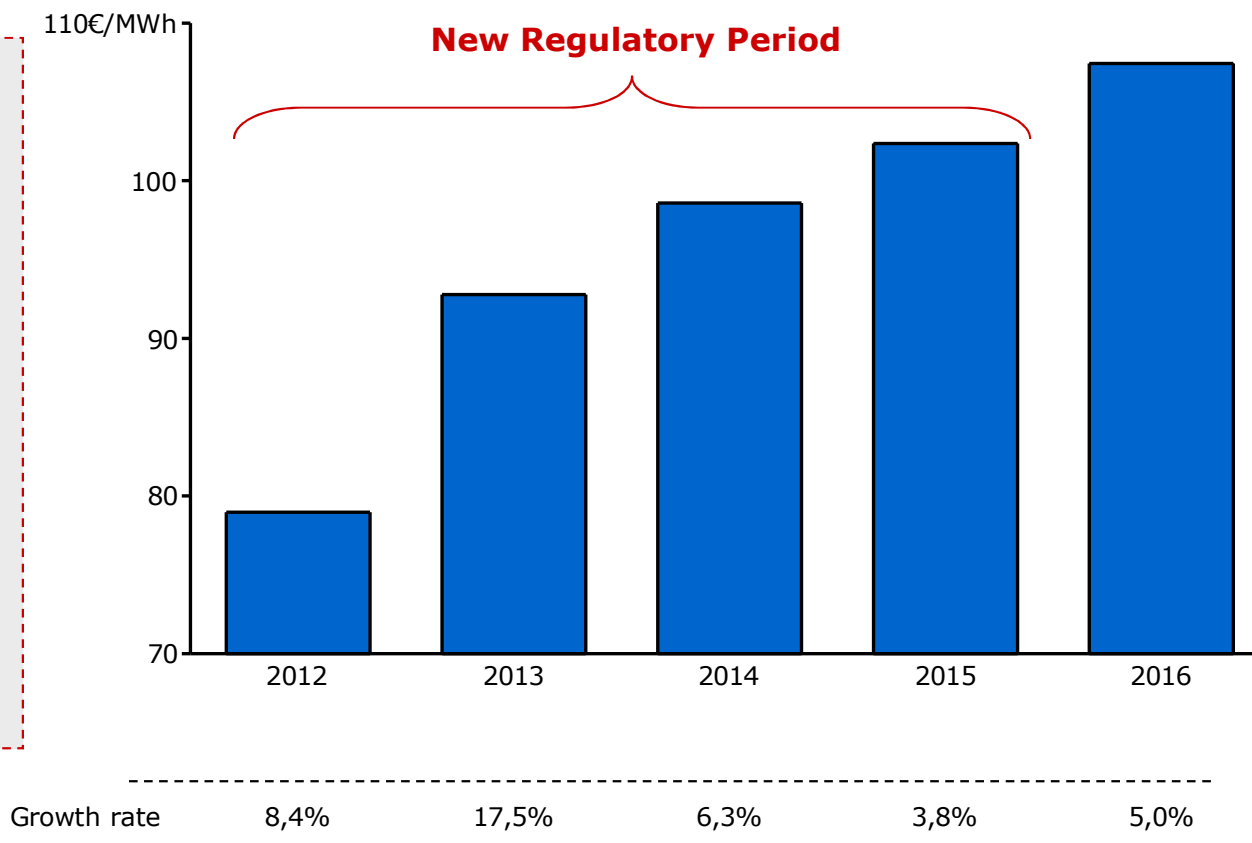
2011 – EPCG: EBITDA analysis



2011 – EPCG: Tariffs evolution

Average Energy Tariffs for Distribution clients

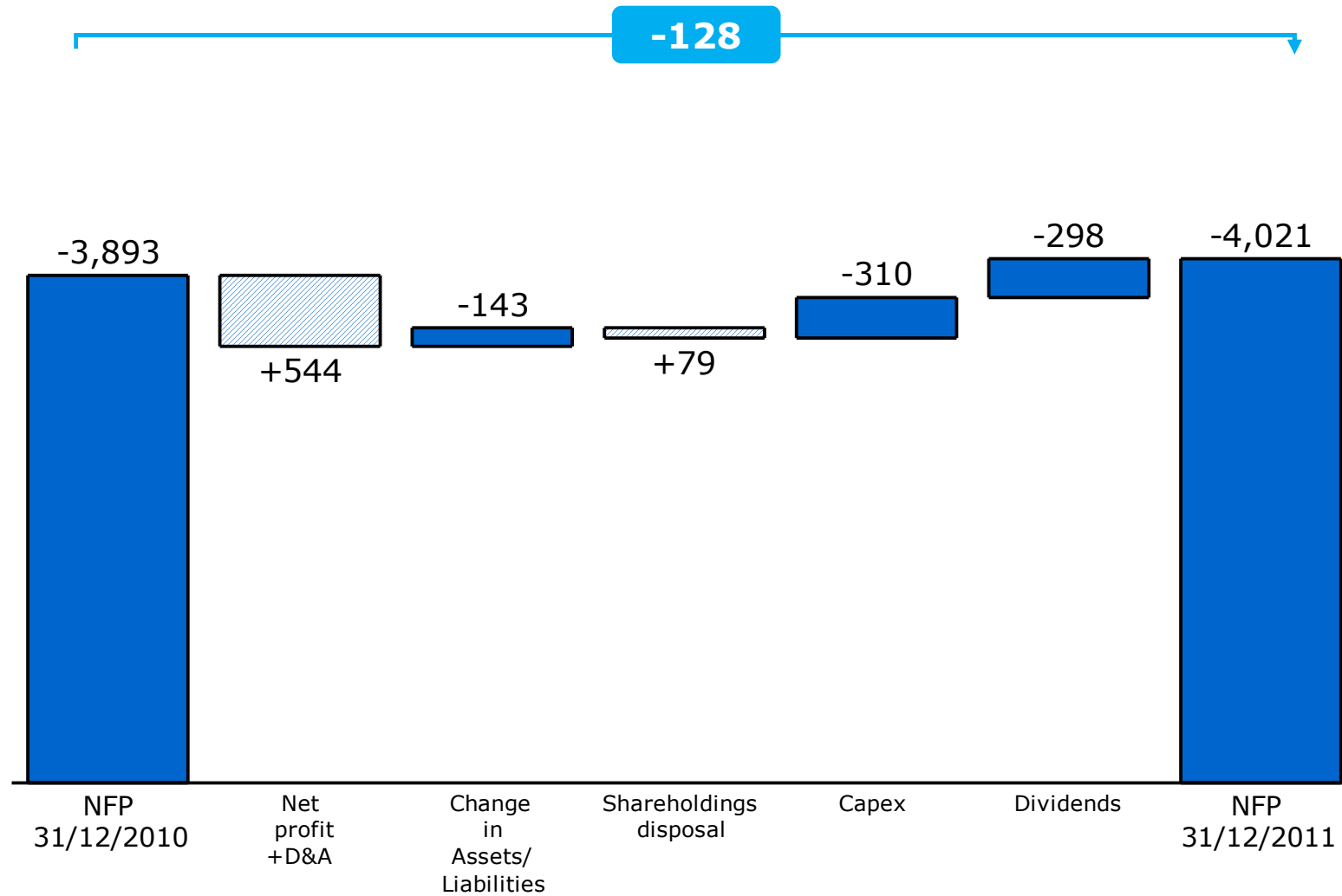
- On **December 30, 2011** the Regulatory Agency of Montenegro (RAE) adopted the new methodology for tariff structure, introducing concepts of cost reflective tariff, return on investments and price-cap regulation;
- For **H1 2012** average increase in tariffs of 6% defined by RAE
- **As of H2 2012 up to 2015** the Methodologies defined by RAE have been applied to the cost and investment plan of EPCG
- In **2016** annual increase around 5%



In the planning period the CAGR of the average tariffs for Distribution clients is 8%

2011 - Net Debt and Cash Flow

€M data

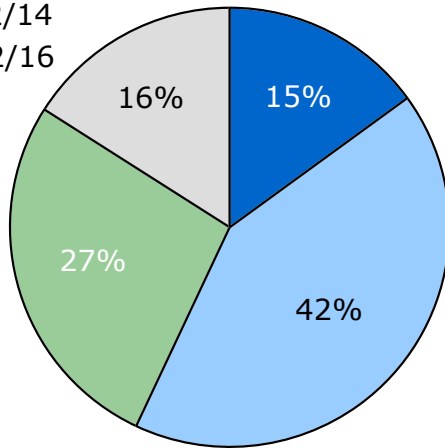


2011 - Group Financial structure

Total debt - Maturity

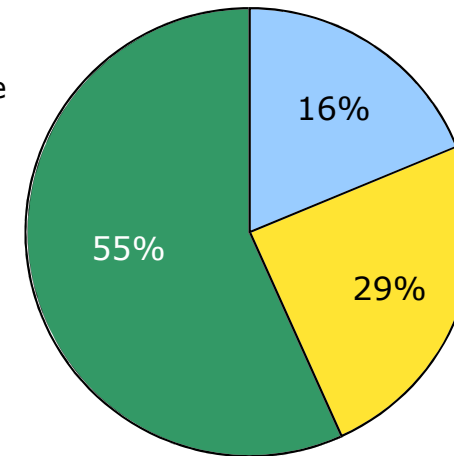
DEBT MATURITY

- <31/12/2012
- 01/01/13-31/12/14
- 01/01/15-31/12/16
- >31/12/2016



DEBT BREAKDOWN BY INTEREST

- Swap
- Variable
- Fixed

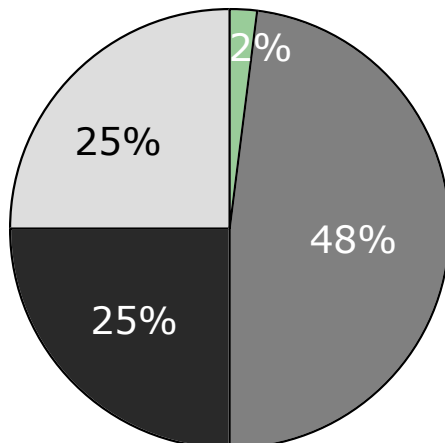


23% by Q1 2012
(new derivatives
been finalized)

TOTAL DEBT: 4,373 €M - AVG. MATURITY: 4 YEARS - UNDRAWN LINES*: 1,830 €M - 2011 AVG. RATE 3.3%

DEBT BREAKDOWN

- Uncommitted Lines & other
- Committed Lines
- Loans
- Bond



COMPANY'S CREDIT RATING



**STANDARD
& POOR'S**

BBB+ / A-2

Outlook Negative



Moody's Investors Service

Baa1

Outlook Negative

* of which 1,785 €M committed lines, 45 €M BEI loan

Note: EPCG not included

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