



A2A

Q1 2016 Results

Milan, May 12th, 2016



Q1 2016 Consolidated Results Highlights of the period

**Vs
Q1 2015**

+

CCGT Performance

Regulated Components Retail

-

***Energy Scenario &
Hydro Production***

Import/Export Balance EPCG

Q1 2016 vs Q1 2015 Consolidated Results

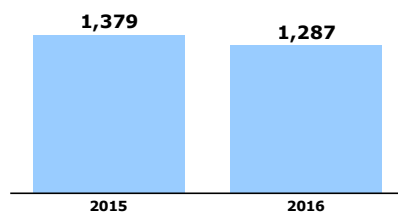
Q1 2016 vs Q1 2015 Results

Consolidated results

€M

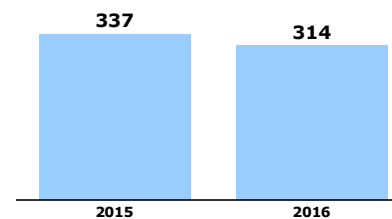
REVENUES

-7%



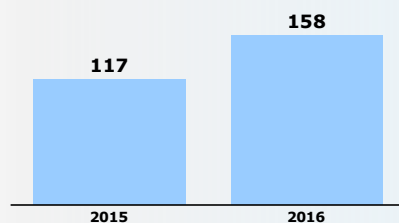
EBITDA

-7%



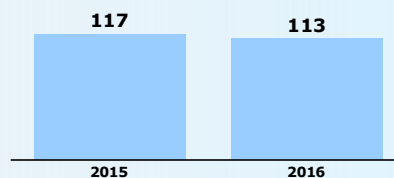
GROUP NET INCOME

+35%



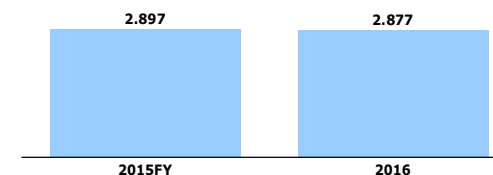
GROUP ORDINARY NET INCOME*

-4€M



NET FINANCIAL POSITION

-1%



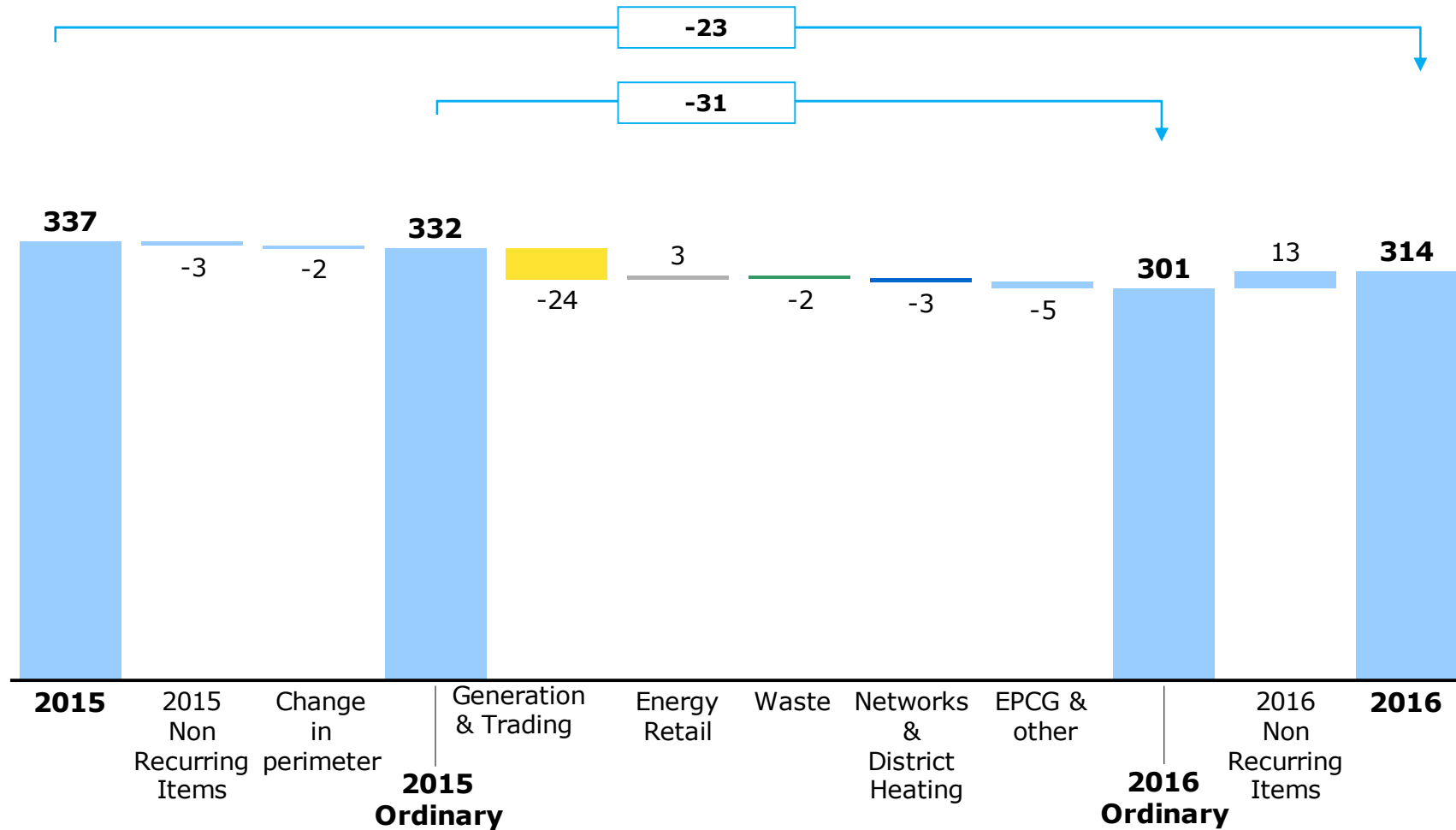
* Excluding extraordinary items related to Edipower Non Proportional Demerger

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Q1 2016 vs Q1 2015 Results

Group EBITDA

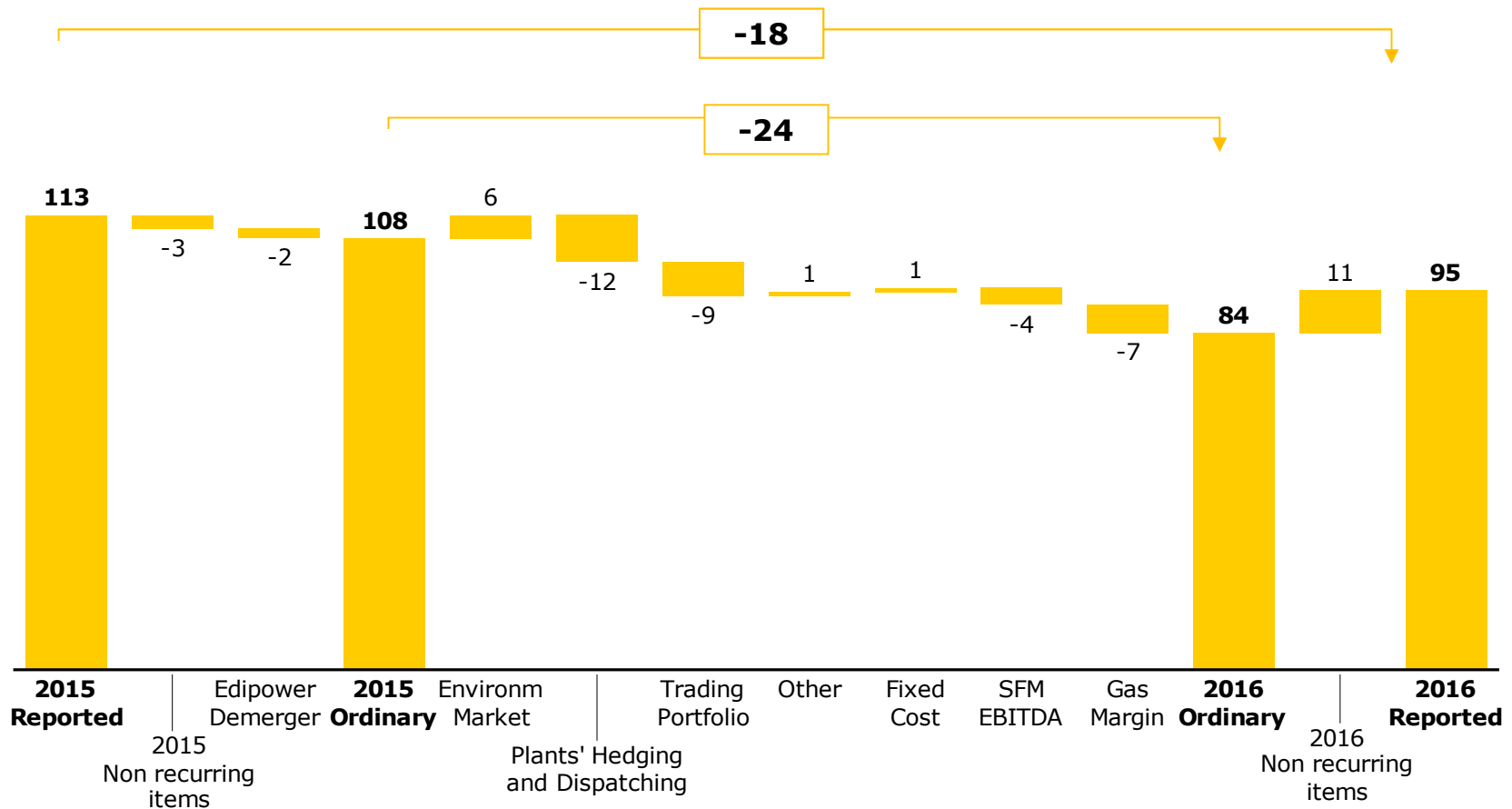
€M



Q1 2016 vs Q1 2015 Results

Focus on Generation & Trading EBITDA

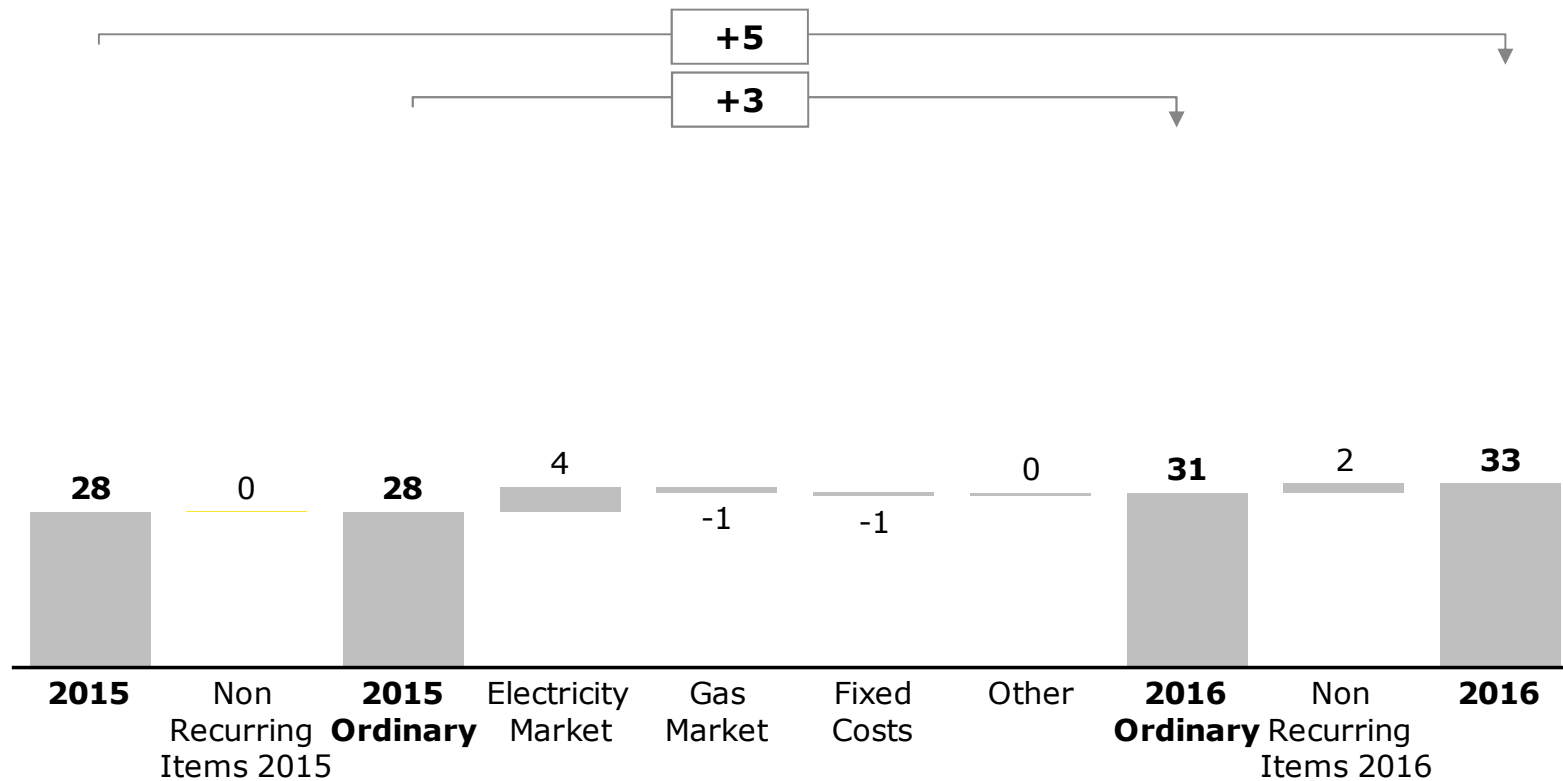
€M



Q1 2016 vs Q1 2015 Results

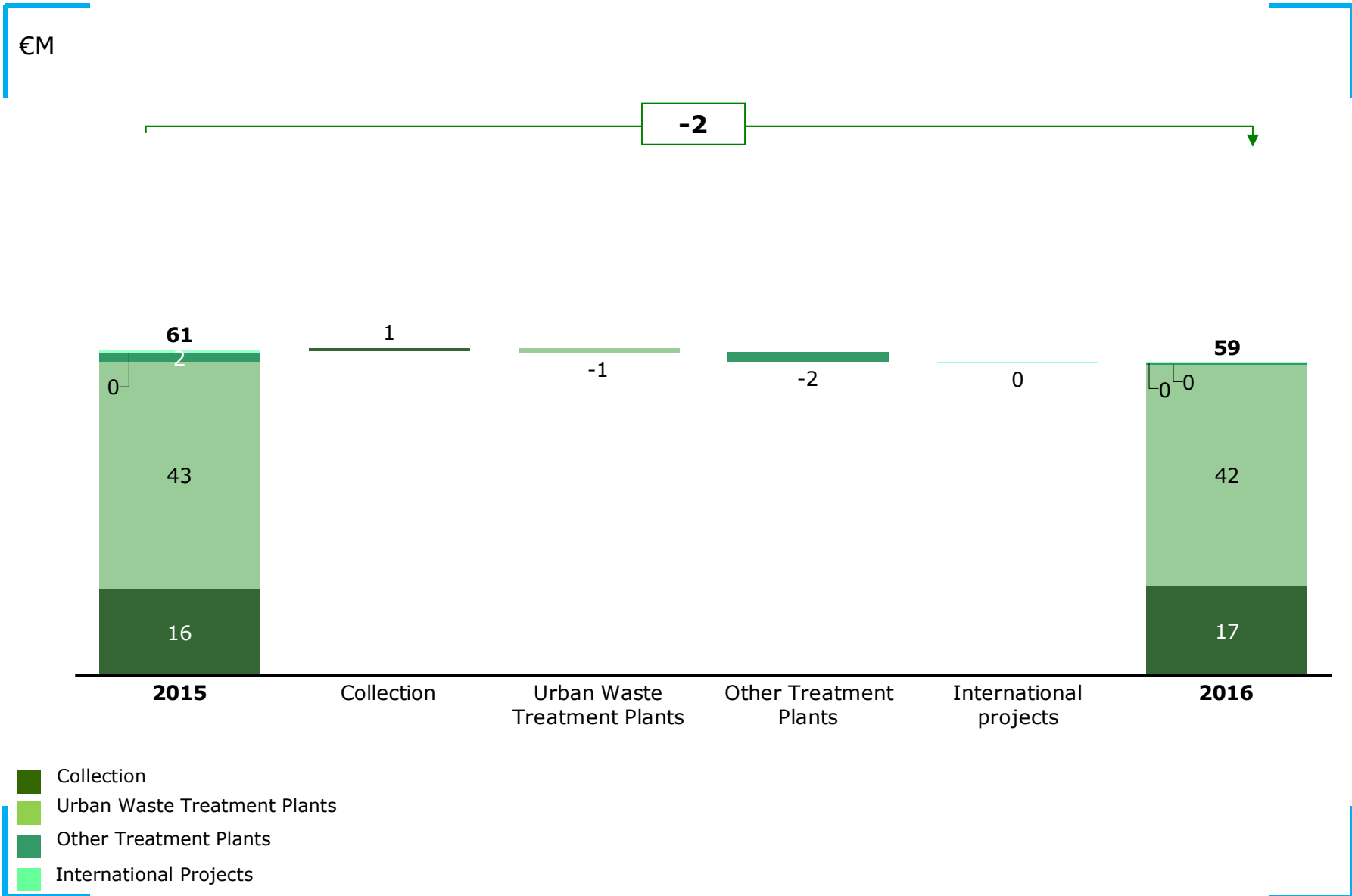
Focus on Energy Retail EBITDA

€M



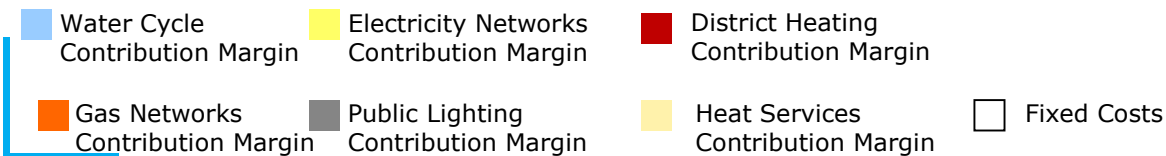
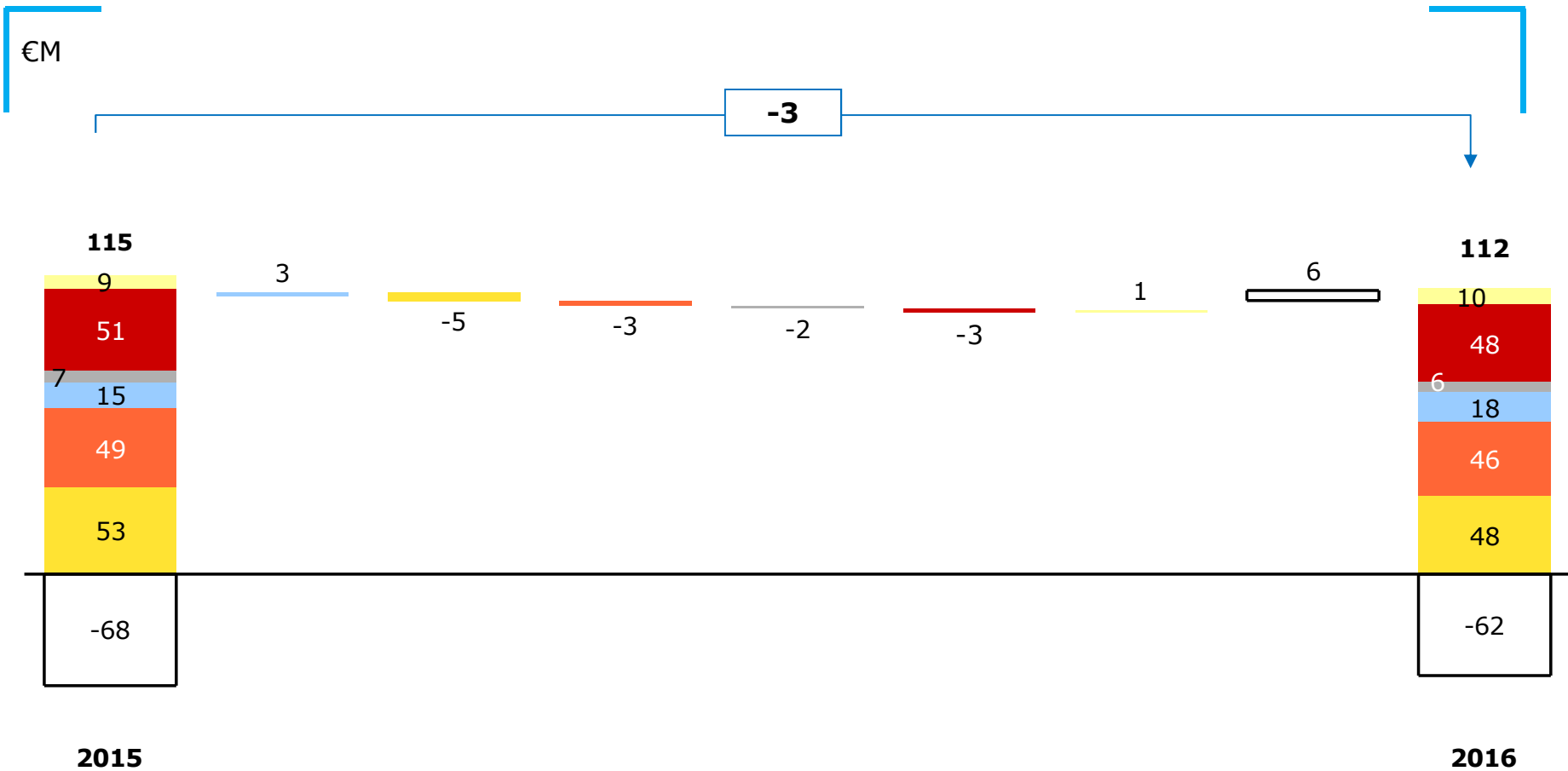
Q1 2016 vs Q1 2015 Results

Focus on Waste EBITDA



Q1 2016 vs Q1 2015 Results

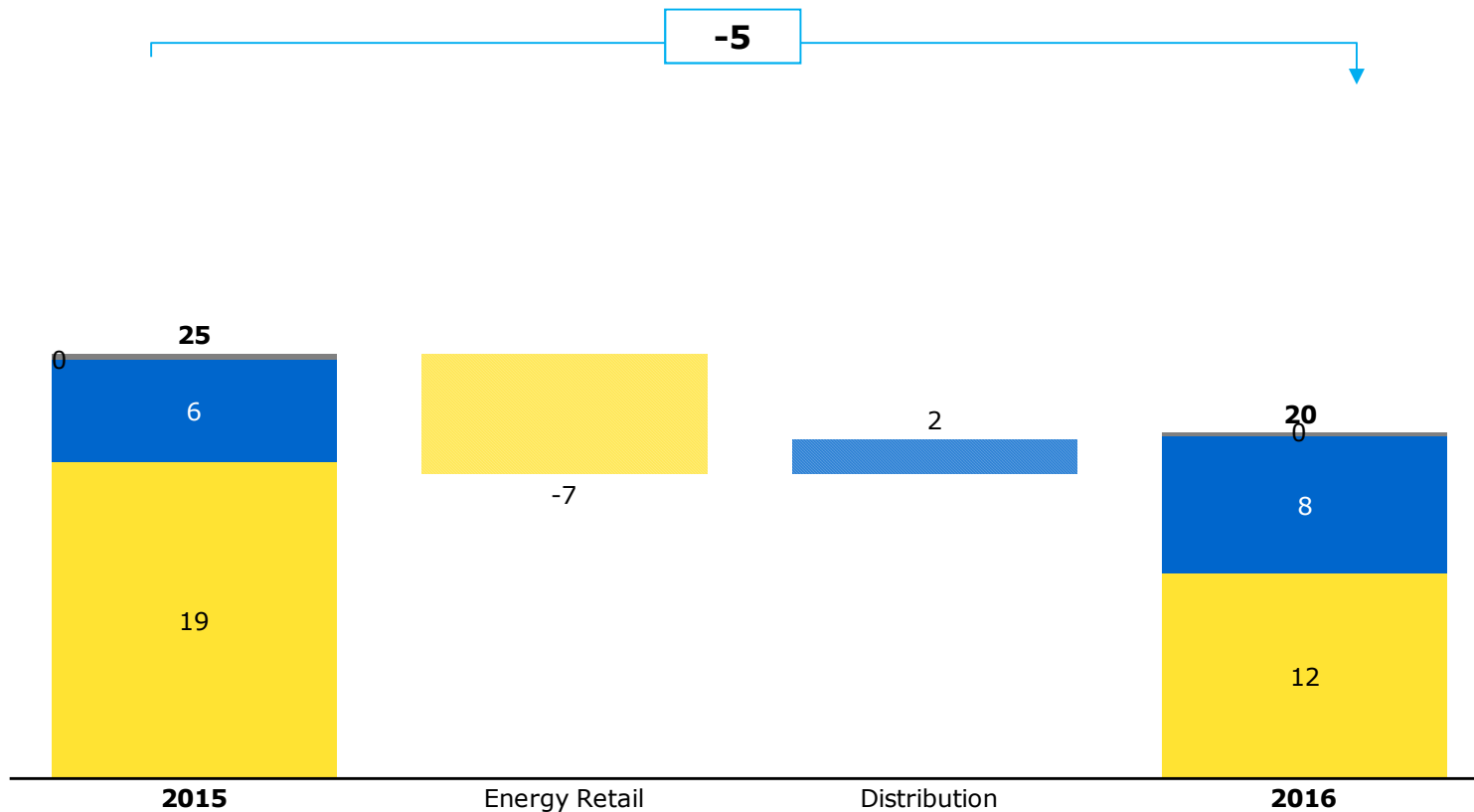
Focus on Networks and District Heating EBITDA



Q1 2016 vs Q1 2015 Results

Focus on EPCG EBITDA

€M



- Energy
- Distribution
- Other

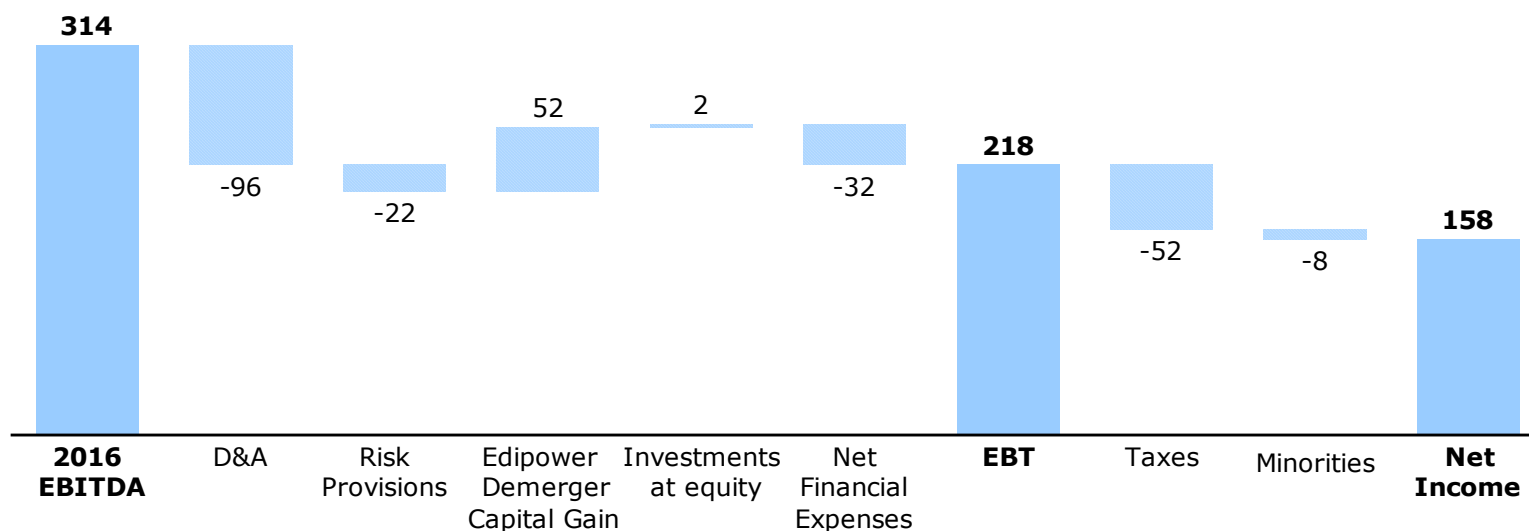


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Q1 2016 vs Q1 2015 Results

From EBITDA to Group Net Income

€M

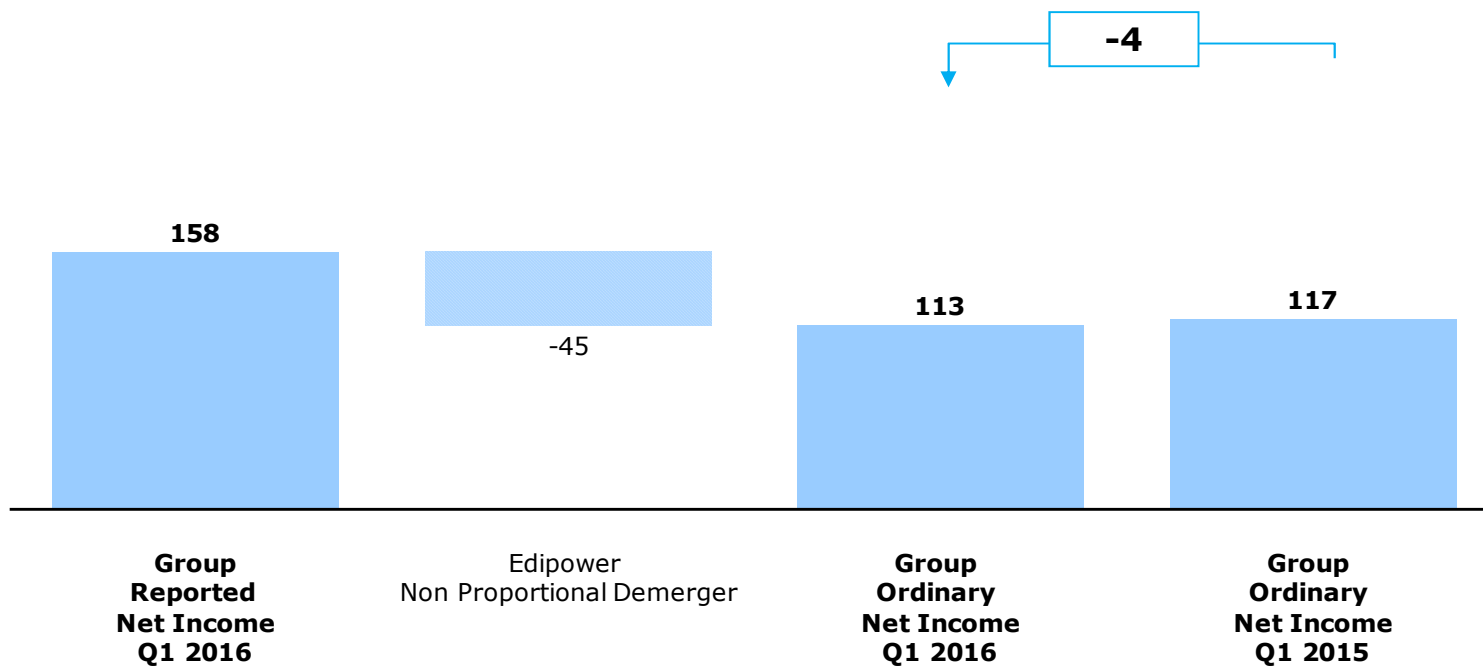


2015	2016 EBITDA	D&A	Risk Provisions	Edipower Demerger Capital Gain	Investments at equity	Net Financial Expenses	EBT	Taxes	Minorities	Net Income
	337	-98	-11	-	1	-42	187	-60	-10	117

Q1 2016 vs Q1 2015 Results

From Group Net Income to Group Ordinary Net Income

€M

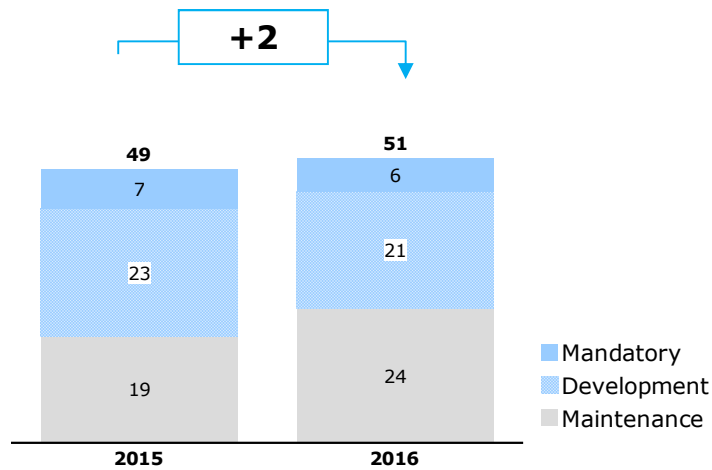


Q1 2016 vs Q1 2015 Results

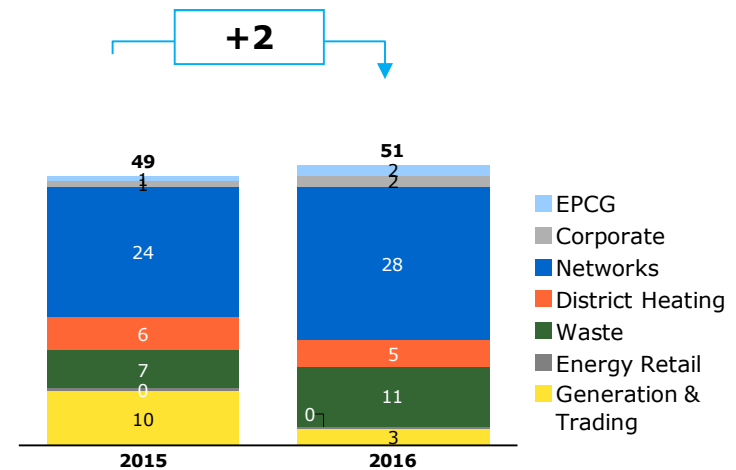
Capex

€M

BREAKDOWN BY ACTIVITY



BREAKDOWN BY BUSINESS

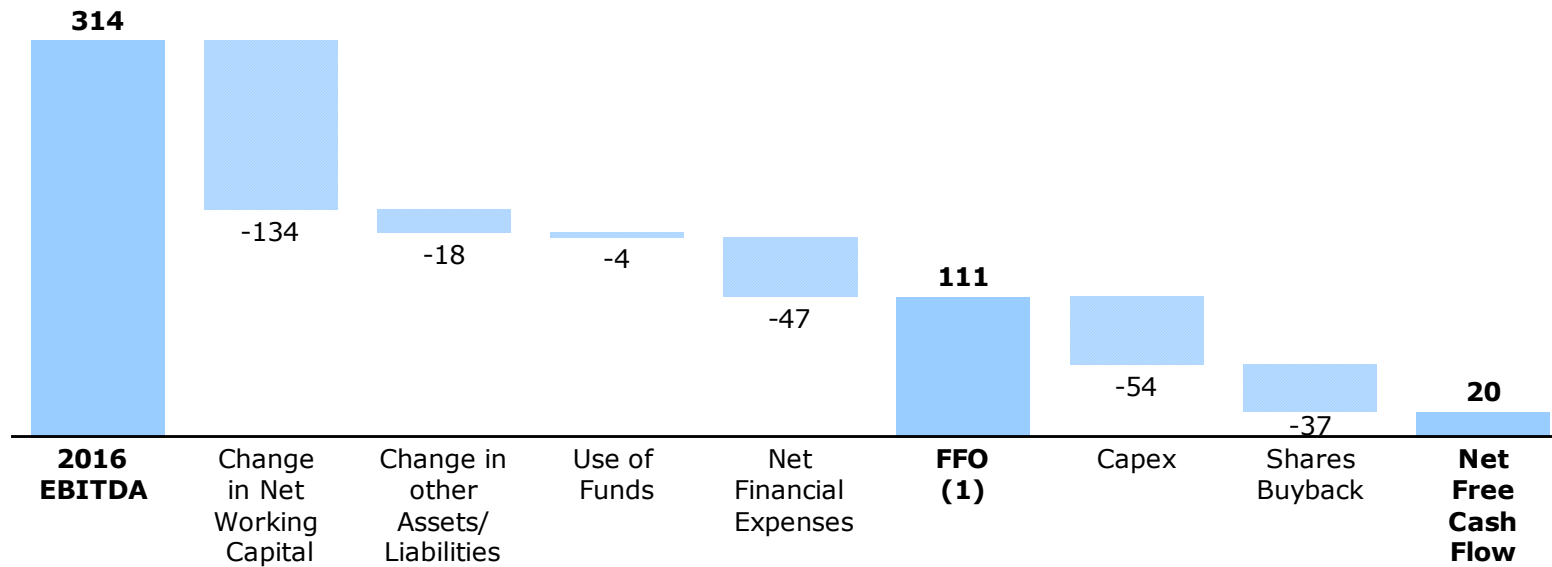


NOTE: 2016 Networks figures include Brescia LED project investment for an amount equal to 1€M, reclassified as «financial receivable» in Financial Statement according to IFRIC treatment; 2016 Waste figures don't include 3€M investment on Giussago landfill, fully capitalized in Financial Statement due to different accounting treatment

Q1 2016 Results

Net Free Cash Flow

€M



(1) Funds from operations after working capital change

Annexes

Q1 2016 vs Q1 2015 Results

Consolidated Results: P&L

€M

	Q1 2015	Q1 2016	CHANGE	%
REVENUES	1,379	1,287	-92	-6.7%
EBITDA	337	314	-23	-6.8%
D&A	(98)	(96)	+2	-2.0%
Provisions	(11)	(22)	-11	+100%
EBIT	228	196	-32	-14.0%
Net Financial Expenses	(42)	(32)	+10	-23.8%
Associates & JV	1	2	+1	+100%
Result from non recurr. transactions	-	52	+52	n.a.
EBT	187	218	+31	+16.6%
Taxes	(60)	(52)	+8	-13.3%
Minorities	(10)	(8)	+2	-20.0%
GROUP NET INCOME	117	158	+41	+35.0%

Q1 2016 Results

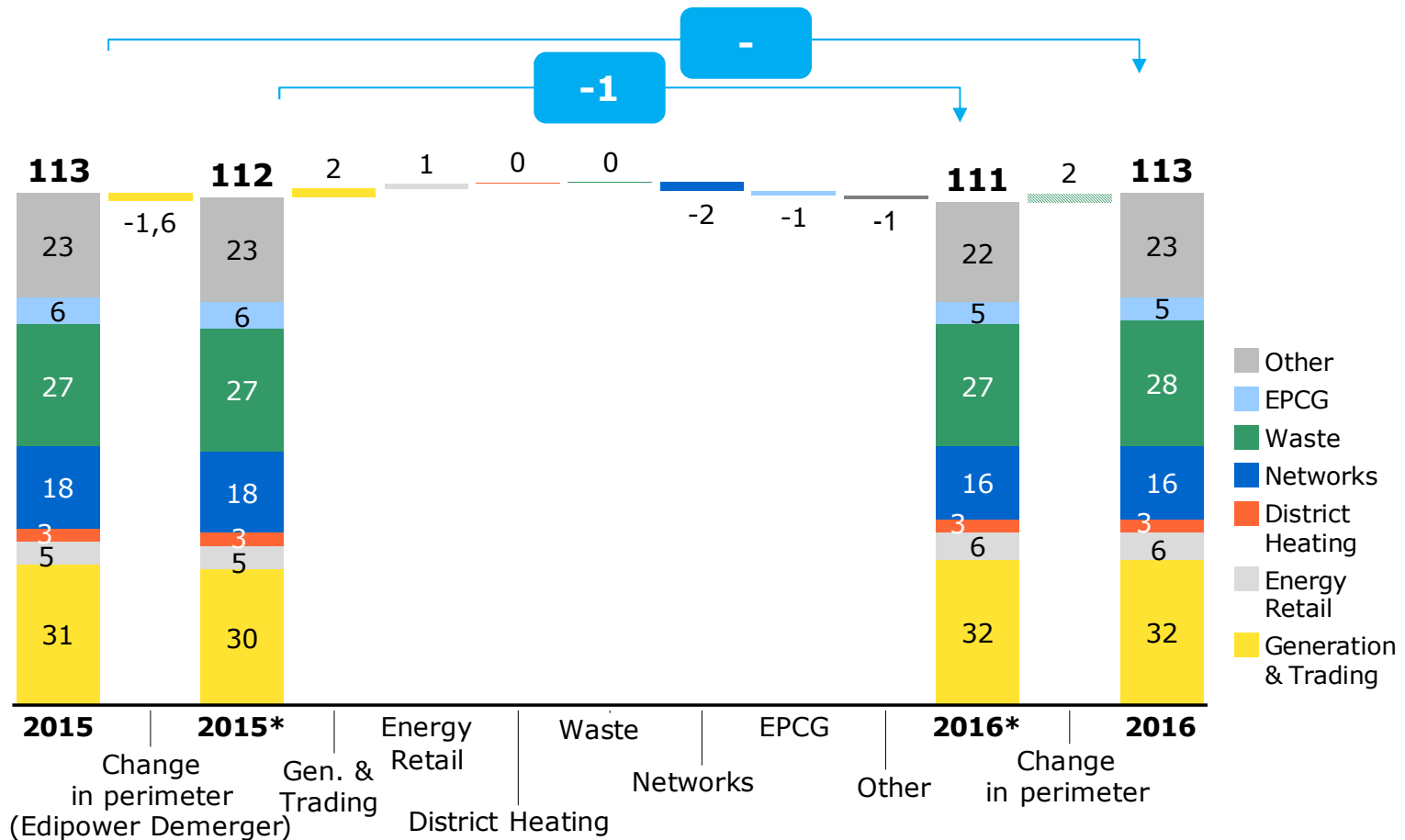
Consolidated Results: Balance Sheet

€M	FY 2015	Q1 2016	%
Tangible Assets	5,067	5,022	-0.9%
Intangible Assets	1,348	1,360	+0.9%
Shareholdings and Other Non Current Financial Assets	80	78	-2.6%
Other Non Current Assets/Liabilities	(66)	(64)	-3.1%
Deferred Tax Assets and Liabilities	308	305	-1.0%
Provisions for Risks, Charges and Liabilities for landfills	(576)	(604)	+4.6%
Employee Benefits	(332)	(327)	-1.5%
NET FIXED CAPITAL	5,829	5,770	-1.0%
Inventories	184	98	-87.8%
Trade receivables and other current Assets	1,652	1,866	+11.5%
Trade payables and other current Liabilities	(1,684)	(1,711)	+1.6%
Current tax Assets/Liabilities	28	(16)	+275.0%
WORKING CAPITAL	180	237	+24.1%
Non current Assets /Liabilities held for sale	147	2	n.a.
TOTAL CAPITAL EMPLOYED	6,156	6,009	-2.4%
Equity	3,259	3,132	-4.1%
Net Financial Position	2,897	2,877	-0.7%
TOTAL SOURCES	6,156	6,009	-2.4%

Q1 2016 vs Q1 2015 Results

External Costs

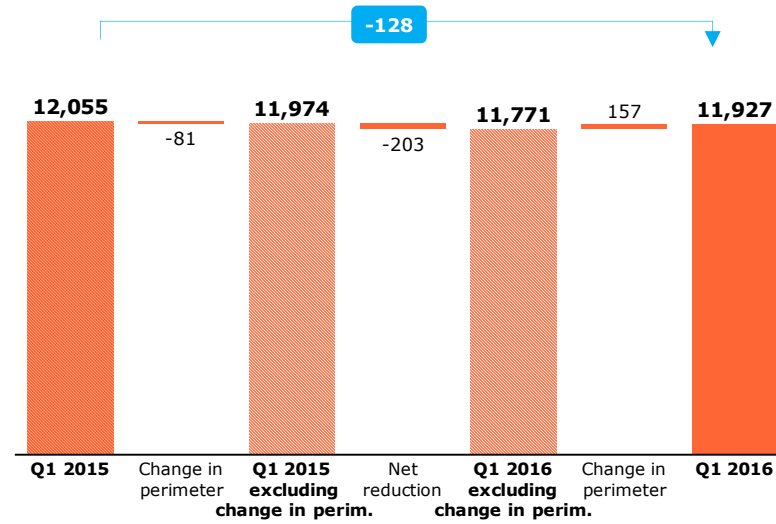
€M



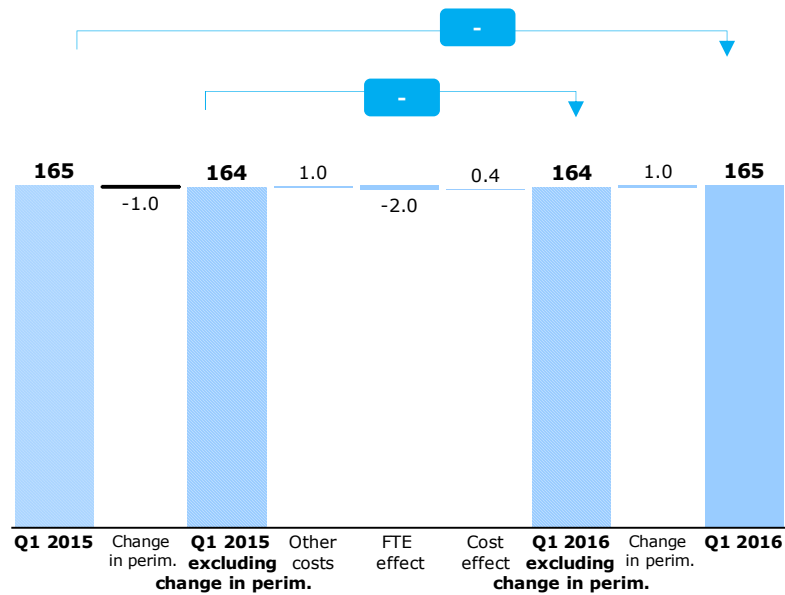
Q1 2016 vs Q1 2015 Results

Labour costs

FTE⁽¹⁾



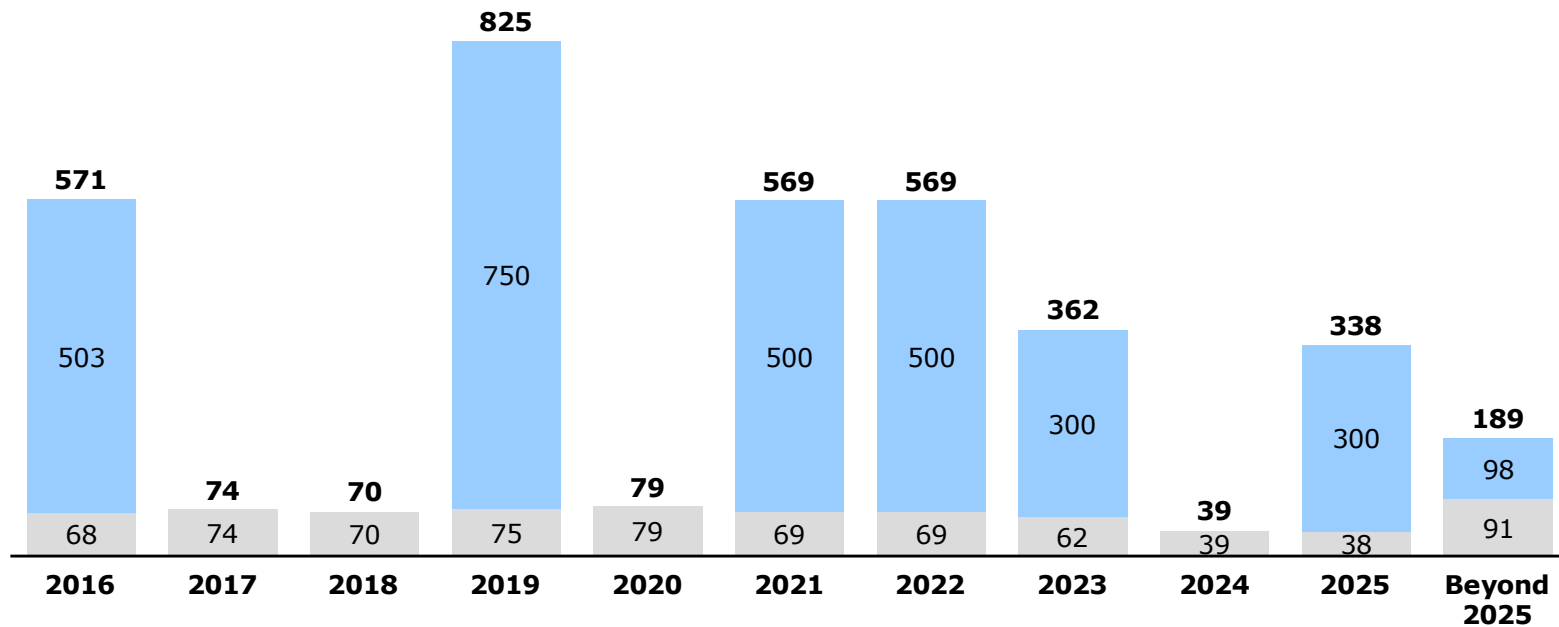
LABOUR COSTS (€M)



Q1 2016 Results

Gross debt maturities as of 31/03/2016

€M



■ Bonds
■ Loans

Operational annexes

Q1 2016 vs Q1 2015 Results

Volumes

Volumes		Q1 2015	Q1 2016	Δ vs 2015	Δ% vs 2015
A2A Group Thermal production	GWh	2,410	2,711	302	13%
	<i>of which</i>				
CCGT production	GWh	887	1,229	342	39%
Coal production	GWh	595	608	12	2%
Oil production	GWh	518	626	109	21%
EPCG production	GWh	410	248	-162	-40%
A2A Group Hydro production	GWh	1,709	1,511	-198	-12%
	<i>of which</i>				
A2A and Edipower production	GWh	1,125	943	-182	-16%
EPCG production	GWh	584	568	-17	-3%
Wholesale electricity sales and Foreign Markets	GWh	2,314	1,453	-861	-37%
Ipex sales	GWh	1,764	2,719	955	54%
Electricity sales	GWh	1,952	2,084	133	7%
Electricity sales to EPCG customers	GWh	759	669	-90	-12%
Gas sales	Mmc	488	510	22	4%
Heat volumes sales	GWht	1,128	1,148	20	2%
Cogeneration electricity sales	GWh	135	100	-35	-26%
Collected waste	Kton	307	316	9	3%
Waste disposal	Kton	670	614	-56	-8%
WTE electricity production	GWh	344	342	-2	-1%
WTE heat production	GWht	484	520	36	7%
Electricity distributed	GWh	2,788	2,766	-22	-1%
Gas distributed	Mmc	890	850	-40	-5%
Water distributed	Mmc	14	16	2	13%

Q1 2016 vs Q1 2015 Results

Energy Scenario

Average data		Q1 2015	Q1 2016	Δ vs 2015	Δ % vs 2015
Brent	\$/bbl	55.2	35.1	-20.1	-36.4%
CO2 - EU ETS cost	€/Tonn	7.1	5.7	-1.4	-20.1%
Green Certificates	€/MWh	96.6	99.4	2.8	2.9%
€/€	€/€	1.13	1.10	0.0	-2.2%
Brent €	€/bbl	49.1	31.8	-17.3	-35.2%
PSV ⁽¹⁾	€/MWh	24.1	14.5	-9.6	-40.0%
AEEGSI Gas Tariff ⁽²⁾	c€/mc	25.2	19.0	-6.3	-24.8%
Coal € (API2)	€/Tonn	53.9	41.1	-12.8	-23.7%
PUN baseload ⁽³⁾	€/MWh	51.9	39.6	-12.3	-23.7%
PUN peak ⁽³⁾	€/MWh	59.1	45.4	-13.7	-23.2%
PUN off-peak ⁽³⁾	€/MWh	47.9	36.4	-11.5	-24.0%
CCGT gas cost ⁽⁴⁾	€/MWh	53.5	35.7	-17.8	-33.2%
Clean Spark spread vs Peakload	€/MWh	3.0	7.6	4.6	n.a.
Clean Spark spread vs Baseload	€/MWh	-4.3	1.7	6.0	138.7%
Clean Dark Spread vs Baseload ⁽⁵⁾	€/MWh	14.9	9.1	-5.8	-38.6%
Italian electricity demand ⁽⁶⁾	TWh	78.8	77.6	-1.2	-1.5%
Gas demand	Bcm	23.6	23.6	-0.1	-0.4%

(1) Gas at virtual trading point

(2) Pfor 162/14 Oct 2014-Mar 2016.

(3) hourly average for each month

(4) based on gas at virtual trading point with 51% efficiency; includes transport costs

(5) 35% efficiency - includes cost spread on API2 and transport cost

(6) data subject to update by Terna

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