



5th April: approval of [2016-2020 Strategic Plan](#) - targets of previous Plan confirmed.

Financial highlights:

- EBITDA up to 1.3 €bn by 2020;
- Cumulated Capex about 2.2 €bn;
- Net Debt reduction of further 0.5 €bn;
- further Cost Cutting and Efficiencies - adding 40 €M to EBITDA;
- enhanced Dividend Profile vs previous Plan;
- Additional Project Pot may add 250-300 €M to EBITDA.

A2A Group



[2016-2020 Strategic Plan](#) - Stability and resilience of industrial portfolio and further value generation from local aggregations.

Operating highlights - Business Units:

- **Generation & Trading** - adoption of a worsened energy scenario, thermal plant restructuring (capacity reduction, cost efficiency, reorganization);
- **Energy Retail** - tripling customer base and regulatory uplift;
- **Waste** - focus on growth in collection and treatment - also via M&A;
- **Networks and Heating** - worsened regulatory scenario for gas and electricity, upside from gas tenders, higher investments in electricity, smart grids options and water. Heating services to increase via M&A;
- **EPCG** - lower EBITDA growth due to a worsened scenario.

A2A Group



Approved new reorganization to be completed by October 2016:

- all CCGT plants will be integrated in A2A Genco Gas;
- Edipower hydro plants and A2A energy management activities in A2A S.p.A..

Expected benefits: company simplification and best practices sharing, platform for sector consolidation.

BU: Generation & Trading



A2A leadership on MSD-up market (ancillary services - northern zone) confirmed in Q1 2016.

BU: Generation & Trading



Co-marketing agreement with UBI Banco di Brescia: current account holders will be offered a two-year supply contract on the electricity and gas free markets with exclusive conditions.

BU: Energy Retail



Launch of a new offer for domestic customers "Valorenergia", realized in co-marketing with Philips: 100% energy from renewable sources plus Philips vouchers and a contest to win energy supply.

BU: Energy Retail



A2A acquired 64% of La BI.CO due, a company operating in waste collection, treatment and disposal in the Province of Brescia - call option on the residual 36% to be exercised within 2020. Key numbers: revenues about 10 €M, EBITDA margin around 15%, about 100k inhabitants served.

BU: Waste



Strategic Plan - Investors: about 50 investment firms met top management during Milan/London/Paris Roadshow.

BU: Corporate - Investor Relations



Strategic Plan - Analysts:

- new consensus Target Price at 1.38 €/share;
- 11 Buy/Add recommendations, 2 Neutral, 0 Sell.

BU: Corporate - Investor Relations



A2A developed a path to define the 2030 commitments and short-medium term actions for 2020, identifying quantitative and measurable KPIs. Highlights at 2020: -34% t CO2 from electric generation (baseline '08-'12); 67% recycling; 100% smart metering gas, 25% reduction of injury rate vs '13-'15 average.

BU: Corporate - Sustainability



A2A-LGH: closing expected by mid-2016 (Antitrust clearance needed). LGH industrial plan under development - stand-alone growth plus synergies.

M&A



- Share-buyback programme concluded: A2A treasury shares reached 1.976% of the share capital.
- Approved new buyback programme with a maximum purchase limit equal to further 1.915%, to be implemented by December 2016.

M&A / Finance