

October and November 2016



The merger by incorporation of the subsidiaries A2A Trading S.r.l. and Edipower S.p.A. into A2A S.p.A. has been registered. The merger will be effective as of 31 December 2016.

**BU: Generation & Trading**



A2A Gencogas: first part of Chivasso plant flexibility program completed. The specialized American magazine POWER featured an [article](#) on this CCGT plant, as a top-of-the-class plant.

**BU: Generation & Trading**



Consultation by the Italian TSO on capacity markets – first implementation: first auction is foreseen in 2017 and delivery in 2018; flexible plants are privileged in the merit order in case of oversupply.

**BU: Generation & Trading**



A2A launched the commercial and marketing campaign “Fedeltà2a”, a new strategy aimed at bringing the household, micro-business and apartment building customers - currently under the protected market, to the free market.

**BU: Energy Retail**



Aspem Energia was merged into A2A Energia, operation supported by strong A2A branding campaign and sponsorships in the Varese territory.

**BU: Energy Retail**



A2A bought the composting plant of Sanitaria Group – 80 kton/year of treatment capacity for green fraction of municipal solid waste. Key financial highlights: EV equal to 7.45 €M - including an area valued at 1 €M which can be used by A2A Ambiente for future projects, average annual EBITDA equal to 1.1 €M.

**BU: Waste**



Integrated Water Cycle tariff +8.5% YoY (up from +6.5%) for period 2016-19.

**BU: Networks & Heat**



Start of 2016-2017 thermal year for district heating

- Bergamo: heated volumes equal to 6.5 Mcm (+5% yoy) - 27k equivalent apartments
- Milan: heated volumes equal to 47 Mcm (+7% yoy) - 200k equivalent apartments; 15 km of further network expansion by end 2016.

**BU: Networks & Heat**



A2A acquired 75% of Consul System, the main independent Italian ESCo, leader in energy efficiency with a market share of 6.4% in white certificates generated in 2015. Key financial highlights: EV equal to 21 €M (relative to 100%), 2015 Ebitda equal to 5.5 €M. The agreement also includes a put&call structure to acquire the remaining 25% stake.

**BU: Networks & Heat - Energy Efficiency**



A2A Smart City took part to the Supernova Festival in Brescia and launched a contest on innovation: the winning idea “Air2” is aimed at improving the air quality in Brescia through a detailed mapping of the air pollution in the territory.

**BU: Smart City**



- The Board of Directors passed a framework resolution for the issue of unsubordinated, unsecured and unconvertible notes to be issued under the EMTN Programme in one or more series or tranches, in one or more times, up to an aggregate amount of 1 €bn, by 31 December 2019;
- A2A launched a repurchase offer on the bonds expiring in 2019 and 2021. Deadline for the offer is set for December 1st. Pricing and settlement will occur on December 2nd and 6th respectively.

**BU: Corporate - Finance**



15-year 50 €M loan agreement signed with the European Investment Bank (EIB) to finance investments in the extension, development and optimization of the district heating network in Milan, Bergamo and Brescia, as well as in energy efficiency.

**BU: Corporate - Finance**



Smart Working: Pilot Phase 1 ongoing, adherence rate 80% of the involved employees. Internal survey was launched to define future actions to implement the project on a wider scale.

**BU: Corporate - Human Resources**



A2A joined the “School-job Alternation” initiative: students from secondary schools are allowed to spend an apprenticeship period within the Group. This initiative involves 50 schools and more than 20 companies across Italy.

**BU: Corporate - Human Resources**



A2A gave birth to the [Banco Energia Onlus](#). The charity initiative started by involving A2A employees, is now extended to customers, suppliers, partners of A2A as well as to the public. Furthermore, A2A and Cariplo Foundation will donate 1 € mln each to no-profit organizations to support families who have difficulties in paying the bills.

**BU: Corporate - Sustainability**



2 new multistakeholder forums held and 3 Territorial Sustainability reports published (Brescia, Bergamo, Valtellina-Valchiavenna).

**BU: Corporate - Sustainability**



300 smart bins for urban waste will be installed in Milan as of 2017, to reach 15,000 by the end of 2018: the bins, developed in cooperation with CEFRIEL, are capable of detecting and communicating their filling level, improving thus operational efficiency in waste collection.

**BU: Waste**



- First consolidation of LGH in A2A 9M 2016 results
- Board members of LGH controlled companies already appointed.

**LGH**



Technological MOUs with strong partners were signed as main drivers for business development.

- Activities: consulting, engineering & construction, operational service, system integration
- Businesses: waste treatment, renewable energy production, smart technology.

**BU: International**