



# **A2A**

## First Nine Months 2011 Results

Milan, November 10<sup>th</sup>, 2011



# Agenda

- 9M 2011 Main financial highlights
- EBITDA Segment Analysis
- From EBITDA to Net Income
- Net debt and Cash Flow

# 9M 2011 - Main financial highlights

€M data	9M 2010*	9M 2011	Change	Change %
<b>NET SALES</b>	<b>4,040</b>	<b>4,351</b>	<b>+311</b>	<b>+7.7%</b>
<b>EBITDA</b>	<b>679</b>	<b>659</b>	<b>-20</b>	<b>-2.9%</b>
<b>EBIT</b>	<b>336</b>	<b>271</b>	<b>-65</b>	<b>-19.3%</b>
<b>NET INCOME</b>	<b>436</b>	<b>114</b>	<b>-322</b>	<b>-73.9%</b>

	2010	9M 2011	Change
<b>NET CAPITAL EMPLOYED</b>	<b>8,738</b>	<b>8,547</b>	<b>-191</b>
<b>NFP</b>	<b>3,893</b>	<b>3,935</b>	<b>+42</b>
<b>EQUITY</b>	<b>4,845</b>	<b>4,612</b>	<b>-233</b>
<b>NFP/EQUITY</b>	<b>0.80x</b>	<b>0.85x</b>	

- 20 mln€ related to Epcg
- 22 mln€ related to A2A

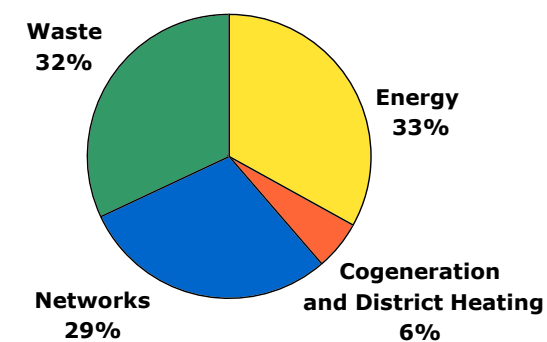
# 9M 2011 - EBITDA breakdown

€M data

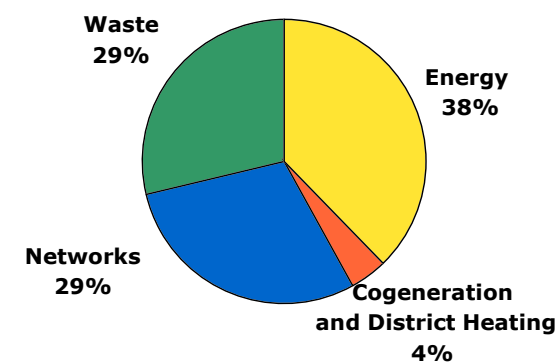
	EBITDA 9M 2010	EBITDA 9M 2011	Δ vs 2010
<b>ELECTRICITY</b>	230	163	-67
<b>GAS</b>	35	58	23
<b>COGENERATION AND DISTRICT HEATING</b>	30	38	8
<b>WASTE</b>	202	216	14
<b>NETWORKS</b>	206	191	-15
<b>OTHER SERVICES &amp; CORPORATE</b>	-23	-13	10
<b>CONSOLIDATION ADJUSTMENTS</b>	-1	-1	0
<b>TOTAL (no EPCG)</b>	<b>679</b>	<b>652</b>	<b>-27</b>
<b>EPCG</b>	0	7	7
<b>TOTAL</b>	<b>679</b>	<b>659</b>	<b>-20</b>

## EBITDA BREAKDOWN

9M 2011



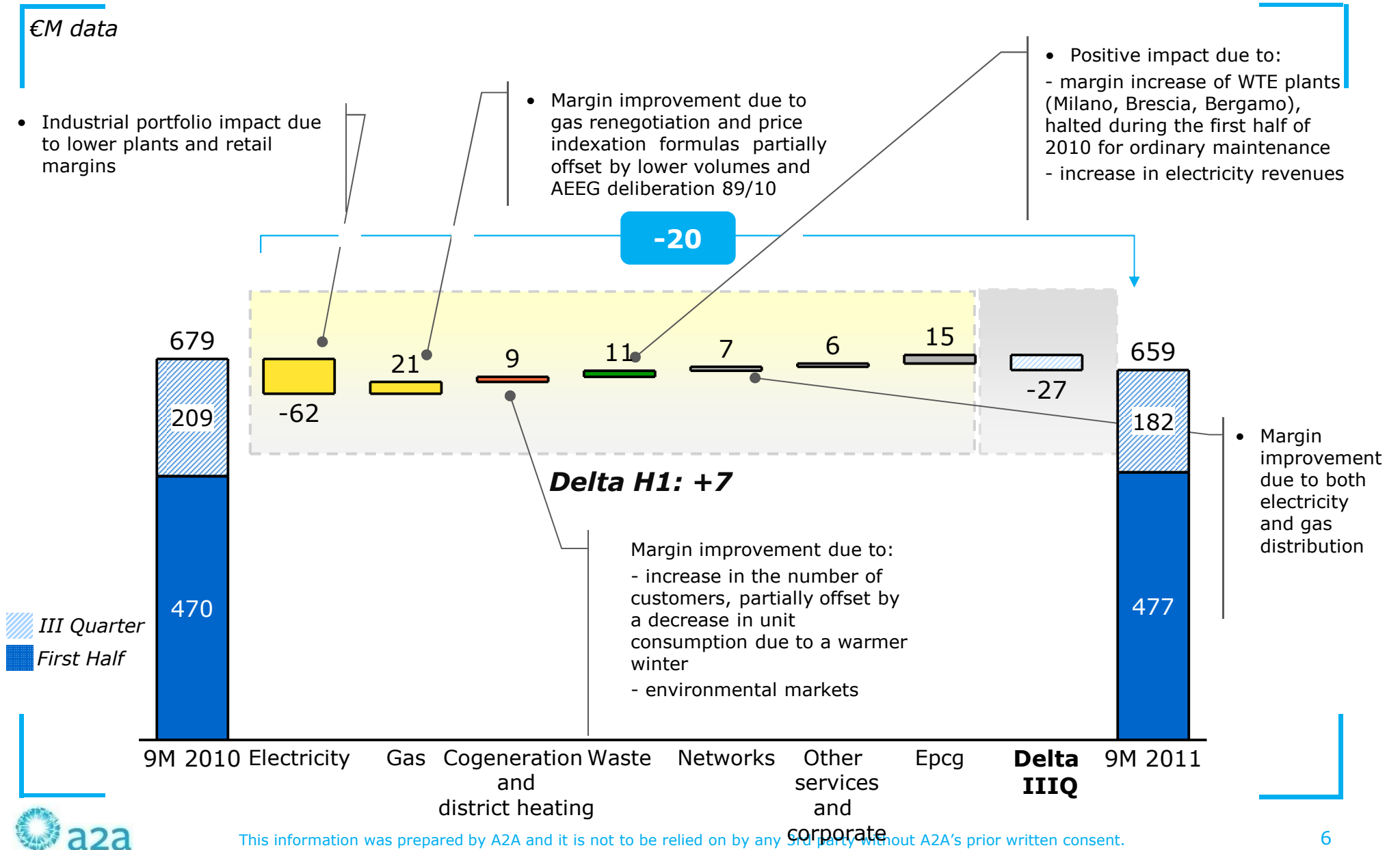
9M 2010



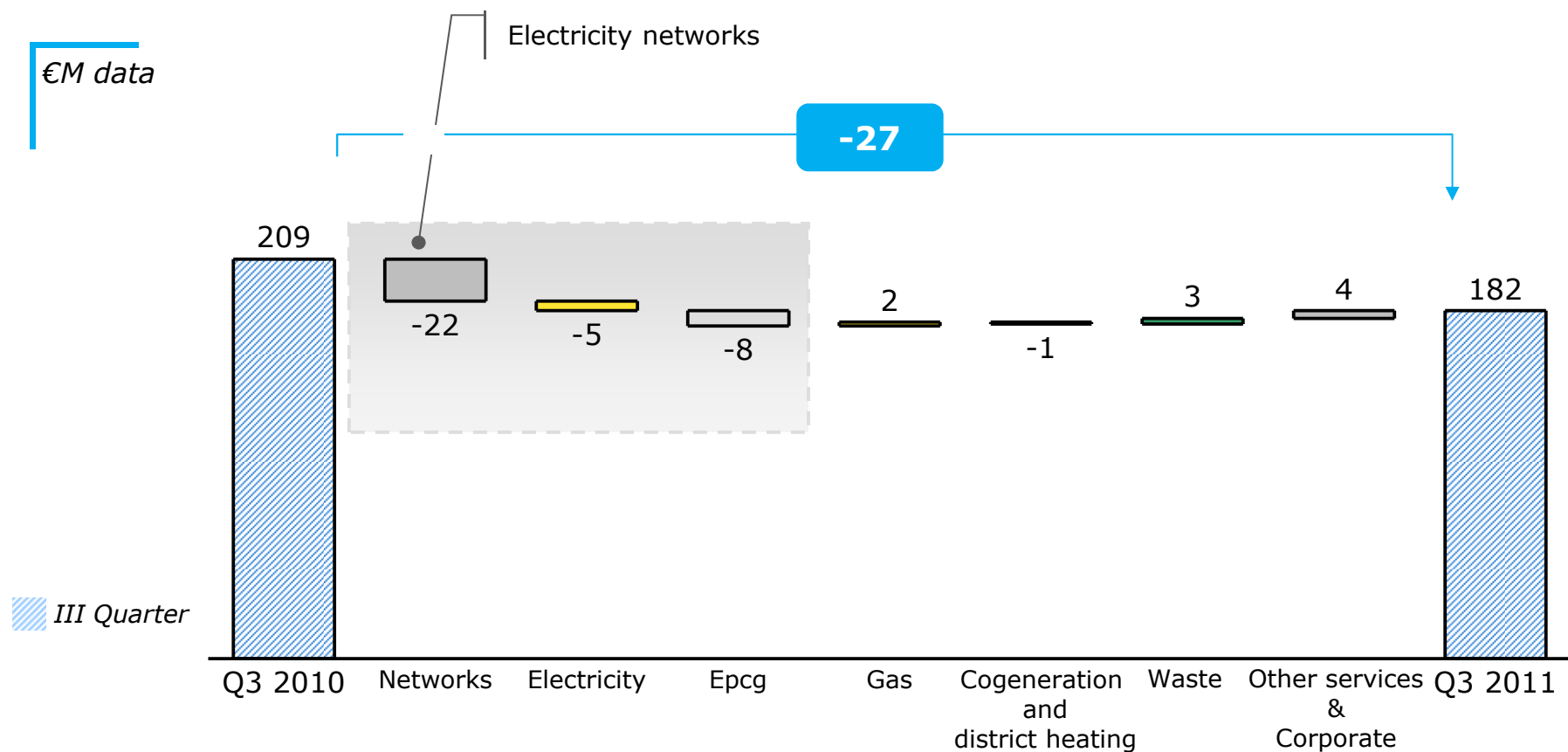
# 9M 2011 Energy - Electricity Scenario

Average data		9M 10	9M 11	Var %
<b>Brent</b>	\$/bbl	77.93	111.46	43%
<b>CO2 Average system cost</b>	€/Tonn	14.35	14.66	2%
<b>Green Certificates avg. system cost</b>	€/MWh	84.85	81.31	-4%
<b>€/\$</b>	€/\$	1.32	1.41	7%
<b>Brent €</b>	€/bbl	59.31	79.20	34%
<b>Coal €</b>	€/Tonn	65.82	88.15	34%
<b>PUN BL</b>	€/MWh	64.12	69.99	9%
<b>PUN Peak</b>	€/MWh	76.35	79.04	4%
<b>PUN Off-Peak</b>	€/MWh	57.37	64.96	13%
<b>CCGT</b>	€/MWh	56.01	58.16	4%
<b>Spark Spread CCGT vs Baseload</b>	€/MWh	8.11	11.83	46%
<b>Spark Spread CCGT vs Peakload</b>	€/MWh	20.34	20.88	3%
<b>Spark Spread CCGT vs Off-Peak</b>	€/MWh	1.35	6.80	-
<b>Spark Spread CCGT vs Baseload- Environmental costs</b>	€/MWh	3.46	7.13	-
<b>Italian electricity demand</b>	GWh	246,308	250,463	1.7%
<b>Net Import</b>	GWh	33,742	32,221	-4.5%

# 9M 2011 - Q3 analysis versus H1



# Q3 2011 vs Q3 2010 - Results by business



- **Networks**

20 €M positive adjustment recorded in 2010, related to specific company equalisation

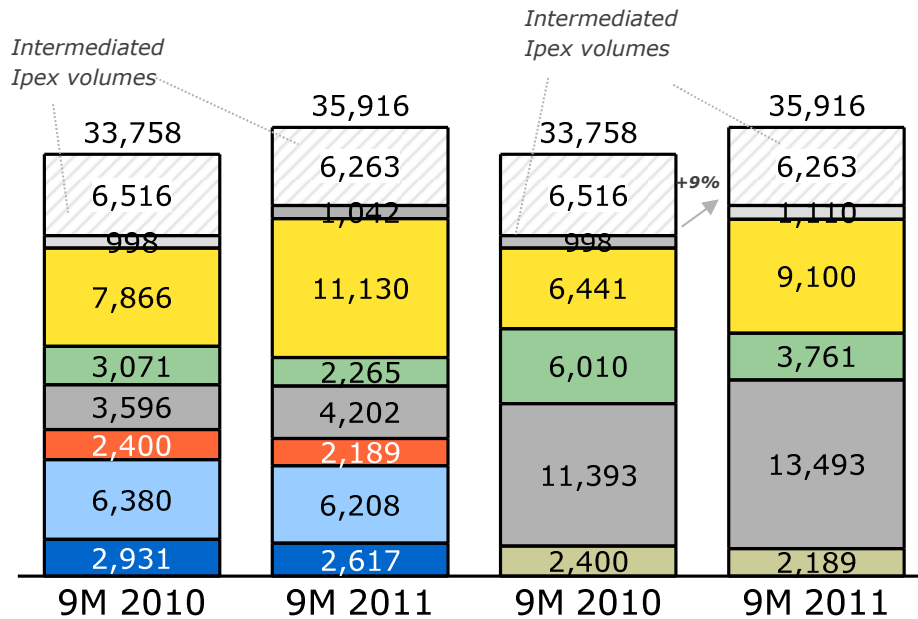
- **Electricity**

- lower hydroelectric volumes
- lower thermal margin
- positive contribution of sales and trading portfolio

# 9M 2011 Energy - Volumes

## ELECTRICITY VOLUMES (GWh)

## GAS VOLUMES (Mmc)

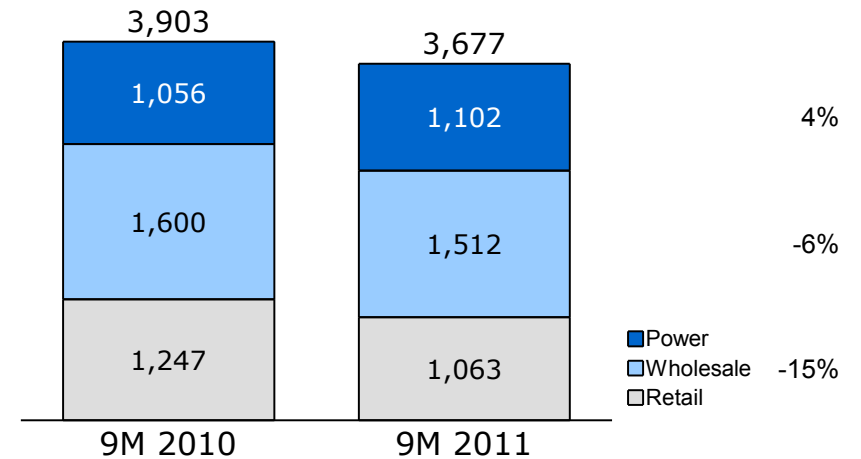


### Sources

- Sleeve
- Foreign markets
- Ipex
- Domestic purchases
- Single Buyer
- Thermal
- Hydro

### Uses

- Sleeve
- Captive customers
- Eligibles, Wholesale
- Ipex
- Foreign markets



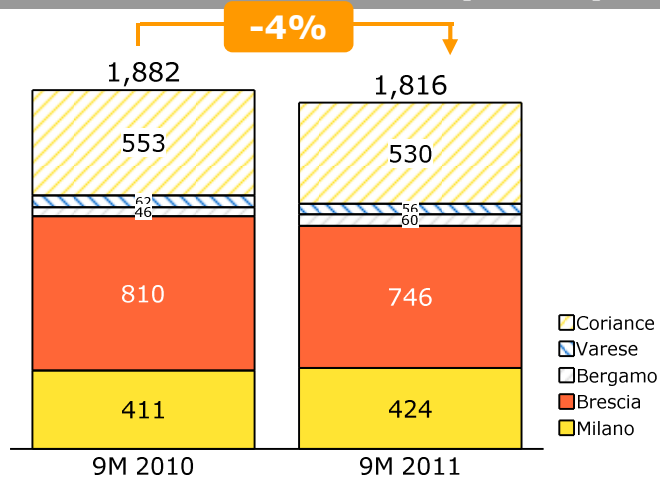
## GREEN CERTIFICATES and CO2 POSITION

- A2A Group Green Certificates Long Position foreseen at 31.12.2011 ~ 0.2 TWh
- A2A Group CO2 Long Position foreseen at 31.12.2011 ~ 1.6 Mton



# 9M 2011 Cogeneration and District heating and Waste - Volumes

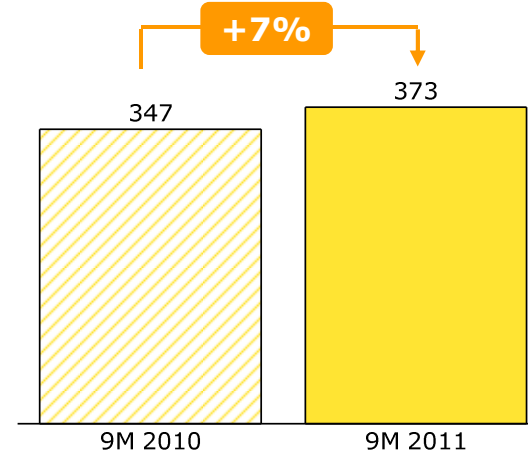
## HEAT VOLUMES (GWht)



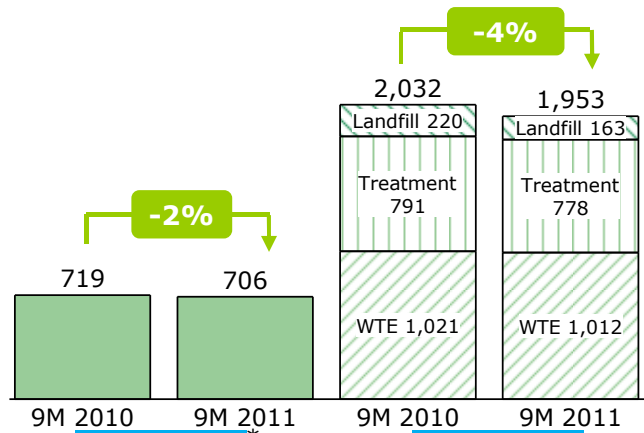
Heated volumes: \* 72 Mmc (9M 2010) / 76 Mmc (9M 2011)

\* Coriance not included

## ELECTRICITY (GWh)



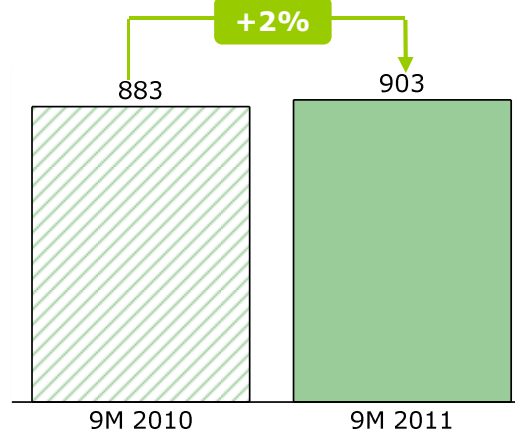
## WASTE VOLUMES (Kton)



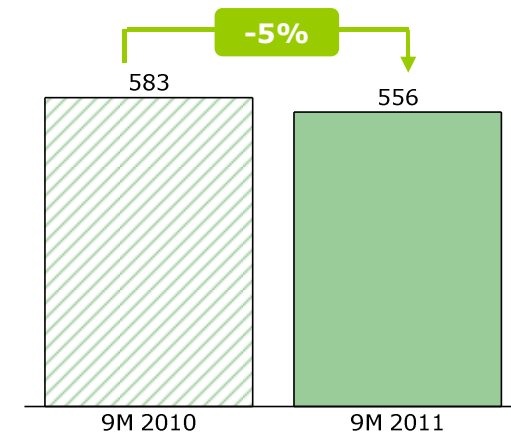
Collected

Treated

## ELECTRICITY\*\* (GWh)



## HEAT PRODUCTION (GWht)

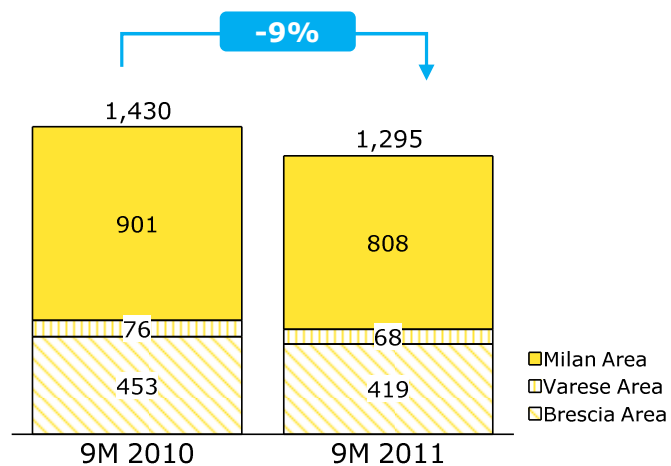


\*related to main municipalities (Milan, Brescia, Bergamo, Varese)

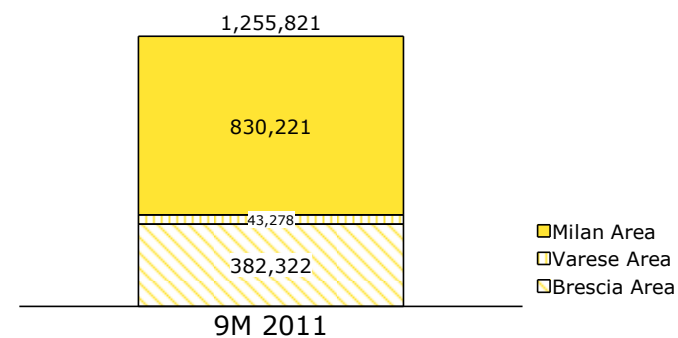
\*\*Partenope Ambiente not included

# 9M 2011 Networks - Volumes

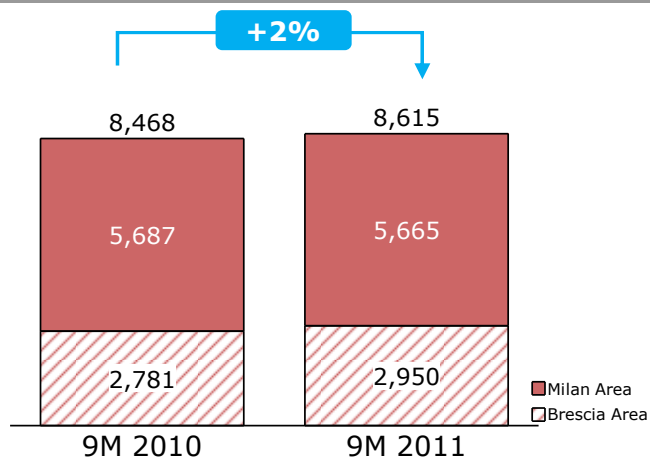
## GAS DISTRIBUTED (Mmc)



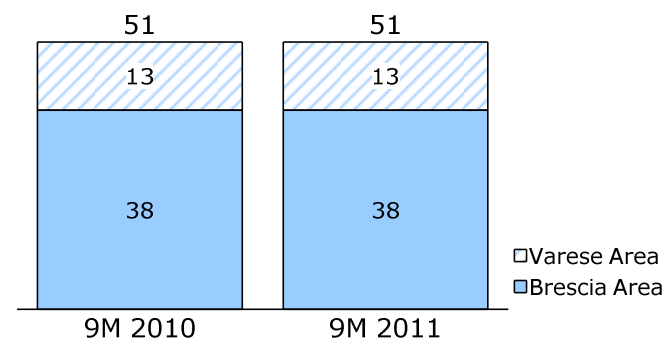
## # POINTS OF REDELIVERY\*



## ELECTRICITY (GWh)



## WATER (Mmc)



# 9M 2011 - EPCG: Financial highlights and Volumes

## FINANCIAL HIGHLIGHTS\* (€M)



9M 2011

**NET SALES**

**203**

**EBITDA**

**7**

**NET INCOME**

**-13**

**CAPEX**

**5**

**NET CAPITAL EMPLOYED**

**846**

**NFP**

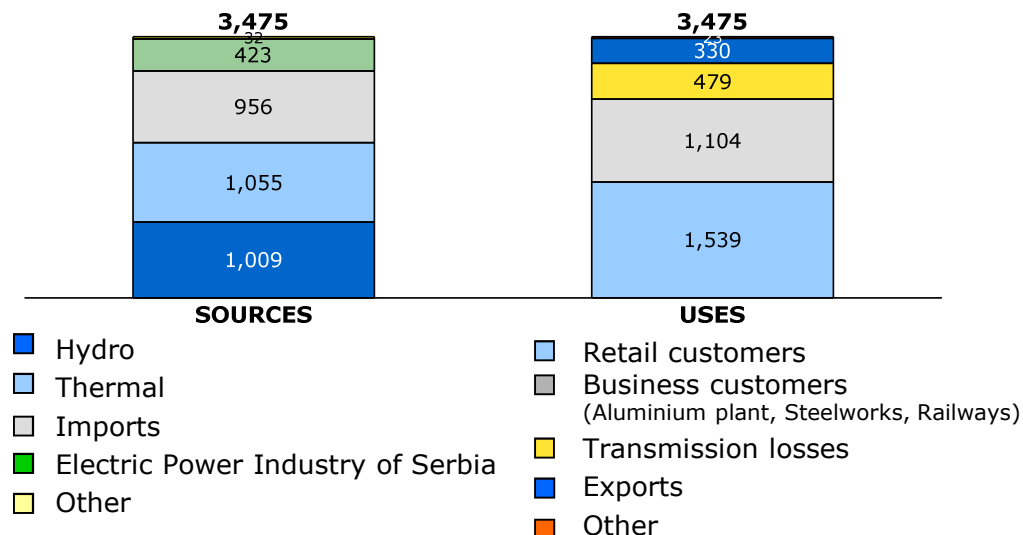
**(53)**

**EQUITY**

**899**

\* As consolidated in A2A accounts

## VOLUMES (GWh)



- Lower hydroelectric volumes (-924 GWh) compared to the same period of 2010
- Lack of 2011 tariff adjustment
- Evaluations with Energy Regulatory Authority currently in progress aimed at 2011 tariff structure revision

# 9M 2011 - From EBITDA to Net Income (1/2)

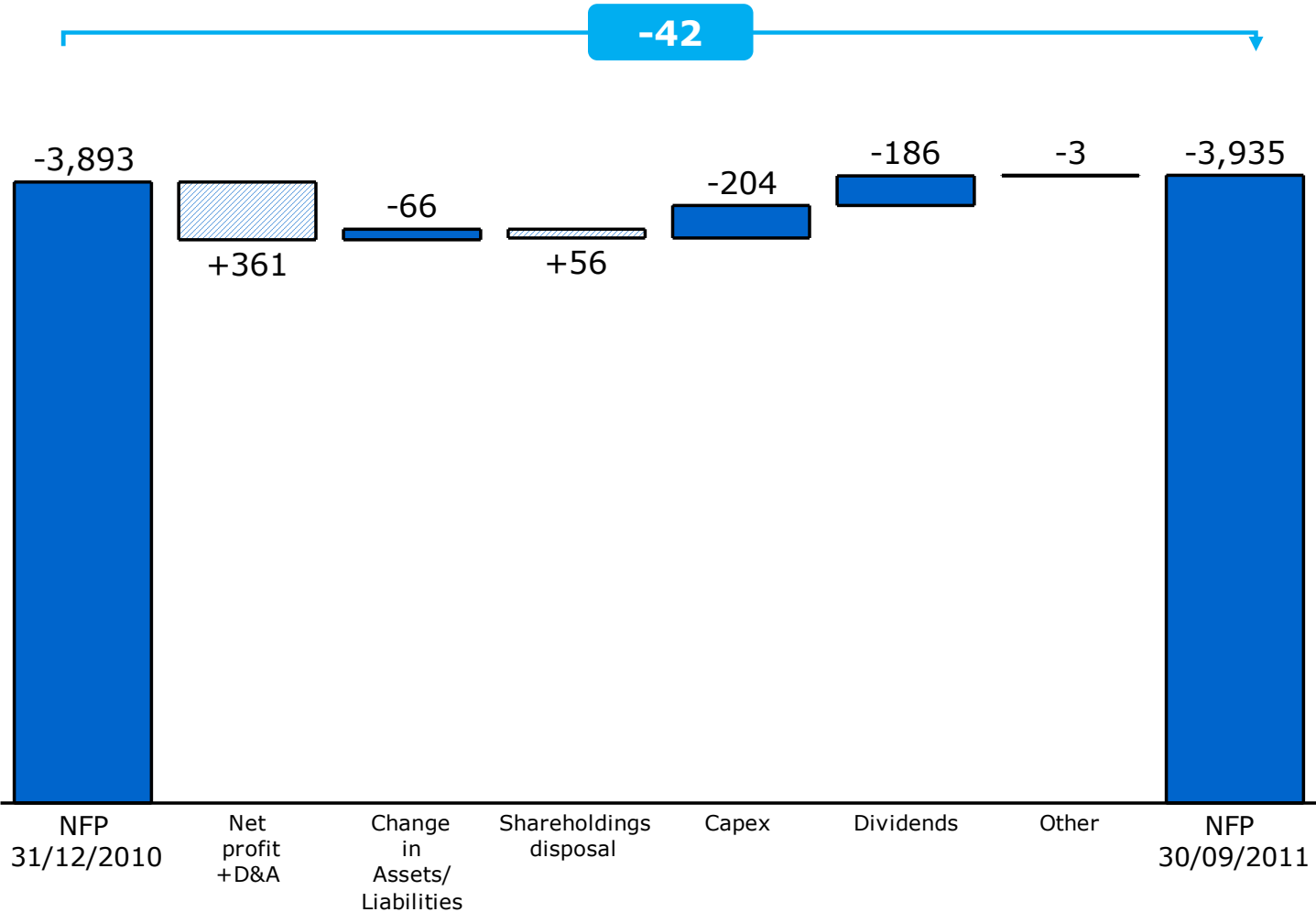
€M data	9M 2010	9M 2011	Change	Key points
<b>EBITDA</b>	<b>679</b>	<b>659</b>	<b>-20</b>	
<b>D&amp;A, Write Downs and Provisions</b>	<b>-343</b>	<b>-388</b>	<b>-45</b>	<b>39 €M EPCG Group Consolidation</b>
<b>Financial charges</b>	<b>-104</b>	<b>-105</b>	<b>-1</b>	
<b>Derivatives/others</b>	<b>-31</b>	<b>-4</b>	<b>+27</b>	
<b>Associates and JV and others</b>	<b>56</b>	<b>-24</b>	<b>-80</b>	
<b>Others</b>	<b>-</b>	<b>-5</b>	<b>-5</b>	
<b>EBT</b>	<b>257</b>	<b>133</b>	<b>-124</b>	

# 9M 2011 - From EBITDA to Net Income (2/2)

€M data	9M 2010	9M 2011	Change	Key points
<b>EBT</b>	<b>257</b>	<b>133</b>	<b>-124</b>	
<b>TAXES</b>	<b>-88</b>	<b>-93</b>	<b>-5</b>	
<b>IFRS 5</b>	<b>290</b>	<b>41</b>	<b>-249</b>	<i>ALPIQ capital gain in 2010 METROWEB capital gain in 2011</i>
<b>MINORITIES</b>	<b>-23</b>	<b>+33</b>	<b>+56</b>	
<b>NET INCOME</b>	<b>436</b>	<b>114</b>	<b>-322</b>	

# 9M 2011 - Net Debt and Cash Flow

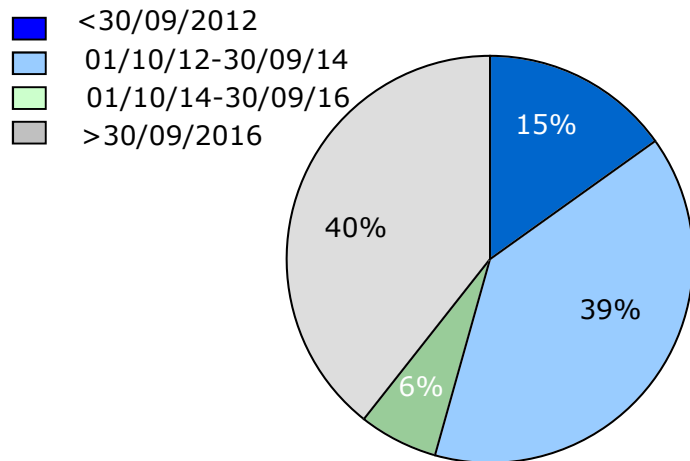
€M data



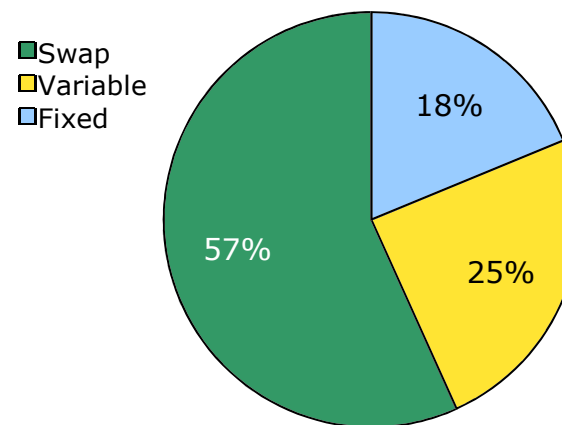
# 9M 2011 - Group Financial structure

## Total debt - Maturity

### DEBT MATURITY

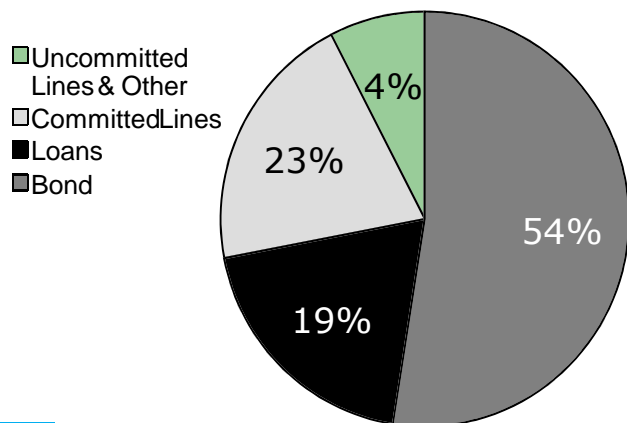


### DEBT BREAKDOWN BY INTEREST



**TOTAL DEBT: 4.2 €B - AVG. MATURITY: 4 YEARS - UNDRAWN LINES\*: 2.2 €B - 2011 AVG. RATE 3.32%**

### DEBT BREAKDOWN



### COMPANY'S CREDIT RATING



\* of which 2 €B committed lines, 0.2 €B loans

*Note: EPCG not included*

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