



**A2A**

Q1 2013 Results

Milan, May 7<sup>th</sup>, 2013



# Agenda

- Q12013 Main financial highlights
- Energy Scenario
- Segment analysis
- From EBITDA to net income
- Net debt and cash flow

# Q12013 - Main financial highlights

€M	Q12012*	Q12013	Change	Change %
<b>NET SALES</b>	<b>1,928</b>	<b>1,589</b>	<b>-339</b>	<b>-17.6%</b>
<b>EBITDA</b>	<b>261</b>	<b>328</b>	<b>+67</b>	<b>+25.7%</b>
<b>EBIT</b>	<b>178</b>	<b>178</b>	<b>-</b>	<b>-</b>
<b>NET INCOME</b>	<b>76</b>	<b>76</b>	<b>-</b>	<b>-</b>
	2012	Q12013	Change	
<b>NET CAPITAL EMPLOYED</b>	<b>8,069</b>	<b>8,015</b>	<b>-54</b>	
<b>TOTAL NFP</b>	<b>4,372</b>	<b>4,238</b>	<b>-134</b>	
<b>EQUITY</b>	<b>3,697</b>	<b>3,777</b>	<b>+80</b>	

(\*) Coriance reclassified according to IFRS5

# Q12013 Energy Scenario – Electricity Supply

GWh	Q1 2012	Q1 2013	Δ %
Hydroelectric	6,863	9,714	41.5%
Thermoelectric	57,406	49,444	-13.9%
Geothermoelectric	1,305	1,273	-2.5%
Wind	3,572	4,985	39.6%
Solar	3,578	3,434	-4.0%
<b>Total net production</b>	<b>72,724</b>	<b>68,850</b>	<b>-5.3%</b>
Import	12,384	12,458	0.6%
Export	696	376	-46.0%
<b>Balance</b>	<b>11,688</b>	<b>12,082</b>	<b>3.4%</b>
<b>Pumping plants consumption</b>	<b>681</b>	<b>511</b>	<b>-25.0%</b>
<b>Total Demand</b>	<b>83,731</b>	<b>80,421</b>	<b>-4.0%</b>

Source: Terna monthly report on electricity system – Q1 2013

# Q12013 Energy Scenario – MGP Thermal Power Plants Load Factor

Actual Production/Maximum Available Production (%)

Equivalent Hours

	load factor	2009	2010	2011	2012	2013	2013
CCGT*	North Zone	41.1%	43.9%	41.7%	32.6%	22.1%	477
	South Zone	36.9%	32.1%	20.7%	21.5%	18.0%	389
Coal plants	North Zone	65.2%	67.1%	40.0%	78.5%	72.7%	1,570
	South Zone	76.7%	62.3%	63.2%	74.2%	45.8%	989

(\*) Load factor related to CCGT Plants not subject to dispatching constraints (i.e. CIP6)

Source: A2A Group internal analysis based on GME data

# Q12013 Energy Scenario – Italian Electricity Market: actual spot prices analysis

€/MWh		PUN BL	PUN PL	PL/BL Ratio
2012	Q1	81.24	98.12	1.21
	Q2	73.48	79.51	1.08
	Q3	81.59	86.80	1.06
	Q4	65.66	76.99	1.17
2012FY		<b>75.48</b>	<b>85.32</b>	<b>1.13</b>
2013	Q1	63.84	73.70	1.15

Q1 2013 vs. Q4 2012	-1.82	-3.29	-0.02
Q1 2013 vs. Q1 2012	<b>-17.40</b>	<b>-24.42</b>	-0.05

Source: GME

# Q12013 Energy – Scenario

		Q1 2012	Q1 2013	Δ %
<b>Brent</b>	\$/bbl	118.33	112.61	-5%
<b>CO2 Average system cost</b>	€/Tonn	7.88	4.75	-40%
<b>Green Certificates avg. system cost</b>	€/MWh	77.95	80.02	3%
<b>€/€</b>	€/€	1.31	1.32	1%
<b>Brent €</b>	€/bbl	90.23	85.28	-5%
<b>Coal €</b>	€/Tonn	76.56	65.46	-14%
<b>PUN BL</b>	€/MWh	81.24	63.84	-21%
<b>PUN Peak</b>	€/MWh	98.12	73.70	-25%
<b>PUN Off-Peak</b>	€/MWh	71.94	58.36	-19%
<b>CCGT *</b>	€/MWh	65.53	56.72	-13%
<b>Spark Spread CCGT vs Baseload</b>	€/Mwh	15.71	7.12	-55%
<b>Spark Spread CCGT vs Peakload</b>	€/Mwh	32.59	16.98	-48%
<b>Spark Spread CCGT vs Off-Peak</b>	€/Mwh	6.41	1.64	-74%
<b>Spark Spread CCGT vs Baseload - Environmental costs</b>	€/Mwh	10.51	1.30	-88%

\* based on gas at virtual trading point

# Q12013 vs Q12012 - EBITDA breakdown

€M	EBITDA Q12012	EBITDA Q12013	Δ vs 2012	KEY POINTS	EBITDA BREAKDOWN
<b>ENERGY</b>	79	153	74	<ul style="list-style-type: none"> <li>↑ Edipower consolidation (3 months)</li> <li>↑ Higher EPCG margins</li> <li>↑ Lower CCGT plants margins offset by higher retail and wholesale margins</li> <li>↓ Lower gas margins (volumes decrease on wholesale markets and higher gas stock price)</li> </ul>	<p><b>Q12013</b></p> <p><b>Q12012</b></p>
<b>WASTE</b>	71	57	-14	<ul style="list-style-type: none"> <li>↓ Regulatory impacts (Nov 20th 2012 Min. Decree and AEEG 535/2012 Advice)</li> <li>↓ Expiry of Cip6 revenues (WTE plant)</li> <li>↓ Acerra WTE plant stoppage for planned maintenance</li> </ul>	
<b>COGENERATION AND DISTRICT HEATING</b>	43	55	12	<ul style="list-style-type: none"> <li>↑ Higher sales</li> <li>↑ Environmental markets</li> <li>↑ Heating services margins</li> </ul>	
<b>NETWORKS</b>	68	67	-1		
<b>OTHER SERVICES &amp; CORPORATE</b>	0	-4	-4		
<b>TOTAL EBITDA</b>	<b>261</b>	<b>328</b>	<b>67</b>		



# Q12013 - From EBITDA to net income (1/2)

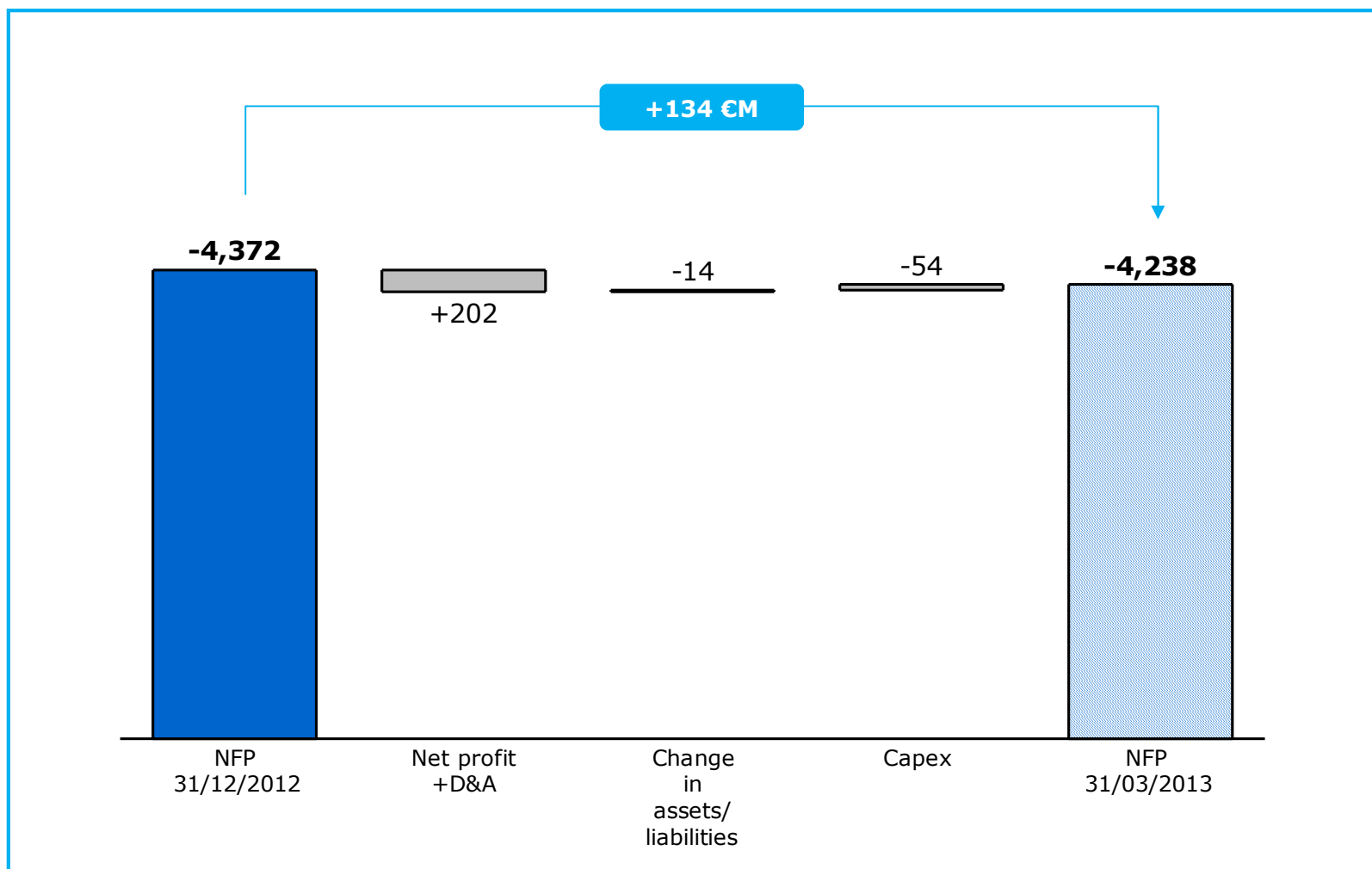
€M	Q12012	Q12013	Δ vs Q1 2012	Key points
<b>EBITDA</b>	<b>261</b>	<b>328</b>	<b>+67</b>	
<b>D&amp;A, write downs and provisions</b>	<b>-83</b>	<b>-150</b>	<b>-67</b>	<p>↓ <i>Edipower consolidation (-45)</i></p> <p>↓ <i>Q1 2012 Surplus - bad debt and provisions for risks and charges funds (-29)</i></p>
<b>Financial charges</b>	<b>-31</b>	<b>-47</b>	<b>-16</b>	<p>↓ <i>Edipower consolidation (-13)</i></p>
<b>Fair value derivatives</b>	<b>-22</b>	<b>+6</b>	<b>+28</b>	<p>↑ <i>Bond-fair value option (expiring in October 2013)</i></p>
<b>Associates and JV and others</b>	<b>-</b>	<b>+4</b>	<b>+4</b>	<p>↑ <i>Q1 2013 Dolomiti Energia and Acsm-Agam valuation</i></p>
<b>Others</b>	<b>-</b>	<b>-1</b>	<b>-1</b>	
<b>EBT</b>	<b>125</b>	<b>140</b>	<b>+15</b>	

# Q12013 - From EBITDA to net income (2/2)

€M	Q12012	Q12013	Δ vs Q1 2012	Key points
<b>EBT</b>	<b>125</b>	<b>140</b>	<b>+15</b>	
<b>TAXES</b>	<b>-55</b>	<b>-55</b>	<b>-</b>	
<b>IFRS 5</b>	<b>+12</b>	<b>-</b>	<b>-12</b>	↓ Q1 2012 e-Utile capital gains +8 and Coriance net result +4
<b>MINORITIES</b>	<b>-6</b>	<b>-9</b>	<b>-3</b>	
<b>NET INCOME</b>	<b>76</b>	<b>76</b>	<b>-</b>	

# Q12013 - Net debt and cash flow

## A2A GROUP NET FINANCIAL POSITION EVOLUTION 2012-Q12013 (€M)



# Q12013 A2A Group debt structure

## Q1 2013 GROSS DEBT - 4.8 €B

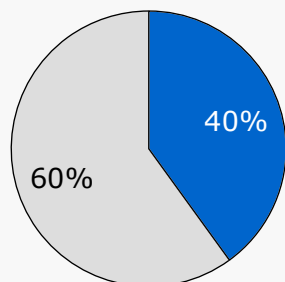
AVERAGE MATURITY

4.3 yrs

AVERAGE RATE

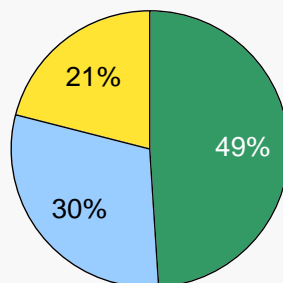
~4.0%

## DEBT BREAKDOWN BY SOURCES



□ Bonds    ■ Loans

## DEBT BREAKDOWN BY INTEREST



■ Variable    ■ Fixed    ■ Hedged

## Q1 2013 KEY FACTS

- **A2A started a syndicated financing process with its relationship banks for the renewal of 600 €M revolving committed lines (signed in April,22)**
- **Back-up purposes**
- **Maturity: 5 Years**
- **9 Banking groups involved**
- **Replacement of undrawn committed lines expiring in the next 24 months**

## LIQUIDITY POSITION

**2.4 €B liquidity position, of which:**

- **0.6 €B cash**
- **1.8 €B undrawn committed lines**

Note: EPCG not included

# Back-up

# Q12013 Volumes

		Q1 2012	Q1 2013	Δ
A2A Group Thermal production	GWh	2,664	2,748	84
A2A Group Hydro production	GWh	816	1,819	1,003
<i>A2A Thermal production</i>	<i>GWh</i>	<i>1,683</i>	<i>1,290</i>	<i>-393</i>
<i>A2A Hydro production</i>	<i>GWh</i>	<i>450</i>	<i>648</i>	<i>198</i>
<i>Edipower Thermal production</i>	<i>GWh</i>	<i>582</i>	<i>1,070</i>	<i>488</i>
<i>Edipower Hydro production</i>	<i>GWh</i>	<i>56</i>	<i>352</i>	<i>296</i>
<i>EPCG Thermal production</i>	<i>GWh</i>	<i>399</i>	<i>388</i>	<i>-11</i>
<i>EPCG Hydro production</i>	<i>GWh</i>	<i>310</i>	<i>819</i>	<i>509</i>
<i>Eligibles and wholesale electricity sales</i>	<i>GWh</i>	<i>4,578</i>	<i>4,840</i>	<i>262</i>
<i>Captive customers electricity sales</i>	<i>GWh</i>	<i>747</i>	<i>739</i>	<i>-8</i>
<i>Ipex sales *</i>	<i>GWh</i>	<i>1,340</i>	<i>1,677</i>	<i>336</i>
<i>Foreign markets sales</i>	<i>GWh</i>	<i>3,312</i>	<i>2,120</i>	<i>-1,192</i>
<i>Electricity sales to EPCG customers</i>	<i>GWh</i>	<i>917</i>	<i>680</i>	<i>-237</i>
<i>EPCG Electricity export</i>	<i>GWh</i>	<i>8</i>	<i>211</i>	<i>203</i>
<i>Gas sales</i>	<i>Mmc</i>	<i>1,931</i>	<i>877</i>	<i>-1,054</i>
<i>Heat volumes</i>	<i>GWht</i>	<i>1,086</i>	<i>1,208</i>	<i>122</i>
<i>Cogeneration electricity</i>	<i>GWh</i>	<i>167</i>	<i>175</i>	<i>8</i>
<i>Collected waste</i>	<i>Kton</i>	<i>232</i>	<i>224</i>	<i>-8</i>
<i>Waste disposal</i>	<i>Kton</i>	<i>635</i>	<i>637</i>	<i>2</i>
<i>WTE electricity</i>	<i>GWh</i>	<i>304</i>	<i>282</i>	<i>-22</i>
<i>Heat production</i>	<i>GWht</i>	<i>388</i>	<i>468</i>	<i>80</i>
<i>Electricity distributed</i>	<i>GWh</i>	<i>2,930</i>	<i>2,842</i>	<i>-88</i>
<i>EPCG Electricity distributed</i>	<i>GWh</i>	<i>761</i>	<i>736</i>	<i>-25</i>
<i>Gas distributed</i>	<i>Mmc</i>	<i>950</i>	<i>981</i>	<i>31</i>
<i>Water distributed</i>	<i>Mmc</i>	<i>17</i>	<i>16</i>	<i>-1</i>

\* without Intermediated Ipex volumes

In 2013, the Edipower production includes 77% of production of the plants managed in tolling regime and 100% of production of the S. Filippo del Mela, Turbigo (groups 1-2-3) and Brindisi thermoelectric plants and some hydroelectric and photovoltaic plants  
In 2012, the Edipower production includes 20% of production of the plants managed in tolling regime

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