



A2A

First Nine Months 2010
Results

Milan, Nov 11th, 2010



Agenda

- 9M2010 Main financial highlights
- EBITDA Segment Analysis
- Focus on EPCG
- From EBITDA to Net Income
- Net debt and Cash Flow

9M 2010 - Main financial highlights

<i>€M data</i>	9M 2009	9M 2010	Change	Change %
NET SALES	3,934	4,056	+122	+3.1%
EBITDA	752	686	-66	-8.8%
EBIT	474	342	-132	-27.8%
NET INCOME	2	436	+434	-
	2009	9M 2010	Change	
NET CAPITAL EMPLOYED	9,239	8,741	-498	
NFP	4,644	4,284	-360	
EQUITY	4,595	4,457	-138	
NFP/EQUITY	1.01x	0.96x		

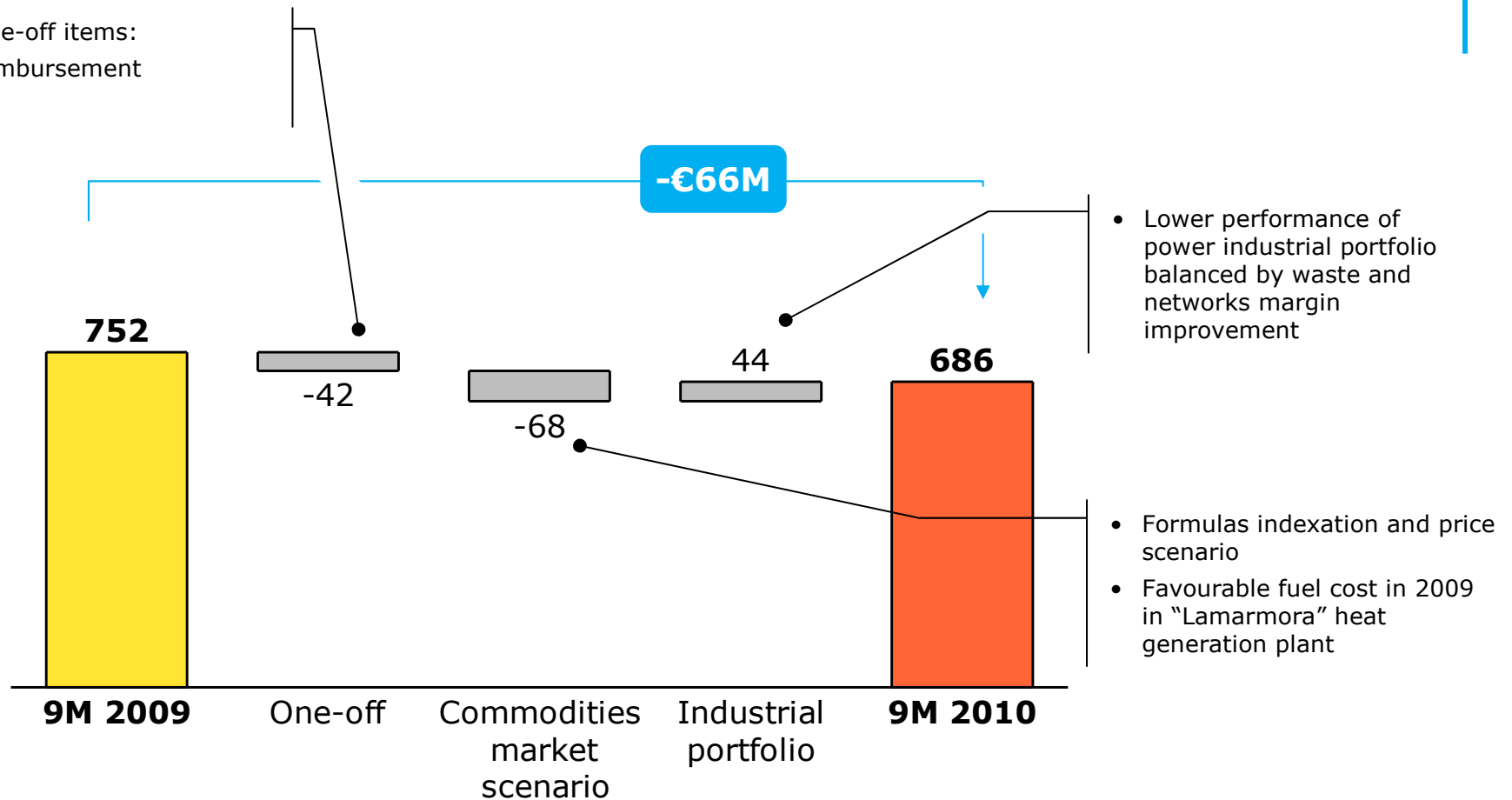
9M 2010 - Results and main strategic achievements

EBITDA

€M data

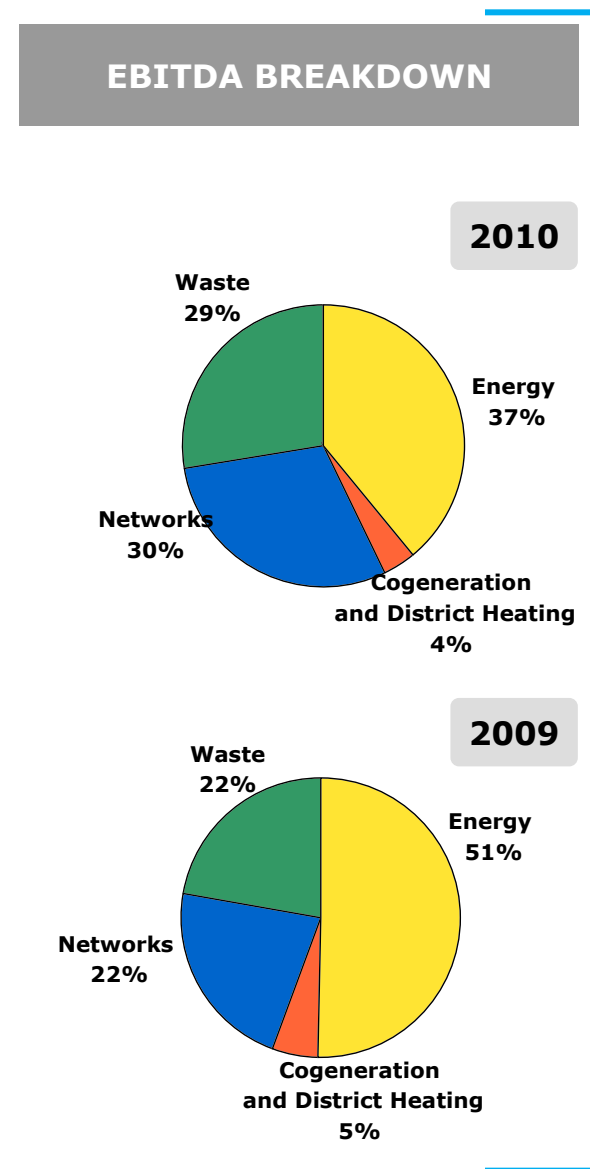
Positive 2009 one-off items:

- Insurance reimbursement
- Others



9M 2010 - EBITDA breakdown

€M data	EBITDA 9M2009	EBITDA 9M2010	Δ Vs 2009
ELECTRICITY	300	230	-70
GAS	91	35	-56
COGENERATION AND DISTRICT HEATING	41	30	-11
WASTE	173	202	+29
NETWORKS	173	211	+38
OTHER SERVICES & CORPORATE	-27	-23	+4
<i>CONSOLIDATION ADJUSTMENTS</i>	1	1	
TOTAL	752	686	-66



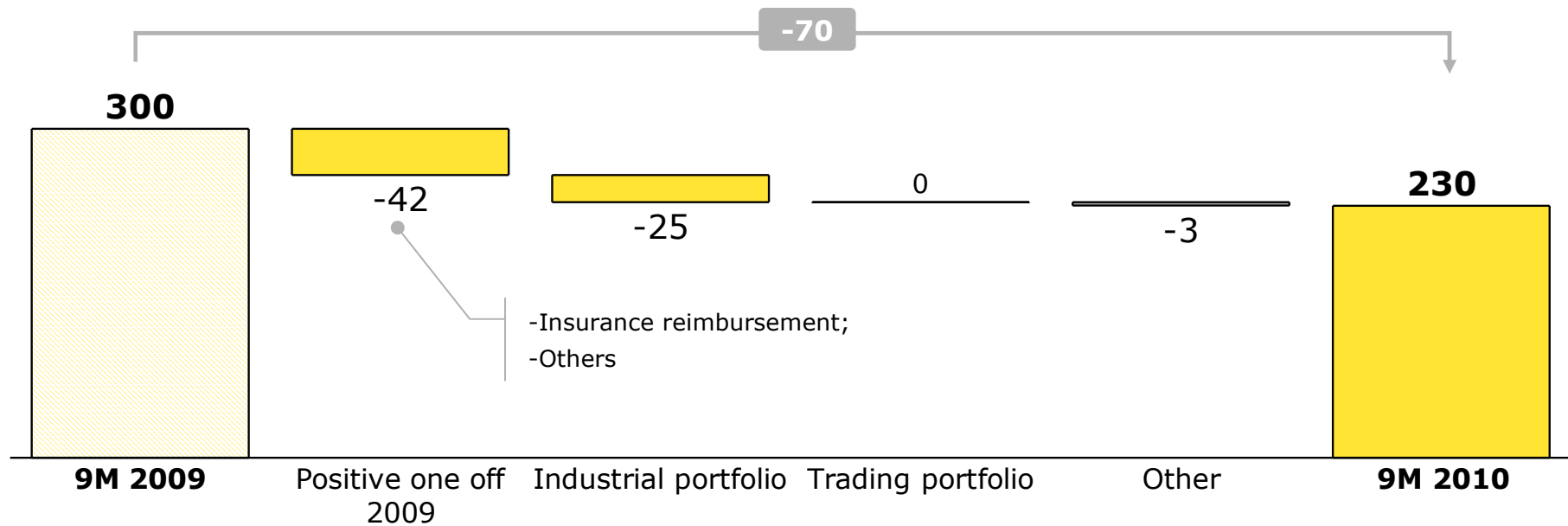
9M 2010 Energy - Electricity Scenario

Average data		9M 2009	9M 2010	Var %
Brent	\$/bbl	58.20	77.93	34%
CO2 Average system cost	€/Tonn	13.21	14.35	9%
Green Certificate avg. system cost	€/MWh	83.86	84.85	1%
€/€	€/€	1.36	1.32	-4%
Brent €	€/bbl	42.40	59.31	40%
PUN BL	€/MWh	66.25	64.12	-3%
PUN Peak	€/MWh	85.59	74.81	-13%
PUN Off-Peak	€/MWh	55.48	57.37	3%
CCGT Cost	€/MWh	53.03	56.01	6%
Spark Spread CCGT vs Baseload	€/MWh	13.22	8.11	
Spark Spread CCGT vs Peakload	€/MWh	32.56	18.80	
Spark Spread CCGT vs Off-Peak	€/MWh	2.45	1.35	
Spark Spread CCGT- Environm. costs	€/MWh	10.46	3.46	
Italian electricity demand	GWh	239,264	243,347	2%
Net Import	GWh	34,845	33,607	-4%

Note: In 2010 CCGT Cost based on Gas Release 2007

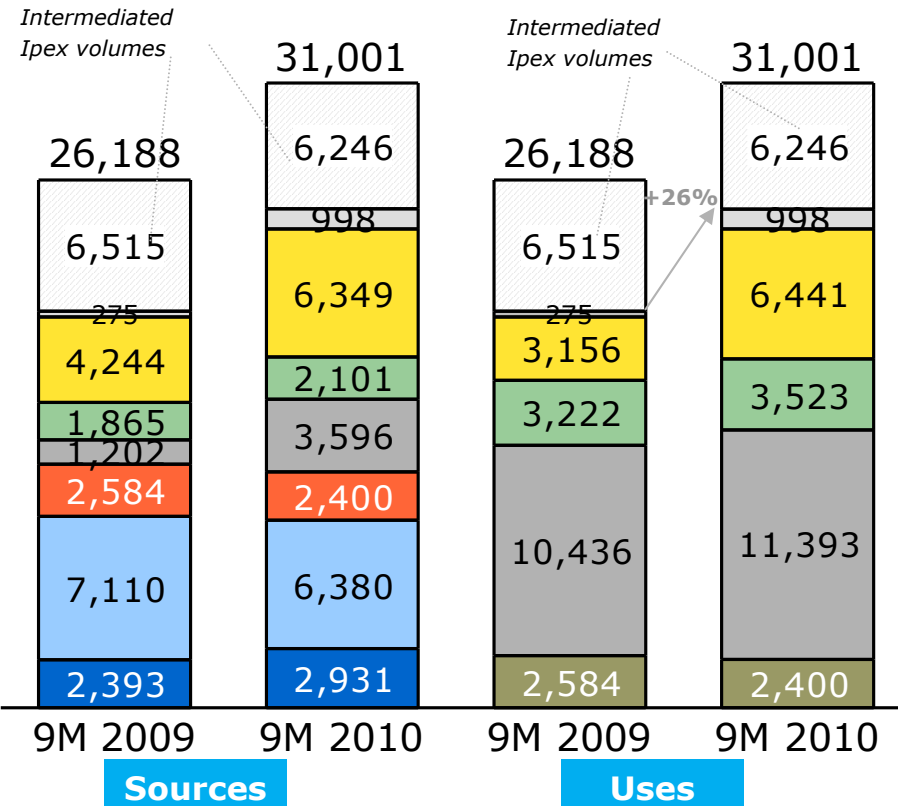
9M 2010 Energy - Electricity Results

EBITDA EVOLUTION 2009A-2010A (€M)



9M 2010 Energy - Electricity Sources and Uses

VOLUMES (GWh)



GREEN CERTIFICATES POSITION

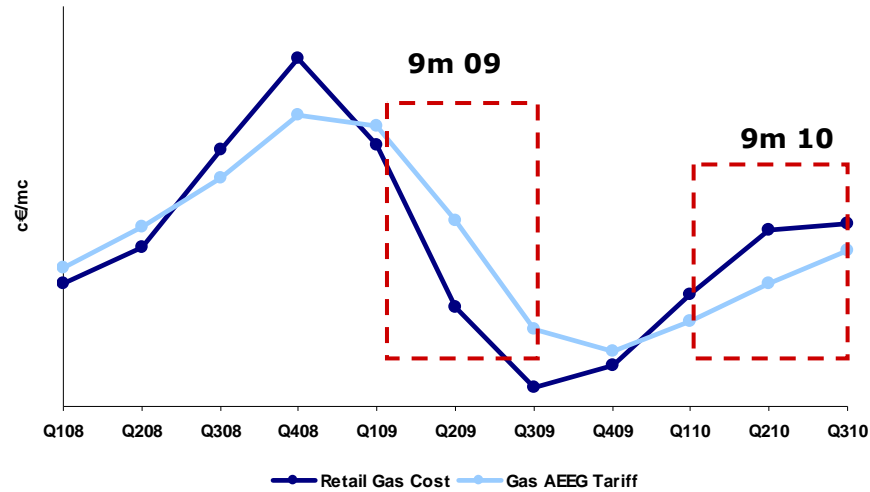
- **A2A Group Green Certificates Long Position foreseen at 31.12.2010 ~ 139 GWh**

CO2 POSITION

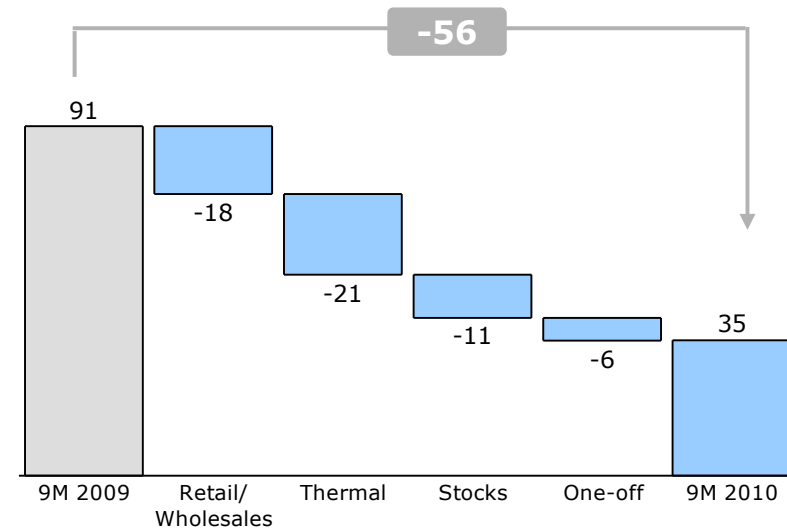
- **A2A Group CO2 Long Position foreseen at 31.12.2010 ~ 1,376 Kton**

9M 2010 Energy - Gas Results

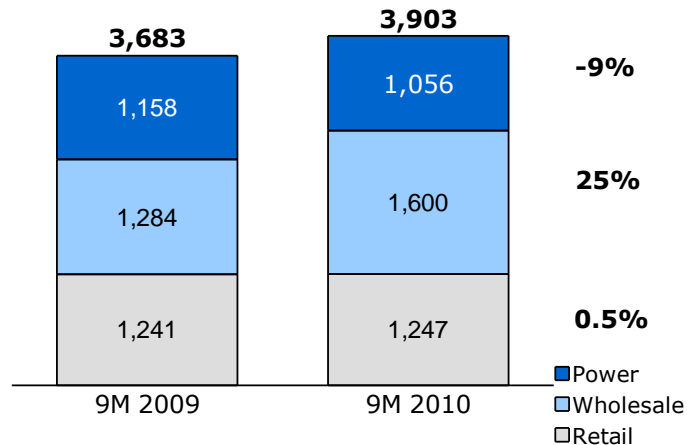
SCENARIO



EBITDA (€M)



VOLUMES (Mcm)

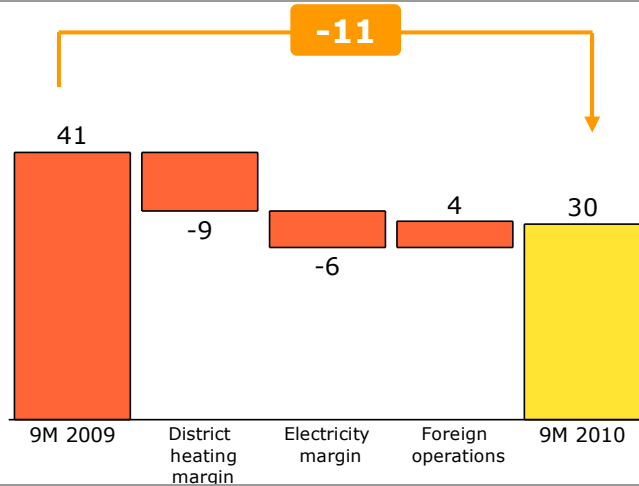


POTENTIAL UPSIDES

- Gas contract renegotiation

9M 2010 - Cogeneration and District heating Results

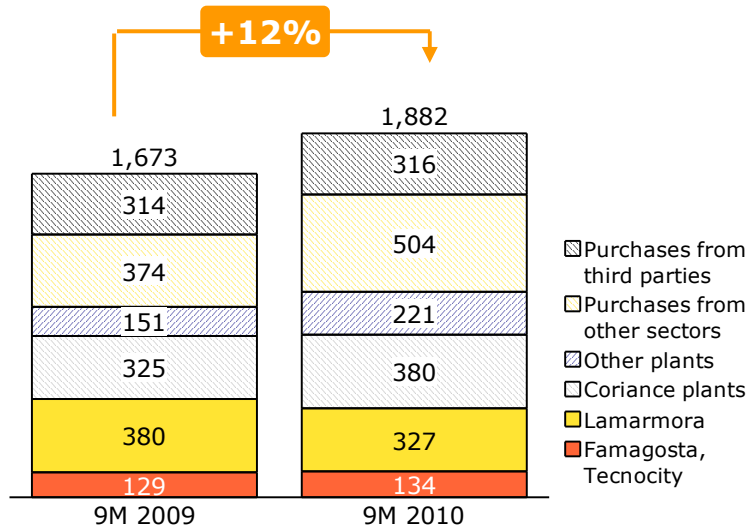
EBITDA (€M)



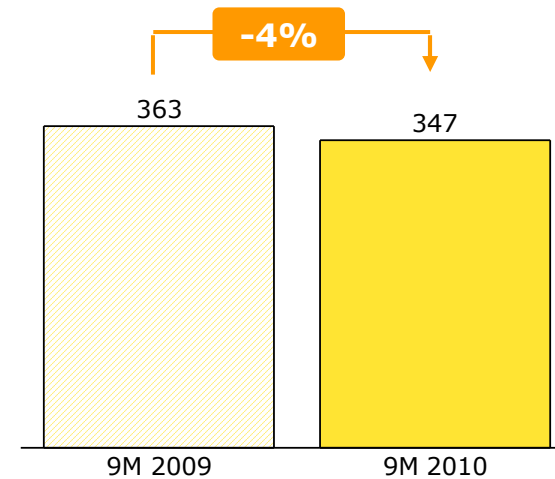
KEY FACTS (VS 2009)

- Foreign operations contribution
- Electricity margin decrease
- District heating margin decrease

HEAT VOLUMES (GWht)

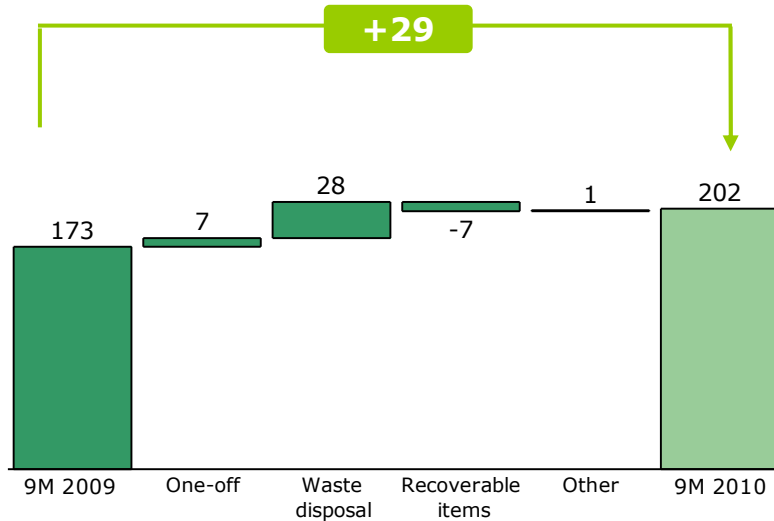


ELECTRICITY (GWh)



9M 2010 - Waste Results

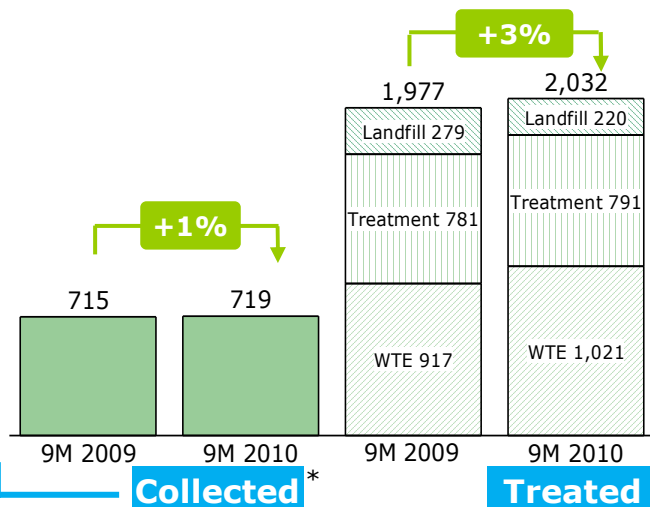
EBITDA (€M)



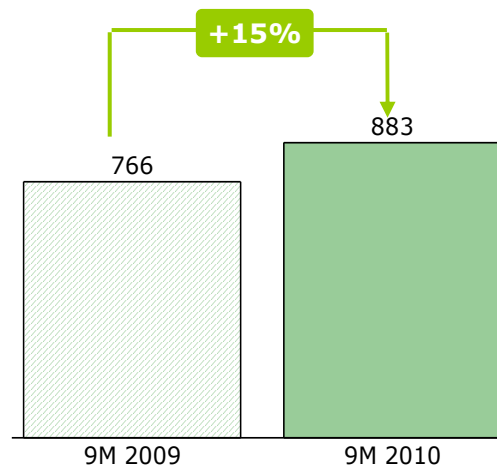
KEY FACTS (vs 2009)

Positive contribution to EBITDA due to an increase in waste disposal margin and electricity revenues

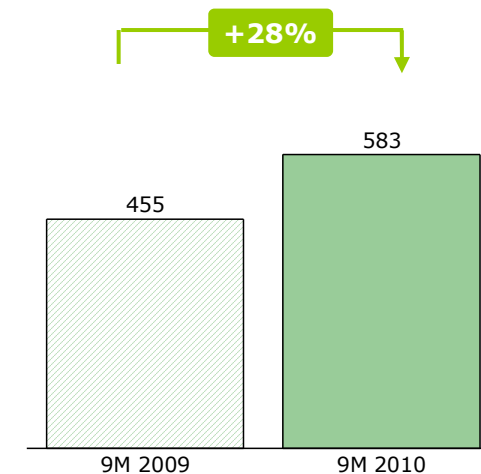
WASTE VOLUMES (Kton)



ELECTRICITY (GWh)

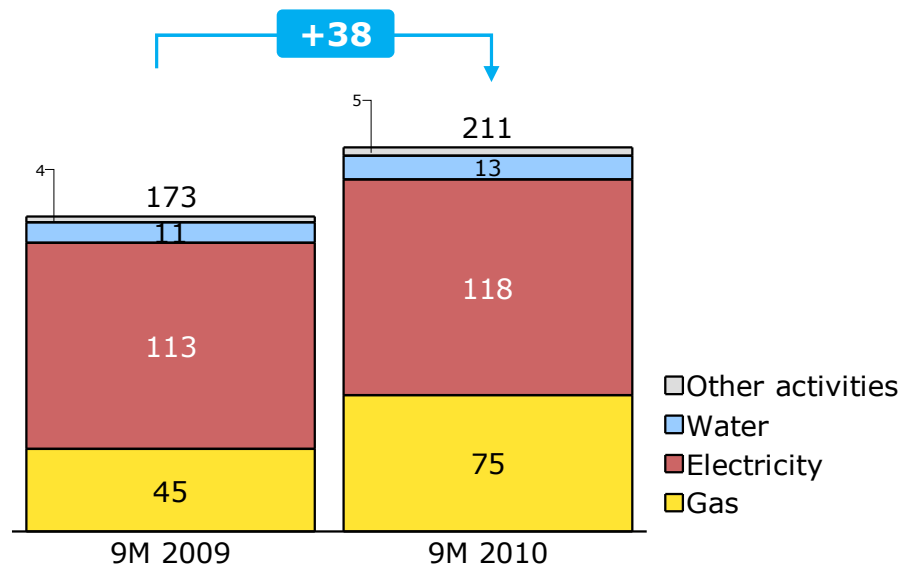


HEAT PRODUCTION (GWht)



9M 2010 - Networks Results

EBITDA (€M)



KEY FACTS (vs 2009)

Electricity: +5 €M

Positive impact on Ebitda due to specific company equalisation related to the distribution network recorded in 2010

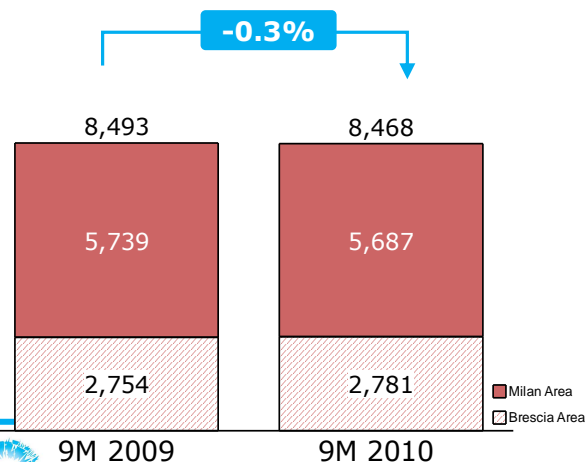
Gas: +30 €M

Positive impact on EBITDA due to gas distribution revenues

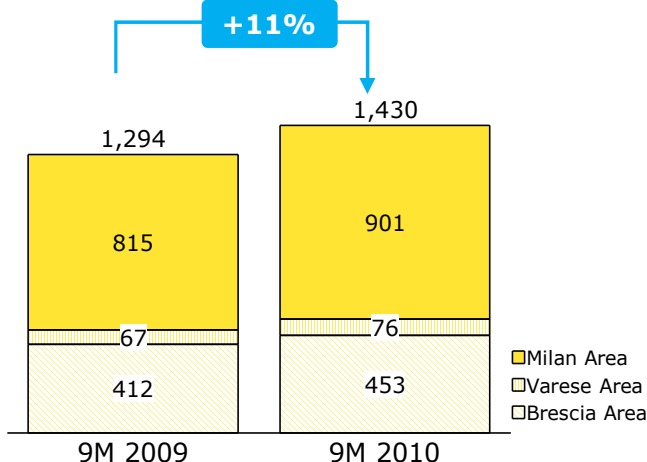
Water: +2 €M

2010 in line with 2009

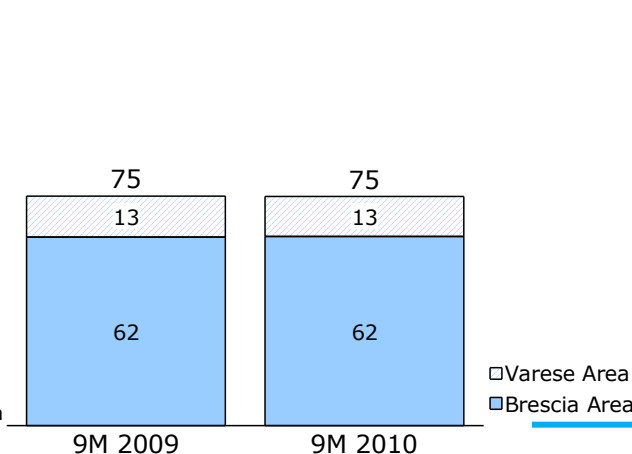
ELECTRICITY (GWh)



GAS DISTRIBUTED (Mmc)



WATER (Mmc)



9M 2010 – EPCG: Financial highlights and Volumes

FINANCIAL HIGHLIGHTS (€M)



9M 2010

NET SALES

221

EBITDA

52

EBIT

14

NET CAPITAL EMPLOYED

843

NFP

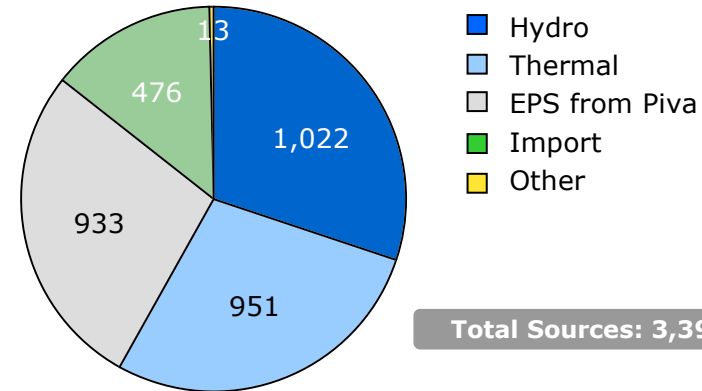
(73)

EQUITY

916

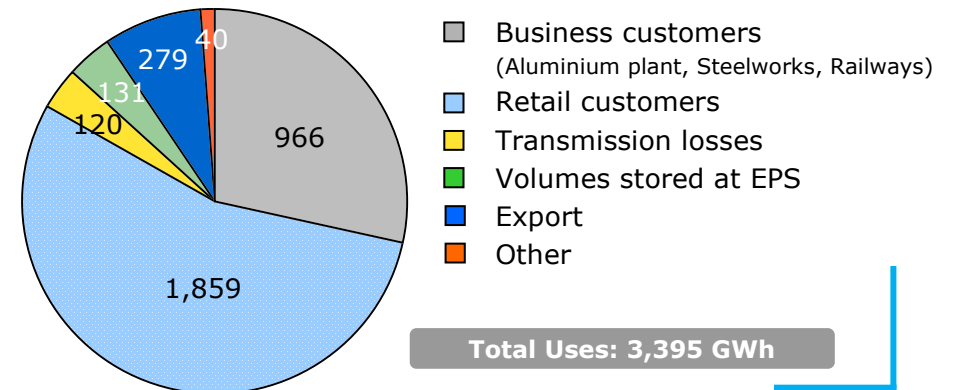
VOLUMES (GWh)

SOURCES



Total Sources: 3,395 GWh

USES



Total Uses: 3,395 GWh

9M 2010 - From EBITDA to Net Income (1/2)

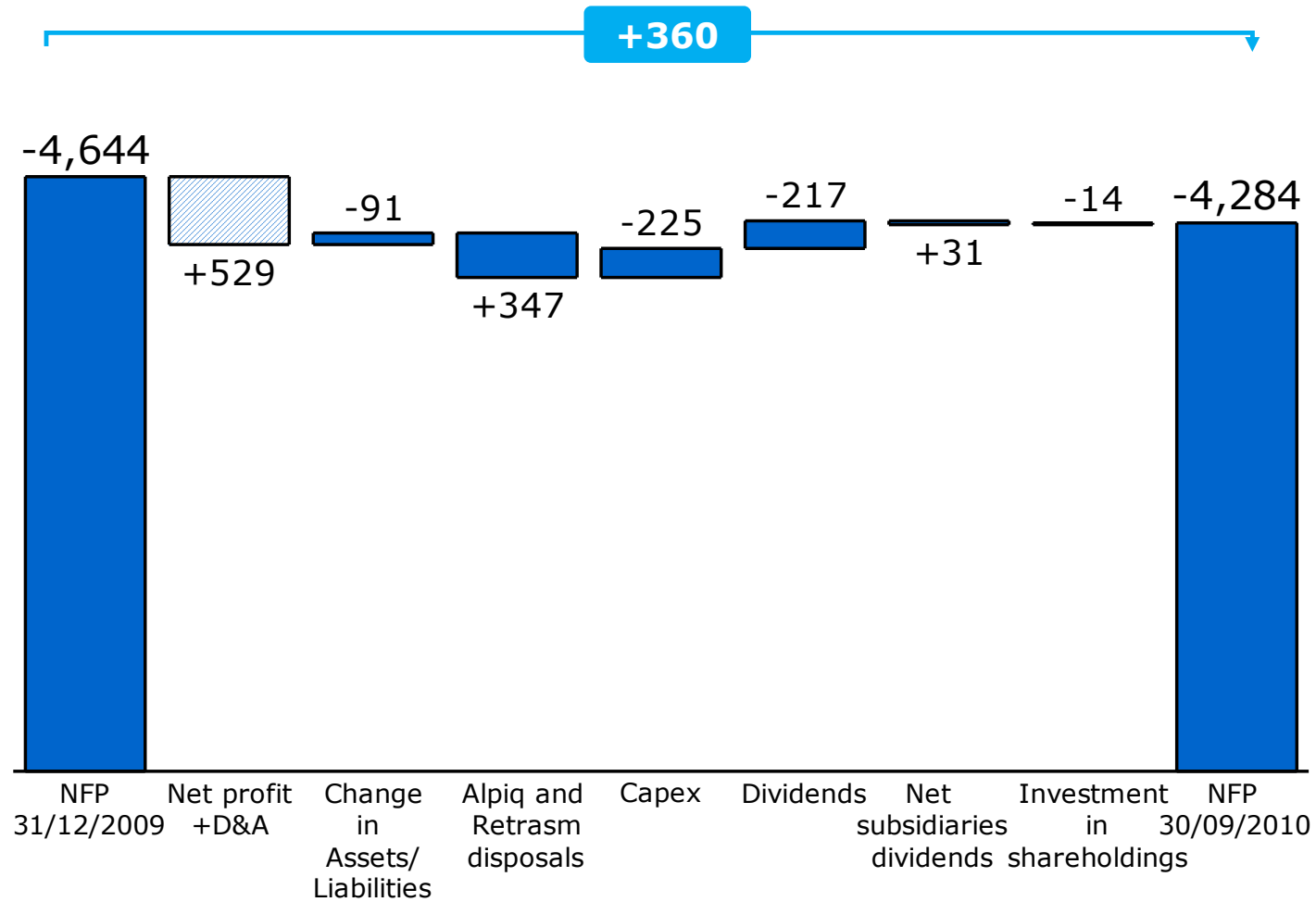
€M data	9M 2009	9M 2010	Change	Key points
EBITDA	752	686	-66	
D&A, Write Downs and Provisions	-278	-344	-66	<i>-29 €M 2010 depreciation of E.ON asset; -19 €M INPS fund release in 9M 2009</i>
Financial charges	-209	-104	+105	<i>118 €M Fiscal Moratorium 96-99 recorded in 9M 2009; Average debt increasing</i>
Derivatives/others	-33	-31	+2	
Associates and JV and others	+56	+56	-	
Others	-166		+166	<i>Fiscal Moratorium (AEM and ASM 96-99)</i>
EBT	122	263	+141	

9M 2010 - From EBITDA to Net Income (2/2)

€M data	9M 2009	9M 2010	Change	Key points
EBT	122	263	+141	
TAXES	-103	-90	+13	
IFRS 5	7	286	+279	<i>Alpiq transaction</i>
MINORITIES	-24	-23	+1	<i>TdE and Plurigas</i>
NET INCOME	2	436	+434	

9M 2010 - Net Debt and Cash Flow

€M data

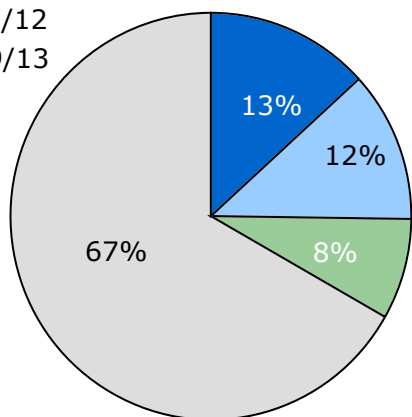


9M 2010 - Group Financial structure

Total debt - Maturity

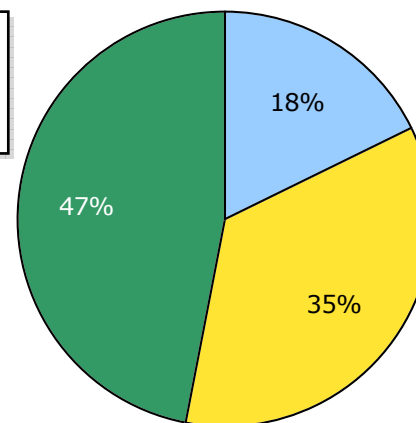
DEBT MATURITY

- <30/09/2011
- 01/10/11-30/09/12
- 01/10/12-30/09/13
- >30/09/2013



DEBT BREAKDOWN BY INTEREST

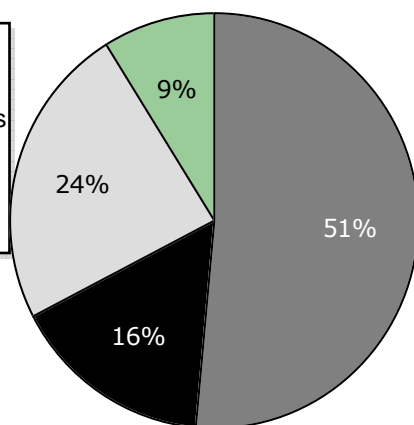
- Swap
- Variable
- Fixed



TOTAL DEBT: 4.4 €B - AVG. MATURITY: 4.2 YEARS - UNDRAWN LINES: 2.1 €B - 9M 2010 AVG. RATE 2.91%

DEBT BREAKDOWN

- Uncommitted Lines & Other
- Committed Lines
- Loans
- Bond



COMPANY'S CREDIT RATING

