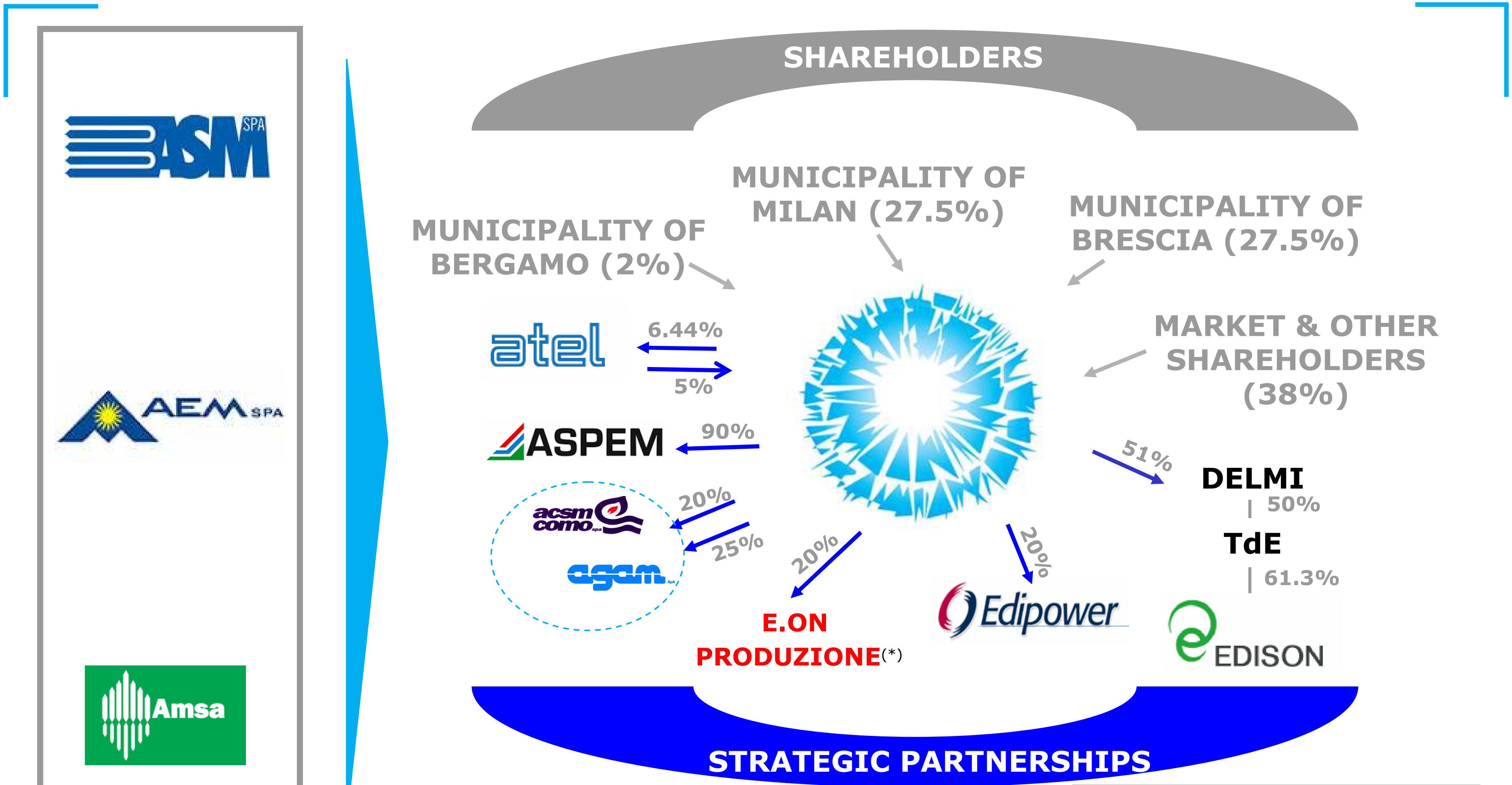
A2A
Creation of a new player

November 2008

Creation of a new player (1st Jan 2008)

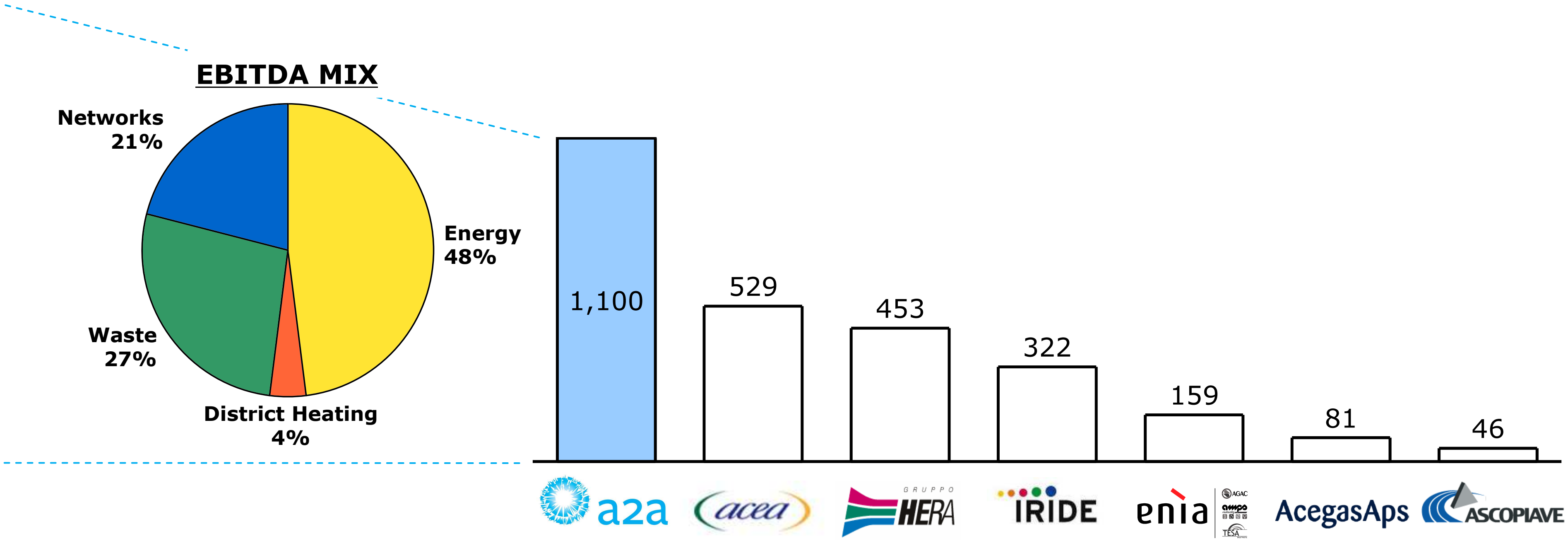


- **Shares out: 3.1B**
- **Mkt cap: €5 B**

(*) previously Endesa Italia SpA

First local utility in Italy by sales and margins

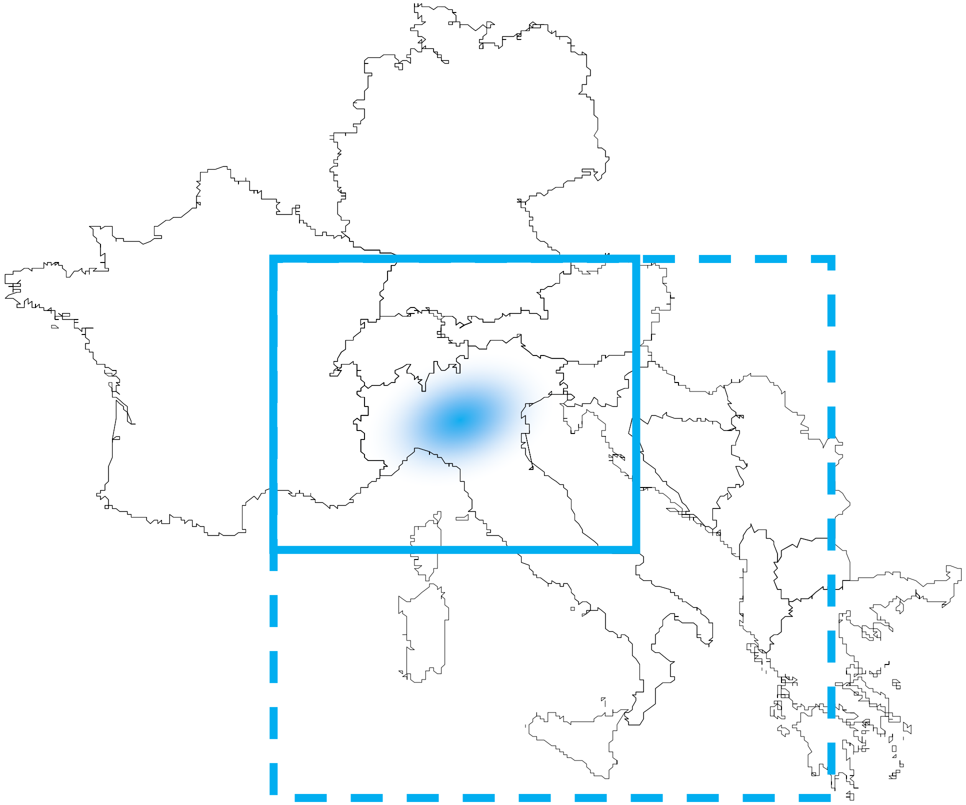
LISTED LOCAL UTILITIES' 2007 EBITDA (€M)



Revenues (€M)	5,724	2,583	2,863	2,492	1,208	443	452

Source: A2A pro-forma data, Annual Reports 2007

A2A today



- **First Italian Local Utility by market capitalization, revenues and margins**
- **Right balance between regulated and non-regulated markets, supported by a solid asset base**
- **Diversified business portfolio:**
  - **<u>Energy</u>: important player in the Italian market, vertical integration, further exploitation of Edison position in upstream gas market**
  - **<u>Networks</u>: strong local coverage and longstanding relationships with local stakeholders**
  - **<u>Waste</u>: leading position in Italy across value chain and promising potential for international expansion**
  - **<u>District heating</u>: first Italian player with innovative technology**
- **Clean-energy and service-oriented player, with a large and loyal customer base**
- **Catalyst in the Local Utilities sector for potential consolidation with a solid M&A track record**

A2A's focus areas

- **Integration, organizational rationalisation and synergies**
- **Industrial development in Italy and abroad**
- **Edison: strengthening A2A's industrial role**
- **Endesa Italia: assets swap**
- **M&A opportunities**

Key strategic guidelines by business

ENERGY

- Generation plants
- Portfolio Management
- EE/GAS sales

* New plants' start-up
* Consolidation of industrial partnerships
* Further development of trading activities

DISTRICT HEATING

- Cogeneration plants
- Networks
- Heat sales

* Focus on development in Northern Italy
* Asset scale optimization
* Clean and cutting-edge technology

WASTE

- Collection
- Treatment
- Disposal

* New plants' start-up
* Exploitation of best practice and technology excellence
* Expansion abroad by leveraging international partnerships

NETWORKS

- Power networks
- Gas networks
- Water

* Beating the Regulator
* Service quality
* Start-up of bidding systems

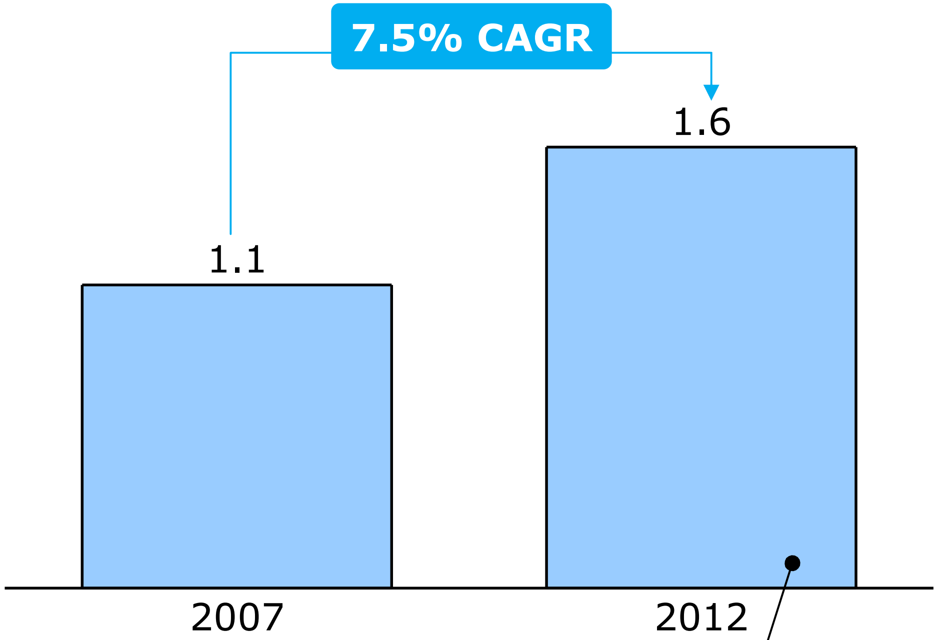
Highlights for shareholders

EBITDA GROWTH	DIVIDENDS POLICY	SHARE BUY-BACK
• Highly sustainable targets for 2008-2012 Plan • EBITDA expected growth: 7-8% CAGR	• 2007 dividend per share equal to € 0.097 (+38.6% yoy) - Pay-out ~58% - Current Yield > 6% • Distribution of a dividend per share at least in line with 2007	• Continuing share buy-back program*

* Treasury shares: 1.51% of equity. Upcoming AGM will discuss renewal of buy-back program

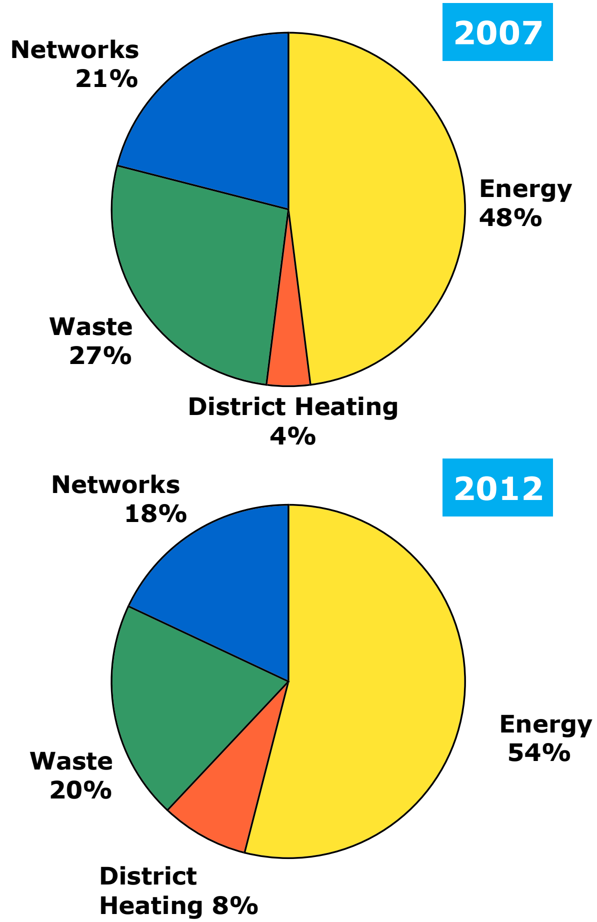
Industrial Plan – EBITDA target

2007-2012 EBITDA TARGET (€B)



<u>Synergies</u>: ~ €110M estimated in 2012, of which 64% development synergies and 36% efficiency gains

EBITDA BREAKDOWN

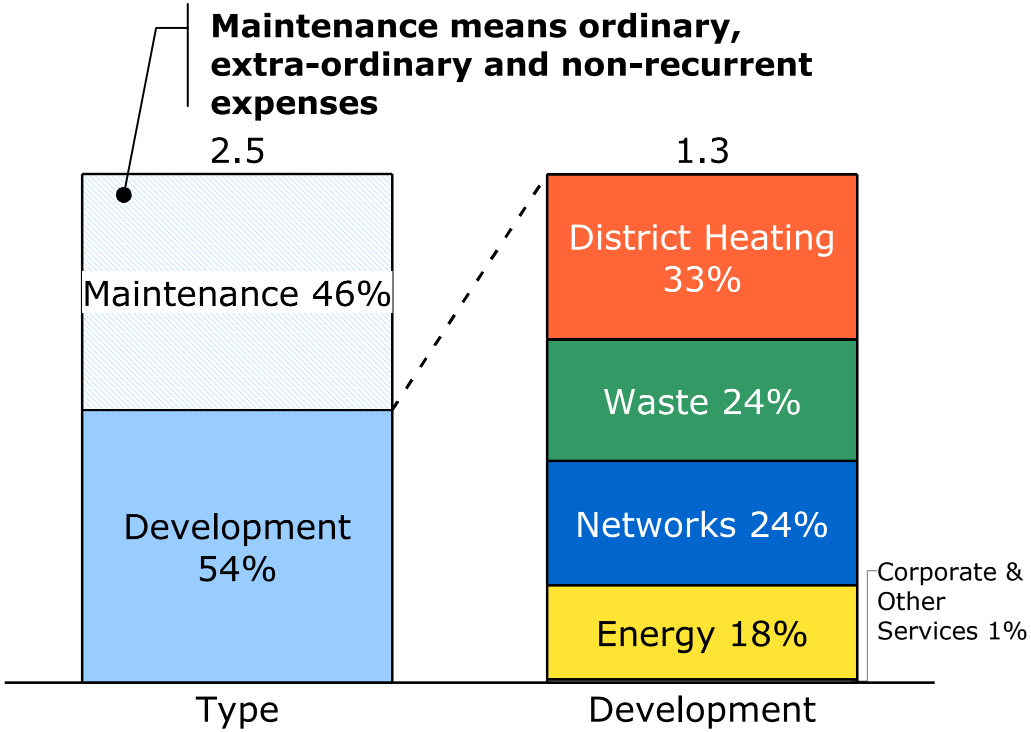


Industrial Plan - Op. cumulated capex

KEY INVESTMENT FACTS

ENERGY	• **1.1 GW new thermal generation capacity (Gissi and Scandale start-up; Turbigo and Brindisi repowering)**
DISTRICT HEATING	• **~700 MW new thermal capacity (14 plants of which 9 in Milan area)**
WASTE	• **New WTE plant in 2012 and start-up of 10 waste treatment plants**
NETWORKS	• **Focus on infrastructure development and metering equipment replacement (e.g. electronic devices)**

2008-2012 OP. CUMULATED CAPEX (€B)

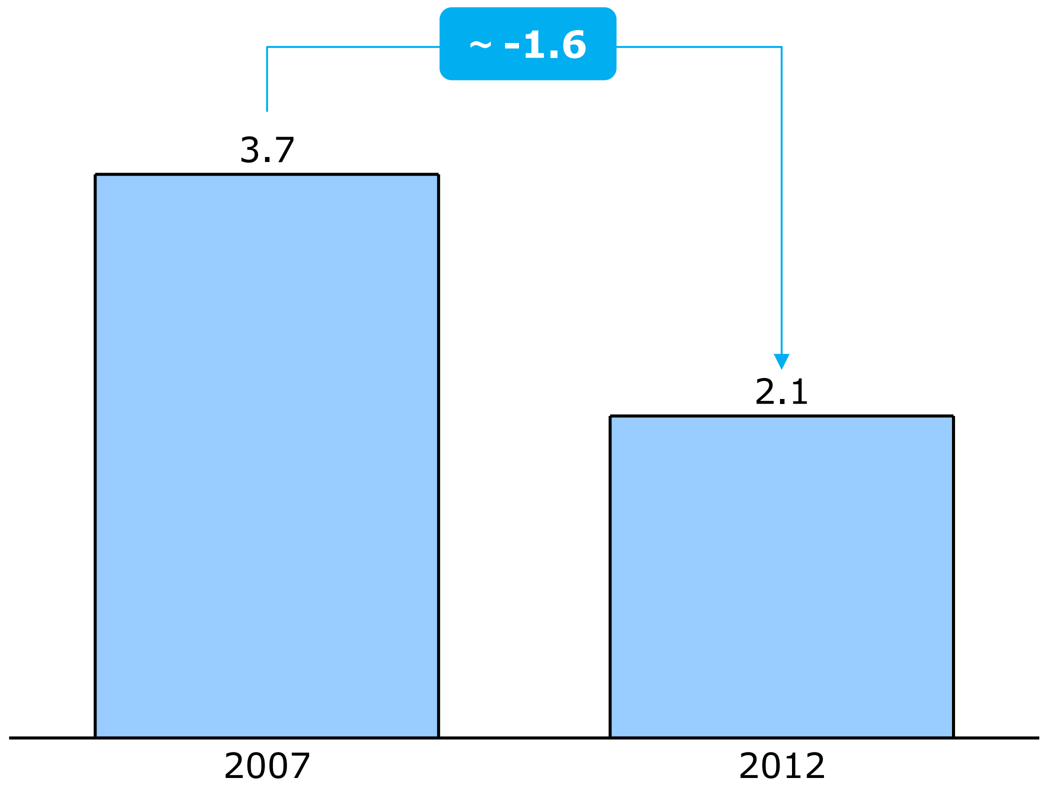


~ €210M estimated synergies cumulated over 2008-2012 period stemming from: asset portfolio optimization, procurement efficiency and economy of scale

Note: TdE/Edison excluded

2007-2012 Pro-forma NFP - Dividends not included

2007-2012 PRO-FORMA NFP (€B)



KEY FACTS

- **Significant cash flow from operations**
- **Share buy-back program in 2008**
- **M&A activities:**
  - **Endesa's assets acquisition**
  - **One-off equity investments (e.g. Ecodeco and Edipower)**

Note: TdE/ Edison excluded

Contribution of Edison partnership

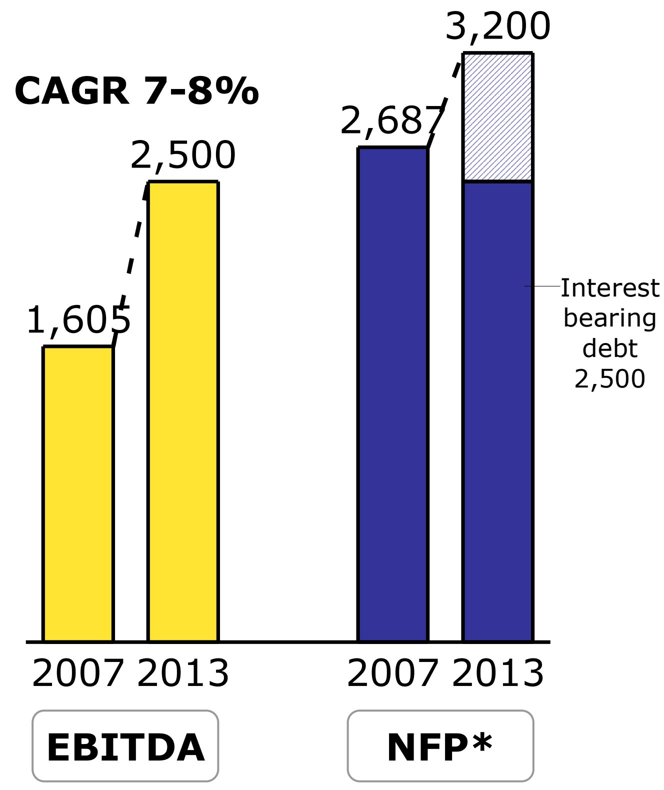
EDISON TARGETS IN POWER SECTOR

MERCHANT PLANTS	• **Capacity development** (**currently: 8 GW**): **800-MW new CCGT** plant in Central Italy (2011), further **400 MW** available for **free market** at CIP6 contract expiration and 500-MW captive generation to be divested by end 2011
CIP 6	• **Rationalisation of CIP6 portfolio:** 600 MW partially repowered in flexible merchant GT, 650MW to be divested after CIP6 expiration, with remaining 700MW maintained as cogenerative implying limited CAPEX
RENEWABLE ENERGY	• **Capacity increase** (+ 470 MW) : Hydro from 1,300 MW to 1,400 MW, Wind from 270 MW to 570 MW, Photovoltaic and biomass up to 70 MW
FOREIGN ACTIVITITES	• **Projects** under evaluation or **development for 1,000 MW (Edison share)**

EDISON TARGETS IN HYDROCARBON SECTOR

INFRA-STRUCTURES	• **Confirmed development** of new import infrastructures (**LNG Terminal, GALSI** and **IGI)** and of **gas storage** up to **1.6 Bcm** of working gas (2.2 Bcm total capacity)
GAS SUPPLY	• Reach **complete independence** in **gas supply** portfolio • Enhance **geographical diversification** of gas sources mix
E&P	• **Growth** towards **15% of equity gas** on total portfolio • Focus on **exploration** and **selected acquisitions**

EBITDA & NFP EVOLUTION (2007-2013, €M)



* Includes dividend payout of 50%

Back-ups

A significant presence along the Energy value chain

UPSTREAM	MIDSTREAM	DOWNSTREAM
Generation / Fuel procurement	Energy Management	Sales & Marketing

Upstream

- **3.4-GW thermal and hydro** plants, with diversified and flexible fuel mix
- **Consolidated experience** in plant operation

Midstream

- **~28-TWh** energy portfolio, including **20%** of **Edipower plants**
- **Active** in **CO_2-EUA** and **Green Certificates** markets
- **Growing** presence in **Europe**

Downstream

- **~15 TWh sold to retail customers**
- Strong presence in **Northern Italy** with long-lasting relationship with customers/citizens
- **Partnerships** with wholesalers

Upstream

- **Industrial partnerships** with upstream players (e.g. **Edison**)

Midstream

- Full consolidation of **Plurigas** (gas wholesaler)
- ~ **5-Bcm gas portfolio** under management
- Significant **import** and **trading activities**

Downstream

- ~ **3 Bcm** of **gas sold**
- **Consolidated** presence in **Northern Italy**
- **Commercial partnerships** with **local utilities**

Note: 2007 data

An important role in generation

A2A's ASSETS: GEOGRAPHIC PRESENCE

Thermoelectric plants

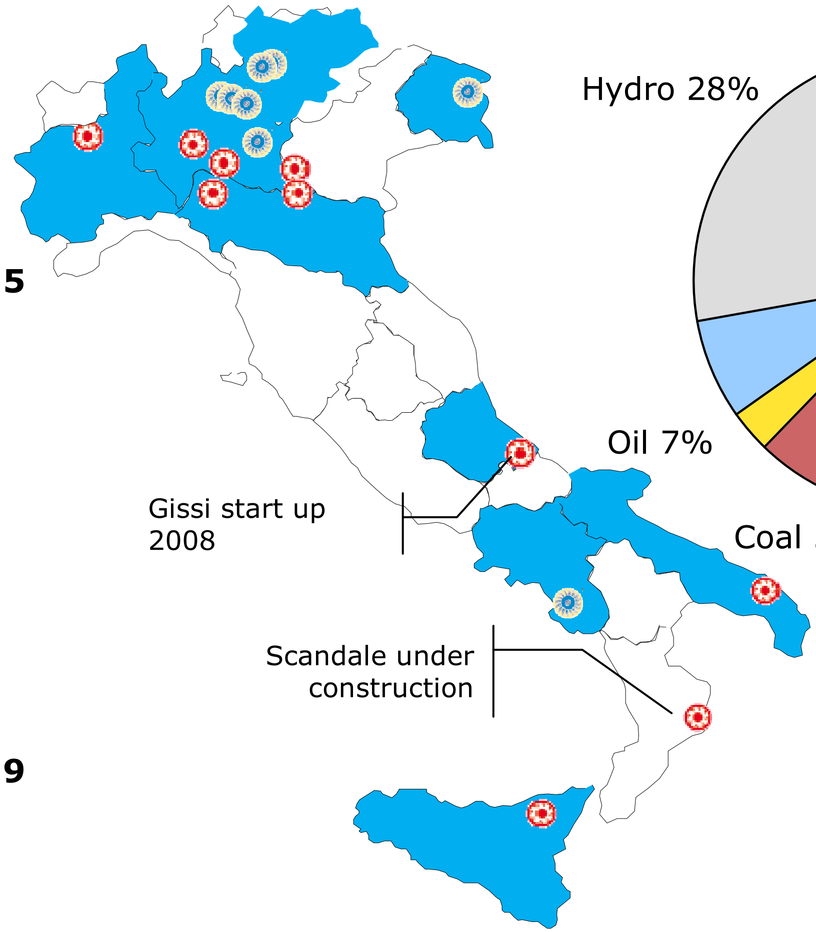
- Cassano d'Adda
- Ponti sul Mincio
- Chivasso
- Turbigo
- Piacenza
- Sermide
- Brindisi
- San Filippo del Mela
- Gissi
- Scandale

GW 2.5

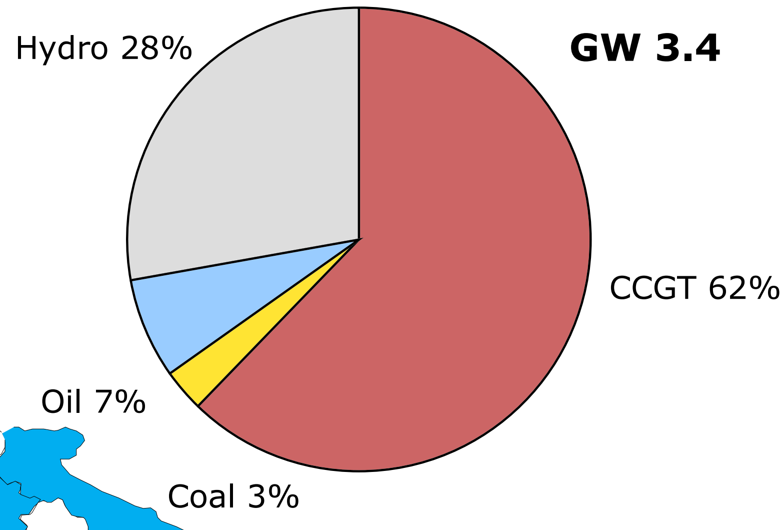
Hydroelectric plants:

- Braulio
- Stazzona
- Lovero
- Grosio
- Grosotto
- Premadio
- 5 plants close to BS
- Mese
- Udine
- Tusciano

GW 0.9



A2A's ASSETS: GENERATION PORTFOLIO

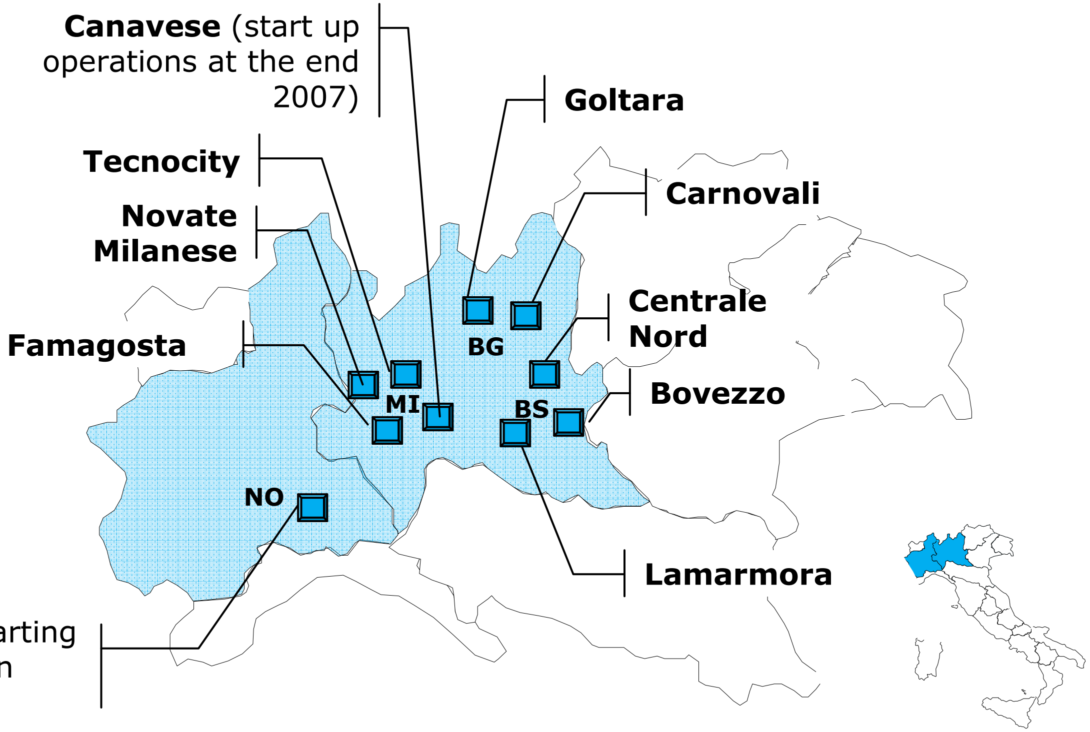


Italy's second independent generation company, considering cocontrolling stake of Edison

* A2A pro-quota directly dispatched
Note: 20% of Edipower included, Gissi: starting operations in 2008, Edison capacity 12.5GW

Italian leading player along district heating chain

Cogeneration Plants	Networks	Heat sold
•**5 major plants** in Northern Italy •**Significant assets base**: - Thermal installed capacity: ~ MWt 800 - Electric installed capacity: ~ MWe 180 •**Technology excellence centre**	•Network: **km 710** •Strong presence in the **Northern Italy**	•**First player** in Italy**:** - **TWh 1.5** of heat sold

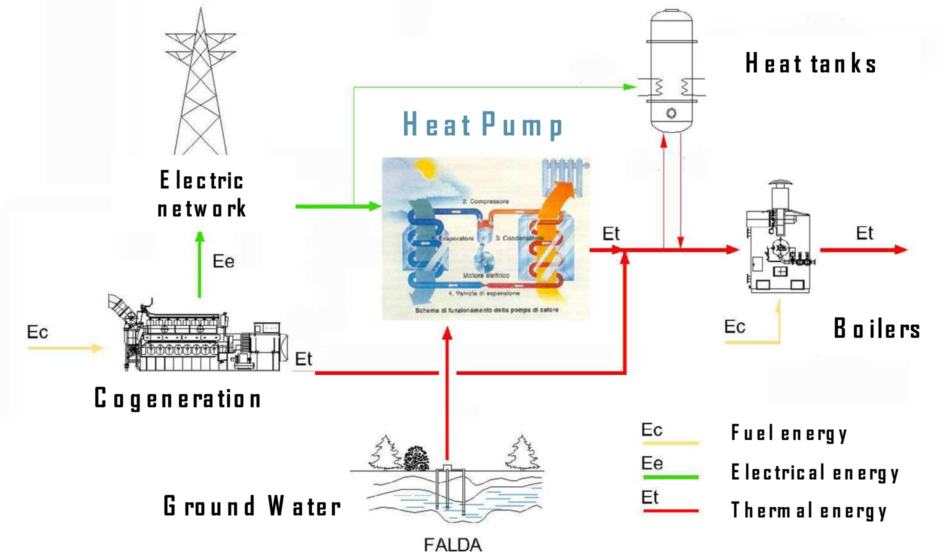


Note: 2007 data

Focus on heat pumps

- The extensive use of heating systems powered by electricity, especially heat pump systems with heat storage tanks, ensures an important contribution to equilibrating the national electricity demand increasing the load at night time.
- Heat pumps are powered by electrical energy; the connection to the electricity network combined with heat storage tanks ensure that the plant's functioning can be modulated.
- The **heat pumps** used make use of specific know–how developed in Sweden for urban district heating applied to powerful machines with more than 10 MWth power. These heat pumps guarantee excellent performances (COP ratio of about 3) producing water heated at 80 – 90 °C. The **COP (Coefficient of Performance)** is the parameter that defines the performance of a heat pump. It's defined as the ratio between thermal power produced and electric power supplied to H.P.

- The plants, which will be built, ensure energy and environmental advantages:
    - High energy saving; 35% of fuel consumption reduction
    - Atmospheric pollution reduction
    - Water table level control
- The excellent environmental performances of the project are due to: more than 50% of total heat distributed is produced by heat pumps with zero local emission: 2/3 of the heat is extracted from the ground water table, which is a **renewable source**, plentifully available on Milan urban area.
- Potential benefits from European Plan on Renewables



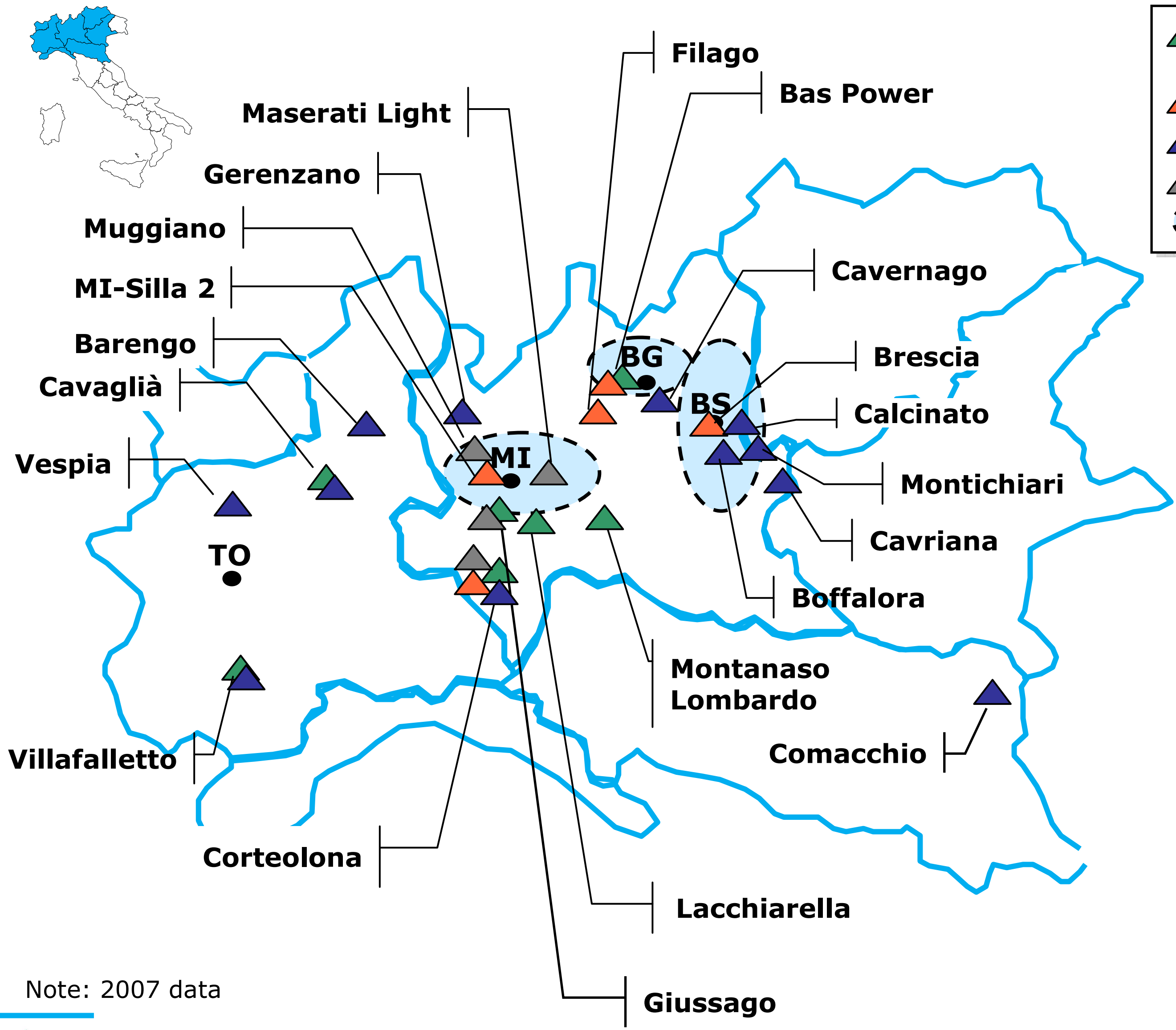
The typical plant is made up of: Cogeneration section – Heat pump packages – Integration section (Boilers) – Heat recovery tanks

Presence along waste value chain

	PLANT CONSTRUCTION	COLLECTING	WASTE TREATMENT AND DISPOSAL				
	R&D, design, construction and sale of waste treatment integrated systems	Waste collection and street cleaning	Sorting, MBT*and Solid Recovered Fuel production, composting, other treatments -	WTE *	Ashes	Landfill	Power production from Biogas
Amsa		✓	✓	✓			✓
ecodeco®	✓		✓	✓	✓	✓	✓
aprica spa		✓	✓	✓		✓	✓
a2a	✓	✓	✓	✓	✓	✓	✓

*MBT: Mechanical Biological Treatment, **Waste to Energy

Major national player in waste sector



- ITS® (Intelligent Transfer Stations) – MBT (Mechanical Biological Treatm.)
- WTE (Waste to Energy)
- Landfill and biogas
- Other (waste treatment, glass)
- Waste collection area

- **Waste treated:** **Mton 3.0**
- **Waste collected:** **Mton 1.4**
- **Energy produced:** **TWhe 1.2; TWht 0.6**

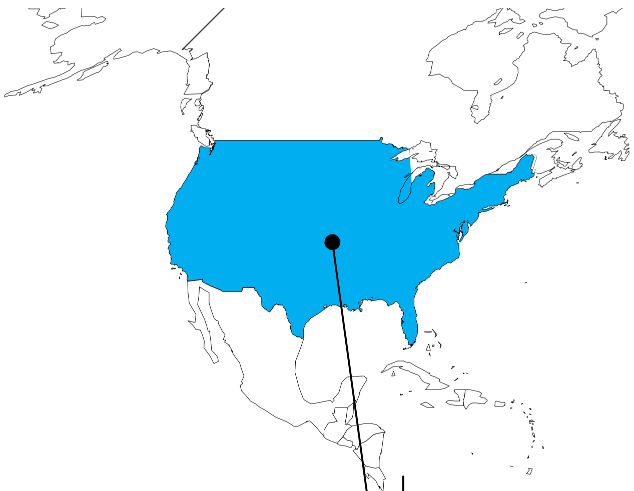
Waste revenues (~ €800M)

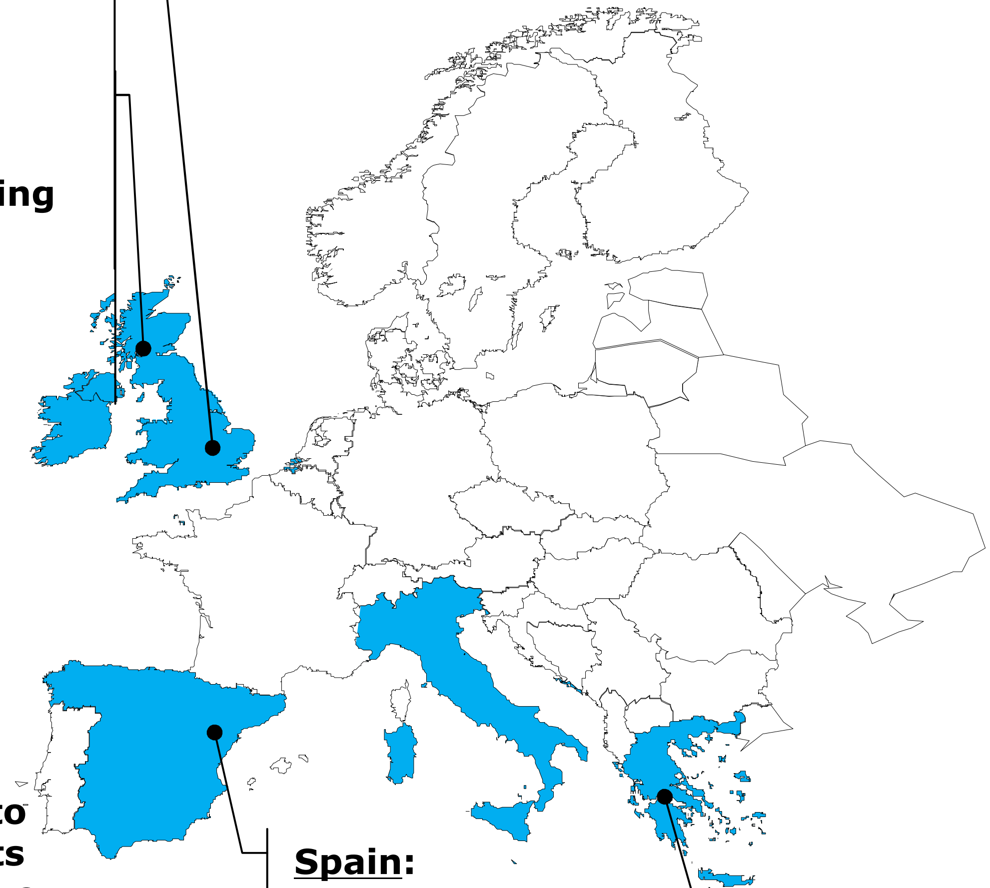
Note: 2007 data

Waste business expansion leveraging innovation

<u>UK</u>:

- **2 contracts signed in partnership with Shanks (i.e. ELWA*, Dumfries & Galloway**) implying 3 MBT plants already completed and operative**
- **Further several bids underway leveraging innovative A2A expertise**





- **<u>USA</u>: partnerships under discussion to develop new plants based on innovative A2A systems**

<u>Spain</u>:

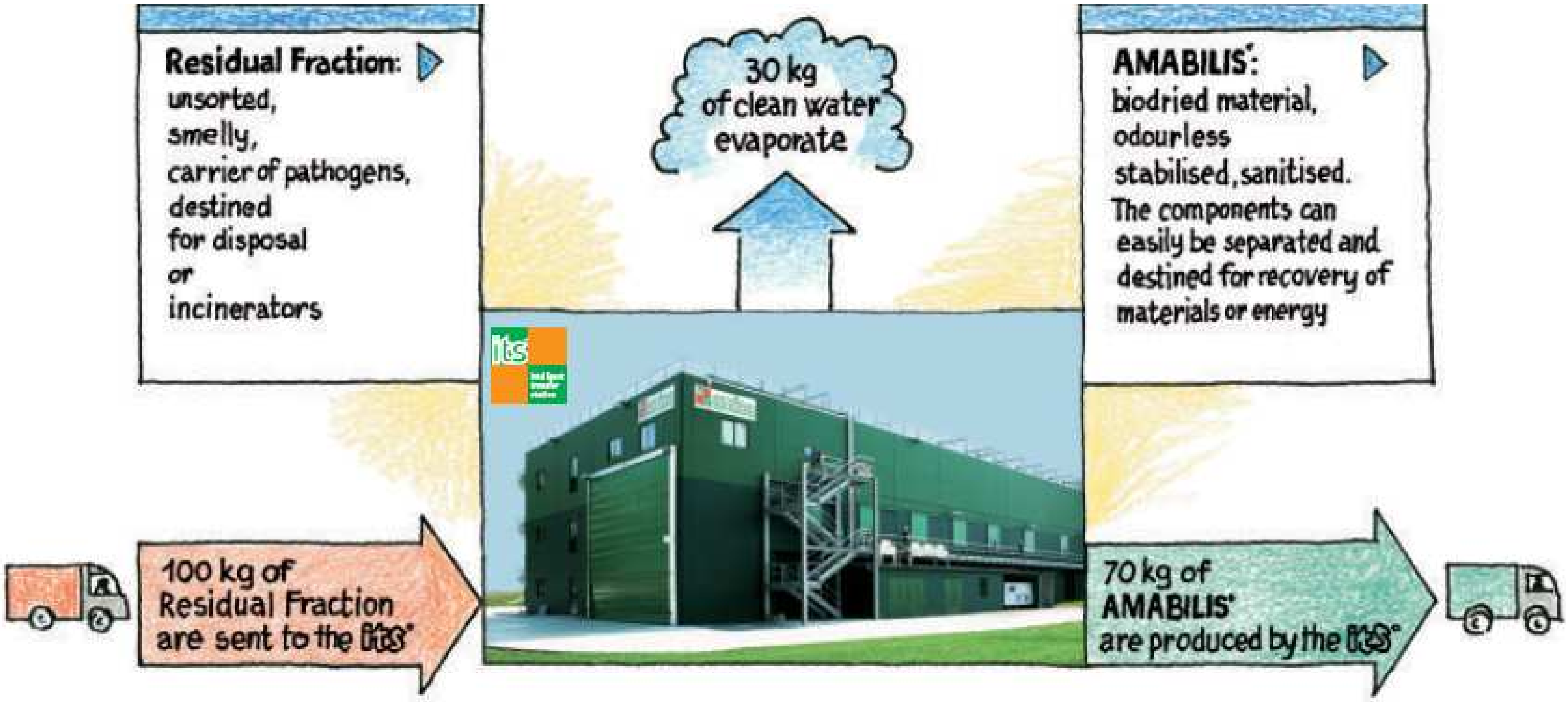
- **1 contract signed (i.e. Castellon)**
- **Active in several bids**

<u>Greece</u>: active in several bids

*East London West Authority (25 yrs contract to treat East London waste)
**South West Scotland

Ecodeco – proprietary patents: BIOCUBI

The Biocubi® process recovers energy from food remains (the most quickly degradable component of the Residual Fraction) in order to transform the other components of the Residual Fraction into a dry, clean, and high-energy material called Amabilis®



Ecodeco – proprietary patents: the use of Amabilis

Sistema Ecodeco® developed two sub-systems for the use of Amabilis® for energy purposes: Waste&Power® and NEW®, which are chosen according to specific needs and purpose.

The Waste&Power® Sub-system uses Amabilis® directly as a secondary fuel in electricity generating plants, and it can be used most usefully when there are large or numerous Secondary Energy Reservoirs, which can feed plants that are large enough to contain costs. Energy and economic efficiency increases greatly with increasing scale.

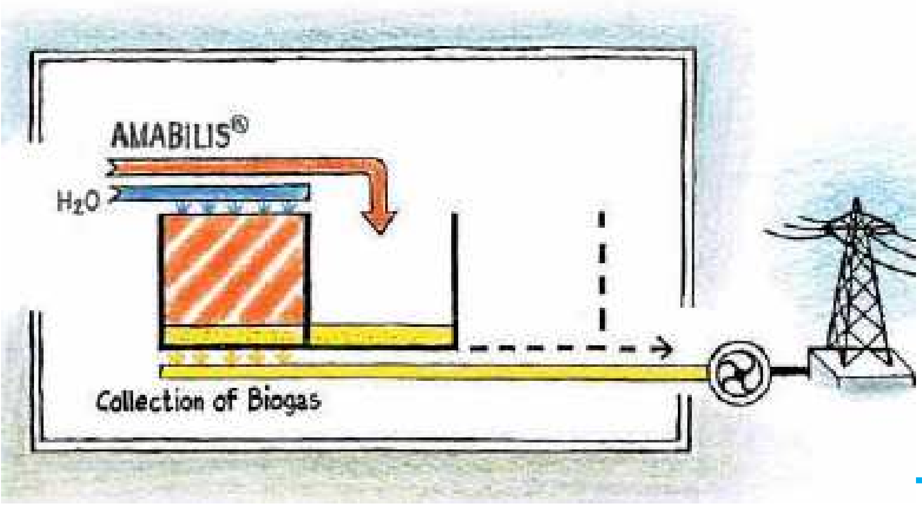
The NEW® (Natural Energy from Waste) Sub-system separates Amabilis® into two Fractions: a Combustible Fraction, which can be used for heat, for example in cement production plants, and a Methanogenic Fraction, which can be used to obtain Biogas in plants called Activated Bioreactors.
From an administrative point of view, Activated Bioreactors are currently considered a single-product landfill (Methanogenic Fraction of Amabilis®) subject to specific regulations in terms of post-closure management.

The Methanogenic Fraction, clean and odourless, is accumulated in one of the Activated Bioreactor's cells.

After the cell is sealed, water is added, which activates anaerobic fermentation and quickly produces Biogas.

Biogas is used to fuel a group of engines coupled with generators in order to produce electricity.

Diagram of Activated Bioreactor



A major presence in regulated businesses

POWER:

- **# Clients: ~ M 1.1**
- **Distributed volumes: ~ TWh 12.0**
- **Power distribution networks: ~ km 15,000**
- **Power transmission networks: ~ Km 180**

GAS:

- **# Clients: M 1.2**
- **Distributed volumes: ~ Bcm 2***
- **Distribution network: ~ Km 8,000**

WATER:

- **# Inhabitants: ~ K 940**
- **Water distribution: ~ Mcm 88; network: ~ Km 5,000**
- **Purification: ~ Mcm 66**
- **Sewage: ~ Mcm 55; network: ~ Km 2,400**

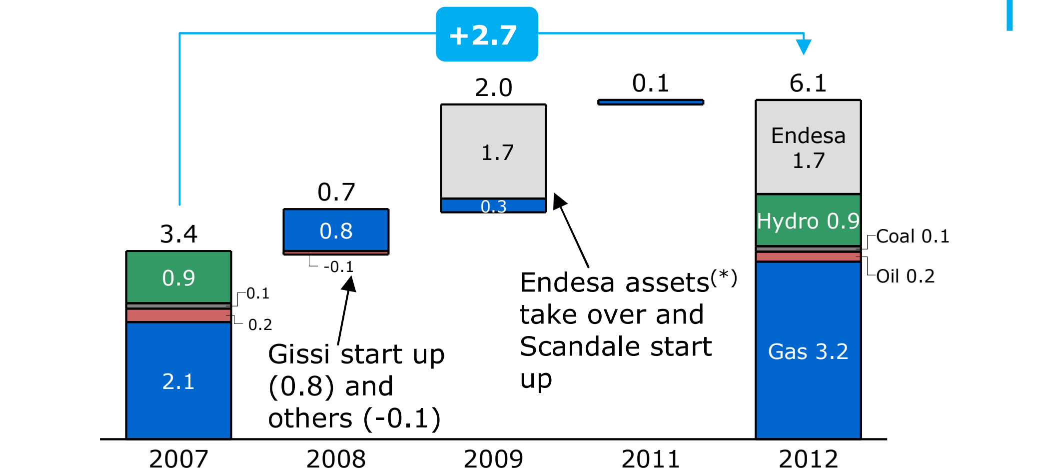
* Included volumes sold to clients directly connected to transport grid

Industrial Plan - Energy highlights

KEY FACTS

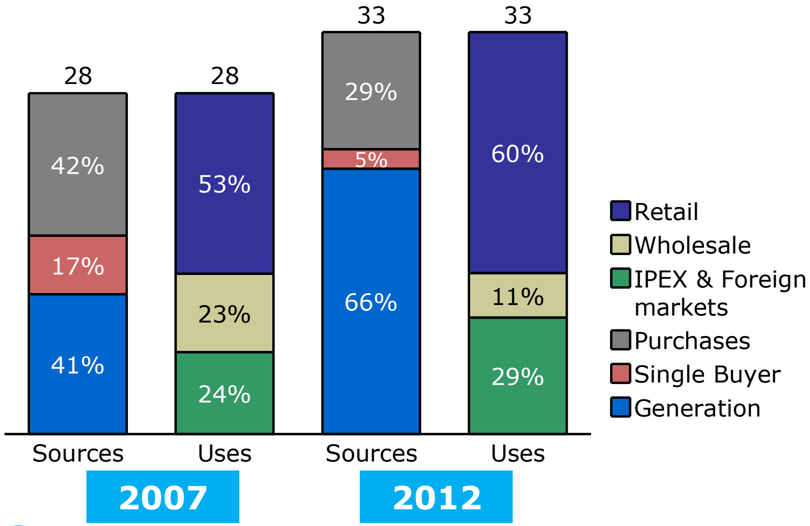
- **Development of <u>power capacity</u>**
- **Expansion of <u>trading activities</u>**
- **<u>Energy portfolio</u> management optimization**
- **<u>Cross selling/Dual Fuel</u> sales**

CAPACITY DEVELOPMENT (GW)

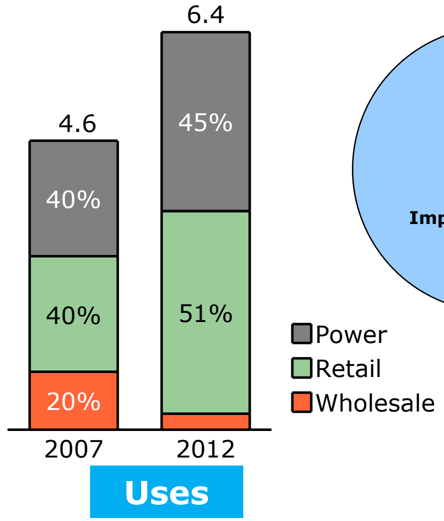


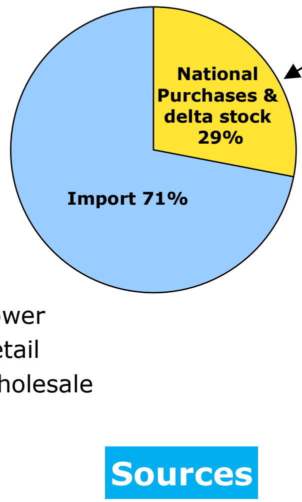
(*) July 2008 - Endesa assets chosen for swap: Monfalcone (976 MW), Calabria Hydro (484 MW)

POWER VOLUMES TRENDS (TWh)



GAS VOLUMES TRENDS (Bcm)





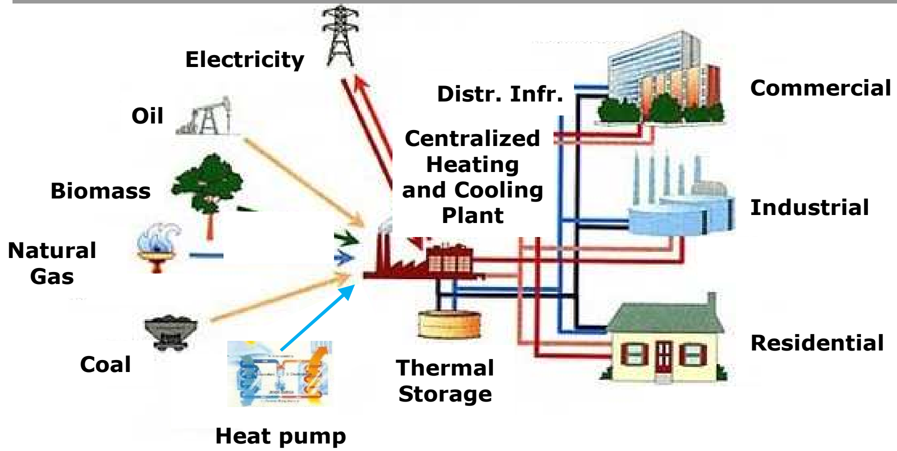
- Full consolidation of Plurigas
- International partnership under discussion
- Further upstream integration with Edison

Industrial Plan - District heating highlights

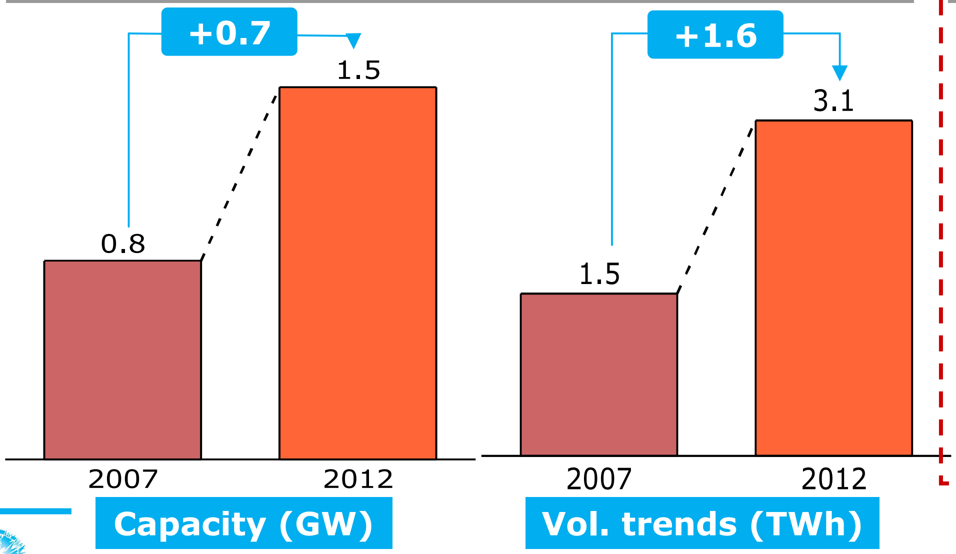
KEY FACTS

- **Development of ~ 700-MW new thermal capacity**
- **Further expansion of new distribution networks**
- **Strong investment in heat sold, doubling 2007 volumes by 2012**

BUSINESS MODEL



HEAT CAPACITY AND VOLUMES



COFATHEC CORIANCE (GAZ DE FRANCE)

- **4th district heating player in France ('07 REV : €63M; '07 EBITDA : €8.5M)**
- **Over 20 plants managed**
- **Installed capacity: 670 MWt**
- **Diversified technology/fuel mix (cogeneration, biomass, waste, etc.)**

UPSIDE

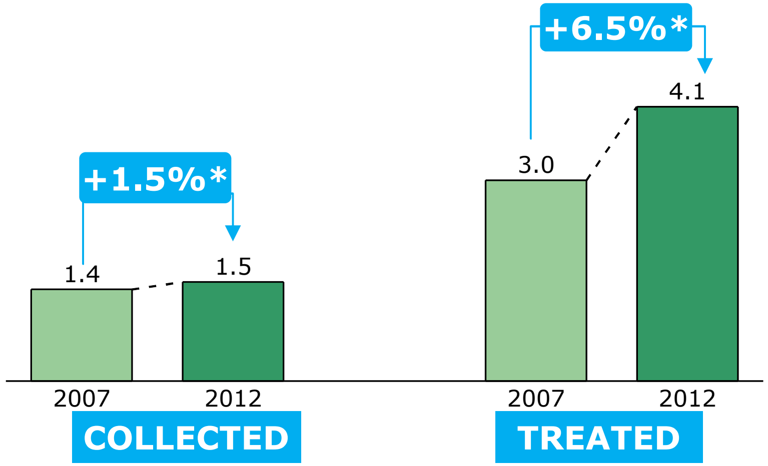
Purchased on 31st July 2008

Industrial Plan - Waste highlights

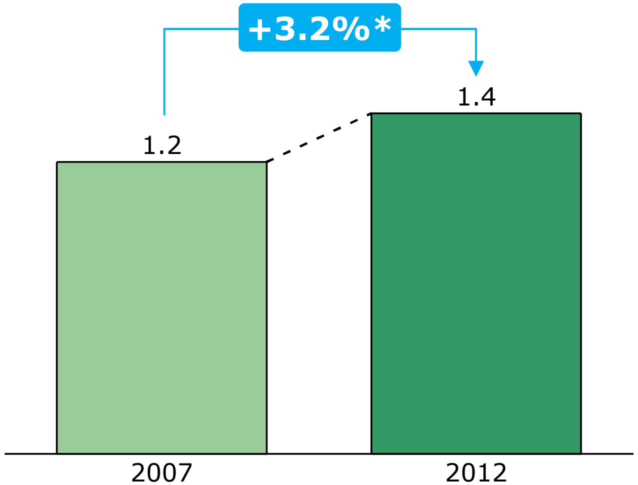
KEY FACTS

- **Expiration of CIP6 incentives offset by cash flow from new investments (e.g. new WTE plant in 2012) and operating synergies**
- **Potential expansion also abroad, leveraging innovation and technology advanced expertise**

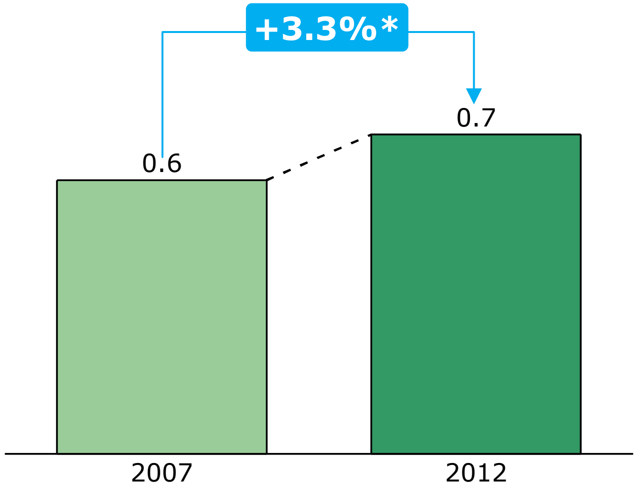
WASTE VOLUMES (Mton)



POWER PRODUCTION (TWhe)



HEAT PRODUCTION (TWht)



*CAGR

Industrial Plan - Networks highlights

KEY FACTS

- **<u>Electricity and gas</u>: equalisation for electricity distribution grid, efficiency improvement and infrastructure maintenance (e.g. metering, networks)**
- **<u>Water</u>: increase in water tariff and infrastructure development (i.e. sewage and depuration)**

REGULATORY SCENARIO

ELECTRICITY

- 3rd regulatory period (2008-2011) – Del. 348/07:
  - ROI: 7% (distribution), 7,2% (metering)
  - Price cap*: 1,9% (distribution), 5%(metering)

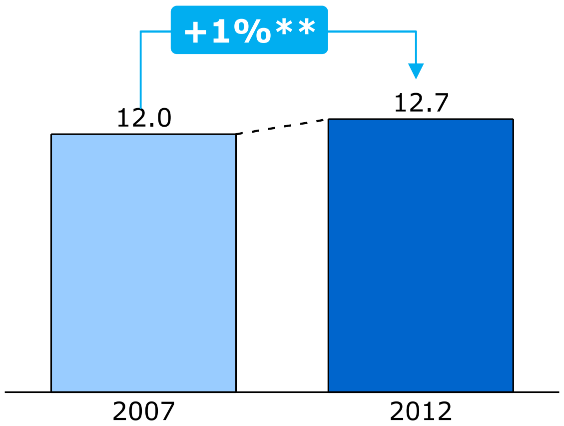
GAS

- 3rd regulatory period (2009-2012): DCO 4/08
  - X-Factor*: between 2%- 3%
  - ROI: > 7%

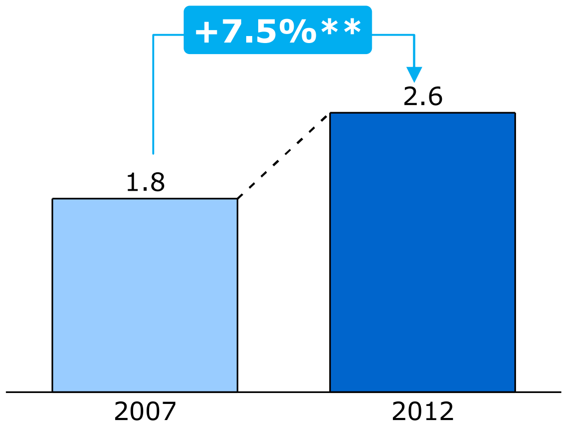
WATER

- Area Plan, 2007-2031 period:
  - Water tariff: return on invested capital: 7%
  - Efficiency improvement: 1%

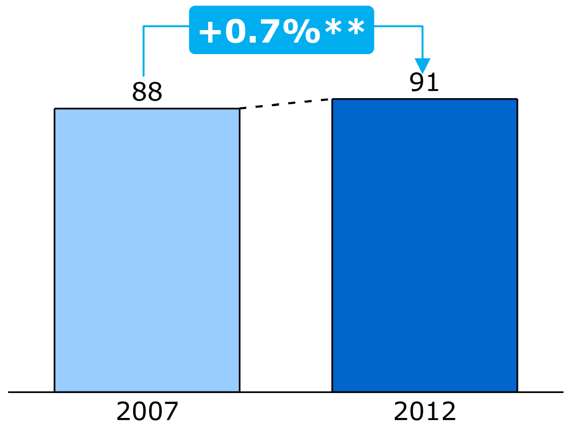
ELECTRICITY (TWh)



GAS (Bcm)



WATER (Mcm)

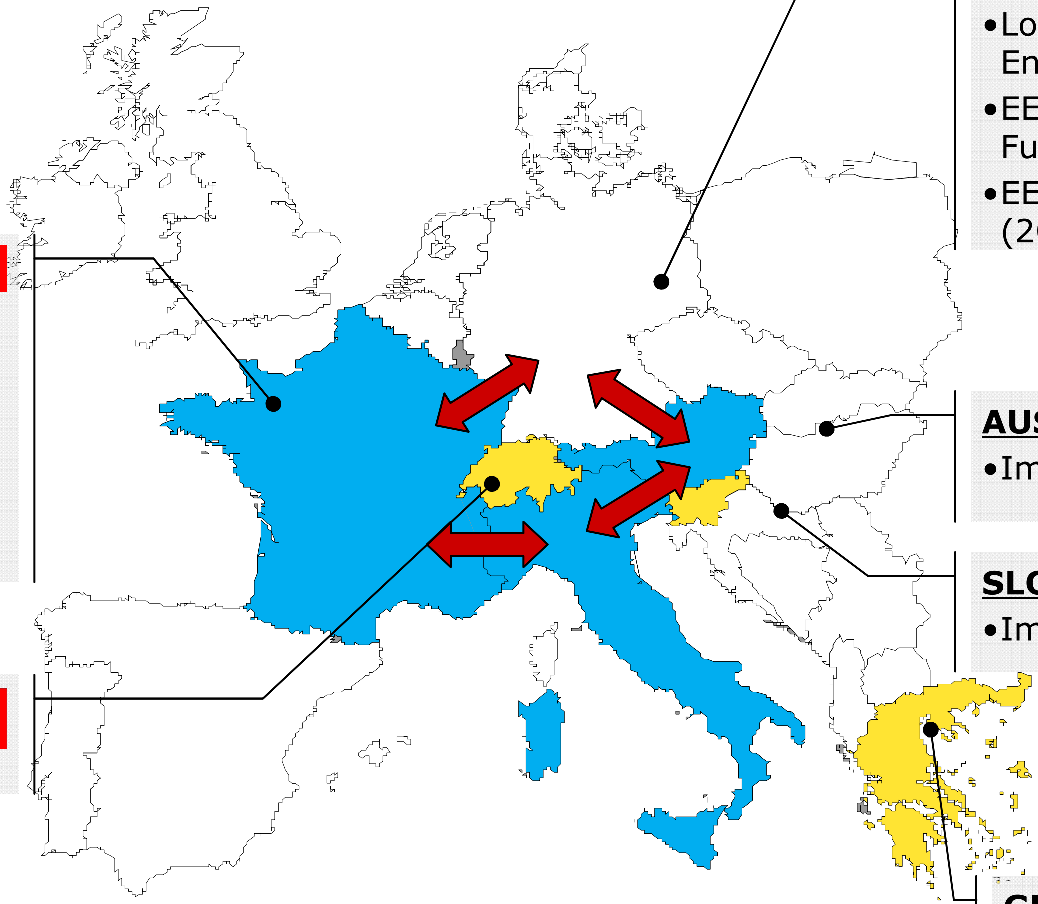


* "X-Factor" does not include inflation rate; ** CAGR
Source : AEEG, ATO

Trading activities on foreign power markets

FRANCE:
- Load balancing RTE (2003)
- Powernext Day-Ahead (2004)
- Powernext continuous trading (2007)
- Powernext future (2008)

SWITZERLAND:
- Import/export



GERMANY:
- Load balancing RWE, EnBW (2006)
- EEX Day-Ahead, EEX Future (2006)
- EEX continuous trading (2007)

AUSTRIA:
- Import/export

SLOVENIA:
- Import/export

GREECE:
- Import/Export Desmie
- Desmie: application for A2A to be finalized

Focus on energy risk management: maximizing value from energy portfolio activities within acceptable risk limit

a2a

CO_2 and green certificates A2A net position

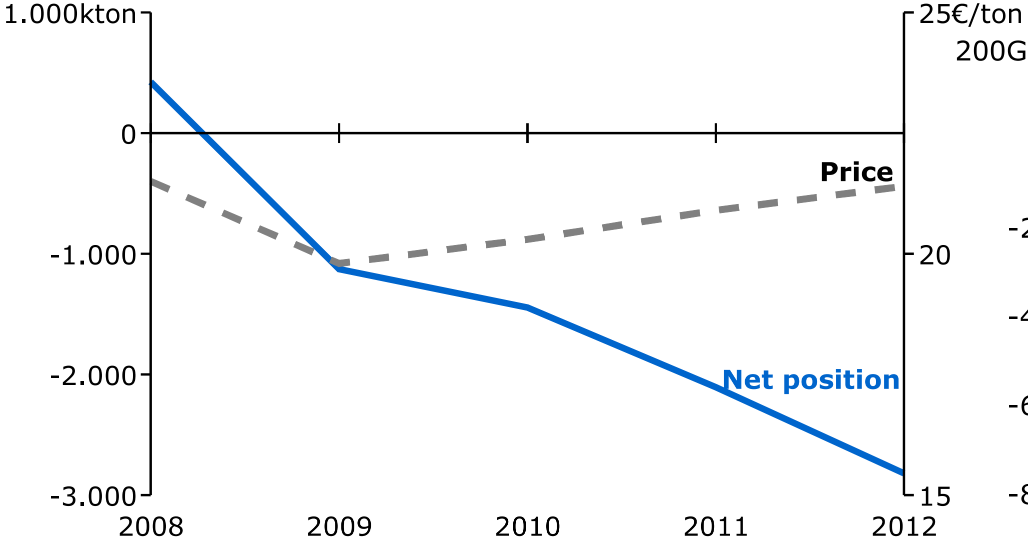
EMISSIONS TRADING	GREEN CERTIFICATES

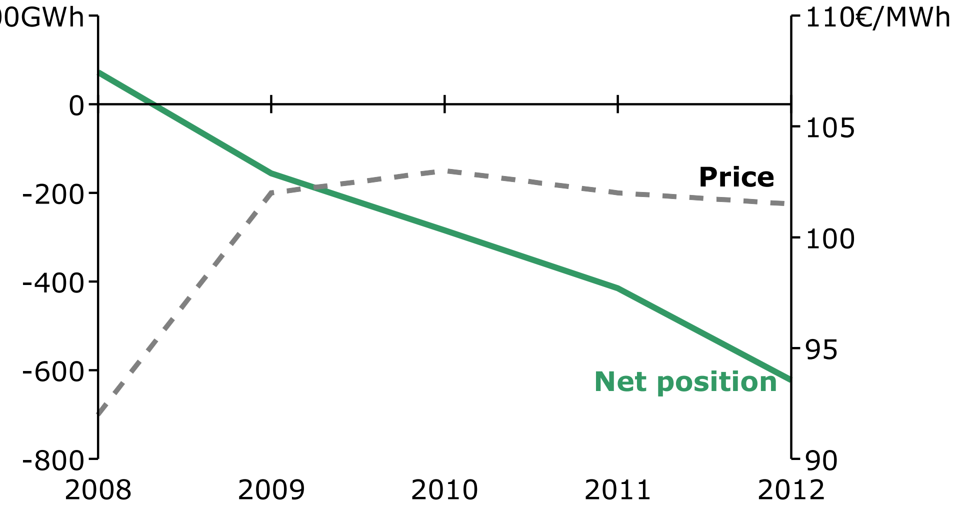
Emissions trading

- **CO_2 rights allocated according to Italian NAP regulations, as of March 2008**
- **Electricity price: CO_2 cost partially pass through to final customers**

Green certificates

- **Price increase from €/MWh 92 in 2008 to €/MWh 101.5 in 2012**
- **Requirements: gradual increase from 4.55% in 2008 to 7.55% in 2012**





A2A's position slightly long in 2008, progressively shortening after Endesa's asset acquisition

2007 Pro-forma figures – TdE/Edison cons.d at equity

€M data	2007	2006	YoY %
Sales	5,724	4,992	+14.7%
EBITDA	1,100	1,030	+6.8%
EBIT	712	645	+10.4%
Group net income *(of w. Delmi/TdE contribut.)*	521 *72*	535 *64*	-2.6%

	2007	2006	Δ
NFP*	3,732	3,061	+671
NFP/EBITDA	3.39 x	2.97 x	
NFP/GROUP EQUITY	0.96 x	0.88 x	
ROI**	8.2%	8.5%	

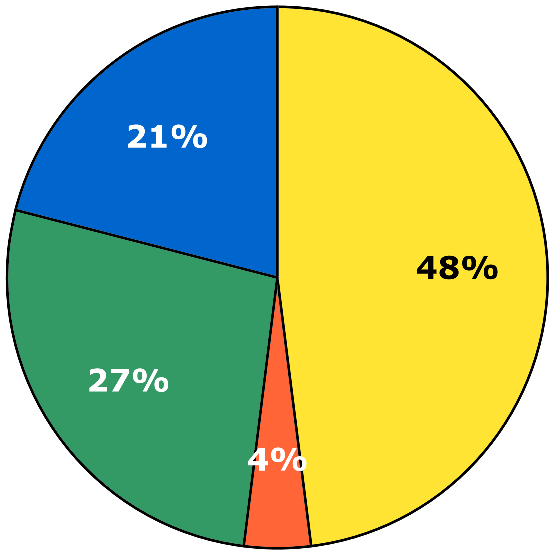
*Includes ~ €900M for Edison stake acquisition; ** Capital invested as of 31/12 (whereas Invested capital = Equity + NFP)

Note: Group Equity: net of minorities

2006-2007 Pro-forma EBITDA breakdown

€M data	EBITDA 2007	EBITDA 2006	Δ
ENERGY	546	516	+30
DISTRICT HEATING	48	62	-14
WASTE	310	259	+51
NETWORKS	244	226	+18
CORPORATE & OTHER SERVICES	-48	-33	-15
TOTAL	1,100	1,030	+70

EBITDA BREAKDOWN 2007



Note: TdE/Edison consolidated at equity

New accounting policy

WHEN	Q1 2008
HOW	equity method applied to all JV’s, in accordance with IAS 8 and IAS 31
WHY	focus on business directly managed by the Group different approach by IASB in the *Exposure Draft* n. 9 (“*Joint Arrangement*”)* and convergence to USGAAP

* *Most probably to be issued in 2009*

Change in accounting policy and Scope of consolidation

	New accounting policy						Previous accounting policy		
	9m 2008 9m 2007 Pro-forma			9m 2007 *restated*			9m 2007*		
	CONSOLIDATED ON.. BASIS	INCOME STATEMENT	NET RESULT	CONSOLIDATED ON.. BASIS	INCOME STATEMENT	NET RESULT	CONSOLIDATED ON.. BASIS	INCOME STATEMENT	NET RESULT
A2A subsidiaries*	*Line by line*	*100%*	*100%*						
AEM subsidiaries				*Line by line*	*100%*	*100%*	*Line by line*	*100%*	*100%*
				Line by line	*100%*	*30%***	*Line by line*	*100%*	*30%***
Ecodeco	*Line by line*	*100%*	*100%*	*Line by line*	*100%*	*100%***	*Line by line*	*100%*	*100%***
Plurigas	*Line by line*	*100%*	*70%*	*Equity*	-	*40%*	*Proportional*	*40%*	*40%*
Edipower	*Equity*	-	*20%*	*Equity*	-	*20%*	*Proportional*	*20%*	*20%*
Ergon Energia	*Equity*	-	*50%*		-				
Delmi	*Line by line*	*100%*	*51%*	*Line by line*	*100%*	*51%*	*Line by line*	*100%*	*51%*
TdE	*Equity*	-	*25.5%*	*Equity*	-	*25.5%*	*Proportional*	*50%*	*25.5%*
Edison	*Equity*	-	*15.3%*	*Equity*	-	*16.2%*	*Proportional*	*50%*	*16.2%*
A2A Coriance***	*Line by Line*	*100%*	*98.8%*						

* Issued on Nov 14th, 2007
** 30% for 6 months and 100% for 3 months
*** consolidated from 1° august 2008-30° sept 2008

CHANGE IN ACCOUNTING POLICY

CHANGE IN SCOPE OF CONSOLIDATION OR PERCENTAGE

A2A –Main financial highlights

€M data	9m2007*rest.d* Pro-forma	9m2008	Change	Change %
NET SALES	**3,785**	**4,363**	**+578**	**+15.3%**
EBITDA	**714**	**797**	**+83**	**+11.6%**
EBIT	**489**	**537**	**+48**	**+9.8%**
NET INCOME	**333**	**238**	**-95**	**-28.5%**

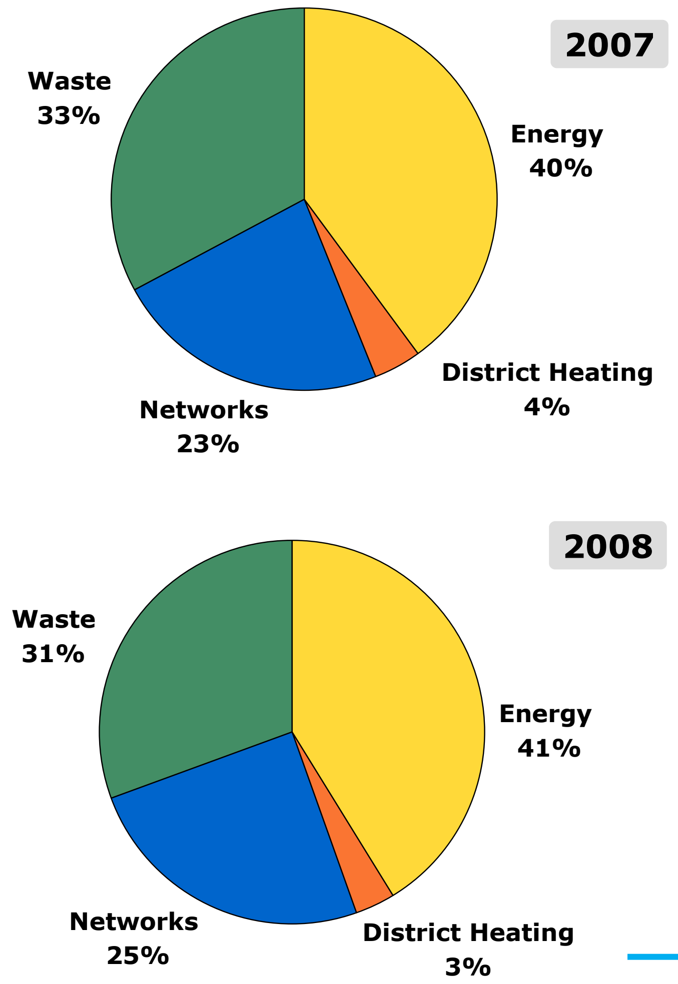
	end 2007*rest.d* Pro-forma*	9m2008	Change
NET CAPITAL EMPLOYED	**8,054**	**8,016**	**-38**
NFP	**(3,349)***	**(3,328)**	**+21**
EQUITY	**4,705**	**4,688**	**-17**
NFP/EQUITY	**0.71x**	**0.71x**	

*including 85 mln extraordinary dividend

9m2007-2008 Pro-forma EBITDA breakdown

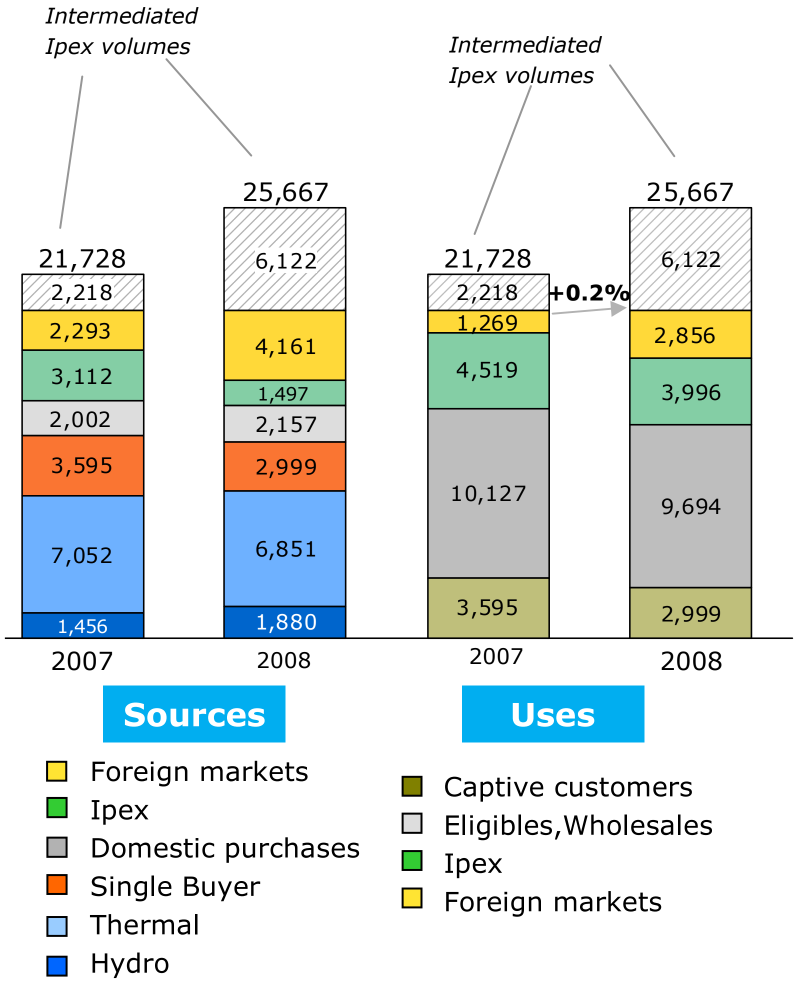
€M data	EBITDA 9m2007	EBITDA 9m2008	Δ
ENERGY	293	338	+45
DISTRICT HEATING	29	27	-2
WASTE	240	251	+11
NETWORKS	171	204	+33
OTHER SERVICES & CORPORATE	-19	-23	-4
TOTAL	714	797	+83

EBITDA BREAKDOWN



9m2007-2008 Results – Electricity (1/2)

VOLUMES (GWh)



GREEN CERTIFICATES POSITION at 30/9/08

Mwh data

A2A Group production	302,136
A2A Group needs	-265,523
Delta	36,613

CO2 NET POSITION

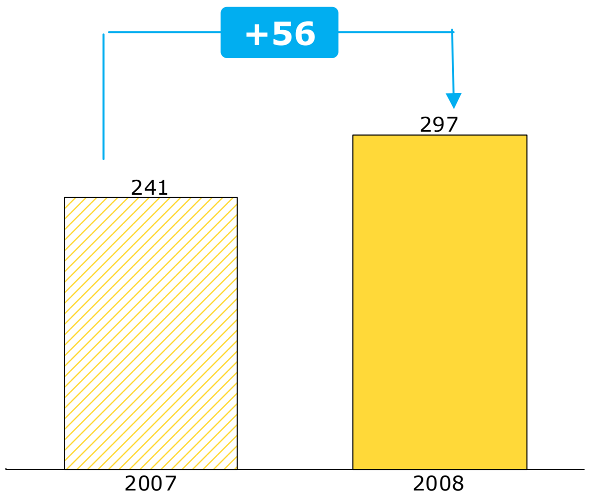
KTon data	TOTAL NAP 2008	CO2 emission 9m2008
Energy	4.721	3.170
District heating	703	283
Waste	132	118
Total	5.556	3.571

9m2007-2008 Results – Electricity (2/2)

SCENARIO

Average data		9m2007	9m2008	Var %
Brent	$/bbl	67.32	112.11	67%
CO2 System Average Cost	€/Tonn	0.8	23.85	-
GC System Average Cost	€/MWh	103.1	87.18	-15%
€/$	€/$	1.34	1.52	13%
Brent €	€/bbl	49.99	73.52	47%
PUN BL	€/MWh	67.77	85.77	27%
PUN Peak	€/MWh	100.06	111.82	12%
PUN Off-Peak	€/MWh	49.92	71.11	42%
CCGT Standard Gas Cost	€/MWh	47.24	62.38	32%
Spark Spread CCGT	€/MWh	20.54	23.39	14%
Spark Spread CCGT vs Peakload	€/MWh	52.83	49.43	-6%
Spark Spread CCGT vs Off-Peak	€/MWh	2.69	8.72	-
Spark Spread CCGT- Environmental costs	€/MWh	16.62	19.77	19%

EBITDA (€M)



POSITIVE KEY FACTS

- Positive dynamics of power exchange prices, in particular off peak prices
- Increase in hydroelectric production
- Increase in margin and volumes traded on the foreign markets
- Gissi start-up in July 2008

NEGATIVE KEY FACTS

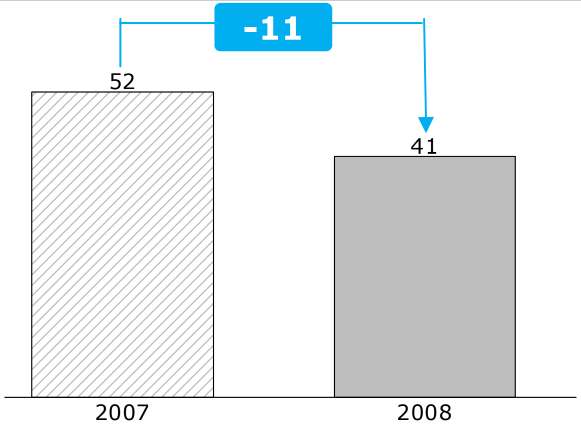
- Premadio plant stop (Unit 1 and 2)
- Cassano plant stop (Unit 1)
- Reduced Green Certificates long position

9m2007-2008 Results – Gas (2/2)

SCENARIO

(cEuro/m3)	Δ08/07
Gas AEEG Tariff	+5.15
Retail Gas Cost	+7.00

EBITDA (€M)



VOLUMES (Mmc)

	9m2007	9m2008	%
Retail	1,126	1,228	9%
Wholesales	1,284	1,185	-8%
Power	1,223	1,244	2%
Total sales	**3,633**	**3,657**	**1%**

KEY FACTS

Positive key facts

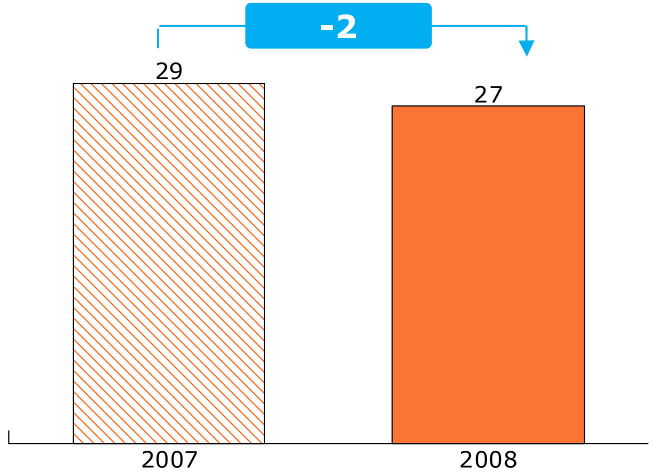
Increase in gas sales, compared to the same period of 2007 - characterized by an exceptionally mild weather

Negative key facts

- Decreasing profitability due to impact of scenario on indexation formulas
- Non current items recorded in 2007

9m2007-2008 Results – District heating

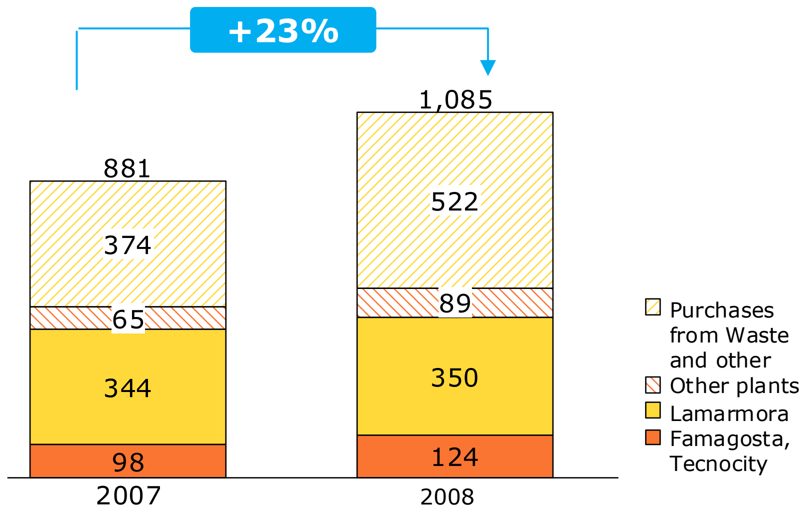
EBITDA (€M)



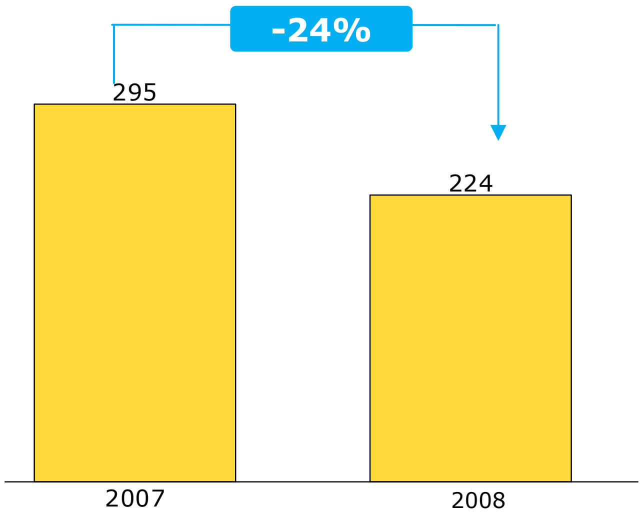
KEY FACTS

- Increase in heat sales compared to the same period of 2007
- Lower margin due to impact of scenario on indexation formulas
- Decrease in electricity volumes due to a more efficient plants dispatching

HEAT VOLUMES (GWh)

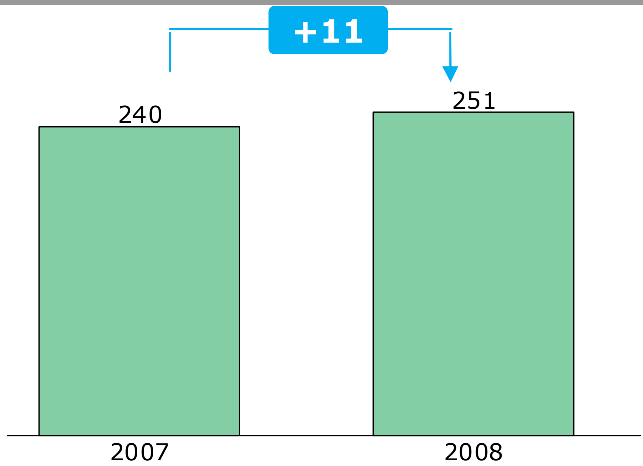


ELECTRICITY (GWh)



9m2007-2008 Results - Waste

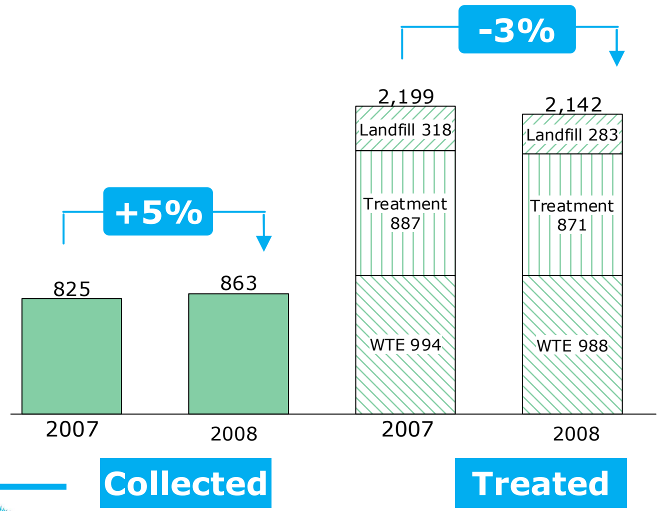
EBITDA (€M)



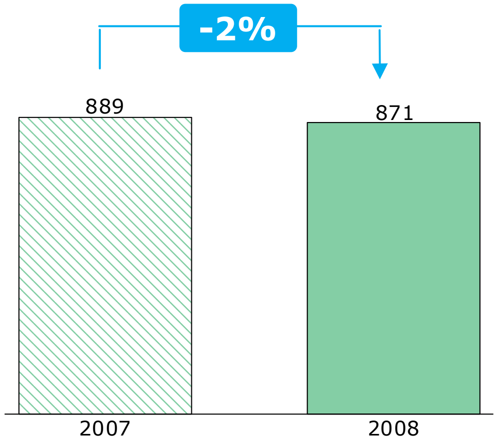
KEY FACTS

- Increase in heat production from WTE plants
- Increase in Cip6 tariffs
- Positive impact of contract revision with the Municipality of Milan
- Lower volumes disposed to landfills mainly due to Montichiari's limited residual capacity
- Lower margin due to Denox system installation and turbine major overhaul

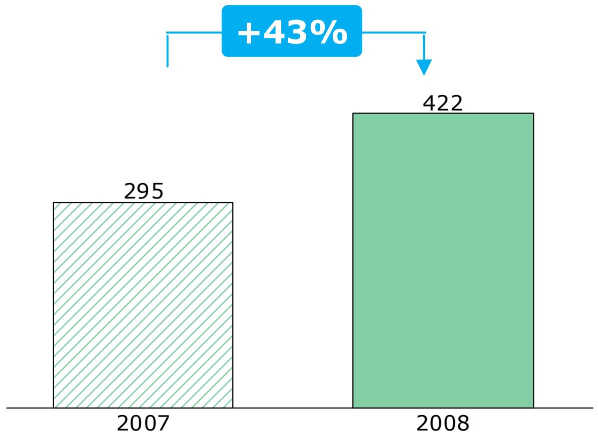
WASTE VOLUMES (Kton)



ELECTRICITY PRODUCTION (GWh)

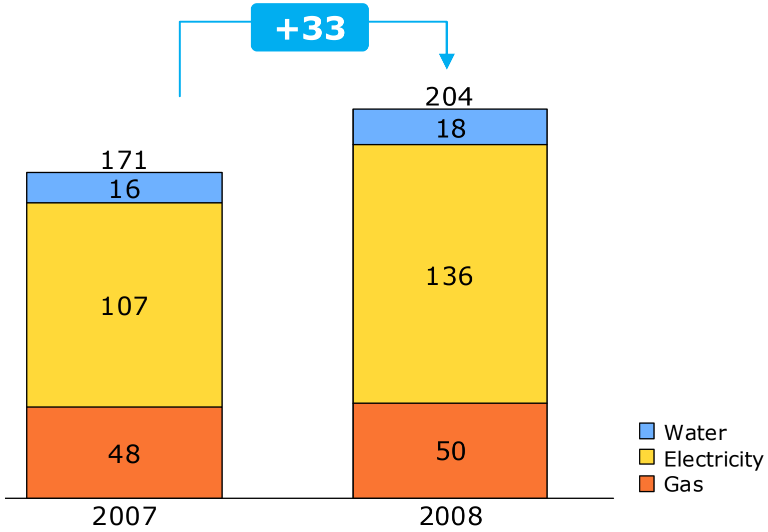


HEAT SALES (GWht)



9m2007-2008 Results - Networks

EBITDA (€M)



KEY FACTS

✓ **<u>Electricity:</u> +29 €M**

Positive impact on EBITDA due to the specific company equalisation related to the Milan distribution network covering 2004-2007 period

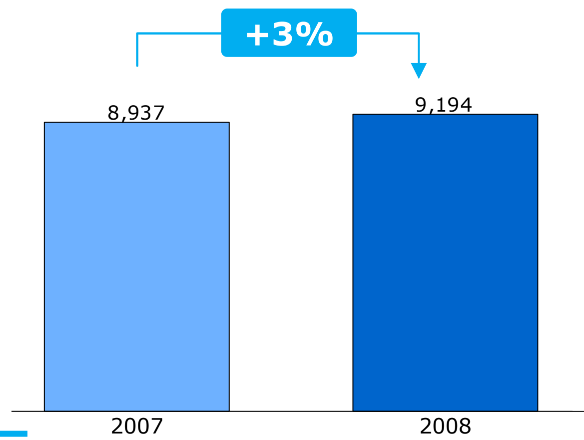
✓ **<u>Gas</u>: +2 €M**

Positive impact on EBITDA due to the increase in gas volumes compared to the same period of 2007 - characterized by an exceptionally mild weather

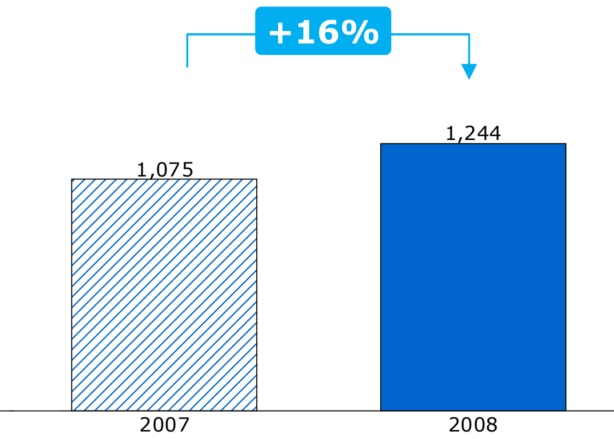
✓ **<u>Water</u>: +2 €M**

Positive impact on EBITDA due to tariff rise following ATO’s decision

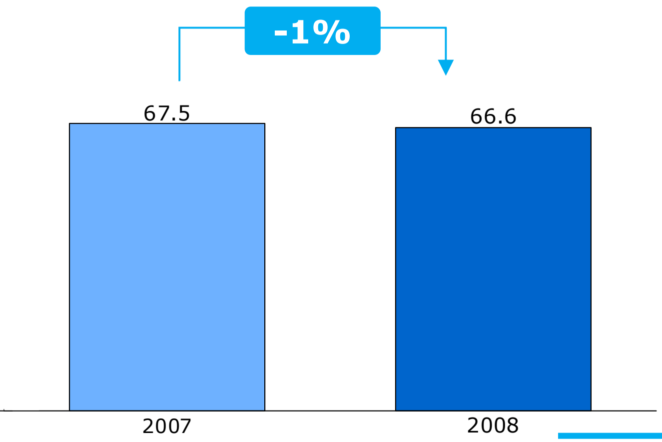
ELECTRICITY (GWh)



GAS DISTRIBUTED (Mmc)



WATER (Mmc)



a2a

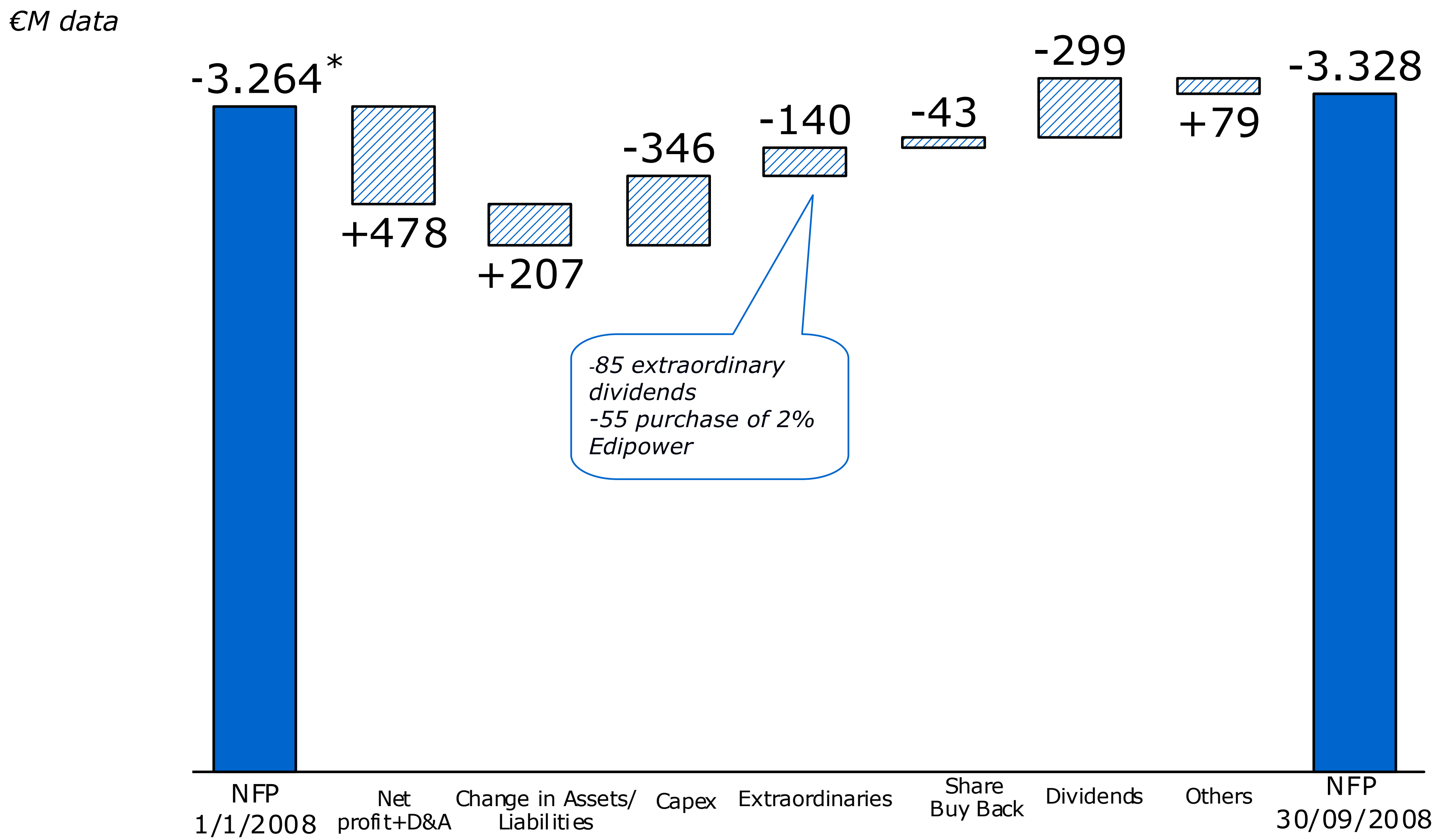
A2A –From Ebitda to EBT

€M data	9m2007 Pro-forma *rest.d*	9m2008	Change	Key point
EBITDA	**714**	**797**	**+83**	
D&A, Writedowns and Provisions	**-225**	**-260**	**-35**	***Deprec.Hydro***
Financial charges	**-88**	**-110**	**-22**	***Debt***
Derivatives/others	**-5**	**-33**	**-28**	***Derivatives, others***
Associates and JV and others	**+83**	**+29**	**-54**	***TdE***
Others	**-3**	**+13**	**+16**	***Positive claim***
EBT	**476**	**436**	**-40**	

A2A –From EBT to Net Income

€M data	9m2007 Pro-forma *rest.d*	9m2008	Change	Key point
EBT	**476**	**436**	**-40**	
TAXES	**-152**	**-181**	**-29**	***Tax rates; Robin Hood Tax***
IFRS 5	**+61**	**0**	**-61**	***Endesa***
MINORITIES	**-52**	**-17**	**+35**	
NET INCOME	**333**	**238**	**-95**	

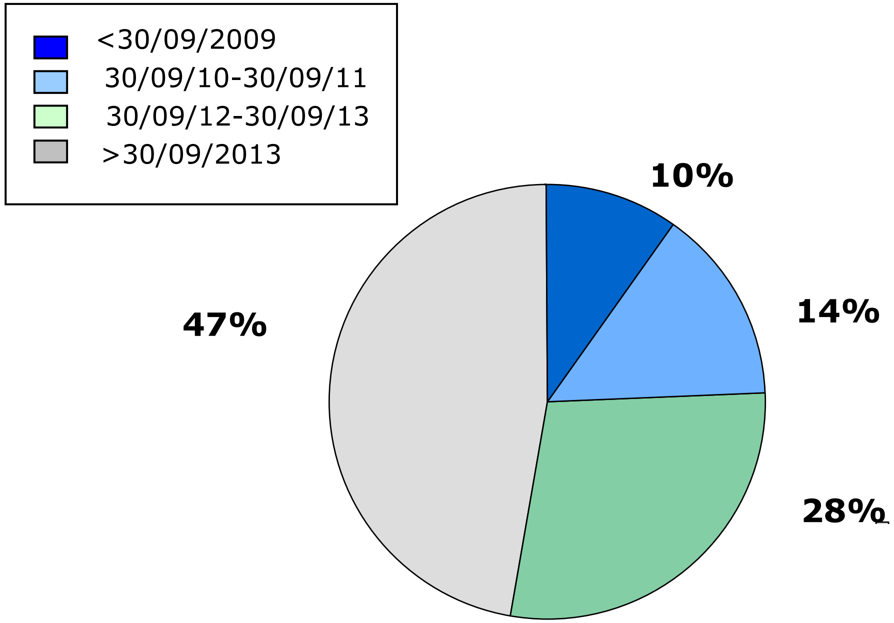
A2A –Net Debt and Cash Flow



* excluding €M85 extraordinary dividends

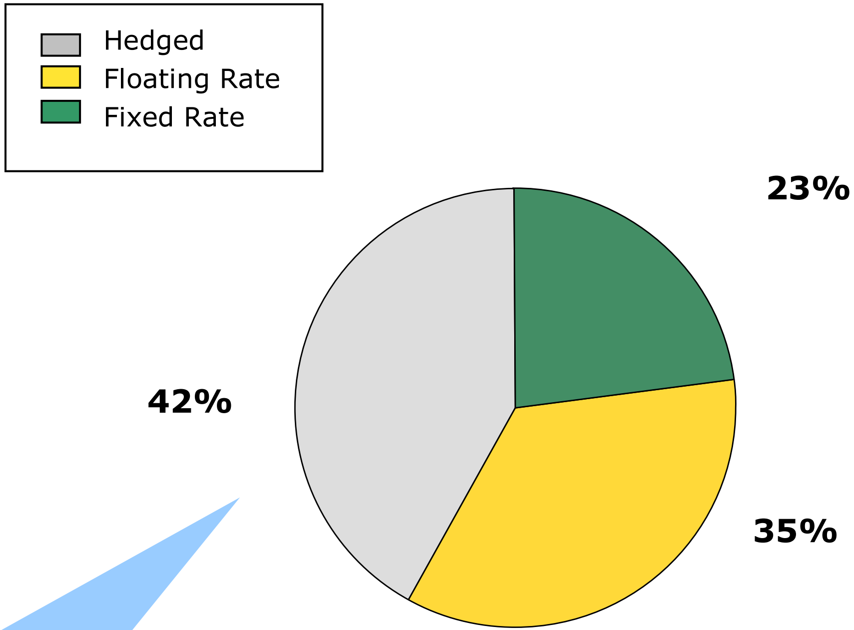
2008 Gross debt and interest rate structure

DEBT STRUCTURE



Total debt: € 3,519 m

INTEREST RATE STRUCTURE



Average debt life: 4,9 YRS

Committed Credit Lines available: 1,565 M€

RATING

		Current	Date
Standard & Poor's	M/L Term Rating	BBB+	17/07/2008
	Short-Term Rating	A-2	
	Outlook	Stable	
Moody's	M/L Term Rating	A3	11/11/2008
	Outlook	Stable	

A2A Bonds outstanding

	Issue quantity (€)	Annual coupon	Issue date	Maturity date
Eurobond 2013	500,000,000	4.875%	30/10/2003	30/10/2013
Eurobond 2014	500,000,000	4.875%	28/05/2004	28/05/2014
Bond yen 2036	98,000,000	5.405%	10/08/2006	10/08/2036