PRESS RELEASE – 07 May 2013

The A2A S.p.A. Management Board has examined and approved the Interim Report on operations at 31 March 2013

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Positive economic-financial results for the first quarter of 2013

Gross Operating Income of 328 million euros, up by 26% compared to the corresponding period of 2012

Net profit for the period of 76 million euros, in line with the result of the first quarter of 2012 which benefited from the release of funds and capital gains for around 30 million euros

Net Financial Debt down by a further 134 million euros

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Milan, 07 May 2013 – At today's meeting of the A2A SpA Management Board, chaired by Mr Graziano Tarantini, the Board examined and approved the Interim Report on operations at 31 March 2013.

The ordinary operations show a Gross Operating Margin of 328 million euros, up by 67 million euros (+25.7%) compared to the same period of the previous year. This positive result was achieved despite a reduction of the Revenues of 17.6% specifically following a reduction in natural gas trading activities on the wholesale markets.

With reference to the individual business activities, the Energy Business provided a positive contribution with the consolidation of Edipower and the excellent performance of EPCG having specifically contributed to its result. In the quarter, the subsidiary company in Montenegro showed an industrial margin which was positive for 30 million euros (1 million in the first quarter of 2012). The profit trend of the Cogeneration and District Heating Business was also positive which continues to benefit from the commercial development resulting from the extension of the networks in the Milan and Bergamo areas, as well as from acknowledgement of the new environmental certificates connected to energy savings associated with the start-up of new plants.

The profitability of the Networks Business was stable while that of the Environment Business was down, which was negatively affected in particular by the legislative changes introduced or announced at the end of the previous financial year relating to the sale price of electricity produced by waste-to-energy plants operating under the "CIP 6/92 scheme".

The net profit for the period, equal to 76 million euros, is in line with the first quarter of 2012 which benefited from the release of funds (risks and bad debt) and capital gains (disposal of e-Utile) for a total of 30 million euros.

During the period the generation of net cash flow was positive and equalled 134 million euros, after investments for 54 million euros. The Net Financial Position at the end of March 2013 thus amounted to 4,238 million euros (4,372 million at 31 December 2012).

Main consolidated results of the A2A Group at 31 March 2013

in millions of euros	**3 months 2013**	**3 months 2012**	**Δ %**
Revenues	**1,589**	1,928*	-17.6%
Gross Operating Income - EBITDA	**328**	261*	+25.7%
Net Operating Income - EBIT	**178**	178*	-
Group Net Profit	**76**	76	-

* following the disposal of the Coriance Group, which occurred in 2012, the results relative to the first three months of 2012 were reclassified under the item "Net results from non-current assets sold or held for sale".

in millions of euros	**3 months 2013**	**Year 2012**	**Δ**
Consolidated net financial debt	**4,238**	4,372	-134

Business outlook for operations

The first quarter of 2013 was characterized by macroeconomic, sector-based and regulatory conditions that were significantly worse than those that characterized the year 2012, even with reference to its last quarter. To date there are no signs of an economic turnaround.

This situation will slow the growth of the industrial margin of the A2A Group which is however expected to remain positive on an annual basis due to the effect of the contribution deriving from the consolidation for the entire year of Edipower (seven months in 2012), the forecasts of increase of the hydroelectric production, the growth of the results of the Heat Business and the benefits deriving from the start of the three-year Plan to improve operational efficiency called AXE80.

In keeping with the results achieved in 2012 and in the first part of the year, the management will remain committed to pursuing, as a priority, the objective of a further reduction of the levels of debt.

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Operating performance of the Group

The electricity sold on the wholesale and retail markets by the Group’s companies (net of the contribution of the subsidiary company EPCG in Montenegro) equalled 9.6 TWh (billion kilowatt hours)[1], a reduction of 7% compared to the first quarter of 2012.
Sales concerned the domestic market for 7.5 TWh and foreign markets for 2.1 TWh.
The Group's plants (3.7 TWh) which, from June 2012 onwards, included the greater contribution of the thermoelectric and hydroelectric plants owned by Edipower[2] (77% compared to 20% of the first five months of 2012) contributed to fulfil the demand.
Specifically, in the period in question, thermoelectric production came to 2.4 TWh while hydroelectric production amounted to 1.0 TWh.

The production of electricity from co-generation, waste-to-energy and biogas plants (0.4 TWh) was instead down compared to the first quarter of 2012 (0.5 TWh at 31 March 2012).

The EPCG Group produced a total of 1.2 TWh (+70.2% compared to the first quarter of 2012), of which 0.4 TWh was from thermoelectric sources and 0.8 TWh from hydroelectric sources.
Specifically, the slight drop in the production of thermoelectricity (-3%), attributable to the halt due to extraordinary maintenance of the thermoelectric plant in Pljevlja, was more than offset by the greater production of the Group's hydroelectric plants (+0.5 TWh).
These dynamics, combined with a reduction in sales on the end markets (-0.3 TWh) due to the lack of supply to the KAP aluminium factory, resulted, compared to the first three months of 2012, in a reduction of imports (-0.3 TWh) and allowed the growth of exports (+0.2 TWh). The electricity distributed instead amounted to 0.7 TWh (-3% compared to the first three months of 2012).

In the period in question, gas sales amounted to 877 million cubic metres, down by 1,054 million cubic metres due to reduced trading activities on the wholesale markets.

Heat sales reached 1.2 TWh (+11% compared to the same period of the previous year).
The Group’s co-generation and waste-to-energy plants contributed to covering the thermal load with a total production of 1.1 TWh, up by 15% compared to the first quarter of 2012.

The quantity of waste disposed of equalled 0.6 million tonnes (in line with 31 March 2012).

The electricity distributed amounted to 2.8 TWh, down by 3.0% compared to the same period of the year 2012. The quantities of gas distributed were instead up compared to the first three months of the previous year and amounted to 981 million cubic metres (+3.3%).

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[1] Net of the energy sold and simultaneously reacquired by the Power Exchange.
[2] 23% of the production capacity of the Edipower plants is covered by a contract with the Iren Group. The production data is therefore stated net of the electricity underlying that contract.

The water distributed amounted to 16 million cubic metres (17 million cubic metres at 31 March 2012).

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Economic results

"**Revenues**" of the A2A Group amounted to 1,589 million euros, down compared to the first quarter of 2012 (1,928 million euros) mainly due to the effect of the reduced sales of gas on the wholesale markets.

The "**Gross Operating Income**" of the period in question equalled 328 million euros, an increase of 67 million euros compared to the first quarter of the previous year (+25.7%).

The following table shows the dynamics of the Gross Operating Income (EBITDA) by business area:

Millions of euros	**03.31.2013**	**03.31.2012**
Energy Business	153	79
Environment Business	57	71
Heat and Services Business	55	43
Networks Business	67	68
Other Services and Corporate	-4	0
Total Ebitda	**328**	**261**

The Energy Business shows a gross operating margin of 153 million euros, up by 74 million euros (+94%) compared to 31 March 2012.
The quarter in question benefited from the consolidation of the subsidiary company Edipower (in 2012 the result only incorporated the margins deriving from the operations under Tolling of 20% of the plants of Edipower, while in the first quarter of 2013 it includes the 100% consolidation of the company), the performance of the consolidated EPCG, the greater margins of the retail sector, which partially offset the lower contribution of the thermoelectric sector, and finally the positive result of the trading activities which in the first quarter of 2012 were particularly penalized by the adverse trends of the prices on the international markets.

The reduction of the margin of the *Environment* Business, equal to 14 million euros compared to the first quarter of the previous year, can mainly be attributed to the lower revenues deriving from the recent legislative changes and guidelines of the Regulatory Authority for Electricity and Gas (Ministerial Decree 20 November 2012 and AEEG Opinion 535/12), already implemented in the year 2012, which established new methods for calculating the price component of the withdrawal of energy under an agreement CIP 6 (CEC), as well as the expiry of the CIP 6 agreement relative to the waste-to-energy plants of Corteolona (Pavia). A halt for planned maintenance of the waste-to-energy plant of Acerra also contributed to the lower result.

The Gross Operating Income of the Heat and Services Business equalled 55 million euros, an increase of 12 million euros compared to the first quarter of 2012. This trend can be attributed to the greater volumes sold in the Cogeneration-District Heating Sector where the commercial development action continues connected to the extension of the Milan and Bergamo networks. The Sector also benefited from acknowledgement of the new Green Certificates and White Certificates due to the development of new highly energy efficient plants. With regard to the Business the profitability of the Heat Management Sector was also increased.

The margin of the *Networks* Business amounted to 67 million euros, in line with the result of the first quarter 2012.

The “**Depreciation, amortization, provisions and write-downs**” amount to a total of 150 million euros (83 million euros at 31 March 2012). The increase of 67 million euros can be attributed to the greater amortisation and depreciation and provisions deriving from the consolidation of Edipower S.p.A. for a total of 45 million euros. The first quarter of 2012 also benefited from the release of funds for 29 million euros.

Due to the effect of the dynamics explained above the **“Net Operating Income”** equals 178 million euros and is unvaried compared to the first quarter of 2012.

The “**Net financial charges**” amounted to 41 million euros (53 million euros in the first quarter of 2012), reduced compared to the same period of the previous year due to the effect of the *fair values* of the financial derivatives which, at 31 March 2013, show a positive result of 6 million euros, while at 31 March 2012 they showed a negative result of 22 million euros. This improvement was partially offset by the higher financial charges deriving from the consolidation of Edipower S.p.A..

“**Affiliates**” are positive for 4 million euros. In the first quarter of 2012 this item showed no value.

The “**Other net non-operating expenses**” show a net negative value of 1 million euros (no value at 31 March 2012) and refer to the charges incurred by the subsidiary company EPCG.

"**Income Taxes"** in the period in question equalled 55 million euros, unvaried with respect to the corresponding period of 2012.

The “**Net results from non-current assets sold or held for sale**” does not show any value in the period in question, while it was positive for 12 million euros at 31 March 2012 and mainly included the capital gains deriving from the disposal of the shareholding in the company e-Utile S.p.A. as well as the results for the period of the Coriance Group, disposed of during the previous financial year.

The “**Group net profit for the period**”, after the Minorities were deducted, equalled 76 million euros, unvaried compared to the result of the corresponding period of 2012.

Financial position and assets

The consolidated “**Net employed capital**” at 31 March 2013 came to 8,015 million euros and was covered by the Net Equity for 3,777 million euros and the net financial debt for 4,238 million euros.

The **“Net working capital”** came to 836 million euros, essentially in line with respect to 31 December 2012.

The **“Net fixed assets”**, including the “Assets/Liabilities held for sale”, equalled 7,179 million euros, down by 67 million euros compared to 31 December 2012.

The “**Net financial position**”, equal to 4,238 million euros was down by 134 million euros compared to 31 December 2012 following the positive generation of cash flow attributable to the operations, partially offset by the resources absorbed by the investment activities for 54 million euros.

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The Executive responsible for drawing up A2A S.p.A.'s company accounting documents declares – in accordance with article 154-bis, subsection 2 of the Financial Act (TUF) (Legislative Decree 58/1998) - that the accounting information contained in this document corresponds to the documentary evidence, books and accounting records.

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The following are attached: the accounting tables of the A2A Group, extracted from the Interim Report on operations at 31 March 2013.

For further information:

Communications and External Relations: tel. 02 7720.4582, ufficiostampa@a2a.eu
Investor Relations: tel.02 7720.3974, ir@a2a.eu
www.a2a.eu

Duty to notify the public in accordance with Consob decision no. 11971 of 05/14/1999 as amended

CONSOLIDATED BALANCE SHEET (millions of euro)	03/31/2013	12/31/2012	03/31/2012
ASSETS			
NON-CURRENT ASSETS			
Tangible assets	6,304	6,370	4,649
Intangible assets	1,387	1,393	1,518
Shareholdings carried according to equity method	214	210	522
Other non-current financial assets	54	53	49
Deferred tax assets	267	269	-
Other non-current assets	87	89	114
TOTAL NON-CURRENT ASSETS	**8,313**	**8,384**	**6,852**
CURRENT ASSETS			
Inventories	199	340	120
Trade receivables	2,076	1,907	2,189
Other current assets	362	318	329
Current financial assets	56	27	234
Current tax assets	59	90	6
Cash and cash equivalents	629	553	245
TOTAL CURRENT ASSETS	**3,381**	**3,235**	**3,123**
NON-CURRENT ASSETS HELD FOR SALE	**328**	**326**	**926**
TOTAL ASSETS	**12,022**	**11,945**	**10,901**
EQUITY AND LIABILITIES			
EQUITY			
Share capital	1,629	1,629	1,629
(Treasury shares)	-61	-61	-61
Reserves	1,277	1,018	1,180
Net profit for the year	-	260	-
Net profit for the period	76	-	76
Equity pertaining to the Group	**2,921**	**2,846**	**2,824**
Minority interests	856	851	834
Total equity	**3,777**	**3,697**	**3,658**
LIABILITIES			
NON-CURRENT LIABILITIES			
Non-current financial liabilities	4,337	4,371	3,963
Deferred tax liabilities	-	-	4
Employee benefits	323	325	269
Provisions for risks, charges and liabilities for landfills	609	611	453
Other non-current liabilities	413	413	182
Total non-current liabilities	**5,682**	**5,720**	**4,871**
CURRENT LIABILITIES			
Trade payables	1,167	1,332	1,235
Other current liabilities	659	486	497
Current financial liabilities	660	653	587
Tax liabilities	26	8	53
Total current liabilities	**2,512**	**2,479**	**2,372**
Total liabilities	**8,194**	**8,199**	**7,243**
LIABILITIES DIRECTLY ASSOCIATED WITH NON-CURRENT ASSETS HELD FOR SALE	**51**	**49**	**-**
TOTAL EQUITY AND LIABILITIES	**12,022**	**11,945**	**10,901**

CONSOLIDATED INCOME STATEMENT (millions of euro)	01/01/2013 03/31/2013	01/01/2012 03/31/2012 (*)	01/01/2012 12/31/2012
Revenues			
Revenues from the sale of goods and services	1,538	1,910	6,281
Other operating income	51	18	199
Total Revenues	**1,589**	**1,928**	**6,480**
Operating expenses			
Expenses for raw materials and services	1,043	1,459	4,559
Other operating expenses	54	66	251
Total operating expenses	**1,097**	**1,525**	**4,810**
Labour costs	**164**	**142**	**602**
Gross operating income - EBITDA	**328**	**261**	**1,068**
Depreciation, amortization, provisions and write-downs	**150**	**83**	**567**
Net operating income - EBIT	**178**	**178**	**501**
Financial balance			
Net financial charges	41	53	193
Affiliates	4	-	13
Total financial balance	**-37**	**-53**	**-180**
Other net non-operating (expenses)/income	**-1**	-	**-3**
Income before taxes	**140**	**125**	**318**
Income taxes	**55**	**55**	**128**
Income after taxes from operating activities	**85**	**70**	**190**
Net result from non-current assets sold or held for sale	-	12	81
Net profit	**85**	**82**	**271**
Minorities	**-9**	**-6**	**-11**
Group net profit for the period/year	**76**	**76**	**260**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (millions of euro)	03/31/2013	03/31/2012	12/31/2012
NET INCOME/(LOSS) FOR THE PERIOD/YEAR (A)	**85**	**82**	**271**
Actuarial gains/(losses) on employee's benefits booked as net equity	-	-	-33
Tax effect of other actuarial gains/(losses)	-	-	8
Total actuarial gains/(losses) net of the tax effect (B)	-	-	-25
Effective part of gains/(losses) on cash flow hedge	-2	-23	-54
Tax effect of other gains/(losses)	1	9	18
Total other gains/(losses) net of the tax effect of companies consolidated on a line-by-line basis (C)	-1	-14	-36
Other gains/(losses) of companies valued at equity net of the tax effect (D)	-	-	2
Total comprehensive income/(loss) (A+B+C+D)	**84**	**68**	**212**
Total comprehensive income/(loss) attributable to:			
Shareholders of the parent company	**75**	**60**	**201**
Minority interests	**9**	**8**	**11**

(*) According to IFRS 5 the comparative figures for the period January-March 2012 have been reclassified.

CONSOLIDATED CASH-FLOW STATEMENT (millions of euro)	03/31/2013	12/31/2012	03/31/2012
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD/YEAR	**553**	**147**	**147**
Edipower S.p.A. liquidity	**-**	**89**	**-**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD/YEAR	**553**	**236**	**147**
Operating activities			
Net income for the period/year (**)	**85**	**192**	**74**
Tangible assets depreciation	105	417	75
Intangible assets amortization	15	72	16
Fixed assets write-downs	2	10	2
Result from shareholdings in companies carried at equity	(4)	(13)	(1)
Net taxes paid (a)	-	(251)	-
Changes in assets and liabilities, before tax (b)	(21)	534	(26)
Total changes in assets and liabilities (a+b) (*)	(21)	283	(26)
Cash flow (net) from operating activities	**182**	**961**	**140**
Investment activities			
Investments in tangible assets	(40)	(275)	(39)
Investments in intangible assets and goodwill	(14)	(85)	(20)
Investments in shareholdings and securities (*)	-	(130)	-
Disposal of fixed assets and shareholdings	4	234	11
Dividends received from shareholdings carried at equity and other shareholdings	-	6	-
Cash flow (net) from investment	**(50)**	**(250)**	**(48)**
FREE CASH FLOW	**132**	**711**	**92**
Financing activities			
Change in financial assets (*)	(33)	151	(24)
Change in financial liabilities (*)	(11)	(324)	34
Net financial expenses paid	(12)	(173)	(4)
Dividends paid by parent company	-	(40)	-
Dividends paid by subsidiaries	-	(8)	-
Cash flow from financing activities	**(56)**	**(394)**	**6**
CHANGE IN CASH AND CASH EQUIVALENTS	**76**	**317**	**98**
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD/YEAR	**629**	**553**	**245**

(*) Cleared of balances in return of shareholders'equity and other balance sheet items.
(**) Net profit for the period/year is exposed net of gains on shareholdings'and fixed assets' disposals.

Statement of changes in Group equity

(millions of euro)

Description	Share capital	Treasury shares	Cash Flow Hedge	Other Reserves and retained earnings	Group net income for the period/year	Total Equity pertaining to the Group	Minority interests	Total Net shareholders equity
Net equity at December 31, 2011 (**)	**1,629**	**-61**	**20**	**1,602**	**-423**	**2,767**	**826**	**3,593**
Changes in the first quarter of 2012								
2011 profit allocation				-423	423			
IAS 32 and 39 reserves (*)			-16			-16	**2**	-14
Other changes				-3		-3		-3
Group and minorities net profit for the period					76	76	**6**	82
Net equity at March 31, 2012	**1,629**	**-61**	**4**	**1,176**	**76**	**2,824**	**834**	**3,658**
Changes from April 1st 2011 to December 31, 2012								
Distribution of dividends				-40		-40	**-8**	-48
IAS 19 Revised reserve (*)				-24		-24	**-1**	-25
IAS 32 and 39 reserves (*)			-20			-20		-20
Put option on Delmi S.p.A. shares (***)				-84		-84	**-127**	-211
Put option on Aspem S.p.A. shares							**-1**	-1
Other changes				6		6	**149**	155
Group and minorities net profit for the period					184	184	**5**	189
Net equity at December 31, 2012	**1,629**	**-61**	**-16**	**1,034**	**260**	**2,846**	**851**	**3,697**
Changes in the first quarter of 2013								
2012 profit allocation				260	-260			
IAS 32 and 39 reserves (*)			-1			-1		-1
Put option on Edipower S.p.A. shares				-3		-3		-3
Other changes				3		3	**-4**	-1
Group and minorities net profit for the period					76	76	**9**	85
Net equity at March 31, 2013	**1,629**	**-61**	**-17**	**1,294**	**76**	**2,921**	**856**	**3,777**

(*) These form part of the statement of comprehensive income.

(**) Net equity at December 31, 2011 reflects the application of IAS 19 Revised "Employee Benefits" with the evidence of the reserve regarding the effects of actuarial gains-losses net of the tax effect.

(***) At January 1,2013 the merger of Delmi S.p.A. into Edipower S.p.A. became effective.