PRESS RELEASE – 10 November 2016

The A2A S.p.A. Board of Directors has examined and approved the Interim Report on operations at 30 September 2016

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Net profit up by 86 million euros (+36% to 323 million euros compared to 30 September 2015) thanks to excellent operating results and the benefits deriving from the Edipower demerger

Ordinary Net Profit at 281 million euros, up by 44 million euros (+19%)

Gross Operating Margin at 872 million euros (+7%): excellent industrial performances in all BUs, cost efficiencies and non-recurring operating income more than neutralized the strong deterioration in the energy scenario

The Net Financial Position, excluding the acquisition of LGH, was down by a further 124 million euros (to 2,773 million euros)
The effects of acquiring 51% of the Share Capital of *Linea Group Holding*, amounting to 469 million euros, bring the total NFP to 3,242 million euros

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Milan, 10 November 2016 – At today's meeting of the Board of Directors of A2A S.p.A., chaired by Mr Giovanni Valotti, the Board examined and approved the Interim Report on operations at 30 September 2016.

The first nine months of 2016 were characterized by the particularly penalising energy and climatic scenario which recorded a downturn in the electricity demand (-3%) as well as a considerable, generalised reduction in the commodity prices (oil -24%; gas -36%; PUN Baseload -27%).
Despite this unfavourable energy scenario, which, with respect to the corresponding period of 2015, had a negative impact of around 80 million euros on the contribution margins of the generation plants portfolio, the Group's industrial performance in all BUs in the first nine months of 2016 was excellent and made it possible, together with the adjustment obtained, relating to the recognition of previous tariff items (for the financial years 2007-2011) in the water cycle, to completely neutralize the negative effects caused by the aforementioned scenario and achieve a Gross Operating Margin of

872 million euros (that is 781 million euros net of the non-recurring items). The contribution at Gross Operating Margin level deriving from the consolidation of LGH from 1 August 2016 was positive and equal to 7 million euros.

The “Ordinary” Net Profit, amounting to 281 million euros, was up by 44 million euros compared to the first nine months of 2015 (237 million euros at 30 September 2015). This Ordinary Net Profit excludes the extraordinary items (overall amounting to 42 million euros) that can be associated with the effects produced by the partial, non-proportional demerger of Edipower in favour of Cellina Energy S.r.l., effective as of 1 January 2016.

The "reported" net profit, amounting to 323 million euros, was up by 36% compared to the first nine months of the previous year.

During the period, the generation of net cash flow was positive and amounted to 124 million euros, after investments of 233 million euros and the payment of dividends for 126 million euros. This generation of cash partially offset the effect of the first consolidation of the net financial position of LGH (net financial position negative by 379 million euros at 31 July 2016) and the outlay relating to the acquisition (overall amounting to 90 million euros), thereby resulting in a Net Financial Position at 30 September 2016 of 3,242 million euros (2,897 million euros at 31 December 2015). Note that, net of these effects, the Net Financial Position of the A2A Group would have amounted to 2,773 million euros.

A2A Group - Consolidated results at 30 September 2016

in millions of euros	**9 months 2016**	**9 months 2015**	**Δ**
Revenues	**3,482**	**3,638**	-156
Gross Operating Income - EBITDA	**872**	**814**	+58
Net Operating Income - EBIT	**524**	**454**	+70
“Ordinary” Net Result	**281**	**237**	+44
“Reported” Net Result	**323**	**237**	+86

In the first nine months of 2016, **Revenues** of the A2A Group amounted to 3,482 million euros, down by 156 million euros on the first nine months of the previous year (-4.3%). Net of the contribution from LGH (amounting to around 62 million euros), the decrease in revenues can be mainly attributed to the reduction in revenues from the sale of electricity on the wholesale markets.
Despite the increased volumes sold, the decline in sale prices of both gas and electricity recorded on the retail market weighed on the downturn to Group revenues.

The **Gross Operating Margin** equalled 872 million euros, an increase of 58 million euros compared to the first nine months of 2015 (+7.1%). Note that the consolidation of LGH for two months (August and September 2016) had a positive effect of around 7 million euros on the group margins.
Contributions to the growth of the margin came from around 84 million euros of non-recurring items of income, including:

- the disposal of some parts of the thermoelectric plant in Cassano;
- some insurance reimbursements for damages to plants suffered in previous years and an adjustment relating to the capacity payment for the years 2010-2011;
- some non-recurring revenues relating to the Commercial Business Unit;
- the adjustment relating to the previous tariff items of the water cycle.

Net of these items, the results of all the Group's Business Units improved, except for the Generation and Trading Business Unit (-27 million euros, in line with what was recorded in the first half of the year) and the Networks and Heat Business Unit (-12 million euros), which were respectively affected, the former primarily by the drop in the prices of commodities and the early interruption of the must-run regime at the San Filippo del Mela plant (no longer must-run from 28 May 2016), and the latter by the updating from 2016 of the WACC (Weighted Average Cost of Capital) by AEEGSI in the distribution of electricity and gas and, in particular in the distribution of electricity, the overall change of the regulatory period.

The **Net Operating Income** of 524 million euros, up by 70 million euros on the first nine months of 2015 (454 million euros as at 30 September 2015), benefits not only from the effects described above with regards to Gross Operating Margin but also from those deriving from a reduction in provisions made for potential risks in the period examined (approximately 23 million euros less compared to the first nine months of 2015).
The depreciation, amortization and the write-downs were slightly up on the same period of the previous year (308 million euros at 30 September 2016, versus 297 million euros at 30 September 2015) also due to the effect of the *Linea Group Holding* consolidation in the months of August and September 2016.

The **Net Profit pertaining to the Group** of the first nine months of 2016 amounted to 323 million euros (237 million euros at 30 September 2015).
This growth in profit, which comes to +86 million euros (+36%) is a result of:

- lower net financial charges (14 million euros less than 30 September 2015), primarily due to the change in the realized of contracts on financial derivatives (-5 million euros compared to 30 September 2015) and lower net financial charges for 9 million euros, deriving from the reduction in average debt and the effects of the financial strategy actions implemented by the Group;
- the booking of a non-monetary capital gain of 52 million euros, in connection with the partial, non-proportional demerger of Edipower with effect as from 1 January 2016, in the favour of

Cellina Energy, a full subsidiary of Società Elettrica Altoatesina S.p.A.;

- the higher tax load (approximately 48 million euros more than the first nine months of 2015), as a consequence of the higher result before taxes recorded in the first nine months of 2016 as compared with the same period of the previous year;
- the higher result booked by the minorities of EPCG (approximately 5 million euros more than the first nine months of 2015).

The cash flow generated in the period was positive and amounted to 124 million euros, after the payment of dividends for 126 million euros, investments for the period of 233 million euros, as well as the payment of 38.5 million euros to Cellina Energy S.r.l. (following the partial, non-proportional demerger of Edipower S.p.A.). This generation of cash partially offset the effect of the first consolidation of LGH (net financial position negative by 379 million euros at 31 July 2016) and the outlay relating to the acquisition (overall amounting to 90 million euros), thereby resulting in a **Net Financial Position** at 30 September 2016 of 3,242 million euros (2,897 million euros at 31 December 2015).
Note that, net of these effects, the Net Financial Position would have amounted to 2,773 million euros.

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A2A Group - Results by Business Unit

The following table shows the composition of the Gross Operating Income by Business Unit:

Millions of euro	**09.30.2016**	**09.30.2015**	**Change**	**Change %**
Generation and Trading	273	291	-18	-6.2%
Commercial	100	78	22	28.2%
Environment	174	161	13	8.1%
Networks and Heat	293	253	40	15.8%
International	48	43	5	11.6%
Other Services Corporate	-16	-12	-4	n.s.
Total	**872**	**814**	**58**	**7.1%**

Generation and Trading Business Unit

In the first nine months of 2016, the Generation and Trading Business Unit contributed to fulfil the sales demand of the A2A Group through production by the plants it owns amounting to approximately 9.3 TWh (9.7 TWh at 30 September 2015).
Thermoelectric production came to 5.8 TWh (6.1 TWh in the first nine months of 2015), while hydroelectric production amounted to 3.5 TWh (3.6 TWh in the first nine months of 2015). The drop in thermoelectric production is mainly due to the conclusion of the must-run mechanism of the San Filippo del Mela plant for groups 2, 5 and 6, starting from 28 May 2016 while the slight downturn in hydroelectric production was entirely due to the disposal of the hydroelectric plants of the Udine unit – the so-called “Cellina Branch” – which came into effect from 1 January 2016. Net of this disposal hydroelectric production was up on the same period of the previous year (+4%).

Revenues amounted to 1,834 million euros, down by 196 million euros compared to the same period of the previous year, due to the decline recorded in the energy scenario which led to a reduction of both the forward prices and the spot prices.

The Gross Operating Margin of the Generation and Trading Business Unit amounted to 273 million euros, down 18 million euros on the first nine months of the previous year.
Compared to the same period of 2015, the 2016 result benefited from greater non-recurring items of approximately 13 million euros and the contribution deriving from the consolidation for the months of August and September 2016 of the Generation and Trading Business Unit of the LGH Group (around 1 million euros of gross operating margin), while it reflected, for around 5 million euros, the negative impact of change in scope attributable to the allocation of the hydroelectric plants of the Udine unit (apart from Ampezzo and Somplago) – known as the "Cellina Branch" – to Cellina Energy S.r.l due to the non-proportional demerger of Edipower S.p.A. which came into effect from 1 January 2016.
Net of these non-recurring items, the Gross Operating Margin of the Generation and Trading Business Unit was down by around 27 million euros (in line with what was recorded in the first half of the year). The worsening of the energy scenario, with all the main market parameters in contraction (PUN Baseload -27%; PUN Peak -26%; PSV -36%) resulted in a negative "scenario" effect with respect to the first nine months of 2015, of around 80 million euros on the management of the plants, added to which there were difficulties in the gas segment, again due to the scenario effect.
The thermoelectric plant of San Filippo del Mela ceasing to operate under the must-run regime at the end of May 2016 and, finally, the lower margin achieved on the activities of the Trading portfolio, due to the compression of the spreads with the foreign market and the loss of certain market opportunities for environmental certificates (such as the conclusion of the Green Certificates mechanism), also negatively contributed to the performance of the Business Unit.

The negative effects mentioned above were almost completely reabsorbed thanks to:

- the hedging activities on forward markets carried out from 2015 which made it possible to neutralize waning prices and spread, at least partially;
- the excellent performance on secondary markets created by CCGT plants and the no longer must-run units of the San Filippo del Mela plant;
- greater hydroelectric production;
- the good performance recorded on the environmental certificates market.

In the period in question Investments amounted to around 14 million euros (36 million euros in the first nine months of 2015).

Commercial Business Unit

In the period in question, the Commercial Business Unit recorded 6.1 TWh of electricity sales (+8% compared to the first nine months of 2015) and 803 million cubic metres of gas sales (+9% compared to the same period of the previous year).
The growth in the electricity sector is due to the higher sales made on the free market with regards to large customers and mass market, partly offset by the drop in quantities sold to customers served under the protected regime.

Growth in the gas sector is mainly due to a greater number of redelivery points on the free market and larger volumes sold to large customers.

Revenues amounted to 970 million euros (974 million euros at 30 September 2015). Net of the contribution of the LGH Group, amounting to 24 million euros, revenues were down by 28 million euros on the first nine months of the previous year, mainly due to the reduction of unitary prices in both the electricity and gas segments.

The Gross Operating Margin of the Commercial Business Unit equalled 100 million euros, up 22 million euros compared to the same period of 2015.
Net of the non-recurring items that characterized the two periods being compared, the Gross Operating Margin of the Business Unit was up 21 million euros compared to the first nine months of 2015, mainly following the growth in results recorded in the electricity sales sector.
This trend involved both the free market following the increase in volumes sold and the greater number of points serviced, and the protected market, by virtue of the increased tariff portion to cover the marketing costs (despite the decline in quantities sold to customers served under the protected regime described above).

In the period in question the Investments of the Commercial Business Unit amounted to approximately 3 million euros (2 million euros at 30 September 2015).

Environment Business Unit

In the first nine months of 2016 the quantities of waste collected, amounting to 1.1 million tonnes, were up (+13%) on the first nine months of 2015. Net of the waste collected relative to the LGH Group (54 thousand tonnes), the quantities increased by 7% mainly thanks to the new municipalities under management. Even the quantities of waste disposed of, amounting to 1.9 million tonnes at 30 September 2016, showed a slight increase (+5 thousand tonnes) over the same period of 2015: the greater quantities deriving from the consolidation of the LGH Group (120 thousand tonnes) were almost entirely offset by the lower amounts of special waste disposed of at the inert waste landfill in Corteolona due to the interruption of contributions, the lower amounts disposed of at the Cavaglià and the Montichiari landfills (the latter being exhausted from December 2015). This trend was partially offset by the greater quantities disposed of at the Giussago landfill (which came into operations in January 2016) and at the treatment plants of the new companies of the Rieco-Resmal Group acquired by the A2A Group during the month of July 2016.

During the first nine months of the year, the Business Unit recorded revenues of 611 million euros (604 million euros at 30 September 2015). Net of the contribution of the LGH Group, amounting to 20 million euros, revenues were down by 13 million euros mainly due to decreased activity on orders.

The Gross Operating Margin of the Environment Business Unit amounted to 174 million euros, up by 13 million euros compared to the same period of the previous year.
Note that the result of the first nine months of 2016 includes the positive contribution of around 5 million euros deriving from the consolidation of the environment sector of LGH from 1 August 2016.

Net of the non-recurring items that characterised the two periods being compared and the contribution of LGH, the industrial operating margin of the Business Unit was up by 5 million euros compared to the first nine months of 2015.
The following contributed to the increase in the results of the period in question:

- the increased margins of the collection segment following greater quantities collected (despite more services being offered throughout the previous year for EXPO 2015), the higher number of inhabitants served, as well as greater proceeds deriving from the sale of after-treatment paper;
- the good performance of the Group's waste-to-energy plants, mainly deriving from higher sales of heat (following greater demand in the district heating sector), the reduction of costs for the disposal of slag from the waste-to-energy plants, the reduction in the cost of electricity to activate the Efficient System for Users (SEU) at the WTE in Bergamo, as well as the increase in prices for disposing of waste deemed similar to urban waste;
- the start of disposal processes at the new landfill in Giussago from January 2016.

This trend was partially offset by a negative price effect (even though mitigated by forward sales to the Generation and Trading Business Unit) attributable to the sale of electricity and heat produced by the Group's waste-to-energy plants, as well as the reduction in the quantities disposed of at the inert lots landfill of Corteolona (by May 2015) and the landfills of Montichiari and Cavaglià (respectively exhausted in the months of December 2015 and June 2016).

The Investments in the period equalled 63 million euros (37 million euros at 30 September 2015).

Networks and Heat Business Unit

Electricity distributed was equal to 8.3 TWh, slightly down (-2%) on the first nine months of year 2015 following the downturn to consumption mainly as a result of use in medium and high voltage. The quantities of gas distributed amounted to 1,210 million cubic metres in the period (1,198 million cubic metres at 30 September 2015), while the water distributed amounted to 47 million cubic metres, up 1 million cubic metres on the corresponding period of the previous year. The heat sales of the Business Unit amounted to 1.5 TWh, slightly up (+1%) on the first nine months of 2015 (lower sales due to the mild climate trend were more than offset by the higher sales deriving from the commercial development in place).

Revenues of the Networks and Heat Business Unit during the first nine months of 2016 stood at 673 million euros (666 million euros as at 30 September 2015). The 2016 revenues benefit from the consolidation of the LGH Group for an amount equal to 11 million euros, as well as the posting in the first nine months of 2016 of 51.4 million euros of non-recurring revenues for the company A2A Ciclo Idrico.
Indeed with resolution no. 16/2016 the Board of Directors of the "Ente di Governo dell'Ambito" for Brescia (Territorial Authority) approved the previous tariff items (for the years 2007-2011) for A2A Ciclo Idrico S.p.A. pursuant to resolution no. 643/2013/R/idr of the Italian Regulatory Authority for Electricity, Gas and the Water System.
This trend was however almost entirely reabsorbed by the lower revenues recorded in the electricity and gas distribution sectors (mainly following the review of the WACC - Weighted Average Cost of Capital - starting from 2016 and the new regulatory structure for the distribution of electricity), in the sales of environmental certificates, as well as by the strong contraction of the average sales prices for heat and electricity in the district heating and heat management sector.

The Gross Operating Margin of the Networks and Heat Business Unit amounted to 293 million euros, an increase of 40 million euros compared to the first nine months of 2015.
Net of the positive non-recurring items recorded in the two comparison periods (respectively around 52 million euros in the first nine months of 2016 and around 2 million euros in the same period of the previous year) and the contribution of LGH (2 million euros), the operating margin of the Business Unit was down by 12 million euros compared to the previous year.
This performance is mainly due to:

- greater revenues pertaining to the year 2016 relating to the aqueduct, purification and sewage service for approximately 3 million euros, following the tariff increases acknowledged by AEEGSI and greater quantities distributed during the period examined;
- lower revenues admitted and expected for the distribution of electricity and gas for around 17 million euros overall mainly attributable, in the distribution of gas, to the updating from 2016 of the WACC (Weighted Average Cost of Capital) by AEEGSI and, in the distribution of electricity, to the general change of the regulatory period, as well as the updating of the aforementioned WACC. Moreover, in the two sectors lower revenues were recorded for connections and services for around 5 million euros;
- lower margins relating to district heating and heat management activities for around 6 million euros, predominately attributable to the reduction of unitary sales prices of heat, linked to the decreasing price of gas, as well as lower revenues recorded in the environmental certificates market;
- lower fixed costs for the entire Networks and Heat Business Unit for approximately 15 million euros deriving partly from the Group's current operative efficiency plan and partly from greater cost capitalizations;
- the margins relating to public lighting activities were instead down by 1 million euros with respect to those of the first nine months of the previous year.

The Investments in the period in question equalled 130 million euros (113 million euros at 30 September 2015).

International Business Unit (EPCG)

EPCG group electricity sales on the domestic market stood at a total of 1.7 TWh, down 19% on the corresponding period of the previous year, mainly following the interruption of the supply of electricity to a major energy-hungry customer (Montenegro Bonus) as of March 2016.
The group's plants contributed to fulfil the demand producing a total of 2.1 TWh (essentially in line with the first nine months of 2015), of which 0.8 TWh was from thermoelectric sources (-22%) and 1.3 TWh from hydroelectric sources (+17%): the decreased thermoelectric production by the Pljevlja plant was offset by the greater hydroelectric production recorded mainly in the second quarter of the year.
The period in question also recorded a decrease in imports and other purchases of energy (-0.2 TWh), as well as a slight increase in quantities exported (+0.2 GWh).
Moreover, in the period in question, the electricity distributed on the medium and low voltage network in Montenegro amounted to 1.6 TWh (1.6 TWh as of 30 September 2015).

Revenues amounted to 167 million euros (181 million euros at 30 September 2015). The reduction in revenues in the period is mainly due to the lower sales of electricity to the customer Montenegro

Bonus (supply interrupted from March 2016) and other end users (lower sales and distribution revenues).

The Gross Operating Margin equalled 48 million euros, an increase of 5 million euros compared to the same period of the previous year. The lower margins deriving from lower sales of electricity to the customer Montenegro Bonus was more than offset by lower costs for thermoelectric production, the greater quantities exported and lower operating costs.

The Investments amount to 16 million euros, in line with what was recorded in the first nine months of 2015.

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Outlook for operations

The energy scenario continues to be characterized by strong volatility and the recovery that started in April/May further accelerated in the months of September and October, when the national prices of electricity and those from dispatching services markets recorded values higher than the average observed between January and August. Nevertheless, through forward sales, the Group covered almost all of its production for 2016 and can therefore only marginally benefit from the favourable market conditions. The economic and financial performance forecasts for the BUs other than generation were positive overall and generally in line, if not slightly better, than what was expected in the Plan. The forecasts for the close of the year are positive: the Group is expecting an increase in both the Gross Operating Profit (EBITDA), expected to be between 1,140 and 1,150 million euros (including the effects of the first consolidation of LGH), and the Net Profit, as well as a further reduction – pre-consolidation of LGH – of the Net Financial Position.

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Legislative Decree no. 25 of 15 February 2016 implementing Directive 2013/50/EU (so-called Transparency II Directive), which came into effect on 18 March 2016, has eliminated the obligation to publish the interim reports on operations.
A2A, pending the issue of the Consob Regulations, has voluntarily decided to go ahead and publish the interim report as of 31 March and 30 September 2016.
Consob, with resolution no. 19770 of 26 October 2016, made public on 3 November 2016, resolved to amend the Issuer Regulations, effective as of 2 January 2017, introducing the new article 82-ter (Additional periodic financial information).
A2A has therefore started to assess how it will publish the additional periodic financial information referred to in article 82-ter of the Issuer Regulations which will come into effect from 2 January 2017.

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The Executive responsible for drawing up A2A S.p.A. company accounting documents, Andrea Eligio Crenna, 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 A2A Group's accounting tables, extracted from the Interim Report on Operations at 30 September 2016.

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CONSOLIDATED BALANCE SHEET (millions of euro)	09.30.2016	12.31.2015	09.30.2015
ASSETS			
NON-CURRENT ASSETS			
Tangible assets	5,302	5,067	5,364
Intangible assets	1,684	1,348	1,312
Shareholdings carried according to equity method	75	68	74
Other non-current financial assets	77	69	71
Deferred tax assets	283	308	315
Other non-current assets	19	6	38
TOTAL NON-CURRENT ASSETS	**7,440**	**6,866**	**7,174**
CURRENT ASSETS			
Inventories	186	184	236
Trade receivables	1,722	1,485	1,384
Other current assets	418	183	296
Current financial assets	219	171	139
Current tax assets	72	71	72
Cash and cash equivalents	728	636	514
TOTAL CURRENT ASSETS	**3,345**	**2,730**	**2,641**
NON-CURRENT ASSETS HELD FOR SALE	4	205	202
TOTAL ASSETS	**10,789**	**9,801**	**10,017**
EQUITY AND LIABILITIES			
EQUITY			
Share capital	1,629	1,629	1,629
(Treasury shares)	(54)	(61)	(61)
Reserves	917	1,005	929
Result of the year	-	73	-
Result of the period	323	-	237
Equity pertaining to the Group	**2,815**	**2,646**	**2,734**
Minority interests	553	613	589
Total equity	**3,368**	**3,259**	**3,323**
LIABILITIES			
NON-CURRENT LIABILITIES			
Non-current financial liabilities	3,497	3,089	3,779
Employee benefits	366	332	332
Provisions for risks, charges and liabilities for landfills	660	576	532
Other non-current liabilities	119	99	115
Total non-current liabilities	**4,642**	**4,096**	**4,758**
CURRENT LIABILITIES			
Trade payables	1,243	1,170	993
Other current liabilities	722	521	540
Current financial liabilities	751	692	97
Tax liabilities	61	43	49
Total current liabilities	**2,777**	**2,426**	**1,679**
Total liabilities	**7,419**	**6,522**	**6,437**
LIABILITIES DIRECTLY ASSOCIATED WITH NON-CURRENT ASSETS HELD FOR SALE	2	20	257
TOTAL EQUITY AND LIABILITIES	**10,789**	**9,801**	**10,017**

CONSOLIDATED INCOME STATEMENT (millions of euro)	01.01.2016 09.30.2016	01.01.2015 09.30.2015	3rd Quarter 2016	3rd Quarter 2015
Revenues				
Revenues from the sale of goods and services	3,315	3,515	1,135	1,138
Other operating income	167	123	24	33
Total Revenues	**3,482**	**3,638**	**1,159**	**1,171**
Operating expenses				
Expenses for raw materials and services	1,980	2,179	691	713
Other operating expenses	166	182	57	57
Total Operating expenses	**2,146**	**2,361**	**748**	**770**
Labour costs	**464**	**463**	**153**	**149**
Gross operating income - EBITDA	**872**	**814**	**258**	**252**
Depreciation, amortization, provisions and write-downs	**348**	**360**	**114**	**112**
Net operating income - EBIT	**524**	**454**	**144**	**140**
Result from non-recurring transactions	**52**	**(1)**	**-**	**-**
Financial balance				
Net financial charges	(96)	(110)	(33)	(33)
Affiliates	4	3		
Result from disposal of other shareholdings (AFS)	-	-	-	-
Total financial balance	**(92)**	**(107)**	**(33)**	**(33)**
Result before taxes	**484**	**346**	**111**	**107**
Income taxes	**145**	**97**	**39**	**20**
Result after taxes from operating activities	**339**	**249**	**72**	**87**
Net result from discontinued operations	1	-	1	-
Net result	**340**	**249**	**73**	**87**
Minorities	**(17)**	**(12)**	**(4)**	**(2)**
Group result of the period/year	**323**	**237**	**69**	**85**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (millions of euro)	09.30.2016	09.30.2015	3rd Quarter 2016	3rd Quarter 2015
Net result of the period (A)	**340**	**249**	**73**	**87**
Actuarial gains/(losses) on Employee's Benefits booked in the Net equity	(23)	22	1	-
Tax effect of other actuarial gains/(losses)	7	(4)	1	-
Total actuarial gains/(losses) net of the tax effect (B)	**(16)**	**18**	**2**	**-**
Effective part of gains/(losses) on cash flow hedge	26	22	1	(8)
Tax effect of other gains/(losses)	(6)	(6)	-	3
Total other gains/(losses) net of the tax effect of companies consolidated on a line-by-line basis (C)	**20**	**16**	**1**	**(5)**
Other gains/(losses) of companies valued at equity net of the tax effect (D)	**-**	**-**	**-**	**-**
Total comprehensive result (A)+(B)+(C)+(D)	**344**	**283**	**76**	**82**
Total comprehensive result attributable to:				
Shareholders of the parent company	**327**	**271**	**72**	**80**
Minority interests	**17**	**12**	**4**	**2**

CONSOLIDATED CASH-FLOW STATEMENT (millions of euro)		09.30.2016		12.31.2015		09.30.2015
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD/YEAR		**636**		**544**		**544**
Edipower demerger in favour of Cellina Energy		**(38)**		**-**		**-**
Contribution of first consolidation of LGH and other acquisitions of 2016		**83**		**-**		**-**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD/YEAR		**681**		**544**		**544**
<u>Operating activities</u>						
Net Result (**)		**288**		**(57)**		**249**
Tangible assets depreciation		266		341		250
Intangible assets amortization		38		54		47
Fixed assets write-downs/disposals		7		364		3
Result from affiliates		(4)		4		(3)
Net taxes paid (a)	(93)		(59)		(14)	
Gross change in assets and liabilities (b)	4		249		4	
Total change of assets and liabilities (a+b) (*)		(89)		190		(10)
Cash flow from operating activities		**506**		**896**		**536**
<u>Investment activities</u>						
Investments in tangible assets		(139)		(253)		(153)
Investments in intangible assets and goodwill		(73)		(88)		(53)
Investments in shareholdings and securities (*)		(111)		(4)		(2)
Disposal of fixed assets and shareholdings		4		7		-
Dividends received		1		2		1
Cash flow from investment activities		**(318)**		**(336)**		**(207)**
FREE CASH FLOW		**188**		**560**		**329**
<u>Financing activities</u>						
Change in financial assets (*)		20		(88)		(67)
Change in financial liabilities (*)		26		(133)		(106)
Net financial interests paid		(56)		(129)		(68)
Dividends paid by the parent company		(126)		(113)		(113)
Dividends paid by the subsidiaries		(5)		(5)		(5)
Cash flow from financing activities		**(141)**		**(468)**		**(359)**
CHANGE IN CASH AND CASH EQUIVALENTS		**47**		**92**		**(30)**
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD/YEAR		**728**		**636**		**514**

(*) Cleared of balances in return of shareholders' equity and other balance sheet items.
(**) Net Result is exposed net of gains on shareholdings', fixed assets' disposals and from discontinued operations (equal to 52 millions of euro - item "Result from non-recurring transactions" of Consolidated Income Statement).

Statement of changes in Group equity

(millions of euro)

Description	Share capital	Treasury shares	*Cash Flow Hedge*	Other Reserves and retained earnings	Result of the period/year	Total Equity pertaining to the Group	Minority interests	Total Net shareholders equity
Net equity at December 31, 2014	**1,629**	**(61)**	**(51)**	**1,099**	**(37)**	**2,579**	**600**	**3,179**
Changes in the first nine months of 2015								
2014 result allocation				(37)	37			
Distribution of dividends				(113)		(113)	**(5)**	(118)
IAS 19 reserves (*)				18		18		18
IAS 32 and 39 reserves (*)			16			16		16
Put option on Aspem S.p.A. shares							**1**	1
Other changes				(3)		(3)	**(19)**	(22)
Group and minorities result of the period					237	237	**12**	249
Net equity at September 30, 2015	**1,629**	**(61)**	**(35)**	**964**	**237**	**2,734**	**589**	**3,323**
Changes in the fourth quarter of 2015								
IAS 19 reserves (*)				(4)		(4)		(4)
IAS 32 and 39 reserves (*)			10			10		10
Other changes				70		70	**166**	236
Group and minorities result of the period					(164)	(164)	**(142)**	(306)
Net equity at December 31, 2015	**1,629**	**(61)**	**(25)**	**1,030**	**73**	**2,646**	**613**	**3,259**
Changes in the first nine months of 2016								
2015 result allocation				73	(73)			
Operations on own shares		7				7		7
Distribution of dividends				(126)		(126)	**(5)**	(131)
IAS 19 reserves (*)				(16)		(16)		(16)
IAS 32 and 39 reserves (*)			20			20		20
Other changes				(39)		(39)	**(72)**	(111)
Group and minorities result of the period (*)					323	323	**17**	340
Net equity at September 30, 2016	**1,629**	**(54)**	**(5)**	**922**	**323**	**2,815**	**553**	**3,368**

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