Illustrative report drafted by the Board of Directors pursuant to art. 125-*ter*, first paragraph, of Legislative Decree February 24, 1998 no. 58, as subsequently amended and supplemented, and art. 84-*ter* of the Regulation adopted by Consob resolution no. 11971 of May 14, 1999, as subsequently amended and supplemented, on the proposed coverage of losses for the year at December 31, 2015 by means of withdrawal of the same amount of reserves pending "moderate" taxation.

Dear Shareholders,

the A2A S.p.A. financial statements at December 31, 2015 include shareholders' equity reserves pending "moderate" taxation for a total of 198,270,129 euro.

These reserves arise from revaluations and realignments of company assets by EON Produzione S.p.A. pursuant to Law no. 342/2000. The same were transferred by EON Produzione S.p.A. and reconstituted in A2A Produzione S.r.l., due to the non-proportional demerger of the business unit of July 1, 2009, and subsequently in A2A S.p.A. due to the merger of incorporation of A2A Produzione S.r.l. in A2A S.p.A. of July 1, 2010.

These reserves are subject to the constraints of the rules regarding revaluation and realignment of corporate assets and are defined as pending "moderate" taxation since they are taxed only in the event of actual distribution to shareholders.

The "moderate" tax constraint allows use in fiscal neutrality of these reserves to cover any operating losses.

The Shareholders' Meeting is kindly requested to approve the use of the reserves pending "moderate" taxation pursuant to Law no. 342/2000 to cover the loss for the year at December 31, 2015, which totalled 73,487,107 euro.