



# Investor Presentation

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***“European Energy Transition Forum 2023”***

*Unicredit - London, 15 November 2023*

acea



**STRATEGIC GUIDELINES**



**M9 2023 RESULTS**



**ANNEX M9 2023**



**ANNEX**



## STRATEGIC GUIDELINES



M9 2023 RESULTS






ANNEX 9M 2023



ANNEX

# ACEA Group: infrastructure operator with a strong presence in regulated sectors<sup>1</sup>

 <b>Water</b> <b>#1</b> <b>by customer base</b>	 <b>Electricity</b> <b>#2</b> <b>by customer base</b>	 <b>Environment</b> <b>#4</b> <b>by waste managed</b>
<p><b>Italy:</b></p> <ul style="list-style-type: none"><li>• ~9m customers</li><li>• ~59,000 km network</li><li>• &lt;30% water leaks in Rome</li></ul> <p><b>South America:</b></p> <ul style="list-style-type: none"><li>• 3 countries</li><li>• ~10m customers</li></ul> <p>Sources: 2022 Annual Report, 2022 Sustainability Report</p>	<p><b>Power grids:</b></p> <ul style="list-style-type: none"><li>• ~1.7m PODs<sup>2</sup> for 32,000 km of grid</li><li>• ~6% grid losses</li></ul> <p><b>Generation:</b></p> <ul style="list-style-type: none"><li>• ~0.7 TWh generated</li></ul> <p><b>Commercial:</b></p> <ul style="list-style-type: none"><li>• ~1.4m customers</li></ul> <p>Sources: 2022 Annual Report, 2022 Sustainability Report</p>	<p><b>Waste management:</b></p> <ul style="list-style-type: none"><li>• ~1.7m tonnes waste managed</li></ul> <p><b>Waste to energy:</b></p> <ul style="list-style-type: none"><li>• ~47% recycling rate</li></ul> <p><b>Waste to materials:</b></p> <ul style="list-style-type: none"><li>• ~340 GWh of energy produced</li></ul> <p>Sources: 2022 Annual Report, 2022 Sustainability Report</p>

# Highly challenging outlook for the sector in the coming years



## Water<sup>1</sup>

**Importance of protecting water resources**

**~18% of GDP directly/indirectly** linked to the availability of **water**

**High leakage rate in Italian system**

**~42% leakage rate** in Italy vs. European average of **~23%**

**Limited public awareness**

**66% of Italians** underestimate their water consumption



## Electricity<sup>2</sup>

**Energy transition**

**60-65 GW** growth in renewables by 2030, of which **~80%** solar

**Electrification and role of grids**

**Consumption up 1.5x** in 10 years, with need to guarantee system resilience

**Significant need for flexibility**

**10GW** of energy storage expected by 2030



## Environment<sup>3</sup>

**Circular economy drive**

**+10 pp of plastic waste recyclable** in Europe by 2030

**Developments in the regulatory framework**

Progressive **regulation of waste in Italy**

**New forms of treatment**

**Waste-to-Chemical and special waste** thanks to recent technological developments



## Engineering

High demand for **technical expertise** to support the **country's infrastructure investment**

# ACEA vision: infrastructure growth to support the country, enabled by people

- High level of service for the **community** (customers, citizens, towns, provinces, regions)
- Development opportunities for **personnel**
- **Shareholder** returns

- **Renewables** (photovoltaic plants)
- **Decarbonisation**, waste recycling, carbon capture
- **Smart cities** (public lighting)



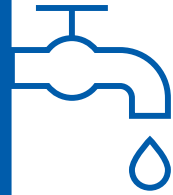
- **National in the integrated water cycle** (internationally scalable)
- **Local in power grids** (Rome)
- **Regional in the environment sector** (central Italy, replicable on a national scale)

- **Major projects** (Peschiera, Waste-to-Energy)
- **On field activities excellence** (digital, AI)

# Water: strategic pillars

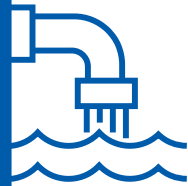
Consolidating the Italian market, positioning the Group as a **Water market leader**, leveraging:

- Solid **track record for delivering services** to 9m inhabitants
- Opportunities to **deliver major strategic projects** for the country



**Strengthening the presence in municipal water supply systems in Italy**

**Infrastructure development** (e.g., doubling the Peschiera aqueduct), **geographical expansion, new technologies** (smart meters), incentives to **protect water resources**



**Growth in industrial water services**

Positioning in the industrial water services market, leveraging **existing assets and distinctive water-related expertise**



**Assessment of overseas opportunities**

**Potential for targeted growth in existing businesses**, with scope for partnerships with other operators

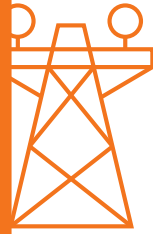


## Electricity: Strategic pillars

Guaranteeing a **resilient grid** and **protecting quality of service** in the city of Rome

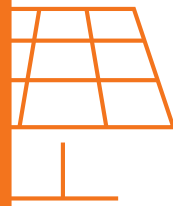
Developing **new renewable capacity** in response to energy transition

Consolidating **retail market performance and service**



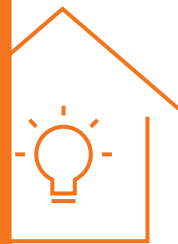
### Focus on electricity grids in Rome

Boosting the grid's **resilience** and **digitalisation**, improving **service quality**, incentivising **distributed flexibility** and **local dispatching** and offering **smart city services**



### Growth in renewables

Developing **photovoltaic plants** to balance the Group's consumption, achieve our **SBTi targets** by cutting emission intensity and contribute to **the country's energy transition**



### Consolidate retail market performance and service

Boosting **digital channels**, optimising the **customer management** model, ensuring the **effective transition** of customers to the free market



# Environment: Strategic pillars

**Consolidating / expanding our leadership in central Italy** throughout the waste management chain

**Meeting future demand for new Waste-to-Energy plants** to dispose waste in central Italy



## **Consolidation in central Italy**

Optimising our existing **industrial footprint**, through **geographical expansion** in **synergy with other businesses**



## **Growth in Waste-to-Energy**

**Revamping and developing new lines**, leveraging **the Group's extensive experience** in Waste-to-Energy (e.g., expansion and revamping of San Vittore)



## **Strengthening capabilities in materials recycling**

Boosting capabilities and quality in materials recycling to close the waste cycle, assessing **opportunities in new segments** (e.g., Waste-to-Chemical)

# ACEA commitment to ESG

**E** | **Confirmation of our SBTi targets** for cutting CO<sub>2</sub> emissions

Strengthening **the waste recycling chain**

**Reducing water leakage**

**S** | Commitment to **gender equality**

Boosting **youth employment**

Boosting **personnel development and training** opportunities

**G** | **ESG criteria** fully embedded in Risk & Compliance processes

**Support supply chain** to enable ESG performance

Expand on the **ESG KPIs** monitored by the Group



STRATEGIC GUIDELINES



**M9 2023 RESULTS**



ANNEX 9M 2023



ANNEX

# A «challenging» market environment

Renewed energy price inflation and ongoing developments in the regulatory framework

## Regulation



**Water: Consultation** on updated **regulation of integrated water service tariffs** for the 4th regulatory period (2024-2029) **has begun**

**Reti & Smart cities: consultation** on **tariff regulation for electricity distribution** for the 6th regulatory period (2024-2027) **is continuing**

**Waste:** new criteria are being drawn up for **regulation of the waste sector** for non-integrated providers (minimum plants), involving four-year financial plans and regulated tariffs.

**Uncertain timing of application**

**Commercial: auction for non-vulnerable customers** expected in **December 2023** with **service due to start in 2024** (a specific announcement is awaited)

## Commodity prices and inflation



**Commodity prices rose in the quarter:**

**PUN in September** €116/MWh (+3% vs previous month),

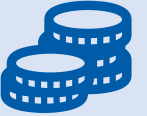
**PUN Q3-2023** €113/MWh (+7% vs previous two-month period)

PUN Jan-Sept 2023 €129/MWh (-60% vs 2022)

**Inflation in September +0.2%** vs previous month and **+5.3% on a trend basis**

Inflation Jan-Sept 2023 +7% vs 2022

## Interest rates



**Financial costs up vs 2022**

**Mid Swap 4Y–5Y September 2023: 3.5% - 3.4%** vs

Mid Swap 4Y-5Y September **2022: 2.9% - 3%**

# Highlights 9M 2023

EBITDA GROWTH, INCREASED INVESTMENT IN REGULATED BUSINESSES\* AND CONTINUED OPERATIONAL DISCIPLINE

## REVENUE

Water Italy, Grids & Smart Cities  
and Environment **+4%**



## EBITDA

excluding non-recurring events and  
changes in scope **+3%**



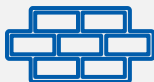
## NET PROFIT

excluding non-recurring events and  
changes in scope **+3%**



## CAPEX

Water Italy, Grids & Smart Cities  
and Environment **+5%**



**OPERATING FREE  
CASH FLOW  
+€112M**



**Group revenue of €3.4bn**, including approximately €1.8bn from Water Italy, Energy Grids & Smart Cities and Environment segments (+4% versus 9M 2022)

**Recurring EBITDA of €992m, up €29m versus 9M 2022** driven by organic growth in regulated businesses (+6% Water Italy and +6% Grids & Smart Cities) and ongoing operating cost efficiencies

**Net profit of €209m** with EBITDA growth offsetting increase in financial charges caused by rising interest rates and increase in depreciation linked to capex in previous years

**Capex of €733m up across regulated businesses** in line with investment plans and with the average for 2022

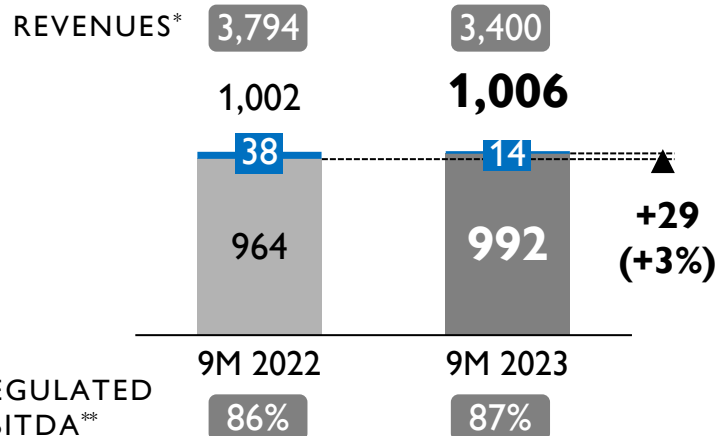
**Operating free cash flow of €24m up €112m** versus 9M 2022, enabling the Group to maintain a solid financial structure: Net Debt/EBITDA of 3.7x fully in line with guidance (<3.8x)

# Overview of 9M 2023 results

## ORGANIC GROWTH AND RELAUNCH OF INVESTMENTS

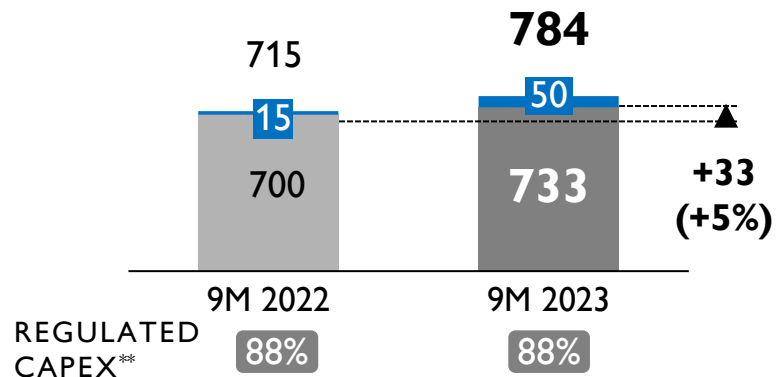
### EBITDA (€m)

■ Non-recurring events and changes in scope



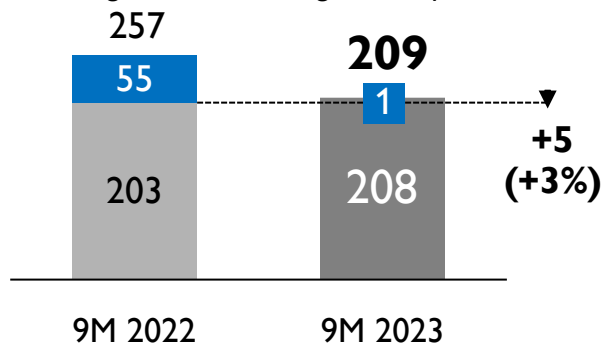
### CAPEX (€m)

■ Grant-funded

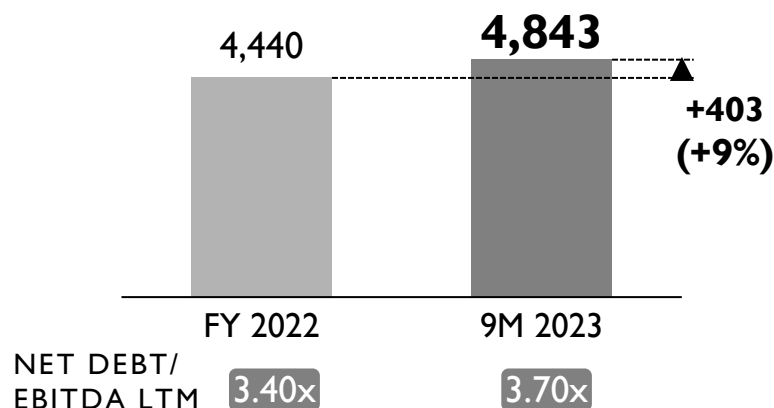


### NET PROFIT (€m)

■ Non-recurring events and changes in scope



### NET DEBT (€m)



**Organic EBITDA growth driven primarily by the regulated businesses and efficiency initiatives, offsetting the negative impact of the energy scenario**

**Relaunch of the investments in the Water Italy and Grids & Smart Cities businesses**

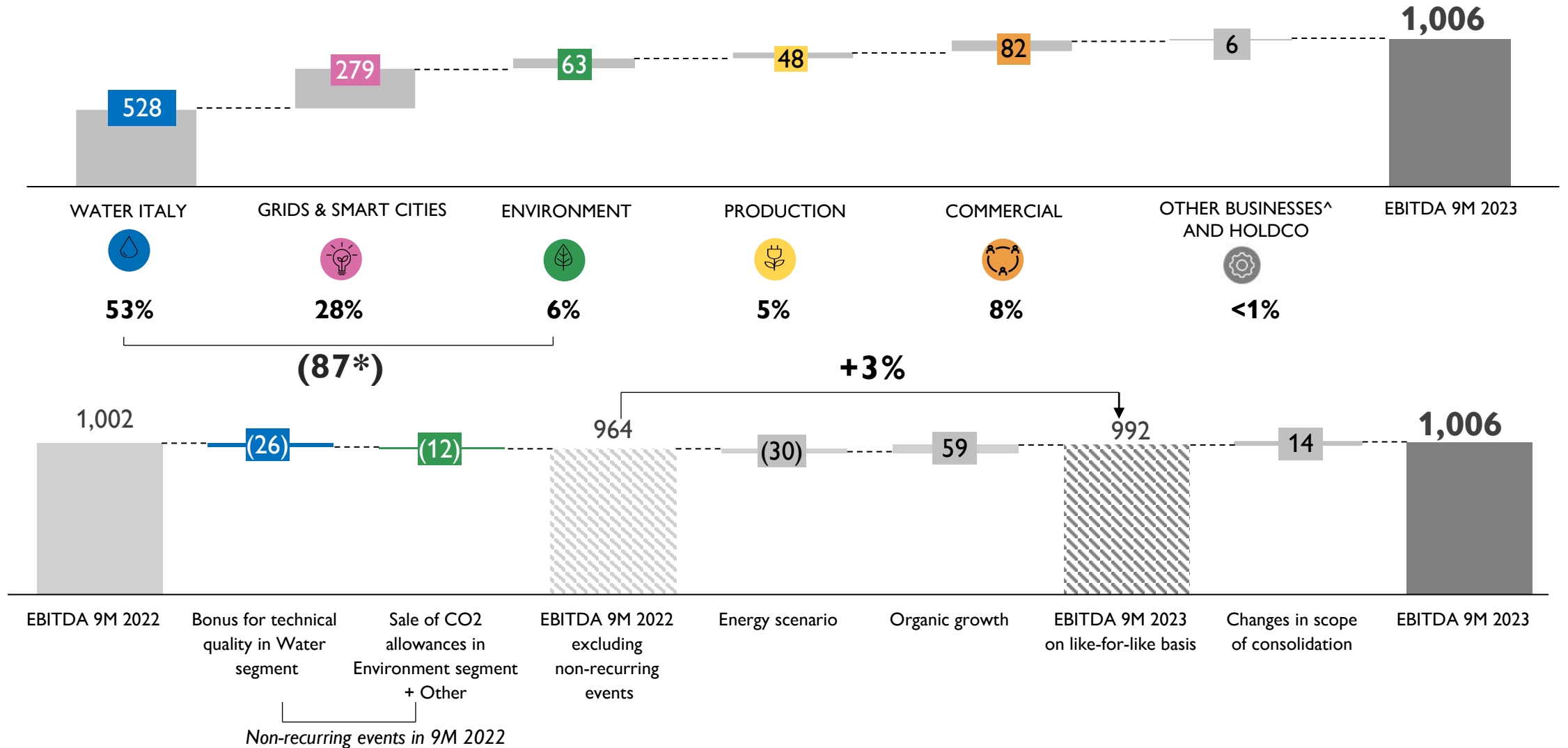
**Operating performance has offset increases in depreciation and financial costs**

**Ratio NET DEBT/EBITDA in line with the guidance for 2023**

# EBITDA 9M 2023

IMPROVEMENT DRIVEN BY ORGANIC GROWTH OF REGULATED BUSINESSES

EBITDA (€m)



^ Overseas Water, Engineering & Infrastructure Projects.

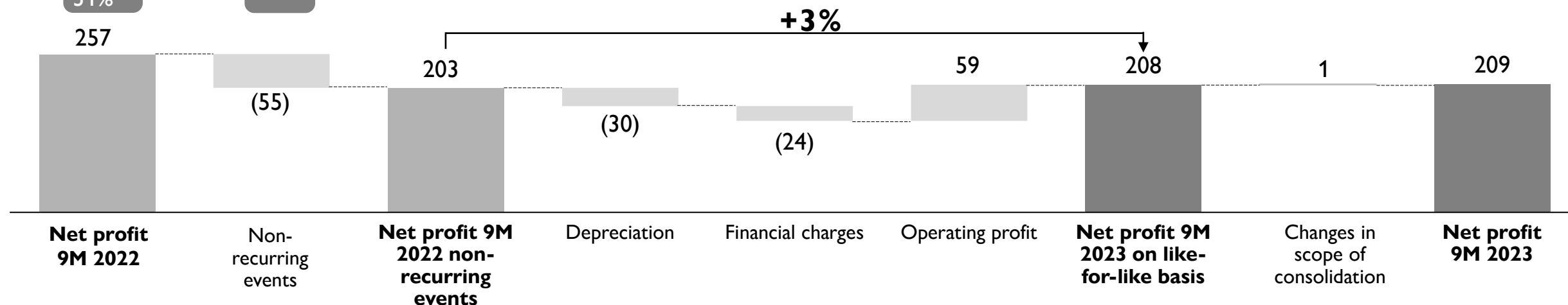
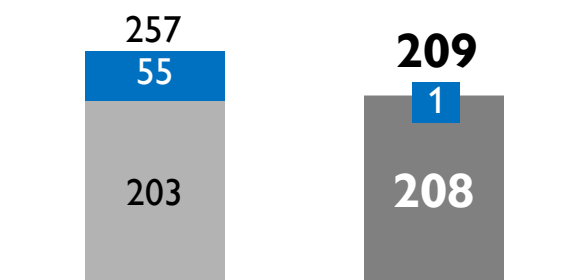
\* Includes, in addition to the regulated Water Italy and Grids & Smart Cities businesses, the Environment business.

# Net profit 9M 2023

OPERATING EFFICIENCIES AND ORGANIC GROWTH HAVE OFFSET INCREASES IN DEPRECIATION AND FINANCIAL COSTS

## NET PROFIT (€m)

■ Non-recurring events and changes in scope



**Efficiency improvements and growth of regulated businesses more than offset increase in depreciation and interest rates** (rise in rates began in H2 2022)

**Profit for 9M 2023 (€209m)**

**Non-recurring events in 9M 2022 (-€55m), primarily including:**

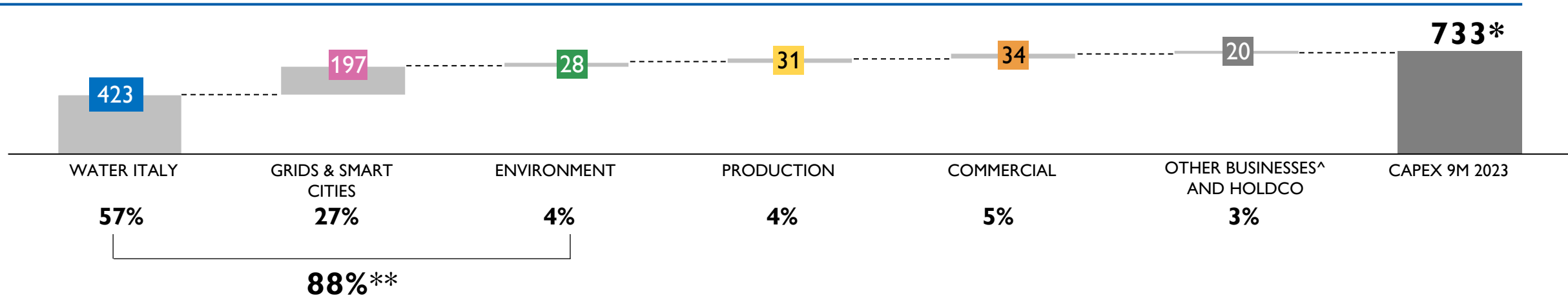
- Gain on sale of stake in photovoltaic assets (-€19m)
- Exemption from obligation to purchase CO2 allowances for Terni's plant (-€8m)
- Bonus for technical quality in the Water segment (-€18m)
- Income from the updating of Gori's debt (-€8m)



# CAPEX 9M 2023

INVESTMENT DRIVE CONTINUES WITH FOCUS ON REGULATED BUSINESSES

## CAPEX (€m)



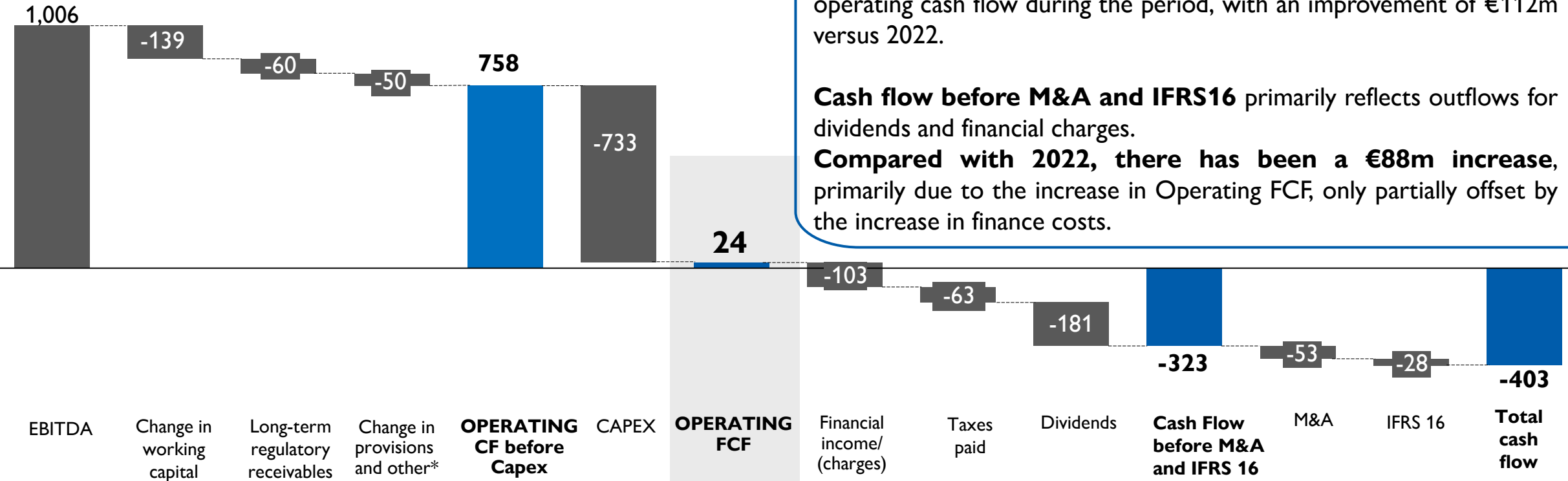
Water Italy	Grids & Smart Cities	Environment	Production	Commercial	Other Businesses and Holdco
<ul style="list-style-type: none"> <li>REPAIR AND WIDENING OF WATER AND SEWER PIPES</li> <li>EXTRAORDINARY MAINTENANCE OF PLANTS AND NETWORKS</li> <li>WORK ON TREATMENT PLANTS</li> <li>CHANGE IN SCOPE OF CONSOLIDATION</li> </ul>	<ul style="list-style-type: none"> <li>UPGRADE OF THE GRID</li> <li>WORK ON PRIMARY AND SECONDARY SUBSTATIONS</li> <li>INSTALLATION OF 2G METERS</li> </ul>	<ul style="list-style-type: none"> <li>WORK ON SAN VITTORE AND TERNI PLANTS</li> <li>CONSTRUCTION OF PLASTIC SORTING PLANT</li> <li>CHANGE IN SCOPE OF CONSOLIDATION</li> </ul>	<ul style="list-style-type: none"> <li>UPGRADE OF HYDROELECTRIC PRODUCTION PLANTS</li> <li>CONSTRUCTION OF PHOTOVOLTAIC PLANTS</li> </ul>	<ul style="list-style-type: none"> <li>CUSTOMER ACQUISITION</li> <li>SMART SERVICES AND E-MOBILITY PROJECTS</li> </ul>	<ul style="list-style-type: none"> <li>CORPORATE: IT PROJECTS</li> </ul>

# Cash Flow 9M 2023

IMPROVEMENT IN FREE CASH FLOW

## CASH FLOW (€m)

9M 2023



**Operating FCF of €24m** highlights ability to fund capex with operating cash flow during the period, with an improvement of €112m versus 2022.

**Cash flow before M&A and IFRS16** primarily reflects outflows for dividends and financial charges.

**Compared with 2022, there has been a €88m increase, primarily due to the increase in Operating FCF, only partially offset by the increase in finance costs.**

	EBITDA	Change in working capital	Long-term regulatory receivables	Change in provisions and other*	<b>OPERATING CF before Capex</b>	CAPEX	<b>OPERATING FCF</b>	Financial income/(charges)	Taxes paid	Dividends	<b>Cash Flow before M&amp;A and IFRS 16</b>	M&A	IFRS 16	<b>Total cash flow</b>
<b>9M 2022</b>	1,002	(261)	(38)	(92)	611	(700)	<b>(88)</b>	(69)	(72)	(181)	<b>(411)</b>	51	(45)	<b>(405)</b>
<b>Δ 9M 2023 VS 9M 2022</b>	4	122	(22)	43	<b>146</b>	(34)	<b>112</b>	(33)	9	0	<b>88</b>	(104)	17	<b>1</b>

# Financial structure 9M 2023

LEVERAGE GUIDANCE CONFIRMED, AVERAGE COST OF DEBT 2%

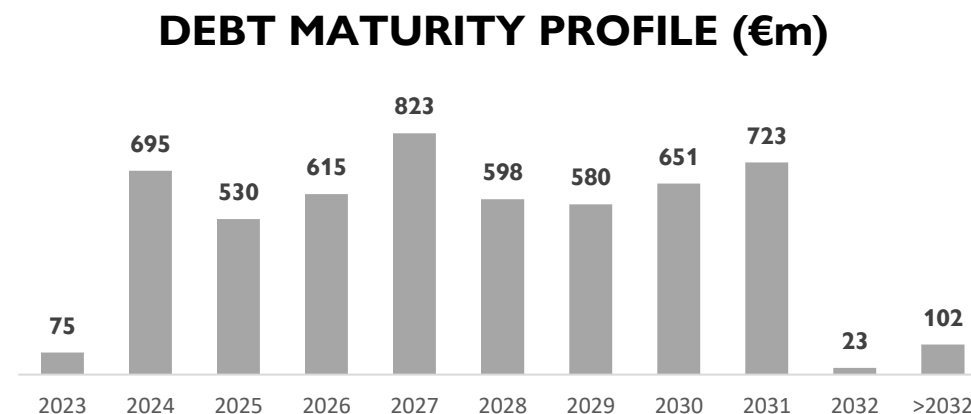
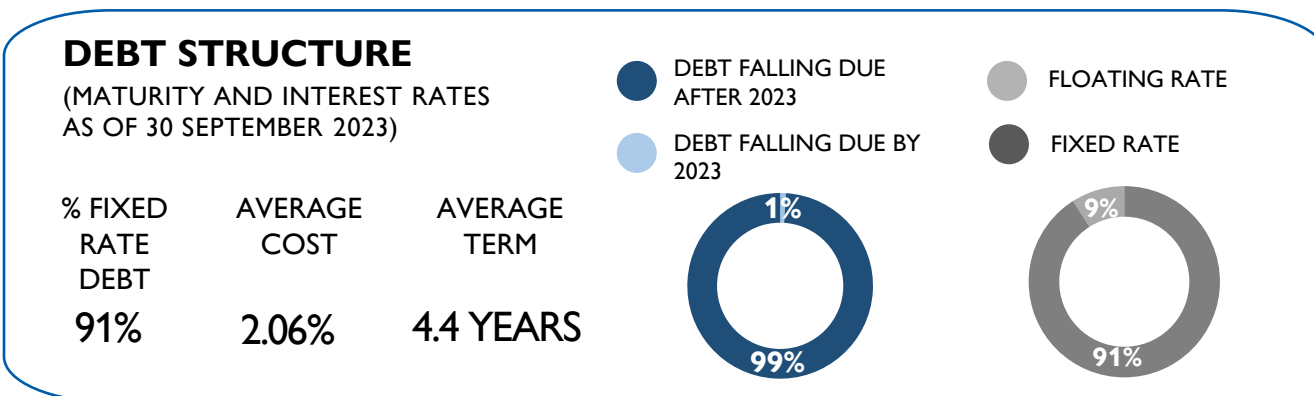
(€m)	CONS 9M 2023	DEC 2022	CONS 9M 2022	CONS 9M 2023 vs DEC 2022	CONS 9M 2023 vs 9M 2022
<b>Net debt</b>	<b>4,843</b>	<b>4,440</b>	<b>4,393</b>	<b>403</b>	<b>450</b>
Long-term debt	4,795	4,723	4,706		
Short-term debt	986	619	756		
Cash and cash equivalents	(938)	(902)	(1,069)		

### LEVERAGE

NET DEBT/EBITDA LTM 30 SEPTEMBER 2023	NET DEBT/EBITDA 31 DECEMBER 2022
<b>3.7x</b>	<b>3.4x</b>

### RATINGS

<b>FitchRatings «BBB+»</b>	<b>MOODY'S «Baa2»</b>
<b>Negative outlook</b>	<b>Negative outlook</b>



**17 JANUARY 2023**  
Placement of a new Green Bond worth €500m, paying coupon interest of 3.875% and maturing on 24 January 2031.

**3 FEBRUARY 2023**  
Completion of the €200m tap issue of January's Green Bond on the same terms (coupon and term to maturity).

**6 JULY 2023**  
€435m EIB loan to be used to fund investment in improving the coverage and quality of integrated water services, cutting water losses and boosting energy efficiency.



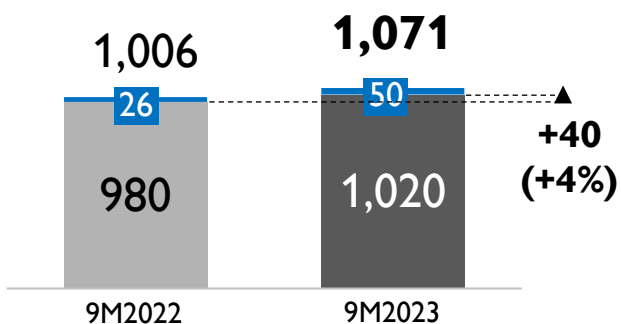
# Water Italy<sup>^</sup>: organic EBITDA growth +6%

VALUE CREATION THROUGH INVESTMENT

## REVENUE

(€m)

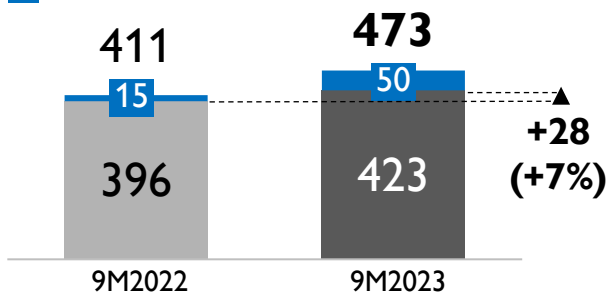
■ Non-recurring events and changes in scope



## CAPEX

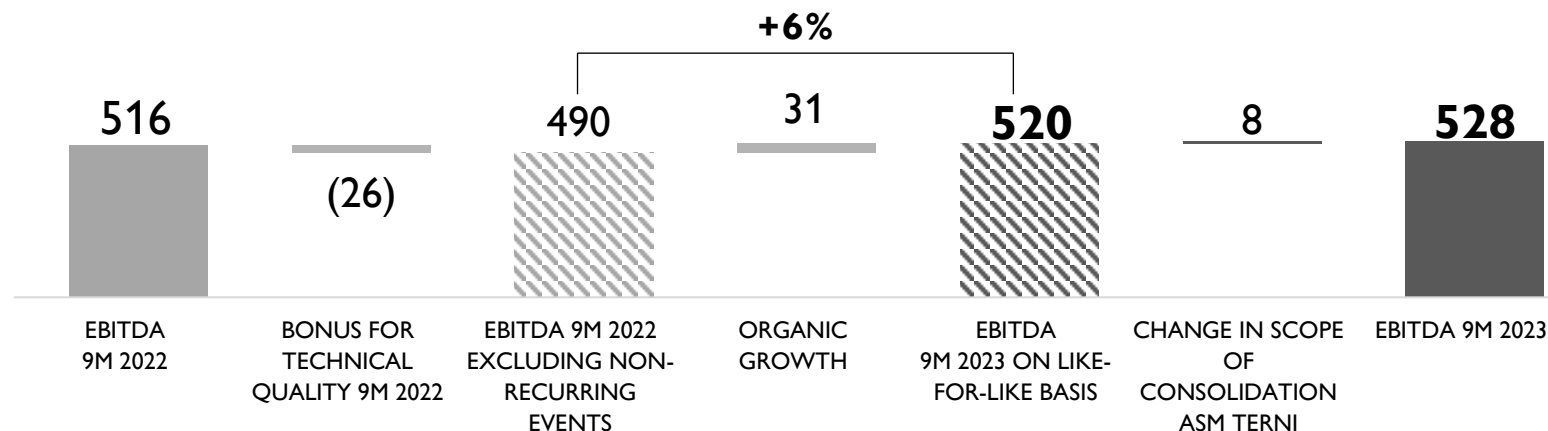
(€m)

■ Grant-funded



## ORGANIC EBITDA GROWTH\* MAIN DRIVERS

(€m)



### COMBINATION WITH ASM TERNI

- ✓ closing of first phase (6 December 2022)
  - ✓ closing of second phase completing the transaction (20 April 2023)
- Acea's stake in ASM Terni rises to 45%

**RAB 31 DEC 2022:**  
**€3,886m**

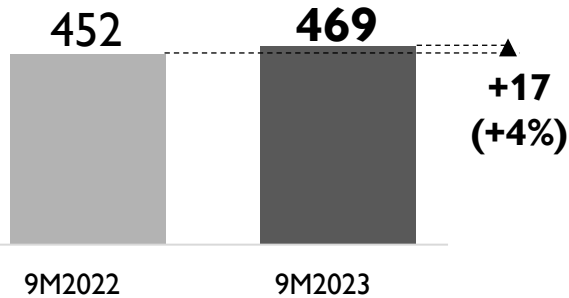


# Grids & Smart Cities: EBITDA growth +6%

FOCUS ON RESILIENCE AND DIGITALISATION OF THE GRID

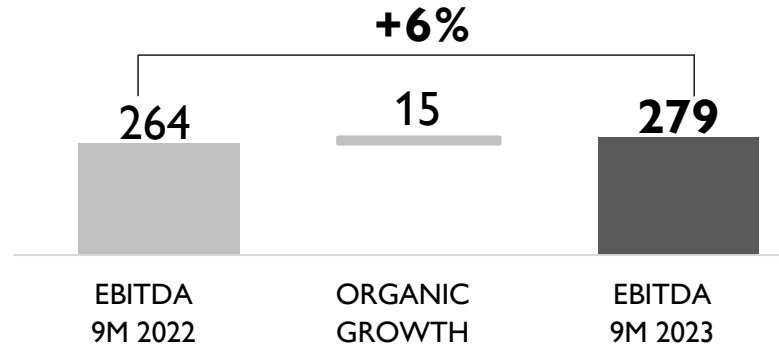
## REVENUE

(€m)



## EBITDA MAIN DRIVERS

(€m)



**2G ELECTRICITY METERS**

Installed at 30 September 2023

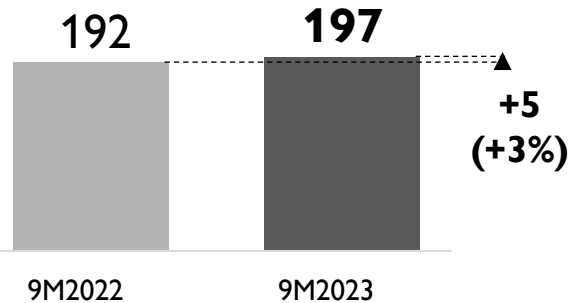
~ 245k

**RAB 31 DEC 2022:**

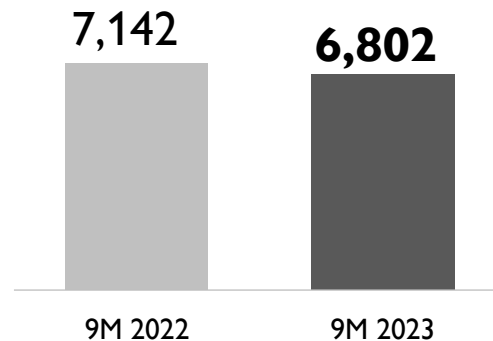
**€2,539m**

## CAPEX

(€m)

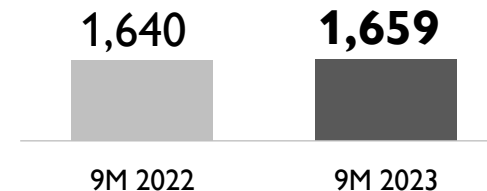


## TOTAL ELECTRICITY DISTRIBUTED (GWh)



## NUMBER OF PODs

('000s)



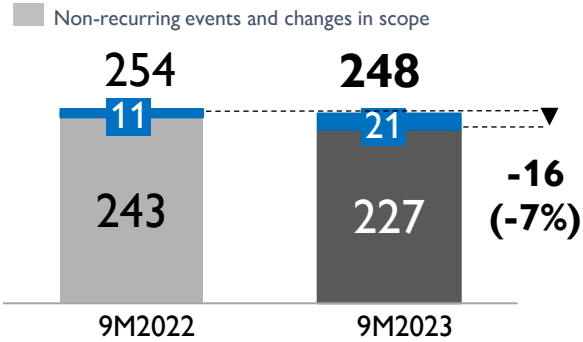


# Environment: increase in waste treated +9%

ONGOING INTEGRATION OF PLANTS ACQUIRED IN CENTRAL ITALY

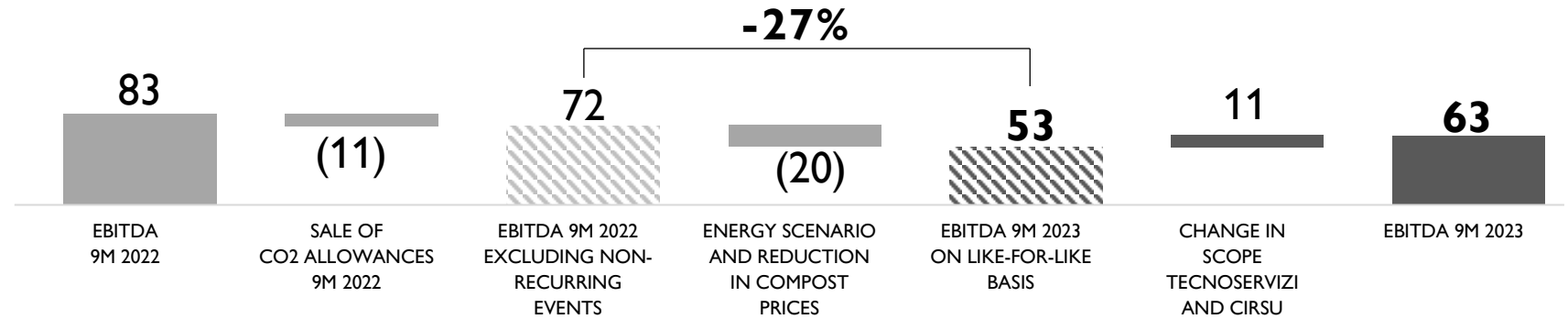
## REVENUE

(€m)



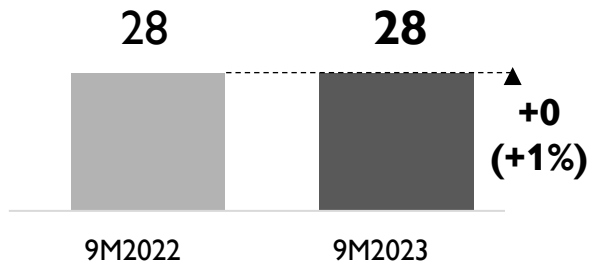
## EBITDA MAIN DRIVERS

(€m)



## CAPEX

(€m)



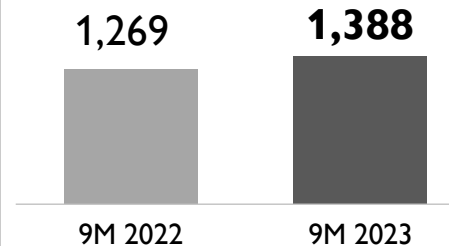
### ACQUISITION OF 35% OF DECO

✓ ACEA has increased its stake in Deco, a waste management company in Abruzzo, to 100% (23 January 2023)

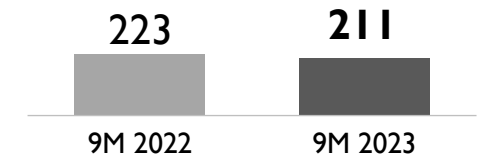
### ACQUISITION OF 70% OF TECNOSERVIZI

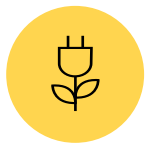
✓ Tecnoservizi (province of Rome) operating in the mechanical treatment and recovery of urban waste and non-hazardous special waste (3 October 2022)

## TREATMENT AND DISPOSAL (KTONNES)



## WTE ELECTRICITY SOLD (GWh)





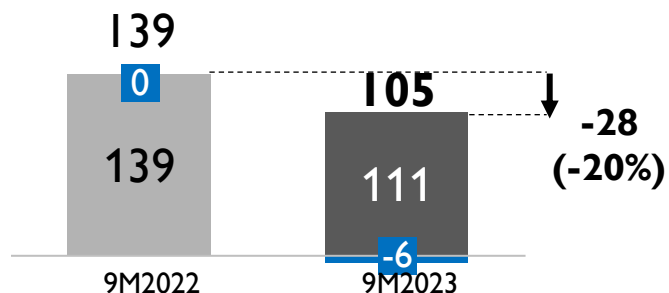
# Production: increase in electricity production +14%

OVER 200MW OF READY-TO-BUILD PHOTOVOLTAIC PLANTS

## REVENUE

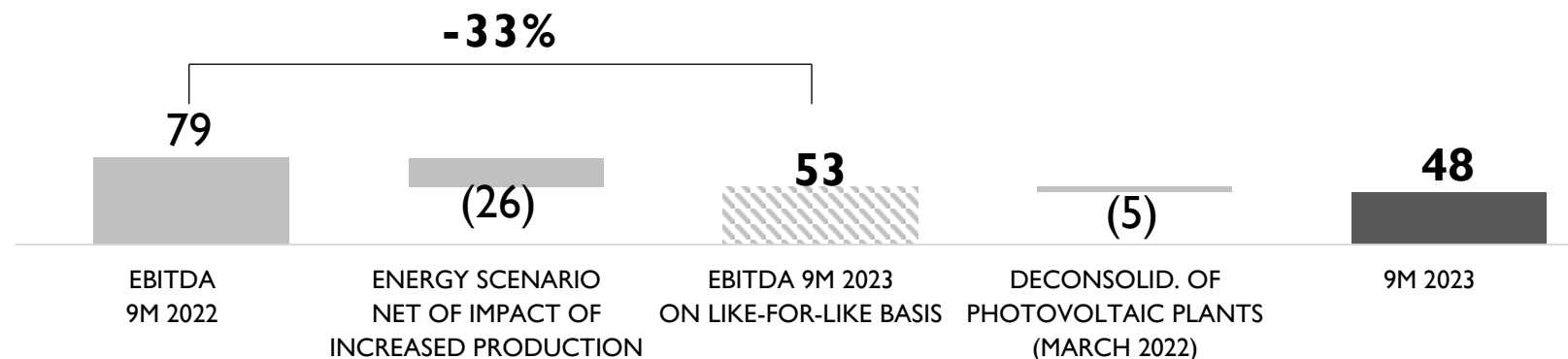
(€m)

■ Non-recurring events and changes in scope



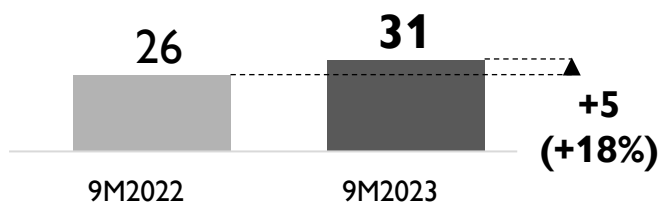
## EBITDA MAIN DRIVERS

(€m)



## CAPEX

(€m)



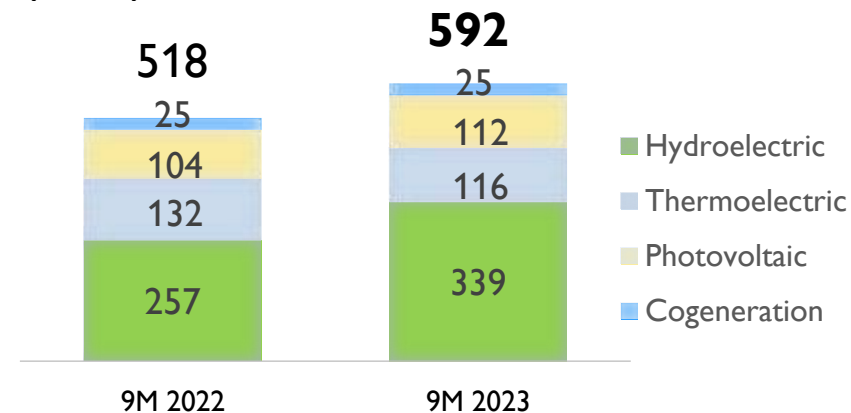
## UPDATE PHOTOVOLTAIC PLANTS

Total pipeline of 866 MW

- consents obtained for 208 MW (under construction + ready to build)
- 658 MW awaiting consents

Installed capacity 101 MW

## TOTAL ELECTRICITY PRODUCED (GWh)





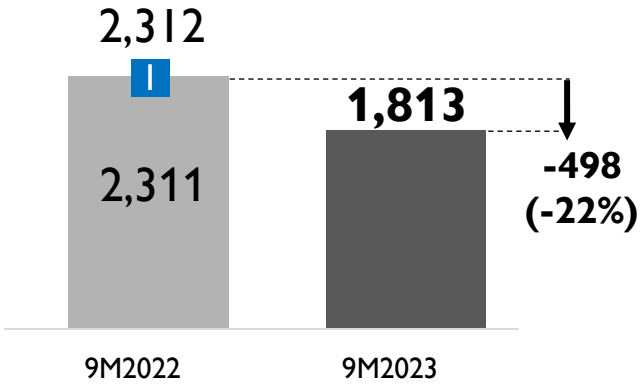
# Commercial: EBITDA growth +44%

GROWTH IN FREE MARKET CUSTOMER BASE

## REVENUE

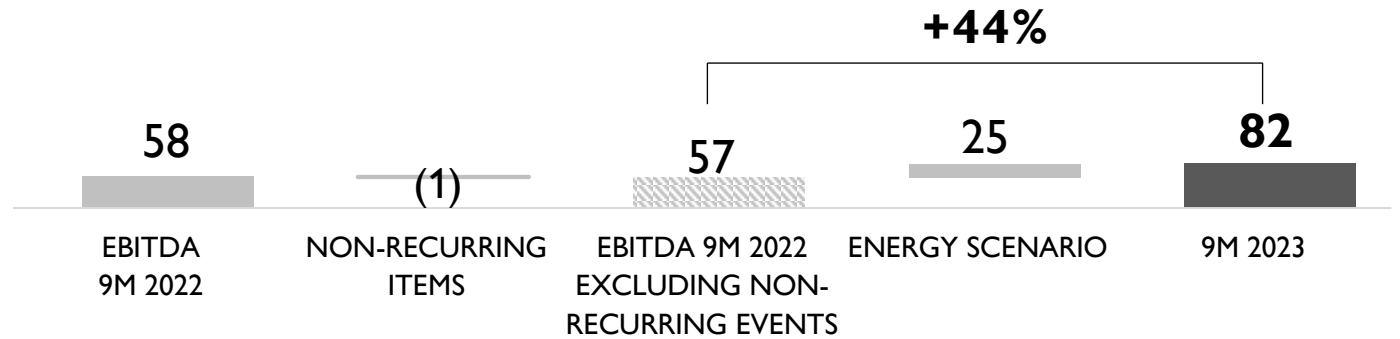
(€m)

■ Non-recurring events and changes in scope



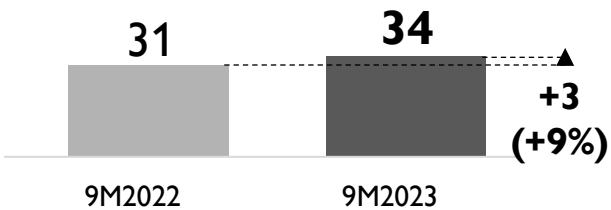
## EBITDA MAIN DRIVERS

(€m)

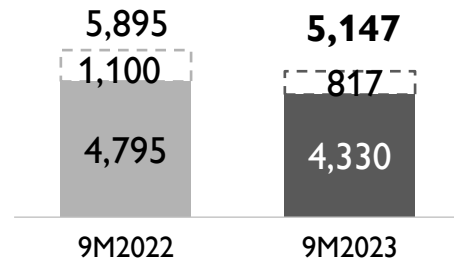


## CAPEX

(€m)

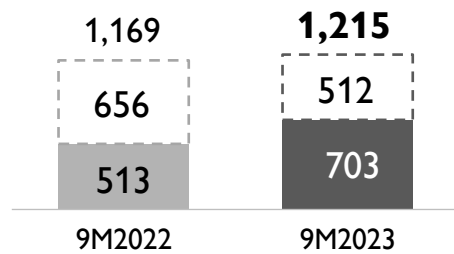


## TOTAL ELECTRICITY SOLD (GWH)

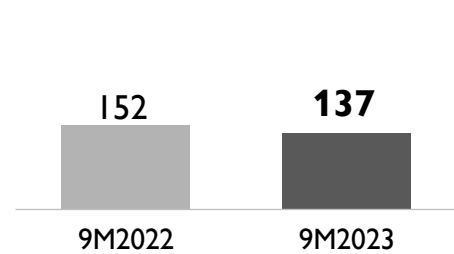


## NUMBER OF ELECTRICITY CUSTOMERS ('000s)

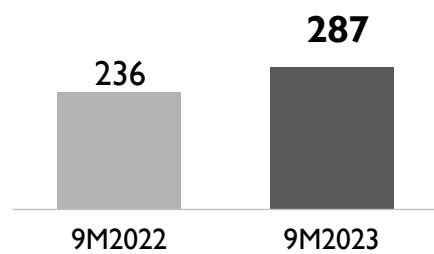
○ FREE MKT ○ EN. PROT. MKT



## TOTAL GAS SOLD (Mmc)



## NUMBER OF GAS CUSTOMERS ('000s)







STRATEGIC GUIDELINES



M9 2023 RESULTS



**ANNEX M9 2023**



ANNEX

# Sustainable growth pathway in early 2023

## KEY DEVELOPMENTS

### **DECO**

#### **January 2023**

Completion of the acquisition of the remaining 35% of DECO (waste management in the Abruzzo region).

### **New WTE in Rome**

#### **March 2023**

Expression of interest in bidding for the contract for the new Santa Palomba WTE plant (Rome) submitted together with Suez, Hitachi Zosen Inova and Vianini Lavori.

### **Combination with ASM Terni**

#### **April 2023**

Closing of the second phase of the business combination involving ACEA, ASM Terni and the Municipality of Terni.

### **SIMAM**

#### **April 2023**

Completion of the acquisition of the remaining 30% of SIMAM, specialising in engineering, the construction and operation of water and waste treatment plants and in environmental and remediation projects).

### **WMS** (Waidy Management System)

#### **May 2023**

WMS, ACEA's technology platform for sustainable water cycle management, receives award in the Service Design category.

### **Partnership with Acquedotto Pugliese**

#### **June 2023**

Signature of a Memorandum for the development of joint projects for the protection of water resources and technological innovation.

### **EIB loan**

#### **July 2023**

€435m EIB loan obtained.

### **Safeguarding legality**

#### **July 2023**

Signature with the Ministry of Internal Affairs of a «National Framework Agreement for the safeguarding of legality».

### **Illuminazione Pubblica**

#### **September 2023**

Approval of the proposal for a potential settlement agreement with Roma Capitale regarding the public lighting service.

### **Technical and Contractual Quality bonus**

#### **October 2023**

ACEA ATO2 ranked as the best operator in Italy with regard to reducing water losses.

Technical Quality bonus awarded to ACEA ATO2 for the two-year period 2020-2021: €24.7m.

# Sustainable growth pathway in early 2023

## KEY DEVELOPMENTS

### Top Employers Italia 2023

*January 2023*

Acea obtains «Top Employers Italia 2023» certification.

### Gender-Equality Index

*January 2023*

Confirmation of inclusion in the «Gender Equality Index», with a score of 81.58.

### RSE Top Utility for Research and Innovation

*March 2023*

Winner of the award as «RSE Top Utility for Research and Innovation».

### People and Participation Charter

*May 2023*

Signature with the labour unions of a “People and Participation Charter”.

### Standard Ethics

*July 2023*

Standard Ethics upgrades ACEA’s Corporate Standard Ethics Rating (SER) to “EE+” from the previous “EE” with a “Positive” outlook.

### SBTi

*September 2023*

Science Based Targets initiative (SBTi) validates Acea’s direct and indirect greenhouse gas emission targets.

# Sustainability ratings



62/100



«EE+»  
Positive outlook



«B»  
Management  
Level



«A»



81.58/100



«Leader ESG  
Identity»



ESG risk  
Rating  
20.1

# Consolidated income statement and statement of financial position at 30 September 2023

Consolidated income statement (€000)

	9M 2023	9M 2022	Increase/ (Decrease)
Sales and service revenues	3,291,370	3,677,828	(386,458)
Other operating income	108,882	115,979	(7,097)
<b>Consolidated net revenue</b>	<b>3,400,252</b>	<b>3,793,807</b>	<b>(393,555)</b>
Staff costs	259,276	224,184	35,092
Cost of materials and overheads	2,154,055	2,623,699	(469,638)
<b>Consolidated operating costs</b>	<b>2,413,331</b>	<b>2,847,877</b>	<b>(434,546)</b>
Net profit/(loss) from commodity risk management	0	34,547	(34,547)
Profit/(loss) on non-financial investments	19,462	21,833	(2,371)
<b>Gross operating profit</b>	<b>1,006,382</b>	<b>1,002,310</b>	<b>4,072</b>
Net impairment losses/(reversals of impairment losses) on trade receivables	64,060	73,854	(9,794)
Amortisation, depreciation and provisions	499,656	443,776	55,880
<b>Operating profit/(loss)</b>	<b>442,666</b>	<b>484,680</b>	<b>(42,014)</b>
Finance income	28,241	20,530	7,711
Finance costs	(131,467)	(78,982)	(52,485)
Profit/(loss) on investments	1,064	19,574	(18,510)
<b>Profit/(loss) before tax</b>	<b>340,504</b>	<b>445,802</b>	<b>(105,298)</b>
Income tax expense	103,854	162,080	(58,226)
<b>Net profit/(loss)</b>	<b>236,650</b>	<b>283,722</b>	<b>(47,072)</b>
Net profit/(loss) from discontinued operations			
<b>Net profit/(loss)</b>	<b>236,650</b>	<b>283,722</b>	<b>(47,072)</b>
<b>Net profit/(loss) attributable to non-controlling interests</b>	<b>27,225</b>	<b>26,325</b>	<b>901</b>
<b>Net profit/(loss) attributable to owners of the Parent</b>	<b>209,425</b>	<b>257,397</b>	<b>(47,972)</b>
<b>Earnings/(Loss) per share attributable to owners of the Parent</b>			
Basic	0.98338	1.20864	(0.22526)
Diluted	0.98338	1.20864	(0.22526)
<b>Earnings/(Loss) per share attributable to owners of the Parent net of treasury shares</b>			
Basic	0.98531	1.21101	(0.22570)
Diluted	0.98531	1.21101	(0.22570)

Consolidated statement of financial position (€000)

	30 September 2023	31 December 2022	Increase/ (Decrease)
Property, plant and equipment	3,264,629	3,144,250	120,379
Investment property	2,003	2,256	(253)
Goodwill	254,561	255,048	(487)
Concessions and infrastructure rights	3,682,323	3,470,906	211,417
Intangible assets	397,209	420,191	(22,982)
Right-of-use assets	103,584	90,397	13,187
Investments in unconsolidated subsidiaries and associates	365,615	348,885	16,731
Other investments	3,025	3,007	19
Deferred tax assets	216,238	179,823	36,415
Financial assets	24,874	30,531	(5,657)
Other non-current assets	672,089	615,144	56,946
<b>Non-current assets</b>	<b>8,986,151</b>	<b>8,560,435</b>	<b>425,716</b>
Inventories	125,969	104,507	21,462
Trade receivables	1,296,282	1,267,445	28,837
Other current assets	403,211	458,780	(55,569)
Current tax assets	62,151	26,296	35,855
Current financial assets	468,998	342,085	126,913
Cash and cash equivalents	468,457	559,908	(91,451)
<b>Current assets</b>	<b>2,825,068</b>	<b>2,759,022</b>	<b>66,046</b>
Non-current assets held for sale	18,296	19,076	(779)
<b>TOTAL ASSETS</b>	<b>11,829,515</b>	<b>11,338,533</b>	<b>490,983</b>
Share capital	1,098,899	1,098,899	0
Legal reserve	157,838	147,501	10,337
Other reserves	72,815	27,743	45,072
Retained earnings/(accumulated losses)	756,265	737,400	18,865
Net profit/(loss) for the period	209,425	279,725	(70,300)
<b>Total equity attributable to owners of the Parent</b>	<b>2,295,241</b>	<b>2,291,268</b>	<b>3,974</b>
Equity attributable to non-controlling interests	481,732	463,975	17,758
<b>Total equity</b>	<b>2,776,974</b>	<b>2,755,243</b>	<b>21,731</b>
Staff termination benefits and other defined-benefit obligations	109,370	112,989	(3,618)
Provisions for liabilities and charges	317,439	218,025	99,414
Borrowings and financial liabilities	4,794,633	4,722,263	72,370
Other non-current liabilities	439,448	399,628	39,820
<b>Non-current liabilities</b>	<b>5,660,890</b>	<b>5,452,905</b>	<b>207,986</b>
Borrowings	985,915	619,418	366,498
Trade payables	1,669,441	1,849,980	(180,539)
Tax liabilities	12,978	26,810	(13,831)
Other current liabilities	723,108	632,259	90,850
<b>Current liabilities</b>	<b>3,391,444</b>	<b>3,128,466</b>	<b>262,977</b>
Liabilities related directly to assets held for sale	207	1,919	(1,712)
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>11,829,515</b>	<b>11,338,533</b>	<b>490,983</b>

# Financial highlights for Engineering & Infrastructure Projects, Overseas Water and the Holdco

## ENGINEERING & INFRASTRUCTURE PROJECTS

(€m)	9M 2023	9M 2022	% change
<b>Revenue</b>	82.7	84.4	-2.0%
<b>EBITDA</b>	4.5	7.9	-42.5%
<b>Capex</b>	3.3	3.0	+7.6%

## OVERSEAS WATER

(€m)	9M 2023	9M 2022	% change
<b>Revenue</b>	73.5	70.0	+4.9%
<b>EBITDA</b>	27.5	25.2	+9.3%
<b>Capex</b>	3.7	3.2	+16.5%

## HOLDCO

(€m)	9M 2023	9M 2022	% change
<b>Revenue</b>	105.1	107.9	-2.6%
<b>EBITDA</b>	(26.3)	(30.4)	-13.6%
<b>Capex</b>	13.2	21.5	-38.5%



STRATEGIC GUIDELINES



M9 2023 RESULTS



ANNEX M9 2023



**ANNEX**



**REGULATION**



**2022 RESULTS**



STRATEGIC GUIDELINES



H1 2023 RESULTS



ANNEX H1 2023



**ANNEX**



**REGULATION**



2022 RESULTS



# Water Italy - Regulation

## TARIFF REGIME FOR THE THIRD REGULATORY PERIOD (MTI-3. 2020-2023)

ARERA RESOLUTIONS: 580/2019, 639/2021

For the regulatory period 2020-2023, ARERA has confirmed the approach that provides for:

- Allowed revenue (VRG) determined on the basis of the **FULL COST RECOVERY** principle
- Cap on annual growth in the tariff multiplier
- Promotion of operating efficiency and measures designed to encourage sustainability and resilience

**4-year regulatory period (2020-2023) with a two-yearly review**

**WACC: 4.8% + recognition of a 1% time lag on investment from 2012**

## TARIFF REGIME FOR THE FOURTH REGULATORY PERIOD (MTI-4)

ARERA Consultation Document: 442/2023

Consultation document 442/2023 confirms the overall framework for the third regulatory period and the method for calculating revenue (i.e. allowed revenue).

- **Greater visibility:** a 6-year regulatory period (2024-2029) with a two-yearly review
- **Upward revision of expected inflation** (2.7% versus 1.7% previously)
- **Introduction of two new bonuses** linked to the reuse of waste water and reductions in energy costs
- **Introduction of a metric for water resilience** with funding for the delivery of supply infrastructure
- Creation of further categories of asset for **reservoirs and barrages**

# Grids & Smart Cities - Regulation

## **ARERA Resolution 614/2021 – «Rate of return on invested capital for infrastructure services in the electricity and gas sectors for the period 2022-2027»**

- 2022-2023 WACC 5.2%

**Expected increase in allowed return from 2024**

## **ARERA Resolution 497/2023 – «Application criteria for output-based regulation (ROSS) for the transport of natural gas and the transmission, distribution and metering of electricity. Amendments to TIROSS 2024-2031 and RTTG 6PRT»**

- Application of output-based regulation from 2024 for electricity distributors serving at least 25k PODs
- The capital costs of 2G smart meters excluded from the scope of application
- Work in progress included in the RAB
- Reduction in the time lag for CPI and the deflator

## **ARERA Consultation Document 423/2023 – «Guidance for the regulation of electricity distribution and metering infrastructure in the sixth regulatory period 2024-2027»**

### Rationalisation of HV grid assets

- Proposed one-off bonus to be paid to the selling distributor, expressed as a percentage (decreasing based on the year of sale: 4% by 2024, 3% by 2025, 2% by 2026, 1% by 2027) compared with the revalued historical cost of the power lines/cables being sold.

### Incentives for the use of non-repayable funding

- Proposed bonus for the use of non-repayable grants by electricity distributors.
- The approach aims to provide an incentive equal to 10% vs the current approximate figure of 8.6% (in terms of the non-deduction of annual charges for depreciation).

### Incentives for M&A activity among operators

- Both in the case of operators subject to the parametric regime (serving less than 25k PODs) and the output-based regime (serving at least 25k PODs) and in the case of combinations involving a distributor serving between 25k and 100k PODs and one serving over 100k PODs.

***Areti's concession expires in 2030***

# Environment - Regulation

## ARERA RESOLUTION 363/2021 (MTR-2) – «Approva of the tariff regime for waste (MTR-2) for the second regulatory period 2022-2025»

- The scope of application covers **treatment plants used in the «recovery and disposal» of all urban waste**, regardless of how it is subsequently classified. **Recycling chains**, managed by recycling consortia and other entities, are, on the other hand, **not addressed**.
- **Regional planning** has been given a decisive role in **defining plants involved in closure of the cycle**, operating in structurally rigid markets (insufficient capacity to meet demand for treatment), **as «minimum»**. These plants are subject to **revenue caps**.
- Plants not classified as «minimum» as part of the planning process will be considered **«additional»**: these plants **will not be subject to regulated tariffs** but will only be subject to disclosure requirements.
- In a later resolution (68/2022/R/rif dated 22 February 2022), ARERA determined, in line with the approach adopted when setting the TIWACC for the energy sectors, the **WACC** for the regulatory period **2022-2025** – save for any intra-period adjustments – as **6% for facilities not integrated into the waste cycle** (the WACC for the integrated cycle is instead 5.6%).
- With Determination 01/DRIF/2022 of 22 April 2022, ARERA approved the standard formats for the documents constituting the tariff proposal that the operators of "minimum" plants submit to the competent bodies, i.e., EGATOs or regional authorities. Reference is made, in particular, to financial plans and the accompanying report.
- In DGR 290/2022 dated 27 April 2022, Lazio Regional Authority designated the San Vittore nel Lazio, Aprilia and Sabaudia plants as «minimum» plants.
- In DGR 375/2022 dated 12 May, Umbria Regional Authority designated the Orvieto plant (landfill, MBT and composting) as «minimum» plants.
- Abruzzo Regional Authority has yet to make an announcement in this regard.

## ARERA RESOLUTION 487/2023 – «Evaluation of the parameters forming the basis for calculating the cost of capital, in implementation of ARERA Resolution 389/2023/R/rif, concerning the two-yearly review (2024-2025) of the Waste Tariff Regime (MTR-2)

- Confirmation at the time of initial application of the amounts for determining the rate of return.
- Any future revisions taking into account determinations regarding the trigger mechanism referred to in art. 8 of the TIWACC (contained in Annex A to Resolution 614/2021/R/COM) are unaffected.



STRATEGIC GUIDELINES



H1 2023 RESULTS



ANNEX H1 2023



**ANNEX**



REGULATION



**2022 RESULTS**

# PERFORMANCE AND DELIVERY 2022

POSITIVE RESULTS DESPITE THE UNCERTAIN AND VOLATILE SCENARIO

## NET PROFIT AFFECTED BY EXTERNAL FACTORS

<b>REVENUE</b>	<b>EBITDA</b>	<b>EBIT</b>	<b>NET PROFIT</b>	}  Windfall tax
€5,138m +29%	€1,305m +4%	€566m -3%	€280m -11%	

## LEVERAGE IMPACTED BY ENERGY SCENARIO AND WINDFALL TAX

<b>CAPEX</b>	<b>NET DEBT</b>	<b>LEVERAGE</b>
€1,001m* +8%	€4,440m +11%	<b>NET DEBT/ EBITDA 3.4 x</b>

## DIVIDEND FLAT IN A «CHALLENGING» ENVIRONMENT

<b>DPS 2022<sup>^</sup></b>	<b>PAY OUT<sup>**</sup></b>	<b>DIVIDEND YIELD<sup>***</sup></b>
0.85€	~65%	6.6%

## GUIDANCE 2023

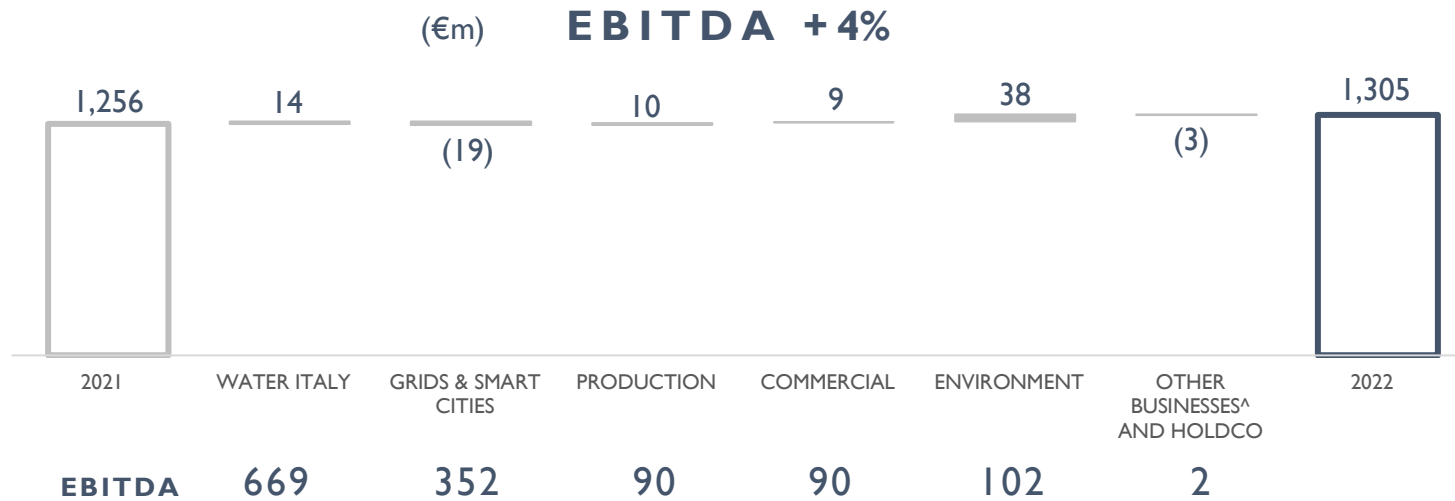
<b>EBITDA</b>	<b>CAPEX</b>	<b>NET DEBT/EBITDA</b>
+2%/+4% VERSUS 2022	<b>BROADLY IN LINE WITH 2022</b>	Below 3.8X

\* Net of grant-funded investments (€49m). Includes the impact of Law Decree 50/22 (~€46m).

<sup>^</sup> The Board of Directors will propose payment of the dividend to the Annual General Meeting of shareholders called for 18 April 2023, in first call, and 20 April 2023, in second call.

<sup>\*\*</sup> Based on consolidated net profit after non-controlling interests. <sup>\*\*\*</sup> Based on the share price at 30 December 2022.

# EBITDA 2022

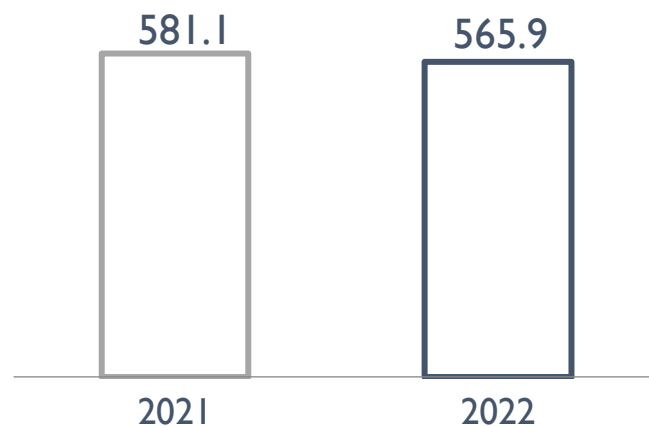


- ### MAIN DRIVERS
- ✓ Impact of electricity distribution regulation (-€26m)
  - ✓ Impact of energy scenario (+€37m)
  - ✓ Technical quality bonus for water services (+€27m)
  - ✓ Release of Terni plant from obligation to purchase CO2 allowances (+€18m)

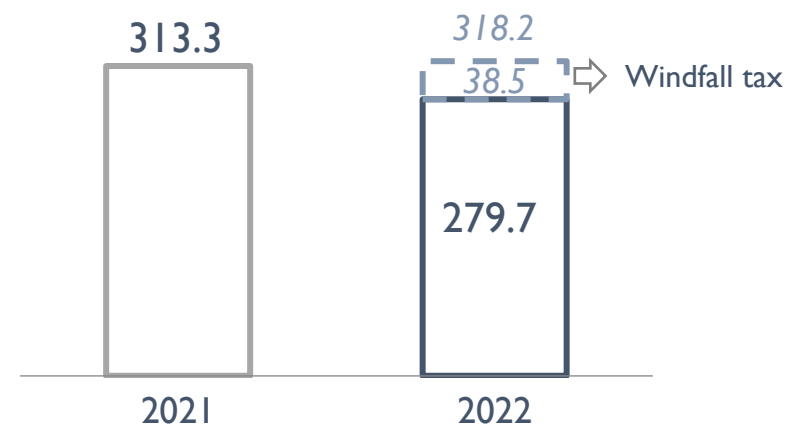


# EBIT AND NET PROFIT 2022

## EBIT (€m)



## NET PROFIT (€m)



(€m)	2022	2021	% CHANGE
DEPRECIATION	594.6	546.6	+8.8%
CREDIT LOSS PROVISIONS	113.4	86.2	+31.6%
PROVISIONS FOR RISKS	31.2	42.1	-25.9%
<b>TOTAL</b>	<b>739.2</b>	<b>675.0</b>	<b>+9.5%</b>

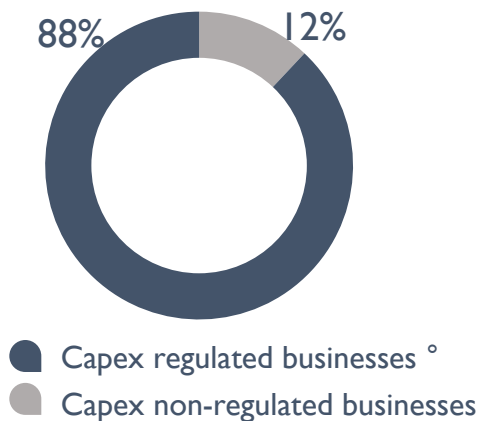
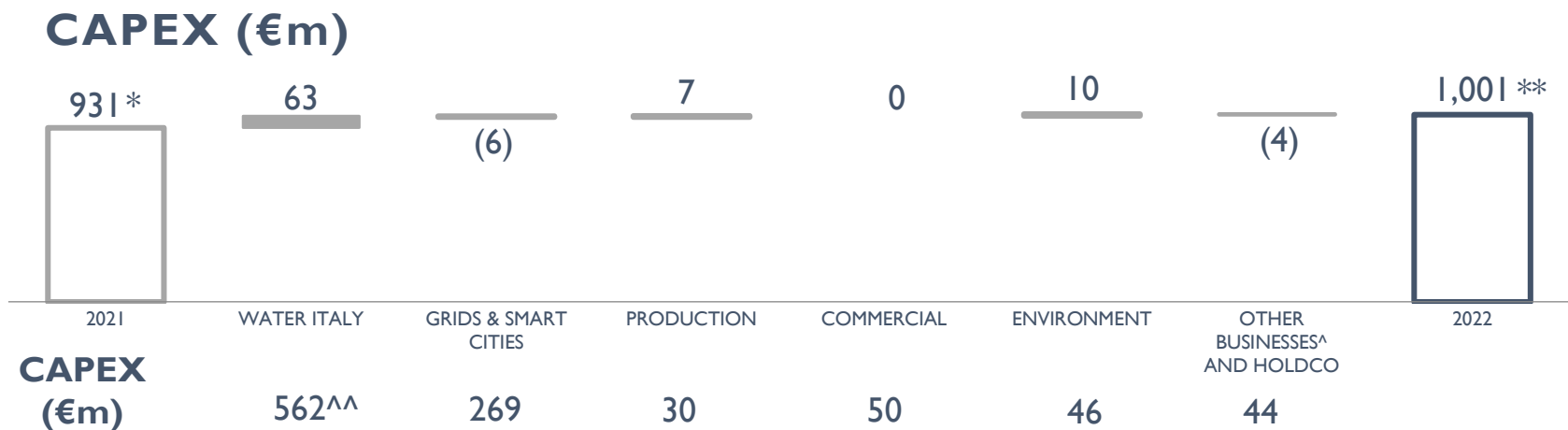
INCREASE IN PROVISIONS FOR POTENTIAL DETERIORATION IN THE ECONOMIC SITUATION

**TAX RATE 2022 37.6%**

(tax rate 2021: 30.0%)

**NORMALISED TAX RATE FOR 2022, AFTER ADJUSTING FOR WINDFALL TAX: 29.8 %**

# CAPEX 2022



WATER ITALY	GRIDS & SMART CITIES	ENVIRONMENT	PRODUCTION	COMMERCIAL	OTHER BUSINESSES AND HOLDCO
<ul style="list-style-type: none"> <li>• MAINTENANCE AND EXPANSION OF WATER AND SEWER PIPES</li> <li>• EXTRAORDINARY MAINTENANCE OF PLANTS AND NETWORKS</li> <li>• WORK ON TREATMENT PLANTS</li> </ul>	<ul style="list-style-type: none"> <li>• UPGRADE OF THE GRID</li> <li>• WORK ON PRIMARY AND SECONDARY SUBSTATIONS</li> <li>• INSTALLATION OF 2G METERS</li> </ul>	<ul style="list-style-type: none"> <li>• EXTRAORDINARY MAINTENANCE OF PRODUCTION PLANTS</li> <li>• CONSTRUCTION OF PHOTOVOLTAIC PLANTS</li> </ul>	<ul style="list-style-type: none"> <li>• CUSTOMER ACQUISITION</li> <li>• E-MOBILITY PROJECTS</li> </ul>	<ul style="list-style-type: none"> <li>• WORK ON SAN VITTORE, TERNI AND MONTEROTONDO MARITTIMO PLANTS</li> <li>• CHANGE IN SCOPE OF CONSOLIDATION</li> </ul>	<ul style="list-style-type: none"> <li>• CORPORATE: IT PROJECTS</li> </ul>







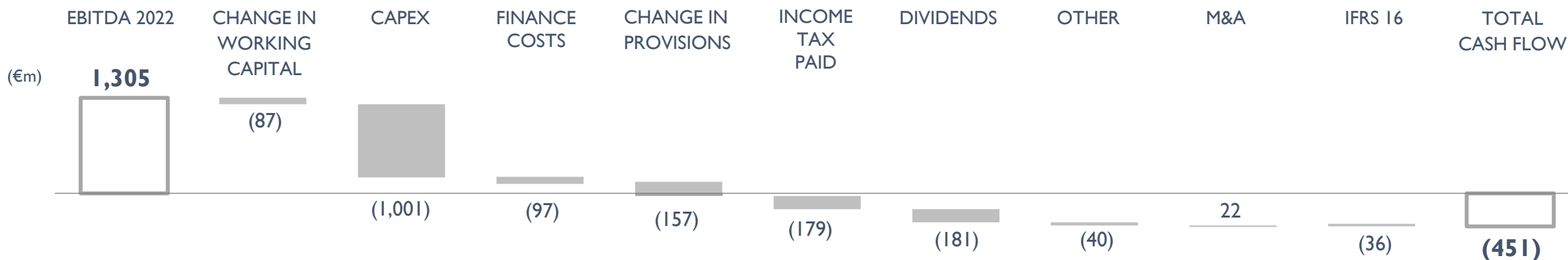
# CASH FLOW 2022

## CASH FLOW (€m)

	2022	2021
EBITDA	1,305	1,256
CHANGE IN WORKING CAPITAL	(87)	(95)
CAPEX*	(1,001)	(931)
<b>FREE CASH FLOW</b>	<b>217</b>	<b>230</b>
FINANCE INCOME/(COSTS)	(97) <sup>°</sup>	(86)
CHANGE IN PROVISIONS	(157)	(127)
INCOME TAX PAID	(179)	(180)
DIVIDENDS	(181)	(170)
OTHER	(40)	(43)
M&A	22 <sup>^</sup>	(69)
IFRS 16	(36)	(15)
<b>TOTAL CASH FLOW</b>	<b>(451)</b>	<b>(460)</b>

## FREE CASH FLOW

-  SALE OF PHOTOVOLTAIC ASSETS
-  COLLECTION OF TECHNICAL QUALITY BONUS (WATER)
-  EFFECT OF ENERGY SCENARIO
-  WINDFALL TAX



# FINANCIAL STRUCTURE 2022

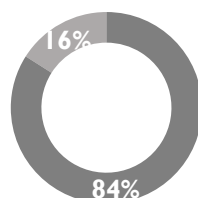
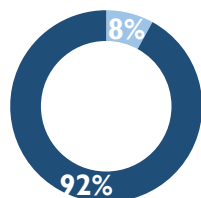
(€m)	31 Dec 22 (A)	31 Dec 21 (B)	30 Sept 22 (C)	Change (A-B)	Change (A-C)
NET DEBT	4,439.7	3,988.4	4,393.0	451.3	46.7
Medium/long-term	4,722.3	4,792.0	4,706.2	(69.7)	16.1
Short-term	(282.6)	(803.6)	(313.2)	521.0	30.6

## STRUCTURE OF DEBT

(MATURITY AND INTEREST RATES AT 31 DECEMBER 2022)

- DEBT FALLING DUE AFTER 2023
- DEBT FALLING DUE BY END OF 2023
- FLOATING RATE
- FIXED RATE

FIXED RATE	AVERAGE COST	AVERAGE TERM
<b>84%</b>	<b>1.44%</b>	<b>4.4 YEARS</b>



## LEVERAGE

NET DEBT / EBITDA	NET DEBT / EBITDA	NET DEBT / RAB	NET DEBT / RAB
31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
<b>3.4x</b>	<b>3.2x</b>	<b>0.69</b>	<b>0.65</b>

## RATINGS

**FitchRatings** **BBB+**  
**Stable Outlook**  
*(rating and outlook affirmed in July 2022)*

**MOODY'S** **Baa2**  
**Negative Outlook**  
*(rating affirmed and outlook downgraded from Stable to Negative in August 2022)*

### 17 JANUARY 2023

Successful placement of a €500m GREEN BOND, with coupon of 3.875% and maturing on 24 January 2031

### 3 FEBRUARY 2023

Successful completion of the €200m TAP ISSUE of the GREEN BOND launched on 17 January 2023 (coupon of 3.875% and maturing on 24 January 2031)

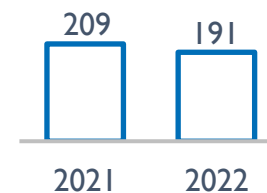


# WATER ITALY INCLUDING GAS DISTRIBUTION

## FINANCIAL HIGHLIGHTS 2022

(€m)	2022 (A)	2021 (B)	% change (A/B)
<b>EBITDA</b>	669.0	655.3	+2.1%
- ACEA ATO2	452.3	436.6	+3.6%
- ACEA ATO5	30.2	33.7	-10.4%
- Gori	70.5	79.0	-10.8%
- Adf	63.5	62.8	+1.1%
- SII Terni	14.4	13.8	+4.3%
Equity-accounted water companies	25.6	16.7	+53.3%
Other consolidated water companies	5.8	5.8	=
Gas distribution	6.7	6.9	-2.9%
<b>CAPEX*</b>	562.1	499.3	+12.6%
<b>RAB</b>	3,886	3,670	+5.9%

SLUDGE DISPOSED OF (ktonnes)



### EBITDA main drivers



+2%

TECHNICAL  
QUALITY BONUS  
(years 2018/2019)



+€26.9m

ACEA ATO2

Operational efficiency  
Technical quality bonus  
(€23.6m)



+€15.7m

EQUITY-  
ACCOUNTED  
WATER COMPANIES



+€8.9m

GORI

Increased sludge disposal  
costs and absence of  
tariff increase



-€8.5m

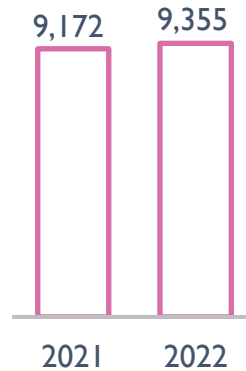


# GRIDS & SMART CITIES

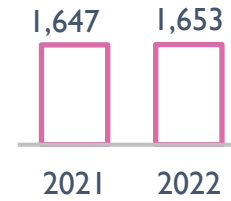
FINANCIAL AND OPERATIONAL HIGHLIGHTS 2022

(€m)	2022 (A)	2021 (B)	%change (A/B)
<b>EBITDA</b>	352.2	371.6	-5.2%
- areti	351.3	374.6	-6.2%
- Public lighting	0.9	(3.0)	n/s
<b>CAPEX</b>	268.8	274.5	-2.1%
<b>RAB</b>	2,539	2,464	+3.0%

TOTAL ELECTRICITY DISTRIBUTED GWh)



NUMBER OF PODs ('000s)



## EBITDA main drivers



-5%

## ELECTRICITY DISTRIBUTION ARETI



70-bps reduction in WACC from 5.9% to 5.2%

-€26m

## 2G ELECTRICITY METERS

Number installed at 31 December 2022

~ 650k

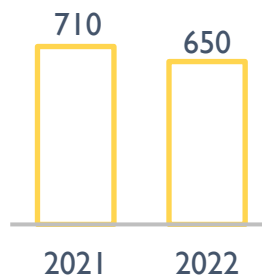


# GENERATION

## FINANCIAL AND OPERATIONAL HIGHLIGHTS 2022

(€m)	2022 (A)	2021 (B)	% change (A/B)
EBITDA	89.8	79.5	+13.0%
CAPEX	30.3	**23.4	+29.5%

TOTAL ENERGY PRODUCED (GWh)\*



### EBITDA main drivers



**+13%**



#### PRICE AND VOLUME EFFECTS

Effect of energy price rises (+€298/MWh), partly offset by reduction in hydroelectric volumes (-95 GWh)

+€21.0m



#### DECONSOLIDATION OF PHOTOVOLTAIC ASSETS

-€10.2m

Situation of photovoltaic plants:

Total pipeline: 1,070 MW

- consents obtained for 211 MW (under construction + ready to build)
- 859 MW awaiting consents

Installed capacity: 96 MW



Introduction of cap on sale price of electricity. Impact on Sant'Angelo power plant

-€18.3m

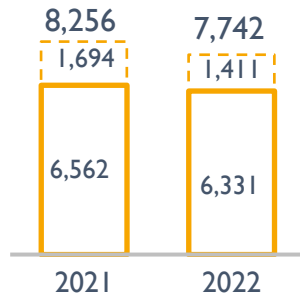


# COMMERCIAL

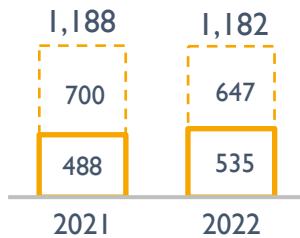
## FINANCIAL AND OPERATIONAL HIGHLIGHTS 2022

(€m)	2022 (A)	2021 (B)	% change (A/B)
EBITDA	90.0	80.5	+11.8%
CAPEX	49.6	49.4	+0.4%

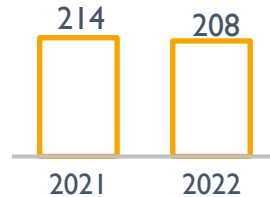
TOTAL ENERGY SOLD  
(GWH)



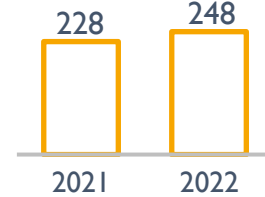
NUMBER OF  
ELECTRICITY  
CUSTOMERS ('000s)



TOTAL GAS SOLD  
(Mm<sup>3</sup>)



NUMBER OF GAS  
CUSTOMERS ('000s)



○ FREE MKT    ○ EN. PROT. MKT

### EBITDA Main drivers



**+12%**



### ACEA ENERGIA

Small reduction in energy margin (-€0.8m) and increase in VAS (up €4.1m)

**+€3.6m**



### ACEA INNOVATION

Increased revenue from Energy Efficiency projects

**+€5.8m**



### CUSTOMERS LOST

Result of auction for “small” and “micro” enterprises on enhanced protection mkt

**-18k CUSTOMERS**



### CUSTOMER ACQUISITIONS (effect to be seen in 2023)

Result of auction for “small” and “micro” enterprises on enhanced protection mkt

**+148k CUSTOMERS**

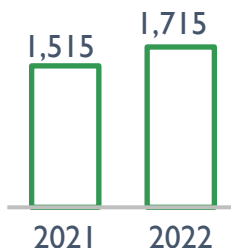


# ENVIRONMENT

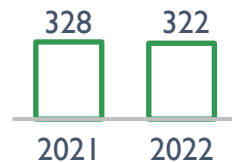
## FINANCIAL AND OPERATIONAL HIGHLIGHTS 2022

(€m)	2022 (A)	2021 (B)	%change (A/B)
EBITDA	101.6	63.7	+59.5%
CAPEX	46.2	36.1	+28.0%

TREATMENT AND DISPOSAL (KTONNES)



ELECTRICITY SOLD (GWh)



### EBITDA Main drivers



**+60%**

### EBITDA FROM WTE PLANTS



Higher prices received for electricity produced by San Vittore and Terni plants

**+€16.0m**

### CHANGE IN SCOPE OF CONSOLIDATION



Deco group (Nov 2021) €8.9m  
Meg (Oct 2021) €1.6m  
SerPlast (Feb 2022) +€0.9m  
Italmacero (Nov 2022) +€1.0m

**+€12.4m**

### CO2 ALLOWANCES



Release from obligation to purchase CO2 allowances for Terni plant

Allowances sale in 2022 (€12m) and avoided cost versus 2021 (€6m)

**+€18m**

# KEY ESG HIGHLIGHTS

ENVIRONMENTAL, SOCIAL, GOVERNANCE AND ECONOMIC PERFORMANCE



## WATER ITALY

**8.6m** Inhabitants served, Italy's largest water company

**30 Mm<sup>3</sup>** Water loss reduction (-6%)



## ENVIRONMENT

**36** GWh of energy produced (+16%) from approx. 20,027 kNm<sup>3</sup> of biogas produced

**37,000** Tonnes of quality compost produced (+31%)



## GRIDS & SMART CITIES

**9,355** GWh of electricity distributed

**~605k** 2G smart meters installed



## COMMERCIAL

**42%** Green energy sold out of total energy sold on free market



## PRODUCTION\*

**941** GWh of electricity gross production, 68% from renewable sources

**18k** Prosumers (+14%) with **97.3 GWh** of energy produced and fed into the grid, 74% from PTV



## ENGINEERING & INFRASTRUCTURE PROJECTS

**365k** Analytical determinations on drinking water at ATO 2



# KEY ESG HIGHLIGHTS

ENVIRONMENTAL, SOCIAL, GOVERNANCE AND ECONOMIC PERFORMANCE

## COMMUNITY



- ACEA'S Covid-19 **VACCINATION HUB** delivered over 171k doses (closed from 1 January 2023)
- **166 WATER KIOSKS**, over 37.8m litres of water dispensed, saving 774 tonnes of plastic per year, equal to 2,000 tonnes of CO<sub>2</sub> not emitted into the atmosphere

## WORKFORCE



- **QUALITY JOBS'**:
  - 99% of employees are permanent
  - 427 new recruits in 2022, 43% aged 30 or under.
- **CERTIFIED «Top Employers Italia 2023»** (January 2023)
- **DIVERSITY & INCLUSION**
  - An Equality, Diversity & Inclusion Committee set up and an Equality, Diversity & Inclusion policy adopted
  - First listed Italian multiutility to obtain UNI/PdR 125: 2022 certification of gender equality

## SUPPLIERS



- **78% of QUALIFIED SUPPLIERS** have completed a self-assessment questionnaire on aspects relating to sustainability
- **339 SUPPLIERS** rated by **ECOVADIS** (+129%)
- **Over 14,700 INSPECTIONS** of work sites conducted

## SUSTAINABLE FINANCE



- Issuance of €500m **GREEN BOND**, with a coupon of 3.875%, maturing 24 January 2031 (January 2023)
- **TAP ISSUE** of €200m, with coupon of 3.875%, yield 3.820%, maturing 24 January 2031 (February 2023)
- **SUSTAINABILITY RATING LINKED REVOLVING CREDIT FACILITY** for €200m, with a 3-year duration, linked to two target ESG ratings assigned by Standard Ethics and EticaNews (August 2022)

# DISCLAIMER

THIS PRESENTATION CONTAINS CERTAIN FORWARD-LOOKING STATEMENTS THAT REFLECT THE COMPANY'S MANAGEMENT'S CURRENT VIEWS WITH RESPECT TO FUTURE EVENTS AND FINANCIAL AND OPERATIONAL PERFORMANCE OF THE COMPANY AND ITS SUBSIDIARIES.

THESE FORWARD-LOOKING STATEMENTS ARE BASED ON ACEA S.P.A.'S CURRENT EXPECTATIONS AND PROJECTIONS ABOUT FUTURE EVENTS. BECAUSE THESE FORWARD-LOOKING STATEMENTS ARE SUBJECT TO RISKS AND UNCERTAINTIES, ACTUAL FUTURE RESULTS OR PERFORMANCE MAY MATERIALLY DIFFER FROM THOSE EXPRESSED THEREIN OR IMPLIED THEREBY DUE TO ANY NUMBER OF DIFFERENT FACTORS, MANY OF WHICH ARE BEYOND THE ABILITY OF ACEA S.P.A. TO CONTROL OR ESTIMATE PRECISELY, INCLUDING CHANGES IN THE REGULATORY FRAMEWORK, FUTURE MARKET DEVELOPMENTS, FLUCTUATIONS IN THE PRICE AND AVAILABILITY OF FUEL AND OTHER RISKS.

YOU ARE CAUTIONED NOT TO PLACE UNDUE RELIANCE ON THE FORWARD-LOOKING STATEMENTS CONTAINED HEREIN, WHICH ARE MADE ONLY AS OF THE DATE OF THIS PRESENTATION. ACEA S.P.A. DOES NOT UNDERTAKE ANY OBLIGATION TO PUBLICLY RELEASE ANY UPDATES OR REVISIONS TO ANY FORWARD-LOOKING STATEMENTS TO REFLECT EVENTS OR CIRCUMSTANCES AFTER THE DATE OF THIS PRESENTATION.

THIS PRESENTATION DOES NOT CONSTITUTE A RECOMMENDATION REGARDING THE SECURITIES OF THE COMPANY. THIS PRESENTATION DOES NOT CONTAIN AN OFFER TO SELL OR A SOLICITATION OF ANY OFFER TO BUY ANY SECURITIES ISSUED BY ACEA S.P.A. OR ANY OF ITS SUBSIDIARIES.

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PURSUANT TO ART. 154-BIS, PAR. 2, OF THE LEGISLATIVE DECREE N. 58 OF FEBRUARY 24, 1998, THE EXECUTIVE IN CHARGE OF PREPARING THE CORPORATE ACCOUNTING DOCUMENTS AT ACEA, SABRINA DI BARTOLOMEO - CFO OF THE COMPANY - DECLARES THAT THE ACCOUNTING INFORMATION CONTAINED HEREIN CORRESPOND TO DOCUMENT RESULTS, BOOKS AND ACCOUNTING RECORDS.