



**SHAREHOLDERS' MEETING ON 27 APRIL 2017 AND 4 MAY 2017
REPORT BY THE BOARD OF DIRECTORS
ON ITEMS 1 AND 2 ON THE AGENDA**

1. Annual financial statements as at 31 December 2016; report on operations by the Board of Directors and reports by the Board of Auditors and Independent Auditing Firm. Presentation of the consolidated financial statements as at 31 December 2016. Resolutions on the approval of the annual financial statements as at 31 December 2016.

Dear Shareholders,

Suitable files made available to the public, in respect of the laws in force, at the company headquarters, on the Company website www.acea.it, the website of the Italian Stock Exchange (www.borsaitaliana.it) and the "1Info" centralised storage mechanism authorised by Consob – which can be consulted at the web address www.1.info.it, to which reference is made, contain the draft annual financial statements of Acea S.p.A. as at 31 December 2016 (which closed with a net profit of 108,610,120.05 Euros) and the consolidated financial statements of the Acea Group as at 31 December 2016 (which closed with a net profit for the Group of 262,347,013.01 Euros).

We are therefore submitting the following proposal for your approval:

The Shareholders' Meeting of Acea S.p.A.:

- having examined the annual financial statements as at 31 December 2016 and the relevant reports submitted by the Board of Directors, the Board of Auditors and the Independent Auditing Firm;
- having acknowledged the consolidated financial statements as at 31 December 2016 and relevant reports by the Board of Directors and the Independent Auditing Firm;

resolves

to approve the annual financial statements as at 31 December 2016.

2. Resolutions on the distribution of the 2016 financial year profit.

Dear Shareholders,

The Board of Directors hereby submits for your approval the distribution of the profit of Acea S.p.A. for the financial year closed on 31 December 2016, amounting to 108,610,120.05 Euros as follows:

- 5,430,506.00 Euros to the legal reserve, equal to 5% of the legal reserve,
- 103,085,734.90 Euros to the shareholders, equal to a unit dividend of 0.485 Euros,
- 93,879.15 Euros as retained earnings.



It is also suggested to distribute € 28,693,967.45, equal to a unit dividend of € 0.135, through the reserves comprising profits from previous years.

The total dividend, coupon no. 18 for 131,779,702.35 Euros, equal to 0.620 Euros per share, will be available for payment as of 21 June 2017, with coupon detachment on 19 June and record date on 20 June.

There were 416,993 treasury shares as of the date of approval of the financial statements.

the above holding firm, we submit the following proposal for your approval:

The Shareholders' Meeting of ACEA S.p.A., having examined the report by the Board of Directors,

resolves

to allocate the profit of Acea S.p.A. for the financial year closed on 31 December 2016, amounting to 108,610,120.05 Euros, as follows:

- 5,430,506.00 Euros to the legal reserve, equal to 5% of the legal reserve,
- 103,085,734.90 Euros to the shareholders, equal to a unit dividend of 0.485 Euros,
- 93,879.15 Euros as retained earnings.

and to distribute € 28,693,967.45, equal to a unit dividend of € 0.135, through the reserves comprising profits from previous years.

The total dividend, coupon no. 18 for 131,779,702.35 Euros, equal to 0.620 Euros per share, will be available for payment as of 21 June 2017, with coupon detachment on 19 June and record date on 20 June.

For the Board of Directors
The Chairman
Catia Tomasetti