



**SHAREHOLDERS' MEETING ON 17 APRIL AND 18 APRIL 2019
REPORT BY THE BOARD OF DIRECTORS
ON ITEMS 1 AND 2 ON THE AGENDA**

- 1. Annual financial statements as at 31 December 2018; report on operations by the Board of Directors and reports by the Board of Auditors and the Independent Auditing Firm. Presentation of the consolidated financial statements as at 31 December 2018 and information concerning the consolidated non-financial statement pursuant to Legislative Decree 254/2016 (2018 Sustainability Report). Deliberations concerning the approval of the annual financial statements as at 31 December 2018.**

Dear Shareholders,

The relevant files which contain the draft annual financial statements of Acea S.p.A. as at 31 December 2018 (which closed with net profits of 147,776,210.95 Euros), the consolidated financial statements of the Acea Group as at 31 December 2018 (which closed with net profits for the Group of 270,998,816.77 Euros) and the consolidated non-financial statement (as per Legislative Decree 254/2016) are available to the public, in respect of the laws and regulations in force, at the company's head office, on the Company website, on the website of Borsa Italiana (www.borsaitaliana.it) and on the centralised automatic storage system authorised by Consob and called "1 Info", consultable on the website www.1Info.it, which see for details.

We therefore submit the following proposal for your approval:

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

- having examined the annual financial statements as at 31 December 2018 and the relevant reports submitted by the Board of Directors, Board of Auditors and Independent Auditing Firm;
- having acknowledged the consolidated financial statements as at 31 December 2018 and the relevant reports submitted by the Board of Directors and Independent Auditing Firm;
- having acknowledged the information in the consolidated non-financial statement pursuant to Legislative Decree 254/2016 (2018 Sustainability Report),

resolves

to approve the annual financial statements as at 31 December 2018.

- 2. Resolutions concerning the allocation of the 2018 profits.**

Dear Shareholders,

The Board of Directors hereby submits for your approval the allocation of the Acea S.p.A. profits for the year closed on 31 December 2018, amounting to 147,776,210.95 Euros, as follows:



- 7,388,810.55 Euros, amounting to 5% of the profits, to the legal reserve,
- 140,281,618.62 Euros to the Shareholders, amounting to a unit dividend of 0.66 Euros,
- 105,781.78 Euros to be retained.

It is also proposed to distribute the amount of 10,627,395.35 Euros, corresponding to a unit dividend of 0.05 Euros, through the use of the reserves formed of the profits from previous financial years.

The overall dividend, coupon no. 20 for 150,909,013.97 Euros or 0.71 Euros per share, will be paid out as of 26 June 2019, with dividend registered on 24 June and record date on 25 June.

As of the date of approval of the financial statements, there are 416,993 treasury shares.

The above holding firm, we hereby 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

that the Acea S.p.A. profits for the business year closed on 31 December 2018, amounting to 147,776,210.95 Euros, be allocated as follows:

- 7,388,810.55 Euros, amounting to 5% of the profits, to the legal reserve;
- 140,281,618.62 Euros to the Shareholders, amounting to a unit dividend of 0.66 Euros;
- 105,781.78 Euros to be retained.

The overall dividend, coupon no. 20 for 150,909,013.97 Euros or 0.71 Euros per share, will be paid out as of 26 June 2019, with dividend registered on 24 June and record date on 25 June.

For the Board of Directors
The Chairman
Michaela Castelli