



aceea
Q1 2018 Results

Rome, 10 May 2018

Q1 2018 financial highlights

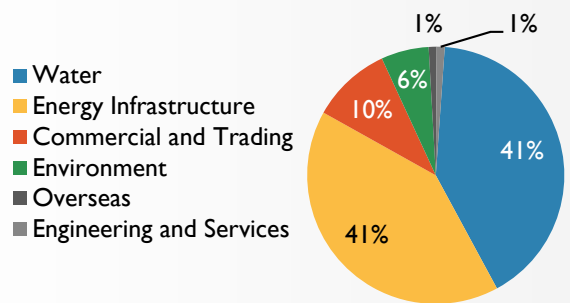
(€m)	Q1 2018 (a)	Q1 2017 (b)	% change (a/b)
Consolidated revenue	745.5	725.6	+2.7%
EBITDA	229.2	214.4	+6.9%
EBIT	127.4	117.2	+8.7%
Group net profit/(loss)	77.4	65.7	+17.8%
Capex	133.0	126.4	+5.2%

EBITDA guidance 2018:
+3%/+5% on 2017 (€840m)

Capex guidance 2018:
up on 2017

(€m)	31 March 2018 (a)	31 Dec 2017 (b)	31 March 2017 (c)	% Change (a/b)	% Change (a/c)
Net Debt	2,482.1	2,421.5	2,234.8	+2.5%	+11.1%
Invested Capital	4,197.0	4,232.7	4,073.0	-0.8%	+3.0%

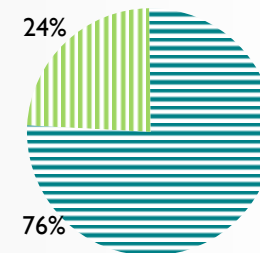
Net Debt guidance 2018:
€2.6-2.7bn



Q1 2018 EBITDA

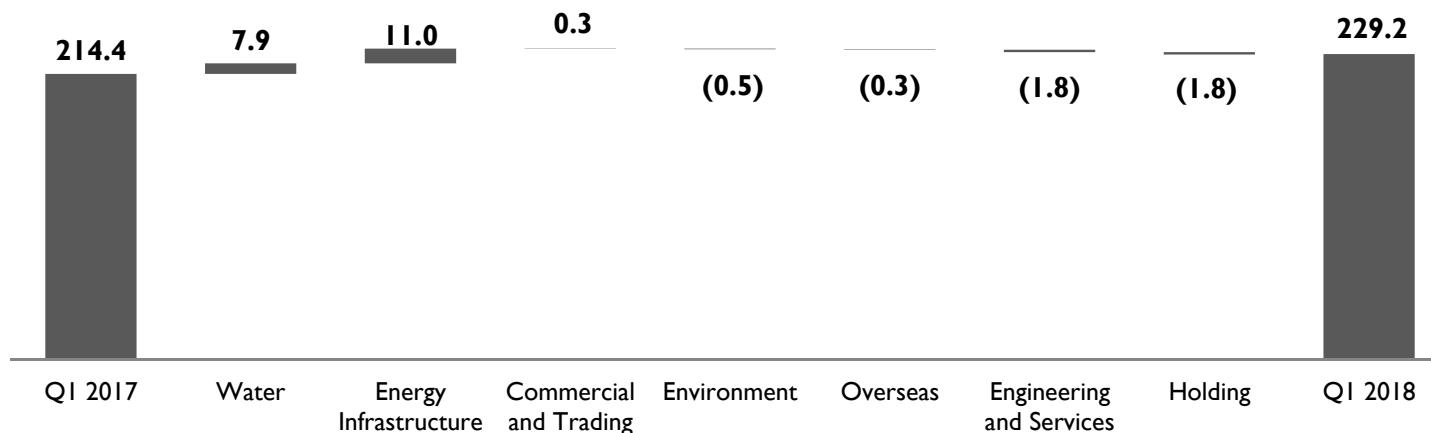
EBITDA from non-regulated businesses

EBITDA from regulated businesses



EBITDA (€m)

Average Group workforce



QI 2018	QI 2017	Change
5,535	5,498	+37

EBITDA and Key quantitative data

Q1 2018 financial highlights



Water

EBITDA main drivers

EBITDA GROWTH

▲ Acea ATO2: +€3.8m

▲ Companies consolidated using equity method +€3.0m

(€m)	Q1 2018 (a)	Q1 2017 (b)	%change (a/b)	Key quantitative data	Q1 2018	Q1 2017
EBITDA	96.4	88.5	+8.9%	Total volume of water sold (Mm ³)	105	103
<i>of which: Profit/(Loss) from companies consolidated using equity method</i>	7.9	4.9	+61.2%			
Capex	67.3	56.7	+18.7%			
	Q1 2018 (a)	Q1 2017 (b)	Change (a-b)			
Average workforce	1,789	1,838	-49			

EBITDA and Key quantitative data

Q1 2018 financial highlights



Energy Infrastructure

EBITDA main drivers

EBITDA GROWTH

- 📈 Distribution +€ 9.0m
- 📈 Generation +€1.2m – increased hydroelectric and thermoelectric production (completion of Tor di Valle plant)
- 📈 Public Lighting: LED plan launched in June 2016 (+€0.9m)

(€m)	Q1 2018 (a)	Q1 2017 (b)	% change (a/b)	Key quantitative data	Q1 2018	Q1 2017
EBITDA	94.4	83.4	+13.2%	Total electricity distributed (GWh)	2,469	2,509
- Distribution	80.7	71.7	+12.6%	Number of end users ('000s)	1,626	1,627
- Generation	14.0	12.8	+9.4%	Total electricity produced (GWh)	155	132
- Public Lighting	(0.2)	(1.1)	n.s.			
Capex	54.4	57.2	-4.9%			
	Q1 2018 (a)	Q1 2017 (b)	Change (a-b)			
Average workforce	1,380	1,359	+21			

EBITDA and Key quantitative data

Q1 2018 financial highlights



Commercial and Trading

EBITDA STABLE

EBITDA main drivers

(€m)	Q1 2018 (a)	Q1 2017 (b)	%change (a/b)	Key quantitative data	Q1 2018	Q1 2017
EBITDA	23.4	23.1	+1.3%	Total electricity sold (GWh)	1,593	1,813
				<i>Enhanced Protection Market</i>	663	730
				<i>Free Market</i>	930	1,083
Capex	4.1	2.5	+64.0%	PODs for electricity ('000s)	1,204	1,232
				<i>Enhanced Protection Market</i>	880	929
				<i>Free Market</i>	324	303
Average workforce	467	476	-9	Total gas sold (Mm³)	56	51
				Number of gas customers ('000s)	140	129

EBITDA and Key quantitative data

Q1 2018 financial highlights



Environment

EBITDA main drivers

EBITDA STABLE

↑ Iseco: +€0.3m

↓ Aquaser (sludge recovery operations): -€0.7m

(€m)	Q1 2018 (a)	Q1 2017 (b)	%change (a/b)	Key quantitative data	Q1 2018	Q1 2017
EBITDA	14.1	14.6	-3.4%	Treatment and disposal* (‘000s of tonnes)	254	274
Capex	4.6	5.5	-16.4%	WTE electricity produced (GWh)	89	87

	Q1 2018 (a)	Q1 2017 (b)	Change (a-b)
Average workforce	361	347	+14

* Includes ash disposed of

EBITDA and Key quantitative data

Q1 2018 financial highlights



Overseas

(€m)	Q1 2018 (a)	Q1 2017 (b)	
EBITDA	3.0	3.3	
Capex	0.8	0.9	
	Q1 2018 (a)	Q1 2017 (b)	Change (a-b)
Average workforce	604	588	+16



Engineering and Services

(€m)	Q1 2018 (a)	Q1 2017 (b)	
EBITDA	2.2	4.0	
Capex	0.3	0.2	
	Q1 2018 (a)	Q1 2017 (b)	Change (a-b)
Average workforce	270	311	-41

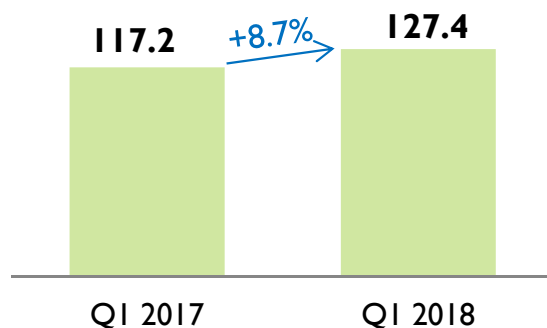


Holding

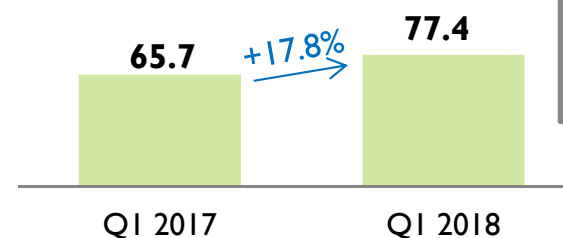
(€m)	Q1 2018 (a)	Q1 2017 (b)	
EBITDA	(4.2)	(2.4)	
Capex	1.5	3.4	
	Q1 2018 (a)	Q1 2017 (b)	Change (a-b)
Average workforce	664	579	+85

Primarily due to transfer of Facility Management from Engineering and Services unit.

EBIT (€m)



NET PROFIT (€m)



Net results up in line with EBITDA, after related taxation

TAX RATE

30.4%

30.4%

(€m)	Q1 2018	Q1 2017	% change
Depreciation	77.5	68.8	+12.6%
Write-downs	21.1	18.7	+12.8%
Provisions	3.3	9.8	-66.3%
Total	101.9	97.3	+4.7%



Increased depreciation, partly due to increased investment in IT assets with shorter useful lives.

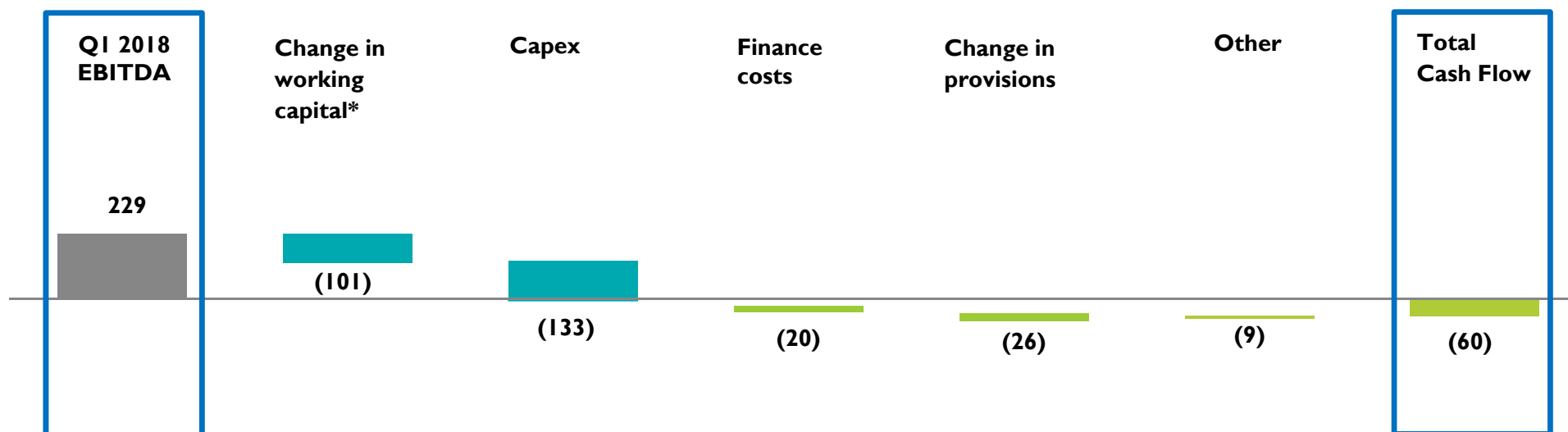


Increased provisions due to first-time adoption of IFRS9



Lower provisions for early retirement and redundancy scheme present in Q1 2017.

(€m)	Q1 2018	Q1 2017
EBITDA	229	214
Change in working capital	(101)	(153)
CAPEX	(133)	(126)
FREE CASH FLOW	(5)	(65)
Net finance income/(costs)	(20)	(19)
Change in provisions	(26)	(17)
Income tax expense	0	0
Dividends	0	0
Other	(9)	(7)
TOTAL CASH FLOW	(60)	(108)



* Before provisions for bad debts

Net Debt

(€m)	31 March 2018 (a)	31 Dec 2017 (b)	31 March 2017 (c)	Change (a-b)	Change (a-c)
NET DEBT	2,482.1	2,421.5	2,234.8	60.6	247.3
Medium/Long-term	3,540.2	2,706.6	2,726.8	833.6	813.4
Short-term	(1,058.1)	(285.1)	(492.0)	(773.0)	(566.1)

NET DEBT / EQUITY 31 March 2018	NET DEBT 31 March 2018 / LTM EBITDA
1.4x	2.9x

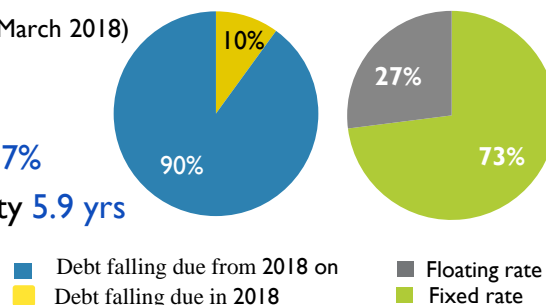
February 2018 – **successful placing** of Euro 1 billion **bonds** overall under the EMTN Programme in two tranches:

- **300 €m, 5 years, rate 3 months Euribor plus 0.37%**
- **700 €m, 9.4 years, fixed rate 1.5%**

Debt structure

(maturity and interest rates at 31 March 2018)

- > Fixed rate **73%**
- > Average overall cost **2.27%**
- > Average term to maturity **5.9 yrs**



Ratings

FitchRatings

MOODY'S

BBB+

Baa2

Stable Outlook

Stable Outlook

Acea Group

Q1 2018 Results

Rome, 10 May 2018

Q&A *session*

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.

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