PRESS RELEASE

ACEA'S BOARD OF DIRECTORS:

- **APPROVES RESULTS FOR H1 2013**
- **AUTHORISES ISSUE OF BONDS WITH A VALUE OF UP TO 750 MILLION EUROS**

Financial highlights

- **Consolidated revenue:** 1,790.3 million euros up 6.0%
- **EBITDA:** 370.4 million euros up 15.5%
- **EBIT:** 186.6 million euros up 30.7%
- **Group net profit** (before non-controlling interests)**:** 77.0 million euros up 101.0%

Rome, 31 July 2013 – The Board of Directors of ACEA SpA, chaired by Giancarlo Cremonesi, has approved the interim report for the six months ended 30 June 2013 (H1 2013).

FINANCIAL HIGHLIGHTS

(€m)	H1 2012	H1 2013	% inc./(dec.)
Consolidated revenue	1,688.9	**1,790.3**	*+6.0%*
EBITDA	320.7	**370.4**	*+15.5%*
EBIT	142.8	**186.6**	*+30.7%*
Profit/(Loss) before tax	80.1	**144.5**	*+80.4%*
Group net profit/(loss) (before non-controlling interests)	38.3	**77.0**	*+101.0%*
Group net profit/(loss) (after non-controlling interests)	34.1	**70.6**	*+107.0%*

The above amounts do not take account of the reclassifications required by IFRS 5 and therefore include the H1 2012 results of the photovoltaic unit sold at the end of 2012.

(€m)	H1 2012	H1 2013	% inc./(dec.)
Investment	185.9*	**165.8**	*-10.8%.*

(*) This figure does not include the cost of purchasing the Group's headquarters premises, amounting to approximately 113 million euros.

(€m)	30 June 2012 (restated)**	30 June 2013	% inc./(dec.)
Net debt	2,566.0	**2,479.1**	*-3.4%*
Equity	1,326.6	**1,375.5**	*+3.7%*
Invested capital	3,892.6	**3,854.6**	*-1.0%*

(**) Entry into effect of amendments to IAS 19.

"The first-half results for this year confirm the positive trend already seen in previous periods," commented Acea's Chairman, Giancarlo Cremonesi, "thanks to effective management of the Group's operations and finances, its strategic positioning and the strength of our portfolio of businesses".

"Even more important," stressed Paolo Gallo, Acea's CEO, "is the positive financial performance during the first half under review, enabling us to stabilise net debt under market conditions that remain difficult. All areas of business report sound operating performances, reflecting improved margins and the achievement of further cost savings."

ACEA GROUP'S RESULTS FOR H1 2013

Consolidated revenue of 1,790.3 million euros is up 6.0% on the figure for H1 2012.

Consolidated EBITDA, totalling 370.4 million euros, is up 15.5% on the figure for H1 2012. This essentially reflects a significant improvement in the Parent Company's performance, driven by cost cutting initiatives, and the contributions from the Energy segment and the Italian water businesses. Both the Environment and Networks segments also report positive performances.
Contributions to total EBITDA are as follows: Water 49%, Networks 32%, Energy 12%, Environment 6%; Parent Company 1%.

Consolidated **EBIT** is up from 142.8 million euros for H1 2012 to 186.6 million euros for H1 2013 (up 30.7%).

Group net profit, before non-controlling interests, is 77.0 million euros (up 101.0% on the figure for H1 2012).
Group net profit, after non-controlling interests, is 70.6 million euros (up 107.0% on the 34.1 million euros of H1 2012).

The Group's **investment** in H1 2012 amounts to 165.8 million euros (185.9 million euros in H1 2012, the figure does not include the cost of purchasing the Company's headquarters premises, amounting to around 113 million euros). The figure breaks down as follows: Water 99.1 million euros; Networks 52.2 million euros; Environment 4.8 million euros; Energy 5.3 million euros; the Parent Company 4.4 million euros. The reduction in investment compared with H1 2012 is attributable to the Environment segment.

Net debt of 2,479.1 million euros at the end of H1 2013 is down 16.4 million euros on the figure for the end of 2012 (2,495.5 million euros) and 159.8 million euros down on 31 March 2013 (2,638.9 million euros). The reduction was achieved thanks to the Company's strong commitment to reducing working capital across all areas of business.

SEGMENT INFORMATION FOR H1 2013

Environment

The Environment segment reports EBITDA of 23.6 million euros, marking a 6.3% increase on H1 2012 (22.2 million euros).

ENVIRONMENT – operational highlights	**H1 2012**	**H1 2013**
Treatment and disposal ('000 tonnes)	**328**	**389**
WTE electricity sold (GWh)	**96**	**124**

Energy

The Energy segment's EBITDA saw a significant improvement, rising 74.6% to 44.7 million euros. The result benefitted from an increase in the margin on sales, the greater volume of energy produced and increased revenue from green certificates as a result of the repowering of the Salisano and Orte hydroelectric plants (the latter began operating again during the second quarter of 2012).
In detail:

ENERGY – EBITDA (€m)	**H1 2012**	**H1 2013**
Energy segment	**25.6**	**44.7**
Production	*14.9*	*20.5*
Energy Management	*(4.2)*	*0.6*
*Sales**	*14.9**	*23.6*

ENERGY – operational highlights	**H1 2012**	**H1 2013**
Electricity production (GWh)	**192**	**278**
Hydroelectric	*187*	*275*
Thermoelectric	*5*	*3*
Wind	*-*	*-*
Electricity sold (GWh)	**6,979**	**6,416**
Enhanced protection market	*1,738*	*1,689*
Free market	*5,241*	*4,727*
Gas sold (million m^3)	**51**	**63**

(*) The figure also includes the call centre activities operated by Acea8Cento.

Water

The Water segment's EBITDA is up 14.2% from 157.0 million euros for H1 2012 to 179.3 million euros for H1 2013. The method of revenue calculation has changed with respect to the comparative period, with the regulations contained in Electricity and Gas Authority Resolution 585/2012/R/idr, regarding the Transitional Tariff Regime for 2012 and 2013, being applied in H1 2013. EBITDA for H1 2012 is, moreover, positively influenced by recognition of the FNI component (providing funding for new investment) previously approved by a number of concession authorities for the years 2012 and 2013.

Networks

EBITDA for the Networks segment totals 120.0 million euros, up 6.1 million euros – on a like-for-like basis – on H1 2012, essentially due to an improvement in Acea Distribuzione's margins.

NETWORKS (€m)	H1 2012	H1 2013
EBITDA	**122.9**	**120.0**
EBITDA for the photovoltaic unit sold *	(9.0)	-
Pro forma EBITDA	**113.9**	**120.0**

(*) On 28 December 2012 Acea – through its subsidiary, Arse – sold Apollo, a company operating photovoltaic plants with an installed capacity of 32.544 MWp, to RTR Capital.

The amount of electricity distributed totals 5,290 GWh (5,398 GWh in H1 2012).

Parent Company

The Parent Company reports EBITDA of 2.8 million euros, an improvement of 9.7 million euros compared with H1 2012. This reflects its reorganisation and efficiency improvements, resulting in a reduction in external costs.

OUTLOOK

The Acea Group's results for H1 2013 are ahead of expectations and show that we are on track to achieve the targets set out in the Business Plan by year end.
The following should be noted with regard to the various operating segments:

- attractive growth opportunities in the Environment segment, reflecting its strategic positioning and the shortage of waste recycling and treatment plants in the Lazio region;
- implementation of an electricity sales strategy focusing on rationalisation of the customer portfolio and actions designed to reduce working capital;
- a strong commitment, in the Water segment, to participate in the process of regulatory change, with the aim of ensuring that the Group can operate within a regulatory framework providing certainty when taking investment decisions;
- continued efforts to streamline business processes and improve operating efficiency in the Networks segment, with the Company currently engaged in assessing how to best extract value from the photovoltaic assets still owned by Arse.

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During the same meeting, the Board of Directors also authorised the issue, by Acea SpA, of bonds with a value of up to 750 million euros, as part of a plan to strengthen the Group's financial position and structure. The bonds are to be placed with institutional investors.

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The Board of Directors has also appointed Franco Balsamo, the Group's CFO, as the Manager Responsible for Financial Reporting with effect from 5 August 2013.
The role will continue to be held by Iolanda Papalini – Head of the Group's Administration, Financial Reporting and Taxation – until the above date.

The following schedules are attached:

- CONSOLIDATED ACCOUNTS – INCOME STATEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2013, STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2013, ANALYSIS OF NET DEBT AT 30 JUNE 2013 AND STATEMENT OF CHANGES IN EQUITY.

A conference call will be held at 11.00am (Italian time) on Thursday, 1 August 2013 in order to present the results for the six months ended 30 June 2013. To coincide with the start of the conference call, back-up material will be made available at www.acea.it.

The Executive Responsible for Financial Reporting, Iolanda Papalini, declares that, pursuant to section two of article 154 bis of the Consolidated Finance Act, the information contained in this release is consistent with the underlying accounting records.

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CONSOLIDATED INCOME STATEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2013

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	H1 2013	H1 2012	Increase/ (Decrease)
Sales and service revenues	1,760,164	1,654,548	105,616
Other operating income	30,181	34,304	(4,123)
Consolidated net revenue	**1,790,345**	**1,688,852**	**101,493**
Staff costs	140,070	149,844	(9,774)
Cost of materials and overheads	1,279,915	1,217,922	61,993
Total operating costs	**1,419,985**	**1,367,767**	**52,218**
Net profit/(loss) from commodity risk management	4	(350)	354
Gross operating profit	**370,364**	**320,735**	**49,629**
Amortisation, depreciation, provisions and impairment charges	183,747	177,945	5,802
Operating profit/(loss)	**186,617**	**142,791**	**43,827**
Finance (costs)/income	(40,265)	(63,400)	23,135
Profit/(loss) on investments	(1,825)	660	(2,485)
Profit/(loss) before tax	**144,527**	**80,051**	**64,476**
Income tax expense	67,504	41,789	25,715
Net profit/(loss) from continuing operations	**77,022**	**38,261**	**38,761**
Net profit/(loss) from discontinued operations	0	0	0
Net profit/(loss)	**77,022**	**38,261**	**38,761**
Net profit/(loss) attributable to non-controlling interests	*6,403*	*4,211*	*2,192*
Net profit/(loss) attributable to owners of the Parent	**70,619**	**34,050**	**36,569**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2013

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	30 June 2013 (a)	31 December 2012 (restated) (b)	Increase/ (Decrease) (a) - (b)	% increase/ (decrease)
NON-CURRENT ASSETS AND LIABILITIES	**3,728,526**	**3,699,344**	**29,182**	**0,8%**
Property, plant and equipment and intangible assets	4,084,409	4,031,497	52,912	1,3%
Investments	17,509	21,130	(3,622)	(17,1%)
Other non-current assets	461,443	420,126	41,317	9,8%
Staff termination benefits and other defined-benefit obligations	(126,591)	(128,742)	2,151	(1,7%)
Provisions for liabilities and charges	(263,804)	(272,401)	8,597	(3,2%)
Other non-current liabilities	(444,439)	(372,266)	(72,174)	19,4%
NET WORKING CAPITAL	**126,081**	**112,195**	**13,887**	**12,4%**
Current receivables	1,514,493	1,477,207	37,286	2,5%
Inventories	42,394	41,983	411	1,0%
Other current assets	190,450	221,337	(30,886)	(14,0%)
Current payables	(1,216,058)	(1,267,161)	51,103	(4,0%)
Other current liabilities	(405,199)	(361,171)	(44,028)	12,2%
INVESTED CAPITAL	**3,854,607**	**3,811,539**	**43,068**	**1,1%**
NET DEBT	**(2,479,063)**	**(2,495,478)**	**16,415**	**(0,7%)**
Medium/long-term loans and receivables	34,679	32,959	1,719	5,2%
Medium/long-term borrowings	(2,149,368)	(2,211,609)	62,242	(2,8%)
Short-term loans and receivables	127,074	152,225	(25,151)	(16,5%)
Cash and cash equivalents	300,313	423,698	(123,385)	(29,1%)
Short-term borrowings	(791,762)	(892,751)	100,989	(11,3%)
Total equity	**(1,375,543)**	**(1,316,060)**	**(59,483)**	**4,5%**
BALANCE OF NET DEBT AND EQUITY	**(3,854,607)**	**(3,811,539)**	**(43,068)**	**1,1%**

ANALYSIS OF CONSOLIDATED NET DEBT AT 30 JUNE 2013

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	30 June 2013	31 December 2012	Increase/ (Decrease)
Non-current financial assets/(liabilities)	1,842	2,060	(218)
Intercompany non-current financial assets/(liabilities)	32,836	30,899	1,937
Non-current borrowings and financial liabilities	(2,149,368)	(2,211,609)	62,242
Net medium/long-term debt	**(2,114,689)**	**(2,178,650)**	**63,961**
Cash and cash equivalents and securities	300,387	423,771	(123,384)
Short-term bank borrowings	(672,291)	(753,850)	81,559
Current financial assets/(liabilities)	(53,105)	(56,898)	3,793
Intercompany current financial assets/(liabilities)	60,635	70,149	(9,514)
Net short-term debt	**(364,374)**	**(316,828)**	**(47,546)**
Total net debt	**(2,479,063)**	**(2,495,478)**	**16,415**

STATEMENT OF CHANGES IN EQUITY

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	Share capital	Legal reserve	Other reserves	Net profit/ (loss) for period	Total	Non-controlling interests	Total equity
Balance at 1 January 2012 (restated)	**1,098,899**	**113,731**	**(47,599)**	**71,764**	**1,236,795**	**74,662**	**1,311,457**
IAS 19 restatement			(1,519)		(1,519)	6	(1,513)
Balance at 1 January 2012 (restated)	**1,098,899**	**113,731**	**(49,118)**	**71,764**	**1,235,277**	**74,667**	**1,309,944**
Net profit/(loss) in income statement				77,383	77,383	7,917	85,300
Other comprehensive income/(losses)				(30,648)	(30,648)	(637)	(31,286)
Total comprehensive income/(loss)	***0***	***0***	***0***	***46,735***	***46,735***	***7,279***	***54,014***
Appropriation of net profit/(loss) for 2011		51,428	20,336	(71,764)	0	0	0
Dividends paid		0	(44,635)		(44,635)	(3,178)	(47,813)
Change in basis of consolidation		(72)	1,572		1,500	(1,585)	(85)
Balance at 31 December 2012	**1,098,899**	**165,087**	**(71,845)**	**46,735**	**1,238,877**	**77,183**	**1,316,060**

	Share capital	Legal reserve	Other reserves	Net profit/ (loss) for period	Total	Non-controlling interests	Total equity
Balance at 1 January 2013 (restated)	**1,098,899**	**165,088**	**(71,845)**	**46,735**	**1,238,877**	**77,184**	**1,316,060**
Net profit/(loss) in income statement				36,830	36,830	2,068	38,898
Other comprehensive income/(losses)				(1,491)	(1,491)	107	(1,383)
Total comprehensive income/(loss)	*0*	*0*	*0*	*35,339*	*35,339*	*2,175*	*37,515*
Appropriation of net profit/(loss) for 2012		78	46,657	(46,735)	0		0
Dividends paid					0	(880)	(880)
Change in basis of consolidation			91		91	(91)	0
Balance at 31 March 2013	**1,098,899**	**165,166**	**(25,097)**	**35,339**	**1,274,307**	**78,388**	**1,352,695**
Net profit/(loss) in income statement				33,789	33,789	4,335	38,124
Other comprehensive income/(losses)				6,044	6,044	418	6,463
Total comprehensive income/(loss)	*0*	*0*	*0*	*39,833*	*39,833*	*4,754*	*44,587*
Appropriation of net profit/(loss) for 2012		5,036	(5,036)		0		0
Dividends paid			(19,129)		(19,129)	(2,609)	(21,738)
Change in basis of consolidation					0		0
Balance at 30 June 2013	**1,098,899**	**170,202**	**(49,263)**	**75,173**	**1,295,011**	**80,533**	**1,375,543**