

PRESS RELEASE

AGM OF ACEA SpA'S SHAREHOLDERS:

- APPROVES 2016 FINANCIAL STATEMENTS
- APPROVES PAYMENT OF A DIVIDEND OF €0.62 PER SHARE
- ELECTS BOARD OF DIRECTORS
- ELECTS LUCA ALFREDO LANZALONE AS CHAIRMAN
- APPOINTS PRICEWATERHOUSECOOPERS AS INDEPENDENT AUDITORS FOR NINE-YEAR PERIOD (2017-2025)

Rome, 27 April 2017 – Today's Annual General Meeting of shareholders (AGM), meeting in first call, has approved the separate financial statements and presented the consolidated financial statements for the year ended 31 December 2016, which report a net profit, after non-controlling interests, of €262.3m.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

Consolidated EBITDA amounts to €896.3m, a significant increase of 22.4% compared with 2015. This was achieved above all thanks to the contributions of the Water and Energy businesses, the plan to rationalise the Group and implementation of Project Acea 2.0, with the rollout of the Work Force Management (WFM) and new ISU Billing systems that have enabled us to achieve efficiencies beyond expectations. After stripping out the effect of the regulatory change in the Grids segment (elimination of the so-called "regulatory lag"), EBITDA growth is in excess of 7%.

EBIT of €525.9m is up 36.1%.

Net profit, after non-controlling interests amounts to €262.3m, up 49.9% on 2015. The tax rate for 2016 is 34.5% (38.7% in 2015).

There was significant **investment** in 2016, with capital expenditure totalling €530.7m (up 23.7% compared with 2015). Investment, over 80% of which relates to our regulated businesses, breaks down as follows: Water €230.4m; Grids €197.9m; Energy €55.3m; Environment €34.0m; Parent Company €13.1m.

The Group's **net debt** at 31 December 2016 amounts to €2,126.9m, slightly down on the figure for 30 September 2016 and up €116.8m compared with 31 December 2015. This is largely due to the need to finance the large-scale investment that has taken place.

The **ratio of net debt to EBITDA** is down from the 2.7x of 2015 to 2.4x at the end of 2016.

FINANCIAL HIGHLIGHTS

(€m)	2015	2016	% inc./dec.
Consolidated revenue	2,917.3	2,832.4	-2.9%
EBITDA	732.0	896.3	+22.4%
EBIT	386.5	525.9	+36.1%
Profit/(Loss) before tax	296.4	416.1	+40.4%
Group net profit/(loss) (before non-controlling interests)	181.5	272.5	+50.1%
Group net profit/(loss) (after non-controlling interests)	175.0	262.3	+49.9%
DPS (€)	0.50	0.62	+24.0%

(€m)	2015	2016	% inc./dec.
Investment	428.9	530.7	+23.7%

(€m)	31 Dec 2015 (a)	30 Sept 2015 (c)	31 Dec 2016 (b)	% inc./dec. (b/a)	% inc./dec. (b/c)
Net debt	2,010.1	2,138.7	2,126.9	+5.8%	-0.6%
Equity	1,596.1	1,682.1	1,757.9	+10.1%	+4.5%
Invested capital	3,606.2	3,820.8	3,884.8	+7.7%	+1.7%

The AGM also voted to appropriate Acea SpA's net profit for the year ended 31 December 2016, amounting to €108,610,120.05, as follows:

- €5,430,506.00, equal to 5% of net profit, to the legal reserve;
- €103,085,734.90 to shareholders in the form of a dividend per share of €0.485;
- €93,879.15 to retained earnings.

The AGM also approved the distribution of €28,693,967.45 in the form of a dividend per share of €0.135, to be paid from retained earnings.

The total dividend (coupon number 18) of €0.62 per share, amounting to €131,779,702.35, is payable from 21 June 2017, with an ex dividend date of 19 June and a record date of 20 June.

The AGM also approved the first section of the Remuneration Report for 2016, prepared in application of the provisions of art. 123-ter of Legislative Decree 58 of 24 February 1998, as amended.

ELECTION OF THE BOARD OF DIRECTORS

The AGM elected the new Board of Directors, fixing the related remuneration. The Board of Directors will remain in office for three financial years, with its term expiring on approval of the 2019 financial statements. Election of Board members took place via slate vote, in accordance with the procedures set out in article 15 of the Articles of Association.

The new Board of Directors, which again has nine members, is as follows:

- Luca Alfredo Lanzalone, Michaela Castelli, Stefano Antonio Donnarumma, Gabriella Chiellino and Liliana Godino, elected from the list submitted by the shareholder, *Roma Capitale* (the Municipality of Rome), which owns a 51% interest in Acea SpA;
- Fabrice Rossignol and Giovanni Giani, elected from the list submitted by the shareholder, Suez Italia SpA, which owns a 12.483% interest in Acea SpA;
- Alessandro Caltagirone and Massimiliano Capece Minutolo Del Sasso, elected from the list submitted by the shareholder, FINCAL SpA, which owns a 2.676% interest in Acea SpA.

The regulations governing gender quotas, as set out in Law 120/2011 and the Articles of Association, have been complied with.

The Directors Michaela Castelli, Gabriella Chiellino, Liliana Godino, Fabrice Rossignol, Giovanni Giani, Alessandro Caltagirone and Massimiliano Capece Minutolo Del Sasso made representations, declaring that they qualify as independent in accordance with the law, the Articles of Association and the Corporate Governance Code for listed companies.

Luca Alfredo Lanzalone was elected Chairman of the Board of Directors.

APPOINTMENT OF THE INDEPENDENT AUDITORS

The AGM adopted a resolution, pursuant to Legislative Decree 27/1/2010, appointing PricewaterhouseCoopers SpA as Acea SpA's Independent Auditors for the financial years 2017-2025 and approving the related fees.

Documentation regarding the AGM, including the curriculum vitae of the members of the Board of Directors, is available on the Company's website at www.acea.it.

The new Board of Directors will meet for the first time on May 3, 2017.

The minutes of the AGM and a summary of the votes cast will be made available for inspection within the deadlines and according to the procedures required by law.

The Executive Responsible for Financial Reporting, Demetrio Mauro, 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.

Acea SpA

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