



PRESS RELEASE

ASCOPIAVE: The BoD approved the Group's half-yearly report at 30 June 2007.

Consolidated turnover for the first half of 2007 at Euro 183.8 million (Euro 188.3 million in 2006 HY), EBITDA of Euro 22.0 million (Euro 31.8 million in 2006 HY) and net result of Euro 10.4 million (Euro 15.3 million in 2006 HY).

The Bod resolved to pay a Euro 0.025 per-share advance on dividends.

The Board of Directors of Ascopiave S.p.A. met today chaired by Gildo Salton to approve the Group's consolidated half-yearly results at 30 June 2007, drafted in compliance with IAS/IFRS international accounting standards.

In the first half of 2007 Ascopiave Group's consolidated turnover amounted to Euro 183.8 million, (Euro 188.3 million in 2006 HY), whit EBITDA of Euro 22.0 million (Euro 31.8 million in 2006 HY), EBIT of Euro 16.3 million (Euro 26.2 million in 2006 HY) and a net result of Euro 10.4 million (Euro 15,3 million in 2006).

The drop in results compared to the same period of last year was mainly due to the drop in the volume of gas supplied, caused by the exceptionally mild weather conditions experienced mainly in the first but also in the second quarter of the year. The drop in consumptions implied a € 8.9 million drop in Gross Operating Margin.

The unfavourable thermal conditions in the first half of 2007 affected the volume of gas distributed, dropped from 492.3 to 389.6 million cubic metres, more than 16.5% less than the last five years' average for the period.

The gas sold, which went from 481.5 million cubic metres to 422.8 million in 2007, showed a lower loss since the 2007 figure takes into account consumption by customers transferred from Bimetano Servizi to Ascotrade as from 1 January 2007 (40.3 million cubic metres).

Moreover the difference in the results half-year on half-year is due to a reduction in the sale price mainly due to the enforcement of Res. no. 134/06 in the first half of 2007 compared to Res. no. 195/02 in Q1 2006, and to Res. no. 248/04 in Q2 2006, which had a Euro 3.1 million incidence on Gross Operating Margin.

The drop in Gross Operating Margin, determined by climate and rates, was partially offset by the Euro 3.9 million extraordinary income deriving from enforcement of provisions of Res. no. 79/07 of the Authority for Electrical Energy and Natural Gas that finally settled the dispute related to the enforcement of Res. 248/04 et seq. for 2005 and 2006.



The acquisition of new customers continued during the half. As regards gas sales, the number of customers increased from 313,355 at year-end to 347,602 showing an increase of 34,247 customers, 29,453 of which from transfer of Bimetano Servizi's gas division, and 4,794 of which from commercial acquisitions of new customers, confirming the recent growth trends (+1.5% on a half-yearly basis, +3.0% year-on-year).

Good sales figures for electricity were also reported. 52.2 GWh were sold for a total of 313 customers, while revenue increased by 53.7% compared to the first half of 2006.

The Group's net financial position, positive for Euro 58.8 million at the end of the period, decreased by Euro 28.8 million compared to the end of 2006. Cash flow for the period (profit + amortization and depreciation) was positive for Euro 16.1 million. Investments accounted for Euro 8.0 million of financial resources, management of working capital implied cash requirements of Euro 17.1 million, while 2006 dividend allocation implied a cash outflow of Euro 19.8 million.

Lastly, with reference to what announced to the market upon Initial Public Offering and in line with best international reporting practice, Ascopiave's Board of Directors resolved to pay a Euro 0.025 per-share advance on dividends payable starting from 15 November 2007, with coupon registration on 12 November 2007. The independent auditing firm issued its opinion on the documents required in article 2433-bis of the Italian Civil Code concerning advance payments on dividends.

According to paragraph 2 of article 154-bis of the Unified Finance Law, the Executive appointed to draft corporate accounts, Mr. Cristiano Belliato, stated that the accounting information herein contained tallied with the documents, books and accounts.



The Ascopiave Group operates in the natural gas sector, chiefly in distribution and sale to end customers. Ascopiave directly manages distribution. It currently holds direct licenses and consignments for providing service in 155 municipalities located in the Veneto, Friuli Venezia Giulia, Emilia Romagna and Lombardy regions of Italy. Ascopiave owns the distribution network it manages, which extends over approximately 6,300 kilometres and serves a pool of users of more than 970,000 residents. Ascotrade, a subsidiary of Ascopiave, is responsible for the sale of natural gas and serves more than 340,000 end customers in over 200 municipalities. The Ascopiave Group also operates in other sectors related to its core business, such as heat management and the sale of electrical energy. The Company has been listed in the STAR division of the Italian Stock Exchange since 12 December 2006.

Enclosures: consolidated accounting schedules at 30 June 2007, subject to limited audit.

Contact:	Barabino & Partners IR	Ascopiave
	Stefania Bassi	Telephone 0438/98.00.98
	Telephone 02/72.02.35.35	Roberto Zava - Media Relator
	s.bassi@barabino.it	Mobile 335/18.52.403
		Giacomo Bignucolo - Investor Relator
		Mobile 335/13.11.193

Pieve di Soligo, 13 September 2007

(€/000)		30/06/2007	31/12/2006
ASSETS			
Non Current Assets			
Goodwill	(1)	26,133	22,112
Other intangible fixed assets	(2)	5,734	1,412
Tangible fixed assets	(3)	275,352	273,772
Shareholdings	(4)	76	39
Other non current assets		2,857	2,865
	(5)		
Prepaid taxes	(6)	10,446	12,636
Total non-current assets		320,599	312,836
Current Assets			
Inventories	(7)	17,339	2,768
Trade receivables from third parties	(8)	80,627	101,673
Other current assets	(9)	2,237	1,382
Current financial assets	(10)	3	0
Tax assets	(11)	1,541	3,009
Cash and cash equivalents	(12)	70,121	100,591
Total current assets		171,868	209,423
Non current assets held for sale			
Total assets		492,466	522,260
LIABILITIES AND NET EQUITY			
Net equity			
Share capital		233,334	140,000
Reserves		120,044	212,129
Net result		10,360	16,381
Net equity	(13)	363,739	368,511
Minority interest's share capital and reserves		1,923	534
Minority profit (loss)		46	(143)
Net minority interest	(14)	1,969	391
Total net equity		365,708	368,902
Non-Current Liabilities			
Provisions for liabilities and charges	(15)	18	4,441
Employee severance indemnity	(16)	1,554	1,538
Medium and long term loans	(17)	5,964	6,941
Other non current liabilities	(18)	3,153	2,145
Non current financial liabilities	(19)	898	0
Deferred taxes	(20)	19,190	17,807
Total non current liabilities		30,777	32,872
Current Liabilities			
Payables to banks and current share of medium, long-term loans	(21)	3,573	3,587
Trade payables	(22)	47,047	86,864
Tax liabilities	(23)	17,324	6,255
Other current liabilities	(24)	27,993	23,780
Current financial liabilities to third parties		44	0
Total current liabilities		95,982	120,486

Liabilities directly associated with non current assets held for sale

Total liabilities	126,759	153,358
Total liabilities and net equity	492,466	522,260

Consolidated income statement

(€/000)		First half of 2007	First half of 2006
Revenues	(25)	183,845	188,325
Revenues from subsidiaries		0	0
Operating costs		161,865	156,562
Costs for gas purchase	(26)	139,750	137,231
Costs for purchase of other raw materials	(27)	7,935	5,568
Costs for Services	(28)	8,607	4,886
Personnel Costs	(29)	6,191	5,497
Other operating costs	(30)	3,688	3,508
Other operating income	(31)	(4,306)	(128)
Amortization and depreciation	(32)	5,668	5,519
Operating result		16,312	26,243
Net financial income	(33)	1,386	66
Financial charges	(33)	425	1,286
Pre-tax result		17,272	25,025
Taxes for the period	(34)	6,866	9,702
Net result before discontinued operations		10,406	15,322
Net result from discontinued operations		0	0
Net result		10,406	15,323
Group net result		10,360	15,323
Minority interest		46	0
Profit per share		0.04	0.11

Ascopiave S.p.A. Consolidated Cash Flow Statement

(€/000)	First half 2007	Q2 2006
CASH FLOW FROM OPERATIONS:		
Group net result	10,360	15,323
Adjustments to reconcile net profit with cash and cash equivalents generated from (used by) operations:		
Minority interest profit	46	0
Amortization and depreciation	5,668	5,519
Bad debts	607	571
Change in deferred/prepaid taxes	2,140	267
Change in staff severance indemnity	16	141
Net change in other provisions	(4,423)	(144)
Change in assets and liabilities:		
Opening inventories	(14,571)	(573)
Trade receivables	25,360	22,760
Other current assets	(855)	(1,877)
Current and non-current financial assets	228	564
Tax credits and liabilities	12,537	37,503
Trade payables	(43,841)	(23,397)
Other current liabilities	4,342	16,699
Other non current assets	8	(80)
Other non current liabilities	(63)	(127)
Total adjustments and changes	(12,801)	52,826
Cash flow from operations:	(2,441)	73,149
CASH FLOWS FROM INVESTMENT ACTIVITIES:		
Goodwill con contributions	-	-
Investments in intangible fixed assets	(1,124)	(199)
Disposal of intangible assets	234	0
Investments in tangible fixed assets	(7,134)	(6,268)
Disposal of tangible assets	10	52
Change in shareholdings	(37)	(1)
Incorporation Coge Calore/Etra Energia	33	0
Cash flows used from investment activities	(8,019)	(6,415)
CASH FLOW FROM OPERATIONS:		
Net change in payables to other lenders	956	
Net change in short-term bank loans	(14)	(62,894)
Net change in loans to parent companies	(143)	0
Repayment of medium and long-term loans	(977)	(993)
Dividend payment	(19,833)	(3,750)
Cash flow generated from (used by) financial activities	(20,010)	(63,637)

Change in cash and cash equivalents	(30,470)	(903)
Opening cash and cash equivalents	100,591	2,208
Closing cash and cash equivalents	70,121	1,305
Additional information	First half 2007	Q2 2006
interest paid	351	1,147
Taxes paid	211	3,059