



1stQ 2010 CONSOLIDATED RESULTS

Conference Call

Pieve di Soligo, May 14th 2010

Financial highlights

- Ascopiave Group structure as of March 31st 2010
- 1stQ 2010 income statement
- Balance sheet

Operating Data

Revenues

Gross margin on gas activities

EBITDA

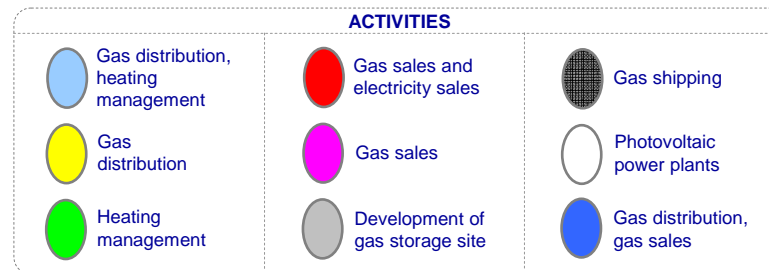
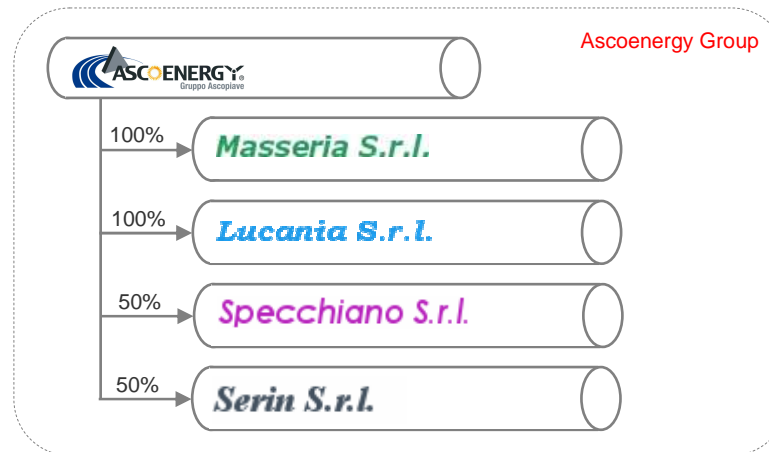
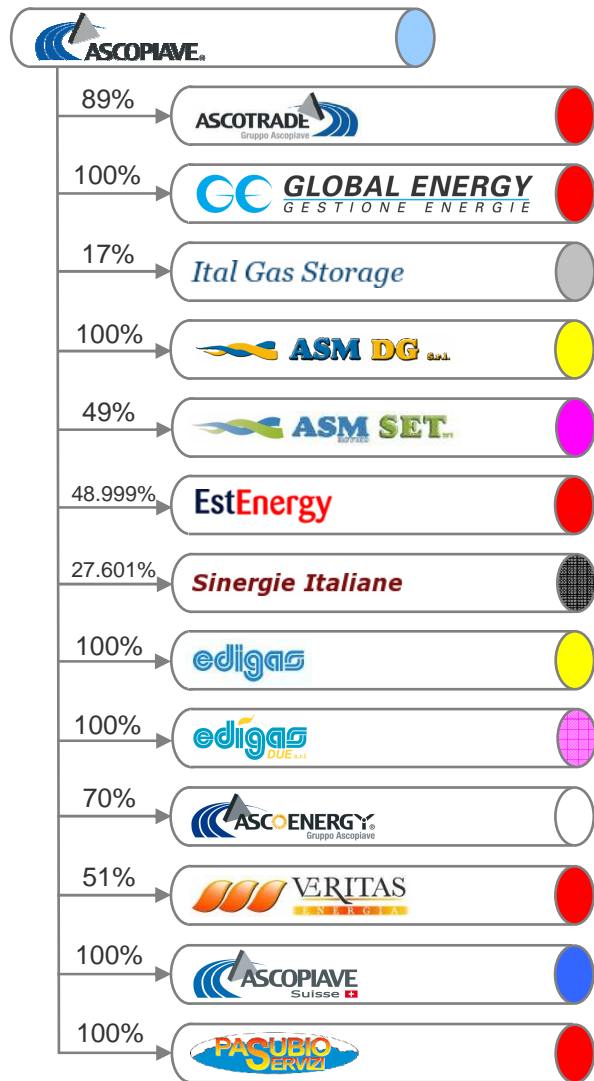
Personnel

Capex and lenght of the gas distribution network

Net Financial Position and cash flow



Ascopiave Group structure as of March, 31st 2010



1stQ 2010 income statement

(Thousand of Euro)	1stQ 2010	1stQ 2009	Chg	Chg %
Revenues	293.668	356.260	(62.592)	-17,6%
(Cost of raw materials and consumables)	(222.194)	(302.874)	80.679	-26,6%
(Cost of services)	(33.531)	(17.588)	(15.944)	+90,7%
(Cost of personnel)	(5.057)	(4.683)	(374)	+8,0%
(Other operating costs)	(1.378)	(2.362)	984	-41,7%
Other operating income	37	2	35	+1783,4%
EBITDA	31.544	28.755	2.789	+9,7%
(Depreciations and amortizations)	(4.134)	(3.816)	(318)	+8,3%
(Provisions)	(1.306)	(994)	(312)	+31,4%
EBIT	26.104	23.945	2.160	+9,0%
Financial income / (expenses)	(299)	(2.295)	1.997	-87,0%
Evaluation of companies with net assets method	(1.516)	(1.404)	(112)	+8,0%
EBT	24.289	20.245	4.044	+20,0%
(Income taxes)	(9.532)	(7.874)	(1.658)	+21,1%
(Net income of minorities)	(789)	(396)	(393)	+99,3%
Net income of the Group	13.969	11.976	1.993	+16,6%



Balance sheet

(Thousand of Euro)	31/03/2010	31/12/2009	Chg	Chg %
Tangible assets (*)	32.932	31.431	1.501	+4,8%
Non tangible assets (*)	414.050	413.081	968	+0,2%
Other fixed assets	15.523	15.418	104	+0,7%
Fixed assets	462.505	459.930	2.574	+0,6%
Operating current assets	356.614	211.796	144.818	+68,4%
(Operating current liabilities)	(282.848)	(178.075)	(104.772)	+58,8%
(Operating non current liabilities)	(45.852)	(44.468)	(1.384)	+3,1%
Net working capital	27.914	(10.747)	38.661	-359,7%
Total capital employed	490.419	449.183	41.235	+9,2%
Group shareholders equity	380.733	367.245	13.488	+3,7%
Minorities	3.641	2.851	789	+27,7%
Net financial position	106.046	79.088	26.958	+34,1%
Total sources	490.419	449.183	41.235	+9,2%

(*) Applying IFRIC 12 involves categorising the infrastructures under concession from tangible assets to intangible assets



Financial highlights

Operating Data

- Volumes of gas distributed
- Volumes of gas sold to end customers
- Volumes of gas sold on trading and wholesaling activities
- Number of gas sales customers

Revenues

Gross margin on gas activities

Personnel

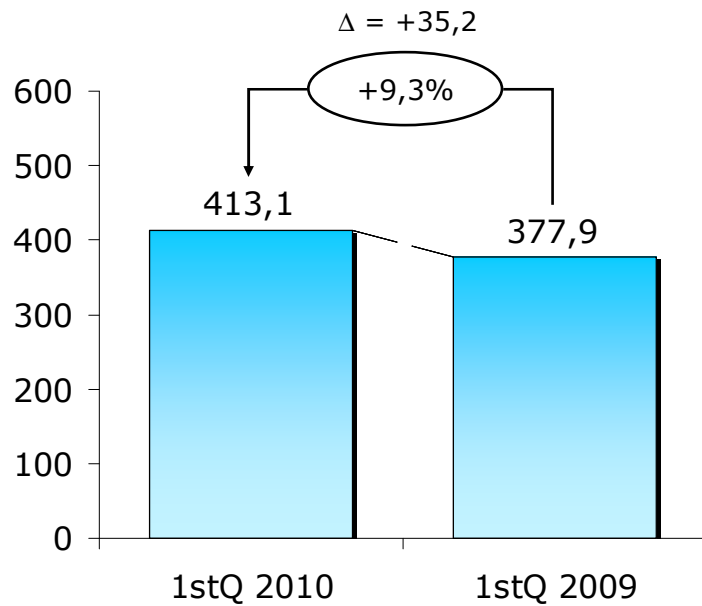
Capex and lenght of the gas distribution network

Net Financial Position and cash flow

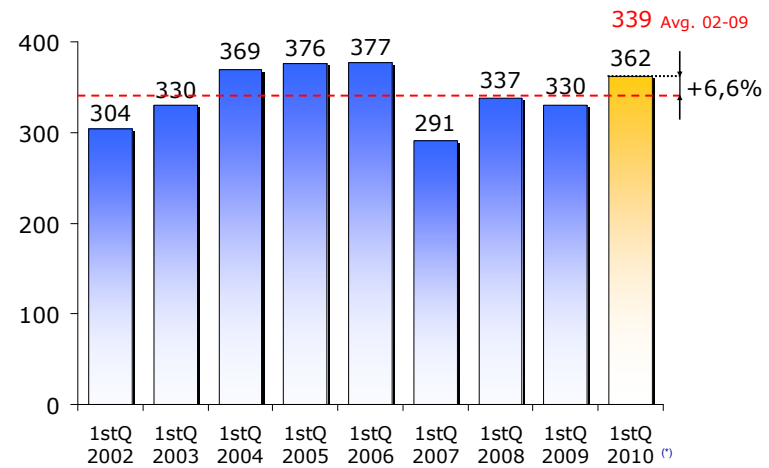


Volumes of gas distributed

Volumes of gas distributed
(Million of standard cubic meters)



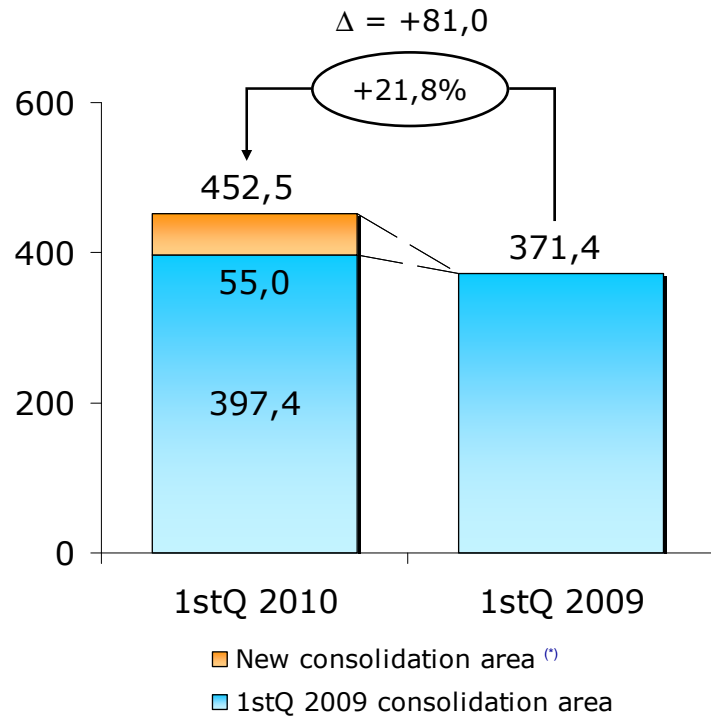
Volumes of gas distributed: historical trend
(Million of standard cubic meters)



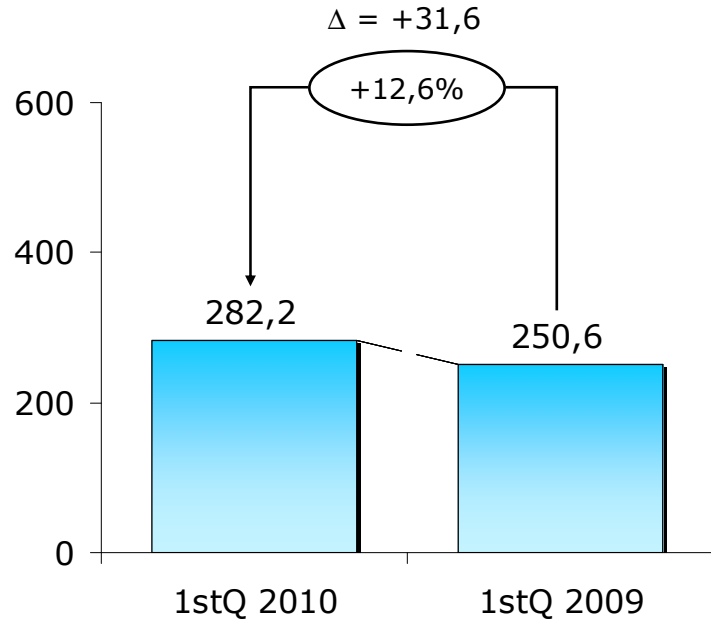
(*) Excluding volumes of natural gas distributed by ASM DG and Edigas Esercizio Distribuzione Gas

Volumes of gas sold to end customers

Volumes of gas sold to end customers (Million of standard cubic meters)



Gas sold to end customers
Companies consolidated at 100%



Gas sold to end customers
Companies consolidated at 49%-51%

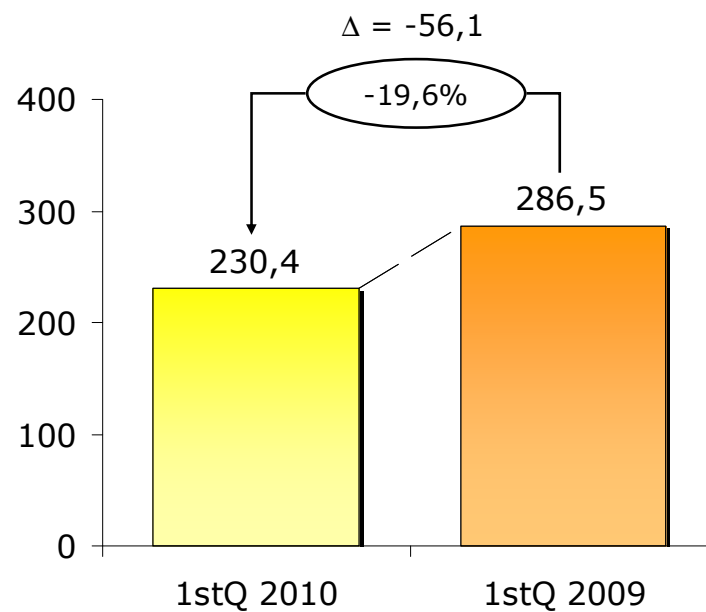
(*) Pasubio Servizi



Volumes of gas sold on trading and wholesaling activities

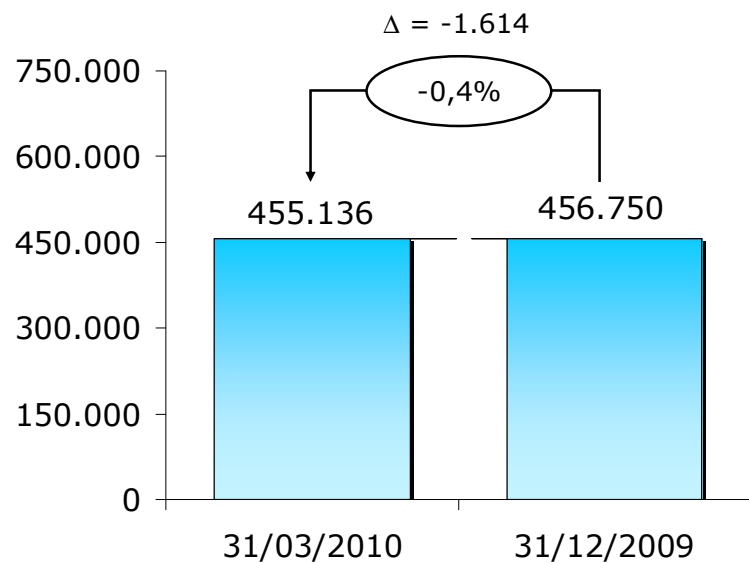
Volumes of gas sold on trading and wholesaling activities

(Million of standard cubic meters)

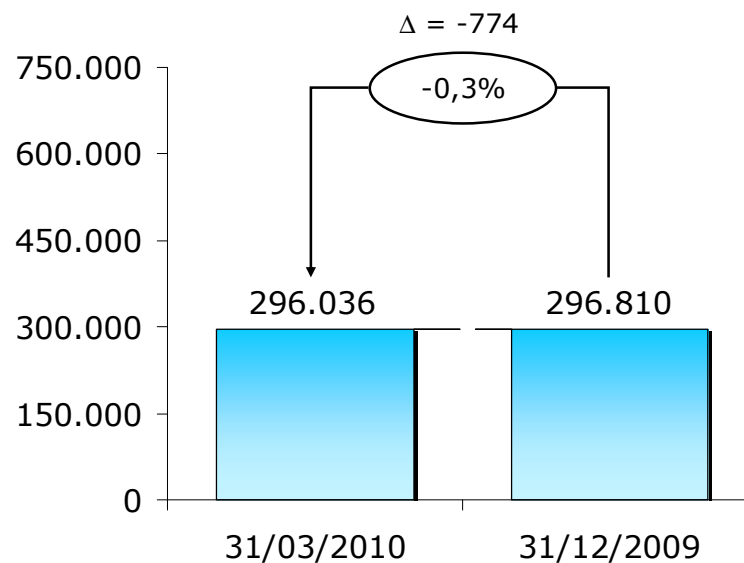


Number of gas sales customers

Gas sales customers
Companies consolidated at 100%



Gas sales customers
Companies consolidated at 49%-51%



Contents

Financial highlights

Operating Data

Revenues

→ Revenues bridge

Gross margin on gas activities

EBITDA

Personnel

Capex and lenght of the gas distribution network

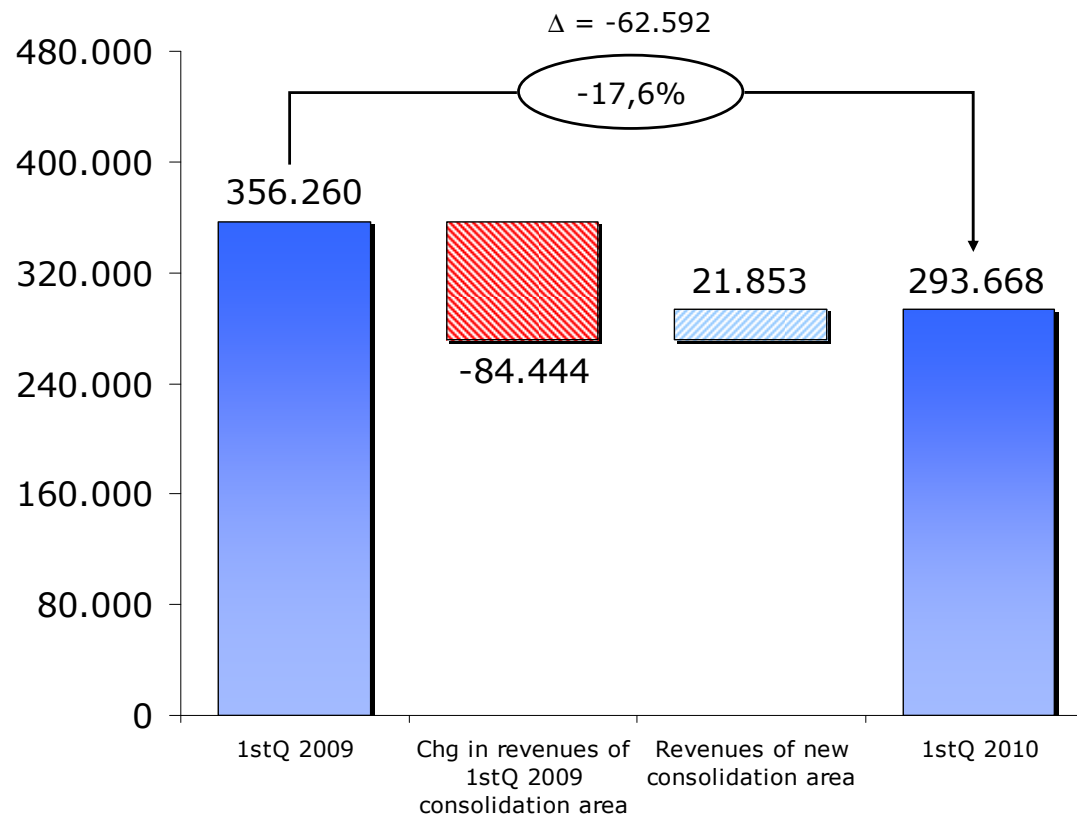
Net Financial Position and cash flow

CONFERENCE CALL – 1stQ 2010 results
Pieve di Soligo, May, 14th 2010



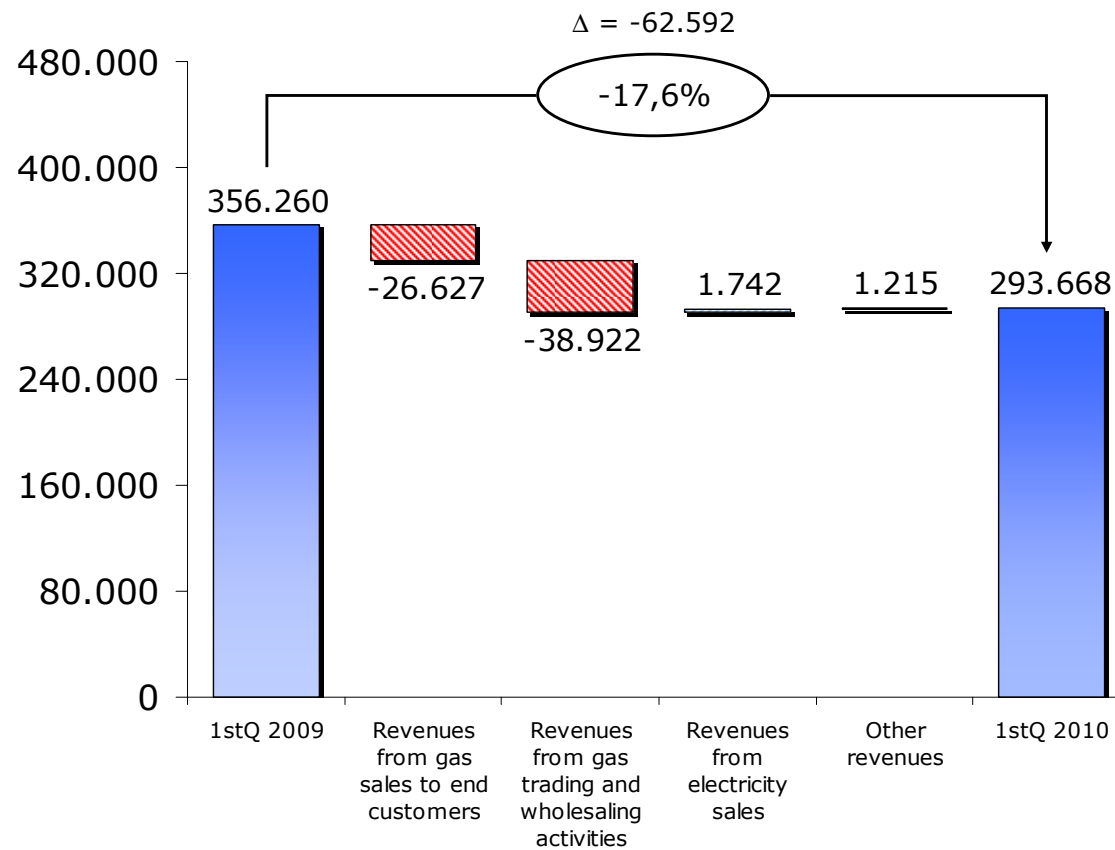
Revenues bridge (1)

Revenues bridge (Thousand of Euro)



Revenues bridge (2)

Revenues bridge (Thousand of Euro)



Contents

Financial highlights

Operating Data

Revenues

Gross margin on gas activities

- New gas distribution tariff regulation: equalization system
- Gross margin on gas activities: new definition
- 1stQ 2009 reconciliation
- Gross margin on gas sales
- Distribution tariff revenues
- Gross margin on gas sales bridge
- Distribution tariff revenues bridge

EBITDA

Personnel

Capex and lenght of the gas distribution network

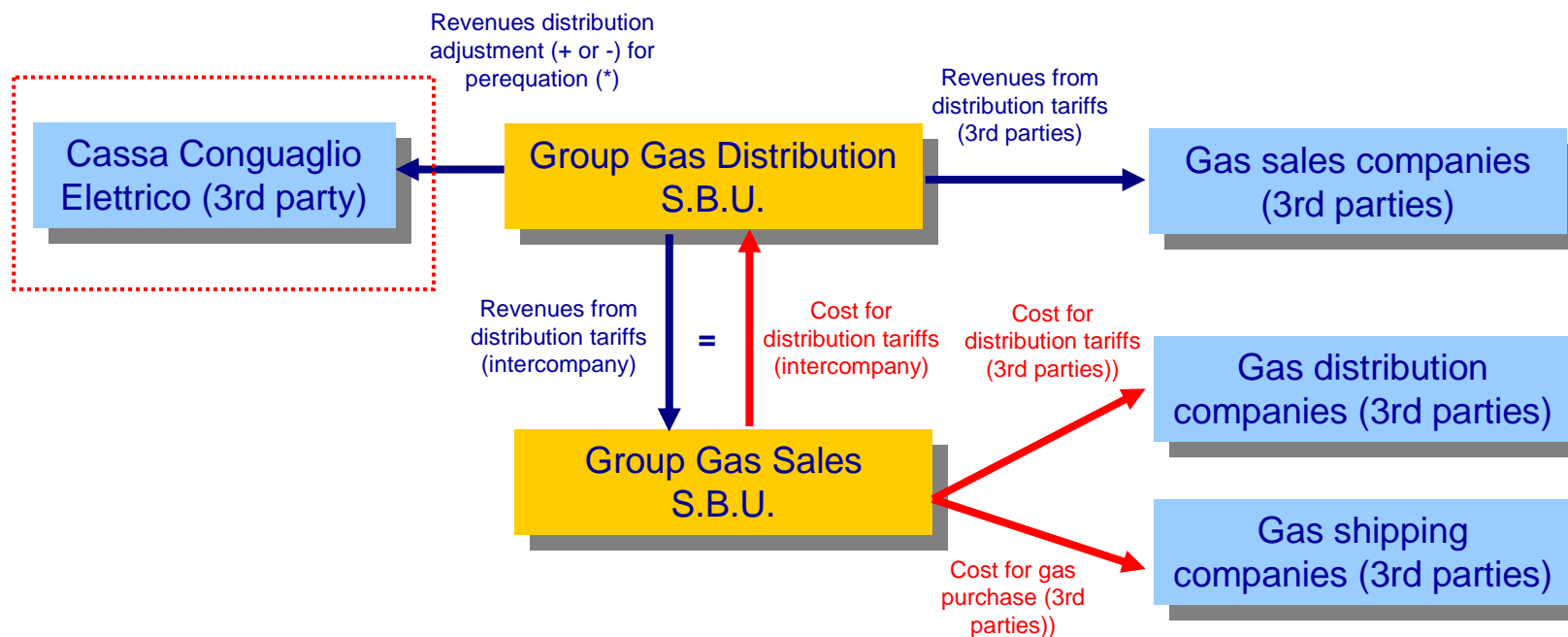
Net Financial Position and cash flow



New gas distribution tariffs regulation: equalization system

Due to the change of gas distribution tariffs regulation (3rd regulatory period), gas distribution revenues get by the gas distribution companies are no longer linked to volumes of gas sold / distributed.

New regulation provides a revenues equalization system - managed by a national authority (i.e. "Cassa Conguaglio per il Settore Elettrico") - that makes the gas distribution revenues equal the pre-determined Revenues Constraint ("Vincolo dei Ricavi" or "VRT")



(*) Equalization system provides distribution companies 1) receive money from Cassa Conguaglio if the amount of distribution tariffs applied is lower than VRT and 2) pay money to Cassa Conguaglio if the same amount is higher than VRT



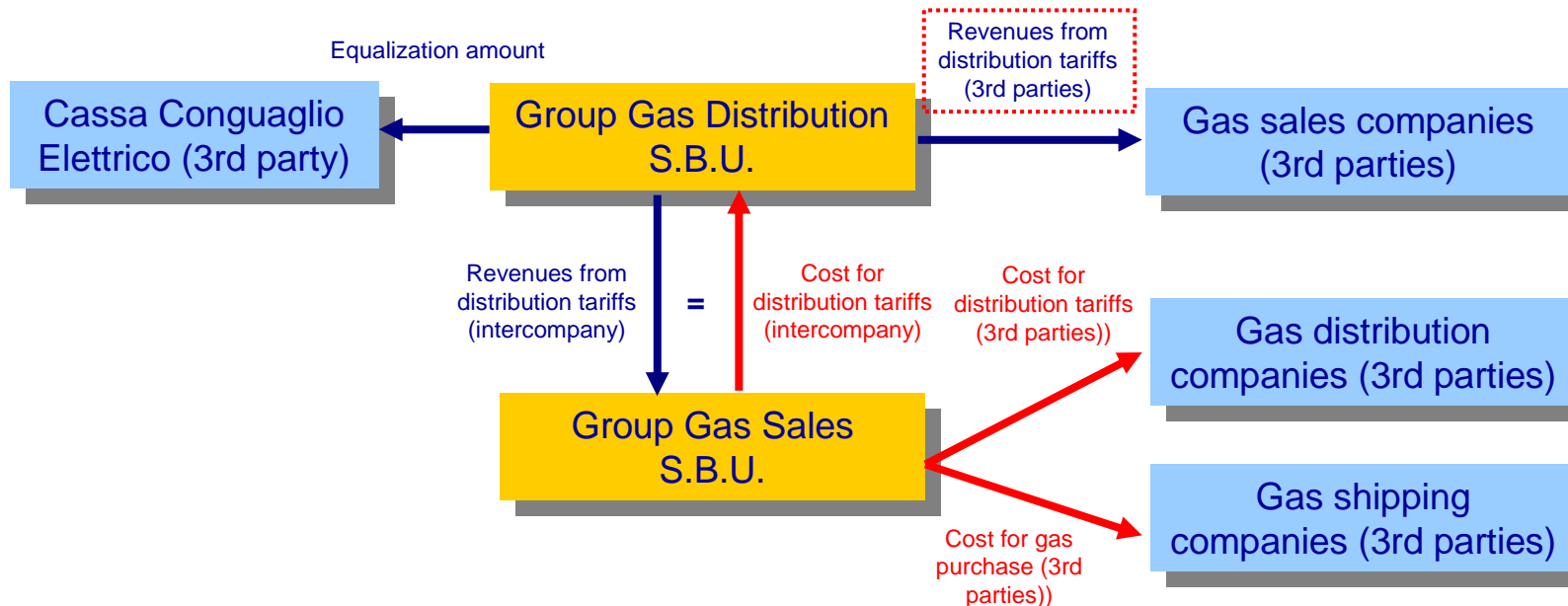
Gross margin on gas activities: new definition (1)

GROSS MARGIN ON GAS SALES =

Revenues from gas sales (*) – Gas purchase costs – Intercompany distribution costs (**) – Distribution costs to third parties

GAS DISTRIBUTION TARIFF REVENUES =

Intercompany revenues from distribution tariffs (**) + Revenues from distribution tariffs to third parties +/- Equalization amount – Contribution to national fund (***)

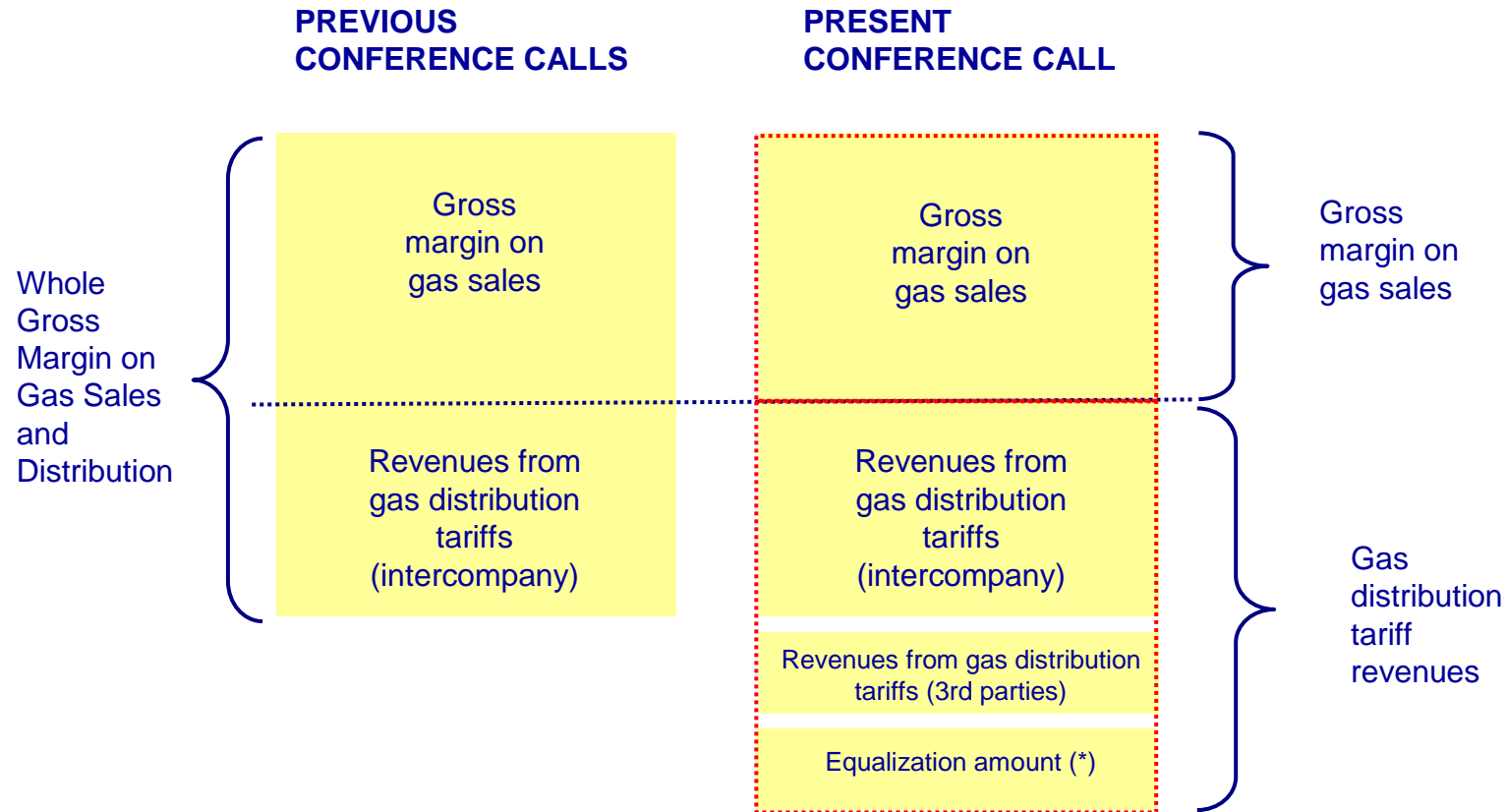


(*) Revenues from gas sales to end customers, gas wholesales to other gas sales companies and gas trading; (**) Intercompany distribution costs equal intercompany revenues from distribution cost (intercompany elided items); (***) Starting from 2009 contribution to national funds are zero, because distribution tariffs are net of these components.



Gross margin on gas activities: new definition (2)

Difference between the previous and the present method of analysis of the gross margin on gas sales and distribution activities



(*) Equalization amount could be positive (as represented in the present illustration) or negative



1stQ 2009 reconciliation

Period (Thousand of Euro)	1stQ 2009	1stQ 2009
Method of analysis	Previous Conf. Call	Present Conf. Call
Revenues from gas sales (*)	336.874	336.874
(Gas purchase costs (**))	(292.053)	(292.053)
(Distribution costs - intercompany)	(19.256)	(19.256)
(Distribution costs to third parties)	(10.201)	(10.201)
Gross margin on gas sales (A)	15.363	15.363
Tariffs applied to sales companies (intercompany)	19.256	19.256
(Contribution to national funds - intercompany)	(342)	(342)
Gas distribution tariff revenues (intercompany) (B)	18.914	18.914
Tariffs applied to sales companies (third parties)		1.985
(Contribution to national funds - third parties)		(12)
Equalization amount (+ / -)		0
Gas distribution tariff revenues (third parties) + equalization (C)		1.973
Gross margin on gas distribution and sales (A) + (B)	34.277	
Gross margin on gas sales (A)		15.363
Gas distribution tariff revenues (B) + (C)		20.887

(*) Revenues before elisions; (**) Gas purchase costs before elisions



Gross margin on gas sales

(Thousand of Euro)	1stQ 2010	1stQ 2009	Chg	Chg %
Revenues from gas sales to end customers	224.879	244.301	(19.422)	-8,0%
Revenues from gas trading and wholesaling	53.765	92.573	(38.808)	-41,9%
Revenues from gas sales	278.644	336.874	(58.230)	-17,3%
(Gas purchase costs)	(210.912)	(292.053)	81.141	-27,8%
(Distribution costs)	(43.916)	(29.458)	(14.458)	+49,1%
Gross Margin on Gas Sales	23.816	15.363	8.452	+55,0%

The increase of gross margin on gas sales (+ Euro 8,5 mln) is referable to:

- 1) change of consolidation area (Pasubio Servizi) = + Euro 2,2 mln
- 2) increase of gross margin on gas sales to end customers of 1stQ 2009 consolidation area:
+ Euro 5,7 mln
- 3) increase of margin on gas trading and wholesales activities: + Euro 0,6 mln



Distribution tariff revenues (1)

(Thousand of Euro)	1stQ 2010	1stQ 2009	Chg	Chg %
Tariffs applied to sales companies	23.331	21.241	2.090	+9,8%
(Contribution to national funds)	-	(354)	354	-100,0%
Equalization amount (+ / -)	(8.943)	-	(8.943)	n.a.
Gas distribution tariff revenues	14.388	20.887	(6.499)	-31,1%

The decrease of gas distribution tariff revenues (- Euro 6,5 mln) is due to:

- 1) change of gas distribution tariffs applied to gas sales companies: + Euro 2,1 mln
- 2) decrease of contribution to national funds: + Euro 0,4 mln
- 3) equalization amount: - Euro 8,9 mln



Distribution tariff revenues (2)

(Thousand of Euro)	1stQ 2010	1stQ 2009	Chg	Chg %
Tariffs applied to sales companies	23.331	21.241	2.090	+9,8%
(Contribution to national funds)	-	(354)	354	-100,0%
Equalization amount (+ / -)	(8.943)	(7.533)	(1.409)	+18,7%
Gas distribution tariff revenues	14.388	13.354	1.035	+7,7%

Different accounting methods

- 1) Equalization amount is such that 1stQ 2010 distribution tariff revenues are a quarter of the whole FY 2010 Revenues Constraint ("Vincolo dei Ricavi" or "VRT");
- 2) 1stQ 2009 distribution tariff revenues are instead proportional to volumes of gas distributed in the period.

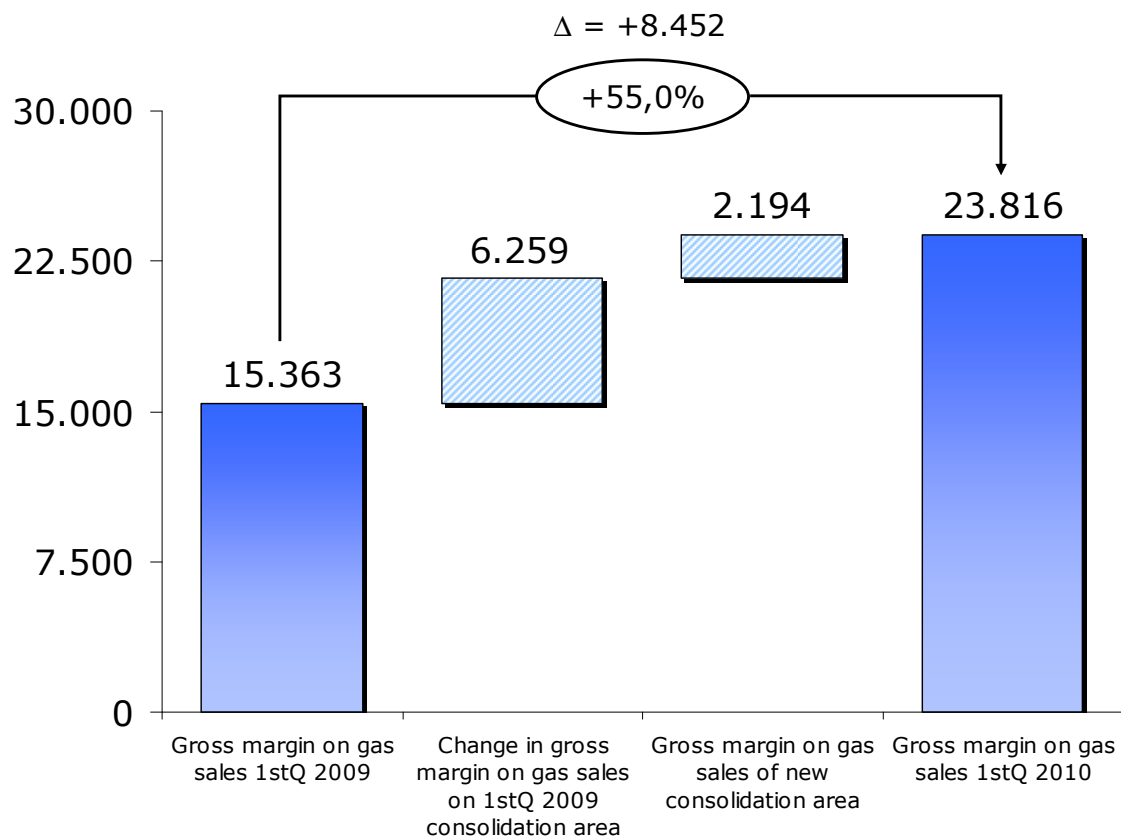
Normalization of 1stQ 2009 gas distribution revenues

In order to estimate the impact of the change in accounting method we normalize 1stQ 2009 gas distribution tariffs revenues adjusting them by adding a pro-forma equalization amount such that total distribution tariff revenues of the period equals a quarter of the distribution revenues realized by the Group in the entire FY 2009.

In this way the change in gas distribution tariff revenues increase of Euro 1,0 mln (+7,7%).

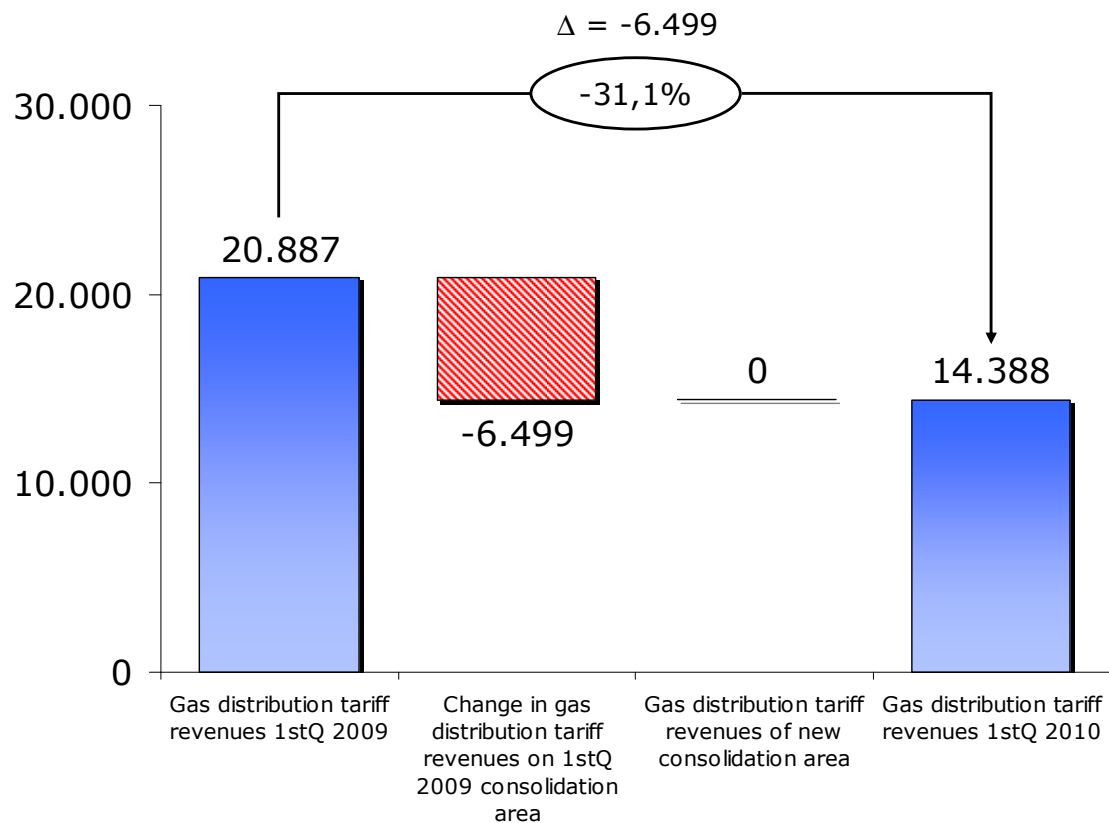


Gross margin on gas sales bridge



Distribution tariff revenues bridge

Distribution tariff revenues bridge (Thousand of Euro)



Contents

Financial highlights

Operating Data

Revenues

Gross margin on gas activities

EBITDA

→ EBITDA bridge

Personnel

Capex and lenght of the gas distribution network

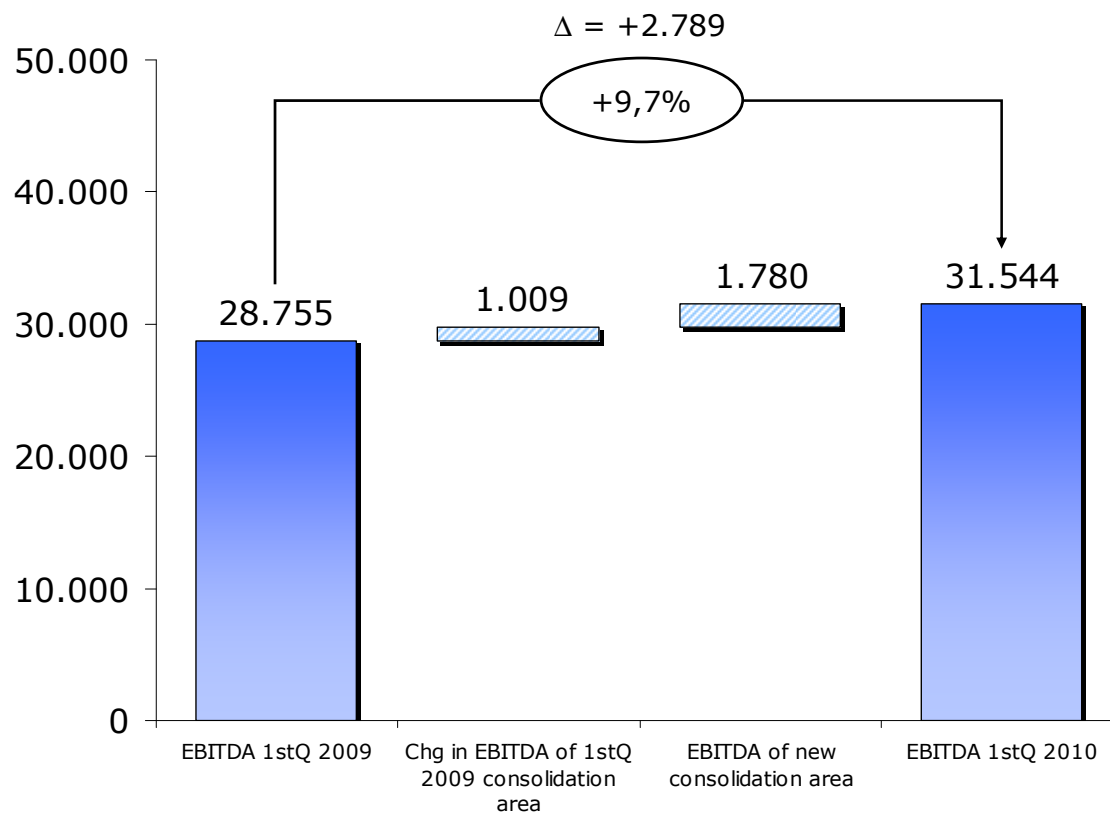
Net Financial Position and cash flow

CONFERENCE CALL – 1stQ 2010 results
Pieve di Soligo, May, 14th 2010



EBITDA bridge (1)

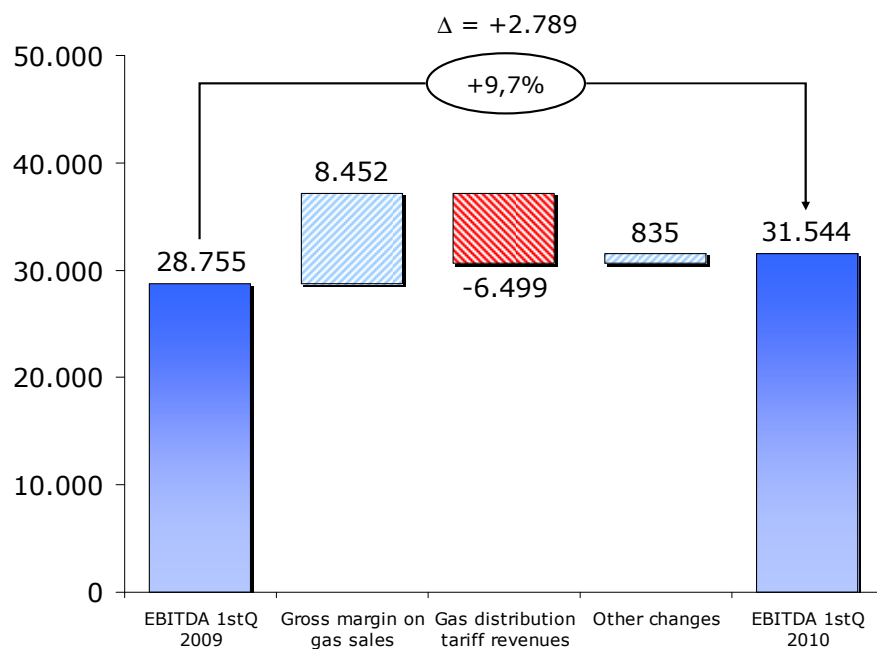
EBITDA bridge (Thousand of Euro)



EBITDA bridge (2)

EBITDA bridge

(Thousand of Euro)



Other changes:

/// Net operating costs of new consolidation area:

-€0,4M

/// Decrease of net operating costs of 1stQ 2009 consolidation area:

+€1,2M, of which:

- Increase of revenues for distribution network connection services: +€0,1M
- Increase of personnel cost: -€0,2M
- 49% of 1stQ 2009 Veritas Energia net operating cost: +€0,3M
- Increase of gross margin in electricity sales: +€0,1M
- Other changes: +€0,9M

Contents

Financial highlights

Operating Data

Revenues

Gross margin on gas activities

EBITDA

Personnel

→ Number of employees

→ Cost of Personnel

Capex and lenght of the gas distribution network

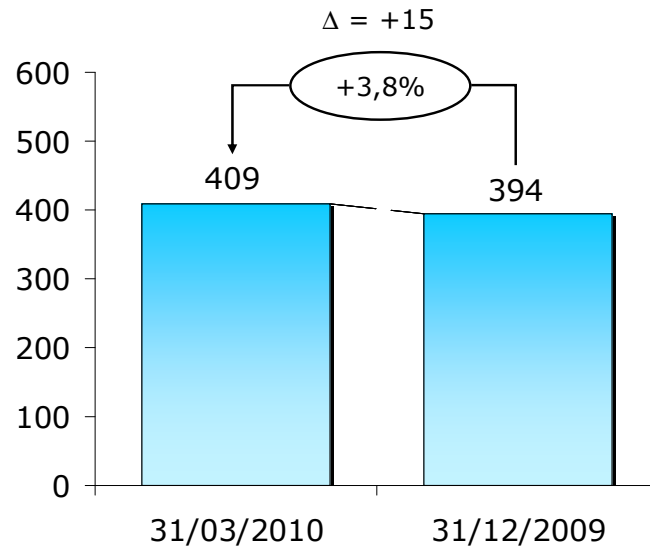
Net Financial Position and cash flow

CONFERENCE CALL – 1stQ 2010 results
Pieve di Soligo, May, 14th 2010

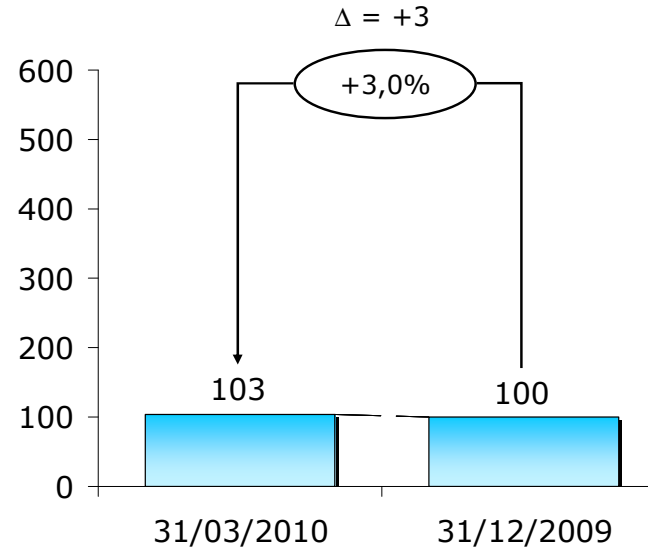


Number of employees

**No. of employees
Companies consolidated at 100%**

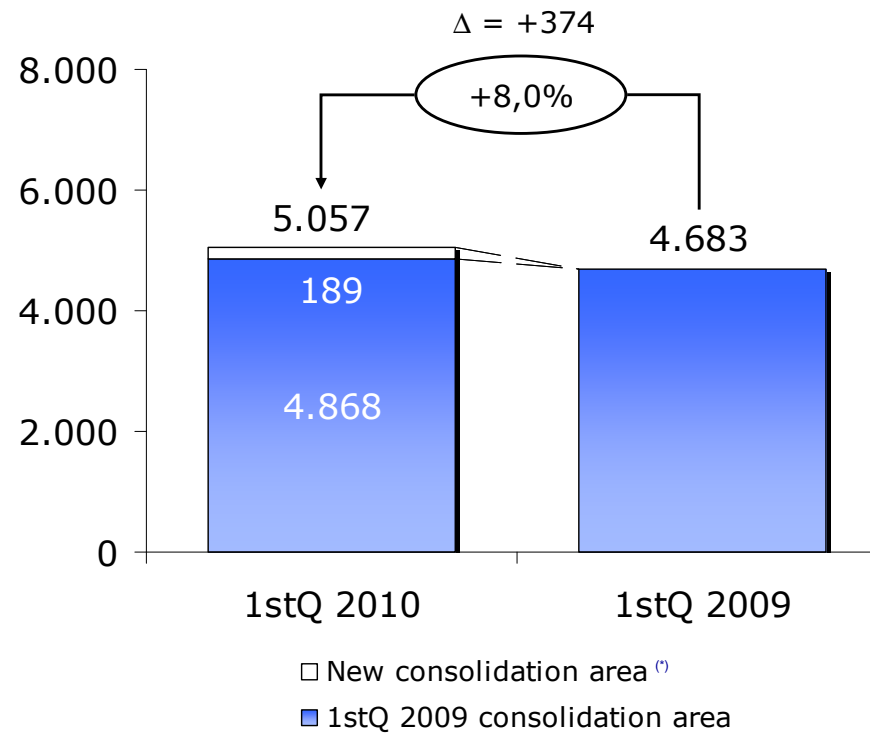


**No. of employees
Companies consolidated at 49%-51%**



Cost of personnel

Cost of personnel (Thousand of Euro)



(*) Pasubio Servizi

Contents

Financial highlights

Operating Data

Revenues

Gross margin on gas activities

EBITDA

Personnel

Capex and lenght of the gas distribution network

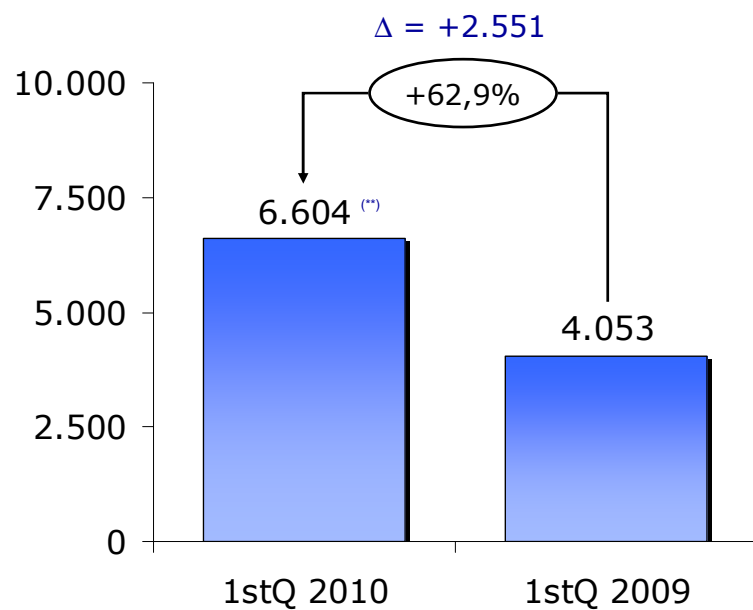
Net Financial Position and cash flow

CONFERENCE CALL – 1stQ 2010 results
Pieve di Soligo, May, 14th 2010

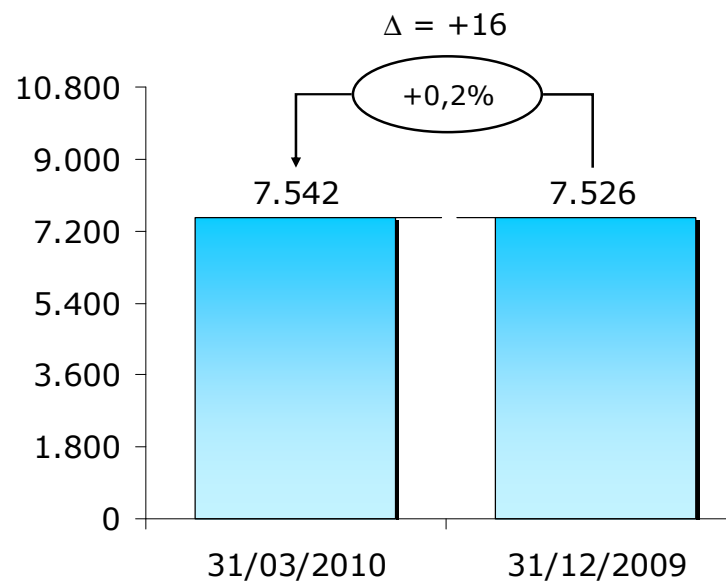


Capex and lenght of the gas distribution network

Capex (*)
(Thousand of Euro)



Length of the gas distribution network
(km)



(*) Excluding network extension in new urbanized areas that according to IAS are operating costs and not investments

(**) Tangible assets: 2.0 million of Euro; Intangible assets: 4.6 million of Euro



Contents

Financial highlights

Operating Data

Revenues

Gross margin on gas activities

EBITDA

Personnel

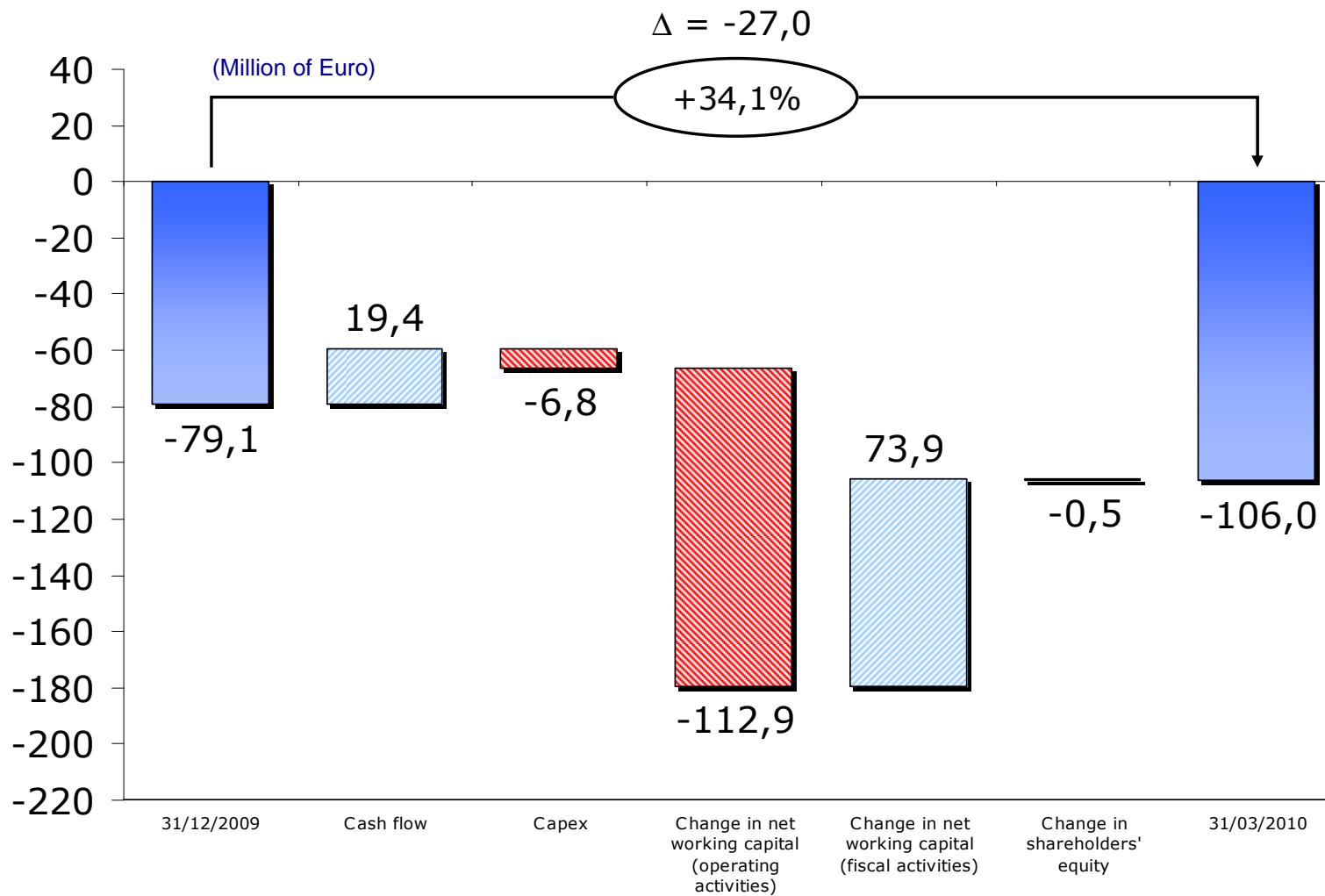
Capex and lenght of the gas distribution network

Net Financial Position and cash flow

CONFERENCE CALL – 1stQ 2010 results
Pieve di Soligo, May, 14th 2010



Net Financial Position and cash flow (1)



Net Financial Position and cash flow (2)

(Thousand of Euro)	31/03/2010	31/12/2009	Chg	Chg %
2009 consolidation area (excluding Estenergy S.p.A.)	(89.582)	(71.165)	(18.417)	+25,9%
Estenergy S.p.A. (48,999%)	(16.463)	(7.923)	(8.540)	+107,8%
2009 consolidated companies	(106.046)	(79.088)	(26.958)	+34,1%
Group NFP	(106.046)	(79.088)	(26.958)	+34,1%

