



1stH 2010
CONSOLIDATED RESULTS

Conference Call

Pieve di Soligo, August, 27th 2010

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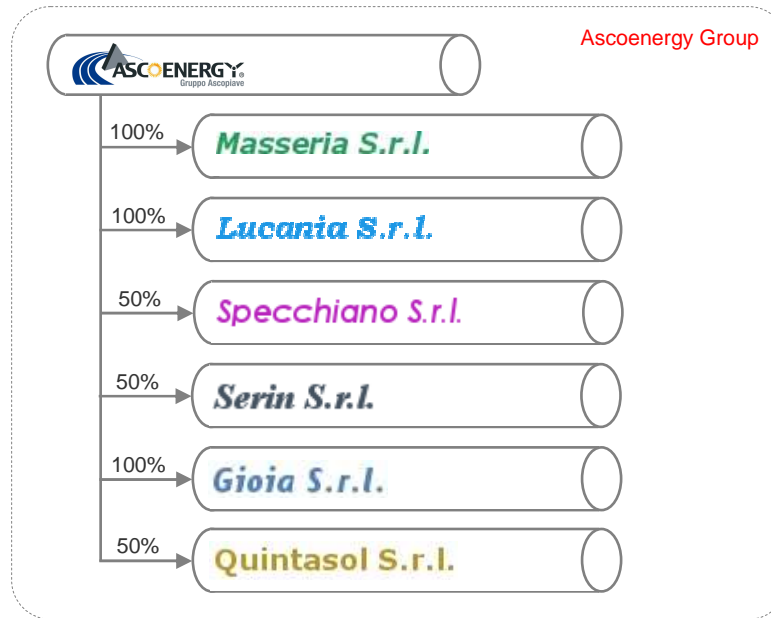
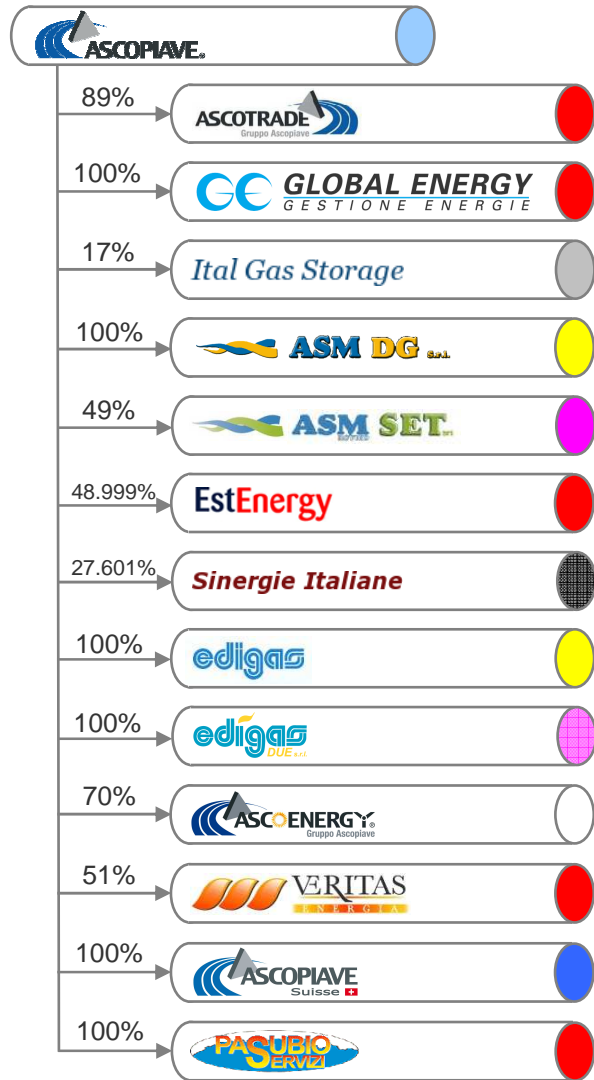
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Ascopiave Group structure as of June, 30th 2010



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1stH 2010 income statement

(Thousand of Euro)	1stH 2010	1stH 2009	Chg	Chg %
Revenues	453.947	462.202	(8.255)	-1,8%
(Cost of raw materials and consumables)	(352.238)	(391.160)	38.921	-10,0%
(Cost of services)	(43.306)	(28.594)	(14.712)	+51,5%
(Cost of personnel)	(10.309)	(9.346)	(963)	+10,3%
(Other operating costs)	(5.481)	(5.014)	(466)	+9,3%
Other operating income	76	90	(14)	-15,1%
EBITDA	42.689	28.178	14.511	+51,5%
(Depreciations and amortizations)	(8.381)	(7.636)	(745)	+9,8%
(Provisions)	(2.239)	(2.028)	(211)	+10,4%
EBIT	32.069	18.514	13.555	+73,2%
Financial income / (expenses)	(497)	(1.036)	539	-52,0%
Evaluation of companies with net assets method	1.784	522	1.262	+242,0%
EBT	33.356	18.000	15.356	+85,3%
(Income taxes)	(12.276)	(6.726)	(5.551)	+82,5%
(Net income of minorities)	(869)	(45)	(824)	+1817,6%
Net income of the Group	20.210	11.229	8.982	+80,0%

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Balance sheet

(Thousand of Euro)	30/06/2010	31/12/2009	Chg	Chg %
Tangible assets (*)	36.786	31.431	5.355	+17,0%
Non tangible assets (*)	414.900	413.081	1.819	+0,4%
Other fixed assets	17.320	15.418	1.901	+12,3%
Fixed assets	469.006	459.930	9.075	+2,0%
Operating current assets	174.289	211.796	(37.507)	-17,7%
(Operating current liabilities)	(189.618)	(178.075)	(11.543)	+6,5%
(Operating non current liabilities)	(44.266)	(44.468)	201	-0,5%
Net working capital	(59.596)	(10.747)	(48.849)	+454,5%
Total capital employed	409.410	449.183	(39.773)	-8,9%
Group shareholders equity	366.174	367.245	(1.070)	-0,3%
Minorities	3.077	2.851	226	+7,9%
Net financial position	40.158	79.088	(38.929)	-49,2%
Total sources	409.410	449.183	(39.773)	-8,9%

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

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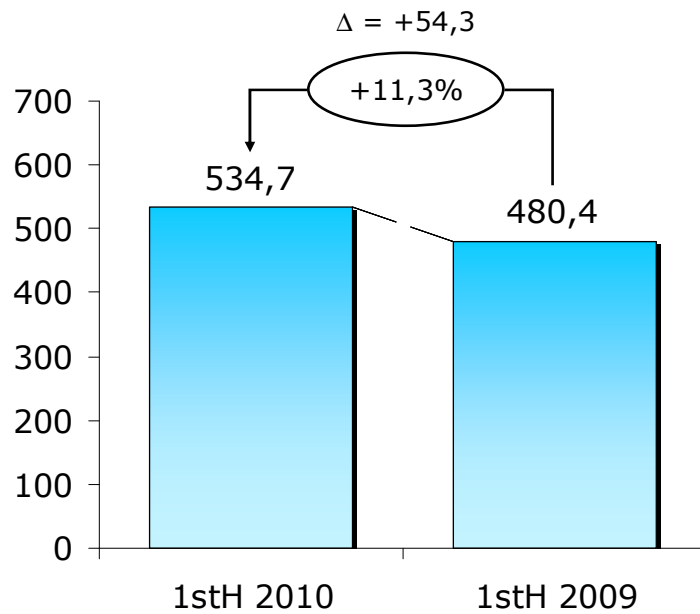
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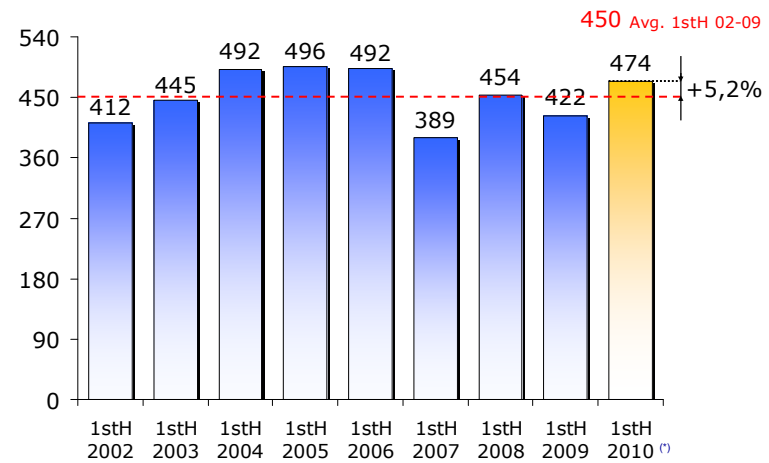


Volumes of gas distributed

Volumes of gas distributed
(Million of standard cubic meters)



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



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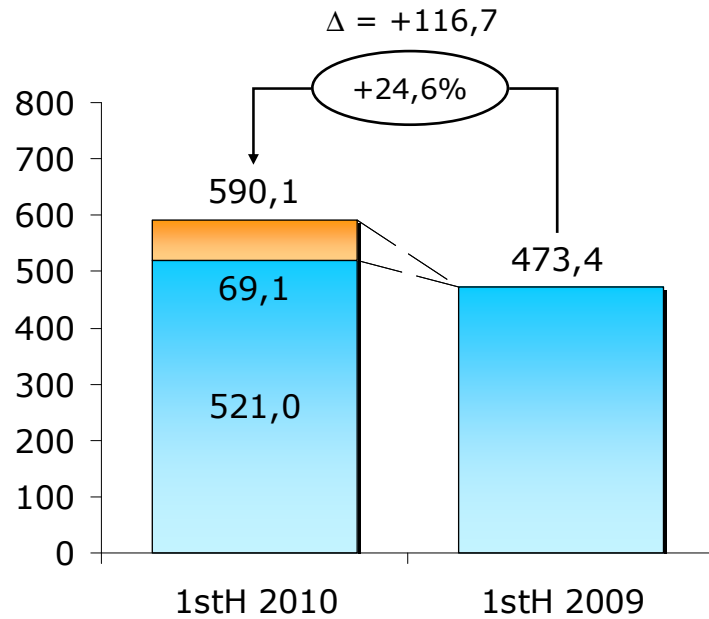
^(*) Excluding volumes of natural gas distributed by ASM DG and Edigas Esercizio Distribuzione Gas



Volumes of gas sold to end customers

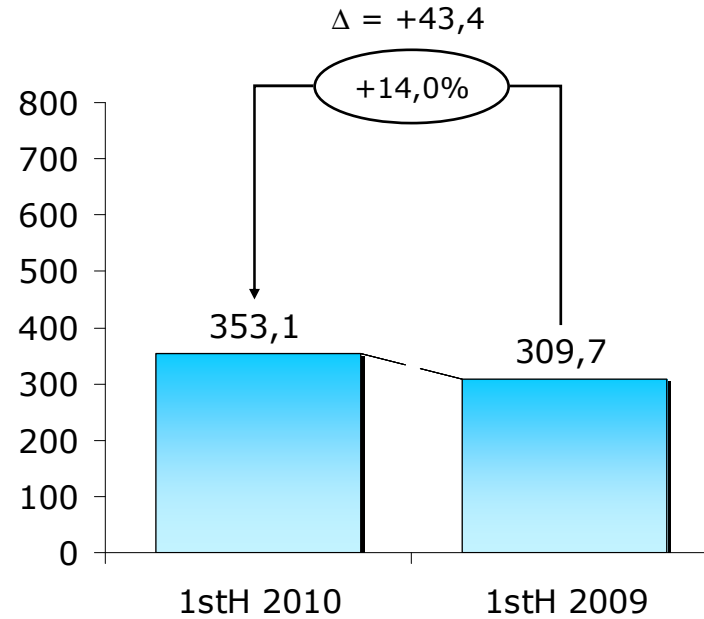
Volumes of gas sold to end customers

(Million of standard cubic meters)



■ New consolidation area (*)
■ 1stH 2009 consolidation area

Gas sold to end customers
Companies consolidated at 100%



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

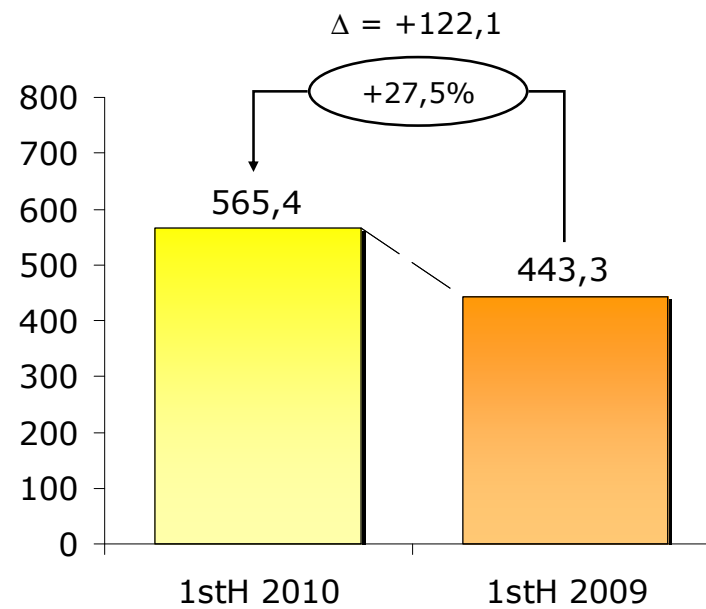
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(*) Pasubio Servizi

Volumes of gas sold on trading and wholesaling activities

Volumes of gas sold on trading and wholesaling activities

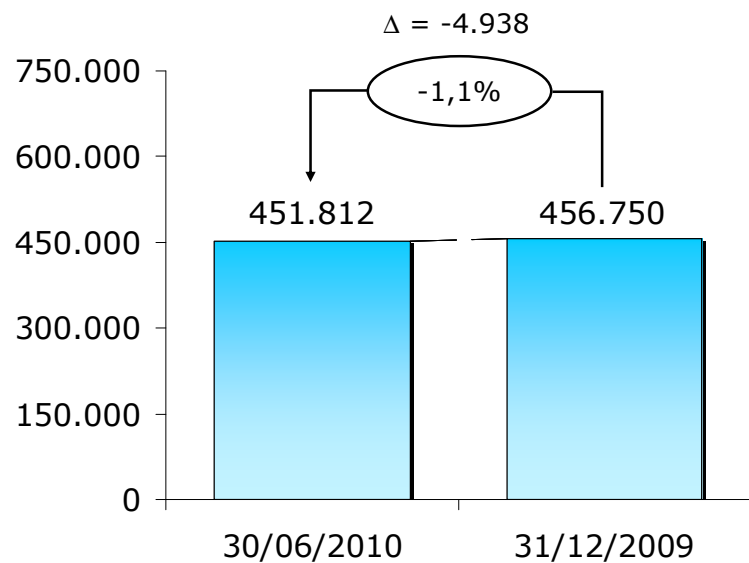
(Million of standard cubic meters)



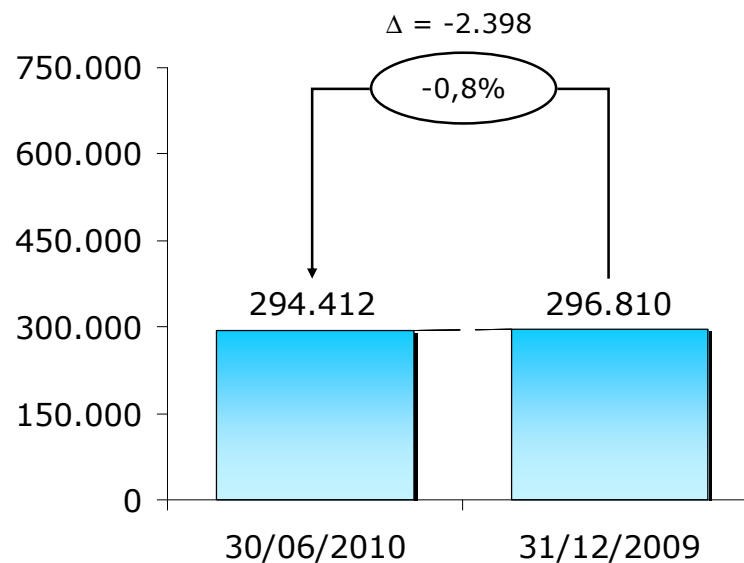
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Number of gas sales customers

Gas sales customers
Companies consolidated at 100%



Gas sales customers
Companies consolidated at 49%-51%



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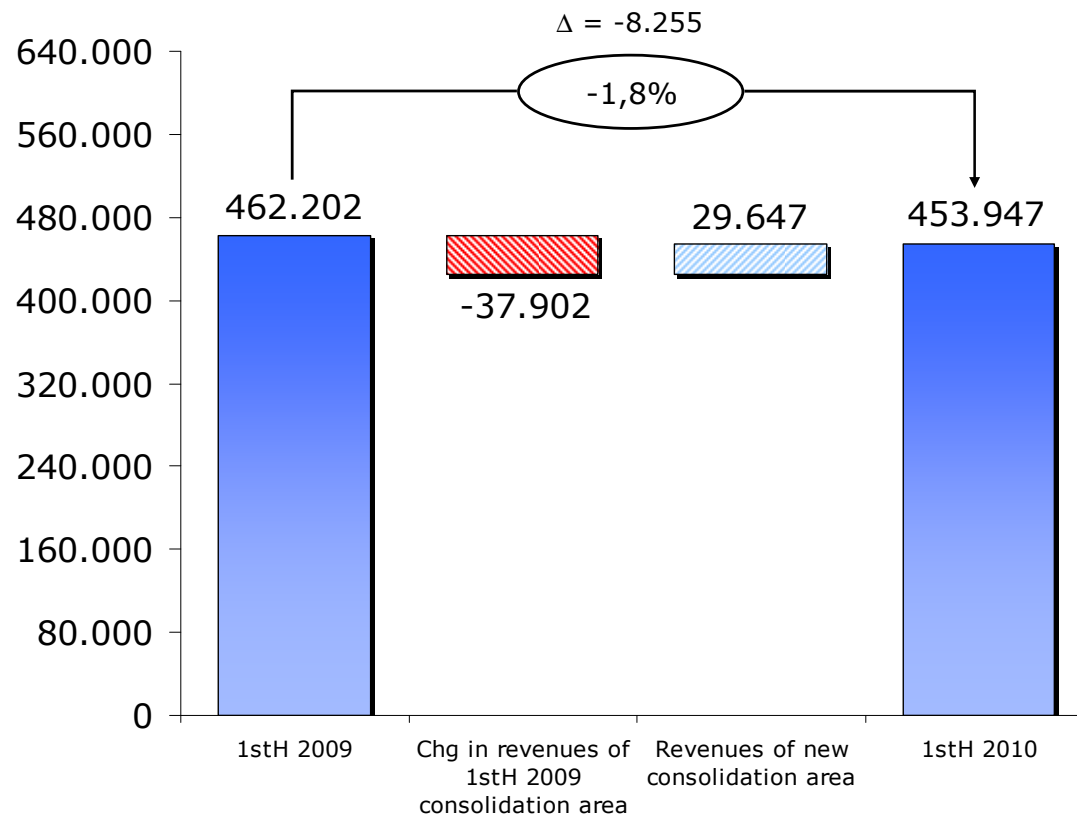
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Revenues bridge (1)

Revenues bridge (Thousand of Euro)

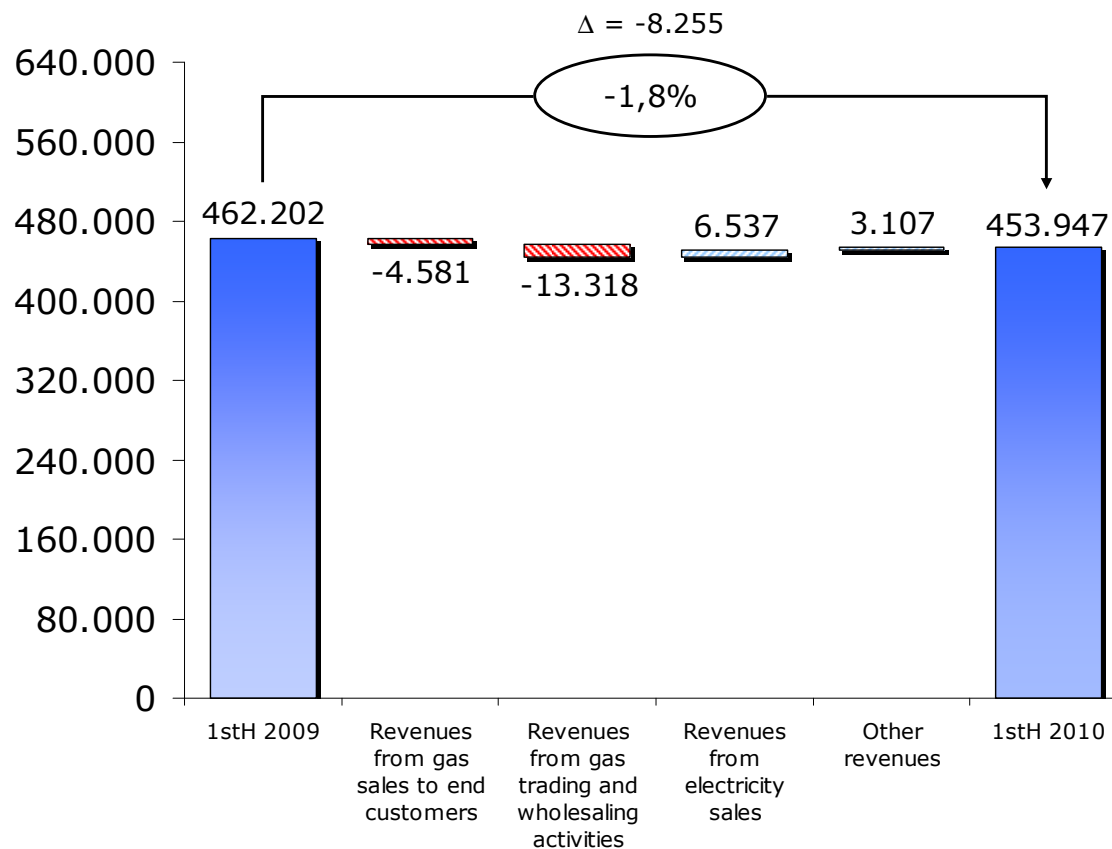


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Revenues bridge (2)

Revenues bridge

(Thousand of Euro)



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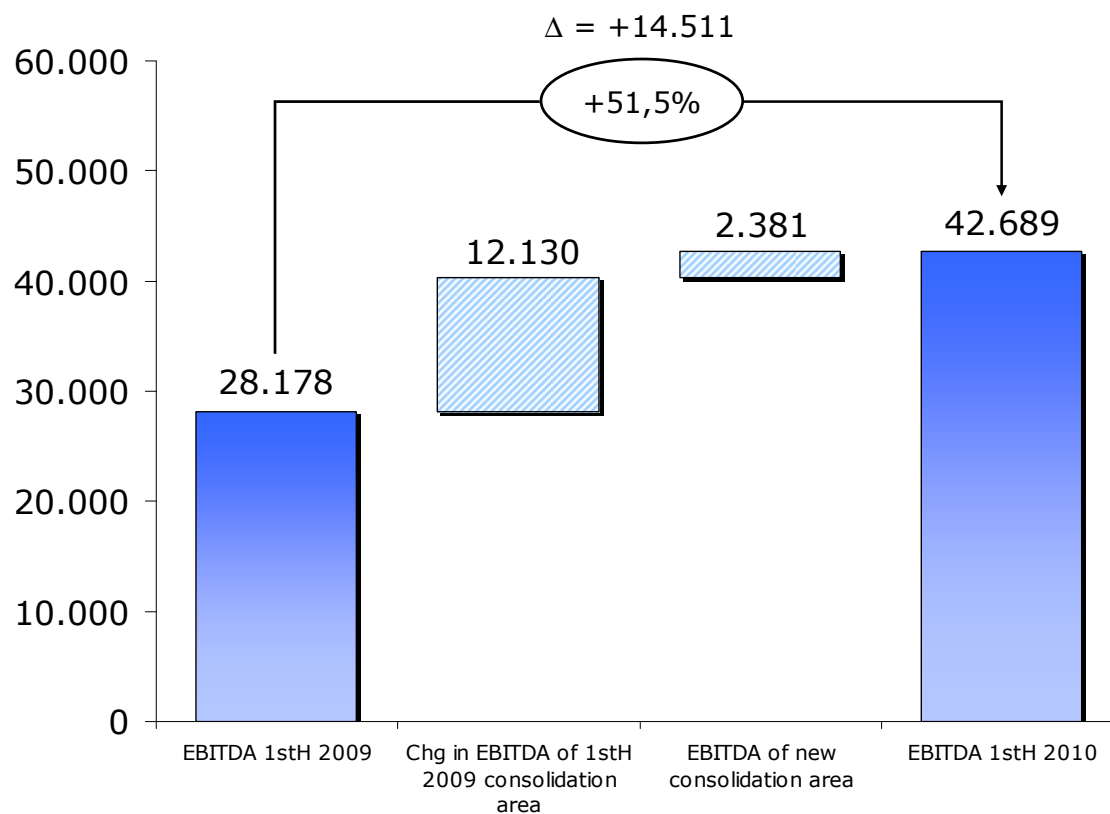
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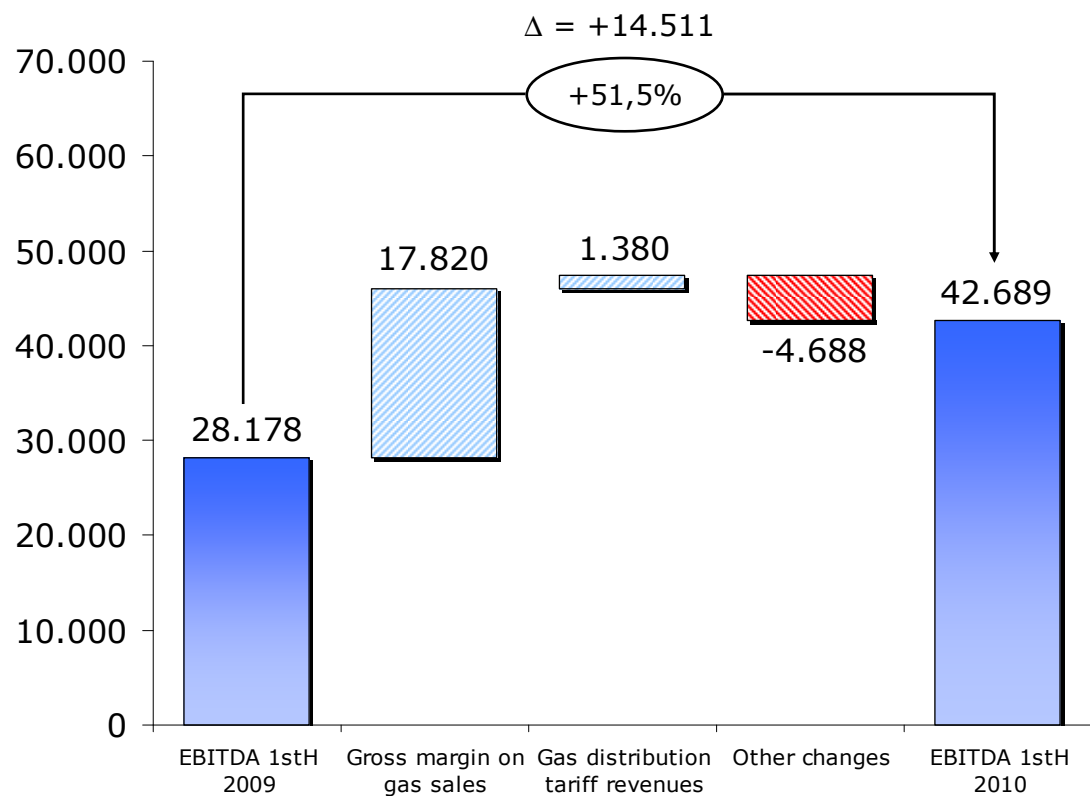
EBITDA bridge (1)

EBITDA bridge (Thousand of Euro)



EBITDA bridge (2)

EBITDA bridge (Thousand of Euro)



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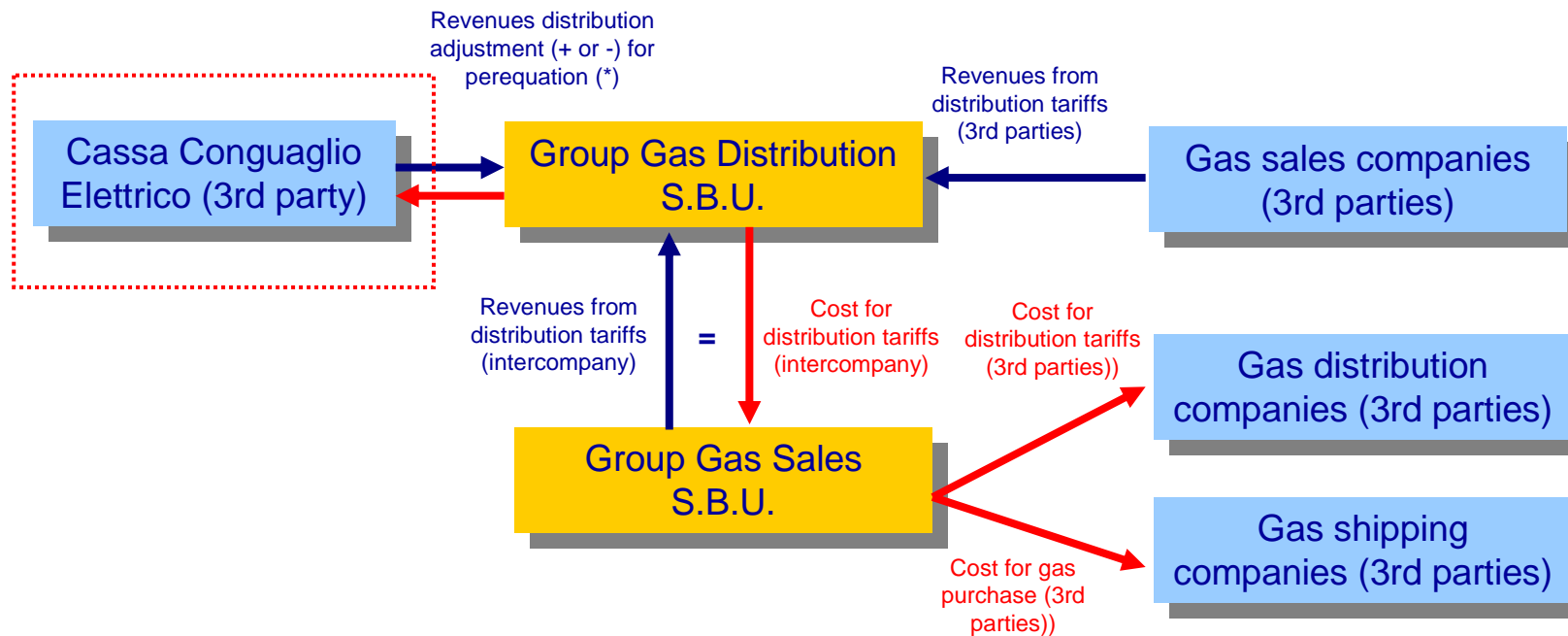
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New gas distribution tariffs regulation: equalization system

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



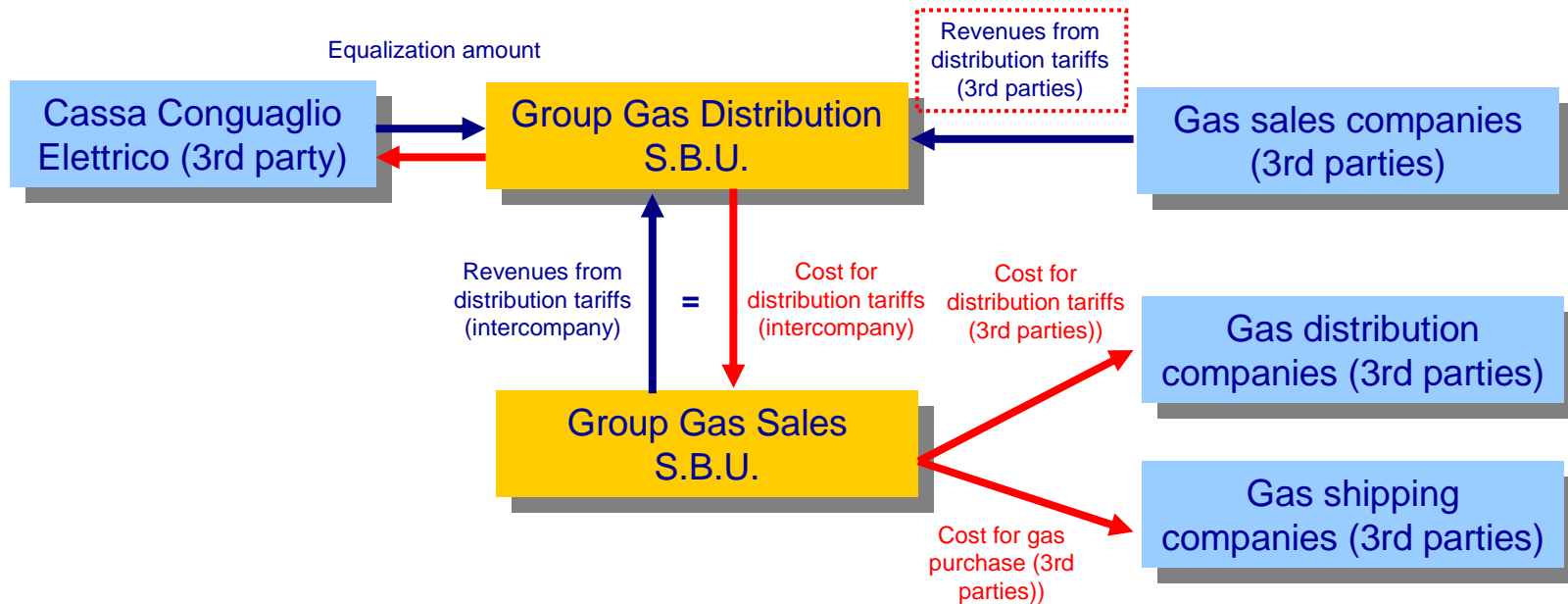
Gross margin on gas activities: new definition (1)

GROSS MARGIN ON GAS SALES =

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

GAS DISTRIBUTION TARIFF REVENUES =

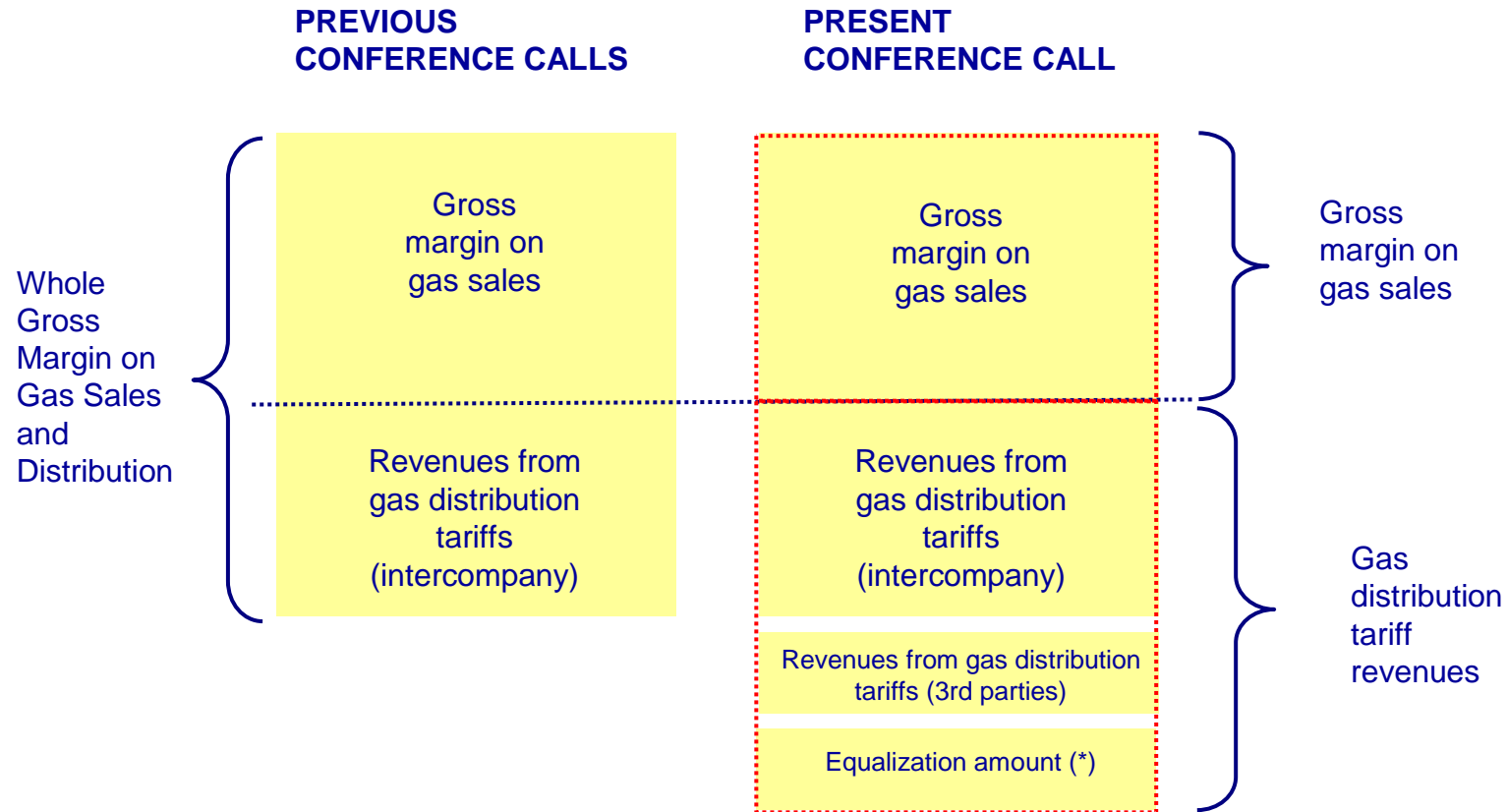
Intercompany revenues from distribution tariffs (**) + Revenues from distribution tariffs to third parties +/- Equalization amount – Contribution to national fund (***)



(*) 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



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



1stH 2009 reconciliation

Period (Thousand of Euro)	1stH 2009	1stH 2009
Method of analysis	Previous Conf. Call	Present Conf. Call
Revenues from gas sales (*)	426.370	426.370
(Gas purchase costs) (**)	(374.451)	(374.451)
(Distribution costs - intercompany)	(25.113)	(25.113)
(Distribution costs to third parties)	(12.187)	(12.187)
Gross margin on gas sales (A)	14.619	14.619
Tariffs applied to sales companies (intercompany)	25.113	25.113
(Contribution to national funds - intercompany)	(417)	(417)
Gas distribution tariff revenues (intercompany) (B)	24.696	24.696
Tariffs applied to sales companies (third parties)		2.472
(Contribution to national funds - third parties)		(23)
Equalization amount (+ / -)		0
Gas distribution tariff revenues (third parties) + equalization (C)		2.448
Gross margin on gas distribution and sales (A) + (B)	39.316	
Gross margin on gas sales (A)		14.619
Gas distribution tariff revenues (B) + (C)		27.145

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

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Distribution tariff revenues (1)

(Thousand of Euro)	1stH 2010	1stH 2009	Chg	Chg %
Tariffs applied to sales companies	32.895	27.585	5.310	+19,3%
(Contribution to national funds)	-	(440)	440	-100,0%
Equalization amount (+ / -)	(4.371)	-	(4.371)	n.a.
Gas distribution tariff revenues	28.524	27.145	1.380	+5,1%

The increase of gas distribution tariff revenues (+ Euro 1,4 mln) is due to:

- 1) change of gas distribution tariffs applied to gas sales companies: + Euro 5,3 mln
- 2) decrease of contribution to national funds: + Euro 0,4 mln
- 3) equalization amount: - Euro 4,4 mln



Distribution tariff revenues (2)

(Thousand of Euro)	1stH 2010	1stH 2009	Chg	Chg %
Tariffs applied to sales companies (Contribution to national funds)	32.895	27.585	5.310	+19,3%
Equalization amount (+ / -)	-	(440)	440	-100,0%
	(4.371)	(66)	(4.305)	+6484,4%
Gas distribution tariff revenues	28.524	27.078	1.446	+5,3%

Different accounting methods

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

Normalization of 1stH 2009 gas distribution revenues

In order to estimate the impact of the change in accounting method we normalize 1stH 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 half of the distribution revenues realized by the Group in the entire FY 2009.

The table shows that normalization not affect significantly the gas distribution tariff revenues. Therefore the increase is also equal to Euro 1,4 mln (+5,3%).



Gross margin on gas sales

(Thousand of Euro)	1stH 2010	1stH 2009	Chg	Chg %
Revenues from gas sales to end customers	297.606	291.438	6.168	+2,1%
Revenues from gas trading and wholesaling	121.613	134.931	(13.318)	-9,9%
Revenues from gas sales	419.219	426.370	(7.150)	-1,7%
(Gas purchase costs)	(329.358)	(374.451)	45.093	-12,0%
(Distribution costs)	(57.422)	(37.299)	(20.123)	+53,9%
Gross Margin on Gas Sales	32.439	14.619	17.820	+121,9%

The increase of gross margin on gas sales (+ Euro 17,8 mln) is referable to:

- 1) change of consolidation area (Pasubio Servizi): + Euro 3,1 mln
- 2) increase of gross margin on gas sales to end customers of 1stH 2009 consolidation area: + Euro 13,4 mln
- 3) increase of margin on gas trading and wholesales activities: + Euro 1,3 mln



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Other net operating costs

Other net operating costs:

∕ Net operating costs of new consolidation area:

-€0,6M

∕ Increase of net operating costs of 1stH 2009 consolidation area:

-€4,1M

of which:

- Decrease of revenues for distribution network connection services: -€0,7M
- Increase of personnel cost: -€0,6M
- Increase of gross margin in electricity sales: +€1,0M
- Decrease of gross margin in heat management business: -€0,9M
- Decrease of net costs for white certificates: -€0,4M
- Increase of gas distribution concession fees: -€0,9M
- Increase of costs for commercial services and marketing: -€0,4M
- Extraordinary item of Estenergy (gas distribution cost pertaining to 2009): -€0,3M
- Other changes: -€0,9M



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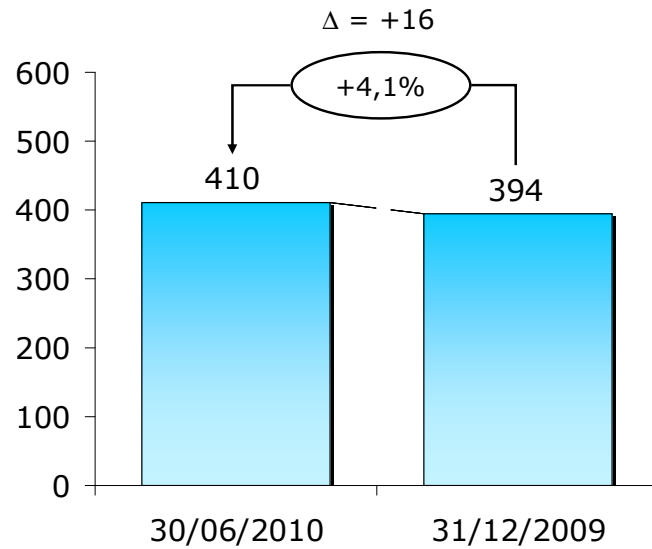
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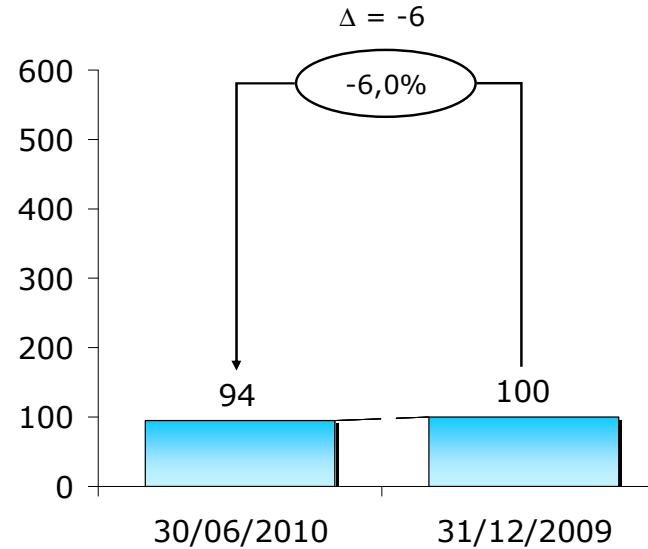


Number of employees

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



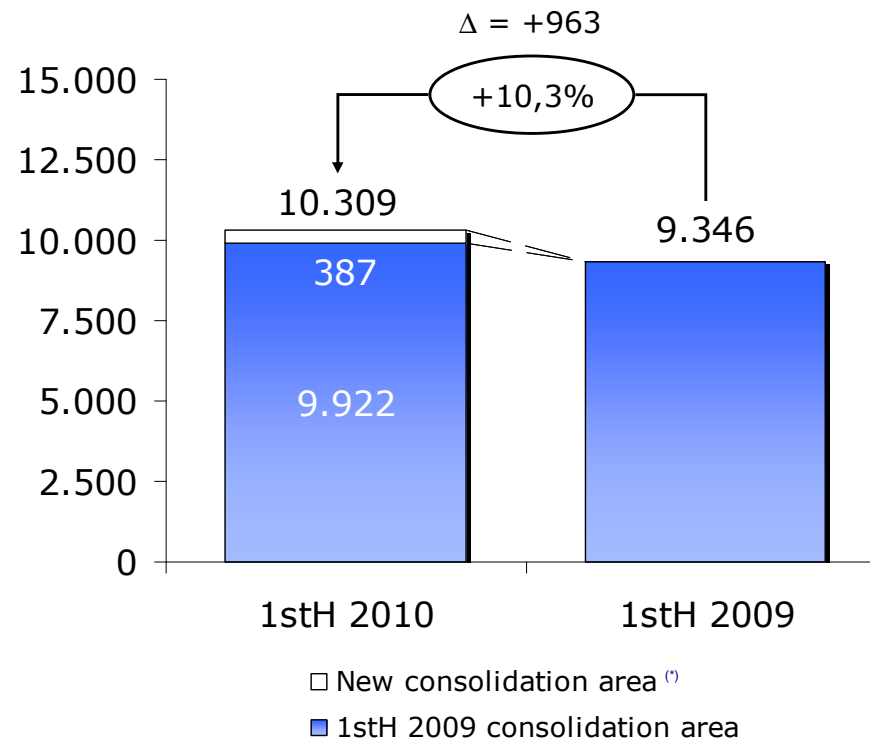
**No. of employees
Companies consolidated at 49%-51%**



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Cost of personnel

Cost of personnel (Thousand of Euro)



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(*) Pasubio Servizi

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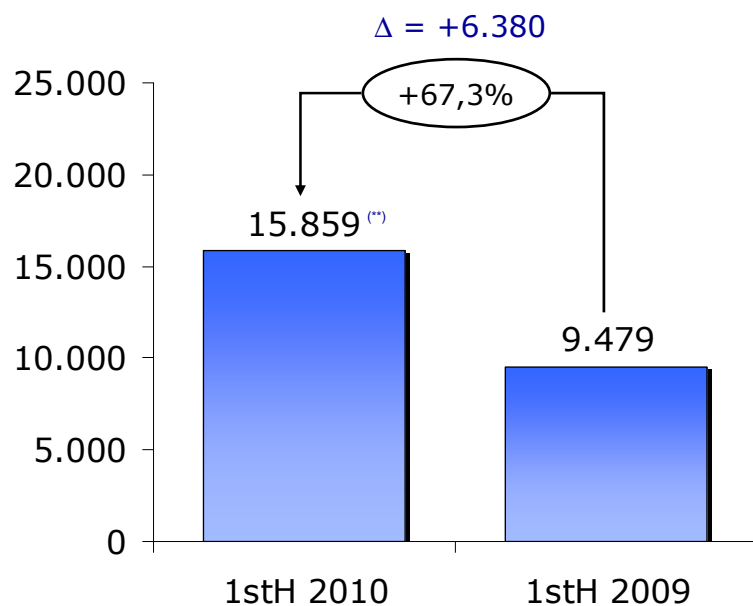
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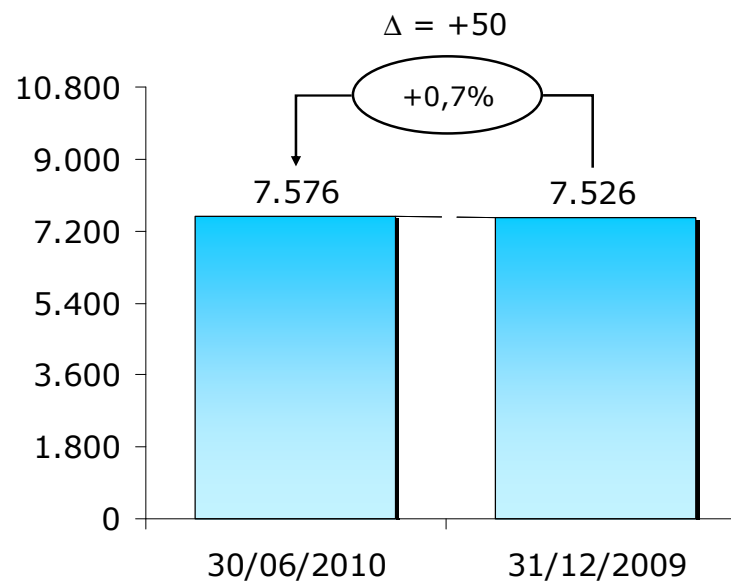


Capex and lenght of the gas distribution network

Capex (*)
(Thousand of Euro)



Length of the gas distribution network
(km)



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

(**) Investments in tangible assets: 8.3 million of Euro; investments in intangible assets: 7.6 million of Euro (realization of tangible and intangible assets and participation investments are excluded)



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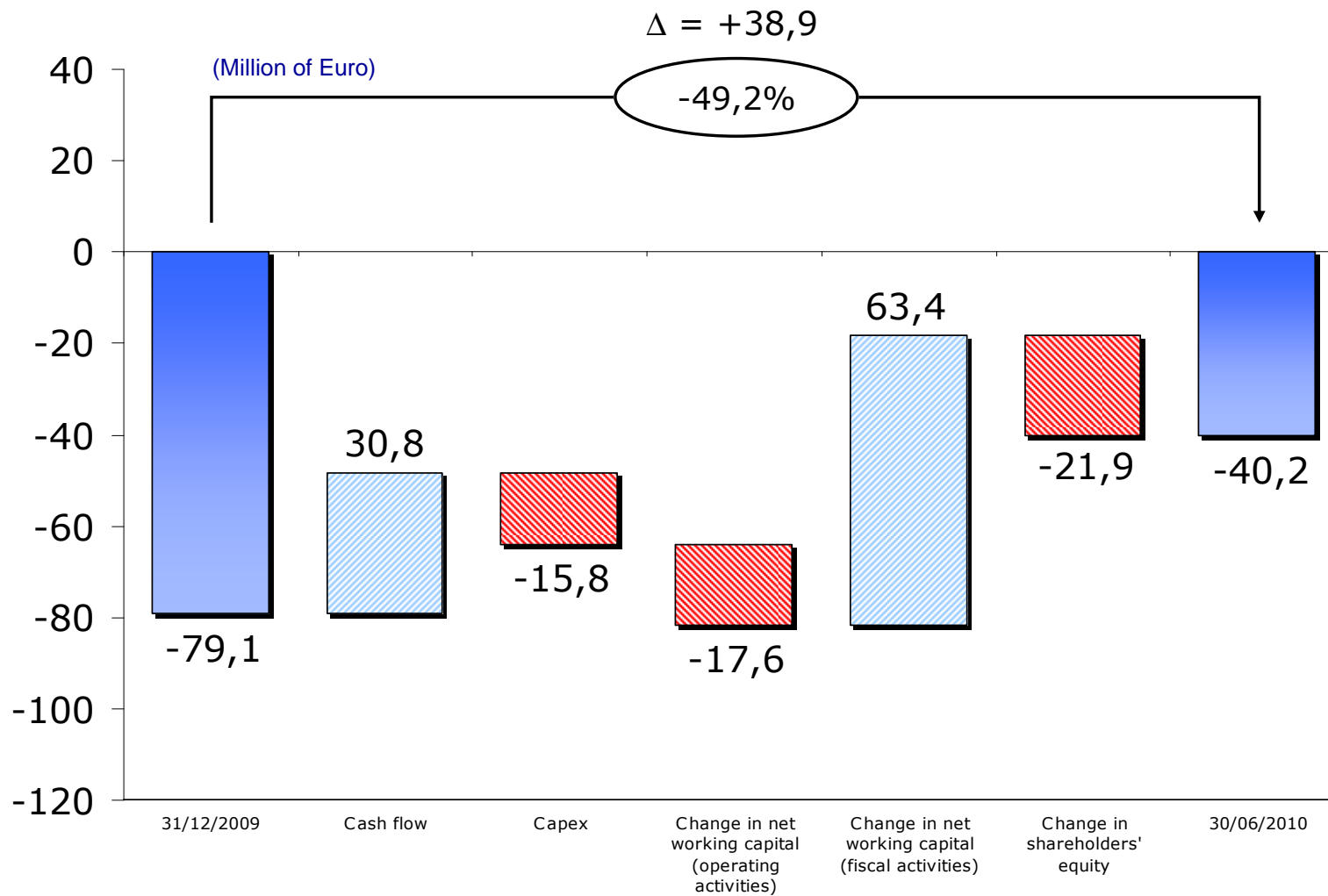
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