



STAR CONFERENCE 2010

Milan, March 18th 2010

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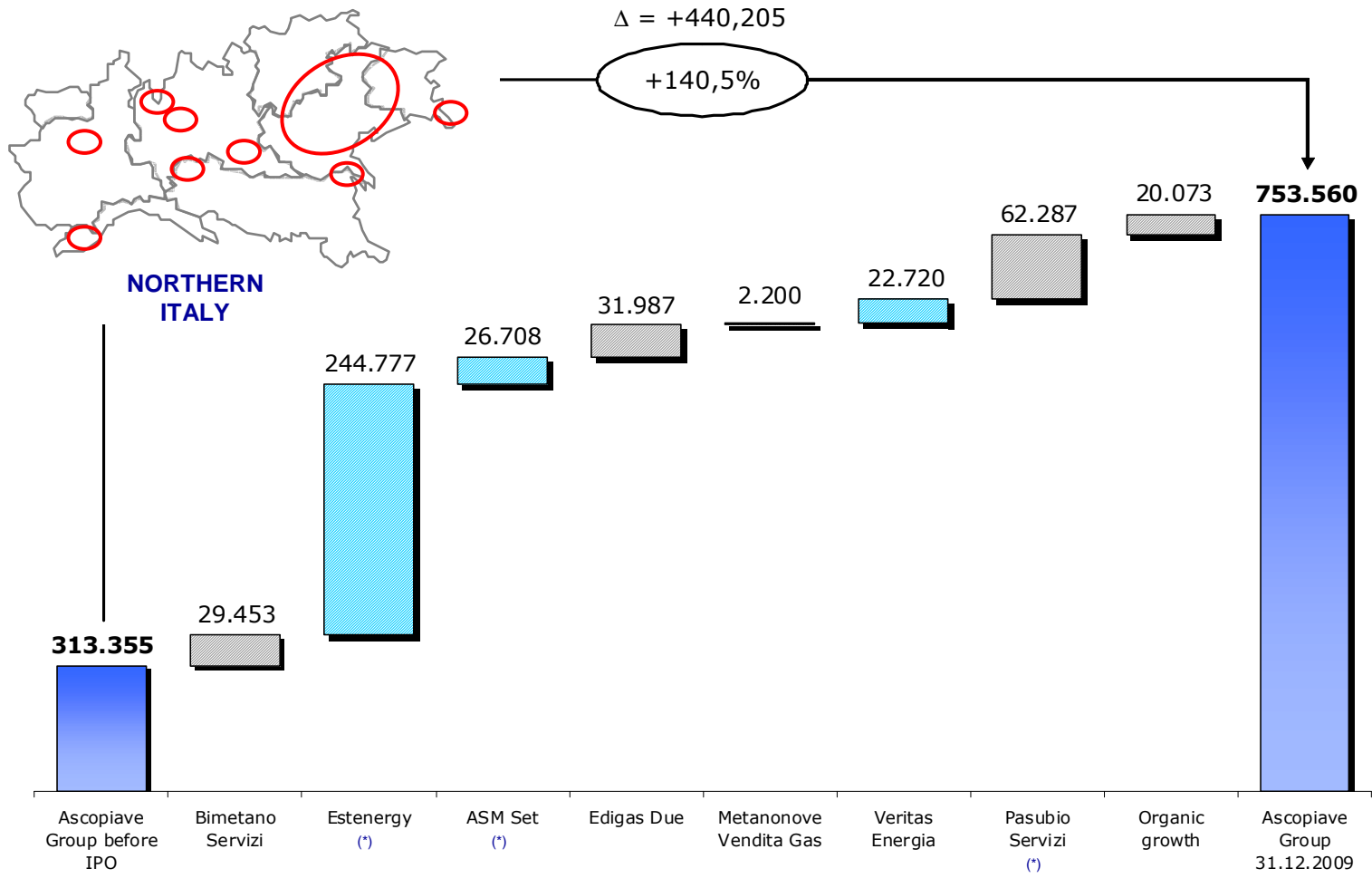
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Growth in the gas down-stream market in 2007–2009 (1)

Number of gas sale customers

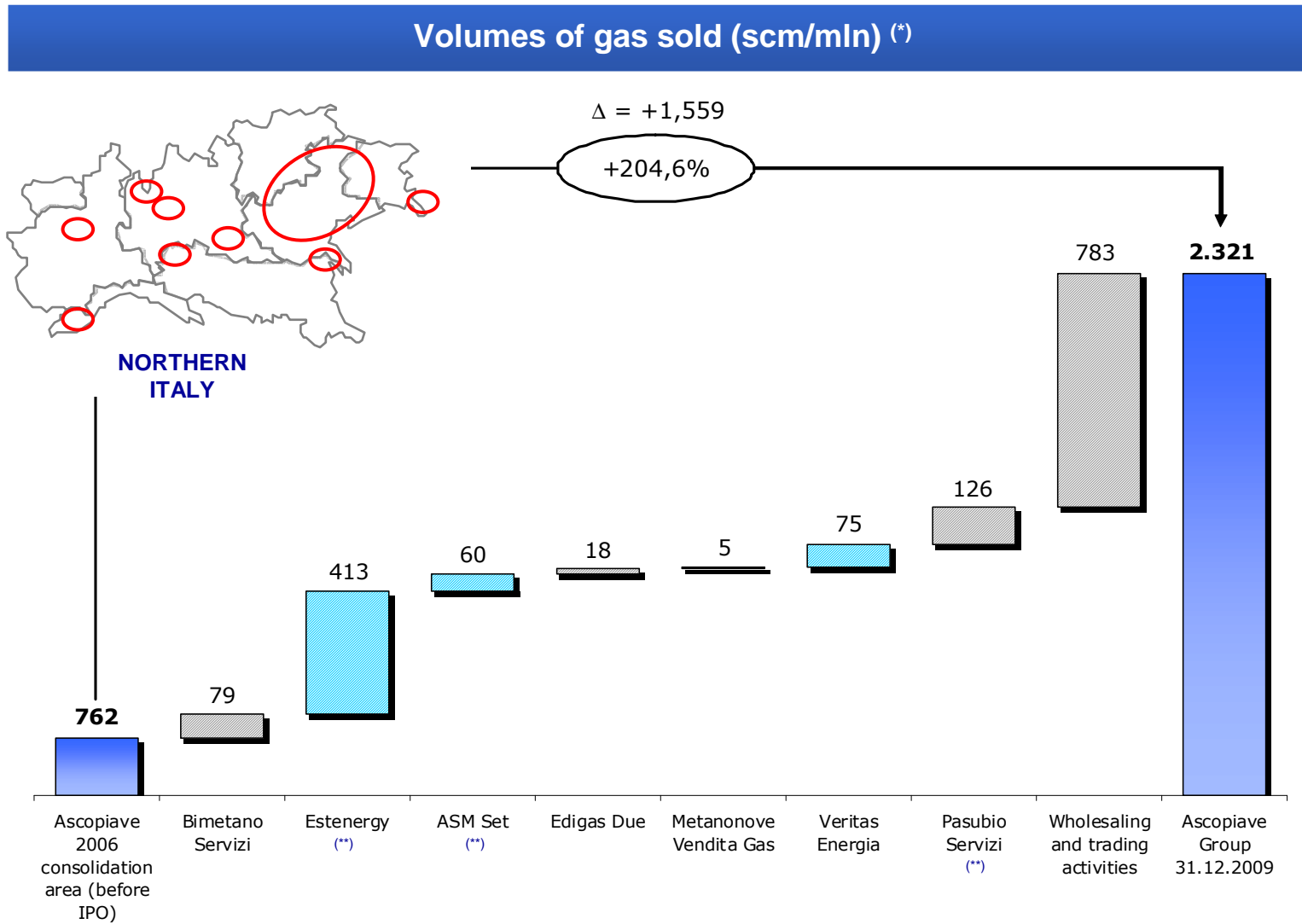


(*) Operating data of the companies consolidated proportionally (49% or 51%) are taken into account at 100%

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Growth in the gas down-stream market in 2007–2009 (2)



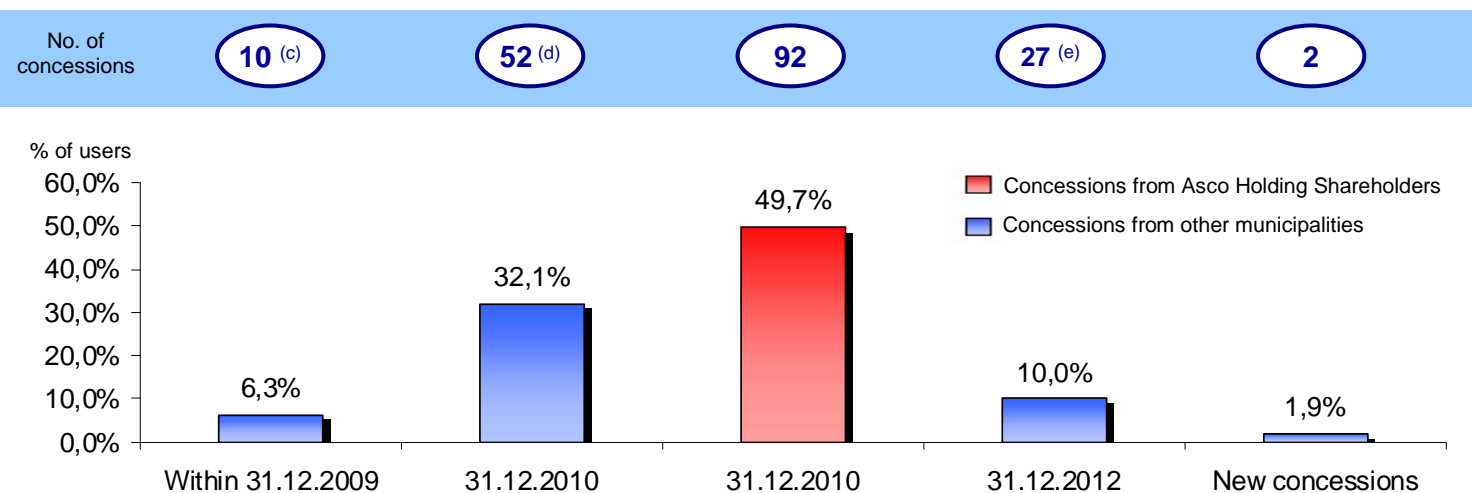
(*) Operating data of the companies consolidated proportionally (49% or 51%) are taken into account at 100%

Gas distribution: Ascopiave concessions

50,3% of concessions from shareholder municipalities

	Number	Populations ^(a)	Network (km) ^(b)
Awards from Asco Holding member municipalities	92	649.924	3.795
Concessions from other municipalities	91	510.293	3.658
Total	183	1.160.217	7.453

93,7% of users on concessions expiring in or beyond December 31st 2010



^(a) Data as of December 31th 2008; Source: ISTAT; ^(b) Data as of December 31th 2008; ^(c) 6 concessions are under dispute. For 1 concession the tender is in progress; ^(d) 2 concessions are under dispute; ^(e) 2 concessions are under dispute

Regulation of the call of tender

Regulation of the “Call of Tenders” to be provided by the Ministry of Economic Development (jointly with other public authorities).

Main issues:

- 1) Value of the assets to be paid to the outgoing concession holder
- 2) Standards of economic and technical offer
- 3) Employment of the work force of the outgoing concession holder

Minimum territorial district - joining a pool of municipalities with a minimum number of users - to be defined by the Ministry of Economic Development (jointly with other public authorities).

Tasks:

- 1) Reducing the number of tenders
- 2) Reducing the number of operators, permitting them to achieve an optimal size, improving efficiency through economies of scale

Gas distribution tariff: third regulatory period

- /// New regulatory period: 2009-2012
- /// New evaluating system for the Regulatory Asset Base (Capital Invested):
 - parametric system substituted by book value of the network
 - adjustment calculation allowed in case of M&A process
- /// Real pre-tax rate of return on RAB: ~ 7.6%
- /// X-factor on operating costs: ~ 3.2%
- /// Cash Flow Stability: revenues from the distribution business will not depend on the volumes of gas distributed (equalisation system that provides revenues reach VRT, i.e. **Total Revenue Constraint**)
- /// Because there is a significant spread between the third regulatory period RAB and the previous one, regulation provides a step by step tariff up-dating mechanism.

The step by step up-dating mechanism makes Ascopiave 2009 VRT being lower than un-capped one, that will be reached by degrees by the end of the third regulatory period.



Gas distribution: VRT breakdown (1)

VRT 2009 (*) ("Vincolo dei Ricavi Ammesso", i.e. 2009 Total Revenue Constraint)

$$\text{VRD} = \text{CO} + \text{AMM} + \text{CI} \times \text{rd}$$

where:

CO: represents the tariff quota covering management operating costs;

AMM: represents the quota covering depreciation;

CI: represents the net capital invested in distribution;

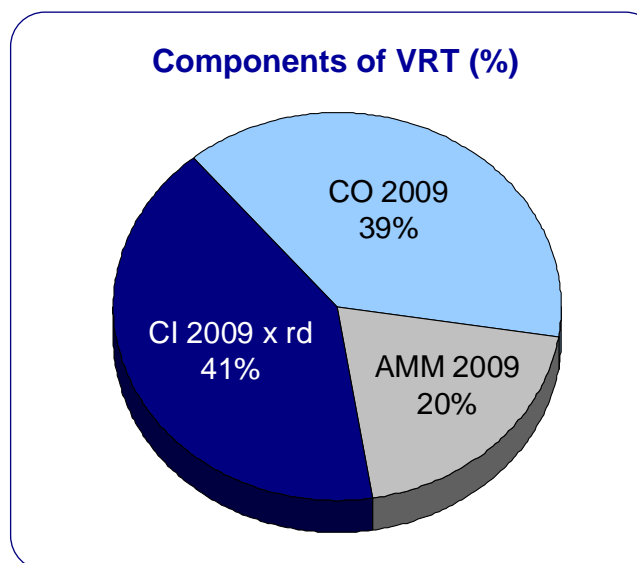
rd: represents the real, pre-tax rate of return on net invested capital (~ 7.60%).

2009 RAB:

/// capped RAB: € 297M

/// un-capped RAB: € 340M

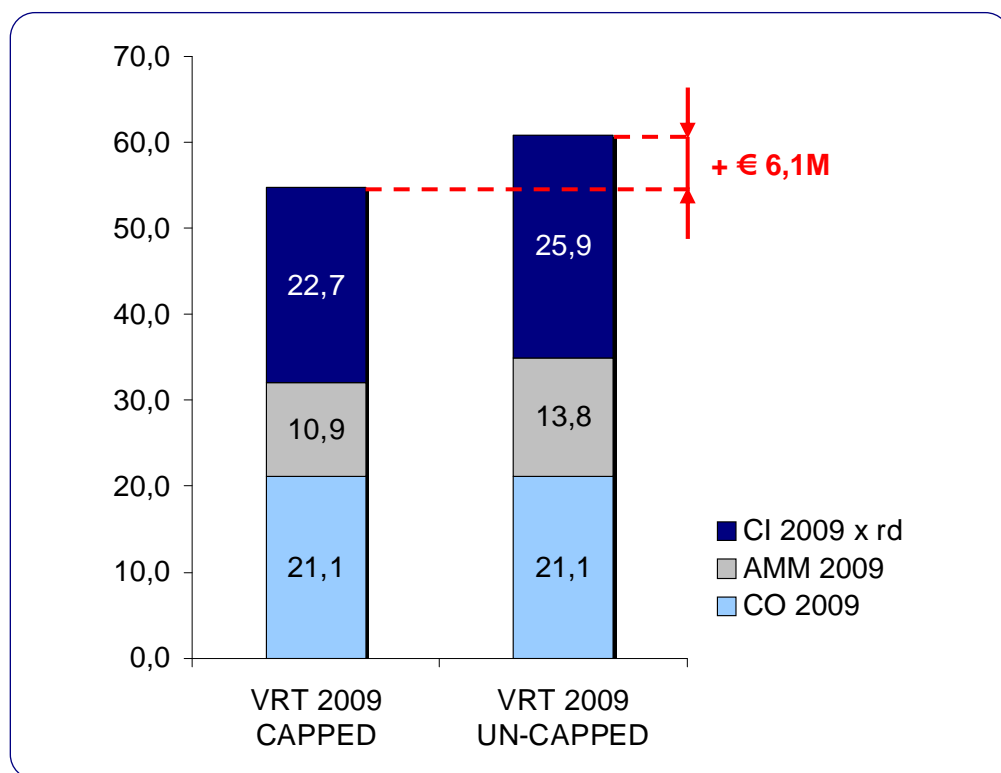
VRT 2009	(Thousand of Euro)
CO 2009	21,123
AMM 2009	10,901
CI 2009 x rd	22,687
Total VRT 2009 (*)	54,710
RAB 2009	297,697



(*) Ascopiave 2009 VRT has been approved by Gas and Electricity Authority (AEEG): Resolutions n. 109/09 and n. 197/09. Including 2009 VRT of Trebaseleghe municipality, whose concession started from August 1st 2009.

Gas distribution: VRT breakdown (2)

(Thousand of Euro)	VRT 2009	VRT 2009 UN-CAPPED	CHG
CO 2009	21,123	21,123	0,000
AMM 2009	10,901	13,838	2,937
CI 2009 x rd	22,687	25,901	3,214
Total VRT 2009	54,710	60,862	6,151
RAB 2009	297,697	339,925	42,228



The difference between 2009 VRT and 2009 uncapped VRT is equal to **€ 6,1M**.



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FY 2009 income statement

(Thousand of Euro)	2009	2008	Chg	Chg %
Revenues	764.151	824.672	(60.521)	-7,3%
(Cost of raw materials and consumables)	(617.384)	(703.872)	86.488	-12,3%
(Cost of services)	(58.888)	(43.377)	(15.511)	+35,8%
(Cost of personnel)	(18.377)	(15.494)	(2.883)	+18,6%
(Other operating costs)	(9.934)	(9.873)	(61)	+0,6%
Other operating income	1.976	280	1.696	+605,0%
EBITDA	61.545	52.337	9.208	+17,6%
(Depreciations and amortizations)	(16.283)	(14.071)	(2.212)	+15,7%
(Provisions)	(4.174)	(3.880)	(294)	+7,6%
EBIT	41.088	34.386	6.702	+19,5%
Financial income / (expenses)	(857)	(5.009)	4.151	-82,9%
EBT	40.231	29.378	10.853	+36,9%
(Income taxes)	(14.340)	(10.588)	(3.751)	+35,4%
(Net income of minorities)	(603)	(337)	(266)	+78,8%
Net income of the Group	25.288	18.452	6.836	+37,0%

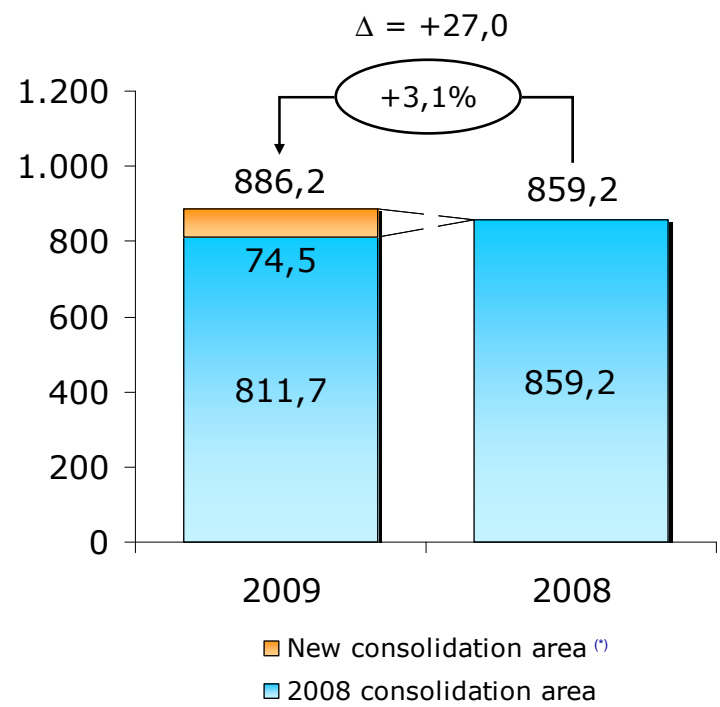
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Balance sheet

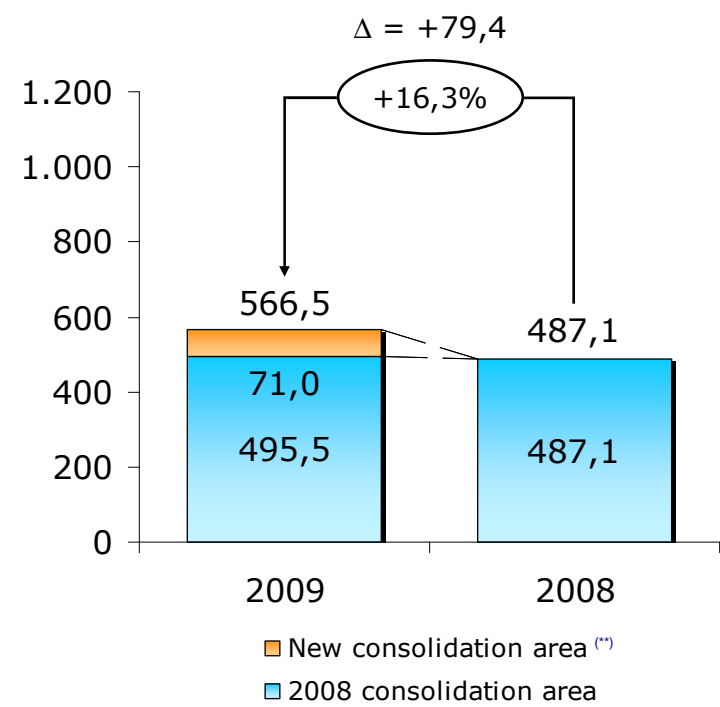
(Thousand of Euro)	31/12/2009	31/12/2008	Chg	Chg %
Tangible assets	329.970	319.279	10.691	+3,3%
Non tangible assets	114.542	92.776	21.767	+23,5%
Other fixed assets	15.418	13.860	1.558	+11,2%
Fixed assets	459.930	425.915	34.016	+8,0%
Operating current assets	211.796	281.573	(69.777)	-24,8%
(Operating current liabilities)	(178.075)	(259.641)	81.566	-31,4%
(Operating non current liabilities)	(44.468)	(41.165)	(3.303)	+8,0%
Net working capital	(10.747)	(19.233)	8.485	-44,1%
Total capital employed	449.183	406.682	42.501	+10,5%
Group shareholders equity	367.245	359.108	8.137	+2,3%
Minorities	2.851	2.325	526	+22,6%
Net financial position	79.088	45.249	33.838	+74,8%
Total sources	449.183	406.682	42.501	+10,5%

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%

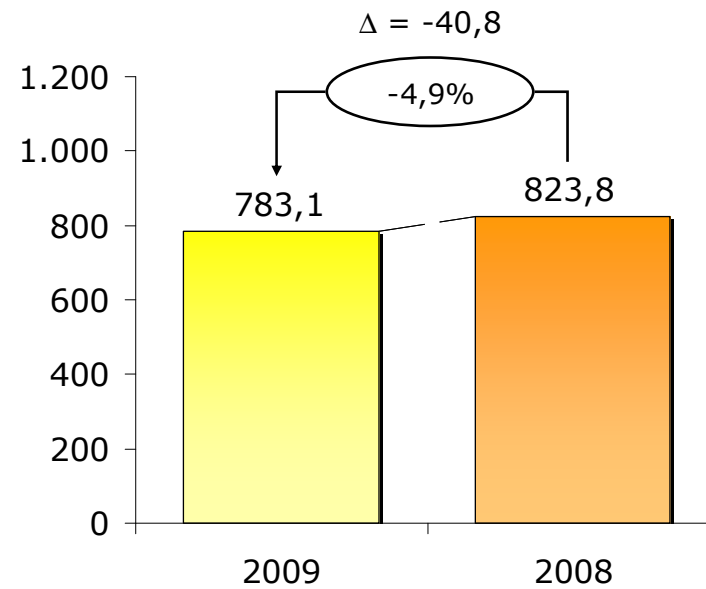
(*) 1stH 2009 of Edigas Due + 2ndH 2009 of Pasubio Servizi
 (**) 2009 of Veritas Energia



Volumes of gas sold on trading and wholesaling activities

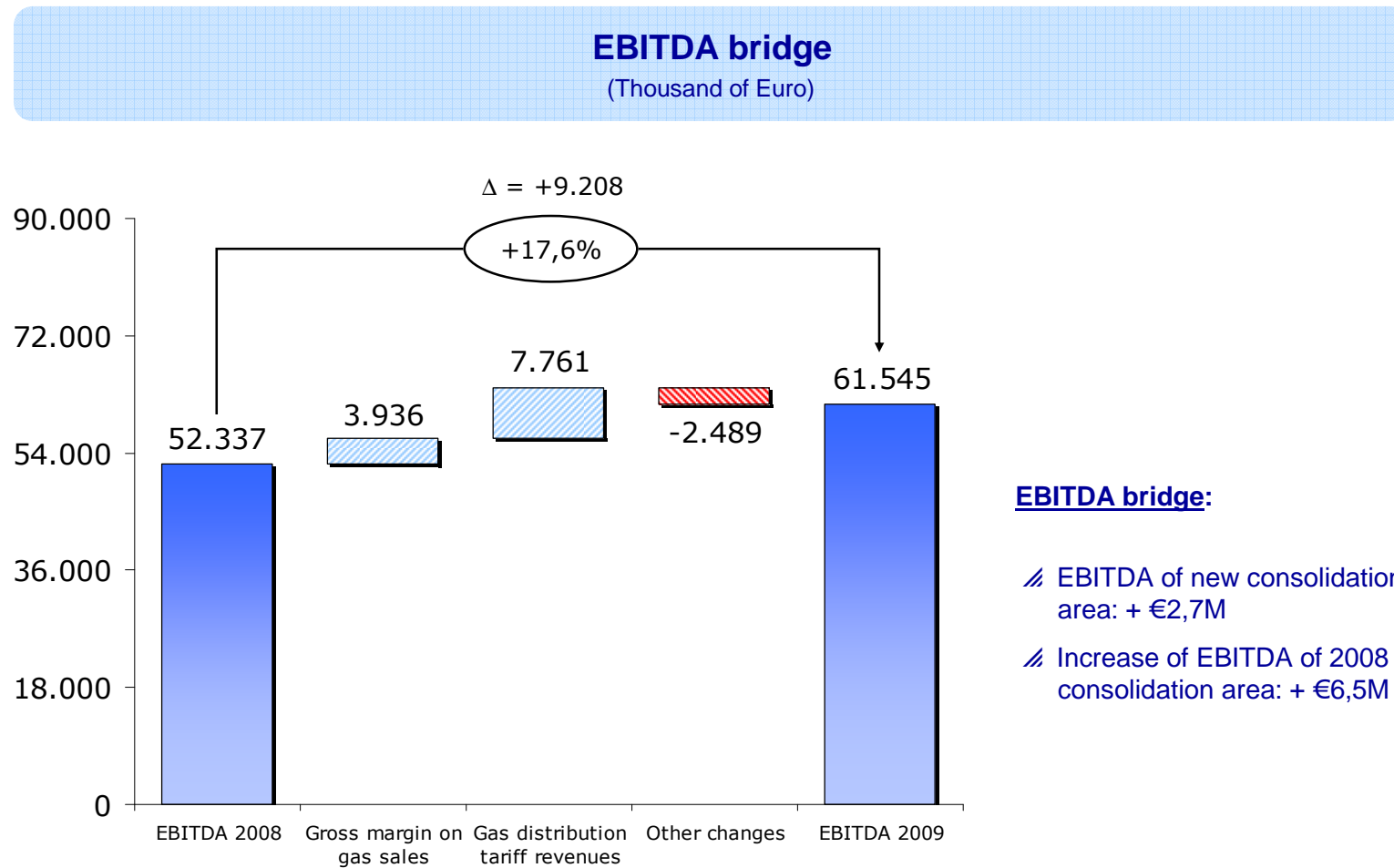
Volumes of gas sold on trading and wholesaling activities

(Million of standard cubic meters)



Gas sold on trading and wholesaling activities

EBITDA bridge



Gross margin on gas sales bridge

(Thousand of Euro)	2009	2008	Chg	Chg %
Revenues from gas sales to end customers	486.665	475.199	11.465	+2,4%
Revenues from gas trading and wholesaling	214.253	283.917	(69.665)	-24,5%
Revenues from gas sales	700.917	759.117	(58.199)	-7,7%
(Gas purchase costs)	(592.415)	(669.293)	76.878	-11,5%
(Distribution costs)	(76.258)	(61.515)	(14.743)	+24,0%
Gross Margin on Gas Sales	32.244	28.308	3.936	+13,9%

The increase of gross margin on gas sales (+ Euro 3,9 mln) is referable to:

- 1) change of consolidation area (1stH 2009 of Edigas Due + 2009 of Veritas Energia + 2ndH 2009 of Pasubio Servizi) = + Euro 3,7 mln;
- 2) decrease of margin on gas trading and wholesales activities: - Euro 0,2 mln.
- 3) decrease of gas volumes sold, decrease of margin on business segment and other changes: + Euro 0,4 mln.



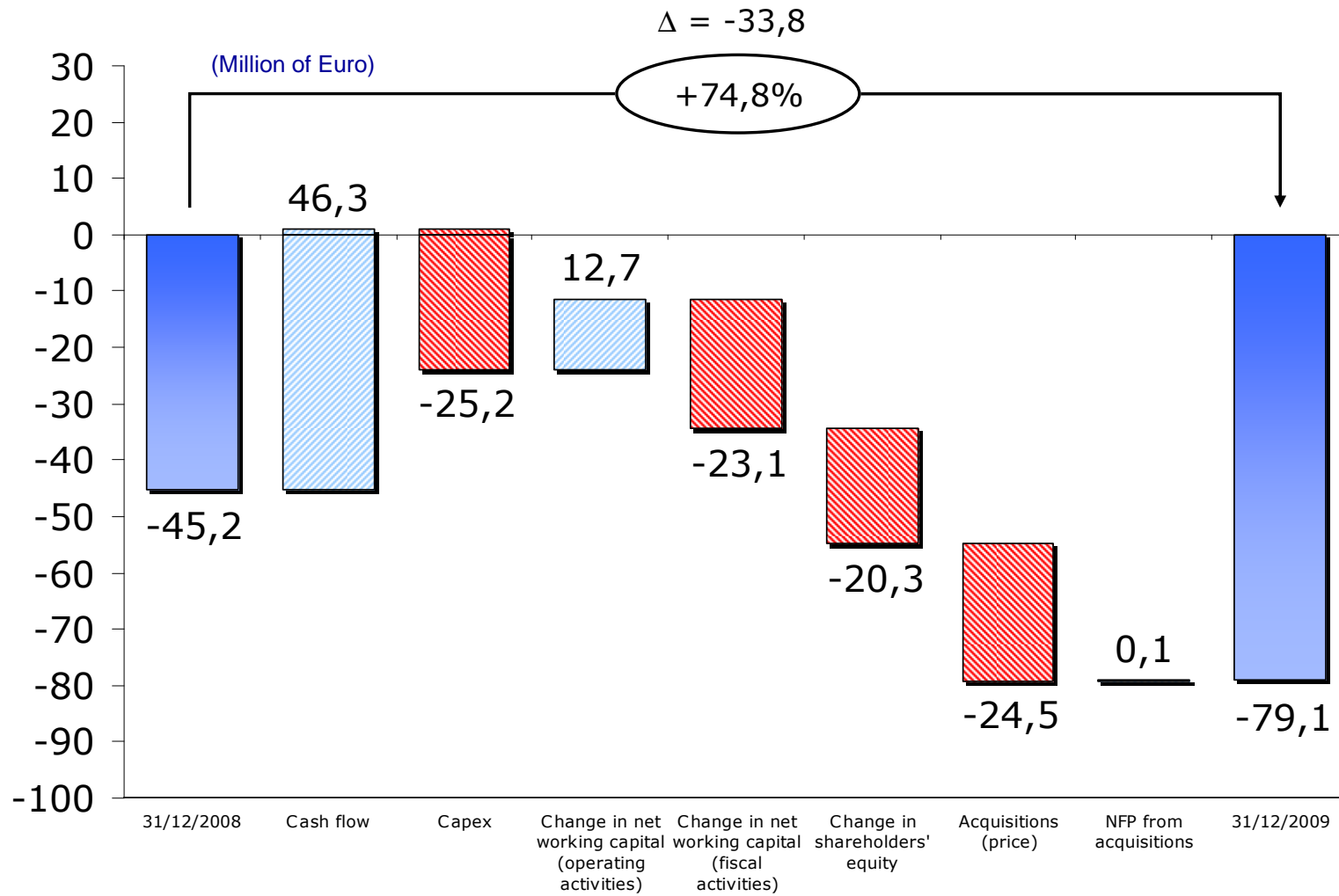
Distribution tariff revenues bridge

(Thousand of Euro)	2009	2008	Chg	Chg %
Tariffs applied to sales companies	51.070	46.395	4.675	+10,1%
Equalization amount (+ / -)	3.086	-	3.086	n.a.
Gas distribution tariff revenues	54.156	46.395	7.761	+16,7%

The increase of gas distribution tariff revenues (+ Euro 7,8 mln) is due to:

- 1) change of consolidation area (1stH 2009 of Edigas Esercizio Distribuzione Gas): + Euro 2,1 mln;
- 2) change of gas distribution tariffs applied to gas sales companies: + Euro 2,6 mln;
- 3) equalization amount: + Euro 3,1 mln.

Net Financial Position



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Main financial ratios (1)

Ascopiave Group main financial ratios

FINANCIAL RATIOS	2009	2008	2007	2006	AVG 06-09
Capital turnover	1,7	2,0	0,9	1,1	1,5
Return on sales	5,4%	4,2%	7,5%	9,2%	6,6%
Return on investment (ROI)	9,1%	8,5%	7,1%	10,4%	8,8%
Financial leverage (D/E)	0,21	0,13	0,29	-0,24	n.a.
Return on Equity (ROE)	6,8%	5,1%	5,9%	4,4%	5,6%



Average Return on Investment (**8.8%**) is higher than real pre-tax return of investment provided by the gas distribution regulatory system (~ 7.6%).

Main financial ratios (2)

Financial leverage comparison

FINANCIAL RATIOS (*)	LOCAL UTILITIES (**) (Average data)	ASCOPIAVE	VAR.
Financial leverage	1,30	0,22	-1,07
D/D+E	55,9%	18,3%	-37,6%
E/D+E	44,1%	81,7%	37,6%



Ascopiave financial leverage (**0.22**) is lower than those of the Italian listed competitors (avg: 1.30).

The low indebtedness level is a positive result in the light of a macroeconomic scenario that makes access to credit a real challenge, which therefore strengthens the Group's economic and financial soundness and enables it to reap the opportunity of carrying out potential extraordinary transactions in 2010.

(*) Financial leverage is calculated considering Market Capitalization on December 30th 2009 and Net Financial Position on September 30th 2009;

(**) Local utilities are: A2A, Hera, Acea, Iride, Acegas-APS, ACSM-AGAM and Enia.



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Strategic guidelines and objectives

Dimensional growth by a significant increase of the customer base and of the volumes sold consolidating the leadership in the North-East and a national role

- GROWTH VIA ACQUISITION (“EXTERNAL GROWTH”)
- “ORGANIC GROWTH”
- TRADING AND WHOLESALING
- RETENTION OF OWN END USERS (via dual fuel and cross selling strategies)

Long term autonomous and diversified supplying system by an up-stream integration in the gas value chain

- FOCUSED CAPACITY ACQUISITION (LNG, PIPE, STORAGE)
- SONATRACH GSA – GAZPROM GSA (via Sinergie Italiane)
- OTHERS MEDIUM / LONG TERM AGREEMENTS

OBJECTIVES

- Maximizing and stabilizing margins - minimizing commodities risks
- Increasing volume sold: doubling respect to customer base volumes
- Less than 90% supplied by incumbents
- Improvement and exploitation of internal competences and know how



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Market positioning in Triveneto

No. of gas sale customers in Triveneto



Ranking	Gas sale operator	No of gas sale customers in Triveneto	%
1	Ascopiave Group ^(*)	685.000	26,1%
2	ENI	500.000	19,1%
3	Enel Gas	160.000	6,1%
4	Trentino Servizi	130.000	5,0%
5	AGSM Verona	125.000	4,8%
6	AIM Vicenza	115.000	4,4%
7	AMGA Udine	100.000	3,8%
8	Thuega	80.000	3,0%
9	Edison	80.000	3,0%
10	IRIS Gorizia	60.000	2,3%
	Altri	588.000	22,4%
	Totale	2.623.000	100,0%

With over 680.000 gas sale customers, Ascopiave ranks 1st in "Triveneto"

No. of gas sale customers FROM 284,000 (2003) TO 685,000 (2008 pro-forma) cagr 03-08: +141,2%

(*) Operating data of the companies consolidated proportionally (49% or 51%) are taken into account at 100%

Market positioning in Italy

Volumes of gas sold in Italy ^(a)

Ranking	Gas sale operators	Vol. of gas sold in Italy (Mcm)	%
1	Eni	26,862	38.6%
2	Enel	12,799	18.4%
3	E.On	3,927	5.6%
4	Edison	3,428	4.9%
5	Energie Investimenti	3,136	4.5%
6	A2A	2,668	3.8%
7	Hera	2,209	3.2%
8	Ascopiave Group ^(b)	1,552	2.2%
9	Cir (Sorgenia)	1,142	1.6%
10	Iride	1,107	1.6%
11	E.S.TR.A. Energia	567	0.8%
12	Linea Group Holding	399	0.6%
13	Erogasmet	386	0.6%
14	Gas Plus	371	0.5%
15	Trentino Servizi	313	0.4%
16	Amga - Azienda Multiservizi (Udine)	311	0.4%
	Others	8,432	12.1%
	Total	69,609	100.0%

The Group has created an industrial pole that, with more than 1.5 billion of cube meters of gas sold, ranks **8th** in Italy

Ranking	Gas sale operators	Vol. of gas sold in Italy (Mcm)	%
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15	Trentino Servizi	313	0.4%
16	Amga - Azienda Multiservizi (Udine)	311	0.4%
	Others	8,432	12.0%
	Total	70,433	100.0%

Also considering volumes of gas sold on wholesale / trading activities the Group, with about 2.4 billion of cube meters of gas sold, ranks **7th** in Italy

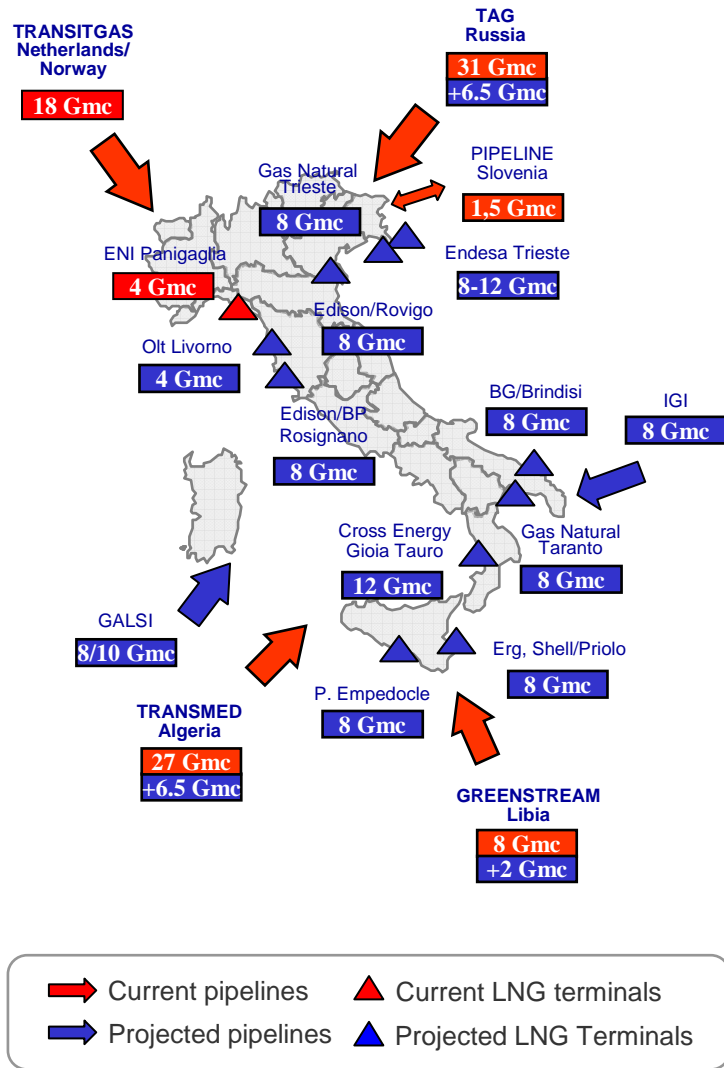
Volumes of gas sold by trading activities

FROM 435 cm/mIn (2007)

TO 824 cm/mIn (2008)

^(a) In house processing on 2008 AEEG data; ^(b) Including volumes sold to final market by Ascotrade, Global Energy, Etra Energia, ASM Set, Estenergy, Edigas Due, Veritas Energia, MetanoNove Vendita Gas and Pasubio Servizi; data of the companies consolidated proportionally are taken into account at 100% ^(c) Also including volumes sold on wholesaling and trading activities.

Import infrastructures and new projects



VOLUMES OF GAS (Gcm)		2008	2015	2020
National Demand		75,6	94,2	100,8
Domestic Production		9,2	5,8	4,2
Total		84,8	100,0	105,0

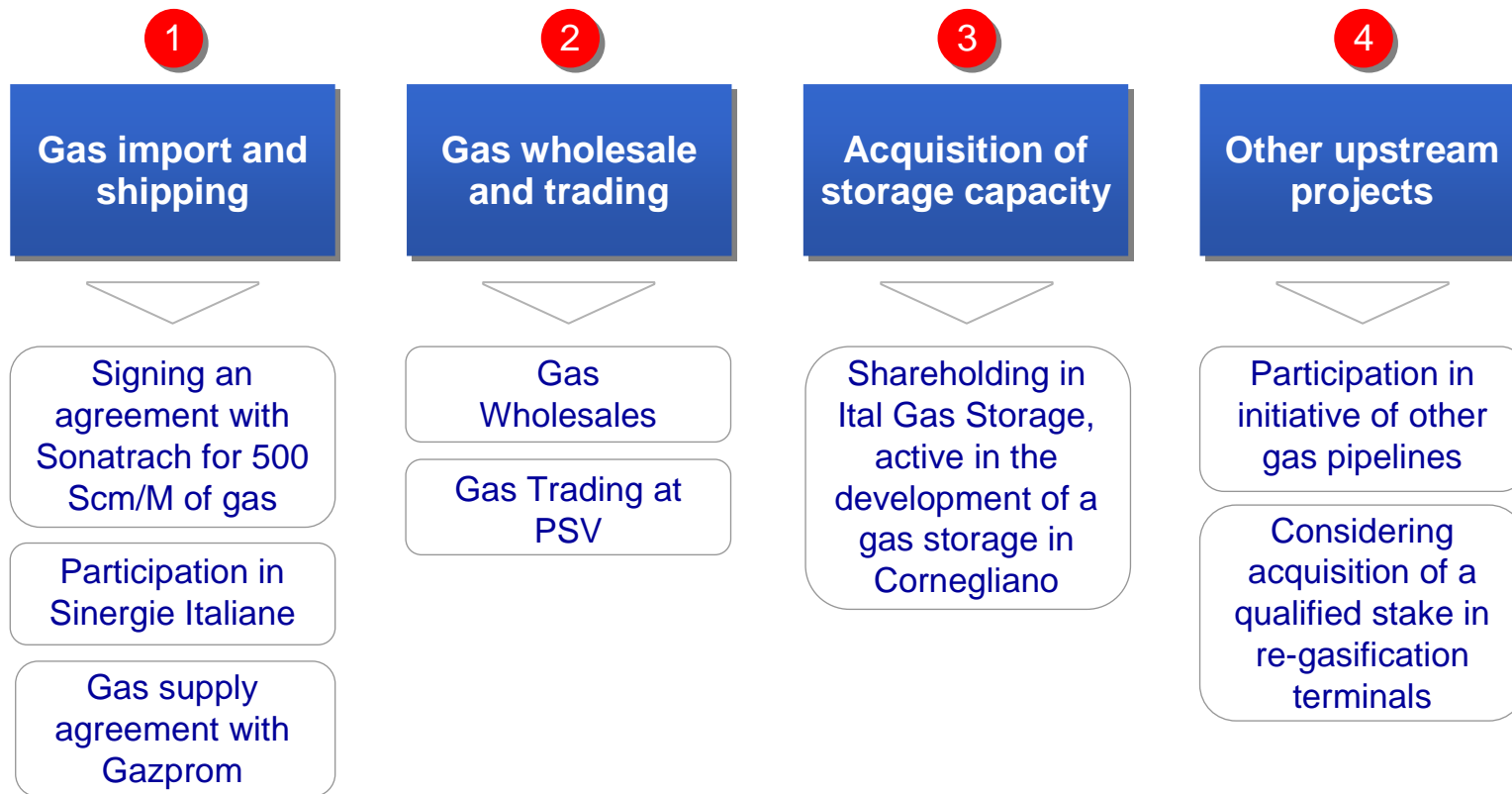
EXISTING NEW INFRASTRUCTURE		
PROJECT	CAPACITY (Gcm)	OPERATOR
REP TAG 1	3,2	ENI
REP TAG 2	3,3	ENI
REP TTCP 1	3,2	ENI
REP TTCP 2	3,3	ENI
ROVIGO	8,0	Edison, QP, Exxon
TOTAL	21,0	

AUHORIZED PLANNED INFRASTRUCTURE		
PROJECT	CAPACITY (Gcm)	OPERATOR
LNG LIVORNO	4,0	Olt, Iride, E.On
LNG BRINDISI	8,0	Bg
TOTAL	12,0	

PLANNED NEW INFRASTRUCTURE		
PROJECT	CAPACITY (Gcm)	OPERATOR
IGI	8,0	Edison, DEPA
GALSI	8,0	Sonatrach. Edison, etc.
GREENSTREAM REP	2,0	ENI
LNG ROSIGNANO	8,0	Edison BP
LNG GIOIA TAURO	12,0	Cross Energy
LNG PRIOLO	8,0	Shell
LNG TARANTO	8,0	Gas Natural
LNG ZAULE	8,0	Gas Natural
LNG TRIESTE	8,0	Endesa
LNG PORTO EMPEDOCLE	8,0	Nuove Energie
TOTAL	78,0	

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Mid and up-stream integration



Long Term supply agreement with Sonatrach

Current agreement with Sonatrach

- /// Purchase of 500 Scm/M of gas import through GALSI pipeline
- /// Duration of the agreement: 15 years from the date in which GALSI will go into operation

Current agreements with:

- /// Shell, Essent, EGL, Vitol, RWE, EON, BP, Gaselys

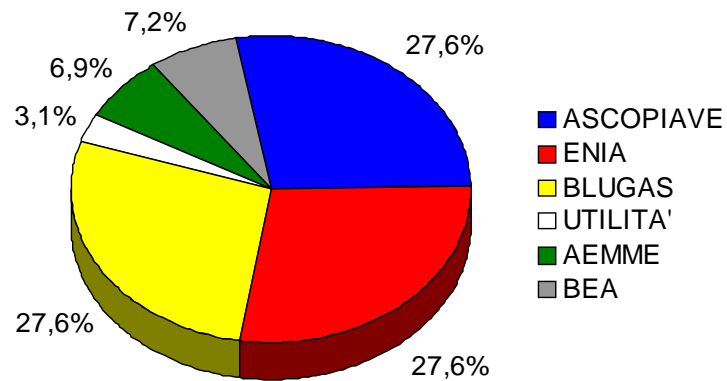


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Leading role in Sinergie Italiane



Sinergie Italiane is the 4th Italian gas shipping company (the 2nd on residential market) participated by Ascopiave (27.6%) and by other domestic gas operators



Sinergie Italiane potential market for Thermal Year 2009-2010: 5 Bcm

- Starting from Thermal Year 2008/2009, SINIT manages gas and electricity supply activities of its shareholders:
 - over **1.7 million** extremely loyal end-customers
 - gas volumes sold in excess of **3 Bcm**
- Gas supply agreement with Gazprom
- Industrial partnerships and agreements with leading international operators



Foreign transportation capacity

TAG CAPACITY

Own capacity (Ncm/h)	No. of lots	ACQ (Ncm/y)	DURATION
2.600	5	113.880.000	
2.600	8	182.208.000	
2.600	1	22.776.000	
2.600	3	68.328.000	
44.200	17	387.192.000	Until 2029

Subletting capacity (Ncm/h)	No. of lots	ACQ (Ncm/y)	DURATION
15.000	1	131.400.000	
15.000	1	131.400.000	Until 2012

59.200 18 518.592.000

TRANSITGAS CAPACITY

CAPACITY (Kwh/h)	ACQ (Scm/y)	DURATION
117.450	97.481.650	2010
117.227	97.296.564	2012
234.677	194.778.214	

DUNKERQUE

CAPACITY (Mwh/h)	ACQ (Scm/y)	DURATION
110	38.165.000	2009
110	38.165.000	



Total foreign transportation capacity 2009/2010:

714 MSmc



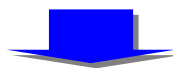
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Gas storage capacity: supply system flexibilities



Capacity Storage: 1.100.000.000 Smc
National Working Gas : 8.000.000.000 Smc

13,75% - Total domestic storage



- /// Summer 2010 supply needs: 1Bcm
- /// 400 Mcm/y Organic Growth
- /// LNG Supply (Spot and Long Term)
- /// European stock Exchanges (TTF and EGT)
- /// Decoupling between Italian and European Gas Market - Gas to Gas Competition

Time, sources and delivery point swap

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Long term supply agreement with Gazprom

Long term supply agreement with Gazprom

- /// Contract TOP signed by **Sinergie Italiane**
- /// Total volumes supplied: **7.5 B/Scm in 10 years:**
 - 1.0 B/Scm per year in 2009-2011 TY
 - 0.5 B/Scm per year in 2012-2018 TY
- /// Starting from October 2009

- ✓ The Long Term Agreement follows two yearly contracts
- ✓ Delivery Point in Tarvisio (Italian Border)
- ✓ Good flexibilities
- ✓ Negotiations for additional volumes still in progress



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Ital Gas Storage

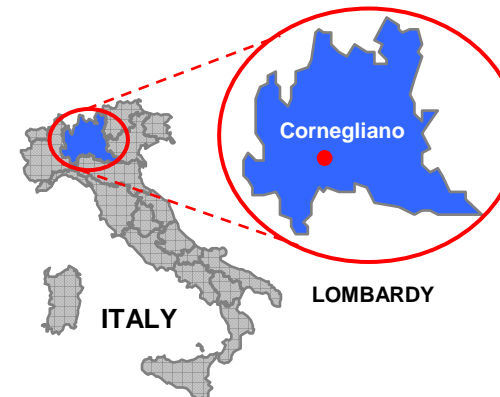
Is active in gas storage in Cornegliano

Acquisition of a 15% stake completed in May 2006

Acquisition of an further 2% stake in April 2008

Storage technical characteristics

Working gas (Scm/M)	590-1,010
Cushion gas (Scm/M)	900
Maximum storage capacity (Scm/M)	1,910
Maximum daily use (Scm/M)	16.5



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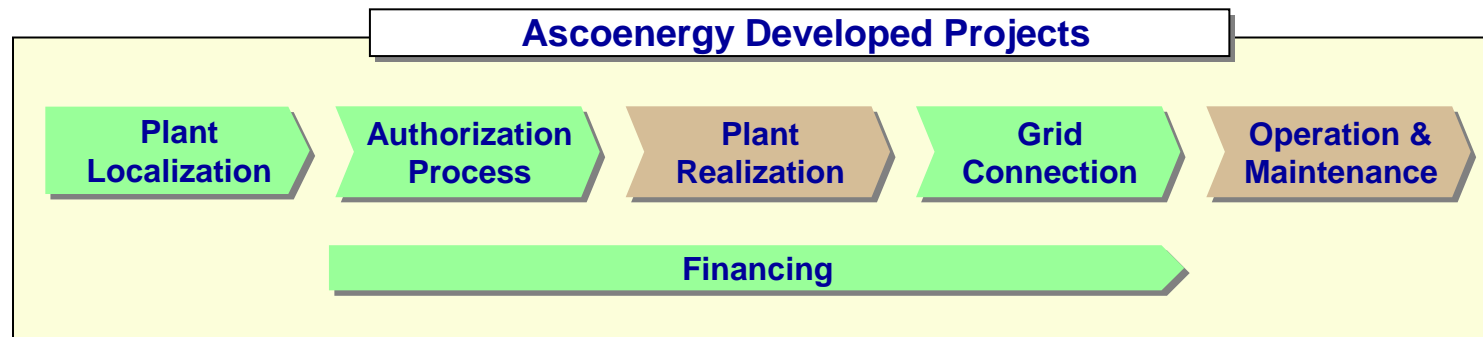


AscoEnergy business model

AscoEnergy business model

AscoEnergy business model contemplates a mix of direct project development and acquisition of projects developed by third parties (Joint Ventures are preferred).

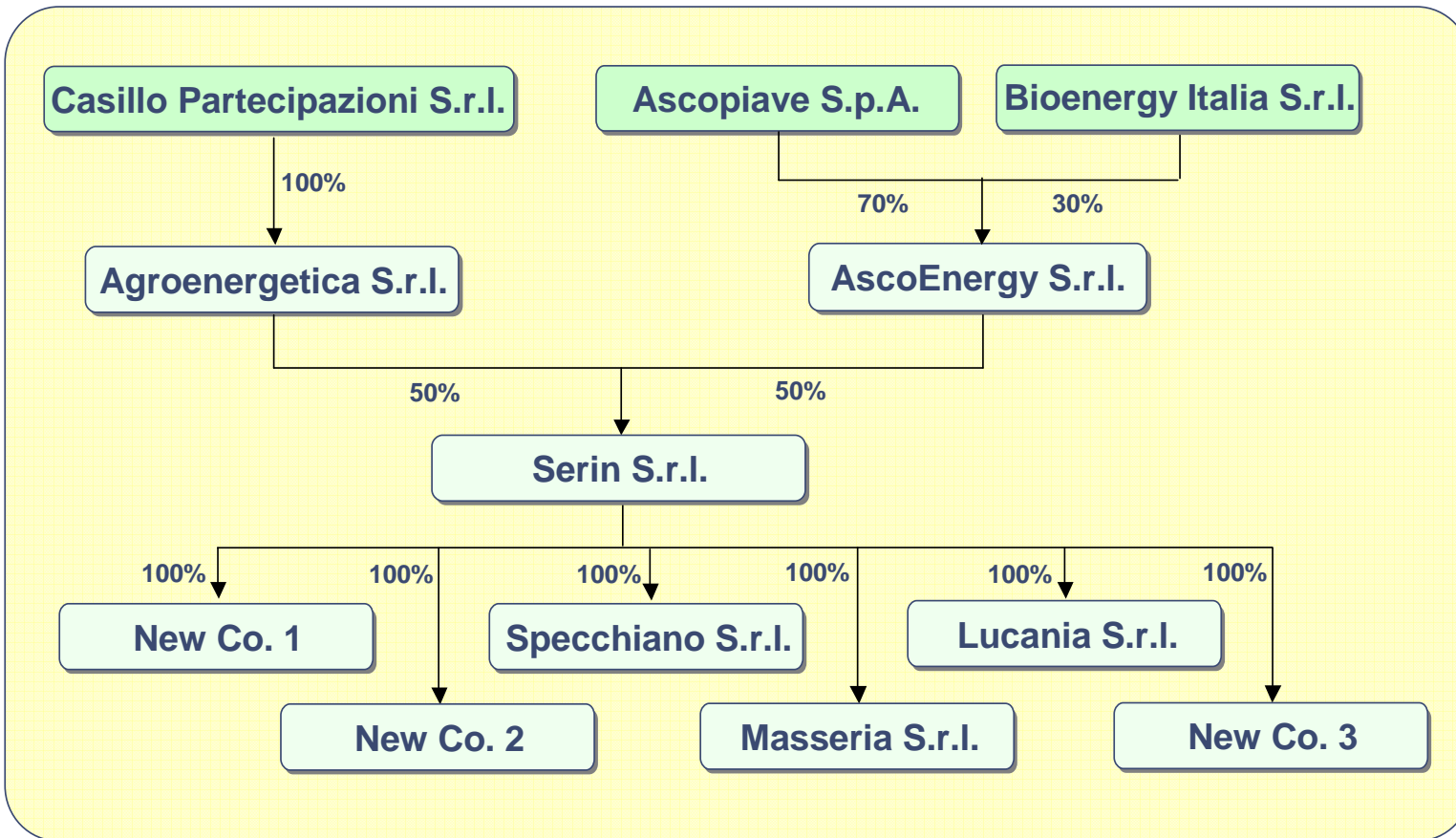
For what concerns direct developments, AscoEnergy manages the high value added activities like authorization process and grid connection.



 Activities directly managed by AscoEnergy

 Activities commissioned to third parties

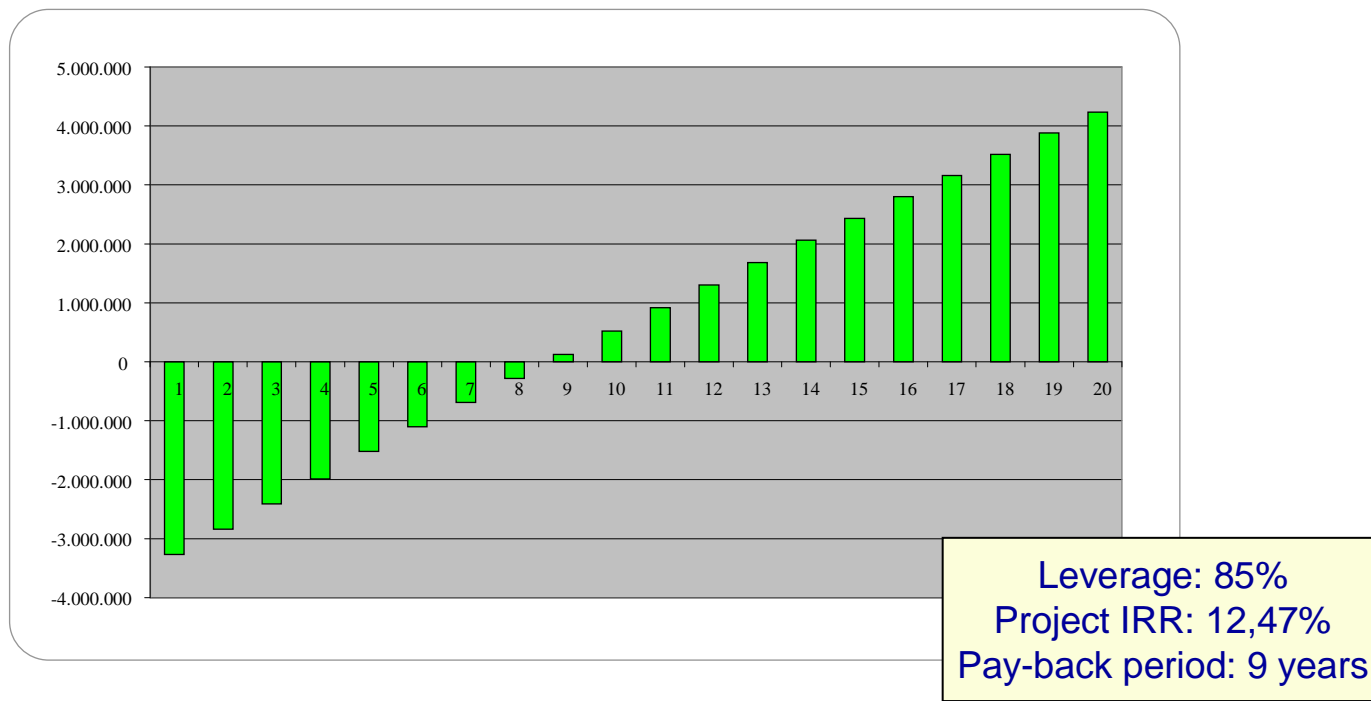
Ascopiave Group and Casillo Group Joint Venture



Specchiano S.r.l.

Main financial data for the Specchiano project (photovoltaic plant with 1MWp of installed power).

Progressive cash flow



Future projects

Ascopiave and Casillo Joint Venture has an objective of 50MWp for the financial years 2010-2011; the projects include free field installations and big roofs installations.

Actual project portfolio include 54MWp of potential projects that, assuming an average success factor, can bring into the Joint Venture 30MWp of installed power. It's important to highlight that the real number of MWp that will be installed depends highly on the new incentive tariffs (unknown at the moment) that Italian Government will formalize shortly.



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Dividend policy

STAR CONFERENCE 2010
Milan, March 18th 2010



Dividend policy

Dividend payment sustainable with high return to shareholders

About 100% pay-out

Sustainability of the dividend policy:

- stable cash flow
- stable business profitability
- well-balanced financial structure

Dividend yield at the top of the listed Italian utilities companies

DIVIDEND	2009	2008	2007	2006	AVG 06-09
Dividends paid (Thousand of Euro)	21.097	19.925	19.898	19.833	20.188
Group Net Income (Thousand of Euro)	25.288	18.452	21.764	16.381	20.471
Payout ratio	83%	108%	91%	121%	101%
Dividend per share (Euro)	0,090	0,085	0,085	0,085	0,086
Dividend yeald on detachment date		5,6%	5,6%	4,2%	5,2%
Dividend yeald on official price (*)	5,6%				
Dividend yeald on placement price	5,0%				

(*) Official price at March 16th 2010.

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