



# A2A BUSINESS PLAN NEWS

DECEMBER 2016 & JANUARY 2017



3 power units of the San Filippo del Mela plant have been contractualized by Terna on an alternative regulatory scheme for 2017-2021 period.

**BU: Generation & Trading**



A2A confirmed its leadership on MSD-up market (ancillary services – Northern zone) and recorded a good performance on MGP market (Day Ahead) in the period, following the significant reduction of electricity import from France and January cold temperatures. For the same reasons Ponti sul Mincio CCGT power plant was de-mothballed.

**BU: Generation & Trading**



Company restructuring in the Generation & Trading BU was completed at the end of 2016:

- Edipower and A2A Trading were merged into A2A S.p.A.;
- The business related to Monfalcone coal plant was transferred from A2A S.p.A. to A2A Energiefuture. The transaction entails a write-down for A2A S.p.A., with a negative economic effect amounting to 145.1 million euro net of tax for 2016, as well as a positive impact of 20 €/M/y on D&A from 2017 onwards.

**BU: Generation & Trading**



Authorization to increase the treatment capacity of Rieco paper recovery plant located in Novate Milanese up to 200 kton/y.

**BU: Environment**



New authorization obtained for construction and operation of a plastic recovery plant located in Biella Province for 45 kton/y.

**BU: Environment**



Tender won in the waste collection sector that allows to start the service for more than 50k inhabitants in 10 municipalities in Northern Italy (Mantova Province)

**BU: Environment**



Gas distribution – Milano 1 ATEM tender: offer presented on 13 January, concession to be assigned in H2 2017.

**BU: Networks & Heating**



Water treatment plants in Brescia area:

- Verziano - potential increased to 296k inhabitants, average daily volumes 74k cubic meters;
- Bagnolo Mella – potential to be increased to over 20k inhabitants after Q3 2017.

**BU: Networks & Heating**



A2A Illuminazione Pubblica was born in January 2017 from the partial demerger of Unareti and the transfer of a business branch from A2A S.p.A.. The new subsidiary operates in the whole value chain of public lighting with more than 200k points in Milan, Brescia, Bergamo and Cassano d’Adda – artistic lighting included.

**BU: Networks & Heating**



Car sharing service Drive Now, a JV between BMW and SIXT SE, has introduced 20 BMW i3 electric cars in its Milan fleet. Battery charge is provided by the 34 A2A points installed in the city, of which 13 fast charging.

**Energy Community Services: E-mobility**



Partial cash tender for bonds expiring in 2019 and 2021 was concluded: aggregate nominal amount repurchased by A2A was equal to around 252.5 €M. This transaction is coherent with A2A financial strategy aimed at efficiently managing debt repayment, while improving the average debt maturity and cost of debt.

**BU: Corporate - Finance**



“Opinion of the Board’s orientation in relation to the qualitative/quantitative mix of the future Board of Directors” document has been published on [A2A website](#), in view of the upcoming company AGM, planned for mid May.



**Corporate Governance**



A2A launched the «water Bonus» initiative in the Province of Brescia: poor households can get a discount of around 28 €/year on the water bill, corresponding to an annual consumption of 20 cubic meters.

**BU: Networks and Heating**



A2A smartWorking: pilot project phase - involving 300 employees, was extended until April 2017 to collect useful feedbacks and suggestions for future implementation on a wider scale.

**BU: Corporate – Human Resources**



“forumAscolto” was organized in Milan after the positive experience in Bergamo, Brescia and Valtellina. Working groups involving 50 A2A stakeholders were held on 4 key issues: smart city, circular economy, environmental culture and urban regeneration. Moreover, all Milan citizens can suggest ideas and solutions for the future development of the city through a [web platform](#) by the end of February.

**BU: Corporate - Sustainability**



Bike.it, an innovative project to help locate bikes has won the «Connected City Hackaton», a contest sponsored by A2A Smart City in cooperation with the Municipality of Milan and Talent Garden. A2A Smart City is the enabler of the project and provides technological support.



**Smart City**

***Next issue of the Newsletter by the end of March***



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*News for investors & analysts - December and January 2017*

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