2008 Results

30 March 2009

I Key Growth Drivers and Main Events

4 2008 MAIN FIGURES

IRIDE Asset Positioning

- Generation Mix less affected by trend in electricity demand
- Green production incentives and environmental cost exemption increase profitability
- Conservative commercial sale strategy based on end clients, small businesses and affiliated commercial companies
- Long Term Gas supplies to secure profitability
- Balanced portfolio of activities (50% regulated, 50% free market)

2008 Market Scenario

	2008	2007	Δ
Brent ($/bbl)	97.7	72.5	35%
Exchange rate (€/$)	1.47	1.37	7%
Brent (€/bbl)	**65.8**	**52.9**	**24%**
PUN_{TWA} (€/MWh)	**87.0**	**71.0**	**23%**
Green Certificates (€/MWh)	**78.6**	**120.0**	**-35%**
PUN_{TWA} + Green Cert. (€/MWh)	**165.6**	**191.0**	**-13%**

Euro million	2008	2007 [1]	Δ %
Revenues	2,482	2,256	10%
EBITDA	364	310	17%
EBIT	226	190	19%
Profit Before Taxes	181	149	21%
Net Profit from Ongoing Operations	114	97	18%
Net Profit	115	115	0%
Group Net Profit	111	107	4%

2008 Results

2008 Key Growth Drivers

- Increase in volumes (electricity, heat and gas)
- Entrance into operation of new plants (390 MW Moncalieri 2nd Unit)
- Higher incentives on CHP production
- More favourable climate conditions
- € 15 mln costs for accruals relating to the “tax moratorium” risk

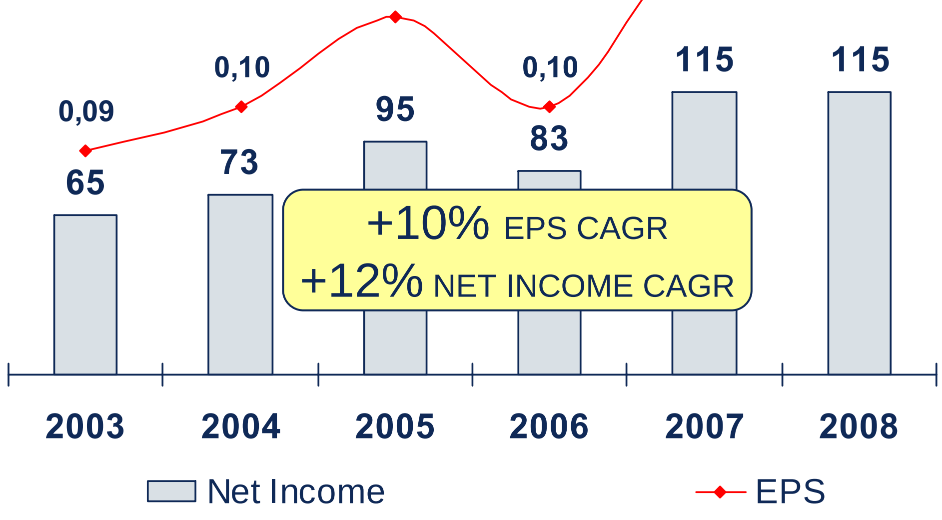
[1] Pro-Forma for Equity consolidation of Plurigas

5 KEY GROWTH DRIVERS FOR NET PROFIT

Consistent EPS growth through the years

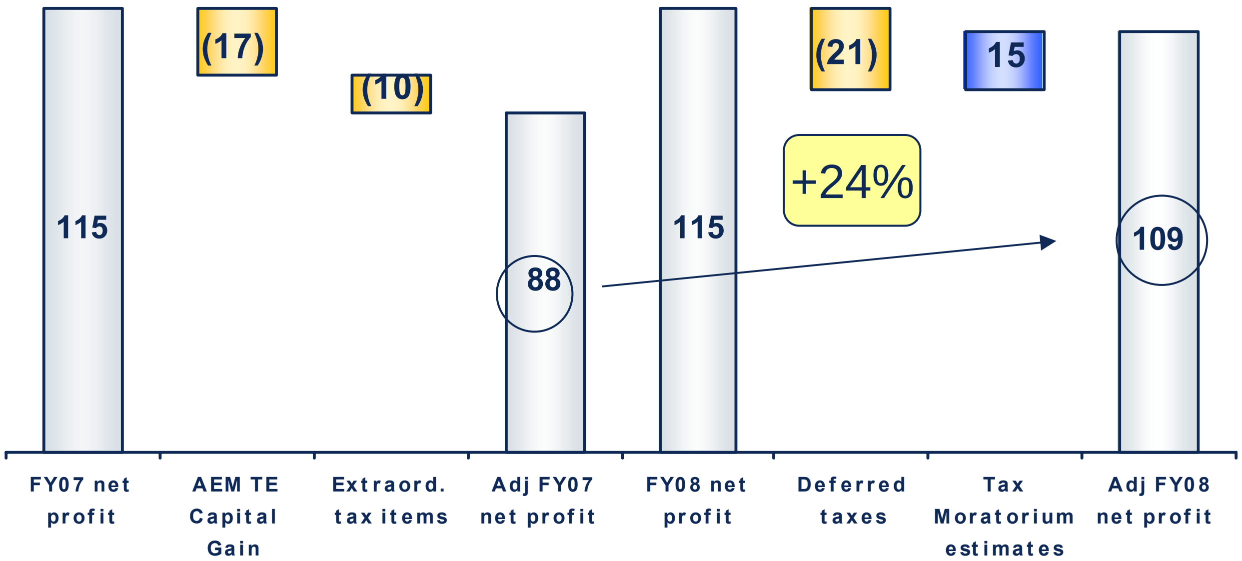
- Over the last 5 years the EPS has increased by 10% per year (CAGR), among the highest in local utilities, thanks to a CAPEX plan focused on environmentally-friendly assets and regulated networks;
- Net Income has increased by 12% per year with a benefit on a stable and consistent dividend policy (Dividend 2008 = € 0.085/Share).
- Dividend yield at 10.5%, based on average prices in March, among the highest in the utility sector.

Net profit and EPS growth
(on a like-for-like basis for AEM Torino and AMGA merger)



Adjusted net profit grew by 24%

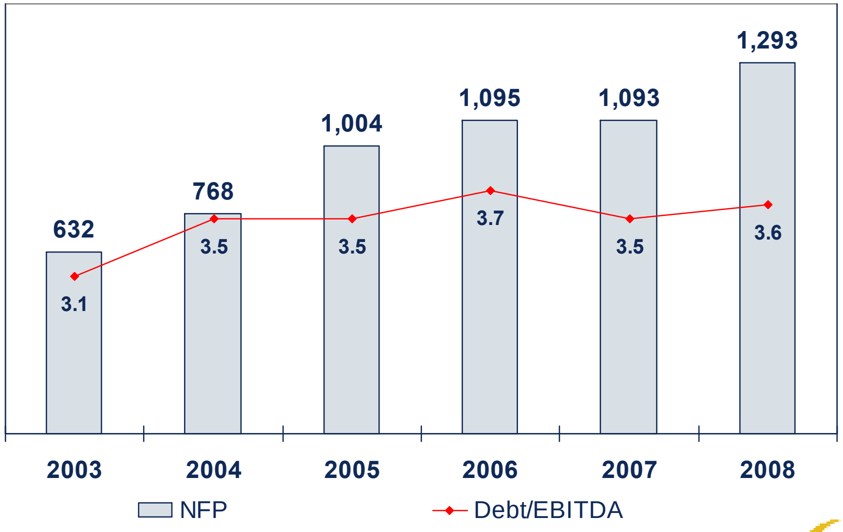
- Net of the one-off capital gain in 2007 and extraordinary tax items, Group Net Profit grew by 24%.



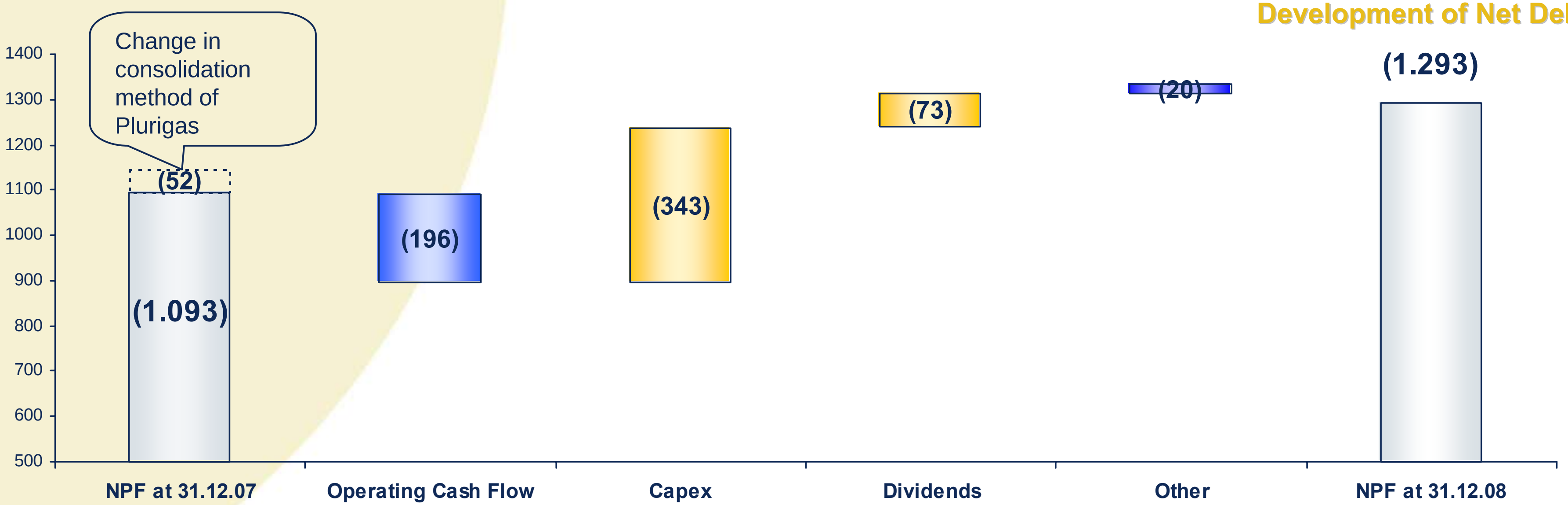
6 FINANCIAL STABILITY

Sound financial structure

- The financial structure is solid and stable with Debt/Equity at 0.9 and Debt/Ebitda at 3.55
- Refinancing needs for 2009 (€ 254 mln) have already been covered by € 300 mln in long-term financing (of which € 200 mln from EIB) priced at a favourable spread.
- Average cost of debt was 4.8% in 2008 (4.5% in 2007).
- IRIDE expects to keep the NFP almost steady at the end of 2009, through the sale of non-core financial investments, working capital reduction (also thanks to lower oil prices), and recourse to financial partnerships.



Development of Net Debt



7 2008 MAIN EVENTS

Investments in high-quality assets and focus on the free market are resulting in outstanding growth in profits. Upcoming developments will further differentiate IRIDE's asset mix among Italian Utilities

2008

On 29 February an EPIC contract was signed with SAIPEM to complete the construction works of the regasification plant off the shore of Livorno; on 2 July the vessel was acquired from Golar, to enter dry-dock in June 2009.

JV GAZPROM ZMB IRIDE a2a

On 25 September A2A/Iride and Gazprom signed a Joint Venture agreement and a long-term supply contract.

On 6 November the works to repower the Moncalieri Plant to 800 MW concluded. Green Certificates obtained for both the 3rd and 2nd Unit of Moncalieri.

On 4 December favourable opinion of the National EIA Commission obtained

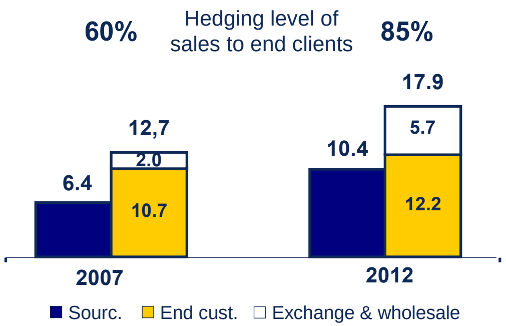
IRIDE enia

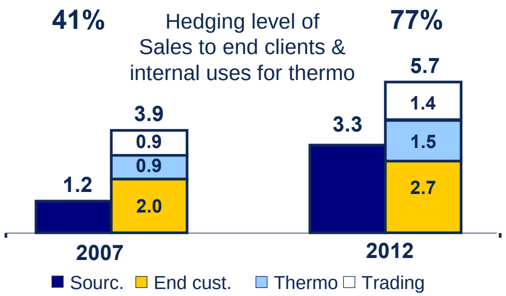
Merger project with Enia that will be presented to the Shareholders Meeting on 28 April (1st call), or on 29 April (2nd call)

EXTERNAL GROWTH: IRIDE-ENIA M&A

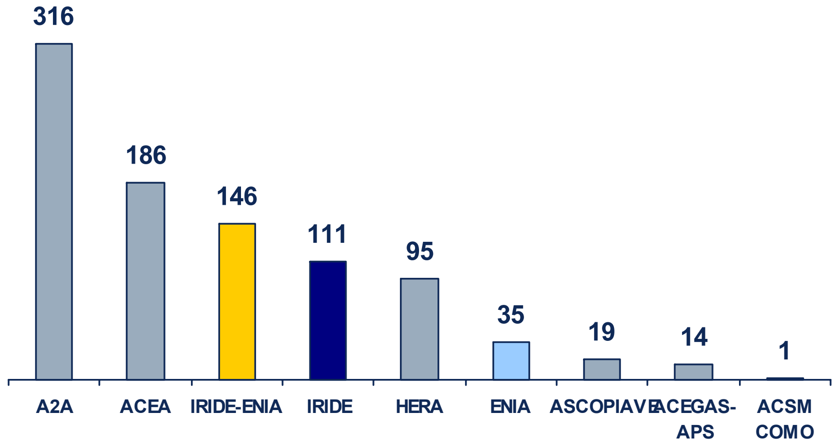
An industrial project with great strategic focus

- The new Group will take a leading role in the utilities sector with over 1.7 million customers served in the energy sector and over 2.3 million residents served in the water and environmental cycle.
- Gas and Electricity businesses well-hedged due to the industrial integration of IRIDE (upstream focused) and ENIA (downstream focused)
- The new Group will have a national leadership in terms of cogeneration and district heating, and 3rd place in the water and waste business.
- Balanced portfolio mix with regulated activities that will contribute 60% of EBITDA and a more sound financial position with 3.2 x Net Debt/EBITDA.

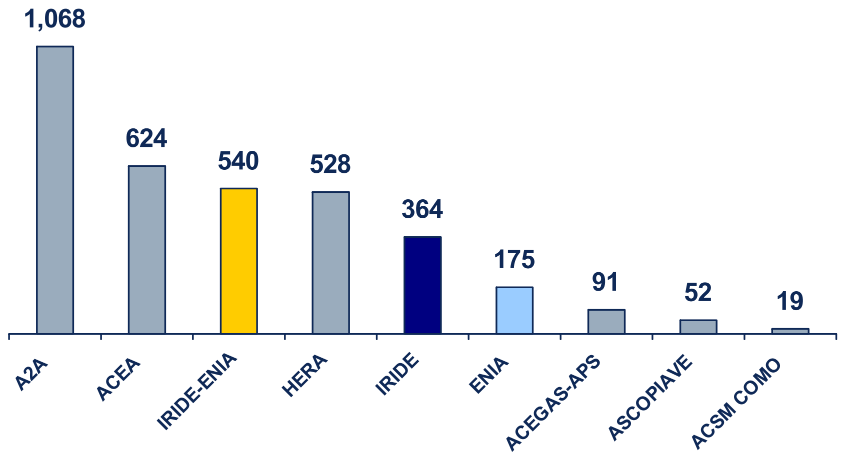




LOCAL UTILITIES 2008 Group Net Profit



LOCAL UTILITIES 2008 EBITDA



INTERNAL GROWTH: CAPEX AND SYNERGIES

CAPEX

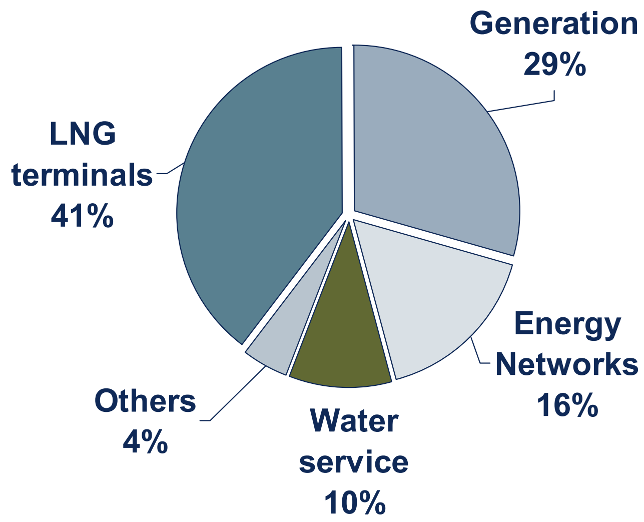
Electricity:

- Successful completion of Moncalieri 2nd Unit repowering works (efficiency reaches 90%).
- Orco Valley repowering works involved the Rosone and Bardonetto plants and will continue, with some stoppages, during 2009.
- Electricity distribution digital metering installation program continues in line with the Business Plan.

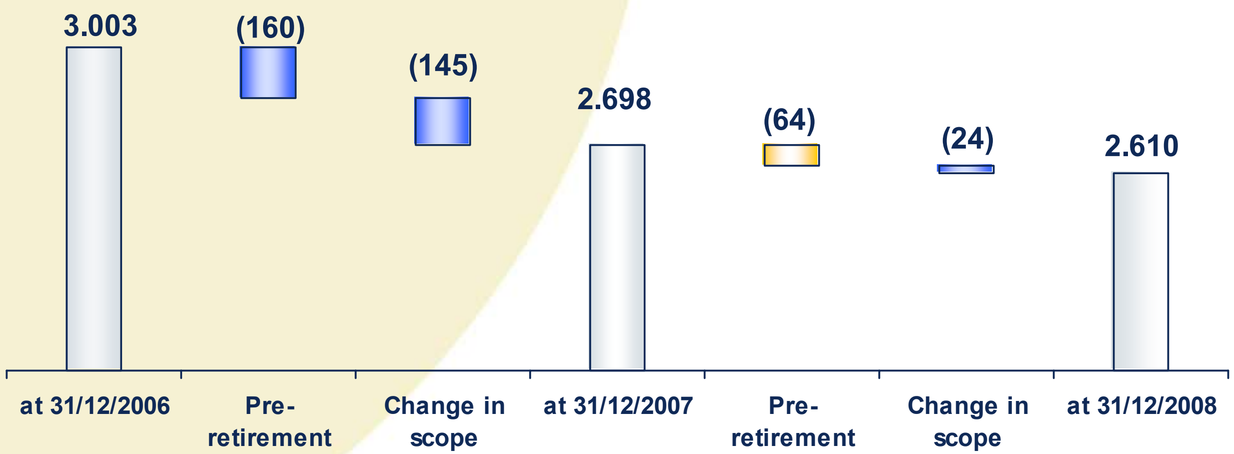
LNG terminals

- Livorno: Saipem awarded EPIC contract in February and vessel acquisition from Golar on 30 June 2008; E.On entered project on 1 July.

2008 CAPEX BREAKDOWN: € 343 mln



Number of employees



Synergies

Targets

- In line with targeted synergies program, as for pre-retirement and internal reorganization, and for external cost cutting
- Currently achieved 75% of planned synergies.

II Business Breakdown

2008 EBITDA BREAKDOWN

GENERATION BUSINESS DROVE +17% EBITDA GROWTH

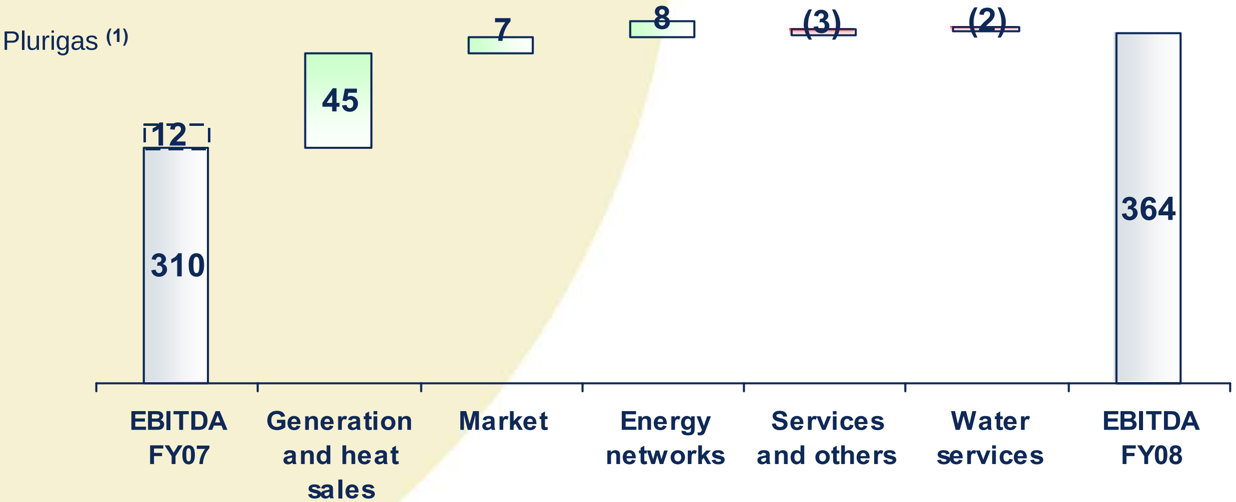
Generation: increase in production, for both electricity and heat, and increased contribution from incentives for "green" plants

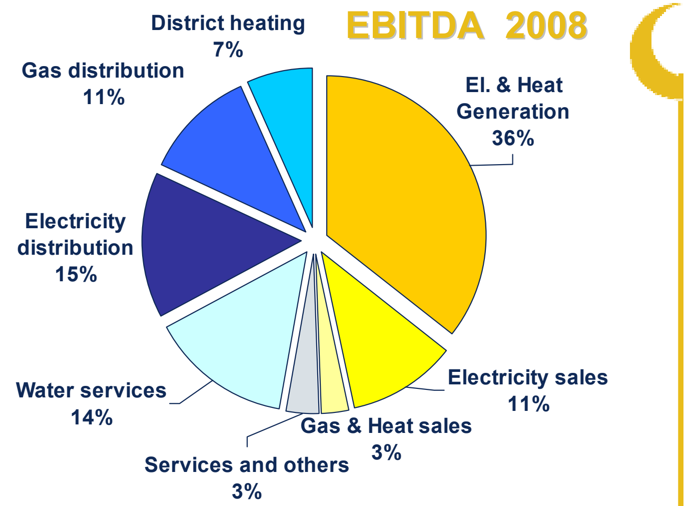
Market: higher margins in electricity sales partially offset by Q4 short term effects of gas indexation formulas

En. Networks: Gas distributed increased by 6% as a result of more favourable climate conditions, and DH networks benefited from the completion of the "Torino Centro" network.

Water Services: decrease mainly due to the dilution (from 44% to 31%) in proportional consolidation of Acque Potabili.

	2008	2007 (1)	Δ %
Generation	130	85	52%
Market	51	44	14%
En. Networks	120	112	7%
Water Cycle	52	54	(3)%
Services	12	15	(23)%
EBITDA	364	310	17%





(1) The financial figures regarding 2007 are represented pro-forma, consolidating Plurigas using the equity method (in 2007 it was proportionately consolidated at 30%), rendering the consolidation method consistent with that used in 2008

12 GENERATION AND HEAT SALES

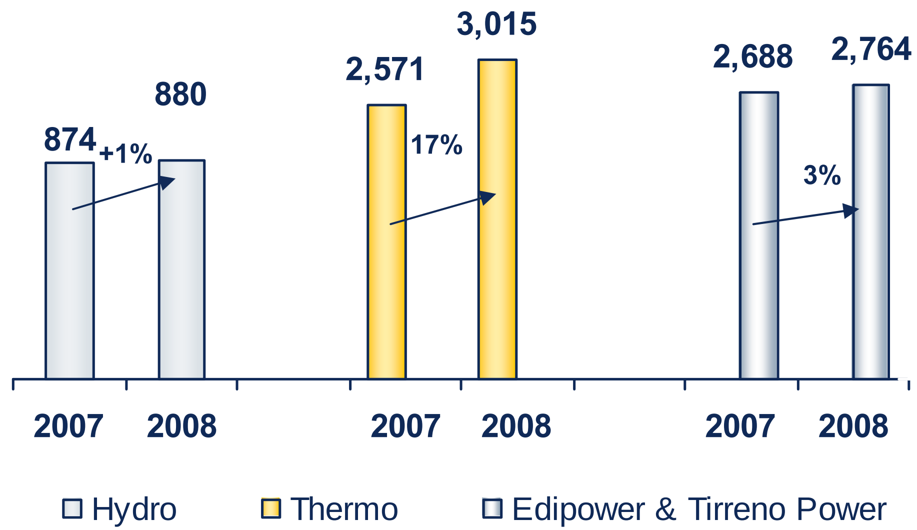
Volumes and green certificates boosted growth

- Increased thermoelectric production (+17%) due to the entrance into operation of the 2nd Unit of Moncalieri (390 MW) as from Q4 2008, a "high efficiency co-generating plant" with the benefit of green certificates.
- Greater heat production (+16%), due to the completion of the "Torino Centro" network and less mild temperatures in 1H08
- Recovery of hydro production in 4Q08, as a result of the full availability of the Orco Valey Plants after the repowering stoppages in 1H08.

	2008	2007 (1)	Δ %
Revenues	569	413	38%
EBITDA	130	85	52%
EBIT	81	57	44%
Heat. Gen GWht	1,789	1,536	16%
Own plant Electr. Gen GWhe	3,895	3,441	13%
Iride Group Electr. Gen GWhe	6,659	6,132	9%

Key Drivers 2009

- Full contribution of the 2nd Unit of Moncalieri will result in higher volumes and higher margins also as a result of green certificates
- Start of construction of the Torino Nord Plant

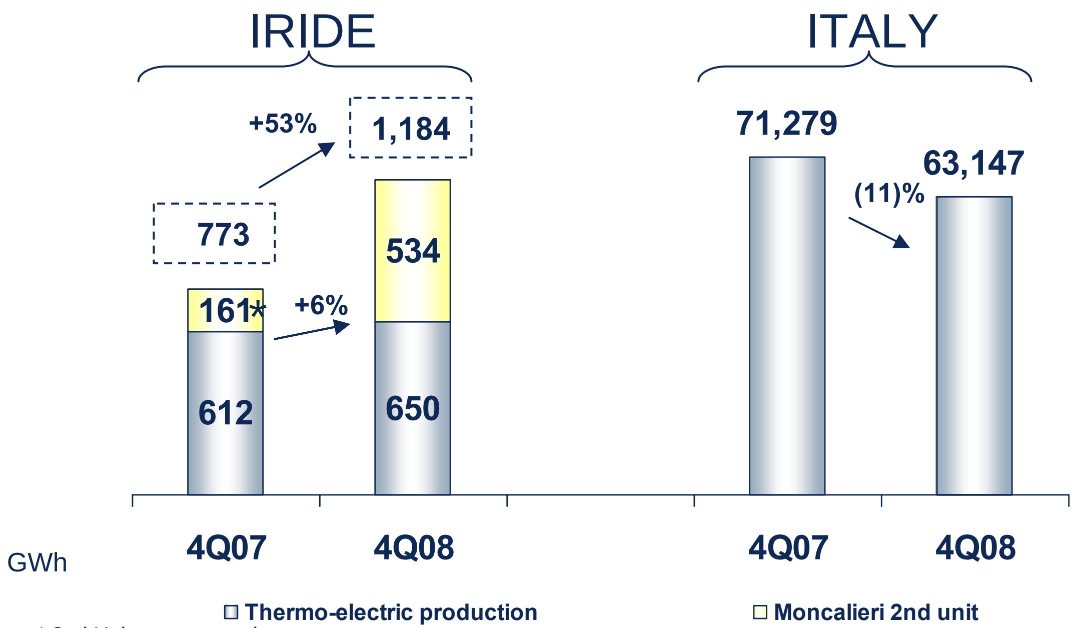


(1) Pro-Forma and Restated

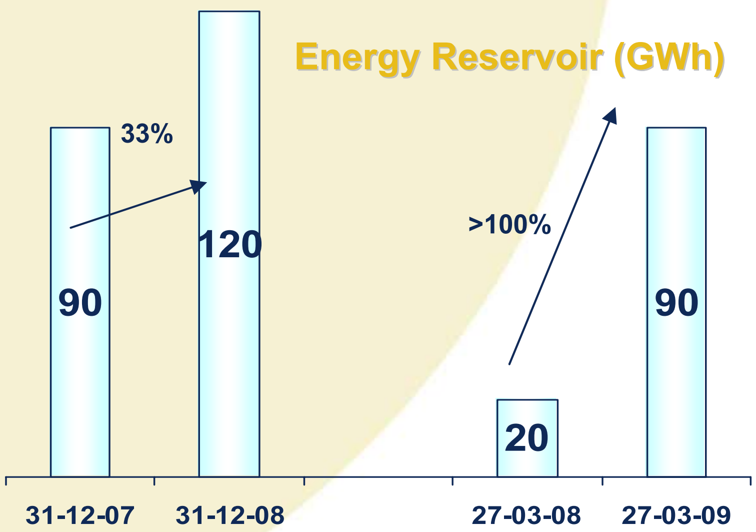
ELECTRIC PRODUCTION

Thermo-Electric Production in 4Q08

- On a like-for-like basis (without the contribution of 2nd Unit), thermoelectric production increased by 6% in 4Q 2008 - despite an overall decrease on a national level (-11%) - due to the high efficiency CHP of IRIDE generation plants.



* 2nd Unit pre-repowering



Hydro-Electric Production in 2009

- Greater water availability will provide benefits starting from 2Q09 as in 1Q09 the Rosone plant was under repowering.
- Other stoppages of hydro electric plants are expected in the second half of the year.

MARKET

Increased profitability of market activities

Electricity

▪ EBITDA increased mainly due to a higher margin in electricity sales and a better mix of sources and uses of electricity.

Gas:

▪ Volumes almost steady (+1%) and margin strongly affected by the impact of the scenario (mainly strong depreciation of Euro vs. Dollar) on indexation formulas

▪ Own sources of gas increased, covering 58% of sources, due to the new contract with Gazprom (+208 m m^3) and the Eni gas release (88 m m^3)

	2008	2007 (1)	Δ %
Revenues	2,495	2,017	24%
EBITDA	51	44	14%
Gas & H Mgmt.	11	18	(40)%
Electricity	40	27	50%
EBIT	41	37	11%
M M^3 gas sold	1,175	1,236	(5)%
M M^3 gas thermo	1,020	929	10%
GWhe sold (*)	10,865	11,296	(4)%

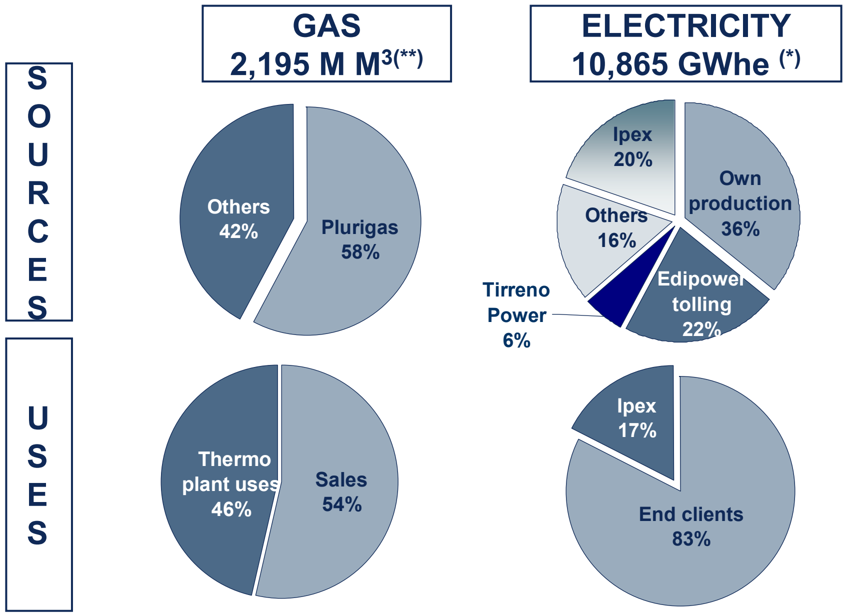
Key Drivers 2009

▪About 75% of the 2009 electricity has already been contracted through bi-lateral contracts with end clients and wholesale, in order to secure portfolio from higher volatility of margins.

▪Expected increase of gas margins as a result of indexation formulas

▪On 24 March the Gazprom subsidiary ZMB GmbH joined the JV (70% A2A, 30% IRIDE) with a 50% stake to sell natural gas in the Italian market.

▪Consolidation of the Salerno Energie customer base (85,000 clients, 90 m m^3 in gas sales)



(1) Pro-Forma and Restated

(*) Electricity net of IPEX pass through

(**) Including gas sold directly by Plurigas

ENERGY NETWORKS

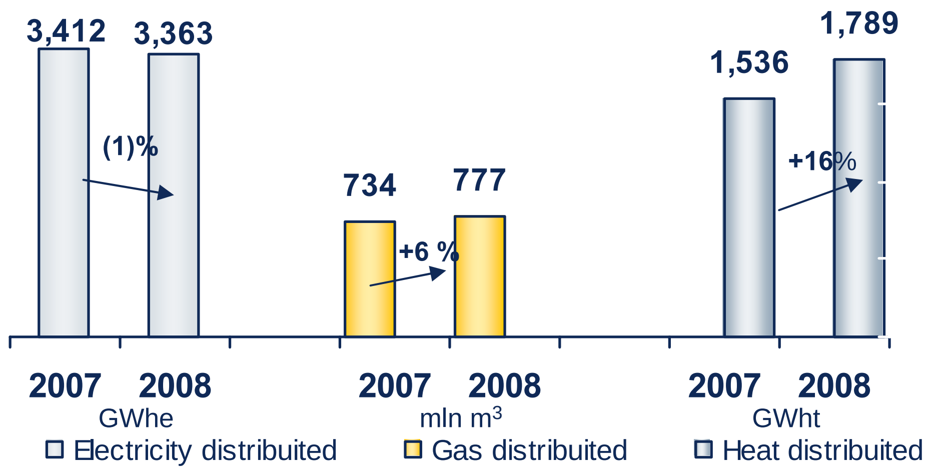
Volumes and new DH Network drove 7% EBITDA increase

- The district heating increase in volumes (+16%) was related to the "Torino Centro" district heating network completion and colder winter temperatures in the first part of the year.
- The gas networks increase in volumes (+6%) compensated for last year's drop in volumes.
- Efficiencies in electricity distribution offset the decrease in volume (-1%) and the tariff effects of the new regulatory period (effective since 2008).

	2008	2007 (1)	Δ %
Revenues	238	307	(22)%
EBITDA	120	112	7%
Gas	42	38	11%
Distr. Heating	24	20	20%
Electricity	54	54	0%
EBIT	72	60	21%
Gas distr (MMC)	777	734	6%
Electr. Distr. (GWh)	3,363	3,412	(1)%
DH conn. (MMC)	43	41	5%

Key Drivers 2009

- Capex plan for efficiency improvements in the electricity grid and replacement of grey cast-iron pipe continues.
- Actions for efficiency gains to recover regulated price cap on tariffs.
- New regulation for gas distribution that will increase the stability of revenues from adverse climate conditions.



(1) Pro-Forma and Restated

16 WATER CYCLE

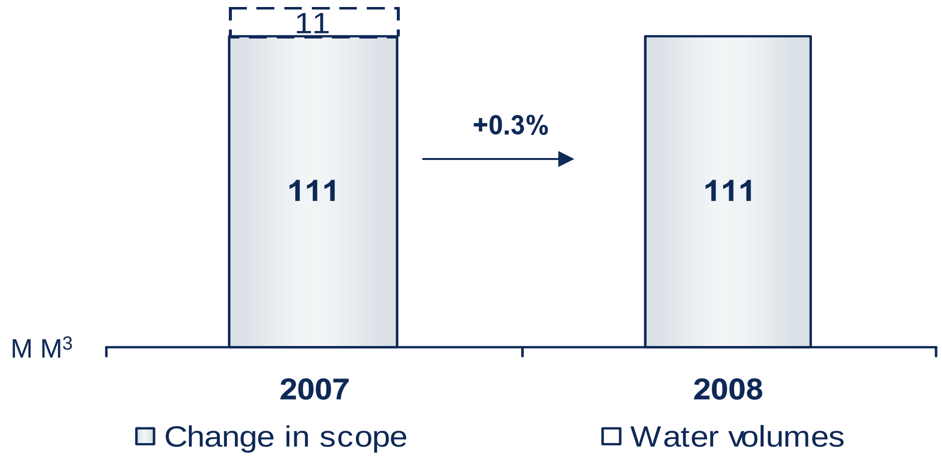
Steady profits in a scenario of increased energy costs

- EBITDA and volumes decrease mainly because of new scope of consolidation of Acque Potabili (from 44% to 31%). EBITDA and volumes, adjusted to the new consolidation percentage, are steady.
- EBIT suffered from increased accruals for the reorganisation process of Acque Potabili and other one-off items related to tariffs.

	2008	2007	Δ %
Revenues	153	157	(3)%
EBITDA	52	54	(3)%
Adjusted EBITDA [1]	52	52	0%
EBIT	22	28	(20)%
Adjusted EBIT [1]	22	27	(19)%
M M^3 water sold	111	122	(9)%
Adj. M M^3 water sold [1]	111	111	0.3%

Key Drivers 2009

- In March IRIDE signed the agreement for the sale of its investment in Intesa Aretina (35%) at a value of € 12 mln (€ 5.5 mln capital gain, 10x EV/EBITDA). This sale is consistent with the reorganisation process of the water division.



[1] Adjusted for the scope of consolidation: Acque Potabili at 30.855%

17 SERVICES

Services: margins supported by technical activities

- The segment includes services to public clients and other activities such as telecommunications provided by Sasternet and AEMNet.

	2008	2007 [1]	Δ %
Revenues	90	93	(4)%
EBITDA	12	15	(23)%
EBIT	10	10	(1)%

[1] Pro-Forma and Restated

2008 FROM EBITDA TO NET PROFIT

Progression of growth down to the bottom line

EBIT benefited from industry growth partially compensated by greater depreciation (Pont Ventoux-Susa plant came entered into service from 1 March 2008) and accruals.

Financial expenses: the € 8 mln increase is mainly due to higher indebtedness, while the increase in market interest rates has mainly been hedged by IRIDE's debt structure.

Taxes, which benefited from the reduction in the income tax rate for activities not affected by the "Robin Hood Tax" (generation and energy market activities), were influenced by the following extraordinary effects:

- € 15 mln in costs for accruals relating to "tax moratorium" risk
- € 21 mln in profit relating to the release of deferred tax provisions.

In 2007 € 10 mln in profit for the reduction of deferred tax provisions were recorded.

The tax rate, net of extraordinary items, decreased from 42% in 2007 to 39% in 2008.

Group Net profit increased by 4%, even including the extraordinary tax effects shown above and the € 17 mln in capital gains recorded in 2007 from the sale of electricity transmission assets.

	2008	2007 (1)	Δ %
EBITDA	364	310	17%
D&A - Accruals	(138)	(120)	15%
EBIT	226	190	19%
Fin. exp.	(51)	(43)	18%
P&L of associates and write-offs	6	2	>100%
PBT	181	149	21%
Taxes	(66)	(52)	28%
Net Profit from ongoing operations	114	97	18%
Profit from Discontinued Op.	0	18	(98)%
Net Profit	115	115	0%
Group Net Profit	111	107	4%

(1) Pro-forma

III Annexes

RECLASSIFIED PROFIT AND LOSS ACCOUNT

IRIDE GROUP – Income Statement	2008	2007 (1)	% change
Consolidated Revenue	**2,482**	**2,256**	**10.0**
Operating costs	(2,118)	(1,946)	8.8
-External expenses	(1,980)	(1,812)	9.2
-Personnel expense	(138)	(133)	3.5
EBITDA	**364**	**310**	**17.3**
Depreciation, amortisation and provisions	(138)	(120)	15.0
EBIT	**226**	**190**	**18.8**
Total financial income/(expense)	(51)	(43)	17.8
Profit/(loss) of associates and write-offs	6	2	(*)
Profit/(loss) before tax	**181**	**149**	**21.4**
Income tax expense	(66)	(52)	28.0
Profit/(loss) for the period from continuing operations	**114**	**97**	**17.9**
Profit/(loss) for the period from discontinued operations	0.4	18	(98.0)
Profit/(loss) for the period	**115**	**115**	**(0.2)**
- Consolidated profit/(loss) for the period	111	107	3.5
-Profit attributable to minority interest	3	7	(54.2)

(1)The financial figures regarding 2007 are represented pro-forma, consolidating Plurigas using the equity method (in 2007 it was proportionately consolidated at 30%), rendering the consolidation method consistent with that used in the first half of 2008

RECLASSIFIED BALANCE SHEET

IRIDE GROUP - BS	2008	2007 (1)	%change
Non-current assets	2,692	2,464	9.3
Other non-current assets (liabilities)	14	13	2.7
Net working capital	232	278	(16.7)
Deferred tax assets (liabilities)	(30)	(79)	(62.2)
Provisions and benefits	(160)	(173)	(7.3)
Assets (liabilities) held for sale	6	9	(36.7)
Net invested capital	**2,753**	**2,513**	**9.6**
Equity	**1,460**	**1,420**	**2.8**
Medium and long-term net financial indebtedness	733	935	(21.5)
Short-term net financial indebtedness	560	158	(*)
Net financial indebtedness	**1,293**	**1,093**	**18.4**
Own funds and net financial indebtedness	**2,753**	**2,513**	**9.6**

(1) The financial figures regarding 2007 are represented pro-forma, consolidating Plurigas using the equity method (in 2007 it was proportionately consolidated at 30%).

CASH FLOW STATEMENT

IRIDE GROUP - CF	2008	2007(1)	% change
A. Opening cash and cash equivalents	**27**	**82**	***(66)***
B. Cash flow from operating activities	**196**	**123**	***59***
-Profit/(loss) for the period/year	115	115	*(0)*
- Total adjustments: amortisation, depreciation, net provisions and impairment losses on investments	85	90	*(5)*
- Profit from discontinued operations	(0)	(16)	*(100)*
- Change in deferred tax liabilities and non-current assets (liabilities)	(50)	(14)	*(*)*
- Total variation in net working capital	46	(51)	*(*)*
C. Cash flows used in investment activities	**(322)**	**(105)**	***(*)***
- Total investments	(343)	(174)	*97*
- Proceeds from the sale of investments and transfer of discontinued operations net of transferred cash flows; changes in consolidation scope; assets held for sale	16	67	*(76)*
- Other changes in financial and non-current assets	5	2	*(*)*
D. Free cash flow (B+C)	**(126)**	**18**	***(*)***
E. Total cash flow from financing activities	**171**	**(72)**	***(*)***
- Distribution of dividends	(73)	(50)	*48*
- Share capital increase	7	1	*(*)*
- Other changes in equity	(8)	0	*(*)*
- Change in financial payables (receivables)	120	(52)	*(*)*
- New loans	200	210	*(5)*
- Repayment of loans	(74)	(182)	*(59)*
F. Cash flow for the period/year (D+E)	**45**	**(54)**	***(*)***
G. Closing cash and cash equivalents (A+F)	**72**	**27**	***(*)***

(1)The financial figures regarding 2007 are represented pro-forma, consolidating Plurigas using the equity method (in 2007 it was proportionately consolidated at 30%), rendering the consolidation method consistent with that used in the first half of 2008

(*) Change of more than 100%