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**REPORT BY THE INDEPENDENT AUDITING FIRM ON THE AUDITING OF THE
ABBREVIATED CONSOLIDATED HALF-YEAR FINANCIAL STATEMENTS**

HERA SPA

**ABBREVIATED HALF-YEAR FINANCIAL STATEMENTS
AS AT 30 JUNE 2008**

PricewaterhouseCoopers

REPORT BY THE INDEPENDENT AUDITING FIRM ON THE AUDITING OF THE ABBREVIATED CONSOLIDATED HALF-YEAR FINANCIAL STATEMENTS

To the Shareholders of
Hera SpA

- 1 We have performed this limited auditing of the abbreviated consolidated half-year financial statements as at 30 June 2008 of Hera SpA and its subsidiaries (Hera Group), comprised of the balance sheet, the income statement, the statement of changes in shareholders equity, the cash flow statement and the relevant explanatory notes. The responsibility for drawing up the abbreviated consolidated half-year financial statements pursuant to the international accounting principle applicable to interim financial reporting (IAS 34), adopted by the European Union, rests with the Directors of Hera SpA. We are responsible for drawing up this report based on the limited auditing carried out.
- 2 Our work was performed in accordance with the criteria for limited auditing recommended by CONSOB in its Resolution no. 10867 dated 31 July 1997. The limited auditing essentially consisted in the collection of information regarding the items of the abbreviated consolidated half-year financial statements and on the uniformity of the valuation criteria, through interviews with the management of the company, as well as in the performance of the balance sheet analysis on the data contained in the aforementioned consolidated financial statements. The limited auditing did not include any audit procedures such as compliance surveys and verifications, or any validation procedures of assets and liabilities, and involved a significantly lower volume of activities compared with a full auditing carried out in accordance with the applicable auditing principles. Consequently, unlike in the case of the year-end consolidated financial statements, we do not express any professional audit opinion on the abbreviated consolidated half-year financial statements.

As regards the data related to the consolidated financial statements of the previous financial year and to the interim summary financial statements of the previous year, presented for comparative purposes, reference is made to our reports issued on 11 April 2008 and 11 October 2007, respectively.

- 3 Based on the work carried out, no elements came to our attention which might lead to believe that the abbreviated consolidated half-year financial statements of the Hera Group as at 30 June 2008 has not been drawn up, under all relevant aspects, in compliance with the international accounting principle applicable to the interim financial reporting (IAS 34) adopted by the European Union.

Rome, 29 August 2008

PricewaterhouseCoopers SpA
Aurelio Fedele
(Auditor)