

1. Financial statement as at 31 December 2013, Directors' Report, profit allotment proposal and Board of Statutory Auditors report: related and consequent resolutions.

The Chairman, with the consent of the attendees, refrained from reading the Directors' Report prepared by the Board of Directors and the reports prepared by the Board of Statutory Auditors and the Independent Auditors concerning both the consolidated and the separate financial statements, the texts of which could be found in the files containing the financial statement documents included in the folders distributed at reception.

This choice allowed additional time for debate and discussion of topics requiring more in-depth treatment.

The floor was then given to the CEO, to outline the Group's performance in 2013. CEO Maurizio Chiarini proceeded to inform the attendees as to the Hera Group's performance, concentrating on the most relevant aspects of the 2013 financial year and commenting on the information contained in the diagrams that were simultaneously projected onto the screens behind him, printouts of which are attached to this document as **Appendix I**).

The Chairman took the floor again.

In reference to the 18 April 1996 CONSOB notice, he clarified that, in conducting the audit and certification of the separate and consolidated financial statements for the 2013 financial year, Pricewaterhousecoopers S.p.A spent 3,010 (three thousand and ten) hours and was compensated with Euro 160,770 (one hundred sixty thousand seven hundred seventy).

Submission of requests for the floor and opening of the discussion

The Chairman invited all those interested in submitting requests to take the floor to go, if they had not already done so, with the appropriate form and their "radiovoter", to the "SPEAKERS" station found in the middle of the room.

He then asked a "SPEAKERS" station staff member to provide the list of requests to take the floor and to update the said list in the event of additional requests submitted during the statements.

Following the order in which the requests to take the floor were submitted, he invited the first person who had made such a request come to the podium, reminding those concerned to keep their statements to 10 minutes.

The floor was taken by shareholder Rodinò Demetrio, who drew attention to the fact that in 2013 as well, in spite of the prevailing negative economic situation, the HERA Group had reached amply positive results and had taken steps towards an overall greater efficiency. He put forward a few questions, concerning:

1. the recent Memorandum of Understanding with Iren;
2. obtaining funds from the EIB;
3. investments in Azerbaijan;
4. other future aggregations.

Caradonna Gianfranco Maria then took the floor, speaking both as a shareholder and as a journalist. He expressed his approval of the CEO's report. Without lingering the results, that had already been amply illustrated, he expressed his appreciation for the dividend that had remained unchanged in spite of the increase in the number of shares. He also expressed his appreciation for the video available on Hera's website in which the Chairman can be seen illustrating the Group's results. He asked if research had been carried out on a more

extensive use of Bonds, and to what degree, given that this is a favourable period to use them. He furthermore asked about other information found on the HERA website, and how customers that had received the new bills reacted to them. Lastly, he asked if HERA had any data on the general trends of the Italian economy concerning, for example, the quantity of waste disposed of or the number of interconnections.

Shareholder Nannetti Enrico took the floor, expressing his approval of the activities carried out by the Group, above all as regards environmental issues such as the biological mechanical treatment used alongside, and eventually substituting, waste-to-energy plants. He proposed that only half of the dividends be paid this year, reserving the other half for investments.

As regards the area covered, he believes that it has already reached an optimal dimension, and that the Group's efforts could therefore be concentrated on integrating municipal services. Lastly, as a small shareholder, he specified that the direction in which the Company was heading was more interesting than an increase in dividends, and hoped that the remuneration given was in line with that of other public companies. He thanked the Directors for their considerable efforts.

Tani Bruno then took the floor, who, notwithstanding his status as a member of the Board, spoke as a shareholder. He stated that he had been working in the utilities sector for approximately thirty years and that his experience allowed him to express an even greater appreciation of the excellent performance of Hera's top management, with particular emphasis on the outgoing CEO Maurizio Chiarini. He underlined the progress made by HERA since its foundation, gradually overcoming the old system of municipal companies, now definitively substituted by a Company that no longer contains the least element of parochialism, due to the courage shown by the Mayors that conceived, defended and pursued this process. He believes today that any desire to return to the past, that is, to the old system of municipal management, is dangerous, because it would imply a return to forms of local control that would be detrimental to the overall efficiency of the services now provided by HERA.

Shareholder Ballestrazzi took the floor and noted that HERA is a shareholder of Tirreno Power that, alone, was responsible for a loss of eight million euros, and whose top management had been indicted for environmental damage and health issues related to the Vado Ligure power station. He maintained that his appeared to be the only dissenting voice: HERA should manage public goods and not pursue profit, and he is amazed that profit motivates a Foundation whose true aim should be public utility. He believes that it is not true that politics plays no role in HERA, given that, according to him, intercessions still exist. He believes that waste and water management is a public good. He declares that he is completely against assigning public illumination and the Modena incinerator to HERA. He stressed that in some localities such as Treviso separate waste collection with a weight-based system has reach 85%, a percentage that is much higher than the 50% reached by HERA, that does not want to improve because it must keep its incinerators active. He points out that the percentages published by HERA concerning organic waste collection are not true, because these waste bins contain heterogeneous materials and therefore, without a weight-based system this data cannot reflect reality.

Shareholder Bove Katrin took the floor and noted that in a year dominated by the

general crisis HERA had succeeded in going against the current. He declared that he was proud of the results reached by the Company, and appreciated the amount of dividends. He put forward a few questions:

1. if it is possible to foresee the Group's performance in 2014;
2. if initiatives that would give HERA an international scope could be carried out.

Shareholder Landi Andrea took the floor, representing the Fondazione Cassa di Risparmio di Modena, and noted the unique nature of his category of shareholders, who could look towards the Group's capability, above and beyond stock market trends, to enhance its own financial situation. He underlined his full approval of the policies pursued by the Group as regards investments and other areas. He also underlined that HERA had accelerated its growth process with corporate integration operations. The Company's current results imply that the work done by its Management be fully appreciated. HERA, within a context in which the rules are frequently changed and the industrial rationale is becoming more and more competitive, has succeeded in interpreting these changes.

Shareholder Manca Daniele then took the floor, who in the light of the results presented at the end of a highly significant three-year period thanked the entire outgoing Board, the Chairman and the CEO, who had succeeded in making HERA a relevant national leader. He also emphasised the positive work done by the human resources that allowed this success to come about. HERA is a group that has created employment, doubling its number of workers since 2002: today HERA employs 8,400 people, in addition to the 5,000 employed in satellite activities, even in a difficult economic context. HERA represents an important experience, in that the various local Administrations have been able to overcome their particularism. Any attempt to return to smaller dimensions is pure ideology/demagogy and must be firmly rejected. He also noted that since 2002 more than 4 billion euros of investments have been carried out over the reference area, thanks to a Company such as Hera. He also withholds that the sizeable dividends distributed by the Company are important in financing services for citizens. The high quality of the services carried out by HERA, demonstrated by its positive customer evaluations, along with the Company's presence across the reference area (with over 100 service counters), fully show that the Group presents a winning model.

Shareholder Reale Davide Giorgio took the floor and, with respect to dividends and listings, reminded those present that in 2012 the stock was listed at 1 euro per share, while today it is listed at over 2 euros. He believes that HERA's performance is an example of the Aristotelian principle "in medio stat virtus", giving the correct consideration to both the reference area and the shareholders. He then put forward a few questions on the following issues:

1. as regards the Group, he asked for information concerning the decrease in volumes of gas trading and sales;
2. regarding the extraordinary profits, he asked if it was a question of financial data or if there had been any sales;
3. he inquired as to the Group's orientation towards debt;
4. he asked for clarifications as to the new tariff scheme for the integrated water cycle;
5. as regards the Business Plan, he asked whether it was to be updated during the 2014 financial year;

6. as regards tenders for gas distribution, he asked whether the objective of competing over the entire area served was not overly ambitious.

Shareholder Pighi Giorgio then took the floor and thanked the outgoing Board of Directors, the Chairman and the CEO for their work. He added that the present intervention was to be his last acting as HSST Modena's legal representative, having reached the end of his second mandate. He noted that the Modena company Meta S.p.A. had been integrated into HERA and thus reached a broader scale without sacrificing its roots in its own territory. Today, four management alternatives exist: (i) participating in a multi-utility, (ii) maintaining companies with very small dimensions, (iii) opting for an entirely public management, (iv) opting for an entirely private management. Only in the first solution could he recognise a reformist stance that has the courage to confront the results reached every day, leaving overly simple ideological positions behind, in the conviction that it is precisely the presence of public capital that reinforces the tension towards the economic performance reached by HERA and that has allowed the public bodies holding shares in HERA to be counted among national leaders in classifications of service levels. If another of the above-mentioned options was to be chosen, it is doubtful that these objectives could be reached. He also underlined the sensibility shown by HERA towards Aimag in the difficult moment following the events surrounding the earthquake.

The Chairman replied, expressing his appreciation for today's ample debate that allowed a general approval of HERA's model to emerge. He limited himself to providing a few selected responses:

1. the agreement with Iren is limited to research in water services;
2. in the past, EBI funds have always been used by HERA;
3. the investments in Azerbaijan are part of a rationale of diversified energy sources;
4. HERA's strategy of expansion has been communicated within the Business Plan; today, following the same rationale, the Government itself has included within the points on its program a reduction of the over 8,000 municipalised companies to approximately 1,000. HERA's expansion strategy, declared in the Business Plan, involves carrying out full integration industrial operations;
5. as regards the number of participated companies, he believes that the reduction implemented is exemplary, and has been pursued since the first day with no indulgence towards the so-called "arm-chair administrators". The reduction has involved over 185 companies;
6. as regards dividend policies, he specified that their stability is foreseen in the Business Plan through to 2017. He expressed his thanks for the general appreciation of both the website and debt management;
7. as regards the new bills, which have met with positive reactions, which are also due to the fact that customers were involved in the way they were planned, he specified that they will be put into practice in May;
8. concerning consumption forecasts, he confirmed that the construction sector is in a phase of stasis; he underlined that as concerns special waste, growth was recorded in 2013 and will continue in 2014. As regards gas, a decrease in consumption has been recorded, due among other things to climate changes;
9. as regards exporting the Company's know-how abroad, he specified that this is already carried out in the engineering sector, and investments are not foreseen;
10. as regards Tirreno Power, he reminded those present that this is one of

Enel's disused plants; HERA holds 5% of it and has always been prudent as regards the entire issue of electricity generation. HERA has never managed Tirreno Power. He strongly rejects any allusion made by shareholder to "trickery in paperwork": the entire waste cycle is certified. Certain affirmations must be proved, and in this case, if proof exists, it must be taken to the responsible parties; if this is not the case, one must refrain from making any kind of allusion;

11. the Company is balanced between the free market and regulation, between its roots in its own territory and expansion, and the results obtained testify to this. As far as gas tenders are concerned, HERA's objective is to be confirmed in those areas in which the Group is already present, and where it manages the largest number of customers;

12. he concluded by stressing his full agreement with the Chairman of the Board of Statutory Auditors.

Since there were no further statements, he declared the discussion closed.

The Chairman then moved on to the vote.

Submission of the proposed resolution

As provided for by Article 5 of the Shareholders' Meeting Regulations, the Chairman therefore submitted for approval the following proposal relating to the first item on the agenda for the Ordinary Part:

"The Ordinary Shareholders' Meeting of HERA S.p.A.:

- having acknowledged the report prepared by the Board of Directors regarding management;
- having acknowledged the report prepared by the Board of Statutory Auditors;
- having acknowledged the report prepared by the Independent Auditors;
- having examined the financial statement as at 31 December 2013, that ends with a profit of Euro 143,647,034.30 (one hundred forty three million six hundred forty seven thousand and thirty four Euro and thirty cents);

resolves

a) to approve the financial statement of Hera S.p.A. as at 31 December 2013 and the Report on management drafted by the Board of Directors;

b) to allocate the profit from 1 January 2013 - 31 December 2013, which is equal to Euro 143,647,034.30 as follows:

- Euro 7,182,351.72 to the legal reserve,
- Euro 127,920,835.53 in dividends to the shareholders, equal to 0.09 Euro per share, setting aside as an extraordinary reserve the greatest dividend distributable to possible treasury shares in portfolio at the date of payment;
- Euro 8,543,847.05 to the extraordinary reserve;

c) to pay out the dividend beginning 5 June 2014 with the separation of the coupon n. 12 on 2 June 2014, which will be paid to shares on the date of 4 June 2014, pursuant to Article 83-terdecies TUF."

Vote on the proposed resolution

The Chairman asked the attendees not to leave the room throughout the entire duration of the voting operations.

He then declared the voting procedure open on the proposed resolution concerning the first item on the agenda for the Ordinary Part.

Holders of proxies, intending to cast differing votes on the proposal, were asked to go to the "assisted voting" station.

The other Shareholders were asked to remain seated and cast their votes using

the "radiovoters", according to the instructions given in the document included in the folder provided at reception.

The Chairman then asked voters to:

- press the button corresponding to the vote they wished to cast ("F" for a vote in FAVOUR or "A" for ABSTAIN or "C" for vote AGAINST);
- check on the screen that this choice was correct;
- press the "OK" button;
- check on the screen that the vote had been sent correctly.

Announcement of the results of the vote

The Chairman asked the "assisted voting" station if there were any reports from Shareholders intending to correct the vote cast using the "radiovoters".

He then declared the voting on the proposal indicated in the first item of the agenda for the Ordinary Part closed and asked a staff member to provide the results of the vote.

He then announced the outcome of the vote, the results of which are reported, in accordance with the above-mentioned Appendix 3E to Regulation 11,971 of 14 May 1999, in the document attached hereto as **Appendix L**):

having obtained the approval of the shareholders representing an absolute majority of the share capital represented at the Meeting, as shown in the breakdown in the hereto attached document, and with
1,045,205,574 votes in favour
557,457 votes against
1,582 abstentions
0 non-voters

the proposal was declared approved.

The approved financial statement was attached to these minutes as Appendix M).

The Chairman noted that the discussion of the first item on the agenda for the Ordinary Part was closed, and moved on to discuss the second item on the agenda for the Ordinary Part.