



press release

Bologna, 14 May 2009

HERA S.p.A.: BoD approves the results for the first three months of 2009

All values are rising: organic growth underpinns results enhancement

Revenues at Euro 1,287.0 million (+28.5%)

EBITDA at Euro 166.6 million (+8.0%)

EBIT at Euro 111.3 million (+9.4%)

Pre-tax Profit at Euro 83.7 million (+6.6%)

Net Profit at Euro 48.8 million (+6.7%)

The Board of Directors of the Hera Group today unanimously approved the consolidated economic results of the first quarter of the year drawn up based on IAS criteria. The results **confirm all the indicators on the rise and good performance of the business areas**, despite economic slowdown effects.

Group **Revenues** as at 31 March 2009 rose from Euro 1,001.3 million to Euro 1,287 million, **with a 28.5% increase** over the same period of 2008. They were achieved mainly due to expanded sales in the Electricity Area.

EDITDA went up 8.0%, thanks to the results achieved in commercial activities and to the defensiveness of regulated activities, moves from Euro 154.3 million to Euro 166.6 million.

EBIT increased by 9.4% compared to the first three months of last year, standing at Euro 111.3 million, while **Pre-tax profit** rose from Euro 78.5 million to Euro 83.7 million, posting a 6.6% increase.

Net profit went up to Euro 48.8 million, an increase of 6.7%, however paying off Euro 4.8 million as final payment of the fiscal moratorium.

The Group's tangible and intangible investments during the first three months of 2009 amount to Euro 86 million, primarily sustained for plant development.

The net financial position rose from the Euro 1,571.5 million registered as at 31 December 2008 to Euro 1,636.3 million registered as at 31 March 2009, reflecting the effects of increase in turnover and seasonality on working capital as well as the capital expenditures executed.

As for the major business areas, **the Electricity Area records a further increase** of its weight on Group margins, posting EBITDA 16.2% higher, at Euro 13.3 million. **This is due to the greater volumes sold (+33%), attributable to the success of sales expansion on retail customers and of trading activities.**



Gas Area EBITDA increased by 19.6%: this result was also achieved because of increased volumes distributed and traded and the effects of AEEG resolution 158/8, which has reformed the tariff system of distribution activities.

Results improved over the same period of last year as well in the **Integrated Water Cycle** area (EBITDA increased by 4.8% at Euro 30.8 million), despite the economic slowdown has negatively impacted on activities related to new connections.

As far as the **Waste Management Area** is concerned, EBITDA fell off (-5.4% at Euro 42 million) due to the general recession and consequent drop of waste generated, especially from the manufacturing sector. This area has for some time been the Group's most significant integrated sector nationwide.

The sales expansion strategy, commenced in March, has already proven its ability to limit the recessive trend in the last part of the quarter.

"The Group continued to follow a growth trend during these three months of 2009, demonstrating its ability to keep a grip on it with respect to the impact of an economic situation still hard to comprehend," commented **Chairman Tomaso Tommasi di Vignano**. "The good results of our sales activities and efficiency improvement policies contributed to its achievement, and they will also be continued over the next few months."

"These results, which continue to improve, confirm that a portfolio balanced between regulated and liberalised business is the best guarantee for achieving a constant and extended growth pattern," added **Managing Director Maurizio Chiarini**.

Pursuant to article 154-bis, section 2, of the Finance Consolidation Act, the manager responsible for drafting the corporate documents, Giovanni Barberis, declares that the information contained in the present press release corresponds to the documentary results, books and accounting entries.

The quarterly report on operations and its documents are available to the public at Borsa Italiana S.p.A. and on the website www.gruppohera.it as of 15 May 2009.

The accounting statements taken from the Interim Report on Operations as at 31 March 2009, not subject to audit, are attached.

Profit and Loss (m€)	31/03/2008	%	31/03/2009	%	Ch. (m€)	Ch.%
Sales	1,001.3		1,287.0		+285.7	+28.5%
Change in Stock	2.1	0.2%	0.9	0.1%	(1.2)	(57.1%)
Other operating revenues	13.0	1.3%	14.4	1.1%	+1.4	+10.8%
Raw material	(636.2)	(63.5%)	(909.9)	(70.7%)	+273.7	+43.0%
Services costs	(180.7)	(18.0%)	(177.4)	(13.8%)	(3.3)	(1.8%)
Other operating expenses	(18.9)	(1.9%)	(7.8)	(0.6%)	(11.1)	(58.7%)
Personnel costs	(85.5)	(8.5%)	(87.3)	(6.8%)	+1.8	+2.1%
Capitalisations	59.3	5.9%	46.6	3.6%	(12.7)	(21.4%)
EBITDA	154.3	15.4%	166.6	12.9%	+12.3	+8.0%
Depreciation and provisions	(52.6)	(5.3%)	(55.3)	(4.3%)	+2.7	+5.1%
EBIT	101.7	10.2%	111.3	8.6%	+9.6	+9.4%
Financial inc./(exp.)	(23.2)	(2.3%)	(24.8)	(1.9%)	+1.6	+6.9%
Other non operating costs	-	0.0%	(2.7)	(0.2%)	+2.7	+0.0%
Pre tax Profit	78.5	7.8%	83.7	6.5%	+5.2	+6.6%
Tax	(32.7)	(3.3%)	(34.9)	(2.7%)	+2.2	+6.7%
Net Profit	45.7	4.6%	48.8	3.8%	+3.1	+6.7%
- of which minorities	3.8	0.4%	3.7	0.3%	(0.1)	(2.4%)

Net Financial Position (m€)	31/12/2008	%	31/03/2009	%
Cash on hand	193.6		190.8	
Other current loans	6.8		6.8	
Current financial indebtedness	(208.7)		(279.9)	
Current net financial indebtedness	(8.3)	0.5%	(82.3)	5.0%
Non current loans	8.5		8.6	
Non current financial indebtedness	(1,571.7)		(1,562.6)	
Non current net financial indebtedness	(1,563.2)	99.5%	(1,554.0)	95.0%
Net financial indebtedness	(1,571.5)	100.0%	(1,636.3)	100.0%

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