PRESS RELEASE

The Board of Directors has approved the results of the interim report ended 30 September 2014.

Net Financial Position € 119.6 million, a significant improvement compared to 31 December 2013 (€ 123.8 million) which in turn results in a Debt/Shareholders' Equity ratio of 0.30, among the best of its sectors.

Consolidated Revenues amount to € 431.2 million (€ 496.2 million in the first nine months of 2013) despite the extremely mild weather of the first part of the year and the full deployment of the margin reductions decided by the Energy Authority.

Gross Operating Margin amount to € 56.7 million (€ 65.6 million as of 30 September 2013), with a significant increase in the third quarter of the year (+28% compared to the third quarter of 2013).

Net Consolidated Profit amounts to € 25.2 million (€ 30.0 million in the first nine months of 2013).

Investment amount to €13,4 million, with an increase compared to the first nine months of 2013 (investment amounted to € 12,4 million)

The Ascopiave S.p.A. Board of Directors, which had a meeting chaired by Mr. Fulvio Zugno today, has acknowledged and approved the report for the first nine months of the year ended 30 September 2014

Regarding this, Chairman Fulvio Zugno commented "the third quarter of the year yielded very positive results compared to the same period of 2013, which allowed us to reverse the trend of the first half of the year and has brought us back almost to the results of 2013. We have overcome brilliantly the shortcomings of our sector in the first six months of the year, due mainly to the joint effects of new Energy Authority regulations that significantly curbed the sale fares for the protected market and the exceptionally mild climate conditions, that contributed to the decrease of volumes in the period. As we approach the end of the year, our Group is stronger than ever, ready to tackle new challenges, achieve extraordinary goals and face 2015 with renewed expectations of growth.

The General Manager Roberto Gumirato added: "Last year has been an important test for our Group. We emerged with a keener awareness of our strengths and stability. The analysis of results shows an improvement of operating markers, which we managed effectively to face detrimental external factors deriving from pricing regulations and climate conditions. Despite the direct interference of fare regulations on the operating results, we managed to maintain the financial consolidated profitability unchanged. If we observe said results paired with the improvement of financial markers, we believe we have built a Group that is ready to stand its own ground and to continue its grow in its market of reference.

Consolidated results of the Ascopiave Group for the first nine months of 2014

Application of the new accounting standard IFRS 11

From 1 January 2014, new accounting standards on matters of company consolidation will be applied (IFRS 2011). These new standards caused a change in the consolidation method of the joint-control companies of the Group.
In the previous year, Estenergy, ASM Set and Veritas Energia, gas and electricity sale companies, and Unigas Distribuzione, a gas distribution company, had been consolidated with the proportional method. From 1 January 2014, the aforementioned companies (with the exception of Veritas Energia) are consolidated with the Equity method. From the start of the year, the Group has already purchased the entirety of Veritas Energia share capital, therefore obtaining the 49% share interest that had been previously owned by partner Veritas. Thus, following this purchase, the company as of 1 January 2014 is consolidated in full.

Accounting situation readjusted for the new accounting standards compared to 30 September 2013

In order to offer a comparable accounting system, P&L figures interim report for the first nine months of 2013 and yearly accounting data as of 31 December 2013 have been calculated using the same accounting standards used in 2014.

Sale revenue

The Ascopiave Group closed the first nine months of 2014 with consolidated revenues amounting to € 431.2 million, compared to the € 496.2 million in the same period of 2013 (-13.1%). The decrease in revenues mainly resulted from the reduction in sale revenues of gas (-€ 85.7 million), due mainly to a decrease in consumption and in sale prices per unit, deriving mainly from the review of the economic conditions for the protected market, pursuant to Decision no. 196 of 2013 of the Authority of Electricity, Gas and Water Services.
The remaining variation is attributed to an increase in sale revenue of electricity (+€ 24.9 million), offset by a decrease in sundry revenues (-€ 4.2 million).

Gross operating margin

Gross operating margin of the nine months of 2014 amounts to € 56.7 million, compared to € 65.6 million in the same period of the previous year (-13.6%).

The result is mainly due to a reduction on trade margin on gas sale activities (-€ 11.1 million), attributed to a decrease in sold volumes and fares adjustments form the Authority of Electricity, Gas and Water Services, implemented on 1 October 2013.

Trade margin on electricity sale has increased by € 5.1 million, mainly by virtue of the enlargement of consolidation perimeter to include Veritas Energia (which has been fully integrated as of 2014).

Distribution fares revenues have marked a 0.8 million decreased, due to the introduction of a new fares regulation pursuant to decision no. 573/ 2013 by the Authority of Electricity, Gas and Water Services, which will remain valid for the 2014-2019 period.

The variation in the item “residual costs and revenues” amounts to - € 2.1 million and it is mainly related with the variation of separated revenues and costs that partially balanced out themselves. A positive contribution of + € 0.9 million is given by efficiencies generated by the Group, compared to an equal consolidation method in 2013. On the other hand, the balance is adversely affected, in an amount of - € 3.0 million, by the completed entire consolidation of the cost items of the Veritas Energia company.

Operating Result

The operating profit in the first nine months of 2014 amounted to € 37.1 million, compared with € 46.9 million of the same period, in the previous year (-20.9%).
This result has been partially determined by the increase of provisions to the fund for doubtful accounts (- € 0.3 million), partially offset by an increase in amortization (- € 0.6 million).

Net Profit

The consolidated net profit amounted to € 25.2 million, compared to the same period the previous year of € 30.0 million (-15.8%).

The consolidation with the equity method of the associate company Sinergie Italiane, under liquidation, has caused the expenditure of € 4.1 million, compared to € 5.0 million of the first nine months of 2013. It is noted that, during the first nine months of 2014, the associate company under liquidation positive contribution to the consolidated income statement amounted to € 2.6 million.

The other net financial expenses amount to € 0.9 million, marked a decrease of € 0.8 million due to the reduction in interest rates and spreads.

Taxes recorded in the income statement amounted to € 15.1 million, a decrease of € 5.2 million compared to the previous year (-25.5%) due to a decrease in taxable revenues and decreased amount of the additional IRES tax rate for energy distributors and retailers, from 10.5% to 6.5%.

The tax rate, calculated by normalizing the pre-tax result of the consolidation effects of the company Sinergie Italiane S.r.l. - under liquidation, decreases from 44.8%% to 41.7%.

Net result of joint control companies consolidated with the equity method

Joint control companies consolidated with the equity method achieved in the first nine months of 2014 a consolidation pro-rata gross operating margin of € 7.1 million, a decrease of € 8.3 million compared to the same period of the previous year.
This decrease is due to a different consolidation method of Veritas Energia for € 3.5 million and for € 5.3 million to a reduction in trade margin on gas and electricity sale activities.

Operating performance for the first nine months of 2014

The volumes of gas sold to the end market by fully-consolidated companies in the first nine months of 2014 have amounted to 521.8 million cubic meters, marking a decrease of 15.4% compared to the same period in 2013, mainly due to milder temperatures that caused a general drop in gas consumption throughout all the client segments.

The equity-method consolidated companies sold a total of 81.7 million cubic meters of gas pro-rate in total, marking a reduction of 50.9% from the previous year. The reduction in gas sales has been partially offset by the change in the consolidation method of associate company Veritas Energia, which during the first nine months of 2014 has sold pro-rate 30 million cubic meters of gas.

With regard to gas distribution, the volumes of gas delivered through networks managed by companies consolidated at 100% amounted to 483.7 million cubic meters, with a reduction of 16.6% compared to the same period the previous year.
To these must be added the pro-rate 43.3 million cubic meters distributed by Unigas Distribuzione S.r.l., consolidated with the equity method.

Investments

Investments by fully consolidated companies in intangible and tangible fixed assets in the first nine months of 2014 amount to € 13.4 million.
The largest part of these investments pertained development, maintenance and updating of networks and gas distribution systems.
Specifically, investments in gas networks and distribution systems amounted to € 9.3 million, of which € 3.3 million in connections, € 4.4 million in enlargements and enhancing of distribution network and € 1.6 million for maintenance, mainly pertaining reduction and pre-heating systems.
Investments on meters and adjusters amount to € 2.9 million.
Investments by equity-method consolidated companies in intangible and tangible fixed assets amount to € 1.6 million and they are also related mainly to networks and methane plants.

Indebtedness and Debt/Net Equity Ratio

The net financial position of the Group as of 30 September 2014 amounted to € 119.6 million, a decrease from 31 December 2013 of € 4.3 million.
The positive financial flow has been determined mainly by the following operations:

- Cash flow generated financial resources for € 44.9 million;
- Net investments in fixed assets caused the expenditure of € 13.2 million;
- Management of net operating equity and of net fiscal capital generated in total € 10.6 million;
- Distribution of dividends by jointly control companies for € 6.5 million;
- Distribution of dividends by third parties yielded € 29.1 million.
- Acquisition of Veritas Energia caused the expenditure of € 4.0 million in total;
- Change in the consolidation method of the company caused a variation in the consolidated financial amount for € 11.4 million.

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The debt/shareholders' equity ratio as of 30 September 2014 amounts to 0.30 (was 0.31 as of 31 December 2013).

Significant events subsequent to the end of the period

No significant event has been registered after the end of the first nine months of 2014.

Foreseeable outlook for the year

As far as the gas distribution activities are concerned, in 2014 the Group shall continue in its normal operations and service management within the already existing portfolio of currently active concessions. By virtue of the extensions granted by the latest passed Bills, all the Territorial Areas now feature a deadline for publication of tenders that exceed 31 December 2014. Concerning profitability, the distribution activities should remain substantially in line with the results of 2013.

Regarding gas sale activities, in 2014 we expect positive trade margins, although in moderate reduction compared to the same period of 2013, by virtue of the lower sale prices of the protected market, following the implementation of the plans envisaged by the Energy Authority decision number 196/2013/R/gas (effective from the third quarter 2013) and a significant decrease in gas consumption that has already been registered in the first six months of the year, mainly due to milder climate.

The actual results of 2014 could differ compared to those announced depending on various factors amongst which: the evolution of supply and demand and gas prices, the actual operational performance, the general macroeconomic conditions, the impact of regulations in the energy and environmental fields, success in the development and application of new technologies, the changes in stakeholder expectations and other changes to business conditions.

Seasonal nature of operations

Gas consumption undergoes a considerable amount of variations on a seasonal basis, with a greater demand in winter in relation to higher consumptions for heating. The seasonality influences the trend of revenues from gas sales and of supply costs, while other operating costs are fixed and incurred by the Group in a uniform manner throughout the year. This peculiarity of the business also affects the performance of the Group's net financial position, as the active and passive billing cycles are not aligned and also depend on the volumes of gas sold and purchased during the year. Therefore, the data and the information contained in the interim financial statements do not allow for immediate indications to be drawn regarding the overall performance for the year.

Statement by the manager in charge

The manager in charge of preparing the company accounting documents, Mr. Cristiano Belliato, hereby states, under the terms of paragraph 2 of article 154 bis of the Unified Finance Law, that the accounting information note contained in this press release corresponds to the document results, accounting books and records.

Notice of filing of the mid-year Management Report at 30 September 2014

The Consolidated Management Report for the period ended 30 September 2014 has been made available to the public at the registered office of the Ascopiave Group, at the stock management company Borsa Italiana S.p.A, website: www.borsaitaliana.it, and on the Company website (www.ascopiave.it.).

Annexes

Consolidated accounting schedules that undergo limited auditing procedures.

The Ascopiave Group operates in the natural gas sector, mainly in the distribution and sales sectors to end customers.

Thanks to its broad customer base and the quantity of gas sold, Ascopiave is currently one of the main operators in the industry at a national level.

The Group owns concession and direct assignments for the management of distribution activities in over 200 towns, supplying the service to a market segment of over 1 million residents through a distribution network which spreads over 8,600 kilometres.

The sale of natural gas sale is performed through different companies, some are controlled through joint control. Overall, the affiliate and subsidiary companies have sold to final customers more than 1 billion cubic meters of gas.

Since 12 December 2006, Ascopiave has been quoted in the Star segment of the Italian Stock Exchange.

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Pieve di Soligo, 13 November 2014

Consolidated statement of financial position as of 30th June 2014 and 31st December 2013

(thousands of Euro)		At September 30,2014	Restated(*) At December 31,2013
ASSETS			
Non-current assets			
Goodwill	(1)	80,929	78,017
Other intangible assets	(2)	311,792	309,484
Tangible assets	(3)	36,712	37,840
Shareholdings in other company	(4)	63,724	72,421
Other non-current assets	(5)	17,216	24,232
Other non-current financial assets	(6)	3,479	916
Deferred tax assets	(7)	18,976	15,455
Non-current assets		**532,827**	**538,365**
Current assets			
Inventories	(8)	3,133	2,047
Trade receivables	(9)	73,888	166,289
Other current assets	(10)	62,906	34,588
Current financial assets	(11)	14,516	16,865
Tax receivables	(12)	889	1,142
Cash and cash equivalents	(13)	96,798	11,773
Current assets		**252,131**	**232,703**
ASSETS		**784,958**	**771,068**
NET EQUITY AND LIABILITIES			
Total net equity			
Share capital		234,412	234,412
Own shares		(17,660)	(17,660)
Reserves		177,183	180,938
Net equity of the Group		**393,935**	**397,689**
Net equity of Others		**3,803**	**4,989**
Total net equity	(14)	**397,738**	**402,679**
Non-current liabilities			
Provisions for risks and charges	(15)	7,162	8,323
Employee benefits	(16)	3,693	3,180
Medium and long-term bank loans	(17)	56,548	63,201
Other non-current liabilities	(18)	16,577	13,762
Non-current financial liabilities	(19)	3,343	552
Deferred tax payables	(20)	29,271	29,527
Non-current liabilities		**116,594**	**118,546**

Current liabilities			
Payables due to banks and financing institutions	(21)	174,017	89,371
Trade payables	(22)	62,770	134,568
Tax payables	(23)	1,501	446
Other current liabilities	(24)	31,900	25,220
Current financial liabilities	(25)	438	239
Current liabilities		**270,626**	**249,844**
Liabilities		**387,220**	**368,390**
NET EQUITY AND LIABILITIES		**784,958**	**771,068**

* Following the retrospective application from 1st January 2014 of the IFRS 11, the data related to the financial year 2013 exposed for comparison purposes, have been redefined, pursuant to IAS 1.

Consolidated income statement

(thousands of Euro)		Third Quarter of 2014	Restated(*) Third Quarter of 2013
Revenues	(26)	**431,234**	**496,218**
Total operating costs		**379,473**	**435,202**
Purchase costs for raw material (gas)	(27)	247,857	323,302
Purchase costs for other raw materials	(28)	18,628	26,018
Costs for services	(29)	79,387	51,077
Costs for personnel	(30)	17,680	16,491
Other management costs	(31)	15,941	19,043
Other income	(32)	21	728
Amortization and depreciation	(33)	14,681	14,120
Operating result		**37,080**	**46,895**
Financial income	(34)	919	1,833
Financial charges	(34)	1,788	3,476
Evaluation of companies consolidated with the net equity method	(34)	4,104	4,977
Earnings before tax		**40,315**	**50,229**
Taxes for the period	(35)	15,086	20,252
Net result for the period		**25,229**	**29,978**
Group's Net Result		23,994	28,181
Third-Partiy Net Result		1,235	1,796
Consolidated statement of comprehensive income			
1. components that will be reclassified in the future in the income statement			
2. components that will not be reclassified in the future in the income statement			
Actuarial profit & loss on defined benefit plans		(78)	(93)
Total comprehensive income		**25,151**	**29,885**
Group's overall net result		23,916	28,088
Third parties' overall net result		1,235	1,796
Base income per share		0.11	0.13
Diluted net income per share		0.11	0.13

* Following the retrospective application from 1st January 2014 of the IFRS 11, the data related to the third quarter of 2013 exposed for comparison purposes, have been redefined, pursuant to IAS 1.

N.b.: Earnings per share are calculated by dividing the net income for the period attributable to the Company's shareholders by the weighted average number of shares net of own shares. For the purposes of the calculation of the basic earnings per share, we specify that the numerator is the economic result for the period less the share attributable to third parties. There are no preference dividends, conversions of preferred shares or similar effects that would adjust the results attributable to the holders of ordinary shares in the Company. Diluted profits for shares result as equal to those for shares in that ordinary shares that could have a dilutive effect do not exist and no shares or warrants exist that could have the same effect.

Consolidated statement of changes in shareholders' equity

(thousands of Euro)	Share capital	Legal reserve	Own shares	Reserves IAS 19 actuarial differences	Other reserves	Net result for the period	Group's net equity	Net result and net equity of others	Total net equity
Balance as of 1st January 2014	**234,412**	**46,882**	**(17,660)**	**(35)**	**95,413**	**38,678**	**397,692**	**4,989**	**402,679**
Result for the period						23,994	23,994	1,235	25,229
IAS 19 TFR actualization for the period				(83)			(83)	5	(78)
Total result of overall income statement				**(83)**		**23,994**	**23,911**	**1,240**	**25,151**
Allocation of 2013 result					38,678	(38,678)	(0)		(0)
Dividends distributed to Ascopiave S.p.A. shareholders'					(26,666)		(26,666)		(26,666)
Dividends distributed to third parties shareholders							(0)	(2,427)	(2,427)
Change in reserves					(1,000)		(1,000)		(1,000)
Balance as of 30th September 2014	**234,412**	**46,882**	**(17,660)**	**(118)**	**106,426**	**23,994**	**393,936**	**3,802**	**397,737**

(thousands of Euro)	Share capital	Legal reserve	Own shares	Reserves IAS 19 actuarial differences	Other reserves	Net result for the period	Group's net equity	Net result and net equity of others	Total net equity
Balance as of 1st January 2013	**234,412**	**46,882**	**(17,109)**	**97**	**91,809**	**27,962**	**384,053**	**4,765**	**388,818**
Result for the period						28,181	28,181	1,796	29,978
IAS 19 TFR actualization for the period				(93)			(93)		(93)
Total result of overall income statement				**(93)**		**28,181**	**28,088**	**1,796**	**29,885**
Allocation of 2012 result					27,962	(27,962)	(0)		(0)
Dividends distributed to Ascopiave S.p.A. shareholders'					(24,484)		(24,484)		(24,484)
Dividends distributed to third parties shareholders							(0)	(2,132)	(2,132)
Purchase of own shares			(330)				(330)		(330))
Balance as of 30th September 2013	**234,412**	**46,882**	**(17,439)**	**4**	**95,287**	**28,181**	**387.327**	**4,430**	**391,757**

Consolidated statement of Cash Flows

(thousands of Euro)	Third Quarter of 2014	Restated(*) Third Quarter of 2013
STATEMENT OF CASH FLOW		
Net income of the Group	**23,994**	**28,181**
Cash flows generated (used) by operating activities		
Adjustments to reconcile net income to net cash		
Third-parties operating result	1,235	1,796
Amortization	14,681	13,539
Bad debt provisions	4,943	4,599
Variations in severance indemnity	272	229
Net variation of other funds	256	(2,358)
Evaluation of subsidiaries with the net equity method	(4,104)	(4,977)
Depreciation of fixed assets	0	582
Losses/gains on disposal fixed assets	0	(678)
Interests paid	(1,692)	(1,944)
Taxes paid	(12,238)	(14,625)
Interest expense for the period	2,124	2,025
Taxes for the period	15,086	20,252
Variations in assets and liabilities		
Inventories	(1,086)	128
Accounts payable	120,821	132,536
Other current assets	(22,777)	13,787
Trade payables	(93,640)	(109,017)
Other current liabilities	(1,736)	14,049
Other non-current assets	7,129	289
Other non-current liabilities	1,088	688
Total adjustments and variations	**30,360**	**70,901**
Cash flows generated (used) by operating activities	**54,354**	**99,082**
Cash flows generated (used) by investments		
Investments in intangible assets	(12,411)	(11,265)
Realisable value of intangible assets	29	4,802
Investments in tangible assets	(990)	(1,153)
Realisable value of tangible assets	202	194
Disposal/acquisitions in investments and avances	(1,019)	(0)
Other net equity operations	(78)	(93)
Cash flows generated/(used) by investments	**(14,268)**	**(7,516)**
Cash flows generated (used) by financial activities		
Net changes in debts due to other financers	2,791	(27)
Net changes in short-term bank borrowings	76,633	(123,282)
Net variation in current financial assets and liabilities	(4,826)	5,187
Interest expense	(431)	(80)
Purchase of own shares	0	(330)
Net changes in medium and long-term loans	(6,653)	39,498
Dividends distributed to Ascopiave S.p.A. shareholders'	(26,666)	(24,484)
Dividends distributed to third parties shareholders	(2,427)	(2,132)
Dividends distributed/(Coverage of losses) of subsidiary companies	6,519	5,058

Cash flows generated (used) by financial activities	**44,939**	**(100,593)**
Variations in cash	**85,026**	**(9,026)**
Cash and cash equivalents at the beginning of the period	**11,773**	**18,006**
Cash and cash equivalents at the end of the period	**96,798**	**8,980**

* Following the retrospective application from 1st January 2014 of the IFRS 11, the data related to the third quarter of 2013 exposed for comparison purposes, have been redefined, pursuant to IAS 1.