

H1 2020 FINANCIAL RESULTS

“ Solid resilience ”



Last 4 quarters milestones

Q3 '19

M&A and Org. Growth

- **Waste Recycling** integration in Hasi
- 2° **Green Bond** issued
- **Pistoia Ambiente** acquisition
- Worldwide multiutility leader in diversity and inclusion (TR)

Q4 '19

Ascopiave deal Closing

- Ascopiave deal guaranteed **+700K energy clients** and **positive one off** results in '19

Q1 '20

“+” in all P&L lines

- **EstEnergy** integration
- **New business plan '23**
- **2.5%** stake of **Ascopiave**
- **Warm winter** climate
- **1 month** of “lock down”

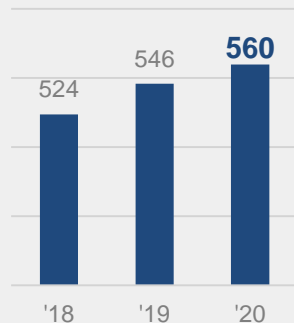
Q2 '20

100% activity, tackling with “lock down”

- AGM confirmed **DPS 10c€**
- AGM confirms **Governance**
- **+2%** stake of **Ascopiave**
- **2 months** of “lock down”

Confirming all commitments and tackling with “lock down”

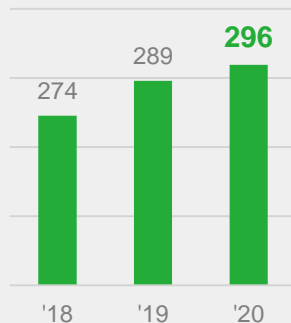
H1 results



Ebitda (M€)

+2.5%

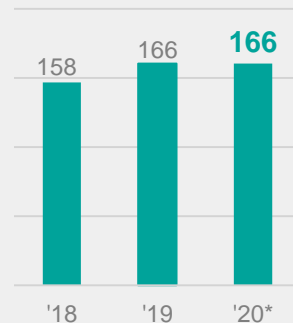
1H '19/'20



Ebit (M€)

+2.4%

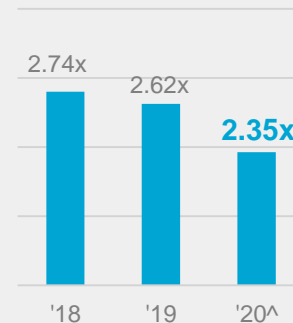
1H '19/'20



Net Profit (M€)

Confirmed

1H '19/'20



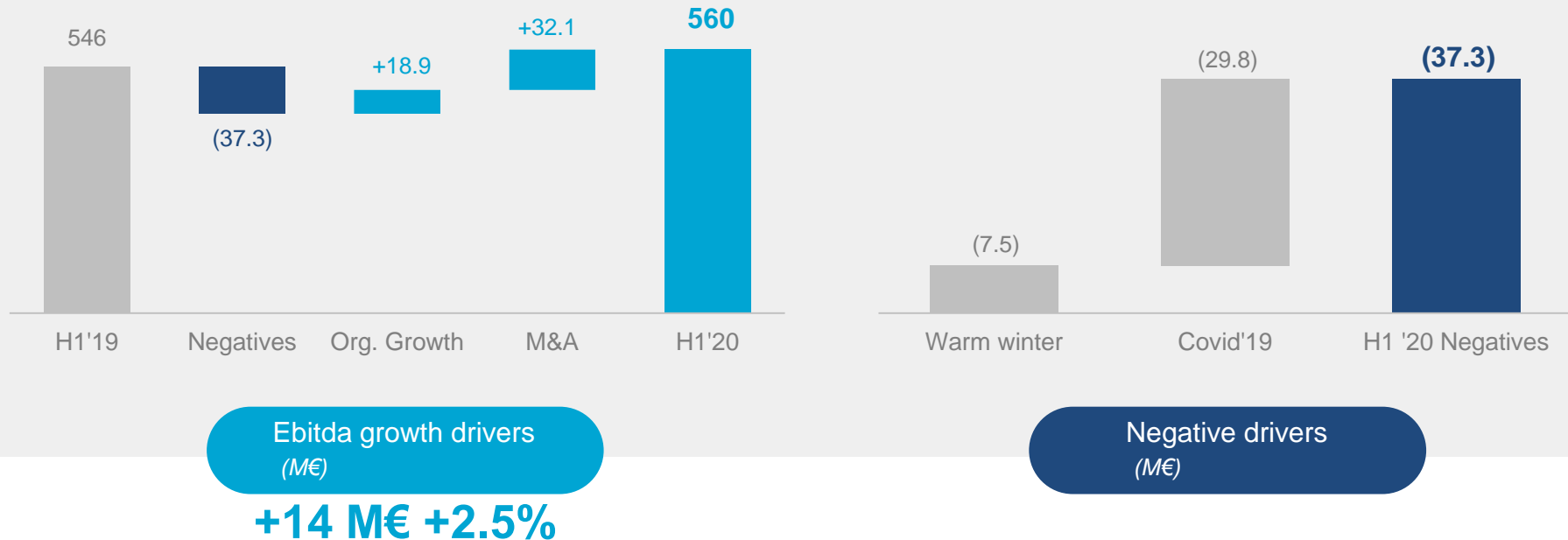
Debt/Ebitda (x)
Rolling

Solid resilience to Covid '19 “lock down”

* H1 2020 Net profit post minorities is affected by -11.3m€ of «non cash» financial expenses and -9.0m€ of tax-deductible goodwill amortisation related to EstEnergy merger.

^ On like for like basis, not including about 600m€ figurative debt related to put option of EstEnergy deal. From the beginning of year 2020, Debt/Ebitda changed from 3,02x to 2,81x (including Ascopiave deal)

Growth based on organic drivers and coming from all activities



All growth drivers at work

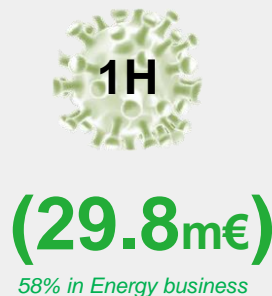
Growth despite all

+14mIn

EBITDA increase



COVID '19 and CLIMATE impacts

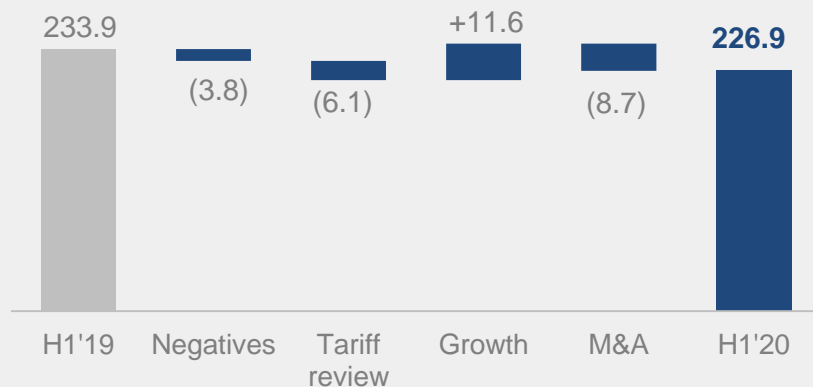


Covid 19 effect
(Ebitda impact M€)

Mild winter effect
(Ebitda impact M€)

Covid '19 impacts mainly affected 2Q results

Networks



Ebitda growth
(M€)

(7) M€

Lock down & Climate impact

- Mainly affecting new connections in gas distribution and District Heating

Tariff review

- Mainly related to Gas Distrib. (Opex) and water (Wacc)

Growth

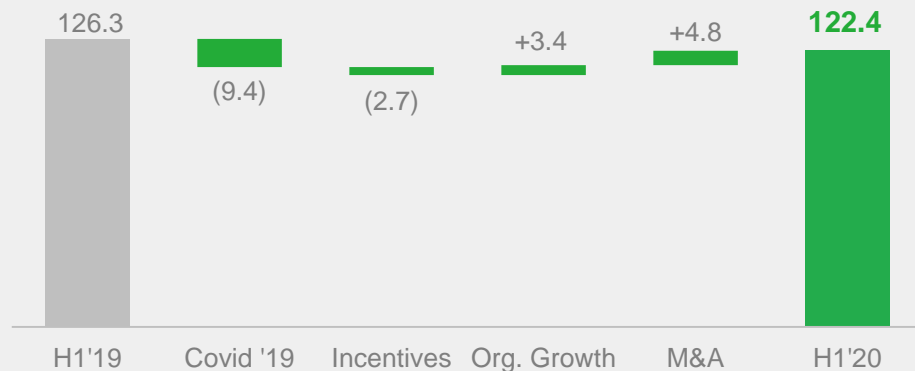
- Efficiency gains and other positives

Spin off gas distribution

- (12.4) m€ following spin off of swapped assets in Ascopiave deal

Spin off Gas distribution (Ascopiave deal) partially compensated

Waste



Ebitda growth
(M€)

(3.9) M€

Covid '19

- Impacts on special waste volumes and electricity prices

Incentives

- Expired in Ferrara WTE

Organic Growth

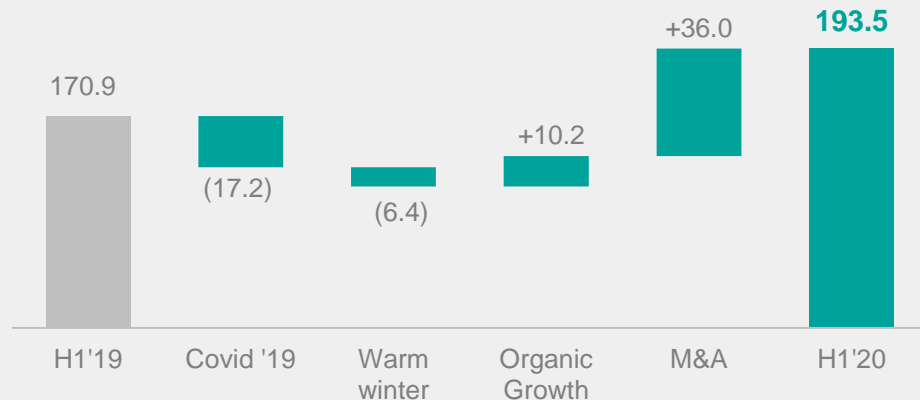
- “**Special**” waste **prices** trend and confirmed volumes 1H/1H **fully offset** 100k tons reduction shortcome in “urban” waste volumes

M&A

- Pistoia Ambiente plant (acquired in H2'19).

Benefitting from a wide asset platform in a short market

Energy



Ebitda growth
(M€)

+22.6 M€

Covid'19

- Negative impact was significantly reduced from the increase of Ancillary services ("MSD").

Warm winter

- Impacted during winter season (1Q)

Organic growth

- Underpinned by Electricity customer base expansion (+55.7k in 1H '20) and synergies

M&A

- Slight increase in Q2 due to low seasonality (80% gas supply clients).

Well on track on EstEnergy integration

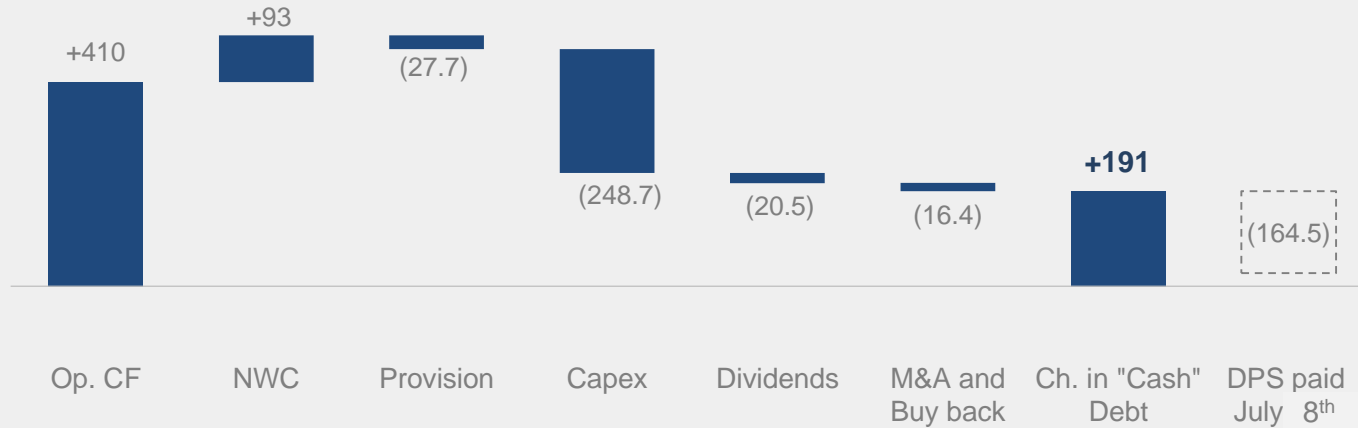
Sound cash
generation

2.35_x

NET DEBT/EBITDA rolling
(without Ascopiave deal)



Good 6 month cash generation



Free Cash Flow

(M€)

+190 M€

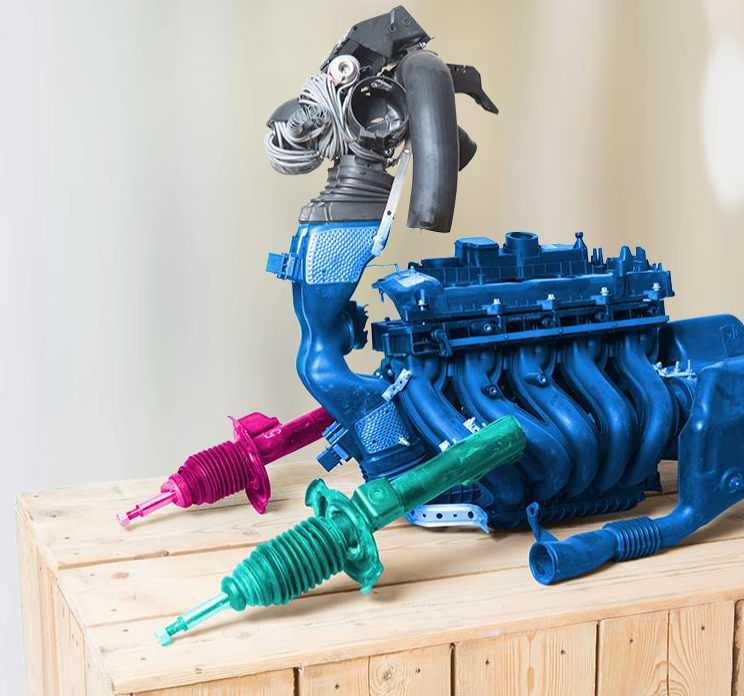
Solid cash generation reduced to 2.35x 1H Debt/Ebitda*

* On like for like basis, not including ~600m€ figurative debt related to put option of EstEnergy deal.

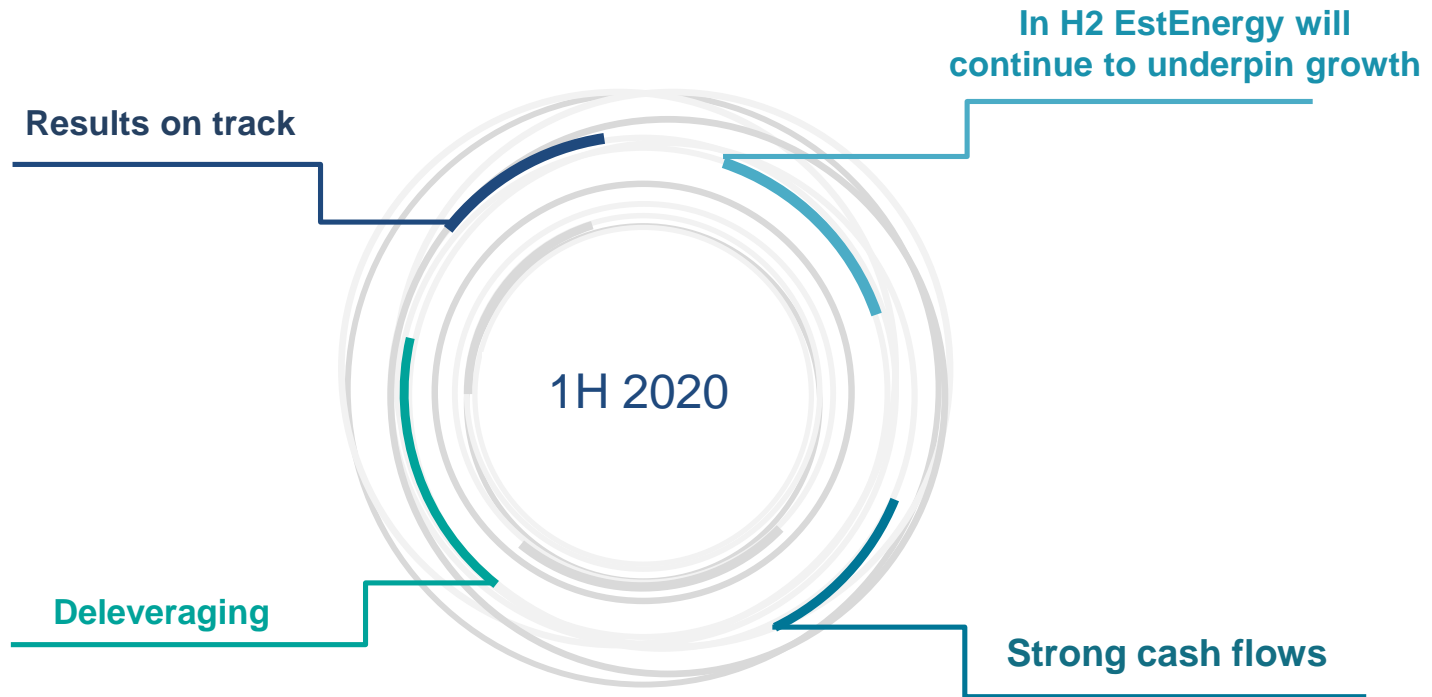
Closing remarks

« + »

All the way down to the
bottom in 1H P&L



Closing remarks



A solid set of results

Q&A and Appendix

Further details on
H1 2020
are available in
this section



Annex: P&L

Profit & Loss

(M€)

	H1 '19	H1 '20	
REVENUES	3,620.6	3,620.6	+0.1%
EBITDA	545.9	559.7	+2.5%
<i>Ebitda margin</i>	<i>15.1%</i>	<i>15.4%</i>	
Depreciation and provisions	(257.0)	(264.0)	
EBIT	288.9	295.7	+2.4%
Financial costs	(40.6)	(37.9)	
Figurative interests (IAS) & Leasing	(10.8)	(22.0)	
Income from Associates & J.V.	6.5	3.7	
PRETAX PROFIT	244.0	239.5	(1.8%)
Tax	(70.1)	(64.6)	
<i>Tax rate</i>	<i>28.7%</i>	<i>27.0%</i>	
Special items	0.0	0.0	
Minorities	(7.7)	(8.7)	
NET PROFIT POST MINORITIES	166.2	166.2	+0.0%

Annex: Waste and Water

Waste: Profit & Loss

(m€)	H1 2019	H1 2020	Ch.
Revenues	595.1	580.0	(15.1)
Ebitda	126.3	122.4	(3.9)

Waste: KPIs

Data	H1 2019	H1 2020	Ch.
Urban W. Volumes (Kton)	1,149.3	1,030.6	(118.8)
Special W. Volumes (Kton)	1,110.4	1,111.6	+1.3
Waste from third parties	2,259.7	2,142.2	(117.5)

Water: Profit & Loss

(m€)	H1 2019	H1 2020	Ch.
Revenues	430.8	415.6	(15.3)
Ebitda	122.8	122.7	(0.1)

Water: KPIs

Data	H1 2019	H1 2020	Ch.
Aqueduct (mm3)	137.7	137.5	(0.2)
Sewerage (mm3)	116.7	116.6	(0.0)
Purification (mm3)	115.0	114.8	(0.2)

Annex: Gas and Electricity

Gas: Profit & Loss

(m€)	H1 2019	H1 2020	Ch.
Revenues	1,502.0	1,634.6	+132.6
Ebitda	195.6	200.8	+5.2

Gas: KPIs

Data	H1 2019	H1 2020	Ch.
Volumes distrib. (mm3)	1,784.9	1,449.5	(335.5)
Volumes sold (mm3)	4,215.2	5,996.4	+1,781.2
<i>of which trading (mm3)</i>	<i>2,833.2</i>	<i>4,253.8</i>	<i>+1,420.6</i>
District Heating (GWht)	303.8	262.8	(41.1)
Final retail volumes (mm3)	1,382.0	1,742.6	+360.6
Clients ('000 unit)	1,469.9	2,028.4	+558.5

Electricity: Profit & Loss

(m€)	H1 2019	H1 2020	Ch.
Revenues	1,208.4	1,097.3	(111.1)
Ebitda	86.3	97.0	+10.7

Electricity: KPIs

Data	H1 2019	H1 2020	Ch.
Volumes sold (GWh)	6,124.5	6,130.7	+6.2
<i>of which Salvaguardia (GWh)</i>	<i>1,420.1</i>	<i>1,080.9</i>	<i>(339.1)</i>
Volumes distrib. (GWh)	1,508.7	982.7	(526.1)
Clients ('000 unit)	1,148.1	1,308.5	+160.5