

**Italgas: completed the acquisition from CPL Concordia of 6 companies active in South of Italy**

*With the completion of the transaction, the number of new municipalities acquired between 2017 and 2018 with M&A initiatives has risen to 138.*

Milan, 31 May 2018 - Italgas has executed today the acquisition from CPL Concordia of a 98% stake in the capital of 6 companies operating in Southern Italy, which as a whole hold the concessions for the construction and management of the gas network in 16 municipalities.

The companies involved are Baranogas Reti, Ischia Reti Gas, Progas Metano, Grecanica Gas, Favaragas Reti and Sicilianagas Reti. Concessions are already in operation in 4 municipalities, some of which are under construction, others to be built.

The overall value (Enterprise Value) of the assets involved in the transaction concluded today has been set at 16.7 million euros. Net of the debt, the amount paid to CPL Concordia for 98% of the share capital of the companies was 4.6 million euros.

The total investment for the construction of the networks amounts to approximately 95 million euros, partly financed by public subsidies. To date, works already carried out amount to approximately 32.5 million euros, gross of subsidies.

With today's acquisition, 7 M&A operations have been completed between 2017 and 2018 - including the purchase of Seaside, one of the largest Italian Energy Service Companies - for a total of 138 new municipalities under concession, in line with the growth strategy announced to the market with the Strategic Plan 2017-2023 which, pending the launch of the tenders, provides for the development of the Group through the acquisition of small and medium-sized operators.