

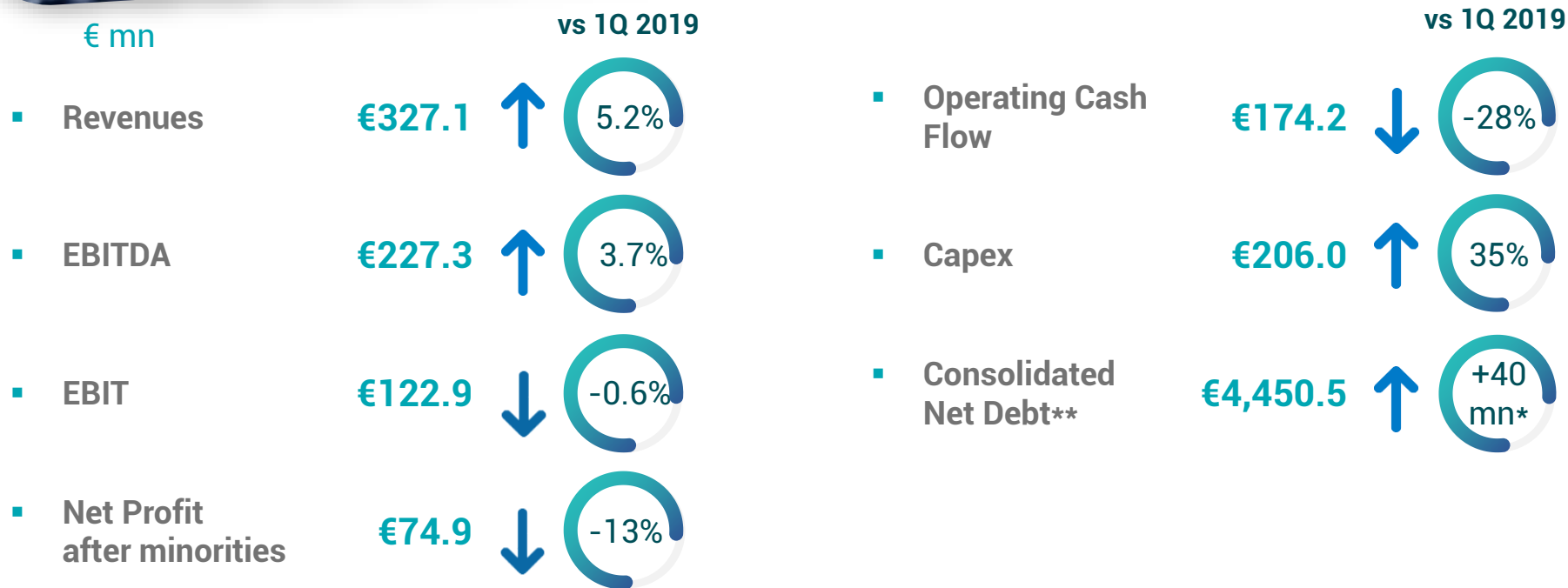


1Q 2020 Consolidated Results

29th April 2020, Milan



— 1Q 2020 solid start despite more difficult comps



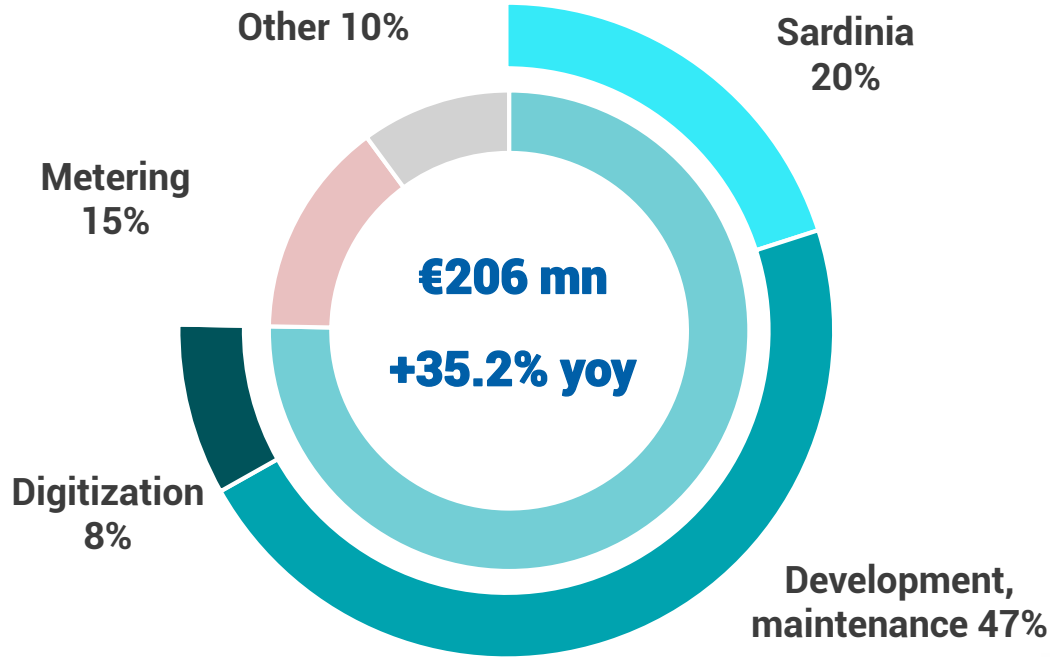
(*) versus 31/12/2019

(**) Excluding 76.3mn for operating leases (IFRS 16)

— Ongoing capex growth, more focused on networks



~ 285,000 new smart meters installed*
Capex down 30% as meter replacement programme near completion



Total network capex 75% of the total
Capex up +86%
310 km of new lines built of which 165 km in Sardinia in 1Q 2020

* Of which 228,000 units related to the replacement of traditional meters, including affiliates

— Covid-19 impact on our activities

- ✓ Immediate set up of an Emergency Agile Team
- ✓ Ensured safety and full operation of the network
- ✓ Digital tools adoption boosted, onsite work reorganised
- ✓ Stop by law of non-essential activities starting from March 22
- ✓ Progressive slow down of meters replacement due to site access constraints
- ✓ Cost containment measures implemented
- ✓ Constant dialogue with suppliers and vendors, attention to value chain health and stability
- ✓ Strong liquidity position
- ✓ Working at restart plan

**Ongoing
dialogue
with
all
stakeholders**

— Covid-19 focus on people

- ✓ **Smart working implemented for all employees where possible**
- ✓ **Special health insurance established covering employees eventually affected by Covid-19**
- ✓ **Incremental attention to personnel with special health conditions**
- ✓ **Commitment to employment, no recourse to special measures**
- ✓ **Use of holidays accrued in previous years**
- ✓ **Donations to hospitals and Protezione Civile**
- ✓ **~7,000 hours donated by employees, value matched by Italgas**

**Attention
to our people
and
to the
communities
we work in**

— Covid-19: an unprecedented disruption in operations...



20%

prioritized interventions,
with additional safety measures
(for employees and customers)



-38%

reduction in **Emergency Calls**¹ requiring a
boost in sensing technology and
communication with customer



+27%

success rate of critical interventions thanks
to tailored customer
communication



5-7%

operating personnel
pre-screened and selected for special "**paid
leave for health reasons**"²

¹ Relevant calls requiring urgent field intervention

² Personnel with pre-existing health conditions (as instructed by medical personnel) remain at home, with provisions for paid leave

... with a significant part of the business operated through remote working



4,000+

employees' way of working progressively **re-designed in the Digital Factory** to allow remotization



4,000+

personnel with **iPhones and/or iPad and/or PC**



11x

laptop connections from home (not including iPhone/iPad connections)



10x

videoconferences with self-generated virtual rooms



7x

chat messages through Italgas-adopted messaging systems

Income Statement

€mn

	2019 1 st Quarter	2020 1 st Quarter	Change
Revenues	310.8	327.1	16.3
Operating expenses	- 91.6	- 99.8	- 8.2
EBITDA	219.2	227.3	8.1 ↑ 3.7%
Depreciation & amortisation	- 95.6	- 104.4	- 8.8
EBIT	123.6	122.9	- 0.7 ↓ -0.6%
Net interest income (expenses)	- 12.2	- 13.4	- 1.2
Net income from associates	5.8	0.9	- 4.9
EBT	117.2	110.4	- 6.8
Income taxes	- 30.9	- 29.9	1.0
NET PROFIT before minorities	86.3	80.5	- 5.8
NET PROFIT after minorities	86.3	74.9	- 11.4 ↓ -13.2%

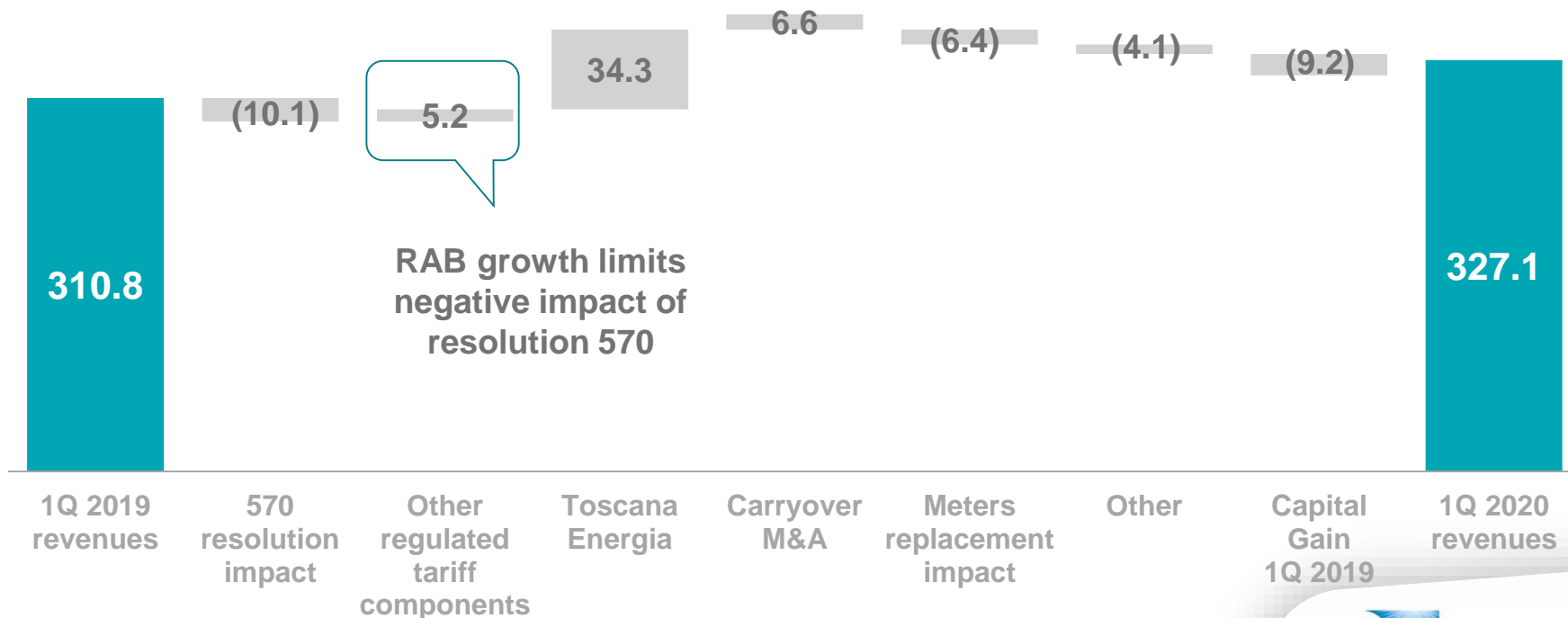
— Consolidated Revenues

€mn

	2019 1 st Quarter	2020 1 st Quarter	Change
Regulated revenues	290.5	315.3	24.8
Distribution	263.2	294.9	31.7
Tariff contribution for meters replacement	8.7	2.5	- 6.2
Other distribution revenues	18.6	17.9	- 0.7
Other revenues	20.3	11.8	- 8.5
TOTAL REVENUES	310.8	327.1	16.3

— Consolidated Revenues, +5.2% vs 1Q 2019

€mn



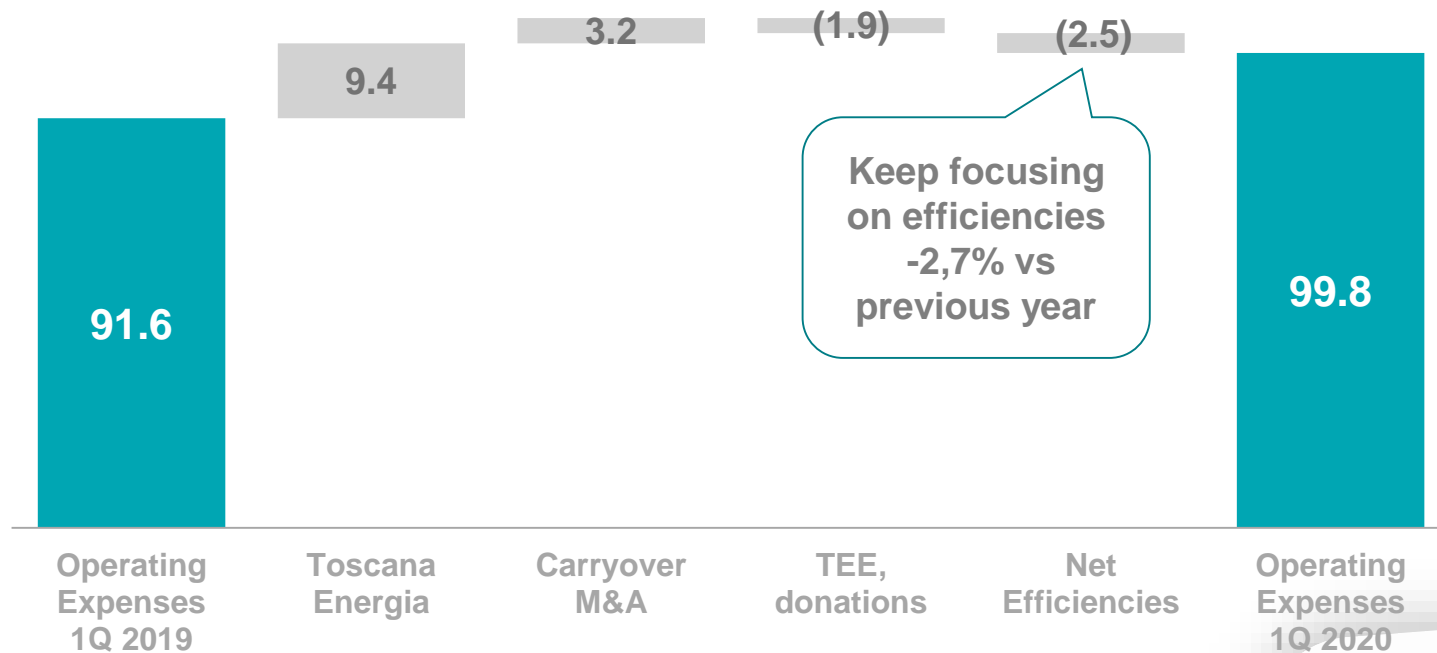
— Consolidated Opex

€mn

	2019 1 st Quarter	2020 1 st Quarter	Change
Distribution fixed costs	63.4	67.8	4.4
Net labour cost	33.8	37.5	3.7
Net external cost	29.6	30.3	0.7
Other activities	6.0	8.1	2.1
Net labour cost	0.4	0.9	0.5
Net external cost	5.6	7.2	1.6
Other costs	0.4	2.0	1.6
Tee	7.8	4.9	- 2.9
Concessions fees	14.0	17.0	3.0
TOTAL COSTS	91.6	99.8	8.2

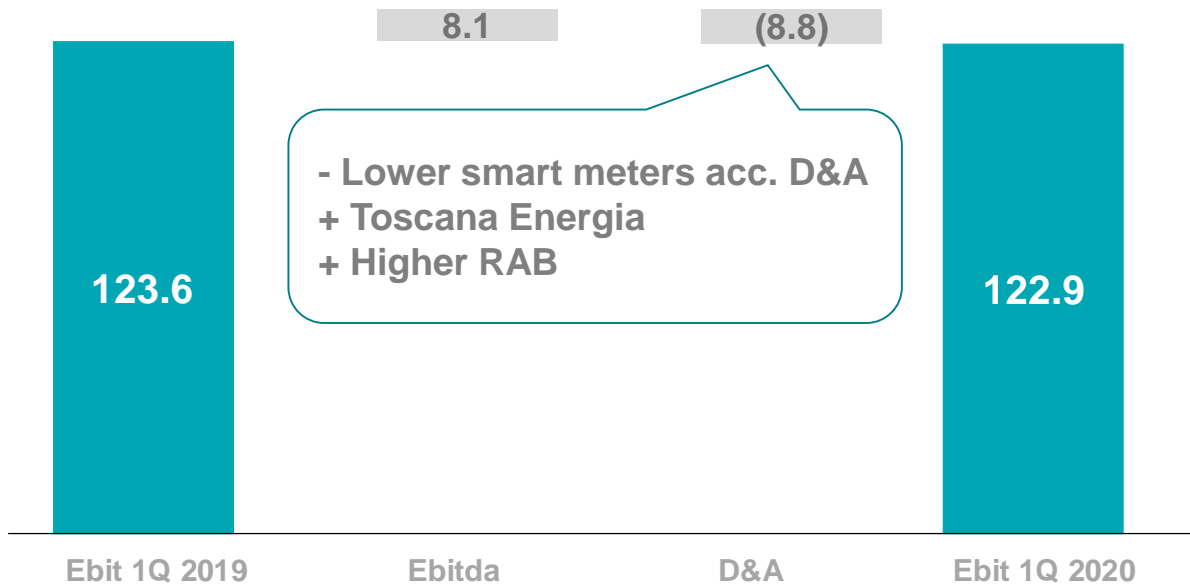
— Consolidated Opex, +9.0% vs 1Q 2019

€mn

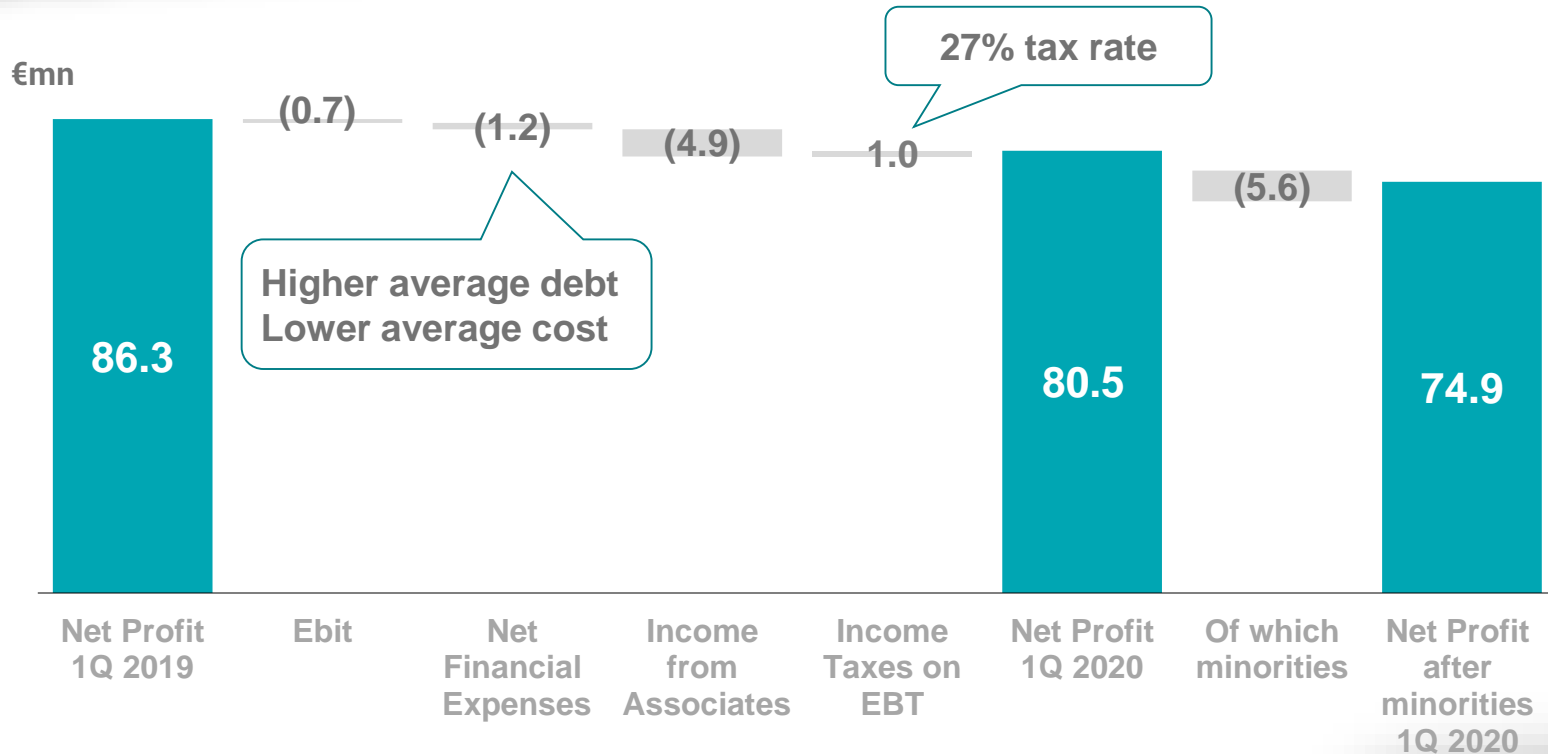


— Consolidated Ebit, -0.6% vs 1Q 2019

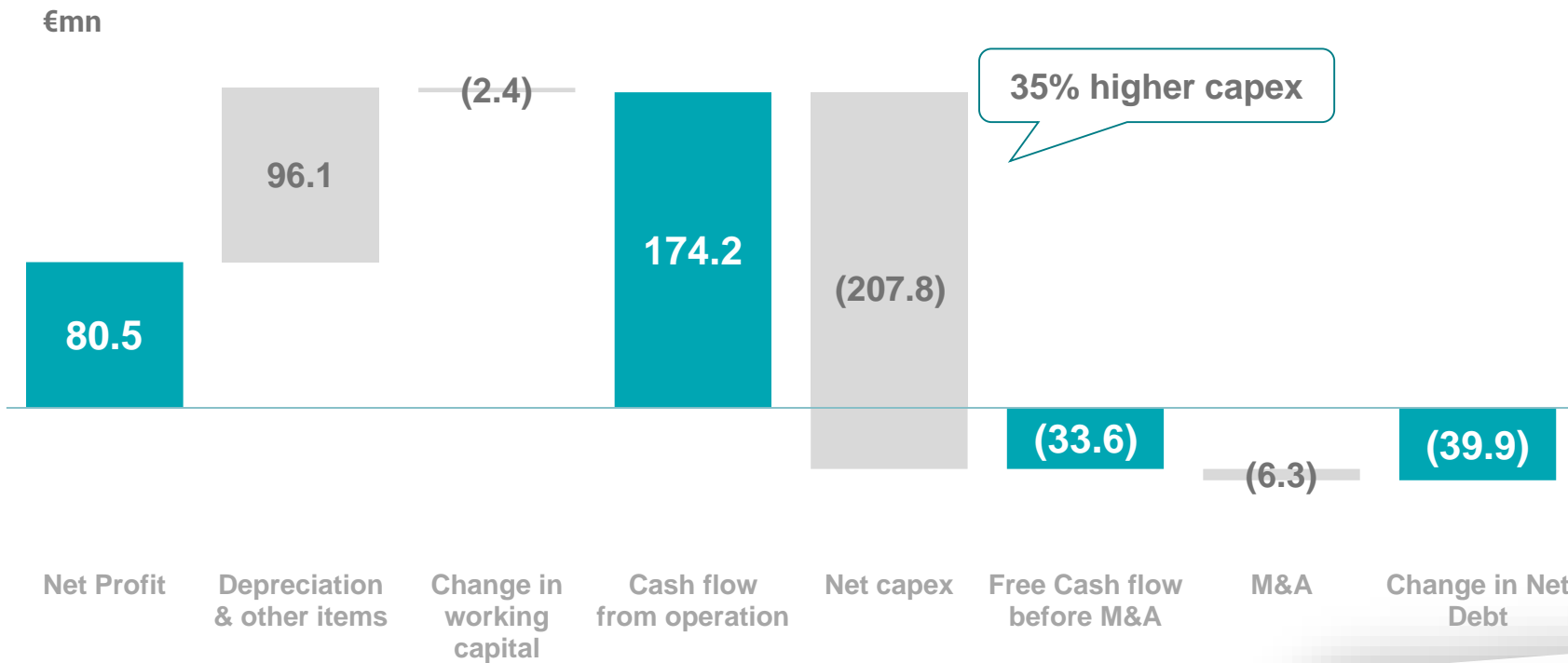
€mn



— Net profit after minorities, -13.2% vs 2019

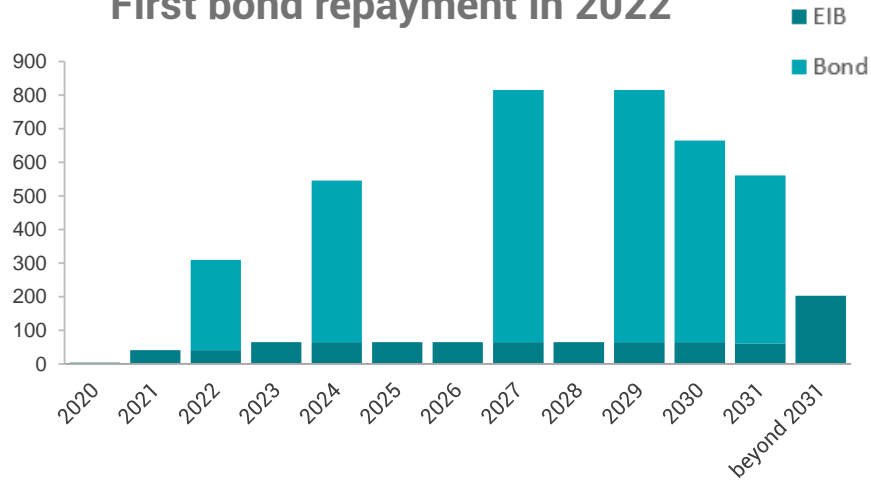


Consolidated Cash Flow



— Strong debt structure

First bond repayment in 2022



Net debt €4.45bn*

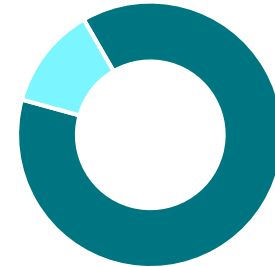
Cost of debt: ~1.1%

Cash deposits €0.2bn

Undrawn committed funds €0.5bn

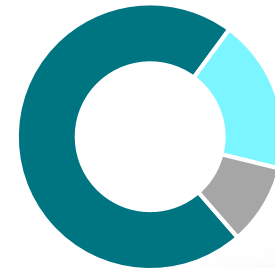
Low exposure to interest rates

Floating
12%



Fix
88%

Bonds
71%



Institutional
Lenders Financing
(EIB)
19%

Banking lines
10%

(* Excluding 76.3 mn for operating leases (IFRS 16))

— Balance sheet

€mn

	2019 Dec, 31st	2020 Mar, 31st	Change
Net invested capital	6,280.2	6,399.0	118.8
Fixed capital	6,335.0	6,452.7	117.7
Tangible fixed assets	350.0	352.7	2.7
Net intangible fixed assets	6,176.1	6,279.5	103.4
Net payables investments	- 225.0	- 214.3	10.7
Equity-accounted and other investments	33.9	34.8	0.9
Net working capital	56.3	57.5	1.2
Receivables	841.9	851.0	9.1
Liabilities	- 785.6	- 793.5	- 7.9
Provisions for employee benefits	- 113.2	- 111.2	2.0
Assets held for sale and directly related liabilities	2.1	-	- 2.1
Net financial debt	4,410.6	4,450.5	39.9
Financial debt for operating leases (IFRS 16)	74.7	76.3	1.6
Shareholders' equity	1,794.9	1,872.2	77.3

— Closing remarks



Working at restart plan to ensure

- ✓ full operation of our networks
- ✓ capex execution
- ✓ safety of all our people and suppliers
- ✓ value creation for our shareholders

Digital Transformation

is playing a central role
will be crucial



Q & A





Annexes



The leading Italian natural gas distributor



	Base line	Of w affiliates
Network length	71,981 km	1,260 km
Municipalities	1,839	14
Redelivery Points ¹	7,706 mn	0.121 mn
Market Share ²	35%	0.1%
Employees	4,140	44

Note: (1) Active
(2) Calculated by redelivery points

Disclaimer

Italgas's Manager, Giovanni Mercante, in his position as manager responsible for the preparation of financial reports, certifies pursuant to paragraph 2, article 154-bis of the Legislative Decree n. 58/1998, that data and information disclosures herewith set forth correspond to the company's evidence and accounting books and entries.

This presentation contains forward-looking statements regarding future events and the future results of Italgas that are based on current expectations, estimates, forecasts, and projections about the industries in which Italgas operates and the beliefs and assumptions of the management of Italgas.

In particular, among other statements, certain statements with regard to management objectives, trends in results of operations, margins, costs, return on equity, risk management are forward-looking in nature.

Words such as 'expects', 'anticipates', 'targets', 'goals', 'projects', 'intends', 'plans', 'believes', 'seeks', 'estimates', variations of such words, and similar expressions are intended to identify such forward-looking statements.

These forward-looking statements are only predictions and are subject to risks, uncertainties, and assumptions that are difficult to predict because they relate to events and depend on circumstances that will occur in the future.

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The reader should, however, consult any further disclosures Italgas may make in documents it files with the Italian Securities and Exchange Commission and with the Italian Stock Exchange.



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