



9M 2020 results

Milan

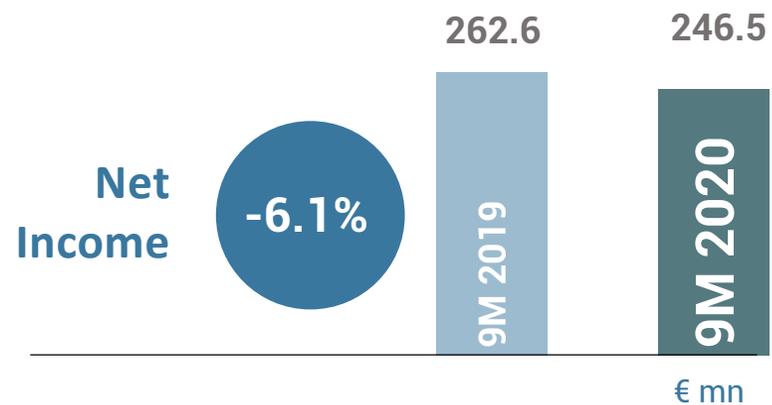
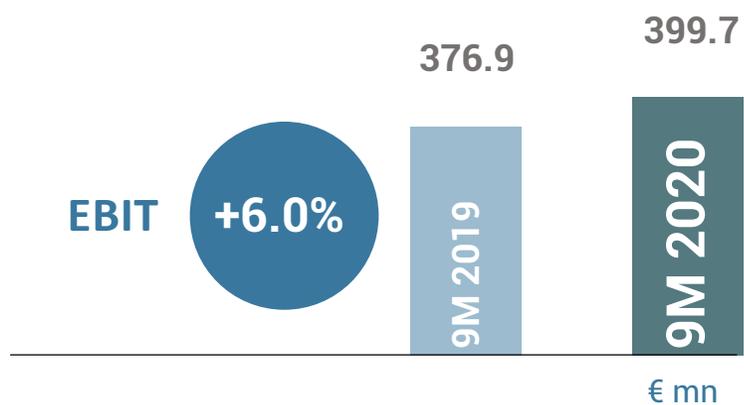
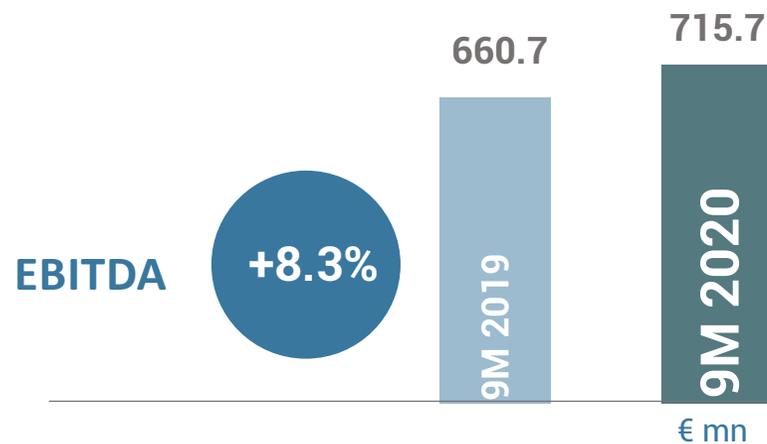
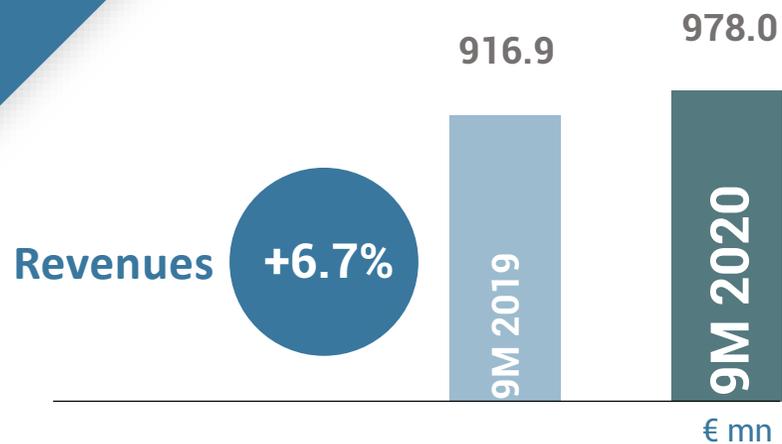
30.10.2020



9M 2020 RESULTS

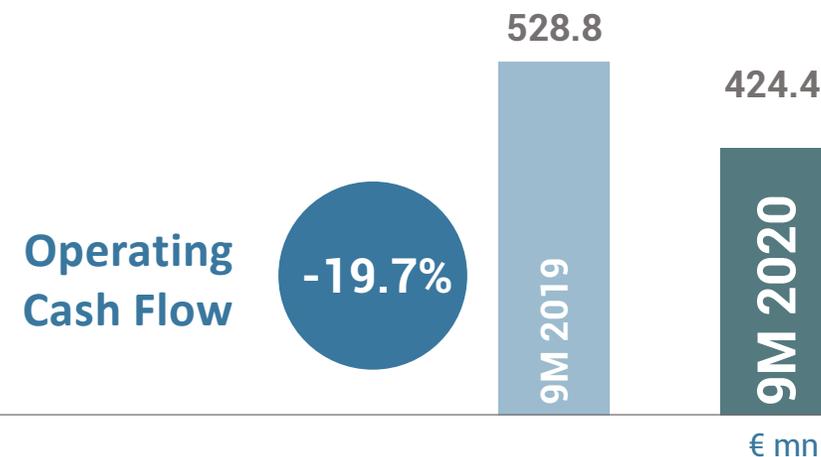
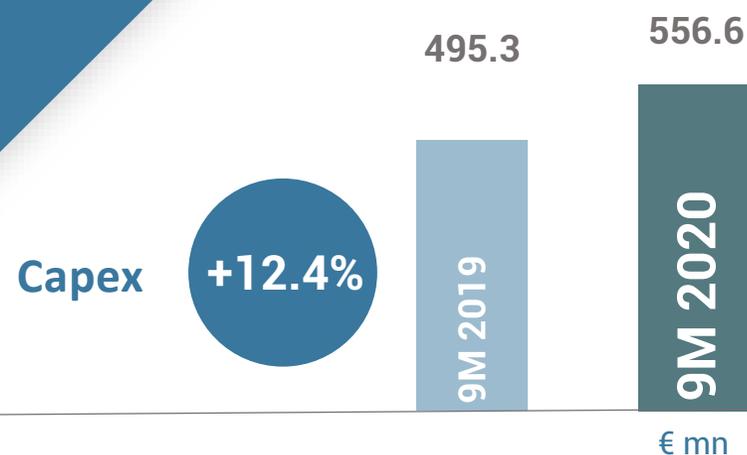
Key highlights

Mitigation of resolution 570 impact continued in 3rd quarter



9M 2020 RESULTS

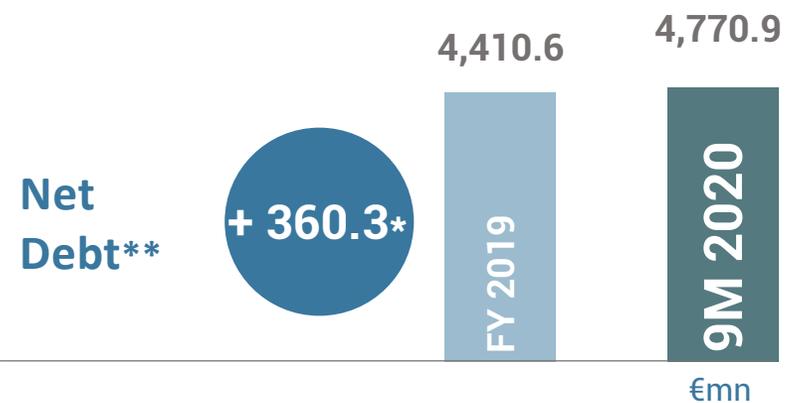
Key highlights



Capex delivery remained strong

Operating Cash flow negatively impacted by working capital

Net Debt increase should be partially reabsorbed



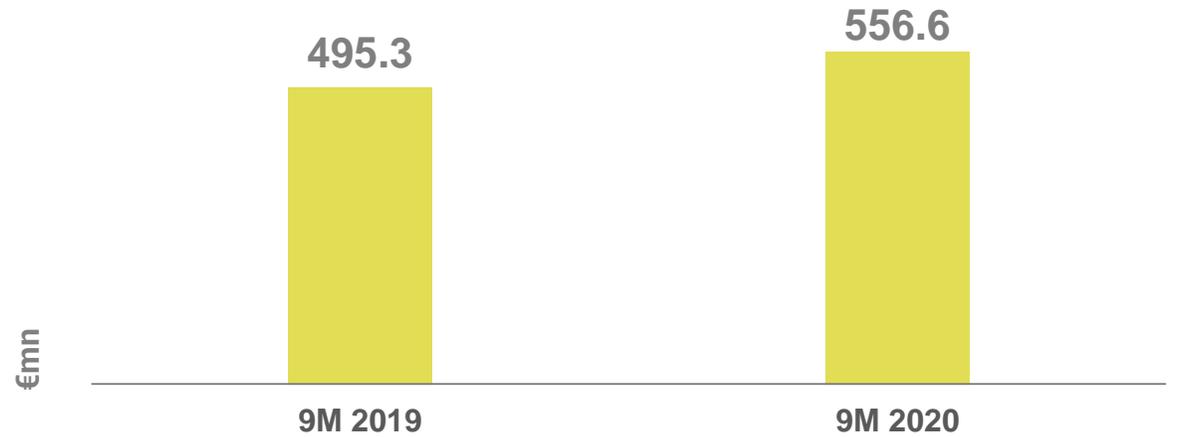
(*) versus 31/12/2019,

(**) Excluding 70.0 mn for operating leases ex IFRS16 at 9M 2020 and 74.7mn in 2019

CAPEX

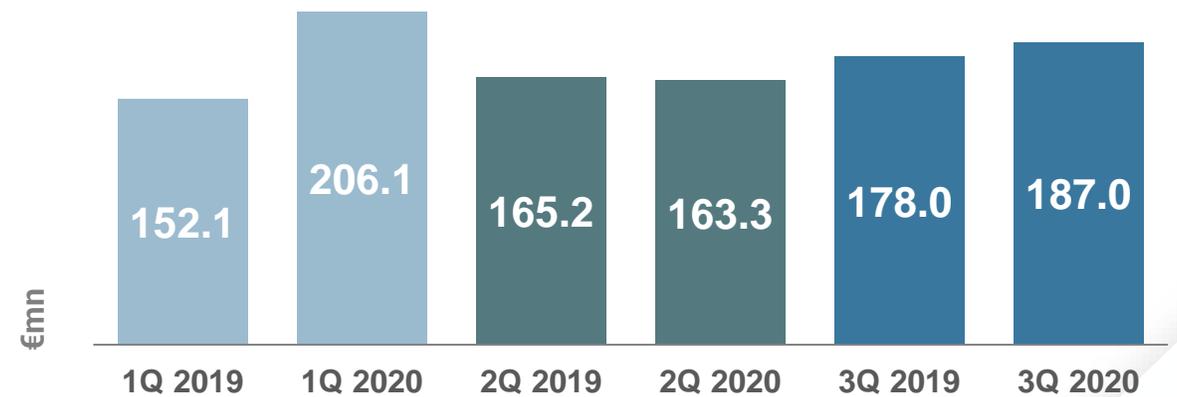
9M 2020 marks a new record

9M capex
+12.4% yoy



3Q capex saw a strong acceleration in networks, while difficult in accessing private building remains a topic for metering

3Q capex up yoy
positive trend continues



CAPEX

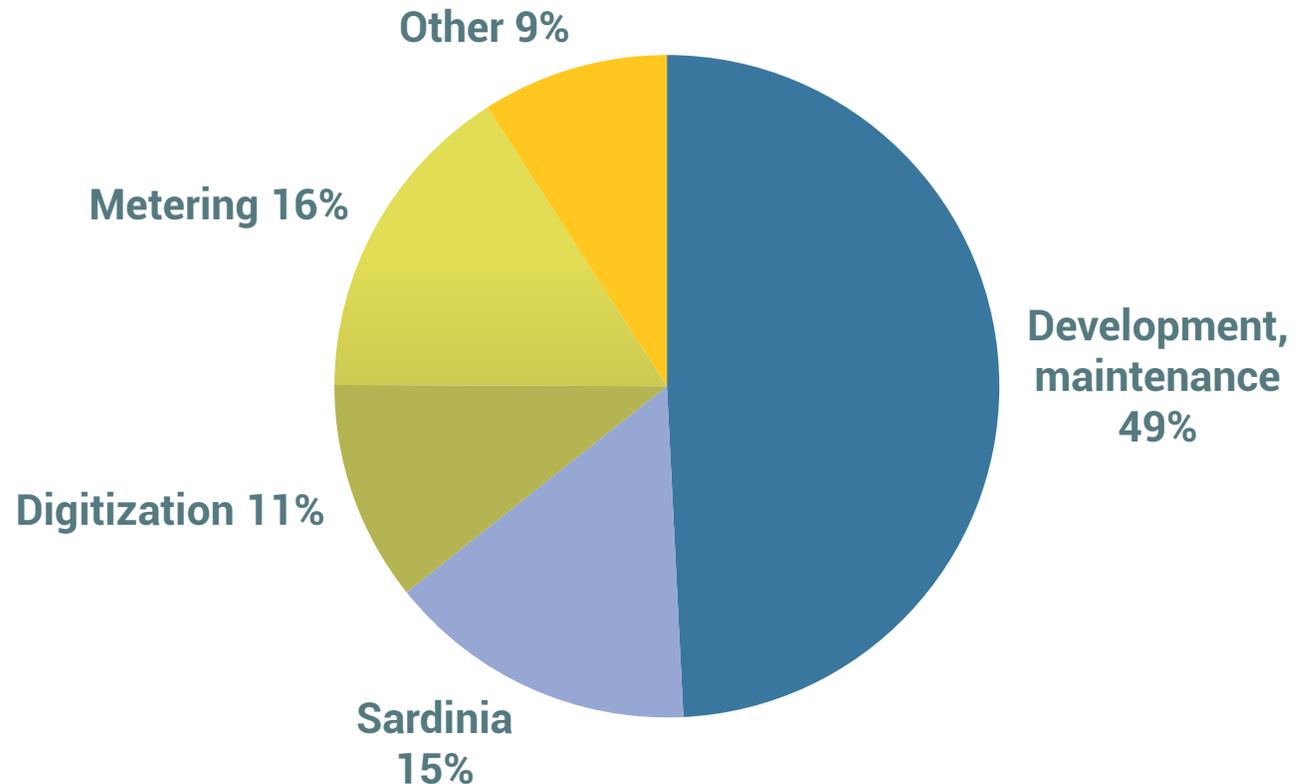
Some change in mix

9M 2020

556.6mn +12.4% yoy

702km new networks pipes built of which 283km in Sardinia

874k new smart meters installed*



(*) of which 631k related to the replacement of traditional meters including affiliates

RESULTS

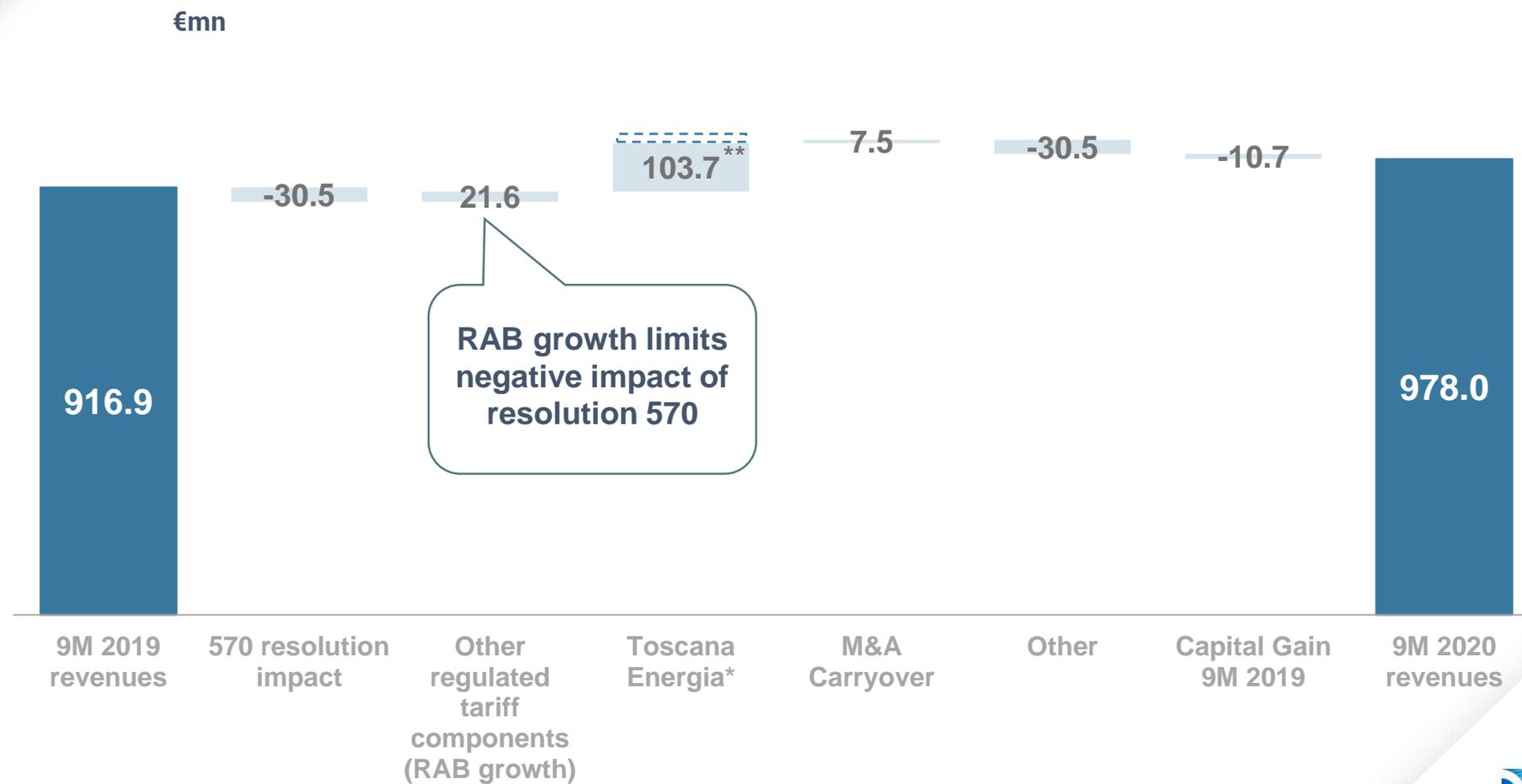
9M 2020

€mn	9M 2019	9M 2020	Change	
Revenues	916.9	978.0	61.1	
Operating expenses	- 256.2	- 262.3	- 6.1	
EBITDA	660.7	715.7	55.0	↑ + 8.3%
Depreciation & amortisation	- 283.8	- 316.0	- 32.2	
EBIT	376.9	399.7	22.8	↑ + 6.0%
Net interest income (expenses)	- 37.2	- 40.2	- 3.0	
Net income from associates	17.2	1.2	- 16.0	
EBT	356.9	360.7	3.8	
Income taxes	- 94.3	- 100.2	- 5.9	
NET PROFIT before minorities	262.6	260.5	- 2.1	
NET PROFIT after minorities	262.6	246.5	- 16.1	↓ - 6.1%

RESULTS

9M 2020

Revenues +6.7% vs 9M 2019



(*) Net of intercompany revenues for 3 mn

(**) negative impact of resolution 570 €3.7 mn euro for Toscana Energia in 1H

RESULTS

9M 2020

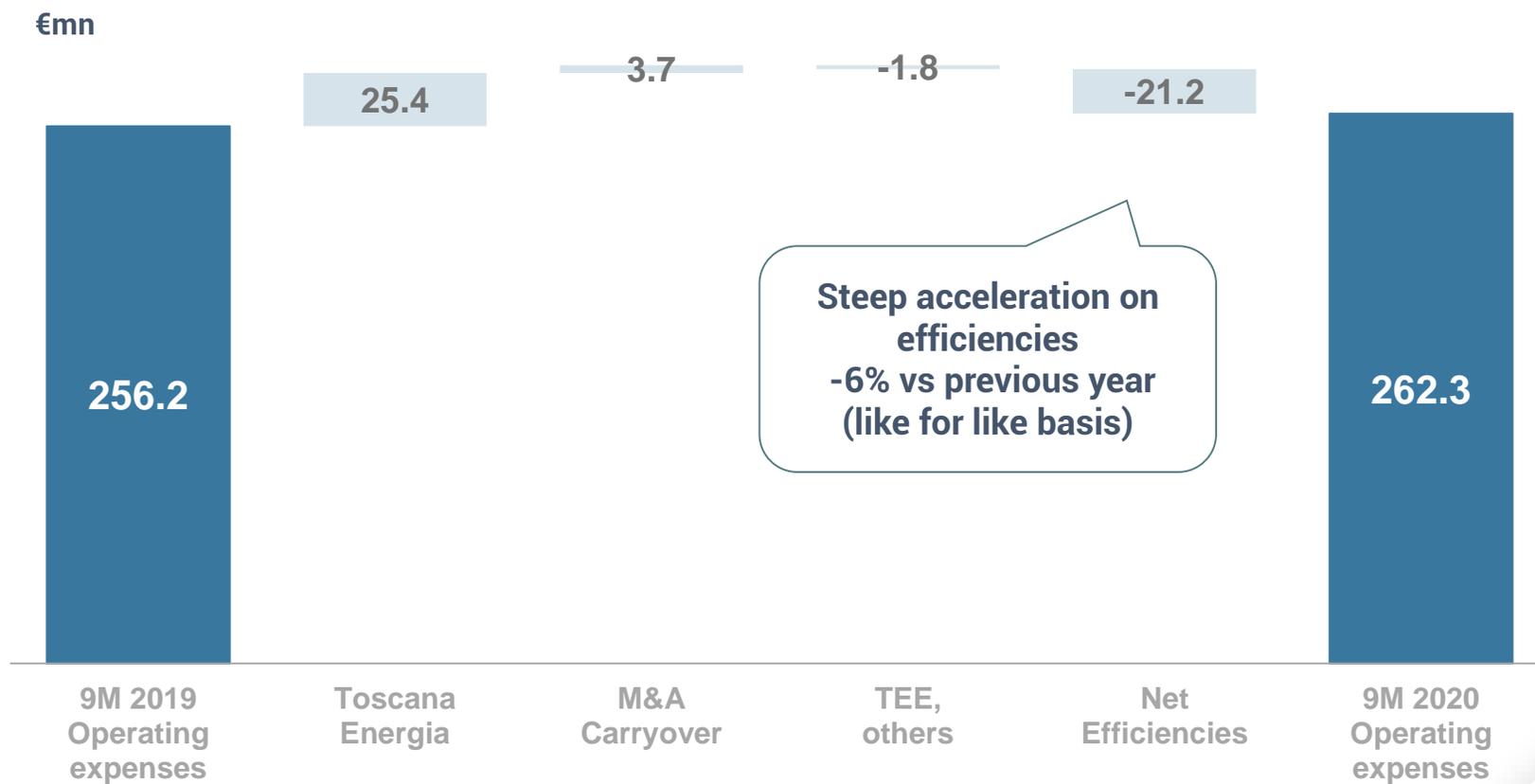
€mn	9M 2019	9M 2020	Change
Regulated revenues	875.1	949.3	74.2
Distribution	800.1	893.1	93.0
Tariff contribution for meters replacement	19.8	7.5	- 12.3
Other distribution revenues	55.2	48.7	- 6.5
Other revenues	41.8	28.7	- 13.1
TOTAL REVENUES	916.9	978.0	61.1

Of which Toscana Energia 97.4

RESULTS

9M 2020

Operating expenses +2.4% vs 9M 2019



RESULTS

9M 2020

€mn	9M 2019	9M 2020	Change
Distribution fixed costs	185.0	181.8	- 3.2
Net labour cost	104.5	104.4	- 0.1
Net external cost	80.5	77.4	- 3.1
Other activities	15.0	18.5	3.5
Net labour cost	1.3	2.4	1.1
Net external cost	13.7	16.1	2.4
Other costs	2.5	5.7	3.2
Tee	7.8	4.9	- 2.9
Concessions fees	45.9	51.4	5.5
TOTAL COSTS	256.2	262.3	6.1

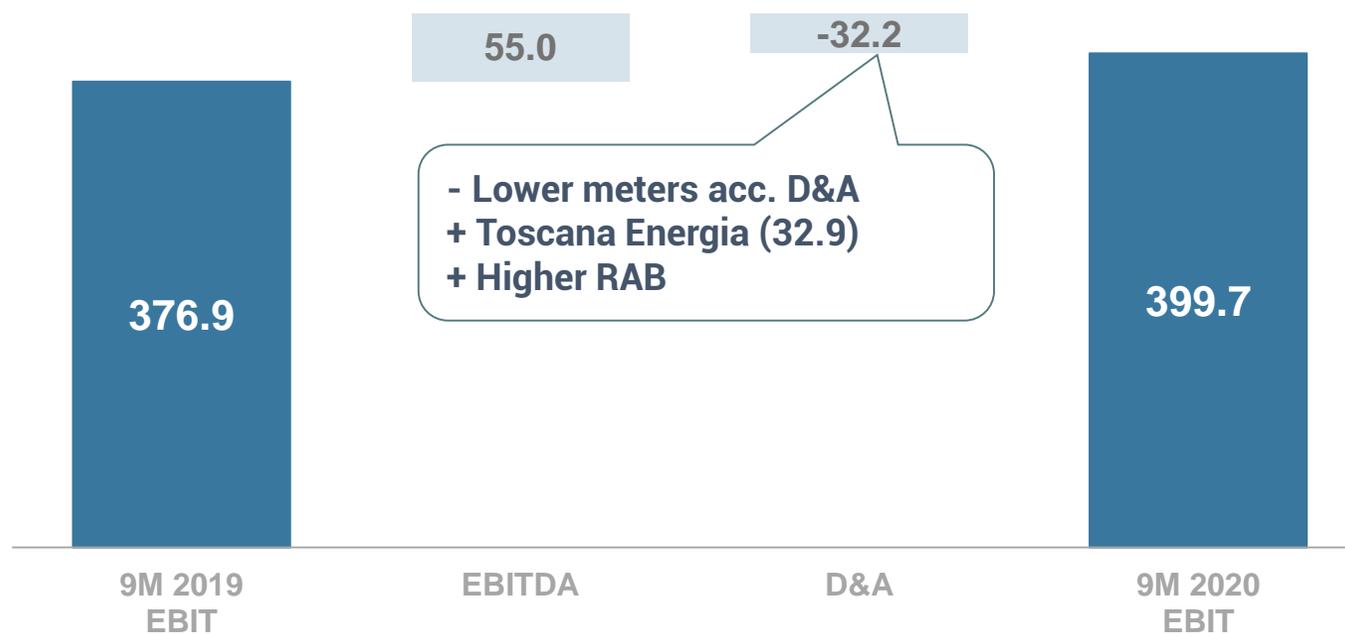
*Of which Toscana
Energia 25.4*

RESULTS

9M 2020

Ebit +6.0% vs 9M 2019

€mn



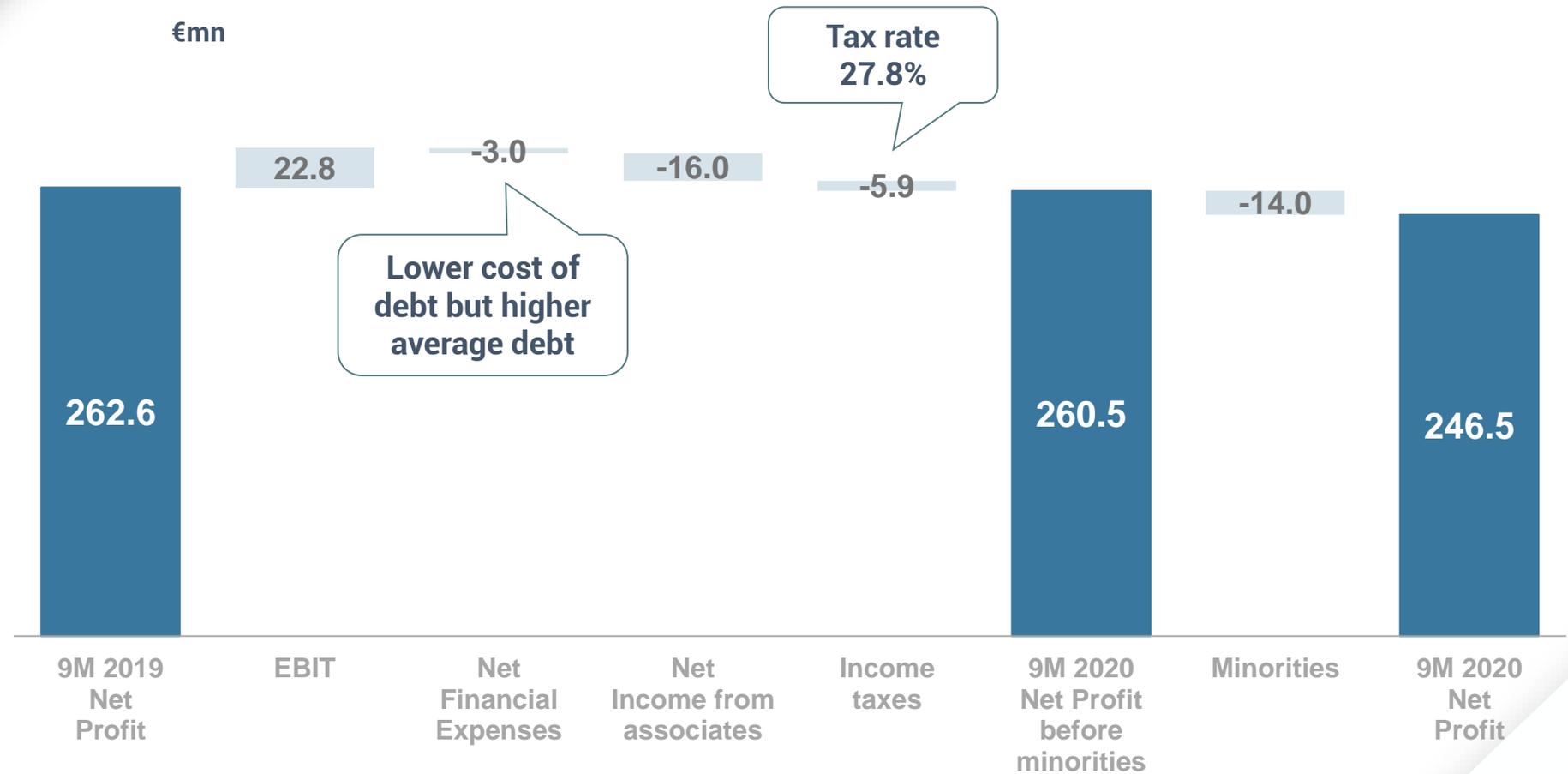
- Lower meters acc. D&A
+ Toscana Energia (32.9)
+ Higher RAB

Of which Toscana Energia 45.4

RESULTS

9M 2020

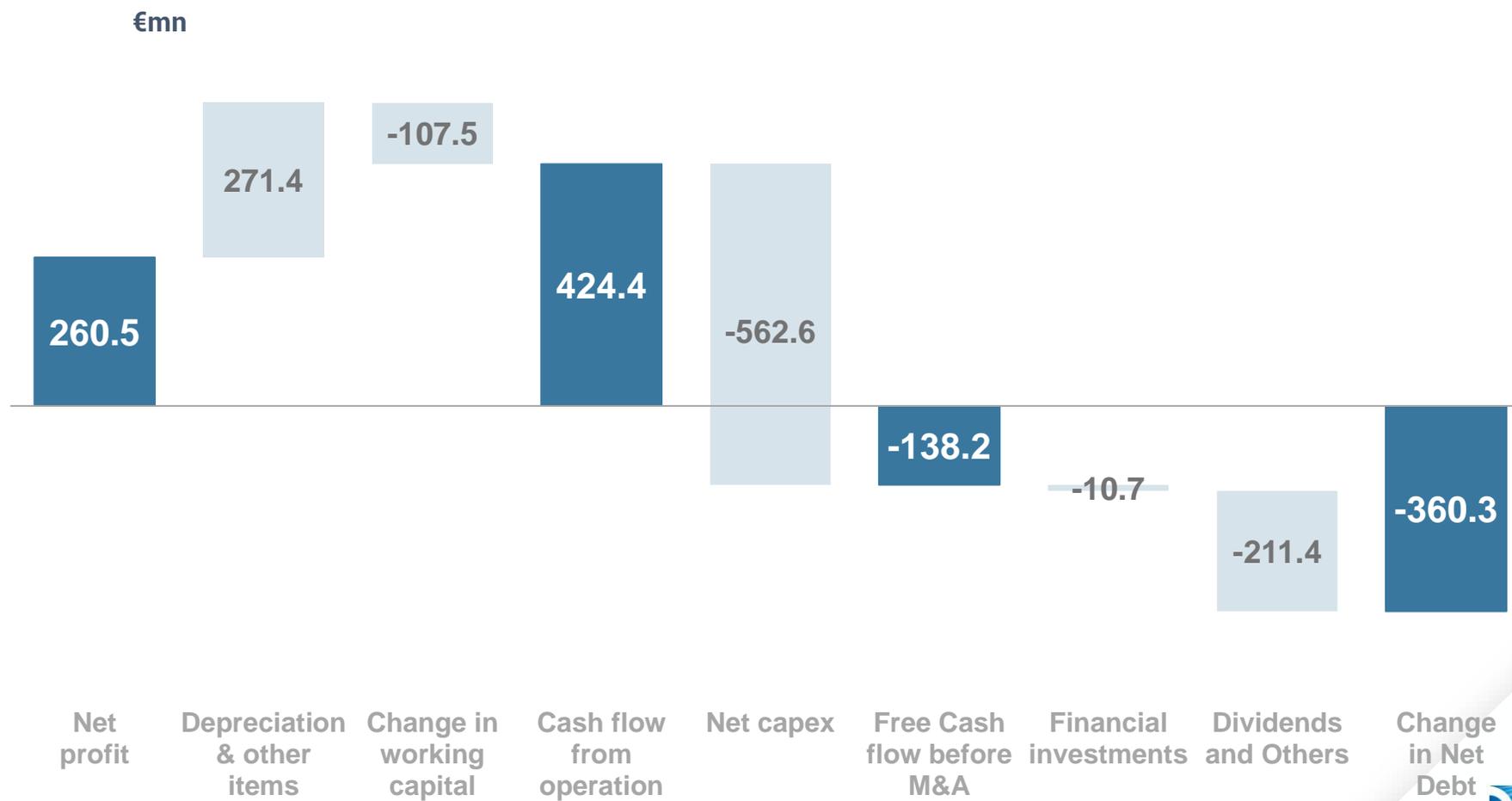
Net Profit after minorities -6.1% vs 9M 2019



RESULTS

9M 2020

Cash Flow



RESULTS

9M 2020

€mn	9M 2019	9M 2020	Change
Net invested capital	6,280.2	6,679.5	399.3
Fixed capital	6,335.0	6,597.4	262.4
Tangible fixed assets	350.0	356.8	6.8
Net intangible fixed assets	6,176.1	6,404.7	228.6
Net payables investments	- 225.0	- 198.2	26.8
Equity-accounted and other investments	33.9	34.1	0.2
Net working capital	56.3	189.2	132.9
Provisions for employee benefits	- 113.2	- 107.2	6.0
Assets held for sale and directly related liabilities	2.1	0.1	- 2.0
Net financial debt	4,410.6	4,770.9	360.3
Financial debt for operating leases (IFRS 16)	74.7	70.0	- 4.7
Shareholders' equity	1,794.9	1,838.6	43.7

APPENDIX

RESULTS

P&L quartely

€mn	1Q 2020	2Q 2020	3Q 2020	4Q 2020
Revenues	327.1	319.7	331.2	
Operating expenses	- 99.8	- 84.3	- 78.2	
EBITDA	227.3	235.4	253.0	
Depreciation & amortisation	- 104.4	- 105.5	- 106.1	
EBIT	122.9	129.9	146.9	
Net interest income (expenses)	- 13.4	- 13.0	- 13.8	
Net income from associates	0.9	0.1	0.2	
EBT	110.4	117.0	133.3	
Income taxes	- 29.9	- 34.7	- 35.6	
NET PROFIT before minorities	80.5	82.3	97.7	
NET PROFIT after minorities	74.9	78.5	93.1	

RESULTS

3Q 2020

€mn	3Q 2019 ▼	3Q 2020 ▼	Change ▼
Revenues	307.5	331.2	23.7
Operating expenses	- 80.7	- 78.2	2.5
EBITDA	226.8	253.0	26.2
Depreciation & amortisation	- 91.5	- 106.1	- 14.6
EBIT	135.3	146.9	11.6
Net interest income (expenses)	- 13.1	- 13.8	- 0.7
Net income from associates	5.4	0.2	- 5.2
EBT	127.6	133.3	5.7
Income taxes	- 31.2	- 35.6	- 4.4
NET PROFIT before minorities	96.4	97.7	1.3
NET PROFIT after minorities	96.4	93.1	- 3.3

RESULTS

2016 - 2019

€ mln	2016	2017	2018	2019	Delta 2019 vs 2016
	▼	▼	▼	▼	▼
Revenues	1,077.9	1,124.2	1,178.1	1,257.9	+16.7%
Operating Costs	(416.3)	(348.0)	(338.6)	(350.4)	-15.8%
EBITDA adjusted	684.4	781.2	842.0	907.5	+32.6%
EBIT adjusted	358.8	422.9	456.0	516.0	+43.8%

RESULTS

2016 - 2019

€ mn	2016	2017	2018	2019	Variazione 2019 vs 2016
Net Income (*)	221.1	296.4	315.5	345.2	+56.1%
Operating Cash Flow	498.5 (*)	549.4	718.7	697.2	+39.9%
Net debt(**)	3,617.4	3,720.3	3,814.3	4,410.6	+21.9%

(*) Adjusted

(**) Excluding financial charges ex IFRS 16 in 2018 and 2019

RESULTS

2016 - 2019

€ mln	2016	2017	2018	2019	Variazione 2019 vs 2016
Capex	378.0	521.9	522.7	740,0	+95.8%
RAB	€6.0bn	€6.1bn	€6.4bn	€7.4bn	+23.0%
Leverage (*)	59.0%	59.4%	58.7%	60.6%	
Total Dividends	161.8	168.3	189.3	207.1	+28.0%

(*) including IFRS 16, TFR in debt and work in progress in RAB

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