

Italgas has executed the acquisition of 19 concessions in Central and Southern Italy and Sardinia

The purchase, announced at the end of 2018, enables the acquisition of over 50,000 new users and confirms Italgas position as the leading operator on Sardinia island, thanks to an increasingly widespread presence now extended to the capital cities of Cagliari, Nuoro and Oristano

Milan, 30 April 2019 – Italgas today has executed the acquisition from Conscoop group of companies stakes and business going concerns including 19 concessions for gas distribution and over than 50,000 redelivery points concentrated in the Central-Southern regions of the country and in Sardinia.

The transaction, which was announced on 2018, 28 December, was finalized following the fulfilment of the conditions precedent set out in the agreement.

The agreement consists of the acquisition of:

- a business going concern from Aquamet S.p.A. including, among others, 9 concessions for the distribution of natural gas in some municipalities in Lazio, Campania, Basilicata and Calabria, for a total of approximately 23,800 users served;
- a 100% stake of the company Mediterranea S.r.l., owner of 6 concessions for the distribution of natural gas in the province of Salerno, with over 3,600 users served;
- a business going concern from Isgas Energit Multiutilities S.p.A. including, among others, the concessions for the distribution of gas in the Sardinian municipalities of Cagliari, Nuoro and Oristano, for a total of approximately 22,400 users currently served with LPG.

The total evaluation of these acquisitions (enterprise value) has been set at €68.6 million, with the price paid entirely in cash, net of debt.

In addition, within the same agreement, Italgas completed the acquisition of a 10% stake of the company Isgastrentatrè S.p.A., owner of the concession for the distribution of gas in Basin

33 of Sardinia, which is governed by the municipality of Quartu Sant'Elena (CA), with 600 already active redelivery points out of the 18,500 potential users currently served with LPG.

The agreement for the acquisition of Isgastrentatrè also provide for the commitment to take over the remaining 90% stake of the company when certain conditions are satisfied, including the conversion to natural gas of the network currently fuelled by LPG with the specification that, if the conditions are not met, Italgas is entitled to sell and Conscoop is obliged to purchase the 10% stake at the same price (equal to €300,000).

With the 19 new concessions taken over, for over 50,000 users, Italgas further consolidates its leadership in the sector and confirms its position as the leading operator in Sardinia, thanks to an increasingly widespread presence that now also includes the capital cities of Cagliari, Nuoro and Oristano.