

1Q 2024
Results

14.05.2024
Milan



2i Rete Gas exclusivity period granted

Exclusivity period granted to Italgas by 2i Rete Gas' shareholders for the acquisition of 100% of the share capital.

Strategic rationale

- ✓ Reinforcement of Italgas' position as leading distribution player in Europe at support of the energy transition
- ✓ Sharing of best-in-class digitization capabilities and know-how with multiple synergies opportunities

Financing:

Bridge credit facility, underwritten by J.P. Morgan.
Focus on preserving credit rating

Key Data¹

2023

Revenues adj	816.1	€mn
EBITDA adj	547.4	€mn
Net Income adj	182.1	€mn
Net Debt	3,255.3	€mn
Network length	71,939	km
Active Redelivery Points	4.86	mn

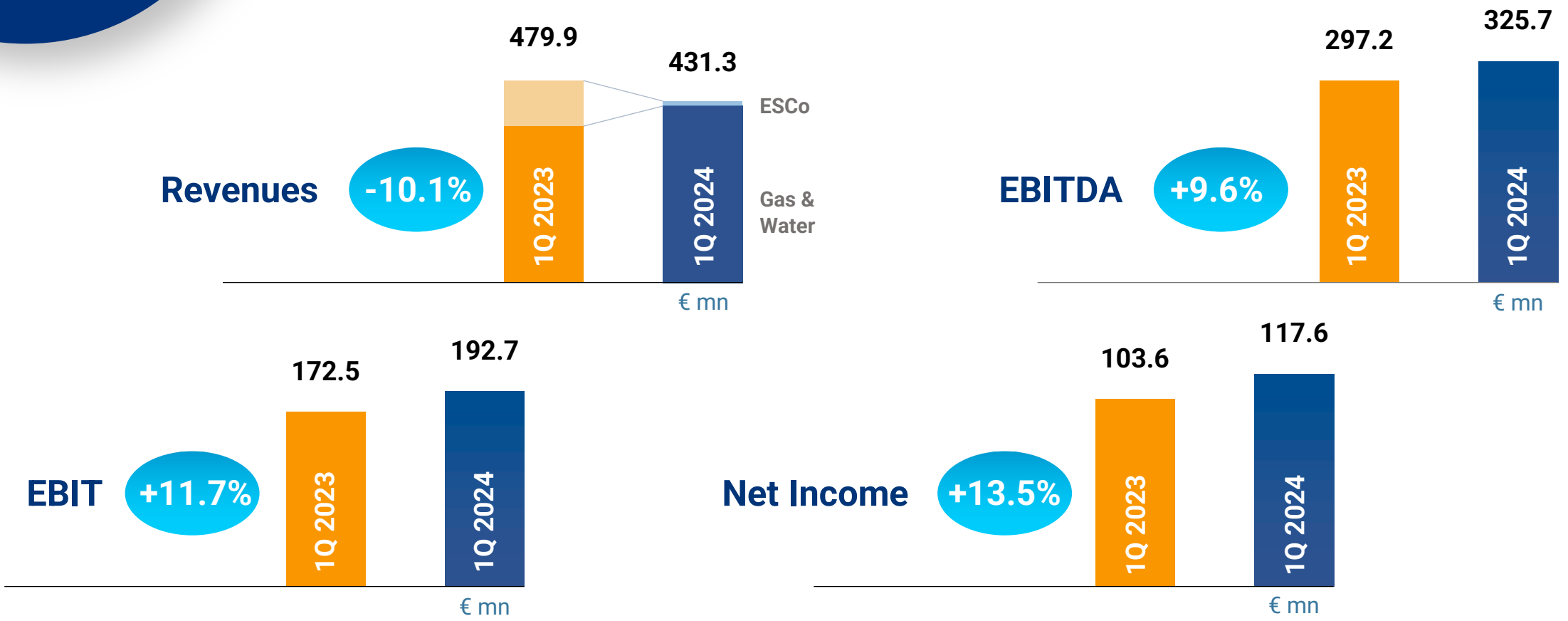
Note: (1) 2i Rete Gas Group from the Consolidated Annual Financial Report 2023



1Q 2024 Results

1Q 2024 Results key highlights

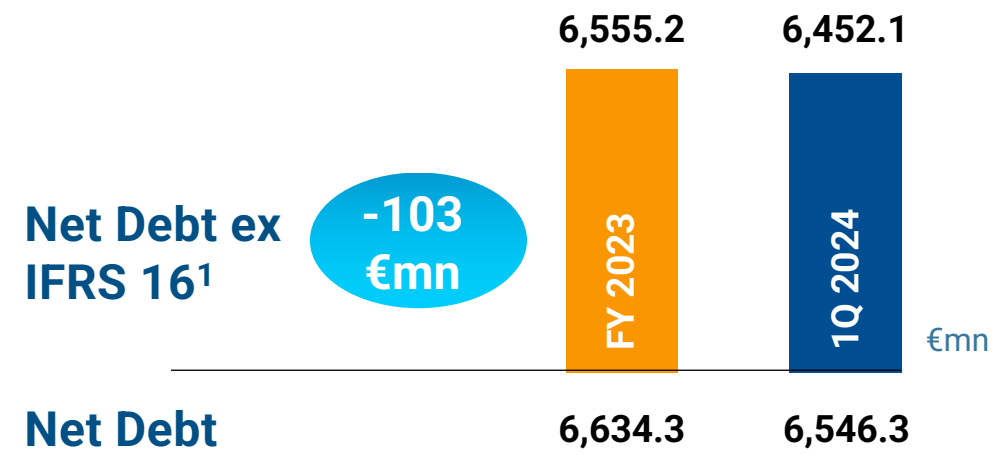
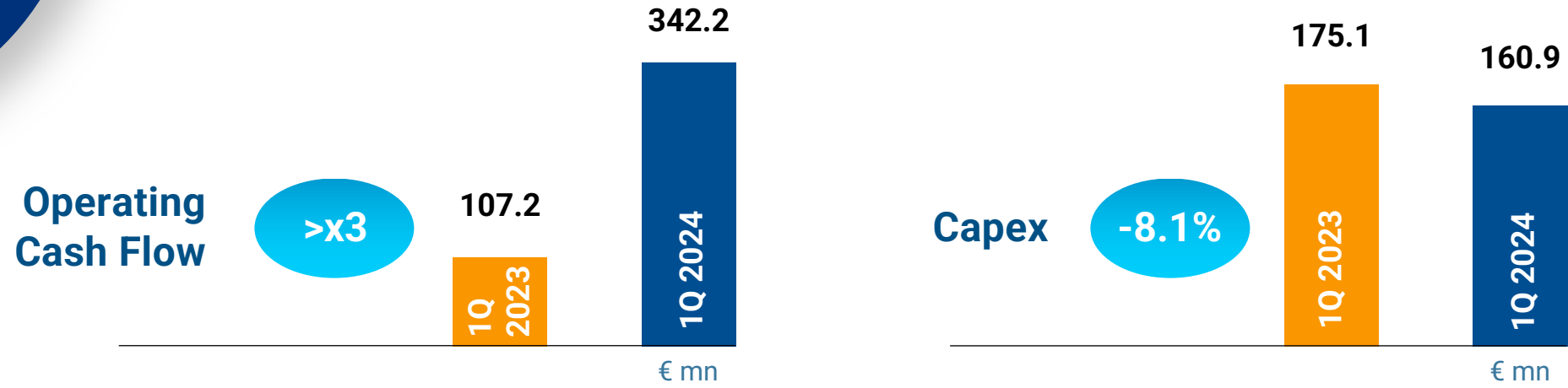
Double digit growth in EBIT and Net Income, reflecting solid contribution from distribution, with regulation recovering inflation and rates in Italy. End of Superbonus weighs on ESCo business. Positive impact of Resolution 173/2024 on 2024 tariffs yet to be incorporated.



Note: Acqua Campania and its subsidiaries fully consolidated starting from 30th January 2024

1Q 2024 Results key highlights

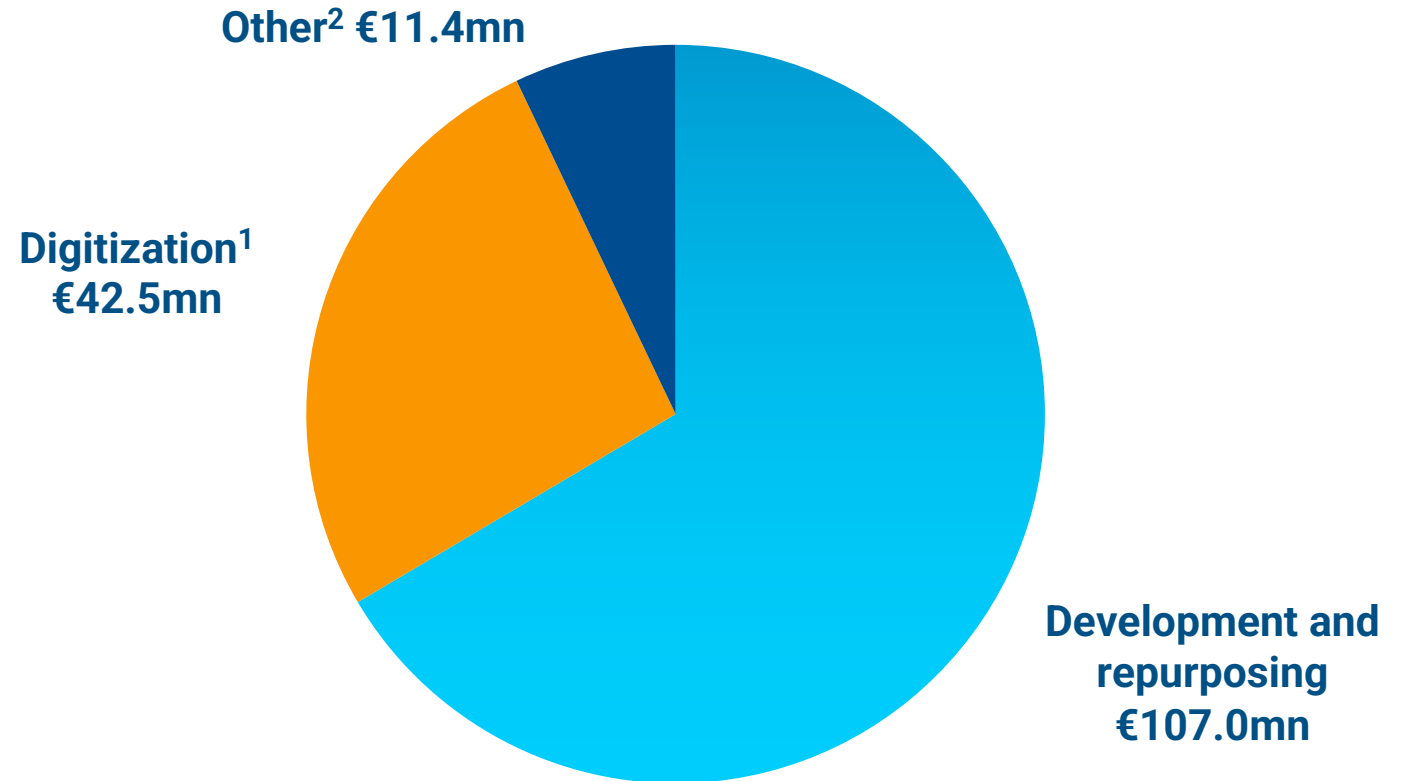
Cashflow improved materially versus 1Q 2023, which was impacted by VAT and Superbonus. Net Debt dropped as a result.



Note: (1) Operating leases ex IFRS 16 €79.1mn at the end of FY 2023 and €94.2mn as at 31st March 2024

**1Q 2024
Results
capex**

1Q 2024 €160.9mn, -8.1% vs 1Q 2023



Capex set to recover and accelerate during the year

175km of network pipes laid, of which 98km in Greece

Note: capex including IFRS 16; (1) includes metering (2) ICT, Real estate and IFRS16

GAS DISTRIBUTION SECTOR

WATER SECTOR

	OPERATING HIGHLIGHTS ¹ (TOTAL)	 o/w ITALY including affiliates	 o/w GREECE	 OPERATING HIGHLIGHTS including affiliates ²
Network length	83,161 km	75,142 km	8,019 km	~9,000 km
Active Redelivery Points / Clients³	8.02 mln	7.41 mln	0.61 mln	6.2 mln³
Municipalities	2,099⁴	1,954	145	

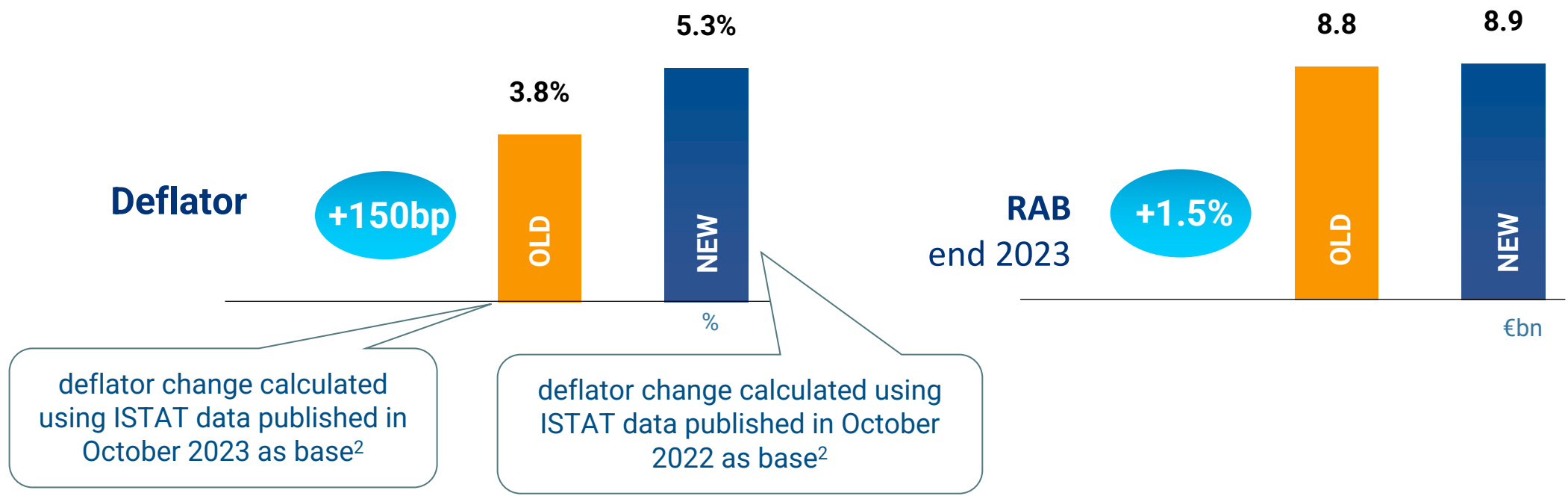
Note: (1) Natural gas distribution networks of the Belluno ATEM transferred to Italgas Reti on 1st February 2024; (2) Acqua Campania consolidated starting from 30th January 2024; (3) inhabitants served directly and indirectly; (4) of which 2,006 in operation

Regulatory development update

Resolution 173/2024 sets updated deflator assumptions for 2024 tariffs
 ARERA acknowledged the significance of the reviews of the deflator time series made by ISTAT

Deflator applied to calculate 2024¹ tariffs upgraded to 5.3% with equivalent positive impact on end 2023 RAB

Application of same approach in 2025 not ruled out, considering ISTAT plans to revise whole time series

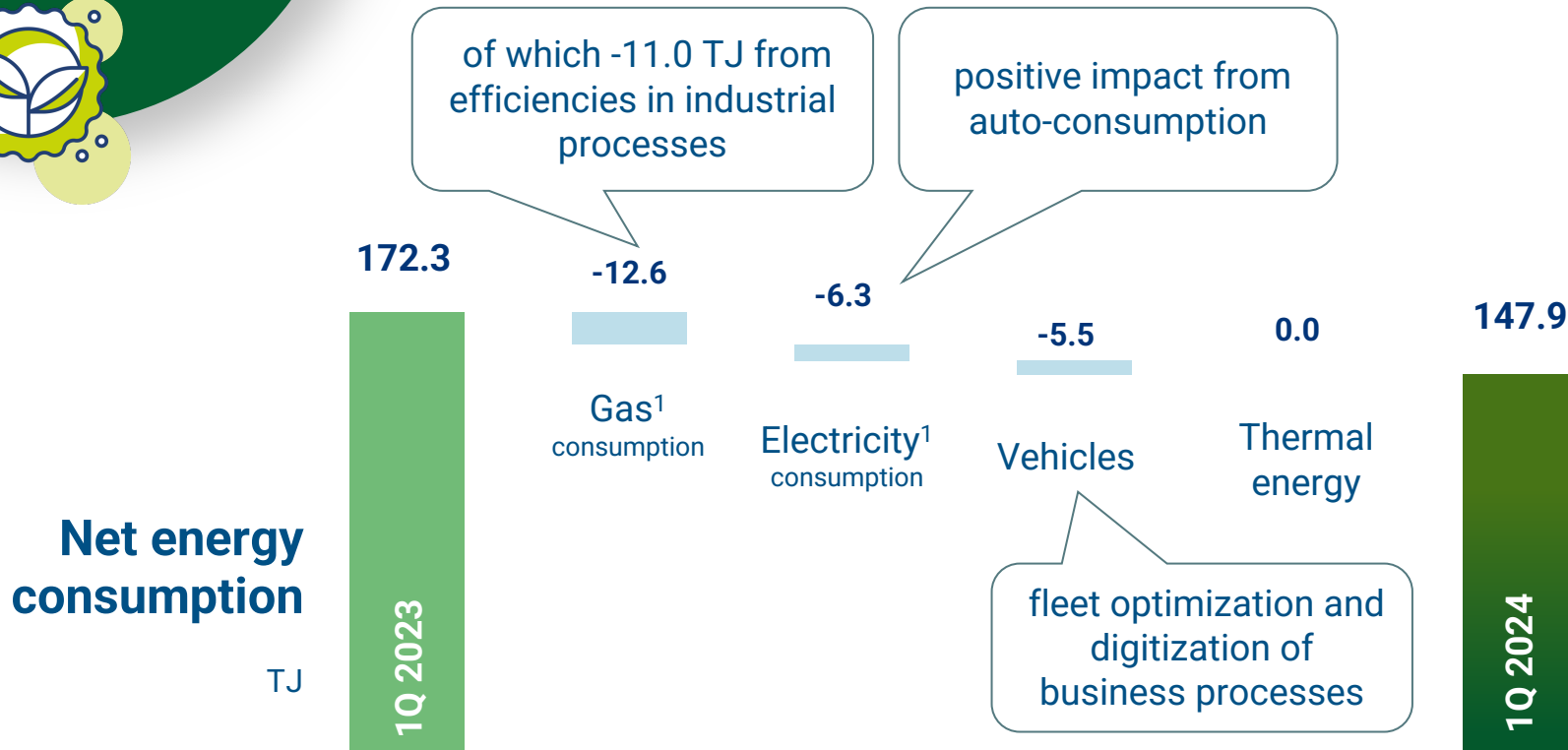


Note: (1) applied to RAB 2023; (2) comparison between II quarter 2021 – I quarter 2022 («base») and II quarter 2022 – I quarter 2023 («new period»)

1Q 2024
Results ESG
environment



Net energy consumption -14.2% vs 1Q 2023



Note: excluding Acqua Campania; (1) Civil and industrial consumption;

1Q 2024
Results ESG
environment

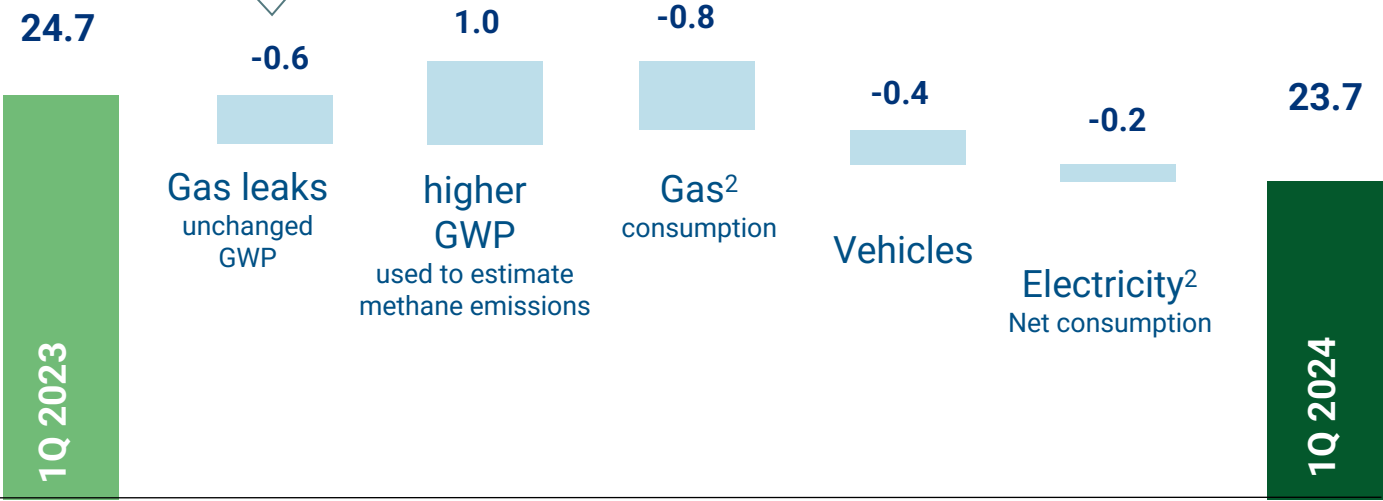


Scope 1 and 2 Emissions -4.0% vs 1Q 2023

30,902km¹ surveyed in 1Q 2024
(+16.2% vs 1Q 2023)

Scope 1 and 2
GHG emissions

10³ tCO₂ eq



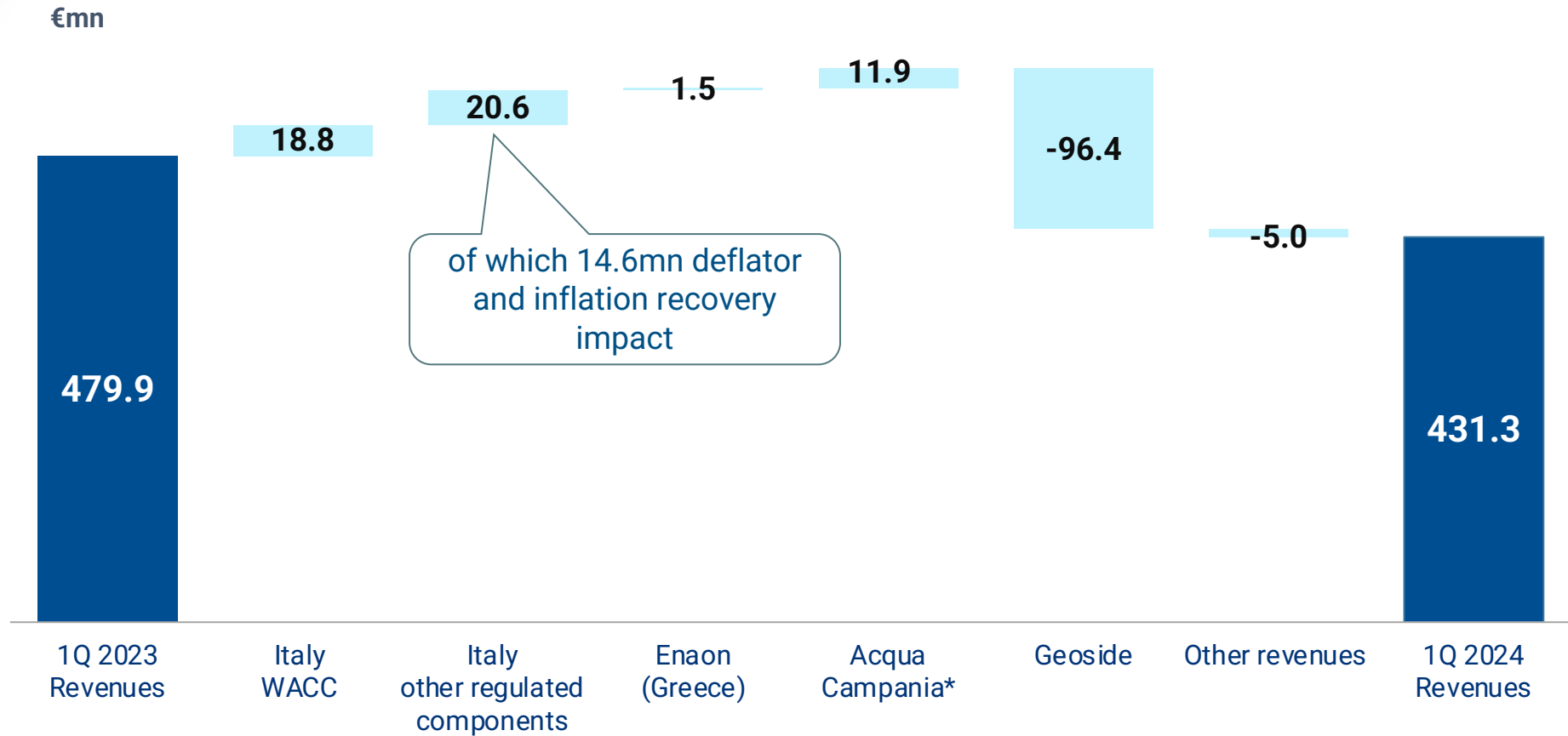
Gas leaks

Gas leaked/km surveyed



Note: excluding Acqua Campania; GWP Global Warming Potential; (1) Italy 27,993km and Greece 2,909km; (2) Civil and industrial consumption

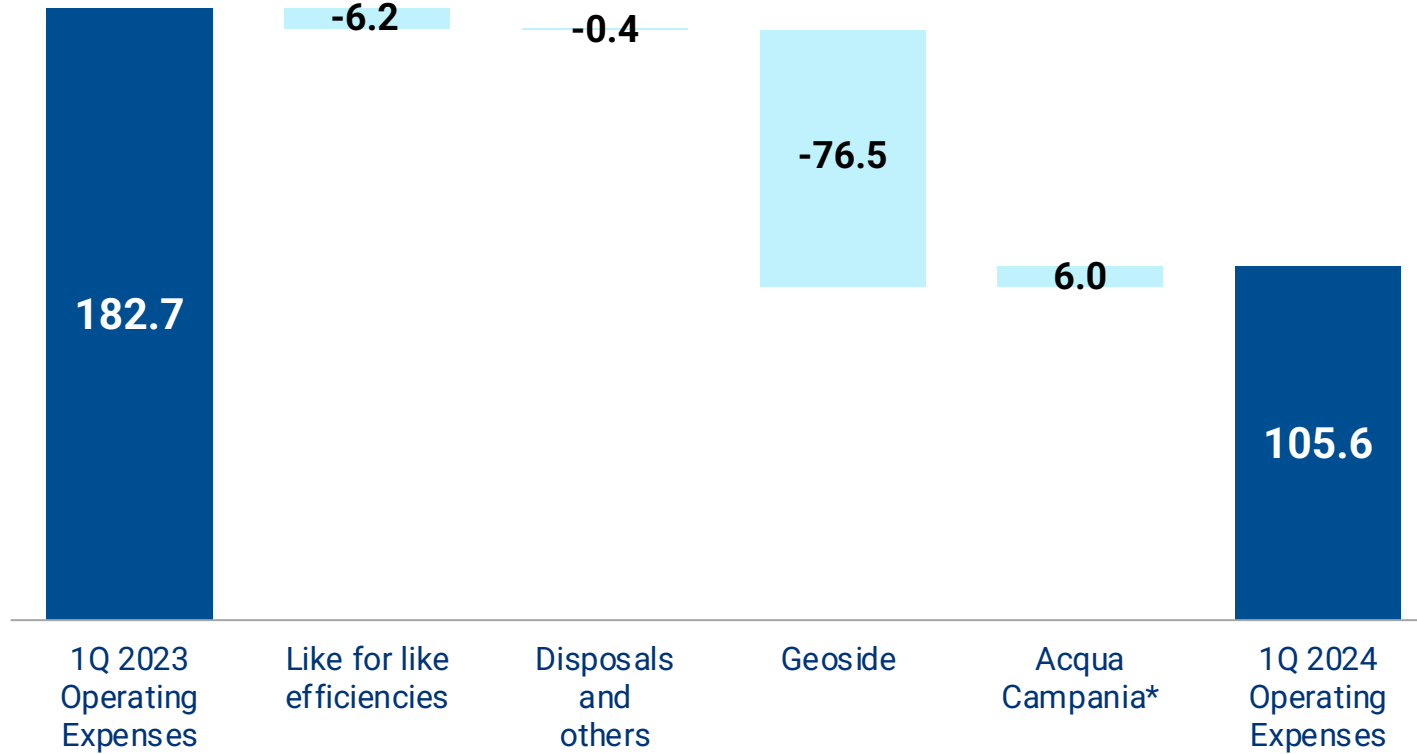
Total Revenues -10.1% vs 1Q 2023
 Regulated revenues from gas distribution +11.2% vs 1Q 2023



Note: (*) Acqua Campania consolidated starting from 30th January 2024;

Operating expenses -42.2% vs 1Q 2023

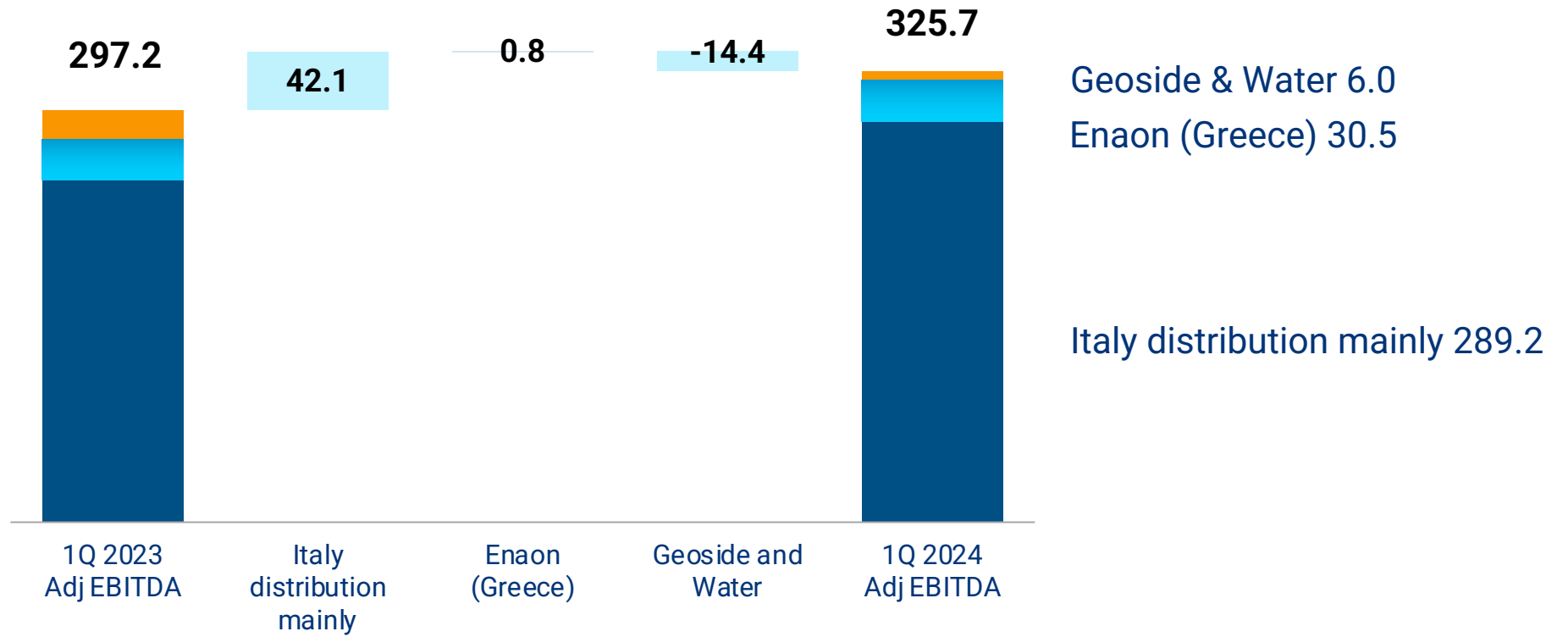
€mn



Note: (*) Acqua Campania consolidated starting from 30th January 2024;

EBITDA +9.6% vs 1Q 2023

€mn



Note: Acqua Campania consolidated starting from 30th January 2024;

Ebit +11.7% vs 1Q 2023

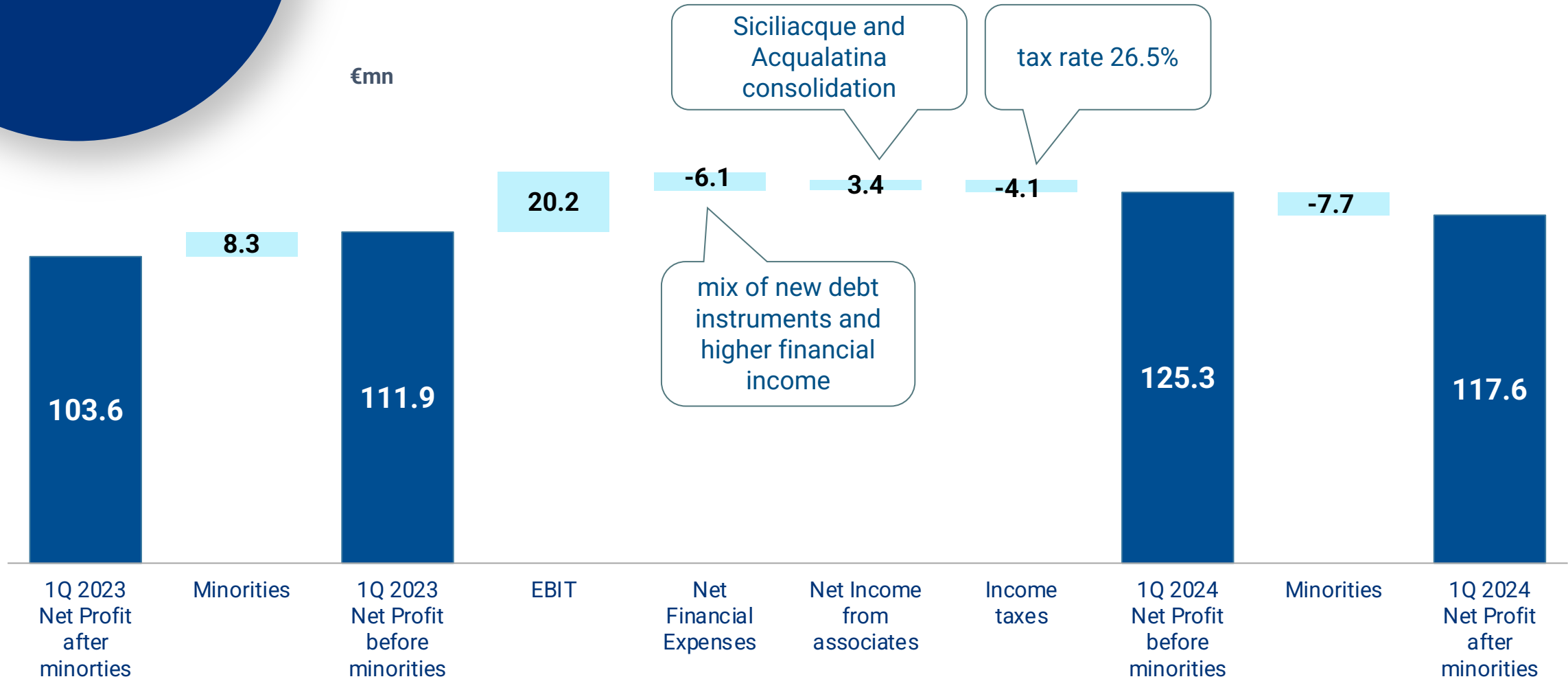
€mn



Note: (*) Acqua Campania consolidated starting from 30th January 2024;

Net Profit¹ +13.5% vs 1Q 2023

€mn



Note: Acqua Campania consolidated starting from 30th January 2024; (1) after minorities

	1Q 2023	1Q 2024	Change	
<i>P&L, € mln</i>				
Total Revenues	479.9	431.3	- 48.6	
Operating expenses	- 182.7	- 105.6	77.1	
EBITDA	297.2	325.7	28.5	↑ + 9.6%
Depreciation & amortisation	- 124.7	- 133.0	- 8.3	
EBIT	172.5	192.7	20.2	↑ + 11.7%
Net interest income (expenses)	- 19.9	- 26.0	- 6.1	
Net income from associates*	0.4	3.8	3.4	
EBT	153.0	170.5	17.5	
Income taxes	- 41.1	- 45.2	- 4.1	
NET PROFIT before minorities	111.9	125.3	13.4	
Minorities	- 8.3	- 7.7	0.6	
NET PROFIT after minorities	103.6	117.6	14.0	↑ + 13.5%

1Q 2024 Results focus on water

1Q 2024

1Q 2024
pro quota

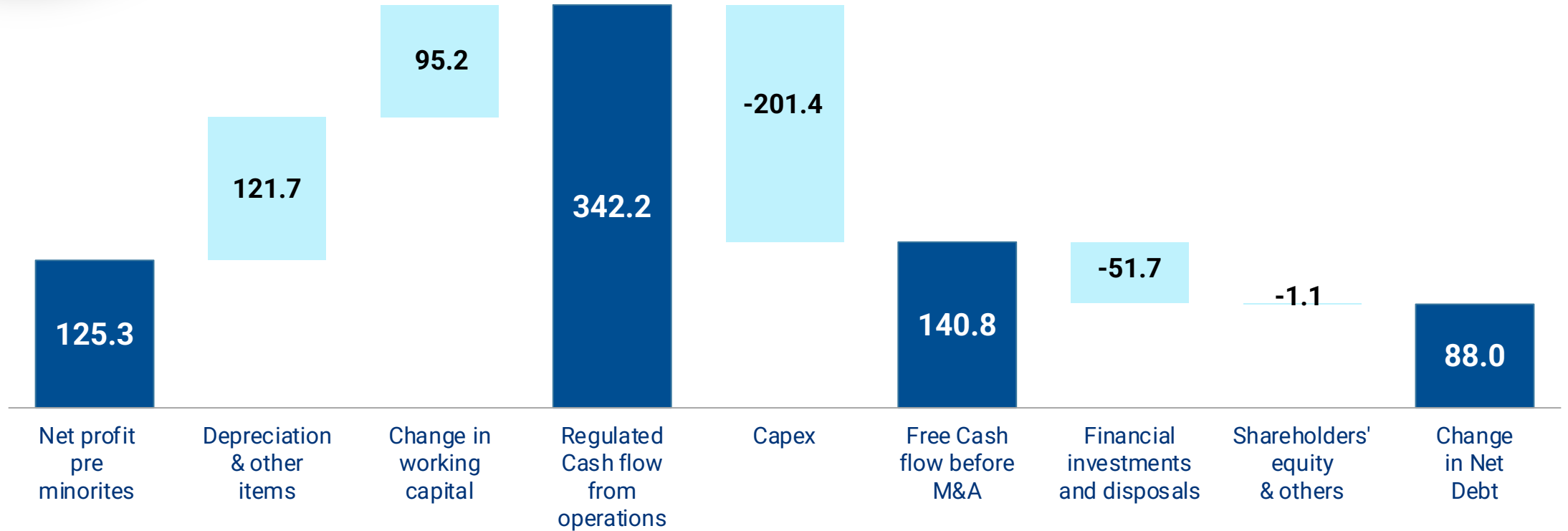
WATER P&L, € mln

	1Q 2024	1Q 2024 pro quota
Total Revenues	14.2	41.1
Operating expenses	- 8.6	- 27.6
EBITDA	5.6	13.5
Depreciation & amortisation	- 4.6	- 7.6
EBIT	1.0	5.9
Net income from associates	3.7	
NET PROFIT after minoritie~	3.4	3.4

Acqualatina e
Siciliacque
pro-quota

Distribution Operational Cash Flow recovered significantly

€mn



1Q 2024 Financial Structure

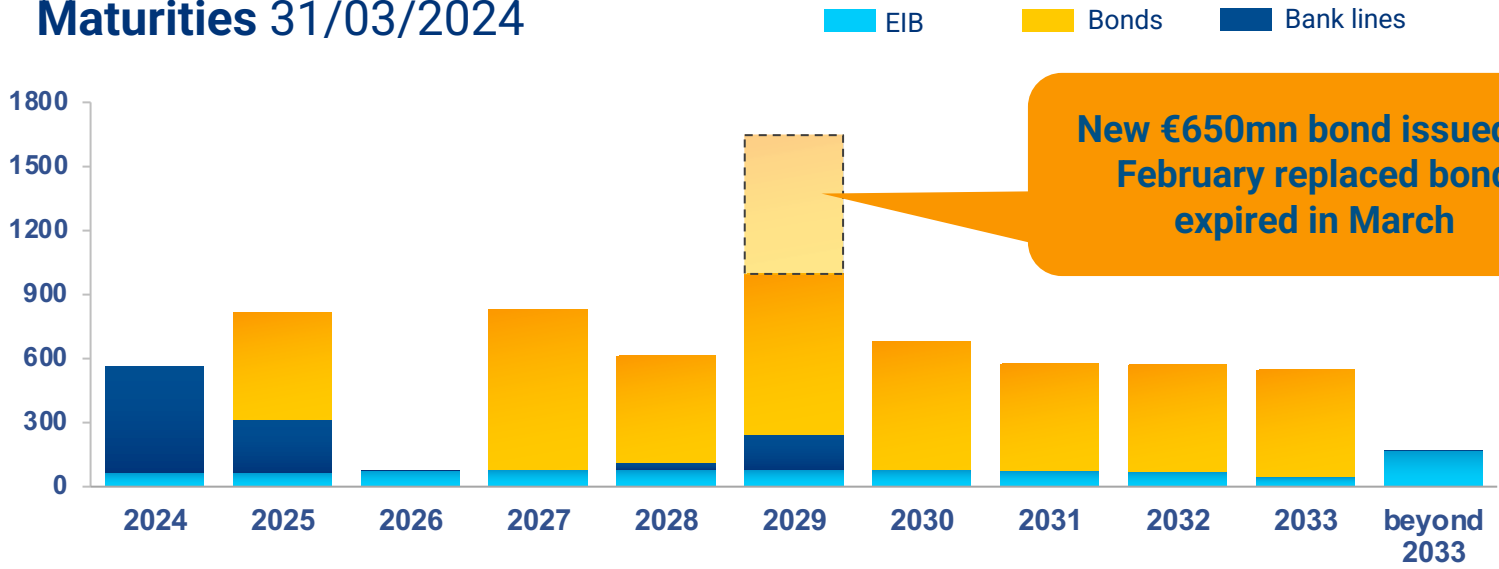
Sound financial structure, with high exposure to fixed rates

1Q new €650mn bond and new sustainability linked RCF (€600mn)

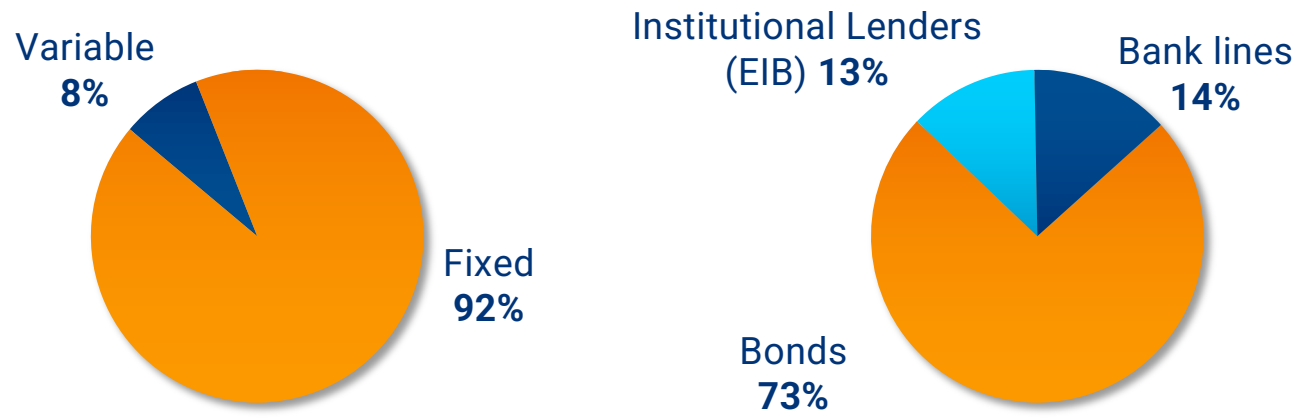
Average cost of debt ~1.4% in 1Q 2024

Net Debt €6.5bn with IFRS 16

Maturities 31/03/2024



Gross Debt Structure¹ 31/03/2024



Note: (1) ex IFRS16;



Q&A

	1Q 2023	1Q 2024	Change
REVENUES, € mln			
Regulated revenues Italy distribution	319.5	358.1	38.6
Distribution	300.5	338.8	38.3
Tariff contribution for meters replacement	-	0.7	0.7
Other distribution revenues	19.0	18.7	-0.3
Enaon (Greece)	44.0	45.5	1.5
Other revenues	116.4	27.7	- 88.7
TOTAL REVENUES	479.9	431.3	- 48.6

Note: Acqua Campania consolidated starting from 30th January 2024;

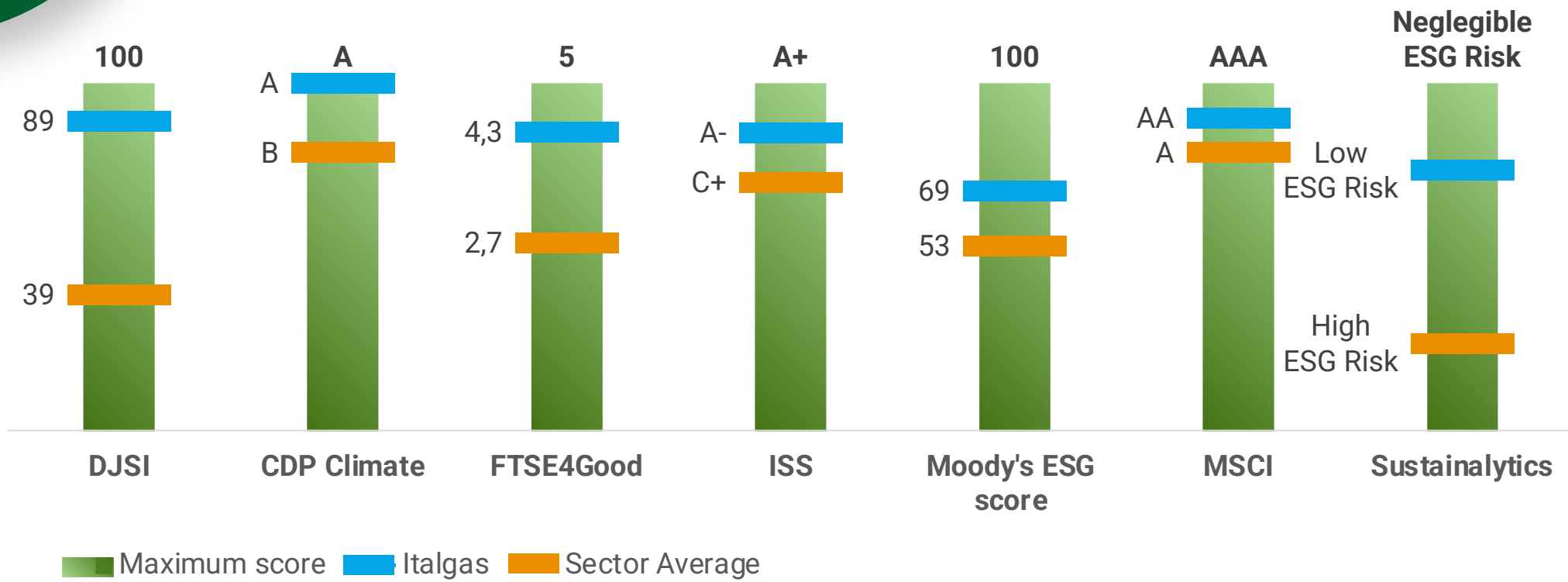
	1Q 2023	1Q 2024	Change
OPERATING EXPENSES, € mln			
Distribution fixed costs Italy+Greece	72.3	64.6	- 7.7
Net labour cost	43.7	38.5	- 5.2
Net external cost	28.7	26.1	- 2.6
Other activities	90.9	19.7	- 71.2
Net labour cost	1.8	3.2	1.4
Net external cost	89.1	16.5	- 72.6
Other costs	1.1	1.6	0.5
Tee	1.6	1.7	0.1
Concessions fees	16.7	18.0	1.3
OPERATING EXPENSES	182.7	105.6	- 77.1

1Q 2024 Results Balance sheet

	31/12/23	31/03/24	Change
Net invested capital	9,235.0	9,277.3	42.3
Fixed capital	8,421.4	8,611.1	189.7
Tangible fixed assets	386.0	400.4	14.4
Net intangible fixed assets	8,250.3	8,324.2	73.9
Net payables investments	- 370.5	- 311.7	58.8
Equity-accounted and other investments	155.6	198.2	42.6
Net working capital	872.3	722.8	- 149.5
Provisions for employee benefits	- 65.3	- 63.9	1.4
Assets held for sale and directly related liabilities	6.6	7.3	0.7
Net financial debt	6,634.3	6,546.3	- 88.0
Financial debt for operating leases (IFRS 16)	79.1	94.2	15.1
Net financial debt ex operating leases	6,555.2	6,452.1	- 103.1
Shareholders' equity	2,600.7	2,731.0	130.3

Note: Acqua Campania consolidated starting from 30th January 2024;

Sustainability performance



Note: based on most recent published rating

Vision

To be a leading figure in the world of energy, driving its sustainable evolution and innovating each day to improve people's quality of life.

Purpose

Pioneers by passion and builders by calling, we bring all our energy to accelerate the ecological transition. We do it for us. We do it for everyone

Mission

We have guaranteed efficient, safe and excellent energy services to the community for over 180 years. We favour the energy transition, creating the networks of the future and promoting innovative, sustainable solutions. We take care of local communities. We fuel positive, productive relationships with all of our stakeholders: individuals, companies, suppliers and shareholders. We enter new markets where we can apply our distinctive expertise. We promote the growth of individuals and develop talent, creating inclusive, stimulating work environments

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