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Regolamentata

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Diffusione presunta

Oggetto : The Board of Directors approves the 2014
results

Testo del comunicato

Vedi allegato.



Gas Plus: the Board of Directors approves the draft financial statements of Gas Plus SpA and the consolidated financial statements as at December 31st, 2014

Gas Plus Group enhanced its financial structure during 2014, improved the conditions and the term of the financing at the services of the E&P development projects and started the initiatives to overcome the mature field production decrease and to get back to a growth trend.

Net Result positively influenced by the “Robin Tax” cancellation

Proposed a dividend of Euro 0.10 per share

Call of the ordinary shareholders’ meeting on May 11th, 2015 to approve the FY 2014 financial statement and to renew corporate bodies

- **Total Revenues: € 151.1 M vs € 177.9 M in 2013**
- **EBITDA: € 36.7 M vs € 57.7 M in 2013**
- **EBIT: € 13.3 M vs € 32.6 M in 2013**
- **EBT: € 2.6 M vs € 20.8 M in 2013**
- **Net Result: € 16.9 M vs € 11.6 M in 2013**
- **Net Financial Position: € 71.2 M vs € 98.6 M as at December 31st. 2013**

Milano, March 30th, 2015 - The Board of Directors of Gas Plus SpA, a company listed on the Italian Stock Exchange, approved today the draft separate financial statements and the consolidated financial statements as at 31 December 2014.

The 2014 economic trend was influenced by the difficult market context in which the Group operated.

The EBITDA decrease is mainly caused by the lower prices (at the minimum level in the last four years), by the stagnant demand, further depressed by the temperate climate conditions and by the lower gas produced by the E&P division for the lasting lack of contribution of a concession not operated by the Group and for the extended time schedule of the new projects authorization iter.

Net Result amounting to € 16.9 M recorded a significant increase over the previous year, mainly as a result of the unconstitutionality verdict of the Constitutional Court of the so called “Robin



Tax". The Group has so adjusted deferred taxes, with a positive extra ordinary and no-recurring effect of about € 15.8 M.

FY 2014 has in the end confirmed the strong improvement of Net Financial Position (NFP), amounting to € 71.2 M at December 31st, 2014 (€ 98.6 at December 31st, 2013), with a further reduction of about € 27.4 M, thanks to the operating cash flows and the actions to contain the working capital, together with the postponement of some investments.

At the end of the year end the Group realized a financial structure optimization transaction that has brought the extension of the duration of the residual part of the acquisition financing (€ 51.6 M), with an important cost reduction, and to the subscription of a new financing (€ 64 M capex line) to sustain the new E&P projects.

The CEO Davide Usberti has declared: *"Notwithstanding the positive evolution of the national regulatory framework in theme of energy and of the procedures to realize new production projects, in Emilia Romagna there has not been a real restart of the final authorization phases for important Group projects. We have in the meantime got the chance, given by the particular financial market situation and our reputation, to obtain the resources for the E&P development projects, balanced between Italian and international projects."*

FY 2014 CONSOLIDATED ECONOMIC AND FINANCIAL DATA

2014 **Total Revenues** amounted to € 151.1 M vs. € 177.9 M of 2013. This revenue reduction is due to, in relation to natural gas, the lower traded volumes and a less favorable price scenario vs. previous year and, in relation to oil, mainly the remarkable price effect.

EBITDA, amounting to € 36.7 M vs. € 57.7 M of 2013, has recorded a strong reduction. This trend has been caused mainly by the lower E&P performances (€ 27.7 M in 2014 vs. € 44.1 M in 2013) and by the Commercial Gas Assets (€ 2.7 M in 2014 vs € 7.6 M in 2013). The Network and Transportation contribution (€ 6.9 M nel 2014 vs. € 6.6 M in 2013) recorded instead a slight growth.

EBIT amounted to € 13.3 M vs. € 32.6 M in 2013, **Operating Result** was equal to 13.7 M vs. 32.7 M in 2013 while **EBT** amounted to € 2.6 M vs. € 20.8 M in 2013.

As a result of the unconstitutionality verdict of the Constitutional Court of the so called "Robin Tax", the Group adjusted the deferred taxes, recording a positive, extraordinary and no-



recurring effect of € 15.8 M. This effect brought the Group to record a FY 2014 Net Result amounting to € 16.9 M vs. € 11.6 M in 2013.

The **Net Financial Position**, thanks to the operating cash flows, the positive effect on the working capital of the commercial portfolio policies, the benefits of the securitization contract and the lack of investments, recorded a remarkable improvement vs. previous year (€ 71.2 M at December 31st, 2014 vs € 98.6 M at December 31st, 2013).

BUSINESS UNITS TREND

With reference to the **Business Units** we highlight:

B.U. E&P: as of 31st December 2014 the gross hydrocarbon production was lower than 2013 (-21,0%). The decrease is mainly caused by the mature fields' natural depletion and by the temporary production decline of some production sites. These factors have been neither compensated by new gas-in, due to delays in the authorization procedures, nor by the contribution (higher than the 10% of the total gross hydrocarbon production) from Garaguso concession, not operated by the Group, due to the persisting interruption of the production facility. To this regard, and in relation to the claims made by the Group, the Board of Arbitrators took office in July and the operator of the concession and the facility's owner signed an agreement last October in relation to the revamping works execution.

With respect to 31st December 2013, the EBITDA has registered a decrease equal to -37,2% not only as effect of the lower hydrocarbon production but also due to an hydrocarbon prices scenario, with a significant decrease mainly in the second half of 2014, on lower levels with respect to 2013. The above mentioned factors have been partially balanced by a constant monitoring and control of the operating costs.

In this context, the development activities have been mainly focused on the optimization of the producing fields, on the completion of the engineering activities and on future projects developments production tests.

Finally, geological and geophysical studies have been carried out on the main reservoirs of the Group in order to identify potential actions which would allow the restart of minor currently not producing fields and an improvement of the current production level. To this regard, during 2014



compression testing, which could lead to an increase in production of some producing fields, were carried out.

With regard to the International E&P activities in Romania, the analysis of the 3D seismic data related to Midia Shallow & Pelican and Midia Deep concessions were continued with the aim to define the 2015 work programme.

The preliminary studies on the 3D seismic over Midia Deep concession have already allowed the identification of two prospects. On one of those, during the last quarter of 2014, it has been carried out a site survey on the seabed. The interest related to the exploration potential of the area has been once again confirmed by the activities carried out by ExxonMobil and OMV-Petrom in the adjacent concession (Neptune Deep) where, during 2014, it has been drilled an appraisal well on Domino discovery, made in 2012, and an exploration well on one prospect adjacent to Midia Deep.

Commercial Gas Assets (composed by **B.U. Supply & Sales** and **Retail**): in 2014, commercial gas assets have registered a reduction in marginality with respect to 2013 (from € 7,6 M to € 2,7 M). The reasons of the reduction are due both to the decrease of the volumes sold, as effect of the decreasing natural gas demand following the exceptionally warm winter, registered also in 4Q 2014, and to the introduction of the new gas prices regime linked to the "TTF" Dutch market from the 4Q 2013.

In particular, the B.U. Retail, despite a decrease of the volumes sold, has maintained good performances (from € 5,4 Mln to € 4,4 Mln) as a result of an increased unitary marginality, while the B.U. Supply & Sales, much more affected by the new gas prices regime, has registered a decrease in marginality notwithstanding the increase in volumes sold to third customers (from € 2,2 Mln to - € 1,7 Mln).

B.U. N&T: as at 31st December 2014, notwithstanding a decrease in the "Vincolo dei ricavi" due to the introduction of the new tariff regulation regime, the *B.U.* has confirmed the 2013 performances with a positive contribution to the Group results, reporting an EBITDA equal to € 6,9 M (+4,5% with respect to 2013).

In relation to the tenders connected to the new regulatory framework, the B.U. continued its review of the current concessions as well as the evaluation of further development opportunities through the participation to the tenders.



B.U. Storage: the authorizations procedures for the San Benedetto, Poggiofiorito and Sinarca projects are still on-going. In particular, following the issuance of the environmental compatibility assessment (EIA), at the end of the first semester, related to Poggiofiorito and San Benedetto projects through the ministerial decrees n° 165 and 166 of the Ministro dell’Ambiente e della Tutela del Territorio e del Mare, in consultation with the Ministro dei Beni e delle Attività Culturali e del Turismo, all the three projects have now completed the EIA phase. As regards the appeals made by different entities against the above mentioned EIAs issuance, the Group will surely present itself before the court considering also potential actions for damages.

OUTLOOK 2015

In 2015 the Group results will be characterized, in absence of eventual negative outcomes of the exploration activity of the B.U. E&P, by a substantial economic breakeven or, in case of negative outcomes of such activities, by a contained loss.

Indeed, the activity of the main B.U. (E&P) will continue to be affected by the gas commodity prices reduction and by the decrease in the hydrocarbon production levels also for the persisting interruption of the production in a concession not operated by the Group, during most part of 2015, and for the missing contribution of new gas-in, whose projects are under completion or influenced by the suspension of the authorization procedures in the Emilia Romagna region.

During 2016, instead, the first production improvements should provide their effects thanks to the new gas-in or to the strengthening of the other existing fields.

With regard to the regulated activities and the retail sales it is foreseen that, in overall, they will continue to register a positive trend.

On the other side, the wholesale activity will continue to be affected by the critical factors already reported in the first part of the year. It is also foreseen, within the technical timing required, a review of the business model and perimeter of the Group on the commodity.

PROPOSAL FOR DISTRIBUTION OF DIVIDENDS

The Board of Directors also resolved to propose the shareholders’ meeting called on May 11th, 2015 the payment of a dividend of Eur 0.10 per share, with payment date on May 27th, 2015, ex-dividend date on May 25th, 2015 and record date on May 26th, 2015.



CALL OF THE ORDINARY SHAREHOLDERS' MEETING ON MAY 11th, 2015

The Board of Directors has called the ordinary shareholders' meeting on May 11th, 2015 h.8.30 (single call) to resolve upon the approval of the 2014 financial statements, the destination of the Net Result, the appointment of the auditing firm of and the renewal of corporate bodies.

The Notice of the meeting will be published pursuant to the applicable law.

The Board of Directors also approved the Annual Corporate Governance Report. A copy of the report will be made available to the public in compliance with applicable law

The manager responsible for preparing the company's financial reports, Dr. Germano Rossi, declares, pursuant to paragraph 2-bis of Article 154 of the Consolidated Law on Finance, that the accounting information contained in this press release corresponds to the document results, books and accounting records.

Finally, the Annual Financial Report (pursuant to article 154-ter of the Consolidated Law on Finance) will be made available to the public at the Company registered office, on the Company web site www.gasplus.it (Investor Relations section) and on the storage mechanism NIS-Storage in compliance with the applicable law.

On March 31st, 2015 at h. 15.30 (CET), Gas Plus will host the conference call for analysts/investors on FY 2014 financial results.

Davide Usberti – Chief Executive Officer

Cinzia Triunfo – General Manager

Germano Rossi – Chief Financial Officer

To connect the conference-call:

ITALY: +39 02 8020911



UK: +44 1 212818004

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Gas Plus is the fourth largest producer of natural gas (as estimated by the Authority for Electricity and Gas) after Eni, Edison and Shell Italy E&P. It is active in the main sectors of the industry of natural gas, particularly in the exploration, production, purchase, distribution and sale to wholesale and final customers. At 31 December 2014 the Group has 49 exploitation concessions located throughout the Italian territory, wholesale markets about 350 million cubic meter of natural gas in 2014, manages a total of approximately 1,500 kilometers of distribution network located in 37 municipalities, serves a total of more than 75,000 end users, with a staff of 207 employees.

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CONSOLIDATED BALANCE SHEET

Amounts in thousands of Euro	31/12/2014	31/12/2013
ASSETS		
Non-current assets		
Property, plant and equipment	104.170	112.427
Goodwill	750	750
Concessions and other intangible assets	361.636	368.097
Investments in associated companies	-	-
Other non-current assets	4.477	4.456
Deferred tax assets	25.948	30.232
Total non-current assets	496.981	515.962
Current assets		
Inventory	19.283	22.097
Trade receivables	34.535	39.090
Income tax receivables	3.521	1.555
Other receivables	14.871	15.943
Receivables from associated companies	41	23
Receivables from parent company	193	193
Financial assets	5.339	2.857
Cash and cash equivalents	6.386	3.527
Total current assets	84.169	85.285
TOTAL ASSETS	581.150	601.247
SHAREHOLDER'S EQUITY		
Share capital	23.353	23.353
Reserves	179.623	171.832
Other equity components	931	1.822
Net result for the period	16.886	11.594
Equity attributable to equity holders of the parent	220.793	208.601
Minority interests	446	426
TOTAL SHAREHOLDER'S EQUITY	221.239	209.027
LIABILITIES		
Non-current liabilities		
Long-term borrowings	46.286	55.869
Termination indemnity	4.866	4.260
Deferred tax liabilities	103.501	126.337
Liabilities for acquisition of business	27.757	27.559
Other non-current liabilities	3.150	3.231
Provisions	113.777	109.942
Total non-current liabilities	299.337	327.198
Current liabilities		



Trade payables	35.545	28.138
Payables to associated companies	-	9
Short-term borrowings	8.715	21.525
Liabilities for acquisition of business	121	-
Other current liabilities	16.113	14.699
Income tax payables	80	651
Total current liabilities	60.574	65.022
TOTAL LIABILITIES	359.911	392.220
TOTALE SHAREHOLDER'S EQUITY AND LIABILITIES	581.150	601.247



CONSOLIDATED PROFIT & LOSS STATEMENT

Amounts in thousands of Euro	31/12/2014	31/12/2013
Revenues	145.132	173.279
Other revenues	6.007	4.582
Total revenues	151.139	177.861
Raw materials and consumables costs	(59.930)	(60.031)
Services and other costs	(42.147)	(47.943)
Personnel costs	(12.316)	(12.199)
Other income (charges)	366	111
Share of result of associated companies	-	-
Depreciation and devaluation	(23.410)	(25.132)
OPERATING RESULT	13.702	32.667
Financial income	899	1.509
Financial expense	(12.002)	(13.398)
PRE-TAX RESULT	2.599	20.778
Income taxes	14.312	(9.161)
NET RESULT FOR THE YEAR	16.911	11.617
Attributable to:		
Group	16.886	11.594
Minority interests	25	23
	16.911	11.617
Basic earnings per share (amounts in Euro)	0,39	0,27
Diluted earnings per share (amounts in Euro)	0,39	0,27



CONSOLIDATED CASH FLOW STATEMENT

Amounts in thousands of Euro	31/12/2014	31/12/2013
Cash flow from operating activities		
Net result	16.911	11.617
Depreciation and devaluation of tangible and intangible assets (1)	21.993	24.378
Other non-monetary provisions	(16)	420
Discounted retirement fund	4.637	4.469
Financial charges capitalized on liabilities for acquisition of business	319	648
Capital (gains) losses	-	(244)
Share of profit of associated companies	-	-
Change in fair value of assets and liabilities	19	(1.180)
Change in deferred taxes	(19.322)	(6.292)
Change in operating assets and liabilities		
Change in inventory	3.162	8.061
Change in trade receivables from third parties and associated companies	4.537	41.286
Change in trade payable from third parties and associated companies	7.398	(7.609)
Asset retirement obligations	(626)	(293)
Change in termination indemnity	76	152
Change in other operating assets and liabilities	(407)	(13.104)
Net cash flow from operating activities	38.681	62.309
Cash flow from investing activities		
Purchase of tangible and intangible assets (1)	(5.922)	(5.029)
Gains on disposal of fixed assets	-	733
Net cash flows used in investing activities	(5.922)	(4.296)
Cash flows from financing activities		
Net change in short-term borrowings	(6.756)	2.892
Loans received	(67.000)	(15.750)
New bank loans	51.600	-
Loans reimbursed to parent company	-	(35.000)
Dividends paid	(6.978)	(9.593)
Net cash flows generated (used) in financing activities	(29.134)	(57.451)
Effects of exchange rate on cash	(766)	299
Increase (decrease) in cash at bank and in hand	2.859	861
Cash and cash equivalent at the beginning of the year	3.527	2.666
Cash and cash equivalent at the end of the year	6.386	3.527
Dividends received	366	311
Taxes paid in the period	8.305	24.631
Interests paid in the period	6.398	6.248



(1) net of depreciation of exploration costs incurred in the period (respectively Euro 1.417 in 2014 and Euro 754 in 2013).

GAS PLUS S.P.A. BALANCE SHEET

BALANCE SHEET

Amounts in Euro	31/12/2014	31/12/2013
ASSETS		
Non-current assets		
Intangible assets	1.284.351	1.056.510
Property, plant and equipment	338.401	241.339
Investments in subsidiary companies	293.404.190	296.404.190
Deferred tax assets	458.289	590.796
Total non-current assets	295.485.231	298.292.835
Current assets		
Trade receivable	18.768	16.884
Receivables from subsidiary companies	9.477.329	21.663.835
Receivables from parent company	79.915	79.585
Income tax receivables	2.434.909	1.100.635
Other receivables	154.091	171.455
Financial assets	5.339.315	2.857.022
Cash and cash equivalents	1.325.217	5.990
Total current assets	18.829.544	28.895.406
TOTAL ASSETS	314.314.775	324.188.241
SHAREHOLDER'S EQUITY		
Share capital	23.353.002	23.353.002
Reserves	174.386.708	171.006.495
Other equity components	(377)	761.748
Net result for the period	2.031.973	9.590.136
TOTAL SHAREHOLDER'S EQUITY	199.771.306	204.711.381
LIABILITIES		
Non-current liabilities		
Long-term borrowings	46.285.708	55.868.720
Termination indemnity	1.028.140	782.986
Provisions	1.600.000	-
Total non-current liabilities	48.913.848	56.651.706
Current liabilities		
Trade payables	785.072	789.043
Payables to subsidiary companies	57.174.089	47.900.489
Short-term borrowings	5.933.810	12.447.766
Other current liabilities	1.736.650	1.687.856
Income tax payables	-	-
Total current liabilities	65.629.621	62.825.154
TOTAL LIABILITIES	114.543.469	119.476.860
TOTAL SHAREHOLDER'S EQUITY AND	314.314.775	324.188.241



LIABILITIES

PROFIT & LOSS STATEMENT

Amounts in Euro	2014	2013
Revenues	6.150.724	5.848.791
Other revenues	40.472	116.802
Total Revenues	6.191.196	5.965.593
Raw materials and consumables costs	(33.530)	(42.008)
Services and other costs	(3.198.048)	(2.991.035)
Personnel costs	(3.355.483)	(3.504.464)
Other income and (charges)	3.701.814	11.660.436
Depreciation	(248.434)	(274.993)
OPERATING RESULT	3.057.515	10.813.529
Financial income	4.826.888	3.330.674
Financial expense	(9.054.893)	(7.053.807)
PRE-TAX RESULT	(1.170.490)	7.090.396
Income tax	3.202.464	2.499.740
NET RESULT FOR THE YEAR	2.031.974	9.590.136
Basic earnings per share (amounts in Euro)	0,05	0,22
Diluted earnings per share (amounts in Euro)	0,05	0,22

Fine Comunicato n.0886-7

Numero di Pagine: 15