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Societa' : GAS PLUS

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Informazione
Regolamentata

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Tipologia : IRAG 03

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Diffusione presunta

Oggetto : The Board of directors approves the Interim
Report as at 31 March 2015

Testo del comunicato

Vedi allegato.



***Gas Plus: the Board of Directors approves
the Interim Report as at March 31st, 2015***

Growth of the Revenues and the Net Result vs. 1Q14 and further reduction of the Net Financial Position.

E&P margin decrease in line with the natural gas price reduction, partially counterbalanced by the positive contribution of the Network and Retail activities.

- **Total Revenues: € 75.5 M vs € 55.2 M in 1Q14**
- **EBITDA: € 11.8 M vs € 13.4 M in 1Q14**
- **EBIT: € 7.7 M vs € 8.7 M in 1Q14**
- **EBT: € 6.4 M vs € 6.2 M in 1Q14**
- **Net Result: € 4.4 M vs € 3.6 M in 1Q14**
- **Net Financial Position: € 61.5 M vs € 71.2 M as at December 31st, 2014**

Milano, May 15th, 2015 - The Board of Directors of Gas Plus S.p.A., a company listed on the Italian Stock Exchange, approved today the Interim Report as at March 31st, 2015.

In 1Q15 the Group has achieved a Net Result equal to € 4.4 M and higher than the 1Q14 result, thanks to the reduction of the operating costs, the improved tax rate and the positive result of the financial items, which have counterbalanced the negative effects of the ordinary activity.

The difficult context in which the Group operates is still characterized by the strong hydrocarbon price decline and by the persisting production constraints of the main Business Unit.

These factors affected the results at the EBITDA level, with particular regard to the E&P BU, whose activity is still impacted by the lack of new gas-in due to the extended authorization procedures of the new projects and the missing contribution of a concession not operated by the Group.

The contribution of the Commercial Gas Assets has been positive, even if the results of the two B.U. which comprise the said area were opposite: the B.U. Retail results recorded a strong increase vs. 1Q14, while the B.U. S&S reached a substantial break-even in the season of higher marginality, despite the strong increase of traded volumes.

The positive cash flows and the reduced entity of the E&P investments, for the deferral of certain projects, have caused a further reduction of the Net Financial Position (€ 61.5 M. vs € 68.6 M at March 31st, 2014 and € 71.2 M at December 31st, 2014).



The CEO Davide Usberti has declared: *“We believe, considering the actual energetic scenario, to have achieved positive results in the first period of a very challenging year and in which there will be the restart of the E&P Group investments on at least two significant projects in Italy. We are confident that in addition to these projects other already planned E&P initiatives, for which the Group has already available the required financial resources, may be developed during the year.”*

1Q 2015 CONSOLIDATED ECONOMIC AND FINANCIAL DATA

1Q 15 **Total Revenues** amounted to € 75.5 M vs. € 55.2 M of 1Q14 and showed an increase mainly as effect of the increased volume traded by the S&S BU.

EBITDA decreased from € 13.4 M of 1Q14 to the actual € 11.8 M, mainly for the lower E&P performances (€ 5.1 M in 1Q15 vs. € 9.1 M in 1Q14) that were only partially counterbalanced by the positive trend of the Commercial Gas Assets (€ 3.0 M in 1Q15 vs. € 1.1 M in 1Q14). Within this area, there was a good growth of the BU Retail marginality (€ 2.7 M in 1Q 15 vs. € 1.4 M in 1Q14), while the BU S&S did not still reach a full economic break-even (€ 0.3 in 1Q15 vs. -€ 0.3 M in 1Q14), despite the commercial portfolio growth in the period of higher marginality.

The B.U. Network and Transportation has continued to provide a positive contribution to the consolidated results (€ 3.6 M in 1Q15 vs. € 3.3 M in 1Q14) with a slight increase vs. the previous year period.

EBIT amounted to € 7.7 M vs. € 8.7 M in 1Q 14, while **EBT** amounted to € 6.4 M vs. € 6.2 M in 1Q 14, thanks to the positive trend of the financial items.

1Q 15 recorded a **Net Result** amounting to € 4.4 M vs. € 3.6 M of 1Q 14, thanks to a remarkable tax rate reduction also due to the Robin Hood Tax elimination.

The **Net Financial Position** recorded a sensible improvement (€ 61.5 at March 31st, 2015 vs. € 71.2 M at December 31st, 2014 and € 68.6 M at March 31st, 2014), thanks to the operating cash flows, the positive effect on the working capital of the consolidated commercial portfolio policy and the deferral of certain investments.

BUSINESS UNITS TREND

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



B.U. E&P: as of 31st March 2015, the gross hydrocarbon production, equal to 40.2 MSmce, was lower compared to 48.1 MSmce registered in the corresponding 2014 period (-16.4%). The main reason of this decrease is imputable to the mature fields' natural depletion, which has not been compensated neither by new gas-in, due to the well-known delays in the authorization procedures, nor by the contribution (higher than the 10% of the total gross hydrocarbon production) from the Garaguso concession, not operated by the Group, for the persisting interruption of the production facility. The production reduction trend was however lower if compared to the last quarter 2014 (-6.3%) thanks to certain optimization strategies implemented by the Group.

Compared to 31st March 2014, the EBITDA has registered a decrease equal to -44.0%, mainly due to the lower hydrocarbon prices scenario with respect to 1Q 2014 and as effect of the lower hydrocarbon production. The above mentioned factors have been partially balanced by a constant monitoring and control of the operating costs.

Considering the impossibility to start the new development projects, mainly in relation to the current suspension of the authorization procedures in Emilia Romagna region (in which the main activities of the Group are located), the development activity of the E&P Italian Branch was only focused on those projects whose authorization procedures were not affected by the above mentioned suspension. To this regard, the contracts for the construction of works and the production set up were awarded in relation to one of these projects.

Finally, the studies and evaluations related to the producing field trend and to the restart of the minor currently not producing fields have been carried on. Following the preliminary positive results of the tests of compression facilities carried out in 2014, other preparatory activities required for the continuation of the tests have been carried out during the quarter in order to allow an increase in the production of some producing fields.

In relation to the exploration activities, the preliminary activities for the drilling of an exploration well in Parma province, which is foreseen to start during the second quarter, have been carried on.

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 have been continued.



In relation in particular to the Midia Deep concession, beside the studies on the 3D seismic, the operator has started the integration of the results of an exploration well drilled on an adjacent prospect with the analysis related to the prospect identified in the Midia Deep concession.

In relation to the Midia Shallow & Pelican concession, the inversion of the seismic 3D data has been carried on, with the aim of better identifying the objectives at a reservoir level and the future development programs.

Commercial Gas Assets (composed by **B.U. Supply & Sales** and **Retail**): in 1Q 2015, Commercial Gas Assets have registered an higher marginality compared to the corresponding 2014 period (from € 1.1 M to € 3.0 M). The increase is mainly due to the better performances of the Retail B.U., which has registered an increasing EBITDA with respect to the corresponding 2014 period (from € 1.4 M to € 2.7 M), especially because of a significant increase in the unitary marginality of residential and small business segment, in addition to a first quarter characterized by climate conditions less unfavorable than those registered in the previous winter, although still temperate.

The S&S B.U., instead, has registered a marginality in substantial break-even (EBITDA 1Q 2015 equal to € 0.3 Mln) mainly for the reduction in marginality caused by the gas prices regime, introduced in the 4Q 2013, counterbalanced by an increase in volumes sold (from 120.4 MSmc in 1Q 2014 to 204.6 MSmc in 1Q 2015). This latter factor, however, has not been sufficient to lead the S&S B.U. to achieve a positive net result.

B.U. N&T: as of 31st March 2015, the B.U. has confirmed its positive contribution to the Group results reporting an EBITDA equal to € 3.6 M (+9.1% with respect to the corresponding 2014 period). In relation to the tenders connected to the new regulatory framework, the B.U. has 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: following the issuance of the environmental compatibility assessment (EIA) decrees related to Poggiofiorito and San Benedetto projects, occurred at the end of the first semester 2014, activities related to the authorization procedures of the above mentioned projects and of the Sinarca project as well have been carried on. Several appeals to the TAR of Abruzzo and Marche regions have been made against the above mentioned decrees by different entities which, regardless of the outcomes, will inevitably affect the timing of the authorization procedures completion.



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.

The Interim Report as at 31 March 2015 is available at the Company registered office, on the Company web site www.gasplus.it (Investor Relations section) and on the storage mechanism NIS-Storage.

On May 18th, 2015 at h. 10.30 (CET), Gas Plus will host the conference call for analysts/investors on 1Q 2015 financial results.

Speakers:

Davide Usberti – Chief Executive Officer

Cinzia Triunfo – General Manager

Germano Rossi – Chief Financial Officer

To connect to the conference-call:

ITALY: **+39 02 8020911**

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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.

For Further information: www.gasplus.it

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ATTACHMENTS:

Data not audited

CONSOLIDATED BALANCE SHEET
At March 31, 2015 and December 31, 2014

Amounts in thousands of Euro

	March 31, 2015	December 31, 2014
Fixed assets		
Intangible assets	360,296	362,386
Tangible assets	103,258	104,170
Other non-current assets and liabilities	1,324	1,327
Total	464,878	467,883
Net working capital		
Inventories	5,565	19,283
Trade receivables	47,657	34,535
Trade payables	(31,942)	(35,545)
Other current assets and liabilities	(3,855)	2,433
Total	17,425	20,706
Provisions for risk and charges and deferred taxes	(191,546)	(191,330)
Provisions for employees severance indemnity	(4,902)	(4,866)
Net invested capital	285,855	292,393
Capital and reserves	224,327	221,239
Net financial debt	61,528	71,154
Coverages	285,855	292,393



CONSOLIDATED INCOME STATEMENT

At March 31, 2015 and 2014

Amounts in thousands of Euro

	March 31, 2015	March 31, 2014
Revenues	74,394	54,498
Other revenues	1,103	723
TOTAL REVENUES	75,497	55,221
Raw materials and consumables	(47,324)	(26,141)
Services and other costs	(13,289)	(12,551)
Personnel costs	(3,131)	(3,098)
GROSS OPERATING RESULT (EBITDA)	11,753	13,431
Depreciation and amortization	(4,077)	(4,778)
EBIT	7,676	8,653
Other income and (expense)	-	-
OPERATING RESULT	7,676	8,653
Financial income	1,628	579
Financial expense	(2,870)	(3,042)
PRE-TAX RESULT	6,434	6,190
Income taxes	(2,039)	(2,579)
NET RESULT FOR THE PERIOD	4,395	3,611
Attributable to:		
Group	4,379	3,595
Minority interests	16	16



CONSOLIDATED CASH FLOW STATEMENT

At March 31, 2015 and 2014

Amounts in thousands of Euro

	March 31, 2015	March 31, 2014
EBIT	7,676	8,653
+ Depreciation of intangible and tangible assets	4,077	4,778
EBITDA	11,753	13,431
+/- Other non-monetary provisions/uses	14	282
- Income taxes paid	-	-
+/- Other changes in operating assets and liabilities	1,401	18,808
Cash Flow from operating activities	13,168	32,521
- Investments in intangible/tangible assets, net of disposals	(986)	(2,162)
- Investments in financial fixed assets and other non-current assets	(2)	(48)
+/- Consolidation adjustments and other adjustments	(137)	(73)
Operating Cash Flow	12,043	30,238
- Dividends paid	-	-
- Financial income/expenses paid	(889)	(1,460)
- Change in fair value of derivative instruments in hedge accounting	(643)	1,059
- Other non-monetary financial changes	(885)	165
Cash Flow for debt service	9,626	30,002
Net financial position at the beginning of the period	(71,154)	(98,569)
Net financial position at the end of the period	(61,528)	(68,567)

Fine Comunicato n.0886-12

Numero di Pagine: 10