

Bit Market Services

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Data/Ora Ricezione : 25 Marzo 2016 13:44:44
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Diffusione presunta
Oggetto : The Board of Directors of Gas Plus
approves the 2015 results

Testo del comunicato

Vedi allegato.



Gas Plus: The Board of Directors approves the draft financial statements and the consolidated financial statements as at December 31st, 2015

**Positive 2015 Net Result despite the adverse scenario of the energetic scenario
Step forward in the development of the main E&P projects with a first contribution to production in 2016**

Rationalization of gas commercial activities with the exit from the not profitable wholesale business

Further strong Net Financial Position reduction, at the lowest level for the last five years

Maintained the dividend policy – despite the negative context – proposed a dividend amounting to € 0.10 per share

Updated the business plan with an EBITDA target, at 2020, included in the range € 70-90 M and total investment of about € 140 M

- **Total Revenues: € 104.6 M vs. € 113.9 M in FY14**
- **EBITDA: € 31.5 M vs. € 38.5 M in FY14**
- **EBIT: € 3.4 M vs. € 15.1 M in FY14**
- **EBT: € -1.4 M vs. € 5.7 M in FY14**
- **Discontinued operations: € -1.3 M vs € -2.2 M in FY14**
- **Net Result: € 7.2 M vs. € 16.9 M in FY14**
- **NFP: € 41.1 M vs. € 71.2 M as at December 31st, 2014**

Milan, March 24th, 2016 – *The Board of Directors of Gas Plus S.p.A., a company listed on the Italian Stock Exchange, approved today the draft separate financial statements and the consolidated financial statements as at December 31st, 2015.*

Gas Plus Group closed positively the first year characterized by a negative context of the energetic market and of the oil & gas industry, recording a net result amounting to € 7.2 M and a strong net debt reduction.

This result, in particular for the E&P industry, with respect to 2014 has been influenced by higher depreciation and amortization for € 4.7 M and a lower contribution from positive no recurring fiscal items for € 8,0 M but also by the achievements of no recurring revenues connected to the ordinary activity for € 5.3 M.

For what concerns the other business, it has continued the positive trend of the network and retail activities, while in the 3Q15 it has stopped the not more profitable wholesale activity.



Under a financial point of view, it has been confirmed the further reduction of the net debt that move from € 71.2 M of December 31st, 2014 to the present € 41.1 M, the lowest level since the Società Padana Energia acquisition, happened in 2010. This lower level is an effect of the positive cash flow generation from each business unit, of the new business model for the gas sale and the resulting lower working capital investment, as well as of the postponement of some investment for which the Group has already obtained, at the end of the previous year a specific € 64 M credit line, at today still fully available.

Approved the update of the 2016/2020 Group Business Plan that foresees an increase of the E&P investment, with resulting natural gas production increase in Italy.

The CEO Davide Usberti has declared: *“Despite the negative energetic market context the Gas Plus Group, with the 2020 Business Plan, existing the conditions, will increase from the current year the new investment, of which € 100 million in the strategic area of Emilia Romagna region, leveraging on a solid asset and financial structure”.*

2015 TREND OF THE MAIN ACTIVITIES

During the year the result of the main Group business unit (BU Exploration and Production) have been influenced by the progressive decrease of the selling price and by the physiological volume reduction of the mature fields produced volume, whose effect has been amplified by the missed contribution of a concession not operated by the Group and by the postponement of the gas-in of the new projects.

This postponement is due to the block of the authorization *iter* of the new E&P and of the storage projects in the Emilia Romagna Region, where the main Group development projects are located. This situation has been solved also thanks to the positive outcome of “Laboratorio Cavone” and it has been removed during 2015 but only from July.

In this context the Group has anyway:

- Given strong pulse to the gas-in, targeted in first half 2016, of a relevant project within its asset portfolio;
- Restarted exploration activity, where unfortunately, in the unpredictability that characterize this activity, it has been recorded the negative outcome of an exploration well, whose drilling has ended at the beginning of August;
- Continued the initiative for the restart of the minor fields, now not producing, and a further control on operating cost.

The B.U. Network and Transportation, through an efficient management, has confirmed its previous economic trend, favored in the first part of the year by a climatic trend, even if not particularly cold, less mild vs. 2014.



In a future view the Group has emphasized its strength even in the empowerment of regulated activities with the award of a tender for the share of a company which manage and own the natural gas network plant of two municipalities in Brescia province and of the plant belonging to those municipalities.

FY 2015 CONSOLIDATED ECONOMIC AND FINANCIAL DATA

FY 2015 **Total Revenues** amounted to € 104.6 M vs. € 113.9 M of FY14. The change over the previous year was due to the lower hydrocarbon production and to the lower selling prices. The revenues of the period included also no recurring items for € 5.3 M resulting from the renewal of a service contract of the B.U. E&P.

EBITDA decreased, moving from € 38.5 M of FY14 to the present € 31.5 M. On this result, there was the impact of the E&P trend that reduced its contribution from € 27.4 M of FY14 to the € 20.1 M of FY15. The performance of the B.U. Retail had an opposite trend vs. the Group EBITDA result, recording an increase from € 4.4 M to € 5.7

Pretty stable the contribution of the BU Network and Transportation (€ 6.5 M in FY15 vs. € 6.9 M in FY14).

EBIT amounted to € 3.4 M vs. € 15.1 M of the FY14. The strong EBIT reduction, higher in absolute term vs. EBITDA one, is attributable to the higher amortization, mainly as effect of the negative outcome of an exploration well and to the write-down of some mining assets to align the book value to the existing energetic market conditions.

Operating results amounted to € 5.0 M vs. € 15.5 M of FY14 while the **EBT** amounted to €-1.4M vs. €5.7M of FY14.

The discontinued operations, composed of the B.U. S&S, have recorded a negative result of € -1.3 M vs. € -2.2 M of FY14.

The Group achieved a 2015 **Net Result** amounting to € 7.2 M vs. € 16.9 M of FY14 thanks to the positive tax balance amounting to € 9.8 M (of which € 7.8 M no recurring as effect of the IRES corporate tax reduction from 27,5% to 24% from 2017).

The **Net Debt**, thanks to the cash flows generated in the period, the postponement of some investments and to the lower working capital needs, as effect of the new business model, recorded a remarkable improvement (€ 41.1 M as at December 31st, 2015 vs. € 71.2 M as at December 31st, 2014).

OUTLOOK 2016



In case of persistence of the current energetic scenarios level, the consolidated EBITDA 2016 is foreseen to substantially decrease with respect to 2015 as well as the net result which, currently not considering the contribution of no recurring positive items, is expected to be negative.

The E&P activities, assuming the first new gas-in foreseen within the 1H 2016, will register an increase in hydrocarbon production with respect to 2015 provided that the new issues arisen in connection to the gas transportation of Garaguso concession will be shortly sorted out. At an EBITDA level, the increase in production foreseen in 2016 will not be enough to compensate the negative effects deriving from the current energetic scenarios level. Only with the progressive gas-in, during the following years, of the remaining development projects it will be possible to recover, also considering the present prices scenario levels, the E&P B.U. marginality. In this sector, a strong focus will be granted on the control of the operating costs.

The regulated and the retail activities will continue, also in the next year, to register a positive trend. Anyway, regarding their profitability, the retail activities will be affected by the current weakness of domestic demand and the high level of sector competition, while the regulated activities will face the further reduction in the related regulated revenues.

Also in this persisting critical market situation, the efforts of the Group in development projects related to regulated and commercial downstream activities will be significant.

The restart of the investments during 2016, in particular related to E&P activities, will cause the progressive liquidity reduction of the initial period and the increase of the financial debt within the limits of the currently available medium-long term financing facilities.

BUSINESS PLAN UPDATE

The Group has carried over the update of the Business Plan, confirming the main development initiatives of the previous plan but providing for the related cash flows in the 2016-2020 period.

The new Business Plan for the 2016-2020 period, which update is due to external factors that have determined the delay of the main E&P projects, foresees an EBITDA target for the end of period within a range of 70-90 M€ and investments in Italy, during the plan, for roughly 140 M€, of which more than 90% in E&P activities, with an expected production level at the end of the period of 450 MSmce.

The further main assumptions of the 2016-2020 Business Plan are the following:

- scenario: Brent with an increasing trend in a range from ca. 30 \$/bbl to 70 \$/bbl (with flat exchange rate equal to 1,1 €/€);
- Business Units:



E&P: increase in hydrocarbon production through the development of Group Italian fields. Foreseen anyway selected exploration investments in Italy with potential further investments in foreign activities without considering their eventual contribution in terms of additional net results;

Retail: growth of customers portfolio and related marginality;

Network: active role in the next gas distribution concession tenders, in order to maintain at least the same perimeter of activity;

Storage: pre-development phases until concession assignment.

- **NFP**: positive net financial position in 2020. Considering the initial financial structure, the Business Plan foresees the financing of the investments through the medium-long term financial facilities, already secured by the Group and still fully available, and the cash flows forecasted during the period. The cash flows generated will also allow the full repayment of the outstanding debt at the end of 2015 and of the facilities financing the planned investments within the range of their availability.

PROPOSAL FOR DISTRIBUTION OF DIVIDENDS

The Board of Directors also will propose to the shareholders' meeting called on April 29th, 2016 the payment of an ordinary dividend of Eur 0.10 per share, ex-dividend date on May 23th, 2016, and record date on May 24th, 2016, with payment date on May 25th, 2016.

CALL OF THE ORDINARY SHAREHOLDERS' MEETING ON APRIL 29th, 2016

The Board of Directors has called the ordinary shareholders' meeting on April 29th, 2016 h.8.30 (single call) to resolve upon the approval of the 2015 financial statements, the destination of the Net Result, and either the appointment of a member of the Board of Directors or the reduction of the number of members of the Board.

The notice of call of the meeting will be published according 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, Germano Rossi, declares, according to Article 154-bis, paragraph 2, 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 Annual Financial Report (according 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 25th, 2016 at h. 10.00 (CET), Gas Plus Group will host the conference call for analysts/investors on FY 2015 financial results.

Speakers:

Davide Usberti – Chief Executive Officer

Cinzia Triunfo – General Manager

Germano Rossi – Chief Financial Officer

To connect to the conference-call:

Italia: **+39 02 805 88 11**

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Gas Plus is the fourth largest producer of natural gas (as estimated by the Authority for Electricity and Gas, AEEG) after Eni, Edison and Shell Italia 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 final customers. At 31 December 2015 the Group has 48 exploitation concessions located throughout the Italian territory, 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 187 employees.

For Further information: www.gasplus.it

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The attached tables summarise the consolidated financial statements as of Dicembre 2015 and the financial statements of Gas Plus S.p.A..

The data below have not been audited yet.



CONSOLIDATED BALANCE SHEET

Amounts in thousands of Euro	31/12/2015	31/12/2014
ASSETS		
Non-current assets		
Property, plant and equipment	102.607	104.170
Goodwill	750	750
Concessions and other intangible assets	342.371	361.636
Investments in associated companies	-	-
Other non-current assets	4.598	4.477
Deferred tax assets	25.311	25.948
Total non-current assets	475.637	496.981
Current assets		
Inventory	4.153	19.283
Trade receivables	16.842	34.535
Income tax receivables	1.472	3.521
Other receivables	10.990	14.871
Receivables from associated companies	-	41
Receivables from parent company	320	193
Financial assets	5.190	5.339
Cash and cash equivalents	29.932	6.386
Total current assets	68.899	84.169
TOTAL ASSETS	544.536	581.150
SHAREHOLDER'S EQUITY		
Share capital	23.353	23.353
Reserves	192.869	179.623
Other equity components	(230)	931
Net result for the period	7.128	16.886
Equity attributable to equity holders of the parent	223.120	220.793
Minority interests	463	446
TOTAL SHAREHOLDER'S EQUITY	223.583	221.239
LIABILITIES		
Non-current liabilities		
Long-term borrowings	41.836	46.286
Termination indemnity	4.424	4.866
Deferred tax liabilities	90.010	103.501
Liabilities for acquisition of business	27.757	27.757
Other non-current liabilities	3.194	3.150
Provisions	115.193	113.777
Total non-current liabilities	282.414	299.337
Current liabilities		
Trade payables	21.838	35.545
Payables to associated companies	-	-
Short-term borrowings	6.556	8.715
Liabilities for acquisition of business	112	121
Other current liabilities	10.030	16.113
Income tax payables	3	80
Total current liabilities	38.539	60.574
TOTAL LIABILITIES	320.953	359.911
TOTALE SHAREHOLDER'S EQUITY AND LIABILITIES	544.536	581.150



CONSOLIDATED PROFIT & LOSS STATEMENT

Amounts in thousands of Euro	31/12/2015	31/12/2014
		Restated
Revenues	92.505	108.084
Other revenues	9.401	5.864
Total revenues	104.606	113.948
Raw materials and consumables costs	(31.474)	(34.538)
Services and other costs	(31.033)	(29.571)
Personnel costs	(10.632)	(11.365)
Other income (charges)	1.604	366
Share of result of associated companies	-	-
Depreciation and devaluation	(28.047)	(23.379)
OPERATING RESULT	5.024	15.461
Financial income	1.975	1.406
Financial expense	(8.397)	(11.143)
PRE-TAX RESULT	(1.398)	5.724
Income tax	9.832	13.416
NET RESULT	8.434	19.140
Net result of the period from discontinued operations	(1.284)	(2.229)
NET RESULT FOR THE YEAR	7.150	16.911
Attributable to:		
Group	7.128	16.886
Minority interests	22	25
Basic earnings per share (amounts in Euro)	0,16	0,39
Diluted earnings per share (amounts in Euro)	0,16	0,39



CONSOLIDATED CASH FLOW STATEMENT

Amounts in thousands of Euro	31/12/2015	31/12/2014
		Restated
Cash flow from operating activities		
Net result	8.434	19.140
Depreciation and devaluation of tangible and intangible assets (1)	24.057	21.959
Other non-monetary provisions	(998)	(16)
Discounted retirement fund	4.229	4.637
Financial charges capitalized on liabilities for acquisition of business	588	319
Capital (gains) losses	138	-
Change in fair value of assets and liabilities	(1.297)	19
Change in deferred taxes	(12.984)	(19.322)
Change in operating assets and liabilities		
Change in inventory	(390)	364
Change in trade receivables from third parties and associated companies	374	7.384
Change in trade payable from third parties and associated companies	4.943	(414)
Asset retirement obligations	(667)	(626)
Change in termination indemnity	(64)	70
Change in other operating assets and liabilities	155	(425)
Net cash flow from operating activities	26.518	33.089
Cash flow from investing activities		
Purchase of tangible and intangible assets (1)	(6.494)	(5.922)
Net cash flows used in investing activities	(6.494)	(5.922)
Cash flows from financing activities		
Net change in short-term borrowings	685	(879)
Sale of current financial assets	925	-
Loans reimbursed	(5.000)	(15.400)
Dividends paid	(4.362)	(6.978)
Other movements in share equity	(214)	-
Net cash flows generated (used) in financing activities	(7.962)	(23.257)
Effects of exchange rate on cash	(280)	(766)
Net cash flow from discontinued operations	11.764	(285)
Increase (decrease) in cash at bank and in hand	23.546	2.859
Cash and cash equivalent at the beginning of the year	6.386	3.527
Cash and cash equivalent at the end of the year	29.932	6.386
Dividends received	1.168	366
Taxes paid in the period	900	8.305
Interests paid in the period	2.611	6.398

(1) net of depreciation of exploration costs incurred in the period (respectively Euro 3.380 in 2015 and Euro 1.417 in 2014).



GAS PLUS S.P.A. BALANCE SHEET

BALANCE SHEET

Amounts in Euro	31/12/2015	31/12/2014
ASSETS		
Non-current assets		
Intangible assets	863.765	1.284.351
Property, plan and equipment	241.873	338.401
Investments in subsidiary companies	295.192.544	293.404.190
Deferred tax assets	233.510	458.289
Total non-current assets	296.531.692	295.485.231
Current assets		
Trade receivable	4.603	18.768
Receivables from subsidiary companies	9.474.436	9.477.329
Receivables from parent company	81.048	79.915
Income tax receivables	710.862	2.434.909
Other receivables	379.410	154.091
Financial assets	5.190.424	5.339.315
Cash and cash equivalents	22.460.224	1.325.217
Total current assets	38.301.007	18.829.544
TOTAL ASSETS	334.832.699	314.314.775
SHAREHOLDER'S EQUITY		
Share capital	23.353.002	23.353.002
Reserves	172.061.009	174.386.708
Other equity components	527.537	(377)
Net result for the period	4.709.668	2.031.973
TOTAL SHAREHOLDER'S EQUITY	200.651.216	199.771.306
LIABILITIES		
Non-current liabilities		
Long-term borrowings	41.835.896	46.285.708
Termination indemnity	1.044.882	1.028.140
Provisions	-	1.600.000
Total non-current liabilities	42.880.778	48.913.848
Current liabilities		
Trade payables	708.762	785.072
Payables to subsidiary companies	83.284.436	57.174.089
Short-term borrowings	5.736.967	5.933.810
Other current liabilities	1.570.540	1.736.650
Income tax payables	-	-
Total current liabilities	91.300.705	65.629.621
TOTAL LIABILITIES	134.181.483	114.543.469
TOTAL SHAREHOLDER'S EQUITY AND LIABILITIES	334.832.699	314.314.775



PROFIT & LOSS STATEMENT

Amounts in Euro	31/12/2015	31/12/2014
Revenues	6.026.447	6.150.724
Other revenues	47.197	40.472
Total Revenues	6.073.644	6.191.196
Raw materials and consumables costs	(34.520)	(33.530)
Services and other costs	(3.124.512)	(3.198.048)
Personnel costs	(3.591.236)	(3.355.483)
Other income and (charges)	4.403.666	3.701.814
Depreciation	(249.592)	(248.434)
OPERATING RESULT	3.477.450	3.057.515
Financial income	4.229.897	4.826.888
Financial expense	(5.407.656)	(9.054.893)
PRE-TAX RESULT	2.299.691	(1.170.490)
Income tax	2.409.977	3.202.464
NET RESULT FOR THE YEAR	4.709.668	2.031.974
Basic earnings per share (amounts in Euro)	0,11	0,05
Diluted earnings per share (amounts in Euro)	0,11	0,05



CASH FLOW STATEMENT

	31/12/ 2015	31/12/ 2014
Cash flow from operating activities		
Net income (loss)	4.709.668	2.031.973
Depreciation of tangible and intangible assets	249.592	248.434
Capital gain (loss) on assets	(3.615)	(10.750)
Change in the fair value of financial assets and liabilities	(684.422)	4.513.015
Change in deferred taxes	5.955	2.098
Change in trade receivables from associated companies	429.215	1.454.038
Change in trade payables	(85.666)	82.777
Net change in receivables/payables from tax consolidation from subsidiary companies	(2.389.508)	(158.147)
Net change in receivables/payables from Group VAT regime	(1.029.013)	-
Income from tax consolidation	1.724.047	(1.334.274)
Net change in other operating assets and liabilities	(391.429)	66.159
Change in termination indemnity	16.742	245.154
Net cash flows from operating activities	2.551.566	7.140.475
Purchase of tangible assets	(28.982)	(241.561)
Purchase of intangible assets	(16.770)	(181.406)
Other changes in financial assets	(4.000.000)	-
Gains on disposal of fixed assets	3.615	10.750
Net cash flows used in investing activities	(4.042.137)	(412.217)
Net change in short-term borrowings	476.682	(421.962)
Net change in cash pooling activities	29.832.635	17.254.570
Loans (repaid) and received from parent company	927.195	-
Loans (repaid) or received	(5.000.000)	(15.400.000)
Dividends paid	(4.357.294)	(6.971.671)
Other movement in shareholders' equity	746.361	130.032
Net cash flows generated (used) in financing activities	22.625.578	(5.409.031)
Increase (decrease) in cash at bank and in hand		
	21.135.007	1.319.227
Cash and cash equivalent at the beginning of the year	1.325.217	5.990
Cash and cash equivalent at the end of the year	22.460.224	1.325.217
Dividends received from the subsidiary companies	5.015.312	8.301.814
Taxes paid in the period	-	3.901.375
Interest paid in the period	659.384	3.879.507

Fine Comunicato n.0886-5

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