



# FIRST QUARTER 2017 RESULTS

12 MAY 2017

LUCA BETTONTE, CEO





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## DISCLAIMER

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There can be no assurance that the projections or forecasts will ultimately prove to be accurate; accordingly, the Company makes no representation or warranty as to the accuracy of such information or the likelihood that the Company will perform as projected.



# AGENDA



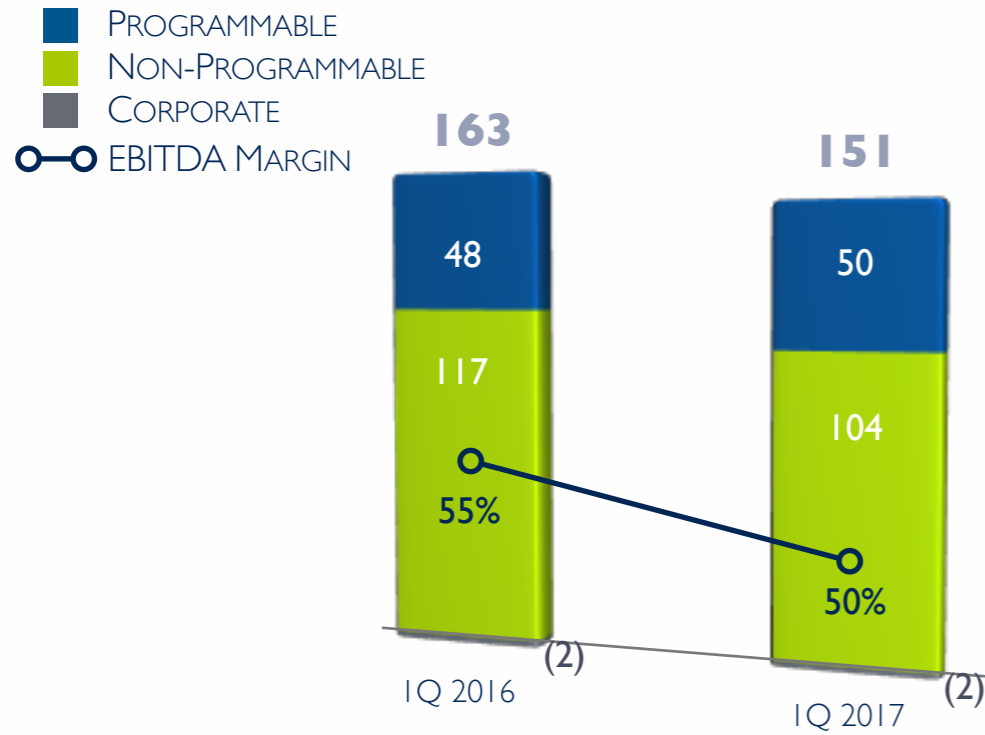
- IQ 2017 Highlights
  - ✓ Key Figures
- Results Review
  - ✓ Business Environment
  - ✓ IQ 2017 Group EBITDA
  - ✓ Results by Segments
- Key Financials
  - ✓ Profit & Loss
  - ✓ Investments
  - ✓ Cash Flow Statement
- 2017 Guidance and Conclusions
- Appendix



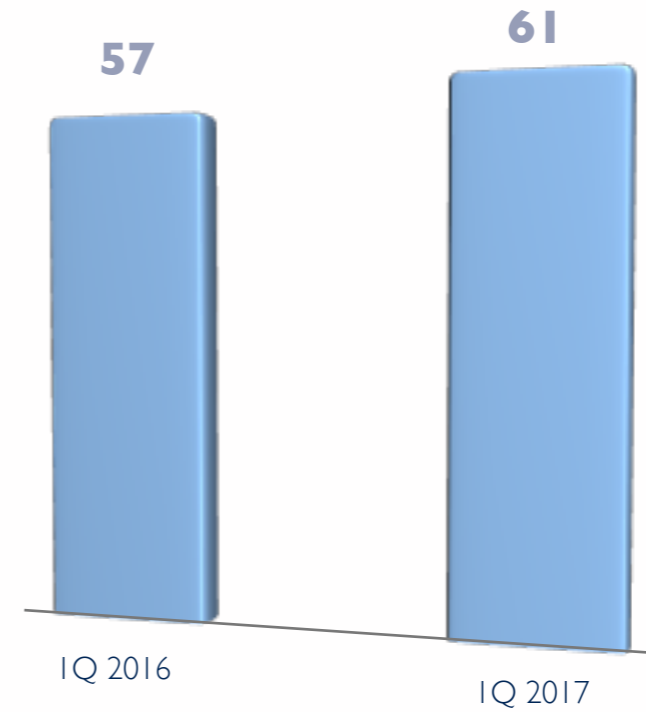
# HIGHLIGHTS: KEY FIGURES



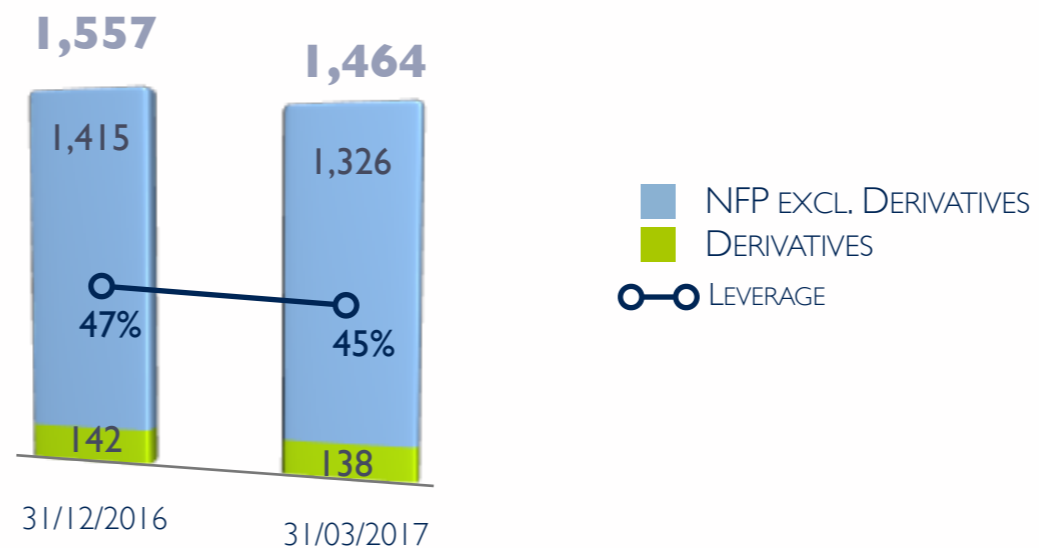
### Recurring Ebitda (€ mn)



### Recurring Net Profit (€ mn)



### NFP (€ mn)



**Earnings up despite worse Wind and CCGT, keep deleveraging**



# RESULTS REVIEW

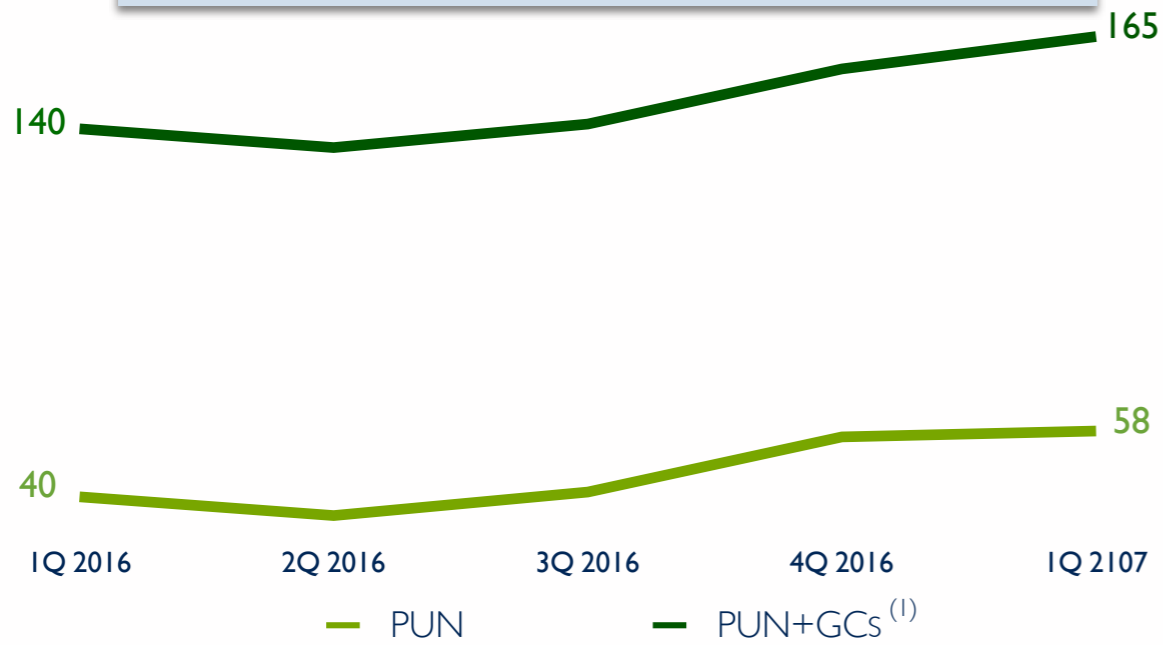
PAOLO MERLI, CFO



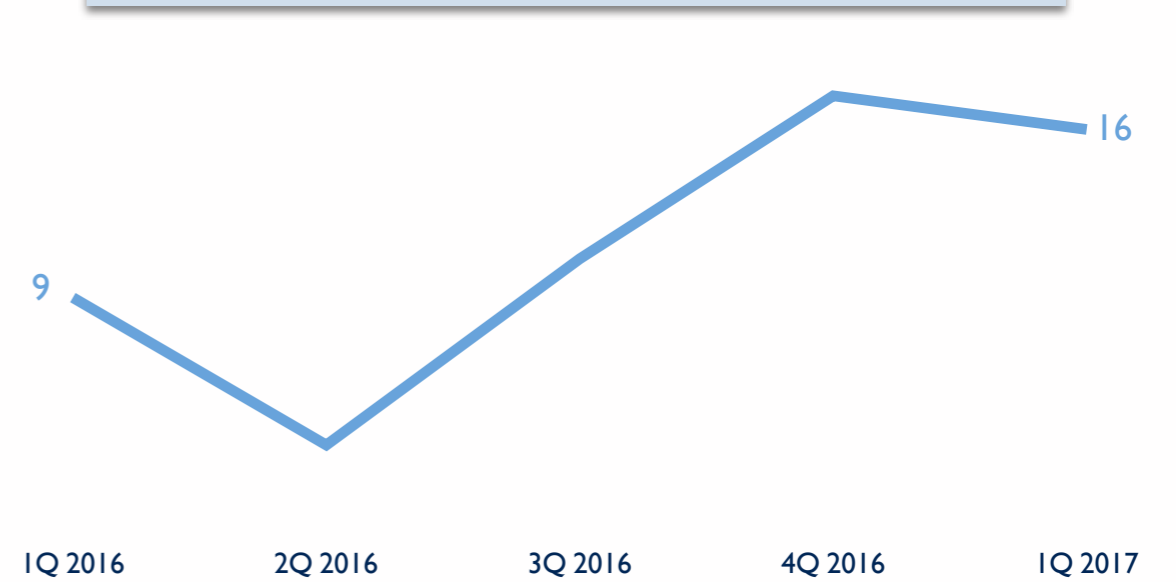
# BUSINESS ENVIRONMENT



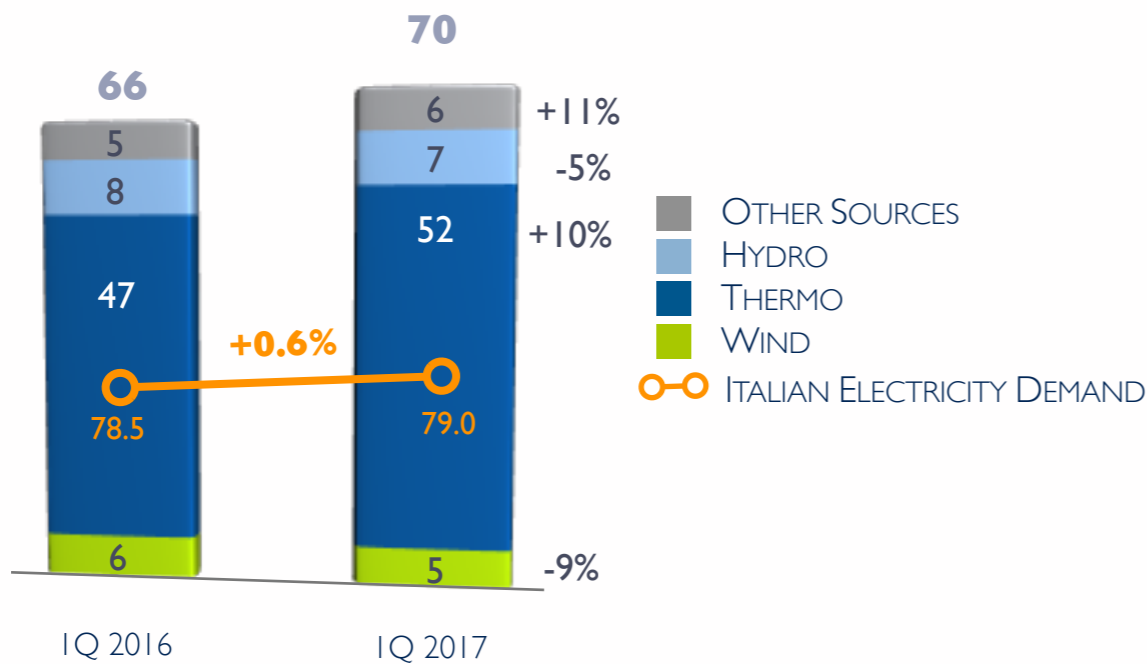
Electricity Prices in Italy (€/MWh)



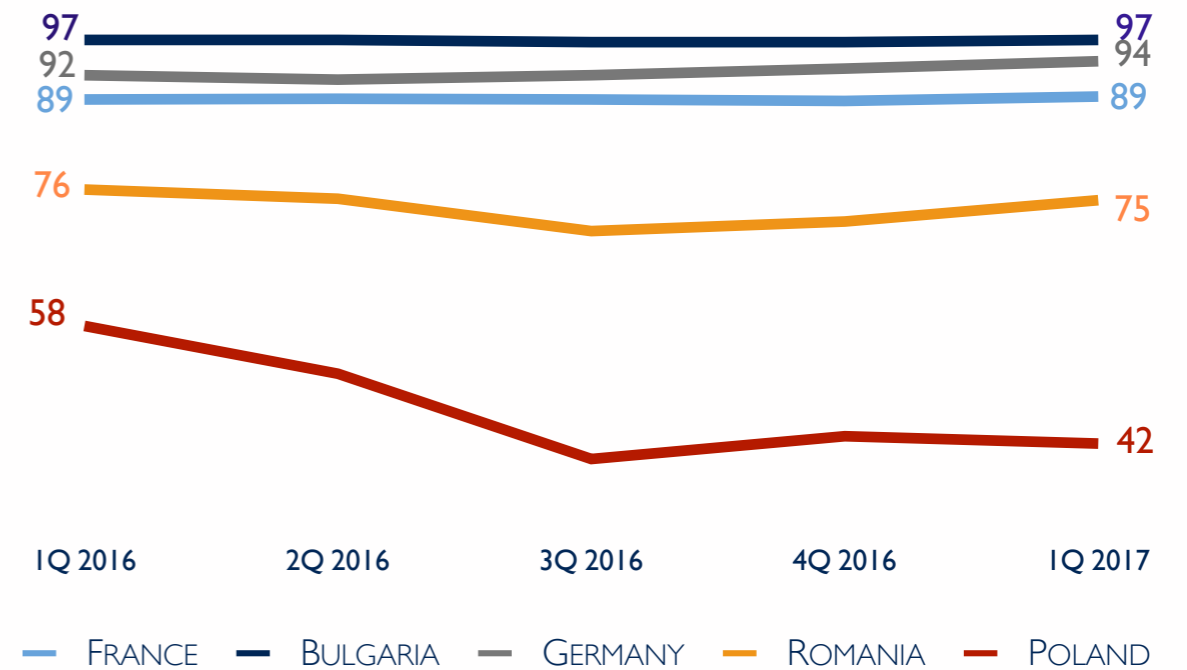
Baseload Spark Spread in Italy (€/MWh)



Italy: Electricity Production vs Demand (TWh)



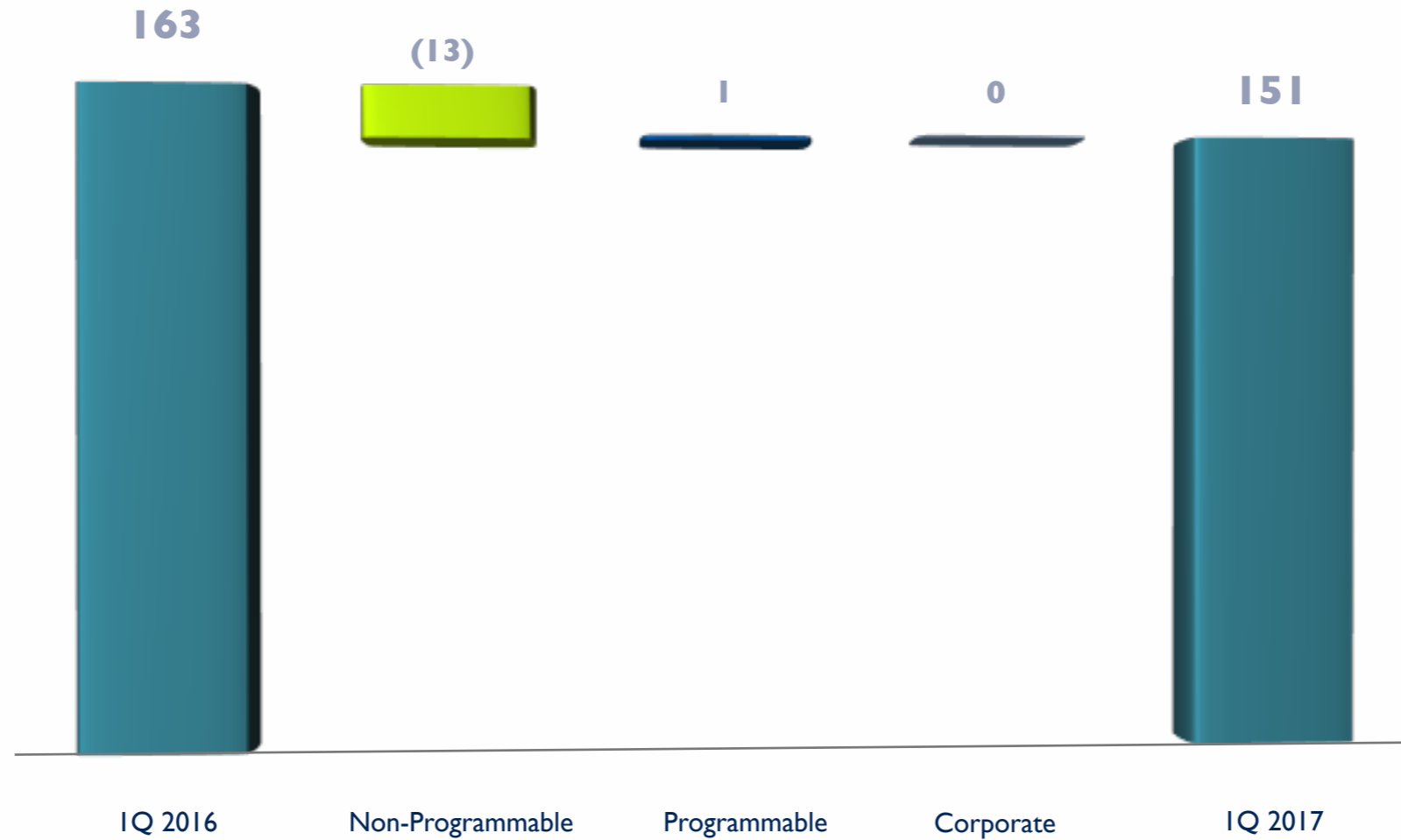
All-in Wind Prices abroad (€/MWh)



<sup>(1)</sup> Italian theoretical price based on National Average Electricity Price (PUN) in Italy + feed-in premium



# IQ 2017 GROUP EBITDA



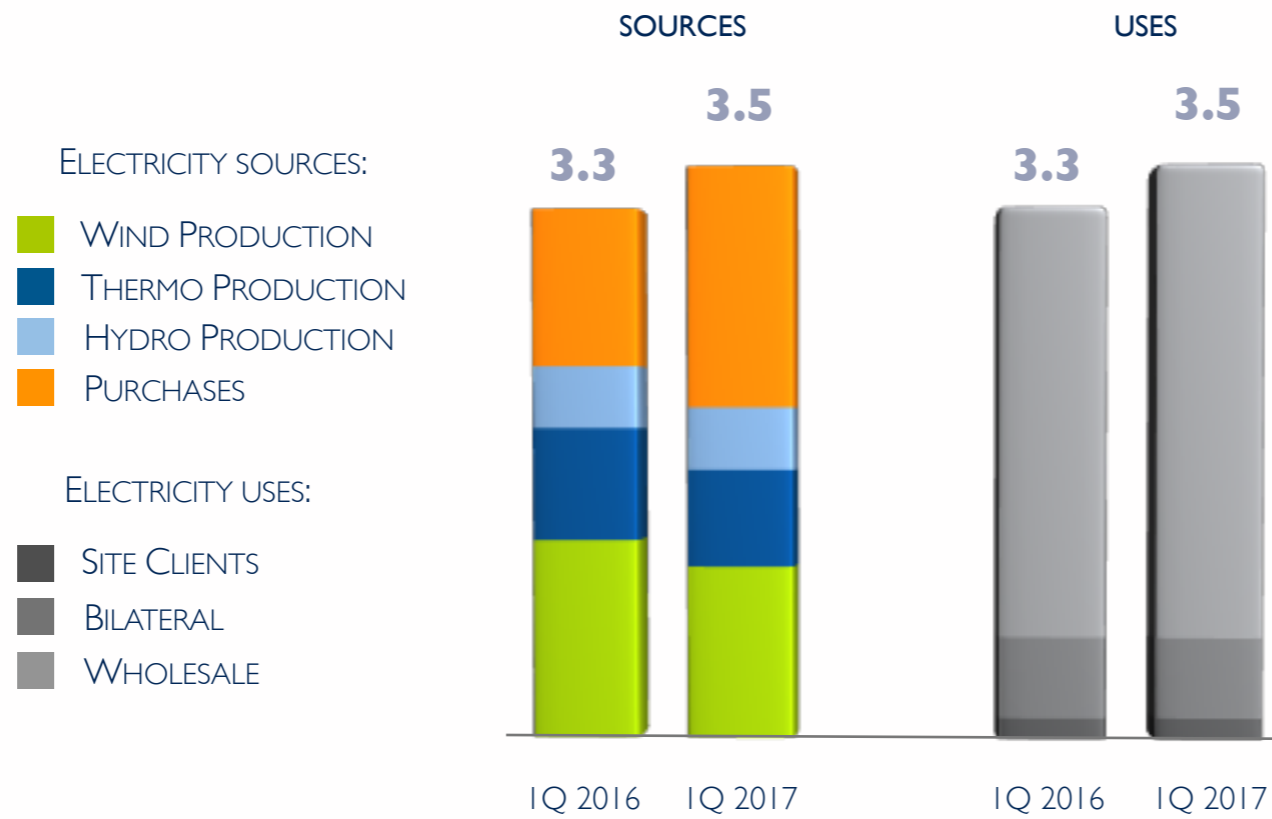
**Better Hydro, offset by worst wind conditions and by end of Essential Unit Regime in CCGT**



# ENERGY PORTFOLIO



IQ 2017 vs IQ 2016 (TWh)



**Larger Energy Management portfolio**



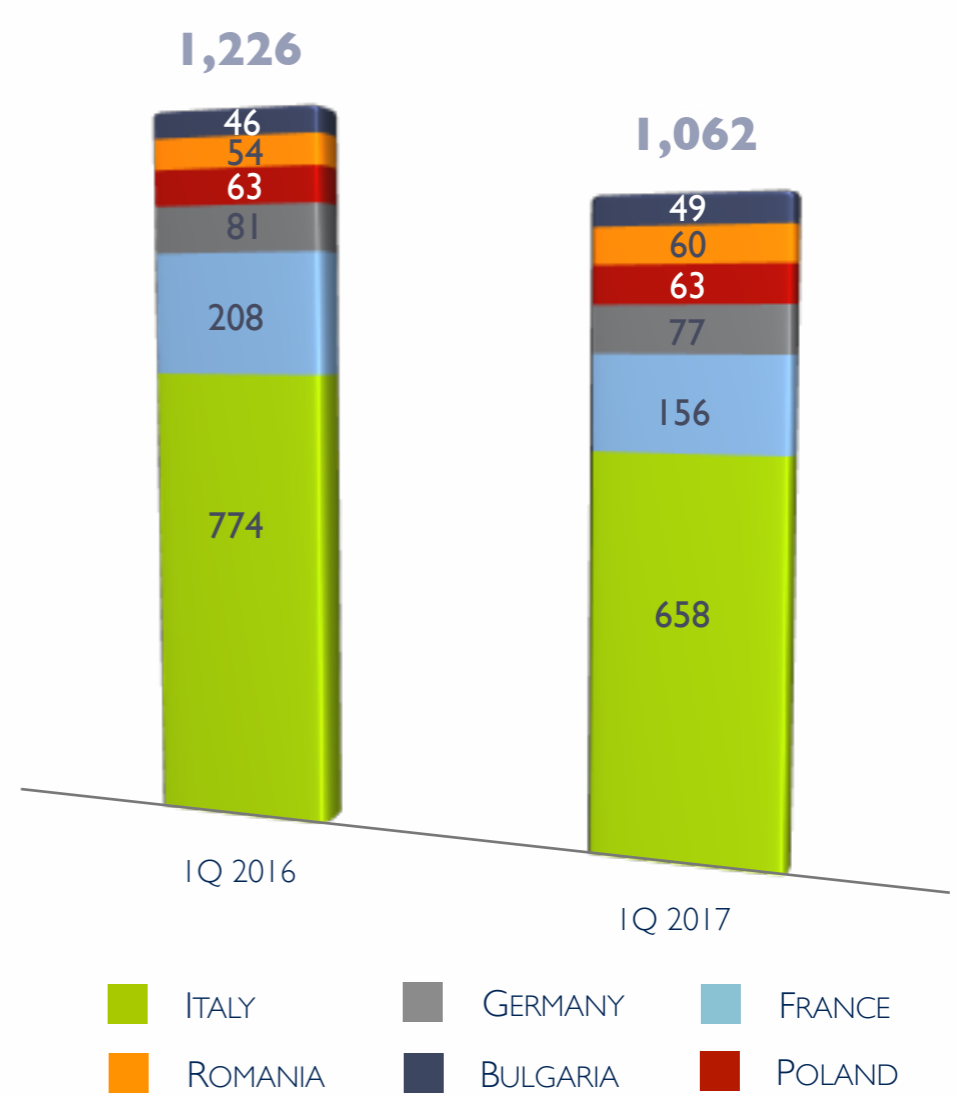
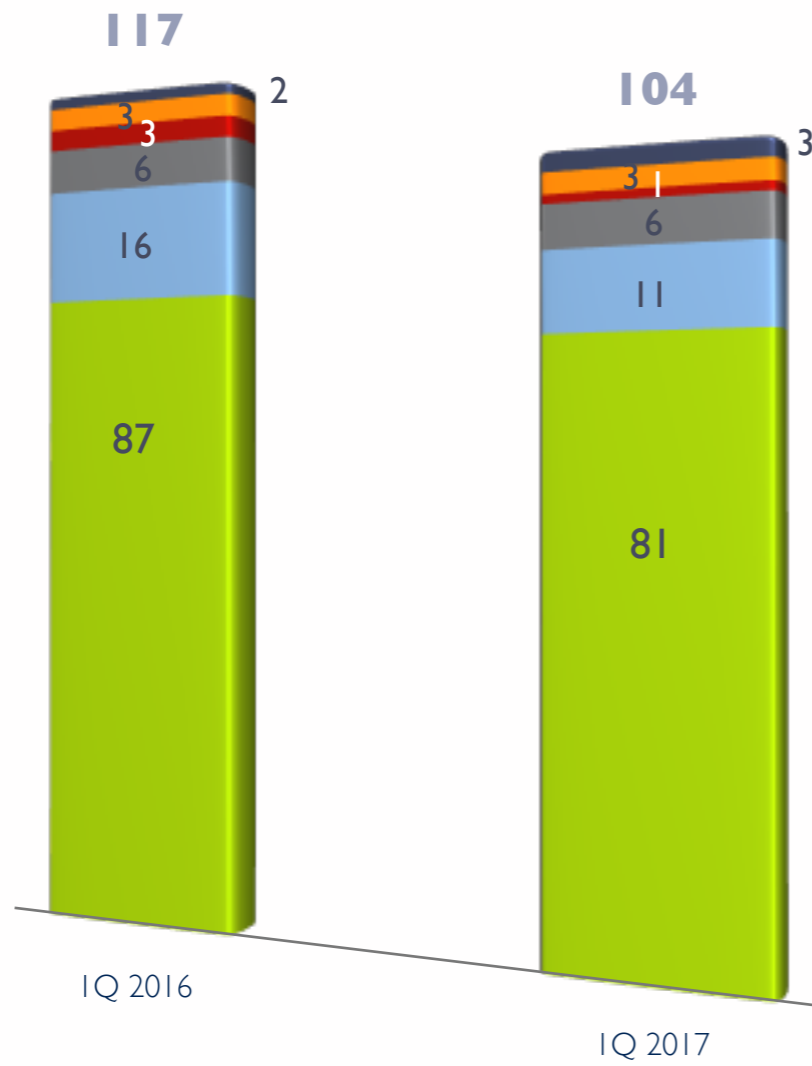


# NON-PROGRAMMABLE RESULTS



Recurring Ebitda (€ mn)

Volumes (GWh)



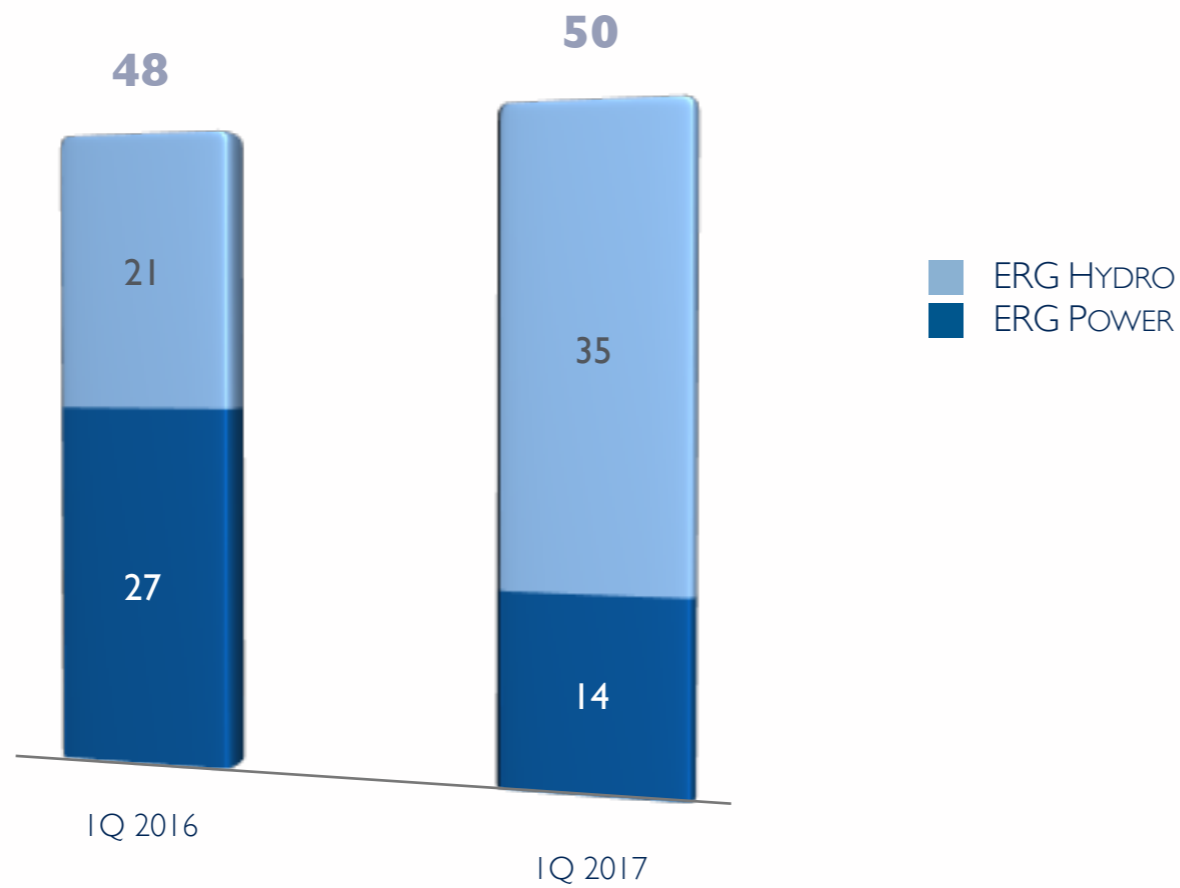
**Worst wind conditions in Italy and in France**



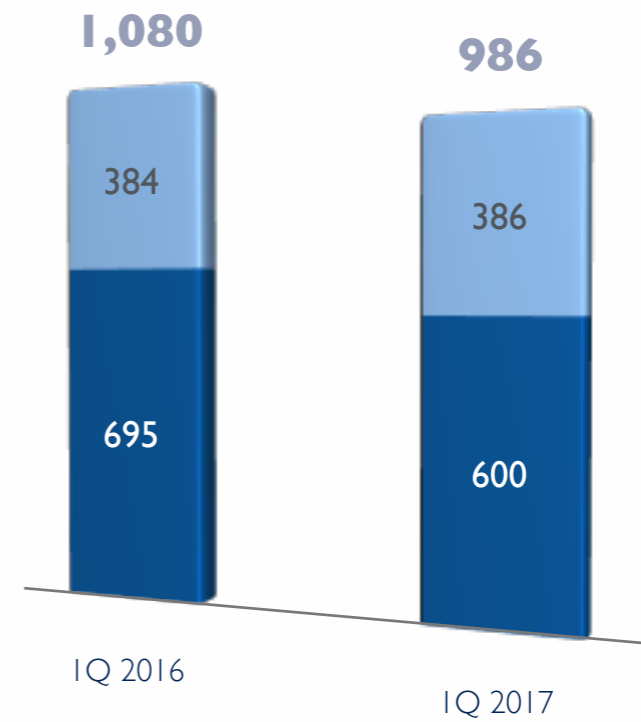
# PROGRAMMABLE RESULTS



Recurring Ebitda (€ mn)



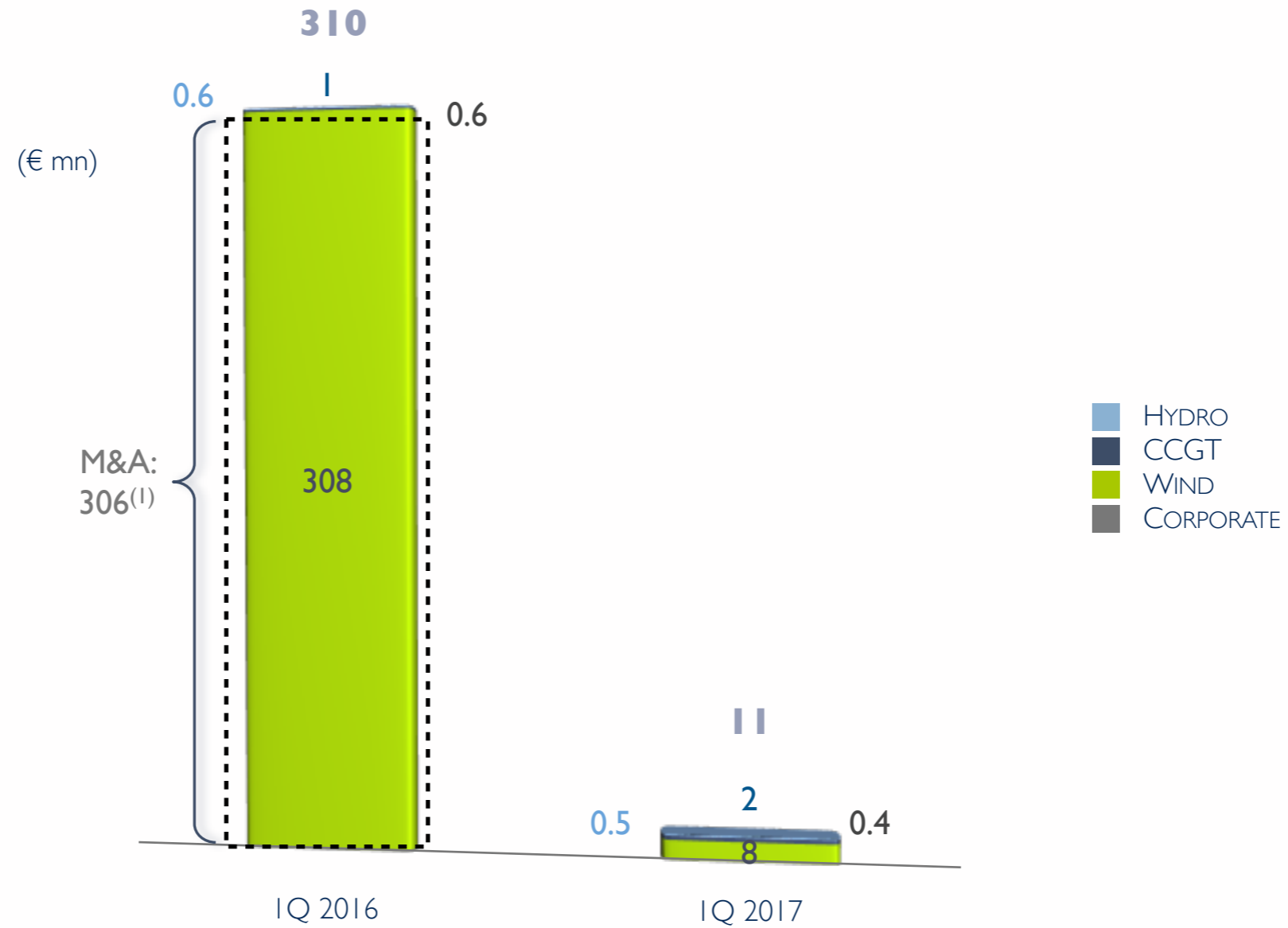
Volumes (GWh)



**Good Hydro results offset end of Essential Unit Regime in CCGT**



# INVESTMENTS



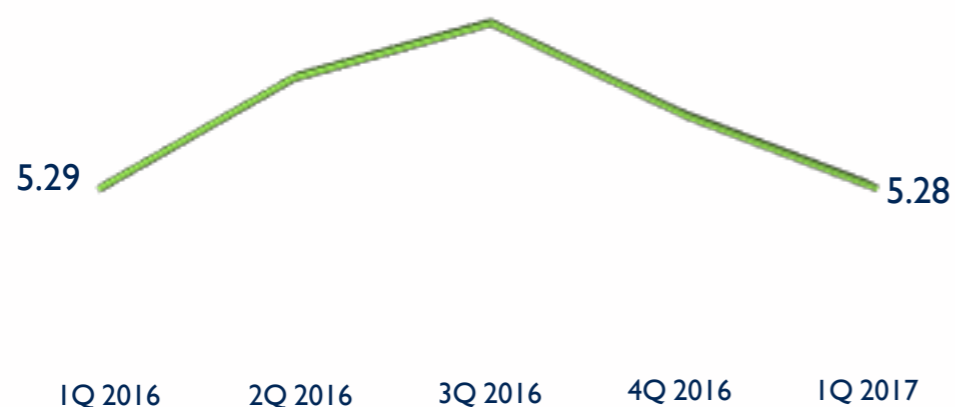
<sup>(1)</sup> M&A CAPEX related to the closing of IMPAX acquisition (which took place on February 2, 2016, amounting to €292mn) and Brockaghboy acquisition (€14mn)



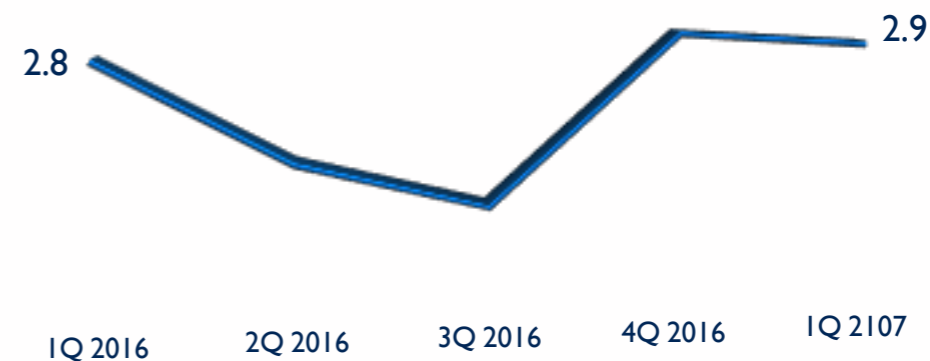
# TOTALERG: KEY FIGURES<sup>(1)</sup>



Industry Retail Fuels Volumes (M tons)



EMC Margin (\$/bbl)



4Q 2016	Euro millions	IQ 2017	IQ 2016
38	Recurring EBITDA	41	30
18	Recurring EBIT	23	12
7	Recurring Net Profit	12	5
244	NFP	334	431
10.9%	TOTALERG retail market share	10.9%	11.0%

<sup>(1)</sup> Figures refer to 100% of TOTALERG contribution



# KEY FINANCIALS



# PRO-FORMA RECURRING P&L

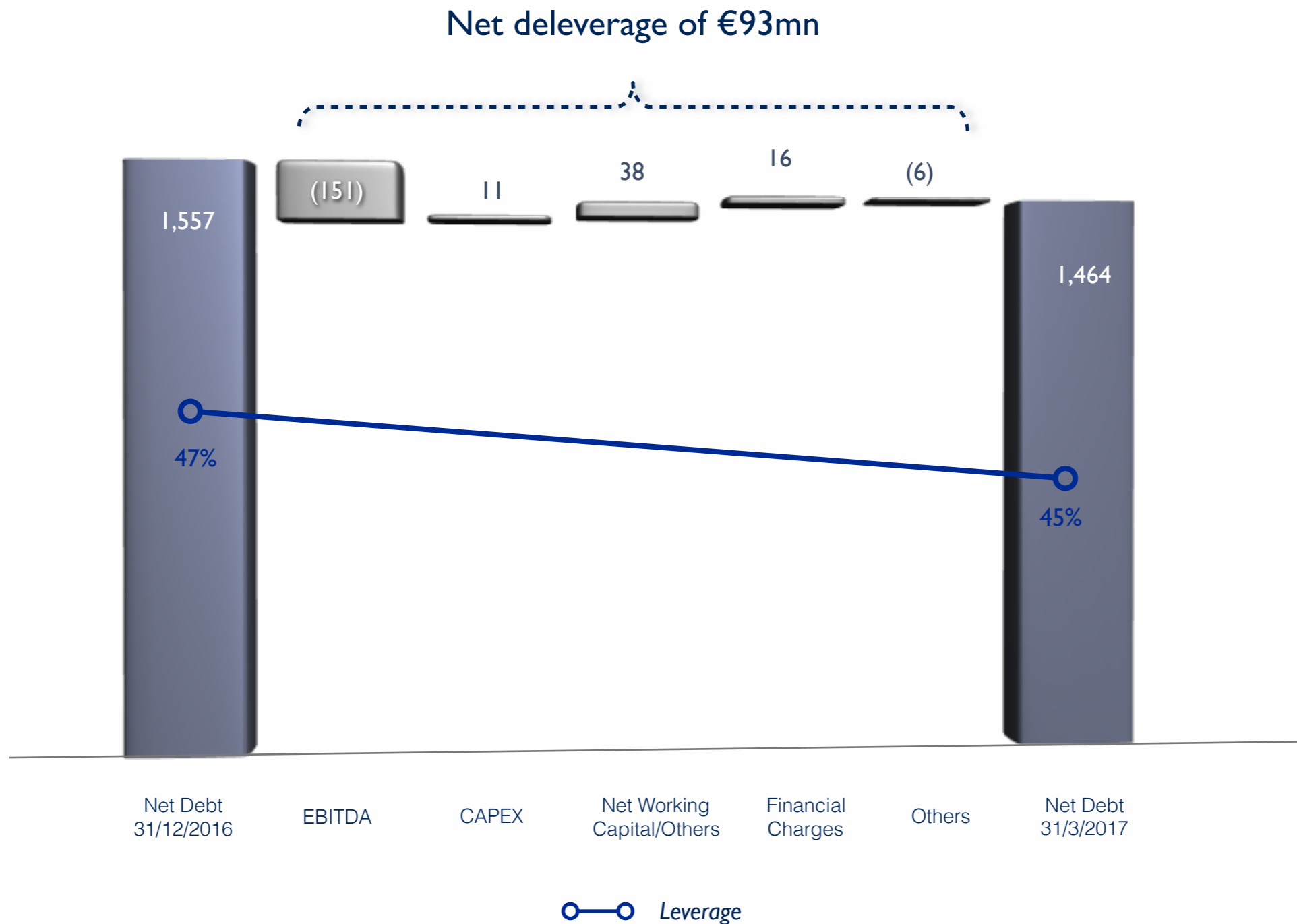


4Q 2016	Euro millions	IQ 2017	IQ 2016
<b>104</b>	<b>Recurring EBITDA</b>	<b>151</b>	<b>163</b>
(60)	<i>Amortization and depreciation</i>	(62)	(64)
<b>44</b>	<b>Recurring EBIT</b>	<b>90</b>	<b>99</b>
(20)	<i>Net financial income (expenses)</i>	(16)	(19)
4	<i>Net income (loss) from equity investments</i>	6	2
<b>28</b>	<b>Recurring Results before taxes</b>	<b>80</b>	<b>82</b>
(3)	<i>Income taxes</i>	(19)	(21)
<b>24</b>	<b>Recurring Results for the period</b>	<b>61</b>	<b>61</b>
0	<i>Minority interests</i>		(3)
<b>24</b>	<b>Recurring Net profit</b>	<b>61</b>	<b>57</b>
<b>12%</b>	<b>Tax Rate</b>	<b>24%</b>	<b>26%</b>

Note: figures based on NO GAAP measures



# IQ 2017 CASHFLOW STATEMENT





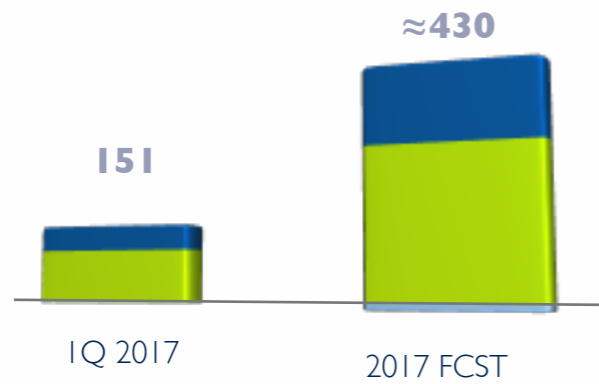
# 2017 GUIDANCE AND CONCLUSIONS

LUCA BETTONTE, CEO





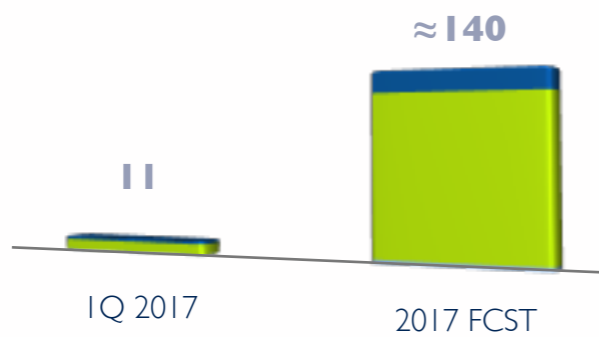
# 2017 GUIDANCE



EBITDA:

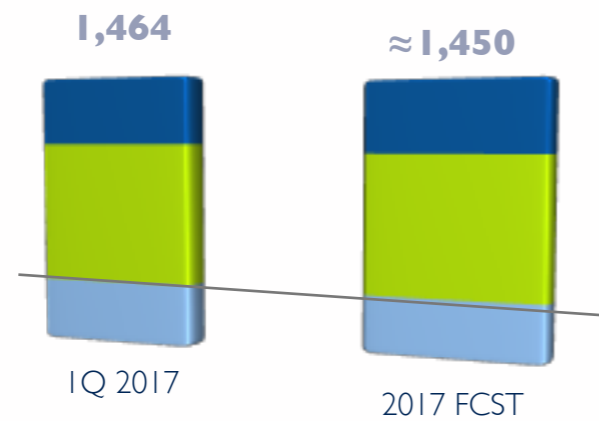
✓ Guidance confirmed at €430mn

■ PROGRAMMABLE   
 ■ NON-PROGRAMMABLE   
 ■ CORPORATE



CAPEX:

✓ Guidance confirmed at €140mn



NFP:

✓ Guidance confirmed at €1.45bn

■ LIQUIDITY   
 ■ PF   
 ■ OTHER AT MLT

**Business Plan to be presented in December 2017**



# APPENDIX



# IQ 2017 RESULTS



	4Q 2016	Euro millions		IQ 2017	IQ 2016	
	268	Revenues		303	295	
↑	104	Recurring EBITDA		151	163	↓
↑	78	- Non-Programmable		104	117	↓
		<i>of which:</i>				
	56	- Italy		81	87	
	21	- Abroad		23	29	
↑	32	- Programmable		50	48	↑
		<i>of which:</i>				
	7	- Thermo		14	27	
	25	- Hydro		35	21	
↑	(5)	- Corporate		(2)	(2)	↑



## NON-PROGRAMMABLE: KEY FIGURES (1/2)



4Q 2016		1Q 2017	1Q 2016
<b>1,720</b>	<b>Installed capacity (end-period, MW)</b>	<b>1,720</b>	<b>1,720</b>
	<i>of which:</i>		
1,094	- Italy	1,094	1,094
252	- France	252	252
168	- Germany	168	168
82	- Poland	82	82
70	- Romania	70	70
54	- Bulgaria	54	54
<b>870</b>	<b>Electricity Production (GWh)</b>	<b>1,062</b>	<b>1,226</b>
	<i>of which:</i>		
509	- Italy	658	774
121	- France	156	208
66	- Germany	77	81
75	- Poland	63	63
54	- Romania	60	54
46	- Bulgaria	49	46



## NON-PROGRAMMABLE: KEY FIGURES (2/2)



4Q 2016	Euro millions		1Q 2017	1Q 2016
<b>Recurring EBITDA:</b>				
56	Italy		81	87
8	France		11	16
6	Germany		6	6
2	Poland		1	3
2	Romania		3	3
3	Bulgaria		3	2
<b>78</b>	<b>Total Recurring EBITDA</b>		<b>104</b>	<b>117</b>
<b>(38)</b>	<b>Depreciation</b>		<b>(38)</b>	<b>(41)</b>
<b>39</b>	<b>Recurring EBIT</b>		<b>65</b>	<b>75</b>



# ERG POWER: KEY FIGURES



4Q 2016	Euro millions		IQ 2017	IQ 2016
661	Electricity Production (GWh)		600	695
7	Recurring EBITDA		14	27
(8)	Depreciation		(8)	(7)
(1)	Recurring EBIT		7	20



# ERG HYDRO: KEY FIGURES



4Q 2016	Euro millions		IQ 2017	IQ 2016
329	Electricity Production (GWh)		386	384
25	Recurring EBITDA		35	21
(14)	Depreciation		(15)	(15)
11	Recurring EBIT		21	6



# INVESTMENTS



4Q 2016	Euro millions		IQ 2017	IQ 2016
23	Non-Programmable		8	308 <sup>(1)</sup>
5	Programmable		2	2
	<i>of which:</i>			
4	- Thermo		2	1
1	- Hydro		1	1
2	Corporate		0	1
29	Total		11	310

<sup>(1)</sup> In IQ 2016: M&A CAPEX include investments related to the closing of IMPAX acquisition (which took place on February 2, 2016, amounting to €292mn) and Brockaghboy acquisition (€14mn)