



1stH 2017

CONSOLIDATED RESULTS

Conference Call

Pieve di Soligo, 1st August 2017

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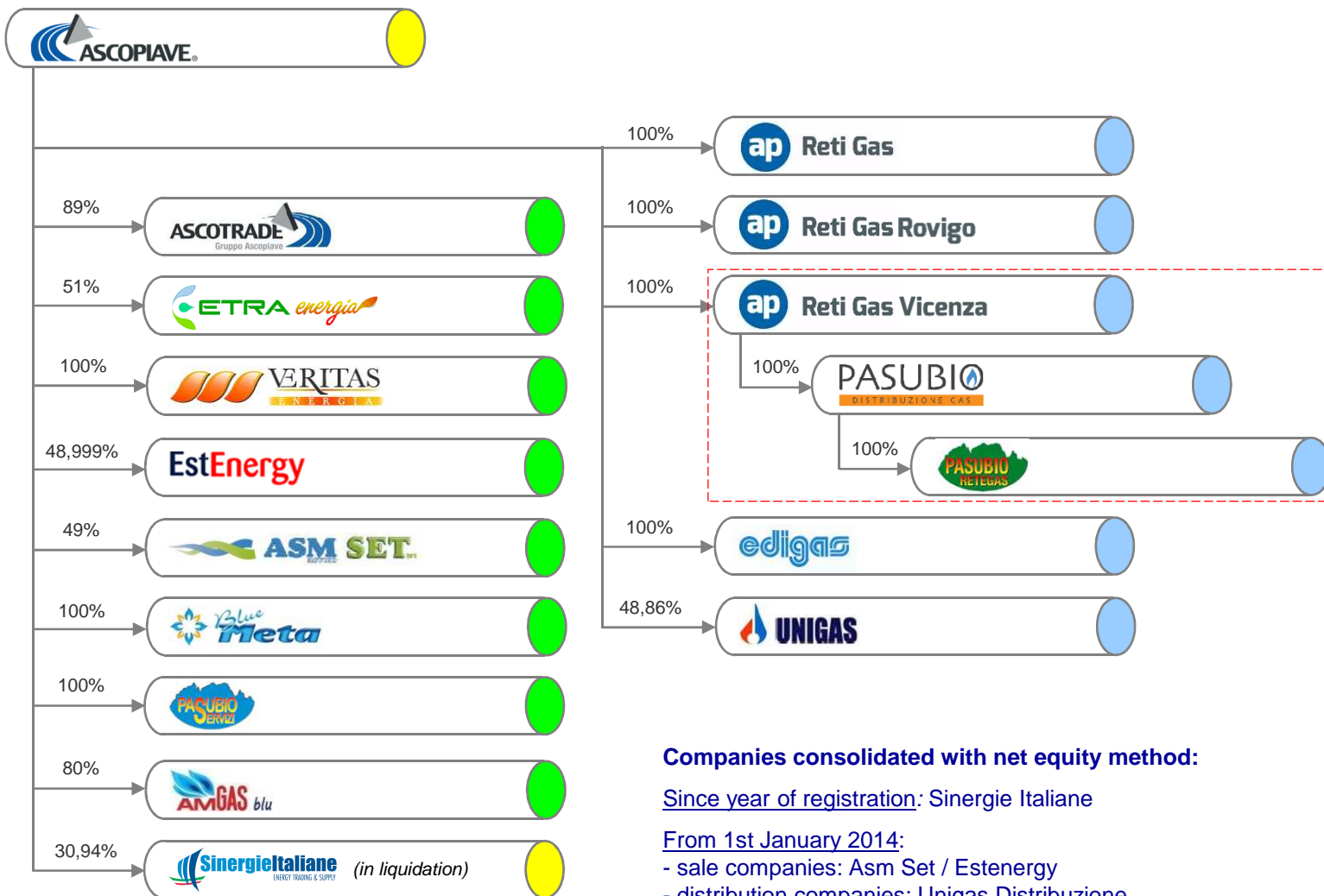
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Ascopiave Group structure as of 30th June 2017



● Gas distribution
 ● Gas sales
 ● Other activities

Companies consolidated with net equity method:

Since year of registration: Sinergie Italiane

From 1st January 2014:

- sale companies: Asm Set / Estenergy
- distribution companies: Unigas Distribuzione

AP Reti Gas Vicenza (formerly Pasubio Group):

company acquired on 3rd april 2017

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1stH 2017 consolidated income statement

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1stH 2017 consolidated results
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(Thousand of Euro)	1stH 2017	1stH 2016	Chg	Chg %
Revenues	297.500	265.811	31.689	+11,9%
(Cost of raw materials and consumables)	(156.182)	(143.023)	(13.159)	+9,2%
(Cost of services)	(59.494)	(53.478)	(6.016)	+11,2%
(Cost of personnel)	(13.012)	(11.313)	(1.699)	+15,0%
(Other operating costs)	(20.225)	(9.187)	(11.038)	+120,1%
Other operating income	640	123	517	+419,3%
EBITDA	49.228	48.933	295	+0,6%
(Depreciations and amortizations)	(10.597)	(10.076)	(521)	+5,2%
(Provisions)	(1.086)	(1.151)	65	-5,7%
EBIT	37.545	37.705	(161)	-0,4%
Financial income / (expenses)	(190)	(285)	95	-33,2%
Evaluation of companies with net assets method (*)	4.548	4.171	377	+9,0%
EBT	41.902	41.591	311	+0,7%
(Income taxes)	(11.244)	(12.351)	1.107	-9,0%
Net income	30.658	29.240	1.418	+4,8%
(Net income of minorities)	(1.466)	(1.730)	265	-15,3%
Net income of the Group	29.193	27.510	1.683	+6,1%

(*) Result of the companies consolidated with net equity consolidation method (data are considered pro-rata): sale companies, Euro 3,4 mln (Euro 3,1 mln in 1stH 2016); distribution companies, Euro 0,5 mln (Euro 0,5 mln in 1stH 2016); Sinergie Italiane, Euro 0,6 mln (Euro 0,5 mln in 1stH 2016).

Consolidated balance sheet as of 30th June 2017

(Thousand of Euro)	30/06/2017	31/12/2016	Chg	Chg %
Tangible assets (*)	33.867	32.364	1.503	+4,6%
Non tangible assets (*)	425.632	397.664	27.968	+7,0%
Investments in associates (**)	66.048	68.738	(2.689)	-3,9%
Other fixed assets	24.069	23.808	260	+1,1%
Fixed assets	549.616	522.574	27.042	+5,2%
Operating current assets	157.437	201.908	(44.471)	-22,0%
(Operating current liabilities)	(158.758)	(138.003)	(20.755)	+15,0%
(Operating non current liabilities)	(50.275)	(48.151)	(2.123)	+4,4%
Net working capital	(51.596)	15.754	(67.350)	-427,5%
Total capital employed	498.020	538.328	(40.308)	-7,5%
Group shareholders equity	426.303	438.055	(11.751)	-2,7%
Minorities	4.608	6.154	(1.546)	-25,1%
Net financial position	67.109	94.119	(27.010)	-28,7%
Total sources	498.020	538.328	(40.308)	-7,5%

(*) Applying IFRIC 12 involves categorising the infrastructures under concession from tangible to intangible assets; (**) Value of the associated companies consolidated with net equity consolidation method: sale companies, Euro 45,6 mln (Euro 48,0 mln as of 31st December 2016); distribution companies, Euro 20,4 mln (Euro 20,7 mln as of 31st December 2016).

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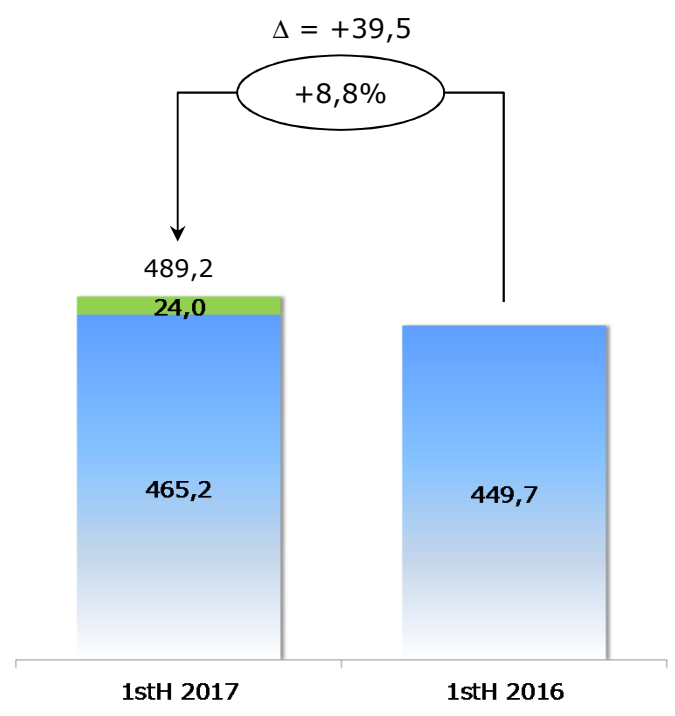
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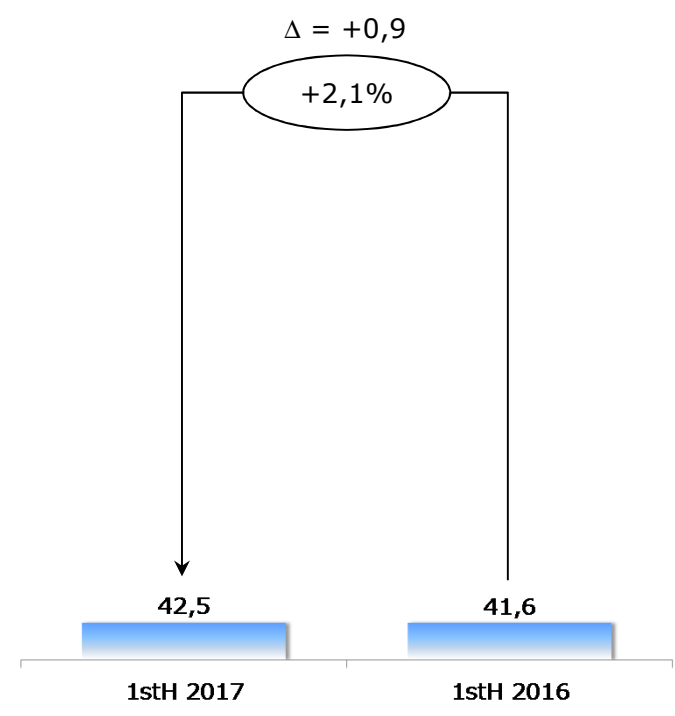
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Volumes of gas distributed

Volumes of gas distributed (Million of standard cubic meters)



Companies consolidated with full consolidation method



Companies consolidated with net equity consolidation method (*)

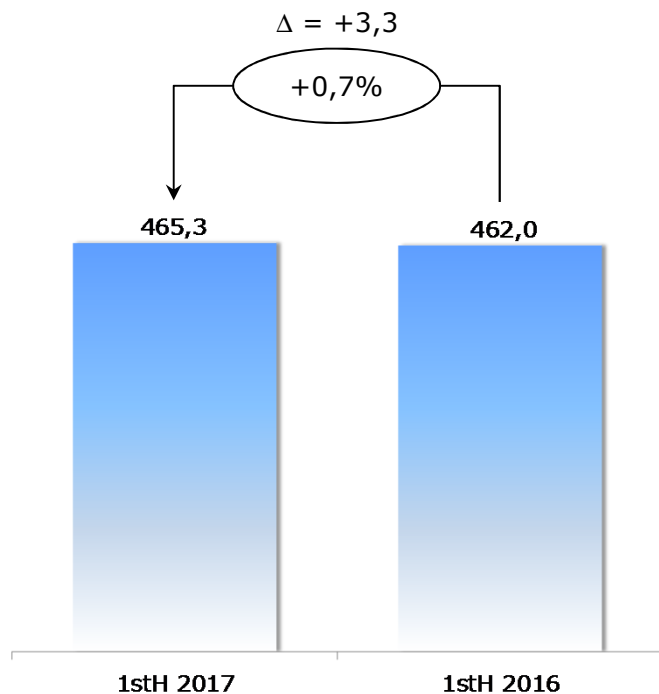
■ Change of the consolidation area (**)
■ 2016 consolidation area

(*) Data are considered pro-rata; (**) AP Reti Gas Vicenza: 2ndQ 2017.

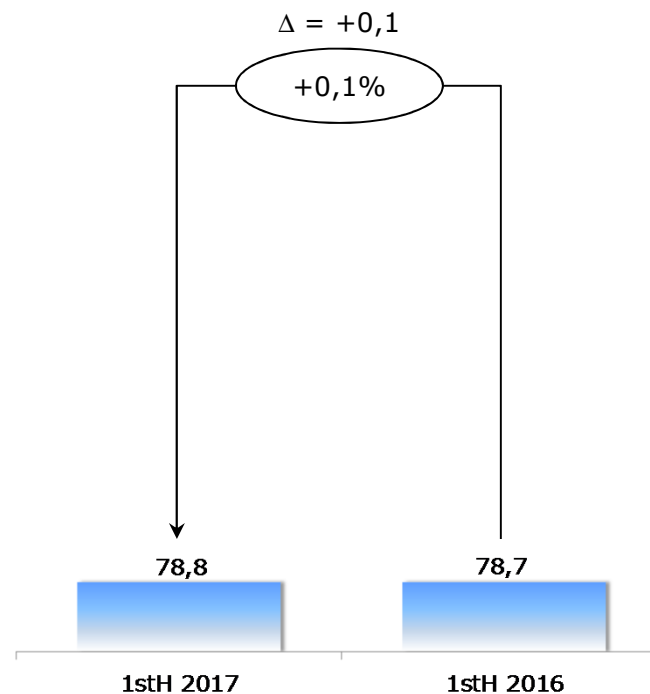


Volumes of gas sold

Volumes of gas sold (Million of standard cubic meters)



Companies consolidated
with full consolidation method

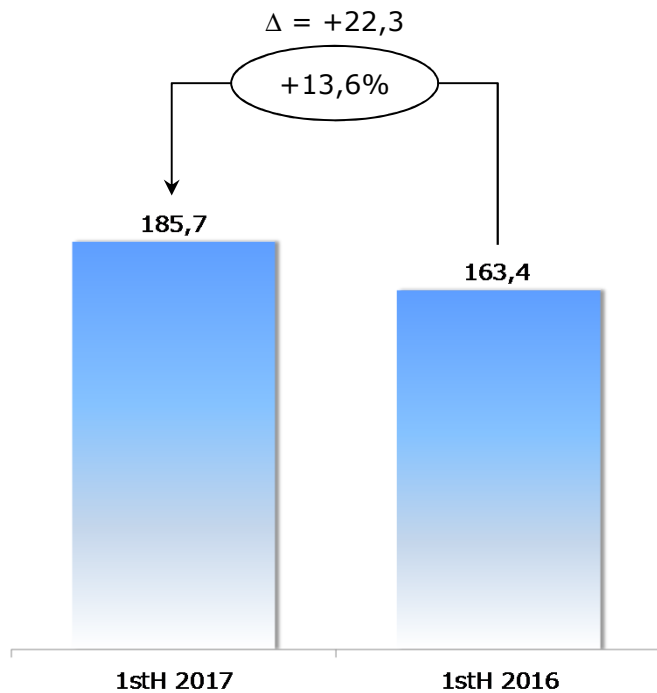


Companies consolidated
with net equity consolidation method (*)

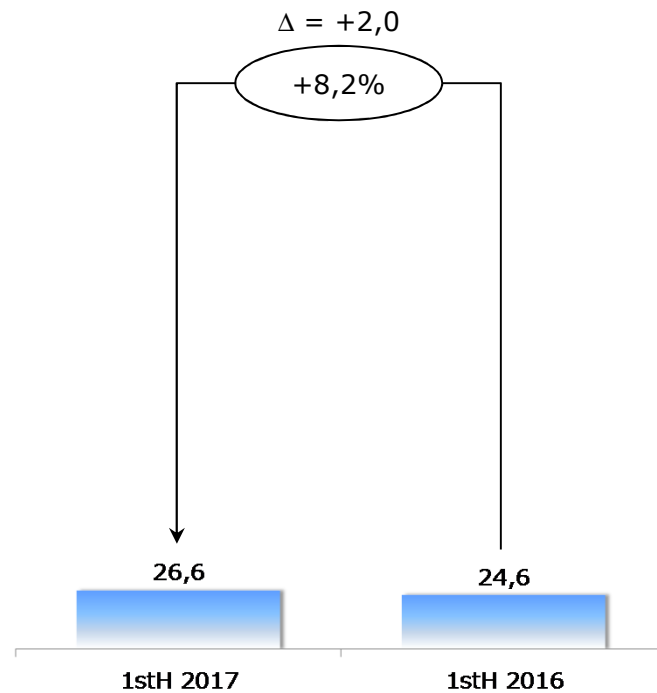
(*) Data are considered pro-rata.

Volumes of electricity sold

Volumes of electricity sold (GWh)



Companies consolidated with full consolidation method



Companies consolidated with net equity consolidation method (*)

(*) Data are considered pro-rata.



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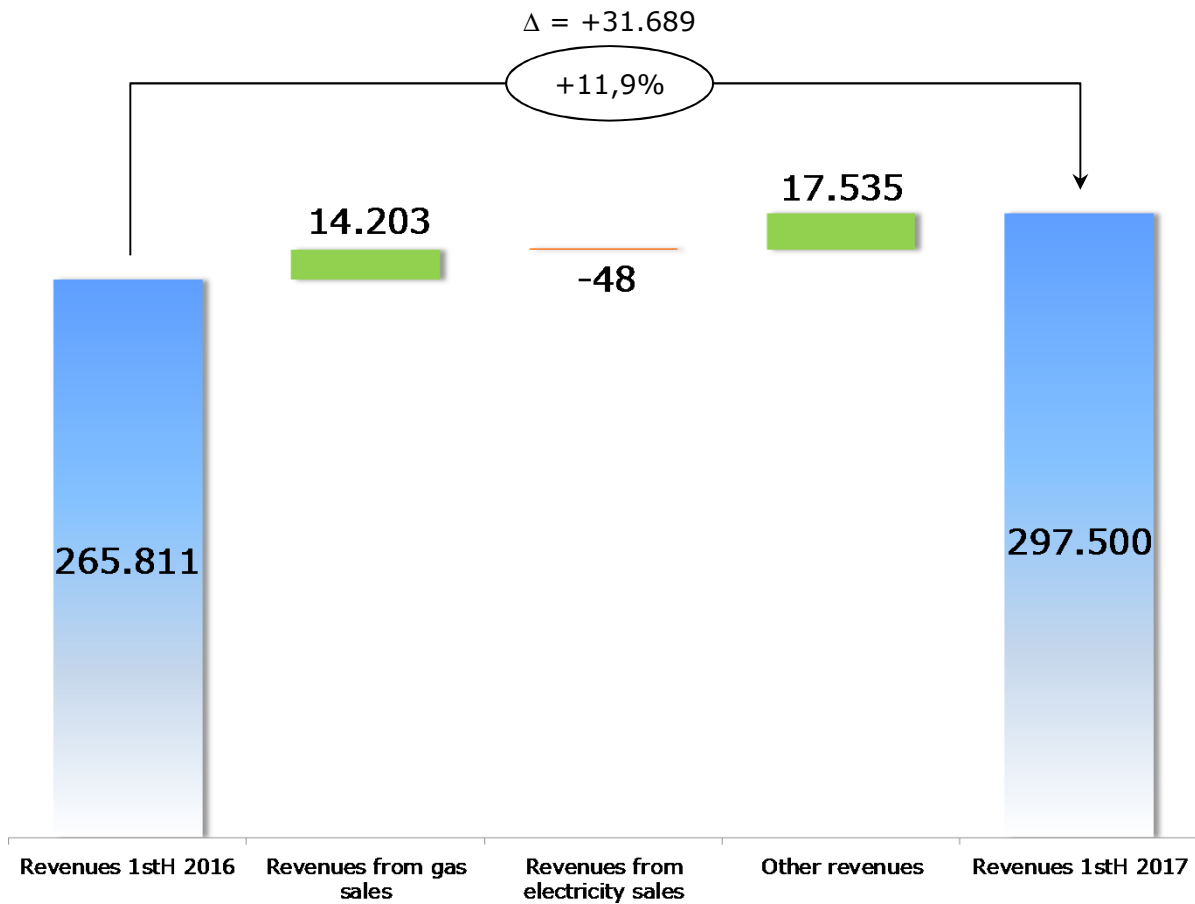
Capex

Net financial position and cash flow

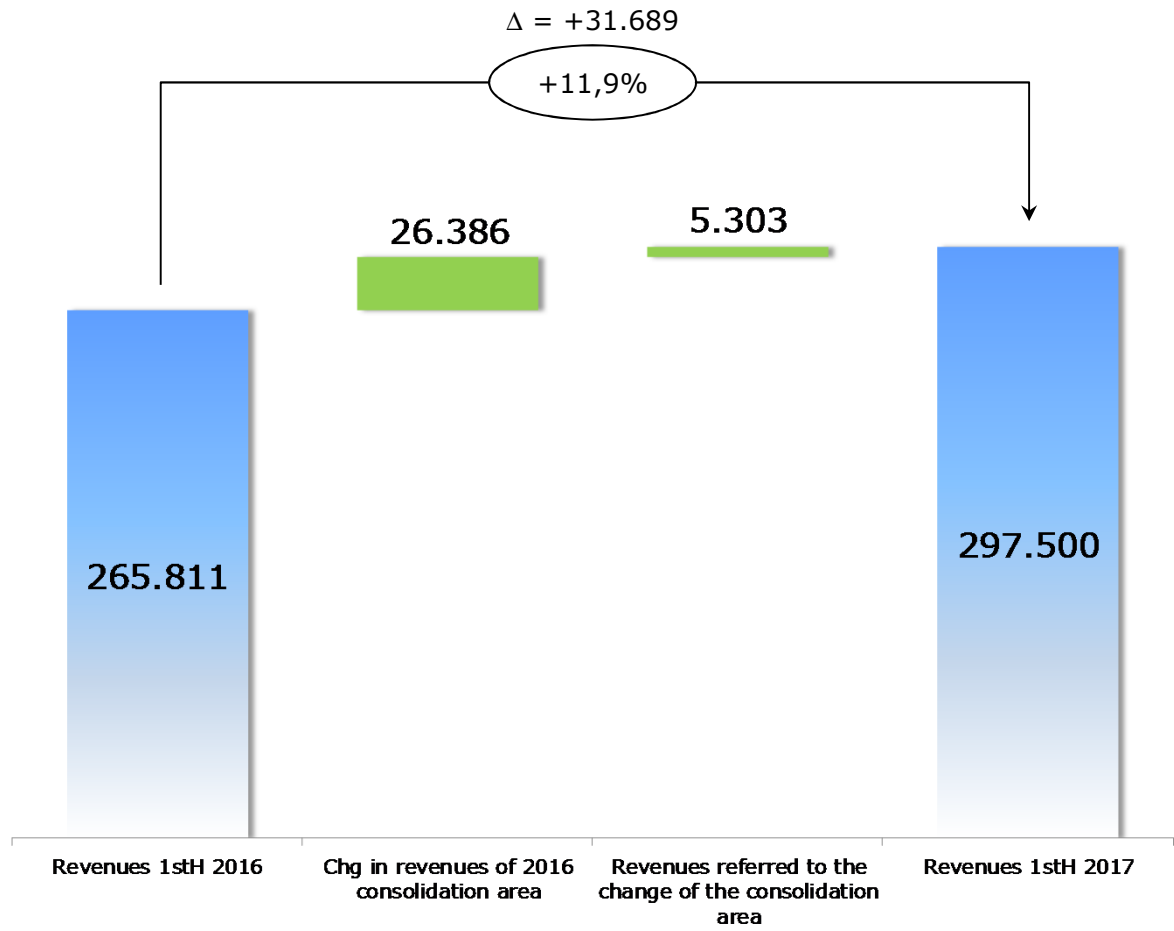
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Revenues bridge Companies consolidated with full consolidation method (Thousand of Euro)

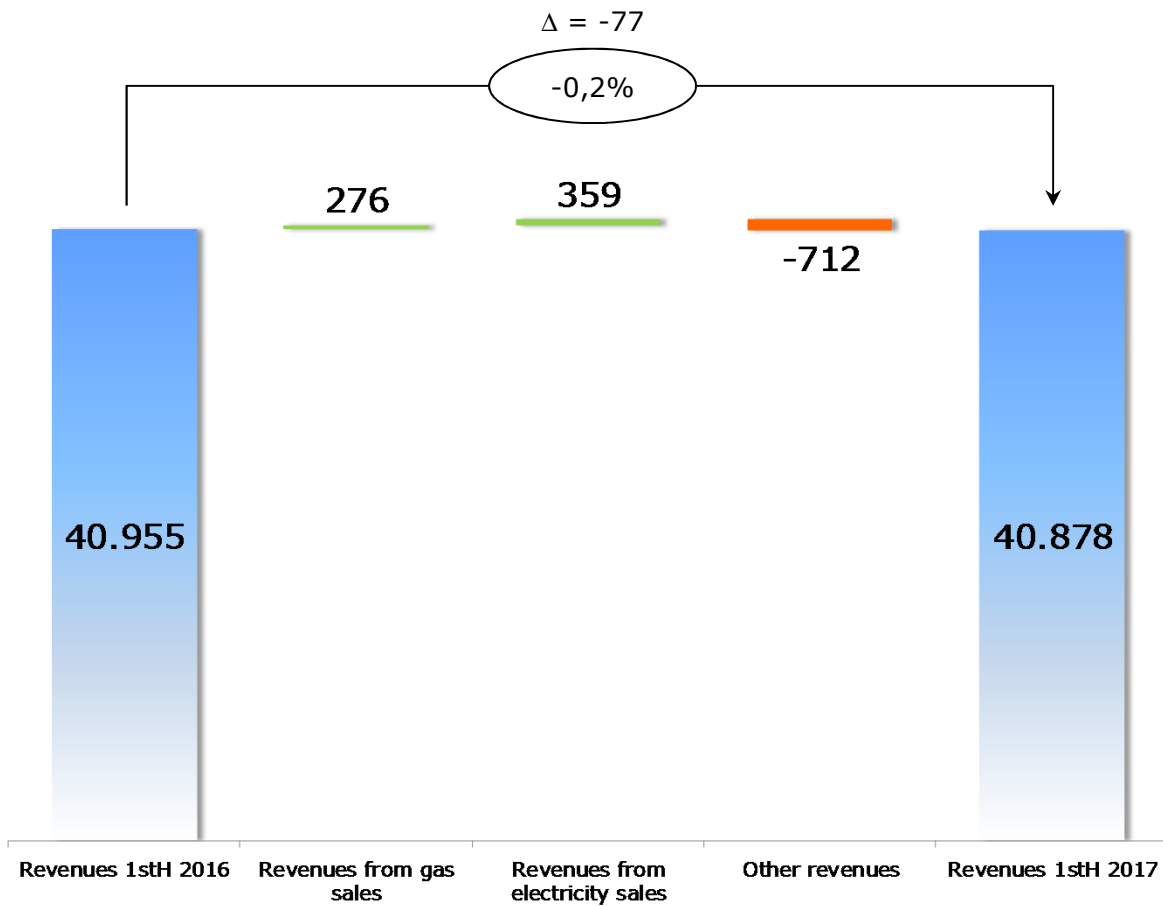


Revenues bridge Companies consolidated with full consolidation method (Thousand of Euro)



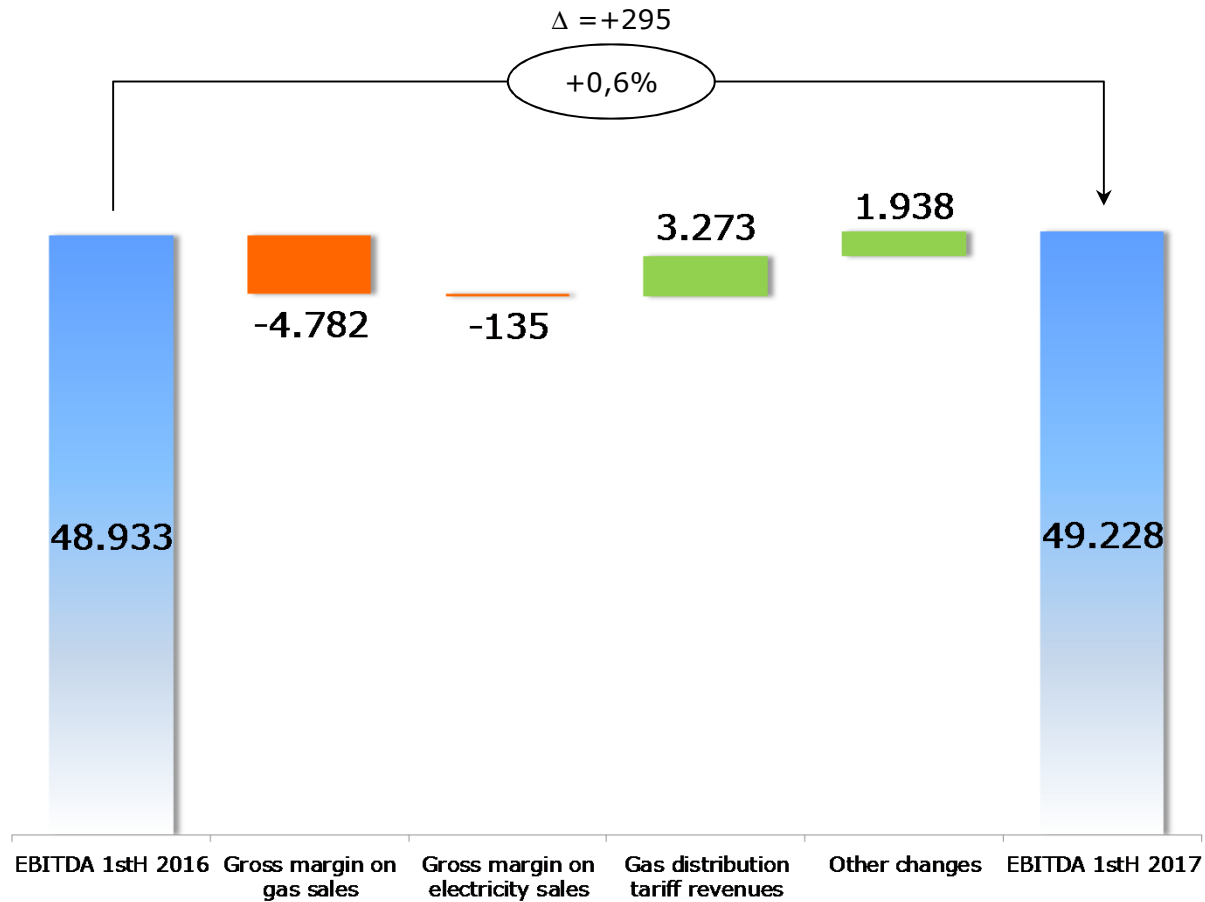
Revenues bridge (3)

Revenues bridge
Companies consolidated with net equity consolidation method (*)
 (Thousand of Euro)

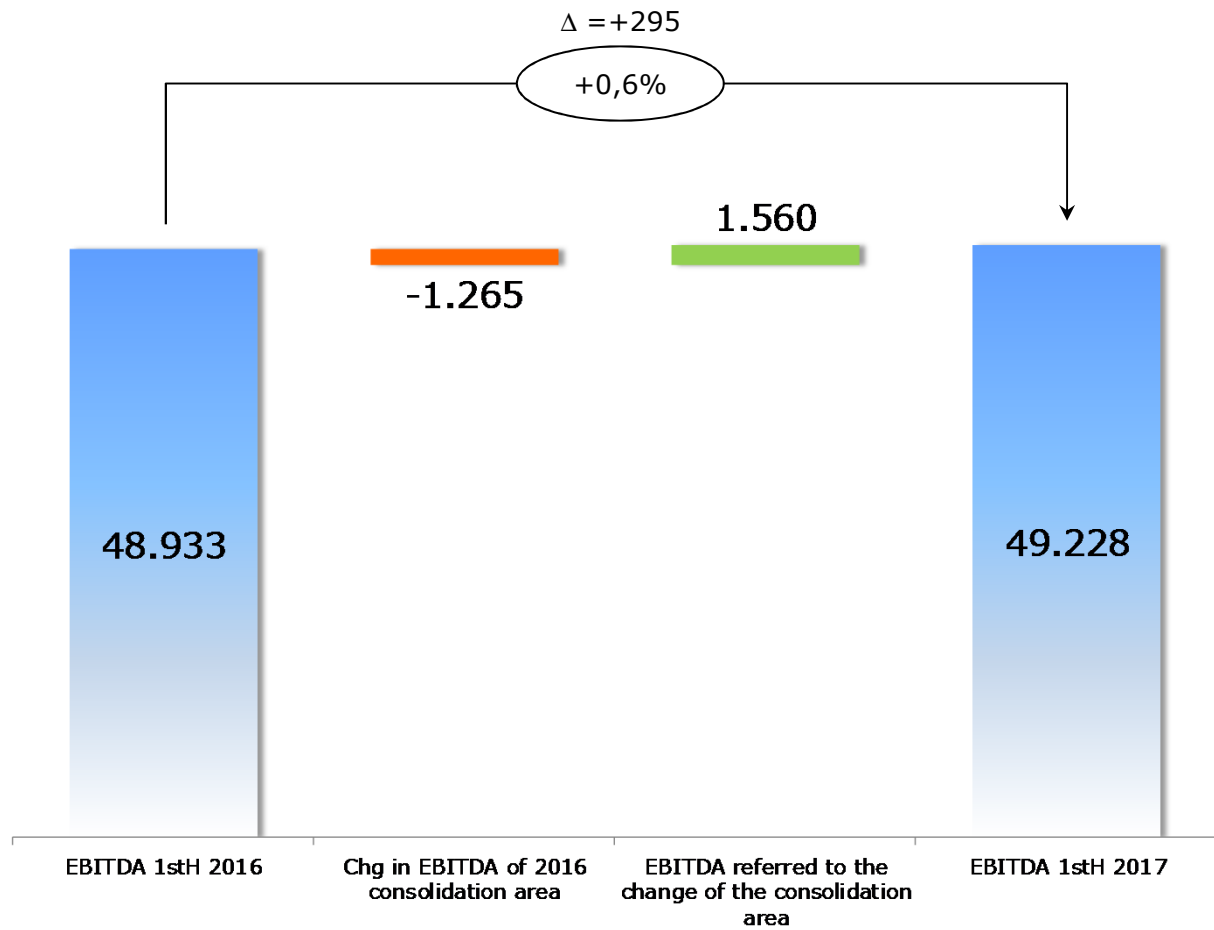


(*) Sinergie Italiane excluded. Data are considered pro-rata.

EBITDA bridge Companies consolidated with full consolidation method (Thousand of Euro)

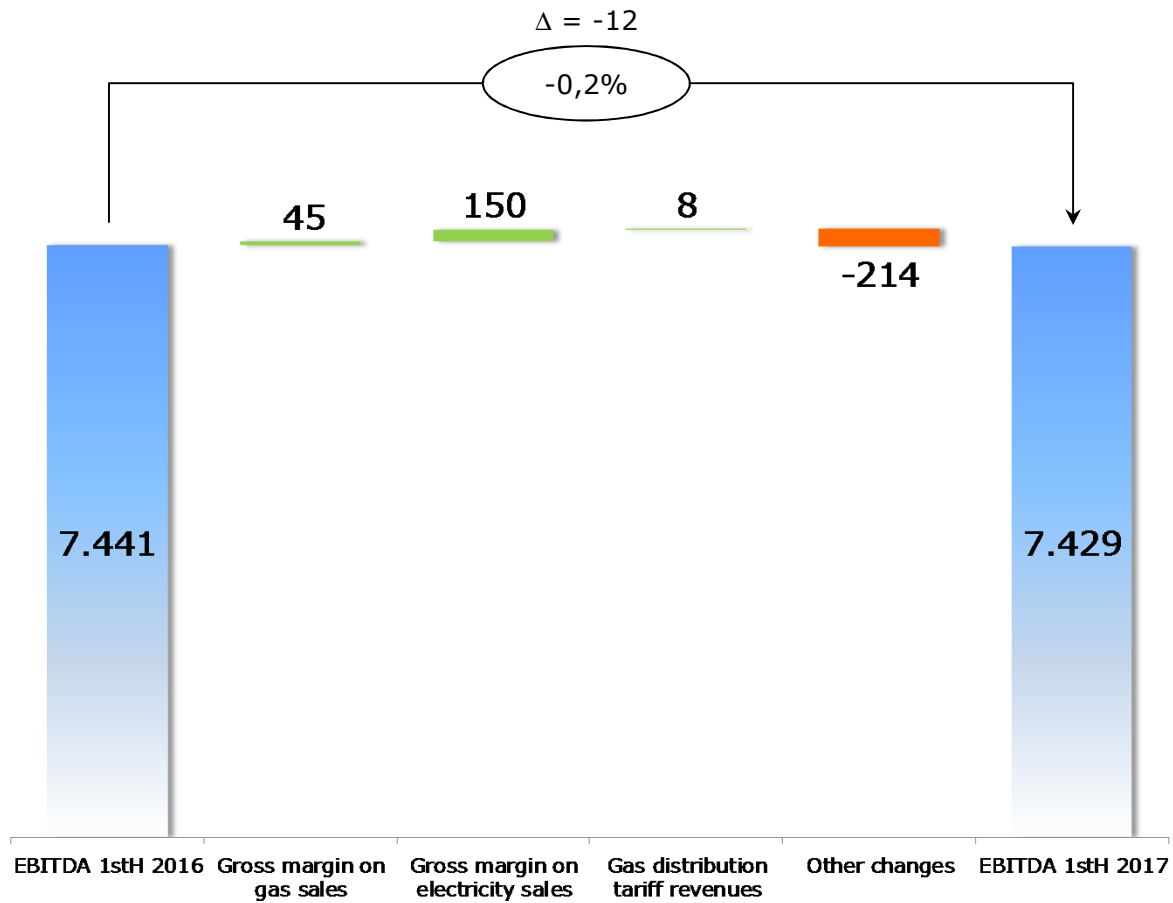


EBITDA bridge Companies consolidated with full consolidation method (Thousand of Euro)



EBITDA bridge (3)

EBITDA bridge Companies consolidated with net equity consolidation method (*) (Thousand of Euro)



(*) Sinergie Italiane excluded. Data are considered pro-rata.

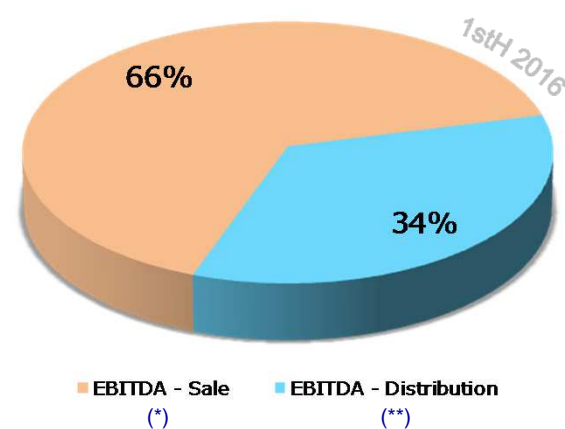
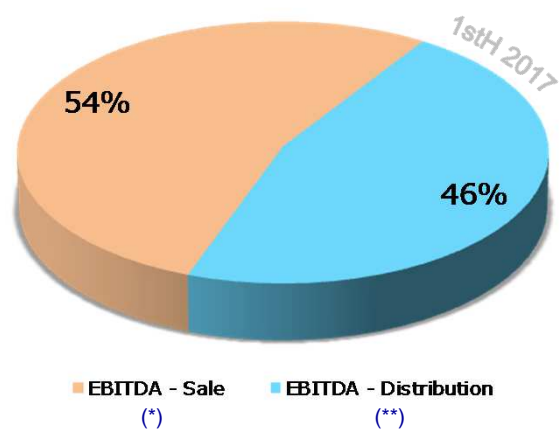
EBITDA breakdown (1)

EBITDA breakdown

Companies consolidated with full consolidation method

(Thousand of Euro)

(Thousand of Euro)	1stH 2017	1stH 2016	Var	Var %
EBITDA	49.228	48.933	295	+0,6%
EBITDA - Sale	26.422	32.070	(5.648)	-17,6%
EBITDA - Distribution	22.806	16.863	5.943	+35,2%
EBIT	37.545	37.705	(161)	-0,4%
EBIT - Sale	24.205	29.641	(5.436)	-18,3%
EBIT - Distribution	13.340	8.064	5.276	+65,4%



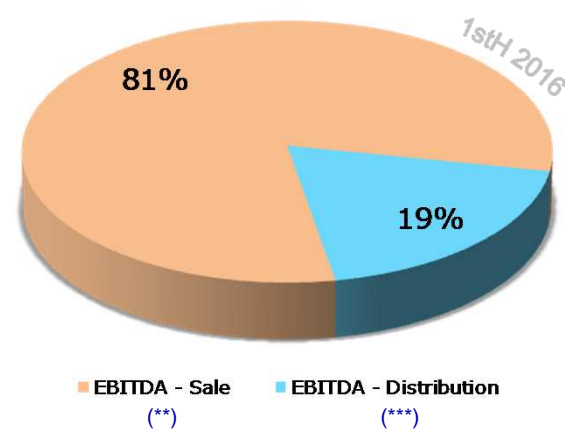
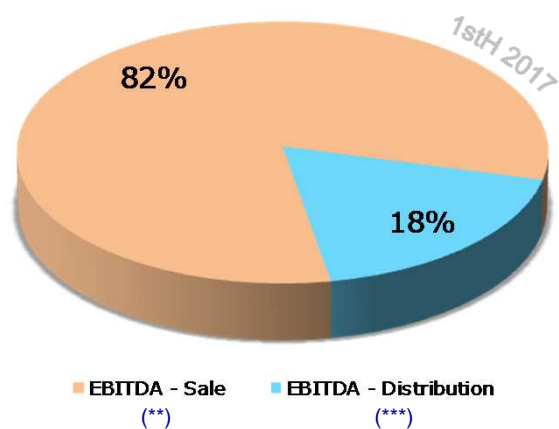
(*) Sale companies; (**) Distribution companies.

EBITDA breakdown (2)

EBITDA breakdown

Companies consolidated with net equity consolidation method (*)
(Thousand of Euro)

(Thousand of Euro)	1stH 2017	1stH 2016	Var	Var %
EBITDA	7.429	7.441	(12)	-0,2%
EBITDA - Sale	6.081	6.019	62	+1,0%
EBITDA - Distribution	1.348	1.421	(74)	-5,2%
EBIT	5.601	5.412	189	+3,5%
EBIT - Sale	4.845	4.564	281	+6,2%
EBIT - Distribution	756	848	(92)	-10,8%



(*) Sinergie Italiane excluded. Data are considered pro-rata; (**) Sale companies; (***) Distribution companies.

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Gross margin on gas sales

(Thousand of Euro) (*)	1stH 2017	1stH 2016	Chg	Chg %
Revenues from gas sales	203.961	198.255	5.706	+2,9%
(Gas purchase costs)	(118.228)	(110.946)	(7.282)	+6,6%
(Distribution costs)	(48.866)	(45.660)	(3.206)	+7,0%
Gross margin on gas sales (A) <i>Company consolidated with full consolidation method</i>	36.867	41.649	(4.782)	-11,5%

The decrease of gross margin on gas sales of the companies consolidated with full consolidation method, equal to - Euro 4,8 mln, is due to lower unit profit margins, in spite of higher volumes of gas sold.

(Thousand of Euro) (*)	1stH 2017	1stH 2016	Chg	Chg %
Gross margin on gas sales (B) <i>Company consolidated with net equity consolidation method (**)</i>	8.234	8.190	45	+0,5%
Gross margin on gas sales (A+B)	45.102	49.839	(4.737)	-9,5%

(*) Economic data before elisions; (**) Data are considered pro-rata.

Gross margin on electricity sales

(Thousand of Euro) (*)	1stH 2017	1stH 2016	Chg	Chg %
Revenues from electricity sales	43.609	43.046	562	+1,3%
(Electricity purchase costs)	(25.251)	(22.673)	(2.578)	+11,4%
(Distribution costs)	(15.221)	(17.101)	1.880	-11,0%
Gross margin on electricity sales (A) <i>Company consolidated with full consolidation method</i>	3.137	3.272	(135)	-4,1%

The decrease of gross margin on electricity sales of the companies consolidated with full consolidation method, equal to - Euro 0,1 mln, is due to lower unit profit margins, in spite of higher volumes of electricity sold.

(Thousand of Euro) (*)	1stH 2017	1stH 2016	Chg	Chg %
Gross margin on electricity sales (B) <i>Company consolidated with net equity consolidation method (**)</i>	542	392	150	+38,3%
Gross margin on electricity sales (A+B)	3.679	3.664	15	+0,4%

(*) Economic data before elisions; (**) Data are considered pro-rata.

Gas distribution tariff revenues

(Thousand of Euro) (*)	1stH 2017	1stH 2016	Chg	Chg %
Tariffs applied to sales companies	31.470	30.050	1.420	+4,7%
Equalization amount (+ / -)	1.655	(199)	1.853	-933,5%
Gas distribution tariff revenues (A) <i>Company consolidated with full consolidation method</i>	33.125	29.852	3.273	+11,0%

The increase of gas distribution tariff revenues of the companies consolidated with full consolidation method (+ Euro 3,3 mln) is due to:

- 1) change of the consolidation area (AP Reti Gas Vicenza, 2ndQ 2017): + Euro 2,8 mln;
- 2) change of gas distribution tariffs applied to gas sales companies: - Euro 0,2 mln;
- 3) equalization amount: + Euro 0,6 mln.

(Thousand of Euro) (*)	1stH 2017	1stH 2016	Chg	Chg %
Gas distribution tariff revenues (B) <i>Company consolidated with net equity consolidation method (**)</i>	2.836	2.828	8	+0,3%
Gas distribution tariff revenues (A+B)	35.961	32.680	3.281	+10,0%

(*) Economic data before elisions; (**) Data are considered pro-rata.

Other net operating costs (1)

(Thousand of Euro)	1stH 2017	1stH 2016	Chg	Chg %
Other revenues	29.017	12.382	16.635	+134,3%
Other costs of raw materials and services	(39.906)	(26.909)	(12.997)	+48,3%
Cost of personnel	(13.012)	(11.313)	(1.699)	+15,0%
Other net operating costs (A) <i>Company consolidated with full consolidation method</i>	(23.901)	(25.840)	1.938	-7,5%

Net operating costs referred to the change of the consolidation area: - Euro 1,3 mln

Decrease of other net operating costs of 2016 consolidation area: + Euro 3,2 mln

of which:

- *increase of cost of personnel: - Euro 1,2 mln;*
- *increase of margin on energy efficiency tasks management: + Euro 2,9 mln;*
- *decrease of cost for consulting services: + Euro 0,8 mln;*
- *decrease of contingent assets: - Euro 0,3 mln;*
- *increase of CCSE contributions for security incentives: + Euro 0,7 mln;*
- *increase of advertising costs: - Euro 0,5 mln;*
- *increase of margin on distributors services: + Euro 0,6 mln;*
- *other variations: + Euro 0,2 mln.*

Other operating costs (2)

(Thousand of Euro)	1stH 2017	1stH 2016	Chg	Chg %
Other net operating costs (A) <i>Company consolidated with full consolidation method</i>	(23.901)	(25.840)	1.938	-7,5%
Other net operating costs (B) <i>Company consolidated with net equity consolidation method (*)</i>	(4.183)	(3.969)	(214)	+5,4%
Other net operating costs (A+B)	(28.084)	(29.809)	1.725	-5,8%

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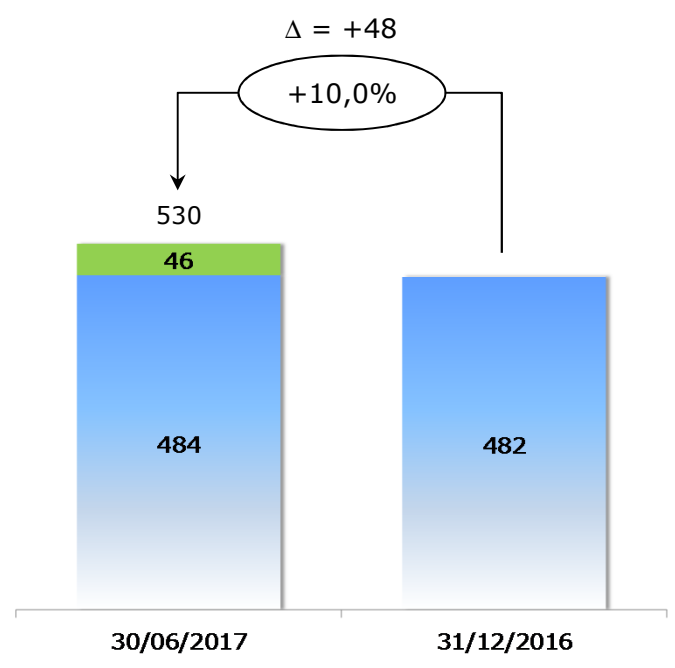
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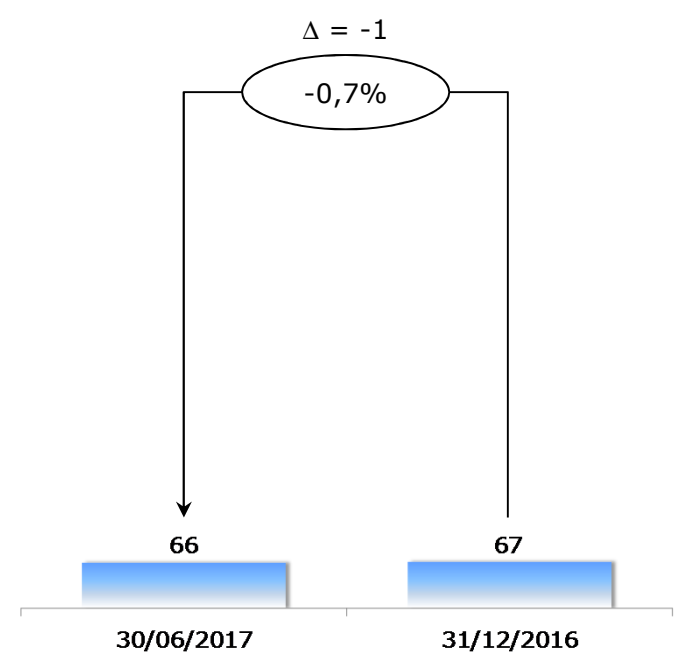
Number of employees

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Number of employees



Companies consolidated with full consolidation method



Companies consolidated with net equity consolidation method (*)

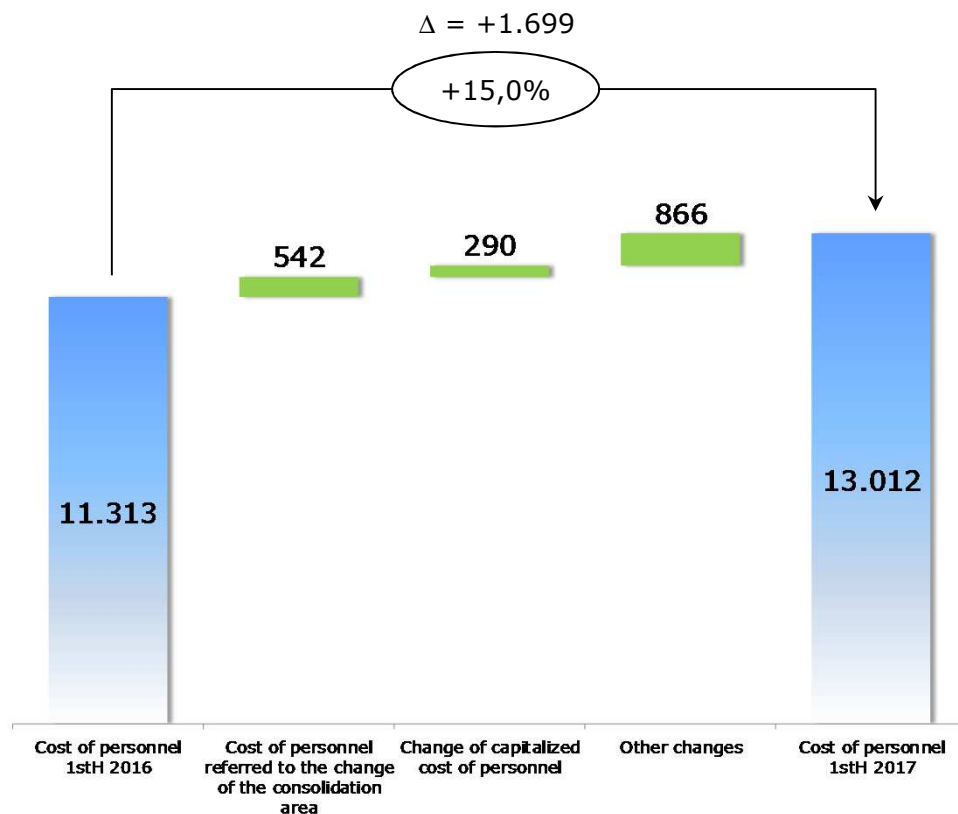
- Change of the consolidation area (**)
- 2016 consolidation area

(*) Data are considered pro-rata; (**) AP Reti Gas Vicenza.



Consolidated cost of personnel

Consolidated cost of personnel (Thousand of Euro)



Cost of personnel changes:

- change of the consolidation area: + Euro 0,5 mln
- capitalized cost of personnel: + Euro 0,3 mln
- other: + Euro 0,9 mln, of which:
 - + Euro 0,5 mln: compensations related to the long term incentive plan
 - + Euro 0,4 mln: other changes

1stH 2017 cost of personnel of the companies consolidated with net equity consolidation method (Sinergie Italiane excluded): Euro 1,6 mln (-4,5%).

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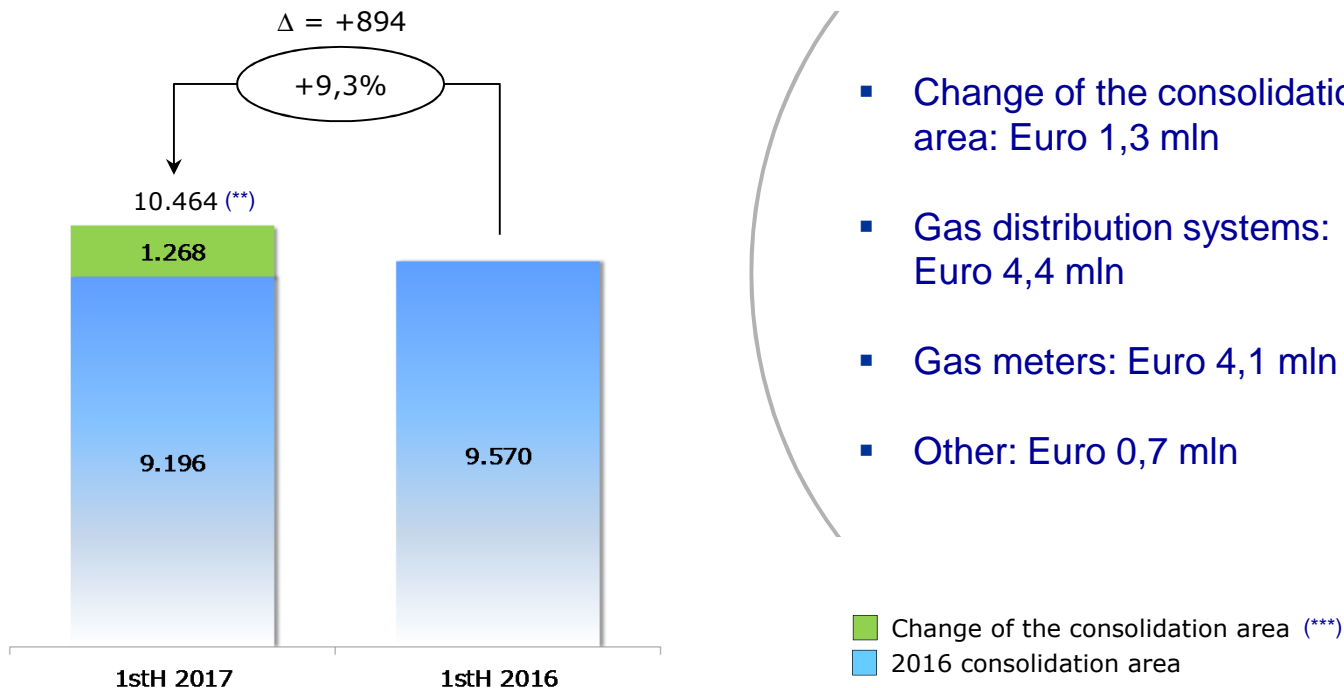
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Consolidated capex (*)
(Thousand of Euro)



1stH 2017 investments of the companies consolidated with net equity consolidation method (Sinergie Italiane excluded): Euro 0,5 mln (-4,7%).

(*) Excluding network extension in new urbanized areas that according to IAS are considered as operating costs and not investments; (**) Investments in tangible assets: Euro 0,5 mln; investments in intangible assets: Euro 9,9 mln (excluded realizations of tangible and intangible assets and investments in associated); (***) AP Reti Gas Vicenza: 2ndQ 2017.



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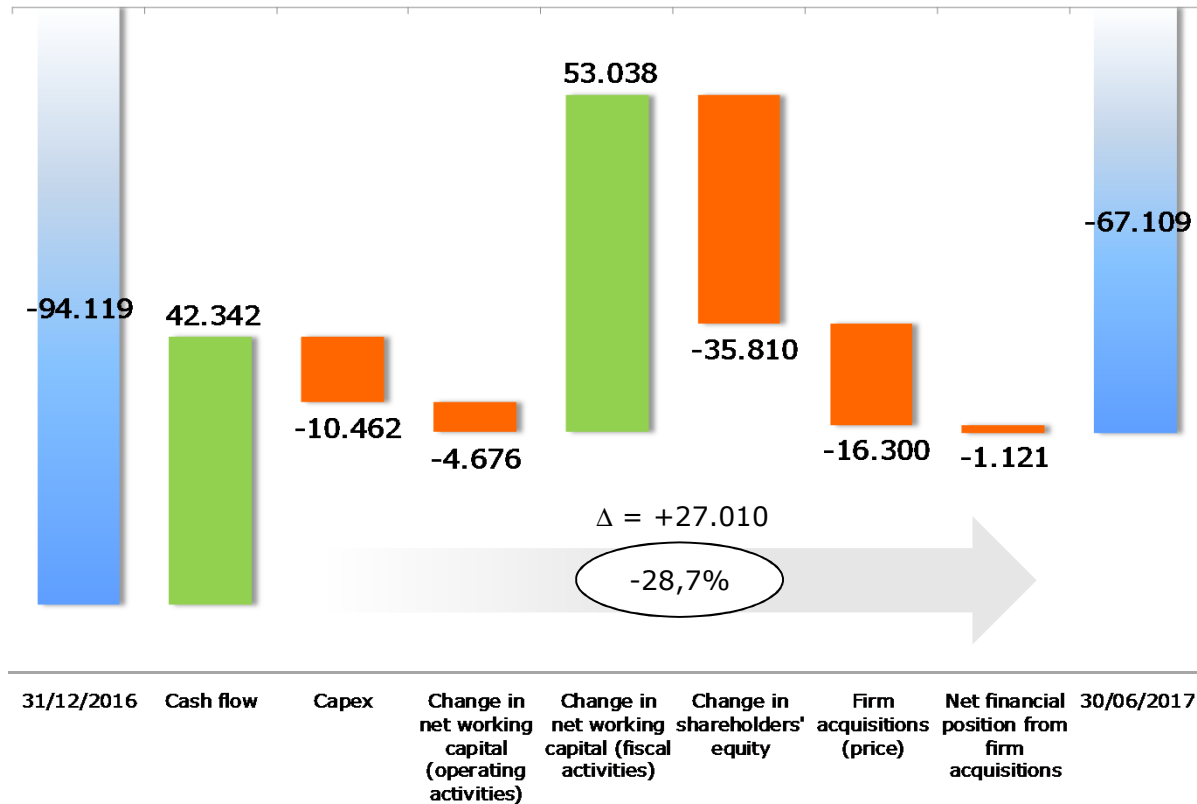
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Net financial position and cash flow (1)

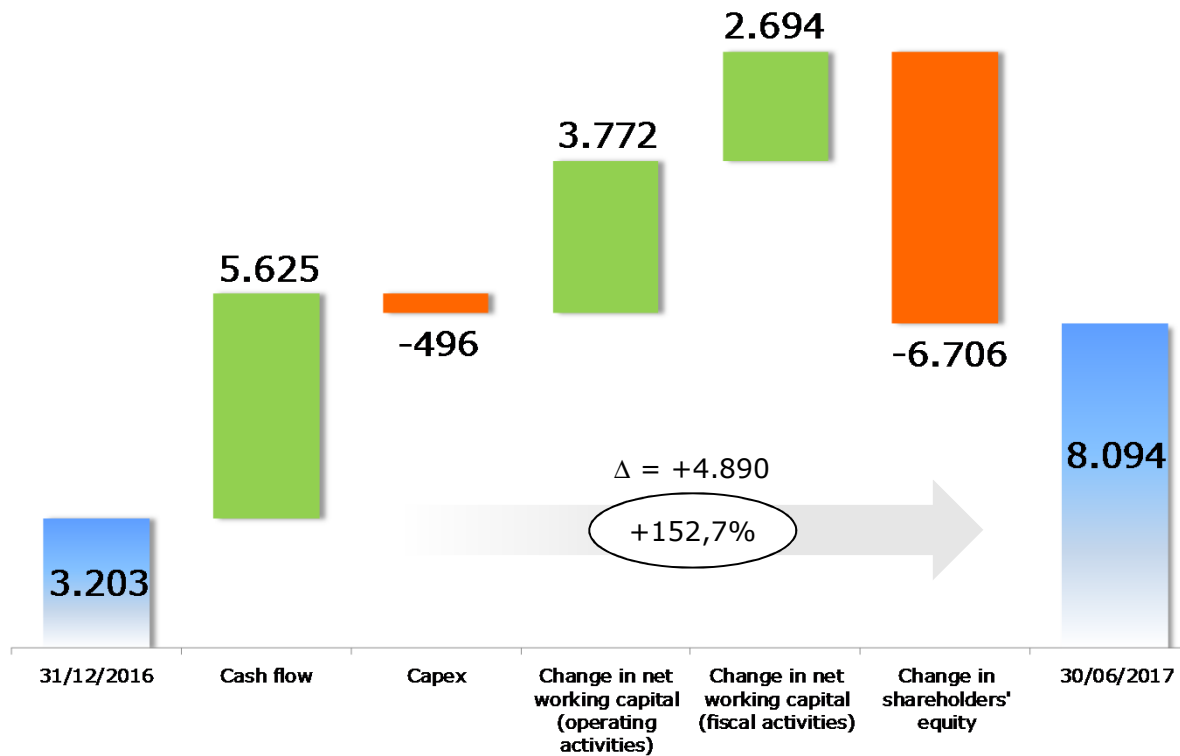
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Net Financial Position and cash flow
Companies consolidated with full consolidation method
 (Thousand of Euro)



Net financial position and cash flow (2)

Net Financial Position and cash flow Companies consolidated with net equity consolidation method (*) (Thousand of Euro)



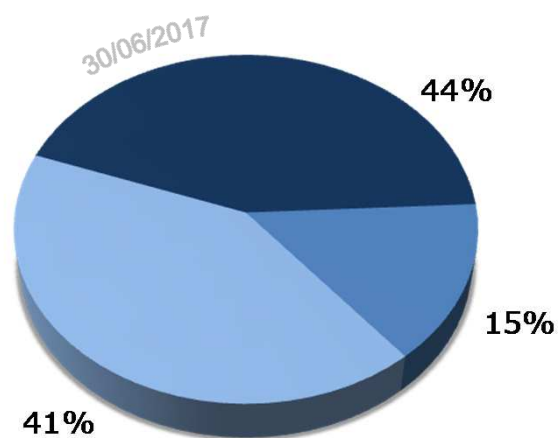
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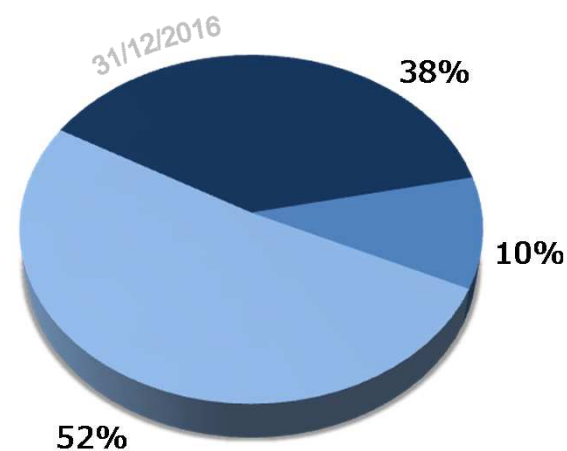
Net financial position and cash flow (3)

(Thousand of Euro) (*)	30/06/2017	31/12/2016	Var	Var %
Long term financial borrowings (>12 months)	29.273	34.541	(5.268)	-15,3%
Current position of long term financial borrowings	9.912	9.287	625	+6,7%
Short term financial borrowings (<12 months)	27.871	46.288	(18.417)	-39,8%
Total financial debt	67.056	90.116	(23.060)	-25,6%
Fixed rate borrowings	-	-	-	n.a.
Floating rate borrowings	67.056	90.116	(23.060)	-25,6%

1stH 2017 average cost of debt: 0,29% (vs 2016 rate: 0,57%)



- Long term financial borrowings (>12 months)
- Current position of long term financial borrowings
- Short term financial borrowings (<12 months)



- Long term financial borrowings (>12 months)
- Current position of long term financial borrowings
- Short term financial borrowings (<12 months)

(*) Data refers to only companies consolidated with full consolidation method.

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