



FY 2017

CONSOLIDATED RESULTS

Conference Call

Pieve di Soligo, 15th March 2018

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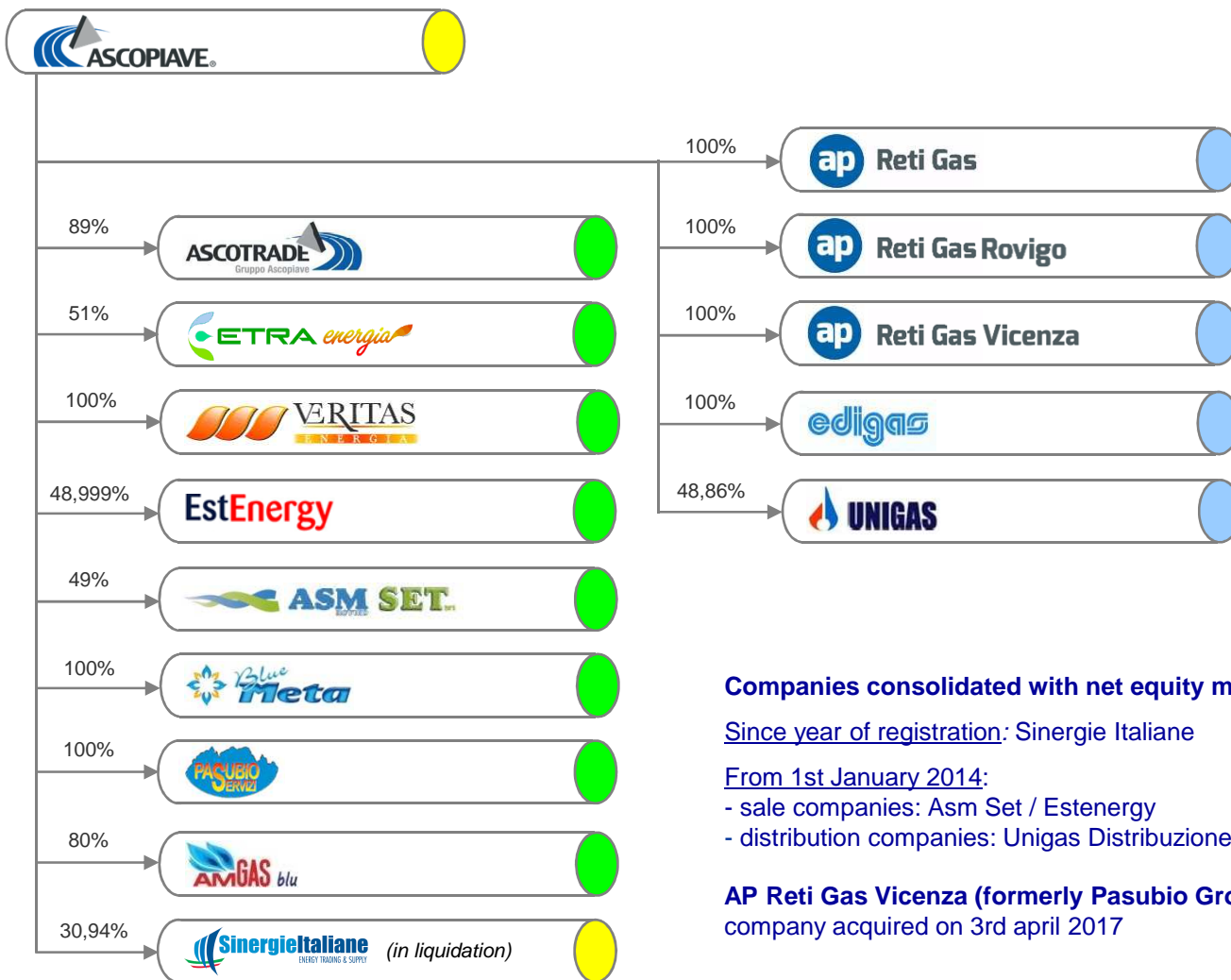
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Ascopiave Group structure as of 31st December 2017



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

● Gas distribution
 ● Gas sales
 ● Other activities

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FY 2017 consolidated income statement

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FY 2017 consolidated results
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(Thousand of Euro)	12M 2017	12M 2016	Chg	Chg %
Revenues	532.792	497.689	35.103	+7,1%
(Cost of raw materials and consumables)	(270.577)	(249.916)	(20.662)	+8,3%
(Cost of services)	(113.457)	(107.503)	(5.954)	+5,5%
(Cost of personnel)	(24.855)	(24.233)	(622)	+2,6%
(Other operating costs)	(40.224)	(21.377)	(18.846)	+88,2%
Other operating income	731	596	136	+22,7%
EBITDA	84.409	95.255	(10.846)	-11,4%
(Depreciations and amortizations)	(22.585)	(20.227)	(2.358)	+11,7%
(Provisions)	(1.885)	(2.891)	1.006	-34,8%
EBIT	59.939	72.137	(12.197)	-16,9%
Financial income / (expenses)	(468)	(544)	76	-13,9%
Evaluation of companies with net assets method (*)	7.398	7.750	(352)	-4,5%
EBT	66.869	79.343	(12.473)	-15,7%
(Income taxes)	(17.617)	(22.401)	4.784	-21,4%
Net income	49.252	56.942	(7.690)	-13,5%
(Net income of minorities)	(2.117)	(3.307)	1.190	-36,0%
Net income of the Group	47.135	53.635	(6.500)	-12,1%

(*) Result of the companies consolidated with net equity consolidation method (data are considered pro-rata): sale companies, Euro 5,9 mln (Euro 5,4 mln in 2016); distribution companies, Euro 1,0 mln (Euro 1,2 mln in 2016); Sinergie Italiane, Euro 0,6 mln (Euro 1,2 mln in 2016).

Consolidated balance sheet as of 31st December 2017

(Thousand of Euro)	31/12/2017	31/12/2016	Chg	Chg %
Tangible assets (*)	32.334	32.364	(31)	-0,1%
Non tangible assets (*)	427.692	397.664	30.029	+7,6%
Investments in associates (**)	68.878	68.738	140	+0,2%
Other fixed assets	24.494	23.808	686	+2,9%
Fixed assets	553.397	522.574	30.823	+5,9%
Operating current assets	222.977	201.908	21.069	+10,4%
(Operating current liabilities)	(156.597)	(138.003)	(18.594)	+13,5%
(Operating non current liabilities)	(49.411)	(48.151)	(1.260)	+2,6%
Net working capital	16.969	15.754	1.216	+7,7%
Total capital employed	570.367	538.328	32.039	+6,0%
Group shareholders equity	445.511	438.055	7.456	+1,7%
Minorities	4.989	6.154	(1.165)	-18,9%
Net financial position	119.867	94.119	25.748	+27,4%
Total sources	570.367	538.328	32.039	+6,0%

(*) 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 48,0 mln (Euro 48,0 mln as of 31st December 2016); distribution companies, Euro 20,8 mln (Euro 20,7 mln as of 31st December 2016).

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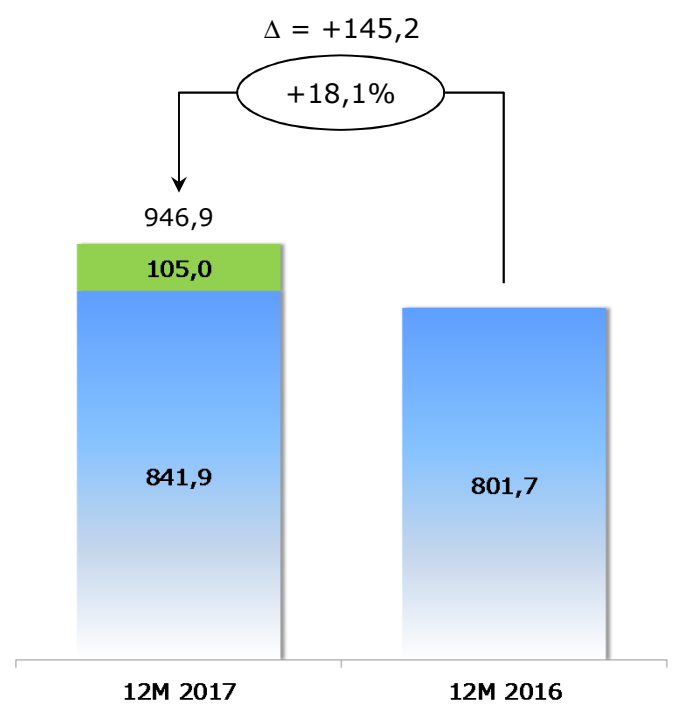
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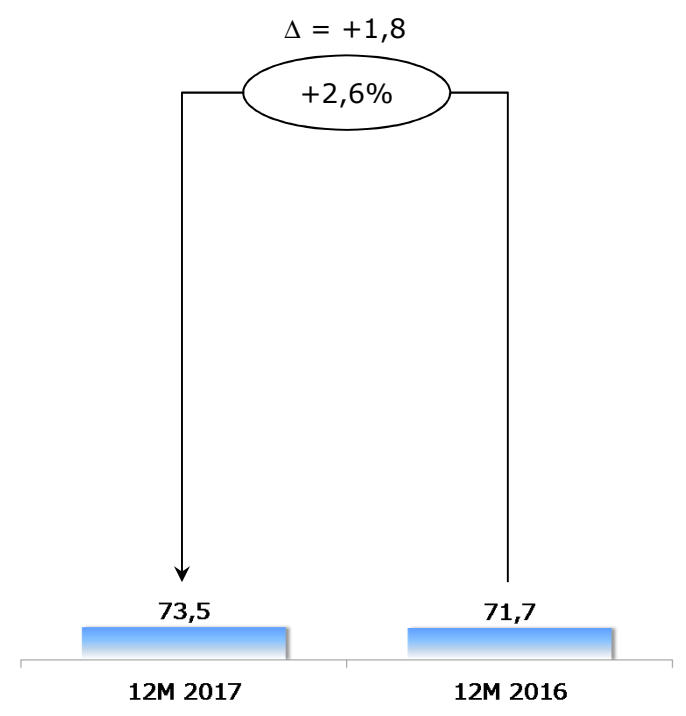
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Volumes of gas distributed

Volumes of gas distributed (Million of standard cubic meters)



Companies consolidated with full consolidation method



Companies consolidated with net equity consolidation method (*)

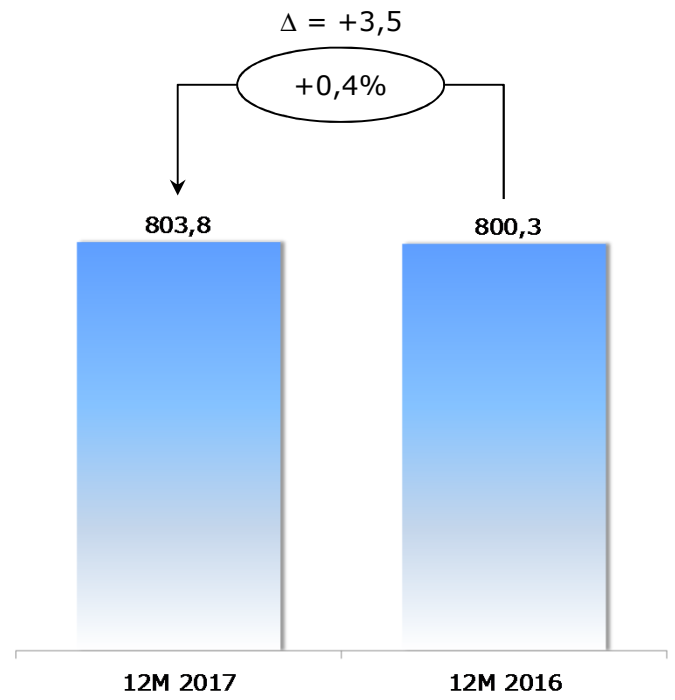
■ Change of the consolidation area (**)
■ 2016 consolidation area

(*) Data are considered pro-rata; (**) AP Reti Gas Vicenza: 2ndQ+3rdQ+4thQ 2017.

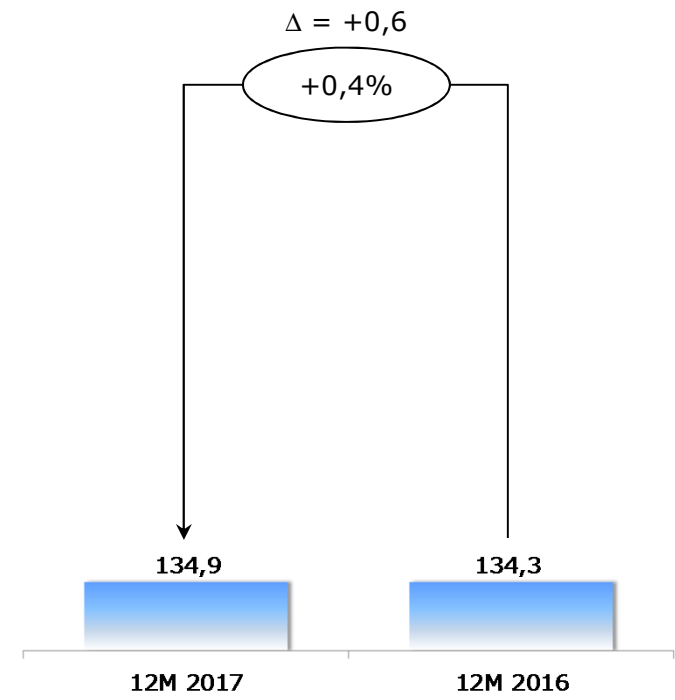


Volumes of gas sold

Volumes of gas sold (Million of standard cubic meters)



Companies consolidated with full consolidation method



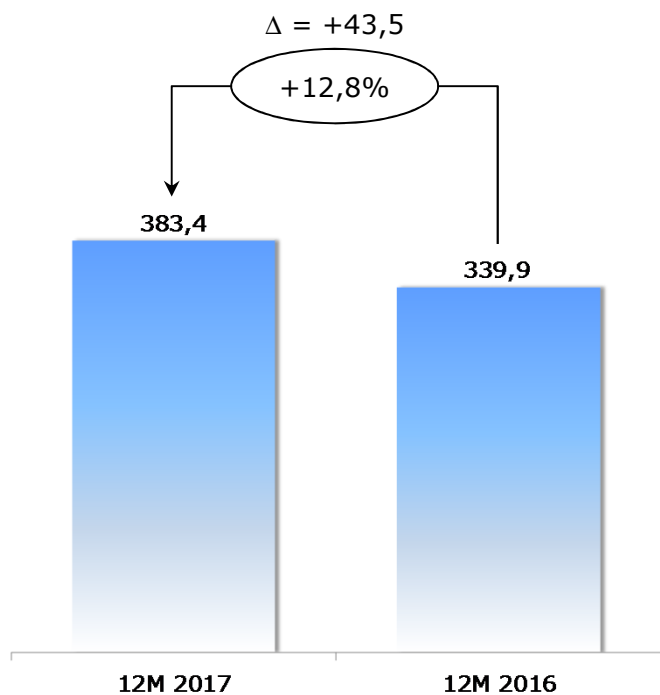
Companies consolidated with net equity consolidation method (*)

(*) Data are considered pro-rata.

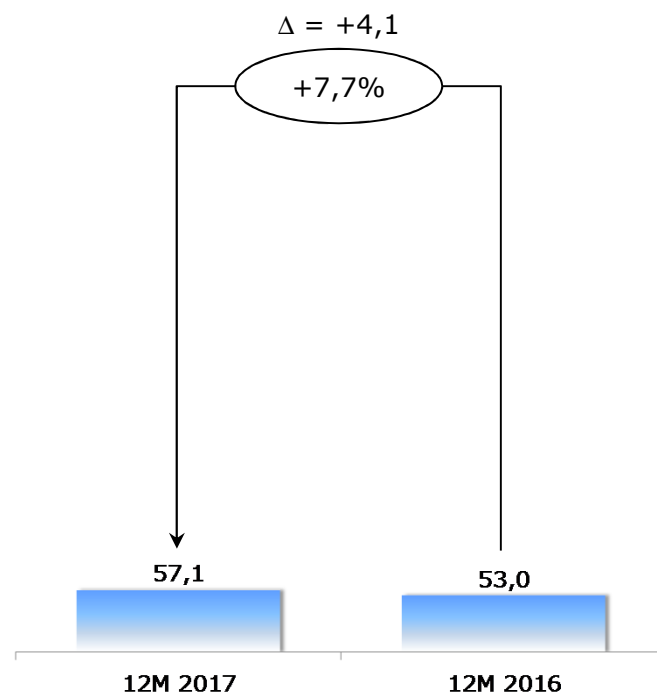


Volumes of electricity sold

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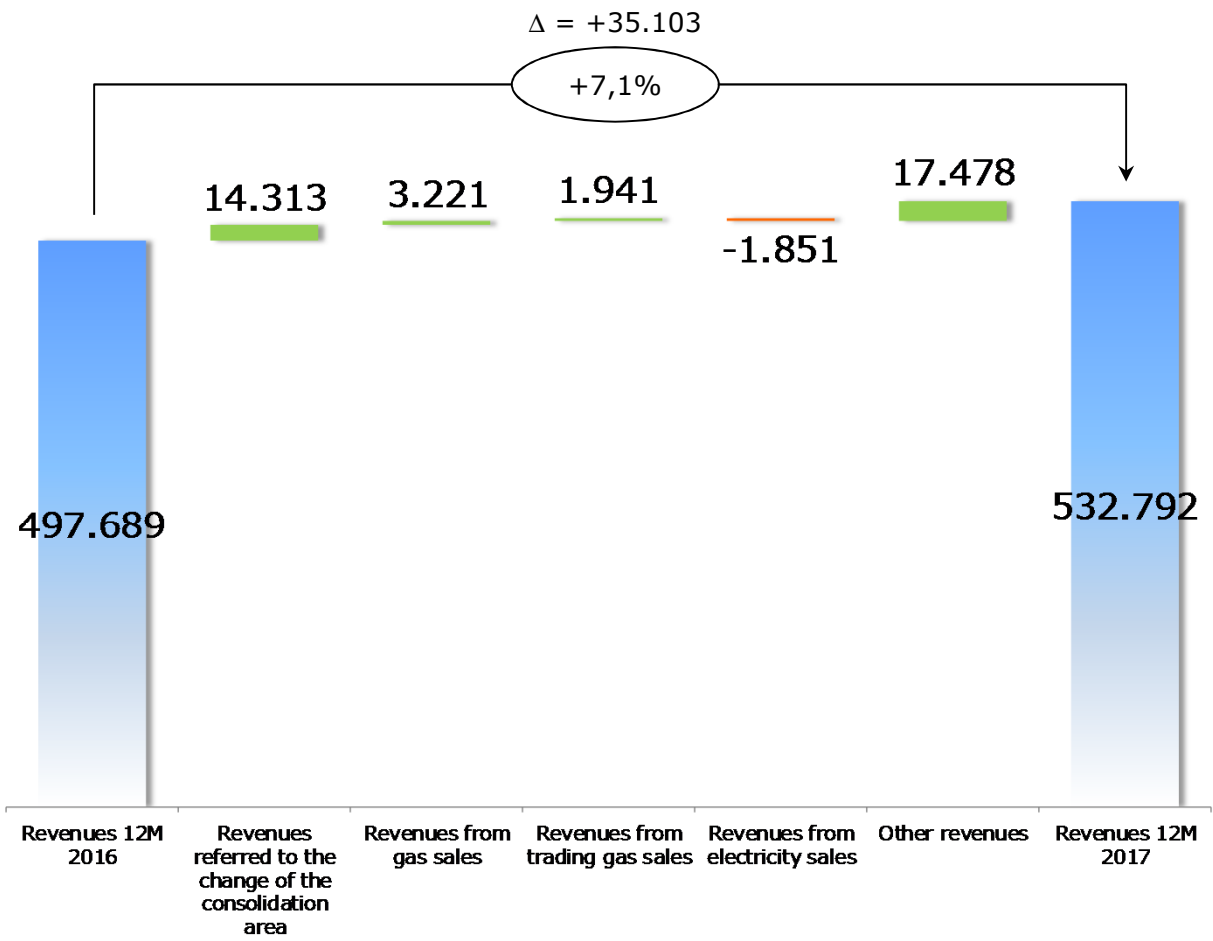
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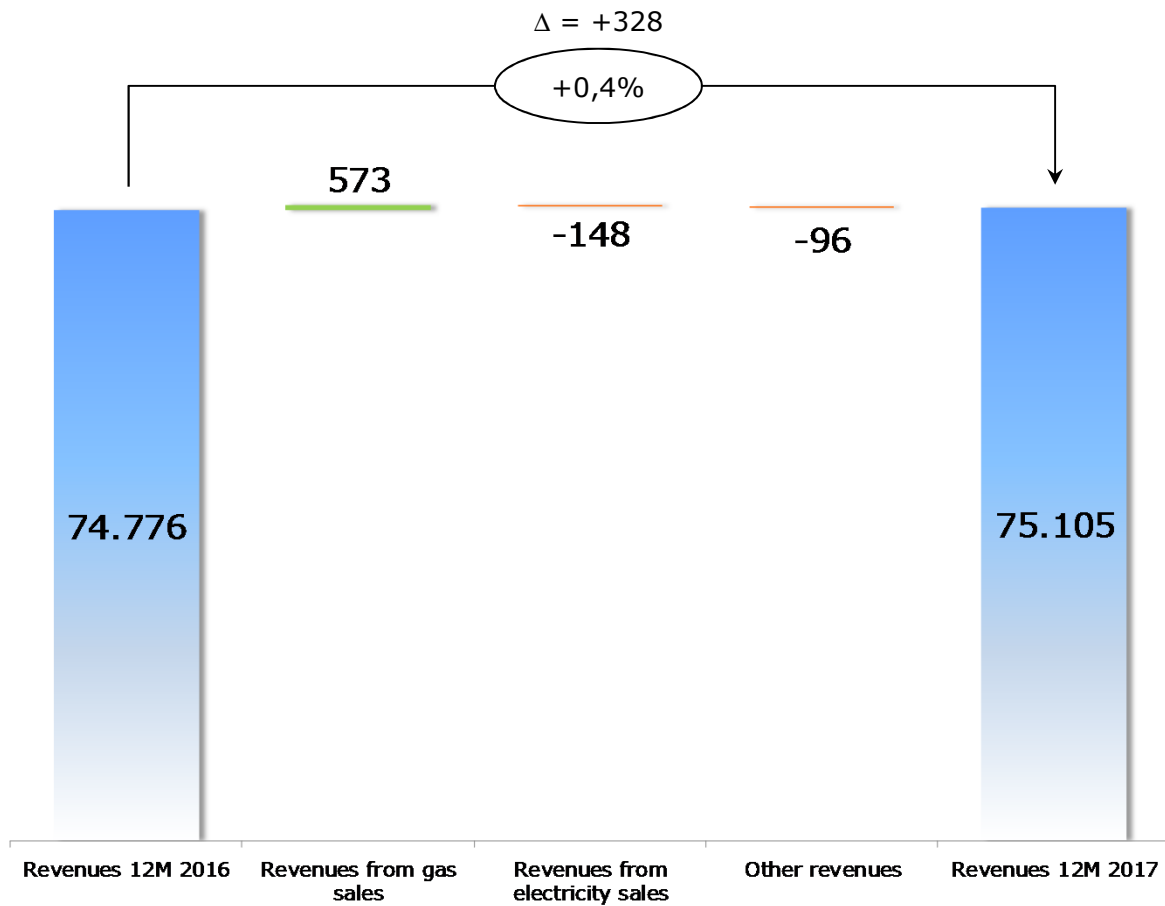
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Revenues bridge
Companies consolidated with full consolidation method
 (Thousand of Euro)



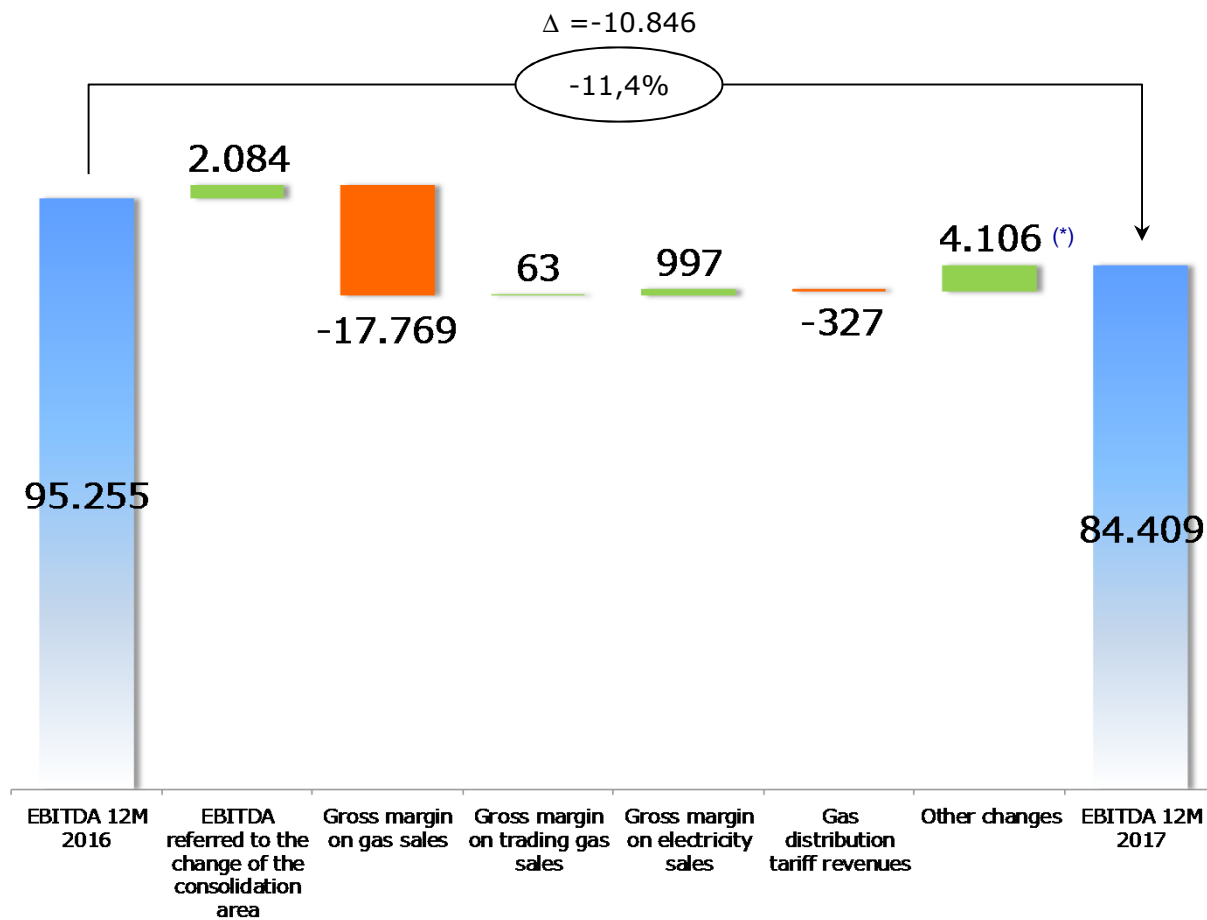
Revenues bridge (2)

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



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

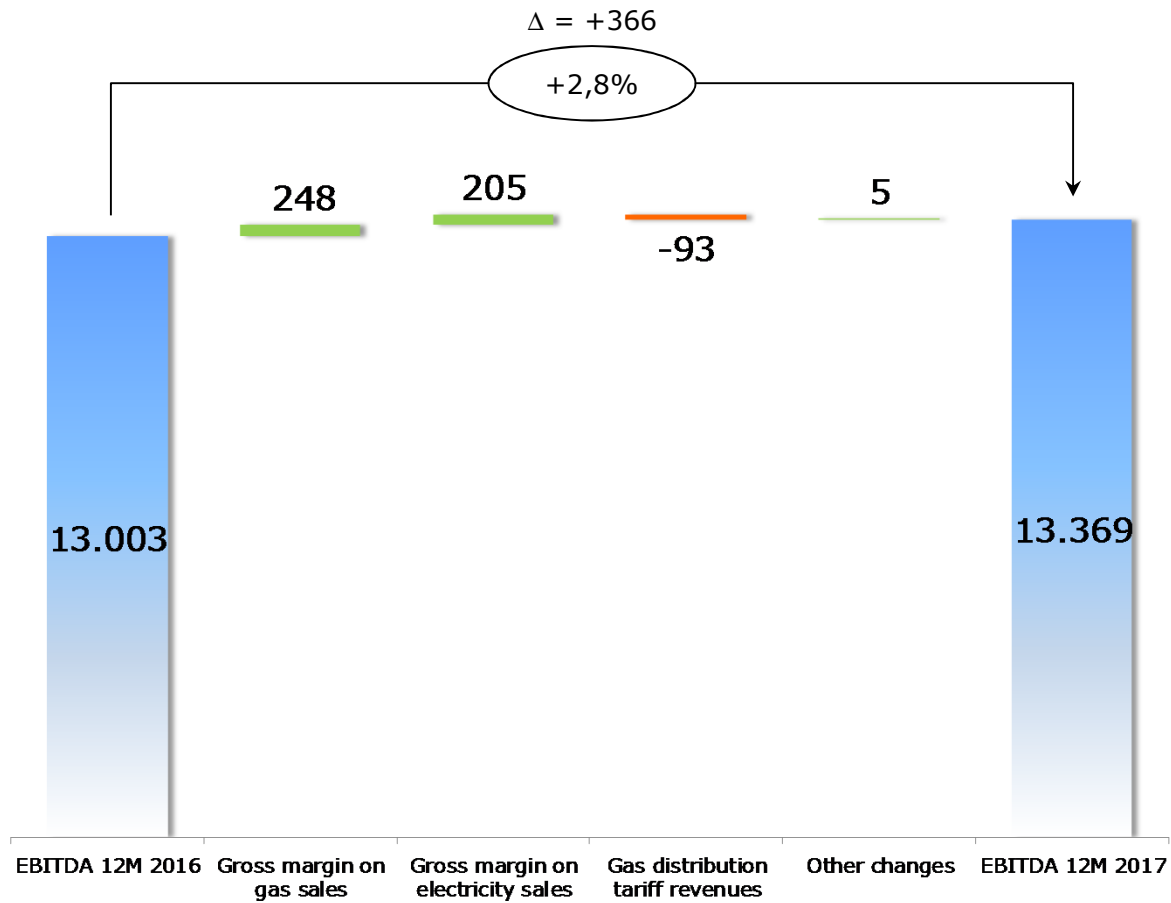
EBITDA bridge
Companies consolidated with full consolidation method
 (Thousand of Euro)



(*) For more details check out to slide at page 22.

EBITDA bridge (2)

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



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

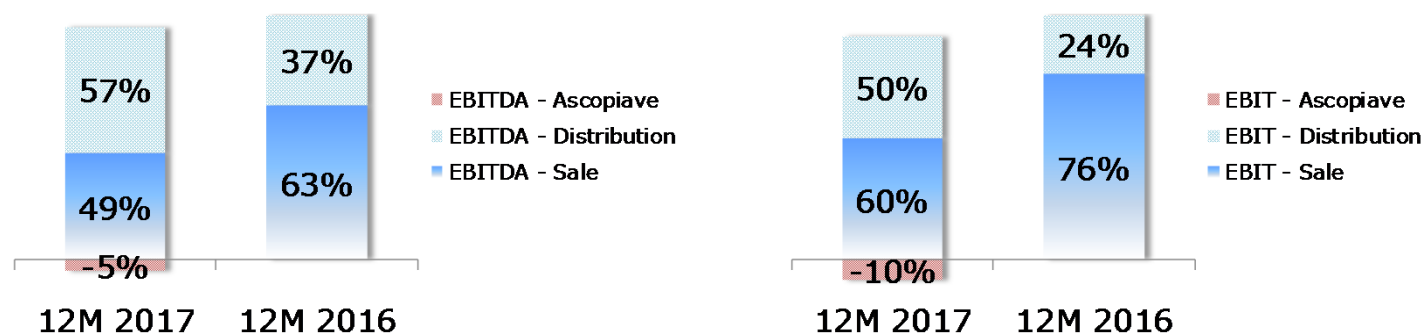
EBITDA breakdown (1)

EBITDA breakdown

Companies consolidated with full consolidation method

(Thousand of Euro)

(Thousand of Euro)	12M 2017	12M 2016	Var	Var %
EBITDA	84.409	95.255	(10.846)	-11,4%
EBITDA - Sale	41.051	60.235	(19.184)	-31,8%
EBITDA - Distribution	47.755	35.020	12.735	+36,4%
EBITDA - Ascopiave (*)	(4.396)	-	(4.396)	n.a.
EBIT	59.939	72.137	(12.197)	-16,9%
EBIT - Sale	35.913	54.940	(19.028)	-34,6%
EBIT - Distribution	30.232	17.196	13.035	+75,8%
EBIT - Ascopiave (*)	(6.205)	-	(6.205)	n.a.



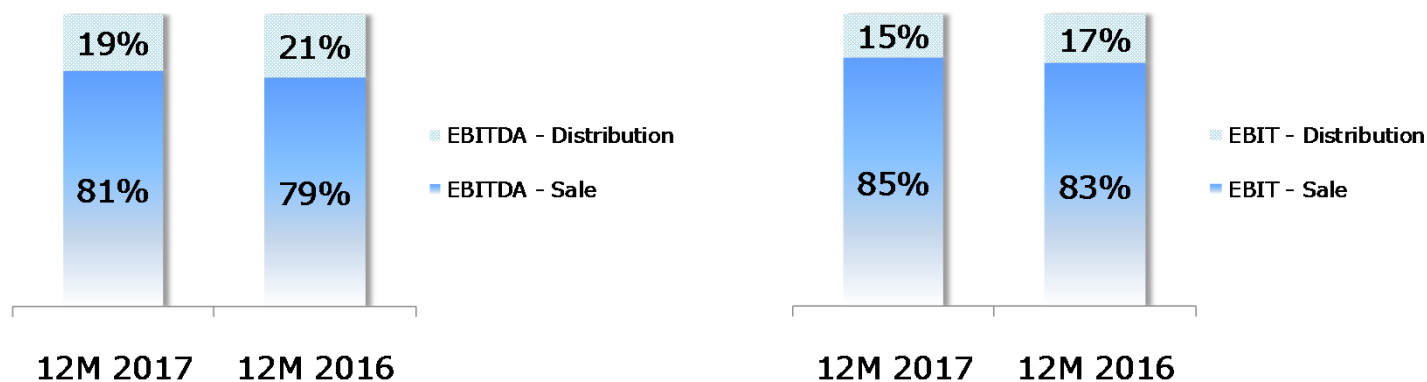
(*) In 2016 Ascopiave contributes to the formation of the results of the distribution SBU.

EBITDA breakdown (2)

EBITDA breakdown

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

(Thousand of Euro)	12M 2017	12M 2016	Var	Var %
EBITDA	13.369	13.003	366	+2,8%
EBITDA - Sale	10.783	10.221	562	+5,5%
EBITDA - Distribution	2.586	2.782	(196)	-7,1%
EBIT	9.598	9.027	571	+6,3%
EBIT - Sale	8.193	7.503	689	+9,2%
EBIT - Distribution	1.405	1.523	(119)	-7,8%



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

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Gross margin on gas sales

(Thousand of Euro) (*)	12M 2017	12M 2016	Chg	Chg %
Revenues from gas sales	338.634	343.127	(4.493)	-1,3%
(Gas purchase costs)	(191.497)	(182.079)	(9.418)	+5,2%
(Gas distribution costs)	(86.389)	(82.531)	(3.858)	+4,7%
Gross margin on gas sales (A) <i>Company consolidated with full consolidation method</i>	60.748	78.517	(17.769)	-22,6%

The decrease of gross margin on gas sales of the companies consolidated with full consolidation method, equal to - Euro 17,8 mln, is due to:

- 1) increase of the gas purchase cost due to the accounting in the 2016 of the compensation entitled to the Group for the adhesion to the mechanism for the renegotiation of the long-term gas procurement agreements in the years 2014-2016 according to the ARERA Res. 447/2013/R/gas (+ Euro 11,1 mln);
- 2) lower unit profit margins, in spite of higher volumes of gas sold.

(Thousand of Euro) (*)	12M 2017	12M 2016	Chg	Chg %
Gross margin on gas sales (B) <i>Company consolidated with net equity consolidation method (**)</i>	14.548	14.300	248	+1,7%
Gross margin on gas sales (A+B)	75.296	92.817	(17.521)	-18,9%

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

Gross margin on trading gas sales

(Thousand of Euro) (*)	12M 2017	12M 2016	Chg	Chg %
Revenues from trading gas sales	1.941	-	1.941	n.a.
(Trading gas purchase costs)	(1.897)	-	(1.897)	n.a.
(Trading gas transport / capacity costs)	19	-	19	n.a.
Gross margin on trading gas sales (A) <i>Company consolidated with full consolidation method</i>	63	-	63	n.a.

(Thousand of Euro) (*)	12M 2017	12M 2016	Chg	Chg %
Gross margin on trading gas sales (B) <i>Company consolidated with net equity consolidation method (**)</i>	-	-	-	n.a.
Gross margin on trading gas sales (A+B)	63	-	63	n.a.

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

Gross margin on electricity sales

(Thousand of Euro) (*)	12M 2017	12M 2016	Chg	Chg %
Revenues from electricity sales	93.740	90.590	3.150	+3,5%
(Electricity purchase costs)	(53.044)	(48.779)	(4.265)	+8,7%
(Electricity distribution costs)	(34.521)	(36.633)	2.111	-5,8%
Gross margin on electricity sales (A) <i>Company consolidated with full consolidation method</i>	6.175	5.178	997	+19,2%

The increase of gross margin on electricity sales of the companies consolidated with full consolidation method, equal to + Euro 1,0 mln, is due to higher unit profit margins and higher volumes of electricity sold.

(Thousand of Euro) (*)	12M 2017	12M 2016	Chg	Chg %
Gross margin on electricity sales (B) <i>Company consolidated with net equity consolidation method (**)</i>	1.334	1.129	205	+18,2%
Gross margin on electricity sales (A+B)	7.509	6.307	1.202	+19,1%

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

Gas distribution tariff revenues

(Thousand of Euro) (*)	12M 2017	12M 2016	Chg	Chg %
Gas distribution tariff revenues	69.836	61.488	8.348	+13,6%
Gas distribution tariff revenues (A) <i>Company consolidated with full consolidation method</i>	69.836	61.488	8.348	+13,6%

The increase of gas distribution tariff revenues of the companies consolidated with full consolidation method (+ Euro 8,3 mln) is due to:

- 1) change of the consolidation area (AP Reti Gas Vicenza, 2ndQ+3rdQ+4thQ 2017): + Euro 8,7 mln;
- 2) reduction of gas distribution tariff revenues due to the accounting in the 2016 of the equalization amount accounted for the positive difference between the definitive and provisional tariffs related to year 2015 (- Euro 1,2 mln).
- 3) change of gas distribution tariff revenues: + Euro 0,8 mln.

(Thousand of Euro) (*)	12M 2017	12M 2016	Chg	Chg %
Gas distribution tariff revenues (B) <i>Company consolidated with net equity consolidation method (**)</i>	5.710	5.803	(93)	-1,6%
Gas distribution tariff revenues (A+B)	75.546	67.290	8.255	+12,3%

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

Other net operating costs (1)

(Thousand of Euro)	12M 2017	12M 2016	Chg	Chg %
Other revenues	58.916	30.300	28.615	+94,4%
Other costs of raw materials and services	(86.473)	(55.995)	(30.478)	+54,4%
Cost of personnel	(24.855)	(24.233)	(622)	+2,6%
Other net operating costs (A) <i>Company consolidated with full consolidation method</i>	(52.413)	(49.928)	(2.485)	+5,0%

Net operating costs referred to the change of the consolidation area: - Euro 6,6 mln

Decrease of other net operating costs of 2016 consolidation area: + Euro 4,1 mln

of which:

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

Other net operating costs (2)

(Thousand of Euro)	12M 2017	12M 2016	Chg	Chg %
Other net operating costs (A) <i>Company consolidated with full consolidation method</i>	(52.413)	(49.928)	(2.485)	+5,0%
Other net operating costs (B) <i>Company consolidated with net equity consolidation method (*)</i>	(11.084)	(8.229)	(2.855)	+34,7%
Other net operating costs (A+B)	(63.496)	(58.157)	(5.339)	+9,2%

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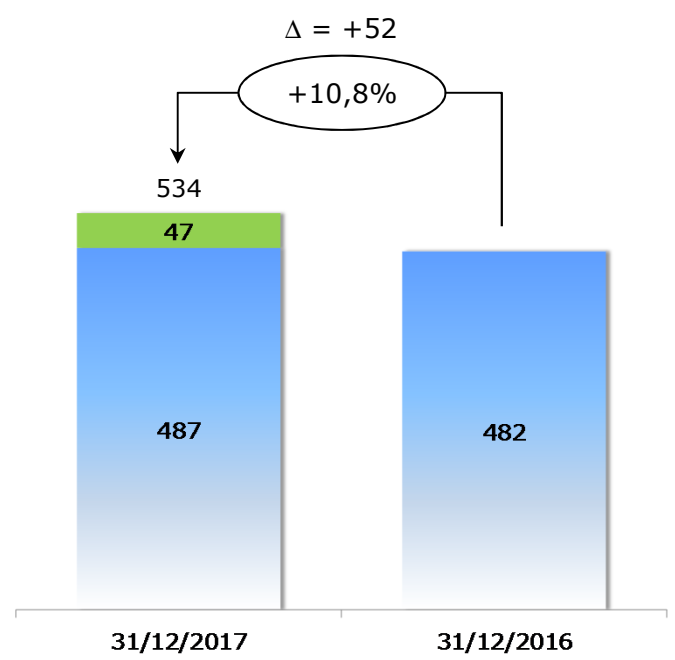
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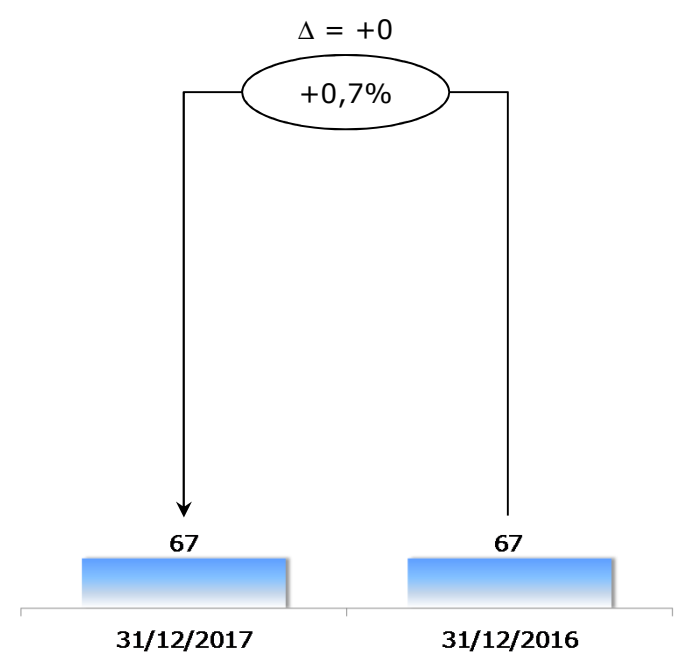
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Number of employees



Companies consolidated with full consolidation method



Companies consolidated with net equity consolidation method (*)

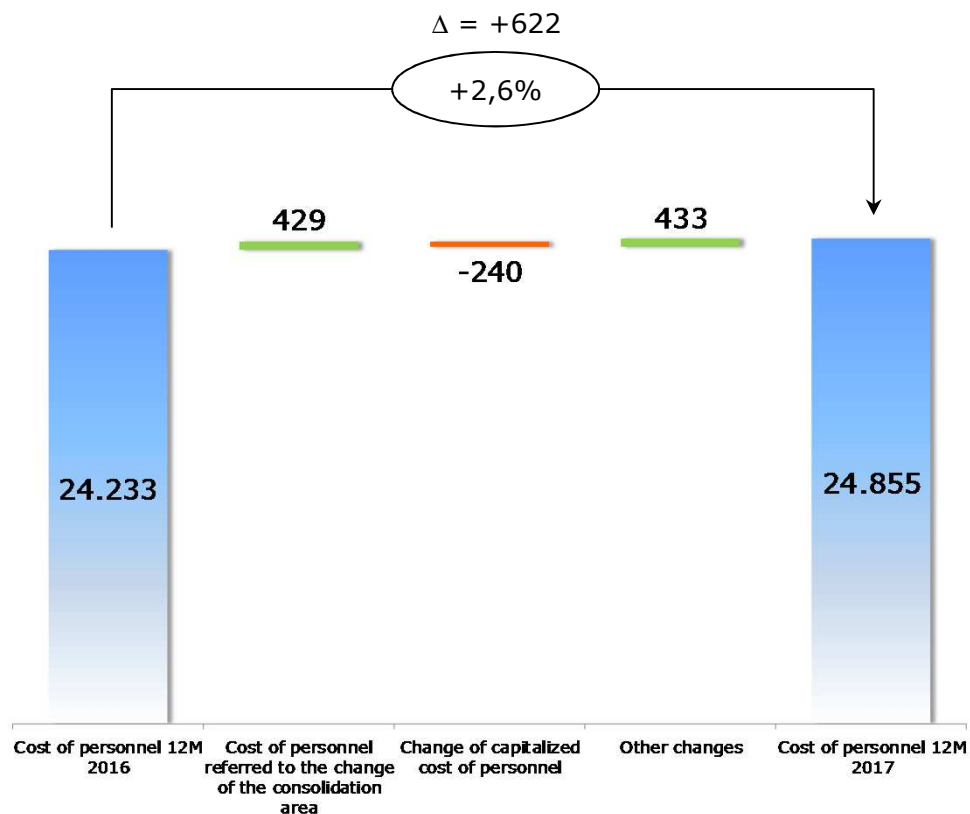
- Change of the consolidation area (**)
- 2016 consolidation area

(*) 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 0,4 mln
- capitalized cost of personnel: - Euro 0,2 mln
- other: + Euro 0,4 mln, of which:
 - - Euro 0,4 mln: compensations related to the long term incentive plan
 - + Euro 0,8 mln: other changes

2017 cost of personnel of the companies consolidated with net equity consolidation method (Sinergie Italiane excluded): Euro 3,1 mln (-3,1%).

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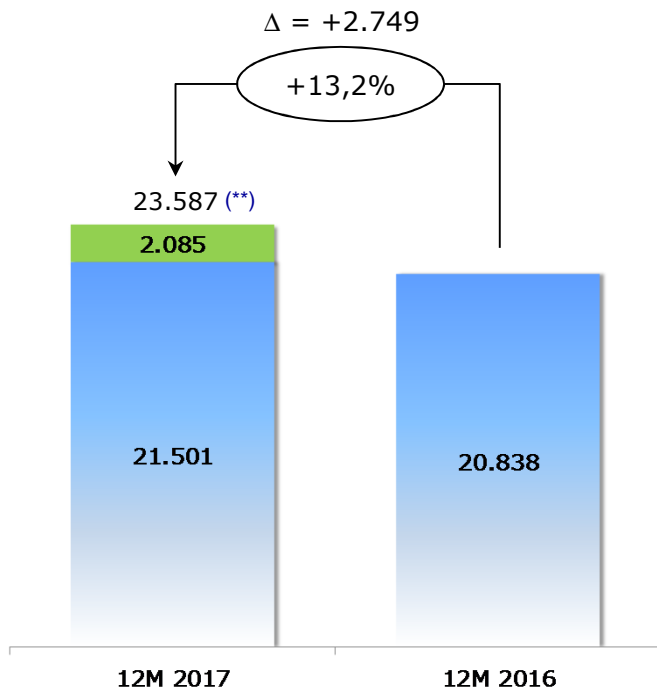
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Consolidated capex (*)
(Thousand of Euro)



- Change of the consolidation area: Euro 2,1 mln
- Gas distribution systems: Euro 11,1 mln
- Gas meters: Euro 9,4 mln
- Other: Euro 1,0 mln

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

2017 investments of the companies consolidated with net equity consolidation method (Sinergie Italiane excluded): Euro 1,6 mln (+49,0%).

(*) Excluding network extension in new urbanized areas that according to IAS are considered as operating costs and not investments; (**) Investments in tangible assets: Euro 1,1 mln; investments in intangible assets: Euro 22,5 mln (excluded realizations of tangible and intangible assets and investments in associated); (***) AP Reti Gas Vicenza: 2ndQ+3rdQ+4thQ 2017.



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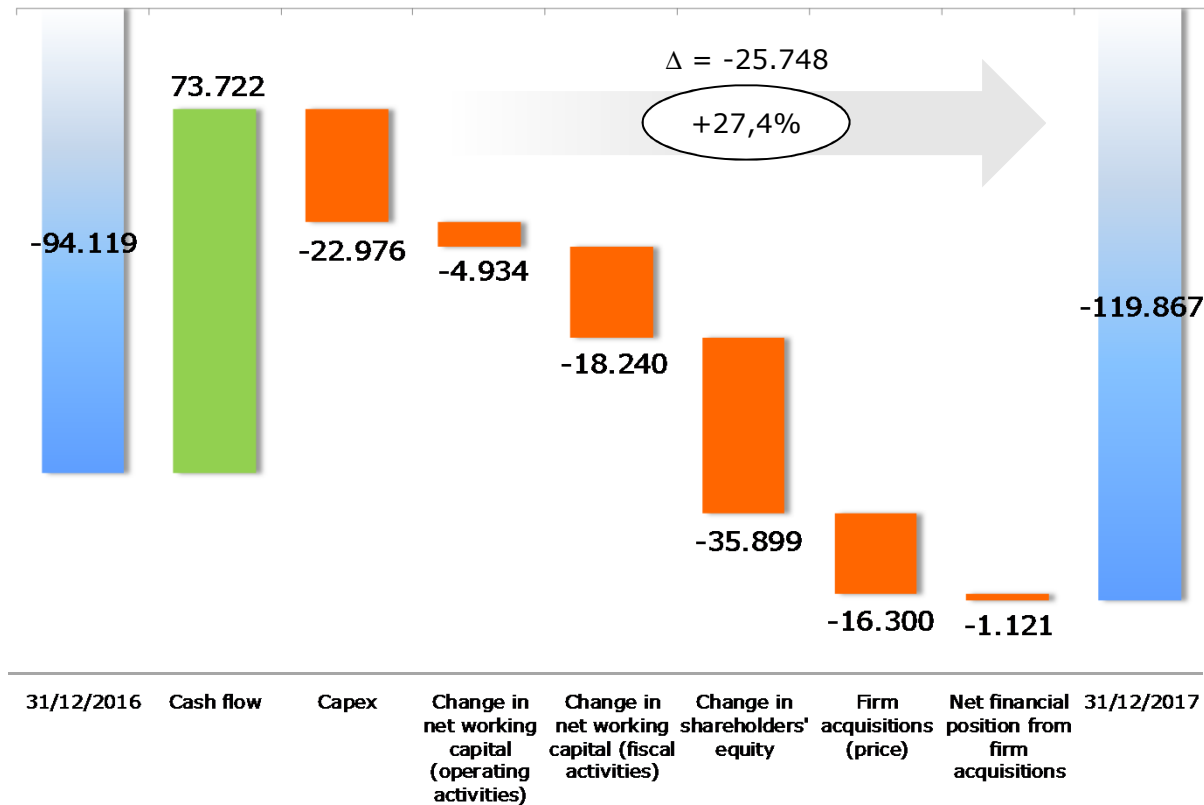
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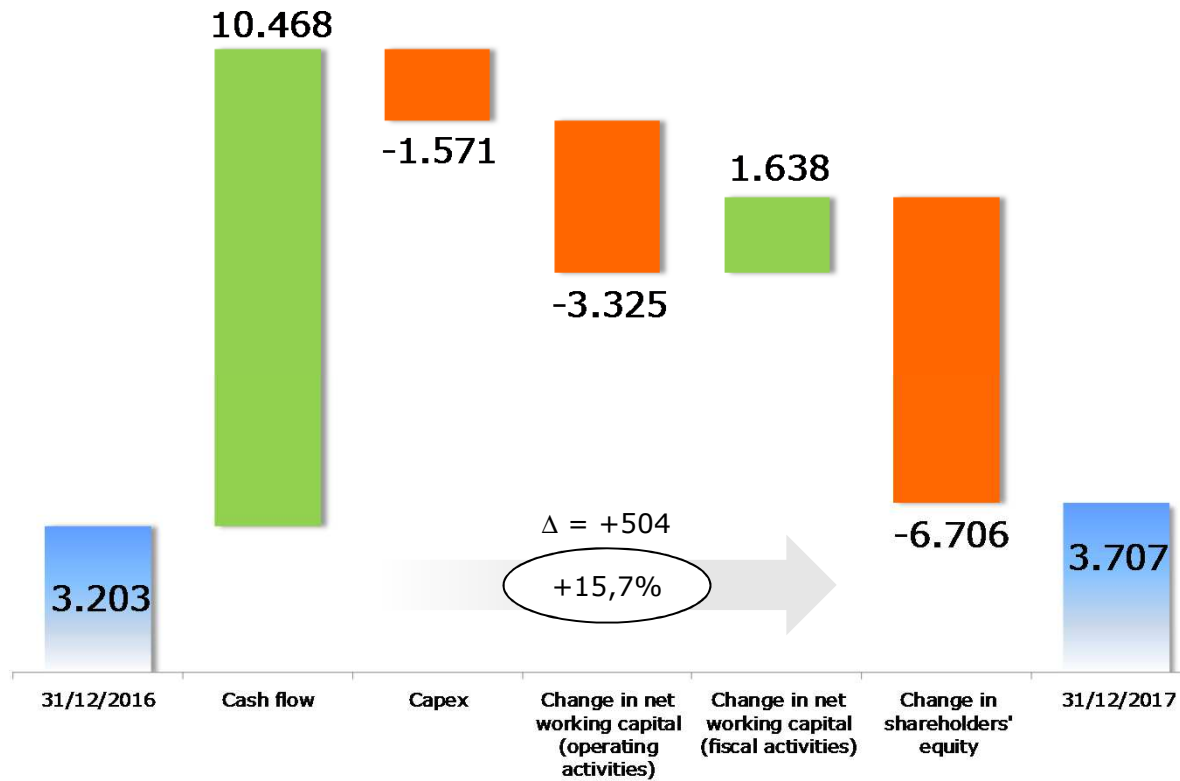
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Net Financial Position and cash flow
Companies consolidated with full consolidation method
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Net financial position and cash flow (2)

Net Financial Position and cash flow
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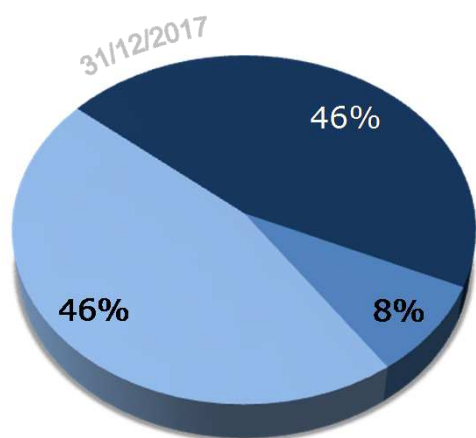


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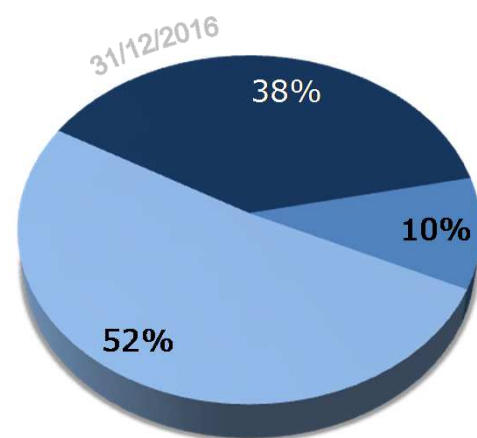
Net financial position and cash flow (3)

(Thousand of Euro) (*)	31/12/2017	31/12/2016	Var	Var %
Long term financial borrowings (>12 months)	54.360	34.541	19.819	+57,4%
Current position of long term financial borrowings	10.181	9.287	894	+9,6%
Short term financial borrowings (<12 months)	54.568	46.288	8.280	+17,9%
Total financial debt	119.109	90.116	28.993	+32,2%
Fixed rate borrowings	30.000	-	30.000	n.a.
Floating rate borrowings	89.109	90.116	(1.007)	-1,1%

2017 average cost of debt: 0,38% (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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Dividend proposal

Dividend proposed: 0,18 Euro per share (Euro 40,0 mln)

Detachment date: 7th May 2018

Record date: 8th May 2018

Payment date: 9th May 2018

	2017	2016	2015	2014	2013	2012
	(Proposal)					
Dividends paid (Thousand of Euro) (*)	40.016	40.016	33.347	33.332	26.666	24.485
Group Net Income (Thousand of Euro)	47.135	53.635	43.014	35.583	38.678	27.865
Payout ratio	85%	75%	78%	94%	69%	88%
Dividends per share (Euro)	0,180	0,180	0,150	0,150	0,120	0,110
Dividend yield (**)	5,3%	7,2%	7,0%	7,6%	8,4%	9,2%

(*) Dividends to be paid estimated on the base of the outstanding shares at the end of the financial year; (**) Dividend yield = dividends per share / average price per share in the year.

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