



1stQ 2018

CONSOLIDATED RESULTS

Conference Call

Pieve di Soligo, 15th may 2018

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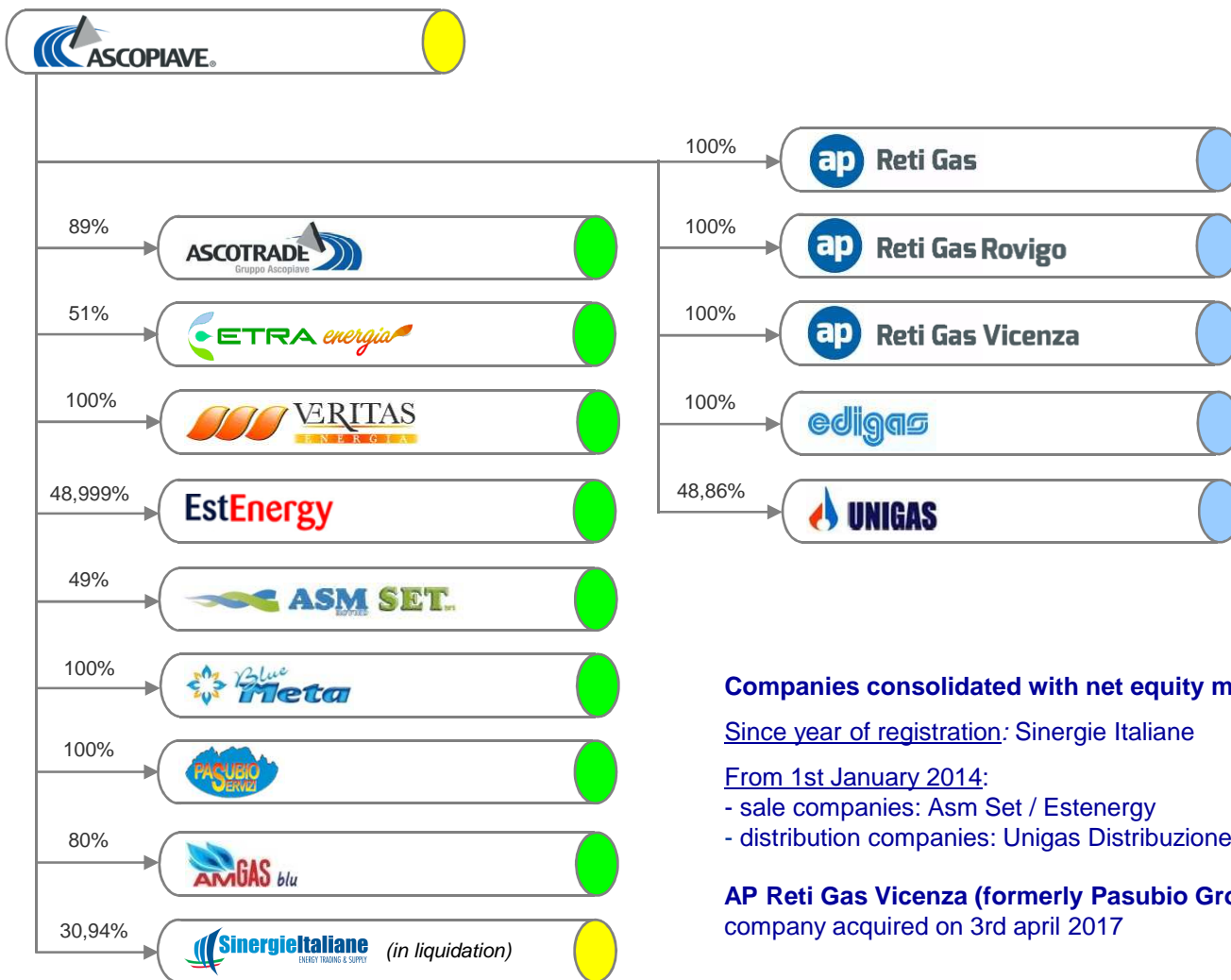
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Net financial position and cash flow

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Ascopiave Group structure as of 31st march 2018



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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1stQ 2018 consolidated income statement

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1stQ 2018 consolidated results
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(Thousand of Euro)	3M 2018	3M 2017	Chg	Chg %
Revenues	200.648	199.503	1.145	+0,6%
(Cost of raw materials and consumables)	(117.458)	(113.461)	(3.997)	+3,5%
(Cost of services)	(31.747)	(37.865)	6.118	-16,2%
(Cost of personnel)	(6.149)	(5.958)	(190)	+3,2%
(Other operating costs)	(9.457)	(5.644)	(3.813)	+67,6%
Other operating income	22	50	(28)	-56,4%
EBITDA	35.860	36.625	(765)	-2,1%
(Depreciations and amortizations)	(5.650)	(5.063)	(587)	+11,6%
(Provisions)	(345)	(478)	133	-27,8%
EBIT	29.864	31.083	(1.219)	-3,9%
Financial income / (expenses)	(187)	(63)	(123)	+195,5%
Evaluation of companies with net assets method (*)	3.783	3.713	70	+1,9%
EBT	33.460	34.733	(1.273)	-3,7%
(Income taxes)	(8.461)	(8.703)	242	-2,8%
Net income	24.999	26.030	(1.030)	-4,0%
(Net income of minorities)	(1.497)	(1.489)	(9)	+0,6%
Net income of the Group	23.502	24.541	(1.039)	-4,2%

(*) Result of the companies consolidated with net equity consolidation method (data are considered pro-rata): sale companies, Euro 3,1 mln (Euro 3,4 mln in 1stQ 2017); distribution companies, Euro 0,2 mln (Euro 0,0 mln in 1stQ 2017); Sinergie Italiane, Euro 0,5 mln (Euro 0,3 mln in 1stQ 2017).

Consolidated balance sheet as of 31st march 2018

(Thousand of Euro)	31/03/2018	31/12/2017	Chg	Chg %
Tangible assets (*)	32.023	32.334	(311)	-1,0%
Non tangible assets (*)	427.244	427.692	(449)	-0,1%
Investments in associates (**)	71.423	68.878	2.546	+3,7%
Other fixed assets	24.506	24.494	13	+0,1%
Fixed assets	555.197	553.397	1.799	+0,3%
Operating current assets	274.531	222.977	51.554	+23,1%
(Operating current liabilities)	(251.188)	(156.597)	(94.591)	+60,4%
(Operating non current liabilities)	(49.083)	(49.411)	328	-0,7%
Net working capital	(25.740)	16.969	(42.710)	-251,7%
Total capital employed	529.457	570.367	(40.910)	-7,2%
Group shareholders equity	467.462	445.511	21.951	+4,9%
Minorities	6.392	4.989	1.403	+28,1%
Net financial position	55.603	119.867	(64.264)	-53,6%
Total sources	529.457	570.367	(40.910)	-7,2%

(*) 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 50,4 mln (Euro 48,0 mln as of 31st December 2017); distribution companies, Euro 21,1 mln (Euro 20,8 mln as of 31st December 2017).

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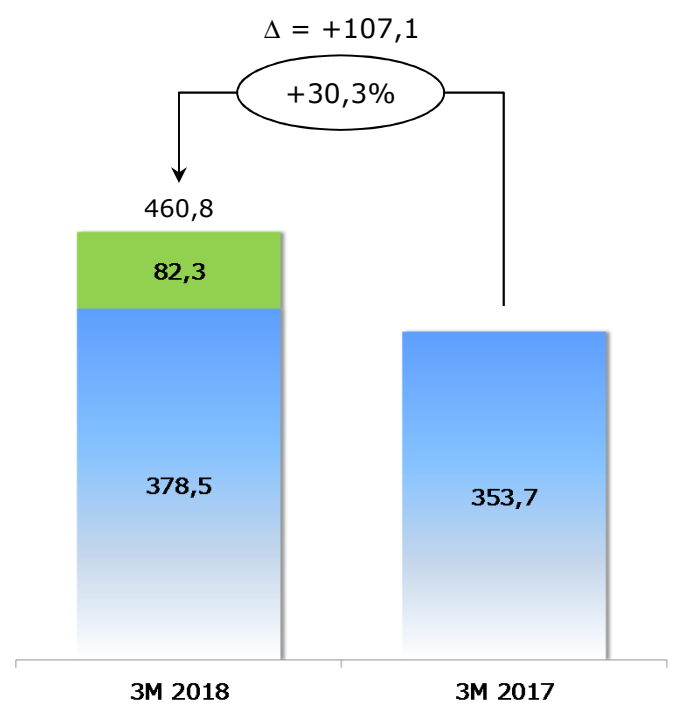
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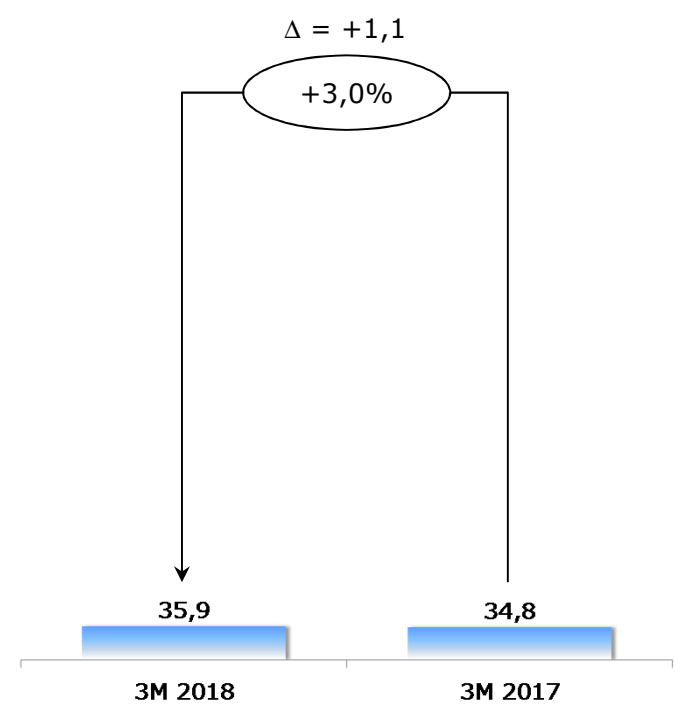
Volumes of gas distributed

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Volumes of gas distributed (Million of standard cubic meters)



Companies consolidated with full consolidation method



Companies consolidated with net equity consolidation method (*)

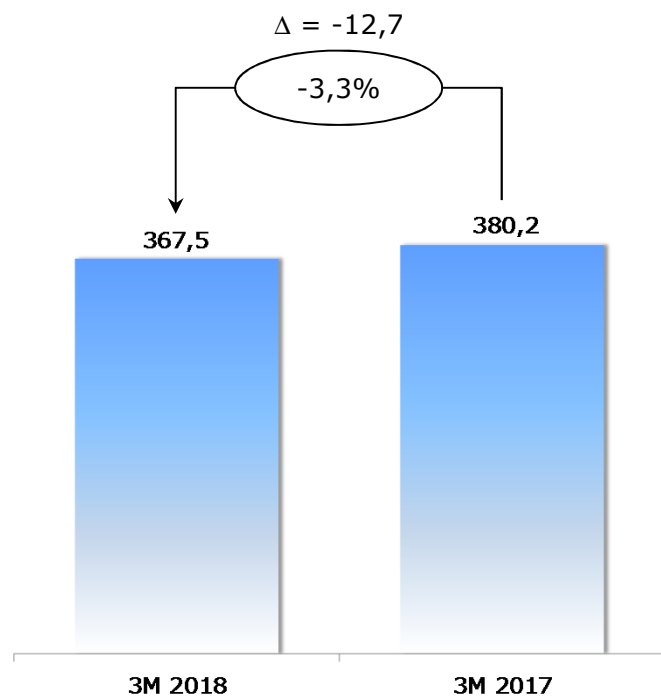
■ Change of the consolidation area (**)
■ 2016 consolidation area

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

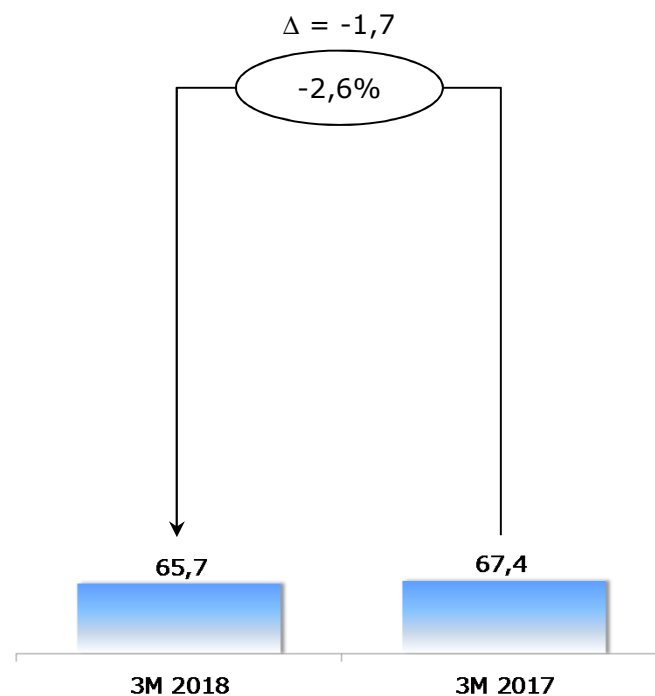


Volumes of gas sold

Volumes of gas sold (Million of standard cubic meters)



Companies consolidated with full consolidation method



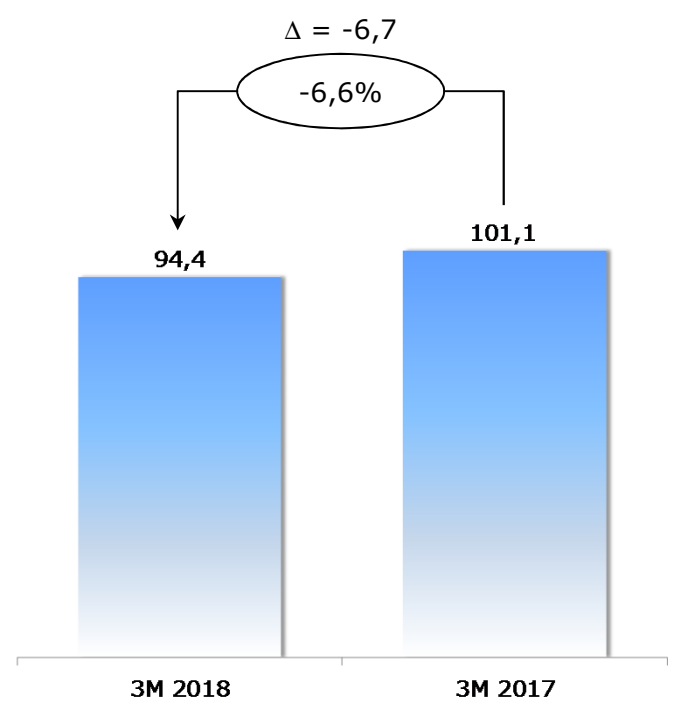
Companies consolidated with net equity consolidation method (*)

(*) Data are considered pro-rata.

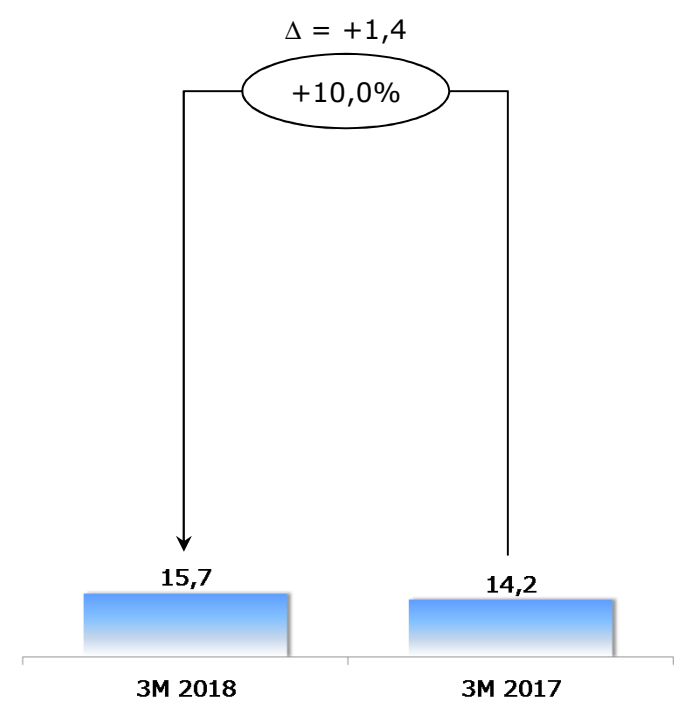
Volumes of electricity sold

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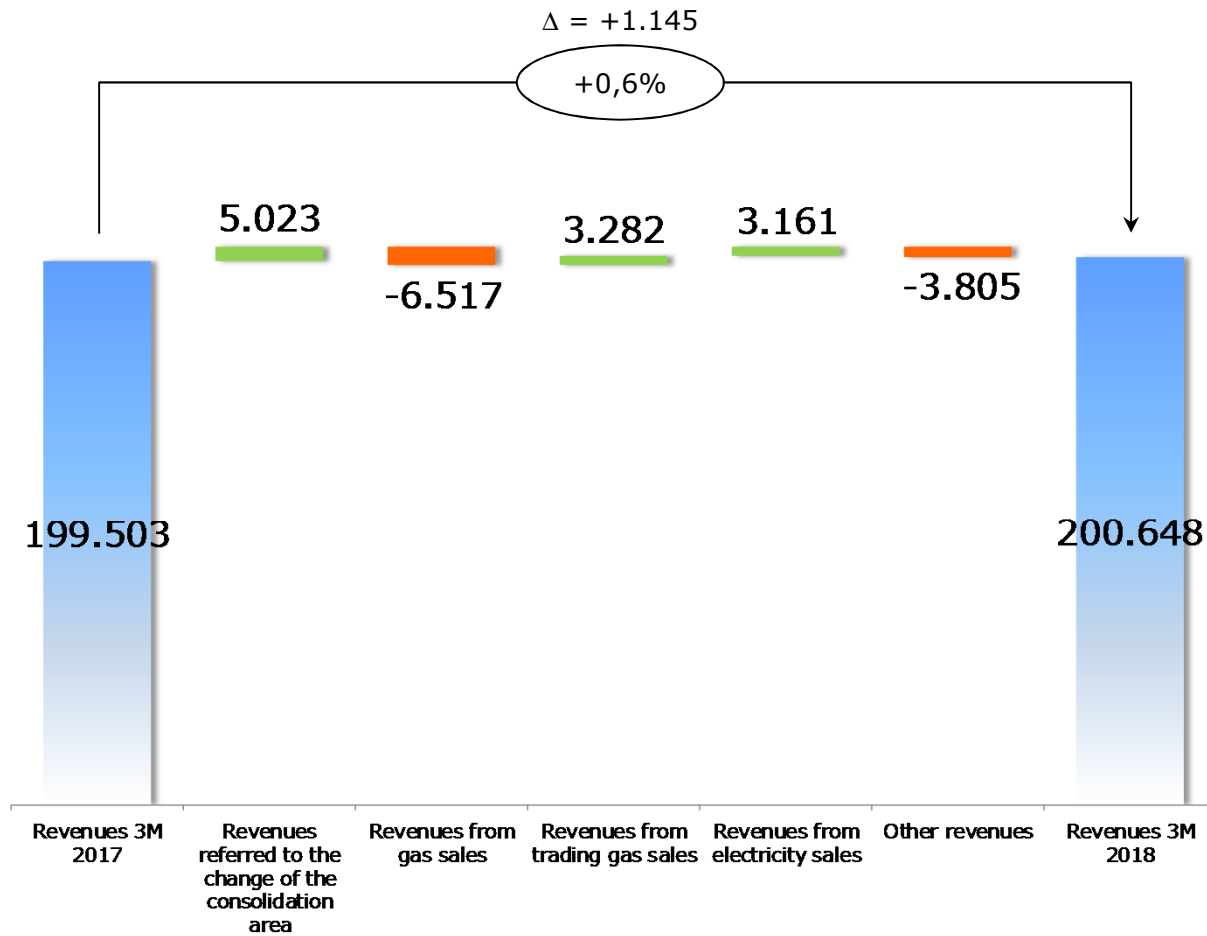
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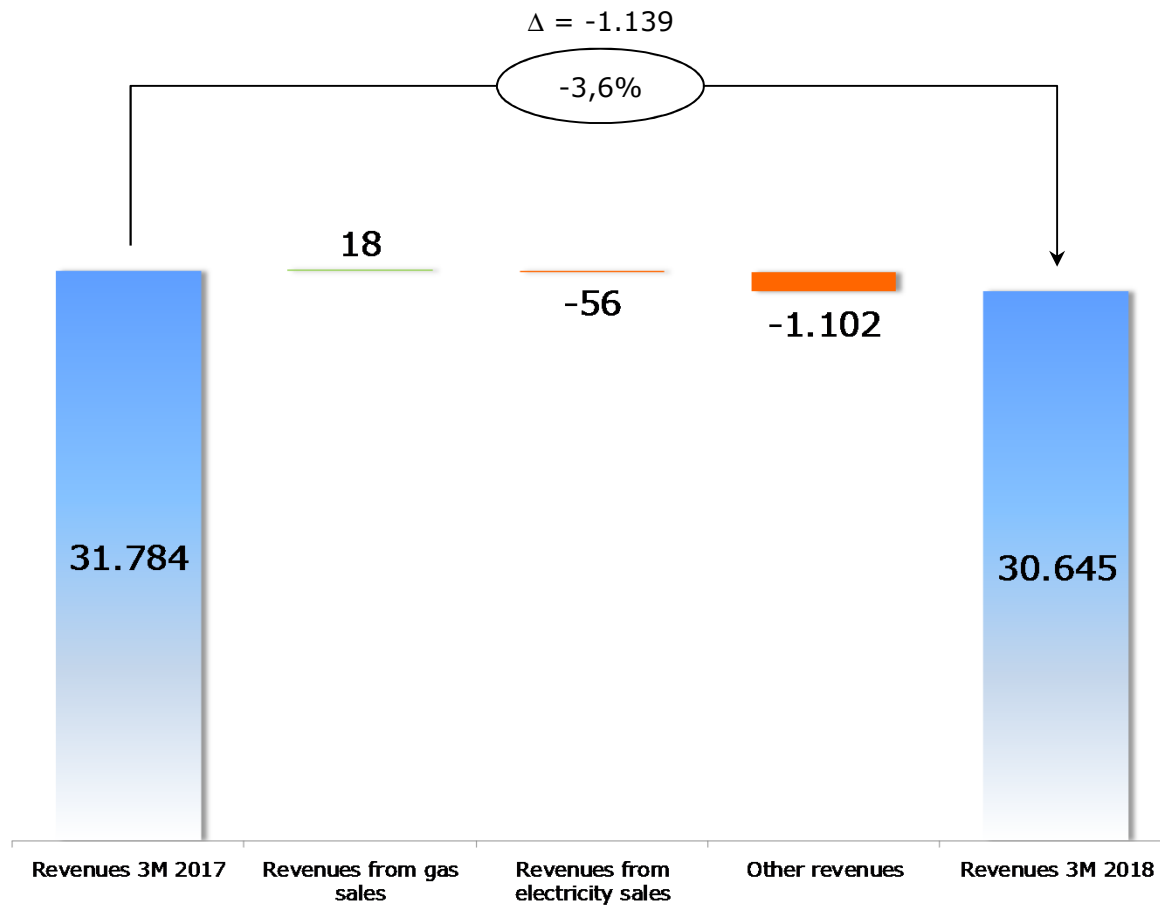
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Revenues bridge
Companies consolidated with full consolidation method
 (Thousand of Euro)



Revenues bridge (2)

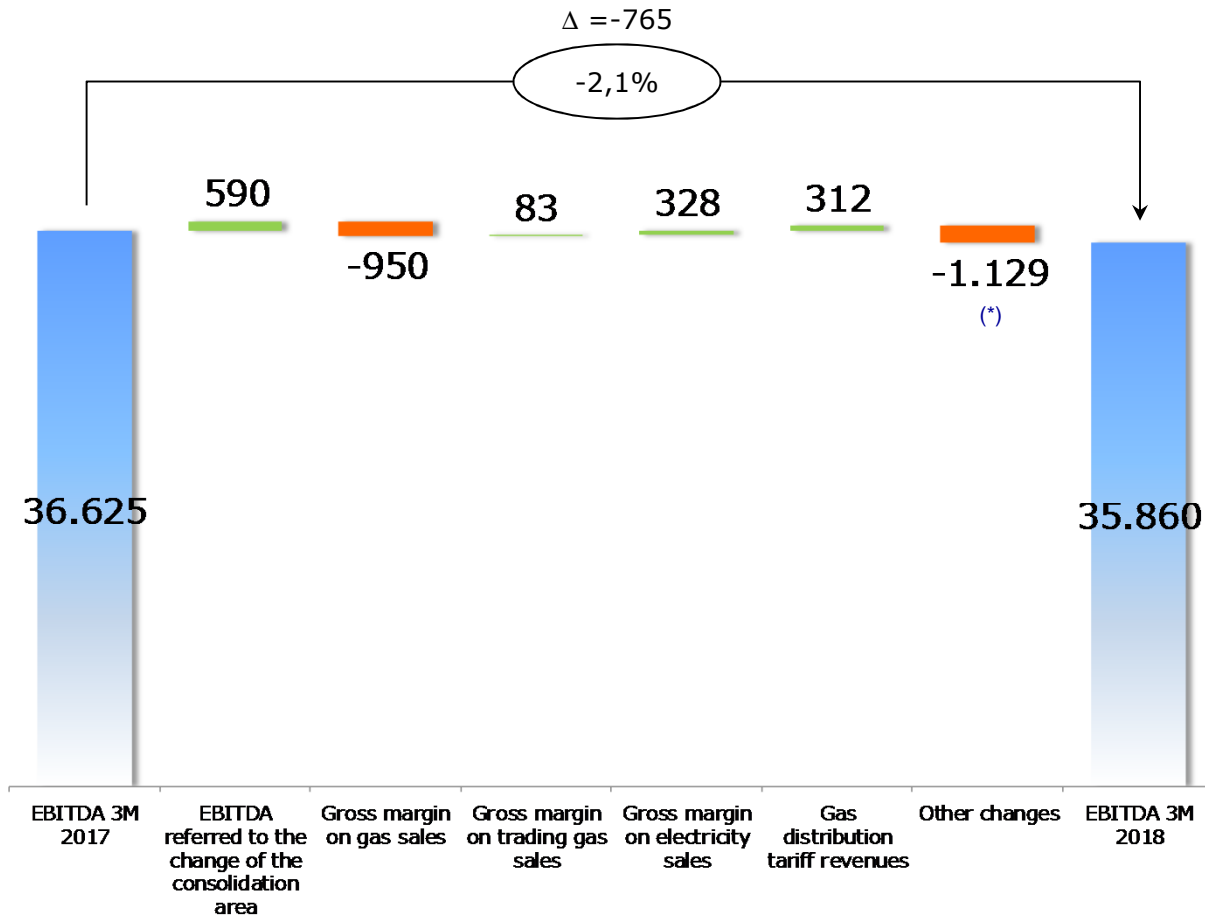
Revenues bridge Companies consolidated with net equity consolidation method (*) (Thousand of Euro)



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

EBITDA bridge (1)

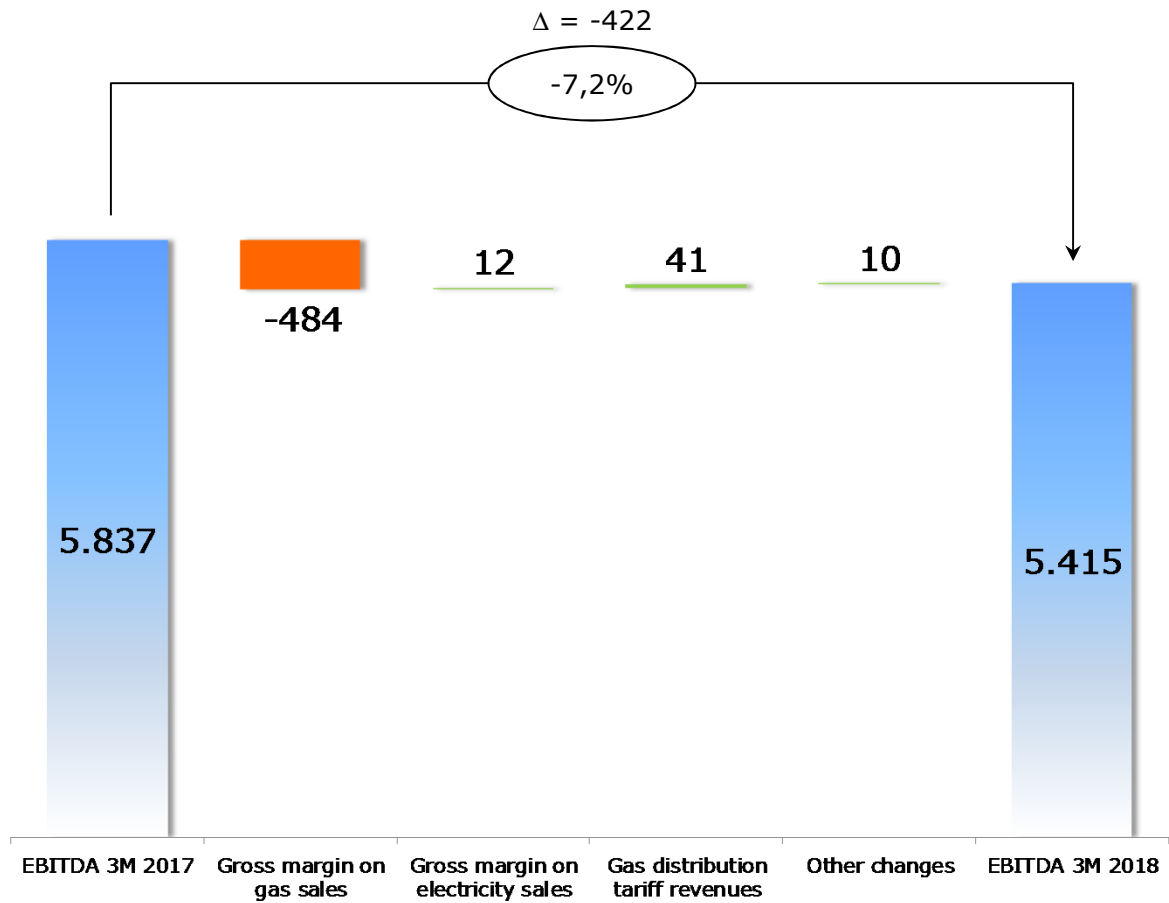
EBITDA bridge
Companies consolidated with full consolidation method
 (Thousand of Euro)



(*) 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.

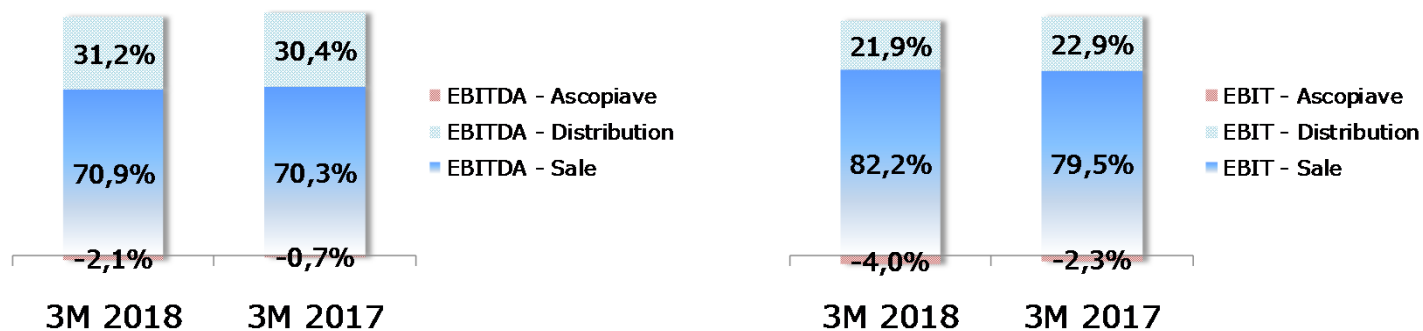
EBITDA breakdown (1)

EBITDA breakdown

Companies consolidated with full consolidation method

(Thousand of Euro)

(Thousand of Euro)	3M 2018	3M 2017	Var	Var %
EBITDA	35.860	36.625	(765)	-2,1%
EBITDA - Sale	25.441	25.741	(299)	-1,2%
EBITDA - Distribution	11.186	11.144	42	+0,4%
EBITDA - Ascopiave	(768)	(260)	(507)	+195,1%
EBIT	29.864	31.083	(1.219)	-3,9%
EBIT - Sale	24.533	24.697	(163)	-0,7%
EBIT - Distribution	6.526	7.113	(587)	-8,2%
EBIT - Ascopiave	(1.196)	(727)	(469)	+64,5%

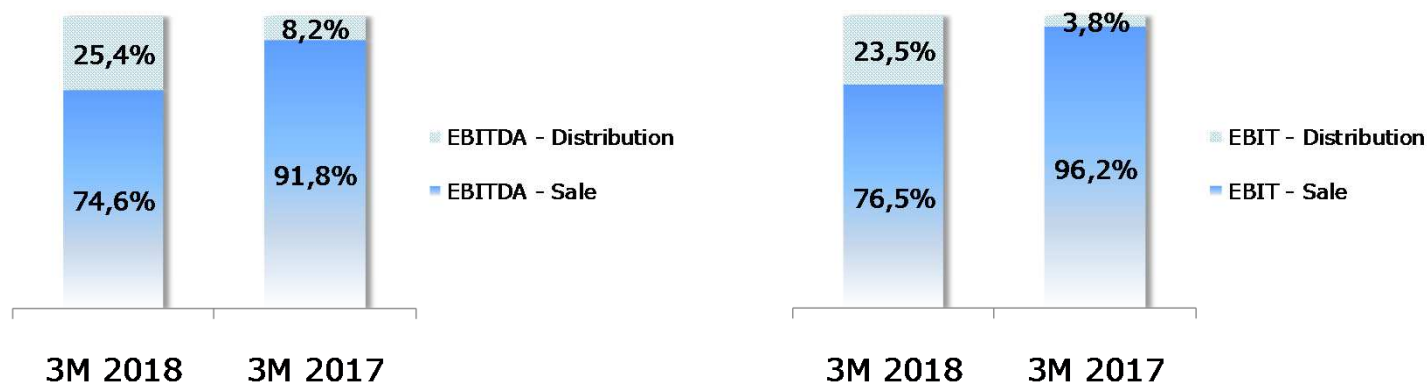


EBITDA breakdown (2)

EBITDA breakdown

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

(Thousand of Euro)	3M 2018	3M 2017	Var	Var %
EBITDA	5.415	5.837	(422)	-7,2%
EBITDA - Sale	4.041	5.356	(1.315)	-24,6%
EBITDA - Distribution	1.374	481	893	+185,8%
EBIT	4.603	4.934	(331)	-6,7%
EBIT - Sale	3.522	4.747	(1.225)	-25,8%
EBIT - Distribution	1.081	187	894	+477,2%



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

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Gross margin on gas sales

(Thousand of Euro) (*)	3M 2018	3M 2017	Chg	Chg %
Revenues from gas sales	159.468	161.106	(1.638)	-1,0%
(Gas purchase costs)	(91.051)	(91.480)	429	-0,5%
(Gas distribution costs)	(38.509)	(38.769)	260	-0,7%
Gross margin on gas sales (A) <i>Company consolidated with full consolidation method</i>	29.908	30.857	(950)	-3,1%

The decrease of gross margin on gas sales of the companies consolidated with full consolidation method, equal to - Euro 1,0 mln, is both due to lower volumes of gas sold and lower protected market prices as a result of the elimination of the grad component, despite the better procurement cost and lower costs for exceeding capacity.

(Thousand of Euro) (*)	3M 2018	3M 2017	Chg	Chg %
Gross margin on gas sales (B) <i>Company consolidated with net equity consolidation method (**)</i>	5.878	6.362	(484)	-7,6%
Gross margin on gas sales (A+B)	35.785	37.219	(1.434)	-3,9%

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

Gross margin on trading gas sales

(Thousand of Euro) (*)	3M 2018	3M 2017	Chg	Chg %
Revenues from trading gas sales	3.282	-	3.282	n.a.
(Trading gas purchase costs)	(3.169)	-	(3.169)	n.a.
(Trading gas transport / capacity costs)	(30)	-	(30)	n.a.
Gross margin on trading gas sales (A) <i>Company consolidated with full consolidation method</i>	83	-	83	n.a.
(Thousand of Euro) (*)	3M 2018	3M 2017	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)	83	-	83	n.a.

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

Gross margin on electricity sales

(Thousand of Euro) (*)	3M 2018	3M 2017	Chg	Chg %
Revenues from electricity sales	29.628	23.489	6.139	+26,1%
(Electricity purchase costs)	(18.963)	(13.509)	(5.454)	+40,4%
(Electricity distribution costs)	(9.012)	(8.656)	(357)	+4,1%
Gross margin on electricity sales (A) <i>Company consolidated with full consolidation method</i>	1.653	1.325	328	+24,8%

The increase of gross margin on electricity sales of the companies consolidated with full consolidation method, equal to + Euro 0,3 mln, is due to higher unit profit margins despite lower volumes of electricity sold.

(Thousand of Euro) (*)	3M 2018	3M 2017	Chg	Chg %
Gross margin on electricity sales (B) <i>Company consolidated with net equity consolidation method (**)</i>	293	281	12	+4,2%
Gross margin on electricity sales (A+B)	1.946	1.606	340	+21,2%

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

Gas distribution tariff revenues

(Thousand of Euro) (*)	3M 2018	3M 2017	Chg	Chg %
Gas distribution tariff revenues	18.174	14.977	3.197	+21,3%
Gas distribution tariff revenues (A) <i>Company consolidated with full consolidation method</i>	18.174	14.977	3.197	+21,3%

The increase of gas distribution tariff revenues of the companies consolidated with full consolidation method (+ Euro 3,2 mln) is due to:

- 1) change of the consolidation area (AP Reti Gas Vicenza): + Euro 2,9 mln;
- 2) change of gas distribution tariff revenues: + Euro 0,3 mln.

(Thousand of Euro) (*)	3M 2018	3M 2017	Chg	Chg %
Gas distribution tariff revenues (B) <i>Company consolidated with net equity consolidation method (**)</i>	1.432	1.391	41	+2,9%
Gas distribution tariff revenues (A+B)	19.606	16.368	3.238	+19,8%

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

Other net operating costs (1)

(Thousand of Euro)	3M 2018	3M 2017	Chg	Chg %
Other revenues	15.706	10.018	5.688	+56,8%
Other costs of raw materials and services	(23.516)	(14.597)	(8.919)	+61,1%
Cost of personnel	(6.149)	(5.958)	(190)	+3,2%
Other net operating costs (A) <i>Company consolidated with full consolidation method</i>	(13.958)	(10.537)	(3.421)	+32,5%

Net operating costs referred to the change of the consolidation area: - Euro 2,3 mln

Increase of other net operating costs of 2016 consolidation area: - Euro 1,1 mln

of which:

- *decrease of cost of personnel: + Euro 0,1 mln;*
- *decrease of margin on energy efficiency tasks management: - Euro 1,2 mln;*
- *decrease of CCSE contributions for security incentives: - Euro 0,7 mln;*
- *decrease of advertising costs: + Euro 0,4 mln;*
- *other variations: + Euro 0,3 mln.*

Other net operating costs (2)

(Thousand of Euro)	3M 2018	3M 2017	Chg	Chg %
Other net operating costs (A) <i>Company consolidated with full consolidation method</i>	(13.958)	(10.537)	(3.421)	+32,5%
Other net operating costs (B) <i>Company consolidated with net equity consolidation method (*)</i>	(2.187)	(2.137)	(50)	+2,4%
Other net operating costs (A+B)	(16.146)	(12.674)	(3.471)	+27,4%

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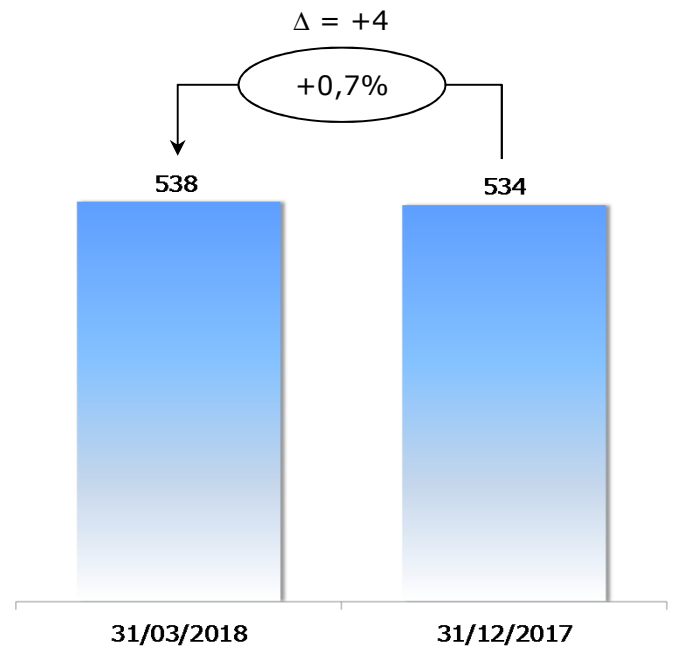
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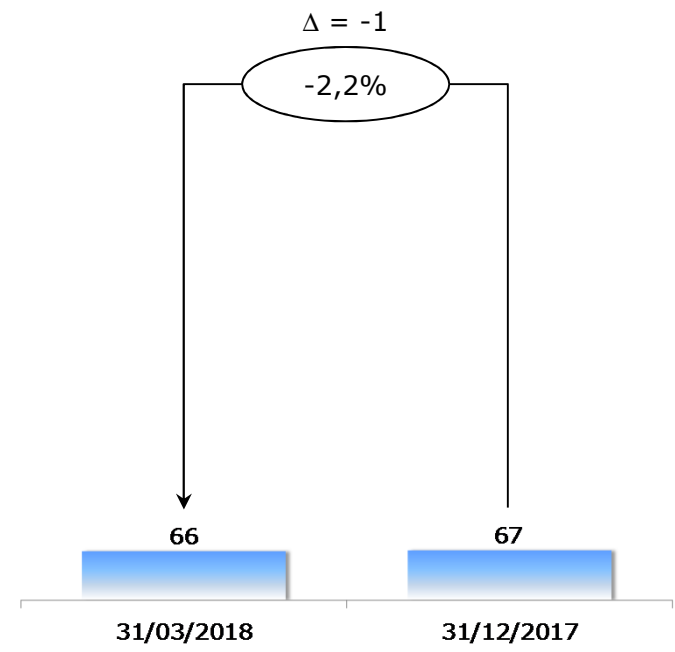
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Number of employees



Companies consolidated with full consolidation method



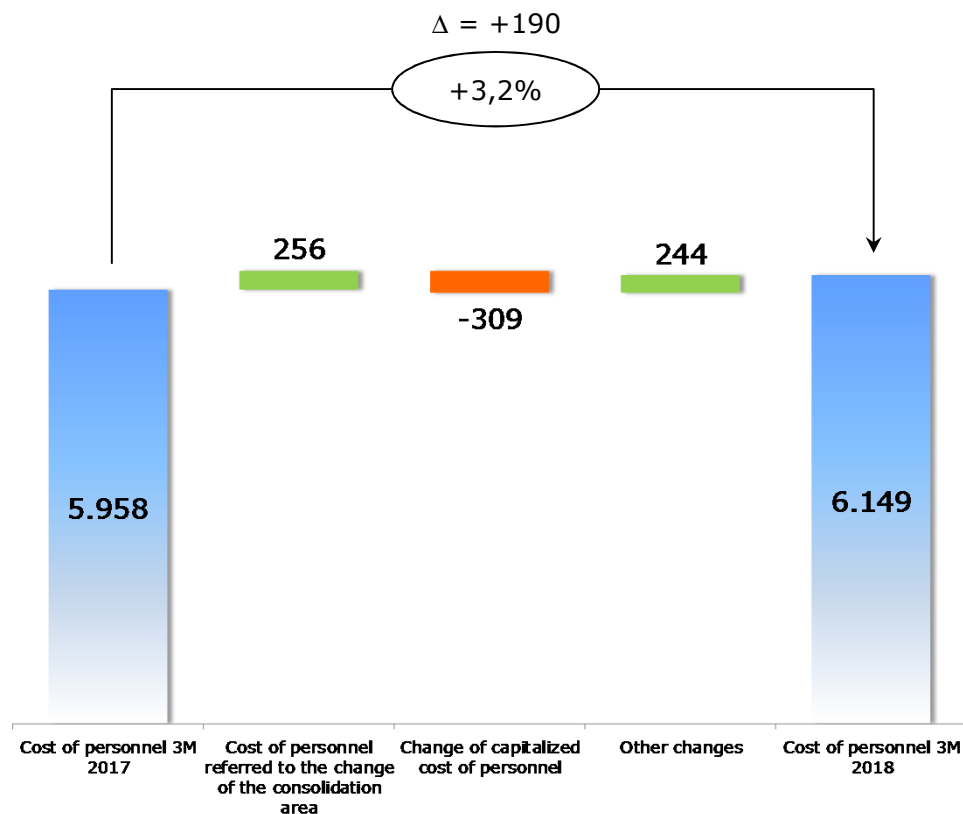
Companies consolidated with net equity consolidation method (*)

(*) Data are considered pro-rata.



Consolidated cost of personnel

Consolidated cost of personnel (Thousand of Euro)



Cost of personnel changes:

- change of the consolidation area: + Euro 0,3 mln
- capitalized cost of personnel: - Euro 0,3 mln
- other: + Euro 0,2 mln.

1stQ 2018 cost of personnel of the companies consolidated with net equity consolidation method (Sinergie Italiane excluded): Euro 0,8 mln (-0,5%).

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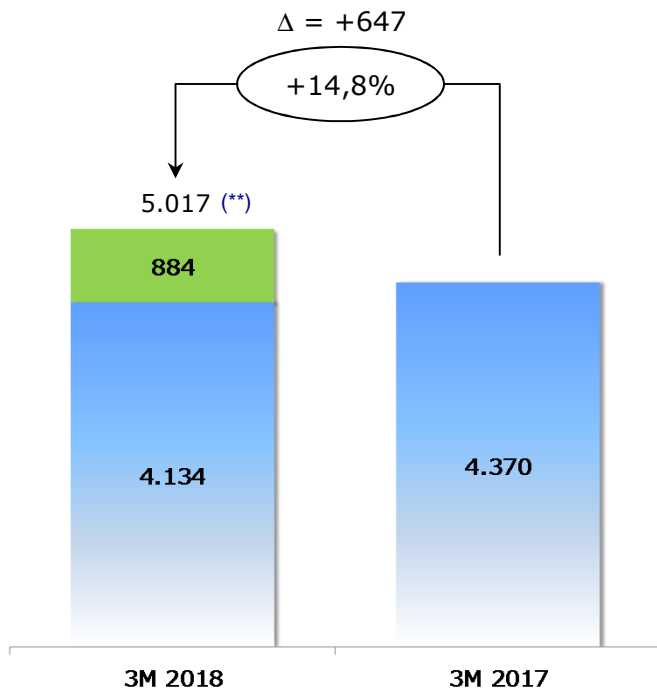
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Consolidated capex (*)
(Thousand of Euro)



- Change of the consolidation area: Euro 0,9 mln
- Gas distribution systems: Euro 1,7 mln
- Gas meters: Euro 2,0 mln
- Other: Euro 0,4 mln

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

1stQ 2018 investments of the companies consolidated with net equity consolidation method (Sinergie Italiane excluded): Euro 0,3 mln (+35,2%).

(*) Excluding network extension in new urbanized areas that according to IAS are considered as operating costs and not investments; (**) Investments in tangible assets: Euro 0,2 mln; investments in intangible assets: Euro 4,8 mln (excluded realizations of tangible and intangible assets and investments in associated); (***) AP Reti Gas Vicenza.

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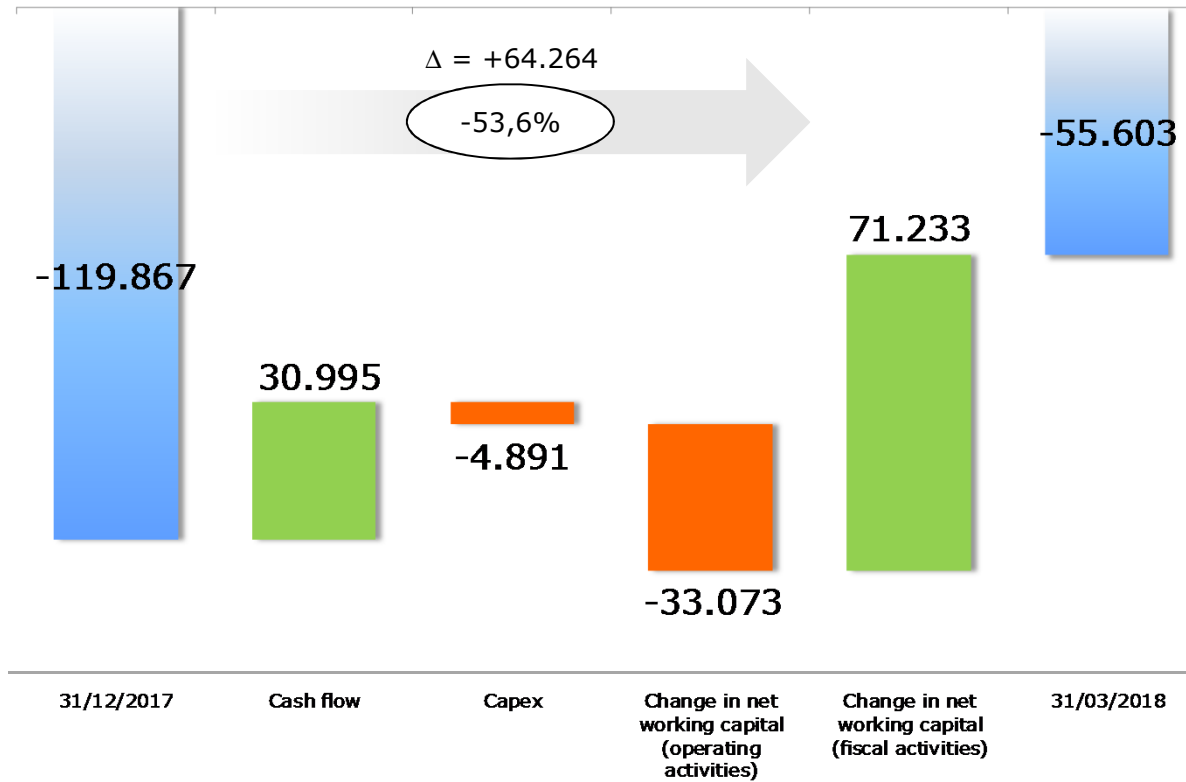
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Net financial position and cash flow (1)

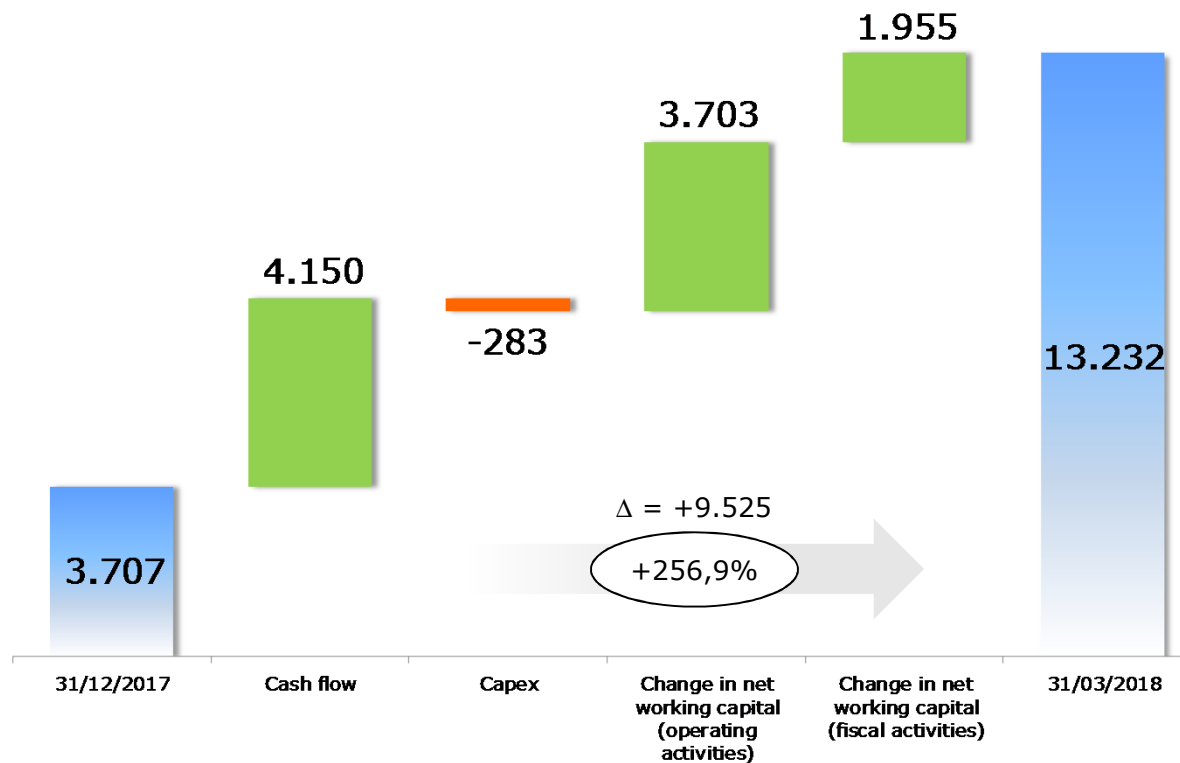
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Net financial position and cash flow (3)

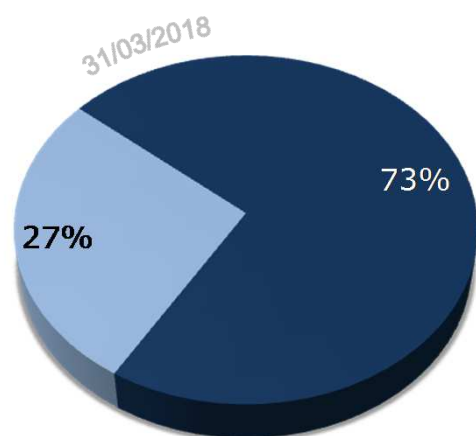
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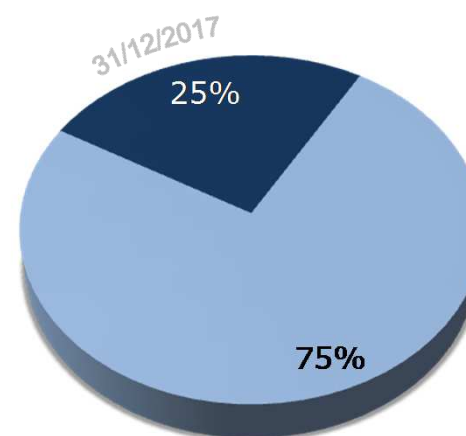
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(Thousand of Euro) (*)	31/03/2018	31/12/2017	Var	Var %
Long term financial borrowings (>12 months)	59.310	54.360	4.950	+9,1%
Current position of long term financial borrowings	10.923	10.181	742	+7,3%
Short term financial borrowings (<12 months)	(16.898)	54.568	(71.466)	-131,0%
Total financial debt	53.335	119.109	(65.774)	-55,2%
Fixed rate borrowings	38.750	30.000	8.750	+29,2%
Floating rate borrowings	14.585	89.109	(74.524)	-83,6%

1stQ 2018 average cost of debt: 0,62% (vs 2017 rate: 0,38%)



■ Fixed rate borrowings
■ Floating rate borrowings



■ Fixed rate borrowings
■ Floating rate borrowings

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

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