



# **1stQ 2019**

## **CONSOLIDATED RESULTS**

**Conference Call**

---

*Pieve di Soligo, 14th may 2019*

## **Financial highlights**

- Ascopiave Group structure as of 31st march 2019
- 1stQ 2019 consolidated income statement
- Consolidated balance sheet as of 31st march 2019

## Operating data

## Revenues and EBITDA

## Gross margin on gas and electricity sales and other net operating costs

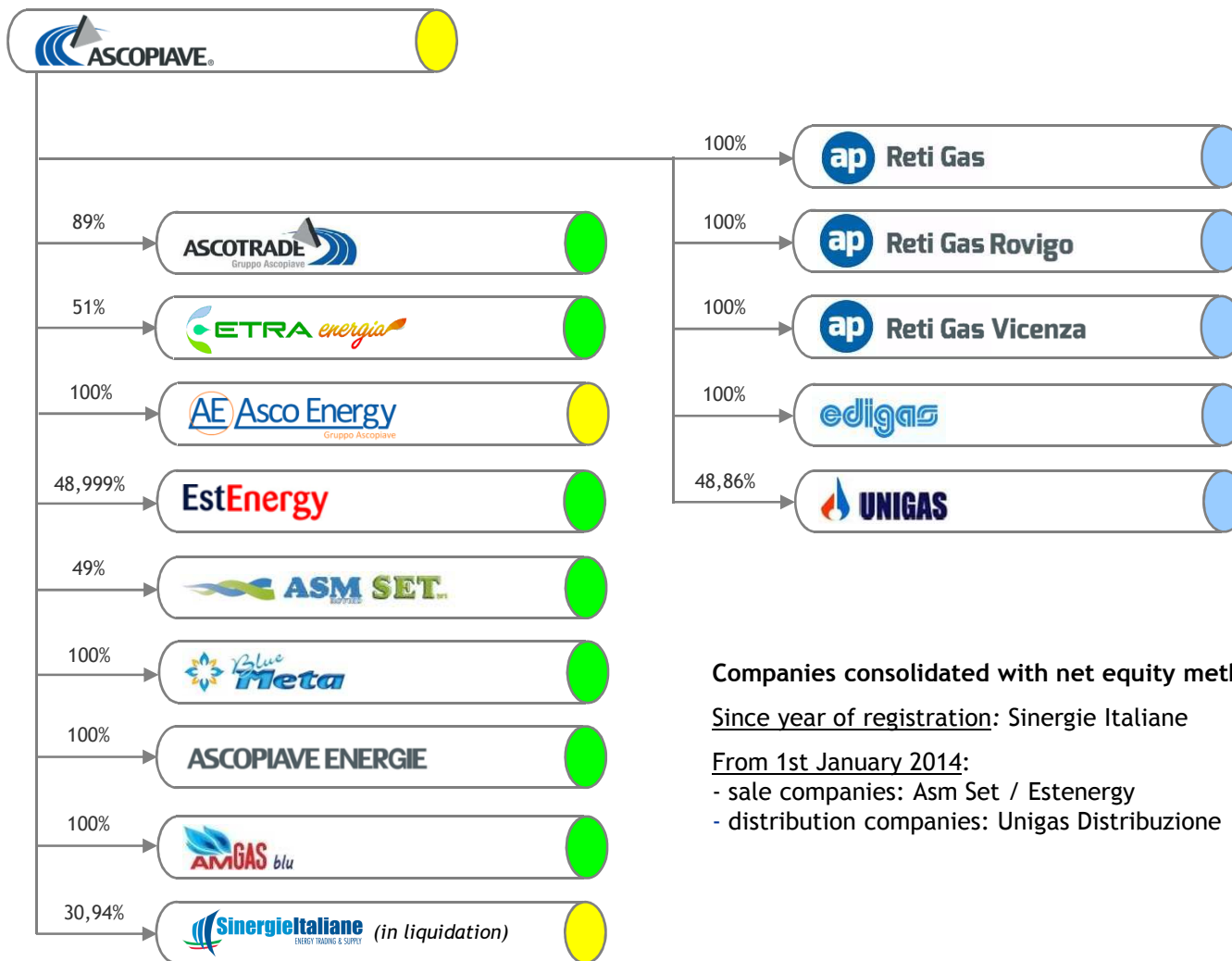
## Personnel

## Capex

## Net financial position and cash flow

## Disclaimer

# Ascopiave Group structure as of 31st march 2019



**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

● Gas distribution   
 ● Gas sales   
 ● Other activities

**CONFERENCE CALL**  
**1stQ 2019 consolidated results**  
**Pieve di Soligo, 14th may 2019**



# 1stQ 2019 consolidated income statement

**CONFERENCE CALL**  
**1stQ 2019 consolidated results**  
**Pieve di Soligo, 14th may 2019**

(Thousand of Euro)	3M 2019	3M 2018	Chg	Chg %
<b>Revenues</b>	<b>224.087</b>	<b>200.648</b>	<b>23.440</b>	<b>+11,7%</b>
(Cost of raw materials and consumables)	(140.463)	(117.458)	(23.005)	+19,6%
(Cost of services)	(37.246)	(31.747)	(5.499)	+17,3%
(Cost of personnel)	(6.307)	(6.149)	(159)	+2,6%
(Other operating costs)	(7.734)	(9.457)	1.722	-18,2%
Other operating income	33	22	11	+49,9%
<b>EBITDA</b>	<b>32.370</b>	<b>35.860</b>	<b>(3.490)</b>	<b>-9,7%</b>
(Depreciations and amortizations)	(6.050)	(5.650)	(399)	+7,1%
(Provisions)	(408)	(345)	(62)	+18,1%
<b>EBIT</b>	<b>25.912</b>	<b>29.864</b>	<b>(3.952)</b>	<b>-13,2%</b>
Financial income / (expenses)	(236)	(187)	(49)	+26,5%
Evaluation of companies with net assets method (*)	3.349	3.783	(434)	-11,5%
<b>EBT</b>	<b>29.025</b>	<b>33.460</b>	<b>(4.435)</b>	<b>-13,3%</b>
(Income taxes)	(7.267)	(8.461)	1.194	-14,1%
<b>Net income</b>	<b>21.758</b>	<b>24.999</b>	<b>(3.242)</b>	<b>-13,0%</b>
(Net income of minorities)	(1.195)	(1.497)	302	-20,2%
<b>Net income of the Group</b>	<b>20.562</b>	<b>23.502</b>	<b>(2.940)</b>	<b>-12,5%</b>

(\*) Result of the companies consolidated with net equity consolidation method (data are considered pro-rata): sale companies, Euro 2,9 mln (Euro 3,1 mln in 1stQ 2018); distribution companies, Euro 0,2 mln (Euro 0,2 mln in 1stQ 2018); Sinergie Italiane, Euro 0,3 mln (Euro 0,5 mln in 1stQ 2018).

## Consolidated balance sheet as of 31st march 2019

(Thousand of Euro)	31/03/2019	31/12/2018	Chg	Chg %
Tangible assets (*)	34.882	32.724	2.159	+6,6%
Non tangible assets (*)	433.779	432.637	1.143	+0,3%
Investments in associates (**)	71.438	68.357	3.082	+4,5%
Other fixed assets	23.561	23.401	160	+0,7%
<b>Fixed assets</b>	<b>563.661</b>	<b>557.118</b>	<b>6.543</b>	<b>+1,2%</b>
Operating current assets	275.161	219.660	55.501	+25,3%
(Operating current liabilities)	(252.881)	(160.146)	(92.735)	+57,9%
(Operating non current liabilities)	(51.320)	(51.245)	(75)	+0,1%
<b>Net working capital</b>	<b>(29.040)</b>	<b>8.268</b>	<b>(37.309)</b>	<b>-451,2%</b>
<b>Total capital employed</b>	<b>534.620</b>	<b>565.386</b>	<b>(30.766)</b>	<b>-5,4%</b>
<b>Group shareholders equity</b>	<b>463.995</b>	<b>443.567</b>	<b>20.428</b>	<b>+4,6%</b>
<b>Minorities</b>	<b>5.453</b>	<b>4.303</b>	<b>1.151</b>	<b>+26,7%</b>
<b>Net financial position</b>	<b>65.171</b>	<b>117.517</b>	<b>(52.345)</b>	<b>-44,5%</b>
<b>Total sources</b>	<b>534.620</b>	<b>565.386</b>	<b>(30.766)</b>	<b>-5,4%</b>

(\*) 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 49,7 mln (Euro 46,8 mln as of 31st December 2018); distribution companies, Euro 21,8 mln (Euro 21,5 mln as of 31st December 2018).

# Contents

---

**CONFERENCE CALL**  
**1stQ 2019 consolidated results**  
Pieve di Soligo, 14th may 2019

Financial highlights

## **Operating data**

- Volumes of gas distributed
- Volumes of gas sold
- Volumes of electricity sold

Revenues and EBITDA

Gross margin on gas and electricity sales and other operating costs

Personnel

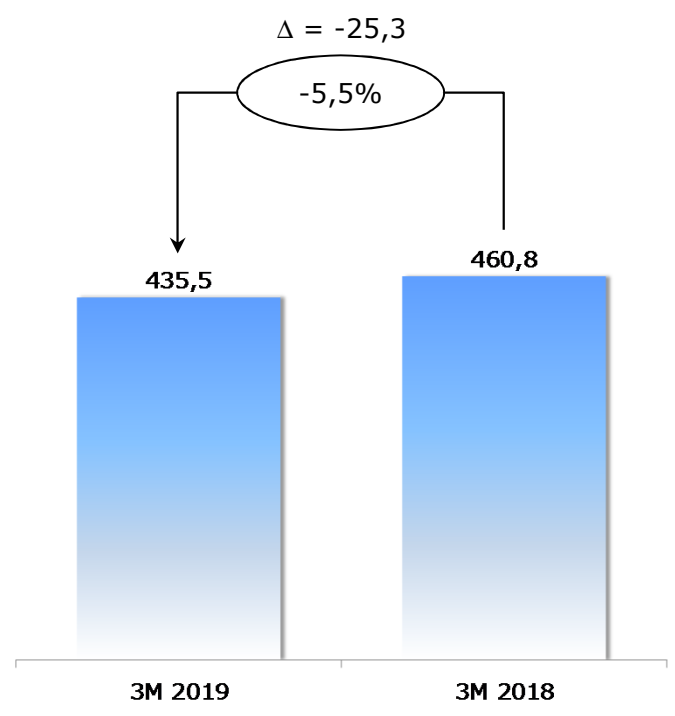
Capex

Net financial position and cash flow

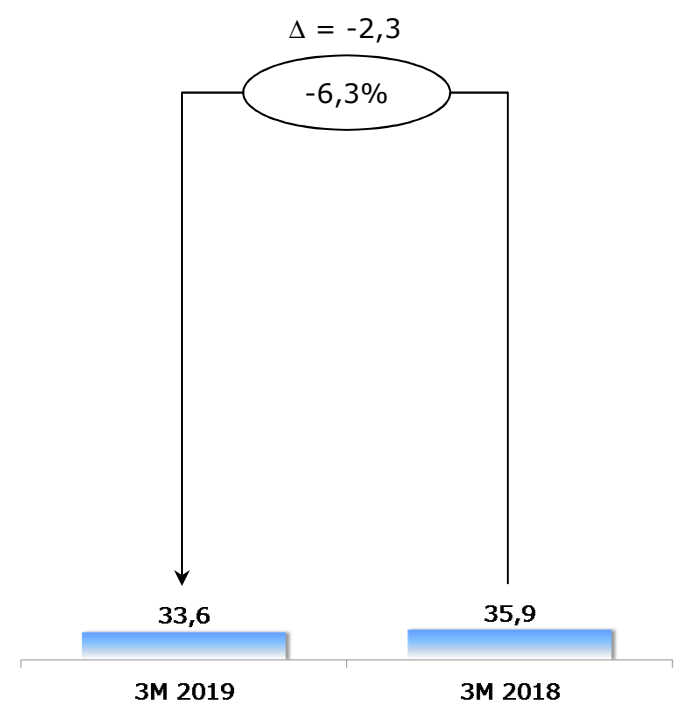
Disclaimer

# Volumes of gas distributed

## Volumes of gas distributed (Million of standard cubic meters)



Companies consolidated with full consolidation method



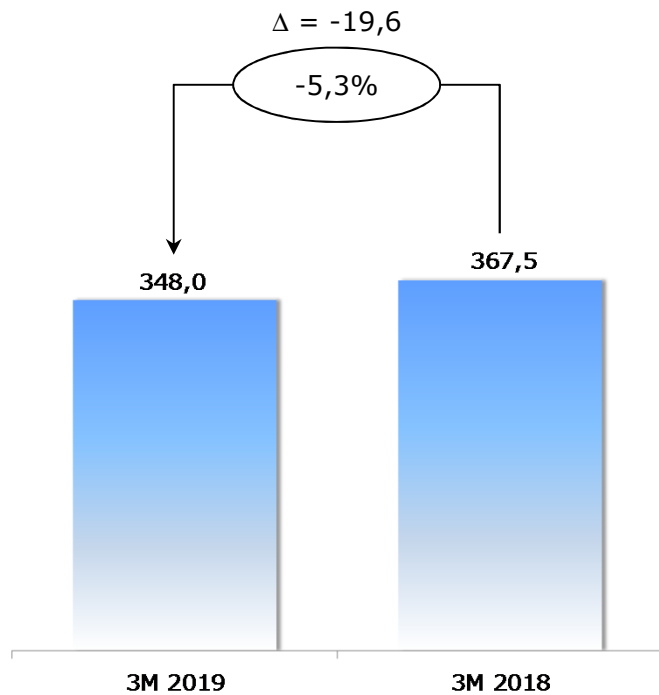
Companies consolidated with net equity consolidation method (\*)

(\*) Data are considered pro-rata.

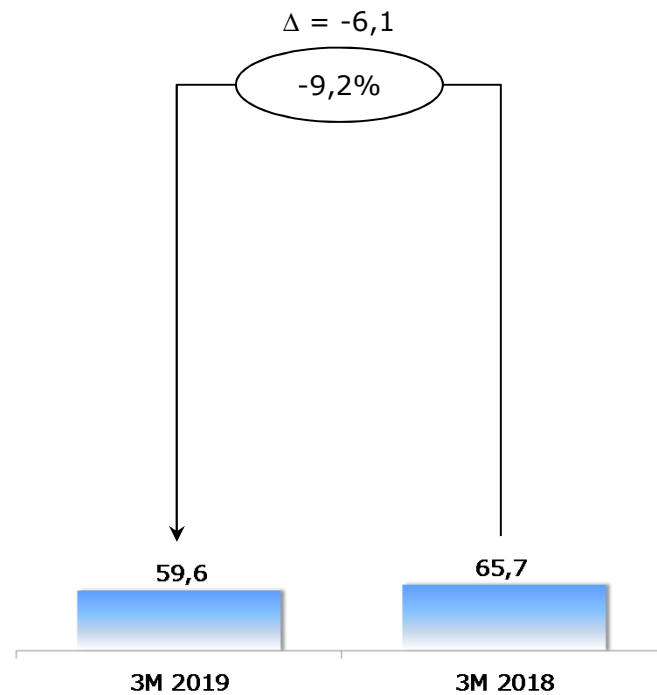


# Volumes of gas sold

## 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.

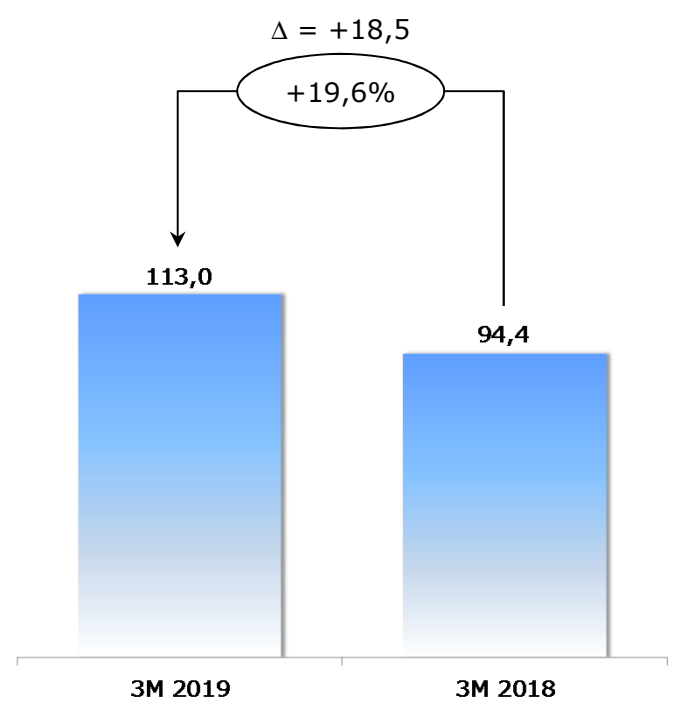




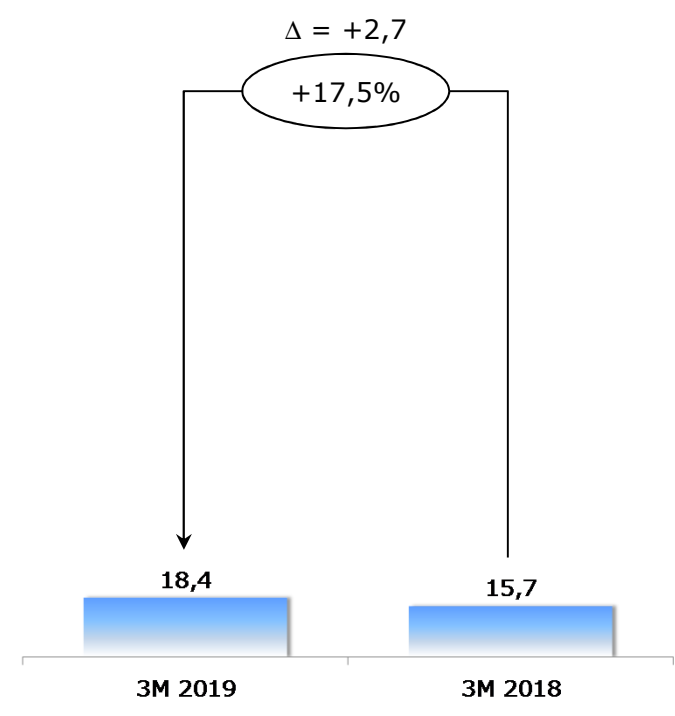
# Volumes of electricity sold

CONFERENCE CALL  
1stQ 2019 consolidated results  
Pieve di Soligo, 14th may 2019

## Volumes of electricity sold (GWh)



Companies consolidated with full consolidation method



Companies consolidated with net equity consolidation method (\*)

(\*) Data are considered pro-rata.



# Contents

---

Financial highlights

Operating data

## **Revenues and EBITDA**

→ Revenues bridge

→ EBITDA bridge

→ EBITDA breakdown

Gross margin on gas and electricity sales and other net operating costs

Personnel

Capex

Net financial position and cash flow

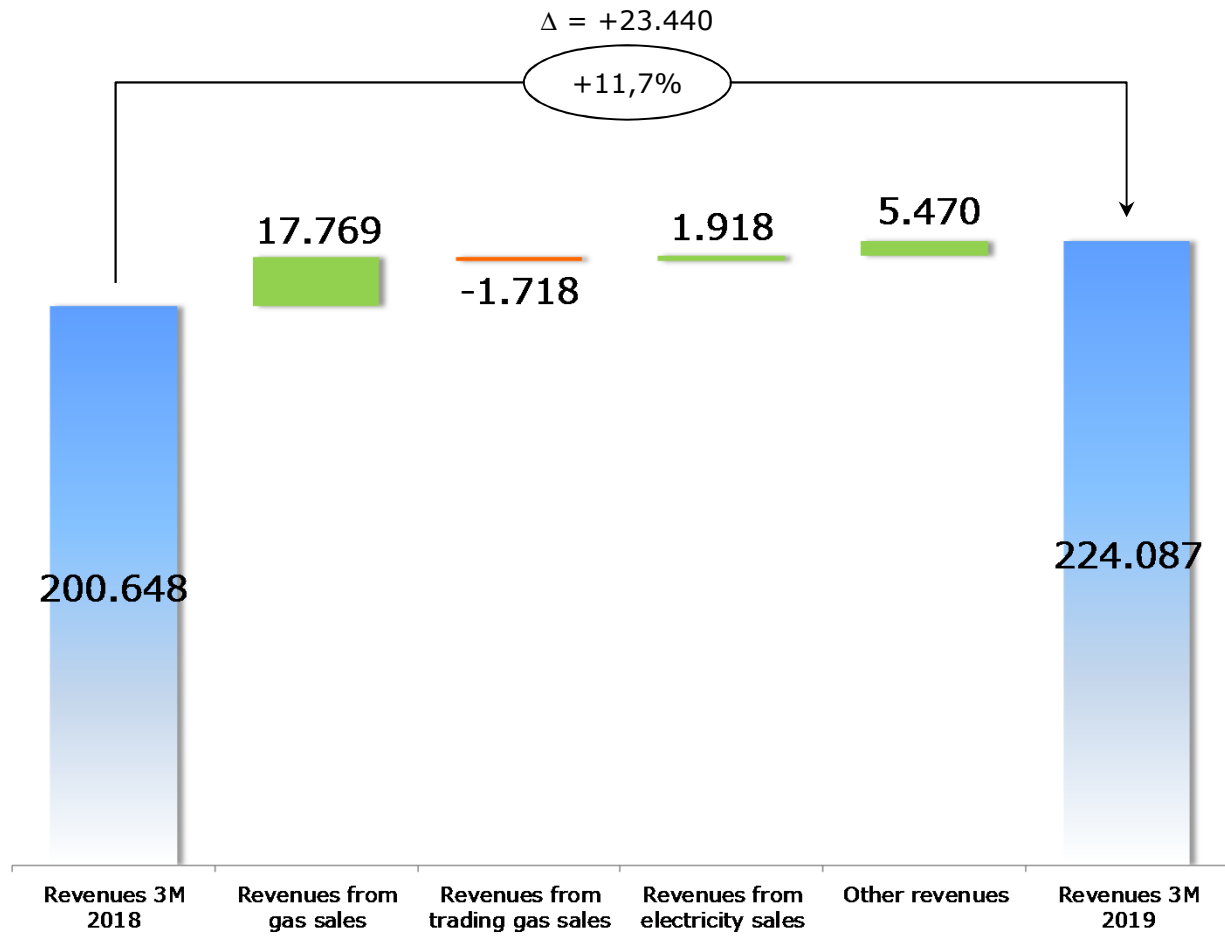
Disclaimer

**CONFERENCE CALL**  
**1stQ 2019 consolidated results**  
**Pieve di Soligo, 14th may 2019**

# Revenues bridge (1)

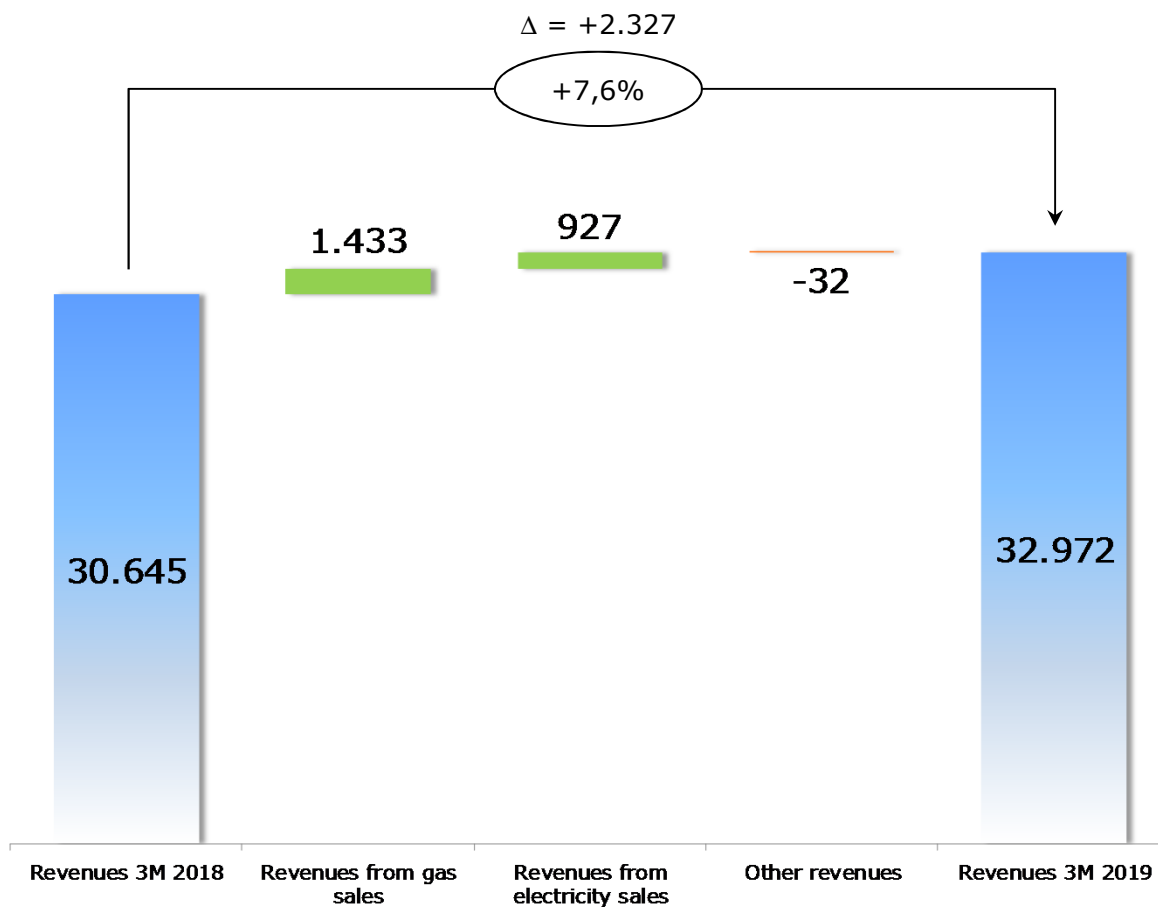
CONFERENCE CALL  
1stQ 2019 consolidated results  
Pieve di Soligo, 14th may 2019

## 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)

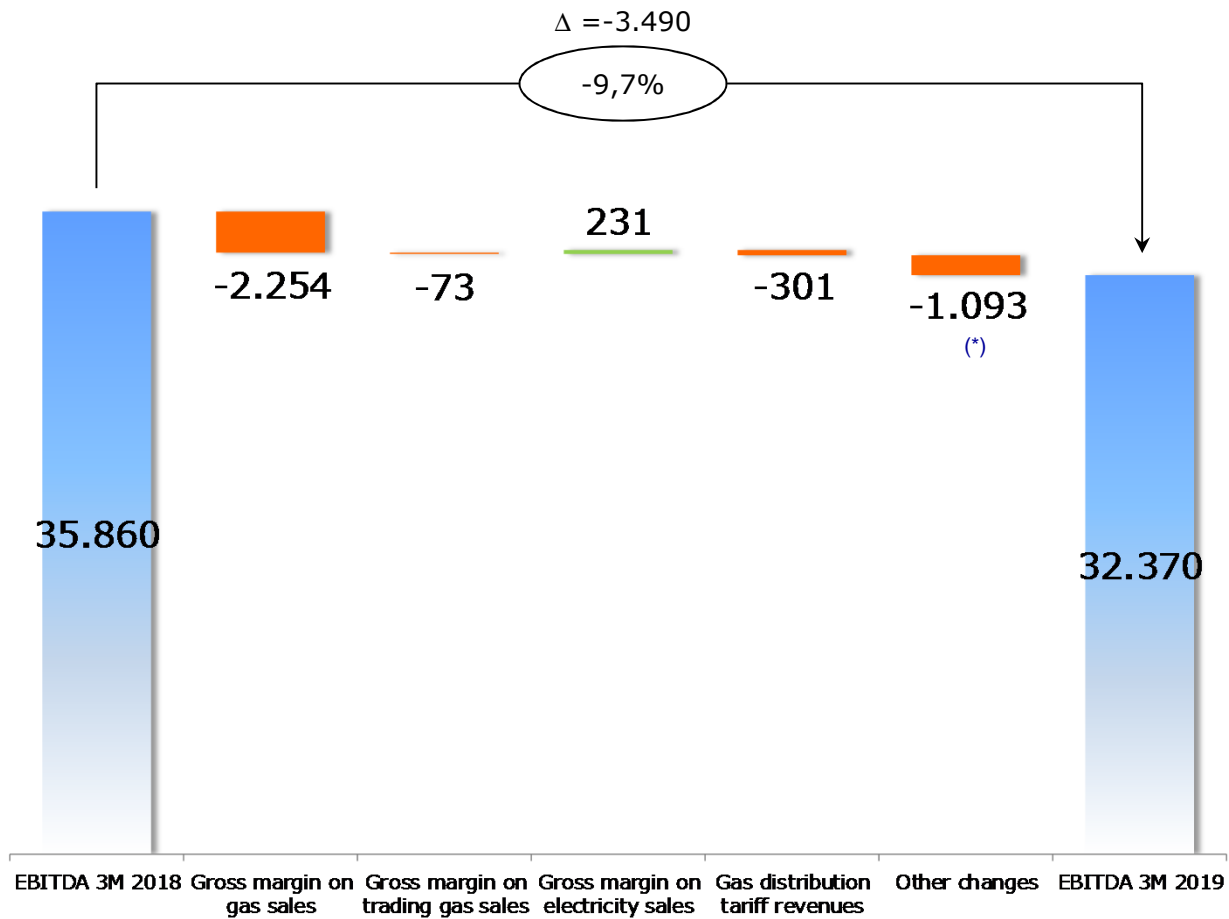


(\*) Sinergie Italiane excluded. Data are considered pro-rata.

# EBITDA bridge (1)

**CONFERENCE CALL**  
**1stQ 2019 consolidated results**  
**Pieve di Soligo, 14th may 2019**

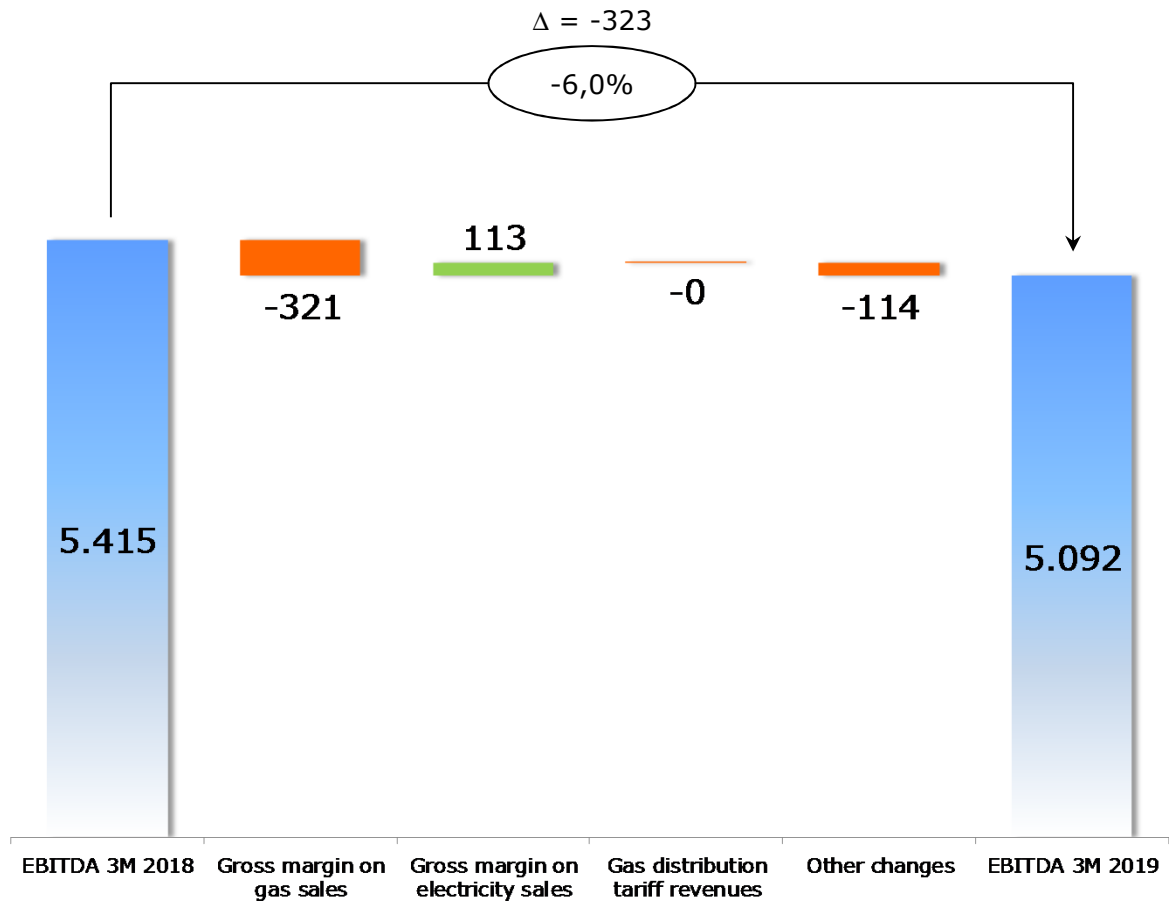
**EBITDA bridge**  
**Companies consolidated with full consolidation method**  
 (Thousand of Euro)



(\*) 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.

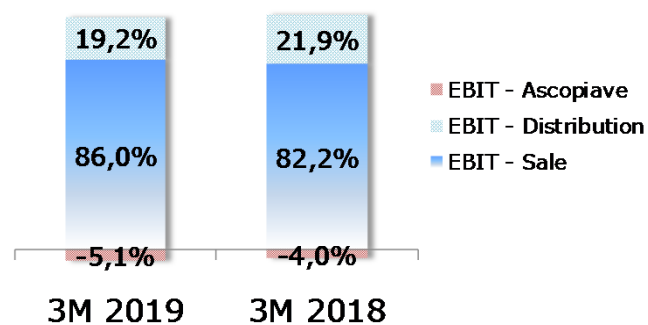
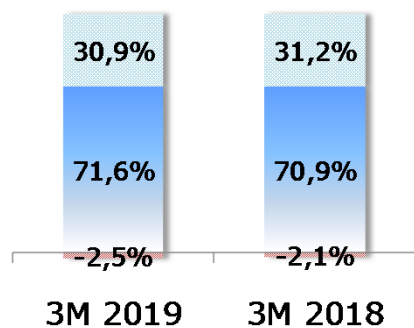
## EBITDA breakdown (1)

### EBITDA breakdown

#### Companies consolidated with full consolidation method

(Thousand of Euro)

(Thousand of Euro)	3M 2019	3M 2018	Var	Var %
<b>EBITDA</b>	<b>32.370</b>	<b>35.860</b>	<b>(3.490)</b>	<b>-9,7%</b>
EBITDA - Sale	23.163	25.441	(2.278)	-9,0%
EBITDA - Distribution	10.014	11.186	(1.171)	-10,5%
EBITDA - Ascopiave	(808)	(768)	(41)	+5,3%
<b>EBIT</b>	<b>25.912</b>	<b>29.864</b>	<b>(3.952)</b>	<b>-13,2%</b>
EBIT - Sale	22.276	24.533	(2.257)	-9,2%
EBIT - Distribution	4.967	6.526	(1.560)	-23,9%
EBIT - Ascopiave	(1.331)	(1.196)	(135)	+11,3%

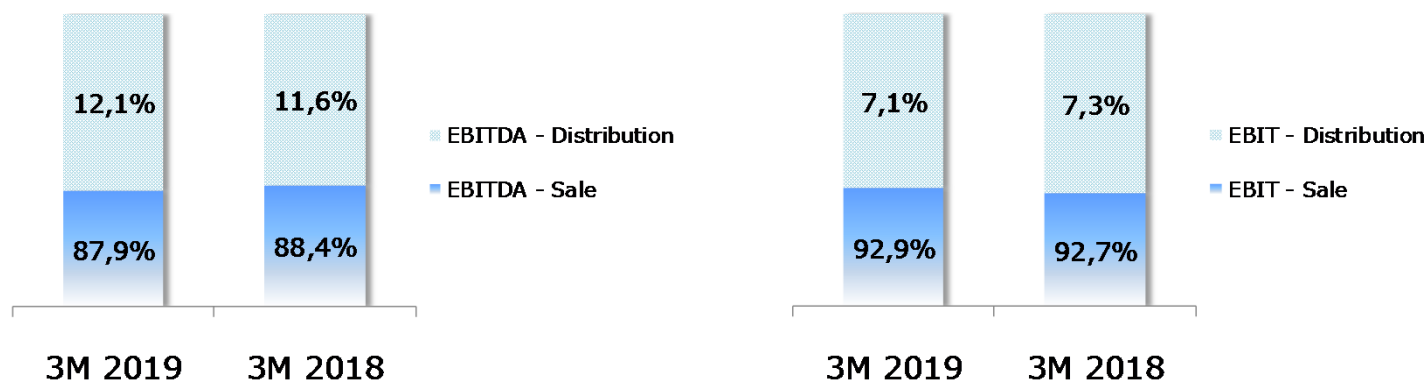


## EBITDA breakdown (2)

### EBITDA breakdown

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

(Thousand of Euro)	3M 2019	3M 2018	Var	Var %
<b>EBITDA</b>	<b>5.092</b>	<b>5.415</b>	<b>(323)</b>	<b>-6,0%</b>
EBITDA - Sale	4.477	4.784	(307)	-6,4%
EBITDA - Distribution	614	630	(16)	-2,5%
<b>EBIT</b>	<b>4.309</b>	<b>4.603</b>	<b>(294)</b>	<b>-6,4%</b>
EBIT - Sale	4.002	4.265	(264)	-6,2%
EBIT - Distribution	308	338	(30)	-8,9%



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



## Contents

---

Financial highlights

Operating data

Revenues and EBITDA

**Gross margin on gas and electricity sales and other net operating costs**

- Gross margin on gas sales
- Gross margin on trading gas sales
- Gross margin on electricity sales
- Gas distribution tariff revenues
- Other net operating costs

Personnel

Capex

Net financial position and cash flow

Disclaimer

**CONFERENCE CALL**

**1stQ 2019 consolidated results**

**Pieve di Soligo, 14th may 2019**

## Gross margin on gas sales

(Thousand of Euro) (*)	3M 2019	3M 2018	Chg	Chg %
Revenues from gas sales	171.667	159.468	12.198	+7,6%
(Gas purchase costs)	(105.300)	(91.051)	(14.249)	+15,6%
(Gas distribution costs)	(38.713)	(38.509)	(204)	+0,5%
<b>Gross margin on gas sales (A)</b> <i>Company consolidated with full consolidation method</i>	<b>27.654</b>	<b>29.908</b>	<b>(2.254)</b>	<b>-7,5%</b>

The decrease of gross margin on gas sales of the companies consolidated with full consolidation method, equal to - Euro 2,3 mln, is both due to lower volumes of gas sold and lower unit profit margins.

(Thousand of Euro) (*)	3M 2019	3M 2018	Chg	Chg %
<b>Gross margin on gas sales (B)</b> <i>Company consolidated with net equity consolidation method (**)</i>	<b>5.556</b>	<b>5.878</b>	<b>(321)</b>	<b>-5,5%</b>
<b>Gross margin on gas sales (A+B)</b>	<b>33.210</b>	<b>35.785</b>	<b>(2.575)</b>	<b>-7,2%</b>

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

## Gross margin on trading gas sales

(Thousand of Euro) (*)	3M 2019	3M 2018	Chg	Chg %
Revenues from trading gas sales	1.564	3.282	(1.718)	-52,3%
(Trading gas purchase costs)	(1.512)	(3.169)	1.657	-52,3%
(Trading gas transport / capacity costs)	(43)	(30)	(13)	+41,4%
<b>Gross margin on trading gas sales (A)</b> <i>Company consolidated with full consolidation method</i>	<b>9</b>	<b>83</b>	<b>(73)</b>	<b>-88,6%</b>
(Thousand of Euro) (*)	3M 2019	3M 2018	Chg	Chg %
<b>Gross margin on trading gas sales (B)</b> <i>Company consolidated with net equity consolidation method (**)</i>	-	-	-	n.a.
<b>Gross margin on trading gas sales (A+B)</b>	<b>9</b>	<b>83</b>	<b>(73)</b>	<b>-88,6%</b>

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

## Gross margin on electricity sales

(Thousand of Euro) (*)	3M 2019	3M 2018	Chg	Chg %
Revenues from electricity sales	31.801	29.628	2.173	+7,3%
(Electricity purchase costs)	(19.255)	(18.963)	(292)	+1,5%
(Electricity distribution costs)	(10.662)	(9.012)	(1.650)	+18,3%
<b>Gross margin on electricity sales (A)</b> <i>Company consolidated with full consolidation method</i>	<b>1.884</b>	<b>1.653</b>	<b>231</b>	<b>+14,0%</b>

The increase of gross margin on electricity sales of the companies consolidated with full consolidation method, equal to + Euro 0,2 mln, is due to higher volumes of electricity sold, despite lower unit profit margins.

(Thousand of Euro) (*)	3M 2019	3M 2018	Chg	Chg %
<b>Gross margin on electricity sales (B)</b> <i>Company consolidated with net equity consolidation method (**)</i>	<b>406</b>	<b>293</b>	<b>113</b>	<b>+38,6%</b>
<b>Gross margin on electricity sales (A+B)</b>	<b>2.290</b>	<b>1.946</b>	<b>344</b>	<b>+17,7%</b>

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

## Gas distribution tariff revenues

(Thousand of Euro) (*)	3M 2019	3M 2018	Chg	Chg %
Gas distribution tariff revenues	17.873	18.174	(301)	-1,7%
<b>Gas distribution tariff revenues (A)</b> <i>Company consolidated with full consolidation method</i>	<b>17.873</b>	<b>18.174</b>	<b>(301)</b>	<b>-1,7%</b>

(Thousand of Euro) (*)	3M 2019	3M 2018	Chg	Chg %
<b>Gas distribution tariff revenues (B)</b> <i>Company consolidated with net equity consolidation method (**)</i>	<b>1.431</b>	<b>1.432</b>	<b>(0)</b>	<b>-0,0%</b>
<b>Gas distribution tariff revenues (A+B)</b>	<b>19.304</b>	<b>19.606</b>	<b>(301)</b>	<b>-1,5%</b>

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

## Other net operating costs (1)

(Thousand of Euro)	3M 2019	3M 2018	Chg	Chg %
Other revenues	10.252	12.424	(2.172)	-17,5%
Other costs of raw materials and services	(18.995)	(20.234)	1.238	-6,1%
Cost of personnel	(6.307)	(6.149)	(159)	+2,6%
<b>Other net operating costs (A)</b> <i>Company consolidated with full consolidation method</i>	<b>(15.051)</b>	<b>(13.958)</b>	<b>(1.093)</b>	<b>+7,8%</b>

### Increase of other net operating costs: - Euro 1,1 mln

*of which:*

- *increase of cost of personnel: - Euro 0,2 mln;*
- *decrease of margin on energy efficiency tasks management: - Euro 0,9 mln;*
- *increase of margin on distributor services: + Euro 0,2 mln;*
- *increase of advertising and commercial costs: - Euro 0,4 mln;*
- *increase of administrative and legal consulting: - Euro 0,2 mln;*
- *decrease of costs for application of IFRS 16: + Euro 0,2 mln;*
- *other variations: + Euro 0,2 mln.*

## Other net operating costs (2)

(Thousand of Euro)	3M 2019	3M 2018	Chg	Chg %
<b>Other net operating costs (A)</b> <i>Company consolidated with full consolidation method</i>	(15.051)	(13.958)	(1.093)	+7,8%
<b>Other net operating costs (B)</b> <i>Company consolidated with net equity consolidation method (*)</i>	(2.302)	(2.187)	(114)	+5,2%
<b>Other net operating costs (A+B)</b>	(17.353)	(16.146)	(1.207)	+7,5%

**CONFERENCE CALL**  
**1stQ 2019 consolidated results**  
 Pieve di Soligo, 14th may 2019

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

# Contents

---

**CONFERENCE CALL**  
**1stQ 2019 consolidated results**  
**Pieve di Soligo, 14th may 2019**

Financial highlights

Operating data

Revenues and EBITDA

Gross margin on gas and electricity sales and other net operating costs

## **Personnel**

→ Number of employees

→ Consolidated cost of personnel

Capex

Net financial position and cash flow

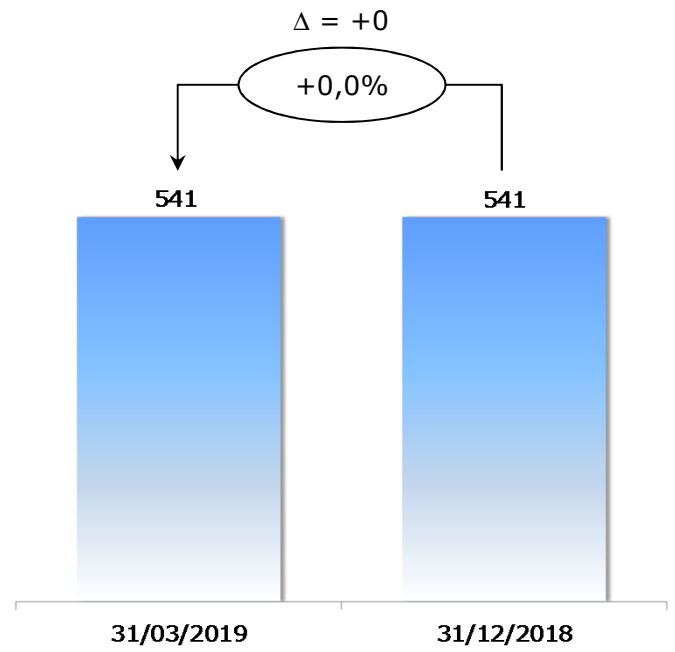
Disclaimer



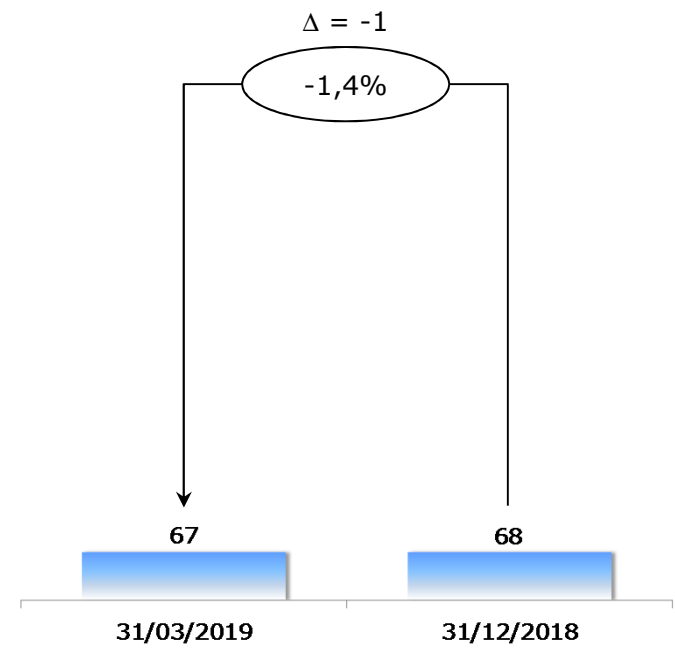
# Number of employees

CONFERENCE CALL  
1stQ 2019 consolidated results  
Pieve di Soligo, 14th may 2019

## Number of employees



Companies consolidated with full consolidation method



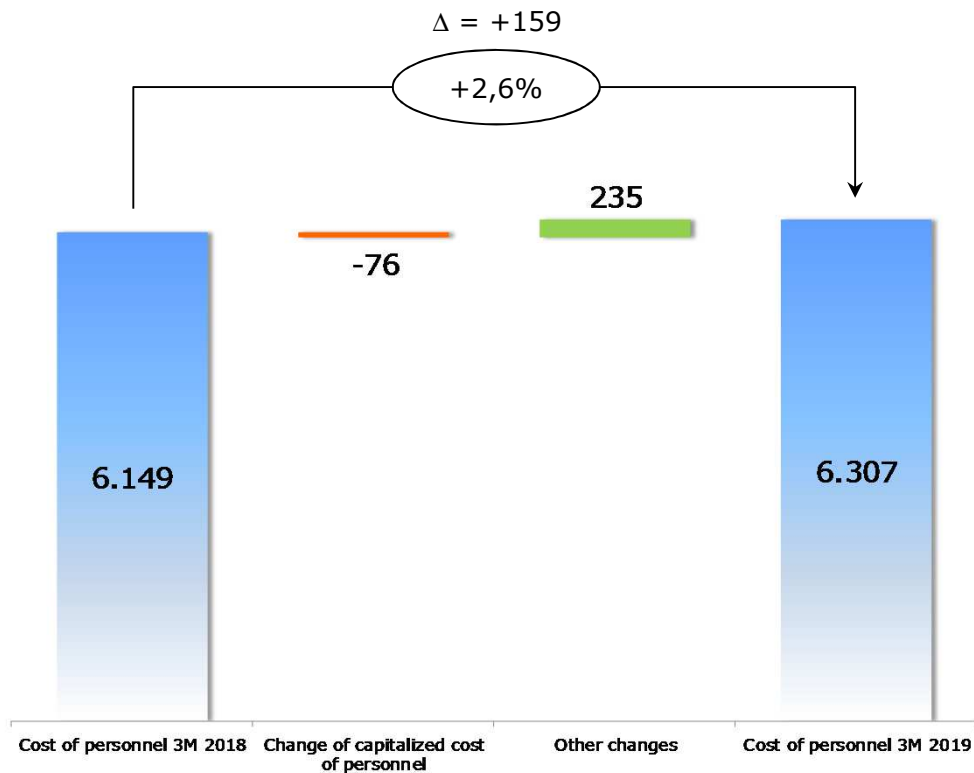
Companies consolidated with net equity consolidation method (\*)

(\*) Data are considered pro-rata.



# Consolidated cost of personnel

## **Consolidated cost of personnel** (Thousand of Euro)



### Cost of personnel changes:

- capitalized cost of personnel: - Euro 0,1 mln
- other: + Euro 0,2 mln.

1stQ 2019 cost of personnel of the companies consolidated with net equity consolidation method (Sinergie Italiane excluded): Euro 0,8 mln (+5,5%).

## Contents

---

Financial highlights

Operating data

Revenues and EBITDA

Gross margin on gas and electricity sales and other net operating costs

Personnel

**Capex**

Net financial position and cash flow

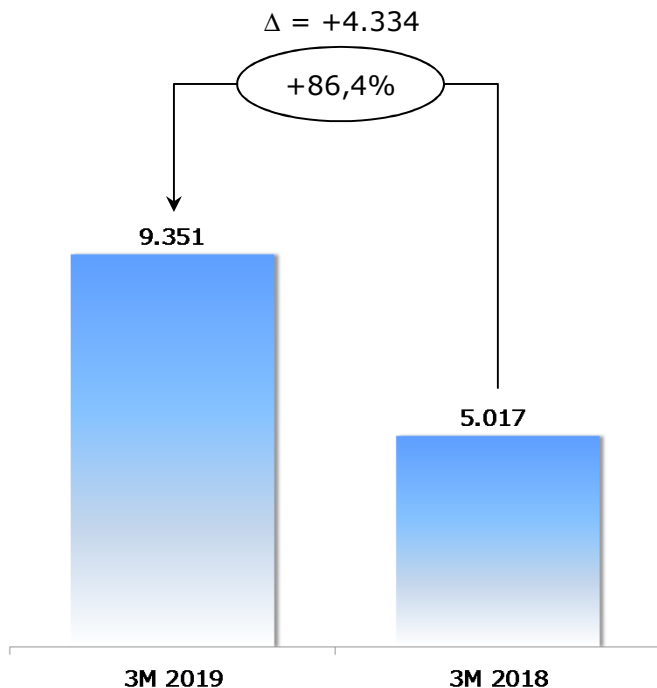
Disclaimer

**CONFERENCE CALL**

**1stQ 2019 consolidated results**

**Pieve di Soligo, 14th may 2019**

**Consolidated capex (\*)**  
(Thousand of Euro)



- Gas distribution systems: Euro 4,3 mln
- Gas meters: Euro 2,1 mln
- Rights of use (IFRS 16): Euro 2,5 mln
- Other: Euro 0,4 mln

1stQ 2019 investments of the companies consolidated with net equity consolidation method (Sinergie Italiane excluded): Euro 1,1 mln (+277,6%).

(\*) Excluding network extension in new urbanized areas that according to IAS are considered as operating costs and not investments;(\*\*) Investments in intangible assets: Euro 6,5 mln; investments in tangible assets: Euro 2,9 mln, of which rights of use (IFRS 16): Euro 2,5 mln (excluded realizations of tangible and intangible assets and investments in associated).

# Contents

---

Financial highlights

Operating data

Revenues and EBITDA

Gross margin on gas and electricity sales and other net operating costs

Personnel

Capex

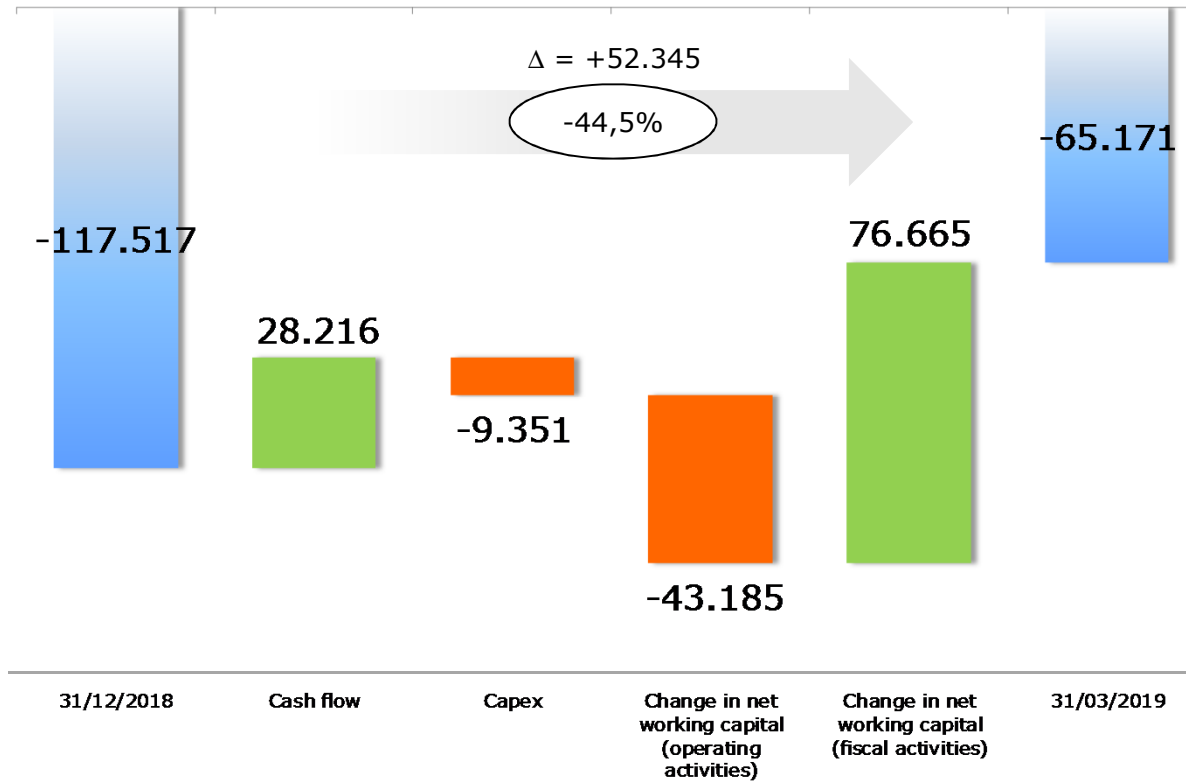
**Net financial position and cash flow**

Disclaimer

**CONFERENCE CALL**  
**1stQ 2019 consolidated results**  
**Pieve di Soligo, 14th may 2019**

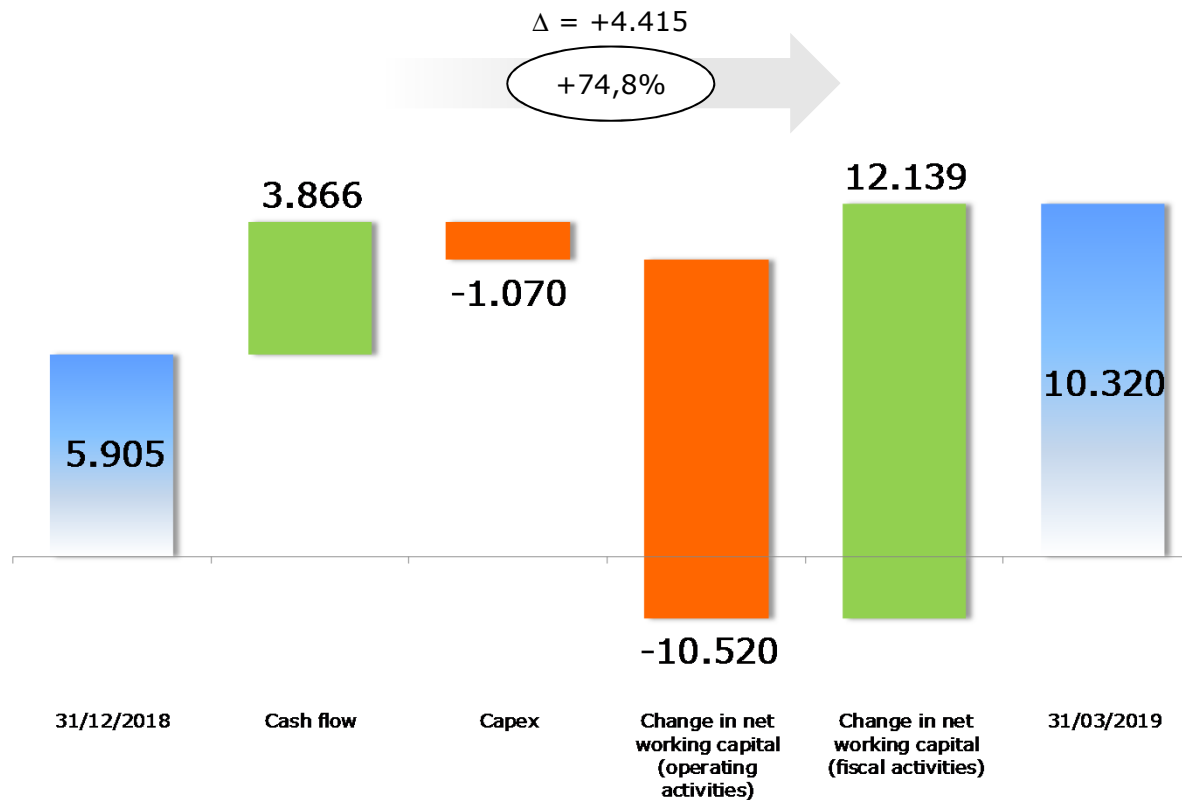
# Net financial position and cash flow (1)

**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)



**CONFERENCE CALL**  
**1stQ 2019 consolidated results**  
 Pieve di Soligo, 14th may 2019

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

## Net financial position and cash flow (3)

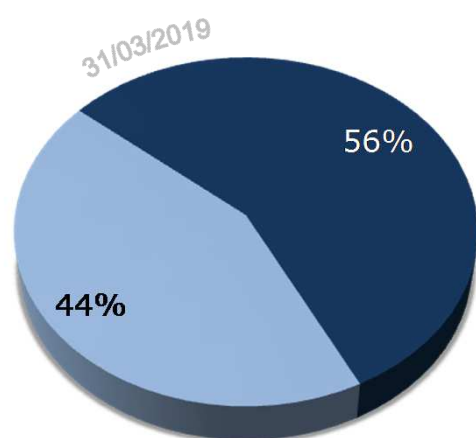
CONFERENCE CALL

1stQ 2019 consolidated results

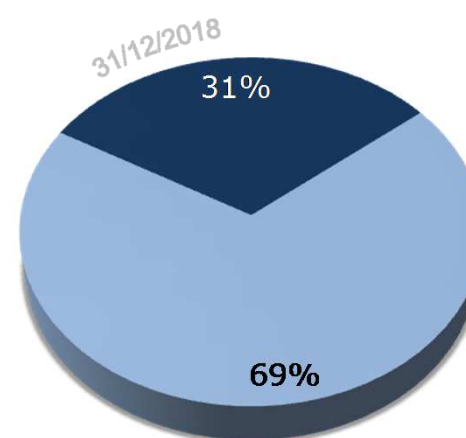
Pieve di Soligo, 14th may 2019

(Thousand of Euro) (*)	31/03/2019	31/12/2018	Var	Var %
Long term financial borrowings (>12 months)	51.292	55.111	(3.819)	-6,9%
Current position of long term financial borrowings	8.080	8.014	66	+0,8%
Short term financial borrowings (<12 months)	3.527	56.381	(52.854)	-93,7%
<b>Total financial debt</b>	<b>62.899</b>	<b>119.506</b>	<b>(56.607)</b>	<b>-47,4%</b>
Fixed rate borrowings	35.498	36.874	(1.376)	-3,7%
Floating rate borrowings	27.401	82.632	(55.231)	-66,8%

**1stQ 2019 average cost of debt: 0,52% (vs 2018 rate: 0,51%)**



■ Fixed rate borrowings  
■ Floating rate borrowings



■ Fixed rate borrowings  
■ Floating rate borrowings

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



# Contents

---

Financial highlights

Operating data

Revenues and EBITDA

Gross margin on gas and electricity activities and other net operating costs

Personnel

Capex

Net Financial Position and cash flow

**Disclaimer**

**CONFERENCE CALL**  
**1stQ 2019 consolidated results**  
**Pieve di Soligo, 14th may 2019**

## Disclaimer

---

- ❑ This presentation has been prepared by Ascopiave S.p.A. for information purposes only and for use in presentations of the Group's results and strategies.
- ❑ For further details on the Ascopiave Group, reference should be made to publicly available information, including the Quarterly Reports and the Annual reports.
- ❑ Statements contained in this presentation, particularly the ones regarding any Ascopiave Group possible or assumed future performance, are or may be forward looking statements and in this respect they involve some risks and uncertainties. A number of important factors could cause actual results to differ materially from those contained in any forward looking statement. Such factors include, but are not limited to: changes in global economic business, changes in the price of certain commodities including electricity and gas, the competitive market and regulatory factors. Moreover, forward looking statements are currently only at the date they are made.
- ❑ Any reference to past performance of the Ascopiave Group shall not be taken as an indication of the future performance.
- ❑ This document does not constitute an offer or invitation to purchase or subscribe for any shares and no part of it shall form the basis of or be relied upon in connection with any contract or commitment whatsoever.
- ❑ By attending the presentation you agree to be bound by the foregoing terms.

**CONFERENCE CALL**

**1stQ 2019 consolidated results**

**Pieve di Soligo, 14th may 2019**