



## *Full Year 2019 Results*

11 MARCH 2020  
LUCA BETTONTE, CEO





## DISCLAIMER

This document contains certain forward-looking information that is subject to a number of factors that may influence the accuracy of the statements and the projections upon which the statements are based.

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

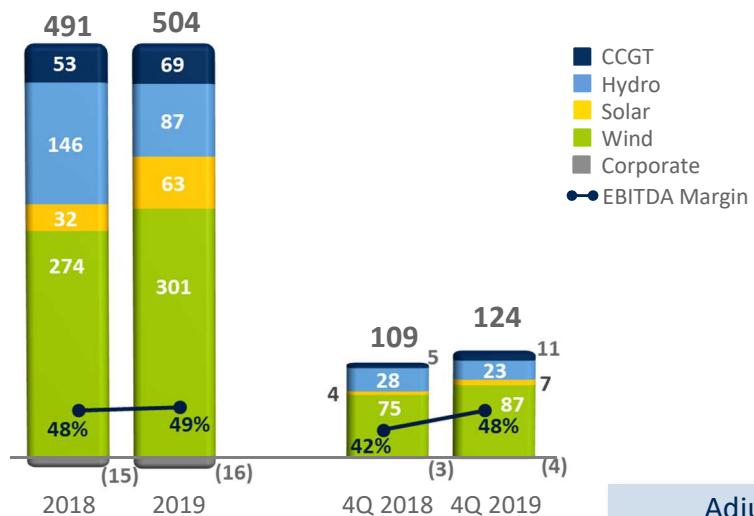


- ❑ 4Q 2019 Highlights
  - ✓ Key Figures
  - ✓ 2019 Main Takeways & Recent Developments
- ❑ Results Review
  - ✓ Business Environment
  - ✓ 2019 Group EBITDA
  - ✓ Results by Segments
- ❑ Key Financials
  - ✓ Profit & Loss
  - ✓ Investments
  - ✓ Cash Flow Statement
- ❑ 2020 Guidance and Conclusions
- ❑ Appendix

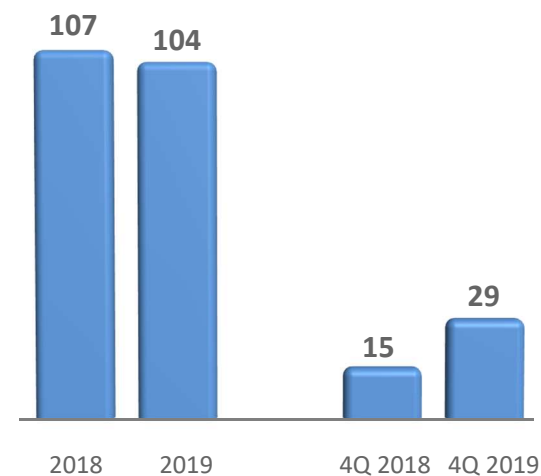


# HIGHLIGHTS: KEY FIGURES

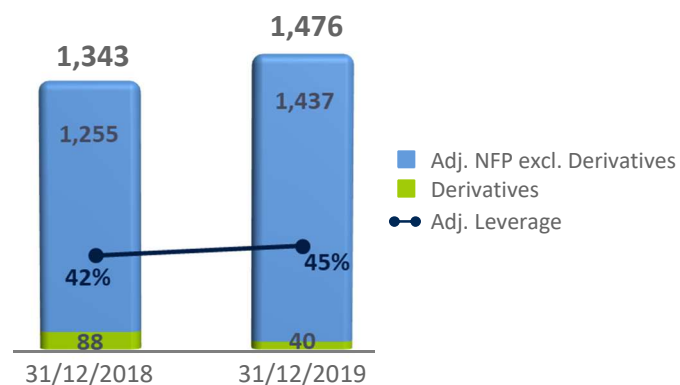
Adjusted EBITDA (€ mn)



Adjusted Net Profit (€ mn)



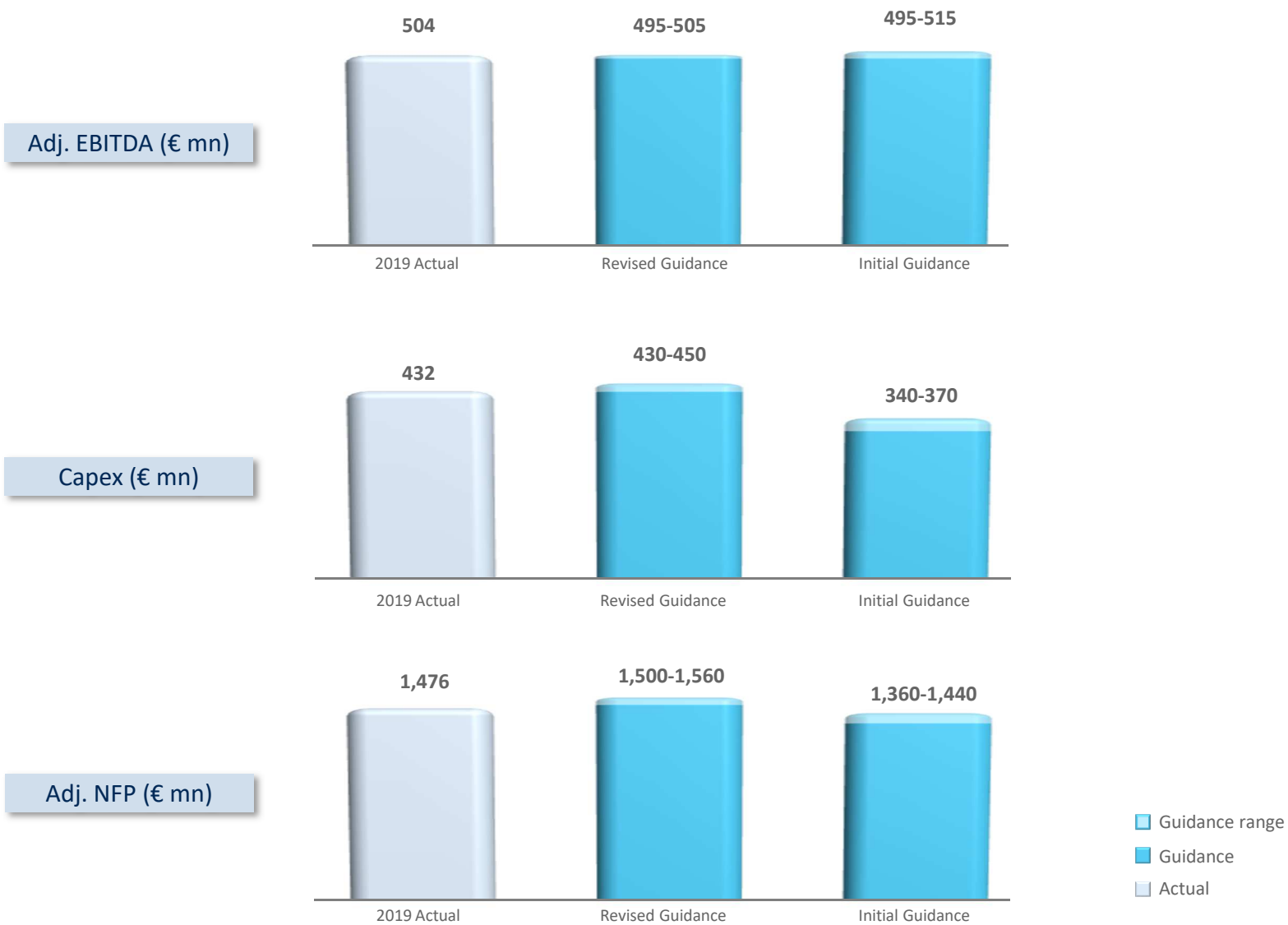
Adjusted NFP (€ mn)



Scarcity of Hydro mitigated by growth and generation mix



# FY 2019 RESULTS VS GUIDANCE



# 2019: A YEAR OF SUSTAINABLE GROWTH



## 2019 Takeways

### GROWING INSTALLED CAPACITY

- Further on-shore wind expansion in France: +90MW. Wind capacity at 400MW.
- Further on-shore wind expansion in Germany: +56MW. Wind capacity at 272MW
- Further PV expansion in Italy: +51MW. PV capacity at 141MW
- Organic growth abroad: overall secured capacity at 100% vs BP target @2022
- Repowering: advanced stage of authorization process for 241MW As-Is

### ENHANCING REVENUES STABILITY

- Signed 2 PPA with ACEA Energia (1.5TWh over the next 3 years) paving the way for longer duration
- Capacity Market in Italy: awarded 340MW of our CCGT. Secured €11mn/y revenues in 2022 and 2023

### ESG REWARD

- Achieved ESG rating AA from MSCI
- Ranked 35<sup>th</sup> worldwide in the Corporate Knights Global 100 Index
- Confirmed rating B from CDP
- Rating from Gaia<sup>(1)</sup> and included in the Ethibel Excellence Investment and Pioneer Registers

<sup>(1)</sup> Score 78/100



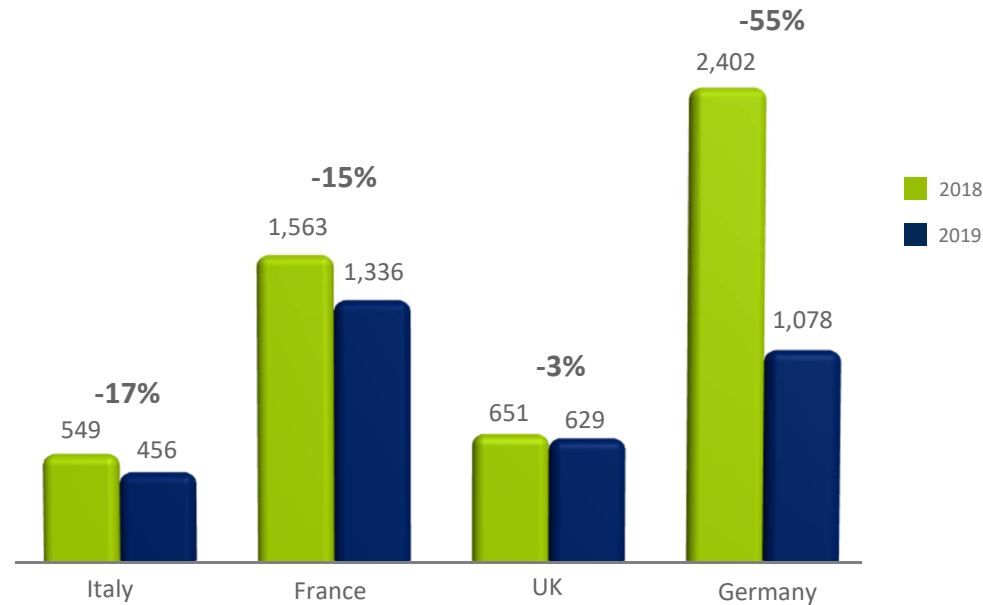
## 2019 MAIN TAKEAWAYS & BUSINESS PLAN DEPLOYMENT



# DESPITE TOUGH ENVIRONMENT IN CORE COUNTRIES...



On-shore WIND new installed Capacity in ERG core countries (MW)



- Tough and longer permitting (Italy, France and Germany)
- Delay in development of Infrastructures/smart grids/connections (UK and Germany)
- Ambitious national targets @2030 (ie PNIEC) vs. execution of auctions for new capacity

## Longer Time-to-Market for New Capacity in Key Countries

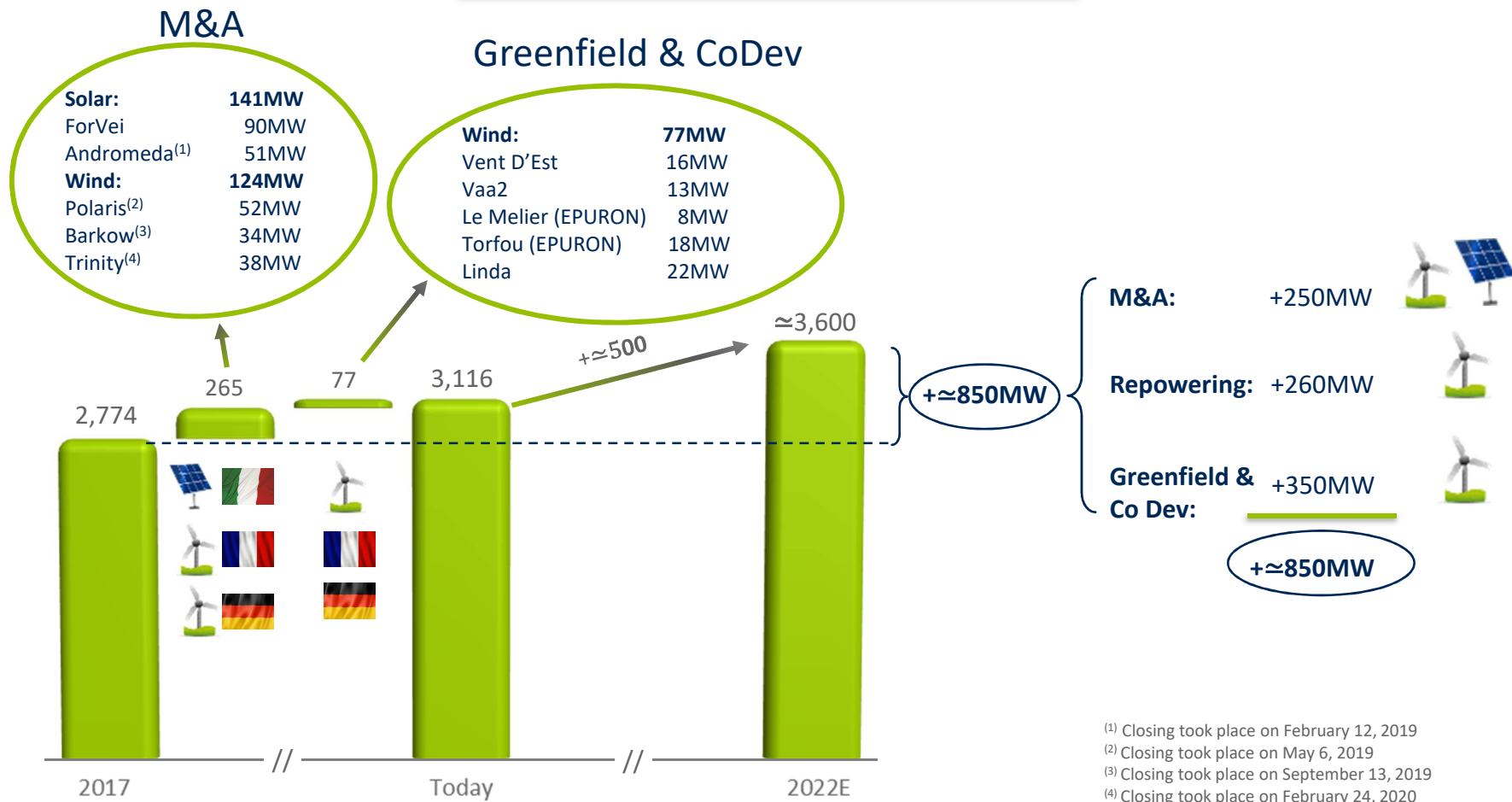


# ERG KEEPS GROWING ON TRACK WITH BP TARGETS

## *STRONG EXECUTION FROM 2018 TO DATE*



Growth in installed capacity (MW)



# NEW CAPACITY IN SERVICE IN 2019: +198MW




Vaa2<sup>(1)</sup>

13MW



Torfou<sup>(1)</sup>

18MW




Le Melier<sup>(1)</sup>

8MW



Linda

22MW






Andromeda

51MW






Polaris

52MW






Barkow

34MW



Trinity<sup>(2)</sup>

38MW



All those assets are based on incentivized tariffs with an avg duration of 11 years

<sup>(1)</sup> Entered into operation as of end of 2018, thus starting to contribute in 2019

<sup>(2)</sup> Acquired in 2020

# PROJECTS UNDER CONSTRUCTION AND/OR RTB





**Evishagaran**

 47MW 

- Construction started on January 2020

COD: 1H 2021  
 Producibility: 3,700 heq



**Sandy Knowe**

 50MW 

- Construction to start in 1Q 2020

COD: 4Q 2021  
 Producibility: 3,100 heq

**Craiggore**

 23MW 

- Construction started in 4Q 2019

COD: 2Q 2021  
 Producibility: 3,400 heq

**Creag Riabhach**

 79MW 

- Construction to start in 2Q 2020

COD: 1H 2022  
 Producibility: 2,900 heq



**Laszki**

 36MW 

- Construction to start in 2Q 2020

COD: 4Q 2021  
 Producibility: 2,500 heq



**Limousine I**

 15MW 

- Construction to start in 4Q 2020

COD: 4Q 2021  
 Producibility: 2,200 heq



**Champagne I**

 22MW 

- Construction to start in 4Q 2020

COD: 4Q 2021  
 Producibility: 2,300 heq

**Vaa2**

 13MW 

- Construction to start in 4Q 2020

COD: 4Q 2021  
 Producibility: 2,100 heq

- ✓ **285MW to go Under Construction in 2020 in UK, France and Poland**
- ✓ **Green Field Development well on track: BP Target of 350MW@2022 fully secured<sup>(1)</sup>**

<sup>(1)</sup> Including 77MW already brought into operation in 2018-2019

# REPOWERING & REBLADING IN PROGRESS



## Repowering Project Portfolio in Italy

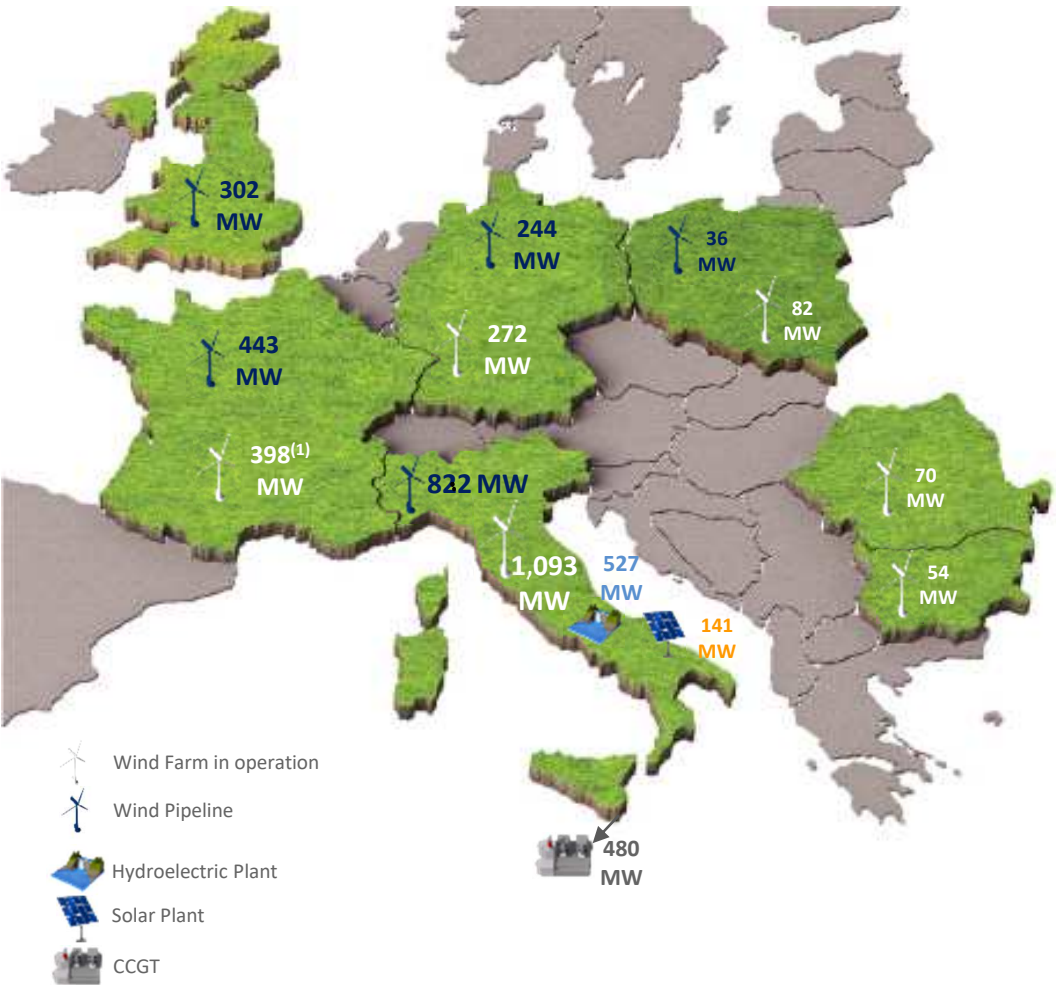
No. of projects	MW AS IS	MW post RPW	Grid Connection	Advancement of Authorization	Expected COD
3	92	218	Secured	Positive opinion Commissione VIA, positive opinion Fine Arts Ministry (F.A.M.)	2022
2	69	146	Secured	Positive opinion Commissione VIA, waiting for F.A.M. opinion	2022
2	21	42	Secured	Waiting for Commissione VIA opinion	2022
<b>7</b>	<b>182</b>	<b>407</b>	<b>Secured</b>	<b>Projects well advanced with expected COD by 2022</b>	
1	43	113	Secured	Positive opinion Commissione VIA, F.A.M. negative opinion under recourse	2023+
2	37	67	Applied <sup>(1)</sup>	Positive opinion Commissione VIA, waiting for F.A.M. opinion	2023+
4	92	195	Secured	Applied for Authorization to Commissione VIA	2023+
1	18	40	Applied <sup>(1)</sup>	Engineering for Authorization	2023+
<b>8</b>	<b>190</b>	<b>415</b>		<b>Projects with expected COD 2023+</b>	
<b>15</b>	<b>372</b>	<b>822</b>		<b>TOTAL</b>	

## Reblading Project Portfolio

No. of projects	MW		Expected COD
1	13	In operation in 2Q 2019	2Q 2019
1	2	In construction	2Q 2020
1	20	Obtained VIA Decreee	1Q 2021
1	40	Applied for Authorization to Commissione VIA	2Q 2021
<b>4</b>	<b>75</b>		

<sup>(1)</sup> Waiting for TSO confirmation

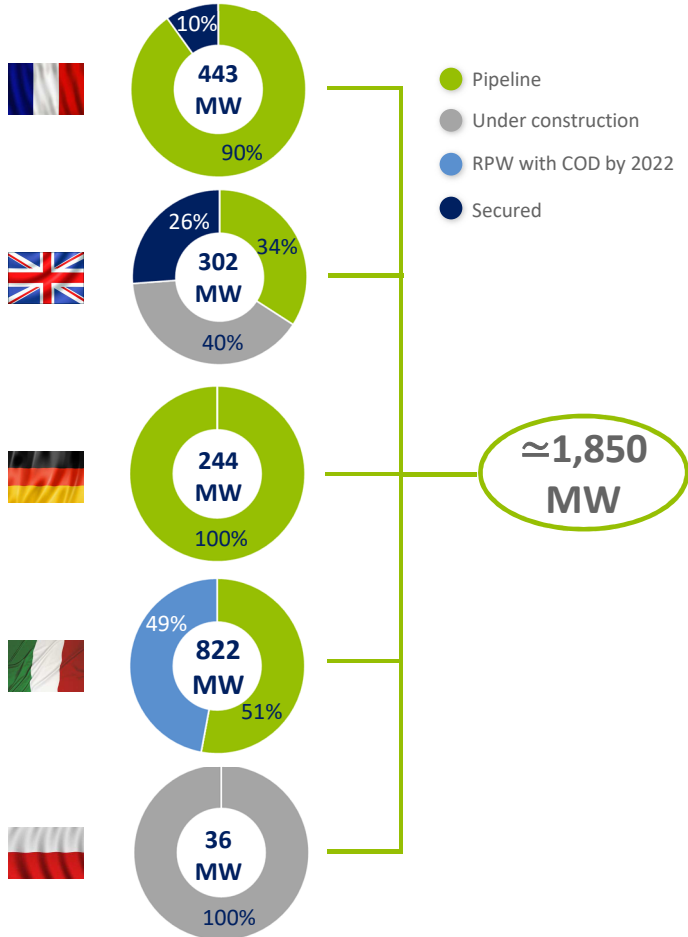
# A SOLID PIPELINE TO BOOST FUTURE GROWTH



- Wind Farm in operation
- Wind Pipeline
- Hydroelectric Plant
- Solar Plant
- CCGT

<sup>(1)</sup> It includes Trinity acquisition of 38MW, whose closing took place on February 24, 2020

## Wind Pipeline as of today





# RESULTS REVIEW

PAOLO MERLI, CORPORATE GENERAL MANAGER & CFO



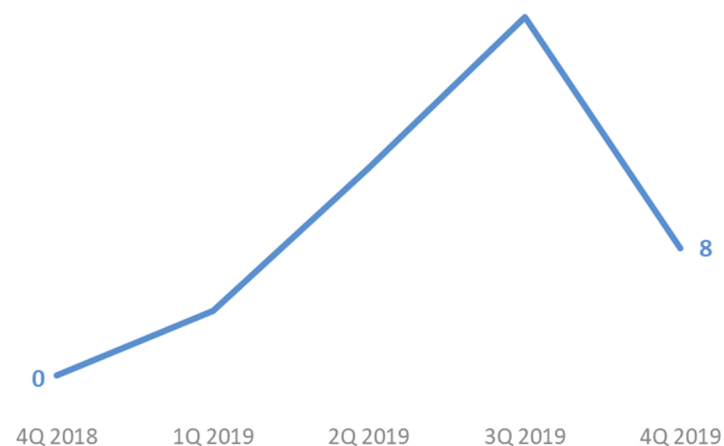


# BUSINESS ENVIRONMENT

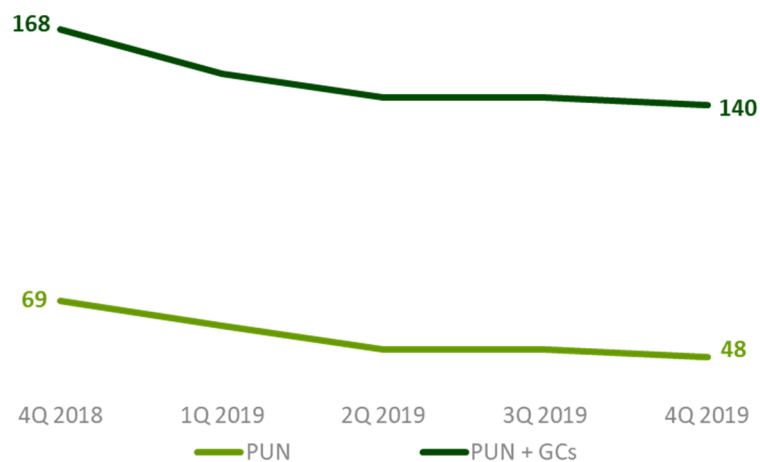
Italy: Electricity Production vs Demand (TWh)

	4Q 2018	4Q 2019	Delta %
Italian Electricity Demand	79	78	-2%
Italian Electricity Production	70	68	-2%
<i>of which:</i>			
- Thermo	49	46	-7%
- Hydro	11	12	9%
- Solar	3	4	11%
- Wind	5	6	18%
- Other Sources	1	1	-3%

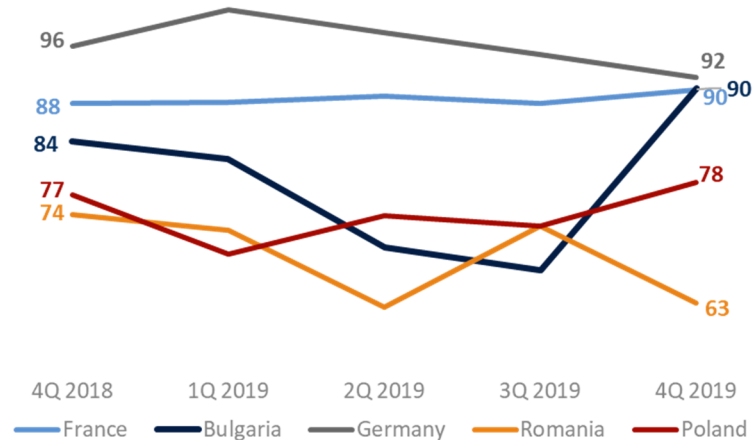
Clean Spark Spread Indicator (€/MWh)



Electricity Prices in Italy (€/MWh)

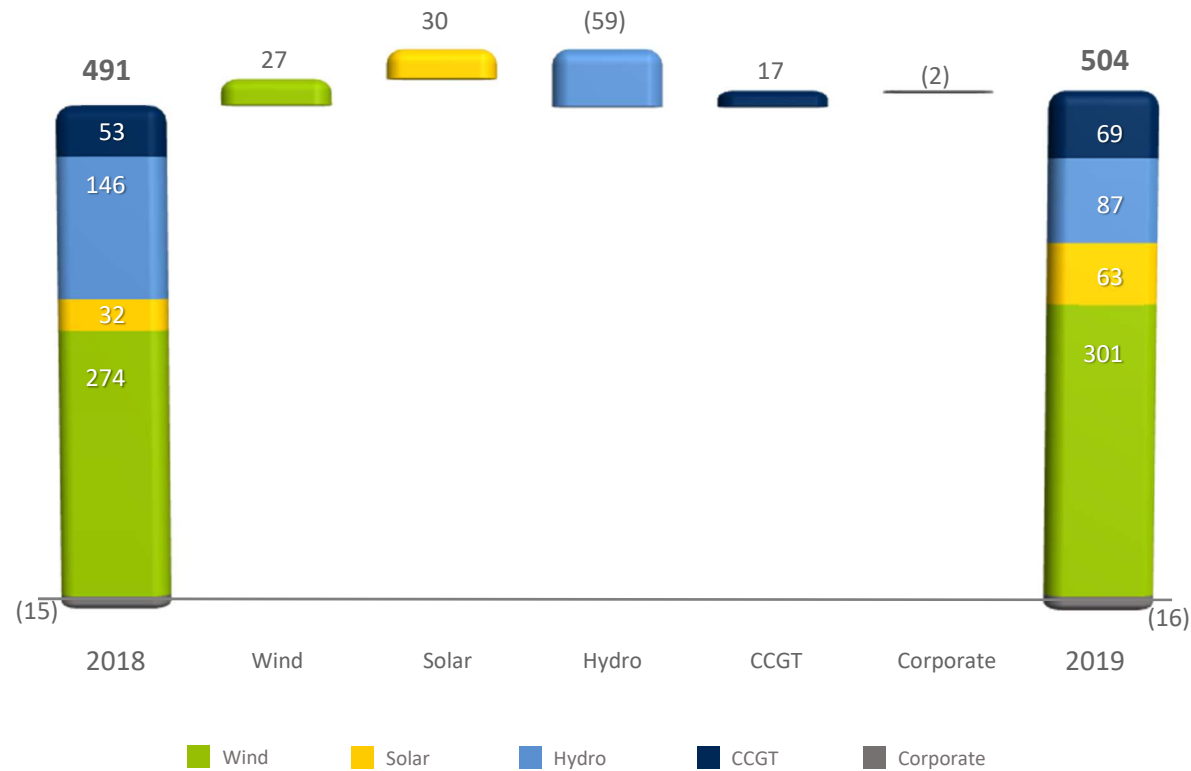


All-in Wind Prices abroad (€/MWh)





# 2019 GROUP EBITDA EVOLUTION

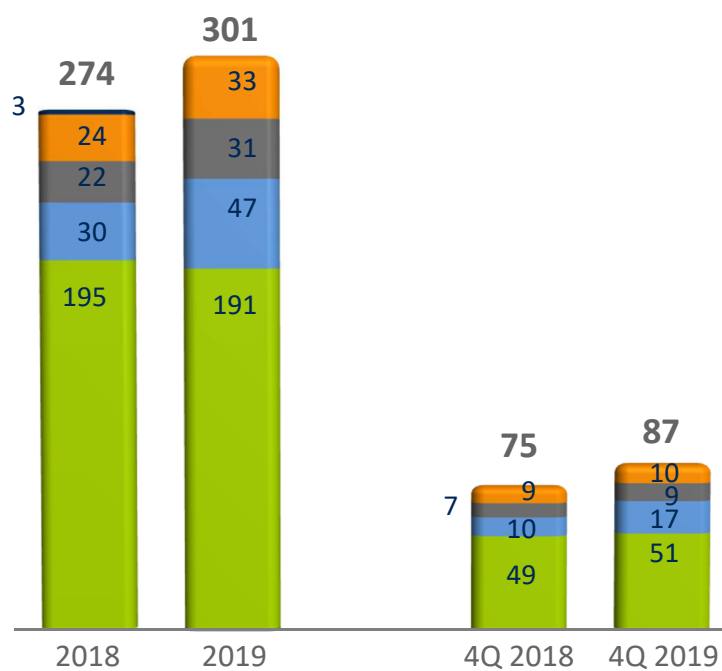




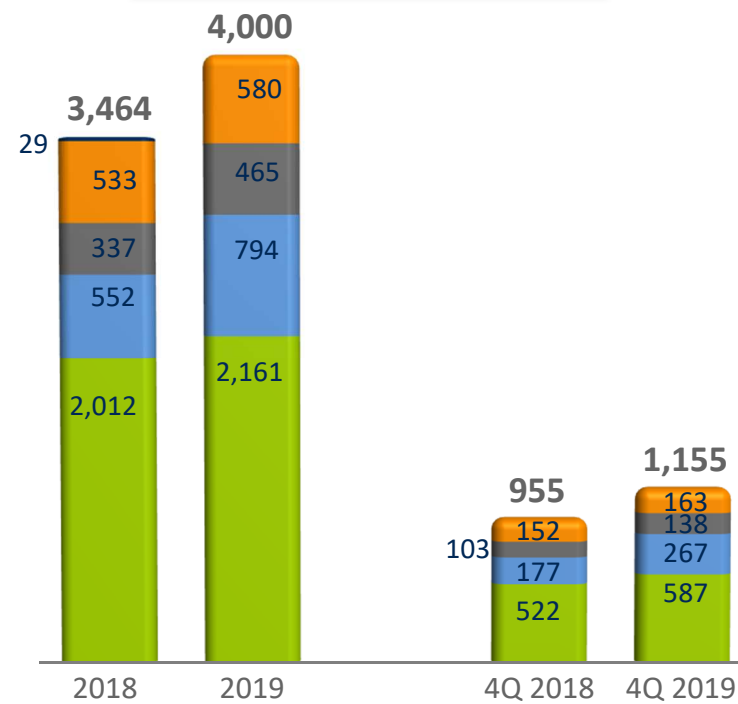


# WIND RESULTS

Adjusted Ebitda (€ mn)



Volumes (GWh)

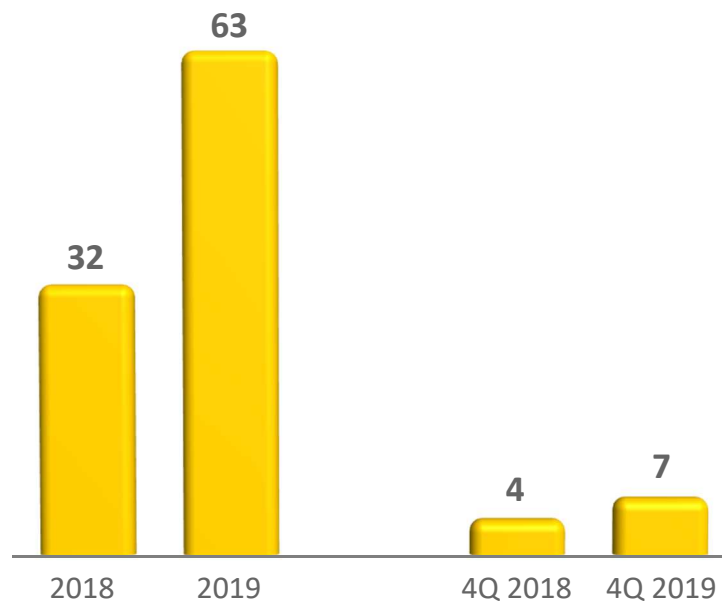


Italy France Germany East Europe UK

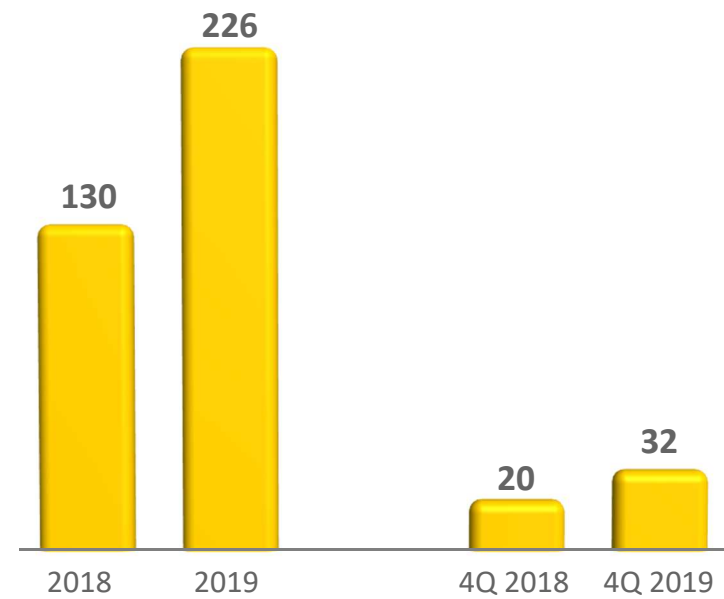
# SOLAR RESULTS



Adjusted Ebitda (€ mn)



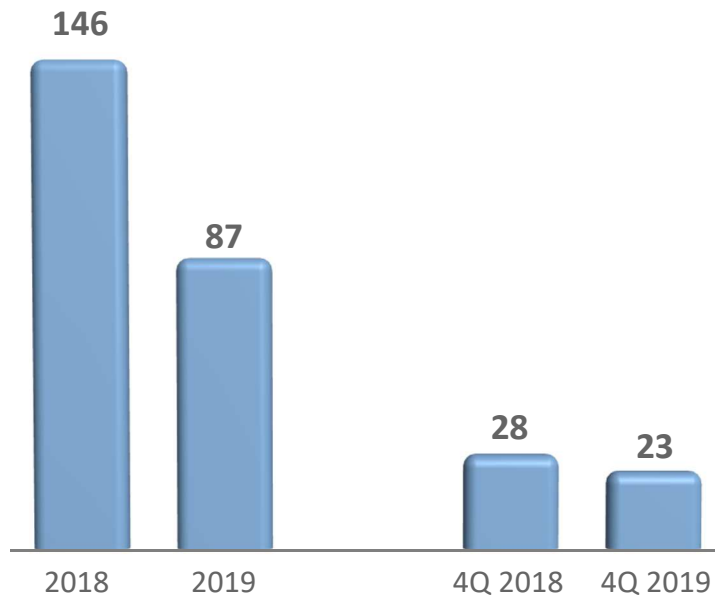
Volumes (GWh)



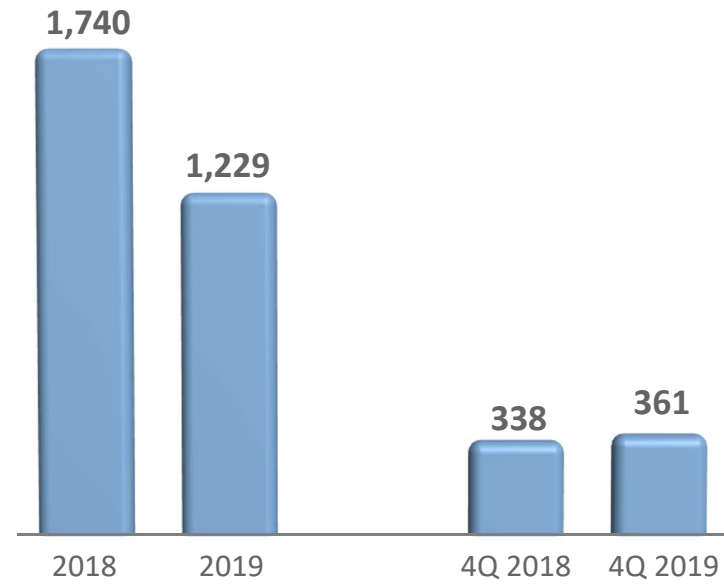
# HYDRO RESULTS



Adjusted Ebitda (€ mn)



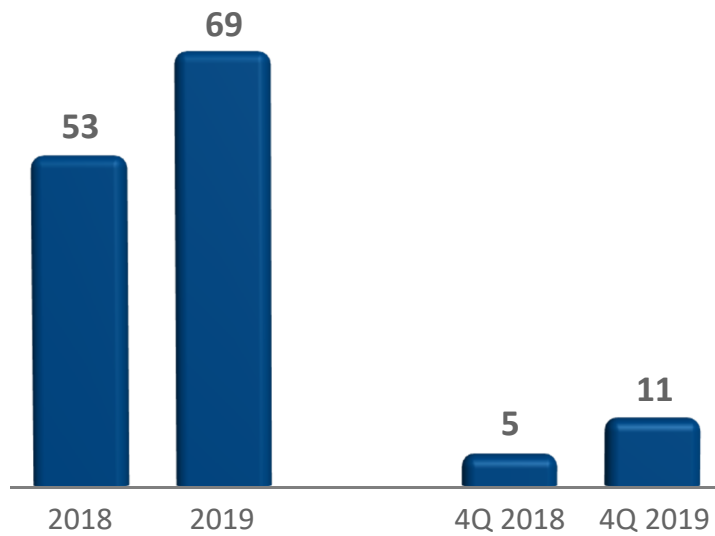
Volumes (GWh)



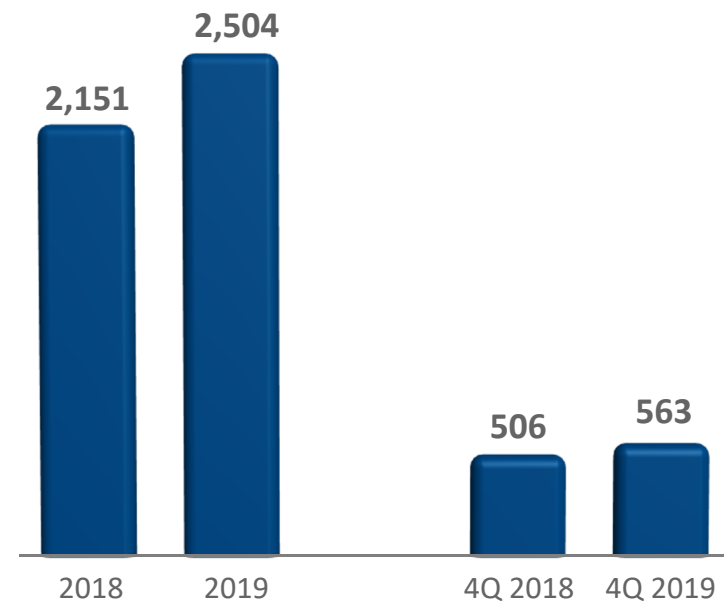
# CCGT RESULTS



Adjusted Ebitda (€ mn)

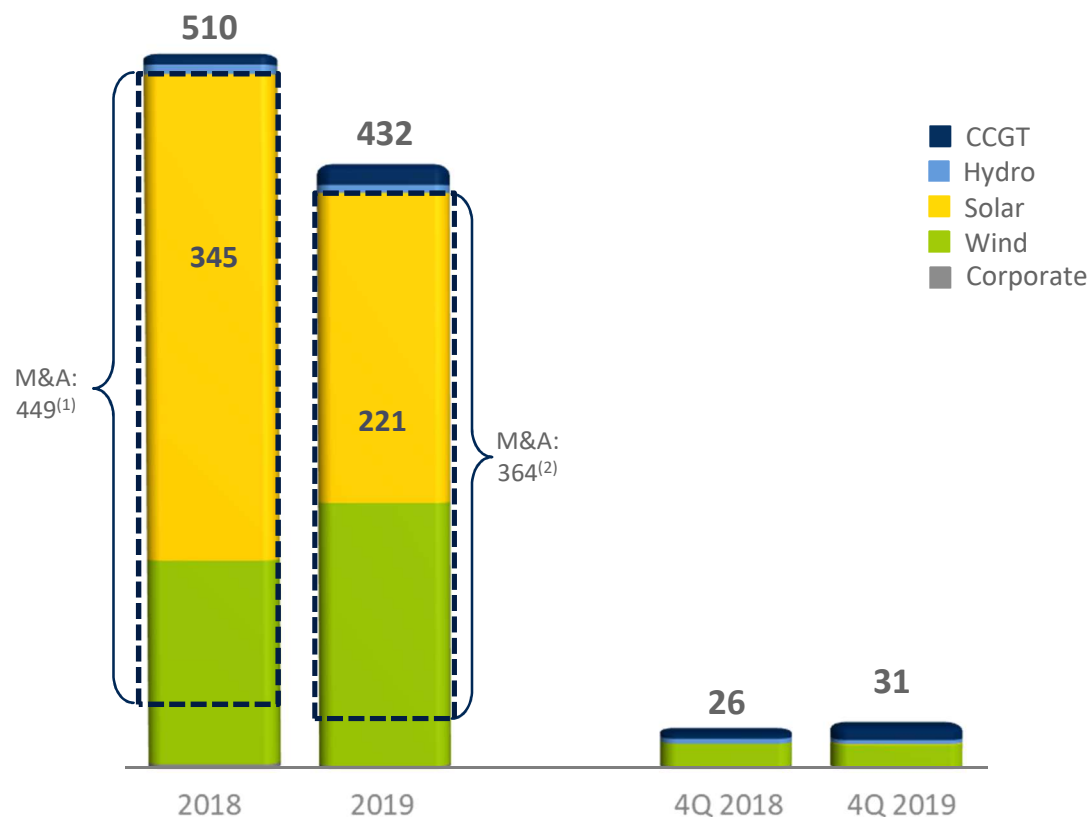


Volumes (GWh)





# INVESTMENTS



<sup>(1)</sup> M&A CAPEX include: Vent d'Est acquisition for €13.5mn, Epuron acquisition for €67mn, Valle de l'AA extension acquisition for €1mn, Creag Riabhach for €22.5mn, and ForVEI consolidation for €345mn

<sup>(2)</sup> M&A CAPEX related to the closing of Andromeda acquisition for €220mn, Polaris acquisition for €52mn, Craiggore and Windwarts acquisitions - respectively for €6mn and €2mn - and Barkow acquisition (which took place on September 13, 2019) for €84mn



## KEY FINANCIALS



# ADJUSTED P&L

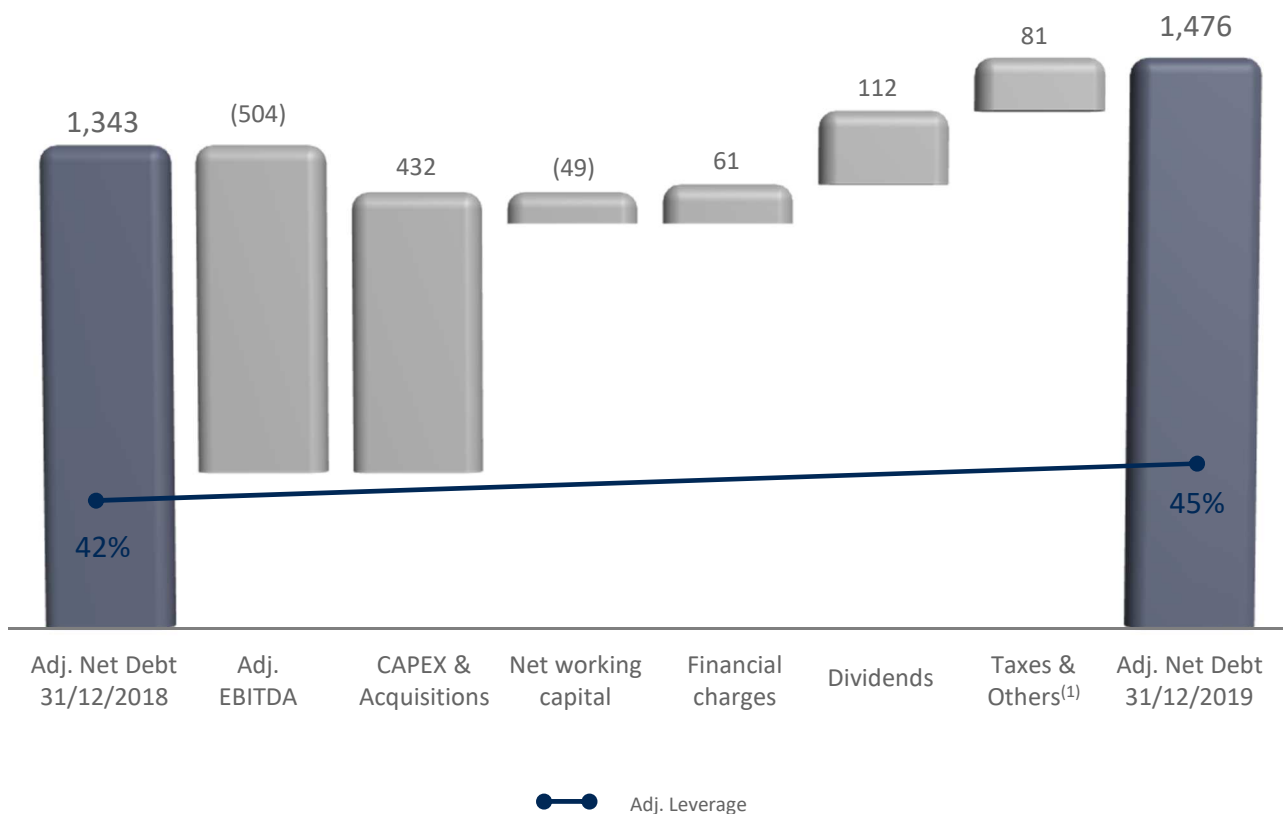


2019	2018	Euro millions	4Q 2019	4Q 2018
504	491	Adjusted EBITDA	124	109
(299)	(275)	<i>Amortization and depreciation</i>	(76)	(71)
205	216	Adjusted EBIT	48	38
(61)	(70)	<i>Net financial income (expenses)</i>	(13)	(17)
0	(0)	<i>Net income (loss) from equity investments</i>	0	(0)
144	146	Adjusted Results before taxes	34	21
(39)	(39)	<i>Income taxes</i>	(6)	(6)
105	107	Adjusted Results for the period	29	15
(1)	(0)	<i>Minority interests</i>	0	0
104	107	Adjusted Net Profit	29	15
27%	27%	Tax Rate	16%	29%

Note: figures based on NO GAAP measures



# 2019 CASH FLOW STATEMENT



<sup>(1)</sup> Out of which €43mn is a non-cash item linked to the write-off of a positive FV associated to Erg Wind Project Financing, while the remainder is mainly relates to taxes paid in 2H2019





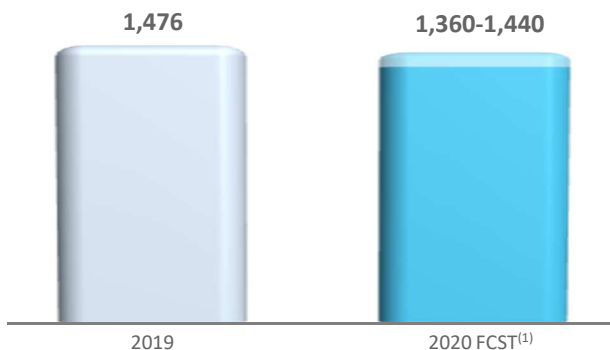
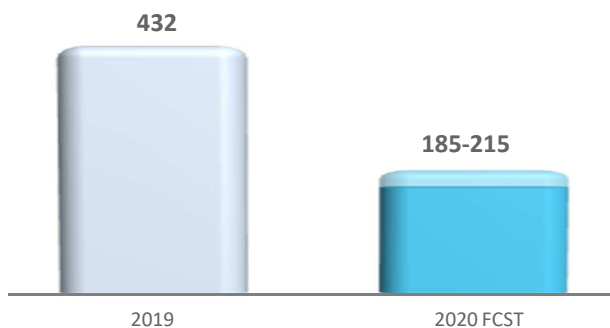
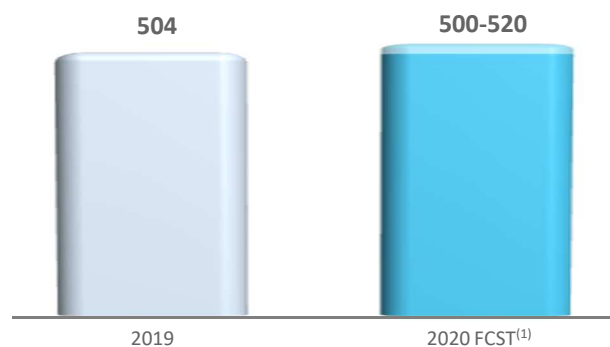
# 2020 GUIDANCE

LUCA BETTONTE, CEO





# 2020 GUIDANCE



■ Guidance range  
■ Guidance  
■ Actual

## Adj. EBITDA:

- ✓ Expected to be higher than last year
  - Wind and Solar in line with 2019
  - Hydro better for larger production
  - Thermal lower due to progressive phasing out from White Certificate Program

## CAPEX:

- ✓ To build Greenfield projects: 200MW in UK, 36MW in Poland, 50MW in France
- ✓ To acquire 38MW in France
- ✓ To keep developing Repowering and Reblading

## Adj. NFP:

- ✓ Higher EBITDA
- ✓ Lower Capex
- ✓ Lower Financial Charges

<sup>(1)</sup> 2020 Guidance does not include IFRS 16 effects

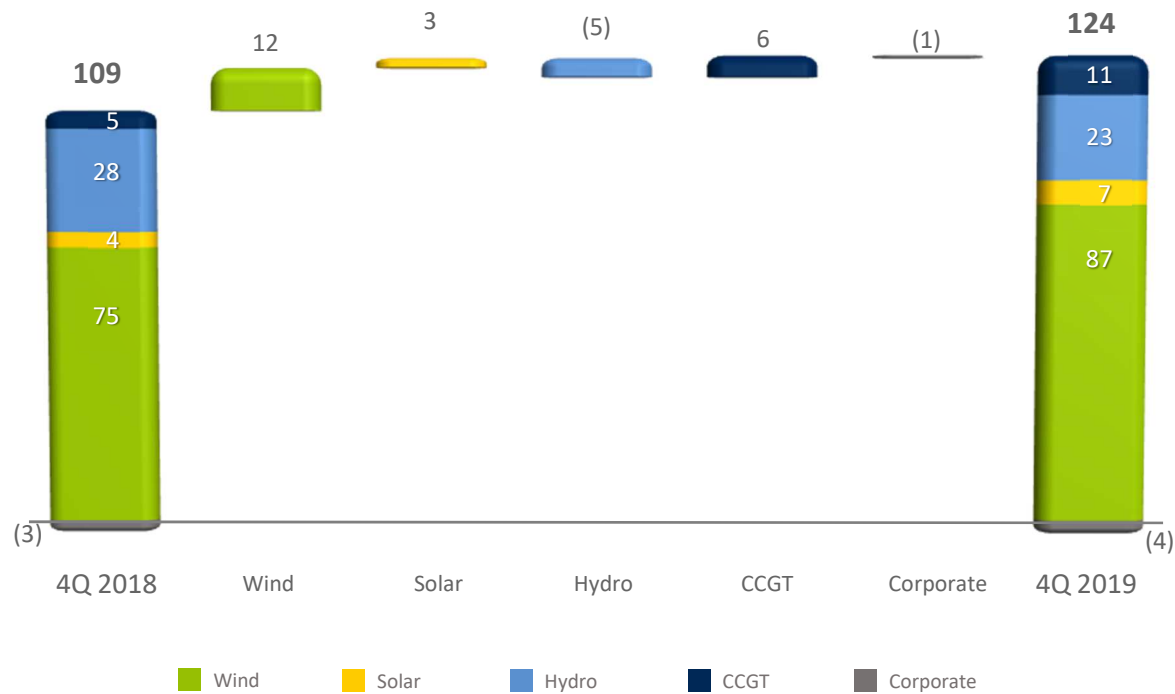


## APPENDIX



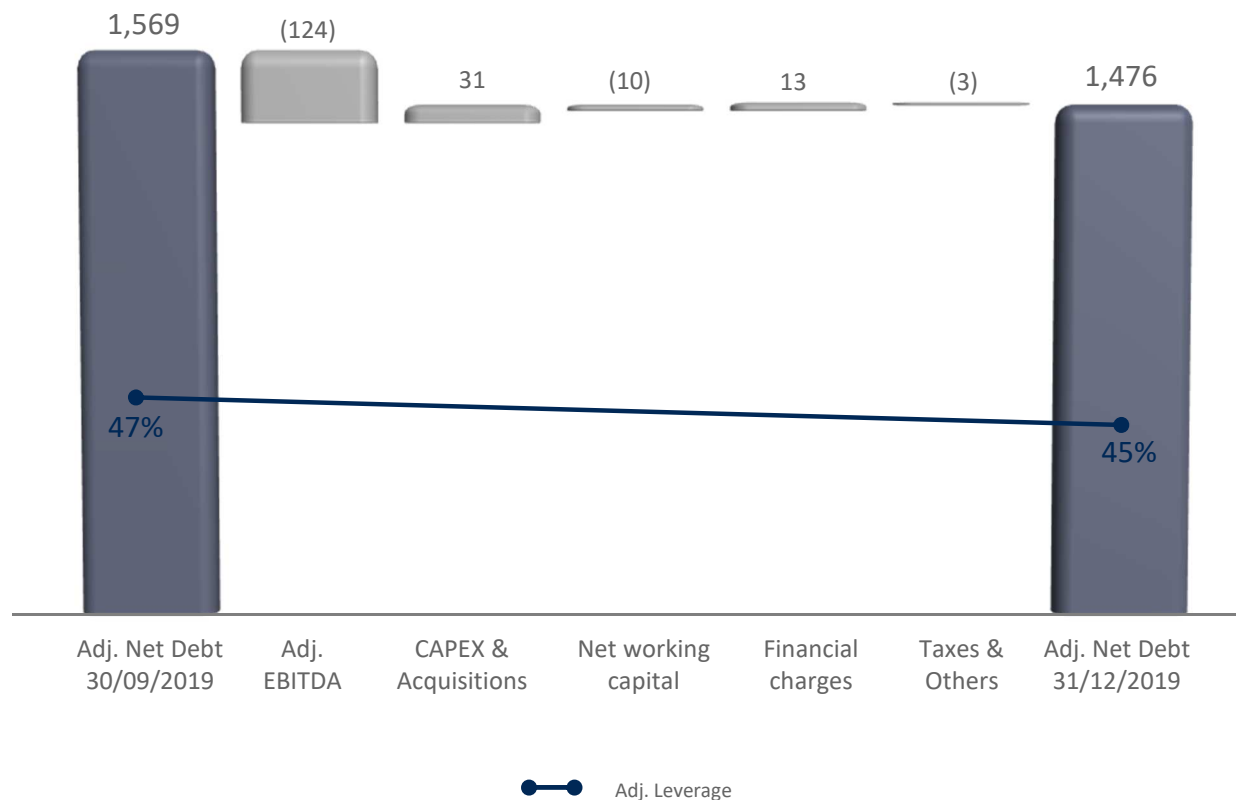


# 4Q 2019 GROUP EBITDA EVOLUTION



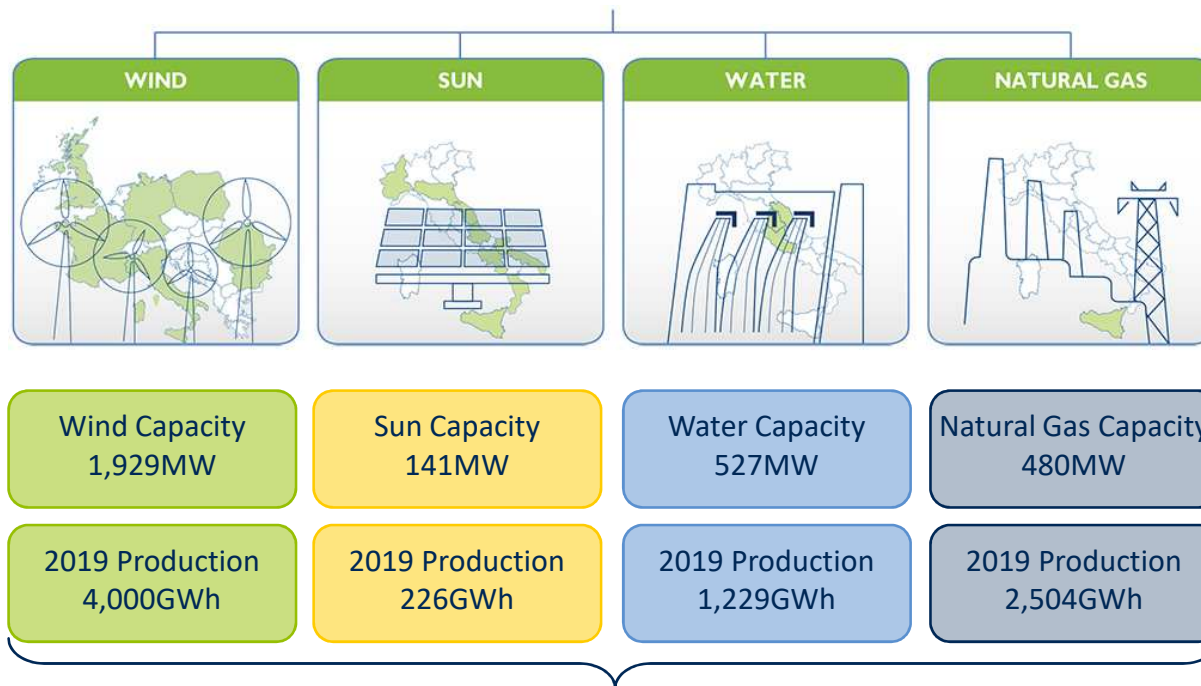


# 4Q 2019 CASH FLOW STATEMENT





# ENERGY PORTFOLIO



**Total 2019 Production: 8.0TWh**

**Total Energy Portfolio including hedging & other sales: 15.1TWh**



## WIND: KEY FIGURES (1/2)

2019	2018		4Q 2019	4Q 2018
1,929	1,822	Installed capacity (end-period, MW)	1,929	1,822
		<i>of which:</i>		
1,093	1,093	- Italy	1,093	1,093
359	307	- France	359	307
272	216	- Germany	272	216
82	82	- Poland	82	82
70	70	- Romania	70	70
54	54	- Bulgaria	54	54
0	0	- UK	0	0
4,000	3,464	Electricity Production (GWh)	1,155	955
		<i>of which:</i>		
2,161	2,012	- Italy	587	522
794	552	- France	267	177
465	337	- Germany	138	103
255	219	- Poland	76	68
190	176	- Romania	52	46
135	138	- Bulgaria	35	38
0	29	- UK	0	0

# WIND: KEY FIGURES (2/2)



2019	2018	Euro millions	4Q 2019	4Q 2018
Unitary Revenues (€/MWh):				
118	125	- Italy	115	124
89	87	- France	90	88
96	95	- Germany	92	96
73	64	- Poland	78	77
67	58	- Romania	63	74
79	75	- Bulgaria	90	84
Adjusted EBITDA:				
191	195	- Italy	51	49
47	30	- France	17	10
31	22	- Germany	9	7
15	10	- Poland	5	4
10	7	- Romania	2	2
8	8	- Bulgaria	2	2
(1)	3	- UK	(0)	(0)
301	274	Total Adjusted EBITDA	87	75
(169)	(159)	Depreciation	(42)	(39)
132	115	Adjusted EBIT	44	36



# SOLAR: KEY FIGURES



2019	2018	Euro millions	4Q 2019	4Q 2018
226	130	Electricity Production (GWh)	32	20
314	294	Unitary Revenues (€/MWh)	302	284
63	32	Adjusted EBITDA	7	4
(41)	(24)	Depreciation	(11)	(9)
22	8	Adjusted EBIT	(4)	(5)

# HYDRO: KEY FIGURES



2019	2018	Euro millions	4Q 2019	4Q 2018
1,229	1,740	Electricity Production (GWh)	361	338
102	107	Unitary Revenues (€/MWh)	94	114
87	146	Adjusted EBITDA	23	28
(57)	(58)	Depreciation	(14)	(15)
30	88	Adjusted EBIT	9	14

# CCGT: KEY FIGURES



2019	2018	Euro millions	4Q 2019	4Q 2018
2,504	2,151	Electricity Production (GWh)	563	506
40	42	Unitary Revenues (€/MWh)	40	37
69	53	Adjusted EBITDA	11	5
(28)	(31)	Depreciation	(7)	(8)
41	22	Adjusted EBIT	3	(3)

# INVESTMENTS



2019	2018	Euro millions	4Q 2019	4Q 2018
189 <sup>(1)</sup>	146 <sup>(2)</sup>	Wind	16	17
221 <sup>(3)</sup>	345 <sup>(4)</sup>	Solar	1	0
6	7	Hydro	3	4
15	8	CCGT	10	4
2	3	Corporate	1	1
432	510	Total	31	26

<sup>(1)</sup> It includes: Polaris acquisition for €52mn, plus Craiggore and Windwarts acquisitions - respectively for €6mn and €2mn - and Barkow acquisition (which took place on September 13, 2019) for €84mn

<sup>(2)</sup> It includes: Vent d'Est acquisition for €13.5mn, Epuron acquisition for €67mn, Valle de l'AA extension acquisition for €1mn, and Creag Riabhach acquisition for €22.5mn

<sup>(3)</sup> It refers to the closing of Andromeda acquisition (which took place on February 12, 2019)

<sup>(4)</sup> It refers to ForVEI consolidation (whose acquisition took place on January 12, 2018)