



3Q 2020 Results

11 NOVEMBER 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.

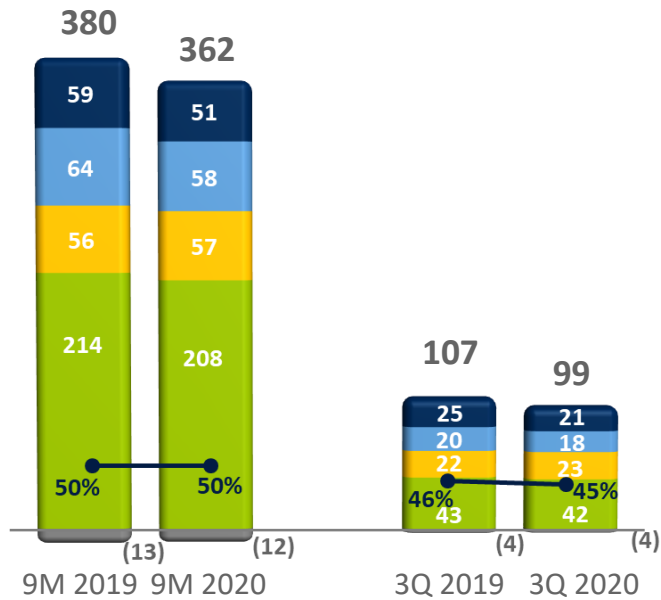
AGENDA



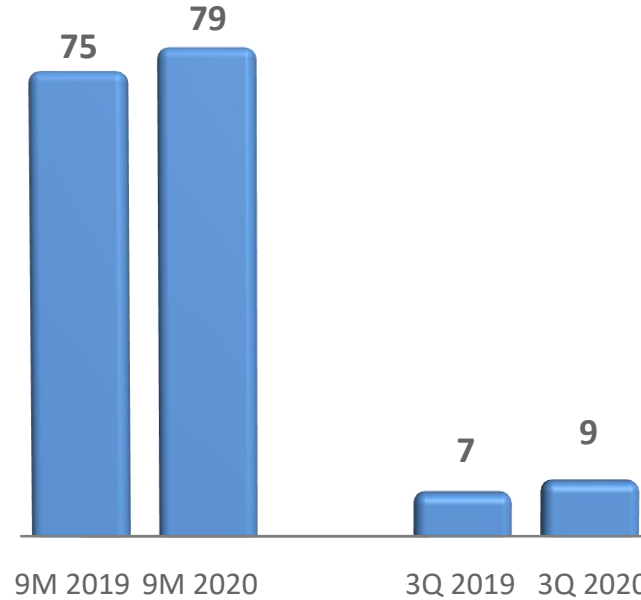
- ❑ 3Q 2020 Highlights
 - ✓ Key Figures
 - ✓ Recent Developments
- ❑ Results Review
 - ✓ Business Environment
 - ✓ 3Q 2020 Group EBITDA
 - ✓ Results by Segments
- ❑ Key Financials
 - ✓ Profit & Loss
 - ✓ Investments
 - ✓ Cash Flow Statement
- ❑ 2020 Guidance and Conclusions
- ❑ Appendix

HIGHLIGHTS: KEY FIGURES

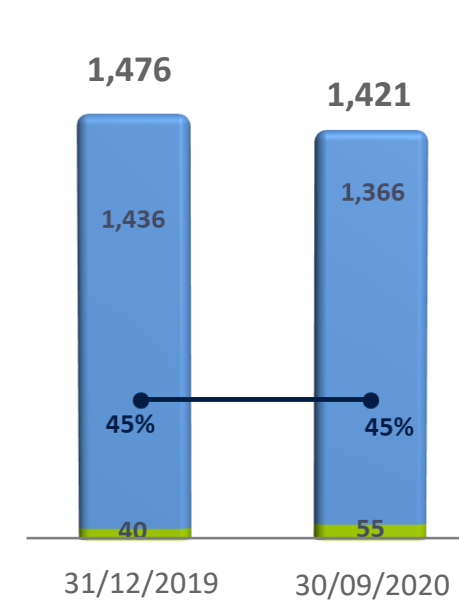
Adjusted EBITDA (€ mn)



Adjusted Net Profit (€ mn)



Adjusted NFP (€ mn)



- CCGT
- Solar
- Corporate
- Hydro
- Wind
- EBITDA Margin

- Adj. NFP excl. Derivatives
- Derivatives
- Adj. Leverage

Slightly lower Operating Results, bottom line up YoY

RECENT DEVELOPMENTS

Green Financing and ESG Recognition

- Issuance of a €500mn 7Y Fixed Green Bond with coupon at 0.5% and yield of 0.616%
- ranked first globally by Vigeo as best firm in reporting the business impact of Climate Change

WTG Supply Agreement and Greenfield abroad advancements

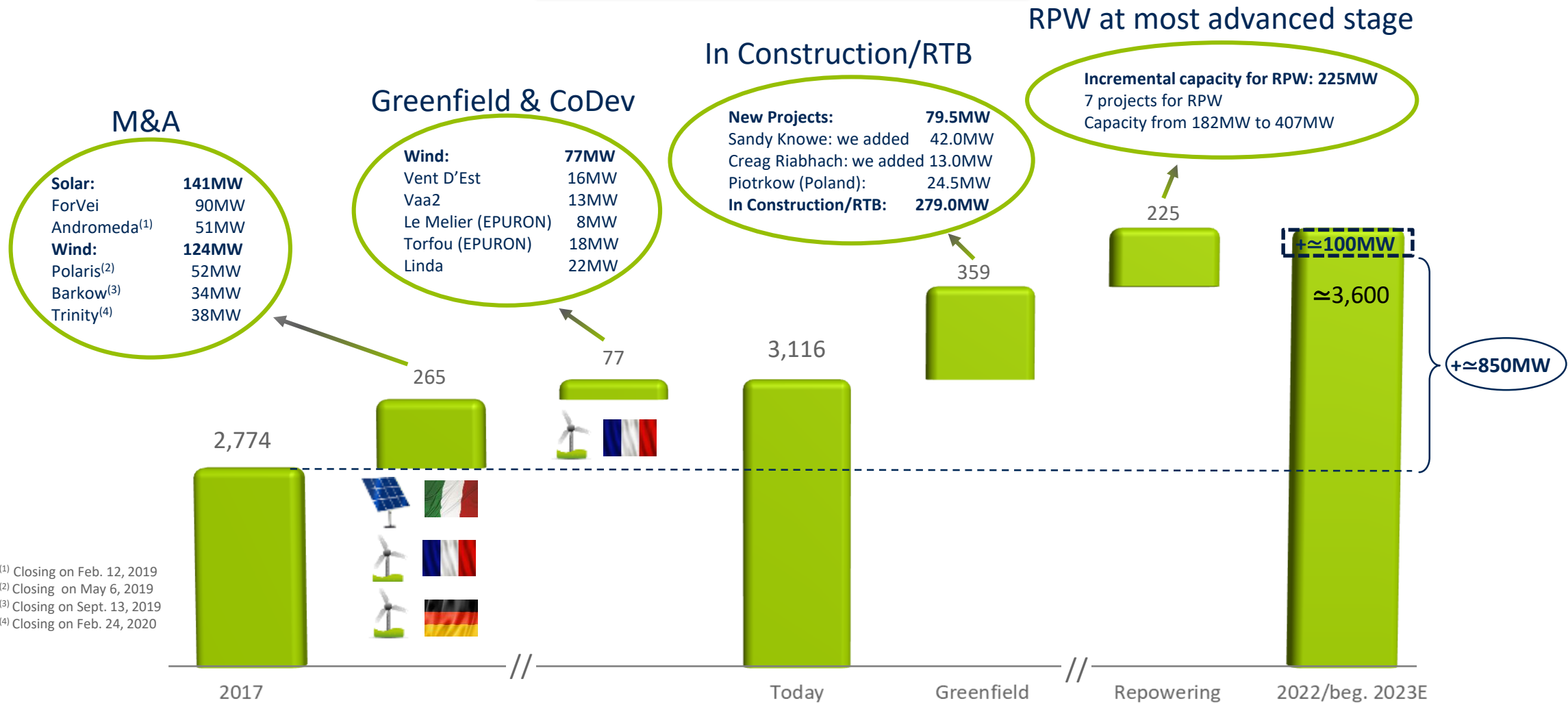
- Signed a Framework Supply agreement with Vestas for 790MW (worth €500mn) covering Repowering and Greenfield projects
- acquired a 24.5MW RtB wind farm project in Poland: expected in operation by 1H 2022 with total CAPEX of €36.5mn
- awarded 2 wind projects over the last Auction in France for a total capacity of 27MW
- UK capacity under construction raised by 55MW: Sandy Knowe (48MW to 90MW) and Creag Riabhach (79MW to 92MW)

- ✓ **Reducing further the cost of Debt through green finance**
 - ✓ **Greenfield development abroad well on track**
 - ✓ **Recognition of ERG strong ESG Commitments**

ERG WELL ON TRACK WITH 2022 BP TARGETS

STRONG EXECUTION FROM 2018 TO DATE

Growth in installed capacity (MW)



⁽¹⁾ Closing on Feb. 12, 2019
⁽²⁾ Closing on May 6, 2019
⁽³⁾ Closing on Sept. 13, 2019
⁽⁴⁾ Closing on Feb. 24, 2020

RESULTS REVIEW

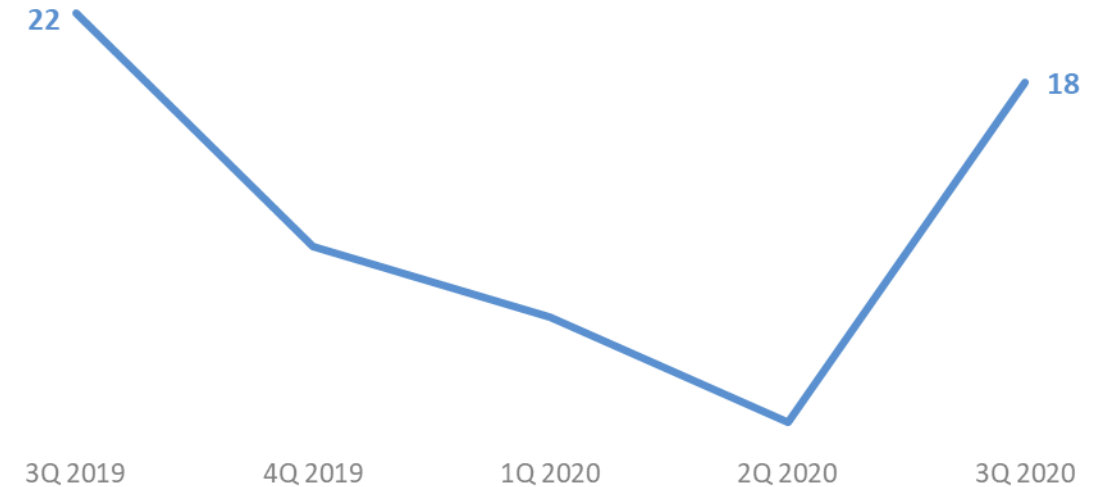
PAOLO MERLI, CORPORATE GENERAL MANAGER & CFO

BUSINESS ENVIRONMENT

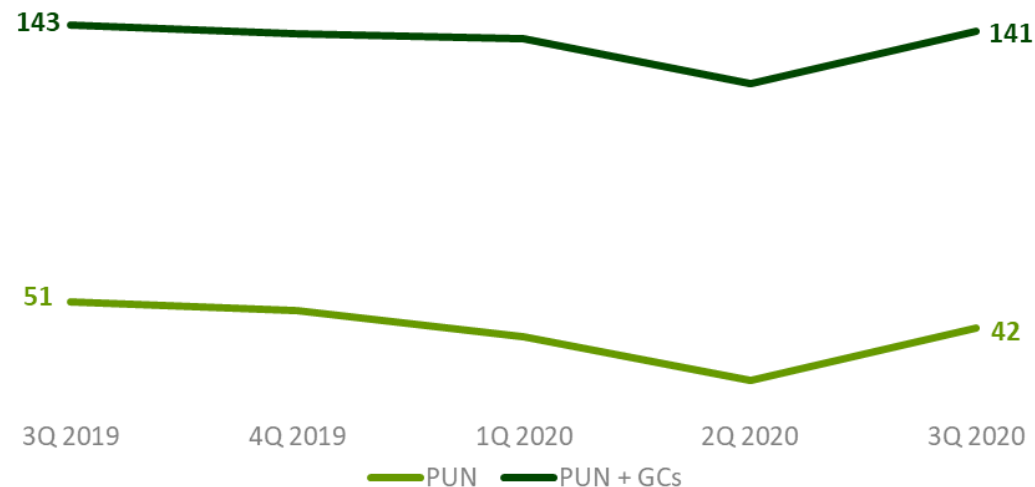
Italy: Electricity Production vs Demand (TWh)

	3Q 2019	3Q 2020	Delta %
Italian Electricity Demand	84	82	-3%
Italian Electricity Production	76	75	-1%
<i>of which:</i>			
- Thermo	50	49	-2%
- Hydro	14	13	-2%
- Solar	8	9	7%
- Wind	3	4	13%
- Other Sources	1	1	-3%

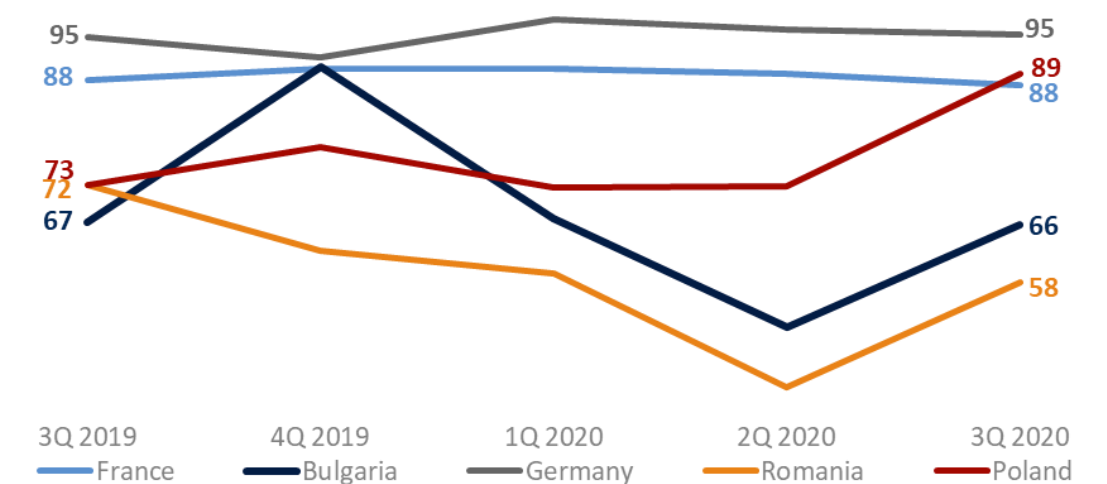
Clean Spark Spread Indicator (€/MWh)



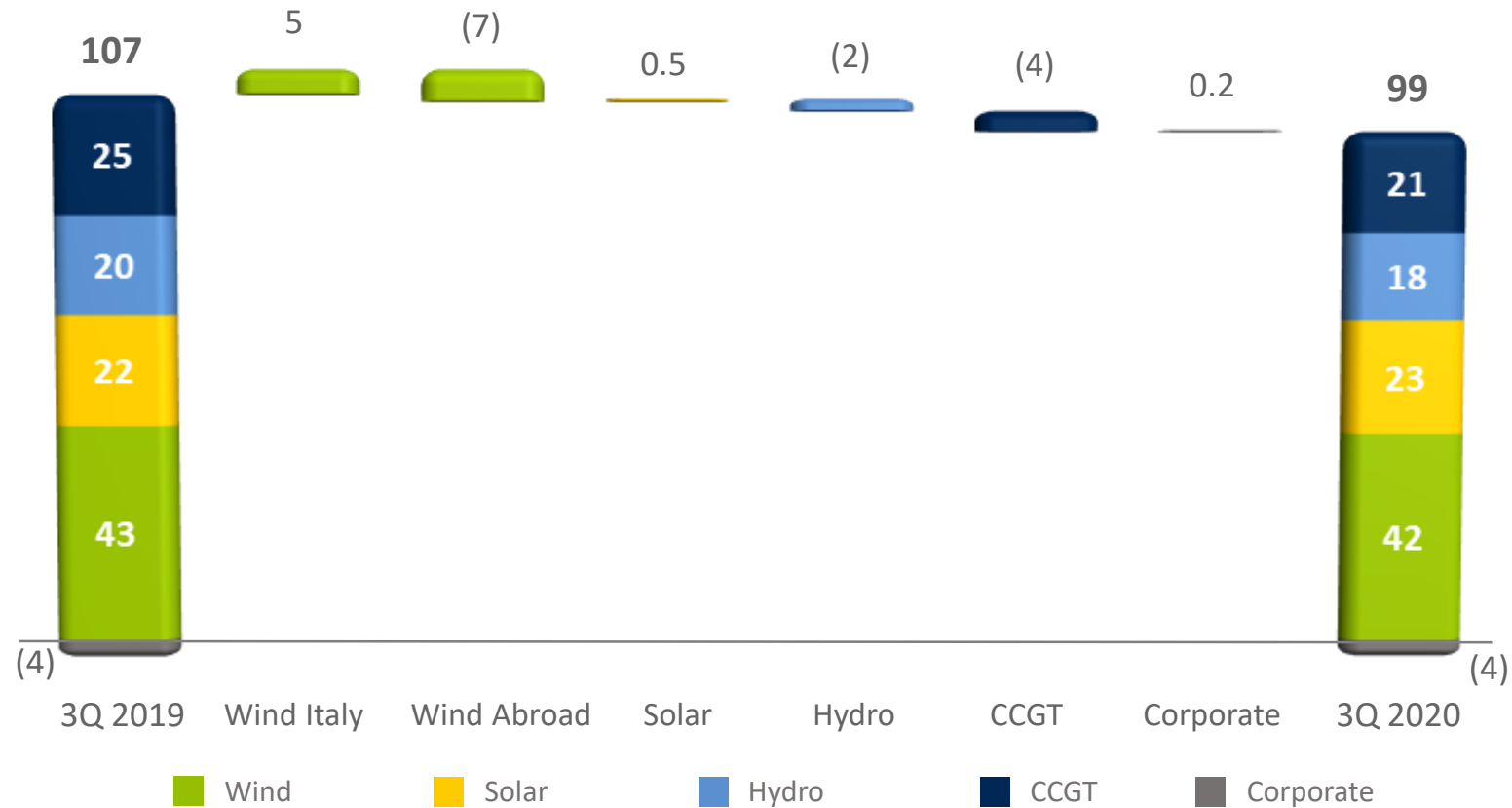
Electricity Prices in Italy (€/MWh)



All-in Wind Prices abroad (€/MWh)

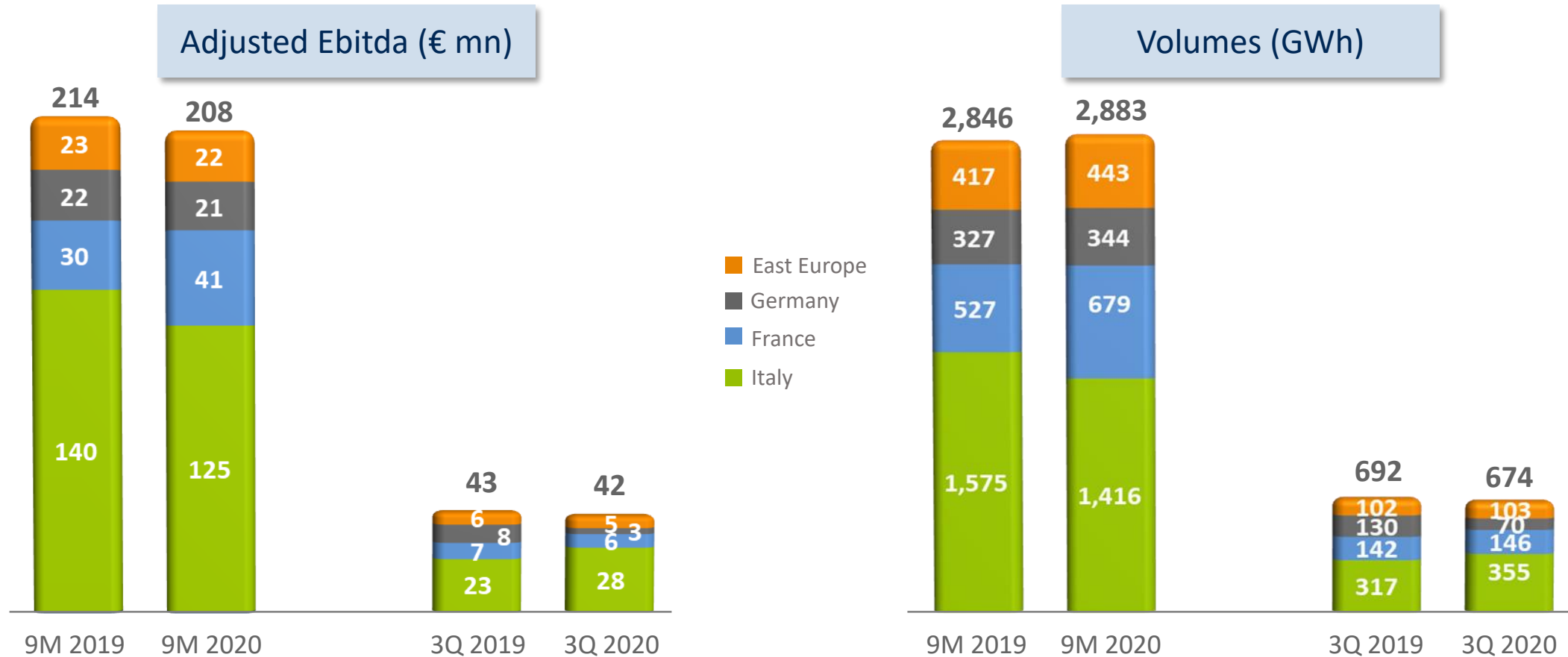


3Q 2020 GROUP EBITDA EVOLUTION



Tough price environment, better wind conditions in Italy, lower volumes in Wind abroad and Hydro

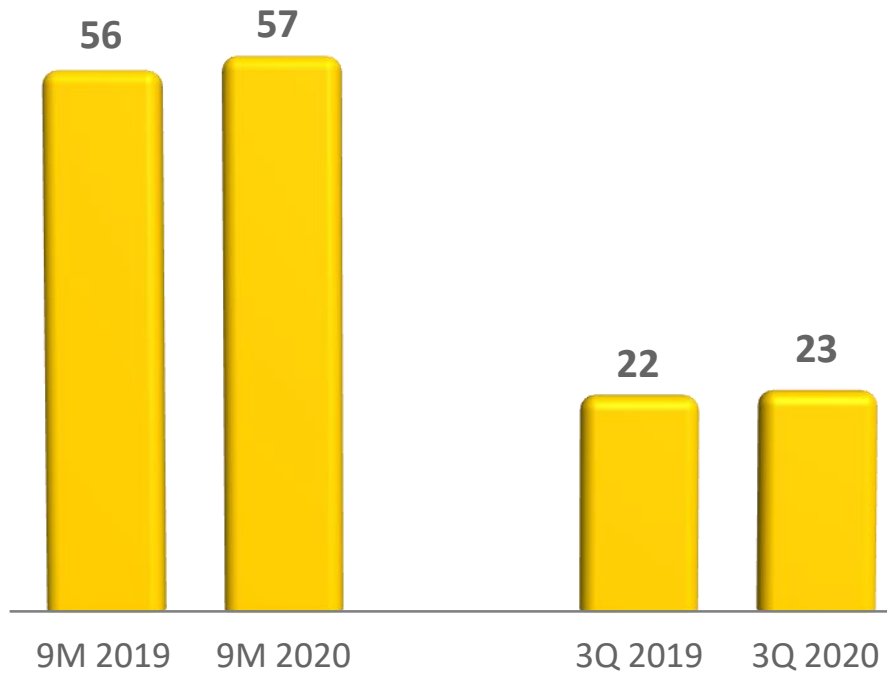
WIND RESULTS



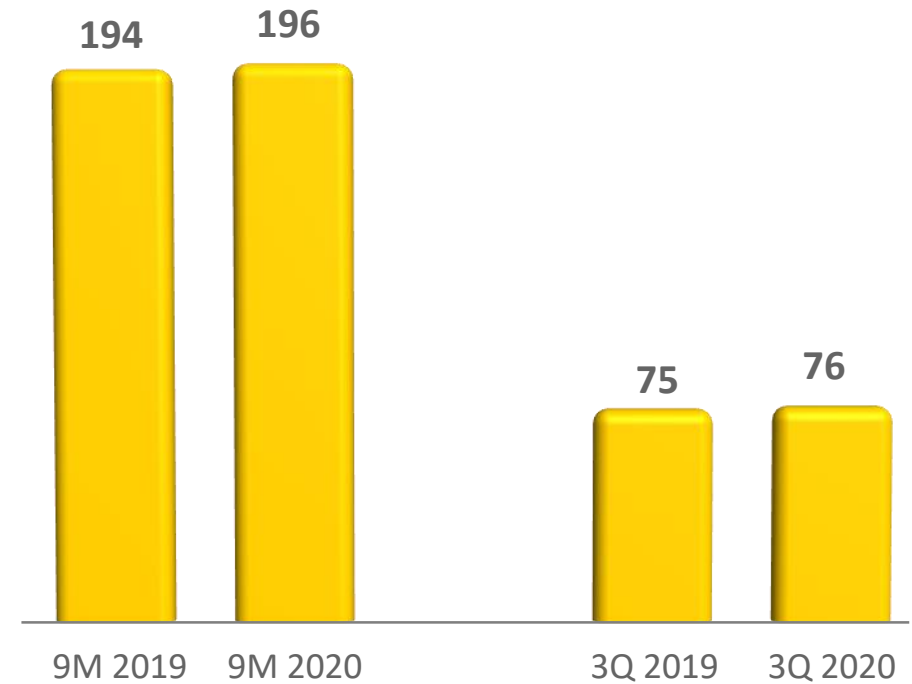
Better Wind production in Italy, offset by lower volumes and perimeter effect abroad

SOLAR RESULTS

Adjusted Ebitda (€ mn)



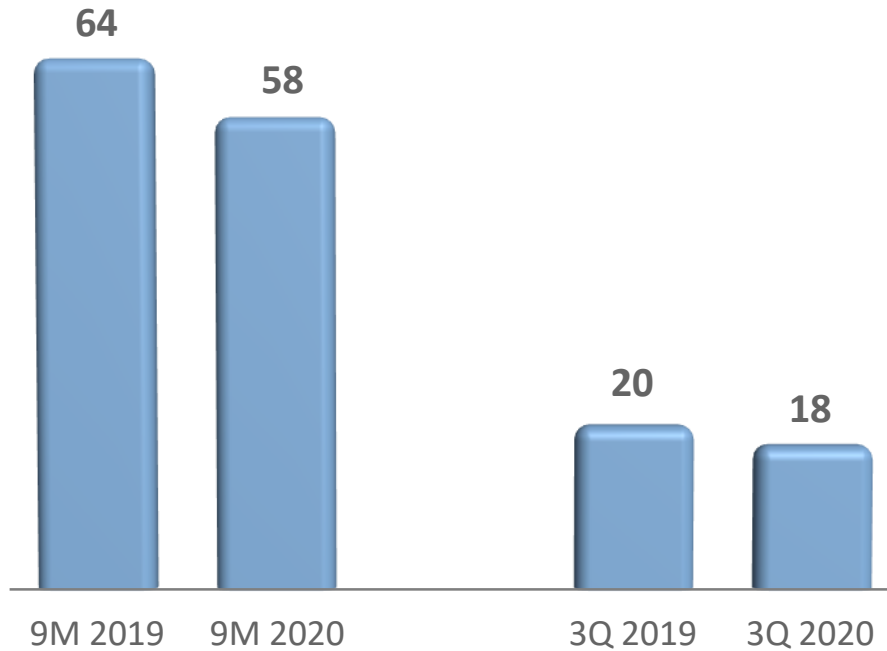
Volumes (GWh)



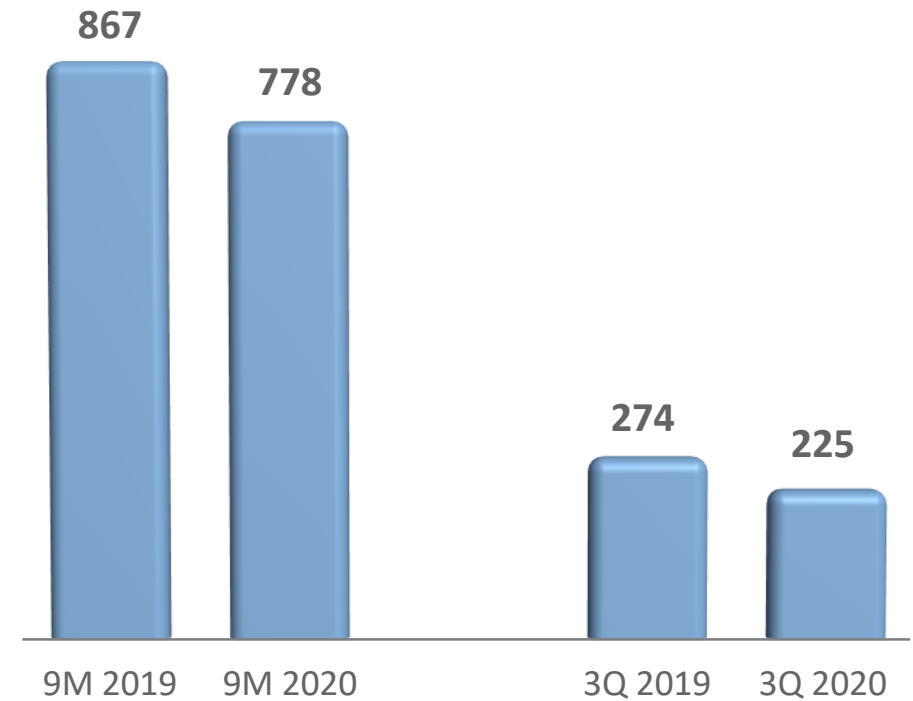
Results better YoY thanks to greater volumes

HYDRO RESULTS

Adjusted Ebitda (€ mn)



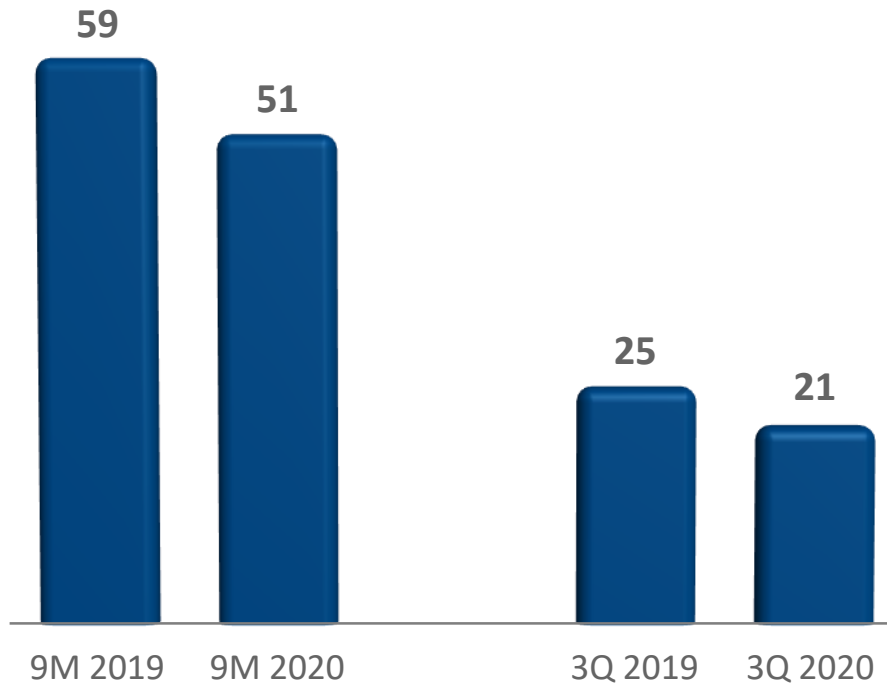
Volumes (GWh)



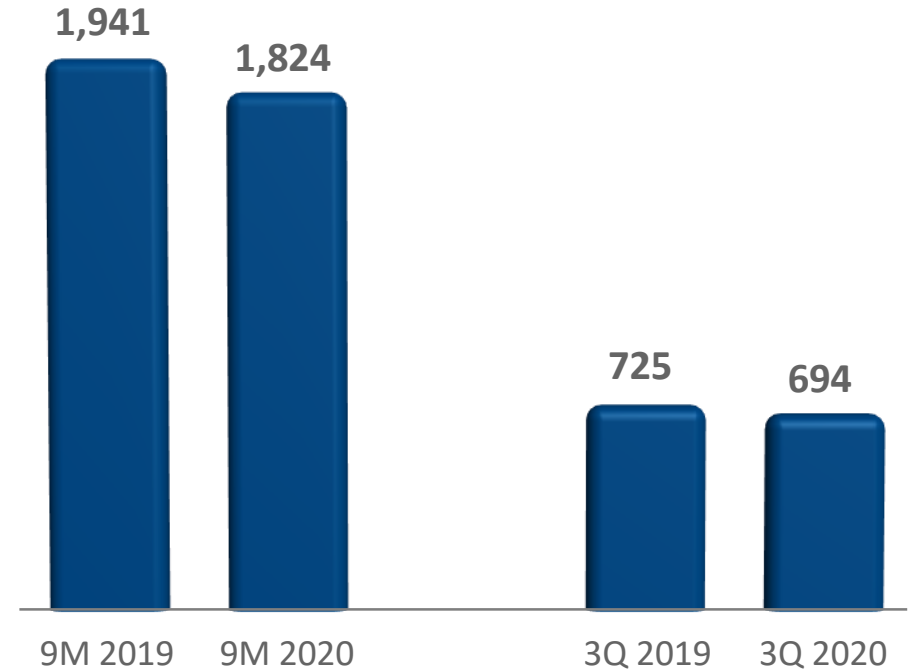
Results penalized by weaker volumes YoY due to a persistent dry season

CCGT RESULTS

Adjusted Ebitda (€ mn)

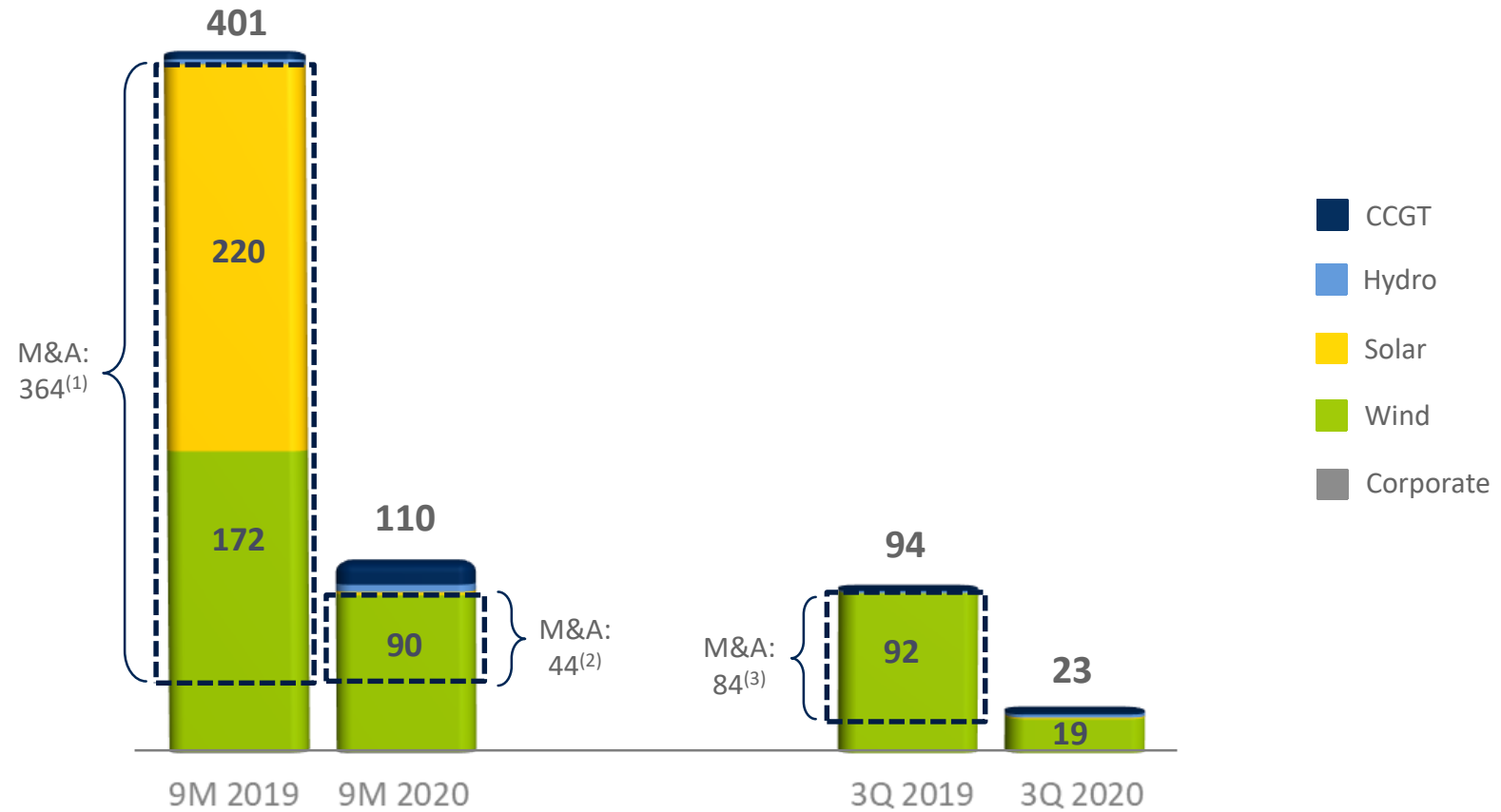


Volumes (GWh)



Tough trading environment coupled with end of white certificates

INVESTMENTS



⁽¹⁾ M&A CAPEX related to the closing of Andromeda acquisition amounting to €220mn, Polaris acquisition for €52mn, Craiggore and Windwarts acquisitions (respectively for €6mn and €2mn,) and Barkow acquisition for €84mn

⁽²⁾ M&A CAPEX related to the closing of Trinity acquisition (which took place on February 24, 2020 for an amount of €42mn), and of Laszki acquisition (which took place on March 5, 2020) amounting to €2mn

⁽³⁾ M&A CAPEX related to Barkow acquisition for €84mn

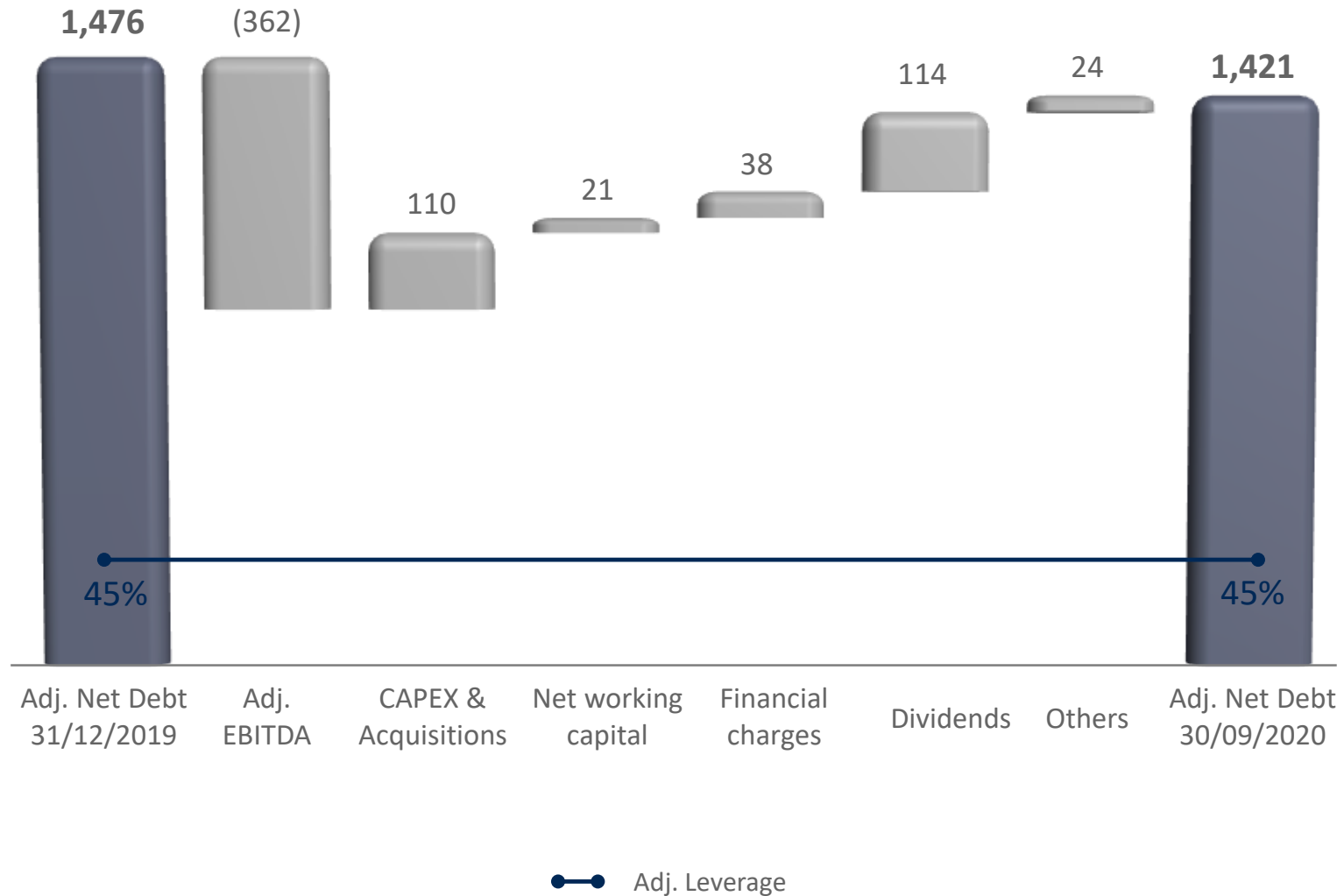
KEY FINANCIALS

ADJUSTED P&L

9M 2020	9M 2019	Euro millions	3Q 2020	3Q 2019
362	380	Adjusted EBITDA	99	107
(224)	(223)	<i>Amortization and depreciation</i>	(74)	(78)
139	157	Adjusted EBIT	25	29
(38)	(48)	<i>Net financial income (expenses)</i>	(13)	(15)
0	0	<i>Net income (loss) from equity investments</i>	0	0
101	109	Adjusted Results before taxes	12	14
(20)	(33)	<i>Income taxes</i>	(3)	(6)
81	76	Adjusted Results for the period	10	8
(2)	(1)	<i>Minority interests</i>	(1)	(1)
79	75	Adjusted Net Profit	9	7
20%	30%	Tax Rate	22%	43%

Note: figures based on NO GAAP measures

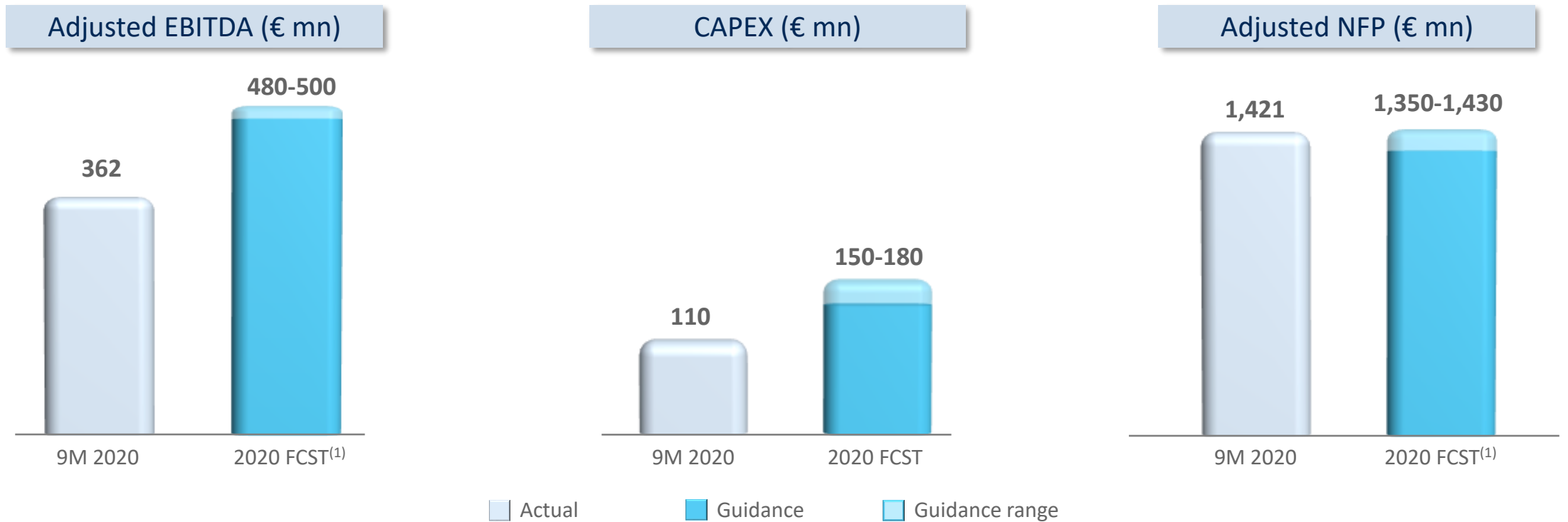
9M 2020 CASH FLOW STATEMENT



2020 GUIDANCE

LUCA BETTONTE, CEO

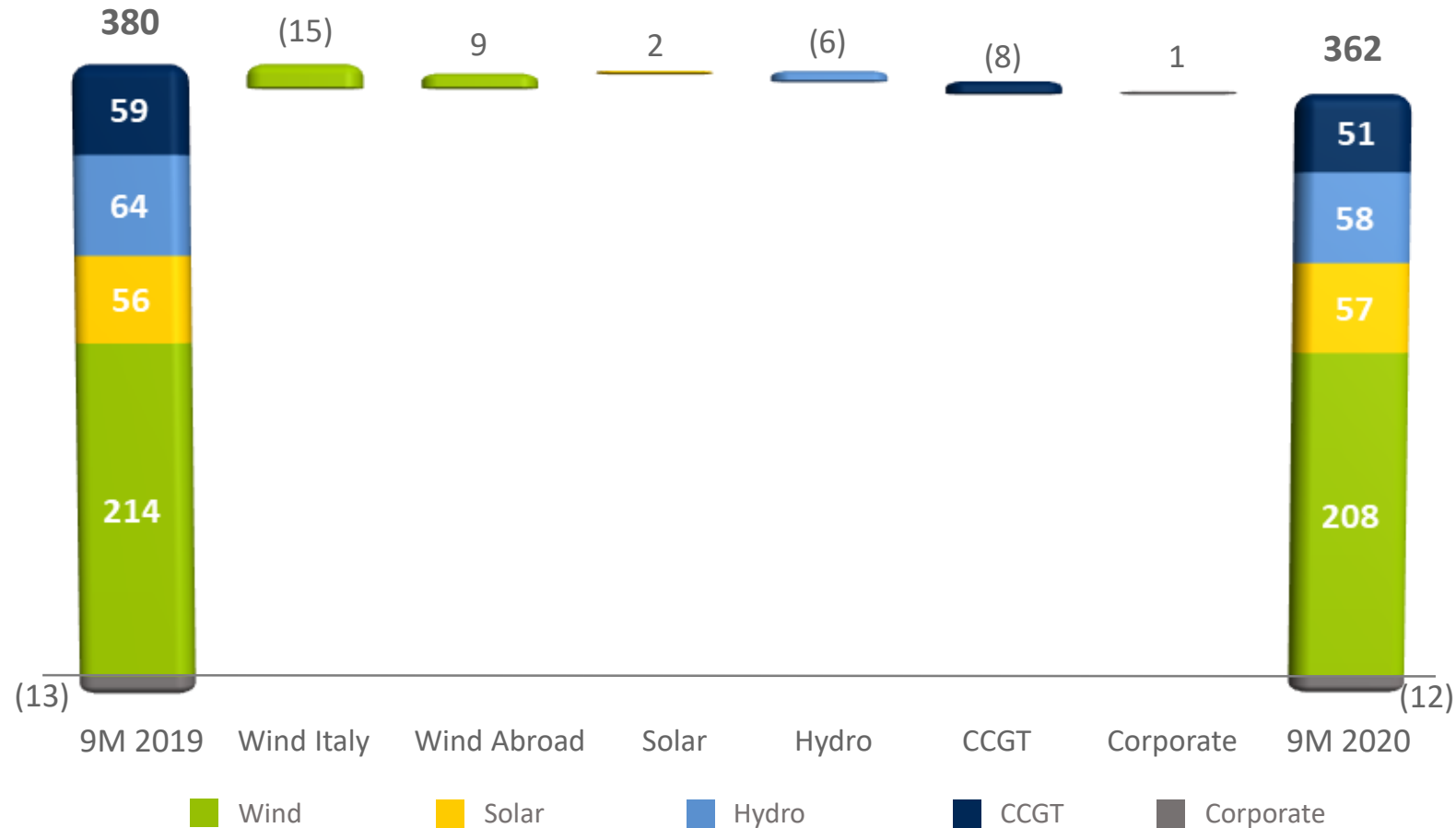
2020 GUIDANCE CONFIRMED



⁽¹⁾ 2020 Guidance does not include IFRS 16 effects

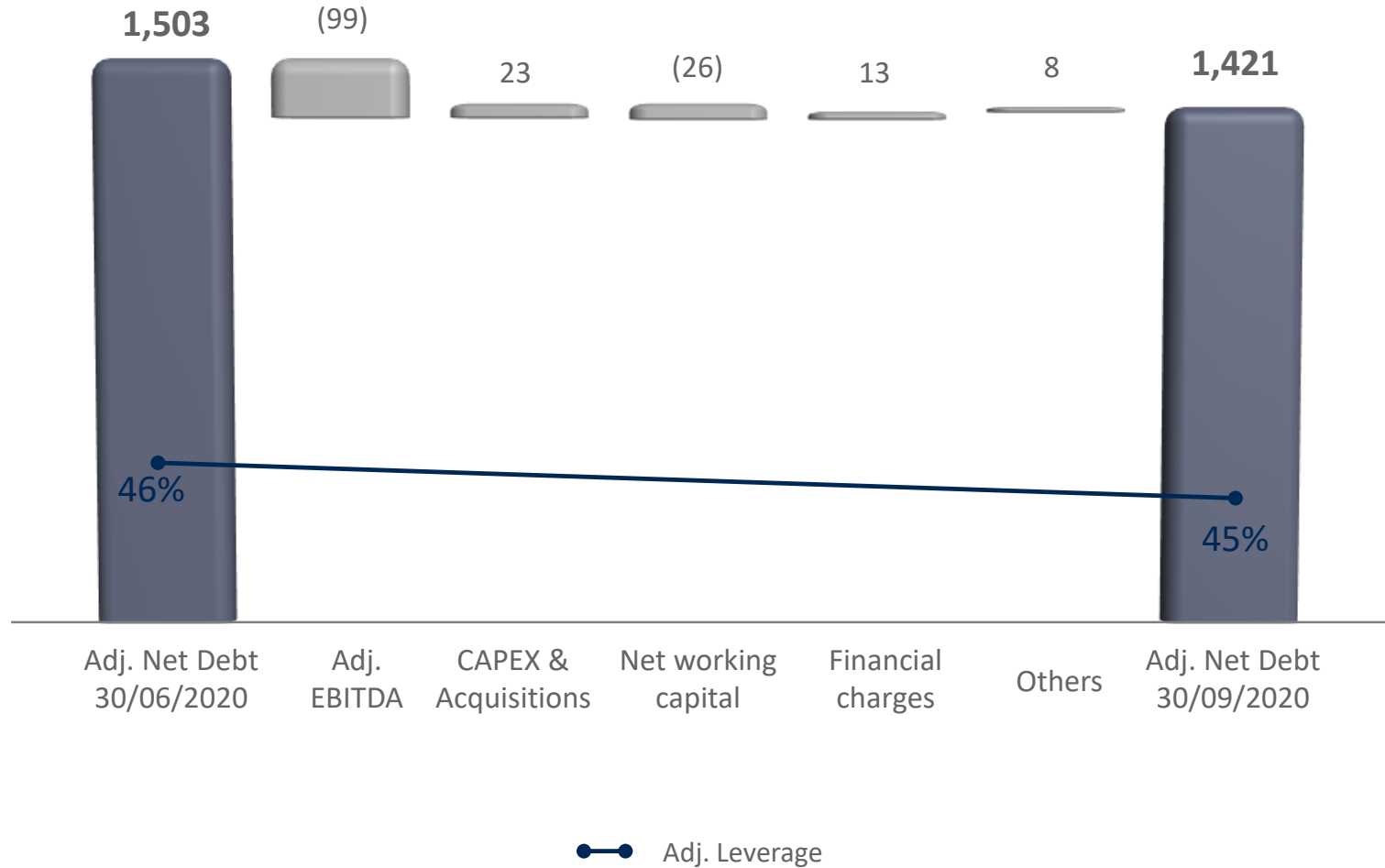
APPENDIX

9M 2020 GROUP EBITDA EVOLUTION



**Weaker Wind in Italy but greater overseas, Hydro still lower vs historical avg
Period characterized by a poor price environment, exacerbated by Covid-19**

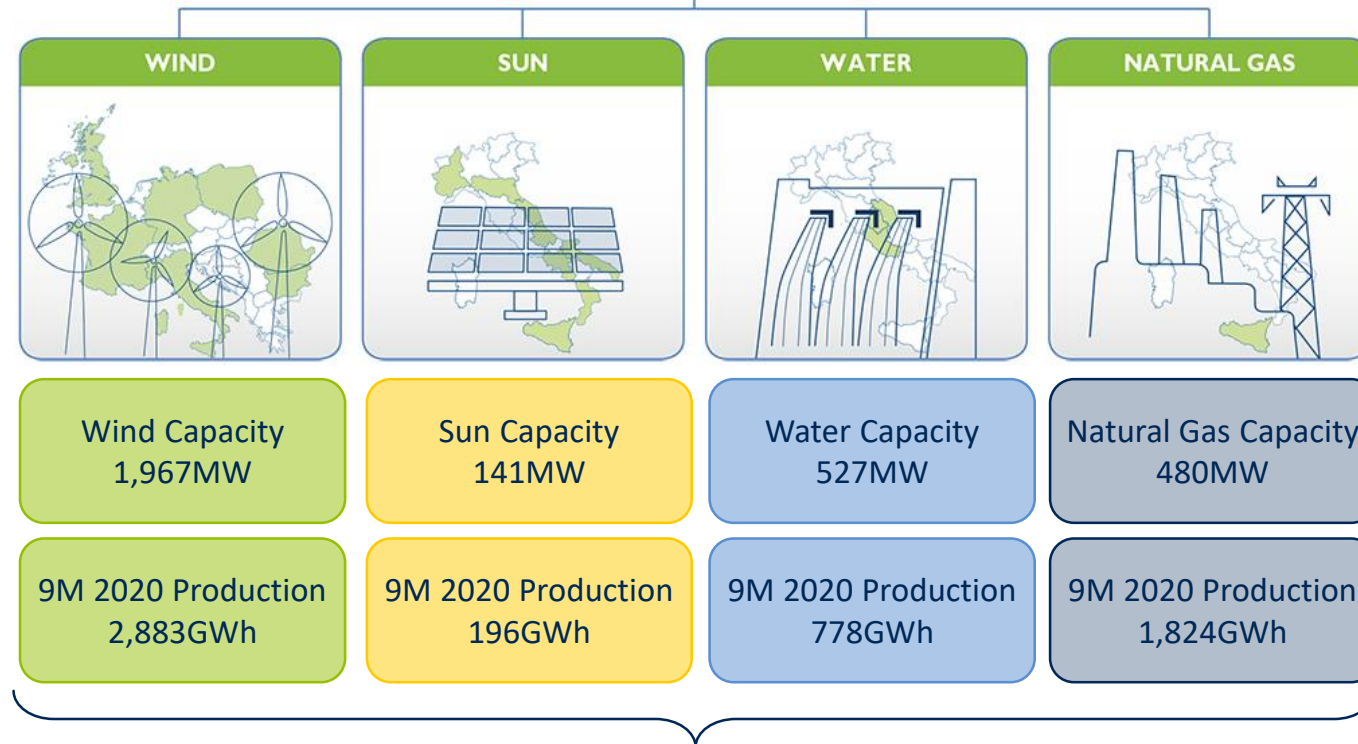
3Q 2020 CASH FLOW STATEMENT



ENERGY PORTFOLIO



EVOLVING ENERGIES



Total 9M 2020 Production: 5.7TWh

Total Energy Portfolio including hedging & other sales: 11.0TWh

WIND: KEY FIGURES (1/2)

9M 2020	9M 2019		3Q 2020	3Q 2019
1,967	1,929	Installed capacity (end-period, MW)	1,967	1,929
		<i>of which:</i>		
1,093	1,093	- Italy	1,093	1,093
397	359	- France	397	359
272	272	- Germany	272	272
82	82	- Poland	82	82
70	70	- Romania	70	70
54	54	- Bulgaria	54	54
2,883	2,846	Electricity Production (GWh)	674	692
		<i>of which:</i>		
1,416	1,575	- Italy	355	317
679	527	- France	146	142
344	327	- Germany	70	130
179	179	- Poland	37	44
149	138	- Romania	40	34
114	100	- Bulgaria	26	25
0	0	- UK	0	0

WIND: KEY FIGURES (2/2)

9M 2020	9M 2019	Euro millions	3Q 2020	3Q 2019
Unitary Revenues (€/MWh):				
120	119	- Italy	122	121
89	89	- France	88	88
97	98	- Germany	95	95
76	71	- Poland	89	73
54	69	- Romania	58	72
62	75	- Bulgaria	66	67
Adjusted EBITDA:				
125	140	- Italy	28	23
41	30	- France	6	7
21	22	- Germany	3	8
11	10	- Poland	2	2
6	7	- Romania	2	2
6	6	- Bulgaria	1	1
(1)	(1)	- UK	(0)	(0)
208	214	Total Adjusted EBITDA	42	43
(125)	(127)	Depreciation	(42)	(45)
83	87	Adjusted EBIT	0	(1)

SOLAR: KEY FIGURES

9M 2020	9M 2019	Euro millions	3Q 2020	3Q 2019
196	194	Electricity Production (GWh)	76	75
315	316	Unitary Revenues (€/MWh)	321	319
57	56	Adjusted EBITDA	23	22
(31)	(31)	Depreciation	(10)	(11)
26	25	Adjusted EBIT	13	12

HYDRO: KEY FIGURES

9M 2020	9M 2019	Euro millions	3Q 2020	3Q 2019
778	867	Electricity Production (GWh)	225	274
111	105	Unitary Revenues (€/MWh)	120	106
58	64	Adjusted EBITDA	18	20
(43)	(43)	Depreciation	(14)	(14)
15	21	Adjusted EBIT	3	6

CCGT: KEY FIGURES

9M 2020	9M 2019	Euro millions	3Q 2020	3Q 2019
1,824	1,941	Electricity Production (GWh)	694	725
34	40	Unitary Revenues (€/MWh)	40	44
51	59	Adjusted EBITDA	21	25
(22)	(21)	Depreciation	(7)	(7)
29	38	Adjusted EBIT	13	18

INVESTMENTS

9M 2020	9M 2019	Euro millions	3Q 2020	3Q 2019
90 ⁽¹⁾	172 ⁽²⁾	Wind	19	92 ⁽³⁾
2	220 ⁽⁴⁾	Solar	1	0
4	3	Hydro	2	1
13	5	CCGT	1	1
1	1	Corporate	0	0
110	401	Total	23	94

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