



# 1Q 2021 RESULTS

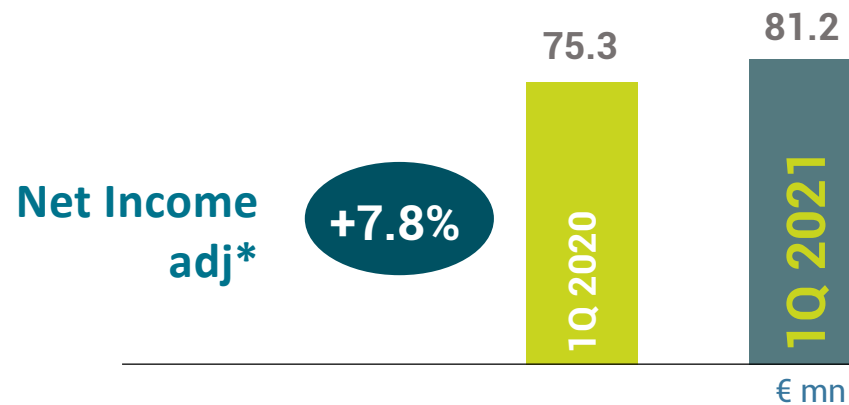
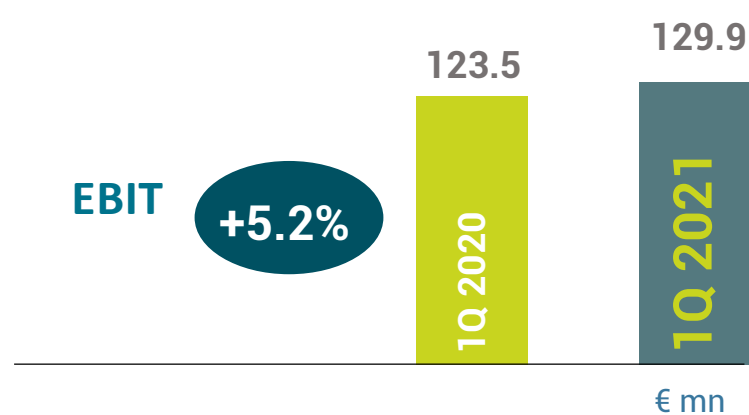
**Milan**

05.05.2021



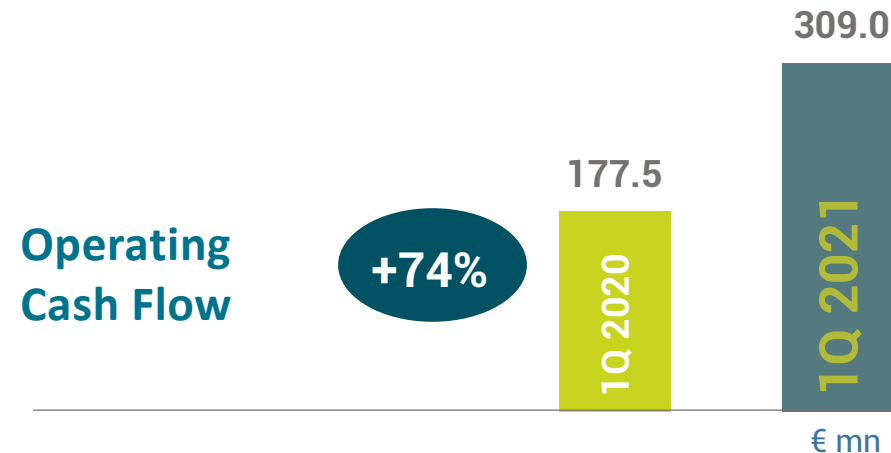
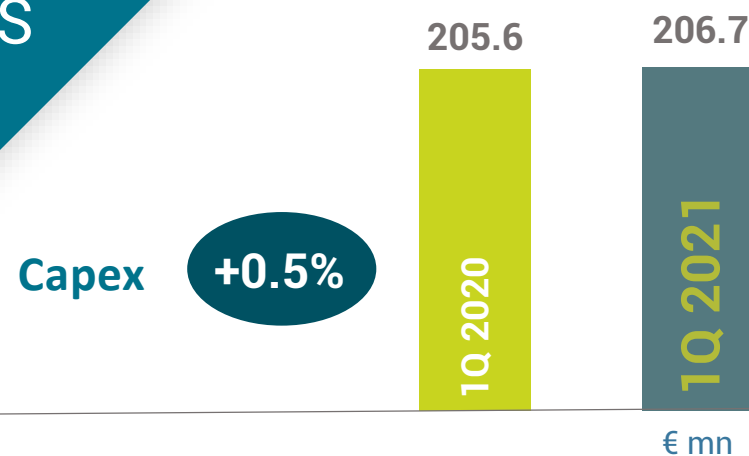
# 1Q 2021 RESULTS KEY HIGHLIGHTS

Growth path continues led by RAB growth and costs control despite Resolution 570 (impact in 1Q of €2m)



(\*) excluding post tax cost of bond buyback transaction finalised in February 2021 for €4.9mn

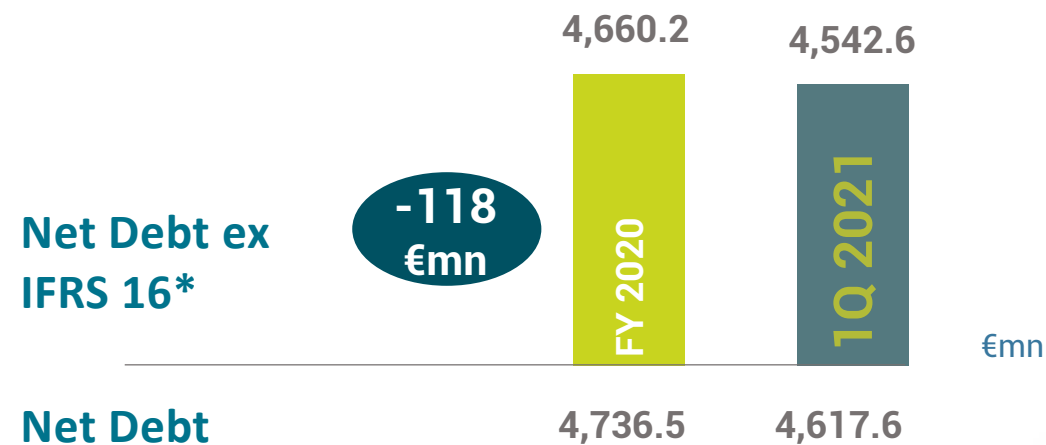
# 1Q 2021 RESULTS KEY HIGHLIGHTS



Capex in line with last year

Cashflow generation also reflects working capital evolution

Net Debt decreased on the back of cashflow generation

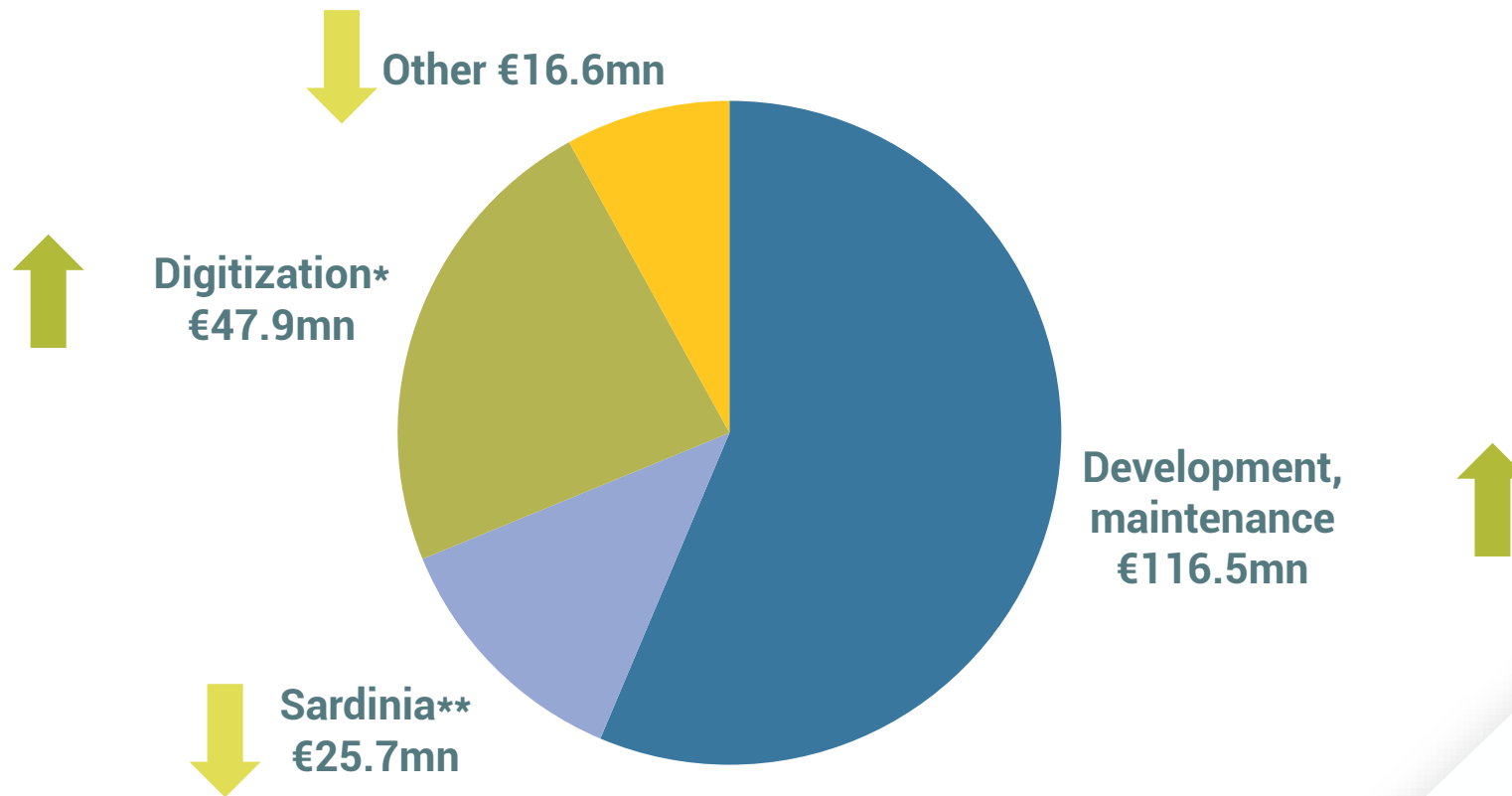


(\* ) Operating leases ex IFRS 16 €75.0mn at the end of 1Q 2021 and €76.3mn at the end of 2020

# CAPEX MIX HAS CHANGED AS EXPECTED

1Q 2021  
€206.7mn +0.5% yoy

203km new networks pipes of  
which 40km in Sardinia  
262k new smart meters  
installed\*\*\*



# RESULTS

## 1Q 2021 REPORTED VS ADJUSTED

1Q 2021  
reported

1Q 2021  
adjusted

Change

€ mln

	1Q 2021 reported	1Q 2021 adjusted	Change
<b>Total Revenues</b>	<b>333.3</b>	<b>333.3</b>	-
Operating expenses	- 98.9	- 98.9	-
<b>EBITDA</b>	<b>234.4</b>	<b>234.4</b>	-
Depreciation & amortisation	- 104.5	- 104.5	-
<b>EBIT</b>	<b>129.9</b>	<b>129.9</b>	-
Net interest income (expenses)	- 20.0	- 13.6	6.4
Net income from associates	0.6	0.6	-
<b>EBT</b>	<b>110.5</b>	<b>116.9</b>	<b>6.4</b>
Income taxes	- 29.5	- 31.0	- 1.5
<b>NET PROFIT before minorities</b>	<b>81.0</b>	<b>85.9</b>	<b>4.9</b>
Minorities	- 4.7	- 4.7	-
<b>NET PROFIT after minorities</b>	<b>76.3</b>	<b>81.2</b>	<b>4.9</b>

- 6.4mn cost of bond buyback transaction finalised in February

- 1.5mn fiscal impact of above mentioned non-recurring item

# RESULTS

## 1Q 2021 ADJUSTED

1Q 2020  
adjusted

1Q 2021  
adjusted

Change

€ mln

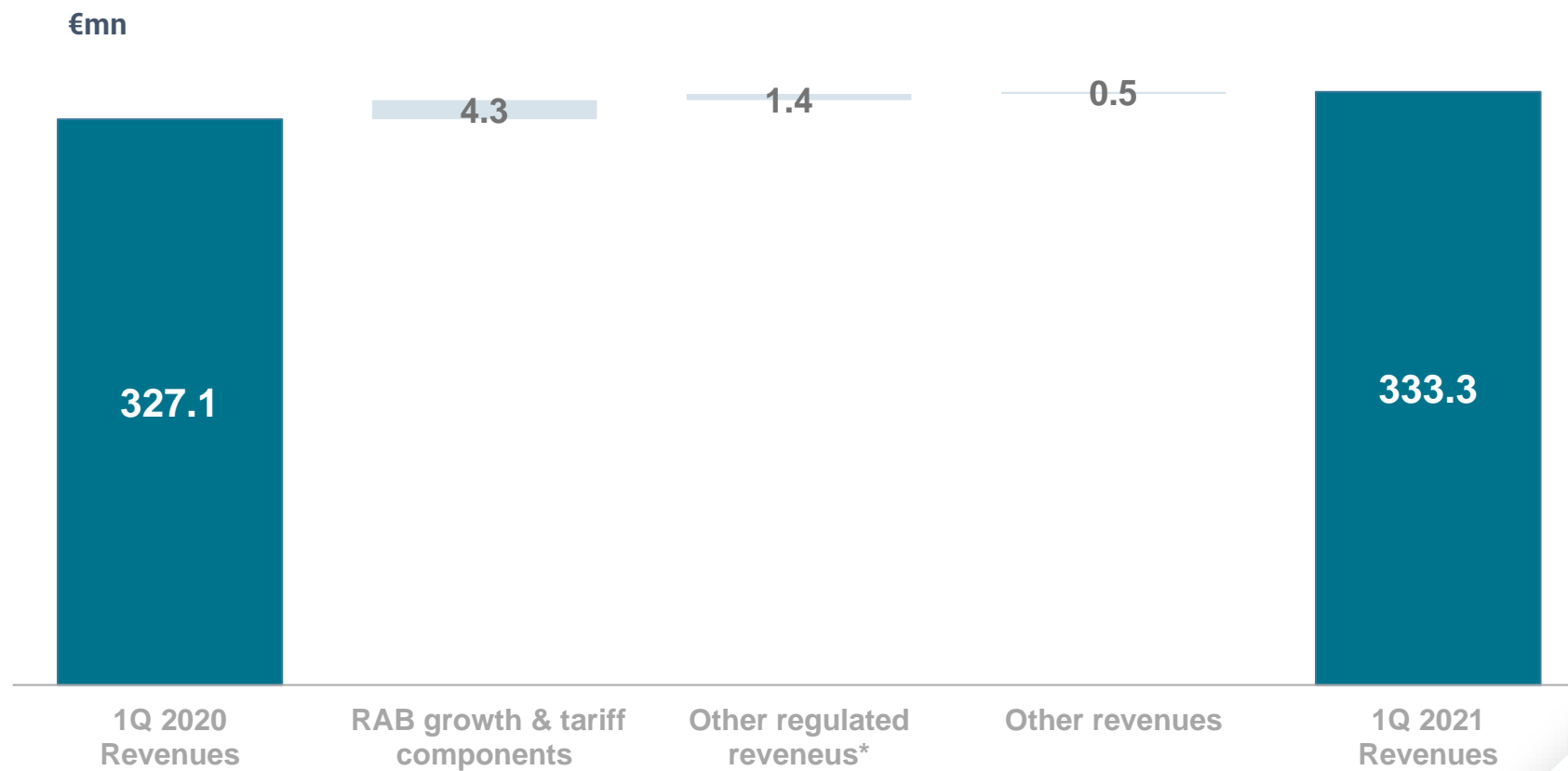
<b>Total Revenues</b>	<b>327.1</b>	<b>333.3</b>	<b>6.2</b>	
Operating expenses	- 100.2	- 98.9	1.3	
<b>EBITDA</b>	<b>226.9</b>	<b>234.4</b>	<b>7.5</b>	↑ + 3.3%
Depreciation & amortisation	- 103.4	- 104.5	- 1.1	
<b>EBIT</b>	<b>123.5</b>	<b>129.9</b>	<b>6.4</b>	↑ + 5.2%
Net interest income (expenses)	- 13.4	- 13.6	- 0.2	
Net income from associates	0.9	0.6	- 0.3	
<b>EBT</b>	<b>111.0</b>	<b>116.9</b>	<b>5.9</b>	
Income taxes	- 30.1	- 31.0	- 0.9	
<b>NET PROFIT before minorities</b>	<b>80.9</b>	<b>85.9</b>	<b>5.0</b>	
Minorities	- 5.6	- 4.7	0.9	
<b>NET PROFIT after minorities</b>	<b>75.3</b>	<b>81.2</b>	<b>5.9</b>	↑ + 7.8%

# RESULTS

## 1Q 2021



### Revenues +1.9% vs 1Q 2020



(\*) including tariff adjustments

# RESULTS

## 1Q 2021

1Q 2020

1Q 2021

Change

€ mln

	1Q 2020	1Q 2021	Change
<b>Regulated revenues</b>	<b>315.3</b>	<b>321.0</b>	<b>5.7</b>
Distribution	294.9	298.0	3.1
Tariff contribution for meters replacement	2.5	3.3	0.8
Other distribution revenues	17.9	19.7	1.8
<b>Other revenues</b>	<b>11.8</b>	<b>12.3</b>	<b>0.5</b>
<b>TOTAL REVENUES</b>	<b>327.1</b>	<b>333.3</b>	<b>6.2</b>



# RESULTS

## 1Q 2021



### Operating expenses -1.3% vs 1Q 2020

€mn



(\*) excluding concession fees, included in TEE & Other

# RESULTS

## 1Q 2021

1Q 2020

1Q 2021

Change

€ mln

	1Q 2020	1Q 2021	Change
<b>Distribution fixed costs</b>	<b>68.4</b>	<b>68.1</b>	<b>- 0.3</b>
Net labour cost	37.6	39.0	1.4
Net external cost	30.8	29.1	- 1.7
<b>Other activities</b>	<b>7.9</b>	<b>9.5</b>	<b>1.6</b>
Net labour cost	0.9	1.1	0.2
Net external cost	7.0	8.4	1.4
Other costs	2.0	0.9	- 1.1
Tee	4.9	3.0	- 2.0
Concessions fees	17.0	17.4	0.4
<b>OPERATING EXPENSES</b>	<b>100.2</b>	<b>98.9</b>	<b>- 1.3</b>

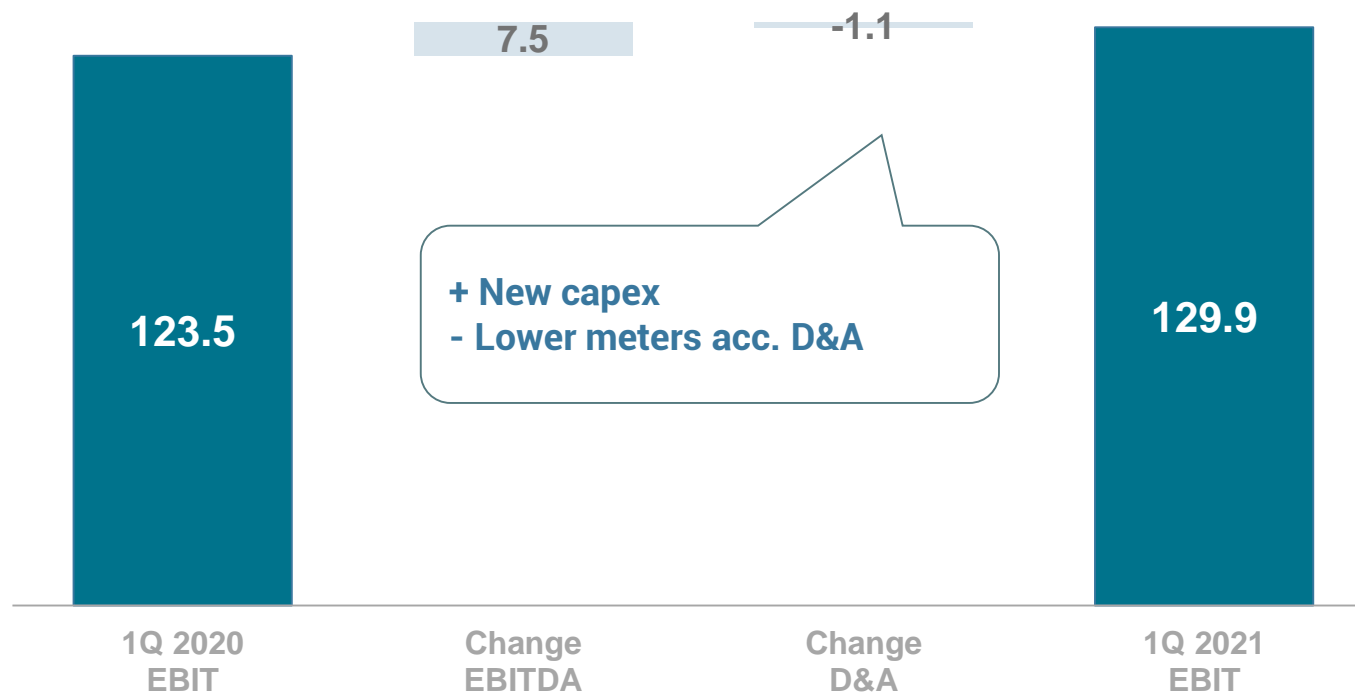
# RESULTS

## 1Q 2021

Ebit +5.2% vs 1Q 2020



€mn

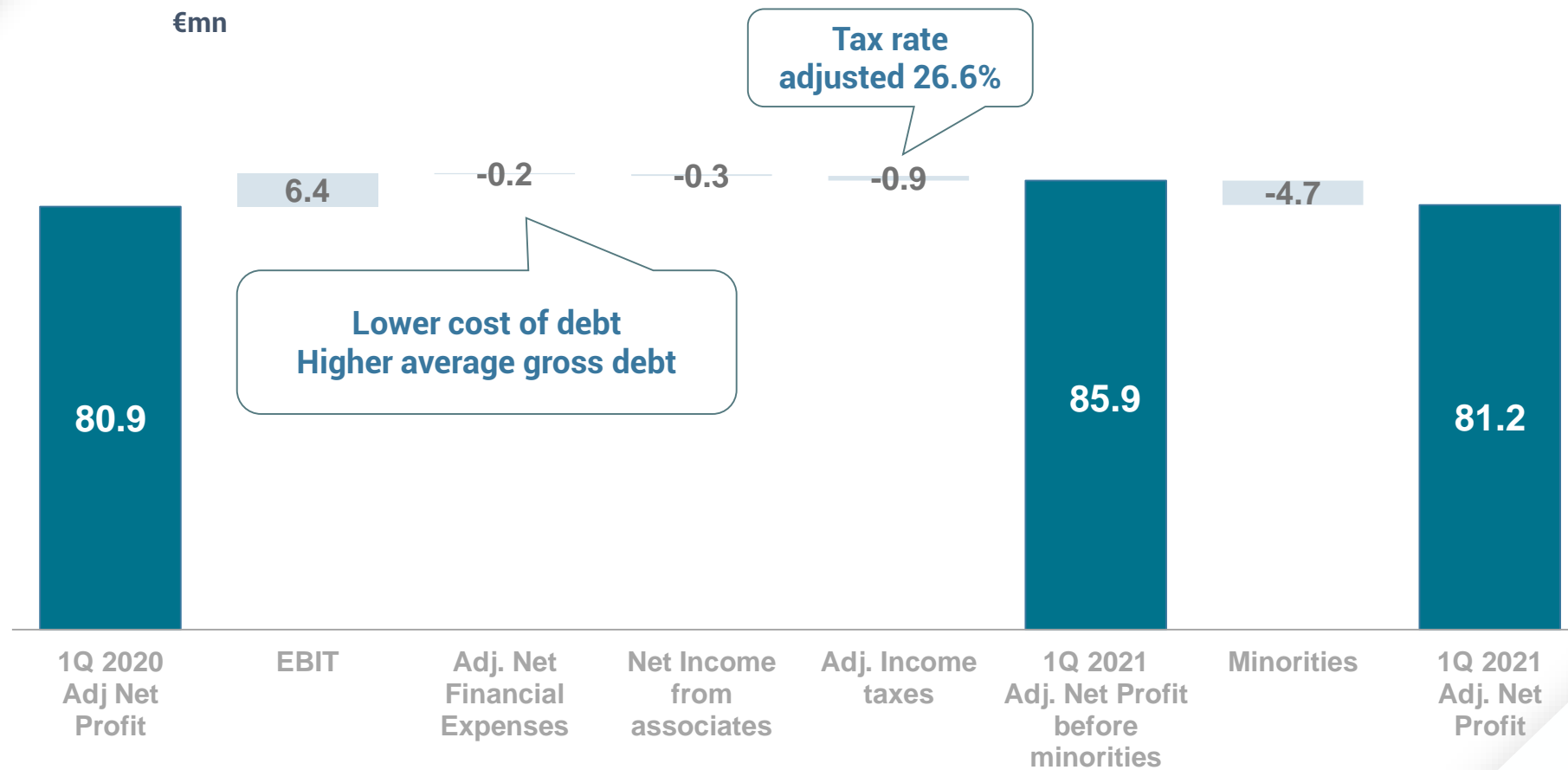


# RESULTS

## 1Q 2021



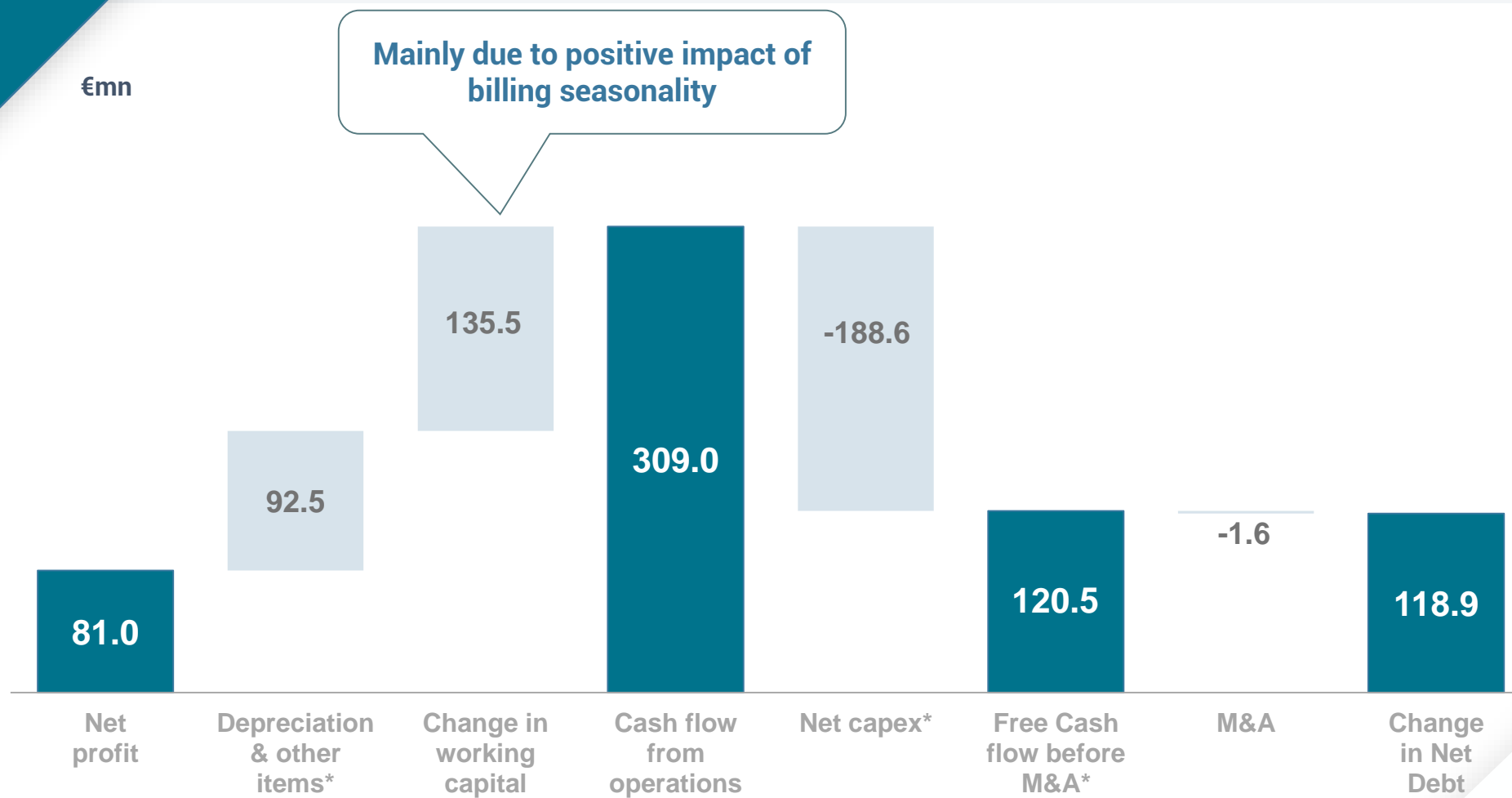
### Adjusted Net Profit +7.8% vs 1Q 2020



# RESULTS

## 1Q 2021

### Cash Flow

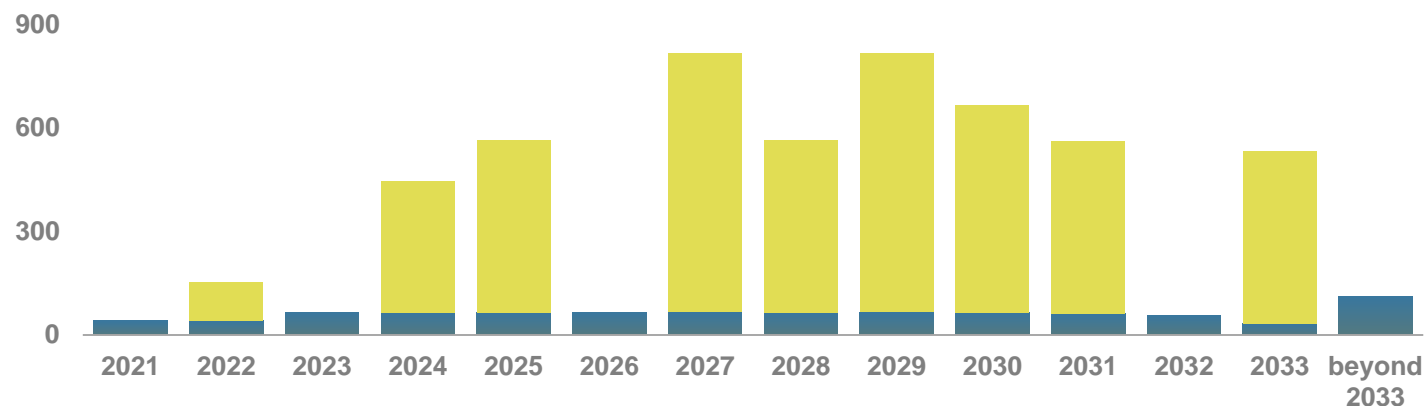


(\*) includes IFRS16 effects

# FINANCIAL STRATEGY

## A KEY SOURCE OF VALUE CREATION

### Debt Maturities



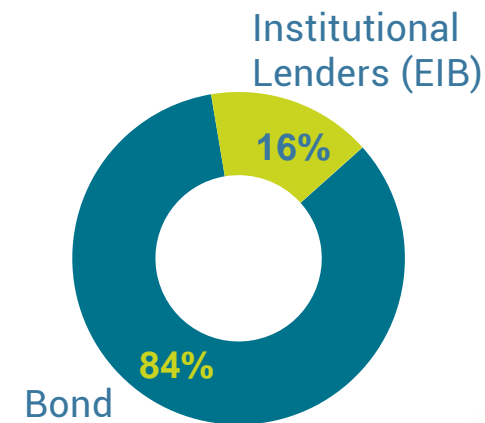
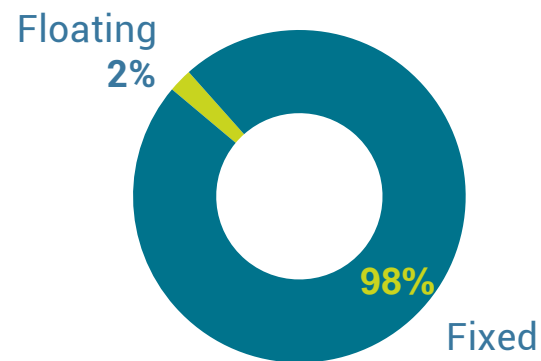
Limited refinancing needs

Liquidity buffer €892mn

Low exposure to interest rates volatility and long debt tenor

Best in class cost of debt of ~1% in 1Q 2021

### 1Q 2021 Gross Debt Structure\*



(\* excluding IFRS16)

# RESULTS

## 1Q 2021

### BALANCE SHEET

€ mln

	FY 2020	1Q 2021	Change
<b>Net invested capital</b>	<b>6,713.9</b>	<b>6,679.2</b>	<b>- 34.7</b>
Fixed capital	6,707.2	6,792.3	85.1
Tangible fixed assets	369.9	367.7	- 2.2
Net intangible fixed assets	6,511.5	6,614.2	102.7
Net payables investments	- 208.6	- 224.6	- 16.0
Equity-accounted and other investments	34.4	35.0	0.6
Net working capital	111.2	- 10.1	- 121.3
Provisions for employee benefits	- 104.6	- 103.1	1.5
Assets held for sale and directly related liabilities	0.1	0.1	-
<b>Net financial debt</b>	<b>4,736.5</b>	<b>4,617.6</b>	<b>- 118.9</b>
Financial debt for operating leases (IFRS 16)	76.3	75.0	- 1.3
<b>Net financial debt ex operating leases</b>	<b>4,660.2</b>	<b>4,542.6</b>	<b>- 117.6</b>
<b>Shareholders' equity</b>	<b>1,977.4</b>	<b>2,061.6</b>	<b>84.2</b>

# 1Q 2021 CONCLUSION



**Growth led by RAB increase**

**Change in capex mix reflecting the “nearly” completed meters replacement plan**

**Cost efficiency continues thanks to Digital Transformation**

**Additional focus on Sustainability**

**Successful bond issuance**

**New business plan 2020-27 to be presented in June**

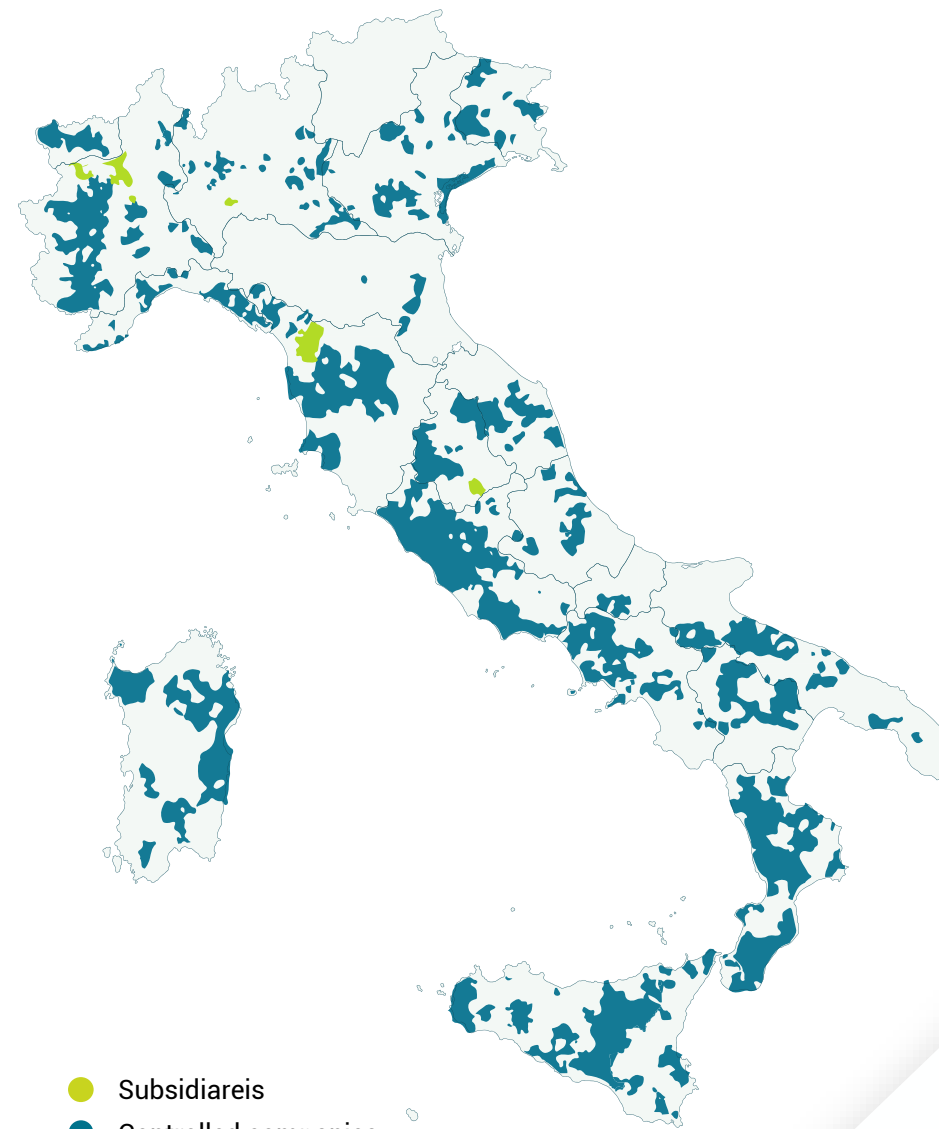


# APPENDIX



# MAIN NUMBERS

	OPERATING HIGHLIGHTS (TOTAL)	OF WHICH AFFILIATES
Network length	73.319 km	1,877 km
Municipalities	1,888	61
Redelivery Points	7.750 mn	0.153 mn
Market Share <sup>(1)</sup>	35%	0,1%



(\*) Calculated by redelivery points

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