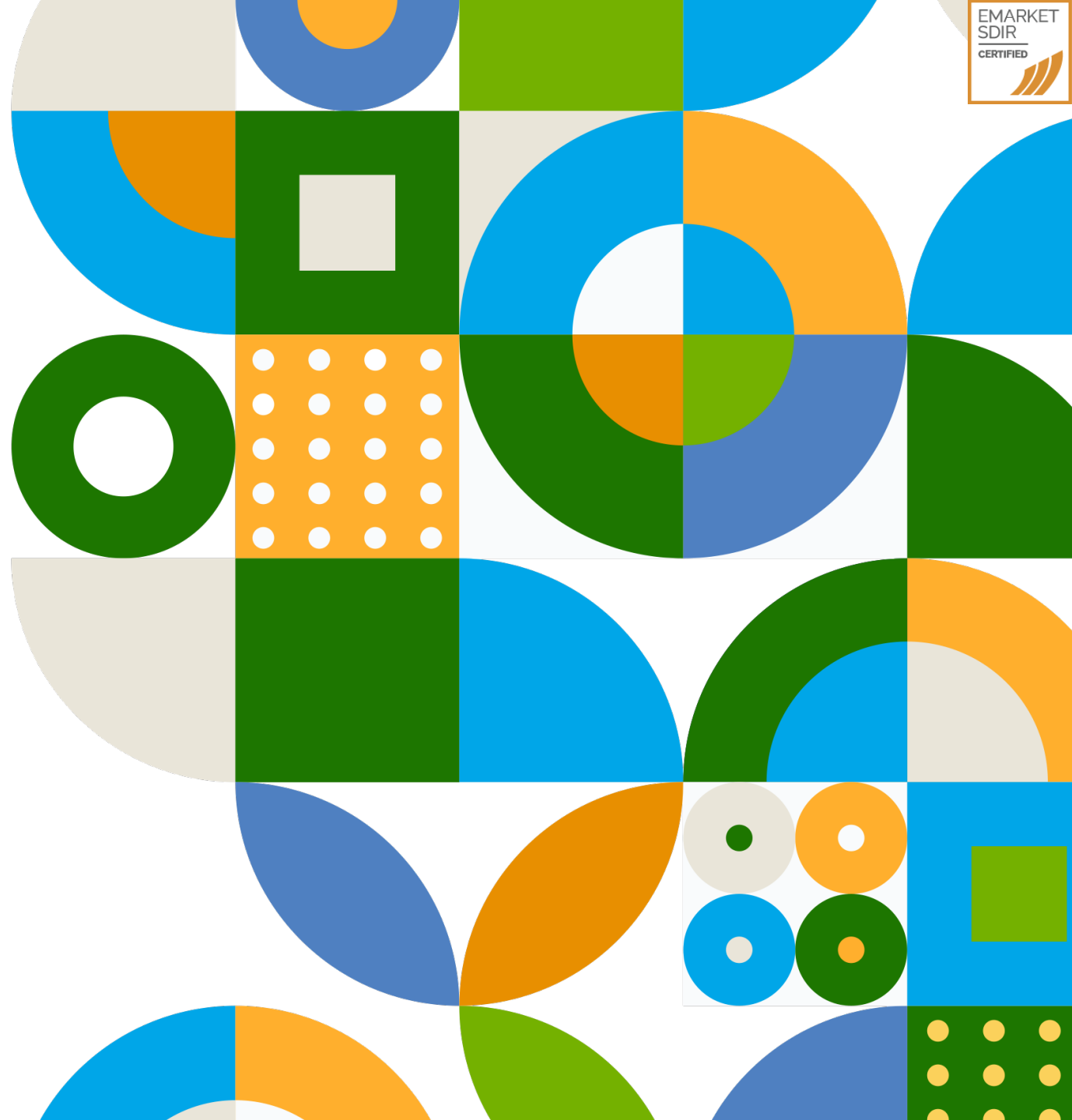




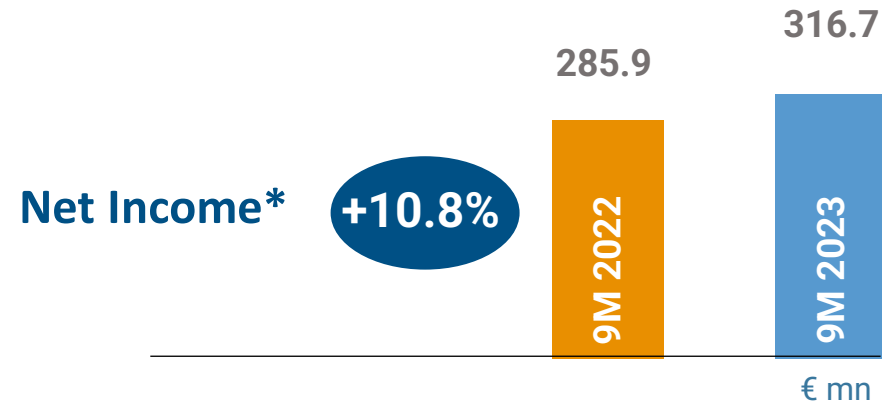
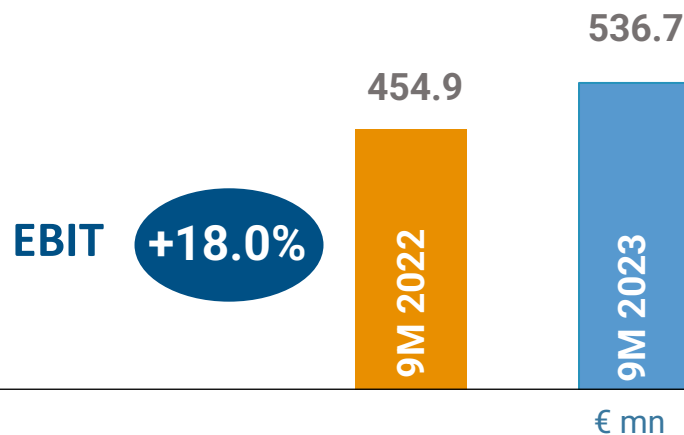
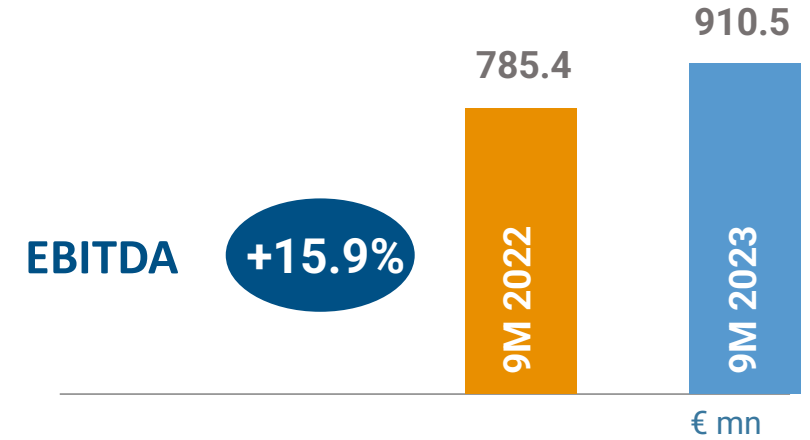
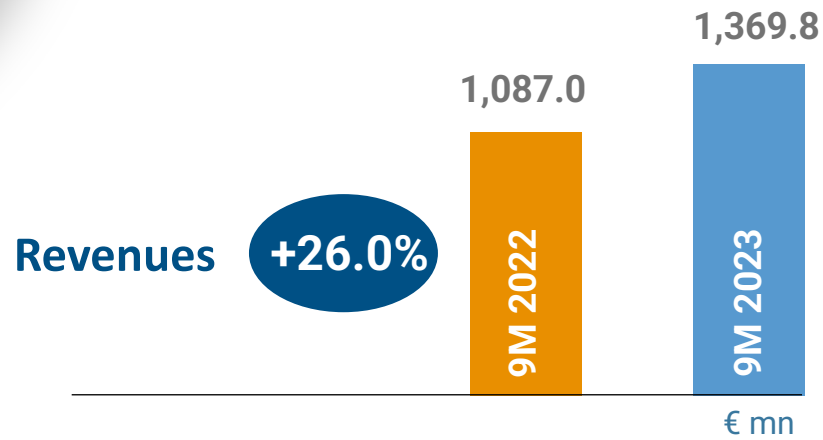
9M 2023 Results

Milan
25.10.2023



9M 2023 Results key highlights

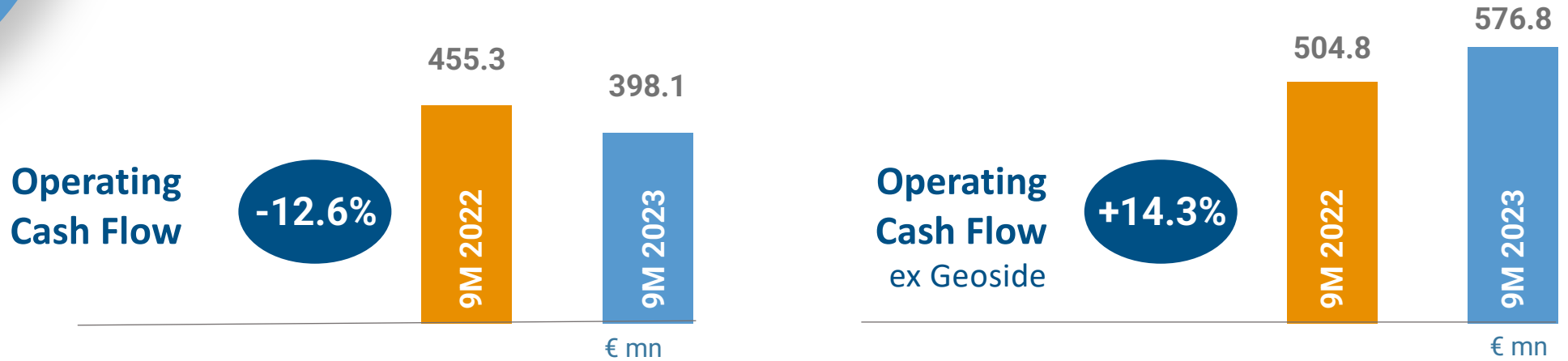
Trends in line with previous quarters - Greece consolidation and EScO drive growth
In Italian distribution, incremental RAB mitigates impact of disposals



(*) 9M 2022 numbers adjusted for Gaxa capital gain

9M 2023 Results key highlights

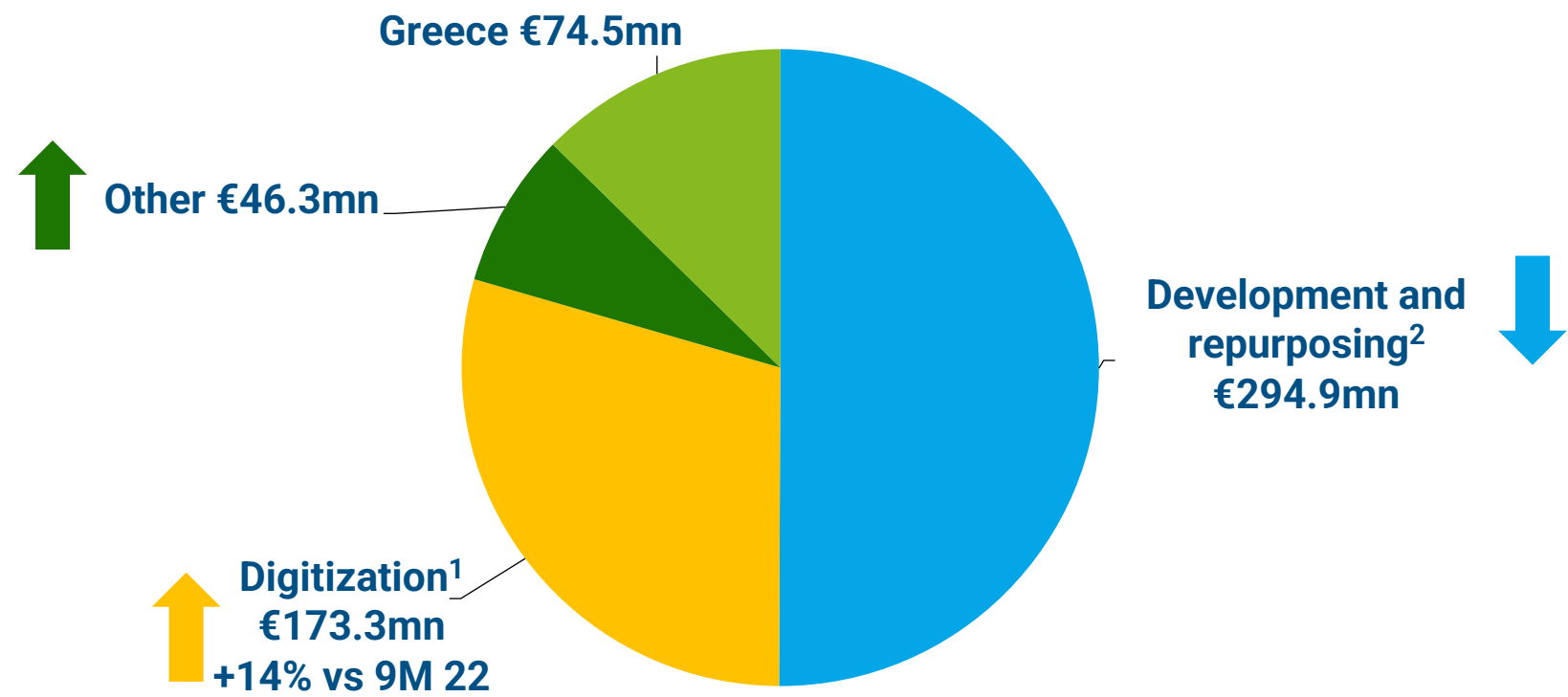
Operating cashflow decline driven mainly by Superbonus receivables, explaining also Net Debt growth. Netting such impact, operating cashflow increased strongly, despite lower volumes. Capex led by Greece contribution.



(*) Operating leases ex IFRS 16 €80.5mn at the end of 9M 2023 and €72.0mn at the end of 2022

9M 2023 Results capex

9M 2023 **€589.1mn, +7.8%**



~680 km of new network pipes, of which 435km in Greece

Note: capex including IFRS 16, total amounts; (1) includes metering (2) includes Sardinia

**Water,
first major
acquisition
done**

**Closed acquisition of Veolia’s Italian water concessions business unit
Price partially linked to performance through earn out mechanism**

€115mn
EQUITY FOR
the NEW
ASSETS

~€140mn
ASSIGNED FUNDS

Already assigned National Recovery and Resilience Plan funds to be spent by 2026

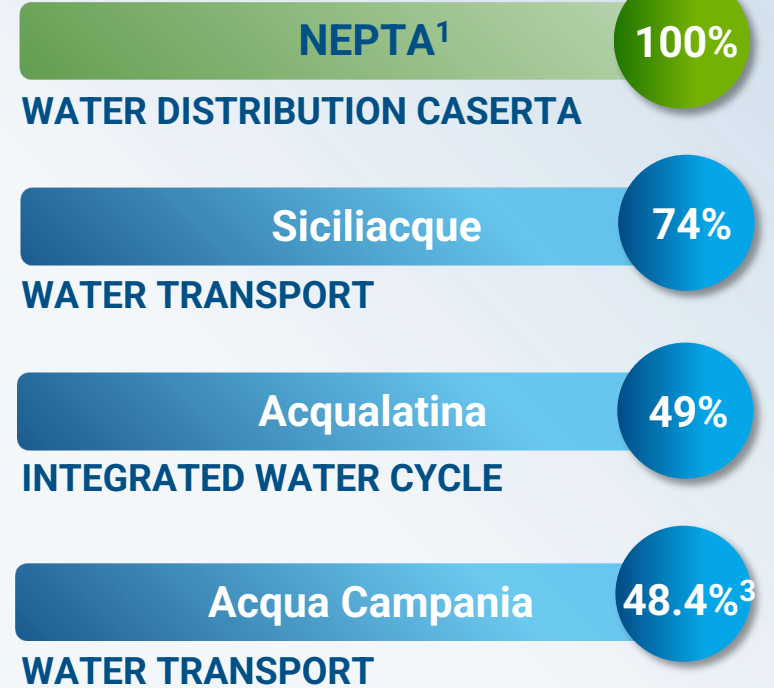
~€300mn
Organic Gross CAPEX

100% of the 3 operating companies in 2024-29

~€55mn
EBITDA Adj 22

100% of the 3 operating companies

NEPTA²

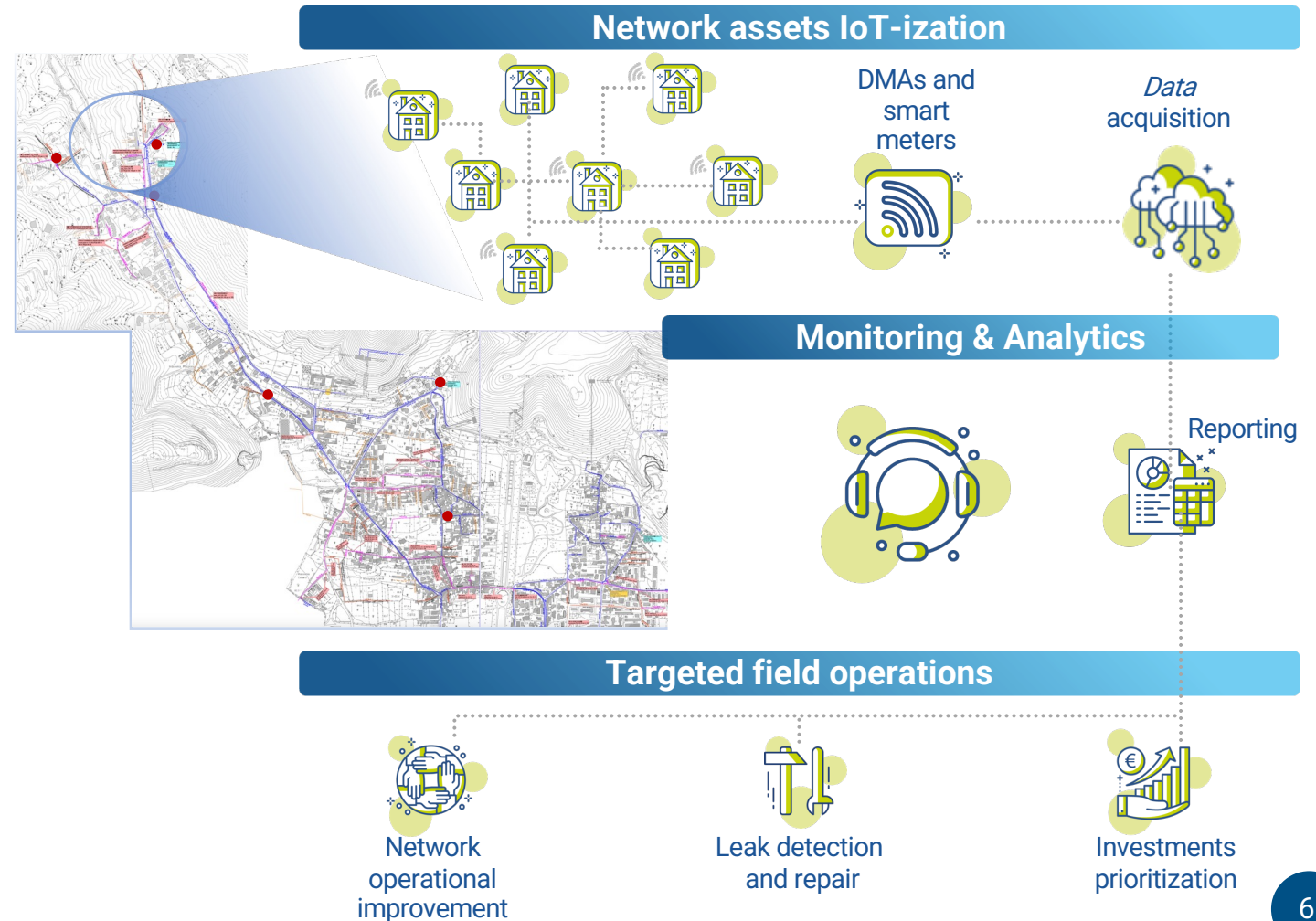


Digital transformation for Water Business

Italgas to play an industrial role leveraging on its own expertise and project management capabilities. Primary focus level of leaks. Efficiencies to improve operating cashflow generation.

STRATEGIC RATIONALE

- ✓ **Similarities** with Italgas core gas distribution business
- ✓ Underperforming assets with **strong need of turnaround**
- ✓ **Best practice sharing** and **digital transformation** opportunity
- ✓ **Actionable operating synergies** e.g. overlap of gas and water in Latina
- ✓ Support the **National Recovery and Resilience Plan**



Water, key financials

100% of water
assets

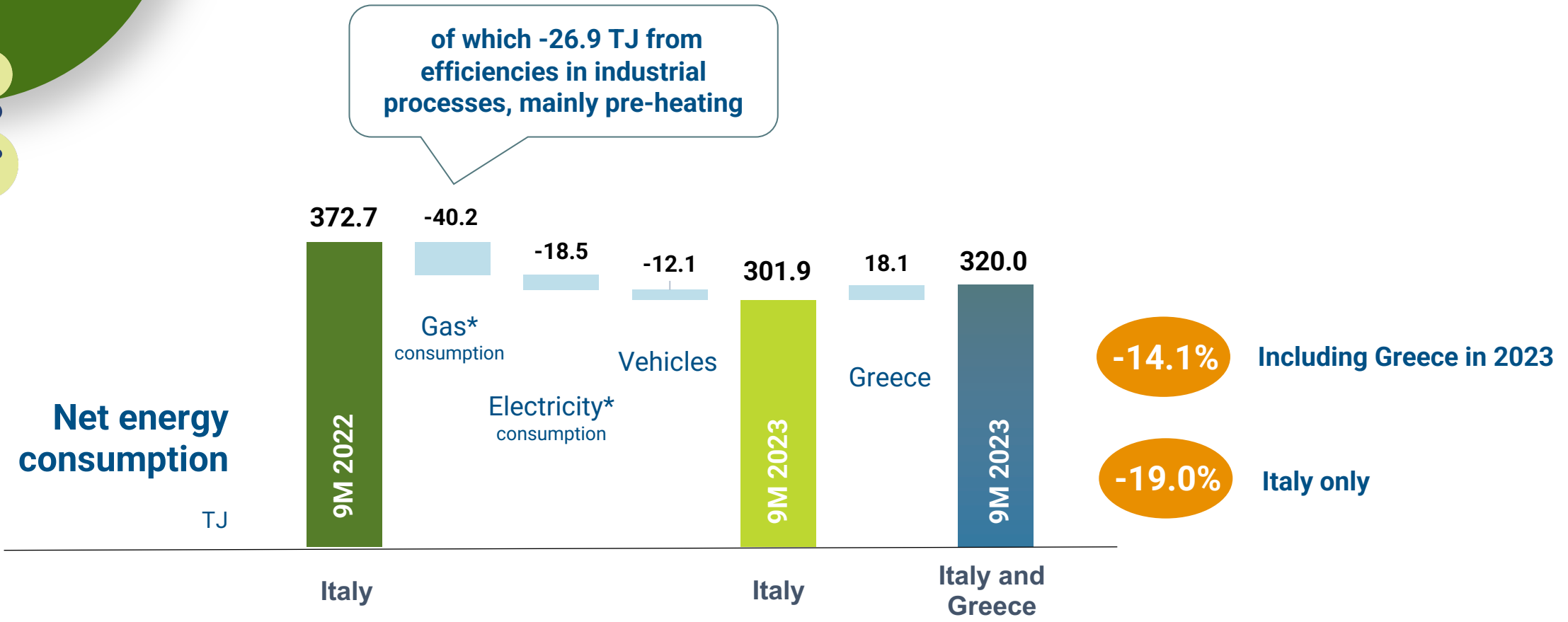
NEPTA

€ mln, i

Revenues 2022	329.5	202.6
Adj EBITDA 2022	53.4	36.2
Net Income 2022	15.2	8.1
RAB*+ tariff adj	412.0	273.9
Adjusted Net Debt 2022	120.6	69.0

Note: Revenues, Adjusted EBITDA, Assets and Net Debt 100% of Siciliacque, Italgas existing water assets and pro-quota of Acqualatina e Acqua Campania; Net Income pro quota; (*) includes capex to 31/12/2022. Resolution 422/23 potential impacts not included

9M 2023 Results ESG net energy consumption

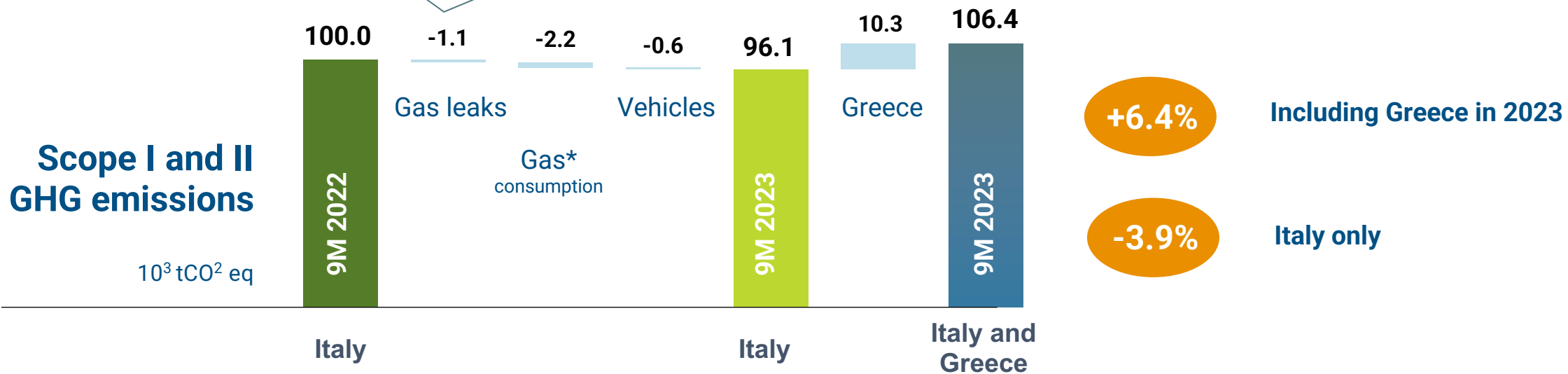


(*) Civil and industrial consumption

9M 2023 Results ESG GHG emissions



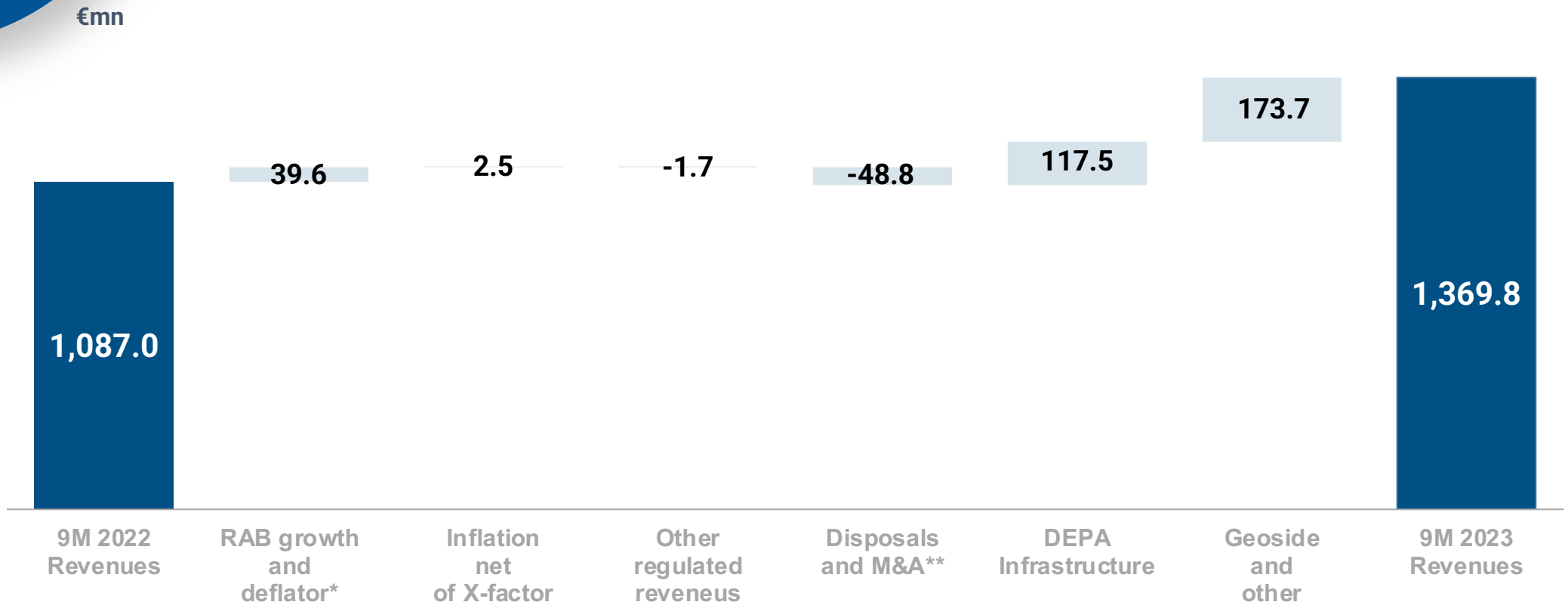
- 76,025 km inspected in Italy (+14.9%) and 5,799 km inspected in Greece
 - Gas leaked / km surveyed: Italy 62.3 smc/km (-14.1%), Greece 94.8 smc/km



(*) Civil and industrial consumption;

9M 2023 Results

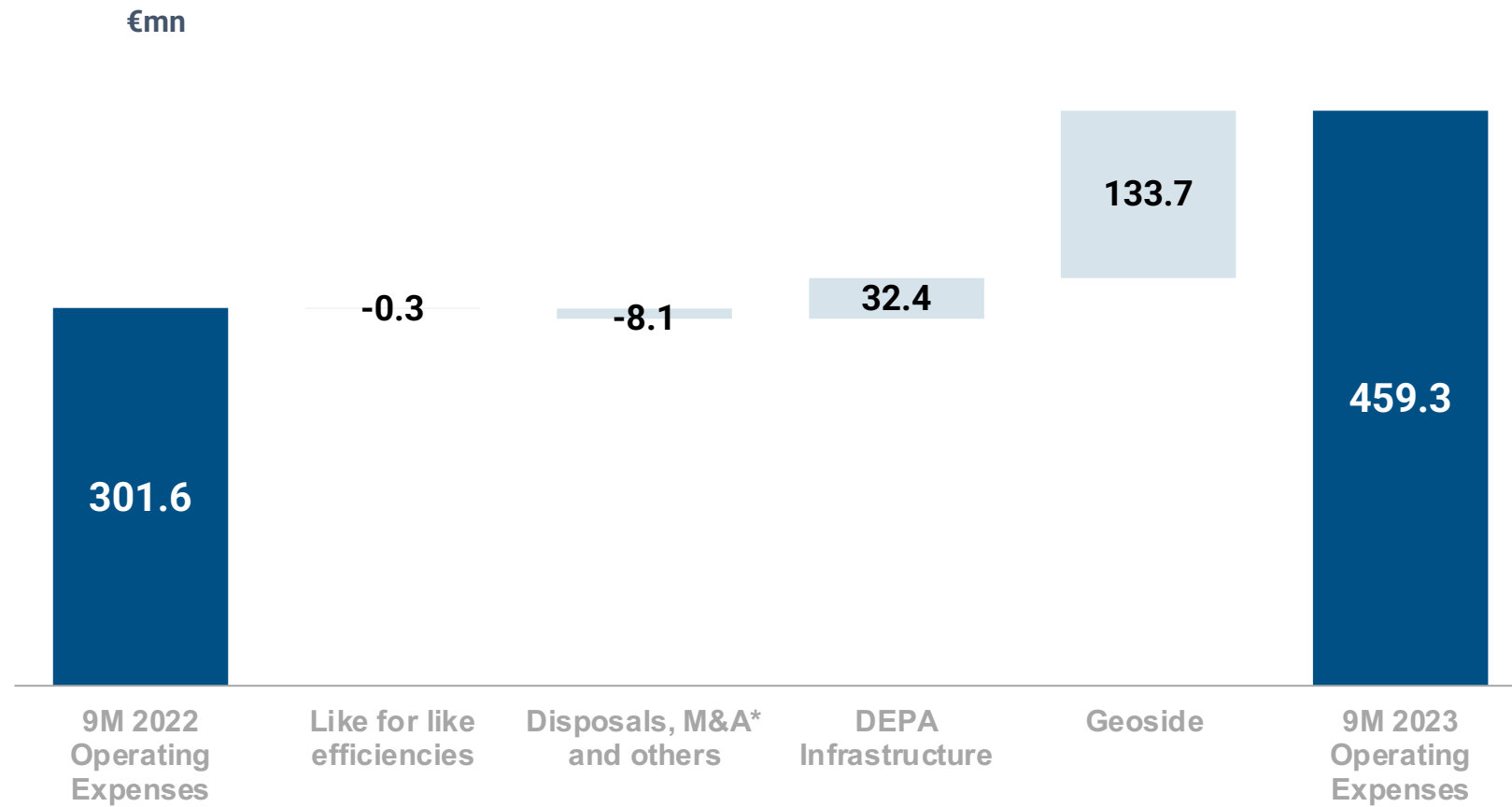
Revenues +26.0% vs 9M 2022



Note: DEPA Infrastructure fully consolidated as of 1st September 2022; (*) Including Sardinia; (**) Naples, Gaxa and Janagas mainly;

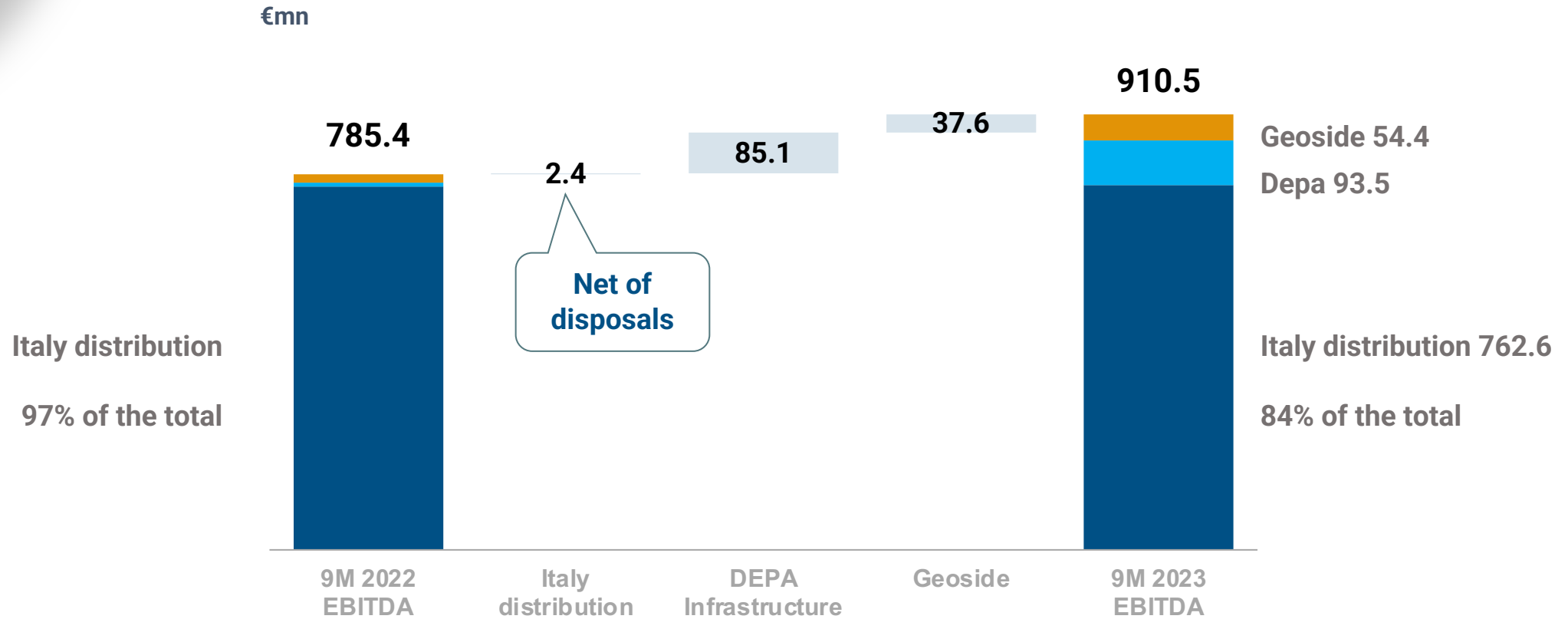
9M 2023 Results

Operating expenses +52.3% vs 9M 2022



9M 2023 Results

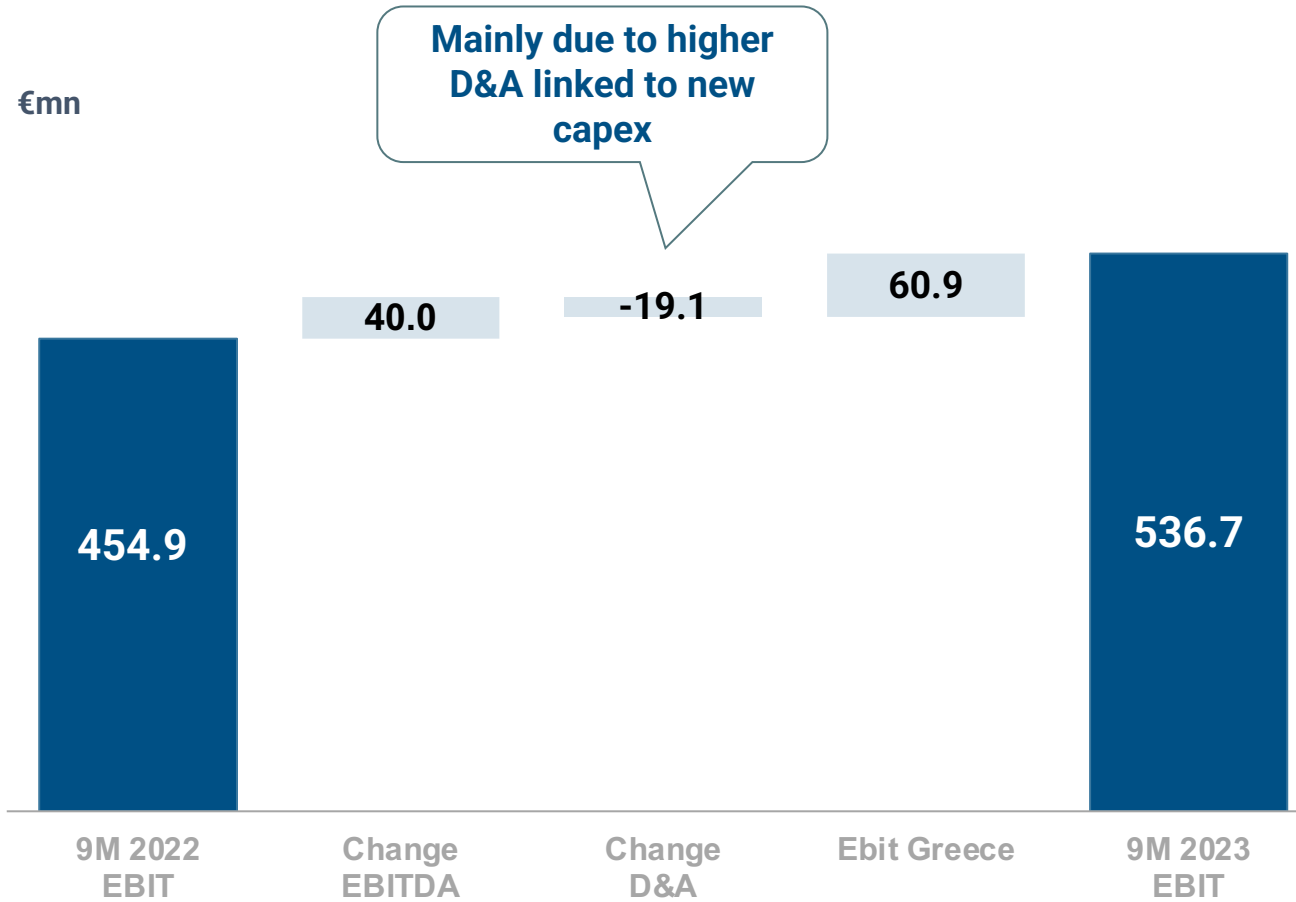
EBITDA +15.9% vs 9M 2022



Note: DEPA Infrastructure fully consolidated as of 1st September 2022

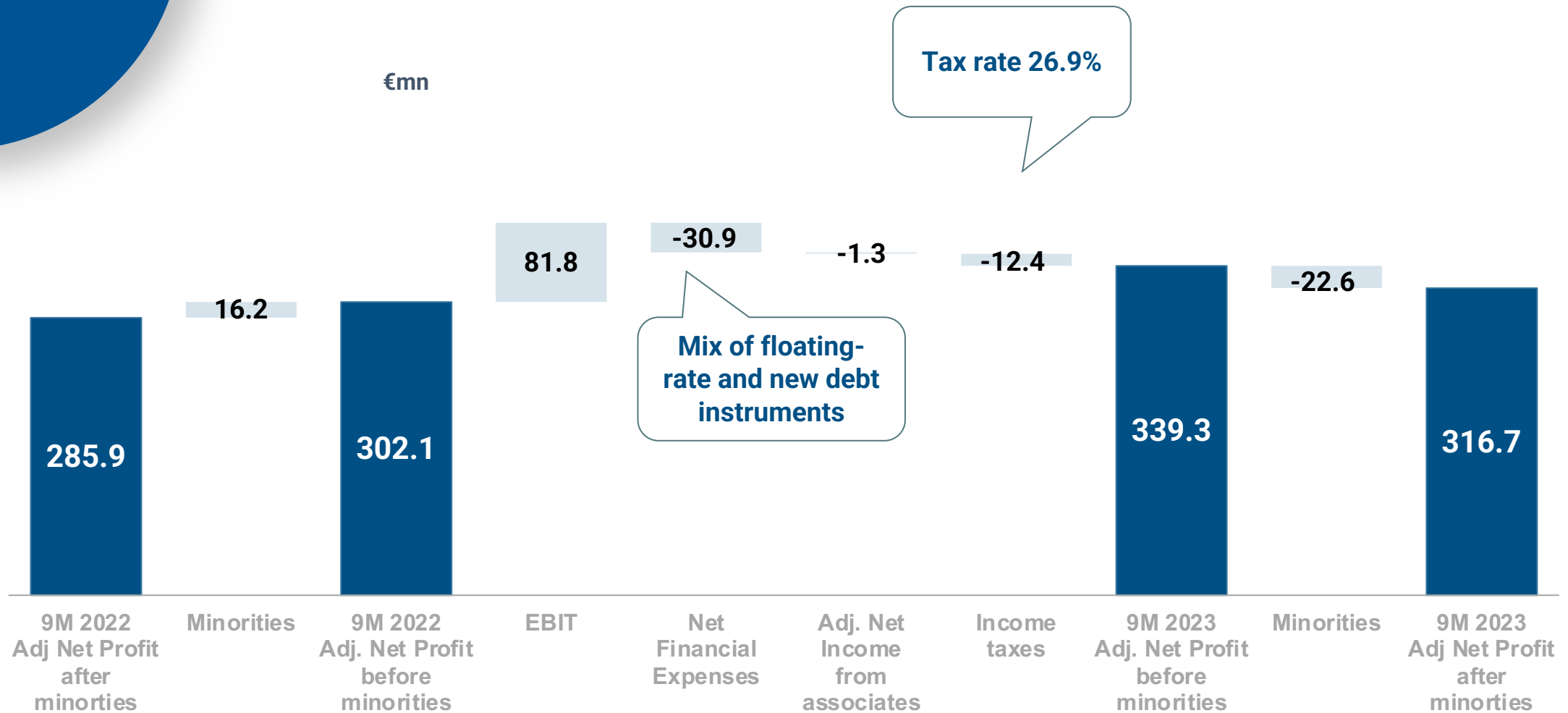
9M 2023 Results

Ebit +18.0% vs 9M 2022



9M 2023 Results

Net Profit* +10.8% vs 9M 2022



(*) 9M 2022 numbers adjusted for Gaxa capital gain

9M 2023 Results

9M 2022
adjusted*

9M 2023

Change

P&L, € mln

	9M 2022 adjusted*	9M 2023	Change	
Total Revenues	1,087.0	1,369.8	282.8	
Operating expenses	- 301.6	- 459.3	- 157.7	
EBITDA	785.4	910.5	125.1	↑ + 15.9%
Depreciation & amortisation	- 330.5	- 373.8	- 43.3	
EBIT	454.9	536.7	81.8	↑ + 18.0%
Net interest income (expenses)	- 41.1	- 72.0	- 30.9	
Net income from associates*	0.7	- 0.6	- 1.3	
EBT*	414.5	464.1	49.6	
Income taxes	- 112.4	- 124.8	- 12.4	
NET PROFIT before minorities*	302.1	339.3	37.2	
Minorities	- 16.2	- 22.6	- 6.4	
NET PROFIT after minorities*	285.9	316.7	30.8	↑ + 10.8%

9M 2023 Results Geoside focus

9M 2022

9M 2023

Change

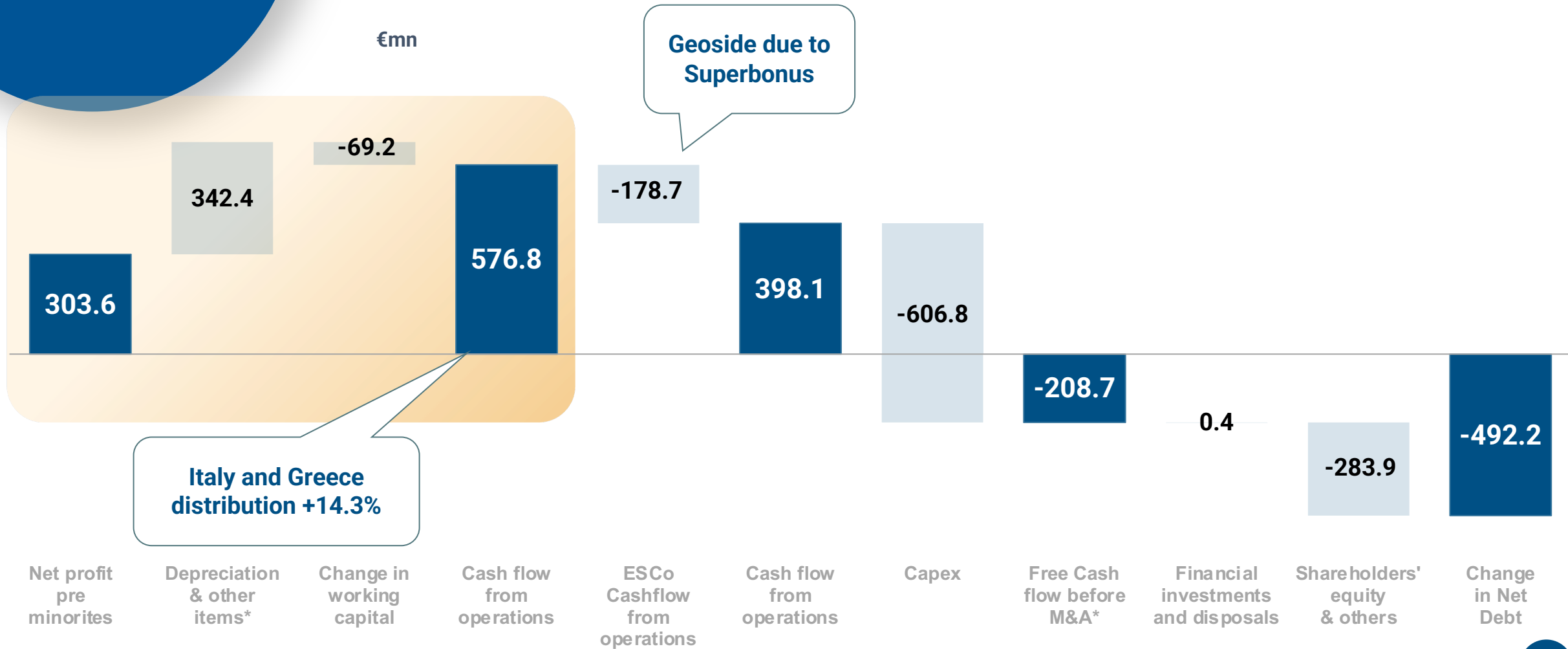
GEOSIDE, € mln

	9M 2022	9M 2023	Change
Total Revenues	91.6	263.7	172.1
Operating expenses	- 74.8	- 209.3	- 134.5
EBITDA	16.8	54.4	37.6
Depreciation & amortisation	- 2.2	- 2.5	- 0.3
EBIT	14.6	51.9	37.3
EBITDA Margin	18%	21%	

9M 2023 Results

Cash Flow

€mn



(*) includes IFRS16 effects

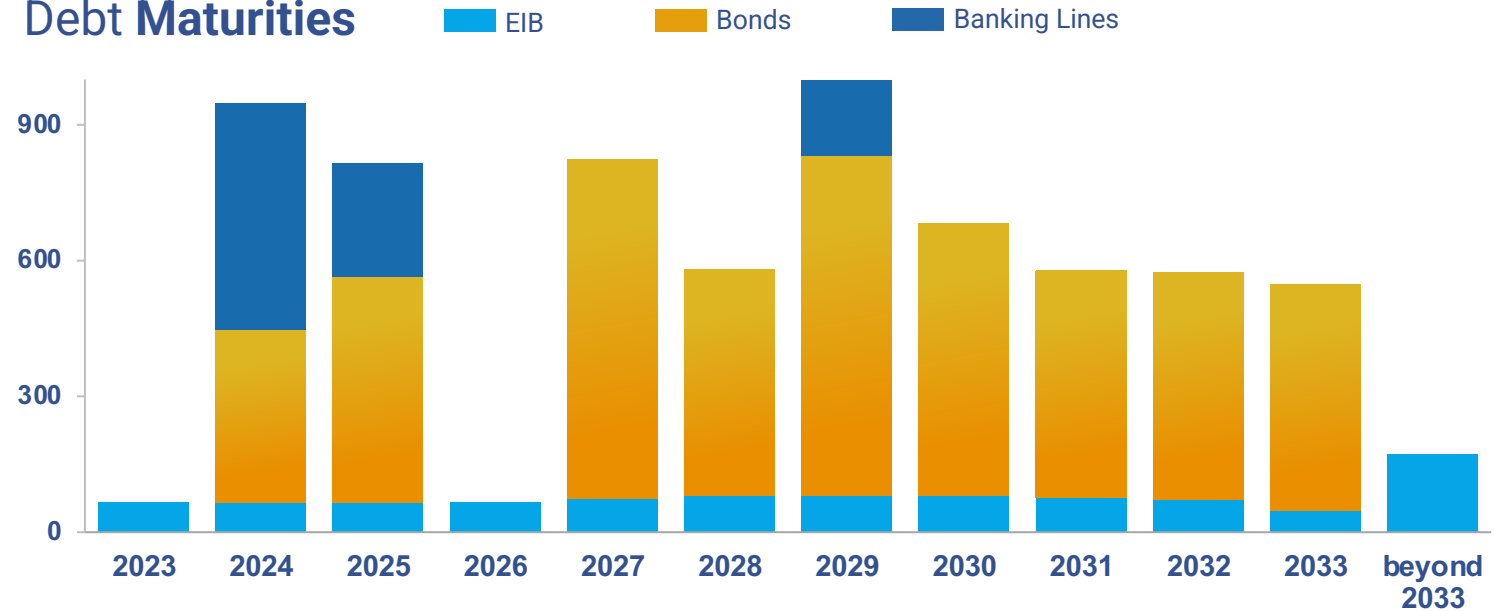
9M 2023 Results debt structure

Liquidity currently >0.4bn to cover short term outflows and to keep an adequate buffer going forward

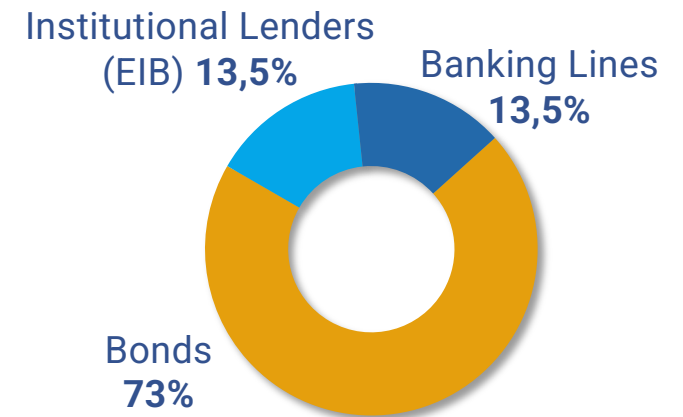
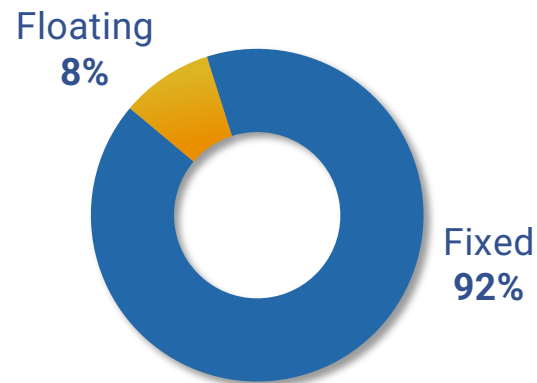
Average cost of debt ~1.4% in 9M 2023

Net Debt €6,492mn with IFRS 16 at 9M

Debt Maturities



30/09/2023 Gross Debt Structure¹



(1) excluding IFRS16

9M 2023 Results final remarks

9M results confirm underlying trends of 1H - with an outstanding growth

Strong **Italian distribution** fundamentals, led by RAB growth, despite negative impact of Naples disposal

Greece and **Geoside** significant contributors

Solid distribution **cashflow generation**, despite lower volumes, offset by Geoside's cash absorption. Geoside to be cash positive from next year

Key strategic achievements - head of initial targets

Acquisition of **Veolia's water business** unit in October

Greek DSOs (1) completed **re-organization** DEPA Infra and DSOs, (2) three DSO into a **single DSO** at the end of September; (3) migrated to **Cloud**; (4) Athens' operations moved in a **single building**

Guidance and plan targets

Confirm the **guidance** for 2023¹

Gas distribution **WACC** in Italy to **increase** by **80-90bps** next year, driving material earnings growth

In **acceleration** to reach mid-term Strategic Plan objectives ahead of schedule

The Italgas logo features a stylized 'G' icon to the left of the word 'Italgas' in a white, sans-serif font. The logo is positioned on a dark blue circular background that overlaps with other decorative elements on the slide.

Q&A

9M 2022

9M 2023

Change

REVENUES, € mln

	9M 2022	9M 2023	Change
Regulated revenues Italy distribution	954.7	957.4	2.7
Distribution	885.4	898.2	12.8
Tariff contribution for meters replacement	1.4	3.4	2.0
Other distribution revenues	67.9	55.9	- 12.0
Other revenues	119.5	282.0	162.5
DEPA Infrastructure	12.9	130.4	117.5
TOTAL REVENUES	1,087.0	1,369.8	282.8

9M 2023 Results Balance sheet

	31/12/22	30/09/23	Change
Net invested capital	8,390.7	8,974.0	583.3
Fixed capital	8,120.6	8,312.4	191.8
Tangible fixed assets	379.0	385.0	6.0
Net intangible fixed assets	7,975.5	8,128.3	152.8
Net payables investments	- 303.5	- 270.5	33.0
Equity-accounted and other investments	69.6	69.6	-
Net working capital	340.0	715.2	375.2
Provisions for employee benefits	- 69.9	- 67.7	2.2
Assets held for sale and directly related liabilities	-	14.1	14.1
Net financial debt	6,000.1	6,492.3	492.2
Financial debt for operating leases (IFRS 16)	72.0	80.5	8.5
Net financial debt ex operating leases	5,928.1	6,411.8	483.7
Shareholders' equity	2,390.6	2,481.7	91.1

3Q 2023 Results

3Q 2022

3Q 2023

Change

P&L, € mln

	3Q 2022	3Q 2023	Change
Total Revenues	379.6	438.0	58.4
Operating expenses	- 107.5	- 134.5	- 27.0
EBITDA	272.1	303.5	31.4
Depreciation & amortisation	- 113.2	- 125.6	- 12.4
EBIT	158.9	177.9	19.0
Net interest income (expenses)	- 14.8	- 27.4	- 12.6
Net income from associates	0.2	- 0.3	- 0.5
EBT	144.3	150.2	5.9
Income taxes	- 37.3	- 39.6	- 2.3
NET PROFIT before minorities	107.0	110.6	3.6
Minorities	- 6.8	- 7.1	- 0.3
NET PROFIT after minorities	100.2	103.5	3.3

9M 2023 Results quarters

1Q 2023

2Q 2023



3Q 2023

4Q 2023

P&L, € mln

	1Q 2023	2Q 2023	3Q 2023
Total Revenues	479.9	451.9	438.0
Operating expenses	- 182.7	- 142.1	- 134.5
EBITDA	297.2	309.8	303.5
Depreciation & amortisation	- 124.7	- 123.5	- 125.6
EBIT	172.5	186.3	177.9
Net interest income (expenses)	- 19.9	- 24.7	- 27.4
Net income from associates	0.4	- 0.7	- 0.3
EBT	153.0	160.9	150.2
Income taxes	- 41.1	- 44.1	- 39.6
NET PROFIT before minorities	111.9	116.8	110.6
Minorities	- 8.3	- 7.2	- 7.1
NET PROFIT after minorities	103.6	109.6	103.5

9M 2023 Results main physical data

	OPERATING HIGHLIGHTS (TOTAL)	OF WHICH ITALY with affiliates 	OF WHICH GREECE 
Network length	81,760.5 km	73,991.5 km	7,769.0 km
Municipalities	2,050	1,905	145
Active Redelivery Points	7.96 mn	7.37 mn	0.59 mn

Vision

To be a leading figure in the world of energy, driving its sustainable evolution and innovating each day to improve people's quality of life.

Purpose

Pioneers by passion and builders by calling, we bring all our energy to accelerate the ecological transition. We do it for us. We do it for everyone.

Mission

We have guaranteed efficient, safe and excellent energy services to the community for over 180 years. We favour the energy transition, creating the networks of the future and promoting innovative, sustainable solutions. We take care of local communities. We fuel positive, productive relationships with all of our stakeholders: individuals, companies, suppliers and shareholders. We enter new markets where we can apply our distinctive expertise. We promote the growth of individuals and develop talent, creating inclusive, stimulating work environments

Disclaimer

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