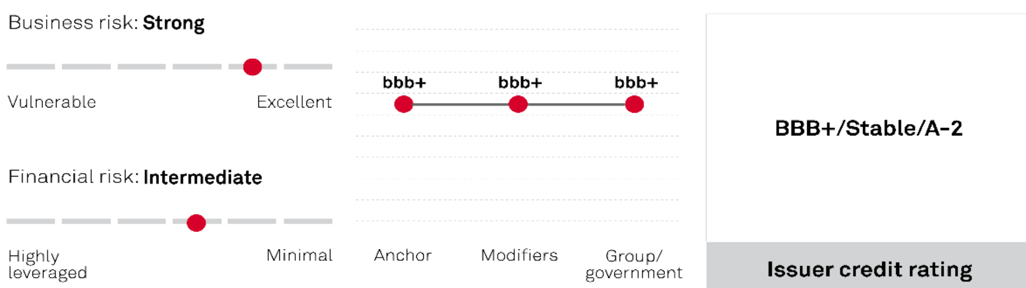
Hera SpA

May 22, 2024

Ratings Score Snapshot



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Credit Highlights

Overview

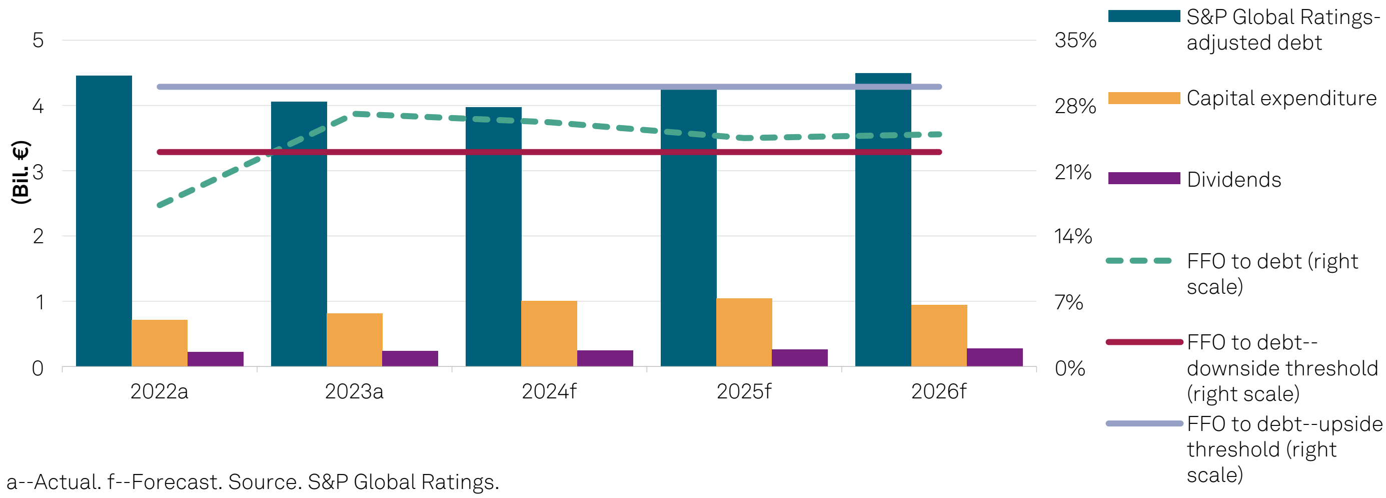
Key strengths	Key risks
Stable and predictable cash flow generation from fully regulated activities in electricity, gas, and water distribution, as well as urban waste collection and treatment, will represent at least 40% of reported EBITDA over the next two to three years.	Lack of vertical integration, with an expanding energy retail client base.
One of the largest utilities in Italy (€1.5 billion of reported EBITDA in 2023), with a dominant position in northeast Italy and leading market shares in waste treatment and water management.	Italy's default would impair the company's capacity to finance itself.
Balanced financial policy, with a commitment to the current rating.	S&P Global Ratings-adjusted funds from operations (FFO) to debt above 23% and acquisitive track record.

We expect Hera's growth will normalize from 2024, following strong results in 2023. Hera's adjusted EBITDA was €1.39 billion in 2023, a year-on-year increase of 32%. On top of a healthy growth and a recovery in retail activities following the energy crisis, the increase resulted from one-off contributions that were mostly linked to government-incentivized energy efficiency services, such as the so-called Superbonus, and to the last-resort retail market. The latter two accounted for €120 million in exceptional non-recurring earnings. Because of this, we expect Hera's growth will moderate this year, with EBITDA at or slightly below last year's. EBITDA will benefit from the 2024 increase in the weighted-average cost of capital for energy networks (80 basis points [bps] for electricity distribution and 90 bps for gas distribution), water activities (130 bps), urban waste collection (70 bps), and urban waste treatment (60 bps). We expect healthy year-on-year earnings growth at a compound annual growth rate (CAGR) of 7% over 2024-2027. Earnings growth will benefit from organic growth--which will add a cumulative €355 million to Hera's EBITDA by 2027--and bolt-on acquisitions, which are in line with the company's acquisitive track record and will contribute €100 million to Hera's earnings. Adjusted EBITDA should therefore exceed €1.5 billion in 2027, with the waste segment expanding more than the other business divisions because of strong demand, especially for recycled materials.

Hera's business plan over 2023-2027 provides strategic continuity and supports the rating. Hera plans to invest €4.4 billion over 2023-2027, an increase of 7% compared with the previous five-year plan over 2022-2026. The company's planned investments include €400 million in bolt-on debt-financed acquisitions. Fully regulated activities, including waste collection, will account for 55% of investments, most of which are earmarked for water networks. This will increase the regulated asset base to €4.1 billion, from €3.2 billion (excluding district heating). Unregulated activities, mostly energy (€1 billion) and waste treatment (€0.9 billion), will represent the remaining 45% of investments. While fully regulated earnings will be more diluted than in the previous plan, mainly due to stronger contributions from the energy and waste businesses, we expect regulated activities--including urban waste collection and treatment, as well as district heating--will continue to contribute at least 40% to EBITDA. This is a key consideration for our strong business risk profile assessment and the use of our medial volatility table.

We anticipate credit metrics will be in line with the 'BBB+' rating, with FFO to debt above our 23% threshold. Since internally generated cash flows will finance more than 80% of Hera's organic investments, we forecast adjusted debt will increase by about €500 million to about €4.5 billion in 2027, compared with about €4 billion this year. We expect strong operating performance and a normalization of the net debt position will preserve adjusted debt to EBITDA at or slightly above 3.0x over 2024-2027, compared with 2.9x in 2023 and 4.2x in 2022. We therefore expect FFO to debt will remain at about 24%-26% over the period, from 27.1% in 2023. Our base case factors in the positive cash effect of the fiscal credits related to the energy efficiency activities that the company has accumulated over 2022-2023, as well as the exercise of the put option related to Ascopiave's remaining 25% minority share in Estenergy by 2026.

Funds from operations (FFO) to debt will remain above our 23% threshold



a--Actual. f--Forecast. Source. S&P Global Ratings.

Hera has a balanced financial policy, with a commitment to the current rating level. The expected increase in dividends over 2024-2027, with a floor to dividends per share set to increase at a CAGR of 5% until 2027, remains controllable, in our opinion. We also view positively Hera's maximum leverage tolerance, which is set at a net reported debt to EBITDA of 3.0x. This corresponds to an adjusted net debt to EBITDA of about 3.5x. Furthermore, we believe Hera's management will take remedial credit actions to preserve the rating if credit metrics fall short of our expectations and material recovery prospects are low.

The rating on Hera is capped at one notch above our rating on Italy (unsolicited; BBB/Stable/A-2). As a fully domestic utility, we think a severe economic stress scenario linked to the sovereign would limit Hera's capacity to finance itself. Its sole exposure to Italy remains a risk that we capture by limiting our long-term issuer credit rating at one notch above the sovereign rating on Italy.

Outlook

The stable outlook reflects our expectation that Hera will maintain adjusted FFO to debt above 23% over the next two to three years. We also consider management's commitment to the 'BBB+' rating and understand that management will adjust its financial policy if credit metrics decrease close to the rating thresholds without material recovery prospects.

Downside scenario

We could downgrade Hera if FFO to debt falls below 23% over a prolonged period. This could happen if:

- The company undertakes larger cash acquisitions or increases its dividends, deviating from what we view as a prudent financial policy;
- Hera fails to meet the growth expectations it outlined in its strategic plan by 2027; or
- Significant unexpected changes in the regulatory framework and Hera's operating environment impair the company's ability to achieve its EBITDA targets.

Rating downside could also occur if Italy's economy deteriorates. We would also revise the outlook to negative if we took a similar action on Italy because we cap our rating on Hera at one notch above the sovereign rating.

Upside scenario

Although unlikely over the next two to three years, we could revise upward Hera's stand-alone credit profile if the company strengthens its credit metrics and achieves adjusted FFO to debt at or above 30% on a sustainable basis. An upgrade would also depend on an upgrade of Italy.

Our Base-Case Scenario

Assumptions

- Real GDP in Italy to expand by 0.6% in 2024, 1.1% in 2025, and 1.1% in 2026.
- Consumer price index (CPI) growth in Italy slowing to 1.9% from 2024. That said, Hera's earnings are partially hedged against inflation through its regulated activities because allowed revenues and the regulatory asset base are indexed annually to inflation.
- In 2024, remuneration of Hera's regulated activities, driven by weighted-average cost of capital (WACC) of 6.1% for water services (new regulatory period over 2024-2029), 6.5% for gas distribution, and 6.0% for electricity distribution. We anticipate the remuneration rate for gas and power distribution could decrease by 30 bps in 2025, depending on macroeconomic conditions and according to the trigger mechanism. We expect WACC will be 6.3% for waste collection and 6.6% for waste treatment in 2024.
- Stable adjusted EBITDA margin of about 8%-10%.
- Average annual cash taxes of €170 million-€175 million.
- Mostly neutral working capital swings, including the positive effect from fiscal credits related to the energy efficiency activities that the company has accumulated over 2022-2023.
- Annual average capital expenditure (capex) of about €950 million, in line with the targets embedded in the strategic plan.
- Debt-financed bolt-on acquisitions of about €400 million in aggregate over 2023-2027.
- Stable average dividend distributions, including to minorities, of €260 million annually.
- Adjusted debt to increase by about €300 million to €4.3 billion by 2027, from €4 billion in 2023.
- Average cost of debt to increase to about 3.5% by 2027, from 2.9% at end-2023.

- Put options on minority stakes (mainly Ascopiave's 25% share in Estenergy) at about €340 million. The put option with Ascopiave expires in 2026 and we expect Hera will exercise it at or before that time.

Key metrics

Hera SpA--Forecast summary

Period ending	Dec-31-2022	Dec-31-2023	Dec-31-2024	Dec-31-2025	Dec-31-2026
(Mil. €)	2022a	2023a	2024f	2025f	2026f
EBITDA	1,054	1,390	1,310-1,360	1,330-1,380	1,410-1,460
Capital expenditure (capex)	715	816	950-1,000	950-1,000	900-950
Dividends	220	239	240-260	250-270	260-280
Debt	4,456	4,056	3,900-4,100	4,200-4,400	4,300-4,500
Adjusted ratios					
Debt/EBITDA (x)	4.2	2.9	3.0-3.3	3.0-3.3	3.0-3.3
FFO/debt (%)	17.3	27.1	24-25	24-25	24-25

All figures are adjusted by S&P Global Ratings, unless stated as reported. a--Actual. f--Forecast.

Company Description

Hera is one of Italy's largest domestic utilities and is headquartered in Bologna. It operates across four core segments and also provides other services.

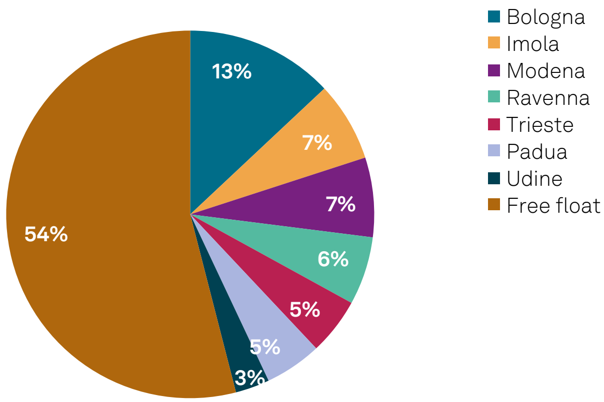
- Gas (35% of 2023 EBITDA): distribution (about 27% of gas EBITDA) and sales (50%), district heating and heat management (about 23%);
- Electricity (21%): mostly retail (79%) and distribution (14%), with some contribution from waste to energy;
- Waste (24%): urban waste collection (17%), treatment, recovery, and disposal (83%);
- Water (18%): integrated water cycle, aqueducts, and water infrastructure (sewerage systems and wastewater treatments plants); and
- Other services (2%): public lighting, telecom, and some energy efficiency services.

The company serves about 4.8 million customers in more than 350 municipalities in north and central Italy.

On Dec. 31, 2023, Hera's shareholding structure included 111 of the municipalities it serves. Together with the other public shareholders, these municipalities hold approximately 46% of the share capital, while the remaining 54% is free float. Hera is listed on the Italian stock exchange and had a market capitalization of about €4.4 billion as of Dec. 31, 2023.

Municipalities own 46% of Hera's shares

Data as of Dec. 31, 2023



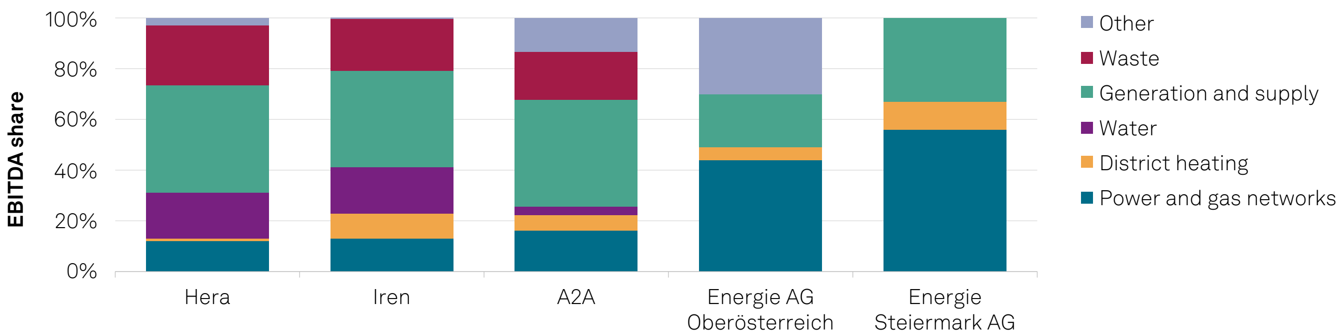
Source: S&P Global Ratings

Peer Comparison

Hera's closest peers are the Italian multi-utility companies Iren SpA (BBB/Stable/--) and A2A SpA (BBB/Stable/A-2). Hera's EBITDA are higher than Iren's and lower than A2A's . The main differentiating factor between Hera and its two main competitors is the business mix. Regulated earnings, on average, account for more than 60% of Iren's EBITDA, about 40% of Hera's and 30% of A2A's. This is why we assess Hera's and Iren's business risks as strong, compared with satisfactory for A2A. Hera is the largest player in the energy retail market, with a market share of 10% in gas and 5% in electricity, compared with 6% and 7% for A2A and 4% and 2% for Iren. Additionally, Hera's share in the waste activities market exceeds that of Iren and A2A. Yet the company's power generation capacity is limited and only comprises waste-to-energy plants with a total capacity of roughly 300 megawatt (MW), compared with Iren's portfolio of 3 GW and A2A's portfolio of 8 GW. Hera's lack of vertical integration is a relative weakness versus its peers.

Hera's Austrian peers are smaller but exposed to a lower country risk. Energie AG Oberösterreich (A/Stable/--) and Energie Steiermark AG (A/Stable/--) generate less EBITDA than Hera but are exposed to lower jurisdiction and operational risks. The country risk assessment is low for Austria and intermediate for Italy. Energie Steiermark AG's business mix is similar to Hera's, with about 50% of EBITDA stemming from regulated power, gas, and district heating activities under a supportive regulatory framework.

Hera is less regulated than Iren but more regulated than A2A
As of 2023



Source: S&P Global Ratings. Iren's district heating share is an estimate in 2023. For Energie Steiermark AG and Energie AG Oberösterreich, data refer to 2022 figures.

Hera SpA--Peer Comparisons

	Hera SpA	IREN SpA	A2A SpA	Energie AG Oberoesterreich	Energie Steiermark AG
Foreign currency issuer credit rating	BBB+/Stable/A-2	BBB/Stable/--	BBB/Stable/A-2	A/Stable/--	A/Stable/--
Local currency issuer credit rating	BBB+/Stable/A-2	BBB/Stable/--	BBB/Stable/A-2	A/Stable/--	A/Stable/--
Period	Annual	Annual	Annual	Annual	Annual
Period ending	2023-12-31	2022-12-31	2023-12-31	2023-09-30	2022-12-31
Mil.	EUR	EUR	EUR	EUR	EUR
Revenue	14,897	7,846	14,758	4,309	2,628
EBITDA	1,390	983	1,889	391	251
Funds from operations (FFO)	1,098	697	1,437	336	237
Interest	144	68	167	31	13
Cash interest paid	195	91	135	22	9
Operating cash flow (OCF)	1,513	919	1,342	(505)	179
Capital expenditure	816	896	1,376	205	186
Free operating cash flow (FOCF)	697	23	(34)	(711)	(7)
Discretionary cash flow (DCF)	439	(134)	(336)	(764)	(56)
Cash and short-term investments	1,333	801	1,629	489	111
Gross available cash	1,333	801	1,629	517	111
Debt	4,056	3,902	5,349	332	573
Equity	3,752	3,191	4,802	1,611	2,632
EBITDA margin (%)	9.3	12.5	12.8	9.1	9.5
Return on capital (%)	12.0	7.2	11.3	12.8	4.7
EBITDA interest coverage (x)	9.6	14.6	11.3	12.6	20.0
FFO cash interest coverage (x)	6.6	8.7	11.6	16.1	26.1

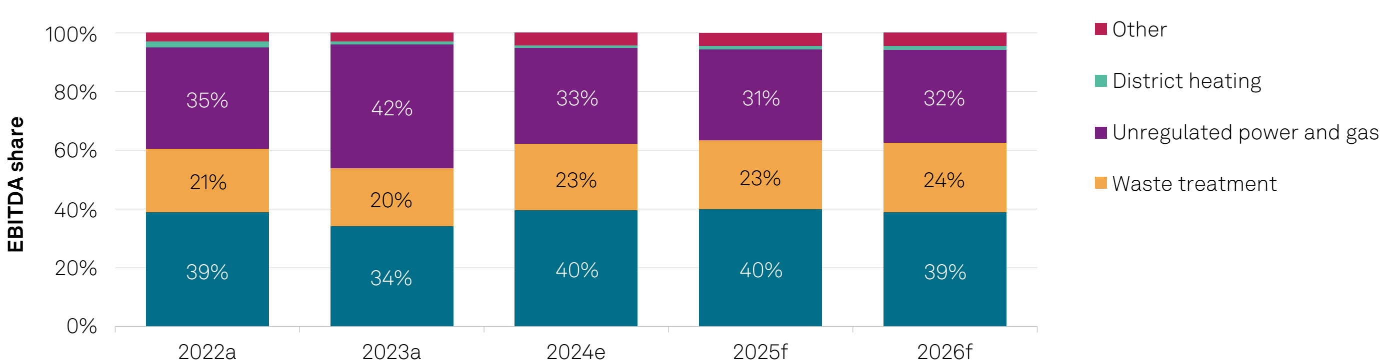
Hera SpA--Peer Comparisons

Debt/EBITDA (x)	2.9	4.0	2.8	0.8	2.3
FFO/debt (%)	27.1	17.9	26.9	101.3	41.3
OCF/debt (%)	37.3	23.6	25.1	(152.4)	31.2
FOCF/debt (%)	17.2	0.6	(0.6)	(214.3)	(1.2)
DCF/debt (%)	10.8	(3.4)	(6.3)	(230.5)	(9.8)

Business Risk

Hera's business risk profile benefits from the fact that 40% of its earnings come from fully regulated activities. We view positively Hera's diversified business portfolio in some of Italy's wealthiest regions and its dominant position in the domestic market. That said, Hera's business risk profile mainly benefits from significant contributions from fully regulated water, gas, and power distribution, urban waste collection and treatment, and district heating. These activities are remunerated under long-term concessions that are based on tariffs established by the national regulatory authority. We expect fully regulated activities will represent at least 40% of Hera's total EBITDA over 2024-2027. The slump to 34% in 2023 resulted from the exceptional performance of retail and energy efficiency activities.

Hera's earnings are expected to be 40% regulated



a--Actual. e--Estimate. f--Forecast. Source: S&P Global Ratings.

As the retail market is liberalized, we will monitor the evolution and integration of Hera's new clients. The company was recently awarded 1.1 million additional electricity retail clients, following the start of the liberalization process for the regulated market in Italy. The new clients will become part of Hera's existing client base on July 1, 2024. While this could mean higher profits and cross-selling opportunities, it also significantly enlarges Hera's client base without any material vertical integration. We note that Hera has a good track record in managing its commercial offerings, mostly with variable contracts, and commodity market risk, which is inherent to the business. That said, we think a larger client base could lead to more volatile earnings and working capital, both of which we will closely monitor. Hera currently serves 3.8

million clients, from 3.5 million at end-2022. The company expects to increase its client base to 4.3 million by 2027 by gaining market share in north Italy, mostly in the electricity segment.

Financial Risk

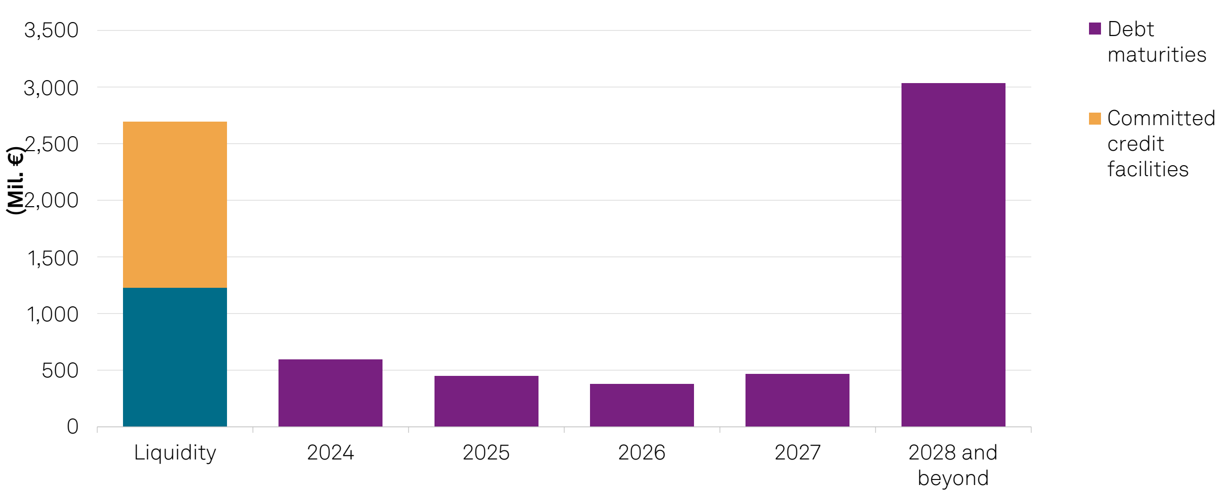
Solid cash flow generation will limit negative discretionary cash flow (DCF) over 2024-2027. Stable revenues from regulated businesses and growth across other activities will support Hera's operating cash flow generation, which we forecast will exceed €4 billion after working capital changes over 2024-2027. This, together with close to €4.2 billion in capex (including acquisitions), €1 billion in dividends over the same period, and the exercise of the put option with Ascopiave, will limit negative DCF. Because of this and EBITDA growth, adjusted debt will increase to about €4.4-4.5 billion in 2026-2027, from €4.06 billion in 2023, resulting in adjusted leverage of about 3.0x-3.3x.

Hera's proactive debt and liquidity management underpins our financial risk profile assessment. Hera made recourse to a larger share of short-term debt during the energy crisis, which has now been reimbursed and makes the capital structure leaner. This will increase the cost of debt to a maximum of 3.5% by 2027, from 2.9% at end-2023 (fixed-rate instruments account for 96% of total debt). The weighted-average maturity ranges from four to five years but we expect it will increase as Hera refinances its upcoming maturities.

Debt maturities

Hera's debt maturities are well spread out and its liquidity is strong

As of March 31, 2024



Source: S&P Global Ratings.

Hera SpA--Financial Summary

Period ending	Dec-31-2018	Dec-31-2019	Dec-31-2020	Dec-31-2021	Dec-31-2022	Dec-31-2023
Reporting period	2018a	2019a	2020a	2021a	2022a	2023a
Display currency (mil.)	EUR	EUR	EUR	EUR	EUR	EUR
Revenues	6,134	6,913	7,079	10,555	20,082	14,897
EBITDA	985	1,027	1,039	1,119	1,054	1,390
Funds from operations (FFO)	716	833	790	889	772	1,098
Interest expense	122	114	103	94	97	144
Cash interest paid	93	71	64	74	116	195
Operating cash flow (OCF)	624	738	930	1,061	0	1,513
Capital expenditure	470	539	512	594	715	816
Free operating cash flow (FOCF)	155	199	418	467	(714)	697
Discretionary cash flow (DCF)	(20)	35	200	274	(961)	439
Cash and short-term investments	536	364	987	886	1,942	1,333
Gross available cash	536	364	987	886	1,942	1,333
Debt	3,132	3,580	3,442	3,189	4,456	4,056
Common equity	2,847	3,010	3,155	3,417	3,645	3,752
Adjusted ratios						
EBITDA margin (%)	16.1	14.9	14.7	10.6	5.2	9.3
Return on capital (%)	9.6	9.9	9.2	10.2	8.2	12.0
EBITDA interest coverage (x)	8.1	9.0	10.1	11.9	10.9	9.6
FFO cash interest coverage (x)	8.7	12.7	13.3	13.0	7.7	6.6
Debt/EBITDA (x)	3.2	3.5	3.3	2.8	4.2	2.9
FFO/debt (%)	22.8	23.3	23.0	27.9	17.3	27.1
OCF/debt (%)	19.9	20.6	27.0	33.3	0.0	37.3
FOCF/debt (%)	4.9	5.6	12.1	14.7	(16.0)	17.2
DCF/debt (%)	(0.6)	1.0	5.8	8.6	(21.6)	10.8

Reconciliation Of Hera SpA Reported Amounts With S&P Global Adjusted Amounts (Mil. EUR)

	Debt	Shareholder Equity	Revenue	EBITDA	Operating income	Interest expense	S&PGR adjusted EBITDA	Operating cash flow	Dividends	Capital expenditure
Financial year	Dec-31-2023									
Company reported amounts	4,644	3,438	14,897	1,373	847	137	1,390	1,573	239	816
Cash taxes paid	-	-	-	-	-	-	(97)	-	-	-
Cash interest paid	-	-	-	-	-	-	(193)	-	-	-
Cash interest paid: other	-	-	-	-	-	-	(2)	-	-	-
Trade receivables securitizations	118	-	-	-	-	-	-	(57)	-	-
Lease liabilities	81	-	-	-	-	-	-	-	-	-

Reconciliation Of Hera SpA Reported Amounts With S&P Global Adjusted Amounts (Mil. EUR)

	Debt	Shareholder Equity	Revenue	EBITDA	Operating income	Interest expense	S&PGR adjusted EBITDA	Operating cash flow	Dividends	Capital expenditure
Postretirement benefit obligations/ deferred compensation	88	-	-	-	-	3	-	-	-	-
Accessible cash and liquid investments	(1,333)	-	-	-	-	-	-	-	-	-
Dividends from equity investments	-	-	-	15	-	-	-	-	-	-
Asset-retirement obligations	142	-	-	-	-	0	-	-	-	-
Nonoperating income (expense)	-	-	-	-	92	-	-	-	-	-
Noncontrolling/ minority interest	-	313	-	-	-	-	-	-	-	-
Debt: Contingent considerations	34	-	-	-	-	-	-	-	-	-
Debt: Put options on minority stakes	282	-	-	-	-	-	-	-	-	-
EBITDA - Gain/(loss) on disposals of PP&E	-	-	-	15	15	-	-	-	-	-
EBITDA: other income/ (expense)	-	-	-	(13)	(13)	-	-	-	-	-
D&A: other	-	-	-	-	13	-	-	-	-	-
Interest: Derivatives	-	-	-	-	-	4	-	-	-	-
OCF: other	-	-	-	-	-	-	-	(3)	-	-
Total adjustments	(588)	313	-	17	107	8	(292)	(60)	-	-
S&P Global Ratings adjusted	**Debt**	**Equity**	**Revenue**	**EBITDA**	**EBIT**	**Interest expense**	**Funds from Operations**	**Operating cash flow**	**Dividends**	**Capital expenditure**
	4,056	3,752	14,897	1,390	954	144	1,098	1,513	239	816

Liquidity

Hera's liquidity is strong. Based on data from March 31, 2024, we expect its available cash and committed credit lines will cover liquidity uses--mainly capex, debt service, and dividends--by more than 1.5x over the next 12 months and by more than 1.0x over the subsequent 12 months. Furthermore, Hera has a high credit standing in capital markets, strong relationships with banks, and a solid and prudent risk management. The company's large liquidity buffer also benefits from €1.465 billion in undrawn committed credit lines, most of which are long-term. These credit lines include a €450 million revolving credit facility (RCF) maturing in April 2028 and a €460 million RCF maturing in September 2026.

Principal liquidity sources

- Our estimate of €1.2 billion of fully available cash and liquid investments;
- Available undrawn committed credit lines of €1.465 billion, as of March 31, 2024, most of which will mature in 2027;
- Positive working capital inflows; and
- Our forecast of about €1 billion in cash FFO over the next 12 months.

Principal liquidity uses

- Debt maturities of about €630 million over the next 12 months and €450 million over the subsequent 12 months;
- Capex of about €1 billion over the next 12 months; and
- More than €250 million in dividends, including dividends to minorities.

Environmental, Social, And Governance

ESG factors have an overall neutral influence on our credit rating analysis of Hera, even though the company continues to benefit from the circular economy megatrend, which is a cornerstone of its strategy. We note that Hera's power generation activities are limited--mainly to waste-to-energy--and therefore have a relatively low carbon intensity. The company's regulated activities meet regulatory requirements, notably on water leakage and consumption reduction, as well as on health and safety.

Rating Above The Sovereign

Since we could rate Hera above the sovereign, we believe there is a reasonable likelihood that Hera could withstand a sovereign-linked macroeconomic stress scenario, given its superior stand-alone credit quality, compared with the sovereign. We recognize that the rating differential of one notch is modest, reflecting our approach to domestic utilities and bearing in mind the potentially negative government intervention in the extreme case of a sovereign default.

Issue Ratings--Subordination Risk Analysis

Capital structure

At year-end 2023, Hera's capital structure comprised about €4.6 billion in gross debt (bonds and loans), almost all of which was unsecured and issued by Hera.

Analytical conclusions

We rate Hera's senior unsecured debt at 'BBB+', the same as the long-term issuer credit rating, because the capital structure does not include any significant subordination risks.

Rating Component Scores

Foreign currency issuer credit rating	BBB+/Stable/A-2
Local currency issuer credit rating	BBB+/Stable/A-2
Business risk	Strong
Country risk	Intermediate
Industry risk	Low
Competitive position	Strong
Financial risk	Intermediate
Cash flow/leverage	Intermediate
Anchor	bbb+
Diversification/portfolio effect	Neutral (no impact)
Capital structure	Neutral (no impact)
Financial policy	Neutral (no impact)
Liquidity	Strong (no impact)
Management and governance	Neutral (no impact)
Comparable rating analysis	Neutral (no impact)
Stand-alone credit profile	bbb+

Related Criteria

- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings, Oct. 10, 2021
- General Criteria: Group Rating Methodology, July 1, 2019
- Criteria | Corporates | General: Corporate Methodology: Ratios And Adjustments, April 1, 2019
- Criteria | Corporates | General: Reflecting Subordination Risk In Corporate Issue Ratings, March 28, 2018
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings, April 7, 2017
- Criteria | Corporates | General: Methodology And Assumptions: Liquidity Descriptors For Global Corporate Issuers, Dec. 16, 2014
- Criteria | Corporates | Industrials: Key Credit Factors For The Unregulated Power And Gas Industry, March 28, 2014
- General Criteria: Methodology: Industry Risk, Nov. 19, 2013
- Criteria | Corporates | Utilities: Key Credit Factors For The Regulated Utilities Industry, Nov. 19, 2013
- Criteria | Corporates | General: Corporate Methodology, Nov. 19, 2013
- General Criteria: Country Risk Assessment Methodology And Assumptions, Nov. 19, 2013
- General Criteria: Methodology: Management And Governance Credit Factors For Corporate Entities, Nov. 13, 2012
- General Criteria: Principles Of Credit Ratings, Feb. 16, 2011
- General Criteria: Stand-Alone Credit Profiles: One Component Of A Rating, Oct. 1, 2010

Related Research

- Hera's Updated Business Plan Provides Continuity To Strategy And Financial Policy, Jan. 25, 2024
- WACC Increase Will Benefit Italian Regulated Electricity And Gas Networks, Dec. 1, 2023
- Hera SpA, Nov. 16, 2023
- Utilities Handbook 2023: Western Europe Regulated Power, Oct. 18, 2023
- Utilities Handbook 2023: Western Europe Regulated Gas, Sept. 20, 2023
- Italian Multi-Utility Hera Affirmed At BBB+ On Expected Rebound In Credit Ratios This Year; Outlook Stable, May 25, 2023
- Italian Water Distribution Framework: Supportive, Feb. 22, 2022
- Italian Electricity And Gas Transmission And Distribution Frameworks: Supportive, Jan. 20, 2021

Ratings Detail (as of May 22, 2024)*

Hera SpA

Issuer Credit Rating	BBB+/Stable/A-2
Senior Unsecured	BBB+
Issuer Credit Ratings History	
07-May-2021	BBB+/Stable/A-2
13-Mar-2018	BBB/Positive/A-2
12-Jul-2013	BBB/Stable/A-2

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