

# Y2021 FINANCIAL RESULTS



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Sustainability Indices**

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**SCART** Programma  
Assicurativo  
Gruppo Hera

# 2021 FOCUSED ON 360° GROWTH



## 4 M&A

PERFORMED IN 2021

- **3 Acquisitions** strengthening industrial **Waste** treatment
- **1 acquisition** expanding **energy** customer base
- **Ebitda contribution\***: 21 m€

*\* Considering full integration*



## Tenders

RENEWED

- **Gas distribution** concession in Udine (12Y)
- **Water concession** in Rimini (18Y)
- **Maggior Tutela tenders**: 3 out of 9 assigned to Hera in '21
- Reshuffling in **MUI** segments (incr. in gas, decr. in Electricity)



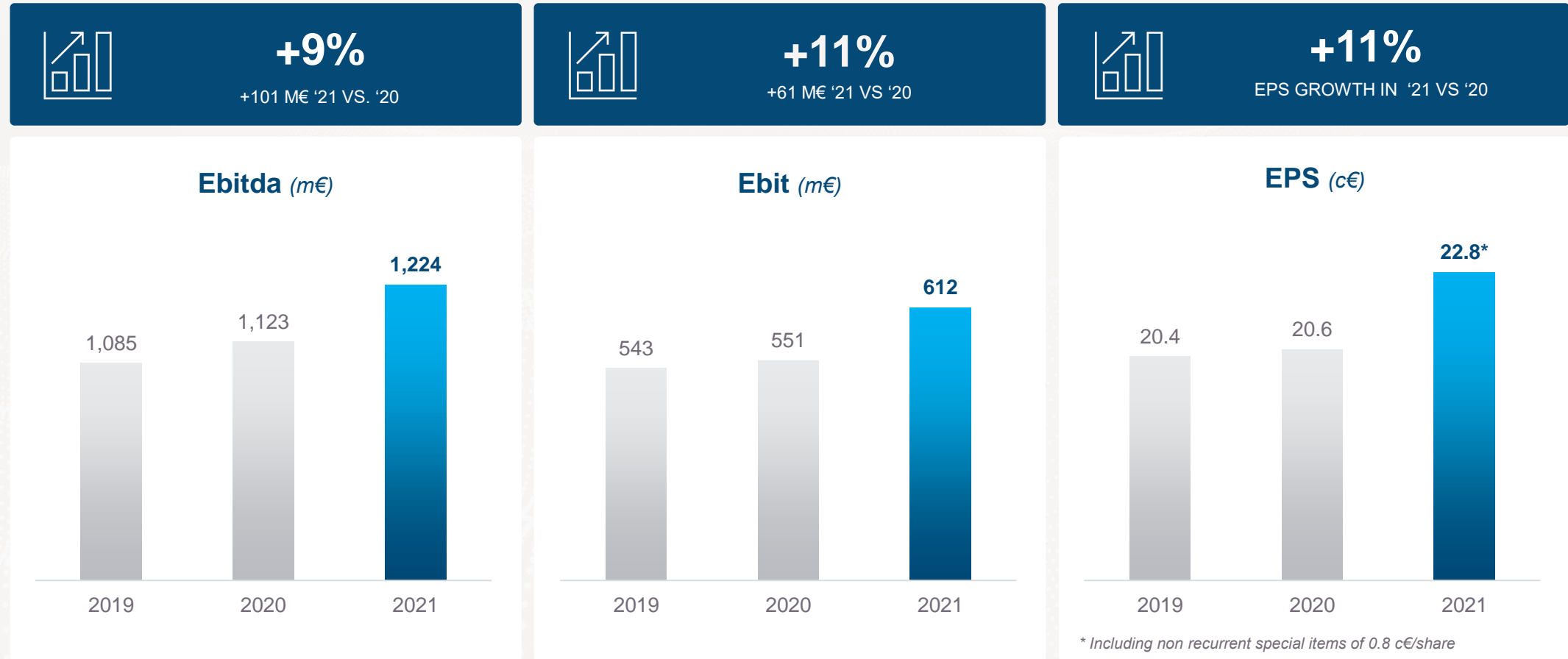
## Organic Growth

FUELING RECOVERY

- **Eco-bonus 110%** tax incentive boosted Hera Energy Services (~1,000 contracts signed)
- **Demand for regenerated plastic** underpinned Aliplast results
- **Organic increase plant capacity** ('21 Oper. capex 570 m€ up +8%)

## Solid delivery on business plan growth strategy

# AT A GLANCE (1)



**Solid operating, financial and fiscal management**

# AT A GLANCE (2)



**~2.7x**  
DEBT/EBITDA

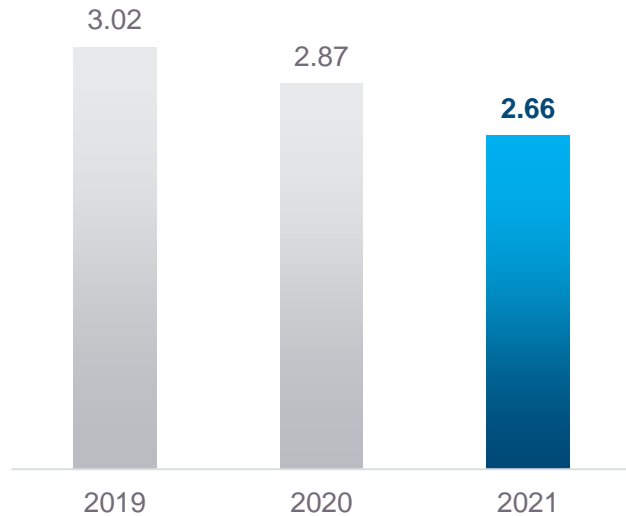


**+130 m€**  
TOTAL CAPEX GROWTH

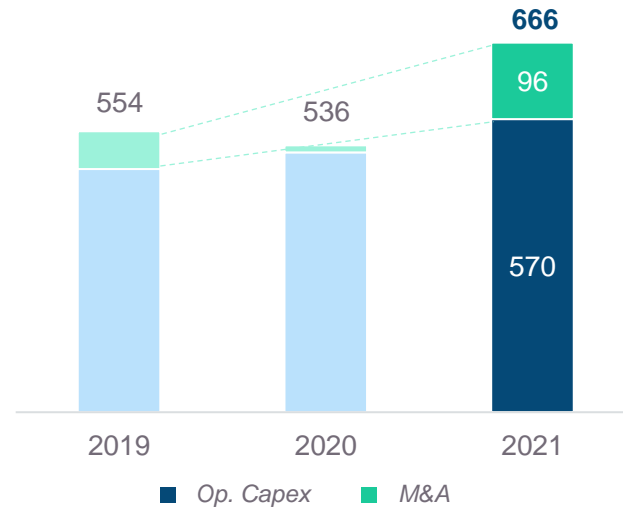


**+15 m€**  
DIVIDENDS GROWTH

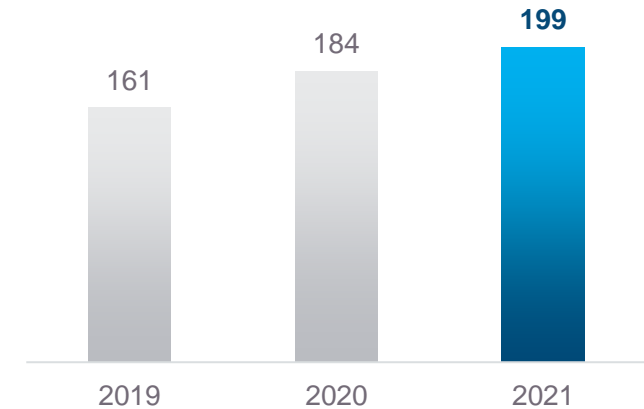
**Net Debt /Ebitda (x)**



**Capex (m€)**



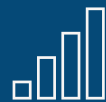
**Dividends paid\* (m€)**



\* Including minorities

**Financial strength to face future challenges**

# 2021 EBITDA BY DRIVER



**+101 m€**

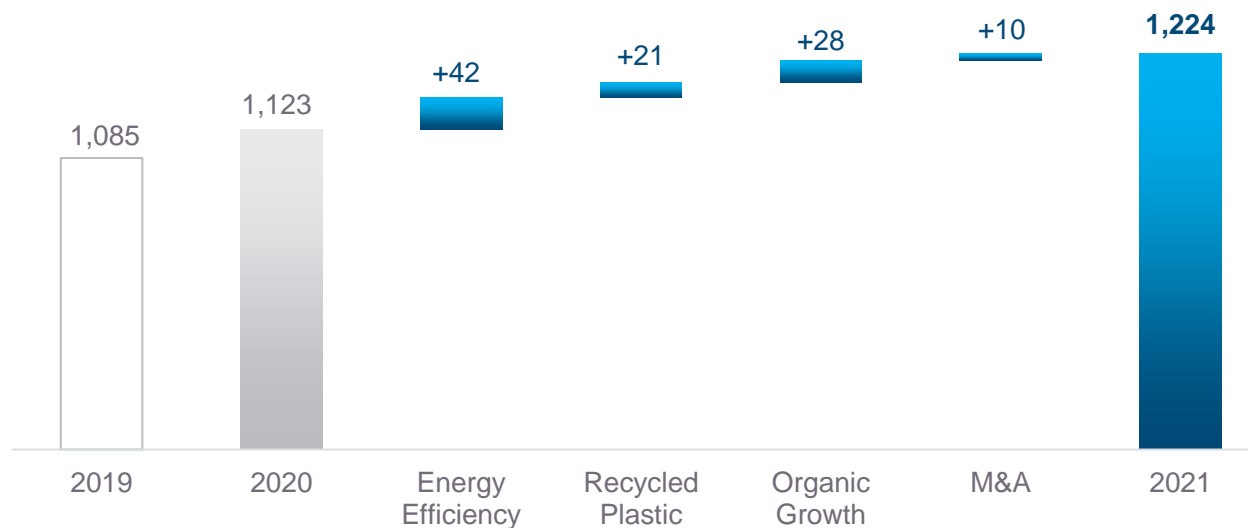
EBITDA GROWTH



**36%**

OF BP EXPECTED GROWTH ACHIEVED

Ebitda by driver (m€)



**Largest organic growth ever**



**BUSINESS GROWTH**

# NETWORKS



**+11 m€**

NETWORKS EBITDA GROWTH



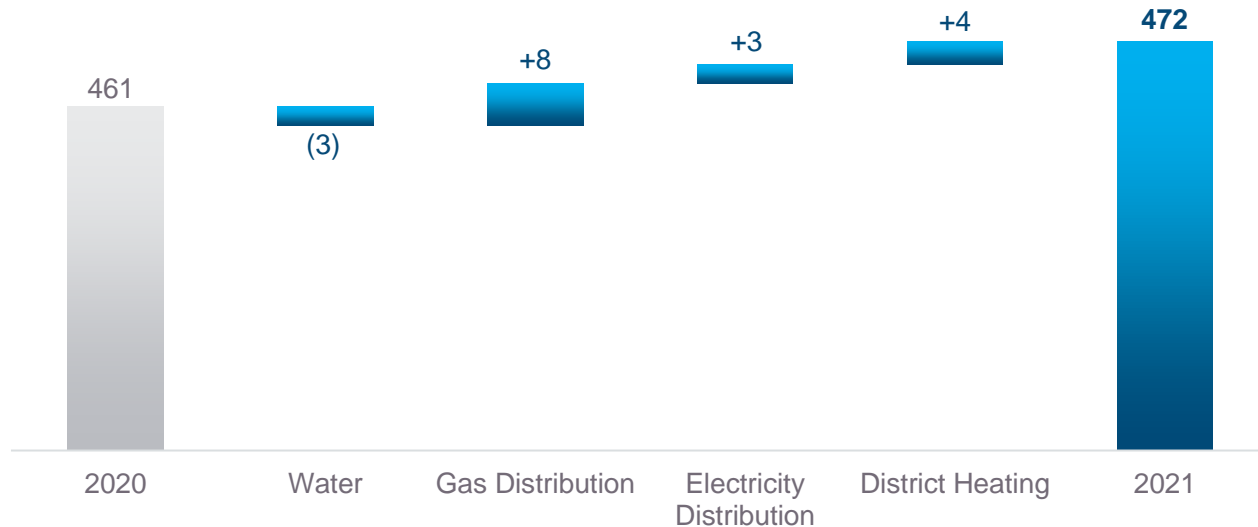
**+3%**

NETWORKS EBITDA GROWTH



## Highlights

### Ebitda growth drivers (m€)



- White certificates positive contribution (+6 m€)
- New connections increased (+4m€)
- Further plant expansion underpinned RAB increase (+2.4%)
- Efficiency gains related mainly to innovation and digitalization

**Full visibility on tariffs**

# ENERGY



**+55 m€**

ENERGY EBITDA GROWTH



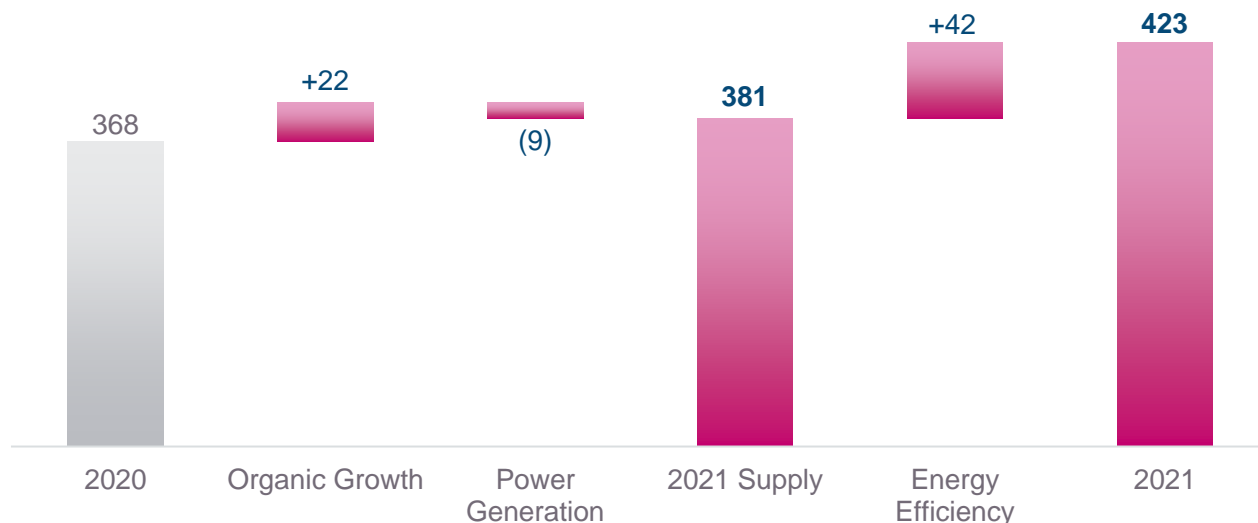
**+15%**

ENERGY EBITDA GROWTH



## Highlights

### Ebitda growth drivers (m€)



- Customer base expansion (+63k) and V.A. services (+4 m€) underpinned growth
- Won 3 out of 9 tenders called on Maggior Tutela (STG market)
- Expansion in Default and FUI segment partially offset reduction in Safeguarded
- Ancillary services normalised from '20 peak
- Energy Efficiency benefit from Ecobonus incentives

## Taking advantage from the strong demand of “Eco” services



# WASTE



**+34 m€**

WASTE EBITDA GROWTH



**+13%**

WASTE EBITDA GROWTH



## Highlights

### Ebitda growth drivers (m€)



- Volume increase (+170k ton) and positive overall trend in prices underpinned growth
- Strong demand for Aliplast recycled plastic (+15 ktons)
- M&A widened and strengthened geographical presence
- New collection tariffs contributed to results

## Strong pro-cyclical growth

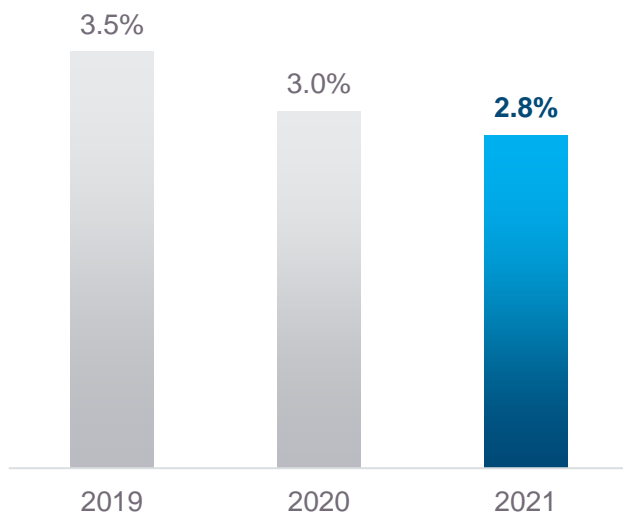
# BEYOND EBITDA



**2.8%**

AVG. INTEREST RATE OF DEBT

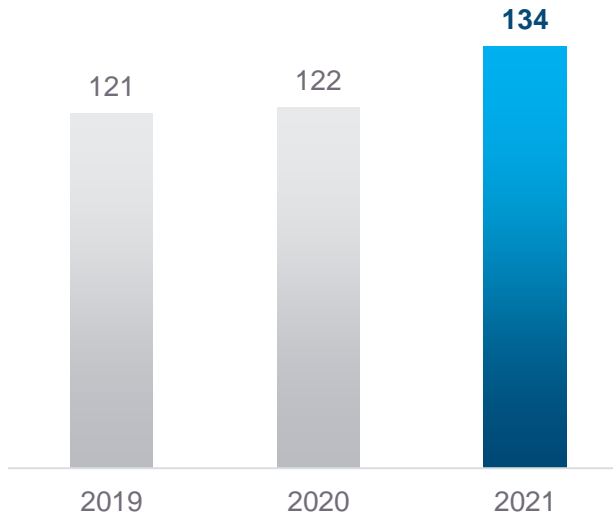
**Cost of debt (%)**



**+10%**

EBITDA / EMPLOYEE IN 2021

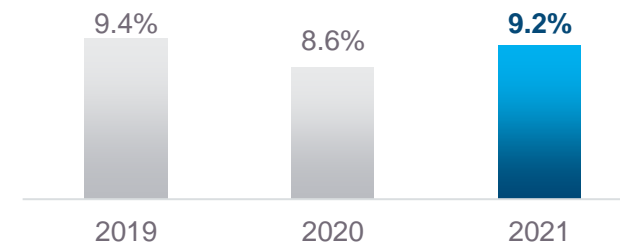
**Ebitda/employee ('000 €)**



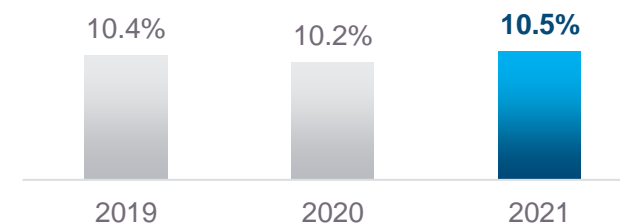
**>10%**

ROE

**ROI (%)**

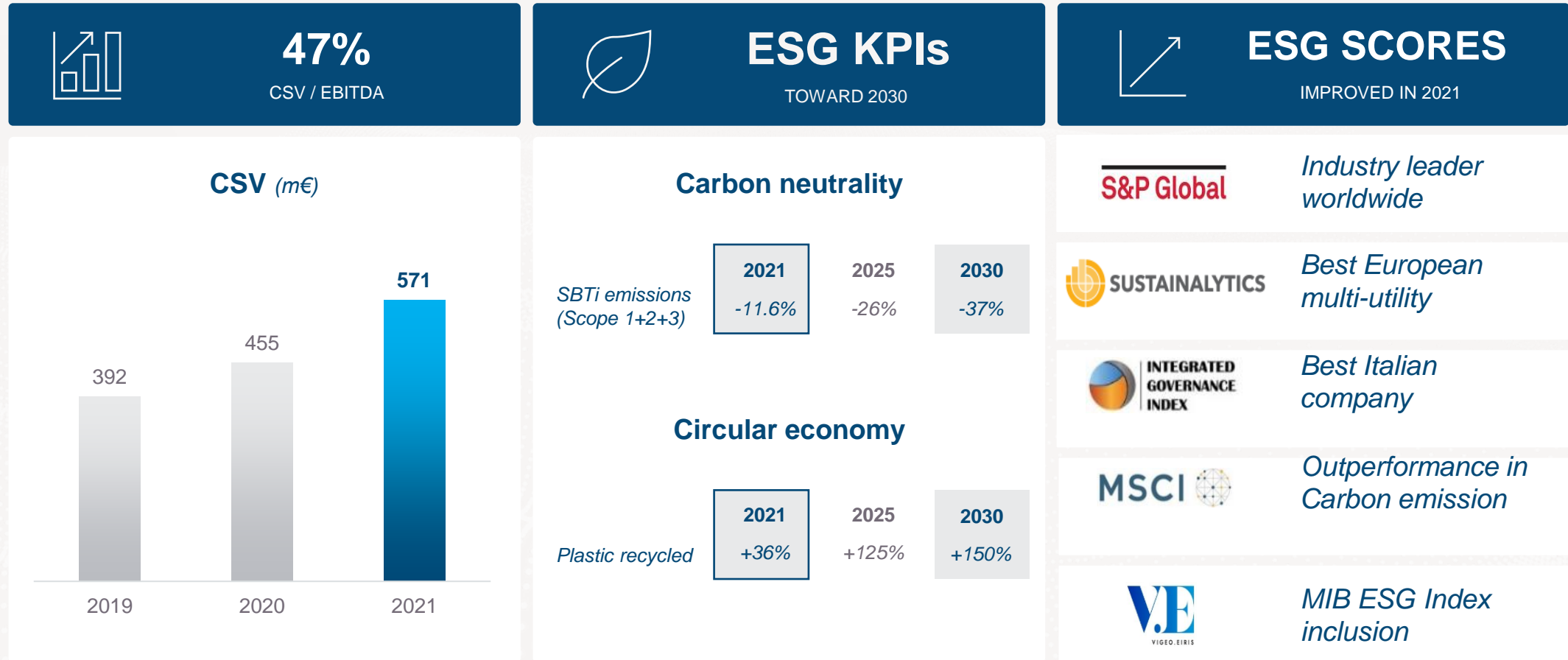


**ROE (%)**



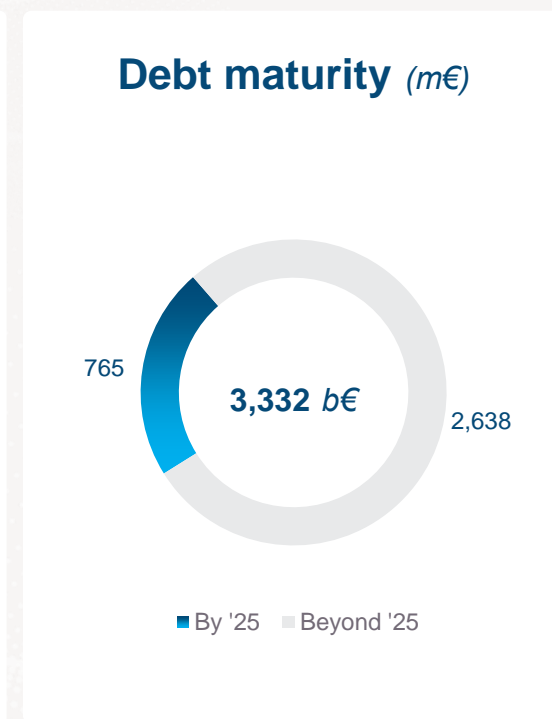
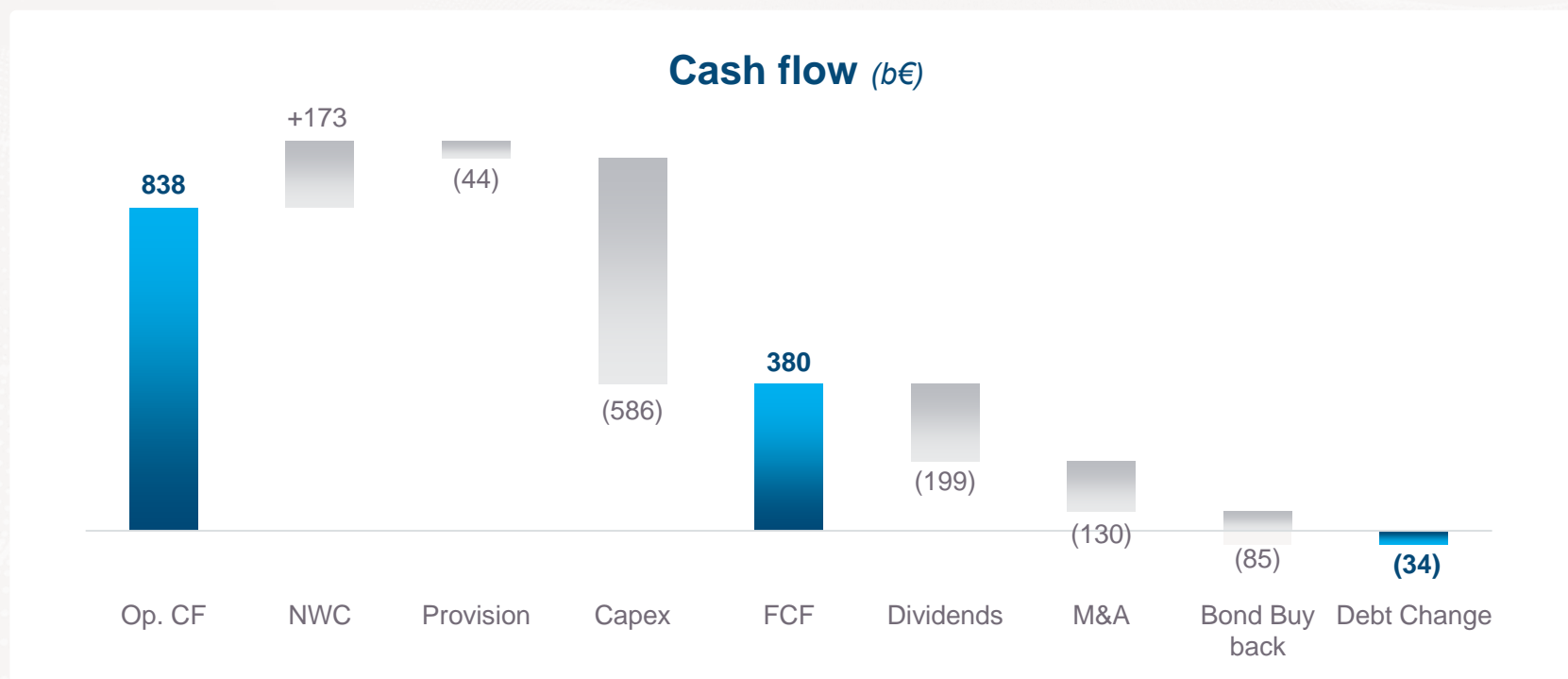
**Visible value creation also through liability and tax mgmt**

# CONCRETELY WORKING ON SDG's



**ESG underpinned to growth and enhanced transparency**

# CASH FLOW



**Increased cash generation reduces leverage**



# CLOSING REMARKS

# CLOSING REMARKS



**12.0c€**

2021 DPS



**+9%**

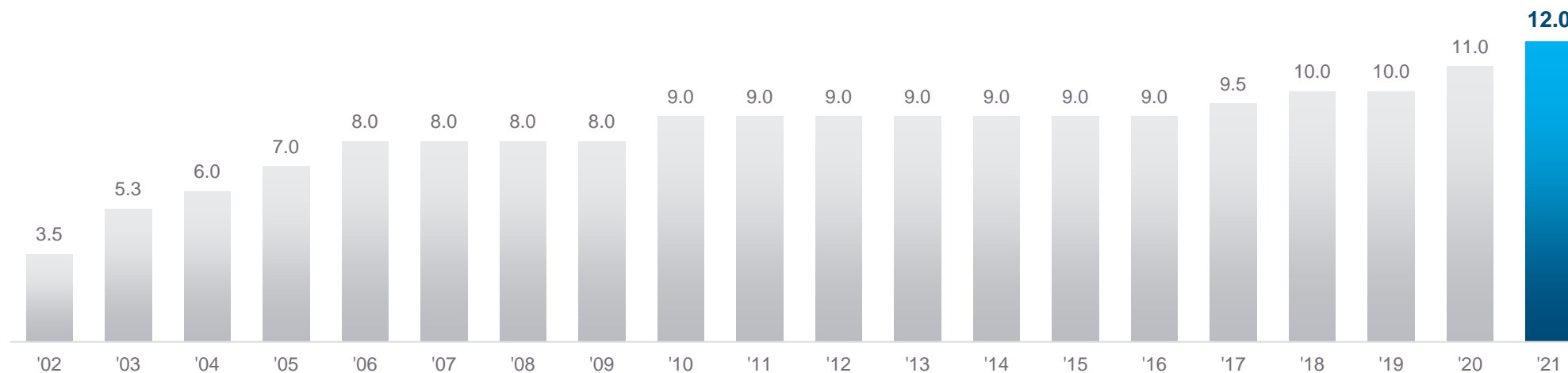
DPS INCREASE '21 vs '20



**Aristocrat**

INCREASING OR STABLE DPS  
SINCE ESTABLISHMENT

**DPS (c€)**



**Increasing “Aristocratic” Dividend**

The background features a series of wavy, dotted lines in shades of grey and white, creating a sense of depth and movement. A horizontal bar with a teal-to-blue gradient is positioned across the middle of the image.

**ANNEX**

# ANNEX: P&L

	Y '20	Y '21	
<b>REVENUES</b>	<b>7,546.8</b>	<b>10,955.4</b>	<b>+45.2%</b>
<b>EBITDA</b>	<b>1,123.0</b>	<b>1,223.9</b>	<b>+9.0%</b>
<i>Ebitda margin</i>	14.9%	11.2%	
Depreciation and provisions	(571.7)	(612.1)	
<b>EBIT</b>	<b>551.3</b>	<b>611.7</b>	<b>+11.0%</b>
Financial costs	(80.6)	(96.7)	
Figurative interests (IAS)	(44.3)	(33.3)	
Income from Associates & J.V.	8.2	13.2	
<b>PRETAX PROFIT</b>	<b>434.6</b>	<b>491.9</b>	<b>+13.2%</b>
Tax	(111.8)	(131.8)	
<i>Tax rate</i>	25.7%	26.8%	
Minorities	(20.1)	(39.1)	
Special items	0.0	12.6	
<b>NET PROFIT POST MINORITIES</b>	<b>302.7</b>	<b>333.5</b>	<b>+10.2%</b>



# ANNEX: Networks, Energy and Waste



## Networks

Ebitda (m€)	Y 2020	Y 2021	Ch.
<b>Networks</b>	<b>460.6</b>	<b>472.2</b>	<b>+11.6</b>
District Heating	12.9	17.0	+4.1
Gas distribution	136.0	143.5	+7.5
Electricity distribution	45.9	49.3	+3.3
Water	265.8	262.4	(3.3)
<hr/>			
Volumes	Y 2020	Y 2021	Ch.
Water (mm3)	285.9	291.5	+5.7
Gas Distribution (mm3)	2,585.3	2,831.1	+245.9
Electricity Distribution (GWh)	2,752.3	2,861.8	+109.5
District Heating (GWht)	460.4	516.5	+56.1



## Energy

Ebitda (m€)	Y 2020	Y 2021	Ch.
<b>Energy</b>	<b>367.8</b>	<b>422.6</b>	<b>+54.8</b>
Gas supply	200.0	259.9	+59.8
Electricity supply	92.4	54.1	(38.3)
Power generation	49.9	41.3	(8.6)
Energy efficiency	25.5	67.3	+41.8
<hr/>			
Customers ('000)	Y 2020	Y 2021	Ch.
Gas customers	2,076.2	2,072.7	(3.6)
Electricity customers	1,333.6	1,400.9	+67.3
<b>Energy customers</b>	<b>3,409.8</b>	<b>3,473.6</b>	<b>+63.7</b>



## Waste

Ebitda (m€)	Y 2020	Y 2021	Ch.
<b>Waste</b>	<b>258.0</b>	<b>291.7</b>	<b>+33.8</b>
Treatment	191.1	222.5	+31.4
Collection	66.9	69.2	+2.3
<hr/>			
Volumes (kton)	Y 2020	Y 2021	Ch.
Urban W. Volumes	2,219	2,241.8	+22.7
Special W. Volumes	2,188	2,334.3	+146.8
<b>Waste from third parties</b>	<b>4,407</b>	<b>4,576.1</b>	<b>+169.4</b>
Internal W. Volumes	2,203	2,200.5	(2.7)
<b>Total Volumes Treated</b>	<b>6,610</b>	<b>6,776.6</b>	<b>+166.8</b>

# ANNEX: Water and Waste



## Water

(m€)	Y 2020	Y 2021	Ch.
Revenues	883.6	964.7	+81.1
<b>Ebitda</b>	<b>265.8</b>	<b>262.4</b>	<b>(3.3)</b>

Data	Y 2020	Y 2021	Ch.
<b>Aqueduct (mm3)</b>	<b>285.9</b>	<b>291.5</b>	<b>+5.7</b>
Sewerage (mm3)	240.8	238.6	(2.2)
Purification (mm3)	236.7	234.9	(1.8)



## Waste

(m€)	Y 2020	Y 2021	Ch.
Revenues	1,190.3	1,328.4	+138.1
<b>Ebitda</b>	<b>258.0</b>	<b>291.7</b>	<b>+33.8</b>

Volumes (kton)	Y 2020	Y 2021	Ch.
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# ANNEX: Gas and Electricity



## Gas

(m€)	Y 2020	Y 2021	Ch.
Revenues	3,361.3	5,969.0	+2,607.7
<b>Ebitda</b>	<b>374.4</b>	<b>487.6</b>	<b>+113.2</b>

Data	Y 2020	Y 2021	Ch.
Volumes distrib. (mm3)	2,585.3	2,831.1	+245.9
Volumes sold (mm3)	13,246.1	16,242.9	+2,996.8
<i>of which trading (mm3)</i>	<i>10,148.1</i>	<i>12,780.5</i>	<i>+2,632.4</i>
District Heating (GWht)	460.4	516.5	+56.1
Final retail volumes (mm3)	3,098.0	3,462.4	+364.4
Clients ('000 unit)	2,076.2	2,072.7	(3.6)



## Electricity

(m€)	Y 2020	Y 2021	Ch.
Revenues	2,315.9	3,024.6	+708.8
<b>Ebitda</b>	<b>188.2</b>	<b>144.7</b>	<b>(43.5)</b>

Data	Y 2020	Y 2021	Ch.
Volumes sold (GWh)	12,820.7	11,714.9	(1,105.8)
<i>of which Salvaguardia (GWh)</i>	<i>2,192.6</i>	<i>672.2</i>	<i>(1,520.4)</i>
Volumes distrib. (GWh)	2,752.3	2,861.8	+109.5
Clients ('000 unit)	1,333.6	1,400.9	+67.3