press release
Bologna, 11 November 2026

Hera Group: Q3 2026 results approved

The first nine months of the year closed with the main economic and financial indicators showing growth, in line with the first two quarters. The results achieved, even more significant when compared on a like-for-like basis with the previous year, reaffirm the multi-utility's solidity and the effectiveness of its multi-business industrial strategy.

Economic and financial highlights

- **Adjusted* revenue at €10,250.9 million**
- **Adjusted* EBITDA at €1,036.7 million (+6.9%)**
- **Adjusted* net profit post minorities at €296.7 million (+16.5%)**
- **Gross operating investments at €777.9 million (+16.7%)**
- **Adjusted* ROI at 9% and Adjusted* ROE at 11.2%**
- **Net financial position at €4,618.1 million, with Adjusted* net debt/EBITDA at 3.0x**

The Hera Group's Board of Directors, chaired by Executive Chairman Cristian Fabbri, today unanimously approved the consolidated results as at 30 September 2026, which show particularly significant growth on a like-for-like basis compared with 2025. Even when comparing the accounting figures, the underlying performance remains positive, with all margins and net profit levels up on the same period of the previous year.

The results achieved demonstrate the Hera Group's resilience and its ability to successfully navigate a macroeconomic and geopolitical environment still characterised by significant factors of uncertainty. Despite ongoing international tensions and volatility in energy markets, operating performance strengthened further, with industrial margins and financial results improving compared with the first nine months of 2025, confirming the resilience of the business model and consistent value creation.
In particular, the industrial, multi-business model, well balanced between regulated and free-market activities, is proving crucial in ensuring that the multi-utility has both the stability and flexibility needed to meet market challenges.

With reference to growth opportunities through external lines, during H1 2026, the Hera Group further strengthened its presence in the water and waste sectors, through the acquisition of Sostelia, one of Italy's leading operators specialising in industrial and civil water treatment technologies and services, and a controlling stake in Servizi Ecologici Ambientali (SEA), which operates a multifunctional facility for the storage and treatment of special waste. More recent transactions in the second half of the year include the binding agreements to acquire 70% of the newco Kronos Polymer Polska and 100% of Gigas Rete, with completion expected in the coming months.

* In order to make the interpretation of the results more in line with the company's actual performance, the "Adjusted" values include some adjustments of the 2025 and 2026 book values as highlighted in the specific table annexed. For further details, reference is made to the paragraph in the consolidated quarterly report entitled "Special items/financial statements reconciliation".

'his press release is available at
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Cristian Fabbri, Executive Chairman of the Hera Group, stated:
"Despite a turbulent and uncertain economic scenario, the results achieved as at 30 September 2026 confirm the relevance of the development and value creation targets set out in our Business Plan. The 34% growth in total investments, which exceeded €920 million, is consistent with the growth targets for internal lines and through M&A. The adjusted EBITDA of €1,037 million, up 6.9%, and the positive economic indicators, in line with the trend in the first two quarters, are supported by the growth of all the business segments that make up our balanced and resilient portfolio."

Orazio Iacono, CEO of the Hera Group, stated:
"In the first nine months of 2026, the Group recorded a further improvement in its financial results compared with the same period of 2025, despite persistent macroeconomic uncertainty and the absence of certain positive non-recurring items recorded in the previous year. Returns on invested capital remained solid, with adjusted ROI at 9%. Adjusted net profit post minorities reached €296.7 million, up 16.5% on a like-for-like basis, showing a further acceleration compared with the first half. Strong cash generation supported the Group's balance sheet soundness, while adequate liquidity and financial flexibility enabled it to manage volatility in the energy market while maintaining the pace of execution of the challenging Capex Plan."

New breakdown by strategic area
In line with the representation used for the Business Plan and with a view to continuously improving information for investors and stakeholders, starting with the financial report for the first half of 2026, an analysis of results by strategic area (Networks, Energy, Waste and Other Services) has been introduced as an alternative to the historical representation based on business areas (Gas, Electricity, Water Cycle, Waste and Other Services).

Revenues at €10.3 billion
Revenues as at 30 September 2026 rose to €10,262.1 million, compared to €9,365.6 million in the same period of the previous year. On a like-for-like basis, adjusted revenue for 9M amounted to €10,250.9 million, up 11.4% compared to €9,205.4 million adjusted as at 30 September 2025, mainly due to the increase in average prices of energy commodities, especially in the last quarter, and to higher gas trading activity. Revenues in network services and the waste business area also increased, driven in particular by treatment, recovery and remediation activities, as well as the aforementioned M&A transactions.

EBITDA up
EBITDA amounted to €1,047.9 million, up compared to €1,037.2 million as at 30 September 2025. Adjusted EBITDA amounted to €1,036.7 million, up 6.9% compared to €970.1 million in the same period last year, with positive contributions from all business segments.

Net operating profit/loss and pre-tax profit/loss up
EBIT amounted to €535.2 million, up compared to €519.9 million as at 30 September 2025. Adjusted EBIT amounted to €524.0 million, up 13.1% also compared to the same period of 2025. The further improvement compared to EBITDA is due to a decrease in provisions that offsets the higher amortisation/depreciation linked to infrastructure growth.
Pre-tax profit rose to €471.5 million, up from €457.2 million as at 30 September 2025, while the adjusted figure stood at €460.3 million, up 14.9%.

Group net profit and net profit post minorities up
Group net profit rose to €332.4 million, compared to €324.6 million as at 30 September 2025, despite the increase in the tax rate (29.5% compared to 29% in 9M 2025) due to the increase in IRAP set out in the Bills

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Decree. Adjusted Group net profit increased by 14.1% to €324.5 million, compared to €284.5 million in the same period of 2025. Similarly, net profit post minorities also increased, amounting to €304.6 million euro compared to €294.7 million as at 30 September 2025. Adjusted net profit post minorities amounted to €296.7 million, up 16.5% compared to the adjusted result as at 30 September 2025.

Increase in gross operating Capital expenditure and maintenance of the Group's solidity

In terms of Capital expenditure, the Hera Group recorded significant growth compared to the previous year, confirming its commitment to expanding infrastructure and strengthening the resilience of the assets under management, and to promoting technological evolution in support of the green and digital transition.

In 9M 2026, the Group's operating investments, gross of capital grants, rose to €777.9 million, up by over €110 million compared to the same period of the previous year (+16.7%), with a significant increase, especially in the networks and waste business areas.

As at 30 September 2026, ROI stood at 9.1% (adjusted to 9%) and ROE at 11.4% (adjusted to 11.2%).

Net debt stood at €4,618.1 million, up from €3,944.4 million as at 31 December 2025, with a net debt/EBITDA ratio of 2.98x (net debt / adjusted EBITDA to 3.0x).

Networks

Adjusted EBITDA of the networks business area – which includes the integrated water service, gas distribution, electricity and district heating – increased from €398.1 million as at 30 September 2025 to €418.1 million in the same period of 2026, up 5%, thanks to the organic growth of all network services driven by infrastructure development and operational efficiencies. Specifically, the water cycle recorded an increase of €7.3 million, followed by electricity distribution with an improvement in margins of €6.5 million, and gas distribution with an increase of €4.3 million.

During 9M 2026, gross Capital expenditure in the networks business area amounted to €516.1 million, up 19.5% compared to the same period of the previous year.

In particular, the main initiatives in the integrated water service include the upgrading of the Bubano water treatment plant in the province of Bologna, an investment that enhances resilience, service quality and the security of water supply, as well as the ongoing remediation activities on networks and connections related to ARERA Resolution 917/2017 on the regulation of technical quality, the ongoing installation of smart meters with a view to reducing network leakage, and the works to upgrade the Rimini PSBO sewerage network and those in the other areas served. In the Marche region, the modernisation and upgrading of the Calcinelli wastewater treatment plant in the municipality of Colli al Metauro (Pesaro-Urbino) was also completed, doubling its capacity from 5,000 to 9,000 population equivalents. Also of note are the construction of the new plant with power-to-gas technology at the IDAR purification plant in Bologna, as well as the expansion of the Ravenna purification plant. Extraordinary maintenance on gas distribution networks and plants also increased, alongside investments in electricity distribution to build primary substations in the Modena and Imola areas. In addition, major smart grid projects for the upgrading and digitalisation of the electricity network have been completed, such as in Trieste, where the increase in the "hosting capacity" of the distribution network in the metropolitan area will help meet the growing demand for energy, reduce CO2 emissions and enable electrical flexibility, laying the foundations for the development of cold ironing and for supplying the new logistics platforms at the Port of Trieste. Lastly, work continues on the district heating system in the Bologna area involving the interconnection of four currently separate systems, alongside an expansion of the network to maximize heat recovery from the waste-to-energy plant. Meanwhile, projects have been completed in Ferrara, doubling geothermal heat production and expanding the network into previously unserved urban areas and in Forlì, connecting three district heating systems and installing a new trunk network to increase heat recovery from the waste-to-energy plant. In district heating, the Hera Group was also able to count on significant contributions, such as the €49.5 million in NRRP funds, which in the period 2023-2026, made it possible to accelerate the development of the service in the areas served.

The networks business area contributed 40.3% of the Group's total adjusted EBITDA.

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Energy

Adjusted EBITDA of the energy business area– which includes the sale of natural gas and electricity, energy services, energy production and public lighting – rose to €312.3 million, compared to €274.3 million as at 30 September 2025, an increase of 13.9%.

Growth was driven by all activities in the energy business area.

Gross Capital expenditure in the first nine months amounted to €77.7 million and were made for €48.9 million in gas and electricity sales, for activities related to the acquisition of new customers and for €28.8 million in other activities in the business area. Construction of the two Hydrogen Valleys in Trieste and Modena has also been completed. Once fully operational, they will produce over 620 tonnes of green hydrogen per year, contributing to the decarbonisation of businesses and, more broadly, the surrounding areas, while also supporting the regeneration of brownfield sites.

The Group's Energy business segment has over 4.2 million customers.

With regard to public lighting, the municipalities served rose to 242 and the percentage of lighting points using LED lamps increased further, reaching almost 70% of the total, confirming the Group's constant focus on an increasingly efficient and sustainable management of the service.

The energy business area contributed 30.1% of the Group's total adjusted EBITDA.

Waste

EBITDA for the waste management business area – which includes waste collection, treatment and recovery services – rose to €283.6 million, compared to €274.9 million in 9M 2025. Note should be taken of the significant expansion in both the Recovery market, owing to the higher volumes sold by Aliplast, and the industry market, thanks to the development of the ACR and HASI business and the recent acquisitions of the Sostelia Group and SEA.

Waste collection activities also grew, thanks to operational efficiency and complementary services.

Gross Capital expenditure in the waste management business amounted to €174.1 million, up 17.8% compared to €147.8 million as at 30 September 2025, and mainly concerned recycling centres, collection equipment for the waste collection service, maintenance work and upgrades to treatment and recovery plants. Among the most significant projects, construction of the fourth line of the Padua waste-to-energy plant is continuing, and the R3GID plant in Modena, one of the few innovative plants in Europe for the recycling of rigid plastics for the automotive, home and personal care, and consumer electronics sectors, has been completed and inaugurated.

Protecting environmental resources and maximising their reuse remain a top priority: this is further evidenced by the focus placed on developing waste sorting and recycling initiatives which, thanks to the Group's strong commitment across all its operating areas, the rate of separate waste collection has risen by nearly 1.5 percentage points, increasing from 75.1% in 9M 2025 to 76.5% as at 30 September 2026.

The waste management business area contributed 27.4% of the Group's total adjusted EBITDA.

Other services

As at 30 September 2026, EBITDA of the other services business area – which includes telecommunications and other minor services – stands at €22.7 million, in line with the same period in 2025.

The other services business area contributed 2.2% of the Group's total adjusted EBITDA.

The manager in charge of preparing the company's accounting documents, Massimo Vai, declares, pursuant to Article 154-bis, paragraph 2, of the Consolidated Finance Act, that the information contained in this press release corresponds to the documentary evidence, books and accounting records.

The accounting statements, extracted from the Consolidated Quarterly Report as at 30 September 2026, which have not been audited, are annexed.

This press release is available at
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Special items/financial statements reconciliation

The following table provides a reconciliation between the managerial statement of profit or loss and the consolidated statement of profit or loss drafted pursuant to accounting standards.

	SET-26			SET-25		
MN€	CONSOLIDATED INCOME STATEMENT	SPECIAL ITEM	ADJUSTED INCOME STATEMENT*	CONSOLIDATED INCOME STATEMENT	SPECIAL ITEM	ADJUSTED INCOME STATEMENT*
Revenue	10,262.1	(11.2)	10,250.9	9,365.6	(160.2)	9,205.4
Other income	116.4		116.4	109.7		109.7
Raw and other materials	(6,079.2)		(6,079.2)	(5,266.0)	70.2	(5,195.8)
Service costs	(2,744.1)		(2,744.1)	(2,657.1)	22.9	(2,634.2)
Personnel costs	(556.5)		(556.5)	(526.4)		(526.4)
Other operating expenses	(56.4)		(56.4)	(67.1)		(67.1)
Capitalised costs	105.6		105.6	78.5		78.5
EBITDA	**1,047.9**	**(11.2)**	**1,036.7**	**1,037.2**	**(67.1)**	**970.1**
Depreciation, amortisation, provisions and impairment losses	(512.7)		(512.7)	(517.3)	10.6	(506.7)
EBIT	**535.2**	**(11.2)**	**524.0**	**519.9**	**(56.5)**	**463.4**
Net finance result	(73.4)		(73.4)	(71.4)		(71.4)
Share of profits (losses) pertaining to joint ventures and associates	9.7		9.7	8.7		8.7
Pre-tax profit or loss	**471.5**	**(11.2)**	**460.3**	**457.2**	**(56.5)**	**400.7**
Income tax expense	(139.1)	3.3	(135.8)	(132.6)	16.4	(116.2)
Profit (loss) for the period	**332.4**	**(7.9)**	**324.5**	**324.6**	**(40.1)**	**284.5**
Attributable to:						
Owners of the parent	304.6	(7.9)	296.7	294.7	(40.1)	254.6
Non-controlling interests	27.8		27.8	29.9		29.9

* adjusted results, as described above

With reference to the first months of the 2025 financial year, the following adjustments were made:

- the income statement items attributable to the last-resort gas supply service that affected the result for the period in the energy business, consisting of revenue of €129.3 million, raw and other materials of €70.2 million, service costs of €22.9 million, and impairment provisions for receivables of €10.6 million, with a corresponding tax effect of €7.4 million;
- the effects resulting from the introduction of tariff adjustments for prior years, specifically within gas distribution, which impacted the period results for the networks segment, contributing €30.9 million in revenue, with a corresponding tax effect of €9 million.

With reference to the first months of the 2026 financial year, revenue was adjusted by €11.2 million in relation to the residual equalisation components of the last-resort gas supply service, with a consequent tax effect of €3.3 million.

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Profit or loss

STATEMENT OF PROFIT OR LOSS (MLN EURO)	SEPT.-26*	INC. %	SEPT.-25*	INC. %	ABS. CHANGE	ABS. %
Revenue	10,250.9		9,205.4		1,045.5	11.4%
Other income	116.4	1.1%	109.7	1.2%	6.7	6.1%
Raw and other materials	(6,079.2)	(59.3%)	(5,195.8)	(56.4%)	883.4	17.0%
Service costs	(2,744.1)	(26.8%)	(2,634.2)	(28.6%)	109.9	4.2%
Other operating expenses	(56.4)	(0.6%)	(67.1)	(0.7%)	(10.7)	(15.9%)
Personnel costs	(556.5)	(5.4%)	(526.4)	(5.7%)	30.1	5.7%
Capitalised costs	105.6	1.0%	78.5	0.9%	27.1	34.5%
EBITDA	**1,036.7**	**10.1%**	**970.1**	**10.5%**	**66.6**	**6.9%**
Depreciation, amortisation, provisions and impairment losses	(512.7)	(5.0%)	(506.7)	(5.5%)	6.0	1.2%
EBIT	**524.0**	**5.1%**	**463.4**	**5.0%**	**60.6**	**13.1%**
Net finance result	(73.4)	(0.7%)	(71.4)	(0.8%)	2.0	2.8%
Share of profits (losses) pertaining to joint ventures and associates	9.7	0.1%	8.7	0.1%	1.0	11.5%
Pre-tax profit or loss	**460.3**	**4.5%**	**400.7**	**4.4%**	**59.6**	**14.9%**
Income tax expense	(135.8)	(1.3%)	(116.2)	(1.3%)	19.6	16.9%
Profit (loss) for the period	**324.5**	**3.2%**	**284.5**	**3.1%**	**40.0**	**14.1%**
Attributable to:						
Owners of the parent	296.7	2.9%	254.6	2.8%	42.1	16.5%
Non-controlling interests	27.8	0.3%	29.9	0.3%	(2.1)	(7.0%)

* Adjusted results are as shown in paragraph 1.02.02 Special items/financial statements reconciliation

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Invested capital and sources of financing (mln€)	30-Sep-26	% inc.	31-Dec-25	% inc.	Change Abs.	% change
Net non-current assets	9,452.2	105.5%	8,980.7	107.6%	471.5	5.3%
Net working capital	286.5	3.2%	143.7	1.7%	142.8	99.4%
(Provisions)	(776.2)	(8.7%)	(780.3)	(9.4%)	4.1	(0.5%)
Net invested capital	**8,962.5**	**100.0%**	**8,344.1**	**100.0%**	**618.4**	**7.4%**
Equity	4,344.4	48.5%	4,399.7	52.7%	(55.3)	(1.3%)
Non-current net financial debt	4,482.4	50.0%	4,228.5	50.7%	253.9	6.0%
Net current financial debt	135.7	1.5%	(284.1)	(3.4%)	419.8	(147.8%)
Net financial position	4,618.1	51.5%	3,944.4	47.3%	673.7	17.1%
Total sources of financing	**8,962.5**	**100.0%**	**8,344.1**	**100.0%**	**618.4**	**7.4%**

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IFRS Financial Statement

Statement of profit or loss

MN€	30-SET-2026 (9M)	30-SET-2025 (9M)
Revenue	10,262.1	9,365.6
Other income	116.4	109.7
Raw and other materials	(6,079.2)	(5,266.0)
Service costs	(2,744.1)	(2,657.1)
Personnel costs	(556.5)	(526.4)
Other operating expenses	(56.4)	(67.1)
Capitalised costs	105.6	78.5
Depreciation, amortisation, provisions and impairment losses	(512.7)	(517.3)
Operating profit	**535.2**	**519.9**
Finance income	86.0	92.6
Financial expense	(159.4)	(164.0)
Net finance result	**(73.4)**	**(71.4)**
Share of profits (losses) pertaining to joint ventures and associates	9.7	8.7
Pre-tax profit (loss)	**471.5**	**457.2**
Income tax expense	(139.1)	(132.6)
Profit (loss) for the period	**332.4**	**324.6**
Attributable to:		
Owners of the parent	304.6	294.7
Non-controlling interests	27.8	29.9
Earnings per share:		
Basic	0.208	0.201
Diluted	0.208	0.201

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Balance sheet

MN€	30-Sep-26	31-Dec-25
ASSETS		
Non-current assets		
Property, plant and equipment	2,459.8	2,321.9
Rights of use	91.3	92.3
Intangible assets	5,568.2	5,240.6
Goodwill	1,027.9	950.0
Equity-accounted investments	125.0	137.2
Other equity investments	48.4	54.0
Non-current financial assets	148.1	151.8
Deferred tax assets	342.3	340.1
Total non-current assets	**9,811.0**	**9,287.9**
Current assets		
Inventories	283.2	213.2
Trade receivables	2,945.2	2,605.9
Current financial assets	128.7	75.1
Current tax assets	10.2	56.2
Current assets from customer contracts	162.4	89.5
Other current assets	614.7	778.5
Derivative financial instruments	1,068.8	178.5
Cash and cash equivalents	906.0	845.3
Total current assets	**6,119.2**	**4,842.2**
TOTAL ASSETS	**15,930.2**	**14,130.1**

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MN€	30-Sep-26	31-Dec-25
EQUITY AND LIABILITIES		
Share capital and reserves		
Share capital	1,434.4	1,477.7
Reserves	2,301.6	2,139.4
Profit (loss) for the period	304.6	464.3
Equity attributable to owners of the parent	**4,040.6**	**4,081.4**
Non-controlling interests	303.8	318.3
Total equity	**4,344.4**	**4,399.7**
Non-current liabilities		
Non-current financial liabilities	4,568.2	4,317.9
Non-current lease liabilities	62.3	62.4
Employee benefits	68.1	74.3
Provisions	708.1	706.0
Deferred tax liabilities	210.7	155.4
Total non-current liabilities	**5,617.4**	**5,316.0**
Current liabilities		
Current financial liabilities	1,146.2	611.9
Current lease liabilities	24.2	24.4
Trade payables	1,950.9	1,839.9
Current tax liabilities	55.9	12.8
Contract liabilities	39.1	26.1
Other current liabilities	1,749.3	1,696.3
Derivative financial instruments	1,002.8	203.0
Total current liabilities	**5,968.4**	**4,414.4**
TOTAL LIABILITIES	**11,585.8**	**9,730.4**
TOTAL EQUITY AND LIABILITIES	**15,930.2**	**14,130.1**

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