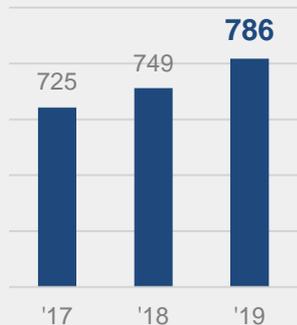


9M 2019 FINANCIAL RESULTS

“Fasten growth path”

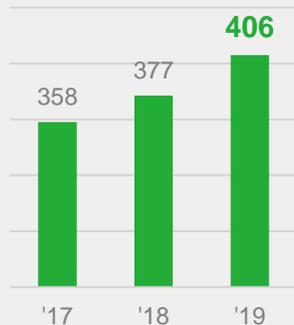
9M results



Ebitda (M€)

+5.0%

'19/'18



Ebit (M€)

+7.7%

'19/'18



Net Profit (M€)

+10.6%

'19/'18

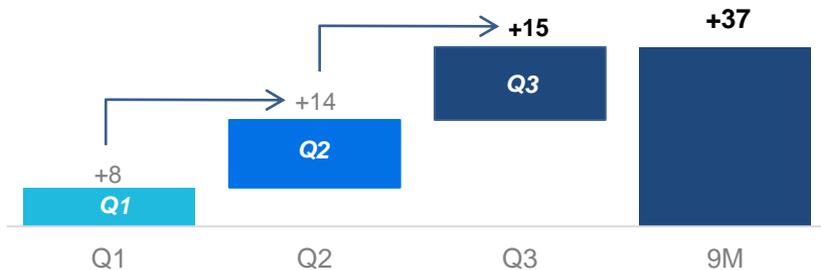


Debt/Ebitda (x)
Rolling

Strong set of results

Main events underpinning increased growth path

Ebitda Growth by quarter
(M€)



- Business plan to 2022
- Road Show
- FTSE Mib inclusion
- M&A: **CMV** acquisition and **ATR** integration
- **Minority** buy-out (0.5%) of **Marche Multiservizi**
- **Bio-Metano** plant Start-up

Q1

- M&A: **Ascopiave** deal
- M&A: **Cosea** acquisition
- **Minority** buy-out (3.28%) of **Acantho**
- **Cordenons** landfill start
- Dividend payment (0.10c€)
- Integrated Governance Index award

Q2

- **Waste Recycling** integration in Hasi
- 2° **Green Bond** issued
- **Pistoia Ambiente** acquisition
- Worldwide multiutility leader in diversity and inclusion (TR)

Q3

Growth coming from all activities both regulated and liberalised

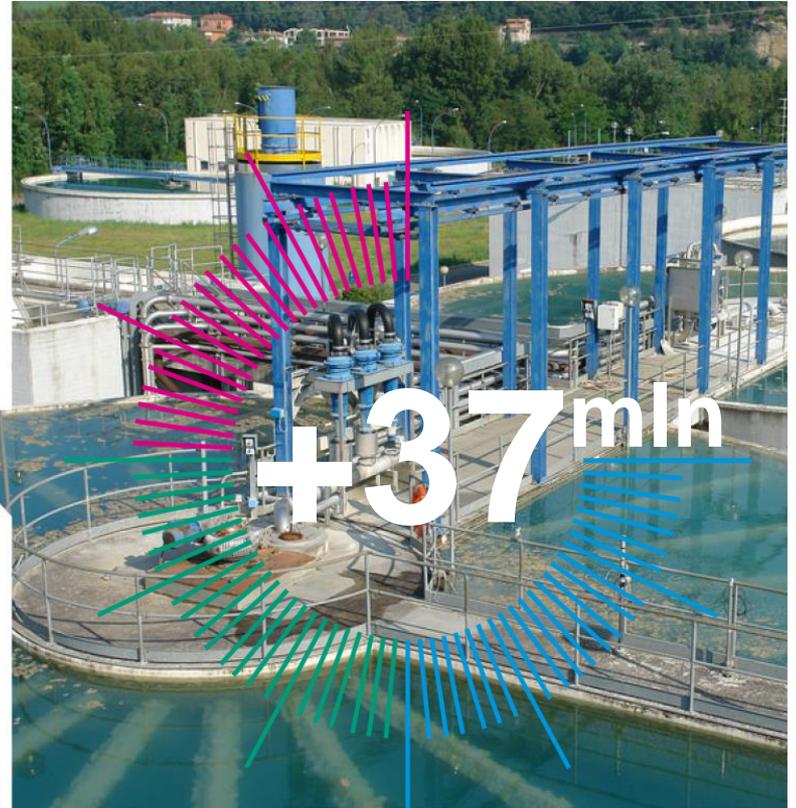


Ebitda growth drivers
(M€)

+37 M€ +5%

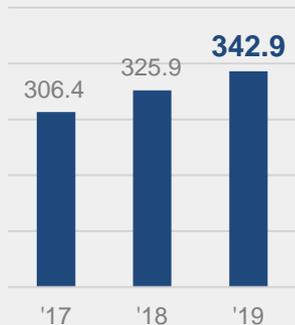
Positive contribution of all usual value drivers

Growth in all businesses



EBITDA increase

Overview on 9M results by business



Networks (M€)

+5.2%

'19/'18



Waste (M€)

+2.0%

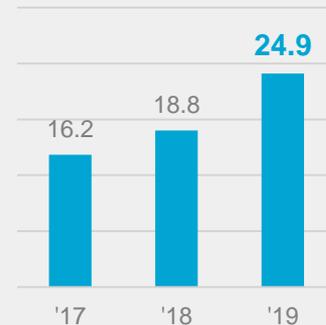
'19/'18



Energy (M€)

+4.8%

'19/'18



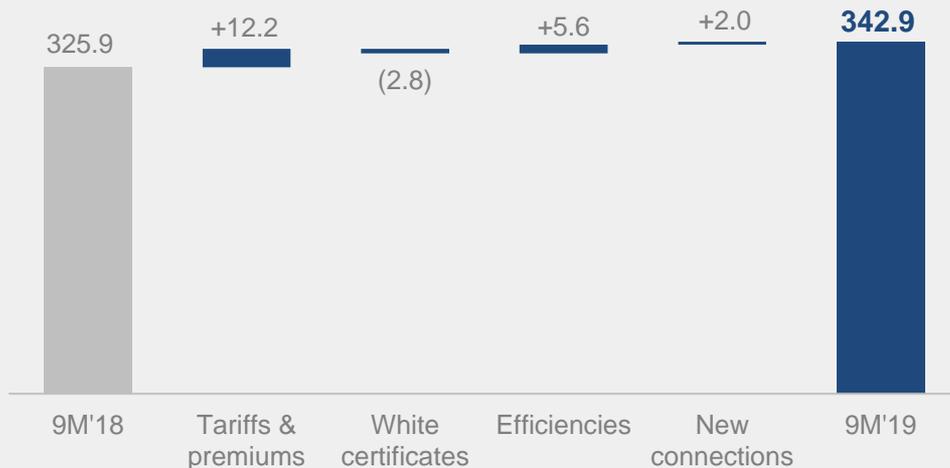
Other (M€)

+32.4%

'19/'18

Linear growth trends on track

Networks



Ebitda growth
(M€)

+16.9 M€

Tariff and Premiums

- Positive efficiency gains and Premiums mainly in water business
- Results benefitted from Wacc review in Energy tariffs

White certificates

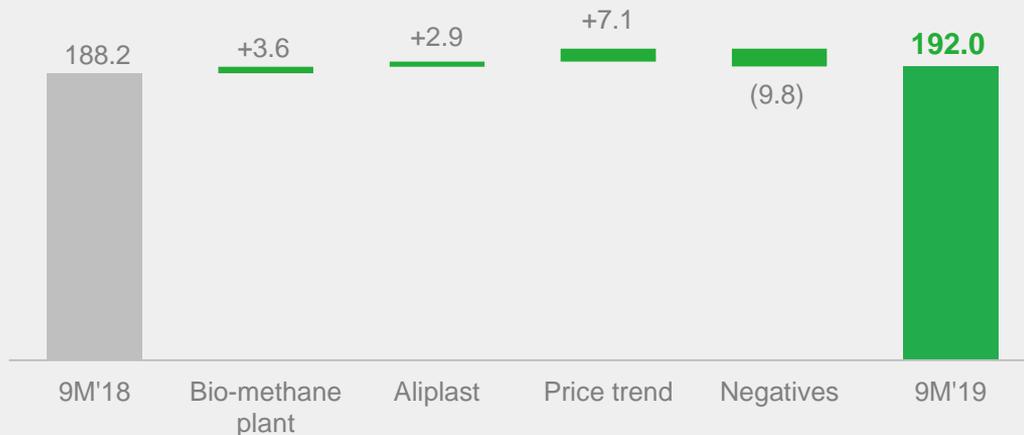
- White certificates decrease

Connections

- Slight growth in new connections

Above expectations

Waste



Ebitda growth
(M€)

+3.8 M€

New plants

- Bio-methane plant in full operation, Cordenons landfill and Cosea Ambiente

Aliplast

- Aliplast posted further synergies/growth

Prices

- Positive price trend still positive

Negative

- Plant availability increased (steady vs. H1 2019 at -9.8m€)

Surfing on positive price trends without bottlenecks

Energy



Ebitda growth
(M€)

+10.4 M€

Last resort market

- Safeguarded margins affected by 2018 tenders partially offset by increased Default and FUI

Market expansion: 2.64 million clients

- +184.8K client increase since 30/9/2018 (+7.5%)

Trading

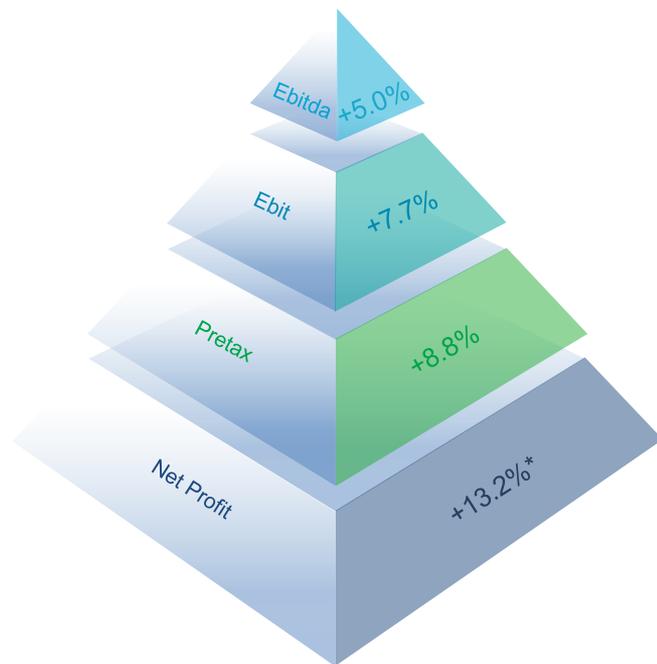
- Positive opportunities in Q3 both in gas (settlement) and electricity

Power generation

- Benefit from ancillary services

More than offsetting last resort markets expected effect

Beyond Ebitda



	Δ m€	Notes
Ebitda	+37.2	
Depreciation	(20.9)	Capex and IFRS16
Provisions and Bad Debt	+12.7	Last resort markets
Ebit	+29.0	
Financial costs	+2.4	Liability management
Figurative interests	(3.6)	IFRS16
Income from JV	(0.4)	Stable contribution
Pretax	+27.4	
Tax	(1.3)	Lower tax rate (28.5%)
Minorities	+0.7	Lower minorities
Net Profit*	+26.9	

Solid business results enhanced by financial and fiscal performance

*Adjusted for extraordinary income related to Medea disposal

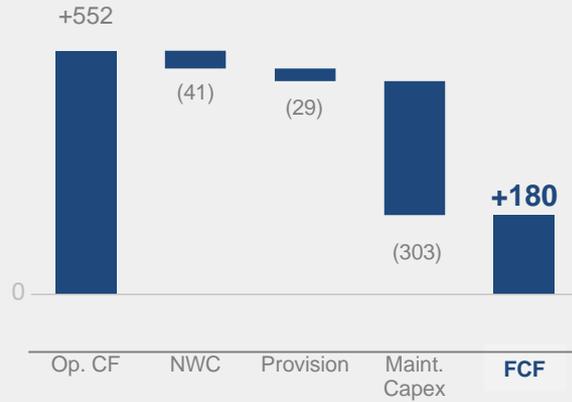
Sound cash generation



2.57^x

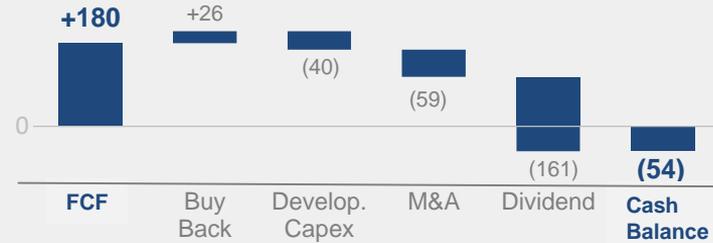
Net Debt / Ebitda rolling

Good 9 month cash generation



Free Cash Generation
(M€)

+180 M€



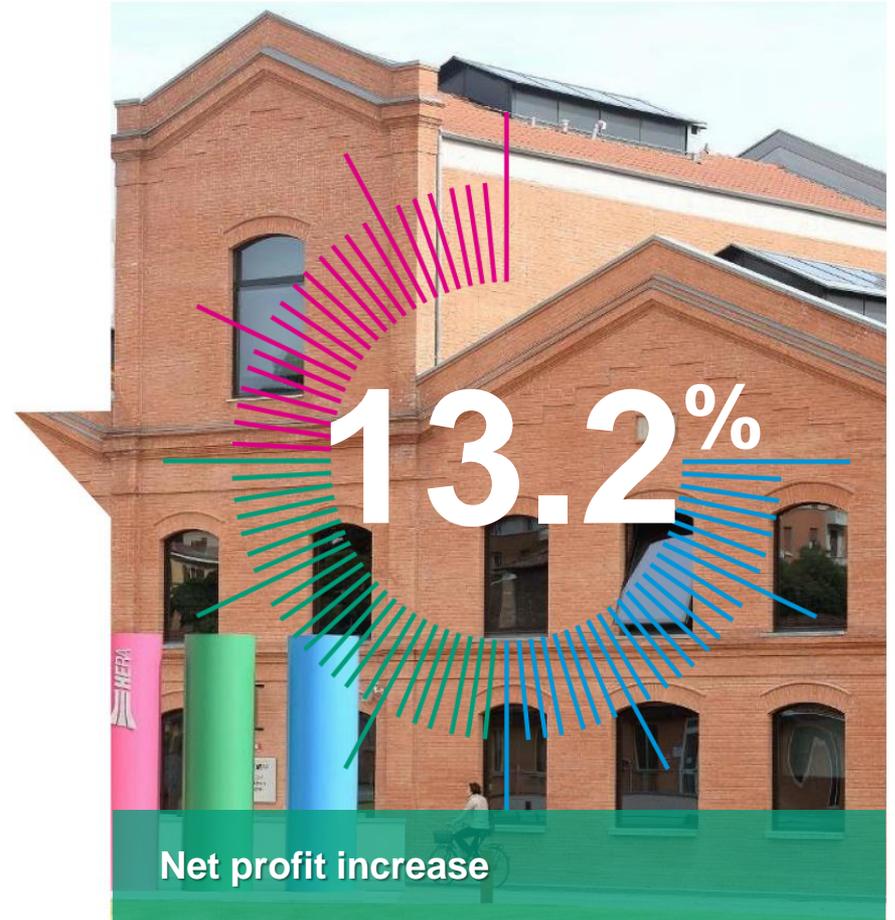
Capital allocation
(M€)

Good cash balance

■ Cash items only

Maintaining a solid Debt/Ebitda at 2.57x

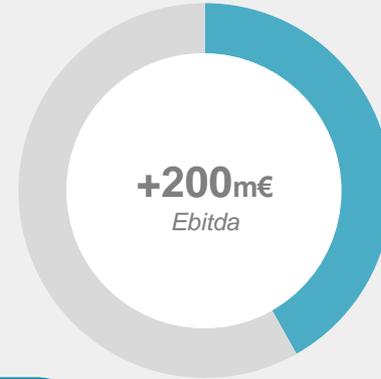
Closing remarks



Closing remarks: good progression on business plan targets



35% of time
consumed



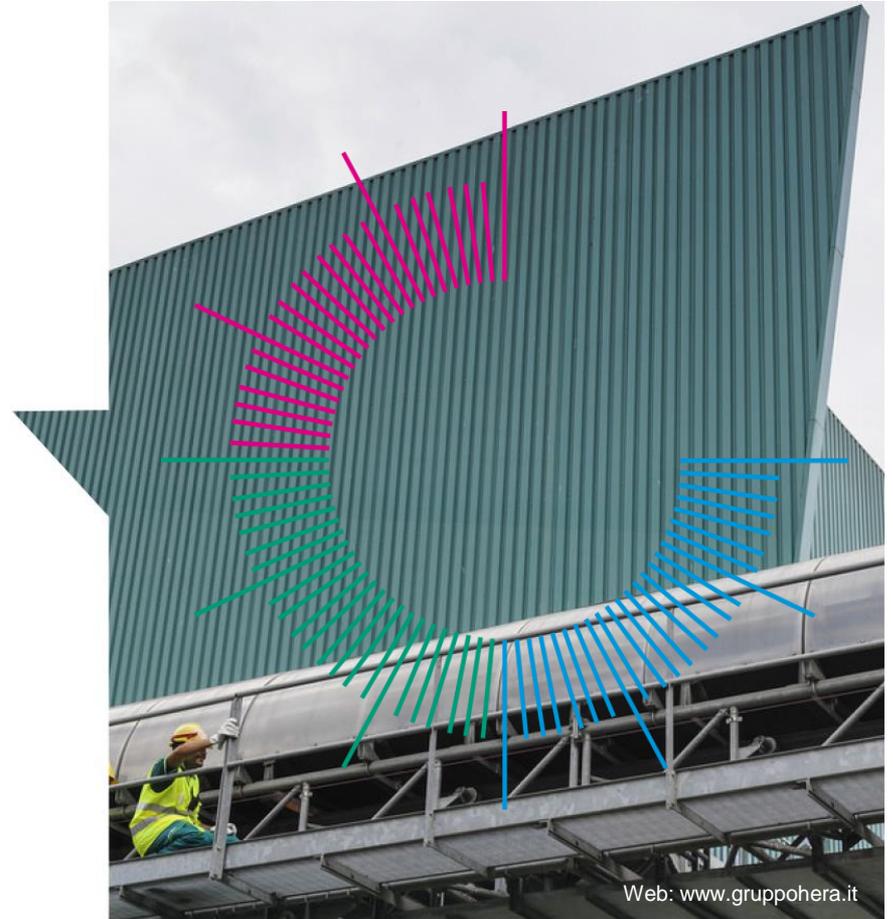
42% of
target
achieved

Degree of achievements
of 5 years BP to 2022

New business plan under way

Q&A and Appendix

Further details on 9M 2019 results are available in this section.



Annex: P&L

Profit & Loss

(M€)

	9M '18	9M '19	
REVENUES	4,669.5	5,429.9	+17.5%
EBITDA	748.6	785.8	+5.0%
<i>Ebitda margin</i>	<i>16.0%</i>	<i>14.5%</i>	
Depreciation and provisions	(372.2)	(380.3)	
EBIT	376.5	405.5	+7.7%
Financial costs	(62.5)	(60.1)	
Figurative interests (IAS) & Leasing	(12.7)	(16.3)	
Income from Associates & J.V.	9.7	9.3	
PRETAX PROFIT	311.0	338.4	+8.8%
Tax	(95.1)	(96.4)	
<i>Tax rate</i>	<i>30.1%</i>	<i>28.5%</i>	
Special items*	4.8	0.0	
Minorities	(11.9)	(11.2)	
NET PROFIT POST MINORITIES	208.7	230.8	+10.6%

* Capital gains related to the Medea disposal

Annex: Waste and Water

Waste: Profit & Loss

(m€)	9M 2018	9M 2019	Ch.
Revenues	826.6	883.5	+56.9
Ebitda	188.2	192.0	+3.8

Waste: KPIs

Data	9M 2018	9M 2019	Ch.
Urban W. Volumes (Kton)	1,758.8	1,751.4	(7.4)
Special W. Volumes (Kton)	1,641.7	1,620.1	(21.6)
Waste from third parties	3,400.5	3,371.5	(29.0)

Water: Profit & Loss

(m€)	9M 2018	9M 2019	Ch.
Revenues	644.3	676.5	+32.1
Ebitda	186.2	200.0	+13.8

Water: KPIs

Data	9M 2018	9M 2019	Ch.
Aqueduct (mm3)	220.4	219.2	(1.2)
Sewerage (mm3)	186.2	186.0	(0.1)
Purification (mm3)	184.6	183.5	(1.1)

Annex: Gas and Electricity

Gas: Profit & Loss

(m€)	9M 2018	9M 2019	Ch.
Revenues	1,509.4	2,093.2	+583.8
Ebitda	222.2	239.8	+17.6

Gas: KPIs

Data	9M 2018	9M 2019	Ch.
Volumes distrib. (mm3)	2,090.4	2,044.0	(46.3)
Volumes sold (mm3)	3,957.5	6,715.0	+2,757.4
<i>of which trading (mm3)</i>	<i>2,377.0</i>	<i>5,108.4</i>	<i>+2,731.4</i>
District Heating (GWht)	336.1	330.8	(5.3)
Final retail volumes (mm3)	1,580.5	1,606.6	+26.0
Clients ('000 unit)	1,412.7	1,465.1	+52.4

Electricity: Profit & Loss

(m€)	9M 2018	9M 2019	Ch.
Revenues	1,840.6	1,936.3	+95.7
Ebitda	133.2	129.1	(4.1)

Electricity: KPIs

Data	9M 2018	9M 2019	Ch.
Volumes sold (GWh)	8,937.1	9,586.8	+649.7
<i>of which Salvaguardia (GWh)</i>	<i>1,861.4</i>	<i>2,109.7</i>	<i>+248.3</i>
Volumes distrib. (GWh)	2,314.4	2,287.9	(26.4)
Clients ('000 unit)	1,038.8	1,171.2	+132.4