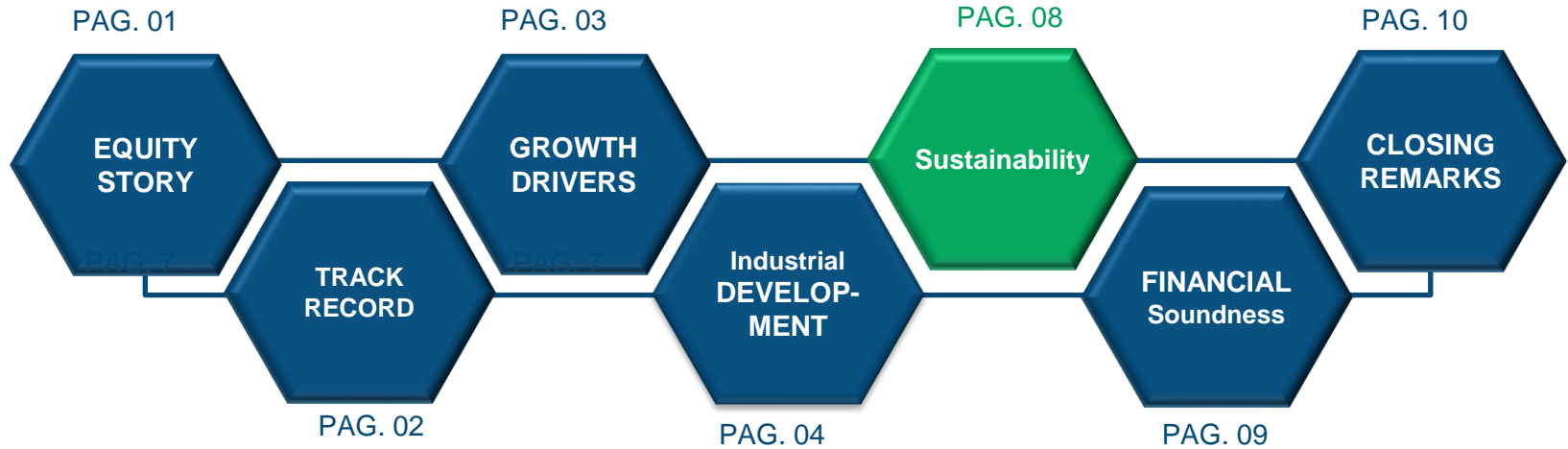
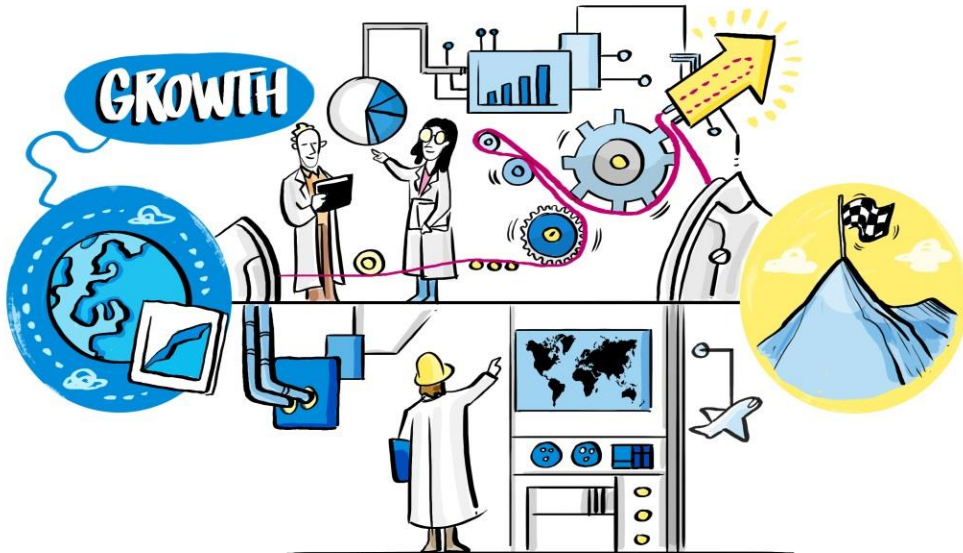




# INDEX

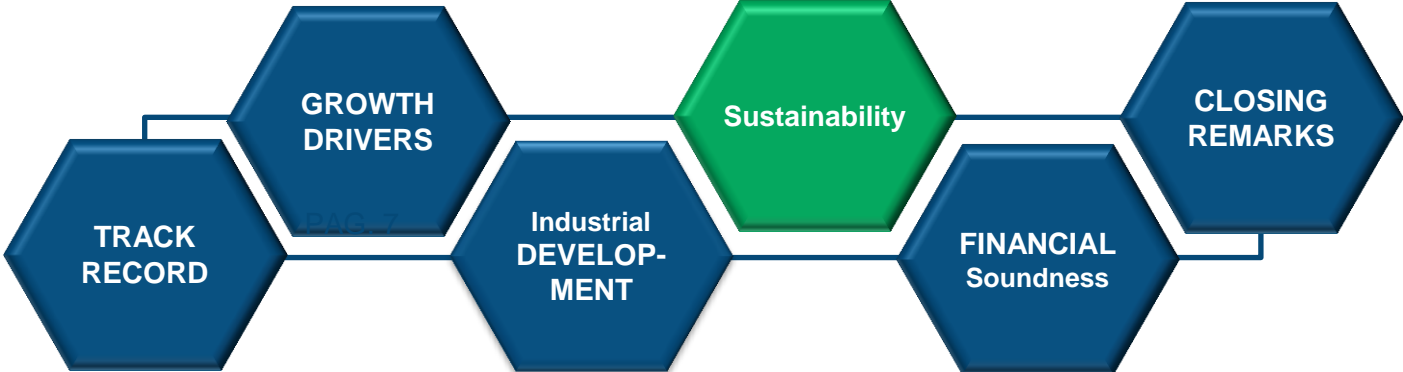


**TOMASO TOMMASI DI VIGNANO**  
Executive Chairman



MORE in everything

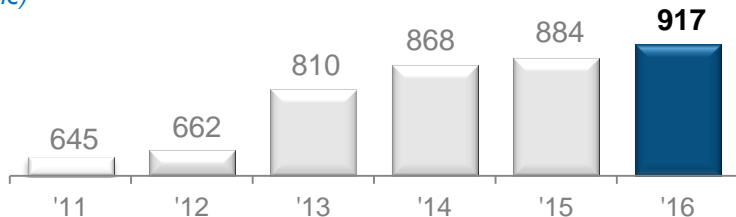
# The pillars of our Equity story



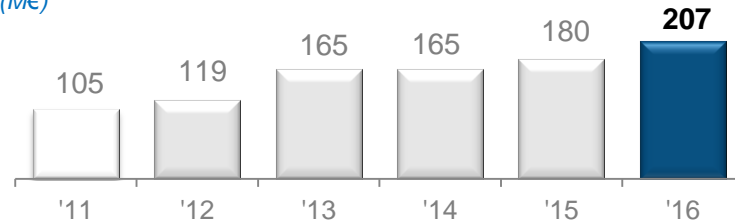
## Hera compass

# All drivers at work to maintain our “un-interrupted” growth

**EBITDA growth at +7.3% CAGR**  
(M€)



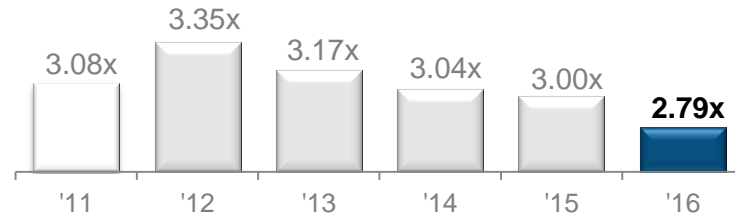
**Net profit growth at +14.7% CAGR**  
(M€)



## M&A track record: 13 deals since '11

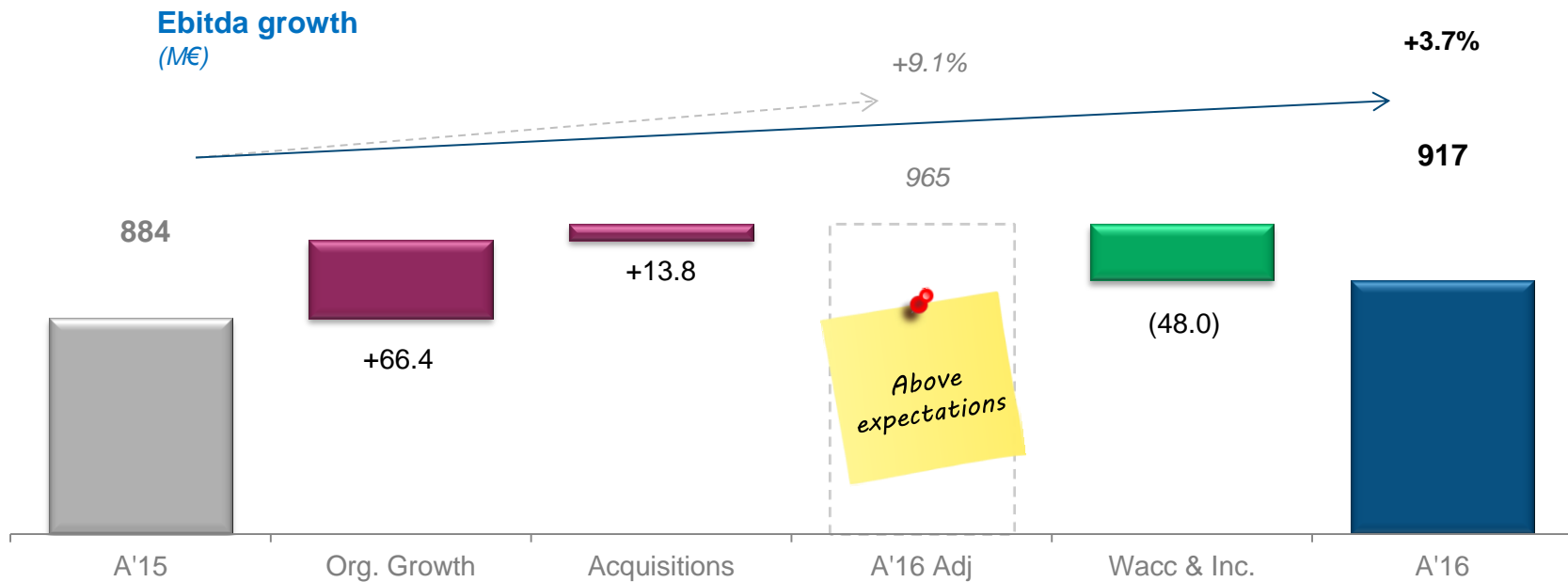
Multi-utility / Reg.	Energy sales	Waste treatm.
Acegas Aps ('13)	Sadori ('11)	Energonut ('12)
Est Reti Elettriche ('13)	Alento Gas ('15)	<b>Geo Nova ('15)</b>
Isontina Reti Gas ('14)	<b>Julia Servizi ('16)</b>	<b>Waste Recycling ('15)</b>
Amga ('14)	<b>Gran Sasso ('16)</b>	<i>Aliplast + Teseco ('17)</i>

**DEBT/EBITDA enhanced**  
(x)



## Sizeably outperforming expectations on '16Y

# 2016 EBITDA growth drivers



**More in everything**

**STEFANO VENIER**  
**C.E.O.**

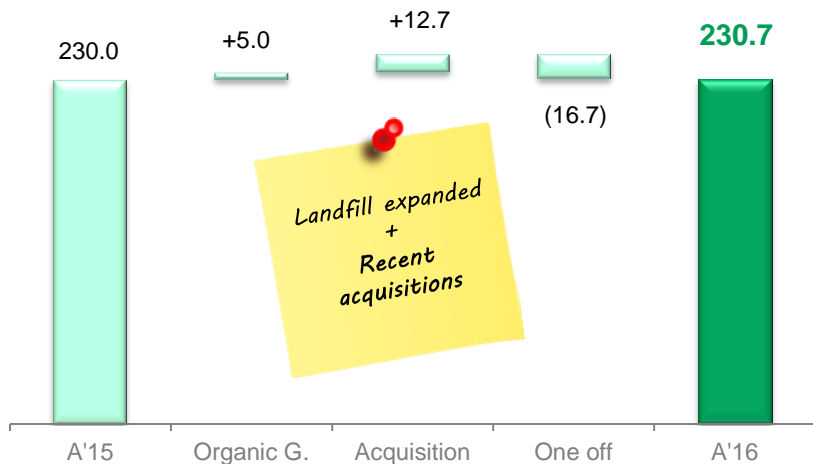


**MORE** with less

# WASTE: A further expansion of our leading platform

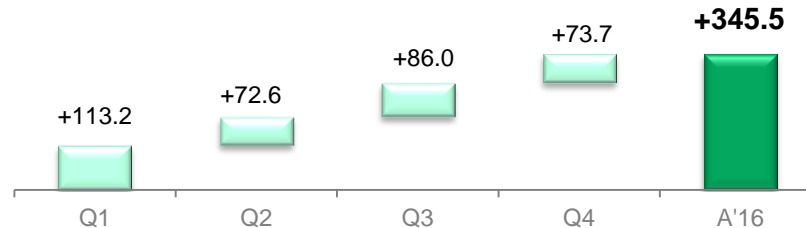
## Ebitda growth by business

(M€)



## Waste volumes from third parties

(kton)

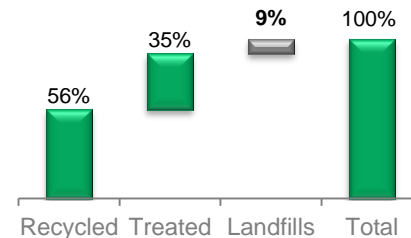


## 2017 Acquisitions



## Urban Waste treatments

(%)



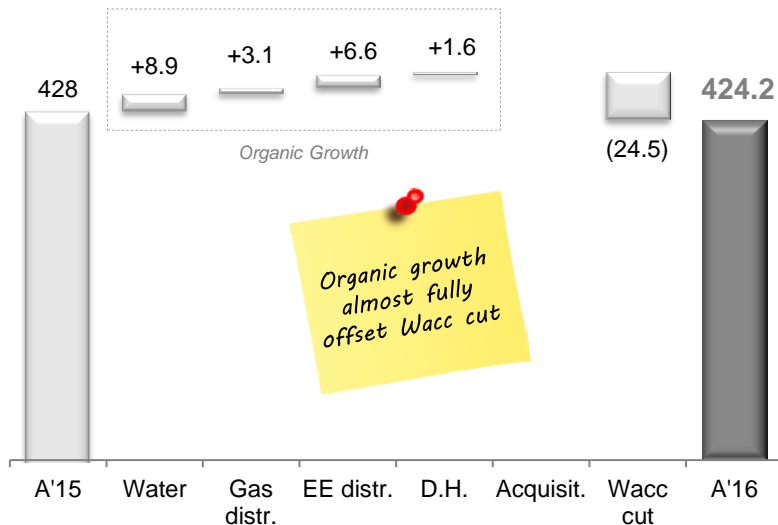
## Progressive repositioning and geographical expansion



# NETWORKS: Cost savings offset most part of Wacc cut

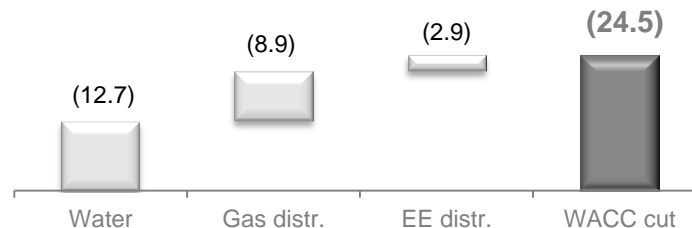
## Ebitda growth drivers

(M€)



## WACC impact on Nets

(M€)



## Water quality premium achievement

(%, M€ Ebitda)

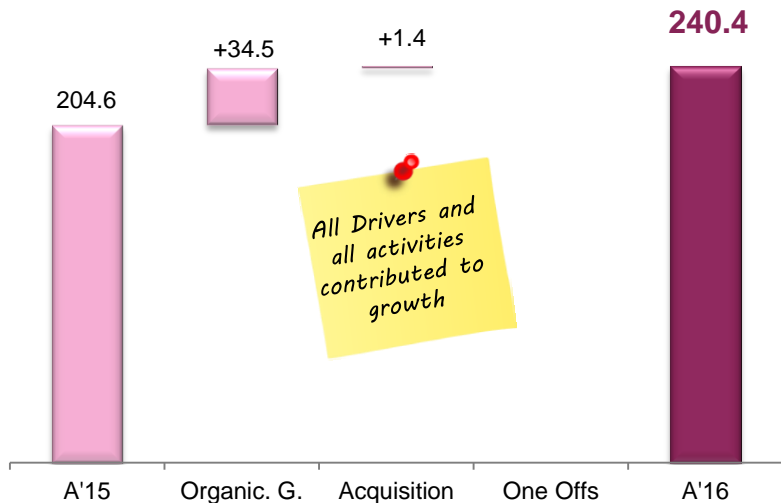


**Cleared the way to the end of the regulatory period**

# ENERGY: Exploited all opportunities

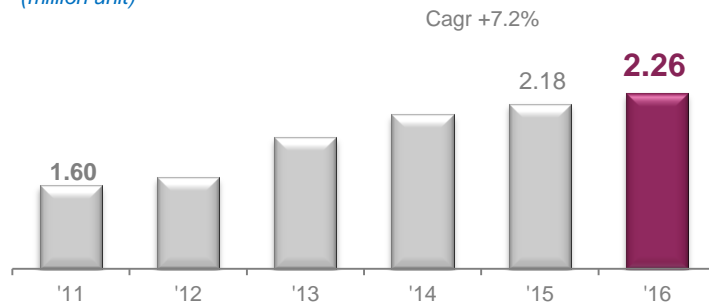
## Ebitda growth drivers

(M€)



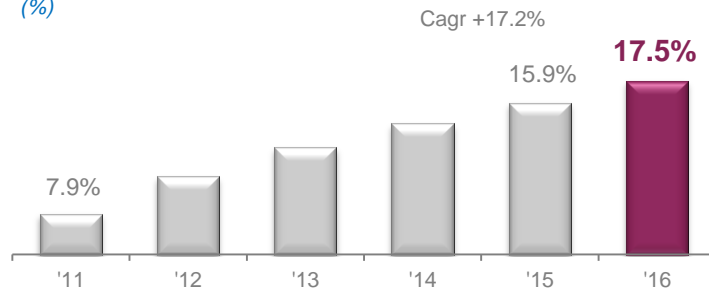
## Customers growth

(million unit)



## Digital customers growth

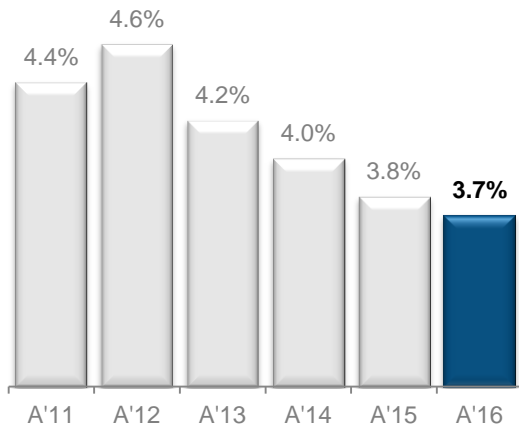
(%)



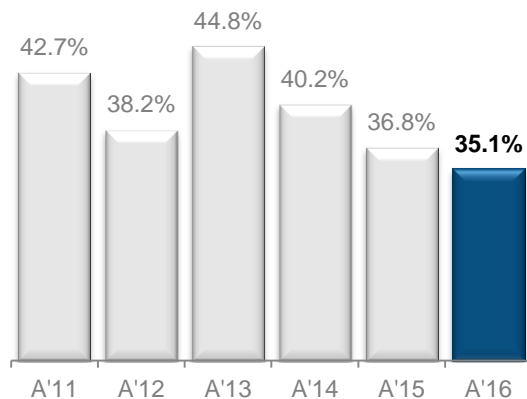
## More visibility on future growth trends

# Improving financial and tax profile

**Cost of Debt**  
(%)



**Tax rate**  
(%)



**2016 EPS growth**  
(%)



**Achieving 8.6% ROE in 2016**

# Global agenda goals concretely addressed by Hera actions

## Global agenda goals



## Hera impact areas and achievements^

*Circular economy*

94.4% Waste recovered  
64% packaging recycled

*Water resources*

10.3 cm/km/day Water leakage

*Green house Gas emission*

-10% carbon footprint

*Renewable energy*

69% energy produced

*Energy efficiency*

-2.6% Energy consumption

*Employment competence*

243k training hours

*Economic develop. & social inclusion*

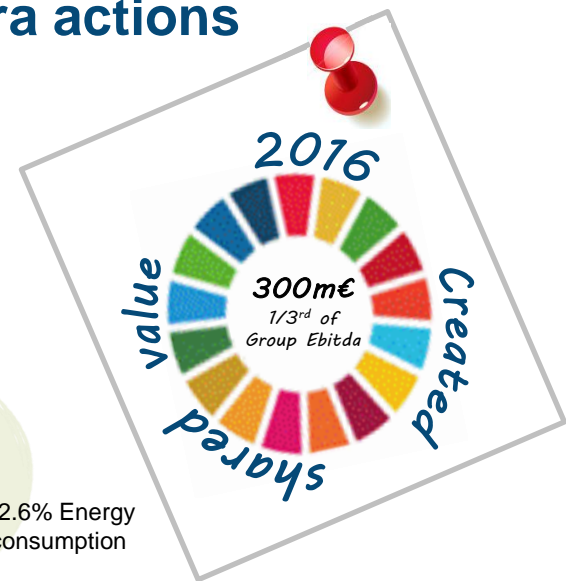
~800 people facing hardship engaged

*Protect air & soil*

Emissions at 14% of law limit

*Innovation*

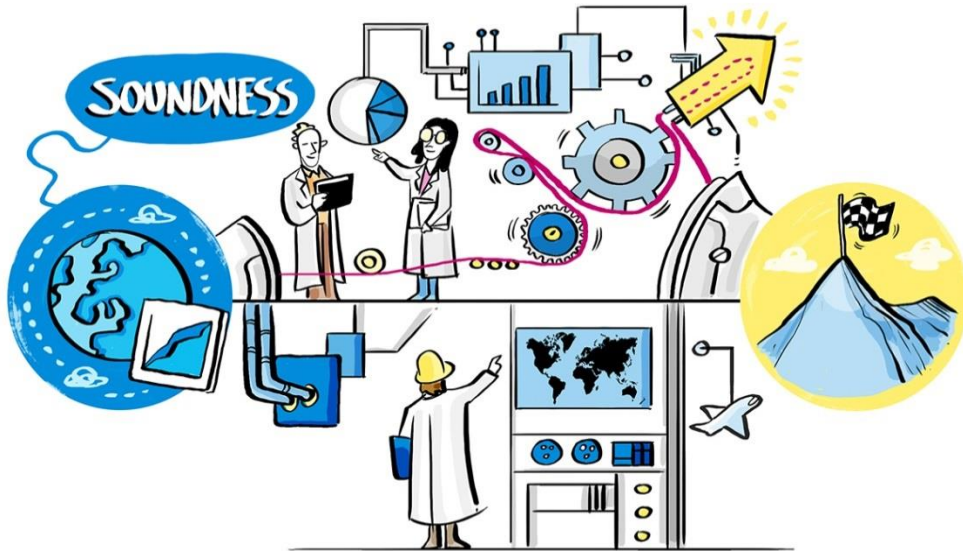
6 projects underway



**More with less**

^See also Sustainability Report 2016

LUCA MORONI  
CFO

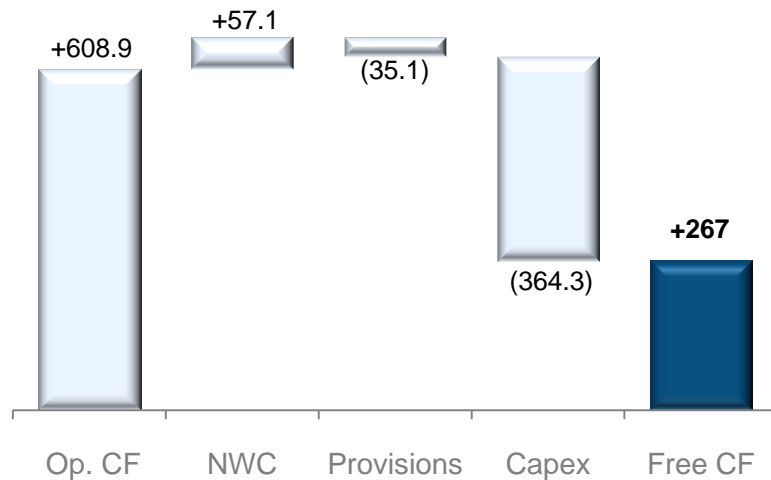


MORE than sound

# Cash flows

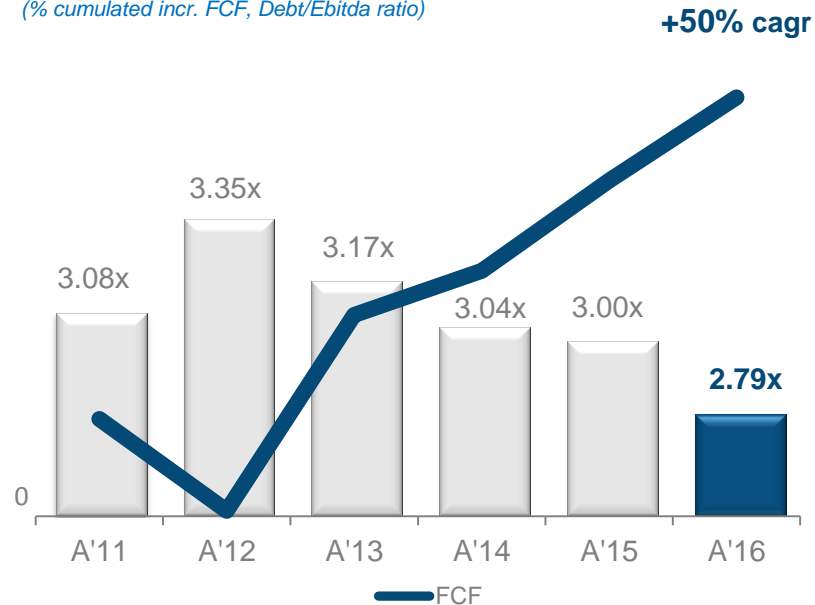
## Free cash flows 2016

(M€)



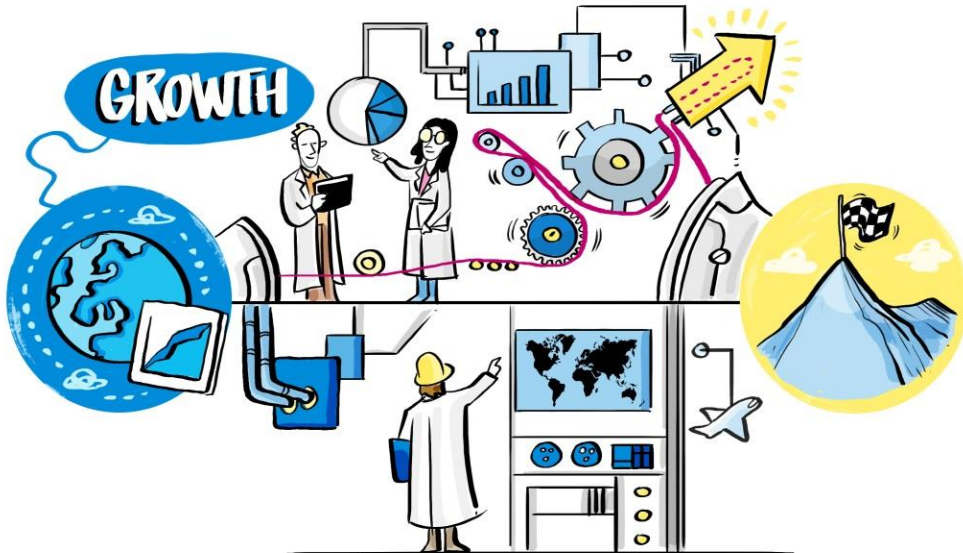
## 5Y FCF growth & Debt/Ebitda ratio

(% cumulated incr. FCF, Debt/Ebitda ratio)



More than sound

**TOMASO TOMMASI DI VIGNANO**  
Executive Chairman



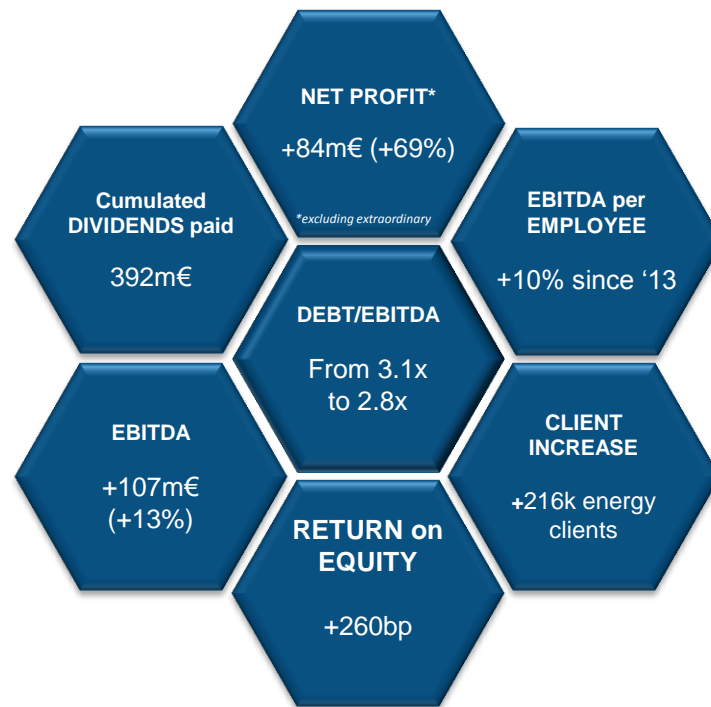
MORE in everything

# Closing remarks

- 2016, first year of 5Y business plan to 2020, shows effectiveness of business model and reliability of growth perspectives.
- Proposed **dividend confirmed at 9** euro cent per share; the base for planned steps up starting from '17.
- Overcoming more and more “referendum” effect in 2017.



## 3 years cumulated results (Board mandate)





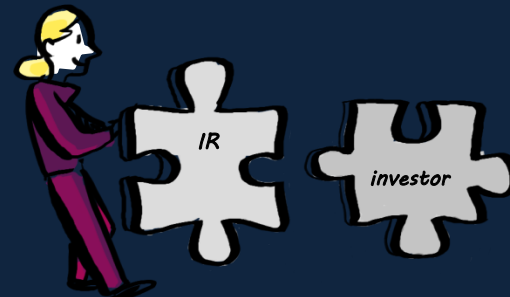
# Annex



## *Investor Relations contacts:*

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+39 051 287040

**Head of IR**  
Jens Klint Hansen  
[jens.hansen@gruppohera.it](mailto:jens.hansen@gruppohera.it)



GRUPPOHERA

# Waste business

## Economics

(M€)

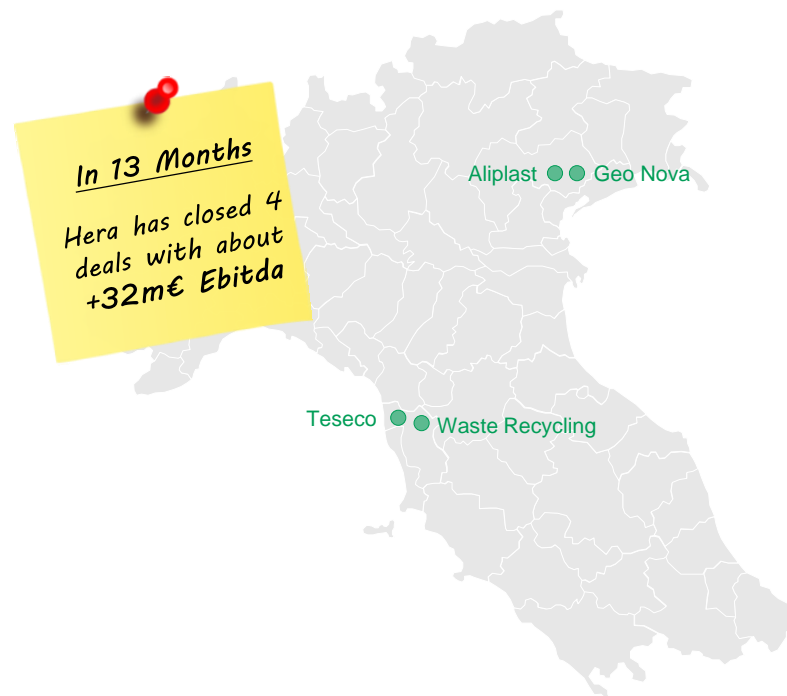
	A'15	A'16
<b>EBITDA</b>	230.0	230.7

## Volumes

(Kton)

	A'15	A'16
Urban waste	2,041	2,048
Special waste	2,002	2,341
Waste from third parties	4,043	4,388
Internal Waste production	2,183	2,479
<b>Total volumes treated</b>	<b>6,226</b>	<b>6,868</b>

## Acquisitions

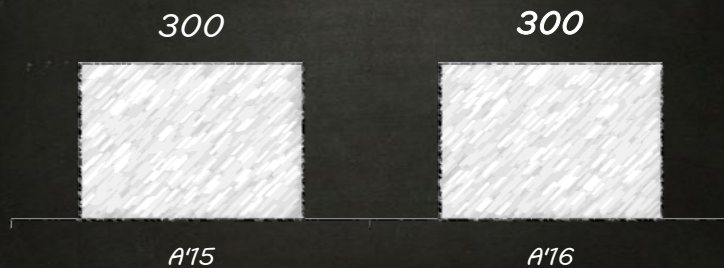


# Water business

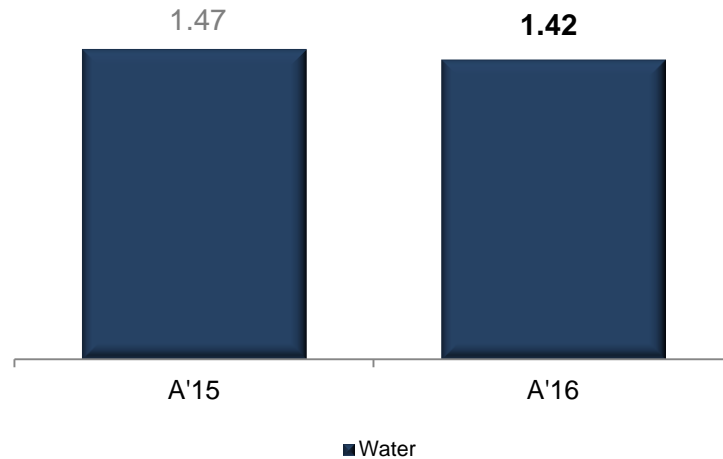
## Economics (M€)

	A'15	A'16
EBITDA	232.5	228.8

## Volumes sold (Mmc)



## RAB (M€)



# Gas business

## Economics

(M€)

	A'15	A'16
<b>EBITDA</b>	300.6	299.5

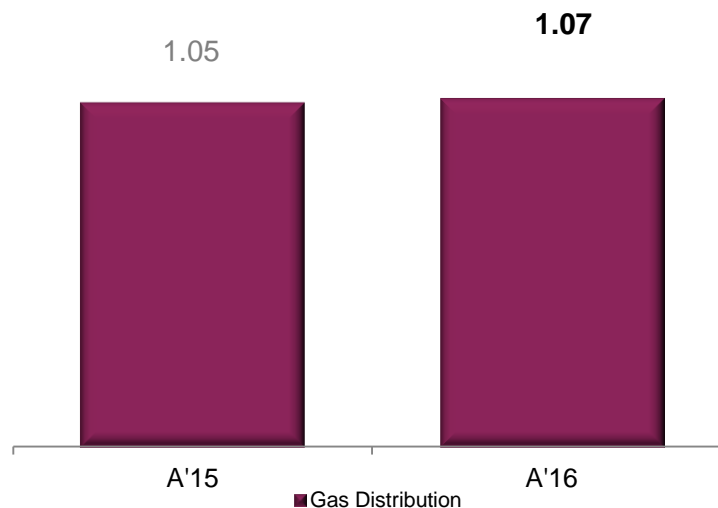
## Volumes

(Kton)

	A'15	A'16
<b>Volume sold</b>	3,383	3,914
<i>Of which trading</i>	1,242	1,714
<i>Of which to final clients</i>	2,141	2,199
<b>Clients (kunit)</b>	1,327	1,381

## RAB

(M€)



# Electricity business

## Economics

(M€)

	A'15	A'16
<b>EBITDA</b>	101.0	135.3

## Volumes

(Kton)

	A'15	A'16
Volume sold	9,626	9,578
Volume distributed	3,055	2,994
Clients (kunit)	857	880

## RAB

(M€)

