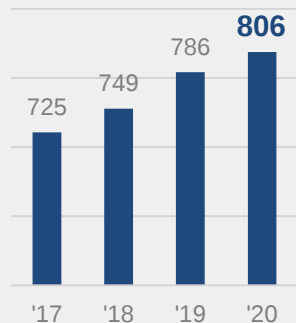


9M 2020 FINANCIAL RESULTS

“
Fasten growth path
”



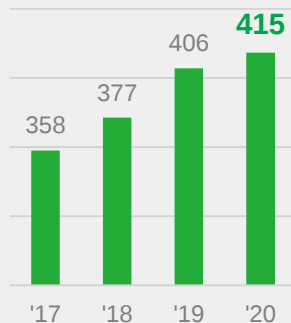
2020 first 9 months results



Ebitda (M€)

+2.6%

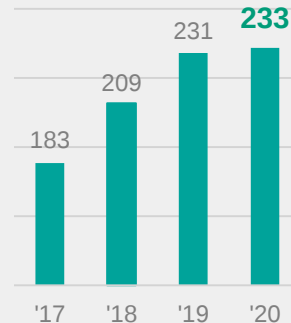
'20/'19



Ebit (M€)

+2.3%

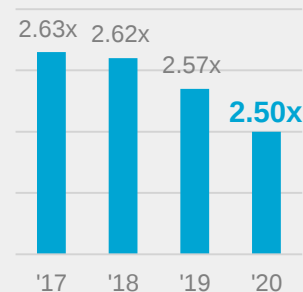
'20/'19



Net Profit (M€)

+1.0%

'20/'19



Debt/Ebitda (x)
Rolling

Deleveraging

Positive growth & better leverage “as usual”

Focusing first 9 month 2020 on plan execution

Q1 '20

“+” in all P&L lines

- EstEnergy integration
- New business plan '23
- 2.5% stake of Ascopiave
- Warm winter climate
- 1 month of “lock down”

Q2 '20

Tackling with “lock down”

- Confirmed DPS 10c€
- Confirmed Governance
- 2% stake of Ascopiave
- 2 months of “lock down”

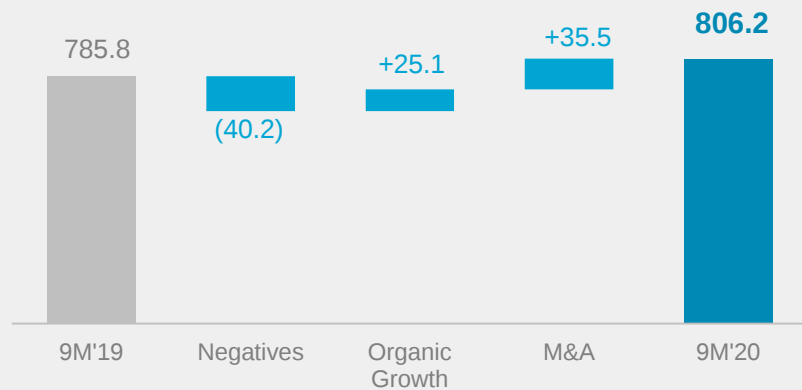
Q3 '20

Post “lock down”

- Partnership to develop new plastic recycling plant
- HeraBusinessSolutions: multi-utility offer to corporates (Fruttigel)
- Hera Buy back exceeds 1% voting rights (stake >23 m shares)
- Circularity: Position paper of Alleanza
- Diversity: top 12 in the world

Confirming “it all”

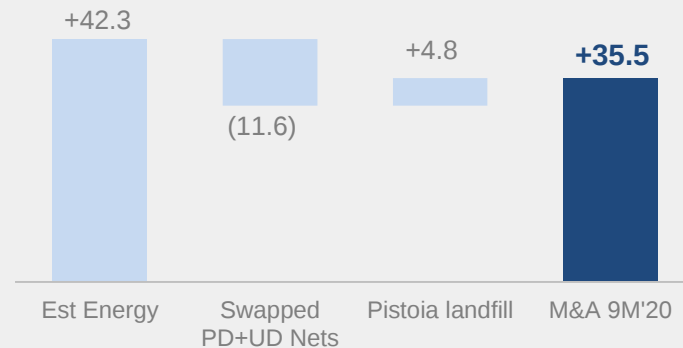
Ebitda growth drivers



Ebitda growth drivers
(M€)

+20.4 M€

+2.6%



M&A
(M€)

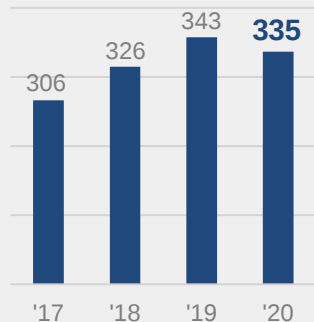
Growth on track

Growth despite all

+20mln
EBITDA increase

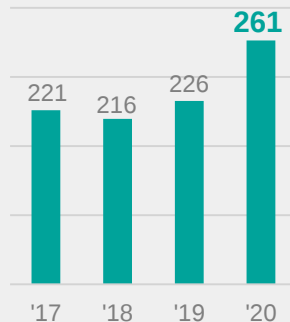


Overview on 9M results by business



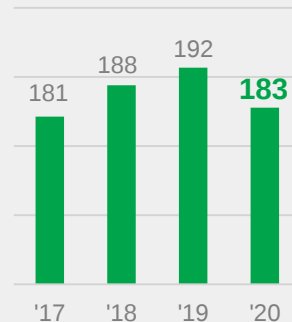
NETWORKS (M€)

Gas tariff cut
& Spin offs



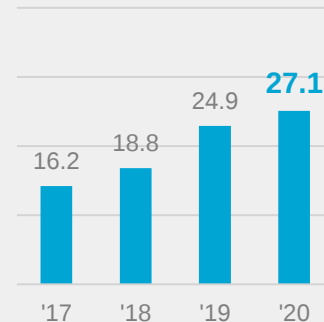
ENERGY (M€)

EstEnergy
Main growth lever



WASTE (M€)

Strong fundamentals
& negative one-offs



Other (M€)

+8.7%
'20/'19

Overall resilience of portfolio

Networks



Organic Growth

- Tight price cap in gas distribution affects negatively results partially offset through one-offs.
- All other regulated tariff (already revised by ARERA end last year) gave slightly positive contribution.

M&A

- Spin off gas networks in PD and UD related to the EstEnergy deal.

Negatives

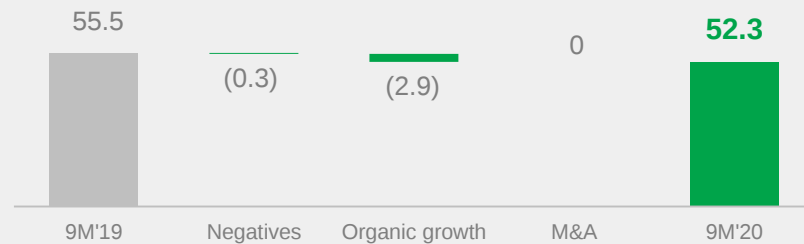
- Slight reduction of new connections
- District Heating affected by mild winter impact

Negligible impact of Covid on regulated networks

Waste



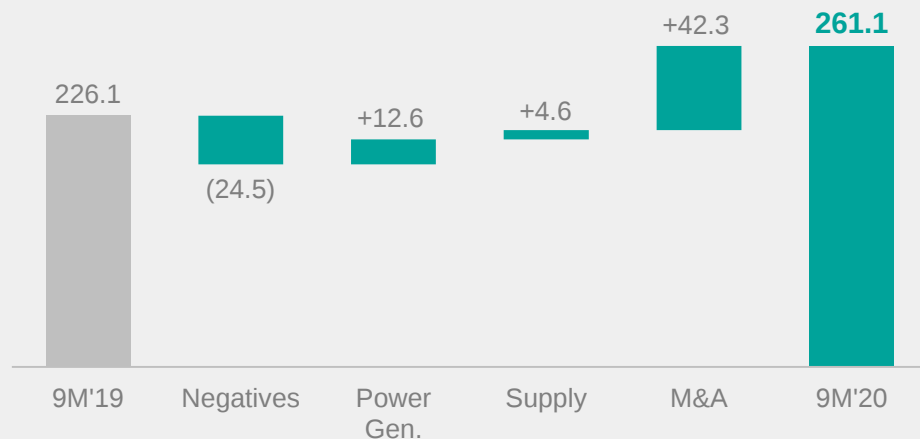
Treatment Ebitda
(M€)



Collection Ebitda
(M€)

Almost back to normal

Energy



Ebitda growth
(M€)

+35 M€

Negatives

- Mild winter (-7.5m€) and Lock down effect (-17m€)

M&A

- +700k clients from EstEnergy (80% gas supply clients)

Supply

- Benefit from increase clients (Default and LSM)

Power generation

- Benefit from ancillary services

Solid growth

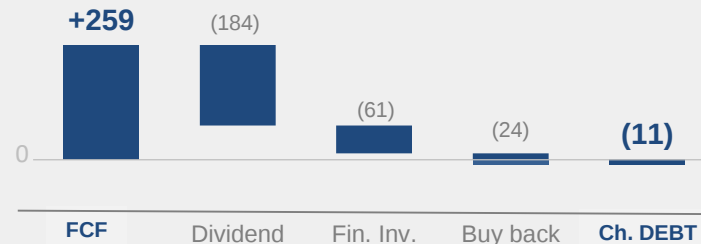
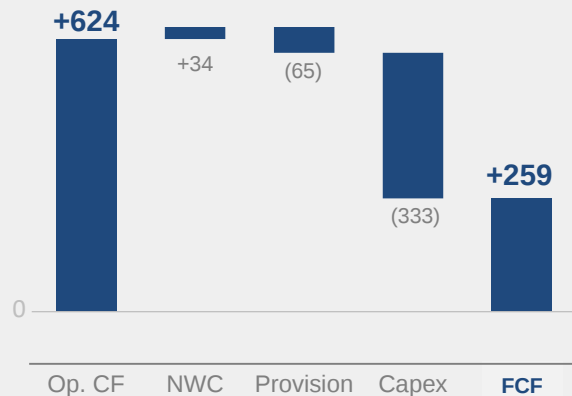
Sound cash
generation

2.50x

NET DEBT/EBITDA rolling
(without Ascopiave deal)



Good 9 month cash generation



Free Cash **Generation**
(M€)

+259 M€

Free Cash **Allocation**
(M€)

Dividends & Development

Stable debt 3.3 b€ & reduced leverage

Closing remarks

«+»

All the way down to the
bottom in 9M P&L



Closing remarks: on track with business plan growth targets



34% of target
achieved



35% of time
consumed

Achievements
of 5 years BP to 2023

New business plan under way

Q&A and Appendix

Further details on
9M 2020
are available in
this section



Annex: P&L

Profit & Loss

(M€)

	9M '19	9M '20	
REVENUES	5,429.9	5,261.6	
EBITDA	785.8	806.2	+2.6%
<i>Ebitda margin</i>	<i>14.5%</i>	<i>15.3%</i>	
Depreciation and provisions	(380.3)	(391.5)	
EBIT	405.5	414.7	+2.3%
Financial costs	(60.1)	(50.8)	
Figurative interests (IAS) & Leasing	(16.3)	(34.2)	
Income from Associates & J.V.	9.3	5.5	
PRETAX PROFIT	338.4	335.2	
Tax	(96.4)	(90.5)	
<i>Tax rate</i>	<i>28.5%</i>	<i>27.0%</i>	
Minorities	(11.2)	(11.6)	
NET PROFIT POST MINORITIES	230.8	233.1	+1.1%

Annex: Waste and Water

Waste: Profit & Loss

(m€)	9M 2019	9M 2020	Ch.
Revenues	883.5	863.8	(19.6)
Ebitda	192.0	183.3	(8.7)

Waste: KPIs

Data	9M 2019	9M 2020	Ch.
Urban W. Volumes (Kton)	1,751.4	1,644.7	(106.7)
Special W. Volumes (Kton)	1,620.1	1,591.4	(28.8)
Waste from third parties	3,371.5	3,236.0	(135.5)

Water: Profit & Loss

(m€)	9M 2019	9M 2020	Ch.
Revenues	676.5	655.9	(20.6)
Ebitda	200.0	201.1	+1.1

Water: KPIs

Data	9M 2019	9M 2020	Ch.
Aqueduct (mm3)	219.2	215.9	(3.3)
Sewerage (mm3)	186.0	183.5	(2.5)
Purification (mm3)	183.5	180.3	(3.1)

Annex: Gas and Electricity

Gas: Profit & Loss

(m€)	9M 2019	9M 2020	Ch.
Revenues	2,093.2	2,184.7	+91.5
Ebitda	239.8	249.9	+10.1

Gas: KPIs

Data	9M 2019	9M 2020	Ch.
Volumes distrib. (mm3)	2,044.0	1,688.9	(355.1)
Volumes sold (mm3)	6,715.0	8,775.0	+2,060.0
<i>of which trading (mm3)</i>	<i>5,108.4</i>	<i>6,740.4</i>	<i>+1,632.0</i>
District Heating (GWht)	330.8	284.4	(46.4)
Final retail volumes (mm3)	1,606.6	2,034.6	+428.0
Clients ('000 unit)	1,465.1	2,019.2	+554.1

Electricity: Profit & Loss

(m€)	9M 2019	9M 2020	Ch.
Revenues	1,936.3	1,702.0	(234.3)
Ebitda	129.1	144.8	+15.7

Electricity: KPIs

Data	9M 2019	9M 2020	Ch.
Volumes sold (GWh)	9,586.8	9,477.7	(109.0)
<i>of which Salvaguardia (GWh)</i>	<i>2,109.7</i>	<i>1,656.3</i>	<i>(453.4)</i>
Volumes distrib. (GWh)	2,287.9	2,048.7	(239.2)
Clients ('000 unit)	1,171.2	1,319.2	+148.0