



Q1 2019 Consolidated Results



Milan, May 15th, 2019

AGENDA



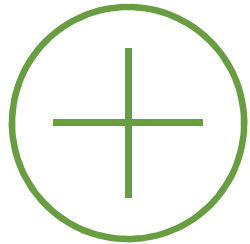
HIGHLIGHTS

ANALYSIS OF RESULTS

ANNEXES

Highlights

Q1 2019 vs Q1 2018

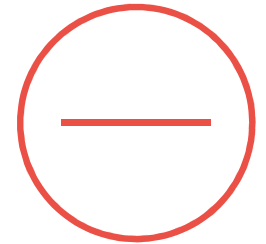


ENERGY RETAIL MARGIN
WASTE TREATMENT PRICES
PRICE EFFECT ON DISTRICT HEATING
PHOTOVOLTAIC PLANTS
ACSM-AGAM CONSOLIDATION

ENVIRONMENTAL MARKETS

ANCILLARY SERVICES

**GAS AND DISTRICT HEATING VOLUMES,
PER UNIT, DUE TO CLIMATE EFFECTS**



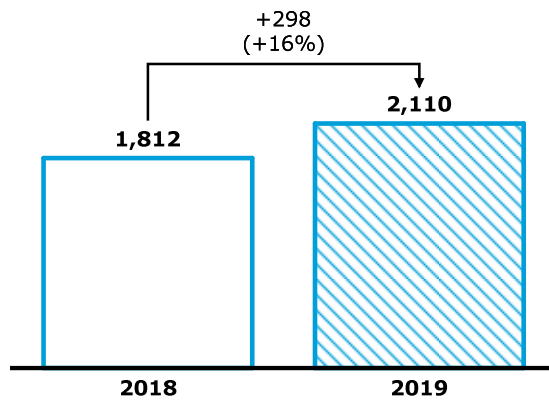
Highlights

Key Financial Indicators

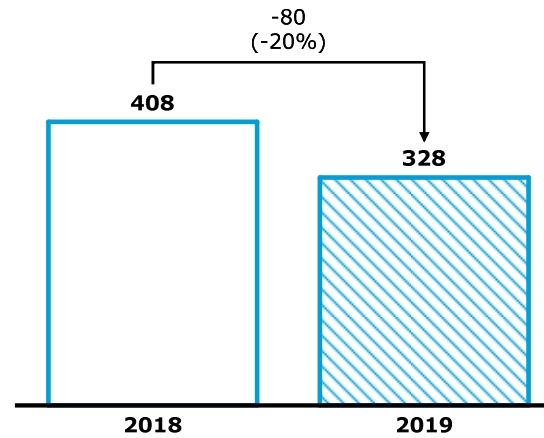


€M

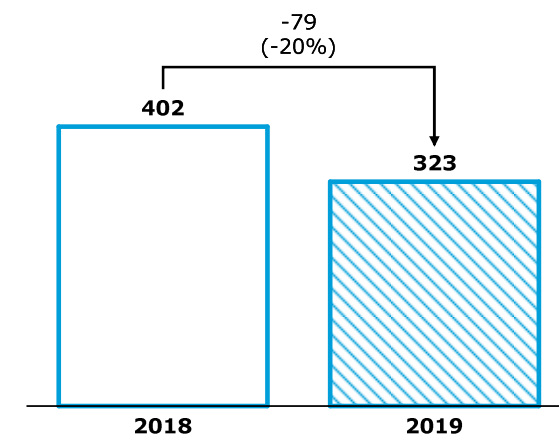
REVENUES



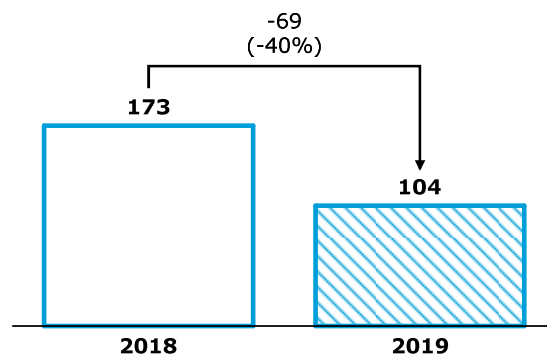
EBITDA



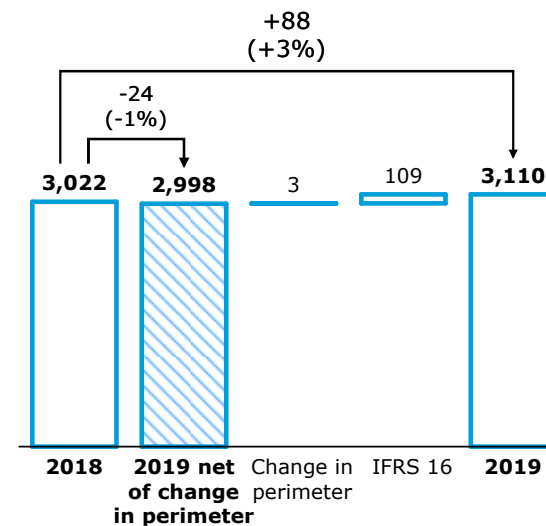
EBITDA Ordinary



GROUP NET INCOME



NET FINANCIAL POSITION



AGENDA



HIGHLIGHTS

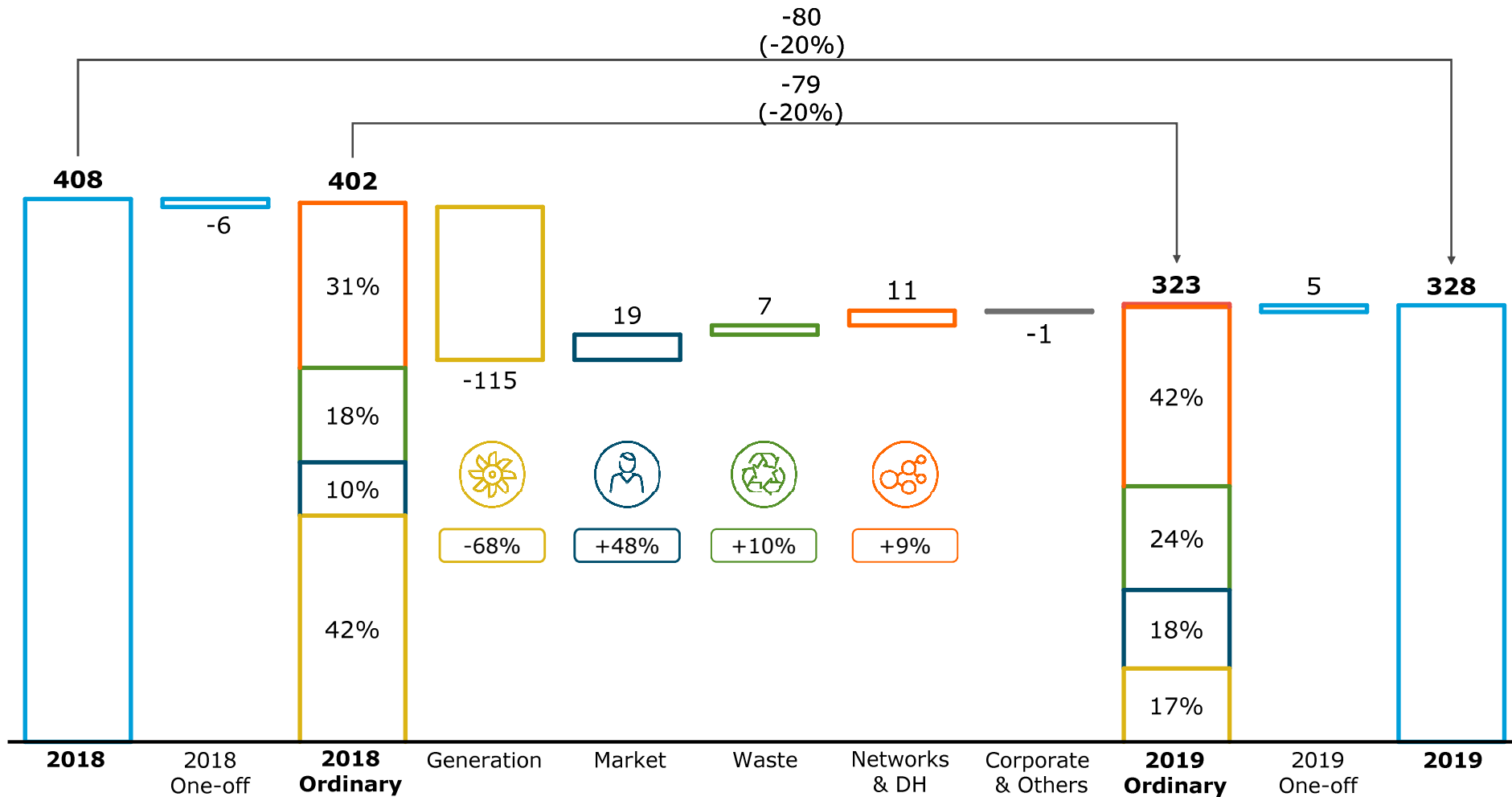
ANALYSIS OF RESULTS

ANNEXES

Analysis of results

Group EBITDA Overview

€M



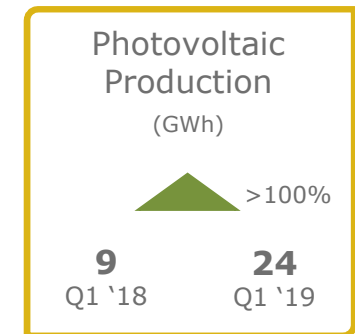
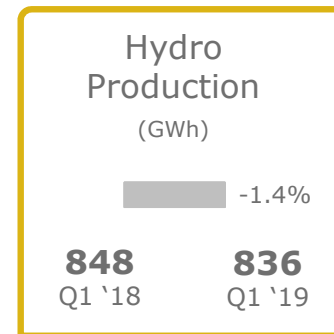
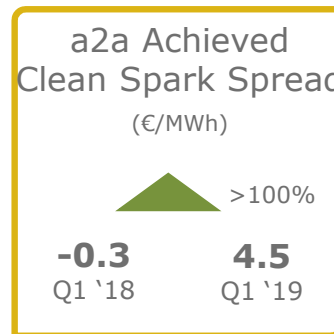
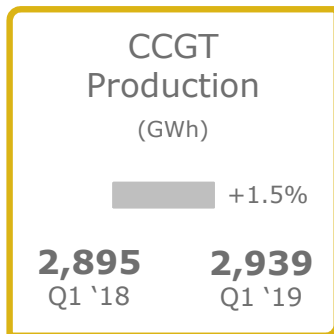
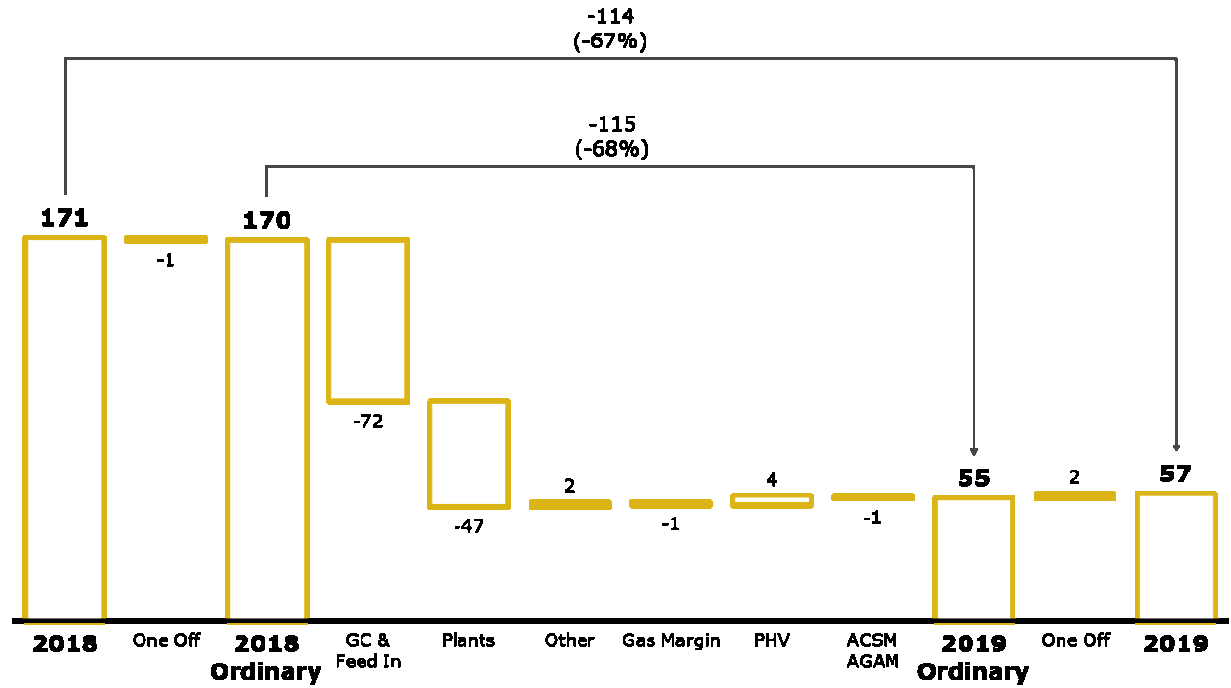
Analysis of results

Generation

€M



- In Q1 2018 sale of Green Certificates portfolio (~ 632 GWh)
- Lower MSD
- Increasing contribution from Photovoltaic plants



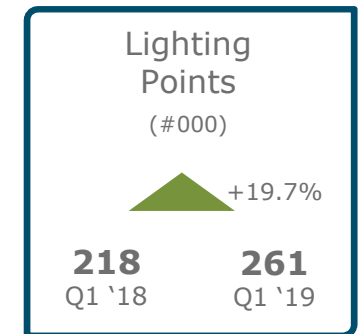
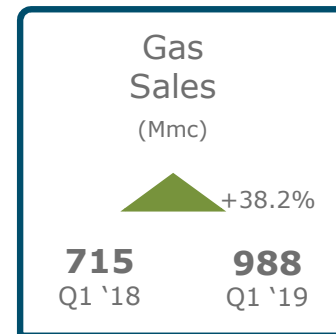
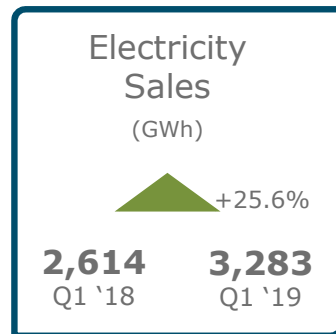
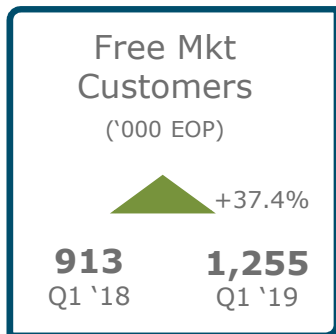
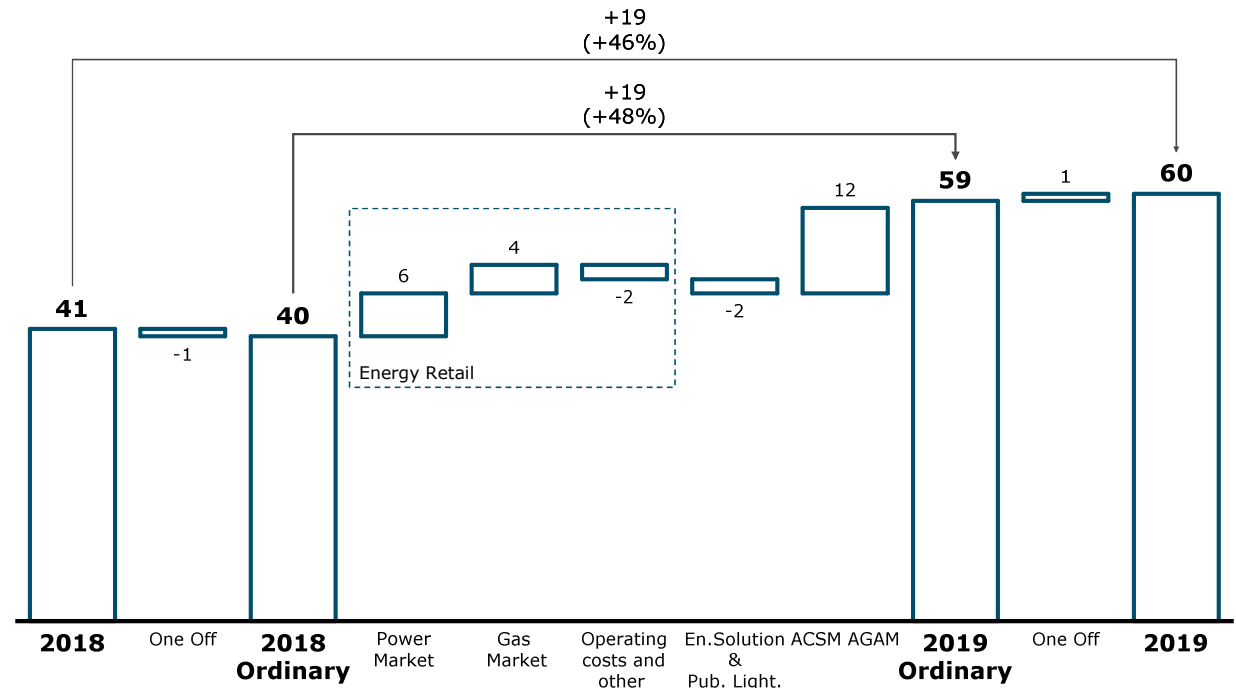
Analysis of results

Market

€M



- Higher free market customer base (+49K Vs Dec. 2018)
- Positive effect from "Salvaguardia" customers⁽¹⁾
- Higher B2B volumes



KPIs include ACSM-AGAM contribution
⁽¹⁾ Electricity last resort supply service

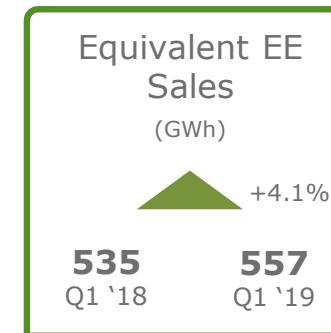
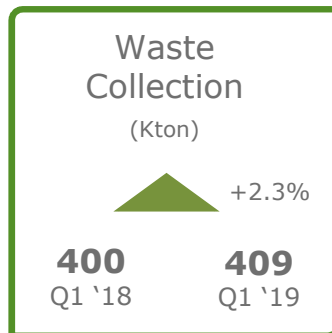
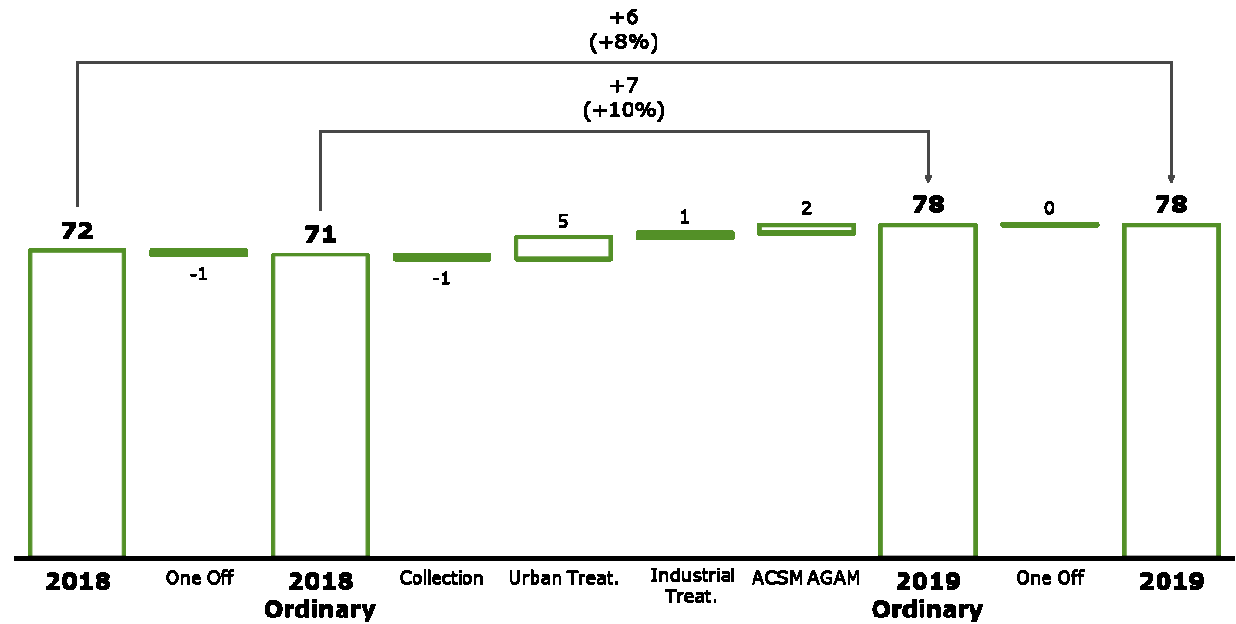
Analysis of results

Waste

€M



- Increasing treatment prices



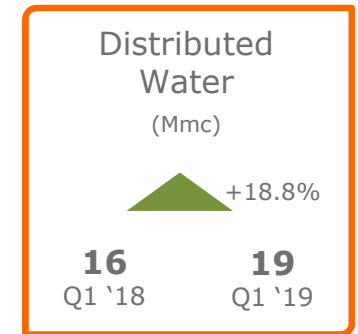
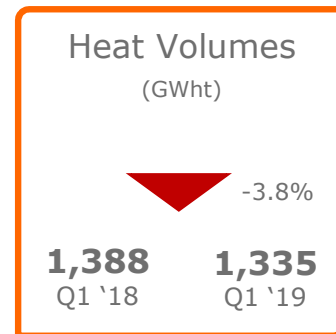
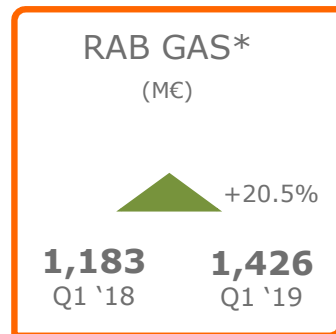
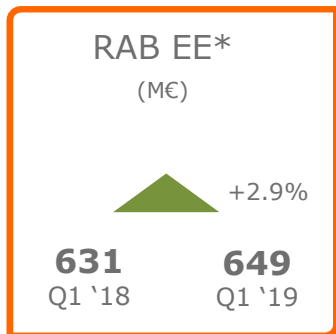
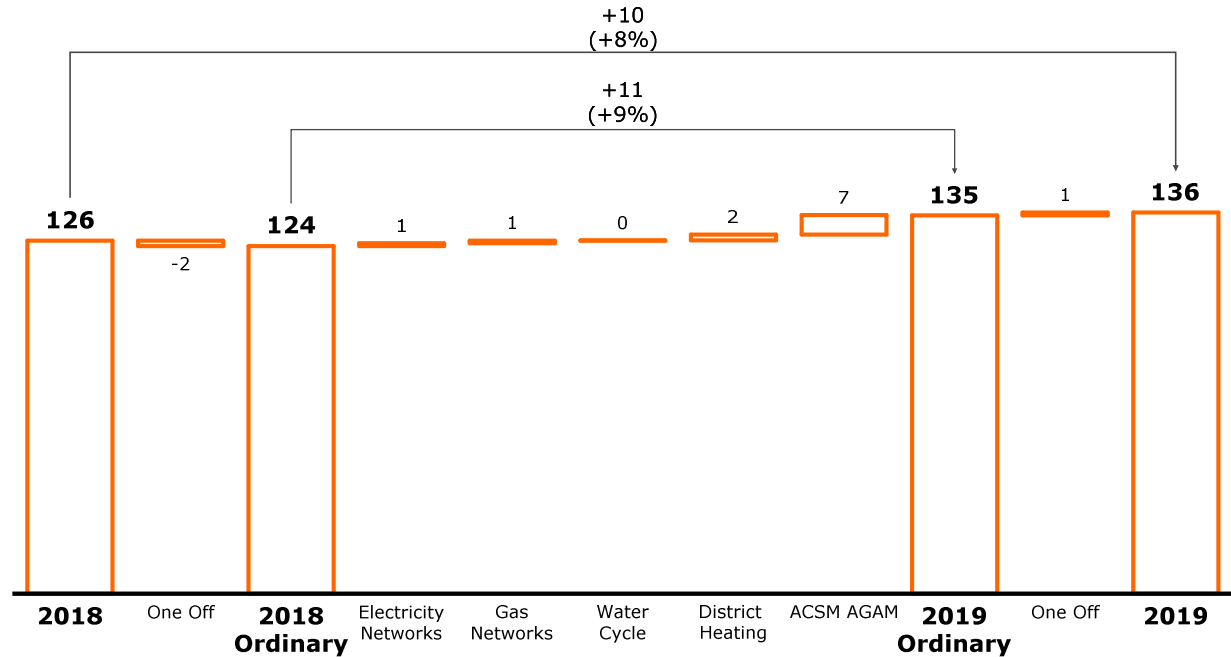
Analysis of results

Networks and DH

€M



- Higher prices, partially offset by higher CO2 costs
- Weak winter season (higher temperature)

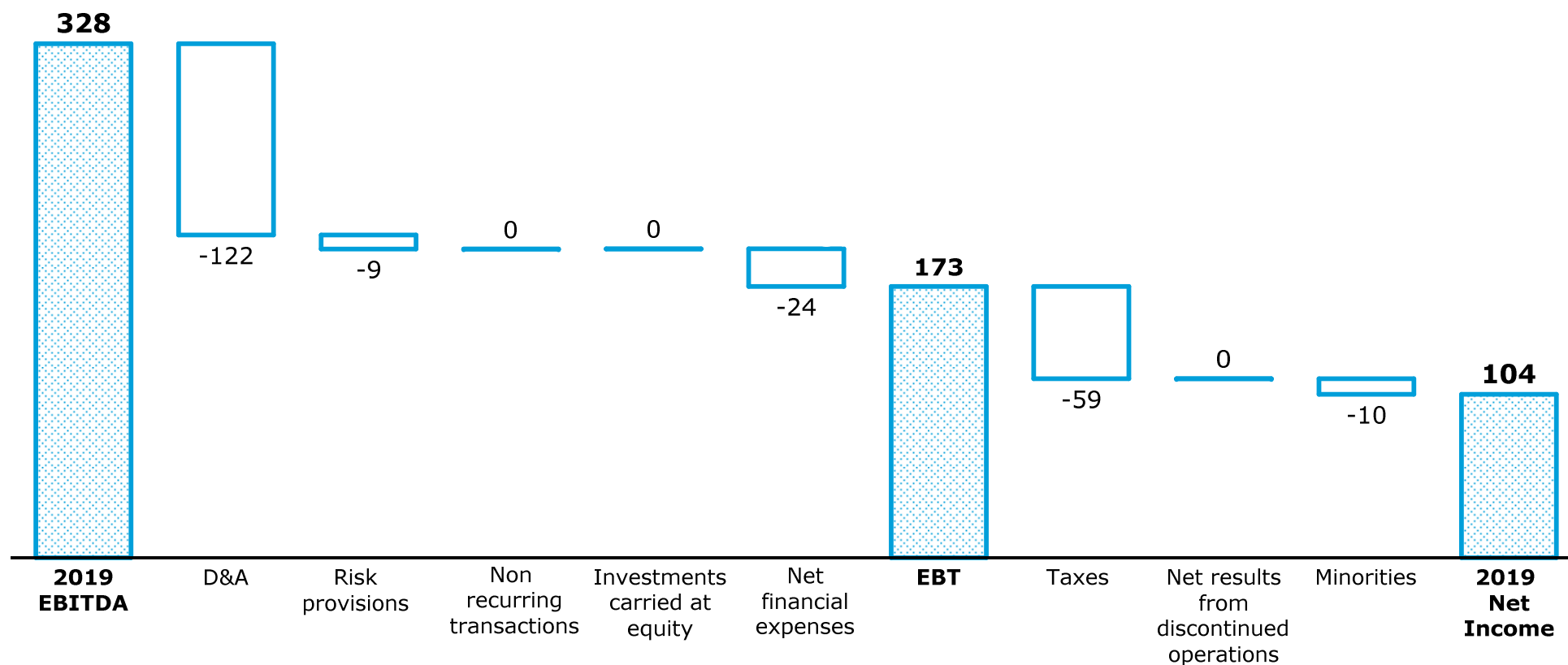


* Provisional data, underlying the estimate of allowed revenues of the period. ACSM-AGAM data are not available so they refer to budget previsions. KPIs include ACSM-AGAM contribution

Analysis of results

From EBITDA to Group Net Income

€M



Year	EBITDA	D&A	Risk provisions	Non recurring transactions	Investments carried at equity	Net financial expenses	EBT	Taxes	Net results from discontinued operations	Minorities	Net Income
2018	408	(108)	(13)	-	1	(30)	258	(83)	2	(4)	173

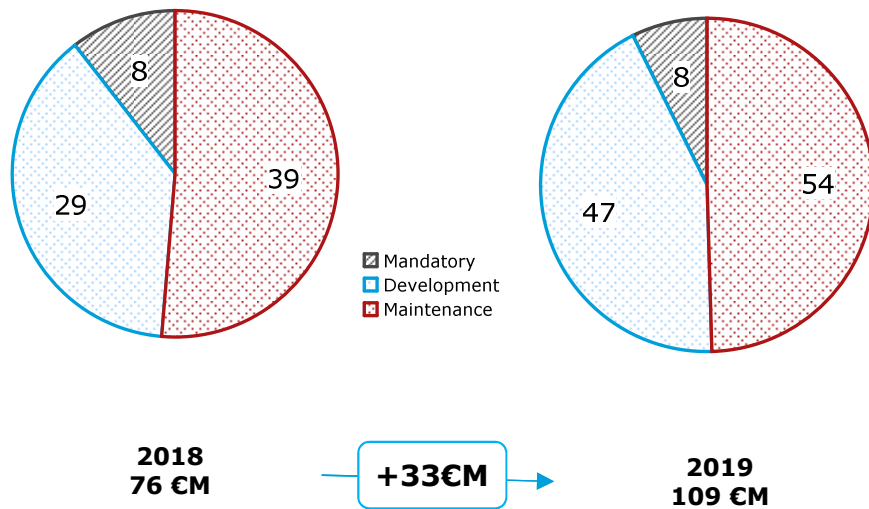
Analysis of results

Capex

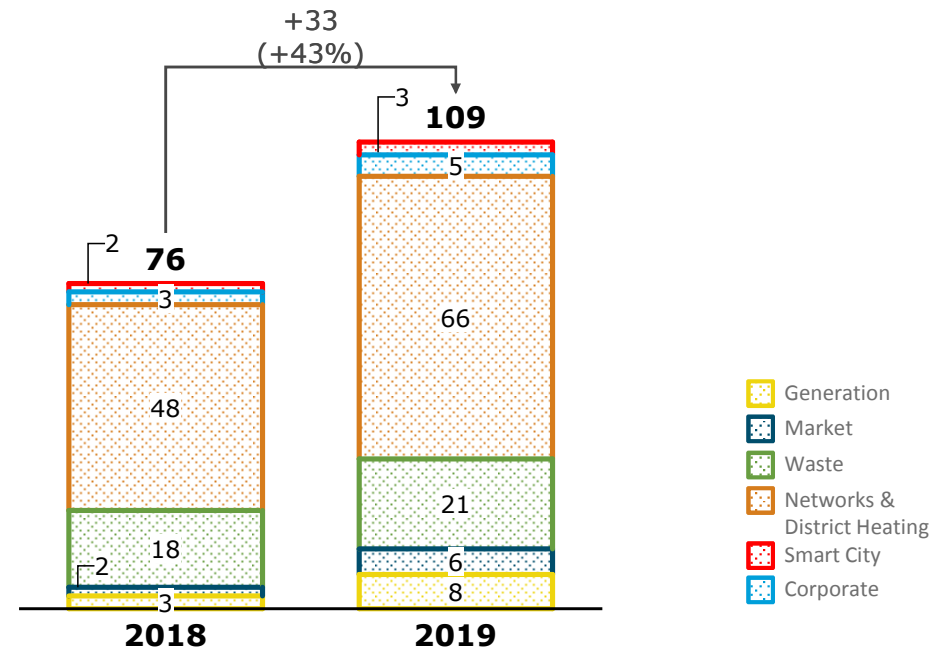
€M



BREAKDOWN BY ACTIVITY



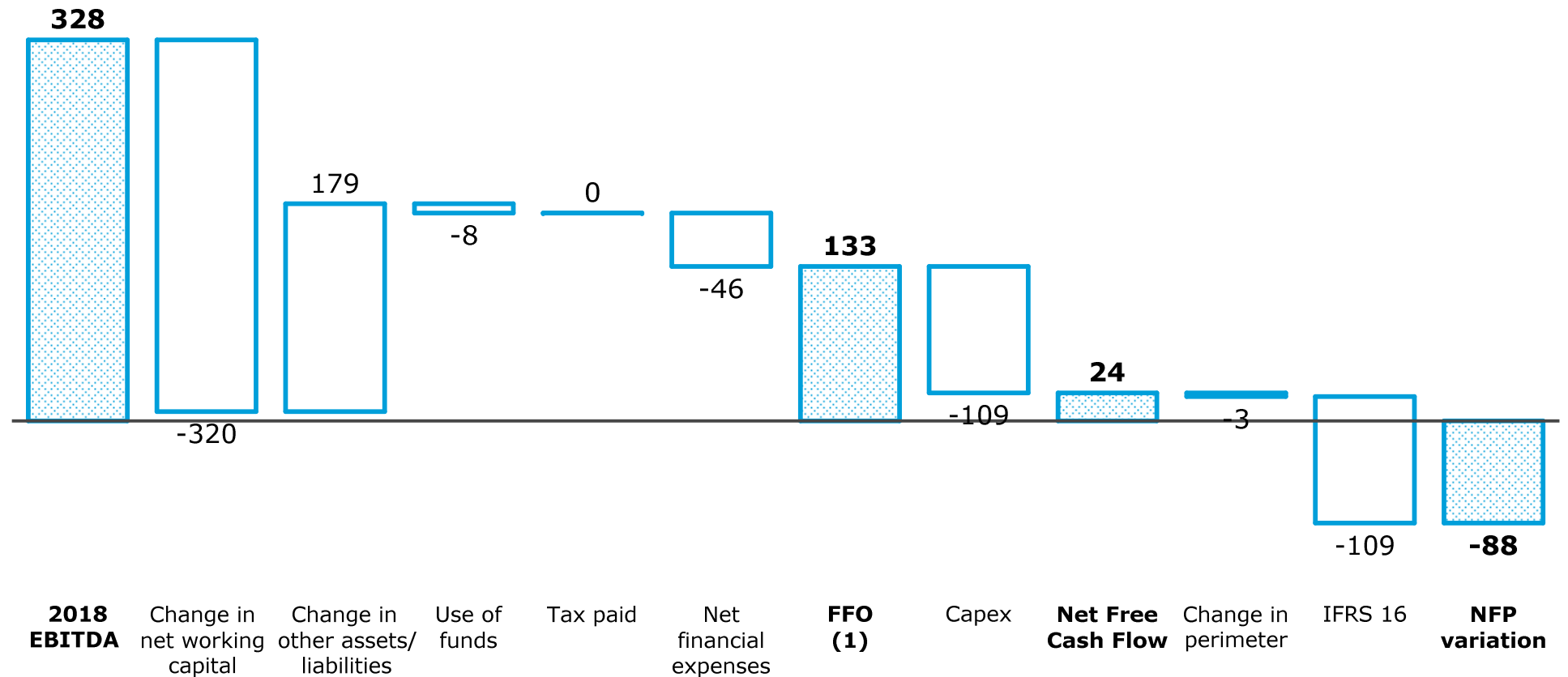
BREAKDOWN BY BUSINESS



Analysis of results

Net Free Cash Flow

€M



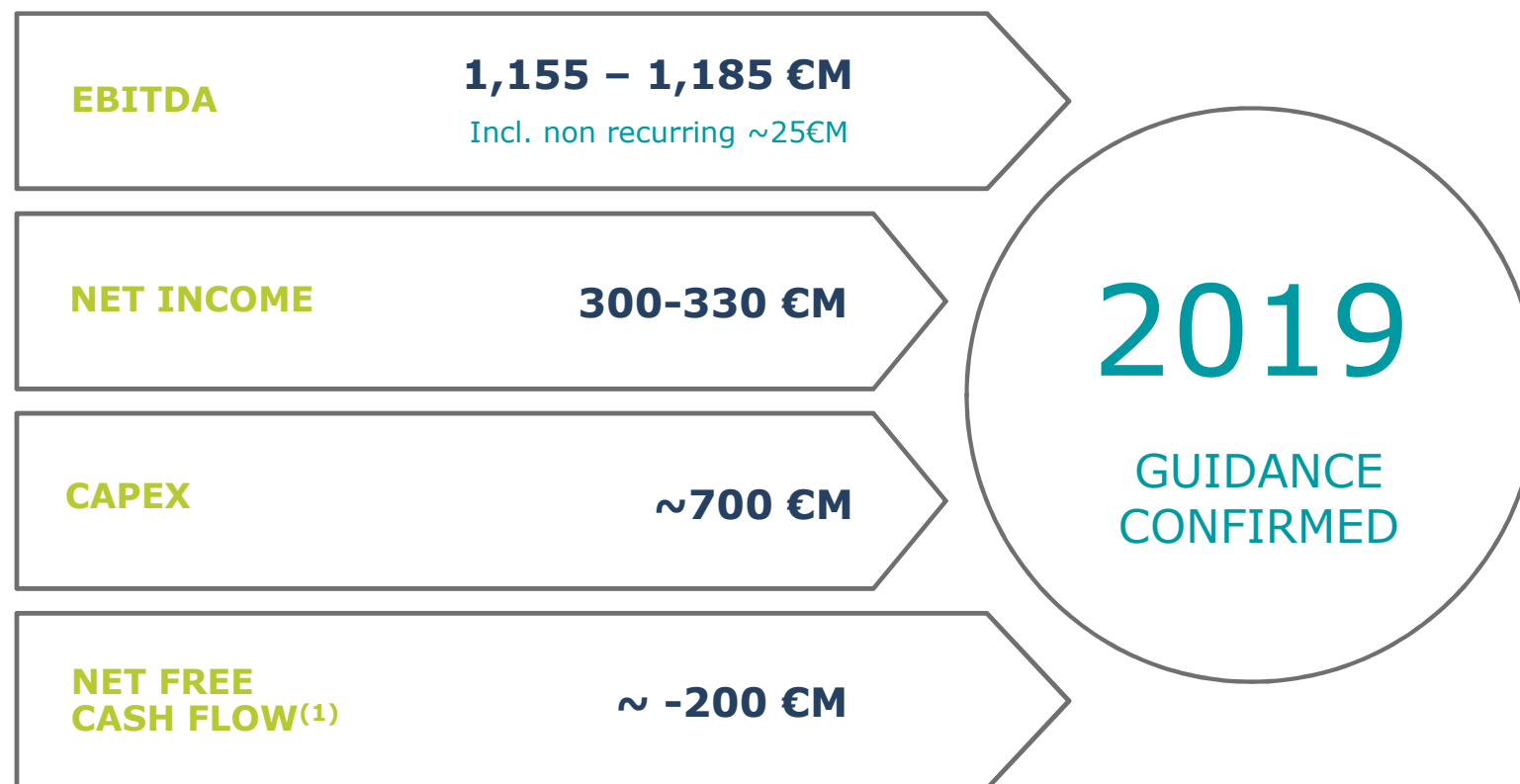
2018	408	(317)	130	(5)	-	(49)	167	(76)	91	(41)	-	50
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(1) Funds from operations after working capital change

Analysis of results

Guidance 2019 confirmed

€M



⁽¹⁾ Data does not include negative IFRS 16 impact equal to ~100€M

AGENDA



HIGHLIGHTS

ANALYSIS OF RESULTS






ANNEXES

Annexes

Business Units EBITDA Breakdown



€M

	2018		2019		Change			
	Reported	Ordinary	Reported	Ordinary	Reported		Ordinary	
a2a	408	402	328	323	-80	-20%	-79	-20%
Generation	171	170	57	55	-114	-67%	-115	-68%
 Power Generation	158	157	42	40	-116	-73%	-117	-75%
Gas Margin	10	10	9	9	-1	-10%	-1	-10%
Photovoltaic	2	2	6	6	+4	>100%	+4	>100%
ACSM AGAM *	1	1	0	0	-1	n.s.	-1	n.s.
Market	41	40	60	59	+19	+46%	+19	+48%
 Energy Retail	37	36	45	44	+8	+22%	+8	+22%
Public Lighting	2	2	2	2	+0	+0%	+0	+0%
Energy Solutions	1	1	0	0	-1	n.s.	-1	n.s.
ACSM AGAM *	1	1	13	13	+12	>100%	+12	>100%
Waste	72	71	78	78	+6	+8%	+7	+10%
 Collection	14	14	13	13	-1	-7%	-1	-7%
Urban Treatment	53	52	57	57	+4	+8%	+5	+10%
Industrial Treatment	5	5	6	6	+1	+20%	+1	+20%
ACSM AGAM *	0	0	2	2	+2	n.s.	+2	n.s.
Networks	126	124	136	135	+10	+8%	+11	+9%
 Electricity Networks	30	31	32	32	+2	+7%	+1	+3%
Gas Networks	32	30	32	31	+0	+0%	+1	+3%
Water Cycle	11	11	11	11	+0	+0%	+0	+0%
District Heating	50	49	51	51	+1	+2%	+2	+4%
ACSM AGAM *	3	3	10	10	+7	>100%	+7	>100%
Smartcity	2	2	2	2	+0	0%	+0	0%
Other	-4	-5	-5	-6	-1	25%	-1	20%
 Corporate and Other	-4	-5	-4	-5	+0	+0%	+0	+0%
ACSM AGAM	0	0	-1	-1	-1	n.s.	-1	n.s.

* ACSM AGAM's 2018 values refer to spin off (Aspem and mini Hydro)

Annexes

P&L

€M



	1Q 2018	1Q 2019	Delta vs 2018	Delta % vs 2018
Revenues	1,812	2,110	298	16.4%
EBITDA	408	328	(80)	-19.6%
D&A	(108)	(122)	(14)	13.0%
Provisions	(13)	(9)	4	-30.8%
EBIT	287	197	(90)	-31.4%
Net Financial Expenses	(30)	(24)	6	-20.0%
Associates & JV	1	0	(1)	-100.0%
Result from non recurr. Transactions	0	0	0	n.s.
EBT	258	173	(85)	-32.9%
Taxes	(83)	(59)	24	-28.9%
Net Result from disc. operations	2	0	(2)	-100.0%
Minorities	(4)	(10)	(6)	n.s.
Group Net Income	173	104	(69)	-39.9%

Annexes

Balance Sheet



€M

	31.12.2018	31.03.2019	Delta Vs 2018
Tangible Assets	4,620	4,703	83
Intangible Assets	2,302	2,344	42
Shareholdings and Other Non Current Financial Assets	23	24	1
Other Non Current Assets/Liabilities	(122)	(125)	(3)
Deferred Tax Assets and Liabilities	264	274	10
Provisions for Risks, Charges and Liabilities for landfills	(642)	(637)	5
Employee Benefits	(314)	(311)	3
Net Fixed Capital	6,131	6,272	141
Net Working Capital	555	875	320
Other Current Asset / Liabilities	(268)	(491)	(223)
Current Tax Asset / Liabilities	15	(42)	(57)
Working Capital and Other Current Assets/Liabilities	302	342	40
Non current Assets /Liabilities held for sale	112	110	(2)
Total Capital Employed	6,545	6,724	179
Equity	3,523	3,614	91
Net Financial Position	3,022	3,110	88
Total Sources	6,545	6,724	179

Annexes

Energy Scenario



		1Q 2018	1Q 2019	Δ % vs 2018
Brent	\$/bbl	67.2	63.9	-5%
CO2 - EU ETS cost	€/Tonn	9.8	22.2	n.s.
€/ \$	€/ \$	1.2	1.1	-8%
Brent €	€/bbl	54.6	56.3	3%
PSV(1)	€/MWh	21.9	20.8	-5%
AEEGSI Gas Tariff (2)	c€/mc	20.8	26.7	28%
Coal € (API2)	€/Tonn	70.6	66.3	-6%
PUN Baseload(3)	€/MWh	54.3	59.4	9%
PUN Peak(3)	€/MWh	62.6	65.3	4%
PUN Off-Peak(3)	€/MWh	49.6	56.1	13%
CCGT gas cost(4)	€/MWh	52.6	50.7	-4%
Spark Spread CCGT_PSV vs Baseload	€/MWh	1.7	8.7	n.s.
Spark Spread CCGT_PSV vs Peakload	€/MWh	10.0	14.6	46%
Spark Spread CCGT_PSV vs Off-Peak	€/MWh	-3.0	5.3	n.s.
Clean Spark Spread vs Baseload	€/MWh	-2.0	-0.2	90%
Clean Spark Spread vs Peakload	€/MWh	6.3	5.7	-9%
Clean Dark Spread vs Baseload(5)	€/MWh	9.0	3.1	-66%

(1) Gas at virtual trading point

(2) Pfor 162/14 Oct 2014-Mar 2016.

(3) hourly average for each month

(4) based on gas at virtual trading point with 51% efficiency; includes transport costs

(5) 35% efficiency - includes cost spread on API2 and transport cost

Annexes

Volumes



		Q1 2018	Q1 2019	Δ vs 2018	Δ% vs 2018
A2A Group Thermal production	GWh	3,766	3,539	-227	-6%
<i>of which</i>					
<i>CCGT production</i>	<i>GWh</i>	<i>2,895</i>	<i>2,939</i>	<i>44</i>	<i>2%</i>
<i>Coal production</i>	<i>GWh</i>	<i>546</i>	<i>459</i>	<i>-87</i>	<i>-16%</i>
Oil production	GWh	326	142	-184	-57%
A2A Group Hydro production	GWh	848	836	-12	-1%
A2A Group Photovoltaic production	GWh	9	24	15	n.s.
Wholesale electricity sales and Foreign Markets	GWh	2,946	2,964	19	1%
Ipex sales ⁽¹⁾	GWh	1,555	1,627	72	5%
Electricity sales	GWh	2,614	3,283	669	26%
Gas sales	Mmc	715	988	273	38%
Electricity distributed	GWh	2,968	2,951	-17	-1%
Gas distributed	Mmc	1,176	1,286	110	9%
Water distributed	Mmc	16	19	3	18%
Heat volumes sales	GWht	1,388	1,335	-54	-4%
Cogeneration electricity sales	GWh	162	161	-2	-1%
Collected waste	Kton	400	409	9	2%
Waste disposal	Kton	863	870	7	1%
WTE and other plants electricity production	GWh	431	456	25	6%
WTE and other plants heat production	GWht	585	593	8	1%

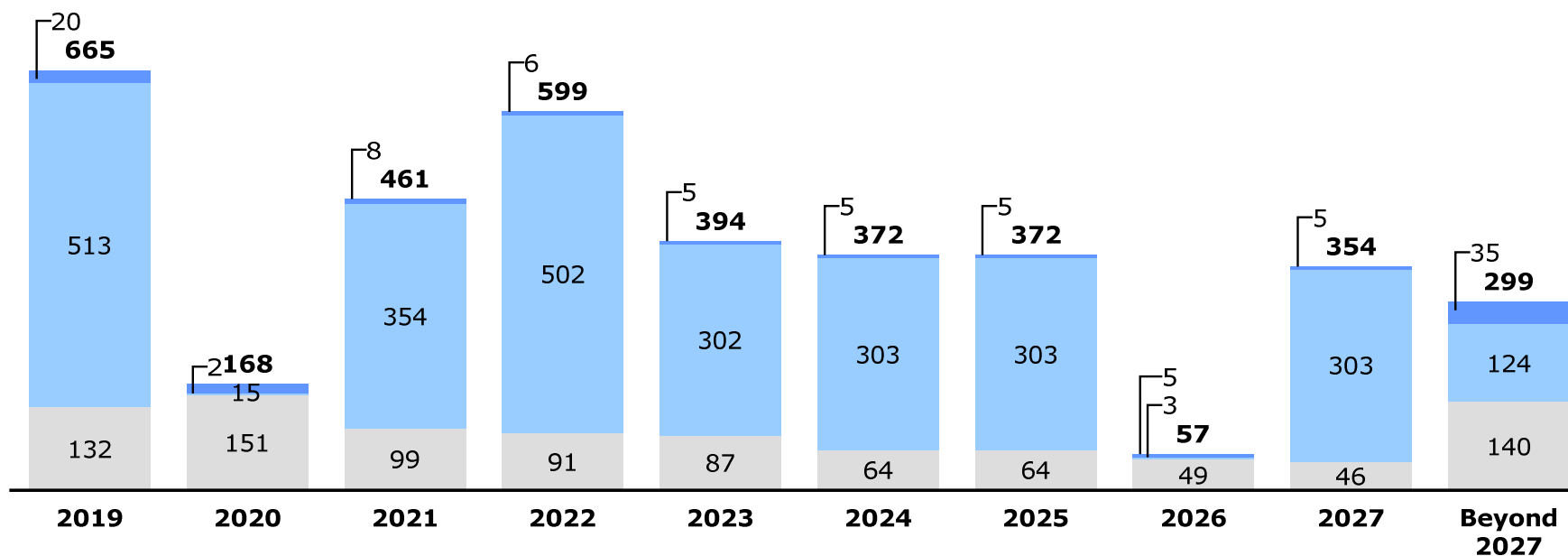
⁽¹⁾ Net of intermediated IPEX volumes

KPIs include ACSM-AGAM contribution

Annexes

Gross debt maturities as of 31 March 2019

€M



- Bonds
- Loans and others
- IFRS 16

CONTACTS



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