

# 1Q13 Consolidated Results

Giuseppe Saponaro Chief Financial Officer

MAY 14<sup>th</sup>, 2013

# Agenda

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# Highlights

## 1Q13 at a Glance

### P&L RESULTS

Total Revenues

**+8.8%** yoy

at 470€mn



EBITDA

**+12.1%** yoy

at 381€mn



Group Net Income

**142** €mn

+24.6% yoy



### CAPEX & NET DEBT

Total Group Capex

**206** €mn

246€mn in 1Q12

Net Debt

**5,924** €mn

+69€mn vs. Dec. 31, 2012

### 2012 FINAL DIVIDEND

2012 Final Dividend

**13** €cents

Ex Dividend Date: June 24<sup>th</sup>

Payment Date: June 27<sup>th</sup>

2012 Total Dividend

**20** €cents


# 1Q13 Results

## Consolidated Revenues

**Total Revenues**

**+8.8%** yoy


at 470€mn



**Grid Fee**

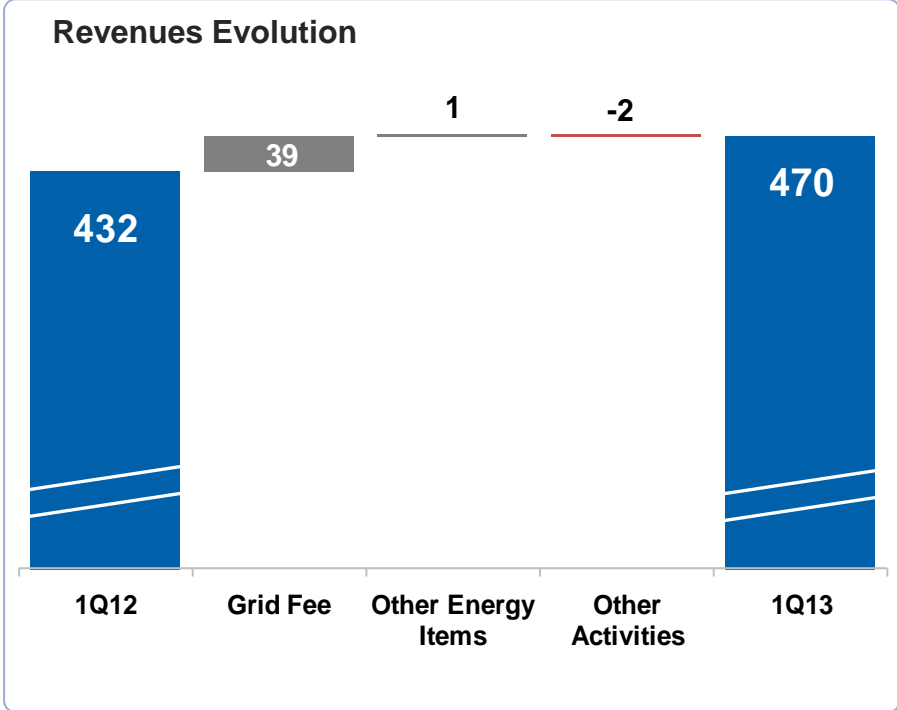
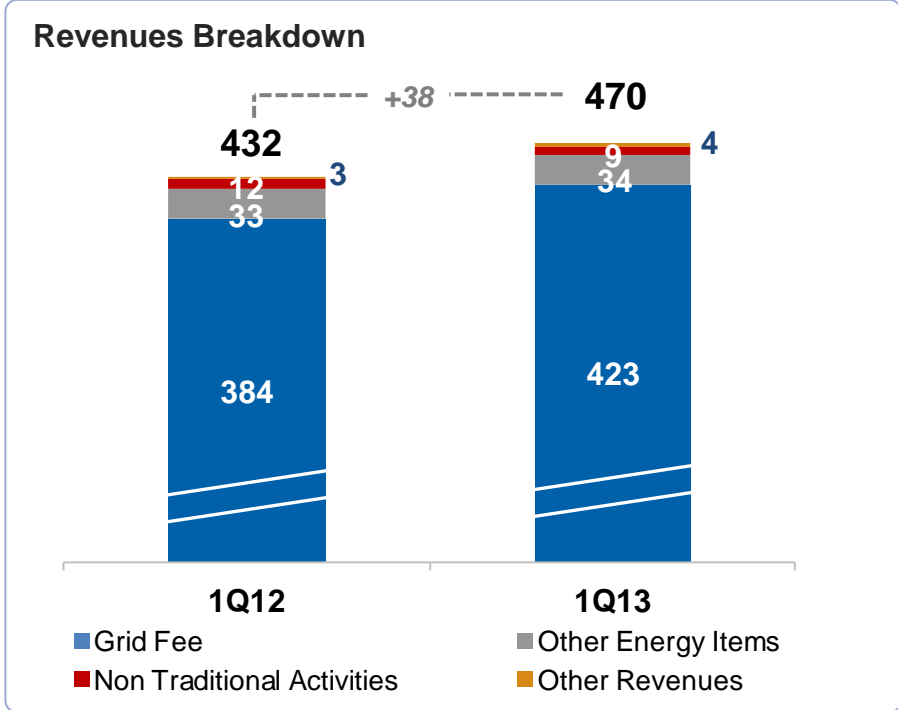
**+10.2%** yoy

at 423€mn



**Other Activities**

**13**€mn



In € mn

# 1Q13 Results

## Consolidated Costs & EBITDA

Total Operating Costs



**-3mn** yoy  
at 89€mn

EBITDA



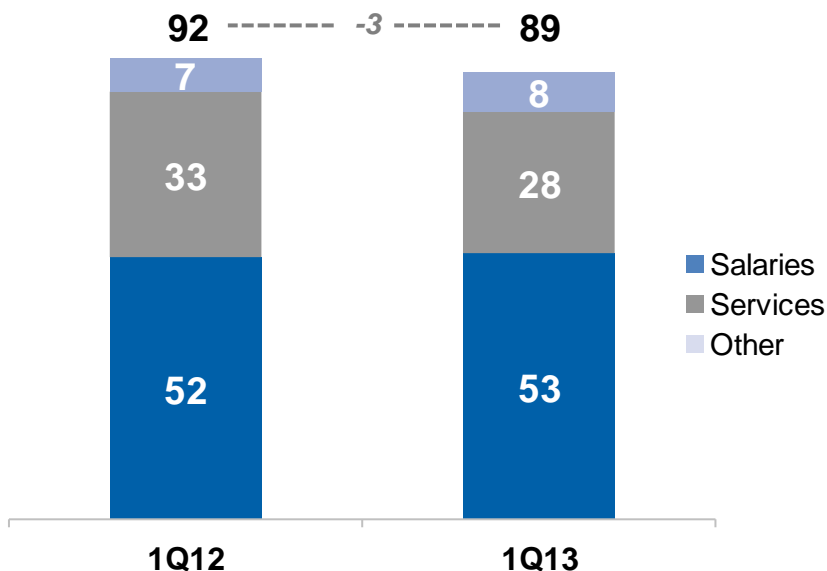
**+12.1%** yoy  
at 381€mn

EBITDA %

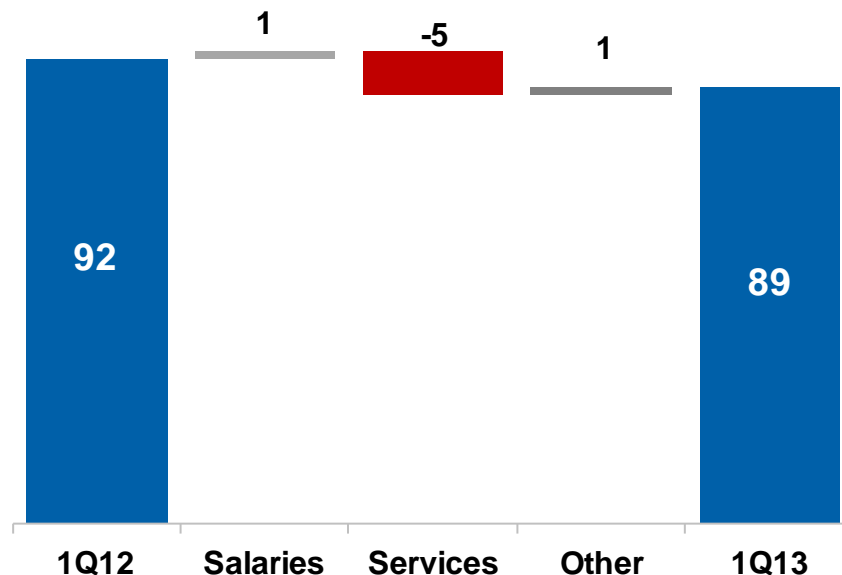


**81.1%**  
**+2.4pp** yoy

Costs Breakdown



Costs Evolution



In € mn

# 1Q13 Results

From EBIT to Net Income

EBIT

**+15.1%** yoy  
at 275<sub>€mn</sub>



€ mn	1Q12	1Q13	Δ	Δ %
<b>EBITDA</b>	<b>340</b>	<b>381</b>	41	12.1%
D&A	101	106	5	5.0%
<b>EBIT</b>	<b>239</b>	<b>275</b>	36	15.1%

Profit Before Taxes

**+23.6%** yoy  
at 257<sub>€mn</sub>



Net Financial Expenses	31	18	-13	-41.9%
<b>PBT</b>	<b>208</b>	<b>257</b>	49	23.6%

Group Net Income

**+24.6%** yoy  
at 142<sub>€mn</sub>



Tax Rate	45%	45%		
Taxes	94	115	21	22.3%
<b>Group Net Income</b>	<b>114</b>	<b>142</b>	28	24.6%

# 1Q13 Results

## Capex Breakdown

### Total Regulated Capex

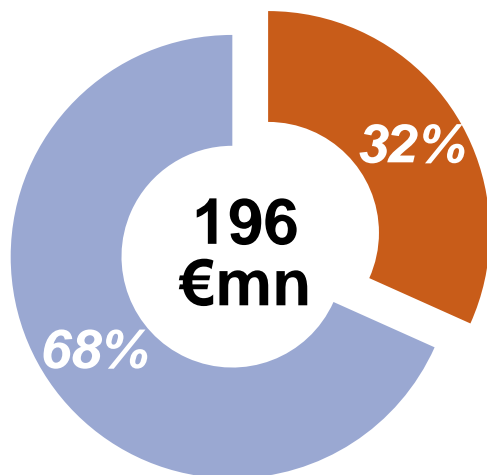
**196** €mn

-37 €mn vs 1Q12

### Incentivized Capex

**68%** of Reg. Capex  
at **134** €mn

### Total Regulated Capex



■ Base Return    ■ Incentivized

### Capex Breakdown €mn

Category	1Q12	1Q13 <sup>1</sup>	Δ <sub>yoy</sub>	Δ % <sub>yoy</sub>
+2%	87	89	2	2%
+1.5%	105	45	-60	-57%
<b>Incentivized Capex</b>	<b>192</b>	<b>134</b>	<b>-58</b>	<b>-30%</b>
Base Return	41	62	21	53%
<b>Total Regulated Capex</b>	<b>232</b>	<b>196</b>	<b>-37</b>	<b>-16%</b>
Other <sup>2</sup>	13	10	-3	
<b>Total Group Capex</b>	<b>246</b>	<b>206</b>	<b>-40</b>	<b>-16%</b>

# 1Q13 Results

## Net Debt Evolution & Financial Structure

Net Debt

**5,924** €mn

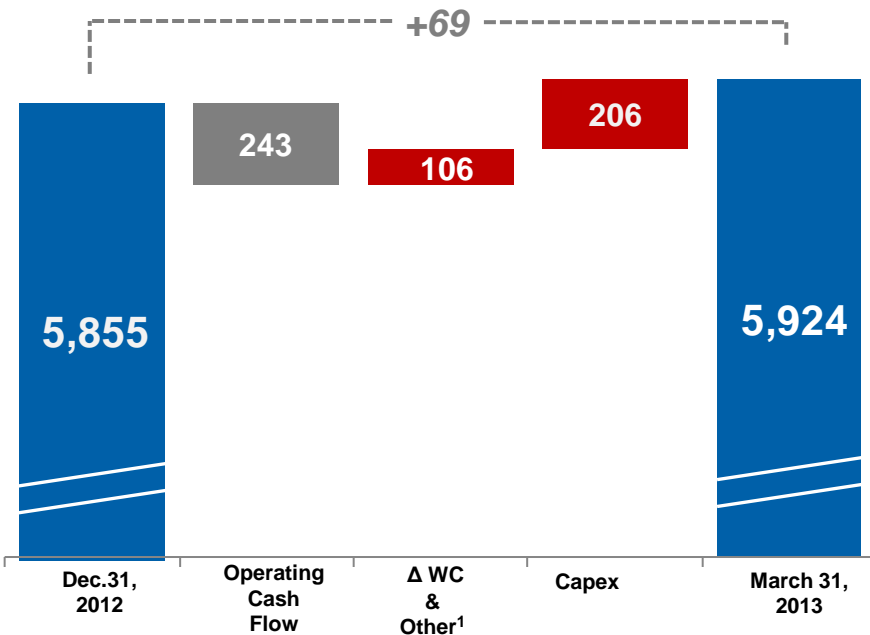
Fix/Floating Ratio

**77/23%**

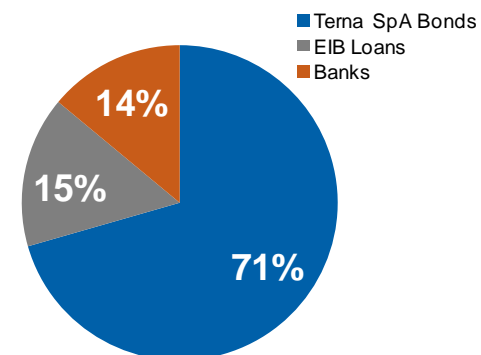
Avg. Maturity

**7<sup>1</sup>/<sub>2</sub> years**

Net Debt Evolution €mn



Financial Indebtedness



Rating

Rating	M/L Term		Outlook	
	Terna <sup>2</sup>	Sovereign	Terna <sup>2</sup>	Sovereign
<b>S&amp;P</b>	A-	Bbb+	Negative	Negative
<b>Moody's</b>	Baa1	Baa2	Negative	Negative
<b>Fitch</b>	A-	BBB+	Negative	Negative

As of May, 14 2013



# THANK YOU. QUESTIONS?

**Giuseppe Saponaro** Chief Financial Officer

1Q13 Consolidated Results  
MAY 14<sup>th</sup>, 2013

# ANNEXES

# Annexes

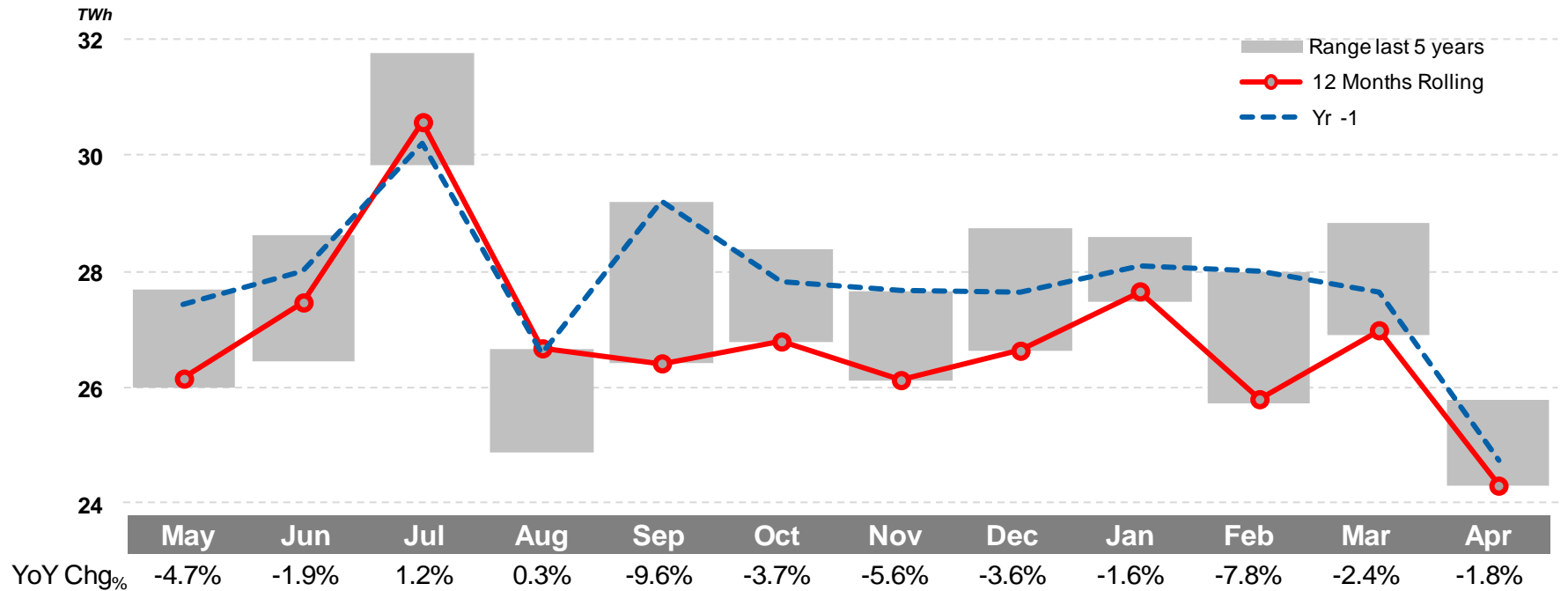
## Electricity Market Trends

### 1Q13 Energy Demand

**-3.9% yoy**

**-3.5%** 12 months rolling

	1Q12	1Q13	Δ %	YtD	Jan/Apr 2012	Jan/Apr 2013	Δ %
Demand <sub>TWh</sub>	84	80	-3.9%	Demand <sub>TWh</sub>	108	105	-3.5%



2011 final figures, 2012-2013 provisional figures (as of April 2013)

# Annexes

## Consolidated Income Statement

€ mn	1Q12	1Q13	Δmn	Δ%
<b>Operating Revenues</b>	432	470	38	8.8%
<i>of which</i>				
Grid Fee	384	423	39	10.2%
Other Energy Items	33	34	1	3.0%
Other Activities *	15	13	-2	-13.3%
<b>Operating Expenses</b>	92	89	-3	-3.3%
<i>of which</i>				
Salaries	52	53	1	1.9%
Services	33	28	-5	-15.2%
Other	7	8	1	14.3%
<b>EBITDA</b>	340	381	41	12.1%
D&A	101	106	5	5.0%
<b>EBIT</b>	239	275	36	15.1%
Net Financial Charges	31	18	-13	-41.9%
<b>Pre Tax Profit</b>	208	257	49	23.6%
Taxes	94	115	21	22.3%
Tax Rate (%)	45%	45%		
<b>Group Net Income</b>	114	142	28	24.6%

\* Other Revenues + Non Traditional Revenues

# Annexes

## Consolidated Balance Sheet

€ mn	Dec. 31,2012	Mar. 31,2013	Δmn
<b>Assets</b>			
<i>PP&amp;E</i>	9,342	9,448	106
<i>Intangible Asset, net</i>	471	464	-7
<i>Financial Inv. And Other</i>	81	84	3
<b>Total Fixed Assets</b>	<b>9,894</b>	<b>9,996</b>	<b>102</b>
<i>Net WC</i>	-771	-654	117
<i>Funds</i>	-480	-475	5
<b>Total Net Invested Capital</b>	<b>8,643</b>	<b>8,867</b>	<b>224</b>
<i>Financed by</i>			
<b>Consolidated Net Debt</b>	<b>5,855</b>	<b>5,924</b>	<b>69</b>
<b>Total Shareholder's Equity</b>	<b>2,788</b>	<b>2,943</b>	<b>155</b>
<b>D/E Ratio Continuing Operations</b>	<b>2.1</b>	<b>2.0</b>	
<b>Number of Shares ('000)</b>	<b>2,010</b>	<b>2,010</b>	

# Annexes

## Consolidated Cash Flows

€ mn	1Q12	1Q13
<i>Net Income</i>	114	142
<i>Depreciation*</i>	100	106
<i>Net Change in Funds</i>	-14	-5
<b>Operating Cash Flow</b>	<b>200</b>	<b>243</b>
<i>Change in Working Capital</i>	-103	-117
<b>Cash Flow from Operating Activities</b>	<b>97</b>	<b>126</b>
<i>Capital Expenditures</i>	-246	-206
<i>Other Fixed Asset Changes</i>	1	1
<b>Free Cash Flow</b>	<b>-148</b>	<b>-79</b>
<i>Dividends</i>	0	0
<i>Change in Capital and Other</i>	-3	10
<b>Change in Net Cash (Debt)</b>	<b>-150</b>	<b>-69</b>

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