



9M18 *Consolidated Results*

GRIDS AND VALUES
POWERING A SUSTAINABLE GROWTH

November 9th 2018

Agenda

○ 9M18 Results 3

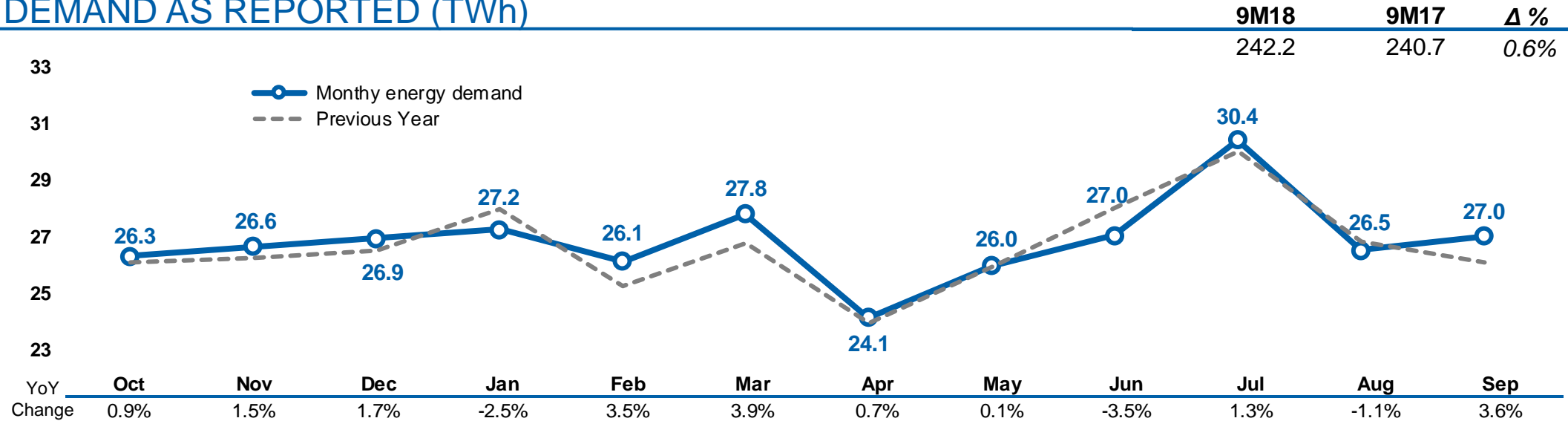
○ Annexes 15

9M18 Results

Highlights (1/2)

Demand Evolution – Last 12 months

DEMAND AS REPORTED (TWh)



9M18 data:

- National Demand at 242 TWh
 - *o/w 36% covered by RES vs 34% in 9M17*
- Net Total Production at 210 TWh
 - *Hydro increased by 24%*

Increasing contribution from renewable sources

Highlights (2/2)

9M 2018 Key Numbers

€mn	9M 2018	9M 2017	Δ vs 9M17
<i>Revenues¹</i>	1,625	1,570	+3%
<i>EBITDA</i>	1,230	1,207	+2%
<i>Group Net Income²</i>	542	529	+2%
<i>Total Group Capex</i>	561	545	+3%

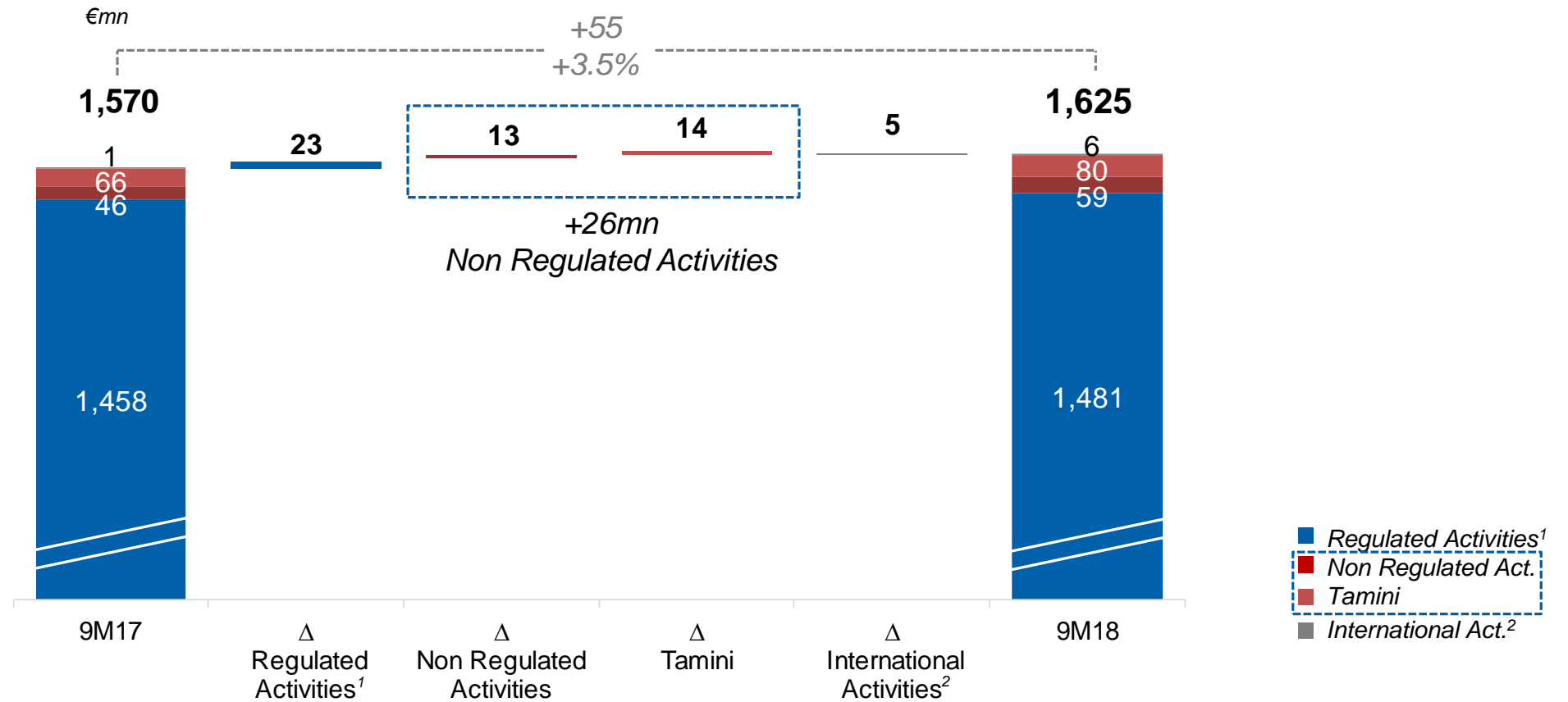
	9M 2018	FY 2017
<i>Net Debt</i>	7,592	7,796

<i>2018 Interim Dividend</i>	7.87 €cents/share ³
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Solid results confirm FY guidance

9M 2018 results

Revenues



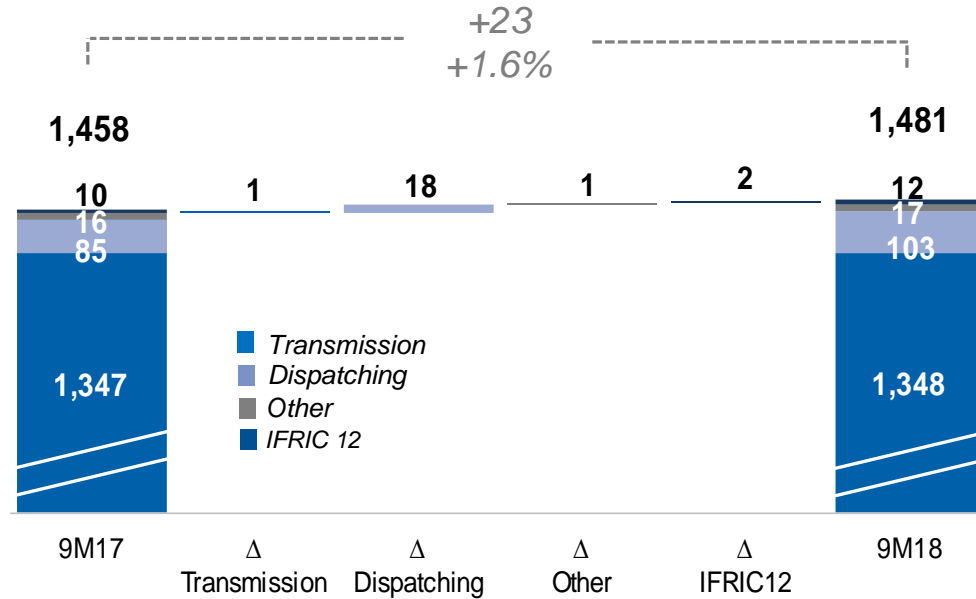
Solid growth in all business lines

9M 2018 results

Revenues Analysis

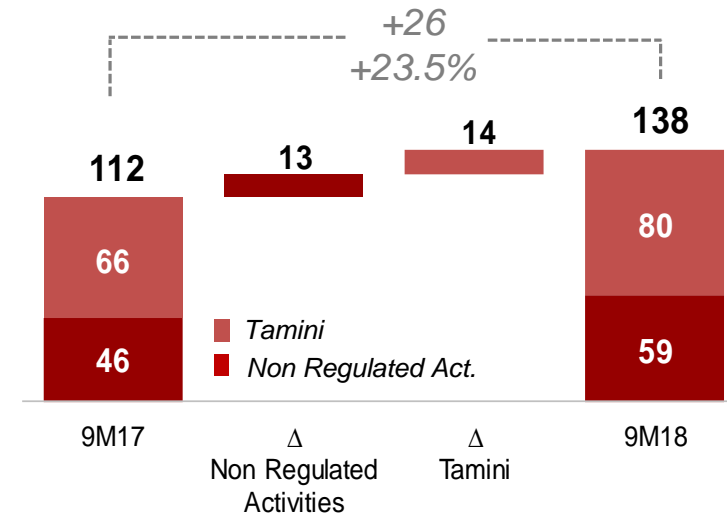
REGULATED ACTIVITIES

€mn



NON REGULATED ACTIVITIES

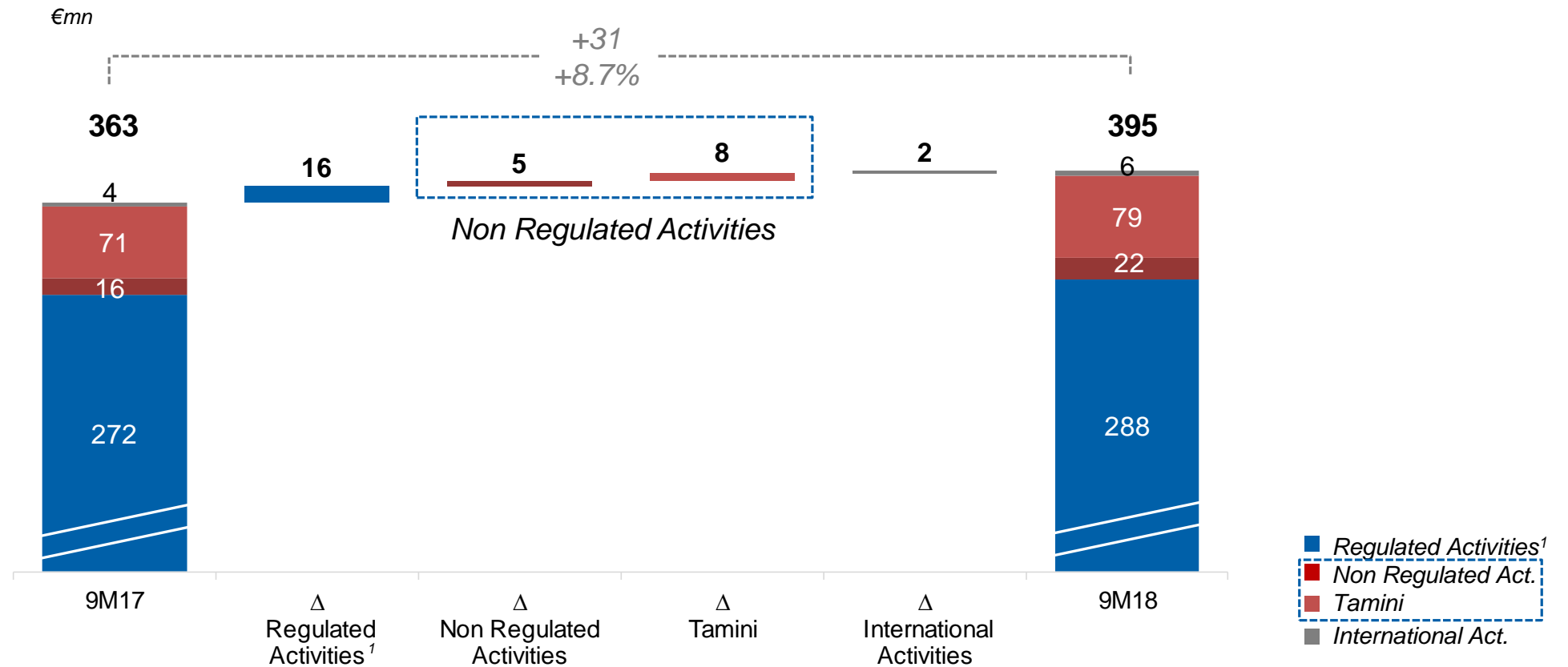
€mn



Higher contribution from Regulated and Non Regulated Activities

9M 2018 results

Opex



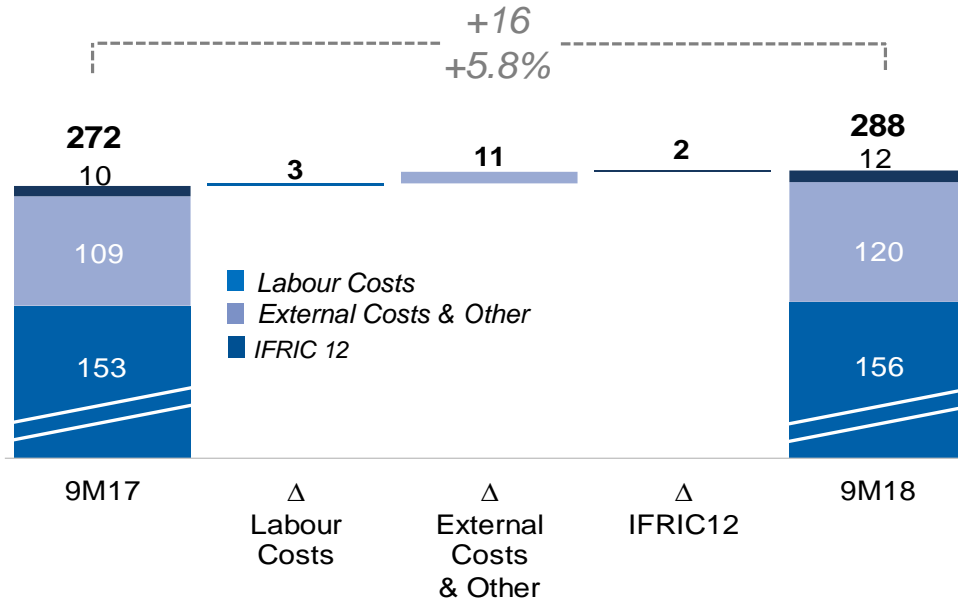
Opex evolution driven by Regulated and Non Regulated growth

9M 2018 results

Opex Analysis

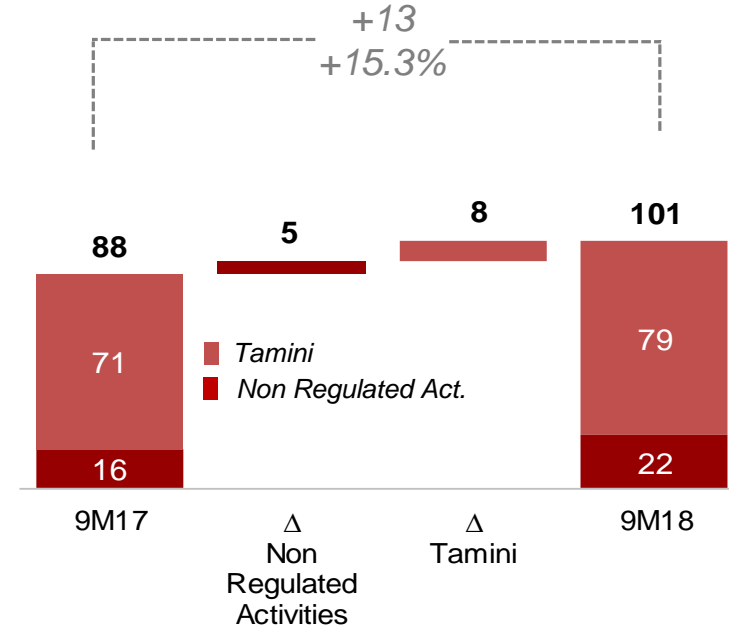
REGULATED ACTIVITIES

€mn



NON REGULATED ACTIVITIES

€mn



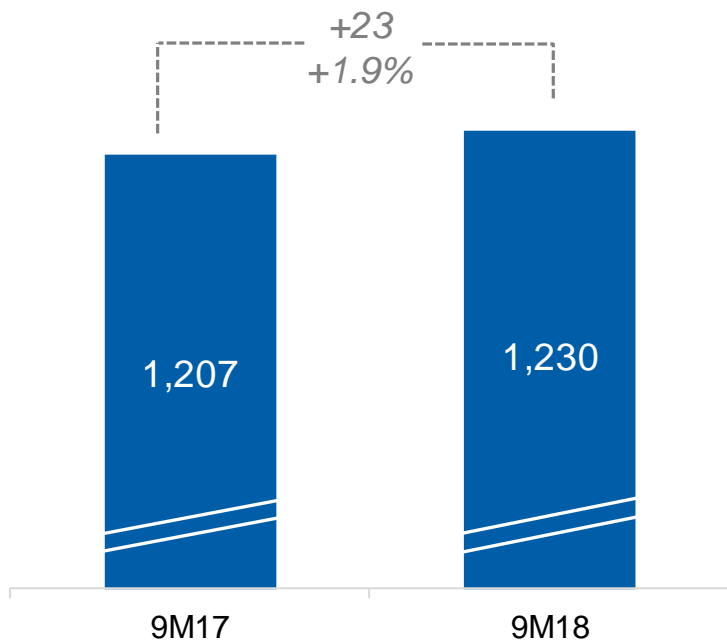
Higher volumes of activities
and increasing effort on maintenance programs

9M 2018 results

EBITDA

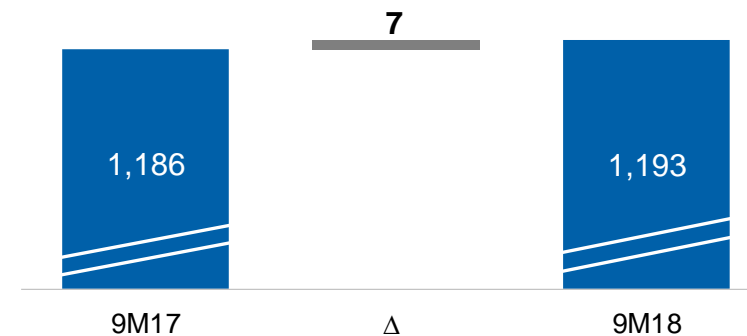
TOTAL EBITDA

€mn



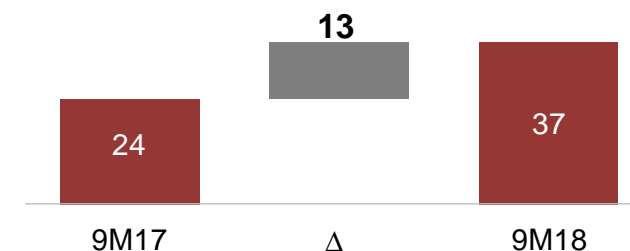
REGULATED ACTIVITIES

€mn



NON REGULATED ACTIVITIES

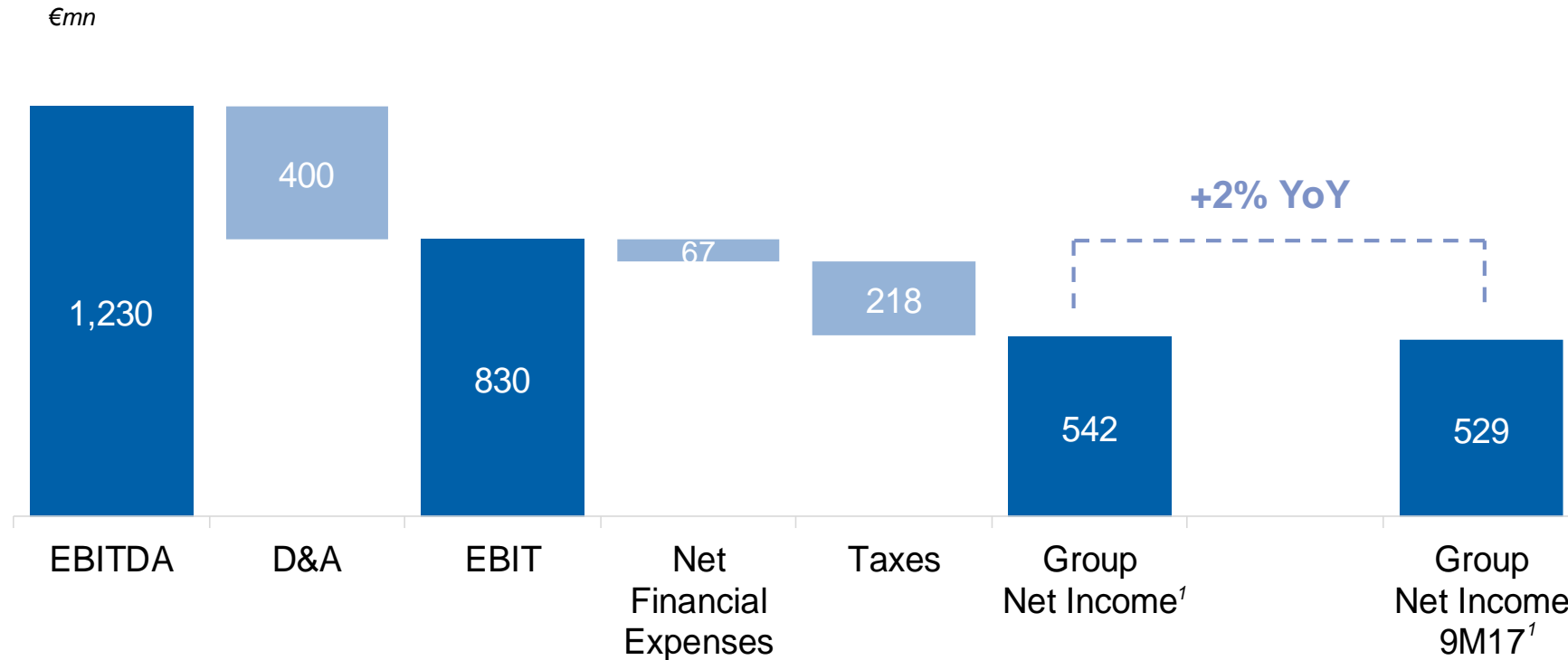
€mn



2% growth at EBITDA level

9M 2018 results

From EBITDA to Net Income



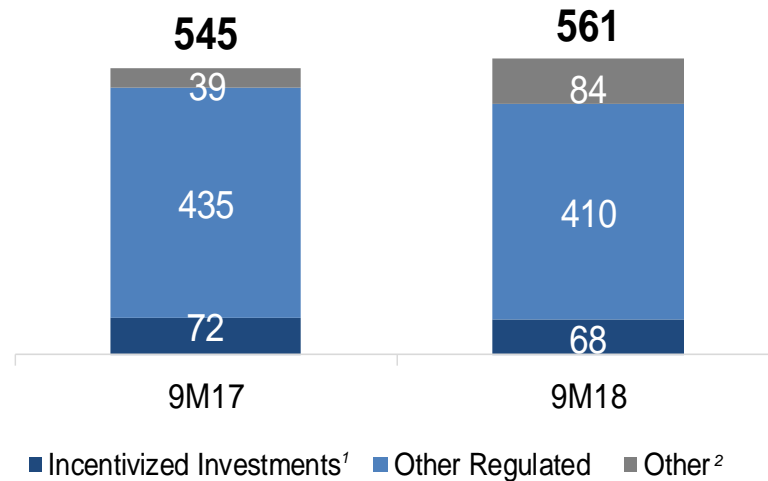
2% growth at Net Income level

9M 2018 results

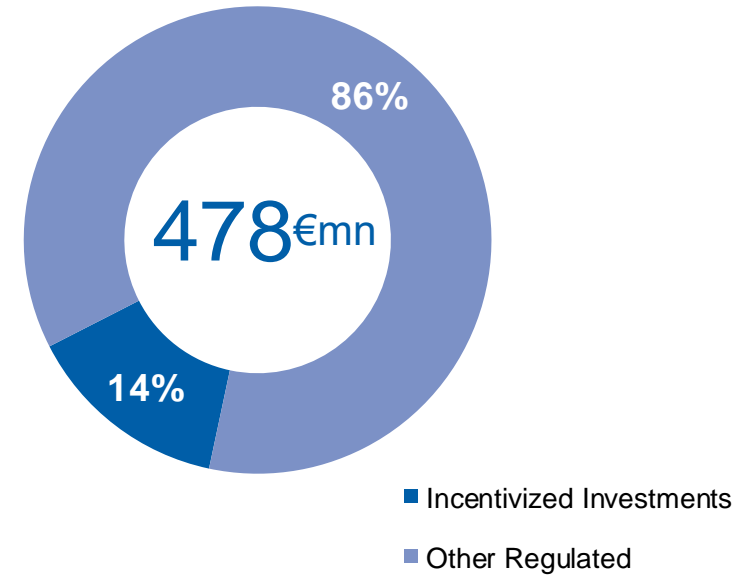
Capex

TOTAL CAPEX

€mn



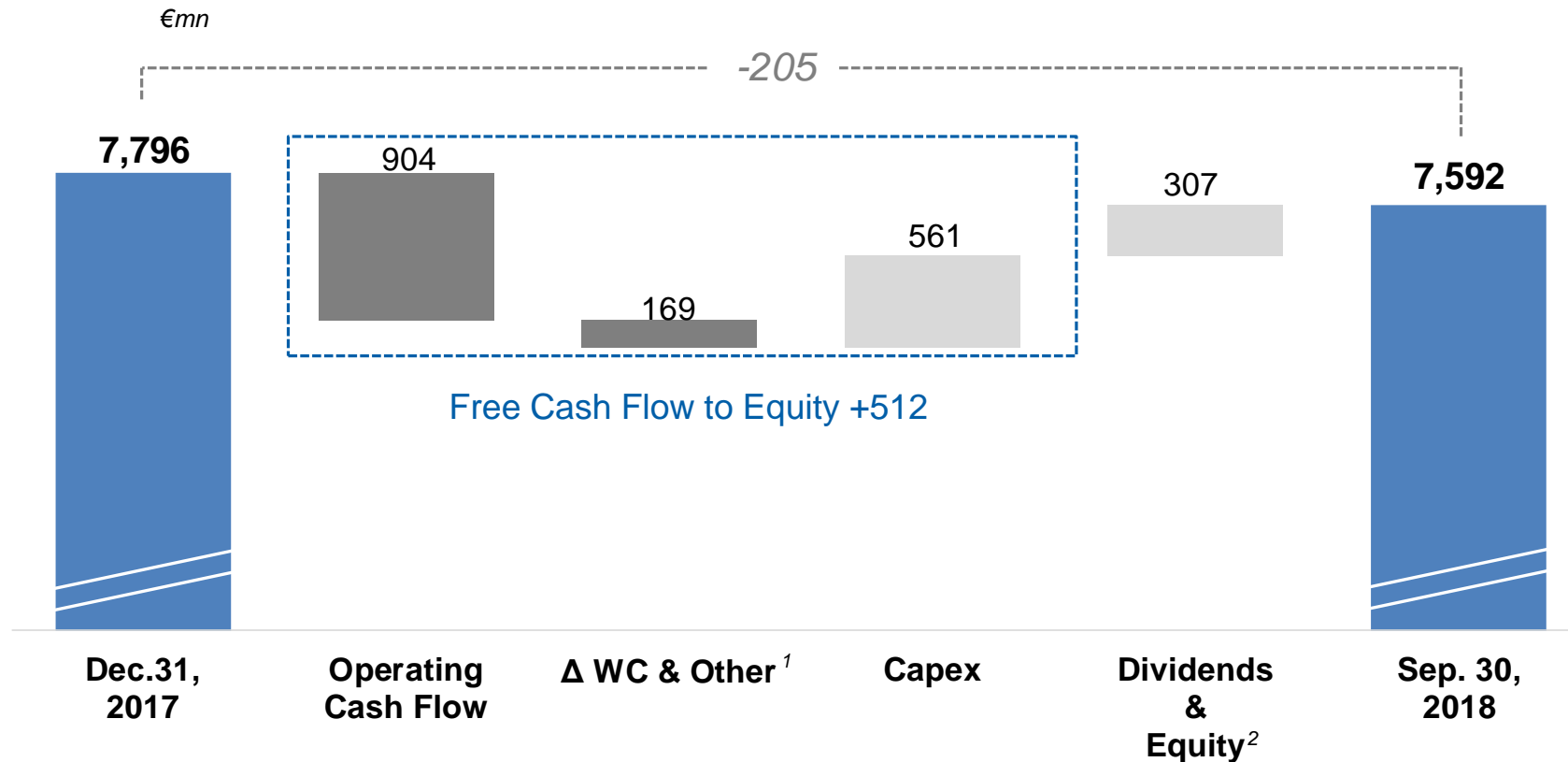
REGULATED CAPEX



2018 Capex well on track

9M 2018 results

Cash Flow & Net Debt Evolution

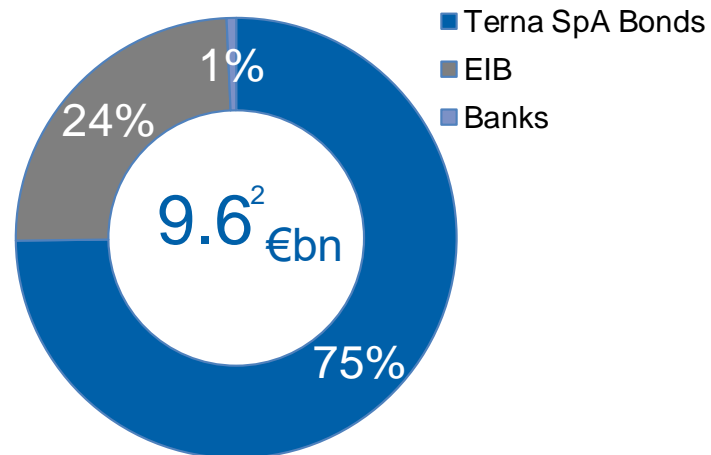


900 €mn of Operating Cash Flow

9M 2018 results

Net Debt Evolution & Financial Structure

GROSS DEBT BREAKDOWN¹



KEY RATIOS¹

Fixed/Floating Ratio

~100% Fixed

Calculated on Gross Debt

Maturity

5.4 years

Maintaining a solid balance sheet

Annexes

Annex

Consolidated Income Statement¹

€ mn	9M18	9M17 ²	Δmn	Δ%
Total Revenue	1,625	1,570	55	3.5%
<i>Regulated Activities</i>	1,481	1,458	23	1.6%
<i>Transmission</i>	1,348	1,347	1	0.1%
<i>Dispatching</i>	103	85	18	21.7%
<i>Other³</i>	17	16	1	8.1%
<i>IFRIC12</i>	12	10	2	21.2%
<i>Non Regulated Activities</i>	138	112	26	23.5%
<i>International Activities</i>	6	0.9	5	n.m.
Total Costs	395	363	31	8.7%
<i>Regulated Activities</i>	288	272	16	5.8%
<i>Labour Costs</i>	156	153	3	2.0%
<i>External Costs</i>	106	96	10	10.1%
<i>Other³</i>	14	13	1	6.7%
<i>IFRIC12</i>	12	10	2	21.2%
<i>Non Regulated Activities</i>	101	88	13	15.3%
<i>International Activities</i>	6	4	2	66.7%
EBITDA	1,230	1,207	23	1.9%
<i>D&A</i>	400	390	10	2.5%
EBIT	830	817	13	1.6%
<i>Net Financial Charges</i>	67	68	-2	-2.2%
Pre Tax Profit	763	749	15	2.0%
<i>Taxes</i>	218	222	-3	-1.5%
<i>Tax Rate (%)</i>	28.6%	29.6%	-1.0 pp	
Total Net Income	545	527	18	3.4%
<i>Minority Interest</i>	4	-2	5	n.m.
Group Net Income	542	529	13	2.4%

Annex

P&L Quarterly Analysis

€ mn	1Q18	1Q17 ¹	Δ	2Q18	2Q17 ¹	Δ	3Q18	3Q17 ¹	Δ
Total Revenue	538	524	14	542	522	20	546	525	21
Regulated Activities	488	490	-2	492	477	14	501	490	11
Transmission	451	451	1	447	444	3	450	453	-3
Dispatching	29	29	0	31	27	5	43	29	14
Other ²	5	8	-4	10	4	7	3	4	-2
IFRIC12	3	2	1	3	3	0	6	4	1
Non Regulated Act.	47	34	13	47	44	3	44	34	10
International Activities ³	3	0	3	2	0	2	1	1	0
Total Costs	129	121	7	137	130	7	129	113	17
Regulated Activities	95	93	2	99	97	2	94	82	12
Labour Costs	54	53	0	55	54	1	48	46	1
External Costs	34	31	3	37	35	2	34	30	4
Other ²	4	7	-3	4	5	-1	6	1	5
IFRIC12	3	2	1	3	3	0	6	4	1
Non Regulated Act.	32	27	5	36	32	4	33	29	4
International Activities	2	1	1	2	1	1	2	2	1
EBITDA	409	403	7	406	392	14	416	412	4
D&A	133	130	2	135	131	4	133	129	3
EBIT	277	273	4	271	261	9	284	283	1
Net Financial Charges	25	21	4	17	19	-2	25	29	-4
Pre Tax Profit	252	252	0	254	242	12	258	254	4
Taxes	69	74	-5	74	70	4	76	78	-2
Tax Rate (%)	27.2%	29.2%	-2.0%	29.3%	29.0%	0.2%	29.2%	30.6%	-1.3%
Total Net Income	184	179	5	179	172	8	183	177	6
Minority Interest	1	-1	2	1	0	1	2	-1	3
Group Net Income	183	179	3	178	172	6	181	178	4

Annex

2017 Restated P&L Quarterly Figures¹

€ mn	1Q17	2Q17	3Q17	4Q17	FY17
Total Revenue	524	522	525	592	2,163
Regulated Activities	490	477	490	510	1,967
Transmission	451	444	453	457	1,804
Dispatching	29	27	29	27	112
Other ²	8	4	4	15	31
IFRIC12	2	3	4	11	21
Non Regulated Act.	34	44	34	77	189
International Activities ³	0	0	1	5	6
Total Costs	121	130	113	196	559
Regulated Activities	93	97	82	154	426
Labour Costs	53	54	46	65	218
External Costs	31	35	30	59	155
Other ²	7	5	1	19	32
IFRIC12	2	3	4	11	21
Non Regulated Act.	27	32	29	39	127
International Activities	1	1	2	3	7
EBITDA	403	392	412	397	1,604
D&A	130	131	129	137	527
EBIT	273	261	283	260	1,077
Net Financial Charges	21	19	29	21	89
Pre Tax Profit	252	242	254	240	988
Taxes	74	70	78	72	294
Tax Rate (%)	29.2%	29.0%	30.6%	30.2%	29.8%
Total Net Income	179	172	177	167	694
Minority Interest	-1	0	-1	8	6
Group Net Income	179	172	178	159	688

Annex

Consolidated Balance Sheet

€ mn	Sep. 30,2018	Dec. 31,2017	Δmn
<i>PP&E</i>	12,910	12,753	157
<i>Intangible Asset</i>	497	506	-8
<i>Financial Inv. and Other</i>	272	208	64
Total Fixed Assets	13,679	13,466	213
Net WC	-1,703	-1,485	-217
Funds	-318	-356	38
Net Capital Invested	11,658	11,625	33
<i>Financed by:</i>			
Consolidated Net Debt	7,592	7,796	-205
Total Shareholder's Equity	4,067	3,829	238
Total	11,658	11,625	33
D/E Ratio	1.9	2.0	
D/D+E Ratio	0.7	0.7	
Number of Shares (mn)	2,010	2,010	

Annex

Consolidated Cash Flow

€ mn	9M18
<i>Total Net Income</i>	545
<i>D&A¹</i>	397
<i>Net Change in Funds</i>	-38
Operating Cash Flow	904
<i>Δ Working Capital & Other²</i>	169
Cash Flow from Operating Activities	1,073
<i>Capital Expenditures</i>	-561
Free Cash Flow to Equity	512
<i>Dividends & Equity³</i>	-307
Change in Net Cash (Debt)	205

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investor.relations@terna.it | +39 06 8313 8282 | www.terna.it



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