

A nighttime aerial photograph of Rome, Italy, featuring the Pyramid of Cestius and the Mausoleum of Augustus. The scene is overlaid with vibrant green and blue light trails that create a sense of motion and energy. The text is positioned in the upper left quadrant.

ACEA GROUP
9M 2021 RESULTS
ROME, 10 NOVEMBER 2021

acea

EFFECTIVENESS OF STRATEGY CONFIRMED BY STRONG RESULTS

STRONG COMMITMENT TO OPERATIONAL EFFICIENCY AND INNOVATION

EBITDA

€930M

+8%

NET
PROFIT

€249M

+14%

CAPEX

€684M

+9%

NET DEBT

€3,998M

NET DEBT/
EBITDA LTM

3.26X

GUIDANCE FOR 2021 CONFIRMED

- EBITDA **>+8% versus 2020**
CONFIRMED
- CAPEX **~€900M**
CONFIRMED
- NET DEBT **€3.85-3.95BN**
CONFIRMED

A LEADING INDUSTRIAL GROUP

OUR BUSINESSES ARE EVOLVING

January 2021

Successful placement of first **GREEN BOND** worth €900m (€300m tranche issued with negative yield)

FITCH RATINGS

confirms Long-Term Issuer Default Rating as “BBB+” with a “Stable” outlook

May 2021

GAIA RATING

Acea scores 78/100 in overall rating of ESG performance, rating improved for third consecutive year.

July 2021

Agreement to **ACQUIRE 70% OF SERPLAST AND 60% OF MEG**, companies operating in plastic recycling sector

2020/9M 2021

DEVELOPMENT OF PHOTOVOLTAIC PLANTS

with total capacity of **120 MWp** (as of 30 September 2021), including:

- 69 MWp installed;
- 51 MWp under construction.

Process of **SELECTING A FINANCIAL PARTNER** for sale of a majority stake in photovoltaic assets at advanced stage

April/June 2021

Acea begins to offer charging services for **ELECTRIC-POWERED VEHICLES** with launch of our “ACEA E-MOBILITY” app

Acea launches **LUCE 100% GREEN** and **GAS 0% CO2** offers

June 2021

STANDARD ETHICS

Corporate rating improves from «EE-» to «EE»

September 2021

Agreement to **ACQUIRE 65% OF DECO**, a company that designs, builds and operates plants in treatment, disposal and recovery of solid urban waste.

October 2021

Agreement with Consorzio Interuniversitario per la Scienza e la Tecnologia dei Materiali to develop **CIRCULAR ECONOMY** initiatives

RESULTS 9M 2021

KEY FINANCIAL HIGHLIGHTS

(€M)	9 M 2021 (A)	9 M 2020 (B)	% CHANGE (A/B)
CONSOLIDATED REVENUE	2,765.8	2,471.3	+11.9%
EBITDA	930.2	858.7	+8.3%
EBIT	459.7	426.0	+7.9%
GROUP NET PROFIT	248.6	218.7	+13.6%
CAPEX	684.3	625.3	+9.4%

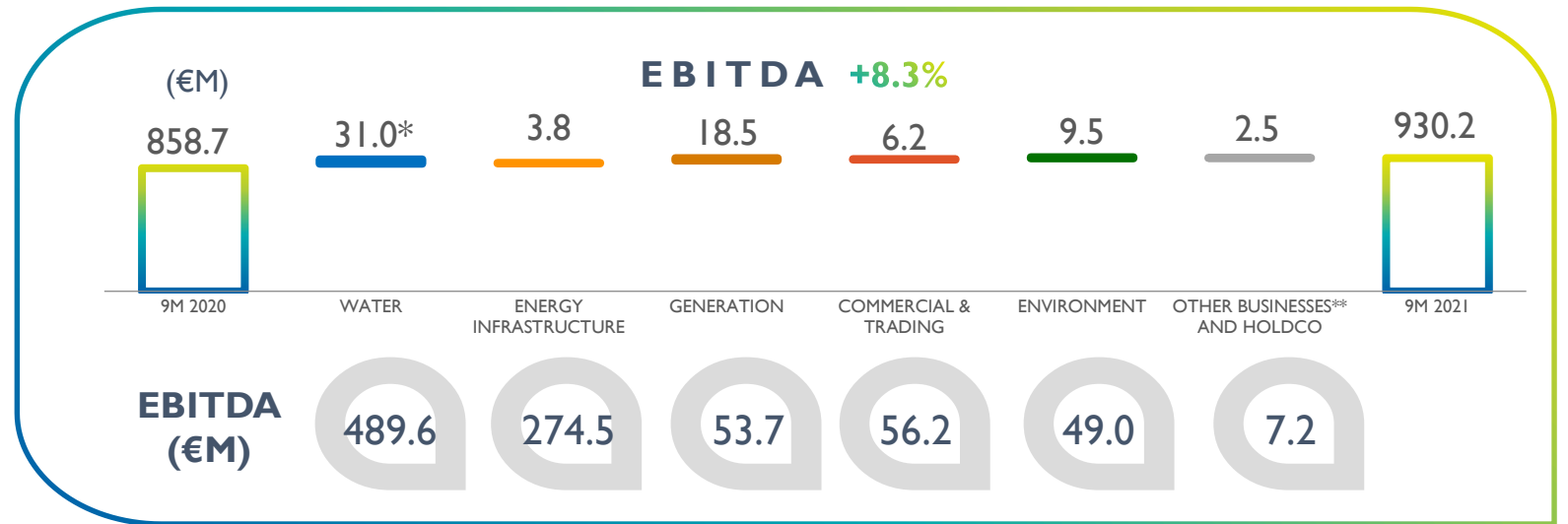
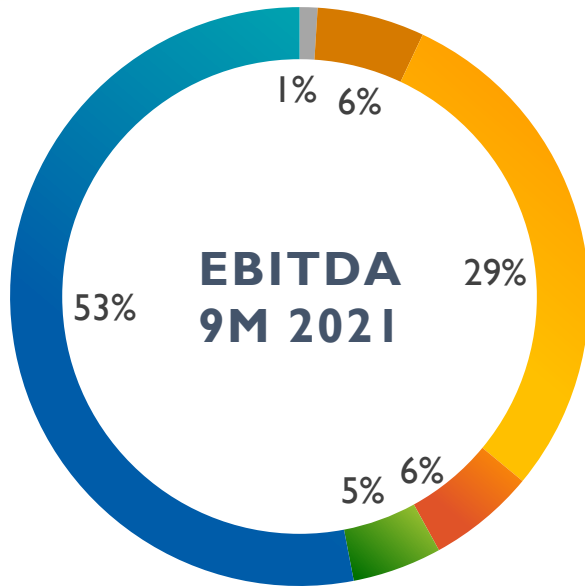
(€M)	30 Sept 2021 (A)	31 Dec 2020 (B)	30 Sept 2020 (C)	% CHANGE (A/B)	% CHANGE (A/C)
NET DEBT	3,998.3	3,528.0	3,535.3	+13.3%	+13.1%

POSITIVE TREND REFLECTED IN ALL FINANCIAL INDICATORS, CONFIRMING EFFECTIVENESS OF STRATEGY BASED ON: GROWTH, VALUE CREATION, SUSTAINABILITY

PERFORMANCE DRIVEN BY ORGANIC GROWTH, THANKS TO MAJOR INVESTMENT IN ALL AREAS OF BUSINESS

RESULTS 9M 2021

EBITDA



- WATER
- ENERGY INFRASTRUCTURE
- ENVIRONMENT
- GENERATION
- COMMERCIAL & TRADING
- OTHER BUSINESSES** AND HOLDCO

CHANGES IN SCOPE OF CONSOLIDATION

EBITDA (€M)	Change
SII TERNI	+10.1
ADISTRIBUZIONE GAS [^]	+2.7
FERROCART/CAVALLARI	+2.3
SIMAM	+1.8
PHOTOVOLTAIC	+2.2
CONSORCIO ACEA E LIMA NORTE	+0.8
TOTAL	+19.9

ORGANIC GROWTH IN
EBITDA
+6%

* Line-by-line consolidation of SII Terni

** Overseas, Engineering & Services

[^] Entity resulting from the merger of Pescara Distribuzione Gas with Alto Sangro Distribuzione Gas

EBITDA AND QUANTITATIVE DATA 9M 2021

FINANCIAL HIGHLIGHTS

(€M)	9M 2021 (A)	9M 2020 (B)	% change (A/B)
EBITDA	489.6	458.6	+6.8%
Acea Ato2	324.3	304.0	+6.7%
Acea Ato5	24.9	25.1	-0.8%
Gori	60.4	59.7	+1.2%
ADF	47.1	44.7	+5.4%
SII Terni	10.5	0.4	n/s
Equity-accounted water companies	13.1	19.5	-32.8%
Other consolidated water companies	4.3	3.2	+34.4%
Gas distribution	5.0	2.0	+150.0%
CAPEX	373.1	338.4	+10.3%



EBITDA GROWTH
+6.8%

EBITDA main drivers

GROWTH AT ACEA ATO2

Tariff effects (third regulatory period 2020-2023 - ARERA Resolution 580/2019)

Operational efficiency

+20.3 €M

LINE-BY-LINE CONSOLIDATION
OF SII TERNI
(November 2020)

+€10.1M

ADISTRIBUZIONE GAS*
(August 2020)

+€2.7M

EBITDA AND QUANTITATIVE DATA 9M 2021

FINANCIAL HIGHLIGHTS



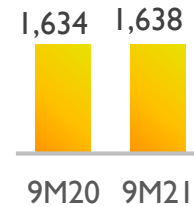
EBITDA GROWTH
+1.4%

(€M)	9M 2021 (A)	9M2020 (B)	Variat % (A/B)
EBITDA	274.5	270.7	+1.4%
- areti	277.1	271.2	+2.2%
- Public lighting	(2.6)	(0.5)	n/s
CAPEX	196.9	204.1	-3.5%

TOTAL
ELECTRICITY
DISTRIBUTED
GWh)



NUMBER OF
PODS
(‘000s)



EBITDA main drivers

**ELECTRICITY DISTRIBUTION
ARETI**
Tariff and regulatory effects
Partnership with Open Fiber
Resilience plan
+€5.9M

PUBLIC LIGHTING
Lack of authorizations for new
assets
-€2.1M

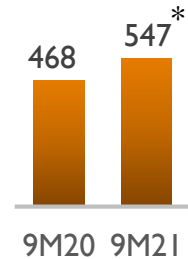
INNOVATION
283k 2G meters installed as of
September 30, 2021

EBITDA AND QUANTITATIVE DATA 9M 2021

FINANCIAL HIGHLIGHTS

(€M)	9M 2021 (A)	9M 2020 (B)	% change (A/B)
EBITDA	53.7	35.2	+52.6%
CAPEX	30.5	18.7	+63.1%

TOTAL
ELECTRICITY
PRODUCED
(GWh)



EBITDA GROWTH
+52.6%

EBITDA main drivers

PRICE AND VOLUME EFFECTS

Effect of energy market prices and increased volumes of hydroelectric energy produced

+€13.6M

PHOTOVOLTAIC

+€3.4M

(+€2.2M change in scope of consolidation)

NEW PHOTOVOLTAIC PLANTS

- Total capacity at 69 MWp
- 51 MWp of capacity from plants under construction

* of which photovoltaic 59 GWh

EBITDA AND QUANTITATIVE DATA 9M 2021

FINANCIAL HIGHLIGHTS

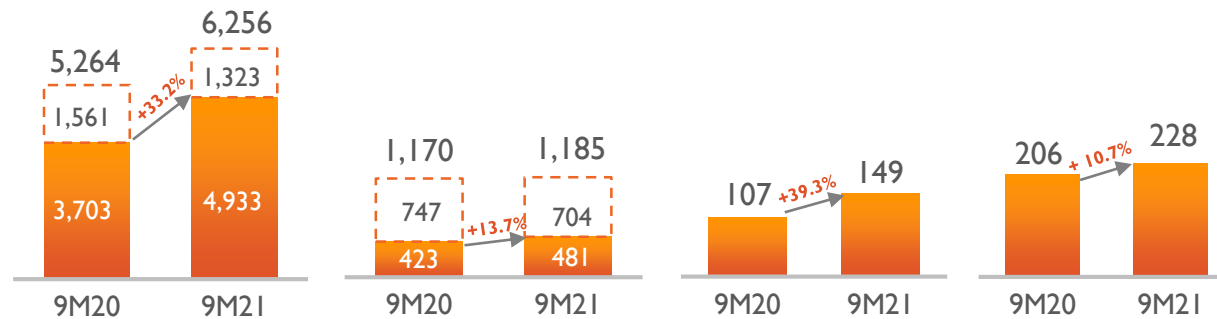
(€M)	9M 2021 (A)	9M 2020 (B)	% change (A/B)
EBITDA	56.2	50.0	+12.4%
CAPEX	33.9	27.0	+25.6%

TOTAL ENERGY SOLD
(GWH)

NUMBER OF
ELECTRICITY
CUSTOMERS ('000s)

TOTAL GAS SOLD
(Mmc³)

NUMBER OF GAS
CUSTOMERS ('000s)



● FREE MKT ○ EN. PROT. MKT

COMMERCIAL & TRADING



EBITDA GROWTH
+12.4%

EBITDA
Main drivers

IMPROVED MARGIN
ON FREE MARKET

Increases in volume of
electricity sold and number
of customers

+€13.4M

IMPROVED MARGIN
ON GAS SALES

+ €9.9M

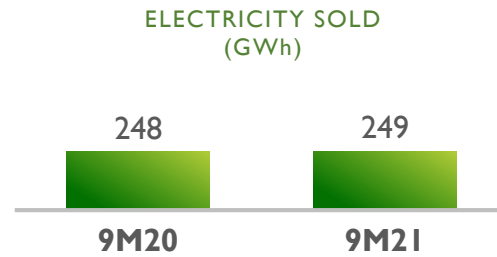
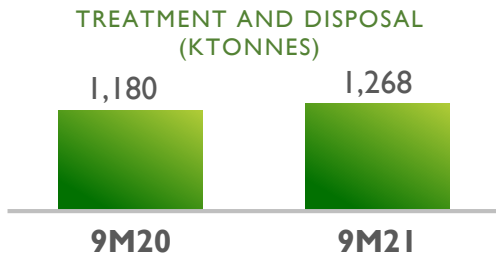
REDUCED MARGIN ON
ENHANCED PROTECTION MKT

-€2.1M

EBITDA AND QUANTITATIVE DATA 9M 2021

FINANCIAL HIGHLIGHTS

(€M)	9M 2021 (A)	9M 2020 (B)	% change (A/B)
EBITDA	49.0	39.5	+24.0%
CAPEX	23.2	18.2	+27.5%



- ✓ Agreement to acquire 70% of Serplast and 60% of Meg, companies operating in the plastic recycling sector – volumes handled ~70k tonnes per year (July 2021)
- ✓ Agreement to acquire 65% of Deco, a company that designs, builds and operates plants for treatment, disposal and recovery of solid urban waste – volumes handled ~270k tonnes per year (September 2021)



EBITDA GROWTH

+24.0%

EBITDA Main drivers

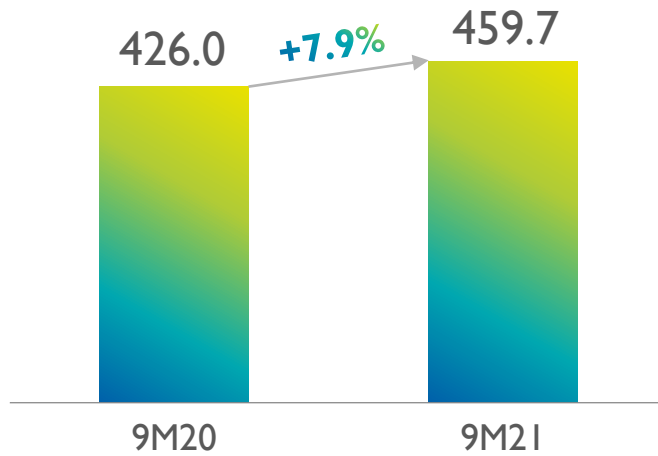
INCREASED EBITDA FOR WTE PLANTS
Higher prices received for electricity produced
+€8.1M

ACQUISITION OF FERROCART/CAVALLARI
(April 2020)
+€2.3M

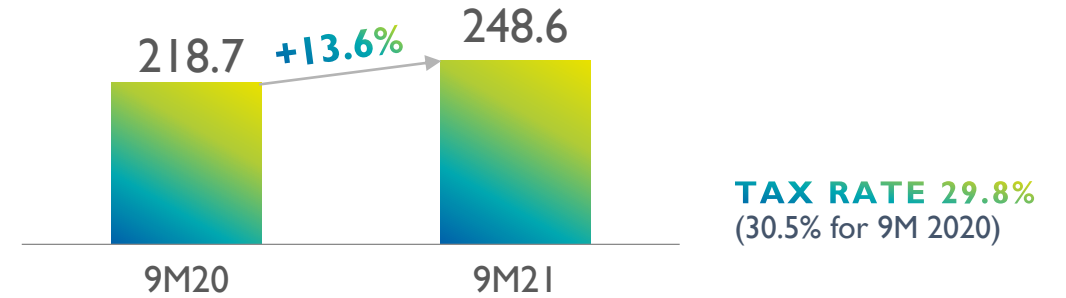
REDUCED EBITDA AT DEMAP
Revamp of sorting plant for plastic packaging
-€1.1M

EBIT AND NET PROFIT 9M 2021

EBIT (€M)



NET PROFIT (€M)



(€M)	9M2021	9M 2020	% CHANGE
DEPRECIATION	395.2	364.8	+8.3%
IMPAIRMENTS	66.4	58.1	+14.3%
PROVISIONS	8.9	9.8	-9.2%
TOTAL	470.5	432.7	+8.7%

DEPRECIATION

Increased investment across all areas of business and changes in scope of consolidation.

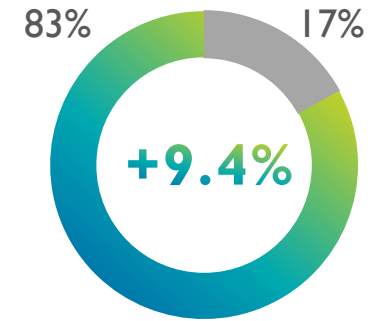
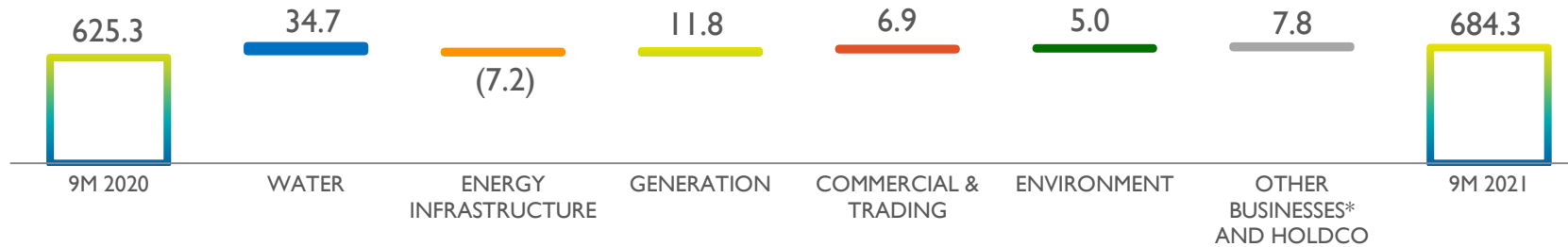
IMPAIRMENTS

Increase in impairments due to growth in turnover as a result of rising commodity prices. Ratio of impairments to revenue at 30 September 2021 unchanged versus 30 September 2020.

CAPEX 9M 2021

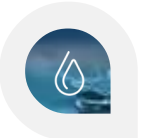
MAJOR INVESTMENT IN UPGRADING INFRASTRUCTURE

CAPEX (€M)



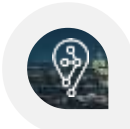
● Investment in regulated businesses
● Investment in non-regulated businesses

CAPEX (€M)



WATER

- REPAIR AND EXPANSION OF WATER AND SEWER PIPES
- EXTRAORDINARY MAINTENANCE OF PLANTS AND NETWORKS
- DEVELOPMENTS ON TREATMENT PLANTS
- CONSOLIDATION OF SII TERNI (€7.6M)



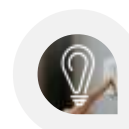
ENERGY INFRASTRUCTURE

- UPGRADE AND EXPANSION OF THE GRID
- "RESILIENCE" PLAN WITH WORK ON SECONDARY SUBSTATIONS AND THE MV AND LV NETWORK
- INSTALLATION OF 2G METERS



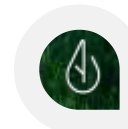
GENERATION

- EXTRAORDINARY MAINTENANCE OF PRODUCTION PLANTS
- CONSTRUCTION OF PHOTOVOLTAIC PLANTS



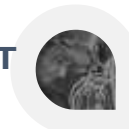
COMMERCIAL & TRADING

- CUSTOMER ACQUISITION
- INFORMATION SYSTEMS
- E-MOBILITY PROJECTS



ENVIRONMENT

- WORK ON ORVIETO LANDFILL
- CHANGE IN SCOPE OF CONSOLIDATION (FERROCART/CAVALLARI €1.1M)
- BERG: CONSTRUCTION OF A CONCENTRATOR



OTHER

- OVERSEAS: INCREASED INVESTMENT AT AGUAS DE SAN PEDRO
- ENGINEERING AND SERVICES: CONSOLIDATION OF SIMAM
- HOLDCO: IT PROJECTS

* Overseas, Engineering & Services

CASH FLOW 9M 2021

CASH FLOW (€M)

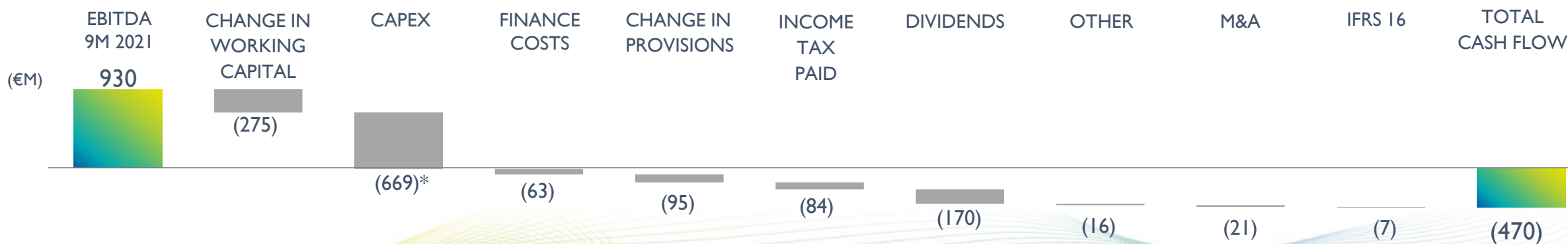
	9M 2021	9M 2020
EBITDA	930	859
CHANGE IN WORKING CAPITAL	(275)	(211)
CAPEX	(669)	(625)
FREE CASH FLOW	(14)	22
FINANCE INCOME/(COSTS)	(63)	(68)
CHANGE IN PROVISIONS	(95)	(77)
INCOME TAX PAID	(84)	(48)
DIVIDENDS	(170)	(166)
OTHER	(16)	(38)
M&A	(21)	(92)
IFRS 16	(7)	(6)
TOTAL CASH FLOW	(470)	(473)

INCREASE IN WORKING CAPITAL ABSORPTION (€64M)

The increase in energy prices has led to:

- a reduction in system costs collected by areti
- an increase in turnover at Acea Energia, resulting in a temporary increase in its working capital requirement

WORKING CAPITAL OVER LTM (September 2021 vs September 2020) IS IN LINE



RESULTS 9M 2021

SOLID FINANCIAL STRUCTURE

GREEN BOND

21 JANUARY 2021

Placement of first GREEN BOND worth €900m successfully completed in two tranches:

- first €300m tranche, 0% rate, maturing 28 September 2025 (first corporate issue in Italy with negative yield);
- second €600m tranche, 0.25% rate, maturing 28 July 2030

(€M)	30 Sept 2021 (A)	31 Dec 2020 (B)	30 Sept 2020 (C)	CHANGE (A-B)	CHANGE (A-C)
Net debt	3,998.3	3,528.0	3,535.3	470.3	462.9
Medium/long-term	4,825.6	4,130.2	4,116.9	695.4	708.7
Short-term	(827.3)	(602.2)	(581.5)	(225.1)	(245.8)

STRUCTURE OF DEBT

(MATURITY AND INTEREST RATES AT 30 SEPTEMBER 2021)

- DEBT FALLING DUE AFTER 2022
- DEBT FALLING DUE BY END OF 2022
- FLOATING RATE
- FIXED RATE



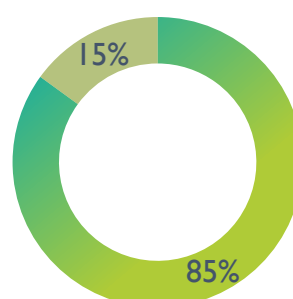
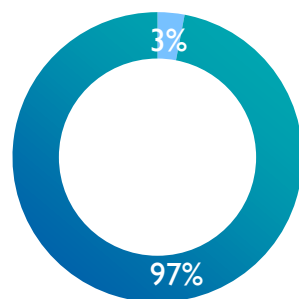
FIXED RATE



AVERAGE COST



AVERAGE TERM



RATINGS

FitchRatings
BBB+
STABLE
OUTLOOK

Moody's
Baa2
STABLE
OUTLOOK

SUATAINABILITY RATINGS

CDP
A-
LEADERSHIP

standard ethics
EE
POSITIVE ↑
RATING UPGRADE IN JUNE 2021

Gaia
78/100 ↑
IMPROVEMENT IN RATING FOR THIRD YEAR RUNNING

Q&A SESSION

acea

DISCLAIMER

THIS PRESENTATION CONTAINS CERTAIN FORWARD-LOOKING STATEMENTS THAT REFLECT THE COMPANY'S MANAGEMENT'S CURRENT VIEWS WITH RESPECT TO FUTURE EVENTS AND FINANCIAL AND OPERATIONAL PERFORMANCE OF THE COMPANY AND ITS SUBSIDIARIES.

THESE FORWARD-LOOKING STATEMENTS ARE BASED ON ACEA S.P.A.'S CURRENT EXPECTATIONS AND PROJECTIONS ABOUT FUTURE EVENTS. BECAUSE THESE FORWARD-LOOKING STATEMENTS ARE SUBJECT TO RISKS AND UNCERTAINTIES, ACTUAL FUTURE RESULTS OR PERFORMANCE MAY MATERIALLY DIFFER FROM THOSE EXPRESSED THEREIN OR IMPLIED THEREBY DUE TO ANY NUMBER OF DIFFERENT FACTORS, MANY OF WHICH ARE BEYOND THE ABILITY OF ACEA S.P.A. TO CONTROL OR ESTIMATE PRECISELY, INCLUDING CHANGES IN THE REGULATORY FRAMEWORK, FUTURE MARKET DEVELOPMENTS, FLUCTUATIONS IN THE PRICE AND AVAILABILITY OF FUEL AND OTHER RISKS.

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PURSUANT TO ART. 154-BIS, PAR. 2, OF THE LEGISLATIVE DECREE N. 58 OF FEBRUARY 24, 1998, THE EXECUTIVE IN CHARGE OF PREPARING THE CORPORATE ACCOUNTING DOCUMENTS AT ACEA, FABIO PARIS - CFO OF THE COMPANY - DECLARES THAT THE ACCOUNTING INFORMATION CONTAINED HEREIN CORRESPOND TO DOCUMENT RESULTS, BOOKS AND ACCOUNTING RECORDS.



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