

Press Release

ACEA

9M 2023 RESULTS APPROVED

CONTINUED RELAUNCH OF INVESTMENTS AND ORGANIC GROWTH DRIVEN BY REGULATED BUSINESSES, WHERE THE GROUP IS PARTICULARLY STRONG

- Capex: €733m (+5% versus 9M 2022), primarily in Water Italy, Grids & Smart Cities and Environment segments (~+5%).
- EBITDA: €1,006m (recurring EBITDA €992m, +3% versus 9M 2022), 87% from Water Italy, Grids & Smart Cities and Environment segments.
- Recurring net profit: €208m (+3% versus 9M 2022).
- Net debt/EBITDA: 3.7x, in line with H1 2023 and with guidance for 2023 (<3.8x). Net debt reflects major investment programme carried out during period.

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- Environment: submission of a “revised proposal” for construction of a new waste-to-energy plant in Rome, confirming the constant commitment to the capital city.
- Water: focus on investment in infrastructure resilience and, as a result, in quality of service.
- Grids & Smart Cities: continued focus on operational efficiencies and investment in the upgrade and digitalisation of the grid.

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FRANCESCA MENABUONI COOPTED ON TO THE BOARD AS NEW DIRECTOR

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Rome, 10 November 2023 – Today’s meeting of the Board of Directors of ACEA, chaired by **Barbara Marinali**, has approved the interim report for the nine months ended 30 September 2023 (“9M 2023”).

ACEA’s CEO, **Fabrizio Palermo**, said: “ACEA’s investment drive is continuing, with a strengthened commitment in the regulated businesses, such as Water and Grids & Smart Cities. The Group, which remains the water market leader, is consolidating its position in the Environment sector with the recently revised project for a major new waste-to-energy plant in Rome. The financial results reflect organic growth that enables us to confirm the positive full-year outlook, with EBITDA due to rise in line with the guidance communicated to the financial market”.

FINANCIAL HIGHLIGHTS

- **Revenue** €3,400m (-10% versus 9M 2022)
- **EBITDA** 1,006m (recurring EBITDA¹ €992m, +3% versus 9M 2022)
- **Recurring Group net profit**¹ €208m (+3% versus 9M 2022)
- **Capex**² €733m (+5% versus 9M 2022)
- **Net debt** €4,843m (€4,440m at 31 December 2022)

CONSOLIDATED FINANCIAL HIGHLIGHTS

(€m)	9M 2023	9M 2022	% change
Consolidated revenue	3,400	3,794	-10%
EBITDA	1,006	1,002	+0.4%
Recurring EBITDA	992	964	+3%
Group net profit (post minorities)	209	257	-19%
Recurring Group net profit (post minorities)	208	203	+3%

(€m)	9M 2023	9M 2022	% change
Capex	733	700	+5%

(€m)	30 Sept 2023 (a)	31 Dec 2022 (b)	30 Sept 2022 (c)	% change (a/b)	% change (a/c)
Net debt	4,843	4,440	4,393	+9%	+10%

GUIDANCE FOR 2023 CONFIRMED

- EBITDA growth of between 2% and 4% versus 2022
- Capex broadly in line with 2022
- Ratio of net debt to EBITDA below 3.8x

ACEA GROUP'S RESULTS FOR 9M 2023

Consolidated revenue of €3,400.3m compares with €3,793.8m in 9M 2022. The performance is primarily due to lower revenue from sales of electricity as a result of the sharp fall in energy market prices.

Revenue from the Water Italy, Grids & Smart Cities and Environment segments, amounting to €1,804m, account for 53% of the total and are up approximately 4% over the period.

Recurring EBITDA is up approximately 3% to €992m, driven by growth in the regulated businesses and the Commercial segment. The adjustment primarily regards recognition, in 9M 2022, of the exceptional contribution relating to the bonus for technical quality in the Water segment (approximately €26m) and the sale of CO2 allowances (€11m). As regards of 9M 2023, the adjustment regards the change in the scope of consolidation (€14m).

The contributions of the various businesses to consolidated EBITDA are as follows: Water Italy 53%; Grids & Smart Cities 28%; Environment 6%; Production 5%; Commercial 8%. 87% of EBITDA is generated by the regulated Water, Grids & Smart Cities and Environment businesses.

Amortisation and depreciation is up €54.6m (12.5%) to €490.4m. The increase is linked primarily to investment during the period and the entry into service of assets previously under construction, above all in the Water (+€30.3m) and Grids & Smart Cities (+€7.5m) segments.

¹ Figures adjusted for non-recurring events and the change in the scope of consolidation.

² Net of grant-funded investment of €50m in 9M 2023 and €15m in 9M 2022.

Net financial costs are up €44.8m to €103.2m, mainly as a result of higher interest rates and the €700m bond issue at the beginning of 2023. At 30 September 2023, the ACEA Group's all-in cost of debt is 2.06% (compared with 1.41% at 30 September 2022).

Recurring Group net profit amounts to €208m (€203m for 9M 2022). Cost efficiency initiatives, combined with organic growth, have enabled the company to offset the increases in amortisation and depreciation and in interest rates.

The result for 9M 2022 benefitted from non-recurring events such as:

- recognition of a gain of €19m on the sale of a majority stake in ACEA's photovoltaic assets;
- the sale of CO2 allowances in the Environment segment (€8m after tax);
- recognition of the bonus for technical quality in the Water segment (€18m after tax);
- recognition of income from the discounting of Gori's debt (€8m)

The tax rate is 30.5% (36.4% last year; 30.6% after stripping out the windfall tax).

The Group **invested** a total of €733m in the first nine months of 2023 (€700m in 9M 2022), up 5% due to increased expenditure on the regulated businesses. Capital expenditure – with over 88% in the regulated Water Italy, Grids & Smart Cities and Environment businesses - breaks down as follows: Water Italy €423m, Grids & Smart Cities €197m, Environment €28m, Production €31m, Commercial €34m, other businesses (Overseas Water, Engineering & Infrastructure Projects) and the Holding Company €20m.

The Group's **net debt** is up €403.4m from the €4,439.7m of 31 December 2022 to €4,843.1m at 30 September 2023. The increase primarily reflects the volume of investment, the payment of dividends and the higher financial charges.

At 30 September 2023, the net debt to EBITDA LTM ratio is 3.7x (compared with 3.4x at 31 December 2022 and the guidance for 2023 of <3.8x).

91% of the Group's medium/long-term debt is fixed rate and has an average term of 4.4 years. In January and February, two Green Bond issues worth a total of €700m were successfully completed, further strengthening the ACEA Group's position as a leader in sustainability.

The Holding Company has access to unused committed credit facilities worth €700m and uncommitted credit facilities of €425m, of which €21m has been drawn down.

SEGMENT INFORMATION FOR 9M 2023

- **WATER Italy** - EBITDA of €528.0m is up 2.4% compared with the same period of 2022 (€515.8m). The result for the previous year included recognition of the technical quality bonus (ARERA Resolution 183/2022), which for the ACEA Group's fully consolidated water companies amounted to approximately €26m. After stripping out this item and on a like-for-like basis, the segment's EBITDA is up by over 6%. The change in scope, due to the consolidation of ASM Terni (acquired at the end of 2022), contributes €7.8m.

The water companies accounted for using the equity method contributed €17.7m to EBITDA (€19.2m in 9M 2022).

- **GRIDS & SMART CITIES** – EBITDA is up from €264.1m in 9M 2022 to €279.1m (+5.7%), with organic growth resulting from continued investment and increased attention to cost controls.

OPERATIONAL HIGHLIGHTS	9M 2023	9M 2022	% change
Electricity distributed (GWh)	6,802	7,142	-5%
Number of PODs ('1000s)	1,659	1,640	+1%

- **ENVIRONMENT** – The segment's EBITDA amounts to €63.4m, down from the results of the previous year (€83.2m). The performance reflects lower prices received for WTE electricity sold and recognition, in 9M 2022, of the proceeds from the sale of CO2 allowances for the Terni WTE

plant (€11m). These effects have been partially offset by the change in the scope of consolidation relating to Tecnoservizi and CIRSU (up €10.9m).

OPERATIONAL HIGHLIGHTS	9M 2023	9M 2022	% change
Treatment and disposal ('000 tonnes)	1,388	1,269	+9%
Net WTE electricity sold (GWh)	211	223	-5%

- **PRODUCTION** – EBITDA has declined to €48.2m (€78.5m in 9M 2022). The performance reflects the sharp reduction in prices on the energy market (an average SNP for 9M 2023 of €127.5 per MWh compared with €317.8 per MWh in 9M 2022) and the deconsolidation of photovoltaic assets from April 2022 (down €4.7m).

OPERATIONAL HIGHLIGHTS (GWh)	9M 2023	9M 2022	% change
Hydro + thermo + cogeneration	480	415	+16%
Photovoltaic production	112	104	+8%
Total electricity production	592	519	+14%

- **COMMERCIAL** – EBITDA is up 41.2%, rising from €58.0m in 9M 2022 to €81.9m in 9M 2023. This result primarily reflects improved margins on the sale of energy on the free market and the positive contribution from ACEA Innovation.

OPERATIONAL HIGHLIGHTS	9M 2023	9M 2022	% change
Free market	4,330	4,795	-10%
Enhanced protection market	817	1,100	-26%
Electricity sold (GWh)	5,147	5,895	-13%
Gas sold (million m³)	137	152	-10%

NUMBER OF CUSTOMERS ('000s)	9M 2023	9M 2022	% change
Free market	703	513	+37%
Enhanced protection market	512	656	-22%
Total electricity customers ('000s)	1,215	1,169	+4%
Total gas customers ('000s)	287	236	+22%
Total Commercial segment customers ('000s)	1,502	1,405	+7%

- **Overseas Water, Engineering & Infrastructure Projects and the Holding Company** – The contribution to EBITDA from the Overseas Water, Engineering & Infrastructure Projects and the Holding Company amounts to €5.7m (€2.7m in 9M 2022). The Holding Company's EBITDA has slightly improved due to cost control initiatives.

OUTLOOK

The first nine months of 2023 continued the positive trend recorded in the closing months of the previous year, with consolidated EBITDA (adjusted for non-recurring items and the change in scope) and free cash flow ahead of the same period of last year.

Against a backdrop that remains challenging, due to the geopolitical turbulence in eastern Europe and in the light of the outbreak of renewed hostilities in the Middle East between Israel and Hamas, there is currently moderate uncertainty over the future geopolitical outlook and the resulting economic and social impacts. The Group will in the coming months proceed with its strategy of focusing on the development of sustainable infrastructure in regulated markets, with the aim of maintaining a solid financial structure and continuing to have a positive impact on the Group's operating and financial performance.

NEW DIRECTOR COOPTED ON TO THE BOARD

Furthermore ACEA Board of Directors co-opted Francesca Menabuoni as a non-executive member of the Company's Board of Directors in accordance with art. 2386 of the Italian Civil Code and art. 15 of the articles of association. The co-option was carried out on the recommendation of the Nominations and Remuneration Committee and by resolution approved by the Board of Statutory Auditors. Ms Francesca Menabuoni replaces Thomas Devedjian following his resignation on 31 October 2023.

The new Director, who has accepted the appointment and will remain in office until the next General Meeting of shareholders, does not meet the independence requirements provided for in the related legislation and the Corporate Governance Code.

The Board of Directors has also appointed Francesca Menabuoni as a member of the Audit and Risk Committee, which now consists of the following: Alessandro Picardi (Chairman), Elisabetta Maggini, Francesca Menabuoni, Massimiliano Capece Minutolo Del Sasso and Antonino Cusimano.

As of today's date, according to the information in the Company's possession, Francesca Menabuoni does not hold shares in ACEA.

The new Director's curriculum vitae is available at the registered office and on the Company's website at www.gruppo.acea.it

KEY EVENTS IN 9M 2023 AND AFTER 30 SEPTEMBER 2023

On **17 January 2023**, ACEA successfully completed the placement of a **Green Bond** worth €500m, paying coupon interest of 3.875%, a yield of 3.925% and maturing on 24 January 2031.

On **3 February**, ACEA successfully completed a **tap issue** of the Green Bond issued on 17 January, amounting to €200m, paying coupon interest of 3.875% and a yield of 3.820%, equal to 105 basis points above the mid swap rate, marking a further improvement on the already favourable terms of the original issue.

On **23 January**, the Company completed the acquisition of the remaining 35% of **DECO SpA**, which operates in waste management in the Abruzzo region and in which it already held a 65% stake.

On **14 February**, Michaela Castelli resigned from her role as a Director and as Chairwoman of ACEA's Board of Directors.

On **17 February**, ACEA's Board of Directors co-opted **Barbara Marinali** as a non-executive member of the Company's Board of Directors and appointed her as **Chairwoman**.

On **1 March 2023**, **ACEA Ambiente submitted an expression of interest** in response to the public notice published by the Municipality of Rome seeking economic operators interested in presenting project financing proposals for the award of a concession to design, obtain consent for, build and operate a Waste-to-Energy plant and the related facility. The expression of interest was submitted together with major Italian and international partners, including Hitachi Zosen Inova, Vianini Lavori and Suez.

On **9 March 2023**, ACEA was named "**RSE Top Utility for Research and Innovation**".

The award is important recognition of the Acea Group's constant and growing commitment to research and innovation.

On **15 March 2023**, **Fitch Ratings** affirmed ACEA's Long-Term Issuer Default Rating (IDR) as "BBB+", its Short-Term IDR as "F2" and the Long-Term Senior Unsecured Rating as "BBB+". At the same time, the agency announced that it has downgraded the Company's outlook from "stable" to "negative".

On **18 April 2023**, the **Annual General Meeting** of ACEA SpA's shareholders ("AGM") was held in extraordinary and ordinary session. The AGM approved the separate and consolidated financial statements for the year ended 31 December 2022; voted on the allocation of net profit for 2022; and elected the new Board of Directors. The AGM, in extraordinary session, also approved the amendment to art. 15 of the Articles of Association setting the number of members of the Board of Directors at thirteen. **Barbara Marinali was re-appointed Chairwoman of the Board of Directors.**

On **20 April 2023**, the **second phase of the business combination involving ACEA, ASM Terni and the Municipality of Terni was completed**. Following execution of the agreement, ACEA's stake in ASM Terni has risen to 45%, whilst the Umbria-based utility has acquired a 20% stake in Orvieto Ambiente, the company spun off from ACEA Ambiente.

On **21 April 2023**, ACEA **completed the acquisition of the remaining 30% of SIMAM** (Servizi Industriali Manageriali Ambientali), a company specialising in engineering, construction and operation of water and waste treatment plants and in environmental and remediation projects, using integrated high-tech solutions.

On **3 May 2023**, ACEA's Board of Directors **appointed Fabrizio Palermo the Company's Chief Executive Officer and General Manager.**

On **15 May 2023**, ACEA and the labour unions signed a **"People and Participation Charter"**. The agreement aims to strengthen labour relations with a view to obtaining the benefits of engagement and a people-centric approach.

On **21 June 2023**, ACEA and **Acquedotto Pugliese** signed a Memorandum for the development of joint projects for the protection of water resources and technological innovation.

On **23 June 2023**, ACEA's Board of Directors appointed **Sabrina Di Bartolomeo** as the Company's Chief Financial Officer and Executive Responsible for Financial Reporting pursuant to art. 154-*bis* of Legislative Decree 59/98.

On **6 July 2023**, the **European Investment Bank (EIB)** agreed the first €235m tranche of a €435m loan to fund the upgrade and improvement of infrastructure with the aim of providing the public with a more efficient and resilient water service.

On **12 July 2023**, **Standard Ethics** upgraded ACEA's Corporate Standard Ethics Rating (SER) to "EE+" from the previous "EE" with a "Positive" outlook.

On **19 July 2023**, the Minister for Internal Affairs, Matteo Piantedosi, and ACEA's Chief Executive Officer, Fabrizio Palermo, signed a **National Framework Agreement for the safeguarding of legality** with the aim of strengthening the shared commitment to combat the potential for corruption and the risk of organised crime infiltrating sectors of strategic national importance, including the management of hydroelectric and waste networks.

On **25 July 2023**, ACEA's Board of Directors **authorised the issue of one or more series of Bonds**, in one or more tranches, to be unsubordinated and potentially in the form of green bonds, **under the Company's EMTN programme**. The total nominal value of the bonds will be up to €600m.

On **12 September 2023**, ACEA embarked on a **corporate reorganisation** based on three key initiatives: the acquisition of new expertise, generational turnover and the appointment of women to senior management roles. The new organisation will consist of two deputy general managers and their respective teams: a Deputy General Manager Corporate and a Deputy General Manager Operations.

On **14 September 2023**, Acea the **Science Based Targets initiative (SBTi) validated ACEA's greenhouse gas (GHG) emission targets**. The validated targets regard both direct and indirect GHG emissions. Validation marks a major recognition of ACEA's approach to decarbonisation in support of the energy transition.

On **15 September 2023**, ACEA and the Prefecture of Rome signed four **Legality Protocols** for the sites of major water works to be carried out in the capital.

On **27 September 2023**, ACEA's Board of Directors approved the **proposal for a potential settlement agreement with Roma Capitale** governing reciprocal positions and procedures for the consensual early termination of contractual relations between the parties in connection with the public lighting service provided by the Company and on its behalf by the subsidiary, areti.

On **17 October 2023**, ARERA approved the final outcome of application of the incentive mechanism for the Technical and Contractual Quality of the integrated water service for the two-year period 2020-2021 (Resolutions 476/2023 and 477/2023). On 27 October, ACEA informed **ACEA ATO2** that it ranked as the **best operator with regard to reducing water losses** and had been **rewarded for the improvement in drinking water quality**. The Technical Quality bonus awarded to ACEA ATO2 amounts to €24.7m.

On **20 October 2023**, ACEA signed an agreement with the trade unions regarding tenders designed **to boost worker safety and the quality of work**, with positive effects for the local areas in which Group companies operate.

On **31 October 2023**, ACEA announced that **Thomas Devedjian** had tendered his **resignation** from the role of **Director**, having been elected from the list submitted by the shareholder, Suez International, at the Annual General Meeting of 18 April 2023.

BONDS NEARING MATURITY

On 15 July 2024, the €600m bond issue, paying a gross annual coupon of 2.625%, will reach maturity.

The results for the nine months ended 30 September 2023 will be presented during a conference call with analysts and investors to be held at 3.45pm (Italian time) today, 10 November. The call will also be available via a webcast in "listen-only" mode in the Investors section of the website at www.gruppo.acea.it, where back-up material will also be made available at the start of the conference call.

The Executive Responsible for Financial Reporting, Sabrina Di Bartolomeo, declares that, pursuant to section two of article 154-bis of the Consolidated Finance Act, the information contained in this release is consistent with the underlying accounting records.

The following schedules are attached:

The consolidated income statement for the nine months ended 30 September 2023, the consolidated statement of financial position at 30 September 2023, the statement of changes in equity, the reclassified consolidated statement of financial position at 30 September 2023, the analysis of net debt at 30 September 2023 and the consolidated statement of cash flows for the nine months ended 30 September 2023.

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CONSOLIDATED INCOME STATEMENT FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023

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	9M 2023	9M 2022	Increase/ (Decrease)
Sales and service revenues	3,291,370	3,677,828	(386,458)
Other operating income	108,882	115,979	(7,097)
Consolidated net revenue	3,400,252	3,793,807	(393,555)
Staff costs	259,276	224,184	35,092
Cost of materials and overheads	2,154,055	2,623,693	(469,638)
Consolidated operating costs	2,413,331	2,847,877	(434,546)
Net profit/(loss) from commodity risk management	0	34,547	(34,547)
Profit/(loss) on non-financial investments	19,462	21,833	(2,371)
Gross operating profit	1,006,382	1,002,310	4,072
Net impairment losses/(reversals of impairment losses) on trade receivables	64,060	73,854	(9,794)
Amortisation, depreciation and provisions	499,656	443,776	55,880
Operating profit/(loss)	442,666	484,680	(42,014)
Finance income	28,241	20,530	7,711
Finance costs	(131,467)	(78,982)	(52,485)
Profit/(loss) on investments	1,064	19,574	(18,510)
Profit/(loss) before tax	340,504	445,802	(105,298)
Income tax expense	103,854	162,080	(58,226)
Net profit/(loss)	236,650	283,722	(47,072)
Net profit/(loss) from discontinued operations			
Net profit/(loss)	236,650	283,722	(47,072)
Net profit/(loss) attributable to non-controlling interests	27,225	26,325	901
Net profit/(loss) attributable to owners of the Parent	209,425	257,397	(47,972)
Earnings/(Loss) per share attributable to owners of the Parent			
<i>Basic</i>	<i>0.98338</i>	<i>1.20864</i>	<i>(0.22526)</i>
<i>Diluted</i>	<i>0.98338</i>	<i>1.20864</i>	<i>(0.22526)</i>
Earnings/(Loss) per share attributable to owners of the Parent net of treasury shares			
<i>Basic</i>	<i>0.98531</i>	<i>1.21101</i>	<i>(0.22570)</i>
<i>Diluted</i>	<i>0.98531</i>	<i>1.21101</i>	<i>(0.22570)</i>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30 SEPTEMBER 2023

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	30 September 2023	31 December 2022	Increase/ (Decrease)
Property, plant and equipment	3,264,629	3,144,250	120,379
Investment property	2,003	2,256	(253)
Goodwill	254,561	255,048	(487)
Concessions and infrastructure rights	3,682,323	3,470,906	211,417
Intangible assets	397,209	420,191	(22,982)
Right-of-use assets	103,584	90,397	13,187
Investments in unconsolidated subsidiaries and associates	365,615	348,885	16,731
Other investments	3,025	3,007	19
Deferred tax assets	216,238	179,823	36,415
Financial assets	24,874	30,531	(5,657)
Other non-current assets	672,089	615,144	56,946
Non-current assets	8,986,151	8,560,435	425,716
Inventories	125,969	104,507	21,462
Trade receivables	1,296,282	1,267,445	28,837
Other current assets	403,211	458,780	(55,569)
Current tax assets	62,151	26,296	35,855
Current financial assets	468,998	342,085	126,913
Cash and cash equivalents	468,457	559,908	(91,451)
Current assets	2,825,068	2,759,022	66,046
Non-current assets held for sale	18,296	19,076	(779)
TOTAL ASSETS	11,829,515	11,338,533	490,983

	30 September 2023	31 December 2022	Increase/ (Decrease)
Share capital	1,098,899	1,098,899	0
Legal reserve	157,838	147,501	10,337
Other reserves	72,815	27,743	45,072
Retained earnings/(accumulated losses)	756,265	737,400	18,865
Net profit/(loss) for the period	209,425	279,725	(70,300)
Total equity attributable to owners of the Parent	2,295,241	2,291,268	3,974
Equity attributable to non-controlling interests	481,732	463,975	17,758
Total equity	2,776,974	2,755,243	21,731
Staff termination benefits and other defined-benefit obligations	109,370	112,989	(3,618)
Provisions for liabilities and charges	317,439	218,025	99,414
Borrowings and financial liabilities	4,794,633	4,722,263	72,370
Other non-current liabilities	439,448	399,628	39,820
Non-current liabilities	5,660,890	5,452,905	207,986
Borrowings	985,915	619,418	366,498
Trade payables	1,669,441	1,849,980	(180,539)
Tax liabilities	12,978	26,810	(13,831)
Other current liabilities	723,108	632,259	90,850
Current liabilities	3,391,444	3,128,466	262,977
Liabilities related directly to assets held for sale	207	1,919	(1,712)
TOTAL EQUITY AND LIABILITIES	11,829,515	11,338,533	490,983

STATEMENT OF CHANGES IN EQUITY

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	Share capital	Legal reserve	Reserve for measurement of defined benefit plans for employees, net of taxation	Fair value reserve for derivative financial instruments, net of taxation	Reserve for translation differences	Other reserves	Net profit/(loss) for period	Total equity attributable to owners of the Parent	Equity attributable to non-controlling interests	Total equity
Balance at 1 January 2023	1,098,899	147,501	(14,329)	44,825	16,592	718,056	279,725	2,291,268	463,975	2,755,243
Net profit/(loss) in income statement	0	0	0	0	0	0	209,425	209,425	27,225	236,650
Other comprehensive income/(losses)	0	0	(1,606)	(36,251)	12,491	0	0	(25,366)	(380)	(25,746)
Total comprehensive income/(loss)	0	0	(1,606)	(36,251)	12,491	0	209,425	184,059	26,845	210,904
Appropriation of net profit/(loss) for 2022	0	10,337	0	0	0	269,388	(279,724)	0	0	0
Dividends paid	0	0	0	0	0	(180,666)	0	(180,666)	(7,058)	(187,724)
Change in basis of consolidation	0	0	45	50	(2)	0	0	93	(1,682)	(1,589)
Other changes	0	0	18	(18)	0	488	0	488	(348)	140
Balance at 30 September 2023	1,098,899	157,838	(15,872)	8,606	29,081	807,266	209,425	2,295,241	481,732	2,776,974

	Share capital	Legal reserve	Reserve for measurement of defined benefit plans for employees, net of taxation	Fair value reserve for derivative financial instruments, net of taxation	Reserve for translation differences	Other reserves	Net profit/(loss) for period	Total equity attributable to owners of the Parent	Equity attributable to non-controlling interests	Total equity
Balance at 1 January 2022	1,098,899	138,649	(18,234)	(4,754)	2,048	594,055	313,309	2,123,971	392,449	2,516,420
Net profit/(loss) in income statement	0	0	0	0	0	0	257,397	257,397	26,325	283,722
Other comprehensive income/(losses)	0	0	1,683	(37,928)	23,258	0	0	(12,988)	7,622	(5,366)
Total comprehensive income/(loss)	0	0	1,683	(37,928)	23,258	0	257,397	244,409	33,947	278,356
Appropriation of net profit/(loss) for 2021	0	8,852	0	0	0	304,457	(313,309)	0	0	0
Dividends paid	0	0	0	0	0	(180,666)	0	(180,666)	(11,000)	(191,665)
Change in basis of consolidation	0	0	(1)	(596)	0	(853)	0	(1,450)	1,041	(410)
Other changes	0	0	0	0	0	(1,379)	0	(1,379)	85	(1,295)
Balance at 30 September 2022	1,098,899	147,501	(16,553)	(43,279)	25,306	715,614	257,397	2,184,885	416,521	2,601,407
Net profit/(loss) in income statement	0	0	0	0	0	0	22,327	22,327	5,110	27,438
Other comprehensive income/(losses)	0	0	2,193	88,104	(8,714)	0	0	81,583	690	82,273
Total comprehensive income/(loss)	0	0	2,193	88,104	(8,714)	0	22,327	103,910	5,801	109,711
Appropriation of net profit/(loss) for 2021	0	0	0	0	0	0	(0)	0	0	0
Dividends paid	0	0	0	0	0	0	0	0	(992)	(992)
Change in basis of consolidation	0	0	31	0	0	(1,358)	0	(1,327)	42,803	41,475
Other changes	0	0	0	0	0	3,799	0	3,799	(157)	3,642
Balance at 31 December 2022	1,098,899	147,501	(14,329)	44,825	16,592	718,056	279,725	2,291,268	463,975	2,755,243

RECLASSIFIED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30 SEPTEMBER 2023

€000

Financial position	30 September 2023	31 December 2022	Increase/ (Decrease)	% increase/ (decrease)
Non-current assets and liabilities	8,137,983	7,846,950	291,032	3.7%
Net working capital	(517,915)	(652,020)	134,105	(20.6%)
Net invested capital	7,620,067	7,194,930	425,137	5.9%
Net debt	(4,843,094)	(4,439,688)	(403,406)	9.1%
Total equity	(2,776,974)	(2,755,243)	(21,731)	0.8%

ANALYSIS OF NET DEBT AT 30 SEPTEMBER 2023

€000

	30 September 2023	31 December 2022	Increase/ (Decrease)	% increase/ (decrease)
A) Cash	468,457	559,908	(91,451)	(16.3%)
B) Cash equivalents	0	0	0	n/s
C) Other current financial assets	468,998	342,085	126,913	37.1%
D) Liquidity (A + B + C)	937,455	901,993	35,461	3.9%
E) Current financial debt	(210,962)	(165,406)	(45,555)	27.5%
F) Current portion of non-current financial debt	(774,954)	(454,012)	(320,942)	70.7%
G) Current debt (E + F)	(985,915)	(619,418)	(366,498)	59.2%
H) Current net debt (G + D)	(48,461)	282,575	(331,036)	(117.1%)
I) Non-current financial debt	(4,794,633)	(4,722,263)	(72,370)	1.5%
J) Debt instruments	0	0	0	n/s
K) Trade payables and other non-current payables	0	0	0	n/s
L) Non-current net debt (I + J + K)	(4,794,633)	(4,722,263)	(72,370)	1.5%
Total debt (H + L)	(4,843,094)	(4,439,688)	(403,406)	9.1%

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023

€000

	9M 2023	9M 2022	Increase/ (Decrease)
CASH FLOW FROM/(FOR) OPERATING ACTIVITIES			
Profit before tax	340,504	445,802	(105,298)
Amortisation, depreciation and impairment losses	490,439	435,879	54,561
Reversals of impairment losses/impairment losses	(20,526)	(41,406)	20,881
Provisions for expected credit losses	64,060	73,854	(9,794)
Change in provisions for risks	(8,941)	(10,021)	1,079
Net change in staff termination benefits	(9,107)	(11,997)	2,890
Net interest expense	103,226	58,452	44,774
Income tax paid	(62,918)	(72,243)	9,325
Cash flows from operating activities before changes in working capital	896,738	878,320	18,418
Increase/Decrease in receivables included in current assets	(73,183)	(336,198)	263,015
Increase/Decrease in payables included in current liabilities	(44,602)	131,079	(175,681)
Increase/Decrease in inventories	(21,462)	(21,154)	(308)
Change in working capital	(139,247)	(226,273)	87,026
Change in other operating assets/liabilities	(41,351)	(33,247)	(8,105)
<i>Cash flows from operating activities attributable to disposal groups/assets held for sale</i>	<i>0</i>	<i>0</i>	<i>0</i>
TOTAL CASH FLOW FROM OPERATING ACTIVITIES	716,140	618,800	97,340
CASH FLOW FROM/(FOR) INVESTING ACTIVITIES			
Purchase/Sale of property, plant and equipment	(368,633)	(304,779)	(63,854)
Purchase/Sale of intangible assets	(414,838)	(409,562)	(5,276)
Investments	(52,659)	124,477	(177,135)
Amounts received from/paid for other financial investments	(136,799)	3,237	(140,036)
Dividends received	344	3,381	(3,038)
Interest received	28,241	22,953	5,289
<i>Cash flows from investing activities attributable to disposal groups/assets held for sale</i>	<i>0</i>	<i>0</i>	<i>0</i>
TOTAL CASH FLOW FOR INVESTING ACTIVITIES	(944,343)	(560,293)	(384,050)
CASH FLOW FROM/(FOR) FINANCING ACTIVITIES			
Repayments of loans and long-term borrowings	(342,571)	(36,483)	(306,088)
New borrowings/other medium/long-term liabilities	700,000	250,000	450,000
Reduction/Increase in other borrowings	42,487	(74,268)	116,756
Interest paid	(128,215)	(80,735)	(47,480)
Dividends paid	(134,949)	(139,461)	4,512
<i>Cash flows from financing activities attributable to disposal groups/assets held for sale</i>	<i>0</i>	<i>0</i>	<i>0</i>
TOTAL CASH FLOW FOR FINANCING ACTIVITIES	136,753	(80,947)	217,700
CASH FLOW FOR THE PERIOD	(91,451)	(22,440)	(69,011)
Net cash and cash equivalents at beginning of period	559,908	680,820	(120,912)
Cash and cash equivalents from acquisitions	0	1,004	(1,004)
NET CASH AND CASH EQUIVALENTS AT END OF PERIOD	468,457	659,383	(190,926)
<u>Cash and cash equivalents at end of period attributable to disposal groups/assets held for sale</u>	<u>0</u>	<u>606</u>	<u>(606)</u>
<u>Cash and cash equivalents at end of period attributable to continuing operations</u>	<u>468,457</u>	<u>658,777</u>	<u>(190,320)</u>