

A nighttime aerial photograph of Rome, Italy, featuring the Pyramid of Cestius and the Mausoleum of Augustus. The image is overlaid with vibrant, wavy light trails in shades of green and blue. The ACEA logo is positioned in the bottom right corner.

ACEA GROUP
Q1 2021 RESULTS
ROME, 12 MAY 2021

acea

CONTINUED FOCUS ON EFFICIENCY AND RESILIENCE

THE FUTURE IS OUR ENVIRONMENT

THE FULL INTEGRATION OF SUSTAINABILITY IN OUR STRATEGY
GUIDES THE MANAGEMENT OF OUR BUSINESSES

EBITDA

€312M

+13%

NET
PROFIT

€83M

+18%

CAPEX

€231M

+21%

NET
DEBT

€3,634M

LEVERAGE

NET
DEBT/
EBITDA
LTM

3.05X

2021 GUIDANCE

EBITDA

+6% / +8% VERSUS 2020

CAPEX

~€900M

NET DEBT

€3.85/3.95BN



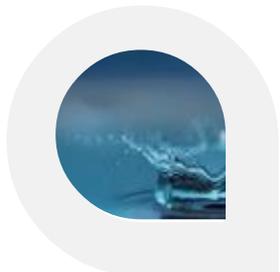
**OPPORTUNITIES: National Recovery and Resilience Plan – NRRP
TO RELAUNCH ITALY'S ECONOMY IN A SUSTAINABLE WAY**

- ✓ Investment in water infrastructure
- ✓ Development of renewable sources, decarbonisation and e-mobility

DELIVERY

STRATEGICALLY WELL-POSITIONED TO PURSUE BUSINESS PLAN GOALS

WATER



SUSTAINABILITY REPORT 2020

The steps taken to **PROTECT WATER RESOURCES** have enabled us to cut the water loss rate in Rome from 43.2% in 2017 to 29.5% in 2020 (compared with a national average of about 42%)

RATINGS



JANUARY 2021

FITCH RATINGS has confirmed our Long-Term Issuer Default Rating as “BBB+” with a “Stable” outlook

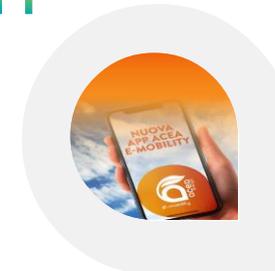
GREEN BOND



JANUARY 2021

Successful placement of first **GREEN BOND** of €900m

E-MOBILITY



APRIL 2021

Acea launches charging services for **ELECTRIC-POWERED VEHICLES** throughout Italy through its “ACEA E-MOBILITY” app

COVID-19 HEALTH EMERGENCY

INVESTMENT IN DIGITALISATION ENABLED US TO ENSURE THE CONTINUITY OF ALL OUR PROCESSES

WE ARE CONTINUING TO TAKE ALL THE STEPS NECESSARY TO GUARANTEE THE SAFETY OF OUR PEOPLE AND THE CONTINUITY OF THE SERVICES PROVIDED TO OUR COMMUNITIES, WHILST MAINTAINING QUALITY AND EFFICIENCY.

WE HAVE OBTAINED **BIOSAFETY TRUST CERTIFICATION** FOR THE PREVENTION AND CONTROL OF THE SPREAD OF INFECTIONS.

ACEA WILL HELP TO ACCELERATE THE VACCINATION PROGRAMME, SETTING UP A **VACCINATION HUB IN ROME** TO DELIVER VACCINES TO THE GENERAL PUBLIC, AS WELL AS TO THE GROUP'S PERSONNEL.

RESULTS Q1 2021

KEY FINANCIAL HIGHLIGHTS

(€M)	Q1 2021 (A)	Q1 2020 (B)	% CHANGE (A/B)
REVENUE	930.0	833.5	+11.6%
EBITDA	311.5	276.4	+12.7%
EBIT	155.5	138.5	+12.3%
GROUP NET PROFIT	83.1	70.6	+17.7%
CAPEX	230.5	190.0	+21.3%

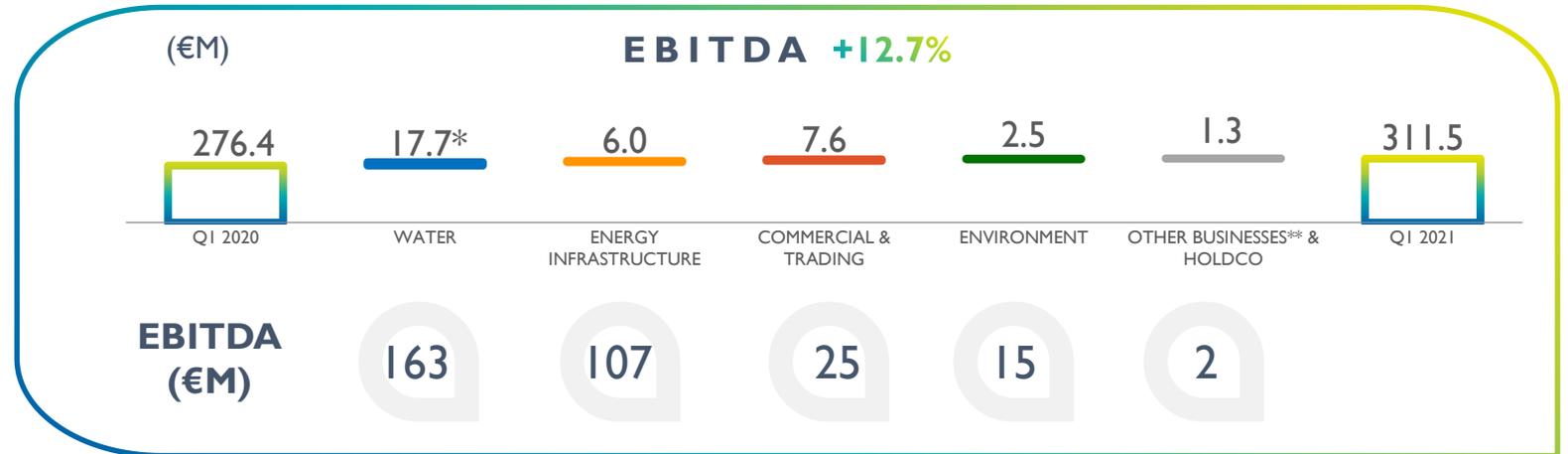
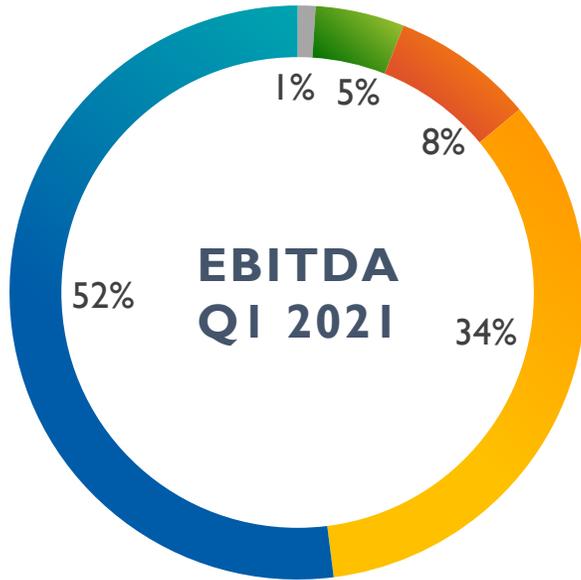
(€M)	31 Mar 2021 (A)	31 Dec 2020 (B)	31 Mar 2020 (C)	% CHANGE (A/B)	% CHANGE (A/C)
NET DEBT	3,634.1	3,528.0	3,184.4	+3.0%	+14.1%

RESILIENCE, OPERATIONAL FOCUS AND FINANCIAL STRENGTH CONFIRMED BY EXCELLENT QUARTERLY RESULTS

CONTINUING TO INVEST IN KEY SECTORS TO IMPROVE THE QUALITY OF LIFE FOR OUR TERRITORIES AND COMMUNITIES

RESULTS QI 2021

EBITDA



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

CHANGES IN SCOPE OF CONSOLIDATION

EBITDA (€M)	Change
SII TERNI	+3.0
ALTO SANGRO DISTRIBUZIONE GAS	+1.1
FERROCART/CAVALLARI	+1.7
SIMAM	+1.7
PHOTOVOLTAIC	+1.2
CONSORCIO ACEA E LIMA NORTE	+0.1
TOTAL	+8.8

ORGANIC GROWTH IN
EBITDA
~+10%

* Line-by-line consolidation of SII Terni

**Overseas, Engineering & Services

EBITDA AND KEY DATA Q1 2021

FINANCIAL HIGHLIGHTS

(€M)	Q1 2021 (A)	Q1 2020 (B)	% change (A/B)
EBITDA	163.0	145.3	+12.2%
Acea Ato2	105.9	99.4	+6.5%
Acea Ato5	8.9	5.4	+64.8%
Gori	21.2	17.0	+24.7%
ADF	16.2	15.1	+7.3%
SII Terni	3.0	0	n/s
Equity-accounted water companies	4.6	6.9	-33.3%
Other consolidated water companies	1.6	1.0	+60.0%
Gas distribution	1.6	0.5	n/s
Capex	119.6	104.0	+15.0%



KEY HIGHLIGHTS

LINE-BY-LINE
CONSOLIDATION OF
SII TERNI

EBITDA
main
drivers



EBITDA
GROWTH
+12%

Application of tariff regime for third regulatory period 2020-2023 (ARERA Resolution 580/2019):

- effect of increased investment

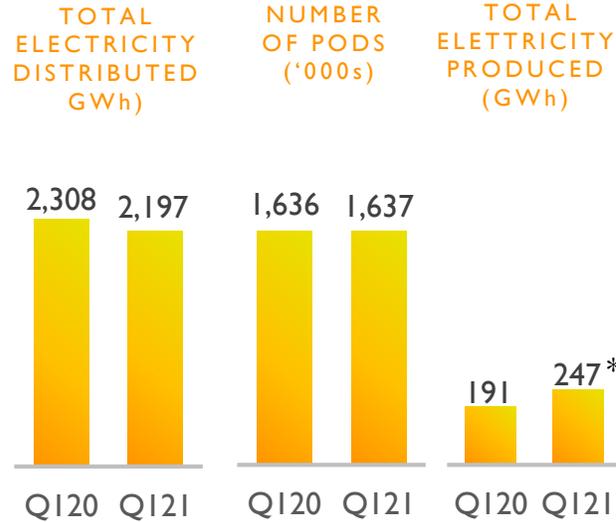
Line-by-line consolidation of SII Terni (November 2020)
+€3.0M

Acquisition of Alto Sangro Distribuzione Gas (August 2020)
+€1.1M

EBITDA AND KEY DATA Q1 2021

FINANCIAL HIGHLIGHTS

(€M)	Q1 2021 (A)	Q1 2020 (B)	%change (A/B)
EBITDA	107.4	101.4	+5.9%
- Distribution	90.6	91.0	-0.4%
- Public lighting	(0.9)	(0.6)	ns
- Generation	17.7	11.0	+60.9%
CAPEX	81.2	66.2	+22.7%
- Distribution	69.4	61.9	+12.1%
- Public lighting	0.8	0.8	-
- Generation	11.0	3.5	+214.3%



KEY HIGHLIGHTS

NEW PHOTOVOLTAIC PLANTS:

- Secondary market – total capacity of 52 MWp reached.
- Primary market – construction of plants with capacity of ~60 MWp underway.

INSTALLATION OF 2G SMART METERS ONGOING

EBITDA
main
drivers



GENERATION:
+€6.7M

Price effect on energy market and
increased volumes of hydroelectric
energy produced
+€5.5M

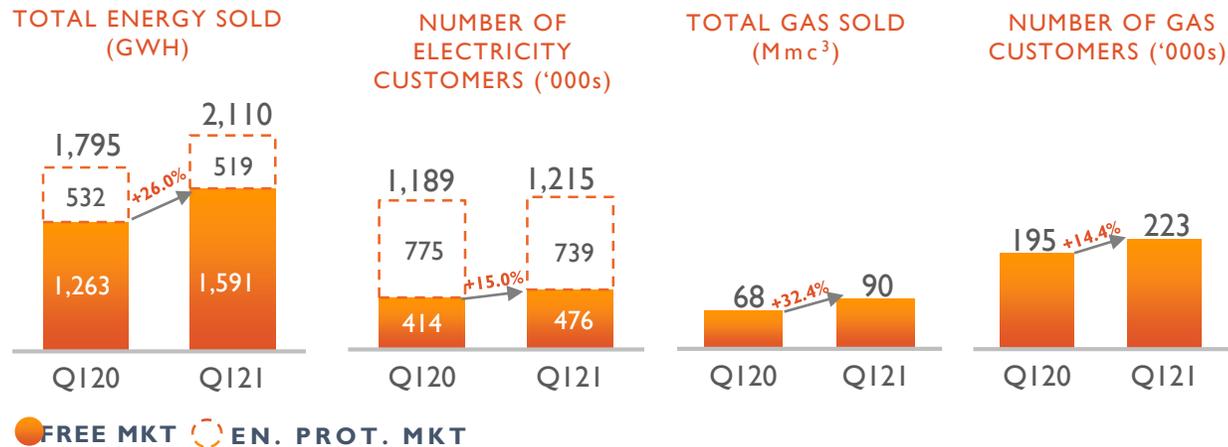
Photovoltaic **+€1.2M**

* of which photovoltaic 13 GWh

EBITDA AND KEY DATA Q1 2021

FINANCIAL HIGHLIGHTS

(€M)	Q1 2021 (A)	Q1 2020 (B)	%change (A/B)
EBITDA	24.7	17.1	+44.4%
Capex	16.1	9.0	+78.9%



COMMERCIAL & TRADING

KEY HIGHLIGHTS

INCREASE IN FREE MARKET CUSTOMER BASE WITH IMPROVED MARGIN

EBITDA
main
drivers

↑
EBITDA
GROWTH
+44%

↑
STRUCTURAL
IMPROVEMENT IN
COMMERCIAL ACTIVITIES,
with acquisition of new
customers leading to
increased investment

↑
IMPROVED MARGIN
ON FREE MARKET:
increases in volume of
electricity sold and
number of customers
+€5.7M

↑
IMPROVED
MARGIN ON GAS
SALES:
+€4.0M

EBITDA AND KEY DATA Q1 2021

FINANCIAL HIGHLIGHTS

(€M)	Q1 2021 (A)	Q1 2020 (B)	%change (A/B)
EBITDA	15.0	12.5	+20.0%
of which: Demap	0.8	1.2	-33.3%
Berg	0.8	0.6	+33.3%
Ferrocart/Cavallari	1.7	-	n/s
Capex	6.9	3.9	+76.9%

TREATMENT AND DISPOSAL
(KTONNES)

Quarter	Value (Ktonnes)
Q120	384
Q121	428

ELECTRICITY SOLD
(GWh)

Quarter	Value (GWh)
Q120	87
Q121	83



KEY HIGHLIGHTS

ACQUISITION OF 60% STAKE IN FERROCART/CAVALLARI

EBITDA
main
drivers



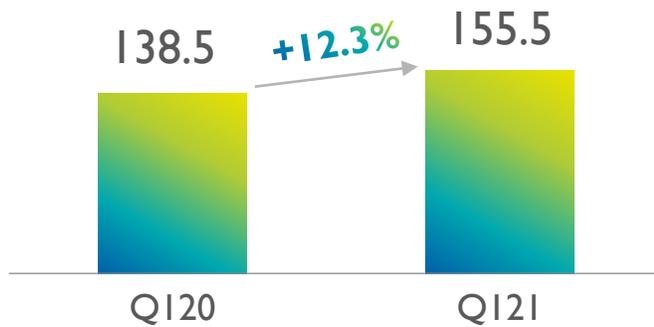
EBITDA
GROWTH
+20%
(organic growth **+6.4%**)

INCREASED VOLUMES
(+11.5%) AND IMPROVED
MARGINS ON LIQUID
WASTE TREATMENT
+€0.8M

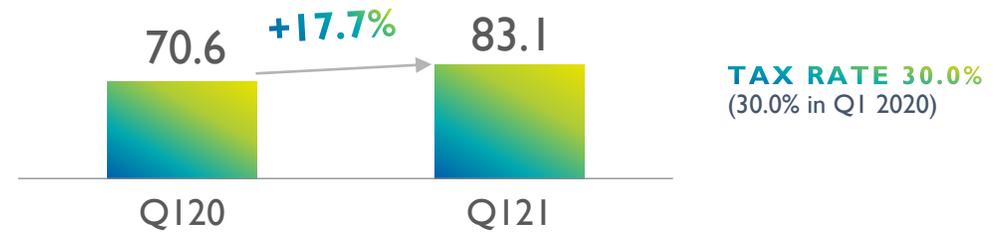
CHANGE IN SCOPE OF
CONSOLIDATION:
+€1.7M
Acquisition of Ferrocart / Cavallari
(April 2020)

EBIT AND NET PROFIT Q1 2021

EBIT (€M)



NET PROFIT (€M)



(€M)	Q1 2021	Q1 2020	% CHANGE
DEPRECIATION	130.4	117.1	+11.4%
IMPAIRMENTS	23.4	18.3	+27.9%
PROVISIONS	2.2	2.6	-15.4%

DEPRECIATION

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

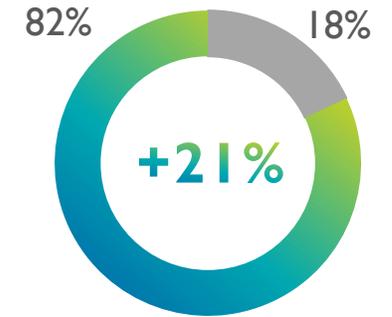
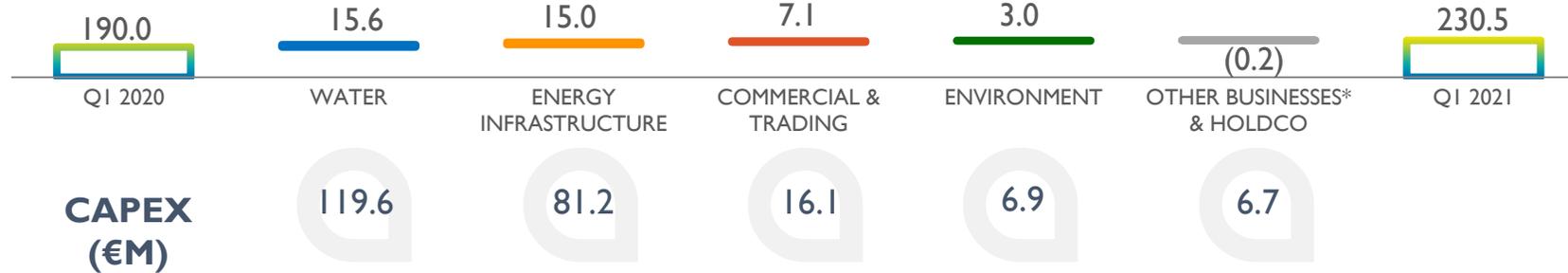
IMPAIRMENTS

Primarily due to growth in Commercial & Trading business

CAPEX QI 2021

DELIVERY OF CAPEX PLAN CONTINUES

CAPEX (€M)



Investment in regulated businesses
Investment in non-regulated businesses



WATER

- REPAIR AND WIDENING OF WATER AND SEWER PIPES
- EXTRAORDINARY MAINTENANCE OF PLANTS AND NETWORKS
- WORK ON TREATMENT PLANTS
- CONSOLIDATION OF SII TERNI (€1.9M)



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
- EXTRAORDINARY MAINTENANCE OF PRODUCTION PLANTS
- CONSTRUCTION OF PHOTOVOLTAIC PLANTS



COMMERCIAL & TRADING

- CUSTOMER ACQUISITION
- INFORMATION SYSTEMS



ENVIRONMENT

- SAN VITTORE PLANT
- WORK ON ORVIETO LANDFILL
- CHANGE IN SCOPE OF CONSOLIDATION (FERROCART/CAVALLARI €0.8M)



OTHER

- OVERSEAS: INCREASED INVESTMENT AT AGUAS DE SAN PEDRO
- ENGINEERING AND SERVICES: CONSOLIDATION OF SIMAM (€0.5m)
- HOLDCO: IT PROJECTS

* Overseas, Engineering & Services

RESULTS Q1 2021

FOCUS ON IMPROVEMENTS TO WORKING CAPITAL

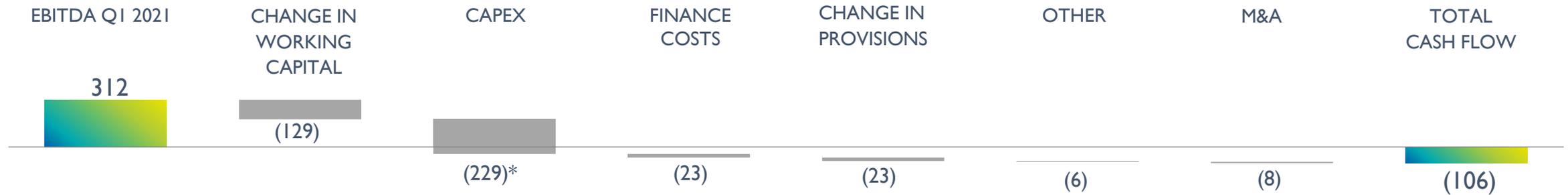
CASH FLOW

(€M)

	Q1 2021	Q1 2020
EBITDA	312	276
CHANGE IN WORKING CAPITAL	(129)	(146)
CAPEX	(229)*	(190)
FREE CASH FLOW	(46)	(60)
FINANCE INCOME/(COSTS)	(23)	(22)
CHANGE IN PROVISIONS	(23)	(23)
INCOME TAX PAID	-	(4)
OTHER	(6)	(7)
M&A AND FIRST-TIME CONSOLIDATIONS	(8)	(4)
IFRS16	-	(2)
TOTAL CASH FLOW	(106)	(122)

WORKING CAPITAL IMPROVES BY €16M

The positive performance of collections in the Water and Commercial & Trading segments has helped to improve working capital over LTM from -€73M at 31 March 2020 to -€22M at 31 March 2021 (~€51M)



* Net of grant-funded investment

RESULTS Q1 2021

FINANCIAL PERFORMANCE AHEAD OF GUIDANCE

(€M)	31 Mar 2021 (A)	31 Dec 2020 (B)	31 Mar 2020 (C)	CHANGE (A-B)	CHANGE (A-C)
Net debt	3,634.1	3,528.0	3,184.4	106.1	449.7
Medium/long-term	4,929.1	4,130.2	4,026.5	798.9	902.6
Short-term	(1,295.0)	(602.2)	(842.1)	(692.8)	(452.9)

LEVERAGE

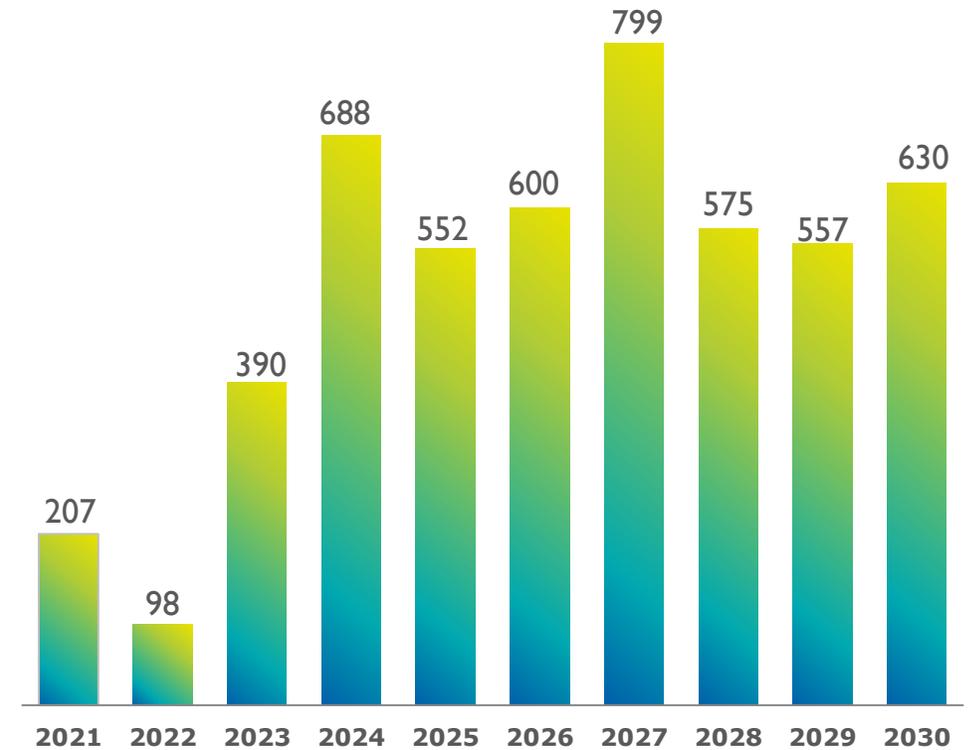
NET DEBT / EBITDA LTM
31 Mar 2021

3.05x

NET DEBT / EBITDA
31 Dec 2020

3.05x

DEBT MATURITIES (€M)



RESULTS Q1 2021

FINANCIAL PERFORMANCE AHEAD OF GUIDANCE

RATINGS

FitchRatings

BBB+
STABLE
OUTLOOK

MOODY'S

Baa2
STABLE
OUTLOOK

GREEN BOND

21 JANUARY 2021

Placement of first GREEN BOND worth €900m successfully completed. Issue 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

STRUCTURE OF DEBT

(MATURITY AND INTEREST RATES AT 31 MAR 2021)

● DEBT FALLING DUE AFTER 2021
● DEBT FALLING DUE BY END OF 2021

● FLOATING RATE
● FIXED RATE



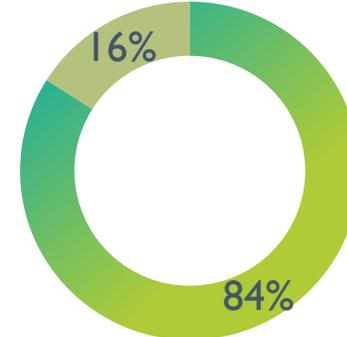
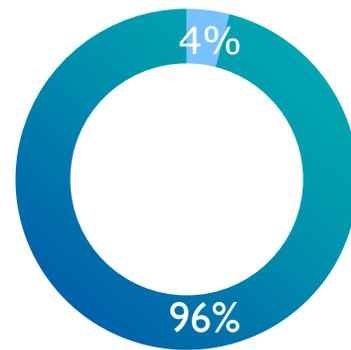
FIXED RATE



AVERAGE COST



AVERAGE MATURITY



SUSTAINABILITY RATINGS



A-
LEADERSHIP



EE-
POSITIVE



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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THIS PRESENTATION DOES NOT CONSTITUTE A RECOMMENDATION REGARDING THE SECURITIES OF THE COMPANY. THIS PRESENTATION DOES NOT CONTAIN AN OFFER TO SELL OR A SOLICITATION OF ANY OFFER TO BUY ANY SECURITIES ISSUED BY ACEA S.P.A. OR ANY OF ITS SUBSIDIARIES.

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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