



## **PRESS RELEASE**

**The Board of Directors has approved the yearly results of 2014**

**Proposed dividend € 0.15 per share, (+25% compared to 2013), record dividend in the history of Ascopiave.**

**Gross Operating Margin € 79.6 million (€ 86.3 million in 2013), only a slight reduction despite the extremely mild weather conditions and the new tariffs decided by the Energy Authority.**

**Net Consolidated Profit of € 37.3 million, in line with 2013 results (€ 41.0 million)**

**Investments amount to € 21.1 million, with an increase compared to 2013 (investment amounted to € 18,9 million)**

**Net Financial Position € 129.7 million (was € 123.8 million as of 31 December 2013), which in turn results in a Debt/Shareholders' Equity ratio of 0.32 and a Debt/EBITDA ratio of 1.63, both of which are among the best in the sector.**

The Ascopiave S.p.A. Board of Directors, which had a meeting chaired by Mr. Fulvio Zugno yesterday, has acknowledged and approved the separate financial statements and the consolidated financial statements for the 2014 financial year prepared in compliance with the IAS/IFRS international accounting principles.

Chairman Flavio Zugno commented "The results we have achieved in 2014 are undoubtedly excellent. Despite the lingering adversities in the overall market, the Company has attained profitability levels that are close to the record levels that had been registered in 2013.

This is but one of the numerous great results by virtue of which the Board of Directors has decided to award the Shareholders that had faith in the results of 2014, which seemed less-than-favorable for the Group as well as for the gas market in general. The dividend of 0.15 Euro per share that we are proposing to the Shareholders' Meeting is ideally composed of two parts: one side it is the result of the average data of the last years, in which Ascopiave dividends were among the highest of the sector and, on the other side, it is an additional award to Shareholders, as it is the highest dividend ever proposed in Ascopiave history. The postponement of the remarkable legal investments related to territorial tenders has allowed us to allocate the almost entirety of the accrued profit, without any prejudice to our development capabilities in the years to come".

General Manager Roberto Gumirato added "The brilliant economic results that we obtained in 2014 go beyond all expectations, despite the climate and regulation contexts that were very unfavorable last year. Once again our results are among the highest of Ascopiave history and they highlight an impeccable management of all aspects that can be regulated by our company.

The results we have achieved are due to a recovery of profitability during the year, which compensated almost entirely the decreased marginality in gas sales. The most important results in this perspective were generated by sale of electricity –sector in which the Group is progressively establishing itself in the market-, the full purchase of company Veritas Energia, the technical area shakeup which resulted into increased efficiency and the energetic efficiency certificate management results.

At the same time, we invested in the new aspects of Ascopiave. Work Force Management, E-procurement, online Contracts, new website: these are but few of the technological challenges that were tackled by our Group in 2014: the remarkable investments in change and innovation will enable us to manage digitally the main company processes, with significant improvements to the efficiency of service, for the benefit of our clientele. This should serve as a demonstration of the ability of the Group to innovate itself while at the same time improving our service to the end clients".



## **Consolidated results of the Ascopiave Group for year 2014**

### **Application of the new accounting standard IFRS 11**

From 1 January 2014, new accounting standards on matters of company consolidation will be applied (IFRS 2011). These new standards caused a change in the consolidation method of the joint-control companies of the Group.

In the previous year, Estenergy, ASM Set and Veritas Energia, gas and electricity sale companies, and Unigas Distribuzione, a gas distribution company, had been consolidated with the proportional method. From 1 January 2014, the aforementioned companies (with the exception of Veritas Energia) are consolidated with the Equity method. From the start of the year, the Group has already purchased the entirety of Veritas Energia share capital, therefore obtaining the 49% share interest that had been previously owned by partner Veritas. Thus, following this purchase, the company as of 1 January 2014 is consolidated in full.

### **Accounting situation readjusted for the new accounting standards compared to 31 December 2013**

In order to offer a comparable accounting system, P&L figures interim report for year 2013 and yearly accounting data as of 31 December 2013 have been calculated using the same accounting standards used in 2014.

### **Sale revenue**

The Ascopiave Group closed year 2014 with consolidated revenues amounting to € 585.3 million, compared to the € 667.8 million in 2013 (-12.4%). The decrease in revenues mainly resulted from the reduction in sale revenues of gas (- € 116.5 million), due mainly to a decrease in consumption and in sale prices per unit, deriving mainly from the review of the economic conditions for the protected market, pursuant to Decision no. 196 of 2013 of the Authority of Electricity, Gas and Water Services.

The remaining variation is attributed to an increase in sale revenue of electricity (+€ 33.2 million) paired with an increase in sundry revenues (+€ 0.8 million).

### **Gross operating margin**

Gross operating margin in 2014 amounts to € 79.6 million, compared to € 86.3 million in the previous year (-7.8%).

The result is mainly due to a reduction on trade margin on gas sale activities (-€ 8.7 million), attributed to a decrease in sold volumes and tariff adjustments from the Authority of Electricity, Gas and Water Services, implemented on 1 October 2013.

Trade margin on electricity sale has increased by € 5.1 million, mainly by virtue of the enlargement of consolidation perimeter to include Veritas Energia (which has been fully integrated as of 2014).

Distribution tariff revenues have marked a 1.8 million decrease, due to the introduction of a new tariff regulation pursuant to decision no. 367/2014 by the Authority of Electricity, Gas and Water Services, which will remain valid for the 2014-2019 period.

The variation in the item “residual costs and revenues” amounts to - € 1.2 million and it is mainly related to the variation of single items and costs balancing each other. A positive contribution for €+2.5 million is due to the efficiencies generated by the Group at equal consolidation perimeter. The overall figure in turn negatively influenced for € -3.8 million by the full consolidation of the costs of company Veritas Energia.

### **Operating Result**

The operating profit in 2014 amounted to € 52.7 million, compared with € 62.0 million of the same period, in the previous year (-15.0%).

This result has been partially determined by an increased difference in gross operating margin and by an increase of provisions to the fund for doubtful accounts (- € 0.8 million), and in amortizations (- € 1.8 million).

## **Net Profit**

The consolidated net profit amounted to € 37.3 million, compared to previous year result € 41.0 million (-9.0%).

The consolidation with the equity method of associate company Sinergie Italiane, under liquidation, has caused the expenditure of € 4.5 million, compared to € 6.5 million of 2013. It is noted that, during 2014, the associate company under liquidation positive contribution to the consolidated income statement amounted to € 1.2 million.

Net tax expenses amount to € 1.6 million with a 1.0 million increase compared to previous year.

Taxes recorded in the income statement amounted to € 18.2 million, a decrease of € 7.6 million compared to the previous year (-29.5%) due to a decrease in taxable revenues and decreased amount of the additional IRES tax rate for energy distributors and retailers, from 10.5% to 6.5%.

The tax rate was calculated by normalizing companies consolidated with the equity method and it decreases from 42.7% to 35.6%.

## **Net result of joint control companies consolidated with the equity method**

Joint control companies consolidated with the equity method achieved in 2014 a consolidation pro-rata gross operating margin of € 10.9 million, a decrease of € 8.8 million compared to the same period of the previous year.

This decrease is due to a different consolidation method of Veritas Energia for € 4.7 million and for a reduction in trade margin on gas and electricity sale activities by EstEnergy company.

## **Operating performance for year 2014**

The volumes of gas sold to the end market by fully-consolidated companies in 2014 have amounted to 763.1 million cubic meters, marking a decrease of 13.2% compared to 2013, mainly due to milder temperatures that caused a general drop in gas consumption throughout all the client segments.

The equity-method consolidated companies sold a total of 125.2 million cubic meters of gas pro-rate in total, marking a reduction of 44.8% from the previous year. The reduction in gas sales has been partially caused by the change in the consolidation method of associate company Veritas Energia, which during 2013 had sold pro-rate 41.0 million cubic meters of gas.

With regard to gas distribution, the volumes of gas delivered through networks managed by companies consolidated at 100% amounted to 710.8 million cubic meters, with a reduction of 14.6% compared to the same period the previous year.

To these must be added the pro-rate 65.1 million cubic meters distributed by Unigas Distribuzione S.r.l., consolidated with the equity method.

## **Investments**

Investments by fully consolidated companies in intangible and tangible fixed assets in 2014 amount to € 21.1 million.

The largest part of these investments pertained development, maintenance and updating of networks and gas distribution systems.

Specifically, investments in gas networks and distribution systems amounted to € 14.2 million, of which € 4.6 million in connections, € 7.0 million in enlargements and enhancement of distribution network and € 2.6 million for maintenance, mainly pertaining reduction and pre-heating systems. Investments on meters and adjusters amount to € 5.5 million.

Investments by equity-method consolidated companies in intangible and tangible fixed assets amount to € 2.3 million and they are also related mainly to networks and methane plants.

### **Indebtedness and Debt/Net Equity Ratio**

The net financial position of the Group as of 31 December 2014 amounted to € 129.7 million, a decrease from 31 December 2013 of € 5.9 million.

The positive financial flow has been determined mainly by the following operations:

- Cash flow generated financial resources for € 64.3 million;
- Net investments in fixed assets caused the expenditure of € 20.9 million;
- Management of net operating equity and of net fiscal capital generated in total € 11.0 million;
- Distribution of dividends by jointly control companies for € 6.5 million;
- Distribution of dividends by third parties yielded € 29.1 million.
- Acquisition of Veritas Energia caused the expenditure of € 4.0 million in total;
- Change in the consolidation method of the company Veritas Energia caused a variation in the consolidated financial amount for € 11.4 million.

Management of circulating tax cash flow has determined a significant use of financial resources (€ -38.2 million) as advance tax payments for consumption taxes (which are correlated to gas sold in 2013) have exceeded the amount sold in 2014, due to a reduction of consumption. Therefore as of 31 December 2014 we have a credit with the tax authority that shall be settled during the first months of 2015.

The debt/shareholders' equity ratio as of 31 December 2014 amounts to 0.32 (was 0.31 as of 31 December 2013). The debt/EBITDA ratio as of 31 December 2014 amounts to 1.63 (was 1,44 as of 31 December 2013). Both indexes are among the most performing in this sector.

### **Results of the parent Ascopiave S.p.A**

The parent company Ascopiave S.p.A. achieved a net profit of 43.6 million Euro in 2014, an increase of 3.6 million Euro compared to 2013 (+8.9%).

Net equity as at 31 December 2014 amounted to 392.5 million Euro, while financial debt amounted to 121.4 million Euro.

### **Remuneration report and report on corporate governance and ownership structure**

The Board of Directors has examined and approved the Remuneration Report prepared pursuant to article 123-ter TUF, in compliance with article 84-quater of the Issuers' Regulations and article 6 of the Code of Conduct.

The Board of Directors has also approved the Report on corporate governance and ownership structure, which will be submitted to the Borsa Italiana SpA (Italian Stock Exchange) and made available to the public in the "Corporate Governance" section on the website of Ascopiave simultaneously with the publication of the Annual Report 2014.

The Company will provide the public with both documents at the registered office of the company and on the website [www.gruppoascopiave.it](http://www.gruppoascopiave.it) within the terms of the law.

### **Significant events during the year**

#### **Appointment of Chief Technology Officer**

Ascopiave S.p.A. Board of Directors gathered on 14 January 2014 and appointed Mr. Antonio Vendraminelli as new Chief Technology Officer of the Company. The appointment was effective on 1 February 2014.

The new Chief Technology Officer replaced Mr. Giovanni Favaro, who had already reached retirement age in 2008 and decided resign after five additional year as the head of the Technical Department of Ascopiave.

#### **Purchase of 49% of Veritas Energia S.r.l.**

On 10 February 2014 Ascopiave S.p.A. and Veritas S.p.A. have executed the operation to transfer 49% of share capital of Veritas Energia S.r.l. from Veritas S.p.A. to Ascopiave S.p.A., who already owned 51% of the company share capital. Ascopiave is therefore now the owner of 100% of Veritas Energia S.r.l.

#### **Appointment of Company Bodies**

On 24 April 2014 the Shareholders' Meeting of Ascopiave S.p.A. convened, chaired by Mr. Fulvio Zugno, in

its ordinary venue. The assembly approved the year statement and acknowledged the Group consolidated statement as of 31 December 2013 before distributing a dividend of 0.12 Euro per share, on payment on 12 May 2014 (record date 14 May 2014).

The Meeting also appointed new company bodies, for the 2014 – 2016 period. From the list of Directors, presented by majority shareholder Asco Holding S.p.A, Mr Dimitri Coln, Fulvio Zugno, Enrico Quarello and Greta Pietrobon have been elected. From the list presented by shareholder Asm Rovigo S.p.A., which was second in number of votes received, Bruno Piva, as first candidate of the list, was appointed Director.

The Meeting also appointed Mr. Fulvio Zugno as Chairman of the Board of Directors.

The Board of Auditors appointed by the Meeting has been elected by the list of candidates presented by the Shareholders.

From the list of Auditors, presented by majority shareholder Asco Holding S.p.A., which obtained the most votes, Elvira Alberti and Luca Biancolin have been elected as Statutory Auditors and Achille Venturato has been elected as substitute Auditor. From the list presented by shareholder Asm Rovigo S.p.A., which was second in number of votes received, Marcellino Bortolomiol has been elected as Statutory Auditor and Chairman of the Board of Auditors and Dario Stella was elected as substitute Auditor.

The Shareholders' Meeting also approved the Remuneration Policy, pursuant to section I of the Remuneration Report, drafted according to Art. 123-ter of Legislative Decree 58/1998. It also approved a new purchase and issuing plan for own shares for 18 months, with withdrawal of the previous authorization dated 23 April 2013.

On April 20 2014 the Board of Directors of Ascopiave S.p.A. has appointed Chairman Fulvio Zugno Chief Executive Officer, and assigned him responsibility to develop the strategic plans of the Company and the Ascopiave Group, with immediate effect.

On 22 May 2014 Director Bruno Piva resigned. He was substituted on 19 June 2014 with Director Claudio Paron, who was the first non-elected candidate in the same list.

#### **Foreseeable outlook for 2015**

With regard to the distribution segment, in 2015 the Group will be involved in the development of its portfolio of concessions and agreed definition with the grantors of the industrial value of the networks and distribution systems. During the year, if the timeline envisaged by the norms is respected, the first tenders for the assignment of the gas distribution service with the Territorial Area procedure will begin. The Municipalities currently managed by Ascopiave belong to Minimum Territorial Areas for which the maximum deadline to issue the call for tenders exceeds 31 December 2015. However, since tender authorities may anticipate the maximum terms as stated in the norm, it is possible that some Municipalities may be interested by tenders already in 2015. If this should be the case, however, even with no certainties concerning the required time for the assignment, it is reasonable to assume that, for the first call for tenders, possible transfers of management to potential new operators may be executed only after the end of 2015. Thus, the activity perimeter of the Group will likely not change compared to today. In addition, the Group might

consider participation in one or more of the tenders that will be issued in 2015, thus strengthening its strategy for development and consolidation in the sector. As far as profitability is concerned, with a hypothetical regular functioning of the systems and certainty of tariff ranges, defined pursuant to the new regulation effective in 2014, the gas distribution activity will substantially be unchanged from 2014 results.

As far as gas sale is concerned, the trade margins in 2015 are expected to be slightly higher than 2014, mainly thanks to an increase in consumption of gas, which in 2014 had been lower due to milder climatic conditions. Electricity sale activities in 2015 are expected to yield less significant results compared to 2014, due to the particularly favourable market conditions of 2014.

However, these results could be influenced, in addition to the expected rate provisions by the Authority of Electricity, Gas and Water Services – currently unforeseeable – also by the evolution of the more general competitive landscape, as well as by the Group's supply strategy.

The actual results of 2015 could differ compared to those announced depending on various factors amongst which: the evolution of supply and demand and gas prices, the actual operational performance, the general macroeconomic conditions, the impact of regulations in the energy and environmental fields, success in the development and application of new technologies, the changes in stakeholder expectations and other changes to business conditions.

#### **Dividend proposal**

The Board of Directors of Ascopiave S.p.A., considering the results of the period and solidity of the capital, has decided to propose the distribution of a dividend of 0.15 Euro per share, for a total of 35.162 million Euro.



Ascopiave S.p.A. announces that, if approved, the dividend will be paid on 14 May 2015, with ex-dividend date of 11 May, 2015 (record date 13 May 2015).

The Board of Directors will not propose to any amount to legal reserve as it is already equal to one fifth of the share capital.

**Request for waiver of the current authorization to purchase treasury shares issued on 23 April 2014 and request for authorization to the Shareholders' Meeting of a new plan for the purchase and disposal of treasury shares**

The Board of Directors approved a resolution concerning: (i) the request to the Shareholders' Meeting to cancel the existing authorization to purchase treasury shares issued on 23 April 2014 and to authorize a new plan for the purchase and disposal of treasury shares; (ii) the approval of the explanatory report prepared by the Directors in accordance with article 73 of the Regulation adopted by Consob resolution dated 14 May 1999, n. 11971 (the "Issuers Regulation"); (iii) the implementation of the plan to purchase and dispose of treasury shares subject to the aforementioned authorization request and to confer the necessary powers to the Chairman of the Board of Directors.

The Shareholders' Meeting will be asked to authorize the Board of Directors to conduct the purchase and disposal, in one or more instalments, on a revolving basis, of a maximum number of ordinary shares which to date amount to 46,882,315 shares nominal value of 1.00 Euro each, so that the Company shall not at any time hold a stake of more than 20% of the share capital of the Company, subject to the terms and conditions determined by the Shareholders' Meeting, and the applicable laws and regulations.

The new plan is designed to enable the Company to acquire its own shares to be used, in line with the strategic guidelines of the Company for the execution of investment transactions consistent with the strategies of the Company including even through the exchange, swap, transfer, assignment or other act of disposal of treasury shares. The proposed plan will pursue the following objectives: intervene in accordance with the provisions in force, directly or through authorized intermediaries; stabilize the price and regularize the trend of trading and prices, in the face of phenomena caused by excessive volatility or limited liquidity concerning exchanges; offer shareholders a tool to monetize their investment; acquire treasury shares to be used for any share incentive plans.

The proposed authorization to the Shareholders' Meeting provides that purchases may be made in accordance with the procedures permitted by current regulations, with the exception of the public purchase and exchange offer, providing also that Ascopiave may sell the shares purchased for trading purposes.

The proposal to the Shareholders' Meeting provides that the unit price for the purchase of the shares is determined from time to time for each individual transaction, provided that it shall not be higher or lower than 10% of the reference price recorded by the trading day prior to each individual transaction.

With regard to the price for the disposal of treasury shares purchased (which will also be applicable to the shares already held by the Company), the Board's proposal provides that it cannot be less than 10% of the reference price recorded by the trading day prior to each disposal.

This limitation shall not apply in certain cases such as, among others, the provision of shares in the implementation of incentive plans, or in the event of transactions in relation to which it is appropriate to exchange or sell blocks of shares including through exchange or contribution or, finally, for capital transactions involving the allocation or provision of treasury shares. In such cases different criteria can be used, in line with its purpose and in accordance with local regulations.

Pursuant to article 2357, first paragraph of the Civil Code, treasury shares may be purchased within the limits of distributable profits and reserves from the last approved financial statements.

The authorization to purchase treasury shares is required for a maximum duration of 18 months starting from the date of the authorization by the Shareholders' Meeting.

The Shareholders' Meeting is also requested permission to dispose of the shares acquired without time limits.

At the date of this release, the Company holds 12,197,189 shares with a nominal value of 12,197,189 Euro (5.20% of share capital).

No associate of the Company owns shares in Ascopiave S.p.A.

The Board of Directors also resolved to begin to implement the plan for the purchase and disposal of treasury shares immediately after its approval by the Shareholders' Meeting, giving the Chairman of the Board of Directors all necessary powers.

### **Long-term share incentive plan**

The Board of Directors has decided to submit for approval of the Shareholders' Meeting, pursuant to Art. 114/2 of Consolidated Law on Financial Intermediation, a new long term share incentive plan for the three year period 2015 – 2017 (hereinafter the “Plan”). The Plan, set up according to the remuneration policies of the Ascopiave Group and compliant with the Code of Self Discipline of the Italian Stock Market, aims at incentivizing and retain loyalty of employees of the Ascopiave Group in the highest ranks, who are therefore more directly involved in company results.

Recipients of the Plan shall be selected by the Board of Directors pending approval of the Shareholders' Meeting among the following employees: i) the Chairman, the Chief Executive Officer and the Executives of Ascopiave S.p.a. or associated companies; ii) Executives with key strategic positions in the Ascopiave Group and iii) other Executives or resources with executive functions within the Group.

The Plan envisages that each recipient shall have the right to obtain, at the end of a vesting period of three years, a bonus in 50% cash and 50% shares of Ascopiave. The cash amount of the bonus is variable and it depends on the attainment of economic performance objectives of the Ascopiave Group (determined as the sum of EBITDA relating to years 2015 to 2017 as envisaged by the three-year plan approved by the Board of Directors of Ascopiave) as well as the trend of the total shareholder return of Ascopiave shares (calculated as the value of Ascopiave shares in the three-year period and considering the reinvestment of Ascopiave shares in dividends given out during the various years) compared to the same index of companies similar to Ascopiave.

In addition, the Plan also requires that the recipients maintain their ownership of Ascopiave shares received as part of the bonus for at least two years (or, in case the bonus is allocated to Company Directors, up to the end of their office, if subsequent). Finally, the Plan states that eligibility to receive such bonus is related to their permanence in the company or their role as Directors of the Ascopiave Group, as explained in detail in the document that shall be drafted pursuant to Art. 84/2 of the Issuers Regulations, which will be published at the Company Office and on the website [www.gruppoascopiave.it](http://www.gruppoascopiave.it) within the deadlines laid down by law.

### **Shareholder's Meeting**

The Board of Directors has moreover decided to convene the ordinary and extraordinary Shareholders' Meeting for the first meeting on 24 April 2015 at the registered office in Pieve di Soligo (Treviso), Via Verizzo no. 1030 at 3:00 p.m. and the second meeting on 29 April 2015, same place and time.

The ordinary Shareholders' Meeting shall be asked to:

- approve the financial statement closed on 31 December 2014, together with the related documentation;
- decide on remuneration policies under the terms of article 123-ter of legislative decree 58/1998;
- approve a long-term share incentive plan reserved to executives and company directors.
- approve a new purchasing and provision plan of treasury shares under the terms of articles 2357 and 2357-ter of the Civil Code, to replace and revoke the previous authorization of 23 April 2013

The reports illustrating the minutes of meetings and the financial statement plan as at 31 December 2014 shall be stored at the registered office of Borsa Italiana S.p.A. (Italian Stock Exchange) under the terms of law, and available to anyone who requires a copy and shall be made available at [www.gruppoascopiave.it](http://www.gruppoascopiave.it).

### **Statement by the manager in charge**

The manager in charge of preparing the company accounting documents, Mr. Cristiano Belliato hereby states, under the terms of paragraph 2 of article 154 bis of the Unified Finance Law that the accounting information note contained in this press release corresponds to the documentation results, accounting books and records.

### **Annexes**

The income statement, balance sheet and consolidated financial statements of the Ascopiave Group are hereby included together with similar documents of Ascopiave S.p.A.

We would like to report that these documents and related notes have been handed over to the Board of Auditors and to the Audit Agency for the relative assessments.



*The Ascopiave Group operates in the natural gas sector, mainly in the distribution and sales sectors for end clients. Ascopiave is currently one of the main operators in the nation due to the range of customers and quantity of gas sold.*

*The Group owns concessions and has direct assignments for the management of distribution activities in over 200 Municipalities, supplying the service to a market segment of over one million inhabitants, through a distribution network which spreads over 8,600 kilometres.*

*The sale of natural gas is performed through different companies, some of which joint controlled. Overall, Group companies sold more than 1 billion cubic meters of gas to end customers in 2014.*

*The Ascopiave Company, as of 12 December 2006 is a listed company in the Star segment of the Italian Stock Exchange.*

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Pieve di Soligo, 17 March, 2015



# **Ascopiave Group**

**Consolidated financial statement**

**as of 31st December 2014**

**Consolidated statement of financial position**

(thousands of Euro)	Restated*		Restated*	
	At December 31,2014	At December 31,2013	At January 01,2013	
<b>ASSETS</b>				
<b>Non-current assets</b>				
Goodwill	(1)	80,758	78,017	78,017
Other intangible assets	(2)	313,772	309,484	312,594
Tangible assets	(3)	36,614	37,840	38,992
Shareholdings in other company	(4)	65,453	72,421	70,749
Other non-current assets	(5)	16,741	24,232	10,795
Other non-current financial assets	(6)	3,124	916	
Deferred tax assets	(7)	12,814	15,455	14,747
<b>Non-current assets</b>		<b>529,276</b>	<b>538,365</b>	<b>525,894</b>
<b>Current assets</b>				
Inventories	(8)	2,482	2,047	2,691
Trade receivables	(9)	147,804	166,289	206,371
Other current assets	(10)	73,973	34,588	46,206
Current financial assets	(11)	8,234	16,865	30,556
Tax receivables	(12)	4,837	1,142	934
Cash and cash equivalents	(13)	100,882	11,773	18,006
<b>Current assets</b>		<b>338,212</b>	<b>232,703</b>	<b>304,763</b>
<b>Assets</b>		<b>867,488</b>	<b>771,068</b>	<b>830,657</b>
<b>NET EQUITY AND LIABILITIES</b>				
<b>Total net equity</b>				
Share capital		234,412	234,412	234,412
Own shares		(17,660)	(17,660)	17,109
Reserves		188,605	180,938	166,750
<b>Net equity of the Group</b>		<b>405,357</b>	<b>397,689</b>	<b>384,053</b>
<b>Net equity of Others</b>		<b>4,310</b>	<b>4,989</b>	<b>4,765</b>
<b>Total net equity</b>	(14)	<b>409,666</b>	<b>402,679</b>	<b>388,819</b>
<b>Non-current liabilities</b>				
Provisions for risks and charges	(15)	8,496	8,323	10,360
Employee benefits	(16)	3,968	3,180	2,894
Medium and long-term bank loans	(17)	53,456	63,201	27,061
Other non-current liabilities	(18)	17,221	13,762	13,648
Non-current financial liabilities	(19)	3,327	552	613
Deferred tax payables	(20)	23,675	29,527	30,762
<b>Non-current liabilities</b>		<b>110,142</b>	<b>118,546</b>	<b>85,338</b>
<b>Current liabilities</b>				
Payables due to banks and financing institutions	(21)	184,851	89,371	164,335
Trade payables	(22)	136,179	134,568	169,555



Tax payables	(23)	205	446	2,337
Other current liabilities	(24)	26,164	25,220	20,082
Current financial liabilities	(25)	280	239	191
<b>Current liabilities</b>		<b>347,679</b>	<b>249,844</b>	<b>356,500</b>
<b>Liabilities</b>		<b>457,821</b>	<b>368,390</b>	<b>441,839</b>
<b>Net Equity and Liabilities</b>		<b>867,488</b>	<b>771,068</b>	<b>830,657</b>

\* Following the retrospective application from 1<sup>st</sup> January 2014 of the IFRS 11, the data related to the financial year 2013 and the data at the begin of the previous financial year exposed for comparison purposes, have been redefined, pursuant to IAS 1.

## Consolidated income statement

		Restated*	
(thousands of Euro)		Financial year 2014	Financial year 2013
<b>Revenues</b>	(26 )	<b>585,300</b>	<b>667,837</b>
<b>Total operating costs</b>		<b>512,533</b>	<b>587,600</b>
Purchase costs for raw material (gas)	(27 )	333,335	438,912
Purchase costs for other raw materials	(28 )	26,032	34,557
Costs for services	(29 )	107,740	73,751
Costs for personnel	(30 )	22,726	22,822
Other management costs	(31 )	22,733	18,704
Other income	(32 )	32	1,146
Amortization and depreciation	(33 )	20,099	18,273
<b>Operating result</b>		<b>52,667</b>	<b>61,964</b>
Financial income	(34 )	1,364	2,656
Financial charges	(34 )	2,957	4,171
Evaluation of companies consolidated with the net equity method	(34 )	4,453	6,468
<b>Earnings before tax</b>		<b>55,527</b>	<b>66,917</b>
Taxes for the year	(35 )	18,194	25,807
<b>Result for the year</b>		<b>37,333</b>	<b>41,111</b>
Net income from discontinued operations/disposal			71
<b>Net result for the year</b>		<b>37,333</b>	<b>41,040</b>
Group's Net Result		35,583	38,678
Third-Party Net Result		1,750	2,361
<b>Consolidated statement of comprehensive income</b>			
1. components that will be reclassified in the future in the income statement			
2. components that will not be reclassified in the future in the income statement			
Actuarial profit & loss on defined benefit plans	*	(253)	(12)
<b>Total comprehensive income</b>		<b>37,080</b>	<b>41,028</b>
Group's overall net result		35,333	38,672
Third parties' overall net result		1,747	2,355
Base income per share		0.160	0.174
Diluted net income per share		0.160	0.174

\* Following the retrospective application from 1<sup>st</sup> January 2014 of the IFRS 11, the data related to the financial year 2013 exposed for comparison purposes, have been redefined, pursuant to IAS 1.

N.b.: Earnings per share are calculated by dividing the net income for the period attributable to the Company's shareholders by the weighted average number of shares net of own shares. For the purposes of the calculation of the basic earnings per share, we specify that the numerator is the economic result for the period less the share attributable to third parties. There are no preference dividends, conversions of preferred shares or similar effects that would adjust the results attributable to the holders of ordinary shares in the Company. Diluted profits for shares result as equal to those for shares in that ordinary shares that could have a dilutive effect do not exist and no shares or warrants exist that could have the same effect.

### Consolidated statement of changes in shareholders' equity

(thousands of Euro)	Share capital	Legal reserve	Own shares	Reserves IAS 19 actuarial differences	Other reserves	Net result for the year	Group's net equity	Net result and net equity of others	Total net equity
<b>Balance as of 1<sup>st</sup> January 2014</b>	<b>234,412</b>	<b>46,882</b>	<b>(17,660)</b>	<b>(35)</b>	<b>95,413</b>	<b>38,678</b>	<b>397,692</b>	<b>4,989</b>	<b>402,679</b>
Result for the year						35,583	35,583	1,750	37,333
IAS 19 TFR actualization for the year				(251)			(251)	(3)	(253)
<b>Total result of overall income statement</b>				<b>(251)</b>		<b>35,583</b>	<b>35,333</b>	<b>1,747</b>	<b>37,080</b>
Allocation of 2013 result					38,678	(38,678)	(0)		(0)
Dividends distributed to Ascopiave S.p.A. shareholders'					(26,666)		(26,666)		(26,666)
Dividends distributed to third parties shareholders							(0)	(2,427)	(2,427)
Change in reserves					(1,000)		(1,000)		(1,000)
<b>Balance as of 31<sup>st</sup> December 2014</b>	<b>234,412</b>	<b>46,882</b>	<b>(17,660)</b>	<b>(286)</b>	<b>106,426</b>	<b>35,583</b>	<b>405,357</b>	<b>4,309</b>	<b>409,666</b>

(thousands of Euro)	Share capital	Legal reserve	Own shares	Reserves IAS 19 actuarial differences	Other reserves	Net result for the year	Group's net equity	Net result and net equity of others	Total net equity
<b>Balance as of 1<sup>st</sup> January 2013</b>	<b>234,412</b>	<b>46,882</b>	<b>(17,109)</b>	<b>(29)</b>	<b>92,003</b>	<b>27,894</b>	<b>384,055</b>	<b>4,765</b>	<b>388,818</b>
Result for the year						38,678	38,678	2,361	41,040
IAS 19 TFR actualization for the year				(6)			(6)	(6)	(12)
<b>Total result of overall income statement</b>				<b>(6)</b>		<b>38,678</b>	<b>38,672</b>	<b>2,355</b>	<b>41,028</b>
Allocation of 2012 result					27,894	(27,894)	(0)		(0)
Dividends distributed to Ascopiave S.p.A. shareholders'					(24,484)		(24,484)		(24,484)
Dividends distributed to third parties shareholders							(0)	(2,132)	(2,132)
Purchase of own shares			(551)				(551)		(551)
<b>Balance as of 31<sup>st</sup> December 2013</b>	<b>234,412</b>	<b>46,882</b>	<b>(17,660)</b>	<b>(35)</b>	<b>95,413</b>	<b>38,678</b>	<b>397,692</b>	<b>4,989</b>	<b>402,679</b>

## Consolidated statement of Cash Flows

	Restated*	
(thousands of Euro)	Financial year 2014	Financial year 2013
<b>Net income of the Group</b>	<b>35,583</b>	<b>38,678</b>
<b>Cash flows generated (used) by operating activities</b>		
<b>Adjustments to reconcile net income to net cash</b>		
Third-parties operating result	1,750	2,361
Amortization	20,099	18,133
Bad debt provisions	6,819	6,039
Variations in severance indemnity	547	229
Net variation of other funds	205	(2,298)
Evaluation of subsidiaries with the net equity method	(4,453)	(6,468)
Depreciation of fixed assets	0	371
Losses/(gains) on disposal fixed assets	666	(678)
Interests paid	(2,273)	(2,298)
Taxes paid	(25,273)	(30,546)
Interest expense for the year	2,560	2,742
Taxes for the year	18,194	25,807
<b>Variations in assets and liabilities</b>		
Inventories	(435)	644
Accounts payable	45,125	34,132
Other current assets	(33,844)	11,618
Trade payables	(20,454)	(34,987)
Other current liabilities	(1,760)	5,834
Other non-current assets	11,376	541
Other non-current liabilities	1,731	24
<b>Total adjustments and variations</b>	<b>20,580</b>	<b>31,255</b>
<b>Cash flows generated (used) by operating activities</b>	<b>56,164</b>	<b>69,934</b>
<b>Cash flows generated (used) by investments</b>		
Investments in intangible assets	(19,750)	(17,109)
Realisable value of intangible assets	3	5,284
Investments in tangible assets	(1,315)	(1,797)
Realisable value of tangible assets	160	290
Disposal/(acquisitions) in investments and avances	(951)	0
Other net equity operations	(253)	(13)
<b>Cash flows generated/(used) by investments</b>	<b>(22,106)</b>	<b>(13,345)</b>
<b>Cash flows generated (used) by financial activities</b>		
Net changes in debts due to other financiers	2,774	(61)
Net changes in short-term bank borrowings	87,467	(74,963)
Net variation in current / non current financial assets and liabilities	(2,583)	(1,385)
Interest expense	(287)	(444)
Purchase of own shares	0	(551)
Net changes in medium and long-term loans	(9,745)	36,140
Dividends distributed to Ascopiave S.p.A. shareholders <sup>7</sup>	(26,666)	(24,484)
Dividends distributed to third parties shareholders	(2,427)	(2,132)
Dividends distributed/(Coverage of losses) of subsidiary companies	6,519	5,058
<b>Cash flows generated (used) by financial activities</b>	<b>55,052</b>	<b>(62,822)</b>
<b>Variations in cash</b>	<b>89,110</b>	<b>(6,233)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>11,773</b>	<b>18,006</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>100,882</b>	<b>11,773</b>

\* Following the retrospective application from 1<sup>st</sup> January 2014 of the IFRS 11, the data related to the financial year 2013 exposed for comparison purposes, have been redefined, pursuant to IAS 1.



# **Ascopiave S.p.A.**

**Company financial statement**

**as of 31st December 2014**

**Statement of financial position as of 31<sup>st</sup> December 2014 and as of 31<sup>st</sup> December 2013**

(Euro)		At December 31,2014	At December 31,2013
<b>ASSETS</b>			
<b>Non-current assets</b>			
Goodwill	(1)	20,433,126	20,433,126
Other intangible assets	(2)	262,788,450	258,478,963
Tangible assets	(3)	35,556,524	36,507,842
Shareholdings	(4)	183,037,099	179,082,061
Other non-current assets	(5)	4,369,348	4,865,972
Non - Current financial assets	(6)	3,124,060	561,000
Deferred tax assets	(7)	9,070,257	10,539,354
<b>Non-current assets</b>		<b>518,378,864</b>	<b>510,468,318</b>
<b>Current assets</b>			
Inventories	(8)	1,986,872	1,578,520
Trade receivables	(9)	23,181,121	25,641,861
Other current assets	(10)	30,432,021	20,001,399
Current financial assets	(11)	45,153,279	28,931,698
Tax receivables	(12)	732,105	135,154
Cash and cash equivalents	(13)	71,838,303	2,523,751
<b>Current assets</b>		<b>173,323,701</b>	<b>78,812,382</b>
<b>ASSETS</b>		<b>691,702,565</b>	<b>589,280,700</b>
<b>NET EQUITY AND LIABILITIES</b>			
<b>Total net equity</b>			
Share capital		234,411,575	234,411,575
Own Shares		(17,659,719)	(17,659,719)
Reserves		175,707,207	157,761,838
<b>Total net equity</b>	(14)	<b>392,459,063</b>	<b>374,513,694</b>
<b>Non-current liabilities</b>			
Provisions for risks and charges	(15)	250,000	
Severance Indemnity	(16)	1,224,362	1,161,912
Medium and long-term bank loans	(17)	53,456,054	63,200,953
Other non-current liabilities	(18)	3,673,871	1,612,805
Non-current financial liabilities	(19)	3,326,734	552,414
Deferred tax payables	(20)	14,686,101	18,380,480
<b>Non-current liabilities</b>		<b>76,617,122</b>	<b>84,908,564</b>
<b>Current liabilities</b>			
Payables due to banks and financing institutions	(21)	184,665,042	89,371,312
Trade payables	(22)	19,407,318	21,224,396
Tax payables	(23)		255,403
Other current liabilities	(24)	18,490,283	15,207,274
Current financial liabilities	(25)	63,738	3,800,057
<b>Current liabilities</b>		<b>222,626,380</b>	<b>129,858,442</b>
<b>Liabilities</b>		<b>299,243,502</b>	<b>214,767,006</b>
<b>NET EQUITY AND LIABILITIES</b>		<b>691,702,565</b>	<b>589,280,700</b>



**Income statement for the year 2014 and for the year 2013**

Restated\*

<b>(Euro)</b>		<b>Financial year 2014</b>	<b>Financial year 2013</b>
<b>Revenues</b>	(27)	<b>80,404,425</b>	<b>77,806,950</b>
<b>Total operating costs</b>		<b>50,206,286</b>	<b>48,886,881</b>
Costs of purchase of raw materials	(28)	1,299,094	1,387,770
Costs for services	(29)	22,054,142	22,591,165
Personnel Costs	(30)	12,710,991	14,588,566
Other management costs	(31)	14,168,894	11,458,733
Other income	(32)	26,835	1,139,353
Amortization and depreciation	(33)	15,410,700	14,220,269
<b>Operating result</b>		<b>14,787,439</b>	<b>14,699,800</b>
Financial income	(34)	36,368,496	36,295,452
Financial charges	(34)	2,352,960	2,609,178
Depreciation of shareholdings			1,759,803
<b>Earnings before tax</b>		<b>48,802,975</b>	<b>46,626,270</b>
Taxes for the year	(35)	5,174,647	6,573,433
<b>Net Result for the year</b>		<b>43,628,329</b>	<b>40,052,837</b>
<b>Statement of comprehensive income</b>			
Components that can not be reclassified in the future in the income statement			
Actuarial profit & loss on defined benefit plans		(71,367)	(30,300)
<b>Total comprehensive income</b>		<b>43,556,962</b>	<b>40,022,537</b>

**Statement of changes in shareholders' equity as of 31<sup>st</sup> December 2014 and as of 31<sup>st</sup> December 2013**

(Euro)	Share capital	Legal reserve	Own shares	Other reserves	Reserves IAS 19 actuarial differences	Net Result	Total net equity
<b>Balance as of 1st January 2014</b>	234,411,575	46,882,315	(17,659,718)	70,884,663	(57,977)	40,052,837	374,513,694
Allocation of 2013 result				40,052,837		(40,052,837)	(0)
Dividends paid to shareholders				(26,665,726)			(26,665,726)
IAS 19 TFR actualization for the year					(71,367)		(71,367)
Incorporation of Ascoblu S.r.l.				1,054,133			1,054,133
Purchase/Sale of own shares							(0)
Net result of financial year						43,628,329	43,628,329
<b>Balance as of 31st December 2014</b>	234,411,575	46,882,315	(17,659,718)	85,325,906	(129,344)	43,628,329	392,459,063

(Euro)	Share capital	Legal reserve	Own shares	Other reserves	Reserves IAS 19 actuarial differences	Net Result	Total net equity
<b>Balance as of 1st January 2013</b>	234,411,575	46,882,315	(17,108,647)	67,802,639	(27,677)	27,566,170	359,526,375
Allocation of 2012 result				27,566,170		(27,566,170)	(0)
Dividends paid to shareholders				(24,484,147)			(24,484,147)
IAS 19 TFR actualization for the year					(30,300)		(30,300)
Purchase/Sale of own shares			(551,071)				(551,071)
Net result of financial year						40,052,837	40,052,837
<b>Balance as of 31st December 2013</b>	234,411,575	46,882,315	(17,659,718)	70,884,663	(57,977)	40,052,837	374,513,694

**Statement of Cash Flows for the year 2014 and for the year 2013**

(Euro)	Financial year 2014	Financial year 2013
<b>Net income of the year</b>	<b>43,628,329</b>	<b>40,052,837</b>
<b>Cash flows generated (used) by operating activities</b>		
<b>Adjustments to reconcile net income to net cash</b>	<b>14,948,785</b>	<b>15,700,130</b>
Amortization and depreciation	15,410,700	14,220,269
Bad debt provisions	831,713	230,254
Variations in severance indemnity	62,450	53,686
Net variation of other funds	(136,245)	(6,608)
Losses/(gains) on investments		1,759,667
Losses/(gains) on disposal fixed assets	665,746	(1,203,204)
Interests paid	(2,291,194)	(2,446,102)
Interest expense for the year	2,318,260	2,574,478
Taxes paid	(7,087,291)	(6,055,742)
Taxes for the year	5,174,647	6,573,433
<b>Variations in assets and liabilities</b>	<b>(6,177,413)</b>	<b>3,386,096</b>
Inventories	(22,107)	860,005
Accounts payable	2,296,247	(2,873,283)
Other current assets	(11,294,369)	(1,267,981)
Trade payables	(1,846,172)	3,332,441
Other current liabilities	2,495,302	3,391,519
Other non-current assets	33,085	(55,900)
Other non-current liabilities	2,160,601	(706)
<b>Total adjustments and variations</b>	<b>8,771,372</b>	<b>19,086,225</b>
<b>Cash flows generated (used) by operating activities</b>	<b>52,399,701</b>	<b>59,139,063</b>
<b>Cash flows generated (used) by investments</b>		
Investments in intangible assets	(18,010,900)	(15,288,167)
Realisable value of intangible assets	3,099	4,902,254
Investments in tangible assets	(1,446,753)	(1,579,432)
Realisable value of tangible assets	19,940	143,539
Disposal/(acquisitions) in investments and avances	(4,000,000)	318,647
Other net equity operations	(71,367)	(30,300)
<b>Cash flows generated/(used) by investments</b>	<b>(23,505,981)</b>	<b>(11,533,459)</b>
<b>Cash flows generated (used) by financial activities</b>		
Net changes in non current financial liabilities	2,838,060	(60,639)
Net changes in short-term bank borrowings	85,548,831	(74,951,227)
Net changes in loans to subsidiaries	(21,300,332)	9,438,486
Purchase of own shares	0	(551,071)
Net changes in medium and long-term loans	0	36,182,506
Dividends paid to Ascopiave S.p.A. shareholders'	(26,665,726)	(24,484,147)
<b>Cash flows generated (used) by financial activities</b>	<b>40,420,832</b>	<b>(54,426,092)</b>
<b>Variations in cash</b>	<b>69,314,552</b>	<b>(6,820,488)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>2,523,751</b>	<b>9,344,238</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>71,838,303</b>	<b>2,523,751</b>