



PRESS RELEASE

ASCOPIAVE: The Board of Directors has approved the results for the year 2018.

Proposed dividend Euro 0.125 per share (Euro 27.8 million)

Gross Operating Margin Euro 80.0 million (Euro 84.4 million in 2017)

Operating Result Euro 55.1 million (Euro 59.9 million in 2017)

Net Consolidated Profit Euro 46.5 million (Euro 49.3 million in 2017)

Net Financial Position Euro 117.5 million, an improvement as compared to 31st December 2017 (Euro 119.9 million)

Debt/Shareholders' Equity ratio of 0.26 and Debt/Ebitda ratio of 1.47, both among the best-performing in the field

Ascopiave S.p.A.'s Board of Directors considered the request received from the parent company Asco Holding S.p.A. to convene the Shareholders' Meeting to approve an extraordinary dividend requested in favour of all shareholders, up to Euro 50 million, sufficient to guarantee the payment to Asco Holding of a dividend equal to a maximum amount of Euro 30 million. The company has started the assessment of the sustainability of such extraordinary dividend, including the request of an opinion from an external advisor.

The Ascopiave S.p.A. Board of Directors, which had a meeting chaired by Mr Nicola Ceconato today, acknowledged and approved the draft separate financial statements and consolidated financial statements for 2018, prepared in compliance with the International Accounting Standards IAS/IFRS.

Nicola Ceconato, Ascopiave's Chairman, commented that "in 2018, the Ascopiave Group achieved once again excellent results, both in terms of profitability and financial balance.

The deviation of margins from 2017 is mainly due to the negative effects deriving from gas settlement and other non-recurring charges.

The steadiness of operating results and the enduring solid financial position and cash flows demonstrate that the Group, thanks to the Management's ability to enhance and technically innovate processes and the business, supported by the quality, competence and commitment of our resources and by the proximity to the local stakeholders, is able to implement concretely in the long run the strategic plan defined by the Board of Directors.

The growing value of Ascopiave's share price confirms that the shareholders acknowledge the potential expressed by the Group's strategic vision for the creation of long-term sustainable value. On the basis of the above, I intend to stress that the dividend we suggest to the Shareholders' Meeting is again one of the most interesting in the sector".

Consolidated results of the Ascopiave Group in 2018

Revenue from sale

The Ascopiave Group closed 2018 with consolidated revenues amounting to Euro 581.7 million, compared to Euro 532.8 million recorded in 2017 (+9.2%). The increase in turnover is mainly due to revenue from gas sales (+Euro 39.5 million), higher revenues from the sale of electricity (+Euro 13.7 million), revenues for forward sales of the raw material (+Euro 7.5 million) and the extension of the scope of consolidation (Euro 5.0 million). They were partially offset by lower revenues recorded for the achievement of energy efficiency targets (-Euro 12.5 million).

Gross operating margin

Gross operating margin in 2018 amounted to Euro 80.0 million, marking a decrease compared to Euro 84.4 million in the previous year (-5.2%).

The trade margins on gas sale decreased by Euro 2.5 million compared to 2017, mainly due to the non-recurring effects deriving from gas settlement, which determined a decrease in margin of Euro 3.5 million. During the year, Snam Rete Gas published the volumetric differences linked to the balancing of the volumes allocated to the station for the years 2013-2016 as well as the volumetric difference introduced by resolutions 670/2017/R/gas and 782/2017/R/gas which neutralised the in-output delta for users of the distribution network.

Trade margins on electricity sale increased by Euro 0.9 million.

The tariff revenues from distribution and metering increased by Euro 3.5 million compared to 2017 (of which Euro 2.9 million explained by the extension of the scope of consolidation).

The change in the item “residual costs and revenues” – with the same consolidation scope – negatively affected the gross operating margin (-Euro 3.9 million). Among the most remarkable variations, there were higher staff costs for Euro 0.9 million, lower advertising and marketing expenses for Euro 0.6 million and lower margins on energy efficiency certificates for Euro 0.7 million.

Part of the negative change in the balance is also explained by the fact that the financial year 2017 had benefited from the positive outcome of a labour litigation for Euro 1.2 million and the recognition of Euro 0.4 million related to the acquisition of the Pasubio Group (currently Ap Reti Gas Vicenza S.p.A.).

Operating Result

The operating result in 2018 amounted to Euro 55.1 million, compared to Euro 59.9 million in the previous year (-8.1%).

This result was determined, in addition to a decrease in gross operating margin, by an increase in depreciation and amortisation (+Euro 0.4 million) and an increase in the provision for doubtful accounts (+Euro 0.1 million). The increase in amortisation and depreciation is mainly attributable to the extension of the scope of consolidation (+ Euro 0.5 million).

Net Profit

The net consolidated profit amounted to Euro 46.5 million, a decrease compared to Euro 49.3 million in 2017 (-5.6%).

The consolidation with the equity method of the jointly controlled companies and the associate company Sinergie Italiane S.r.l., under liquidation, generated income for Euro 8.6 million, compared to Euro 7.4 million in 2017.

Net financial expenses amounted to Euro 0.8 million, marking an increase of Euro 0.3 million compared to the previous year.

Taxes recorded in the profit and loss account amounted to Euro 16.4 million, a decrease of Euro 1.2 million (-7.0%) due to a lower taxable income. The tax rate, calculated by normalising the pre-tax result of the companies consolidated with the equity method, increased from 29.6% to 30.1%.

EBITDA of jointly controlled companies consolidated with the equity method

In 2018, the jointly controlled companies consolidated with the equity method achieved a consolidation *pro-rata* gross operating margin of Euro 12.8 million, a decrease of Euro 0.5 million compared to 2017.

Operating performance in 2018

The volumes of gas sold by the fully-consolidated companies in 2018 amounted to 781.4 million cubic metres, marking a decrease of 2.8% as compared to 2017.

The equity-method consolidated companies sold a total of 127.1 million cubic metres of gas *pro-rata* in total, a decrease as compared to 2017 (134.9 million cubic metres).

The volumes of electricity sold by the fully-consolidated companies in 2018 amounted to 392.7 GWh, thus marking an increase of 2.4% compared to 2017.

The companies consolidated with the equity method sold 64.4 GWh *pro-rata* in total, marking an increase of 12.7% compared to 2017.

With regard to gas distribution, the volumes of gas delivered through the networks managed by the fully-consolidated companies amounted to 1,014.2 million cubic metres, thus showing an increase of 7.1% compared to 2017 (the merged company AP Reti Gas Vicenza S.p.A. - formerly Pasubio Group S.p.A. - distributed 82.3 million cubic metres of gas).

The *pro-rata* 72.5 million cubic metres distributed by Unigas Distribuzione S.r.l., consolidated with the equity method, must be added to these volumes.

Investments

Investments by the fully-consolidated companies in intangible and tangible fixed assets in 2018 amounted to Euro 29.5 million and mainly concerned the development, maintenance and upgrade of gas distribution networks and system.

Specifically, investments in gas networks and systems amounted to Euro 15.5 million, of which Euro 5.7 million in connections, Euro 7.5 million in enlargements and upgrades of the distribution networks and Euro 2.3 million in maintenance, mainly relating to reduction and pre-heating systems. Investments in metres and adjusters amounted to Euro 12.4 million.

Investments by the equity-method consolidated companies in intangible and tangible fixed assets amounted to Euro 1.6 million and they also relate mainly to methane networks and plants.

Indebtedness and Debt/Net Equity Ratio

The Group's net financial position as of 31st December 2018 amounted to Euro 117.5 million, a decrease of Euro 2.3 million compared to 31st December 2017.

The positive financial flow was determined mainly by the following operations:

- The cash flow generated financial resources totalling Euro 71.4 million;
- Net investments in tangible and intangible fixed assets caused the expenditure of Euro 32.1 million;
- The management of net operating working capital and net fiscal working capital absorbed resources totalling Euro 2.7 million;

- The distribution of dividends net of dividends collected from the companies consolidated with the equity method and the allocation of own shares as remuneration in accordance with the incentive plans caused the expenditure of Euro 34.3 million.

The debt/shareholders' equity ratio as of 31st December 2018 amounted to 0.26 (0.27 as of 31st December 2017). The indicator is among the best-performing in the field.

Results of the parent company Ascopiave S.p.A.

In 2018, the parent company Ascopiave S.p.A. generated a net profit of Euro 42.0 million, marking a decrease of Euro 1.6 million compared to 2017 (-3.8%). In 2018, the Company received higher dividends from the investee companies (+Euro 0.2 million), while the result from operations decreased by Euro 2.4 million.

As of 31st December 2018, the shareholders' equity amounted to Euro 400.1 million, marking an increase of Euro 1.7 million compared to the previous year; the net financial position amounted to Euro 137.1 million, recording a decrease of Euro 2.9 million.

Remuneration report, report on corporate governance and ownership structure and non-financial consolidated disclosure

The Board of Directors has examined and approved the Remuneration Report prepared pursuant to article 123-*ter* TUF (Unified Finance Law), 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 Non-financial consolidated disclosure, in compliance with Italian Legislative Decree 254/2016 on the publication of non-financial information and consistent with the principles of transparency and openness that have always characterised the company.

The Company will make available the above-mentioned documents to the public at the registered office and at the stock management company Borsa Italiana, will store them in the "eMarket SDIR-eMarket Storage" system provided by Spafid Connect S.p.A. and publish them on the website www.gruppoascopiave.it within the time prescribed by law.

Significant events during the period

Unsecured syndicated loan

On 25th January 2018, the Parent Company Ascopiave S.p.A. took out a 12-year unsecured syndicated loan to the amount of Euro 10,000 thousand with Cassa Centrale Banca and Banca di Credito Cooperativo delle Prealpi, to which a 1.83% fixed rate is applied. The loan does not envisage the verification of financial covenants.

Reform of the Gas settlement regulatory framework by Resolution 72/2018/R/GAS dated 8th February 2018

By Resolution 72/2018/R/GAS dated 8th February 2018, the Regulatory Authority for Energy, Networks and the Environment approved the reform of the gas settlement regulatory framework, which will take effect commencing 1st January 2020. By this measure, the Authority simplified the procedures for determining the items attributable to the settlement entity, which will be required to supply the REMI with the quantities determined according to the actual measurements for the redelivery points of the distribution network based on monthly measurements or daily details of the expected consumptions, and on the basis of the application of the expected withdrawal profile with climate correction for the withdrawal points measured less frequently than once a month. The Authority also entrusted the settlement manager with the task of supplying the difference between the quantities withdrawn at the REMIs and the sum of the expected consumptions attributable to the settlement entities for the REMIs served and assigned the SII (Integrated Information System) the responsibility of making



available to the settlement manager the withdrawal data of the PDR (Redelivery Points for end customers). In June, Snam Rete Gas published the data on the adjustment sessions for the years 2013-2016.

Ascopiave S.p.A.'s Shareholders' Meeting dated 26th April 2018

The Shareholders' Meeting of Ascopiave S.p.A. convened in ordinary session on 26th April 2018, chaired by Mr Nicola Ceconato.

The Shareholders' Meeting approved the financial statements for the year 2017 and resolved to distribute a dividend of Euro 0.18 per share. The dividend was paid on 9th May 2018, with ex-dividend date on 7th May 2018 (record date on 8th May 2018).

Furthermore, the Shareholders' Meeting approved the Remuneration Policy, compiled in accordance with art. 123-*ter* of the Unified Finance Law and removed partially the lock-up restriction on the stock-based bonus, for an amount sufficient to pay the withholding taxes and contributions due by the beneficiary, with reference to the Information Document - compiled pursuant to art. 84-*bis* of Consob Issuers' Regulations - "2015-2017 long-term share-based incentive plan".

The Shareholders' Meeting, in addition, approved a Long-term share-based incentive plan for the three-year period 2018-2020 for executive directors and some managers of Ascopiave S.p.A. and its subsidiaries.

Finally, the Meeting approved a new purchase and sale plan of treasury shares under the terms of articles 2357 and 2357-*ter* of the Italian Civil Code, to replace and revoke the previous authorisation dated 28th April 2017.

Anita and Ascopiave sign a letter of intent for the development of a future business combination

On 4th June 2018, Anita and Ascopiave signed a letter of intent in which they identify the guidelines and principles of a process aimed at combining their gas distribution businesses by merging Anita into Ascopiave.

The agreement, which envisages a period of mutual exclusivity in the negotiations to expire on 31st December 2018, defines the applicable assumptions, the details and the process that the Parties will initiate in order to finalise the operation by the end of the year.

Announcement by Asco Holding S.p.A.

On 8th June 2018, the Board of Directors of Asco Holding resolved to convene the Shareholders' meeting on 20th July 2018 on first call and on 23rd July 2018 on second call, in order to propose the adoption of some amendments to the current articles of association, aimed at ensuring greater governance cohesion and stability. Any shareholders of Asco Holding who do not participate in the adoption of the Shareholders' Meeting resolution for the approval of the new articles of association (because they oppose, are absent or abstain), may exercise the right of withdrawal pursuant to the Italian Civil Code, for all or part of their shares, within the fifteenth day subsequent to the registration of the Shareholders' resolution in the Register of Companies, since the amendments to the articles of association proposed by the Board of Directors include, inter alia, the introduction of restrictions on the transfer of shares. The methods for paying the liquidation value to the withdrawing shareholders include: (i) the attribution of shares in the subsidiary Ascopiave, up to a maximum limit of 27,000,000 shares, representing 11.52% of Ascopiave's share capital, so that Asco Holding will in any case retain more than 50% of Ascopiave's share capital; and (ii) the use of cash resulting from an extraordinary dividend (the company plans to ask Ascopiave to distribute such dividend, by means of a formal request to convene the Shareholders' Meeting), up to a maximum amount of Euro 77 million, subject to the approval of the amendments to the articles of association by the Shareholders' Meeting of Asco Holding.

The resolution approving the new articles of association shall be considered revoked if a number of shareholders above a certain threshold exercise the right of withdrawal or if the distribution of the aforementioned extraordinary dividend is not approved by the Shareholders' Meeting of Ascopiave.

The withdrawal procedure, whose deadline was originally scheduled for the end of October 2018, is still underway, as the liquidation value has been challenged.

Reform of the gas settlement regulatory framework by Resolution 72/2018/R/GAS dated 8th February 2018

On 6th July, Snam Rete Gas S.p.A. announced that the balancing deadlines are extended in order to acknowledge any reports from the balancing users until 24th July 2018. Any such reports did not produce changes with respect to the volumetric data being processed, which, at the current date, are confirmed.

Termination of the existing employment relationship with Mr Roberto Gumirato

On 8th August 2018, Ascopiave S.p.A. announced that an agreement was reached with Mr Roberto Gumirato, General Manager, which envisages the consensual termination with effect from 15th November 2018 of the existing employment relationship between the parties. In accordance with the agreement, again with effect from 15th November 2018, Mr Gumirato shall resign as the Chairman and member of the Board of Directors of AP Reti Gas S.p.A., a company controlled directly by Ascopiave S.p.A., and renounce the proxies granted by Ascopiave S.p.A. as well as by Asco TLC S.p.A. and Bim Piave Nuove Energie S.r.l., companies belonging to the Group.

The Board of Directors of Ascopiave S.p.A. thanked Mr Gumirato for his commitment and the results achieved in these years of work.

In compliance and consistent with the remuneration policy approved by the Company's Board of Directors on 14th March 2018, Mr Gumirato shall receive a gross amount of Euro 695,018, corresponding to 2 years of fixed salary, as an incentive to redundancy, a gross amount of Euro 532,000 as an extraordinary bonus for managing successfully the turnaround of Sinergie Italiane S.r.l., implementing the resolutions of the Board of Directors of Ascopiave S.p.A. dated 27th February 2014, a gross amount of Euro 90,000 as an MBO bonus for the year 2018 calculated *pro-rata temporis* until the date of termination of the relationship, and a gross amount equal to Euro 10,000 in consideration of the waivers of Mr Gumirato to any requests or claims deriving from the previous employment relationship and the relationship as a member of the Board of Directors.

Mr Gumirato shall comply with the non-compete obligations set forth in the agreement signed with Ascopiave S.p.A. on 15th March 2016, which will therefore be effective from 16th November 2018 to 15th May 2022, and will receive, in accordance with the aforementioned agreement and in consideration of the non-compete obligations, a gross amount of Euro 547,327.

All the above amounts were paid to Mr Gumirato within 10 days from the repetition of the agreement in one of the circumstances under articles 2113, Italian Civil Code, and 410 *et seq.*, Italian Code of Civil Procedure.

Lastly, the agreement envisages mutual waivers to any requests or claims deriving from the previous employment relationship and the relationship as a member of the Board of Directors, obviously with the exception, as regards the waivers in favour of Mr Gumirato, of cases of wilful misconduct or gross negligence.

Due to the overall consideration, the agreement qualifies as a related party transaction, to which the Procedure adopted by Ascopiave S.p.A. on the matter does not apply, because, on the one hand, it is consistent with the remuneration policy and with the existing agreements and, on the other hand (for the portion concerning the consideration in favour of Mr Gumirato, equal to Euro 10,000 gross, for the waivers set forth in the agreement), its value is low. The transaction, before being approved by the Company's Board of Directors, was however examined by the Remuneration Committee – an internal committee of the Board of Directors composed of independent directors – which expressed its justified opinion in favour of the conclusion of the agreement.

The Board of Directors immediately started the search for the new General Manager.

Announcement by Asco Holding S.p.A.

On 13th August 2018, Asco Holding S.p.A. announced that the period for exercising the right of withdrawal for Asco Holding shareholders who, on 23rd July, did not approve the resolution concerning certain amendments to the Articles of Association, including the extension of the term of the company and the introduction of restrictions to the transfer of shares, expired on 10th August 2018, pursuant to art. 2437 of the Italian Civil Code. According to the communications received by the Company, the right of withdrawal was exercised for 37,464,867 shares (the "Withdrawal Shares"), representing 26.76% of Asco Holding's share capital, for a total equivalent value of Euro 140,493,251.25 calculated at the liquidation value of Euro 3.75 (three/75) for each share, established in compliance with art. 2437-*ter* of the Italian Civil Code. The payment of such amount was requested in cash for 13.96% of Asco Holding's share capital and through the allocation of shares in the subsidiary Ascopiave S.p.A. for 12.80%.

Since the number of the Withdrawal Shares is less than 38.48% of Asco Holding's shares and the number of the withdrawing shareholders who asked to receive the liquidation value of the shares for which the right of withdrawal in cash was exercised represents a percentage of the capital lower than 23.05%, on the basis of the data currently available, the conditions for revoking the resolution approving the amendments to the Articles of Association are not met.

12,611,081 Withdrawal Shares, other than the 24,853,786 shares held by some withdrawing shareholders who challenged the liquidation value, will be offered with pre-emption rights, pursuant to Article 2437-*quater* of the



Italian Civil Code, to Asco Holding shareholders other than those who exercised their right of withdrawal, from 13th August 2018 to 11th September 2018, included, in proportion to the number of shares held by them (the “Rights Offering”).

Asco Holding shareholders who exercise the first option to buy as part of the Rights Offering will have a right of pre-emption to purchase any Withdrawal Shares remained unsubscribed as part of said offer, provided that such shareholders formulate a specific request simultaneously with the exercise of the right of pre-emption.

If, as a result of the Rights Offering, any further Withdrawal Shares remain unsubscribed, Asco Holding shall repurchase such shares.

The Rights Offering Notice was filed with the Register of Companies of Treviso - Belluno, pursuant to art. 2437-*quater*, paragraph 2, Italian Civil Code, on the same date.

Announcement by Asco Holding S.p.A.

On 6th September 2018, Asco Holding S.p.A. announced that, on the basis of the communications of the shareholders received after the date of the last press release (13th August 2018) but validly sent within the final deadline for exercising the right of withdrawal of the shareholders who did not participate in the adoption of the resolution of the Shareholders’ Meeting convened on 23rd July 2018 (i.e., within 10th August 2018), the final results relating to the exercise of the right of withdrawal are as follows:

- (i) the right of withdrawal was exercised for a total of 41,945,221 shares, representing 29.96% of Asco Holding’s share capital, for a total equivalent value of Euro 157,294,578.75 calculated at the liquidation value of Euro 3.75 (three/75) for each share, established by the Board of Directors in compliance with art. 2437-*ter* of the Italian Civil Code;
- (ii) the payment of the liquidation value was requested in cash for 15.78% of Asco Holding’s share capital and through the allocation of shares in the subsidiary Ascopiave S.p.A. for 14.18%.

14,007,435 Withdrawal Shares, other than the 27,937,786 shares held by some withdrawing shareholders who challenged the liquidation value, will be subjected to a new Rights Offering, filed today with the Register of Companies of Treviso - Belluno, replacing entirely the previous subscription right offering filed on 13th August 2018.

Ascopiave S.p.A., already owner of 80% of Amgas Blu’s share capital, buys the remaining 20% of the stock

On 18th September 2018, Amgas S.p.A. and Ascopiave S.p.A. finalised the agreement governing the transfer of 20% of the share capital of Amgas Blu S.r.l., from Amgas S.p.A. to Ascopiave S.p.A., which already owned 80% of the company’s equity. The operation allows Ascopiave S.p.A. to own the full 100% stock of Amgas Blu S.r.l.. The equivalent amount disbursed for the purchase, amounting to Euro 3.8 million, corresponds to Amgas Blu S.r.l. enterprise value of Euro 19.5 million.

In 2017, Amgas Blu S.r.l. served about 48,800 customers, of which 46,100 in the gas sector and 2,700 in the electricity segment. Revenues amounted to Euro 19.3 million. EBITDA, in the same period, was Euro 2.5 million.

Resignation of Cristiano Belliato, CFO, Ascopiave Group

On 28th September 2018, Ascopiave S.p.A. (“Ascopiave” or the “Company”) announced that Mr Cristiano Belliato, Chief Financial Officer, Ascopiave Group, resigned to pursue a new career path.

Mr Belliato maintained his duties and responsibilities as the Executive in charge of compiling Ascopiave’s accounting and corporate documents, as the Chief Financial Officer and as the strategic manager of the Ascopiave Group until 30th October 2018.

Mr Belliato shall comply with the non-compete obligations set forth in the agreement signed with Ascopiave on 15th March 2016, which therefore shall be effective from 1st November 2018 to 1st May 2021, and has received, pursuant to the aforementioned agreement and in consideration of the non-compete obligations, a gross amount equal to Euro 213,558. Consistent with the remuneration policy approved by the Company’s Board of Directors on 14th March 2018 and with the existing agreements, such consideration qualifies as a related party transaction to which the Procedure adopted by the Company on the matter does not apply.



In compliance with the requirements of the Instructions for the Rules of the Markets organised and managed by Borsa Italiana, we inform you that on 28th September 2018 Mr Belliato held 33,737 ordinary shares in Ascopiave.

Riccardo Paggiaro appointed as CFO and Executive in Charge of the Ascopiave Group

Ascopiave S.p.A.'s Board of Directors, which convened on 15th October 2018, advised by the Board of Auditors, subsequent to verifying that the requirements of integrity and professionalism stated in the Articles of Association are fulfilled, appointed, effective 31st October 2018, Mr Riccardo Paggiaro as the Chief Financial Officer, the Executive in charge of compiling accounting and corporate documents pursuant to article 154-*bis* of Italian Legislative Decree 58/98, and the strategic manager of the Ascopiave Group.

Mr Paggiaro, Chartered Accountant and Auditor, graduated in Economics and Commerce at the University Ca' Foscari of Venice in 2001. He has been specialising for years in tax matters and corporate finance at leading consulting and auditing companies, which has enabled him to gain significant experience in administration, finance and control.

Since 2011, he has been serving as the Finance and Treasury Manager of the Ascopiave Group and as the Administrative Manager of the subsidiaries; he also held other positions in Group companies.

A summary of Mr Paggiaro's CV is available in the Corporate Governance section of the website www.gruppoascopiave.it.

As required by the Instructions for the Rules of the Markets organised and managed by Borsa Italiana, we inform you that Mr Paggiaro does not hold ordinary shares in Ascopiave S.p.A..

Press release by Ascopiave S.p.A.

On 15th October 2018, Ascopiave's Board of Directors resolved to start the preparatory stage of a process aimed at (i) enhancing its activities in the gas sales sector and (ii) strengthening and consolidating its presence in the distribution sector, in both cases also through one or more strategic partnerships, hiring prominent financial and legal consultants. Ascopiave will keep the market informed about any subsequent developments of such process.

Reform of the gas settlement regulatory framework by Resolution 72/2018/R/GAS dated 8th February 2018

On 6th November 2018, the Group's main shipper issued the certificates related to the volumetric adjustments for the years 2013-2016 due to the updating of the data used for the first allocation with the closure of the station.

On 7th November 2018, Snam Rete Gas published the non-definitive data on the adjustment sessions for the year 2017. The data received as concerns the volumetric adjustments due to the updating of the data used for the first allocation with the closure of the station, as well as the economic impacts deriving from the ARERA resolutions 670/2017/R/gas and 782/2017/R/gas, which neutralised the in-output delta for users of the distribution network, were estimated by the Group's sales segment and recorded in the fourth quarter of the year.

Significant events subsequent to the end of the year 2018

Approval of the merger through acquisition of Unigas Distribuzione S.r.l. into Ascopiave S.p.A.

On 28th January 2019, the Boards of Directors of Ascopiave and Unigas approved a business combination to be implemented by means of the merger through acquisition of Unigas into Ascopiave, immediately followed by the concentration in Edigas Esercizio Distribuzione Gas S.p.A. of Unigas's operating activities in the network segment.

Through the Combination Project, Ascopiave and Unigas pursue the objective of entrusting the activities they perform in the gas distribution sector in some areas of Lombardy to a single operator, thus further improving their positioning on the market and the quality standards of the service provided in the relevant territories.

The terms and conditions of the Merger are governed by a framework agreement signed on 28th January 2019 between Ascopiave, Unigas and, limited to the assumption of certain commitments, Anita S.r.l., as the reference



partner of Unigas (the “Framework Agreement”). On the same date, the Boards of Directors of Ascopiave and Unigas approved the Merger plan, which will be submitted for validation to the respective Shareholders’ Meetings as well as Anita’s Shareholders’ Meeting.

The auditing firm Reconta Ernst & Young S.p.A. has been appointed by the Court of Venice as an expert for the purpose of expressing an opinion on the adequacy of the share exchange ratio, pursuant to art. 2501-sexies, Italian Civil Code. This opinion will be made available in accordance with the applicable legislation.

The completion of the combination is expected, subject to the approval by the aforementioned Shareholders’ Meetings and the issue of a positive opinion on the adequacy of the share exchange ratio by Reconta Ernst & Young S.p.A., within the first half of 2019.

Pursuant to the Framework Agreement, Ascopiave and Unigas may withdraw from their respective obligations relating to the completion of the combination upon the occurrence, between the merger’s approval date and the date envisaged for the conclusion of the Merger deed, of certain extraordinary events, to date unpredictable, which could have a significant impact on either of the two companies involved in the Merger.

Unigas, concessionaire of the methane gas distribution service in 32 municipalities in the province of Bergamo, served about 95,000 users in 2017, distributing over 150,000,000 cubic metres of gas through 1,000 Km of network managed and generating revenues of Euro 15.2 million. In the same period, EBITDA amounted to Euro 5.5 million.

The Merger

The Merger will be implemented through (i) cancellation of the shares representing 100% of Unigas’s share capital on the date of execution of the Merger deed and (ii) transfer to Anita, in exchange for its stake in Unigas, of treasury shares of Ascopiave, without the need to proceed with an increase in the share capital of Ascopiave due to the swap.

Pursuant to art. 2501-*quater*, second paragraph, Italian Civil Code, for both companies the applicable balance sheet for the Merger is contained in the interim financial statements at 30th September 2018.

The share exchange ratio determined by the Boards of Directors of Ascopiave and Unigas, supported by their respective financial advisors, is 3.7788 treasury shares of Ascopiave for each Unigas share whose nominal value is Euro 1.00.

On the basis of the aforesaid exchange ratio, therefore, 7,149,505 Ascopiave treasury shares, equal to [3.05]% of Ascopiave’s share capital after the Merger, shall be transferred to Anita. As better described in the Merger plan, the aforesaid share exchange ratio may be adjusted solely due to the effect of any payment, prior to the effective date of the Merger (i) of an ordinary dividend by Ascopiave and/or Unigas and/or (ii) an extraordinary dividend possibly resolved by Ascopiave’s Shareholders’ Meeting, as notified to the market on 8th June 2018, in order to allow the majority shareholder Asco Holding S.p.A. to pay the liquidation value to its shareholders who exercised their right of withdrawal, as they did not participate in the acceptance of the resolution for the approval of certain amendments to the articles of association adopted on 23rd July 2018.

The final share exchange ratio will be announced as soon as it is available via a specific press release published on Ascopiave’s website www.gruppoascopiave.it.

“The Operation – said Nicola Ceconato, Ascopiave’s Chairman – is a step forward in the consolidation process of the Ascopiave Group in the Natural Gas Distribution sector, consistent with the strategy to strengthen the Group’s assets in the field of regulated activities. The consolidation of the activities currently managed by Unigas will enable us to improve the efficiency levels and the services provided in the relevant territories, by capitalising on the industrial expertise of the companies involved”.



Further information on the Merger will be made available to the public on Ascopiave's website www.gruppoascopiave.it in accordance with the current legislation.

Press release by Ascopiave S.p.A.

On 20th February 2019, as announced on 15th October 2018, Ascopiave S.p.A.'s Board of Directors approved the launch of the first stage of a process aimed at (i) enhancing its activities in the gas sales sector and (ii) strengthening and consolidating its presence in the distribution sector, in both cases also through one or more strategic partnerships. The expressions of interest and non-binding offers from the participants will be received during this first stage within 15th April 2019. The operators contacted to participate in the process are over 20 to date.

Ascopiave will keep the market informed about any subsequent developments of such process.

Press release by Asco Holding S.p.A.

On 6th March 2019, Asco Holding S.p.A. ("Asco Holding" or the "Company") announced that, as regards the withdrawal procedure of the shareholders who did not participate in the approval of the Shareholders' Meeting resolution dated 23rd July 2018 concerning certain amendments to the articles of association, on 20th February 2019 the expert appointed by the Court of Venice pursuant to art. 2437-ter, paragraph 6, Italian Civil Code, determined the unit liquidation value of the shares for which withdrawal was exercised, equal to Euro 4.047, assuming as the reference date of the assessment the date of the Meeting that approved the resolutions legitimating the withdrawal.

The determination by the expert appointed by the Court became necessary because some of the withdrawing shareholders challenged the withdrawal value determined by the Board of Directors on 8th June 2018, on the basis of the assessment prepared by the independent consultant KPMG Advisory S.p.A. and endorsed by the Board of Auditors and the auditing firm Price Waterhouse Coopers S.p.A..

In the light of the above, Asco Holding's Board of Directors, which met on March 6th, 2019, resolved to launch the procedure to offer its shareholders the right to exercise the first option to buy the 28,279,062 shares, for which the right of withdrawal was validly exercised and whose liquidation value determined by the Board was challenged, at the unit price of Euro 4.047, corresponding to the liquidation value determined by the expert. The pre-emption offer notice will be filed with the Company Register of Treviso and Belluno by 7th March 2019. In order to cope with the disbursement connected with the withdrawal procedure, the Board also decided to submit to the Board of Directors of the subsidiary Ascopiave S.p.A. a request to convene the Shareholders' Meeting in order to resolve on a proposal for the extraordinary distribution of available reserves to all shareholders up to an amount of Euro 50 million.

Outlook for 2019

As far as the gas distribution activities are concerned, in 2019 the Group will continue its normal operations and service management and perform preparatory activities for the invitations to tender. The Group will also participate in the tenders invited, if any, for the award of the Minimum Territorial Areas in which it is interested. Most Towns currently managed by the Group belong to Minimum Territorial Areas for which the maximum deadline to issue the call for tenders has expired. If the tender authorities issue calls for tenders in 2019, in the light of the time required to submit bids, and evaluate and select them, it is reasonable to assume that possible transfers of management to potential new operators may be executed only after the end of 2019.

Thus, the activity perimeter of the Group will likely not change compared to today, even if we assume the possibility of winning the tender for the assignment of the natural gas distribution service in the Minimum Territorial Area of Belluno, provided that the winner is selected by the end of 2019. Indeed, the transfer of the management of the plants from the previous operators is believed to require a considerable period of time; therefore, according to reasonable estimates, such process could be completed after 31st December 2019.

As regards the economic results, the tariff adjustment for the year 2019 is completely defined and should ensure revenues substantially in line with those of 2018.

As concerns the energy efficiency obligations, it is plausible that the economic margin that will be achieved in 2019 marks a decrease as compared to that recorded in 2017 and 2018, due to regulatory changes that took effect in the third quarter of 2018. These changes have significantly altered the price of the energy efficiency certificates as well as the maximum value of the contribution granted.

As far as gas sale is concerned, assuming normal weather conditions, trade margins are expected to decrease compared to 2018, despite the cessation of the non-recurring overall negative impact on profit and loss due to the application of the gas settlement regulation for the years 2013-2017 recorded in 2018, because of the competitive pressure in the retail market and the possible increase in the cost of gas procurement for the next thermal year (effective from 1st October 2019). The Group is also exposed to the positive or negative economic impact deriving from the effects related to the gas settlement regulation for the year 2018.

As regards electricity sales, the fiscal year 2019 could record results in line with 2018.

However, these results could be influenced, in addition to the possible new tariff provisions by the Regulatory Authority for Energy, Networks and the Environment – currently unforeseeable – also by the evolution of the more general competitive context, as well as by the Group's procurement strategy.

The actual results of 2019 could differ from those announced depending on various factors amongst which: the evolution of supply and demand and gas and electricity 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 in business conditions.

Dividend proposal

Ascopiave S.p.A.'s Board of Directors, considering the results of the period and the solidity of the Group's capital and financial structure, will suggest to the Shareholders' Meeting the distribution of a dividend of 0.125 Euro per share, for a total of Euro 27.8 million; this amount is calculated on the basis of outstanding shares at the end of 2018.

Ascopiave S.p.A. announces that, if approved, the dividend will be paid on May 9th, 2019, with ex-dividend date on May 7th, 2019 (record date on May 8th, 2019).

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

During the same meeting, Ascopiave S.p.A.'s Board of Directors considered the request received from the parent company Asco Holding S.p.A. to convene the Shareholders' Meeting, pursuant to art. 2367, Italian Civil Code, and art. 125-ter, paragraph 3, Legislative Decree dated 24th February 1998, no. 58, whose agenda is "*Extraordinary distribution of available reserves. Related and consequent resolutions*". Specifically, the distribution of an extraordinary dividend was requested in favour of all shareholders, up to Euro 50 million, sufficient to guarantee the payment to Asco Holding of a dividend equal to a maximum amount of Euro 30 million. The company has

started the assessment of the sustainability of such extraordinary dividend, including the request of an opinion from an external advisor.

Shareholder's Meeting

The Board of Directors has furthermore decided to convene the ordinary Shareholders' Meeting on first call on April 23rd, 2019 at the registered office in Pieve di Soligo (TV), Via Verizzo n. 1030 at 15.00 and on second call on April 26th, 2019, same place and time.

The ordinary Shareholders' Meeting shall:

- approve the financial statements for the year 2018, together with the associated documentation;
- resolve on the Remuneration Policy pursuant to art. 123-*ter* of Italian Legislative Decree 58/1998.

The reports illustrating the agenda and the draft financial statements as at 31st December 2018, along with their annexes, including the new Non-financial consolidated disclosure, shall be made available to the public at the registered office and at the stock management company Borsa Italiana S.p.A., stored in the "eMarket SDIR-eMarket Storage" system provided by Spafid Connect S.p.A. and published on the website www.gruppoascopiave.it within the time prescribed by law.

Statement by the manager in charge

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

Annexes

Consolidated profit and loss account, balance sheet and cash flow statement of the Ascopiave Group are hereby included together with similar documents of Ascopiave S.p.A..

We would like to point out that these documents and the relevant notes have been submitted to the Board of Auditors and to the Auditing Firm for the required assessments.

The Ascopiave Group operates in the natural gas sector, mainly in the segments of distribution and sale to end users..

Thanks to its broad customer base and the quantity of gas sold, Ascopiave is currently one of the main operators in the industry at a national level.

The Group owns concessions and direct assignments for the management of distribution activities in 230 Towns, supplying the service to a market segment of 1.5 million inhabitants, through a distribution network which spreads over 10,000 kilometres.

The sale of natural gas is performed through different companies, some under joint control. Overall, in 2018, the companies of the Group sold over 1 billion cubic metres of gas to end users.

Ascopiave has been listed under the Star segment of Borsa Italiana since 12th December 2006.



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Pieve di Soligo, 11th March 2019



Ascopiave Group

Consolidated financial statements

as of 31st December 2018

Consolidated statement of financial position

(Thousands of Euro)	31.12.2018	31.12.2017
ASSETS		
Non-current assets		
Goodwill	80,758	80,758
Other intangible assets	351,878	346,934
Tangible assets	32,724	32,334
Shareholdings	68,357	68,878
Other non-current assets	12,044	13,015
Non current financial assets	1,122	
Advance tax receivables	11,358	11,479
Non-current assets	558,240	553,397
Current assets		
Inventories	6,020	4,072
Trade receivables	166,947	156,884
Other current assets	45,062	57,865
Current financial assets	981	0
Tax receivables	1,508	2,645
Cash and cash equivalents	66,650	15,555
Current assets from derivative financial instruments	123	1,510
Current assets	287,291	238,532
ASSETS	845,530	791,929
Net equity and liabilities		
Total Net equity		
Share capital	234,412	234,412
Own shares	(16,981)	(17,521)
Reserves	226,136	228,620
Net equity of the Group	443,567	445,511
Net equity of Others	4,303	4,989
Total Net equity	447,869	450,500
Non-current liabilities		
Provisions for risks and charges	3,901	5,913
Severance indemnity	4,807	4,836
Medium- and long-term bank loans	55,111	54,360
Other non-current liabilities	28,003	22,930
Non-current financial liabilities	0	277
Deferred tax payables	14,534	15,733
Non-current liabilities	106,356	104,048
Current liabilities		
Payables due to banks and financing institutions	131,044	80,304
Trade payables	131,185	117,653
Tax payables	207	625
Other current liabilities	27,539	38,312
Current financial liabilities	115	480
Current liabilities from derivative financial instruments	1,216	7
Current liabilities	291,305	237,382
Liabilities	397,661	341,430
Net equity and liabilities	845,530	791,929

Consolidated income statement

(Thousands of Euro)	Full Year	
	2018	2017
Revenues	581,652	532,792
Total operating costs	503,580	450,268
Purchase costs for raw material (gas)	307,586	252,492
Purchase costs for other raw materials	25,156	18,085
Costs for services	114,827	113,457
Costs for personnel	26,030	24,855
Other management costs	30,336	42,109
Other income	356	731
Amortization and depreciation	22,972	22,585
Operating result	55,101	59,939
Financial income	322	287
Financial charges	1,101	755
Evaluation of subsidiary companies with the net equity method	8,553	7,398
Earnings before tax	62,875	66,869
Taxes for the year	16,376	17,617
Result for the year	46,499	49,252
Group's Net Result	44,625	47,135
Third parties Net Result	1,874	2,117
Consolidated statement of comprehensive income		
1. Components that can be reclassified to the income statement		
Fair value of derivatives, changes in the year net of tax	(2,281)	(356)
Income tax relating to components of comprehensive income		
2. Components that can not be reclassified to the income statement		
Actuarial (losses)/gains from remeasurement on defined-benefit obligations net of tax	11	63
Total comprehensive income	44,230	48,959
Group's overall net result	42,591	46,887
Third parties' overall net result	1,639	2,072
Base income per share	0.200	0.212
Diluted net income per share	0.200	0.212

* 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

	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
(Thousands of Euro)									
Balance as of 1st January 2018	234,412	46,882	(17,521)	(46)	134,649	47,135	445,511	4,989	450,500
Result for the year						44,625	44,625	1,874	46,499
Other operations					(2,045)		(2,045)	(236)	(2,281)
IAS 19 TFR actualization for the year				11			11	1	11
Total result of overall income statement				11	(2,045)	44,625	42,591	1,639	44,230
Allocation of 2017 result					47,135	(47,135)	(0)		(0)
Dividends distributed to Ascopiave S.p.A. shareholders'					(40,016)		(40,016)		(40,016)
Dividends distributed to third parties shareholders							(0)	(2,054)	(2,054)
Other operations					(743)		(743)		(743)
Long-term incentive plans			540		(810)		(269)		(269)
Company aggregations					(3,506)		(3,506)	(272)	(3,778)
Balance as of 31st December 2018	234,412	46,882	(16,981)	(35)	134,664	44,625	443,567	4,303	447,869

	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
(Thousands of Euro)									
Balance as of 1st January 2017	234,412	46,882	(17,521)	(108)	120,757	53,635	438,055	6,154	444,209
Result for the year						47,135	47,135	2,117	49,252
Other operations					(310)		(310)	(46)	(356)
IAS 19 TFR actualization for the year				63			63	0	63
Total result of overall income statement				63	(310)	47,135	46,887	2,072	48,959
Allocation of 2016 result					53,635	(53,635)	(0)		(0)
Dividends distributed to Ascopiave S.p.A. shareholders'					(40,016)		(40,016)		(40,016)
Dividends distributed to third parties shareholders							(0)	(3,237)	(3,237)
Long-term incentive plans			(0)		584		584		584
Balance as of 31st December 2017	234,412	46,882	(17,521)	(46)	134,649	47,135	445,511	4,989	450,500

Consolidated financial statement

(Thousands of Euro)	Full Year	
	2018	2017
Net income of the Group	44,625	47,135
Cash flows generated (used) by operating activities		
Adjustments to reconcile net income to net cash		
Third-parties operating result	1,874	2,117
Amortization	22,972	22,585
Bad debt provisions	1,964	1,885
Variations in severance indemnity	(6)	(15)
Current assets / liabilities on financial instruments and forward purchasee and sales	2,597	271
Net variation of other funds	(1,318)	(735)
Evaluation of subsidiaries with the net equity method	(8,558)	(7,398)
Impairment losses / (gains) on shareholdings	5	(373)
Interests paid	(935)	(414)
Taxes paid	(12,549)	(29,097)
Interest expense for the year	1,033	618
Taxes for the year	16,376	17,617
Variations in assets and liabilities		
Inventories	(1,947)	411
Accounts payable	(12,027)	(3,333)
Other current assets	13,240	(4,309)
Trade payables	13,532	(4,317)
Other current liabilities	(18,234)	5,679
Other non-current assets	971	561
Other non-current liabilities	5,073	1,662
Total adjustments and variations	24,065	3,414
Cash flows generated (used) by operating activities	68,690	50,549
Cash flows generated (used) by investments		
Investments in intangible assets	(26,988)	(22,458)
Realisable value of intangible assets	1,210	609
Investments in tangible assets	(2,557)	(1,129)
Realisable value of tangible assets	29	2
Disposals / (Acquisition) of investments and advances	(3,778)	(9,655)
Other net equity operations	0	648
Cash flows generated/(used) by investments	(32,084)	(31,983)
Cash flows generated (used) by financial activities		
Net changes in debts due to other financers	(277)	(80)
Net changes in short-term bank borrowings	(4,343)	(7,754)
Net variation in current financial assets and liabilities	(2,468)	(3,165)
Purchase of own shares	540	0
Ignitions loans and mortgages	218,000	345,000
Redemptions loans and mortgages	(162,166)	(309,287)
Dividends distributed to Ascopiave S.p.A. shareholders'	(40,016)	(40,016)
Dividends distributed to other shareholders	(2,054)	(3,237)
Dividends distributed from subsidiary companies	7,274	6,706
Cash flows generated (used) by financial activities	14,489	(11,833)
Variations in cash	51,095	6,733
Cash and cash equivalents at the beginning of the year	15,555	8,822
Cash and cash equivalents at the end of the year	66,650	15,555



Ascopiave S.p.A.

Prospects of the financial statements

as of 31st December 2018

Statement of financial position

(Euro)	31.12.2018	31.12.2017
ASSETS		
Non-current assets		
Other intangible assets	3,960	123,377
Tangible assets	27,252,939	28,188,929
Shareholdings	501,855,734	498,077,734
Other non-current assets	2,794,254	4,466,108
Non current financial assets	1,122,013	
Advance tax receivables	1,735,300	2,038,604
Non-current assets	534,764,200	532,894,752
Current assets		
Trade receivables	5,273,832	6,419,796
Other current assets	3,549,510	5,737,453
Current financial assets	26,030,784	21,071,183
Tax receivables	308,904	664,277
Cash and cash equivalents	58,395,983	9,330,156
Current assets	93,559,012	43,222,864
ASSETS	628,323,212	576,117,616
Net equity and liabilities		
Total Net equity		
Share capital	234,411,575	234,411,575
Own shares	(16,980,868)	(17,521,332)
Reserves and result for the year	182,700,183	181,546,868
Total Net equity	400,130,890	398,437,111
Non-current liabilities		
Provisions for risks and charges	322,822	926,072
Severance indemnity	270,619	257,274
Medium- and long-term bank loans	55,110,559	54,359,925
Other non-current liabilities	8,800	46,279
Deferred tax payables	20,414	21,206
Non-current liabilities	55,733,213	55,610,755
Current liabilities		
Payables due to banks and financing institutions	131,013,648	80,181,482
Trade payables	2,033,633	2,774,088
Other current liabilities	2,916,560	3,284,763
Current financial liabilities	36,495,268	35,829,417
Current liabilities	172,459,109	122,069,750
Liabilities	228,192,322	177,680,505
Net equity and liabilities	628,323,212	576,117,616

Income statement

(Euro)	Full Year	
	2018	2017
Revenues	62,402,117	61,732,301
Distribution of dividends from controlled companies	49,881,646	49,644,366
Other revenues	12,520,471	12,087,934
Total operating costs	19,586,111	16,608,697
Purchase costs for other raw materials	15,077	779
Costs for services	9,675,984	8,467,039
Costs for personnel	9,315,661	7,445,488
Other management costs	811,531	773,194
Other income	232,141	77,804
Amortization and depreciation	1,602,946	1,755,830
Operating result	41,213,060	43,367,774
Financial income	384,576	237,239
Financial charges	1,195,165	751,641
Earnings before tax	40,402,471	42,853,372
Taxes for the year	1,576,821	764,382
Result for the year	41,979,291	43,617,754
Statement of comprehensive income		
Components that can not be reclassified to the income statement		
Actuarial (losses)/gains from remeasurement on defined-benefit obligations net of tax	296	4,875
Total comprehensive income	41,978,995	43,622,629

Statement of changes in shareholders' equity

	Share capital	Legal reserve	Own shares	Other reserves	Reserves IAS 19 actuarial differences	Net result for the year	Total net equity
(Euro)							
Balance as of 1st January 2018	234,411,575	46,882,315	(17,521,332)	91,086,967	(40,168)	43,617,754	398,437,111
Result for the year						41,979,291	41,979,291
IAS 19 TFR actualization for the year					(296)		(296)
Total result of overall income statement				(0)	(296)	41,979,291	41,978,995
Allocation of 2017 result				43,617,754		(43,617,754)	(0)
Dividends paid to shareholders				(40,015,926)			(40,015,926)
Long-term incentive plans			540,464	(809,754)			(269,290)
Balance as of 31st December 2018	234,411,575	46,882,315	(16,980,868)	93,879,041	(40,464)	41,979,291	400,130,890

	Share capital	Legal reserve	Own shares	Other reserves	Reserves IAS 19 actuarial differences	Net result for the year	Total net equity
(Euro)							
Balance as of 1st January 2017	234,411,575	46,882,315	(17,521,185)	96,818,935	(45,043)	33,699,756	394,246,207
Result for the year						43,617,754	43,617,754
IAS 19 TFR actualization for the year					4,875		4,875
Total result of overall income statement				(0)	4,875	43,617,754	43,622,629
Allocation of 2016 result				33,699,756		(33,699,756)	(0)
Dividends paid to shareholders				(40,015,926)			(40,015,926)
Long-term incentive plans				584,202			584,202
Balance as of 31st December 2017	234,411,575	46,882,315	(17,521,185)	91,086,967	(40,168)	43,617,754	398,437,111

Consolidated financial statement

(Euro)	Full Year	
	2018	2017
Net income of the year	41,979,291	43,617,754
Cash flows generated (used) by operating activities		
Adjustments to reconcile net income to net cash	2,633,119	3,914,018
Amortization	1,602,946	1,755,830
Variations in severance indemnity	13,049	9,346
Net variation of other funds	(955,349)	283,051
Interests paid	(934,791)	(404,078)
Taxes paid	3,292,399	2,286,113
Interest expense for the year	1,191,685	748,137
Taxes for the year	(1,576,821)	(764,382)
Variations in assets and liabilities		
Accounts payable	1,145,965	991,902
Other current assets	2,187,943	3,329,933
Trade payables	(740,454)	994,594
Other current liabilities	(2,140,446)	(1,621,355)
Other non-current assets	1,671,854	(4,174)
Other non-current liabilities	(37,479)	2,000
Total adjustments and variations	4,720,501	7,606,916
Cash flows generated (used) by operating activities	46,699,792	51,224,670
Cash flows generated (used) by investments		
Investments in intangible assets		
Realisable value of intangible assets	0	(2,520)
Realisable value of tangible assets	(547,539)	(520,274)
Disposal/(Acquisitions) in investments and avances	(3,778,000)	(16,300,000)
Other net equity operations	0	584,202
Cash flows generated/(used) by investments	(4,325,539)	(16,238,592)
Cash flows generated (used) by financial activities		
Net changes in short-term bank borrowings	(4,250,793)	15,894,394
Net variation in current financial assets and liabilities	(6,081,614)	(25,863,967)
Net change in loans to associates	665,851	0
Purchase of own shares	540,464	0
Net changes in medium and long-term loans	55,833,593	19,818,518
Dividends paid to shareholders	(40,015,926)	(40,015,926)
Cash flows generated (used) by financial activities	6,691,574	(30,166,982)
Variations in cash	49,065,827	(4,819,097)
Cash and cash equivalents at the beginning of the year	9,330,156	4,511,059
Cash and cash equivalents at the end of the year	58,395,983	9,330,156