

Bolzano, 2 August 2019

Alperia Group: Interim report on operations approved with significant growth in consolidated results

- **Total revenues up 15%**
- **EBITDA up from 93.4 million euros to 105.1 million euros**
- **Group net profit particularly strong**
- **Over 36 million euros in capital expenditure in just 6 months**
- **Positive cash generation capacity**

On 1 August 2019, the Management Board of Alperia SpA examined and approved the interim consolidated financial statements at 30 June 2019.

Total Group revenues amounted to 746.3 million euros, significantly higher compared to last year (+97.7 million), mainly as a result of the first-time consolidation of the subsidiary Alperia SUM (active in the sale of electricity and gas).

In the first half, hydroelectric production was down 9% compared to last year, due to the delayed melting of last winter's abundant snowpack, which started later compared with 2018.

The average price of energy recorded on the Power Exchange was just over €55/MWh, up by approx. 2.4% compared to 2018.

Group EBITDA amounted to 105.1 million euros compared to 93.4 million euros in the first half of 2018. However, comparison between the two periods is not homogeneous due to the change in the scope of consolidation, the classification of some companies as Discontinuing Operations and the application of the new international accounting standard IFRS 16 (Leasing).

Group net profit in the first half of 2019, equal to 24.9 million euros, was particularly strong when compared with last year's result of 17.8 million euros; it was also the result of a one-off transaction carried out by the Group involving tax relief on a number of intangible assets consisting of certain hydroelectric concessions.

Alperia AG
Zwölfmalgreiener Straße 8
39100 Bozen, Italien

Alperia SpA
Via Dodiciville 8
39100 Bolzano, Italia

T +39 0471 986 111
F +39 0471 987 100
info@alperia.eu
alperia@pec.alperia.eu
www.alperia.eu

MwSt.-, St.- und Eintragungsnr. im
Handelsregister Bozen
P. IVA, Cod. Fiscale e nr. iscrizione
Registro delle Imprese di Bolzano
02858310218

Gesellschaftskapital
Capitale sociale
Euro 750.000.000,00 v.e. / i.v.



*wir sind
südtiroler
energie
siamo
l'energia
dell'alto adige*

Capital expenditure in the reporting also increased significantly, amounting to over 36 million euros (24 million euros in 2018), in particular in electricity distribution to strengthen the quality and continuity of service, and in generation to modernise hydroelectric plants.

Net financial indebtedness declined further compared to the first half of 2018 and stood at 422.8 million euros at 30 June 2019 (435.9 million euros at 30 June 2018 million euros), highlighting the Alperia Group's positive cash generation capability, also net of the benefits deriving from the classification of some Group companies among Discontinuing Operations.

The aforementioned amount of 422.8 million euros was affected – negatively – by the first-time adoption of IFRS 16, which resulted in the recognition in the financial statements of a financial debt of about 46 million euros, primarily for the so-called "wet" works for hydroelectric concessions, and – positively – by the inclusion in net financial indebtedness of a financial receivable of 31 million euros related to the ownership of the high-voltage power line, recognised in accordance with IAS 17 (now IFRS 16).

Relevant factors in the individual Business Units

Generation Business Unit

- Moderate hydraulic power, due to a very cold May and, on the contrary, a particularly warm June.
- Electricity generation, mainly concentrated in hydroelectric production in South Tyrol, reached 1,765 GWh, down 9% compared to the same period of 2018.

Sales and Trading Business Unit

- Overall margins from the sale of electricity increased significantly
- Quantity of electricity sold to customers equal to 4,653 GWh, up significantly compared to last year (+1,761 GWh)
- Volumes of natural gas at 255 million cubic meters, up significantly compared to 2018 (+65 million cubic meters)

Grids Business Unit

- Reduction of margins due to an increase in secondary costs
- Increased capitalization of internal services also as a result of increased capital expenditure.

Heat and Services Business Unit

- Electricity produced from cogeneration and biomass slightly down from 152 GWh (2018) to 149 GWh (2019)
- Production of thermal energy equal to 114 GWht, up compared to 2018 (108 GWht)

Smart Region Business Unit

- Alperia Bartucci (active in the energy efficiency sector), Alperia Fiber (operating in the optical fiber sector) and Alperia Smart Mobility (operating in the electric mobility sector) have continued the development of products and services for customers.

The General Manager **Johann Wohlfarter** commented: "The first half of 2019 saw a growth in profit, thanks also to the contribution of Alperia SUM, consolidated for the first time. At 30 June 2019, Generation levels in the Group's power plant basins were considerably higher than the historical average and this bodes well for achieving good results in terms of EBITDA in the second half of the year."

Chairman **Flora Emma Kröss** commented: "After the approval of the updated 2017-2021 Business Plan by the competent corporate bodies in February-March 2019, with new forecasts for the remaining period 2019-2021, we are continuing the activities aimed at reorganising the Group's corporate structure. Specifically, these include the preparatory activities for the sale of certain equity investments considered non-strategic and for the acquisition of other equity investments."

For more information:

Paolo Vanoni
Chief Strategy Officer
paolo.vanoni@alperia.eu

Stefan Stabler
Director Brand & Communication
stefan.stabler@alperia.eu