



FIRST QUARTER 2017 RESULTS

12 MAY 2017

LUCA BETTONTE, CEO





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DISCLAIMER

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There can be no assurance that the projections or forecasts will ultimately prove to be accurate; accordingly, the Company makes no representation or warranty as to the accuracy of such information or the likelihood that the Company will perform as projected.



AGENDA



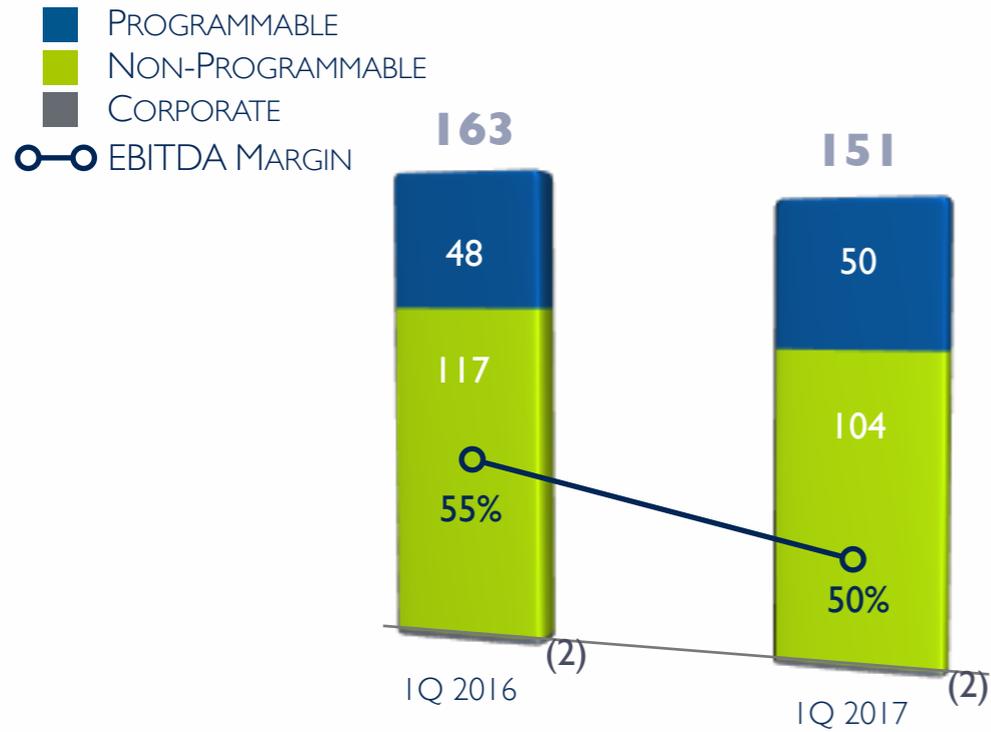
- IQ 2017 Highlights
 - ✓ Key Figures
- Results Review
 - ✓ Business Environment
 - ✓ IQ 2017 Group EBITDA
 - ✓ Results by Segments
- Key Financials
 - ✓ Profit & Loss
 - ✓ Investments
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- 2017 Guidance and Conclusions
- Appendix



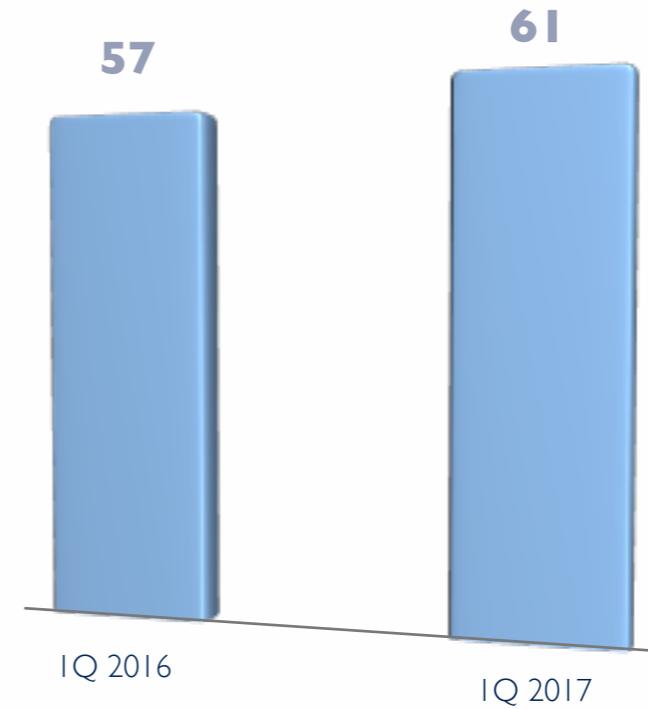
HIGHLIGHTS: KEY FIGURES



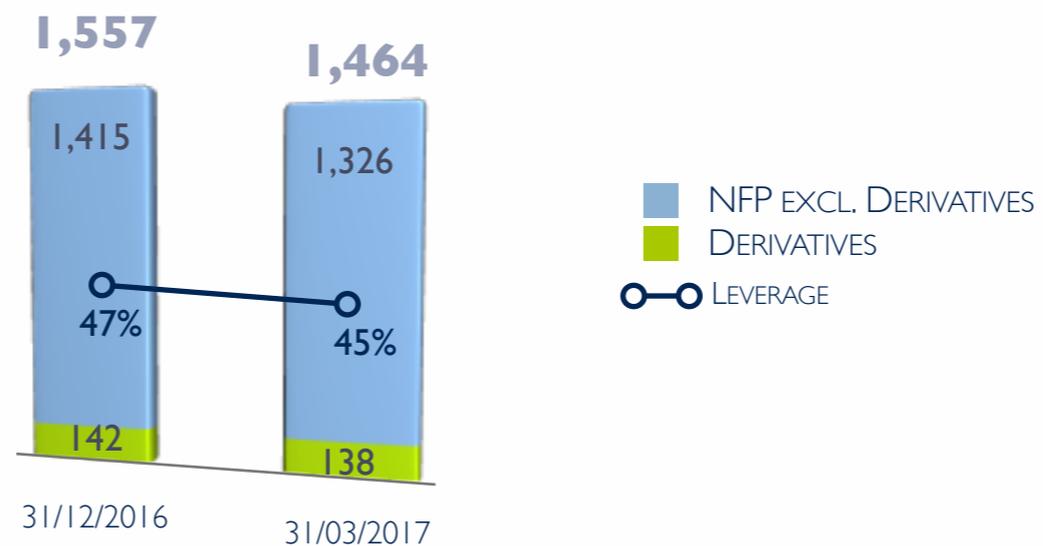
Recurring Ebitda (€ mn)



Recurring Net Profit (€ mn)



NFP (€ mn)



Earnings up despite worse Wind and CCGT, keep deleveraging



RESULTS REVIEW

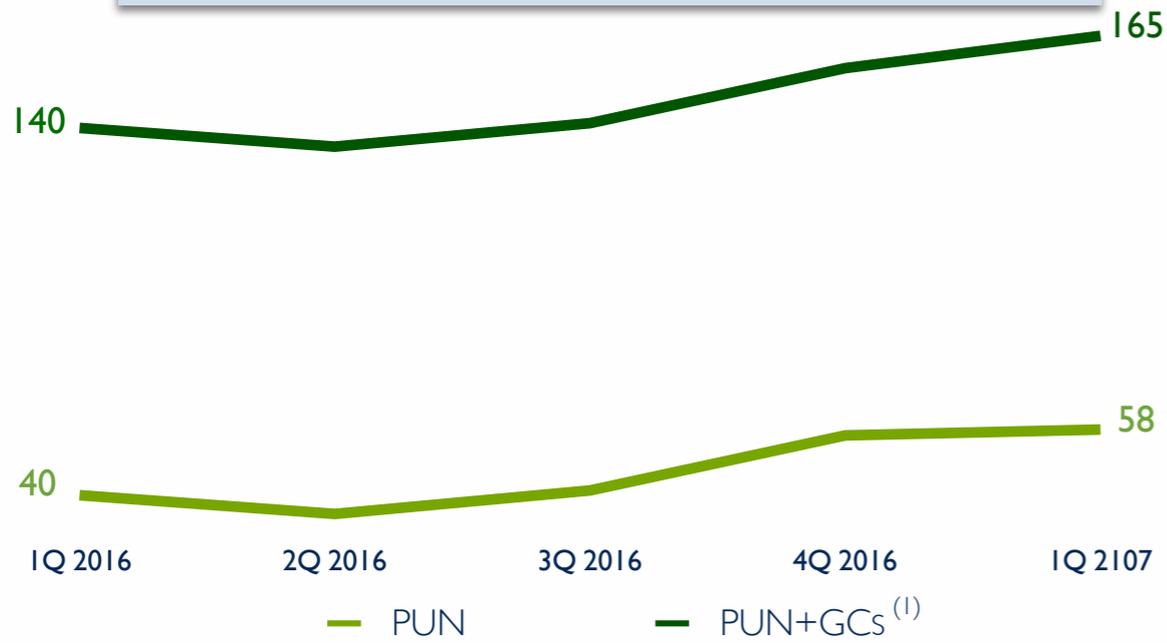
PAOLO MERLI, CFO



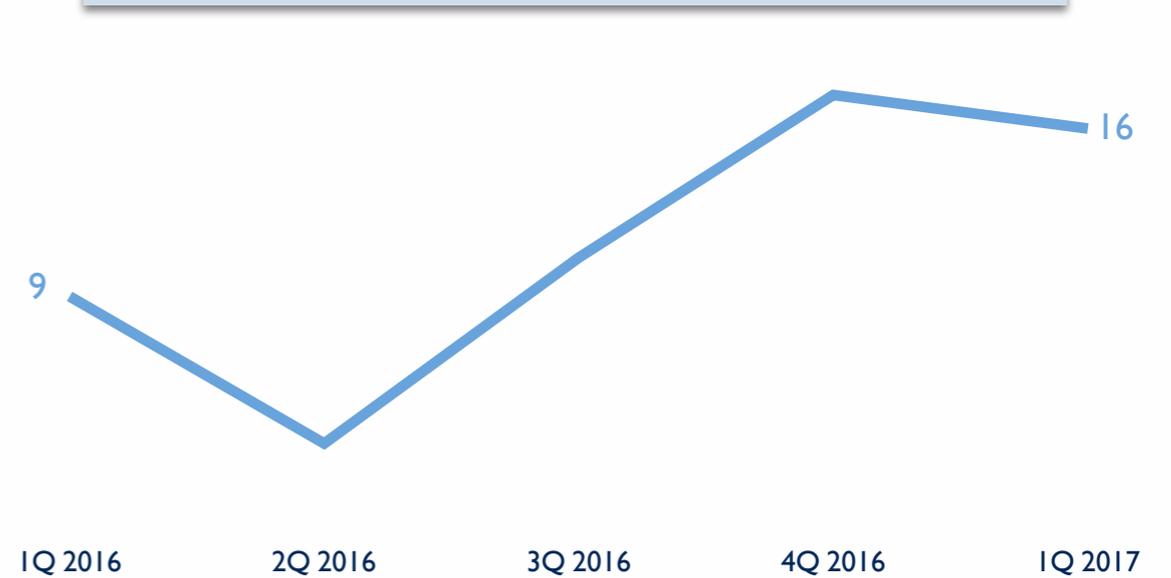
BUSINESS ENVIRONMENT



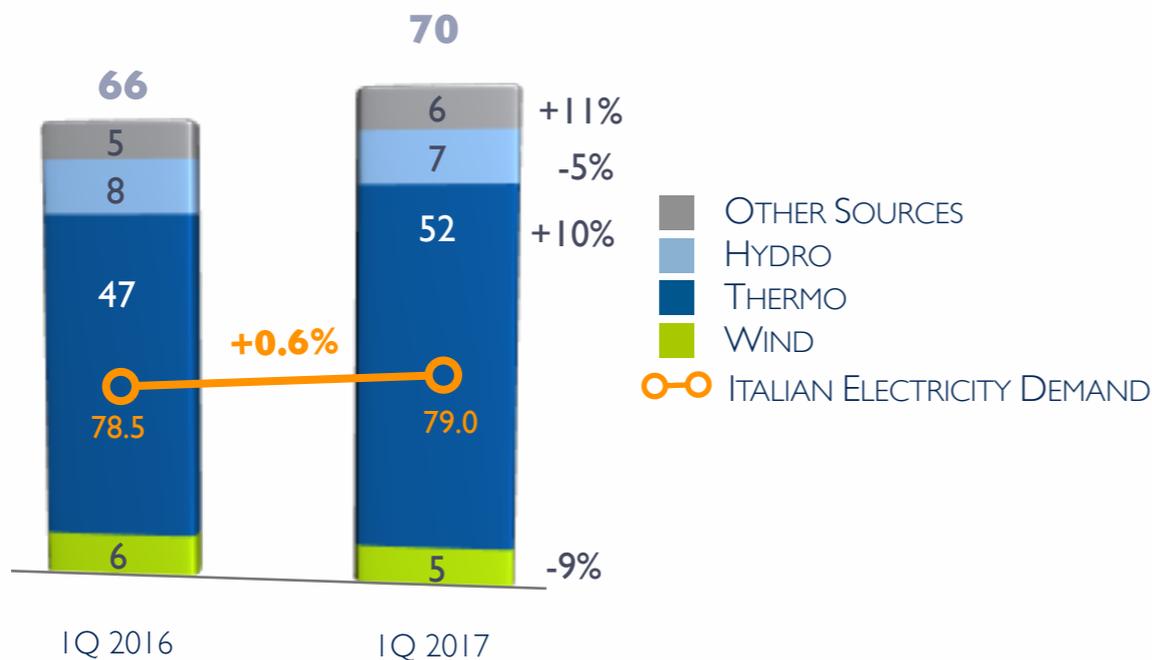
Electricity Prices in Italy (€/MWh)



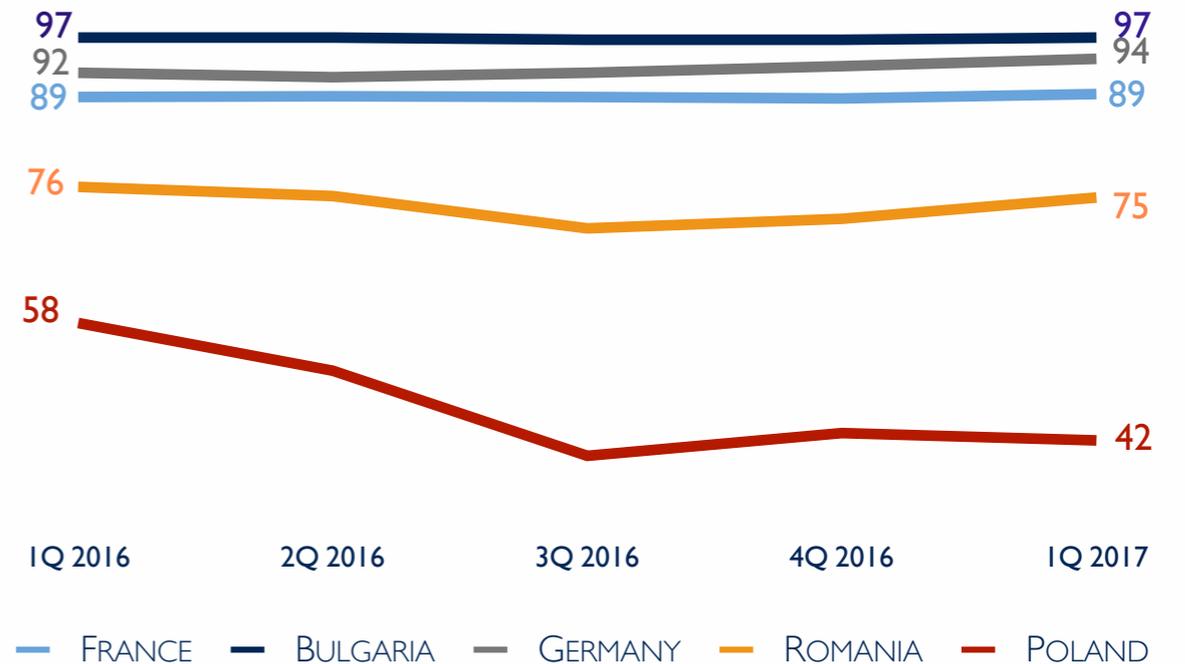
Baseload Spark Spread in Italy (€/MWh)



Italy: Electricity Production vs Demand (TWh)



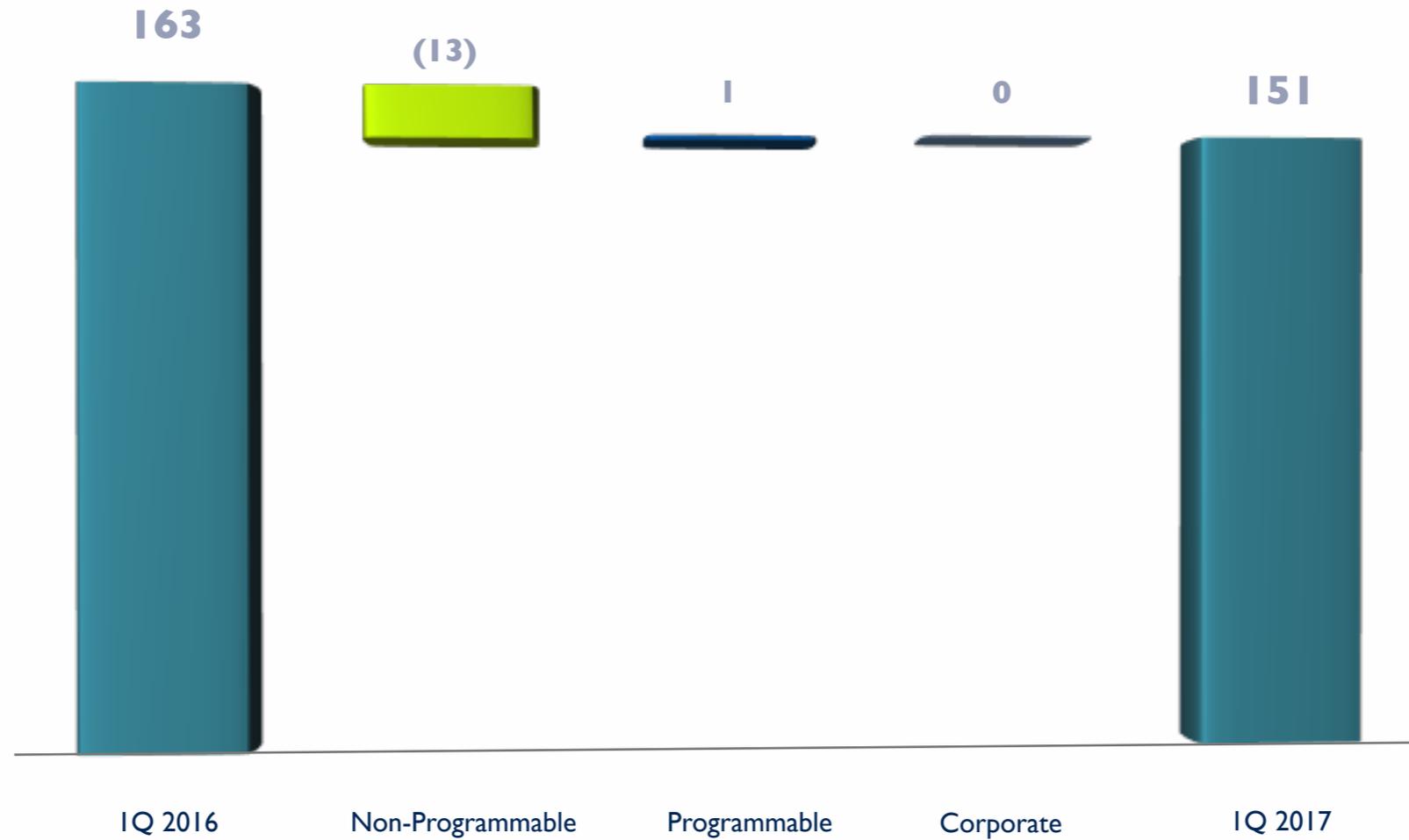
All-in Wind Prices abroad (€/MWh)



(1) Italian theoretical price based on National Average Electricity Price (PUN) in Italy + feed-in premium



IQ 2017 GROUP EBITDA



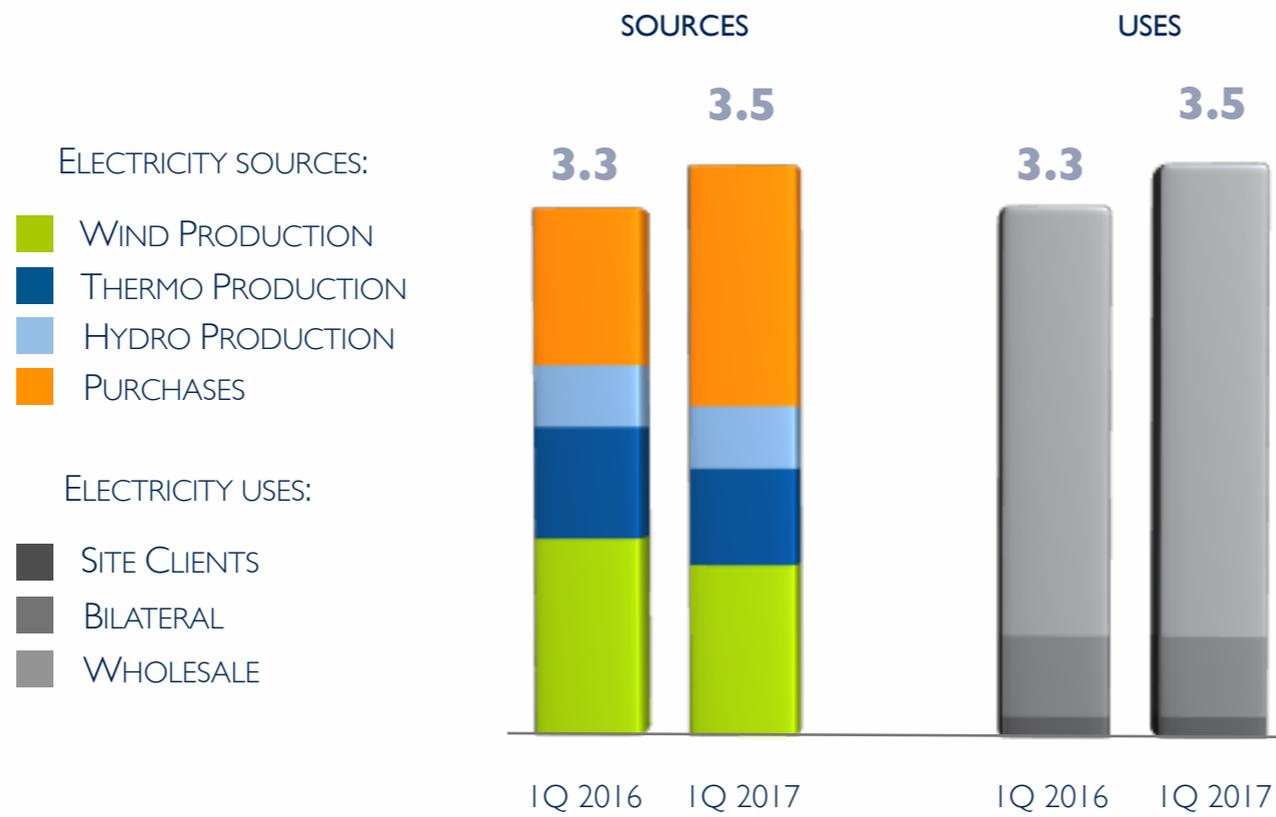
Better Hydro, offset by worst wind conditions and by end of Essential Unit Regime in CCGT



ENERGY PORTFOLIO



IQ 2017 vs IQ 2016 (TWh)



Larger Energy Management portfolio

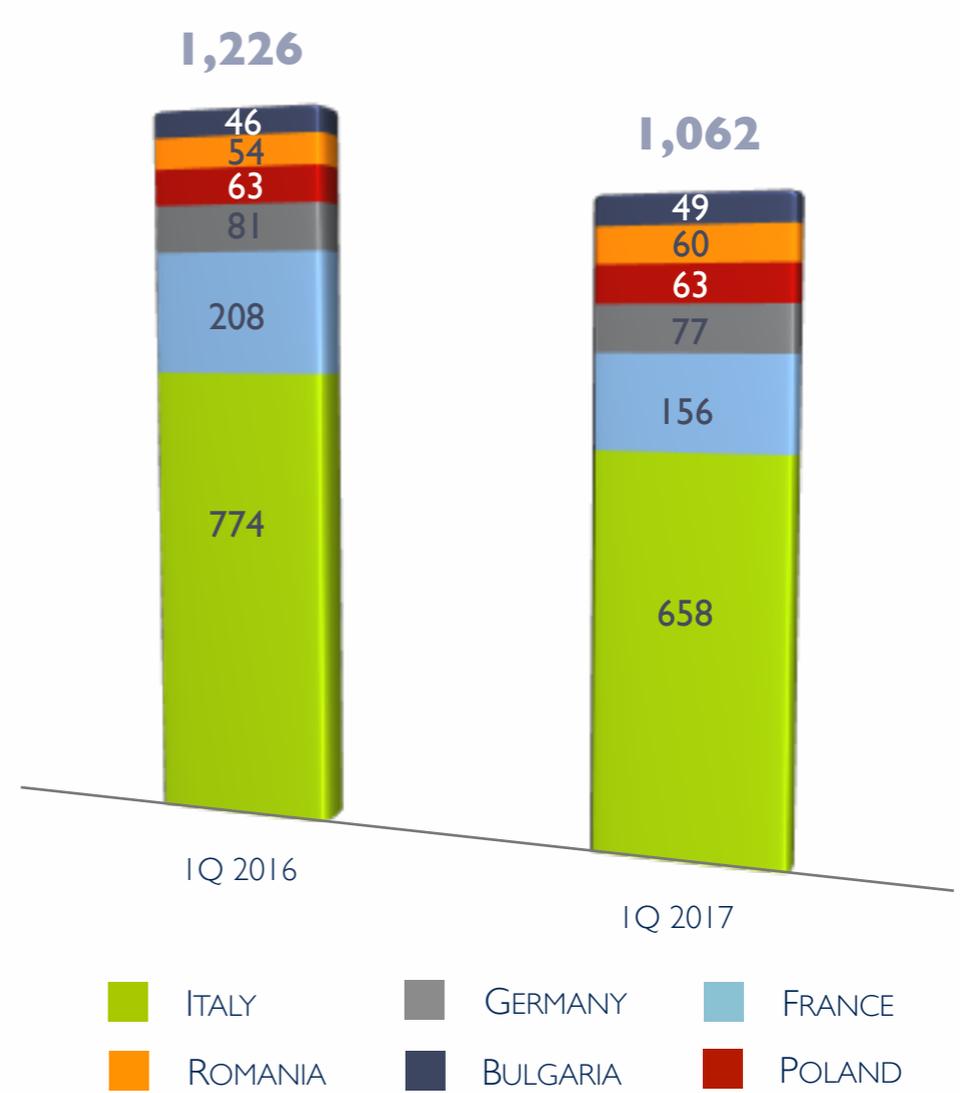
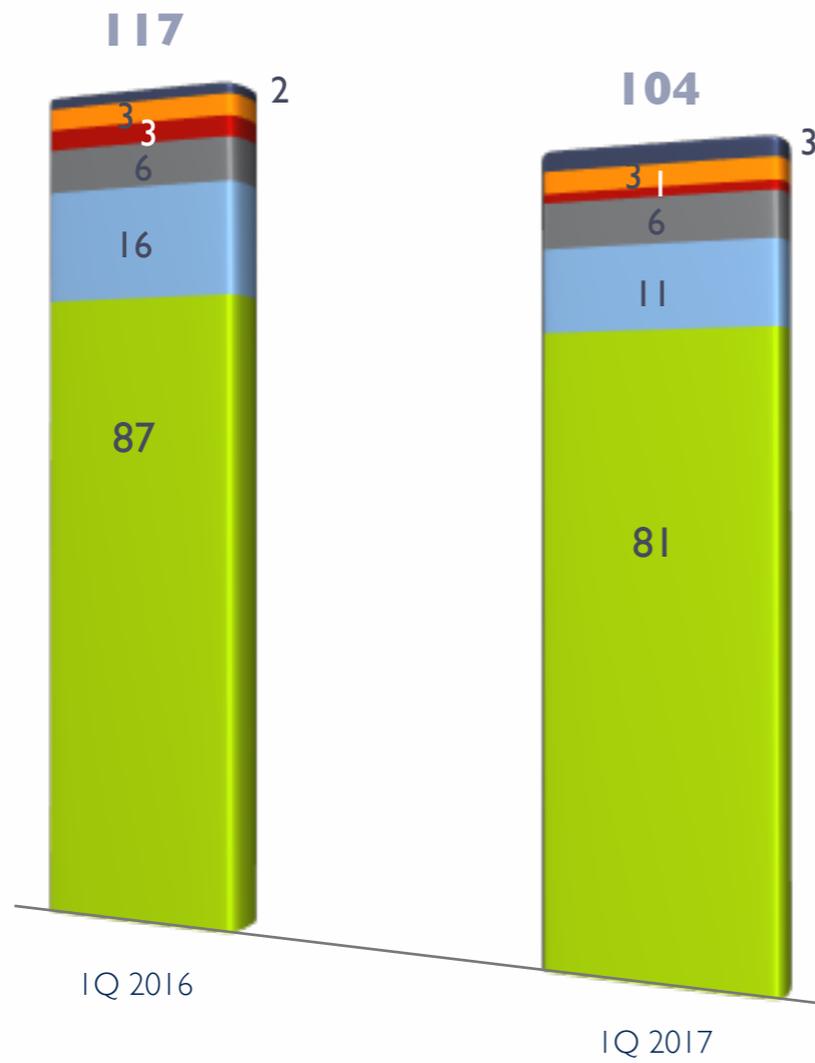


NON-PROGRAMMABLE RESULTS



Recurring Ebitda (€ mn)

Volumes (GWh)



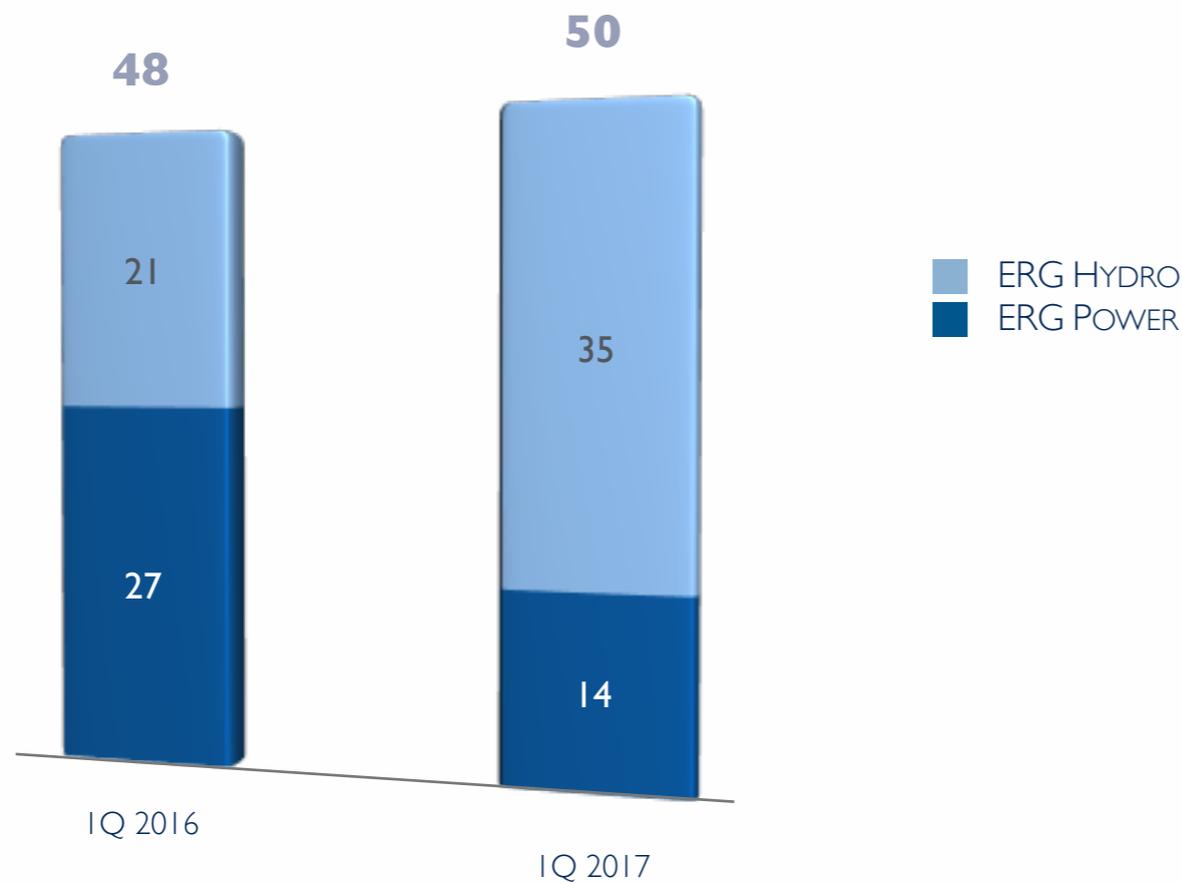
Worst wind conditions in Italy and in France



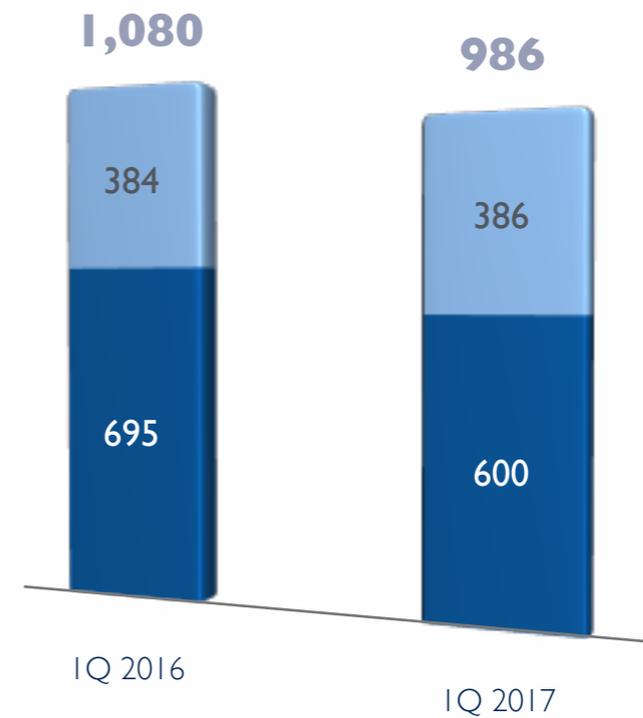
PROGRAMMABLE RESULTS



Recurring Ebitda (€ mn)



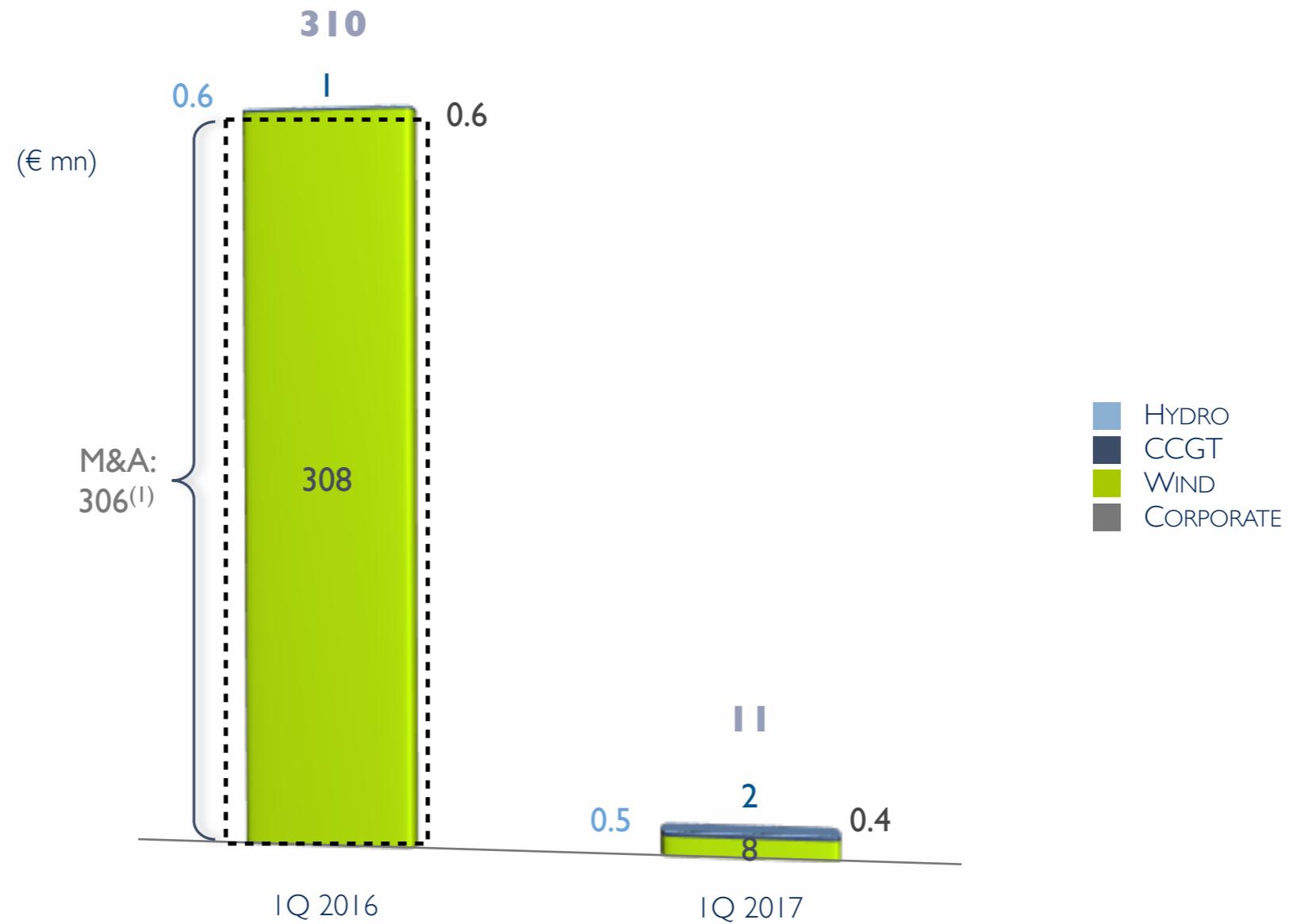
Volumes (GWh)



Good Hydro results offset end of Essential Unit Regime in CCGT



INVESTMENTS



⁽¹⁾ M&A CAPEX related to the closing of IMPAX acquisition (which took place on February 2, 2016, amounting to €292mn) and Brockaghboy acquisition (€14mn)



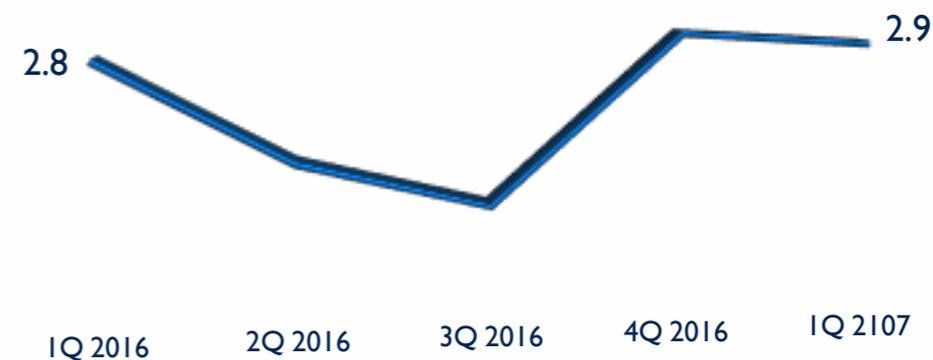
TOTALERG: KEY FIGURES⁽¹⁾



Industry Retail Fuels Volumes (M tons)



EMC Margin (\$/bbl)



4Q 2016	Euro millions	IQ 2017	IQ 2016
38	Recurring EBITDA	41	30
18	Recurring EBIT	23	12
7	Recurring Net Profit	12	5
244	NFP	334	431
10.9%	TOTALERG retail market share	10.9%	11.0%

⁽¹⁾ Figures refer to 100% of TOTALERG contribution



KEY FINANCIALS



PRO-FORMA RECURRING P&L

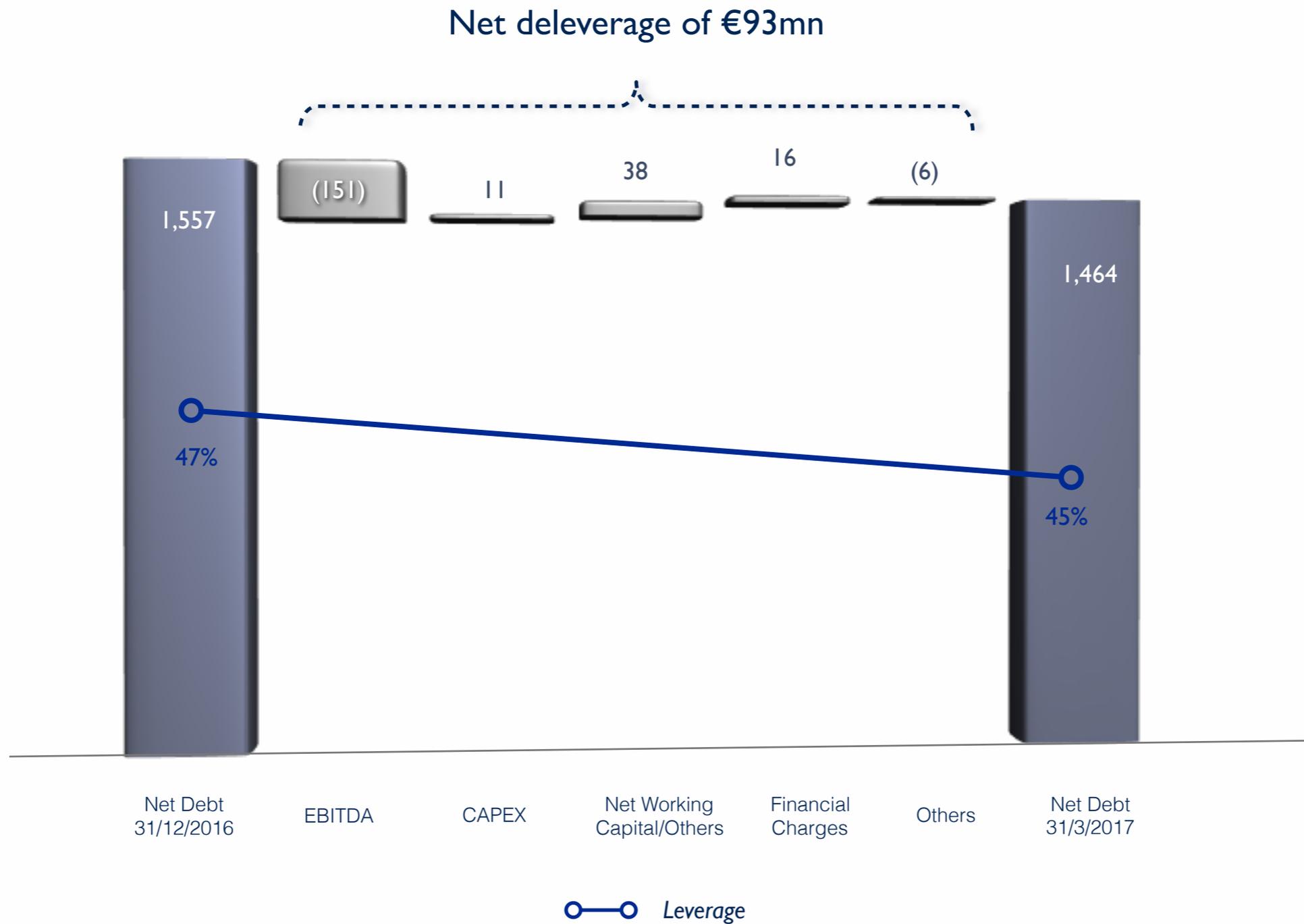


4Q 2016	Euro millions	IQ 2017	IQ 2016
104	Recurring EBITDA	151	163
(60)	<i>Amortization and depreciation</i>	(62)	(64)
44	Recurring EBIT	90	99
(20)	<i>Net financial income (expenses)</i>	(16)	(19)
4	<i>Net income (loss) from equity investments</i>	6	2
28	Recurring Results before taxes	80	82
(3)	<i>Income taxes</i>	(19)	(21)
24	Recurring Results for the period	61	61
0	<i>Minority interests</i>		(3)
24	Recurring Net profit	61	57
12%	Tax Rate	24%	26%

Note: figures based on NO GAAP measures



IQ 2017 CASHFLOW STATEMENT





2017 GUIDANCE AND CONCLUSIONS

LUCA BETTONTE, CEO



2017 GUIDANCE



EBITDA:

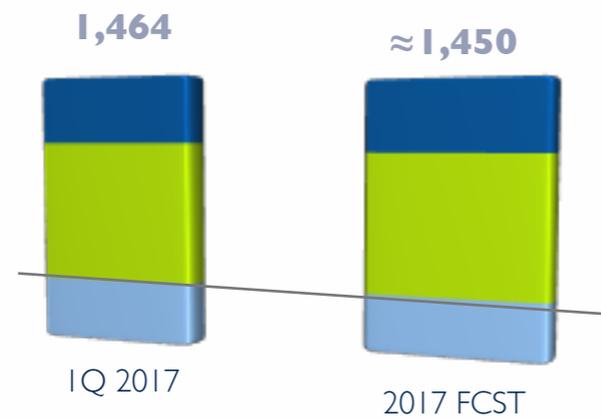
✓ Guidance confirmed at €430mn

■ PROGRAMMABLE
 ■ NON-PROGRAMMABLE
 ■ CORPORATE



CAPEX:

✓ Guidance confirmed at €140mn



NFP:

✓ Guidance confirmed at €1.45bn

■ LIQUIDITY
 ■ PF
 ■ OTHER AT MLT

Business Plan to be presented in December 2017



APPENDIX



IQ 2017 RESULTS



	4Q 2016	Euro millions		IQ 2017	IQ 2016	
	268	Revenues		303	295	
↑	104	Recurring EBITDA		151	163	↓
↑	78	- Non-Programmable		104	117	↓
		<i>of which:</i>				
	56	- Italy		81	87	
	21	- Abroad		23	29	
↑	32	- Programmable		50	48	↑
		<i>of which:</i>				
	7	- Thermo		14	27	
	25	- Hydro		35	21	
↑	(5)	- Corporate		(2)	(2)	↑



NON-PROGRAMMABLE: KEY FIGURES (1/2)



4Q 2016		1Q 2017	1Q 2016
1,720	Installed capacity (end-period, MW)	1,720	1,720
	<i>of which:</i>		
1,094	- Italy	1,094	1,094
252	- France	252	252
168	- Germany	168	168
82	- Poland	82	82
70	- Romania	70	70
54	- Bulgaria	54	54
870	Electricity Production (GWh)	1,062	1,226
	<i>of which:</i>		
509	- Italy	658	774
121	- France	156	208
66	- Germany	77	81
75	- Poland	63	63
54	- Romania	60	54
46	- Bulgaria	49	46



NON-PROGRAMMABLE: KEY FIGURES (2/2)



4Q 2016	Euro millions		1Q 2017	1Q 2016
Recurring EBITDA:				
56	Italy		81	87
8	France		11	16
6	Germany		6	6
2	Poland		1	3
2	Romania		3	3
3	Bulgaria		3	2
78	Total Recurring EBITDA		104	117
(38)	Depreciation		(38)	(41)
39	Recurring EBIT		65	75



ERG POWER: KEY FIGURES



4Q 2016	Euro millions		IQ 2017	IQ 2016
661	Electricity Production (GWh)		600	695
7	Recurring EBITDA		14	27
(8)	Depreciation		(8)	(7)
(1)	Recurring EBIT		7	20



ERG HYDRO: KEY FIGURES



4Q 2016	Euro millions		IQ 2017	IQ 2016
329	Electricity Production (GWh)		386	384
25	Recurring EBITDA		35	21
(14)	Depreciation		(15)	(15)
11	Recurring EBIT		21	6



INVESTMENTS



4Q 2016	Euro millions		IQ 2017	IQ 2016
23	Non-Programmable		8	308 ⁽¹⁾
5	Programmable		2	2
	<i>of which:</i>			
4	- Thermo		2	1
1	- Hydro		1	1
2	Corporate		0	1
29	Total		11	310

⁽¹⁾ In IQ 2016: M&A CAPEX include investments related to the closing of IMPAX acquisition (which took place on February 2, 2016, amounting to €292mn) and Brockaghboy acquisition (€14mn)