PRESS RELEASE

ASCOPIAVE The Board of Directors has approved the results of the interim report ended 30th September 2015. Net Consolidated Profit increases.
Net Financial Position and Debt/Shareholders' Equity ratio are once again among the most performing in the field.

Gross Operating Margin € 52.1 million, a decrease compared to the first nine months of 2014 (€ 56.7 million)

Operating Result € 35.4 million, a slight decrease compared to the first nine months of 2014 (€ 37.1 million)

Net Consolidated Profit € 27.5 million, up from the first nine months of 2014 (€ 25.2 million)

Net Financial Position € 97.0 million, up from € 129.7 million registered on 31st December 2014

Debt/Shareholders' Equity ratio of 0.24, among the most performing in the field

The Ascopiave S.p.A. Board of Directors, which had a meeting chaired by Mr. Fulvio Zugno yesterday, acknowledged and approved the Ascopiave Group's interim report as of 30th September 2015, drafted in compliance with the International Accounting Standards IAS/IFRS.

Regarding this, Chairman Fulvio Zugno commented: "We closed the first nine months of 2015 with a growth in consolidated net profit compared to the same period of the previous year and with excellent economic and financial indicators. The favourable results achieved by the Ascopiave Group permit our shareholders to place absolute trust in the continued commitment of our management and, despite the persistent complexity of the overall market, allow us to serenely and confidently pursue our development process: both as concerns the distribution business with its challenges consisting in gas tenders and with regard to the sale of natural gas and electricity."
The General Manager, Roberto Gumirato, added: "We are optimistic, because the objectives achieved, resulting from a management in line with our expectations, allow us to face the challenges ahead being fully aware of our strength and convinced of the value of the strategies undertaken. In order to deal with a reduction in commercial margin on the gas sale activity, mainly due to the significant decline in sales volumes in the third quarter of the year, we have adopted appropriate internal measures to recover profitability, in particular through the further rationalisation of operating costs. Despite the complex environment in which utilities operate, to which we promptly respond, the Ascopiave stock continues to deliver a brilliant performance, testifying to the trust that our shareholders continue to place in our company."

Consolidated results of the Ascopiave Group in the first nine months of 2015

Revenue from sales

The Ascopiave Group closed the first nine months of 2015 with consolidated revenues amounting to € 413.4 million compared to € 431.2 million in the same period in 2014 (-4.1%). The decrease in revenues is mainly due to a reduction in gas sales (€-16.6 million), primarily attributed to the lower amounts of Russian gas imported during the period.

Gross operating margin

Gross operating margin in the first nine months of 2015 amounted to € 52.1 million, marking a decrease compared to € 56.7 million in the same period of the previous year (-8.1%).

The trade margins on gas sale and on electricity sale declined by € 4.1 million and € 2.5 million respectively as compared to the first nine months of 2014.
The reduction in gas sale commercial margin was mainly due to the significant decrease in the volumes sold in the third quarter of the year, which entailed a higher impact of logistic costs and the long-term procurement agreement expense.

The variation in the residual costs and revenue items (€ +2.0 million) is the result of the variation of single entries of revenue and costs that partially balance each other. Among the most remarkable variations, there was a decrease in the energy efficiency management margin of € 1.5 million, a decrease in tariff revenue for gas distribution of € 0.7 million, and a positive variation in insurance indemnities and contingent assets totalling € 1.0 million, a decrease in personnel costs of € 1.6 million and a general reduction in costs for services and other operating expenses.

Operating Result

The operating profit in the first nine months of 2015 amounted to € 35.4 million, compared to € 37.1 million for the same period in the previous year (-4.7%).
This result is due to the differential in EBITDA as well as to the decrease in provision for doubtful accounts (€ +2.9 million).

Net Profit

The consolidated net profit amounted to € 27.5 million, marking an increase compared to € 25.2 million of the first nine months of 2014 (+9.0%).

The consolidation with the equity method of the jointly controlled companies and the associated company Sinergie Italiane S.r.l., under liquidation, caused the expenditure of € 4.4 million, compared to € 4.1 million in the first nine months of 2014. It is noted that, during the first nine months of 2015, the positive contribution of the associated company under liquidation to the consolidated income statement amounted to € 1.3 million.

Net financial expenses amounted to € 0.4 million, a decrease of € 0.5 million (-53.1%) compared to the first nine months of the previous year.

Taxes recorded in the income statement amounted to € 11.9 million, a decrease of € 3.2 million (-21.3%), due to a decreased amount of IRES tax caused by the cancellation of the additional IRES tax to sellers and distributors of energy (so-called "Robin Hood Tax") and the lower taxable income.

The tax rate, calculated by normalising the pre-tax result of equity method consolidated companies, decreased from 41.7% to 34.0%.

EBITDA of jointly controlled companies consolidated with the equity method

Jointly controlled companies consolidated with the equity method achieved in the first nine months of 2015 a consolidation pro-rata gross operating margin of € 7.6 million, an increase of 0.5 million compared to the same period of the previous year.

Operating performance in the first nine months of 2015

The volumes of gas sold by the fully-consolidated companies in the first nine months of 2015 amounted to 542.8 million cubic meters, marking an increase of 4.0% compared to the same period of 2014, which had been characterised by milder weather conditions.

The equity-method consolidated companies sold a total of 91.8 million cubic meters of gas pro-rata in total, marking an increase of 12.4% compared to the first nine months of 2014.

With regard to gas distribution, the volumes of gas delivered through the networks managed by companies consolidated at 100% amounted to 527.9 million cubic meters, with an increase of 9.1% compared to the same period of the previous year.
To these must be added the pro-rata 46.7 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 the first nine months of 2015 amounted to € 12.4 million.
Most technical investments concerned the development, maintenance and updating of gas networks and distribution systems.
Specifically, investments in gas networks and distribution systems amounted to € 7.8 million, of which € 2.4 million in connections, € 4.6 million in enlargements and enhancing of distribution network and € 0.7 million for maintenance, mainly relating to reduction and pre-heating systems. Investments in meters and adjusters amounted to € 3.9 million.
Investments by equity-method consolidated companies in intangible and tangible fixed assets amounted to € 0.8 million and they were also related mainly to networks and methane plants.

Indebtedness and Debt/Net Equity Ratio

The net financial position of the Group as of 30th September 2015 amounted to € 97.0 million, an increase of € 32.7 million as compared to 31st December 2014.
The positive financial flow was determined mainly by the following operations:

- Cash flow generated financial resources for € 44.3 million;
- Net investments in fixed assets caused the expenditure of € 12.3 million;
- Management of net operating equity and of net fiscal capital generated resources for € 32.2 million in total;
- Collection of dividends distributed the by jointly controlled companies for € 3.4 million;
- Distribution of dividends to third parties for € 35.1 million

The debt/shareholders' equity ratio as of 30th September 2015 amounted to 0.24 (0.32 as of 31st December 2014). This result is among the highest in the field.

Significant events during the period

Shareholders' Meeting held on 23rd April 2015

The Shareholders' Meeting of Ascopiave S.p.A. convened in its ordinary session on 23rd April 2015, chaired by Mr. Fulvio Zugno. During the meeting, the 2014 yearly statement was approved and the Meeting agreed to distribute a dividend of € 0.15 per share. The dividend was paid on 13th May 2015 with ex-dividend date on 11th May 2015 (record date on 12th May 2015).
Furthermore, the Meeting approved the remuneration policy of the Company, set out in compliance with Art. 123/3 of the Unified Finance Law and it approved a long-term share-based incentive plan for the three 2015 – 2017 fiscal periods regarding executives and company administrators.
The Shareholders' Meeting also approved a new purchase and sale plan for treasury shares pursuant to Art. 2357 and 2357/3 of the Italian Civil Code, replacing and superseding the previous authorisation dated 24th April 2014.
Finally, following the expiry of the auditing role entrusted in 2005 to the company Reconta Ernst Young, the Meeting decided to appoint the auditing company PriceWaterhouseCoopers S.p.A. as independent legal auditors for Ascopiave S.p.A. for the period 2015 to 2023.

2015-2017 Long-term incentive plan

On 29th June 2015, the Ascopiave Board of Directors identified the beneficiaries of the new 2015-2017 Long-term incentive plan (the "Plan"), approved by the Meeting on 23rd April 2015.
In compliance with the provisions of the Plan Rules, the Board of Directors decided to specify as beneficiaries of the potential outcomes of the Plan the executive directors of the companies Ascopiave S.p.A and Ascotrade S.p.A, and a number of managers and directors of the Ascopiave Group, based on the relevance of the functions performed.

Significant events subsequent to the end of the period

In 2013, AEEGSI reformed the structure of gas tariffs for protected customers, with reference to the Dutch TTF hub (spot price), introducing, with Resolution 447/2013/R/gas, an optional mechanism, called APR,

“for the promotion of the renegotiation of long-term procurement agreements”, for the three thermal years 2014/2016.
AEEGSI, in 2013, with reference to Ascopiave Group’s gas volumes, outlined a total maximum compensation for the mechanism’s three-year validity period amounting to € 11.2 million and, in the event of reversal of procurement price and spot price, a return to end customers up to 3 times the amount initially defined: about € 33.5 million.
The Ascopiave Group at first did not adopt the APR mechanism because of unfavourable operating conditions, challenging the measure before the Regional Administrative Court of Lombardy, requesting a stay.
The positive market trend observed over the past two years and the reasonable scenarios developed by the management, have enabled us to reconsider adopting the APR mechanism.

With Judgement n° 2221/2015, filed on 19th October 2015, the Regional Administrative Court of Lombardy rejected the appeal lodged by Ascopiave and other operators against AEEGSI Resolution ARG/gas 367/2014.
Ascopiave is currently assessing if an Appeal is appropriate.
As far as the most impactful aspects are concerned, the Judgement has recognised the legitimacy of the asymmetric regulatory solution adopted by AEEGSI, according to which for each municipal installation, the local net invested capital (RAB), recognised to the winner of the territorial tender, will be equal to:

- The reimbursement value of the above-mentioned installation, when the new operator differs from the outgoing operator;
- The amount currently recognised by virtue of the current municipal concession, if the new operator coincides with the outgoing operator.

The asymmetric regulatory solution shall only apply for the duration of the first territorial concession.

Outlook for 2015

As far as the gas distribution activities are concerned, in 2015 the Group will continue its normal operations and service management within the already existing portfolio of currently active concessions and the definitions agreed with the grantors of the industrial value of the networks and distribution systems. During the year, if the timeline envisaged by the regulations is respected, the first tenders for the assignment of the gas distribution service with the Territorial Area procedure will begin. Most Municipalities currently managed by the Ascopiave Group belong to Minimum Territorial Areas for which the maximum deadline to issue the call for tenders exceeds 31st December 2015. However, since tender authorities may anticipate the maximum terms stated in the regulations, it is possible that some Municipalities may be interested in 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 lower than 2014, due to the competitive pressure in the retail market and AEEGSI tariff provisions, not offset by the continuous thermal improvement of 2015 with respect to 2014.
Electricity sale activities in 2015 are expected to yield less significant results than 2014, due to the particularly favourable market conditions of 2014.
However, these results could be influenced, in addition to the possible tariff provisions by the Electricity, Gas and Water System Authority (AEEGSI) – 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 2015 may differ compared to 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, the success in the development and application of new technologies, the changes in stakeholder expectations and other changes to business conditions.

Seasonal nature of operations

Gas consumption undergoes a considerable amount of variations on a seasonal basis, with a greater demand in winter in relation to higher consumptions for heating. The seasonality influences the trend of revenues from gas sales and of procurement costs, while other operating costs are fixed and incurred by the Group in a uniform manner throughout the year. This peculiarity of the business also affects the performance of the Group's net financial position, as the active and passive billing cycles are not aligned and also depend on the volumes of gas sold and purchased during the year. Therefore, the data and the information contained in the interim financial statements do not allow for immediate indications to be drawn regarding the overall performance for the year.

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 document results, accounting books and records.

Notice of filing of the Interim Management Report at 30th September 2015

The Interim Management Report for the period ended 30th September 2015 has been made available to the public at the registered office of the Ascopiave Group, at the stock management company Borsa Italiana S.p.A. (website: www.borsaitaliana.it), on the Company website (www.gruppoascopiave.it.) and stored in the "SDIR & Storage" system of Bit Market Services S.p.A..

Annexes

Consolidated accounts that undergo limited auditing procedures.

The Ascopiave Group operates in the natural gas sector, mainly in the distribution and sales sectors to end customers.

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 holds concessions and direct assignments for the management of distribution activities in over 200 Municipalities, supplying the service to a market segment of over 1 million residents through a distribution network which spreads over 8,600 kilometres.

The sale of natural gas is performed through different companies; some are controlled through joint control. Overall, the companies of the Group in 2014 sold to end customers over 1 billion cubic meters of gas.

Since 12th December 2006, Ascopiave is listed in the Star segment of Borsa Italiana.

Contact:	Community Group Giuliano Pasini Auro Palomba Tel. +39 0422 / 416111 Mob. +39 335 / 6085019	Ascopiave Tel. +39 0438 / 980098 Roberto Zava - Media Relator Mob. +39 335 / 1852403 Giacomo Bignucolo – Investor Relator Mob. +39 335 / 1311193

Pieve di Soligo, 10th November 2015

Ascopiave Group

Consolidated interim financial statements

30th September 2015

Consolidated statement of financial position as of 30th September 2015 and 31st December 2014

(Thousands of Euro)		30.09.2015	31.12.2014
ASSETS			
Non-current assets			
Goodwill	(1)	80,758	80,758
Other intangible assets	(2)	312,793	313,772
Tangible assets	(3)	35,182	36,614
Shareholdings	(4)	65,256	65,453
Other non-current assets	(5)	14,709	16,741
Non current financial assets	(6)	0	3,124
Advance tax receivables	(7)	12,389	12,814
Non-current assets		**521,087**	**529,276**
Current assets			
Inventories	(8)	5,980	2,482
Trade receivables	(9)	73,207	147,804
Other current assets	(10)	55,590	73,973
Current financial assets	(11)	3,478	8,234
Tax receivables	(12)	1,717	4,837
Cash and cash equivalents	(13)	15,900	100,882
Current assets		**155,872**	**338,212**
ASSETS		**676,959**	**867,488**
Net equity and liabilities			
Total Net equity			
Share capital		234,412	234,412
Own shares		(17,521)	(17,660)
Reserves		181,435	188,605
Net equity of the Group		**398,326**	**405,357**
Net equity of Others		**3,964**	**4,310**
Total Net equity	(14)	**402,290**	**409,666**
Non-current liabilities			
Provisions for risks and charges	(15)	7,389	8,496
Severance indemnity	(16)	3,919	3,968
Medium- and long-term bank loans	(17)	46,868	53,456
Other non-current liabilities	(18)	18,618	17,221
Non-current financial liabilities	(19)	444	3,327
Deferred tax payables	(20)	22,795	23,675
Non-current liabilities		**100,034**	**110,142**
Current liabilities			
Payables due to banks and financing institutions	(21)	65,866	184,851
Trade payables	(22)	69,603	136,179
Tax payables	(23)	520	205
Other current liabilities	(24)	35,440	26,164
Current financial liabilities	(25)	3,207	280
Current liabilities		**174,635**	**347,679**
Liabilities		**274,669**	**457,821**
Net equity and liabilities		**676,959**	**867,488**

Statement of comprehensive income

(Thousands of Euro)		3rd Quarter 2015	3rd Quarter 2014
Revenues	(26)	**413,413**	**431,234**
Total operating costs		**363,313**	**379,473**
Purchase costs for raw material (gas)	(27)	237,657	247,857
Purchase costs for other raw materials	(28)	15,315	18,628
Costs for services	(29)	83,221	79,387
Costs for personnel	(30)	16,098	17,680
Other management costs	(31)	11,427	15,941
Other income	(32)	405	21
Amortization and depreciation	(33)	14,748	14,681
Operating result		**35,351**	**37,080**
Financial income	(34)	696	919
Financial charges	(34)	1,103	1,788
Evaluation of subsidiary companies with the net equity method	(34)	4,442	4,104
Earnings before tax		**39,386**	**40,315**
Taxes for the period	(35)	11,877	15,086
Net result for the period		**27,509**	**25,229**
Group's Net Result		26,081	23,994
Third parties Net Result		1,427	1,235
Consolidated statement of comprehensive income			
1. Components that can be reclassified to the income statement			
2. Components that can not be reclassified to the income statement			
Actuarial (losses)/gains from remeasurement on defined-benefit obligations		58	(78)
Total comprehensive income		**27,567**	**25,151**
Group's overall net result		26,138	23,911
Third parties' overall net result		1,428	1,240
Base income per share		0.117	0.108
Diluted net income per share		0.117	0.108

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 as of 30th September 2015 and 31st December 2014

(thousands of Euro)	Share capital	Legal reserve	Own shares	Reserves IAS 19 actuarial differences	Other reserves	Net result for the period	Group's net equity	Net result and net equity of others	Total net equity
Balance as of 1st January 2015	**234,412**	**46,882**	**(17,660)**	**(286)**	**106,426**	**35,583**	**405,357**	**4,309**	**409,666**
Result for the period						26,081	26,081	1,427	27,509
IAS 19 TFR actualization for the period				57			57	1	58
Total result of overall income statement				**57**		**26,081**	**26,139**	**1,428**	**27,567**
Allocation of 2014 result					35,583	(35,583)	0		0
Dividends distributed to Ascopiave S.p.A. shareholders’					(33,332)		(33,332)		(33,332)
Dividends distributed to third parties shareholders							0	(1,768)	(1,768)
Other operations					(50)		(50)	(6)	(56)
Long-term incentive plans			138		74		212		212
Balance as of 30th September 2015	**234,412**	**46,882**	**(17,522)**	**(228)**	**108,701**	**26,081**	**398,324**	**3,964**	**402,289**

(thousands of Euro)	Share capital	Legal reserve	Own shares	Reserves IAS 19 actuarial differences	Other reserves	Net result for the period	Group's net equity	Net result and net equity of others	Total net equity
Balance as of 1st January 2014	**234,412**	**46,882**	**(17,660)**	**(35)**	**95,413**	**38,678**	**397,692**	**4,989**	**402,679**
Result for the period						23,994	23,994	1,235	25,229
IAS 19 TFR actualization for the period				(83)			(83)	5	(78)
Total result of overall income statement				**(83)**		**23,994**	**23,911**	**1,240**	**25,151**
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								(2,427)	(2,427)
Change in reserves on business combinations					(1,000)		(1,000)		(1,000)
Balance as of 30th September 2014	**234,412**	**46,882**	**(17,660)**	**(118)**	**106,426**	**23,994**	**393,936**	**3,802**	**397,737**

Consolidated statement of cash flows

(thousands of Euro)	Third quarter 2015	Third quarter 2014
Net income of the Group	**26,081**	**23,994**
Cash flows generated (used) by operating activities		
Adjustments to reconcile net income to net cash		
Third-parties operating result	1,427	1,235
Amortization	14,748	14,681
Bad debt provisions	2,013	4,943
Variations in severance indemnity	(48)	272
Net variation of other funds	163	256
Evaluation of subsidiaries with the net equity method	(4,442)	(4,104)
Interests paid	(1,067)	(1,692)
Taxes paid	(4,074)	(12,238)
Interest expense for the year	1,080	2,124
Taxes for the year	11,594	15,086
Variations in assets and liabilities		
Inventories	(3,499)	(1,086)
Accounts payable	72,584	120,821
Other current assets	18,383	(22,777)
Trade payables	(66,576)	(93,640)
Other current liabilities	4,643	(1,736)
Other non-current assets	2,387	7,129
Other non-current liabilities	1,397	1,088
Total adjustments and variations	**50,750**	**30,360**
Cash flows generated (used) by operating activities	**76,831**	**54,354**
Cash flows generated (used) by investments		
Investments in intangible assets	(11,903)	(12,411)
Realisable value of intangible assets	27	29
Investments in tangible assets	(462)	(990)
Realisable value of tangible assets	0	202
Disposals / (Acquisition) of investments and advances	0	(1,019)
Other net equity operations	270	(78)
Cash flows generated/(used) by investments	**(12,067)**	**(14,268)**
Cash flows generated (used) by financial activities		
Net changes in debts due to other financers	(45)	2,791
Net changes in short-term bank borrowings	(118,984)	76,633
Net variation in current financial assets and liabilities	7,614	(4,826)
Interest expense	(13)	(431)
Purchase of own shares	0	0
Net changes in medium and long-term loans	(6,588)	(6,653)
Dividends distributed to Ascopiave S.p.A. shareholders'	(33,332)	(26,666)
Dividends distributed to other shareholders	(1,768)	(2,427)
Dividends distribuited from subsidiary companies	3,369	6,519
Cash flows generated (used) by financial activities	**(149,747)**	**44,939**
Variations in cash	**(84,983)**	**85,026**
Cash and cash equivalents at the beginning of the period	**100,882**	**11,773**
Cash and cash equivalents at the end of the period	**15,900**	**96,798**