

PRESS RELEASE

ASCOPIAVE: The Board of Directors has approved the results of the interim report for the period ended 30th September 2016. Operating Margin and Net Profit keep increasing significantly.

Gross Operating Margin: € 61.5 million, a considerable increase compared to the first nine months of 2015 (€ 52.1 million)

Operating Result: € 45.0 million, a substantial improvement as against the first nine months of 2015 (€ 35.4 million)

Net Consolidated Profit: € 34.4 million, a significant improvement compared to the first nine months of 2015 (€ 27.5 million)

Net Financial Position: € 63.0 million, a remarkable improvement as against 31st December 2015 (€ 114.0 million)

Debt/Shareholders' Equity ratio: 0.15, among the most performing in the field

Ascopiave S.p.A.'s Board of Directors, which had a meeting chaired by Mr Fulvio Zugno today, acknowledged and approved Ascopiave Group's interim report as of 30th September 2016, drafted in compliance with the International Accounting Standards IAS/IFRS.

Ascopiave S.p.A.'s Chairman Fulvio Zugno commented: "The figures of the first nine months of 2016 confirm the positive trend of the Group's profitability, showing a further strengthening of the double-digit growth in margins. The Group continues to reap the fruits of the implementation of the strategic plan developed by the Board of Directors and the Management, based on the homogenisation and streamlining of operational and administrative processes and the optimal rearrangement of sales policies and distribution strategies. All this is aimed at supporting the Group's local consolidation and growth, despite the complex market environment, in order to pursue our value-driven approach for the benefit of our shareholders."

Roberto Gumirato, General Manager, Ascopiave S.p.A., added: "Both the gas and electricity sale business and the gas distribution activity proved extremely profitable. As far as the distribution business is concerned, the expected decline in tariff revenues due to the decrease in the rate of return on invested capital was largely offset by the positive results of the equalisation balances communicated by the CCSE for the year 2015, which has allowed us to confirm the operating results also in this field.

The improvement in gas and electricity supply conditions had a significant impact; it was supported by an on-going organisation streamlining process which marks the Group's evolution along its path to growth. As a consequence, the Group has further improved its financial and economic structure, which in turn supports our strategic goals, in a virtuous circle."

Consolidated results of the Ascopiave Group in the first nine months of 2016

Revenue from sales

The Ascopiave Group closed the first nine months of 2016 with consolidated revenues amounting to € 353.3 million, compared to € 413.4 million recorded in the first nine months of 2015 (-14.5%). The decrease in revenues is mainly due to a reduction in revenues from natural gas sales (€ -67.0 million), attributed to the lower amounts of gas sold and a reduction in unit sales prices.

Gross operating margin

Gross operating margin in the first nine months of 2016 amounted to € 61.5 million, marking an increase compared to € 52.1 million in the same period in the previous year (+18.0%).

The trade margins on gas sale have increased by € 7.6 million compared to the first nine months of 2015. This positive change is the result of the increase in unit margins, against lower amounts of gas sold. The trade margins on electricity sale have increased by € 1.9 million as compared to the same period in the previous year.

The change in the residual cost and revenue items is basically in line with the first months of 2015, thus determining a decrease in the gross operating margin (€ -0.1 million).

Operating Result

The operating profit in the first nine months of 2016 amounted to € 45.0 million, compared to € 35.4 million in the same period in the previous year (+27.2%).

This result has been determined, in addition to an improvement in gross operating margin, by a decrease in the provision for doubtful accounts (€ +0.6 million), partially offset by an increase in depreciation and amortisation (€ -0.4 million).

Net Profit

The consolidated net profit amounted to € 34.4 million, marking an increase compared to € 27.5 million in the first nine months of 2015 (+24.9%).

The consolidation with the equity method of the jointly controlled companies and the associate company Sinergie Italiane S.r.l., under liquidation, caused the expenditure of € 4.6 million, compared to € 4.4 million in the first nine months of 2015. During the first nine months of 2016, the positive contribution of the associate company under liquidation to the consolidated profit and loss account amounted to € 0.8 million (€ 1.3 million in the first nine months of 2015).

Net financial expenses amounted to € 0.5 million, an increase of € 0.1 million (+13.6%) compared to the same period in the previous year.

Taxes recorded in the profit and loss account amounted to € 14.7 million, an increase of € 2.8 million (+23.8%), due to a higher taxable income.

The tax rate, calculated by normalising the pre-tax result of the companies consolidated with the equity method, decreased from 34.00% to 33.1%.

EBITDA of jointly controlled companies consolidated with the equity method

In the first nine months of 2016, the jointly controlled companies consolidated with the equity method achieved a consolidation *pro-rata* gross operating margin of € 8.6 million, an increase of € 1.0 million compared to the same period in the previous year.

Operating performance in the first nine months of 2016

The volumes of gas sold by the fully-consolidated companies in the first nine months of 2016 amounted to 529.2 million cubic metres, marking a decrease of 2.5% compared to the first nine months of 2015.

The equity-method consolidated companies sold a total of 84.9 million cubic metres of gas *pro-rata* in total, marking a decrease of 7.5% compared to the same period in 2015.

With regard to gas distribution, the volumes of gas delivered through the networks managed by the fully-consolidated companies amounted to 529.7 million cubic metres, thus showing an increase of 0.4% compared to the same period in the previous year.

The *pro-rata* 46.5 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 the first nine months of 2016 amounted to € 14.3 million and mainly concerned the development, maintenance and upgrade of gas distribution networks and systems.

Specifically, investments in gas networks and systems amounted to € 8.4 million, of which € 3.5 million in connections, € 4.1 million in enlargements and enhancing of distribution networks and € 0.8 million in maintenance, mainly relating to reduction and pre-heating systems. Investments in meters and adjusters amounted to € 4.4 million.

Investments by the equity-method consolidated companies in intangible and tangible fixed assets amounted to € 0.8 million and they are also related mainly to methane networks and plants.

Indebtedness and Debt/Net Equity Ratio

The Group's net financial position as of 30th September 2016 amounted to € 63.0 million, an increase of € 51.1 million as compared to 31st December 2015.

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

The cash flow generated financial resources totalling € 50.9 million;

Net investments in fixed assets caused the expenditure of € 13.7 million;

The management of net operating equity and net fiscal capital generated resources totalling € 43.7 million;

The distribution of dividends net of dividends collected from the companies consolidated with the equity method and other changes in shareholders' equity caused the expenditure of € 29.9 million.

The debt/shareholders' equity ratio as of 30th September 2016 amounted to 0.15 (0.27 as of 31st December 2015). This result is among the highest in the field.

Significant events during the first nine months of 2016

On 18th January 2016, Ascopiave, along with other operators, filed an appeal before the Council of State against the judgement of the Regional Administrative Court of Lombardy no. 2221/2015, about regulations governing gas distribution tariffs.

In February 2016, Law no. 21/2016 was approved, which contains provisions governing the distribution of gas. In particular, Article 3 establishes that the time limits for the publication of the tender notices envisaged in the earlier legislation should range from a maximum of 14 months to a minimum of 5 months, depending on the group to which the Minimum Territorial Area belongs. Subsequent to the expiration of the time limits within which the awarding entities designated by the Towns should have published the tender notices, the new legislation provides that the competent Region for the Area grants six extra months, after which it may invite tenders by appointing an acting Commissioner. If two months elapse without such appointment, the Ministry of Economic Development, in agreement with the Region, may intervene by appointing its own acting Commissioner. The law has also abolished the penalties under the scope of the Towns established by the previous legislation in the event of delayed publication of tender notices.

Establishment of AP Reti Gas S.p.A.

On 18th March 2016, the company AP Reti Gas S.p.A. was established, with a share capital of € 200 thousand, fully paid-in, 100% controlled by Ascopiave S.p.A.. On 1st July 2016, it was entrusted with Ascopiave S.p.A.'s business unit in charge of natural gas distribution, in compliance with the unbundling obligations that require the separation between sales and natural gas distribution integrated in the same corporate group.

As part of a strategic plan aimed at streamlining the corporate structure, strengthening the focus on individual businesses and ensuring compliance with unbundling rules, AP Reti Gas S.p.A.'s governance structure has been defined.

AP Reti Gas S.p.A.'s Board of Directors consists entirely of members of Ascopiave's Senior Management, and in particular Mr Roberto Gumirato, General Manager, Ascopiave S.p.A., who serves as Non-executive Director. The Board of Directors also includes Mr Antonio Vendraminelli, Mr Giacomo Bignucolo, Mr Riccardo Paggiaro and Ms Chiara Gabrel.

Combination of Veritas Energia S.p.A.

On 10th February 2014, the purchase from Veritas S.p.A. of the remaining percentage of Veritas Energia S.p.A.'s share capital was finalised. As a consequence, the total control of the company was acquired, against the payment of € 4 million. Therefore, the company Veritas Energia S.p.A. was fully consolidated by the Ascopiave Group commencing 1st January 2014.

The acquisition agreement envisaged, under the scope of Veritas S.p.A., a guarantee on third party receivables existing at the closing date in order to cover the event of non-collection within the 24 subsequent months, up to € 5,000 thousand.

For this purpose, the seller had paid Ascopiave S.p.A. a guarantee deposit, bearing interests, equal to € 2,838 thousand, recognised until 31st December 2015 in the item financial liabilities, and this liquidity was connected to the purchase of two-year "repurchase agreements". The difference between the maximum amount of the guarantee set forth in the agreement, equal to € 5,000 thousand, and the deposit amounting to

€ 2,838 thousand was guaranteed by Veritas S.p.A. to Ascopiave S.p.A. through a suitable letter of guarantee issued by the company itself.

On 10th February 2016, the restriction on the amounts received by the seller expired and, consequently, the amount of the compensation that the seller should have paid Ascopiave S.p.A. for the non-collection of the receivables was calculated, to the tune of € 396 thousand. Subsequently, the residual deposit was returned, along with the letter of guarantee issued by Veritas S.p.A. The compensation was booked in “Other income” in accordance with the provisions of the IFRS 3 accounting standard, as the business combination was already definitive after 12 months of acquisition.

Shareholder’s Meeting held on 28th April 2016

The Shareholders’ Meeting of Ascopiave S.p.A. convened in its ordinary session on 28th April 2016, chaired by Mr Fulvio Zugno. During the meeting, the 2015 yearly statement was approved and the Meeting agreed to distribute a dividend of € 0.15 per share. The dividend was paid on 11th May 2016 with ex-dividend date on 9th May 2016 (record date on 10th May 2016).

Furthermore, the Meeting has approved the remuneration policy of the Company, set out in compliance with Art. 123/3 of the Unified Finance Law as well as 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 of 23rd April 2015.

Sale of cogeneration plants to the subsidiary Veritas Energia S.p.A.

On 30th June 2016, Ascopiave S.p.A. sold to the subsidiary company Veritas Energia S.p.A. its cogeneration plants.

DCO 205/2016/R/gas and DCO 456/2016/R/gas

On 28th April 2016, the Authority issued the consultation document DCO 205/2016/R/gas concerning the recognition of costs related to investments in the natural gas distribution networks built commencing 2017. The document presents the initial guidelines of the Authority and envisages further analyses, in order to issue the final measure by the end of December 2016. The Authority has expressed its intention – with regard to new investments – to supersede the current criterion of recognition of historical costs and to adopt, as an alternative, criteria based on benchmarks, assuming three alternative hypotheses:

1. the evaluation of the costs recognised on the basis of standard costs;
2. the application of the price cap method;
3. the different application by minimum territorial area of the price cap rather than the evaluation on the basis of standard costs, based on the presence in the area of methane plants and the estimated development of the service.

On 4th August 2016, the Authority issued the consultation document DCO 456/2016/R/gas illustrating the final guidelines for defining the criteria for investment cost recognition. As against the three options set forth in the consultation document 205/2016/R/gas, the new approach envisages evaluation criteria based on standard costs, and that such criteria shall apply commencing 2019 – because investigations are still to be conducted –, with reference to the investments made in 2018.

The Authority also believes that adequate mechanisms are necessary for monitoring the efficacy of the method, especially when applied in contexts where renewal activities of the existing networks prevail.

In order to develop the method, the Authority intends to accept the proposal submitted by some consultation participants: a joint technical working group should be set up assembling the distribution companies and the Authority’s Offices, so as to define a shared price list structure.

The Management is participating in the consultation process, assessing the potential organisational and financial impacts of the regulatory evolution.

AP Reti Gas, a company of the Ascopiave Group in charge of managing natural gas distribution and metering services, started operations on 1st July 2016

AP Reti Gas S.p.A., a wholly owned subsidiary of Ascopiave S.p.A., started its operations on 1st July 2016 with about 170 employees and manages the natural gas distribution service in 150 Towns in the Provinces of Treviso, Vicenza, Venice, Padua, Rovigo, Belluno, Varese, Piacenza and Pavia, totalling approximately 6,800 Km of network and over 335,400 redelivery points.

Ascopiave is still the holding company and acts as the Group’s reference in the stock market, focusing its activities on the provision of services to other companies of the Ascopiave Group.

The transfer of the gas distribution business to AP Reti Gas ensures compliance with the provisions contained in AEEGSI resolution 296/15/R/com (Article 17) which envisages unbundling for the distribution and the sales companies in the natural gas and electricity sector.

On 1st July, ASM DG S.r.l. became AP Reti Gas Rovigo S.r.l.

On 1st July, in compliance with AEEGSI's unbundling regulations, ASM Distribuzione Gas S.r.l., a company of the Ascopiave Group operating in the gas distribution sector in the area of Rovigo, changed its name to AP Reti Gas Rovigo S.r.l..

The Aeb-Gelsia Group and Ascopiave sign a letter of intent for the development of a future business combination

On 12th July 2016, the Aeb-Gelsia and Ascopiave Groups signed a letter of intent defining the guidelines and principles of a programme aimed at the combination of the gas and energy sales and distribution businesses in Lombardy, which could also be extended to other areas.

The agreement, which envisages a period of reciprocal exclusivity in negotiations until 31st October 2016, defines hypotheses, insights and the path to be pursued by the Parties in order to finalise the combination within the end of the year.

Ascopiave has been awarded, on an interim basis, the tender relating to the purchase of shares belonging to Pasubio Group S.p.A., a company operating in the distribution of natural gas in 22 Towns in Veneto, with over 88,000 clients

The Town of Schio, the contracting authority for bids governing the sale of 100% of the share capital belonging to Pasubio Group S.p.A., on 12th September resolved on temporarily awarding the tender to Ascopiave S.p.A..

Pasubio Group S.p.A. is the holding company of a group operating in the distribution of natural gas in 22 Towns in the provinces of Vicenza and Padua, with a client base of nearly 88,000 users.

On the basis of estimates drawn by Ascopiave regarding the aggregate figures pertinent to the Group, the 2015 consolidated revenues of Pasubio Group S.p.A. amounted to € 12.6 million (€ 12.7 million in 2014), Ebitda was € 4.7 million (€ 4.4 million in 2014), net operating margin stood at € 2.7 million (€ 2.1 million in 2014) and net profit was € 1.5 million (€ 0.7 million in 2014).

The Group's shareholder's equity, as at 31st December 2015, amounted to € 21.1 million, presenting a net financial indebtedness (adjusted to factor in accounts payable relating to concession fees owed to the respective issuing Towns and falling under pre-2015 fiscal periods) to the tune of € 6.9 million.

The concessions managed by the Group were mostly awarded (20 out of 22) on the basis of tenders pursuant to Legislative Decree n. 164/2000 (the so-called Letta Decree); they will expire between 2018 and 2024 (over 70% of clients fall under those concessions expiring in December 2024).

The economic conditions offered by Ascopiave S.p.A. have the following main features:

- 1) the purchase of the entire 100% share capital of Pasubio Group at an equity value of € 16.3 million;
- 2) a commitment by Pasubio Group to disburse to some issuing Towns (and its current shareholders) a one-off supplementary fee amounting to € 5.1 million;
- 3) a commitment by Pasubio Group to disburse to the said Towns, commencing 2017, the annual concession fees as originally envisaged i.e. prior to the amendments in force between the parties;
- 4) a commitment by Pasubio Group to make an anticipated payment to the said Towns corresponding to the annual concession fees relating to the years 2017 and 2018.

Focusing on 2016 figures, Ascopiave S.p.A. estimates that the higher annual fees that will be paid due to the commitment stated in point 3) above, will lead to higher costs and a consequent drop in operating results over the next years, to the tune of approximately € 1.6 million per year.

The bid features a price adjustment in relation to the variation in the net financial position, from 31st December 2015 to the share transfer date.

Furthermore, Ascopiave's bid provides guarantees with regard to the upkeep of current employment levels, an improvement in the company's staffing and the reinforcement of headcount in local offices.

Ascopiave, in the event of the final official award and successful completion, will finance the purchase by resorting to debt financing.

Significant events subsequent to 30th September 2016**Tender relating to the purchase of shares belonging to Pasubio Group S.p.A.: appeal filed by the second-ranked competitor**

On 4th October 2016, the second-ranked competitor appealed against the Town of Schio and Ascopiave S.p.A. in order to cancel, subject to protective orders, the temporary award of the tender and all subsequent acts to Ascopiave, requesting that the tender be awarded to the appellant or, subordinately, be cancelled.

On 17th October 2016, the Town of Schio notified to Ascopiave that, by decision dated 5th October 2016, the tender was awarded to the company because it had achieved the best score in accordance with the tender provisions.

The town of Schio also informed the company that the execution of the tender transaction, by signing the agreement for the sale of Pasubio Group S.p.A.'s shares, is suspended awaiting the outcome of the aforementioned appeal (the pre-trial hearing, before the Regional Administrative Court of Veneto, has not yet been scheduled).

The Aeb-Gelsia Group and Ascopiave extend the terms of the period of exclusivity in negotiations

On 27th October 2016, the parties agreed to extend the terms of the period of exclusivity in negotiations until 31st January 2017.

First instance decision of the litigation on Ministerial Decree 22.05.2014 (Guidelines for the determination of the residual industrial value of natural gas distribution plants)

Ascopiave, along with other industry players, had filed an appeal before the Regional Administrative Court of Latium – Rome against the Minister of Economic Development for the cancellation of Ministerial Decree dated 22nd May 2014 concerning the introduction of Guidelines for the determination of the residual industrial value of natural gas distribution plants. As part of the same proceedings, issues emerged regarding constitutional legitimacy and/or preliminary ruling as concerns Laws 9 and 116 of 2014, in the section which has modified art. 15, paragraph 5 of Legislative Decree 164/2000 (retrospective deduction of private contributions and time limit of agreements' validity).

On 1st October 2015, Ascopiave, together with the other appellants, filed an appeal against Ministerial Decree 106 dated 20th May, amending Ministerial Decree 226/2011, with "additional grounds" with respect to the main appeal. The latter, in fact, at least with regard to Article 5, has merely introduced the regulations of the Guidelines into Ministerial Decree 226/2011.

Subsequent to the outcome of the hearing dated 28th April 2016, the judgement was delivered.

With Judgement no. 10341 dated 17th October 2016, the Regional Administrative Court of Latium rejected the appeal with additional grounds and barred the main appeal from further proceedings.

The company is considering whether to appeal this decision to the Council of State.

Outlook for 2016

As far as the gas distribution activities are concerned, in the last quarter of 2016 the Group will continue its normal operations and service management and perform preparatory activities for the invitations to tender for the award of the Minimum Territorial Areas in which it is interested. Most Towns currently managed by Ascopiave belong to Minimum Territorial Areas for which the maximum deadline to issue the call for tenders exceeds 31st December 2016. Although the tender authorities may anticipate the maximum terms stated in the regulations, it is unlikely that some Towns invite tenders before the end of 2016. This being unlikely, even with no certainties concerning the required time for the award, 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 2016. Thus, the activity perimeter of the Group will likely not change in the last two months of the year compared to today.

As far as profitability is concerned, it will be negatively affected by the adjustment of the capital return rate envisaged in the recent tariff measures; in fact, the actual pre-tax rate of return for the distribution activity was reduced from 6.9% in 2015 to 6.1%, thus determining an expected decrease in global tariff revenues. These effects will be at least offset by the profits related to the positive tariff adjustments communicated for the year 2015 and already recognised in the financial statements as of 30th September 2016.

As far as gas sale is concerned, it is even more difficult to forecast result trends, also due to the impact of weather conditions, which significantly affect gas consumption. However, for the time being there is no reason to believe that in the near future there will be considerable variations in business profitability conditions, despite the competitive pressure in the retail market and the expected impact of the tariff measures defined by the AEEGSI for the protected market. As regards electricity sales, the positive results achieved in the first nine months of the year could be confirmed.

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 2016 could 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 successful development and application of new technologies, the changes in stakeholder expectations and other changes to business conditions.

Seasonal nature of operations

Gas consumption varies considerably on a seasonal basis, with a greater demand in winter in relation to higher consumptions for heating. Such seasonal nature 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 provide immediate indications 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, article 154 bis, Unified Finance Law, that the accounting information note contained in this press release corresponds to the documentation results, accounting books and records.

Notice of filing of the Interim Management Report as of 30th September 2016

The Interim Management Report for the period ended 30th September 2016 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 financial statements subject to limited audit.

The Ascopiave Group operates in the natural gas sector, mainly in the segments of distribution and sale 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 owns concessions and direct assignments for the management of distribution activities in over 200 Towns, supplying the service to a market segment of over 1 million inhabitants through a distribution network which spreads over 8,800 kilometres.

The sale of natural gas is performed through different companies, some are controlled through joint control. Overall, in 2015 the companies of the Group sold to end customers more than 1 billion cubic meters of gas.

Since 12th December 2006, Ascopiave has been listed in Borsa Italiana's Star segment.

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Pieve di Soligo, 10th November 2016



Ascopiave Group

Consolidated interim financial statements

30th September 2016

Consolidated statement of financial position

(Thousands of Euro)		30.09.2016	31.12.2015
ASSETS			
Non-current assets			
Goodwill	(1)	80,758	80,758
Other intangible assets	(2)	316,155	316,659
Tangible assets	(3)	32,560	34,987
Shareholdings	(4)	65,864	68,078
Other non-current assets	(5)	13,566	15,366
Non-current assets from derivative financial instruments	(6)	339	0
Advance tax receivables	(7)	7,562	11,333
Non-current assets		516,805	527,182
Current assets			
Inventories	(8)	5,740	3,577
Trade receivables	(9)	61,934	172,022
Other current assets	(10)	39,764	46,518
Current financial assets	(11)	90	3,487
Tax receivables	(12)	1,178	1,368
Cash and cash equivalents	(13)	11,814	28,301
Current assets from derivative financial instruments	(14)	428	
Current assets		120,949	255,272
ASSETS		637,755	782,454
Net equity and liabilities			
Total Net equity			
Share capital		234,412	234,412
Own shares		17,521	17,521
Reserves		198,113	198,374
Net equity of the Group		415,004	415,264
Net equity of Others		4,476	4,873
Total Net equity	(15)	419,479	420,137
Non-current liabilities			
Provisions for risks and charges	(16)	6,965	7,360
Severance indemnity	(17)	4,432	3,864
Medium- and long-term bank loans	(18)	37,399	43,829
Other non-current liabilities	(19)	19,801	18,903
Non-current financial liabilities	(20)	364	422
Deferred tax payables	(21)	15,463	19,571
Non-current liabilities		84,423	93,948
Current liabilities			
Payables due to banks and financing institutions	(22)	27,510	97,866
Trade payables	(23)	53,268	122,823
Tax payables	(24)	1,155	397
Other current liabilities	(25)	42,179	43,324
Current financial liabilities	(26)	9,617	3,708
Current liabilities from derivative financial instruments	(27)	123	252
Current liabilities		133,852	268,370
Liabilities		218,275	362,317
Net equity and liabilities		637,755	782,454

Consolidated statement of comprehensive income

(Thousands of Euro)		3 rd Quarter 2016	3 rd Quarter 2015
Revenues	(28)	353,337	413,413
Total operating costs		293,238	363,313
Purchase costs for raw material (gas)	(29)	169,292	237,657
Purchase costs for other raw materials	(30)	14,717	15,315
Costs for services	(31)	77,611	83,221
Costs for personnel	(32)	16,043	16,098
Other management costs	(33)	15,729	11,427
Other income	(34)	155	405
Amortization and depreciation	(35)	15,140	14,748
Operating result		44,959	35,351
Financial income	(36)	196	696
Financial charges	(36)	658	1,103
Evaluation of subsidiary companies with the net equity method	(36)	4,571	4,442
Earnings before tax		49,067	39,386
Taxes for the period	(37)	14,708	11,877
Net result for the period		34,359	27,509
Group's Net Result		32,621	26,081
Third parties Net Result		1,738	1,427
Consolidated statement of comprehensive income			
1. Components that can be reclassified to the income statement			
Fair value of derivatives, changes in the period		863	
2. Components that can not be reclassified to the income statement			
Actuarial (losses)/gains from remeasurement on defined-benefit obligations		(310)	58
Total comprehensive income		34,912	27,567
Group's overall net result		33,086	26,138
Third parties' overall net result		1,825	1,428
Base income per share		0.147	0.117
Diluted net income per share		0.147	0.117

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

Consolidated statement of changes in shareholders' equity

(thousands of Euro)	Share capital	Legal reserve	Own shares	Reserves IAS 19 actuarial differences	Other reserves	Net result for the period	Group's net equity	Net result and net equity of others	Total net equity
Balance as of 1 st January 2016	234,412	46,882	(17,521)	(99)	108,578	43,014	415,264	4,873	420,137
Result for the period						32,621	32,621	1,738	34,359
Other operations					768		768	95	863
IAS 19 TFR actualization for the period				(302)			(302)	(8)	(310)
Total result of overall income statement				(302)	768	32,621	33,086	1,825	34,912
Allocation of 2015 result					43,014	(43,014)	0		0
Dividends distributed to Ascopiave S.p.A. shareholders'					(33,347)		(33,347)		(33,347)
Dividends distributed to third parties shareholders							0	(2,222)	(2,222)
Balance as of 30 th September 2016	234,412	46,882	(17,521)	(401)	119,013	32,621	415,004	4,476	419,479

(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 1 st 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	0	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 30 th September 2015	234,412	46,882	(17,522)	(228)	108,701	26,081	398,324	3,964	402,289

Consolidated statement of cash flows

(thousands of Euro)

	3 rd Quarter 2016	3 rd Quarter 2015
Net income of the Group	32,621	26,081
Cash flows generated (used) by operating activities		
Adjustments to reconcile net income to net cash		
Third-parties operating result	1,738	1,427
Amortization	15,140	14,748
Bad debt provisions	1,379	2,013
Variations in severance indemnity	569	(48)
Current assets / liabilities on financial instruments	(897)	0
Net variation of other funds	411	163
Evaluation of subsidiaries with the net equity method	(4,571)	(4,442)
Interests paid	(555)	(1,067)
Taxes paid	(1,695)	(4,074)
Interest expense for the year	599	1,080
Taxes for the year	14,708	11,594
Variations in assets and liabilities		
Inventories	(2,163)	(3,499)
Accounts payable	108,709	72,584
Other current assets	6,754	18,383
Tax receivables and tax payables	0	35
Trade payables	(69,555)	(66,576)
Other current liabilities	(12,504)	4,629
Other non-current assets	1,800	2,387
Other non-current liabilities	2,124	1,397
Total adjustments and variations	61,991	50,737
Cash flows generated (used) by operating activities	94,611	76,818
Cash flows generated (used) by investments		
Investments in intangible assets	(13,498)	(11,903)
Realisable value of intangible assets	640	27
Investments in tangible assets	(804)	(462)
Realisable value of tangible assets	2	0
Other net equity operations	(310)	270
Cash flows generated/(used) by investments	(13,971)	(12,067)
Cash flows generated (used) by financial activities		
Net changes in debts due to other financiers	(58)	(45)
Net changes in short-term bank borrowings	(45,287)	(45,572)
Net variation in current financial assets and liabilities	9,306	7,614
Ignitions loans and mortgages	76,000	66,500
Redemptions loans and mortgages	(107,500)	(146,500)
Dividends distributed to Ascopiave S.p.A. shareholders'	(33,347)	(33,332)
Dividends distributed to other shareholders	(2,222)	(1,768)
Dividends distributed from subsidiary companies	5,980	3,369
Cash flows generated (used) by financial activities	(97,128)	(149,734)
Variations in cash	(16,487)	(84,983)
Cash and cash equivalents at the beginning of the period	28,301	100,882
Cash and cash equivalents at the end of the period	11,814	15,900