PRESS RELEASE

The Board of Directors approves the 31 December 2019 results: solid growth in all business sectors supported by the 17% increase in investments of € 524 million; proposed 10.1% dividend increase equal to 9.25 euro cents.

The results achieved in 2019, excluding the non-recurring effects from 2018 of approximately € 100 million, confirm the path of growth of the last five years, with a Gross Operating Profit (EBITDA) that came out at € 917 million (up € 51 million compared to 31 December 2018), thanks to the contribution of all the strategic pillars. Dividend proposed at 9.25 euro cents (a 10.1% increase compared to the previous year and up 76.9% compared to 2014).

Main financial and economic indicators

- **Revenues totalling 4,275 million euro** (+5.8% vs 4,041 million euro at 31/12/2018).
- **Gross Operating Profit (EBITDA) of 917 million euro** (-5.1% vs 967 million euro at 31/12/2018). Excluding the extraordinary effects that characterised 2018 of approximately € 100 million, the growth of EBITDA would have been approximately € 51 million (+5.9%).
- **Operating Profit (EBIT) of 452 million euro** (-14.8% vs 530 million euro at 31/12/2018). Not considering the extraordinary effects mentioned above, EBIT would have been € 23 million higher.
- **Group Net Profit of 237 million euro** (-2.3% vs 242 million euro at 31/12/2018). Not considering the effects mentioned above and the impairment of OLT from 2018, net profit would have been € 39 million higher.
- **Net financial debt at 2,706 million euro**. Not considering the consolidation transactions for € 89 million and the effects of applying the IFRS 16 accounting principles (€ 126 million), the increase in financial debt would have been restricted to € 37 million.
- **Proposed dividend per share of 9.25 euro cents**, up 10.1%.

Business highlights

- Organic growth of € 36 million in EBITDA, supported by all business segments.
- Consolidation with effect on EBITDA of approximately € 11 million, linked to the inclusion of ACAM La Spezia, San Germano, Spezia Energy Trading and other minor companies in the business scope.
- Synergies of 10 million in EBITDA, net of emergent costs.
- Investments of € 524 million (up 17%), mainly allocated to regulated sectors.
- Solid customer base in the energy sectors (approximately 1.815 million customers), up by over 33,000 with respect to 31/12/2018.

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Reggio Emilia, 25 March 2020 - Today, the Board of Directors of IREN S.p.A. approved the consolidated results at 31 December 2019.

***Renato Boero, the Group Chairperson** said: "2019 was a year marked by growth based both on organic drivers, supported by investments up by 17% compared to the previous year, and on consolidation operations which contributed to an increase in EBITDA of € 11 million and saw entry into the Group of San Germano, FG Ferrania Ecologia, Territorio e Risorse and Sanremoluce. A process that will continue also in 2020, as the operations with I.Blu and SI.DI.GAS testify. During this intense time of emergency that Italy is experiencing, I want to thank all the Iren employees who are continuing to ensure the provision of essential services in the areas where the Group operates with the same efficiency as always and improving on past methods. For Iren, today, more than ever, this means being close to its communities".*

"The results just approved show the stability of the management of each individual business which, net of the extraordinary and unrepeatable elements of last year, recorded EBITDA up 51 million. This performance consolidates the results of previous years and confirms the path of growth that the Group embarked on 5 years ago", commented **Massimiliano Bianco, the Group's Chief Executive Officer**, who then added, *"The economic and financial stability and the operational and industrial excellence achieved in these years enable us to also tackle emergency situations, such as the one we are in now, confident that we can achieve the objectives indicated in the Business Plan approved in September 2019. The resilience of our business model, based mainly on regulated and semi-regulated activities and the organisational and managerial actions adopted during this time, makes it possible to limit the negative effects associated with the COVID-19 emergency".*

IREN GROUP: CONSOLIDATED RESULTS AT 31 December 2019

2019 consolidated **revenue** came out at € 4,275 million, up 5.8% on the € 4,041 million of financial year 2018. The expansion of the consolidation scope contributed mainly to the increase in revenue. In particular, controlling equity interests were acquired in the following entities: the ACAM La Spezia Group and ReCos, consolidated starting from April 2018; Spezia Energy Trading, consolidated from October 2018; San Germano and CMT, from January 2019; as well as other minor equity investments.

Gross Operating Profit (EBITDA) came to € 917 million, down by 5.1% compared to the € 967 million recorded last year. FY 2018 benefited from approximately 100 million in extraordinary items: € 60 million in White Certificates recognised in relation to previous years and € 41 million attributable to the revised estimate of receivables due for Market SBU invoices to be issued. Net of the extraordinary components that characterised 2018, the recurrent EBITDA would have been up by 5.9%. Additionally, incentives (such as green certificates) for the Pont Ventoux and Bussento hydrolelectric plants—recognised in 2018 for around € 32 million—expired 1 March 2019.
The improvement in the Group's recurrent EBITDA is attributable to all the business lines, with the sole exception of gas sales, for which lower margins were recorded as a result of an unfavourable winter thermal season, which entailed a reduction in gas volumes sold.

Operating Profit (EBIT) came out at € 452 million, down 14.8% from the figure of € 530 million in the corresponding period of 2018. Higher depreciation and amortisation of approximately € 48 million was recorded, mainly in relation to the entry into operation of new investments, expansion of the consolidation scope, the recognition of rights of use following the application

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of IFRS 16 and the impairment of a portion of goodwill for approximately € 9 million. Lower amounts were set aside as provisions for impairment of receivables for € 15 million and lower provisions for risks, net of releases, for € 13 million.

Group Net Profit came to € 237 million, down 2.3% compared to the € 242 million recorded in 2018. This decrease reflects the trend in EBIT, partially offset by an optimisation of financial income and expense thanks both to lower financial costs and to a decrease in the costs of liability management activities. Furthermore, OLT was impaired in 2018.

As at 31 December 2019, **net financial debt** is € 2,706 million, up approximately € 253 million on 31 December 2018. In total, net financial debt is up 10.3%, including € 89 million due to corporate consolidation transactions, and the effects of applying IFRS 16 accounting principles for € 126 million. Net of these effects, the debt would be up by € 37 million. The generation of cash has allowed for the nearly complete hedging of the strong increase in investments and the payment of dividends for 2018 or around 150 million.

Gross technical investments made during the period amounted to € 524 million, a significant increase of 17.2% compared to 2018.

IREN GROUP: MAIN RESULTS BY BUSINESS AREA

(millions of euro)	**31/12/2019**	**31/12/2018**	**Change %**
Revenue	**4,275**	**4,041**	**5.8%**
BU Networks (electricity, gas and water infrastructure)	1,046	947	10.5%
Waste Management BU	715	610	17.2%
Energy (generation, DH, Energy Efficiency)	1,473	1,412	4.3%
Market BU	2,746	2,602	5.5%
Services and other	22	17	35.5%
Netting and adjustments	-1,727	-1,547	11.6%
Gross Operating Profit (EBITDA)	**917**	**967**	**-5.2%**
BU Networks (electricity, gas and water infrastructure)	373	342	9.0%
Electrical networks	*75*	*74*	*1.9%*
Gas networks	*89*	*80*	*10.4%*
Water networks	*209*	*188*	*11.2%*
Waste Management BU	158	155	1.8%
Energy (generation, DH, Energy Efficiency)	274	330	-17.0%
Market BU	110	139	-20.6%
Electricity	*35*	*21*	*65.8%*
Gas and other services	*75*	*118*	*-36.4%*
Services and other	2	1	(*)
Operating profit (EBIT)	**452**	**530**	**-14.7%**
BU Networks (electricity, gas and water infrastructure)	198	176	12.5%
Waste Management BU	56	75	-25.9%
Energy (generation, DH, Energy Efficiency)	140	194	-27.9%
Market BU	57	86	-33.1%
Services and other	1	0	(*)

(*) Change of more than 100%

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NETWORKS (ENERGY AND WATER INFRASTRUCTURE)

Revenue for the segment amounted to 1,046 million euro, up 10.5% from the 947 million euro booked in 2018. Contributing to the increase in revenue were the consolidation of ACAM Acque, operating in La Spezia and its province, starting from April 2018, and of Busseto Servizi (Parma) starting from January 2019.

Gross Operating Profit (EBITDA) came to € 373 million, up by 9% compared to the € 342 million reported at 31 December 2018. The organic growth associated with the tariff return of investments, the synergies achieved and the consolidation of ACAM supported the growth of the Networks SBU. We can also note the presence of a positive water adjustment of € 14 million and the absence of positive elements that had characterised 2018, of approximately € 7 million.

During the reference period, the Group distributed 3,819 GWh of **electricity**, 1,289 million cubic metres of **gas** and 181 million cubic metres of **water**.

As at 31 December 2019, **gross investments** in the segment come to 289 million euro (+8%) allocated to the modernisation of the gas and electricity networks and the development of the infrastructures envisaged by the integrated water cycle scope plans.

WASTE MANAGEMENT

In the Waste Management segment, **revenues** totalled 715 million euro, up by 17.2% with respect to the figure recorded in 2018, of 610 million euro. The increase in revenue is attributable for around € 87 million to expansion of the consolidation scope related to ACAM Ambiente and ReCos (€ 13 million), starting from April 2018; San Germano and CMT from January 2019 (€ 69 million); and Ferrania Ecologia from July 2019 (€ 5 million); as well as to higher revenue from special waste intermediation (€ 15 million) and to an increase in disposal revenue (€ 5 million). Lower energy revenue of approximately € 4 million was also recognised.

Gross Operating Profit of € 158 million increased 1.8% compared to the € 155 million recorded at 31 December 2018. The improvement in the profit is attributable mainly to the positive contribution of waste collection activities, owing also to the expansions of the Group's perimeter deriving from the consolidation of ACAM Ambiente and San Germano. As regards disposal activities the margin decreased owing mainly to the drop in the price (of approximately 15%) of the electricity produced by waste-to-energy plants, only partially offset by the increase in volumes disposed of in the Group's plants and by the increase in market prices related to the disposal of special waste.

During the year, waste managed came to approximately 2,835,000 tonnes.

At 31 December 2019, **gross investments** made in the sector amounted to € 72 million, more than double compared to 2018, and refer mainly to equipment and vehicles in support of door-to-door waste collection and to the development of treatment plants to complete the paper, plastic, organic and wood chains.

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ENERGY (GENERATION, DISTRICT HEATING AND ENERGY EFFICIENCY)

Revenue from the Energy sector amounted to € 1,437 million, up (+4.3%) compared to the € 1,412 million recorded in 2018 mainly as a result of the higher electricity production.

Gross Operating Profit (EBITDA) for the sector came to € 274 million, down 17% compared to the figure at 31 December 2018.
The significant reduction in the margin is mainly connected to the loss of the extraordinary recognition in 2018 of about € 60 million in previous energy efficiency certificates. Excluding from the comparative figure the effect of this factor of operating discontinuity, the gross operating profit would show an improvement of 1.5% compared to the € 270 million of 2018 restated. Additionally, incentives (such as green certificates) for the Pont Ventoux and Bussento hydroelectric plants—recognised in 2018 for around € 32 million—expired 1 March 2019. In 2019, the SNP fell by 15% and ETS certificate prices saw a sustained increase of 56%.
Despite this energy scenario, the drop in gas prices, thanks also to a particularly mild winter thermal season, entailed an increase in the margins of thermoelectric generation. This made it possible to absorb the lower margins of dispatching services (DSM) and the negative balance of energy certificates (ETSs and EECs). Contributing to the improvement of the profit were the recognition of a number of items related to energy certificates of previous years and to recognition of "capacity payment" prices, besides the activities of the district heating sector linked to rental of the SEI Energia business unit and to development of energy efficiency activities.

In 2019, total **electricity** produced was 9,712 GWh, up 16% compared to the 8,371 GWh of the previous year, thanks to the contribution of the thermoelectric and cogeneration sector, of 8,391 GWh (+22%), while hydroelectric production fell to 1,352 GWh (-11.5%).

Heat production for district heating came out at 2,821 Gwht, up 2.4% compared to the 2018 figure. Overall district heating volumes amounted to approximately 95 million m^3 up by 1.3% compared to the 94 million m^3 of 2018. The figures include the volumes managed thanks to rental of the business unit of SEI Energia.

At 31 December 2019, **gross investments** made for € 66 million (-16.6%), mainly dedicated to the cogeneration and district heating production segment.

MARKET

Revenue for the Market segment came to 2,746 million euro, up approximately 5.5% on the 2,602 million euro booked in 2018. This growth was characterised by the expansion of the consolidation scope, with the entry of Spezia Energy Trading in October 2018.

Gross Operating Profit (EBITDA) for the sector came to € 110 million, down by 20.6% compared to the € 139 million recorded at 31 December 2018.
The drop in gross operating profit is attributable to the fact that FY 2018 benefited from contingent assets of approximately € 41 million attributable to the revision of the estimate of receivables for invoices to be issued of which most related to gas sales. Net of the above contingency, the profit would show an improvement of 12.9% compared to the € 98 million of 2018 (pro-forma figure net of this extraordinary income). This improvement is attributable to the sale of electricity that shows higher quantities sold and a sharp improvement in the unit margins of sale. The gross operating profit of gas sales fell owing to an unfavourable winter

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thermal season and a worsening of margins as a consequence of a particularly volatile energy scenario.

Electricity marketed directly in 2018 was 9,452 GWh, up 5.8% on the 8,936 GWh recorded in 2018. The increase in sales on the free market is due to the wholesale segment (+83%) and the retail and small business segment (+4.8%), offset by sales to the business segment (-33.4%) and those of the protected market (-15.2%).

In addition, 3,014 million cubic metres of **gas** were purchased, up compared to the 2,845 million cubic metres of the previous year, in particular due to greater internal usage (+19.5%).

At 31 December 2019, **gross investments** made totalled € 40 million (+28.5%).

BUSINESS OUTLOOK

The recent global pandemic linked to the spread of the coronavirus caused an unexpected shock to the financial markets and will have a decisive impact on the real economy, although, as of today, the impact on Italy of closing non-essential activities is difficult to estimate. The expansive monetary policies implemented by the major central banks may facilitate the recovery of the global economy above all if accompanied by public finance interventions. Besides the above it is important to note also the fall in the oil price in March, when the WTI recorded the lowest price since 2003.

In the current year, the coronavirus emergency in Italy could have, for the time being, what is considered a limited impact on the Group's activities, mainly due to the nature of its business (over 70% in regulated and semi-regulated sectors). The lack of both final and forecast objective data, the latter linked to scenarios that are difficult to make assumptions about today, prevents at the moment an assessment of the possible impact during the year on electricity demand from companies and therefore on sales revenue. We can however foresee, also on the basis of the recent ARERA provisions and the corporate measures adopted to mitigate the economic and social impacts consequent to the crisis, an effect on working capital following the interruption of new actions to suspend/reduce supplies (gas, electricity, water and district heating) due to arrears from 9 March and the possibility, in the case of an objective situation of economic difficulty, to request postponement of the payment deadline by 30 days or payment in three instalments in the three following months. This effect is considered limited. However, the persistence of the negative situation could lead to a deterioration in credit conditions and, therefore the necessity to adjust the provisions for impairment of receivables to the value of the expected losses, according to international accounting principles. Furthermore, the incurrence of extra operating and management costs resulting from the emergency is being closely monitored and the delaying of some projects is conceivable.

Given the recent collapse of the oil price and the probable lower demand for electricity, we expect a reduction in volumes of electricity produced and a lower SNP. Despite this, the constant expansion of the district heating network, which is a semi-regulated activity, will enable us to saturate the production of our cogeneration plants to limit the volatility of the energy scenario. In 2020, the Group expects to be able to take advantage of the potential of its customer portfolio through a partial recovery of unit margins, but also through an increase in the number of customers, thanks also to the expansion of the line of New Downstream products. Given the current situation, the acquisition of new customers could slow down and

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sales volumes could be reduced. However, this would be limited, given the percentage of business customers in the portfolio. In prospect, it is expected that the tariff changes, connected to the regulatory framework approved by ARERA in the water sector and in gas distribution and to the new rules introduced in the waste collection sector, will not have significant impacts on expected margins thanks to actions to further increase the efficiency of the processes and the increase of revenue associated with the investments made and planned.

The Group will also continue in its growth process set forth in the latest business plan, which provides for significant investments above all in the Networks and Waste Management divisions as well as investments destined to increase the electricity generation capacity in the light of the positive price indications for the first two Capacity Market auctions held for 2022 and 2023. Iren also confirms sustainability as one of the main strategic pillars, continuing to invest in projects linked to the Circular Economy, the efficient use of resources and the reduction of emissions, for an amount of approximately 60% of the investments provided for in the business plan.

APPROVAL OF THE 2019 SUSTAINABILITY REPORT

The Iren Board of Directors has today approved the 2019 Sustainability Report, at the same time as approving the financial statements; this also acts as Consolidated Non-Financial Declaration (NFD) in accordance with Italian Legislative Decree no. 254/2016. This document, which reports on the Group's economic, environmental and social performance, offers a tool by which to monitor the objectives of the Business Plan through to 2024, which integrates sustainability amongst the strategic development pillars. It also offers an opportunity for discussion with the territory and all stakeholders.

The results reported at the end of 2019 show the advancement of all the sustainability indicators included in the business plan. In particular:

- WATER RESOURCES: 50% of the water networks managed by the Group have been districtualised, therefore increasing their operational effectiveness. A direct impact of this districtualisation is the reduction of network leaks by 33.4% at the end of 2019 and at the same time a decrease in drinking water taken from the environment.
- CIRCULAR ECONOMY: The consolidation of FG Ferrania and CMT almost doubled the waste processing capacity in the Group's plants, in line with what was announced in the business plan presented in September 2019. In addition the extension of the door-to-door collection system enabled a further increase in the level of the Group's separated waste collection which now stands at 67.3%.
- DECARBONISATION: The development of many different projects, connected in particular with electricity and heat storage, reducing energy consumption and the related emissions, together with a production mix based on highly-efficient plants enabled the Group to reduce the environmental impacts of its activities. In particular, at 31 December 2019, there was a reduction of 1.7% in Iren's carbon footprint and an 8% increase in energy saved.
- RESILIENT CITIES: During 2019 investments continued with the aim of increasing district heating volumes which amounted to 95 million m^3, enabling an improvement in air quality in the territories of reference and a reduction in gas and electricity consumption. In addition, Iren's commitment to the creation of increasingly resilient cities is evident in the increase in the number of ecological vehicles used to carry out

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the corporate activities, as of today 890 (16% of the total company fleet) and in the increasingly wide range of offers linked to e-mobility available to customers.

- PEOPLE: As announced in the business plan, in order to support organisational adjustment in response to a wider and more complex business dimension, during 2019 training hours for employees were increased by 4% per capita and a plan to recruit young people and experts continued, increasing direct employment by 3% compared to the end of 2018, excluding the increase deriving from consolidation operations.

DIVIDEND

The Board of Directors has resolved to propose to the Shareholders' Meeting payment of a dividend of 9.25 euro cents per share, up 10.1% on last year and which will be assigned for payment on 24 June 2020 (ex-dividend date 22 June 2020 - record date 23 June 2020).

AMENDMENTS TO THE BYLAWS

The BoD, meeting today, approved the amendment to the bylaws regarding identification of shareholders (for compliance with Art. 83-*duodecies* of the Consolidated Law on Finance) which enables issuers to require identification information for shareholders holding shares equivalent to more than 0.5% of the share capital with the right to vote.
The BoD also approved the amendments necessary to make the bylaws compliant with the legislation on “gender quotas” (compliance with the 2020 Budget Law), which states that a share equal to at least two fifths of administration and control bodies must be reserved for the less represented gender. The company bylaw, as modified by the Board of Directors, will be available for consultation at Borsa Italiana, through the 1info SDIR / Storage regulated information storage mechanism (https://www.1info.it/PORTALEONEINFO) and on the Company www.gruppoiren.it within the terms of the law.

CONFERENCE CALL

The results at 31 December 2019 will be presented today, 25 March, at 17:00 (CET) as part of a conference call with the financial community, also offered as a webcast in “listen only” mode, at www.gruppoiren.it in the *Investors* section.

ALTERNATIVE PERFORMANCE MEASURES

A number of alternative performance measures (APMs) are used in this press release. These are not provided for in the international accounting standards adopted by the European Union (IFRS-EU), but permit a better understanding of the economic-financial performance of the IREN Group. In compliance with the recommendations of the Guidelines published in October 2015 by ESMA, the significance, content and basis of calculation of said indicators are shown below:

- **Gross operating profit (EBITDA):** determined subtracting total operating expenses from total revenue. This APM is used by the Group in the context of documents, both internal to the Group and external, and is a useful tool for assessing the Group’s operating performance (as a whole and at the individual Business Unit level), also through comparison between the operating profit of the period with which the report is concerned and those of previous periods or financial years. This indicator also makes it possible to carry out analyses on operating performance and to measure performance in terms of operating efficiency over time.

- **Operating profit:** determined subtracting from Gross Operating Profit (EBITDA) depreciation, amortisation, provisions and operating impairment losses.
- **Net financial debt:** determined by the sum of Non-current financial liabilities net of Non-current financial assets and Current financial liabilities net of Current financial assets and of Cash and cash equivalents. This APM is used by the Group in the context of documents both internal and external to the Group and is a useful measure of the Group's financial structure, also through comparison between the period with which the report is concerned and previous periods or financial years.
- **Investments:** determined by the sum of investments in intangible assets, property, plant and equipment and investment property and financial assets (equity investments) and presented gross of capital grants. This APM is used by the Group in the context of both external and internal Group documents and represents a measurement of the financial resources absorbed by purchases of durable goods during the period.

Massimo Levrino, Financial Reporting Manager of IREN S.p.A declares, pursuant to paragraph 2 of Article 154-bis of the "Testo Unico della Finanza" (Consolidated Law on Finance), that the accounting information contained in this press release corresponds to the documentary records, books and accounting entries.
The financial report at 31 December 2019 will be filed in accordance with the law at the company headquarters (Via Nubi di Magellano, 30 – Reggio Emilia) and with Borsa Italiana S.p.A., available to anyone who requests it, and will also be available on the Group's website, www.gruppoiren.it.
Below are the accounting schedules of the IREN S.p.A. Group, currently being audited.

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INCOME STATEMENT

thousands of euro

	Financial year 2019	Financial year 2018	Change %
Revenue			
Revenue from goods and services	4,081,333	3,764,302	8.4
Other income	193,373	276,387	(30.0)
Total revenue	**4,274,706**	**4,040,689**	**5.8**
Operating expenses			
Raw materials, consumables, supplies and goods	(1,410,798)	(1,377,066)	2.4
Services and use of third-party assets	(1,458,394)	(1,271,959)	14.7
Other operating expenses	(78,976)	(64,653)	22.2
Capitalised expenses for internal work	33,444	33,198	0.7
Personnel expense	(442,721)	(393,618)	12.5
Total operating expenses	**(3,357,445)**	**(3,074,098)**	**9.2**
GROSS OPERATING PROFIT (EBITDA)	**917,261**	**966,591**	**(5.1)**
Depreciation, amortisation, provisions and impairment losses			
Depreciation and amortisation	(403,262)	(354,947)	13.6
Provisions for impairment of receivables	(37,203)	(52,217)	(28.8)
Other provisions and impairment losses	(24,647)	(28,933)	(14.8)
Total depreciation, amortisation, provisions and impairment losses	**(465,112)**	**(436,097)**	**6.7**
OPERATING PROFIT (EBIT)	**452,149**	**530,494**	**(14.8)**
Financial income and expenses			
Financial income	34,614	42,844	(19.2)
Financial expense	(114,482)	(148,976)	(23.2)
Total financial income and expense	**(79,868)**	**(106,132)**	**(24.7)**
Share of profit (loss) of associates accounted for using the equity method	4,477	776	(*)
Value adjustments on equity investments	558	(35,614)	(*)
Profit (loss) before tax	**377,316**	**389,524**	**(3.1)**
Income tax expense	(111,635)	(116,287)	(4.0)
Net profit (loss) from continuing operations	**265,681**	**273,237**	**(2.8)**
Net profit (loss) from discontinued operations	-	-	-
Net profit (loss) for the period	**265,681**	**273,237**	**(2.8)**
attributable to:			
- Profit (loss) for the period attributable to shareholders	236,578	242,116	(2.3)
- Profit (loss) for the period attributable to non-controlling interests	29,103	31,121	(6.5)

(*) Change of more than 100%

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RECLASSIFIED STATEMENT OF FINANCIAL POSITION

thousands of euro

	31.12.2019	31.12.2018	Change %
Non-current assets	6,095,998	5,786,294	5.4
Other non-current assets (liabilities)	(444,550)	(431,648)	3.0
Net Working Capital	165,707	132,325	25.2
Deferred tax assets (liabilities)	163,898	148,745	10.2
Provisions for risks and employee benefits	(625,240)	(621,063)	0.7
Assets (Liabilities) held for sale	1,293	524	(*)
Net invested capital	**5,357,106**	**5,015,177**	**6.8**
Shareholders' equity	2,651,529	2,562,371	3.5
Non-current financial assets	(148,051)	(147,867)	*0.1*
Non-current financial debt	3,167,048	3,013,303	*5.1*
Non-current net financial debt	3,018,997	2,865,436	5.4
Current financial assets	(774,583)	(849,993)	*(8.9)*
Current financial debt	461,163	437,363	*5.4*
Current net financial debt	(313,420)	(412,630)	(24.0)
Net financial debt	2,705,577	2,452,806	10.3
Own funds and net financial debt	**5,357,106**	**5,015,177**	**6.8**

(*) Change of more than 100%

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STATEMENT OF CASH FLOWS

thousands of euro

	Financial year 2019	Financial year 2018	Change %
A. Opening Net financial (debt)	**(2,452,806)**	**(2,371,785)**	**3.4**
Cash flows from operating activities			
Profit (loss) for the period	265,681	273,237	(2.8)
Adjustments for non-financial movements	718,775	738,824	(2.7)
Utilisations of employee benefits	(10,950)	(16,764)	(34.7)
Utilisations of provisions for risks and other charges	(42,306)	(40,272)	5.1
Change in other non-current assets and liabilities	10,827	13,450	(19.5)
Other changes in capital	(37,635)	(58,329)	(35.5)
Taxes paid	(157,924)	(128,947)	22.5
B. Cash flows from operating activities before changes in NWC	**746,468**	**781,199**	**(4.4)**
C. Cash flows from changes in NWC	**(21,817)**	**(3,302)**	**(*)**
D. Cash flows from/(used in) operating activities (B+C)	**724,651**	**777,897**	**(6.8)**
Cash flows from/(used in) investing activities			
Investments in property, plant and equipment and intangible assets	(523,985)	(446,984)	17.2
Investments in financial assets	(277)	(800)	(65.4)
Proceeds from the sale of investments and changes in assets held for sale	5,955	22,780	(73.9)
Changes in consolidation scope	(64,245)	(231,324)	(72.2)
Dividends received	1,784	3,339	(46.6)
E. Total cash flows from /(used in) investing activities	**(580,768)**	**(652,989)**	**(11.1)**
F. Free cash flow (D+E)	**143,883**	**124,908**	**15.2**
Cash flows from /(used in) financing activities			
Capital increase	-	52,622	(100.0)
Purchases of own shares	(9,054)	-	-
Dividends paid	(150,122)	(113,080)	32.8
Interest paid	(109,122)	(113,539)	(3.9)
Interest received	14,398	14,595	(1.3)
Change in fair value of hedging derivatives	(26,006)	(15,945)	63.1
Change in financial liabilities for leasing	(126,276)	-	-
Other changes	9,528	(30,582)	(*)
G. Total cash flows from /(used in) financing activities	**(396,654)**	**(205,929)**	**92.6**
H. Change in net financial (debt) (F+G)	**(252,771)**	**(81,021)**	**(*)**
I. Closing Net financial (debt) (A+H)	**(2,705,577)**	**(2,452,806)**	**10.3**

(*) Change of more than 100%

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