Consolidated Quarterly Report

at 30 September 2021

Summary

COMPANY OFFICERS

Board of Directors[1]

Chairperson	Renato Boero [2]
Deputy Chairperson	Moris Ferretti [3]
Chief Executive Officer and General Manager	Gianni Vittorio Armani [4]
Directors	Sonia Maria Margherita Cantoni [5]
	Enrica Maria Ghia [6]
	Pietro Paolo Giampellegrini [7]
	Alessandro Giglio [8]
	Francesca Grasselli [9]
	Maurizio Irrera [10]
	Cristiano Lavaggi [11]
	Ginevra Virginia Lombardi [12]
	Giacomo Malmesi [13]
	Gianluca Micconi
	Tiziana Merlino
	Licia Soncini [14]

Board of Statutory Auditors[15]

Chairperson	Michele Rutigliano
Standing auditors	Cristina Chiantia
	Simone Caprari
	Ugo Ballerini
	Sonia Ferrero
Supplementary Auditors	Lucia Tacchino
	Fabrizio Riccardo Di Giusto

Financial Reporting Manager
Massimo Levrino

Independent Auditors
KPMG S.p.A. [16]

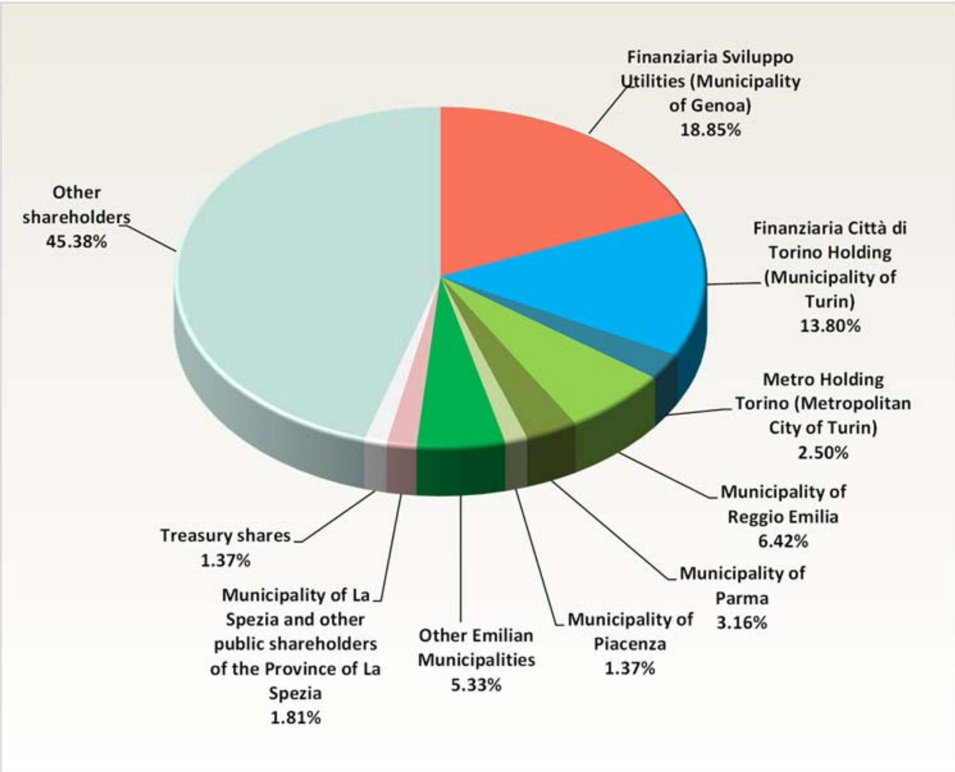
[1] (Appointed by the Shareholders' Meeting of 22 May 2019 for the 2019-2020-2021 three-year period)
[2] Appointed Chairperson by the Shareholders' Meeting of 22 May 2019.
[3] Appointed Deputy Chairperson at the Board of Directors meeting held on 22 May 2019.
[4] Co-opted as Director pursuant to article 2386 of the Italian Civil Code and appointed Chief Executive Officer and General Manager at the meeting of the Board of Directors held on 29 May 2021, to replace Massimiliano Bianco, who resigned from these positions with effect from the same date.
[5] Member of the Control, Risk and Sustainability Committee, appointed on 22 May 2019.
[6] Member of the Control, Risk and Sustainability Committee, appointed on 22 May 2019.
[7] Member of the Remuneration and Appointments Committee, appointed on 22 May 2019. Mr Giampellegrini was also appointed Chairperson of the Remuneration and Appointments Committee at the Board of Directors meeting held on 30 May 2019.
[8] Member of the Related Party Transactions Committee, appointed on 22 May 2019.
[9] Member of the Related Party Transactions Committee from 22 May to 30 May 2019, and member of the Remuneration and Appointments Committee as of 30 May 2019.
[10] Member of the Remuneration and Appointments Committee, appointed on 22 May 2019.
[11] Member of the Remuneration and Appointments Committee from 22 May to 30 May 2019, and member of the Control, Risk and Sustainability Committee from 30 May 2019.
[12] Member of the Related Party Transactions Committee, appointed on 30 May 2019.
[13] Member of the Audit, Risk and Sustainability Committee, appointed on 22 May 2019 and member of the Related Party Transactions Committee, appointed on 30 May 2019. Mr Malmesi was also appointed Chairperson of the Control, Risk and Sustainability Committee at the Board of Directors meeting held on 30 May 2019.
[14] Member of the Related Party Transactions Committee, appointed on 22 May 2019. Ms Soncini was also appointed Chairperson of the Transactions with Related Parties Committee at the full Committee meeting held on 29 May 2019.
[15] Appointed by the Shareholders' Meeting of 6 May 2021 for the 2021-2022-2023 three-year period.
[16] Appointed by the Shareholders' Meeting of 22 May 2019 for the 2021-2029 nine-year period.

SHAREHOLDING STRUCTURE

The Company's Share Capital amounts to € 1,300,931,377, fully paid up, and is made up of ordinary shares with a par value of € 1 each.

In April 2021, Metro Holding Torino S.r.l., fully controlled by the Metropolitan City of Turin, purchased approximately 2.5% of Iren's capital through a Reverse Accelerated Bookbuilding procedure for qualified investors and foreign institutional investors.

As at 30 September 2021, on the basis of the information available to the company, Iren's ownership structure was as illustrated below; it should also be noted that, at that date, Iren S.p.A. held 17,855,645 treasury shares, equal to 1.37% of the share capital, and that there were no private shareholders holding more than 3% of the share capital.



A century of history

1905
Parma's municipal electric lighting company is born

1907
The Turin municipal company AEM is born

1922
Genoa's municipal gas company is created

1936
AMGA is born from municipal gas company of Genoa

1962
The Reggio Emilia municipal company AMG is born

1965
The Parma municipal company becomes AMPS

1972
The Piacenza municipal company ASM is born

1994
AGAC was set up from the Reggio Emilia municipal company

Mission

To offer our customers and areas the best integrated management of energy, water and environmental resources, with innovative and sustainable solutions in order to create value over time.

For everyone, every day.

1996
AMGA Genova listed on the Stock Exchange

2000
AEM Torino listed on the Stock Exchange and ASM Piacenza becomes TESA

2005
AMPS, TESA and AGAC establish ENIA

2006
AEM Turin and AMGA Genoa form IRIDE

2007
ENIA listed on the Stock Exchange

2010
IRIDE and ENIA constitute IREN

2015
AMIAT joins the Iren Group

2016
IRETI is born, TRM and ATENA Vercelli enter the Group

2018
ACAM La Spezia joins the Group

2020
The Group acquires the Unieco Waste Management Division

A company for over 110 years focused on the development of its territories and the needs of its customers.

Vision

Improving people's quality of life, making businesses more competitive. To look at territorial growth with a focus on change. Merging development and sustainability into one unique value. We are the multi-utility company that wants to build this future through innovative choices.

For everyone, every day.

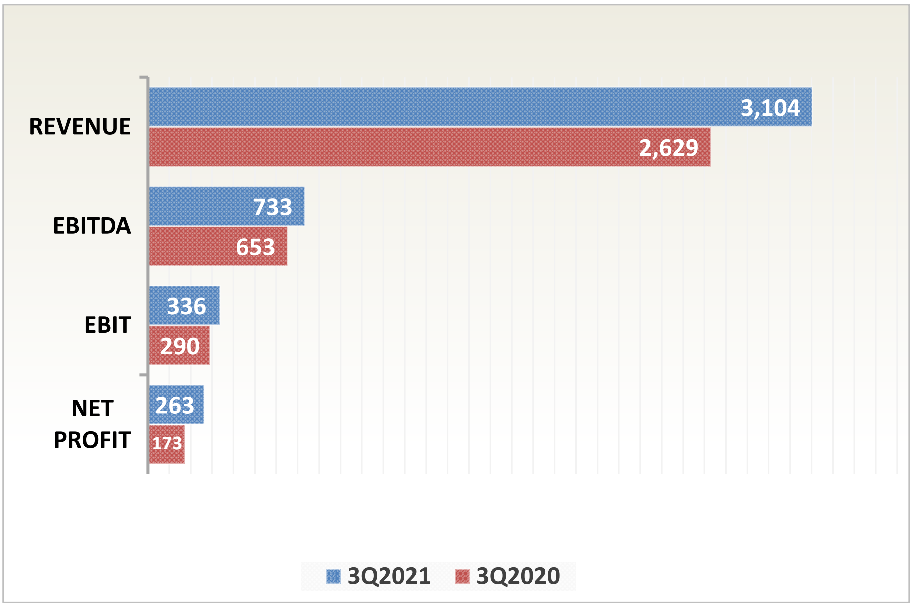
KEY FIGURES OF THE IREN GROUP: HIGHLIGHTS OF THE FIRST NINE MONTHS 2021

Economic data

millions of euro

	First 9 months 2021	First 9 months 2020 Restated	Change %
Revenue	3,103.8	2,629.2	18.1
EBITDA	732.6	652.6	12.3
EBIT	336.4	290.1	16.0
Net Profit	263.4	173.4	51.9
EBITDA Margin (EBITDA/Revenue)	23.6%	24.8%	

As required by IFRS 3, the cash flow balances of the first nine months of 2020 have been restated to take into account, at the acquisition date, the effects of the completion, at the end of 2020, of the purchase price allocation at the final fair value of the assets and liabilities acquired (*Purchase Price Allocation*) of the company Territorio e Risorse. For additional information, refer to the paragraph “Restatement of amounts” of the “Basis of Preparation” chapter.

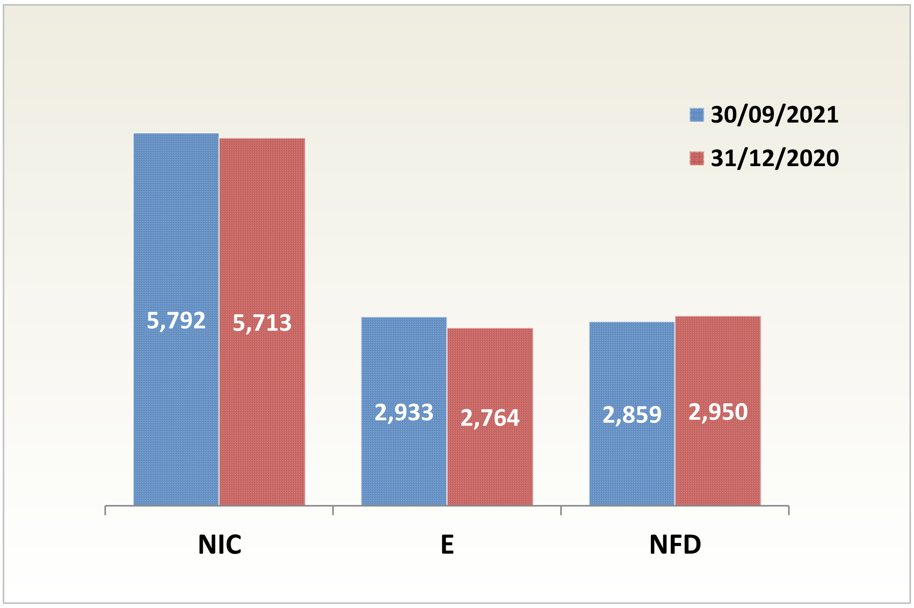


Financial position data

millions of euro

	30.09.2021	31.12.2020 Restated	Change %
Net Invested Capital (NIC)	5,791.8	5,713.1	1.4
Equity (SE)	2,932.9	2,763.5	6.1
Net Financial Debt (NFD)	2,858.9	2,949.6	(3.1)
Debt/Equity (Net Financial Debt/Equity)	0.97	1.07	

As required by IFRS 3, the financial position at 31 December 2020 has been restated to consider, at the date of acquisition, the effects of the updating of the provisional fair value of the net assets of the Unieco Waste Management Division and the completion of the allocation of the acquisition price at the final fair value of the assets and liabilities acquired *(Purchase Price Allocation*) of the district heating business unit of SEI Energia. For additional information, refer to the paragraph "Restatement of amounts" of the "Basis of Preparation" chapter.

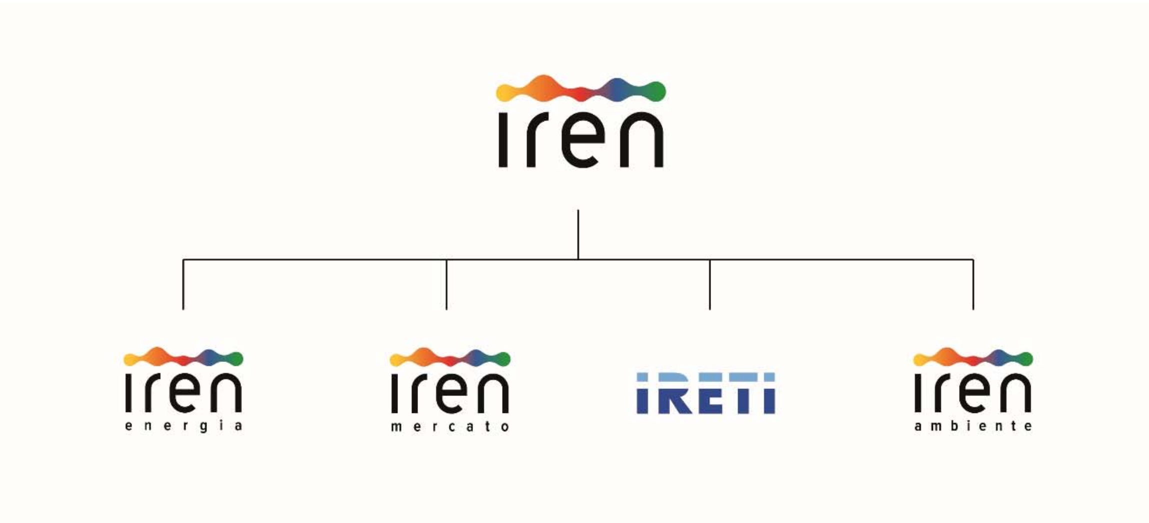


Technical and commercial figures

	First 9 months 2021	First 9 months 2020	Change %
Electricity produced (GWh)	6,815.6	7,345.6	(7.2)
Thermal energy produced (GWht)	2,034.7	1,764.1	15.3
Electricity distributed (GWh)	2,732.8	2,672.9	2.2
Gas distributed (mln m^3)	894.6	789.5	13.3
Water sold (mln m^3)	130.1	131.6	(1.1)
Electricity sold (GWh)	11,032.3	12,676.8	(13.0)
Gas sold (mln m^3) (*)	1,801.1	1,968.1	(8.5)
District heating volume (mln m^3)	97.2	95.5	1.8
Waste treated (tonnes)	2,612,318	2,022,430	29.2

* of which 1,125.2 mln m^3 for internal use in the first 9 months of 2021 (1,225.5 mln m^3 in the first 9 months of 2020, -8.2%)

THE CORPORATE STRUCTURE OF THE IREN GROUP



The Group is structured according to a model that envisages an industrial holding company (Iren S.p.A., with registered office in Reggio Emilia) and four companies responsible for the individual business lines, located in the main operating sites of Genoa, Parma, Piacenza, Reggio Emilia, Turin, Vercelli and La Spezia.
Iren S.p.A. is responsible for strategic, development, coordination and control activities, while the four Business Units (BUs) have been entrusted with the coordination and direction of the companies operating in their respective sectors:

- Networks, which works in the areas of integrated water cycle, gas distribution and electricity distribution;
- Waste Management, which carries out waste collection, urban hygiene, treatment and disposal activities;
- Energy, operating in the sectors of electric and thermal energy production, district heating, energy efficiency and technological services, public lighting and traffic light networks;
- Market, active in the sale of electricity, gas, heat for district heating and products and services in the field of home automation, energy saving and electric mobility for customers.

NETWORKS BU

Integrated water services
IRETI, head of the Business Unit, directly and through its operating subsidiaries Iren Acqua, Iren Acqua Tigullio, ASM Vercelli and ACAM Acque operates in the water supply, sewerage and waste-water treatment sectors in the provinces of Genoa, Savona, Piacenza, Parma, Reggio Emilia, Vercelli, La Spezia and in some other municipalities located in Piedmont and Lombardy. Overall, in the Ambiti Territoriali Ottimali (ATO, Optimal Territorial Areas) managed, the service is provided in 241 municipalities through a distribution network of 20,258 kilometres, serving almost 2.8 million residents. As regards waste water, the Networks BU manages a sewerage network spanning a total of 11,189 kilometres.

Gas distribution
IRETI distributes natural gas in 70 municipalities of the Provinces of Reggio Emilia, Parma and Piacenza, in the Municipality of Genoa and in 20 other municipalities nearby. In addition, through ASM Vercelli it distributes gas in the city of Vercelli, in 10 municipalities of the same province and in 3 other municipalities in Piedmont and Lombardy. The distribution network, made up of 8,115 kilometres of high, medium and low-pressure pipes, serves a catchment area of approximately 743 thousand redelivery points.

Electricity distribution
IRETI provides the electricity distribution service in the cities of Turin, Parma and, through ASM Vercelli, in the city of Vercelli with 7,795 kilometres of network in medium and low voltage, and a total of more than 724 thousand connected users.

WASTE MANAGEMENT BU

Iren Ambiente, the head of this Business Unit, operates in particular in the sectors of waste collection, treatment and disposal in the historic Emilia catchment area, as well as managing a number of treatment and disposal plants in the provinces of Turin and Savona.
In addition, the Waste Management BU operates along the waste chain through companies located across other regions: AMIAT, ASM Vercelli (controlled by IRETI), TRM and Territorio e Risorse in Piedmont and ACAM Ambiente, ReCos and Rigenera Materiali in Liguria; San Germano instead carries out its main activity as waste collector in several regions, including Sardinia, Lombardy, Piedmont and Emilia-Romagna.
Again with reference to the territories in which the Group operates, the recently acquired companies of the so-called "Divisione Ambiente Unieco" (Unieco's Waste Management Division), located in a number of Italian regions (Emilia Romagna, Piedmont, Tuscany, the Marches and Apulia), are active in all stages of the supply chain: from intermediation to treatment and recovery, to the disposal of both municipal and special waste and, through the associated company SEI Toscana, also in the collection of municipal waste.
Finally, I.Blu is active in the sorting of plastic waste for recovery and recycling and in the treatment of plastic waste for the production of Blupolymer (polymer for civil uses) and Bluair (reducing agent for steel plants).

The Business Unit therefore carries out all the activities of the municipal waste management cycle (collection, sorting, recovery and disposal), with particular attention to sustainable development and environmental protection confirmed by increasing levels of separate waste collection; it also manages an important portfolio of customers to whom it provides all services for the disposal of special waste.
The Waste Management BU serves a total of 307 municipalities with more than 3.0 million residents in its operational areas. The integrated waste cycle is mainly made up of 3 waste-to-energy plants (TRM, owned by the company of the same name, in Turin, Polo Ambientale Integrato (PAI) (Integrated Environmental Hub), in Parma, and Tecnoborgo, in Piacenza, the latter owned by Iren Ambiente, which heads up the BU), 4 active landfills, 197 equipped technological stations and 46 treatment, selection, storage, recovery, biodigestion and composting plants.

On 30 March 2021, Iren Ambiente completed the acquisition of control of the associate Futura S.p.A. (Unieco Waste Management Division), which has a mechanical biological treatment plant and operates in Grosseto.

ENERGY BU

Production of electricity and heat
The Energy BU's installed capacity totals 2,858 MW of electricity and approximately 2,373 MW of heat. Specifically, it has 30 electricity production plants directly available to it: 22 hydroelectric (including 3 mini-hydro) plants, 7 thermoelectric cogeneration plants, and 1 conventional thermoelectric plant. The Business Unit has 85 photovoltaic production plants with an installed capacity of 20 MW.
With respect to thermoelectricity, at Group level, more than 34% of the total thermal power serving district heating comes from the cogeneration plants owned by Iren Energia, the company that heads up this BU and produces 80% of the heat for district heating. The share of thermal power related to conventional heat generators is 58%, with district heating production at 16%. The remainder is produced by group plants not belonging to the Business Unit (waste-to-energy plants).

Electricity produced by plants fuelled by environmentally-friendly sources (renewable or high-efficiency cogeneration), which account for 70% of the Group's plant portfolio, generate more than 73% of all output. In particular, the hydroelectric production system plays an important role in environmental protection, as it uses a renewable and clean resource, without the emission of pollutants, and reduces the need to make use of other forms of production that have a greater environmental impact.

In 2020, a contract was signed with Ansaldo for the expansion of the Turbigo thermoelectric power plant through the design, supply and construction of a new gas-fired combined-cycle power generation plant, which will increase the site's total installed capacity from the current 850 MW to about 1,280 MW.
Iren Energia also oversees the scheduling and dispatching of the Group's electricity production, as well as operations on the electricity exchange.

District heating
Iren Energia has the most extensive district heating network in Italy (1,064 kilometres of double pipe network), with 701 kilometres in the Turin area, of which 76 kilometres in the municipalities of Grugliasco, Rivoli and Collegno (Metropolitan City of Turin), 10 in the Municipality of Genoa, 221 in the Municipality of Reggio Emilia, 103 in the Municipality of Parma and 29 in the Municipality of Piacenza; the total volume heated amounts to 96.8 million cubic metres.

Energy efficiency services
Through its subsidiary Iren Smart Solutions, the Energy BU operates in the energy efficiency sector, designing, implementing and managing measures to reduce energy consumption; it provides energy services and global services for residential buildings, private and public facilities as well as industrial and commercial complexes, guaranteeing the maintenance and management of heating, air-conditioning, plumbing, sanitary, refrigeration, electrical and solar panel systems, as well as their design and installation. Iren Smart Solutions also handles the development and management of public lighting and traffic lights and similar services.

MARKET BU

Sale of electricity
Iren Mercato operates, in the context of the free market, all over the country, with a higher concentration of customers in Central and Northern Italy, and handles the sale of the energy provided by the Group's various sources on the market of final customers and wholesalers. The main Group energy sources available for its activities are the thermoelectric and hydroelectric plants of Iren Energia. The company also operates as the operator of the “greater protection” service for retail customers on the electricity market in the city of Turin, the territory of Parma and the catchment area of the municipality of Sanremo (IM).
The retail and small business electricity customers managed are over one million, distributed mainly in the traditionally served basin of Turin and Parma and in the other areas commercially covered by Iren Mercato and ATENA Trading.

Sale of Natural Gas
Retail gas customers managed by the Market Business Unit amounted to more than 907 thousand, mainly throughout the traditional Genoa, Turin and Emilia Romagna catchment area and surrounding development areas, Vercelli, the Campania region (through ATENA Trading and Salerno Energia Vendite, respectively), and La Spezia. In particular, Salerno Energia Vendite is present in almost all the provinces in Campania as well as in a number of municipalities of the Basilicata, Calabria, Tuscany and Lazio regions.
From July 2021, with the acquisition of 100% of the share capital of SidIren S.r.l. operating in the sale of natural gas, Iren Mercato has extended its gas customer portfolio to 78 municipalities in the province of Avellino.

Sale of heat through the district heating network

Iren Mercato manages the sale of heat, purchased from Iren Energia, to district heating customers in the municipalities of Turin, Nichelino, Beinasco (Turin area), Genoa, Reggio Emilia, Piacenza and Parma and the commercial development in the areas of new district heating installations.

The commercial offers that complement the sale of commodities include the “New downstream” business line, for the marketing to retail customers of innovative products in the area of home automation, energy savings and the maintenance of domestic systems, and “IrenGO zero emissions”, the innovative offer for electric mobility aimed at private customers, companies and public bodies with the objective of reducing the environmental impact of travel. In this respect, the Group has also experimented with the potential and benefits of e-mobility by launching a series of internal initiatives such as the installation of charging infrastructures and the gradual introduction of electric vehicles. All the IrenGO internal and external electric mobility initiatives benefit from *100% green* energy supply deriving from the Group’s hydroelectric plants.

INFORMATION ON THE IREN STOCK IN THE FIRST NINE MONTHS OF 2021

Iren stock performance on the stock exchange

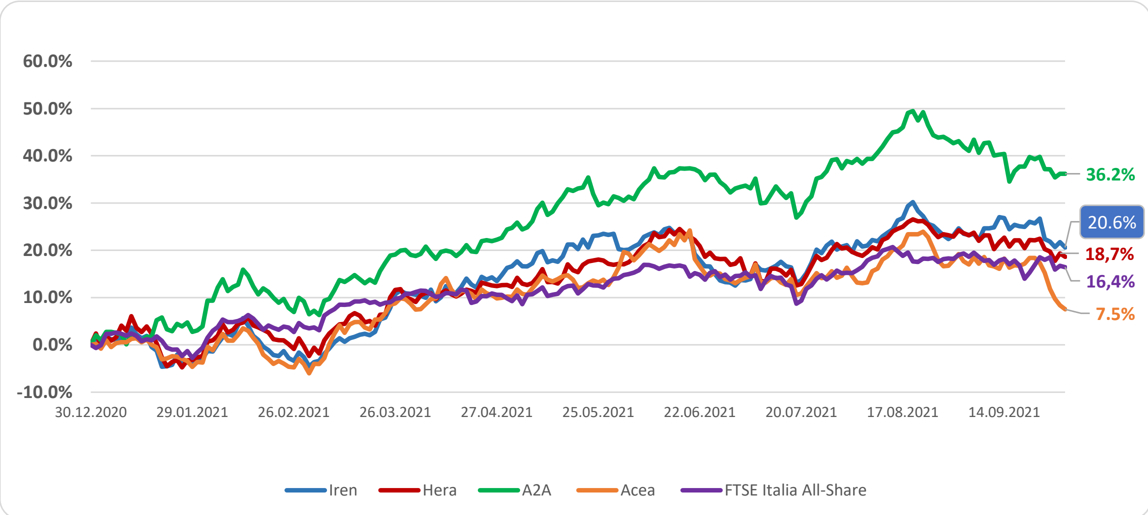
In the first nine months of 2021, the world's major stock market indices reported an upward trend, thanks largely to actions to counter the spread of Covid-19 and the resulting expectations of economic recovery. These positive expectations were, moreover, supported by the Next Generation EU plan as well as by the expansive monetary policies of the major central banks.

However, in the month of September, the growth trends of the world stock exchange indices were contained due to the tensions on the energy markets and the “debt crisis” of some important Chinese companies, with potential negative impacts on the economic recovery.

During the first nine months of 2021, the FTSE Italia All-Share (the main index of the Italian stock exchange) increased by 16.4%, driven by expectations of a recovery in the national economy.

In this positive context, the four multi-utility companies performed in line with, if not better than, the FTSE Italia All-Share index, benefiting from the expected positive impact of European and national plans for economic recovery and infrastructure development, within the context of the huge significance of environmental sustainability.

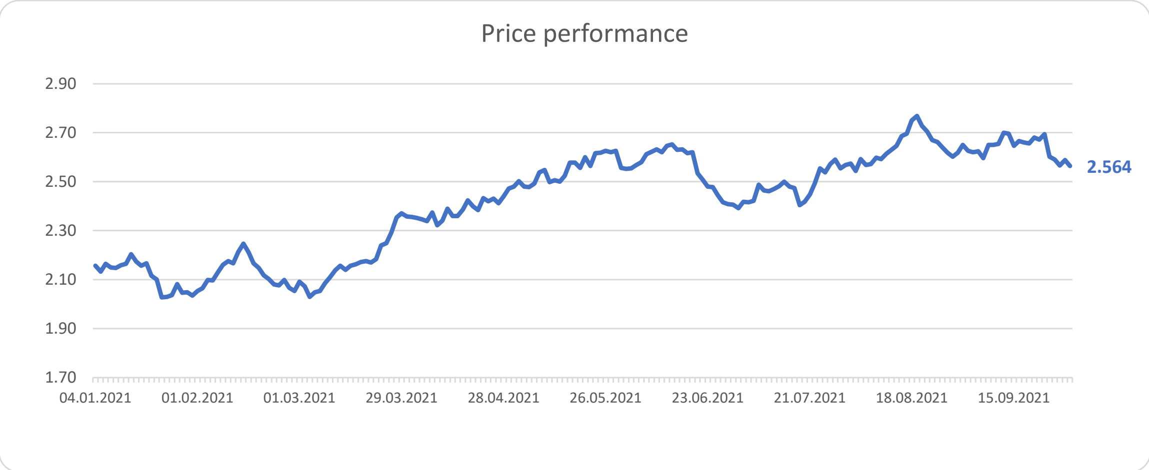
Performance of Iren stock compared to competitors

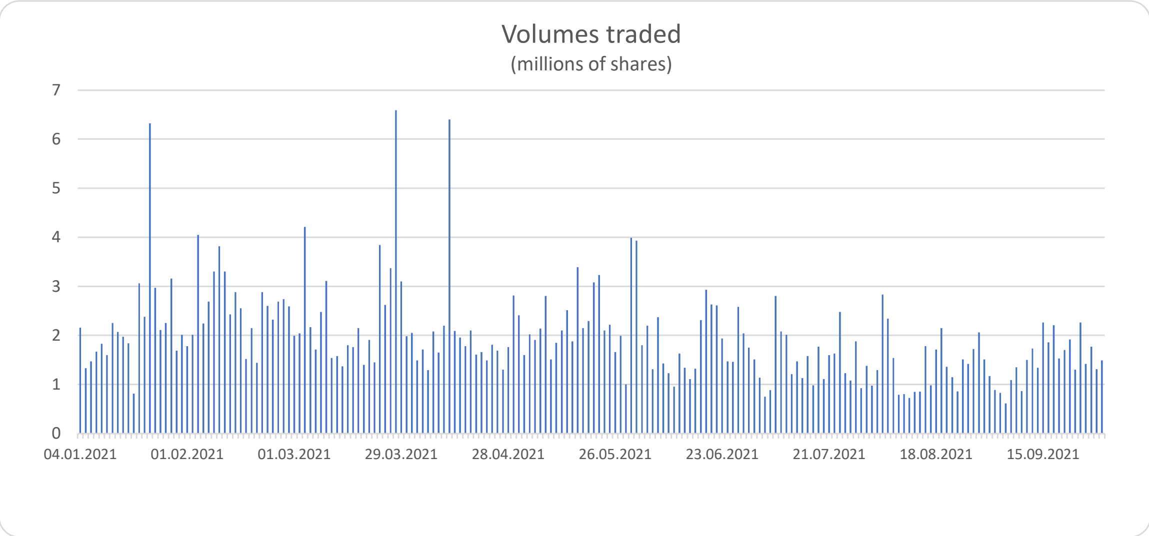


At 30 September 2021, the last trading day in the period, the price of IREN share stood at € 2.564 /share, up by 20.6% compared to the price at the beginning of the year, with average trading volumes during the period amounting to approximately 1.98 million units. The average price during the first nine months of 2021 was € 2.41/share.

The high for the period was recorded on 19 August, at € 2.768/share; the low for the period, at € 2.028/share, was recorded on 21 January.

The two charts below show the Iren share price performance and volumes traded in the first nine months of 2021.





Share coverage

During the period, the Iren Group was followed by seven brokers: Equita, Exane (sponsored research), Intermonte, Intesa Sanpaolo, Kepler Cheuvreux, Mediobanca and Stifel.

Directors' Report

at 30 September 2021

SIGNIFICANT EVENTS OF THE PERIOD

Acquisition of control of Futura
As part of the consolidation activities following the acquisition of the Unieco's Waste Management Division, on 30 March 2021, Iren Ambiente acquired from S.I.T. - Società Igiene Territorio S.p.A. a further stake in Futura S.p.A., representing 20% of the share capital. The purchase price amounts to € 1.1 million; following the transaction, the Iren Group holds a total stake of 60%.
Futura is based in Grosseto and operates a mechanical-biological treatment plant, with a composting section for the organic fraction.

Shareholders' Meeting
On 6 May 2021, the Ordinary Shareholders’ Meeting of Iren S.p.A. approved the Company’s financial statements at 31 December 2020 and the Directors’ Report, and resolved to distribute a dividend of € 0.095 per ordinary share, confirming the proposal made by the Board of Directors. The Shareholders' Meeting also:

- approved the first section (“2021 remuneration policy”) of the Report on the 2021 remuneration policy and on fees paid for 2020;
- issued a favourable vote on the second section (“Fees paid for 2020”) of the same Report;
- appointed the Board of Statutory Auditors and its Chairman for the three years 2021-2022-2023 and determined the annual remuneration to be paid to the same board's regular members.

Agreement between Iren S.p.A. and the Chief Executive Officer and General Manager, Massimiliano Bianco
On 29 May 2021, Iren S.p.A. and Massimiliano Bianco reached an agreement for the consensual termination of their relationship with the Company pursuant to which Mr. Bianco relinquished, effective immediately, the positions of Director, Chief Executive Officer and General Manager, as well as all delegated powers and authority granted to him. The agreement also provides that the employment relationship as an Executive will continue until 30 November 2021 unless terminated earlier at the request of the same, in order to ensure a gradual internal handover.
The terms of the Agreement reached and the related economic conditions were approved by the Board of Directors of the Company held on the same date, after obtaining the favourable opinion of the Remuneration and Appointments Committee, also in the exercise of the functions envisaged by the regulations on transactions with related parties, as well as after preliminary investigation by the Company's Control, Risk and Sustainability Committee.

Appointment of the new Chief Executive Officer and General Manager, Gianni Vittorio Armani
Following on from the above, on 29 May the Board of Directors co-opted an engineer, Mr. Gianni Vittorio Armani, into the Board and appointed him as Chief Executive Officer and General Manager, with the conferment of the relative mandates and powers after verification of the requisites for assumption of the position. The Board also approved the economic-contractual conditions of the new fixed-term executive employment relationship, taking into account the preliminary investigation carried out by the Remuneration and Appointments Committee.

Completion of the acquisition of Sidiren
On 16 July 2021, Iren Mercato completed the transaction for the acquisition of 100% of the share capital of Sidiren S.r.l., a newly established company to which the business unit from Sidigas.com S.r.l., operating in the sale of natural gas, was previously transferred. Sidiren holds a portfolio of approximately 52 thousand gas clients, of which approximately 95% are domestic, distributed in 78 municipalities prevalently in the Province of Avellino, and reported a normalised 2020 EBITDA of approximately € 3.8 million.

FINANCIAL POSITION, RESULTS OF OPERATIONS AND CASH FLOWS OF THE IREN GROUP

Income statement

IREN GROUP INCOME STATEMENT

thousands of euro

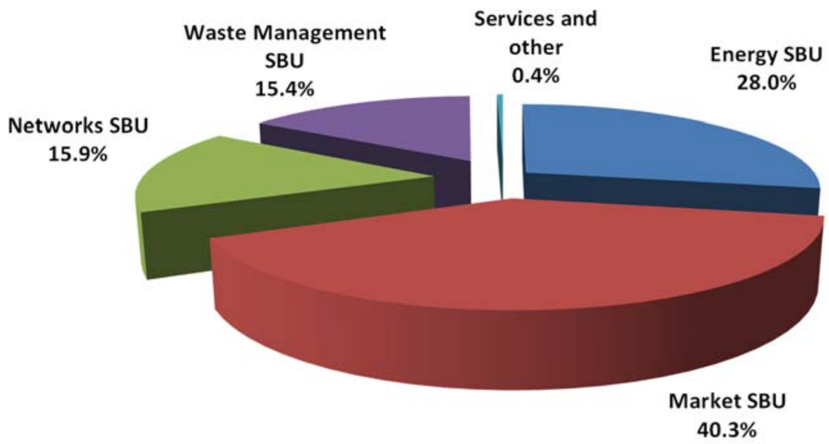
	First 9 months 2021	First 9 months 2020 (restated)	Change %
Revenue			
Revenue from goods and services	3,017,089	2,501,301	20.6
Other income	86,709	127,868	(32.2)
Total revenue	**3,103,798**	**2,629,169**	**18.1**
Operating expenses			
Raw materials, consumables, supplies and goods	(970,558)	(710,317)	36.6
Services and use of third-party assets	(1,018,553)	(913,790)	11.5
Other operating expenses	(52,036)	(50,455)	3.1
Capitalised expenses for internal work	31,189	26,605	17.2
Personnel expense	(361,228)	(328,627)	9.9
Total operating expenses	**(2,371,186)**	**(1,976,584)**	**20.0**
GROSS OPERATING PROFIT (EBITDA)	**732,612**	**652,585**	**12.3**
Depreciation, amortisation, provisions and impairment losses			
Depreciation and amortisation	(345,428)	(316,266)	9.2
Provisions for impairment of receivables	(44,627)	(51,348)	(13.1)
Other provisions and impairment losses	(6,191)	5,091	(*)
Total depreciation, amortisation, provisions and impairment losses	**(396,246)**	**(362,523)**	**9.3**
OPERATING PROFIT (EBIT)	**336,366**	**290,062**	**16.0**
Financial income and expense			
Financial income	32,157	18,213	76.6
Financial expense	(59,330)	(67,142)	(11.6)
Total financial income and expense	**(27,173)**	**(48,929)**	**(44.5)**
Share of profit (loss) of associates accounted for using the equity method	6,075	6,561	(7.4)
Value adjustments on equity investments	-	(1,672)	(100.0)
Profit (loss) before tax	**315,268**	**246,022**	**28.1**
Income tax expense	(51,897)	(72,582)	(28.5)
Net profit (loss) from continuing operations	**263,371**	**173,440**	**51.9**
Net profit (loss) from discontinued operations	-	-	-
Net profit (loss) for the period	**263,371**	**173,440**	**51.9**
attributable to:			
- Profit (loss) for the period attributable to shareholders	241,520	153,219	57.6
- Profit (loss) for the period attributable to non-controlling interests	21,851	20,221	8.1

(*) Change of more than 100%

As required by IFRS 3, the cash flow balances of the first nine months of 2020 have been restated to take into account, at the acquisition date, the effects of the completion, at the end of 2020, of the purchase price allocation at the final fair value of the assets and liabilities acquired (*Purchase Price Allocation*) of the company Territorio e Risorse. For additional information, refer to the paragraph "Restatement of amounts" of the "Basis of Preparation" chapter.

Revenue

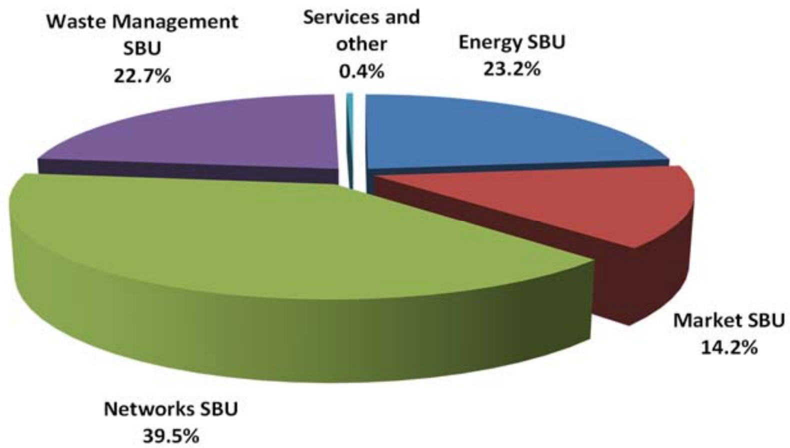
At 30 September 2021, the Group reported revenue of € 3,103.8 million, up 18.1% compared to € 2,629.2 million in the corresponding period of 2020. The increase in revenues, which affected all business lines, is attributable for € 104 million to the change in the scope of consolidation of the Waste Management business unit (relating to I.Blu, consolidated from August 2020, and the Unieco Waste Management Division, acquired in November 2020), higher energy revenues totalling € 333 million influenced by the increase in commodity prices (+436 million) and the reduction in quantities sold (-103 million), and higher revenues of € 66 million relating to the development of activities related to the energy redevelopment and renovation of buildings favoured by recent tax breaks ("facades" bonus and 110% superbonus).



Gross Operating Profit (EBITDA)

Gross Operating Profit (EBITDA) amounted to € 732.6 million, a significant increase (+12.3%) compared to € 652.6 million for the same period in 2020. About € 28 million of the increase in margin is due to the expansion of the scope of consolidation of the Waste Management business unit. In addition, the increase in tariffs for network services, activities related to energy redevelopment works and the trend of the energy scenario all contribute to the improvement of the margin. This scenario was characterised by a sudden rise in the price of electricity, with a PUN of 86.1 €/MWh up by 141.8% on the corresponding 9 months of 2020, and therefore the cost of gas procurement, and generated a positive effect on margins.

Overall, the Waste Management (+23.9%), Energy (+10.9%) and Networks (+6.4%) business units improved their margins, while the Market business unit declined (-0.4%).



Operating profit (EBIT)

Operating profit (EBIT) amounted to € 336.4 million, up by 16.0% compared to € 290.1 million in the same period of 2020. During the period, depreciation and amortisation increased by approximately € 34 million, mainly due to the start-up of new investments and the expansion of the scope of consolidation, while provisions for impairment of receivables decreased by approximately € 7 million, due to an improvement over last year, of the estimated effects of the Covid-19 pandemic on expected losses, and provisions for risks and charges decreased by € 13 million.

Financial income and expense

The financial management result shows a balance of net financial expense of € 27.2 million; in the first nine months of 2020, the figure stood at € 48.9 million.
The change was mainly due to higher financial income, which amounted to € 32.2 million (+14.0 million compared to the comparative period, when it stood at 18.2 million). The increase is essentially related to a capital gain arising from the early settlement of financial liabilities.
In addition, the decrease in the average cost of debt contributed to the decrease in financial expense, which stood at € 59.3 million compared to € 67.1 million in the first nine months of 2020 (-11.6%).

Share of profit (loss) of associates accounted for using the equity method

This item, which amounts to +€ 6.1 million (down from +€ 6.6 million in the comparison period), includes the share of the pro-rata results of the Group's associates and joint ventures, the most significant of which regard ASA, Aguas de San Pedro, Barricalla and ASTEA.

Value adjustments on equity investments

This item is not present in the period. The figure for the first nine months of 2020 (€ -1.7 million) mainly included the effects of the recalculation at fair value, at the date of acquisition of control, of the prior interest in the associate Nord Ovest Servizi.

Profit (loss) before tax

As a result of the above trends, consolidated profit before tax amounted to € 315.3 million (€ 246.0 million in the first nine months of 2020).

Income tax expense

Income taxes for the period amounted to € 51.9 million (€ 72.6 million in the comparative period), with an effective tax rate of 16.5% (29.5% in the first nine months of 2020).
The latter is influenced by non-recurring tax income mainly related to the exercise of the option on the realignment of accounting and tax values pursuant to Decree 104/20 (Decree Law "August"). Excluding this income, the tax rate would have been approximately 28%.

Net profit (loss) for the period

As a result of the above, net profit for the period came to € 263.4 million, a significant increase (+51.9%) compared to the result for the first nine months of 2020.
The figure is due to the profit pertaining to shareholders of € 241.5 million, while profit attributable to non-controlling interests was € 21.9 million.

Statement of Financial Position

RECLASSIFIED STATEMENT OF FINANCIAL POSITION OF THE IREN GROUP

thousands of euro

	30.09.2021	31.12.2020 Restated	Change %
Non-current assets	6,749,397	6,582,382	2.5
Other non-current assets (liabilities)	(393,354)	(421,336)	(6.6)
Net Working Capital	(93,136)	42,155	(*)
Deferred tax assets (liabilities)	185,657	165,835	12.0
Provisions for risks and employee benefits	(657,876)	(657,188)	0.1
Assets (Liabilities) held for sale	1,144	1,285	(11.0)
Net invested capital	**5,791,832**	**5,713,133**	**1.4**
Equity	2,932,946	2,763,551	6.1
Non-current financial assets	(193,821)	(166,522)	*16.4*
Non-current financial debt	3,748,737	3,826,378	*(2.0)*
Non-current net financial debt	3,554,916	3,659,856	(2.9)
Current financial assets	(786,855)	(985,525)	*(20.2)*
Current financial debt	90,825	275,251	*(67.0)*
Current net financial debt	(696,030)	(710,274)	(2.0)
Net financial debt	2,858,886	2,949,582	(3.1)
Own funds and net financial debt	**5,791,832**	**5,713,133**	**1.4**

(*) Change of more than 100%

As required by IFRS 3, the financial position as at 31 December 2020 has been restated to consider, at the date of acquisition, the effects of the updating of the provisional fair value of the net assets of the Unieco Waste Management Division and the completion of the allocation of the acquisition price at the final fair value of the assets and liabilities acquired *(Purchase Price Allocation*) of the district heating business unit of SEI Energia. For additional information, refer to the paragraph "Restatement of amounts" of the "Basis of Preparation" chapter.

The main changes in the statement of financial position are commented on below.

Non-current assets at 30 September 2021 amounted to € 6,749.4 million, up compared to 31 December 2020, when they were € 6,582.4 million. The increase (167.0 million) was mainly due to the effect of the following determinants:

- technical investments in property, plant and equipment (+466.0 million) and depreciation and amortisation (-345.4 million) in the period;
- the *assets* of Futura, acquired during the period, relating to a mechanical biological waste treatment plant (27.6 million) and the goodwill arising from the consolidation of SidIren (32.9 million);
- the change in the portfolio of CO2 emission rights (-17.1 million).

For more information on the segment details of investments in the period, reference should be made to the section "Segment Reporting" below.

The increase in Other non-current assets (liabilities) (equal to € 27.9 million) is mainly due to the receivables accrued from the tax authorities for deductions on works performed in order to improve energy efficiency in residential buildings (Superbonus 110%, introduced by Decree Law 24/2020, so-called "Decreto Rilancio").
Net Working Capital decreased by € 135.3 million to € -93.1 million compared to € 42.2 million as at the end of 2020. The change is attributable to components of a commercial nature and the recognition of estimated taxes for the period, partially offset by the increase in gas inventories.

The balance of net deferred tax assets increased to € 185.7 million (€ 165.8 million at 31 December 2020) mainly due to the release of the deferred tax liabilities following the aforementioned tax realignment of the higher values of assets recognised in the financial statements.

The “Provisions for Risks and Employee Benefits” amounted to € 657.9 million and are unchanged from the figure at the end of 2020, due to provisions that are substantially in line with uses.
Equity amounted to € 2,932.9 million, compared with € 2,763.5 million at 31 December 2020 (+169.4 million). The change refers to the net result (+263.4 million), dividends distributed (-149.3 million), the performance of the cash flow hedge reserve linked to interest rate and commodities hedging derivatives (+57.4 million), the change in the scope of consolidation (+1.6 million), the purchase of treasury shares (-4.1 million) and other minor changes (+0.4 million).

Net financial debt at 30 September 2021 amounted to € 2,858.9 million, down compared to the figure at 31 December 2020 (€ 2,949.6 million). For more details please see the analysis of the statement of cash flows presented below.

CASH FLOW STATEMENT OF THE IREN GROUP

Change in net financial debt

The statement below details the movements in the Group's net financial debt that occurred in the period.

thousands of euro

	First 9 months 2021	First 9 months 2020 (restated)	Change %
Opening Net Financial (debt)	**(2,949,582)**	**(2,706,127)**	**9.0**
Profit (loss) for the period	263,371	173,440	51.9
Adjustments for non-financial movements	564,810	537,123	5.2
Utilisations of employee benefits	(7,238)	(5,176)	39.8
Utilisations of provisions for risks and other charges	(15,620)	(21,127)	(26.1)
Change in other non-current assets and liabilities	(35,005)	(2,137)	(*)
Other changes in capital	(135,521)	(22,045)	(*)
Taxes paid	(42,831)	(25,722)	66.5
Cash flows from operating activities before changes in NWC	**591,966**	**634,356**	**(6.7)**
Cash flows from changes in NWC	59,962	(156,896)	(*)
Operating cash flow	**651,928**	**477,460**	**36.5**
Investments in property, plant and equipment and intangible assets	(466,026)	(414,201)	12.5
Investments in financial assets	(1,832)	-	-
Proceeds from the sale of investments and changes in assets held for sale	8,232	2,236	(*)
Changes in consolidation scope	(55,982)	(76,152)	(26.5)
Dividends received	3,261	1,572	(*)
Total cash flows from/(used in) investing activities	**(512,347)**	**(486,545)**	**5.3**
Free cash flow	**139,581**	**(9,085)**	**(*)**
Cash flows of equity capital	(153,374)	(165,570)	(7.4)
Other changes	104,489	(35,145)	(*)
Change in net financial (debt)	**90,696**	**(209,800)**	**(*)**
Closing Net financial (debt)	**(2,858,886)**	**(2,915,927)**	**(2.0)**

(*) Change of more than 100%

As required by IFRS 3, the cash flow presentation for the first nine months of 2020 has been restated to take into account, at the acquisition date, the effects of the completion, at the end of 2020, of the purchase price allocation at the final fair value of the assets and liabilities acquired (*Purchase Price Allocation*) of the company Territorio e Risorse. For additional information, refer to the paragraph “Restatement of amounts” of the “Basis of Preparation” chapter.

The decrease in net financial debt compared to 31 December 2020 of € 90.7 million is due to the following factors:

- operating cash flow of +651.9 million, a significant improvement over the first nine months of 2020, when it stood at +477.5 million, mainly due to the change in net working capital;
- cash flow from investing activities of -512.3 million, higher than the -486.5 million in the comparative period, which includes technical investments for the period (466.0 million) and the consideration paid and debt assumed for the acquisition of Futura (56.0 million);
- a cash flow from equity of -153.4 million (-165.6 million in the first nine months of 2020), representing dividends paid and purchases of treasury shares in the period;
- the item *other changes*, amounting to +104,5 million (-35,1 million in the first nine months of 2020), relating mainly to the combined effect of the positive change in the *fair value* of interest rate and commodity derivative hedging instruments and of interest paid.

We note finally that the statement of cash flows prepared according to the format of a change in cash and cash equivalents is presented in the section "Consolidated Financial Statements at 30 September 2021".

SEGMENT REPORTING

The Iren Group identifies the following business segments:

- Networks (Electricity distribution networks, Gas distribution networks, Integrated Water Service)
- Waste Management (Waste collection, treatment and disposal)
- Energy (hydroelectric production and other renewable sources, combined heat and power, district heating networks, thermoelectric production, energy efficiency services, public lighting, global services, heat management)
- Market (Sale of electricity, gas, heat and other customer services)
- Other services (Laboratories, Telecommunications and other minor).

These operating segments are reported on pursuant to IFRS 8, which requires the disclosure about operating segments to be based on the elements which management uses in making operational and strategic decisions.
For a proper interpretation of the income statements relating to individual operating segments presented and commented on below, revenue and expense referring to general activities were fully allocated to the business segments based on actual usage of the services provided or according to technical and economic drivers.
Given the fact that the Group mainly operates in one area, the following segment information does not include a breakdown by geographical area.
The main economic figures are presented below with comments by business sector compared to the figures for the first half of 2020.
At 30 September 2021, non-regulated activities contributed 31% to EBITDA (28% at 30 September 2020), regulated activities accounted for 49% (down from 51% in the corresponding period of 2020), and semi-regulated activities contributed 20% (21% in the first nine months of 2020).

Networks SBU

At 30 September 2021, the Networks business segment, which includes the Gas Distribution, Electricity and Integrated Water Service businesses, reported revenue of € 690.4 million, down -7.3% compared to € 744.8 million in the same period of 2020. This contraction can be attributed to the provision of the Ministry of Ecological Transaction (MITE), which reduced the quantitative obligation related to Energy Efficiency Certificates (TEEs) by a decree dated 21 May 2021. In fact, the application of the decree resulted in lower costs due to the reduction in the number of certificates purchased to meet the obligation and, at the same time, a related reduction in revenues due to the lower number of certificates delivered to the CSEA, with positive effects on the income statement for the period due to the difference between revenues and costs.

The gross operating profit (EBITDA) amounted to € 289.6 million, an increase of +6.4% compared to € 272.1 million in the same period of 2020, while operating profit (EBIT) amounted to € 146 million, an increase of 10.5% compared to € 132.1 million in the third quarter of 2020. The trend in the operating profit (EBIT) was characterised by higher depreciation and amortisation of approximately € 8 million, related to increased investments and lower allocations to the provision for impairment of receivables of approximately € 3 million, as a result of an improvement, compared to last year, in the estimate of the effects of the Covid-19 pandemic on expected losses.

		First 9 months 2021	First 9 months 2020	Change %
Revenue	€/mln	690.4	744.8	(7.3)
Gross Operating Profit (EBITDA)	€/mln	289.6	272.1	6.4
EBITDA Margin		*41.9%*	*36.5%*	
from Electricity Networks	*€/mln*	62.6	56.3	11.0
from Gas Networks	*€/mln*	69.3	65.4	6.0
from Integrated Water Service	*€/mln*	157.7	150.4	4.9
Operating Profit (EBIT)	€/mln	146.0	132.1	10.5
Investments	€/mln	185.1	182.3	1.5
in Electricity Networks	*€/mln*	37.7	30.9	22.0
in Gas Networks	*€/mln*	28.6	33.7	(15.1)
in Integrated Water Service	*€/mln*	115.7	115.2	0.5
Generic Services	*€/mln*	3.1	2.5	21.5
Electricity distributed	GWh	2,732.8	2,672.9	2.2
Gas distributed	Mm^3	894.6	789.5	13.3
Water sold	Mm^3	130.1	131.6	(1.2)

Networks SBU - Electricity

The Gross operating profit (EBITDA) amounted to € 62.6 million, up 11% compared to € 56.3 million in the same period of 2020. The improvement is mainly due to higher tariff revenues related to the increase in tariff invested capital (RAB) and to the reduction in the obligation of energy efficiency certificates (TEE), which more than offset contingent liabilities and higher operating costs.

During the period, investments of € 37.7 million were made, up 22% from € 30.9 million in the corresponding period of 2020, relating mainly to connections, line resilience activities and the construction of new cabins and LV/MV lines.

Networks SBU - Gas Distribution

The Gross operating profit (EBITDA) amounted to € 69.3 million, an increase of 6% compared to € 65.4 million in the first nine months of 2020. The increase in the margin is due to the growth in tariff revenues and in particular to the effect of some extraordinary items referable to previous years and no longer repeatable, mainly related to the reduction of the obligations connected to the energy efficiency certificates (TEE).

Investments for the period amounted to € 28.6 million, down 15.1% compared with € 33.7 million in the same period of 2020, and involved upgrading the network to cathodic protection and installing electronic meters.

Networks SBU **-** *Water Cycle*

Gross Operating Profit (EBITDA) amounted to € 157.7 million, a increase (+3.4%) compared to € 150.4 million for the same period in 2020. The increase in the margin is due to the constraint on tariff revenue (VRG) as a result of the increase in tariff invested capital (RAB) and an insurance reimbursement related to damage to plants, partially absorbed by an increase in operating costs.

Investments for the period amounted to € 115.7 million (€ 115.2 million in the corresponding period of 2020), and related to the construction, development and extraordinary maintenance of distribution networks and plants and the sewerage network, as well as the installation of metering units, mainly for remote reading.

In addition, investments of € 3.1 million were made in information systems and the development of electric mobility across the three businesses.

Waste Management SBU

At 30 September 2021, the segment's revenue amounted to € 668.5 million, up 25.5% from € 532.9 million in the corresponding period of 2020. The increase of € 104 million is due mainly to the expansion of the scope of consolidation (companies in the Waste Management Division of the Unieco Group, +75 million and I.Blu, +29 million). Energy revenue (€ +22 million) and revenue from collection services also increased (€ +19 million), while revenue from disposal, intermediation and special waste management activities decreased (€ -12 million).

		First 9 Months 2021	**First 9 months 2020 restated**	**Change %**
Revenue	€/mln	668.5	532.9	25.5
Gross Operating Profit (EBITDA)	€/mln	165.9	120.2	38
EBITDA Margin		*24.8%*	*22.6%*	
Operating Profit (EBIT)	€/mln	82.3	46.4	77.4
Investments	€/mln	102.9	60.3	70.7
Electricity sold	GWh	375.9	381.4	(1.4)
Thermal energy produced	GWht	180.0	118.5	51.9
Waste managed	tonnes	2,612,318	2,022,430	29.2
Emilia area separate waste collection	%	78.3	78.3	(0.0)
Piedmont area separate waste collection	%	57.5	55.6	3.4
Liguria area separate waste collection	%	74.0	74.3	(0.4)

The Gross operating profit (EBITDA) amounted to € 165.9 million, up 38.0% compared to € 120.2 million in the same period of 2020. The increase in the Gross operating profit is mainly attributable to the change in the scope of consolidation of approximately € 28 million. Energy margins were up sharply, thanks to an increase in the price at which electric power is sold (the PUN rose by 141.8% compared with the same period last year), as were margins on the collection and sale of recycled materials generated by the separate waste collection. Margins on special waste intermediation and disposal activities also decreased, the latter due to reduced use of the Collegno landfill, on which maintenance and expansion works are under way.

Due to the above, the operating result amounted to € 82.3 million, an increase of 77.4% compared to € 46.4 million in the corresponding period of 2020. The positive trend in EBITDA was partially absorbed by the increase in depreciation and amortisation of approximately € 10 million, influenced by the change in scope of consolidation.

Investments made during the period amounted to € 102.9 million, significant growth compared to € 60.3 million in the corresponding period of 2020. Investments related to the purchase of collection vehicles and equipment and the construction of plants; in particular, the latter include the paper and plastic sorting plant in Parma and the mechanical-biological treatment plant in Genova Scarpino. The change in the scope of consolidation also contributed to the growth in investments, with particular reference to I.Blu.

Energy SBU

At 30 September 2021, the revenue of the Energy SBU, which includes power generation and heat management, public lighting and energy efficiency activities, amounted to € 1,214.1 million, up 54.3% compared to € 787.1 million in the corresponding period of 2020. The increase in revenues reflects primarily higher sales prices for electricity (approximately € +419 million), resulting from the improvement in the energy scenario, partially offset by a decrease in the amount of electricity sold (€ -67 million). Heat production revenue also increased slightly, where by contrast an increase in volumes was recorded, due to a more favourable thermal season, partially offset by a drop in sales prices. There was also an increase in revenues from activities related to energy redevelopment and building renovation favoured by recent tax concessions (€ +66 million).

		First 9 months 2021	**First 9 months 2020**	**Change %**
Revenue	€/mln	1,214.1	787.1	54.3
Gross Operating Profit (EBITDA)	€/mln	170.3	153.6	10.9
EBITDA Margin		*14.0%*	*19.5%*	
Operating Profit (EBIT)	€/mln	66.2	64.4	2.9
Investments	€/mln	107.2	105.7	1.4
Electricity produced	GWh	6,418.1	6,933.0	(7.4)
from hydroelectric and other renewable sources	*GWh*	1,020.8	1,074.7	(5.0)
from thermoelectric cogeneration sources	*GWh*	3,824.2	3,930.8	(2.7)
from conventional thermoelectric sources	*GWh*	1,573.1	1,927.6	(18.4)
Heat produced	GWht	1,854.7	1,645.6	12.7
from cogeneration sources	*GWht*	1,565.2	1,330.9	17.6
from non-cogeneration sources	*GWht*	289.5	314.7	(8.0)
District heating volumes	Mm^3	97.2	95.5	1.7

At 30 September 2021, electricity generated totalled 6,418.1 GWh, down 7.4% from 6,933 GWh in the same period of 2020.

Total thermoelectric production amounted to 5,397.3 GWh, of which 3,824.2 GWh from cogeneration sources, down by 2.7% compared with 3,930.8 GWh in the same period of 2020, and 1,573.1 GWh from conventional thermoelectric sources, down by 18.4% compared with 1,927.6 GWh in the corresponding period of 2020.

Production from renewable sources amounted to 1,020.8 GWh, of which 1,003.4 GWh came from hydroelectric sources and, marginally, approximately 17.4 GWh from other renewables (photovoltaic); overall, production decreased by 5.0% compared to 1,074.7 GWh in the same period of 2020.

The Gross operating profit (EBITDA) amounted to € 170.3 million, up 10.9% compared to € 153.6 million in the same period of 2020.
The growth trend in domestic demand for electricity that had characterised the first half of 2021 also continued in the third quarter and at 30 September stood at 239 TWh, an increase of 6.1% compared with 225.1 TWh in the corresponding period of 2020. The PUN for the period, which stood at an average value of € 66.9/MWh at 30 June, came to € 86.1/MWh, up 141.8 % from € 35.6/MWh in the same period of 2020. The trend in the energy scenario was characterised not only by rising demand and a sharp increase in electricity prices, but also by a sudden and gradual rise in the price of gas used as a raw material. As a result, the significantly higher margins generated by the hydroelectric power plants were offset in part by a decrease in the margins earned on cogenerating electric power and cogenerating heat activities, the latter of which was down significantly, despite the higher volume of heat produced thanks to a more favourable seasonal weather pattern and the resulting increase in the number of energy certificates earned (TEEs).
The improvement compared is also supported by the energy efficiency sector which, thanks to energy requalification and building renovation activities, favoured by recent tax breaks (e.g. “”açade" bonus and 110% superbonus), shows an improvement of approximately € 7 million.

The operating profit (EBIT) amounted to € 66.2 million, up 2.9% compared to € 64.4 million in the same period of 2020, which benefited from the release of provisions of € 16 million. Depreciation and amortisation increased by € 2 million.

Investments for the period amounted to € 107.2 million (€ 105.7 million in the corresponding period of 2020). The main investments in the period included the repowering of the Turbigo thermoelectric power plant and the development of district heating networks.

Market SBU

At 30 September 2021, the segment's revenue amounted to € 1,747.3 million, up 18.7% from € 1,472.2 million in the same period of 2020. The increase in revenues is mainly due to the trend in the energy scenario, with sharply rising prices for both gas and electricity, while quantities are down with the sole exception of the Retail and Small business segment of electricity sales.

The Gross operating profit (EBITDA) amounted to € 104.2 million, a slight decrease compared to € 104.6 million for the same period in 2020. The slight reduction in margins is, in fact, the result of two opposing dynamics between the sale of electricity, which fell sharply, and the sale of gas, which improved significantly, both as a result of the current energy scenario. The other services sector made a positive contribution to EBITDA.

The operating result amounted to € 40.9 million, a decrease of 10.7% compared to € 45.7 million in the corresponding period of 2020. During the period, there was higher depreciation and amortisation of approximately € 7 million and lower provisions for impairment of receivables of approximately € 3 million due to an improvement, compared to last year, in the estimate of the effects of the Covid-19 pandemic on expected losses.

		First 9 months 2021	First 9 months 2020	Change %
Revenue	€/mln	1,747.3	1,472.2	18.7
Gross Operating Profit (EBITDA)	€/mln	104.2	104.6	(0.4)
EBITDA Margin		*6.0%*	*7.1%*	
from Electricity	*€/mln*	16.2	43.6	(62.8)
from Gas	*€/mln*	82.2	57.7	42.3
from Heat and other services	*€/mln*	5.8	3.3	77.7
Operating Profit (EBIT)	€/mln	40.9	45.7	(10.7)
Investments		43.7	33.9	29.1
Electricity Sold	GWh	5,297.3	5,492.9	(3.6)
Gas Purchased	Mm^3	2,015.3	2,173.9	(7.3)
Gas sold by the Group	*Mm^3*	675.8	742.6	(9.0)
Gas for internal use	*Mm^3*	1,125.2	1,225.5	(8.2)
Gas in storage	*Mm^3*	214.3	205.8	4.1

Sale of electricity

Volumes of electricity sold on the free market, net of pumping, grid losses, dedicated withdrawals and including imbalances, amounted to 5,040.6 GWh, down 3.5% compared with 5,221.4 GWh in the corresponding period of 2020.

The downturn in the deregulated market affected the business segment with a reduction of 12.4%, to 2,116.3 GWh sold, and the wholesale segment -16.5% with 1,169.2 GWh sold. On the other hand, sales were up in the small business segment (+33.35) and the retail segment (+21.2%), rising to 587.2 GWh and 1,167.9 GWh, respectively.

Sales in the protected market amounted to 256.7 GWh, down 5.4% compared to 271.5 GWh in the corresponding period of 2020.

The Gross operating profit (EBITDA) of the sale of electricity amounted to € 16.2 million, down by 62.8% compared to € 43.6 million in the corresponding period of 2020. The sharp contraction is due to the scenario effect on uncovered sales, partially offset by increases in the PCV (sales prices) and RCV (sales marketing remuneration) components and extraordinary items related to the refund of System General Charges.

The table below shows the quantities sold by class of customer sector:

	First 9 months 2021	First 9 months 2021	Change %
Business	2,116.3	2,416.2	(12.4)
Small business	587.2	440.5	33.3
Retail	1,167.9	964.0	21.2
Wholesalers	1,169.2	1,400.7	(16.5)
Free market	**5,040.6**	**5,221.4**	**(3.5)**
Protected market	**256.7**	**271.5**	**(5.5)**
Total Electricity sold	**5,297.3**	**5,492.9**	**(3.6)**

Sale of Natural Gas

Purchased volumes amounted to 2,015.3 Mm^3, down by 7.3% compared with 2,173.9 Mm^3 in the same period of 2020. Gas sold by the Group amounted to 675.8 Mm^3, down by 9.2% compared to 742.6 Mm^3 in the same period of 2020.
The gas used for internal consumption within the Group amounted to 1,125.2 Mm^3, a decrease of 8.2% compared to 1,225.5 Mm^3 in the corresponding period of 2020.

The Gross operating profit (EBITDA) of gas sales amounted to € 82.2 million, an improvement of 42.3% compared with € 57.7 million in the corresponding period of 2020.
The increase in margins is related to the trend of the energy scenario characterised by a particularly favourable pricing phase, supported at the same time by a profitable management of the storage facilities established in 2020.

Sale of heat and other services

The sale of heat and other services have a Gross operating profit (EBITDA) of € 5.8 million, up from € 3.3 million in the same period of 2020. The change is primarily attributable to the commercial activities of Iren Plus and Iren GO, the two business lines marketing goods and services ancillary to the supply of commodities and electric mobility.

Investments for the period by the Market SBU amounted to € 43.7 million, up 29.1% compared to € 33.9 million in the same period of 2020.

Services and other

At 30 September 2021 the revenues of the sector, which include the activities of the analysis laboratories, telecommunications and other minor activities, amounted to € 18 million and were up by 8.4% compared to € 16.6 million in the corresponding period of 2020.

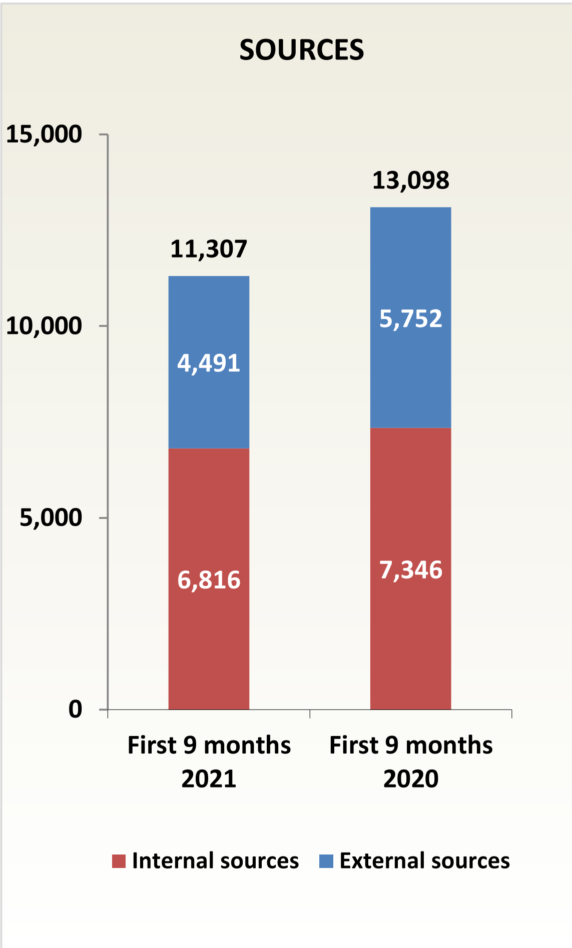
		First 9 months 2021	First 9 months 2020	Change %
Revenue	€/mln	18.0	16.6	8.4
Gross Operating Profit (EBITDA)	€/mln	2.8	2.2	28.4
EBITDA Margin		*15.5%*	*13.1%*	
Operating Profit (EBIT)	€/mln	1.2	1.6	(29.6)
Investments	€/mln	27.1	32.0	(15.3)

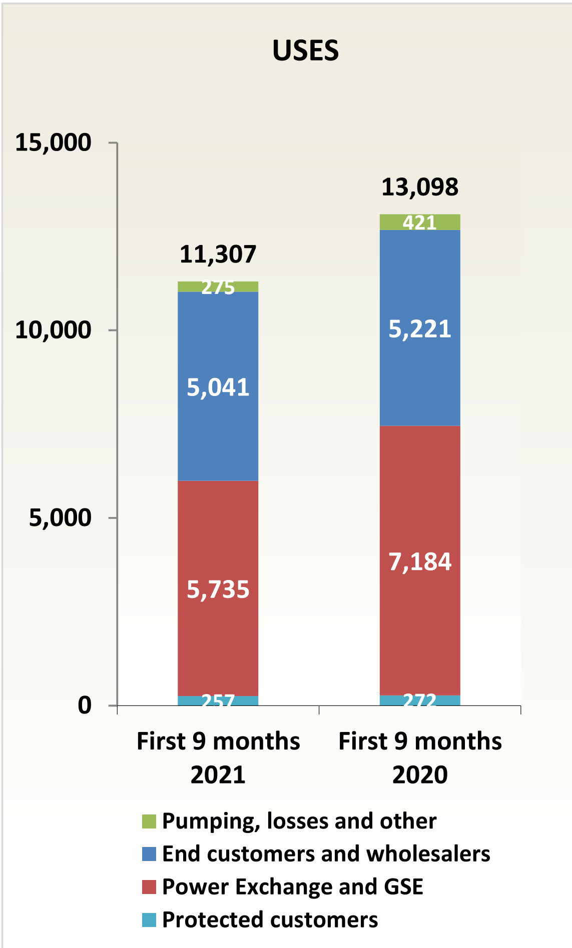
The gross operating profit (EBITDA) amounted to € 2.8 million. Capital expenditure for the period amounted to € 27.1 million (a decrease compared to € 32.0 million in the same period of 2020) and related mainly to information systems, vehicles and buildings.

ENERGY BALANCES

Electricity balance

GWh	First 9 months 2021	First 9 months 2020	Change %
SOURCES			
Group's gross production	6,815.6	7,345.6	(7.2)
a) Hydroelectric and other renewables	1,020.8	1,074.7	(5.0)
b) Cogeneration	3,824.2	3,930.8	(2.7)
c) Thermoelectric	1,573.1	1,927.6	(18.4)
d) Production from WTE plants and landfills	397.5	412.5	(3.6)
Purchases from Acquirente Unico [Single Buyer]	282.9	299.7	(5.6)
Energy purchased on the Power exchange	3,871.5	5,080.2	(23.8)
Energy purchased from wholesalers and imports	337.0	372.0	(9.4)
Total Sources	**11,307.0**	**13,097.5**	**(13.7)**
USES			
Sales to protected customers	256.7	271.5	(5.4)
Sales to end customers and wholesalers	5,040.6	5,221.4	(3.5)
Sales on the Power exchange	5,735.0	7,183.9	(20.2)
Pumping, distribution losses and other	274.7	420.7	(0.3)
Total Uses	**11,307.0**	**13,097.5**	**(13.7)**

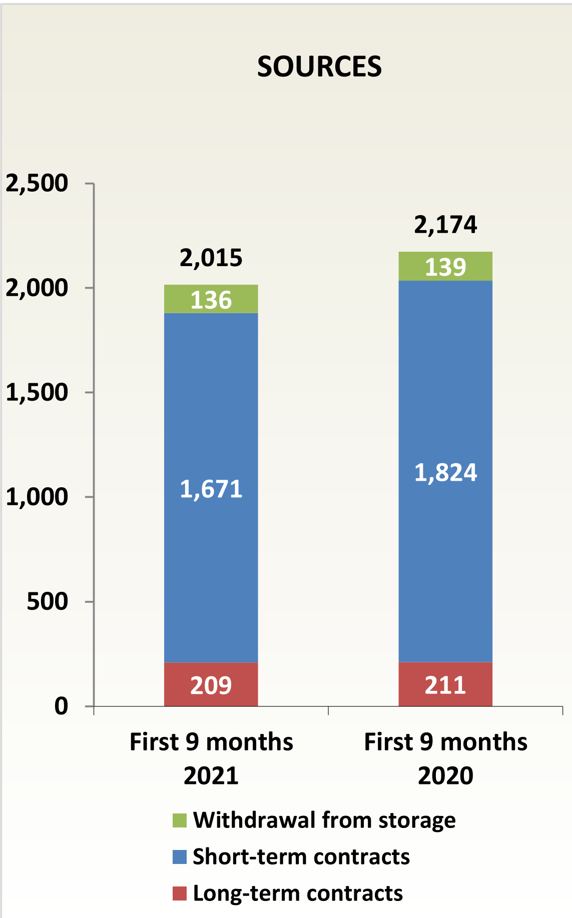


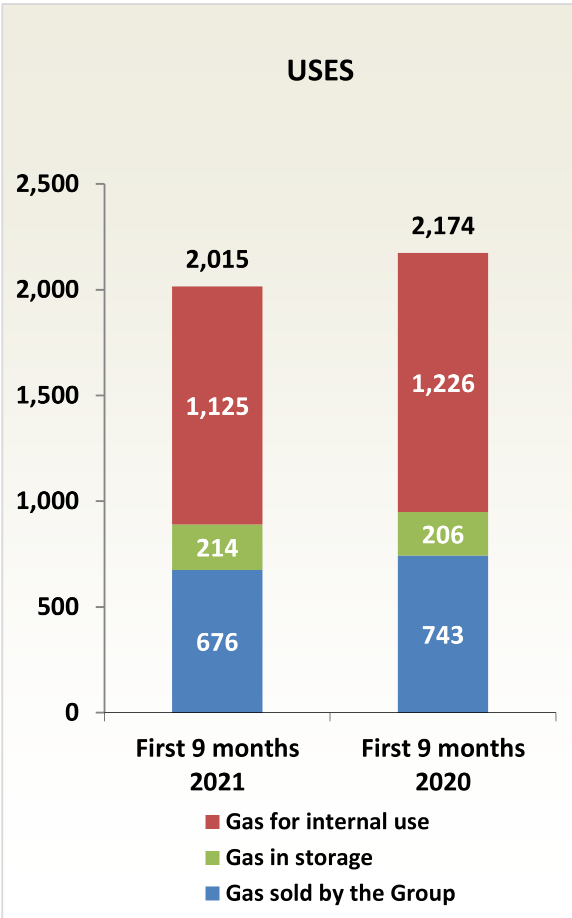


Gas balance

Millions of m³	First 9 months 2021	First 9 months 2020	Change %
SOURCES			
Long-term contracts	209.0	210.9	(0.9)
Short- and medium-term contracts	1,670.7	1,824.2	(8.4)
Withdrawals from storage	135.7	138.7	(2.2)
Total Sources	**2,015.3**	**2,173.9**	**(7.3)**
USES			
Gas sold by the Group	675.9	742.6	(9.0)
Gas for internal use (1)	1,125.2	1,225.5	(8.2)
Gas in storage	214.3	205.7	4.2
Total Uses	**2,015.3**	**2,173.9**	**(7.3)**

(1) Internal use concerns thermoelectric plants and use for heat services and internal consumption





FINANCIAL MANAGEMENT

General framework

During the first nine months of 2021, the short-term part of the rate curve stabilised at a new low after the turbulence experienced in 2020 following the events related to the COVID-19 pandemic. On the other hand, the medium/long-term portion of rates showed bullish movements concentrated in the first quarter and after the summer period.

The European Central Bank has kept rates unchanged since March 2016, with the reference rate at 0%. An examination of the trend in the six-month Euribor rate shows that the rate, in heavily negative territory, is stable and equal to -0.5%.

Fixed interest rates, reflected in the IRS values, returned to positive levels for long-term maturities following the upward movement.

Activities performed

During the first nine months of 2021, work continued to consolidate the Iren Group's financial structure. Changes in financial requirements are monitored through careful planning, which makes it possible to forecast the need for new resources, taking into account the repayments of outstanding loans, changes in debt, investments, the trend in working capital and the balance of short-term and long- term sources.

The organisational model adopted by the Iren Group, with the goal of financial optimisation of the companies, entails centralising with the parent treasury management, non-current loans and financial risk monitoring and management. Iren has relationships with leading Italian and international banks, for the purpose of procuring the types of loans best suited to its needs and at the best market conditions.

With reference to the transactions carried out in the first nine months of 2021, it should be noted that, in March, the first tranche equal to € 5 million of the € 80 million loan of the CEB (Council of Europe Development Bank), signed in May 2020 to support the water infrastructure investment plan, was drawn down.

Direct loans with EIB and CEB, with a duration of up to 16 years, not used and available, amount to a total of € 295 million.

In order to optimise the Group's financial structure, the Liability Management activity continued and in June the voluntary early repayment of loans in the parent's portfolio was carried out for a total of € 35 million.

Within the Group, the consolidated exposure decreased due to the early repayment of the Scarlino Energia loan for € 14 million; the Futura mortgage, consolidated from the end of March 2021, amounting to € 21 million euro, was extinguished early in April, together with the related interest rate risk hedges.

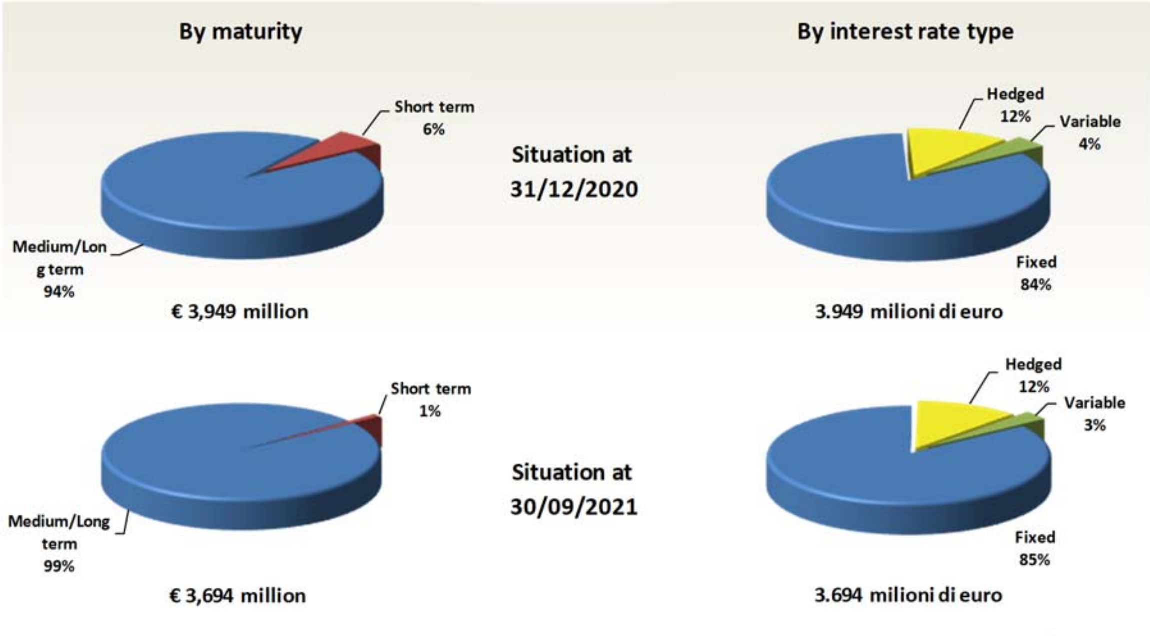
Financial debt from loans, which does not include financial liabilities recognised in accordance with IFRS 16, consisted of 15% loans and 85% bonds at the end of the period.

As regards financial risks, the Iren Group is exposed to various types of risk, including liquidity risk, interest rate risk, and exchange rate risk. As part of its Risk Management activities, the Group uses non-speculative hedging contracts to limit risks of fluctuations in the interest rate. No new Interest Rate Swap contracts were entered into during the period.

At the end of the period, the portion of floating rate debt not hedged by derivatives was equal to 3% of financial debt from loans, in line with the Iren Group's objective of maintaining adequate protection from significant increases in interest rates.

Overall, the activity carried out is aimed at refinancing debt with a view to improving the financial structure, structurally reducing the cost of capital and extending the average duration of financial debt.

The composition of financial debt from loans by maturity and rate type, compared with the situation at 31 December 2020, is shown in the chart below.



Rating

On 20 October 2020, Fitch confirmed for Iren and its *senior unsecured* issues the BBB rating, with stable outlook. The rating is based mainly on the update of the business plan to 2025 which, in continuity with previous years, confirms the prevalence of regulated and semi-regulated activities (approximately 70% of the gross operating profit -EBITDA- at the end of the Plan). Fitch rates the company as well positioned within its benchmark indices, with limited impact from the negative market effects of the coronavirus emergency. The rating and outlook were also reaffirmed by the agency on 13 July 2021.

To support the liquidity profile of the Group and the rating level, Iren has the aforementioned medium/long-term credit lines subscribed and available but not used for € 295 million, which are added to current liquid assets.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

New Green Bond of € 200 million issued

As part of the Euro Medium Term Notes (EMTN) Program of € 4 billion, on 7 October 2021, Iren S.p.A. successfully completed a new bond issue in the amount of € 200 million. The bonds are part of the Green Bond reserved for institutional investors issued on 10 December 2020 and maturing in January 2031 and augment the bonds already issued for an original amount of € 300 million. The investments financed through this issue mainly concern the installation of smart meters and the improvement of waste collection and sorting activities.

The Notes, which have a minimum unit denomination of € 100,000, pay a gross yearly interest of 0.25% and were placed at an issue price of 94.954. The effective rate of return at maturity is 0.818%, corresponding to a yield of 67 basis points above the mid-swap rate.

Acquisition of control of Nove S.p.A.

On 12 October 2021, Iren Energia won the tender called by the Municipality of Grugliasco (Province of Turin) for the sale of 51% of Nove S.p.A., manager of the district heating service in the same municipality. The award price amounts to € 5.4 million.

The company, already 49% owned by Iren Energia in the role of industrial shareholder, achieved an EBITDA of € 1.6 million in 2020. Iren will implement Nove's recently approved industrial plan, which foresees an increase in the volumes connected to the network from the current 2.3 Mm^3 to approximately 3.8 Mm^3 over the next few years.

Agreement to acquire Bosch Energy and Building Solutions Italy S.r.l.

On 13 October 2021, Iren Smart Solutions signed a contract for the acquisition of 100% of Bosch Energy and Building Solutions Italy S.r.l., operating in the energy efficiency sector as an ESCo (Energy Service Company), specifically in the design, construction and management of integrated heating, air conditioning and cogeneration systems for public and private customers. The company, which operates mainly in northern Italy, will help expand, also in terms of know-how, the Group's activities in the energy efficiency sector, integrating the range of services offered.

Consolidated Financial Statements

at 30 September 2021

BASIS OF PREPARATION

CONTENT AND STRUCTURE

These consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) and endorsed by the European Union, as well as with the provisions set forth in implementation of art. 9 of Italian Legislative Decree no. 38/2005. "IFRS" also includes the revised International Accounting Standards ("IAS") and all interpretations issued by the International Financial Reporting Interpretations Committee ("IFRC"), previously known as the Standing Interpretations Committee ("SIC").

The financial statements have been drawn up on the basis of the historical cost principle, except for certain financial instruments measured at fair value. In drawing up these consolidated financial statements, the same accounting principles were applied as those adopted for the previous year's statements, to which you are referred for a more ample discussion with the exception of the new items listed below, which, however, did not have an impact on the consolidated financial statements of the Iren Group at 30 September 2021.

In August 2020, the IASB published the Interest Rate Benchmark Reform - Phase 2 (amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4, and IFRS 16), endorsed by the European Union with Reg. 2021/25 of 13 January 2021. Phase 2 examines the consequences of contractual changes resulting from the reform, by clarifying the proper accounting treatment of the financial instruments involved when interest rate benchmarks are replaced by alternative rate benchmarks. The amendments mainly concern the following topics.

1) The accounting impacts of a change in the cash flows of a financial instrument resulting from a change in the contractually agreed index. With reference to the changes resulting from the reform of interest rates, the IASB has identified two types of scenarios: a) scenarios in which the reform of interest rates leads to a change in contractual conditions and b) scenarios in which the reform leads to changes in cash flows without requiring changes in contractual conditions. In either case, if the changes are the direct result of the interest rate reform and generate cash flows that are economically equivalent to those expected immediately before the changes resulting from the reform, then the instrument should not be derecognised. In essence, the effective interest rate of the instrument must be changed to reflect these changes, without any impact immediately recognised in the income statement (IFRS 9 B5.4.5.).

2) The consequences of an index change for hedge accounting. In Phase 2, the IASB introduces additional exceptions to the hedge accounting requirements to ensure that hedging relationships affected by the IBOR reform do not have to be discontinued upon replacement:

i. the hedging report must not be interrupted if the change in documentation meets certain conditions (IFRS 9 6.9.1);
ii. when the hedging relationship is changed to consider the new reference rate, the Cash Flow Hedging reserve recognised under Other comprehensive income is deemed to be calculated based on the alternative reference rate (IFRS 9 6.9.7);
iii. for the purpose of assessing the retrospective effectiveness of a hedging relationship on a cumulative basis, as soon as the Phase 1 exceptions cease to apply, the cumulative change in the fair value of the hedged item and the hedging instrument can be reset to zero to prevent the hedging relationship from being terminated due to the accumulated ineffectiveness during Phase 1 (IAS 39 102V);
iv. where the alternative reference rate is designated as a non-contractually specified risk component or the elements have been hedged at portfolio level, specific guidance is provided to manage the transition (IFRS 9 6.9.9-13).

3) Information required in the notes. In order to help all users of financial statements understand the nature and extent of risks arising from the reform and the progress made by entities in completing the transition to alternative reference rates, the following disclosures are required:

- a description of how the entity manages the IBOR transition for the various rates involved and the risks arising from that transition;
- the carrying amount of financial assets and liabilities not linked to derivatives and the nominal value of derivatives that continue to relate to benchmark interest rates subject to reform. These amounts are broken down by reference interest rate and presented separately;
- the impact of the IBOR reform on the entity's risk management strategy.

4) The impact of the IBOR reform on standards other than those relating to financial instruments, in particular IFRS 4 Insurance Contracts and IFRS 16 Leases. With respect to IFRS 16, in the case of leases that include variable payments indexed to benchmark rates that are within the scope of the IBOR reform, the document provides, as a practical expedient, that changes in lease payments resulting from the IBOR reform are accounted for as adjustments to the lease liability, rather than as lease modifications. This exception is strictly limited to changes that are the direct result of the IBOR reform and are economically equivalent to previous assumptions (e.g. the previous reference rate).

The Iren Group's hedging relationships are exposed to the EURIBOR benchmark index. The EURIBOR's calculation methodology was subject to review in 2019 by the European Money Markets Institute (EMMI) in order to meet the requirements of the Benchmarks Regulation (EU) 2016/1011 (BMR): it is therefore assumed that EURIBOR will continue to be used in the immediate future, and the directors believe that the risk associated with the IBOR transition is therefore almost nil and no significant effects are expected in the Group's consolidated financial statements. Iren also continues to monitor developments in the interest rate benchmark reform for determining interest rates and the inclusion of fallback clauses in contracts for financial transactions to guarantee the effectiveness of hedging relationships. It should be noted that the IBOR reform has not, at present, had any impact on the Iren Group's interest rate risk management strategy. At 30 September 2021, the nominal amount of financial liabilities not linked to derivatives and correlated to the EURIBOR benchmark was € 99,980 thousand, while the nominal amount of financial liabilities hedged by derivative instruments correlated to this index was € 458,281 thousand.

Amendments to IFRS16 - Covid19-Related Rent Concessions. The document, issued by the IASB on 31 March 2021 and endorsed by the European Union through Reg. 2021/1421 dated 30 August 2021, extends by one year the period of application of the amendment to IFRS 16, issued in 2020, relating to the accounting for concessions granted to lessees due to Covid-19.
In practice, lessees who, as a direct result of the Covid19 pandemic, benefit from concessions, such as reductions, rebates or deferral of rent, may use a practical expedient to assume, without making any assessment, that the reduction or deferral of payments due does not constitute a contractual modification with the obligation to review the value of the financial asset and liability recognised in the financial statements, without prejudice to the other conditions set forth in paragraph 46B, the reduction concerns payments due on or before 30 June 2022.
The amendment must be applied in annual periods beginning after 1 April 2021, but may be applied to all financial statements, including interim financial statements, not yet approved as of the date of issuance of the document.
To date, the Iren Group has not benefited from discounts or rebates on payments due for leases in relation to the Covid19 pandemic, therefore the practical expedient in question is not applicable.

FINANCIAL STATEMENT FORMATS

The financial statement formats adopted by the Iren Group in preparing these financial statements are the same as those applied in preparing the financial statements at 31 December 2020.
In line with what was previously published, in the statement of financial position, assets and liabilities are classified as "current/non-current". Assets and liabilities classified as discontinued or held for sale are shown separately. Current assets, which include cash and cash equivalents, are those that will be realised, transferred or consumed during the Group's ordinary operating cycle or during the twelve months following the end of the period. Current liabilities are those for which settlement is envisaged during the Group's ordinary operating cycle or during the twelve months following the end of the period.

The Income Statement is classified on the basis of the nature of the costs. In addition to the Operating Profit (EBIT), the Income Statement also shows the Gross Operating Profit (EBITDA) obtained by deducting total operating expense from total revenue.
The indirect method is used in the Statement of Cash Flows. The cash configuration analysed in the Statement of Cash Flows includes cash on hand and cash in current accounts.

In this Report a number of alternative performance measures (APMs) have been used; these are different from the financial measures explicitly required by the IAS/IFRS international accounting standards adopted by the Group. For details of these indicators, please see the following paragraph.

These consolidated financial statements are stated in euro, the company's functional currency. All amounts expressed in euro are rounded to the nearest thousand. It should be noted that the financial statements of the consolidated companies are prepared at the end of the reporting period.

It should also be remembered that these statements are not subject to independent auditing.

ALTERNATIVE PERFORMANCE MEASURES

Iren Group uses alternative performance measures (APMs) in order to convey more effectively the information on the profitability performance of its business lines, and on its financial and capital situation. These measures are different from the financial measures explicitly required by the IAS/IFRS international accounting standards adopted by the Group.
On the subject of these measures, CONSOB issued Communication no. 92543/15 which makes applicable the Guidelines issued by the European Securities and Markets Authority (ESMA) on their presentation in the regulated information distributed or in prospectuses published. These Guidelines are aimed at promoting the usefulness and transparency of the alternative performance measures included in regulated information or prospectuses that fall within the scope of application of Directive 2003/71/EC, in order to improve their comparability, reliability and comprehensibility.
In line with the aforementioned communications, the criteria used to construct these measures presented in the present financial report are provided below.

Net invested capital: determined by the algebraic sum of Non-current assets, Other non-current assets (liabilities), Net working capital, Deferred tax assets (liabilities), Provisions for risks, and employee benefits and Assets (Liabilities) held for sale. For further details on the construction of the individual items that make up the indicator, please refer to the reconciliation statement of the reclassified balance sheet with the accounting statement presented in the annexes to the consolidated financial statements.
This APM is used by the Group in the context of documents both internal to the Group and external and is a useful measure for the purpose of measuring total net assets, both current and non-current, also through comparison between the period with which the report is concerned and previous periods or financial years. This indicator also makes it possible to carry out the analyses of operating trends and to measure performance in terms of operating efficiency over time.

Net financial debt: calculated as the sum of non-current financial liabilities at net of non-current financial assets and current financial liabilities at net of current financial assets and cash and cash equivalents.
This APM is used by the Group in the context of documents both internal to the Group and external and represents a useful tool to assess the Group's financial structure, including by comparing the reporting period with those related to the previous periods or fiscal years.

Gross operating profit (EBITDA): calculated by subtracting total revenues from the total operating costs.
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 (both as a whole and at the individual Business Units level), including by comparing the operating results for the reporting period with those for previous periods or fiscal years. This indicator also makes it possible to carry out the analyses of operating trends and to measure performance in terms of operating efficiency over time.

Operating profit: determined by subtracting the depreciation, amortisation, provisions and operating impairment write-downs from Gross Operating Profit (EBITDA).

Operating cash flow: determined starting from the net profit /(loss) for the period, adjusted for financial income and expense and for non-monetary items (depreciation and amortisation, provisions, impairment losses…), to which the changes in Net working capital, utilisations of provisions and employee benefits and other operating changes are added.
This APM is used by the Group in the context of documents both internal to the Group and external and measures the cash generation capacity of the group's operating activities and therefore its self-financing capacity.

Free cash flow: determined by adding to the operating cash flow the financial resources used or provided by investing activities represented by investments in property, plant and equipment, intangible, and financial assets, divestments, changes in the consolidation scope and dividends collected.

Investments: calculated as the sum of investments in tangible, intangible and financial assets (equity investments) and reported at gross of the capital gains.
This APM is used by the Group in the context of internal documents of the Group and external documents, and measures the financial resources absorbed in purchases of consumer durable goods in the period.

EBITDA margin: calculated by comparing the adjusted EBITDA to the Revenue from sales and services.
This APM is used by the Group in the context of documents both internal to the Group and external and is a useful instrument for assessing the Group's operating performance (both as a whole and at the level of single Business Units), also through comparison with previous periods or financial years.

Net financial indebtedness: determined as the ratio between net financial indebtedness and net equity including minority interests.
This APM is used by the Group in the context of documents both internal to the Group and external and is a useful instrument for assessing the financial structure in terms of relative proportion of financing sources between third-party funds and own funds.

USE OF ESTIMATED VALUES

In preparing the consolidated financial statements in compliance with the IFRS, the estimates and related assumptions are based on previous experience and other case factors, which are deemed reasonable and were adopted to define the carrying amount of assets and liabilities to which they refer. The later results that derive from occurrence of events could differ from these estimates.
Estimates have been used to measure the accrual of some sales revenues, provisions for credit risks, risks for obsolete inventory items, amortisation/depreciation and impairment losses on assets, employee benefits, to determine the fair value of derivatives and certain financial assets, current and deferred taxes and other provisions for risks. These estimates and assumptions are regularly revised. Any changes deriving from the revision of accounting estimates are recognised in the period in which they are revised, if the revision refers only to the period under evaluation. Should the revision involve both current and future periods, the variation is recognised in both the year in which the revision occurs and in the related future periods.

It should also be noted that certain complex valuation processes, such as the determination of any impairment losses on non-current assets, are generally carried out in full only at the time of preparing the annual financial statements, when all the information that may be needed is available, except in cases when there is evidence of impairment that requires an immediate measurement of any losses.
To that end, we note that the Iren Group is carefully monitoring developments in the energy and financial scenario associated with the economic crisis resulting from the current pandemic, as well as possible long-term impacts on the businesses in which it operates.

In the same way, the actuarial valuations necessary to determine provisions for employee benefit are normally carried out on the occasion of preparing the annual financial statements.

SEASONALITY

It should be noted that the Iren Group's results for the period reflect the seasonal nature of the sectors in which it operates. Specifically, sales of natural gas, electric power generated by hydroelectric power plants and the production and sale of heat are affected by weather conditions and, consequently, cannot be extrapolated for the entire year.
The sale of electricity and the waste cycle show more consistent results for the year, albeit with a trend linked to the temporary situation.
On the other hand, linear results are typical of regulated network businesses (gas distribution, electricity distribution and Integrated Water Service).

RESTATEMENT OF AMOUNTS

Restatement of amounts at 30 September 2020
The Group acquired control Territorio e Risorse S.r.l. in October 2019. For said acquisition, the final fair value of the identifiable assets acquired and liabilities assumed was determined in the fourth quarter of FY 2020, reflecting the best knowledge gained in the interim. Therefore, in the consolidated financial statements for the year ended 30 September 2020, the fair value had been recorded on a provisional basis as permitted by IFRS 3.
In accordance with the provisions of the standard, the update of the fair value occurred with effect from the date of acquisition and, therefore, all changes were made to the net worth of the company acquired at that date. The resulting balances in the consolidated financial statements as at 30 September 2020 have been restated to reflect the new amounts.
In detail, changes in the fair values of the previously recognised identifiable assets acquired and liabilities assumed resulted in the following adjustments to the shareholders' equity as at 30 September 2020:

thousands of euro

	30.09.2020 Published	IFRS3 accounting effect	30.09.2020 Restated
EQUITY			
Reserves and Retained Earnings (Losses)	858,175	(27)	858,148
Net profit (loss) for the period	153,300	(81)	153,219
Total equity attributable to shareholders	**2,312,406**	**(108)**	**2,312,298**
TOTAL EQUITY	**2,671,501**	**(108)**	**2,671,393**

In a similar manner, and again for comparison purposes, the changes made with reference to the income statement balances and to the representation of cash flows for the first nine months of 2020 are shown below.

thousands of euro

	First 9 months 2020 published	IFRS3 accounting effect	First 9 months 2020 (restated)
Depreciation and amortisation	(316,152)	(114)	(316,266)
OPERATING PROFIT (EBIT)	**290,176**	**(114)**	**290,062**
Profit (loss) before tax	**246,136**	**(114)**	**246,022**
Income tax expense	(72,615)	33	(72,582)
Net profit (loss) for the period	**173,521**	**(81)**	**173,440**
attributable to:			
- Profit (loss) for the period attributable to shareholders	153,300	(81)	153,219
- Profit (loss) for the period attributable to non-controlling interests	20,221	-	20,221

thousands of euro

	First 9 months 2020 published	IFRS3 accounting effect	First 9 months 2020 (restated)
Profit (loss) for the period	173,521	(81)	173,440
Adjustments:			
Income tax expense for the period	72,615	(33)	72,582
Amortisation of intangible assets and depreciation of property, plant and equipment	316,152	114	316,266
Operating cash flow	**477,460**	**-**	**477,460**
Cash flows for the period	**515,383**	**-**	**515,383**

Restatement of amounts at 31 December 2020

In November 2020, the Group completed the acquisition of the so-called Unieco “Waste Management Division”, which operates in the urban and special waste treatment sector.

As permitted by IFRS 3, the fair value of the net assets acquired was recorded provisionally in the Financial Statements for the year ended 31 December 2020; similarly, it is not final as of the date of this document. However, during the first nine months of 2021, a better understanding of the acquired business enabled the Group to update the fair value of certain identifiable assets acquired and liabilities assumed, effective as of the acquisition date.

In addition, during the period, the allocation of the consideration paid to the final fair value of the net identifiable assets business unit called “SEI Energia”, acquired in May 2020, was completed . Also in this case, the changes were made on the balance sheet of the business at the date of acquisition.

The above updates have resulted in the following adjustments to the statement of financial position at 31 December 2020, which are shown for comparative purposes in the table below.

thousands of euro

	31.12.2020 Published	IFRS3 accounting effect	31.12.2020 Restated
ASSETS			
Property, plant and equipment	3,831,865	1,578	3,833,443
Goodwill	213,587	(85)	213,502
Total non-current assets	**7,298,569**	**1,493**	**7,300,062**
Inventories	66,521	85	66,606
Total current assets	**2,254,411**	**85**	**2,254,496**
TOTAL ASSETS	**9,554,265**	**1,578**	**9,555,843**
EQUITY			
Net profit (loss) for the period	235,322	23	235,345
Total equity attributable to shareholders	**2,391,314**	**23**	**2,391,337**
TOTAL EQUITY	**2,763,528**	**23**	**2,763,551**
LIABILITIES			
Non-current financial liabilities	3,825,197	1,181	3,826,378
Total non-current liabilities	**5,031,226**	**1,181**	**5,032,407**
Current financial liabilities	274,877	374	275,251
Total current liabilities	**1,759,511**	**374**	**1,759,885**
TOTAL LIABILITIES	**6,790,737**	**1,555**	**6,792,292**
TOTAL EQUITY AND LIABILITIES	**9,554,265**	**1,578**	**9,555,843**

CONSOLIDATION PRINCIPLES

The consolidation scope includes subsidiaries, joint ventures and associates.

Subsidiaries
Entities controlled by the Group are considered subsidiaries, as defined by IFRS 10 – *Consolidated Financial Statements.* Control exists when the Parent Company has at the same time:

- decision-making power over the investee, i.e. the power to direct the relevant activities of the investee, therefore the activities that bear a significant influence on the results of said investee;
- the right to variable (positive or negative) returns from its equity in the entity;
- the ability to use its decision-making power to determine the amount of the returns deriving from its equity in the entity.

The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.
Equity and portion of profit/loss attributable to non-controlling interests are identified separately in the consolidated statement of financial position and income statement.
Subsidiaries are consolidated on a line-by-line basis intra-group balances, transactions, unrealised income and expenses are eliminated in full.
Furthermore: a) all changes in the equity interest that do not constitute a loss of control are treated as *equity transactions* and, therefore, feature a corresponding asset item under net equity; b) when a parent company transfers control to one of its investees, but still continues to hold an interest in the company, it measures the equity investment retained in the financial statements at *fair value* and recognises any gains or losses deriving from loss of control in the income statement.

Joint ventures
These are companies over whose activity the Group has joint control, in virtue of contractual agreements. Joint control, as defined by IFRS 11 – *Joint Arrangements, is the "contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control".*
With reference to entities jointly owned by mixed public and private companies, given the objective possibility for the public shareholder to influence the company not only by means of *governance* agreements, but also because of its nature as public entity, the existence of joint control is ascertained on the basis of contractual agreements, assessing the actual possibility for the private partner to jointly control strategic decisions regarding the joint venture.
Joint arrangements are divided into 2 types:

- a Joint Venture (JV) is an arrangement whereby the parties have rights to the net assets of the arrangement. Joint Ventures are measured using the equity method;
- a Joint Operation (JO) is an arrangement whereby the parties are not limited exclusively to participating in the company's net profit or loss, but have rights to its assets and obligations for its liabilities. In this case the assets/revenue on which the joint operator exercises such rights and the liabilities/costs of which the joint operator assumes the obligations are fully consolidated.

Associates (accounted for using the equity method)
An associate is a company over which the Group has significant influence, but not control or joint control over its financial and operating policies. The consolidated financial statements include the Group's share of the associates' profit or loss recognised using the equity method from the date that significant influence commences until the date that significant influence ceases. If the Group's share of losses of an associate equals or exceeds the carrying amount of its interest in the associate, the carrying amount is reduced to nil and recognition of further losses is not detected, except to the extent that the Group is obliged to respond.

Transactions eliminated on consolidation
Intra-group balances and significant transactions and any unrealised gains and losses arising from intra-group transactions are all eliminated in preparing the consolidated financial statements. Unrealised gains and losses arising from transactions with jointly controlled entities are eliminated to the extent of the Group's interest in the entity. The related tax effect is calculated for all consolidation adjustments.

CONSOLIDATION SCOPE

The consolidation scope includes companies directly or indirectly controlled by the Parent Company, in addition to joint ventures and associates.

Parent Company:
Iren S.p.A.

Consolidated companies
The four companies responsible for the single business lines and their direct and indirect subsidiaries are consolidated on a line-by-line basis.

1) Iren Ambiente and its subsidiaries:
    - Waste Management ACAM
    - AMIAT V and the subsidiary:
        - AMIAT
    - Bonifica Autocisterne
    - I.Blu
    - Iren Ambiente Parma
    - Iren Ambiente Piacenza
    - ReCos
    - Rigenera Materiali
    - San Germano
    - Territorio e Risorse
    - TRM
    - Unieco Holding Ambiente and its subsidiaries:
        - Bio Metano Italia
        - Borgo Ambiente
        - Manduriambiente
        - Picena Depur
        - UCH Holding and its subsidiary:
            - Iren Ambiente Toscana and its subsidiaries:
                - Energy Side
                - Futura
                - Produrre Pulito
                - Scarlino Holding and its subsidiaries:
                    - Scarlino Energia
                    - Scarlino Immobiliare
                - STA partecipazioni
                - TB
        - Uniservizi
    - Uniproject

2) Iren Energia and its subsidiaries:
    - Asti Energia e Calore
    - Iren Smart Solutions and its subsidiary:
        - Studio Alfa and its subsidiary
            - Lab231
    - Maira and its subsidiary:
        - Formaira

3) Iren Mercato and its subsidiaries:
   - Salerno Energia Vendite
   - SidIren

4) IRETI and its subsidiaries:
   - ACAM Acque
   - ASM Vercelli and its subsidiary:
     - ATENA Trading
   - Consorzio GPO
   - Iren Laboratori
   - Iren Acqua and its subsidiary:
     - Iren Acqua Tigullio
   - Nord Ovest Servizi

It should be noted that on 22 April 2021 Iren Ambiente acquired a further 7.42% stake in the subsidiary UCH Holding and therefore, following this transaction, the Group holds 100% of the company's share capital.
In addition, certain corporate transactions became effective on 1 July 2021, which, while not involving changes in the scope of consolidation, resulted in a streamlining of the Waste Management Business Unit's ownership structure. In this context, Unirecuperi was merged into Unieco Holding Ambiente and, similarly, the companies AMA, Gheo Suolo e Ambiente, Monte Querce and Sereco Piemonte were merged into Iren Ambiente.

For details of the subsidiaries, joint ventures and associates, please see the lists included in the Annexes.

CHANGES IN FULL CONSOLIDATION SCOPE

As reported in "Significant events of the period", following the recent M&A transaction relating to the Unieco's Waste Management Division, on 30 March 2021 the Group increased its stake in the associate Futura S.p.A., acquiring a further 20% of the share capital (for the amount of € 1,100 thousand) and gaining control by virtue of a total 60% shareholding. The company operates a mechanical-biological treatment plant that treats 140 thousand tonnes of non-sorted waste per year, equipped with a composting section for the organic and green fraction, whose concession expires in 2041.
Futura consequently joined the scope of line-by-line consolidation and, pending the definition of the Purchase Price Allocation (PPA) to be completed in accordance with IFRS 3, the positive difference between the acquisition cost of the investment and the provisional fair value, at the date of obtaining control, of the identifiable assets acquired and the identifiable liabilities assumed was allocated to goodwill for € 552 thousand.

On 16 July 2021, the Group also completed the acquisition of 100% of Sidiren S.r.l., a *newco* conferring the business unit from Sidigas.com S.r.l., operating in the sale of natural gas with a portfolio of approximately 52 thousand customers distributed mainly in the Province of Avellino. Pending the final *PPA*, goodwill of € 32,883 thousand emerged, recognised as the positive difference between the acquisition price and the provisional *fair value* of the net assets acquired.

Finally, on 29 July 2021, the Studio Alfa Group company completed the parallel purchase transactions:
- a branch of the company Sviluppo Ambiente e Sicurezza S.r.l., relating to consultancy regarding health and safety in the workplace, management of environmental practices, privacy and professional training;
- a share representing 100% of Lab231 S.r.l., operating in the field of audits on the implementation of the organisational model required by Legislative Decree 231/2001.

The goodwill provisionally recorded following these acquisitions amounts to € 438 thousand.

STATEMENT OF CONSOLIDATED FINANCIAL POSITION

thousands of euro

	30.09.2021	31.12.2020 Restated
ASSETS		
Property, plant and equipment	3,909,242	3,833,443
Investment property	2,473	2,764
Intangible assets with a finite useful life	2,411,015	2,355,140
Goodwill	247,373	213,502
Investments accounted for using the equity method	173,469	173,513
Other equity investments	5,825	4,020
Non-current trade receivables	113,844	115,113
Non-current financial assets	193,821	166,522
Other non-current assets	102,252	66,670
Deferred tax assets	393,180	369,375
Total non-current assets	**7,552,494**	**7,300,062**
Inventories	124,543	66,606
Trade receivables	754,619	875,661
Current tax assets	3,956	9,622
Other receivables and other current assets	287,542	317,082
Current financial assets	242,541	95,356
Cash and cash equivalents	544,314	890,169
Total current assets	**1,957,515**	**2,254,496**
Assets held for sale	1,144	1,285
TOTAL ASSETS	**9,511,153**	**9,555,843**

As required by IFRS 3, the financial position at 31 December 2020 has been restated to consider, at the date of acquisition, the effects of the updating of the provisional fair value of the net assets of the Unieco Waste Management Division and the completion of the allocation of the acquisition price at the final fair value of the assets and liabilities acquired *(Purchase Price Allocation)* of the district heating business unit of SEI Energia. For additional information, refer to the paragraph “Restatement of amounts” of the “Basis of Preparation” chapter.

thousands of euro

	30.09.2021	31.12.2020 Restated
EQUITY		
Equity attributable to shareholders		
Share capital	1,300,931	1,300,931
Reserves and Retained Earnings (Losses)	1,022,844	855,061
Net profit (loss) for the period	241,520	235,345
Total equity attributable to shareholders	**2,565,295**	**2,391,337**
Equity attributable to non-controlling interests	367,651	372,214
TOTAL EQUITY	**2,932,946**	**2,763,551**
LIABILITIES		
Non-current financial liabilities	3,748,737	3,826,378
Employee benefits	103,229	109,027
Provisions for risks and charges	414,070	405,456
Deferred tax liabilities	207,523	203,540
Other payables and other non-current liabilities	495,606	488,006
Total non-current liabilities	**4,969,165**	**5,032,407**
Current financial liabilities	90,825	275,251
Trade payables	983,319	977,906
Other payables and other current liabilities	348,662	345,447
Current tax liabilities	33,183	5,309
Provisions for risks and charges - current portion	153,053	155,972
Total current liabilities	**1,609,042**	**1,759,885**
Liabilities related to assets held for sale	-	-
TOTAL LIABILITIES	**6,578,207**	**6,792,292**
TOTAL EQUITY AND LIABILITIES	**9,511,153**	**9,555,843**

CONSOLIDATED INCOME STATEMENT

thousands of euro

	First 9 months 2021	First 9 months 2020 restated
Revenue		
Revenue from goods and services	3,017,089	2,501,301
Other income	86,709	127,868
Total revenue	**3,103,798**	**2,629,169**
Operating expenses		
Raw materials, consumables, supplies and goods	(970,558)	(710,317)
Services and use of third-party assets	(1,018,553)	(913,790)
Other operating expenses	(52,036)	(50,455)
Capitalised expenses for internal work	31,189	26,605
Personnel expense	(361,228)	(328,627)
Total operating expenses	**(2,371,186)**	**(1,976,584)**
GROSS OPERATING PROFIT (EBITDA)	**732,612**	**652,585**
Depreciation, amortisation, provisions and impairment losses		
Depreciation and amortisation	(345,428)	(316,266)
Provisions for impairment of receivables	(44,627)	(51,348)
Other provisions and impairment losses	(6,191)	5,091
Total depreciation, amortisation, provisions and impairment losses	**(396,246)**	**(362,523)**
OPERATING PROFIT (EBIT)	**336,366**	**290,062**
Financial income and expense		
Financial income	32,157	18,213
Financial expense	(59,330)	(67,142)
Total financial income and expense	**(27,173)**	**(48,929)**
Share of profit (loss) of associates accounted for using the equity method	6,075	6,561
Value adjustments on equity investments	-	(1,672)
Profit (loss) before tax	**315,268**	**246,022**
Income tax expense	(51,897)	(72,582)
- of which non-recurring	*32,268*	-
Net profit (loss) from continuing operations	**263,371**	**173,440**
Net profit (loss) from discontinued operations	-	-
Net profit (loss) for the period	**263,371**	**173,440**
attributable to:		
- Profit (loss) for the period attributable to shareholders	241,520	153,219
- Profit (loss) for the period attributable to non-controlling interests	21,851	20,221

As required by IFRS 3, the cash flow balances of the first nine months of 2020 have been restated to take into account, at the acquisition date, the effects of the completion, at the end of 2020, of the purchase price allocation at the final fair value of the assets and liabilities acquired (*Purchase Price Allocation*) of the company Territorio e Risorse. For additional information, refer to the paragraph “Restatement of amounts” of the “Basis of Preparation” chapter.

STATEMENT OF OTHER COMPREHENSIVE INCOME

thousands of euro

	First 9 months 2021	First 9 months 2020 (restated)
Profit/(loss) for the period - Group and Third parties (A)	**263,371**	**173,440**
Other comprehensive income that will be subsequently reclassified to the Income Statement		
- effective portion of changes in fair value of cash flow hedges	80,410	11,802
- changes in fair value of financial assets	-	-
- share of other profits/(losses) of companies accounted for using the equity method	(331)	(620)
Tax effect of other comprehensive income	(22,040)	(3,781)
Total other comprehensive income to be subsequently reclassified to the Income Statement, net of tax effect (B1)	**58,039**	**7,401**
Other comprehensive income that will not be subsequently reclassified to the Income Statement		
- actuarial gains/(losses) on employee defined benefit plans (IAS 19)	-	-
- portion of other profits/(losses) of companies accounted for using the equity method related to employee defined benefit plans (IAS 19)	-	-
Tax effect of other comprehensive income	-	-
Total other comprehensive income not to be subsequently reclassified to the Income Statement, net of tax effect (B2)	**-**	**-**
Total comprehensive income/(expense) (A)+(B1)+(B2)	**321,410**	**180,841**
attributable to:		
- Profit (loss) for the period attributable to shareholders	298,901	161,208
- Profit (loss) for the period attributable to non-controlling interests	22,509	19,633

As required by IFRS 3, the cash flow balances of the first nine months of 2020 have been restated to take into account, at the acquisition date, the effects of the completion, at the end of 2020, of the purchase price allocation at the final fair value of the assets and liabilities acquired (*Purchase Price Allocation*) of the company Territorio e Risorse. For additional information, refer to the paragraph "Restatement of amounts" of the "Basis of Preparation" chapter.

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

	Share capital	Share premium reserve	Legal reserve
31/12/2019 Restated	**1,300,931**	**133,019**	**64,642**
Dividends to shareholders			
Profits not distributed			12,071
Purchase of treasury shares			
Changes in consolidation scope			
Change in equity interests			
Other changes			
Comprehensive income for the period			
of which:			
- Net profit for the period			
- Other comprehensive income			
30/09/2020 Restated	**1,300,931**	**133,019**	**76,713**
31/12/2020 Restated	**1,300,931**	**133,019**	**76,713**
Dividends to shareholders			
Profits not distributed			10,503
Purchase of treasury shares			
Changes in consolidation scope			
Change in equity interests			
Other changes			
Comprehensive income for the period			
of which:			
- Net profit for the period			
- Other comprehensive income			
30/09/2021	**1,300,931**	**133,019**	**87,216**

As required by IFRS 3, the financial position at 31 December 2020 has been restated to consider, at the date of acquisition, the effects of the updating of the provisional fair value of the net assets of the Unieco Waste Management Division and the completion of the allocation of the acquisition price at the final fair value of the assets and liabilities acquired *(Purchase Price Allocation*) of the district heating business unit of SEI Energia. For additional information, refer to the paragraph “Restatement of amounts” of the “Basis of Preparation” chapter.

thousands of euro

Cash flow hedging reserve	Other reserves and retained earnings (losses)	Total reserves and retained earnings (losses)	Profit (loss) for the period	Total equity attributable to shareholders	Equity attributable to non-controlling interests	Total equity
(31,429)	**584,032**	**750,264**	**236,362**	**2,287,557**	**363,756**	**2,651,313**
		-	(119,504)	(119,504)	(29,451)	(148,955)
	104,787	116,858	(116,858)	-	-	-
	(16,615)	(16,615)		(16,615)	-	(16,615)
		-		-	5,476	5,476
	(94)	(94)		(94)	(1)	(95)
	(254)	(254)		(254)	(318)	(572)
7,989	-	7,989	153,219	161,208	19,633	180,841
			153,219	153,219	20,221	173,440
7,989	-	7,989		7,989	(588)	7,401
(23,440)	**671,856**	**858,148**	**153,219**	**2,312,298**	**359,095**	**2,671,393**
(13,493)	**658,822**	**855,061**	**235,345**	**2,391,337**	**372,214**	**2,763,551**
			(121,892)	(121,892)	(27,390)	(149,282)
	102,950	113,453	(113,453)	-		-
	(4,092)	(4,092)		(4,092)		(4,092)
	-	-		-	1,575	1,575
	(1,207)	(1,207)		(1,207)	(287)	(1,494)
	2,248	2,248		2,248	(970)	1,278
57,381	-	57,381	241,520	298,901	22,509	321,410
			241,520	241,520	21,851	263,371
57,381	-	57,381		57,381	658	58,039
43,888	**758,721**	**1,022,844**	**241,520**	**2,565,295**	**367,651**	**2,932,946**

CONSOLIDATED STATEMENT OF CASH FLOWS

thousands of euro

	First 9 months 2021	First 9 months 2020 restated
A. Opening cash and cash equivalents	**890,169**	**345,876**
Cash flows from operating activities		
Profit (loss) for the period	263,371	173,440
Adjustments:		
Income tax expense for the period	51,897	72,582
Share of profit (loss) of associates and joint ventures	(6,075)	(6,561)
Net financial expense (income)	27,173	48,929
Amortisation of intangible assets and depreciation of property, plant and equipment	345,428	316,266
Net impairment losses (reversals of impairment losses) on assets	392	1,672
Net provisions for risks and other charges	147,450	103,032
Capital (gains) losses	(1,455)	1,203
Utilisations of employee benefits	(7,238)	(5,176)
Utilisations of provisions for risks and other charges	(15,620)	(21,127)
Change in other non-current assets and liabilities	(35,005)	(2,137)
Other changes in capital	(135,521)	(22,045)
Taxes paid	(42,831)	(25,722)
B. Cash flows from operating activities before changes in NWC	**591,966**	**634,356**
Change in inventories	(57,694)	2,521
Change in trade receivables	92,145	93,970
Change in current tax assets and other current assets	20,310	(60,312)
Change in trade payables	4,187	(204,857)
Change in current tax liabilities and other current liabilities	1,014	11,782
C. Cash flows from changes in NWC	**59,962**	**(156,896)**
D. Operating cash flow (B+C)	**651,928**	**477,460**
Cash flows from/(used in) investing activities		
Investments in property, plant and equipment and intangible assets	(466,026)	(414,201)
Investments in financial assets	(1,832)	-
Proceeds from the sale of investments and changes in assets held for sale	8,232	2,236
Changes in consolidation scope	(28,202)	(45,452)
Dividends received	3,261	1,572
E. Total cash flows from /(used in) investing activities	**(484,567)**	**(455,845)**
F. Free cash flow (D+E)	**167,361**	**21,615**
Cash flows from/(used in) financing activities		
Capital increase	-	-
Purchase of treasury shares	(4,092)	(16,615)
Dividends paid	(149,195)	(148,899)
New non-current loans	5,000	575,000
Repayment of non-current loans	(275,191)	(34,315)
Change in financial payables for leasing	(7,963)	(106,310)
Change in other financial payables	(15,105)	(90,612)
Change in financial receivables	(38,515)	349,633
Interest paid	(30,477)	(37,756)
Interest received	2,322	3,642
G. Total cash flows from/(used in) financing activities	**(513,216)**	**493,768**
H. Cash flows for the period (F+G)	**(345,855)**	**515,383**
I. Closing cash and cash equivalents (A+H)	**544,314**	**861,259**

As required by IFRS 3, the cash flow presentation for the first nine months of 2020 has been restated to take into account, at the acquisition date, the effects of the completion, at the end of 2020, of the purchase price allocation at the final fair value of the assets and liabilities acquired (*Purchase Price Allocation*) of the company Territorio e Risorse. For additional information, refer to the paragraph “Restatement of amounts” of the “Basis of Preparation” chapter.

LIST OF FULLY CONSOLIDATED COMPANIES

Company	Registered office	Currency	Share capital	% interest	Shareholder company
Iren Ambiente S.p.A.	Piacenza	Euro	63,622,002	100.00	Iren
Iren Energia S.p.A.	Turin	Euro	918,767,148	100.00	Iren
Iren Mercato S.p.A.	Genoa	Euro	61,356,220	100.00	Iren
Ireti S.p.A.	Genoa	Euro	196,832,103	100.00	Iren
Acam Acque S.p.A.	La Spezia	Euro	24,260,050	100.00	Ireti
Acam Ambiente S.p.A.	La Spezia	Euro	3,000,000	100.00	Iren Ambiente
AMIAT S.p.A.	Turin	Euro	46,326,462	80.00	AMIAT V
AMIAT V S.p.A.	Turin	Euro	1,000,000	93.06	Iren Ambiente
ASM Vercelli S.p.A.	Vercelli	Euro	120,812,720	59.97	Ireti
Asti Energia e Calore S.p.A.	Asti	Euro	120,000	62.00	Iren Energia
Atena Trading S.r.l.	Vercelli	Euro	556,000	100.00	ASM Vercelli
Bonifica Autocisterne S.r.l.	Piacenza	Euro	595,000	51.00	Iren Ambiente
Bio Metano S.r.l. (1)	Reggio Emilia	Euro	20,000	100.00	UHA
Borgo Ambiente S.c.a.r.l.	Reggio Emilia	Euro	100,000	51.00	UHA
Consorzio GPO	Reggio Emilia	Euro	20,197,260	62.35	Ireti
Energy Side S.r.l.	Florence	Euro	88,729	100.00	Iren Ambiente Toscana
Formaira S.r.l.	San Damiano Macra (CN)	Euro	10,000	100.00	Maira
Futura S.p.A.	Grosseto	Euro	7,000,000	40.00	Iren Ambiente Toscana
				20.00	Iren Ambiente
I. Blu S.r.l.	Pasian di Prato (UD)	Euro	9,001,000	80.00	Iren Ambiente
Iren Acqua S.p.A.	Genoa	Euro	19,203,420	60.00	Ireti
Iren Acqua Tigullio S.p.A.	Chiavari (GE)	Euro	979,000	66.55	Iren Acqua
Iren Ambiente Parma S.r.l.	Parma	Euro	4,000,000	100.00	Iren Ambiente
Iren Ambiente Piacenza S.r.l.	Piacenza	Euro	4,000,000	100.00	Iren Ambiente
Iren Ambiente Toscana S.p.A.	Florence	Euro	15,934,370	100.00	UCH Holding
Iren Laboratori S.p.A.	Genoa	Euro	2,000,000	90.89	Ireti
Iren Smart Solutions S.p.A.	Reggio Emilia	Euro	2,596,721	60.00	Iren Energia
				20.00	Iren Ambiente
				20.00	Iren Mercato
LAB 231 S.r.l.	Parma	Euro	10,000	100.00	Studio Alfa
Maira S.p.A.	San Damiano Macra (CN)	Euro	596,442	66.23	Iren Energia
Manduriambiente S.p.A.	Manduria (TA)	Euro	4,111,820	95.28	UHA
Nord Ovest Servizi S.p.A.	Turin	Euro	7,800,000	45.00	Ireti
				30.00	Amiat
Picena Depur S.r.l.	Ascoli Piceno	Euro	46,000	99.90	UHA
Produrre Pulito S.r.l.	Sesto Fiorentino (FI)	Euro	25,721	100.00	Iren Ambiente Toscana
ReCos S.p.A.	La Spezia	Euro	1,000,000	99.51	Iren Ambiente
Rigenera Materiali S.r.l.	Genoa	Euro	3,000,000	100.00	Iren Ambiente
Salerno Energia Vendite S.p.A.	Salerno	Euro	3,312,060	50.00	Iren Mercato
San Germano S.p.A.	Turin	Euro	1,425,000	100.00	Iren Ambiente
Scarlino Energia S.p.A.	Scarlino (GR)	Euro	16,917,108	89.54	Scarlino Holding
Scarlino Holding S.r.l.	Florence	Euro	90,000	100.00	Iren Ambiente Toscana
Scarlino Immobiliare S.r.l.	Florence	Euro	10,000	72.22	Scarlino Holding
SidIren S.r.l.	Salerno	Euro	29,910,000	100.00	Iren Mercato
STA Partecipazioni S.r.l.	Reggio Emilia	Euro	2,500	100.00	Iren Ambiente Toscana
Studio Alfa S.p.A.	Reggio Emilia	Euro	100,000	86.00	Iren Smart Solutions

TB S.p.A.	Florence	Euro	2,220,000	58.56	Iren Ambiente Toscana
Territorio e Risorse S.r.l.	Turin	Euro	2,510,000	100.00	Iren Ambiente
TRM S.p.A.	Turin	Euro	86,794,220	80.00	Iren Ambiente
UCH Holding S.r.l.	Reggio Emilia	Euro	15,742,660	64.71	UHA
				35.29	Iren Ambiente
UHA S.r.l.	Reggio Emilia	Euro	49,324,031	100.00	Iren Ambiente
Uniproject S.r.l.	Maltignano (AP)	Euro	91,800	100.00	Iren Ambiente
Uniservizi S.r.l.	Maltignano (AP)	Euro	64,021	100.00	UHA

(1) Company in liquidation

LIST OF JOINT VENTURES

Company	Registered office	Currency	Share capital	% interest	Shareholder company
Acque Potabili S.p.A. in liquidazione (in liquidation)	Turin	Euro	7,633,096	47.546	Ireti

LIST OF ASSOCIATES

Company	Registered office	Currency	Share capital	% interest	Shareholder company
A2A Alfa S.r.l. (1)	Milan	Euro	100,000	30.00	Iren Mercato
Acos S.p.A.	Novi Ligure	Euro	17,075,864	25.00	Ireti
Acos Energia S.p.A.	Novi Ligure	Euro	150,000	25.00	Iren Mercato
Acquaenna S.c.p.a.	Enna	Euro	3,000,000	48.50	Ireti
Aguas de San Pedro S.A. de C.V.	S.Pedro Sula (Honduras)	Lempiras	159,900	39.34	Ireti
Aiga S.p.A.	Ventimiglia	Euro	104,000	49.00	Ireti
Amat S.p.A. (1)	Imperia	Euro	5,435,372	48.00	Ireti
Amter S.p.A.	Cogoleto (GE)	Euro	404,263	49.00	Iren Acqua
ASA S.p.A.	Livorno	Euro	28,613,406	40.00	Ireti
Asa S.c.p.a.	Castel Maggiore (BO)	Euro	1,820,000	49.00	Iren Ambiente
Astea S.p.A.	Recanati (MC)	Euro	76,115,676	21.32	Consorzio GPO
Asti Servizi Pubblici S.p.A.	Asti	Euro	7,540,270	45.00	Nord Ovest Servizi
Barricalla S.p.A.	Turin	Euro	2,066,000	35.00	Iren Ambiente
BI Energia S.r.l.	Reggio Emilia	Euro	100,000	47.50	Iren Energia
Centro Corsi S.r.l.	Reggio Emilia	Euro	12,000	33.00	Studio Alfa
CSA S.p.A. (1)	Terranuova Bracciolini (AR)	Euro	1,369,502	47.97	Iren Ambiente Toscana
CSAI S.p.A.	Terranuova Bracciolini (AR)	Euro	1,610,511	40.32	Iren Ambiente Toscana
Fata Morgana S.p.A. (2)	Reggio Calabria	Euro	2,225,694	25.00	Ireti
Fin Gas S.r.l.	Milan	Euro	10,000	50.00	Iren Mercato
Fratello Sole Energie Solidali Impresa Sociale S.r.l.	Genoa	Euro	350,000	40.00	Iren Energia
G.A.I.A. S.p.A.	Asti	Euro	5,539,700	45.00	Iren Ambiente
Global Service Parma S.c.a.r.l. (1)	Parma	Euro	20,000	30.00	Ireti
Iniziative Ambientali S.r.l.	Novellara (RE)	Euro	100,000	40.00	Iren Ambiente
Mondo Acqua S.p.A.	Mondovì (CN)	Euro	1,100,000	38.50	Ireti
Nove S.p.A.	Grugliasco (TO)	Euro	9,983,505	49.00	Iren Energia
Piana Ambiente S.p.A. (2)	Gioia Tauro	Euro	1,719,322	25.00	Ireti
Rimateria S.p.A. (3)	Piombino (LI)	Euro	4,589,273	30.00	Iren Ambiente
SEI Toscana S.r.l.	Siena	Euro	42,236,230	30.96	Iren Ambiente Toscana
Seta S.p.A.	Turin	Euro	12,378,237	48.85	Iren Ambiente
Sienambiente S.p.A.	Siena	Euro	2,866,575	40.00	Iren Ambiente Toscana
Sinergie Italiane S.r.l. (1)	Milan	Euro	1,000,000	30.94	Iren Mercato
STU Reggiane S.p.A.	Reggio Emilia	Euro	12,222,580	30.00	Iren Smart Solutions
Tirana Acque S.c. a r.l. (1)	Genoa	Euro	95,000	50.00	Ireti
Valle Dora Energia S.r.l.	Turin	Euro	537,582	49.00	Iren Energia

(1) Company in liquidation

(2) Company in liquidation classified under assets held for sale

(3) Company in bankruptcy

Certification by the Financial Reporting Manager pursuant to Article 154-bis, paragraph 2 of Italian Legislative Decree no. 58/1998 (“Testo Unico della Finanza” [Consolidated Finance Act])

The undersigned 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 Finance Act] that the accounting information contained in this Consolidated Quarterly Report at 30 September 2021 corresponds to the documentary records, books and accounting entries.

11 November 2021

The Financial Reporting Manager under Law 262/05

Massimo Levrino

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