1H 2024

Consolidated Results

Terna
Driving Energy

Rome, July 26th 2024

Agenda

Highlights	**3**
1H 2024 Results	**8**
Closing Remarks	**17**
Annexes	**19**

Highlights

Terna Driving Energy

Highlights

Latest main achievements

- Reinforcing **Terna’s leadership in the Twin Transition**
- Included in global **ESG indexes** and awarded for its **sustainability best practices**
- New **ESG-linked Credit Facilities**
- **2023 Final Dividend of 22.50 €cents**/ share paid in June

Grid development and digitalization as drivers for sustainable growth

Highlights

Main projects' execution

	Authorization	Main Procurement contracts
Tyrrhenian Link	✓	✓
Italy-Tunisia	✓	*Tenders ongoing*
Adriatic Link	✓	✓
SACOI 3	✓	✓

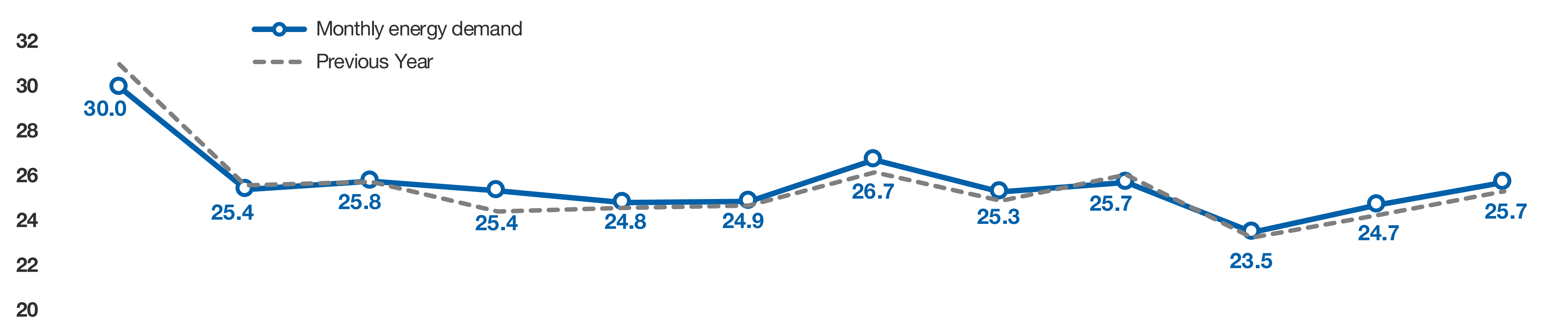
Focus on Execution

Highlights

Demand Evolution – Last 12 months

DEMAND AS REPORTED (TWh)

	1H24	1H23	∆ %
	151.6	149.9	*1.1%*



YoY Chg%	Jul	Ago	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
	-3.4%	-0.6%	0.2%	3.8%	1.0%	0.8%	2.1%	1.6%	-1.4%	1.1%	1.9%	1.5%

1H 2024

- National Demand at 152 TWh, o/w 44% covered by RES
- Net Total Production at 126 TWh, o/w 53% covered by RES

In May and June, the highest ever monthly coverage of RES on national demand

Note: 2023-2024 preliminary figures

Highlights

1H 2024 Key Numbers

	1H 2024 Actual €mn	1H 2023 Actual €mn	∆ vs 1H 2023
Revenues	1,754	1,485	+18%
EBITDA	1,257	1,019	+23%
Group Net Income[1]	545	411	+32%

Capex	1,042	831	+26%
Net Debt[2]	10,329	10,494	

Double digit growth in all P&L lines and Capex

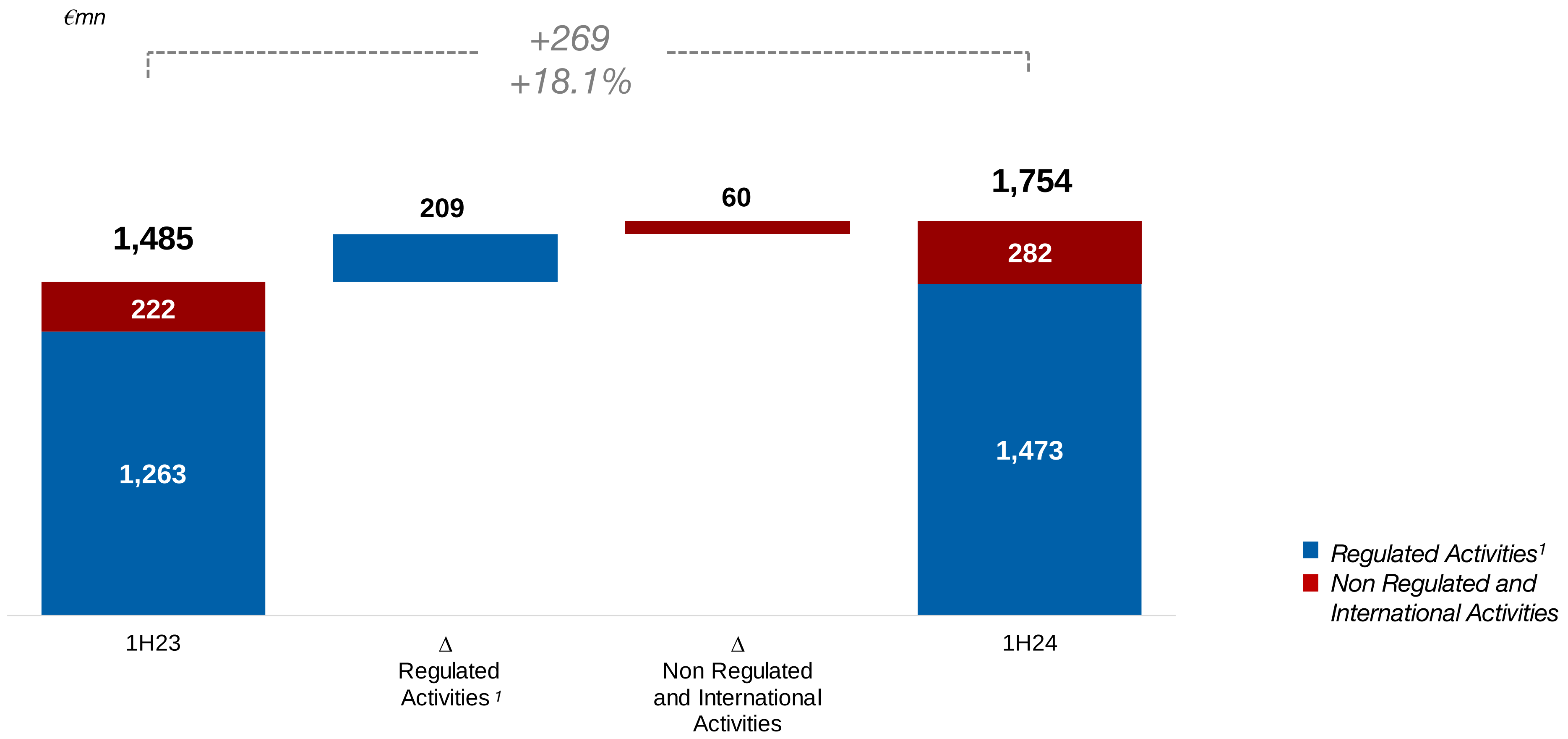
1. Attributable to Terna; 2. 2023 Value related to FY

1H 2024 Results

Terna Driving Energy

1H 2024 Results

Revenues

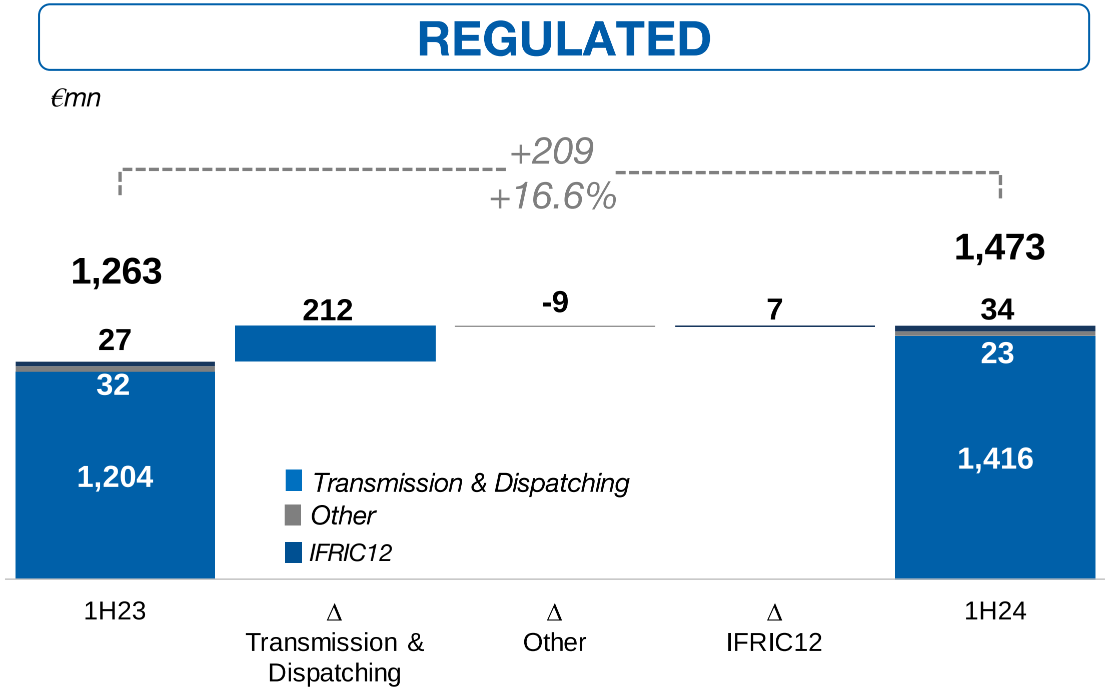


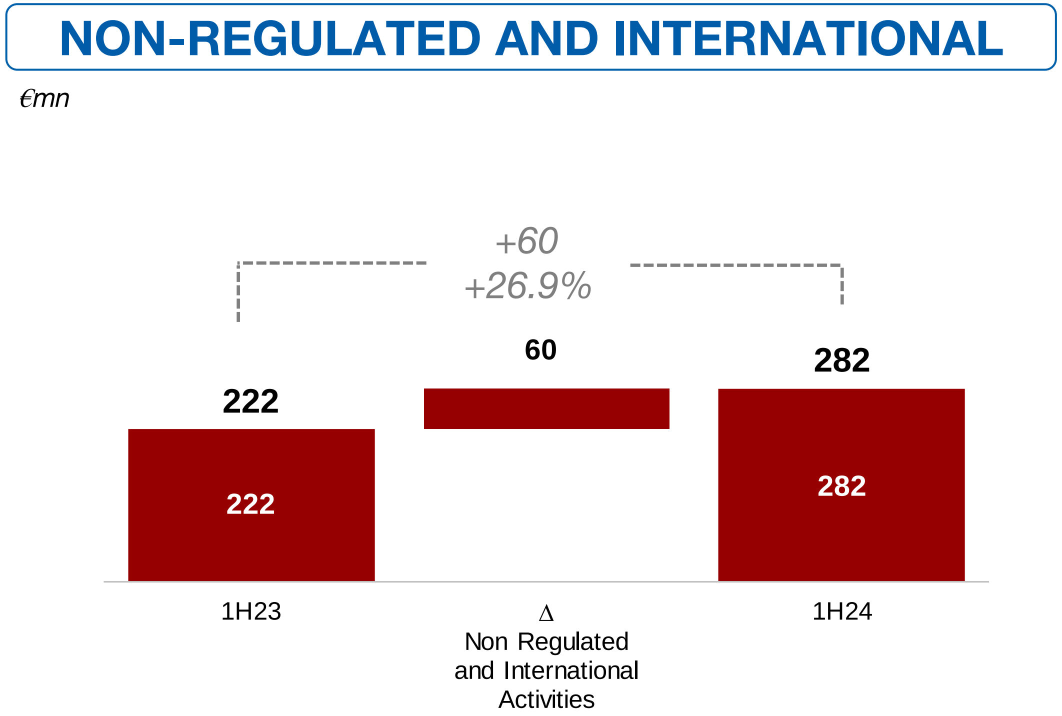
Revenues increase in all business areas

Note: figures may not add up due to rounding; 1. Including IFRIC12

1H 2024 Results

Revenues Analysis

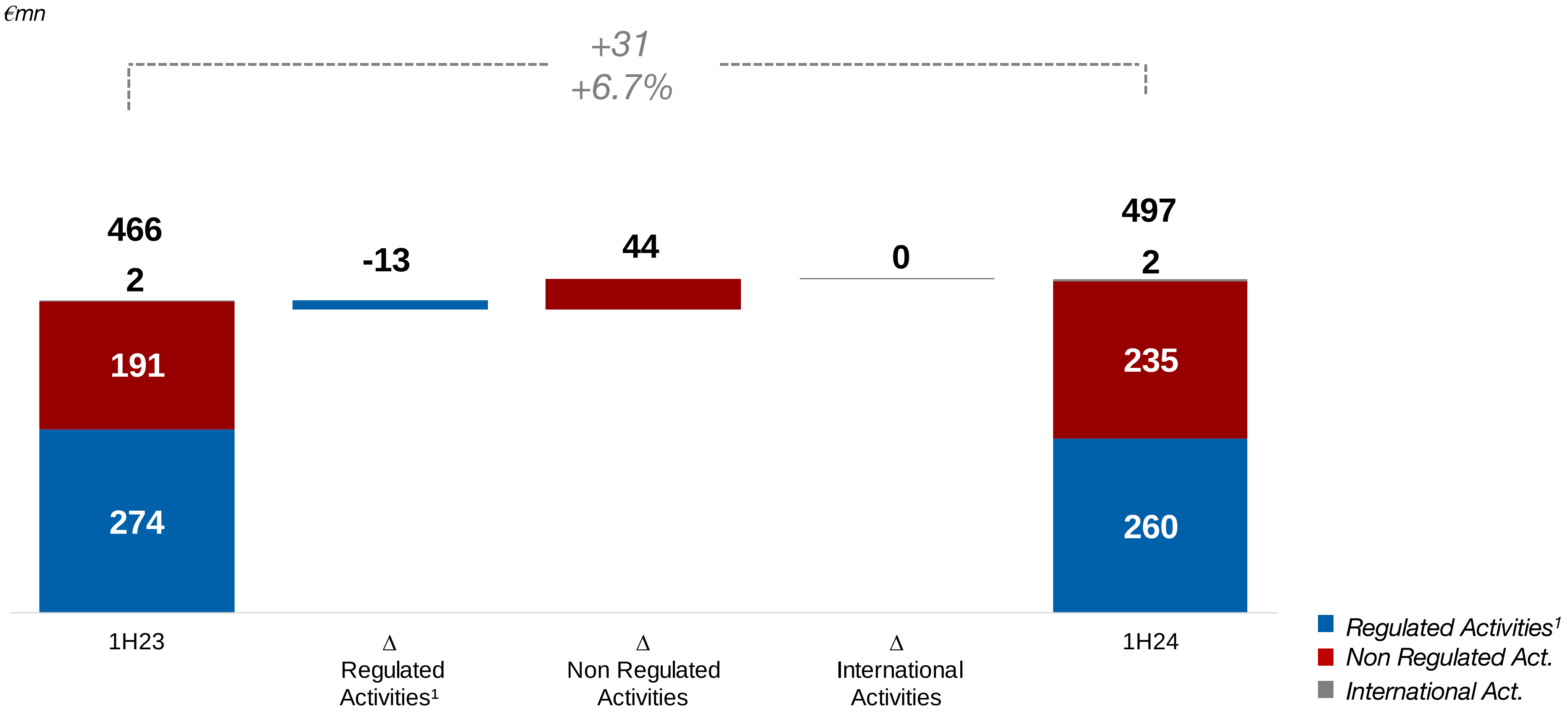




Regulated and Non Regulated revenues as growth driver

Note: figures may not add up due to rounding

Opex



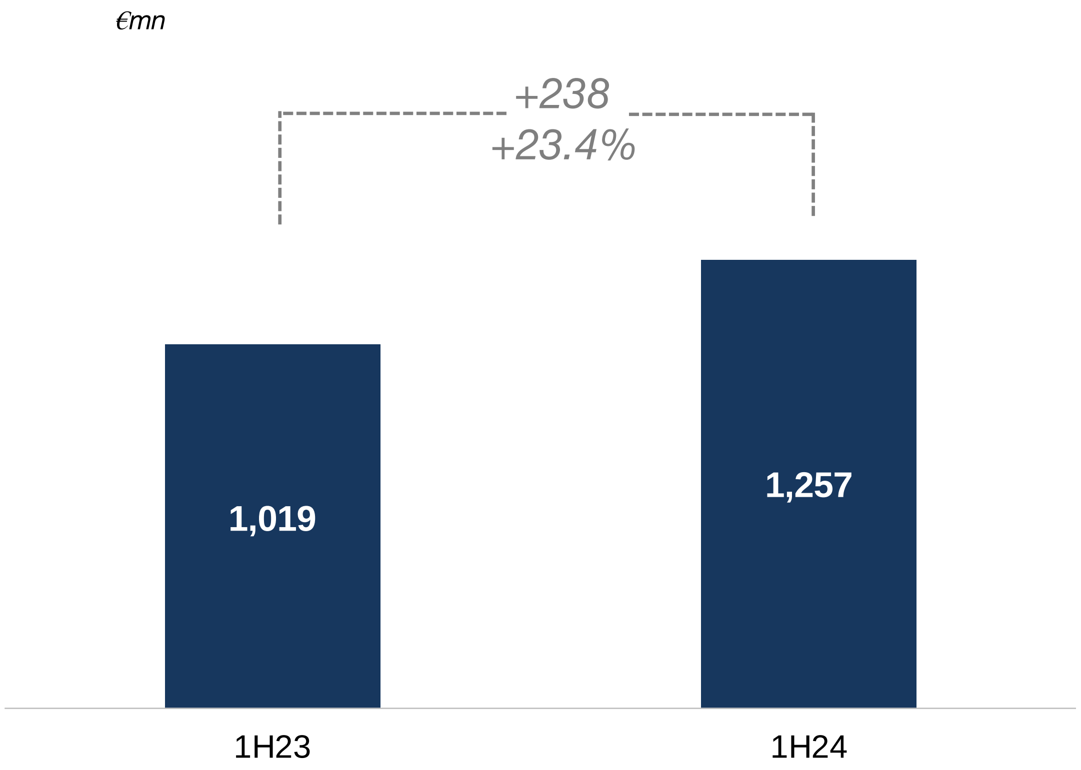
Operating cost evolution reflecting Non Regulated activities increase

Note: figures may not add up due to rounding; 1. Including IFRIC12

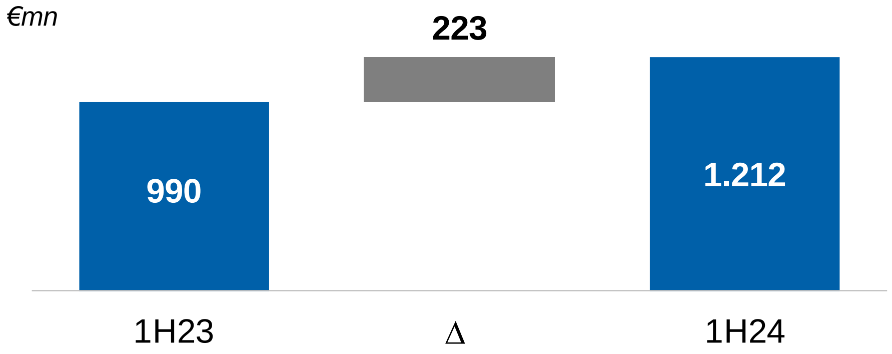
1H 2024 Results

EBITDA

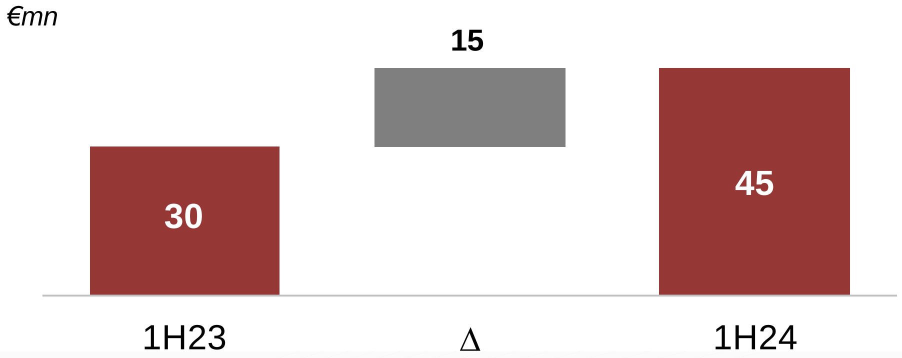
GROUP



REGULATED



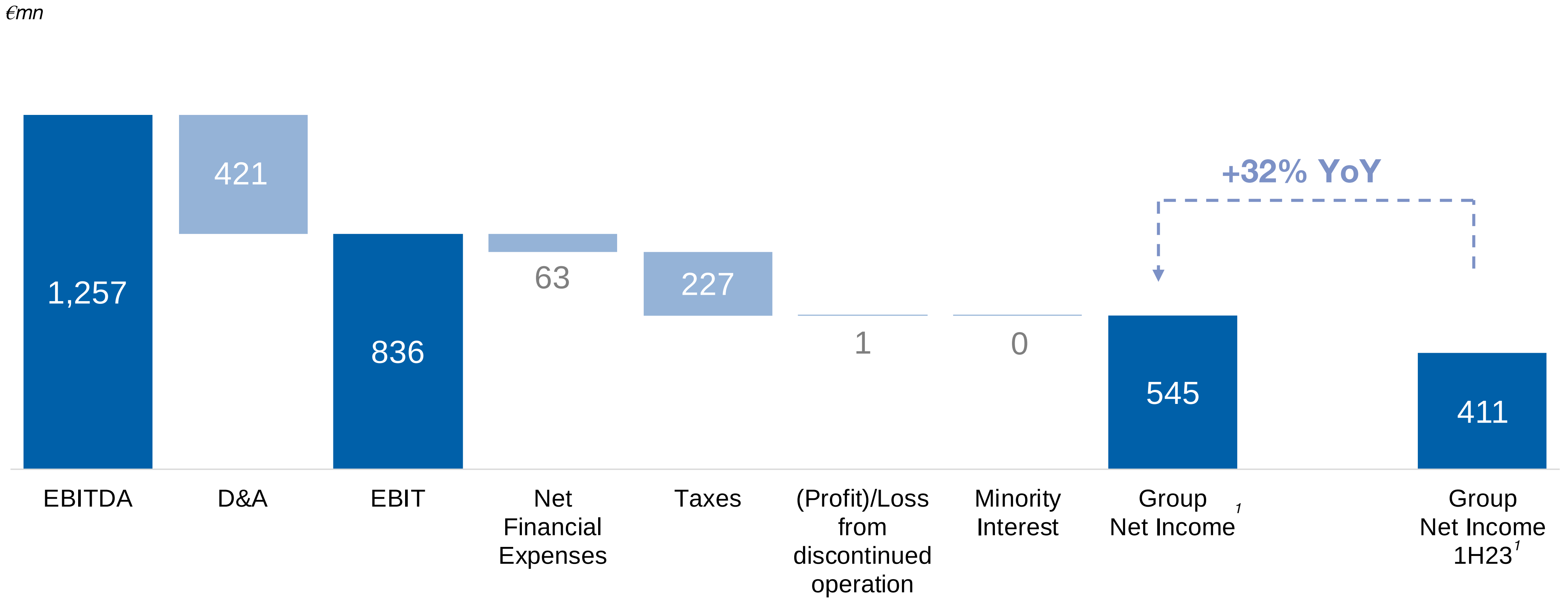
NON-REGULATED AND INTERNATIONAL



EBITDA growth driven by Regulated Activities

Note: figures may not add up due to rounding

From EBITDA to Net Income



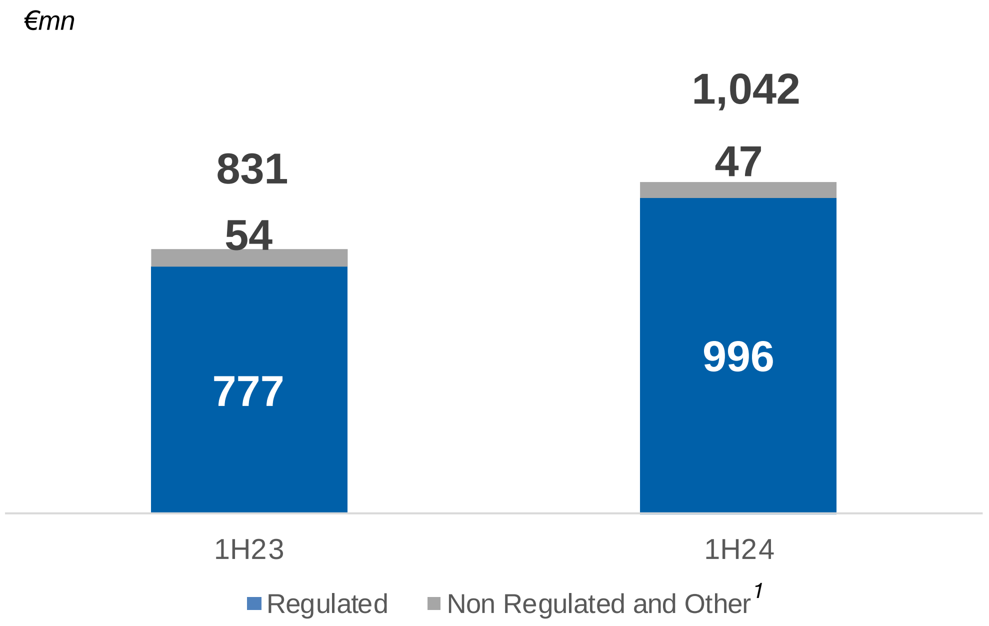
+32% increase in Group Net Income

Note: figures may not add up due to rounding; 1. Attributable to Terna.

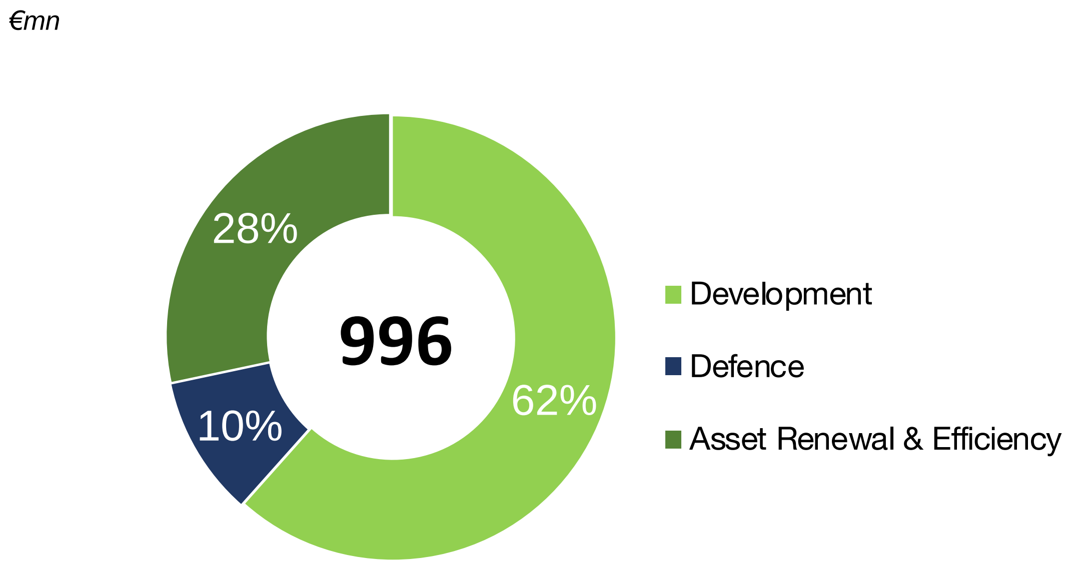
1H 2024 Results

Capex

TOTAL CAPEX



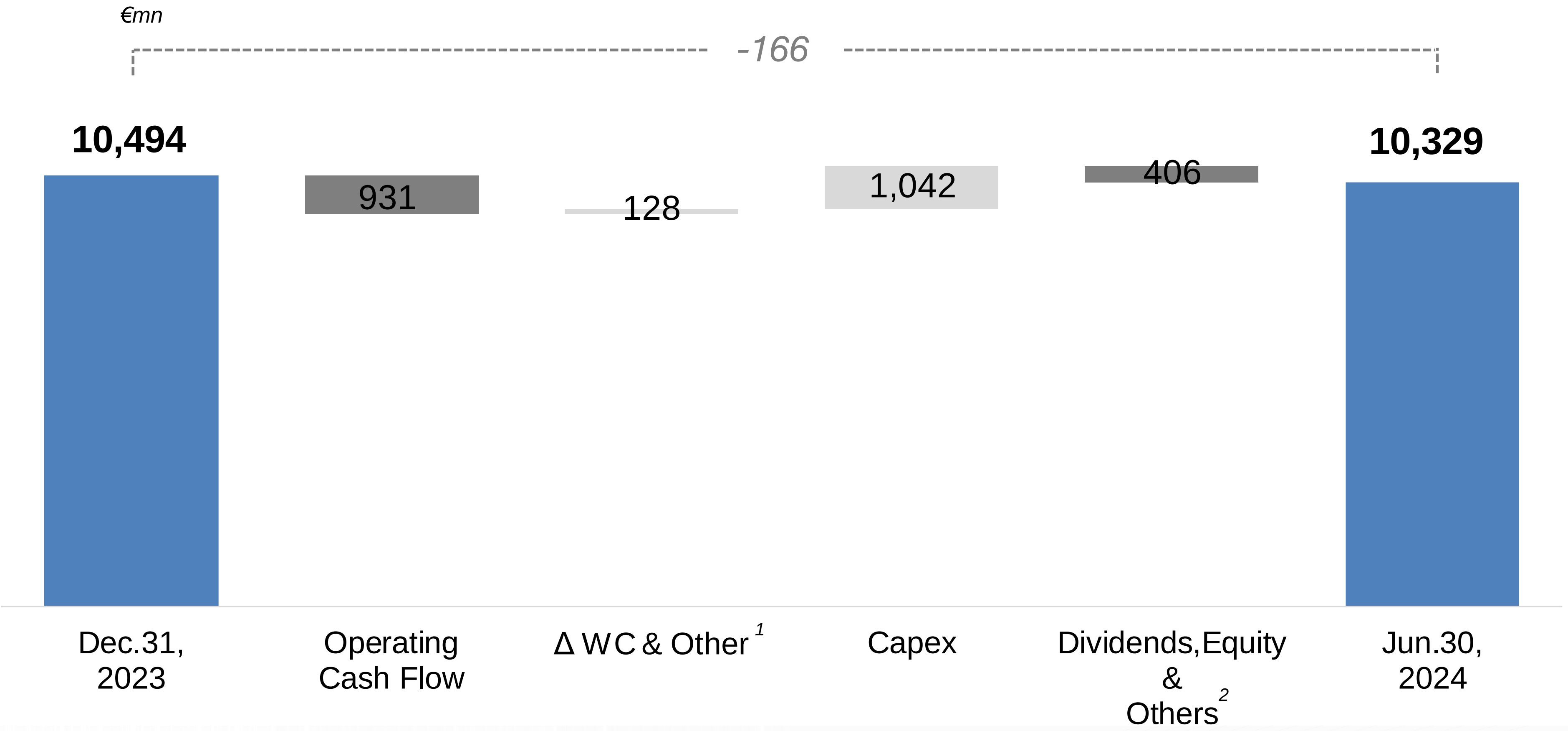
REGULATED CAPEX



Record-breaking Capex

Note: figures may not add up due to rounding; 1. Of which about 32 €mn of Capitalized Financial Charges in 1H24 and 27 €mn in 1H23

Cash Flow & Net Debt Evolution

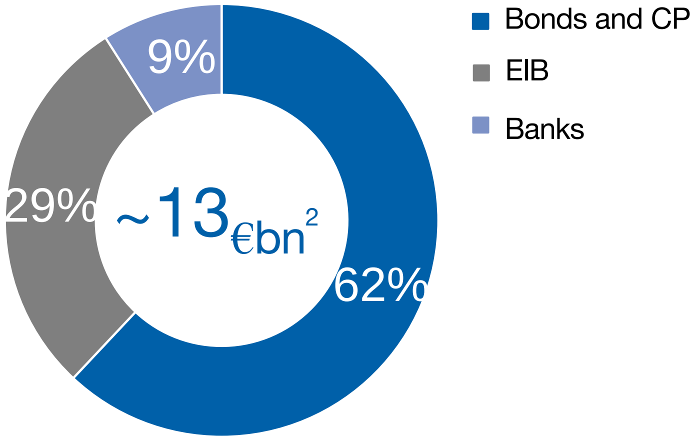


Operating cash flow generation to support capex plan

Note: figures may not add up due to rounding; 1. Including Other Fixed Assets Changes; 2. Including Assets Held for Sale, Cash Flow Hedge reserve, Hybrid Green Bonds and other

Net Debt Evolution & Financial Structure

GROSS DEBT BREAKDOWN[1]



KEY RATIOS[3]

Fixed/Floating Ratio

~ 89% Fixed

Calculated on Gross Debt

Maturity

~ 6 years

Maintaining a solid and diversified financial structure

1. Percentages calculated on Gross Debt nominal value; 2. IAS value; 3 Key ratios calculated on Medium/Long Term Debt

Closing Remarks

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Closing Remarks

Well on track on the execution of Capex Plan

Maintaining financial stability and low-risk profile

Confirming 2024 Guidance

Annexes

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Consolidated Income Statement[1]

€ mn	1H24	1H23	Δmn	Δ%
Total Revenue	**1,754**	**1,485**	**269**	**18.1%**
Regulated Activities	*1,473*	*1,263*	*209*	*16.6%*
Transmission	*1,214*	*1,043*	*171*	*16.4%*
Dispatching	*202*	*162*	*40*	*25.0%*
Other²	*23*	*32*	*-9*	*-28.8%*
IFRIC12	*34*	*27*	*7*	*25.2%*
Non Regulated and International Activities	*282*	*222*	*60*	*26.9%*
Total Costs	**497**	**466**	**31**	**6.7%**
Regulated Activities	*260*	*274*	*-13*	*-4.9%*
Labour Costs	*127*	*140*	*-13*	*-9.4%*
External Costs	*87*	*92*	*-5*	*-5.0%*
Other²	*13*	*15*	*-2*	*-15.4%*
IFRIC12	*34*	*27*	*7*	*25.2%*
Non Regulated Activities	*235*	*191*	*44*	*23.2%*
International Activities	*2*	*2*	*0*	*5.6%*
EBITDA	**1,257**	**1,019**	**238**	**23.4%**
D&A	*421*	*380*	*41*	*10.8%*
EBIT	**836**	**639**	**197**	**30.8%**
Net Financial Charges	*63*	*59*	*4*	*7.3%*
Pre Tax Profit	**773**	**580**	**193**	**33.2%**
Taxes	*227*	*169*	*59*	*34.8%*
Tax Rate (%)	*29.4%*	*29.1%*	*-*	*0.3 pp*
Net Income	**546**	**411**	**134**	**32.6%**
Profit/(Loss) From Discontinued Operations	*-1*	*-4*	*3*	*82.9%*
Total Net Income	**545**	**408**	**137**	**33.6%**
Minority Interest	*0*	*-4*	*4*	*-102.9%*
Group Net Income	**545**	**411**	**133**	**32.4%**

Notes: figures may not add up due to rounding; 1) Managerial Accounting 2) Including Quality of Service

Consolidated Balance Sheet

€ mn	**Jun. 30,2024**	**Dec. 31,2023**	**Δmn**
PP&E	*18,161*	*17,597*	*564*
Intangible Asset	*890*	*867*	*23*
Financial Inv. and Other	*384*	*501*	*-117*
Total Fixed Assets	19,435	18,965	470
Net WC	-1,890	-2,175	284
Funds	-2	-33	31
Net Capital Invested	**17,542**	**16,757**	**785**
Net Assets Held for Sale	75	80	-6
Total Net Capital Invested	**17,617**	**16,838**	**779**
Financed by:			
Consolidated Net Debt	10,329	10,494	-166
Total Shareholder's Equity	7,288	6,343	945
Total	**17,617**	**16,838**	**779**

Consolidated Cash Flow

€ mn	1H24	1H23
Total Net Income	*545*	*408*
D&A [1]	*417*	*371*
Net Change in Funds	*-31*	*-29*
Operating Cash Flow	**931**	**750**
Δ Working Capital & Other [2]	*-128*	*-351*
Cash Flow from Operating Activities	**802**	**398**
Capital Expenditures	*-1,042*	*-831*
Free Cash Flow to Equity	**-240**	**-432**
Net Assets Held for Sale	*6*	*-15*
Dividends & Equity [3]	*400*	*-435*
Change in Net Cash (Debt)	***166***	***-882***

Notes: figures may not add up due to rounding; 1) Net of assets' disposal 2) Including Other Fixed Assets Changes 3) Including Cash Flow Hedge accruals, Hybrid Green Bond and other

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Notes

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