

2025

Consolidated Interim
Financial Report -
30 September





INTRODUCTION

The Terna Group's Consolidated Interim Financial Report for the nine months ended 30 September 2025 has not been audited and was prepared voluntarily, pursuant to art. 82-ter of CONSOB Issuers' Regulation (as amended by CONSOB Resolution no. 19770 of 26 October 2016).



“ Terna is investing in Italy's development

We guarantee energy security and balance electricity supply and demand 24 hours a day, ensuring that the system is reliable, efficient and accessible to all.

We invest and innovate every day in the development of an electricity grid capable of integrating the energy produced from renewable sources, improving links between the different areas of the country and strengthening cross-border interconnections, applying a sustainable approach that takes into account the needs of the communities and people we work with. ”

MISSION

“ We are behind the energy you use every day

We are responsible for guaranteeing the continuity of power supply, essential in making sure that electricity reaches Italian homes and businesses at all times.

We provide everyone with equal access to electricity and are working to provide clean energy for future generations. ”

PURPOSE

“ We care about the future of energy

We are committed to building a future powered by clean energy, enabling new forms of consumption and production increasingly based on renewable sources. This will allow us to achieve the goal of delivering an energy transition that is fair and inclusive, whilst also lowering costs.

Thanks to our overall vision of the electricity system and new digital technologies, we are leading the country's drive to get to net zero by 2050, in line with European climate goals. ”

VISION



CONSOLIDATED INTERIM
FINANCIAL REPORT - 30 SEPTEMBER 2025



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9M 2025 overview



ECONOMIC FINANCIAL

(€m)

Revenue

2,882.3

+8.9% vs 9M 2024

EBITDA

2,026.3

+7.1% vs 9M 2024

Profit
attributable to
owners of the
Parent

852.7

+4.9% vs 9M 2024

Capital
Expenditure

2,087.5

+22.9% vs 9M 2024

Net Debt

11,669.2

Terna's share

8.638 €/share

at 30.09.2025.

On 2nd June the share
hit its highest price for
the first nine months
of the year, closing at
€9.058 per share.

Launched in February, under the Euro Medium Term Notes (EMTN) Programme, **a green, fixed-rate, single-tranche bond issue**, for a total amount of **€750 million** and a duration of seven years.

Signed in March an **ESG-linked Revolving Credit Facility** for a **total amount of €1.8 billion** to refinance the ESG Revolving Credit Facility signed in December 2021 for an original amount of €1.65 billion.

Following the presentation of the 2024-2028 Industrial Plan Update in March, **Terna's long-term ratings** were confirmed one notch higher than those of the Italian Republic (BBB+ for Standard & Poor's and Baa2 for Moody's).

In April, **Standard & Poor's** announced that it had **upgraded Terna's long-term rating to "A-" from "BBB+"**, maintaining it one notch above the rating of the Italian Republic, with a stable outlook. The short-term rating was confirmed at "A-2". The revision follows the upgrade assigned to the Italian Republic (from BBB to BBB+).

In June, **Moody's** confirmed Terna's long-term rating at Baa2, one notch above that of the Italian Republic. At the same time, the agency revised Terna's **outlook** from stable to **positive**, confirming the Company's financial soundness. This decision by Moody's follows the recent upgrade of the Italian Republic's rating by the agency.

Also in June, the **€12 billion "Euro Medium Term Note Programme" (EMTN)**, listed on the Luxembourg Stock Exchange and authorised by the Commission de Surveillance du Secteur Financier (CSSF), was renewed. On the same date, a new **€4 billion "Euro Medium Term Note Programme" (EMTN)** was established, listed on the electronic bond market (MOT) managed by Borsa Italiana and approved by CONSOB.

In July, the European Investment Bank (EIB), Terna, Intesa Sanpaolo (IMI CIB Division) and SACE entered into **financing arrangements** totalling **€1.5 billion** in order to support the development and construction of the **Adriatic Link**, Terna's submarine power line that will connect Marche and Abruzzo.

In July, under the €4,000,000,000 Euro Medium Term Note Programme (EMTN), the **first European Green Bond** was launched: a fixed-rate, single-tranche issue for a total of **€750 million** with a term of six years.

The **Share buyback programme** was closed in September for a total outlay of approximately €9 million to purchase 1,060,499 treasury shares (equal to 0.053% of the share capital).



CONSOLIDATED INTERIM FINANCIAL REPORT - 30 SEPTEMBER 2025



OPERATIONAL Electricity system

Demand
233* TWh
-1.2%* vs 9M 2024

* Provisional data.

**Demand met
from RES**
42.7* %
43%* vs 9M 2024

234* MWh
the actual level of
energy not supplied
through NTG (**RENS
indicator**),
compared to the annual
target of approximately
711 MWh set by
ARERA in 2025

€3.9 million
**service
quality costs**,
grew slightly
compared to
the first nine
months of 2024
(+€0.4 million)

Infrastructure

**Operational in the
NTG** approximately
187.8 km of circuits,
3 new substations and
no. 71 bays to
expand substations.

Acquired approximately
481 km of circuits,
3 substations and
no. 29 bays on the NTG,
as part of the acquisition of 100% of Rete 2
S.r.l., a subsidiary of Areti, which owns part
of Acea Group's high-voltage infrastructure
located in the Rome metropolitan area.

Authorised by the Ministry of the
Environment and Energy Security and the
relevant bodies
**30 development
projects** for the NTG, for a total
amount of **approximately**
€423 million.

The **first auction** under the **MACSE** (Electricity Storage Procurement Mechanism), was held in September, **allocating 10 GWh of storage capacity** to Southern Italy and the islands, **covering 100% of the required demand**. The contracted facilities - lithium-ion battery systems - are scheduled to enter into operation in 2028. The storage capacity procured through the mechanism will play a fundamental role in operating the electricity system over the coming years, which are characterised by an increase in the share of non-programmable renewable energy sources, allowing full integration and ensuring the security of the electricity system.

In March, the **2024-2028 Industrial Plan Update** was presented,

providing for **total investments of €17.7 billion**. With this Plan, Terna consolidates its role as an enabler of the energy transition and significantly accelerates its commitment to serving the country by advancing decarbonisation and reducing its dependence on foreign sources of supply.

In March, the **2025 Development Plan** of Terna's NTG was presented,

providing for an **investment programme of over €23 billion** over the ten-year period 2025-2034.

September saw the **beginning of the laying of the first section of the western link of Tyrrhenian Link**, the subsea cable between Sicily and Sardinia that **will set a world record, reaching approximately 2,150 metres below sea level**. Terna will invest a total of approximately €3.7 billion in the project, which also includes the eastern section between Sicily and Campania, where installation of the first of the two cables was completed in May.



ENVIRONMENTAL

In the 2024-2028 Industrial Plan Update, Terna has formally committed to setting a net zero target for 2050 within two years, in accordance with the Science-Based Targets Initiative framework, the leading global benchmark in this area, and in line with the Science-Based Target of reducing CO₂ emissions by 2030 to limit global warming to within 1.5°C. In addition to its commitment to combating climate change, Terna has embarked on the path towards a Science-Based Target for Nature, to be certified by the Science-Based Targets Network, for the protection of nature and biodiversity.



SOCIAL

+502 new personnel

added in the first nine months of 2025, in line with the empowerment process of the expertise and resources set out in the 2024-2028 Industrial Plan Update.

+25 thousand hours of training

compared with the first nine months of 2024: approximately 225 thousand hours of training delivered in the first nine months of 2025 (equivalent to approximately 41 hours of training per capita) compared with roughly 200 thousand hours provided in the first nine months of 2024 (equivalent to about 39 hours of training per capita).

During the period, Terna obtained the **Top Employer 2025 and Best HR Team 2025 certifications**, both prestigious awards recognising excellence in people management practices and policies. Terna was also **named “Women Empowerment Company 2025”**, an award promoted by Fondazione Bellisario in collaboration with Confindustria.

As part of the consultation process conducted by Terna, in compliance with Regulation (EU) no. 869/2022, with the authorities and local communities affected by the works set out in the 2025 Development Plan, **nine “Terna Incontra”** events were held in the first nine months of the year, focusing on the new electricity connection between Milan and Montalto di Castro.

The Group has continued to engage in higher education and collaborate with universities. Launched in May, the call for applications for **the fourth edition of the Master’s Degree Course “Digitalisation of the electricity system for energy transition”** was completed during the period. The initiative was promoted by Terna in collaboration with the Universities of Salerno, Cagliari and Palermo and will be followed by the student selection phase. In parallel, as part of **PoliTech Lab**, the call for applications for the **new Master’s Degree course “Innovation in Electrical Systems for Energy”** was opened in April, as a result of the collaboration with the Polytechnic Universities of Milan, Turin and Bari, and will be followed by the participant selection process.



Innovation and digitalisation

Inaugurated in January, the **Terna Innovation Zone Tunisia**, the first innovation hub in Africa managed by Terna with the aim of strengthening the strategic partnership between Italy and Tunisia and promoting technological innovation, fostering the development of skills in the Tunisian energy sector.

In June, Terna launched the **Terna Innovation Zone Adriatic**, in the Marche region, with the aim of creating a centre of excellence to accelerate innovation and the development of new technologies in support of the energy transition and the growth of the Adriatic entrepreneurial ecosystem. The Ascoli Piceno office was inaugurated in September.

On 1st October **Terna Innovation Zone Turin** was launched, focusing on the research and development of innovative technological solutions in the cleantech and grid tech fields, in order to address the twin transition of the electricity grid (energy and digital), with a particular eye on Europe.

Terna is extending the **Building Information Modeling (BIM)** to digitalise its processes, projects and construction sites, to enable increasingly efficient and interoperable management of the design and construction process. It developed modular and scalable information specifications and **launched 37 BIM projects** with dedicated training. The process includes quality control, information management and model validation.



International indices and ESG Ratings

Thanks to its commitment to combating climate change, in the first nine months of 2025 Terna received further **recognition from CDP (formerly the Carbon Disclosure Project)** the global non-profit organisation specialising in environmental reporting and assessing the climate performance and strategies adopted by companies.

In particular, in February, CDP once again placed Terna in the “Leadership” category, confirming its “A-” rating.

In January, Terna was also included in the **“Most Climate-conscious Companies”** ranking – compiled by “Corriere della Sera” and “Statista” – which rewarded Italian companies that have reduced the ratio between their CO₂ emissions and turnover the most.

In June, the Company was once again included in the **“World’s Most Sustainable Companies 2025”** ranking published by the TIME, and, in July, it was confirmed among the **“2025/2026 Sustainability Champions”** identified by the “German Institute for Quality and Finance” in cooperation with “La Repubblica Affari&Finanza”.

In the first nine months of the year, **Terna** was **confirmed** in all the main **ESG indices** in which it was already included, among them: the STOxx Global ESG Leaders Index, in which Terna has been included since 2011; the FTSE4Good Index, since 2005; the Euronext Sustainable indices (formerly Euronext Vigeo Eiris), since their inception in 2012, and the MIB ESG Index, Italy’s first blue-chip index dedicated to environmental, social and governance best practices (in which Terna was included in 2021, the year the index was launched).

Other events during the period

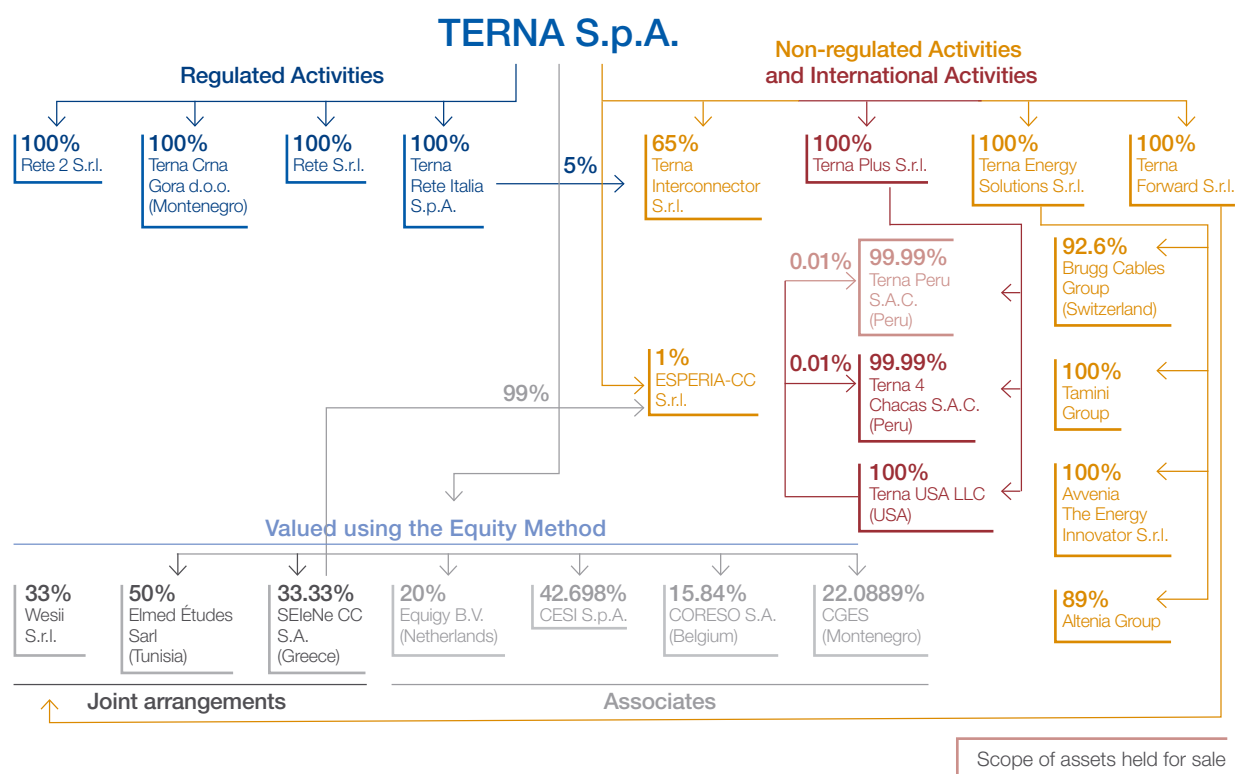
- In May, **Terna and IPTO**, the Greek Transmission System Operator (TSO), signed a **Memorandum of Understanding (MoU)** during the intergovernmental summit between Italy and Greece. The agreement sets out the key terms and conditions for the design and construction of a new electricity interconnection between the two countries. The new submarine connection will complement the existing interconnection, which has been in operation since 2002.
- In June, **Terna and Microsoft** signed a **Memorandum of Understanding** for the development of strategic initiatives to support the Company’s digital transformation.
- In July, during the Ukraine Recovery Conference 2025, **Terna and NPC Ukrenergo**, the Ukrainian Transmission System Operator, signed a three-year **MoU** to foster the exchange of experience and advanced technologies in the management of electricity transmission systems.
- Also in July, the **TSO Innovation Alliance** was established following the signing of a Memorandum of Understanding (MoU) by eight European Transmission System Operators (TSO). The alliance aims to accelerate the adoption of innovative solutions to enhance the resilience and efficiency of the continent’s electricity grid. The signatories include: Terna (Italy), RTE (France), Swissgrid (Switzerland), Elia Group (Belgium and Germany), TenneT (Netherlands), Red Eléctrica (Spain) and Amprion (Germany).

It should also be noted that:

- in October, **Terna and ACN** (National Cybersecurity Agency) signed a **Memorandum of Understanding** for cooperation **on cybersecurity**. The MoU aims to further strengthen the security and cyber resilience of the electricity supply chain and national energy sector;
- on 6 November 2025, ARERA published Resolution no. 476/2025/R/COM with which it confirms, for the year 2026, the values of the WACC parameters common to all infrastructure services in the electricity and gas sectors; therefore, the **WACC remains unchanged at 5.5%** also for **2026**.

Structure of the Group

In line with the role and the objectives of enabler of the current energy and digital transition, below is the structure of the Terna Group as of 30 September 2025.



Compared to 31 December 2024, the following developments are noted:

- On **4 March 2025**, following the reorganisation of the Non-Regulated Activities area, the company LT S.r.l. changed its company name to Alenia S.r.l., as of 1 April 2025, through a business unit contribution, it took over management of the Energy Services business, previously carried out by Terna Energy Solutions S.r.l. and the LT Group, which specialises in the design, construction and maintenance of high-voltage electrical systems and renewable energy installations, particularly photovoltaic systems, as well as energy efficiency solutions. As a result of this transaction, Terna Energy Solutions S.r.l.'s equity interest in Alenia S.r.l. in April increased from 87.5% to 89%;
- On **29 May 2025**, the subsidiary Alenia S.r.l. completed the acquisition of 100% of the share capital of the Italian company Ste Energy S.r.l., which operates in the design, construction and maintenance of renewable energy plants and electrical infrastructure;
- On **30 May 2025**, the subsidiary Terna USA LLC completed the sale of its entire 40% interest in the jointly controlled US-based company BMT Energy Transmission Development LLC to Meridiam Transmission Development LLC, a Delaware limited liability company;
- On **27 August 2025**, the liquidation of Terna Chile S.p.A. which formally began on 17 December 2024, was completed;
- On **30 September 2025**, Terna S.p.A. completed the acquisition of 100% of Rete 2 S.r.l., a subsidiary of Areti and owner of a portion of Acea Group's high-voltage infrastructure located in the Rome metropolitan area. The transaction covers 73 high-voltage and approximately 481 km of circuits, the fibre-optic network installed along the high-voltage lines and the high-voltage components of three primary substations. Design, construction, management, development, operation and maintenance of high-voltage power lines are Rete 2's mission. This transaction is in line with the objectives of the Group's 2024-2028 Industrial Plan and will create value and efficiency for the entire electricity system, enabling Terna more efficient operational management of its network.



Electricity demand and production in Italy

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1

The energy sector



Electricity demand and production in Italy

Electricity demand

ELECTRICITY BALANCE IN ITALY (GWh)*	9M 2025**	9M 2024**	CHANGE	% CHANGE
Net production	200,935	199,039	1,896	1.0%
From overseas suppliers (imports)	38,891	42,293	(3,402)	(8.0%)
Sold to overseas customers	(3,635)	(3,607)	(28)	(0.8%)
For use in pumping***	(1,886)	(1,665)	(221)	(13.3%)
Standalone storage intake****	(1,041)	(54)	(987)	-
Total demand in Italy	233,264	236,006	(2,742)	(1.2%)

* Does not include demand for energy for ancillary services related to electricity production.

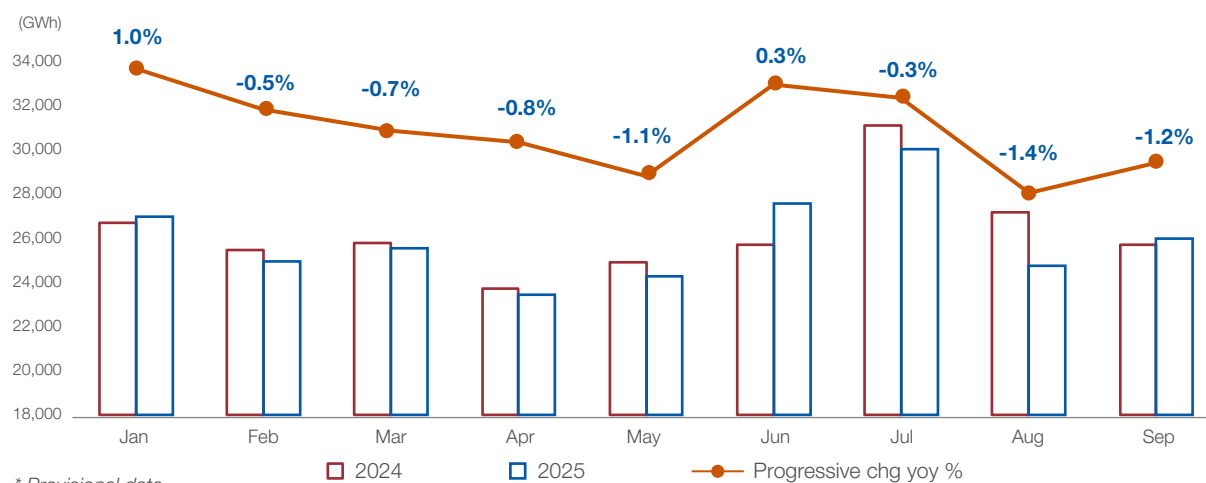
** Provisional data.

*** Electricity used for pumping water for subsequent use in the production of electricity or as a way of immediately balancing overproduction.

**** Electricity absorbed by stand-alone storage (electrochemical storage systems not integrated into production plants) for the purpose of being used at a later date for the production of electricity or to immediately balance excessive production. This item was included in the total demand figure starting from the 2024 annual final figures; therefore, the total demand figure for Italy for the first nine months of 2024 has been restated.

Electricity demand in Italy in the first nine months of 2025 was equal to 233,264 GWh, **slightly lower compared to the same period in 2024 (down 1.2%)**, mainly due to the drop in temperatures in July and August 2025.

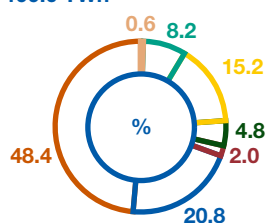
Monthly demand for electricity*



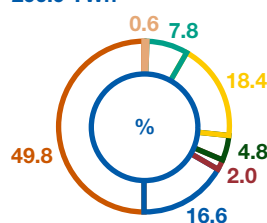
Meeting demand and energy production

Net electricity production by source

9M 2024*
199.0 TWh



9M 2025*
200.9 TWh



- Net wind production
- Net photovoltaic production
- Net biomass production
- Net geothermal production
- Net renewable hydro production
- Net non-renewable hydro production
- Net thermal production

* Provisional data.

Electricity production in the first nine months of 2025 grew slightly by 1.0% compared with to the same period of 2024, mainly attributable to fossil sources.

In the first nine months of 2025, approximately **42.7%** (provisional data) **of the total electricity demand was met from renewable sources**, essentially in line with the same period of 2024 (43% provisional data). Looking at individual sources, there was a decrease in wind production (down 4.0%, due to low wind conditions), hydroelectric production (down 19.5%, essentially due to the fact that the previous year was a record year), geothermal production (down 0.5%), while photovoltaic production increased (up 22.5%, mainly due to the higher level of installed photovoltaic capacity) and biomass production (up 0.3%).

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The Terna Group's business



Operating activities

In line with the enabling factors of the 2024-2028 Industrial Plan Update, the Terna Group's business model is structured into two main distinct areas of activity: Regulated Activities that correspond to the core business (Electricity Transmission and Dispatching) and coincide with the obligations deriving from the government concession and the Non-regulated Activities, i.e., the complementary strand that operates in the free market and integrates diversified skills along the entire energy value chain for the design, engineering, operation and maintenance of solutions for the energy market. These activities are complemented by International Activities.

Regulated Activities

Electricity transmission and dispatching: Terna's role for the country

The Italian electricity supply chain consists of four segments: production, transmission, distribution and the sale of electricity. With its transmission and dispatching activities, Terna occupies the key transmission segment.

Terna **operates Italy's high and very-high-voltage National Transmission Grid (NTG)**, one of the most modern and technologically advanced in Europe. It is the continent's largest independent transmission system operator and one of the leading operators in the world with more than 75 thousand kilometres of circuits. Planning for development of the NTG, the performance of construction services and the maintenance of electricity infrastructure are the three areas of responsibility included in the regulated electricity transmission business.

As a **Transmission System Operator (TSO)**, Terna not only has to design a grid capable of dealing with the progressive decarbonisation and the ever-growing integration of renewable sources (transmission operator), but also ensure that, moment by moment, consumer demand for energy is constantly balanced with production, through the **dispatching** activities (system operator). Terna has the key and delicate role of guaranteeing this balance through a high-technology system, using a specific market, in which it makes daily purchases of the services necessary to constantly ensure the continuity and security of electricity supply.

The Group's capital expenditure

The Terna Group's **total capital expenditure** in the first nine months of 2025 amounts to **€2,087.5 million**, an increase compared with €1,699.2 million in the same period of the previous year (**up 22.9%**).

(€m)

	9M 2025	9M 2024	CHANGE	Δ% CHANGE
Development Plan	1,126.1	995.1	131.0	13.2%
Security Plan ⁽¹⁾	253.2	163.8	89.4	54.6%
Projects to renew electricity assets ⁽¹⁾	410.6	334.1	76.5	22.9%
Other capital expenditure ⁽¹⁾	182.5	131.6	50.9	38.7%
Total Regulated Assets	1,972.4	1,624.6	347.8	21.4%
Non-regulated Assets ⁽²⁾	28.8	22.8	6.0	26.3%
Capitalised financial expenses	86.3	51.8	34.5	66.6%
Total Group's capital expenditure	2,087.5	1,699.2	388.3	22.9%

⁽¹⁾ The figures for the first nine months of 2024 have been restated due to changes in the investment purpose, without modifying the overall value of capital expenditures in regulated assets.

⁽²⁾ Capital expenditure in non-regulated assets primarily regard the re-routing of power lines for third parties and non-core business companies of the Group.

The following **main** regulated assets **entered service** in the first nine months of 2025:

Power lines and cables:

- 150 kV Foiano-Ginestra-Ariano power line (+32.2 km) (BN);
- Increase the efficiency of the 150 kV Benevento-Foiano cable (+25.0 km) (BN);
- Increase the efficiency of the 150 kV Benevento-Montefalcone cable (+25.0 km) (BN);
- 132 kV Corvara-Laion primary substations cable (+22.9 km) (BZ);
- 150 kV Tuscania substation connections (+18.3 km) (VT);
- 380 kV Colunga-S.Benedetto Querceto cable (+16.7 km) (BO);
- 150 kV Lettere-Agerola primary substations power line (+13.1 km) (NA);
- 132 kV Trento Sud-Cirè cable (+10.9 km) (TN);
- 132 kV XXV Aprile-Brescia Ric.Nord cable (+4.2 km) (BS);
- 150 kV Substation Industrial Zone Catania-Cabina Utente STMicronics cable (+2.9 km) (CT);
- 150 kV Villa Borghese-Nomentano cable (+2.9 km) (RM);
- 132 kV Peretola-SLGreve cable (+2.8 km) (FI).

Substations:

- Extension of substation of Premadio (+2 bays) (SO);
- Cirè (+4 bays) (TN);
- Ponte Caffaro (+7 bays) (BS);
- Fortore-Foiano (+17 bays) (BN).

Compensators:

- Aurelia (RM).

Reactors:

- Nogarole (VC);
- Chiari (BS);
- Corvara (BZ).



Main regulated works carried out during the period

> DEVELOPMENT PLAN – €1,126.1 million

Tyrrhenian Link
(€388.3 million)

East Link

Cable Connections: civil works for the construction of cable trenches and laying of the first and second poles are underway (in Sicily, cable trenches and laying: progress of 78% and 61%, respectively; in Campania, cable trenches and laying: progress of 84% and 41%, respectively). The submarine laying of the first pole has been completed.

Converter Substations: the structural components of the main buildings are currently being completed and production of the main equipment is progressing. Assembly of the prefabricated elements of the control building has been completed and assembly of the valve rooms and DC buildings in Eboli and Termini Imerese is in progress.

West Link

Cable Connections: production of the marine cable and the terrestrial cables for the first pole has been completed. Laying of the first piece of the marine cable of the first pole has been completed, civil engineering works for the construction of the terrestrial cables of the first and second pole are underway with progress of the cable trenches of 36% and 14% in Sicily and Sardinia, respectively, and laying of the terrestrial cables of the first and second pole has begun.

Converter Substations: production of equipment and main prefabricated buildings under way. At Termini Imerese, activities for the removal of interferences (150 kV lines) are in progress at the substation site, in addition to waste removal and area cleaning activities. In Selargius, the substation plan has been completed and construction of the substation walls is under way.

Adriatic Link
(€108.0 million)

Cable Connections: the civil works of the terrestrial cable in the Marche region has been completed by approximately 4.8 km out of 34.0 km and the detailed marine survey has been completed. Production of the second pole of the marine cable has started and qualification tests on both the marine and terrestrial cable are under way.

Converter Substations: the civil works site opened in Fano in July and that in Cepagatti is scheduled to open by the end of the year. Supply of some of the main equipment has started (converters).

Sa.Co.I.3
(€106.0 million)

Cable Connections: after the summer break, drilling at the Salivoli landing point has resumed and that at the Bonifacio point has begun in early October. Production of the terrestrial cable has been completed, executive design is under way and the terrestrial surveys in Corsica are being finalised.

Converter Substations: the areas of the Suvereto and Codrongianos converter substations have been handed over to the contractor in order to start site works. Executive design and production of electrical equipment are under way.

Corsica Overhead Line: the work window-related activities have been completed with the 2025 SA.CO.I.2 out-of-service. This included the replacement of 12 pylons along the Lucciana-Bonifacio line.

Livigno Link: the excavation and laying of the approximately 20 km total connection has been completed as well as the assembly of the total 74 joints/terminals, with testing to be completed. **Olympics Projects (€61.8 million)**

Laion-Corvara Primary Substations and Corvara reactor: these plants entered service in September.

Moena Substation-Campitello Primary Substation: in September, the works for the entry into service of the Moena station - on a provisional basis - and the Moena-Campitello cable, neared completion and were subsequently energised at the beginning of October.

Brunico Primary Substation-Vandoies Substation: excavation and cable laying for approximately 75% and 63% respectively of the total 21.5 km connection are under way; jointing started, with around 45% of the 31 total joints/terminals completed. Preparation of the Vandoies substation site, construction of the foundations, the body of the integrated building and installation of the Gas Insulated Switchgear (GIS) have been completed.

The executive design of the first two lots (four sections) has been completed, as well as the preliminary activities to secure easements for support areas, the release of areas affected by unexploded ordnance clearance and geotechnical and geophysical surveys. The construction sites opened in May and construction began in July. The main supply orders were issued. **Chiaromonte-Gulfi-Ciminna (€46.2 million)**

380 kV Colunga-Calenzano Power Line: approximately 82% of the foundations have been completed, around 65% of the pylons are currently being assembled, and about 41% of the conductors have been strung. A first section of the Colunga-S.Benedetto Querceto line was put into operation in April and September, covering a total of 16.7 km. **Colunga-Calenzano power line (€41.7 million)**

380 kV Bolano-Annunziata Cable Variant and Annunziata Substation: 91% of the excavation of the total 3.3 km connection has been completed. The retaining wall downstream of the Annunziata substation road has been completed. The executive design of the Bolano substation has been completed. The procurement process for statistical analysis software (SAS) has begun and production of GIS is under way. **Bolano-Annunziata (€37.1 million)**

Doubling of the 380 kV Bolano-Annunziata: production of the marine cable has been completed and the first tests have started. Landing point-related activities in Sicily began in September, while those in Calabria will start by the end of the year.

380 kV Cassano-Chiari Power Line: construction of approximately 78% of the foundations and erection of approximately 72% of the supports out of a total of 70 completed; stringing of approximately 54% of the cables on a total of 35.3 km of connection completed. **Cassano-Chiari power line (€15.1 million)**

380 kV Pantano-Priolo Power Line: the foundations and assembly of the total 116 pylons have been completed and approximately 99% of the conductors over a total of 45 km have been strung. **Paternò-Pantano-Priolo (€12.8 million)**

Pantano 380/220/150 kV Substation: finishing is in progress and assembly and energisation of the second 380/150 kV ATR, of the total three planned, have been completed.



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> SECURITY PLAN¹ – €253.2 million

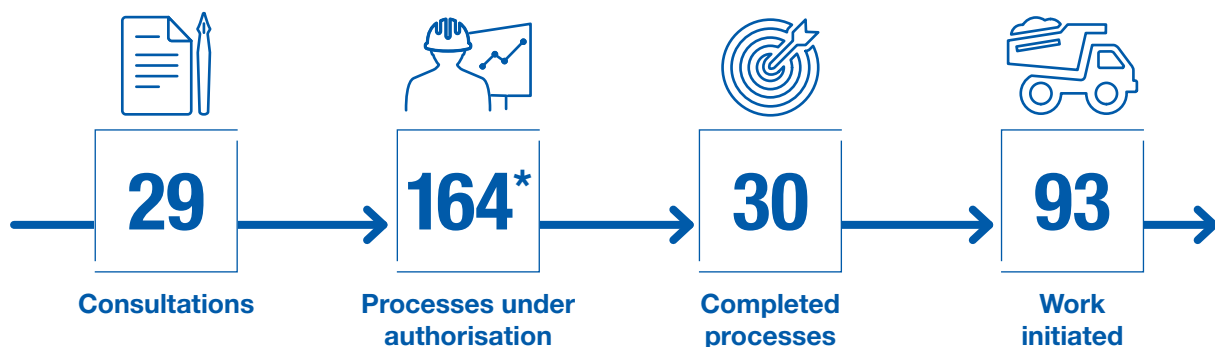
Synchronous compensators (€63.0 million)	Aurelia compensator: it entered operation in April. Other sites (Caracoli, Forlì, Troia): supplies began after the awarding of contracts. At Troia 2 site, construction sites have been opened and work has started on the 380 kV bay.
Stabilising resistors ² (€12.2 million)	Rizziconi: testing of the converter and functional and communications test are nearing completion for entry into service in the last quarter of the year. Scandale: electromechanical assembly, laying of cables and connections are under way. Feroletto: construction sites have been opened, demolition and foundation work is under way. Other sites (Melilli, Brindisi): design and production of major supplies are under way.
Reactors (€11.2 million)	Nogarole and Chiari: they entered service in April. Sandrigio and Cirè: works for the entry into service planned in the last quarter of the year are under way.
Fiber for the Grid (€5.3 million)	This project aims to boost the availability of data on the grid in order to make it easier to monitor and manage the security of the electricity system, by increasing and expanding the fibre optic network. In the first nine months of 2025, 10 substations were connected via proprietary fibre, adding to a total of 581 remotely operated substations.

> PROJECTS TO RENEW ELECTRICITY ASSETS – €410.6 million

Renewal of electricity assets	Fulfilment of the commitment to carry out works to renew electricity assets to improve the reliability and resilience of the NTG has continued. After the overhead line and substation machinery renewal, around 767 km of circuits and 11 machines (4 autotransformers, 7 reactors) were replaced at 30 September 2025.
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Consents processes in the first nine months of 2025

In the first nine months of 2025, **30 projects** for the development of the National Transmission Grid **were authorised** by the Ministry of the Environment and Energy Security and the relevant Regional Authorities, for a total amount of approximately €423 million.



* The figure relates to pending processes at 30 September 2025, i.e., procedures formally initiated both at the Ministry of the Environment and Energy Security and at the Regions and autonomous Provinces and not yet completed.

¹ Synchronous compensators devices and reactors are grid components that carry out reactive compensation.

² Stabilising resistors are devices that provide dynamic stability and damping of grid oscillations and can be used in restart strategies to mitigate disturbances from renewable sources.

Continuity and quality of service

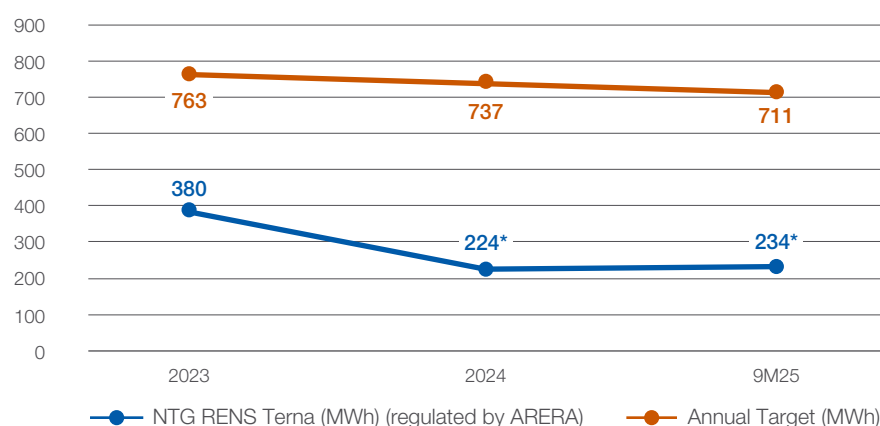
Each segment of the electricity system – generation, transmission and distribution – plays a role in ensuring the availability of electricity in Italy, guaranteeing adequate quality standards and keeping the number of outages below pre-set thresholds.

Terna monitors service continuity through various indicators defined by ARERA (Resolution no. 55/24) and in its Grid Code.

These continuity indicators are significant for the system, as they monitor the frequency and impact of events that have occurred on the electricity grid as a result of faults or due to external factors, such as weather events. In all cases, the period of observation is three years, a period in which there have been no significant changes, testifying to the high quality of service achieved.

NTG RENS Index³

(MWh)



* Provisional data.

The **NTG RENS** indicator based on preliminary data for the period from January to September 2025, amounts to 234 MWh (provisional data and compared with an annual target of approximately 711 MWh set by ARERA for 2025).

As regards the **ASA** indicator, availability was 99.99974% (provisional data) in the first nine months of 2025, compared with 99.99874% (provisional data) in the previous year. The operating performance shows that ASA has remained stable at a high level over the years (the higher the indicator, the better the performance). This indicator shows that the energy not supplied following a fault on the owned grid represents a minimal part of the total quantity of energy supplied to users of the grid.

Existing regulations (set out in Resolution no. 55/2024/R/eel) envisage a series of mechanisms designed to regulate and encourage improvements in the quality of service provided by Terna. The overall economic effects of these mechanisms are accounted for at year end (including RENS).

Costs, which are determined periodically on the basis of occurring events, amounted to €3.9 million in the first nine months of 2025, compared to €3.5 million in the first nine months of 2024.

Continuity indicators used

RENS*

What it measures

Energy not supplied following events affecting the relevant grid**.

How it is calculated

The sum of the energy not supplied to users connected to the NTG (following events affecting the relevant grid, as defined in the ARERA regulations governing quality of service).

* Regulated Energy Not Supplied.

** The "relevant grid" refers to all of the high-voltage and very high-voltage network.

ASA***

What it measures

Availability of the service provided by the NTG.

How it is calculated

Based on the ratio of the sum of energy not supplied to users connected to the NTG (ENS) and energy fed into the grid.

*** Average Service Availability.

³ The targets of reference for the years 2024-2025 (set forth in ARERA Resolution no. 55/2024/R/eel) were defined in continuity with the targets of the 2016-2023 regulatory period, i.e. with an improvement of 3.5% required for each year over the previous one. Since 2016, NTG RENS also includes the performance of the grid operated by Terna Rete Italia S.r.l. (merged with Terna S.p.A. on 31 March 2017).



Electricity market and cost trends

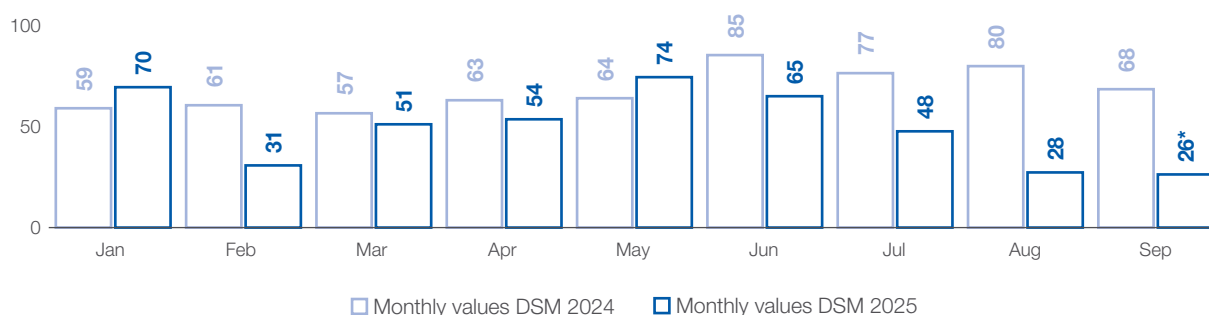
Terna procures dispatching resources to ensure the security and adequacy of the electricity system on the Dispatching Services Market (DSM).

Dispatching Services Market (DSM)

The net charge for using the DSM was approximately €446 million in the first nine months of 2025 (provisional data), down 27% compared to the first nine months of 2024 (approximately €615 million). This change is due to the reduction in the selection costs on the Dispatching Services Market mainly due to volume effects.

Monthly DSM costs

(€m)



* Provisional data.



Cost of procuring resources on the Dispatching Services Market (Uplift)

As of 1 January 2025, Resolution no. 345/2023/R/eel Integrated Electricity Dispatching Act (TIDE), as amended, entered into force, introducing the split of the Uplift Fee, previously defined by Resolution no. 111/2006/R/eel, into two new fees, **Uplift and Other**.

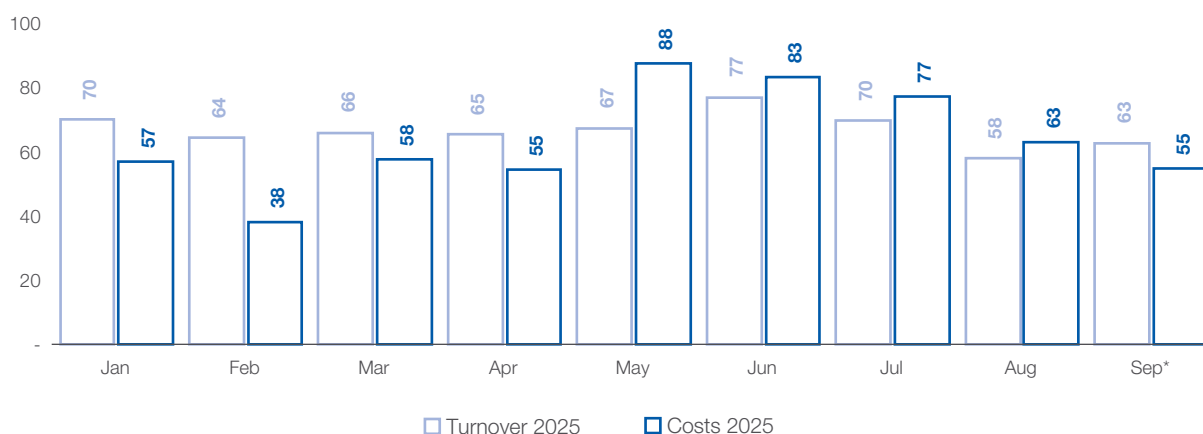
The TIDE streamlines all fees under Dispatching regulations. In this context, ARERA established that the Uplift Fee would retain only those components strictly related to Dispatching activities, while a new fee (the “Fee to cover additional items relating to the dispatching service” – Other Fee) would incorporate the remaining components. The macro-items included in the Other Fee are:

- rents, fees and penalties concerning transmission capacity allocation;
- incentive mechanisms;
- remuneration for the metering aggregation service;
- settlement adjustments and uncollected receivables.

In the first nine months of 2025, the total cost of the Uplift Fee amounted to approximately €574 million (provisional data).

Monthly trends in turnover and Uplift costs

(€m)



* Provisional data.



Non-regulated Activities

Non-regulated Activities are designed to support the energetic transition, in keeping with the core business. Terna uses its know-how in the design, engineering, operation and maintenance of complex solutions, including the integration of telecommunications networks, for the High Voltage markets and RES, as well as in the production of cables and transformers. The aim is to serve commercial and industrial customers with the Group's expertise and experience across a wide range of solutions.

The main areas in which these activities are developed are:

- **Equipment**
- **Connectivity**
- **Energy Services**
- **Private interconnectors pursuant to Law 99/2009**

FOCUS

Reorganisation of Non-regulated Activities

Consistent with the strategy to support the twin transition set forth in the 2024-2028 Industrial Plan Update, in August 2024 a new "Market Solutions" Department was established for the operational coordination of the Group's activities in competitive markets, carried out in particular by Terna Energy Solutions S.r.l. (hereinafter also referred to as "TES") and its subsidiaries, i.e. Altenia S.r.l., Avvenia S.r.l., Tamini Trasformatori S.r.l. and Brugg Kables Services AG and their subsidiaries, with the aim of excelling in the markets driven by the energy and digital transition, strongly leveraging specialised skills.

The new Department consists of four business divisions: i) services, to provide the market with design, construction and maintenance services for electrical installations and RES; ii) equipment, for the supply of plant components such as transformers; iii) cables, for the supply of plant components; and iv) connectivity, for the provision of a fibre-optic infrastructure for the development of fast digital connections.

With particular regard to the services division, in order to better focus on markets driven by the energy transition, from 1 April 2025, the new company Altenia S.r.l. (formerly called LT S.r.l., which changed its company name in March 2025 following the above-mentioned reorganisation) took over the Energy Services business, previously carried out by TES S.r.l. and the LT Group, for the design, construction and maintenance of high-voltage electrical systems and renewable energy plants, in particular photovoltaic systems, as well as energy efficiency solutions. As a result of this transaction, TES's equity interest in Altenia S.r.l. in April increased from 87.5% to 89%.

With the aim of further expanding Altenia's expertise and geographic footprint, the acquisition of 100% of STE Energy S.r.l., a company that has gained 30 years of experience in the design, construction and maintenance of renewable energy plants and electrical infrastructure, was finalised in May 2025.

Equipment

Via two leading companies in their fields, Terna is able to oversee expertise and supplies in two key areas for grid development:

- **Transformers - Tamini Group:** a world leader in the production of industrial transformers and in after-sales service;
- **Terrestrial cables - Brugg Cables Group:** a centre of excellence for research, development and testing in the field of terrestrial cables, the Brugg Group is based in Switzerland and has several overseas subsidiaries.

Transformers - Tamini Group

Orders for acquired transformers are up compared to the same period of the previous year (approximately 54%). Specifically, in the Power segment, orders rose significantly compared to the same period of the previous year (including an order worth approximately €34 million from a major player operating in the European energy sector). [Order book](#)

Service orders rose considerably compared to the same period of the previous year (up by approximately 27%).

In line with the above, the value of factory backlogs has been growing considerably compared to the end of 2024 (up by approximately 43%).

Revenue rose significantly compared to the same period of 2024 (up 22.3%), mainly due to the higher value of transformer production. [Results](#)

For the Power segment, the testing of some major equipment:

- two 400 MVA power transformers for a major TSO in Northern Europe;
- one 500 MVA autotransformer for a major player in the energy sector in Northern Europe.

For the Industrial segment, one 182 MVA rectifier transformer for a major player in the aluminium sector in Europe.

In recent years the Tamini Group has been specialised in planning and producing high-voltage green transformers, offering major advantages, such as: [Vegetable oil transformers](#)

- a significant increase in capacity at equal loads;
- extended life expectancy;
- reduced flammability;
- eco-compatibility.

Tamini continued to be committed to the production of vegetable oil transformers for the Power sector in 2025. In the first nine months of 2025, a 40 MVA/150 kV transformer for a wind farm in Italy and a 400 MVA/155 kV autotransformer were tested. In addition, testing of 2 reactors for a major player in the energy sector in Northern Europe is planned for the last quarter of the year.



Terrestrial cables – Brugg Cables Group

Order book The sales performance has remained strong, with a significant number of potential deals in the final stages of negotiation, confirming the resilience of demand and contracts closures expected in the last quarter.

The first nine months of 2025 saw the particularly significant contribution of the High Voltage System segment of CHF 146 million. The High Voltage Accessories segment contributed a significant amount of CHF 36 million. The Low Medium Voltage segment also made a significant contribution of around CHF 35 million. Compared to the same period in 2024, orders decreased slightly (approximately 10%) due, in particular, to changes and rescheduling.

In the first nine months of 2025, high-voltage cable production prioritised more complex products compared to the same period in 2024, with a focus on higher-value products which, despite a 17% reduction in terms of kilometres produced, reflect a significant increase in technical content and added value per kilometre.

At the same time, low- and medium-voltage cable production decreased by 7% compared to the first nine months of 2024, reflecting the strategic decision to allocate production capacity to the high-voltage segment, consistently with the objective of maximising margins.

Results Revenue for the first nine months of 2025 are up (approximately 16%) compared to the same period in 2024. Margins remained positive, thanks to significant cost efficiency measures, rigorous order selection, and improvements in pricing strategies.

Operating activities The High Voltage Accessories segment recorded a decidedly positive performance with an increase in volumes, an improvement over the same period last year.

For high and extra high voltage systems, the first nine months of 2025 saw a positive trend in order acquisition, with significant increases in both sales volumes and margins compared to the same period of the previous year, and particularly favourable developments in the European market.

In the low and medium voltage segment, margins improved substantially compared with the same period of the previous year. The focus remains on the high quality demanded by the market and the consolidation of the strong position in the Swiss local market.

Connectivity

The Terna Group provides its customers with a newly constructed fibre-optic infrastructure, installed within the ground wires of the power lines of the National Electricity Grid. This solution ensures superior performance compared to traditional terrestrial cables, both in terms of reliability (due to a significantly lower number of failures per kilometre per year) and signal quality, thanks to low attenuation. In addition, the fact that the ground wires follow the direct tracks of the National Electricity Grid allows considerable savings in terms of route length, with a reduction of more than 20% compared to terrestrial connections over long distances.

To date, around 45,700 km of fibre pairs have been granted IRU (Indefeasible Right of Use), for which the Terna Group provides both maintenance and housing services for optical signal regeneration.

Work continues on the agreement with E-Distribuzione for the granting of rights on fibre pairs (with a minimum term of 20 years and a maximum term of 24 years) and maintenance service. Under this agreement, signed in 2023, approximately 41,100 km of fibre pairs will be made available to customers, connecting 1,867 primary distribution installations through 153 rings, with delivery scheduled between 2023 and 2028.

To date, more than 10,000 km of fibre optics have been delivered and some 643 installations connected, of which 2,612 km and 140 installations in the first nine months of 2025.

Energy Services

Altenia Group

The Altenia Group, which, from 1 April 2025, took over the management of the Energy Services business as described above, is active in the O&M sector of photovoltaic plants, provides O&M services for photovoltaic plants, designs and implements revamping and repowering projects for existing plants and builds new photovoltaic plants for third parties.

Revenue for the first nine months of the year rose significantly compared to the same period in 2024, mainly as a result of the major progress of the photovoltaic EPC contracts under way and the acquisition of Ste Energy S.r.l.. [Results and PV Operations](#)

During the first nine months of 2025, 18 plants with a total capacity of 105 MWp were completed (Ready for Start Up), of which approximately 61.5 MWp in EPC form, approximately 30 MWp in repowering form and approximately 13.5 MWp in revamping form; in addition, construction work continues on a further 26 plants with a total peak capacity of 446 MWp in EPC form and approximately 40 MWp in revamping and/or repowering form.

Commercial activities include new EPC projects between 200 MWp and 250 MWp, mainly in southern Italy.



Results and High Voltage Operations

Revenue for the first nine months of the year is down compared to the same period in 2024, mainly due to the slower progress of ongoing HV EPC contracts.

The EON (Energization Operational Notification) phase of the substation in Sardinia, which is intended for the connection of the Utility Scale photovoltaic plant, was completed during the third quarter of 2025.

For the Utility Scale photovoltaic plant in Sicily, connecting Utility Scale RES plant to the NTG, the activation phase of the definitive connection plant has been completed, while minor works relating to the removal of SCRI (already out-of-service) and external arrangements remain to be completed. For the Lazio plant, testing and subsequent commissioning were carried out in February.

The design of the new HV/MV connection to the NTG for the datacentre in the east of the province of Milan has been completed and work is expected to begin by October.

A turnkey construction project is ongoing for an NTG connection (substation and HV cable⁴) for a major customer operating in the data centre sector in the province of Milan.

The revamping of a HV plant for an industrial customer in Sicily is nearing completion. Plant revamping (MV section and SPCC⁵ system) has begun for an industrial customer in Tuscany, while revamping work in San Marino is being planned.

The first of the two revamping procedures of the 220 kV and 132 kV metering groups in Valle d'Aosta planned for the two-year period 2025-2026 has been completed. The first phase of the revamping of the 132 kV transformation HV bay in Lombardy for a customer operating in the industrial production sector has been completed.

The installation of RTUs (Remote Terminal Units, devices for the collection and transmission of plant data), with the main contracts relating to customers in the oil&gas sector, shipbuilding, and industrial production, has been completed.

As part of a multi-year O&M contract, the upgrading of a 14 MW BESS⁶ plant in Sardinia, in accordance with Annex A79 of the Grid Code, has been completed.

Other Activities

The activities related to the framework agreement with Rete Ferroviaria Italiana (RFI) relating to the “Design, supply, installation, certification and commissioning of metering equipment”, are in progress. During the first nine months of 2025, 42 installations have been completed, with a total of 143 systems installed, in line with existing application contracts.

⁴ High voltage.

⁵ Command and Control Protection System.

⁶ Battery Energy Storage System.

Private interconnectors pursuant to Law 99/2009

The following private interconnectors were built and put into operation:

Italy – Montenegro Interconnector Project

The project was completed on 28 December 2019 and is owned by Monita Interconnector S.r.l., which was sold by the Terna Group to the private backers on 17 December 2019.

Italy – France Interconnector Project

The project was completed on 7 November 2022 and is owned by Piemonte Savoia S.r.l., which was sold by the Terna Group to the private backers on 4 July 2017.

Italy – Austria Interconnector Project

The project, which entered into operation on 15 December 2023, is owned by Resia Interconnector S.r.l., which was sold by the Terna Group to private backers on 15 September 2021.

Preparatory activities for the development of two further interconnectors are also ongoing, with Switzerland and Slovenia:

Italy – Switzerland Interconnector Project

The project involves the development of new transmission lines between Italy and Switzerland, with the aim of increasing interconnection capacity between Italy and Switzerland. The project is currently under study.

Italy – Slovenia Interconnector Project

The creation of a direct current line is planned, partly in undersea cable, between the substations of Salgareda (IT) and Divača/Beričevó (SL), together with work on upgrading the domestic grids in Italy and in Slovenia. The project is currently awaiting the necessary consents on the Italian side. The expected increase in cross-border capacity of approximately 1 GW will raise the interconnection capacity to more than double the current level.



International activities

As part of its international initiatives, the project to enhance activities in South America is continuing, through the implementation of the actions necessary for the finalisation of the ongoing sale transaction in Peru. In parallel, market monitoring activities have been launched in the Mediterranean and Balkan areas, with the aim of analysing scenario and context developments relating to private and institutional interconnection initiatives not directly linked to Italy.

It should be noted that:

- on 27 August 2025, the liquidation of Terna Chile S.p.A., which formally began on 17 December 2024, was completed;
- on 30 May 2025, the subsidiary Terna USA LLC completed the sale of its entire 40% interest in the joint arrangement under the US-based BMT Energy Transmission Development LLC to Meridiam Transmission Development LLC, a Delaware limited liability company.

It is also reported that on 20 October 2025, the subsidiary Terna USA LLC finalized the sale of its entire shareholding, equal to 0.01%, in the companies Terna 4 Chacas S.A.C. and Terna Perú S.A.C. to the company Rete S.r.l..



People

People are the Terna Group's most important asset and one of the main key enablers of the 2024-2028 Industrial Plan Update. In line with the objectives of the Plan, the first nine months of 2025 confirmed the Group's commitment to and the continued investment in the development of new skills and the enhancement of the experience of the people who collectively contribute to growing the value of the Company.

	(unit)		
THE WORKFORCE	AT 30 SEPTEMBER 2025	AT 31 DECEMBER 2024	CHANGE
Senior managers	98	99	(1)
Middle managers	1,024	951	73
Office staff*	4,097	3,735	362
Blue-collar workers*	1,703	1,635	68
Total	6,922	6,420	502

* The figures as at 31 December 2024 have been restated to reflect the correct allocation by category, without changing the overall value of the workforce.

The increase in the workforce at 30 September 2025 (up 502 employees compared to 31 December 2024) directly reflects the needs arising from the implementation of the challenging investment plan envisaged in the 2024-2028 Industrial Plan Update, the acquisition of Ste Energy S.r.l. in May 2025 and Rete 2 S.r.l. at the end of September 2025, which resulted in an increase of 140 and 19 employees, respectively, as well as the strengthening of the Group's distinctive skills.





Financial review

for the first nine months of 2025

In order to present the performance of the Terna Group and to analyse the financial positions, reclassified statements have been prepared in line with industry practice. These reclassified statements include Alternative Performance Measures (hereinafter APMs, in accordance with ESMA Guidelines 2015/1415), which management considers useful for monitoring the Group's performance and representative of the economic and financial results generated by the business.

The criteria used in the construction of these indicators are the same as those applied in the Annual Report; for further details, reference should be made to the Annex "Alternative Performance Measures (APMs)".

Basis of presentation

The accounting policies and recognition and measurement criteria applied in this Interim Financial Report are consistent with those adopted in the Consolidated Financial Statements at 31 December 2024.

Given that the requirements of IFRS 5 have been met, the total results for the first nine months of 2025 and 2024 attributable to the South American subsidiaries included in the planned sale, launched at the end of 2021, have been classified under "Profit/(Loss) for the period from assets held for sale" in the Group's reclassified income statement. Likewise, the attributable assets and liabilities at 30 September 2025 have been reclassified to "Net assets held for sale" in the Group's reclassified statement of financial position, consistent with the comparative figure.



The Group's reclassified income statement

The Terna Group's operating results for the first nine months of 2025, compared with those for the same period of the previous year, and for the third quarter of 2025 and 2024, are summarized in the following reclassified income statement.

Q3									(€m)
2025	2024	CHANGE	% CHANGE		9M 2025	9M 2024	CHANGE	% CHANGE	
988.1	893.0	95.1	10.6%	TOTAL REVENUE	2,882.3	2,647.4	234.9	8.9%	
763.0	749.2	13.8	1.8%	- Revenue from Regulated Activities	2,357.1	2,221.7	135.4	6.1%	
22.9	21.0	1.9	9.0%	of which Revenue from construction services performed under concession	76.9	54.8	22.1	40.3%	
225.1	143.9	81.2	56.4%	- Revenue from Non-regulated Activities	525.2	425.7	99.5	23.4%	
-	(0.1)	0.1	100.0%	- Revenue from International Activities	-	-	-	-	
321.6	258.0	63.6	24.7%	TOTAL OPERATING COSTS	856.0	755.2	100.8	13.3%	
94.7	93.0	1.7	1.8%	- Personnel expenses	293.9	268.3	25.6	9.5%	
92.9	72.1	20.8	28.8%	- Cost of services, leases and rentals	228.1	208.9	19.2	9.2%	
95.6	64.2	31.4	48.9%	- Materials	221.5	194.9	26.6	13.6%	
12.3	7.3	5.0	68.5%	- Other costs	31.7	24.8	6.9	27.8%	
3.2	0.4	2.8	700.0%	- Quality of service	3.9	3.5	0.4	11.4%	
22.9	21.0	1.9	9.0%	- Cost of construction services performed under concession	76.9	54.8	22.1	40.3%	
666.5	635.0	31.5	5.0%	GROSS OPERATING PROFIT (EBITDA)	2,026.3	1,892.2	134.1	7.1%	
231.7	214.3	17.4	8.1%	- Amortisation, depreciation and impairment losses	678.5	635.4	43.1	6.8%	
434.8	420.7	14.1	3.4%	OPERATING PROFIT/LOSS (EBIT)	1,347.8	1,256.8	91.0	7.2%	
(55.3)	(41.5)	(13.8)	33.3%	- Net financial income/(expenses)	(131.7)	(104.9)	(26.8)	25.5%	
379.5	379.2	0.3	0.1%	PROFIT BEFORE TAX	1,216.1	1,151.9	64.2	5.6%	
113.3	111.5	1.8	1.6%	- Income tax expense for the period	362.4	338.7	23.7	7.0%	
266.2	267.7	(1.5)	(0.6%)	PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS	853.7	813.2	40.5	5.0%	
-	0.4	(0.4)	(100.0%)	- Profit/(Loss) for the period from assets held for sale	0.9	(0.2)	1.1	550.0%	
266.2	268.1	(1.9)	(0.7%)	PROFIT FOR THE PERIOD	854.6	813.0	41.6	5.1%	
1.2	0.3	0.9	300.0%	- Profit/(Loss) attributable to non-controlling interests	1.9	0.4	1.5	375.0%	
265.0	267.8	(2.8)	(1.0%)	PROFIT ATTRIBUTABLE TO THE OWNERS OF THE PARENT	852.7	812.6	40.1	4.9%	

EBITDA by operating segment is as follows:

	9M 2025	9M 2024	CHANGE	(€m)
EBITDA BY OPERATING SEGMENT				
Regulated Activities	1,923.2	1,824.3	98.9	
Non-regulated Activities	103.7	70.8	32.9	
International Activities	(0.6)	(2.9)	2.3	
EBITDA	2,026.3	1,892.2	134.1	

Gross Operating Profit (EBITDA) for the first nine months of 2025 amounts to **€2,026.3 million**, up €134.1 million from €1,892.2 million in the first nine months of 2024, driven by the improved performance of Regulated Activities.



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Revenue

	(€m)		
REGULATED ACTIVITIES	9M 2025	9M 2024	CHANGE
Tariff revenue and incentives	2,239.5	2,134.7	104.8
- Transmission revenue	2,094.2	1,830.0	264.2
- Dispatching, metering and other revenue	145.3	304.7	(159.4)
Other regulated revenue	40.7	32.2	8.5
Revenue from construction services performed under concession in Italy	76.9	54.8	22.1
TOTAL	2,357.1	2,221.7	135.4

Net of the change in revenue from construction services performed under concession (up €22.1 million), revenue from **Regulated Activities** is up €113.3 million on the same period of the previous year. They primarily reflect:

- the impact on the Transmission and Dispatching Charge (up €290.0 million) of the 2025 tariff recognition of depreciation related to 2024 capital expenditure (one year earlier than under the previous regulatory period), of the fast money component determined based on the conventional capitalisation rate defined under the ROSS application, and of the increase in the Regulatory Asset Base (RAB) following the inclusion of 2024 capital expenditure and the effects of the updating of capital cost revaluation parameters (Resolution no. 130/2025), which offsets the reduction in WACC (from 5.8% in 2024 to 5.5% in 2025);
- the lower output-based incentives, amounting to €185.2 million, relating to the three-year (2022-2024) incentive mechanism recorded in the comparative period and aimed at increasing the efficiency of dispatching activities (Resolutions nos. 597/2021 and 132/2022), amounting to €186.3 million, partially offset by the higher premiums recognised in the current period, in connection with the incentive system for the development of incremental capacity between different zones (€1.1 million);
- the higher revenue related to the RENS (Reference Energy Non-Supplied) incentive mechanism, as set out in Resolution no. 653/2015/r/eel, up €7.0 million on the same period of the previous year, following the linearisation of the overall performance for 2024 and previous years, taking into account the extension of the mechanism to 2025 (Resolution no. 55/2024);
- lower gains on the sale of assets (down €3.2 million, essentially scrap, transformers and motor vehicles);
- higher insurance compensation (up €1.4 million).

	(€m)		
NON-REGULATED ACTIVITIES	9M 2025	9M 2024	CHANGE
Equipment	319.7	249.6	70.1
- Brugg Cables Group	152.7	120.7	32.0
- Tamini Group	167.0	128.9	38.1
Services for third parties (Connectivity, Energy Services, other)	186.3	160.7	25.6
Private interconnectors	19.2	15.4	3.8
TOTAL	525.2	425.7	99.5

The increase in revenue from **Non-regulated Activities**, amounting to €99.5 million, primarily reflects the increase in revenue from the Equipment segment of the Tamini Group (up €38.1 million) and the Brugg Cables Group (up €32.0 million), and in the Energy Services segment (up €22.9 million).

Revenue from **International Activities**, in particular, with respect to the Latam area currently held for sale, is included in the "Profit/(Loss) for the period from assets held for sale", in application of IFRS 5.

In the third quarter of 2025, the Group's total revenue increased by €95.1 million compared to the same period of the previous year, in line with that described earlier and for the effect of the acquisition of Ste Energy S.r.l. in May 2025 by the Altenia Group as part of Non-Regulated Activities.

Costs

Operating costs, excluding the cost of construction services performed under concession (up €22.1 million), record an increase of €78.7 million compared to the first nine months of the previous year. This is mainly due to:

- higher costs for materials and services related to the development of Energy Services and Equipment operations (up €27.4 million for the Altenia Group, up €16.4 million for the Brugg Cables Group and up €9.2 million for the Tamini Group),
- the increase in personnel expenses (up €25.6 million), due to both higher remuneration and the rise in the average number of employees, net of higher capitalisation,
- higher service quality charges (up €0.4 million, mainly due to the higher charges incurred in respect of outages occurred in the first nine months of 2025).

In the third quarter of 2025, the Group's total costs increased by €63.6 million compared to the same period of the previous year, in line with that described earlier and for the effect of the acquisition of Ste Energy S.r.l. in May 2025 by the Altenia Group as part of Non-Regulated Activities.

Amortisation, depreciation and impairment losses for the period amount to €678.5 million, up €43.1 million compared to the first nine months of 2024, primarily due to the entry into service of new infrastructure.

Operating profit (**EBIT**), after amortisation, depreciation and impairment losses, amounts to **€1,347.8 million**, compared with €1,256.8 million in 2024 (up 7.2%).

Net financial expenses for the period total €131.7 million and mainly relate to the Parent Company. They increased by €26.8 million compared to €104.9 million in the first nine months of 2024. The increase is mainly due to the disbursement of new loans and the reduction in the financial income recognised during the period, partially offset by higher capitalised expenses.

After net financial expenses, the **profit before tax** amounts to **€1,216.1 million**, up €64.2 million on the same period of 2024 (up 5.6%).

The **income taxes** for the period amount to €362.4 million, up €23.7 million compared to the first nine months of 2024 mainly due to the higher profit before tax (up 7.0%). Consequently, the tax rate stands at 29.8%, up compared with the first nine months of 2024 (29.4%).

The **profit for the period from continuing operations** amounts to **€853.7 million**, up €40.5 million (up 5.0%) compared to €813.2 million in the first nine months of 2024.

The **profit/(loss) for the period from assets held for sale** totalled €0.9 million, up €1.1 million compared to the same period of the previous year, due to the recognition of the operating profit and the different scope of consolidation which, in September 2024, also included Linea Verde I, sold in November 2024.

The **profit for the period** amounts to **€854.6 million**, up €41.6 million (up 5.1%) compared to €813.0 million in the first nine months of 2024.

The **profit for the period attributable to the owners of the Parent** (excluding non-controlling interests) amounts to **€852.7 million**, up €40.1 million (up 4.9%) compared to €812.6 million in the first nine months of 2024.



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Cash flow

Cash flow from operating activities and the change in net debt covered the cash needs linked to capital expenditure during the period and payment of the final dividend to shareholders.

	(€m)	
	CASH FLOW 9M 2025	CASH FLOW 9M 2024
- Profit for the period	854.6	813.0
- Amortisation, depreciation and impairment losses	678.5	635.4
- Net change in provisions	(39.3)	(54.5)
- Net losses/(gains) on sale of assets	(2.2)	(5.7)
Operating cash flow	1,491.6	1,388.2
- Change in net working capital	977.6	306.9
- Other changes in property, plant and equipment and intangible assets	(214.2)	51.0
- Change in investments	(3.7)	(5.2)
- Change in financial assets	(65.2)	74.7
Cash flow from operating activities	2,186.1	1,815.6
- Total capital expenditure	(2,087.5)	(1,699.2)
Free cash flow	98.6	116.4
Net assets held for sale	1.4	8.1
- Dividends paid to the Parent Company's shareholders	(556.8)	(452.3)
- Reserve for equity instruments, cash flow hedge reserve after taxation and other movements in equity attributable to owners of the Parent	(52.1)	799.6
- Other movements in equity attributable to non-controlling interests	0.1	4.8
Change in net debt	(508.8)	476.6

The Group's reclassified statement of financial position

The Terna Group's reclassified statement of financial position at 30 September 2025 and 31 December 2024 is summarized in the following table.

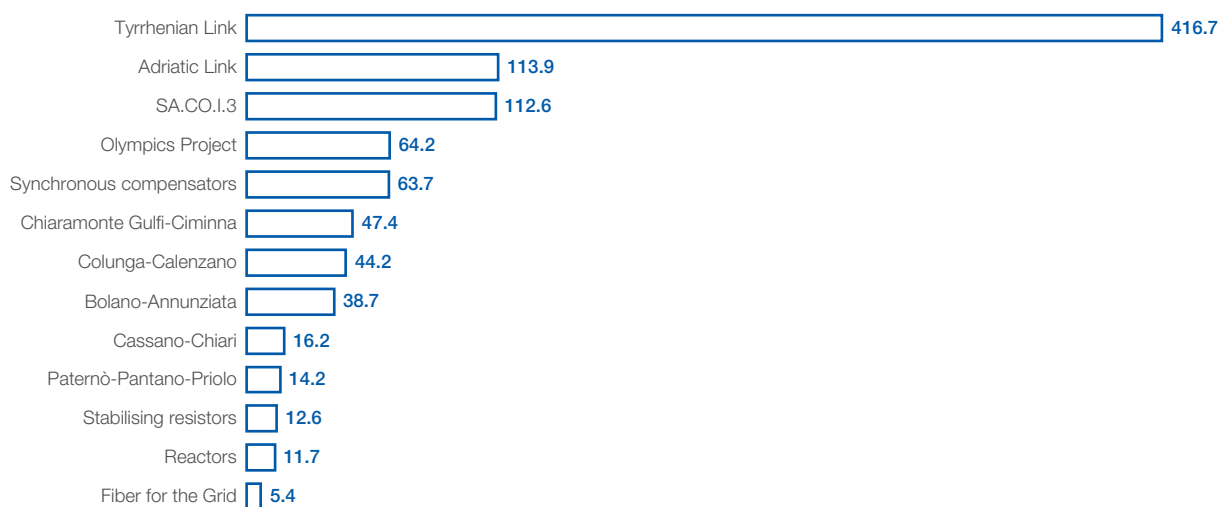
	(€m)		
	AT 30 SEPTEMBER 2025	AT 31 DECEMBER 2024	CHANGE
Total net non-current assets	22,398.1	20,704.0	1,694.1
- Intangible assets and goodwill	1,181.8	982.2	199.6
- Property, plant and equipment	20,662.7	19,237.1	1,425.6
- Financial assets	553.6	484.7	68.9
Total net working capital	(3,002.6)	(2,025.2)	(977.4)
- Net energy-related pass-through payables	(1,014.3)	(624.4)	(389.9)
- Net receivables resulting from regulated activities	1,168.6	1,324.2	(155.6)
- Net trade payables	(982.9)	(1,072.7)	89.8
- Net tax liabilities	(244.2)	(74.5)	(169.7)
- Other net liabilities	(1,929.8)	(1,577.8)	(352.0)
Gross Invested Capital	19,395.5	18,678.8	716.7
Sundry provisions	49.7	10.4	39.3
Net Invested Capital	19,445.2	18,689.2	756.0
Net assets held for sale	13.8	15.2	(1.4)
TOTAL NET INVESTED CAPITAL	19,459.0	18,704.4	754.6
Equity attributable to owners of the Parent	7,768.1	7,524.2	243.9
Equity attributable to non-controlling interests	21.7	19.8	1.9
Net debt	11,669.2	11,160.4	508.8
TOTAL	19,459.0	18,704.4	754.6

The €1,694.1 million increase in **net non-current assets** compared with the balance at 31 December 2024 primarily reflects a combination of the following factors:

- total capital expenditure of €2,087.5 million, as described in the section on “Regulated Activities”;
- depreciation and amortisation for the period of €678.2 million;
- increase in goodwill of €97.1 million, of which €88.4 million due to the acquisition of 100% of Rete 2 S.r.l. on behalf of the Parent Company Terna on 30 September 2025, and €8.7 million due to the acquisition of 100% of Ste Energy S.r.l. by the Altenia Group in May 2025, both recognised on the basis of the provisional measurement of the business combination;
- other changes of the period (increase of €118.8 million), which include, in particular, grants related to assets (mainly for projects financed by the Ministry of the Environment and Energy Security/EU and re-routing requested by third parties) and disinvestments and write-downs of €2.5 million;
- an increase of €68.9 million in financial assets, mainly due to the rise in the guarantee deposits received from operators participating in the capacity market in accordance with Resolution no. 98/2011/R/eel as amended (up €44.9 million), the increase in the Interconnector Guarantee Fund set up to fund investment in interconnections pursuant to article 32 of Law no. 99/09 (up €17.5 million) and the increase in the investment by the subsidiary Terna Forward S.r.l. in the Infra Tech and Energy Tech segments of CDP Venture Capital's Corporate Partner I Fund (up €4.1 million).

The Terna Group's **total capital expenditure** in the period, equal to **€2,087.5 million**, is up by **22.9%** compared with €1,699.2 million in the corresponding period of 2024.

Main capital expenditure in the NTG* (€m)



* Amounts include financial expenses.

Net Working Capital of -€3,002.6 million generated cash of €977.4 million during the period compared with 31 December 2024, mainly due to the combined effect of:

Cash outflows

- decrease of €89.8 million in net trade payables, mainly due to the major investments activities in the last few months of the previous year;



Cash inflows

- increase in **net energy related pass-through payables** of €389.9 million, mainly due to the combined effect of the following factors:
 - higher net liabilities related to the units essential for the security of the electricity system (UESS), amounting to €342.7 million arising from the collection items net of payments made during the first nine months of 2025 to the owners of the plants⁷;
 - increase of €243.6 million in the debt exposure related to the Capacity Market due to higher receivables collected during the period;
 - increase in Terna's net receivables for the provision of dispatching services of €168.5 million, mainly attributable to the Uplift Fee⁸, for higher costs recognised and estimated at year end;
- decrease in **net receivables resulting from regulated activities** of €155.6 million mainly attributable to the combined effect of:
 - decrease in receivables of €210.5 million relating to incentive mechanisms aimed at reducing dispatching costs (DSM incentive, Resolutions nos. 597/2021 and 132/2022, and intra-zonal incentives under Resolution no. 699/2018), following collections made in the first nine months of 2025 in line with the applicable regulations;
 - increase in net payables of €61.8 million due to charges from the Inter-TSO Compensation (ITC) mechanism⁹;
 - increase in transmission charge receivables (CTR) of €113.4 million related to the tariff update pursuant to ARERA Resolution no. 579/2024 and the effects of Resolution no. 130/2025 on the revision of capital cost revaluation criteria;
- increase in **net tax payables** of €169.7 million, mainly due to the rise in net VAT payables (up €94.3 million) and higher net tax payables (up €72.4 million) as a result of the settlement of the 2024 income taxes (€112.3 million) and the advance payments made in the first half of the year on income for 2025 (€177.7 million), net of the taxes for the period (€362.4 million);
- increase in **other net liabilities** of €352.0 million, mainly due to the rise in guarantee deposits received from operators participating in the capacity market, the MACSE and electricity market operators to guarantee contractual obligations (up by a total of €247.7 million), as well as increase in grants related to assets received from third parties (up €81.2 million) and the higher balance of the Interconnector Guarantee Fund (up €17.8 million).

Gross invested capital thus amounts to €19,395.5 million, an increase of €716.7 million compared with 31 December 2024.

Sundry provisions are up €39.3 million, mainly due to net deferred tax assets (€37.1 million), chiefly attributable to the tax effect of changes in the derivatives in portfolio and amortisation/depreciation.

Net assets held for sale amount to €13.8 million at 30 September 2025 and are essentially stable compared to the balance of €15.2 million at 31 December 2024.

Total net invested capital, including net assets held for sale, amounts to €19,459.0 million, up €754.6 million compared to 31 December 2024. It is financed by equity attributable to owners of the parent of €7,768.1 million (up €243.9 million compared to €7,524.2 million at 31 December 2024), equity attributable to non-controlling interests of €21.7 million (€19.8 million at 31 December 2024) and net financial debt of €11,669.2 million, up €508.8 million compared to €11,160.4 million at 31 December 2024.

⁷ ARERA ordered payments to Essential Unit owners through Resolutions nos. 17-36-49-84-96-108-135-208-230-256-257-273-291-318-319-327-342/2025.

⁸ Resolution no. 345/2023/R/eel - The Integrated Electricity Dispatching Act (Testo Integrato del Dispacciamento Elettrico - TIDE) came into force on 1 January 2025. The TIDE streamlines all fees under Dispatching regulations. Therefore, the Authority established that the Uplift Fee should retain only those components strictly related to Dispatching activities, while a new fee (the "Fee to cover additional items relating to the dispatching service" - Other Fee) should incorporate the remaining components.

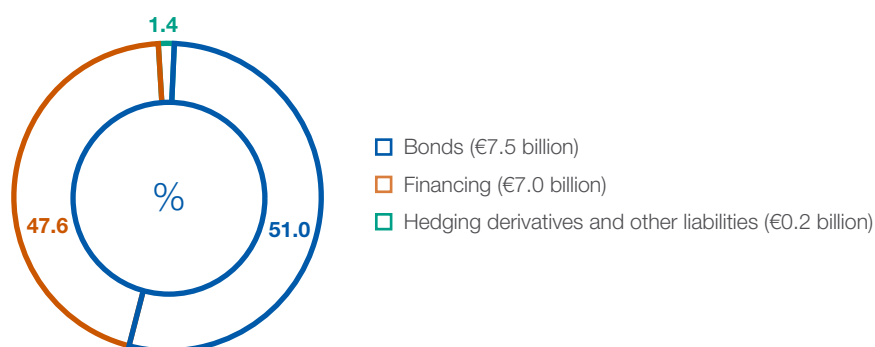
⁹ Inter-TSO Compensation: a payment to TSOs for use of their national transmission grids (infrastructure and losses) to transport energy, including those relating to cross-border flows. The related charges have been covered by the CTR charge since 2020.

Debt

The Terna Group's financial management is based on an approach that aims to maximise efficiency and achieve and maintain a solid financial structure, whilst adopting a highly prudent approach to mitigation of the potential financial risks. The key aspects of the Group's financial policy are diversification of the sources of funding, a balance between short- and medium/long-term forms of debt and the proactive management of debt.

Gross debt at 30 September 2025 amounts to approximately **€14.7 billion** and consists of approximately €7.5 billion in the form of bond issues, roughly €6.2 billion in medium/long-term bank loans and about €0.8 billion in short-term borrowings.

The average term to maturity of medium/long-term debt, 83% of which is fixed rate, is approximately 6 years.



The bond debt comprises both public issues and private placements of €12 billion under the EMTN Bond Issue Programme, listed on the Luxembourg Stock Exchange and authorised by the Commission de Surveillance du Secteur Financier (CSSF). As mentioned earlier, it was renewed in June 2025, together with the establishment of a new €4 billion “Euro Medium Term Note Programme” (EMTN), listed on the electronic bond market (MOT) managed by Borsa Italiana and approved by CONSOB. Focused specifically on qualified investors, Terna's bonds have a very diverse investor base, in terms of both sector and geographical profile. Most issues are listed on the Luxembourg Stock Exchange and some of the most recent ones are also listed on the electronic bond market (MOT) managed by Borsa Italiana.

With regard to bank debt, Terna's main lender is the European Investment Bank (EIB). The notional amount of outstanding debt with the EIB, already used at 30 September 2025, is approximately €4.0 billion.

Thanks to the strength of its credit profile, Terna is able to raise funding on the financial markets at favourable conditions, as evidenced by the transactions described in the following paragraphs.



Sustainable finance

Fully in line with Terna's strategy, which aims to combine investment and sustainability to drive growth and value creation, it is Terna's ambition to play a leading role in the sustainable finance market. This strategy was also confirmed for the first nine months of 2025.

At 30 September 2025, the **senior green bonds issued by Terna** under its €12,000,000,000 Euro Medium Term Notes (EMTN) programme, renewed on 25 June and listed on the Luxembourg Stock Exchange and authorised by the Commission de Surveillance du Secteur Financier (CSSF), and yet to reach maturity, amount to **€3.75 billion**, in addition to the **two perpetual, subordinated hybrid green bonds** issued in February 2022 and April 2024 on a standalone basis **for a total €1.85 billion**.

With regard to green bond debt, on 10 February 2025 Terna launched **a new single-tranche green bond issue**, again as part of the EMTN programme. The issue has a **total nominal value of €750 million, a term of 7 years** and matures on 17 February 2032. The bond was issued at a price of 99.975%, with a spread of 90 basis points above the midswap rate, and has an annual coupon interest of 3.125%. On 15 July 2025, Terna launched **the first European Green Bond**, single tranche, as part of the €4,000,000,000 EMTN Programme, listed on the electronic bond market (MOT) managed by Borsa Italiana and approved by the Commissione Nazionale per le Società e la Borsa (CONSOB) in June 2025, for a total nominal amount of **€750 million**, a 6-year duration with a maturity date of 22 July 2031. The bond was issued at a price of 99.589%, with a spread of 70 basis points above the midswap rate and has an annual coupon interest of 3.00%.

Green bond issues are used to finance or refinance **Eligible Green Projects**. These are projects producing environmental benefits that meet the criteria listed in the **Green Bond Framework**, updated by Terna in July 2025, and drafted in compliance with the Green Bond Principles updated by ICMA (International Capital Market Association) in June 2025, the requirements introduced by the new EU Regulation 2023/2631 (EU Green Bond Standard), and the European Union Taxonomy. Terna's Green Bond Framework was assessed by a Second Party Opinion provider, S&P Global Ratings, which assigned an overall rating of Dark Green, i.e., the highest level on the Shades of Green scale under S&P methodology.

Specifically, the net proceeds from the issues are used to finance:

- projects that aim to increase renewable energy production – for example, infrastructure enabling renewable energy plants to be connected to the national grid or that allow for a larger volume of renewable energy to be injected into the grid;
- projects designed to cut CO₂ emissions by reducing grid losses – for example, infrastructure designed to boost the efficiency of the electricity transmission grid;
- projects designed to ensure the quality, security and resilience of grid infrastructure;
- projects that aim to reduce land use and protect biodiversity.

The **senior green bonds issued by Terna** are also listed on the **ExtraMOT PRO segment of Borsa Italiana** (in addition to the listing on the regulated Luxembourg Stock Exchange), created to offer institutional and retail investors the opportunity to identify instruments whose proceeds are intended to finance projects with specific environmental and social benefits or impacts, with the exception of the green bond of €750 million, issued on 10 February 2025 and listed on the Luxembourg Stock Exchange and on the electronic bond market (MOT) managed by Borsa Italiana and the European Green Bond of €750 million, issued on 15 July 2025, as part of the €4,000,000,000 EMTN Programme, listed on the electronic bond market (MOT) managed by Borsa Italiana.

At 30 September 2025, Terna can also rely on several **ESG-linked Term Loans** for a total of approximately **€2 billion** (including the last two **Term Loans** agreed with Intesa Sanpaolo in connection with the Adriatic Link project), **three ESG-linked Revolving Credit Facilities** linked to sustainability indicators for a total of about **€4.3 billion** and a **Euro Commercial Paper (ECP) programme of €2 billion** for the issuance of short-term conventional or ESG notes.

Specifically, with regard to ESG-linked Revolving Credit Facilities, it should also be noted that, on 21 March 2025, Terna signed an **ESG-linked Revolving Credit Facility** for a total amount of **€1.8 billion**, aimed at refinancing the ESG Revolving Credit Facility signed on 17 December 2021, for a total amount of €1.65 billion.

Terna's leadership in sustainable finance is widely recognised in the market which, since 2018, has shown a strong appetite for the green bonds issued. In addition to its inclusion in the main ESG indices, from January 2021, Terna is the first Italian electric utility to join the **Nasdaq Sustainable Bond Network**, the sustainable finance platform operated by Nasdaq that brings together investors, issuers, investment banks and specialist organisations.

In line with Terna's commitment to sustainability and social and environmental responsibility, the **Share buyback programme** to service the new 2025-2029 Performance Share Plan was concluded in September, with a total outlay of about €9 million and the purchase of 1,060,499 treasury shares (representing about 0.053% of the share capital). The Programme provides a mechanism linked to the achievement of specific ESG targets by the Company.

Terna continues to be a member of the **CFO Coalition for the SDGs**, which is building on the work of the CFO Taskforce for the SDGs, the initiative launched by the UN Global Compact at the end of 2019 to develop sustainable finance and of which Terna was one of the founding members. The Coalition aims to continue to promote sustainability, scale up its global community and follow the example set by the CFOs that founded the Taskforce.

Further confirmation of the commitment to playing an active role in developing sustainable finance, Terna is taking part in the **Corporate Forum on Sustainable Finance**, a network of major European businesses committed to the development of sustainable finance as a means to promote a more sustainable and responsible society.

Finally, Terna, both individually and as a member of the above Corporate Forum on Sustainable Finance, will continuously monitor developments in European legislation, with particular regard to the impact on sustainable finance.

Further financial resources

On 10 July 2025, the European Investment Bank (EIB), Terna, Intesa Sanpaolo (IMI CIB Division) and SACE **entered into financing arrangements totalling €1.5 billion** in order to support the development and construction of the **Adriatic Link**, Terna's submarine power line that will connect Marche and Abruzzo.

Specifically, the financial structure of the arrangement is divided into the following three tranches, all guaranteed by SACE for over €1 billion under the Archimede Guarantee:

- a €750 million loan granted to Terna by the EIB, with a term of 22 years (from the first disbursement date);
- a €500 million seven-year credit facility provided to Terna by Intesa Sanpaolo;
- an additional €250 million seven-year loan given by Intesa Sanpaolo, with funds provided by the EIB, to support the project.



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Net debt

The Group's net debt at 30 September 2025 amounts to €11,669.2 million, up €508.8 million compared with 31 December 2024.

(€m)

	AT 30 SEPTEMBER 2025	AT 31 DECEMBER 2024	CHANGE
NET DEBT (BY TERM TO MATURITY)			
Total medium/long-term debt	13,023.4	11,469.2	1,554.2
- Bond issues	6,985.7	6,048.3	937.4
- Borrowings	5,988.0	5,362.1	625.9
- Derivative financial instruments	49.7	58.8	(9.1)
Total short-term debt/(funds)	(1,354.2)	(308.8)	(1,045.4)
- Bond issues (current portions)	579.7	499.5	80.2
- Short-term borrowings	823.9	1,657.1	(833.2)
- Borrowings (current portions)	189.5	181.5	8.0
- Other financial liabilities net	(0.7)	1.7	(2.4)
- Derivative financial instruments	112.5	109.0	3.5
- Financial assets	(601.6)	(446.1)	(155.5)
- Cash and cash equivalents	(2,457.5)	(2,311.5)	(146.0)
Total net debt	11,669.2	11,160.4	508.8
NET DEBT (BY TYPE OF INSTRUMENT)			
- Bond issues	7,565.4	6,547.8	1,017.6
- Borrowings	6,177.5	5,543.6	633.9
- Short-term borrowings	823.9	1,657.1	(833.2)
- Derivative financial instruments	49.0	60.5	(11.5)
- Other financial liabilities net	112.5	109.0	3.5
GROSS DEBT	14,728.3	13,918.0	810.3
- Financial assets	(601.6)	(446.1)	(155.5)
- Cash and cash equivalents	(2,457.5)	(2,311.5)	(146.0)
Total net debt	11,669.2	11,160.4	508.8
Net debt attributable to net assets held for sale	(2.7)	(1.9)	(0.8)

Changes in **the Group's net debt** are as follows:

- increase of €1,017.6 million in bond loans, mainly due to two bond issues launched by Terna in February and July 2025, each with a nominal value of €750 million, net of the repayment of a €500 million bond issue that matured in July and the amortised cost and fair value adjustment of the same financial instruments;
- increase of €633.9 million in loans mainly due to the drawing of new loans totalling €750 million, net of repayments of instalments of outstanding EIB loans;

- decrease in short-term borrowings (€833.2 million), essentially due to the repayment of commercial paper and credit lines by the Parent Company;
- decrease in the negative fair value of the portfolio of derivative financial instruments (€11.5 million), mainly due to changes in the derivatives portfolio and changes in the market interest rate curve;
- increase in other net financial liabilities (€3.5 million) essentially due to interest accrued on outstanding financial instruments;
- increase of €155.5 million in financial assets attributable to additional deposits made during the period and to changes in securities in portfolio and the recognition of interest accrued on investments;
- increase in cash and cash equivalents of €146.0 million. Cash amounts to €2,457.5 million at 30 September 2025, including €2,183.4 million invested in short-term, readily convertible instruments and €274.1 million held in bank current accounts and cash in hand.

The net financial debt of assets held for sale amounts to -€2.7 million at 30 September 2025 and consists of cash and cash equivalents of Terna Peru S.A.C..





Share price performance

Terna S.p.A. has been listed on Borsa Italiana's screen-based trading system (*Mercato Telematico Azionario*) since 23 June 2004. **From the date of flotation to the end of September 2025, the share price has risen by 408% (capital gain)**, providing a Total Shareholder Return (TSR¹⁰) of 1,424%, ahead of both the Italian market (the FTSE MIB, up 240%) and the relevant European sector index (DJ Stoxx Utilities), which is up 454%.

The main European stock exchanges ended the first nine months of 2025 with a positive performance. Milan gained 25.0%, Madrid and Frankfurt were up 33.5% and up 17.0% respectively, and Paris and London closed at up 7.0% and 14.4%, respectively.

Terna's share closed the first nine months of 2025 at €8.638 per share, up 13.4% compared to 31 December 2024 and in line with the sector benchmark index (DJ Stoxx Utilities), which was up 15.7%. The daily average volume traded during the period amounted to approximately 4.1 million. During the reference period, the stock reached its all-time high on 2 June 2025, closing the session at €9.058 per share. Subsequently, it set a new record on 22 October, reaching a new all-time high of €9.104 per share. Furthermore, 23 June 2025 was the ex-dividend date for the dividend for 2024, amounting to 27.70 eurocents per share.

Performance of Terna's share (price trend from 1 January to 30 September 2025)

(€/share)



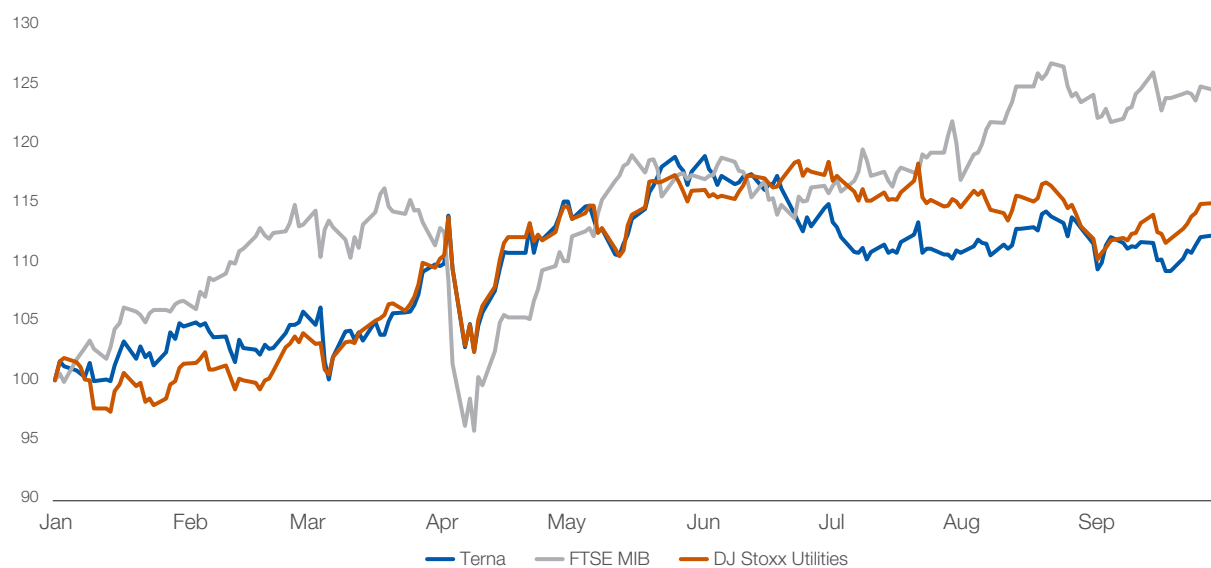
Source: Bloomberg.

¹⁰ Total Shareholder Return (TSR): total return on an equity investment, calculated as the sum of:

- I. capital gain: the change in the share price (difference between the price at the end and at the beginning of the relevant period) as a percentage of the price at the beginning of the period;
- II. reinvested dividends: the ratio between dividends per share paid out during the period and the share price at the beginning of the period. Dividends are assumed to have been reinvested in the shares.

Terna's share, FTSE MIB and DJ Stoxx Utilities (Price from 1 January to 30 September 2025)

(%)

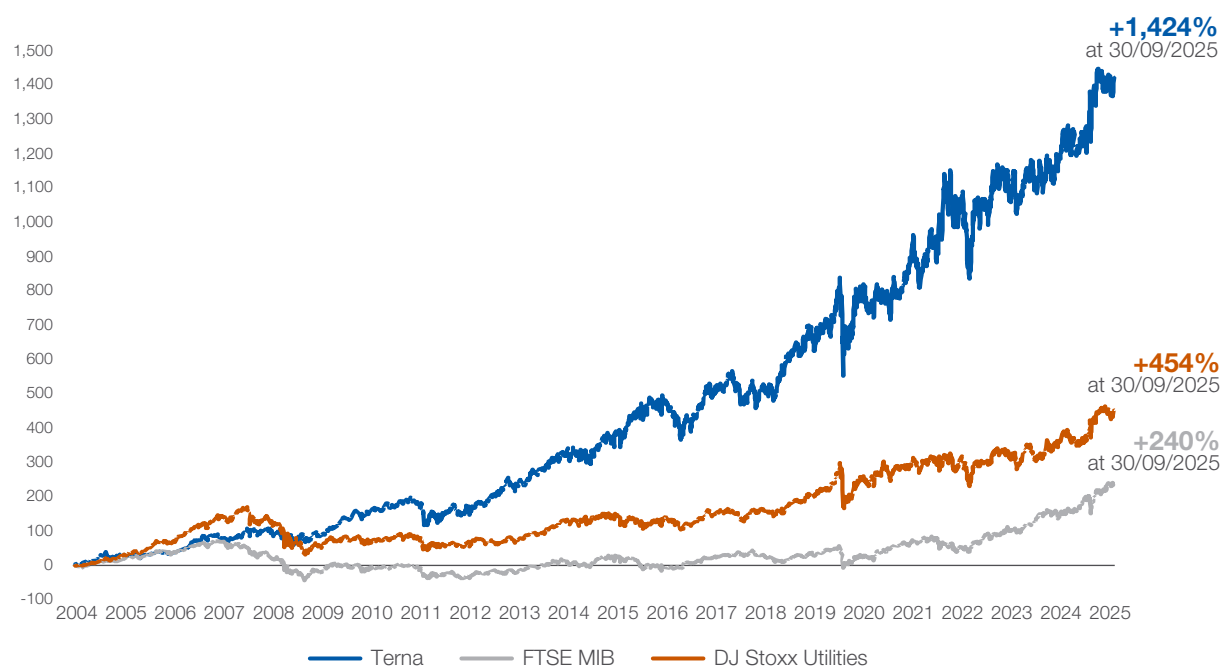


Source: Bloomberg.

Total Shareholder Return on Terna's share and the FTSE MIB and DJ Stoxx Utilities

(From the date of floatation to the end of September 2025)

(%)



Source: Bloomberg.



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Weighting of Terna's shares

	9M 2025	9M 2024
> on the FTSE MIB index	2.0%	2.3%

Source: Bloomberg.

Ratings

Below are Terna's ratings at 30 September 2025.

	SHORT-TERM	MEDIUM/LONG-TERM	OUTLOOK
Terna S.p.A.			
Standard & Poor's	A-2	A-	Stable
Moody's	Prime-2	Baa2	Positive
Italian state			
Standard & Poor's	A-2	BBB+	Stable
Moody's	Prime-3	Baa3	Positive

In March, following the presentation of the 2024-2028 Industrial Plan Update, the rating agencies Moody's and Standard & Poor's confirmed the Company's ratings.

In April, Standard & Poor's upgraded Terna's long-term rating from "BBB+" to "A-", one notch above that of the Italian state, with a stable outlook. The short-term rating was confirmed at "A-2". The upgrade of the rating by the agency follows that of the Italian state (from "BBB" to "BBB+").

In June, Moody's confirmed Terna's long-term rating at Baa2, one notch above that of the Italian state, revising the company's outlook from stable to positive. The rating agency's decision reflects the revision of Italy's outlook (from stable to positive).

Outlook

In the last part of 2025, global economic growth is expected to be moderate, with some signs of a slowdown in the world's major economies. The economic growth is made even more uncertain by unresolved trade tensions which, exacerbated by the increasingly likely introduction of further protectionist measures, could generate new inflationary pressures.

Moreover, the gradual escalation of the ongoing geopolitical tensions, caused by continuing regional conflicts, strategic rivalries between sovereign states and growing world security challenges, are likely to significantly exacerbate international uncertainty, generating negative impacts on global political and economic stability.

In the aforementioned scenario, the Terna Group will be focused on implementing the 2024-2028 Industrial Plan Update which, with its total investments of €17.7 billion, confirms and reinforces Terna's contribution as an enabler of the energy and digital transition to support the achievement of decarbonisation targets and the progressive increase in the independence of the Italian electricity system.

Notably, with reference to **Regulated Activities**, a pick-up in investments was confirmed with a view to achieving the European Fit-for-55 objectives, as set out in Italy's 2024 Integrated National Energy and Climate Plan (NECP). These investments will allow the integration of renewable sources, the development of interconnections with foreign countries, the improvement of the security and resilience of the electricity system, and the digitalisation of the grid.

The main investment projects under way include, in particular, the milestones of the Tyrrhenian Link, in respect of which the submarine laying of the second pole in the East Link is expected to be completed by the end of the year, as well as the continuation of civil works and the laying of terrestrial cables for both poles. With respect to the converter substations, civil works and the production of the main equipment will continue. On the West Link, the submarine laying of the first pole commenced in September and is currently under way. Civil works for the construction of the cable ducts of both poles are ongoing and those for the converter substations will also continue.

With respect to Sa.Co.I.3, following the handover of the relevant areas in September, the site works of the Suvereto and Codrongianos converter substations will commence. The site electrical system in Tuscany was reactivated and that in Sardinia, which had been suspended during the summer months, is currently being reactivated. Finally, the Bonifacio site in Corsica was reactivated.

With respect to the Adriatic Link project, civil works continue for the laying of the terrestrial cable in the Marche region and the site for the civil works relating to terrestrial cables in the Abruzzo region is expected to be opened by the end of the year; the production of the marine cable of the second pole also began in September. With respect to converter substations, the Fano site was opened in July, while the Cepagatti site is expected to open by the end of the year, once the local authorisations have been obtained. Production of the main machinery for both substations began in September.

With respect to the cluster of projects serving the next winter Olympics, in September, the Corvara-Laion cable and the Corvara reactor were energised; at the beginning of October, both the Moena substation, on a provisional basis, and the Moena-Campitello cable went into service, while the Livigno-Premadio cable is scheduled to go into service by the end of the year. In addition, the 380 kV Pantano-Priolo power line in Sicily is expected to be energised by the end of the year.



Finally, the Group will continue to make progress towards meeting the requirements resulting from the output-based regulatory mechanisms introduced by ARERA, with regard to both reducing dispatching costs (Dispatching Services Market incentives (DSM), Resolution no. 554/2024/R/eel) and delivering additional interzonal transmission capacity (interzonal incentives, Resolution no. 55/2024/R/eel). The Group is committed to maintaining the performance levels achieved during the observation period. Moreover, by the end of the year, ARERA will update or confirm the WACC ("Weighted Average Cost of Capital"), based on whether or not the trigger event occurs. This allows for the possibility of updating the above indicator annually in 2026 and 2027 (regulatory framework for the three-year period 2025-2027), should the variation in the main market parameters used in the calculation formula generate a change in the WACC of at least 30 bps.

With respect to **Non-regulated Activities**, the reorganisation process involving the subsidiaries of Terna Energy Solutions S.r.l. was completed. This company of the Terna Group manages activities in competitive markets and has integrated diversified expertise along the entire energy value chain through its network of subsidiaries, setting out to act as a blueprint for businesses seeking strategic expertise in energy and digital transition.

As a result, the Terna Group will gain a stronger foothold in the various segments of the energy transition value chain: Altenia (previously known as LT S.r.l.), a system integrator with specialised and diversified expertise in the design, construction and maintenance of electrical and renewable energy plants; the Tamini Group, a leading transformer manufacturer; and the Brugg Cables Group, a company operating in the terrestrial cable sector. The latter two, which are also instrumental in the realisation of the Group's investments, will develop high value-added activities for businesses, offering customers technological, innovative and digital solutions in the energy and industrial sectors and seizing growth opportunities by both strengthening market leadership and increasing production capacity.

The Group will also continue to develop its Connectivity business based on activities related to the dark fibre network.

With respect to **International Activities**, the Group will continue the process of enhancing the asset portfolio in the American continent, taking all the actions that may be required to finalise the non-recurring transaction in Peru. In addition, monitoring of the foreign market will continue, with a special focus on the Mediterranean and Balkan areas, with a view to gaining insights into changes in the backdrop and context with reference to private and institutional interconnection lines not directly linked to Italy.

In the last quarter of the year, the Group will intensify its focus on improving operational efficiency and management of the transmission grid by adopting innovative technologies and digitalising grid assets, also thanks to the implementation of IoT technologies. This will include, by way of example, implementation of the latest mobile network technologies, the upgrade of monitoring systems and the development of advanced predictive algorithms designed to optimise infrastructure maintenance and boost grid resilience.

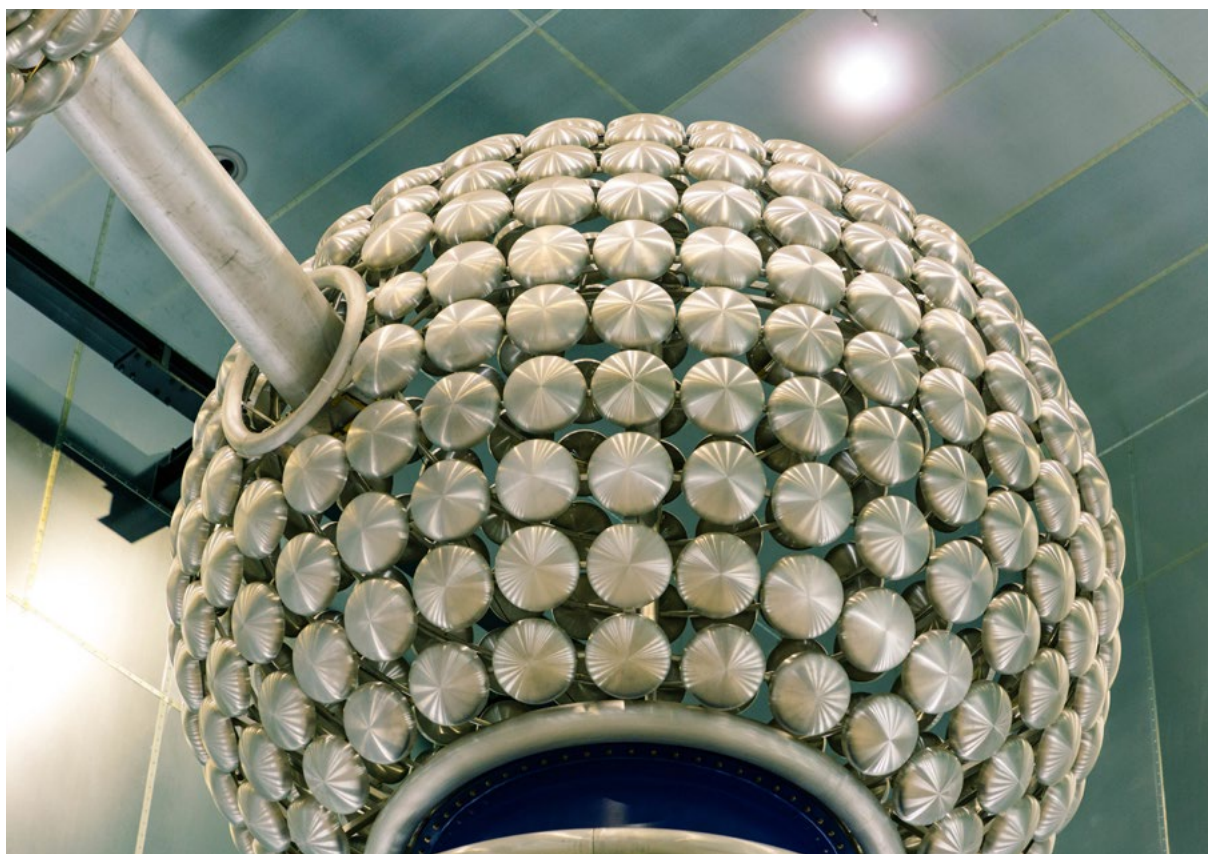
Management of the Terna Group's business will continue to be based on a sustainable approach and respect for ESG aspects, ensuring that it is able to minimise the environmental impact, involve local stakeholders and meet the need for integrity, responsibility and transparency.

In 2025, the Terna Group's expected financial highlights include revenue of €4.03 billion, EBITDA of €2.70 billion and net profit at €1.08 billion. With specific reference to the Investment plan, the Group has targeted capex of approximately €3.4 billion in 2025. The above objectives will be pursued whilst maintaining a commitment to maximising the cash generation necessary to ensure a sound, balanced financial structure.

Declaration

of the manager responsible for financial reporting pursuant in accordance with article 154-bis, paragraph 2, of Legislative Decree 58/1998

The manager responsible for financial reporting, Francesco Beccali, declares that, pursuant to article 154-bis, paragraph 2, of the Consolidated Law on Finance, the information contained in this Consolidated Interim Financial Report at 30 September 2025 is consistent with the underlying accounting records.



Alternative Performance Measures (APMs)

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Other information

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Annexes



Alternative Performance Measures (APMs)

In line with the ESMA/2015/1415 guideline, the Alternative Performance Indicators used in this Interim Management Report are outlined below.

MEASURE	DESCRIPTION
GROUP PERFORMANCE	
Operating profit/(loss) - EBIT	an indicator of operating performance, representing the sum of Profit/(Loss) before tax and Net financial income/(expenses) .
Gross Operating Profit/(loss) - EBITDA	an indicator of operating performance, obtained by adding Amortisation, depreciation and impairment losses to the EBIT .
TAX RATE	the amount of tax paid as a proportion of pre-tax profit, based on the ratio of Income tax expense to Profit/(Loss) before tax .
FINANCIAL RESULTS	
Net Working Capital	represents a balance sheet indicator that expresses the company's liquidity position and is determined by the difference between current assets and current liabilities of a non-financial nature shown in the statement of financial position.
Gross Invested Capital	represents a balance sheet indicator that expresses the Group's total assets and is derived from the sum of Net non-current assets and Net Working Capital .
Net Invested Capital	determined by Gross Invested Capital net of Sundry provisions .
CASH FLOW	
Net debt	represents an indicator of the Group's financial structure and is determined as the result of short-term and long-term financial debt and related derivative instruments , net of cash and cash equivalents and related financial assets .
Free Cash flow	represents cash flow and is the difference between cash flow from operating activities and cash flow from investing activities .

Other information

Additional information is presented below in accordance with specific statutory or industry requirements.

Treasury shares

At 30 September 2025, the Parent Company held a total of 4,294,627 treasury shares (equal to 0.214% of share capital).

The aforementioned total number of shares held by the Company is the sum of the purchases made in implementation of six separate Share buyback programmes to respectively service the:

- (i) 2020-2023 Performance Share Plan, in the period between 29 June 2020 and 6 August 2020;
- (ii) 2021-2025 Performance Share Plan, in the period between 31 May 2021 and 23 June 2021;
- (iii) 2022-2026 Performance Share Plan, in the period between 27 May 2022 and 9 June 2022;
- (iv) 2023-2027 Performance Share Plan, in the period between 22 June 2023 and 6 July 2023;
- (v) 2024-2028 Performance Share Plan, in the period between 4 September 2024 and 20 September 2024;
- (vi) 2025-2029 Performance Share Plan, in the period between 8 September 2025 and 16 September 2025¹¹,

net of: (a) 1,079,860 treasury shares allocated by the Company in the period between 9 May 2023 and 1 June 2023 to the beneficiaries of the 2020-2023 Performance Share Plan and (b) 1,060,240 treasury shares allocated by the Company in the period between 10 May 2024 and 3 June 2024 to the beneficiaries of the 2021-2025 Performance Share Plan and (c) 917,720 treasury shares allocated by the Company between 21 May 2025 and 3 June 2025 to the beneficiaries of the 2022-2026 Performance Share Plan.

The Company does not hold any additional treasury shares other than those purchased under the above programmes, including through subsidiaries.

The Parent Company does not directly or indirectly hold any shares in CDP Reti S.p.A. or Cassa Depositi e Prestiti S.p.A., nor has it purchased or sold any such shares during the first nine months of 2025.

Related party transactions

For related party disclosure, reference should be made to the detailed information provided in Terna Group Half-year report at 30 June 2025.

Participation in the regulatory simplification process introduced by CONSOB Resolution no. 18079 of 20 January 2012

For information on the participation in CONSOB simplification process, reference should be made to Terna Group Half-year report at 30 June 2025 in the "Annexes" section.

¹¹ In this respect, see the press releases of 10 August 2020, 28 June 2021, 13 June 2022, 10 July 2023, 23 September 2024 and 22 September 2025 available at the following links:
https://download.terna.it/terna/2020.08.06_CS%20TERNA%20operazioni%20su%20azioni%20proprie%20CHIUSURA%20ENG_8d83d43b5fabf4d.pdf
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