

## **Vitale&Co has assisted Italgas in the acquisition of 19 concessions in Central and Southern Italy and Sardinia**

Italgas has signed a binding agreement on 28 December 2018 for the purchase from the Conscoop group of shareholdings and business units including 19 concessions for gas distribution and over 50,000 redelivery points concentrated in the Centre-South of the country and in Sardinia.

The agreement is related to:

- ✓ a business going concern from Aquamet S.p.A. including, among other things, 9 concessions for the distribution of natural gas in some municipalities in Lazio, Campania, Basilicata and Calabria, for a total of 23,800 users served;
- ✓ 100% of the company Mediterranea S.r.l., owner of 6 concessions for the distribution of natural gas in the province of Salerno, with approximately 3,600 users served;
- ✓ a business going concern from Isgas Energit Multiutilities S.p.A. including, among other things, the concessions for the distribution of gas in the Sardinian municipalities of Cagliari, Nuoro and Oristano, for a total of approximately 22,300 users currently served with LPG.

The total evaluation of these acquisitions (Enterprise Value) has been established at about EUR 68.6 million. At the closing of the transaction, the price will be paid in full in cash, net of debt.

In addition, Italgas will acquire 10% of the share capital of Isgastrentatrè S.p.A., owner of the concession for the distribution of gas in Basin 33 of Sardinia, which belongs to the Municipality of Quartu Sant'Elena (CA), with 600 already active redelivery points out of the 18,500 potential users currently served with LPG.

The agreements for the acquisition of Isgastrentatrè also provide for the commitment to take over the remaining 90% if certain conditions are satisfied, including the conversion to natural gas of the network currently fuelled by LPG with the specification that, if the conditions are not met, Italgas is entitled to resell and Conscoop is obliged to repurchase the 10% stake at the same price (equal to Euro 300,000).

The completion of the individual operations described above is expected by the end of the first half of 2019 and is subject to the fulfilment of certain conditions precedent, including the obtaining of the required authorisations for the transfer of concessions.

Vitale&Co has assisted Italgas acting as financial advisor of the transaction.