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2018 Overview

Operating Results

Financial Overview
2018 Overview

Relevant Facts Occurred in 2018

• RoR of the GY2018-2019 was 5.82% comparing to 6.65% in the previous GY resulting in 6.24% of average RoR in FY2018 while that in FY2017 was 6.42%.

• S&P Global Ratings affirmed GGND's long-term corporate credit rating of “investment grade” BBB- with stable outlook.

• Investment effort is aligned with the strategic guidelines contributing to ensure the competitiveness of natural gas distribution tariff.
2018 Overview

Operating Results

Financial Overview
Operating Results

Stable Performance Focused on Sustainability of the System

- **Gas Distributed**
  - 2017: 15,767 GWh
  - 2018: 16,807 GWh
  - +3.9%
  - Gas Distributed slightly increased due to higher consumption in all segments

- **Connection Points**
  - 2017: 1,047 '000 CPs
  - 2018: 1,059 '000 CPs
  - +1.1%
  - Connection Points increased at a steady pace

- **Network Length**
  - 2017: 11,974 Km
  - 2018: 12,999 Km
  - +1.0%
  - Network Length increased at a steady pace by ensuring the sustainability of the system
2018 Overview

Operating Results

Financial Overview
Financial Overview
Maintain Level of Key Indicators

Revenue decreased by €11m mainly due to:
- Decrease of Network Access Tariff (*1)
- Decrease of RoR (average RoR in FY2018 was 6.24% while that in FY2017 was 6.42%)

EBITDA decreased by €0.9m mainly due to abovementioned decrease in revenue offset by decrease of net operating costs

Net Income decreased by €0.9m mainly due to abovementioned decrease in EBITDA

(*1) Pass-through item which does not impact on EBITDA.
Financial Overview (cont’d)

Cash Flow Increased due to Improvement of both Operation and Financing Activities

- CAPEX increased by €3.5m by contributing to development of natural gas sector

Available Cash Flow post CAPEX increased by €26m mainly due to:
- Lower payment to suppliers
- Lower payment of CIT
- Improvement of cash flow from financing activities

Net Debt decreased by €40m mainly due to improvement of net cash flow and repayment of debt
## Financial Overview (cont’d)

**Prudent Financial Policy Maintaining Investment Grade Rating**

### TOTAL DEBT

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<thead>
<tr>
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<th>€ m</th>
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<tbody>
<tr>
<td>Bond</td>
<td>600.0</td>
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<tr>
<td>EIB Loan</td>
<td>11.5</td>
</tr>
<tr>
<td>Commercial Bank loan</td>
<td>9.4</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>620.9</strong></td>
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- EIB Loan and Commercial Bank Loan, both at subsidiaries, continue being amortized until 2020 and 2027 respectively

### LIQUIDITY

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<th>€ m</th>
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<tbody>
<tr>
<td>Cash and Cash Equivalent</td>
<td>48.1</td>
</tr>
<tr>
<td>Revolving Credit Facility</td>
<td>50.0</td>
</tr>
<tr>
<td>Short Term Credit Line</td>
<td>20.0</td>
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- Both Revolving Credit Facility in the amount of €50m and also Short Term Credit Line of €20m support enough level of liquidity

### FINANCIAL COVENANTS (BOND)

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<tr>
<td>Net Debt / EBITDA</td>
<td>5.5x</td>
</tr>
<tr>
<td>Debt Service Coverage Ratio</td>
<td>8.5x</td>
</tr>
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</table>

- Healthy headroom under the financial covenants