

Quarterly Report

Italian Credit Handbook

28 September 2020: 13:58 CET

Date and time of production

Macro Scenario

The trough of the economic cycle hit hard this past April and the recovery will likely be slow and uneven, particularly in the service sector. We are expecting to see a 9.5% contraction in GDP this year, but a 6.5% rebound next year.

Italian Corporates

So far in 2020, Italian corporate bonds have widened, both in the IG and especially in the HY segments. We note that the Italian IG bonds we cover have outperformed the European IG benchmark indices YTD, except for ADR and CNHI. In addition, Italian HY bonds outperformed the European HY benchmark indices YTD, except for IGT and Sisal.

Results for 2Q20/1H20 were mostly in line with (utilities) or above (industrial companies) Bloomberg consensus expectations, except for Saipem (below). However, the operating performance was mixed: Italian utilities reported resilient 2Q20 results while industrial companies were hit harder by the Covid-19 pandemic. Guidance for 2020 was broadly confirmed by utility companies (even improved at Iren and Acea, but downgraded at Enel), with only limited negative impacts on EBITDA expected for less regulated companies. In contrast, industrial companies have not yet reinstated their 2020 targets (except for Buzzi, CNHI, Leonardo and Prysmian which introduced some new guidance), given the still-high uncertainty driven by the Covid-19 situation, though they generally appear to have less gloomy outlooks for 2H20, barring a second wave of coronavirus lockdowns. In contrast, Eni further downgraded its 2020 targets.

Recent rating actions. In August, Moody's downgraded Saipem's rating to Ba2/Stable from Ba1/Negative. In July, Fitch changed the Rating Watch on Atlantia, ASPI and ADR to Evolving from Negative while Moody's changed its Outlook on Atlantia and ASPI to Developing from Negative. In July, Moody's affirmed its rating on Sisal Group at B1/Stable, concluding the review for downgrade initiated in March.

Italian Financials

The Italian bank euro-denominated bond market has overall performed negatively year to date (to 24 September) vs YE19, though the performance has been mixed by bond type and issuer, with riskier bonds, such as hybrids and subordinated bonds, underperforming the most. Covered bonds were mixed by issuer, although skewed to tightening, on average, and remain expensive vs related BTPs. Compared to the related European benchmark indices, the bank bonds we cover that were outstanding at YE19 recorded mixed performances, with hybrids underperforming, on average, while senior preferred, SNP and subordinated bonds overperformed, on average, with MPS outperforming.

The Top 6 Italian banks reported an aggregate net profit in 2Q20, with all but MPS beating market consensus estimates. Overall, earnings continued to be dominated by revenue pressure and elevated impairment charges in response to the adverse economic impact of the pandemic. Balance sheets have expanded, on average, driven by increases in deposits and lending, specifically state-guaranteed loans. Liquidity remained healthy while CET1 ratios were confirmed at comfortable buffers over prudential targets, benefiting from regulatory capital relief. While it is too soon to know to what extent COVID-19 impacted non-performing loans, prospects for asset quality are negative, in our view, and we expect capital ratios to come under further pressure. However, the impact is likely to be high to different extents depending on individual banks. M&A rumours dominate news flows.

Italy/2Q20/1H20

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*Senior bond; NC = Not Covered

Report priced at market close on day prior to the issue (except where otherwise indicated).

In this report, we confirm the company views and recommendations assigned in the latest company reports (unless otherwise indicated).

Intesa Sanpaolo Research Dept.

Credit Research Team

Italy: recovery slow and uneven

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After the cycle trough hit last April, a slow recovery of economic activity began in May, most evident in the industrial sector, whereas services are still holding back growth. Even assuming a vigorous rebound in 2021 (thanks to the full effects of the stimulus packages already put in place by the government, as well as to the initial RRF transfers funds being put to use), GDP at the end of next year will remain in our view over three and a half points lower than pre-COVID levels. The effects of the crisis on unemployment will inevitably increase. The consequences for public finances could prove persistent, although the support mechanisms adopted at the EU level guarantee the containment of financial risks.

Italy was one of the hardest hit countries by the COVID-19 shock in the first phase of the crisis, incurring a -5.5% q/q contraction of GDP already in the first quarter of the year (roughly in line with France and Spain). The contraction deepened in 2Q (-12.8% q/q) but was less severe than in peer countries (France: -13.8%, Spain: -17.8%). All components of demand, and all the main sectors of activity, were affected by the decline, although the most negative contributions came from consumption on the demand side, and from services on the supply side.

We expect a vigorous rebound of GDP in the third quarter, which could amount to around ten per cent in quarterly terms. The recovery should continue in the quarters between the end of 2020 and the beginning of 2021, albeit at a gradually decreasing pace. In 2020 as a whole, GDP should contract by -9.5%, and subsequently rebound by +6.5% in 2021. At the end of 2021, GDP would be a hefty 3.6% lower than the levels recorded at the end of 2019 and, based on our estimates, it would rise back over 2019 levels only in 2027.

Downside risks are evidently tied primarily to the risk of a potential reacceleration of the contagion, that would force the Authorities to impose new lockdowns, even only partial. This possibility, not contemplated in our baseline scenario, could in any case accentuate the decline of GDP this year, and most importantly significantly weaken the forecast recovery in 2021. In any case, the adverse scenario, which rules out a new, extended lockdown, but under which some economic activities are held back (in the services sector in particular) by a resurgence of infection cases between the end of 2020 and the beginning 2021, points to a GDP contraction this year of up to -10.6%, and most importantly to the risk of next year's recovery amounting to less than half the one included in the baseline scenario (3.1%).

With the "August" decree, the fiscal packages approved by the government to support the economy reached a total worth of 100 billion euros on aggregate (around 6% of GDP), all concentrated in 2020 (the second-largest package in the Eurozone behind Germany's). Furthermore, measures were approved that do not impact net borrowing, but are extremely important to prevent the shock from having permanent repercussions on production capacity.

The measures of a more purely fiscal nature, based on the most widely used multipliers, should have an impact on GDP of around three percentage points, which could be amplified by the adoption of the measures that do not impact net borrowing mentioned above. In our view, the impact of the government's measures should succeed in only mitigating the expected contraction of GDP in 2020 and could reap effects on average annual growth in 2021, more than in 2020.

In this context of major financing needs (requirements should amount to over 200 billion this year, and stay above the 100 billion mark next year), the main support mechanism for the Italian sovereign debt market (indirect, as it addresses the secondary market) is still represented by ECB purchases, that could add up to around 140 billion this year, and decrease only moderately next year (realistically to around 120 billion).

After the cycle trough hit last April, a slow recovery of economic activity began in May, most evident in the industrial sector

In 2020 GDP should contract by 9.5%, and subsequently rebound by 6.5% in 2021

Downside risks linger, tied to the possibility of a resurgence of contagion

Italy among the countries that have approved the largest fiscal plans

The refinancing of debt remains strongly dependent on ECB purchases ...

In addition to the indirect financing provided by ECB purchases, support mechanisms are also in place at the EU level. **The EU Commission has allocated 27.4 billion euros to Italy for supporting short-time work schemes within the framework of the SURE programme**, making the country the largest beneficiary among all member states. Furthermore, an additional 36 billion euros are available to Italy through the ESM, to finance healthcare spending, should the Italian Parliament decide to take advantage of the opportunity.

In addition to all the above, over the next few years, **new, substantial resources will come from the Recovery and Resilience Fund**. Italy, according to the guidelines presented in the "National Recovery and Resilience Plan", should benefit from 81 billion in transfers, and up to 128 billion in loans (totalling almost 209 billion over the 2021-2028 period). 70% of the funds will have to be transferred by the end of 2022, and the residual 30% by the end of 2023. Payments could undergo delays and peak in 2023-24; however, the agreement provides for a forward payment of 10% of the programme in 2021 (around 20 billion for Italy). In essence, in 2021 as well, the contribution to the debt financing programme, while very substantial (over 1% of Italian GDP), would be modest compared to the estimated size of recourse to the market based on the outlook for public accounts. Therefore, **the refinancing of debt will continue to depend strongly on ECB asset purchases next year as well**, as they will indirectly guarantee issuance cover.

Needless to say, the funds cannot be used to finance widespread tax cuts or indiscriminate spending increases (the most important criteria for the use of the Next Generation EU funds are adherence to the recommendations of the European Semester and contributing to the green and digital transitions¹). Therefore, **the allocation represents the maximum amount obtainable in the best of cases, although approaching this level will require a major leap** in planning and implementation ability. Lastly, while the support provided is of exceptional size, it will not help improve the pace of growth in the long term, nor will it radically change sustainability conditions (translating solely into a significant, but not decisive, reduction of the cost of debt). In a nutshell, this is only the beginning of a process, and there is no magic wand with which to solve once and for all the problem represented by high debt and low growth. The key challenge is now to use the financial aid offered at best: in other words, rather than a short-term boost to domestic demand, the goal should be to step up potential growth.

... although issuance will also be contained thanks to funds made available through the SURE programme ...

... and, especially, the Recovery Fund

Forecasts

	2019	2020f	2021f	2019	2020f			2021f					
				2	3	4	1	2	3	4	1	2	3
GDP (constant prices, y/y)	0.3	-9.5	6.5	0.4	0.5	0.1	-5.6	-17.7	-9.5	-5.4	1.1	16.8	6.8
- q/q				0.1	0.0	-0.2	-5.5	-12.8	10.0	4.4	1.0	0.8	0.6
Private consumption	0.4	-10.1	6.9	0.3	0.1	-0.1	-6.7	-11.3	8.8	3.8	1.5	1.0	0.8
Fixed investment	1.4	-11.4	9.3	0.2	-0.1	-0.3	-7.5	-14.9	14.4	4.5	2.2	0.9	0.6
Public spending	-0.4	-1.1	0.6	0.2	-0.2	-0.1	-1.0	-0.9	1.0	0.5	-0.1	-0.1	0.1
Exports	1.4	-18.0	10.3	1.7	-0.8	-0.3	-8.0	-26.4	20.0	8.0	2.0	1.0	0.8
Imports	-0.2	-14.4	11.2	2.1	0.2	-2.3	-5.9	-20.5	15.0	6.0	3.0	2.0	1.4
Inventories cg. (% contrib. to GDP)	-0.7	0.4	0.7	0.0	0.3	-0.6	1.0	-0.9	0.6	0.5	-0.1	0.3	0.2
Current accounts (% GDP)	3.1	3.1	3.1										
Public deficit (% GDP)	-1.6	-12.5	-5.8										
Public debt (% GDP)	134.6	158.0	154.7										
Consumer prices (HICP, y/y)	0.6	-0.1	0.2	0.9	0.3	0.3	0.2	-0.2	0.0	-0.5	-0.3	0.0	0.4
Industrial output (y/y)	-1.1	-11.3	10.1	-0.8	-1.1	-2.1	-11.1	-25.9	-6.0	-2.0	8.4	30.9	3.9
Unemployment (ILO, %)	9.9	10.1	12.4	10.0	9.6	9.5	9.2	8.3	10.6	12.3	12.5	12.4	12.3
10-year rate (%)	1.89	1.17	1.24	2.42	1.32	1.13	1.23	1.62	0.97	0.86	1.04	1.21	1.30

Note: percentage changes annualised vs. the previous period– unless indicated otherwise. Source: Refinitiv-Datastream, Intesa Sanpaolo

¹ The Commission will make Next Generation EU funds available only following the approval of the National Reform Plans. For the bulk of the funds, the assessment of the National Plan will be made based on 7 aspects: 1. Adherence to the recommendations of the European semester; 2. Contribution to the green and digital transitions; 3. Lasting effect; 4. Contribution to growth, job creation, resilience; 5. Reasonable cost, in line with the expected impact; 6. Coherence among projects; 7. Adoption of working methods capable of assuring implementation.

2i Rete Gas: Credit View NEUTRAL

(Moody's Baa2 / Stable , Fitch)

	Sen Secured	Sen Unsec	Sub	Hybrid
IG	-	HOLD	-	-
HY	-	-	-	-
Unrated	-	-	-	-

Key credit drivers

- 2i Rete Gas reported resilient 1H20 results. Lower operating costs (-7% yoy) allowed the company to limit the negative impact of regulatory changes applied at the start of 2020 (negative impact of 8M, according to 2i Rete Gas). Net debt was flat vs YE19.
- Outlook 2020. Based on the information currently available, and taking into account the sector's regulatory mechanisms, 2i Rete Gas believes that the impact from the Covid-19 outbreak should not be particularly significant. According to the company, the impact of the health emergency in 1H20 mainly related to slowdown in investments during the lockdown period in Italy (1H20 capex at EUR 129M, -9% yoy).
- HOLD recommendation confirmed, as we do not expect the issuer's bonds to outperform those of its main peers (eg, Italgas).

Strengths

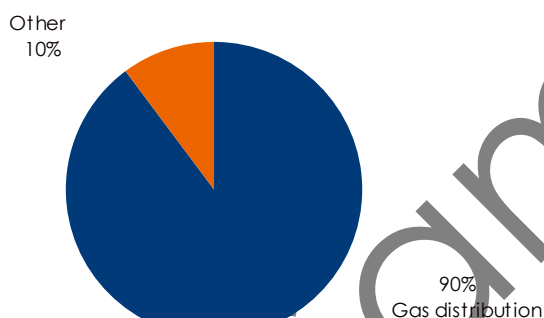
- Second-largest gas distributor in Italy (c.19% market share in terms of gas volume distributed).
- High contribution from regulated activities (above 80% of total revenues).
- Revenues from gas distribution not exposed to changes in gas demand.

Outperformer¹ YTD - Senior Unsecured

FIREIT 1.608 10/31/27

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Sales breakdown (2019)



Weaknesses

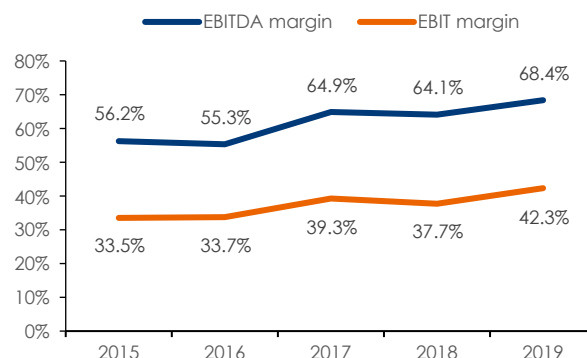
- Gas concessions retendering process and M&A are expected to stretch financial flexibility.
- Operating exposure 100% domestic.
- Uncertainty related to gas tenders timing.
- Low inflation could impact RAB growth and the net debt/RAB ratio.

Underperformance¹ YTD - Senior Unsecured

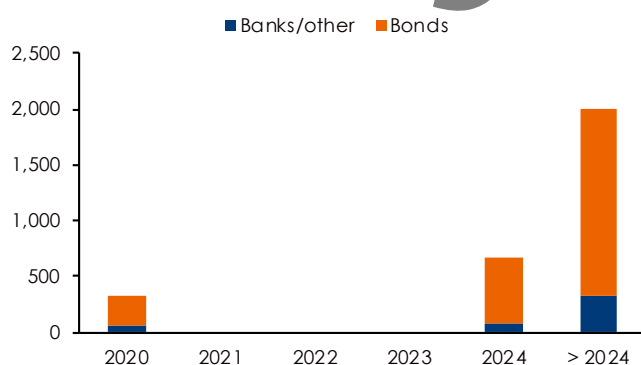
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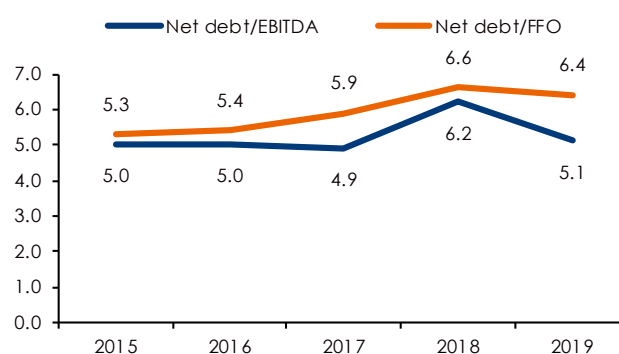
Trend in profitability



Debt maturity profile (EUR M, 31.12.19)



Leverage trend (x)



Source: Intesa Sanpaolo Research elaboration on Bloomberg data (bond performance table) and company data (charts)

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1. List of 2i Rete Gas bonds in Appendix 1 (page 66)

2i Rete Gas In Brief

2i Rete Gas S.p.A. offers oil and gas distribution services. The company provides gas connection installation, monitoring, electronic metering, safety assessments, and water distribution services. 2i Rete Gas conducts its business entirely in Italy.

Consolidated income statement - main items

(EUR M)	2017	2018	Chg %	2019	Chg %
Sales	629	720	14.3	772	7.3
EBITDA	408	461	13.0	528	14.5
Adjusted EBITDA	NA	NA	NA	NA	NA
EBIT	247	271	9.8	327	20.4
Adjusted EBIT	NA	NA	NA	NA	NA
Net interest expense	-73	-57	-22.0	-61	6.6
Income (loss) on equity investments	0	2	NM	1	-63.7
Profit before tax	174	217	24.4	266	22.9
Net profit (loss)	122	155	27.8	207	32.9
Net profit (loss) attributable to the Group	122	155	27.8	207	32.9

Consolidated cash flow statement - main items

(EUR M)	2017	2018	Chg %	2019	Chg %
FFO	343	447	30.3	419	-6.2
Net change in working capital	43	54	26.2	-24	-144.6
CFO	386	501	29.8	395	-21.1
Capex	-253	-283	11.8	-243	-14.1
FCF	132	217	64.4	152	-30.1
Dividends	-85	-85	0.0	-93	9.4
Discretionary FCF	47	132	180.2	59	-55.5
RCF	-26	-646	NM	-323	-50.1
Change in equity	-0	0	-100.0	0	NM
Change in debt	659	516	-21.7	-10	-102.0
CFF	659	516	-21.7	-10	-102.0
RCF + CFF	633	-130	-120.5	-333	156.6
Change in liquidity	633	-130	-120.5	-333	156.6

Consolidated balance sheet - main items

(EUR M)	31.12.17	31.12.18	Chg %	31.12.19	Chg %
Intangible assets	2,937	3,682	25.4	3,761	2.1
Property, plant & equipment	37	39	4.9	37	-5.3
Financial and equity investments	25	4	-82.2	5	9.2
Total non-current assets	3,125	3,866	23.7	4,015	3.9
Trade receivables	274	233	-15.1	251	7.8
Cash and current financial assets	816	687	-15.9	354	-48.4
Total current assets	1,301	1,167	-10.3	837	-28.2
Total assets	4,428	5,066	14.4	4,856	-4.2
Long-term debt	2,807	2,944	4.9	2,661	-9.6
Provisions for risks and charges	10	10	0.5	8	-18.1
Total non-current liabilities	3,174	3,308	4.2	3,062	-7.4
Short-term debt	0	363	NM	307	-15.3
Trade payables	208	208	-0.2	186	-10.2
Total current liabilities	489	919	87.8	859	-6.5
Minorities	0	1	NM	1	-0.4
Shareholders' equity	760	824	8.5	934	13.3
Total equity	760	826	8.7	935	13.2
Total liabilities and equity	4,428	5,066	14.4	4,856	-4.2
Net debt	2,009	2,641	31.4	2,678	1.4
Adjusted Net Debt	NA	NA	NA	NA	NA

Key consolidated economic data - financial indicators

	Profitability and coverage ratio (%)		
EBITDA margin	2017	2018	2019
Adjusted EBITDA margin	64.9	64.1	68.4
EBIT margin	-	-	-
Adjusted EBIT margin	39.3	37.7	42.3
EBITDA/net interest expense (x)	-	-	-
EBIT/net interest expense (x)	5.6	8.4	8.7
	3.4	4.9	5.4
	Leverage ratio (x)		
Net debt/EBITDA	31.12.17	31.12.18	31.12.19
Adjusted Net Debt/Adjusted EBITDA (x)	4.9	5.7	5.1
Net debt/FFO	-	-	-
Net debt/equity	5.9	5.9	6.4
	2.6	3.2	2.9

Note: NA=not available, NM=not meaningful. Source: Intesa Sanpaolo Research elaboration on company data

A2A: Credit View NEUTRAL

(Moody's Baa2 / Stable , Fitch)

	Sen Secured	Sen Unsec	Sub	Hybrid
IG	-	HOLD	-	-
HY	-	-	-	-
Unrated	-	-	-	-

Key credit drivers

- Lower year-on-year 1H20 results, but slightly above Bloomberg consensus. Performance was weighed on by a negative energy scenario which mainly impacted the Generation business unit. Working capital was impacted by Covid-19 effects: ie, difficulties in making payments for retail customers (around EUR 35M) and administrative cash-in delays (around EUR 45M).
- Outlook 2020. A2A estimates a net negative impact from the Covid-19 of EUR 10-20M vs 2019. Confirmed EBITDA guidance of EUR 1,140M (current consensus: EUR 1,147M). Working capital tensions experienced in 1H should continue through the end of 2020 (c.EUR 100M estimated for NWC), before being progressively reabsorbed in 2021. Capex at EUR 670-710M (EUR 627M in 2019), net cash flow at circa -EUR 300M (excluding M&A impact) vs around -EUR 200M in 2019. New Strategic Plan to be presented in November.
- HOLD recommendation confirmed, as bonds are currently trading overall in line with those of other Italian local multi-utilities we cover.

Strengths

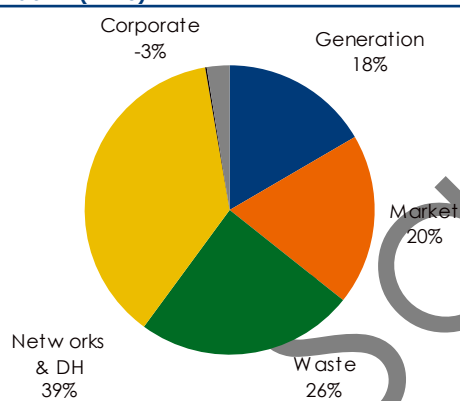
- Diversified and resilient business mix.
- Significant share of regulated and quasi-regulated business (about 40% of FY19 consolidated EBITDA).
- 2020-2024 BP focused on low-risk businesses – ie, networks and renewables.

Outperformer¹ YTD - Senior Unsecured

AEMSPA 1 07/16/29

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EBITDA breakdown (1H20)



Weaknesses

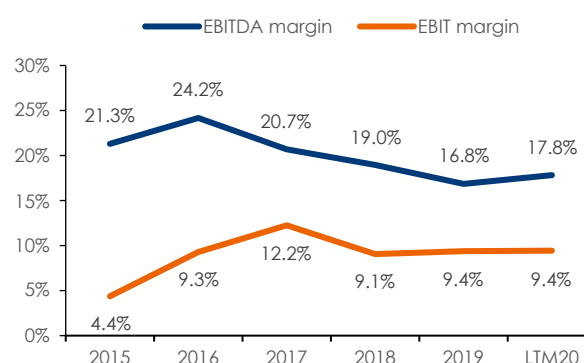
- Significant exposure to electricity generation and energy markets in Italy.
- Non-regulated activities exposed to cyclical macroeconomic environment
- External growth could weigh on financial flexibility.

Underperformance¹ YTD - Senior Unsecured

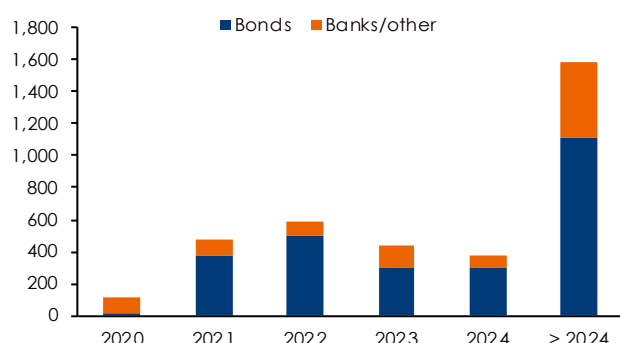
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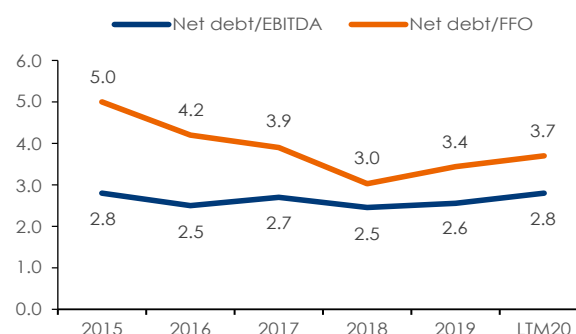
Trend in profitability



Debt maturity profile (EUR M, 30.06.20)



Leverage trend (x)



Source: Intesa Sanpaolo Research elaboration on Bloomberg data (bond performance table) and company data (charts)

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1. List of A2A bonds in Appendix 1 (page 66)

A2A In Brief

A2A S.p.A. is an Italian utility company. It is active in electricity (production, distribution, trading and sales), gas (supply, distribution, trading and sales), district heating, waste (collection, treatment and disposal), integrated water cycle, public lighting and other activities. A2A has a strong presence in the north of Italy.

Consolidated income statement - main items

(EUR M)	2019	LTM20	Chg %	1H19	1H20	Chg %	2Q19	2Q20	Chg %
Sales	7,324	6,794	-7.2	3,711	3,181	-14.3	1,601	1,474	-7.9
EBITDA	1,234	1,211	-1.9	582	559	-4.0	254	228	-10.2
Adjusted EBITDA	1,192	1,170	-1.8	575	553	-3.8	252	223	-11.5
EBIT	687	641	-6.7	327	281	-14.1	130	85	-34.6
Adjusted EBIT	NA	NA	NA	NA	NA	NA	NA	NA	NA
Net interest expense	-114	-88	-22.8	-65	-39	-40.0	-41	-21	-48.8
Income (loss) on equity investments	4	5	25.0	0	1	NM	0	1	NM
Profit before tax	687	668	-2.8	262	243	-7.3	89	65	-27.0
Net profit (loss)	393	381	-3.1	175	163	-6.9	61	43	-29.5
Net profit (loss) attributable to the Group	389	377	-3.1	166	154	-7.2	62	42	-32.3

Consolidated cash flow statement - main items

(EUR M)	2019	LTM20	Chg %	1H19	1H20	Chg %	2Q19	2Q20	Chg %
FFO	917	928	1.2	423	434	2.6	178	181	1.7
Net change in working capital	9	-151	NM	90	-70	-177.8	190	64	-66.3
CFO	926	777	-16.1	513	364	-29.0	368	245	-33.4
Capex	-627	-625	-0.3	-252	-250	-0.8	-143	-127	-11.2
FCF	299	152	-49.2	261	114	-56.3	225	118	-47.6
Dividends	-232	-264	13.8	-218	-250	14.7	-218	-250	14.7
Discretionary FCF	67	-112	NM	43	-136	NM	7	-132	NM
RCF	11	-249	NM	37	-223	NM	4	-114	NM
Change in equity	NA	NA	NA	0	0	NM	0	0	NM
Change in debt	-204	-105	-48.5	-110	-11	-90.0	-56	21	-137.5
CFF	-204	-105	-48.5	-110	-11	-90.0	-56	21	-137.5
RCF + CFF	-193	-354	83.4	-73	-234	NM	-52	-93	78.8
Change in liquidity	-193	-354	83.4	-73	-234	NM	-52	-93	78.8

Consolidated balance sheet - main items

(EUR M)	30.09.19	31.12.19	Chg %	31.03.20	Chg %	30.06.20	Chg %
Intangible assets	2,368	2,379	0.5	2,429	2.1	2,449	0.8
Property, plant & equipment	4,679	4,869	4.1	4,869	0.0	4,909	0.8
Financial and equity investments	55	65	18.2	95	46.2	54	-43.2
Total non-current assets	7,400	7,615	2.9	7,755	1.8	7,698	-0.7
Inventory	216	184	-14.8	104	-43.5	146	40.4
Trade receivables	1,664	1,832	11.3	2,056	11.0	1,616	-21.4
Cash and current financial assets	1,024	444	-56.6	320	-27.9	227	-29.1
Total current assets	3,316	3,110	-6.2	3,477	11.8	2,914	-16.2
Total assets	10,734	10,725	-0.1	11,232	4.7	10,632	-5.3
Long-term debt	3,361	3,307	-1.6	3,052	-7.7	3,108	1.8
Provisions for risks and charges	638	676	6.0	668	-1.2	652	-2.4
Total non-current liabilities	4,463	4,439	-0.5	4,174	-6.0	4,201	0.6
Short-term debt	1,443	1,148	-20.4	1,936	68.6	1,694	-12.5
Trade payables	1,264	1,481	17.2	1,323	-10.7	1,086	-17.9
Total current liabilities	2,761	2,635	-4.6	3,312	25.7	2,849	-14.0
Minorities	358	362	1.1	378	4.4	369	-2.4
Shareholders' equity	3,152	3,289	4.3	3,368	2.4	3,213	-4.6
Total equity	3,510	3,651	4.0	3,476	-4.8	3,582	3.0
Total liabilities and equity	10,734	10,725	-0.1	11,232	4.7	10,632	-5.3
Net debt	3,129	3,154	0.8	3,297	4.5	3,433	4.1
Adjusted net debt	NA	NA	NA	NA	NA	NA	NA

Key consolidated economic data - financial indicators

Profitability and coverage ratio (%)	2019	LTM20	1H19	1H20	2Q19	2Q20
EBITDA margin	16.8	17.8	15.7	17.6	15.9	15.5
Adjusted EBITDA margin	16.3	17.2	15.5	17.4	15.7	15.1
EBIT margin	9.4	9.4	8.8	8.8	8.1	5.8
Adjusted EBIT margin	-	-	-	-	-	-
EBITDA/net interest expense (x)	10.8	13.8	9.0	14.3	6.2	10.9
EBIT/net interest expense (x)	6.0	7.3	5.0	7.2	3.2	4.0
Leverage ratio (x)			30.09.19	31.12.19	31.03.20	30.06.20
Net debt/EBITDA			2.5	2.6	2.7	2.8
Adjusted Net Debt/Adjusted EBITDA (x)			-	-	-	-
Net debt/FFO			3.2	3.4	3.6	3.7
Net debt/equity			0.9	0.9	0.9	1.0

Note: NA=not available, NM=not meaningful. Source: Intesa Sanpaolo Research elaboration on company data

Acea: Credit View NEUTRAL

(Moody's Baa2 / Stable, Fitch BBB+ / Stable)

	Sen Secured	Sen Unsec	Sub	Hybrid
IG	-	BUY	-	-
HY	-	-	-	-
Unrated	-	-	-	-

Key credit drivers

- Positive 1H20 results, slightly above consensus expectations. Performance was driven by regulated activities (water and energy infrastructure) which contributed around 86% of total EBITDA. Working capital impacted by Covid effects for c.EUR 120M (c.EUR 60M due to delays in collections and c.EUR 60M due to deferred collection of regulatory items).
- Outlook 2020. EBITDA guidance improved over 8% vs YE19 (previously +6-8%). Net debt guidance confirmed at EUR 3.45-3.55Bn, with capex in line with 2019 (at c.EUR 800M) and partial reabsorption of the working capital deterioration due to Covid-19 (forecast at c.EUR 50M at year-end). Implicit net debt/EBITDA at c.3.0x. New Strategic Plan to be presented by end of October.
- BUY recommendation on Acea bonds in light of the higher share of regulated EBITDA (c.80% of total) vs other Italian multi-utilities.

Strengths

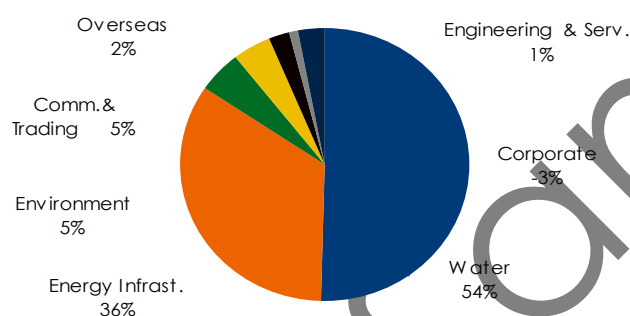
- High contribution from regulated activities (80% of FY19 EBITDA) provides predictable revenues and cash flows.
- C.80% of 2019-2022 planned capex to be devoted to regulated business.
- Long-term concessions in regulated activities.

Outperformer¹ YTD - Senior Unsecured

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EBITDA breakdown (1H20)



Weaknesses

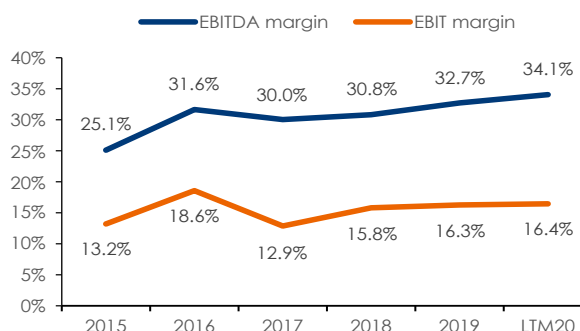
- High exposure to Italy country risk, given entirely domestic operations.
- Potential deterioration in working capital, due to delays to the payment of bills related to the current Covid-19 crisis.
- Governance still potentially affected by the major shareholder, the Municipality of Rome (51%).

Underperformance¹ YTD - Senior Unsecured

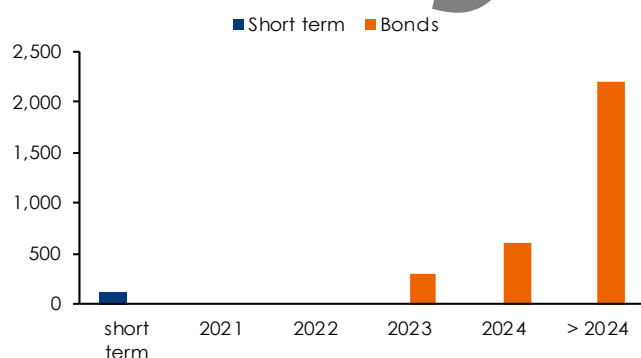
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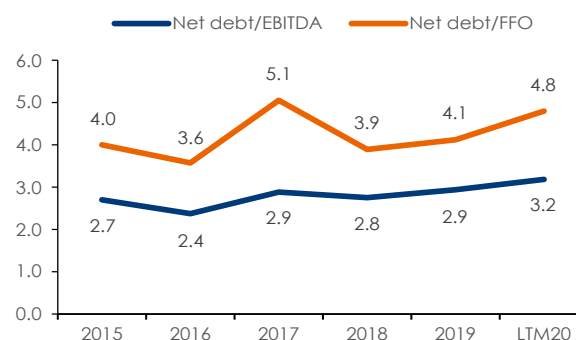
Trend in profitability



Debt maturity profile (EUR M, 30.06.20)



Leverage trend (x)



Source: Intesa Sanpaolo Research elaboration on Bloomberg data (bond performance table) and company data (charts)

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1. List of Acea bonds in Appendix 1 (page 66)

Acea In Brief

Acea is a multi-utility company that manages and develops networks and services in the water, energy and environmental sectors. Activities include integrated water services, energy production, the sale and distribution of electricity, public lighting and floodlighting, and waste-to-energy production.

Consolidated income statement - main items

(EUR M)	2019	LTM20	Chg %	1H19	1H20	Chg %	2Q19	2Q20	Chg %
Sales	3,186	3,255	2.2	1,553	1,622	4.4	730	789	8.0
EBITDA	1,042	1,108	6.3	503	569	13.1	255	292	14.7
Adjusted EBITDA	NA	NA	NA	NA	NA	NA	NA	NA	NA
EBIT	518	535	3.3	260	277	6.6	127	141	10.3
Adjusted EBIT	NA	NA	NA	NA	NA	NA	NA	NA	NA
Net interest expense	-90	-91	0.3	-43	-43	0.7	-23	-21	-9.3
Income (loss) on equity investments	3	2	-38.2	4	3	-27.7	1	3	NM
Profit before tax	430	446	3.7	221	237	7.2	105	123	16.4
Net profit (loss)	307	317	3.3	155	165	6.5	73	85	15.6
Net profit (loss) attributable to the Group	284	284	0.3	143	144	0.6	67	73	8.4

Consolidated cash flow statement - main items

(EUR M)	2019	LTM20	Chg %	1H19	1H20	Chg %	2Q19	2Q20	Chg %
FFO	743	735	-1.1	456	448	-1.8	240	211	-12.0
Net change in working capital	-45	NA	NA	NA	-269	NA	115	-99	-185.7
CFO	698	640	-8.3	237	179	-24.4	136	112	-17.4
Capex	-793	-861	8.7	-342	-411	20.1	-191	-221	15.6
FCF	-95	-221	133.6	-105	-231	120.9	-55	-108	97.4
Dividends	-74	-82	10.9	-74	-82	10.9	-74	-72	-2.2
Discretionary FCF	-169	-303	79.9	-179	-313	75.4	-129	-181	40.3
RCF	-390	-581	49.0	-314	-505	60.8	-250	-373	49.1
Change in equity	0	0	NM	0	0	NM	0	0	NM
Change in debt	97	-13	-113.8	227	116	-48.8	320	0	-100.0
CFF	97	-13	-113.8	227	116	-48.8	320	0	-100.0
RCF + CFF	-293	-595	103.0	-87	-389	NM	70	-373	NM
Change in liquidity	-293	-595	103.0	-87	-389	NM	70	-373	NM

Consolidated balance sheet - main items

(EUR M)	30.09.19	31.12.19	Chg %	31.03.20	Chg %	30.06.20	Chg %
Intangible assets	2,633	2,958	12.1	2,958	0.1	3,058	3.4
Property, plant & equipment	2,537	2,609	2.9	2,631	0.8	2,686	2.1
Financial and equity investments	342	318	-7.0	327	2.6	341	4.3
Total non-current assets	6,151	6,501	5.7	6,529	0.4	6,808	4.3
Inventory	51	67	12.1	59	3.0	67	13.7
Trade receivables	1,080	1,035	-4.1	1,220	17.8	1,146	-6.1
Cash and current financial assets	1,152	1,135	-1.5	1,120	-1.3	887	-20.8
Total current assets	2,534	2,453	-3.2	2,607	6.3	2,374	-8.9
Total assets	8,685	8,954	3.1	9,136	2.0	9,182	0.5
Long-term debt	3,498	3,552	1.5	4,024	13.3	4,123	2.4
Provisions for risks and charges	215	151	-29.4	184	21.2	210	14.2
Total non-current liabilities	4,145	4,199	1.3	4,723	59.0	4,832	180.5
Short-term debt	644	674	4.6	278	-58.8	319	14.7
Trade payables	1,514	1,600	5.7	1,551	-3.1	1,531	-1.3
Total current liabilities	2,564	2,649	3.3	2,207	-16.7	2,227	0.9
Minorities	194	252	30.0	279	10.6	289	3.7
Shareholders' equity	1,782	1,855	4.1	1,927	3.9	1,834	-4.8
Total equity	1,976	2,107	6.6	2,206	4.7	2,123	-3.8
Total liabilities and equity	8,685	8,954	3.1	9,136	2.0	9,182	0.5
Net debt	2,960	3,063	3.5	3,184	4.0	3,528	10.8
Adjusted net debt	NA	NA	NA	NA	NA	NA	NA

Key consolidated economic data - financial indicators

Profitability and coverage ratio (%)	2019	LTM20	1H19	1H20	2Q19	2Q20
EBITDA margin	32.7	34.1	32.4	35.1	34.9	37.1
Adjusted EBITDA margin	-	-	-	-	-	-
EBIT margin	16.3	16.4	16.8	17.1	17.5	17.8
Adjusted EBIT margin	-	-	-	-	-	-
EBITDA/net interest expense (x)	11.5	12.2	11.8	13.2	11.2	14.2
EBIT/net interest expense (x)	5.7	5.9	6.1	6.4	5.6	6.8
Leverage ratio (x)			30.09.19	31.12.19	31.03.20	30.06.20
Net debt/EBITDA			2.9	2.9	3.0	3.2
Adjusted Net Debt/Adjusted EBITDA (x)			-	-	-	-
Net debt/FFO			4.1	4.1	4.2	4.8
Net debt/equity			1.5	1.5	1.4	1.7

Note: NA=not available, NM=not meaningful. Source: Intesa Sanpaolo Research elaboration on company data

ADR: Credit View UNDER REVIEW

(Moody's Baa3 / Negative , Fitch BBB-/*)

	Sen Secured	Sen Unsec	Sub	Hybrid
IG	-	HOLD	-	-
HY	-	-	-	-
Unrated	-	-	-	-

Key credit drivers

- 1H20 results sharply deteriorated, affected by a 69% yoy traffic slump, to 7.3M passengers, due to Covid-19 mobility restrictions, of which - 69.5% Fiumicino and -65.3% Ciampino. ADR reported an EBIT loss of EUR 35M in 1H20, driven by a 59% decline in revenues, partly mitigated by cost-cutting (-33%). Net debt rose by 14.5% to EUR 1.3Bn, driven by negative FCF, with leverage up to 3.5x from 1.9x at YE19.
- The 2020 outlook is penalised by the Covid-19 outbreak, with traffic falling 73% YTD and by above 80% since March. ADR plans to cut variable costs, to postpone non-contracted capex, and to suspend dividends distribution in 2020 to preserve liquidity.
- In July, Fitch put ADR's rating under Watch Evolving (from Watch Negative), reflecting the preliminary agreement achieved by Atlantia with the Italian government in order to settle the dispute on ASPI's concession.
- HOLD recommendation confirmed, as ADR's notes trade wider than the iBoxx NFI index for BBB-rated bonds, reflecting risk of ratings downgrade to HY status and weakening performances driven by the traffic slump due to the Covid-19 pandemic.

Strengths

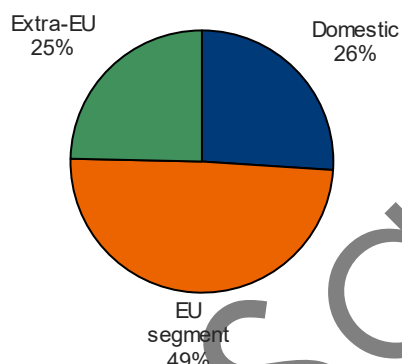
- Largest airport in Italy and seventh-largest in Europe in terms of passenger traffic.
- Long-term concession, expiring in June 2044.
- Supportive concession framework.

Outperformer¹ YTD - Senior Unsecured

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Passenger traffic by destination (1H20)



Weaknesses

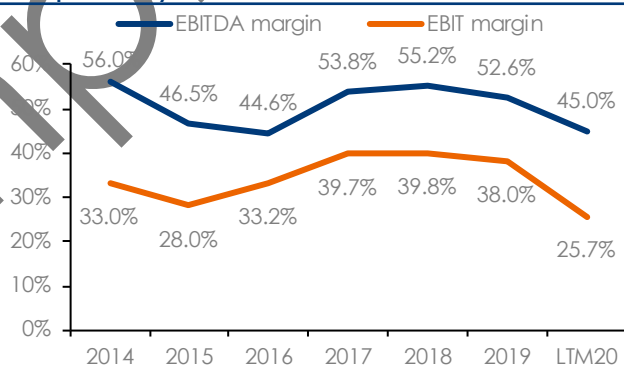
- Ratings at risk of downgrade, given the linkage with Atlantia.
- Traffic tumble following the Covid-19 outbreak.
- Alitalia's difficult situation (39% of Fiumicino's traffic in 2019).
- Exposure to regulatory and fiscal risk.

Underperformance¹ YTD - Senior Unsecured

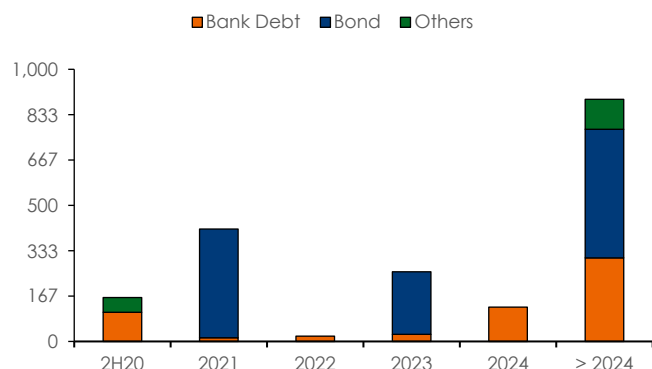
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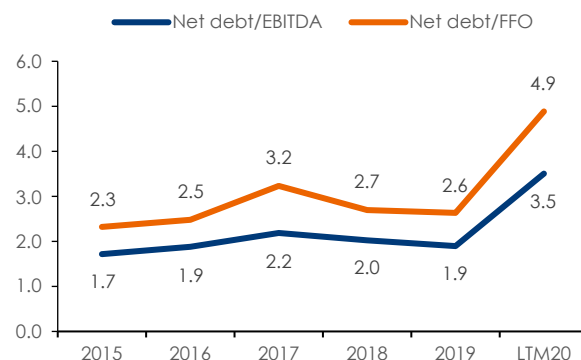
Trend in profitability



Debt maturity profile (EUR M, 30.06.20)



Leverage trend (x)



Source: Intesa Sanpaolo Research elaboration on Bloomberg data (bond performance table) and company data (charts)

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1. List of ADR bonds in Appendix 1 (page 66)

ADR In Brief

Aeroporti di Roma S.p.A. (ADR) develops, constructs, operates, and maintains airports. ADR serves airlines and travellers in Italy.

Consolidated income statement - main items

(EUR M)	2018	2019	Chg %	LTM20	Chg %	1H19	1H20	Chg %
Sales	1,045	1,129	8.0	817	-27.7	529	217	-59.0
EBITDA	577	594	2.9	368	-38.1	268	42	-84.4
Adjusted EBITDA	NA	NA	NA	NA	NA	NA	NA	NA
EBIT	416	429	3.1	210	-51.1	184	-35	-118.9
Adjusted EBIT	NA	NA	NA	NA	NA	NA	NA	NA
Net interest expense	-53	-52	-2.3	-56	8.3	-24	-28	18.1
Income (loss) on equity investments	-4	-9	134.8	-8	-12.1	-2	-1	-55.7
Profit before tax	359	368	2.5	146	-60.5	159	-64	-140.3
Net profit (loss)	246	245	-0.4	90	-63.3	108	-47	-143.0
Net profit (loss) attributable to the Group	246	245	-0.4	90	-63.3	108	-47	-143.0

Consolidated cash flow statement - main items

(EUR M)	2018	2019	Chg %	LTM20	Chg %	1H19	1H20	Chg %
FFO	433	428	-1.3	264	-38.3	201	37	-81.4
Net change in working capital	20	71	NM	-40	-156.9	0	-111	NM
CFO	453	498	9.9	223	-55.2	201	-74	-136.6
Capex	-183	-280	52.8	-216	-23.0	-136	-71	-47.5
FCF	270	218	-19.2	8	-96.4	65	-145	NM
Dividends	-249	-131	-47.5	NA	NA	-131	NA	NA
Discretionary FCF	21	88	NM	8	-91.1	-65	-145	122.1
RCF	26	103	NM	29	-71.6	-60	-134	122.9
Change in equity	0	0	NM	0	NM	0	0	NM
Change in debt	-0	70	NM	249	NM	-10	170	NM
CFF	-0	70	NM	249	NM	-10	170	NM
RCF + CFF	26	173	NM	279	61.3	-70	36	-151.6
Change in liquidity	26	173	NM	279	61.3	-70	36	-151.6

Consolidated balance sheet - main items

(EUR M)	31.12.18	30.06.19	Chg %	31.12.19	Chg %	30.06.20	Chg %
Intangible assets	2,374	2,427	2.2	2,478	2.1	2,473	-0.2
Property, plant & equipment	44	58	30.1	54	-6.5	53	-1.4
Financial and equity investments	73	71	-2.6	64	-9.5	47	-26.6
Total non-current assets	2,541	2,610	2.7	2,649	1.5	2,630	-0.7
Trade receivables	313	347	11.1	305	-12.0	252	-17.3
Cash and current financial assets	330	260	-21.2	502	93.4	538	7.1
Total current assets	667	634	-4.9	836	31.8	850	1.7
Total assets	3,208	3,244	1.1	3,484	7.4	3,480	-0.1
Long-term debt	1,486	1,510	1.6	1,465	-3.0	1,255	-14.3
Provisions for risks and charges	151	155	3.0	167	7.9	174	3.9
Total non-current liabilities	1,640	1,672	1.9	1,640	-1.9	1,431	-12.7
Short-term debt	16	41	151.1	165	NM	574	NM
Trade payables	174	202	16.3	216	7.1	160	-25.9
Total current liabilities	460	530	15.1	660	24.7	947	43.4
Minorities	0	0	NM	0	NM	0	NM
Shareholders' equity	1,107	1,043	-5.8	1,184	13.6	1,102	-6.9
Total equity	1,107	1,043	-5.8	1,184	13.6	1,102	-6.9
Total liabilities and equity	3,208	3,244	1.1	3,484	7.4	3,480	-0.1
Net debt	1,168	1,289	10.4	1,126	-12.7	1,289	14.5
Adjusted Net Debt	1,173	1,291	10.1	1,128	-12.7	1,291	14.5

Key consolidated economic data - financial indicators

Profitability and coverage ratio (%)	2018	2019	LTM20	1H19	1H20
EBITDA margin	55.2	52.6	45.0	50.6	19.2
Adjusted EBITDA margin	-	-	-	-	-
EBIT margin	39.8	38.0	25.7	34.9	-16.1
Adjusted EBIT margin	-	-	-	-	-
EBITDA/net interest expense (x)	10.8	11.4	6.5	11.2	1.5
EBIT/net interest expense (x)	7.8	8.2	3.7	7.7	-1.2
Leverage ratio (x)	31.12.18	30.06.19	31.12.19	30.06.20	
Net debt/EBITDA	2.0	2.2	1.9	3.5	
Adjusted Net Debt/Adjusted EBITDA (x)	-	-	-	-	
Net debt/FFO	2.7	3.0	2.6	4.9	
Net debt/equity	1.1	1.2	1.0	1.2	

Note: NA=not available, NM=not meaningful. Source: Intesa Sanpaolo Research elaboration on company data

ASPI: Credit View UNDER REVIEW

(Moody's Ba3/* , Fitch BB+/* -)

	Sen Secured	Sen Unsec	Sub	Hybrid
IG	-	-	-	-
HY	-	HOLD	-	-
Unrated	-	-	-	-

Key credit drivers

- ASPI's results sharply deteriorated in 2Q20 (with an EBITDA loss and higher leverage), driven by the motorway traffic decline in Italy (-52.8%) due to the Covid-19 mobility restrictions as well as EUR 700M additional provisions related to the Genoa incident settlement.
- ASPI slightly improved its estimates on 2020 traffic decline in Italy to -20/-30% from -25/-35% previously (-27.8% YTD), and on toll revenues reduction to EUR 800/1,000M from EUR 850/1,100M, while planning cost efficiencies and a partial revision of its capex plan.
- ASPI's ratings remain on Watch Evolving (Fitch) / Outlook Developing (Moody's), based on the preliminary agreement reached with the Italian government relating to the spin-off of ASPI from Atlantia, with CDP set to become its reference shareholder.
- HOLD recommendation confirmed on ASPI's bonds, as visibility remains low regarding the final structure of ASPI's spin-off.

Strengths

- Largest toll road operator in Italy, managing 3,020km of motorways under six long-term concessions.
- ASPI's long term concession (2,855km), expiring in 2038.
- Rating upgrade potential in case of capital increase reserved to CDP, thus becoming ASPI's reference shareholder.

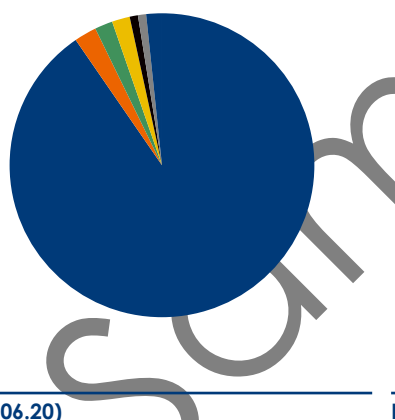
Outperformer¹ YTD - Senior Unsecured

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Sales by concession (1H20)

- Autostrade per l'Italia, 90.4%
- Autostrade Meridionali, 2.4%
- Tangenziale di Napoli, 1.9%
- Traforo del Monte Bianco, 1.9%
- Società Autostrada Tirrenica, 0.9%
- Raccordo Autostradale Valle d'Aosta, 0.9%
- Other, 1.7%



Weaknesses

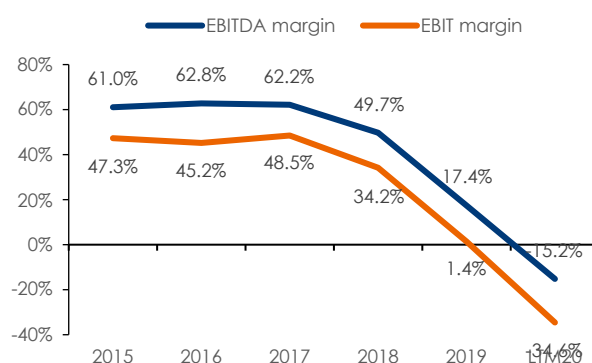
- Fully exposed to Italy, with risks related to regulatory changes and traffic decline driven by the Covid-19 outbreak.
- Ratings at risk of further downgrade in case of failure to execute the preliminary agreement achieved with the government.
- Potential refinancing risk in 2021, in our view.

Underperformance¹ YTD - Senior Unsecured

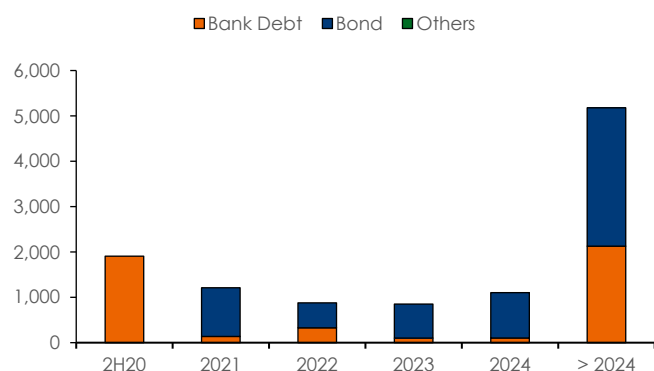
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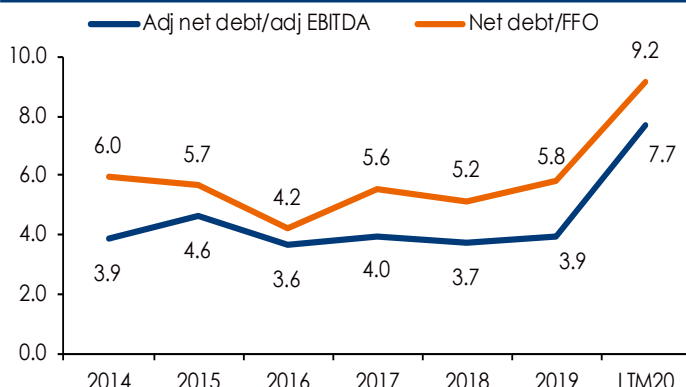
Trend in profitability



Debt maturity profile (EUR M, 30.06.20)



Leverage trend (x)



Source: Intesa Sanpaolo Research elaboration on Bloomberg data (bond performance table) and company data (charts)

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1. List of ASPI bonds in Appendix 1 (page 69)

ASPI In Brief

Autostrade per l'Italia provides infrastructure construction services. The company constructs, manages, and maintains toll motorways. It provides its services primarily in Italy.

Consolidated income statement - main items

(EUR M)	2019	LTM20	Chg %	1H19	1H20	Chg %	2Q19	2Q20	Chg %
Sales	4,083	3,379	-17.2	1,967	1,263	-35.8	1,071	535	-50.0
EBITDA	710	-514	-172.4	1,162	-62	-105.3	678	-453	-166.8
Adjusted EBITDA	2,231	1,198	-46.3	1,186	153	-87.1	654	-243	-137.2
EBIT	57	-1,168	NM	833	-392	-147.1	517	-622	NM
Adjusted EBIT	NA	NA	NA	NA	NA	NA	NA	NA	NA
Net interest expense	-434	-489	12.7	-199	-254	27.6	-94	-138	46.8
Income (loss) on equity investments	-3	-6	100.0	-1	-4	NM	0	-1	NM
Profit before tax	-403	-1,673	NM	616	-654	NM	406	-765	NM
Net profit (loss)	-268	-1,177	NM	430	-479	NM	283	-548	NM
Net profit (loss) attributable to the Group	-282	-1,184	NM	426	-476	NM	280	-544	NM

Consolidated cash flow statement - main items

(EUR M)	2019	LTM20	Chg %	1H19	1H20	Chg %	2Q19	2Q20	Chg %
FFO	1,436	968	-32.6	687	219	-68.1	441	-5	-101.1
Net change in working capital	-60	-664	NM	153	-451	NM	201	-382	NM
CFO	1,376	304	-77.9	840	-232	-127.6	642	-387	-160.3
Capex	-559	-504	-10.0	-271	-215	-20.6	-146	-110	-24.5
FCF	817	-200	-124.4	569	-447	-178.5	496	-497	NM
Dividends	-323	NA	NA	-322	NA	NA	-318	0	-100.0
Discretionary FCF	494	-201	-140.7	248	-447	NM	179	-497	NM
RCF	549	-127	-123.2	262	-414	NM	207	-474	NM
Change in equity	NA	NA	NA	0	0	NM	0	0	NM
Change in debt	-741	-237	-68.0	-732	-228	-68.9	-94	350	NM
CFF	-741	-237	-68.0	-732	-228	-68.9	-94	350	NM
RCF + CFF	-192	-364	89.3	-470	-642	36.6	113	-124	NM
Change in liquidity	-192	-364	89.3	-470	-642	36.6	113	-124	NM

Consolidated balance sheet - main items

(EUR M)	30.09.19	31.12.19	Chg %	31.03.20	Chg %	30.06.20	Chg %
Intangible assets	17,839	17,727	-0.6	17,628	-0.6	17,527	-0.6
Property, plant & equipment	83	88	5.7	85	-3.1	82	-3.0
Financial and equity investments	426	431	1.1	445	3.3	445	-0.1
Total non-current assets	18,459	18,356	-0.6	18,270	-0.5	18,222	-0.3
Inventory	NA	61	NA	NA	NA	67	NA
Trade receivables	572	494	-13.6	410	-17.1	336	-18.1
Cash and current financial assets	2,078	2,111	1.6	1,559	-26.1	1,423	-8.7
Total current assets	2,929	2,856	-2.5	2,208	-22.7	2,099	-5.0
Total assets	21,388	21,213	-0.8	20,478	-3.5	20,321	-0.8
Long-term debt	9,784	9,682	-1.0	9,029	-6.7	7,538	-16.5
Provisions for risks and charges	3,581	3,534	-1.3	3,401	-3.8	3,656	7.5
Total non-current liabilities	14,028	13,387	-4.6	12,626	-5.7	11,241	-11.0
Short-term debt	1,081	1,168	8.0	1,236	5.8	3,118	152.3
Trade payables	1,413	1,360	-3.7	1,237	-9.1	969	-21.7
Total current liabilities	4,212	5,606	33.1	5,553	-0.9	7,327	31.9
Minorities	353	356	0.9	358	0.5	353	-1.5
Shareholders' equity	2,795	1,864	-33.3	1,941	4.1	1,400	-27.9
Total equity	3,148	2,220	-29.5	2,299	3.5	1,753	-23.8
Total liabilities and equity	21,388	21,213	-0.8	20,478	-3.5	20,321	-0.8
Net debt	9,170	8,391	-8.5	8,341	-0.6	8,868	6.3
Adjusted net debt	9,590	8,740	-8.9	8,706	-0.4	9,234	6.1

Key consolidated economic data - financial indicators

Profitability and coverage ratio (%)	2019	LTM20	1H19	1H20	2Q19	2Q20
EBITDA margin	17.4	-15.2	59.1	-4.9	63.3	-84.7
Adjusted EBITDA margin	54.6	35.5	60.2	12.1	61.1	-45.4
EBIT margin	1.4	-34.6	42.3	-31.0	48.3	-116.3
Adjusted EBIT margin	-	-	-	-	-	-
EBITDA/net interest expense (x)	1.6	-1.1	5.8	-0.2	7.2	-3.3
EBIT/net interest expense (x)	0.1	-2.4	4.2	-1.5	5.5	-4.5
Leverage ratio (x)	30.09.19	31.12.19	31.03.20	30.06.20		
Net debt/EBITDA	4.2	11.8	13.5	-17.3		
Adjusted Net Debt/Adjusted EBITDA (x)	4.4	3.9	4.2	7.7		
Net debt/FFO	5.5	5.8	5.9	9.2		
Net debt/equity	3.4	3.8	3.6	5.1		

Note: NA=not available, NM=not meaningful. Source: Intesa Sanpaolo Research elaboration on company data

Atlantia: Credit View UNDER REVIEW

(Moody's Ba3/* , Fitch BB/*)

	Sen Secured	Sen Unsec	Sub	Hybrid
IG	-	-	-	-
HY	-	HOLD	-	-
Unrated	-	-	-	-

Key credit drivers

- 1H20 consolidated results deteriorated, affected by the Covid-19 impact on traffic trends for both motorways (-37.7% in Italy, -39.1% Spain, -33.3% France, -32.5% Chile, -14.1% Brazil) and airports (-69% at ADR, -67.9% at ACA). Operating margins declined across all segments, with an EBITDA loss reported by ASPI due to EUR 700M provisions. Leverage deteriorated to 7.4x from 5.1x at YE19.
- Atlantia confirmed its sensitivity analysis for 2020, estimating a potential loss of revenues of EUR 38n and loss of FCF of EUR 28n vs 2019, though it revised its traffic assumptions for both motorways (up to -25% from -30%) and airports (down to -65% from -50%).
- In July, both Fitch and Moody's changed their outlook on Atlantia's ratings to Evolving/Developing, respectively, following the preliminary agreement reached with the Italian government to settle the ongoing dispute on ASPI's motorway concession.
- HOLD recommendation confirmed on Atlantia bonds, awaiting the finalisation of the discussions with CDP regarding ASPI's spin-off.

Strengths

- Global leader in the infrastructure management industry.
- Biggest toll road and airport operator in Italy, with long-term concessions (ASPI: 2038; ADR: 2044).
- Ratings upgrade potential in case of successful execution of ASPI's spin-off, with CDP becoming the reference shareholder.

Weaknesses

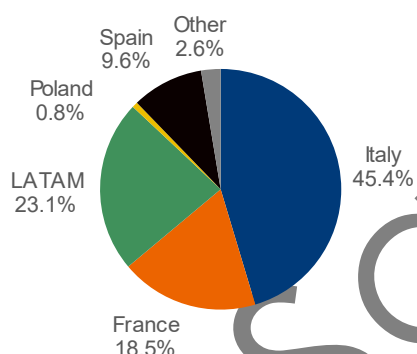
- Traffic slump driven by Covid-19 lockdowns.
- Material re-leveraging after the Abertis acquisition and ASPI's one-off charges related to the Genoa incident settlement.
- Sizeable capex plan.
- Ongoing uncertainties regarding ASPI's spin-off and CDP role.

Outperformer¹ YTD - Senior Unsecured

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Sales by geographic area (1H20)

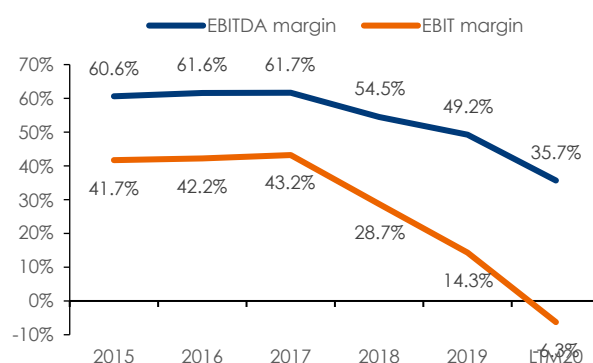


Underperformance¹ YTD - Senior Unsecured

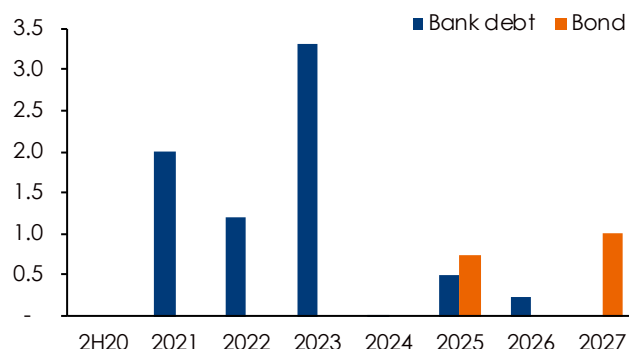
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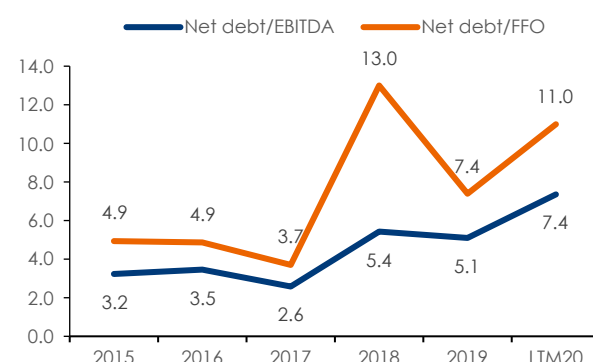
Trend in profitability



Atlantia Holding - Debt maturity profile (EUR Bn, 30.06.20)



Leverage trend (x)



Source: Intesa Sanpaolo Research elaboration on Bloomberg data (bond performance table) and company data (charts)

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1. List of Atlantia bonds in Appendix 1 (page 69)

Atlantia In Brief

Atlantia manages transport infrastructure based on concessions. The group manages 14,000km of toll motorways in Europe, the Americas, and India. Atlantia also operates electronic tolling systems, and airports in Rome and Nice.

Consolidated income statement - main items

(EUR M)	2019	LTM20	Chg %	1H19	1H20	Chg %	2Q19	2Q20	Chg %
Sales	11,630	9,740	-16.3	5,604	3,714	-33.7	3,013	1,504	-50.1
EBITDA	5,727	3,475	-39.3	3,552	1,300	-63.4	1,991	29	-98.5
Adjusted EBITDA	7,203	5,325	-26.1	3,400	1,522	-55.2	1,856	227	-87.8
EBIT	1,666	-610	-136.6	1,541	-735	-147.7	986	-1,087	NM
Adjusted EBIT	NA	NA	NA	NA	NA	NA	NA	NA	NA
Net interest expense	-1,426	-1,616	13.3	-619	-809	30.7	-383	-434	13.3
Income (loss) on equity investments	21	-9	-142.9	2	-28	NM	-3	-26	NM
Profit before tax	471	-2,012	NM	1,031	-1,452	NM	707	-1,427	NM
Net profit (loss)	357	-1,451	NM	752	-1,056	NM	523	-1,027	NM
Net profit (loss) attributable to the Group	136	-1,230	NM	594	-772	NM	437	-762	NM

Consolidated cash flow statement - main items

(EUR M)	2019	LTM20	Chg %	1H19	1H20	Chg %	2Q19	2Q20	Chg %
FFO	4,969	3,564	-28.3	2,517	1,112	-55.8	1,491	322	-78.4
Net change in working capital	-307	-171	-44.4	-277	-141	-49.2	-260	-650	149.6
CFO	4,662	3,393	-27.2	2,240	971	-56.7	1,231	-328	-126.6
Capex	-1,794	-1,612	-10.1	-815	-633	-22.3	-480	-272	-43.3
FCF	2,868	1,781	-37.9	1,425	338	-76.3	751	-600	-179.9
Dividends	-1,204	-252	-79.0	-968	-16	-98.3	-968	-16	-98.3
Discretionary FCF	1,664	1,529	-8.1	457	322	-29.6	-217	-616	184.5
RCF	2,237	1,330	-40.6	-30	-937	NM	-208	-1,801	NM
Change in equity	-465	-230	-50.5	-455	-220	-51.6	-455	-220	-51.6
Change in debt	-1,619	3,924	NM	-907	4,636	NM	-3,599	1,323	-136.8
CFF	-2,084	3,694	NM	-1,362	4,416	NM	-4,054	1,103	-127.2
RCF + CFF	153	5,024	NM	-1,392	3,479	NM	-4,262	-698	-83.6
Change in liquidity	129	4,915	NM	-1,376	3,410	NM	-4,274	-688	-83.9

Consolidated balance sheet - main items

(EUR M)	30.09.19	31.12.19	Chg %	31.03.20	Chg %	30.06.20	Chg %
Intangible assets	56,842	59,472	4.6	57,470	-3.4	62,403	8.6
Property, plant & equipment	817	820	0.4	789	-3.8	764	-3.2
Financial and equity investments	3,246	3,662	12.8	2,636	-28.0	2,858	8.4
Total non-current assets	67,431	70,928	5.2	68,037	-4.1	73,513	8.0
Inventory	NA	NA	NA	NA	NA	101	NA
Trade receivables	2,707	2,575	-4.9	2,328	-9.6	1,948	-16.3
Cash and current financial assets	5,948	6,540	10.0	10,597	62.0	9,808	-7.4
Total current assets	11,588	10,690	-7.7	14,048	31.4	13,178	-6.2
Total assets	79,019	81,618	3.3	82,085	0.6	86,691	5.6
Long-term debt	43,923	43,826	-0.2	47,173	7.6	49,008	3.9
Provisions for risks and charges	5,210	5,167	-0.8	5,002	-3.2	5,517	10.3
Total non-current liabilities	52,564	55,631	5.8	58,578	5.3	61,825	5.5
Short-term debt	4,822	4,220	-12.5	3,727	-11.7	4,945	32.7
Trade payables	2,068	2,243	8.5	2,014	-10.2	1,670	-17.1
Total current liabilities	10,600	11,084	4.6	10,326	-6.8	11,150	8.0
Minorities	7,479	7,495	0.2	6,825	-8.9	7,856	15.1
Shareholders' equity	8,376	7,408	-11.6	6,356	-14.2	5,860	-7.8
Total equity	15,855	14,903	-6.0	13,181	-11.6	13,716	4.1
Total liabilities and equity	79,019	81,618	3.3	82,085	0.6	86,691	5.6
Net debt	38,057	36,722	-3.5	35,470	-3.4	39,166	10.4
Adjusted net debt	42,797	41,506	-3.0	40,303	-2.9	44,145	9.5

Key consolidated economic data - financial indicators

Profitability and coverage ratio (%)	2019	LTM20	1H19	1H20	2Q19	2Q20
EBITDA margin	49.2	35.7	63.4	35.0	66.1	1.9
Adjusted EBITDA margin	62.2	54.7	60.7	41.0	61.6	15.1
EBIT margin	14.3	-6.3	27.5	-19.8	32.7	-72.3
Adjusted EBIT margin	-	-	-	-	-	-
EBITDA/net interest expense (x)	4.0	2.2	5.7	1.6	5.2	0.1
EBIT/net interest expense (x)	1.2	-0.4	2.5	-0.9	2.6	-2.5
Leverage ratio (x)	30.09.19	31.12.19	31.03.20	30.06.20		
Net debt/EBITDA			5.2	5.1	5.1	7.4
Adjusted Net Debt/Adjusted EBITDA (x)			5.8	5.8	5.8	8.3
Net debt/FFO			7.7	7.4	7.5	11.0
Net debt/equity			2.4	2.5	2.7	2.9

Note: NA=not available, NM=not meaningful. Source: Intesa Sanpaolo Research elaboration on company data

Buzzi Unicem: Credit View UNDER REVIEW

(Moody's -, Fitch -)

	Sen Secured	Sen Unsec	Sub	Hybrid
IG	-	HOLD	-	-
HY	-	-	-	-
Unrated	-	-	-	-

Key credit drivers

- The 1H20 figures evidenced notable resilience in the US whose strong performance mitigated weakness in some other areas with revenues and EBITDA above consensus estimates (Bloomberg). Positive price effects, lower production costs and positive forex effects mitigated lower volumes overall. Solid cash generation, assisted by dividends from Kosmos Cement, fed a further reduction in net debt and leverage.
- Guidance points to a possible contraction in recurring EBITDA in 2020 of 5-10% yoy, driven by expectations of an uncertain demand outlook for the US which is also facing a challenging 2H20 comp base. Italy is expected to evidence a moderate recovery in 2H20 but only partly offsetting the lower volumes due to the lockdown effects in 1H20.
- We do not anticipate any rating actions over the short term.
- HOLD investment recommendation confirmed. The company's strong liquidity buffer should enable it to weather any short-term challenges in our view and also supports its non-pressing debt maturity profile.

Strengths

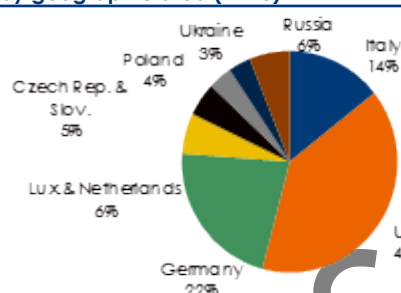
- Good market positions with high entry barriers.
- Strong liquidity buffer with no debt maturity pressure.
- Impact of weaker demand may be partly mitigated by lower fuel costs (weak oil prices), while a recovery in demand is anticipated from infrastructure investment programmes.
- Positive price effects could partly mitigate lower volumes.
- Acquisition in Brazil could provide medium-term growth.

Performer¹ YTD - Senior Unsecured

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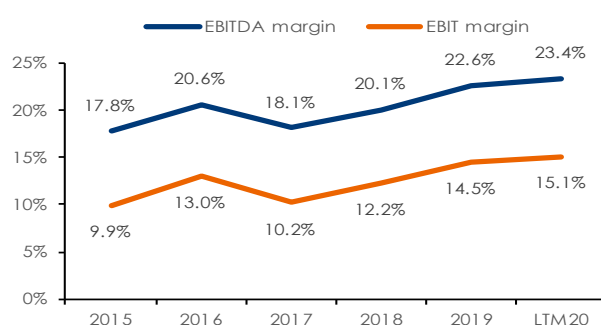
Sales by geographic area (1H20)



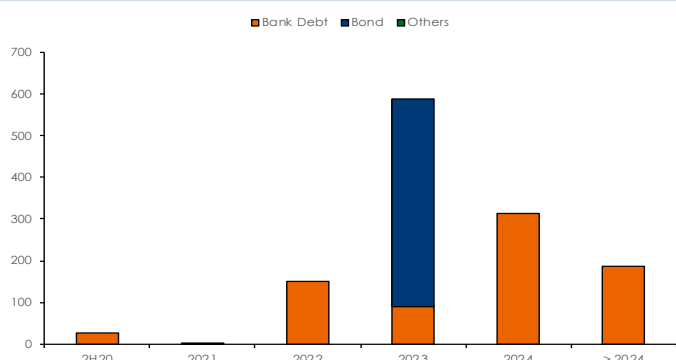
Weaknesses

- Notable FX exposure, particularly USD/EUR.
- Uncertain demand outlook in the US and unfavourable US comp. base in 2H20.
- Impact of lockdown in Italy not expected to be fully recovered in 2H20.
- Extent of the cash balance could increase possibility of some M&A, but this would likely be small bolt-on acquisitions.

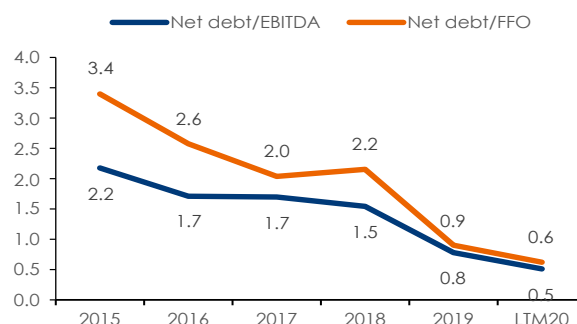
Trend in profitability



Debt maturity profile (EUR M, 30.06.20)



Leverage trend (x)



Source: Intesa Sanpaolo Research elaboration on Bloomberg data (bond performance table) and company data (charts)

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1. List of Buzzi Unicem bonds in Appendix 1 (page 66)

Buzzi Unicem In Brief

Buzzi Unicem S.p.A., through a number of subsidiaries, produces and markets cement and ready-mix concrete in Italy, the United States, and other countries.

Consolidated income statement - main items

(EUR M)	2018	2019	Chg %	LTM20	Chg %	1H19	1H20	Chg %
Sales	2,873	3,221	12.1	3,223	0.0	1,519	1,520	0.1
EBITDA	577	728	26.1	753	3.5	289	314	8.8
Adjusted EBITDA	569	704	23.9	428	-39.2	276	0	-100.0
EBIT	352	468	33.1	488	4.2	166	185	12.0
Adjusted EBIT	NA	NA	NA	NA	NA	NA	NA	NA
Net interest expense	-47	-32	-32.1	-58	82.1	-29	-55	89.6
Income (loss) on equity investments	88	74	-16.0	185	151.0	34	145	NM
Profit before tax	465	482	3.6	591	22.5	171	279	63.6
Net profit (loss)	383	386	0.8	468	21.2	135	217	60.9
Net profit (loss) attributable to the Group	382	386	0.9	468	21.2	135	217	60.8

Consolidated cash flow statement - main items

(EUR M)	2018	2019	Chg %	LTM20	Chg %	1H19	1H20	Chg %
FFO	413	629	52.2	620	-1.5	230	221	-4.2
Net change in working capital	-67	-41	-39.9	NA	NA	-81	NA	NA
CFO	346	589	70.2	661	12.2	149	221	48.0
Capex	-215	-257	19.4	-238	-7.3	-126	-108	-14.8
FCF	131	332	153.8	422	27.2	23	113	NM
Dividends	-29	-27	-6.2	-39	46.2	-27	-39	46.3
Discretionary FCF	102	305	198.7	383	25.5	-4	74	NM
RCF	22	329	NM	526	60.1	57	254	NM
Change in equity	-142	-2	-98.8	-21	NM	-0	-19	NM
Change in debt	-258	63	-124.4	-83	NM	135	-11	-108.2
CFF	-399	61	-115.3	-104	NM	135	-30	-122.5
RCF + CFF	-378	390	NM	423	8.4	191	224	17.0
Change in liquidity	-378	390	NM	423	8.4	191	224	17.0

Consolidated balance sheet - main items

(EUR M)	31.12.18	30.06.19	Chg %	31.12.19	Chg %	30.06.20	Chg %
Intangible assets	814	623	1.5	789	26.6	678	-14.1
Property, plant & equipment	3,059	3,184	4.1	3,150	-1.1	3,108	-1.3
Financial and equity investments	545	536	-1.7	551	2.8	447	-18.9
Total non-current assets	4,278	4,412	3.1	4,585	3.9	4,439	-3.2
Trade receivables	399	501	25.5	414	-17.3	438	5.7
Cash and current financial assets	440	634	44.0	837	32.0	1,042	24.4
Total current assets	1,390	1,669	20.1	1,812	8.5	2,045	12.9
Total assets	5,674	6,086	7.3	6,403	5.2	6,485	1.3
Long-term debt	922	1,043	13.1	1,312	25.8	1,365	4.0
Provisions for risks and charges	461	493	6.9	530	7.5	548	3.5
Total non-current liabilities	1,760	1,884	7.0	2,217	17.7	2,278	2.8
Short-term debt	353	366	3.7	63	-82.9	58	-6.9
Trade payables	235	240	2.2	235	-2.0	203	-13.8
Total current liabilities	771	806	4.5	495	-38.6	509	2.9
Minorities	6	6	-3.3	6	-3.7	6	-3.4
Shareholders' equity	3,137	3,390	8.1	3,685	8.7	3,692	0.2
Total equity	3,144	3,396	8.0	3,691	8.7	3,697	0.2
Total liabilities and equity	5,674	6,086	7.3	6,403	5.2	6,485	1.3
Net debt	891	819	-8.0	568	-30.7	385	-32.2
Adjusted Net Debt	NA	726	NA	NA	NA	NA	NA

Key consolidated economic data - financial indicators

Profitability and coverage ratio (%)	2018	2019	LTM20	1H19	1H20
EBITDA margin	20.1	22.6	23.4	19.0	20.7
Adjusted EBITDA margin	19.8	21.9	13.3	18.2	0
EBIT margin	12.2	14.5	15.1	10.9	12.2
Adjusted EBIT margin	-	-	-	-	-
EBITDA/net interest expense (x)	12.2	22.2	13.1	9.9	5.7
EBIT/net interest expense (x)	7.5	14.8	8.5	5.7	3.4
Leverage ratio (x)	31.12.18	30.06.19	31.12.19	30.06.20	
Net debt/EBITDA	1.5	1.3	0.8	0.5	
Adjusted Net Debt/Adjusted EBITDA (x)	1.6	1.2	0.8	-	
Net debt/FFO	2.2	1.5	0.9	0.6	
Net debt/equity	0.3	0.2	0.2	0.1	

Note: NA=not available, NM=not meaningful. Source: Intesa Sanpaolo Research elaboration on company data

CNH Ind.: Credit View UNDER REVIEW

(Moody's Baa3 / Stable , Fitch BBB- / Stable)

	Sen Secured	Sen Unsec	Sub	Hybrid
IG	-	HOLD	-	-
HY	-	-	-	-
Unrated	-	-	-	-

Key credit drivers

- 2Q20 results deteriorated following the adverse Covid-19 impact on the supply chain and market conditions, leading to an EBIT loss of USD 58M reported by Industrial Activities. Industrial net debt remained almost stable qoq to USD 2.3Bn, though leverage increased qoq to 1.8x from 1.2x, due to the EBITDA deterioration. Available liquidity, however, increased to USD 11.5Bn from USD 9.9Bn.
- New 2020 guidance was provided on Industrial Activities: 1) net sales to be down by 15-20% vs 2019; 2) FCF to remain negative in FY20, despite positive cash generation expected in 2H20; 3) available liquidity to remain solid throughout the year.
- On 15.06.20, Fitch cut its Outlook on CNHI to Stable from Positive, expecting a spike in leverage following the Covid-19 outbreak.
- HOLD recommendation confirmed, as we are encouraged by CNHI's proactive approach to protecting its liquidity.

Strengths

- World's fourth-largest capital goods group, and second-largest player globally in AG.
- AG's favourable long-term demand fundamentals.
- Committed to maintaining an IG rating for both the Off-Highway and On-Highway entities after the spin-off.
- Low refinancing risk in 2H20-2022.

Weaknesses

- Material impact expected from Covid-19 pandemic.
- Cyclical and highly capital-intensive businesses.
- Weak profitability in CE/CV segments (EBIT loss in 2Q20).
- Higher investments in R&D and capex planned by 2024.
- Lower scale and diversification expected after the spin-off of the On-Highway segment, likely to be postponed beyond 2021.

Outperformer¹ YTD - Senior Unsecured

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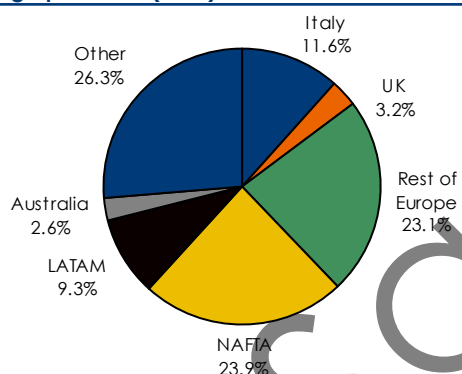
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Underperformance¹ YTD - Senior Unsecured

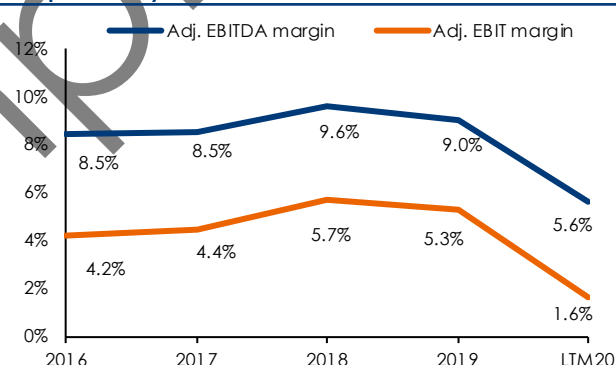
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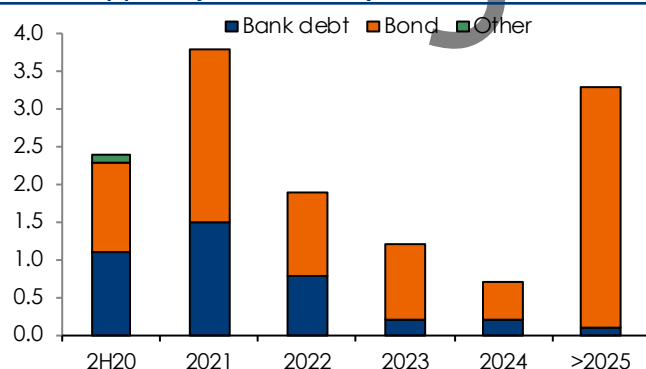
Sales by geographic area (2019)



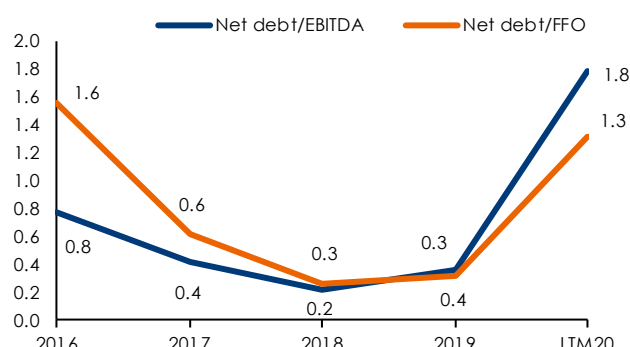
Trend in profitability



Debt maturity profile (EUR Bn, 30.06.20)



Leverage trend (x)



Source: Intesa Sanpaolo Research elaboration on Bloomberg data (bond performance table) and company data (charts)

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1. List of CNH Ind. bonds in Appendix 1 (page 66)

CNH Ind. In Brief

CNH Industrial N.V., through its various brands, designs, produces and sells trucks, commercial vehicles, buses, special vehicles, and agricultural and construction equipment, as well as engines and transmission systems for those vehicles.

Consolidated income statement - main items

(USD M)	2019	LTM20	Chg %	1H19	1H20	Chg %	2Q19	2Q20	Chg %
Sales	26,149	23,218	-11.2	13,074	10,143	-22.4	7,068	5,150	-27.1
EBITDA	2,357	1,296	-45.0	1,293	232	-82.1	768	160	-79.2
Adjusted EBITDA	NA	NA	NA	NA	NA	NA	NA	NA	NA
EBIT	1,390	379	-72.7	805	-206	-125.6	527	-58	-111.0
Adjusted EBIT	NA	NA	NA	NA	NA	NA	NA	NA	NA
Net interest expense	-282	-281	-0.4	-119	-118	-0.8	-66	-59	-10.6
Income (loss) on equity investments	-13	-15	15.4	0	-2	NM	3	7	133.3
Profit before tax	702	100	-85.8	663	61	-90.8	440	248	-43.6
Net profit (loss)	1,454	1,070	-26.4	691	307	-55.6	427	361	-15.5
Net profit (loss) attributable to the Group	1,422	1,036	-27.1	671	285	-57.5	414	350	-15.5

Consolidated cash flow statement - main items

(USD M)	2019	LTM20	Chg %	1H19	1H20	Chg %	2Q19	2Q20	Chg %
FFO	2,630	1,760	-33.1	1,135	265	-76.7	766	286	-62.7
Net change in working capital	-1,289	-1,231	-4.5	-1,296	-1,238	-4.5	-113	114	NM
CFO	1,341	529	-60.6	-161	-973	NM	653	400	-38.7
Capex	-633	-585	-7.6	-180	-132	-26.7	-103	-69	-33.0
FCF	708	-56	-107.9	-341	-1,105	NM	550	331	-39.8
Dividends	-283	-8	-97.2	-278	-5	-98.9	-277	-2	-99.3
Discretionary FCF	425	-64	-115.1	-619	-1,108	79.0	273	329	20.5
RCF	41	-271	NM	-1,142	-1,454	27.3	220	-441	NM
Change in equity	-57	NA	NA	-45	NA	NA	-45	0	-100.0
Change in debt	67	1,853	NM	-12	1,774	NM	-138	1,529	NM
CFF	10	1,841	NM	-57	1,774	NM	-183	1,529	NM
RCF + CFF	51	1,570	NM	-1,199	320	-126.7	37	1,088	NM
Change in liquidity	-26	1,385	NM	-1,223	188	-115.4	55	1,164	NM

Consolidated balance sheet - main items

(USD M)	30.09.19	31.12.19	Chg %	31.03.20	Chg %	30.06.20	Chg %
Intangible assets	3,045	3,173	4.2	3,138	-1.1	2,476	-21.1
Property, plant & equipment	5,190	5,268	1.5	4,885	-7.3	4,447	-9.0
Financial and equity investments	3,244	3,213	-1.0	3,011	-6.3	4,666	55.0
Total non-current assets	NA	NA	NA	NA	NA	NA	NA
Inventory	7,895	6,907	-12.5	7,291	5.6	6,744	-7.5
Trade receivables	423	416	-1.7	344	-17.3	481	39.8
Cash and current financial assets	3,064	4,527	47.7	3,551	-21.6	4,715	32.8
Total current assets	NA	NA	NA	NA	NA	NA	NA
Total assets	27,474	28,050	2.1	26,401	-5.9	27,723	5.0
Long-term debt	6,729	6,558	-2.5	6,817	3.9	7,958	16.7
Provisions for risks and charges	1,356	1,558	14.9	1,450	-6.9	1,448	-0.1
Total non-current liabilities	NA	NA	NA	NA	NA	NA	NA
Short-term debt	NA	NA	NA	NA	NA	NA	NA
Trade payables	5,133	5,490	7.0	4,796	-12.6	4,427	-7.7
Total current liabilities	NA	NA	NA	NA	NA	NA	NA
Minorities	34	35	2.9	36	2.9	38	5.6
Shareholders' equity	6,126	6,121	-0.1	5,622	-8.2	5,925	5.4
Total equity	6,160	6,156	-0.1	5,658	-8.1	5,963	5.4
Total liabilities and equity	27,481	28,050	2.1	26,401	-5.9	27,723	5.0
Net debt	2,392	854	-64.3	2,310	170.5	2,307	-0.1
Adjusted net debt	3,665	2,031	-44.6	3,266	60.8	3,243	-0.7

Key consolidated economic data - financial indicators

Profitability and coverage ratio (%)	2019	LTM20	1H19	1H20	2Q19	2Q20
EBITDA margin	9.0	5.6	9.9	2.3	10.8	3.1
Adjusted EBITDA margin	-	-	-	-	-	-
EBIT margin	5.3	1.6	6.2	-2.0	7.4	-1.1
Adjusted EBIT margin	-	-	-	-	-	-
EBITDA/net interest expense (x)	8.4	4.6	10.9	2.0	11.6	2.7
EBIT/net interest expense (x)	4.9	1.3	6.8	-1.7	8.0	-1.0
Leverage ratio (x)			30.09.19	31.12.19	31.03.20	30.06.20
Net debt/EBITDA			1.0	0.4	1.2	1.8
Adjusted Net Debt/Adjusted EBITDA (x)			-	-	-	-
Net debt/FFO			0.9	0.3	1.0	1.3
Net debt/equity			0.4	0.1	0.4	0.4

Note: NA=not available, NM=not meaningful. Source: Intesa Sanpaolo Research elaboration on company data

Enel: Credit View POSITIVE

(Moody's Baa2 / Positive, Fitch A- /Stable)

	Sen Secured	Sen Unsec	Sub	Hybrid
IG	-	HOLD	-	BUY
HY	-	-	-	-
Unrated	-	-	-	-

Key credit drivers

- Resilient 1H20 EBITDA, slightly above consensus. Net debt rose, partly reflecting working capital absorption for EUR 3.5Bn, of which EUR 2Bn due to Covid-19 effects (in line with guidance provided in May).
- Outlook 2020. Guidance revised downwards, mainly reflecting Latam exposure, with: i) EBITDA "ordinary" at c. EUR 18Bn vs the previous EUR 18.6Bn; ii) net income "ordinary" at EUR 5-5.2Bn vs the previous EUR 5.4Bn; and iii) net debt at EUR 48-49Bn vs the previous EUR 46.8Bn. Implicit net debt/EBITDA ratio at c. 2.7-2.8x. Regarding net debt, out of the EUR 2Bn WC negative trend seen in Q2, EUR 1.2Bn is expected to be recovered by year end.
- BUY recommendations on hybrid bonds in light of the group's solid financial profile and a credit-supportive strategy.

Strengths

- Strong contribution from both regulated and contracted activities (above 75% of FY19 EBITDA).
- High geographical and operational diversification.
- 2020-2022 plan confirms industrial growth in low-risk activities (network and renewables).

Outperformer¹ YTD - Senior Unsecured

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EBITDA breakdown (1H20)

Weaknesses

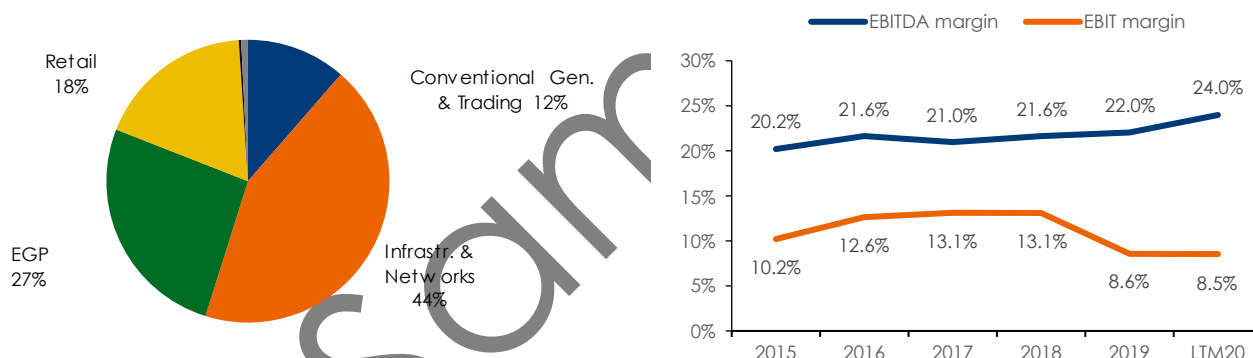
- High exposure to Italy (roughly 40% of EBITDA).
- Generous dividend policy: payout of 70%, with minimum dividends set for 2020, 2021 and 2022.

Underperformance¹ YTD - Senior Unsecured

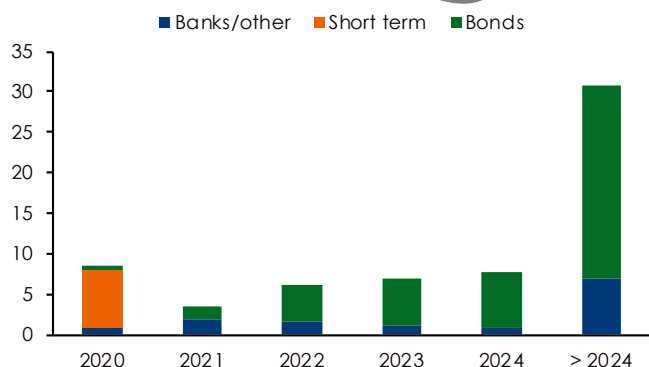
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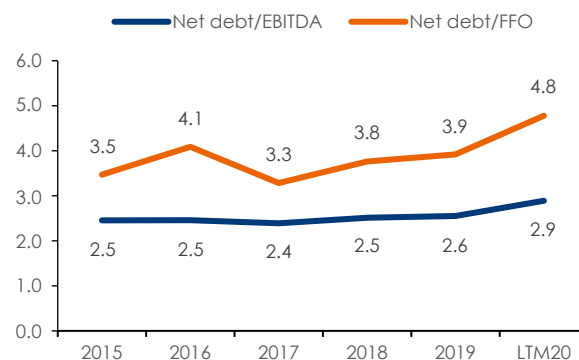
Trend in profitability



Debt maturity profile (EUR Bn, 30.06.20)



Leverage trend (x)



Source: Intesa Sanpaolo Research elaboration on Bloomberg data (bond performance table) and company data (charts)

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1. List of Enel bonds in Appendix 1 (page 66, 67, 74)

Enel In Brief

Enel S.p.A. is a multinational power company and an integrated operator in the electricity and gas sectors, with a particular focus on Europe and Latin America. The company is active in the generation and distribution of energy from conventional and renewable sources. It also provides integrated solutions for electricity and gas products.

Consolidated income statement - main items

(EUR M)	2019	LTM20	Chg %	1H19	1H20	Chg %	2Q19	2Q20	Chg %
Sales	80,327	72,735	-9.5	40,967	33,375	-18.5	20,076	13,390	-33.3
EBITDA	17,704	17,442	-1.5	8,907	8,645	-2.9	4,359	3,937	-9.7
Adjusted EBITDA	17,905	17,936	0.2	8,763	8,794	0.4	4,309	4,053	-5.9
EBIT	6,878	6,208	-9.7	5,213	4,543	-12.9	2,232	1,434	-35.8
Adjusted EBIT	11,096	10,998	-0.9	5,553	5,455	-1.8	5,553	2,321	-58.2
Net interest expense	-2,539	-2,362	-7.0	-1,326	-1,149	-13.3	-655	-513	-21.7
Income (loss) on equity investments	-122	-24	-80.3	-85	13	-115.3	-22	13	-159.1
Profit before tax	4,312	3,862	-10.4	3,887	3,437	-11.6	1,616	949	-41.3
Net profit (loss)	3,476	2,626	-24.5	2,893	2,043	-29.4	1,243	716	-42.4
Net profit (loss) attributable to the Group	2,174	1,906	-12.3	2,215	1,947	-12.1	959	700	-27.0

Consolidated cash flow statement - main items

(EUR M)	2019	LTM20	Chg %	1H19	1H20	Chg %	2Q19	2Q20	Chg %
FFO	11,524	10,549	-8.5	6,848	5,873	-14.2	3,232	2,381	-26.3
Net change in working capital	-273	-1,875	NM	-2,229	-3,831	71.9	-991	-2,392	141.4
CFO	11,251	8,674	-22.9	4,619	2,042	-55.8	2,241	-11	-100.5
Capex	-9,259	-9,122	-1.5	-3,964	-3,827	3.5	-2,092	-1,957	-6.5
FCF	1,992	-448	-122.5	655	-1,785	NM	149	-1,968	NM
Dividends	-3,957	-4,412	11.5	-2,174	-2,629	20.9	-417	-447	7.2
Discretionary FCF	-1,965	-4,860	147.3	-1,519	-4,414	190.6	-268	-2,415	NM
RCF	-1,301	-4,964	NM	-2,016	-5,679	181.7	-703	-3,597	NM
Change in equity	0	0	NM	0	0	NM	0	0	NM
Change in debt	3,743	5,567	48.7	1,072	2,896	170.1	-2,055	1,906	-192.7
CFF	3,743	5,567	48.7	1,072	2,896	170.1	-2,055	1,906	-192.7
RCF + CFF	2,442	603	-75.3	-944	-2,783	194.8	-2,758	-1,691	-38.7
Change in liquidity	2,366	122	-94.8	-913	-3,157	NM	-2,761	-1,778	-35.6

Consolidated balance sheet - main items

(EUR M)	30.09.19	31.12.19	Chg %	31.03.20	Chg %	30.06.20	Chg %
Intangible assets	NA	19,089	NA	NA	NA	108	NA
Property, plant & equipment	NA	79,921	NA	NA	NA	78,418	NA
Financial and equity investments	1,990	1,682	-15.5	1,647	-2.1	1,732	5.2
Total non-current assets	133,910	134,622	0.5	132,438	-1.6	131,723	-0.5
Inventory	2,885	2,531	-12.3	2,559	1.1	2,629	2.7
Trade receivables	13,274	13,803	4.0	12,527	-9.2	11,308	-9.7
Cash and current financial assets	6,753	9,029	33.7	7,642	-15.4	5,840	-23.6
Total current assets	35,748	36,703	2.7	41,751	13.8	35,267	-15.5
Total assets	169,660	171,426	0.9	174,201	1.6	166,995	-4.1
Long-term debt	52,531	54,174	3.1	54,595	0.8	53,623	-1.8
Provisions for risks and charges	17,429	17,409	-0.1	16,161	-7.2	15,921	-1.5
Total non-current liabilities	83,068	83,997	1.1	83,470	-0.6	82,178	-1.5
Short-term debt	8,706	7,326	-15.9	8,367	14.2	4,694	-43.9
Trade payables	11,252	12,960	15.2	11,043	-14.8	9,348	-15.3
Total current liabilities	39,057	40,488	3.7	44,905	10.9	41,447	-7.7
Minorities	16,962	16,561	-2.4	14,968	-9.6	14,188	-5.2
Shareholders' equity	30,869	30,377	-1.6	30,855	1.6	29,180	-5.4
Total equity	47,831	46,983	-1.8	45,823	-2.5	43,368	-5.4
Total liabilities and equity	169,660	171,426	0.9	174,201	1.6	166,995	-4.1
Net debt	46,505	45,175	-2.9	47,097	4.3	50,411	7.0
Adjusted net debt	NA	NA	NA	NA	NA	NA	NA

Key consolidated economic data - financial indicators

Profitability and coverage ratio (%)	2019	LTM20	1H19	1H20	2Q19	2Q20
EBITDA margin	22.0	24.0	21.7	25.9	21.7	29.4
Adjusted EBITDA margin	22.3	24.7	21.4	26.3	21.5	30.3
EBIT margin	8.6	8.5	12.7	13.6	11.1	10.7
Adjusted EBIT margin	13.8	15.1	13.6	16.3	27.7	17.3
EBITDA/net interest expense (x)	7.0	7.4	6.7	7.5	6.7	7.7
EBIT/net interest expense (x)	2.7	2.6	3.9	4.0	3.4	2.8
Leverage ratio (x)			30.09.19	31.12.19	31.03.20	30.06.20
Net debt/EBITDA			2.7	2.6	2.6	2.9
Adjusted Net Debt/Adjusted EBITDA (x)			-	-	-	-
Net debt/FFO			4.0	3.9	4.1	4.8
Net debt/equity			1.0	1.0	1.0	1.2

Note: NA=not available, NM=not meaningful. Source: Intesa Sanpaolo Research elaboration on company data

Eni: Credit View NEUTRAL

(Moody's Baa1 / Stable, Fitch A- / Stable)

	Sen Secured	Sen Unsec	Sub	Hybrid
IG	-	HOLD	-	-
HY	-	-	-	-
Unrated	-	-	-	-

Key credit drivers

- 2Q20 results deteriorated, with an adjusted EBIT loss of EUR 0.4Bn, driven by the Upstream division, which was affected by the combined impact of the Covid-19 pandemic and falling energy prices. Net debt rose by 7% qoq, with leverage up to 1.5x from 1.2x.
- 2020 guidance was further lowered as follows: 1) E&P production down to 1.71-1.76 mboe/d (vs 1.75-1.80 mboe/d); 2) opex cut by EUR 1.2Bn (vs EUR 600M); 3) capex cut by EUR 2.6Bn to EUR 5.2Bn (vs EUR 2.3Bn); 4) CFO down to EUR 6.5Bn at USD 40/bbl Brent (vs EUR 7.3Bn).
- Ratings are at risk of downgrade in case of prolonged oil price weakness.
- HOLD recommendation confirmed, as Eni's bonds are supported by the ECB's CSPP and PEPP programmes.

Strengths

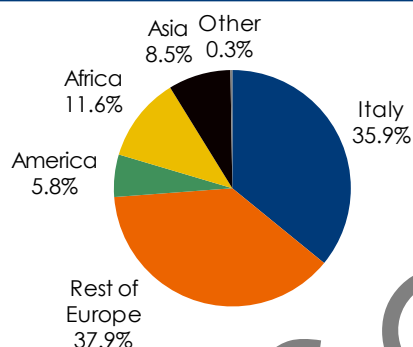
- Fourth-largest oil and gas producer worldwide, and one of Europe's largest gas suppliers.
- Dual exploration model successful.
- Committed to its 2050 decarbonisation strategy in order to reduce its exposure to the hydrocarbon prices volatility.
- Low refinancing risk in 2H20-22.

Outperformer¹ YTD - Senior Unsecured

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Sales by geographic area (1H20)



Weaknesses

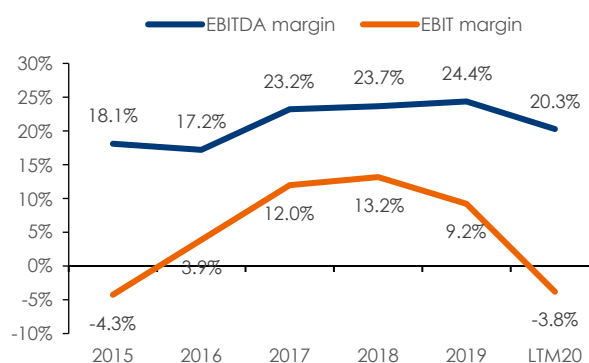
- E&P division highly dependent on high-risk non-OECD countries; moderate exposure to Italy country risk.
- Downstream diversification lower than peers.
- High exposure to oil/gas prices and EUR/USD FX rate.
- Progressive dividend policy.
- Rating constrained by Italy's sovereign rating at Moody's.

Underperformance¹ YTD - Senior Unsecured

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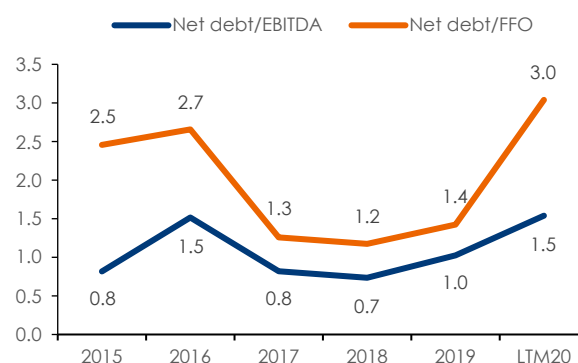
Trend in profitability



Debt maturity profile (EUR Bn, 30.06.20)



Leverage trend (x)



Source: Intesa Sanpaolo Research elaboration on Bloomberg data (bond performance table) and company data (charts)

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1. List of Eni bonds in Appendix 1 (page 67)

Eni In Brief

Eni S.p.A. explores for and produces hydrocarbons in Italy, Africa, the North Sea, the Gulf of Mexico, Kazakhstan and Australia. Eni also generates and trades electricity, refines oil and operates petrol stations.

Consolidated income statement - main items

(EUR M)	2019	LTM20	Chg %	1H19	1H20	Chg %	2Q19	2Q20	Chg %
Sales	69,881	54,931	-21.4	36,980	22,030	-40.4	18,440	8,157	-55.8
EBITDA	17,026	11,140	-34.6	9,064	3,178	-64.9	4,608	1,934	-58.0
Adjusted EBITDA	16,703	12,974	-22.3	8,459	4,730	-44.1	4,238	1,543	-63.6
EBIT	6,432	-2,092	-132.5	4,749	-3,775	-179.5	2,231	-2,680	NM
Adjusted EBIT	8,597	4,837	-43.7	4,633	873	-81.2	2,279	-434	-119.0
Net interest expense	-879	-853	-3.0	-552	-526	-4.7	-316	-118	-62.7
Income (loss) on equity investments	193	-1,332	NM	146	-1,379	NM	49	-489	NM
Profit before tax	5,746	-4,277	-174.4	4,343	-5,680	NM	1,964	-3,287	NM
Net profit (loss)	2,876	667	-76.8	1,554	-655	-142.1	562	-714	NM
Net profit (loss) attributable to the Group	148	-8,703	NM	1,516	-7,335	NM	424	-4,406	NM

Consolidated cash flow statement - main items

(EUR M)	2019	LTM20	Chg %	1H19	1H20	Chg %	2Q19	2Q20	Chg %
FFO	12,026	6,570	-45.4	7,146	1,690	-76.4	3,459	1,400	-59.5
Net change in working capital	366	1,588	NM	-534	688	NM	1,056	3	-99.7
CFO	12,392	8,158	-34.2	6,612	2,378	-64.0	4,515	1,403	-68.9
Capex	-8,376	-6,708	-19.9	-4,236	-2,668	-39.4	-1,997	-978	-51.0
FCF	4,016	1,450	-63.9	2,376	-190	-108.0	2,518	425	-83.1
Dividends	-3,022	-3,081	2.0	-1,478	-1,537	4.0	-1,478	-1,537	4.0
Discretionary FCF	994	-1,631	NM	898	-1,727	NM	1,040	-1,112	NM
RCF	-2,043	-4,869	138.3	926	-1,900	NM	1,024	-978	-195.5
Change in equity	-402	-355	-11.7	-47	0	-100.0	-47	0	-100.0
Change in debt	-2,417	1,210	-150.1	-1,182	2,445	NM	-677	3,881	NM
CFF	-2,819	855	-130.3	-1,229	2,445	NM	-724	3,881	NM
RCF + CFF	-4,862	-4,014	-17.4	-303	545	NM	300	2,903	NM
Change in liquidity	-4,861	-4,027	-17.2	-301	533	NM	294	2,886	NM

Consolidated balance sheet - main items

(EUR M)	30.09.19	31.12.19	Chg %	31.03.20	Chg %	30.06.20	Chg %
Intangible assets	3,189	3,059	-4.1	3,207	4.8	3,086	-3.8
Property, plant & equipment	69,266	67,541	-2.5	67,620	0.1	63,912	-5.5
Financial and equity investments	10,152	9,964	-1.9	9,014	-9.5	8,320	-7.7
Total non-current assets	90,038	88,513	-1.7	87,556	-1.1	83,177	-5.0
Inventory	4,679	4,734	1.2	3,803	-19.7	4,158	9.3
Trade receivables	13,309	12,873	-3.3	12,695	-1.4	10,700	-15.7
Cash and current financial assets	11,591	13,138	13.3	11,443	-12.9	13,139	14.8
Total current assets	32,288	34,909	8.1	32,432	-7.1	31,890	-1.7
Total assets	122,346	123,440	0.9	120,006	-2.8	115,085	-4.1
Long-term debt	28,791	23,669	-17.8	24,506	3.5	27,469	12.1
Provisions for risks and charges	13,859	15,242	10.0	14,495	-4.9	14,890	2.7
Total non-current liabilities	43,694	45,897	5.0	46,397	1.1	50,642	9.1
Short-term debt	6,110	6,497	6.3	5,525	-15.0	5,561	0.7
Trade payables	14,393	15,544	8.0	13,778	-11.4	12,525	-9.1
Total current liabilities	27,181	29,643	9.1	28,224	-4.8	25,604	-9.3
Minorities	58	61	5.2	108	77.0	72	-33.3
Shareholders' equity	51,413	47,839	-7.0	45,277	-5.4	38,767	-14.4
Total equity	51,471	47,900	-6.9	45,385	-5.3	38,839	-14.4
Total liabilities and equity	122,346	123,440	0.9	120,006	-2.8	115,085	-4.1
Net debt	18,517	17,125	-7.5	18,681	9.1	19,971	6.9
Adjusted net debt	23,310	17,028	-26.9	18,588	9.2	19,891	7.0

Key consolidated economic data - financial indicators

Profitability and coverage ratio (%)	2019	LTM20	1H19	1H20	2Q19	2Q20
EBITDA margin	24.4	20.3	24.5	14.4	25.0	23.7
Adjusted EBITDA margin	23.9	23.6	22.9	21.5	23.0	18.9
EBIT margin	9.2	-3.8	12.8	-17.1	12.1	-32.9
Adjusted EBIT margin	12.3	8.8	12.5	4.0	12.4	-5.3
EBITDA/net interest expense (x)	19.4	13.1	16.4	6.0	14.6	16.4
EBIT/net interest expense (x)	7.3	-2.5	8.6	-7.2	7.1	-22.7
Leverage ratio (x)	30.09.19	31.12.19	31.03.20	30.06.20		
Net debt/EBITDA	1.0	1.0	1.2	1.5		
Adjusted Net Debt/Adjusted EBITDA (x)	1.3	1.0	1.2	1.5		
Net debt/FFO	1.5	1.4	2.2	3.0		
Net debt/equity	0.4	0.4	0.4	0.5		

Note: NA=not available, NM=not meaningful. Source: Intesa Sanpaolo Research elaboration on company data

ERG: Credit View NEUTRAL

(Moody's -, Fitch BBB- /Stable)

	Sen Secured	Sen Unsec	Sub	Hybrid
IG	-	BUY	-	-
HY	-	-	-	-
Unrated	-	-	-	-

Key credit drivers

- Despite the tough energy sector scenario due to Covid-19, ERG posted resilient 1H20 results, better than Bloomberg consensus. Adjusted EBITDA was -4% yoy, mainly reflecting the decrease in wind power and hydroelectric power output in Italy and the negative trend in energy prices, along with lower production of energy efficiency certificates pertaining to the CCGT plant.
- Outlook 2020. Guidance confirmed: i) adjusted EBITDA of EUR 480-500M (EUR 504M in 2019); ii) investments of EUR 150-180M; and iii) adjusted net debt in a range of EUR 1.35-1.43Bn. The EBITDA target envisages a decline of c.3% vs full-year 2019, a resilient result, in our view, when considering the current negative energy sector scenario.
- BUY recommendation in light of the solid business mix (c.70% of EBITDA generated from quasi-regulated activities) and strong focus on the renewables sector.

Strengths

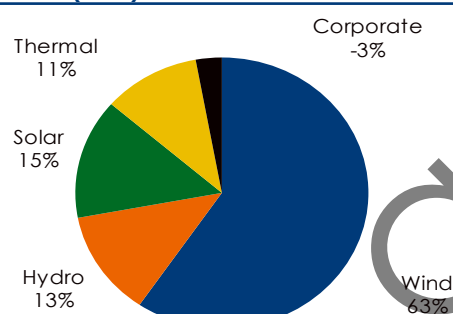
- Leading Italian player in wind generation and among the top players in hydro.
- Diversification in terms of generation sources: programmable (water and gas) and non-programmable (wind and sun).
- Quasi-regulated activities (incentivised electricity generation) represent around 70% of consolidated EBITDA.

Outperformer¹ YTD - Senior Unsecured

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EBITDA breakdown (1H20)



Weaknesses

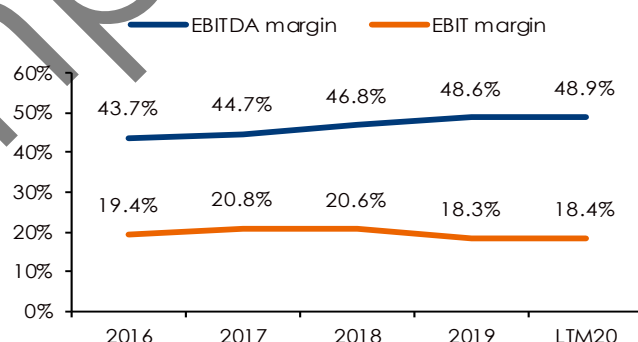
- Sizeable investment plan over 2018-2022, but with limited mandatory capex.
- Declining share of incentives in the medium term, assuming unchanged assets portfolio.
- Exposure to electricity price trends.
- Limited, but increasing, geographical diversification.

Underperformance¹ YTD - Senior Unsecured

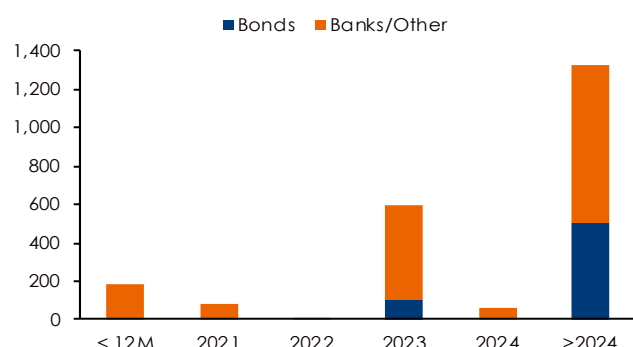
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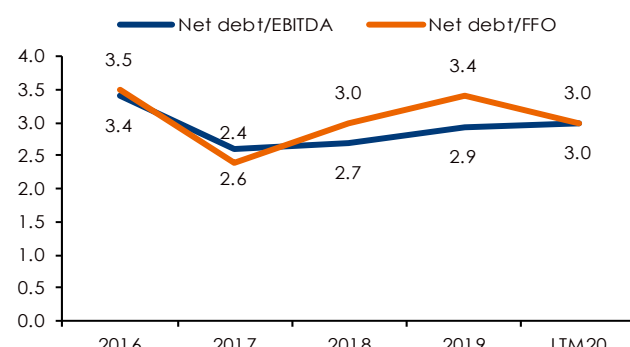
Trend in profitability*



Debt maturity profile (EUR M, 30.06.20)



Leverage trend *(x)



*calculated on adjusted data. Source: Intesa Sanpaolo Research elaboration on Bloomberg data (bond performance table) and company data (charts)

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1. List of ERG bonds in Appendix 1 (page 67)

ERG In Brief

ERG S.p.A. is a producer of energy from renewable sources (wind, solar, hydroelectric and thermoelectric) in Europe. It operates mainly in Italy, France and Germany.

Consolidated income statement - main items

(EUR M)	2019	LTM20	Chg %	1H19	1H20	Chg %	2Q19	2Q20	Chg %
Sales	1,036	1,008	-2.7	537	509	-5.3	237	225	-5.4
EBITDA	496	496	0.0	265	265	0.0	102	108	6.6
Adjusted EBITDA	504	493	-2.1	273	263	-3.8	110	107	-2.7
EBIT	190	186	-2.3	117	112	-3.8	NA	32	NA
Adjusted EBIT	205	190	-7.1	128	114	-11.3	36	32	-11.6
Net interest expense	-61	-54	-12.1	-33	-25	-22.6	-15	-12	-21.1
Income (loss) on equity investments	0	1	NM	-0	0	-133.3	-0	0	-100.0
Profit before tax	144	137	-4.9	95	88	-7.3	21	20	-4.7
Net profit (loss)	105	108	2.9	68	71	4.4	14	18	25.4
Net profit (loss) attributable to the Group	104	106	2.1	68	70	3.3	14	16	20.7

Consolidated cash flow statement - main items

(EUR M)	2019	LTM20	Chg %	1H19	1H20	Chg %	2Q19	2Q20	Chg %
FFO	432	502	16.3	138	208	51.0	11	65	NM
Net change in working capital	0	11	NM	-38	-28	-27.6	47	2	-95.0
CFO	486	567	16.6	99	180	81.4	57	67	17.3
Capex	-68	-83	22.8	-27	-42	-58.2	-14	-25	81.7
FCF	418	483	15.6	73	138	89.8	44	42	-2.9
Dividends	-112	-115	2.0	-112	-114	2.0	-112	-114	2.0
Discretionary FCF	305	369	20.7	-39	24	-162.0	-68	-71	5.2
RCF	332	413	24.7	-111	-29	-74.0	216	-80	-137.0
Change in equity	0	0	NM	0	0	NM	0	0	NM
Change in debt	-257	-149	-42.0	-89	19	-121.0	NA	NA	NA
CFF	-257	-149	-42.0	-89	19	-121.0	NA	NA	NA
RCF + CFF	75	265	NM	-200	-10	-95.0	NA	NA	NA
Change in liquidity	-39	150	NM	-200	-10	-95.0	NA	NA	NA

Consolidated balance sheet - main items

(EUR M)	30.09.19	31.12.19	Chg %	31.03.20	Chg %	30.06.20	Chg %
Intangible assets	1,062	1,111	4.6	1,100	-1.0	1,084	-1.4
Property, plant & equipment	2,375	2,258	-4.9	2,246	-0.6	2,213	-1.4
Financial and equity investments	55	56	2.6	55	-2.5	52	-4.1
Total non-current assets	3,752	3,588	-4.4	3,565	-0.6	3,526	-1.1
Inventory	23	22	-2.7	23	2.7	23	1.4
Trade receivables	299	317	6.0	342	7.9	330	-3.7
Cash and current financial assets	742	676	-8.9	768	13.6	708	-7.8
Total current assets	1,064	1,015	-4.6	1,132	11.6	1,061	-6.3
Total assets	4,816	4,603	-4.4	4,697	2.0	4,586	-2.4
Long-term debt	2,075	2,033	-2.0	2,046	0.6	2,016	-1.4
Provisions for risks and charges	153	139	-9.2	140	0.4	140	0.3
Total non-current liabilities	2,651	2,491	-6.0	2,509	0.7	2,467	-1.7
Short-term debt	236	122	-48.3	139	13.7	195	40.6
Trade payables	64	88	38.1	71	-19.4	59	-16.5
Total current liabilities	415	326	-21.5	350	7.4	388	10.8
Minorities	19	12	-39.3	11	-1.1	11	-6.7
Shareholders' equity	1,731	1,775	2.5	1,827	2.9	1,721	-5.8
Total equity	1,750	1,786	2.1	1,838	2.9	1,731	-5.8
Total liabilities and equity	4,816	4,603	-4.4	4,697	2.0	4,586	-2.4
Net debt	1,569	1,476	-5.9	1,415	-4.1	1,503	6.2
Adjusted net debt	NA	NA	NA	NA	NA	NA	NA

Key consolidated economic data - financial indicators

Profitability and coverage ratio (%)	2019	LTM20	1H19	1H20	2Q19	2Q20
EBITDA margin	47.9	49.2	49.3	52.1	42.9	48.3
Adjusted EBITDA margin	48.6	48.9	50.9	51.7	46.2	47.5
EBIT margin	19.8	18.4	23.9	22.3	15.3	14.3
Adjusted EBIT margin	18.3	18.9	21.7	22.0	0	14.4
EBITDA/net interest expense (x)	8.2	9.2	8.3	10.4	7.2	8.9
EBIT/net interest expense (x)	3.3	3.4	3.9	4.5	2.4	2.7
Leverage ratio (x)	30.09.19	31.12.19	31.03.20	30.06.20		
Net debt/EBITDA	3.2	2.9	2.9	3.0		
Adjusted Net Debt/Adjusted EBITDA (x)	-	-	-	-		
Net debt/FFO	3.5	3.4	3.3	3.0		
Net debt/equity	0.9	0.8	0.8	0.9		

Note: NA=not available, NM=not meaningful. Source: Intesa Sanpaolo Research elaboration on company data

EXOR: Credit View NEUTRAL

(Moody's -, Fitch -)

	Sen Secured	Sen Unsec	Sub	Hybrid
IG	-	HOLD	-	-
HY	-	-	-	-
Unrated	-	-	-	-

Key credit drivers

- In 1H20 EXOR reported a net loss of EUR 1.3Bn (vs a EUR 2.4Bn net profit in 1H19), driven by the COVID-19 pandemic effects on its subsidiaries' performances. Net debt deteriorated to EUR 3.1Bn from EUR 2.6Bn at YE19, mainly due to EUR 391M of investments and EUR 100M in dividend payments, partially offset by EUR 95M in dividends received from subsidiaries.
- As the severity of the COVID-19 outbreak remains uncertain, EXOR cannot reasonably estimate the overall impact it will have on its results as well as on its subsidiaries' performances in 2020. EXOR plans around EUR 1.5Bn (up to approx. EUR 2.3Bn including EUR 0.8Bn special dividends to be distributed by FCA prior to the merger with PSA) to be used for acquisitions by 2022.
- Committed to maintaining the current IG rating, with a loan-to-value (LTV) below 20%.
- HOLD recommendation confirmed, as EXOR's notes trade almost in line with the iBoxx Corporate index for BBB-rated bonds.

Strengths

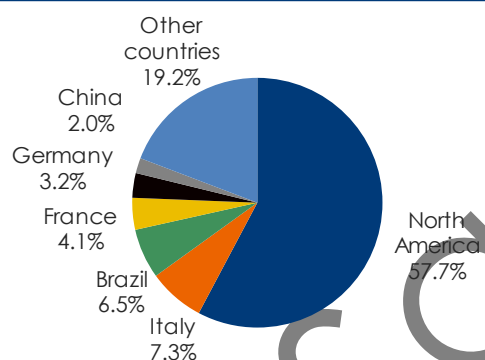
- One of Europe's leading investment companies; 53%-owned by the Agnelli family.
- NAV could benefit from extraordinary deals on FCA and CNHI.
- Operating subsidiaries' debt is non-recourse and not cross-defaulted with EXOR's debt.

Outperformer¹ YTD - Senior Unsecured

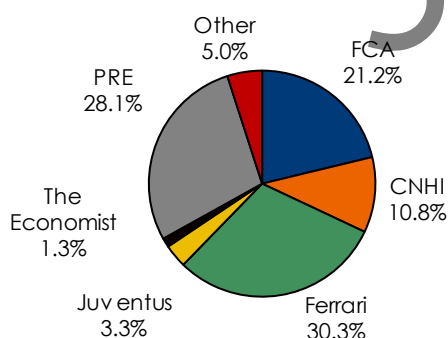
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Sales by geographic area (2019)



Estimated GAV by investments (prices at market close on 24.09.20)



Weaknesses

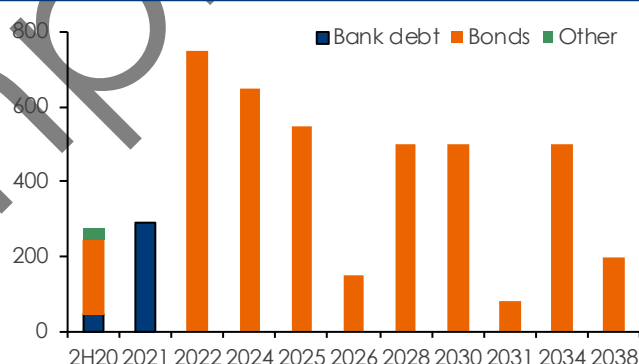
- Presence in cyclical and capital-intensive businesses, mitigated by reinsurance business (PRE).
- High exposure to North America (58% of 2019 sales).
- M&A risks, but proven track record of disciplined use of capital.
- Equity market volatility could result in LTV above 20%.

Underperformance¹ YTD - Senior Unsecured

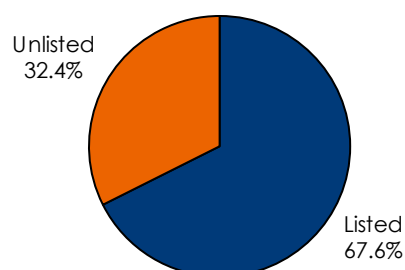
EXOIM 1 3/4 10/14/34

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Holdings' debt repayment schedule (EUR M, 30.06.20)



Estimated GAV by listed investments (prices at close of 24.09.20)



Source: Intesa Sanpaolo Research elaboration on Bloomberg data (bond performance table) and company data (charts)

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1. List of EXOR bonds in Appendix 1 (page 67)

EXOR In Brief

EXOR N.V. operates as an investment firm. The company makes medium to long-term investments focused on global companies in diversified sectors.

Consolidated income statement - main items

(EUR M)	2018	2019	Chg %	LTM20	Chg %	1H19	1H20	Chg %
Shares of profit/loss in equity investments	1,437	3,033	111.1	-645	-121.3	2,417	-1,261	-152.2
Dividends from investments	0	0	NM	0	NM	0	0	NM
Net gains/losses on disposals and write-downs	-1	NA	NA	NA	NA	NA	NA	NA
Net financial charges/income (NFC)	-65	44	-167.7	-60	NM	17	-87	NM
Non-recurring other income/expenses	-3	-1	-66.7	37	NM	0	38	NM
Net general expenses and other taxes/duties	-20	-21	5.0	-22	4.8	-7	-8	14.3
Consolidated profit before income taxes	1,348	3,055	126.6	-690	-122.6	2,427	-1,318	-154.3
Consolidated net profit	1,347	3,053	126.7	-692	-122.7	2,427	-1,318	-154.3

Consolidated cash flow statement - main items

(EUR M)	2018	2019	Chg %	LTM20	Chg %	1H19	1H20	Chg %
Dividends received	138	1,179	NM	215	-81.8	1,059	95	-91.0
Investments	-22	-274	NM	-615	124.5	-50	-391	NM
Sales/redemption	32	NA	NA	NA	NA	0	0	NM
Reimbursements of reserves	NA	NA	NA	NA	NA	NA	NA	NA
Dividends distributed	-82	-100	21.8	-100	0.0	-100	-100	0.0
Shares buy-back	-62	-207	NM	NA	NA	-196	NA	NA
Interest income on FCA's MCB	NA	NA	NA	NA	NA	NA	NA	NA
Net financial charges	-65	44	-167.7	NA	NA	NA	NA	NA
Net general expenses	-17	-16	-5.9	NA	NA	NA	NA	NA
Other	-13	-2	-84.6	-77	NM	21	-54	NM
Change in NFP	-91	624	NM	-560	-189.7	734	-450	-161.3
Initial NFP	-3,164	-3,255	2.9	-2,521	-22.5	-3,255	-2,631	-19.2
Final NFP	-3,255	-2,631	-19.2	-3,081	17.1	-2,521	-3,081	22.2

Consolidated balance sheet statement - main items

(EUR M)	31.12.18	30.06.19	Chg %	31.12.19	Chg %	30.06.20	Chg %
Equity investments at equity method	15,393	16,802	9.2	17,551	4.5	16,271	-7.3
Equity investments at fair value	55	88	60.0	78	-11.4	241	NM
Other financial assets	NA	NA	NA	NA	NA	NA	NA
Total non-current assets	15,465	16,908	9.3	17,656	4.4	16,484	-6.6
Total current assets	267	792	196.6	789	-0.4	1,370	73.6
Total assets	15,732	17,700	12.5	18,445	4.2	17,854	-3.2
Medium/long-term financial debt	3,236	3,275	1.2	3,391	3.5	3,883	14.5
Short-term financial debt	286	38	-86.7	29	-23.7	568	NM
Total financial debt	3,522	3,313	-5.9	3,420	3.2	4,451	30.1
Equity	12,210	14,387	17.8	15,025	4.4	13,403	-10.8
Total liabilities and equity	15,732	17,700	12.5	18,445	4.2	17,854	-3.2

Gross asset value and net asset value

(EUR M)	31.12.18	30.06.19	Chg %	31.12.19	Chg %	30.06.20	Chg %
Equity investments	20,326	23,345	14.9	25,746	10.3	21,643	-15.9
Financial investments	NA	NA	NA	NA	NA	NA	NA
Cash and cash equivalents	267	792	196.6	789	-0.4	1,370	73.6
Treasury shares	167	161	-3.6	167	3.7	151	-9.6
Gross asset value (GAV)	20,760	24,298	17.0	26,702	9.9	23,164	-13.2
Gross financial debt	3,522	3,313	-5.9	3,420	3.2	4,451	30.1
Net asset value (NAV)	17,238	20,985	21.7	23,282	10.9	18,713	-19.6
Loan-to-value (%)	15.9	10.7	-32.5	10.2	-5.3	14.1	39.2

Note: NA=not available, NM=not meaningful. Source: Intesa Sanpaolo Research elaboration on company data

FCA: Credit View NEUTRAL

(Moody's Ba1/* , Fitch BBB- /Stable)

	Sen Secured	Sen Unsec	Sub	Hybrid
IG	-	-	-	-
HY	-	HOLD	-	-
Unrated	-	-	-	-

Key credit drivers

- 2Q20 results sharply deteriorated, as global deliveries declined by 65%, affected by the Covid-19 pandemic. The group reported an EBIT loss of EUR 0.9Bn, driven by all segments, except NAFTA, where EBIT slumped by 98% to nearly break-even. Industrial Activities' FCF was negative by EUR 4.9Bn in 2Q20 (EUR -10Bn in 1H20), with industrial net debt up to EUR 5.1Bn from EUR -1M at 31.03.20.
- No 2020 guidance was provided, due to uncertainty driven by the Covid-19 outbreak, though FCA expects a strong recovery in 2H20 vs 1H20, driven by NAFTA. FCA plans to cut capex by EUR 1Bn to EUR 8-8.5Bn and operating costs by above EUR 2Bn in 2020. The 50/50 merger with PSA was confirmed to occur by 1Q21, with the special dividend cut to EUR 2.9Bn from EUR 5.5Bn previously.
- On 28 May, Moody's changed FCA's Outlook to Developing from Under Review, balancing the current challenges faced by the automotive industry with the potential higher rating of the combined FCA and PSA entity compared with FCA's standalone rating.
- HOLD recommendation confirmed, as we believe that rating upgrade potential to IG for FCA's bonds is now delayed to 2021.

Strengths

- The world's eighth-largest car-maker, leader in Italy, second-largest in Brazil, and fourth-largest in the US.
- Favourable mix in NAFTA skewed to high-margin light trucks.
- Merger with PSA is credit positive, with an IG rating expected for the combined entity in 2021.

Weaknesses

- Downturn of the automotive market due to Covid-19 outbreak.
- Exposure to cyclical demand, high capital intensity, price competition and cost pressures.
- Profit concentration on NAFTA markets.
- Rising investments in new technologies/low emission vehicles.

Outperformer¹ YTD - Senior Unsecured

FCAIM 4 1/2 07/07/28

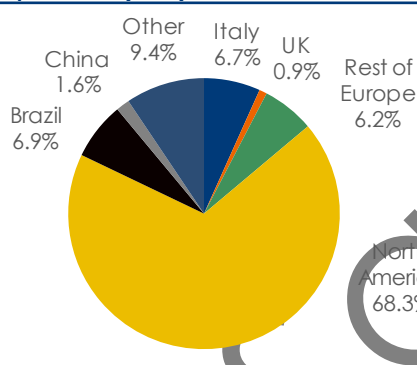
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Underperformance¹ YTD - Senior Unsecured

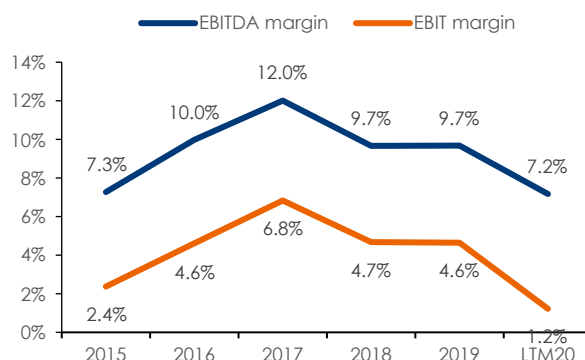
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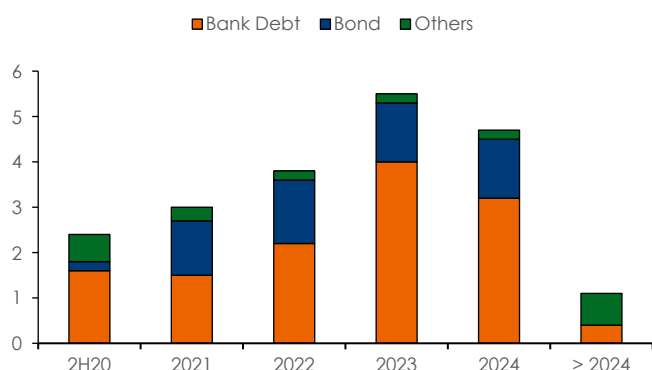
Sales by geographic area (2019)



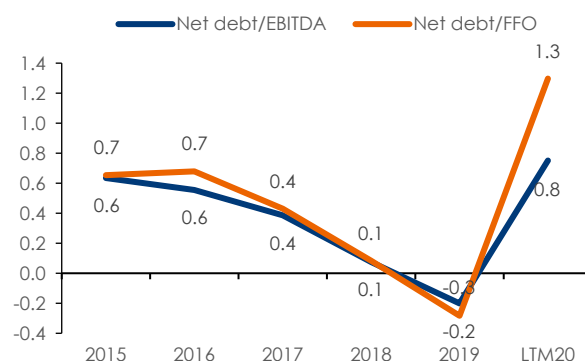
Trend in profitability



Debt maturity profile (EUR Bn, 30.06.20)



Leverage trend (x)



Source: Intesa Sanpaolo Research elaboration on Bloomberg data (bond performance table) and company data (charts)

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1. List of FCA bonds in Appendix 1 (page 69)

FCA In Brief

Fiat Chrysler Automobiles N.V. manufactures and markets automobiles and commercial vehicles. The company also produces metallurgical products and production systems for the automobile industry.

Consolidated income statement - main items

(EUR M)	2019	LTM20	Chg %	1H19	1H20	Chg %	2Q19	2Q20	Chg %
Sales	108,187	89,239	-17.5	51,222	32,274	-37.0	26,741	11,707	-56.2
EBITDA	10,471	6,399	-38.9	5,075	1,003	-80.2	2,728	324	-88.1
Adjusted EBITDA	12,113	8,507	-29.8	5,335	1,729	-67.6	2,885	342	-88.1
EBIT	5,026	1,090	-78.3	2,334	-1,602	-168.6	1,370	-946	-169.1
Adjusted EBIT	6,668	3,198	-52.0	2,594	-876	-133.8	1,527	-928	-160.8
Net interest expense	-1,005	-951	-5.4	-504	-450	-10.7	-260	-237	-8.8
Income (loss) on equity investments	209	166	-20.6	116	73	-37.1	58	31	-46.6
Profit before tax	4,021	139	-96.5	1,830	-2,052	NM	1,110	-1,183	NM
Net profit (loss)	6,630	-1,383	-120.9	5,271	-2,742	-152.0	4,652	-1,048	-122.5
Net profit (loss) attributable to the Group	6,622	-1,377	-120.8	5,265	-2,734	-151.9	4,650	-1,038	-122.3

Consolidated cash flow statement - main items

(EUR M)	2019	LTM20	Chg %	1H19	1H20	Chg %	2Q19	2Q20	Chg %
FFO	8,593	4,926	-42.7	3,029	-638	-121.1	1,308	-1,371	NM
Net change in working capital	1,869	-4,247	NM	722	-5,394	NM	1,373	-1,841	NM
CFO	10,462	679	-93.5	3,751	-6,032	NM	3,052	-3,212	NM
Capex	-8,385	-9,047	7.9	-3,330	-3,992	19.9	-1,954	-1,665	-14.8
FCF	2,077	-8,368	NM	421	-10,024	NM	1,211	-4,877	NM
Dividends	-3,056	NA	NA	-3,056	NA	NA	-3,051	0	-100.0
Discretionary FCF	-979	-8,368	NM	-2,635	-10,024	NM	-1,840	-4,877	165.1
RCF	4,421	-7,270	NM	2,772	-8,919	NM	3,044	-4,720	NM
Change in equity	NA	NA	NA	NA	NA	NA	0	0	NM
Change in debt	-2,771	5,907	NM	-630	8,048	NM	128	6,724	NM
CFF	-2,771	5,907	NM	-630	8,048	NM	-2,880	6,724	NM
RCF + CFF	1,650	-1,363	-182.6	2,142	-871	-140.7	3,220	2,004	-37.8
Change in liquidity	1,862	-1,479	-179.4	2,237	-1,104	-149.4	3,084	1,778	-42.3

Consolidated balance sheet - main items

(EUR M)	30.09.19	31.12.19	Chg %	31.03.20	Chg %	30.06.20	Chg %
Intangible assets	26,819	26,704	-0.4	27,152	1.7	27,014	-0.5
Property, plant & equipment	28,287	28,608	1.1	28,511	-0.3	28,063	-1.6
Financial and equity investments	2,443	2,349	-3.8	2,284	-2.8	2,200	-3.7
Total non-current assets	62,486	63,112	1.0	62,469	-1.0	61,632	-1.3
Inventory	11,474	9,722	-15.3	11,368	16.9	9,639	-15.2
Trade receivables	7,137	6,628	-7.1	5,525	-16.6	5,251	-5.0
Cash and current financial assets	16,449	15,684	-4.7	13,289	-15.3	14,719	10.8
Total current assets	37,939	34,556	-8.9	32,730	-5.3	31,670	-3.2
Total assets	100,476	98,044	-2.4	95,515	-2.6	93,608	-2.0
Long-term debt	15,527	13,219	-14.9	14,893	12.7	21,161	42.1
Provisions for risks and charges	24,103	23,056	-4.3	22,820	-1.0	21,093	-7.6
Total non-current liabilities	NA	NA	NA	NA	NA	NA	NA
Short-term debt	NA	NA	NA	NA	NA	NA	NA
Trade payables	21,585	21,616	0.1	20,498	-5.2	15,957	-22.2
Total current liabilities	NA	NA	NA	NA	NA	NA	NA
Minorities	135	138	2.2	135	-2.2	124	-8.1
Shareholders' equity	27,471	28,537	3.9	26,385	-7.5	24,776	-6.1
Total equity	27,606	28,675	3.9	26,520	-7.5	24,900	-6.1
Total liabilities and equity	100,476	98,044	-2.4	95,515	-2.6	93,608	-2.0
Net debt	-1,015	-2,434	139.8	1,663	-168.3	6,390	NM
Adjusted net debt	-3,652	-4,869	33.3	-1	-100.0	5,107	NM

Key consolidated economic data - financial indicators

	2019	LTM20	1H19	1H20	2Q19	2Q20
Profitability and coverage ratio (%)						
EBITDA margin	9.7	7.2	9.9	3.1	10.2	2.8
Adjusted EBITDA margin	11.2	9.5	10.4	5.4	10.8	2.9
EBIT margin	4.6	1.2	4.6	-5.0	5.1	-8.1
Adjusted EBIT margin	6.2	3.6	5.1	-2.7	5.7	-7.9
EBITDA/net interest expense (x)	10.4	6.7	10.1	2.2	10.5	1.4
EBIT/net interest expense (x)	5.0	1.1	4.6	-3.6	5.3	-4.0
Leverage ratio (x)			30.09.19	31.12.19	31.03.20	30.06.20
Net debt/EBITDA			-0.1	-0.2	0.2	0.8
Adjusted Net Debt/Adjusted EBITDA (x)			-0.3	-0.4	-0.0	0.6
Net debt/FFO			-0.1	-0.3	0.2	1.3
Net debt/equity			-0.0	-0.1	0.1	0.3

Note: NA=not available, NM=not meaningful. Source: Intesa Sanpaolo Research elaboration on company data

Hera: Credit View POSITIVE

(Moody's Baa2 / Stable , Fitch)

	Sen Secured	Sen Unsec	Sub	Hybrid
IG	-	HOLD	-	-
HY	-	-	-	-
Unrated	-	-	-	-

Key credit drivers

- 1H20 results broadly in line with consensus expectations. The health emergency impacted all business areas, by roughly EUR 30M overall, entirely due to non-recurring effects, according to Hera, and in line with its previous indications. This negative effect was more than offset by the consolidation of EstEnergy Group (following the partnership with Ascopiave) and improved efficiencies.
- Outlook 2020. Hera confirmed previously provided guidance for a limited impact from Covid 19, with: i) a c.EUR 30M negative impact on EBITDA vs the pre-Covid target, which should be more than offset by efficiency gains, organic growth, and potential synergies from M&A; and ii) a EUR 50-100M impact on working capital, before company actions, mainly due to delays to the payment of bills.
- HOLD recommendation confirmed in light of current spread and of resilient business.

Strengths

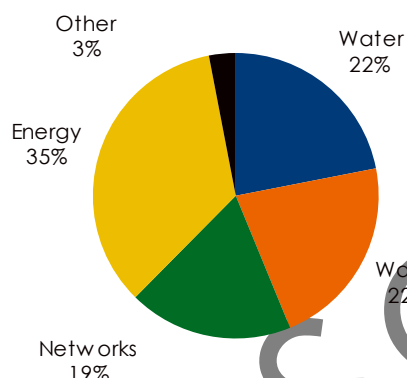
- Diversified business mix.
- Predictable and stable cash flows from regulated activities (c. 51% of total FY19 EBITDA).
- 2019-2023 BP focuses on regulated activities (73% of total capex devoted to this area).

Outperformer¹ YTD - Senior Unsecured

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EBITDA breakdown (1H20)



Weaknesses

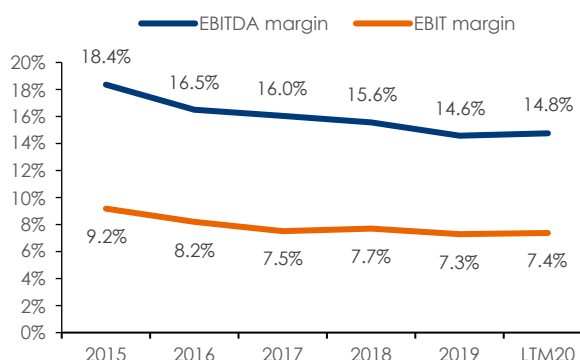
- High exposure to Italy country risk, given entirely domestic operations.
- Potential deterioration of working capital, due to delays to the payment of bills related to the current Covid-19 crisis.
- Margins under pressure in liberalised business: eg, energy sale.

Underperformance¹ YTD - Senior Unsecured

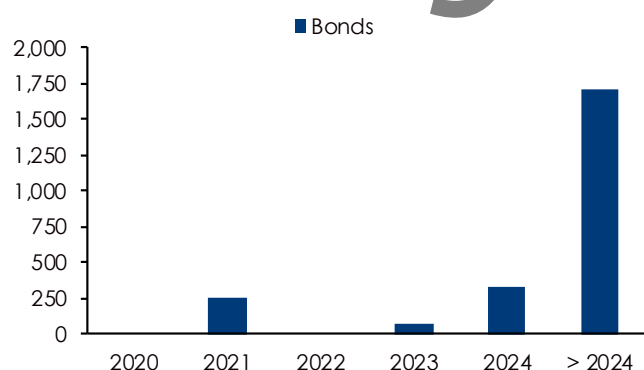
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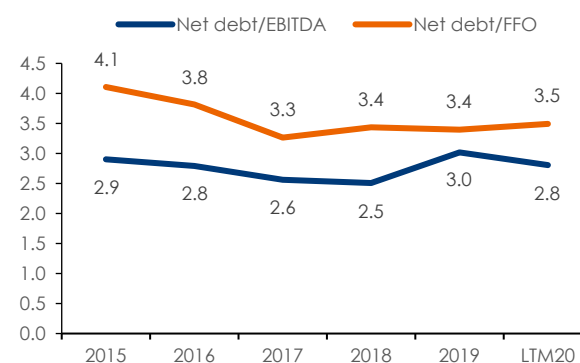
Trend in profitability



Debt maturity profile (EUR M, 30.06.20)



Leverage trend (x)



Source: Intesa Sanpaolo Research elaboration on Bloomberg data (bond performance table) and company data (charts)

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1. List of Hera bonds in Appendix 1 (page 67)

Hera In Brief

Hera S.p.A. owns municipal utility companies in northern Italy. The company distributes electricity, methane gas and water, operates sewers and treats wastewater, offers district heating, manages public lighting, and collects and disposes of municipal waste.

Consolidated income statement - main items

(EUR M)	2019	LTM20	Chg %	1H19	1H20	Chg %	2Q19	2Q20	Chg %
Sales	7,444	7,448	0.1	3,621	3,625	0.1	1,559	1,460	-6.4
EBITDA	1,085	1,099	1.3	546	560	2.5	215	211	-2.1
Adjusted EBITDA	NA	NA	NA	NA	NA	NA	NA	NA	NA
EBIT	543	549	1.3	289	296	2.4	84	84	0.1
Adjusted EBIT	NA	NA	NA	NA	NA	NA	NA	NA	NA
Net interest expense	-139	-148	6.1	-51	-60	16.5	-25	-28	14.6
Income (loss) on equity investments	13	10	-24.6	7	4	-47.1	1	1	-46.2
Profit before tax	443	438	-1.0	244	240	-1.8	60	57	-6.0
Net profit (loss)	402	403	0.2	174	175	0.5	44	45	0.7
Net profit (loss) attributable to the Group	386	386	0.0	166	166	0.0	42	42	0.2

Consolidated cash flow statement - main items

(EUR M)	2019	LTM20	Chg %	1H19	1H20	Chg %	2Q19	2Q20	Chg %
FFO	964	883	-8.4	483	402	-16.8	200	119	-40.4
Net change in working capital	-142	42	-129.6	-99	85	-186.6	31	202	NM
CFO	822	925	12.5	385	487	26.7	231	322	39.3
Capex	-533	-522	-2.1	-215	-203	-5.3	-118	-108	-8.4
FCF	289	403	39.4	170	284	67.0	113	213	89.3
Dividends	-162	-13	-91.9	-151	-3	-98.2	-151	-3	-98.2
Discretionary FCF	128	390	NM	19	281	NM	-38	211	NM
RCF	-40	227	NM	-8	259	NM	-40	227	NM
Change in equity	31	-11	-133.5	20	-22	NM	14	-14	NM
Change in debt	-163	-131	-19.7	72	105	44.3	-18	-10	-44.9
CFF	-131	-141	7.4	92	82	-10.5	-4	-24	NM
RCF + CFF	-172	86	-150.2	84	342	NM	-44	203	NM
Change in liquidity	-172	86	-150.2	84	342	NM	-44	203	NM

Consolidated balance sheet - main items

(EUR M)	30.09.19	31.12.19	Chg %	31.03.20	Chg %	30.06.20	Chg %
Intangible assets	3,747	4,593	22.6	4,609	0.3	4,636	0.6
Property, plant & equipment	2,026	1,998	-1.6	1,975	-0.9	1,951	-1.2
Financial and equity investments	276	279	1.0	310	11.3	320	3.0
Total non-current assets	6,339	7,177	13.2	7,215	0.5	7,219	0.1
Inventory	182	177	-3.0	137	-22.5	171	24.8
Trade receivables	1,739	2,065	18.8	2,186	5.8	1,747	-20.1
Cash and current financial assets	784	434	-44.6	575	32.5	754	31.0
Total current assets	3,163	3,188	0.7	3,512	10.2	3,175	-9.6
Total assets	9,562	10,363	8.4	10,727	3.5	10,394	-3.1
Long-term debt	2,971	3,532	18.9	3,541	0.2	3,522	-0.5
Provisions for risks and charges	483	522	8.0	525	0.7	519	-1.2
Total non-current liabilities	3,704	4,363	17.8	4,368	0.1	4,335	-0.8
Short-term debt	690	325	-52.9	425	30.7	467	10.0
Trade payables	1,206	1,392	15.4	1,228	-11.8	1,088	-11.4
Total current liabilities	2,948	2,990	1.4	3,264	9.2	3,061	-6.2
Minorities	195	202	3.6	207	2.5	185	-10.3
Shareholders' equity	2,716	2,809	3.4	2,888	2.8	2,813	-2.6
Total equity	2,910	3,010	3.4	3,094	2.8	2,999	-3.1
Total liabilities and equity	9,562	10,363	8.4	10,727	3.5	10,394	-3.1
Net debt	2,741	3,274	19.5	3,229	-1.4	3,084	-4.5
Adjusted net debt	NA	NA	NA	NA	NA	NA	NA

Key consolidated economic data - financial indicators

Profitability and coverage ratio (%)	2019	LTM20	1H19	1H20	2Q19	2Q20
EBITDA margin	14.6	14.8	15.1	15.4	13.8	14.4
Adjusted EBITDA margin	-	-	-	-	-	-
EBIT margin	7.3	7.4	8.0	8.2	5.4	5.8
Adjusted EBIT margin	-	-	-	-	-	-
EBITDA/net interest expense (x)	7.8	7.4	10.6	9.3	8.7	7.5
EBIT/net interest expense (x)	3.9	3.7	5.6	4.9	3.4	3.0
Leverage ratio (x)	30.09.19	31.12.19	31.03.20	30.06.20		
Net debt/EBITDA	2.6	3.0	2.9	2.8		
Adjusted Net Debt/Adjusted EBITDA (x)	-	-	-	-		
Net debt/FFO	3.2	3.4	3.4	3.5		
Net debt/equity	0.9	1.1	1.0	1.0		

Note: NA=not available, NM=not meaningful. Source: Intesa Sanpaolo Research elaboration on company data

IGT: Credit View NEUTRAL

(Moody's Ba3 / Negative , Fitch -)

	Sen Secured	Sen Unsec	Sub	Hybrid
IG	-	-	-	-
HY	BUY	-	-	-
Unrated	-	-	-	-

Key credit drivers

- IGT's 2Q20 results deteriorated, with lower EBITDA margins yoy and higher leverage qoq, driven by the global lockdowns caused by the Covid-19 pandemic, but partly offset by progressive easing of restrictions during the quarter and cost-saving initiatives.
- No 2020 guidance was given after its withdrawal in 1Q20 due to Covid-19 uncertainty. A gradual recovery is expected in 2H20, with positive FCF in 4Q20/FY20. IGT is on track with its USD 500M target in opex and capex savings in 2020, of which USD 200M structural.
- Ratings are at risk of further downgrade at Moody's in case IGT's earnings decline is deeper or more prolonged than expected because of actions to contain the spread of the virus or reductions in discretionary consumer spending.
- BUY recommendation confirmed, as IGT's bonds still offer some decent ASW pick-up against the iBoxx NFI BB index.

Strengths

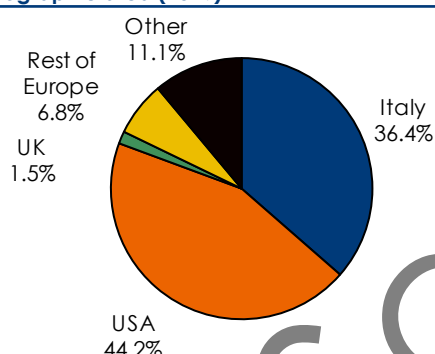
- Global leader in lottery and gaming equipment.
- Wide geographic and product diversification, industry-leading profitability. Approx 80% of its sales is recurring.
- Well-established government relationship, high level of contract retention, and high entry barriers.

Outperformer¹ YTD - Senior Secured

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Sales by geographic area (2019)



Weaknesses

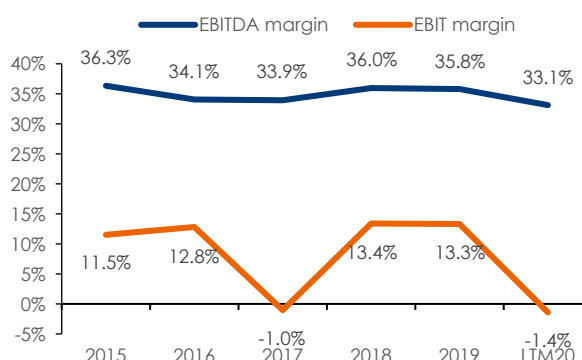
- Sharp deterioration of 2Q20 results due to Covid-19 restrictions.
- Mature and capital-intensive lottery business in Italy.
- Some profit concentration in Italy (45% of total), exposed to changes in gaming taxes and regulation.
- Weak VLT replacement cycle in the US.

Underperformance¹ YTD - Senior Secured

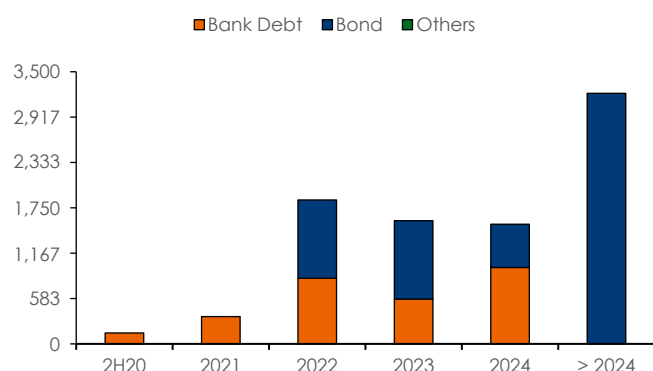
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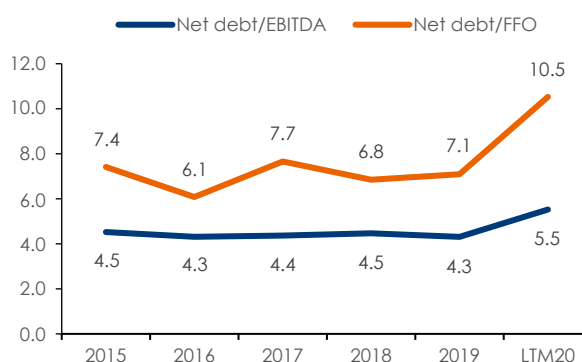
Trend in profitability



Debt maturity profile (EUR M, 30.06.20)



Leverage trend (x)



Source: Intesa Sanpaolo Research elaboration on Bloomberg data (bond performance table) and company data (charts)

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1. List of IGT bonds in Appendix 1 (page 72)

IGT In Brief

International Game Technology PLC designs, develops, manufactures and distributes computerised gaming equipment, software and network systems. The company also provides maintenance services.

Consolidated income statement - main items

(USD M)	2019	LTM20	Chg %	1H19	1H20	Chg %	2Q19	2Q20	Chg %
Sales	4,786	3,984	-16.7	2,379	1,578	-33.7	1,234	637	-48.4
EBITDA	1,713	1,320	-23.0	870	477	-45.2	454	168	-62.9
Adjusted EBITDA	NA	NA	NA	NA	NA	NA	NA	NA	NA
EBIT	637	-56	-108.8	402	-291	-172.5	224	-94	-142.1
Adjusted EBIT	NA	NA	NA	NA	NA	NA	NA	NA	NA
Net interest expense	-410	-399	-2.6	-207	-196	-5.2	-104	-96	-8.0
Income (loss) on equity investments	NA	NA	NA	NA	NA	NA	NA	NA	NA
Profit before tax	285	-475	NM	235	-524	NM	102	-293	NM
Net profit (loss)	112	-524	NM	119	-516	NM	39	-282	NM
Net profit (loss) attributable to the Group	-19	-592	NM	45	-528	NM	5	-280	NM

Consolidated cash flow statement - main items

(USD M)	2019	LTM20	Chg %	1H19	1H20	Chg %	2Q19	2Q20	Chg %
FFO	1,041	692	-33.5	561	212	-62.2	289	34	-88.3
Net change in working capital	52	134	157.5	31	113	NM	156	134	-14.1
CFO	1,093	827	-24.4	592	325	-45.1	445	168	-62.3
Capex	-442	-371	-16.0	-231	-160	-30.7	-112	-60	-45.9
FCF	651	455	-30.1	361	165	-54.3	333	107	-67.8
Dividends	-164	-123	-25.0	-82	-41	-50.0	-82	-41	-50.0
Discretionary FCF	488	333	-31.8	279	124	-55.5	252	66	-73.6
RCF	617	411	-33.5	347	140	-59.6	315	66	-79.1
Change in equity	-234	-125	-46.8	-199	-89	-55.0	-186	-76	-59.2
Change in debt	21	597	NM	1	577	NM	-21	-97	NM
CFF	-213	472	NM	-198	487	NM	-207	-172	-16.8
RCF + CFF	405	883	118.2	149	627	NM	108	-106	-198.2
Change in liquidity	382	873	128.2	145	636	NM	121	-88	-172.8

Consolidated balance sheet - main items

(USD M)	30.09.19	31.12.19	Chg %	31.03.20	Chg %	30.06.20	Chg %
Intangible assets	7,408	7,287	-1.6	6,904	-5.3	6,873	-0.4
Property, plant & equipment	1,781	1,794	0.8	1,743	-2.9	1,691	-3.0
Financial and equity investments	NA	NA	NA	NA	NA	NA	NA
Total non-current assets	11,163	11,011	-1.4	10,475	-4.9	10,356	-1.1
Inventory	254	162	-36.3	182	12.5	173	-4.9
Trade receivables	900	1,006	11.8	631	-37.3	860	36.4
Cash and current financial assets	542	683	22.2	1,458	119.9	1,347	-7.6
Total current assets	2,438	2,634	8.1	3,046	15.6	3,138	3.0
Total assets	13,600	13,645	0.3	13,520	-0.9	13,493	-0.2
Long-term debt	7,781	7,911	1.7	8,454	6.9	8,508	0.6
Provisions for risks and charges	NA	NA	NA	NA	NA	NA	NA
Total non-current liabilities	8,622	8,691	0.8	9,181	5.6	9,218	0.4
Short-term debt	448	465	3.8	491	5.5	438	-10.9
Trade payables	1,069	1,121	4.8	897	-19.9	1,104	23.0
Total current liabilities	2,361	2,468	4.5	2,231	-9.6	2,481	11.2
Minorities	NA	827	NA	NA	NA	NA	NA
Shareholders' equity	NA	1,658	NA	NA	NA	NA	NA
Total equity	2,617	2,485	-5.0	2,108	-15.2	1,794	-14.9
Total liabilities and equity	13,600	13,645	0.3	13,520	-0.9	13,493	-0.2
Net debt	7,354	7,382	0.4	7,170	-2.9	7,289	1.7
Adjusted net debt	NA	NA	NA	NA	NA	NA	NA

Key consolidated economic data - financial indicators

Profitability and coverage ratio (%)	2019	LTM20	1H19	1H20	2Q19	2Q20
EBITDA margin	35.8	33.1	36.6	30.2	36.8	26.4
Adjusted EBITDA margin	-	-	-	-	-	-
EBIT margin	13.3	-1.4	16.9	-18.5	18.1	-14.8
Adjusted EBIT margin	-	-	-	-	-	-
EBITDA/net interest expense (x)	4.2	3.3	4.2	2.4	4.4	1.8
EBIT/net interest expense (x)	1.6	-0.1	1.9	-1.5	2.2	-1.0
Leverage ratio (x)	30.09.19	31.12.19	31.03.20	30.06.20		
Net debt/EBITDA	4.5	4.3	4.5	5.5		
Adjusted Net Debt/Adjusted EBITDA (x)	-	-	-	-		
Net debt/FFO	6.8	7.1	7.6	10.5		
Net debt/equity	2.8	3.0	3.4	4.1		

Note: NA=not available, NM=not meaningful. Source: Intesa Sanpaolo Research elaboration on company data

Iren: Credit View NEUTRAL

(Moody's -, Fitch BBB /Stable)

	Sen Secured	Sen Unsec	Sub	Hybrid
IG	-	HOLD	-	-
HY	-	-	-	-
Unrated	-	-	-	-

Key credit drivers

- Despite the materially weaker performance of the Energy business units (EBITDA -24% yoy), Iren posted resilient 1H20 results, in line with consensus expectations. According to Iren, the negative impact on EBITDA generated by the Covid-19 equalled EUR 10M; on working capital, it was EUR 50M, due to provisions for bad debt related to the health crisis.
- Outlook 2020. EBITDA guidance improved to reflect a forecast less severe impact from Covid (EUR 15M vs the previous EUR 25-30M) and better expectations for the energy scenario: i) EBITDA of EUR 905-915M (of which EUR 5-7M from M&A) vs the previous EUR 880-890M; and ii) a net debt/EBITDA ratio of c.3.5x (of which 0.2x from M&A) vs the previous 3.4-3.5x. New Strategic Plan to be presented on 30 September.
- HOLD recommendation confirmed, as we are not expecting Iren's bonds to outperform their Italian peers in the next few months.

Strengths

- One of the largest local multi-utilities in Italy; among the leading player in district heating, in waste and water services.
- High contribution from regulated activities (c.45% of EBITDA) and quasi-regulated activities (c.26% of EBITDA).

Weaknesses

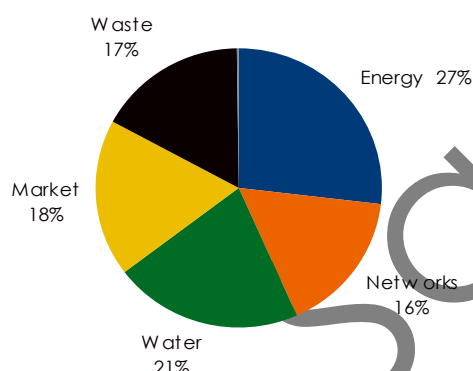
- Higher capex and external growth expected to weigh on cash generation in the short/medium term.
- Potential deterioration in working capital due to delays to the payment of bills related to current Covid-19 crisis.
- High exposure to Italy country risk, given entirely domestic operations.

Outperformer¹ YTD - Senior Unsecured

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EBITDA breakdown (1H20)

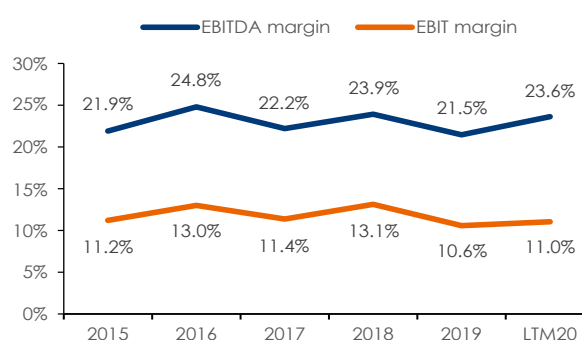


Underperformance¹ YTD - Senior Unsecured

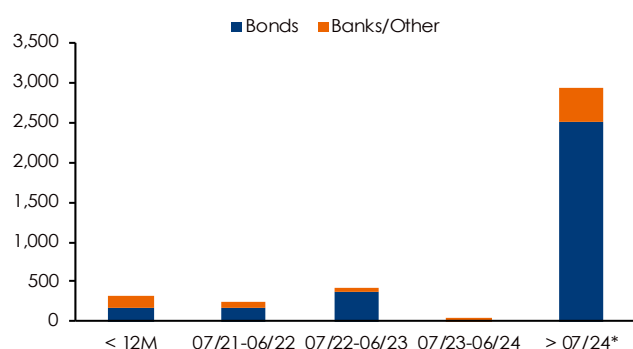
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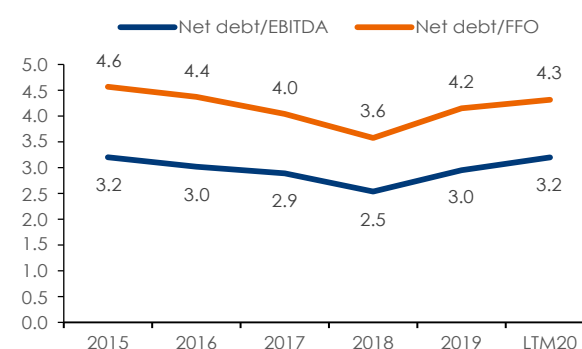
Trend in profitability



Debt maturity profile (EUR M, 30.06.20)



Leverage trend (x)



* include EUR 500M bond issued in July 2020. Source: Intesa Sanpaolo Research elaboration on Bloomberg data (bond performance table) and company data (charts)

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1. List of Iren bonds in Appendix 1 (page 67, 68)

Iren In Brief

Iren S.p.A. generates, distributes and sells electricity and district heating. The company manages natural gas distribution networks, markets and sells natural gas and electricity, and manages water services.

Consolidated income statement - main items

(EUR M)	2019	LTM20	Chg %	1H19	1H20	Chg %	2Q19	2Q20	Chg %
Sales	4,275	3,862	-9.6	2,238	1,826	-18.4	961	749	-22.1
EBITDA	917	913	-0.5	478	473	-1.0	204	199	-2.4
Adjusted EBITDA	917	NA	NA	NA	NA	NA	NA	NA	NA
EBIT	452	426	-5.7	258	232	-10.0	86	86	0.7
Adjusted EBIT	NA	NA	NA	NA	NA	NA	NA	NA	NA
Net interest expense	-80	-82	3.0	-28	-30	8.6	-8	-12	47.0
Income (loss) on equity investments	4	5	8.7	5	5	8.2	5	5	3.3
Profit before tax	377	349	-7.4	234	207	-11.9	83	80	-3.4
Net profit (loss)	266	247	-7.0	164	146	-11.3	58	56	-2.6
Net profit (loss) attributable to the Group	237	219	-7.6	151	133	-11.9	51	49	-3.5

Consolidated cash flow statement - main items

(EUR M)	2019	LTM20	Chg %	1H19	1H20	Chg %	2Q19	2Q20	Chg %
FFO	652	676	3.7	449	474	5.4	184	187	1.4
Net change in working capital	-22	-225	NM	-17	-220	NM	41	-2	-105.6
CFO	632	453	-28.3	432	253	-41.3	226	184	-18.3
Capex	-524	-581	10.9	-197	-254	29.0	-112	-124	11.3
FCF	108	-128	NM	235	-1	-100.3	114	60	-47.2
Dividends	-150	-144	-3.8	-146	-140	-3.9	-141	-140	-1.0
Discretionary FCF	-42	-272	NM	89	-141	NM	-27	-80	191.6
RCF	-96	-64	-33.3	137	169	23.4	51	-20	-139.5
Change in equity	0	-3	NM	-8	-11	35.4	-8	-9	18.3
Change in debt	73	300	NM	-353	-126	-64.5	-228	-119	-48.1
CFF	73	298	NM	-361	-136	-62.3	-236	-128	-45.9
RCF + CFF	-23	234	NM	-225	32	-114.4	-185	-148	-19.9
Change in liquidity	-23	234	NM	-225	32	-114.4	-185	-148	-19.9

Consolidated balance sheet - main items

(EUR M)	30.09.19	31.12.19	Chg %	31.03.20	Chg %	30.06.20	Chg %
Intangible assets	2,274	2,888	27.0	2,390	-17.2	2,358	-1.3
Property, plant & equipment	3,567	3,608	1.0	3,608	0.1	3,625	0.5
Financial and equity investments	147	145	-1.3	145	-0.1	149	3.4
Total non-current assets	6,646	6,722	1.1	6,800	1.1	6,784	-0.2
Inventory	83	72	-13.3	46	-35.3	61	31.6
Trade receivables	779	906	16.3	1,052	16.1	816	-22.4
Cash and current financial assets	189	422	123.5	682	61.6	460	-32.6
Total current assets	1,351	1,723	27.6	2,153	25.0	1,674	-22.3
Total assets	8,369	8,800	5.1	8,954	1.8	8,459	-5.5
Long-term debt	3,082	3,167	2.8	3,250	2.6	3,225	-0.8
Provisions for risks and charges	426	415	-2.6	418	0.8	382	-8.8
Total non-current liabilities	4,301	4,373	1.7	4,459	2.0	4,396	-1.4
Short-term debt	251	461	83.9	409	-11.3	316	-22.8
Trade payables	740	887	19.9	836	-5.8	640	-23.5
Total current liabilities	1,475	1,775	20.3	1,763	-0.7	1,428	-19.0
Minorities	355	364	2.4	369	1.4	351	-4.9
Shareholders' equity	2,238	2,288	2.2	2,637	15.3	2,284	-13.4
Total equity	2,593	2,652	2.3	2,733	3.1	2,635	-3.6
Total liabilities and equity	8,369	8,800	5.1	8,954	1.8	8,459	-5.5
Net debt	2,615	2,706	3.5	2,807	3.7	2,919	4.0
Adjusted net debt	NA	NA	NA	NA	NA	NA	NA

Key consolidated economic data - financial indicators

Profitability and coverage ratio (%)	2019	LTM20	1H19	1H20	2Q19	2Q20
EBITDA margin	21.5	23.6	21.4	25.9	21.4	21.4
Adjusted EBITDA margin	-	-	-	-	-	-
EBIT margin	10.6	11.0	11.5	12.7	11.5	11.5
Adjusted EBIT margin	-	-	-	-	-	-
EBITDA/net interest expense (x)	11.5	11.1	17.1	15.6	17.1	17.1
EBIT/net interest expense (x)	5.7	5.2	9.2	7.6	9.2	9.2
Leverage ratio (x)	30.09.19	31.12.19	31.03.20	30.06.20		
Net debt/EBITDA	2.8	3.0	3.1	3.2		
Adjusted Net Debt/Adjusted EBITDA (x)	-	-	-	-		
Net debt/FFO	4.3	4.2	4.2	4.3		
Net debt/equity	1.0	1.0	0.9	1.1		

Note: NA=not available, NM=not meaningful. Source: Intesa Sanpaolo Research elaboration on company data

Italgas: Credit View NEUTRAL

(Moody's Baa2 / Stable , Fitch BBB+ /Stable)

	Sen Secured	Sen Unsec	Sub	Hybrid
IG	-	BUY	-	-
HY	-	-	-	-
Unrated	-	-	-	-

Key credit drivers

- 1H20 results broadly in line with consensus, driven by a larger perimeter and cost efficiencies. Net debt increased vs year-end 2019, to EUR 4,701M, reflecting higher capex and dividend payments.
- Outlook 2020. Guidance confirmed: i) revenues of above EUR 1.3Bn (2019: EUR 1.26Bn); ii) EBITDA of EUR 960-980M (2019: EUR 908M); iii) EBIT of EUR 530-550M (2019: EUR 516M); iv) capex of above EUR 700M; and v) net debt of c.EUR 4.5Bn for leverage of c.60%. Italgas expects to present an updated Strategic Plan by the end of October.
- BUY recommendation confirmed based on the company's solid credit metrics and insulation from gas demand changes.

Strengths

- Largest gas distributor in Italy (c.30% market share in terms of gas volume distributed).
- Regulated businesses account for above 90% of total revenues and are not exposed to changes in demand volumes.
- Solid financial position and low cost of debt (c.1.1%).

Outperformer¹ YTD - Senior Unsecured

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Sales breakdown (1H20)

Weaknesses

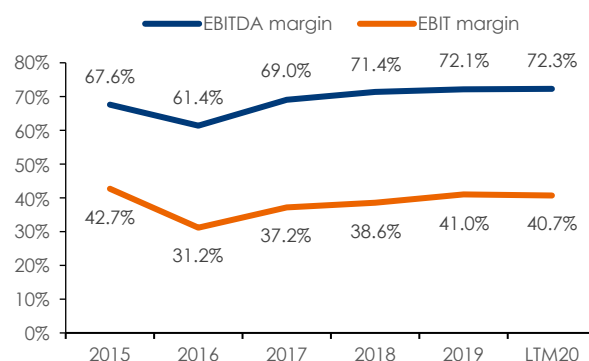
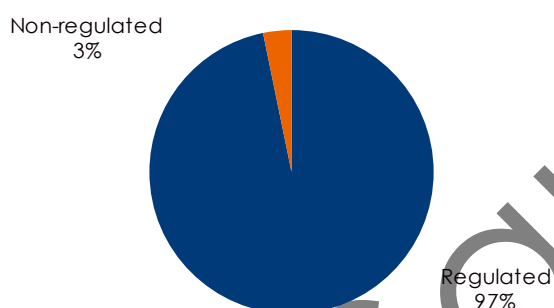
- Gas concession retendering process and M&A could stretch financial flexibility.
- Uncertainties related to timing of gas tenders in Italy.
- Low inflation could impact RAB growth and the net debt/RAB ratio.

Underperformance¹ YTD - Senior Unsecured

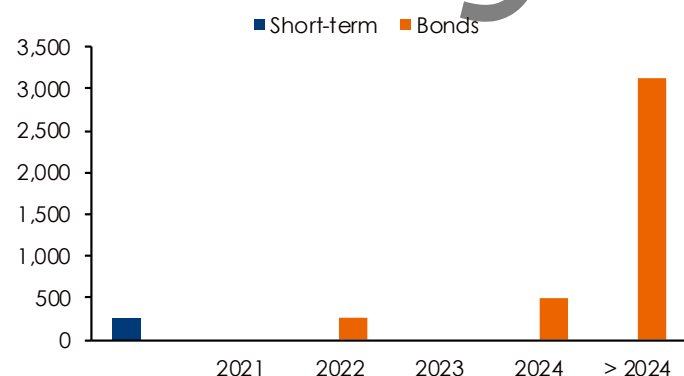
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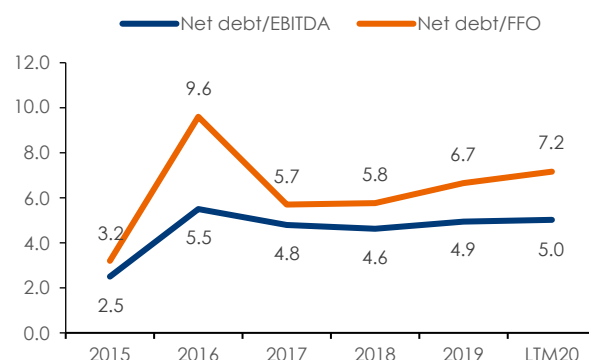
Trend in profitability



Debt maturity profile (EUR M, 30.06.20)



Leverage trend (x)



Source: Intesa Sanpaolo Research elaboration on Bloomberg data (bond performance table) and company data (charts)

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1. List of Italgas bonds in Appendix 1 (page 68)

Italgas In Brief

Italgas S.p.A. provides gas distribution services. The company offers delivery point management, pressure reduction plants, withdrawal cabins, fault reporting and laboratory testing services. Italgas conducts its business entirely in Italy.

Consolidated income statement - main items

(EUR M)	2019	LTM20	Chg %	1H19	1H20	Chg %	2Q19	2Q20	Chg %
Sales	1,258	1,295	3.0	609	647	6.1	299	320	7.1
EBITDA	908	936	3.2	434	463	6.6	215	235	9.6
Adjusted EBITDA	NA	NA	NA	NA	NA	NA	NA	NA	NA
EBIT	516	527	2.2	242	253	4.6	118	130	10.1
Adjusted EBIT	NA	NA	NA	NA	NA	NA	NA	NA	NA
Net interest expense	-51	-53	4.5	-24	-26	9.5	-12	-13	9.2
Income (loss) on equity investments	101	90	-10.7	12	1	-91.5	6	0	-98.3
Profit before tax	548	546	-0.3	229	227	-0.8	112	117	4.4
Net profit (loss)	424	420	-0.8	166	163	-2.0	80	82	3.0
Net profit (loss) attributable to the Group	417	404	-3.1	166	153	-7.7	80	79	-1.8

Consolidated cash flow statement - main items

(EUR M)	2019	LTM20	Chg %	1H19	1H20	Chg %	2Q19	2Q20	Chg %
FFO	674	656	-2.6	416	398	-4.2	220	189	-14.3
Net change in working capital	51	-50	-197.4	105	4	-96.2	58	39	-32.3
CFO	725	607	-16.3	520	402	-22.7	278	228	-18.0
Capex	-699	-772	10.4	-282	-355	-25.8	-152	-147	-3.8
FCF	26	-165	NM	238	47	-80.2	126	82	-35.3
Dividends	-208	-224	8.0	-189	-206	8.8	-189	-206	8.8
Discretionary FCF	-182	-390	114.1	49	-159	NM	-63	-124	96.3
RCF	-166	-359	116.4	-23	-216	NM	-27	-168	NM
Change in equity	0	0	NM	0	0	NM	0	0	NM
Change in debt	290	692	138.6	-105	297	NM	NA	NA	NA
CFF	290	692	138.6	-105	297	NM	NA	NA	NA
RCF + CFF	124	334	169.5	-128	82	-163.9	NA	NA	NA
Change in liquidity	124	334	169.5	-128	82	-163.9	NA	NA	NA

Consolidated balance sheet - main items

(EUR M)	30.09.19	31.12.19	Chg %	31.03.20	Chg %	30.06.20	Chg %
Intangible assets	5,231	6,732	28.7	6,280	-6.7	6,876	9.5
Property, plant & equipment	287	350	21.8	353	0.8	357	1.3
Financial and equity investments	181	34	-81.3	35	2.2	34	-3.0
Total non-current assets	NA	7,245	NA	NA	NA	7,404	NA
Inventory	40	52	31.7	NA	NA	74	NA
Trade receivables	268	585	118.8	NA	NA	438	NA
Cash and current financial assets	NA	269	NA	NA	NA	356	NA
Total current assets	NA	985	NA	NA	NA	921	NA
Total assets	NA	8,232	NA	NA	NA	8,326	NA
Long-term debt	NA	4,171	NA	NA	NA	4,735	NA
Provisions for risks and charges	173	170	-1.9	NA	NA	167	NA
Total non-current liabilities	NA	5,118	NA	NA	NA	5,660	NA
Short-term debt	NA	581	NA	NA	NA	316	NA
Trade payables	242	727	NM	NA	NA	606	NA
Total current liabilities	NA	1,319	NA	NA	NA	935	NA
Minorities	NA	235	NA	NA	NA	220	NA
Shareholders' equity	1,392	1,560	12.1	NA	NA	1,512	NA
Total equity	1,392	1,795	29.0	1,632	-9.1	1,732	6.1
Total liabilities and equity	NA	8,232	NA	NA	NA	8,326	NA
Net debt	3,978	4,485	12.7	4,525	0.9	4,701	3.9
Adjusted net debt	NA	NA	NA	NA	NA	NA	NA

Key consolidated economic data - financial indicators

Profitability and coverage ratio (%)	2019	LTM20	1H19	1H20	2Q19	2Q20
EBITDA margin	72.1	72.3	71.2	71.5	71.9	73.6
Adjusted EBITDA margin	-	-	-	-	-	-
EBIT margin	41.0	40.7	39.6	39.1	39.5	40.6
Adjusted EBIT margin	-	-	-	-	-	-
EBITDA/net interest expense (x)	17.8	17.6	18.0	17.5	18.0	18.1
EBIT/net interest expense (x)	10.1	9.9	10.0	9.6	9.9	10.0
Leverage ratio (x)	30.09.19	31.12.19	31.03.20	30.06.20		
Net debt/EBITDA	4.6	4.9	4.9	5.0		
Adjusted Net Debt/Adjusted EBITDA (x)	-	-	-	-		
Net debt/FFO	5.6	6.7	6.6	7.2		
Net debt/equity	2.9	2.5	2.8	2.7		

Note: NA=not available, NM=not meaningful. Source: Intesa Sanpaolo Research elaboration on company data

Kedron: Credit View NEUTRAL

(Moody's -, Fitch -)

	Sen Secured	Sen Unsec	Sub	Hybrid
IG	-	-	-	-
HY	-	-	-	-
Unrated	-	BUY	-	-

Key credit drivers

- 1H20 figures evidenced a contraction in sales but a material improvement in EBITDA and margins due to cost containment and a shift in the mix to the plasma derivatives segment, in turn reflecting reduced market availability of plasma. This was however largely mitigated by working capital effects and investments which left LTM leverage slightly lower at 4.9x (5.1x at YE19).
- Kedron does not issue guidance, however, the company estimates that plasma collection/availability is expected to shrink by about 10% in FY20. We would anticipate the impact on revenues being largely mitigated at the EBITDA level (as in 1H20) by a shift in the mix to plasma derivatives, also due to higher internal demand following the ramp-up of the volumes split at Melville.
- Our BUY recommendation reflects our view that there remains potential for higher EBITDA and margins over time after having closed the issues due the costly Melville refit and the ramp-up of volumes split at Melville, supported by an expansion of the network of owned collection centres.. There also remains potential for Covid-19 therapies from .2022

Strengths

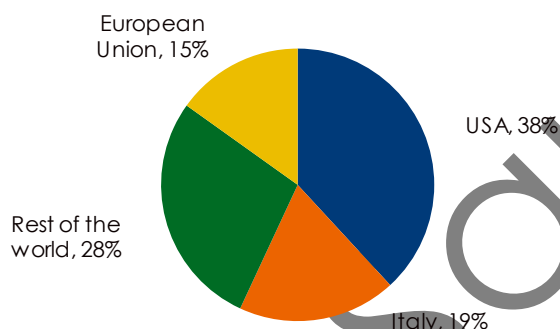
- Potential for EBITDA improvement and margin enhancement over time from the expansion of owned collection centres in the US and resultant vertical integration.
- Closure of the issues related to the costly re-fit of the Melville facility in the US over recent years which had acted as a material drag.
- Work on developing potential therapies for Covid-19 from convalescent plasma could open a potential new revenue stream.
- Relatively counter-cyclical given the nature of the business.

Performer¹ YTD - Senior Unsecured

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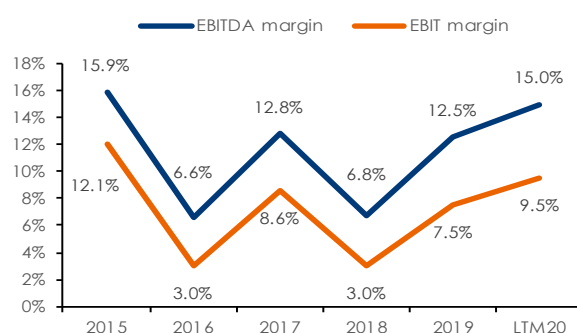
Sales by geographic area (1H20)



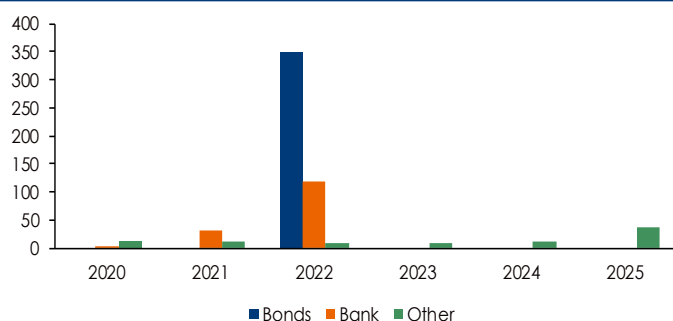
Weaknesses

- Kedron ranks a small fourth player in an Industry which is highly concentrated among the top three players,
- Material refinancing risks feeding through heading into 2022.
- Social distancing measures affecting plasma availability.
- EBITDA has been supported by collection centre disposals over recent years. Any future absence of these proceeds would need to be mitigated by lower non-recurring costs and higher margins.
- Highly working capital intensive. Plasma prices tend to be volatile.

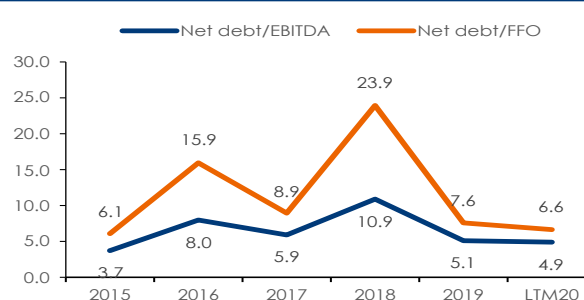
Trend in profitability



Estimated debt maturity profile (EUR M, 31.12.19)



Leverage trend (x)



Source: Intesa Sanpaolo Research elaboration on Bloomberg data (bond performance table) and company data (charts)

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1. List of Kedron bonds in Appendix 1 (page 70)

Kedrion In Brief

Kedrion S.p.A. develops and distributes plasma and plasma-derived medicinal products and markets them internationally.

Consolidated income statement - main items

(EUR M)	2018	2019	Chg %	LTM20	Chg %	1H19	1H20	Chg %
Sales	688	808	17.5	781	-3.4	364	337	-7.5
EBITDA	47	101	117.8	118	16.0	42	58	38.8
Adjusted EBITDA	149	166	11.7	164	-1.0	76	74	-2.3
EBIT	21	60	193.6	74	22.6	22	36	61.7
Adjusted EBIT	NA	NA	NA	NA	NA	NA	NA	NA
Net interest expense	-12	-18	48.5	-32	76.2	-10	-24	144.7
Income (loss) on equity investments	NA	NA	NA	NA	NA	NA	0	NA
Profit before tax	8	42	NM	42	-0.6	13	12	-2.0
Net profit (loss)	12	38	NM	33	-13.1	16	11	-31.7
Net profit (loss) attributable to the Group	10	37	NM	34	-7.6	15	12	-19.0

Consolidated cash flow statement - main items

(EUR M)	2018	2019	Chg %	LTM20	Chg %	1H19	1H20	Chg %
FFO	21	68	NM	87	27.1	31	49	60.6
Net change in working capital	-5	15	NM	16	7.4	-50	-49	-2.2
CFO	17	83	NM	103	23.6	-20	-0	-99.1
Capex	-37	-50	36.2	-52	4.1	-10	-12	21.3
FCF	-20	33	NM	51	52.9	-29	-12	-59.9
Dividends	-8	-3	-57.2	-3	7.8	-0	-1	54.2
Discretionary FCF	-28	30	NM	47	57.8	-30	-12	-58.1
RCF	-55	-3	-94.0	-14	NM	-35	-46	30.2
Change in equity	0	66	NM	NA	NA	0	NA	NM
Change in debt	30	-62	NM	-65	5.2	5	2	-59.9
CFF	67	8	-87.8	5	-39.8	5	2	-59.9
RCF + CFF	12	5	-58.1	-9	NM	-30	-44	46.4
Change in liquidity	12	5	-56.5	-9	NM	-30	-43	46.5

Consolidated balance sheet - main items

(EUR M)	31.12.18	30.06.19	Chg %	31.12.19	Chg %	30.06.20	Chg %
Intangible assets	314	321	2.2	357	11.2	367	2.8
Property, plant & equipment	266	335	26.1	282	-15.8	286	1.3
Financial and equity investments	0	0	0.0	0	-100.0	0	NM
Total non-current assets	609	688	13.0	739	7.5	750	1.4
Trade receivables	139	132	-5.1	171	29.6	112	-34.6
Cash and current financial assets	116	87	-25.4	121	40.0	78	-35.6
Total current assets	633	626	-1.1	638	2.0	607	-4.9
Total assets	1,243	1,314	5.7	1,378	4.9	1,358	-1.5
Long-term debt	491	624	27.2	569	-8.8	578	1.6
Provisions for risks and charges	NA	NA	NA	NA	NA	NA	NA
Total non-current liabilities	506	639	26.4	582	-9.0	587	1.0
Short-term debt	133	88	-33.4	80	-9.2	85	5.5
Trade payables	171	129	-24.5	188	45.6	155	-17.8
Total current liabilities	354	279	-21.0	310	11.0	277	-10.6
Minorities	2	3	55.6	5	99.5	3	-50.0
Shareholders' equity	382	392	2.8	481	22.5	490	1.9
Total equity	384	395	3.0	486	23.1	493	1.4
Total liabilities and equity	1,243	1,314	5.7	1,378	4.9	1,358	-1.5
Net debt	507	615	21.4	517	-16.0	575	11.4
Adjusted Net Debt	NA	625	NA	526	-15.8	NA	NA

Key consolidated economic data - financial indicators

Profitability and coverage ratio (%)	2018	2019	LTM20	1H19	1H20
EBITDA margin	6.8	12.5	15.1	11.5	17.3
Adjusted EBITDA margin	21.6	20.5	21.0	20.9	22.1
EBIT margin	3.0	7.5	9.5	6.1	10.6
Adjusted EBIT margin	-	-	-	-	-
EBITDA/net interest expense (x)	3.8	5.5	3.7	4.4	2.5
EBIT/net interest expense (x)	1.7	3.3	2.3	2.3	1.5
Leverage ratio (x)		31.12.18	30.06.19	31.12.19	30.06.20
Net debt/EBITDA		10.9	10.4	5.1	4.9
Adjusted Net Debt/Adjusted EBITDA (x)		3.4	4.0	3.2	3.5
Net debt/FFO		23.9	19.4	7.6	6.6
Net debt/equity		1.3	1.6	1.1	1.2

Note: NA=not available, NM=not meaningful. Source: Intesa Sanpaolo Research elaboration on company data

Leonardo: Credit View NEUTRAL

(Moody's Ba1 / Stable , Fitch BBB- /Negative)

	Sen Secured	Sen Unsec	Sub	Hybrid
IG	-	-	-	-
HY	-	HOLD	-	-
Unrated	-	-	-	-

Key credit drivers

- 2Q20 results deteriorated (ROS down to 7.6% from 10%), driven by the adverse Covid-19 impact, resulting in production slowdowns, lower productivity, and delays in deliveries. Net debt increased by 15% qoq to EUR 5.1Bn, with leverage up to 3.2x from 2.6x.
- 2020 guidance was reinstated in August, as the first signs of stabilisation emerged, and the group is on track with its savings plan on costs and capex. New guidance points to a ROS reduction to 6.5-7% (9.1% in 2019) and leverage increase to 2.3x (1.6x at YE19).
- On 20 May 2020, Fitch cut its outlook on Leonardo's rating to Negative from Stable, saying that it expected the group's cash flows over the coming 12-24 months to come under material pressure as a consequence of the Covid-19 pandemic.
- HOLD recommendation confirmed on Leonardo's bonds, noting that a one-notch rating downgrade by Fitch to BB+ will determine their CSPP ineligibility.

Strengths

- Among the top 10 global A&D players, with a leadership position in civil markets for helicopters.
- High geographical diversification, with a strong presence in the growing US defence market.
- Low refinancing risk between 2H20-22.
- Fully committed to regaining an IG rating.

Weaknesses

- Production slowdowns, delivery delays, suspension of foreign commercial campaigns, and supply chain disruption resulting from the Covid-19 outbreak.
- Heightened competition in A&D markets.
- Some exposure to Italy (where the defence market is declining) and to the UK (Brexit risks).

Outperformer¹ YTD - Senior Unsecured

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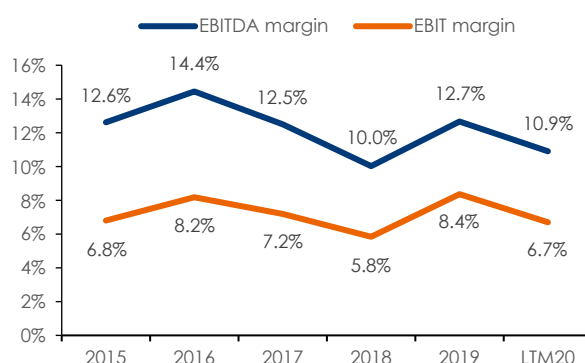
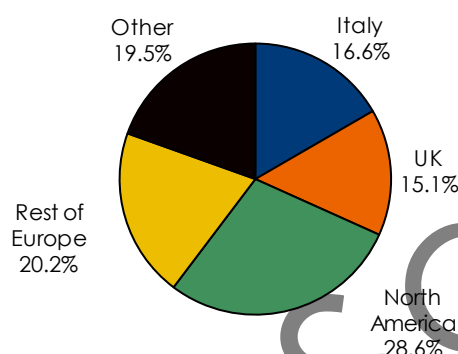
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Underperformance¹ YTD - Senior Unsecured

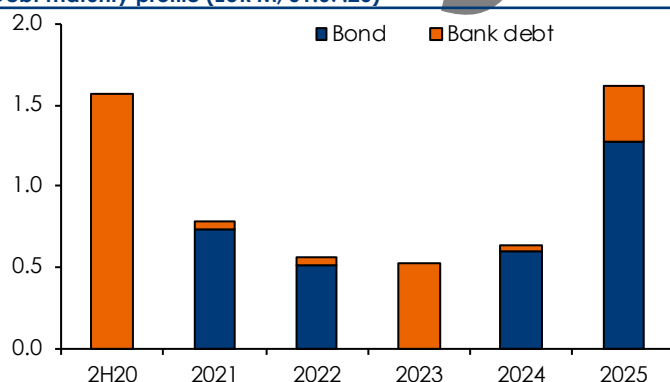
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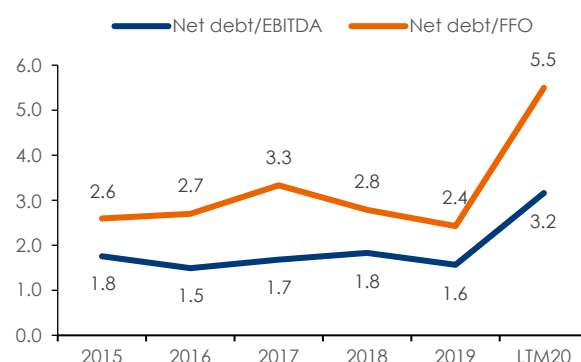
Sales by geographic area (1H20)



Debt maturity profile (EUR M, 01.07.20)



Leverage trend (x)



Source: Intesa Sanpaolo Research elaboration on Bloomberg data (bond performance table) and company data (charts)

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1. List of Leonardo bonds in Appendix 1 (page 70)

Leonardo In Brief

Leonardo provides services to the aerospace, defence, and security sectors globally. The company works on helicopters, aircraft, aerostructures, airborne and space systems, land and naval defence electronics, and defence systems.

Consolidated income statement - main items

(EUR M)	2019	LTM20	Chg %	1H19	1H20	Chg %	2Q19	2Q20	Chg %
Sales	13,784	13,700	-0.6	5,962	5,878	-1.4	3,237	3,287	1.5
EBITDA	1,746	1,494	-14.4	744	492	-33.9	464	337	-27.4
Adjusted EBITDA	1,817	1,605	-11.7	755	543	-28.1	475	384	-19.2
EBIT	1,153	918	-20.4	462	227	-50.9	306	197	-35.6
Adjusted EBIT	1,224	1,029	-15.9	473	278	-41.2	317	244	-23.0
Net interest expense	-284	-299	5.3	-124	-139	12.1	-73	-58	-20.5
Income (loss) on equity investments	160	102	-36.3	34	-24	-170.6	44	-12	-127.3
Profit before tax	869	619	-28.8	338	88	-74.0	233	139	-40.3
Net profit (loss)	722	529	-26.7	252	59	-76.6	175	118	-32.6
Net profit (loss) attributable to the Group	821	531	-35.3	349	59	-83.1	272	118	-56.6

Consolidated cash flow statement - main items

(EUR M)	2019	LTM20	Chg %	1H19	1H20	Chg %	2Q19	2Q20	Chg %
FFO	1,173	923	-21.3	353	103	-70.8	NA	NA	NA
Net change in working capital	-528	-1,224	131.8	-1,285	-1,981	54.2	NA	NA	NA
CFO	645	-301	-146.7	-932	-1,878	101.5	57	-388	NM
Capex	-594	-413	-30.5	-254	-73	-71.3	-129	32	-124.8
FCF	51	-714	NM	-1,186	-1,951	64.5	-72	-356	NM
Dividends	-81	-81	0.0	-81	-81	0.0	-81	-81	0.0
Discretionary FCF	-30	-795	NM	-1,267	-2,032	60.4	-153	-437	185.6
RCF	98	-873	NM	-1,194	-2,165	81.3	-22	-572	NM
Change in equity	NA	NA	NA	NA	NA	NA	0	0	NM
Change in debt	-181	124	-168.5	326	631	93.6	198	292	47.5
CFF	-181	124	-168.5	326	631	93.6	198	292	47.5
RCF + CFF	-83	-749	NM	-868	-1,534	76.7	176	-280	NM
Change in liquidity	-81	-750	NM	-864	-1,533	77.4	174	-285	NM

Consolidated balance sheet - main items

(EUR M)	30.09.19	31.12.19	Chg %	31.03.20	Chg %	30.06.20	Chg %
Intangible assets	NA	7,195	NA	NA	NA	7,344	NA
Property, plant & equipment	NA	2,280	NA	NA	NA	2,228	NA
Financial and equity investments	22	1,173	NM	NA	NA	1,045	NA
Total non-current assets	12,386	12,336	-0.4	12,440	0.8	12,120	-2.6
Inventory	1,401	5,823	NM	NA	NA	6,469	NA
Trade receivables	3,013	2,925	-0.6	2,819	-5.9	2,803	-0.6
Cash and current financial assets	1,024	1,982	91.6	714	-63.6	429	-39.9
Total current assets	NA	14,465	NA	NA	NA	13,681	NA
Total assets	NA	26,893	NA	NA	NA	25,881	NA
Long-term debt	4,119	3,975	-3.5	4,057	2.1	3,366	-17.0
Provisions for risks and charges	NA	1,184	NA	0	-100.0	1,177	NM
Total non-current liabilities	6,465	6,218	-3.8	6,266	0.8	5,603	-10.6
Short-term debt	1,424	1,031	-27.6	1,239	20.2	2,312	86.6
Trade payables	3,371	3,791	12.5	3,242	-14.5	3,144	-3.0
Total current liabilities	NA	15,318	NA	NA	NA	15,312	NA
Minorities	11	11	0.0	11	0.0	11	0.0
Shareholders' equity	4,936	5,323	7.8	5,357	0.6	4,930	-8.0
Total equity	4,947	5,334	7.8	5,368	0.6	4,941	-8.0
Total liabilities and equity	NA	26,893	NA	NA	NA	25,881	NA
Net debt	4,301	2,847	-33.8	4,396	54.4	5,074	15.4
Adjusted net debt	4,519	3,044	-32.6	4,582	50.5	5,249	14.6

Key consolidated economic data - financial indicators

Profitability and coverage ratio (%)	2019	LTM20	1H19	1H20	2Q19	2Q20
EBITDA margin	12.7	10.9	12.5	8.4	14.3	10.3
Adjusted EBITDA margin	13.2	11.7	12.7	9.2	14.7	11.7
EBIT margin	8.4	6.7	7.7	3.9	9.5	6.0
Adjusted EBIT margin	8.9	7.5	7.9	4.7	9.8	7.4
EBITDA/net interest expense (x)	6.1	5.0	6.0	3.5	6.4	5.8
EBIT/net interest expense (x)	4.1	3.1	3.7	1.6	4.2	3.4
Leverage ratio (x)	30.09.19	31.12.19	31.03.20	30.06.20		
Net debt/EBITDA	2.8	1.6	2.6	3.2		
Adjusted Net Debt/Adjusted EBITDA (x)	2.7	1.7	2.7	3.3		
Net debt/FFO	-	2.4	-	5.5		
Net debt/equity	0.9	0.6	0.9	1.1		

Note: NA=not available, NM=not meaningful. Source: Intesa Sanpaolo Research elaboration on company data

Prysmian: Credit View UNDER REVIEW

(Moody's -, Fitch -)

	Sen Secured	Sen Unsec	Sub	Hybrid
IG	-	-	-	-
HY	-	-	-	-
Unrated	-	HOLD	-	-

Key credit drivers

- The 2Q20 revenue hit was partly mitigated by cost efficiencies with EBITDA above consensus estimates (Bloomberg). Positive working capital effects and a reduced dividend drain which supported cash flow and permitted a reduction in net debt as the increase in LTM leverage was contained (3.1x vs 3x at March 20).
- 2020 guidance (reinstated after being withdrawn 12th May) now envisages adjusted EBITDA of EUR 800-850M, implying an 11.5-17% FY20 yoy contraction and FCF before acquisitions, disposals and dividends of EUR 200-300M (after circa EUR 100M cost efficiencies).
- HOLD recommendation confirmed. This reflects further envisaged cost efficiencies to help defend margins and credit metrics in 2H20 as well as positive longer-term drivers, partly mitigated potential project risk concentration in the backlog (German corridors) and a still uncertain outlook relating to the evolution of Covid-19 developments relating to 2H20.

Strengths

- World's largest manufacturer of cables in revenue terms.
- Solid defence of credit metrics in 2Q20 in our view, despite challenging environment
- Focus on higher-tech and higher-margin business.
- Priority of deleveraging before any further M&A.
- Reasonable liquidity buffer and low refinancing risk over the short term with maturities covered through 2023.

Weaknesses

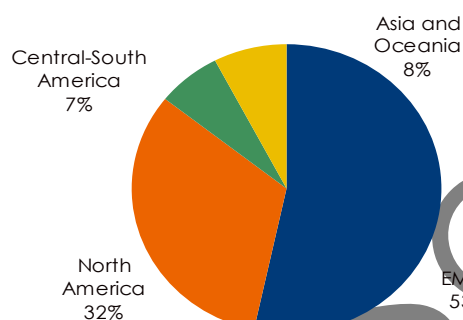
- The cable industry is highly fragmented and cyclical.
- Project execution risk (WL issues).
- Global revenue base exposed to Covid-19 downturn risks
- Exposure to volatile metal prices (copper, aluminium and lead)
- Exposure to volatile prices (copper, aluminium and lead).
- Exposure to FX volatility for contracts could imply some risk concentration over forthcoming years.

Performance¹ YTD - Senior Unsecured

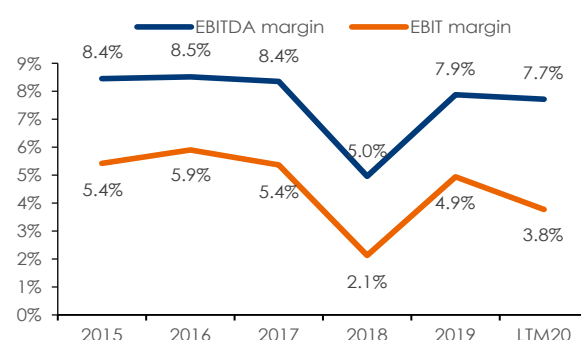
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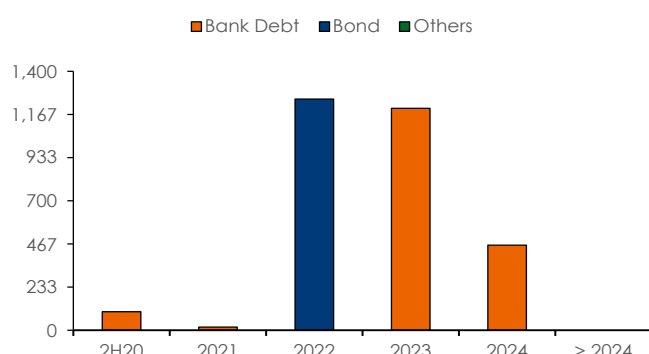
Sales by geographic area (1H20)



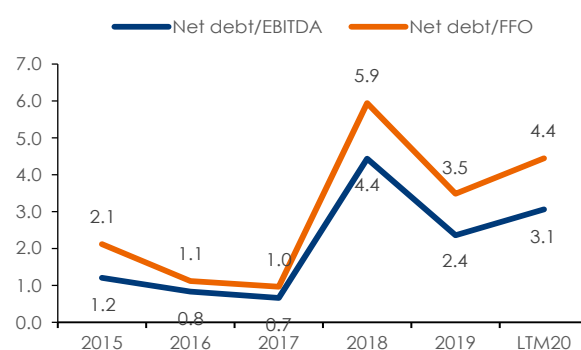
Trend in profitability



Debt maturity profile (EUR M, 30.06.20)



Leverage trend (x)



Source: Intesa Sanpaolo Research elaboration on Bloomberg data (bond performance table) and company data (charts)

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1. List of Prysmian bonds in Appendix 1 (page 70)

Prysmian In Brief

Prysmian S.p.A develops, designs, produces, supplies, and installs a wide range of cables for applications in the energy and telecommunications industries including sub-marine, power and fibre optical cables throughout the world.

Consolidated income statement - main items

(EUR M)	2019	LTM20	Chg %	1H19	1H20	Chg %	2Q19	2Q20	Chg %
Sales	11,519	10,655	-7.5	5,849	4,985	-14.8	3,078	2,398	-22.1
EBITDA	907	822	-9.4	492	407	-17.3	272	224	-17.6
Adjusted EBITDA	960	858	-10.6	521	419	-19.6	290	222	-23.4
EBIT	569	402	-29.3	335	168	-49.9	170	111	-34.7
Adjusted EBIT	689	576	-16.4	366	253	-30.9	211	136	-35.5
Net interest expense	-88	-99	12.5	-44	-55	-25.0	-22	-28	27.3
Income (loss) on equity investments	NA	NA	NA	NA	NA	NA	NA	NA	NA
Profit before tax	444	299	-32.7	263	118	-55.1	141	87	-38.3
Net profit (loss)	296	180	-39.2	192	76	-60.4	103	56	-45.6
Net profit (loss) attributable to the Group	292	180	-38.4	190	78	-58.9	102	57	-44.1

Consolidated cash flow statement - main items

(EUR M)	2019	LTM20	Chg %	1H19	1H20	Chg %	2Q19	2Q20	Chg %
FFO	614	566	-7.8	281	233	-17.1	125	117	-6.4
Net change in working capital	67	205	NM	-516	-378	-26.7	118	95	-19.5
CFO	681	771	13.2	-235	-145	-38.3	243	212	-12.8
Capex	-268	-277	3.4	-91	-100	-9.9	-53	-48	-9.4
FCF	413	494	19.6	-326	-245	-24.8	190	164	-13.7
Dividends	-119	-70	-41.2	-118	-69	-41.5	-113	-69	-38.9
Discretionary FCF	294	424	44.2	-444	-314	-29.3	77	95	23.4
RCF	302	435	44.0	-435	-302	-30.6	78	100	28.2
Change in equity	2	2	0.0	0	0	NM	0	0	NM
Change in debt	-237	-148	-37.6	-38	51	NM	-5	76	NM
CFF	-235	-146	-37.9	-38	51	NM	-5	76	NM
RCF + CFF	67	206	NM	-473	-334	-29.4	73	93	27.4
Change in liquidity	69	192	178.3	-472	-349	-26.1	70	90	28.6

Consolidated balance sheet - main items

(EUR M)	30.09.19	31.12.19	Chg %	31.03.20	Chg %	30.06.20	Chg %
Intangible assets	2,749	2,154	-21.6	2,169	0.7	2,124	-2.1
Property, plant & equipment	2,195	2,804	27.7	2,747	-2.0	2,705	-1.5
Financial and equity investments	311	314	1.0	313	-0.3	311	-0.6
Total non-current assets	5,474	5,504	0.5	5,470	-0.6	5,381	-1.6
Inventory	1,689	1,523	-9.8	1,658	8.9	1,507	-9.1
Trade receivables	1,773	1,475	-16.8	1,572	6.6	1,507	-4.1
Cash and current financial assets	367	1,097	198.9	648	-40.9	740	14.2
Total current assets	4,905	4,955	1.0	4,747	-4.2	4,549	-4.2
Total assets	10,412	10,486	0.7	10,245	-2.3	9,930	-3.1
Long-term debt	2,769	3,050	10.1	3,046	-0.1	3,058	0.4
Provisions for risks and charges	570	554	-2.8	536	-3.2	537	0.2
Total non-current liabilities	3,569	3,828	7.3	3,803	-0.7	3,801	-0.1
Short-term debt	687	247	-64.0	338	36.8	277	-18.0
Trade payables	1,976	2,062	4.4	1,961	-4.9	1,728	-11.9
Total current liabilities	4,218	4,056	-3.8	3,892	-4.0	3,614	-7.1
Minorities	193	187	-3.1	180	-3.7	181	0.6
Shareholders' equity	2,432	2,415	-0.7	2,370	-1.9	2,334	-1.5
Total equity	2,625	2,602	-0.9	2,550	-2.0	2,515	-1.4
Total liabilities and equity	10,412	10,486	0.7	10,245	-2.3	9,930	-3.1
Net debt	3,027	2,140	-29.3	2,606	21.8	2,516	-3.5
Adjusted net debt	3,078	2,191	-28.8	2,655	21.2	2,561	-3.5

Key consolidated economic data - financial indicators

Profitability and coverage ratio (%)	2019	LTM20	1H19	1H20	2Q19	2Q20
EBITDA margin	7.9	7.7	8.4	8.2	8.8	9.3
Adjusted EBITDA margin	8.3	8.1	8.9	8.4	9.4	9.3
EBIT margin	4.9	3.8	5.7	3.4	5.5	4.6
Adjusted EBIT margin	6.0	5.4	6.3	5.1	6.9	5.7
EBITDA/net interest expense (x)	10.3	8.3	11.2	7.4	12.4	8.0
EBIT/net interest expense (x)	6.5	4.1	7.6	3.1	7.7	4.0
Leverage ratio (x)	30.09.19	31.12.19	31.03.20	30.06.20		
Net debt/EBITDA	4.5	2.4	3.0	3.1		
Adjusted Net Debt/Adjusted EBITDA (x)	3.5	2.3	2.9	3.0		
Net debt/FFO	4.3	3.5	4.5	4.4		
Net debt/equity	1.2	0.8	1.0	1.0		

Note: NA=not available, NM=not meaningful. Source: Intesa Sanpaolo Research elaboration on company data

Saipem: Credit View UNDER REVIEW

(Moody's Ba2 / Stable , Fitch -)

	Sen Secured	Sen Unsec	Sub	Hybrid
IG	-	-	-	-
HY	-	HOLD	-	-
Unrated	-	-	-	-

Key credit drivers

- 2Q20 results were weak and below consensus expectations (Bloomberg) reflecting the Coronavirus impact, the depressed oil price environment, delays in execution and Covid related costs resulting in a material revenue and EBITDA contraction, weaker cash generation (also due to working capital effects) and an increase in net debt and LTM leverage.
- Guidance. At 2Q20, the group stated that 2H20 volumes are expected to be broadly in line with 1H20, with anticipated EUR 190M FY20 efficiency actions expected to support the 2H20 adjusted EBITDA margin up to the 1H20 level. FY20 capex expected to be below EUR 400M after rephrasing. This does not factor in a further possible material Covid-19 business deterioration.
- One notch downgrade by Moody's in August 20. Downward pressure could persist in the absence of a stabilisation of the operating environment in our view.
- Our HOLD recommendation reflects the weaker outlook and re-leveraging potential which we view as largely discounted at current levels, whilst noting the reasonable liquidity and debt maturity profile after the July 20 tap.

Strengths

- Good cost savings execution in the last downturn has left Saipem in a stronger position to face the current crisis.
- Backlog run-off provides some visibility for 2020.
- Increasing diversification away from traditional oil and gas.
- Strategic options being evaluated for the drilling operations,
- Reasonable liquidity and debt maturity profile covering maturities to 2023 including cash and committed lines, or to 2025 proforma for the new EUR 500M tap in July 20.

Outperformer¹ YTD - Senior Unsecured

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Weaknesses

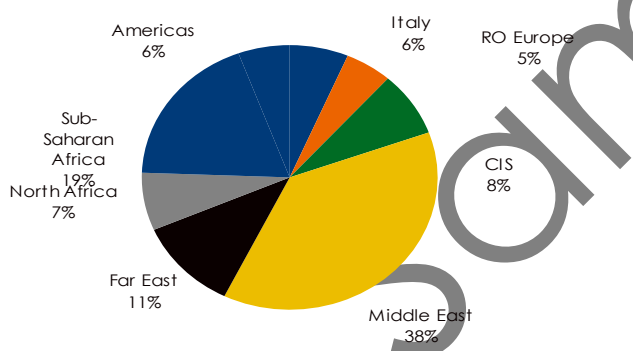
- Exposed to volatile oil and gas markets and cuts to client capex budgets.
- Litigation risk.
- Uncertainty over the drilling operations (JV?).
- Shift in the mix of the backlog to traditionally lower-margin activities in E&C Onshore could pressure future margins.
- Potential risk of further project delays in our view and still uncertain 2021 outlook.

Underperformance¹ YTD - Senior Unsecured

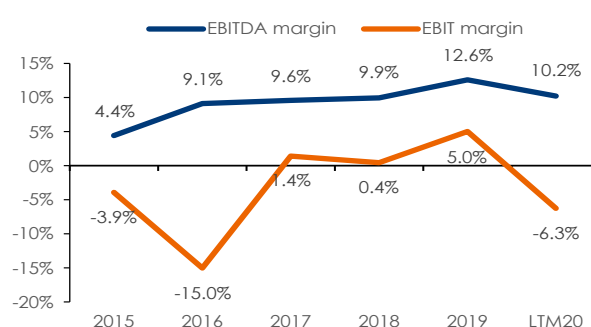
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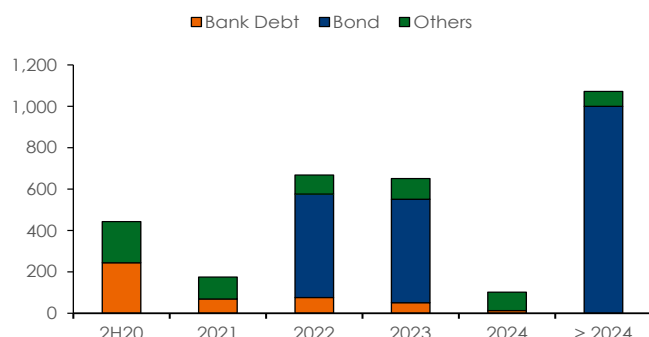
Sales by geographic area (1H20)



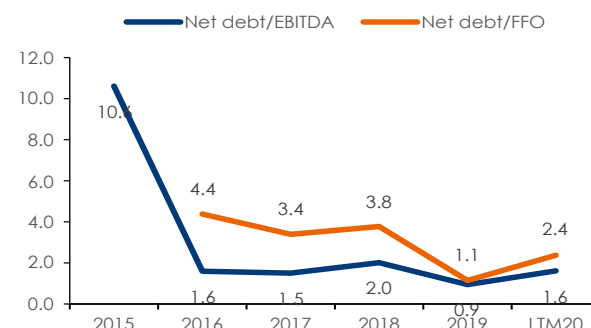
Trend in profitability



Debt maturity profile (EUR M, 30.06.20)



Leverage trend (x)



Source: Intesa Sanpaolo Research elaboration on Bloomberg data (bond performance table) and company data (charts)

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1. List of Saipem bonds in Appendix 1 (page 70)

Saipem In Brief

Saipem SpA offers construction and offshore drilling services. It installs sub-sea pipelines and fixed platforms, manages complete offshore projects, and drills for oil.

Consolidated income statement - main items

(EUR M)	2019	LTM20	Chg %	1H19	1H20	Chg %	2Q19	2Q20	Chg %
Sales	9,099	8,255	-9.3	4,519	3,675	-18.7	2,363	1,503	-36.4
EBITDA	1,146	843	-26.4	574	271	-52.8	308	31	-89.9
Adjusted EBITDA	1,226	975	-20.5	606	355	-41.4	332	115	-65.4
EBIT	456	-517	NM	262	-711	NM	144	-534	NM
Adjusted EBIT	609	343	-43.7	308	42	-86.4	182	-41	-122.5
Net interest expense	-210	-205	-2.4	-101	-96	-5.0	-47	-35	-25.5
Income (loss) on equity investments	-18	30	NM	-38	10	-126.3	-34	18	-152.9
Profit before tax	228	-691	NM	123	-796	NM	63	-551	NM
Net profit (loss)	98	-818	NM	46	-870	NM	16	-603	NM
Net profit (loss) attributable to the Group	12	-872	NM	14	-870	NM	-7	-616	NM

Consolidated cash flow statement - main items

(EUR M)	2019	LTM20	Chg %	1H19	1H20	Chg %	2Q19	2Q20	Chg %
FFO	946	573	-39.4	440	67	-84.8	222	-16	-107.2
Net change in working capital	311	129	-58.5	-21	-203	NM	56	-68	NM
CFO	1,257	702	-44.2	419	-136	-132.5	278	-84	-130.2
Capex	-336	-396	17.9	-135	-195	-44.4	-61	-136	123.0
FCF	921	306	-66.8	284	-331	NM	217	-220	NM
Dividends	-62	-26	-58.1	-62	-26	-58.1	-62	0	-100.0
Discretionary FCF	859	280	-67.4	222	-357	NM	155	-220	NM
RCF	664	88	-86.7	206	-370	NM	145	-219	NM
Change in equity	0	NA	NM	0	NA	NM	0	-10	NM
Change in debt	-1	-400	NM	-59	-458	NM	-26	87	NM
CFF	-1	-400	NM	-59	-458	NM	27	77	185.2
RCF + CFF	663	-312	-147.1	147	-828	NM	172	-142	-182.6
Change in liquidity	598	-292	-148.8	63	-827	NM	171	-138	-180.7

Consolidated balance sheet - main items

(EUR M)	30.09.19	31.12.19	Chg %	31.03.20	Chg %	30.06.20	Chg %
Intangible assets	698	698	0.0	698	0.0	698	0.0
Property, plant & equipment	4,223	4,129	-2.2	3,813	-7.7	3,450	-9.5
Financial and equity investments	86	133	54.7	100	-24.8	150	50.0
Total non-current assets	NA	5,997	NA	5,168	-13.8	5,143	-0.5
Inventory	NA	1,331	NA	NA	NA	1,474	NA
Trade receivables	NA	2,789	NA	NA	NA	2,527	NA
Cash and current financial assets	NA	2,272	NA	1,900	-16.4	1,445	-23.9
Total current assets	NA	7,012	NA	NA	NA	6,167	NA
Total assets	NA	13,009	NA	NA	NA	11,310	NA
Long-term debt	NA	3,147	NA	NA	NA	2,467	NA
Provisions for risks and charges	NA	NA	NA	NA	NA	NA	NA
Total non-current liabilities	NA	3,680	NA	NA	NA	3,022	NA
Short-term debt	NA	557	NA	NA	NA	714	NA
Trade payables	NA	4,376	NA	NA	NA	4,107	NA
Total current liabilities	NA	5,204	NA	NA	NA	5,106	NA
Minorities	69	93	34.8	97	4.3	50	-48.5
Shareholders' equity	3,984	4,032	1.2	3,728	-7.5	3,132	-16.0
Total equity	4,053	4,125	1.8	3,825	-7.3	3,182	-16.8
Total liabilities and equity	NA	13,009	NA	NA	NA	11,310	NA
Net debt	1,421	1,082	-23.9	1,222	12.9	1,360	11.3
Adjusted net debt	NA	1,982	NA	2,222	12.1	2,005	-9.8

Key consolidated economic data - financial indicators

Profitability and coverage ratio (%)	2019	LTM20	1H19	1H20	2Q19	2Q20
EBITDA margin	12.6	10.2	12.7	7.4	13.0	2.1
Adjusted EBITDA margin	13.5	11.8	13.4	9.7	14.0	7.7
EBIT margin	5.0	-6.3	5.8	-19.3	6.1	-35.5
Adjusted EBIT margin	6.7	4.2	6.8	1.1	7.7	-2.7
EBITDA/net interest expense (x)	5.5	4.1	5.7	2.8	6.6	0.9
EBIT/net interest expense (x)	2.9	-2.5	3.0	0.4	3.9	-1.2
Leverage ratio (x)	30.09.19	31.12.19	31.03.20	30.06.20		
Net debt/EBITDA	1.3	0.9	1.1	1.6		
Adjusted Net Debt/Adjusted EBITDA (x)	-	1.6	1.9	2.1		
Net debt/FFO	2.0	1.1	1.3	2.4		
Net debt/equity	0.4	0.3	0.3	0.4		

Note: NA=not available, NM=not meaningful. Source: Intesa Sanpaolo Research elaboration on company data

Sisal Group: Credit View NEUTRAL

(Moody's B1 / Stable, Fitch -)

	Sen Secured	Sen Unsec	Sub	Hybrid
IG	-	-	-	-
HY	HOLD	-	-	-
Unrated	-	-	-	-

Key credit drivers

- 2Q20/1H20 results deteriorated, driven by the shutdown of most of Sisal's retail gaming operations from March to mid-June due to the Covid-19 lockdown, despite the growth recorded by the Online channel, which remained operational. Adjusted leverage increased to 1.7x from 1.3x at YE19, driven by higher net debt (+14% to EUR 293M), following negative FCF of EUR 23M in 1H20.
- No guidance was provided on 2020, though the FY20 results are set to be penalised by a combination of the Covid-19-related shutdown of retail gaming operations, higher taxes on gaming machines in Italy, and the payment of the EUR 111M second instalment of the new NTNG concession at the end of 3Q20. However, recent gaming trends in Italy are encouraging and liquidity remains adequate, in our view.
- On 1 July, Moody's affirmed Sisal's B1 rating, concluding its review for downgrade and assigning a Stable outlook, reflecting its expectations that adjusted-leverage will return towards 2.0x in 2021, after a spike close to 4.0x in 2020.
- HOLD recommendation confirmed on Sisal's bonds, as they trade almost in line with the call price.

Strengths

- A diversified product range across the gaming business.
- Award of the nine-year NTNG licence renewal till 12/2030.
- Material deleveraging after the SisalPay carveout at YE19.
- Geographical expansion in Spain, Turkey, and Morocco.

Weaknesses

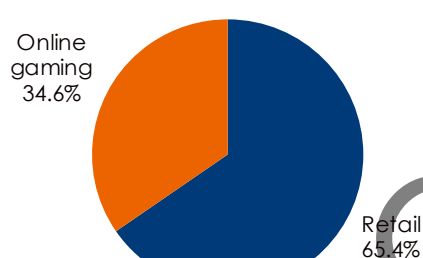
- Shutdown of retail gaming operations in Italy in 2Q20.
- Exposure to fiscal and regulatory changes.
- Sizable cash-out for the NTNG renewal (total of EUR 222M).
- Higher capex due to new contracts (Italy, Spain, Turkey).

Performer¹ YTD - Senior Secured

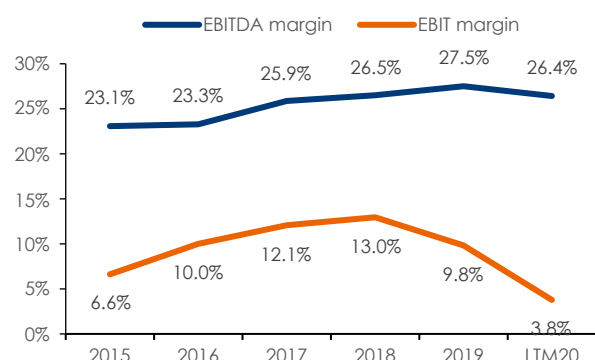
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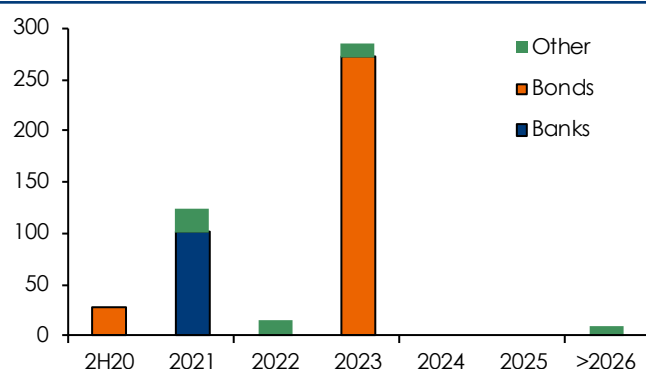
EBITDA by segment (LTM20)



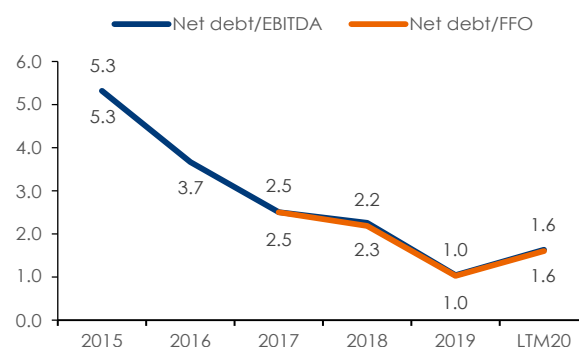
Trend in profitability



Debt maturity profile (EUR M, 30.06.20)



Leverage trend (x)



Source: Intesa Sanpaolo Research elaboration on Bloomberg data (bond performance table) and company data (charts)

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1. List of Sisal Group bonds in Appendix 1 (page 73)

Sisal Group In Brief

Sisal Group offers a wide range of on- and offline games, lotteries, bets, casino games and ADI. Sisal Group serves clients mostly in Italy.

Consolidated income statement - main items

(EUR M)	2019	LTM20	Chg %	1H19	1H20	Chg %	2Q19	2Q20	Chg %
Sales	869	664	-23.6	414	209	-49.6	206	62	-69.8
EBITDA	239	175	-26.6	123	60	-51.6	63	11	-82.1
Adjusted EBITDA	260	200	-22.8	125	66	-47.2	65	16	-75.1
EBIT	85	25	-70.7	53	-7	-113.5	26	-23	-189.0
Adjusted EBIT	105	NA	NA	NA	NA	NA	0	0	NM
Net interest expense	-75	-54	-27.3	-29	-9	-69.5	-15	-5	-63.9
Income (loss) on equity investments	NA	NA	NA	NA	NA	NA	NA	NA	NA
Profit before tax	11	-29	NM	24	-16	-167.5	11	-29	NM
Net profit (loss)	-14	-43	NM	14	-15	NM	6	-23	NM
Net profit (loss) attributable to the Group	-12	-39	NM	14	-13	-193.2	6	-22	NM

Consolidated cash flow statement - main items

(EUR M)	2019	LTM20	Chg %	1H19	1H20	Chg %	2Q19	2Q20	Chg %
FFO	243	179	-26.4	124	60	-51.7	-1	11	NM
Net change in working capital	-158	-86	-45.2	-88	-17	-80.6	22	-37	NM
CFO	85	92	8.2	36	43	19.7	21	-25	NM
Capex	-105	-131	25.4	-39	-66	67.9	-46	-33	-29.1
FCF	-19	-39	100.8	-4	-23	NM	-24	-58	136.6
Dividends	0	0	NM	0	0	NM	0	0	NM
Discretionary FCF	-19	-39	100.8	-4	-23	NM	-24	-58	136.6
RCF	-26	-46	79.5	-6	-26	NM	-23	-60	158.3
Change in equity	0	4	NM	0	4	NM	4	4	-2.1
Change in debt	-57	104	NM	-70	91	NM	104	4	-96.0
CFF	-57	108	NM	-70	95	NM	109	9	-92.1
RCF + CFF	-83	62	-174.9	-76	69	-190.7	85	-51	-159.7
Change in liquidity	-83	62	-174.9	-76	69	-190.7	85	-51	-159.7

Consolidated balance sheet - main items

(EUR M)	30.09.19	31.12.19	Chg %	31.03.20	Chg %	30.06.20	Chg %
Intangible assets	1,060	682	-35.7	684	0.2	679	-0.7
Property, plant & equipment	192	158	-18.1	162	3.0	169	4.2
Financial and equity investments	3	150	NM	150	0.0	150	0.0
Total non-current assets	1,301	1,132	-12.9	1,141	0.8	1,146	0.5
Inventory	8	6	-28.7	6	10.2	8	31.4
Trade receivables	162	99	-38.8	56	-43.9	101	81.7
Cash and current financial assets	200	102	-48.8	222	117.1	171	-22.9
Total current assets	788	555	-29.6	631	13.7	623	-1.3
Total assets	2,089	1,687	-19.2	1,772	5.1	1,769	-0.2
Long-term debt	776	323	-58.4	324	0.2	330	2.1
Provisions for risks and charges	15	17	17.2	18	0.7	16	-10.2
Total non-current liabilities	922	456	-50.6	455	-0.2	458	0.7
Short-term debt	49	29	-40.2	124	NM	129	4.3
Trade payables	286	175	-38.8	125	-28.8	144	15.0
Total current liabilities	819	489	-40.3	563	15.1	581	3.2
Minorities	1	1	-21.0	5	NM	4	-29.9
Shareholders' equity	346	741	113.9	749	1.1	727	-3.0
Total equity	347	742	113.6	754	1.7	730	-3.2
Total liabilities and equity	2,089	1,687	-19.2	1,772	5.1	1,769	-0.2
Net debt	625	250	-60.1	225	-9.8	287	27.3
Adjusted net debt	537	257	-52.1	232	-9.7	293	26.2

Key consolidated economic data - financial indicators

Profitability and coverage ratio (%)	2019	LTM20	1H19	1H20	2Q19	2Q20
EBITDA margin	27.5	26.4	29.8	28.5	30.7	18.2
Adjusted EBITDA margin	29.9	30.2	30.3	31.7	31.3	25.8
EBIT margin	9.8	3.8	12.8	-3.4	12.6	-37.2
Adjusted EBIT margin	-	-	-	-	-	-
EBITDA/net interest expense (x)	3.2	3.2	4.2	6.7	4.3	2.1
EBIT/net interest expense (x)	1.1	0.5	1.8	-0.8	1.8	-4.3
Leverage ratio (x)	30.09.19	31.12.19	31.03.20	30.06.20		
Net debt/EBITDA	2.7	1.0	1.0	1.6		
Adjusted Net Debt/Adjusted EBITDA (x)	2.2	1.3	1.1	1.7		
Net debt/FFO	2.7	1.0	1.0	1.6		
Net debt/equity	1.8	0.3	0.3	0.4		

Note: NA=not available, NM=not meaningful. Source: Intesa Sanpaolo Research elaboration on company data

Snam: Credit View NEUTRAL

(Moody's Baa2 / Stable , Fitch BBB+ /Stable)

	Sen Secured	Sen Unsec	Sub	Hybrid
IG	-	HOLD	-	-
HY	-	-	-	-
Unrated	-	-	-	-

Key credit drivers

- Resilient 1H20 results, in line with consensus expectations. Performance was driven by both regulated and non-regulated activities. Operating cash flow partially covered investments of EUR 832M (of which EUR 334M related to OLT acquisition), dividend payments, and share buybacks (EUR 111M). In 1H20, working capital was -EUR 150M, with EUR 113M due to tariff-related items.
- Outlook 2020. Expectations confirmed for a limited impact from the Covid-19 pandemic: the company indicated that lower gas consumption may have just a negligible impact on commodity-related revenues, at a maximum of EUR 9M (out of a total of EUR 2.7Bn). Snam confirmed net profit guidance of approximately EUR 1.1Bn and net debt at c.EUR 12.4Bn on a comparable basis.
- HOLD recommendation confirmed, based on the company's solid credit metrics and regulatory visibility.

Strengths

- Solid operating profile, given fully regulated business.
- Supportive regulatory framework, with negligible exposure of revenues to changes in gas demand.
- Commitment to preserving current rating and risk profile.
- Solid financial position.

Weaknesses

- Capex plan and dividends limit cash generation.
- Low inflation could impact RAB growth and the net debt/RAB ratio.

Outperformer¹ YTD - Senior Unsecured

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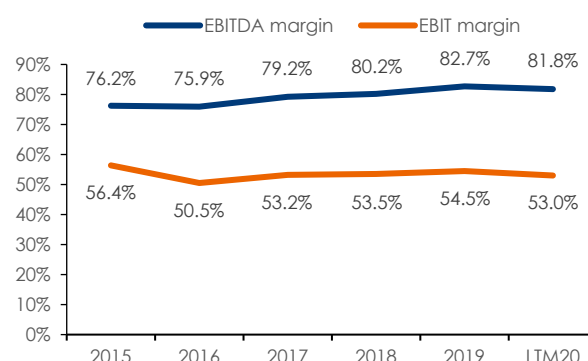
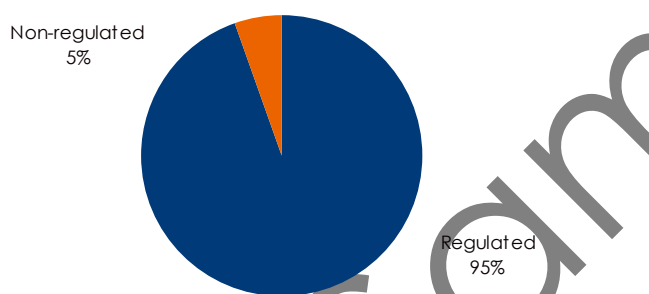
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Underperformance¹ YTD - Senior Unsecured

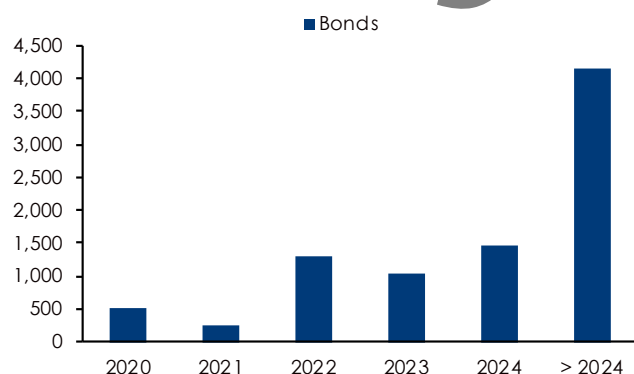
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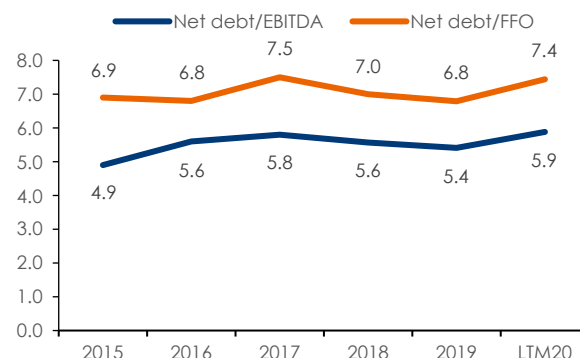
Sales breakdown (1H20)



Debt maturity profile (EUR M, 30.06.20)



Leverage trend (x)



Source: Intesa Sanpaolo Research elaboration on Bloomberg data (bond performance table) and company data (charts)

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1. List of Snam bonds in Appendix 1 (page 68)

Snam In Brief

Snam S.p.A. owns and operates Italy's natural gas distribution network. The company transports gas on behalf of importers, distributors and companies supplying Italian households. Snam owns a network of high and medium pressure pipes, including trunk lines connected to production and importation sites in Italy.

Consolidated income statement - main items

(EUR M)	2019	LTM20	Chg %	1H19	1H20	Chg %	2Q19	2Q20	Chg %
Sales	2,665	2,679	0.5	1,332	1,346	1.1	693	655	-5.5
EBITDA	2,204	2,191	-0.6	1,111	1,098	-1.2	569	531	-6.7
Adjusted EBITDA	2,169	2,165	-0.2	1,111	1,107	-0.4	569	NA	NA
EBIT	1,452	1,420	-2.2	756	724	-4.2	390	344	-11.8
Adjusted EBIT	1,417	1,394	-1.6	756	733	-3.0	390	353	-9.5
Net interest expense	-203	-185	-8.9	-85	-67	-21.2	0	0	NM
Income (loss) on equity investments	216	207	-4.2	116	107	-7.8	54	55	1.9
Profit before tax	1,465	1,443	-1.5	789	767	-2.8	403	370	-8.2
Net profit (loss)	1,090	1,081	-0.8	581	572	-1.5	298	274	-8.1
Net profit (loss) attributable to the Group	1,090	1,081	-0.8	581	572	-1.5	298	274	-8.1

Consolidated cash flow statement - main items

(EUR M)	2019	LTM20	Chg %	1H19	1H20	Chg %	2Q19	2Q20	Chg %
FFO	1,756	1,732	-1.4	944	920	-2.5	437	382	-12.6
Net change in working capital	-270	-718	165.9	277	-171	-161.7	-52	-315	NM
CFO	1,486	1,014	-31.8	1,221	749	-38.7	385	67	-82.6
Capex	-954	-1,341	40.6	-402	-789	96.3	-239	-558	133.5
FCF	532	-327	-161.5	819	-40	-104.9	146	-491	NM
Dividends	-746	-770	3.2	-746	-770	3.2	-746	-770	3.2
Discretionary FCF	-253	-1,247	NM	73	-921	NM	-302	-948	NM
RCF	-306	-1,321	NM	48	-967	NM	-287	-633	120.6
Change in equity	0	0	NM	0	0	NM	0	0	NM
Change in debt	1,285	1,928	50.0	577	1,220	111.4	787	949	20.6
CFF	1,285	1,928	50.0	577	1,220	111.4	787	949	20.6
RCF + CFF	979	607	-38.0	625	253	-59.5	500	316	-36.8
Change in liquidity	979	607	-38.0	625	253	-59.5	500	316	-36.8

Consolidated balance sheet - main items

(EUR M)	30.09.19	31.12.19	Chg %	31.03.20	Chg %	30.06.20	Chg %
Intangible assets	919	890	7.7	1,004	1.4	1,031	2.7
Property, plant & equipment	16,400	16,439	0.2	16,392	-0.3	16,469	0.5
Financial and equity investments	1,823	1,787	-2.0	1,870	4.6	1,805	-3.5
Total non-current assets	NA	19,649	NA	NA	NA	20,061	NA
Inventory	107	112	4.7	NA	NA	122	NA
Trade receivables	978	1,376	40.7	NA	NA	1,318	NA
Cash and current financial assets	3,647	2,896	-20.6	NA	NA	3,169	NA
Total current assets	NA	4,384	NA	NA	NA	4,609	NA
Total assets	NA	24,033	NA	NA	NA	24,670	NA
Long-term debt	NA	10,643	NA	NA	NA	10,887	NA
Provisions for risks and charges	807	713	-11.6	NA	NA	696	NA
Total non-current liabilities	NA	11,721	NA	NA	NA	11,972	NA
Short-term debt	NA	4,131	NA	NA	NA	5,105	NA
Trade payables	NA	1,801	NA	NA	NA	1,222	NA
Total current liabilities	NA	6,064	NA	NA	NA	6,474	NA
Minorities	3	3	0.0	3	0.0	3	0.0
Shareholders' equity	6,324	6,255	-1.1	6,426	2.7	6,221	-3.2
Total equity	6,327	6,258	-1.1	6,429	2.7	6,224	-3.2
Total liabilities and equity	NA	24,043	NA	NA	NA	24,670	NA
Net debt	11,871	11,923	0.4	12,256	2.8	12,888	5.2
Adjusted net debt	NA	NA	NA	NA	NA	NA	NA

Key consolidated economic data - financial indicators

Profitability and coverage ratio (%)	2019	LTM20	1H19	1H20	2Q19	2Q20
EBITDA margin	82.7	81.8	83.4	81.6	82.1	81.1
Adjusted EBITDA margin	-	80.8	-	-	-	-
EBIT margin	54.5	53.0	56.8	53.8	56.3	52.5
Adjusted EBIT margin	-	52.0	-	-	-	-
EBITDA/net interest expense (x)	10.9	11.8	13.1	16.4	13.2	16.6
EBIT/net interest expense (x)	7.2	7.7	8.9	10.8	9.1	10.8
Leverage ratio (x)			30.09.19	31.12.19	31.03.20	30.06.20
Net debt/EBITDA	-	-	5.5	5.4	5.5	5.9
Adjusted Net Debt/Adjusted EBITDA (x)	-	-	-	-	-	-
Net debt/FFO	-	-	6.7	6.8	6.9	7.4
Net debt/equity	-	-	1.9	1.9	1.9	2.1

Note: NA=not available, NM=not meaningful. Source: Intesa Sanpaolo Research elaboration on company data

Telecom Italia: Credit View NEUTRAL

(Moody's Ba1 / Negative , Fitch BB+ /Stable)

	Sen Secured	Sen Unsec	Sub	Hybrid
IG	-	-	-	-
HY	-	BUY	-	-
Unrated	-	-	-	-

Key credit drivers

- 2Q20 operating results were weak with further declines in revenues and EBITDA, which largely mitigated the reduction in net debt for the quarter with adjusted (organic) leverage little changed on 1Q20.
- Updated guidance saw the low/mid-single digit service revenue declines in Italy at the start of the year changed to mid/high-single digit declines but with adjusted net debt AL guidance revised to <EUR18Bn by 2021 (which does not include the KKR deal).
- No short-term rating actions expected, although this remains contingent on proposed inorganic actions in our view. Downward rating pressure could build if inorganic actions prove elusive/inadequate, or if efficiency measures fail to mitigate the effects of the business contraction.
- BUY recommendation maintained. Despite expectations of further operating weakness, we view strategic initiatives as the key driver and a potential game changer for TIM. We are mindful of the challenging competitive outlook in Italy, particularly after Sky's entry into the Italian broadband market (6/20) and plans for Iliad to enter the fixed segment, as well as the challenges ahead in relation to the single network debate.

Strengths

- TIM has some of the most valuable 5G spectrum in Italy. The Vodafone agreement will enhance 5G benefits.
- Letter of Intent signed with CDP vis a vis the single network. Next phase is the valuation of respective assets to be conferred to AccessCo.
- Many important strategic initiatives underway
- Efficiency measures are proving effective.

Weaknesses

- Single fibre network debate still faces hurdles including regulatory and antitrust approvals.
- A material portion of 5G spectrum costs are due in 2022.
- Domestic EBITDA under pressure with the contraction serving to mitigate the positive effects of the debt reduction initiatives.
- Consortium bid for Oi's mobile assets (Brazil): strategic logic, but structure/funding not clear yet.

Outperformer¹ YTD - Senior Unsecured

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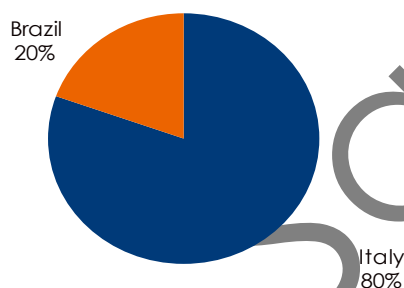
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Underperformance¹ YTD - Senior Unsecured

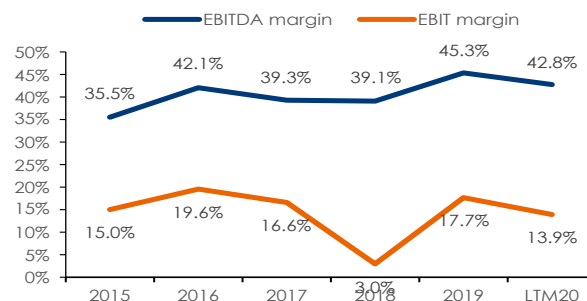
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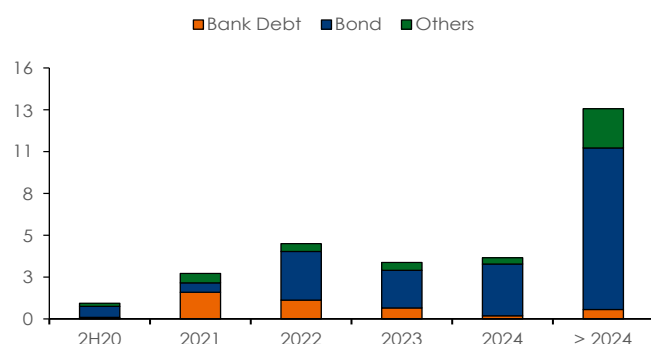
Sales by geographic area (1H20)



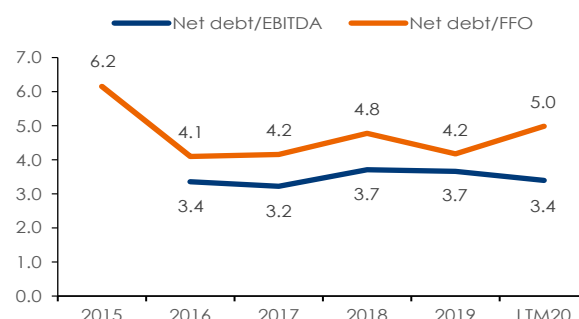
Trend in profitability



Debt maturity profile (EUR Bn, 30.06.20)



Leverage trend (x)



Source: Intesa Sanpaolo Research elaboration on Bloomberg data (bond performance table) and company data (charts)

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1. List of Telecom Italia bonds in Appendix 1 (page 70, 71)

Telecom Italia In Brief

Telecom Italia S.p.A, both directly and through subsidiaries, offers fixed line and mobile telephony and data transmission services in Italy and Brazil.

Consolidated income statement - main items

(EUR M)	2019	LTM20	Chg %	1H19	1H20	Chg %	2Q19	2Q20	Chg %
Sales	17,974	16,739	-6.9	8,994	7,759	-13.7	4,523	3,795	-16.1
EBITDA	8,151	7,158	-12.2	4,391	3,398	-22.6	2,445	1,663	-32.0
Adjusted EBITDA	8,147	7,650	-6.1	4,032	3,535	-12.3	2,062	1,761	-14.6
EBIT	3,175	2,330	-26.6	1,887	1,042	-44.8	1,204	509	-57.7
Adjusted EBIT	NA	NA	NA	1,539	NA	NA	NA	NA	NA
Net interest expense	-1,436	-1,285	-10.5	-754	-603	-20.0	-371	-302	-18.6
Income (loss) on equity investments	0	451	NM	-1	450	NM	3	9	NM
Profit before tax	1,739	1,496	-14.0	1,132	889	-21.5	836	216	-74.2
Net profit (loss)	1,242	1,225	-1.4	740	723	-2.3	553	132	-76.1
Net profit (loss) attributable to the Group	916	1,043	13.9	551	678	23.0	386	118	-69.4

Consolidated cash flow statement - main items

(EUR M)	2019	LTM20	Chg %	1H19	1H20	Chg %	2Q19	2Q20	Chg %
FFO	6,630	5,212	-21.4	3,703	2,285	-38.3	2,107	991	-53.0
Net change in working capital	-549	544	NM	-1,146	-53	-95.4	-513	176	-134.3
CFO	6,081	5,756	-5.3	2,557	2,232	-12.7	1,594	1,167	-26.8
Capex	-3,802	-3,575	-6.0	-1,481	-1,254	-15.3	-874	-655	-25.1
FCF	2,279	2,181	-4.3	1,076	978	-9.1	720	512	-28.9
Dividends	-269	-376	39.8	-241	-346	44.4	-216	-308	42.6
Discretionary FCF	2,010	1,805	-10.2	835	630	-24.6	504	204	-59.5
RCF	2,199	3,203	45.7	838	1,842	119.8	507	803	58.4
Change in equity	10	18	80.0	0	8	NM	0	8	NM
Change in debt	-845	-1,517	79.5	-843	-1,515	79.7	-1,102	-450	-59.2
CFF	-835	-1,500	79.6	-843	-1,508	78.9	-1,102	-442	-59.9
RCF + CFF	1,581	2,068	30.8	63	550	NM	-403	405	NM
Change in liquidity	1,571	1,903	21.1	68	400	NM	-404	338	-183.7

Consolidated balance sheet - main items

(EUR M)	30.09.19	31.12.19	Chg %	31.03.20	Chg %	30.06.20	Chg %
Intangible assets	34,464	30,750	-10.8	30,027	-2.4	29,737	-1.0
Property, plant & equipment	13,995	14,011	0.1	13,287	-5.2	12,986	-2.3
Financial and equity investments	2,648	7,657	189.2	6,517	-14.9	2,922	-55.2
Total non-current assets	60,675	55,996	-7.7	58,482	4.4	56,946	-2.6
Inventory	299	260	-13.0	282	8.5	256	-9.2
Trade receivables	4,940	5,006	1.3	4,938	-1.4	4,685	-5.1
Cash and current financial assets	2,147	3,138	46.2	3,265	4.0	3,603	10.4
Total current assets	8,798	9,461	7.5	9,513	0.5	9,587	0.8
Total assets	69,473	70,104	0.9	67,995	-3.0	66,557	-2.1
Long-term debt	30,262	30,181	-0.3	25,396	-15.9	29,187	14.9
Provisions for risks and charges	971	725	-25.3	688	-5.1	753	9.4
Total non-current liabilities	36,151	35,550	-1.7	35,166	-1.1	34,629	-1.5
Short-term debt	4,277	3,821	-10.7	3,523	-7.8	4,382	24.4
Trade payables	6,501	7,302	12.3	6,616	-9.4	6,152	-7.0
Total current liabilities	10,778	11,123	3.2	10,818	-2.7	10,534	-2.6
Minorities	2,322	2,346	1.0	1,388	-40.8	1,313	-5.4
Shareholders' equity	20,222	20,280	0.3	20,623	1.7	20,081	-2.6
Total equity	22,544	22,626	0.4	22,011	-2.7	21,394	-2.8
Total liabilities and equity	69,473	70,104	0.9	67,995	-3.0	66,557	-2.1
Net debt	27,891	27,668	-0.8	26,745	-3.3	25,971	-2.9
Adjusted net debt	22,465	21,893	-2.5	21,711	-0.8	21,095	-2.8

Key consolidated economic data - financial indicators

Profitability and coverage ratio (%)	2019	LTM20	1H19	1H20	2Q19	2Q20
EBITDA margin	45.3	42.8	48.8	43.8	54.1	43.8
Adjusted EBITDA margin	45.3	45.7	44.8	45.6	45.6	46.4
EBIT margin	17.7	13.9	21.0	13.4	26.6	13.4
Adjusted EBIT margin	-	-	-	-	-	-
EBITDA/net interest expense (x)	5.7	5.6	5.8	5.6	6.6	5.5
EBIT/net interest expense (x)	2.2	1.8	2.5	1.7	3.2	1.7
Leverage ratio (x)	30.09.19	31.12.19	31.03.20	30.06.20		
Net debt/EBITDA	3.7	3.7	3.4	3.4		
Adjusted Net Debt/Adjusted EBITDA (x)	3.7	3.4	3.4	3.4		
Net debt/FFO	3.7	4.2	4.2	4.2		
Net debt/equity	1.2	1.2	1.2	1.2		

Note: NA=not available, NM=not meaningful. Source: Intesa Sanpaolo Research elaboration on company data

Terna: Credit View NEUTRAL

(Moody's Baa2 / Stable , Fitch BBB+ /Stable)

	Sen Secured	Sen Unsec	Sub	Hybrid
IG	-	BUY	-	-
HY	-	-	-	-
Unrated	-	-	-	-

Key credit drivers

- Solid 1H20 results, with EBITDA slightly above consensus. Performance driven by both: i) regulated revenues (+2% yoy, to EUR 1,025M); and ii) non-regulated and international revenues, which reached EUR 158M (+70% yoy).
- Outlook 2020. Terna confirmed it does not expect to see any significant effects from the pandemic and that it is confident its FY20 results will be in line with the targets presented in March: revenues of c.EUR 2.49Bn, EBITDA of EUR 1.79Bn, and capex of EUR 1.3Bn. Out of EUR 2.2Bn of regulated revenues, less than EUR 200M are related to volume. New Strategic Plan to be presented in 4Q20.
- BUY recommendation maintained in light of the resilient business model and the visibility of the role of electricity in the energy transition process.

Strengths

- Monopolist in Italy, owning c.99% of the country's electricity transportation grid.
- Almost fully regulated business (above 90% of total EBITDA). Limited exposure of revenues to changes in electricity demand.
- Committed to the current rating and a low business risk profile.

Outperformer¹ YTD - Senior Unsecured

TRNIM 0 3/4 07/24/32

-11

Sales breakdown (1H20)

Weaknesses

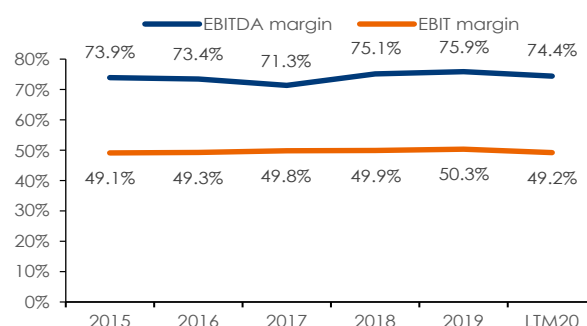
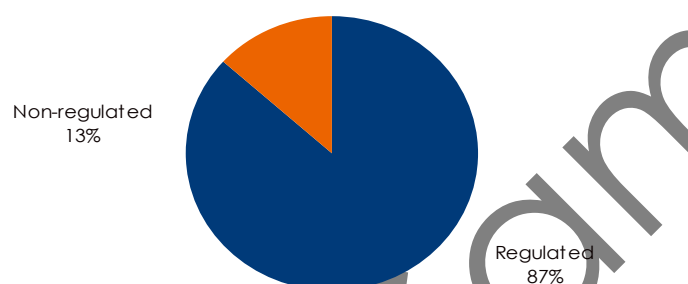
- Leverage ratios expected to rise, due to higher capex and higher dividend payout policy.
- Low inflation could impact RAB growth and the net debt/RAB ratio.

Underperformance¹ YTD - Senior Unsecured

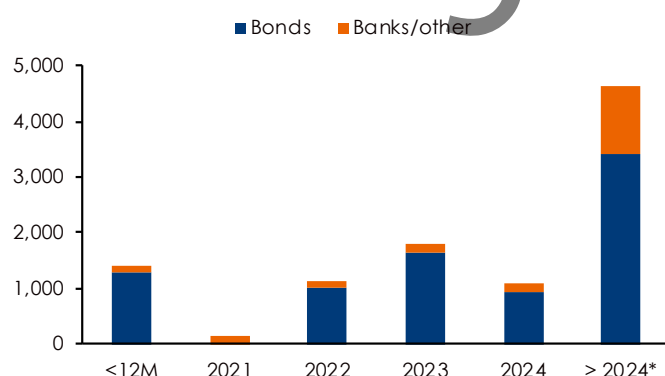
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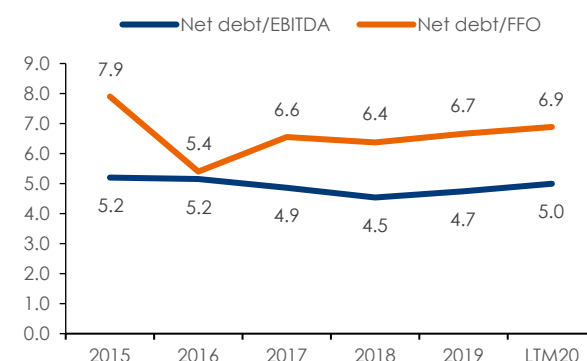
Trend in profitability



Debt maturity profile (EUR M, 30.06.20)



Leverage trend (x)



*include EUR 500M bonds due 2032 issued in July. Source: Intesa Sanpaolo Research elaboration on Bloomberg data (bond performance table) and company data (charts)

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1. List of Terna bonds in Appendix 1 (page 68)

Terna In Brief

Terna — Rete Elettrica Nazionale S.p.A. — transmits electricity over the high-voltage and extra-high-voltage grid in Italy. Through its subsidiaries, the company owns a substantial share of the national electricity transmission grid.

Consolidated income statement - main items

(EUR M)	2019	LTM20	Chg %	1H19	1H20	Chg %	2Q19	2Q20	Chg %
Sales	2,295	2,380	3.7	1,098	1,183	7.8	561	616	9.8
EBITDA	1,741	1,771	1.7	846	876	3.5	426	442	3.7
Adjusted EBITDA	NA	NA	NA	NA	NA	NA	NA	NA	NA
EBIT	1,155	1,171	1.4	558	574	2.9	278	292	5.0
Adjusted EBIT	NA	NA	NA	NA	NA	NA	NA	NA	NA
Net interest expense	-78	-78	0.4	-39	-39	0.8	-23	-20	-13.5
Income (loss) on equity investments	3	3	0.0	2	2	0.0	NA	NA	NA
Profit before tax	1,077	1,093	1.5	519	535	3.1	255	272	6.7
Net profit (loss)	764	775	1.5	368	380	3.0	182	193	6.0
Net profit (loss) attributable to the Group	757	770	1.7	367	380	3.5	181	193	7.0

Consolidated cash flow statement - main items

(EUR M)	2019	LTM20	Chg %	1H19	1H20	Chg %	2Q19	2Q20	Chg %
FFO	1,240	1,285	3.6	586	631	7.6	289	325	12.4
Net change in working capital	251	6	-97.7	-160	-406	153.4	-64	-186	191.2
CFO	1,491	1,290	-13.5	426	225	-47.1	225	139	-38.4
Capex	-1,264	-1,296	2.5	-396	-428	8.0	-232	-211	-9.1
FCF	227	-6	-102.4	30	-203	NM	-7	-72	NM
Dividends	-480	-502	4.5	-311	-332	7.0	-311	-332	7.0
Discretionary FCF	-253	-507	100.6	-281	-535	90.6	-317	-404	27.4
RCF	-359	-553	53.9	-394	-588	49.1	-376	-438	16.5
Change in equity	NA	NA	NA	0	0	NM	NA	NA	NA
Change in debt	88	573	NM	274	760	176.8	NA	NA	NA
CFF	88	573	NM	274	760	176.8	NA	NA	NA
RCF + CFF	-272	20	-107.3	-120	172	NM	NA	NA	NA
Change in liquidity	-272	20	-107.3	-120	172	NM	NA	NA	NA

Consolidated balance sheet - main items

(EUR M)	30.09.19	31.12.19	Chg %	31.03.20	Chg %	30.06.20	Chg %
Intangible assets	521	543	4.2	541	-0.2	542	0.0
Property, plant & equipment	13,457	13,864	3.0	14,640	5.6	14,003	-4.4
Financial and equity investments	NA	595	NA	NA	NA	642	NA
Total non-current assets	NA	15,018	NA	14,937	-0.5	15,202	1.8
Inventory	NA	51	NA	NA	NA	76	NA
Trade receivables	NA	1,291	NA	NA	NA	1,461	NA
Cash and current financial assets	2,404	1,577	-34.4	1,462	-7.3	1,756	20.1
Total current assets	NA	2,988	NA	NA	NA	3,393	NA
Total assets	NA	18,004	NA	NA	NA	18,594	NA
Long-term debt	NA	9,481	NA	NA	NA	8,299	NA
Provisions for risks and charges	NA	2,103	NA	NA	NA	196	NA
Total non-current liabilities	NA	10,750	NA	NA	NA	9,622	NA
Short-term debt	NA	152	NA	NA	NA	2,069	NA
Trade payables	612	2,446	NM	NA	NA	2,248	NA
Total current liabilities	NA	3,022	NA	NA	NA	4,764	NA
Minorities	37	42	12.1	41	-0.7	42	1.5
Shareholders' equity	4,090	4,190	2.4	4,330	3.3	4,166	-3.8
Total equity	4,127	4,232	2.5	4,371	3.3	4,208	-3.7
Total liabilities and equity	NA	18,004	NA	NA	NA	18,594	NA
Net debt	8,250	8,259	0.1	8,409	1.8	8,846	5.2
Adjusted net debt	NA	NA	NA	NA	NA	NA	NA

Key consolidated economic data - financial indicators

Profitability and coverage ratio (%)	2019	LTM20	1H19	1H20	2Q19	2Q20
EBITDA margin	75.9	74.4	77.1	74.0	76.0	71.8
Adjusted EBITDA margin	-	-	-	-	-	-
EBIT margin	50.3	49.2	50.8	48.5	49.5	47.4
Adjusted EBIT margin	-	-	-	-	-	-
EBITDA/net interest expense (x)	22.4	22.7	21.8	22.4	18.6	22.3
EBIT/net interest expense (x)	14.9	15.0	14.4	14.7	12.1	14.7
Leverage ratio (x)	30.09.19	31.12.19	31.03.20	30.06.20		
Net debt/EBITDA	4.9	4.7	4.8	5.0		
Adjusted Net Debt/Adjusted EBITDA (x)	-	-	-	-		
Net debt/FFO	6.9	6.7	6.7	6.9		
Net debt/equity	2.0	2.0	1.9	2.1		

Note: NA=not available, NM=not meaningful. Source: Intesa Sanpaolo Research elaboration on company data

Banca MPS: Credit View NEUTRAL

(Moody's Caa1/*+, Fitch B/*-)

	CB	GGB	Sen Uns	SNP	Sub	Hybrid
IG	HOLD	-	-	-	-	-
HY	-	-	HOLD	-	HOLD	-
Unrated	-	-	-	-	-	-

Key credit drivers

- MPS reported a negative set of result for the second quarter in a row at end-June 2020, recording a significant drop in operating profitability in 1H20 and with capital ratios contacting further. Both data results compared unfavourably vs peers.
- Following ECB approval (2 September), the EUR 8.1Bn gross NPL spin-off to AMCO is progressing and is set to be completed by YE20 while MPS recently (3 September) issued a EUR 300M Tier 2 bond as part of the capital strengthening measures requested by the ECB.
- We assign a NEUTRAL Credit View to MPS factoring in the planned sizeable further de-risking and the related strengthening of its solvency while expecting MPS to remain particularly exposed to the current crisis related to the COVID-19 pandemic.
- We also expect the disposal strategy regarding MEF from MPS to be announced shortly, whilst we see MPS' weakened capital base after the demerger deal and the significant number of legal claims weigh on a potential M&A deal.
- Recent rating actions: Rating Watch Positive by Fitch (2 July) and Under Review for Upgrade by Moody's (21 July).

Strengths

- Fourth-largest Italian bank by total assets.
- Healthy liquidity position.
- Asset quality set to improve at an even better rate than peers by YE20.

Weaknesses

- Very weak operating profitability.
- Sizeable number of legal claims against MPS.
- Sizeable exposure to Italian government bonds.
- Negative impact from the COVID-19 crisis.

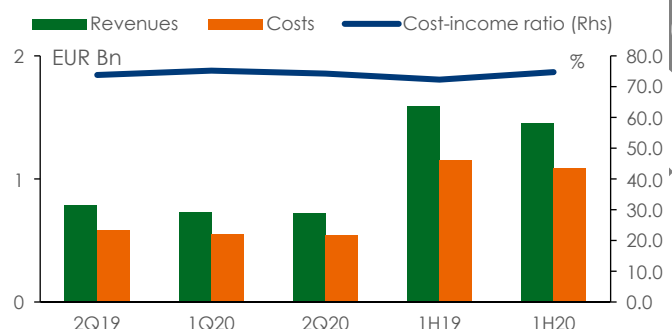
Outperformer¹ YTD (based on credit spread change, price for T1/AT1)

CB (fx)	MONTE 2 1/8 11/26/25	T2 (fx)	NA*
Senior (fx)	MONTE 4 07/10/22	T1/AT1	-

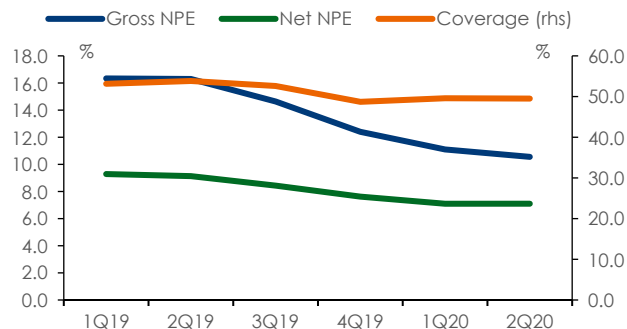
Underperformance¹ YTD (based on credit spread change, price for T1/AT1)

CB (fx)	MONTE 1 1/4 1/20/22	T2 (fx)	NA*
Senior (fx)	MONTE 2 5/8 4/28/25	T1/AT1	-

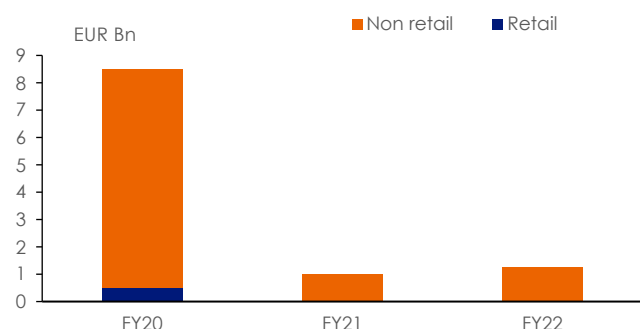
Cost/income ratio (trend)



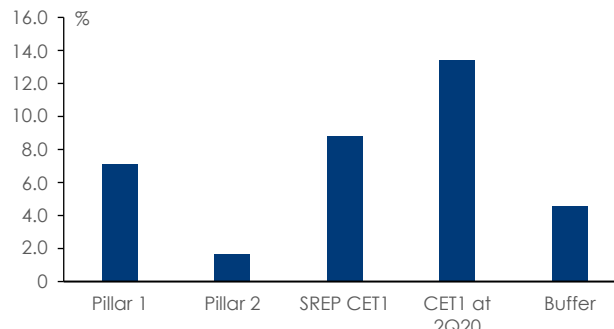
Gross and net NPE ratios and coverage ratios (trend)



Bond maturity profile, 2020- 22 (FY)



CET1 ratio 2Q20 vs SREP targets for 2020 (phased-in)



Source: Intesa Sanpaolo Research elaboration on Bloomberg data (bond performance table) and company data (charts)

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1. List of Banca MPS bonds in Appendix 2 (page 77, 80, 83)

Banca MPS In Brief

Banca Monte dei Paschi di Siena S.p.A. provides credit, asset management services, insurance, mutual funds, internet banking, and investment banking services. It primarily serves customers in Italy.

Consolidated income statement - Main items

EUR M	2Q19	1Q20	2Q20	qoq %	yoy %	1H19	1H20	yoy %
Net Interest Income	404	327	320	-2.2	-20.9	813	647	-20.5
Net Commission/Fee Income	364	370	324	-12.3	-10.8	723	694	-3.9
Core Revenues	768	697	644	-7.6	-16.1	1,536	1,341	-12.7
Net Trading Income	50	27	66	143.0	31.5	79	93	18.0
Total Income	782	729	723	-0.9	-7.6	1,586	1,453	-8.4
Operating Costs	577	549	537	-2.1	-7.0	1,147	1,085	-5.3
Gross Operating Profit	205	181	186	3.0	-9.2	440	367	-16.5
Net loan-losses provisions (LLPs)	110	315	205	-34.9	86.4	254	519	104.6
Pre-tax income	35	-246	-407	65.2	NM	11	-653	NM
Net income (Loss)	65	-244	-845	NM	NM	93	-1,089	NM
Net income (loss) adjusted¹	65	-244	-845	NM	NM	93	-1,089	NM

Consolidated balance sheet - Main items

ASSETS (EUR M)	30.06.19	31.12.19	30.06.20	YTD %	yoy %
Cash and cash equivalents	650	835	680	-18.6	4.6
Financial assets and hedging derivatives	28,322	27,226	28,699	5.4	1.3
Due from banks	11,709	14,948	20,795	39.1	77.6
Loans to customers	80,386	80,135	82,511	3.0	2.6
Equity investments	958	931	954	2.5	-0.4
Tangible and intangible assets	2,943	2,909	2,851	-2.0	-3.1
Tax assets	4,064	2,763	2,193	-20.6	-46.1
Other assets	2,505	2,448	2,974	21.5	18.7
Total Assets	131,539	132,196	141,656	7.2	7.7
LIABILITIES & SHAREHOLDERS' EQUITY (EUR M)	30.06.19	31.12.19	30.06.20	YTD %	yoy %
Due to banks	21,137	20,178	26,185	29.8	23.9
Due to customers and debt securities in issue	92,216	94,217	97,585	3.6	5.8
Trading liabilities and hedging derivatives	4,191	5,199	5,611	7.9	33.9
Tax liabilities	4	3	3	-11.8	-21.1
Other liabilities	4,652	4,318	5,112	18.4	9.9
Minorities	2	2	1	-33.3	-40.0
Shareholders' equity	9,336	8,279	7,158	-13.5	-23.3
Total Liabilities and Shareholders' Equity	131,539	132,196	141,656	7.2	7.7

Key consolidated economic - financial indicators (historical trend)

Profitability ratios (%)	2016	2017	2018	2019	1H20
ROE Adjusted ¹	NM	NM	3.2	2.4	NM
ROA Adjusted ¹	NM	NM	0.2	0.1	NM
Cost/income ratio (excl. Systemic charges)	61.2	63.2	71.5	69.7	74.7
Asset Quality ratios (%)	2016	2017	2018	2019	2Q20
Net bad debt ratio	9.7	8.3	3.7	3.7	3.5
Bad debt coverage ratio	64.8	75.7	62.4	53.6	54.5
Net NPEs ratio	19.0	16.3	9.0	7.6	7.1
Cost of risk (bps)	419	616	72	73	126
Cost of risk ordinary (bps)	180	167	72	73	53
Liquidity ratios (%)	2016	2017	2018	2019	2Q20
Loan/deposit ratio	102.0	88.4	96.0	85.1	84.6
LCR (Liquidity Coverage Ratio)	107.7	199.5	190.2	152.4	171.5
NSFR (Net Stable Funding Ratio)	87.6	110.0	112.3	112.6	118.3
Capital Structure and Solvency ratios (%)	2016	2017	2018	2019	2Q20
CET1 phase-in ratio	8.2	14.8	13.7	14.7	13.4
CET1 fully-loaded	6.5	14.2	11.3	12.7	11.4
SREP CET1	10.8	10.8	9.4	10.0	8.8
Tier 1 ratio	8.2	14.8	13.7	14.7	13.4
TC ratio	10.4	15.0	15.2	16.7	16.0
Leverage phase-in ratio	3.2	6.0	5.5	6.1	4.9
Leverage fully-loaded ratio	NA	NA	4.5	5.3	4.2
Operating structure	2016	2017	2018	2019	2Q20
Branches	2,032	1,745	1,529	1,422	1,421
of which in Italy	2,032	1,745	1,529	1,422	1,421
Employees	25,566	23,463	23,129	22,040	22,123

Note: NA=not available, NM=not meaningful. Source: Intesa Sanpaolo Research elaboration on company data

BPER: Credit View UNDER REVIEW

(Moody's Ba3 / Negative , Fitch BB/*-)

	CB	GGB	Sen Uns	SNP	Sub	Hybrid
IG	HOLD	-	-	-	-	-
HY	-	-	HOLD	-	HOLD	-
Unrated	-	-	-	-	-	-

Key credit drivers

- BPER reported a satisfactory set of results for 2Q20, beating market expectations while reporting both improved asset quality indicators and better capital ratios.
- With respect to outlook, BPER's management delivered updated guidance for 2021, which, in our view, is somewhat benign in the current economic environment.
- We expect the COVID-19-related crisis to weigh mainly on BPER's profitability and asset quality.
- We expect BPER to participate to the upcoming consolidation of the Italian banking sector.

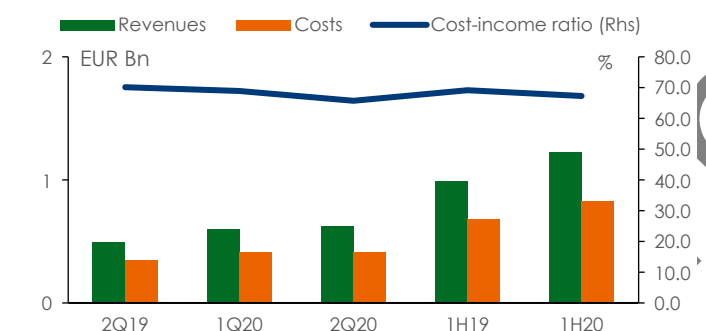
Strengths

- Sixth-largest Italian bank by total assets and nationwide spread, with deep roots in its home region of northern Italy.
- Ample liquidity, driven by retail funding.
- Capital ratios at comfortable buffers over SREP targets.

Outperformer¹ YTD (based on credit spread change, price for T1/AT1)

CB	BPEIM 1 07/22/23	T2 (fx)	NA*
Senior (fx)	NA*	T1/AT1	-

Cost/income ratio (trend)



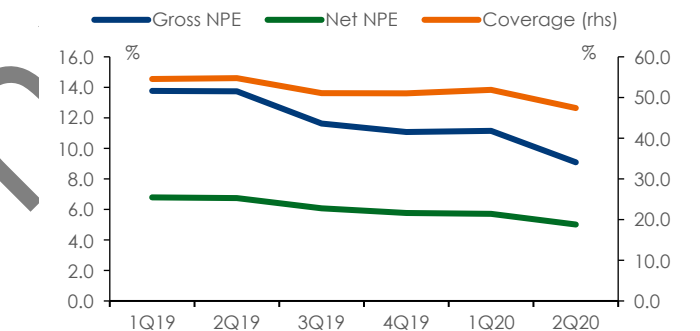
Weaknesses

- Poor asset quality, worse than the system-wide average, despite an ongoing improvement.
- Exposure to fragile economies of Italy's southern regions.
- Negative economic impact from the COVID-19 crisis.

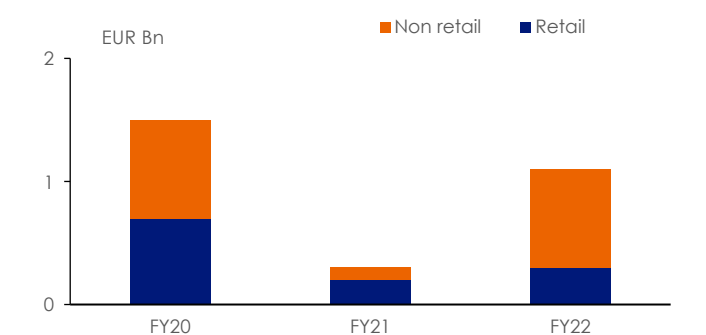
Underperformance¹ YTD (based on credit spread change, price for T1/AT1)

CB	BPEIM 0 7/8 01/22/22	T2 (fx)	NA*
Senior (fx)	-	T1/AT1	-

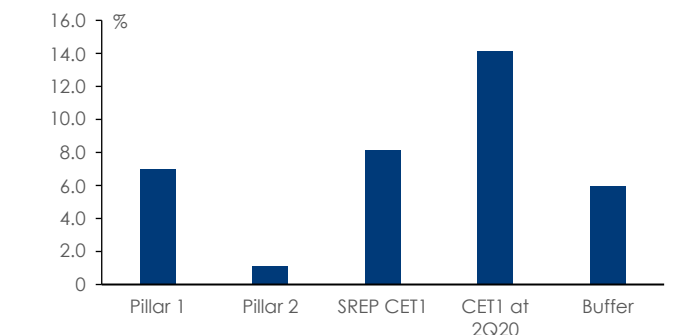
Gross and net NPE ratios and coverage ratios (trend)



Bond maturity profile, 2020- 22 (FY)



CET1 ratio 2Q20 vs SREP targets for 2020 (phased-in)



Source: Intesa Sanpaolo Research elaboration on Bloomberg data (bond performance table) and company data (charts)

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1. List of BPER bonds in Appendix 2 (page 78, 80, 83)

BPER In Brief

BPER Banca S.p.A. operates as a retail and corporate bank. It offers loans, credit cards, pension plans, investment funds, insurance, asset management, and online trading services. BPER serves customers in Italy.

Consolidated income statement - Main items

EUR M	2Q19	1Q20	2Q20	qoq %	yoy %	1H19	1H20	yoy %
Net Interest Income	272	308	310	0.7	14.0	546	618	13.2
Net Commission/Fee Income	195	268	245	-8.4	25.6	388	513	32.2
Core Revenues	467	576	555	-3.5	18.8	934	1,131	21.1
Net Trading Income	5	6	47	NM	NM	27	52	91.1
Total Income	492	597	624	4.6	26.9	987	1,221	23.7
Operating Costs	345	411	410	-0.2	19.0	682	821	20.3
Gross Operating Profit	147	186	214	15.3	45.7	304	399	31.2
Net loan-losses provisions (LLPs)	75	140	158	13.1	111.6	147	297	102.2
Pre-tax income	57	17	30	82.2	-47.4	121	47	-61.3
Net income (Loss)	53	6	99	NM	87.7	100	105	4.2
Net income (loss) adjusted¹	53	6	99	NM	87.7	100	105	4.2

Consolidated balance sheet - Main items

ASSETS (EUR M)	30.06.19	31.12.19	30.06.20	YTD %	yoy %
Cash and cash equivalents	396	567	461	-18.7	16.5
Financial assets and hedging derivatives	17,213	19,065	22,330	17.1	29.7
Due from banks	2,616	2,322	5,101	119.7	95.0
Loans to customers	46,542	52,006	52,884	1.7	13.6
Equity investments	453	226	218	-3.3	-51.8
Tangible and intangible assets	1,694	2,040	2,005	-1.7	18.4
Tax assets	NA	2,025	NA	NA	NA
Other assets	2,669	784	2,937	NM	10.0
Total Assets	71,583	79,033	85,936	8.7	20.1
LIABILITIES & SHAREHOLDERS' EQUITY (EUR M)	30.06.19	31.12.19	30.06.20	YTD %	yoy %
Due to banks	12,505	12,213	16,601	35.9	32.8
Due to customers and debt securities in issue	51,029	58,056	59,815	3.0	17.2
Trading liabilities and hedging derivatives	527	460	611	32.8	16.0
Tax liabilities	NA	76	NA	NA	NA
Other liabilities	2,572	2,937	3,554	21.0	38.2
Minorities	506	132	139	5.9	-72.4
Shareholders' equity	4,444	5,160	5,216	1.1	17.4
Total Liabilities and Shareholders' Equity	71,583	79,033	85,936	8.7	20.1

Key consolidated economic - financial indicators (historical trend)

Profitability ratios (%)	2016	2017	2018	2019	1H20
ROE Adjusted ¹	0.3	NM	10.1	0.8	4.1
ROA Adjusted ¹	0.0	NM	0.6	0.0	0.2
Cost/income ratio (excl. Systemic charges)	61.3	63.6	66.4	74.1	67.3
Asset Quality ratios (%)	2016	2017	2018	2019	2Q20
Net bad debt ratio	6.6	6.1	3.1	2.3	1.7
Bad debt coverage ratio	57.3	59.3	66.6	66.0	62.8
Net NPEs ratio	13.6	11.3	6.8	5.8	5.0
Cost of risk (bps)	136	113	48	86	112
Cost of risk ordinary (bps)	136	113	48	86	72
Liquidity ratios (%)	2016	2017	2018	2019	2Q20
Loan/deposit ratio	95.8	94.8	94.1	89.6	88.4
LCR (Liquidity Coverage Ratio)	102.0	113.7	154.3	158.9	161.8
NSFR (Net Stable Funding Ratio)	104.3	105.2	106.8	114.0	NA
Capital Structure and Solvency ratios (%)	2016	2017	2018	2019	2Q20
CET1 phase-in ratio	13.8	13.9	14.3	13.9	14.1
CET1 fully-loaded	13.3	13.7	12.0	12.0	12.6
SREP CET1	NA	7.3	8.1	9.0	8.1
Tier 1 ratio	13.9	14.0	14.4	14.4	14.6
TC ratio	15.2	16.7	17.2	16.8	17.0
Leverage phase-in ratio	6.7	6.1	6.0	6.1	NA
Leverage fully-loaded ratio	6.5	6.0	5.0	5.3	NA
Operating structure	2016	2017	2018	2019	2Q20
Branches	1,201	1,219	1,218	1,349	1,313
of which in Italy	1,200	1,218	1,218	1,349	1,313
Employees	11,635	11,653	11,615	13,805	13,550

Note: NA=not available, NM=not meaningful. Source: Intesa Sanpaolo Research elaboration on company data

Banco BPM: Credit View NEGATIVE

(Moody's Ba2 / Negative , Fitch)

	CB	GGB	Sen Uns	SNP	Sub	Hybrid
IG	HOLD	-	-	-	-	-
HY	-	-	HOLD	HOLD	HOLD	HOLD
Unrated	-	-	-	-	-	-

Key credit drivers

- 2Q20 results confirmed weak operating profitability, while the balance sheet was solid.
- A rather positive stance regarding 2H20, whilst it will consider additional NPE disposals in 2020 in light of the fiscal benefits. It is to revise its strategic plan targets once it has better visibility and clarity on the likely future scenarios.
- Strategy-wise, Banco BPM has expressed a willingness to be at the forefront in the ongoing consolidation process of the domestic banking sector.
- We see material headwinds from the COVID-related crisis affecting Banco BPM's profitability and asset quality, which will be only partially balanced by the continuous focus on cost-cutting and asset de-risking, in our view.

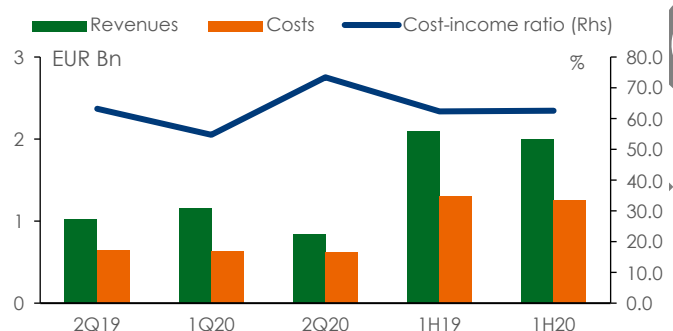
Strengths

- Third-largest Italian bank by total assets, located mainly in the wealthiest area of northern Italy.
- Healthy liquidity position.
- Capital ratios comfortably above regulatory prudential requirements.

Outperformer¹ YTD (based on credit spread change, price for T1/AT1)

CB	BAMIIM 1 01/23/25	T2 (fx)	BAMIIM 7 1/8 03/01/21
Senior (fx)	BAMIIM 2 03/08/22	T1/AT1	BAMIIM 8 3/4 PERP

Cost/income ratio (trend)



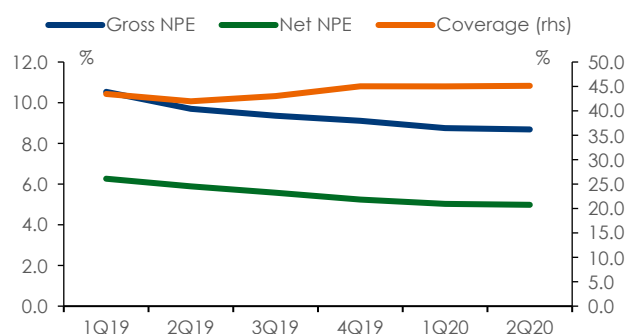
Weaknesses

- Asset quality still weaker than that of peers, despite the accelerated run-down of recent years.
- Revenues under pressure, weighing on profitability.
- Sizeable exposure to Italian government bonds.
- Negative economic impact from the Covid-19 crisis.

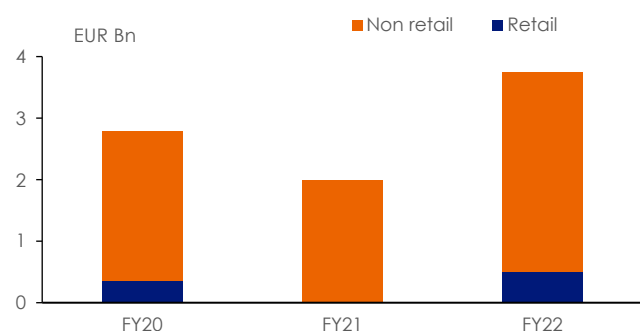
Underperformance¹ YTD (based on credit spread change, price for T1/AT1)

CB	BAMIIM 0 3/4 3/31/22	T2 (fx)	BAMIIM 6 3/8 5/31/21
Senior (fx)	BAMIIM 2 1/2 6/21/24	T1/AT1	BAMIIM 6 1/8 PERP

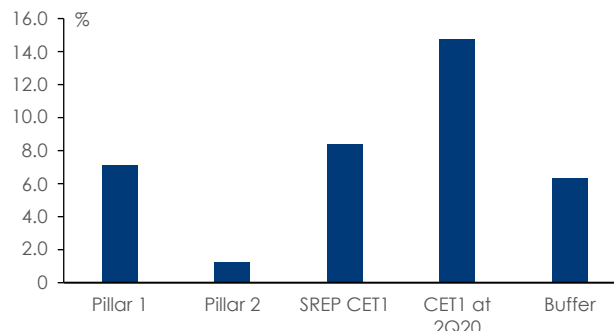
Gross and net NPE ratios and coverage ratios (trend)



Bond maturity profile, 2020- 22 (FY)



CET1 ratio 2Q20 vs SREP targets for 2020 (phased-in)



Source: Intesa Sanpaolo Research elaboration on Bloomberg data (bond performance table) and company data (charts)

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1. List of Banco BPM bonds in Appendix 2 (page 78, 79, 80, 82, 83)

Banco BPM In Brief

Banco BPM S.p.A. operates as a bank. It offers private and corporate banking, loans, e-banking, investment and other related services. It serves customers in Italy.

Consolidated income statement - Main items

EUR M	2Q19	1Q20	2Q20	qoq %	yoy %	1H19	1H20	yoy %
Net Interest Income	512	474	480	1.1	-6.4	1,011	954	-5.7
Net Commission/Fee Income	454	441	376	-14.6	-17.0	888	817	-8.0
Core Revenues	966	915	856	-6.4	-11.4	1,899	1,771	-6.8
Net Trading Income	11	207	-83	-140.0	NM	83	124	49.5
Total Income	1,027	1,160	836	-28.0	-18.6	2,094	1,997	-4.7
Operating Costs	649	635	614	-3.3	-5.4	1,305	1,249	-4.3
Gross Operating Profit	378	526	222	-57.7	-41.2	789	748	-5.2
Net loan-losses provisions (LLPs)	198	213	263	23.3	33.0	350	476	36.2
Pre-tax income	492	310	-59	-119.1	-112.0	744	250	-66.3
Net income (Loss)	448	152	-46	-130.6	-110.4	603	105	-82.5
Net income (loss) adjusted¹	448	152	-46	-130.6	-110.4	603	105	-82.5

Consolidated balance sheet - Main items

ASSETS (EUR M)	30.06.19	31.12.19	30.06.20	YTD %	yoy %
Cash and cash equivalents	795	913	838	-8.1	5.5
Financial assets and hedging derivatives	39,184	37,069	43,885	18.4	12.0
Due from banks	7,308	10,044	12,825	27.7	75.5
Loans to customers	105,100	105,845	108,389	2.4	3.1
Equity investments	1,320	1,386	1,577	13.8	19.5
Tangible and intangible assets	4,787	4,894	4,783	-2.3	-0.1
Tax assets	4,859	4,620	4,628	0.2	-4.8
Other assets	4,465	2,267	2,490	9.8	-44.2
Total Assets	167,819	167,038	179,415	7.4	6.9
LIABILITIES & SHAREHOLDERS' EQUITY (EUR M)	30.06.19	31.12.19	30.06.20	YTD %	yoy %
Due to banks	31,189	28,516	32,930	15.5	5.6
Due to customers and debt securities in issue	110,185	109,506	115,234	5.2	4.6
Trading liabilities and hedging derivatives	8,885	11,652	12,181	4.5	37.1
Tax liabilities	483	619	612	-1.2	26.6
Other liabilities	5,766	4,858	6,224	28.1	8.0
Minorities	41	26	25	-5.8	-40.1
Shareholders' equity	11,270	11,861	12,211	2.9	8.3
Total Liabilities and Shareholders' Equity	167,819	167,038	179,415	7.4	6.9

Key consolidated economic - financial indicators (historical trend)

Profitability ratios (%)	2016	2017	2018	2019	1H20
ROE Adjusted ¹	NM	6.0	NM	7.2	1.7
ROA Adjusted ¹	NM	0.3	NM	0.5	0.1
Cost/income ratio (excl. Systemic charges)	74.6	64.7	59.5	60.4	62.5
Asset Quality ratios (%)	2016	2017	2018	2019	2Q20
Net bad debt ratio	7.1	6.0	1.5	1.5	1.4
Bad debt coverage ratio	45.7	58.9	59.6	56.2	56.1
Net NPEs ratio	14.7	12.1	6.5	5.2	5.0
Cost of risk (bps)	268	172	187	74	88
Cost of risk ordinary (bps)	123	172	118	74	62
Liquidity ratios (%)	2016	2017	2018	2019	2Q20
Loan/deposit ratio	94.7	100.2	98.9	96.7	94.1
LCR (Liquidity Coverage Ratio)	219.9	125.6	150.0	165.0	193.0
NSFR (Net Stable Funding Ratio)	NA	NA	NA	NA	NA
Capital Structure and Solvency ratios (%)	2016	2017	2018	2019	2Q20
CET1 phase-in ratio	12.3	12.4	12.1	14.6	14.7
CET1 fully-loaded	11.4	11.9	11.5	12.8	13.3
SREP CET1	NA	8.2	8.9	9.3	8.4
Tier 1 ratio	12.5	12.7	12.3	15.2	16.0
TC ratio	14.9	15.2	14.7	17.5	17.9
Leverage phase-in ratio	NA	NA	NA	NA	NA
Leverage fully-loaded ratio	NA	NA	NA	NA	NA
Operating structure	2016	2017	2018	2019	2Q20
Branches	2,349	2,320	1,804	1,808	1,808
of which in Italy	2,349	2,320	1,804	1,808	1,808
Employees	24,608	23,263	22,247	21,941	21,852

Note: NA=not available, NM=not meaningful. Source: Intesa Sanpaolo Research elaboration on company data

Unicredit: Credit View NEGATIVE

(Moody's Baa1 / Stable , Fitch BBB- / Stable)

	CB	GGB	Sen Uns	SNP	Sub	Hybrid
IG	HOLD	-	HOLD	HOLD	-	-
HY	-	-	-	-	HOLD	HOLD
Unrated	-	-	-	-	-	-

Key credit drivers

- Unicredit's reported net profit for 2Q20 beat market consensus estimates, mainly driven by higher-than-expected revenue and lower-than-expected loan-loss-provisions. In 1H20, operating profitability, which saw a downtrend yoy, remained weak, in our view.
- Amid still high uncertainty, Unicredit expects to revise its strategic plan at the end of this year or the beginning of 2021.
- Overall, while viewing Unicredit's assumptions on cost of risk as prudent, we expect revenue and asset quality to continue to be under pressure in 2H20. Capital and liquidity positions, however, appear well positioned to withstand the COVID-19-related crisis.
- Despite its CEO Mustier repeatedly confirming standalone growth excluding M&A deals, we do not rule out Unicredit participating in the expected consolidation of the domestic banking sector, even more so now that merger mania seems to have gripped banks across Europe.

Strengths

- A leading pan-European bank, with high geographic and product diversification.
- Sound liquidity and flexible funding base.
- Adequate capital buffers over prudential requirements.

Weaknesses

- High correlation with Italian domestic market, despite diversification.
- Revenue under pressure, negatively weighing on profitability and capital levels.
- Negative economic impact from the COVID-19 crisis.

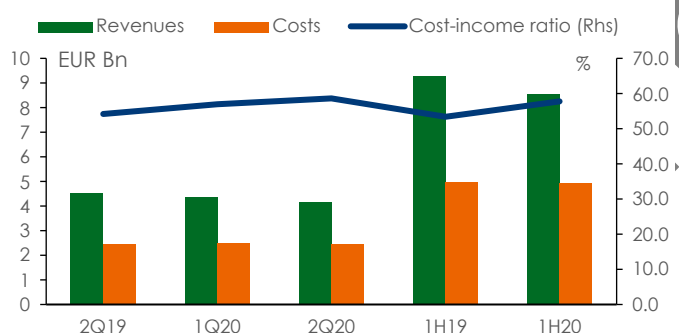
Outperformer¹ YTD (based on credit spread change, price for T1/AT1)

CB (FX)	UCGIM 4 3/8 01/31/22	T2 (VR)	UCGIM 5 3/4 10/28/25
Senior (fx)	UCGIM 2 03/04/23	T1/AT1	UCGIM 6 3/4 PERP

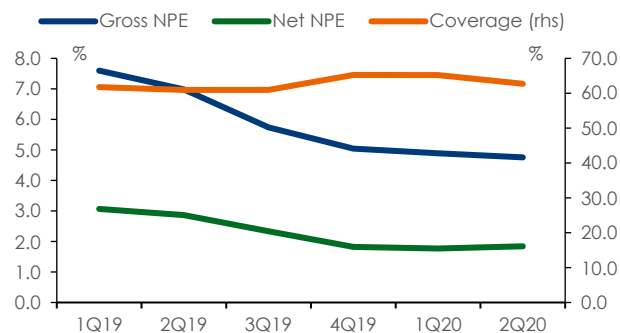
Underperformance¹ YTD (based on credit spread change, price for T1/AT1)

CB	UCGIM 0 3/4 4/30/25	T2 (VR)	UCGIM 2 09/23/29
Senior (fx)	UCGIM 2 1/8 10/26	T1/AT1	UCGIM 3 7/8 PERP

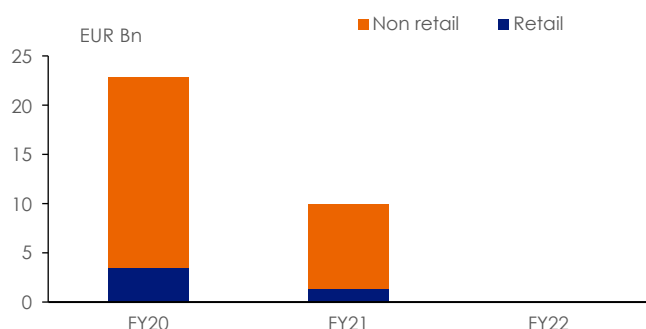
Cost/income ratio (trend)



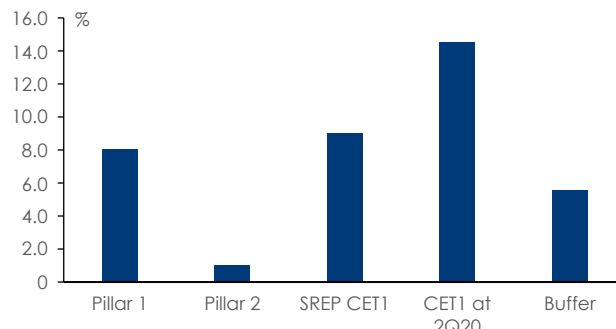
Gross and net NPE ratios and coverage ratios (trend)



Bond maturity profile, 2020- 22 (FY)



CET1 ratio 2Q20 vs SREP targets for 2020 (phased-in)



Source: Intesa Sanpaolo Research elaboration on Bloomberg data (bond performance table) and company data (charts)

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1. List of Unicredit bonds in Appendix 2 (page 77, 79, 80, 82, 84)

Unicredit In Brief

Unicredit S.p.A. offers consumer credit, mortgages, life insurance, business loans, investment banking, asset management, and other financial services. It operates on a worldwide basis.

Consolidated income statement - Main items

EUR M	2Q19	1Q20	2Q20	qoq %	yoy %	1H19	1H20	yoy %
Net Interest Income	2,507	2,494	2,393	-4.0	-4.5	5,043	4,887	-3.1
Net Commission/Fee Income	1,565	1,620	1,380	-14.8	-11.8	3,106	3,000	-3.4
Core Revenues	4,071	4,114	3,773	-8.3	-7.3	8,149	7,887	-3.2
Net Trading Income	300	173	357	106.4	19.0	784	530	-32.4
Total Income	4,518	4,378	4,170	-4.8	-7.7	9,286	8,548	-7.9
Operating Costs	2,448	2,493	2,444	-2.0	-0.1	4,957	4,938	-0.4
Gross Operating Profit	2,070	1,885	1,726	-8.4	-16.6	4,328	3,610	-16.6
Net loan-losses provisions (LLPs)	707	1,261	937	-25.7	32.5	1,174	2,198	87.2
Pre-tax income	814	-2,512	498	-119.8	-38.8	2,478	-2,015	-181.3
Net income (Loss)	1,853	-2,706	420	-115.5	-77.4	3,028	-2,286	-175.5
Net income (loss) adjusted¹	1,853	-2,706	420	-115.5	-77.4	3,028	-2,286	-175.5

Consolidated balance sheet - Main items

ASSETS (EUR M)	30.06.19	31.12.19	30.06.20	YTD %	yoy %
Cash and cash equivalents	32,578	17,305	17,342	0.2	-46.8
Financial assets and hedging derivatives	215,583	221,401	234,565	5.9	8.8
Due from banks	77,911	97,888	126,541	29.3	62.4
Loans to customers	469,298	482,574	479,253	-0.7	2.1
Equity investments	NA	NA	NA	NA	NA
Tangible and intangible assets	12,350	13,897	13,077	-5.9	5.9
Tax assets	12,780	12,922	12,978	0.4	1.6
Other assets	12,110	9,461	8,978	-5.1	-25.9
Total Assets	832,610	855,647	892,735	4.3	7.2
LIABILITIES & SHAREHOLDERS' EQUITY (EUR M)	30.06.19	31.12.19	30.06.20	YTD %	yoy %
Due to banks	132,895	135,563	164,843	21.6	24.2
Due to customers and debt securities in issue	545,453	566,871	564,217	-0.5	3.4
Trading liabilities and hedging derivatives	67,947	65,716	73,236	11.4	7.8
Tax liabilities	1,020	1,378	1,454	5.5	42.5
Other liabilities	25,580	24,334	27,801	14.2	8.7
Minorities	445	369	437	18.4	-1.8
Shareholders' equity	59,471	61,415	60,748	-1.1	2.1
Total Liabilities and Shareholders' Equity	832,610	855,647	892,735	4.3	7.2

Key consolidated economic - financial indicators (historical trend)

Profitability ratios (%)	2016	2017	2018	2019	1H20
ROE Adjusted ¹	NM	10.2	7.9	5.8	NM
ROA Adjusted ¹	NM	0.7	0.5	0.4	NM
Cost/income ratio (excl. Systemic charges)	63.6	56.9	54.3	52.7	57.8
Asset Quality ratios (%)	2016	2017	2018	2019	2Q20
Net bad debt ratio	2.5	2.2	1.2	0.6	0.6
Bad debt coverage ratio	65.6	65.9	72.6	76.3	75.2
Net NPEs ratio	5.6	4.8	3.2	1.8	1.8
Cost of risk (bps)	275	67	55	70	92
Cost of risk ordinary (bps)	92	67	55	45	33
Liquidity ratios (%)	2016	2017	2018	2019	2Q20
Loan/deposit ratio	78.3	78.2	84.2	85.1	84.9
LCR (Liquidity Coverage Ratio)	132.0	185.0	151.0	143.0	148.0
NSFR (Net Stable Funding Ratio)	NA	NA	NA	NA	NA
Capital Structure and Solvency ratios (%)	2016	2017	2018	2019	2Q20
CET1 phase-in ratio	11.5	13.7	12.1	13.2	14.5
CET1 fully-loaded	11.2	13.6	12.1	13.2	13.9
SREP CET1	9.8	8.8	9.2	10.1	9.0
Tier 1 ratio	12.4	15.4	13.6	14.9	16.6
TC ratio	15.0	18.1	15.8	17.7	19.4
Leverage phase-in ratio	4.9	5.7	5.1	5.5	5.6
Leverage fully-loaded ratio	4.7	5.6	4.9	5.3	5.1
Operating structure	2016	2017	2018	2019	2Q20
Branches	6,221	4,817	4,591	3,717	3,639
of which in Italy	3,524	2,663	2,466	2,387	2,328
Employees	98,304	91,952	85,662	84,245	83,685

Note: NA=not available, NM=not meaningful. Source: Intesa Sanpaolo Research elaboration on company data

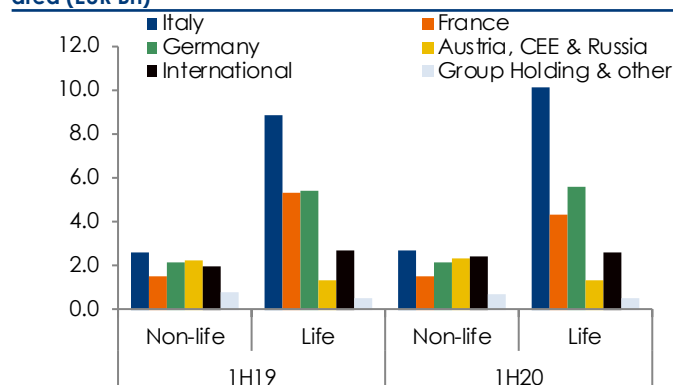
Assicurazioni Generali

(Moody's Baa1 / Stable, Fitch A- /Stable)

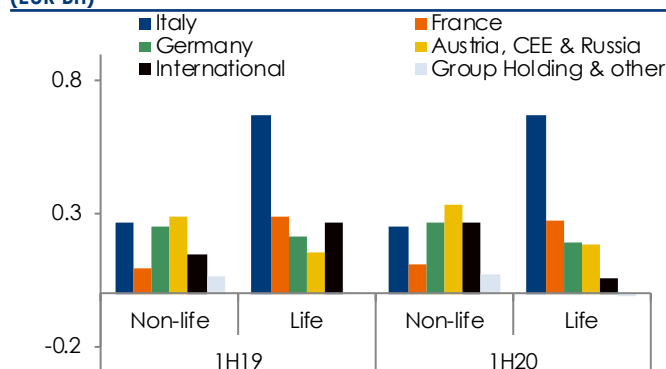
Performance¹ YTD (based on credit spread change)

Senior ASSGEN 5 1/8 09/16/24 Hybrid ASSGEN 5 1/2 10/27/47

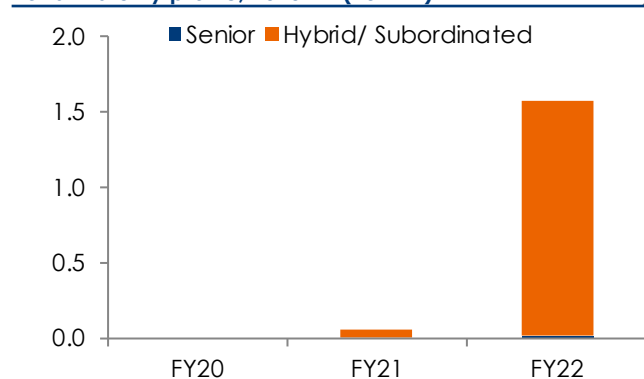
Gross written premiums by business segment and by geographic area (EUR Bn)



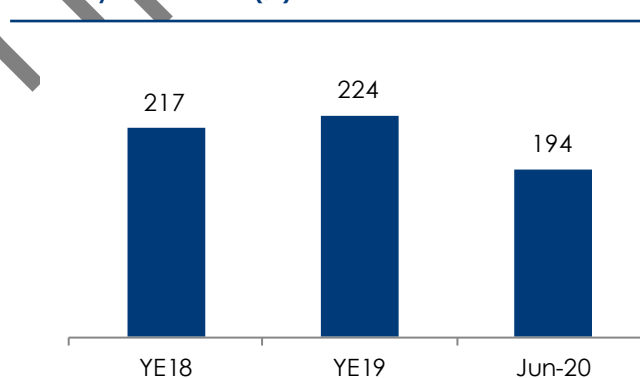
Operating profit by business segment and by geographic area (EUR Bn)



Bond maturity profile, 2020-21 (EUR Bn)



Solvency II ratio trend (%)



Source: Intesa Sanpaolo Research elaboration on Bloomberg data (bond performance table) and company data (charts)

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1. List of Generali bonds in Appendix 2 (page 85, 86)

Assicurazioni Generali in Brief In Brief

Assicurazioni Generali S.p.A. offers life and non-life insurance and reinsurance throughout the world. The company offers life, health, accident, automobile, marine, aviation, transport, fire, general liability, and credit insurance and reinsurance.

Consolidated Income Statement – Main items (EUR M)

EUR M	2Q19	1Q20	2Q20	qoq %	yoy %	1H19	1H20	yoy %
GWP	16,855	18,874	17,314	-8.3	2.7	35,728	36,478	1.2
Life	11,819	12,323	12,322	0.0	4.3	24,321	24,645	1.3
Non-life	5,036	6,841	4,992	-27.0	-0.9	11,407	11,833	0.9
Operating result	1,378	1,448	1,266	-12.6	-8.1	2,724	2,714	-0.4
Life operating result	807	799	570	-28.7	-29.4	1,611	1,369	-15.0
Non-life operating result	573	627	675	7.7	17.8	1,121	1,302	16.2
Asset management operating result	115	93	126	35.5	9.6	186	219	17.9
Holding and other bus. op. result	52	-26	64	NM	23.1	21	38	80.8
Net profit (loss) attributable to the Group	1,045	113	661	485.0	-36.7	1,789	774	-56.7

NM: not meaningful. Note: Company data and Intesa Sanpaolo Research elaboration on Company data.

Consolidated Balance Sheet – Main items (EUR M)

ASSETS EUR M	30.06.2019	31.12.2019	30.06.2020	YTD %	yoy %
Intangible assets	9,415	9,401	9,677	2.9	2.8
Tangible assets	4,123	4,183	4,114	-1.6	-0.2
Amounts ceded to reinsurers from insurance provisions	4,577	4,382	4,511	2.9	-1.4
Investments	448,291	463,929	463,018	-0.2	3.3
of which AFS assets	306,807	318,195	313,499	-1.5	2.2
Receivables	14,004	11,954	13,310	11.3	-5.0
Other assets	14,949	13,852	14,407	4.0	-3.6
Cash and cash equivalents	6,067	6,874	7,647	11.2	26.0
TOTAL ASSETS	501,427	514,574	516,684	0.4	3.0
LIABILITIES EUR M	30.06.2019	31.12.2019	30.06.2020	YTD %	yoy %
Insurance provisions	406,698	419,213	420,415	0.3	3.4
Other provisions	1,698	1,736	1,664	-4.1	-2.0
Financial liabilities	40,297	40,904	42,712	4.4	6.0
of which Financial liabilities at fair value through P&L	4,604	4,983	6,800	36.5	47.7
Payables	11,740	11,178	13,024	16.5	10.9
Other liabilities	12,737	11,693	11,250	-3.8	-11.7
Sahreholders' equity	27,059	28,360	26,143	-7.8	-3.4
Minority interests	1,197	1,491	1,475	-1.1	23.2
TOTAL LIABILITIES	501,427	514,574	516,684	0.4	3.0

Company data and Intesa Sanpaolo Research elaboration on Company data

Key consolidated economic-financial indicators (trend)

Profitability and financial ratios (%)	2018	1H19	2019	1H20
Gross premiums life / total premiums	69.1	68.1	69.2	67.6
Net loss ratio (non-life)	65.1	63.2	64.2	61.5
Net expense ratio (non-life)	27.9	28.6	28.4	27.9
Net combined ratio (non-life)	93.0	91.8	92.6	89.5
Net loss ratio (Italy)	65.1	66.1	66.1	64.7
Net expense ratio (Italy)	25.9	25.6	25.9	25.8
Net combined ratio (Italy)	91.0	91.8	91.9	90.5
Life expense ratio	9.9	9.8	10.2	9.8
Life expense ratio (Italy)	5.7	6.1	6.1	5.2
Solvency and leverage ratios (%)				
Solvency II regulatory ratio	217	209	224	194
Leverage ratio	31.9	28.7	27.0	26.1
Operating structure				
Headcount - Italy	12,926	NA	13,150	NA
Headcount - total	70,734	NA	71,936	NA

Note: NA = Not Available. Company data and Intesa Sanpaolo Research elaboration on Company data

Notes

Sample

Notes

Sample

Appendix - Italian Corporate Bonds

Italian non-financial corporate bonds

Italian corporate bonds denominated in euro - Senior Unsecured

Bond	Next call	Type	Outst. EUR M	Price	YTM %	SPRD TYPE	SPRD	-1W (bps)	-1M (bps)	YTD (bps)	52-week range		Ratings		
							25.9.20			2.1.20	max	min	Mdy	Fitch	BBG
Investment Grade															
2i Rete Gas SpA															
FIREIT 3 07/16/24	-	FX	600	111.0	0.1	ASW	57	2	3	8.1	155	44	Baa2	-	BBB
FIREIT 2.195 09/11/25	06/25	FX	500	109.0	0.4	ASW	73	2	2	2.9	177	60	Baa2	-	BBB
FIREIT 1 3/4 08/28/26	05/26	FX	435	107.3	0.5	ASW	88	0	-1	6.9	183	73	Baa2	-	BBB
FIREIT 1.608 10/31/27	07/27	FX	730	107.6	0.5	ASW	87	2	1	-3.0	203	79	Baa2	-	BBB
A2A SpA															
AEMSPA 4 3/8 01/10/21	-	FX	351	101.3	NM	ASW	NM	NM	NM	NM	NM	NM	Baa2	-	BBB
AEMSPA 3 5/8 01/13/22	-	FX	500	104.7	0.0	ASW	48	2	3	19.1	108	23	Baa2	-	BBB
AEMSPA 4 12/04/23	-	FX	300	111.6	0.3	ASW	84	4	6	33.9	117	42	Baa2	-	-
AEMSPA 1 1/4 03/16/24	-	FX	300	104.2	0.0	ASW	50	2	0	7.1	105	32	-	-	-
AEMSPA 1 3/4 02/25/25	11/24	FX	300	106.5	0.3	ASW	64	-1	-2	21.2	131	34	Baa2	-	BBB
AEMSPA 1 5/8 10/19/27	07/27	FX	300	108.4	0.4	ASW	76	0	-5	19.7	137	47	Baa2	-	BBB
AEMSPA 1 07/16/29	04/29	FX	400	105.3	0.4	ASW	67	0	-6	6.3	160	52	Baa2	-	BBB
ACEA SpA															
ACEIM 2 5/8 07/15/24	04/24	FX	600	108.8	0.3	ASW	61	1	-1	17.0	133	38	Baa2	BBB+	BBB
ACEIM 1 10/24/26	07/26	FX	500	103.3	0.4	ASW	82	0	0	28.5	145	49	Baa2	BBB+	BBB
ACEIM 1 1/2 06/08/27	03/27	FX	700	106.5	0.5	ASW	87	1	1	26.8	147	54	Baa2	BBB+	BBB
ACEIM 1 3/4 05/23/28	02/28	FX	500	108.2	0.6	ASW	98	2	1	36.0	159	57	Baa2	BBB+	BBB
ACEIM 0 1/2 04/06/29 ¹	01/29	FX	500	98.2	0.7	ASW	98	2	1	37.9	156	59	Baa2	BBB+	BBB
ACEIM Float 02/08/23	-	FL	300	99.1	0.4	DISC	87	0	-1	34.9	104	46	Baa2	BBB+	BBB
Aeroporti di Roma SpA															
ADRI 3 1/4 02/20/21	-	FX	400	101.0	0.7	ASW	116	3	4	65.2	205	36	Baa3	BBB- *	BB+
ADRI 1 5/8 06/08/27	03/27	FX	500	98.1	1.9	ASW	224	3	3	93.0	276	127	Baa3	BBB- *	BB+
Buzzi Unicem SpA															
BZUIM 2 1/8 04/28/23	01/23	FX	500	104.7	0.3	ASW	60	3	-1	8.1	317	44	-	-	-
CNH Industrial Finance Europe SA															
CNHI 2 7/8 09/27/21	-	FX	367	102.7	0.1	ASW	63	1	-1	34.3	260	24	Baa3	BBB-	BBB-
CNHI 1 3/8 05/23/22	02/22	FX	316	101.7	0.4	ASW	64	0	-11	29.9	221	29	Baa3	BBB-	BBB-
CNHI 2 7/8 05/17/23	-	FX	369	106.7	0.3	ASW	80	2	-7	22.9	365	49	Baa3	BBB-	BBB-
CNHI 1 3/4 09/12/25	06/25	FX	650	103.9	0.9	ASW	135	1	-6	50.3	399	77	Baa3	BBB-	BBB-
CNHI 1 7/8 01/19/26	10/25	FX	500	103.3	1.2	ASW	164	3	-4	69.7	420	87	Baa3	BBB-	BBB-
CNHI 1 3/4 03/25/27	12/26	FX	600	101.8	1.5	ASW	183	1	-4	70.5	418	107	Baa3	BBB-	BBB-
CNHI 1 5/8 07/03/29	04/29	FX	500	99.7	1.7	ASW	191	0	-4	70.2	405	113	Baa3	BBB-	BBB-
Enel Finance International NV															
ENELIM 5 07/12/21	-	FX	533	104.1	-0.2	ASW	21	0	-2	2.8	68	10	Baa2	A-	BBB+
ENELIM 5 09/14/22	-	FX	2,077	110.2	-0.2	ASW	30	1	1	9.2	124	14	Baa2	A-	BBB+
ENELIM 4 7/8 04/17/23	-	FX	674	113.0	-0.2	ASW	28	3	7	4.4	113	17	Baa2	A-	BBB+
ENELIM 5 1/4 09/29/23	-	FX	300	116.0	-0.1	ASW	44	1	2	12.2	126	29	Baa2	A-	BBB+
ENELIM 0 06/17/24	05/24	FX	1,000	99.9	0.0	ASW	47	0	1	9.7	142	32	Baa2	A-	BBB+
ENELIM 1 09/16/24	-	FX	1,250	104.0	0.0	ASW	44	3	4	9.6	148	29	Baa2	A-	BBB+
ENELIM 1.966 01/27/25	-	FX	1,463	108.2	0.1	ASW	53	4	9	13.9	161	34	Baa2	A-	BBB+
ENELIM 1 1/2 07/21/25	04/25	FX	1,000	106.8	0.1	ASW	46	2	3	8.1	152	31	Baa2	A-	BBB+
ENELIM 1 3/8 06/01/26	-	FX	1,257	106.9	0.1	ASW	55	3	7	14.1	152	34	Baa2	A-	BBB+
ENELIM 1 1/8 09/16/26	06/26	FX	1,250	106.2	0.1	ASW	45	1	2	0.9	157	35	Baa2	A-	BBB+
ENELIM 0 3/8 06/17/27	03/27	FX	1,000	100.4	0.3	ASW	66	-1	1	22.4	155	44	Baa2	A-	BBB+

Italian corporate bonds denominated in euro - Senior Unsecured

Bond	Next call	Type	Outst. EUR M	Price	YTM %	SPRD TYPE	SPRD		-1W (bps)	-1M (bps)	YTD (bps)	52-week range		Ratings		
							25.9.20				2.1.20	max	min	Mdy	Fitch	BBG
ENELIM 1 1/8 10/17/34	07/34	FX	500	104.7	0.8	ASW	86		-2	0	14.8	174	66	Baa2	A-	BBB+
Enel SpA																
ENELIM 5 1/4 05/20/24	-	FX	750	119.4	-0.1	ASW	43		3	5	15.1	131	24	Baa2	A-	BBB+
ENELIM 5 5/8 06/21/27	-	FX	850	136.0	0.2	ASW	71		2	2	7.5	193	54	Baa2	A-	BBB+
Eni Finance International SA																
ENIIM 5.441 04/18/28	-	FX	100	126.8	1.6	ASW	225		2	3	3.0	225	218	Baa1	A-	BBB+
Eni SpA																
ENIIM 2 5/8 11/22/21	-	FX	800	103.1	-0.1	ASW	37		1	8	15.5	113	17	Baa1	A-	BBB+
ENIIM 0 3/4 05/17/22	-	FX	700	101.4	-0.1	ASW	37		3	3	15.7	137	15	Baa1	A-	BBB+
ENIIM 3 1/4 07/10/23	-	FX	1,000	109.4	-0.1	ASW	37		0	0	10.0	154	22	Baa1	A-	BBB+
ENIIM 1 3/4 01/18/24	-	FX	750	105.9	0.0	ASW	44		1	0	20.1	149	21	Baa1	A-	BBB+
ENIIM 0 5/8 09/19/24	-	FX	900	102.3	0.0	ASW	50		1	-1	19.3	148	27	Baa1	A-	BBB+
ENIIM 1 03/14/25	-	FX	650	103.9	0.1	ASW	56		1	-3	21.3	156	31	Baa1	A-	BBB+
ENIIM 3 3/4 09/12/25	-	FX	1,200	118.0	0.1	ASW	59		0	-3	22.2	171	35	Baa1	A-	BBB+
ENIIM 1 1/2 02/02/26	-	FX	1,000	106.8	0.2	ASW	64		0	-4	26.6	163	36	Baa1	A-	BBB+
ENIIM 1 1/4 05/18/26 ¹	-	FX	1,000	105.6	0.3	ASW	66		-1	-3	26.2	163	66	Baa1	A-	BBB+
ENIIM 1 1/2 01/17/27	-	FX	750	107.4	0.3	ASW	71		1	0	30.7	159	37	Baa1	A-	BBB+
ENIIM 1 5/8 05/17/28	-	FX	800	109.1	0.4	ASW	76		1	2	34.1	164	40	Baa1	A-	BBB+
ENIIM 1 1/8 09/19/28	-	FX	600	105.7	0.4	ASW	73		2	1	30.6	162	41	Baa1	A-	BBB+
ENIIM 3 5/8 01/29/29	-	FX	1,000	125.8	0.5	ASW	87		2	1	41.7	195	42	Baa1	A-	BBB+
ENIIM 0 5/8 01/23/30 ¹	-	FX	1,000	100.6	0.6	ASW	80		2	-2	33.5	181	47	Baa1	A-	BBB+
ENIIM 2 05/18/31 ¹	-	FX	1,000	113.5	0.7	ASW	94		3	0	-114.7	210	91	Baa1	A-	BBB+
ENIIM 1 10/11/34	-	FX	750	102.8	0.8	ASW	87		2	3	21.6	183	61	Baa1	A-	BBB+
ERG SpA																
ERGIM 2.175 01/19/23	-	FX	100	104.2	0.4	ASW	84		-8	-4	-51.6	137	84	-	BBB-	-
ERGIM 1 7/8 04/11/25	01/25	FX	500	107.2	0.3	ASW	65		1	0	-16.8	201	61	-	BBB-	-
EssilorLuxottica SA																
EFFP 2 5/8 02/10/24	-	FX	500	109.1	-0.1	ASW	40		3	3	15.2	111	15	-	-	-
EXOR NV																
EXOIM 2 1/8 12/02/22	09/22	FX	750	103.7	0.4	ASW	68		0	-4	20.5	105	39	-	-	-
EXOIM 2 1/2 10/08/24	-	FX	650	107.5	0.6	ASW	110		1	-2	46.1	142	57	-	-	-
EXOIM 1 3/4 01/18/28	10/27	FX	500	104.7	1.1	ASW	142		0	-6	38.4	188	94	-	-	-
EXOIM 2 1/4 04/29/30 ¹	01/30	FX	500	104.6	1.7	ASW	199		-1	-9	-22.6	240	199	-	-	-
EXOIM 1 3/4 10/14/34	07/34	FX	500	96.9	2.0	ASW	201		0	-6	72.2	231	125	-	-	-
Ferrovie dello Stato Italiane SpA																
FERROV 3 1/2 12/13/21	-	FX	600	103.9	0.3	ASW	73		2	7	19.1	136	48	-	BBB-	BBB-
FERROV 0 7/8 12/07/23	-	FX	600	101.9	0.3	ASW	74		0	-2	20.8	160	45	-	BBB-	BBB-
FERROV 1 1/2 06/27/25	-	FX	1,000	104.3	0.6	ASW	101		-1	-5	29.4	174	61	-	BBB-	BBB-
FERROV 1 1/8 07/09/26	-	FX	700	103.2	0.6	ASW	97		-1	-6	20.7	196	61	-	BBB-	BBB-
FERROV 1.035 08/07/29	-	FX	100	99.5	1.1	ASW	134		3	-2	-25.0	162	129	-	BBB-	BBB-
Hera SpA																
HERIM 3 1/4 10/04/21	-	FX	250	103.1	0.2	ASW	66		-1	2	53.6	76	7	Baa2	-	BBB
HERIM 2 3/8 07/04/24	-	FX	329	108.1	0.2	ASW	69		1	1	35.0	121	27	Baa2	-	BBB
HERIM 0 7/8 10/14/26	-	FX	400	103.7	0.3	ASW	65		-1	-1	15.0	120	43	Baa2	-	BBB
HERIM 0 7/8 07/05/27	04/27	FX	500	103.9	0.3	ASW	64		-1	-5	9.0	136	46	Baa2	-	BBB
HERIM 5.2 01/29/28	-	FX	700	133.8	0.5	ASW	99		0	-1	31.9	170	65	Baa2	-	BBB
Iren SpA																
IREIM 3 07/14/21	-	FX	182	102.4	-0.1	ASW	37		2	-8	4.2	100	16	-	BBB	-
IREIM 2 3/4 11/02/22	-	FX	360	105.3	0.2	ASW	68		3	3	24.9	114	31	-	BBB	-
IREIM 0 7/8 11/04/24	-	FX	500	102.6	0.2	ASW	68		2	3	23.1	139	41	-	BBB	-
IREIM 1.95 09/19/25	06/25	FX	500	108.1	0.3	ASW	69		2	3	9.9	146	47	-	BBB	-
IREIM 1 1/2 10/24/27	07/27	FX	500	107.8	0.4	ASW	72		1	1	1.5	164	57	-	BBB	-

Italian corporate bonds denominated in euro - Senior Unsecured

Bond	Next call	Type	Outst. EUR M	Price	YTM %	SPRD TYPE	SPRD	-1W (bps)	-1M (bps)	YTD (bps)	52-week range		Ratings		
											max	min	Mdy	Fitch	BBG
							25.9.20			2.1.20					
IREIM 0 7/8 10/14/29	07/29	FX	500	103.6	0.5	ASW	74	1	-1	4.1	166	58	-	BBB	-
IREIM 1 07/01/30	04/30	FX	500	102.6	0.7	ASW	96	1	1	-35.9	133	92	-	BBB	-
Italgas SpA															
IGIM 0 1/2 01/19/22	-	FX	268	100.7	0.0	ASW	45	1	1	19.3	88	20	Baa2	BBB+	BBB
IGIM 1 1/8 03/14/24	-	FX	481	103.7	0.1	ASW	53	1	1	25.9	115	20	Baa2	BBB+	BBB
IGIM 0 1/4 06/24/25 ¹	-	FX	500	100.7	0.1	ASW	52	0	-3	-19.8	78	51	Baa2	BBB+	BBB
IGIM 1 5/8 01/19/27	-	FX	750	109.3	0.1	ASW	54	0	-3	5.1	147	38	Baa2	BBB+	BBB
IGIM 1 5/8 01/18/29	-	FX	750	111.0	0.3	ASW	61	1	-7	7.0	159	50	Baa2	BBB+	BBB
IGIM 0 7/8 04/24/30	-	FX	600	104.8	0.4	ASW	61	1	-1	5.9	172	49	Baa2	BBB+	BBB
IGIM 1 12/11/31	-	FX	500	105.8	0.5	ASW	66	1	0	1.8	173	57	Baa2	BBB+	BBB
RAI-Radiotelevisione Italiana SpA															
RATEIT 1 3/8 12/04/24	09/24	FX	300	102.0	0.9	ASW	130	-3	-4	-9.9	205	98	Baa3	-	-
Snam SpA															
SRGIM 0 10/25/20	-	FX	500	100.0	-0.1	ASW	2	-3	1	-5.4	48	-6	Baa2	BBB+	BBB
SRGIM 3 3/8 01/29/21	-	FX	259	101.2	-0.2	ASW	21	5	-8	9.4	82	4	Baa2	BBB+	BBB
SRGIM 5 1/4 09/19/22	-	FX	602	110.9	-0.3	ASW	25	2	-3	21.1	76	-10	Baa2	BBB+	BBB
SRGIM 1 1/2 04/21/23	-	FX	246	103.9	0.0	ASW	45	1	0	19.3	109	22	Baa2	BBB+	BBB
SRGIM 1 09/18/23	06/23	FX	596	102.8	0.0	ASW	44	1	-1	11.8	119	28	Baa2	BBB+	BBB
SRGIM 1 3/8 11/19/23	-	FX	195	104.4	0.0	ASW	43	2	1	14.0	118	24	Baa2	BBB+	BBB
SRGIM 3 1/4 01/22/24	-	FX	390	111.0	-0.1	ASW	43	1	-1	11.1	125	27	Baa2	BBB+	BBB
SRGIM 0 05/12/24	02/24	FX	700	100.1	0.0	ASW	42	2	3	6.1	122	30	Baa2	BBB+	BBB
SRGIM 1 1/4 01/25/25	-	FX	392	105.3	0.0	ASW	46	2	1	4.3	133	34	Baa2	BBB+	BBB
SRGIM 1 1/4 08/28/25	05/25	FX	500	105.7	0.1	ASW	46	2	0	-1.6	141	33	Baa2	BBB+	BBB
SRGIM 0 7/8 10/25/26	-	FX	1,250	104.7	0.1	ASW	49	1	2	-4.4	140	42	Baa2	BBB+	BBB
SRGIM 1 3/8 10/25/27	07/27	FX	650	108.3	0.2	ASW	53	3	3	-5.1	142	40	Baa2	BBB+	BBB
SRGIM 1 5/8 01/07/30	10/29	FX	250	111.8	0.3	ASW	60	2	2	-71.3	132	55	Baa2	BBB+	BBB
SRGIM 0 3/4 06/17/30 ¹	03/30	FX	500	103.0	0.4	ASW	67	3	5	-18.1	86	57	Baa2	BBB+	BBB
SRGIM 1 09/12/34	06/34	FX	600	104.5	0.7	ASW	75	3	2	2.0	138	63	Baa2	BBB+	BBB
SRGIM Float 02/21/22	-	FL	300	100.1	0.1	DISC	57	-1	1	18.7	88	33	Baa2	BBB+	BBB
Societa Metropolitana Acque Torino SpA															
SOMTAT 1.95 04/13/24	-	FX	135	106.2	0.2	ASW	66	2	3	-16.4	86	61	-	-	-
Terna Rete Elettrica Nazionale SpA															
TRNIM 4 3/4 03/15/21	-	FX	1,250	102.3	-0.3	ASW	16	-1	-7	-1.6	96	11	Baa2	BBB+	BBB
TRNIM 0 7/8 02/02/22	-	FX	1,000	101.3	-0.1	ASW	35	0	-4	7.3	109	20	Baa2	BBB+	BBB
TRNIM 1 07/23/23	-	FX	1,000	103.2	-0.1	ASW	33	0	-6	0.4	127	30	Baa2	BBB+	BBB
TRNIM 4.9 10/28/24	-	FX	800	120.4	-0.1	ASW	39	0	1	5.4	133	29	Baa2	BBB+	BBB
TRNIM 0 1/8 07/25/25	-	FX	500	100.8	0.0	ASW	37	0	-1	-3.3	129	30	Baa2	BBB+	BBB
TRNIM 1 04/10/26	-	FX	500	105.3	0.0	ASW	46	1	-3	-5.8	144	36	Baa2	BBB+	BBB
TRNIM 1 3/8 07/26/27	-	FX	1,000	108.6	0.1	ASW	48	1	-1	-6.6	147	44	Baa2	BBB+	BBB
TRNIM 1 10/11/28	-	FX	750	106.5	0.2	ASW	51	2	1	-3.0	149	47	Baa2	BBB+	BBB
TRNIM 0 3/8 09/25/30	06/30	FX	500	99.2	0.5	ASW	67	-	-	1.2	67	66	Baa2	BBB+	BBB
TRNIM 0 3/4 07/24/32 ¹	-	FX	500	102.1	0.6	ASW	71	3	8	-10.9	82	59	Baa2	BBB+	BBB
High Yield and Unrated															
Alerion Cleanpower SpA															
ARNIM 3 3/4 12/29/24	06/21	FX	150	101.8	3.3	ASW	368	8	32	4.9	370	220	-	-	-
ARNIM 3 1/8 12/19/25	12/22	FX	200	101.8	2.7	ASW	309	-1	4	-23.7	337	302	-	-	-
Alperia SpA															
ALPERI 1.41 06/30/23	-	FX	100	103.2	0.2	ASW	70	11	4	-0.1	74	52	-	-	-
ALPERI 1.68 06/28/24	-	FX	125	104.9	0.4	ASW	84	10	3	0.1	87	65	-	-	-
ALPERI 2 1/2 12/23/26	-	FX	150	102.7	2.0	ASW	242	-1	74	133.1	249	109	-	-	-
Amplifon SpA															
AMPIM 1 1/8 02/13/27 ¹	11/26	FX	350	98.9	1.3	ASW	165	3	-2	42.5	268	123	-	-	-

Italian corporate bonds denominated in euro - Senior Unsecured

Bond	Next call	Type	Outst. EUR M	Price	YTM %	SPRD TYPE	SPRD	-1W	-1M	YTD	52-week range		Ratings		
								(bps)	(bps)	(bps)	max	min	Mdy	Fitch	BBG
25.9.20															
2.1.20															
Ansaldo Energia SpA															
ANSALD 2 3/4 05/31/24	-	FX	350	97.6	3.4	ASW	378	23	-6	10.9	820	275	-	-	-
Astaldi SpA															
ASTIM 7 1/8 12/01/20	10/20		750	8.9	5914.3	ASW	NA	-	-	-			-	-	-
Atlantia SpA															
ATLIM 1 5/8 02/03/25	-	FX	750	97.0	2.4	ASW	271	38	39	-18.7	612	186	Ba3	BB *	BB-
ATLIM 1 7/8 07/13/27	04/27	FX	1,000	95.8	2.6	ASW	281	32	35	-9.0	487	194	Ba3	BB *	BB-
Autostrade per l'Italia SpA															
ATOSTR 2 7/8 02/26/21	-	FX	595	99.6	3.9	ASW	431	161	260	214.9	867	101	Ba3	BB+ *	BB-
ATOSTR 1 1/8 11/04/21	-	FX	480	97.6	3.4	ASW	369	154	184	112.3	805	116	Ba3	BB+ *	BB-
ATOSTR 1 5/8 06/12/23	-	FX	750	97.4	2.6	ASW	299	68	67	-13.5	663	157	Ba3	-	BB-
ATOSTR 5 7/8 06/09/24	-	FX	1,000	112.5	2.3	ASW	293	65	65	-36.4	579	197	Ba3	BB+ *	BB-
ATOSTR 4 3/8 09/16/25	-	FX	500	110.2	2.2	ASW	274	48	38	-27.9	515	205	Ba3	BB+ *	BB-
ATOSTR 1 7/8 11/04/25	-	FX	500	97.7	2.4	ASW	271	44	35	-14.7	511	205	Ba3	BB+ *	BB-
ATOSTR 1 3/4 06/26/26	-	FX	750	96.3	2.4	ASW	274	47	38	-16.7	546	207	Ba3	BB+ *	BB-
ATOSTR 1 3/4 02/01/27	-	FX	600	95.6	2.5	ASW	277	46	30	-3.6	504	211	Ba3	BB+ *	BB-
ATOSTR 1 7/8 09/26/29	06/29	FX	700	95.3	2.5	ASW	263	37	23	8.5	489	209	Ba3	BB+ *	BB-
Carraro International SE															
CARRAR 3 1/2 01/31/25	01/21	FX	180	101.3	3.2	ASW	348	-1	39	-19.2	367	117	-	-	-
CLN-Coils Lamiere Nastri SpA															
CLNSPA 4.7 11/01/24	-	FX	50	104.9	3.4	ASW	390	7	6	-0.1	394	375	-	-	-
Coesia SpA															
COESIA 3 10/01/21	-	FX	100	102.6	0.4	ASW	86	3	4	-29.1	119	73	-	-	-
Cooperativa Muratori & Cementisti-CMC di Ravenna SC															
CMCRAV 6 7/8 08/01/22	10/20	FT	250	2.4	NM	ASW	NM	NM	NM	NM	NM	NM	-	-	-
CMCRAV 6 02/15/23	10/20	FT	325	2.5	NM	ASW	NM	NM	NM	NM	NM	NM	-	-	-
Davide Campari-Milano NV															
CPRIM 2 3/4 09/30/20	-	FX	581	100.0	NM	ASW	NM	NM	NM	NM	NM	NM	-	-	-
CPRIM 2.165 04/05/24	-	FX	150	98.1	2.8	ASW	314	0	2	13.7	322	247	-	-	-
CPRIM 1.655 04/30/24	-	FX	150	96.3	2.8	ASW	309	-2	1	91.1	322	217	-	-	-
Enav SpA															
ENAVIT 1.93 08/04/22	-	FX	180	103.3	0.1	ASW	60	-5	-18	-33.7	108	58	-	-	-
Esselunga SpA															
ESSLNG 0 7/8 10/25/23	07/23	FX	500	99.3	1.1	ASW	156	3	6	76.2	166	60	Ba1	-	BB+
ESSLNG 1 7/8 10/25/27	07/27	FX	500	102.4	1.5	ASW	186	0	-3	47.9	275	133	Ba1	-	BB+
Estra SpA															
ESTRAS 3 3/4 07/13/22	-	FX	100	101.8	2.7	ASW	318	3	10	1.3	326	301	-	-	-
Ferrari NV															
RACE 0 1/4 01/16/21	-	FX	500	100.0	0.1	ASW	42	1	-11	8.8	155	27	-	-	-
RACE 1 1/2 03/16/23	-	FX	385	102.8	0.4	ASW	86	1	3	23.6	199	48	-	-	-
RACE 1 1/2 05/27/25	-	FX	650	101.7	1.1	ASW	154	1	-11	-36.4	190	148	-	-	-
Fiat Chrysler Automobiles NV															
FCAIM 3 3/8 07/07/23	04/23	FX	1,250	103.6	2.0	ASW	238	44	22	-88.9	328	194	Ba2	BBB-	BB+
FCAIM 3 3/4 03/29/24	-	FX	1,250	106.0	1.9	ASW	247	29	14	166.0	533	80	Ba2	BBB-	BB+
FCAIM 3 7/8 01/05/26	10/25	FX	1,250	108.3	2.2	ASW	263	32	7	-125.7	389	226	Ba2	BBB-	BB+
FCAIM 4 1/2 07/07/28	04/28	FX	1,000	113.9	2.5	ASW	297	23	-5	-134.3	432	273	Ba2	BBB-	BB+
Fiat Chrysler Finance Europe SENC															
FCAIM 4 3/4 03/22/21	-	FX	1,000	102.0	0.6	ASW	114	48	27	95.5	523	16	Ba2	BBB-	BB+
FCAIM 4 3/4 07/15/22	-	FX	1,350	106.0	1.3	ASW	185	12	-9	143.8	522	42	Ba2	BBB-	BB+
IMA Industria Macchine Automatiche SpA															
IMAIM 1.923 06/25/26	-	FX	50	105.6	0.9	ASW	133	-2	-7	-41.0	179	131	-	-	-
Immobiliare Grande Distribuzione SIIQ SpA															

Italian corporate bonds denominated in euro - Senior Unsecured

Bond	Next call	Type	Outst. EUR M	Price	YTM %	SPRD TYPE	SPRD	-1W (bps)	-1M (bps)	YTD (bps)	52-week range		Ratings		
											max	min	Mdy	Fitch	BBG
							25.9.20			2.1.20					
IGDIM 3 3/4 05/31/21	02/21	FX	71	100.3	3.3	ASW	335	71	58	249.3	415	44	Ba2	-	BB
IGDIM 2 1/8 11/28/24	08/24	FX	400	84.8	6.4	ASW	608	32	37	410.0	608	165	-	BBB- *	BB+
Infrastrutture Wireless Italiane SpA															
INWIM 1 7/8 07/08/26	04/26	FX	1,000	101.6	1.6	ASW	196	11	12	-8.3	208	182	-	BBB-	BB+
IVS Group SA															
IVSIM 3 10/18/26	10/22	FX	300	98.9	3.2	ASW	352	5	14	112.7	452	226	-	-	-
Juventus Football Club SpA															
JUVEIM 3 3/8 02/19/24	11/23	FX	175	98.5	3.9	ASW	423	6	14	167.3	548	251	-	-	-
Kedrion SpA															
KEDRIM 3 07/12/22	04/22	FX	350	97.2	4.7	ASW	496	23	14	9.0	1156	443	-	-	-
Leonardo SpA															
LDOIM 4 1/2 01/19/21	-	FX	739	101.3	0.4	ASW	75	10	-1	33.0	442	40	Ba1	BBB-	BB+
LDOIM 5 1/4 01/21/22	-	FX	556	105.7	0.9	ASW	139	12	13	101.1	472	37	Ba1	BBB-	BB+
LDOIM 1 1/2 06/07/24	03/24	FX	600	99.8	1.6	ASW	199	17	15	99.8	436	98	Ba1	BBB-	BB+
LDOIM 4 7/8 03/24/25	-	FX	500	112.2	2.0	ASW	259	21	26	149.4	475	108	Ba1	BBB-	BB+
LDOIM 2 3/8 01/08/26	10/25	FX	500	99.5	2.5	ASW	284	25	33	73.7	284	249	Ba1	BBB-	BB+
LKQ Italia Bondco SpA															
LKQ 3 7/8 04/01/24	01/24	FX	500	105.2	2.3	ASW	274	30	17	186.0	626	88	Ba3	-	BB-
Maire Tecnimont SpA															
MTIM 2 5/8 04/30/24	04/21	FX	165	100.3	2.5	ASW	293	0	119	59.7	295	166	-	-	-
Officine Maccferri-SpA															
OFFMAC 5 3/4 06/01/21	10/20	FT	190	36.4	NM	ASW	NM	NM	NM	NM	NM	NM	-	C	-
Piaggio & C SpA															
PIAGIM 3 5/8 04/30/25	04/21	FX	250	100.2	3.6	ASW	398	39	12	297.7	878	100	Ba3	-	B+
Pirelli & C SpA															
PCIM 1 3/8 01/25/23	10/22	FX	553	99.6	1.6	ASW	200	-2	-5	84.8	335	100	-	-	-
Pro-Gest SpA															
PROGST 3 1/4 12/15/24	12/20	FX	250	79.4	9.3	ASW	839	18	-162	-284.5	1362	821	Caa3	-	CCC
Prysman SpA															
PRYIM 2 1/2 04/11/22	-	FX	750	102.3	1.0	ASW	147	19	5	71.9	413	74	-	-	-
Saipem Finance International BV															
SPMIM 2 3/4 04/05/22	-	FX	500	101.0	2.1	ASW	256	46	72	178.2	768	73	Ba2	-	BB
SPMIM 3 3/4 09/08/23	-	FX	500	103.2	2.6	ASW	311	37	58	211.2	702	97	Ba2	-	BB
SPMIM 2 5/8 01/07/25	-	FX	500	98.0	3.1	ASW	348	30	59	195.4	629	142	Ba2	-	BB
SPMIM 3 3/8 07/15/26	04/26	FX	500	97.6	3.8	ASW	411	29	60	45.3	411	344	Ba2	-	BB
Saras SpA															
SRSIM 1.7 12/28/22	-	FX	200	98.9	2.2	ASW	262	38	43	16.3	272	208	-	-	-
Societa Elettrica Trentina Per La Distribuzione di Energia Elettrica SpA															
SETDIS 4.6 08/01/29	-	FX	110	132.1	0.8	ASW	129	2	-1	-7.0	141	112	-	-	-
Societa Esercizi Aeroportuali SpA Sea															
SEASPA 3 1/8 04/17/21	-	FX	300	101.2	0.9	ASW	139	2	-1	36.3	148	88	-	-	-
Telecom Italia Finance SA															
TITIM 7 3/4 01/24/33	-	FX	1,015	144.4	3.3	ASW	428	25	28	81.4	645	317	Ba1	BB+	BB+
Telecom Italia SpA/Milano															
TITIM 4 7/8 09/25/20	-	FX	547	100.1	NM	ASW	NM	NM	NM	NM	NM	NM	-	BB+	BB+
TITIM 4 1/2 01/25/21	-	FX	564	101.5	-0.2	ASW	23	12	28	-6.8	401	-11	Ba1	BB+	BB+
TITIM 5 1/4 02/10/22	-	FX	884	106.5	0.5	ASW	98	7	14	65.7	382	29	Ba1	BB+	BB+
TITIM 3 1/4 01/16/23	-	FX	1,000	105.1	1.0	ASW	151	13	15	53.8	415	79	Ba1	BB+	BB+
TITIM 2 1/2 07/19/23	-	FX	1,000	103.1	1.4	ASW	184	16	13	79.8	413	80	Ba1	BB+	BB+
TITIM 3 5/8 01/19/24	-	FX	750	105.8	1.8	ASW	233	28	31	105.4	434	114	Ba1	BB+	BB+
TITIM 4 04/11/24	01/24	FX	1,250	106.7	2.0	ASW	243	30	38	98.1	543	119	Ba1	BB+	BB+
TITIM 2 3/4 04/15/25	01/25	FX	1,000	103.7	1.9	ASW	231	16	16	63.8	502	139	Ba1	BB+	BB+

Italian corporate bonds denominated in euro - Senior Unsecured

Bond	Next call	Type	Outst. EUR M	Price	YTM %	SPRD TYPE	SPRD	-1W (bps)	-1M (bps)	YTD (bps)	52-week range		Ratings		
							25.9.20			2.1.20	max	min	Mdy	Fitch	BBG
TITIM 3 09/30/25	-	FX	1,000	104.7	2.0	ASW	246	17	15	67.7	478	138	Ba1	BB+	BB+
TITIM 2 7/8 01/28/26	10/25	FX	750	103.9	2.1	ASW	251	20	15	53.8	478	141	Ba1	BB+	BB+
TITIM 3 5/8 05/25/26	-	FX	1,000	108.0	2.1	ASW	259	22	22	68.0	508	141	Ba1	BB+	BB+
TITIM 2 3/8 10/12/27	07/27	FX	1,250	101.0	2.2	ASW	256	19	15	55.2	461	151	Ba1	BB+	BB+
TITIM 5 1/4 03/17/55	-	FX	670	116.6	4.3	ASW	474	8	2	60.9	540	394	Ba1	BB+	BB+
TITIM Float 01/01/22	-	FL	217	100.3	-0.2	DISC	79	-	-	-			-	-	-
Trasporto Passeggeri Emilia-Romagna SpA															
TRPAER 1.85 09/15/24	-	FX	95	104.7	0.6	ASW	55	-17	-20	-49.0	105	55	-	-	-
Webuild SpA															
IPGIM 3 3/4 06/24/21	-	FX	479	100.5	3.0	ASW	342	4	-77	122.9	1595	115	-	BB	BB-
IPGIM 1 3/4 10/26/24	-	FX	500	86.1	5.7	ASW	549	76	90	253.3	936	272	-	-	-
IPGIM 3 5/8 01/28/27 ¹	-	FX	250	82.4	7.2	ASW	664	41	53	287.3	887	377	-	-	-

Type: FX = Fixed. YTM: yield to maturity or yield to call for callable bonds. SPRD TYPE: ASW=Asset Swap. Ratings: reported in the table refer to individual issues ; Rating on credit watch if *, Rating on credit watch positive if +, Rating on credit watch negative if -. BBG: Bloomberg Composite. NA: Not Available. NM: Not Meaningful related to YTM and Spread if Spread < 0 and > 1,000 bps whilst related to change (-1W, -1M, -YTD) when the reference data is NA. Notes: 1) YTD from launch date for bonds issued in 2020. Source: Intesa Sanpaolo Research elaboration on Bloomberg data on 25/09/20 at 09:59.

Italian corporate bonds denominated in euro - Senior Secured

Bond	Next call	Type	Outst. EUR M	Price	YTM %	SPRD TYPE	SPRD		-1W (bps)	-1M (bps)	YTD (bps)	52-week range		Ratings			
							25.9.20					2.1.20	max	min	Mdy	Fitch	BBG
Investment Grade																	
ASTM SpA																	
ATIM 3 3/8 02/13/24	-	FX	500	107.1	1.2	ASW	174		2	-8	69.8	263		95	Baa2	BBB	BBB
ATIM 1 5/8 02/08/28	11/27	FX	550	99.9	1.6	ASW	195		0	-14	42.5	289		135	Baa2	BBB	BBB
Azzurra Aeroporti SpA																	
AZZAER 2 1/8 05/30/24 ¹	02/24	FX	360	100.3	2.0	ASW	248		5	3	29.3	250		219	Baa3	-	-
AZZAER 2 5/8 05/30/27 ¹	02/27	FX	300	96.9	3.1	ASW	341		5	9	43.0	341		297	Baa3	-	-
Societa Iniziative Autostradali e Servizi SpA																	
SISIM 4 1/2 10/26/20	-	FX	500	100.3	0.5	ASW	63		19	57	26.3	169		-70	Baa2	BBB	BBB
High Yield and Unrated																	
Almaviva-The Italian Innovation Co SpA																	
ALMAIN 7 1/4 10/15/22	10/20	FX	250	98.9	7.9	ASW	817		13	6	-188.9	1,794		793	B2	-	B
ASR Media and Sponsorship SpA																	
ASRMED 5 1/8 08/01/24	08/21	FX	275	100.9	4.9	ASW	518		7	6	181.2	924		288	-	-	-
Bormioli Pharma Bidco SpA																	
BORMPH Float 11/15/24	10/20	FL	280	95.3	4.7	DISC	524		-2	-3	-95.1	853	-164,231		B3	-	B-
Diocle Spa																	
DOCGEN Float 06/30/26	10/20	FL	450	98.3	4.2	DISC	471		25	21	246.6	751		224	B2	-	-
EVOCA SpA																	
NWGLOV Float 11/01/26	11/20	FL	550	83.1	7.8	DISC	825		29	58	545.0	1,220		271	B3	-	B-
Fabric BC SpA																	
FBRICC Float 11/30/24	10/20	FL	580	97.4	4.8	DISC	532		24	13	179.7	764		47	B2	-	B
FBRICC Float 08/31/26 ¹	02/21	FL	225	96.2	4.9	DISC	535		21	25	136.5	820		377	B2	-	B
Fire BC SpA																	
FIREBC Float 09/30/24	-	FL	650	89.3	7.9	DISC	839		33	26	380.8	1,225		358	Caa1	-	CCC+
Gamma Bidco SpA																	
GAMMAB 6 1/4 07/15/25 ¹	07/22	FX	340	99.2	6.4	ASW	675		19	20	20.4	675		649	B1	-	B
GAMMAB Float 07/15/25 ¹	07/21	FL	300	96.4	6.9	DISC	738		23	15	25.6	738		710	B1	-	B
Guala Closures SpA																	
GCLIM Float 04/15/24	10/20	FL	455	99.5	3.7	DISC	414		66	4	2,316.8	707	-3,637		B1	-	B+
Inter Media and Communication SpA																	
INTERM 4 7/8 12/31/22	10/20	FX	287	97.2	6.2	ASW	658		-	-	-				-	BB-	-
International Design Group SpA																	
INTDGP 6 1/2 11/15/25	11/21	FX	400	95.0	7.7	ASW	777		33	37	257.0	1,421		471	B2	B	B
INTDGP Float 11/15/25	10/20	FL	320	92.6	7.8	ASW	739		-	-	-				B2	B	B
International Game Technology PLC																	
IGT 4 3/4 02/15/23	08/22	FX	850	102.1	3.8	ASW	407		69	95	274.8	1,667		130	Ba3	-	BB-
IGT 3 1/2 07/15/24	01/24	FX	500	98.8	3.8	ASW	420		65	85	247.1	1,351		171	Ba3	-	BB-
IGT 3 1/2 06/15/26	06/22	FX	750	94.9	4.5	ASW	470		63	92	301.3	1,037		167	Ba3	-	BB-
IGT 2 3/8 04/15/28	04/23	FX	500	87.0	4.4	ASW	434		57	78	201.1	794		230	Ba3	-	BB-
Limacorporate SpA																	
LIMACO Float 08/15/23	10/20	FL	275	95.8	5.3	DISC	581		40	9	3,012.3	802	-5,700		B3	-	B-
Marcolin SpA																	
MCLIM Float 02/15/23	10/20	FL	250	88.9	9.3	ASW	847		-	-	-				B3	-	B-
Moby SpA																	
MOBYIT 7 3/4 02/15/23	10/20		300	22.4	89.1	ASW	NA		-	-	-				-	-	-
Rekeep SpA																	
MANTEN 9 06/15/22	10/20	FX	360	100.1	8.9	ASW	924		48	-20	-244.3	1,934		849	B2	-	B
Rossini Sarl																	
ROSINI 6 3/4 10/30/25	10/21	FX	650	105.8	5.4	ASW	490		102	121	242.9	864		247	B3	-	B-
ROSINI Float 10/30/25	10/20	FL	650	98.5	4.2	DISC	470		17	12	275.8	899		192	B3	-	B-
Sisal Group SpA																	

Italian corporate bonds denominated in euro - Senior Secured

Bond	Next call	Type	Outst. EUR M	Price	YTM %	SPRD TYPE	25.9.20			2.1.20		52-week range		Ratings		
							SPRD	-1W (bps)	-1M (bps)	YTD (bps)		max	min	Mdy	Fitch	BBG
SCHMAN 7 07/31/23	10/20	FX	275	101.7	6.3	ASW	529	3,322	2,115	1,540.4		1,436	-179,401	B1	-	B
Sisal Pay SpA																
SISPAY Float 12/17/26	12/20	FL	530	97.6	4.3	DISC	479	13	9	113.1		739	325	B2	-	B+
Societa di Progetto Brebemi SpA																
SOCPRO 0 01/22/40	-		1,205	51.2	3.5	ASW	244	7	20	17.1		245	224	-	BB+	BB+
Superstrada Pedemontana Veneta SpA																
SPRPED 8 06/30/27	-	FX	350	113.7	5.7	ASW	628	11	10	-5.4		745	560	-	-	-
TeamSystem SpA																
TITANL Float 04/15/23	10/20	FL	550	100.0	4.0	DISC	386	62	82	263.3		450	123	B3	B+	B
TITANL Float 04/15/25	10/20	FL	200	100.4	NM	DISC	NM	NM	NM	NM		NM	NM	B3	B+	B

Type: FX = Fixed; FL=Floating. YTM: yield to maturity or yield to call for callable bonds. SPRD TYPE: ASW=Asset Swap. Ratings: reported in the table refer to individual issues. BBG: Bloomberg Composite. NA: Not Available. NM: Not Meaningful related to YTM and Spread if Spread < 0 and > 1,000 bps whilst related to change (-1W, -1M, -YTD) when the reference data is NA. Notes: 1) YTD from launch date for bonds issued in 2020. Source: Intesa Sanpaolo Research elaboration on Bloomberg data on 25/09/20 at 09:59.

Italian corporate bonds denominated in euro - Hybrids

Italian Corporate Bonds denominated in Euro - Hybrids															
Bond	Next call	Type	Outst. EUR M	Price	YTM %	SPRD TYPE	SPRD	-1W (pts)1	-1M (pts)1	YTD (pts)1	52-week range1		Ratings		
							25.9.20			2.1.20	max	min	Mdy	Fitch	BBG
Investment Grade															
Enel SpA															
ENELIM 2 1/4 PERP ¹	12/26	VR	600	99.6	2.3	Z-SPR	270	-1	-	-0.91	101	100	Ba1	BBB	BBB-
ENELIM 5.451 01/10/74	01/24	VR	297	111.7	1.7	ASW	236	0	0	-3.93	116	104	Ba1	BBB	BBB-
ENELIM 2 1/2 11/24/78	08/23	VR	750	102.2	1.7	ASW	223	0	0	-2.05	105	90	Ba1	BBB	BBB-
ENELIM 3 1/2 05/24/80	02/25	VR	900	106.0	2.1	ASW	255	-1	-1	-2.97	111	89	Ba1	BBB	BBB-
ENELIM 3 3/8 11/24/81	08/26	VR	750	106.2	2.2	ASW	273	-1	0	-2.49	111	89	Ba1	BBB	BBB-

Type: VR = Variable. YTM: yield to maturity or yield to call for callable bonds. SPRD TYPE: ASW=Asset Swap. Ratings: reported in the table refer to individual issues. BBG: Bloomberg Composite. Notes: 1) Change in prices; min and max are calculated on prices 1) YTD from launch date for bonds issued in 2020. Source: Intesa Sanpaolo Research elaboration on Bloomberg data on 25/09/20 at 09:59.

Italian non-financial corporate equity and CDS performance - Senior

Data on 24.09.20	Equity				CDS			
	Last	Performance (%)			24.09.20		1W (bps)	
		1W	1M	12M	3Y	5Y	3Y	5Y
A2A SpA	1.2	-1.6	-4.2	-27.2	-	-	-	-
ACEA SpA	17.7	0.4	0.2	-4.2	44.7	62.1	0.3	2.4
Alerion Cleanpower SpA	6.0	-2.9	-9.8	97.4	-	-	-	-
Amplifon SpA	28.8	-4.4	2.9	12.1	-	-	-	-
Astaldi SpA	0.4	0.2	-8.5	-23.5	-	-	-	-
ASTM SpA	18.2	0.0	3.1	-32.8	-	-	-	-
Atlantia SpA	13.9	-1.1	-1.7	-33.8	207.9	223.7	35.5	38.6
Buzzi Unicem SpA	19.3	-7.1	-8.9	-13.9	-	-	-	-
Carraro SpA/Campodarsego	1.2	-5.8	-8.3	-44.3	-	-	-	-
CNH Industrial NV	6.5	-4.9	-1.1	-33.7	79.6	115.4	18.8	25.1
Davide Campari-Milano NV	9.4	-1.7	6.8	13.3	-	-	-	-
Enel SpA	7.4	-1.1	-6.0	3.7	45.2	69.9	9.7	14.9
Eni SpA	6.8	-6.7	-14.7	-50.2	71.9	101.3	16.8	21.5
ERG SpA	21.2	-1.0	-5.4	9.5	-	-	-	-
EXOR NV	46.7	-5.7	-7.8	-32.2	-	-	-	-
Ferrari NV	157.1	-2.7	-6.9	4.7	-	-	-	-
Fiat Chrysler Automobiles NV	10.4	0.1	9.2	-21.3	140.8	183.7	15.0	28.5
Hera SpA	3.2	-1.3	-2.8	-17.4	-	-	-	-
Infrastrutture Wireless Italia	9.3	-1.1	11.9	13.6	-	-	-	-
International Game Technology*	10.9	-12.9	2.0	-27.2	299.8	392.7	102.0	111.6
Iren SpA	2.2	-1.3	-1.6	-20.1	-	-	-	-
Italgas SpA	5.4	-0.2	-3.0	-0.7	-	-	-	-
Leonardo SpA	5.0	-10.9	-18.1	-53.1	173.6	251.5	45.8	65.3
Piaggio & C SpA	2.3	-5.4	-6.1	-18.1	-	-	-	-
Prysmian SpA	24.5	0.2	5.3	13.8	-	-	-	-
Saipem SpA	1.4	-13.7	-22.4	-67.1	-	335.6	-	86.4
Saras SpA	0.4	-13.5	-26.2	-68.7	-	-	-	-
Snam SpA	4.4	2.4	-1.2	-5.8	-	-	-	-
Telecom Italia SpA/Milano	0.3	-1.2	-5.5	-37.3	138.9	195.8	29.3	39.8
Terna Rete Elettrica Nazionale	5.9	-0.6	-6.1	0.5	-	-	-	-
Webuild SpA	-	-	-	-	-	-	-	-

Note: *) USD. Source: Intesa Sanpaolo Research elaboration on Bloomberg data

Italian non-financial corporate bond denominated in euro maturing in 2020

Name	Country	Curr	Coupon Type	EUR M	Coupon	Maturity
2I RETE GAS SPA	IT	EUR	FIXED	540	1,125	02/01/2020
ACEA SPA	IT	EUR	FIXED	500	4.5	16/03/2020
ANSALDO ENERGIA SPA	IT	EUR	FIXED	420	2,875	28/04/2020
AUTOSTRADA BRESCIA V	IT	EUR	FIXED	600	2,375	20/03/2020
AUTOSTRADE PER L'ITALIA	IT	EUR	FIXED	750	4,375	16/03/2020
CERVED GROUP SPA	IT	EUR	FIXED	300	6,375	15/01/2020
DAVIDE CAMPARI-MILANO SP	IT	EUR	FIXED	600	2.75	30/09/2020
ENEL FINANCE INTL NV	NE	EUR	FIXED	100	44,573	08/01/2020
ENEL FINANCE INTL NV	NE	EUR	FIXED	1	4,875	11/03/2020
ENI SPA	IT	EUR	FIXED	1	4.25	03/02/2020
ENI SPA	IT	EUR	FIXED	1	4	29/06/2020
FERROVIE DELLO STATO	IT	EUR	FLOATING	63	0	30/06/2020
FERROVIE DELLO STATO	IT	EUR	FIXED	750	4	22/07/2020
INTEK GROUP SPA	IT	EUR	FIXED	102	5	20/02/2020
IREN SPA	IT	EUR	FIXED	260	4.37	14/10/2020
IVS F SPA	IT	EUR	FIXED	250	7,125	01/04/2020
L'ISOLANTE K-FLEX SPA	IT	EUR	FIXED	100	6	01/07/2020
MANUTENCOOP FACILITY	IT	EUR	FIXED	425	8.5	01/08/2020
MERCEDES-BENZ FIN SERV I	IT	EUR	FLOATING	50	0.418	11/12/2020
PIRELLI & C SPA	IT	EUR	FLOATING	200	0.301	26/09/2020
RADIOTELEVISIONE ITALIAN	IT	EUR	FIXED	350	1.5	28/05/2020
RHINO BONDCO S.P.A	IT	EUR	FIXED	265	7.25	15/11/2020
SNAM SPA	IT	EUR	FIXED	1.25	3.5	13/02/2020
SNAM SPA	IT	EUR	FIXED	500	0	25/10/2020
SNAM SPA	IT	EUR	FLOATING	350	0	29/01/2020
SOCIETA INIZIATIVE AUSTR	IT	EUR	FIXED	500	4.5	26/10/2020
TAMBURI INVST PARTNRS	IT	EUR	FIXED	100	4.75	14/04/2020
TEAMSISTEM HLDG SPA	IT	EUR	FIXED	430	7,375	15/05/2020
TELECOM ITALIA SPA	IT	EUR	FIXED	1	4,875	25/09/2020
TELECOM ITALIA SPA	IT	EUR	FIXED	1	4	21/01/2020

Note: C = Called; M=matured. Source: Intesa Sanpaolo elaboration on Bloomberg data (only issues that amount to a minimum

Italian non-financial corporate bond denominated in euro callable in 2020

Name	Country	Curr	Coupon Type	EUR M	Coupon	Maturity	Call date
REKEEP SPA	IT	EUR	FIXED	360	9	15/06/2022	15/06/2020
PRO-GEST SPA	IT	EUR	FIXED	250	3.25	15/12/2024	15/12/2020
ENEL SPA	IT	EUR	VARIABLE	410	5	15/01/2075	15/01/2020
MITTEL SPA	IT	EUR	FIXED	130	3.75	27/07/2023	27/07/2020
REKEEP SPA	IT	EUR	FIXED	360	9	15/06/2022	15/06/2020
PRO-GEST SPA	IT	EUR	FIXED	250	3.25	15/12/2024	15/12/2020

Source: Intesa Sanpaolo elaboration on Bloomberg data (only issues that amount to a minimum of EUR 50M were included)

Italian bank corporate bonds

Italian bank bonds denominated in euro (institutional) - Senior Unsecured

Bond	First call	Type	Outst. EUR M	Price	YTM %	SPRD TYPE	SPRD	-1W (bps)	-1M (bps)	YTD (bps)	52-week range		Ratings		
							25.9.20			2.1.20	max	min	Mdy	Fitch	BBG
Investment Grade															
Intesa Sanpaolo SpA															
ISPIM 2 06/18/21	-	FX	1,200	101.6	-0.2	ASW	19	0	-10	-16.8	224	19	Baa1	BBB-	BBB
ISPIM 3 1/2 01/17/22	-	FX	750	104.5	0.0	ASW	49	-1	-9	-0.9	279	35	Baa1	BBB-	BBB
ISPIM 1 1/8 03/04/22	-	FX	1,500	101.4	0.1	ASW	59	2	-11	11.0	263	35	Baa1	BBB-	BBB
ISPIM 0 7/8 06/27/22	-	FX	500	101.3	0.2	ASW	61	2	-11	14.0	261	35	Baa1	BBB-	BBB
ISPIM 2 1/8 08/30/23	-	FX	1,100	105.2	0.3	ASW	81	5	-5	5.9	276	54	Baa1	BBB-	BBB
ISPIM 4 10/30/23	-	FX	1,000	111.0	0.4	ASW	93	6	-4	16.7	291	57	Baa1	BBB-	BBB
ISPIM 1 3/8 01/18/24	-	FX	1,000	102.8	0.5	ASW	99	6	-6	20.0	275	57	Baa1	BBB-	BBB
ISPIM 1 07/04/24	-	FX	1,250	101.7	0.5	ASW	99	7	-5	19.3	270	55	Baa1	BBB-	BBB
ISPIM 0 3/4 12/04/24	-	FX	750	101.3	0.4	ASW	87	5	-4	10.9	269	54	Baa1	BBB-	BBB
ISPIM 2 1/8 05/26/25 ¹	-	FX	1,250	106.2	0.8	ASW	123	11	-2	-101.9	225	112	Baa1	BBB-	BBB
ISPIM 1 11/19/26	-	FX	1,250	100.9	0.9	ASW	122	7	-4	21.4	277	73	Baa1	BBB-	BBB
ISPIM 1 3/4 03/20/28	-	FX	1,250	105.0	1.0	ASW	141	6	-2	19.4	305	93	Baa1	BBB-	BBB
ISPIM 1 3/4 07/04/29	-	FX	1,000	105.1	1.1	ASW	143	7	-3	13.0	312	103	Baa1	BBB-	BBB
ISPIM Float 04/19/22	-	FL	1,500	100.6	0.1	DISC	55	-2	-19	-2.0	237	46	Baa1	BBB-	BBB
Mediobanca Banca di Credito Finanziario SpA															
BACRED 1 5/8 01/19/21	-	FX	600	100.6	-0.2	ASW	15	2	-11	-16.5	211	13	-	BBB-	BBB-
BACRED 0 5/8 09/27/22	-	FX	750	101.0	0.1	ASW	60	1	-6	8.8	245	37	-	BBB-	BBB-
BACRED 1 5/8 01/07/25	-	FX	500	104.0	0.7	ASW	112	6	-10	23.8	292	72	Baa1	BBB-	BBB
BACRED 1 1/8 07/15/25	-	FX	500	102.1	0.7	ASW	110	8	-8	21.3	279	72	Baa1	BBB-	BBB
BACRED 0 7/8 01/15/26	-	FX	500	100.3	0.8	ASW	121	6	-7	21.3	284	83	Baa1	BBB-	BBB
BACRED 0 3/4 07/15/27 ¹	-	FX	300	98.8	0.9	ASW	127	9	-9	30.0	272	97	Baa1	BBB-	BBB
BACRED 1 09/08/27 ¹	-	FX	500	100.3	1.0	ASW	130	8	-	8.6	130	121	Baa1	BBB-	BBB
BACRED Float 05/18/22	-	FL	1,000	99.9	0.4	DISC	85	0	-6	21.5	244	48	-	BBB-	BBB-
UniCredit SpA															
UCGIM 3 1/4 01/14/21	-	FX	1,250	101.0	-0.3	ASW	3	0	-9	-23.1	145	3	Baa1	BBB-	BBB
UCGIM 2 03/04/23	-	FX	1,100	104.4	0.2	ASW	67	7	0	5.3	263	44	Baa1	BBB-	BBB
UCGIM 0 1/2 04/09/25	-	FX	1,000	99.2	0.7	ASW	110	10	-3	28.0	268	63	Baa1	BBB-	BBB
UCGIM 2 1/8 10/24/26	-	FX	1,000	107.9	0.8	ASW	121	7	-1	34.9	285	73	Baa1	BBB-	BBB
UCGIM 1 1/4 06/25/25	06/24	VR	1,250	101.4	0.9	ASW	130	12	4	39.3	292	72	Baa1	BBB-	BBB
UCGIM 1 1/4 06/16/26 ¹	06/25	VR	1,250	101.2	1.0	ASW	140	11	-3	-27.0	169	129	Baa1	BBB-	BBB
Unione di Banche Italiane SpA															
UBIIM 1 07/22/22	-	FX	750	101.4	0.2	ASW	68	1	-11	-13.0	275	49	Baa1	BBB-	BBB
UBIIM 0 3/4 10/17/22	-	FX	750	101.0	0.3	ASW	73	4	-2	-10.7	284	45	Baa1	BBB-	BBB
UBIIM 1 1/2 04/10/24	-	FX	500	103.4	0.5	ASW	99	6	-3	-13.5	290	63	Baa1	BBB-	BBB
High Yield and Unrated															
Banca Carige SpA															
BANCAR 5 12/22/22	-	FX	189	103.8	3.2	ASW	374	-28	-	-35.1	467	273	-	CCC *	-
Banca IFIS SpA															
IFIM 2 04/24/23	-	FX	300	98.1	2.8	ASW	316	-	-19	112.3	732	177	-	BB+	-
IFIM 1 3/4 06/25/24 ¹	-	FX	400	94.9	3.2	ASW	349	-2	-9	144.8	602	205	-	BB+	-
Banca Monte dei Paschi di Siena SpA															
MONTE 4 07/10/22	-	FX	500	103.2	2.2	ASW	266	4	-13	-4.3	814	161	Caa1 *+	B *	B-
MONTE 3 5/8 09/24/24	-	FX	750	103.3	2.7	ASW	322	2	-18	-1.2	669	213	Caa1 *+	B *	B-
MONTE 2 5/8 04/28/25 ¹	-	FX	750	99.4	2.8	ASW	314	2	-15	32.8	613	209	Caa1 *+	B *	B-
Banca Popolare di Sondrio SCPA															
BPSOIM 2 3/8 04/03/24	-	FX	500	101.3	2.0	ASW	245	8	-20	28.1	546	159	-	BB+ *-	BB+
Banca Sistema SpA															

Italian bank bonds denominated in euro (institutional) - Senior Unsecured

Bond	First call	Type	Outst. EUR M	Price	YTM %	SPRD TYPE	SPRD		-1W (bps)	-1M (bps)	YTD (bps)	52-week range		Ratings		
							25.9.20				2.1.20	max	min	Mdy	Fitch	BBG
BANCSS 1 3/4 10/13/20	-	FX	175	100.0	2.8	ASW	295		16	124	178.6	324	107	-	-	-
Banco BPM SpA																
BAMIIM 2 03/08/22	-	FX	750	101.4	1.0	ASW	151		3	-22	2.3	429	98	Ba2	-	BB+
BAMIIM 1 3/4 04/24/23	-	FX	500	101.2	1.3	ASW	172		2	-18	6.9	432	112	Ba2	-	BB+
BAMIIM 2 1/2 06/21/24	-	FX	500	102.5	1.8	ASW	225		5	-11	38.3	425	131	Ba2	-	BB+
BAMIIM 1 3/4 01/28/25	-	FX	500	99.5	1.9	ASW	226		4	-6	37.9	415	132	Ba2	-	BB+
BPER Banca																
BPEIM 1 7/8 07/07/25 ¹	-	FX	500	100.1	1.8	ASW	224		6	6	5.4	224	211	Ba3	BB *	BB-
Cassa Centrale Raiffeisen dell'Alto Adige SpA																
CACENR 1 1/8 09/27/24	-	FX	150	103.0	0.4	ASW	83		3	1	-3.5	99	75	Baa2	-	-
Credito Valtellinese SpA																
CVALIM 2 11/27/22	-	FX	300	100.5	1.7	ASW	219		-36	-38	-205.6	430	218	B2	-	BB-
Iccrea Banca SpA																
ICCREA 1 1/2 10/11/22	-	FX	600	100.9	1.1	ASW	153		3	4	51.8	408	96	-	BB-	BB
ICCREA Float 02/01/21	-	FL	400	100.0	0.5	DISC	103		-10	-6	19.1	233	66	-	BB-	BB
Mediocredito Trentino Alto Adige SpA																
MEDTRE 2 3/8 07/29/22	-	FX	100	100.3	2.2	ASW	266		1	-1	23.1	291	256	Ba1	-	-

TYPE: FX=Fixed; FL=Floating. YTM: yield to maturity or yield to call for callable bonds excluding "not called bonds". SPRD TYPE: ASW=Asset Swap, DISC=Discount Margin, Z-SPR=Z-Spread. SPRD: spread to maturity. Ratings: reported in the table refer to individual issues. Rating on credit watch if *, Rating on credit watch positive if *+, Rating on credit watch negative if *-; BBG: Bloomberg Composite. Notes: 1) YTD from launch date for bonds issued in 2020. Source: Intesa Sanpaolo Research elaboration on Bloomberg data on 25/09/20 at 09:59.

Italian bank bonds denominated in euro (institutional) - Senior non-Preferred

Bond	First call	Type	Outst. EUR M	Price	YTM %	SPRD TYPE	SPRD	-1W (bps)	-1M (bps)	YTD (bps)	52-week range		Ratings		
							25.9.20			2.1.20	max	min	Mdy	Fitch	BBG
Investment Grade															
UniCredit SpA															
UCGIM 1 01/18/23	-	FX	1,500	100.6	0.7	ASW	119	10	-4	30.6	345	62	Baa2	BB+	BBB-
UCGIM 1.8 01/20/30 ¹	-	FX	750	99.5	1.9	ASW	207	11	-4	42.8	347	131	Baa2	BB+	BBB-
UCGIM 1 5/8 07/03/25	07/24	VR	750	100.6	1.5	ASW	189	13	-13	67.6	374	100	Baa2	BB+	BBB-
UCGIM 1.2 01/20/26 ¹	01/25	VR	1,250	98.4	1.6	ASW	198	16	-5	60.9	365	106	Baa2	BB+	BBB-
UCGIM 2.2 07/22/27 ¹	07/26	VR	1,250	102.4	1.8	ASW	216	16	-8	-36.0	252	199	Baa2	BB+	BBB-
High Yield and Unrated															
Banco BPM SpA															
BAMIIM 1 5/8 02/18/25 ¹	-	FX	750	95.2	2.8	ASW	310	10	-5	121.7	543	184	B1	-	BB-
Credito Emiliano SpA															
CRDEM 1 1/2 10/25/25	10/24	VR	500	100.0	1.5	ASW	192	9	5	56.9	361	120	Ba1	BB+	BB+
Mediobanca Banca di Credito Finanziario SpA															
BACRED 1 1/8 04/23/25 ¹	-	FX	500	99.9	1.2	ASW	157	8	-4	37.6	350	101	Baa3	BB+	BB+
Unione di Banche Italiane SpA															
UBIIM 1 3/4 04/12/23	-	FX	500	102.3	0.8	ASW	132	11	7	-17.6	334	87	Ba1	BB+	BB+
UBIIM 2 5/8 06/20/24	-	FX	500	105.1	1.2	ASW	168	10	7	-9.4	388	116	Ba1	BB+	BB+
UBIIM 1 5/8 04/21/25	-	FX	500	101.3	1.3	ASW	175	9	5	-7.5	380	123	Ba1	BB+	BB+

TYPE: FX=Fixed; FL=Floating. YTM: yield to maturity or yield to call for callable bonds excluding "not called bonds. SPRD TYPE: ASW=Asset Swap, DISC=Discount Margin, Z-SPR=Z-Spread. SPRD: spread to maturity. Ratings: reported in the table refer to individual issues. BBG: Bloomberg Composite. Notes: 1) YTD from launch date for bonds issued in 2020. Source: Intesa Sanpaolo Research elaboration on Bloomberg data on 25/09/20 at 09:59.

Italian bank bonds denominated in euro (institutional) - Subordinated (T2 and LT2)

Bond	First call	Type	Outst. EUR M	Price	YTM %	SPRD TYPE	SPRD		-1W (bps)	-1M (bps)	YTD (bps)	52-week range		Ratings				
							25.9.20					2.1.20		max	min	Mdy	Fitch	BBG
High Yield and Unrated																		
Banca IFIS SpA																		
IFIM 4 1/2 10/17/27	10/22	VR	400	88.2	NM	Z-SPR	NM		NM	NM	NM	NM	NM	-	BB-	-		
Banca Monte dei Paschi di Siena SpA																		
MONTE 10 1/2 07/23/29	-	FX	300	115.1	8.0	Z-SPR	836	17	-101	-128.0	1,843	621		Caa1 *	CCC+ *	CCC+		
MONTE 5 3/8 01/18/28	01/23	VR	750	85.9	NM	Z-SPR	NM	NM	NM	NM	NM	NM		Caa1 *	CCC+ *	CCC+		
MONTE 8 01/22/30 ¹	01/25	VR	400	95.0	9.5	Z-SPR	991	62	20	204.3	2,371	612		Caa1 *	CCC+ *	CCC+		
MONTE 8 1/2 09/10/30 ¹	09/25	VR	300	99.5	8.6	Z-SPR	906	29	-	42.8	907	863		Caa1 *	CCC+ *	CCC+		
Banca Popolare dell'Alto Adige SpA																		
BPOPAA 5 5/8 10/06/27	10/22	VR	100	97.6	6.9	Z-SPR	742	6	11	166.4	842	503		-	BB-	BB-		
Banca Popolare di Sondrio SCPA																		
BPSOIM 6 1/4 07/30/29	07/24	VR	200	100.8	6.0	Z-SPR	646	6	12	163.6	887	395		-	BB- *	-		
Banca Sella SpA																		
BNSELL 5 1/2 09/22/27	09/22	VR	100	104.1	3.3	Z-SPR	381	-39	77	-27.6	1,067	304		-	-	-		
BNSELL 5 1/4 07/23/29	07/24	VR	50	101.7	4.8	Z-SPR	522	-1	4	101.6	557	420		-	-	-		
Banco BPM SpA																		
BAMIIM 6 11/05/20	-	FX	710	100.5	1.4	Z-SPR	191	31	35	57.5	905	88		B1	-	-		
BAMIIM 7 1/8 03/01/21	-	FX	448	102.3	1.6	Z-SPR	205	26	-16	68.6	1,085	106		B1	-	BB-		
BAMIIM 6 3/8 05/31/21	-	FX	318	102.8	2.0	Z-SPR	252	20	1	124.3	947	127		B1	-	-		
BAMIIM 4 3/8 09/21/27	09/22	VR	500	100.1	4.3	Z-SPR	483	9	19	185.0	1,162	175		B1	-	BB-		
BAMIIM 4 1/4 10/01/29	10/24	VR	350	98.4	4.7	Z-SPR	517	17	16	134.7	807	284		B1	-	BB-		
BAMIIM 5 09/14/30 ¹	09/25	VR	500	99.7	5.1	Z-SPR	549	10	-	-2.7	562	538		B1	-	BB-		
BPER Banca																		
BPEIM 5 1/8 05/31/27	05/22	VR	500	103.2	3.1	Z-SPR	363	20	9	98.4	1,002	219		Ba3	B+ *	B+		
Credito Emiliano Holding SpA																		
CRDEM 3 1/2 12/16/30 ¹	09/25	VR	200	101.9	3.1	Z-SPR	351	-6	-	-18.7	370	351		Ba1	-	-		
Credito Emiliano SpA																		
CRDEM 4.191 10/21/26	10/21	VR	50	101.0	3.2	Z-SPR	369	-	-	-				Ba1	BB	BB		
CRDEM 3 5/8 07/10/27	07/22	VR	100	100.3	3.4	Z-SPR	392	-3	-31	157.2	674	192		-	BB	-		
Credito Valtellinese SpA																		
CVALIM 8 1/4 04/12/27	04/22	VR	150	104.0	5.4	Z-SPR	592	-3	-4	139.4	1,134	357		-	-	-		
Iccrea Banca SpA																		
ICCREA 4 1/8 11/28/29	11/24	VR	400	90.3	6.9	Z-SPR	732	-4	-11	300.6	1,350	336		-	B	-		
Intesa Sanpaolo SpA																		
ISPIM 5 10/17/20	-	FX	168	100.3	NM	Z-SPR	NM	NM	NM	NM	NM	NM		-	-	-		
ISPIM 2.855 04/23/25	-	FX	500	103.8	2.0	Z-SPR	241	11	10	86.2	470	145		Ba1	BB	BB		
ISPIM 3.928 09/15/26	-	FX	1,000	109.3	2.2	Z-SPR	265	15	14	97.4	494	159		Ba1	BB	BB		
ISPIM Float 09/26/24	-	FL	724	99.6	1.4	DISC	193	-3	-4	-3.7	294	170		-	-	-		
Mediobanca Banca di Credito Finanziario SpA																		
BACRED 5 11/15/20	-	FX	616	100.5	0.7	Z-SPR	119	40	41	75.1	280	-8		-	-	-		
BACRED 5 3/4 04/18/23	-	FX	497	110.2	1.6	Z-SPR	211	-6	-25	62.6	366	135		-	-	-		
UniCredit SpA																		
UCGIM 6 1/8 04/19/21	-	FX	579	103.1	0.5	Z-SPR	103	14	-16	24.0	620	70		Baa3	BB	BB+		
UCGIM 6.95 10/31/22	-	FX	1,500	111.3	1.4	Z-SPR	190	8	1	75.6	598	99		Baa3	BB	BB+		
UCGIM 5 3/4 10/28/25	10/20	VR	1,000	100.5	NM	Z-SPR	NM	NM	NM	NM	NM	NM		Baa3	BB	BB+		
UCGIM 4 3/8 01/03/27	01/22	VR	750	103.3	1.7	Z-SPR	219	13	-1	60.7	833	115		Baa3	BB	BB+		
UCGIM 4 7/8 02/20/29	02/24	VR	1,000	106.6	2.8	Z-SPR	326	23	22	107.7	804	181		Baa3	BB	BB+		
UCGIM 2 09/23/29	09/24	VR	1,250	95.3	3.3	Z-SPR	374	31	29	138.7	798	194		Baa3	BB	BB+		
UCGIM 2.731 01/15/32 ¹	01/27	VR	1,250	95.4	3.6	Z-SPR	395	22	23	126.8	775	215		Baa3	-	BB+		
Unione di Banche Italiane SpA																		
UBIIM 4 1/4 05/05/26	05/21	VR	750	101.7	1.3	Z-SPR	178	21	8	-28.6	1,057	74		Ba1	BB	BB+		
UBIIM 4.45 09/15/27	09/22	VR	500	104.5	2.1	Z-SPR	260	18	22	-3.5	731	136		Ba1	BB	BB+		

Italian bank bonds denominated in euro (institutional) - Subordinated (T2 and LT2)

Bond	First call	Type	Outst. EUR M	Price	YTM %	SPRD TYPE	SPRD			-1W (bps)	-1M (bps)	YTD (bps)	52-week range		Ratings				
							25.9.20						2.1.20		max	min	Mdy	Fitch	BBG
UBIIM 5 7/8 03/04/29	03/24	VR	500	111.1	2.4	Z-SPR	291	13	14	-60.7	849	174	Ba1	BB	BB+				
UBIIM 4 3/8 07/12/29	07/24	VR	300	107.0	2.4	Z-SPR	288	10	9	-60.6	868	183	Ba1	BB	BB+				

TYPE: FX = Fixed; FL = Floating; VR = Variable; FT = Flat Trading. YTM: yield to maturity or yield to call for callable bonds excluding "not called bonds". SPRD TYPE: ASW=Asset Swap, DISC=Discount Margin, Z-SPR=Z-Spread. SPRD: spread to maturity or spread to first call date for callable bonds. Ratings reported in the table on individual issues; Rating on credit watch if *, Rating on credit watch positive if *+, Rating on credit watch negative if *- BBG: Bloomberg Composite. NM: Not Meaningful related to YTM and Spread if Spread < 0 and > 1,000 bps whilst related to change (-1W, -1M, -YTD) when the reference data is NA. Notes: 1) YTD from launch date for bonds issued in 2020. Source: Intesa Sanpaolo Research elaboration on Bloomberg data on 25/09/20 at 09:59.

Italian bank bonds denominated in euro (institutional) - Junior subordinated (UT2)

Bond	First call	Type	Outst. EUR M	Price	YTM %	SPRD TYPE	SPRD	-1W (bps)	-1M (bps)	YTD (bps)	52-week range		Ratings			
							25.9.20			2.1.20	max	min	Mdy	Fitch	BBG	
High Yield and Unrated																
Intesa Sanpaolo SpA																
ISPIM 6 5/8 09/13/23		-	FX	1,446	114.3	1.6	Z-SPR	212	15	14	72	579	124	Ba1	BB	BB

TYPE: FX = Fixed; FL = Floating; VR = Variable; FT = Flat Trading. YTM: yield to maturity or yield to call for callable bonds excluding "not called bonds". SPRD TYPE: ASW=Asset Swap, DISC=Discount Margin, Z-SPR=Z-Spread. SPRD: spread to maturity or spread to first call date for callable bonds. Ratings reported in the table on individual issues. BBG: Bloomberg Composite. Notes: . Source: Intesa Sanpaolo Research elaboration on Bloomberg data on 25/09/20 at 09:59.

Italian bank bonds denominated in euro (institutional) - Hybrids (T1 and AT1)

Bond	First call	Type	Outst. EUR M	Price	YTM %	SPRD TYPE	SPRD	-1W (pts)1	-1M (pts)1	YTD (pts)1	52-week range1		Ratings		
							25.9.20			2.1.20	max	min	Mdy	Fitch	BBG
High Yield and Unrated															
Banco BPM SpA															
BAMIIM Float PERP ³	06/17	VR	105	84.5	1.6	Z-SPR	253	2	-	-3.4	91	72	B3	-	-
BAMIIM 8 3/4 PERP	06/24	VR	300	95.8	NM	Z-SPR	NM	-3	-3	-13.1	118	68	B3	-	B-
BAMIIM 6 1/8 PERP ²	01/25	VR	400	85.2	NM	Z-SPR	NM	-3	-2	-14.0	107	51	B3	-	B-
FinecoBank Banca Fineco SpA															
FINBAN 5 7/8 PERP	12/24	VR	300	100.3	5.8	Z-SPR	626	-2	-2	-7.6	111	71	-	-	-
Intesa Sanpaolo SpA															
ISPIM 7 PERP	01/21	VR	1,250	100.7	4.6	Z-SPR	509	-1	-1	-5.4	107	80	Ba3	B+	B+
ISPIM 7 3/4 PERP	01/27	VR	1,250	111.3	5.6	Z-SPR	598	-4	-5	-10.2	128	84	Ba3	B+	B+
ISPIM 6 1/4 PERP	05/24	VR	750	98.6	6.7	Z-SPR	716	-4	-7	-10.5	115	72	Ba3	B+	B+
ISPIM 3 3/4 PERP ²	02/25	VR	750	81.3	9.0	Z-SPR	943	-4	-6	-15.9	97	59	Ba3	B+	B+
ISPIM 4 1/8 PERP ²	02/30	VR	750	80.4	7.0	Z-SPR	728	-4	-7	-17.0	97	56	Ba3	B+	B+
ISPIM 5 7/8 PERP ²	09/31	VR	750	96.8	6.3	Z-SPR	652	-4	-	-3.3	102	97	Ba3	B+	B+
ISPIM 5 1/2 PERP ²	03/28	VR	750	93.8	6.6	Z-SPR	693	-5	-	-5.2	100	94	Ba3	B+	B+
UniCredit SpA															
UCGIM 6 3/4 PERP	09/21	VR	1,000	99.1	7.7	Z-SPR	821	-2	-3	-8.2	108	76	-	B+	-
UCGIM 9 1/4 PERP	06/22	VR	500	107.6	4.5	Z-SPR	498	-2	-2	-8.8	118	83	-	B+	-
UCGIM 6 5/8 PERP	06/23	VR	1,250	98.1	7.4	Z-SPR	789	-3	-5	-10.5	113	67	Ba3u	B+	-
UCGIM 5 3/8 PERP	06/25	VR	1,000	91.2	7.7	Z-SPR	810	-3	-3	-10.0	109	59	Ba3u	B+	-
UCGIM 7 1/2 PERP	06/26	VR	1,000	107.3	6.0	Z-SPR	638	-3	-4	-10.1	124	80	Ba3	B+	B+
UCGIM 3 7/8 PERP ²	06/27	VR	1,250	77.9	8.2	Z-SPR	861	-3	-2	-21.6	100	53	Ba3	B+	B+
Unione di Banche Italiane SpA															
UBIIM 5 7/8 PERP ²	01/25	VR	400	97.4	6.6	Z-SPR	695	-3	-5	-3.9	112	67	Ba3	-	BB-

TYPE: FX = Fixed; FL = Floating; VR = Variable; FT = Flat Trading. YTM: yield to maturity or yield to call for callable bonds excluding "not called bonds". SPRD TYPE: ASW=Asset Swap, DISC=Discount Margin, Z-SPR=Z-Spread. SPRD: spread to maturity or spread to first call date for callable bonds. Ratings reported in the table on individual issues. BBG: Bloomberg Composite. NM: Not Meaningful related to YTM and Spread if Spread < 0 and > 1,000 bps whilst related to change (-1W, -1M, -YTD) when the reference data is NA. Notes: 1) change in prices 2) YTD from launch date for bonds issued in 2020 3) Bond not called. Source: Intesa Sanpaolo Research elaboration on Bloomberg data on 25/09/20 at 09:59.

Italian bank bonds denominated in euro (institutional) - Covered

Bond	Type	Outst. EUR M	Price	YTM %	Spread over	SPRD TYPE	SPRD	-1W (bps)	-1M (bps)	YTD (bps)	52-week range		Ratings		
					ASW (bps)										
					BTP		25.9.20			2.1.20	max	min	Mdy	Fitch	BBG
Investment Grade															
Banca Carige SpA															
BANCAR 1 1/4 01/28/21	FX	500	100.2	0.5	95	ASW	89	-3	-25	0.1	170	70	Baa3	BBB+ *	BBB
Banca Monte dei Paschi di Siena SpA															
MONTE 2 7/8 04/16/21	FX	1,000	101.7	-0.3	17	ASW	20	-1	-3	-15.1	56	19	Aa3	A+ *	A+
MONTE 1 1/4 01/20/22	FX	750	101.7	-0.1	19	ASW	38	-2	-9	2.3	83	22	Aa3	A+ *	A+
MONTE 2 01/29/24	FX	1,000	106.7	0.0	-3	ASW	48	-4	-14	-34.8	118	47	Aa3	A+ *	A+
MONTE 2 7/8 07/16/24	FX	1,500	110.8	0.0	-9	ASW	51	-5	-12	-34.0	122	51	Aa3	A+ *	A+
MONTE 2 1/8 11/26/25	FX	1,000	110.9	0.0	-27	ASW	46	-4	-15	-39.5	117	46	Aa3	A+ *	A+
MONTE 0 7/8 10/08/26	FX	1,000	103.8	0.2	9	ASW	64	-4	-17	-21.7	135	63	Aa3	A+ *	A+
Banca Popolare dell'Alto Adige SpA															
BPOPAA 0 1/4 10/28/26	FX	300	101.9	-0.1	-49	ASW	33	0	-2	15.8	50	11	-	AA-	-
Banca Popolare di Sondrio SCPA															
BPSOIM 0 3/4 04/04/23	FX	500	101.6	0.1	22	ASW	59	1	-2	6.8	77	45	-	AA-	-
Banco BPM SpA															
BAMIIM 0 3/4 03/31/22	FX	1,000	101.6	-0.3	-4	ASW	18	0	-1	-18.7	53	18	Aa3	-	A+
BAMIIM 0 7/8 09/14/22	FX	1,000	102.3	-0.3	-7	ASW	20	-1	-4	-20.2	64	20	Aa3	-	-
BAMIIM 0 5/8 06/08/23	FX	750	102.3	-0.2	-10	ASW	25	-1	-5	-24.6	85	25	Aa3	-	-
BAMIIM 1 1/8 09/25/23	FX	500	104.3	-0.3	-26	ASW	16	-1	-8	-29.7	82	16	Aa3	-	-
BAMIIM 1 01/23/25	FX	750	105.4	-0.2	-43	ASW	20	-1	-4	-50.1	92	20	Aa3	-	-
BAMIIM 1 1/2 12/02/25	FX	750	108.9	-0.2	-50	ASW	21	0	-4	-46.6	93	21	Aa3	-	-
Banco di Desio e della Brianza SpA															
BANDES 0 7/8 09/12/24	FX	575	104.2	-0.2	-32	ASW	27	0	-3	11.2	46	7	-	AA-	-
BANDES 0 3/8 07/24/26	FX	500	103.3	-0.2	-59	ASW	21	0	-3	4.7	43	7	-	AA-	-
BPER Banca															
BPEIM 0 7/8 01/22/22	FX	750	101.5	-0.3	2	ASW	21	0	0	-3.3	40	18	Aa3	-	-
BPEIM 1 07/22/23	FX	500	103.6	-0.3	-19	ASW	20	0	-1	-10.2	53	19	Aa3	-	-
BPEIM 1 1/8 04/22/26	FX	600	107.0	-0.1	-48	ASW	29	0	-1	-3.9	52	22	Aa3	-	-
Credit Agricole Italia SpA															
CARPP 0 7/8 01/31/22	FX	1,000	101.6	-0.3	-7	ASW	12	0	-2	-3.0	38	11	Aa3	-	-
CARPP 0 7/8 06/16/23	FX	1,000	103.3	-0.3	-23	ASW	12	0	-1	-2.9	44	10	Aa3	-	-
CARPP 0 1/4 09/30/24	FX	750	102.3	-0.3	-45	ASW	13	0	-2	-4.5	49	13	Aa3	-	-
CARPP 1 1/8 03/21/25	FX	750	106.5	-0.3	-55	ASW	12	0	-1	-11.5	55	12	Aa3	-	-
CARPP 0 5/8 01/13/26	FX	750	104.9	-0.3	-65	ASW	12	0	-1	-11.5	56	12	Aa3	-	-
CARPP 1 03/25/27	FX	750	108.2	-0.3	-76	ASW	12	0	0	-12.3	58	12	Aa3	-	-
CARPP 0 1/4 01/17/28 ¹	FX	500	103.5	-0.2	-81	ASW	12	0	-2	-6.7	58	12	Aa3	-	-
CARPP 1 5/8 03/21/29	FX	750	115.3	-0.2	-82	ASW	15	0	-1	-14.0	59	15	Aa3	-	-
CARPP 1 09/30/31	FX	750	111.5	0.0	-96	ASW	16	0	-1	-11.1	67	16	Aa3	-	-
CARPP 1 3/4 01/15/38	FX	500	127.4	0.1	-128	ASW	20	0	-2	-10.3	75	20	Aa3	-	-
CARPP 1 01/17/45 ¹	FX	750	117.4	0.3	-137	ASW	26	0	-4	-14.7	89	25	Aa3	-	-
Credito Emiliano SpA															
CRDEM 0 7/8 11/05/21	FX	750	101.3	-0.3	4	ASW	19	0	1	6.3	32	11	Aa3	AA-	AA-
CRDEM 1 1/8 01/17/24	FX	750	104.5	-0.2	-56	ASW	23	0	-2	-7.8	50	23	Aa3	AA-	AA-
Intesa Sanpaolo SpA															
ISPIM 5 01/27/21	FX	158	101.8	-0.4	-2	ASW	-6	1	-8	-41.9	60	-8	A2	-	-
ISPIM 5 01/27/21	FX	1,353	101.8	-0.4	5	ASW	1	-1	-2	-8.0	30	0	Aa3	-	-
ISPIM 0 5/8 01/20/22	FX	1,000	101.4	-0.4	-15	ASW	4	0	-2	-0.8	32	1	Aa3	-	-
ISPIM 3 5/8 12/05/22	FX	1,250	108.9	-0.4	-19	ASW	6	0	-1	1.2	30	2	Aa3	-	-
ISPIM 0 5/8 03/23/23	FX	1,250	102.5	-0.4	-28	ASW	9	-1	-1	3.5	35	3	Aa3	-	-
ISPIM 0 1/2 03/05/24	FX	1,000	103.1	-0.4	-65	ASW	7	0	-3	-0.2	42	3	Aa3	-	-
ISPIM 3 3/8 01/24/25	FX	1,000	116.3	-0.4	-56	ASW	8	0	-2	1.3	48	3	Aa3	-	-
ISPIM 1 3/8 12/18/25	FX	1,250	109.1	-0.3	-63	ASW	7	0	-3	0.4	47	3	Aa3	-	-

Italian bank bonds denominated in euro (institutional) - Covered

Bond	Type	Outst. EUR M	Price	YTM %	Spread over	SPRD TYPE	SPRD	-1W (bps)	-1M (bps)	YTD (bps)	52-week range		Ratings		
					ASW (bps)										
					BTP		25.9.20			2.1.20	max	min	Mdy	Fitch	BBG
ISPIM 3 1/4 02/10/26	FX	1,250	119.6	-0.4	-71	ASW	6	0	-3	-4.7	48	6	Aa3	-	-
ISPIM 1 1/8 06/16/27	FX	1,000	109.6	-0.3	-79	ASW	7	-1	-2	-5.4	47	7	Aa3	-	-
Mediobanca Banca di Credito Finanziario SpA															
BACRED 3 5/8 10/17/23	FX	750	112.1	-0.3	-22	ASW	18	0	-2	8.5	38	3	-	AA-	-
BACRED 1 1/8 08/12/24	FX	750	105.2	-0.2	-34	ASW	24	-1	-7	4.7	51	13	-	AA-	-
BACRED 1 3/8 11/10/25	FX	750	107.9	-0.2	-46	ASW	25	0	-5	6.0	48	9	-	AA-	-
BACRED 0 1/2 10/01/26	FX	750	103.6	-0.1	-53	ASW	30	0	-4	9.3	56	10	-	AA-	-
BACRED 1 1/4 11/24/29	FX	750	111.1	0.0	-70	ASW	32	0	-3	6.9	60	17	-	AA-	-
UniCredit SpA															
UCGIM 2 5/8 10/31/20	FX	1,000	100.3	-0.5	-5	ASW	-28	0	-4	-26.9	12	-29	Aa3	AA-	AA-
UCGIM 5 10/31/21	FX	1,000	105.9	-0.4	-10	ASW	6	0	-2	0.1	25	3	Aa3	AA-	AA-
UCGIM 4 3/8 01/31/22	FX	1,000	106.5	-0.4	-14	ASW	2	-1	-6	-1.9	33	0	Aa3	AA-	AA-
UCGIM 5 1/4 04/30/23	FX	1,250	114.8	-0.4	-34	ASW	6	0	-1	2.6	34	1	Aa3	AA-	AA-
UCGIM 3 01/31/24	FX	1,000	111.3	-0.4	-38	ASW	12	0	-3	7.6	39	2	Aa3	AA-	AA-
UCGIM 0 3/4 04/30/25	FX	1,000	104.2	-0.2	-34	ASW	28	0	-2	22.0	43	3	Aa3	-	-
UCGIM 0 3/8 10/31/26	FX	1,000	102.9	-0.1	-47	ASW	29	0	-1	19.5	45	7	Aa3	-	-
UCGIM Float 10/31/20	FL	500	100.0	0.2	-	DISC	67	-29	-34	22.3	105	23	Aa3	-	-
Unione di Banche Italiane SpA															
UBIIM 3 1/8 10/14/20	FX	1,500	100.2	-0.5	-11	ASW	-31	0	-6	-38.5	20	-32	Aa3	-	AA-
UBIIM 5 1/4 01/28/21	FX	1,000	101.9	-0.5	-3	ASW	-7	1	-9	-21.0	32	-8	Aa3	-	AA-
UBIIM 1 01/27/23	FX	1,250	103.1	-0.3	-23	ASW	16	-1	-3	5.6	35	5	Aa3	-	AA-
UBIIM 3 1/8 02/05/24	FX	1,000	111.6	-0.3	-35	ASW	16	-1	-5	5.7	40	6	Aa3	-	AA-
UBIIM 0 1/2 07/15/24	FX	750	103.0	-0.3	-40	ASW	18	0	-4	6.6	38	7	Aa3	-	AA-
UBIIM 1 1/4 02/07/25	FX	1,000	106.6	-0.3	-38	ASW	19	-1	-4	7.4	40	7	Aa3	-	AA-
UBIIM 1 09/25/25	FX	500	106.3	-0.3	-55	ASW	17	-1	-3	6.5	41	7	Aa3	-	AA-
UBIIM 0 3/8 09/14/26	FX	1,000	103.3	-0.2	-54	ASW	22	-1	-3	3.1	47	10	Aa3	-	AA-
UBIIM 1 1/8 10/04/27	FX	1,250	108.9	-0.1	-73	ASW	23	-1	-3	2.7	52	14	Aa3	-	AA-
UBIIM 1 1/4 01/15/30	FX	500	111.8	0.0	-79	ASW	25	-1	-4	1.2	54	16	Aa3	-	AA-

TYPE: FX = Fixed; FL = Floating; VR = Variable; FT = Flat Trading; YTM: yield to maturity or yield to call for callable bonds excluding "not called bonds". SPRD TYPE: ASW=Asset Swap, DISC=Discount Margin, Z-SPR=Z-Spread, SPRD: spread to maturity or spread to first call date for callable bonds. Ratings reported in the table on individual issues ; Rating on credit watch if *, Rating on credit watch positive if **, Rating on credit watch negative if *-; BBG: Bloomberg Composite. Notes: 1) YTD from launch date for bonds issued in 2020. Source: Bloomberg BGN data on 25/09/20 at 09:59.

Italian insurance bonds

Italian insurance bonds denominated in euro - Senior Unsecured

Bond	Next call	Type	Outst. EUR M	Price	YTM %	SPRD TYPE	SPRD	-1W (bps)	-1M (bps)	YTD (bps)	52-week range		Ratings		
							25.9.20			2.1.20	max	min	Mdy	Fitch	BBG
Investment Grade															
Assicurazioni Generali SpA															
ASSGEN 5 1/8 09/16/24	-	FX	1,750	120.4	0.0	ASW	50	4	3	10	223	34	Baa2	BBB+	BBB
High Yield and Unrated															
Unipol Gruppo SpA															
UNIIM 4 3/8 03/05/21	-	FX	231	101.9	0.1	ASW	55	-8	-55	14	253	27	Ba2	BB+	BB
UNIIM 3 03/18/25	-	FX	1,000	105.0	1.8	ASW	230	7	-28	54	450	134	Ba2	BB+	BB
UNIIM 3 1/2 11/29/27	08/27	FX	500	105.6	2.6	ASW	301	12	-18	68	473	185	Ba2	BB+	BB
UNIIM 3 1/4 09/23/30	06/30	FX	750	100.9	3.1	ASW	335	-	-	-2	337	327	Ba2	BB+	BB

TYPE: FX=Fixed; YTM: yield to maturity or yield to call for callable bonds excluding "not called bonds". SPRD TYPE: ASW=Asset Swap, DISC=Discount Margin, Z-SPR=Z-Spread. SPRD: spread to maturity or spread to first call date for callable bonds. Ratings reported in the table on individual issues. BBG: Bloomberg Composite. Notes: . Source: Intesa Sanpaolo research elaboration on Bloomberg data on 25/09/20 at 09:59.

Italian insurance bonds denominated in euro - Senior subordinated

Bond	Next call	Type	Outst. EUR M	Price	YTM %	SPRD TYPE	SPRD	-1W (bps)	-1M (bps)	YTD (bps)	52-week range		Ratings		
							25.9.20			2.1.20	max	min	Mdy	Fitch	BBG
Investment Grade															
Assicurazioni Generali SpA															
ASSGEN 3 7/8 01/29/29	-	FX	500	113.4	2.1	ASW	256	11	10	82	377	158	Baa3	BBB-	BBB-
ASSGEN 2.124 10/01/30	-	FX	750	100.4	2.1	ASW	228	10	19	77	350	146	Baa3	BBB-	BBB-
ASSGEN 2.429 07/14/31 ¹	01/31	FX	600	101.1	2.3	ASW	250	11	15	-5	260	234	Baa3	BBB-	BBB-
ASSGEN 4.596 PERP	11/25	VR	1,500	106.3	3.3	Z-SPR	368	49	65	130	758	206	Ba1	BBB-	BB+
ASSGEN 10 1/8 07/10/42	07/22	VR	302	116.3	0.8	Z-SPR	132	38	34	75	725	53	Baa3	BBB-	BBB-
ASSGEN 7 3/4 12/12/42	12/22	VR	468	114.6	1.0	Z-SPR	149	39	38	62	739	55	Baa3	BBB-	BBB-
High Yield and Unrated															
Societa Cattolica di Assicurazioni SC															
CASSIM 7 1/4 12/17/43	12/23	VR	100	110.2	3.8	Z-SPR	430	32	29	135	466	250	-	-	-
CASSIM 4 1/4 12/14/47	12/27	VR	500	100.5	4.2	Z-SPR	453	17	13	76	797	327	-	-	-
UnipolSai Assicurazioni SpA															
USIMIT 3 7/8 03/01/28	-	FX	500	103.4	3.4	ASW	371	5	7	52	568	287	Ba2	BB	BB
USIMIT Float 06/15/21	12/20	VR	300	100.4	1.5	Z-SPR	71	-	-	-			Ba2u	BB+	-
USIMIT Float 07/28/23	10/20	VR	300	100.1	2.0	Z-SPR	129	-	-	-			Ba2	BB+	BB
Vittoria Assicurazioni SpA															
VITAS 5 3/4 07/11/28	-	FX	250	109.2	4.3	ASW	484	3	0	93	585	372	-	BB+	-

TYPE: FX=Fixed; VR=Variable; YTM: yield to maturity or yield to call for callable bonds excluding "not called bonds". SPRD TYPE: ASW=Asset Swap, DISC=Discount Margin, Z-SPR=Z-Spread. SPRD: spread to maturity or spread to first call date for callable bonds. Ratings reported in the table on individual issues. BBG: Bloomberg Composite. Notes: 1) YTD from launch date for bonds issued in 2020. Source: Intesa Sanpaolo research elaboration on Bloomberg data on 25/09/20 at 09:59.

Italian insurance bonds denominated in euro - Hybrids

Italian Insurance Bonds denominated in Euro - Hybrids															
Bond	Next call	Type	Outst. EUR M	Price	YTM %	SPRD TYPE	SPRD	-1W (bps)	-1M (bps)	YTD (bps)	52-week range		Ratings		
							25.9.20			2.1.20	max	min	Mdy	Fitch	BBG
Investment Grade															
Assicurazioni Generali SpA															
ASSGEN 5 1/2 10/27/47	10/27	VR	1,250	117.5	2.8	Z-SPR	312	-1	-2	-6	127	101	Baa3	BBB-	BBB-
High Yield and Unrated															
Intesa Sanpaolo Vita SpA															
ISPVIT 4 3/4 PERP	12/24	VR	750	105.2	3.4	Z-SPR	385	-1	-2	-5	114	88	-	BB	-
UnipolSai Assicurazioni SpA															
USIMIT 5 3/4 PERP	06/24	VR	750	103.7	4.6	Z-SPR	511	-1	0	-4	113	88	Ba3	BB	BB-

TYPE: VR=Variable. YTM: yield to maturity or yield to call for callable bonds excluding "not called bonds". SPRD TYPE: ASW=Asset Swap, DISC=Discount Margin, Z-SPR=Z-Spread. SPRD: spread to maturity or spread to first call date for callable bonds. Ratings reported in the table on individual issues. BBG: Bloomberg Composite. Notes: . Source: Intesa Sanpaolo research elaboration on Bloomberg data on 25/09/20 at 09:59.

Italian other financial institutions bond

Italian other financial institutions bond denominated in euro - Senior Unsecured

Bond	Next call	Type	Outst. EUR M	Price	YTM %	SPRD TYPE	SPRD	-1W (bps)	-1M (bps)	YTD (bps)	52-week range		Ratings		
							25.9.20			2.1.20	max	min	Mdy	Fitch	BBG
Investment Grade															
Anima Holding SpA															
ANIMIM 1 3/4 10/23/26	07/26	FX	284	96.4	2.4	ASW	268	0	0	79	403	176	-	BBB-	-
Azimut Holding SpA															
AZMIM 2 03/28/22	-	FX	350	101.3	1.1	ASW	160	15	-2	56	355	83	-	BBB- *	-
AZMIM 1 5/8 12/12/24	-	FX	500	99.1	1.9	ASW	225	1	-8	49	396	143	-	BBB- *	-
FCA Bank SpA/Ireland															
FCABNK 0 1/4 10/12/20	-	FX	800	100.0	0.0	ASW	15	5	9	-7	228	-69	Baa1	BBB+	BBB
FCABNK 1 1/4 01/21/21	-	FX	500	100.4	0.1	ASW	46	2	-9	22	212	19	Baa1	BBB+	BBB
FCABNK 1 11/15/21	-	FX	800	100.9	0.2	ASW	68	1	-5	34	231	30	Baa1	BBB+	BBB
FCABNK 1 02/21/22	01/22	FX	600	101.0	0.3	ASW	73	3	-8	35	239	34	Baa1	BBB+	BBB
FCABNK 1 1/4 06/21/22	05/22	FX	650	101.6	0.3	ASW	72	2	-8	29	252	39	Baa1	BBB+	BBB
FCABNK 0 5/8 11/24/22	10/22	FX	800	100.6	0.3	ASW	78	2	-11	30	264	44	Baa1	BBB+	BBB
FCABNK 0 1/4 02/28/23 ¹	01/23	FX	850	99.6	0.4	ASW	90	2	-16	39	282	50	Baa1	BBB+	BBB
FCABNK 0 1/2 09/18/23 ¹	06/23	FX	800	99.9	0.6	ASW	101	-	-	-			Baa1	BBB+	BBB
FCABNK 0 1/2 09/13/24	06/24	FX	850	99.6	0.6	ASW	104	1	-13	35	306	66	Baa1	BBB+	BBB
FCABNK Float 06/17/21	-	FL	850	99.7	0.4	DISC	87	-16	-34	49	230	36	Baa1	BBB+	BBB
UniCredit Leasing Corp IFN SA															
UCGIM 0.502 10/18/22	09/22	FX	300	99.8	0.6	ASW	106	5	-2	30	189	65	-	-	-
High Yield and Unrated															
Banca Farmafactoring SpA															
FARMIT 1 1/4 06/21/21	-	FX	150	99.9	1.4	ASW	179	6	-6	63	276	107	-	-	-
FARMIT 2 06/29/22	-	FX	200	99.9	2.0	ASW	248	-	0	65	345	163	-	-	-
FARMIT 1 3/4 05/23/23	-	FX	300	99.8	1.8	ASW	226	14	-12	83	441	135	Ba1	-	-
Nexi SpA															
NEXIIM 1 3/4 10/31/24	-	FX	825	98.5	2.1	ASW	253	19	37	128	674	123	Ba3	BB-	BB-
Tamburi Investment Partners SpA															
TIPIM 2 1/2 12/05/24	09/24	FX	300	96.6	3.4	ASW	368	-	-	111	378	225	-	-	-

TYPE: FX=Fixed, YTM: yield to maturity or yield to call for callable bonds excluding "not called bonds". SPRD TYPE: ASW=Asset Swap, DISC=Discount Margin, Z-SPR=Z-Spread. SPRD: spread to maturity or spread to first call date for callable bonds. Ratings reported in the table on individual issues; Rating on credit watch if *, Rating on credit watch positive if +, Rating on credit watch negative if -. BBG: Bloomberg Composite. Notes: 1) YTD from launch date for bonds issued in 2020. Source: Intesa Sanpaolo research elaboration on Bloomberg BGN data on 25/09/20 at 09:59.

Italian other financial institutions bond denominated in euro - Senior Secured

Bond	Next call	Type	Outst. EUR M	Price	YTM %	SPRD TYPE	SPRD	-1W (bps)	-1M (bps)	YTD (bps)	52-week range		Ratings		
											max	min	Mdy	Fitch	BBG
High Yield and Unrated															
doValue SpA															
DOBIM 5 08/04/25	08/22	FX	265	99.3	6.7	ASW	549	7	7	-8	557	537	-	BB	BB

TYPE: FX=Fixed, YTM: yield to maturity or yield to call for callable bonds excluding "not called bonds". SPRD TYPE: ASW=Asset Swap, DISC=Discount Margin, Z-SPR=Z-Spread. SPRD: spread to maturity or spread to first call date for callable bonds. Ratings reported in the table on individual issues. BBG: Bloomberg Composite. Notes: . Source: Intesa Sanpaolo research elaboration on Bloomberg BGN data on 25/09/20 at 09:59.

Italian other financial institutions bond denominated in euro - Subordinated (T2 and Lt2)

Italian Other financial institutions bond - denominated in EUR - Subordinated (12 and 13)															
Bond	Next call	Type	Outst. EUR M	Price	YTM %	SPRD TYPE	SPRD	-1W (bps)	-1M (bps)	YTD (bps)	52-week range		Ratings		
							25.9.20			2.1.20	max	min	Mdy	Fitch	BBG
High Yield and Unrated															
Banca Farmafactoring SpA															
FARMIT 5 7/8 03/02/27	03/22	VR	100	101.8	4.5	Z-SPR	502	8	35	-29	778	414	-	-	-

TYPE: FX=Fixed. YTM: yield to maturity or yield to call for callable bonds excluding "not called bonds". SPRD TYPE: ASW=Asset Swap, DISC=Discount Margin, Z-SPR=Z-Spread. SPRD: spread to maturity or spread to first call date for callable bonds. Ratings reported in the table on individual issues. BBG: Bloomberg Composite. Notes: . Source: Intesa Sanpaolo research elaboration on Bloomberg BGN data on 25/09/20 at 09:59.

Italian Sovereigns, Supranational and Agencies bond (SSA)

Italian Sovereigns, Supranational and Agencies bonds denominated in euro – Senior Unsecured

Bond	Next call	Type	Outst. EUR M	Price	YTM %	SPRD TYPE	SPRD	-1W (bps)	-1M (bps)	YTD (bps)	52-week range		Ratings		
							25.9.20			2.1.20	max	min	Mdy	Fitch	BBG
Investment Grade															
Acquirente Unico SpA															
ACQUIU 2.8 02/20/26	-	FX	500	108.7	1.1ASW		159	-5	-6	4	225	133	-	-	-
Agenzia Nazionale per l'Attrazione degli Investimenti e lo Sviluppo d'Impresa															
INVITA 1 3/8 07/20/22	-	FX	350	101.9	0.3ASW		77	-6	-7	-59	230	75	Baa3	-	-
AMCO - Asset Management Co SpA															
AMCOSP 1 1/2 07/17/23 ¹	-	FX	1,250	102.7	0.5ASW		100	-4	-7	-73	173	98	-	BBB-	BBB-
AMCOSP 2 5/8 02/13/24	-	FX	250	106.1	0.8ASW		128	-4	-13	-50	268	125	-	BBB-	BBB-
AMCOSP 1 3/8 01/27/25	-	FX	600	102.0	0.9ASW		134	-8	-17	-33	266	123	-	BBB-	BBB-
AMCOSP 2 1/4 07/17/27 ¹	-	FX	750	105.9	1.3ASW		174	-4	-10	-74	247	171	-	BBB-	BBB-
Cassa Depositi e Prestiti SpA															
CDEP 3 3/4 10/15/20	-	FX	750	100.2	-0.1ASW		13-		14	-2	81	-50	Baa3u	BBB-	BBB-
CDEP 4.71 11/23/20	-	FX	230	100.7	-0.1ASW		11	27	25	-4	21	-20	Baa3u	BBB-	-
CDEP 2 3/4 05/31/21	-	FX	750	102.0	-0.3ASW		13	1	-10	-6	187	9	Baa3u	BBB-	BBB-
CDEP 5.242 03/23/22	-	FX	340	107.5	0.2ASW		67-		-18	-22	93	66	Baa3u	BBB-	-
CDEP 0 3/4 11/21/22 ¹	-	FX	500	101.5	0.0ASW		50	-5	-9	-4	215	35	Baa3u	BBB-	BBB-
CDEP 1 1/2 04/20/23 ¹	-	FX	500	103.6	0.1ASW		57	-6	-11	-100	193	55	-	BBB-	BBB-
CDEP 2 1/8 09/27/23	-	FX	500	105.8	0.2ASW		66	-7	-13	-11	226	51	Baa3u	BBB-	BBB-
CDEP 4 1/8 11/08/23	-	FX	250	112.2	0.2ASW		69-			-43	111	69	Baa3u	BBB-	BBB-
CDEP 4 1/8 11/15/23	-	FX	250	112.4	0.1ASW		65	-6	-13	-54	122	63	Baa3u	BBB-	BBB-
CDEP 4.164 12/27/23	-	FX	305	112.9	0.2ASW		68	-5	-11	-47	120	65	Baa3u	BBB-	BBB-
CDEP 1 1/2 06/21/24	-	FX	1,000	104.4	0.3ASW		77	-7	-10	-15	229	63	Baa3u	BBB-	BBB-
CDEP 1 1/2 04/09/25	-	FX	750	104.5	0.5ASW		95	-8	-6	-12	234	74	Baa3u	BBB-	BBB-
CDEP 1 7/8 02/07/26	-	FX	750	106.9	0.6ASW		100	-7	-9	-10	229	81	Baa3u	BBB-	BBB-
CDEP 2 1/8 03/21/26	-	FX	750	108.4	0.6ASW		101	-7	-16	-13	238	83	Baa3u	BBB-	BBB-
CDEP 2 04/20/27 ¹	-	FX	500	107.8	0.8ASW		118	-9	-17	-96	245	116	-	BBB-	BBB-
CDEP 1 09/21/28	-	FX	750	100.8	0.9ASW		121	-7-		-7	128	119	-	BBB-(EXP)	BBB-
CDEP 4 1/2 12/11/28	-	FX	200	125.9	1.2ASW		168	-8	-15	-17	326	157	Baa3u	BBB-	BBB-
CDEP 1 02/11/30 ¹	-	FX	750	100.1	1.0ASW		123	-9	-13	20	236	101	-	BBB-	BBB-
CDEP Float 07/26/22	-	FL	250	100.1	0.2DISC		71	-4	-8	-11	268	57	Baa3u	BBB-	BBB-
CDEP Float 03/09/23	-	FL	300	100.7	0.4DISC		85	5	-23	-6	253	71	Baa3u	-	-
CDEP Float 03/25/24	-	FL	400	100.4	0.4DISC		35-	-	-				Baa3u	BBB-	BBB-
CDEP Float 03/20/22	-	VR	1,500	100.0	0.0DISC		49	-12-		-18	229	37	-	BBB-	-
CDEP 2 1/2 03/13/27	-	VR	150	96.4	0.8DISC		99-	-	-				Baa3u	BBB-	BBB-
CDP Reti SpA															
CDPRTI 1 7/8 05/29/22	-	FX	750	102.1	0.6ASW		105	5	2	33	182	58	Baa3u	BBB-	-
High Yield and Unrated															
Banca del Mezzogiorno-MedioCredito Centrale SpA															
BNCMCC 1 1/2 10/24/24	-	FX	300	99.9	1.5ASW		194-		-7	12	324	160	Ba1 *-	-	BB+

TYPE: FX=Fixed. YTM: yield to maturity or yield to call for callable bonds excluding "not called bonds". SPRD TYPE: ASW=Asset Swap, DISC=Discount Margin, Z-SPR=Z-Spread. SPRD: spread to maturity or spread to first call date for callable bonds. Ratings reported in the table on individual issues; Rating on credit watch if *, Rating on credit watch positive if +, Rating on credit watch negative if -. BBG: Bloomberg Composite. Note: 1) YTD from launch date for bonds issued in 2020. Source: Intesa Sanpaolo research elaboration on Bloomberg BGN data on 25/09/20 at 09:59.

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Corporate credit view key

Credit rating key

Credit view	Definition
POSITIVE	We expect an improvement in fundamentals over the next six months
NEUTRAL	We expect substantially stable fundamentals over the next six months
NEGATIVE	We expect a deterioration in fundamentals or visibility on fundamentals over the next six months
SUSPENDED	The credit view and investment recommendation for this company have been suspended as there is not a sufficient fundamental to previous credit view, if any, is no longer in effect for this company
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Historical Credit View and Investment Recommendation Changes

2i Rete Gas - Historical Credit View (-1Y)		2i Rete Gas - Historical Investment Recommendation (-1Y)	
Date	Credit View	Date	Investment Grade Senior Unsecured
		08-Apr-20	Hold
A2A - Historical Credit View (-1Y)		A2A - Historical Investment Recommendations (-1Y)	
Date	Credit View	Date	Investment Grade Senior Unsecured
		Acea - Historical Investment Recommendations (-1Y)	
Acea - Historical Credit View (-1Y)		Date	Investment Grade Senior Unsecured
Date	Credit View	14-May-20	BUY
ADR - Historical Credit Views (-1Y)		ADR - Historical Investment Recommendation (-1Y)	
Date	Credit View	Date	Investment Grade Senior
17-Mar-20	Under Review	24-Jan-20	Hold
		08-Jan-20	Sell
Atlantia - Historical Credit View (-1Y)		Atlantia - Historical Investment Recommendation (-1Y)	
Date	Credit View	Date	High Yield Senior Unsecured
17-Jul-20	UNDER REVIEW	24-Jan-20	Hold
		20-Nov-19	Sell
ASPI - Historical Credit Views (-1Y)		ASPI - Historical Investment Recommendation (-1Y)	
Date	Credit View	Date	High Yield Senior Unsecured
15-Jul-20	Under Review	06-Aug-20	Hold
		15-Jul-20	Buy
Buzzi Unicem - Historical Credit View (-1Y)		25-May-20	Sell
Date	Credit View	24-Jan-20	Hold
27-Mar-20	UNDER REVIEW	20-Nov-19	Sell
		Buzzi Unicem - Historical Investment Recommendations (-1Y)	
		Date	Investment Grade Senior Unsecured

CNH Ind. - Historical Credit View (-1Y)

Date	Credit View
07-May-20	UNDER REVIEW
02-Oct-19	NEUTRAL

Enel - Historical Credit View (-1Y)

Date	Credit View
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Enel - Historical Investment Recommendations (-1Y)

Date	Investment Grade Hybrids
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Eni - Historical Investment Recommendations (-1Y)

Date	Investment Grade Senior Unsecured
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ERG - Historical Investment Recommendation (-1Y)

Date	Investment Grade Senior
19-May-20	Buy
12-Mar-20	Hold

EXOR - Historical Investment Recommendations (-1Y)

Date	Investment Grade Senior Unsecured
26-Mar-20	HOLD

FCA - Historical Investment Recommendation (-1Y)

Date	High Yield Senior Unsecured
06-May-20	Hold
18-Dec-19	Buy
01-Nov-19	Hold

Hera - Historical Investment Recommendations (-1Y)

Date	Investment Grade Senior Unsecured
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IGT - Historical Investment Recommendations (-1Y)

Date	High Yield Senior Secured
19-May-20	BUY

Iren - Historical Investment Recommendations (-1Y)

Date	Investment Grade Senior Unsecured
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Italgas - Historical Investment Recommendations (-1Y)

Date	Investment Grade Senior Unsecured
28-Jul-20	BUY

Kedrion - Historical Investment Recommendations (-1Y)

Date	Unrated Senior Unsecured
31-Mar-20	BUY

Leonardo - Historical Investment Recommendations (-1Y)

Date	High Yield Senior Unsecured
11-May-20	HOLD

Prysmian - Historical Investment Recommendations (-1Y)

Date	Unrated Senior Unsecured
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Saipem - Historical Investment Recommendations (-1Y)

Date	High Yield Senior Unsecured
27-Feb-20	HOLD

Sisal Group - Historical Investment Recommendations (-1Y)

Date	High Yield Senior Secured
21-Feb-20	HOLD

CNH Ind. - Historical Investment Recommendations (-1Y)

Date	Investment Grade Senior Unsecured
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Enel - Historical Investment Recommendations (-1Y)

Date	Investment Grade Senior Unsecured
07-Aug-20	HOLD
07-May-20	BUY

Eni - Historical Credit View (-1Y)

Date	Credit View
24-Mar-20	NEUTRAL
28-Oct-19	UNDER REVIEW

ERG - Historical Credit View (-1Y)

Date	Credit View
------	-------------

EXOR - Historical Credit View (-1Y)

Date	Credit View
10-Sep-20	NEUTRAL
25-Nov-19	POSITIVE

FCA - Historical Credit View (-1Y)

Date	Credit View
06-May-20	NEUTRAL
18-Dec-19	UNDER REVIEW

Hera - Historical Credit View (-1Y)

Date	Credit View
------	-------------

IGT - Historical Credit View (-1Y)

Date	Credit View
------	-------------

Iren - Historical Credit View (-1Y)

Date	Credit View
30-Oct-19	NEUTRAL

Italgas - Historical Credit View (-1Y)

Date	Credit View
------	-------------

Kedrion - Historical Credit View (-1Y)

Date	Credit View
31-Jan-20	NEUTRAL

Leonardo - Historical Credit View (-1Y)

Date	Credit View
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Prysmian - Historical Credit View (-1Y)

Date	Credit View
13-May-20	UNDER REVIEW

Saipem - Historical Credit View (-1Y)

Date	Credit View
27-Feb-20	UNDER REVIEW

Sisal Group - Historical Credit View (-1Y)

Date	Credit View
21-Feb-20	NEUTRAL

Snam - Historical Credit View (-1Y)

Date	Credit View
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Snam - Historical Investment Recommendations (-1Y)

Date	Investment Grade Senior Unsecured
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Telecom Italia - Historical Investment Recommendations (-1Y)

Date	High Yield Senior Unsecured
------	-----------------------------

Terna - Historical Investment Recommendations (-1Y)

Date	Investment Grade Senior Unsecured
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27-May-20	BUY
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Banca MPS - Historical Investment Recommendations (-1Y)

Date	High Yield Senior Unsecured
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MPS - Historical Investment Recommendation (-1Y)

Date	Investment Grade Covered Bonds
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13-Mar-20	HOLD
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BPER - Historical Investment Recommendations (-1Y)

Date	High Yield Senior Unsecured
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06-Aug-20	HOLD
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BPER - Historical Investment Recommendations (-1Y)

Date	Investment Grade Covered
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Banco BPM - Historical Investment Recommendations (-1Y)

Date	High Yield Senior Unsecured
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04-Mar-20	HOLD
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Banco BPM - Historical Investment Recommendations (-1Y)

Date	High Yield Subordinated
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04-Mar-20	HOLD
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07-Feb-20	BUY
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Banco BPM - Historical Investment Recommendations (-1Y)

Date	Investment Grade Covered
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04-Mar-20	HOLD
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12-Nov-19	BUY
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UNICREDIT - Historical Investment Recommendation (-1Y)

Date	High Yield Subordinated
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13-Mar-20	HOLD
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UNICREDIT - Historical Investment Recommendation (-1Y)

Date	Investment Grade Senior
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13-Mar-20	HOLD
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Unicredit - Historical Investment Recommendations (-1Y)

Date	Investment Grade Covered
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Telecom Italia - Historical Credit View (-1Y)

Date	Credit View
------	-------------

13-Nov-19	NEUTRAL
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Terna - Historical Credit View (-1Y)

Date	Credit View
------	-------------

Banca MPS - Historical Credit View (-1Y)

Date	Credit View
------	-------------

16-Jul-20	NEUTRAL
-----------	---------

28-Feb-20	UNDER REVIEW
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MPS - Historical Investment Recommendation (-1Y)

Date	High Yield Subordinated
------	-------------------------

30-Jun-20	Hold
-----------	------

27-Mar-20	Sell
-----------	------

BPER - Historical Credit View (-1Y)

Date	Credit View
------	-------------

06-Aug-20	UNDER REVIEW
-----------	--------------

BPER - Historical Investment Recommendation (-1Y)

Date	High Yield Subordinated
------	-------------------------

05-Aug-20	Hold
-----------	------

27-Mar-20	Sell
-----------	------

Banco BPM - Historical Credit Views (-1Y)

Date	Credit View
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19-Jun-20	Negative
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11-May-20	Under Review
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Banco BPM - Historical Investment Recommendations (-1Y)

Date	High Yield Senior Unsecured Not Preferred
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04-Mar-20	HOLD
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Banco BPM - Historical Investment Recommendations (-1Y)

Date	High Yield Hybrids
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04-Mar-20	HOLD
-----------	------

07-Feb-20	BUY
-----------	-----

Unicredit - Historical Credit Views (-1Y)

Date	Credit View
------	-------------

04-Jun-20	Negative
-----------	----------

07-May-20	Under Review
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UNICREDIT - Historical Investment Recommendation (-1Y)

Date	High Yield Hybrids
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04-Jun-20	Hold
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08-Nov-19	Buy
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UNICREDIT - Historical Investment Recommendation (-1Y)

Date	Investment Grade Senior not Preferred
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13-Mar-20	HOLD
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Credit View allocations**Intesa Sanpaolo Research Credit View distribution at July 2020**

Number of Companies subject to credit views: 23**	Positive	Neutral	Negative
Total Credit Research coverage - last credit view (%)	13.0	69.6	17.4
of which Intesa Sanpaolo's clients* (%)	67	88	75

(*) Companies on behalf of whom Intesa Sanpaolo and the other companies of the Intesa Sanpaolo Group have provided corporate and investment banking services in the last 12 months; percentage of clients in each rating category; ** Total number of companies covered is 33.

Investment recommendations

Intesa Sanpaolo's recommendations on the issuer(s) bonds or relative CDS are based on the following rating system:

Investment recommendation

Recommendation	Definition
BUY	We expect the bond or CDS subject to the recommendation to outperform the reference index, sector or benchmark in a period up to six months
HOLD	We expect the bond or CDS subject to the recommendation to perform in line with the reference index, sector or benchmark in a period up to six months
SELL	We expect the bond or CDS subject to the recommendation to underperform the reference index, sector or benchmark in a period up to six months

Company-specific disclosures

Intesa Sanpaolo S.p.A. and the other companies belonging to the Intesa Sanpaolo Banking Group (hereafter the "Intesa Sanpaolo Banking Group") have adopted written guidelines "Organisational, Management and Control Model" pursuant to Legislative Decree 8 June 2001 no. 231 (available at the Intesa Sanpaolo website, <https://group.intesasnpaolo.com/en/governance/leg-decree-231-2001>) setting forth practices and procedures, in accordance with applicable regulations by the competent Italian authorities and best international practice, including those known as Information Barriers, to restrict the flow of information, namely inside and/or confidential information, to prevent the misuse of such information and to prevent any conflicts of interest arising from the many activities of the Intesa Sanpaolo Banking Group, which may adversely affect the interests of the customer in accordance with current regulations.

In particular, the description of the measures taken to manage interest and conflicts of interest – related to Articles 5 and 6 of the Commission Delegated Regulation (EU) 2016/958 of 9 March 2016 supplementing Regulation (EU) No. 596/2014 of the European Parliament and of the Council with regard to regulatory technical standards for the technical arrangements for objective presentation of investment recommendations or other information recommending or suggesting an investment strategy and for disclosure of particular interests or indications of conflicts of interest as subsequently amended and supplemented, the FINRA Rule 2241, as well as the FCA Conduct of Business Sourcebook rules COBS 12.4 – between the Intesa Sanpaolo Banking Group and issuers of financial instruments, and their group companies, and referred to in research products produced by analysts at Intesa Sanpaolo S.p.A. is available in the "Rules for Research" and in the extract of the "Corporate model on the management of inside information and conflicts of interest" published on the website of Intesa Sanpaolo S.p.A..

At the Intesa Sanpaolo website, webpage <https://group.intesasnpaolo.com/en/research/RegulatoryDisclosures/archive-of-intesa-sanpaolo-group-s-conflicts-of-interest> you can find the archive of disclosure of interests or conflicts of interest of the Intesa Sanpaolo Banking Group in compliance with the applicable laws and regulations.

Furthermore, in accordance with the aforesaid regulations, the disclosures of the Intesa Sanpaolo Banking Group's conflicts of interest are available through the above-mentioned webpage. The conflicts of interest published on the internet site are updated to at least the day before the publishing date of this report.

We highlight that disclosures are also available to the recipient of this report upon making a written request to Intesa Sanpaolo – Equity & Credit Research, Via Manzoni, 4 - 20121 Milan - Italy.

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