FNM Group
IQ 2022 RESULTS

May 13th 2022

FNM Group | Overview

FNM GROUP
la vita in movimento

Ro.S.Co. & Services

- Leasing of rolling stock
- Provision of corporate services and real estate
- Development of complementary digital platforms according to MaaC paradigm

Railway infrastructure

- Management of railway infrastructure in Lombardy
- Intermodal terminal management

Road passenger mobility

- Management of road local public transport
- Electric car sharing

Motorways

- Concession- based management of motorway infrastructure

COMPANIES FULLY CONSOLIDATED

FNM	100%
FNMPAY	100%
FNM POWER	100%
FERROVIENORD	100%
NORD_ING	100%
MALPENSA INTERMODALE [2]	100%
MALPENSA DISTRIPARK [2]	100%
FNMAUTOSERVIZI	100%
atv	50%
LA LINEA S.p.A.	51%
	100%
La Linea 80 Scarl	50.3
NTT NUOVO TRASPORTO TRIVENETO	100%
e-vai	100%
milanoserravalle milanotangenzio [4]	96%
Milano Serravalle Engineering S.r.l. [4]	100%

COMPANIES VALUED AT EQUITY

TRENORD	50%
BUSFORFUN [1]	40%
sportit [1] THE SPORT EXPERIENCE	33,3%
DB Cargo Italia [2]	40%
NORD ENERGIA FNMGROUP	60%
NORDCOM	58%
OMNIBUS PARTECIPAZIONI [3]	50%
Autostrada Pedemontana Lombarda	36,7%

1. Companies managing complementary digital platforms, allowing the implementation of Mobility as a Community (MaaC) paradigm. Sportit is active under the brads Snowit and Bikeit.
2. Companies operating in the freight mobility and logistics sector, at present included respectively in the Railway infrastructure and in Ro.S.Co. & Services segments. Malpensa Intermodale and Malpensa Distripark are in a start-up phase
3. Company operating in the Road passenger mobility segment, but considered in the Ro.S.Co. segment for the purposes of preparing the financial statements
4. Companies fully consolidated since February 26, 2021

Overview

Economic & Financial Results

- Financial highlights
- Mobility demand in the period
- IQ 2022 consolidated results

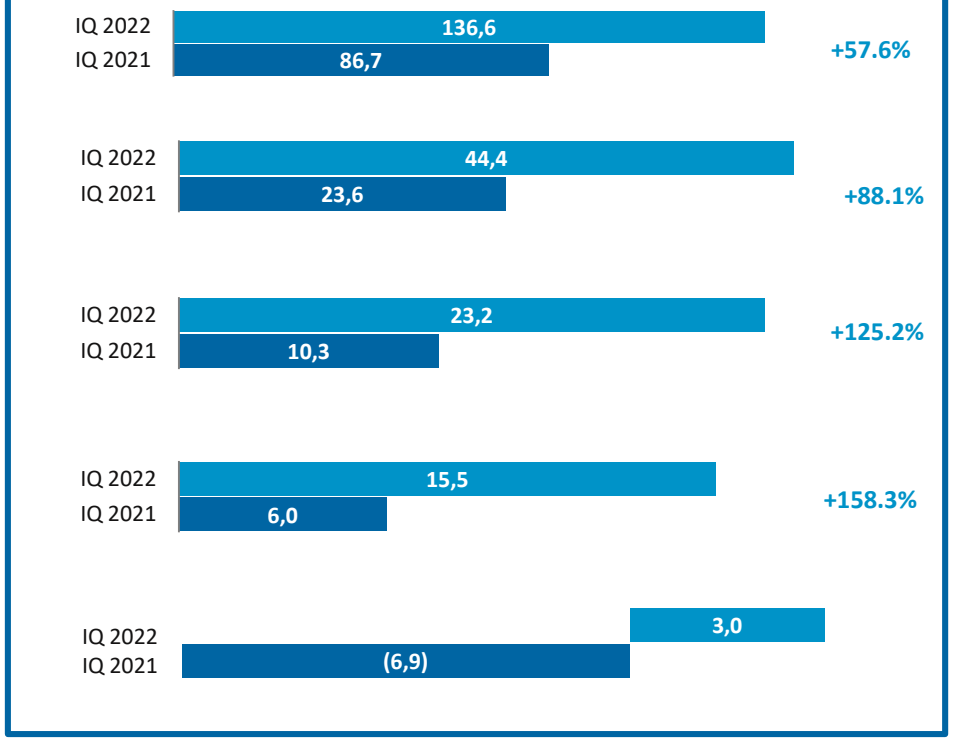
FY 2022 Outlook

Appendix

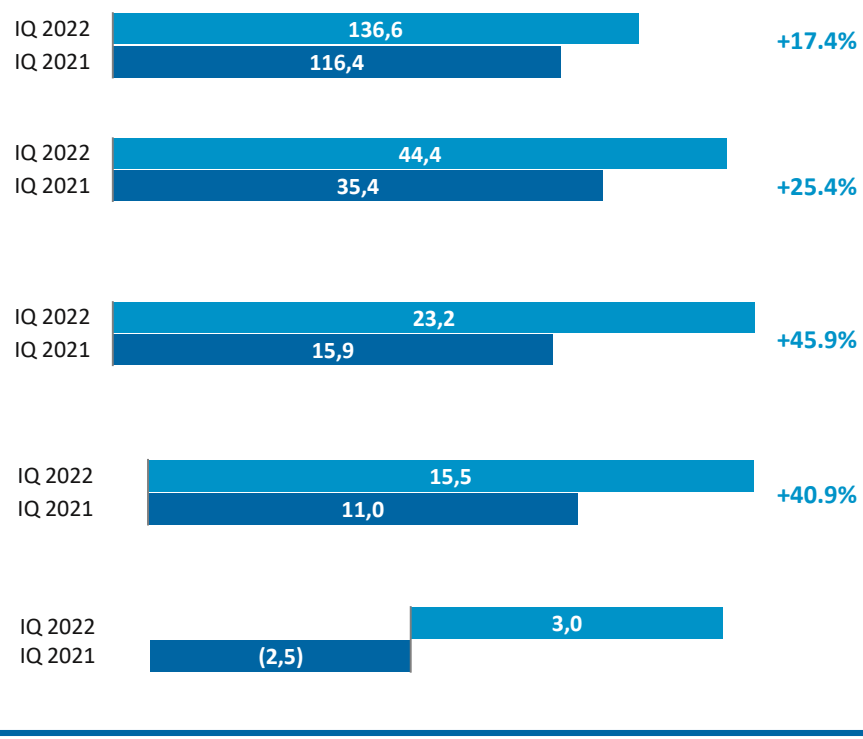
FNM Group | IQ 2022 Highlights

(in mln €)

REPORTED[1]



PRO FORMA[2]



Adj. NFP[5]

Credit ratings

Moody's Investors Service **Baa3 stable**

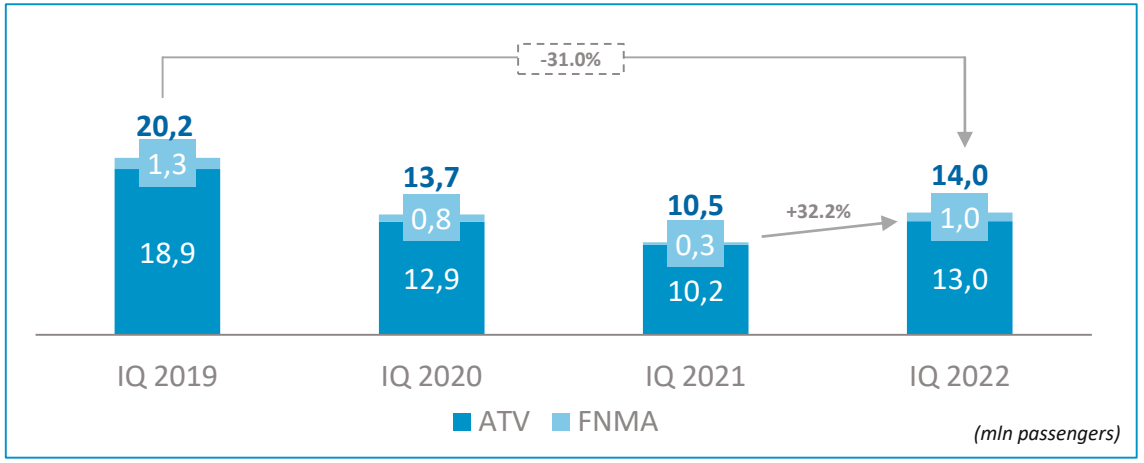
FitchRatings **BBB stable**

1. For the purposes of P&L, in 2021 MISE is consolidated since February 26th. 2. For the purposes of P&L, in 2021 MISE is consolidated starting from January 1st. 3. Adjusted EBITDA: excluding extraordinary gains and losses
4. Adjusted Net Profit (Loss): Net Profit (Loss) before recognition of the result of companies consolidated using the equity method
5. Adjusted Net Financial Position: NFP calculated excluding cash and current payables related to financial investments made in accordance with Regione Lombardia's "2017-2032 Rolling Stock purchase programme", with the aim of sterilizing the timing effects of contributions collection and payments made to suppliers, recognized in accordance with IFRIC 12.

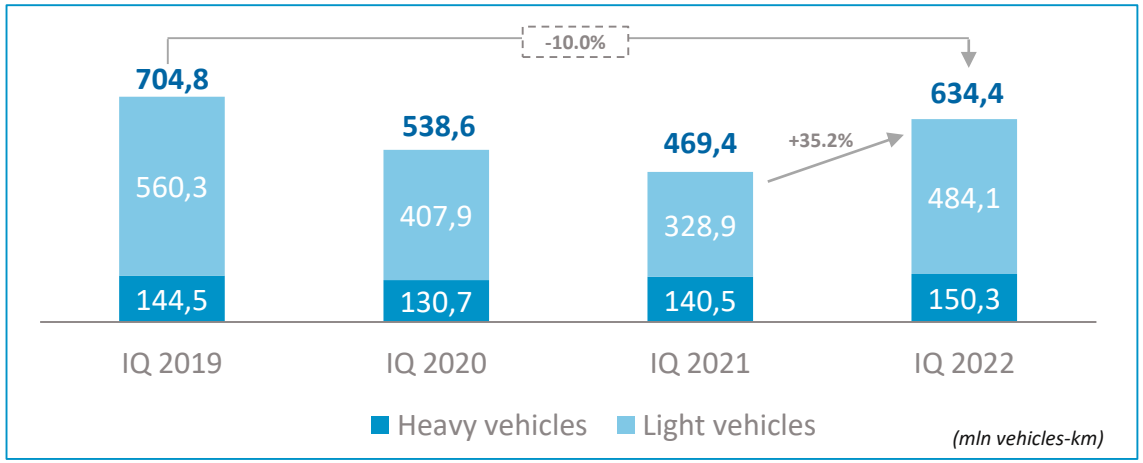
FNM Group | Mobility demand in the period

Growth in demand across all segments but still below pre-pandemic levels

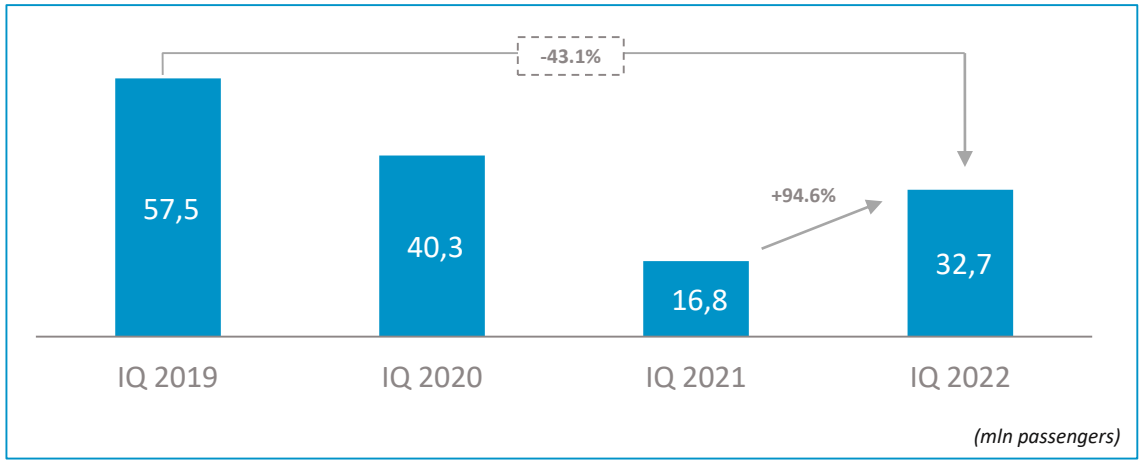
Bus transport



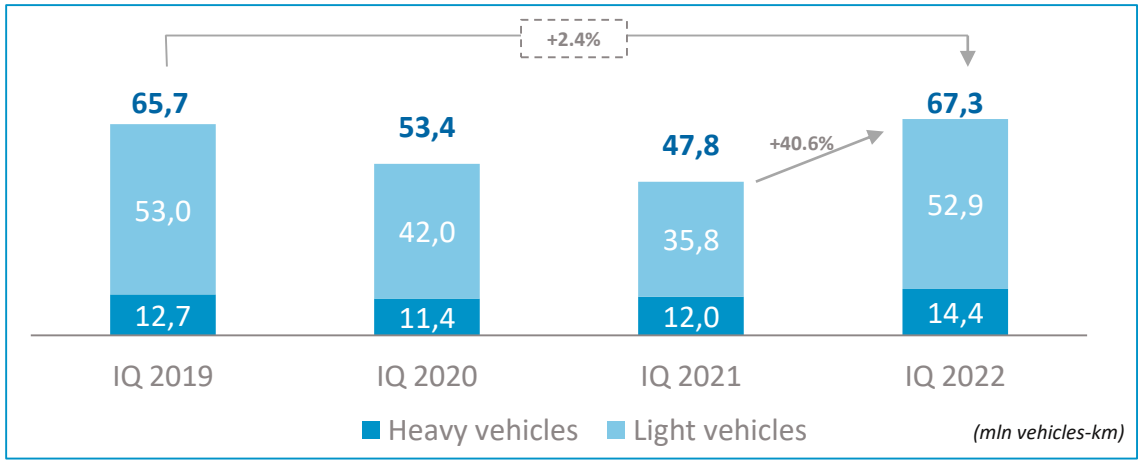
MISE



Trenord



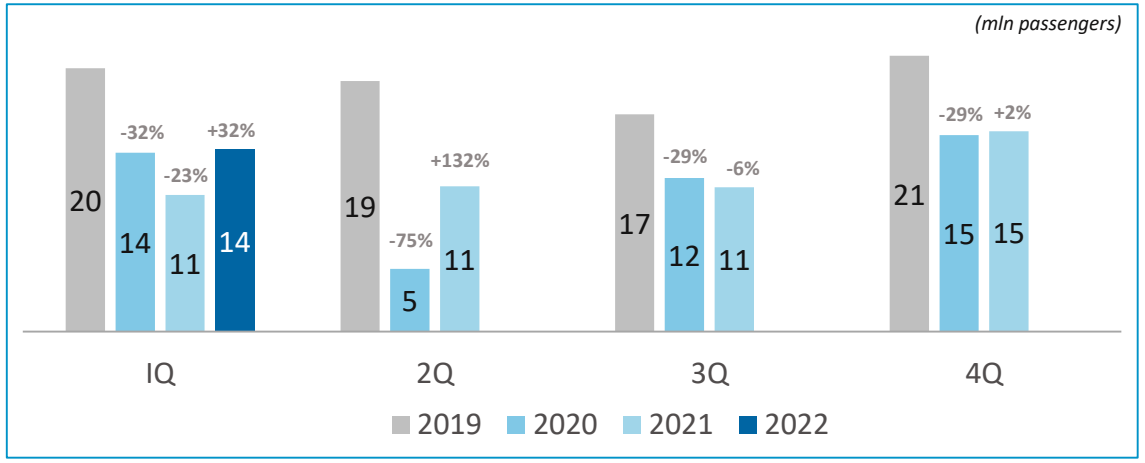
APL



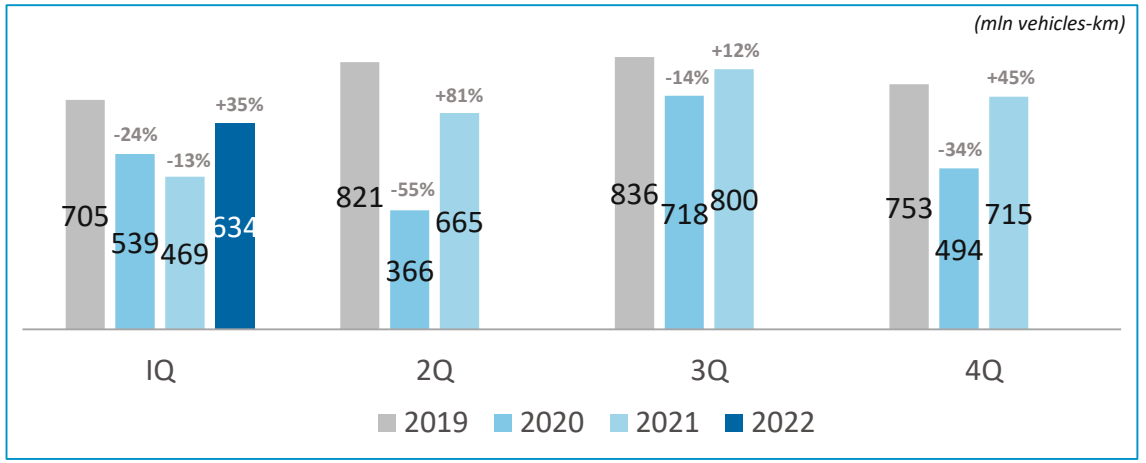
FNM Group | Mobility demand in the period – by quarter

Demand recovery in first quarter 2022 reflects relaxing of travel restrictions - state of emergency ended on March 31st 2022

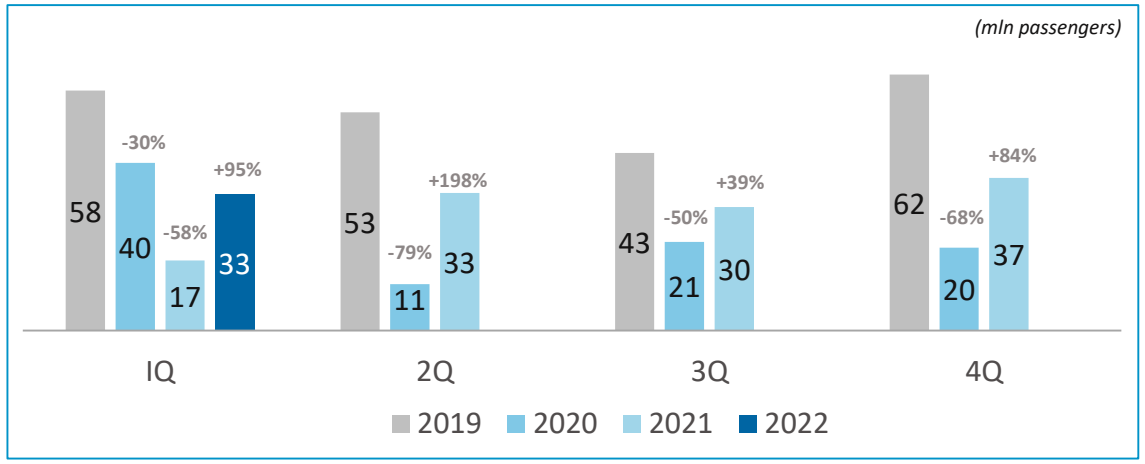
Bus transport ATV+FNMA



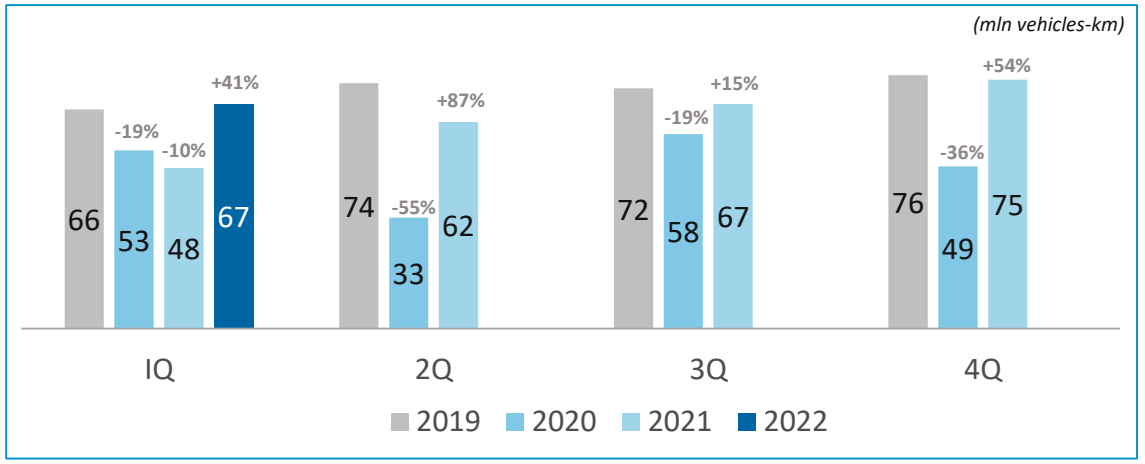
MISE



Trenord



APL



FNM Group | Revenues and Adjusted EBITDA by segment – PRO FORMA[1]

EBITDA growth underpinned by mobility demand rebound

REVENUES *(€ mln)*	PRO FORMA IQ 2021	IQ 2022	Δ	Δ %
Railway infrastructure	30,1	**33,2**	3,1	***+10,3%***
Ro.S.Co. & Service	19,1	**18,8**	(0,3)	***-1,6%***
Road passenger mobility	28,4	**33,5**	5,1	***+18,0%***
Motorways	46,0	**60,6**	14,6	***+31,7%***
Intercompany	(7,2)	**(9,5)**	(2,3)	***+31,9%***
Total	116,4	**136,6**	20,2	***+17,4%***

ADJUSTED EBITDA[2] *(€ mln)*	PRO FORMA IQ 2021	IQ 2022	Δ	Δ %
Railway infrastructure	1,9	**2,6**	0,7	***+36,8%***
Ro.S.Co. & Service	12,6	**11,0**	(1,6)	***-12,3%***
Road passenger mobility	2,7	**0,6**	(2,1)	***-76,5%***
Motorways	18,2	**30,1**	11,9	***+65,4%***
Total	35,4	**44,4**	9,0	***+25,4%***

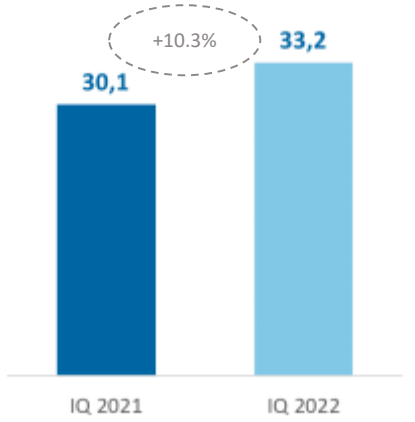
1 - In 2021 MISE is consolidated starting from January 1st.
2 - Adjusted EBITDA: excluding extraordinary gains and losses.

FNM Group | Revenues and Adj. EBITDA by segment – PRO FORMA

Railway infrastructure

(in €mln)

Revenues



- Higher leasing revenues on the rolling stock given in use to Trenord and managed by Ferrovienord as a result of the expansion of the fleet;
- Higher service revenues for design activities and costs relating to interventions on the network and the rolling stock financed by Regione Lombardia, in line with the progress of work orders.
- Increase of other revenues from higher rents, commercial activities and sale of residual stock .

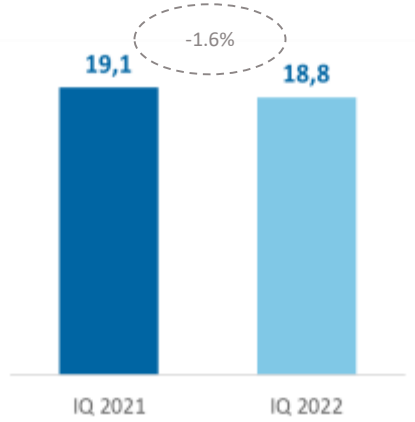
Adj. EBITDA[1]

- Higher costs for infrastructure and maintenance design activities;
- Higher provisions for rolling stock fleet maintenance in line with leasing revenues;
- Increase in expenses related to utilities and for the improvement of IT systems.

Ro.S.Co. & Service

(in €mln)

Revenues



- Lower revenues from rolling stock leasing due to renewal of leasing contracts on TAF and Coradia trains, partially compensated by new leasing contracts (Effishunter locomotives and TILO trains leased to Trenord);
- Higher proceeds from service contracts and IT services provided to Group companies;
- IQ21 benefited of a positive one off from the sale of a building of €0.3mln.

Adj. EBITDA[1]

- Higher personnel costs mostly related to headcount increase (+6 FTE);
- Higher operating costs (including FNMPAY start up cost and development costs for Fili and H2iseO).

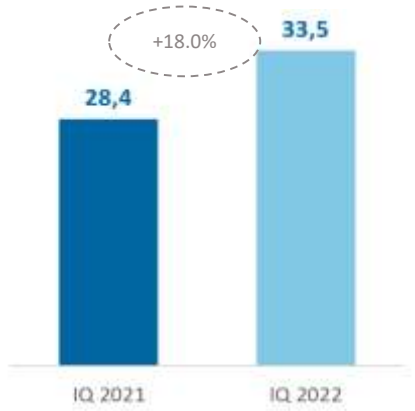
1 - Adjusted EBITDA: excluding extraordinary gains and losses.

FNM Group | Revenues and Adj. EBITDA by segment – PRO FORMA

Road passenger mobility

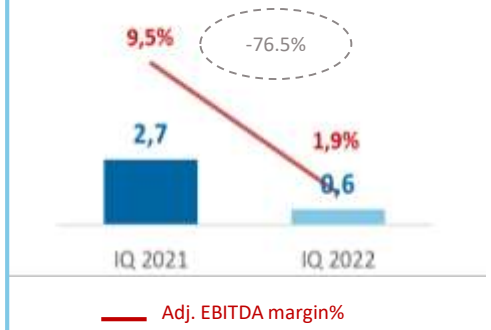
(in €mln)

Revenues



- Lower proceeds from public contracts and grants mainly due to lower Government compensation (€3.3mln vs €3.5mln in IQ21, of which compensation for additional services €2.9mln vs. €1mln in IQ21);
- Higher ticket revenues from transportation services thanks to increased outsourced additional transport services, higher passengers transported and car sharing.

Adj. EBITDA[1]

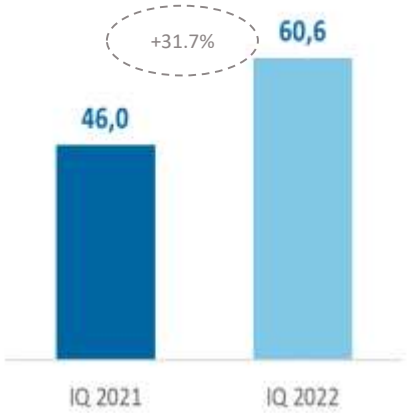


- Higher costs outpace growth in revenue mainly due to: energy costs (combined effect of higher bus-km and fuel costs), sub-contracting fees for additional transport services, and personnel expenses.

Motorways

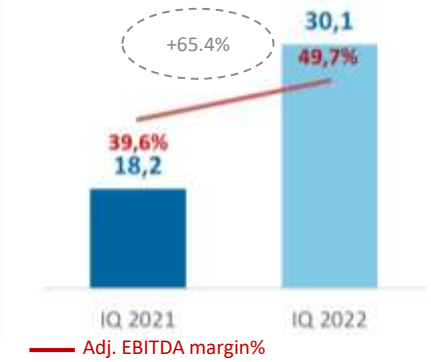
(in €mln)

Revenues



- Higher tolling revenues due to the combined effect of traffic recovery and tariffs increase (+2.62% from January 1st 2022);
- Higher revenues from service areas concessions thanks to renewal of some contracts at more favorable economic conditions for MISE.

Adj. EBITDA[1]



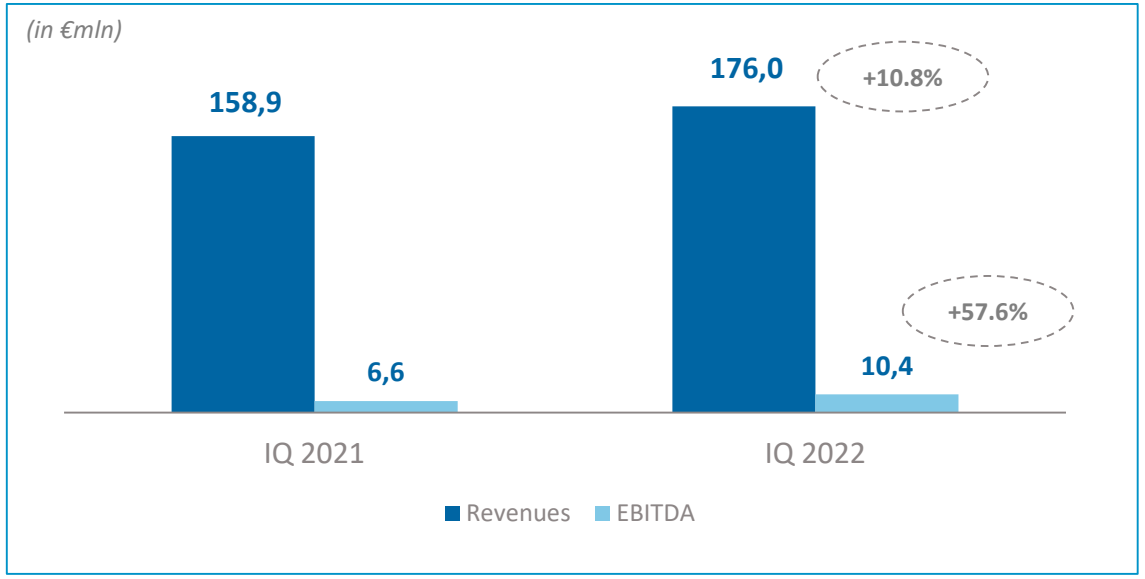
- Higher operating costs: concession fees, collection fees and electricity consumption;
- Contractual adjustments related to planned maintenance and repairs of the motorway infrastructure;
- Lower labour cost due to headcount reduction.

1 - Adjusted EBITDA: excluding extraordinary gains and losses.

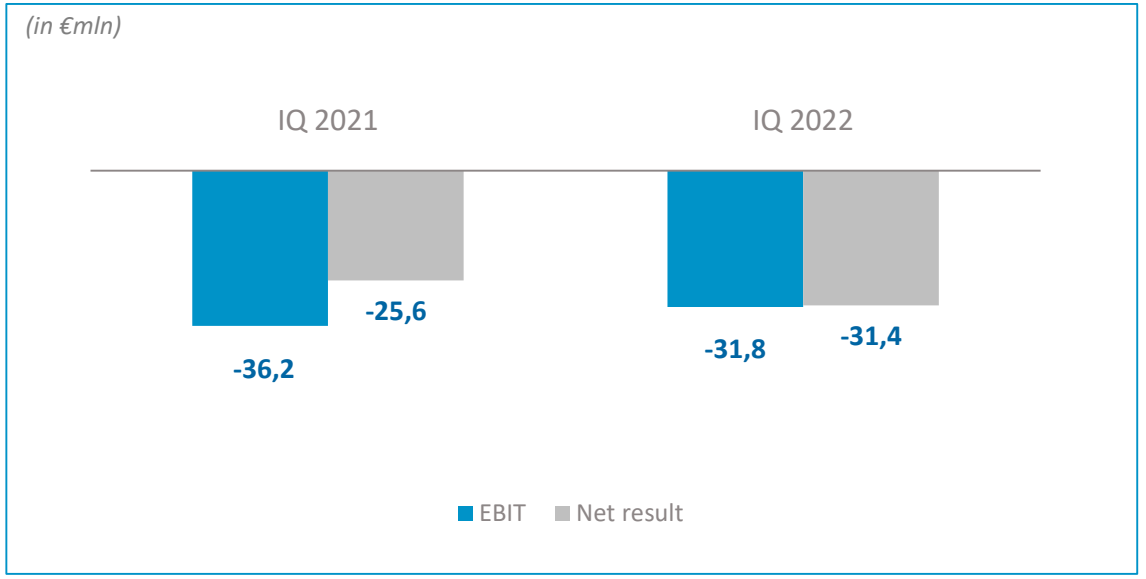
FNM Group | Trenord: IQ 2022 Highlights

Improving performance thanks to traffic recovery, partially compensated by lower Government compensations for lost revenues

Revenues and EBITDA



EBIT and Net Result

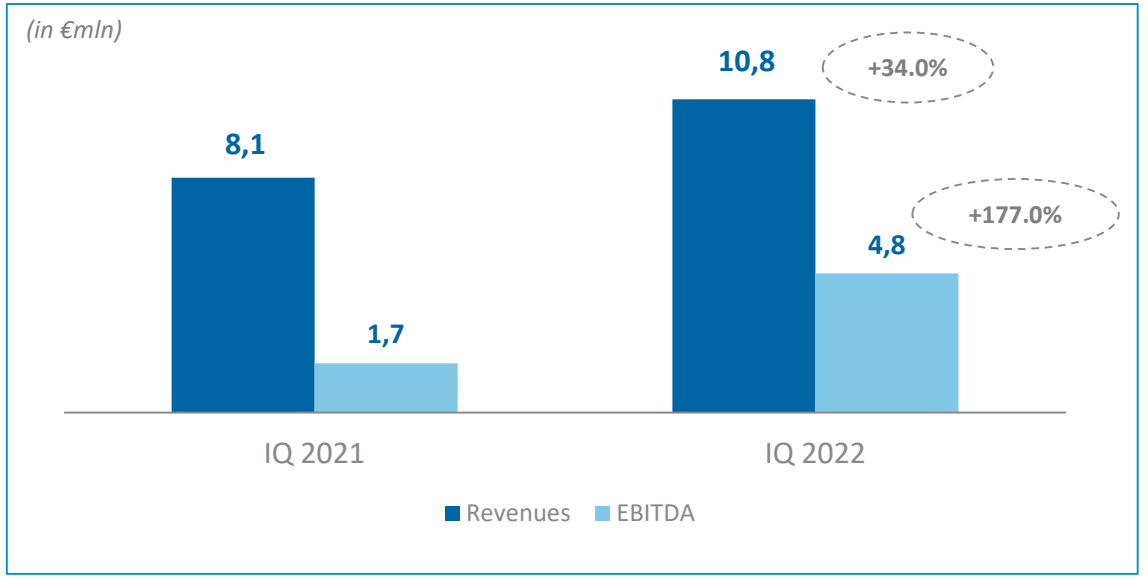


- Increase in revenues mainly thanks to:
  - higher ticketing revenues (€59.3 mln, +€31 mln yoy) as result of recovery in passenger volume,
  - higher revenues from service agreement (€106.9 mln, +€4 million yoy) as a result of the increase in recognized costs,
  - decrease in other revenues (-€18.6 million yoy) due to lower Government compensation measures (nil in IQ2022, from €21.9 mln in IQ2021);
- Increase in EBITDA thanks to the increase in revenues, partially offset by higher personnel costs (+65 FTE) and higher costs for services;
- Net loss of €31.4 mln, due to the slight decrease in depreciation charges and lower deferred tax assets.

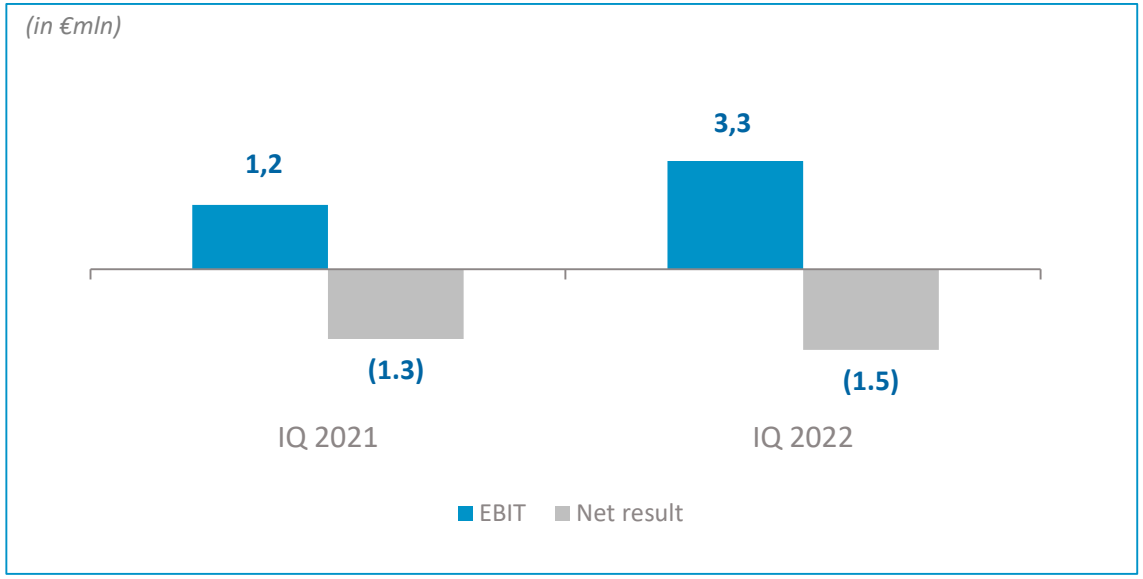
FNM Group | APL: IQ 2022 Highlights

Positive impact of traffic recovery

Revenues and EBITDA



EBIT and Net Result



- Revenues increase thanks to traffic recovery, without increase in tariffs;
- EBITDA growth thanks to higher revenues and to the slight decrease in operating and personnel costs;
- Net loss to €1.5 mln, mainly due to higher financial charges.

N.B. The presented APL financial results are drafted in accordance with Italian GAAP.

FNM Group | From EBITDA to Net Result – PRO FORMA

Positive consolidated net result thanks to improvement in operating income

* Adjusted Net Result: Net Result before profit (loss) of companies consolidated at equity

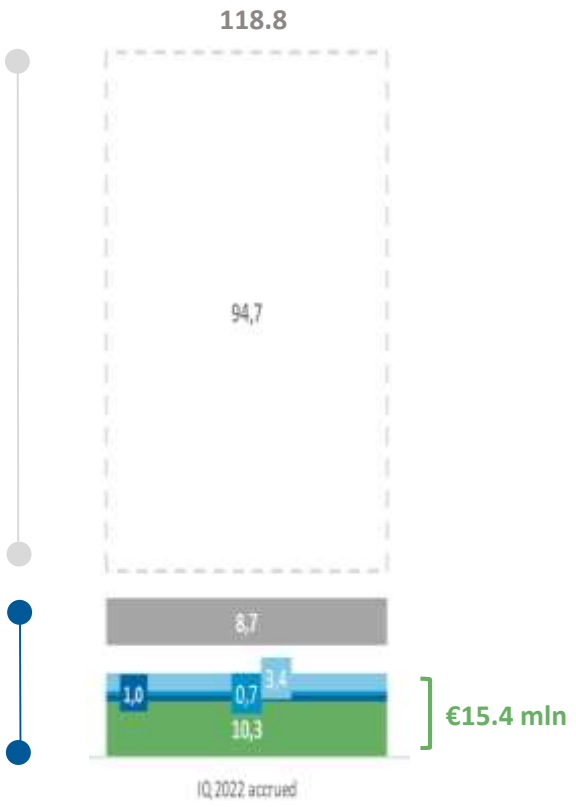
FNM Group | IQ 2022 Capex analysis

IQ 2022 capex mainly related to the modernization of the railway infrastructure, not yet offset by the related contributions

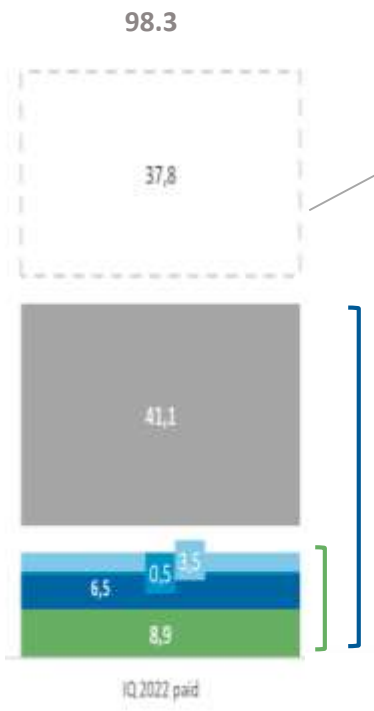
(in €mln)

Investments made in accordance with the "2017-2032 Rolling Stock purchase programme", financed by Regione Lombardia*

Investments made by FNM on the core business



€15.4 mln



Cash outflows **not** accounted in the computation of FNM's «Cash Flow Generation» and «Adj. NFP»

€60.5 mln in cash flow

o/w €19.4 mln financed by FNM Group

Capex financed by FNM Group

- Railway infrastructure
- RoSCo & Services
- Motorways
- Road transport mobility

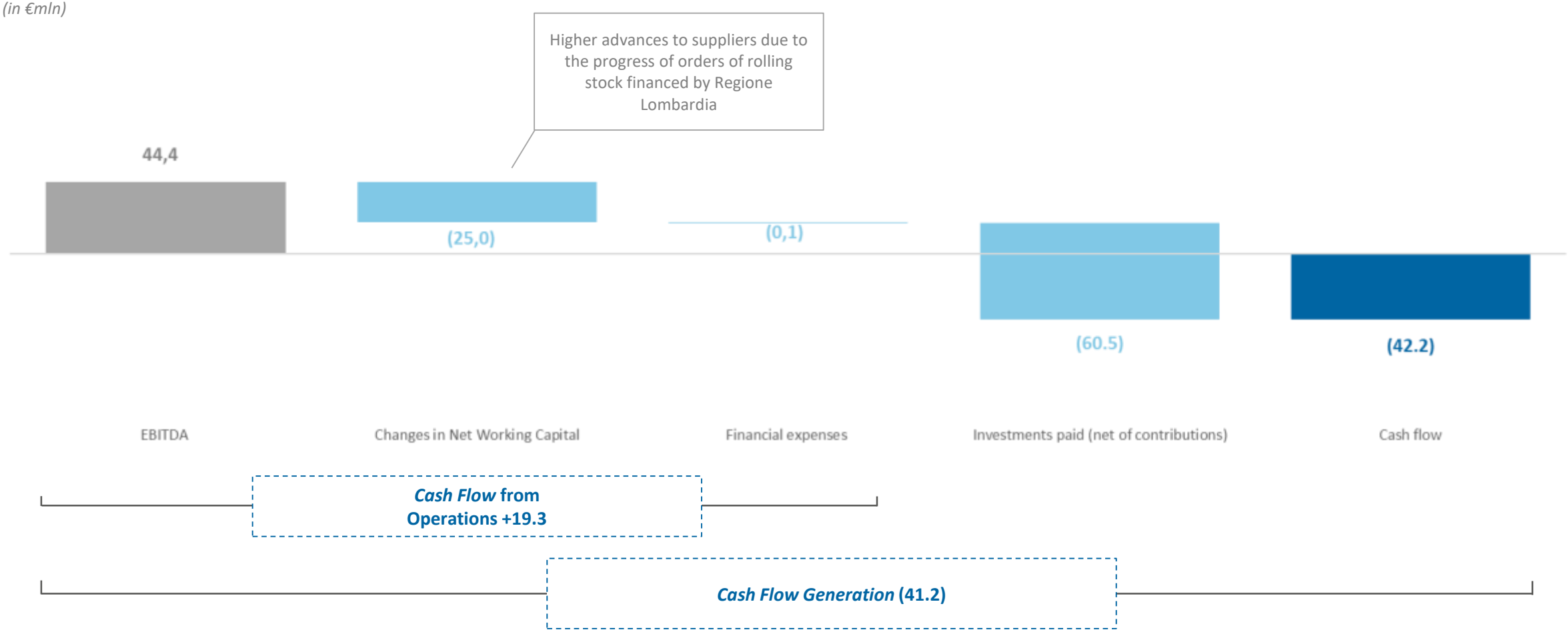
- Railway infrastructure capex financed by Regione Lombardia
- Rolling stock capex financed by Regione Lombardia

* Regione Lombardia has authorized Ferrovienord to purchase, manage, maintain and store new rolling stock on behalf of the Region, to be allocated to railway companies holding a service contract with the Region, with a commitment to complete the supplies by 2025. The rolling stock supply programme is covered with funds allocated by Regione Lombardia, including charges by Ferrovienord for the anticipation and general management costs of the oder set to 1% of the train supply contract amounts.

FNM Group | Consolidated Cash Flow

IQ 2022 cash flow impacted by investments paid for the upgrading of the railway infrastructure, not yet compensated by the cash in of the related contributions

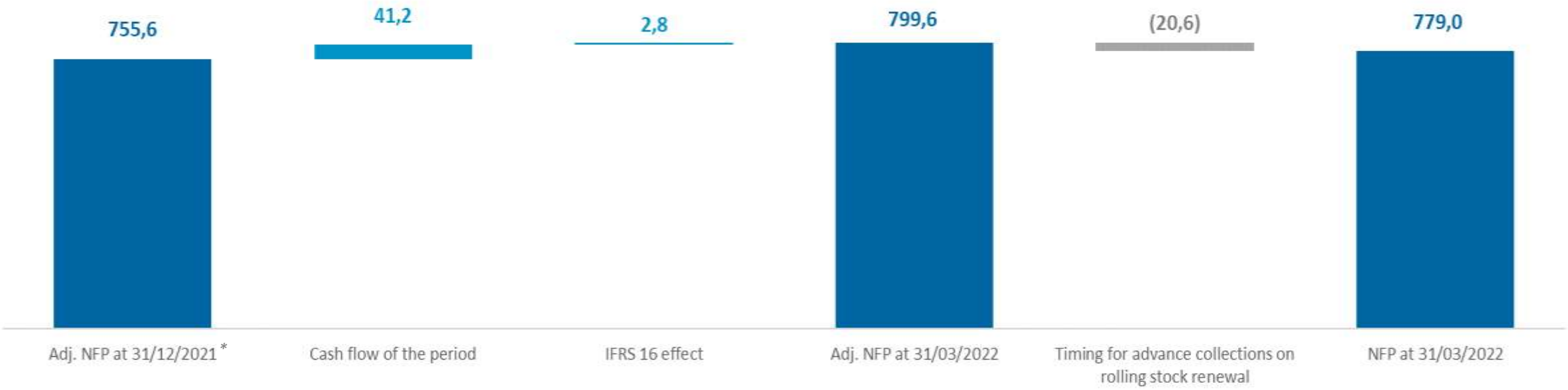
(in €mln)



FNM Group | Net Financial Position evolution

NFP in line with expectations and within rating agencies requirements

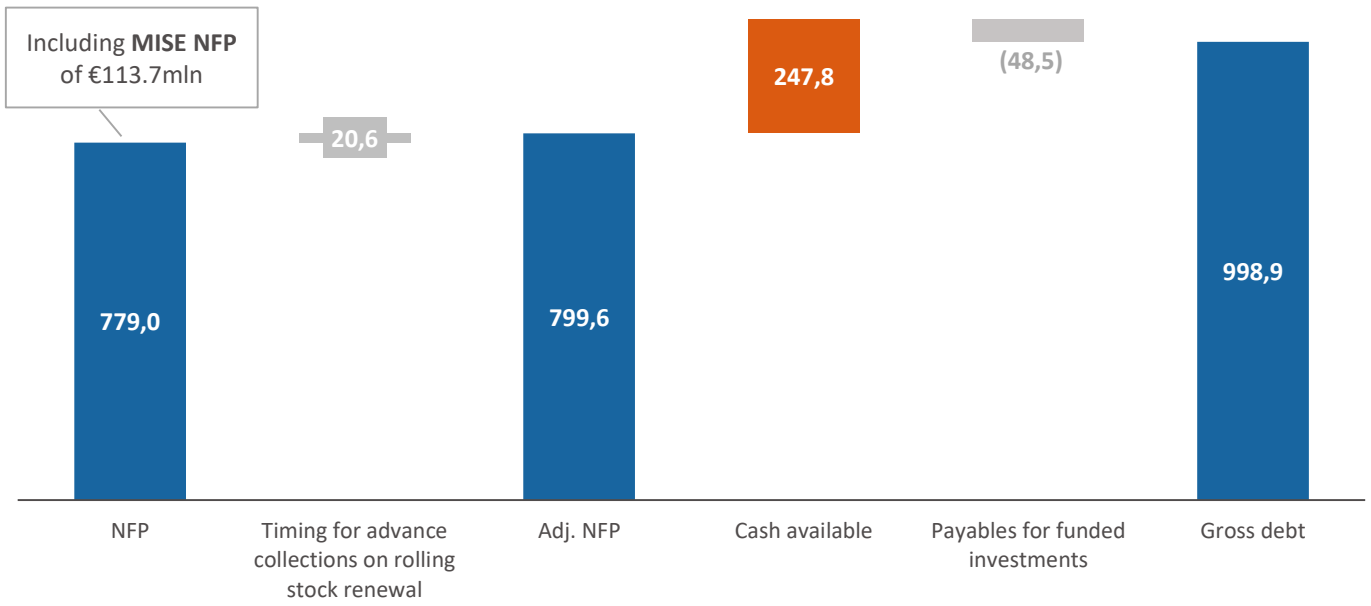
(in € mln)



* Adjusted Net Financial Position restated excluding only cash and current payables related to financial investments made in accordance with Regione Lombardia's "2017-2032 Rolling Stock purchase programme", with the aim of sterilizing the timing effects of contributions collection and payments made to suppliers, recognized in accordance with IFRIC 12.

FNM Group | Gross debt composition at 31st March 2022

Gross debt (€Mln)

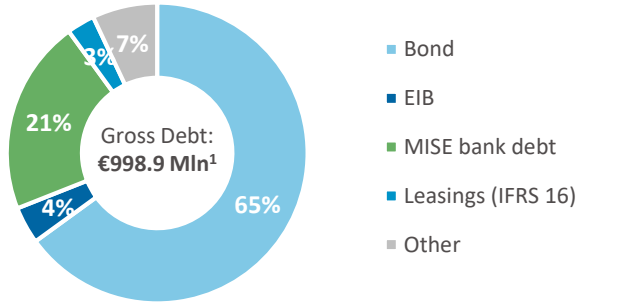


LIQUIDITY HEADROOM: available uncommitted credit lines of €131 million @ 31 March 2022

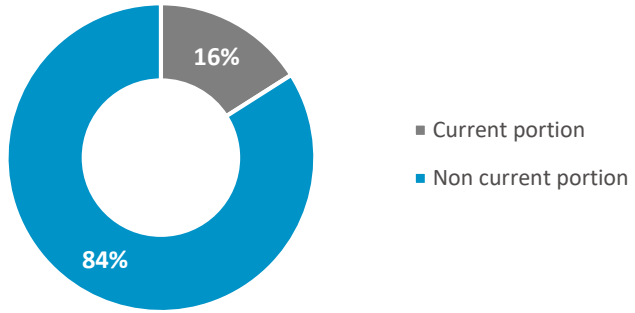
Long term credit ratings

	Moody's Investors Service	FitchRatings
Rating	Baa3	BBB
Outlook	Stable	Stable

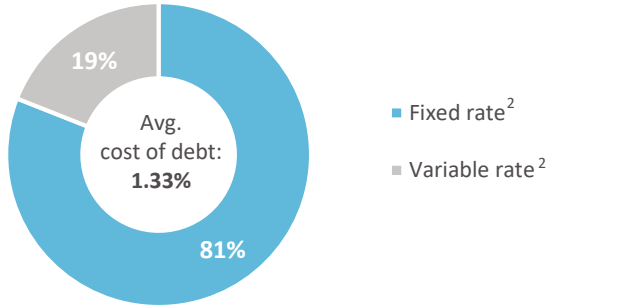
Gross debt structure by instrument



Gross debt maturity



Interest rate composition

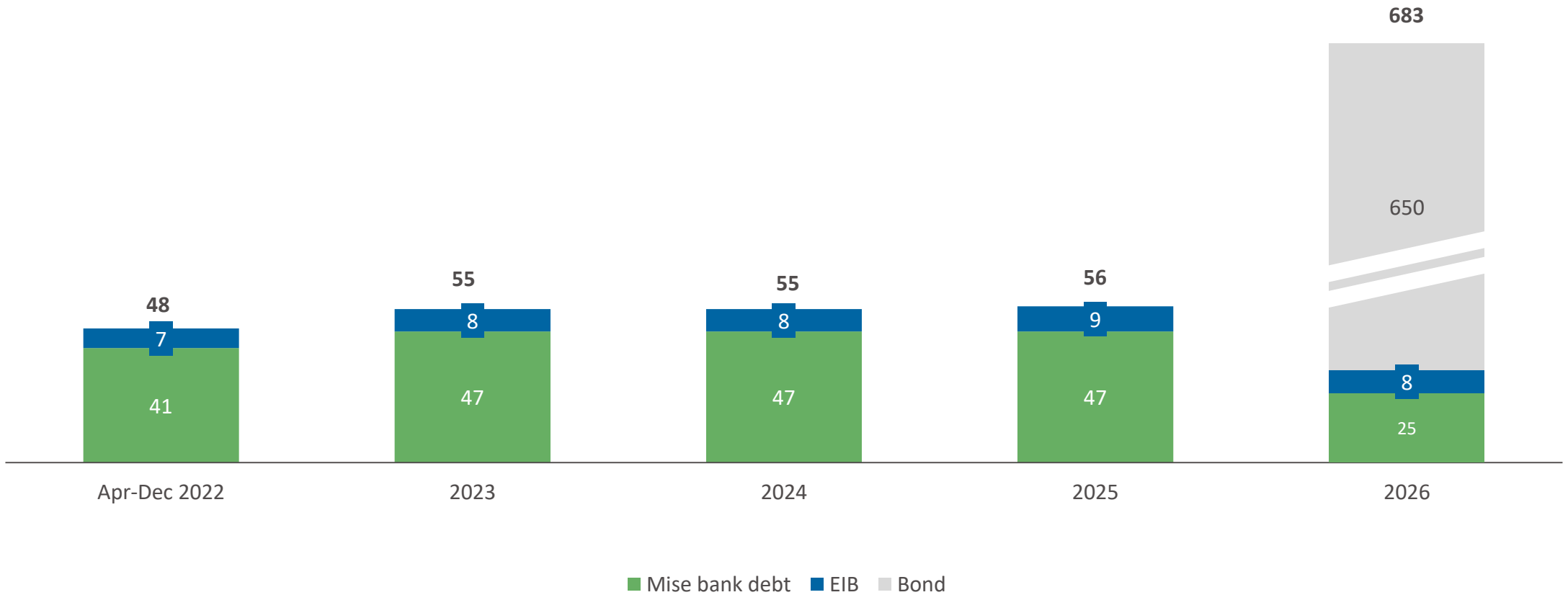


1- Excluding debt for funded investments for €48.5 million.
2 – Only on bank debt and bond.

FNM Group | Debt maturities as at 31st March 2022

Debt average life 4.3 years, in line with total assets structure

(in € mln)



Overview

Economic & Financial Results

FY 2022 Outlook

Appendix

FNM Group | FY 2022 Outlook

Outlook confirmed for Fiscal Year 2022, in view of IQ2022 results and expected mobility demand recovery

Financial Targets FY22 vs FY21

	FNM + MISE reported [1]	FNM + MISE pro-forma [2]
Revenues	+10% - 15%	+10% - 15%
Adj. EBITDA	> +20%	+10% - 15%
Adj. EBITDA Margin	Slightly increasing	Slightly increasing
Adj. NFP	€750-800 Million, within rating agencies requirements	
Adj. NFP / EBITDA	~ 4.0x	

1. Guidance of 2022 Group results versus Group reported 2021 results (FNM + Mise consolidated since February 26th 2021)
2. Guidance of 2022 Group results versus Group pro forma 2021 results (FNM +Mise consolidated since January 1st 2021)

Overview

Economic & Financial Results

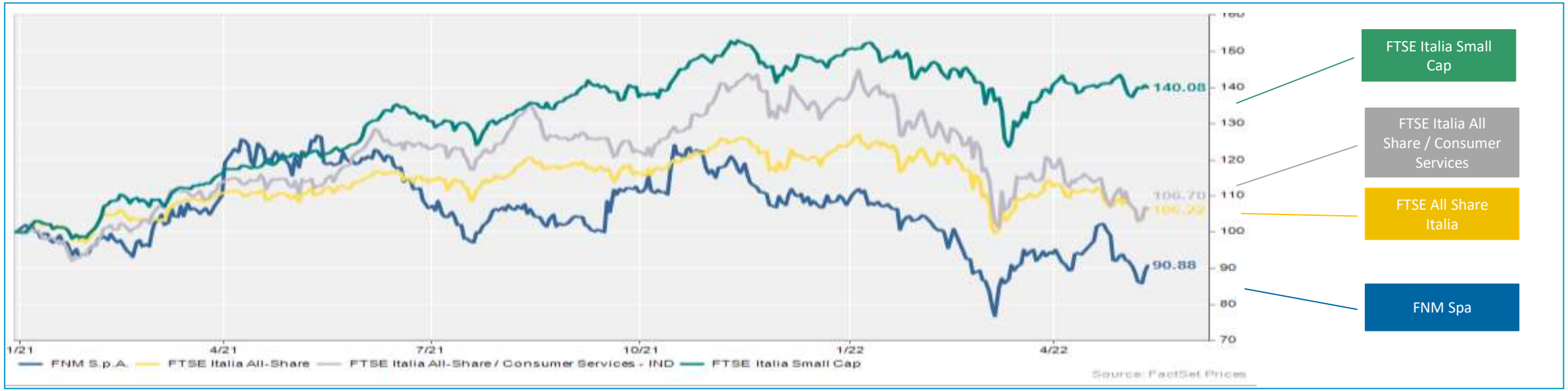
FY 2022 Outlook

Appendix

FNM Group | Shareholders and share performance

Relative performance YTD vs. main reference indexes

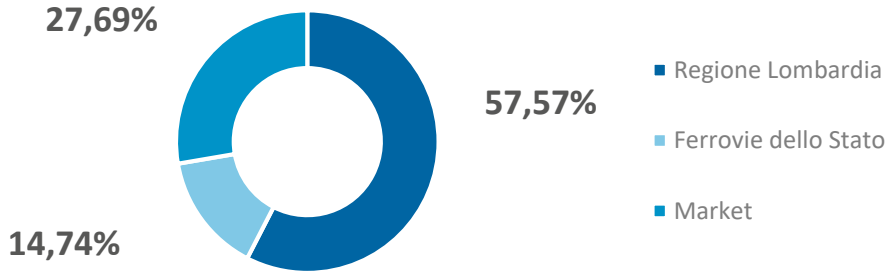
Share price May 12th 2022: € 0.52



Share capital profile

Market capitalization as at May 12, 2022	€225.3 mln
N. of shares	434.9 mln
Average traded volumes (last 30 days)	268,313
2021 YTD change	-28.4%

Shareholders



Source: Factset

FNM Group | Consolidated Profit & Loss – REPORTED[1]

(€M)	IQ 2021	IQ 2022	*Var.*	*Var.%*
Revenues from sales and services	81,8	129,0	*47,2*	*+57,7%*
Other revenues and income	4,9	7,6	*2,7*	*+55,1%*
Total revenues and other income	**86,7**	**136,6**	***49,9***	***+57,6%***
Operating costs	(30,8)	(52,0)	*(21,2)*	*+68,8%*
Personnel costs	(32,3)	(40,2)	*(7,9)*	*+24,5%*
ADJ. EBITDA	**23,6**	**44,4**	***20,8***	***+88,1%***
Non-ordinary income (expense)	(1,5)	0,0	*1,5*	*nm*
EBITDA	**22,1**	**44,4**	***22,3***	***nm***
Depreciation and amortisation	(11,8)	(21,2)	*(9,4)*	*+79,7%*
EBIT	**10,3**	**23,2**	***12,9***	***nm***
Net financial income (expense)	(2,9)	(2,4)	*0,5*	*-17,2%*
EARNINGS BEFORE TAXES	**7,4**	**20,8**	***13,4***	***nm***
Income taxes	(1,4)	(5,3)	*(3,9)*	*nm*
ADJUSTED NET PROFIT (LOSS)	**6,0**	**15,5**	***9,5***	***nm***
Profit (Loss) of companies consolidated at equity	(12,3)	(13,2)	*(0,9)*	*+7,3%*
Net Profit (Loss)	**(6,3)**	**2,3**	***8,6***	***nm***
Minority interest in Net Profit (Loss)	0,6	(0,7)	*(1,3)*	*nm*
Group Net Profit (Loss)	**(6,9)**	**3,0**	***9,9***	***nm***

1 - In 2021 MISE is consolidated since February 26th.

FNM Group | Revenues and Adjusted EBITDA by segment – REPORTED[1]

(in € mln)

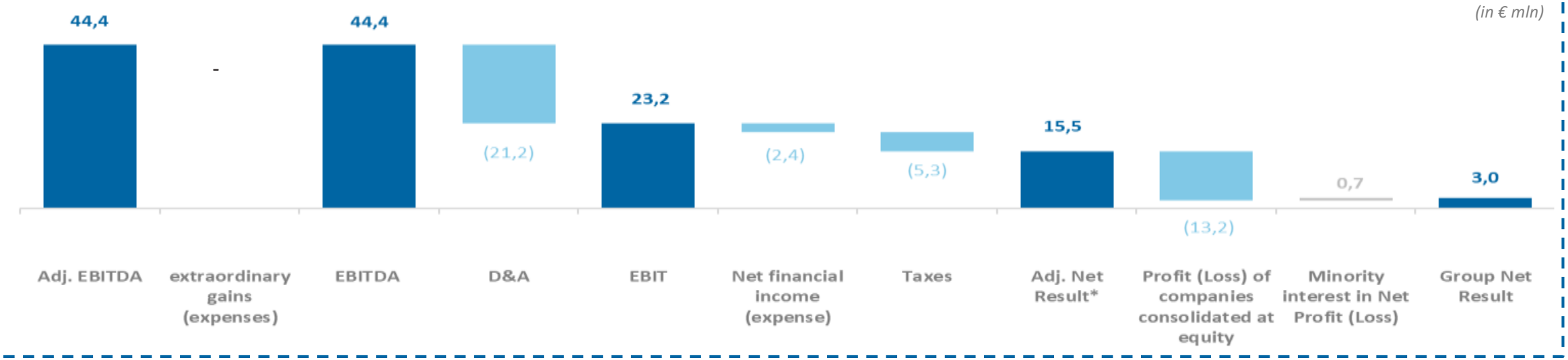
REVENUES	IQ 2021	IQ 2022	Δ	Δ %
Railway infrastructure management	30,1	**33,2**	3,1	***+10,3%***
Ro.S.Co. & Service	19,1	**18,8**	(0,3)	***-1,6%***
Road passenger mobility	28,4	**33,5**	5,1	***+18,0%***
Motorway infrastructure management	16,3	**60,6**	44,3	***nm***
Intercompany	(7,2)	**(9,5)**	(2,3)	***+31,9%***
Total	86,7	**136,6**	49,9	***+57,6%***

ADJUSTED EBITDA[2]	IQ 2021	IQ 2022	Δ	Δ %
Railway infrastructure management	1,9	**2,6**	0,7	***+36,8%***
Ro.S.Co. & Service	12,6	**11,0**	(1,6)	***-12,3%***
Road passenger mobility	2,7	**0,6**	(2,1)	***-76,5%***
Motorway infrastructure management	6,4	**30,1**	23,7	***nm***
Total	23,6	**44,4**	20,8	***+88,1%***

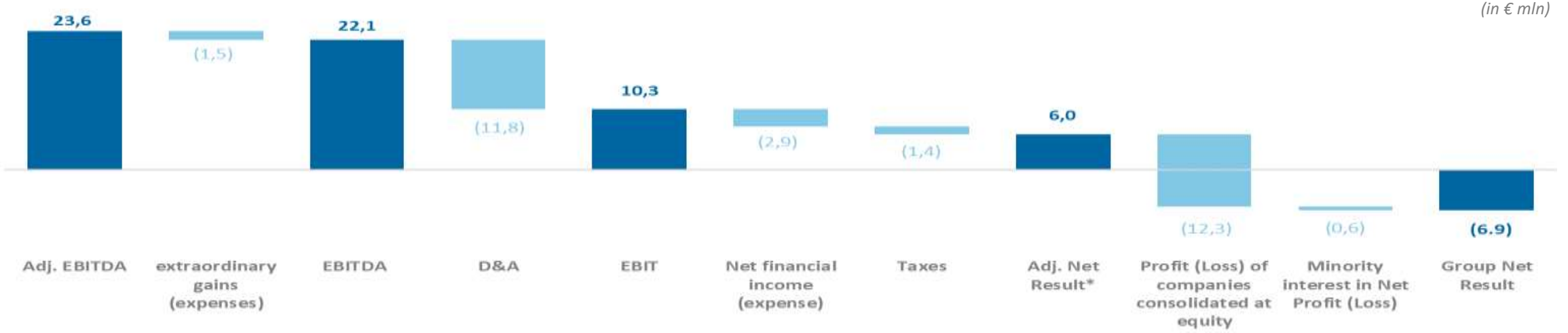
1 - In 2021 MISE is consolidated since February 26th.
2 - Adjusted EBITDA: excluding extraordinary gains and losses

FNM Group | From EBITDA to Net Result – REPORTED[1]

IQ 2022



IQ 2021



1 - In 2021 MISE is consolidated since February 26th.

* Adjusted Net Result: Net Result before profit (loss) of companies consolidated at equity

FNM Group | Consolidated Profit & Loss – PRO FORMA[1]

(€M)	PRO FORMA IQ 2021	IQ 2022	Var.	Var.%
Revenues from sales and services	110,2	129,0	*18,8*	*+17,1%*
Other revenues and income	6,2	7,6	*1,4*	*+22,6%*
Total revenues and other income	**116,4**	**136,6**	***20,2***	***+17,4%***
Operating costs	(41,2)	(52,0)	*(10,8)*	*+26,2%*
Personnel costs	(39,8)	(40,2)	*(0,4)*	*+1,0%*
ADJ. EBITDA	**35,4**	**44,4**	***9,0***	***+25,4%***
Non-ordinary income (expense)	(1,5)	0,0	*1,5*	*nm*
EBITDA	**33,9**	**44,4**	***10,5***	***+31,0%***
Depreciation and amortisation	(18,0)	(21,2)	*(3,2)*	*+17,8%*
EBIT	**15,9**	**23,2**	***7,3***	***+45,9%***
Net financial income (expense)	(2,8)	(2,4)	*0,4*	*-14,3%*
EARNINGS BEFORE TAXES	**13,1**	**20,8**	***7,7***	***+58,8%***
Income taxes	(2,1)	(5,3)	*(3,2)*	*nm*
ADJUSTED NET PROFIT (LOSS)	**11,0**	**15,5**	***4,5***	***+40,9%***
Profit (Loss) of companies consolidated at equity	(12,9)	(13,2)	*(0,3)*	*+2,3%*
Net Profit (Loss)	**(1,9)**	**2,3**	***4,2***	***nm***
Minority interest in Net Profit (Loss)	0,6	(0,7)	*(1,3)*	*nm*
Group Net Profit (Loss)	**(2,5)**	**3,0**	***5,5***	***nm***

1 - In 2021 MISE is consolidated starting from January 1st.

FNM Group | Consolidated Profit & Loss – segment details

Railway infrastructure

(€M)	IQ 2021	IQ 2022	Var.	Var.%
Public contracts and grants	24,1	20,0	(4,1)	-17,0%
Rolling stock leasing	2,6	3,3	0,7	+26,9%
Other revenues	3,4	9,9	6,5	+191,2%
Total revenues	**30,1**	**33,2**	**3,1**	**+10,4%**
Adj. EBITDA	**1,9**	**2,6**	**0,7**	**+36,8%**
Adj. EBITDA/Revenues %	6,3%	7,8%		
EBIT	**1,4**	**2,0**	**0,6**	**+42,9%**

Road passenger mobility

(€M)	IQ 2021	IQ 2022	Var.	Var.%
Public contracts and grants	15,3	15,1	(0,2)	-1,3%
Transport services	11,5	16,6	5,1	+44,3%
Other revenues	1,6	1,8	0,2	+12,5%
Total revenues	**28,4**	**33,5**	**5,1**	**+18,0%**
Adj. EBITDA	**2,7**	**0,6**	**(2,1)**	**-76,5%**
Adj. EBITDA/Revenues %	9,5%	1,9%		
EBIT	**0,5**	**(1,5)**	**(2,0)**	**nm**

Ro.S.Co. & Service

(€M)	IQ 2021	IQ 2022	Var.	Var.%
Rolling stock leasing	12,9	12,5	(0,4)	-3,1%
Other revenues	6,2	6,3	0,1	+1,6%
Total revenues	**19,1**	**18,8**	**(0,3)**	**-1,6%**
Adj. EBITDA	**12,6**	**11,0**	**(1,6)**	**-12,3%**
Adj. EBITDA/Revenues %	66,0%	58,8%		
EBIT	**4,3**	**4,1**	**(0,2)**	**-3,6%**

Motorways

	PRO FORMA			
(€M)	IQ 2021	IQ 2022	Var.	Var.%
Toll revenues	43,3	56,4	13,1	+30,3%
Other revenues	2,7	4,2	1,5	+55,6%
Total revenues	**46,0**	**60,6**	**14,6**	**+31,7%**
Adj. EBITDA	**18,2**	**30,1**	**11,9**	**+65,4%**
Adj. EBITDA/Revenues %	39,6%	49,7%		
EBIT	**9,7**	**18,5**	**8,8**	**+90,7%**

FNM Group | Profit (loss) of companies consolidated at equity

(€ '000)	PRO FORMA IQ 2021	IQ 2022	Var.
Trenord Srl[1]	(12.777)	(15.680)	*(2.903)*
Autostrada Pedemontana Lombarda	(747)	561	*1.308*
Nord Energia Spa[2]	516	705	*189*
DB Cargo Italia Srl	163	812	*649*
Omnibus Partecipazioni Srl[3]	(62)	335	*397*
NordCom Spa	71	128	*57*
Busforfun.Com Srl	(78)	(10)	*68*
SportIT	0	(37)	*(37)*
Profit (Loss) of companies consolidated at equity	**(12.914)**	**(13.186)**	**(272)**

1 - including the profit (loss) of TILO SA
2 - including the profit (loss) of CMC MeSta SA
3 - including the profit (loss) of ASF Autolinee Srl

FNM Group | Consolidated Balance Sheet

(€M)	March 31, 2022	Dec. 31, 2021	*Var.*
Inventories	11,0	9,5	*1,5*
Trade receivables	137,4	133,1	*4,3*
Other current receivables	91,0	83,2	*7,8*
Current financial receivables	8,0	7,8	*0,2*
Financed investment receivables	44,6	39,8	*4,8*
Trade payables	(126,5)	(168,3)	*41,8*
Other current payables and current provisions	(125,1)	(125,6)	*0,5*
Operating Net Working Capital	***40,4***	***(20,5)***	***60,9***
Other receivables - Rolling stock 2017 - 2032	78,5	47,5	*31,0*
Financed investment receivables - Rolling stock 2017 - 2032	193,8	98,3	*95,5*
Trade payables - Rolling stock 2017 - 2032	(291,8)	(204,0)	*(87,8)*
Net Working Capital for Financed investments	***(19,5)***	***(58,2)***	***38,7***
Total Net Working Capital	***20,9***	***(78,7)***	***99,6***
Fixed assets	735,0	748,4	*(13,4)*
Equity interests	145,6	158,7	*(13,1)*
Non-current receivables	249,5	241,3	*8,2*
Non-current liabilities	(21,3)	(20,4)	*(0,9)*
Provisions	(118,5)	(123,8)	*5,3*
NET INVESTED CAPITAL	**1.011,2**	**925,5**	***85,7***
Equity	*232,2*	*228,3*	*3,9*
Adjusted Net Financial Position *	**799,6**	**755,6**	***44,0***
Net Financial Position for funded investments (cash)	(20,6)	(58,4)	*37,8*
Net Financial Position	*779,0*	*697,2*	*81,8*
TOTAL SOURCES	**1.011,2**	**925,5**	***85,7***

* Adjusted Net Financial Position restated excluding only cash and current payables related to financial investments made in accordance with Regione Lombardia's "2017-2032 Rolling Stock purchase programme", with the aim of sterilizing the timing effects of contributions collection and payments made to suppliers, recognized in accordance with IFRIC 12.

FNM Group | Consolidated Balance Sheet – NFP composition

(€M)	March 31, 2022	Dec. 31, 2021	*Var.*
Cash and bank deposits	(247,8)	(293,4)	*45,6*
Current financial debt	168,9	201,1	*(32,2)*
Current Net Financial Position (Debt/-Cash)	***(78,9)***	***(92,3)***	***13,4***
Non-current financial debt	878,5	847,9	*30,6*
Adjusted Net Financial Position *	**799,6**	**755,6**	***44,0***
Net Financial Position for funded investments (Debt/-Cash)	(20,6)	(58,4)	*37,8*
Net Financial Position	**779,0**	**697,2**	***81,8***

* Adjusted Net Financial Position restated excluding only cash and current payables related to financial investments made in accordance with Regione Lombardia's "2017-2032 Rolling Stock purchase programme", with the aim of sterilizing the timing effects of contributions collection and payments made to suppliers, recognized in accordance with IFRIC 12.

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