THE BOARD OF DIRECTORS APPROVES

THE RESULTS AS AT 31 DECEMBER 2019

- ***Revenues: EUR 300.6 million (+1.5% compared to EUR 296.3 million in 2018*[1]*)***
- ***Adjusted EBITDA: EUR 69.6 million (+2.6% compared to EUR 67.8 million in 2018)***
- ***EBIT: EUR 30.3 million (EUR 31.0 million in 2018)***
- ***Net profit: EUR 30.3 million (+6.3% compared to EUR 28.5 million at 31 December 2018)***

***

Adjusted NFP improved by over EUR 47 million (cash of EUR 39.9 million compared to net debt of EUR 7.5 million of 31 December 2018*[2]*)

***

Proposed dividend of Euro 0.022 per share, for a total amount of EUR 9.6 million

***

Changes were calculated on amounts expressed in thousands of euro.

[1] *For a better understanding of the changes in the period, all of the comparisons relating to the items of the Group income statement were made based on a comparable scope of consolidation between the two periods, i.e., by consolidating the company ATV (subsidiary as from 12 February 2018) from 1 January 2018.*

[2] *Adjusted NFP excludes the effects deriving from adoption of IFRIC 12 in relation to the advances on investments for renewal of the rolling stock financed by the Lombardy Region. In the period 2019 the new accounting standard IFRS 16 was adopted, resulting in an increase in financial liabilities and net non-current assets. For a better understanding of the changes in the period, below follows the reclassified statement of financial position at 31 December 2018 to take into account the effect of the new standard.*

Milan, 31 March 2020 – The Board of Directors of FNM S.p.A. (“**FNM**”), which met today under the chairmanship of Mr. Andrea Gibelli, examined and approved the draft separate Financial Statements of FNM and the Consolidated Financial Statements of the Group for the year ended 31 December 2019.

ECONOMIC AND FINANCIAL HIGHLIGHTS

In 2019, the FNM Group confirmed its position as the **leading integrated player in collective transport** and more in general in mobility in Lombardy and in Northern Italy, operating in the field of **sustainable transport by rail and road**.

The **consolidated revenues** of the year 2019 amounted to EUR 300.6 million, **up by 1.5%** compared to the previous year, with differences in trends in the three business segments:

(millions of euros)	**2019**	**2018 (PRO-FORMA ATV)**	***Change***	***Chg*** %
Railway infrastructure management	124,6	122,2	*2,4*	*2,0%*
Road mobility	118,3	115,7	*2,6*	*2,2%*
Rosco& Services	82,6	82,1	*0,5*	*0,6%*
Intercompany elisions	*(24,9)*	*(23,7)*	*(1,2)*	*5,1%*
Total	**300,6**	**296,3**	***4,3***	***1,5%***

- as regards the **Railway infrastructure management** (maintenance, network upgrading and traffic management), revenues showed growth of 2% deriving from the higher revenues from planning & project management on the investments financed by the Lombardy Region, in spite of the reduction in the price of the Service Agreement with the Lombardy Region, consequent to the contractual efficiency provisions and to the recalculation on the actual distances covered provided;
- revenues from **Road mobility** increased by 2.2% due to increased ticketing services (+4%), in particular relating to train replacement services provided by FNM Autoservizi, on the routes managed by Trenord in Lombardy, as well as to the increase in demand for transport services in

the Veneto region, also in the tourism sector, during the summer in the Garda area (ATV and La Linea); the E- Vai electric car-sharing service also recorded an increased performance (also net of the grant received from the Lombardy Region), in particular as a result of the launch of new services for municipal authorities and private businesses;

- in the business segment in which the parent company operates directly (**RoSCo & Services**) and which includes the leasing of rolling stock to investees operating in local public transport (Trenord) and freight transport (DB Cargo Italia) sectors, as well as centralised Corporate services, revenues increased by 0.6% due to higher leases as a result of the average increase in the rolling stock fleet compared to the previous year, in particular deriving from completion of the TSR fleet and to the commissioning of new locomotives for freight service.

Operating costs decreased by 0.6% (0.6 million Euro) mainly as a result of the lower legal costs relating to the management of tenders for the purchase of new rolling stock and of the reduction of the leases by effect of the adoption of IFRS 16, offset by higher risk provisions.

Personnel costs increased by 2.5% (EUR 3.1 million), although the average headcount was substantially stable, due to the higher provision as an estimate of the costs for the renewal of the national collective labour agreement; the average **headcount** of the Group in 2019 amounted to 2,268 employees, versus an average figure of 2,271 in 2018.

The **adjusted EBITDA** (which excludes certain non-ordinary items[3]), amounted to **EUR 69.6 million** i.e. **23% of consolidated revenues**, **up by 2.6%,** mainly due to performance in the following segments:

- **road mobility:** net of the reduction of leases in accordance with IFRS 16, equal to EUR 1.6 million, the increase in the margin from EUR 11.4 to EUR 13.6 million is due to the better performance of the activities in Veneto, to the higher number of train replacement services carried out in Lombardy and to the improvement in the profitability of E-Vai;

[3] In 2018, a capital gain totalling EUR 4.3 million was recorded as a result of the sale of the areas adjacent to the Milan Affori station, while in 2019 there was a positive component of EUR 1.4 million deriving from the net value between non-recurring income for the closure of a dispute and costs for development projects.

- **RoSCo & Services** as a result of the higher leases, of the reduction of some operating costs (also for the adoption of IFRS 16) and of the cost of personnel.

(millions of euros)	**2019**	**2018 (PRO-FORMA ATV)**	***Change***	***Chg*** %
Railway infrastructure management	4,2	7,5	*(3,3)*	*-44,1%*
Road mobility	13,2	9,8	*3,4*	*34,7%*
Rosco& Services	52,2	50,5	*1,7*	*3,4%*
Total	**69,6**	**67,8**	***1,8***	***2,6%***

The reduction in Adjusted EBITDA in the railway infrastructure management area is due to an increase in the maintenance and personnel cost as a result of the full implementation of the contractual agreements, as well as of higher provisions.

Depreciation and amortisation recorded a net decrease of EUR 0.4 million in 2019 compared to 2018, as a result of the reduction in the depreciation of rolling stock nearly offset by the higher depreciation deriving from the adoption of IFRS 16.

Consequently, consolidated **EBIT** amounted to EUR 30.3 million, compared to EUR 31 million in 2018 as a result of the changes in non-ordinary items.

Consolidated **EBT** was positive at EUR 35.9 million (EUR 36.3 million in 2018) and comprises:

- net **financial income** was negative by EUR 2.4 million compared to EUR 0.6 million in 2018, due to higher interest expenses and non-use commissions on the syndicated loan signed by the Company in August 2018;
- the profit/(loss) of **associates** (accounted by the equity method) was positive by EUR 8.0 million, compared to EUR 5.9 million in 2018, mainly due to the better result of the investees DB Cargo Italia, NORD ENERGIA and Trenord.

  In particular, in 2019 **Trenord** recorded a total net profit of EUR 3.7 million, up by EUR 1.4 million compared to the previous year and it recognised:

- a 4.3% growth in revenue (EUR 831.7 million from EUR 797.3 million in 2018) due both to the traffic component in relation to the positive trend of the airport segment (partly by effect of the closure of the Linate airport in the summer months), and to the general increase in demand, as well as to the improved service that reduced the value of the bonuses paid to travellers, and to the component relating to the service agreement for lower penalties and deductions;
- an increase in EBITDA (amounting to EUR 202.1 million), in spite of an increase in personnel cost by approximately EUR 10 million in relation to the higher average number of employees in the year (+147 FTE) and of some operating costs mainly related to the higher train replacement services and to the lease of rolling stock: the change from 2018 (EUR 67.9 million) is due, for EUR 2.6 million, to the better margin, while for EUR 131.6 million to the effects of the application of the new IFRS 16.

Income taxes, amounting to EUR 5.0 million, decreased by EUR 2.7 million compared to 2018, in relation to the increased deferred tax assets due to the *Robin tax* adjustment, partially compensated by the higher taxes due to higher taxable income achieved and to the *Robin tax*.

Consolidated net profit of the Group in 2019, net of the minority share, amounted to EUR 30.3 million, up by 6.3% compared to EUR 28.5 million of 31 December 2018.

***

To better represent the Net Financial Position of the Group and hence the Group's cash generating capability, an adjusted NFP was calculated that excludes the effects deriving from adoption of IFRIC 12, i.e. the amount relating to the advances collected on the investments for the renewal of the rolling stock financed by the Lombardy Region (amounting to EUR 67.6 million at 31 December 2019).

The **Adjusted Net Financial Position** at 31 December 2019 - an improvement by over EUR 47 million to EUR 39.9 million in cash versus a net debt of EUR 7.5 million at 31 December 2018 (pro-forma IFRS 16) - reflects the positive cash generation of the Group.

The performance of the **operating cash flow** from operations, net of the cash outflows relating to tax and financial charges, amounted to **EUR 78.4 million** and it was positively influenced by the change in

Net Working Capital, due mainly to the collection of trade receivables from joint ventures and other receivables relating to the grants on; including the investments paid in the year - already net of grants on investments financed by the Lombardy Region for the modernisation of the railway infrastructure - amounting to approximately EUR 35 million and the dividends collected, the **free cash flow** of the Group amounted to **EUR 49 million.** Considering also the outlay pertaining to the dividends paid in 2019, said value is approximately EUR 38.5 million.

(millions of euros)	**2019**	**2018**
EBITDA	71,0	71,5
Cahne in NWC	11,8	30,7
Taxes	(3,0)	(6,8)
Financial expenses/income	(1,4)	(0,1)
Free cash flow from operations	***78,4***	***95,3***
Investments paid	(35,2)	(34,9)
Dividends cash-in	5,8	7,8
Cash from acquired companies		8,5
Assets sold		5,7
Free cash flow	**49,0**	**82,4**
Dividends cash-out	(10,5)	(9,2)
Cash flow	**38,5**	**73,2**
INITIAL NFP (Cash) 01/01	**7,5**	**80,8**
Cash flow generation (cash)	(38,5)	(73,2)
Reclassified Financial Receivables Finlombard	(5,0)	-
IFRS 5 Reclassification	(3,9)	-
Total change in NFP (cash)	***(47,4)***	***73,2***
FINAL Adj NFP (Cash) 31/12	**(39,9)**	**7,6**

The total **Net Financial Position** at 31 December 2019 was positive at EUR 107.4 million, compared to a negative balance of EUR 22.5 million at 31 December 2018 (pro-forma IFRS 16).

Consolidated **investments** accrued in 2019 amounted to EUR 194.1 million compared to EUR 56.9 million in 2018, confirming the trend already recorded during the year:

- investments with **public funds** were made for a total of EUR 153.6 million (EUR 22.7 million in 2018), relating to the renewal of rolling stock for EUR 114.5 million and the modernisation and upgrading of infrastructure for EUR 39.1 million;

- investments with **own funds** of EUR 40.5 million were made (EUR 34.2 million in 2018) and mainly refer to the renewal of the owned fleet relating to both the rail transport business (purchase of new electric locomotives for approximately EUR 20 million and advances on 9 FLIRT trains for approximately EUR 10 million) and the road mobility business (new buses and minibuses for approximately EUR 6 million).

OUTLOOK

Concerning the current economic-social situation in Italy, in particular in the Lombardy and Veneto Region, tied to the current Coronavirus COVID-19 outbreak (which the World Health Organisation declared a “pandemic” on 11 March), all of the Group’s companies promptly activated both the measures required by regulatory provisions to face the ongoing epidemia and those deemed appropriate to safeguard the health of personnel and customers and to contain the economic repercussions.

In particular, with the goal of protecting workers’ health, the Group, in addition to having incentivised smart-working since the start of the health emergency, activated an extraordinary insurance coverage for the management of Coronavirus infection for all its employees, stipulating a supplemental policy able to cover the expenses tied to possible hospitalisation and to the subsequent recovery phase.

The persistence of the emergency and the consequent precautionary measures may impact even significantly the outlook for the future growth of the economy, both locally and internationally. Currently, the situation determined by this emergency is not expected to have a significant impact on the medium-term economic performance and on the business continuity of FNM Group companies.

The short-term effects on the Group, whose main businesses relating to the leasing of rolling stock and to management of the railway infrastructure are not substantially impacted by the current emergency, impact mainly on road mobility and to a greater extent on the Trenord investee.

In particular:

- for all consolidated companies, that started the revision of the commercial offering, currently the provisions are limited in time and, since the management has already taken actions to mitigate their possible negative effects, currently the economic-financial impacts are estimated to be limited. Given the uncertainty of the continuously evolving situation, any impacts deriving from a time extension of the measures imposed by the competent Authorities cannot be measured reliably at this time.

- Additional effects may derive from the reduction of visits and tourist activities in general in the city of Verona, in the Garda area and in the Venice area (where the Group operates with the companies ATV, La Linea and Martini Bus also with lease services with driver) with the consequent reduction of the demand for transport, in particular in the spring and summer periods.
- Trenord - consolidated at equity – proceeded, starting from 24 February 2020, consistently with the ordinances of the competent Authorities, to revise the railway service which is entailing a significant reduction in ticketing revenues. Additional risks may be connected with the extension in time of the restrictive measures.

Before the current emergency, the Company estimated, at the consolidated level for the year 2020, an operating performance substantially in line with 2019, both in terms of revenues and Adjusted EBITDA (net of non-recurring elements). In light of the previous reflections, at this time and in the absence of currently unforeseeable elements, it is reasonable to expect a mid-single digit negative impact on revenues and high-single digit negative impact on Adjusted EBITDA, implementing all possible measures to contain this impact.

The Adjusted NFP, in spite of the positive continuing generation of operating cash, is expected to grow, reflecting the higher investments expected for fleet renewal, in particular relating to trains in the RoSCo segment, and the development of the business of freight mobility, whose programme will be carefully monitored to preserve the Group’s liquidity. In addition to having a positive adjusted net financial position by approximately EUR 40 million at the end of 2019 and confirmed positive at the present date, the Group also has a significant liquidity headroom of EUR 90 million of committed lines and over EUR 140 million of uncommitted lines.

***

SIGNIFICANT EVENTS AFTER THE 2019 CLOSING DATE

On **10 March 2020**, FNM S.p.A. executed the agreements for the sale of the equity investments held in Locoitalia S.r.l. (51%), for a total equity value of EUR 6.0 million (FNM's portion amounts to EUR 3.0 million) and in Fuorimuro Servizi Portuali e Ferroviari S.r.l. (49%), for a price of the shareholding equal to EUR 0.5 million.

These transactions result in an overall improvement of approximately EUR 30.8 million of the Group's Net Financial Position (including the net financial position of Locoitalia) and a consolidated capital gain of EUR 1.1 million deriving from the disposal of the stake in Locoitalia.

***

SEPARATE FINANCIAL STATEMENTS OF THE PARENT COMPANY FNM S.p.A.

The Board of Directors also approved the 2019 Financial Statements of the Parent Company FNM S.p.A.

The revenues, deriving from the lease of rolling stock and from Corporate services to the investee companies, amounted to EUR 80.2 million, slightly higher than the EUR 79.9 million recorded in 2018 as a result of the higher lease fees.

Adjusted EBITDA, which rose from EUR 49.7 million to EUR 51.1 million, grew by 2.8% due to the combined effect of the slight increase in revenues and of the reduction in personnel cost, as well as of the aforementioned effect of the adoption of the new IFRS 16.

Amortisation and depreciation decreased by EUR 0.1 million compared to 2018, mainly from the combined effect of the reduction in depreciation on the train fleets, partially offset by the higher right-of-use amortisation in relation to the adoption of the new IFRS 16.

Operating income then amounted to EUR 24.9 million compared to EUR 24.2 million in 2018, an improvement of EUR 0.7 million, equal to 3.1%.

Net financial income amounted to EUR 4.7 million, down by EUR 2.1 million compared to EUR 6.8 million in 2018, in relation to the lower dividends, equal to EUR 6.6 million versus EUR 8.2 million at 31 December

2018, and to the higher financial expenses, equal to EUR 1.8 million versus EUR 0.6 million at 31 December 2018, partially offset by the lower impairment of equity investments (EUR 0.4 million versus EUR 1.2 million in 2018).

Income taxes, amounting to EUR 6.7 million, remained substantially unchanged from the previous year; consequently, the net profit for the year amounted to EUR 23.9 million, down by EUR 0.4 million compared to the profit of EUR 24.3 million achieved in 2018.

PROPOSED ALLOCATION OF PROFITS

The Board of Directors resolved to propose to the Shareholders' Meeting the payment of a dividend, relating to 2019, of **EUR 0.022 per share**, totalling EUR 9.6 million, with a **pay-out ratio of 40%** on the net profit of the Parent Company.

The dividend shall be released for payment following the Shareholders' Meeting for approval of the 2019 Financial Statement, to be scheduled by June 2020 as per current provisions contained in the "Cura Italia" ("Cure Italy") Law Decree published in the Official Gazette on 17 March 2020 (Art. 106 - Rules for the conduct of the shareholders' meetings of companies).

The today Board's resolution to propose the before-mentioned dividend takes into consideration the current health emergency e the potential impacts on Group results at the moment predictable. The Directors will continue to evaluate the reference context evolution for the consistent impacts on this resolution, with any consequent mandatory disclosure also to allow the Shareholders' Meetings to resolve properly.

***

2019 CONSOLIDATED NON-FINANCIAL STATEMENT

In accordance with the provisions of Legislative Decree no. 254/2016, the Board of Directors of FNM S.p.A. today examined and approved the Consolidated Non-Financial Disclosure of 2019, prepared as a distinct document with respect to the Financial Statements.

The Disclosure, prepared in accordance with the *Global Reporting Initiative Sustainability Reporting Standards* (GRI Standards – Core option), describes the most relevant activities carried out during 2019 in the social, environmental, economic fields, and pertaining to personnel, to respect for human rights, to the fight against active and passive corruption, all issues deemed significant in view of the Group's activities and characteristics.

NFD 2019 is prepared in particular in accordance with the guiding principles of the International *"IR" Framework*, published in December 2013 by the *International Integrated Reporting Council* (IIRC), with a view to closer attention to the information needs of Stakeholders and investors and to a necessary integration between economic, social and environmental aspects in corporate decision-making processes, but also in the definition of the strategy, in Governance and in the business models of the Group.

***

All documents approved today will be made available to the public, in accordance with the law, at the registered office, the authorised storage mechanism eMarket STORAGE at www.emarketstorage.com, as well as in the dedicated section of the Company's Website (at www.fnmgroup.it, Governance/Shareholders' Meeting section and Investors/Financial Statements and Reports section).

***

The Financial Reporting Officer, Mrs. Valentina Montanari, hereby declares, pursuant to Article 154-bis, paragraph 2 of the Consolidated Law on Finance, that the disclosures herein correspond to the data found in Company's documents, books and accounting records.

***

Investor Relations Contacts **Media Relations Contacts**

Nicoletta Pinoia
Tel. +39 02 8511 4302
e-mail nicoletta.pinoia@fnmgroup.it

Simone Carriero
Tel. +39 02 8511 4758
e-mail simone.carriero@fnmgroup.it

Internet website
www.fnmgroup.it

***

FNM is the leading integrated transport and mobility Group in Lombardy. It is the most important non-governmental Italian investor in the sector. FNM S.p.A. is a public company that has been listed on the Italian Stock Exchange since 1926. The majority shareholder is the Lombardy Region, which holds 57.57% of the share capital.
A wholly owned subsidiary of FNM, FERROVIENORD manages 331 km of network and 124 stations located on five lines in the provinces of Milan, Brescia, Como, Monza and Brianza, Novara and Varese. In addition to the activity connected with the circulation of trains, FERROVIENORD is responsible for the ordinary and extraordinary maintenance of the network, its adaptation, the activation of new facilities, and upgrading works.

***

Attached herewith are the following statements referred to the FNM Group, pointing out that, with regard to the reported data, the independent audit has not yet been completed:

1. 2019 Consolidated Income Statement
2. Consolidated Balance Sheet at 31/12/2019
3. Composition of the Group Net Financial Position at 31/12/2019
4. Result of investee companies (accounted by equity)
5. FNM S.p.A. Income Statement 2019
6. Balance Sheet of FNM S.p.A. at 31/12/2019
7. Glossary of terms and Alternative Performance Measures

Annex 1 - Consolidated Income Statement

(millions of euros)	**2019**	**2018 pro-forma ATV**	***Change***	***Change*** %
Revenues from sales and services	279,2	276,3	*2,9*	*1,0%*
Other revenues and income	21,4	20,0	*1,4*	*7,1%*
TOTAL REVENUES AND OTHER INCOME	***300,6***	***296,3***	***4,3***	***1,5%***
Operating costs	(105,5)	(106,1)	*0,6*	*-0,6%*
Personnel costs	(125,5)	(122,4)	*(3,1)*	*2,5%*
Adjusted EBITDA	***69,6***	***67,8***	***1,8***	***2,6%***
% of Revenues	*23,2%*	*22,9%*		
Non-ordinary Income and Expenses	1,4	4,3	*(2,9)*	*-67,4%*
EBITDA	***71,0***	***72,1***	***(1,1)***	***-1,5%***
Amortisation and depreciation	(40,7)	(41,1)	*0,4*	*-0,9%*
EBIT	***30,3***	***31,0***	***(0,7)***	***-2,2%***
% of Revenues	*10,1%*	*10,5%*		
Net financial income	(2,4)	(0,6)	*(1,8)*	*292,2%*
Net profit of companies measured with the equity methc	8,0	5,9	*2,1*	*35,3%*
EARNINGS BEFORE TAX	***35,9***	***36,3***	***(0,4)***	***-1,1%***
Income tax	(5,0)	(7,7)	*2,7*	*-35,4%*
COMPREHENSIVE INCOME	**30,9**	**28,6**	***2,3***	***8,2%***
PROFIT ATTRIBUTABLE TO NON-CONTROLLING INTEREST	0,6	0,1	*0,5*	*n.m.*
COMPREHENSIVE GROUP INCOME	**30,3**	**28,5**	***1,8***	***6,3%***

For a better understanding of the changes in the period, the consolidated income statement is also presented based on a consistent and comparable scope of consolidation between the two years, i.e., by consolidating ATV as from the beginning of 2018.

Annex 2 - Consolidated Balance Sheet

(millions of euros)	**31/12/2019**	**31/12/2018 PRO-FORMA IFRS 16**	***Change***	**31/12/2018**
Inventories	8,9	7,0	*1,9*	7,0
Current receivables	125,5	151,2	*(25,7)*	151,2
Current payables	(266,7)	(153,9)	*(112,9)*	(153,9)
Net Working Capital	***(132,3)***	***4,3***	***(136,6)***	***4,3***
Fixed assets	432,3	460,8	*(28,6)*	452,8
Equity interests	84,9	83,4	*1,5*	83,4
Non-current receivables	21,6	26,8	*(5,1)*	26,8
Non-current liabilities	(28,2)	(70,2)	*42,0*	(70,2)
Provisions	(60,9)	(47,5)	*(13,4)*	(47,5)
Assets and liabilities held for sale	29,5	0,0	*29,5*	0,0
NET INVESTED CAPITAL	***346,9***	***457,7***	***(110,8)***	***449,6***
Equity	*454,3*	*435,2*	*19,1*	*435,2*
Net financial position (cash)	*(107,4)*	*22,5*	*(129,9)*	*14,4*
TOTAL SOURCES	***346,9***	***457,7***	***(110,8)***	***449,6***

On 1 January 2019 the new accounting standard IFRS 16 was adopted, which led to an increase in financial liabilities and net non-current assets. For a better understanding of the changes in the period, below follows the reclassified statement of financial position at 31 December 2019 compared with that at 31 December 2018 to take into account the effect of the new standard.

Annex 3 - Composition of the Group Net Financial Position

(millions of euros)	**31/12/2019**	**31/12/2018 PRO-FORMA IFRS 16**	***Change***	**31/12/2018**
Liquidity	(156,4)	(116,9)	*(39,5)*	(116,9)
Current financial receivables	(49,3)	(45,3)	*(4,1)*	(45,3)
Current financial debt	94,4	33,7	*60,6*	32,2
Current Net Financial Position (cash)	***(111,4)***	***(128,5)***	***17,1***	***(130,0)***
Non-current financial debt	71,5	136,0	*(64,4)*	129,5
Adjusted Net Financial Position (cash)	***(39,9)***	***7,5***	***(47,4)***	***(0,5)***
Debt for funded investments (IFRIC 12)	(67,6)	15,0	*(82,6)*	15,0
Net Financial Position (cash)	***(107,4)***	***22,5***	***(129,9)***	***14,4***

On 1 January 2019 the new accounting standard IFRS 16 was adopted, which led to an increase in financial liabilities and net non-current assets. For a better understanding of the changes in the period, below follows the composition of the Net Financial Position at 31 December 2019 compared also with that at 31 December 2018 to take into account the effect of the new standard.

Annex 4 - Result of investee companies (measured with the equity method)

Amounts in thousands of euros	**2019**	**2018**	***Change***
Trenord Srl *	1.598	911	*687*
NORD ENERGIA SpA **	3.377	2.792	*585*
DB Cargo Italia Srl	1.722	988	*734*
Omnibus Partecipazioni Srl ***	1.192	1.325	*(133)*
NordCom SpA	460	173	*287*
Conam Srl	55	57	*(2)*
ATV S.r.l.			-
SeMS Srl in liquidation	34	18	*16*
Fuorimuro Srl	(391)	(382)	*(9)*
Result of companies accounted by equity	**8.047**	**5.882**	***2.165***

* includes the result of TILO SA

** includes the result of CMC MeSta SA

*** includes the result of ASF Autolinee Srl

Annex 5 - Income Statement of FNM S.p.A. 2019

(millions of euros)	**2019**	**2018**	***Chg***	***Chg* %**
Revenues from sales and services	76,5	75,8	*0,7*	*0,9%*
Other revenues and income	3,7	4,1	*(0,4)*	*-10,0%*
TOTAL REVENUES	*80,2*	*79,9*	*0,3*	*0,4%*
ADJUSTED EBITDA	*51,1*	*49,7*	*1,4*	*2,8%*
Non-recurring income	-	*0,8*	*(0,8)*	*-100,0%*
EBITDA	*51,1*	*50,5*	*0,6*	*1,2%*
EBIT	*24,9*	*24,2*	*0,7*	*3,1%*
COMPREHENSIVE INCOME	**23,9**	**24,3**	***(0,4)***	***-1,7%***

Annex 6 - Balance Sheet of FNM S.p.A. at 31/12/2019

(millions of euros)	**31/12/2019**	**31/12/2018**	***Change***
Current receivables	42,8	39,2	*3,6*
Current payables	(21,7)	(10,9)	*(10,8)*
Net Working Capital	*21,1*	*28,3*	*(7,2)*
Fixed assets	344,9	353,9	*(9,0)*
Equity interests	97,0	99,5	*(2,5)*
Non-current receivables	7,2	20,1	*(12,9)*
Non-current provisions and payab	(22,9)	(26,3)	*3,4*
NET INVESTED CAPITAL	***447,3***	***475,5***	***(28,2)***
Equity	375,7	361,6	*14,1*
Net Financial Position	66,6	106,8	*(40,2)*
TOTAL SOURCES	***442,3***	***468,4***	***(26,1)***

Annex 7 - GLOSSARY OF TERMS AND ALTERNATIVE PERFORMANCE MEASURES

The present document, in addition to the conventional financial statements and indicators prescribed by IFRS, presents some reclassified statements and some alternative performance indicators in order to allow a better assessment of the economic-financial performance of the Group. These statements and indicators should not be deemed to be replacements for the conventional ones prescribed by IFRS. For these quantities, the descriptions of the criteria adopted in their preparation and the appropriate notes referring to the items contained in the mandatory statements are provided in accordance with the indications of Consob Communication no. 6064293 of 28 July 2006, in Consob Communication no. 0092543 of 3 December 2015 and of the ESMA 2015/1415 guidelines for alternative performance indicators ("Non GAAP Measures").

In particular, among the alternative indicators used, the following are pointed out:

EBITDA: it represents the earnings for the year before income taxes, of the other financial income and expenses, of depreciation, amortisation and impairments of non-current assets. The Group also provides an indication of the incidence of EBITDA on net sales. The calculation of EBITDA carried out by the Group allows to compare the operating results with those of other companies, excluding any effects deriving from financial and tax components and from depreciation and amortisation, which may vary from company to company for reasons not correlated with the general operating performance.

EBITDA %: it represents the percentage of EBITDA over total revenues.

EBITDA Adjusted: it is represented by EBITDA as identified above, excluding non-ordinary expenses and income, such as:

(i) income and expenses deriving from restructuring, reorganisation and business combination operations;

(ii) income and expenses not directly referred to the ordinary performance of the business, clearly identified;

(iii) in addition to any income and expenses deriving from non-ordinary events and significant transactions as defined by Consob DEM6064293 communication of 28 July 2006.

With reference to the adjusted EBITDA of 2018, the following components were excluded from EBITDA:

a) capital gains deriving from the sale to GDF System S.r.l. of areas next to Affori station in Milan equal to EUR 4.3 million.

With reference to the adjusted EBITDA of 2019, the following components were excluded from EBITDA:

a) non-recurring income deriving from the closure of a dispute with third parties, amounting to EUR 2.6 million;

b) non-ordinary expenses deriving from development projects, amounting to EUR 1.1 million.

Adjusted EBITDA %: it represents the percentage of Adjusted EBITDA over total revenues.

EBIT: it represents the earnings for the year before the income deriving from sold/disposed assets, income taxes, financial income and expenses and the result of the companies measured at Equity.

Net Working Capital: it includes current assets (excluding Cash and cash equivalents and the current financial Assets included in the net financial Position), and current liabilities (excluding the current financial liabilities included in the net financial Position).

Net Invested Capital: it is equal to the algebraic sum of Fixed Capital, which includes non current assets and non current liabilities (excluding the non-current financial liabilities included in the Net Financial Position) and of net Working Capital.

NFP (Net Financial Position): it includes Cash and cash equivalents, current financial assets and current financial liabilities.

Adjusted NFP: it is represented by the Net Financial Position as identified above, excluding the impacts of the timeline of the collections of the contributions on financial investments for the renewal of the railway rolling stock and of the related payments made to suppliers, recognised in accordance with IFRIC 12.