



FNM Group FY 2020 RESULTS

March 19, 2021



FNM Group | Overview



Ro.S.Co.
& Service

- Leasing of rolling stock
- Provision of corporate services and real estate



Railway
Infrastructure
management

- Management of railway infrastructure in Lombardy
- Intermodal terminal management



Road
passenger
transport

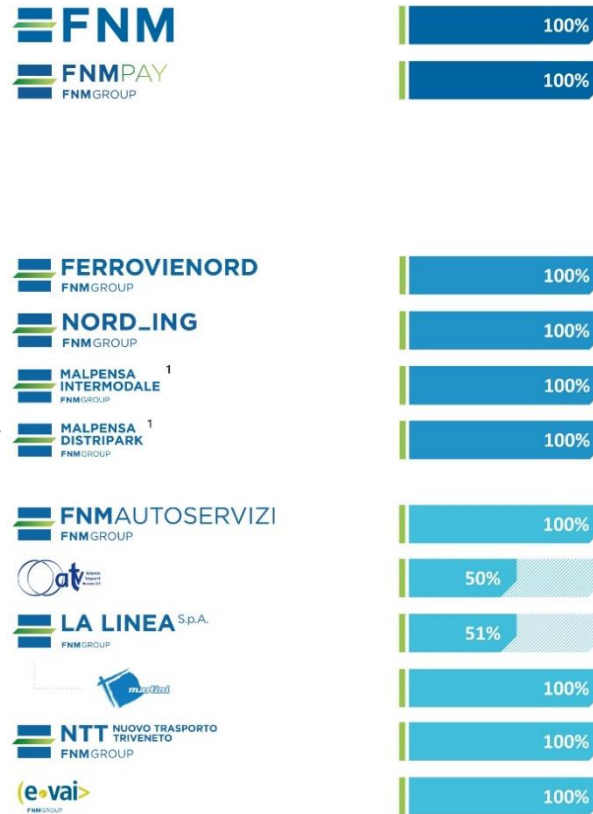
- Management of road local public transport
- Electric car sharing



Motorway
infrastructure
management

- Concession-based management of motorway infrastructure

COMPANIES FULLY CONSOLIDATED



COMPANIES VALUED AT EQUITY



As at December 31st, 2020 FNM Spa holds a 13.6% stake in MISE. The shareholding increased to 96% on February, 26th 2021. Since that date MISE is fully consolidated into FNM's accounts

1 Companies operating in the freight mobility sector, in the start-up phase, included respectively in the Railway infrastructure management and in Ro.S.Co. & Services segments

2 Companies operating in the road passenger transport but considered in the Ro.S.Co. Segment for the purposes of preparing the financial statements

Economic and financial results

- Financial highlights
- FY 2020 consolidated results
- Shareholders and share performance

Mise acquisition

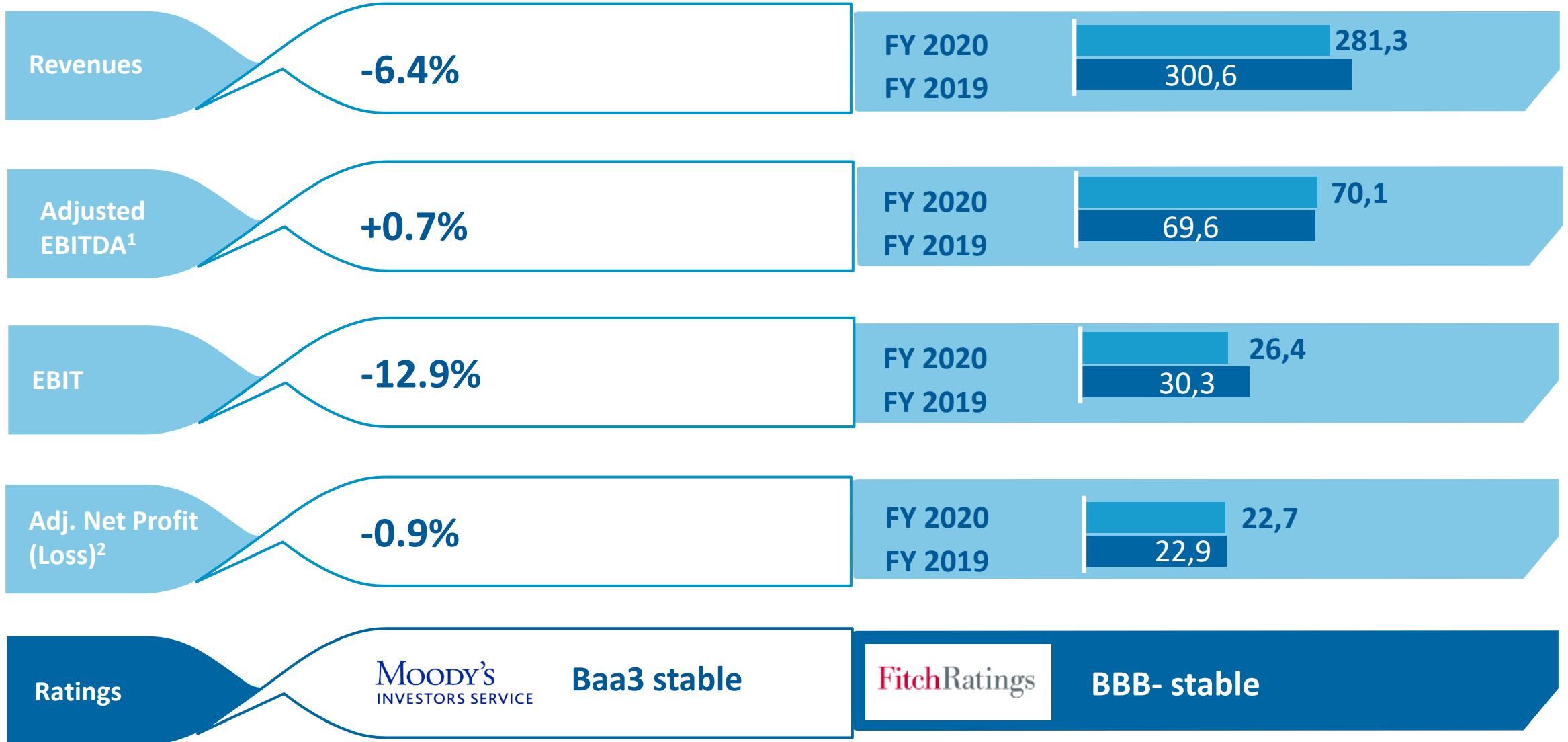
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FNM Group | FY 2020 Highlights

(in mln €)



1 – Adjusted EBITDA: excluding extraordinary gains and losses

2 – Adjusted Net Profit (Loss): Net Profit (Loss) before recognition of the result of companies consolidated using the equity method

FNM Group | Revenues and Adjusted EBITDA by segment

(in mln €)

REVENUES	FY 2020	FY 2019	Δ	Δ %
Railway infrastructure management	126,9	124,6	2,3	1,8%
Road passenger transport	94,7	118,3	(23,6)	-19,9%
Ro.S.Co. & Service	84,0	82,6	1,4	1,7%
Intercompany	(24,3)	(24,9)	0,6	-2,4%
Total	281,3	300,6	(19,3)	-6,4%

ADJUSTED EBITDA ¹	FY 2020	FY 2019	Δ	Δ %
Railway infrastructure management	5,8	4,1	1,7	41,5%
Road passenger transport	10,0	13,2	(3,2)	-24,2%
Ro.S.Co. & Service	54,3	52,3	2,0	3,8%
Total	70,1	69,6	0,5	0,7%

Railway infrastructure management

- ↑ Higher proceeds from engineering and project management on financed investments as well as for terminal management
- ↓ Lower proceeds from Service Contract due to changes in the number of train services scheduling and from efficiency mechanism

Road passenger transport

- ↓ Lower services due to reduced demand as a result of the introduction of travel restrictions due to Covid-19
- ↑ Partial compensation from higher revenues from public contracts and grants thanks to the compensation measures implemented by the Government (restoration of lower ticketing revenues equal to €4.1 mln)

Ro.S.Co.

- ↑ Higher fees from the new fleet leased to Trenord and DB Cargo Italia
- ↓ Lower advertising revenues; change in perimeter due to sale of Locoitalia in 2020; one off proceeds in 2019

Railway infrastructure management

- ↑ Positive performance of revenues and lower labour cost
- ↓ Higher maintenance costs during the lockdown period and higher costs for terminal management due to the activity development

Road passenger transport

- ↓↑ Lower revenues strongly mitigated by cost control measures

Ro.S.Co.

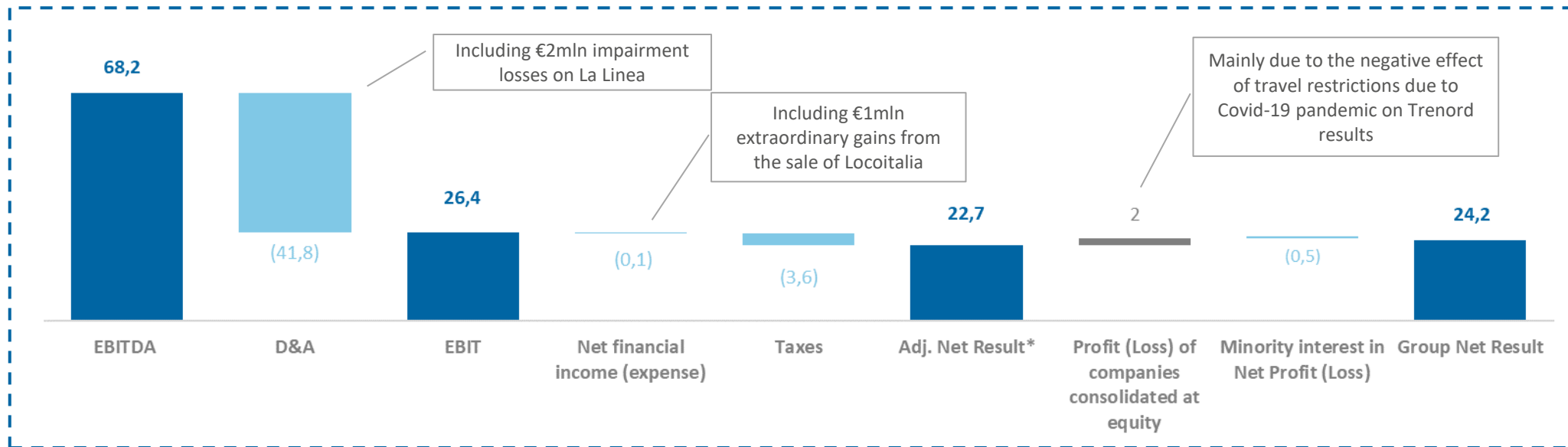
- ↑ Lower labour cost

1 – Adjusted EBITDA: excluding extraordinary gains and losses

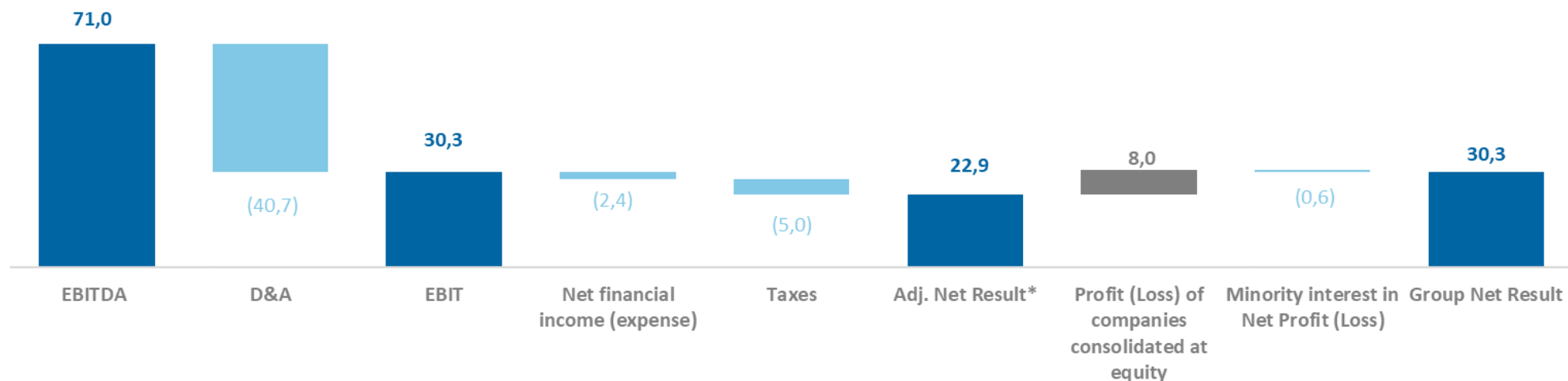
FNM Group | From EBITDA to Net Result

(in mln €)

FY 2020



FY 2019

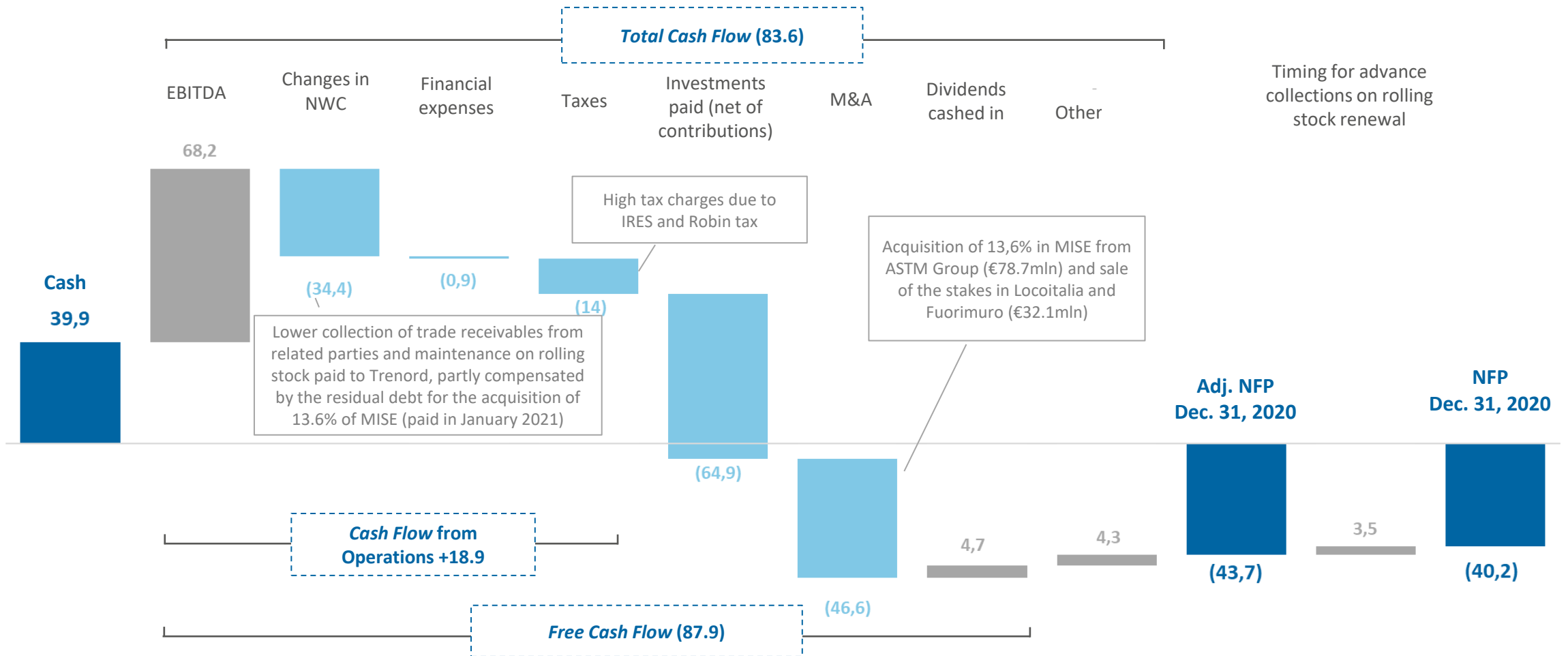


* Adjusted Net Result: Net Result before profit (loss) of companies consolidated at equity

FNM Group | consolidated Cash Flow and Net Financial Position

(in mln €)

LIQUIDITY HEADROOM 18.03.2021:
Uncommitted Lines = € 90 million



FNM Group | Dividend policy

DPS ¹	0,022 Euro
Total Cash Out	Euro 9,6 mln
Dividend Yield (at March 18, 2021)	3,6%
Payout Ratio (on FNM SpA Net Result)	~40%

¹ Dividend per share proposed on 2020 Net profit

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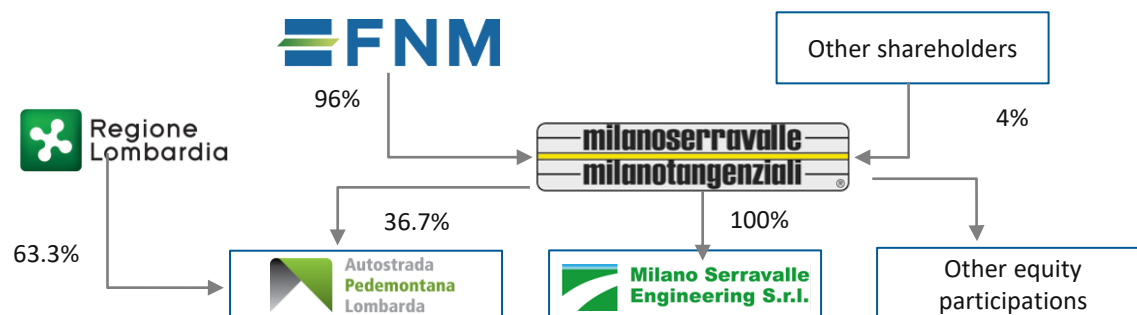
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FNM Group | The core business: Motorway infrastructure management – MISE acquisition

Business Overview

- On Feb. 26 2021 FNM acquired from Regione Lombardia a 82,6% participation in Milano Serravalle Milano Tangenziali S.p.A. ("MiSe"). **FNM now owns 96% of MISE¹.**
- Founded in 1951 in Assago, MiSe is the **concessionaire until 2028** of the A7 motorway from Milano to Serravalle Scrivia and of the three Milanese ring roads A50, A51, A52 (West, East, North) for a total of 179 km and ~ 3,115 mln vehicle-km in 2019, in one of the wealthiest areas un Europe.
- MiSe also holds a 36.7% stake² in Autostrada Pedemontana Lombarda S.p.A. ("APL"), which is the concessionaire of ~ 84 km³ toll roads as of 30/06/2018 and which should exceed 157 km³ of overall roads once the project is completed.

Shareholder structure



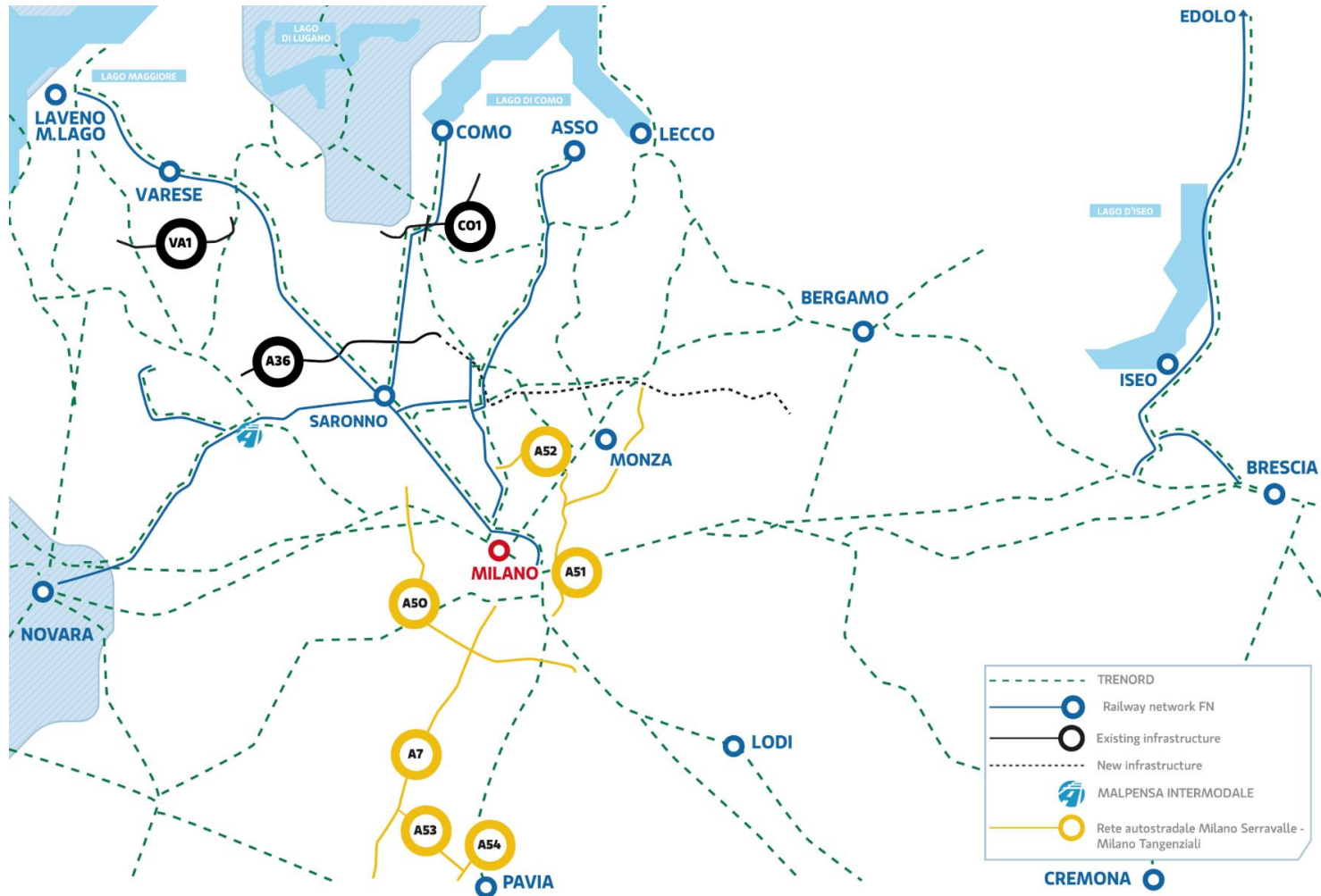
Key Financials (ITA GAAP)

<i>mln €</i>	FY 2020	FY 2019
Tolls	167,8	234,8
Other revenues	11,0	14,1
Total revenues	178,8	248,9
EBITDA	73,1	145,8
<i>EBITDA %</i>	41%	59%
EBIT	27,8	88,2
Net Income	4,8	57,8
Net debt (cash)	134,8	125,0
<i>Net Debt /EBITDA (x)</i>	1,8	0,9
CAPEX	50,4	53,6

1) Including the 13.6% stake purchased from ASTM Spa in July 2020; 2) following the €350mln capital increase fully subscribed by Regione Lombardia on Feb. 26 2021, Regione Lombardia owns the remaining 63.3% stake; 3) including junctions and local roads

FNM Group | MISE extension

FNM Group strengthens its positioning in the highest traffic demand areas in the Region



	km	mln vehic ¹ /km
Railway network FN	331	
milanoserravalle milanotangenziali		
Milano Serravalle - Milano Tangenziali S.p.A.		
A7 Milano - Serravalle	86,3	1.578
A50 West Ring Road	33,0	851
A51 East Ring Road	29,4	300
A52 North Ring Road	12,9	385
A53 Bereguardo-Pavia connection	9,1	n.d.
A54 Ring Road Pavia	8,4	n.d.
Total MiSe	179,1	3.114
A36+A59+A60 APL ²	30,0	287

1. In 2019; 2. excluding junctions and local roads

FNM Group | The core business: Motorway infrastructure management – rationale

A transformational deal for FNM

- Creation of a **unique integrated infrastructure operator in Italy** which will allow:
 - An **integrated management of the ever-growing demand for mobility**, with optimization of flows, reduction of polluting emissions and development of sustainable mobility
 - A **new approach to the offer of transport services** through the **synergic integration of nodes and networks**: from single services to an integrated and converging model
 - **System synergies** (strategy, planning, management, monitoring and control, innovation and technological know-how)
- Improvement of FNM Group's revenues, **enhancing the income profile and providing regulatory risk diversification**
- **Strengthening of geographical presence** in the Lombardy territory and in the areas with higher transportation demand
- **Further developments of infrastructures** in the Lombardy territory

Physical integration

Digital integration

Economic and organizational
efficiency

FNM Group | Combined financials of FNM and MISE

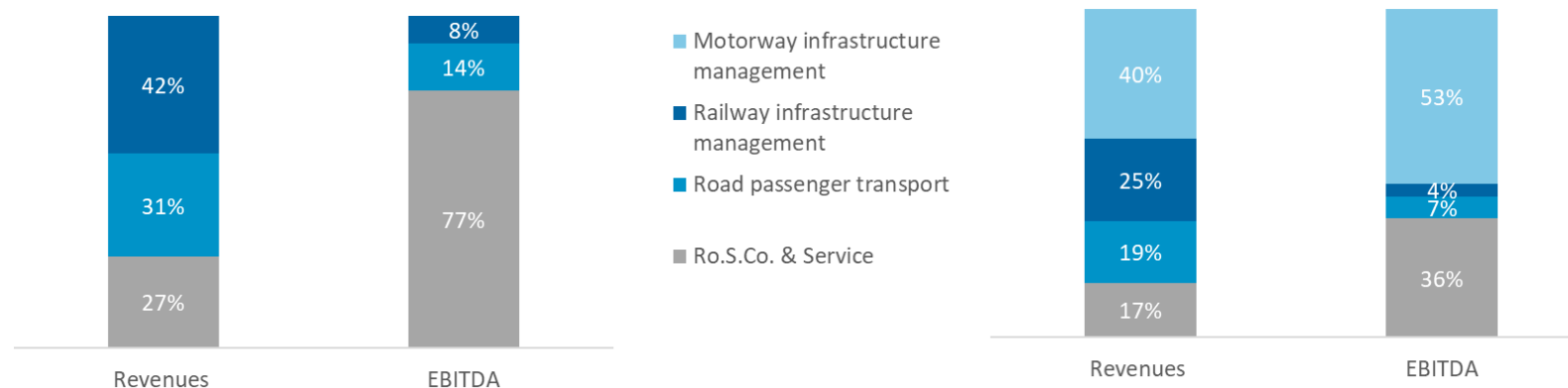
Pro forma, unaudited 2020 results – IFRS/IAS compliant

<i>mln €</i>	FNM consolidated stand alone	MISE stand alone	Combined FNM - MISE (unaudited - pro forma)
Revenues	281,3	200,3	481,6
Adj EBITDA*	70,1	79,7	147,0
<i>EBITDA margin</i>	25%	40%	31%
EBIT	26,4	25,2	54,4
Net profit (loss)	24,7	15,6	23,7
Adj. Net financial position	40,2	140,9	707,1
Adj. NFP/ Adj. EBITDA (x)	0,6	1,8	4,8

FNM stand alone¹

Combined FNM-MISE¹

Evolution of
EBITDA
composition and
business risk
diversification



1. % calculated excluding elisions

Economic and financial results

- Financial highlights
- FY 2020 consolidated results
- Shareholders and share performance

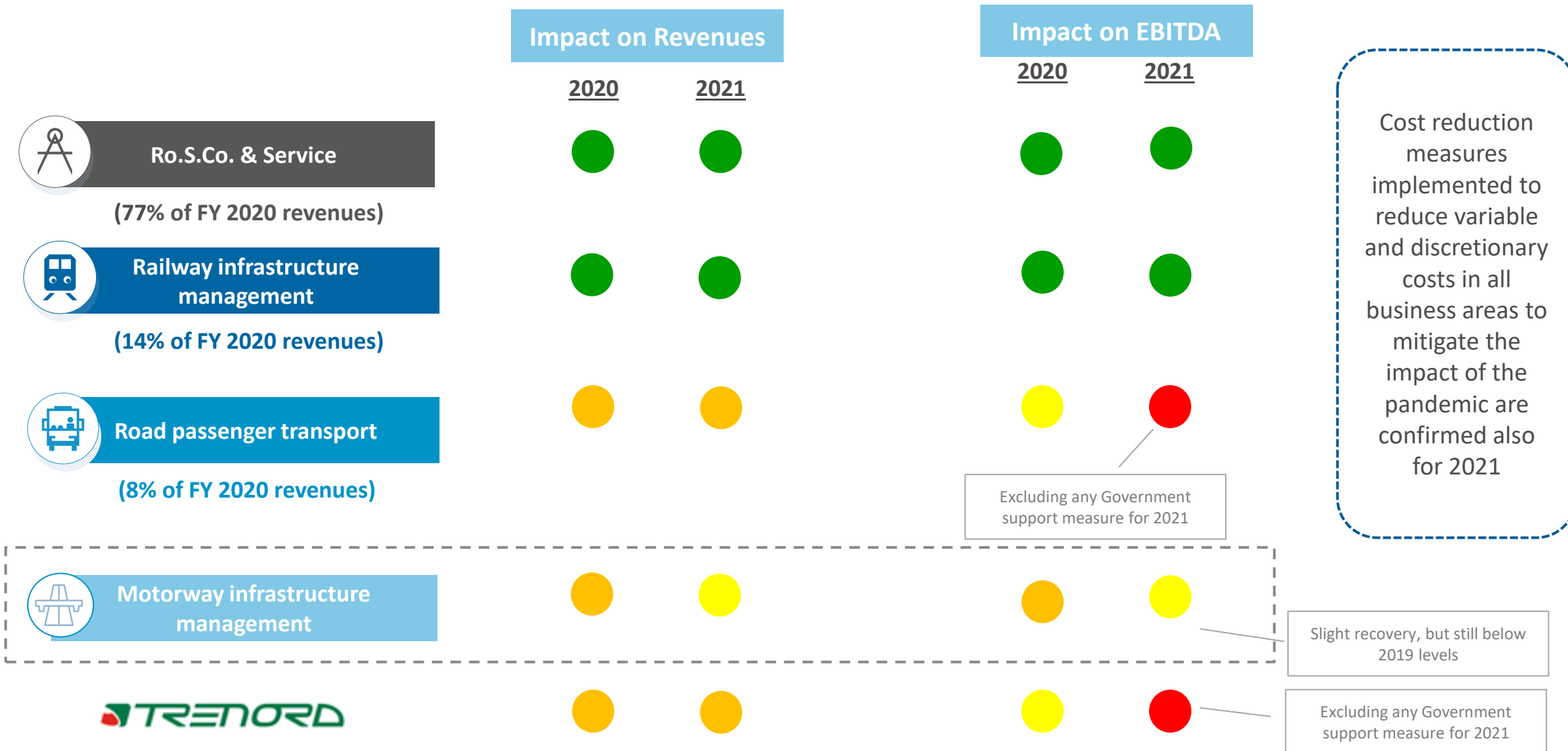
Mise acquisition

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FNM Group | COVID-19 IMPACTS ON FY2021 OUTLOOK



FNM Group | OUTLOOK FY 2021

Guidance

	TARGETS FY 2021 VS. 2020		
	FNM STAND ALONE ¹	FNM + MISE ²	FNM + MISE like for like basis ³
Revenues	In line	~+70%	In line
Adjusted EBITDA	> 20% decrease Excluding government support measures	2x	Slight increase (low single digit)
Adj. EBITDA margin		~+7 bps	In line
Adjusted NFP		Increase, within rating agencies requirements	

1. FNM at the same perimeter as in 2020; 2. guidance of FNM + Mise consolidated since February 26, 2021 versus FNM 2020 actual results

3. guidance on FNM +Mise on a like for like basis in FY2020 and FY2021

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Integrated sustainable mobility operator, able to read reality, investigating the “why” and “how” people, cities and companies move, to anticipate and offer the best solutions in terms of new mobility models



VISION

VISION

Improve the lives of people, cities and businesses, by developing connections and responding to mobility needs



MISSION

MISSION

Develop an integrated platform of mobility services, built to meet criteria of environmental and economic sustainability, which rationalizes and connects (physically and digitally) urban nodes, destinations and transport networks, to create social value and promote the productivity of the territory



VALORI

VALUES

In all its business activities, the Group operates in full consistency with the principles of **Responsibility, Integrity, Transparency, Efficiency, Merit and Sustainability**

FNM Group | Sustainability governance

The FNM Group has developed its own Governance system to promote the integration of Sustainability issues in the definition of business processes in all business areas and ensure compliance with current legislation through:



Internal committee of the BoD in charge of promoting an ethical environmental corporate policy, by monitoring economic, environmental and social expectations of the stakeholders of the group. It also oversees the process of drafting the financial statements of Sustainability-NFD assisted by CSR-Sustainability function



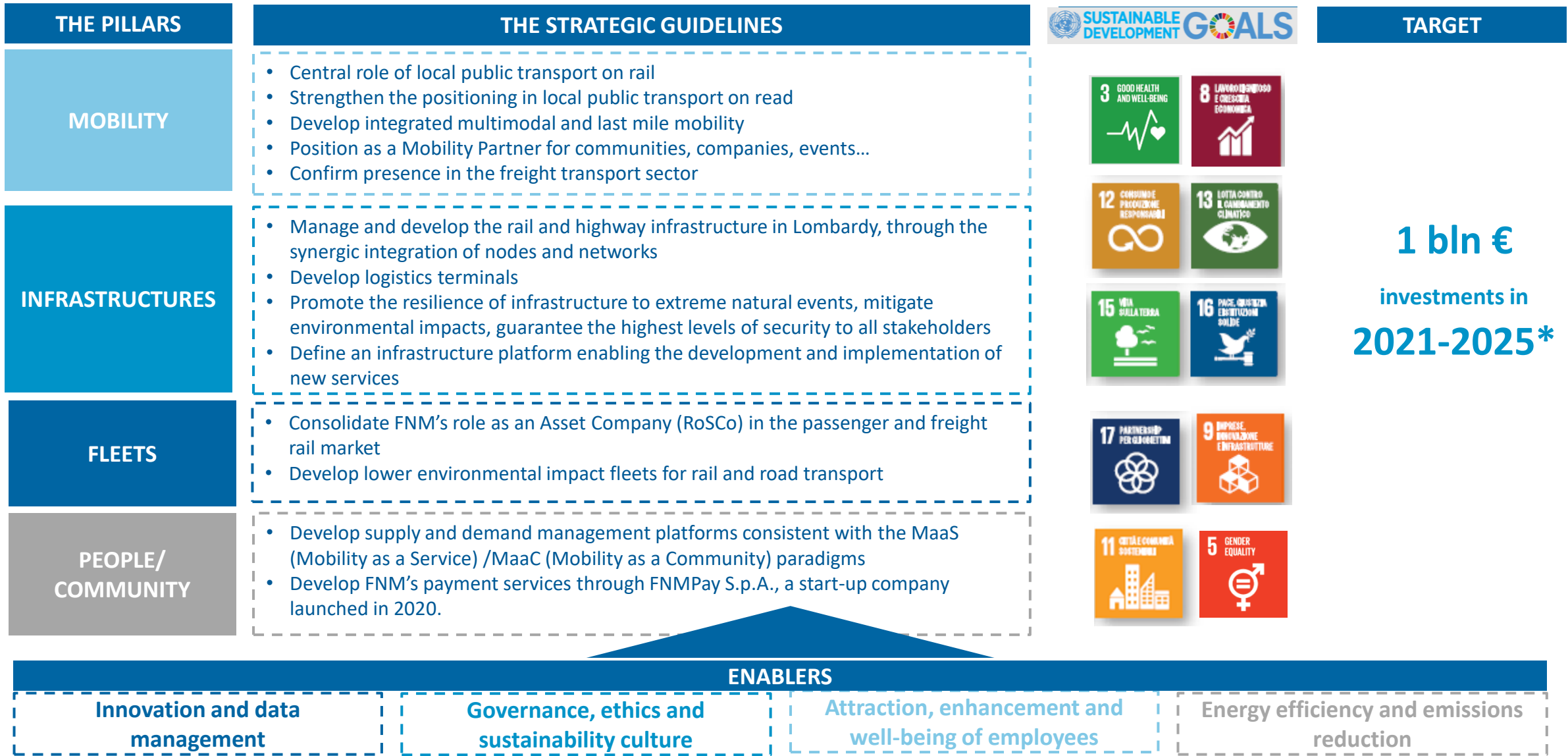
It is led by CSR-Sustainability function and composed of the members of the CSR Committee, a representative of each of the main business areas of FNM S.p.A. as well as of a representative of the companies included in the NFD perimeter.



Oversees and coordinates the CSR and Sustainability policies of the FNM Group

With the approval of the guidelines of the 2021-2025 Business Plan by FNM BoD on November 25, 2020, for the first time ESG principles become the driver of the Group's strategy, providing an integrated strategic vision to run the business sustainably.

FNM Group | The pillars and enablers of FNM strategic vision



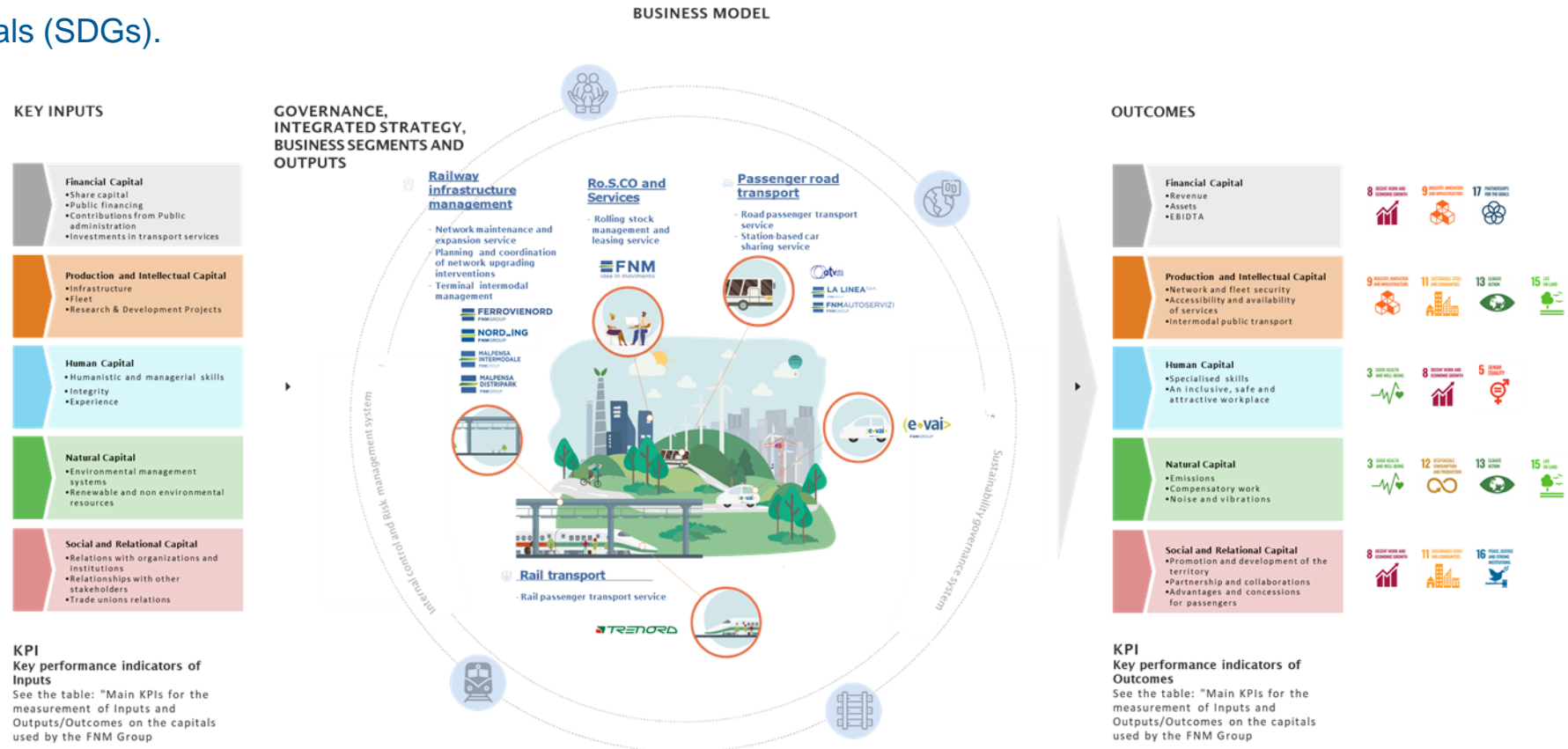
* On top of the investments for the acquisition of MISE

FNM Group | A BUSINESS MODEL INTEGRATED WITH SUSTAINABILITY



FNM Business Model






FNM Group's value creation is represented by the business model that integrates the principles of sustainability within the corporate strategy. Resources are defined as capitals, i.e. stocks of value that are increased, reduced or transformed by the organization's activity and outputs. Each capital contributes, in line with the guidelines of the Strategic Plan, to the achievement of the Sustainable Development Goals (SDGs).



FNM Group | FNM CREATION OF SHARED VALUE

The value created by the FNM Group: capitals



Capital	Description	Highlights
 <p>Financial</p>	Economic resources involved in production processes	<ul style="list-style-type: none"> The Economic Value Generated by the Group amounts to € 320.9 million, of which € 254.8 million distributed to stakeholders 52.4% of the distributed economic value is destined to suppliers, 44.5% to employees and 2.1% to the Public Administration 70% of the tender procedures launched in 2020 are subject to compliance with the ESG criteria
 <p>Production and intellectual</p>	Real estate, infrastructure and physical equipment used in the production of the services offered by the company, plus all intangible assets represented by the Group's organizational expertise and intellectual property	<ul style="list-style-type: none"> The Group continued its commitment to the expansion and renewal of the fleet with an investment of approximately € 32.5 million The fleet for local public transport is composed of 711 buses The car sharing car fleet is made up of 242 vehicles of which 229 are electric
 <p>Human</p>	The skills, expertise and experience of the people who work at the company	<ul style="list-style-type: none"> Training hours provided: 35,425 Total workforce: 2,265 40% of Group companies are ISO 45001-certified (Occupational Health and Safety Management System)
 <p>Natural</p>	All processes and environmental resources which contribute to the delivery of the services offered by the company	<ul style="list-style-type: none"> The FNM Group reduced emissions from electricity consumption by 37% compared to the previous year From 2021, 30% of electricity coming from renewable sources 80% of the waste produced by FERROVIENORD (ferrous material) is destined to recovery
 <p>Social and relational</p>	The ability of the company to create relationships with external stakeholders and to share value in order to increase individual and collective wellbeing	<ul style="list-style-type: none"> 3 partnerships to contribute to the SDGs Events dedicated to Sustainable Mobility and LPT: 11 Awareness campaign to prevent the spread of Covid-19 at station

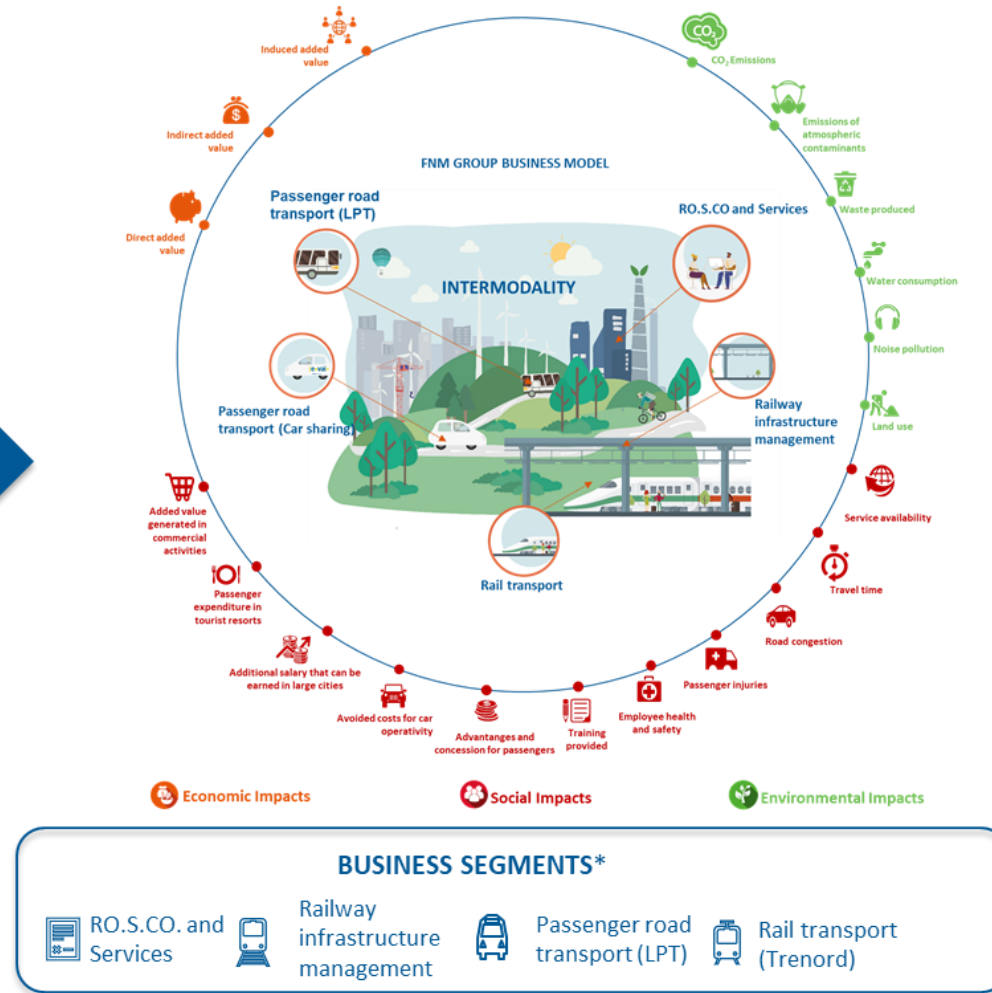
FNM Group | FNM TRUE VALUE

Impacts of the FNM Group

The direct and indirect impacts of FNM considered in the True Value model are shown below



-  Direct added value
-  Indirect added value
-  Induced added value
-  CO₂ Emissions
-  Emissions of atmospheric contaminants
-  Waste produced
-  Water consumption
-  Noise pollution
-  Land use
-  Service availability
-  Travel time
-  Road congestion
-  Passenger injuries
-  Employee health and safety
-  Training provided
-  Advantages and concessions for passengers
-  Avoided costs for car operativity
-  Additional salary that can be earned in large cities
-  Passenger expenditure in tourist resorts
-  Added value generated in commercial activities



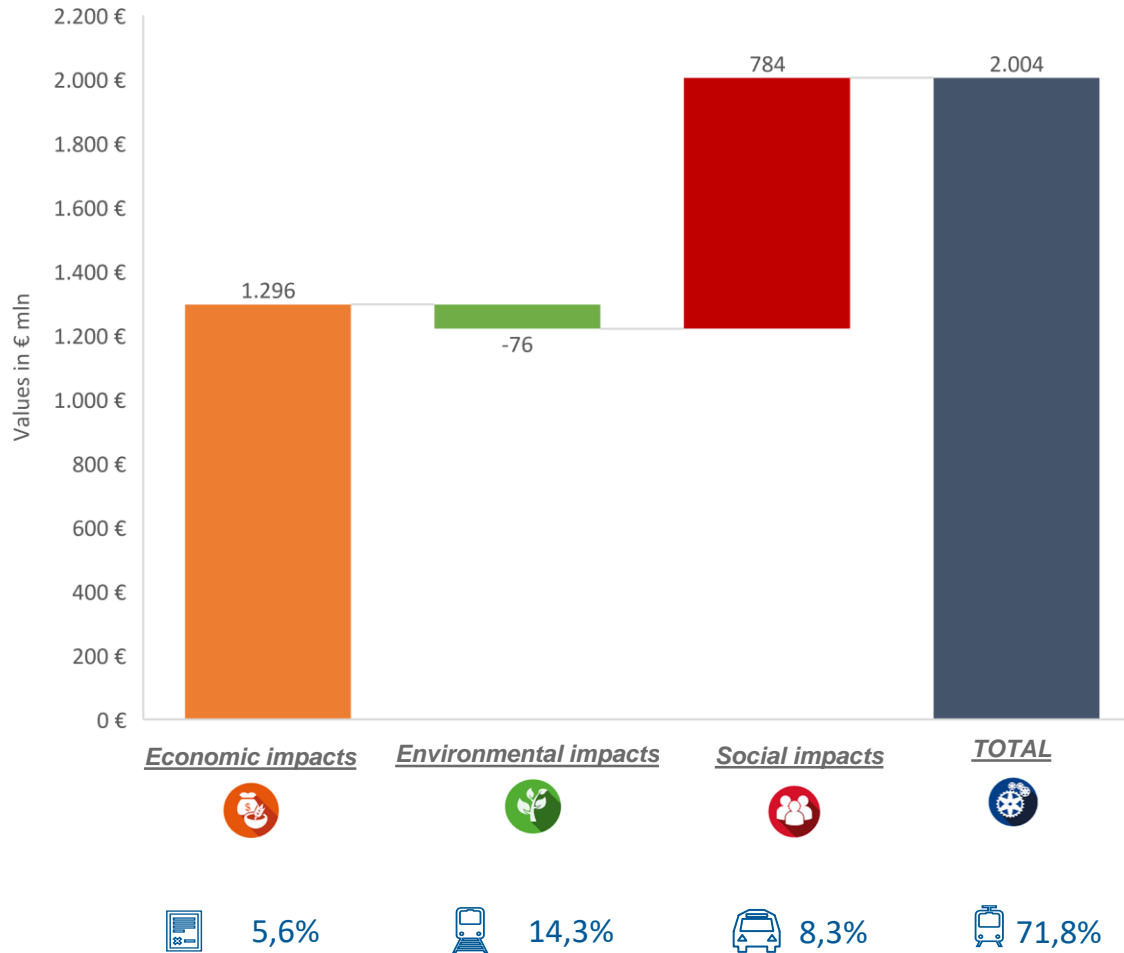
* The "Railway Transport" sector includes the activities carried out by Trenord, a jointly controlled company and therefore not included in the consolidation perimeter of the FNM Group and not representative of a specific segment, but included in the perimeter of the NFRD.

FNM Group | FNM TRUE VALUE

The value of the FNM Group activity



FNM Group's True Value Bridge in 2020



The True Value attributable to the total impacts of the FNM Group amounts to around **€ 2 billion** of which about 65% is generated by economic impacts.

True Value is a KPMG methodology that measures the “real” value created by an organization, identifying and quantifying its economic, social and environmental externalities.

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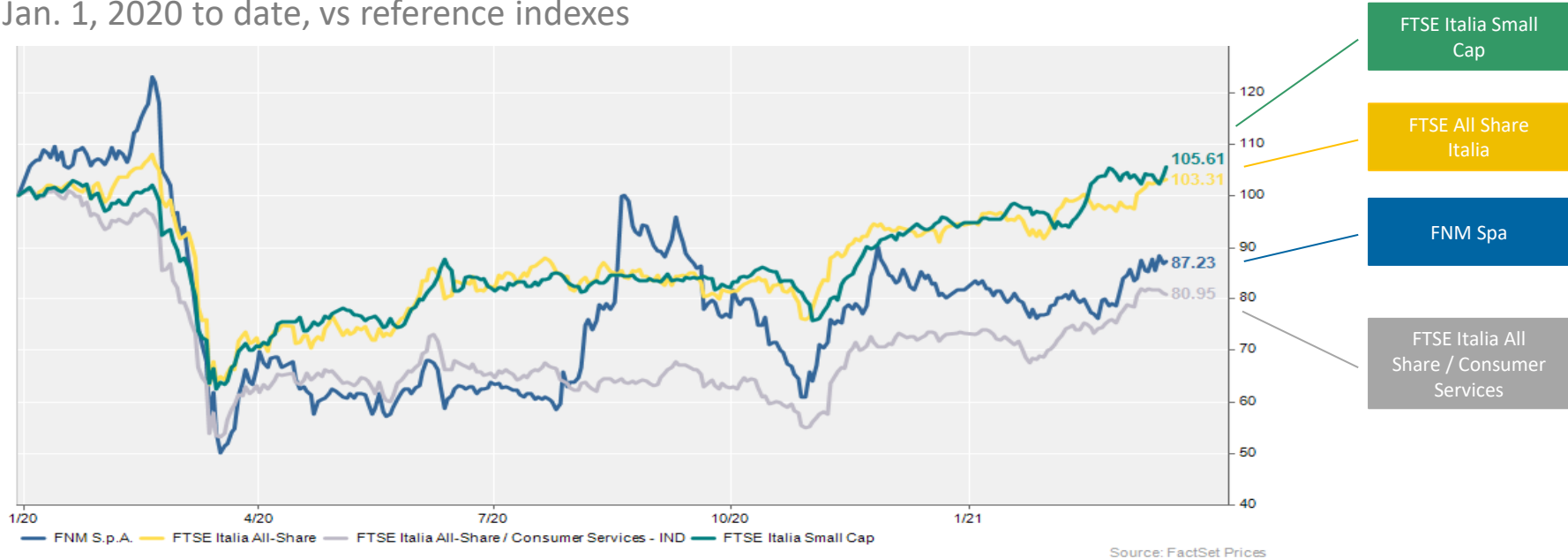
Sustainability

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- Shareholders and share performance
- Consolidated Profit and Loss
- Revenues breakdown - segment details
- Profit (loss) of companies consolidated at equity
- Consolidated balance Sheet
- NetFinancial Position composition
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FNM Group | Shareholders and share performance

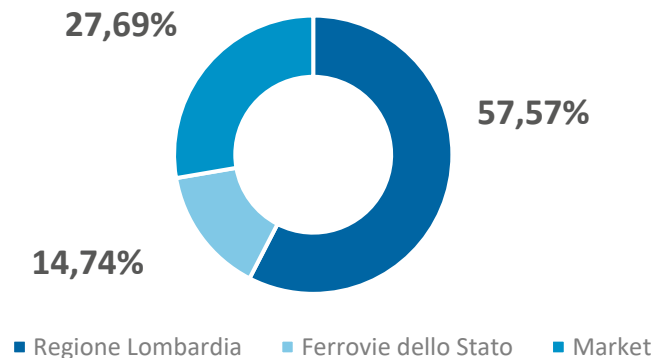
Relative performance Jan. 1, 2020 to date, vs reference indexes



Share capital profile

Market capitalization as at March 18, 2021	€264.4 mln
N. Of shares	434.9 mln
Average traded volume (last 30 days)	590,102
2021 YTD change	4,47%

Shareholders



FNM Group | Consolidated Profit & Loss

(€M)	FY 2020	FY 2019	Var.	Var.%
Revenues from sales and services	258,8	279,2	(20,4)	-7,3%
Other revenues and income	22,5	21,4	1,1	5,1%
Total revenues and other income	281,3	300,6	(19,3)	-6,4%
Operating costs	(97,7)	(105,5)	7,8	-7,4%
Personnel costs	(113,5)	(125,5)	12,0	-9,6%
ADJ. EBITDA	70,1	69,6	0,5	0,7%
Non-ordinary income (expense)	(1,9)	1,4	(3,3)	nm
EBITDA	68,2	71,0	(2,8)	-3,9%
Depreciation and amortisation	(41,8)	(40,7)	(1,1)	2,7%
EBIT	26,4	30,3	(3,9)	-12,9%
Net financial income (expense)	(0,1)	(2,4)	2,3	nm
<i>of which gains on divestments</i>	1,0	0,0	1,0	nm
EARNINGS BEFORE TAXES	26,3	27,9	(1,6)	-5,7%
Income taxes	(3,6)	(5,0)	1,4	-28,0%
ADJUSTED NET PROFIT (LOSS)	22,7	22,9	(0,2)	-0,9%
Profit (Loss) of companies consolidated at equity	2,0	8,0	(6,0)	nm
Net Profit (Loss)	24,7	30,9	(6,2)	-20,1%
Minority interest in Net Profit (Loss)	0,5	0,6	(0,1)	-16,7%
Group Net Profit (Loss)	24,2	30,3	(6,1)	-20,1%

FNM Group | Consolidated Profit & Loss – segment details



Railway infrastructure management

(€M)	FY 2020	FY 2019	Var.	Var.%
Public contracts and grants	100,5	99,6	0,9	0,9%
Rolling stock leasing	9,3	8,5	0,8	9,4%
Other revenues	17,1	16,5	0,6	3,6%
Total revenues	126,9	124,6	2,3	1,8%
Adj. EBITDA	5,8	4,1	1,7	41,5%
Adj. EBITDA/Revenues %	4,6%	3,3%		
EBIT	3,6	4,4	(0,8)	-18,2%



Road transport

(€M)	FY 2020	FY 2019	Var.	Var.%
Public contracts and grants	47,6	46,4	1,2	2,6%
Transport services	35,3	62,3	(27,0)	-43,3%
Other revenues	11,8	9,6	2,2	22,9%
Total revenues	94,7	118,3	(23,6)	-19,9%
Adj. EBITDA	10,0	13,2	(3,2)	-24,2%
Adj. EBITDA/Revenues %	10,6%	11,2%		
EBIT	(1,7)	1,7	(3,4)	nm



Ro.S.Co. & Service

(€M)	FY 2020	FY 2019	Var.	Var.%
Rolling stock leasing	56,9	55,8	1,1	2,0%
Other revenues	27,1	26,8	0,3	1,1%
Total revenues	84,0	82,6	1,4	1,7%
Adj. EBITDA	54,3	52,3	2,0	3,8%
Adj. EBITDA/Revenues %	64,6%	63,3%		
EBIT	24,4	24,2	0,2	0,8%

Partial compensation from higher revenues from public contracts and grants thanks to the compensation measures implemented by the Government (restoration of lower ticketing revenues equal to €4.1 mln)

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

(€ '000)	FY 2020	FY 2019	Var.	Var.%
Trenord Srl ¹	(3.796)	1.598	(5.394)	nm
Nord Energia Spa ²	2.567	3.377	(810)	-24%
DB Cargo Italia Srl	1.813	1.722	91	5%
Omnibus Partecipazioni Srl ³	1.052	1.192	(140)	-12%
NordCom Spa	283	460	(177)	-38%
Conam Srl	44	55	(11)	-20%
SeM S Srl in liquidazione	81	34	47	nm
Fuorimuro Srl ⁴	0	(391)	391	nm
Profit (Loss) of companies consolidated at equity	2.044	8.047	(6.003)	nm

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

4 - the result of the investment in Fuorimuro was equal to zero as a result of the sale on March 10 2020, adjusted to fair value on December 31, 2019

FNM Group | Consolidated Balance Sheet

(€M)	Dec. 31, '20	Dec. 31, '19	Var.
Inventories	8,7	8,9	(0,2)
Trade receivables	82,6	64,6	18,0
Other current receivables	99,0	60,9	38,1
Trade payables	(177,5)	(175,7)	(1,8)
Other current payables and current provisions	(70,7)	(91,0)	20,3
Net Working Capital	(57,9)	(132,3)	74,4
Fixed assets	468,3	432,3	36,0
Equity interests	168,0	84,9	83,1
Non-current receivables	24,2	21,6	2,6
Non-current liabilities	(24,4)	(28,2)	3,8
Provisions	(60,9)	(60,9)	0,0
Assets and liabilities held for sale	0,0	29,5	(29,5)
NET INVESTED CAPITAL	517,3	346,9	170,4
<i>Equity</i>	<i>477,1</i>	<i>454,3</i>	<i>22,8</i>
Adjusted Net Financial Position (Debt/-Cash)	43,7	(39,9)	83,6
Net Financial Position for funded investments (cash)	(3,5)	(67,5)	64,0
<i>Net Financial Position (Debt/-Cash)</i>	<i>40,2</i>	<i>(107,4)</i>	<i>147,6</i>
TOTAL SOURCES	517,3	346,9	170,4

Of wich on December 31, 2020:
 - Trains 334 mln euros
 - Buses: 35 mln euros

FNM Group | Consolidated Balance Sheet – NFP composition

(€M)	Dec. 31, '20	Dec. 31, '19	Var.
Cash and bank deposits	(126,1)	(156,4)	30,3
Current financial receivables	(0,1)	(49,3)	49,2
Current financial debt	101,2	94,3	6,9
Current Net Financial Position (Debt/-Cash)	(25,0)	(111,4)	86,4
Non-current financial debt	68,7	71,5	(2,8)
Adjusted Net Financial Position (Debt/-Cash)	43,7	(39,9)	83,6
Net Financial Position for funded investments (Debt/-Cash)	(3,5)	(67,5)	64,0
Net Financial Position (Debt/-Cash)	40,2	(107,4)	147,6

FNM Group | Main features of the Sustainability Report 2020



Overview

The main new elements of the Sustainability Report 2020 are:

- Review of the main material topics and the Group's materiality matrix
- Group's business model update
- Dedicated chapter to the impacts of the Coronavirus pandemic
- Integration of information requested by investors and rating agencies
- Quantification of the generated economic, environmental and social impacts

Reference regulations and methodological standards

The Consolidated Disclosure of Non-Financial Information has been written in compliance with the provisions of the following regulations and methodological standards:



Legislative Decree
No. 254/2016



GRI Sustainability
Reporting
Standards



International <IR>
framework

FNM Group | Sustainability Report Contents

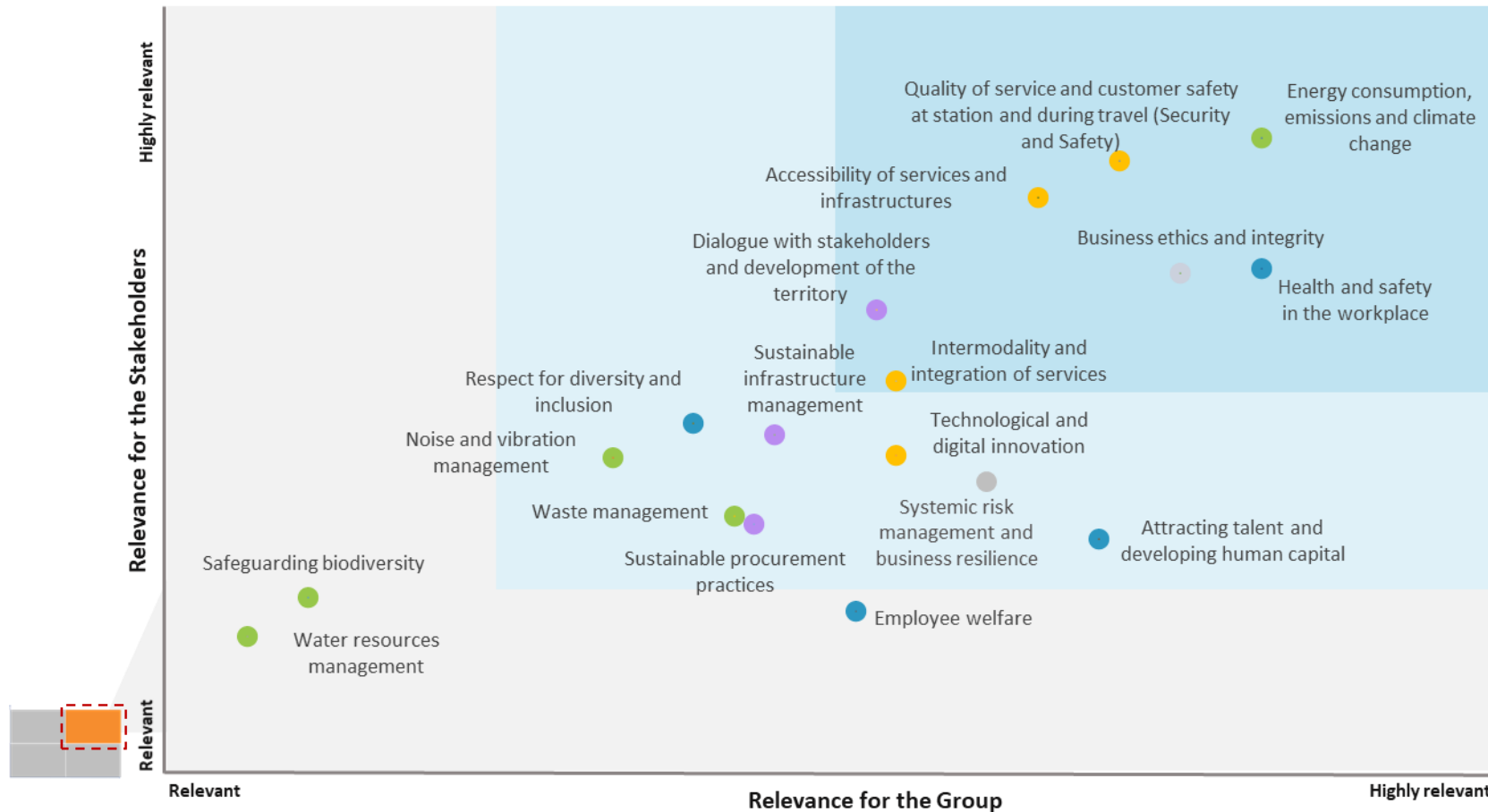
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FNM Group | Materiality matrix 2020



The Top Management and Stakeholders' perspective on FNM Sustainability



- Environmental responsibility
- Governance, integrity and economic responsibility
- Human resources
- Responsibility towards customers, infrastructures and transport systems
- Social responsibility (community) and supply chain



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