

(Translation from the Italian original which remains the definitive version)

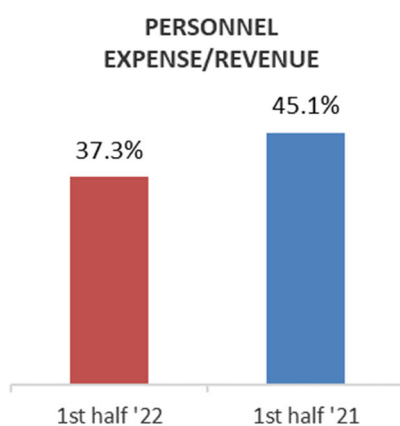
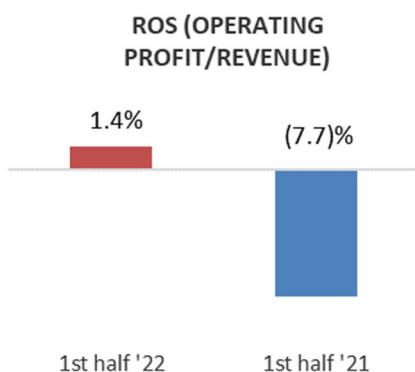
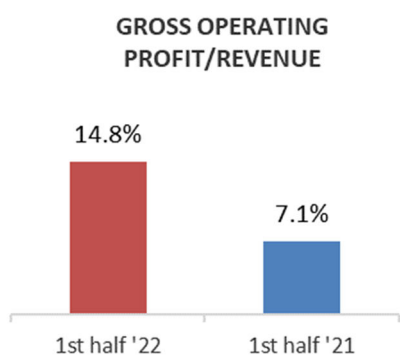
**FS ITALIANE GROUP AND FERROVIE DELLO  
STATO ITALIANE S.P.A.  
2022 INTERIM REPORT HIGHLIGHTS**

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## Consolidated results



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<b>Financial highlights</b>	<b>First half of 2022</b>	<b>First half of 2021</b>	<b>Change</b>	<b>%</b>
Revenue	6,131	5,285	846	16.0
Operating costs	(5,222)	(4,909)	(313)	(6.4)
Gross operating profit	909	376	533	141.8
Operating profit (loss)	86	(409)	495	121.1
Profit (loss) for the period	47	(438)	485	110.6
Total cash flows	(703)	190	(893)	>200
Investments of the period/year	2,923	3,776	(853)	(22.6)
	<b>30.06.2022</b>	<b>31.12.2021</b>	<b>Change</b>	<b>%</b>
Net invested capital (NIC)	51,757	50,423	1,334	2.6
Equity (E)	41,705	41,551	154	0.4
Net financial debt (NFD)	10,052	8,872	1,180	13.3
NFD/E	0.24	0.21		

# The group's financial position and performance

## Introduction

For the purposes of describing its financial position and performance, the group prepared reclassified financial statements (presented on the next pages) in addition to those required by the IFRS adopted by the FS Italiane Group. The reclassified financial statements comprise performance indicators, which management deems useful in monitoring the group's performance and in presenting the financial results of the business.

The change in the consolidation scope resulting from the sale of the Tuscany business unit following the Council of State's ruling no. 47719/2021 of 21 June 2021 (which confirmed the awarding of the tender for the assignment of the Tuscany Region's LPT service to Autolinee Toscane S.p.A. and established that the personnel and assets of Busitalia Sita Nord S.r.l., Ataf Gestioni S.r.l. and its consortium companies must be transferred to the incoming operator by 1 November 2021) is shown separately to allow a better understanding of the comments on the group's financial performance during the six-month period and the changes compared to the previous period.

The FS Italiane Group's results for the first six months of 2022 reflect the performance of the core business amidst a context of significant uncertainty and worsening global economic prospects due to the conflict in Ukraine, critical issues relating to energy commodities and the effects of the Chinese authorities' Zero Covid policy, which is creating supply chain bottlenecks. However, lawmakers in Italy and the foreign countries where the group operates have progressively lifted restrictions on the mobility of people, which has played a key role in the results for the period. It follows that the figures show a net improvement in turnover and the operating profit, as well as the profit for the period.

## Reclassified income statement

	First half of 2022	First half of 2021	Change	%	Change in consolidation scope	Change on a like- for-like basis	%
	millions of Euros						
<b>REVENUE</b>	<b>6,131</b>	<b>5,285</b>	<b>846</b>	<b>16</b>	<b>(47)</b>	<b>893</b>	<b>17</b>
<b>OPERATING COSTS</b>	<b>(5,222)</b>	<b>(4,909)</b>	<b>(313)</b>	<b>(6)</b>	<b>52</b>	<b>(365)</b>	<b>(7)</b>
<b>GROSS OPERATING PROFIT</b>	<b>909</b>	<b>376</b>	<b>533</b>	<b>142</b>	<b>5</b>	<b>528</b>	<b>140</b>
Amortisation, depreciation, provisions and impairment losses	(823)	(785)	(38)	(5)	3	(41)	(5)
<b>OPERATING PROFIT (LOSS)</b>	<b>86</b>	<b>(409)</b>	<b>495</b>	<b>121</b>	<b>8</b>	<b>487</b>	<b>119</b>
Net financial expense	(28)	(29)	1	3		1	3
<b>PRE-TAX PROFIT (LOSS)</b>	<b>58</b>	<b>(438)</b>	<b>496</b>	<b>113</b>	<b>8</b>	<b>488</b>	<b>111</b>
Income taxes	(11)		(11)			(11)	
<b>PROFIT (LOSS) FROM CONTINUING OPERATIONS</b>	<b>47</b>	<b>(438)</b>	<b>485</b>	<b>111</b>	<b>8</b>	<b>477</b>	<b>109</b>
<b>PROFIT (LOSS) FOR THE PERIOD</b>	<b>47</b>	<b>(438)</b>	<b>485</b>	<b>111</b>	<b>8</b>	<b>477</b>	<b>109</b>
<i>Profit (loss) for the period attributable to the owners of the parent</i>	47	(431)	478				
<i>(Profit) loss for the period attributable to non-controlling interests</i>		(7)	7				

The first half of 2022 ended with a **profit** of €47 million compared to a loss of €438 million for the first half of the previous year, showing an increase of €485 million or approximately 111%.

The **gross operating profit** of €909 million shows an increase of €533 million (+142%) which, net of the effects of the change in the consolidation scope described above, would have in any case been €528 million (+140%). The improved

performance in the gross operating profit is even more meaningful when considered in light of the fact that the FS group companies received fewer Covid-19 relief grants than in the first half of 2021 (approximately -€73 million).

**Revenue** increased by €846 million (+16%) as a result of the rise in revenue from transport services (€607 million), revenue from infrastructure services (€212 million) and other revenue from contracts with customers (€31 million). On the other hand, other revenue and income decreased slightly by €4 million during the period.

Specifically, with respect to the components of **revenue from transport services** (+€607 million):

- revenue from the HS and Intercity business totalled €397 million, with the commercial service up €330 million and the Intercity service up €67 million. Revenue from the national HS business rose by €319 million (+126%), thanks to a 157% increase in demand and the elimination of the scattered seating requirement on board trains as from 1 April 2022<sup>1</sup>. In addition, another €11 million in revenue was generated by Trenitalia France with the departure of Frecciarossa connections between Milan, Turin, Lyon and Paris. The Intercity business, which expanded in 2022 to include international routes, saw a €67 million increase (+92%) in revenue due to the substantial recovery of demand (+76%) and the increase in saleable seats per km on these trains, as they were permitted to operate at full capacity starting 1 April 2022;
- revenue from regional railway passenger transport services increased by €215 million, including €166 million relating to domestic transport and €49 million to international transport. The growth in revenue from domestic passenger transport services is due to the lifting of Covid-19 restrictions, like social distancing and limited seating on board trains. The recovery in the use of railway transport can be seen in the sharp increase in demand measured in passenger-km (+74%) with no change in the amount of services offered. In fact, production measured in terms of train-km is down by a negligible 0.2% on the first half of 2021. Foreign revenue increased significantly in nearly all the countries where the group operates, with rises of €15 million in Greece and €14 million in the United Kingdom, due to the progressive lifting of Covid-19 restrictions, while revenue on the German market rose €20 million due to the increase in the number of passengers on board trains;
- revenue from passenger road transport decreased by €12 million in the first half of the year. However, this was due to the loss of revenue from the Tuscany business (-€40 million). Not considering that change, revenue from passenger road transport would have increased by €28 million, with international and national revenue respectively up €15 million and €13 million;
- finally, revenue from railway freight transport increased by €5 million, mostly driven by the group's foreign companies (+€11 million) which, having resumed operations, more than offset the many difficulties faced domestically, mainly due to the conflict in Ukraine, the consequences of the 3 June 2022 derailment near the Rome Tiburtina station, the shortage of semi-conductors with an impact on the automotive business and the 23 March 2022 cyber attack on the FS Group's technological infrastructure, which impacted, among other things, service regularity, with specific repercussions on freight transport.

**Revenue from infrastructure services** increased by €212 million on the same period of the previous year, mainly attributable to Anas (+157 million), reflecting the trend in service and concession consideration linked to road traffic, and RFI S.p.A., which recorded a €58 million increase in toll revenue following the growth in traffic volumes, especially in the premium and basic segments.

The residual increase in revenue (+€24 million) mostly refers to the greater sale of electrical energy for traction to non-group companies (€37 million), tied to the sharp increase in the price of electrical energy used by the railway companies

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<sup>1</sup> Until then, the maximum capacity on board long-haul trains was 50% of available seats.

for train traction and the fact that energy requirements increased after trains resumed operations compared to the previous half year when Covid-19 restrictions were in place, the increase in other services like rolling stock maintenance, freight terminal management and health services (+€12 million), greater revenue from the lease of rolling stock, the capitalisation of work on property held for trading and revenue from property management (+€17 million). Partly offsetting this increase, sales of land and buildings held for trading are down €23 million and revenue from grants shows an overall decrease of €24 million (-€19 million, net of the grants recognised in June 2021 for the Tuscany business).

**Operating costs** amount to €5,222 million, up by €313 million on the same period of the previous year. The effect of the above-mentioned change in the consolidation scope had a positive impact of €52 million (greater costs recognised in June 2021) on this increase. Consequently, net of this change, the increase would be greater and equal to €365 million (7%). Specifically:

- net personnel expense decreased by €99 million (-€67 million net of the change in the consolidation scope), mainly due to the release of previous accruals for the renewal of the national labour agreement (€105 million) after the new agreement was signed. In addition to this release, smaller accruals were recognised for contract renewals (€63 million), with higher personnel expense for employees (€91 million) and other costs (€10 million);
- other costs, net increased by €412 million (€432 million excluding the Tuscany business transaction) and mainly related to: (i) greater costs for electrical energy and fuel for traction (+€140 million) following the higher price of electrical energy (which alone generated an increase of €80 million) and the rise in consumption as traffic recovered; (ii) greater costs for lighting and driving force (+€50 million), which are also mostly linked to the spike in the cost of energy; (iii) greater costs for maintenance, cleaning, other contracted services and utilities (+€94 million). The first half of 2022 also includes the accrual to the risk provision for court and out-of-court disputes concerning work on state roads (€116 million) by Anas S.p.A.. This accrual is fully covered by revenue from construction services.

As a result of the trend in revenue and operating costs described above, the **gross operating profit** amounts to €909 million, compared to €376 million in the first half of 2021.

The **operating profit** amounts to €86 million (operating loss of €409 million in the first half of 2021), up €495 million (+121%). Greater amortisation, depreciation and impairment losses in the period (+€38 million) are mainly attributable to the increase the depreciation rates (based on train-km), following the resumption of traffic, and greater impairment losses on financial assets.

**Net financial expense** amounts to €28 million, an improvement of €1 million on the same period of the previous year. Financial income is down €28 million, mainly due to the effect of non-recurring items in the first half of 2021 that did not arise in the same period of 2022, like the effects of discounting the 2021 Covid-19 grants 2021 and the interest income on a 1995 loan relating to the Basilicata region. Financial expense is up €10 million and includes the accrual to the provision for risks and financial charges (€16 million) as a consequence of the Russia-Ukraine conflict. The group's share of profits of equity-accounted investees entailed an increase of €39 million in this caption.

**Income taxes** total €11 million, mainly due to the increase in net deferred taxes.

## Reclassified statement of financial position

millions of Euros

	30.06.2022	31.12.2021	Change
<b>ASSETS</b>			
Net operating working capital	852	(124)	976
Other assets, net	2,135	2,331	(196)
<b>Working capital</b>	<b>2,987</b>	<b>2,207</b>	<b>780</b>
Net non-current assets	52,568	52,251	317
Other provisions	(3,798)	(4,051)	253
Net assets held for sale		16	(16)
<b>NET INVESTED CAPITAL</b>	<b>51,757</b>	<b>50,423</b>	<b>1,334</b>
<b>COVERAGE</b>			
Net current financial (position) debt	785	(366)	1,151
Net non-current financial position	9,267	9,238	29
<b>Net financial position</b>	<b>10,052</b>	<b>8,872</b>	<b>1,180</b>
<b>Equity</b>	<b>41,705</b>	<b>41,551</b>	<b>154</b>
<b>COVERAGE</b>	<b>51,757</b>	<b>50,423</b>	<b>1,334</b>

The group's **net invested capital** of €51,757 million increased by €1,334 million in the first half of the year as the net effect of greater **working capital** (+€780 million) and **net non-current assets** (+€317 million) and lower **other provisions** (+€253 million) and **net assets held for sale** (-€16 million).

**Net operating working capital** amounts to €852 million, up by €976 million on the previous year end, and is the combined effect of the following main trends:

- larger amounts due from the Ministry of Economy and Finance (MEF) for the Service Contract (+€47 million) and from the regions for their Service Contract (+€141 million), substantially due to the amount due to Trenitalia S.p.A. as a result of the trend in payments of consideration;
- greater trade receivables (+€214 million) mainly relating to:
  - the increase in advances to suppliers (+€160 million) primarily due to the continuation of contract work in progress;
  - greater amounts for tolls and services related to the railway infrastructure (+€21 million) following the recovery of railway traffic;
  - the increase in trade receivables related to mobile telephone networks for the granting of the right to use RFI's radio-propagation infrastructure in the national infrastructure tunnels and ancillary services (+€28 million);
  - greater trade receivables in the freight sector in the wake of the economic difficulties created by the ongoing conflict in Ukraine and Covid-19, which lengthened collection times (+€24 million);
- increased inventories (+€119 million), mainly due to greater purchases, and higher consumption of rolling stock and for the infrastructure, along with the rise in the price of raw materials;

- the decrease in trade payables (+€452 million) mainly due to the payments made in the first half of the year for investments.

**Other assets, net**, which amount to €2,135 million, are down €196 million essentially due to smaller net assets from the Ministry of Economy and Finance (MEF), the Ministry of Sustainable Infrastructure and Mobility (MIMS) and other Italian government bodies/administrations (-€180 million), as the effect of the accruals-based accounting of new grants related to the extraordinary relief paid by the Italian government following the Covid-19 emergency, net of collections. In addition to this, there was a net increase in VAT liabilities in the period (-€35 million) and a decrease in deferred tax assets (-€17 million), partly offset by other net assets (+€34 million).

**Net non-current assets** of €52,568 million increased by €317 million, substantially due to:

- the €2,923 million increase in the period, offset by the recognition of grants related to assets on an accruals basis (€1,840 million) and amortisation and depreciation of the period (€806 million);
- gains on equity-accounted investees (€41 million) mainly due to their profits for the period and Tunnel Ferroviario del Brennero S.p.A.'s subscription of BBT SE's capital increase through the issue of new ordinary shares to be offered to shareholders, partly offset by the MEF's grants related to assets assigned to RFI S.p.A..

**Other provisions** decreased by €253 million, essentially due to the reduction in post-employment benefits and other employee benefits (+€178 million), mainly following payments to outgoing personnel in the period, advances paid and actuarial gains recognised in equity, as well as the decrease in other risk provisions (+€78 million) as the net effect of accruals, utilisations and releases of the period.

**Net assets held for sale** show a nil balance, down €16 million on 31 December 2021, when this caption included the railway infrastructure of OHE AG in Lower Saxony and Sippel's headquarters in Hofheim, near Frankfurt, which was then sold in the first half of 2022.



millions of Euros

<b>Net financial position</b>	<b>30.06.2022</b>	<b>31.12.2021</b>	<b>Change</b>
<b>Net current financial (position) debt</b>	<b>785</b>	<b>(366)</b>	<b>1,151</b>
Cash pooling accounts	(537)	(972)	435
Fifteen-year grants from the MEF	(10)		(10)
Loans and borrowings from other financial backers	17	11	6
Bank loans and borrowings	3,254	2,264	990
Bonds	378	499	(121)
Concession assets	(1,853)	(1,613)	(240)
Contract advances	490	577	(87)
Current financial liabilities	147	152	(5)
Current derivatives			
Other	(1,100)	(1,284)	184
<b>Net non-current financial position (debt)</b>	<b>9,267</b>	<b>9,238</b>	<b>29</b>
Fifteen-year grants from the MEF	(98)		(98)
Loans and borrowings from other financial backers	9	22	(13)
Bank loans and borrowings	1,442	1,846	(404)
Bonds	7,168	7,033	135
Concession assets	(1,309)	(1,554)	245
Contract advances	1,322	1,171	151
Non-current financial liabilities	607	572	35
Non-current derivatives	18	(1)	19
Other	107	149	(42)
<b>Total</b>	<b>10,052</b>	<b>8,872</b>	<b>1,180</b>

**Net financial debt** of €10,052 million increased by €1,180 million on 31 December 2021, essentially the net effect of the following factors:

- the increase in bonds (+€14 million), substantially attributable to the latest private bond placement with Eurofima to finance the investments for the €160 million plan to renew and upgrade rolling stock, partly offset by the repayments in the half year;
- the increase in bank loans and borrowings (+€586 million), mostly due to the net effect of:
  - the rise in current and non-current funding to finance part of the annual requirements of the railway infrastructure operator;
  - the repayment of principal on loans from the EIB and Intesa Sanpaolo used to finance the purchase of new rolling stock for medium, long-haul and regional transport;

- the increase in the amount due from the MEF (-€108 million) relating to the discounted amount of the grants under article 25.1 of Decree law no. 4 of 27 January 2022, converted with Law no. 25 of 28 March 2022 for relief from the impact of Covid-19 on the railway infrastructure business;
- the decrease in financial assets for service concession arrangements (+€5 million), which was the net effect of the increase in assets due in connection with production output on the infrastructure operated under concession arrangements and mainly referring to roads, and the decrease due to collections of refunds in the period from the Ministries or authorities;
- the net decrease in other financial assets and financial liabilities (+€142 million), mainly due to the trend in payments of the period, net of collections on bank and postal accounts and the loan granted to the Trenitalia-TPER joint venture to finance the purchase of regional trains;
- the decrease in the cash pooling balance (+€435 million), which comprises the payments made by the MEF in accordance with the Programme Contract for railway infrastructure;
- the decrease in loans and borrowings from other financial backers (-€7 million), substantially due to the repayment of the loans with Cassa Depositi e Prestiti taken out to finance railway infrastructure (the traditional and high-speed networks);
- the increase in lease liabilities (+€30 million), mainly due to new liabilities recognised for right-of-use assets;
- the increase in derivatives recognised under liabilities relating to fair value hedges (+€19 million) reflecting the trend in interest rates during the period;
- the increase in contract advances (+€64 million) due to the portion of grants already collected by Anas S.p.A. for work not yet completed.

**Equity** increased by €154 million from €41,551 million to €41,705 million mainly as a result of the following:

- the increase in the profit for the period, which amounts to €47 million;
- the €176 million decrease in valuation reserves;
- the net decrease of €72 million in the balance of derivatives.

### **Significant financial transactions for the group**

#### **Interest rate hedges**

On 2 February 2022, Trenitalia S.p.A. entered into contracts to hedge interest rate risk on the parent's private placement with the EIB (series 18) of December 2021, consisting of three IRS of €350 million with three investment grade banks. The start and end dates of each hedge were in June 2022 and 2025, respectively. These transactions will enable the parent to manage the average all-inclusive cost (including the credit spread) of the underlying amortising loan of €350 million, which may never exceed 1.16% during the period of hedge effectiveness.

#### **Resolution authorising new bonds and loans**

On 3 May 2022, FS Italiane S.p.A.'s board of directors approved the issue of additional bonds (reserved for institutional investors as part of the EMTN listed on the Dublin stock exchange) and the use of other financial instruments, for a maximum total of €3 billion. The funds raised on debt capital markets in 2022 will finance the purchase of new trains for regional passenger transport and medium and long-haul transport, including international service, as well as for the high speed/high capacity railway infrastructure.

**Private bond placement with Eurofima**

On 1 June 2022, FS Italiane S.p.A. finalised another private bond placement with Eurofima for €160 million at a variable rate and maturity in October 2034 (twelve years). The trains financed by these bonds meet the requirements of the European taxonomy and positively contribute to environmental and social sustainability as they promote the modal shift to rail.

Using the funds raised with this placement, FS Italiane S.p.A. granted Trenitalia S.p.A. an intragroup loan to finance the latter's rolling stock used to operate the public transport service.

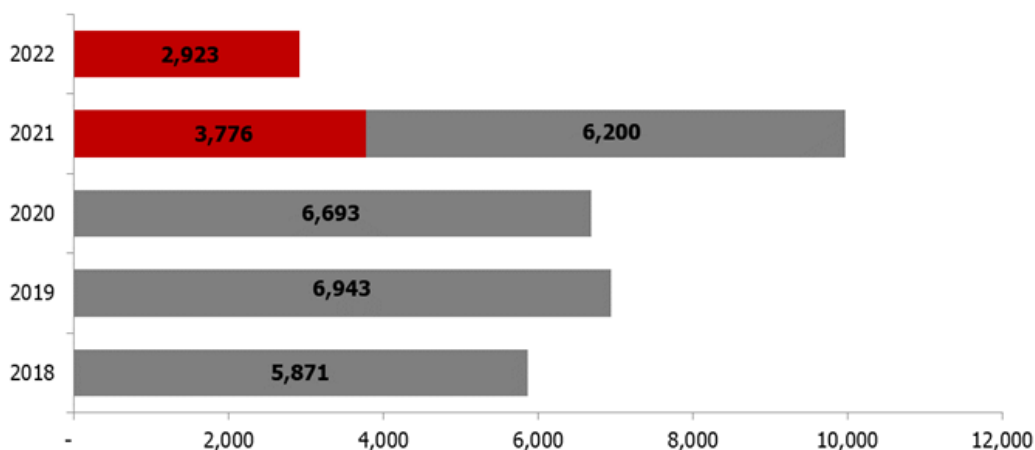
## Reconciliation at 30 June 2022 and 31 December 2021

Reconciliation at 30 June 2022 and 31 December 2021 and for the period/year then ended between equity and the profit for the period/year in the separate financial statements of FS Italiane S.p.A. and the consolidated financial statements.

	30.06.2022		31.12.2021	
	Equity	Profit (loss) for the period	Equity	Profit (loss) for the year
Separate financial statements of FS Italiane S.p.A.	40,097	196	39,900	
Net profits of consolidated investees since acquisition, net of dividends and impairment losses:				
- portion of current and previous years' profits attributable to the owners of the parent	2,388	291	2,320	305
- elimination of impairment losses on equity investments	313		312	54
- reversal of dividends	(4)	(234)	(4)	(77)
<b>Total</b>	<b>2,697</b>	<b>57</b>	<b>2,628</b>	<b>282</b>
Other consolidation adjustments:				
- equity accounting of investments in unconsolidated subsidiaries and associates	91	23	76	30
- reversal of intragroup profits	(815)	(40)	(775)	(108)
- reversal of taxes arising on tax consolidation	(130)	(48)	(82)	(11)
- other	(77)	(141)	68	1
<b>Total</b>	<b>(931)</b>	<b>(206)</b>	<b>(713)</b>	<b>(88)</b>
- Valuation reserves	(247)		(423)	
- Translation reserve	(7)		(7)	
<b>EQUITY ATTRIBUTABLE TO THE OWNERS OF THE PARENT</b>	<b>41,609</b>	<b>47</b>	<b>41,385</b>	<b>194</b>
- Equity attributable to non-controlling interests (excluding profit (loss) for the period/year)	169		162	
- Profit attributable to non-controlling interests			(1)	(1)
<b>EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS</b>	<b>169</b>		<b>161</b>	<b>(1)</b>
<b>TOTAL CONSOLIDATED EQUITY</b>	<b>41,778</b>	<b>47</b>	<b>41,546</b>	<b>193</b>

## Investments

Total expenditure for investments by the FS Italiane group in the first half of 2022 amounts to €2,923 million, with €1,083 million raised through self-financing and €1,840 million from government grants, down 22.6% on the same figure for the first half of 2021.



During the period, the FS Italiane group developed and managed capital expenditure<sup>2</sup> of approximately €4.0 billion, 96% of which in Italy, broken down as follows:

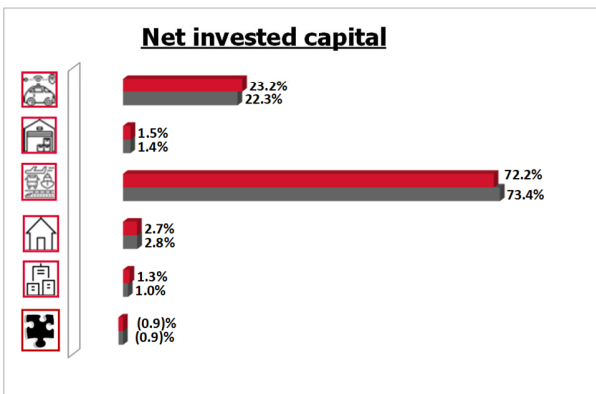
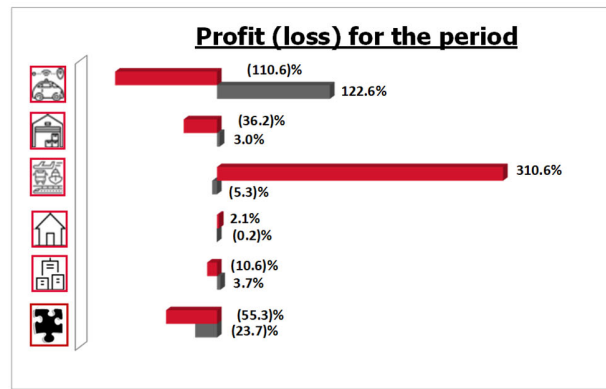
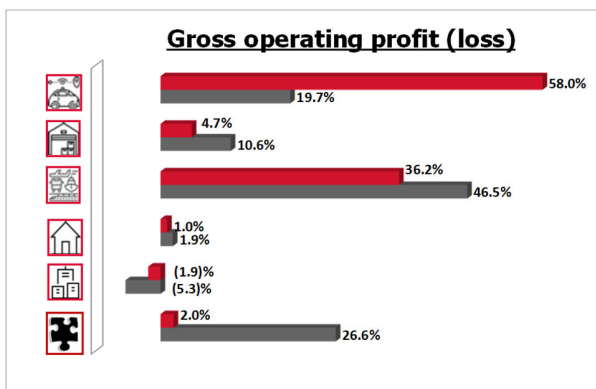
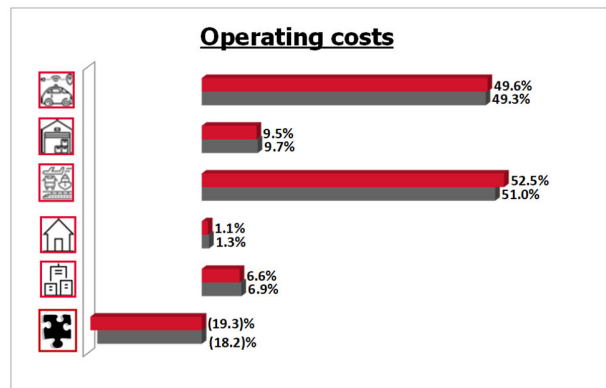
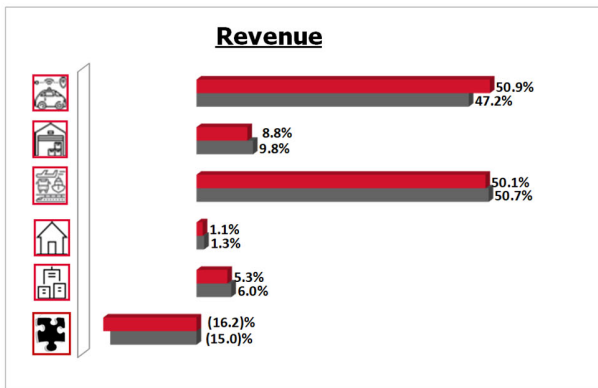
- approximately 79% of capital expenditure refers to the infrastructure segment, with some €2,085 million invested in RFI S.p.A. projects (including €2,115 million for the conventional/HC network and €42 million for the HS/HC network between Turin, Milan and Naples, offset by the recovery of contract advances to suppliers of €72 million) and €992 million in Anas group projects (including contract advances to suppliers of €145 million), in addition to investments of €101 million for the new Turin-Lyon line.
- around 18% of investments refers to passenger transport for projects focusing on the transport of passengers by road and rail, both in Italy and abroad. Specifically, Trenitalia S.p.A. invested €642 million (including routine maintenance), the Busitalia group invested €21 million and the other companies operating abroad in this segment invested €114 million (Netinera, Trenitalia C2C, Trenitalia UK, Trenitalia France and Hellenic Train);
- roughly 2% refers to logistics for freight transport projects in Italy and abroad, totalling about €68 million;
- just under 1% relates to the urban segment and other services, consisting of investments mainly by FS Sistemi Urbani, Metropark, FSTechnology and FS Italiane to maintain and enhance their respective real estate assets and ICT projects.







<sup>2</sup> In addition to the consolidated investments described above, capital expenditure includes the investments recognised in accordance with IFRIC 12, mostly attributable to Anas S.p.A. (approximately €1.0 billion), while the remainder is comprised of the investments of unconsolidated special-purpose entities (e.g., TLF, BBT, etc.).

## Financial performance of the business segments

The group's new organisational structure outlined in the ten-year FS Italiane business plan (2022-2031), which the shareholders approved on 3 May 2022, is based on four business segments - Passengers, Infrastructure, Logistics and Urban - each of which has its own, clearly defined roles and strategic objectives, in order to develop the potential of the various group companies to the fullest and make the most of their synergies. The four business segments play a crucial role in creating an increasingly integrated and sustainable infrastructure and mobility system serving the country and, in addition to these, the group has Other Services, which are common to all four segments and facilitate them in their pursuit of the objectives set out in the plan.

In line with the new 2022-2031 business plan and IFRS 8 - Operating segments, the group's performance is analysed below separately for each of the four business segments which are shown in the chart below with their respective shares of revenue, operating costs, gross operating profit (loss) and profit (loss) for the period in the first halves of 2022 and 2021 and net invested capital at 30 June 2022 and 31 December 2021.



-  Passenger transport
  -  Logistics
  -  Infrastructure
  -  Urban
  -  Other services
  -  Adjustments and eliminations
- 1st half 2022/30.06.2022  
■ 1st half 2021/31.12.2021

## Passenger transport

The objective of the passenger transport business segment, as enshrined in the group's new business plan to 2032, is to create a multi-modal business offer that has the advantage of exploiting the strengths of each mode for integrated, affordable and sustainable transport services that are increasingly customised and respond to individual passengers' needs in accordance with the principles of environmental, social and governance sustainability.

The passenger transport business segment includes the group companies that operate road, rail and maritime passenger transport. Specifically, the group's rail transport is mainly operated by Trenitalia S.p.A., the head of this business segment whose mission is to cover the national and international passenger transport sector, including the promotion, implementation and management of initiatives and services in the field of passenger transport, developing an integrated offer of products/services and managing a comprehensive mix of distribution channels. Also contributing to the results of this segment are the German group Netinera Deutschland, which operates local road and rail transport and German urban mass transit with around 40 investees; Hellenic Train which operates a link between Athens and Thessaloniki in Greece; Trenitalia c2c Ltd, which operates passenger transport on the UK market; and Ferrovie del Sud Est e Servizi Automobilistici S.r.l. (FSE) which holds concessions for road and rail transport services in Puglia, Italy.

The passenger transport segment also includes road urban and medium/long-haul passenger transport, offered by the group consisting of Busitalia-Sita Nord S.r.l. and its investees, including foreign investees (i.e., the Dutch QBuzz BV). The above-mentioned FSE S.r.l. also provides these services.

millions of Euros

	First half of 2022	First half of 2021	Change	%
Revenue from sales and services	3,050	2,447	603	24.6
Other income	69	48	21	43.8
<b>Revenue</b>	<b>3,119</b>	<b>2,495</b>	<b>624</b>	<b>25.0</b>
<b>Operating costs</b>	<b>(2,592)</b>	<b>(2,421)</b>	<b>(171)</b>	<b>(7.1)</b>
<b>Gross operating profit</b>	<b>527</b>	<b>74</b>	<b>453</b>	<b>612.2</b>
<b>Operating loss</b>	<b>(52)</b>	<b>(498)</b>	<b>446</b>	<b>89.6</b>
<b>Loss for the period (attributable to the owners of the parent and non-controlling interests)</b>	<b>(52)</b>	<b>(537)</b>	<b>485</b>	<b>90.3</b>
	30.06.2022	31.12.2021	Change	
<b>Net invested capital</b>	<b>12,020</b>	<b>11,248</b>	<b>772</b>	

The passenger transport segment shows a loss for the period of €52 million, an improvement of €485 million on the first half of 2021. This reflects the widespread recovery in traffic revenue across all rail transport businesses in Italy and abroad, partly thanks to the fact that the staggered seating requirement was lifted on 1 April 2022 on national high speed (HS) trains, meaning all seats could be sold again, and the fact that there were significant spikes in leisure travel at the holidays that fell in the period (Easter and 2nd June). A large part of the rise in revenue was offset by the higher energy prices for low and medium voltage traction.



The improvement in road transport compared to the first half of 2021 is mostly attributable to the international portion (Qbuzz) of service contract fees.

**Revenue** in this segment amounts to €3,119 million in the first half of 2022, up on the first half of 2021 (€624 million, 25%), mostly attributable to traffic revenue. The rail transport business saw an overall increase of €567 million in traffic revenue, with growth in the HS service (increase of €320 million in traffic revenue due to larger volumes), the regional service (€180 million) and intercity connections (€67 million). This improvement is substantially due to the fact that the full offer had resumed, leading to an increase in operations in terms of train-km, and especially passenger-km, compared to the first six months of 2021 when the staggered seating rule was still in effect (limiting train capacity to only 50% of the available seats) to enforce social distancing. The trend in revenue from the regional rail transport business mainly reflects the growth in the number of passengers, travel passes and single tickets issued over the same period of 2021, mostly relating to urban and interregional traffic. It is also attributable to the service contract fee, which includes the new contract entered into with the Friuli-Venezia Giulia region.

International road transport revenue increased on the same period of 2021 (the Netherlands, +€21 million) due to higher ticketing revenue given the progressive easing of Covid-19 restrictions, but this rise was partly offset by the downturn in the national market (-€19 million) following the sale of the Tuscany business on 1 November 2021.

The passenger transport segment shows a gross operating profit of €527 million for the first six months of 2022, up €453 million on the same period of 2021.

The **operating loss** is €52 million, showing an improvement of €446 million on the same period of 2021.

**Net financial expense** totals €51 million, although it improved by €33 million on the same period of 2021 due to Trenitalia's accruals for financial risks in 2021.

**Income taxes** of this segment amount to €51 million in the period, up €6 million on the same period of the previous year.

## Logistics

Over the ten years of the business plan, the logistics segment's mission is to double the share of freight carried by rail in 2019 and drive the evolution of its position in the logistics chain, so that it does not merely play a role in certain segments only, but can become a genuine player in multi-modal logistics, including through partnerships.

Mercitalia Logistics S.p.A. is the group's main logistics company and the head of this segment. Its mission is to cover the national and international logistics and freight transport sector, including the promotion, implementation, management and sale of initiatives and services in the field of logistics, mobility and freight transport. This segment consists of seven companies operating nationally and internationally, including Mercitalia Rail, the largest railway freight company in Italy and one of Europe's largest; TX Logistik (operating primarily in Germany, Austria, Switzerland and Denmark) and Mercitalia Intermodal, the largest combined road/rail transport company in Italy and the third largest in Europe.

millions of Euros

	First half of 2022	First half of 2021	Change	%
Revenue from sales and services	520	503	17	3.4
Other income	20	13	7	53.8
<b>Revenue</b>	<b>540</b>	<b>517</b>	<b>23</b>	<b>4.4</b>
<b>Operating costs</b>	<b>(497)</b>	<b>(477)</b>	<b>(20)</b>	<b>(4.2)</b>
<b>Gross operating profit</b>	<b>43</b>	<b>40</b>	<b>3</b>	<b>7.5</b>
<b>Operating loss</b>	<b>(8)</b>	<b>(6)</b>	<b>(2)</b>	<b>(33.3)</b>
<b>Loss for the period (attributable to the owners of the parent and non-controlling interests)</b>	<b>(17)</b>	<b>(13)</b>	<b>(4)</b>	<b>(30.8)</b>

	30.06.2022	31.12.2021	Change
<b>Net invested capital</b>	<b>761</b>	<b>721</b>	<b>40</b>

The logistics segment shows a **loss for the period** of €17 million, down €4 million on the first half of 2021.

Segment **revenue** in the period amounts to €540 million, up on the first half of 2021 (€23 million, 4.4%), largely due to international traffic, since the national market was heavily impacted by the cyber attack on 23 March 2021, which compromised the IT systems used to configure the trains, organise train drivers' shifts, etc..

The logistics segment shows a **gross operating profit** of €43 million for the first six months of 2022, up €3 million on the same period of 2021.

The **operating loss** is €8 million due to higher operating costs for maintenance and electrical energy than in the first half of the previous year.

**Net financial expense** of €8 million shows a worsening of €1 million compared to the same period of 2021.

**Income taxes** of the segment amount to €1 million, up €1 million on the same period of 2021.

## Infrastructure

The infrastructure segment designs, builds, manages and maintains the infrastructure networks for rail, road and motorway transport in Italy and abroad. It is tasked with maximising industrial synergies and encouraging the specialisation of the different infrastructures while ensuring the complete integration of road and rail transport, including by supporting EU and Italian programmes.

The infrastructure segment companies are RFI S.p.A., the head of this segment whose mission is to serve as the national railway infrastructure operator, and Anas S.p.A., which, through its subsidiaries, operates Italy's national-interest road and the national motorway networks. As network operator, RFI maintains, uses and develops the network and the related safety systems, in addition to managing research and development in the field of railway transport and providing connection services to Italy's largest islands by sea. Italferr S.p.A., the group's engineering company, also contributes to the results of this segment. The other group companies active in the Infrastructure segment on an exclusive or incidental basis are: FSE S.r.l., Grandi Stazioni Rail S.p.A., Brenner Basis Tunnel SE, Tunnel Ferroviario del Brennero S.p.A. (TFB) and Tunnel Euralpin Lyon Turin (TELT).

millions of Euros

	First half of 2022	First half of 2021	Change	%
Revenue from sales and services	2,990	2,572	418	16.3
Other income	82	105	(23)	(21.9)
<b>Revenue</b>	<b>3,072</b>	<b>2,677</b>	<b>395</b>	<b>14.8</b>
<b>Operating costs</b>	<b>(2,743)</b>	<b>(2,502)</b>	<b>(241)</b>	<b>(9.6)</b>
<b>Gross operating profit</b>	<b>329</b>	<b>175</b>	<b>154</b>	<b>88.0</b>
<b>Operating profit</b>	<b>160</b>	<b>31</b>	<b>129</b>	<b>&gt;200</b>
<b>Profit for the period (attributable to the owners of the parent and non-controlling interests)</b>	<b>146</b>	<b>23</b>	<b>123</b>	<b>&gt;200</b>
	30.06.2022	31.12.2021	Change	
<b>Net invested capital</b>	<b>37,374</b>	<b>37,034</b>	<b>340</b>	

The infrastructure segment shows a **profit for the period** of €146 million in the first half of 2022, up €123 million on the first half of 2021, mainly due to greater revenue from road and rail concessions and revenue from tolls, partly offset by the higher cost of electrical energy for medium and low voltage and other commodities.

**Revenue** amounts to €3,072 million in the first half of 2022, up on the same period of 2021 (€395 million, 14.8%). This improvement is mainly attributable to the following factors:

- the €195 million increase in RFI S.p.A.'s revenue thanks to the higher revenue from tolls (€143 million) as the emergency situation was gradually resolved, generating growth in volumes, and higher revenue from electrical energy for train traction (€116 million), which is offset by a corresponding amount in operating costs and therefore does not impact the gross operating profit. The increase in RFI S.p.A.'s revenue was offset by smaller grants (€48 million);

- greater revenue attributable to Anas S.p.A. (up roughly €157 million) substantially due to the rise in revenue from infrastructure services.

The infrastructure segment's **gross operating profit** comes to €329 million in the first half of 2022, up €154 million on the same period of 2021, mainly due to the recovery of traffic revenue in both rail and road transport.

The **operating profit** of the infrastructure segment for the period is €160 million, up €129 million on the first half of 2021, despite the impact of greater amortisation and depreciation of €14 million.

**Net financial expense** of €6 million worsened by €3 million on the first half of 2021.

**Income taxes** of this segment amount to €8 million, a €3 million increase on the first half of 2021.

## Urban

The Urban segment handles real estate operations as well as urban regeneration and intermodal transport and logistics solutions for the first and last mile of the supply chain. It focuses specifically on developing the potential of the group's real estate assets through new partnerships and projects that contribute to urban regeneration.

As head of this segment, FS Sistemi Urbani S.r.l. provides assets management, marketing and development services for the group's non-core business assets. GS Immobiliare and Metropark S.p.A. also operate in this segment.

millions of Euros

	First half of 2022	First half of 2021	Change	%
Revenue from sales and services	60	63	(3)	(4.8)
Other income	5	6	(1)	(16.7)
<b>Revenue</b>	<b>65</b>	<b>69</b>	<b>(4)</b>	<b>(5.8)</b>
<b>Operating costs</b>	<b>(56)</b>	<b>(62)</b>	<b>6</b>	<b>9.7</b>
<b>Gross operating profit</b>	<b>9</b>	<b>7</b>	<b>2</b>	<b>28.6</b>
<b>Operating profit</b>	<b>3</b>	<b>1</b>	<b>2</b>	<b>200.0</b>
<b>Profit for the period (attributable to the owners of the parent and non-controlling interests)</b>	<b>1</b>	<b>1</b>		

	30.06.2022	31.12.2021	Change
<b>Net invested capital</b>	<b>1,414</b>	<b>1,395</b>	<b>19</b>

The Urban segment reported a **profit for the period** of €1 million, in line with the first half of 2021.

The **gross operating profit** of this segment was €9 million in the first half of 2022, up €2 million on the first half of 2021, substantially due to lower operating costs.

## Other services

The companies that operate in this segment are Ferservizi S.p.A., which manages the activities not directly related to railway operations as outsourcer for the group's main companies; Fercredit S.p.A., which mainly develops the credit factoring and lease business on the captive market and develops the consumer credit business for the group's employees; Italcertifer S.p.A., which carries out certification, assessment and testing activities on transport and infrastructure systems; FSTechnology S.p.A., the group's technology service provider, appointed to manage its ICT strategy; and FS International S.p.A., whose mission is to share the FS Group's extensive know-how with the world.

As the group's holding company, FS Italiane S.p.A. steers and coordinates the companies that head each segment and provides strategic and financial control.

millions of Euros

	First half of 2022	First half of 2021	Change	%
Revenue from sales and services	315	305	10	3.3
Other income	12	13	(1)	(7.7)
<b>Revenue</b>	<b>327</b>	<b>318</b>	<b>9</b>	<b>2.8</b>
<b>Operating costs</b>	<b>(344)</b>	<b>(338)</b>	<b>(6)</b>	<b>(1.8)</b>
<b>Gross operating loss</b>	<b>(17)</b>	<b>(20)</b>	<b>3</b>	<b>15</b>
<b>Operating loss</b>	<b>(45)</b>	<b>(48)</b>	<b>3</b>	<b>6.3</b>
<b>Loss for the period (attributable to the owners of the parent and non-controlling interests)</b>	<b>(5)</b>	<b>(16)</b>	<b>11</b>	<b>68.8</b>
	30.06.2022	31.12.2021	Change	
<b>Net invested capital</b>	<b>663</b>	<b>481</b>	<b>182</b>	

In the first half of 2022, other services show a **loss for the period** of €5 million, an improvement of €11 million on the loss for the corresponding period of the previous year.

**Revenue** of €327 million reflects growth of €9 million, €4 million of which is attributable to FSTechnology S.p.A. and €6 million to Ferservizi S.p.A., mainly because of the greater revenue from hospitality services.

The **gross operating loss** for the first half of 2022 is €17 million, an improvement of €3 million on the same period of the previous year, mostly due to lower personnel expense of FS Corporate and Ferservizi.

The **operating loss** amounts to €45 million, also showing an improvement of €3 million on the same period of 2021.

**Net financial income** in the first half of 2022 comes to €33 million, up €7 million on the same period of 2021 due to lower financial expense.

**Income taxes** show a positive balance of €7 million, up €1 million on the same period of 2021. This caption reflects the positive effects of the domestic tax consolidation scheme managed by the parent as part of its core activities.



# FS Italiane S.p.A.'s financial position and performance

## Reclassified income statement

millions of Euros

	First half of 2022	First half of 2021	Change	%
<b>Revenue</b>	<b>83</b>	<b>94</b>	<b>(11)</b>	<b>(12)</b>
- Revenue from sales and services	82	90	(8)	(9)
- Other revenue	1	4	(3)	(75)
<b>Operating costs</b>	<b>(132)</b>	<b>(142)</b>	<b>10</b>	<b>7</b>
<b>GROSS OPERATING LOSS</b>	<b>(49)</b>	<b>(48)</b>	<b>(1)</b>	<b>(2)</b>
Amortisation and depreciation	(13)	(12)	(1)	(8)
Net impairment (gains) losses		(1)	1	(100)
<b>OPERATING LOSS</b>	<b>(62)</b>	<b>(61)</b>	<b>(1)</b>	<b>(2)</b>
Net financial income	244	63	181	287
<b>PRE-TAX PROFIT</b>	<b>182</b>	<b>2</b>	<b>180</b>	<b>&gt;200</b>
Income taxes	14	13	1	8
<b>PROFIT FOR THE PERIOD</b>	<b>196</b>	<b>15</b>	<b>181</b>	<b>&gt;200</b>

The **profit for the period** is €196 million, up €181 million on the same period of the previous year, entirely due to net financial income, which amounts to €181 million.

The improvement in **net financial income** is mainly due to the increase in dividends distributed by subsidiaries, associates and third parties (+€174 million), greater net fair value gains on currency hedges (+€5 million), the partial release of the risk provision for the transfer of tax losses to Sita Sud S.r.l. (+€5 million) and higher net interest on loans granted to group companies (+€3 million), offset by the worsening of the net balance of exchange gains/losses (-€6 million).

**Income taxes** increased by a total of €1 million on the first half of the previous year, mostly due to the rise in income from the tax consolidation scheme (-€5 million) and the change in deferred tax assets and liabilities in the period (+€5 million), offset by smaller adjustments to taxes relative to prior years (-€1 million).

## Reclassified statement of financial position

millions of Euros

	30.06.2022	31.12.2021	Change
<b>ASSETS</b>			
Net operating working capital	423	436	(13)
Other assets, net	341	228	113
<b>Working capital</b>	<b>764</b>	<b>664</b>	<b>100</b>
Non-current assets	548	552	(4)
Equity investments	38,056	38,056	
<b>Net non-current assets</b>	<b>38,604</b>	<b>38,608</b>	<b>(4)</b>
Post-employment benefits	(6)	(7)	1
Other provisions	(310)	(318)	8
<b>Post-employment benefits and other provisions</b>	<b>(316)</b>	<b>(325)</b>	<b>9</b>
<b>NET INVESTED CAPITAL</b>	<b>39,052</b>	<b>38,947</b>	<b>105</b>
<b>COVERAGE</b>			
Net current financial position	(656)	(629)	(27)
Net non-current financial position	(401)	(327)	(74)
<b>Net financial position</b>	<b>(1,057)</b>	<b>(956)</b>	<b>(101)</b>
<b>Equity</b>	<b>40,109</b>	<b>39,903</b>	<b>206</b>
<b>COVERAGE</b>	<b>39,052</b>	<b>38,947</b>	<b>105</b>

**Net invested capital** of €39,052 million increased in the first half of 2022 by €105 million, mainly due to the increase in **working capital** (+€100 million).

**Working capital** amounts to €764 million, up on 31 December 2021 essentially due to the net increase in trade receivables and payables (-€10 million), VAT assets and liabilities (+€12 million), assets from group companies (+€207 million) consisting of dividends from subsidiaries (mostly Rete Ferroviaria Italiana S.p.A. for €150 million, Italferr S.p.A. for €45 million and Ferservizi S.p.A. for €12 million), accrued expenses and deferred income (-€10 million), offset by the net decrease in assets with the MIMS (-€83 million), for grants to be transferred to TELT Sas for the construction of the Turin – Lyon railway line (chapter 7532), the decrease in land and buildings held for trading (-€2 million) and tax consolidation assets and liabilities (-€12 million).

The **net financial position** amounts to €1,057 million, up €101 million on 31 December 2021, mainly due to:

- the increase in the cash pooling current account (-€165 million) following the grants received from the MEF for TELT Sas' Government Programme Contract (-€84 million) and from MIMS for the Palermo-Catania-Messina railway infrastructure (-€81 million);
- the increase in loans granted to the group companies (-€838 million), which are mostly due in the short-term;
- the increase in bank loans and borrowings (+€635 million), resulting from the greater short-term funding (+€935 million), offset by the repayment of the loan with Intesa Sanpaolo (-€300 million);
- the increase in bonds (+€23 million) following the subscription of the new bond issue with Eurofima SA (Series 32) (nominal amount of +€160 million), offset by the repayment of the Eurofima SA bond (Series 17) (-€120 million) and

the partial repayment of the fourth bond in the Euro Medium Term Notes Programme (-€6 million). Moreover, this caption decreased due to the measurement of the IRS accounted for as a fair value hedge (-€11 million);

- the improvement in the net balance of the intragroup current account (-€110 million) following the reduction in the cash pooling liability;
- the decrease in bank and postal accounts (+€354 million) due to the loans granted to group companies (+€170 million) and payments made on their behalf (residual amount).

**Equity** decreased by €206 million due to the combined effect of the profit for the period (€196 million) and larger derivative liabilities (€10 million) compared to the previous reporting date.

## Consolidated financial statements

## Income statement

millions of  
Euros

	First half of 2022	First half of 2021
<b>Revenue</b>		
Revenue from sales and services	5,962	5,119
Other income	169	166
<b>Total revenue and income</b>	<b>6,131</b>	<b>5,285</b>
<b>Operating costs</b>		
Personnel expense	(2,287)	(2,386)
Raw materials, consumables, supplies and goods	(750)	(563)
Services	(2,716)	(2,475)
Use of third-party assets	(60)	(58)
Other operating costs	(107)	(97)
Internal work capitalised	698	670
<b>Total operating costs</b>	<b>(5,222)</b>	<b>(4,909)</b>
<b>Amortisation and depreciation</b>	<b>(805)</b>	<b>(780)</b>
<b>Net impairment losses</b>	<b>(18)</b>	<b>(5)</b>
<b>Operating profit (loss)</b>	<b>86</b>	<b>(409)</b>
<b>Financial income and expense</b>		
Financial income	46	74
Financial expense	(96)	(86)
<b>Net financial expense</b>	<b>(50)</b>	<b>(12)</b>
Share of profits (losses) of equity-accounted investees	22	(17)
<b>Pre-tax profit (loss)</b>	<b>58</b>	<b>(438)</b>
Income taxes	(11)	
<b>Profit (loss) for the period (attributable to the owners of the parent and non-controlling interests)</b>	<b>47</b>	<b>(438)</b>
<i>Profit (loss) for the period attributable to the owners of the parent</i>	47	(431)
<i>(Profit) loss for the period attributable to non-controlling interests</i>		(7)

## Statement of comprehensive income

millions of Euros

	First half of 2022	First half of 2021
<b>Profit (loss) for the period (attributable to the owners of the parent and non-controlling interests)</b>	<b>47</b>	<b>(438)</b>
<b>Other comprehensive income</b>		
<b>Items that will not be reclassified to profit or loss, net of tax:</b>		
Net actuarial gains/(losses) attributable to the owners of the parent	99	(2)
Net actuarial gains/(losses) attributable to non-controlling interests	99	(2)
Items reclassified to profit or loss	3	4
<b>Items that will or may be reclassified to profit or loss, net of tax:</b>		
Cash flow hedges - effective portion of changes in fair value attributable to the owners of the parent	74	14
Cash flow hedges - effective portion of changes in fair value attributable to non-controlling interests	74	14
Net exchange gains (losses)		(15)
<b>Other comprehensive income, net of tax</b>	<b>176</b>	<b>1</b>
<b>Comprehensive income (expense) (attributable to the owners of the parent and non-controlling interests)</b>	<b>223</b>	<b>(437)</b>
<i>Comprehensive income (expense) attributable to:</i>		
Owners of the parent	223	(430)
Non-controlling interests		(7)

## Statement of financial position

millions of Euros

	30.06.2022	31.12.2021
<b>Assets</b>		
Property, plant and equipment	47,382	47,049
Investment property	1,466	1,477
Intangible assets	2,512	2,560
Deferred tax assets	529	546
Equity-accounted investments	792	751
Service concession assets	1,309	1,554
Financial assets (including derivatives)	1,207	993
Trade receivables	4	5
Other assets	6,163	4,254
<b>Total non-current assets</b>	<b>61,364</b>	<b>59,189</b>
Inventories	2,370	2,251
Cash and cash equivalents	1,454	2,145
Tax assets	102	100
Service concession assets	1,853	1,613
Financial assets (including derivatives)	247	170
Trade receivables	3,200	2,957
Other assets	6,214	5,662
<b>Total current assets</b>	<b>15,440</b>	<b>14,898</b>
<b>Assets held for sale and disposal groups</b>		<b>16</b>
<b>Total assets</b>	<b>76,804</b>	<b>74,103</b>
<b>Total equity and liabilities</b>		
Share capital	39,204	39,204
Reserves	59	60
Valuation reserves	(247)	(423)
Retained earnings	2,547	2,350
Profit for the period/year	46	194
<b>Equity attributable to the owners of the parent</b>	<b>41,609</b>	<b>41,385</b>
Profit attributable to non-controlling interests		(1)
Share capital and reserves attributable to non-controlling interests	169	162
<b>Total equity attributable to non-controlling interests</b>	<b>169</b>	<b>161</b>
<b>Equity</b>	<b>41,778</b>	<b>41,546</b>
<b>Liabilities</b>		
Loans and borrowings	8,620	8,901
Post-employment benefits and other employee benefits	852	1,030
Provisions for risks and charges	2,340	2,410
Deferred tax liabilities	602	599
Contract advances	1,321	1,171
Financial liabilities (including derivatives)	1,353	1,304
Trade payables	16	15
Other liabilities	124	124
<b>Total non-current liabilities</b>	<b>15,228</b>	<b>15,554</b>
Loans and borrowings and current portion of non-current loans and borrowings	3,642	2,774
Current portion of provisions for risks and charges	4	13
Tax liabilities	6	6
Contract advances	490	577
Financial liabilities (including derivatives)	207	213
Trade payables	5,992	6,445
Other liabilities	9,457	6,975
<b>Total current liabilities</b>	<b>19,798</b>	<b>17,003</b>
<b>Liabilities held for sale and disposal groups</b>		
<b>Total liabilities</b>	<b>35,026</b>	<b>32,557</b>
<b>Total equity and liabilities</b>	<b>76,804</b>	<b>74,103</b>

## Statement of changes in equity

millions of Euros

Equity														
	Reserves													
	Share capital	Reserves				Valuation reserves								Total reserves
Legal reserve		Extraordinary reserve	Other reserves	Translation reserve	Hedging reserve	Actuarial reserve	Fair value reserve							
<b>Balance at 1 January 2021</b>	<b>39,204</b>	<b>65</b>			<b>5</b>	<b>(39)</b>	<b>(374)</b>		<b>(343)</b>	<b>2,956</b>	<b>(570)</b>	<b>41,247</b>	<b>162</b>	<b>41,409</b>
Capital increase													2	2
Dividend distribution														
Coverage of loss for the previous year		2							2	(572)	570			
Change in consolidation scope														
Other changes										5		5	1	6
Comprehensive income (expense)					(15)	18	(2)		1		(431)	(430)	(7)	(437)
of which:														
Loss for the period											(431)	(431)	(7)	(438)
Gains/(losses) recognised directly in equity					(15)	18	(2)		1			1		1
<b>Balance at 30 June 2021</b>	<b>39,204</b>	<b>67</b>			<b>(10)</b>	<b>(21)</b>	<b>(376)</b>		<b>(340)</b>	<b>2,389</b>	<b>(431)</b>	<b>40,822</b>	<b>158</b>	<b>40,980</b>
<b>Balance at 1 January 2022</b>	<b>39,204</b>	<b>67</b>			<b>(7)</b>	<b>(1)</b>	<b>(422)</b>		<b>(363)</b>	<b>2,350</b>	<b>194</b>	<b>41,385</b>	<b>161</b>	<b>41,546</b>
Capital increase													10	10
Dividend distribution													(2)	(2)
Allocation of profit for the previous year										194	(194)			
Change in consolidation scope														
Other changes										1		1		1
Comprehensive income						77	99		176		47	223		223
of which:														
Profit for the period											47	47		47
Net gains recognised directly in equity						77	99		176			176		176
<b>Balance at 30 June 2022</b>	<b>39,204</b>	<b>67</b>			<b>(7)</b>	<b>76</b>	<b>(323)</b>		<b>(187)</b>	<b>2,545</b>	<b>47</b>	<b>41,609</b>	<b>169</b>	<b>41,778</b>



## Statement of cash flows

millions of Euros

	First half of 2022	First half of 2021
<b>Profit (loss) for the period</b>	<b>47</b>	<b>(438)</b>
Income taxes	11	
Net financial expense	50	12
Amortisation and depreciation	805	780
Share of profits (losses) of equity-accounted investees	(22)	17
Accruals to provisions and impairment losses	215	193
Gains on sales	(55)	(54)
Change in inventories	(118)	(114)
Change in trade receivables	(249)	(278)
Change in trade payables	(453)	(52)
Change in other liabilities	2,467	683
Change in other assets	(2,468)	(1,341)
Utilisation of the provisions for risks and charges	(281)	(146)
Payment of employee benefits	(96)	(83)
Financial income collected/financial expense paid	(32)	(25)
Income taxes paid, net of reimbursed tax assets	2	(3)
Change in assets/liabilities held for sale	15	
<b>Net cash flows used in operating activities</b>	<b>(162)</b>	<b>(849)</b>
Increases in property, plant and equipment	(2,730)	(3,660)
Investment property		(4)
Increases in intangible assets	(83)	(75)
Increases in equity investments	(320)	(66)
<b>Investments, before grants</b>	<b>(3,133)</b>	<b>(3,805)</b>
Grants for property, plant and equipment	1,840	2,782
Grants for investment property		
Grants for intangible assets		
Grants for equity investments	311	53
<b>Grants</b>	<b>2,152</b>	<b>2,835</b>
Decreases in property, plant and equipment	63	60
Decreases in investment property	1	5
Decreases in intangible assets		4
Decreases in equity investments and profit-sharing arrangements	11	14
<b>Decreases</b>	<b>75</b>	<b>83</b>
<b>Net cash flows used in investing activities</b>	<b>(906)</b>	<b>(887)</b>
Finance lease payments	(92)	(87)
Disbursement and repayment of non-current loans	(425)	1,516
Disbursement and repayment of current loans	1,013	120
Grants relating to assets (for loans)	(108)	136
Change in financial assets	(99)	29
Change in financial liabilities	8	21
Change in service concession assets/liabilities	69	188
Dividends	(1)	
Changes in equity and cash from non-recur. trans.		3
<b>Net cash flows generated by financing activities</b>	<b>365</b>	<b>1,926</b>
<b>Total cash flows</b>	<b>(703)</b>	<b>190</b>
<b>Opening cash and cash equivalents</b>	<b>2,108</b>	<b>1,258</b>
<b>Closing cash and cash equivalents</b>	<b>1,405</b>	<b>1,448</b>

Financial statements of Ferrovie dello Stato Italiane S.p.A.

## Income statement

Euros

	First half of 2022	First half of 2021
Revenue from sales and services	82,474,644	89,819,445
Other income	1,040,149	3,839,808
<b>Total revenue</b>	<b>83,514,793</b>	<b>93,659,253</b>
Personnel expense	(32,570,418)	(34,083,586)
Raw materials, consumables, supplies and goods	(1,692,307)	(13,379,695)
Services	(82,271,216)	(77,624,890)
Use of third-party assets	(3,242,522)	(803,816)
Other operating costs	(12,768,137)	(16,517,493)
Internal work capitalised	212,541	108,971
<b>Total operating costs</b>	<b>(132,332,059)</b>	<b>(142,300,509)</b>
Amortisation and depreciation	(12,872,232)	(12,102,848)
Net impairment gains	(437,647)	(503,777)
<b>Operating loss</b>	<b>(62,127,145)</b>	<b>(61,247,881)</b>
Gains on equity investments	216,429,866	42,384,726
Other financial income	56,399,806	74,833,298
Losses on equity investments	(340,813)	(816,280)
Other financial expense	(28,367,467)	(53,013,827)
<b>Net financial income</b>	<b>244,121,392</b>	<b>63,387,917</b>
<b>Pre-tax profit</b>	<b>181,994,247</b>	<b>2,140,036</b>
Income taxes	14,068,589	12,752,857
<b>Profit from continuing operations</b>	<b>196,062,836</b>	<b>14,892,893</b>
<b>Profit for the period</b>	<b>196,062,836</b>	<b>14,892,893</b>

## Statement of comprehensive income

Euros

	First half of 2022	First half of 2021
<b>Profit for the period</b>	<b>196,062,836</b>	<b>14,892,893</b>
<b>Items that will not be reclassified to profit or loss:</b>		
Net actuarial gains	934,826	103,974
Tax effect on actuarial gains	(211,557)	(22,812)
<b>Other comprehensive income, net of the tax effect</b>	<b>723,269</b>	<b>81,162</b>
<b>Comprehensive income</b>	<b>196,786,105</b>	<b>14,974,055</b>

## Statement of financial position

Euros

	30.06.2022	31.12.2021
<b>Assets</b>		
Property, plant and equipment	54,480,929	48,358,406
Investment property	443,049,689	449,837,629
Intangible assets	50,293,722	53,533,929
Deferred tax assets	172,667,562	174,427,259
Equity investments	38,055,974,521	38,055,974,521
Financial assets (including derivatives)	8,276,483,919	8,358,805,216
Trade receivables	2,609,496	3,529,017
Other assets	24,454,441	24,595,193
<b>Total non-current assets</b>	<b>47,080,014,279</b>	<b>47,169,061,170</b>
Inventories	356,576,041	358,567,396
Cash and cash equivalents	486,626,250	675,660,694
Tax assets	84,159,004	84,133,190
Financial assets (including derivatives)	3,136,238,868	2,196,118,793
Trade receivables	185,420,278	178,745,741
Other assets	2,321,293,843	2,359,082,120
<b>Total current assets</b>	<b>6,570,314,284</b>	<b>5,852,307,934</b>
<b>Total assets</b>	<b>53,650,328,563</b>	<b>53,021,369,104</b>
<b>Equity</b>		
Share capital	39,204,173,802	39,204,173,802
Reserves	66,861,465	66,854,616
Valuation reserves	451,916	(271,354)
Retained earnings	628,992,464	628,862,321
Profit for the period/year	196,062,836	136,993
<b>Total equity</b>	<b>40,096,542,483</b>	<b>39,899,756,378</b>
<b>Liabilities</b>		
Loans and borrowings	7,873,656,057	8,029,992,583
Post-employment benefits and other employee benefits	6,003,240	7,294,604
Provisions for risks and charges	139,679,429	149,520,312
Deferred tax liabilities	170,322,889	167,844,702
Financial liabilities (including derivatives)	14,478,509	4,895,039
Other liabilities	26,603,598	27,003,070
<b>Total non-current liabilities</b>	<b>8,230,743,722</b>	<b>8,386,550,310</b>
Loans and borrowings and current portion of non-current loans and borrowings	2,423,312,247	1,610,768,511
Trade payables	123,545,567	106,268,985
Financial liabilities (including derivatives)	543,349,887	631,849,988
Other liabilities	2,232,834,657	2,386,174,932
<b>Total current liabilities</b>	<b>5,323,042,358</b>	<b>4,735,062,416</b>
<b>Total liabilities</b>	<b>13,553,786,080</b>	<b>13,121,612,726</b>
<b>Total equity and liabilities</b>	<b>53,650,328,563</b>	<b>53,021,369,104</b>

## Statement of changes in equity

Euros

Equity									
	Share capital	Reserves			Valuation reserves	Total reserves	Retained earnings	Profit for the period/year	Total equity
		Legal reserve	Extraordinary reserve	Other reserves					
<b>Balance at 1 January 2021</b>	<b>39,204,173,802</b>	<b>64,806,665</b>			<b>(69,955)</b>	<b>64,736,710</b>	<b>589,951,253</b>	<b>40,959,019</b>	<b>39,899,820,784</b>
Capital increase									
Dividend distribution									
Allocation of profit for the previous year		2,047,951				2,047,951	38,911,068	(40,959,019)	
Demerger to RFI									
Other changes									
Comprehensive income of which:									
Profit for the period								14,892,893	14,892,893
Net gains recognised directly in equity					81,162	81,162			81,162
<b>Balance at 30 June 2021</b>	<b>39,204,173,802</b>	<b>66,854,616</b>			<b>11,207</b>	<b>66,865,823</b>	<b>628,862,321</b>	<b>14,892,893</b>	<b>39,914,794,839</b>
<b>Balance at 1 January 2022</b>	<b>39,204,173,802</b>	<b>66,854,616</b>			<b>(271,354)</b>	<b>66,583,262</b>	<b>628,862,321</b>	<b>136,993</b>	<b>39,899,756,378</b>
Capital increase									
Dividend distribution									
Allocation of profit for the previous year		6,850				6,850	130,143	(136,993)	
Comprehensive income of which:									
Profit for the period								196,062,836	196,062,836
Net gains recognised directly in equity					723,269	723,269			723,269
<b>Balance at 30 June 2022</b>	<b>39,204,173,802</b>	<b>66,861,466</b>			<b>451,915</b>	<b>67,313,381</b>	<b>628,992,464</b>	<b>196,062,836</b>	<b>40,096,542,483</b>

## Statement of cash flows

Euros

	First half of 2022	First half of 2021
<b>Profit for the period</b>	<b>196,062,837</b>	<b>14,892,893</b>
Income taxes	(14,068,588)	(12,752,857)
Net financial expense	(244,121,392)	(63,387,917)
Amortisation and depreciation	12,872,232	12,102,848
Accruals to provisions and impairment losses		2,219,438
Impairment losses (gains)	(101,614)	85,147
Accruals for employee benefits		8,804
<b>Accruals to provisions and impairment losses</b>	<b>(101,614)</b>	<b>2,313,389</b>
Gains on sales	78	
Change in inventories	2,114,820	13,161,296
Change in trade receivables	(8,442,395)	(41,432,247)
Change in trade payables	17,639,532	(20,314,088)
Change in other assets	232,138,966	103,795,112
Change in other liabilities	(153,075,075)	(29,423,586)
Utilisation of the provisions for risks and charges	(2,862,063)	(631,436)
Payment of employee benefits	(429,700)	(363,398)
Financial income collected/financial expense paid	30,042,840	14,943,860
Change in tax assets/liabilities	30,478,769	12,251,563
<b>Net cash flows generated by operating activities</b>	<b>98,249,247</b>	<b>5,155,432</b>
Increases in property, plant and equipment	(1,000,147)	(416,660)
Investment property	(2,826,589)	(2,639,651)
Increases in intangible assets	(5,190,556)	(8,037,111)
Increases in equity investments	(170,607,576)	(24,737,352)
<b>Investments, before grants</b>	<b>(179,624,868)</b>	<b>(35,830,774)</b>
Grants for equity investments	170,570,000	24,737,352
<b>Grants</b>	<b>170,570,000</b>	<b>24,737,352</b>
Decreases in investment property		104
Decreases in intangible assets		
Decreases in equity investments	37,576	
<b>Decreases</b>	<b>37,576</b>	<b>104</b>
<b>Net cash flows used in investing activities</b>	<b>(9,017,292)</b>	<b>(11,093,318)</b>
Disbursement and repayment of non-current loans	(266,127,487)	1,689,113,809
Disbursement and repayment of current loans	934,000,000	196,585,927
Change in lease liabilities	(97,180)	(57,238)
Change in financial assets	(836,347,579)	(1,949,378,543)
Change in financial liabilities		8,240
<b>Net cash flows used in financing activities</b>	<b>(168,572,246)</b>	<b>(63,727,805)</b>
<b>Total cash flows</b>	<b>(79,340,291)</b>	<b>(69,665,691)</b>
<b>Opening cash and cash equivalents</b>	<b>46,539,523</b>	<b>(14,765,683)</b>
<b>Closing cash and cash equivalents</b>	<b>(32,800,768)</b>	<b>(84,431,374)</b>
of which intragroup current account	(519,427,019)	(628,293,770)

## Reporting by operating segment

The financial highlights of the group's operating segments for the first six months of 2022 and 2021 and their net invested capital at 31 December 2021 are shown below:

millions of Euros

First half of 2022	Passenger transport	Logistics	Infrastructure	Urban	Other services	Adjustments and inter-segment eliminations	FS Italiane group
Revenue from third parties	2,990	465	2,424	42	21		5,942
Inter-segment revenue	129	75	648	23	306	(992)	189
<b>Revenue</b>	<b>3,119</b>	<b>540</b>	<b>3,072</b>	<b>65</b>	<b>327</b>	<b>(992)</b>	<b>6,131</b>
Personnel expense	(992)	(159)	(1,057)	(4)	(86)	11	(2,287)
Other costs, net	(1,600)	(338)	(1,686)	(52)	(258)	999	(2,935)
<b>Operating costs</b>	<b>(2,592)</b>	<b>(497)</b>	<b>(2,743)</b>	<b>(56)</b>	<b>(344)</b>	<b>1,010</b>	<b>(5,222)</b>
<b>Gross operating profit (loss)</b>	<b>527</b>	<b>43</b>	<b>329</b>	<b>9</b>	<b>(17)</b>	<b>18</b>	<b>909</b>
Amortisation and depreciation	(578)	(51)	(155)	(5)	(28)	12	(805)
Impairment losses and provisions	(1)		(14)	(1)		(2)	(18)
<b>Operating profit (loss)</b>	<b>(52)</b>	<b>(8)</b>	<b>160</b>	<b>3</b>	<b>(45)</b>	<b>28</b>	<b>86</b>
Net financial income (expense)	(51)	(8)	(6)		33	4	(28)
Income taxes	51	(1)	(8)	(2)	7	(58)	(11)
Profit (loss) from discontinued operations, net of taxes							
<b>Segment profit (loss) (attributable to the owners of the parent and non-controlling interests)</b>	<b>(52)</b>	<b>(17)</b>	<b>146</b>	<b>1</b>	<b>(5)</b>	<b>(26)</b>	<b>47</b>

millions of Euros

30.06.2022	Passenger transport	Logistics	Infrastructure	Urban	Other services	Adjustments and inter-segment eliminations	FS Italiane group
<b>Net invested capital</b>	<b>12,020</b>	<b>761</b>	<b>37,374</b>	<b>1,414</b>	<b>663</b>	<b>(475)</b>	<b>51,757</b>



millions of Euros

First half of 2021	Passenger transport	Logistics	Infrastructure	Urban	Other services	Adjustments and inter-segment eliminations	FS Italiane group
Revenue from third parties	2,378	441	2,213	49	25		5,106
Inter-segment revenue	117	76	464	20	293	(791)	179
<b>Revenue</b>	<b>2,495</b>	<b>517</b>	<b>2,677</b>	<b>69</b>	<b>318</b>	<b>(791)</b>	<b>5,285</b>
Personnel expense	(1,064)	(163)	(1,077)	(4)	(90)	12	(2,386)
Other costs, net	(1,357)	(314)	(1,425)	(58)	(248)	879	(2,523)
<b>Operating costs</b>	<b>(2,421)</b>	<b>(477)</b>	<b>(2,502)</b>	<b>(62)</b>	<b>(338)</b>	<b>891</b>	<b>(4,909)</b>
<b>Gross operating profit (loss)</b>	<b>74</b>	<b>40</b>	<b>175</b>	<b>7</b>	<b>(20)</b>	<b>100</b>	<b>376</b>
Amortisation and depreciation	(571)	(47)	(141)	(5)	(28)	12	(780)
Impairment losses and provisions	(1)	1	(3)	(1)		(1)	(5)
<b>Operating profit (loss)</b>	<b>(498)</b>	<b>(6)</b>	<b>31</b>	<b>1</b>	<b>(48)</b>	<b>111</b>	<b>(409)</b>
Net financial income (expense)	(84)	(7)	(3)		26	39	(29)
Income taxes	45		(5)		6	(46)	
Profit from continuing operations							
Profit/loss attributable to assets held for sale							
<b>Segment profit (loss) (attributable to the owners of the parent and non-controlling interests)</b>	<b>(537)</b>	<b>(13)</b>	<b>23</b>	<b>1</b>	<b>(16)</b>	<b>104</b>	<b>(438)</b>

millions of Euros

30.06.2021	Passenger transport	Logistics	Infrastructure	Urban	Other services	Adjustments and inter-segment eliminations	FS Italiane group
<b>Net invested capital</b>	<b>11,248</b>	<b>721</b>	<b>37,020</b>	<b>1,395</b>	<b>481</b>	<b>(442)</b>	<b>50,423</b>

The Manager in charge of the corporate accounting documents, Mr. Roberto Mannozi, affirms pursuant to paragraph 2, article 154-bis of the Consolidated Law on Finance that the accounting information contained in this document corresponds to the documentary results, books and accounting records. This document also contains forward-looking statements which do not constitute a guarantee of future events and results.