

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

# **FS ITALIANE GROUP AND FERROVIE DELLO STATO ITALIANE S.P.A. 2020 INTERIM REPORT HIGHLIGHTS**

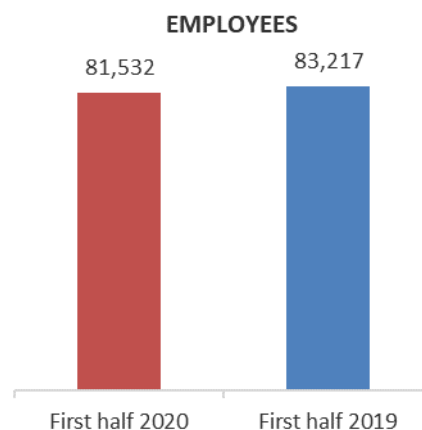
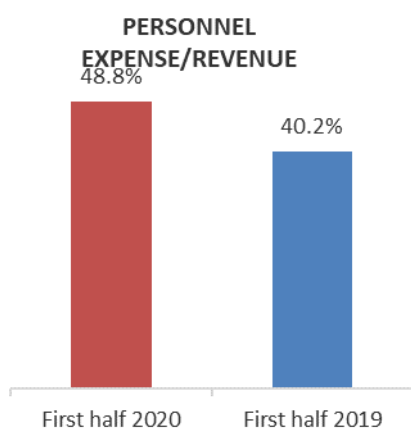
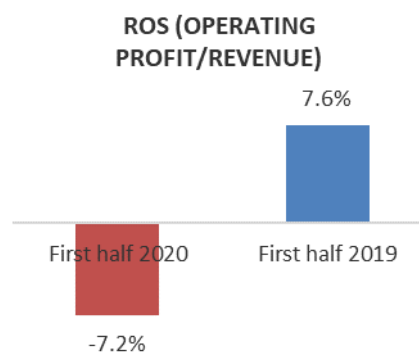
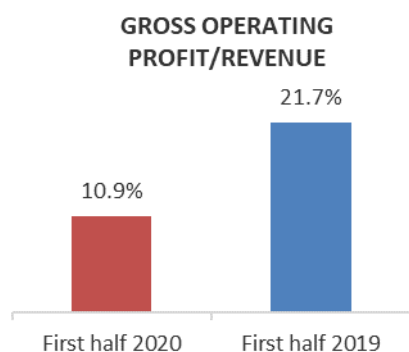
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## Group highlights



millions of Euros

<b>Financial highlights</b>	<b>First half of 2020</b>	<b>First half of 2019</b>	<b>Change</b>	<b>%</b>
Revenue	4,750	5,974	(1,224)	(20.5)
Operating costs	(4,232)	(4,677)	445	9.5
Gross operating profit	518	1,297	(779)	(60.1)
Operating profit (loss)	(343)	454	(797)	(175.6)
Profit (loss) for the period	(419)	362	(781)	>200
Total cash flows	(368)	(450)	82	18.1
	<b>30.06.2020</b>	<b>31.12.2019</b>	<b>Change</b>	<b>%</b>
Net invested capital (NIC)	50,110	49,977	133	0.3
Equity (E)	41,891	42,318	(427)	(1.0)
Net financial debt (NFD)	8,219	7,659	560	7.3
NFD/E	0.20	0.18		
Investments	2,458	6,943	(4,485)	(64.6)

## COVID-19 emergency

Since the first few months of 2020, the FS Italiane group has been - and continues to be - actively committed to dutifully and carefully handling, with an approach it has shared with all stakeholders, the unprecedented and extraordinarily complex health, socio-environmental and economic crisis that the country faces in the wake of the global coronavirus outbreak. The group has responsibly assessed - in constant connection with the internal and external actions, measures and developments - the current and future operational, organisational, economic and financial impacts on operations in 2020.

In the first half of 2020, the pandemic put severe pressure on the national healthcare system, compelling the government authorities to issue a series of mobility restrictions to contain the risk of further spread throughout the population. Consequently, the COVID-19 emergency has progressively impacted the regular and ordinary performance of operations. Specifically, as the coronavirus spread, the transport market experienced sharp contractions in passenger volumes and the infrastructure sector suffered delays in the start and progress of construction work.

However, in mid-May, when the lockdown was eased and travel gradually resumed, first within the regions, then interregionally, traffic volumes began to recover.

The group – and transport companies in particular, which were the hardest hit by the emergency – responded and, consequently, conducted a broad and extensive analysis of the effectiveness and efficiency of reorganising passenger and freight transport with select projects and the temporary, targeted suspension of operations in certain units at operating and maintenance sites where it is impossible for workers to work remotely.

Furthermore, from the onset of the emergency, the FS Italiane group took all the appropriate and recommended measures to limit infections and manage the pandemic, also in compliance with the government virus containment and social distancing measures to protect the health of employees, customers, suppliers and, in general, the entire community. To this end, the group set up a specific intragroup task force to implement, enforce and continuously update the Recovery Plan, which establishes the operating guidelines that FS Italiane group companies must adopt in the group's various business areas, to prevent any additional COVID-19 infections. These new rules extend to three major areas: i) organisation, ii) prevention and protection, iii) technical specifications to prevent new clusters from forming, and are geared towards creating the best possible health and safety conditions for workers, customers and people at train and bus stations.

Lastly, keenly aware of the crucial role that it plays in the country's recovery, the FS Italiane group has purchased and installed a line of machinery for the in-house production of face masks to fully meet the group's internal requirements now and in the future and to help fill any requests from the authorities.

As is widely known, the economic and financial performance of many industrial groups - especially, but not only, those in the transport sector - in the first six months of 2020 was heavily and adversely impacted by the health emergency that arose as a result of the global coronavirus outbreak. The main impacts on the group's interim income statement are highlighted and described below.

The group's **loss for the period** reflects the negative impacts of the pandemic, which totalled €796 million and consisted of: the sharp drop in revenue (€1,122 million, considering the positive effects of government grants approved in the meantime), only partly offset by a decrease in costs (€375 million); the increase in amortisation, depreciation, accruals and impairment losses (€29 million); the worsening of net financial expense (€22 million); and lower income taxes (€2 million).

The pandemic led to a contraction in consolidated **revenue** compared to the same period of the previous year, down by a total of €1,122 million due to the combined effect of lower revenue from sales and services (-€1,112 million) and other income (-€10 million). Specifically, revenue from sales and services underwent the following changes: revenue from passenger railway transport decreased by €979 million, revenue from passenger transport by road fell by €66 million, revenue from the freight business is down by €78 million and revenue from other services decreased by €16 million. On the other hand, revenue from infrastructure services rose by €27 million in the period.

Analysing passenger railway transport, long-haul transport was the segment that bore the brunt of the lockdown measures, suffering a contraction of €675 million due to the lower demand and the reduction in saleable seats per km. This decrease was more dramatic for the market component (services sold on the market; -€600 million) than for the universal component (services provided under government agreements; -€75 million). The short-haul segment, again due to mobility restrictions, saw a decrease of €357 million on both the domestic market (-€266 million) and abroad (-€91 million). This segment, in accordance with legislation, benefited from government grants of €53 million to provide relief, as mentioned earlier.

The €66 million decrease in revenue from road transport, which consists almost entirely of local public transport (LPT) services, includes grants (€5 million) and is due to less demand and a reduction in saleable seats in Italy (-€27 million) and abroad (-€39 million).

The freight segment suffered an overall contraction of €78 million in the first half of 2020 because of the drop in freight transport volumes.

The increase in revenue from the Infrastructure segment was generated by grants to provide relief to road and motorway infrastructure operators (€98 million) and railway infrastructure operators (€115 million) as a result of the loss of volumes during the lockdown, partly offset by the drop in demand from non-group railway companies (-€46 million) and the reduction in fees and royalties connected with road and motorway services (-€127 million).

Despite the cost saving actions that were rapidly deployed during the lockdown and in the months that followed, the **gross operating profit** reflects the aforementioned decrease in revenue (-€1,122 million) which exceeded the cost savings (-€375 million) with a net negative impact of €747 million.

Furthermore, the economic effects of COVID-19 described above do not include the recognition of the grants pursuant to article 214.3-6 of the "Recovery Decree" (Law decree no. 34/2020) for the long-haul market and freight businesses, which, according to the most current and conservative estimate, would have offset the negative impact of the pandemic on the Group for a minimum amount of about 350 million. The grants were not recognised, because the formal procedure is not yet completed (on the 22<sup>nd</sup> of October the implementing decree was formalised – necessary for the confirmation of the parameters and criteria to calculate and allocate the subsidies provided in the reference rules – but it is still awaiting approval by the EU Commission); the formal procedure would establish "reasonable certainty" that the companies concerned and, therefore the Group, will effectively receive the relief, as required by the accounting standards of reference (i.e. IAS 20).

# 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.

## Reclassified income statement

	millions of Euros			
	First half of 2020	First half of 2019	Change	%
Revenue	4,750	5,974	(1,224)	(20.5)
Operating costs	(4,232)	(4,677)	445	9.5
<b>GROSS OPERATING PROFIT</b>	<b>518</b>	<b>1,297</b>	<b>(779)</b>	<b>(60.1)</b>
Amortisation, depreciation, accruals and impairment losses	(861)	(843)	(18)	(2.1)
<b>OPERATING PROFIT (LOSS)</b>	<b>(343)</b>	<b>454</b>	<b>(797)</b>	<b>(175.6)</b>
Net financial expense	(85)	(75)	(10)	(13.3)
<b>PRE-TAX PROFIT (LOSS)</b>	<b>(428)</b>	<b>379</b>	<b>(807)</b>	<b>&gt;200</b>
Income taxes	9	(17)	26	152.9
<b>PROFIT (LOSS) FROM CONTINUING OPERATIONS</b>	<b>(419)</b>	<b>362</b>	<b>(781)</b>	<b>&gt;200</b>
Profit (loss) from assets held for sale, net of taxes				
<b>PROFIT (LOSS) FOR THE PERIOD</b>	<b>(419)</b>	<b>362</b>	<b>(781)</b>	<b>&gt;200</b>
<i>Profit (loss) for the period attributable to the owners of the parent</i>	<i>(399)</i>	<i>358</i>	<i>(757)</i>	<i>&gt;200</i>
<i>Profit (loss) for the period attributable to non-controlling interests</i>	<i>(20)</i>	<i>4</i>	<i>(24)</i>	<i>&gt;200</i>

As noted earlier, the group's economic and operating performance in the period, as described below, encompasses the effects of COVID-19, which are separately described.

The **loss for the period** amounts to €419 million, compared to a profit of €362 million for the same period of the previous year, a decrease of more than 200%.

The **gross operating profit** of €518 million, is down €779 million, or -60.1%. However, adjusted to eliminate the effects of COVID-19, the estimated gross operating profit would have been approximately €1,265 million, in line with the first half of the previous year.

**Revenue** decreased by €1,224 million (-20.5%) following the €1,256 million drop in revenue from transport services, the €166 million reduction in revenue from infrastructure services and the €11 million decrease in other revenue from contracts with customers. The only improvement was in other revenue and income, up €209 million.

Specifically, the individual components of **revenue from transport services** (-€1,256 million) are detailed as follows:

- revenue from long-haul railway passenger transport services decreased by €668 million – almost entirely due to the decline in the market component – mainly because of the COVID-19 emergency, with the group’s main transport operator suffering a 66.4% drop in demand and a 56.3% loss of saleable seats per km. The decrease was also the result of the direct and indirect effects of the railway accident that took place in Lodi in February 2020. Revenue from long-haul railway passenger transport - universal services decreased by €72 million (roughly -60%), entirely because of the COVID-19 emergency. Demand shrunk by 58.1% with a 49% drop in saleable seats per km. The consideration for the universal service contract saw a slight overall increase on the first half of the previous year (+€5.9 million; +4%), in light of article 92.4*bis* of the Law of 24 April 2020 (“Heal Italy”) and the subsequent Law decree no. 34/2020 (“Recovery Decree”) converted into Law no. 77/2020, which did not, given the emergency, establish any cuts in the consideration in response to the cuts in the transport service offer, as they were the result of force majeure;
- revenue from regional railway passenger transport services decreased by €450 million, broken down into the €362 million drop in domestic transport services and the €88 million decrease in international services;
- revenue from railway freight transport and revenue from passenger road transport are down by €69 million and €67 million, respectively, mainly because of the lockdown;
- revenue from the waterway navigation segment decreased by €1 million.

**Revenue from infrastructure services** fell on the same period of the previous year by €166 million. The decrease mainly related to the Anas group companies (-€120 million), as a result of the trend in service and concession consideration in connection with motorway traffic, and RFI S.p.A., which saw a €48 million drop in toll revenue following the reduction in volumes, measured as train-km, due to the pandemic.

**Other revenue from contracts with customers** (-€11 million) reflects the decrease due to the effects of COVID-19 and the drop in revenue from the sale of land and buildings held for trading (-€15 million) because of fewer sales already in the first quarter of 2020, offset by the rise in revenue due to the definitive calculation of revenue on the Riyadh metro contract (+€40 million).

The overall increase in **other revenue and income** totalling €209 million substantially refers to the recognition of greater revenue in the reporting period for government grants of €266 million to support the group’s business. Reference should be made to the section on the “COVID-19 emergency” for additional details.

**Operating costs** came to €4,232 million in the half year, down by €445 million (-9.5%) on the same period of 2019, due to:

- the €171 million (-6.9%) decrease in net personnel expense, €34 million of which was related to organisational factors, such as the reduction in the full-time equivalent component and participation in the income assistance fund for extraordinary solidarity benefits and early leaving benefits, combined with the reduction in the group’s leaving incentives, lower costs for restaurant vouchers/canteens and health services and the use of ordinary income assistance from INPS (the Italian social security institution);
- the €274 million (-12.5%) decrease in other costs, net, €36 million of which was related to organisational factors. In particular, costs for raw materials, consumables, supplies and goods decreased by a total of €169 million and services by €153 million, which was compensated by smaller capitalisations, down €102 million.

The **gross operating profit** is down by €779 million, or 60.1%, to €518 million as a result of the trends in revenue and operating costs described above.

The **operating loss** amounts to €343 million (€454 million at 30 June 2019), down by €797 million (-175.6%). Lower amortisation and depreciation for the period (-€40 million) reflect the €17 million decrease in the use of infrastructure networks during the lockdown and, to a residual extent, the effects of ordinary asset management. Impairment losses rose by €58 million, and €46 million of this increase was due to impairment losses on Trenitalia c2c Ltd.

**Net financial expense** of €85 million increased by €10 million (13.3%) on the same period of the previous year. Financial income grew by €18 million, mainly due to greater financial income from derivatives and higher exchange gains, while the share of profits/(losses) of equity-accounted investees fell by €27 million.

**Income taxes** went from a negative balance of €17 million in the first half of 2019 to a positive balance of €9 million in the first half of 2020, mainly because of the exemption from payment of IRAP under Law decree no. 34/2020 (Recovery Decree) and changes in deferred tax assets and liabilities on new temporary differences and releases by the group companies in the period.



## Reclassified statement of financial position

	millions of Euros		
	30.06.2020	31.12.2019	Change
<b>ASSETS</b>			
Net operating working capital	896	(262)	1,158
Other assets, net	1,763	2,928	(1,165)
<b>Working capital</b>	<b>2,659</b>	<b>2,666</b>	<b>(-7)</b>
Net non-current assets	51,209	51,132	77
Other provisions	(4,234)	(4,303)	69
Net assets held for sale	476	482	(6)
<b>NET INVESTED CAPITAL</b>	<b>50,110</b>	<b>49,977</b>	<b>133</b>
<b>COVERAGE</b>			
Net current financial debt	528	677	(149)
Net non-current financial debt	7,691	6,982	709
<b>Net financial debt</b>	<b>8,219</b>	<b>7,659</b>	<b>560</b>
<b>Equity</b>	<b>41,891</b>	<b>42,318</b>	<b>(427)</b>
<b>COVERAGE</b>	<b>50,110</b>	<b>49,977</b>	<b>133</b>

The group's **net invested capital** of €50,110 million rose in the first half of 2020 by €133 million due to the slight decrease in **working capital** (-€7 million), the increase in **net non-current assets** (+€77 million), the decrease in **other provisions** (impact of +€69 million) and the decrease in **net assets held for sale** (-€6 million).

**Net operating working capital** amounts to €896 million, up by €1,158 million on the same period of the previous year, and is the combined effect of the following trends:

- greater amounts due from the Ministry of Economy and Finance ("MEF") for the Service Contract (+€80 million), partially offset by lower amounts due from the regions for the Service Contract (-€47 million). This change mostly reflects the amount accrued by Trenitalia in connection with the trend in the settlement of fees;
- smaller trade receivables, down -€247 million, mostly due to:
  - the decrease in assets for the annual fee paid to Anas S.p.A. for the motorway concession (-€85 million) as result of the variable component calculated on the actual km travelled by each vehicle using the infrastructure (article 19.9-bis of Law no. 102/09), which decreased with the drop in traffic during the lockdown to contain and prevent COVID-19;
  - the decrease in assets from tolls and related services (-€46 million), mainly because of the lack of activities caused by COVID-19,
  - the decrease in advances to suppliers (-€109 million), mostly due to the settlement of advances to suppliers of electricity;
- greater inventories and contract assets for contract work in progress (+€139 million), mainly due to:
  - the consequences of the health emergency and the long lockdown (+€130 million), which led the Infrastructure segment to consume fewer materials and reduce production output at the national workshops of Bari, Pontassieve

and Bologna. On the other hand, in the Transport segment, the effect was an increase in raw materials, consumables and supplies (especially spare parts) as a slowdown in maintenance led to less use of consumables without a proportionate reduction in purchases because it was impossible to suspend supply agreements nearing completion;

- sales in the period, net of impairment losses to align the carrying amount of assets held for sale to their market value (-€7 million);
- the €16 million increase in contract assets for contract work in progress, essentially due to contract work in progress for which incurred costs, plus recorded net profits (or net losses), exceed progress billing;
- the €1,232 million decrease in trade payables, mainly in relation to:
  - lower trade payables (with a positive impact of €1,027 million) due, in particular, to payments in the first half of 2020 mainly for investments in the railway network;
  - lower trade payables as a result of the sharp contraction in activities in light of the restrictions ordered by the competent authorities to contain COVID-19 (+€137 million);
  - the combined effect of smaller accruals for works on the road and motorway network in the half year and faster payments (+€82 million);

**Other assets, net**, totalling €1,763 million, are down by €1,165 million essentially because of the smaller net amounts due from the MEF, the Ministry of Infrastructure and Transport (the "MIT") and other government authorities (-€1,200 million). This is the net effect of: the accruals-based recognition of new grants, net of amounts collected; the change in payments on account allocated to the projects that have started up; the net increase in VAT liabilities (with an impact of -€19 million; offset by the increase in deferred tax assets (+€13 million) and the net decrease in other liabilities (impact of +€41 million) mainly due to the decrease in amounts related to personnel expense and the offsetting of social security liabilities of the period with the relief measures used, in accordance with legislation, to compensate for the substantial shuttering of operations during the lockdown.

**Net non-current assets** of €51,209 million increased by €77 million, substantially due to:

- the €2,458 million increase in investments of the period, offset by the recognition of grants related to assets on an accruals basis (€1,524 million), amortisation and depreciation of the period (€793 million) and sales and impairment losses (€25 million);
- the change in the consolidation scope, with an impact of -€36 million. In particular, the decrease was due to the contribution of the business unit to the consortium company Trenitalia Tper Scarl;

**Other provisions** decreased by €69 million, which was the combined effect of the lower provision for taxation and other provisions for risks (-€28 million), reflecting the net effect of accruals, utilisations and releases of the period, and the reduction in post-employment benefits and other employee benefits (-€41 million), mainly following utilisations to pay outgoing employees in the period and advances requested by employees.

**Net assets held for sale** total €476 million and include those of the SITAF group, which were reclassified following the Council of State's rulings nos. 7392/2019 and 7393/2019 of 28 October 2019, in which the share transfer agreement between the Turin municipal authorities, the Turin provincial authorities and Anas S.p.A. was declared null and void, as previously reported in the 2019 annual report.

In light of the economic impacts of the COVID-19 pandemic, considered a triggering event, the group tested some of its CGUs for impairment in accordance with IAS 36 – Impairment of assets. The results of these tests showed that the asset of the subsidiaries Trenitalia c2c Limited and Qbuzz BV were impaired, with an overall negative impact on the consolidated **net invested capital** of €48 million (€9 million of which relating to goodwill and €39 million to other components of net invested capital).

**Net financial debt** of €8,219 million increased by €560 million on 31 December 2019, essentially the net effect of the following factors:

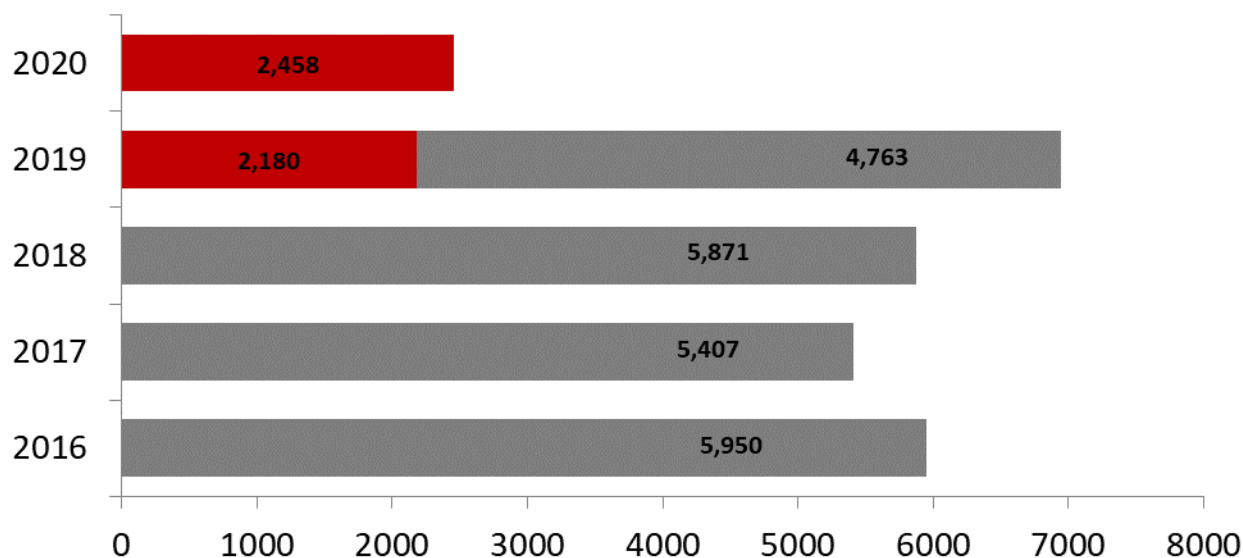
- the decrease in the cash pooling balance (with an impact of €481 million), which comprises the payments made by the MEF in accordance with the Programme Contract for railway infrastructure;
- the decrease in the grant from the MEF (+€298 million) due to collections of the period;
- the €194 million decrease in bank loans and borrowings (-194 million), mainly due to the net effect of current loans and borrowings and the repayment of loans for the purchase of rolling stock for medium and long-haul transport and regional transport, in addition to the decrease in the same current loans and borrowings for the payment of privileged creditors in the Ferrovie del Sud Est e Servizi Automobilistici S.r.l.'s deed of arrangement;
- the €276 million increase in bonds, substantially due to the new private bond placement with Eurofima SA with a nominal amount of €400,000 thousand, variable interest rate and maturity after 15 years, offset by the repayments of the Eurofima SA bond with a nominal amount of €152 million, and the normal trend in repayments and accruals for the Euro Medium Term Notes Programme bonds to meet the group's cash requirements;
- the €110 million decrease in loans and borrowings from other financial backers, substantially the effect of the repayment of the loans with Cassa Depositi e Prestiti to finance railway infrastructure (the traditional and high-speed networks);
- the €53 million increase in contract advances due to the portion of grants already collected by Anas S.p.A. for work not yet completed;
- the increase in financial assets for service concession arrangements (with an impact of -€75 million on financial debt), 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 year from the Ministries or authorities.
- the increase in financial liabilities on new leases recognised in accordance with IFRS 16 (impact of -€64 million);
- the net increase in the balance of other financial assets and liabilities (impact of -€105 million), mainly due to the increase in cash and cash equivalents.

**Equity** decreased by €427 million from €42,318 million to €41,891 million mainly as a result of the following:

- the loss for the period of €419 million;
- the net decrease of €9 million in the actuarial and cash flow hedging reserves;
- the €6 million adjustment to the translation reserve in light of changes in exchange rates;
- the €9 million increase in share capital attributable to non-controlling interests and the €2 million decrease generated by the change in the consolidation scope following the capital increase affecting Tunnel Ferroviario del Brennero – Società di partecipazioni S.p.A. and Busitalia Veneto S.p.A.;
- the net decrease of €12 million in the balance of derivative assets and liabilities.

## Investments

In the first half of 2020, the FS Italiane group invested a total of €2,458 million, with €934 million raised through self-financing and €1,524 million from government sources, for an increase of 12.8% on the first half of 2019 despite the impacts of the COVID-19 emergency on overall operations.



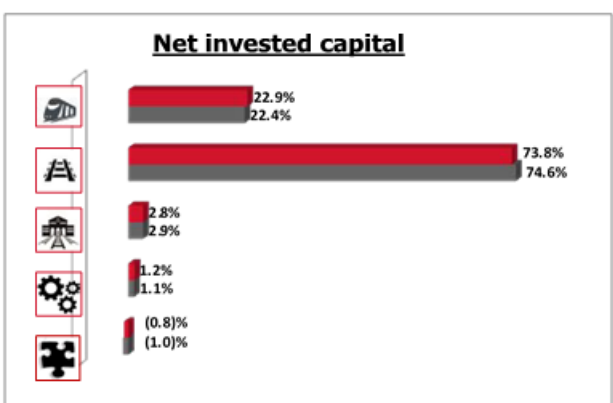
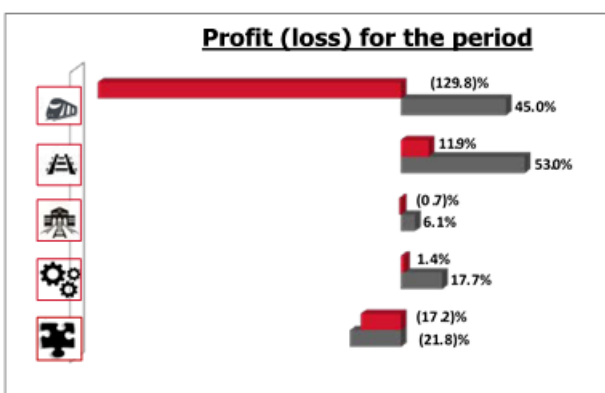
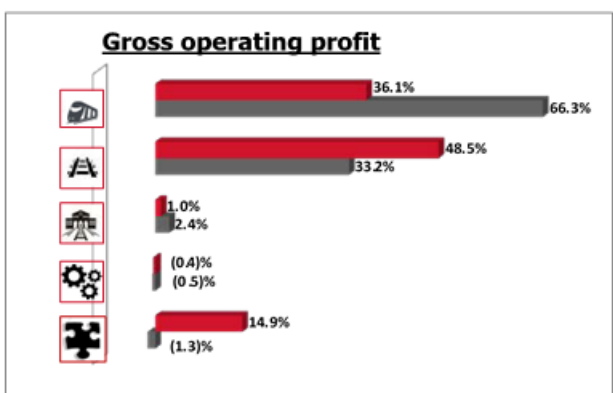
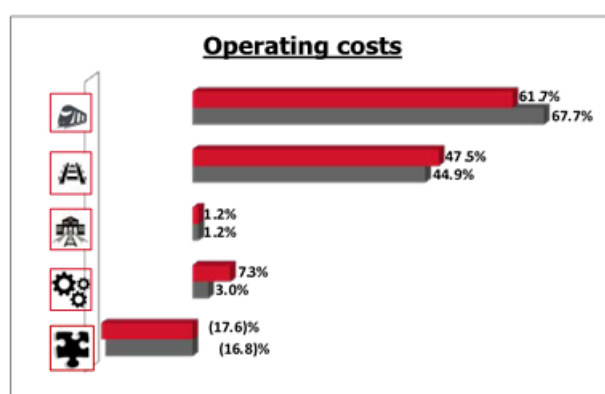
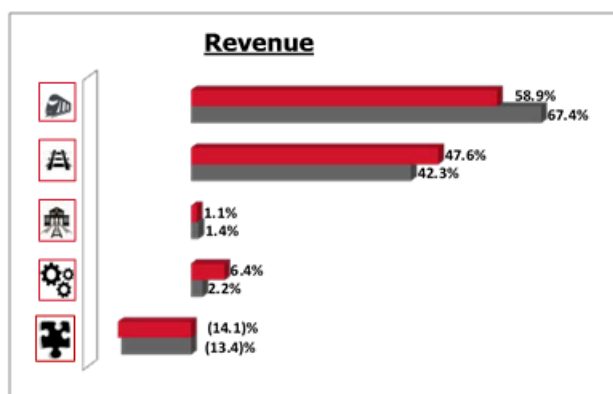
In terms of capital expenditure, in the first half of 2020, the FS Italiane group developed and managed approximately €2.8 billion<sup>1</sup>, 97% of which in Italy (compared to around €3 billion in the first half of 2019).

Approximately 73% of capital expenditure refers to the Infrastructure segment, with RFI S.p.A. investing €1,485 million, including €1,462 million for the traditional/HC network and €23 million for the HS/HC network between Turin, Milan and Naples and Anas group investing €480 million. Roughly 26% of investments refers to the Transport operating segment for projects devoted to the transport of passengers by road and rail, both in Italy and abroad, and to the transport of freight. Specifically, Trenitalia S.p.A. invested €579 million (including ordinary maintenance), the Mercitalia group approximately €34 million, the Busitalia group €69 million and the remaining companies operating abroad €31 million (Netinera, c2c, Thello and TrainOSE). The Real estate and Other services segment accounts for the remainder of the group's investments and they were mainly made by FS Sistemi Urbani and Ferrovie dello Stato Italiane for the maintenance and upgrade of the respective property assets and ICT projects.

<sup>1</sup> As defined in the "Key and glossary", in addition to the consolidated investments described above, capital expenditure includes the investments recognised mainly by Anas S.p.A. in accordance with IFRIC 12 (approximately €0.4 billion).

## Segment reporting

FS Italiane group's performance is analysed below with reference to each of the operating segments that make up its business. The charts below summarise the first half of 2020 and 2019 performance with indication of the percentages of revenue and operating costs, gross operating profit, profit (loss) for the period and net invested capital attributable to each segment at 30 June 2020 and 31 December 2019.



- Transport
  - Infrastructure
  - Real estate services
  - Other services
  - Adjust./elimin.
- 1H 2020/30.06.2020  
■ 1H 2019/30.06.2019

## Transport

The FS Italiane group companies operating in the transport of passengers and/or freight by rail, road or sea are part of the Transport segment.

More specifically, rail operations mainly fall under Trenitalia S.p.A., which provides services for passenger transport in Italy and abroad, operating both regional and national routes, including the pre-eminent high speed service. This segment also includes the German group, Netinera Deutschland, which carries out transport activities by rail and road on the local and urban transport market in Germany through approximately 40 investees, TrainOSE SA, which operates in Greece, connecting Athens and Thessaloniki, Trenitalia c2c Ltd, a UK passenger transport company, and Ferrovie del Sud Est e Servizi Automobilistici S.r.l. ("FSE"), which holds the concession for road and rail services in Puglia, Italy.

The group companies that principally operate in freight transport are those in the Mercitalia hub, with domestic and international operations, including TX Logistik group (mainly active in Germany, Austria, Switzerland and Denmark).

The 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 its foreign investees (i.e., the Dutch QBuzz BV). The above-mentioned FSE S.r.l. also provides these services.

millions of Euros

	<b>First half of 2020</b>	<b>First half of 2019</b>	<b>Change</b>	<b>%</b>
Revenue from sales and services	2,722	3,933	(1,211)	(30.8)
Other income	76	93	(17)	(18.3)
<b>Revenue</b>	<b>2,798</b>	<b>4,026</b>	<b>(1,228)</b>	<b>(30.5)</b>
<b>Operating costs</b>	<b>(2,611)</b>	<b>(3,166)</b>	<b>555</b>	<b>17.5</b>
<b>Gross operating profit</b>	<b>187</b>	<b>860</b>	<b>(673)</b>	<b>(78.3)</b>
<b>Operating profit (loss)</b>	<b>(491)</b>	<b>200</b>	<b>(691)</b>	<b>&gt;200</b>
<b>Profit (loss) for the period (attributable to the owners of the parent and non-controlling interests)</b>	<b>(544)</b>	<b>163</b>	<b>(707)</b>	<b>&gt;200</b>
	<b>30.06.2020</b>	<b>31.12.2019</b>	<b>Change</b>	
<b>Net invested capital</b>	<b>11,483</b>	<b>11,195</b>	<b>288</b>	

In the first half of 2020, the Transport segment reported a **loss for the period** of €544 million, down by €707 million on the first half of 2019. The challenging health and socio-environmental crisis triggered by the COVID-19 pandemic, which is extensively described above, combined with the national and international lockdown, significantly impacted the performance of the first half of 2020, compromising all components of the Transport segment, particularly passenger railway transport, which showed the largest decreases on 2019. The group companies implemented an offer rationalisation plan, in any case always guaranteeing a number of trains and timetable that meet the country's mobility needs.

**Revenue** in the Transport segment amounts to €2,798 million, down by €1,228 million on the same period of 2019, mainly due to the drop in revenue from traffic (mostly because of COVID-19, but also following the tragic railway accident on 6 February 2020 in Lodi). The reduction in revenue is due to:

- the long-haul railway segment, down by €700 million (-55%) on the same period of 2019 (recovery actions are being taken through the progressive roll-out of trains to efficiently meet demand, with a focus on protecting the health of customers and on-board crew), a decrease seen in both the market component (-€620 million) and the universal component (-€80 million);
- the short-haul railway segment (regional transport), down by €296 million (-21%) on the same period of 2019 (relief actions are being taken with a focus on protecting health and restoring commuters' trust on initiatives to encourage local tourism and digital innovation to reduce contact with frontline personnel), as well as in relation to the structure of the T-TPER transaction (the 2019 scope included the Emilia Romagna department);
- the passenger road transport segment, down by €70 million (-20%) on the same period of 2019, mainly seen in transport abroad;
- freight transport, down by €82 million (-15%) on the same period of 2019.

The **gross operating profit** of the Transport segment reached €187 million in the first half of 2020, down by €673 million on the same period of 2019. This decrease was due to the previously discussed reduction in transport companies' revenue, which was only partly offset by lower operating costs - achieved by taking all the necessary labour-related actions to mitigate the effects of the emergency - and the relief offered by laws and decrees that have made it possible recognise grants to support the group's transport services.

The **operating loss** amounts to €491 million, down by €691 million on the same period of the previous year. The positive effect of the gross operating profit was neutralised by the expected impact of amortisation and depreciation which was substantially unchanged and impairment losses on Trenitalia c2c Ltd and Qbuzz BV.

**Net financial expense** of €84 million decreased by €31 million on the same period of 2019, mainly because of the weaker performance of associates.

**Income taxes** for the first half of 2020 show a positive balance of €31 million.

#### **Loans and borrowings and related contracts - Transport segment**

##### **Busitalia Campania's revolving credit facility**

On 22 January 2020, FS Italiane S.p.A. granted Busitalia Campania S.p.A. (its indirect subsidiary) a revolving credit facility for a maximum total of €5 million to finance current cash requirements. The credit facility is guaranteed by the sub-holding company Busitalia - Sita Nord S.r.l..

##### **Busitalia Rail Service S.r.l.'s revolving credit facility**

On 12 February 2020, FS Italiane S.p.A. granted Busitalia Rail Service S.r.l. (its indirect subsidiary) a revolving credit facility for a maximum total of €5 million to finance current cash requirements. The credit facility is guaranteed by the sub-holding company Busitalia - Sita Nord S.r.l..

### **Blufferies S.r.l intragroup bridge loan**

On 26 March 2020, FS Italiane S.p.A. granted Blufferies S.r.l. (its indirect subsidiary) an intragroup bridge loan for a maximum total of €12 million and falling due on 30 June 2021, to finance 70% of the costs to complete the construction of the "Trinacria II" ship. The loan is guaranteed by the sub-holding company RFI.

### **Intragroup loan to finance Trenitalia S.p.A.'s rolling stock**

On 2 April 2020, using the proceeds from the new private bond placement finalised with Eurofima, which substantially reflects the parties' contractual limitations and commitments, FS Italiane S.p.A. granted Trenitalia S.p.A. an intragroup loan to finance the rolling stock used for the public transport service.

### **Interest rate hedges**

Between 2 April and 29 May 2020, Trenitalia S.p.A. entered into additional interest rate hedges on non-current debt with a notional amount of roughly €2.2 billion through 18 interest rate swaps and 11 interest rate caps agreed with 10 investment grade banks. Hedging, which mostly consists of hedges that were already in place at the end of 2019, began between July 2020 and November 2021 and mature in 2023 at the latest. These transactions will enable Trenitalia S.p.A. to manage the average all-inclusive cost (including the credit spread) of the underlying debt totalling €2.2 billion, which may never exceed 0.50% in the period of hedge effectiveness.

### **Ataf Gestioni S.r.l.'s revolving credit facility**

On 14 May 2020, FS Italiane S.p.A. granted ATAF Gestioni S.r.l. (its indirect subsidiary) a revolving credit facility for a maximum total of €5 million to finance current cash requirements. The credit facility is guaranteed by the sub-holding company Busitalia - Sita Nord S.r.l..

### **Busitalia Veneto S.p.A.'s revolving credit facility**

On 14 May 2020, FS Italiane S.p.A. granted Busitalia Veneto S.p.A. (its indirect subsidiary) a revolving credit facility for a maximum total of €5 million to finance current cash requirements. The credit facility is guaranteed by the sub-holding company Busitalia - Sita Nord S.r.l..

### **Intragroup loan to finance Trenitalia S.p.A.'s rolling stock**

On 27 May 2020, using the proceeds from the new private bond placement with Eurofima and substantially reflecting the parties' contractual limitations and commitments, FS Italiane S.p.A. granted Trenitalia S.p.A. an intragroup loan to finance the rolling stock used to operate the public transport service.

### **Intragroup loan using proceeds from the loan with Unicredit**

On 29 May 2020, a portion of the proceeds from FS Italiane S.p.A.'s three-year loan with Unicredit, amounting to €210 million, including an ESG (environmental, social and governance) tranche of €200 million, was allocated to an intragroup loan



between the parent and Trenitalia S.p.A. to finance expenses mostly relating to new electric rolling stock. In particular, the ESG tranche will be mostly used for new electric rolling stock that meets the standards of European Taxonomy for the financing of eco-sustainable projects.

#### **Intragroup loan using proceeds from the loan with Intesa Sanpaolo**

On 29 May 2020, the proceeds from FS Italiane S.p.A.'s two-year loan from Intesa Sanpaolo, for €300 million, were used for an intragroup loan between the parent and Trenitalia S.p.A..

#### **Busitalia - Sita Nord S.r.l.'s intragroup loan**

On 23 June 2020, FS Italiane S.p.A. granted the subsidiary Busitalia - Sita Nord S.r.l. an intragroup loan for a maximum of €14 million, maturing on 28 June 2027, to finance Busitalia Veneto S.p.A.'s capital increase, which was necessary to sign the Service Contract for urban and suburban bus and tram LPT services in the municipality and province of Padua.

#### **Trenitalia TPER's revolving credit facility**

On 7 July 2020, FS Italiane S.p.A. granted Trenitalia TPER (70% owned by Trenitalia) a revolving credit facility for a maximum of €28 million to cover 70% of the working capital requirements and temporary cash shortfalls as per Trenitalia TPER's 2020 budget.

## Infrastructure

The group's Infrastructure segment companies are Rete Ferroviaria Italiana S.p.A., 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 motorway networks. As network operator, RFI maintains, uses and develops the network and related safety systems, in addition to managing research and development in the field of railway transport and ensuring connections to Italy's largest islands by sea. To a lesser extent, given its smaller size, 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., Brenner Basis Tunnel SE, Tunnel Ferroviario del Brennero S.p.A. (TFB), Tunnel Euralpin Lyon Turin SaS (TELT), Grandi Stazioni Rail S.p.A. and Metropark S.p.A..

	millions of Euros			
	<b>First half of 2020</b>	<b>First half of 2019</b>	<b>Change</b>	<b>%</b>
Revenue from sales and services	2,143	2,375	(232)	(9.8)
Other income	118	154	(36)	(23.4)
<b>Revenue</b>	<b>2,261</b>	<b>2,529</b>	<b>(268)</b>	<b>(10.6)</b>
<b>Operating costs</b>	<b>(2,010)</b>	<b>(2,100)</b>	<b>90</b>	<b>4.3</b>
<b>Gross operating profit</b>	<b>251</b>	<b>429</b>	<b>(178)</b>	<b>(41.5)</b>
<b>Operating profit</b>	<b>92</b>	<b>256</b>	<b>(164)</b>	<b>(64.1)</b>
<b>Profit for the period (attributable to the owners of the parent and non-controlling interests)</b>	<b>50</b>	<b>191</b>	<b>(141)</b>	<b>(73.8)</b>

	<b>30.06.2020</b>	<b>31.12.2019</b>	<b>Change</b>
<b>Net invested capital</b>	<b>36,987</b>	<b>37,292</b>	<b>(305)</b>

The Infrastructure segment shows a **profit for the period** of €50 million, down by €141 million on the same period of the previous year. This segment's performance was also heavily influenced by the impacts of the lockdown to contain COVID-19.

**Revenue** amounts to €2,261 million, down by €268 million on the first half of 2019. The drop in revenue is mainly due to the net effect of lower revenue from:

- RFI S.p.A.'s tolls, down by €249 million: developments in the emergency scenario have led railway companies to cancel services with a consequent contraction in volumes;
- RFI S.p.A.'s sale of electrical energy for traction, down by €48 million, substantially following the drop in energy prices in 2019 and the reduction in demand for energy following the decline in train traffic as a result of the lockdown (with the corresponding reduction in costs);
- Anas S.p.A.'s motorway tolls, down by roughly €113 million due to the motorway operators (royalties, income from mobility services or network management);

- the Sitaf group, which is controlled via Anas S.p.A., down by approximately €25 million due to the measures to contain and prevent COVID-19;
- non-recurring items, also down (in particular, non-recurring items included the gain on the sale of Centostazioni Retail S.p.A. in 2019 and other penalties applied to suppliers);

partly offset by greater grants, up by around €213 million, under Law no. 77 of 17 July 2020 (Recovery Decree), to cover losses due to both non-collection of the RFI S.p.A. toll because of COVID-19 (€115 million) and smaller motorway tolls collected by Anas S.p.A. (€98 million).

The Infrastructure segment's **gross operating profit** is €251 million in the first half of 2020, down by €178 million on the same period of 2019, substantially due to the lockdown to contain the spread of COVID-19 and the sharp drop in mobility throughout the country.

The **operating profit** in the Infrastructure segment is €92 million, down by €164 million on the first half of 2019. The decrease compared to the gross operating profit was only partly attenuated by lower amortisation and depreciation (impact of +€25 million) which was offset by greater impairment losses (impact of -€11 million) on financial assets (mostly relating to the service concession assets of Anas S.p.A.).

**Net financial expense** of €29 million improved by €10 million on the same period of 2019, substantially due to Anas S.p.A.'s non-recurring financial expense in the comparative period.

**Income taxes** in the Infrastructure segment show a negative balance of €13 million in the first half of 2020, an improvement of €13 million on the first half of 2019, essentially due to a non-recurring expense in the first half of 2019 (€14 million relating to the resolution of RFI S.p.A.'s tax dispute).

## **Loans and borrowings and related contracts - Infrastructure segment**

### **Crew's revolving crew credit facility**

On 21 April 2020, FS Italiane S.p.A. granted Crew - Cremonesi Workshop (its indirect subsidiary) a revolving credit facility for a maximum total of €1 million to finance current cash requirements. The credit facility is guaranteed by the sub-holding company Italferr S.p.A..

### **Revision of interest rates on EIB financing of €197.9 million**

On 22 April 2020, RFI S.p.A. finalised the fixing procedure for the new fixed interest rate applicable as from 15 June 2020 to 15 June 2025 to Tranches 1, 2 and 3 of the BEI 4 financing, for a total of €197.9 million. During the period of application of the new rate, RFI S.p.A. will not incur any financial expense on this portion of the debt, since the new fixed rate is equal to 0.00%, replacing the previously applied rate of over 6%.

### **Intragroup loan using proceeds from the loan with Unicredit**

On 29 May 2020, a portion of the proceeds from the three-year loan between FS Italiane S.p.A. and Unicredit, amounting to €90 million was used for an intragroup loan between the parent and RFI S.p.A. to finance the completion of the high speed line.

## Real Estate Services

The Real Estate Services segment mainly consists of FS Sistemi Urbani S.r.l. which handles management, sales and development services for real estate assets that are not used in the group's operations.

The parent also contributes to this segment, exclusively with respect to its real estate management operations, which include providing the group companies with strategic guidelines on real estate and asset allocation (e.g., mergers, demergers, contributions to SPVs, etc.) and handling the sale of land and buildings held for trading in real estate holdings.

	millions of Euros			
	<b>First half of 2020</b>	<b>First half of 2019</b>	<b>Change</b>	<b>%</b>
Revenue from sales and services	54	86	(32)	(37.2)
Other income				
<b>Revenue</b>	<b>54</b>	<b>86</b>	<b>(32)</b>	<b>(37.2)</b>
<b>Operating costs</b>	<b>(49)</b>	<b>(55)</b>	<b>6</b>	<b>10.9</b>
<b>Gross operating profit</b>	<b>5</b>	<b>31</b>	<b>(26)</b>	<b>(83.9)</b>
<b>Operating profit (loss)</b>		<b>24</b>	<b>(24)</b>	<b>(100.0)</b>
<b>Profit (loss) for the period (attributable to the owners of the parent and non-controlling interests)</b>	<b>(3)</b>	<b>22</b>	<b>(25)</b>	<b>(113.6)</b>
	<b>30.06.2020</b>	<b>31.12.2019</b>	<b>Change</b>	
<b>Net invested capital</b>	<b>1,428</b>	<b>1,425</b>	<b>3</b>	

The **loss for the period** of the Real Estate Services segment is roughly €3 million, down by €25 million on the same period of 2019, due to both the non-recurring sales of the first half of 2019 and the lower turnover in the first half of 2020 because of COVID-19.

## Other Services

Ferrovie dello Stato Italiane S.p.A. operates in the Other Services segment in its role as the group's holding company and for all the activities not included in the real estate services described above. It steers and coordinates the business policies and strategies of the group's operating companies. The other 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 ICT service provider appointed to manage its ICT strategy.

millions of Euros

	First half of 2020	First half of 2019	Change	%
Revenue from sales and services	291	106	185	174.5
Other income	14	28	(14)	(50.0)
<b>Revenue</b>	<b>305</b>	<b>134</b>	<b>171</b>	<b>127.6</b>
<b>Operating costs</b>	<b>(307)</b>	<b>(141)</b>	<b>(166)</b>	<b>(117.7)</b>
<b>Gross operating loss</b>	<b>(2)</b>	<b>(7)</b>	<b>5</b>	<b>71.4</b>
<b>Operating loss</b>	<b>(27)</b>	<b>(21)</b>	<b>(6)</b>	<b>(28.6)</b>
<b>Profit for the period (attributable to the owners of the parent and non-controlling interests)</b>	<b>6</b>	<b>64</b>	<b>(58)</b>	<b>(90.6)</b>

	30.06.2020	31.12.2019	Change
<b>Net invested capital</b>	<b>620</b>	<b>548</b>	<b>72</b>

In the first half of 2020, the Other services segment shows a profit for the period of €6 million, down by €58 million on the same period of the previous year.

**Revenue** of €305 million is up by €171 million on the first half of 2019, mainly attributable to FSTechnology S.p.A., which began operating in August 2019, and the increase in turnover from the now operational Riyadh metro project.

The **gross operating loss** of €2 million in the first half of 2020 shows a €5 million improvement on the same period of 2019, mainly because of the parent's lower costs.

The **operating loss** is €27 million, down by €6 million on the first half of 2019, substantially because of the greater weight of FSTechnology S.p.A.'s amortisation and depreciation.

**Net financial income** amounts to €25 million, an improvement of €8 million on the corresponding period of 2019.

**Income taxes** in the Other services segment show a positive balance of €8 million in the first half of the year, down by €60 million on the same period of the previous year, mainly due to the reduction in income from the tax consolidation scheme and the regulatory framework of anti-COVID-19 measures.

## **Loans and borrowings and related contracts – Other Services segment**

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

On 31 March 2020, FS Italiane S.p.A.'s board of directors approved the issue of new 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 €1,780 million.

The funds raised on debt capital markets will be used to purchase new trains for regional transport and medium and long-haul transport, as well as to complete the HS/HC railway infrastructure.

### **Private bond placement with Eurofima**

On 2 April 2020, FS Italiane S.p.A. finalised another private bond placement with Eurofima, the supranational institution that finances the rolling stock of European railway companies. Variable-rate FS Italiane S.p.A. bonds of €200 million, maturing in October 2034, were subscribed. Eurofima financed the FS Italiane S.p.A. issue through its green bond programme for sustainable investments in the passenger railway transport sector, promoting Europe's modal shift to rail.

The proceeds from the bond, as noted above, were used for an intragroup loan to Trenitalia S.p.A. to finance Trenitalia S.p.A.'s rolling stock used to operate the public transport service.

### **Fitch downgrading**

As a direct consequence of the downgrading of the Italian Republic, on 8 May 2020, the ratings agency Fitch downgraded Ferrovie dello Stato Italiane S.p.A.'s Long-Term Issuer Default Rating from 'BBB' to 'BBB-' (revising its outlook from negative to stable).

The agency confirmed Ferrovie dello Stato Italiane S.p.A.'s stand-alone credit profile (SCP) of "bbb".

### **Private bond placement with Eurofima**

On 27 May 2020, FS Italiane S.p.A. finalised another private bond placement with Eurofima. Variable-rate FS Italiane S.p.A. bonds of €200 million, maturing in May 2030, were subscribed. Eurofima financed the FS Italiane S.p.A. issue through its green bond programme for sustainable investments in the passenger railway transport sector, promoting Europe's modal shift to rail.

The proceeds from the bond, as noted above, were used for an intragroup loan to Trenitalia S.p.A. to finance rolling stock used to operate the public transport service.

### **Loan with Unicredit**

On 29 May 2020, FS Italiane S.p.A. agreed a three-year loan with UniCredit for €300 million, which will finance Trenitalia S.p.A.'s and RFI S.p.A.'s projects. The loan also includes an "ESG tranche" of €200 million to finance expenses mostly relating to Trenitalia S.p.A.'s new electric rolling stock, which meets the standards of European Taxonomy for the financing of eco-sustainable projects.

The loan is part of a larger transaction totalling €600 million, which the group has specifically developed to seize the opportunities created by the ECB's significant economic stimulus and banking relief measures.

#### **Loan with Intesa Sanpaolo**

On 29 May 2020, FS Italiane S.p.A. agreed a two-year loan with Intesa Sanpaolo for €300 million, which will finance Trenitalia S.p.A.'s projects.

The loan is part of a larger transaction totalling €600 million, which the group has specifically developed to seize the opportunities created by the ECB's significant economic stimulus and banking relief measures.

#### **Private bond placement on the EMTN programme with EIB**

On 23 July 2020, FS Italiane S.p.A. finalised a €150 million variable-rate corporate bond maturing in 2032 as part of the EMTN programme, with private placement and entirely subscribed by the European Investment Bank.

The placement is based on the ESG principles of sustainable finance and, through an intragroup contract between FS Italiane S.p.A. and Trenitalia S.p.A., will finance the purchase of the first 43 innovative bimodal trains with a reduced environmental impact for regional transport.

#### **Private bond placement with Eurofima**

On 27 July 2020, FS Italiane S.p.A. finalised another private bond placement with Eurofima totalling €240 million, accruing interest at a variable rate and maturing in 2034. Eurofima financed the issue through its green bond programme for sustainable investments in the passenger railway transport sector, promoting Europe's modal shift to rail.

Using the proceeds raised with this placement and substantially reflecting the parties' contractual limitations and commitments, FS Italiane S.p.A. has granted Trenitalia S.p.A. an intragroup loan to finance rolling stock used to operate the public transport service.

# Ferrovie dello Stato Italiane S.p.A.'s financial position and performance

## Reclassified income statement

	millions of Euros			
	First half of 2020	First half of 2019	Change	%
<b>Revenue</b>	<b>113</b>	<b>92</b>	<b>21</b>	<b>23</b>
- Revenue from sales and services	107	79	28	35
- Other revenue	6	13	(7)	(54)
<b>Operating costs</b>	<b>(130)</b>	<b>(105)</b>	<b>(25)</b>	<b>(24)</b>
<b>GROSS OPERATING LOSS</b>	<b>(17)</b>	<b>(13)</b>	<b>(4)</b>	<b>(31)</b>
Amortisation and depreciation	(11)	(14)	3	21
Net impairment losses (gains)		(2)	2	100
<b>OPERATING LOSS</b>	<b>(28)</b>	<b>(29)</b>	<b>1</b>	<b>3</b>
Net financial income	147	159	(12)	(8)
<b>PRE-TAX PROFIT</b>	<b>119</b>	<b>130</b>	<b>(11)</b>	<b>8</b>
Income taxes	7	73	(66)	(90)
<b>PROFIT FOR THE PERIOD</b>	<b>126</b>	<b>203</b>	<b>(77)</b>	<b>(38)</b>

The **profit for the period** amounts to €126 million in the first half of 2020, down by €77 million on the same period of the previous year, mainly due to net financial income (impact of -€12 million) and income taxes (impact of -€66 million), and attributable, to a residual extent, to the worsening of the gross operating loss (-€4 million).

The decrease in the **gross operating loss** is due to a net increase in operating costs (+€25 million) which exceeded the increase in revenue (+€21 million). The changes in revenue are mainly the result of: greater revenue from the Riyadh metro contract (+€33 million), lower revenue from property management (-€8 million) and lower income on the sale of land and buildings held for trading (-€5 million). The changes in operating costs refer to: greater services (+€36 million), mainly in connection with IT services provided by FS Technology S.p.A. and Riyadh metro contract costs and a decrease in other operating costs (-€11 million) mostly due to the non-recurring income on the positive outcome of the claim filed against the tax authorities to obtain reimbursement of the registration tax and the related interest paid on the sale of the former RFI's electrical network to Terna S.p.A..

The decrease in **net financial income** is mainly due to smaller gains on sales of assets (-€13 million) referring to the sale of Centostazioni Retail S.p.A. by FS Italiane and RFI S.p.A. (sellers) to AltaCSRETAILFR (buyer) in the first half of 2019, the decrease in dividends distributed by the subsidiaries, associates and third parties (-€4 million) and the increase in net exchange losses (-€6 million). The aforementioned decreases were offset by greater net financial income on currency risk hedges (+€5 million) and the increase in interest income on loans granted to subsidiaries (+€6 million).

**Income taxes** show a total decrease of €66 million on the same period of the previous year, mainly due to lower income from the tax consolidation scheme (-€56 million), greater adjustments to taxes relative to prior years (+€1 million), the



reduction in current IRES (corporate income tax) and IRAP (regional productivity tax) (-€4 million) and greater deferred tax assets and liabilities recognised in the period (+€5 million).

## Reclassified statement of financial position

	millions of Euros		
	30.06.2020	31.12.2019	Change
<b>ASSETS</b>			
Net operating working capital	424	377	47
Other assets, net	331	219	112
<b>Working capital</b>	<b>755</b>	<b>596</b>	<b>159</b>
Non-current assets	542	536	6
Equity investments	38,099	38,099	
<b>Net non-current assets</b>	<b>38,641</b>	<b>38,635</b>	<b>6</b>
Post-employment benefits	(8)	(8)	
Other provisions	(311)	(310)	(1)
<b>Post-employment benefits and other provisions</b>	<b>(319)</b>	<b>(318)</b>	<b>(1)</b>
<b>NET INVESTED CAPITAL</b>	<b>39,077</b>	<b>38,913</b>	<b>164</b>
<b>COVERAGE</b>			
Net current financial position	(457)	(476)	19
Net non-current financial position	(445)	(472)	27
<b>Net financial position</b>	<b>(902)</b>	<b>(948)</b>	<b>46</b>
<b>Equity</b>	<b>39,979</b>	<b>39,861</b>	<b>118</b>
<b>COVERAGE</b>	<b>39,077</b>	<b>38,913</b>	<b>164</b>

**Net invested capital** of €39,077 million increased in the first half of 2020 by €164 million, mainly due to the increase in **working capital** (+€159 million).

**Working capital** amounts to €755 million. The increase on 31 December 2019 is essentially due to the net increase in trade receivables and payables (+€52 million), the net increase in VAT liabilities (-€4 million), the increase in non-trade amounts due from group companies mainly in connection with the approval of dividends to Rete Ferroviaria Italiana S.p.A. (€100 million), Ferservizi S.p.A. (€15 million) and Italferr S.p.A. (€9 million) and the decreases in deferred tax assets (-€5 million) and land and buildings held for trading (-€3 million).

The **net financial position** decreased by €46 million from €948 million at 31 December 2019 to €902 million at 30 June 2020 mainly due to the reduction in net cash and cash equivalents (-€67 million) which were used to meet the group companies' greater financial needs, the decrease in bank loans and borrowings following greater than new syndicated loans (-€609 million) and the decrease, net of repayments, in short-term credit facilities granted to group companies (-€588 million).

**Equity** increased by €118 million, mainly due to the profit for the period (€126 million).

## Interim consolidated financial statements

## Statement of financial position

millions of Euros

	30.06.2020	31.12.2019
<b>Assets</b>		
Property, plant and equipment	46,138	46,058
Investment property	1,408	1,385
Intangible assets	2,679	2,713
Deferred tax assets	416	405
Equity-accounted investments	574	574
Service concession assets	1,815	1,696
Financial assets (including derivatives)	1,409	1,628
Trade receivables	6	6
Other assets	4,693	5,319
<b>Total non-current assets</b>	<b>59,138</b>	<b>59,784</b>
Inventories	2,413	2,290
Trade receivables	2,582	2,671
Financial assets (including derivatives)	658	705
Service concession assets	1,505	1,549
Cash and cash equivalents	1,166	1,534
Tax assets	111	128
Other assets	3,938	3,462
<b>Total current assets</b>	<b>12,373</b>	<b>12,339</b>
<b>Assets held for sale and disposal groups</b>	<b>1,679</b>	<b>1,691</b>
<b>Total assets</b>	<b>73,190</b>	<b>73,814</b>
<b>Total equity and liabilities</b>		
Share capital	39,204	39,204
Reserves	70	53
Valuation reserves	(434)	(428)
Retained earnings	3,002	2,440
Profit (loss) for the period	(399)	573
<b>Equity attributable to the owners of the parent</b>	<b>41,443</b>	<b>41,842</b>
Profit (loss) attributable to non-controlling interests	(20)	11
Share capital and reserves attributable to non-controlling interests	452	437
<b>Total equity attributable to non-controlling interests</b>	<b>432</b>	<b>448</b>
<b>Equity</b>	<b>41,875</b>	<b>42,290</b>
<b>Liabilities</b>		
Loans and borrowings	7,973	7,211
Post-employment benefits and other employee benefits	1,180	1,221
Provisions for risks and charges	2,533	2,547
Deferred tax liabilities	485	502
Contract advances	1,034	1,142
Financial liabilities (including derivatives)	1,514	1,577
Trade payables	27	27
Other liabilities	156	162
<b>Total non-current liabilities</b>	<b>14,902</b>	<b>14,389</b>
Loans and borrowings and current portion of non-current loans and borrowings	3,300	4,095
Current portion of provisions for risks and charges	36	34
Trade payables	4,565	5,797
Tax liabilities	11	13
Contract advances	358	197
Financial liabilities (including derivatives)	200	176
Other liabilities	6,740	5,614
<b>Total current liabilities</b>	<b>15,210</b>	<b>15,926</b>
<b>Liabilities held for sale and disposal groups</b>	<b>1,203</b>	<b>1,209</b>
<b>Total liabilities</b>	<b>31,315</b>	<b>31,524</b>
<b>Total equity and liabilities</b>	<b>73,190</b>	<b>73,814</b>

## Income statement

millions of Euros

	First half of 2020	First half of 2019
<b>Revenue</b>		
Revenue from sales and services	4,580	5,745
Other income	170	229
<b>Total revenue</b>	<b>4,750</b>	<b>5,974</b>
<b>Operating costs</b>		
Personnel expense	(2,316)	(2,487)
Raw materials, consumables, supplies and goods	(470)	(639)
Services	(1,894)	(2,047)
Use of third-party assets	(55)	(73)
Other operating costs	(80)	(116)
Internal work capitalised	583	685
<b>Total operating costs</b>	<b>(4,232)</b>	<b>(4,677)</b>
<b>Amortisation and depreciation</b>	<b>(794)</b>	<b>(834)</b>
<b>Net impairment gains</b>	<b>(67)</b>	<b>(9)</b>
<b>Operating profit (loss)</b>	<b>(343)</b>	<b>454</b>
<b>Financial income and expense</b>		
Financial income	58	40
Financial expense	(132)	(131)
<b>Net financial expense</b>	<b>(74)</b>	<b>(91)</b>
Share of profits (losses) of equity-accounted investees	(11)	16
<b>Pre-tax profit (loss)</b>	<b>(428)</b>	<b>379</b>
Income taxes	9	(17)
<b>Profit (loss) for the period (attributable to the owners of the parent and non-controlling interests)</b>	<b>(419)</b>	<b>362</b>
<i>Profit (loss) for the period attributable to the owners of the parent</i>	(399)	358
<i>Profit (loss) for the period attributable to non-controlling interests</i>	(20)	4

## Statement of comprehensive income

millions of Euros

	First half of 2020	First half of 2019
<b>Profit for the year (attributable to the owners of the parent and non-controlling interests)</b>	<b>(419)</b>	<b>362</b>
<b>Other comprehensive income</b>		
<b>Items that will not be reclassified to profit or loss, net of the tax effect:</b>		
Net actuarial losses	(10)	(39)
attributable to the owners of the parent	(10)	(39)
attributable to non-controlling interests		
Items reclassified to profit or loss	6	7
<b>Items that will or may be reclassified to profit or loss, net of the tax effect:</b>		
Cash flow hedges - effective portion of changes in fair value	(5)	(15)
attributable to the owners of the parent	(2)	(12)
attributable to non-controlling interests	(3)	(3)
Net exchange gains	5	1
<b>Other comprehensive expense, net of the tax effect</b>	<b>(4)</b>	<b>(46)</b>
<b>Comprehensive income (expense) (attributable to the owners of the parent and non-controlling interests)</b>	<b>(423)</b>	<b>316</b>
<i>Comprehensive income (expense) attributable to:</i>		
Owners of the parent	(400)	315
Non-controlling interests	(23)	1

## Statement of changes in equity

millions of Euros

Equity														
	Reserves									Retained earnings	Profit (loss) for the period/year	Equity attributable to the owners of the parent	Equity attributable to non-controlling interests	Total equity
	Share capital	Legal reserve	Extraordinary reserve	Other reserves	Translation reserve	Hedging reserve	Actuarial reserve	Fair value reserve	Total reserves					
<b>Balance at 1 January</b>	<b>39,204</b>	<b>50</b>				<b>(86)</b>	<b>(350)</b>		<b>(386)</b>	<b>1,896</b>	<b>540</b>	<b>41,254</b>	<b>443</b>	<b>41,697</b>
Capital increase													8	8
Dividend distribution										(2)		(2)	(1)	(3)
Allocation of profit for the previous year		3							3	537	(540)			
Change in consolidation scope										(1)		(1)	(2)	(3)
Other changes										(2)		(2)		(2)
Comprehensive income					1	(5)	(39)		(43)		358	315	1	316
of which:														
Profit for the period											358	358	4	362
Gains/(losses) recognised directly in equity					1	(5)	(39)		(43)			(43)	(3)	(46)
<b>Balance at 30 June 2019</b>	<b>39,204</b>	<b>53</b>			<b>1</b>	<b>(91)</b>	<b>(389)</b>		<b>(426)</b>	<b>2,428</b>	<b>358</b>	<b>41,564</b>	<b>449</b>	<b>42,013</b>
<b>Balance at 1 January 2020</b>	<b>39,204</b>	<b>53</b>				<b>(69)</b>	<b>(359)</b>		<b>(375)</b>	<b>2,440</b>	<b>573</b>	<b>41,842</b>	<b>448</b>	<b>42,290</b>
Capital increase													9	9
Dividend distribution														
Allocation of profit for the previous year		12							12	561	(573)			
Change in consolidation scope													(2)	(2)
Other changes					5				5	1		6		6
Comprehensive income						4	(10)		(6)		(399)	(405)	(23)	(428)
of which:														
Loss for the period											(399)	(399)	(20)	(419)
Gains/(losses) recognised directly in equity						4	(10)		(6)			(6)	(3)	(9)
<b>Balance at 30 June 2020</b>	<b>39,204</b>	<b>65</b>			<b>5</b>	<b>(65)</b>	<b>(369)</b>		<b>(364)</b>	<b>3,002</b>	<b>(399)</b>	<b>41,443</b>	<b>432</b>	<b>41,875</b>

## Statement of cash flows

millions of Euros

	First half of 2020	First half of 2019
<b>Profit (loss) for the period</b>	<b>(419)</b>	<b>362</b>
Income taxes	(9)	17
Net financial income	76	67
Amortisation and depreciation	794	834
Share of profits (losses) of equity-accounted investees	11	(16)
Accruals to provisions and impairment losses	279	162
Gains on sales	(27)	(40)
Change in inventories	(123)	(224)
Change in trade receivables	69	(279)
Change in trade payables	(1,211)	(370)
Change in current and deferred taxes		(20)
Change in other liabilities	1,151	943
Change in other assets	153	(1,485)
Utilisation of the provisions for risks and charges	(244)	(86)
Payment of employee benefits	(81)	(105)
Change in assets/liabilities held for sale		
Net financial expense paid	(68)	(67)
Income taxes paid, net of reimbursed tax assets	(9)	(17)
Change in service concession assets/liabilities	(23)	163
Change in assets/liabilities held for sale	(10)	
<b>Net cash flows generated by (used in) operating activities</b>	<b>309</b>	<b>(162)</b>
Increases in property, plant and equipment	(2,325)	(2,442)
Investment property	(6)	(2)
Increases in intangible assets	(104)	(108)
Increases in equity investments	(102)	(156)
<b>Investments, before grants</b>	<b>(2,537)</b>	<b>(2,707)</b>
Grants for property, plant and equipment	1,523	1,484
Grants for investment property		
Grants for intangible assets	1	
Grants for equity investments	84	148
<b>Grants</b>	<b>1,608</b>	<b>1,633</b>
Decreases in property, plant and equipment	43	49
Decreases in investment property		
Decreases in intangible assets		2
Decreases in equity investments and profit-sharing arrangements	4	9
<b>Decreases</b>	<b>47</b>	<b>59</b>
<b>Net cash flows used in investing activities</b>	<b>(882)</b>	<b>(1,015)</b>
Finance lease payments	(81)	
Disbursement and repayment of non-current loans	610	(147)
Disbursement and repayment of current loans	(624)	755
Grants relating to assets (for loans)	298	295
Change in financial assets	(24)	(14)
Change in financial liabilities	23	(157)
Dividends		(3)
Changes in equity and cash from non-recur. trans.	3	(2)
<b>Net cash flows generated by financing activities</b>	<b>205</b>	<b>727</b>
<b>Total cash flows</b>	<b>(368)</b>	<b>(450)</b>
<b>Opening cash and cash equivalents</b>	<b>1,534</b>	<b>1,796</b>
<b>Closing cash and cash equivalents</b>	<b>1,166</b>	<b>1,346</b>

Interim separate financial statements  
of Ferrovie dello Stato Italiane S.p.A.



## Statement of financial position

Euros

	30.06.2020	31.12.2019
<b>Assets</b>		
Property, plant and equipment	49,770,415	47,938,264
Investment property	445,693,550	447,005,704
Intangible assets	47,084,025	40,404,665
Deferred tax assets	176,897,028	182,436,348
Equity investments	38,099,497,753	38,099,497,753
Financial assets (including derivatives)	7,017,530,483	6,083,744,791
Trade receivables	3,648,592	4,159,204
Other assets	24,063,327	25,877,644
<b>Total non-current assets</b>	<b>45,864,185,173</b>	<b>44,931,064,373</b>
Inventories	374,019,409	377,387,565
Trade receivables	195,802,523	153,799,937
Financial assets (including derivatives)	2,563,096,882	3,428,890,772
Cash and cash equivalents	455,655,774	340,657,747
Tax assets	82,597,622	83,742,642
Other assets	700,682,108	571,689,908
<b>Total current assets</b>	<b>4,371,854,318</b>	<b>4,956,168,571</b>
<b>Total assets</b>	<b>50,236,039,491</b>	<b>49,887,232,944</b>
<b>Equity</b>		
Share capital	39,204,173,802	39,204,173,802
Reserves	64,806,665	53,473,021
Valuation reserves	11,145	112,825
Retained earnings	589,951,253	374,612,026
Profit for the period	125,741,497	226,672,871
<b>Total equity</b>	<b>39,984,684,362</b>	<b>39,859,044,545</b>
<b>Liabilities</b>		
Loans and borrowings	6,566,237,378	5,611,065,583
Post-employment benefits and other employee benefits	7,752,343	7,748,976
Provisions for risks and charges	151,637,114	150,959,192
Deferred tax liabilities	159,972,000	159,695,900
Financial liabilities (including derivatives)	71,741	2,769,448
Other liabilities	29,634,667	33,922,328
<b>Total non-current liabilities</b>	<b>6,915,305,243</b>	<b>5,966,161,427</b>
Loans and borrowings and current portion of non-current loans and borrowings	2,176,677,168	2,952,607,703
Trade payables	151,846,727	162,155,659
Financial liabilities (including derivatives)	385,304,166	340,935,917
Other liabilities	622,221,825	606,327,693
<b>Total current liabilities</b>	<b>3,336,049,886</b>	<b>4,062,026,972</b>
<b>Total liabilities</b>	<b>10,251,355,129</b>	<b>10,028,188,399</b>
<b>Total equity and liabilities</b>	<b>50,236,039,491</b>	<b>49,887,232,944</b>

## Income statement

	First half of 2020	First half of 2019
		Euros
Revenue from sales and services	106,808,473	78,732,517
Other income	6,391,950	13,604,177
<b>Total revenue</b>	<b>113,200,423</b>	<b>92,336,694</b>
Personnel expense	(29,817,881)	(32,031,667)
Raw materials, consumables, supplies and goods	(4,526,320)	(2,374,790)
Services	(92,042,831)	(55,854,138)
Use of third-party assets	(2,078,180)	(2,059,076)
Other operating costs	(1,906,226)	(12,972,390)
Internal work capitalised	492,635	15,068
<b>Total operating costs</b>	<b>(129,878,803)</b>	<b>(105,276,993)</b>
Amortisation and depreciation	(10,830,523)	(13,409,205)
Net impairment gains	(481,610)	(2,320,728)
<b>Operating loss</b>	<b>(27,990,513)</b>	<b>(28,670,232)</b>
Gains on equity investments	130,829,816	134,930,991
Other financial income	100,892,581	91,489,518
Losses on equity investments	(52,531)	(20,133)
Other financial expense	(84,616,407)	(67,943,996)
<b>Net financial income</b>	<b>147,053,459</b>	<b>158,456,380</b>
<b>Pre-tax profit</b>	<b>119,062,946</b>	<b>129,786,148</b>
Income taxes	6,678,551	73,269,102
<b>Profit from continuing operations</b>	<b>125,741,497</b>	<b>203,055,250</b>
<b>Profit for the period</b>	<b>125,741,497</b>	<b>203,055,250</b>

## Statement of comprehensive income

Euros

	First half of 2020	First half of 2019
<b>Profit for the period</b>	<b>125,741,497</b>	<b>203,055,250</b>
<b>Items that will not be reclassified to profit or loss:</b>		
Net actuarial losses	(129,595)	(401,513)
Tax effect on actuarial gains	27,915	89,867
<b>Other comprehensive expense, net of the tax effect</b>	<b>(101,680)</b>	<b>(311,646)</b>
<b>Comprehensive income</b>	<b>125,639,817</b>	<b>202,743,604</b>

## Statement of changes in equity

Euros

Equity									
Reserves									
Other reserves									
Valuation reserves									
	Share capital	Legal reserve	Extraordinary reserve	Other reserves	Actuarial reserve	Total reserves	Retained earnings	Profit for the year	Total equity
<b>Balance at 1 January 2019</b>	<b>39,204,173,802</b>	<b>50,353,142</b>			<b>367,959</b>	<b>50,721,101</b>	<b>315,334,328</b>	<b>62,397,577</b>	<b>39,632,626,808</b>
Capital increase									
Dividend distribution									
Allocation of profit for the previous year		3,119,879				3,119,879	59,277,698	(62,397,577)	
Demerger to RFI									
Other changes									
Comprehensive income of which:									
Profit for the year								226,672,871	226,672,871
Net losses recognised directly in equity					(255,134)	(255,134)			(255,134)
<b>Balance at 31 December 2019</b>	<b>39,204,173,802</b>	<b>53,473,021</b>			<b>112,825</b>	<b>53,585,846</b>	<b>374,612,026</b>	<b>226,672,871</b>	<b>39,859,044,545</b>
Allocation of profit for the previous year		11,333,644				11,333,644	215,339,227	(226,672,871)	
Comprehensive income of which:									
Profit for the year								125,741,497	125,741,497
Net losses recognised directly in equity					(101,680)	(101,680)			(101,680)
<b>Balance at 30 June 2020</b>	<b>39,204,173,802</b>	<b>64,806,665</b>			<b>11,145</b>	<b>64,817,810</b>	<b>589,951,253</b>	<b>125,741,497</b>	<b>39,984,684,362</b>

## STATEMENT OF CASH FLOWS

Euros

	First half of 2020	First half of 2019
<b>Profit for the period</b>	<b>125,741,497</b>	<b>203,055,250</b>
Income taxes	(6,678,551)	(73,269,102)
Net financial expense	(147,053,459)	(11,090,757)
Amortisation and depreciation	10,830,523	13,409,205
Accruals to provisions and impairment losses	1,114,301	561,165
Impairment losses	(329,970)	57,973
Employee benefits		52,575
<b>Accruals to provisions and impairment losses</b>	<b>784,331</b>	<b>671,713</b>
Gains on sales		(12,862,341)
Change in inventories	3,938,459	1,626,652
Change in trade receivables	(40,963,514)	(61,177,506)
Change in trade payables	(10,308,933)	33,254,486
Change in other assets	(4,521,519)	(112,021,787)
Change in other liabilities	12,458,115	(144,827,714)
Utilisation of the provisions for risks and charges	(453,022)	(3,438,839)
Payment of employee benefits	(143,925)	12,974
Financial income collected/financial expense paid	14,029,308	
Change in tax assets/liabilities	16,270,593	29,790,078
<b>Net cash flows used in operating activities</b>	<b>(26,070,097)</b>	<b>(136,867,688)</b>
Increases in property, plant and equipment	(643,024)	(4,415,114)
Investment property	(5,237,078)	(1,751,522)
Increases in intangible assets	(12,963,477)	(14,930,368)
Increases in equity investments	(31,656)	(35,636,387)
<b>Investments, before grants</b>	<b>(18,875,235)</b>	<b>(56,733,391)</b>
Grants for equity investments		35,635,497
<b>Grants</b>		<b>35,635,497</b>
Decreases in property, plant and equipment		3,647
Decreases in investment property	251,604	
Decreases in intangible assets	2,465	
Decreases in equity investments	31,656	35,257,500
<b>Decreases</b>	<b>285,725</b>	<b>35,261,147</b>
<b>Net cash flows generated by (used in) investing activities</b>	<b>(18,589,510)</b>	<b>14,163,253</b>
Disbursement and repayment of non-current loans	753,325,709	(60,235,811)
Disbursement and repayment of current loans	(600,976,637)	876,695,871
Change in lease liabilities	(57,128)	
Change in financial assets	(171,626,926)	(813,531,136)
Change in financial liabilities	(2,680,653)	(370,388)
Dividends		
Changes in equity		11,090,757
<b>Net cash flows generated by (used in) financing activities</b>	<b>(22,015,635)</b>	<b>13,649,293</b>
<b>Total cash flows</b>	<b>(66,675,243)</b>	<b>(109,055,142)</b>
Opening cash and cash equivalents	155,022,769	207,821,057
Closing cash and cash equivalents	88,347,526	98,765,915
of which intragroup current account	(367,308,248)	(232,998,299)

## Reporting by operating segment

The financial highlights of the group's operating segments for the first half of 2020 and the same period of 2019 or, for net invested capital, at 31 December 2019, are shown below:

millions of Euros

First half of 2020	Transport	Infra-structure	Real Estate Services	Other Serv.	Adjust. and Inter-segment elim-inations	FS Italiane group
Revenue from third parties	2,658	1,853	34	42		4,587
Inter-segment revenue	140	408	20	263	(668)	163
<b>Revenue</b>	<b>2,798</b>	<b>2,261</b>	<b>54</b>	<b>305</b>	<b>(668)</b>	<b>4,750</b>
Personnel expense	(1,160)	(1,080)	(2)	(83)	9	(2,316)
Other costs, net	(1,451)	(930)	(47)	(224)	736	(1,916)
<b>Operating costs</b>	<b>(2,611)</b>	<b>(2,010)</b>	<b>(49)</b>	<b>(307)</b>	<b>745</b>	<b>(4,232)</b>
<b>Gross operating profit (loss)</b>	<b>187</b>	<b>251</b>	<b>5</b>	<b>(2)</b>	<b>77</b>	<b>518</b>
Amortisation and depreciation	(631)	(144)	(4)	(25)	10	(794)
Impairment losses and accruals	(47)	(15)	(1)		(4)	(67)
<b>Operating profit (loss)</b>	<b>(491)</b>	<b>92</b>		<b>(27)</b>	<b>83</b>	<b>(343)</b>
Net financial income (expense)	(84)	(29)	3	25		(85)
Income taxes	31	(13)	(6)	8	(11)	9
Loss from assets held for sale, net of taxes						
<b>Segment profit (loss) (attributable to the owners of the parent and non-controlling interests)</b>	<b>(544)</b>	<b>50</b>	<b>(3)</b>	<b>6</b>	<b>72</b>	<b>(419)</b>

millions of Euros

30.06.2020	Transport	Infra-structure	Real Estate Services	Other Serv.	Adjust. and Inter-segment elim-inations	FS Italiane group
<b>Net invested capital</b>	<b>11,483</b>	<b>36,987</b>	<b>1,428</b>	<b>620</b>	<b>(408)</b>	<b>50,110</b>

millions of Euros

First half of 2019	Transport	Infra-structure	Real Estate Services	Other Serv.	Adjust. and Inter-segment eliminations	FS Italiane group
Revenue from third parties	3,868	1,875	59	23	8	5,833
Inter-segment revenue	158	654	27	111	(809)	141
<b>Revenue</b>	<b>4,026</b>	<b>2,529</b>	<b>86</b>	<b>134</b>	<b>(801)</b>	<b>5,974</b>
Personnel expense	(1,340)	(1,089)	(2)	(70)	14	(2,487)
Other costs, net	(1,826)	(1,011)	(53)	(71)	771	(2,190)
<b>Operating costs</b>	<b>(3,166)</b>	<b>(2,100)</b>	<b>(55)</b>	<b>(141)</b>	<b>785</b>	<b>(4,677)</b>
<b>Gross operating profit (loss)</b>	<b>860</b>	<b>429</b>	<b>31</b>	<b>(7)</b>	<b>(16)</b>	<b>1,297</b>
Amortisation and depreciation	(657)	(169)	(5)	(13)	10	(834)
Impairment losses and accruals	(3)	(4)	(2)	(1)	1	(9)
<b>Operating profit (loss)</b>	<b>200</b>	<b>256</b>	<b>24</b>	<b>(21)</b>	<b>(5)</b>	<b>454</b>
Net financial income (expense)	(53)	(39)	2	17	(2)	(75)
Income taxes	16	(26)	(4)	68	(71)	(17)
<b>Segment profit (attributable to the owners of the parent and non-controlling interests)</b>	<b>163</b>	<b>191</b>	<b>22</b>	<b>64</b>	<b>(78)</b>	<b>362</b>

millions of Euros

31.12.2019	Transport	Infra-structure	Real Estate Services	Other Serv.	Adjust. and Inter-segment eliminations	FS Italiane group
<b>Net invested capital</b>	<b>11,195</b>	<b>37,292</b>	<b>1,425</b>	<b>548</b>	<b>(483)</b>	<b>49,977</b>

*The manager in charge of financial reporting, Roberto Mannozi, states, pursuant to article 154-bis.2 of the Consolidated income tax act, that the accounting figures set out in this document are consistent with the accounting documents, books and records.*