

### **Mr. Mazzoncini at InnoTrans: “The five pillars of FS’ Industrial Plan”**

Rome, 21st September 2016

Integrated mobility, integrated logistics, integrated infrastructures, internationalization and digitalization.

These are the five pillars of the new 2017-2026 Industrial Plan of Ferrovie dello Stato Italiane (FS) disclosed by the CEO of FS’ Group, Mr. Renato Mazzoncini at InnoTrans, the leading international trade fair for rail transport.

From Berlin, the FS’ CEO has given guidance about the IPO’s timing, which should happen in 2017.

“When I took office I said something that I reaffirm: the IPO must be a means, not an end – continued the CEO – it must be an instrument to strengthen the company and give a large contribution to the country’s growth”. Mr. Mazzoncini then recalled that on the IPO “there is consensus of views with the Minister of Economy, Prof. Pier Carlo Padoan”, the FS’ sole shareholder, as “there is also a complete agreement with the Minister of Infrastructure and Transport, Mr. Graziano Delrio”.

Mr. Delrio – on the margin of InnoTrans – spoke about of a “historical turnaround”, by confirming that the rail network shall not be privatized and that FS must also focus on the local and regional public transport. During his speech, the CEO wanted to clarify that “the IPO aims to open to new kind of investors: retail investors, institutional funds, insurance companies. So we are talking about a scenario where there is no privatization. It is completely a different story”.

About the FS’ internationalization, Mr. Mazzoncini announced the interest of the FS’ Group in Qbuzz, a Dutch company of local public transport: “The Dutch Railways offered for sale the largest road transport company and we are studying the dossier with the aim of becoming a great mobility operator”, being mindful that “we are the only company that can pursue this objective, with the German DB and the French SNCF”, and recalling that “we are looking for different opportunities abroad”.

A reference to the Greek railways: “The closing for the acquisition of Trainose is expected in mid-October”. In the coming months, another important challenge for FS will be the revitalization of its freight business, with a sub-holding company that will group all of FS’ companies working in the fields of logistics and freight: “After 10 years of no investment in the freight business , on 1 January 2017 will be born Mercitalia, the first company of the Group to be established even through the Trenitalia Cargo spin-off, which will become Mercitalia Rail”.

The most important news of the new Industrial Plan, which will be officially unveiled on 28 September, is its duration: “A ten-year plan, from 2017 to 2026. It is obvious that when you make a plan where you really want to see what happens, five years represent a small horizon, and a five-year plan is a Budget, not a Industrial Plan. In five years we are able to forecast almost perfectly what is gonna happen. With a ten-year plan, by

contrast, we develop a vision”, Mr. Mazzoncini proposed. “Probably, the plan should be even more in the long run. Anyway, ten years represent a reasonable horizon”.