



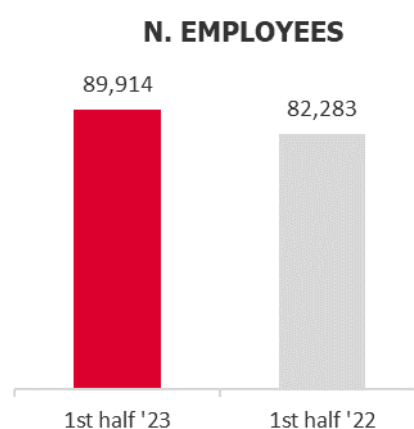
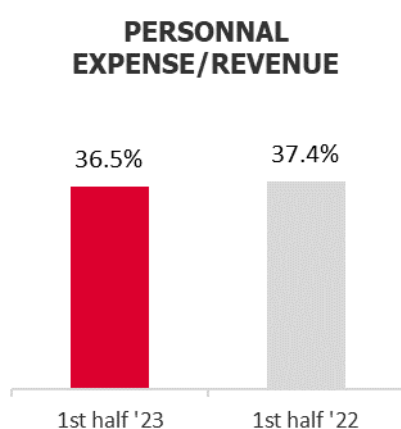
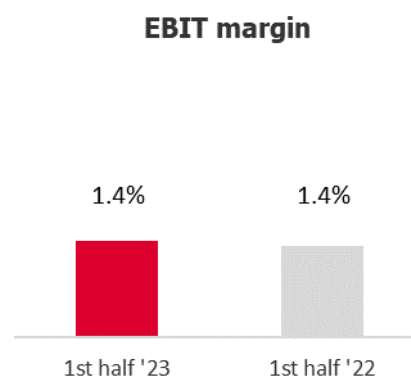
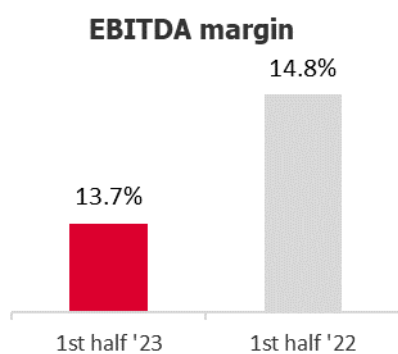
FS ITALIANE GROUP AND FERROVIE DELLO STATO ITALIANE SPA 2023 HALF-YEAR REPORT HIGHLIGHTS

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

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Consolidated results



millions of euros

| Financial highlights | First half of 2023 | First half of 2022 | Change | % |
|--|--------------------|--------------------|---------------|----------|
| Revenue | 7,085 | 6,119 | 966 | 15.8 |
| Operating costs | (6,111) | (5,212) | (899) | (17.2) |
| Gross operating profit (EBITDA) | 974 | 907 | 67 | 7.4 |
| Operating profit (loss) (EBIT) | 99 | 84 | 15 | 18.2 |
| Profit (loss) for the period | 4 | 47 | (43) | (91.4) |
| Total cash flows generated /(used) in the period | (1,151) | (703) | (448) | 63.7 |
| Investments of the period | 5,003 | 2,923 | 2,080 | 71.2 |
| | 30.06.2023 | 31.12.2022 | Change | % |
| Net invested capital (NIC) | 51,711 | 49,698 | 2,013 | 4.1 |
| Equity (E) | 42,061 | 42,068 | (7) | (0.0) |
| Net financial debt (NFD) | 9,650 | 7,630 | 2,020 | 26.5 |
| NFD/E | 0.23 | 0.18 | | |

The Group's financial position and performance

Introduction

For the purposes of describing its financial position and performance, the FS Group prepared reclassified financial statements (statement of financial position and income statement presented on the next pages) in addition to those required by the IFRSs 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.

In order to enable a better understanding of the Group's financial performance in the in the first six months of 2023 and of the changes compared with the first half of 2022, it was deemed appropriate to provide separate evidence of the differences in the scope of consolidation due to the line-by-line consolidation of the company Intermodalidad de Levante SA, starting from 25 November 2022, and to the acquisition of control over the company ODEG Ostdeutsche Eisenbahn GmbH and over its subsidiary (100%) ODIG Ostdeutsche Maintenance Company mbH, starting from 11 December 2022, which were not consolidated in the income statement at 30 June 2022.

Reclassified income statement

millions of euros

| | First half of 2023 | First half of 2022 | Change | % | Change in consolidation scope | Change on a like- for- like basis | % |
|---|-----------------------|-----------------------|--------------|-------------|-------------------------------------|--|-------------|
| REVENUE | 7,085 | 6,119 | 966 | 16 | (217) | 749 | 12 |
| OPERATING COSTS | (6,111) | (5,212) | (899) | (17) | 236 | (663) | (13) |
| GROSS OPERATING PROFIT (EBITDA) | 974 | 907 | 67 | 7 | 19 | 86 | 9 |
| Amortisation, depreciation, provisions and impairment losses | (875) | (823) | (52) | (6) | 7 | (45) | (5) |
| OPERATING PROFIT (LOSS) (EBIT) | 99 | 84 | 15 | 18 | 26 | 41 | 49 |
| Net financial expense | (91) | (26) | (65) | (>200) | 3 | (62) | (>200) |
| PRE-TAX PROFIT (LOSS) | 8 | 58 | (50) | (86) | 29 | (21) | (36) |
| Income taxes | (4) | (11) | 7 | 64 | (13) | (6) | (55) |
| PROFIT (LOSS) FROM CONTINUING OPERATIONS | 4 | 47 | (43) | (91) | 16 | (27) | (57) |
| PROFIT (LOSS) FOR THE PERIOD | 4 | 47 | (43) | (91) | 16 | (27) | (57) |
| <i>Profit (loss) for the period attributable to the owners of the parent</i> | <i>25</i> | <i>47</i> | <i>(22)</i> | | | | |
| <i>(Profit) loss for the period attributable to non-controlling interests</i> | <i>(21)</i> | <i>-</i> | <i>(21)</i> | | | | |

The first half of 2023 ended with a **profit for the period** of €4 million compared to a profit of €47 million recorded in the corresponding period of the previous year.

The **gross operating profit (EBITDA)**, equal to €974 million, showed an increase of €67 million (+7%) which, net of effects of the change in the consolidation scope described above, would have been in any case €993 million, corresponding to a percentage change of +9%.

Revenue increased by €966 million (+16%) as a result of the rise in revenue from transport services (€694 million) and revenue from infrastructure services (€475 million). On the other hand, other revenue from contracts with customers showed a reduction of €28 million and other revenue and income decreased, overall, by €175 million.

Specifically, with respect to the components of **revenue from transport services** (+€694 million):

- Revenue from the HS and Intercity business increased by €400 million, with the commercial service up €345 million and the Intercity service up €55 million. Revenue from the national HS business rose by €253 million (+44.4%), thanks to a 56.2% increase in demand compared with the same period of the previous year, which was still partially affected by the travel restriction measured to curb the health emergency in force until 31 March 2022. In addition, another €13 million revenue was generated by Trenitalia France for the service offered on the HS Paris-Lyon stretch, while €79 million revenue was generated by Intermodalid de Levante that was not consolidated in the comparative period, operating in the HS business between Madrid and other major Spanish cities such as Barcelona and Valencia. The Intercity business showed an increase of €55 million, equal to +40.2%, with a recovery of demand of 30.4%;
- revenue from regional railway passenger transport services increased by €204 million: revenue from international transport increased by €231 million, led by the Netinera group (+€214 million, of which €133 million due to the change in the consolidation scope), revenue from domestic transport decreased by €27 million. In the first six months of 2023, the regional business of Trenitalia SpA recorded an increase in revenue from traffic of €120 million (equal to +33%) compared to the first half of 2022, while revenue from service contracts with the Regions recorded a decrease of €149 million mainly due to the effect of trends in Service Contracts;
- revenue from passenger road transport increased in the first half of 2023 by €39 million, of which €27 million in international transport and €12 million in national transport;
- revenue from railway freight transport posted an increase of €50 million (+11.8%) despite a number of events that adversely affected the sector in the reporting period (strikes in Germany, Sweden and France, traffic restrictions in the Brenner Base Tunnel, not planned works on the railway infrastructure, the flood in Emilia-Romagna);
- finally, revenue from sea transport showed an increase of €1 million.

Revenue from infrastructure services increased by €475 million on the same period of the previous year. The change is mainly attributable to Anas (+€427 million), reflecting the trend in service and concession consideration linked to road traffic, and to RFI S.p.A., which recorded a €48 million increase in toll revenue as a result of the growth in traffic volumes and of the end of discounts applied in favour of railway companies to cover the negative effects of the Covid-19 pandemic.

The residual decrease in revenue (-€203 million) mainly reflects the reduction in revenue from grants (-€218 million) provided in the first half of 2022 mainly to support the sector in consequence of the effects of the Covid-9 pandemic, and the decrease in revenue from sale of electrical energy to non-group transport companies (-€75 million) as a result of the decrease in the price of electrical energy used by the railway companies for train traction, which were partially offset, on the other hand, by an increase in revenue from rolling stock maintenance (+€6 million), revenue from contract work in process (+€8 million), revenue from the sales of land and buildings for trading (+€8 million), work on behalf of third parties (+€37 million), revenue from white certificates and from property management (equal to +€17 million and +€16 million respectively).

Operating costs in the six months 2023 stood at €6,111 million, up by €899 million (+17%) on the same period of the previous year. The effect of the above-mentioned change in the consolidation scope had an impact of €236 million (greater costs recognised in June 2023) on this increase. Consequently, net of this change, the increase would be lower

and equal to €663 million (+13%). Specifically:

- net personnel expense increased by €297 million (+€263 million net of the change in the consolidation scope), mainly due to the higher personnel costs for employees resulting from the increase in business volumes and in the average workforce (+€159 million), as well as higher “Accruals and releases” (up €98 million) mainly as a result of lower releases relating to the renewal of the National Labour Agreement which had characterised the comparative period (€105 million at 30 June 2022);
- other net costs increased by €602 million and, excluding €202 million due to the change in the consolidation scope, are mainly related to: (i) greater costs for raw materials and consumables (+€71 million) following the increase in the price of raw materials and greater consumption; (ii) lower costs for electrical energy, fuel for traction, costs for lighting and driving force (-€220 million), which are all essentially linked to the decrease in the cost of energy; (iii) higher costs for services (+€674 million), especially maintenance due to the increase in production and traffic; (iv) greater capitalisations (-€147 million) related to the value of the costs for materials, personnel, IT and transport costs capitalised.

The **operating profit (EBIT)** amounted to €99 million (€84 million at 30 June 2022), up by €15 million (+18%). Excluding the change in the scope of consolidation, the increase would amount to €41 million, equal to +49%.

The **net financial expense**, showing a net balance of €91 million, worsened by €65 million on the corresponding period of the previous year (€62 million net of the change in the consolidation scope). Financial income recorded an increase of €38 million, essentially due to the positive effect of the derivatives entered into to cover loan agreements, for the considerable increase in interest rates (+€34 million); financial expense rose by €125 million chiefly for higher interest expense on bank loans (+€31 million) and on the new bond issues (+€78 million). The results of the equity-accounted companies bring to this item an increase of €22 million.

Income taxes for the period amounted to €4 million.

Reclassified statement of financial position

| | millions of euros | | |
|---|-------------------|---------------|--------------|
| | 30.06.2023 | 31.12.2022 | Change |
| ASSETS | | | |
| Net operating working capital | (277) | (1,019) | 742 |
| Other assets, net | 1,967 | 1,236 | 731 |
| Working capital | 1,690 | 217 | 1,473 |
| Net non-current assets | 53,456 | 52,876 | 580 |
| Other provisions | (3,435) | (3,395) | (40) |
| NET INVESTED CAPITAL | 51,711 | 49,698 | 2,013 |
| COVERAGE | | | |
| Net current financial (position) debt | (775) | (1,664) | 889 |
| Net non-current financial (position) debt | 10,425 | 9,294 | 1,131 |
| Net financial position | 9,650 | 7,630 | 2,020 |
| Equity | 42,061 | 42,068 | (7) |
| COVERAGE | 51,711 | 49,698 | 2,013 |

The Group's **net invested capital**, amounting to €51,711 million, increased during the first six months of 2023 by €2,013 million as a result of the increase in **working capital** (+€1,473 million), in **net non-current assets** (+€580 million) and in **other provisions** (-€40 million).

Net operating working capital, which stood at a negative amount of €277 million, was up by €742 million compared to the previous year, mainly due to:

- lower trade payables (+€469 million) chiefly for the payments made in the first six months of 2023 relating to investment works;
- higher inventories (+€227 million), mainly related to greater acquisitions to increase the inventory level of rolling stock to support the maintenance activity during the period, with the aim of coping with the situation of international markets affected by the ongoing conflict in Ukraine, are characterised by longer delivery times and by the increase in average procurement prices;
- higher trade receivables by €127 million, relating in particular to:
 - the increase in advances to suppliers (+€128 million) for the advancement of contract work in progress;
 - the decrease in receivables due to higher collections relating to the railway tolls and to the accessory traffic services (-€70 million);
 - the increase in receivables related to the logistic business due to the increase in revenue in the period (+€21 million);
 - increase in receivables for the activities in the road infrastructure (+€18 million);
 - the increase in receivables from the Municipality of Palermo for the construction of the railway ring of Palermo and from the Lazio Region for the renovation of the Roma-Lido railway line (+€17 million) and, on the Greek market, from GAIA OSE for maintenance works carried put in previous years (+€8 million).

- Higher receivables relating to the Service Contract from the Ministry of Economy and Finance (+€45 million) and lower receivables related to the Service Contract from the Regions (-€127 million). This change is essentially due to the receivable accrued by Trenitalia in connection with the dynamics of fee regulation.

Other assets, net, which amounted to €1,967 million, were up by €731 million essentially due to higher net receivables from the Ministry of Economy and Finance, (MEF), the Minister of Infrastructure and Transport (MIT) and other Italian government bodies/administrations (+€1,146 million), as an effect of the accruals-based accounting of new grants, net of collections. In addition to this, there was an increase in other net payables (-€375 million) due to the increase in railway tickets sold but non used at 30 June 2023 and to the advances on the grant for freight for 2022, a net increase in VAT liabilities for the period (-€38 million) and a decrease in deferred tax assets (-€2 million).

Net non-current assets, which stood at €53,456 million, increased by €580 million, substantially due to:

- The €5,003 million increase in investments for the period, in addition to the reclassifications mainly tied to the new intended use of the areas concerned for €87 million, offset by the set-up grants recognised on an accruals-basis equal to €3,699 million and by amortisation and depreciation for the period of €854 million;
- The increase in the value of equity-accounted investments (+€51 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 increased by €40 million, essentially as a result of the reduction post-employment benefits and other employee benefits (+€38 million), mainly following payments to outgoing personnel in the period, advances paid and actuarial gains recognised in equity, the decrease in the tax provision (+€24 million), as well as the increase in other risk provisions (-€103 million) as the net effect of accruals, utilisations and releases of the period.

millions of euros

| Net financial position | 30.06.2023 | 31.12.2022 | Change |
|---|-------------------|-------------------|---------------|
| Net current financial (position) debt | (775) | (1,664) | 889 |
| Cash pooling accounts | (392) | (1,505) | 1,113 |
| Fifteen-year grants from the MEF to be collected | (10) | (10) | |
| Loans and borrowings from other financial backers | 11 | 23 | (12) |
| Bank loans and borrowings | 2,651 | 1,832 | 819 |
| Bonds | 1,078 | 745 | 333 |
| Concession assets | (2,979) | (2,042) | (937) |
| Contract advances | 465 | 482 | (17) |
| Current financial liabilities | 180 | 167 | 13 |
| Current derivatives | (24) | (48) | 24 |
| Other | (1,755) | (1,308) | (447) |
| Net non-current financial (position) debt | 10,425 | 9,294 | 1,131 |
| Fifteen-year grants from the MEF to be collected | (95) | (95) | |
| Loans and borrowings from other financial backers | 7 | 10 | (3) |
| Bank loans and borrowings | 802 | 1,391 | (589) |
| Bonds | 8,622 | 7,758 | 864 |
| Concession assets | (933) | (1,479) | 546 |
| Contract advances | 1,313 | 1,362 | (49) |
| Non-current financial liabilities | 687 | 660 | 27 |
| Non-current derivatives | (156) | (148) | (8) |
| Other | 178 | (165) | 343 |
| Total | 9,650 | 7,630 | 2,020 |

The **net financial position**, showing a net debt of €9,650 million, increased by €2,020 million on 31 December 2022, essentially due to the net effect of the following factors:

- the increase in bonds (+€1,197 million), substantially attributable to the new bond issues carried out in the first six months of 2023 – such as that related to the Euro Medium Term Notes (EMTN) programme for a total amount of €1,100 million and the private placement with Eurofima equal to €100 million – as described later on;
- the increase in bank loans and borrowings (+€230 million), mostly due to the following opposing effects:
 - the rise in current and non-current funding to finance part of the Group's requirements;
 - 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;

- o the increase relating to the Group's factoring transactions;
- the increase in financial lease liabilities (+€40 million) mainly as a result of the new liabilities recognised as a contra-entry against right-of-use assets and the remeasurement of ongoing leases;
- the decrease in loans and borrowings from other financial backers (-€15 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 decrease in the cash pooling balance (+€1,113 million), which comprises the payments made by the MEF in accordance with the Programme Contract for railway infrastructure;
- the increase in financial assets for service concession arrangements (-€391 million), which was due to the net effect of the increase in receivables due in connection with production output on the infrastructure operated under concession arrangements and mainly referring to roads, and the decrease due to collections in the period of refunds from the Ministries or authorities;
- the net increase in other financial assets and liabilities (-€114 million) mainly due to the reclassification to advances for works to be carried out of the payables to the Government relating to the value of loans collected in the previous years by Anas for works not still carried out, whose execution was uncertain due to the lack a specific work schedule, partially offset by a reduction in liquid assets connected with the payment trends during the year;
- the decrease in contract advances (-€66 million) due to the collection of grants cashed for works not yet executed relating to Anas SpA;
- the net decrease in derivatives (+€16 million) due to the trend in interest rates during the period.

Equity decreased from €42,068 million to €42,061 million, reporting a decrease of €7 million, mainly as a result of the following:

- the profit for the period, equal to €4 million (Profit for the period attributable to the owners of the parent of €25 million and Profit for the period attributable to non-controlling interests of -€21 million);
- the change in valuation reserves (-€14 million);
- the change due to the variation in the scope of consolidation (€4 million).

Significant financial transactions for the Group

Resolution authorising new bonds and loans, extending the EMTN programme and realization of the commercial paper programme

On 28 February 2023, the Board of Directors of FS Italiane SpA approved the issue of new EMTNs and the use of other funding instruments for a total maximum amount of €3.1 billion in order to cover the FS Italiane Group's medium- and long-term financial requirements. It also approved, on 27 April 2023, raising the limit of the EMTN up to €12 billion, from the previous €9 billion. The issues, under the EMTN listed on the Dublin stock exchange, will be reserved for institutional investors. As part of the new EMTN issues, FS Italiane SpA has also planned new green bonds to finance the investments of its subsidiaries. Furthermore, it approved a commercial paper programme for a maximum amount of €2 billion.

FS Italiane releases the fourth green bond report

On 15 May 2023, FS Italiane SpA published the fourth Green Bond Report. The aim of the Green Bond Report is to advise investors of the allocation of the proceeds of the green bonds issued in July 2019 (Series 10), in March 2021 (Series 17) and

in December 2021 (Series 18) and of related positive impacts that funded investments generated in terms of environmental sustainability. Moreover, the Report provides useful details for the comparison of funded assets according to the EU Taxonomy regulation such as recyclability and noise pollution. The Report obtained the third-party opinion from KPMG.

Green bond issues - series 21 and 22

On 16 May 2023 – with settlement date on 23 May 2023 – FS Italiane SpA placed its seventh and eighth green bond, for a total amount of €1.1 billion, whereby it completed its first dual tranche transaction maturing in 6 and 10 years. The bond with a maturity of six years has a fixed coupon of 4.125%, while that with a maturity of 10 years has a fixed coupon 4.50%. They were issued under the EMTN programme which, as set out above, was updated on 27 April 2023. The issue is meant to fund the Eligible Green Projects according to FS Italiane's Green Bond Framework revised in 2022. Specifically, the proceeds will be used to purchase new trains and for maintenance on Trenitalia SpA's rolling stock, as well as investments to complete the Turin-Milan-Naples high-speed network of RFI SpA. The earnings from the bond issue were allocated by way of the subscription of intercompany loans between FS SpA and the subsidiaries Trenitalia SpA and RFI SpA.

Private bond placement with Eurofima

On 12 June 2023, FS Italiane SpA finalised another private bond placement with Eurofima for €100 million at a variable rate and maturity in June 2033 (ten 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 2023 and at 31 December 2022

Reconciliation at 30 June 2023 and 31 December 2022 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.

| | 30.06.2023 | | 31.12.2022 | |
|--|----------------|------------------------------------|---------------|----------------------------------|
| | Equity | Profit (loss) for the period | Equity | Profit (loss) for the year |
| Separate financial statements of Ferrovie dello Stato Italiane S.p.A. | 40,244 | 253 | 39,991 | 90 |
| Net profits of consolidated investees since acquisition net of dividends and impairment losses: | | | | |
| - portion of current and previous years' profits (losses) attributable to the owners of the parent | 2,385 | 71 | 2,516 | 390 |
| - elimination of impairment losses on equity investments | 468 | | 466 | 174 |
| - reversal of dividends | (4) | (247) | (4) | (239) |
| Total | 2,849 | (176) | 2,978 | 325 |
| Other consolidation adjustments: | | | | |
| - equity-accounted investments in unconsolidated subsidiaries and associates | 168 | 44 | 129 | 61 |
| - reversal of intragroup profits | (930) | (46) | (883) | (108) |
| - reversal of taxes arising on tax consolidation | (94) | (43) | (44) | 38 |
| - other | (201) | (7) | (160) | (202) |
| Total | (1,057) | (52) | (958) | (211) |
| - Valuation reserves | (146) | | (135) | |
| - Translation reserve | (6) | | (3) | |
| EQUITY ATTRIBUTABLE TO THE OWNERS OF THE PARENT | 41,884 | 25 | 41,873 | 204 |
| - Equity attributable to non-controlling interests (excluding profit (loss) for the period/year) | 198 | | 197 | |
| - Profit (loss) attributable to non-controlling interests | (21) | (21) | (2) | (2) |
| EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS | 177 | (21) | 195 | (2) |
| TOTAL CONSOLIDATED EQUITY | 42,061 | 4 | 42,068 | 202 |

Investments

Total expenditure for investments by the FS Italiane Group in the first half of 2023 amounted to €5,003 million, of which €1,304 million raised through self-financing and €3,699 million from government grants, up 71.2% on the same figure for the first six months of 2022, when it amounted to €2,923 million.

During the first half of 2023, the FS Italiane Group developed and managed "Capital Expenditure"¹ of approximately €6,621 million, 99% of which in Italy, broken down as follows:

- around 87% of the accounting entries refers to the Infrastructure segment, in the context of which €4,246 million was invested in RFI's projects and €1,233 million in the those of the Anas group (net of contract advances to supplier companies);
- approx. 11% of investments refers to Passenger Transport segment for projects focused on the transport of passengers by rail and road, both in Italy and abroad. Specifically, Trenitalia SpA invested €697 million, the Busitalia Group €17 million and the other companies operating abroad in this segment invested €34 million (Netinera Deutschland, c2c Ltd, Trenitalia UK Ltd, Trenitalia France SAS, ILSA and Hellenic Train SA);
- about 1% refers to the Logistics segment for freight transport projects in Italy and abroad, with investments standing at €51 million;
- around 1% is related to the Urban segment and to the companies providing services across the Group, mainly by FSTechnology SpA, FS Sistemi Urbani Srl, Metropark SpA and by Ferrovie dello Stato Italiane SpA for ICT projects and for the maintenance and enhancement of their respective real estate assets.

millions of euros

| | First half of 2023 | First half of 2022 | Change | % change |
|---------------------|--------------------|--------------------|--------------|-------------|
| Infrastructure | 5,794 | 3,188 | 2,606 | 81.8 |
| Passenger Transport | 748 | 764 | (16) | (2) |
| Logistics | 51 | 68 | (17) | (25) |
| Urban | 12 | 4 | 8 | 192.7 |
| Other Services | 16 | 7 | 9 | 136.2 |
| TOTAL | 6,621 | 4,031 | 2,590 | 64.2 |

*The reported figures include consolidation adjustments

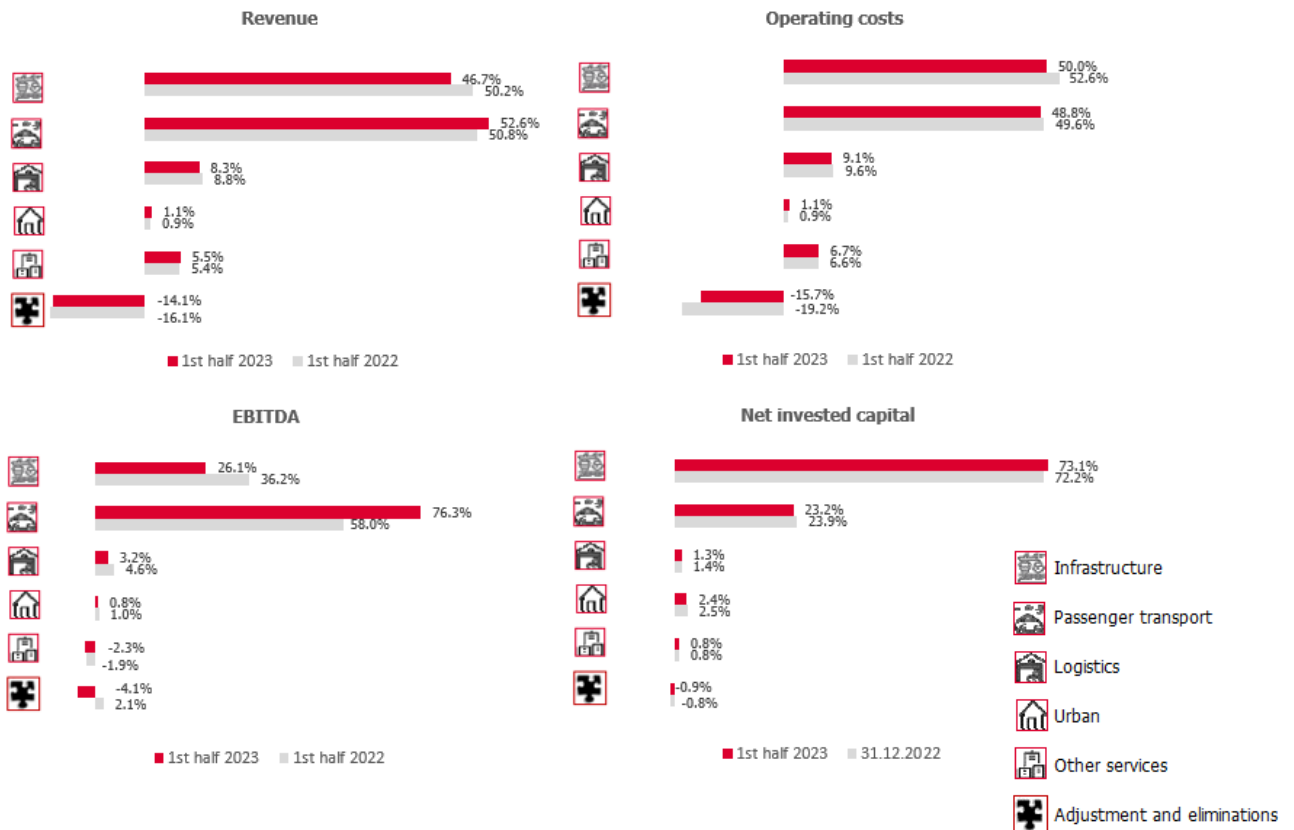
With regard to the National Recovery and Resilience Plan (NRRP), the FS Italiane Group was allocated funds for about €26 billion. The amounts recognised up until June 2023 have reached a balance of €6.3 billion, equal to about 24%.

¹ In addition to the Consolidated Investments described above, Capital Expenditure, the definition of which is reported in paragraph "Key and glossary", includes the investments accounted for in accordance with IFRIC 12 mainly attributable to Anas SpA (above €1.0 billion), while the remainder is comprised of the investments of the unconsolidated special-purpose entities (such as TLF, BBT etc.).

Financial performance of the business segments

The FS Group’s organisational structure is hinged upon four business segments - Infrastructure, Passenger Transport, Logistics and Urban – each of which has its own roles and strategic objectives clearly defined in the new ten-year Business Plan of the Group 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 Group’s Business Plan and IFRS 8 - Operating segments, the FS 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 2023 and 2022 and net invested capital at 30 June 2023 and 31 December 2022.



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, responsible for the maintenance, use and development of the rail network and related safety systems, beside managing research and development in the field of railway transport and providing connection services to Italy's largest islands by sea, in addition to Anas S.p.A., which, through its subsidiaries, operates Italy's national-interest road and the national motorway networks.

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 2023 | First half of 2022 | Change | % |
|---|--------------------|--------------------|--------------|---------------|
| Revenue from sales and services | 3,210 | 2,989 | 221 | 7.4 |
| Other income | 100 | 81 | 19 | 23.5 |
| Revenue | 3,310 | 3,070 | 240 | 7.8 |
| Operating costs | (3,056) | (2,742) | (314) | (11.5) |
| Gross operating profit (EBITDA) | 254 | 328 | (74) | (22.6) |
| Operating profit (EBIT) | 70 | 158 | (88) | (55.7) |
| Profit for the period (attributable to owners of the parent and non-controlling interests) | 19 | 146 | (127) | (86.9) |
| | | | | |
| | 30.06.2023 | 31.12.2022 | Change | |
| Net invested capital | 37,805 | 35,863 | 1,942 | |
| Net financial (position) debt | 1,528 | (586) | 2,114 | |
| Equity | 36,277 | 36,449 | (172) | |

At 30 June 2023 the Infrastructure segment showed a net **profit for the period of** €19 million, down €127 million on the same figure at 30 June 2022.

Revenue amounted to €3,310 million at 30 June 2023, up by €240 million on the same period of 2022. The change is mainly due to the following:

- the increase in Anas S.p.A.'s revenue (by roughly €429 million), substantially due to the effect of the higher revenue related to capital expenditure (€375 million, with a corresponding increase in costs) and higher toll revenue from motorway operators of €53 million (royalties, income from mobility services or network management);

- a decrease of -€195 million in RFI SpA's revenue and income, due to:
 - lower grants for -€153 million, due to lower government relief for Covid-19 which in the first half of 2022 amounted to €115 million, in order to reduce the component B of tolls for the railway companies;
 - an increase in toll revenue (up €145 million) as a combined result of the increase in traffic volumes (+€5.1 million train-km on June 2022) equal to +€25 million and the non-application in 2023 of the component B discount, which had been equal to €120 million in the corresponding previous year period;
 - a decrease in revenue from the sale of electrical energy for train traction (down €232 million), mainly linked to the trend of energy prices (with a corresponding decrease in costs);
 - higher revenue from processing on behalf of third parties (+€27 million) and from real estate management (+€14 million).

At 30 June 2023, **EBITDA or gross operating profit** of the Infrastructure segment came to a positive €254 million and showed a decrease of €74 million from 2022, essentially due to the reduction in RFI's EBITDA of €66 million (primarily due to higher personnel costs resulting from the impressive recruitment plan connected with the investments under the NRRP) and to a decrease in Anas SpA's operating profit of €16 million (chiefly for higher operating costs for maintenance and personnel costs).

The **operating profit (EBIT)** of the Infrastructure segment came to €70 million at 30 June 2023, down €88 million on the same period of 2022.

Net financial expense in the period amounted to €45 million, with an increase of €41 million compared to 2022.

Income taxes of the Infrastructure segment amounted, at 30 June 2023, to a negative €6 million, showing an improvement of €2 million compared with 2022.

Passenger transport

The objective of the passenger transport business segment is to create a multi-modal business offer in order to obtain 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 a number of investees; Hellenic Train which operates a link between Athens and Thessaloniki in Greece; ILSA operating on certain HS lines in Spain, 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 2023 | First half of 2022 | Change | % |
| Revenue from sales and services | 3,657 | 3,040 | 617 | 20.3 |
| Other income | 68 | 69 | (1) | (1.4) |
| Revenue | 3,725 | 3,109 | 616 | 19.8 |
| Operating costs | (2,982) | (2,583) | (399) | (15.4) |
| Gross operating profit (EBITDA) | 743 | 526 | 217 | 41.3 |
| Operating profit (loss) (EBIT) | 128 | (52) | 180 | >200 |
| Profit (loss) for the period (attributable to the owners of the parent and non-controlling interests) | 55 | (51) | 106 | >200 |

| | 30.06.2023 | 31.12.2022 | Change |
|--------------------------------------|---------------|---------------|------------|
| Net invested capital | 11,991 | 11,881 | 110 |
| Net financial (position) debt | 8,881 | 8,798 | 83 |
| Equity | 3,110 | 3,083 | 27 |

In the first half of 2023 the Passenger Transport segment posted a **profit for the period** of €55 million, an increase of €106 million from June 2022. This attests to an overall recovery of revenue from traffic for all rail transport businesses. It should be recalled that in 2022, because of the Covid-19 pandemic, the HS passenger transport offer was subject to limitations of saleable seats which guaranteed travellers' distancing (with limitations up until 31 March 2022), while government relief was given under the form of toll discounts by the Infrastructure Operator for about €60 million.

Revenue of the Passenger Transport segment amounted to €3,725 million at 30 June 2023, up on the first half of 2022 (+€616 million, approx. 20%), mostly attributable to traffic revenue. The rail transport business saw an overall increase of €623 million in traffic revenue, mainly related to the growth in the HS business volumes (€256 million), the Regional service (€120 million) e del business Intercity (€55 million).

The increase in demand for mobility in all business segments, closely related to the easing of Covid-19 health emergency restrictions, such as social distancing and seat quotas on board trains, and the consequent recovery of travellers' mobility, led revenue to pre-pandemic normal level. Revenue relating to the road transport business recorded a €1 million increase compared to the same period of 2022, due to higher revenue from ticketing thanks to the progressive loosening of Covid-19 restrictive measures and higher revenue from service contracts, offset by the reduction in revenue from grants.

The **gross operating profit (EBITDA)** of the Passenger Transport segment amounted in June 2023 to €743 million, up by €217 million on the figure at 30 June 2022. The improvement in revenue is, on the one hand, reduced by the increase in operating costs due to the larger offer, the increase in personnel costs, and, on the other hand, mitigated by lower cost for electrical energy for traction due to the considerable reduction in the National Single Price (NSP): specifically, in June 2022 the NSP came to 257 €/MWh, while in the same period of 2023 it was equal to 141 €/MWh. It should be noted that, because of the Covid-19 pandemic, the HS had benefited in the first half of 2022 of government relief measures by way of the toll component B discount recognised by the Infrastructure Operator in an amount of about €60 million.

The **operating profit (EBIT)** came to €128 million. Compared with the same previous year period there was an increase of €180 million: the improvement at the EBITDA level is mitigated by greater amortisation and depreciation.

Net financial expense totalled €81 million and recorded an increase of €31 million on the figure for the first half of 2022, chiefly due to the rise in interest rates on Trenitalia SpA's debt.

Income taxes of the Passenger Transport segment worsened by €43 million compared with the same period of the previous year, as an effect of the profit for the period.

Logistics

Over the years of the business plan, the Logistics segment's mission is to double the share of freight carried by rail compared to 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 includes also further 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 2023 | First half of 2022 | Change | % |
|---|--------------------|--------------------|-------------|----------------|
| Revenue from sales and services | 570 | 520 | 50 | 9.6 |
| Other income | 17 | 20 | (3) | (15.0) |
| Revenue | 587 | 540 | 47 | 8.7 |
| Operating costs | (556) | (498) | (58) | (11.6) |
| Gross operating profit (EBITDA) | 31 | 42 | (11) | (26.2) |
| Operating loss (EBIT) | (24) | (9) | (15) | (166.7) |
| Loss for the period (attributable to the owners of the parent and non-controlling interests) | (39) | (18) | (21) | (116.7) |

| | 30.06.2023 | 31.12.2022 | Change |
|--------------------------------------|------------|------------|--------------|
| Net invested capital | 693 | 675 | 18 |
| Net financial (position) debt | 469 | 649 | (180) |
| Equity | 224 | 26 | 198 |

The Logistics segment at June 2023 showed a **Loss for the period** of €39 million, down by €21 million compared to June 2022.

The Logistics segment **Revenue** amounted to €587 million at 30 June 2023, showing an increase compared to June 2022 (+€47 million, +8.7%) attributable to revenue from domestic and international freight, despite exogenous events that negatively affected volume trends, such as strikes in Germany, Sweden and France, traffic restrictions in the Brenner Base Tunnel, not planned works on the railway infrastructure, the flood in Emilia-Romagna.

The Logistics segment showed a **gross operating profit** at 30 June 2023 of €31 million, down by €11 million on the same period of 2022. The growth in revenue was mainly absorbed by higher operating costs linked to the transport performance of Mercitalia Rail and the TX Logistik Group.

The **Operating loss** was €24 million, worsening by €15 million compared to the same period of 2022. The benefit in terms of EBITDA was absorbed by the amortisation/depreciation for the period equal to €55 million.

Net financial expense of €15 million, showed a worsening of €7 million compared to the same period of 2022.

Income taxes of the segment improved by €1 million compared to the same period of 2022.

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 SpA and Metropark S.p.A. also operate in this segment.

millions of euros

| | First half of 2023 | First half of 2022 | Change | % |
|---|--------------------|--------------------|-------------|---------------|
| Revenue from sales and services | 64 | 50 | 14 | 28.0 |
| Other income | 12 | 5 | 7 | 140.0 |
| Revenue | 76 | 55 | 21 | 38.2 |
| Operating costs | (68) | (46) | (22) | (47.8) |
| Gross operating profit (EBITDA) | 8 | 9 | (1) | (11.1) |
| Operating profit (EBIT) | 3 | 3 | | |
| Profit for the period (attributable to the owners of the parent and non-controlling interests) | 2 | 1 | 1 | 100.0 |

| | 30.06.2023 | 31.12.2022 | Change |
|--------------------------------------|--------------|--------------|-----------|
| Net invested capital | 1,243 | 1,233 | 10 |
| Net financial (position) debt | (754) | (762) | 8 |
| Equity | 1,997 | 1,995 | 2 |

The Urban segment reported at June 2023 a **Profit for the period** of €2 million, up by €1 million compared to the same period of 2022.

The **Revenue** of the Urban segment at 30 June 2023 amounted to €76 million, recording an increase compared to June 2022 (+€21 million, +38%) attributable to higher revenue from the sales of land and buildings for trading (+€8 million), higher rental income (+€5 million) and higher revenue for the management of Metropark parking lots (+€6 million).

The **Gross operating profit** of the Urban segment, at June 2023, stood at €8 million and showed a decrease of €1 million compared to 2022.

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; FS Security SpA, the new company of the FS Group which started operations on 1 January 2023 and fully dedicated to the train and station security.

As the group's holding company, Ferrovie dello Stato Italiane SpA steers and coordinates the companies that head each segment and provides strategic and financial control.

millions of euros

| | First half of 2023 | First half of 2022 | Change | % |
|--|--------------------|--------------------|-------------|----------------|
| Revenue from sales and services | 375 | 316 | 59 | 18.7 |
| Other income | 13 | 12 | 1 | 8.3 |
| Revenue | 388 | 328 | 60 | 18.3 |
| Operating costs | (410) | (345) | (65) | (18.8) |
| Gross operating loss (EBITDA) | (22) | (17) | (5) | (29.4) |
| Operating loss (EBIT) | (52) | (46) | (6) | (13.0) |
| Profit/(Loss) for the period (attributable to the owners of the parent and non-controlling interests) | 46 | (6) | 52 | >200 |

| | 30.06.2023 | 31.12.2022 | Change |
|--------------------------------------|--------------|--------------|------------|
| Net invested capital | 437 | 422 | 15 |
| Net financial (position) debt | (347) | (345) | (2) |
| Equity | 784 | 767 | 17 |

At June 2023, Other services showed a **profit for the period** of €46 million, with an improvement of €52 million compared to the prior year.

Revenue, equal to €388 million, reflected growth of €60 million, partly attributable to the higher revenue of FSTechnology SpA, linked to the management of applications, and largely due to the change in the scope for the establishment of the new company FS Security SpA.

At 30 June 2023 the **Gross operating loss** stood at €22 million, worsening by €5 million compared to the same period of 2022.

The **Operating loss** amounted to €52 million in the period under analysis, worsening by €6 million compared to 2022.

Net financial income at June 2023 was €44 million, up by €11 million compared to 2022.

Income taxes at June 2023 showed a positive balance of €54 million, with an increase of €47 million on the same period of 2022. This caption reflects the positive effects of the domestic tax consolidation scheme managed by the parent as part of its core activities.

Ferrovie dello Stato Italiane SpA's financial position and performance

Reclassified Income statement

millions of euros

| | First half of 2023 | First half of 2022 | Change | % |
|--------------------------------------|--------------------|--------------------|-------------|-------------|
| Revenue | 52 | 83 | (31) | (37) |
| - Revenue from sales and services | 51 | 82 | (31) | (38) |
| - Other income | 1 | 1 | | |
| Operating costs | (109) | (132) | 23 | 17 |
| GROSS OPERATING LOSS (EBITDA) | (57) | (49) | (8) | (16) |
| Amortisation and depreciation | (13) | (13) | | |
| Net impairment losses/reversals | 1 | | 1 | 100 |
| OPERATING LOSS (EBIT) | (69) | (62) | (7) | (11) |
| Net financial income | 261 | 244 | 17 | 7 |
| PRE-TAX PROFIT | 192 | 182 | 10 | 5 |
| Income taxes | 61 | 14 | 47 | 336 |
| PROFIT FOR THE PERIOD | 253 | 196 | 57 | 29 |

The **Profit for the period** in the first half of 2023 was €253 million, up by €57 million on the previous year, mainly attributable to the tax component (+€47 million) and the financial component (+€17 million) offset by the decrease of the operating component (-€8 million).

The increase in the **gross operating loss** is due to the reduction in revenue (-€31 million) offset by the decrease in operating costs (+€23 million).

The change in revenue is entirely attributable to the real estate management (-€32 million), as a result of the real estate unit rented out to the subsidiary FS Sistemi Urbani Srl starting from 1 July 2022, which mainly includes rent, charge-back of service expenses, and revenue from the commercial exploitation of company-owned stations.

Changes in operating costs (+€23 million) mainly concerned the decrease in costs for: real estate services for consumptions and rental fees, property disposals and enhancement (-€11 million), IT services (-€7 million), maintenance and cleaning services (-€4 million), facility services for Grandi Stazioni Rail SpA (-€7 million) and costs for the Riyadh order (-€1 million). Such decrease was offset by the increase in personnel costs (+€4 million) and other operating costs following the release of provisions for civil disputes against third parties (+€3 million).

The improvement in **net financial income** (+€17 million) was mainly attributable to the increase in net interest for loans granted to Group companies (+€28 million), dividends distributed by subsidiaries, associates and third parties (+€8 million) and the improvement in the net balance of exchange gains/losses (+€5 million) offset by the decrease in the net balance of interest income/expenses accrued on intercompany current accounts (-€11 million), the net balance of net financial income/charges related to derivatives (-€7 million), the partial release of the provision for risks, in 2022, related to the transfer of tax losses to Sita Sud Srl (-€5 million) and the increase for the period in the write-downs of financial assets (-1€ million).

Income taxes increased by a total of €47 million compared to the prior period mainly due to the rise in income from the tax consolidation scheme (+€42 million) and deferred tax assets and liabilities recorded in the period (+€5 million).

Reclassified statement of financial position

millions of euros

| | 30.06.2023 | 31.12.2022 | Change |
|--|---------------|----------------|------------|
| ASSETS | | | |
| Net operating working capital | 520 | 446 | 74 |
| Other assets, net | 263 | 247 | 16 |
| Working capital | 783 | 693 | 90 |
| Non-current assets | 443 | 494 | (51) |
| Equity investments | 38,296 | 38,060 | 236 |
| Net non-current assets | 38,739 | 38,554 | 185 |
| Post-employment benefits | (5) | (5) | |
| Other provisions | (252) | (281) | 29 |
| Post-employment benefits and other provisions | (257) | (286) | 29 |
| NET INVESTED CAPITAL | 39,265 | 38,961 | 304 |
| COVERAGE | | | |
| Net current financial position | (702) | (779) | 77 |
| Net non-current financial position | (276) | (250) | (26) |
| Net financial (position) debt | (978) | (1,029) | 51 |
| Equity | 40,243 | 39,990 | 253 |
| COVERAGE | 39,265 | 38,961 | 304 |

Net invested capital, equal to €39,265 million, increased by €304 million during the first half of 2023, mainly due to the increase in **working capital** (€90 million) and in **net non-current assets** (€185 million).

Working capital stood at €783 million. The increase of €74 million in net operating working capital was attributable to the net increase, compared to 31 December 2022, in trade receivables and payables (+€76 million); the increase of €16 million in other net assets was mainly attributable to receivables and payables for tax consolidation scheme (+€2 million), deferred tax assets (+€1 million), offset by the decrease in payables for Europe's Rail grants given to the Group's companies included in the project (+€2 million), payables to subsidiaries, specifically to Grandi Stazioni SpA, for requalification activities in the stations, recognised under work in progress in the prior year (+ €4 million), tax payables (+€1 million) and VAT payables for foreign countries sector (+€2 million).

Net non-current assets stood at €38,739 million; the increase compared to 31 December 2022 was mainly attributable to the capital increase of Mercitalia Logistics SpA (+€236 million), offset by a reduction in non-current assets mainly due to intangible assets (-€46 million) mostly attributable to the transfer of the Digital IT assets to the subsidiary FS Technology SpA.

Post-employment benefits and other provisions amounted to -€257 million and showed a decrease of €29 million mainly due to the reduction in Other provisions as a result of the provision for tax for tax consolidation scheme.

The **net financial position** amounted to €978 million with a decrease of €51 million compared to 31 December 2022 mainly due to:

- the increase in the cash pooling current account (-€209 million), mainly due to the grants received from MEF for TELT Sas' Government Programme Contract;
- the increase in loans granted to the Group companies (-€1,027 million), which are mostly due in the long-term;
- the decrease in bank loans and borrowings (-€6 million), resulting from the greater short-term funding for a total of +€294 million, net of the repayment of loans entered into with Unicredit for -€300 million;
- the increase in bonds (+€1,196 million) mainly due to the subscription of the twenty-first and twenty-second bond issues under the Euro Medium Term Notes Programme of a total nominal amount of +€1,100 million and the new bond issue with Eurofima SA (Series 33) for a nominal amount of +€100 million offset by the partial repayment of the fourth bond under the Euro Medium Term Notes Programme for -€6 million;
- the improvement in the net balance of the intragroup current account for -€10 million following the reduction in the cash pooling liability;
- the decrease in bank and postal accounts of +€107 million.

Equity increased by €253 million due to the profit recorded in the period.

Consolidated financial statements

Consolidated income statement

millions of euros

| | First half of 2023 | First half of 2022 |
|--|--------------------|--------------------|
| Revenue | 7,085 | 6,119 |
| Revenue from sales and services | 6,905 | 5,950 |
| Other income | 180 | 169 |
| Operating costs | (6,986) | (6,035) |
| Personnel expense | (2,584) | (2,287) |
| Raw materials, consumables, supplies and goods | (641) | (750) |
| Services | (3,606) | (2,766) |
| Other operating costs | (125) | (107) |
| Internal work capitalised | 845 | 698 |
| Amortisation, depreciation, provisions and impairment losses | (875) | (823) |
| Operating profit | 99 | 84 |
| Financial income and expense | (91) | (26) |
| Financial income | 86 | 48 |
| Financial expense | (221) | (96) |
| Share of profits /(losses) of equity-accounted investees | 44 | 22 |
| Pre-tax profit (loss) | 8 | 58 |
| Income taxes | (4) | (11) |
| Profit for the year from continuing operations | 4 | 47 |
| Profit for the period of assets held for sale, net of taxes | | |
| Profit for the period (attributable to the owners of the parent and non- controlling interests) | 4 | 47 |
| Profit (loss) for the period attributable to the owners of the parent | 25 | 47 |
| Profit (loss) for the period attributable to non-controlling interests | (21) | - |

Consolidated statement of comprehensive income

millions of euros

| | First half of 2023 | First half of 2022 |
|--|--------------------|--------------------|
| Profit for the period (attributable to the owners of the parent and non-controlling interests) | 4 | 47 |
| Other consolidated comprehensive income | | |
| Items that will not be reclassified to profit or loss, net of taxes: | | |
| Actuarial gains/(losses) | 6 | 99 |
| of which from equity-accounted investees | 1 | |
| Items reclassified to profit or loss | 2 | 3 |
| Items that will or may be reclassified to profit or loss, net of taxes: | | |
| Cash flow hedges - effective portion of changes in fair value | (19) | 74 |
| of which from equity-accounted investees | 1 | 17 |
| Net exchange gains (losses) | (3) | |
| Other comprehensive income, net of taxes | (14) | 176 |
| Comprehensive income (expense) (attributable to the owners of the parent and non-controlling interests) | (10) | 223 |
| <i>Comprehensive income (expense) attributable to:</i> | | |
| <i>Owners of the parent</i> | 11 | 223 |
| <i>Non-controlling interests</i> | (21) | - |

Consolidated statement of financial position

millions of euros

| | 30.06.2023 | 31.12.2022 |
|--|---------------|---------------|
| Assets | | |
| Non-current assets | | |
| Property, plant and equipment | 48,169 | 47,630 |
| Investment property | 1,398 | 1,403 |
| Intangible assets | 2,612 | 2,608 |
| Equity-accounted investments | 884 | 833 |
| Service concession assets | 933 | 1,479 |
| Financial assets (including derivatives) | 1,037 | 1,547 |
| Deferred tax assets | 383 | 386 |
| Trade receivables | 4 | 5 |
| Other assets | 3,328 | 4,609 |
| Total | 58,748 | 60,500 |
| Current assets | | |
| Inventories | 2,509 | 2,282 |
| Service concession assets | 2,979 | 2,042 |
| Financial assets (including derivatives) | 708 | 225 |
| Cash and cash equivalents | 1,536 | 2,691 |
| Tax receivables | 101 | 97 |
| Trade receivables | 3,010 | 3,092 |
| Other assets | 8,628 | 5,668 |
| Total | 19,471 | 16,097 |
| Total assets | 78,219 | 76,597 |
| Equity and liabilities | | |
| Equity | | |
| Share capital | 39,204 | 39,204 |
| Reserves | (81) | (71) |
| Retained earnings | 2,736 | 2,536 |
| Profit for the period/year | 25 | 204 |
| Equity attributable to the owners of the parent | 41,884 | 41,873 |
| Loss attributable to non-controlling interests | (21) | (2) |
| Share capital and reserves attributable to non-controlling interests | 198 | 197 |
| Share of profit (loss) attributable to non-controlling interests | 177 | 195 |
| Total | 42,061 | 42,068 |
| Liabilities | | |
| Non-current liabilities | | |
| Loans and borrowings | 9,431 | 9,159 |
| Post-employment benefits and other employee benefits | 718 | 756 |
| Provisions for risks and charges | 2,230 | 2,128 |
| Contract advances | 1,313 | 1,362 |
| Financial liabilities (including derivatives) | 1,275 | 1,410 |
| Deferred tax liabilities | 462 | 485 |
| Trade payables | 15 | 7 |
| Other non-current liabilities | 122 | 126 |
| Total | 15,566 | 15,433 |
| Current liabilities | | |
| Loans and borrowings and current portion of non-current loans and borrowings | 3,740 | 2,599 |
| Current portion of provisions for risks and charges | 25 | 25 |
| Contract advances | 464 | 482 |
| Financial liabilities (including derivatives) | 227 | 201 |
| Income tax payables | 20 | 10 |
| Trade payables | 7,218 | 7,696 |
| Other liabilities | 8,898 | 8,083 |
| Total | 20,592 | 19,096 |

| | | |
|-------------------------------------|---------------|---------------|
| Total liabilities | 36,158 | 34,529 |
| Total equity and liabilities | 78,219 | 76,597 |

Consolidated statement of changes in equity

millions of euros

| | Equity | | | | | | | | | | |
|---|---------------|---------------------|-----------------|-------------------|--------------|----------------|-------------------|------------------------------|---|--|---------------|
| | Reserves | | | | | Total reserves | Retained earnings | Profit/(loss) for the period | Equity attributable to the owners of the parent | Equity attributable to non-controlling interests | Total equity |
| Share capital | Legal reserve | Translation reserve | Hedging reserve | Actuarial reserve | | | | | | | |
| Balance at 1 January 2022 | 39,204 | 67 | (7) | (1) | (422) | (363) | 2,350 | 194 | 41,385 | 161 | 41,546 |
| Profit for the period | | | | | | | | 47 | 47 | | 47 |
| Gains/(Losses) recognised directly in Equity | | | | 77 | 99 | 176 | | | 176 | | 176 |
| Comprehensive income/(expense) | | | | 77 | 99 | 176 | | 47 | 223 | | 223 |
| Allocation of profit (loss) for the previous period | | | | | | | 194 | (194) | | | |
| Dividend distribution | | | | | | | | | | (2) | (2) |
| Capital increase (capital decrease) | | | | | | | | | | 10 | 10 |
| Change in consolidation area | | | | | | | | | | | |
| Other changes | | | | | | | 1 | | 1 | | 1 |
| Balance at 30 June 2022 | 39,204 | 67 | (7) | 76 | (323) | (187) | 2,545 | 47 | 41,609 | 169 | 41,778 |
| Balance at 1 January 2023 | 39,204 | 67 | (3) | 192 | (327) | (71) | 2,536 | 204 | 41,873 | 195 | 42,068 |
| Profit/(Loss) for the period | | | | | | | | 25 | 25 | (21) | 4 |
| Gains/(Losses) recognised directly in equity | | | (3) | (17) | 6 | (14) | | | (14) | | (14) |
| Comprehensive income/(loss) | | | (3) | (17) | 6 | (14) | | 25 | 11 | (21) | (10) |
| Allocation of profit (loss) for the previous period | | 4 | | | | 4 | 200 | (204) | | | |
| Dividend distribution | | | | | | | (5) | | (5) | (5) | (10) |
| Capital increase (capital decrease) | | | | | | | | | | 10 | 10 |
| Change in consolidation area | | | | | | | 4 | | 4 | | 4 |
| Other changes | | | | | | | 1 | | 1 | (2) | (1) |
| Balance at 30 June 2023 | 39,204 | 71 | (6) | 175 | (321) | (81) | 2,736 | 25 | 41,884 | 177 | 42,061 |

Consolidated statement of cash flows

millions of euros

| | 30.06.2023 | 30.06.2022 |
|---|----------------|----------------|
| Profit for the period | 4 | 47 |
| Income taxes | 4 | 11 |
| Financial income | 135 | 50 |
| Amortisation and depreciation | 854 | 805 |
| Share of profits (losses) of equity-accounted investees | (44) | (22) |
| Accruals to provisions and impairment losses | 300 | 215 |
| Capital losses on sales | (58) | (55) |
| Change in inventories | (226) | (118) |
| Change in trade receivables | 89 | (249) |
| Change in trade payables | (470) | (453) |
| Change in current taxes and deferred tax assets and liabilities | | |
| Change in other liabilities | 820 | 2,467 |
| Change in other assets | (1,686) | (2,468) |
| Utilisation of the provisions for risks and charges | (192) | (281) |
| Payment of employee benefits | (58) | (96) |
| Financial income collected/financial expense paid | (103) | (32) |
| Income taxes paid, net of reimbursed tax assets | (6) | 2 |
| Change in assets/liabilities held for sale | | 15 |
| Net cash flows used in operating activities | (637) | (161) |
| Increases in property, plant and equipment | (4,838) | (2,730) |
| Investment property | (1) | |
| Increases in intangible assets | (134) | (83) |
| Increases in equity investments | (243) | (320) |
| Investments, before grants | (5,216) | (3,133) |
| Grants for property, plant and equipment | 3,699 | 1,840 |
| Grants for investment property | | |
| Grants for intangible assets | | |
| Grants for equity investments | 239 | 311 |
| Grants | 3,938 | 2,151 |
| Decreases in property, plant and equipment | 59 | 63 |
| Decreases in investment property | 1 | 1 |
| Decreases in intangible assets | | |
| Decreases in equity investments and profit | 8 | 11 |
| Decreases | 68 | 75 |
| Net cash flows used in investing activities | (1,210) | (907) |
| Finance lease payments | (96) | (92) |
| Disbursement and repayment of non-current loans | 774 | (425) |
| Disbursement and repayment of current loans | 642 | 1,013 |
| Grants relating to assets (for loans) | 1 | (108) |
| Change in financial assets | (11) | (99) |
| Change in financial liabilities | 14 | 8 |
| Change in service concession assets/liabilities | (618) | 69 |
| Dividends | (10) | (1) |
| Financial income/charges that do not generate cash flows | | |
| Changes in equity and cash from non-recur. trans. | | |
| Net cash flows generated by financing activities | 696 | 365 |

| | | |
|--|----------------|--------------|
| Total cash flows | (1,151) | (703) |
| Opening cash and cash equivalents | 2,685 | 2,108 |
| Closing cash and cash equivalents | 1,534 | 1,405 |
| of which intragroup current account | (2) | (49) |

Financial statements of Ferrovie dello Stato Italiane SpA

Income statement

Values in euros

| | First half of 2023 | First half of 2022 |
|--|----------------------|----------------------|
| Revenue | 52,108,118 | 84,262,692 |
| Revenue from sales and services | 50,660,162 | 83,222,543 |
| Other income | 1,447,956 | 1,040,149 |
| Operating costs | (120,989,638) | (146,389,837) |
| Personnel expense | (36,957,416) | (32,570,418) |
| Raw materials, consumables, supplies and goods | (1,698,242) | (1,692,307) |
| Services | (54,418,339) | (86,261,636) |
| Other operating costs | (15,945,733) | (12,768,138) |
| Internal works capitalised | 227,377 | 212,541 |
| Amortisation, depreciation, provisions and impairment losses | (12,197,285) | (13,309,879) |
| Operating loss | (68,881,520) | (62,127,145) |
| Financial income and expense | 260,530,720 | 244,121,392 |
| Financial income | 406,845,175 | 272,829,672 |
| Financial expense | (146,314,455) | (28,708,280) |
| Pre-tax profit | 191,649,200 | 181,994,247 |
| Income taxes | 61,785,338 | 14,068,589 |
| Profit from continuing operations | 253,434,538 | 196,062,836 |
| Profit for the period | 253,434,538 | 196,062,836 |

Statement of comprehensive income

Values in euros

| | First half of 2023 | First half of 2022 |
|---|--------------------|--------------------|
| Profit for the period | 253,434,538 | 196,062,836 |
| Items that will not be reclassified to profit or loss: | | |
| Net actuarial gains | 26,115 | 934,826 |
| Tax effect on actuarial gains (losses) | (12,141) | (211,557) |
| Other comprehensive income, net of the taxes | 13,974 | 723,269 |
| Comprehensive income | 253,448,512 | 196,786,105 |

Statement of financial position

values in euros

| | 30.06.2023 | 31.12.2022 |
|--|-----------------------|-----------------------|
| Assets | | |
| Non-current assets | | |
| Property, plant and equipment | 52,872,472 | 54,747,980 |
| Investment property | 389,259,751 | 391,689,120 |
| Intangible assets | 1,223,387 | 48,002,261 |
| Equity investments | 38,295,937,535 | 38,059,837,535 |
| Financial assets (including derivatives) | 9,124,253,810 | 8,736,030,767 |
| Deferred tax assets | 174,752,005 | 173,683,173 |
| Trade receivables | 2,654,662 | 3,782,117 |
| Other assets | 21,937,226 | 24,303,335 |
| Total | 48,062,890,848 | 47,492,076,288 |
| Current assets | | |
| Inventories | 339,201,977 | 340,649,442 |
| Financial assets (including derivatives) | 3,353,991,618 | 2,706,451,344 |
| Cash and cash equivalents | 728,198,117 | 626,221,660 |
| Tax receivables | 85,255,802 | 84,908,211 |
| Trade receivables | 262,456,513 | 196,706,328 |
| Other assets | 2,130,393,544 | 2,193,216,449 |
| Total | 6,899,497,571 | 6,148,153,434 |
| Total Assets | 54,962,388,419 | 53,640,229,722 |
| Equity and liabilities | | |
| Equity | | |
| Share capital | 39,204,173,802 | 39,204,173,802 |
| Reserves | 71,756,477 | 67,235,002 |
| Retained earnings | 714,634,985 | 628,992,464 |
| Profit for the period/year | 253,434,538 | 90,150,022 |
| Total | 40,243,999,802 | 39,990,551,290 |
| Liabilities | | |
| Non-current liabilities | | |
| Loans and borrowings | 8,830,696,856 | 8,466,485,317 |
| Employee benefits | 5,219,971 | 5,363,697 |
| Provisions for risks and charges | 112,061,109 | 111,986,122 |
| Financial liabilities (including derivatives) | 17,370,508 | 19,374,668 |
| Deferred tax liabilities | 139,492,814 | 168,540,657 |
| Other non-current liabilities | 23,859,391 | 26,090,486 |
| Total | 9,128,700,649 | 8,797,840,947 |
| Current liabilities | | |
| Loans and borrowings and current portion of non-current loans and borrowings | 2,378,127,367 | 1,551,562,201 |
| Financial liabilities (including derivatives) | 1,001,451,648 | 1,002,445,197 |
| Current trade payables | 86,760,512 | 96,401,758 |
| Other liabilities | 2,123,348,441 | 2,201,428,329 |
| Total | 5,589,687,968 | 4,851,837,485 |
| Total liabilities | 14,718,388,617 | 13,649,678,432 |
| Total equity and liabilities | 54,962,388,419 | 53,640,229,722 |

Statement of changes in equity

Values in euros

| Equity | | | | | | | | | |
|--|-----------------------|-------------------|-----------------------|----------------|--------------------|-------------------|--------------------|----------------------------|-----------------------|
| | Share capital | Reserves | | | | Total reserves | Retained earnings | Profit for the period/year | Total equity |
| | | Other reserves | | | Valuation reserves | | | | |
| | | Legal reserve | Extraordinary reserve | Other reserves | Actuarial reserve | | | | |
| Balance at 1 January 2022 | 39,204,173,802 | 66,854,616 | | | (271,354) | 66,583,262 | 628,862,321 | 136,993 | 39,899,756,378 |
| 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 |
| Balance at 30 June 2022 | 39,204,173,802 | 66,861,466 | | | 451,915 | 67,313,381 | 628,992,464 | 196,062,836 | 40,096,542,483 |
| Balance at 1 January 2023 | 39,204,173,802 | 66,861,466 | | | 373,536 | 67,235,002 | 628,992,464 | 90,150,022 | 39,990,551,290 |
| Allocation of profit for the previous year | | 4,507,501 | | | | 4,507,501 | 85,642,521 | (90,150,022) | |
| Comprehensive income of which: | | | | | | | | | |
| Profit for the period | | | | | | | | 253,434,538 | 253,434,538 |
| Net gains recognised directly in equity | | | | | 13,974 | 13,974 | | | 13,974 |
| Balance at 30 June 2023 | 39,204,173,802 | 71,368,967 | | | 387,510 | 71,756,477 | 714,634,985 | 253,434,538 | 40,243,999,802 |

Statement of cash flows

values in euros

| | 30.06.2023 | 30.06.2022 |
|--|----------------------|----------------------|
| Profit for the period | 253,434,538 | 196,062,837 |
| Income taxes | (61,785,338) | (14,068,588) |
| Net financial expense | (260,530,720) | (244,121,392) |
| Amortisation and depreciation | 12,958,117 | 12,872,232 |
| Accruals to provisions and impairment losses | 81,738 | |
| Impairment losses (gains) | 163,912 | (101,614) |
| Accruals for employee benefits | 7,813 | |
| Accruals to provisions and impairment losses | 253,463 | (101,614) |
| Gains on sales | | 78 |
| Change in inventories | 1,454,170 | 2,114,820 |
| Change in trade receivables | (63,484,939) | (8,442,395) |
| Change in trade payables | (9,756,323) | 17,639,532 |
| Change in other assets | 276,469,819 | 232,138,966 |
| Change in other liabilities | (73,111,721) | (153,075,075) |
| Utilisation of the provisions for risks and charges | (132,238) | (2,862,063) |
| Payment of employee benefits | (215,412) | (429,699) |
| Financial income collected/financial expense paid | 40,095,261 | 30,042,840 |
| Change in tax assets/liabilities | 29,079,615 | 30,478,769 |
| Net cash flows generated by operating activities | 144,728,292 | 98,249,247 |
| Increases in property, plant and equipment | (1,171,503) | (1,000,147) |
| Investment property | (844,077) | (2,826,589) |
| Increases in intangible assets | (4,885,265) | (5,190,556) |
| Increases in equity investments | (336,100,000) | (170,607,576) |
| Investments, before grants | (343,000,845) | (179,624,868) |
| Grants for equity investments | 100,000,000 | 170,570,000 |
| Grants | 100,000,000 | 170,570,000 |
| Decreases in property, plant and equipment | 1,838,947 | |
| Decr.-Incr. in investment property | 8,624 | |
| Decreases in intangible assets | 43,208,622 | |
| Decreases in equity investments | | 37,576 |
| Decreases | 45,056,193 | 37,576 |
| Net cash flows used in investing activities | (197,944,652) | (9,017,292) |
| Disbursement and repayment of non-current loans | 884,469,470 | (266,127,487) |
| Disbursement and repayment of current loans | 292,864,256 | 934,000,000 |
| Change in lease liabilities | (94,032) | (97,180) |
| Change in financial assets | (1,008,836,238) | (836,347,579) |
| Change in financial liabilities | (224,819) | |
| Net cash flows generated by/ (used in) financing activities | 168,178,637 | (168,572,246) |
| Total cash flows | 114,962,277 | (79,340,291) |
| Opening cash and cash equivalents | (374,271,477) | 46,539,523 |
| Closing cash and cash equivalents | (259,309,200) | (32,800,768) |
| of which intragroup current account | (987,507,317) | (519,427,019) |

Reporting by operating segment

Below are the financial highlights of the Group's operating segments for the first six months of 2023 and the same period of 2022 or, with reference to the net invested capital, the net financial position and equity at 31 December 2022.

millions of euros

| First half of 2023 | Infrastructure | Passenger Transport | Logistics | Urban | Other services | Adjustments and inter-segment eliminations | Ferrovie dello Stato Italiane Group |
|---|----------------|---------------------|--------------|-------------|----------------|--|-------------------------------------|
| Revenue from third parties | 2,747 | 3,608 | 500 | 50 | 19 | 2 | 6,926 |
| Inter-segment revenue | 563 | 117 | 87 | 26 | 369 | (1,003) | 159 |
| Revenue | 3,310 | 3,725 | 587 | 76 | 388 | (1,001) | 7,085 |
| Operating costs | (3,056) | (2,982) | (556) | (68) | (410) | 961 | (6,111) |
| Gross operating Profit/loss (EBITDA) | 254 | 743 | 31 | 8 | (22) | (40) | 974 |
| Amortisation and depreciation | (184) | (615) | (55) | (5) | (30) | 14 | (875) |
| Impairment losses and provisions | | | | | | | |
| Operating profit/loss (EBIT) | 70 | 128 | (24) | 3 | (52) | (26) | 99 |
| Net financial income (expense) | (45) | (81) | (15) | 3 | 44 | 3 | (91) |
| Income taxes | (6) | 8 | | (4) | 54 | (56) | (4) |
| Segment profit (loss) (attributable to the owners of the parent and non-controlling interests) | 19 | 55 | (39) | 2 | 46 | (79) | 4 |

millions of euros

| 30.06.2023 | Infrastructure | Passenger Transport | Logistics | Urban | Other services | Adjustments and inter-segment eliminations | Ferrovie dello Stato Italiane Group |
|--|----------------|---------------------|------------|--------------|----------------|--|-------------------------------------|
| Working capital | 427 | 305 | 12 | 766 | 444 | (264) | 1,690 |
| Net non-current assets | 39,491 | 12,466 | 818 | 624 | 192 | (135) | 53,456 |
| <i>Of which equity-accounted investments</i> | <i>699</i> | <i>182</i> | <i>3</i> | | | | <i>884</i> |
| Other provisions | (2,113) | (780) | (137) | (147) | (199) | (59) | (3,435) |
| Net assets held for sale | | | | | | | |
| Net invested capital | 37,805 | 11,991 | 693 | 1,243 | 437 | (458) | 51,711 |
| Net financial position (debt) | 1,528 | 8,881 | 469 | (754) | (347) | (127) | 9,650 |
| Equity | 36,277 | 3,110 | 224 | 1,997 | 784 | (331) | 42,061 |

millions of euros

| First half of 2022 | Infrastructure | Passenger Transport | Logistics | Urban | Other services | Adjustments and inter-segment eliminations | Ferrovie dello Stato Italiane Group |
|---|----------------|---------------------|--------------|-------------|----------------|--|-------------------------------------|
| Revenue from third parties | 2,422 | 2,989 | 465 | 32 | 22 | | 5,930 |
| Inter-segment revenue | 648 | 120 | 75 | 23 | 306 | (983) | 189 |
| Revenue | 3,070 | 3,109 | 540 | 55 | 328 | (983) | 6,119 |
| Operating costs | (2,742) | (2,583) | (498) | (46) | (345) | 1,002 | (5,212) |
| Gross operating profit (loss) | 328 | 526 | 42 | 9 | (17) | 19 | 907 |
| Amortisation and depreciation, impairment losses and provisions | (170) | (578) | (51) | (6) | (29) | 11 | (823) |
| Operating profit (loss) | 158 | (52) | (9) | 3 | (46) | 30 | 84 |
| Financial income (expense) | (4) | (50) | (8) | | 33 | 3 | (26) |
| Income taxes | (8) | 51 | (1) | (2) | 7 | (58) | (11) |
| Segment profit (loss) (attributable to the owners of the parent and non-controlling interests) | 146 | (51) | (18) | 1 | (6) | (25) | 47 |

millions of euros

| 31.12.2022 | Infrastructure | Passenger Transport | Logistics | Urban | Other services | Adjustments and inter-segment eliminations | Ferrovie dello Stato Italiane Group |
|--|----------------|---------------------|------------|--------------|----------------|--|-------------------------------------|
| Working capital | (1,067) | 262 | 3 | 760 | 460 | (201) | 217 |
| Net non-current assets | 39,002 | 12,389 | 813 | 619 | 190 | (137) | 52,876 |
| <i>Of which equity-accounted investments</i> | <i>657</i> | <i>174</i> | <i>3</i> | | | <i>(1)</i> | <i>833</i> |
| Other provisions | (2,072) | (770) | (141) | (146) | (228) | (38) | (3,395) |
| Net assets held for sale | | | | | | | |
| Net invested capital | 35,863 | 11,881 | 675 | 1,233 | 422 | (376) | 49,698 |
| Net financial position (debt) | (586) | 8,798 | 649 | (762) | (345) | (124) | 7,630 |
| Equity | 36,449 | 3,083 | 26 | 1,995 | 767 | (252) | 42,068 |

The Manager in charge of the company's accounting documents, Mr Marco Fossataro, states 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.