

**FIRST SUPPLEMENT DATED 12 MAY 2020 TO
THE BASE PROSPECTUS DATED 17 DECEMBER 2019**



FERROVIE DELLO STATO ITALIANE S.p.A.

(Incorporated with limited liability in the Republic of Italy)

€7,000,000,000

Euro Medium Term Note Programme

This supplement (the "**Supplement**") to the base prospectus dated 17 December 2019 (the "**Base Prospectus**"), constitutes a supplementary prospectus for the purposes of Article 23 of Regulation (EU) 2017/1129, as amended or superseded (the "**Prospectus Regulation**") and is prepared in connection with the Euro Medium Term Note Programme (the "**Programme**") established by Ferrovie dello Stato Italiane S.p.A. (the "**Issuer**").

Terms defined in the Base Prospectus have the same meaning when used in this Supplement. This Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus.

The Issuer accepts responsibility for the information contained in this Supplement and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Supplement is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

This Supplement has been approved by the Central Bank of Ireland, as competent authority under the Prospectus Regulation. The Central Bank of Ireland only approves this Supplement as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or the quality of any Notes issued pursuant to the Programme.

With effect from the date of this Supplement, each reference in the Base Prospectus to "Base Prospectus" shall be read and construed as a reference to the Base Prospectus as amended and supplemented by this Supplement. To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement and (b) any other statement in, or incorporated by reference into, the Base Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement, no significant new fact, material mistake or inaccuracy relating to the information included in the Base Prospectus which is capable of affecting the assessment of the Notes issued under the Programme has arisen or been noted, as the case may be, since publication of the Base Prospectus.

No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Dealers or any of their respective affiliates as to the accuracy or

completeness of the information contained or incorporated in this Supplement or any other information provided by the Issuer in connection with the Programme. No Dealer accepts any liability in relation to the information contained or incorporated by reference in this Supplement or any other information provided by the Issuer in connection with the Programme.

Purpose of the Supplement

The purpose of this Supplement is (i) to update the paragraph entitled "*Important - EEA Retail Investors*" in the "Important Notices" section of the Base Prospectus; (ii) to update the "*Risk Factors*" section of the Base Prospectus; (iii) to update the "*Information Incorporated by Reference*" section of the Base Prospectus to incorporate by reference the 2019 Annual Report Highlights and the press release entitled "31 March 2020 Press Release"; (iv) to update the form of Final Terms in the section "*Form of Final Terms*"; (v) to update the "*Description of the Issuer*" section of the Base Prospectus; (vi) to update the "*Taxation*" section of the Base Prospectus; (vii) to update the paragraph entitled "*Prohibition of Sales to EEA Retail Investors*" in the "Subscription and Sale" section of the Base Prospectus; and (viii) to update the "*General Information*" section of the Base Prospectus.

AMENDMENTS AND ADDITIONS TO THE BASE PROSPECTUS

IMPORTANT NOTICES

Restriction on sales to EEA and UK Retail Investors

The paragraph entitled "*Important – EEA Retail Investors*" in the "*Important Notices*" section on page iv of the Base Prospectus shall be entirely deleted and replaced as follows:

Important – EEA and UK retail investors

If the Final Terms (or Drawdown Prospectus, as the case may be) in respect of any Notes includes a legend entitled "*Prohibition of Sales to EEA or UK Retail Investors*", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA" or the United Kingdom ("UK")). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or (ii) a customer within the meaning of Directive 2016/97/EU (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA or the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or the UK may be unlawful under the PRIIPs Regulation.

RISK FACTORS

Risks relating to macroeconomic conditions and sovereign debt crisis

In the section entitled "*Risk Factors*", the following paragraphs shall be included after the last paragraph of "*Risks relating to macroeconomic conditions and sovereign debt crisis*" under category "*a. Risks relating to the Issuer's financial position*" on page 6 of the Base Prospectus:

"In addition, the macroeconomic conditions are expected to be profoundly affected by the outbreak of the novel coronavirus disease ("**COVID-19**").

Italy is currently one of the countries most affected by COVID-19 and this has led to strong pressure on the country's health system.

Due to the spread of COVID-19 in Italy, the Italian government authorities have enacted a series of measures aimed at containing the further transmission of the virus among the population in Italy, including the lock-down of the whole country. As a result, since March 2020, the Group has gradually decreased its offer of services, mainly related to high-speed passenger trains with a consequent and temporary impact on the related business performance.

The Group has already in place processes and procedures that support the identification, management and monitoring of events with potential significant impact on the Issuer's resources and business. Also, the Group is setting specific strategic procedures and interventions in order to face, monitor and manage the impact of COVID-19 on the Group's business.

Specifically, in order to tackle the current situation, the Group has implemented a number of extraordinary measures, such as, but not limited to, *i)* rescheduling the transport offer as mentioned above, with consequential and significant operating costs containment, including specific measures on personnel costs containment; *ii)* rescheduling part of the Group's 2020 capital expenditure, *iii)* effective management of the Group's financial exposure and credit facilities; *iv)* continuous dialogue with Italian and EU authorities and any relevant stakeholders, in order to ensure full support to the transportation sector.

This situation and the aforementioned lock-down measures have led, and - depending also on the additional measures that will be taken by the Italian Government with respect to the COVID-19 outbreak - may also in the future lead to slowdowns in some of the Group's activities, difficulties and restrictions for customers in the use of collective transport services, with potential negative impacts on the Group financial results.

However, as at the date of the First Supplement, it is not possible to assess the effects of COVID-19 on the Group's business, and it is difficult to predict and quantify the overall impact that COVID-19 may have in the future on the Group's business."

FORM OF FINAL TERMS

The paragraph "*Prohibition of Sales to EEA Retail Investors*" of the form of Final Terms set out at page 58 of the Base Prospectus shall be entirely deleted and replaced as follows:

[PROHIBITION OF SALES TO EEA AND UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA") or the United Kingdom (the "UK"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("**MiFID II**"); or (ii) a customer within the meaning of Directive 2016/97/EU (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA or the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or the UK may be unlawful under the PRIIPs Regulation.]¹

Item 9(v) "*Prohibition of Sales to EEA Retail Investors*" under "*Part B – Other Information*" of the form of Final Terms set out at page 69 of the Base Prospectus shall be entirely deleted and replaced as follows:

(v) Prohibition of Sales to EEA and UK Retail Investors: [Applicable]/[Not Applicable]

(If the offer of the Notes clearly does not constitute "packaged" products, "Not Applicable" should be specified. If the offer of the Notes may constitute "packaged" products, "Applicable" should be specified.)

INFORMATION INCORPORATED BY REFERENCE

With effect from the date of this Supplement the information appearing in, or incorporated by reference into, the Base Prospectus on pages 18-19 shall be supplemented by adding the following information at the end of the section in the manner described below.

Press release relating to the approval of the 2019 Consolidated Financial Statements by the Board of Directors

A copy of the press release dated 31 March 2020, relating to the approval by the Board of Directors of the Issuer of the annual financial report, including the consolidated financial statements of the Group as of 31 December 2019, which have not been audited ("**31 March**

¹ Note: Square brackets or wording to be removed as appropriate for each issuance.

2020 Press Release"), has been filed with the Central Bank of Ireland, and, by virtue of this Supplement, is incorporated by reference in, and forms part of, the Base Prospectus.

https://www.fsitaliane.it/content/dam/fsitaliane/en/Documents/media-and-events/press-releases-and-news/2020/2020_03_31_PR_2019_Annual_Report_EN.pdf

The Issuer confirms that the results as at 31 December 2019 referred to in the 31 March 2020 Press Release contains profit estimates have been compiled and prepared by the Issuer in accordance with the IFRS adopted by the Group and on a basis which are (i) comparable with the historical financial information of the Issuer contained in the Base Prospectus, including the 2018 Consolidated Financial Statements, and (ii) consistent with the accounting policies of the Issuer.

2019 Annual Report Highlights

A copy of the Issuer's annual financial report highlights, including the consolidated financial highlights of the Group as of 31 December 2019, which have not been audited, approved by the Board of Directors of the Issuer ("**2019 Annual Report Highlights**"), has been filed with the Central Bank of Ireland, and, by virtue of this Supplement, is incorporated by reference in, and forms part of, the Base Prospectus.

https://www.fsitaliane.it/content/dam/fsitaliane/en/Documents/investor-relations/financial-statements/FS_Group_2019_Annual_Report_Highlights.pdf

The Issuer confirms that the results as at 31 December 2019 referred to in the 2019 Annual Report Highlights contain profit estimates and have been compiled and prepared by the Issuer in accordance with the IFRS adopted by the Group and on a basis which are (i) comparable with the historical financial information of the Issuer contained in the Base Prospectus, including the 2018 Consolidated Financial Statements, and (ii) consistent with the accounting policies of the Issuer.

Copies of the documents specified above as containing information incorporated by reference in this Supplement may be inspected, free of charge, at the registered office of the Issuer.

DESCRIPTION OF THE ISSUER

Judicial Investigations and Proceedings (Arbitration, Antitrust Proceedings and Proceedings before the Public Contracts Supervisory Authority; Administrative Litigation)

In the section entitled "*Description of the Issuer*", the paragraph entitled "*Judicial Investigations and Proceedings (Arbitration, Antitrust Proceedings and Proceedings before the Public Contracts Supervisory Authority; Administrative Litigation)*" on pages 121-132 of the Base Prospectus is deleted in its entirety and replaced by the section attached as Annex 1 (*Judicial Investigations and Proceedings*) to this Supplement.

Recent events

In the section entitled "*Description of the Issuer*", the paragraph entitled "*Recent events*" on pages 132-133 of the Base Prospectus shall be supplemented by the addition of the following paragraphs:

"Trenitalia awarded High Speed services in Spain"

On 11 May 2020, the ILSA consortium, composed of Trenitalia and Air Nostrum, signed the Framework Agreement with ADIF Alta Velocidad, the Spanish Railway Infrastructure Manager, for operating the high-speed services between Madrid-Barcelona, Madrid-Valencia/Alicante and Madrid-Malaga/Seville for the next 10 years. The signing comes following the tender award to the consortium occurred on 27 November 2019 and the green light received from the Spanish Authority for the Market and Competition. The commercial service is expected to commence in January 2022.

"Fitch downgrades FS rating to 'BBB-' mirroring the downgrade of Italy. Outlook changes from negative to stable"

On 8 May 2020, Fitch downgraded FS' long-term default rating to "BBB-" from "BBB", mirroring the Republic of Italy's rating downgrade made by Fitch on 28 April 2020, as a consequence of the rating criteria applicable to FS' rating. The outlook changed from negative to stable. The standalone credit profile remains stable at "bbb".

"FS issues a bond with Eurofima"

On 2 April 2020, FS closed a new private placement with Eurofima, which subscribed Euro 200 million floating rate notes due 10 October 2034. The issuance follows the similar transaction issued on 19 December 2019 with nominal amount equal to Euro 200 million and maturity date on 10 October 2034. The proceeds of the notes will be applied towards financing Trenitalia rolling stocks for the public service.

"FS Board of Directors approves new bond issuances"

On 31 March 2020, FS' Board of Directors approved the issue of new debt through bonds and other funding instruments for a maximum amount of Euro 1.78 billion."

TAXATION

In the paragraph entitled "*Taxation in the Republic of Italy – Italian resident Noteholders*" of the section entitled "*Taxation*" set out at pages 134-135 of the Base Prospectus, the fourth to last paragraphs shall be entirely deleted and replaced as follows:

"Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not acting in connection with an entrepreneurial activity may be exempt from any income taxation, including the *imposta sostitutiva*, on Interest if the Notes are included in a long-term savings account (*piano di risparmio a lungo termine*) that meets the requirements set forth in Article 1(100-114) of Law No. 232 of 11 December 2016 (the "**Finance Act 2017**"), in Article 1(211-215) of Law No. 145 of 30 December 2018 (the "**Finance Act 2019**"), as implemented by Ministerial Decree of 30 April 2019, and in Article 13-bis of Law Decree No. 124 of 26 October 2019 converted into law with amendments by Law No. 157 of 19 December 2019 ("**Decree 124**"), as applicable from time to time.

Where an Italian resident Noteholder is a company or similar commercial entity or a permanent establishment in Italy of a foreign company to which the Notes are effectively connected and the Notes are deposited with an authorised intermediary, Interest will not be subject to *imposta sostitutiva*, but must be included in the relevant Noteholder's income tax return and are therefore subject to general Italian corporate income taxation (and, in certain circumstances, depending on the "*status*" of the Noteholder, also to the regional tax on productive activities ("**IRAP**")).

Where an Italian resident Noteholder is an individual engaged in an entrepreneurial activity to which the Notes are connected, interests, premium and other income relating to the Notes, are subject to *imposta sostitutiva* and will be included its relevant income tax return. As a consequence, interests, premium and other income will be subject to the ordinary income tax and the *imposta sostitutiva* may be recovered as a deduction from the income tax due.

Pursuant to Decree 239, *imposta sostitutiva* is applied by banks, *società di intermediazione mobiliare* (so called "**SIMs**"), fiduciary companies, *società di gestione del risparmio* (so called "**SGRs**"), stockbrokers and other entities identified by a decree of the Ministry of Economy and Finance (each an "**Intermediary**"). An Intermediary must (a) (i) be resident in Italy or (ii) be a permanent establishment in Italy of a non-Italian resident financial intermediary or (iii) be an entity or a company not resident in Italy, acting through a system of centralised administration of notes and directly connected with the Department of Revenue of the Italian Ministry of Finance having appointed an Italian representative for the purposes of Decree No. 239; and (b) intervene, in any way, in the collection of interest or in the transfer of the Notes. For the purpose of the application of the *imposta sostitutiva*, a transfer of Notes includes any assignment or other act, either with or without consideration, which results in a change of the ownership of the relevant Notes or in a change of the Intermediary with which the Notes are deposited.

Where the Notes are not deposited with an Intermediary, the *imposta sostitutiva* is applied and withheld by any Intermediary paying Interest to a Noteholder or, absent that, by the Issuer.

Under the current regime provided by Law Decree No. 351 of 25 September 2001 converted into law with amendments by Law No. 410 of 23 November 2001 ("**Decree 351**"), Law Decree No. 78 of 31 May 2010, converted into Law n. 122 of 30 July 2010 and Legislative Decree No. 44 of 4 March 2014, all as amended, Italian real estate investment funds and Italian real estate SICAFs, qualifying as such from a legal and regulatory perspective (the "**Real Estate Funds**") are subject neither to *imposta sostitutiva* nor to any other income tax in the hands of the Real Estate Funds, but subsequent distributions made in favour of unitholders or shareholders will be subject, in certain circumstances, to a withholding tax of 26 per cent.; subject to certain conditions, depending on the status of the investor and percentage of participation, income of the Real Estate Fund is subject to taxation in the hands of the unitholder or shareholder regardless of distribution.

If the investor is resident in Italy and is an open-ended or-closed ended investment fund, a SICAV (an investment company with variable capital) or a SICAF (an investment company with fixed capital) established in Italy (the "**Fund**") and either (i) the Fund or (ii) their manager is subject to the supervision of a regulatory authority, and the relevant Notes are held by an authorised intermediary, as clarified by the Italian tax authorities through Circular No. 11/E of 28 March 2012, Interest accrued during the holding period on the Notes will not

be subject to *imposta sostitutiva*, but must be included in the management results of the Fund. The Fund will not be subject to taxation on such results but a withholding tax of 26 per cent. will apply, in certain circumstances, to distributions made in favour of unitholders or shareholders (the "**Collective Investment Fund Tax**").

Where an Italian resident Noteholder is a pension fund (subject to the regime provided for by Article 17 of the Legislative Decree No. 252 of 5 December 2005, the "**Pension Fund**") and the Notes are deposited with an authorised intermediary, Interest relating to the Notes and accrued during the holding period will not be subject to *imposta sostitutiva*, but must be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to a 20 per cent. substitute tax (the "**Pension Fund Tax**") on the increase in value of the managed assets accrued at the end of each tax year (which increase would include Interest accrued on the Notes). Subject to certain conditions (including minimum holding period) and limitations, Interest relating to the Notes may be excluded from the taxable base of the Pension Fund Tax if the Notes are included in a long-term savings account (*piano di risparmio a lungo termine*) that meets the requirements set forth in Article 1 (100 - 114) of Finance Act 2017, in Article 1(211-215) of Finance Act 2019, as implemented by Ministerial Decree of 30 April 2019, and in Article 13-bis of Decree 124, as applicable from time to time."

In the paragraph entitled "*Taxation in the Republic of Italy – Non-Italian resident Noteholders*" of the section entitled "*Taxation*" set out at pages 135-136 of the Base Prospectus, the third paragraph shall be entirely deleted and replaced as follows:

"In order to ensure gross payment, non-resident investors (without a permanent establishment in Italy to which the Notes are effectively connected) must be the beneficial owners of payments of Interest on the Notes and (a) deposit, directly or indirectly, the Notes, the receipts or the coupons with an Italian bank or a SIM or a permanent establishment in Italy of a non-resident bank or SIM or with a non-resident operator of a clearing system having appointed as its agent in Italy for the purposes of Decree 239 a resident bank or SIM or a permanent establishment in Italy or a non-resident bank or SIM which are in contact via computer with the Ministry of Economy and Finance and (b) file with the relevant depository, prior to or concurrently with the deposit of the Notes, a statement (*autocertificazione*) of the relevant Noteholder, to be provided only once, until revoked or withdrawn, in which the Noteholder declares to be resident, for tax purposes, in one of the above mentioned White List states. Such statement, which is not requested for international bodies or entities set up in accordance with international agreements which have entered into force in Italy or in the case of foreign Central Banks or entities which manage, inter alia, the official reserves of a foreign State, must comply with the requirements set forth by Ministerial Decree of 12 December 2001, as subsequently amended."

In the paragraph entitled "*Taxation in the Republic of Italy – Atypical Securities*" of the section entitled "*Taxation*" set out at page 136 of the Base Prospectus, the second paragraph shall be entirely deleted and replaced as follows:

"Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not acting in connection with an entrepreneurial activity may be exempt from any income taxation, including the withholding tax, on interest, premium and other income relating to the Notes if such Notes are included in a long term savings account (*piano di risparmio a lungo termine*) that meets the requirements set forth in Article 1(100-114) of the Finance Act 2017, in Article 1(211-215) of Finance Act 2019, as implemented by

Ministerial Decree of 30 April 2019, and in Article 13-bis of Decree 124, as applicable from time to time."

In the paragraph entitled "*Capital gains tax – Italian resident Noteholders*" of the section entitled "*Taxation*" set out at pages 137-138 of the Base Prospectus, the seventh to last paragraphs shall be deleted and replaced as follows:

"Subject to certain conditions (including minimum holding period) and limitations, capital gains in respect of Notes realized upon sale, transfer or redemption by Italian resident individuals holding the Notes not in connection with an entrepreneurial activity may be exempt from taxation, including the 26 per cent. *imposta sostitutiva*, if the Notes are included in a long-term savings account (*piano di risparmio a lungo termine*) that meets the requirements set forth in Article 1 (100 - 114) of Finance Act 2017, in Article 1(211-215) of Finance Act 2019 as implemented by Ministerial Decree of 30 April 2019, and in Article 13-bis of Decree 124, as applicable from time to time.

Any capital gains realised by a Noteholder who is an Italian Real Estate Fund will be subject neither to *imposta sostitutiva* nor to any other income tax at the level of the Real Estate Fund, but subsequent distributions made in favour of unitholders or shareholders will be subject, in certain circumstances, to a withholding tax of 26 per cent.

Any capital gains realised by a Noteholder which is a Fund will not be subject to *imposta sostitutiva*, but will be included in the result of the relevant portfolio. Such result will not be taxed with the Fund, but subsequent distributions in favour of unitholders or shareholders may be subject to the Collective Investment Fund Tax.

Any capital gains realised by a Noteholder which is an Italian Pension Fund will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the Pension Fund Tax. Subject to certain conditions (including minimum holding period) and limitations, capital gains in respect of Notes realized upon sale, transfer or redemption by Italian Pension Fund may be excluded from the taxable base of the Pension Fund Tax if the Notes are included in a long-term savings account (*piano di risparmio a lungo termine*) that meets the requirements set forth in Article 1 (100 - 114) of Finance Act 2017, in Article 1(211-215) of Finance Act 2019, as implemented by Ministerial Decree of 30 April 2019, and in Article 13-bis of Decree 124, as applicable from time to time."

In the paragraph entitled "*Capital gains tax – Non-Italian resident Noteholders*" of the section entitled "*Taxation*" set out at page 138 of the Base Prospectus, the first paragraph shall be deleted and replaced as follows:

"Pursuant to Article 23, of Presidential Decree No. 917 of 22 December 1986, capital gains realised by non-Italian resident Noteholders, not having a permanent establishment in Italy to which the Notes are connected, from the sale or redemption of Notes issued by an Italian resident issuer and traded on regulated markets are neither subject to the *imposta sostitutiva* nor to any other Italian income tax (subject to, in certain cases, the filing of the required documentation)."

In the paragraph entitled "*Inheritance and gift taxes*" of the section entitled "*Taxation*" set out at pages 138-139 of the Base Prospectus, the third paragraph shall be deleted and replaced as follows:

"The transfer of financial instruments (including the Notes) as a result of death is exempt from inheritance tax when such financial instruments are included in a long-term savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth in Article 1 (100-114) of Financial Act 2017, Article 1 (211-215) of Financial Act 2019, as implemented by Ministerial Decree of 30 April 2019, and in Article 13-bis of Decree 124, as applicable from time to time."

In the paragraph entitled "*Wealth Tax on securities deposited abroad*" of the section entitled "*Taxation*" set out at page 139 of the Base Prospectus, the first paragraph shall be deleted and replaced as follows:

"Pursuant to Article 19 par. 18 and 18-bis of Decree No. 201 of 6 December 2011, Italian resident individuals, and, starting from fiscal year 2020, Italian non-commercial entities and Italian non-commercial partnerships and similar institutions (*società semplici* or similar partnerships in accordance with Article 5 of Presidential Decree No. 917 of 22 December 1986) holding the Notes outside the Italian territory are required to pay an additional tax at a rate of 0.20 per cent."

The paragraph entitled "*Tax monitoring obligations*" of the section entitled "*Taxation*" set out at page 139 of the Base Prospectus shall be entirely deleted and replaced as follows:

"According to the Law Decree No. 167 of 28 June 1990, converted with amendments into Law No. 227 of 4 August 1990, as amended from time to time, Italian resident individuals, Italian non-commercial entities and Italian non-commercial partnerships and similar institutions (*società semplici* or similar partnerships in accordance with Article 5 of Presidential Decree No. 917 of 22 December 1986) resident in Italy for tax purposes, under certain conditions, are required to report for tax monitoring purposes in their yearly income tax return (or, in case the income tax return is not due, in a proper form that must be filed within the same time as prescribed for the income tax return) the amount of investments directly or indirectly held abroad.

The requirement applies also where the persons above, being not the direct holders of the financial instruments, are the actual owners ("*titolari effettivi*") of the financial instruments in accordance with Article 1(2)(u) and the Technical Annex of the Decree No. 231 of 21 November 2007.

The disclosure requirements are not due if the foreign financial investments (including the Notes) are only comprised of deposits and/or bank accounts having an aggregate value not exceeding an €15,000 threshold throughout the year. Furthermore, no disclosure requirement applies when the Notes are deposited for management or administration with qualified Italian financial intermediaries, with respect to contracts entered into through their intervention, upon condition that the items of income derived from the Notes have been subject to tax by the same intermediaries."

The paragraph entitled "*FATCA*" of the section entitled "*Taxation*" set out at page 140 of the Base Prospectus shall be entirely deleted and replaced as follows:

"Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("foreign passthru payments") to persons that fail to meet certain certification, reporting, or related requirements. A number of jurisdictions (including the jurisdiction of the

Issuer) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("IGAs"), which modify the way in which FATCA applies in their jurisdictions. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register, and Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining foreign passthru payments are published generally would be grandfathered for purposes of FATCA withholding unless materially modified after such date. However, if additional notes (as described under "*Terms and Conditions—Further Issues*") that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes."

SUBSCRIPTION AND SALE

The paragraph "*Prohibition of Sales to EEA Retail Investors*" in the section "*Subscription and Sale*" set out at page 142 of the Base Prospectus shall be entirely deleted and replaced as follows:

Prohibition of Sales to EEA and UK Retail Investors

Unless the Final Terms (or Drawdown Prospectus, as the case may be) in respect of any Notes specifies the "Prohibition of Sales to EEA and UK Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms (or are the subject of the offering contemplated by a Drawdown Prospectus) in relation thereto to any retail investor in the EEA and the United Kingdom. For the purposes of this provision:

- (a) the expression "retail investor" means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
 - (ii) a customer within the meaning of Directive 2016/97/EU (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

If the Final Terms (or Drawdown Prospectus, as the case may be) in respect of any Notes specifies the "Prohibition of Sales to EEA and UK Retail Investors" as "Not Applicable", in

relation to each Member State of the European Economic Area and the United Kingdom, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Prospectus as completed by the Final Terms in relation thereto (or are the subject of the offering contemplated by a Drawdown Prospectus, as the case may be) to the public in that Member State except that it may make an offer of such Notes to the public in that Member State:

- (a) *Qualified investors*: at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- (b) *Fewer than 150 offerees*: at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (c) *Other exempt offers*: at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation.

provided that no such offer of Notes referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes and the expression "**Prospectus Regulation**" means Regulation (EU) 2017/1129.

GENERAL INFORMATION

In the section entitled "*General Information*", the paragraph entitled "*Legal and Arbitration Proceedings*" on page 145 of the Base Prospectus, shall be deleted and replaced by the following:

"Save as disclosed in the section entitled "*Description of the Issuer – Judicial Investigations and Proceedings (Arbitration, Antitrust Proceedings and Proceedings before the Public Contracts Supervisory Authority; Administrative Litigation)*", there are no governmental, legal or arbitration proceedings, (including any such proceedings which are pending or threatened, of which the Issuer is aware), which may have, or have had during the 12 months prior to the date of this Base Prospectus, a significant effect on the financial position or profitability of the Issuer or the Group."

In the section entitled "*General Information*", the paragraph entitled "*Significant/Material Change*" on page 145 of the Base Prospectus, shall be deleted and replaced by the following:

"Since 30 June 2019, save as disclosed in the 31 March 2020 Press Release and in the section entitled "*Risk Factors – Risks relating to the Issuer's financial position – Risks relating to macroeconomic conditions and sovereign debt crisis*", there has been no significant change in the financial position or financial performance of the Issuer or the Group, and since 31

December 2018 there has been no material adverse change in the prospects of the Issuer or the Group."

ANNEX 1

JUDICIAL INVESTIGATIONS AND PROCEEDINGS

Judicial Investigations and Proceedings (Arbitration, Antitrust Proceedings and Proceedings before the Public Contracts Supervisory Authority; Administrative Litigation)

In relation to the most significant judicial investigations and proceedings initiated by some public prosecutors' offices against former representatives of the Group companies, to date no events have been reported which the Issuer believes could lead to either Group companies themselves or the Group being exposed to material liabilities or losses, nor is the Group aware, at present, of events that could considerably affect their economic, financial and equity position. Furthermore, in cases where circumstances existed, the Issuer appeared as an aggrieved party to recover damages.

In 2019, following the criminal proceedings initiated by the public prosecutors against former or current Group company representatives, there were no definitive rulings against senior management (company officers or general managers) for any of the following:

- particularly serious negligent criminal acts entailing significant damage to the concerned Group company or that gave rise to the application of restrictive measures;
- negligent criminal acts covered by Legislative decree no. 231/2001; and
- additional negligent criminal acts covered by Law no. 190/2012.

To meet disclosure requirements, the paragraph below includes information on criminal proceedings and contingent assets and liabilities arising from the most significant civil, administrative and arbitration proceedings and proceedings before the Italian and EU authorities.

Litigation pursuant to Legislative decree no. 231/01

- Hearings are underway in criminal proceedings no. 2554/2013 in the general register of crimes at the Foggia Court against RFI S.p.A. pursuant to Legislative decree no. 231/01 concerning the fatal workplace accident on 5 March 2010 at Cerignola, in which an employee of Fersalento S.r.l. died.
- With respect to criminal proceedings no. 6305/09 in the general register of crimes pending before the public prosecutors' office at the Lucca Court, following the railway accident in Viareggio on 29 June 2009, at the 31 January 2017 hearing, the judge read the first-level ruling. For the Group, the Court found that FS and FS Logistica S.p.A. (as of the date of the Base Prospectus, Mercitalia Logistics S.p.A.) had not committed administrative liability violations pursuant to Legislative decree no. 231/2001 "because there is no crime" and acquitted, "because they did not commit the crime", FS' former pro-tempore CEO for the allegations against him in his position as pro-tempore CEO, FS Logistica S.p.A.'s former CEO and former Chairman, and five RFI officials. However, it found Trenitalia and RFI guilty of administrative violations pursuant to article 25-*septies* of Legislative decree no. 231/2001, fined them €700 thousand each and prohibited them from advertising their goods and services for three months. The Court also issued guilty rulings for 12

natural persons within the Group, including two of RFI's former pro-tempore CEOs who succeeded each other between 2001 and 2009 and Trenitalia's former pro-tempore CEO, in addition to another 11 natural persons and three companies outside the Group for violations of Legislative decree no. 231/2001, while one person was found not guilty. The Court also ordered the guilty parties, jointly and severally and with the related civil liability, to pay damages (in addition to court and defence costs) to the aggrieved parties that had filed the lawsuit, submitting most of the damages to the civil court judge for liquidation, while ordering payment of an advance on the damages at the same time. The natural persons and companies found guilty, as well as the public prosecutor and the aggrieved parties, have filed appeals against the Court's ruling. On 20 June 2019 the Court of Appeal of Florence provided their ruling, filing the grounds for the judgement on 16 December 2019. The Court of Appeal partially reformed the ruling issued by the Court of Lucca at first instance. In particular, with respect to the FS Group, the Court confirmed that FS and FS Logistica S.p.A. had not committed administrative liability violations pursuant to Legislative decree no. 231/2001 and acquitted the former CEO and Chairman of FS Logistica S.p.A. and four officers of RFI. In addition, the Court acquitted five former managers of RFI who had been convicted in the first instance; it declared the extinguishing of the crimes for two deceased managers (one of RFI, already acquitted at first-level ruling, and one of Trenitalia, previously convicted); it also extinguished the crimes of fire and negligent assault. The Court also confirmed the liability of Trenitalia and RFI under the Legislative decree no. 231/2001 and the related fine but revoked the administrative sanction, previously imposed, of the "prohibition to advertise goods or services" for the period of 3 months; it also convicted the former CEO of FS for the crimes ascribed to him in this capacity (a position for which there had been acquittal at first-level ruling) also confirming the sentence already ordered by the first instance Court against him, as the former CEO of RFI (period 2001-2006); it also confirmed - albeit reducing the penalties – the responsibility of the former CEO of RFI (period 2006-2009) and the former CEO of Trenitalia , as well as an manager of RFI and two former officers of Trenitalia (one of whom also for his role at the time in FS Logistica S.p.A.). The responsibilities within the GATX Group were also confirmed, also as regards the profiles under to Legislative decree no. 231/2001 (except for the reduction of the fine and revocation of disqualification) and those of two officers of Cima Riparazioni (a company definitively acquitted for the profiles pursuant to Legislative decree no. 231/2001). With regard to the civil claims, the sentence was extended to the former CEO of FS and, consequently, to the company to pay damages to the civil parties, jointly and severally with the other defendants and civil defendants convicted. Appeals have been filed with the Supreme Court. As at the date hereof, the schedule of the hearings before the Supreme Court is awaited.

- Arguments are being heard in criminal proceedings No. 7906/2009 in the general register of crimes with the public prosecutors' office at the Latina Court concerning alleged injuries due to negligence in connection with alleged violations of antiaccident legislation (following an accident that occurred on 10 August 2009). Three of RFI's officials are being investigated, in addition to the company itself for the alleged violation of Legislative Decree No. 231/01. At the hearing on 14 December 2017, the Court dismissed the case against all the subjects of the investigation, as the crime has become time-barred.

- In the criminal proceedings No. 1430/2014 in the general register of crimes with the public prosecutors' office at the Gela Court, RFI has been charged with administrative liability in connection with the accident resulting in the death of 3 maintenance employees of RFI occurred on 17 July 2014 between the stations of Falconara and Butera. The trial is on-going.
- Criminal proceedings No. 3566/2015 in the general register of crimes with the public prosecutors' office at the Rimini Court are pending in relation to the accident that occurred on 5 March 2015 in which an employee of A.T.S. Costruzioni was injured while working at OMC Locomotive in Rimini. Trenitalia has been charged with the administrative crimes covered by articles 5 and 25-septies, paragraph 3 of Legislative Decree No. 231/01, as the negligence that led to the injuries was allegedly committed in violation of anti-accident and health protection in the workplace legislation.
- Criminal proceedings No. 20765/2014 in the general register of crimes are pending before the Florence Court in reference to the operating accident that occurred on 12 January 2014 during rolling stock shunting operations. One employee working as a signalman at the watchtower at the entrance to where train carriages are kept lost his life in the accident. The preliminary hearing is being held against two managers and two employees of Trenitalia (charged with negligent manslaughter for violations of anti-accident legislation, and Trenitalia is also charged with administrative liability following a crime covered by articles 5, letters a) and b), and 25-septies of Legislative Decree No. 231/01. Following the request to send the case to trial filed by the public prosecutor in connection with the above mentioned natural persons and Trenitalia, the preliminary hearing phase of the proceeding has started. The judge of the preliminary hearing ruled to send all the defendants to a trial hearing held on 10 November 2017 in front of the I Criminal Section of the Florence Court. The trial is on-going.
- Criminal proceedings No. 1525/08 in the general register of crimes (the "Truck Center" case) relate to negligent manslaughter due to violations of anti-accident legislation. The first-level proceedings were concluded with certain Mercitalia Logistics S.p.A. (previously known as FS Logistica S.p.A.) officials found guilty, along with the company itself, for both third party liability and violations of Legislative decree no. 231/2001. The court ruling has been appealed. The Bari Court of Appeal has acquitted the Mercitalia Logistics S.p.A. and its employees as they did not commit the crime. As a result of this ruling, the €1.4 million administrative sanction issued by the first instance court against Mercitalia Logistics S.p.A. has been revoked. The decision of the court of appeal has been challenged by the public prosecutor before the Supreme Court. At the hearing of 8 February 2019, the Supreme Court nullified the acquittal, referring the case to the Court of Appeal of Bari. The grounds of the judgement were published on 25 March 2019. On 22 October 2019, a writ of summons was notified to the company for the new appeal proceedings, during which, at the first pre-trial hearing, the executives referring to FS Logistica S.p.A. requested the application of the penalty on request, in relation to which the judge reserved his decision, postponing the trial to a subsequent hearing, also to allow the company to assess the formulation of plea bargaining request. Having assessed the opportunity of ending the proceedings, also with the view of benefiting from a reduction of the sanction, taking into account the events that occurred in 2008 and the change in the company's corporate structure, the company decided to seek a plea

bargaining agreement. Negotiations with the public prosecutor to define an agreed proposal to be formalized before the Court of Appeals are ongoing.

- In the criminal proceedings no. 6769/2015 in the general register of crimes with the public prosecutors' office pending before the Perugia Court, on 23 May 2017 the prosecutor issued the request to committal to trial notified to, *inter alia*, Busitalia in connection with the alleged administrative liability arising from the application of articles 5, 24 and 25 of Legislative decree no. 231/01 in connection with the crime set forth in article 640-bis of the criminal code. On 11 June 2018, the judge of preliminary hearing issued the notice sending all the defendants to trial. The judge of the preliminary hearing scheduled the first hearing to be held in January 2020 and retained the fact less serious than aggravated fraud against the State (pursuant to article 640, paragraph 2, no. 1 of the criminal code) which was originally alleged.
- Criminal proceedings no. 18773/2009 in the general register of crimes with the public prosecutors' office pending before the Bari Court involve Ferrovie del Sud Est e Servizi Automobilistici S.r.l. for alleged administrative liability pursuant to Legislative decree no. 231/01 in connection with the claim of international fraud (alleged to have occurred through the purchase in Poland of rolling stock at a price higher than its market value) against the former sole director of the company. The proceedings is referred to events occurred prior to the transfer of FSE participation into FS Group and thus its management. Following the committal to trial of the natural persons involved and the company, the trial is on-going.
- Criminal proceedings no. 3651/18 in the general register of crimes with the public prosecutors' office pending before the Milan Court: on 25 January 2018, in Seggiano di Pioltello (near Milan), a railway accident occurred to the regional train no. 10452 managed by Trenord S.r.l., operating in the railway line between Cremona and Milan – Porta Garibaldi, resulting in the death of 3 passengers and injuries to other passenger. The Milan public prosecutor opened criminal proceeding involving as persons under investigation certain officers and employees of RFI: the chief executive director, the head of the Direzione Produzione, the head of the Direzione Territoriale Produzione (DTP) of Milan, the head of Unità Territoriale Linee Sud – DTP Milano, the head of the Unità Manutentiva (UM) Lavori Brescia and the Specialista Cantieri Armamento within the above mentioned Unità Manutentiva. In addition, the chief executive officer and the operations officer of Trenord S.r.l. are under investigation. The companies RFI and Trenord S.r.l. are drawn in the proceedings for administrative liability pursuant to Legislative decree no. 231/01. The public prosecutor claims against the natural persons are related to the crimes under articles 430 and 449, paragraphs 1 and 2 of the criminal code (unintentional railway disaster), articles 589, paragraphs 2 and 3 and 590, paragraphs 2, 3 and 4 of the criminal code (unintentional manslaughter and unintentional injuring with violation of the rules on the prevention of work-related injuries) and article 71 of Legislative Decree 81/08 (violation of the duties of the employer). As to the companies, the public prosecutor claim their administrative liability under article 25-*septies*, paragraphs 2 and 3 of Legislative decree no. 231/01 in relation to sanctions, in case of unintentional manslaughter and serious injuries, due to violation of the rules on the prevention of work-related injuries. RFI has appointed its attorney and a technical adviser. In relation to the any liability that may arise, the Group has already triggered its insurance policies. On 29 October 2019, the Milan public prosecutor's office served notice of completion of the

preliminary investigations, against 11 natural persons (9 belonging to RFI and 2 to the ANSF) who are charged with the crimes of culpable railway disaster, culpable homicide, culpable personal injury and, for some, other cases, and against RFI, for the offence referred to in article 25 *septies* of Legislative decree 231/2001; no charges against Trenord appear from the completion of the investigations.

- Criminal proceedings No. 6224/2016 RGNR, which is pending before the public prosecutor's office of Parma, concerns a tender for the provision of Local Public Transport (LPT) services by road (*servizi di TPL su gomma*) in the Parma area, in connection with which the Chief Executive Officer and a manager of Busitalia Sita Nord S.r.l. and other parties external to the FS Group are being charged, *inter alia*, with the crimes of disrupting the freedom of public tenders and bribery between private parties. On 28 August 2019, the company was served notice of the conclusions of the preliminary investigations pursuant to article 415 bis of the Italian criminal code, in which Busitalia Sita Nord Srl was formally charged pursuant to Legislative decree 231/2001 with the administrative offence (article 25 *ter*, paragraph 1, letter S *bis*) connected with the crime of bribery between private parties.
- Criminal proceedings No 1265/2018 RGNR is pending before the public prosecutor's office of Arezzo in connection with the alleged illegal disposal of hazardous special waste containing asbestos. The event originated from the collapse of a slope on the SS. n. 3 *bis* "Tiberina", route E45 (Orte - Ravenna), following which Anas S.p.A. entrusted a company with the disposal of the produced waste. On 18 April 2019, the notice of completion of the preliminary investigations was filed. Anas S.p.A., accused pursuant to Legislative decree no. 231/2001, articles 5 and 25 *undecies*, on 22 May 2019, through the appointed lawyer, filed a defence brief requesting the filing of its position, given the adoption by the company of all the appropriate control measures to prevent "organization negligence". Consequently, the public prosecutor has requested the filing of the Anas' position. As at the date hereof, the judge of the preliminary hearing has not issued yet the relevant decree.
- Criminal proceedings No. 3518/2009 RGNR was initiated by the public prosecutor's office of the Court of Salerno following the fatal accident in which, on 18 March 2009, an employee of Contursi Scarl, a consortium company set up by the subcontractor ATI Tirrena Scavi S.p.a. - Società Internazionale Galleria S.r.l. (awarded to Pizzarotti & C. S.p.A.), died during the construction of the S. Angelo Tunnel along the Salerno/Reggio Calabria. The alleged crime is manslaughter, article 589 of the criminal code. In total, 8 natural persons are charged: 4, as representatives of the Consortium Company and of the successful bidder, and the same number as for employees of Anas S.p.A., charged in turn pursuant to articles 5 and 25 *septies* of Legislative decree 231/2001 and subsequent amendments and integrations. The public prosecutor's office also included Anas S.p.A. among the companies accused on the grounds that its employees were accused of violating the obligations of safety and supervision over persons delegated for ensuring worksite safety. According to the prosecution reconstruction, in fact, these omissions would have contributed to determine the event. The proceeding is currently at hearing stage.
- Criminal proceedings no. 3556/2019 RGNR is pending at the preliminary investigation phase before the public prosecutor's office of the Court of Brindisi. On 23 January 2020, Italferr S.p.A. was notified "Information of guarantee for administrative offence dependent on crime (*Informazione di garanzia per illecito*)

amministrativo dipendente da reato)" in relation to the death accident occurred between 9 and 10 July 2019 in Brindisi, during the performance of some work by the subcontractor HI. TEC Italia S.r.l., employer of the victim of such accident, as part of a contract awarded to RFI S.p.A.. HI.TEC Italia S.r.l. and Italferr S.p.A., which carried out, on behalf of RFI , among the others, the services of works management, works supervisor and safety coordinator during the execution phase, are charged with the administrative offence pursuant to article 25-*septies* paragraph 2 of Legislative decree no. 231/2001. The notice of the request for an extension of the deadline for preliminary investigations shows that the criminal proceedings are pending, for the crime of negligent manslaughter, against eight individuals, including four representatives of Italferr S.p.A..

- Criminal proceedings no. 524/2020 RGNR, which is pending before the public prosecutor's office of Lodi, following the diversion of the AV 9595 train in Livraga on 6 February 2020. RFI is under investigation for the administrative offence pursuant to art. 25-*septies* of Legislative decree no. 231/2001, together with the CEO and nine amongst employees and managers against whom the investigations are being carried out for the offences of negligent manslaughter and injuries and negligent railway disaster. From the acts known to the date hereof, the CEO of Alstom and some of its employees would be under investigation. The proceedings are in the preliminary investigation phase.

Other significant criminal court proceedings

- Criminal proceedings no. 503034/2012 in the general register of crimes previously with the public prosecutors' office at the Rossano Court and subsequently transferred to the Castrovillari public prosecutors' office relate to a fatal accident in which a train hit a car with six people inside it at the private railroad crossing on the Rossano C. - Mirto Crosia section. The public prosecutor has request to send to trial RFI managers and employees (some of whom are pensioners) and non-FS Group parties charged with unintentional manslaughter and unintentional railway disaster. Since FS S.p.A. was wrongly summoned as civil liable party at the preliminary hearing stage of the proceeding, RFI S.p.A. joined the proceeding as civil liable party in place of FS S.p.A..
- Criminal proceedings no. 6765/2012 in the general register of crimes with the Brindisi Court refers to a claim relating to an accident involving the Freccia Argento train no. 9351 and a lorry on 24 September 2012 at the railroad crossing on the Bari - Lecce section near the Cisternino (BR) station. In these proceedings, RFI and Trenitalia have joined the criminal proceedings as a civil party claiming damages. The non-group defendant found guilty has appealed against the Brindisi Court ruling of 21 October 2014. On 5 April 2019, the Lecce Court of Appeals confirmed the conviction sentence issued in the first-level proceedings which became final.
- Criminal proceedings no. 6662/2017 RGNR and no. 23758/2019 RG pending before the Court of Napoli were brought following the fatal accident to an employee of Trenitalia at IMC ETR in Napoli. Certain managers and employees of the company were charged with the crime of manslaughter committed in violation of the rules concerning the prevention of accidents at work. The proceedings are pending at the preliminary hearing stage.

- Criminal proceedings no. 2615/2018 in the general register of crimes with the public prosecutors' office at the Ivrea Court relate to a railway accident occurred on 23 May 2018 on the Chivasso/Ivrea line when regional train no. 10027 hit a lorry that had driven through the level crossing barriers, and got stuck on the tracks. The train driver and the driver of the escort service died and many other people were injured. The preliminary investigation is currently on-going;
- Criminal proceedings no. 4153/2016 in the general register of crimes at the Bari Court were commenced by the public prosecutors' office against FSE S.r.l.'s former sole director and other persons. The allegations relate to several instances of document, corporate company and fraudulent bankruptcy which put the company in distress and resulted in the need for FSE S.r.l. to access the procedure for a composition with creditors. FSE S.r.l. and FS S.p.A. are also claimants and joined the proceedings. The hearing is currently on-going;
- Criminal proceedings no. 8790/2016 in the general register of crimes with the public prosecutor's office at the Court of Lecce are pending at the preliminary hearing phase before the judge of the preliminary hearings of the Court of Lecce, with charges of unintentional road homicide, pursuant to article 589-*bis* of the criminal code, and unintentional road personal injuries, pursuant to article 590-*bis* of the criminal code, lodged against an employee of Ferrovie del Sud Est e Servizi Automobilistici S.r.l. for the accident occurred on 1 August 2016 while he was driving the company bus. In connection with such accident in which one man died and a second person was injured, FS has been sued for third party liability along with the insurance company. On 5 June 2019 the judge acquitted the defendant and consequently excluded all liabilities of FSE S.r.l. because the act does not constitute a crime, while reserving for itself the right to lodge the reasoning within a period of 90 days.
- Criminal proceedings no. 6310/2017 in the general register of crimes with public prosecutor's office at the Court of Lecce are pending at the preliminary investigations phase relate to an accident occurred on 13 June 2017 between two trains of Ferrovie del Sud Est e Servizi Automobilistici S.r.l. at the exit of Galugnano, within the Municipality of San Donato di Lecce, on the stretch of line between the main city of the Salento area and Otranto. The notice of conclusion of preliminary investigations was served to two FSE S.r.l. managers on 11 December 2018. According to the notice, two managers and two company employees are accused of negligence causing a train crash, causing damage to people (approximately 20 injured people, including passengers and FSE S.r.l. personnel) and property (collided trains). Following the request for indictment submitted by the public prosecutors' office of Lecce, a preliminary hearing was scheduled, at which a plea bargaining request and a request for an abbreviated trial were made. Finally, the judge of the preliminary hearing indicted two executives of FSE S.r.l. for trial before the Collegial Court of Lecce. The hearing for the beginning of the hearing is pending.
- Criminal proceedings no. 5926/2015 RGNR DDA was initiated by the public prosecutor's office of Reggio Calabria in relation to two tenders, the first awarded to Anas S.p.A. for "extraordinary maintenance work on Via Casa Savoia di Gallico overpass (lavori di manutenzione straordinaria del sovrappasso di Via Casa Savoia di Gallico) (formerly S.S. no. 184 Gamberie) at km 438+000 of the ASR", and the second awarded to RFI S.p.A. for "construction work on the Pentimele stop of the surface metro" (i lavori di realizzazione della fermata di Pentimele della

Metropolitana di superficie). Some of the companies which carried out the works (external to the FS Group) and also six employees of Anas S.p.A. were involved, and are being charged with, offences of criminal association, including mafia-type criminal association (articles 416 and 416-bis of the Italian criminal code), improper bribery, judicial corruption (articles 319 and 319-quater of the Italian criminal code), abuse of office and fraud (articles 323 and 640 of the Italian criminal code). On 3 April 2019, an order was filed on the Prosecutor's request for precautionary measures and a concomitant preventive seizure decree. The judge of the preliminary investigations (i) did not accept any of the restrictive measures and/or suspension of service requested by the prosecutor against Anas S.p.A. employees and (ii) ordered the preventive seizure of the assets of the other companies involved in the proceedings (external to the FS Group). On 16 January 2020, the public prosecutor issued the notice of conclusion of the preliminary investigations pursuant to article 415 *bis* of the criminal code, identifying Anas as an offended party. On 12 March 2020 the judge of the preliminary hearing, in acceptance of the request for committal to trial submitted by the public prosecutor against twenty natural persons, including six Anas' employees, filed the notice of the preliminary hearing, which, following subsequent postponement, will be held on 30 April 2020.

- Criminal proceedings No 4877/18 R.G.N.R., pending before the Bari public prosecutor's office and originating from an FSE complaint, are part of the main criminal proceedings for bankruptcy No 4153/2016 R.G.N.R. - Bari public prosecutor's office against the former Sole Administrator of the FSE and other parties, currently in the trial phase. The public prosecutor's office, within the framework of procedure no. 4877/18 R.G.N.R., issued the notice of conclusion of the preliminary investigation, acquired in October 2019 from the defender appointed by FSE. The former Sole Director of FSE and other officials of the bank are currently registered in the register of suspects for the crimes of "preferential fraudulent bankruptcy in favour of the creditor BNL" and "improper fraudulent bankruptcy due to the effects of malicious transactions".
- Criminal proceedings no. 1126/2020 RGNR, pending before the public prosecutor's office of Massa, which as at the date hereof have been brought against unknown persons, refers to the collapse which occurred on 8 April 2020 of the "Albiano" viaduct crossing the river named "Magra" located on the S.S. 630, former S.P. 70, which connected the S.S. no. 62 of the Cisa in Caprigliola area located in the municipality of Aulla with the fraction of Albiano Magra located in the same municipality. The viaduct, together with the entire artery, passed under the management of Anas in November 2018, following the issue of an Italian government decree (DPCM) dated 20 February 2018. The alleged crimes are collapse of buildings or other malicious disasters, pursuant to art. 434 of the criminal code and culpable damages, pursuant to art. 449 of the criminal code. The public prosecutor's office directed the seizure of the bridge on 9 April 2020. Anas' CEO has set up a special technical committee in order to ascertain the causes of the failure, as at the date hereof, unknown.

Arbitration proceedings with general contractors

- Sub-section AV/AC Novara-Milan: RFI-FCA arbitration. Following the appeal against the award which involves part of the reserves advanced by FCA in the course of work, the proceedings, which were commenced by FCA, are now pending before

the Supreme Court following such appeal by RFI. Proceeding for revocation of judgement lodged by FCA before the Rome Court of Appeal is also pending. On the hearing for the final briefs held on 6 June 2018, the case was taken under advisement.

Civil and administrative proceedings

- K2 discount pursuant to Ministerial decree no. 44T/2000. With respect to what indicated in the annual report for the year ending on 31 December 2017, to which reference should be made for additional details, the civil action commenced by Trenitalia before the civil court of Rome to obtain that RFI pays the amounts related to the K2 discount, against the elimination of MIT Decree no. 92T of 11 July 2007 (Council of State's ruling no. 1110/2013 on the basis of which the Council of State issued ruling no. 1345/2014), is on-going. As part of these proceedings, the judge allowed RFT to implead the MIT and the MEF to guarantee and indemnify the amounts related to the K2 discount which may be paid to Trenitalia. Both ministries have convened and the Court postponed the hearing to 15 January 2020 for the decision on the requests for investigation. In legal proceeding, RFI S.p.A. has - among other things - objected to the lack of active legitimacy and, in any case, the lack of ownership by Trenitalia S.p.A. of the undue credit for the portion of the K2 discount relating to services provided for the transport of goods, as a result of the corporate spin-off between Trenitalia S.p.A. and Mercitalia Rail S.r.l. concerning the assignment, with effect from 1 January 2017, of the "goods" business unit in favour of Mercitalia Rail S.r.l., Mercitalia Rail S.r.l. has decided to take legal action. The proceedings are on-going and the CTU has been admitted thereto.
- Appeal against ART resolution no. 70/2014. Various FS Group companies (RFI, Grandi Stazioni S.p.A. and Centostazioni S.p.A.) lodged three extraordinary appeals with the President of Italy against ART resolution no. 70/2014 ("Regulation for fair and equal access to railway infrastructures and commencement of proceedings to define the criteria for the definition of the toll to use railway infrastructures"). Initially lodged with the Lazio regional administrative court, the appeals were then transferred to the Piedmont regional administrative court where RFI's and Grandi Stazioni S.p.A.'s cases were summarised. Trenitalia appeared in both proceedings on 5 May 2016. The appeals lodged by RFI S.p.A. and the former Grandi Stazioni S.p.A. were rejected by the Piedmont Regional Administrative Court with rulings nos. 541/2017 and 1025/2017, respectively. The companies filed an appeal against said rulings. As to RFI S.p.A., on 7 February 2019, the Council of State upheld the appeal and, consequently, reversed the contested judgment and annulled the contested measures at first instance. For the sake of full disclosure, it should be noted that RFI S.p.A. did not appear in the appeal proceedings brought by GS Rail S.p.A. and GS Retail S.p.A.. With sentence no. 6108 published on 9 September 2009, the Council of State upheld RFI's appeal (against sentence no. 541/2017 of the Piedmont Regional Administrative Court) and annulled resolution no. 70/2014 in the part relating to the regulatory measures that determined the HS/HC railway access fee for 2015. The Council of State has also recognized the need for the ART to renew the proceedings with regard to the regulatory period from 6 November 2014 to 31 December 2015 and to conduct a preliminary investigation that takes into account the principles set forth in this ruling. Trenitalia and the ART brought an action for revocation against the judgment of the Council of State no. 6108/2019. At the same time, the ART requested, as a precautionary measure, the suspension of the effects of the judgment. The ART also

appealed for the rejection of the ruling of the Council of State to the united sections of the Supreme Court on the assumption that the administrative judge overreached the external limits of jurisdiction. The hearing for the discussion of the precautionary petition promoted by the ART at the time of the accidental revocation, set for 12 March 2020, was not held in view of the emergency situation linked to the COVID-19 epidemic. A public hearing to discuss the merits of the appeal has been scheduled. With regard to the challenging proposal by the former Grandistazioni S.p.A., it should be noted that with decision no. 5534/2019, the Council of State rejected the appeal by the station manager (formerly Grandistazioni) against decision no. 1025/2017, thus confirming - among other things - that the areas used for the reception and assistance of passengers are also subject to the regulatory powers of the Authority.

- Appeal against ART resolution no. 96/2015. With an extraordinary appeal before the President of Italy, RFI, Trenitalia and the former Grandi Stazioni S.p.A. appealed against ART resolution no. 96 of 13 November 2015 containing the principles and criteria for determining the fees to access and use the railway infrastructure. Their appeals were transferred to the Piedmont regional administrative court. RFI also appeared in the proceedings pending before the Piedmont regional administrative court for the appeal lodged by another railway company against the same ART resolution no. 96/2015. Following the termination of the proceedings commenced by RFI for loss of interest by the infrastructure operator (Piedmont regional administrative court's ruling no. 1287/2017), the appeals lodged by Trenitalia against ruling no. 1240/2017, in which the Piedmont regional administrative court rejected Trenitalia's appeal against Resolution no. 80/2016 (and related measures) remain in progress, as well as ruling no. 57/2018, with which the Piedmont regional administrative court rejected Trenitalia's appeal against Resolution no. 96/2015 (and related measures). In its ruling no. 58/2018, the Piedmont regional administrative court also rejected the appeal lodged by former Grandi Stazioni S.p.A. against Resolution no. 96/2015 (and related measures).
- Proceedings A/519. With a decision taken during the meeting held on 3 May 2018, the Italian antitrust authority (*Autorità Garante della Concorrenza e del Mercato*) has started an investigation against the Issuer, RFI and Trenitalia, to verify whether a breach of article 102 of the Treaty on the Functioning of the European Union (abuse of dominant position) has occurred. The allegedly abusive actions was committed by the Issuer as holding company through its subsidiaries RFI and Trenitalia, and allegedly consists in submitting to the Veneto Region a joint proposal of infrastructural improvements (*i.e.* electrification of part of the Veneto Regions' network, to be implemented by RFI) and investments in new rolling stocks by Trenitalia, which prompted the Region to change its initial decision of launching a tender for bids and to directly award Trenitalia with a contract for the provision of railway services for an overall term of 15 years (the agreement was entered into on 11 January 2018). Upon serving the notice of start of investigation activities, inspections were carried out at the Rome offices of all companies involved, as well as at the Trenitalia's office in Venezia. The deadline for the completion of the investigations was 30 May 2019.
- RFI vs Anas – SATAP: case pending before the Rome civil court. This dispute is based on a number of agreements signed in previous years by the then TAV S.p.A. with Anas and the motorway operator of the Turin-Milan motorway concession

ASTM (now SATAP) to modernise and extend the motorway as part of the overall upgrading of the multimodal Turin-Milan corridor concurrently with the construction of the new HS/HC Turin-Milan railway section. TAV/RFI and Anas/SATAP were unable to reach a compromise as the latter rejected RFI's requests for the allocation to them of some of the costs to upgrade the multimodal corridor regarding the motorway modernisation and extension. Therefore, on 9 June 2016, RFI issued a writ of summons to Anas/SATAP to appear before the Rome court, claiming over €1,000 million, plus ancillary charges. On 17 July 2018, the Rome court rejected RFI's requests, stating that "*the claimant was not entitled to any amount from the defendants in respect of the relevant works*". In a settlement agreement dated 13 February 2019, RFI, SATAP and Anas agreed to define their mutual relations in their entirety, waiving any appeal against the ruling. As part of the agreement, mainly aimed at settling the relationship between RFI and SATAP, SATAP took full responsibility for the reimbursement of the legal expenses settled in court in favour of Anas for approximately Euro 50,000 plus general expenses. The parties also settled the general principles that must govern the definition of the financial aspects between RFI and SATAP and the related agreements relating to the construction of the HS/HC Turin-Milan section (*Tratta AV/AC Torino-Milano*).

- Trenitalia is a party to some disputes with its rolling stock suppliers mainly in respect of the different interpretation of the price revision clause. In April 2018, the Rome court handed down an unfavourable decision for the company on appeal, overturning the previous first-instance decisions. Trenitalia is considering whether to appeal to the Supreme Court. However, any expenses consequent to this ruling would further increase the investments to which the price revision clause relates.
- Anas vs. Grandi Lavori Fincosit S.p.A: as per the writ served on 10 December 2018, Grandi Lavori Fincosit S.p.A. summoned Anas before the Rome court, claiming approximately €130 million for claims from 1 to 19 recognised during the contract for the executive design and performance of the "works to construct the new Sulcitana SS 195, Cagliari-Pula section, Lots 1 and 3 and the related works of "Opera Connessa Sud". The risk of losing the case is currently being assessed, pending the internal report. However, it is believed that, over the next few months, this risk may be assessed as probable with a 45 per cent. charge of the claim, based on the internal policy "guidelines to assess the litigation risk".
- Proceedings Anas /Strada dei Parchi: disputes relating to the payment of instalments 2015, 2016, 2017 and 2018 regarding the concession of management, completion and modernisation of the A24 and A25 motorways.
 - a. Civil Court of Rome, general register no. 33007/2016 convened with judgment general register no. 77217/2017: dispute initiated by Strada dei Parchi against Anas S.p.A. and MIT for damages (estimated at Euro 200 million) allegedly suffered due to the conditions of the motorways object of the concession. The dispute was joined with another dispute (general register no. 77217/2017), initiated by Strada dei Parchi in order to neutralise the payment of the instalment for 2016 (due on 31 March 2017);
 - b. Civil Court of Rome, general register no. 63958/2016: in 2016 following the failure of Strada dei Parchi (the operator in charge of the operation, completion and modernisation of the A24 and A25 motorways) to pay the 2015 portion of

the concession, Anas S.p.A. has filed an appeal for an injunction to order the concessionaire to pay the amount due to it; following the opposition of Strada dei Parchi against such injunction, the relevant proceedings have been filed. During the proceedings, a question of the constitutional legitimacy of article 52-*quinquies* of Law Decree no. 50 of 24 April 2017, converted with amendments into Law no. 96 of 21 June 2017, was brought before the Constitutional Court. Under this law provisions "*The operator shall pay Anas S.p.A. the outstanding amount of the concession fee, entirely pertaining to Anas S.p.A., for a total of €111.7 million, in three instalments falling due on 31 March of 2028, 2029 and 2030, each amounting to €37.2 million, plus legal interest. The expiry dates of all remaining instalments of the fee due to Anas S.p.A. remain unchanged. The potential question of constitutional legitimacy refers to Anas S.p.A. role as the recipient of the fee payable by Strada dei Parchi, which the referring court did not manifestly find unfounded in two respects: i) the breach of article 77.2 Const., since the provision "was included in a completely new measure with respect to the original Law Decree with a clear and obvious lack of any connection, both with the subject of the new article 52-quinquies, as described in the related section – earthquake safety measures for the A24 and A25 motorway – and the perceptive content and purpose of the remaining part, resulting even in contrast with them"; ii) the breach of articles 1, 3, 24 and 101 Const. since the challenged provision "...covers a specific individual contract between specific parties, pending a number of proceedings which challenge payment of the instalments comprising the concession fee to which it refers, and also impose by law a decision which, conversely, already rests with the court"*. In this respect, the fee of the granted concession was a significant component of Anas's assets and any related loss would result in a considerable loss for the company and the consequent impairment, unquestionably putting at risk the value of the company (which includes the receivable from the operator with a nominal amount of approximately €900 million which, in the financial statements, is equal to assets worth an estimated €576 million). With ruling 181 of 16 July 2019, the Constitutional Court rejected the question of constitutional legitimacy, considering it unfounded. Following the resumption of the proceedings following the Constitutional Court's ruling, Strada dei Parchi requested the dispute to be settled with revocation of the opposing injunction, since pursuant to article 52-*quinquies* of Law decree no. 50/2017, which deferred payment of the accrued amount to 2028, the receivable had not become due. Anas S.p.A. insisted on upholding the conclusions and, therefore, primarily for the rejection of the opposition to the injunction, for the recognition of its credit right and for the conviction of SDP to pay the 2015 instalment when it becomes due. The judge represented to the parties "the possibility for the parties to reach a solution that provides for the termination of the dispute, with the ineffectiveness of the injunction and compensation for the costs of the proceedings"; Strada dei Parchi's defence attorneys agreed with the settlement proposal made by the judge, and Anas S.p.A.'s defence attorneys asked for a postponement to submit this proposal to its counsel. Acknowledging the position taken by the parties, the judge adjourned the hearing to 18 June 2020 in order to verify the adherence of Anas S.p.A. to the settlement proposal and, if not, to clarify the conclusions. Anas S.p.A. informed its defence attorneys that it could not agree to a declaration of termination of the matter in dispute as such declaration would assume the pursuit of protection of the interests of Anas itself

(on the contrary, Anas has not yet pursued any of the interest for which it acted in court, neither the recognition of the existing of its credit position against Strada dei Parchi as this latter continues to contest such right). However, in the event that the defence attorneys considered it appropriate (or far less risky) to follow the proposal of the the judge, it was willing to accept the proposal subject to Strada dei Parchi recognising Anas's credit right against Strada dei Parchi.

- c. Civil Court of Rome, general register no. 75938/2019: following the publication of the abovementioned Constitutional Court's ruling no. 181 of 16 July 2019, Anas S.p.A. has, filed an appeal for an injunction against Strada dei Parchi for the recovery of instalments 2017-2019, for a *petitum* of Euro 151,966,000. On 8 August 2019, a joint ANAS-SdP-MIT meeting was held at MIT in the presence of the Minister, the Head of Cabinet and the lawyers of the technical secretariat. In order to stop the increase in motorway tariffs threatened by the concessionaire as of 31 August 2019, MIT has undertaken to Strada dei Parchi to complete the PEF approval procedure and to include in a future legislative measure a rule that - repeating what has already happened with art. 52 *quinquies* of Decree Law no. 50/2017 - allows for the deferral of three further instalments of the concession price (the two instalments due in 2017 and 2018, which are the subject of the injunction requested by ANAS, and the instalment of 2019, due in March 2020). In view of this commitment, Strada dei Parchi has undertaken to postpone the increase in motorway tariffs scheduled for 31 August 2019 until 30 November 2019. Therefore, the Ministry asked ANAS to reopen negotiations with the concessionaire; ANAS acknowledged what had happened and undertook to reopen negotiations with Strada dei Parchi. In the meantime, both ANAS and Strada dei Parchi have undertaken "to suspend any judicial initiative until 7 October 2019", including the notification of the injunction, which was not issued at the time. Further meetings with Strada dei Parchi followed, on 25 September 2019, Strada dei Parchi proposed again its hypothesis of consistent agreement, in summary: (i) in the deferral to 31 December 2030 of the instalments relating to the years 2017, 2018 and 2019 (for a total of Euro 167.58 million Euro) at the conventional interest rate (6%) "unless a dedicated regulatory intervention provides for the application of a different interest rate on the deferral"; (ii) in ANAS's commitment "not to take any legal action with reference to all or part of the above instalments and subject to the deferral". By certified email, on 26 September 2019, Strada dei Parchi formally requested "an extension until 15 November 2019 of the aforesaid standstill period pending the desirable positive conclusion of the procedure for the definition of the solution proposed in the last meeting which took place on 25 September 2019, also in consideration of the need to definitively acquire express mandate from the respective decision-making bodies". At its meeting of 14 October 2019, the Board of Directors of ANAS resolved to reject the request of the concessionaire Strada dei Parchi S.p.A. (essentially consisting in deferring payment of the concession purchase instalments for the years 2017, 2018 and 2019 until 31 December 2030 for a total of €167.58 million plus interest). Consequently, the Board gave the Chief Executive Officer the mandate to proceed with the judicial initiatives (including the notification of the injunction issued by the Court of Rome in favour of ANAS on 27 September 2019 for €151,966,324.08, without provisional execution clause, plus interest,

resulting from the invoices relating to the 2017 and 2018 instalments of the consideration for taking over the concession and other outstanding invoices relating to the concession fees and the ninth and tenth instalments of the debt to the former Central Guarantee Fund) with the urgency of the case. The injunction was notified by ANAS and opposed by Strada dei Parchi S.p.A. on 25 November 2019. Strada dei Parchi notified a writ of summons opposing the injunction and such the summons was also notified to the MIT, because Strada dei Parchi is seeking recognition that the exceptions that Strada dei Parchi may oppose to the MIT can be invoked against Anas S.p.A.. In this context, following a joint ANAS-SdP-MIT meeting, MIT asked the parties to find any useful temporary solution to avoid the fees increases after 31 December 2017 on the A24 and A25 motorways - currently suspended until 1 December 2019 - so that such suspension can be extended until 31 December 2020. ANAS and Strada dei Parchi S.p.A. have therefore undertaken to enter into an agreement relating to such suspension and the methods of payment of the deferred amounts and the amounts specified in the injunction. The matter has been submitted to the board of directors of ANAS. At the same time, MIT has taken legislative initiatives to resolve the issue related to the payment of concession instalments for the years 2017 and 2018, supporting the approval of an *ad hoc* regulation. In this respect, it should be noted that, pursuant to art. 9 *tricies semel* of the Legislative decree no. 123/2019, converted into Law no. 156/2019, recently approved with the aim to support Strada dei Parchi, it has been provided that (i) the suspension of the toll increase on the A24 and A25 motorways until 31 October 2021; (ii) the suspension of the obligation of Strada dei Parchi to pay the 2017 and 2018 instalments of the concession fee, each for an amount equal to Euro 55,860,000, including deferred interest; (iii) the repayment of the amounts relating to the above two instalments 2017 and 2018 at the end of the concession, plus accrued interest calculated at the legal rate (not even at the 6% interest rate provided for in the concession) to be paid also at the end of the concession. The approval of this provision (similar to what happened in 2017 with art. 52-*quinquies* of Law decree no. 50/2017 for the 2015 and 2016 instalments, referred to in point b) above, entails the suspension *ex lege* of the immediate collectability of the 2017 and 2018 instalments.

- Tax Assessment Report of the *Guardia di Finanza* ("**tax police**") to the company FSE Srl. In December 2018, the tax police drafted and notified the company FSE Srl of a tax assessment report, after completing the tax audits carried out, of the findings for the purposes of direct and indirect taxation for the fiscal years from 2013 to 2016. This audit is due to the criminal proceedings brought against the former sole director of the company by the public prosecutors' office of the court of Bari concerning the crime of fraudulent bankruptcy, deemed to have been committed to the detriment of the company by the same *pro tempore* director and by certain executives and employees of the company, also in conjunction with advisors and suppliers in the performance of specific business transactions. The Italian revenue agency (*Agenzia dell'Entrate*), while carrying out the controls by the tax police, stopped the payment of the VAT credit due to the company and, subsequently, on the basis of the findings indicated in the tax assessment report, issued a notice of assessment for IRAP (regional production tax) purposes only for the fiscal year 2013. Given the importance of the issue in question, FSE Srl immediately started appropriate discussions with the offices of the Italian Revenue Agency and during the month of May 2019, as resulting

from the deeds of accession of 7 May 2019, the company came to the sharing of the amount due of €5.6 million. This amount was paid in its entirety on 8 May 2019 and will allow, with reasonable certainty, the payment of the substantial VAT credit claimed by the company, which is at the service of the arrangement plan and preparatory to the payment of the creditors in accordance with the terms and timing provided for in the approved plan.

- Tax audit on Ferrovie del Sud Est e Servizi Automobilistici S.r.l.: on 13 December 2018, Ferrovie del Sud Est e Servizi Automobilistici S.r.l. received a preliminary assessment report about the outcome of the tax audit carried out on 10 May 2018 by the tax police – Bari unit. The audit covered the tax years between 2013 and 2018 and commenced following a number of criminal proceedings brought by the public prosecutors' office at the Bari court and related to the crime of fraudulent bankruptcy committed to the detriment of the company by the company's interim sole director and some of its managers and employees, including in collaboration with consultants and suppliers, when performing specific management operations. The preliminary assessment report raises objections for IRES (corporate income tax) and IRAP (regional production tax) taxes and VAT purposes for the years from 2013 to 2016. The objections – all of which relate to the above criminal proceedings, focus on the non-deductibility of costs and/or expenses which can be denied by the tax authorities and which imply taxation as "costs deriving from a crime" pursuant to article 14.4-bis of Law no. 537/1993, or as "costs that do not meet the relevant requirements", in whole or in part, pursuant to article 109 of the TUIR (consolidated income tax act), resulting in an increase in IRAP and the non-deductibility of VAT, under article 19 of Presidential Decree no. 633/72. Based on the above objectives, for IRAP purposes only, the tax authorities, Puglia regional office, large taxpayers' department, sent, on 21 December 2018 notice of assessment no. TUB0C0200034/2018, against which the company filed a request for tax settlement proposal on 13 February 2019.
- RFI S.p.A. - Gruppo COSIAC S.p.A.: in 2011, Gruppo COSIAC S.p.A. brought an action before the Civil Court of Rome for damages (approximately EUR 1.039 billion) deriving from the alleged violation of the rules of fairness, impartiality and good faith in the execution of the integrated service concession for the doubling of the Tommaso Natale - Carini railway line and the connecting line with Punta Raisi airport. Pursuant to judgment no. 9769/2015 the Court of Rome, in full acceptance of the defences of RFI S.p.A. and with an order that COSIAC S.p.A. reimburse the costs of the proceedings, declared its lack of jurisdiction in favour of the administrative judge and rejected all claims for liability (contractual, pre-contractual and non-contractual). COSIAC S.p.A. has appealed against the abovementioned judgment. With sentence no. 1.477 of 1 March 2019, the Court of Appeal of Rome, partially upheld the appeal made by COSIAC S.p.A., referred the case back to the Court, recognizing the jurisdiction of the ordinary judge on the assumption that the request exercised in court by COSIAC S.p.A. is an expression of a subjective right arising from a private law contract. RFI S.p.A. appealed against this decision in front of the Supreme Court and appealed to the Court of Appeal for revision, on the grounds of contrast with the judgements already formed in the civil and administrative courts, also in regard to the issue of jurisdiction. With a writ of summons served on 3 May 2019, COSIAC S.p.A. resumed the case before the Civil Court of Rome: the hearing for the first appearance (initially indicated as 20 September 2019) was set by the Court at 5 March 2020. RFI S.p.A. joined the proceedings asking for the suspension

of the proceedings pending the decision of the Supreme Court and the Court of Appeal to rule on the issue of the conflict of judgement in the revocation.

- Anas S.p.A. - Reggio Calabria Scilla Scpa: by means of a writ of summons served on 13 May 2019, brought an action against Anas S.p.A. before the Civil Court of Rome for the resolution of the reserves entered in the course of the "works to modernise and adapt the Autostrada Salerno - Reggio Calabria - VI Macrolotto motorway to CNR/80 standards" (*lavori di ammodernamento ed adeguamento alle norme CNR/80 dell'opera Autostrada Salerno – Reggio Calabria - VI Macrolotto*), quantified at approximately 205 million euro. At the first appearance hearing, which was scheduled the 24 October 2019, the judge adjourned the hearing to 30 April 2020.
- Anas S.p.A./As.co.sa.: in the context of the works relating to the construction of the "Road link between the median axis and the support axis of the Asi" (*Bretella stradale di collegamento tra l'asse mediano e l'asse di supporto delle Asi*), work carried out under Law no. 219/1981: with writ of summons notified on 5 July 2019 the company summoned Anas S.p.A. and the Presidency of the Council of Ministers (PCM) in order to obtain the "*restitutio in integrum*" or an amount equal to the economic equivalent of the work carried out, quantified in the writ of summons in about 247 million euros, as a result of the termination for breach of convention 11/81 ordered by judgment 11464/2013 and confirmed by the Court of Appeal by judgment 2996/2017.
- Action brought against ART Resolution No 43/2019: with this Resolution, published on 18 April 2019, the ART concluded the procedure relating to the determination of the tariff plans (Resolutions No 75/2016 and No 80/2016) initiated by Resolution No 138/2017 concerning compliance with the judgments of the Piedmont Regional Administrative Court (*TAR Piemonte*) No 1097 and No 1098 of 2017 concerning the revision of the tariff system of RFI S.p.A. The abovementioned resolution was challenged before the Piedmont Regional Administrative Court by a group of railway undertakings in the freight sector (by means of an appeal notified to RFI S.p.A. on 17 June 2019), as well as by Trenitalia S.p.A, by means of an extraordinary appeal before the Head of State (notified to RFI S.p.A on 14 June 2019). As of the date of this Prospectus, the date of the hearing has not yet been fixed.
- CMC/ANAS: by writ of summons notified on 30 March 2020 the company Cooperativa Muratori e Cementisti di Ravenna sued ANAS before the Court of Rome requesting Euro 112,959,805.92 for the reserves from SAL n.8 to SAL n.16 registered in relation to the procurement contract of 25 October 2010 for the execution of the works of the SS n.1 Aurelia-Viabilità of access to the Hub port of Savona.

Proceedings before the Italian and EU authorities

- EU cases SA 32179 and SA 32953. On 28 March 2014, the European Commission's Directorate-General for Competition notified Italy of a decision to begin a formal investigation in connection with two potential state aid programmes relating to:
 - a) state aid measures under the forms of transfers of infrastructure assets (case SA 32179); and
 - b) compensation for a public service obligation in the rail freight sector (case SA 32953).

The first aid measure being investigated relates to four asset allocation operations within the FS Italiane group, in which assets were allocated to Trenitalia S.p.A. and FS Logistica S.p.A., respectively. In particular, these transfers include assets that do not constitute railway infrastructure (they are mainly workshops) and are, in any case, no longer functional for the infrastructure operator. The second measure being investigated relates to the compensation by the Italian station to Trenitalia S.p.A. for the discharge of public service obligations in rail freight transport from 2000 to 2014 under three consecutive public service contracts. After 2015 and 2016, in which there were no further developments, near the end of 2017, the European Commission resumed the examination of both dossiers. Accordingly, considering the current stage of the cases and their complexity, and based on the opinions of independent legal experts, in line with previous evaluations, we believe that: 1) the effects of any negative development with respect to case SA 32179 would substantially relate to assets, due to the re-allocation of assets within the FS Italiane group; and ii) with respect to case SA 32953, it is still impossible to objectively identify a contingent liability or reliably estimate any amount that might be paid.

- Appeals relating to the tender for the assignment of services for the Tuscany region. With an appeal lodged on 15 April 2016, the consortium company MOBIT Scarl (consisting of Busitalia and other local public transport incumbents operating in Tuscany) appealed before the Tuscany regional administrative court against the region's regulation ordering the definitive assignment of the tender to the only other participant, Autolinee Toscane S.p.A. ("AT"). The tender related to the assignment in a single lot of local public transport services for nine years, which may be extended for another two years, worth approximately €4 billion. AT, which also took legal action, presented a counterclaim to have the consortium MOBIT excluded from the tender. With ruling no. 1548/2016 of 28 October 2016, the Tuscany regional administrative court admitted the two appeals, cancelled the assignment of the tender and found that neither of the claimants had presented offers that met the region's guidelines for the preparation of the economic/financial plan. All the participants (Mobit, AT and the Tuscany region itself) appealed against ruling no. 1548/2016 before the Council of State. The latter, with an ordinance issued on 6 April 2017, submitted the issues relating to the interpretation of certain provisions of Regulation (EC) no. 1370/2007 to the EU Court of Justice, as they were relevant to the case. The EU Court of Justice, by way of a decision dated 21 March 2019, ruled upon the interpretation of the above-mentioned provisions of Regulation (EC) no. 1370/2007, establishing that article 5 of such Regulation, containing the prohibition for beneficiaries of direct entrustments of public transport services to participate in tenders relating to territorial catchment areas other than those in which they operate under conditions of non-competitive advantage (prohibition of participation extra moenia), is not applicable to an award procedure that took place before 3 December 2019. The proceedings have been returned to the Council of State, which set a hearing for discussion on 28 November 2019. The judgment has been continuing before the Council of State. In the medium term, the Region of Tuscany reopened the tendering procedure by inviting the two tenderers to lend a new PEF in support of the technical and economic offer already made and proceeded to the provisional award in favour of AT. Mobit appealed against that note and the award of the contract to the Tuscany Regional Administrative Court, which, however, dismissed the action. The decision of the Regional Administrative Court was therefore appealed to the Council of State. Following the filing of the judgment of the EU Court of Justice of 21 March 2019, the

Region of Tuscany proceeded with the final awarding of the tender to AT. On 11 December 2019, the Council of State rejected the appeals filed by MOBIT, AT and the Region of Tuscany against the judgments of the Regional Administrative Court of Tuscany no. 1548/2016 and no. 1159/2017. MOBIT appealed also against the final award decision in favour of AT before the Tuscany Regional Administrative Court. On 19 March 2020 the Toscana Regional Administrative Court's rejected MOBIT requests (Ruling no. 344) and MOBIT appealed against such decision before the Council of State.

- Appeal against the transfer of the investment in FSE S.r.l. ("FSE") to FS S.p.A.. With ruling no. 6417/2017, the Lazio regional administrative court rejected the appeal filed by Arriva Italia S.r.l., Ferrotramviaria S.p.A. and COTRAP to repeal MIT Decree no. 248/2016 which identified FS as the party to receive the investment in FSE S.r.l. which, at the time, was held by said Ministry, thereby confirming its lawfulness. As part of the appeal to overturn the first-level ruling, the claimants indicated the failure to comply with the requirements applicable to government assistance as the first ground of appeal, in relation to: i) the granting of €70 million to FSE S.r.l. pursuant to article 1.867 of Law no. 2018/2015, as amended by article 47 of Law Decree no. 50/2017 and ii) FSE S.r.l.'s transfer to FS S.p.A. with no competitive procedure and no consideration. The Council of State decided to refer the issue to the European Court of Justice, pursuant to article 267, par. 1, letter a) of the Treaty on the Functioning of the European Union (decision to refer no. 3123/2018). On 8 May 2019, a hearing was held before the Court of Justice to discuss the preliminary ruling procedure and, at the end of July 2019, the conclusions of the Advocate General were announced. On 19 December 2019 the Court of Justice ruled on the preliminary questions (Case C-385/18) stating that – without prejudice to the verification which shall be carried out by the Council of State - article 107 of the TFEU shall be interpreted to classify as State aid both the allocation of a sum of money in favour of a public company and the transfer of the entire shareholding held by a Member State in the capital of such company to another public company providing for no consideration thereto but with the obligation on the latter to remove the capital imbalance of the former. Consequently, the Council of State shall take the necessary decisions on the basis of the interpretative judgment of the Court of Justice.
- Resolution ART 46/2019. On 18 April 2019, the Transport Regulatory Authority (*Autorità di Regolazione dei Trasporti*), with Resolution no. 46, initiated a procedure aimed at prescribing that Rete Ferroviaria Italiana S.p.A. should finalize the update/integration of the Framework Agreements (*Accordi Quadro*) of Italo-Nuovo Trasporto Viaggiatori S.p.A. and Trenitalia S.p.A. This procedure stems from a complaint lodged by Italo, which alleges, inter alia, that Rete Ferroviaria Italiana SpA unjustifiably failed to accept the request for integration and updating of the Framework Agreement for HS/HC (*AV/AC*) infrastructure, as well as the alleged discrimination by RFI S.p.A. in favour of Trenitalia S.p.A. The proceedings was concluded with the issue of the ART Resolution no. 98 of last 31 July, which pronounced the filing on the grounds that RFI finalized the updating/integration of Framework Agreements, as per the requests of Italo S.p.A. and Trenitalia S.p.A., with the signing of the related deeds. On 28 May, Trenitalia signed the fifth act amending and supplementing the Framework Agreement for the HS/HC infrastructure, which expires on 10 December 2033. Finally, the proceeding was filed by the Authority with resolution no. 98 of 31 July 2019.

- Resolution ART 80/2019. On 19 June 2019, the Transport Regulatory Authority (*Autorità di Regolazione dei Trasporti*), with Resolution no. 80, resolved to initiate proceedings against Rete Ferroviaria Italiana S.p.A. for the possible adoption of a sanctioning measure for non-compliance with certain provisions of Resolution ART no. 118 of 29 November 2018, relating to amendments to be made to the Prospectuses for the 2019 and 2020 network. With Resolution no. 147 of 20 November 2019, the ART admitted and made binding the commitments submitted by RFI during the investigation, as modified following the outcome of the market test phase, and decided to close the proceedings without ascertaining the infringement.
- Action brought by RFI against ISTAT concerning access to documents. Following an application for access to the documents submitted by RFI to ISTAT on 29 July 2010, in order to find out the reasons behind the inclusion of RFI within the scope of the sector of Public Administrations reclassified under the European System of Accounts (SEC 2010, defined by Regulation of the European Parliament and of the Council, no. 549/2013), on 2 August 2019, the latter provided a general response indicating only the documents in the public domain that formed the basis for the assessments that led to the reclassification. Since it did not consider this reply to be exhaustive, on the following 6 August 2019, RFI reiterated its request for access to the investigative documents of the administrative procedure in question as well as to the formal communications concerning the interlocutor ISTAT-Eurostat. No response was provided to this request within the terms of the law, thus giving rise to the hypothesis of silence in denial, which was challenged by RFI before the Lazio Regional Administrative Court on 30 September 2019, together with the explicit denial expressed in the above-mentioned ISTAT note.
- Resolution ART 169/2019. With resolution no. 169/2019, the ART initiated sanctioning proceedings for the (alleged) violation of ART resolution no. 106/2018 "*Misure concernenti il contenuto minimo degli specifici diritti che gli utenti dei servizi di trasporto per ferrovia connotati da oneri di servizio pubblico possono esigere nei confronti dei gestori dei servizi e delle infrastrutture ferroviarie*", measure 10. 1 (*Adeguamento delle Carte dei Servizi*) for failing to provide - at a regional services level - compensation to disabled passengers or passengers with reduced mobility in the event of a service which has proved to be unfit for their use (measure 5.3) and for failing to comply with the requirement for compensation to be paid to "OSP season ticket" holders in the event of repeated delays or cancellations (measures 7.1 and 7.2). During such proceedings, Trenitalia proposed to enact certain actions in order to overcome the infringements. Such actions were held to be admissible by the authority that published them with regard to the market test phase (ART resolution no. 52 of 27 February 2020). ART resolution no. 69/2020 suspended from 23 February to 15 April 2020 the expiry of the deadline for the conclusion such proceedings (initially set at 1 June 2020, *i.e.* 180 days from the date of notification of the resolution) due to the COVID-19 outbreak and the related national health emergency situation.
- Resolution ART 159/2019. On 5 December 2019, the ART initiated sanctioning proceedings against FSE for the (alleged) violation of Resolution no. 106/2018 "*Misure concernenti il contenuto minimo degli specifici diritti che gli utenti dei servizi di trasporto per ferrovia connotati da oneri di servizio pubblico possono esigere nei confronti dei gestori dei servizi e delle infrastrutture ferroviarie*", measures 10.1 and 10. 2 (*Adeguamento delle Carte dei Servizi*), for failing to provide

compensation to disabled passengers or passengers with reduced mobility in the event of failure to re-establish infrastructure/supplies at the railway station within the specified time limits (measure 5.2) and in the event of the performance - contrary to the scheduled timetable - of rail services with unsuitable equipment (measure 5.3); and for failing to provide compensation to season tickets holders in the event of repeated delays or cancellations (measures 7.1 and 7.2). During such proceedings, FSE proposed to enact certain actions in order to overcome the contested infringements. Such actions were held "admissible" by the authority, which ordered their publication for the purposes of the market test phase (ART Resolution no. 42 of 27 February 2020). ART resolution no. 69/2020 suspended from 23 February to 15 April 2020 the expiry of the deadline for the conclusion such proceedings (initially set at 1 June 2020, *i.e.* 180 days from the date of notification of the resolution) due to the COVID-19 outbreak and the related national health emergency situation.

- Resolution ART 20/2020. On 20 January 2020, the ART initiated sanctioning proceedings against FSE, pursuant to art. 37, paragraph 14, letter a), of Legislative Decree no. 112/2015, for the (alleged) failure to comply with the obligation to publish the prospectus (*Prospetto Informativo della Rete*, "PIR") relating to the conditions of access to the railway infrastructure and the related services during the 2019-2020 scheduled timetable. During the proceedings, FSE proposed to enact certain actions in order to overcome the contested infringements. Such actions were held "admissible" by the authority, which ordered their publication for the purposes of the market test phase (ART Resolution no. 75 of 26 March 2020). ART resolution no. 69/2020 suspended from 23 February to 15 April 2020 the expiry of the deadline for the conclusion such proceedings (initially set at 28 July 2020, *i.e.* 180 days from the date of notification of the resolution) due to the COVID-19 outbreak and the related national health emergency situation.