

FS ITALIANE 2017 HALF-YEARLY FINANCIAL REPORT APPROVED

- **EBITDA: 1.04 billion euros (+3.4% compared with the first half of 2016)**
- **OPERATING REVENUE: 4.6 billion euros (+7.2%)**
- **NET PROFIT OVER THE PERIOD: 273 million euros**
- **INVESTMENTS: 1.85 billion euros**
- **FS Italiane Group continues its process of international development with the purchase of c2c Ltd in the UK**
- **inauguration of Napoli Afragola station, the “Porta del Sud” (“Gateway to the South”)**
- **opening of the first section of the Napoli – Bari line with the doubling of the track between Cervaro and Bovino**
- **the Trenitalia fleet continues to grow with 7 new Frecciarossa 1000 and, for the regional service, 3 *Jazz*, 6 *Swing*, 4 *Flirt* new trains and 41 Vivalto new carriages.**

Rome, 27 July 2017

The Board of Ferrovie dello Stato Italiane held today, chaired by Gioia Ghezzi, has approved the Group's Half-Yearly Financial Report as of 30th June 2017.

The Group's **operating revenue** has risen, compared to the first semester of 2016, to **4.6 billion euros** with an overall increase of 304 million euros (+7.2%), accompanied by a significant increase (+3.4%) of the Gross Operating margin (EBITDA), proof of the Group's business industrial strength. The growth in turnover is the result of the ordinary course of business but also of significant external growth operations, among which the main are the acquisition of the British company c2c Ltd (connecting London to Essex), the growth of the Busitalia group both in terms of volumes and operations (with the activation of Busitalia Campania since 1st January 2017 and the establishment of Busitalia Simet in the long distance bus services, under the Busitalia *Fast* brand name). This is consistent with the objectives of modal integration and international development of the Group's 2017-2026 Industrial Plan.

Going into detail, **revenues from transport services** amount to **3.4 billion euros** (+266 million euros compared to the first semester of 2016), with an overall growth of the various operating segments. Long Haul passenger services contribute for 98 million to the growth in revenues while Short Haul services contribute for 21 million. This figure also reflects the effects of the external growth operations mentioned above with a value of approximately 145 million euros, as well as the inclusion of Ferrovie del Sud Est in the perimeter of consolidation since November 2016.

The **operating costs**, following the trend of the growth in revenue, are of **3.5 billion euros**, with an increase of 8.3% as compared with the same period in 2016.



The results of the first semester of 2017 have been mainly driven by the strengthening of the offer of *Freccia* services, with an increase in the numbers of the *Frecciarossa* trains, and by the unfolding of the economic effects of the new 2017-2026 Public Services' Contract, combined with the success of the introduction of the new Regional Ticket. The increase in the offer of the *Frecciarossa* is linked to the continuous growth of the fleet that has acquired 7 new high speed trains. The regional transport fleet is also being renewed with 13 new trains (3 *Jazz*, 6 *Swing*, 4 *Flirt*) and 41 Vivalto carriages, for an investment of 101 million euros.

FS Group's **EBITDA** has increased to **1.04 billion euros** (+34 million euros compared with the first semester of 2016) with an EBITDA margin of 22.82%. **EBIT** went from 344 million euros in the first semester of 2016 to 339 million euros in the first semester of 2017, with a slight drop of 5 million euros (-1.5%) and an EBIT Margin of 7.44%, mainly as an effect of the increase of depreciation (+44 million euros, in line with the forecast figures) connected to the Group's significant investment plan.

New investments remain a distinctive feature of the FS Group and, alongside the analysis of new integration opportunities provided by the market, will make it possible to sustain internal demand and employment, continuing to be a driving force for the growth of the Italian economy. In this context, it is worthy of note the inauguration of the Napoli Afragola station, the so-called "Porta del Sud" ("Gateway to the South"), designed with the aim of significantly reducing travel times linking the South of Italy, as well as the opening of the first section of the new Napoli – Bari line with the doubling of the track between Cervaro and Bovino.

The Group maintains a high level of financial strength: as of 30th June 2017, Group's equity amounted to **38.4 billion euros** while **net financial position**, which during the period has been affected by a new and sizeable placement of bonds for a billion euros, was **8.07 billion euros**.

The total number of employees rose from **70,180** a **71,581**, mainly because of recruitments and acquisitions.

All operating segments made a positive contribution to the overall performance of the Ferrovie dello Stato Italiane Group during the first semester of 2017. In particular, Transport – where the leading company Trenitalia is followed by the Mercitalia and Busitalia groups, operating in the freight transport and road transport businesses respectively, and Netinera Deutschland, which operates in Germany – with a net result during the period of 79 million euros, and Infrastructure – with Rete Ferroviaria Italiana as the main company, followed by Italferr in the engineering sector – with a positive result of 169 million euros in the first semester.

A summary of the main results of Ferrovie dello Stato Italiane Group in the first semester 2017 can be found at <http://www.fsitaliane.it/ fsi/Investor-relations/Bilanci>.

The manager in charge of the Company's accounting documents preparation, Roberto Mannoizzi, declares, pursuant to article 154-bis paragraph 2, of the Legislative Decree No. 58/1998, that the accounting information included in this press release corresponds to the Company's evidence and accounting books and records.