

Press release

AUTOSTRADE PER L'ITALIA GROUP'S FIRST QUARTER 2022 RESULTS

- **Third Addendum to Autostrade per l'Italia's Concession Arrangement, Financial Plan and Settlement Agreement with MIMS effective from 30 March 2022, thus re-establishing regulatory certainty enabling ASPI to earmark over €20bn for network investment and maintenance expenditure through to 2038**
- **Further acceleration of network modernisation in Q1 2022. Investment and maintenance expenditure totals approx. €390m⁽¹⁾**
- **Launch of Mercury Programme, to create major integrated, technologically advanced hub to manage the mobility of the future, delivering increasingly safe and modern infrastructure as part of an ever more sustainable approach to mobility**
- **Group's total workforce as at 31 March 2022⁽²⁾ is 8,899 (8,668 as at 31 December 2021)**
- **Completion, on 5 May 2022, of acquisition of 88.06% stake in Company by Holding Reti Autostradali, an investment vehicle owned by CDP Equity (51%), Blackstone Infrastructure Partners (24.5%) and funds managed by Macquarie Asset Management (24.5%)**

⁽¹⁾ Includes capital expenditure of €223m, unremunerated investment of €68m and maintenance costs of €100m.

⁽²⁾ Permanent and fixed-term workforce excluding employees of Autostrade Meridionali, transferred to the incoming concession operator on 1 April 2022.

Investor Relations

e-mail: investor.relations@autostrade.it

Media Relations

e-mail: ufficiostampa@autostrade.it

www.autostrade.it

Consolidated results for Q1 2022⁽³⁾

- **Traffic on Group's network up 30.3% compared with Q1 2021**
- **Operating revenue of €887 up €157m compared with Q1 2021**
- **Gross operating profit (EBITDA) of €551m up €177m (up €176m on like-for-like basis); cash EBITDA⁽⁴⁾ totals €462m (up €211m)**
- **Profit for period attributable to owners of parent amounts to €237m, an increase of €220m**
- **Operating cash flow totals €245m (€92m in Q1 2021)**
- **Group's net debt as at 31 March 2022 totals €8,059m, down €187m compared with 31 December 2021**

Rome, 12 May 2022 – Today's meeting of the Board of Directors of Autostrade per l'Italia SpA ("ASPI"), chaired by Elisabetta Oliveri, examined and approved the Autostrade per l'Italia Group's quarterly results announcement for the three months ended 31 March 2022 ("Q1 2022"), prepared in accordance with IFRS.

Introduction

To provide greater clarity and comparability, amounts for the first quarter of 2021 have been reclassified to reflect the impact of effectiveness of the Third Addendum to Autostrade per l'Italia's Concession Arrangement, the Financial Plan and the Settlement Agreement, already taken into account, from an accounting viewpoint, in the financial statements for 2021.

There has been no material change in the scope of consolidation with respect to 31 December 2021 and there were no non-recurring, atypical or unusual transactions, either with third or related parties, in either of the comparative periods.

⁽³⁾ In addition to the reported amounts in the statutory consolidated financial statements, this press release also presents and analyses alternative performance indicators ("APIs"), such as EBITDA, operating cash flow and capital expenditure. A detailed description of the principal APIs, including an explanation of the term "like-for-like basis", used in describing changes in certain consolidated financial indicators, is provided in the "Explanatory notes" below.

⁽⁴⁾ Calculated after stripping out the "operating change in provisions" and the non-cash effect of discounts and exemptions.

Highlights by operating segment

€M	MOTORWAYS		ENGINEERING AND CONSTRUCTION		INNOVATION AND TECHNOLOGY		OTHER SERVICES		TOTAL AUTOSTRADE PER L'ITALIA GROUP	
	Q1		Q1		Q1		Q1		Q1	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
REPORTED AMOUNTS										
Operating revenue	856	693	152	120	29	21	11	11	887	730
EBITDA	544	379	5	-6	3	1	1	1	551	374
Operating cash flow	241	99	4	-7	2	1	-	-	245	92
Capital expenditure	214	175	1	2	6	1	-	-	223	195
Average workforce	5.580	5.815	2.184	1.826	222	136	573	586	8.559	8.363

Motorways: includes the activities of the Group's motorway operators;

Engineering and construction: includes the activities involved in the design, construction and maintenance of infrastructure, carried out by Pavimental, Pavimental Polska and Tecne;

Technology and innovation: includes the activities carried out by Movyon, Free To X and Infomobility, linked to

- (1) the creation of new free flow tolling platforms,
- (2) the installation of digital infrastructure for smart roads and intelligent service areas,
- (3) the development of an innovative system for monitoring infrastructure,
- (4) sustainable mobility services;

Other services: includes the services provided by Essediesse, Ad Moving and Giove Clear to the other Group companies and the production of energy from renewable sources by Elgea.

Focus on the motorways segment

Traffic

- **Traffic up 30.3% compared with Q1 2021, but traffic remains below pre-pandemic levels**

Traffic on the Group's network rose by a total of 30.3% compared with the same period of 2021 but remained below pre-pandemic levels (down 7.6% compared with the first quarter of 2019). In addition to the impact of the new outbreak of Covid-19 that started at the end of 2021, traffic in the first quarter of 2022 was also affected by the sharp increase in fuel prices from the end of February, caused by current geopolitical events.

The volume of light vehicles (2 axles) is up 38.2% compared with the first three months of 2021 but remains below the pre-pandemic levels of 2019 (down 9.9%). Heavy Vehicles (3 or more axles) are up 2.6% compared with the first quarter of 2021 (up 5.1% on the first quarter of 2019).

OPERATOR	KM TRAVELLED (IN MILLIONS) ⁽¹⁾			% change	
	VEHICLES WITH 2 AXLES	VEHICLES WITH 3+ AXLES	TOTAL VEHICLES	vs Q1 2021	vs Q1 2019
Autostrade per l'Italia	7.807,4	1.759,5	9.566,9	30,6%	-7,6%
Autostrade Meridionali	366,0	8,3	374,3	27,3%	-4,1%
Tangenziale di Napoli	188,4	3,3	191,7	17,6%	-15,4%
Autostrada Tirrenica	40,7	5,7	46,5	35,0%	-2,2%
Raccordo Autostradale Valle d'Aosta	20,9	5,1	25,9	64,7%	-5,5%
Società Italiana per il Traforo del Monte Bianco	1,3	0,9	2,2	53,7%	-17,5%
TOTAL	8.424,7	1.782,8	10.207,5	30,3%	-7,6%

⁽¹⁾ The figures are rounded to the nearest decimal place.
The figures for the Mont Blanc tunnel refer to paying traffic .

Investment in the network

- Total investment in the first quarter of 2022 amounts to €223m.
- The widened section of the A1 between the Barberino and Calenzano (Florence North), totalling 17.5 kilometres, opened to traffic.
- The Bologna Bypass became the first motorway project in Europe to receive “Platinum” certification from Envision in April 2022 in recognition of the project’s ability to meet economic, social and environmental sustainability requirements throughout its lifecycle, from design through to construction and entry into service.
- The final design for the Fontanabuona tunnel, a €230m strategic piece of infrastructure, for the most part underground, has been presented. The tunnel will connect the A12 motorway from the coast at Rapallo with Val Fontanabuona inland.

<i>(€m)</i>	Q1 2022	Q1 2021
Autostrade per l'Italia		
Investment in infrastructure operated under concession	88	70
Extraordinary Maintenance Plan	92	58
Total investment in infrastructure operated under concession (*)	180	128
Capitalised costs	9	9
Other operators (including capitalised costs)	7	25
Total investment by the Group	196	162
Investment in property, plant and equipment	12	15
Investment in intangible assets	15	18
Total capital expenditure (*)	223	195

(*) Total investment in infrastructure operated under concession in the first quarter of 2022 does not include €68m (€31m in the first quarter of 2021) regarding unremunerated investment, accounted for in cash outflows represented by operating uses of provisions.

Group financial review

Consolidated operating results

“**Total operating revenue**” for the first quarter of 2022 amounts to €887m, up €157m compared with the first quarter of 2021 (€730m). “**Toll revenue**”⁵ of €791m is up €154m compared with the comparative period, primarily due to traffic growth of 30.3% and an increase in the tolls charged by Autostrade per l’Italia (up 1.4% compared with the first quarter of 2021) without any impact on road users who have been granted a discount of the same size⁶.

“**Gross operating profit**” (EBITDA) of €551m is up €177m compared with the first quarter of 2021 (€374m), reflecting revenue growth and the performance of costs, above all the “Operating change in provisions”, which recorded a net use of €68m in connection with the sharp rise in the interest rates used to adjust the present value of the provisions.

On a like-for-like basis, EBITDA is up €176m. Cash EBITDA⁷ of €462m for the first quarter of 2022 is up €211m compared with the first quarter of 2021 (€251m).

“**Operating profit**” (EBIT) of €397m is up €156m compared with the first quarter of 2021 (€241m).

“**Net financial expenses**” of €52m are down €13m compared with the same period of 2021 (€65m), essentially due to fair value gains on derivative financial instruments.

“**Income tax expense**” totals €103m (€154m in the first quarter of 2021). The change primarily reflects the cut in the IRES rate by 3.5%, following the end, from 1 January 2022, of the period in which a surtax of this amount was applied to the income of motorway operators.

“**Profit for the period**” of €241m is up €220m compared with the first quarter of 2021 (€21m), whilst “**Profit for the period attributable to owners of the parent**”, amounts to €237m, an increase of €220m compared with the first quarter of 2021 (€17m).

⁵ This item includes €81m (€67m in the first quarter of 2021) in the surcharges added to the concession fee payable to ANAS and accounted for in operating costs under the item “concession fees”. The increase of €14m compared with the comparative period reflects the increased number of kilometres travelled.

⁶ Total discounts and exemptions amount to €21m in the first quarter of 2022 (€14m in the comparative period) and are covered by provisions for risks and charges recognised in previous years

⁷ Cash EBITA is calculated after stripping out the “operating change in provisions” and the non-cash effect of discounts and exemptions.

RECLASSIFIED CONSOLIDATED INCOME STATEMENT ^(*)

€m	Q1 2022	Q1 2021	Increase/(Decrease)	
			Absolute	%
Toll revenue	791	637	154	24
Other operating income	96	93	3	3
Total operating revenue	887	730	157	22
Maintenance costs	-100	-167	67	-40
Cost of other external services	-73	-80	7	-9
Concession fees	-100	-82	-18	22
Net staff costs	-131	-136	5	-4
Operating change in provisions	68	109	-41	-38
Total net operating costs	-336	-356	20	-6
Gross operating profit (EBITDA)	551	374	177	47
Amortisation, depreciation, impairment losses, reversals of impairment losses and provisions for renewal work	-154	-133	-21	16
Operating profit/(loss) (EBIT)	397	241	156	65
Financial income/(expenses), net	-52	-65	13	-20
Share of profit/(loss) of investees accounted for using the equity method	-1	-1	-	n/s
Profit/(Loss) before tax from continuing operations	344	175	169	97
Income tax benefit/(expense)	-103	-154	51	-33
Profit/(Loss) from continuing operations	241	21	220	n/s
Profit/(Loss) from discontinued operations	-	-	-	n/s
Profit/(Loss) for the period	241	21	220	n/s
(Profit)/Loss for the period attributable to non-controlling interests	4	4	-	n/s
(Profit)/Loss for the period attributable to owners of the parent	237	17	220	n/s

	Q1 2022	Q1 2021	Increase/ (Decrease)
Basic earnings/(loss) per share attributable to the owners of the parent (€)	0,38	0,03	0,35
<i>of which:</i>			
- from continuing operations	0,38	0,03	0,35
- from discontinued operations	-	-	-
Diluted earnings/(loss) per share attributable to the owners of the parent (€)	0,38	0,03	0,35
<i>of which:</i>			
- from continuing operations	0,38	0,03	0,35
- from discontinued operations	-	-	-

(*) The reconciliation with the statutory consolidated income statement is provided in the section, "Explanatory notes".

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

€m		Q1 2022	Q1 2021
Profit/(Loss) for the period	(A)	241	21
Fair value gains/(losses) on cash flow hedges		171	16
Tax effect of fair value gains/(losses) on cash flow hedges		-41	-4
Other comprehensive income/(losses) of investees accounted for using the equity method		2	1
Other comprehensive income/(losses) reclassifiable to profit or loss for the period	(B)	132	13
Other comprehensive income/(losses) not reclassifiable to profit or loss for the period	(C)	-	-
Other reclassifications of other comprehensive income/(losses) to profit or loss for the period		7	7
Tax effect of other reclassifications of other comprehensive income/(losses) to profit or loss for the period		-2	-2
Reclassifications of other comprehensive income/(losses) to profit or loss for the period	(D)	5	5
Total other comprehensive income/(loss) for the period	(E=B+C+D)	137	18
<i>of which attributable to discontinued operations</i>		-	-
Comprehensive income/(loss) for the period	(A+E)	378	39
<i>Of which attributable to owners of the parent</i>		374	35
<i>Of which attributable to non-controlling interests</i>		4	4

“**Total other comprehensive income for the period**” amounts to €137m for the first quarter of 2022 (income of €18m in the first quarter of 2021). This essentially reflects increased fair value gains on cash flow hedges, after the related taxation, due to the significant rise in interest rates in the first quarter of 2022.

Consolidated financial position

Net invested capital of €11,077m as at 31 March 2022 compares with €10,894m as at 31 December 2021.

This amount is covered by equity, including non-controlling interests, of €3,018m and net debt of €8,059m, down €187m compared with 31 December 2021 (€8,246m). The reduction includes the impact of fair value gains on derivative financial instruments as a result of the above increase in interest rates.

RECLASSIFIED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (*)

€m	31 March 2022	31 December 2021	Increase/ (Decrease)
Non-financial assets (A)	15.830	15.768	62
Net working capital (B)	-1.138	-1.190	52
Gross invested capital (C=A+B)	14.692	14.578	114
Non-financial liabilities (D)	-3.615	-3.684	69
NET INVESTED CAPITAL (E=C+D)	11.077	10.894	183
Equity attributable to owners of the parent	2.652	2.277	375
Equity attributable to non-controlling interests	366	371	-5
Total equity (F)	3.018	2.648	370
Net debt (G)	8.059	8.246	-187
NET DEBT AND EQUITY (H=F+G)	11.077	10.894	183

(*) The reconciliation with the statutory consolidated statement of financial position is provided in the section, "Explanatory notes".

In January 2022, Autostrade per l'Italia issued two tranches of bonds worth €500m each and maturing in 2028 and 2032. Financial assets deriving from concession rights have declined following agreement with the grantor on the value of Autostrade Meridionali's takeover right, amounting to €440m. €410m had been collected as at 31 March 2022.

As at 31 March 2022, 7% of the Group's debt is denominated in currencies other than the euro and the residual weighted average term to maturity of interest-bearing debt is approximately five years and three months. 96% of the Group's interest-bearing debt is fixed rate, taking into account the hedging derivatives entered into and the average cost of the medium/long-term borrowings was approximately 3.15%.

The Group has lines of credit amounting to €2,105m with a weighted average residual term to maturity as at 31 March 2022 of approximately three years and seven months and a weighted average residual drawdown period of one year and nine months.

STATEMENT OF CHANGES IN CONSOLIDATED NET DEBT ^(*)

€m	Q1 2022	Q1 2021
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Operating cash flow	245	92
Change in net working capital and other changes	-63	-159
Net cash generated from/(used in) operating activities (A)	182	-67
NET CASH FROM/(USED IN) INVESTMENT IN NON-FINANCIAL ASSETS		
Capital expenditure	-223	-195
Increase in financial assets deriving from concession rights (related to capital expenditure)	-	4
Purchases of investments	-1	-
Investment in consolidated companies, including net debt assumed	-	-184
Proceeds from disposal of property, plant and equipment, intangible assets and unconsolidated investments	1	-
Net debt or funds of consolidated companies transferred as part of corporate transactions	-	1
Net cash from/(used in) investment in non-financial assets (B)	-223	-374
NET EQUITY CASH INFLOWS/(OUTFLOWS)		
Dividends declared by the Group and payable to non-controlling shareholders	-9	-
Net equity cash inflows/(outflows) (C)	-9	-
Increase/(Decrease) in cash and cash equivalents during period (A+B+C)	-50	-441
Other changes in net debt (D)	237	82
(Increase)/Decrease in net debt for period (A+B+C+D)	187	-359
Net debt at beginning of period	-8.246	-8.557
Net debt at end of period	-8.059	-8.916

(*) The reconciliation with the statutory consolidated statement of cash flows is provided in the section, "Explanatory notes".

The “**decrease in net cash and cash equivalents during the period**” amounts to €50m for the first quarter of 2022 (compared with a decrease of €441m in the first quarter of 2021, which also reflected the greater impact of the pandemic). Operating cash flow of €245m enabled the Group to cover the full cost of capital expenditure (€223m). However, the cash outflow in the period includes the change in net working capital (€63m) due to changes in trade receivables and payables.

Significant regulatory and legal aspects

In addition to the information provided in the Annual Report for 2021, this section provides details of updates or new developments occurring through to the date of approval of this quarterly results announcement.

Third Addendum, Financial Plan and Settlement Agreement come into effect

On 17 March 2022, the Court of Auditors announced that it had validated the decision of the Ministry of Sustainable Infrastructure and Mobility (the “MIMS”) to approve the Settlement Agreement between the Ministry and Autostrade per l’Italia and the CIPESS determination containing its opinion on the Third Addendum to ASPI’s Concession Arrangement and the related Financial Plan.

On 21 March 2022, ASPI and the MIMS signed the Third Addendum to the Concession Arrangement of 2007 (with the related annexes, including the Financial Plan), which was then formally approved via a joint decree issued by the MIMS, in agreement with the Ministry of the Economy and Finance, on 23 March 2022. The latter was filed with the Court of Auditors on 29 March 2022 and thus became effective from that date.

At the same time, following fulfilment of all the necessary conditions on 30 March 2022, the Settlement Agreement between ASPI and the MIMS dated 14 October 2021 has also become effective. As a result, the dispute over alleged serious breaches, initiated by the Grantor in August 2018 following the collapse of the Morandi road bridge in Genoa, has also been brought to a close.

Investigation of the collapse of a section of the Genoa road bridge by the Public Prosecutor’s Office in Genoa and admission to plea bargaining process

On 28 January 2022, the Public Prosecutor began to present the case for the prosecution. This was concluded at the hearing held on 16 February 2022, with a request for the indictment of 59 natural persons in addition to ASPI and SPEA as entities charged with breaches of Legislative Decree 231/2001.

With specific regard to ASPI’s position, in relation to alleged breaches of Legislative Decree 231/2001, an application for admission to a settlement procedure was presented to the Public Prosecutor’s Office at the Court of Genoa on 15 March. The Prosecutors then passed the application to the judge appointed to preside at the preliminary hearing, together with a

detailed opinion in which the Prosecutors gave the consent for the Company's admission to the settlement procedure.

The Public Prosecutors noted that, since the tragic event, Autostrade per l'Italia had adopted a series of initiatives that meant that it had fully complied with the conditions set out in art. 17 of Legislative Decree 231/2001 ("*reparation for damages resulting from the offence*"). In this sense, the Company had:

- paid compensation for all the damages resulting from the alleged offences;
- eliminated organisational shortcomings by adopting and implementing a new 231 Model, which is expressly considered "*fit for the purpose of preventing the commission of similar offences*";
- forfeited any proceeds from the offences, by setting aside the sum of €26.8m, previously included in provisions for risks and charges as at 31 December 2021.

On 7 April 2022, the judge appointed to preside at the preliminary hearing ruled in favour of Autostrade per l'Italia's request to settle pursuant to Legislative Decree 231/2001 and committed the natural persons for trial, with the next hearing scheduled for 7 July 2022.

Expiry of Autostrade Meridionali's concession

The value of the operator's takeover right, amounting to €440m, was agreed with the Grantor at the end of March 2022 and the handover to the new operator took place with effect from 1 April 2022 following the collection of €410m on 31 March 2022 (the remaining €30m will be paid by the MIMS within 30 days of the filing of the Interministerial Decree approving the Addendum containing the total value of the takeover right with the Court of Auditors).

Events after 31 March 2022

The acquisition of an 88.06% stake in the Company by Holding Reti Autostradali, an investment vehicle owned by CDP Equity (51%), Blackstone Infrastructure Partners (24.5%) and funds managed by Macquarie Asset Management (24.5%), was completed on 5 May. Completion of the transaction – as approved by the bondholders' meetings held in November 2021 – means that release of the guarantees provided by Atlantia, backing a series of bond issues and borrowing from the European Investment Bank, is now effective. Similarly, amendments to certain conditions attaching to bonds maturing in 2022, 2024 and 2025 are now also effective.

Outlook

At the date of preparation of this announcement, there are a number of uncertainties with a potential impact on Group companies.

On the one hand, the rollout of the Covid-19 vaccination campaign and the end of the state of emergency from 1 April are removing the earlier restrictions imposed. In contrast, current geopolitical tensions and the exceptional rises in commodity prices and in the cost of building materials could continue to add further operational complexity in terms of relations with suppliers, as well as having a negative impact on traffic volumes (above all as a result of rising fuel prices).

Based on traffic figures through to the end of April (growth of 33.9% compared with 2021 and a reduction of 7.4% with respect to 2019), we continue to expect traffic growth in the current year to be within the range of +8% to +10% compared with 2021, but to remain below the pre-pandemic levels of 2019 (within a range of -2% and -4%). After taking into account application of the toll increases provided for in the new Financial Plan, Autostrade per l'Italia SpA's net toll revenue⁸ is expected to be within a range of €3.0bn to €3.1bn.

In addition, the sharp rise in interest rates – already seen in early 2022 – could have a significant positive (non-monetary) impact on EBITDA as a result of the discounting of provisions for risks and charges and for the repair and replacement of infrastructure.

⁸ Toll revenue net of the surcharges passed on to ANAS (accounted for in operating costs under the item "concession fees").

Based on these assumptions, we expect 2022 to record improvements in the Group's operating results compared with 2021 and in operating cash flow, which will be broadly sufficient to finance capital expenditure.

It should be noted, however, that the assumptions underlying such a sensitivity analysis are subject to change depending on events and on a number of risk factors and uncertainties.

Implementation of the Group's Transformation Plan is continuing with the goal of introducing an integrated, technologically advanced approach to managing mobility that puts sustainability and the safety of infrastructure at its heart. As part of this plan, capital and maintenance expenditure is due to exceed €1.5bn in 2022 as part of our plan to modernise and upgrade the network.

Other information

Today's meeting of the Board of Directors of Autostrade per l'Italia SpA, after examining the information and representations provided by each Director, has confirmed that the Directors, Sergio Buoncristiano, Fulvio Conti, Christoph Holzer, Hongcheng Li, Elisabetta Oliveri, Francesca Pace and Massimo Romano meet the independence requirements provided for in the Company's Articles of Association.

The Board of Directors also established the Major Works Committee provided in the Articles of Association, which primarily has an advisory and research role with regard to the Company's large-scale investment plan for the modernisation of the network and the concession-related matters. The Board has appointed the following members:

Roberta Battaglia; Stéphane Louis Brimont; Sergio Buoncristiano; Jonathan Grant Kelly; Massimo Romano; Robert Edward William Desmond Watt.

In accordance with the Articles of Association, the Chairwoman, Elisabetta Oliveri, the Chief Executive Officer, Roberto Tomasi, and the Directors, Christoph Holzer and Hongcheng Li are members by right. The Chairwoman, Elisabetta Oliveri, was also appointed Chair of the Committee.

Explanatory notes

Like-for-like performance indicators

The following table shows a reconciliation of like-for-like consolidated amounts, for both comparative periods, and the corresponding amounts presented in the reclassified consolidated financial statements.

€m	Note	Q1 2022				Q1 2021 (restated)			
		Gross operating profit (EBITDA)	Profit/(Loss) for the period	Profit/(Loss) for the period attributable to owners of the parent	Operating cash flow	Gross operating profit (EBITDA)	Profit/(Loss) for the period	Profit/(Loss) for the period attributable to owners of the parent	Operating cash flow
Reported amounts (A)		551	241	237	245	374	21	17	92
Adjustments for non like-for-like items									
Impact connected with collapse of a section of the Polcevera road bridge	(1)	-2	-2	-2	-7	-	2	2	-46
Impact of settlement of dispute with the MIMS	(2)	-	-	-	-64	-	-	-	-32
Change in discount rate applied to provisions	(3)	48	32	31	-	45	33	33	-
Sub-total (B)		46	30	29	-71	45	35	35	-78
Like-for-like amounts (C) = (A)-(B)		505	211	208	316	329	-14	-18	170

Notes:

The term "like-for-like basis", used in the description of changes in certain consolidated performance indicators, means that amounts for comparative periods have been determined by excluding the following:

- 1) from consolidated amounts for the first quarter of 2022 and the first quarter of 2021, the after-tax impact on the income statement and on operating cash flow of (i) payments made at the request of the Special Commissioner for Genoa in relation to reconstruction of the San Giorgio road bridge in Genoa, and (ii) the compensation paid;
- 2) from consolidated amounts for the first quarter of 2022, the after-tax impact of the toll exemptions and discounts introduced in response to the disruption linked to roadworks in the Genoa area ;
- 3) from consolidated amounts for both comparative periods, the after-tax impact of the difference in the discount rates applied to the provisions accounted for among the Group's liabilities and to the provisions made in previous years to cover the cost of the commitments included in the settlement agreement.

Alternative performance indicators

The Group's performance is assessed on the basis of a number of alternative performance indicators ("APIs"), calculated on the same basis used in the Group's Annual Report for 2021, to which reference should be made. The composition of each indicator and reconciliations with reported amounts are provided below:

- **"Gross operating profit/(loss) (EBITDA)"**, the synthetic indicator of earnings from operations, calculated by deducting the operating change in provisions and operating costs, with the exception of amortisation, depreciation, impairment losses, reversals of impairment losses and provisions for the costs to be incurred over time in relation to the renewal of infrastructure operated under concession by Società Italiana per Azioni per il Traforo del Monte Bianco ("SITMB"), from operating revenue;
- **"Cash EBITDA"**, the synthetic indicator of cash earnings from operating activities, calculated by stripping out from EBITDA the "Operating change in provisions" and the non-cash effect of toll exemptions and discounts recognised in toll revenue, with the matching use of provisions for risks and charges made in previous years to cover the cost of the commitments included in the settlement agreement with the Ministry of Sustainable Infrastructure and Mobility (the "MIMS") and the Government;
- **"Operating profit/(loss) (EBIT)"**, the indicator that measures the return on the capital invested in the business, calculated by deducting amortisation, depreciation, impairment losses, reversals of impairment losses and the above provisions for the costs to be incurred over time in relation to the renewal of infrastructure operated under concession by SITMB from EBITDA. Like EBITDA,

EBIT does not include the capitalised component of financial expenses relating to construction services, which is shown in a specific item under financial income and expenses in the reclassified income statement, whilst being included in revenue in the consolidated income statement in the statutory financial statements;

- **“Net invested capital”**, showing the total value of non-financial assets, after deducting non-financial liabilities;
- **“Net debt”**, indicating the portion of net invested capital funded by net financial liabilities, calculated by deducting “Current and non-current financial assets” from “Current and non-current financial liabilities”;
- **“Capital expenditure”**, indicating the total amount invested in development of the Group’s businesses, calculated as the sum of cash used in investment in property, plant and equipment, in assets held under concession and in other intangible assets, excluding investment linked to transactions involving investees;
- **“Operating cash flow”**, indicating the cash generated by or used in operating activities. Operating cash flow is calculated as profit/(loss) for the period + amortisation/depreciation +/- impairments/reversals of impairments of assets +/- provisions/releases of provisions in excess of requirements and uses of provisions + other adjustments + financial expenses from discounting of provisions +/- share of profit/(loss) of investees accounted for using equity method +/- (losses)/gains on sale of assets +/- other non-cash items +/- deferred tax assets/liabilities recognised in profit or loss.

A number of APIs, calculated as above, are also presented after certain adjustments applied in order to provide a consistent basis for comparison over time. These “like-for-like changes”, used in the analysis of changes in gross operating profit/(loss) (EBITDA), profit/(loss) for the period, profit/(loss) for the period attributable to owners of the parent and operating cash flow, have been calculated by excluding, where present, the impact of: (i) changes in the scope of consolidation, (ii) changes in exchange rates on the value of assets and liabilities denominated in functional currencies other than the euro; and (iii) events and/or transactions not strictly connected with operating activities that have an appreciable influence on amounts for at least one of the two comparative periods. The section, “Explanatory notes – Like-for-like performance indicators”, included in this announcement, provides a reconciliation of like-for-like indicators and the corresponding amounts presented in the reclassified consolidated financial statements, in addition to details of the adjustments made.

Reconciliation of the reclassified and statutory financial statements

Reconciliations of the income statement, statement of financial position and statement of cash flows, as prepared under IFRS, with the corresponding reclassified financial statements presented above are shown below.

RECONCILIATION OF THE CONSOLIDATED INCOME STATEMENT WITH THE RECLASSIFIED CONSOLIDATED INCOME STATEMENT

€m	Q1 2022						Q1 2021					
	Reported basis			Reclassified basis			Reported basis			Reclassified basis		
	Ref.	Sub-items	Main entries	Ref.	Sub-items	Main entries	Ref.	Sub-items	Main entries	Ref.	Sub-items	Main entries
Reconciliation of items												
Toll revenue			791			791			637			637
Revenue from construction services			195						160			
<i>Revenue from construction services - government grants and cost of materials and external services</i>	(a)	166					(a)	137				
<i>Capitalised staff costs - construction services for which additional economic benefits are received</i>	(b)	29					(b)	23				
<i>Revenue from construction services: capitalised financial expenses</i>	(c)	-					(c)	-				
<i>Revenue from construction services provided by sub-operators</i>	(d)	-					(d)	-				
Other revenue			96						93			
Other operating income				(e+d)		96	(e+d)					93
<i>Revenue from construction services provided by sub-operators</i>				(d)		-	(d)					-
Total revenue			1.082			887			890			730
TOTAL OPERATING REVENUE												
Raw and consumable materials			-35			-35			-53			-53
Service costs			-280			-280			-313			-313
Gain/(Loss) on sale of elements of property, plant and equipment			-			-			-			-
Staff costs	(g)		-160				(g)		-159			
Other operating costs			-125						-101			
Concession fees	(f)		-100				(f)		-82			
Lease expense			-3			-3			-3			-3
Other			-22			-22			-16			-16
<i>Use of provisions for construction services required by contract and other provisions</i>				(j)		-	(j)		-			-
<i>Revenue from construction services: government grants and capitalised cost of materials and external services</i>				(a)	166		(a)	137				
<i>Use of provisions for renewal of motorway infrastructure</i>				(i)	1		(i)	1				
COST OF MATERIALS AND EXTERNAL SERVICES						-173						-247
CONCESSION FEES						-100						-82
NET STAFF COSTS				(g+b)		-131	(g+b)					-136
OPERATING CHANGE IN PROVISIONS						68						109
Operating change in provisions			67						112			
(Provisions)/ Uses of provisions for repair and replacement of motorway infrastructure			41			41			79			79
(Provisions)/Uses of provisions for renewal of motorway infrastructure			-1						3			
<i>Provisions for renewal of motorway infrastructure</i>	(h)	-2					(h)	2				
<i>Uses of provisions for renewal of motorway infrastructure</i>	(i)	1				27	(i)	1				30
Provisions/(Uses) of provisions for risks and charges			27			27			30			30
TOTAL NET OPERATING COSTS						-336						-356
Amortisation and depreciation	(l)		-153				(l)		-134			
Depreciation of property, plant and equipment			-9						-8			
Amortisation of intangible assets deriving from concession rights			-133						-121			
Amortisation of other intangible assets			-11						-5			
(Impairment losses)/Reversals of impairment losses	(m)		1				(m)		-1			
GROSS OPERATING PROFIT (EBITDA)						551						374
AMORTISATION, DEPRECIATION, IMPAIRMENT LOSSES AND REVERSALS OF IMPAIRMENT LOSSES				(l+h+m)		-154	(l+h+m)					-133
TOTAL COSTS			-685						-649			
OPERATING PROFIT/(LOSS)			397						241			
OPERATING PROFIT/(LOSS) (EBIT)						397						241
Financial income			68						55			
Other financial income	(o)		68				(o)		55			
Financial expenses	(p)		-120				(p)		-120			
Financial expenses from discounting of provisions for construction services required by contract and other provisions			-5						-1			
Other financial expenses	(q)		-115				(q)		-119			
Foreign exchange gains/(losses)	(r)		-				(r)		-			
FINANCIAL INCOME/(EXPENSES)			-52						-65			
Financial income/(expenses) from discounting of provisions				(p)		-5						-1
Other financial expenses, after other financial income				(o+q)		-47						-64
Share of profit/(loss) of investees accounted for using the equity method	(s)		-1	(s)		-1			-1			-1
PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS			344			344			175			175
Income tax (expense)/benefit			-103			-103			-154			-154
Current tax expense			-50						-2			
Differences on tax expense for previous years			-						1			
Deferred tax income and expense			-53						-153			
PROFIT/(LOSS) FROM CONTINUING OPERATIONS			241			241			21			21
Profit/(Loss) from discontinued operations			-			-			-			-
PROFIT/(LOSS) FOR THE PERIOD			241			241			21			21
of which:												
Profit/(Loss) for the period attributable to owners of the parent			237			237			17			17
Profit/(Loss) for the period attributable to non-controlling interests			4			4			4			4

RECONCILIATION OF THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION WITH THE RECLASSIFIED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

€m	31 March 2022					31 December 2021				
	Reported basis		Reclassified basis			Reported basis		Reclassified basis		
	Ref.	Main entries	Ref.	Sub-items	Main entries	Ref.	Main entries	Ref.	Sub-items	Main entries
Reconciliation of items										
Property, plant and equipment	(a)	165			165	(a)	171			171
Intangible assets	(b)	15.451			15.451	(b)	15.385			15.385
Investments	(c)	80			80	(c)	78			78
Deferred tax assets	(d)	133			133	(d)	134			134
Other non-financial assets	(e)	1			1	(e)	-			-
Total non-financial assets (A)					15.830					15.768
Trading assets	(f)	704			704	(f)	808			808
Trading liabilities	(k)	-1.406			-1.406	(k)	-1.583			-1.583
Current tax assets/(liabilities), net										
Current tax assets	(l)	30		(l+h)			27			
Current tax liabilities	(h)	-218				(h)	-168			
Net non-financial assets/(liabilities) held for sale or related to discontinued operations									(w+z)	
Assets held for sale or related to discontinued operations	(w)	-		(w+z)	-	(w)	-			-
Non-financial liabilities held for sale or related to discontinued operations	(z)	-				(z)	-			-
Other assets/(liabilities), net										
Other assets	(m)	170		(m+j)	-248	(m)	127			-274
Other liabilities	(j)	-418				(j)	-401			
Net working capital (B)					-1.138					-1.190
Gross invested capital (C=A+B)					14.692					14.578
Provisions for construction services required by contract				(y+n)	-3.174				(y+n)	-3.338
Current provisions for construction services required by contract	(y)	-1.016				(y)	-1.092			
Non-current provisions for construction services required by contract	(n)	-2.158				(n)	-2.246			
Deferred tax liabilities	(p)	-411			-411	(p)	-316			-316
Other non-financial liabilities	(q)	-30			-30	(q)	-30			-30
Non-financial liabilities (D)					-3.615					-3.684
NET INVESTED CAPITAL (E=C+D)					11.077					10.894
Equity attributable to owners of the parent		2.652			2.652		2.277			2.277
Equity attributable to non-controlling interests		366			366		371			371
Total equity (F)		3.018			3.018		2.648			2.648
Net debt (G)				(r+s+t+u+v)	8.059				(r+s+t+u+v)	8.246
Non-current financial liabilities	(r)	9.169				(r)	8.216			
Non-current financial assets	(s)	-503				(s)	-332			
Current financial liabilities	(t)	2.769				(t)	2.829			
Cash and cash equivalents	(u)	-3.198				(u)	-1.899			
Current financial assets	(v)	-178				(v)	-568			
NET DEBT AND EQUITY (L=F+I)					11.077					10.894
TOTAL NON-CURRENT ASSETS	(a+b+c+d+e-s)	16.333				(a+b+c+d+e-s)	16.100			
TOTAL CURRENT ASSETS	(f+i+w+m+u-v)	4.280				(f+i+w+m+u-v)	3.429			
TOTAL NON-CURRENT LIABILITIES	(-z-n-p-q+r)	11.768				(-z-n-p-q+r)	10.808			
TOTAL CURRENT LIABILITIES	(-k-h-j-y+t)	5.827				(-k-h-j-y+t)	6.073			

RECONCILIATION OF THE STATEMENT OF CHANGES IN CONSOLIDATED NET DEBT WITH THE CONSOLIDATED STATEMENT OF CASH FLOWS

EM	Q1 2022		Q1 2021	
	Consolidated statement of cash flows	Changes in consolidated net debt	Consolidated statement of cash flows	Changes in consolidated net debt
Reconciliation of items				
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES				
Profit/(Loss) for the period	241	241	21	21
Adjusted by:				
Amortisation and depreciation	152	152	134	134
Operating change in provisions, excluding uses of provisions for renewal of motorway infrastructure	-159	-159	-160	-160
Financial expenses/(income) from discounting of provisions for construction services required by contract and other provisions	5	5	2	2
Share of (profit)/loss of investees accounted for using the equity method	1	1	-	-
Impairment losses/(Reversal of impairment losses) and adjustments of current and non-current assets	-1	-1	1	1
(Gains)/Losses on sale of non-current assets	-	-	-	-
Net change in deferred tax (assets)/liabilities through profit or loss	53	53	153	153
Other non-cash costs (income)	-47	-47	-59	-59
Operating cash flow		245		92
Change in net working capital and other changes (a)		-63		-159
Change in operating capital and other changes (a)		-63		-159
Net cash generated from/(used in) operating activities (A)		182		-67
NET CASH FROM/(USED IN) INVESTMENT IN NON-FINANCIAL ASSETS				
Investment in assets held under concession	-196	-196	-162	-162
Purchases of property, plant and equipment	-12	-12	-15	-15
Purchases of other intangible assets	-15	-15	-18	-18
Capital expenditure (b)		-223		-195
Government grants for assets held under concession	-	-	-	-
Increase in financial assets deriving from concession rights (related to capital expenditure) (c)	-	-	4	4
Purchases of investments (d)	-1	-1	-	-
Investment in consolidated companies net of cash and cash equivalents acquired (e)	-	-	-159	-
Investment in consolidated companies, including net debt assumed	-	-	-	-184
Proceeds from sale of property, plant and equipment, intangible assets and unconsolidated investments (f)	1	1	-	-
Net debt or funds of consolidated companies transferred as part of corporate transactions (c)	-	-	-	1
Net change in other non-current assets	-	-	-	-
Net change in current and non-current financial assets (g)	410	-	-19	-
Net cash from/(used in) investment in non-financial assets (B)		-223		-374
Net cash generated from/(used in) investing activities (C)	(g+f-e-d+c+b)	187		-369
NET EQUITY CASH INFLOWS/(OUTFLOWS)				
Dividends declared by the Group and payable to non-controlling shareholders	-	-9	-	-
Dividends paid by the Group to non-controlling shareholders	-	-	-	-
Net equity cash inflows/(outflows) (D)		-9		-
Net cash used during period (A+B+D)		-50		-441
Issuance of bonds	988	-	984	-
Increase in lease liabilities	-	-	8	-
Increase in medium/long-term borrowings (excluding lease liabilities)	-	-	-	-
Redemption of bonds	-	-	-595	-
Repayments of medium/long term borrowings (excluding lease liabilities)	-69	-	-77	-
Repayments of lease liabilities	-3	-	-2	-
Net change in other current and non-current financial liabilities	12	-	-43	-
Net cash generated from/(used in) financing activities (E)		928		275
Change in fair value of hedging derivatives	-	171	-	16
Financial income/(expenses) accounted for as an increase in financial assets/(liabilities)	-	-1	-	-1
Other changes	-	67	-	67
Other changes in net debt (F)		237		82
Increase/(Decrease) in net debt during period (A+B+D+F)		187		-359
Net debt at beginning of period		-8.246		-8.557
Net debt at end of period		-8.059		-8.916
Increase/(Decrease) in cash and cash equivalents during period (A+C+E+G)		1.297		-161
NET CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		1.850		1.954
NET CASH AND CASH EQUIVALENTS AT END OF PERIOD		3.147		1.793

* * *

The manager responsible for financial reporting, Alberto Marco Milvio, declares, pursuant to section 2 of article 154-bis of the Consolidated Finance Act, that the accounting information contained in this release is consistent with the underlying accounting records.

The Group's net debt, as defined in the European Securities and Market Authority – ESMA Recommendation of 4 March 2021, amounts to €8,709m as at 31 March 2022 (net debt of €9,115m as at 31 December 2021).