



FS ITALIANE GROUP AND FERROVIE DELLO STATO ITALIANE SPA 2024 HALF-YEAR REPORT HIGHLIGHTS

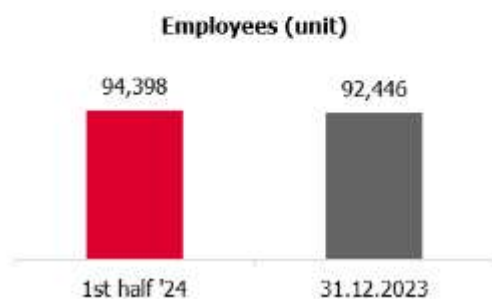
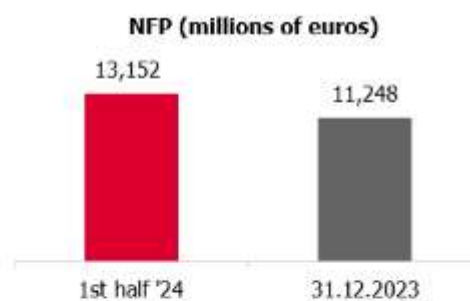
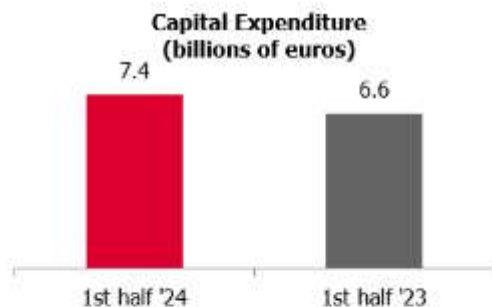
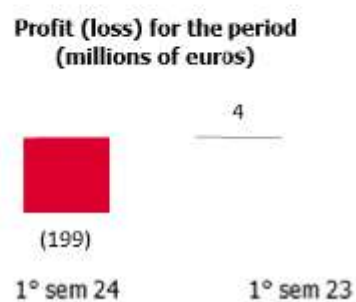
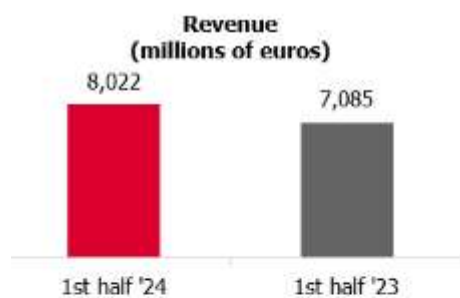
(Translation from the Italian original which remains the definitive version)

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Highlights



Main events

Intercompany reorganisation of the real estate business

In accordance with the resolution of FS's Extraordinary Shareholders' Meeting of 29 November 2023, on 10 January 2024, a deed of demerger by spin-off was entered into pursuant to Article 2506.1 of the Italian Civil Code, involving part of FS SpA's assets with assignment to a newly-established beneficiary company named Nuova Sistemi Urbani SpA, with effect from 15 January 2024, in order to carry out an intercompany reorganization by assigning the ownership and management of real estate assets which are not functional to the operation of railway or transport to the Urban Business Segment.

On 8 April 2024 the deed of merger of Nuova Sistemi Urbani into FS Sistemi Urbani was signed with legal effect from 18 April 2024, and accounting and tax effects running from 15 January 2024.

Remodulation of FS SpA's shareholders' equity

On 25 March 2024 there was the finalisation of the remodulation of FS's shareholders' equity as resolved upon by the Shareholders' Meeting on 29 November 2023. Specifically, after the legal terms had expired, the voluntary reduction of FS's share capital from €38,579,767,278 (as the amount already resulting from the finalisation of the intercompany reorganisation transaction of FS SpA's real estate business) to €31,062,952,307 was carried out, with a simultaneous increase in the legal reserve (up to saturation) and the capital reserve while still maintaining the total amount of FS SpA's shareholders' equity unchanged.

Finalisation of the sale of the former Milanese railway yards Farini and San Cristoforo

On 29 March 2024, there was the finalisation of the sale of the decommissioned Milanese Farini and San Cristoforo railway yards from FS Sistemi Urbani to REDEUS Fund – a closed-end real estate alternative investment fund managed by Prelios SGR SpA, at a total selling price of €489.5 million.

Sustainability Linked Facility

On 19 June 2024, FS entered into a new committed and revolving credit line, amounting to €3.5 billion and with a term of three years. The credit line, signed by FS with Banca Popolare di Sondrio, BNL-BNP Paribas, BPER, CaixaBank, Cassa Depositi e Prestiti, Crédit Agricole CIB, ING, Intesa Sanpaolo - IMI/CIB Division, and UniCredit, consists of a Sustainability Linked product based on contract clauses providing for mechanisms to revise the margin and commitment fee upon the achievement of targets related to three Key Performance Indicators (KPIs) linked to ESG issues. Specifically, the KPIs relate to (i) the percentage of Capex aligned with the EU taxonomy; (ii) energy intensity understood as the ratio of energy consumption to the Group's operating revenues; and (iii) the increase in the percentage of female employees to total workforce.

Funds from the credit line will be used to meet the Group's liquidity needs and will be allocated through intercompany loans to the subsidiaries that will benefit from them.

The Group's performance

Introduction

For the purposes of describing its financial position and performance, the FS Group prepared reclassified financial statements (statement of financial position and income statement presented on the next pages) in addition to those required by the EU IFRS adopted by the FS Italiane Group. The reclassified financial statements comprise performance indicators, which management deems useful in monitoring the Group's performance and in presenting the financial results of the business.

In order to enable a better understanding of the Group's financial performance in the in the first six months of 2024 and of the changes compared with the first half of 2023, it was deemed appropriate to provide separate evidence of the differences in the scope of consolidation due to the line-by-line consolidation of FS Treni Turistici Italiani Srl, Italia Loyalty SpA and of the Exploris Deutschland group companies, the results of operations of which had not been reported at 30 June 2023 because they were consolidated from 21 December 2023, 1 April 2024 and 1 January 2024, respectively.

Reclassified income statement

	millions of euros						
	First half of 2024	First half of 2023	Change	%	Change in consolidation scope	Change on a like-for-like basis	%
REVENUE	8,022	7,085	937	13	(89)	848	12
OPERATING COSTS	(7,015)	(6,111)	(904)	(15)	85	(819)	(13)
GROSS OPERATING PROFIT (EBITDA)	1,007	974	33	3	(4)	29	3
Amortisation, depreciation, provisions and impairment losses	(898)	(875)	(23)	(3)	2	(21)	(2)
OPERATING PROFIT (LOSS) (EBIT)	109	99	10	10	(2)	8	8
Net financial expense	(286)	(91)	(195)	(>200)	0	(195)	(>200)
PRE-TAX PROFIT (LOSS)	(177)	8	(185)	(>200)	(2)	(187)	(>200)
Income taxes	(22)	(4)	(18)	(>200)	1	(17)	(>200)
PROFIT (LOSS) FOR THE PERIOD	(199)	4	(203)	(>200)	(1)	(204)	(>200)
<i>PROFIT (LOSS) FOR THE PERIOD ATTRIBUTABLE TO THE OWNERS OF THE PARENT</i>	<i>(187)</i>	<i>25</i>	<i>(212)</i>				
<i>(PROFIT) LOSS FOR THE PERIOD ATTRIBUTABLE TO NON-CONTROLLING INTERESTS</i>	<i>(12)</i>	<i>(21)</i>	<i>9</i>				

The first half of 2024 ended with a **Loss for the period** of -€199 million compared to a profit of +€4 million recorded in the same period of the previous year, due substantially to the worsening of the balance of financial income and expenses, as described below.

The **Gross operating profit (EBITDA)**, equal to €1,007 million, showed an increase of €33 million (+3%) since it benefitted from the effect of a change in the scope of consolidation for €4 million.

Revenue increased by €937 million (+13%) as a result of the rise in Revenue from transport services for €367 million, Revenue from infrastructure services for €146 million, and other revenue for €424 million.

Specifically, with respect to the components of **Revenue from transport services** (+€367 million):

- revenue from the HS and Intercity business showed a total increase of €140 million, with the commercial service up +€134 million and the Intercity service up +€6 million. Revenue from the national HS business rose by €76 million (+9%) compared with the same period of the previous year, due to increasing demand volumes and with

increasing output level in terms of train-km; in addition, another €65 million revenue was generated by Intermodalidad de Levante while there was a decrease of €7 million in revenue generated by Trenitalia France. The Intercity business showed an increase of €6 million, mainly linked to higher demand volumes (passenger-km);

- revenue from the Regional railway passenger transport services showed a total increase of €140 million. During the first half of 2024, the Regional Business of Trenitalia SpA recorded an increase in revenue from traffic for €34 million (equal to +7%) compared to the first half of 2023 while revenue from service contracts with the Regions recorded a change of €103 million, mainly attributable to the effect of trends in the performance under Service Contracts;
- revenue from passenger road transport increased in the first half of 2024 by €21 million, of which €11 million in international transport and €10 million in domestic transport;
- revenue from rail freight transport posted an increase of €66 million. The item includes an amount of €83 million due to the effect of the Exploris Deutschland group companies joining the scope of consolidation; net of this effect, the item would show a decrease of €17 million, mainly as a result of the closure of crossings and works on the infrastructure, both domestic and foreign, which resulted in several train cancellations.

Revenue from infrastructure services increased by €146 million on the same period of the previous year. The change was mainly attributable to Anas (+€101 million), reflecting the trend in service and concession fees linked to road traffic, and to RFI SpA (+€45 million), due to an increase in toll revenue (+€13 million), as a result of both higher fares (ISTAT revaluation index) and traffic volumes, and in revenue from services under concession on the railway infrastructure (+€32 million), largely attributable to improvement works on the Central Umbrian Railway.

The increase in other revenue (+€424 million) was mainly linked to the disposal of the decommissioned Farini and San Cristoforo railway yards finalised by FS Sistemi Urbani SpA within the framework of the Programme Contract signed with the Municipality of Milan, at the selling price of €473 million, netted for €83 million by the performance obligations under the contract. The capital gain on the transaction carried out by the Group amounted to €118 million, as a result of the change in inventories of land and buildings for trading (-€126 million), the cost related to the transfer of 50% of the capital gain back to the Municipality of Milan (-€126 million), and the maintenance costs already incurred under the contract (-€20 million). Additional changes in other revenue mainly related to: energy costs passed on to third-party railway companies (+€33 million), higher revenues on the Metro Riyadh contract (+€33 million), the recognition of white certificates (+€17 million), and lower grants (-€61 million) allocated substantially to support the railway infrastructure.

Operating costs in the six months of 2024 stood at €7,015 million, up by €904 million (+15%) on the same period of the previous year. Net of the effect of the change in the scope of consolidation (higher costs of €85 million recognised in June 2024), the change would be lower and equal to €819 million (+13%). Specifically:

- net personnel expense increased by €330 million, €320 million net of the change in the scope of consolidation, mainly due to higher personnel costs for employees (€293 million), as a cumulative effect of the growth in the workforce compared with the previous comparison period, and the generalised increase in unit labour cost following the 2022 contract renewal, the last tranche of which was paid as from August 2023 (+183 million), as well as higher provisions set aside for contract requirements (+€74 million);
- other net costs increased by €574 million and were mainly attributable to: (i) higher costs for raw materials, supplies, consumables and goods for resale (+€312 million), above all for electricity and fuels for traction (+€105 million), materials for investment projects (+€69 million), and the change in inventories of land and

buildings for trading in connection with the aforementioned sale of Scalo Farini railway yard (+€126 million); (ii) higher costs for services (+€417 million), in particular transport services (+€53 million), asset maintenance (+€58 million), and road infrastructure operating costs (+€71 million), following an increase in output and traffic; (iii) greater capitalisations (-€152 million) related to the value of capitalised costs for materials, personnel, IT services and transport.

The change in the scope of consolidation generated an incremental effect of €75 million on these costs.

The **operating profit (EBIT)** amounted to €109 million (€99 million at 30 June 2023, +€10 million), and was affected by higher amortisation and depreciation of €15 million, as well as by higher write-downs of €8 million.

The **net financial expense**, showing a balance of €286 million, worsened by €195 million on the same period of the previous year (€91 million). Financial income recorded an increase of €8 million, mainly as a result of higher interest income from factoring and consumer credit; financial expense rose by €195 million, mainly for higher financial costs on payables (+€63 million), and higher accruals to provisions for risks and charges (€141 million).

In detail, the item includes a provision amounting to €153 million, which became necessary following the judgment no. 06983/2024 issued by the Council of State on 5 August 2024, in settlement of the dispute brought by Arriva Italia Srl, Ferrotramviaria SpA and COTRAP, against MIT Decree no. 248 of 4 August 2016, whereby FS SpA had been identified as the entity to which the investment in FSE Srl, held by MIT at that time, had to be transferred.

In said ruling, the Council of State granted the appeal filed by Arriva Italia Srl, Ferrotramviaria SpA and COTRAP resulting in the annulment of the MIT Decree of 4 August 2016 in the part in which it identified FS SpA as the entity to which FSE had to be transferred, subject to the disapplication of Law no. 208/2015 in the part in which it provided for the allocation of €70 million in favour of FSE. The provision takes into account the directors' assessments of the elements of uncertainty related to FSE's capital and financial position following the ruling.

Finally, the results of the equity-accounted companies bring to this item a decrease of €8 million.

Income taxes for the period amounted to €22 million (€4 million in the comparative period) due to the higher IRAP (Regional Production Activity) tax for the period due to the higher taxable income and lower deferred tax assets recognised on tax losses related to foreign Group companies.

Reclassified statement of financial position

millions of euros

	30.06.2024	31.12.2023	Change
ASSETS			
Net operating working capital	(1,129)	(2,013)	884
Other assets, net	3,571	4,254	(683)
Working capital	2,442	2,241	201
Net non-current assets	55,221	53,827	1,394
Other provisions	(2,654)	(2,731)	77
Net assets held for sale			
NET INVESTED CAPITAL	55,009	53,337	1,672
COVERAGE			
Net current financial (position) debt	2,083	(826)	2,909
Net non-current financial (position) debt	11,069	12,074	(1,005)
Net financial position	13,152	11,248	1,904
Equity	41,857	42,089	(232)
COVERAGE	55,009	53,337	1,672

The Group's **Net invested capital**, amounting to €55,009 million, increased during the first six months of 2024 by €1,672 million as a result of the increase in **Working capital** (+€201 million), and in **Net non-current assets** (+€1,394 million), as well as a reduction in **Other provisions** (+€77 million).

Net operating working capital, which stood at a negative amount of €1,129 million, showed a positive change of €884 million compared to the previous year, mainly due to:

- lower trade payables (+€996 million), mainly linked to the trends in the payments made in the six months in relation to investment works and deliveries of rolling stock;
- higher inventories (+€28 million), mainly related to the effect of greater acquisitions to meet investment requirements, and to increase the inventory level of rolling stock needed to support the maintenance work during the period (+€181 million), offset by a decrease in land and buildings for trading (-€135 million), mainly linked to the aforementioned disposal of the decommissioned Farini railway yard, and a decrease in white certificates (-€18 million) as the net effect between the recognition of certificates accrued against energy savings achieved and sales made during the period;
- lower trade receivables (-€162 million) as a result of the amounts collected in the period, particularly for the foreign Metro Riyadh contract;
- higher receivables relating to the Service Contract from the Ministry of Economy and Finance and the Service Contract from the Regions (+€22 million), due to the receivable accrued by Trenitalia in connection with the dynamics of fee regulation.

Other assets, net, which amounted to €3,571 million, were down by €683 million, essentially due to lower net receivables from the Ministry of Economy and Finance, (MEF), the Ministry of Infrastructure and Transport (MIT), and other Italian Government bodies/authorities (-€260 million), as an effect of the accruals-based accounting of new grants, net of receipts

and significant recoveries in respect of costs accrued so far on work in progress, and of the write-off of the receivable from MIT, as a contra-entry to Equity reserves, in favour of FSE (€70 million), referred to in Law no. 208/2015, as a result of the judgment issued by the Council of State on 5 August 2024, as previously mentioned. In addition to this, there was an increase in other net payables (-€376 million) due to the increase in railway tickets sold but non used at 30 June 2024, and to the advances on the grant for freight for 2024, as well as a net increase in VAT debt for the period (-€47 million).

Net non-current assets, which stood at €55,221 million, increased by €1,394 million, substantially due to:

- the €5,560 million increase in investments for the period, offset by the set-up grants recognised on an accruals-basis, equal to €3,332 million, and by amortisation and depreciation for the period of €869 million;
- the change in the scope of consolidation (+€78 million) due to the entry of the Exploris Deutschland Group and Italia Loyalty SpA into the scope of consolidation;
- a decrease in other equity investments due to the line-by-line consolidation of the Exploris Group (-€49 million);
- reclassifications in investments (-€29 million), which occurred during the period, and which were mainly related to changes in the intended use of the areas concerned and to disposals and divestments (-€4 million);
- the increase in the value of equity-accounted investments (+€30 million), mainly due to the results for the period.

The paragraph below provides a breakdown of the Group's technical investments.

Other provisions decreased by €77 million, essentially as a result of the reduction in post-employment benefits and other employee benefits (+€51 million), mainly following payments and advances paid to personnel during the period, and a decrease in other risk provisions (+€19 million) linked to the changes in accruals, utilisations and releases for the period.

millions of euros			
Net financial position	30.06.2024	31.12.2023	Change
Net current financial (position) debt	2,083	(826)	2,909
Cash pooling accounts	(540)	(233)	(307)
Fifteen-year grants from the MEF to be collected	(10)	(10)	
Loans and borrowings from other financial backers	5	11	(6)
Bank loans and borrowings	5,251	3,783	1,468
Bonds	1,102	456	646
Concession assets	(3,321)	(3,314)	(7)
Contract advances	576	577	(1)
Current financial liabilities	219	216	3
Current derivatives	(28)	(43)	15
Other	(1,171)	(2,269)	1,098
Net non-current financial (position) debt	11,069	12,074	(1,005)
Fifteen-year grants from the MEF to be collected	(85)	(85)	0
Loans and borrowings from other financial backers	2	2	0
Bank loans and borrowings	1,651	1,622	29
Bonds	8,084	9,107	(1,023)
Concession assets	(361)	(235)	(126)
Contract advances	1,227	1,220	7
Non-current financial liabilities	667	713	(46)
Non-current derivatives	(54)	(45)	(9)
Other	(62)	(225)	163
Total	13,152	11,248	1,904

The **Net financial position (NFP)** showed a net debt of €13,152 million at 30 June 2024, showing an increase of €1,904 million compared to 31 December 2023, due to the net effect of the following factors:

- the decrease in bonds (-€377 million), substantially attributable to the repayment of principal and interest accrued in the period;
- the increase in bank loans and borrowings (+€1,497 million), mostly due to the following opposing effects:
 - the rise in current and non-current funding to finance part of the Group's requirements (+€1,950 million);
 - the repayment of principal on loans from the EIB, Intesa Sanpaolo, Unicredit and BPM, mainly used to finance the purchase of new rolling stock for medium, long-haul and regional transport (-€576 million);
 - the increase relating to the Group's factoring transactions (+€231 million);
 - the decrease in bank overdrafts (-€116 million);
- the decrease in financial lease liabilities (-€43 million), mainly as a result of the payments made during the period, offset by the recognition of new liabilities as a contra-entry against stated right-of-use assets and financial costs for the period;
- the decrease in loans and borrowings from other financial backers (-€6 million), substantially due to the repayment of the loans with Cassa Depositi e Prestiti taken out to finance railway infrastructure (Traditional and High-Speed Networks);
- the increase in the cash pooling balance (-€307 million), which comprises the payments made by the MEF in accordance with the Programme Contract for railway infrastructure;
- the increase in financial assets for service concession arrangements (-€133 million), which was due to the net effect of the increase in receivables due in connection with the production output on the infrastructure operated under concession arrangements and mainly referring to roads, and the decrease due to amounts collected in the period from refunds from the relevant Ministries or Authorities;
- the net decrease in other financial assets and liabilities (+€1,261 million), mainly due to the reduction in liquid assets connected with the payment trends during the period (+€932 million), the decrease in other financial receivables due to the outcome of an enforcement procedure pending before the Civil Court of Rome for litigation (+€106 million), and the increase in other financial liabilities (+€213 million), mainly due to the advance payment of the MIT's grants collected on behalf of investee company TELT;
- the increase in contract advances (+€6 million) due to grants cashed for works not yet executed relating to Anas SpA;
- the net decrease in derivatives (-€6 million) due to the trend in interest rates during the period.

Equity decreased from €42,089 million to €41,857 million, reporting a decrease of €232 million, mainly as a result of:

- the loss for the period, equal to €199 million;
- the positive change in valuation reserves for actuarial gains for employee benefits (+€12 million);
- the change related to minority interests' equity (+€25 million), mainly attributable to the increase in the share capital of Intermodalidad de Levante SA (€22 million);
- the negative change in profits carried forward (-€70 million) as a result of the write-off of the receivable from MIT, as described above.

Finally, it should be noted that on 25 March 2024 the equity of FS SpA underwent, in execution of the shareholders' meeting resolution dated 29 November 2023, a remodulation that kept the total amount unchanged. For more details, please refer to the paragraph on the "Financial performance of Ferrovie dello Stato Italiane SpA."

Technical investments

During the first half of 2024, the Ferrovie dello Stato Italiane Group developed and managed "Technical investments"¹ of approximately €7.4 billion, 99% of which in Italy, broken down as follows:

- approximately 85.3% of the accounting entries concerned the Infrastructure Business Segment, in the context of which an amount of €4,432 million was invested in RFI's projects, and an amount of €1,634 million in those of the Anas group;
- approximately 12.5% focused on the Passenger transport Business Segment. Specifically, Trenitalia invested €851 million, the Busitalia group €31 million, and the other companies operating abroad invested €25 million (Netinera, Trenitalia C2C, Trenitalia UK, Trenitalia France, ILSA and Hellenic Train);
- approximately 1.6% concerned the Logistics Business Segment for freight transport projects, both in Italy and abroad, with total investments standing at €120 million;
- approximately 0.6% was related to the Urban transport Business Segment and to companies providing services across the Group, realised by FS Sistemi Urbani, FS Park, FSTechnology and Ferservizi.

	millions of euros			
	First half of 2024	First half of 2023	Change	% change
Infrastructure	6,278	5,794	485	8
Passenger Transport	919	748	171	23
Logistics	120	51	69	135
Urban	4	12	(8)	(67)
Other Services*	36	16	20	125
TOTAL	7,357	6,621	737	11

*The stated figures include consolidation adjustments

¹ In addition to the Consolidated Investments described above, Technical investments includes the investments accounted for in accordance with IFRIC 12, mainly attributable to Anas SpA (above €1.6 billion) while the remainder is comprised of the investments of the special-purpose entities not consolidated on a line-by-line basis (e.g. TLF, BBT etc.).

Performance of the Business Segments

The long-term strategic and industrial vision outlined in the Group Business Plan has among its main objectives: (i) provide certainty of execution of infrastructure works on schedule; (ii) encourage multimodal collective transport over private transport; (iii) increase up to double rail freight transport compared to 2019; iv) make rail and road infrastructures more sustainable, accessible, effectively integrated with each other and resilient while increasing their equipment in order to also reduce the gap between the north and south of Italy; v) increase the Group's degree of energy autonomy, covering at least 40% of its needs with self-production through renewable sources and contribute to the ecological transition in Italy in this field too.

In order to realise the strategic vision, the Plan has envisaged a major reshaping of governance and an organisational structure of the Group that aggregates FS subsidiaries into four Business Segments: Infrastructure, Passenger Transport, Logistics and Urban, each of which has its own roles and strategic objectives that are clearly defined and aimed at developing the potential of the various Group companies to the fullest and make the most of their synergies. In addition to these, the Group has Other Services, which are common to all four segments and facilitate them in their pursuit of the objectives set out in the Plan.

During the first half of 2024, as part of the corporate reorganisation project consistent with the FS Group's Governance Model and Business Plan described above, the following transactions affecting the structure of the Business Segments were carried out:

- demerger of the real estate branch of FS SpA in favour of the newly-established company Nuova Sistemi Urbani SpA (subsequently merged into Sistemi Urbani SpA), effective from 15 January 2024;
- demerger of Italferr SpA's investment in Cremonesi Workshop Srl in favour of FS Sistemi Urbani SpA, effective from 1 January 2024;
- demerger of RFI SpA's investment in Terminali Italia Srl for the benefit of Mercitalia Logistics SpA, effective from 29 May 2024;
- demerger of the Energy BU branch of Ferservizi SpA in favour of RFI SpA, effective from 1 May 2024.

In line with the Group's Business Plan and IFRS 8 - Operating segments, the FS Group's performance of operations, technical investments and main KPIs are analysed below with regard to the performance of the Business Segments.

Infrastructure

The infrastructure segment designs, builds, manages and maintains the infrastructure networks for rail, road and motorway transport in Italy and abroad. It is tasked with maximising industrial synergies and encouraging the specialisation of the different infrastructures while ensuring the complete integration of road and rail transport, including by supporting EU and Italian programmes.

The infrastructure segment companies are Rete Ferroviaria Italiana SpA, the head of this segment whose mission is to serve as the national railway infrastructure operator, responsible for the maintenance, use and development of the rail network and related safety systems, beside managing research and development in the field of railway transport and providing connection services to Italy's largest islands by sea, in addition to Anas SpA, which, through its subsidiaries, operates Italy's national-

interest road and the national motorway networks. Italferr SpA, the group's engineering company, also contributes to the results of this segment. The other group companies active in the Infrastructure Business Segment on an exclusive or incidental basis are: FSE Srl, Grandi Stazioni Rail SpA, Brenner Basis Tunnel SE (BBT), Tunnel Ferroviario del Brennero SpA (TFB) and Tunnel Euralpin Lyon Turin (TELT).

The Infrastructure Business Segment covers in Italy an infrastructure, rail and road network of nearly 50 thousand km, distributed widely throughout Italy, ensuring connectivity and integration through the enhancement of quality and safety standards.

As at 30 June 2024, the national railway infrastructure operated by RFI, according to Ministerial Decree no. 138T of 31 October 2000, amounted to 16,879 km. As at that date, the extension of the lines, according to the classification used for the purpose of calculating the railway network usage fee, in accordance with Ministerial Decree no. 43/T of 21 March 2000, was as follows:

- 6,453 km of core lines with high traffic density;
- 9,476 km of complementary lines, which make up a dense network of regional connections and interconnections with main lines;
- 950 km of hub lines, which are located in major metropolitan areas.

Double-track lines over 7,756 km, equal to 46% of the total, are electrified over 12,277.4 km (72.7% of the total).

The total length of tracks amounts to 24,635.2 km, including 1,467.2 km of HS/HC network tracks.

All network lines are equipped with one or more train speed protection systems, which make the railway infrastructure operated by RFI one of the safest in Europe. In particular, the lines of the new HS/HC network are equipped with ERTMS/ETCS, the European standard signalling system. At present this technology is applied to about 1,176.7 km of line.

As at 30 June 2024, "operational" railway companies, which were authorised to carry out rail transport activities under a license issued by ANSFISA (the National Agency for the Safety of Railways and Road and Motorway Infrastructure) or the ERA (European Railway Agency), in accordance with the 4th railway package (Directive (EU) 2016/798, implemented in Italy by Legislative Decree no. 50 of 14 May 2019), are 40 (22 for freight only, 12 for passenger only, and 6 licensed for both passenger and freight service)².

During the period from January to June 2024, an average of more than 9,900 trains per day ran on the national rail network for a total volume of about 190.9 million kilometres travelled, showing an increase of about 0.8% compared to the first half of 2023.

In Italy, the FS Group operates the RFI network, as well as about 474 km of the Ferrovie del Sud Est line, which runs through the provinces of Puglia, is electrified for 82 km and almost entirely single-track, with an offer of about 1.9 million train-km during the first half of 2024.

The FS Italiane Group then operates, through its subsidiary Netinera, about 300 km of lines abroad, with 60 stations used for passenger transport service. The output achieved during the first half of 2024 was about 29.8 million train-km.

With regard to road infrastructure, the FS Group operates, through its subsidiary Anas, about 32,300 km of state roads, including about 1,574 km of motorways.

² ERADIS database operated by ERA.

	millions of euros			
	First half of 2024	First half of 2023	Change	%
Revenue from sales and services	3,404	3,210	194	6.0
Other income	100	100		
Revenue	3,504	3,310	194	5.9
Operating costs	(3,405)	(3,056)	(349)	(11.4)
Gross operating profit (EBITDA)	99	254	(155)	(61.0)
Operating profit (loss) (EBIT)	(66)	70	(136)	(>200)
Profit (Loss) for the period (attributable to owners of the parent and non-controlling interests)	(115)	19	(134)	(>200)
	30.06.2024	31.12.2023	Change	
Net invested capital	40,408	39,241	1,167	
Net financial (position) debt	4,474	2,969	1,505	
Equity	35,934	36,272	(338)	

During the first half of 2024 the Infrastructure Business Segment showed a net Loss for the period of €115 million, down €134 million compared to the same period of 2023.

Revenue amounted to €3,504 million at 30 June 2024, up by €194 million on the first half of 2023. The change was mainly due to the combined effect of the following factors:

- the increase in Anas' revenue by roughly €98 million, substantially due to higher revenue from agreements for concession services and investments for €123 million (with a corresponding increase in costs), and lower income from motorway operators for about €22 million;
- an increase of €119 million in RFI's revenue and income, mainly due to the combined effect of:
 - lower revenue from grants (-€51 million);
 - higher toll revenue (+€27 million) due to higher volumes;
 - higher revenue from the sale of electricity for train traction (+€107 million), mainly linked to the trend in energy prices (with a corresponding increase in costs);
 - higher revenue from concession services (+€32 million).

During the first half of 2024, **EBITDA or gross operating profit** of the Infrastructure Business Segment came to a positive value of €99 million, showing a decrease of €155 million compared to the same period in 2023, mainly due to the reduction in RFI's EBITDA of €115 million, primarily due to higher personnel costs (+€132 million), resulting from the recruitment plan.

The **operating profit/loss (EBIT)** of the Infrastructure Business Segment posted a negative value of €66 million in the first half of 2024, down €136 million on the same period of 2023: the deterioration in EBITDA was mitigated by lower amortisation and depreciation (-€11 million), and lower write-downs on receivables (-€8 million), mainly from RFI.

Net financial expense in the period amounted to €50 million, with an increase of €5 million compared to the first half of 2023, mainly due to lower income from Anas investee companies consolidated according to the equity method.

Income taxes of the Business Segment amounted to a positive value €1 million in the first half of 2024, showing an improvement of €7 million compared to the same period in 2023.

The Infrastructure Business Segments' **technical investments** stood at €6,278 million in the first half of 2024 (€5,794 million in the first half of 2023), accounting for about 85% of the Group's total technical investments. RFI's projects accounted for €4,432 million (including €3,862 million for the Conventional/HC Network, €94 million for the HS Network, and €476 million for advances paid to suppliers) while those of the Anas group accounted for €1,634 million (including contract advances to suppliers of €133 million).

In detail, RFI's technical investments (71% of the total amount invested in the Infrastructure Business Segment) was allocated as follows:

- 30% to safety, technologies and upkeep. It should be noted that an amount of €254 million (about 6% of total spending) was dedicated to interventions in cutting-edge technologies;
- 70% to the implementation of works on routes of national interest, infrastructure development projects on the Conventional/HC network, and major works executed for construction lots, mainly on the HS/HC lines of Verona-Padua. Verona-Vicenza section, and Milan-Verona, Brescia-Verona section. Also of note are the works carried out on the Naples-Bari line and the Terzo Valico dei Giovi section.

During the first half of 2024, RFI published 131 calls for tenders worth €4.3 billion, including €1.7 billion for supplies and services, and €2.6 billion for works, and there were final awards of 126 tenders worth €5 billion, including 50 tenders worth €4.4 billion for the awarding of works.

In focusing on the main 25 infrastructure activations in the first half of 2024, 9 of these involved infrastructure developments, 8 involved the upgrading of lines, and 8 involved stations.

It should also be noted that, during the first half of 2024, works were carried out on the renovation of Tracks on 523 km, renovation of Switches for 468 elements, and renovation of Overhead Lines for Electric Traction on 69 km as part of the upkeep of rail infrastructure.

With regard to the road network operated by the Anas group, technical investments (26% of the total expenditure of the Infrastructure Business Segment) was allocated for:

- about 45% to new works;
- 48% to maintaining the efficiency of the existing road infrastructure;
- the remaining part mainly for other interventions on technological and IT equipment.

During the first half of 2024, Anas published 20 calls for tenders worth €0.2 billion, including 2 tenders for the awarding of new works of construction, and there were final awards of 56 tenders worth a total of about €2.4 billion, including 30 tenders worth €2.2 billion for the awarding of works.

The main infrastructure activations concerned the State Roads SS 260 Picente, SS 268 Vesuvio, SS 95 Brienza, SS 125 Orientale Sarda and SS 117 Centrale Sicula.

It should also be noted that, during the first half of 2024, Pavement renovation works were carried out on 2,576 km and Barrier replacement works on 70 km as part of the works to maintain the efficiency of the road infrastructure.

Passenger transport

The objective of the passenger transport business segment is to create a multi-modal business offer, the advantage of which is to exploit the characteristics of the various types of transport in order to develop an integrated, affordable, reliable and sustainable service, which is increasingly customised and responds to individual passengers' needs in accordance with the principles of environmental, social and governance sustainability.

The Passenger Transport business segment includes the group companies that operate road and rail passenger transport. Rail transport is mainly operated by Trenitalia SpA, the Lead Company of this business segment whose mission is to cover the national and international passenger transport sector, including the promotion, implementation and management of initiatives and services in the field of passenger transport; all this is done through the development of an integrated offer of products and services, and the operation of a comprehensive mix of distribution channels. In addition, the Business Segment's performance is contributed to by: the Netinera group, which operates rail-road transport in regional and metropolitan areas in Germany; Hellenic Train, which is the incumbent company for rail passenger services in Greece (main line Athens-Thessaloniki); Trenitalia UK, which operates, through its wholly-owned subsidiary Trenitalia c2c, commuter-type connections on the London-South Essex line; ILSA, which offers connections on High-Speed lines in Spain (on the three main corridors linking Madrid with Barcelona, Valencia, and Seville); Trenitalia France, which operates in the High-Speed segment in France both through cross-border Milan-Paris connections and on domestic services between Paris and Lyon); and FSE as the concessionaire for road and rail transport services in Puglia, Italy.

The Passenger Transport segment also offers road urban and medium/long-haul passenger transport, which is mainly provided by the group consisting of Busitalia-Sita Nord Srl and its investees (including the Dutch company QBuzz), as well as by the Netinera group and FSE, as mentioned above.

Rail passenger transport	First half of 2024	First half of 2023	% Change
Long-Haul transport – Market			
Passenger-Km – <i>millions</i>	10,810	9,454	14.3
Train-Km – <i>thousands</i>	39,611	35,990	10.1
Long-Haul transport – Universal service			
Passenger-Km – <i>millions</i>	2,176	2,089	4.2
Train-Km – <i>thousands</i>	13,956	13,620	2.5
Regional Transport			
Passenger-Km – <i>millions</i>	10,810	10,341	4.5
Train-Km – <i>thousands</i>	110,446	108,950	1.4
Total			
Passenger-Km – <i>millions</i>	23,796	21,884	8.7
Train-Km – <i>thousands</i>	164,013	158,560	3.4

In the first half of 2024, the mobility levels of the FS Italiane Group companies were still on the rise, thanks in part to the strong recovery in tourist flows.

Among the initiatives that strengthened the offer in Italy and abroad in the first half of the year, we can mention the new connections by sea in view of the summer vacations, which became operational as early as June, and the execution of a preliminary agreement for the operation of Frecciarossa trains between Italy and Germany by the end of 2026, with direct links from Rome and Milan to Munich.

Rail passenger traffic volumes achieved by the Passenger transport Business Segment companies in the first half of 2024 amounted to 23.8 billion passenger-km, 79% of which related to Trenitalia SpA, up by 8.7% compared to the first half of 2023.

In detail, the long-haul services segment (Market and Universal Service), with about 13 billion passenger-km, showed a growth of 18.5% compared to the first half of 2023, thanks to the excellent performance of market-based services (+14.3%). The universal service, too, whose bidding model is defined by the public contracting authority, recorded a good performance in terms of volumes of passenger-km transported (+4.2% compared to the first half of 2023).

The output of long-haul services was about 53.6 million train-km, up by 12.6% compared to the first half of 2023, mainly due to the increased provision of market-based services (+10.1%).

In regional transport, demand met in the first half of 2024 was about 10.8 billion passenger-km, both in Italy and abroad, up by 4.5% from the same period in the previous year, against an output showing a slight growth (+1.4%).

Local Public Road Transport	First half of 2024	First half of 2023	% Change
Passenger-Km – millions	927	903	2.7
Bus Km – thousands	83,523	80,120	4.2

With regard to local public transport (LPT), the FS Italiane Group met a demand for 927 million passenger-km in the first half of 2024, up by 2.7% compared to the first half of 2023, with a supply of about 83.5 million vehicle-km (+4.2%).

Maritime transport	First half of 2024	First half of 2023	% Change
Passenger-Km – millions	7.9	11.5	(31.3)
Ship-Km – thousands	242.4	311.5	(22.2)

Finally, the maritime transport business met a demand of about 7.9 million passenger-km in the maritime passenger transport, down by 31.3% compared to the first half of 2023, with a supply of about 242.4 thousand ship-km, down by 22.2% compared to the same period in 2023. The sharp decline was a result of subsidiary Blue Jet ceasing to operate the Messina - Reggio Calabria route, which now operates only Messina - Villa San Giovanni service. The Messina - Reggio Calabria route was distinguished for commuter transport.

millions of euros

	First half of 2024	First half of 2023	Change	%
Revenue from sales and services	3,983	3,652	331	9.1
Other income	76	68	8	11.8
Revenue	4,059	3,720	339	9.1
Operating costs	(3,276)	(2,975)	(301)	(10.1)
Gross operating profit (EBITDA)	783	745	38	5.1
Operating profit (EBIT)	145	132	13	9.8
Profit for the period (attributable to the owners of the parent and non-controlling interests)	19	59	(40)	(67.8)
	30.06.2024	31.12.2023	Change	
Net invested capital	12,169	11,589	580	
Net financial (position) debt	9,253	8,500	753	
Equity	2,916	3,089	(173)	

The Passenger transport Business Segment ended the first half of 2024 with a Net profit for the period of €19 million, showing a decrease of €40 million compared to the same period in 2023.

Revenue of the Business Segment amounted to €4,059 million in the first half of 2024, showing an increase compared to the same period in 2023 (+€339 million, +9%), attributable to higher traffic revenue (+€198 million, +10%), higher revenue from service contract (+€103 million, +7%) and other revenue from services (+€32 million, +48%), mainly revenue from services to Railway Companies and ancillary services to operation.

The rail and road transport Business saw an overall increase of about €198 million in traffic revenue, mainly related to the growth in the volumes of road passenger transport in the HS Business segment, both in Italy (+€75 million) and abroad (+€73 million), as well as of Trenitalia's Regional Business (+€33 million) and Intercity business (+€7 million). Traffic revenue from the domestic and foreign road passenger transport Business recorded an increase of €14 million compared to the first half of 2023, which was attributable to higher proceeds from ticketing.

Revenue from service contract showed an increase of €103 million, which was attributable to the Regional Business of Trenitalia.

The increase in demand was closely related to the recovery in travellers' mobility, thus strengthening the good performance recorded since the beginning of the year for leisure time/weekends, and the resumption of business travel and commuting traffic.

The **Gross operating profit (EBITDA)** of the Passenger transport Business Segment amounted in the first half of 2024 to €783 million, up by €38 million compared to the first half of 2023. The improvement in terms of revenue is reduced by the increase in other operating costs (+€301 million), mainly linked to the larger offer, and higher personnel costs.

The **Operating profit (EBIT)** stood at €145 million, showing an increase of €13 million compared to the first half of 2023: the improvement at the EBITDA level was reduced by higher amortisation and depreciation for the period (-€15 million).

Net financial expense totalled €112 million, showing an increase of €31 million compared to the same period in 2023, mainly due to higher borrowing costs.

Income taxes of the Business Segment posted a negative value of €14 million in the reporting period, showing a deterioration of €23 million compared to the same period in the previous year.

With regard to **technical investments**, the Passenger transport Business Segment absorbed about 12% of the Group's total expenditure, equal to €919 million (€748 million in the first half of 2023), for works dedicated to rail and road passenger transport, both in Italy and abroad. Specifically, Trenitalia reported an expenditure of €851 million (93% of total technical

investments in the Passenger transport Business Segment), the Busitalia Group for €31 million and the remaining companies operating abroad for €25 million.

In rail transport, Trenitalia allocated 69% of technical investments to the purchase of rolling stock, 2% to the upgrading of carriages in service, 7% to the technological upgrading of vehicles, information systems, the upkeep and development of maintenance facilities, and the remaining 22% to cyclical maintenance.

The main investment projects broken down by business area are:

- HS Passenger Transport Business (€341 million, of which an amount of about €96 million was dedicated to cyclical maintenance). Technical investments mainly concerned the renovation of the vehicle fleet with revamping interventions on the ETR 600 fleet, and the upgrading of the Clima System of the ETR500 fleet. The interventions on the Facilities included the definition of the new working plan, which also provides for the upgrading of the Current Maintenance Facility (IMC) of Naples Frecciarossa, Rome San Lorenzo, and the Dynamic Multipurpose Facility (IDP) in Naples.
- Intercity Passenger Transport Business (€57 million, of which an amount of about €41 million was dedicated to cyclical maintenance). Technical investments concerned revamping activities, mainly with interventions on Intercity carriages, with the upgrading of the fire-fighting system and the activation of the new Clima system (€5 million);
- Regional Passenger Transport Business (€423 million, of which an amount of approximately €52 million was dedicated to cyclical maintenance). The works involved the delivery of Pop (for €89 million), Rock (for €186 million) and Blues (for €76 million) trains; face-lift interventions on Commuter trains (TAF) (for €0.8 million) aimed at increasing comfort; and upgrades on the fire-fighting system on the MD coaches (€0.9 million), which are still in progress.

The table below shows the deliveries of major procurement projects and releases into operation of rolling stock undergoing revamping.

	no. of vehicles	
	New material	Reconditioned material
Locomotives	-	83
HS/Intercity	-	83 ²
Coaches/carriages	-	103
HS/Intercity	-	69 ³
Regional	-	34 ⁴
Trains	47	4
HS/Intercity	-	2 ⁵
Regional	47 ¹	2 ⁶

¹ Rock trains no. 17, Pop-trains no. 21; Blues trains no. 9

² Upgrading of Clima system on ETR500 fleet no. 33; Fire prevention system E402B – E403 no. 50

³ Fire prevention system on IC carriages no. 20; New Clima system on IC trains no. 49

⁴ Fire prevention system on carriages no. 34

⁵ Rebranding of the ETR 600 fleet no. 2

⁶ Commuter trains TAF no. 2

In the area of road transport, the Busitalia group made technical investments of €31 million (3% of expenditure in the Passenger transport Business Segment) in the first half of 2024, mainly relating to the purchase of new buses for LPT services in Veneto and Holland. The first half of 2024 saw deliveries of 11 Buses for LPT services in Veneto (of which 8 CNG-powered and 3 hybrid buses).

Logistics

Over the ten-year term of the business plan, the Logistics Business Segment's mission is to double the share of freight carried by rail compared to 2019 and drive the evolution of its position in the logistics chain, so that it does not merely play a role in certain segments only, but can become a genuine player in multi-modal logistics, including through partnerships.

Mercitalia Logistics S.p.A. is the Group's main logistics company and the head of this segment. Its mission is to cover the national and international logistics and freight transport sector, including the promotion, implementation, management and sale of initiatives and services in the field of logistics, mobility and freight transport. This Business Segment includes seven companies operating nationally and internationally, including Mercitalia Rail, the largest railway freight company in Italy and one of Europe's largest, the TX Logistik group (operating primarily in Germany, Austria, Switzerland and Denmark) and Mercitalia Intermodal, the largest combined road/rail transport company in Italy and the third largest in Europe.

Freight transport (*)	First half of 2024	First half of 2023	% Change
Tonne-Km – <i>millions</i>	9,793	11,065	(11.5)
<i>abroad</i>	4,583	5,447	(15.9)
Train-Km – <i>thousands</i>	20,833	22,719	(8.3)
<i>abroad</i>	9,539	10,483	(9.0)

(*) It does not include the share of freight traffic developed by Hellenic Train, amounting to 113.9 million tonne-km (133.4 million tonne-km in the first half of 2023) and 247.1 thousand train-km (318.3 thousand train-km in the first half of 2023).

With regard to freight traffic, the weakness of world trade and geo-political tensions³ penalised the performance of the companies in the Logistics Business Segment, which, in Italy and abroad, showed a sharp decline in the first half of 2024, standing at about 9.8 billion tonne-km (-11.5%), against an output of 20.8 million train-km, which also showed a decline compared to the same period in the previous year (-8.3%).

It should be noted that, among the initiatives in the six-month period, in January 2024 the Business Segment started operations on a new freight service by train between Bari and Verona, capable of removing more than 9 thousand trucks from the roads of the Adriatic ridge, thus bringing a great benefit in terms of transport sustainability.

³ In early 2024, attacks on commercial ships in the Red Sea made access to the Suez Canal more risky, changing global trade routes with a major impact on the supply side.

	millions of euros			
	First half of 2024	First half of 2023	Change	%
Revenue from sales and services	654	575	79	13.7
Other income	15	17	(2)	(11.8)
Revenue	669	592	77	13.0
Operating costs	(651)	(563)	(88)	(15.6)
Gross operating profit (EBITDA)	18	29	(11)	(37.9)
Operating loss (EBIT)	(42)	(28)	(14)	(50.0)
Profit/(Loss) for the period (attributable to the owners of the parent and non-controlling interests)	(65)	(43)	(22)	(51.2)
	30.06.2024	31.12.2023	Change	
Net invested capital	981	864	117	
Net financial (position) debt	727	577	150	
Equity	254	287	(33)	

The Logistics Business Segment showed a Loss for the period of €65 million in the first half of 2024, showing a deterioration of €22 million compared to the first half of 2023.

The Business Segment's **Revenue** amounted to €669 million in the first half of 2024, showing an increase compared to the same period in 2023 (€77 million, +13%), mainly attributable to revenue from transport of the TX Logistik Group (€84 million), for the acquisition of the Exploris Group, which was partially offset by the decline at Mercitalia Rail (€14 million).

The Logistics Business Segment showed a **Gross operating profit (EBITDA)** of €18 million in June 2024, down by €11 million compared to the first half of 2023, mainly attributable to the TX Logistik Group, which, net of the Exploris Group, recorded a decrease of €14 million, due to the increase in personnel costs (€6 million) and other operating costs (€8 million). It should be noted that, as from 2024, the acquisition of the Exploris Group became operational, which contributed to an increase in EBITDA of €5 million as at June 2024.

The **Operating loss (EBIT)** was €42 million, showing a deterioration of €14 million compared to the first half of 2024. To the decrease in EBITDA must be added higher amortisation and depreciation, provisions and write-downs (+€3 million).

Net financial expense of €21 million showed a deterioration of €6 million compared to June 2023.

Income taxes of the Business Segment posted a negative value of €2 million, showing a deterioration (+€2 million) compared to the same period in 2023.

The Logistics Business Segment developed **technical investments** of €120 million in the first half of 2024 (€51 million in the first half of 2023, +135%) for the continuation of the fleet renewal plan and the maintenance of the locomotive and carriage operating fleet. About 46% of technical investments was made by Mercitalia Rail, 8% by Mercitalia Shunting & Terminal, and 35% by subsidiary TX Logistik in Germany. Specifically, 32 T3000E carriages for intermodal transport were delivered to TX Logistik, 2 Hybrid Locomotives to Mercitalia Shunting & Terminal, and 12 TRAXX Locomotives to Mercitalia Rail.

Urban

The Urban Business Segment handles real estate operations as well as urban regeneration and intermodal transport and logistics solutions for the first and last mile of the supply chain. It focuses specifically on developing the potential of the Group's real estate assets through new partnerships and projects that contribute to urban regeneration.

As head of this segment, FS Sistemi Urbani Srl provides assets management, marketing and development services for the Group's non-core business assets. GS Immobiliare SpA and FS Park SpA also operate in this segment.

	millions of euros			
	First half of 2024	First half of 2023	Change	%
Revenue from sales and services	459	65	394	606.2
Other income	20	11	9	81.8
Revenue	479	76	403	530.3
Operating costs	(351)	(68)	(283)	(>200)
Gross operating profit (EBITDA)	128	8	120	>200
Operating profit (EBIT)	120	3	117	>200
Profit/(Loss) for the period (attributable to the owners of the parent and non-controlling interests)	80	2	78	>200
	30.06.2024	31.12.2023	Change	
Net invested capital	886	1,288	(402)	
Net financial (position) debt	(431)	11	(442)	
Equity	1,317	1,277	40	

The Urban Business Segment reported a net Profit for the period of €80 million in the first half of 2024, showing an improvement of €78 million compared to the same period in 2023.

The **Revenue** of the Urban Business Segment amounted to €479 million in June 2024, recording an increase compared to the same period in 2023 (+€403 million), mainly attributable to the disposal of Milan Farini and San Cristoforo yards, which was finalised by FS Sistemi Urbani on 29 March 2024.

The **Gross operating profit (EBITDA)** of the Urban Business Segment stood at €128 million in the first half of 2024, showing an improvement of €120 million compared to June 2023, due to the abovementioned disposal of Milan Farini and San Cristoforo yards.

Operating profit (EBIT) stood at €120 million, showing an improvement of €117 million compared to the same period in 2023.

Technical investments in the Urban Business Segment amounted to €4 million (€12 million in the first half of 2023) and related to the maintenance and exploitation of real estate assets owned by the FS Group.

Other Services

The companies that operate in this segment are Ferservizi SpA, which manages the activities not directly related to railway operations as outsourcer for the group's main companies; Fercredit SpA, which mainly develops the credit factoring and lease business on the captive market and develops the consumer credit business for the group's employees; Italcertifer SpA, which carries out certification, assessment and testing activities on transport and infrastructure systems; FSTechnology SpA, the group's technology service provider, appointed to manage its ICT strategy.

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

	millions of euros			
	First half of 2024	First half of 2023	Change	%
Revenue from sales and services	465	376	89	23.7
Other income	12	12		
Revenue	477	388	89	22.9
Operating costs	(477)	(410)	(67)	(16.3)
Gross operating (loss) (EBITDA)	-	(22)	22	100.0
Operating loss (EBIT)	(41)	(52)	11	21.2
Profit/(Loss) for the period (attributable to the owners of the parent and non-controlling interests)	(3)	46	(49)	106.5
	30.06.2024	31.12.2023	Change	
Net invested capital	1,298	877	421	
Net financial (position) debt	(641)	(679)	38	
Equity	1,939	1,556	383	

In the first half of 2024, Other Services showed a Loss for the period of €3 million, with a decrease of €49 million compared to the first half of 2023.

Revenue, equal to €477 million, reflected growth of €89 million, mainly attributable to the higher revenue of FSTechnology for €53 million, linked to the management of applications, and to FS SpA for €28 million, linked to the Riyadh contract (with profit margins of 6%-7%).

In the first half of 2024 the **Gross operating profit (EBITDA)** stood at €0.3 million, showing an improvement of €22 million compared to the same period in 2023, mainly due to the higher revenue recorded by FSTechnology.

The **Operating loss (EBIT)** amounted to €41 million in the first half of 2024, showing an improvement of €11 million compared to June 2023, since the growth at the EBITDA level was offset by higher amortisation and depreciation, mainly of FSTechnology.

Net financial expense was €49 million in the first half of 2024. In particular, we must note the negative impact due to the write-downs made as a result of the aforementioned Council of State's judgment no. 6983/2024 of 5 August 2024 regarding FSE.

Income taxes in June 2024 showed a positive balance of €87 million, with an increase of €33 million compared to the same period in 2023. It should be noted that this caption reflects the positive effects of the domestic tax consolidation scheme managed by the Parent Company as part of its core activities.

The Group's **technical investments** related to Other Services amounted to €36 million (€16 million in the first half of 2023) and mainly related to the ICT projects of the FS Group.

Ferrovie dello Stato Italiane SpA's financial position and performance

Income statement

	millions of euros			
	First half of 2024	First half of 2023	Changes	%
Revenue	71	52	19	36
Revenue from sales and services	70	51	19	38
Other income	1	1		
Operating costs	(120)	(109)	(11)	10
GROSS OPERATING LOSS (EBITDA)	(49)	(57)	8	(14)
Amortisation and depreciation	(0)	(13)	13	(98)
Net impairment losses/reversals	0	1	(1)	
OPERATING LOSS (EBIT)	(49)	(69)	20	(29)
Net financial income	280	261	19	7
PRE-TAX PROFIT	231	192	39	21
Income taxes	94	61	323	54
PROFIT FOR THE PERIOD	324	253	71	28

The **Profit for the period** was €324 million at 30 June 2024, showing an increase on the same period in the previous year, mainly attributable to the performance of the tax component (+€33 million), the operating component (+€20 million) and the financial component (+€19 million).

The **Gross operating margin (EBITDA)** showed an increase of €8 million, due to higher operating revenue (+€19 million), which were offset by higher operating costs (-€11 million).

The increase in **Revenue** for the period was due to the sum of:

- the increase in revenues under the Riyadh contract (+€33 million) to be attributed to the start-up of operations under the contract during the second half of 2023;
- the decrease in revenue from property management (-€9 million) as a result of the demerger of the real estate branch of FS SpA, which was approved on 29 November 2023 and became effective as from January 2024;
- the reduction in services provided to Group companies (-€5 million), mainly due to a reduction in IT services (-€11 million) following the sale of IT assets and related activities to the subsidiary FSTechnology SpA, offset by higher revenue from other services provided to Group companies (+€6 million).

The increase in **Operating costs** for the period was due to the following changes:

- an increase in costs for services (+€16 million), mainly due to higher costs related to the Riyadh contract (+€31 million) offset by a reduction in costs for IT services to FSTechnology SpA (-€15 million);
- a decrease in other operating costs (-€5 million), mainly due to lower costs (-€7 million) for taxes and duties following the demerger of the real estate branch and higher costs (+€2 million) for membership fees and contributions.

The improvement in **Operating profit (loss) (EBIT)** compared to the value posted in the same period of 2023, equal to €20 million, was due to what has been described above, and a reduction in amortisation and depreciation following the disposal of IT assets to subsidiary FSTechnology SpA in June 2023.

The improvement in **Net financial income** (+€19 million) was mainly attributable to the increase in the dividends distributed by subsidiaries, associates and third parties (+€177 million), which was offset by the increase in financial costs on payables and the write-down of the investment in Ferrovie del Sud Est and of financial receivables claimed from it for a total amount of €153 million.

Income taxes increased by a total of €33 million compared to the same period in 2023, due to higher income from the tax consolidation scheme stated against higher IRES (Corporate Income) taxes transferred by Group companies.

Reclassified statement of financial position

millions of euros

	30.06.2024	31.12.2023	Change
ASSETS			
Net operating working capital	108	565	(457)
Other assets, net	617	200	417
Working capital	725	765	(40)
Non-current assets	4	443	(439)
Equity investments	38,787	38,222	565
Net non-current assets	38,791	38,665	126
Post-employment benefits	(4)	(5)	1
Other provisions	(34)	(10)	(23)
Post-employment benefits and other provisions	(38)	(15)	(24)
NET INVESTED CAPITAL	39,478	39,415	63
COVERAGE			
Net current financial position	(973)	(900)	(73)
Net non-current financial position	(65)	124	(189)
Net financial (position) debt	(1,038)	(776)	(262)
Equity	40,515	40,191	324
COVERAGE	39,478	39,415	63

Net invested capital, equal to €39,478 million, increased by €63 million during the first half of 2024, due to the increase in **Net non-current assets** (+€126 million), which was offset by a decrease in **Working capital** (-€40 million), and the increase in **Post-employment benefits** and **Other provisions** (-€23 million).

Net operating working capital, equal to €108 million, showed a decrease of €457 million during the first half of 2024, attributable to the decrease in current trade receivables (-€125 million), mainly due to the amounts collected in the period, mostly relating to the Metro Riyadh contract, and a residual amount attributable to services provided by the FS Holding company, partially offset by a decrease in trade payables (+€6 million). The remaining part of the change, amounting to -€338 million, was attributable to the demerger of the real estate branch of FS SpA, which was approved on 29 November 2023 and became effective as from January 2024.

Other assets, net, reported a change of €417 million, attributable to the increase in receivables from subsidiaries (+€349 million), and mainly due to dividends approved and not distributed, tax consolidation receivables (+€37 million) due to higher income recognised against higher IRES (Corporate Income) taxes transferred by Group companies,

receivables for guarantee deposits (+€14 million) related to the Riyadh contract as security for the execution of works, and the reduction in tax payables and a simultaneous increase in tax receivables (+€8 million). The remaining part of the change of +€9 million was attributable to the demerger of FS's real estate branch, as described above.

Net non-current assets stood at €38,791 million, recording a positive change of €126 million compared to 2023, which was mainly attributable to the increase in the stake in the subsidiary FS Sistemi Urbani SpA by €624 million as a result of the demerger by spin-off the real estate branch, partially offset by the decrease in non-current assets (-€439 million), which was also due to the aforementioned demerger transaction, and by the write-down of the investment in Ferrovie del Sud Est for an amount equal to €60 million.

Other provisions recorded an increase of €24 million, essentially attributable to a reduction in provisions for taxes from tax consolidation (+€32 million) related to the changes in accruals, uses and releases for the period. The remaining part of the change, amounting to -€56 million, was attributable to the demerger of FS's real estate branch, which was approved on 29 November 2023 and became effective as from January 2024.

The **Net financial position** posted a net positive balance of €1,131 million, with an increase of €262 million compared to 31 December 2023, mainly due to the combined effect of the following factors:

- a total increase of -€3,251 million, mainly linked to loans granted to Group companies, net of repayments for the period, equal to €813 million, a decrease in interest, equal to €42 million, and the write-down of financial receivables claimed from Ferrovie del Sud Est for a total amount of €93 million;
- a decrease in cash held with banks and treasury account by +€968 million, and a decrease in financial liabilities to group companies for cash pooling in the amount of €204 million. The decrease in cash held with banks was mainly attributable to the repayment of medium- to long-term loans, and higher short-term disbursements due to temporary liquidity needs of the Group;
- the €1,250 million increase in bank loans due to new financing amounting to €1,950 million, which was partially offset by repayments for the period amounting to €500 million, and by the transfer of bank loans of €200 million to the subsidiary FS Sistemi Urbani SpA following the demerger of the real estate branch;
- a decrease of €377 million in bonds, mainly due to repayments of €330 million for the period, and a total decrease of €47 million in interest.

Equity showed an increase due to the profit recorded in the period, equal to €324 million, and the positive change in valuation reserves for actuarial gains for employee benefits.

The additional change that emerges from an analysis of the financial statements at 30 June 2024 is attributable to the accounting effects of the demerger by spin-off that resulted in a reduction in share capital of €624 million, and, at the same time, the recognition of an equity reserve of the same amount as a balancing entry to the investment first in Nuova Sistemi Urbani SpA, which was subsequently merged into FS Sistemi Urbani SpA. The accounting transaction described above did not result in any impact on the total Shareholders' Equity of FS SpA.

It should also be noted that, in the remodulation of the shareholders' equity of FS SpA, as approved by the Shareholders' Meeting held on 29 November 2023, on 25 March 2024 there was the completion of the reduction in the share capital of FS SpA pursuant to Article 2445 of the Italian Civil Code; therefore, the share capital of FS SpA decreased from €38,579 million (net of a reduction of €624 million in the share capital, as mentioned above) to €31,062 million, with a simultaneous increase in the legal reserve (until it is replenished in full) in the amount of €6,142 million, and the capital reserve in the amount of €2,000 million, thus keeping the total amount of FS SpA's shareholders' equity unchanged.

Significant events occurred after 30 June 2024

On 3 July 2024, Trenitalia acquired from Operador Ferroviario de Levante the additional 6% of the capital of its Spanish subsidiary ILSA. The closing followed the exercise of the call option provided for under the Investment and Shareholders' Agreement. The price of the transaction was equal to €15 million.

Following the "Notice on the recovery of unlawful and incompatible State Aid" received from the MIT on 2 July 2024, Trenitalia proceeded, on 16 July 2024, with the payment of €108,659,682, including interest, in favour of the Revenue Agency – Collection department pursuant to Article 2 of Ministerial Decree no. 145/2024 of 21 May 2024 issued in implementation of the European Commission Decision 8017/2023 for case SA 32953/2014 regarding the recovery of the amount of State aid declared incompatible.

On 8 July 2024 Rete Ferroviaria Italiana SpA, in exercising the option right it had expressed, further subscribed and paid, as a capital increase, the amount of €1.4 million to Tunnel Ferroviario del Brennero - Società di partecipazioni SpA. As a result of various subscription decisions by the other shareholders, the Group now holds a 90.82% share of capital following the transaction.

On 30 July 2024, FS Sistemi Urbani SpA acquired, following the exercise of the put option by the minority quotaholders, an additional stake, equal to 13%, in Cremonesi Workshop Srl at a price of €6.7 million. As a result of this transaction, the quota held by the Group then increased from 80% to 93%.

On 5 August 2024, the Council of State's judgment no. 06983/2024 was published in settlement of the dispute, brought by Arriva Italia Srl, Ferrotramviaria SpA and COTRAP, against MIT Decree no. 248 of 4 August 2016, whereby FS SpA had been identified as the entity to which the investment in FSE Srl, held by MIT at that time, had to be transferred. In said ruling, the Council of State granted the appeal filed by the plaintiffs, resulting in the annulment of the MIT decree of 4 August 2016 in the part in which it identified FS SpA as the entity to which FSE had to be transferred, subject to the disapplication of Law no. 208/2015 in the part in which it provided for the allocation of €70 million in favour of FSE.

In accordance with IAS 10, the half-year statement of financial position incorporates the directors' assessments of probable risks already known at the date of its approval, made on the basis of the best available information.

Specifically:

- the receivable of €70 million claimed from MIT, allocated in favour of FSE under Law no. 208/2015, was cancelled against a contra-entry in Equity reserves;
- account was taken of the elements of uncertainty related to the capital and financial position of FSE as a result of the judgment, allocating a provision for risks equal to the negative economic effects, amounting to €153 million, already reflected in FSI's separate balance sheet.

Moreover, as a result of the aforementioned ruling, it is reasonable to assume that, as from 5 August 2024, the conditions set forth in IFRS 10 with respect to the FS Group's control of FSE (i.e., inability to act on FSE's capital) ceased to apply and, therefore, FSE was excluded from the scope of consolidation as from that date.

Consolidated financial statements

Consolidated statement of financial position

millions of euros

	30.06.2024	31.12.2023
Assets		
Non-current assets		
Property, plant and equipment	50,765	49,326
Investment property	1,383	1,399
Intangible assets	1,778	1,798
Equity-accounted investments	1,247	1,217
Service concession assets	361	235
Financial assets (including derivatives)	425	628
Deferred tax assets	112	98
Trade receivables	6	4
Other assets	5,053	7,584
Total	61,130	62,289
Current assets		
Inventories	2,515	2,487
Service concession assets	3,321	3,314
Financial assets (including derivatives)	733	693
Cash and cash equivalents	1,670	2,295
Tax receivables	105	105
Trade receivables	2,648	2,797
Other assets	7,448	5,686
Total	18,440	17,377
Total assets	79,570	79,666
Equity and liabilities		
Equity		
Share capital	31,063	39,204
Reserves	7,987	(166)
Retained earnings	2,796	2,725
Profit (Loss) for the period	(187)	137
Equity attributable to the owners of the parent	41,659	41,900
Loss attributable to non-controlling interests	(12)	(37)
Share capital and reserves attributable to non-controlling interests	210	226
Share of profit (loss) attributable to non-controlling interests	198	189
Total	41,857	42,089
Liabilities		
Non-current liabilities		
Loans and borrowings	9,737	10,732
Post-employment benefits and other employee benefits	632	683
Provisions for risks and charges	1,772	1,937
Contract advances	1,227	1,220
Financial liabilities (including derivatives)	858	903
Deferred tax liabilities	158	151
Trade payables	25	15
Other non-current liabilities	1,684	1,897
Total	16,093	17,538
Current liabilities		
Loans and borrowings and current portion of non-current loans and borrowings	6,358	4,250
Current portion of provisions for risks and charges	204	58
Contract advances	575	577
Financial liabilities (including derivatives)	860	643
Income tax payables	24	26
Trade payables	7,877	8,883
Other liabilities	5,722	5,602
Total	21,620	20,039
Total liabilities	37,713	37,577
Total equity and liabilities	79,570	79,666

Consolidated income statement

millions of euros

	First half of 2024	First half of 2023
Revenue	8,022	7,085
Revenue from sales and services	7,833	6,905
Other income	189	180
Operating costs	(7,913)	(6,986)
Personnel expense	(2,914)	(2,584)
Raw materials, consumables, supplies and goods	(953)	(641)
Services	(4,023)	(3,606)
Other operating costs	(122)	(125)
Internal work capitalised	997	845
Amortisation, depreciation, provisions and impairment losses	(898)	(875)
Operating profit	109	99
Financial income and expense	(286)	(91)
Financial income	94	86
Financial expense	(416)	(221)
Share of profits /(losses) of equity-accounted investees	36	44
Pre-tax profit (loss)	(177)	8
Income taxes	(22)	(4)
Profit (Loss) for the period from continuing operations	(199)	4
Profit (loss) for the period of assets held for sale, net of taxes		
Profit (loss) for the period (attributable to the owners of the parent and non- controlling interests)	(199)	4
Profit (loss) for the period attributable to the owners of the parent	(187)	25
Profit (loss) for the period attributable to non-controlling interests	(12)	(21)

Consolidated statement of comprehensive income

millions of euros

	First half of 2024	First half of 2023
Profit (Loss) for the period (attributable to the owners of the parent and non-controlling interests)	(199)	4
Other consolidated comprehensive income		
Items that will not be reclassified to profit or loss, net of taxes:		
Actuarial gains/(losses)	11	6
of which from equity-accounted investees	1	1
Items reclassified to profit or loss for the period		2
Items that will or may be reclassified to profit or loss, net of taxes:		
Cash flow hedges - effective portion of changes in fair value	1	(19)
of which from equity-accounted investees	1	1
Net exchange gains (losses)		(3)
Other comprehensive income for the period, net of taxes	12	(14)
Comprehensive income (expense) for the period (attributable to the owners of the parent and non-controlling interests)	(187)	(10)
<i>Comprehensive income (expense) attributable to:</i>		
<i>Owners of the parent</i>	<i>(175)</i>	<i>11</i>
<i>Non-controlling interests</i>	<i>(12)</i>	<i>(21)</i>

Consolidated statement of changes in equity

millions of euros

Equity												
Reserves												
	Share capital	Legal reserve	Sundry reserves	Translation reserve	Hedging reserve	Actuarial reserve	Total Reserves	Retained earnings	Profit/(loss) for the period	Equity attributable to the owners of the parent	Equity attributable to non-controlling interests	Total equity
Balance at 1 January 2023	39,204	67		(3)	192	(327)	(71)	2,536	204	41,873	195	42,068
Profit (Loss) for the period									25	25	(21)	4
Gains/(Losses) recognised directly in Equity				(3)	(17)	6	(14)			(14)		(14)
Comprehensive income/(expense)				(3)	(17)	6	(14)		25	11	(21)	(10)
Allocation of profit (loss) for the previous period		4					4	200	(204)			
Dividend distribution								(5)		(5)	(5)	(10)
Capital increase (capital decrease)											10	10
Change in consolidation area								4		4		4
Other changes								1		1	(2)	(1)
Balance at 30 June 2023	39,204	71		(6)	175	(321)	(81)	2,736	25	41,884	177	42,061
Balance at 1 January 2024	39,204	71		(4)	99	(333)	(167)	2,726	137	41,900	189	42,089
Profit/(Loss) for the period									(187)	(187)	(12)	(199)
Gains/(Losses) recognised directly in equity					1	11	12			12		12
Comprehensive income/(loss)					1	11	12		(187)	(175)	(12)	(187)
Allocation of profit (loss) for the previous period								137	(137)			
Dividend distribution								2		2	(4)	(2)
Capital increase (capital decrease)	(8,141)	6,142	2,000				8,142	1		2	25	27
Change in consolidation area												
Other changes								(70)		(70)		(70)
Balance at 30 June 2024	31,063	6,213	2,000	(4)	100	(322)	7,987	2,796	(187)	41,659	198	41,857

Consolidated statement of cash flows

millions of euros

	30.06.2024	30.06.2023
Profit (Loss) for the period	(199)	4
Income taxes	22	4
Financial income and expense	322	135
Amortisation and depreciation	871	854
Share of profits (losses) of equity-accounted investees	(36)	(44)
Accruals to provisions and impairment losses	271	300
Capital losses on sales	(63)	(58)
Change in inventories	(27)	(226)
Change in trade receivables	163	89
Change in trade payables	(1,012)	(401)
Change in other liabilities	120	752
Change in other assets	674	(1,686)
Utilisation of the provisions for risks and charges	(430)	(192)
Payment of employee benefits	(64)	(58)
Financial income collected/financial expense paid	(229)	(103)
Income taxes paid, net of reimbursed tax assets	(27)	(6)
Net cash flows generated by (used in) operating activities	356	(636)
Increases in property, plant and equipment	(5,436)	(4,838)
Investment property	(1)	(1)
Increases in intangible assets	(92)	(134)
Increases in equity investments	(149)	(243)
Investments, before grants	(5,679)	(5,216)
Grants for property, plant and equipment	3,332	3,699
Grants for equity investments	145	239
Grants	3,478	3,938
Decreases in property, plant and equipment	65	59
Decreases in investment property	1	1
Decreases in intangible assets	1	
Decreases in equity investments and profits	9	8
Decreases	76	68
Net cash flows used in investing activities	(2,125)	(1,210)
Finance lease payments	(94)	(96)
Disbursement and repayment of non-current loans	(871)	774
Disbursement and repayment of current loans	2,058	642
Grants relating to assets (for loans)		1
Change in financial assets	138	(11)
Change in financial liabilities	(10)	14
Change in service concession assets/liabilities	(74)	(618)
Financial income/expenses not generating cash flows		
Changes in equity and cash from non-recur. trans.	19	
Net cash flows generated by financing activities	1,162	696
Total cash flows	(607)	(1,151)
Opening cash and cash equivalents	2,276	2,685
Closing cash and cash equivalents	1,669	1,534
of which intragroup current account	(1)	(2)

Financial statements of Ferrovie dello Stato Italiane SpA

Statement of financial position

values in euros

	30.06.2024	31.12.2023
Assets		
Non-current assets		
Property, plant and equipment	2,614,305	52,899,207
Investment property	-	388,731,956
Intangible assets	1,374,207	1,178,343
Equity investments	38,786,837,059	38,222,414,480
Financial assets (including derivatives)	9,239,556,758	10,069,986,269
Deferred tax assets	7,918,439	85,462,729
Trade receivables	-	2,553,508
Other assets	1,563,936,116	1,792,552,801
Total	49,602,236,884	50,615,779,293
Current assets		
Inventories		334,026,397
Financial assets (including derivatives)	6,951,931,043	3,811,913,225
Cash and cash equivalents	536,102,500	1,504,360,565
Tax receivables	92,591,535	90,839,402
Trade receivables	227,873,590	370,987,205
Other assets	1,235,039,263	779,735,700
Total	9,043,537,931	6,891,862,493
Total Assets	58,645,774,814	57,507,641,786
Equity and liabilities		
Equity		
Share capital	31,062,952,307	39,204,173,802
Reserves	8,213,223,708	71,620,621
Retained earnings	915,364,099	714,634,985
Profit for the year	323,811,239	200,729,114
Total	40,515,351,353	40,191,158,522
Liabilities		
Non-current liabilities		
Loans and borrowings	9,158,156,574	10,180,762,628
Employee benefits	4,300,500	4,505,556
Provisions for risks and charges	12,825,163	33,697,135
Financial liabilities (including derivatives)	16,738,628	12,908,926
Deferred tax liabilities	28,952,942	61,822,275
Other liabilities	1,557,259,399	1,801,273,397
Total	10,778,233,206	12,094,969,917
Current liabilities		
Loans and borrowings and current portion of non- current loans and borrowings	5,096,323,659	3,201,288,336
Financial liabilities (including derivatives)	1,418,670,298	1,216,019,380
Income tax payables	233,238	-
Current trade payables	121,423,506	143,894,571
Other liabilities	715,539,554	660,311,060
Total	7,352,190,255	5,221,513,347
Total liabilities	18,130,423,461	17,316,483,264
Total equity and liabilities	58,645,774,814	57,507,641,786

Income statement

values in euros

	First half of 2024	First half of 2023
Revenue	70,509,452	52,108,118
Revenue from sales and services	69,176,702	50,660,162
Other income	1,332,750	1,447,956
Operating costs	(119,956,544)	(120,989,638)
Personnel expense	(38,472,276)	(36,957,416)
Raw materials, consumables, supplies and goods	(7,142)	(1,698,242)
Services	(70,596,630)	(54,418,339)
Other operating costs	(10,617,364)	(15,945,733)
Internal works capitalised		227,377
Amortisation, depreciation, provisions and impairment losses	(263,131)	(12,197,285)
Operating loss	(49,447,092)	(68,881,520)
Financial income and expense	279,726,681	260,530,720
Financial income	719,703,173	406,845,175
Financial expense	(439,976,492)	(146,314,455)
Pre-tax profit	230,279,589	191,649,200
Income taxes	93,531,650	61,785,338
Profit from continuing operations	323,811,239	253,434,538
Profit for the period	323,811,239	253,434,538

Statement of comprehensive income

values in euros

	First half of 2024	First half of 2023
Profit for the period	323,811,239	253,434,538
Items that will not be reclassified to profit or loss:		
Net actuarial gains	110,908	26,115
Tax effect on actuarial gains (losses)	(24,343)	(12,141)
Components that will be or may be subsequently reclassified to profit/(loss) for the period:		
Cash flow hedges - effective portion of changes in fair value	388,194	
Tax effect of the effective portion of fair value changes in cash flow hedges	(93,167)	
Other comprehensive income, net of the taxes	381,592	13,974
Comprehensive income	324,192,831	253,448,512

Statement of changes in equity

Values in euros

Equity										
		Reserves					Total Reserves	Retained earnings	Profit for the year	Total equity
		Other reserves			Valuation reserves					
	Share capital	Legal reserve	Extraordinary reserve	Other reserves	Hedging reserve	Actuarial reserve				
Balance at 1 January 2023	39,204,173,802	66,861,466				373,536	67,235,002	628,992,464	90,150,022	39,990,551,290
Allocation of profit for the previous year		4,507,501					4,507,501	85,642,521	(90,150,022)	
Comprehensive income of which										
Profit for the period									253,434,538	253,434,538
Net gains recognised directly in equity						13,974	13,974			13,974
Balance at 30 June 2023	39,204,173,802	71,368,967	0	0		387,510	71,756,477	714,634,985	253,434,538	40,243,999,802
Balance at 1 January 2024	39,204,173,802	71,368,967				251,654	71,620,621	714,634,985	200,729,114	40,191,158,522
Allocation of profit for the previous year								200,729,114	(200,729,114)	
Comprehensive income of which:										
Profit for the period									323,811,239	323,811,239
Net gains recognised directly in equity					295,028	86,565	381,592			381,592
Other changes	(8,141,221,495)	6,141,221,496		2,000,000,000			8,141,221,495			0
Balance at 30 June 2024	31,062,952,307	6,212,590,462	0	2,000,000,000	295,028	338,219	8,213,223,708	915,364,099	323,811,239	40,515,351,353

STATEMENT OF CASH FLOWS

values in euros

	30.06.2024	30.06.2023
Profit for the period	323,811,239	253,434,538
Income taxes	(93,531,650)	(61,785,338)
Net financial expense	(279,726,681)	(260,530,720)
Amortisation and depreciation	470,522	12,958,117
Accruals to provisions and impairment losses	710,643	81,738
Impairment losses (gains)	(153,387)	163,912
Accruals for employee benefits	2,490	7,813
Accruals to provisions and impairment losses	559,746	253,463
Losses on sales	(1,722)	0
Change in inventories	0	1,454,170
Change in trade receivables	124,287,191	(63,484,939)
Change in trade payables	(5,483,737)	(9,756,323)
Change in other assets	170,415,914	276,469,819
Change in other liabilities	57,838,495	(73,111,721)
Utilisation of the provisions for risks and charges	0	(132,238)
Payment of employee benefits	(164,852)	(215,412)
Financial income collected/financial expense paid	66,861,873	40,095,261
Change in tax assets/liabilities	22,208,017	29,079,615
Net cash flows generated by operating activities	387,544,354	144,728,292
Increases in property, plant and equipment	(178,599)	(1,171,503)
Investment property	0	(844,077)
Increases in intangible assets	(420,126)	(4,885,265)
Increases in equity investments	(100,150,000)	(336,100,000)
Investments, before grants	(100,748,725)	(343,000,845)
Grants for equity investments	100,000,000	100,000,000
Grants	100,000,000	100,000,000
Decreases in property, plant and equipment	251,667	1,838,947
Decreases in intangible assets	150,188	43,208,622
Decreases in equity investments		
Decreases in investment property	0	8,624
Decreases	401,855	45,056,193
Net cash flows used in investing activities	(346,870)	(197,944,652)
Disbursement and repayment of non-current loans	(829,745,654)	884,469,470
Disbursement and repayment of current loans	1,950,000,000	292,864,256
Change in lease liabilities	(177,834)	(94,032)
Change in financial assets	(2,442,700,511)	(1,008,836,238)
Change in financial liabilities	(339,599)	(224,819)
Net cash flows generated by/ (used in) financing activities	(1,322,963,598)	168,178,637
Total cash flows in the period	(935,766,114)	114,962,277
Opening cash and cash equivalents	302,041,799	(374,271,477)
Closing cash and cash equivalents	(633,724,315)	(259,309,200)
of which intragroup current account	(1,169,826,814)	(987,507,317)

Reporting by group operating segment

Below are the financial highlights of the Group's operating segments for the first six months of 2024 and the same period of 2023 or, with reference to the net invested capital, the net financial position and equity at 31 December 2023.

							millions of euros
First half of 2024	Infrastruc- ture	Passenger Transport	Logistics	Urban	Other services	Adjustments and inter- segment eliminations	Ferrovie dello Stato Italiane Group
Revenue from third parties	2,828	3,927	588	439	55	1	7,838
Inter-segment revenue	676	132	81	40	422	(1,167)	184
Revenue	3,504	4,059	669	479	477	(1,166)	8,022
Operating costs	(3,405)	(3,276)	(651)	(351)	(477)	1,145	(7,015)
Gross operating profit/loss (EBITDA)	99	783	18	128		(21)	1,007
Amortisation and depreciation	(165)	(638)	(60)	(8)	(41)	14	(898)
Impairment losses and provisions							
Operating profit/loss (EBIT)	(66)	145	(42)	120	(41)	(7)	109
Net financial income (expense)	(50)	(112)	(21)	3	(49)	(58)	(287)
Income taxes	1	(14)	(2)	(43)	87	(50)	(21)
Segment profit (loss) for the period (attributable to the owners of the parent and non-controlling interests)	(115)	19	(65)	80	(3)	(115)	(199)

							millions of euros
30.06.2024	Infrastruc- ture	Passenger Transport	Logistics	Urban	Other services	Adjustments and inter- segment eliminations	Ferrovie dello Stato Italiane Group
Working capital	1,701	(446)	13	222	1,052	(99)	2,443
Net non-current assets	40,145	13,157	1,098	645	313	(137)	55,221
<i>of which equity-accounted investments</i>	<i>1,023</i>	<i>220</i>	<i>4</i>				<i>1,247</i>
Other provisions	(1,438)	(542)	(130)	19	(67)	(497)	(2,655)
Net assets held for sale							
Net invested capital	40,408	12,169	981	886	1,298	(733)	55,009
Net financial position (debt)	4,474	9,253	727	(431)	(641)	(229)	13,153
Equity	35,934	2,916	254	1,317	1,939	(504)	41,856

millions of euros

First half of 2023	Infrastructure	Passenger Transport	Logistics	Urban	Other services	Adjustments and inter-segment eliminations	Ferrovie dello Stato Italiane Group
Revenue from third parties	2,747	3,603	505	50	19	2	6,926
Inter-segment revenue	563	117	87	26	369	(1,003)	159
Revenue	3,310	3,720	592	76	388	(1,001)	7,085
Operating costs	(3,056)	(2,975)	(563)	(68)	(410)	961	(6,111)
Gross operating profit/loss (EBITDA)	254	745	29	8	(22)	(40)	974
Amortisation and depreciation	(184)	(613)	(57)	(5)	(30)	14	(875)
Impairment losses and provisions							
Operating profit/loss (EBIT)	70	132	(28)	3	(52)	(26)	99
Net financial income (expense)	(45)	(81)	(15)	3	44	3	(91)
Income taxes	(6)	8	0	(4)	54	(56)	(4)
Segment profit (loss) (attributable to the owners of the parent and non-controlling interests)	19	59	(43)	2	46	(79)	4

millions of euros

31.12.2023	Infrastructure	Passenger Transport	Logistics	Urban	Other services	Adjustments and inter-segment eliminations	Ferrovie dello Stato Italiane Group
Working capital	1,736	(696)	(11)	620	668	(76)	2,241
Net non-current assets	39,177	12,844	1,004	648	308	(154)	53,827
of which equity-accounted investments	1,000	211	6				1,217
Other provisions	(1,672)	(559)	(129)	20	(99)	(292)	(2,731)
Net assets held for sale							
Net invested capital	39,241	11,589	864	1,288	877	(522)	53,337
Net financial position (debt)	2,969	8,500	577	11	(679)	(130)	11,248
Equity	36,272	3,089	287	1,277	1,556	(392)	42,089

The Manager in charge of the company's accounting documents, Mr Marco Fossataro, states pursuant to paragraph 2, article 154-bis of the Consolidated Law on Finance that the accounting information contained in this document corresponds to the documentary results, books and accounting records. This document also contains forward-looking statements which do not constitute a guarantee of future events and results.