

Press release

## **AUTOSTRADA PER L'ITALIA GROUP'S QUARTERLY RESULTS ANNOUNCEMENT FOR THREE MONTHS ENDED 31 MARCH 2021**

- **Work continuing on implementation of Business Plan that, in coming years, will transform Autostrade per l'Italia into an integrated group focused on sustainable mobility, technological innovation and next-generation digital services for the transport sector**
- **Plan envisages major programme of investment and modernisation of the network to extend its useful life, with major increase in such works in Q1 2021 compared with same period of 2020**
- **Pavimental consolidated in Group's accounts for Q1 2021**
- **Recruitment: delivery of plan to create 2,900 jobs, focusing primarily on recruitment in STEM (Science, Technology, Engineering and Mathematics) fields, underway at 31 March 2021**

### **Consolidated results for Q1 2021<sup>(1)</sup>**

- **Results for Q1 2021 reflect reduction in net toll revenue caused by impact on traffic of health emergency that hit Italy in February 2020. Work continuing on major network maintenance programme**

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<sup>(1)</sup> In addition to the reported amounts in the 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 used in the following consolidated financial review, 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.

**Investor Relations**

e-mail: [investor.relations@autostrade.it](mailto:investor.relations@autostrade.it)

**Media Relations**

e-mail: [ufficiostampa@autostrade.it](mailto:ufficiostampa@autostrade.it)

[www.autostrade.it](http://www.autostrade.it)

- **Traffic on Group's motorway network down 10.6% compared with Q1 2020 (down 29.1% on same period of 2019)**
- **Volume of maintenance work totals €237m, in line with Business Plan**
- **Gross operating profit (EBITDA) of €321m down €70m compared with Q1 2020, due to decline in traffic and increase in maintenance expenditure**
- **Profit for period attributable to owners of parent amounts to €49, down €19m compared with Q1 2020**
- **Capital expenditure of €165m up €60m compared with Q1 2020, partly reflecting network modernisation plan**
- **Operating cash flow of €47m down €177m compared with Q1 2020, primarily reflecting reduction in EBITDA and non-recurring outflows of €78m relating to reconstruction of San Giorgio road bridge in Genoa**
- **Group's net debt at 31 March 2021 amounts to €8,916m, up €359m compared with 31 December 2020 (€8,557m) following increase in scope of consolidation**
- **Average workforce of 8,363 up 1,879, essentially due to consolidation of Pavimental**

Rome, 11 May 2021 – The Board of Directors of Autostrade per l'Italia SpA, chaired by Giuliano Mari, met on 10 May 2021 to examine and approve the Autostrade per l'Italia Group's quarterly results announcement for the three months ended 31 March 2021 ("Q1 2021").

## **Introduction**

During preparation of the results announcement for the three months ended 31 March 2021, the Board confirmed the ability of the Company and the Group to continue to operate as going concerns in accordance with the Italian Civil Code and IFRS, as described in greater detail in the Annual Report for 2020. Autostrade per l'Italia's Board of Directors deems that the risk factors and uncertainties present at the date of preparation of this results announcement are surmountable and, as a result, has concluded that these factors are not such as to raise doubts about the ability of the Company and the Group to continue as going concerns.

## Group financial review

### Introduction

The international financial reporting standards (IFRS) endorsed by the European Commission and in effect as at 31 March 2021 were used in the preparation of the accounts for the first quarter of 2021. The standards are unchanged with respect to those used in the preparation of the consolidated financial statements for the year ended 31 December 2020.

The restrictions on movement imposed by the Italian Government in response to the Covid-19 pandemic again had a significant impact on the performance of traffic in the first quarter of 2021 and, more generally, on the results for the period.

With regard to efforts to resolve the dispute over allegations of serious breaches of the Concession Arrangement initiated by the Grantor on 16 August 2018, there were no major new developments during the first quarter of 2021 with respect to the detailed information provided in the Annual Report for 2020. In this regard, in its letter dated 1 March 2021, Autostrade per l'Italia urged the Grantor to sign all the documents necessary in order to proceed with submission of the Addendum and its annexes (the "draft Agreement") to the Interministerial Committee for Economic Planning (*CIFE*). It should also be remembered that, on 3 December 2020, Autostrade per l'Italia submitted the latest version of its updated Financial Plan to the Grantor, having reached agreement on the updated text with the MIMS and the Ministry of the Economy and Finance.

In the draft agreement, Autostrade per l'Italia has, among other things, committed to covering total costs of €3,400m at its own expense, including:

- a) €1,500m to be used to fund toll discounts for road users, as a result of which exemptions and discounts totalling €6m have been recognised in the first quarter of 2021 (€29m in 2020) following disruption caused by work taking place in the Genoa area. As at 31 March 2021, the remaining commitment amounts to €1,465m;
- b) €1,200m to fund additional maintenance of the infrastructure operated under concession in the regulatory period 2020-2024 and that will not be recovered through tolls;
- c) €700m in expenses incurred by Autostrade per l'Italia in relation to reconstruction of the San Giorgio road bridge in Genoa and all the associated expenses. With regard to reconstruction of the road bridge, which was reopened to traffic in August 2020, a

total of €450m has been paid at the request of the Special Commissioner for Genoa to fund reconstruction of the San Giorgio road bridge. In addition, exemptions from the payment of tolls in the Genoa area cost a total of €42m in the period from 2018 to 2020 and other expenses relating to reconstruction of the road bridge amount to €42m. As a result, the remaining commitment updated to 31 March 2021, and accounted for in “Other provisions for risks and charges, amounts to €166m.

The scope of consolidation as at 31 March 2021 differs from the scope at 31 December 2020, following the acquisition of control of Pavimental SpA, a company that provides services for the construction, maintenance, repair and modernisation of the motorway network, following completion, in January 2021, of the purchase of the 59.4% stake held by the parent, Atlantia, raising our total interest in the company to 79.4%.

In addition, at the end of March 2021, Movyon (formerly Autostrade Tech)<sup>2</sup>, the Autostrade per l'Italia Group's new technology hub, completed the acquisition of a 90% interest in Infomobility Srl for €2m. This company specialises in infomobility systems and hardware and software for the automotive sector. Finally, in January 2021, Free to X Srl, a wholly owned subsidiary of Autostrade per l'Italia, was established. This new company's mission is mainly to develop integrated, sustainable mobility services, including the installation and operation of charging stations for electric vehicles throughout the motorway network operated under concession, and the provision of dynamic pricing systems designed to take into account delays due to roadworks.

Finally, there were no non-recurring, atypical or unusual transactions, either with third or related parties, in either of the comparative periods.

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<sup>2</sup> Movyon is currently the brand name used by Autostrade Tech SpA, which will shortly adopt Movyon as its company name.

## Operating segments

A detailed description of the composition of the Autostrade per l'Italia Group's operating segments is provided in the "Explanatory notes".

€M	MOTORWAYS		ENGINEERING AND CONSTRUCTION		INNOVATION AND TECHNOLOGY		OTHER SERVICES		CONSOLIDATION ADJUSTMENTS		TOTAL AUTOSTRADE PER L'ITALIA GROUP	
	Q1		Q1		Q1		Q1		Q1		Q1	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
External operating revenue	681	713	27	-	11	12	3	3	-	-	722	728
Intersegment operating revenue (*)	4	4	93	-	10	7	8	8	-115	-19	-	-
<b>Total operating revenue</b>	<b>685</b>	<b>717</b>	<b>120</b>	<b>-</b>	<b>21</b>	<b>19</b>	<b>11</b>	<b>11</b>	<b>-115</b>	<b>-19</b>	<b>722</b>	<b>728</b>
<b>EBITDA</b>	<b>331</b>	<b>387</b>	<b>-6</b>	<b>-</b>	<b>1</b>	<b>3</b>	<b>-</b>	<b>1</b>	<b>-5</b>	<b>-</b>	<b>321</b>	<b>391</b>
<b>Operating cash flow</b>	<b>51</b>	<b>221</b>	<b>-5</b>	<b>-</b>	<b>1</b>	<b>2</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>47</b>	<b>224</b>
<b>Capital expenditure</b>	<b>150</b>	<b>104</b>	<b>2</b>	<b>-</b>	<b>1</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>12</b>	<b>-</b>	<b>165</b>	<b>105</b>
<b>Average workforce</b>	<b>5,815</b>	<b>5,798</b>	<b>1,826</b>	<b>-</b>	<b>136</b>	<b>100</b>	<b>586</b>	<b>586</b>	<b>-</b>	<b>-</b>	<b>8,363</b>	<b>6,484</b>

(\*) It should be noted that intersegment revenue relates to transactions between the various operating segments.

## Consolidated operating results

"**Total operating revenue**" for the first quarter of 2021 amounts to €722m, a reduction of €6m compared with the first quarter of 2020 (€728m). It should be noted that compared with the same period of 2019 revenue is down €174m from €896m.

"**Toll revenue**" of €628m is down €35m compared with the first quarter 2020 (€663m), reflecting a 10.6% reduction in traffic using the network. The impact on traffic linked to the restrictions on movement imposed by the Government began to be seen from the end of February 2020.

It should be noted that toll revenue includes €67m (€68m in the first quarter of 2020) in surcharges matching the addition to the concession fee payable to ANAS and accounted for in operating costs under the item "concession fees".

“**Other operating income**” amounts to €94m (€65m in the first quarter of 2020). After stripping out the contribution resulting from the consolidation of Pavimental (€27m), other operating income is broadly in line with the figure for the previous period.

“**Net operating costs**” of €401m are up €64m on the first quarter of 2020 (€337m), primarily due to an increase in the cost of materials and external services during the period, as shown below.

The “**Cost of materials and external services**” amounts to €306m, an increase of €125m compared with the first quarter of 2020 (€181m). The change reflects the costs connected with work on reconstruction of the San Giorgio road bridge in Genoa (€78m in the first quarter of 2021, €40m in the first quarter of 2020). The impact of these costs on EBITDA is broadly offset by use of the related provisions for repair and replacement accounted for in the “Operating change in provisions”. After stripping out these costs, the increase is €87m and is primarily linked to the increase in work carried out by Autostrade per l’Italia as we continue with our planned network maintenance and safety improvement programme, focusing above all on bridges, viaducts and tunnels, included in the extraordinary maintenance plan, as well as an increase in the variable costs relating to winter operations, linked to the significant rise in snow events. With regard to the above cost of reconstruction of the San Giorgio road bridge in Genoa in the first quarter of 2021, the figure includes recognition in the income statement of refundable VAT (€52m) in relation to work on reconstruction of the San Giorgio road bridge in Genoa carried out in previous years. This was done following the Italian tax authority’s refusal to allow the Company’s claim for a refund. This sum had no impact on the result for the period, as it was offset by the use of earlier provisions, or on cash flow for the period, as this amount was almost entirely paid to the Special Commissioner in relation to reconstruction of the road bridge.

“**Concession fees**” amount to €82m (€83m in the first quarter of 2020), reflecting the performance of traffic, toll revenue and sub-concession agreements.

“**Net staff costs**” of €141m are up €28m compared with the first quarter of 2020 (€113m). This essentially reflects first-time consolidation, in the first quarter of 2021, of Pavimental and the contribution from Tecne, established in July 2020.

The “**Operating change in provisions**” reflects uses of €128m (€40m in the first quarter of 2020), linked to:

- the operating change in the provisions for the repair and replacement of motorway infrastructure (€137m), which includes the above use of provisions to fund work on reconstruction of the San Giorgio road bridge in Genoa (€78m);
- provisions for risks and charges made during the period (€9m) to cover existing litigation risks, including, among other things, the estimated cost to be met in order to settle with the Antitrust Authority following its investigation of Autostrade per l’Italia.

“**Gross operating profit**” (EBITDA) of €321m is down €70m compared with the first quarter of 2020 (€391m), as a result of the above performance.

“**Amortisation and depreciation, impairment losses, reversals of impairment losses and provisions for renewal work**” amount to €165m, an increase of €4m compared with the first quarter of 2020 (€161m).

“**Operating profit**” (EBIT) of €156m is thus down €74m compared with the first quarter of 2020 (€230m).

“**Net financial expenses**” of €60m are down €56m compared with the same period of 2020 (€116m), essentially reflecting the different impact of movements in fair value losses on derivative instruments in the two comparative periods.

“**Income tax expense**” of €42m is in line with the first quarter of 2020.

“**Profit for the period**” of €53m is down €16m compared with the first quarter of 2020 (€69m).

“**Profit for the period attributable to owners of the parent**”, amounting to €49m, is down €19m compared with the first quarter of 2020 (€68m).

## RECLASSIFIED CONSOLIDATED INCOME STATEMENT (\*)

€m	Q1 2021	Q1 2020	Increase/(Decrease)	
			Absolute	%
Toll revenue	628	663	-35	-5
Other operating income	94	65	29	45
<b>Total operating revenue</b>	<b>722</b>	<b>728</b>	<b>-6</b>	<b>-1</b>
Cost of materials and external services	-306	-181	-125	69
Concession fees	-82	-83	1	-1
Net staff costs	-141	-113	-28	25
Operating change in provisions	128	40	88	n.s.
<b>Total net operating costs</b>	<b>-401</b>	<b>-337</b>	<b>-64</b>	<b>19</b>
<b>Gross operating profit (EBITDA)</b>	<b>321</b>	<b>391</b>	<b>-70</b>	<b>-18</b>
Amortisation, depreciation, impairment losses, reversals of impairment losses and provisions for renewal work	-165	-161	-4	2
<b>Operating profit/(loss) (EBIT)</b>	<b>156</b>	<b>230</b>	<b>-74</b>	<b>-32</b>
Other financial income/(expenses), net	-60	-116	56	-48
Share of profit/(loss) of investees accounted for using the equity method	-1	-3	2	-67
<b>Profit/(Loss) before tax from continuing operations</b>	<b>95</b>	<b>111</b>	<b>-16</b>	<b>-14</b>
Income tax benefit/(expense)	-42	-42	-	-
<b>Profit/(Loss) from continuing operations</b>	<b>53</b>	<b>69</b>	<b>-16</b>	<b>-23</b>
Profit/(Loss) from discontinued operations	-	-	-	-
<b>Profit/(Loss) for the period</b>	<b>53</b>	<b>69</b>	<b>-16</b>	<b>-23</b>
(Profit)/Loss attributable to non-controlling interests	4	1	3	n/s
<b>(Profit)/Loss attributable to owners of the parent</b>	<b>49</b>	<b>68</b>	<b>-19</b>	<b>-28</b>

	Q1 2021	Q1 2020	Increase/(Decrease)
<b>Basic earnings/(loss) per share attributable to the owners of the parent (€)</b>	<b>0.08</b>	<b>0.11</b>	<b>-0.03</b>
<i>of which:</i>			
- from continuing operations	0.08	0.11	-0.03
- from discontinued operations	-	-	-
<b>Diluted earnings/(loss) per share attributable to the owners of the parent (€)</b>	<b>0.08</b>	<b>0.11</b>	<b>-0.03</b>
<i>of which:</i>			
- from continuing operations	0.08	0.11	-0.03
- from discontinued operations	-	-	-

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



## Consolidated financial position

As at 31 March 2021, “**Non-current non-financial assets**”, totalling €17,728m, are up €4m compared with the figure as at 31 December 2020 (€17,724m). After stripping out changes in the Group’s scope of consolidation, linked essentially to first-time consolidation of Pavimental (€72m), this item is down €68m, primarily due the amortisation of intangible assets deriving from concession rights (€154m), partially offset by investment during the period in construction services for which additional economic benefits are received (€47m) and an updated estimate of future investment in construction services for which no additional benefits are received (€40m).

“**Working capital**” reports a negative balance of €3,725m (a negative balance of €4,092m as at 31 December 2020). After stripping out changes in the Group’s scope of consolidation, linked essentially to first-time consolidation of Pavimental (€132m), the change of €235m is primarily due to the following:

- a €162m reduction in net trading liabilities (after deducting trading assets), primarily reflecting the combined effect of a decline in amounts payable to the operators of interconnecting motorways and in tolls in the process of settlement, reflecting the decline in traffic registered in the first quarter of 2021, and a decrease in amounts payable to suppliers, primarily due to the volumes of maintenance and capital expenditure carried out in the period under review;
- a reduction of €87m in the current portion of provisions, reflecting the use of provisions for the repair and replacement to fund maintenance during the period, amounting to €242m, partially offset by the reclassification of provisions to cover the estimated cost of work to be carried out in the next twelve months to current provisions (€147m).

“**Non-current non-financial liabilities**”, totalling €3,159m, are down €74m compared with the figure as at 31 December 2020 (€3,233m). This primarily reflects a reduction in the non-current portion of provisions for construction services required by contract, essentially due to reclassification of the current portion (€82m), partially offset by an updated estimate of the present value on completion of the works still to be carried out (€40m).

“**Net invested capital**” of €10,844m is up €445m compared with 31 December 2020 (€10,399m).

“**Equity**” amounts to €1,928m (€1,842m as at 31 December 2020). “**Equity attributable to owners of the parent**”, totalling €1,570m, is up by a total of €82m compared with the figure as at 31 December 2020 (€1,488m), essentially due to profit for the period (€49m) and recognition of the impact of the acquisition of Pavimental, amounting to €15m after the related taxation, in accordance with the applicable accounting standards and the Group’s policy on transactions under common control.

“**Equity attributable to non-controlling interests**” of €358m is up €4m compared with 31 December 2020 (€354m).

The Group’s “**Net debt**” as at 31 March 2021 amounts to €8,916m, an increase of €359m compared with 31 December 2020 (€8,557m). Further details of changes in net debt are provided in the following section, “Consolidated cash flow”.

## RECLASSIFIED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (\*)

€m	31 March 2021	31 December 2020	Increase/ (Decrease)
Non-current non-financial assets (A)	17,728	17,724	4
Working capital (B)	-3,725	-4,092	367
Gross invested capital (C=A+B)	14,003	13,632	371
Non-current non-financial liabilities (D)	-3,159	-3,233	74
<b>NET INVESTED CAPITAL (E=C+D)</b>	<b>10,844</b>	<b>10,399</b>	<b>445</b>
Equity attributable to owners of the parent	1,570	1,488	82
Equity attributable to non-controlling interests	358	354	4
Total equity (F)	1,928	1,842	86
Non-current net debt (G)	8,706	7,370	1,336
Current net debt (H)	210	1,187	-977
Net debt (I=G+H)	8,916	8,557	359
<b>NET DEBT AND EQUITY (L=F+I)</b>	<b>10,844</b>	<b>10,399</b>	<b>445</b>

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

With regard to net debt, the loan from Cassa Depositi e Prestiti with a nominal value of €400m – included in the current portion of financial liabilities as at 31 December 2020 solely for the purposes provided for in IAS 1 – has been reclassified to long-term following the grant, in March 2021, of a covenant holiday solely in relation to the measurement date of 31 December 2020.

In early 2021, the Company agreed new Forward-Starting Interest Rate Swaps with a total notional value of €3,000m, a weighted average duration of 10 years and an average delay of 2 years. The weighted average interest rate is 0.16%. These transactions have been accounted for in the accounts under financial assets with a carrying amount of €18m.

Other changes in debt during the period regard:

- the issue, in January, of bonds with a nominal value of €1,000m, paying coupon interest of 2% and maturing in 2030;
- the repayment, on 26 February 2021, of bonds with a remaining nominal value of €594m and paying coupon interest of 2.875%, guaranteed by Atlantia.

As at 31 March 2021, the Group has lines of credit amounting to €1,355 million with a weighted average residual term to maturity of approximately four years and three months and

a weighted average residual drawdown period of approximately one year and three months. Talks are continuing with the aim of assessing whether or not the suspensive conditions that would permit the disbursement of funds under the revolving credit facility granted to Autostrade per l'Italia by Cassa Depositi e Prestiti have been met.

### Consolidated cash flow

**“Net cash used in operating activities”** in the first quarter of 2021 amounts to €98m, a deterioration of €253m compared with the inflow of €155m in the comparative period. This reflects:

- a reduction of €177m in operating cash flow, primarily reflecting the reduction in cash from operating activities linked to the decline in EBITDA. This is mainly due to the fall in traffic and increased maintenance expenditure compared with the comparative period, as described in previous sections. In this regard, it should be noted that non-recurring outflows include €78m relating to reconstruction of the San Giorgio road bridge in Genoa and €29m resulting from the unwinding of several derivative contracts hedging financial risk;
- an increase in the outflow for movements in operating capital and non-financial assets and liabilities (totalling €76m). Outflows in the first quarter of 2021, amounting to €145m, primarily reflect the above movements in “Working capital”.

**“Cash used for investment in non-financial assets”**, totalling €344m, is up €239m compared with the first quarter of 2021 (€105m). This is primarily due to the impact on net debt of the consolidation of Pavimental and increased capital expenditure during the period.

In addition, other changes during the first quarter of 2021 have resulted in a reduction in net debt of €83m, essentially due to changes in the fair value of derivative financial instruments.

The overall impact of the above cash flows increased net debt by €359m, compared with a reduction of €60m in the first quarter of 2020.

## STATEMENT OF CHANGES IN CONSOLIDATED NET DEBT (\*)

€m	Q1 2021	Q1 2020
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Operating cash flow	47	224
Change in operating capital	-163	34
Other changes in non-financial assets and liabilities	18	-103
<b>Net cash generated from/(used in) operating activities (A)</b>	<b>-98</b>	<b>155</b>
<b>NET CASH FROM/(USED IN) INVESTMENT IN NON-FINANCIAL ASSETS</b>		
Capital expenditure	-165	-105
Increase in financial assets deriving from concession rights (related to capital expenditure)	4	-
Investment in consolidated companies, including net debt assumed	-184	-
Net change in other non-current assets	1	-
<b>Net cash from/(used in) investment in non-financial assets (B)</b>	<b>-344</b>	<b>-105</b>
<b>NET EQUITY CASH INFLOWS/(OUTFLOWS)</b>		
Dividends declared by Autostrade per l'Italia and Group companies and payable to non-controlling shareholders	-	-
<b>Net equity cash inflows/(outflows) (C)</b>	<b>-</b>	<b>-</b>
<b>Increase/(Decrease) in cash and cash equivalents during period (A+B+C)</b>	<b>-442</b>	<b>50</b>
<b>Other changes in net debt (D)</b>	<b>83</b>	<b>1</b>
<b>Decrease/(Increase) in net debt for period (A+B+C+D)</b>	<b>-359</b>	<b>51</b>
<b>Net debt at beginning of period</b>	<b>-8,557</b>	<b>-8,392</b>
<b>Net debt at end of period</b>	<b>-8,916</b>	<b>-8,341</b>

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

## Operating review for the motorways segment

### Traffic

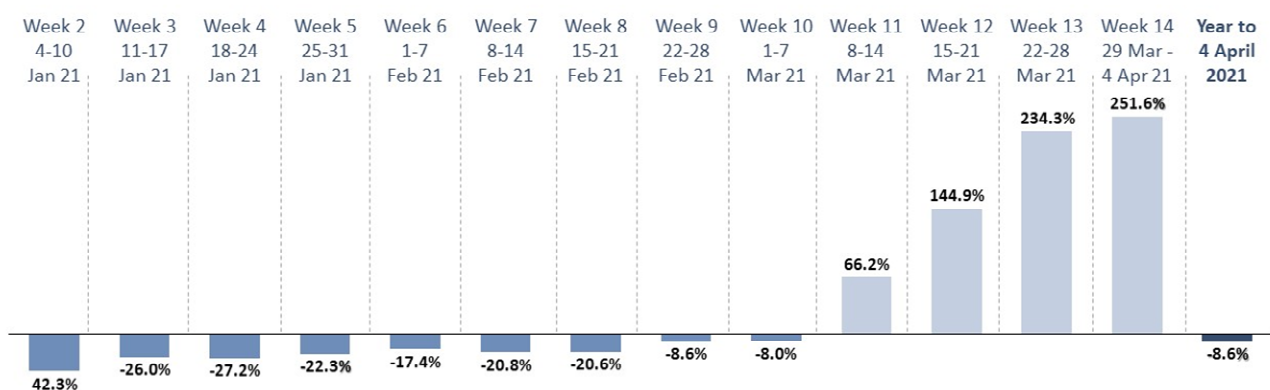
Traffic during the first quarter of 2021 continued to be significantly impacted by the effect of the spread of Covid-19 in Italy from the last week in February 2020, and by the resulting restrictions on movement imposed by the authorities. Traffic on the Group's motorway network in the first quarter of 2021 was down 10.6% compared with the same period of the previous year (down 9.7% after taking into account the leap-year effect). The reduction is due to the fall in the number of kilometres travelled by vehicles with 2 axles, which is down 14.9%, whilst the figure for vehicles with 3 or more axles is up 8.8%.

#### TRAFFIC ON THE GROUP'S NETWORK IN Q1 2021

Operator	Km travelled (in millions)		% change
	Q1 2021	Q1 2020	
Autostrade per l'Italia	7,325.0	8,207.7	-10.8%
Autostrade Meridionali	294.0	314.4	-6.5%
Tangenziale di Napoli	162.9	179.6	-9.3%
Autostrada Tirrenica	34.4	37.5	-8.3%
Raccordo Autostradale Valle d'Aosta	15.8	23.4	-32.6%
Società Italiana per il Traforo del Monte Bianco	1.4	2.1	-33.5%
<b>Total Autostrade per l'Italia Group</b>	<b>7,833.6</b>	<b>8,764.7</b>	<b>-10.6%</b>

The figures are in millions of kilometres travelled, after rounding to the nearest decimal place. The figures for the Mont Blanc tunnel refer to paying traffic.

#### WEEKLY TRAFFIC TRENDS ON THE AUTOSTRADA PER L'ITALIA GROUP'S NETWORK IN Q1 2021 (% change in km travelled in 2021 versus same weeks in 2020)



	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7	Week 8	Week 9	Week 10	Week 11	Week 12	Week 13	Week 14	Year to 4 April 2021
<b>TOTAL</b>	-42.3%	-26.0%	-27.2%	-22.3%	-17.4%	-20.8%	-20.6%	-8.6%	-8.0%	66.2%	144.9%	234.3%	251.6%	-8.6%
2 axles	-46.6%	-31.9%	-33.6%	-28.1%	-21.7%	-25.5%	-25.2%	-11.7%	-11.3%	103.2%	257.6%	429.7%	430.6%	-13.0%
3+ axles	-16.5%	1.1%	2.8%	5.2%	3.0%	2.5%	3.0%	4.6%	4.0%	8.1%	32.0%	62.0%	71.9%	+9.1%

## Capital expenditure

Capital expenditure by the Autostrade per l'Italia Group in the first quarter of 2021 amounts to €150m.

€m	Q1 2021	Q1 2020
Autostrade per l'Italia -projects in Agreement of 1997	16	37
Autostrade per l'Italia - projects in IV Addendum of 2002	24	21
Autostrade per l'Italia: other capital expenditure (including capitalised costs)	73	37
Other operators (including capitalised costs)	7	2
<b>Total investment in infrastructure operated under concession</b>	<b>120</b>	<b>97</b>
Investment in other intangible assets	17	4
Investment in property, plant and equipment	13	3
<b>Total capital expenditure</b>	<b>150</b>	<b>104</b>

Work on the following projects continued in the first quarter of 2021:

- projects included in the Agreement of 1997, with particular regard to the widening of the A1 between Barberino and Florence North and between Florence South and Incisa to three lanes;
- projects included in the IV Addendum of 2002, with particular regard to works involved in the second lot forming part of the fifth lane of the A8 motorway between Milan and Lainate, landscaping works for the widening of the A14 between Rimini and Porto Sant'Elpidio to three lanes, the interventions included in the second phase of the Tunnel Safety Plan, and preparatory work for the Genoa Bypass (the so-called *Gronda*);
- other investment in major works, primarily relating to construction of the fourth free-flow lane for the A4 in the Milan area, in the section between the Viale Certosa and Sesto San Giovanni junctions;
- other capital expenditure includes ongoing improvements to quality and safety standards on the network and new investment in the development of new technologies and modernisation of the network.

The first quarter of 2021 also saw Autostrade per l'Italia proceed with work on numerous interventions on the network provided for in our development and modernisation programme. The programme, included in the updated Financial Plan still being examined by the Grantor, covers a series of works designed to improve, upgrade and modernise the motorway network, and extend the life of the infrastructure. This is in addition to the Company's existing obligations under the Concession Arrangement.

## Significant regulatory and legal aspects

In addition to the information already provided in the Annual Report for 2020, this section provides details of updates or new developments relating to significant regulatory and legal events affecting Group companies and occurring through to the date of approval of this results announcement for the three months ended 31 March 2021.

### Extraordinary tunnel inspections

With reference to the announcement of 22 July 2020, launching a procedure for serious breaches pursuant to art. 8 of the Single Concession Arrangement in relation to checks carried out by Autostrade per l'Italia on tunnels on the network it operates, with particular regard to those in the Liguria region, following the Company's submission of counterarguments and two specific meetings at the Grantor's offices, on 21 April 2021, the Grantor announced its decision to impose a fine of €100,000 on Autostrade per l'Italia, thereby bringing the dispute to an end.

### Proceeding initiated by the Antitrust Authority

On 26 March 2021, Italy's Antitrust Authority announced that it was going to fine Autostrade per l'Italia the sum of €5m for unfair commercial practices.

On completion of its investigation, the Antitrust Authority ruled that the disruption to traffic and to journey times on the A14, A16 and sections of motorway in the Genoa area was due to the operator's failure to properly manage and maintain the infrastructure. The Authority found that the Company had breached art. 20 of the Consumer Code, having failed to meet the required standards of professional diligence by distorting the economic behaviour of consumers. The Authority also ruled that the Company had engaged in aggressive conduct by failing to adequately reduce tolls, despite the inferior quality of service provided, and by failing to ensure that road users were appropriately informed about their right to claim a refund of any tolls paid.

Whilst taking steps to comply with the Authority's ruling, Autostrade per l'Italia has asked its legal advisers to examine the ruling with a view to challenging it in court.



## Investigation of the collapse of a section of the Polcevera road bridge by the Public Prosecutor's Office in Genoa

On 22 April this year, the Public Prosecutor's Office in Genoa notified Autostrade per l'Italia and the other parties under investigation that the investigation had come to an end. The notice contains details of the offences the accused have been charged with.

All the parties under investigation are accused of the following offences: accessory to culpable collapse; violation of transport safety regulations aggravated by culpable disaster; the removal or failure to use occupational safety equipment, aggravated by culpable disaster; and culpable homicide and negligent injury aggravated by the violation of accident prevention regulations. Only certain of the parties under investigation are also accused of the following: culpable vehicular homicide; grievous or very grievous bodily harm caused by road traffic violations; failure to perform an act of office; and false statements in a digital public document.

Autostrade per l'Italia is also under investigation for the administrative offences covered by art. 25-*septies* of Legislative Decree 231/2001 ("Culpable homicide or grievous or very grievous bodily harm resulting from breaches of occupational health and safety regulations"), with regard to articles 589 (culpable homicide) and 590 (negligent injury) of the criminal code due to breaches of health and safety regulations, an offence, it is alleged, carried out in the interests of and for the advantage of the entity. In addition, the Company is also under investigation with regard to the violation of art. 24-*bis* of Legislative Decree 231/2001 ("computer crime and the illegal processing of data") with regard to articles 479, 476 (paragraph 2) and 491-*bis* (false statements in a digital public document) of the criminal code in relation to the preparation of reports, in digital form, on surveillance of the Polcevera road bridge by the relevant technical units at SPEA.

Finally, as far as it is possible to deduce from the statements issued to the press by prosecutors, the preliminary hearing is expected to take place before the end of this summer, with the trial due to begin by the end of the current year.

## Claim for damages from the Ministry of the Environment

The grounds for the Supreme Court ruling on the criminal case brought before the Court of Florence, regarding alleged violations of environmental laws during construction of the *Variante di Valico*, were published on 15 March 2021. More specifically, in referring the case back to the Court of Appeal, the Supreme Court has, among things, set out the key principles

that the Court of Appeal should focus on when considering its judgement:

- personnel from ARPAT (the regional environmental protection agency) are classified as law enforcement and may, therefore, conduct all the usual forms of investigation without requiring express authorisation from a public prosecutor and with the sole requirement to provide the persons under investigation with prior notification. This means that the Court of Appeal must take into account all the technical evidence relating to the excavated materials obtained by ARPAT but not used during the trial at first instance. It should be noted that this evidence is not dissimilar, in terms of technical and scientific content, from the conclusions reached following ARPAT's inspection of the same materials, and included in the evidence used during the previous trial and on the basis of which the Court at first instance decided to acquit the accused, as there was no case to answer given that the law had not been breached;
- on the legislation applicable to soil and rocks from excavation work and the related by-products, whilst the Supreme Court acknowledges that the Court was correct in its approach to considering developments in the legislation applicable to this area and, whilst bearing in mind the fact that Autostrade per l'Italia had obtained the necessary consents for handling soil and rocks from excavation work and the related by-products (from ARPAT in 2005, the Ministry of the Environment and Land and Sea protection in 2008, and for its Usages Plans in 2012), the Supreme Court has requested the Court of Appeal to carry out a case-by-case examination of the effective, correct use of the soil and rocks from excavation work and the related by-products, and the absence of any potential contamination or environmental damage, in compliance with the consents obtained.

## Events after 31 March 2021

### Acquisition of control of Pavimental completed

The transfer of a further 20% interest in Pavimental, previously held by Aeroporti di Roma SpA, was completed on 23 April 2021. Following completion of this transaction, Autostrade per l'Italia owns a 99.4% stake in Pavimental.

### Revolving credit facility agreed

On 27 April 2021, Autostrade per l'Italia agreed a 5-year, €750m revolving credit facility with the aim of strengthening the Company's financial structure. The proceeds will be used for general corporate purposes and to fund the upgrade and modernisation of the motorway network operated under concession.

The financing, agreed with a pool of Italian and international banks, includes an option to convert the agreement into a Sustainability-linked Revolving Credit Facility following publication of the Autostrade per l'Italia Group's first Sustainability Report, expected by June 2021, and after definition of appropriate sustainability performance indicators that the Company will commit to abide by over the term of the facility.

## Outlook

With regard to the restrictions on movement introduced in response to the spread of Covid-19, the continued imposition of these measures will continue to have a negative impact on traffic, even if less pronounced than in the previous year. Based on the figures available to date and considering the current gradual relaxation of the restrictions on movement, we would expect to see traffic down by an overall annual rate of between 10% and 20% in 2021 compared with the pre-crisis situation in 2019. At the same time, we expect to see an improvement of between 10% and 25% on the figures for 2020. As a result, we expect Autostrade per l'Italia's net toll revenue<sup>3</sup> to be in a range from €2.4bn to €2.7bn. It should be noted, however, that the assumptions underlying such an analysis are subject to change

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<sup>3</sup> Toll revenue net of the surcharges payable to ANAS (accounted for in operating costs under the item "concession fees").

depending on events and on a number of risk factors and uncertainties not currently foreseeable.

Finally, in 2021, the Company will continue to deliver on our demanding modernisation and upgrade programme for the infrastructure we manage, with over €1bn due to be spent on capital and maintenance expenditure, as provided for in the new Business Plan.

## Explanatory notes

### Like-for-like performance indicators

The following table shows a reconciliation of like-for-like consolidated amounts, for the two comparative periods, for gross operating profit (EBITDA), profit for the period, profit for the period attributable to owners of the parent and operating cash flow and the corresponding amounts presented in the reclassified consolidated financial statements shown above.

€m	Note	Q1 2021				Q1 2020			
		Gross operating profit (EBITDA)	Profit/(Loss) for the period	Profit/(Loss) attributable to owners of the parent	Operating cash flow	Gross operating profit (EBITDA)	Profit/(Loss) for the period	Profit/(Loss) attributable to owners of the parent	Operating cash flow
<b>Reported amounts (A)</b>		<b>321</b>	<b>53</b>	<b>49</b>	<b>47</b>	<b>391</b>	<b>69</b>	<b>68</b>	<b>224</b>
<b>Adjustments for non like-for-like items</b>									
Impact connected with collapse of a section of the Polcevera road bridge	(1)	-	2	2	-46	-4	-3	-3	-39
Impact of settlement of disputes with the MIMS	(2)	-	-	-	-4	-	-	-	-
Change in the scope of consolidation (Pavimental, Pavimental Polska and Tecne)	(3)	-6	-6	-6	-4	-	-	-	-
Change in discount rate applied to provisions	(4)	2	6	6	-1	-	-1	-1	-
<b>Sub-total (B)</b>		<b>-4</b>	<b>2</b>	<b>2</b>	<b>-55</b>	<b>-4</b>	<b>-4</b>	<b>-4</b>	<b>-39</b>
<b>Like-for-like amounts (C) = (A)-(B)</b>		<b>325</b>	<b>51</b>	<b>47</b>	<b>102</b>	<b>395</b>	<b>73</b>	<b>72</b>	<b>263</b>

#### 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 eliminating:

- 1) from consolidated amounts for the first quarter of 2021 and the first quarter of 2020, the after-tax impact on the income statement and on operating cash flow of (i) reductions in toll revenue, (ii) payments made at the request of the Special Commissioner for Genoa in relation to reconstruction of the San Giorgio road bridge in Genoa, and (iii) the compensation paid to victims' families and the injured, to cover legal expenses and to fund the financial support provided to small businesses and firms;
- 2) from consolidated amounts for the first quarter of 2021, 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 the first quarter of 2021, the contribution from Tecne Gruppo Autostrade per l'Italia, established in July 2020, and from Pavimental and Pavimental Polska, consolidates from January 2021;
- 4) 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.

### 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 2020, to which reference should be made. In application of the CONSOB Ruling of 3 December 2015, governing implementation in Italy of the guidelines for alternative performance indicators ("APIs") issued by the European Securities and Markets Authority (ESMA), the composition of each indicator and reconciliations with reported amounts are provided below:

- "**Gross operating profit (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, from operating revenue;
- "**Operating profit (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 Società Italiana per Azioni per il Traforo del Monte Bianco 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 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 (EBITDA), profit for the period, profit 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, and (ii) 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.

## Operating segments

The composition of the Autostrade per l’Italia Group’s operating segments is as follows:

- **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;
- **Technology and innovation**: includes the activities connected with (i) the creation of new free flow tolling platforms, (ii) the installation of digital infrastructure for smart roads and intelligent service areas, (iii) the development of an innovative system for monitoring infrastructure, and (iv) sustainable mobility services;
- **Other services**: primarily includes the services provided by Essediesse and Giove Clear to other Autostrade per l’Italia Group companies.

## 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 2021						Q1 2020					
Reconciliation of items	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
Toll revenue			628			628			663			663
Revenue from construction services			47						28			
Revenue from construction services - government grants and cost of materials and external services	(a)	33							24			
Capitalised staff costs - construction services for which additional economic benefits are received	(b)	11							2			
Revenue from construction services: capitalised financial expenses	(c)	3							2			
Revenue from construction services provided by sub-operators	(d)	-							-			
Other revenue	(e)		94						65			
Other operating income				(e+d)		94			(e+d)			65
Revenue from construction services provided by sub-operators				(d)		-			(d)			-
<b>Total revenue</b>			<b>769</b>			<b>722</b>			<b>756</b>			<b>728</b>
<b>TOTAL OPERATING REVENUE</b>												
Raw and consumable materials			-51		-51			-18		-18		
Service costs			-337		-337			-236		-236		
Gain/(Loss) on sale of elements of property, plant and equipment			-		-			-		-		
Other operating costs			-103					-97				
Concession fees	(f)		-82					-83				
Lease expense			-3		-3			-1		-1		
Other			-18		-18			-13		-13		
Use of provisions for construction services required by contract				(j)		69			(j)			63
Revenue from construction services: government grants and capitalised cost of materials and external services				(a)		33			(a)			24
Use of provisions for renewal of motorway infrastructure				(i)		1			(i)			-
<b>COST OF MATERIALS AND EXTERNAL SERVICES</b>						-306						-181
<b>CONCESSION FEES</b>				(f)		-82			(f)			-83
Staff costs	(g)		-167					-121				
<b>NET STAFF COSTS</b>				(g+b+k)		-141			(g+b+k)			-113
<b>OPERATING CHANGE IN PROVISIONS AND OTHER ADJUSTMENTS</b>						128						40
Operating change in provisions			132					38				
(Provisions)/ Uses of provisions for repair and replacement of motorway infrastructure			137		98			43		43		
(Provisions)/Uses of provisions for renewal of motorway infrastructure			4					-2				
Provisions for renewal of motorway infrastructure	(h)		3					-2				
Uses of provisions for renewal of motorway infrastructure	(i)		1					-				
Provisions/(Uses) of provisions for risks and charges			-9		-9			-3		-3		
<b>TOTAL NET OPERATING COSTS</b>						<b>-401</b>						<b>-337</b>
<b>GROSS OPERATING PROFIT (EBITDA)</b>						<b>321</b>						<b>391</b>
Use of provisions for construction services required by contract			84					69				
Use of provisions for construction services required by contract	(j)		69					63				
Capitalised staff costs - construction services for which no additional economic benefits are received	(k)		15					6				
Amortisation and depreciation	(l)		-168					-159				
Depreciation of property, plant and equipment			-8					-5				
Amortisation of intangible assets deriving from concession rights			-154					-149				
Amortisation of other intangible assets			-6					-5				
(Impairment losses)/Reversals of impairment losses	(m)		-					-				
<b>AMORTISATION, DEPRECIATION, IMPAIRMENT LOSSES AND REVERSALS OF IMPAIRMENT LOSSES</b>				(l+h+m)		-165			(l+h+m)			-161
<b>TOTAL COSTS</b>			<b>-610</b>					<b>-524</b>				
<b>OPERATING PROFIT/(LOSS)</b>			<b>159</b>					<b>232</b>				
<b>OPERATING PROFIT/(LOSS) (EBIT)</b>						<b>156</b>						<b>230</b>
Financial income			55					32				
Dividends received from investees	(n)		-					-				
Other financial income	(o)		55					32				
Financial expenses			-118					-150				
Financial expenses from discounting of provisions for construction services required by contract and other provisions	(p)		1					-4				
Other financial expenses	(q)		-119					-146				
Foreign exchange gains/(losses)	(r)		-					-				
<b>FINANCIAL INCOME/(EXPENSES)</b>			<b>-63</b>					<b>-118</b>				
Net financial expenses				(c+n+o+p+q+r)		-60			(c+n+o+p+q+r)			-116
Share of profit/(loss) of investees accounted for using the equity method			-1			-1		-3				-3
<b>PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS</b>			<b>95</b>			<b>95</b>		<b>111</b>				<b>111</b>
Income tax (expense)/benefit			-42			-42		-42				-42
Current tax expense			-18					-17				
Differences on tax expense for previous years			2					-				
Deferred tax income and expense			-26					-25				
<b>PROFIT/(LOSS) FROM CONTINUING OPERATIONS</b>			<b>53</b>			<b>53</b>		<b>69</b>				<b>69</b>
Profit/(Loss) from discontinued operations			-			-		-				-
<b>PROFIT/(LOSS) FOR THE PERIOD</b>			<b>53</b>			<b>53</b>		<b>69</b>				<b>69</b>
<b>of which:</b>												
Profit/(Loss) attributable to owners of the parent			49			49		68				68
Profit/(Loss) attributable to non-controlling interests			4			4		1				1

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

€m	31 March 2021					31 December 2020				
	Reported basis		Reclassified basis			Reported basis		Reclassified basis		
	Ref.	Main entries	Ref.	Sub-Items	Main entries	Ref.	Main entries	Ref.	Sub-Items	Main entries
<b>Reconciliation of Items</b>										
<b>Non-current non-financial assets</b>										
Property, plant and equipment	(a)	151			151	(a)	88			88
Intangible assets	(b)	17,376			17,376	(b)	17,432			17,432
Investments	(c)	75			75	(c)	73			73
Deferred tax assets	(d)	124			124	(d)	131			131
Other non-current assets	(e)	2			2	(e)	-			-
<b>Total non-current non-financial assets (A)</b>					<b>17,728</b>					<b>17,724</b>
<b>Working capital</b>										
Trading assets	(f)	650			650	(f)	545			545
Current tax assets	(g)	63			63	(g)	63			63
Other current assets	(h)	165			165	(h)	161			161
Investments held for sale or for distribution to shareholders or related to discontinued operations				(w)	6				(w)	6
Current portion of provisions for construction services required by contract	(i)	-731			-731	(i)	-732			-732
Current provisions	(j)	-2,439			-2,439	(j)	-2,525			-2,525
Trading liabilities	(k)	-1,128			-1,128	(k)	-1,320			-1,320
Current tax liabilities	(l)	-22			-22	(l)	-3			-3
Other current liabilities	(m)	-289			-289	(m)	-287			-287
Non-financial liabilities related to discontinued operations				(x)	-				(x)	-
<b>Total working capital (B)</b>					<b>-3,725</b>					<b>-4,092</b>
<b>Gross invested capital (C=A+B)</b>					<b>14,003</b>					<b>13,632</b>
<b>Non-current non-financial liabilities</b>										
Non-current portion of provisions for construction services required by contract	(n)	-1,763			-1,763	(n)	-1,808			-1,808
Non-current provisions	(o)	-1,320			-1,320	(o)	-1,365			-1,365
Deferred tax liabilities	(p)	-52			-52	(p)	-37			-37
Other non-current liabilities	(q)	-24			-24	(q)	-23			-23
<b>Total non-current non-financial liabilities (D)</b>					<b>-3,159</b>					<b>-3,233</b>
<b>NET INVESTED CAPITAL (E=C+D)</b>					<b>10,844</b>					<b>10,399</b>
<b>Total equity (F)</b>		<b>1,929</b>			<b>1,928</b>		<b>1,842</b>			<b>1,842</b>
<b>Net debt</b>										
<b>Non-current net debt</b>										
<b>Non-current financial liabilities</b>	(r)	<b>9,061</b>			<b>9,061</b>	(r)	<b>7,706</b>			<b>7,706</b>
<b>Non-current financial assets</b>	(s)	<b>-355</b>			<b>-355</b>	(s)	<b>-336</b>			<b>-336</b>
<b>Total non-current net debt/(net funds) (G)</b>					<b>8,706</b>					<b>7,370</b>
<b>Current net debt/(net funds)</b>										
<b>Current financial liabilities</b>	(t)	<b>2,562</b>			<b>2,562</b>	(t)	<b>3,631</b>			<b>3,631</b>
Short-term borrowings		245		245		249		249		
Current derivative liabilities		-		-		-		-		
Intercompany current account payables due to related parties		0		0		0		0		
Current portion of medium/long-term borrowings		2,237		2,237		3,350		3,350		
Other current financial liabilities		35		35		32		32		
Current financial liabilities related to discontinued operations				(aa)	-			(aa)	-	
<b>Cash and cash equivalents</b>	(u)	<b>-1,838</b>			<b>-1,838</b>	(u)	<b>-1,954</b>			<b>-1,954</b>
Cash		-1,236		-1,236		-1,424		-1,424		
Cash equivalents		-115		-115		15		15		
Intercompany current account receivables due from related parties		-487		-487		-515		-515		
Cash and cash equivalents related to discontinued operations				(y)	-			(y)	-	
<b>Current financial assets</b>	(v)	<b>-514</b>			<b>-514</b>	(v)	<b>-490</b>			<b>-490</b>
Current financial assets deriving from concession rights		-415		-415		-411		-411		
Current financial assets deriving from government grants		-20		-20		-20		-20		
Current term deposits		-19		-19		-19		-19		
Current portion of other medium/long-term financial assets		-35		-35		-22		-22		
Other current financial assets		-25		-25		-18		-18		
Financial assets held for sale or related to discontinued operations				(z)	-			(z)	-	
<b>Total current net debt/(net funds) (H)</b>					<b>210</b>					<b>1,187</b>
<b>Total net debt (I=G+H)</b>					<b>8,916</b>					<b>8,557</b>
<b>NET DEBT AND EQUITY (L=F+I)</b>					<b>10,844</b>					<b>10,399</b>
Assets held for sale or related to discontinued operations	(-y-z+w)	6				(-y-z+w)	6			
Liabilities related to discontinued operations	(-x+aa)	-				(-x+aa)	-			
<b>TOTAL NON-CURRENT ASSETS</b>	(a+b+c+d+e-s)	<b>18,083</b>				(a+b+c+d+e-s)	<b>18,060</b>			
<b>TOTAL CURRENT ASSETS</b>	(f+g+h-u-v-y-z+w)	<b>3,236</b>				(f+g+h-u-v-y-z+w)	<b>3,219</b>			
<b>TOTAL NON-CURRENT LIABILITIES</b>	(-n-o-p-q+r)	<b>12,220</b>				(-n-o-p-q+r)	<b>10,939</b>			
<b>TOTAL CURRENT LIABILITIES</b>	(-i-j-k-l-m+t-x+aa)	<b>7,171</b>				(-i-j-k-l-m+t-x+aa)	<b>8,498</b>			



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

€M	Rif.	Q1 2021		Q1 2020	
		Consolidated statement of cash flows	Changes in consolidated net debt	Consolidated statement of cash flows	Changes in consolidated net debt
<b>Reconciliation of items</b>					
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>					
		53	53	69	69
<b>Profit/(Loss) for the period</b>					
<b>Adjusted by:</b>					
Amortisation and depreciation		167	167	159	159
Operating change in provisions, excluding uses of provisions for renewal of motorway infrastructure		-140	-140	-46	-46
Financial expenses from discounting of provisions for construction services required by contract and other provisions		-1	-1	4	4
Share of (profit)/loss of investees accounted for using the equity method		1	1	3	3
Impairment losses/(Reversal of impairment losses) and adjustments of current and non-current assets		1	1	-	-
Net change in deferred tax (assets)/liabilities through profit or loss		25	25	25	25
Other non-cash costs (income)		-59	-59	10	10
<b>Operating cash flow</b>			<b>47</b>		<b>224</b>
Change in operating capital	(a)		-163		34
Other changes in non-financial assets and liabilities	(b)		18		-103
Change in working capital and other changes	(a+b)	-145		-69	
<b>Net cash generated from/(used in) operating activities (A)</b>		<b>-98</b>	<b>-98</b>	<b>155</b>	<b>155</b>
<b>NET CASH FROM/(USED IN) INVESTMENT IN NON-FINANCIAL ASSETS</b>					
Investment in assets held under concession		-132	-132	-97	-97
Purchases of property, plant and equipment		-15	-15	-3	-3
Purchases of other intangible assets		-18	-18	-5	-5
<b>Capital expenditure</b>			<b>-165</b>		<b>-105</b>
Increase in financial assets deriving from concession rights (related to capital expenditure)		4	4	-	-
Investment in consolidated companies net of cash and cash equivalents acquired	(c)	-159		-	
Investment in consolidated companies, including net debt assumed	(d)		-184		
Net change in other non-current assets	(e)		1		
Net change in current and non-current financial assets	(f)	-18		10	
<b>Net cash from/(used in) investment in non-financial assets (B)</b>	(g)		<b>-344</b>		<b>-105</b>
<b>Net cash generated from/(used in) investing activities (C)</b>	(g+f-e-d+c)	<b>-338</b>		<b>-95</b>	
<b>NET EQUITY CASH INFLOWS/(OUTFLOWS)</b>					
Dividends declared by Autostrade per l'Italia and Group companies and payable to non-controlling shareholders	(f)		-		
Dividends paid	(g)				
<b>Net equity cash inflows/(outflows) (D)</b>					
<b>Net cash generated during period (A+B+D)</b>			<b>-442</b>		<b>50</b>
Issuance of bonds		984		-	
Increase in lease liabilities		8		-	
Redemption of bonds		-595		-502	
Repayments of medium/long term borrowings (excluding lease liabilities)		-77		-70	
Repayments of lease liabilities		-2		-1	
Net change in other current and non-current financial liabilities		-43		-5	
<b>Net cash generated from/(used in) financing activities (E)</b>		<b>275</b>		<b>-578</b>	
Change in fair value of hedging derivatives			16		
Financial income/(expenses) accounted for as an increase in financial assets/(liabilities)			-1		-1
Other changes			68		2
<b>Other changes in net debt (F)</b>			<b>83</b>		<b>1</b>
<b>(Decrease)/Increase in net debt during period (A+B+D+F)</b>			<b>-359</b>		<b>51</b>
<b>Net debt at beginning of period</b>			<b>-8,557</b>		<b>-8,392</b>
<b>Net debt at end of period</b>			<b>-8,916</b>		<b>-8,341</b>
<b>Increase/(Decrease) in cash and cash equivalents during period (A+C+E+G)</b>		<b>-161</b>		<b>-518</b>	
<b>NET CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>		<b>1,954</b>		<b>1,592</b>	
<b>NET CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>		<b>1,793</b>		<b>1,074</b>	

\* \* \*

*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 20 March 2013 (which does not entail the deduction of non-current financial assets from debt), amounts to €8,916m as at 31 March 2021 (net debt of €8,893m as at 31 December 2020).*