

PRESS RELEASE

**THE BOARD OF DIRECTORS APPROVES THE INTERIM FINANCIAL REPORT AS AT 30 JUNE 2020**

**The results for the period show the Group's ability to react to extraordinary events like the COVID-19 pandemic, as well as its ability to continue the internationalisation process, showing a marked improvement in its balance sheet and financial position**

- *Net financial position improved (EUR +503.5 million)*
- *Investments in motorway networks increased (+23%) to further enhance the safety of the infrastructure managed, demonstrating the Group's industrial approach in managing its infrastructure.*
- *Motorway traffic recovering quickly post-lockdown*

**Outlook for financial year 2020**

- *Stable aggregated revenues<sup>1</sup>*
- *Profit pertaining to the owners of the parent company increased over 35%*
- *Net financial indebtedness down by over 40%*
- *Network investments increased by around 30%*

**The process of growth and geographic diversification continues**

- *Brazil: Ecorodovias - agreement signed for consolidation of control*
- *Italy/France: SITAF - auction held that leads to the acquisition of absolute majority stake*
- *USA: the Group has been admitted to the final bid presentation phase for two major PPP infrastructure projects in the states of Georgia and Maryland*

**The consolidation of Ecorodovias, the control of Sitaf and the Asti-Cuneo cross-financing make it possible to achieve significant objectives that will further strengthen the Group's leading role among industrial licensee companies**

- *Proforma revenues in 2019 equal to € 3.1 billion (+50%)<sup>2</sup>*
- *Proforma EBITDA in 2019 equal to € 1.45 billion (+80%)<sup>2</sup>*
- *Extension of the average duration of Group concessions of 36 years<sup>3</sup>*

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**Key highlights of consolidated economic and financial results in 1HY 2020:**

- |                                      |  |
|--------------------------------------|--|
| • <b>Turnover:</b>                   | <b>€860 million</b> (€989.2 million in the first half of 2019)   |
| • <b>EBITDA:</b>                     | <b>€185.5 million</b> (€362.2 million in the first half of 2019) |
| • <b>Group net profit:</b>           | <b>€33.7 million</b> (€75.4 million in the first half of 2019)   |
| • <b>Net financial indebtedness:</b> | <b>€848.7 million</b> (€1,352.2 million at 31 December 2019)     |

<sup>1</sup> Before intergroup eliminations.

<sup>2</sup> Aggregated data for proforma revenues and EBITDA in 2019 obtained by adding the revenues and Gross operating margin in 2019 for ASTM to the similar figures in 2019 for Ecorodovias (converted at the average exchange rate for 2019), SITAF and ATIVA

<sup>3</sup> Calculated as a multiplier of EBITDA of the concessions sector for the ASTM Group as at 31 December 2019.

Tortona, 3 August 2020. The ASTM Board of Directors, in today’s meeting chaired by Alberto Rubegni, examined and approved the Interim Financial Report at 30 June 2020.

**GROWTH AND GEOGRAPHIC DIVERSIFICATION**

During the first half of the year, despite the extremely complex international economic context created as a result of the Covid-19 pandemic, ASTM achieved significant industrial objectives as part of the growth and geographic diversification set out by the Business Plan 2017-2021, which further reinforce its leading role in the sector of industrial motorway concessions.

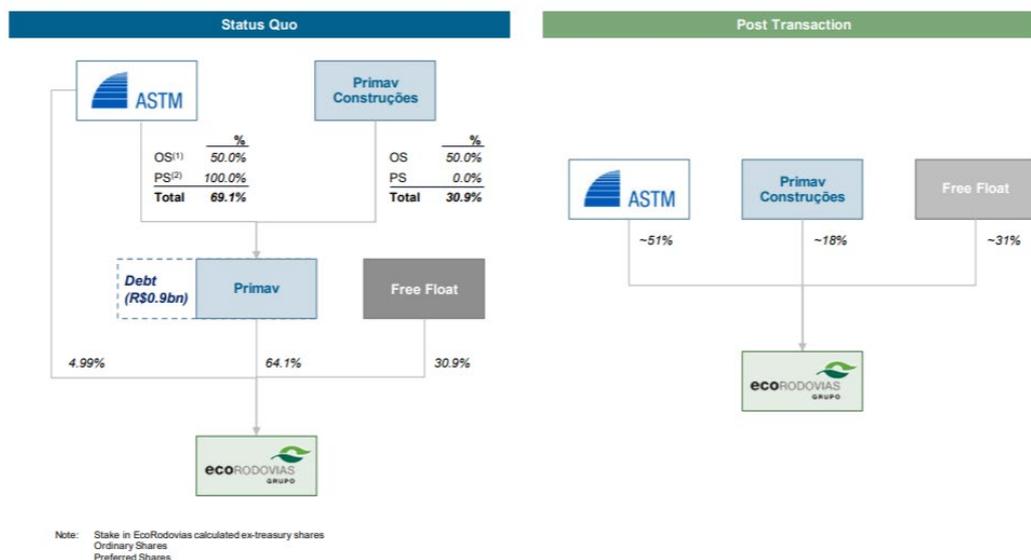
The Group:

- signed an agreement intended to consolidate the control of Ecorodovias,
- was awarded a public tender relating to the sale of a stake in the licensee Sitaf, acquiring a majority stake,
- pre-qualified for important PPP projects in the United States,
- pre-qualified for a PPP infrastructure project in Norway.

**BRAZIL. ECORODOVIAS**

On 30 July 2020, IGLI S.p.A., a fully held subsidiary of ASTM S.p.A., and – as the guarantor – ASTM itself, signed with Primav Construções, Primav, Participare - Administração e Participações and EcoRodovias, a dissociation agreement (the “Agreement”), with the goal of reorganising its equity investments in EcoRodovias Infraestrutura e Logistica S.A. (“EcoRodovias”) and, finally, to capitalise EcoRodovias. As an effect of the operations established in the Agreement, taking into account the final issue price for EcoRodovias shares and the adherence to the EcoRodovias capital increase by other shareholders, establishes that IGLI will consolidate control over EcoRodovias as part of the capital increase or, in any case, through subsequent operations on the equity market.

Below is a graph which illustrates the expected change in the Group's structure following the operations established in the Agreement.



**ITALY/FRANCE. SITAF**

ASTM S.p.A. was provisionally awarded the tender of 23 July 2020 for the acquisition of the 19.347% stake in the share capital of Società Italiana Traforo Autostradale del Frejus (“SITAF”), bringing it to a 67.22 % total, direct and indirect,

share capital holding at the closing date.

The acquisition of the majority stake in SITAF makes it possible to expand its control of a strategic transnational asset, which could also lead to new growth opportunities linked to the strengthening of relations with French institutions and the potential future integration of the Alpine tunnel system.

#### **USA. PRE-QUALIFICATIONS IN GEORGIA AND MARYLAND**

##### **SR 400 Express Lane (Georgia - USA)**

As part of its international growth plan, the ASTM Group has been pre-qualified in the United States for a project worth around USD 1.3 billion for the construction and operation of a motorway stretch in the state of Georgia called "SR 400 Express Lane", part of the road system around the city of Atlanta.

##### **Capital Beltway (Maryland - USA)**

Also with reference to the US market, the ASTM Group has also been pre-qualified for a PPP project in the State of Maryland for the modernisation, construction and relative 50-year operation of additional new toll lanes on an initial 60 km section of the "Capital Beltway", a motorway system which connects the city of Washington D.C.

#### **EUROPE. NORWAY**

The ASTM Group has pre-qualified for a Norwegian tender on a 25-year concession project to plan, build and manage a motorway stretch of approximately 10 km, which will involve building a 900 m long suspension bridge in the south of the country near the city of Bergen.

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#### **COVID-19**

The results for the half reflect the impacts deriving from the Covid-19 pandemic.

The decline in traffic on the motorways and, consequently, in revenues, reflects mobility restrictions adopted by the national and local governments, starting from the end of February, in order to limit the spread of the epidemic, which led to a decrease in motorway traffic for both light vehicles and, to a lesser extent, heavy vehicles. Due to the loosening of virus containment measures beginning in May ("Phase 2"), a recovery of traffic volumes was seen, which became even larger after the restrictions on movements outside of the region of residence and between Schengen countries were lifted.

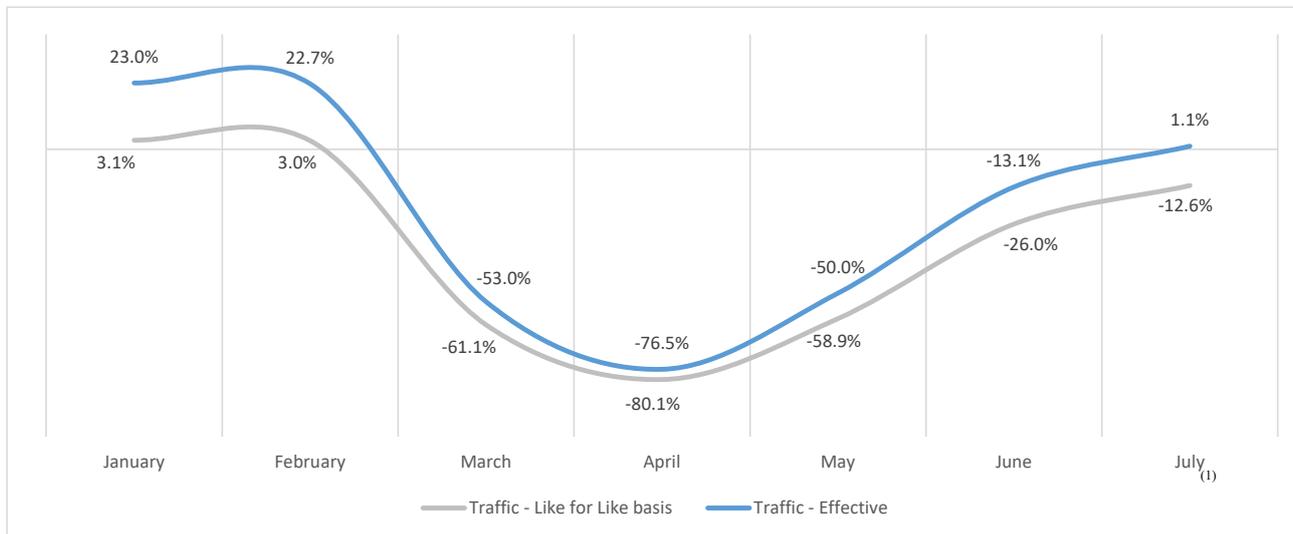
Repercussions were also seen in the EPC sector, which saw major slowdowns or even full blockage of activity for certain projects under way domestically, while abroad the decrease in volumes with respect to the budget was more limited. In fact, all construction continued activity without stoppages, although some slowdowns were seen.

In this difficult situation, the actions implemented demonstrated the Group's ability and promptness in dealing with the existing situation and in limiting, as much as possible the impacts of the pandemic on its results for the half. Also from a financial point of view, note that during the initial months of the current year funding and refinancing projects were carried out to further strengthen the financial structure and extend average maturity.

### Motorway traffic and toll revenue performance

Below is an analysis of **motorway traffic** performance, both effective and on a like-for-like basis<sup>1</sup> during the initial months of 2020.

#### MONTHLY TRAFFIC

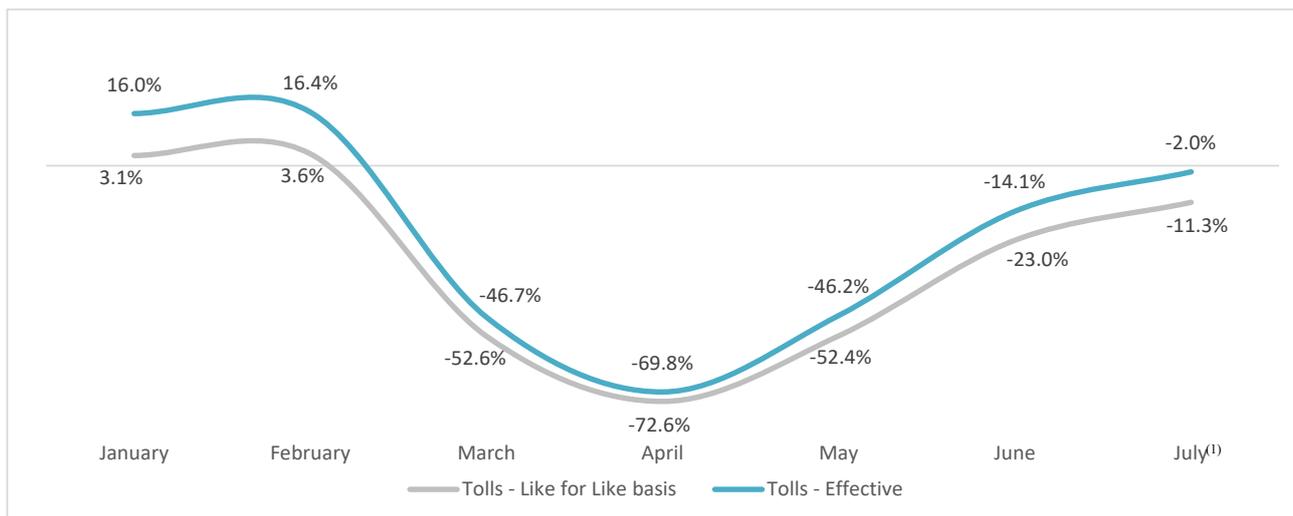


<sup>(1)</sup> Figure relative to first 28 days

Progressive motorway traffic performance on the network managed by the Group in Italy as of 28 July 2020 showed a decrease of **-22.4%**<sup>2</sup> compared to the same period of 2019.

Below is **toll revenue** performance, both effective and on a like-for-like basis<sup>3</sup> during the initial months of 2020.

#### MONTHLY TOLL REVENUES



<sup>(1)</sup> Figure relative to first 28 days

<sup>1</sup> Amounts net of traffic figures for ATIVA S.p.A., for which income statement figures are consolidated as of 1 January 2020.

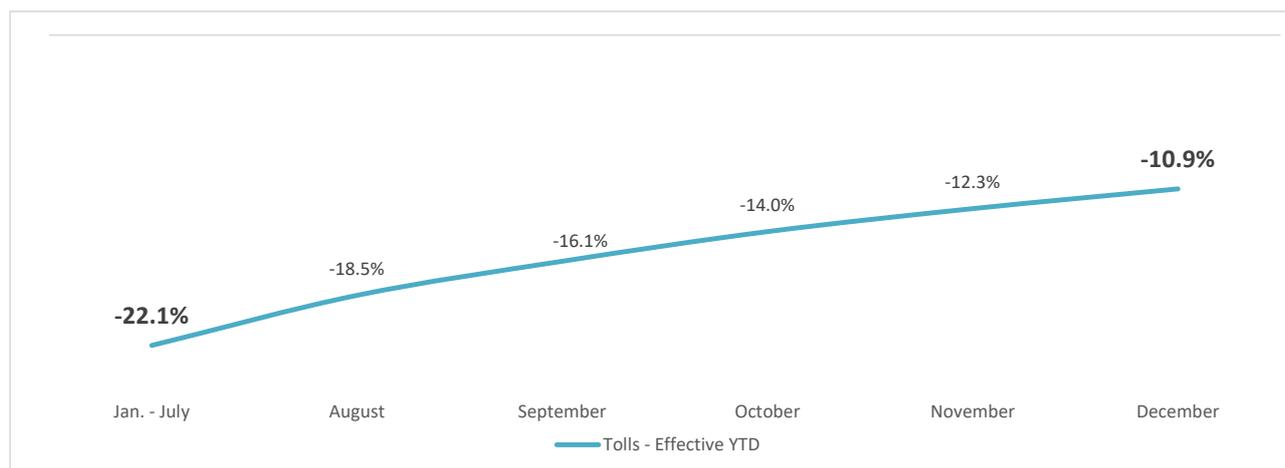
<sup>2</sup> -34.5%<sup>2</sup> on a like-for-like basis, net of traffic figures from ATIVA S.p.A., for which income statement figures are consolidated as of 1 January 2020.

<sup>3</sup> Amounts net of toll figures for ATIVA S.p.A., for which income statement figures are consolidated as of 1 January 2020.

The decrease in traffic previously described was reflected in “net toll revenue” which as of 28 July 2020 showed a decrease of **22.1%** (-30.3% on a like-for-like basis<sup>1</sup>).

The decrease in tolls is proportionally lower than that of traffic, essentially because of the traffic/toll mix (the reduction in heavy traffic was lower than the reduction in light traffic). The contribution made by the toll adjustments which took effect as of 1 January 2020 was limited, applying solely to the concession holder Autovia Padana S.p.A.

#### ESTIMATED CHANGE IN TOLL REVENUES JULY - DECEMBER 2020



Toll revenues for 2020 are expected to drop **10.9%** compared to 2019, with a gradual recovery from the -22.1% recorded at 28 July 2020.

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#### INVESTMENTS

With regards to investments in motorway assets, note that despite the cited difficulties which arose due to the Covid-19 pandemic, investments carried out during the first half of 2020 amounted to around **EUR 142.3 million**, an **increase of over 23%** compared to the same period the previous year, confirming the Group’s industrial approach to the management of its infrastructure.

#### ANALYSIS OF ECONOMIC AND FINANCIAL HIGHLIGHTS

##### MAIN INCOME FIGURES

- ✓ **Turnover: EUR 860 million** - Turnover in the first half of 2020 suffered significantly from impacts deriving from the Covid-19 pandemic, essentially with regards to motorway sector revenues, showing a reduction equal to EUR 129.2 million.
  - **Net toll revenue: EUR 400.5 million** - The restrictions on mobility adopted by national and local government authorities starting at the end of February, intended to combat the spread of the epidemic, led to a reduction in motorway traffic for both light vehicles and, to a lesser extent, heavy vehicles. The decrease in<sup>(1)</sup> traffic volumes was reflected in toll revenues which saw a decline equal to EUR 140 million<sup>1</sup> (-25.9%<sup>2</sup>).

<sup>1</sup> -183.4 million on a like-for-like basis (net of ATIVA S.p.A. tolls, for which income statement figures were consolidated as of 1 January 2020).

<sup>2</sup> -33.9% on a like-for-like basis (net of tolls from ATIVA S.p.A., for which income statement figures are consolidated as of 1 January 2020).

- **EPC sector revenues: EUR 416.6 million** - While the spread of the pandemic and the consequent containment measures adopted by government authorities led to the temporary suspension of activities in the main construction sites in Italy, the EPC sector showed an increase of production of around EUR 25.5 million (+6.5%), thanks to constant growth in turnover abroad where the effects of the pandemic in the countries in which the Group operates were much less significant during the half in question.
- ✓ **Gross operating margin (EBITDA): EUR 185.5 million** - The decrease in EBITDA, totalling EUR 176.7 million, is mainly due to the motorway sector, where the drop in net toll revenue was inevitably mirrored in the Gross Operating Margin (EBITDA). The EBITDA margin for the motorway sector, also due to the measures adopted by the Group to limit the economic effects of the epidemic while still guaranteeing full usability of the infrastructure managed and compliance with safety regulations for users and employees, showed a reduction in revenues in percentage terms of 13 points, falling from 58.8% in the first half of 2019 to 45.8% in the first half of 2020.
- ✓ **Result of the Parent Company for the period under review: EUR 33.7 million** - The decrease in the Gross Operating Margin (EBITDA), net of the change in amortisation and depreciation and in financial income, is reflected in the result for the period, which fell by EUR 41.7 million.

#### Summary table of consolidated earnings data

<i>(amounts in thousands of EUR)</i>	<b>1HY 2020</b>	<b>1HY 2019</b>	<b>Changes</b>
Motorway sector revenue – operating activities <sup>(1) (2)</sup>	407,446	556,095	(148,649)
“EPC” sector revenue <sup>(2)</sup>	416,637	391,157	25,480
Technology sector revenue	8,231	12,604	(4,373)
Other revenues	27,726	29,406	(1,680)
<b>Total turnover</b>	<b>860,040</b>	<b>989,262</b>	<b>(129,222)</b>
Operating costs <sup>(1)(2)</sup>	(674,531)	(627,069)	(47,462)
<b>Gross operating margin (EBITDA)</b>	<b>185,509</b>	<b>362,193</b>	<b>(176,684)</b>
Net amortisation/depreciation and provisions	(103,073)	(151,410)	48,337
<b>Operating income</b>	<b>82,436</b>	<b>210,783</b>	<b>(128,347)</b>
Financial income	8,551	10,375	(1,824)
Financial expenses	(51,689)	(46,295)	(5,394)
Capitalised financial expenses	8,124	7,782	342
Profit (loss) of companies accounted for by the equity method	17,489	(5,494)	22,983
<b>Net financial income (expense)</b>	<b>(17,525)</b>	<b>(33,632)</b>	<b>16,107</b>
<b>Profit before tax</b>	<b>64,911</b>	<b>177,151</b>	<b>(112,240)</b>
Income taxes (current and deferred)	(24,558)	(43,413)	18,855
<b>Profit (loss) for the period</b>	<b>40,353</b>	<b>133,738</b>	<b>(93,385)</b>
• Share attributed to minority interests	6,667	58,368	(51,701)
• <b>Share attributed to Parent Company’s Shareholders</b>	<b>33,686</b>	<b>75,370</b>	<b>(41,684)</b>

<sup>(1)</sup> Amounts net of the fee/additional fee payable to ANAS (EUR 32.5 million in the first half of 2020 and EUR 41.5 million in the first half of 2019).

<sup>(2)</sup> With regard to motorway licensees, the IFRIC 12 sets out full recognition in the income statement of costs and revenues for “construction activity” concerning non-compensated revertible assets. In order to provide a clearer representation in the table above, these components – amounting to EUR 146.3 million in the first half of 2020 and EUR 126.1 million in the first half of 2019 respectively – were reversed for the same amount from the corresponding revenue/cost items.

## MAIN FINANCIAL FIGURES

**Net financial indebtedness<sup>1</sup>: EUR 848.7 million** - The improvement in net financial indebtedness, equal to EUR 503.5 million, is substantially attributable to the recognition among financial receivables of receivables from takeovers accrued on the expired concessions of the subsidiaries ATIVA S.p.A., SATAP S.p.A. (A21 Section) and SALT p.A. (A12 Section); these receivables (equal to EUR 621.6 million as at 30 June 2020) refer to the value of motorway investments not depreciated as of the day the concessions expired, as well as receivables accrued for investments made after the expiration of the concessions, which must be paid to the outgoing licensee company by the incoming licensee. These takeover values are included in the tender documentation issued by MIT for renewal of the cited concessions, for which the deadline for presentation of the bids, after the end of the Covid-19 emergency, was set for the month of July 2020. Awarding is expected to occur shortly.

For the remainder, the change in net financial indebtedness is the direct consequence of lower toll revenues, the significant investment programme and greater activities carried out by the companies working in the EPC sector.

<i>(amounts in thousands of EUR)</i>	<b>30/06/2020</b>	<b>31/12/2019</b>	<b>Changes</b>
A) Cash and cash equivalents	1,262,919	1,197,537	65,382
B) Securities held for trading	-	-	-
<b>C) Liquidity (A) + (B)</b>	<b>1,262,919</b>	<b>1,197,537</b>	<b>65,382</b>
<b>D) Financial receivables</b>	<b>1,074,369</b>	<b>574,161</b>	<b>500,208</b>
E) Bank short-term borrowings	(193,577)	(147,038)	(46,539)
F) Current portion of medium/long-term borrowings	(411,079)	(347,617)	(63,462)
G) Other current financial liabilities	(572,967)	(571,062)	(1,905)
<b>H) Short-term borrowings (E) + (F) + (G)</b>	<b>(1,177,623)</b>	<b>(1,065,717)</b>	<b>(111,906)</b>
<b>I) Current net cash (C) + (D) + (H)</b>	<b>1,159,665</b>	<b>705,981</b>	<b>453,684</b>
J) Bank long-term borrowings	(898,625)	(952,502)	53,877
K) Hedging derivatives	(21,069)	(20,729)	(340)
L) Bonds issued	(1,040,923)	(1,040,228)	(695)
M) Other long-term payables	(47,757)	(44,752)	(3,005)
<b>N) Long-term borrowings (J) + (K) + (L) + (M)</b>	<b>(2,008,374)</b>	<b>(2,058,211)</b>	<b>49,837</b>
<b>O) Net financial indebtedness (I) + (N)</b>	<b>(848,709)</b>	<b>(1,352,230)</b>	<b>503,521</b>

### BOND LOANS

No bond loans were issued in the period from 1 January - 30 June 2020.

In the 18 months following 30 June 2020, a capital repayment is expected for EUR 500 million related to the "2010-2020 bond loan" (issued in October 2010 by SIAS S.p.A., now merged into ASTM S.p.A.).

The bonds will be redeemed on 26 October 2020 in a lump sum at their nominal value.

<sup>1</sup> "Net financial indebtedness" as at 30 June 2020 does not include (i) the fair value of "investment funds" subscribed in previous years to invest cash, equal to € 18.8 million (€ 19.4 million at 31 December 2019), (ii) the discounted value of medium/long-term receivables for "guaranteed minimums" of € 2.6 million (€ 2.3 million at 31 December 2019) and (iii) the discounted value of the "payables due to ANAS-Central Insurance Fund" of € 133.2 million (€ 129.2 million at 31 December 2019).

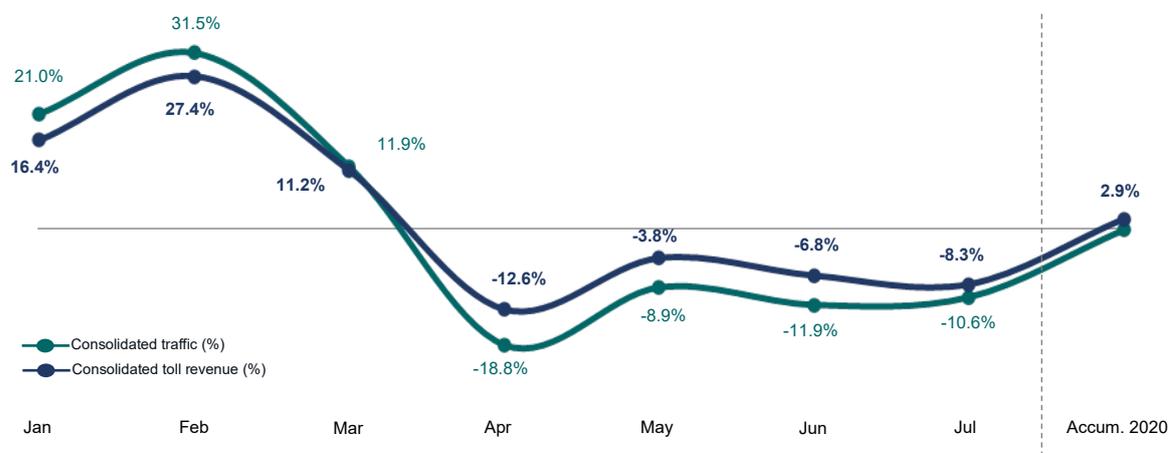
## ECORODOVIAS - BRAZIL

In the first half of 2020, Ecorodovias Infraestrutura e Logística S.A., a company listed on the Novo Mercado Bovespa “Ecorodovias”), one of the main Brazilian motorway operators over which the group exercises joint control, recorded:

- traffic volume growth of 3.2%<sup>1</sup>;
- 4.9% growth in revenue from motorway management totalling 1,460.4 million Reais (EUR 238.9 million<sup>2</sup>);
- pro-forma EBITDA<sup>3</sup> equal to 960.8 million Reais (EUR 157.2 million<sup>2</sup>), up by 3.8%;
- proforma net profit<sup>4</sup> equal to 187.5 million Reais (EUR 30.7 million<sup>2</sup>), up by around 32.7%.

Below is traffic performance in 2020 up to 28 July.

### MONTHLY TRAFFIC PERFORMANCE<sup>5</sup> (2020 VS. (2019))



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## EPC SECTOR

### Itinera Group

The companies belonging to the Itinera Group operate in the construction of major infrastructure works for transport and in the civil and industrial building sector.

The first half of 2020 shows a slight increase in the Group’s **value of production**, which amounted to EUR 480.2 million, compared to EUR 464 million in the first half of 2019. Production volumes achieved, although higher than the figure recorded in the first half of 2019, were lower than those forecast in the budget, suffering from impacts deriving from the Covid-19 pandemic. In fact, the Itinera Group saw heavy slowdowns or even full blockage of activities for certain projects under way within Italy, with volumes reduced overall by around 30% with respect to the same period the previous year, in particular with reference to construction and maintenance work for motorway companies.

Abroad, the decrease in volumes with respect to the budget was more limited. In fact, all construction sites were able to continue with activity, although with slowdowns.

The extension of timeframes in almost all the main construction sites, (not only in Italy, but also in Denmark, Romania, Austria and the Middle East) inevitably gave rise to additional costs during the half. The problems which arose are being discussed with the customers, given that payment for additional time is generally recognised, although not all additional costs paid.

<sup>1</sup> -13.4% on a like-for-like basis – with the exception of the traffic of the licensees Eco135 and Eco050 (MGO), subject to tolls since 1 April and 1 June 2019 respectively.

<sup>2</sup> Based on the Euro/Reais exchange rate of 6.1118 as at 30 June 2020.

<sup>3</sup> Excluding revenues and construction costs, allocations to the provisions for maintenance and costs relative to the Non-Prosecution Agreement.

<sup>4</sup> Excluding costs relative to the Non-Prosecution Agreement and inflation adjustments relative to the Leniency Agreement and the Non-Prosecution Agreement.

<sup>5</sup> Eco 135 included from April 2019 and Eco 050 from June 2019.

All this involved a decrease in the margins recognised for work orders in progress, with a consequent lower coverage of fixed and non-operating structural costs.

The breakdown of production by geographic area shows growth in production abroad, in contrast to that seen in **Italy**, which was particularly affected by the pandemic.

The Company's "**backlog**" as of 30 June 2020 amounts to around EUR 4 billion (figures deriving from the use of exchange rates as at 30 June 2020 for contracts in currencies other than the euro), of which 3.3 billion for the parent company Itinera S.p.A., 0.6 billion for Halmar and 0.1 billion for Itinera Construcoes and Sea Segnaletica Stradale.

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## BUSINESS OUTLOOK

### • FINANCIAL YEAR 2020

The results for the period show the Group's ability to react to extraordinary events like the COVID-19 pandemic, as well as its ability to continue the internationalisation process, showing a marked improvement in its balance sheet and financial position.

With regards to the **motorway sector**, traffic volumes have recovered quickly since the second half of May. The most recent estimates coming from sector analysts suggest, if an unforeseen return of the epidemic does not occur, a gradual recovery during the remaining months of the year, which should lead to the achievement of volumes in line with those of December 2019, by December of this year.

On the basis of the cited forecasts it can be hypothesised that traffic volumes and toll revenues for the whole of financial year 2020 will show a decrease within a range of 9% to 11% (-20%/-22% on a like-for-like basis).

Business in the **EPC** sector, after suspension of activities in the major construction sites in progress domestically, is progressively returning to normalcy, although the delays accumulated during the first half will still generate operating inefficiencies, which may negatively impact margins on work orders.

On the basis of the cited forecasts<sup>[1]</sup> for traffic and toll revenues, in addition to the expected performance of the Group companies operating in the EPC and Technology sectors based on the latest versions of the operating budgets, which take into account the final results in the first half of the current year, **the estimates regarding the main economic and financial ratios for the whole of financial year 2020 are as follows:**

- ✓ **Aggregated Group revenues<sup>[2]</sup>: stable compared to 2019;**
- ✓ **Share attributed to Parent Company's Shareholders: increase of over 35% vs 2019;**
- ✓ **Net financial indebtedness: decrease of over 40% compared to 2019<sup>[3]</sup>**
- ✓ **Network investments increased by around 30%**

### • MEDIUM/LONG-TERM STRATEGY AND OBJECTIVES

The manifestation of the epidemiological crisis has not changed the Group's medium/long-term strategy and objectives, whose guidelines, set out in the Business Plan 2017-2021, have emerged as further consolidated.

<sup>[1]</sup> Given the extraordinary nature of the situation associated with the events following the Covid-19 epidemic, as an exception, the provisional figures are shown limited to financial year 2020.

In a market context still characterised by great uncertainty regarding economic/financial prospects as a result of the Covid-19 epidemic, the provisional figures and information are considered "forward-looking statements" and, therefore, since they are not based on mere historical events, by nature have an element of risk and uncertainty. They also depend on the occurrence of future events and developments not under the control of the Company, such as: changes in traffic, the risk of undertaking orders and projects (including those related to current investments), changes in the exchange rate, and changes in business conditions in general. Therefore, the final figures may vary substantially from the forecasts. The provisional figures and information refer to the information available at the date of their distribution and are based – among other things – on the scope of consolidation of the ASTM Group as at 30 June 2020; they assume that there will be no return of the Covid-19 pandemic and that no travel restrictions will be issued to stop the spread of the virus, similar to the measures taken in the first half of the year.

<sup>[2]</sup> Before intergroup eliminations.

<sup>[3]</sup> This amount does not take account of the outlay of the payment for the acquisition of SITAF shares, equal to € 272 million, the payment times of which cannot be precisely estimated at present. The expected improvement reflects – among other things – the recognition of the takeover receivables accrued on the expired concessions.

These objectives involve, with regards to the motorway concessions sector, strengthening leadership in both the domestic and international markets, with an eye to “qualitative” growth and the geographic diversification of risk. On the other hand, with reference to the EPC sector, the goal is to strengthen the Group's position as a major player in the construction market, strengthening the support activities provided to the concession holder sector, while maintaining a balanced financial structure.

**ABROAD** – Despite the difficult international financial framework caused by the Covid-19 pandemic, the agreement reached with reference to Ecorodovias holds enormous value for the Group's future, considering that in coming years Brazil will implement a major infrastructure development plan, in particular in the motorway sector, in which ASTM intends to participate.

As regards entry onto new markets, the successful completion of the pre-qualification stage, obtaining entry to further bid stages for tenders in Maryland and Georgia in the United States is a pleasing result, considering the extremely recent entry into the USA PPP market through the EPC subsidiary Halmar International LLC, acquired just three years ago in July 2017 which, together with a similar initiative in Norway, demonstrate the significant commitment and widespread efforts in recent years to develop the role of ASTM as a global player in some of the most important infrastructural initiatives at international level.

**ITALY** – The acquisition of control over SITAF demonstrates the Group's ability to win new tenders, creating value for shareholders in a competitive context in which it has always been able to make use of its skills and know how. This is further testified to by the successes in recent years in tenders for Asti-Cuneo, Tangenziale Esterna, Bre.be.mi. and Autovia Padana, in which its efficiency, industrial capacity and financial solidity have been rewarded.

The acquisition of the majority stake in SITAF makes it possible to expand its control of a strategic transnational asset, which could also lead to new growth opportunities linked to the strengthening of relations with French institutions and the potential future integration of the Alpine tunnel system.

**The planned consolidation of Ecorodovias – following the capital increase or subsequent operations on the equity market – together with the acquisition of control over SITAF and the cross-financing for the A4 and A33, will make it possible to achieve the following significant objectives:**

- ✓ **a sharp growth in revenues and EBITDA<sup>[1]</sup>**
  - **proforma revenues in 2019: EUR 3.1 billion (approximately +50%);**
  - **proforma EBITDA in 2019: EUR 1.45 billion (approximately +80%);**
- ✓ **an extension of the average duration of Group concessions of 36 years<sup>[2]</sup>.**

These results will allow ASTM to further strengthen its leading position in the sector of industrial licensees.

Accompanying its growth objectives, the Group continues to pay constant attention to managing its infrastructure network, with the goal of continuously improving quality and security standards offered to its users, elevating the technological standard of the network it manages and implementing significant investments, demonstrated by the continued growth in these seen over the course of the years.

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The **Interim Financial Report as at 30 June 2020** will be made available to the public, on the Company's website ([www.astm.it](http://www.astm.it)) and on the website of Borsa Italiana S.p.A, in accordance with the law.

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<sup>[1]</sup> Aggregated data for proforma revenues and EBITDA in 2019 obtained by adding the revenues and Gross operating margin in 2019 for ASTM to the similar figures in 2019 for Ecorodovias (converted at the average exchange rate for 2019), SITAF and ATIVA.

<sup>[2]</sup> Calculated as a multiplier of EBITDA of the concessions sector for the ASTM Group as at 31 December 2019.



*The manager in charge of drawing up the corporate accounting documentation, Mr Alberto Pernigotti, hereby declares—pursuant to Paragraph 2, Article 154-bis of Legislative Decree no. 58 of 24 February 1998—that the accounting disclosure contained in this press release corresponds to the Company's documentary records, books and accounting entries.*

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*It is noted that to date, the auditing activities of the Condensed Consolidated Interim Financial Report included in this press release are not yet completed.*

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*On 4 August 2020, at 11:30 CET, the Company will hold a conference call to present the economic and financial data for the first half of 2020 to the financial community. The presentation will be available for download shortly before the conference call from the website "www.astm.it" section "investor relations/presentations".*

Annexes: - Condensed Consolidated Interim Financial Report Schedules as at 30 June 2020

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## ALTERNATIVE PERFORMANCE MEASURES

To allow improved assessment of economic management trends and the equity and financial situation, in addition to the conventional financial benchmarks established in the IAS/IFRS international accounting standards, the ASTM Group also uses some **Alternative Performance Measures** (hereafter, also “APMs”).

The APMs presented in the Interim Management Report are considered relevant for assessing the overall operating performance of the Group, the operating segments and the individual Group companies. In addition, the APMs are considered to provide better comparability over time of the same results, although they are not a replacement or an alternative to the results provided in the “Condensed Consolidated Interim Financial Report” according to the IAS/IFRS (official or reported data).

With reference to the APMs relating to the consolidated results, it should be noted that, in the “Economic, equity and financial data” section, the ASTM Group presents reclassified separate financial statements that differ from those envisaged by the IAS/IFRS included in the Condensed Consolidated Interim Financial Report; therefore, the reclassified consolidated income statement, consolidated balance sheet and net financial indebtedness contain, in addition to the economic-financial and equity data governed by the IAS/IFRS, certain indicators and items derived therefrom, although not required by said standards and therefore called “APMs”.

The main APMs presented in the Management Report and a summary description of their composition, as well as a reconciliation with the corresponding official data, are provided below:

- a) “Turnover”: differs from “Total revenues” in the schedule of the Condensed Consolidated Interim Financial Report in that it does not consider (i) revenues for design and construction of non-compensated revertible assets and (ii) the fee/additional fee payable to ANAS.
- b) “Value of production”: the value of production for the EPC sector represents revenues for works and planning, changes to works to order, revenues for sales of materials and the provision of services.
- c) “Gross operating margin (EBITDA)”: is the summary indicator of profitability deriving from operating activities and is determined by subtracting from the “Total revenue” all recurring operating costs, excluding amortisation and depreciation, provisions and write-downs of intangible and tangible assets. “Gross operating margin (EBITDA)” does not include the balance of financial items and taxes.
- d) “EBITDA margin motorway sector”: this is the ratio between “gross operating margin (EBITDA)” and turnover in the motorway sector
- e) “Operating income”: measures the profitability of total capital invested in the company and is determined by subtracting the amortisation and depreciation, provisions and write-downs of intangible and tangible assets from the “Gross operating margin (EBITDA)”.
- f) “Net invested capital”: shows the total amount of non-financial assets, net of non-financial liabilities.
- g) “Backlog”: the orders not yet performed by the EPC sector.
- h) “Net financial indebtedness”: the net financial position prepared in compliance with the ESMA Recommendation of 20 March 2013.
- i) “Operating cash flow”: indicates the cash generated or absorbed by operating activities and is calculated by adding to the profit for the period the amortisation and depreciation, adjustment to the provision for restoration/replacement of non-compensated revertible assets, the adjustment of the employee benefits provision, the provisions for risks, the loss (profit) of companies accounted for by the equity method and the write-downs (revaluations) of financial assets, and by deducting the capitalisation of financial expenses.



**ASTM Group**  
**Condensed Consolidated Interim Financial Statements**  
**as at 30 June 2020**

## Consolidated balance sheet

<i>(amounts in thousands of EUR)</i>	30 June 2020	31 December 2019
<b>Assets</b>		
<b>Non-current assets</b>		
Intangible assets		
goodwill	121,623	121,492
other intangible assets	21,578	21,518
concessions – non-compensated revertible assets	2,846,715	2,810,379
<b>Total intangible assets</b>	<b>2,989,916</b>	<b>2,953,389</b>
Tangible assets		
property, plant, machinery and other assets	141,311	142,889
rights of use	68,672	62,769
<b>Total tangible assets</b>	<b>209,983</b>	<b>205,658</b>
Non-current financial assets		
equity accounted investments	781,713	887,135
other equity investments	108,506	114,820
other non-current financial assets	360,425	947,956
<b>Total non-current financial assets</b>	<b>1,250,644</b>	<b>1,949,911</b>
Deferred tax assets	174,621	175,436
<b>Total non-current assets</b>	<b>4,625,164</b>	<b>5,284,394</b>
<b>Current assets</b>		
Inventories and contract assets	331,219	286,096
Trade receivables	271,046	284,840
Current tax assets	39,254	30,459
Other receivables	134,810	125,555
Current financial assets	920,909	389,275
<b>Total</b>	<b>1,697,238</b>	<b>1,116,225</b>
Cash and cash equivalents	1,262,919	1,197,537
<b>Total current assets</b>	<b>2,960,157</b>	<b>2,313,762</b>
<b>Total assets</b>	<b>7,585,321</b>	<b>7,598,156</b>
<b>Shareholders' equity and liabilities</b>		
<b>Shareholders' equity</b>		
Shareholders' equity attributed to owners of the parent company		
share capital	64,886	65,274
reserves and earnings	2,431,443	2,537,587
<b>Total</b>	<b>2,496,329</b>	<b>2,602,861</b>
Shareholders' equity attributed to minority interests	360,812	357,016
<b>Total shareholders' equity</b>	<b>2,857,141</b>	<b>2,959,877</b>
<b>Liabilities</b>		
<b>Non-current Liabilities</b>		
Provisions for risks and charges and employee benefits	431,028	418,432
Trade payables	362	-
Other payables and contract liabilities	204,299	205,823
Bank debt	898,625	952,502
Hedging derivatives	21,069	20,729
Other financial liabilities	1,088,680	1,084,980
Deferred tax liabilities	57,936	50,553
<b>Total non-current liabilities</b>	<b>2,701,999</b>	<b>2,733,019</b>
<b>Current liabilities</b>		
Trade payables	444,547	447,864
Other payables and contract liabilities	364,231	345,213
Bank debt	604,656	494,655
Other financial liabilities	572,967	571,062
Current tax liabilities	39,780	46,466
<b>Total current liabilities</b>	<b>2,026,181</b>	<b>1,905,260</b>
<b>Total liabilities</b>	<b>4,728,180</b>	<b>4,638,279</b>
<b>Total shareholders' equity and liabilities</b>	<b>7,585,321</b>	<b>7,598,156</b>

## Consolidated income statement

<i>(amounts in thousands of EUR)</i>	1HY 2020	1HY 2019
<b>Revenue</b>		
motorway sector – operating activities	439,958	597,563
motorway sector - planning and construction activities IFRIC 12	142,315	115,692
EPC sector	416,637	391,157
EPC sector - planning and construction activities IFRC 12	4,039	10,453
technology sector	8,231	12,604
Other	27,726	29,406
<b>Total Revenues</b>	<b>1,038,906</b>	<b>1,156,875</b>
Payroll costs	(215,077)	(187,190)
Costs for services	(475,891)	(429,703)
Costs for raw materials	(95,190)	(101,829)
Other costs	(67,759)	(76,156)
Capitalised costs on fixed assets	520	196
Amortisation, depreciation and write-downs	(89,070)	(164,631)
Adjustment of the provision for restoration/replacement of non-compensated revertible assets	(1,499)	13,249
Other provisions for risks and charges	(12,504)	(28)
Financial income:		
from unconsolidated investments	359	1,482
other	8,192	8,893
Financial expenses:		
interest expense	(35,761)	(37,192)
other	(7,804)	(1,321)
Profit (loss) of companies accounted for by the equity method	17,489	(5,494)
<b>Profit (loss) before taxes</b>	<b>64,911</b>	<b>177,151</b>
Taxes:		
Current taxes	(14,604)	(38,840)
Deferred taxes	(9,954)	(4,573)
<b>Profit (loss) for the period</b>	<b>40,353</b>	<b>133,738</b>
<ul style="list-style-type: none"> <li>• share attributed to minority interests</li> <li>• <b>share attributed to Parent Company's Shareholders</b></li> </ul>	<ul style="list-style-type: none"> <li>6,667</li> <li><b>33,686</b></li> </ul>	<ul style="list-style-type: none"> <li>58,368</li> <li><b>75,370</b></li> </ul>
<b>Earnings per share</b>		
Earnings (euro per share)	<b>0.255</b>	<b>0.819</b>

## Consolidated Statement of comprehensive income

<i>(amounts in thousands of EUR)</i>	1HY 2020	1HY 2019
<b>Profit (loss) for the period (a)</b>	<b>40,353</b>	<b>133,738</b>
Profit (loss) allocated to "reserves for revaluation at fair value"	(6,278)	7,254
Tax effect on profit (loss) that will not be subsequently reclassified in the Income Statement when certain conditions are met	291	(163)
<b>Profit (loss) that will not be subsequently reclassified in the Income Statement (b)</b>	<b>(5,987)</b>	<b>7,091</b>
Profit (loss) allocated to "cash flow hedge reserve" (interest rate swaps)	(3,898)	508
Exchange gains/(losses) on translating foreign operations	(124,553)	12,671
Tax effect on profit (loss) that will be subsequently reclassified in the Income Statement when certain conditions are met	1,595	(1,646)
<b>Profit (loss) that will be subsequently reclassified in the Income Statement when certain conditions are met (c)</b>	<b>(126,856)</b>	<b>11,533</b>
<b>Comprehensive income (a) + (b) + (c)</b>	<b>(92,490)</b>	<b>152,362</b>
<ul style="list-style-type: none"> <li>• share attributed to minority interests</li> <li>• <b>share attributed to Parent Company's Shareholders</b></li> </ul>	<ul style="list-style-type: none"> <li>4,062</li> <li><b>(96,552)</b></li> </ul>	<ul style="list-style-type: none"> <li>61,944</li> <li><b>90,418</b></li> </ul>

## Consolidated cash flow statement

<i>(amounts in thousands of EUR)</i>	1HY 2020	1HY 2019
<b>Cash and cash equivalents – opening balance</b>	<b>1,197,537</b>	<b>1,087,633</b>
Change in the scope of consolidation	-	(226)
<b>Cash and cash equivalents, “adj”– opening balance (a)</b>	<b>1,197,537</b>	<b>1,087,407</b>
<b>Profit (loss)</b>	<b>40,353</b>	<b>133,738</b>
<b>Adjustments</b>		
Amortisation, depreciation and write-downs	89,070	164,631
Adjustment to the provision for restoration/replacement of non-compensated revertible assets	1,499	(13,249)
Adjustment to the provision for employee benefits	614	589
Provisions for risks	12,504	28
Profit (loss) of companies accounted for by the equity method (net of dividends collected)	(17,100)	17,187
Other financial expenses (income)	(3,232)	(6,814)
Capitalisation of financial expenses	(8,124)	(7,782)
<i>Operating Cash Flow (I)</i>	<b>115,584</b>	<b>288,328</b>
Net change in deferred tax assets and liabilities	10,084	3,569
Change in net working capital	(41,404)	39,767
Other changes from operating activities	(612)	(3,448)
<i>Change in net working capital and other changes (II)</i>	<b>(31,932)</b>	<b>39,888</b>
<b>Cash generated (absorbed) by operating activities (I+II) (b)</b>	<b>83,652</b>	<b>328,216</b>
Investments in revertible assets	(159,376)	(143,383)
Divestiture of revertible assets	-	-
Grants related to revertible assets	1,391	9,933
<i>Net investments in revertible assets (III)</i>	<b>(157,985)</b>	<b>(133,450)</b>
Net investments in property, plant, machinery and other assets	(6,695)	(21,889)
Net investments in intangible assets	(1,449)	(2,132)
<i>Net investments in intangible and tangible assets (IV)</i>	<b>(8,144)</b>	<b>(24,021)</b>
(Investments)/Divestiture in non-current financial assets - equity investments	(62)	8,388
(Investments)/Divestiture in non-current financial assets	(3,658)	(4,235)
<i>Loans purchased TE</i>	-	(11,277)
<i>Shares purchased TE/TEM</i>	-	(22,779)
<i>Net investments in non-current financial assets (V)</i>	<b>(3,720)</b>	<b>(29,903)</b>
<b>Cash generated (absorbed) by investment activity (III+IV+V) (c)</b>	<b>(169,849)</b>	<b>(187,374)</b>
Net change in bank debt	53,384	(49,659)
Change in financial assets	81,315	(66,830)
(Investments) Divestiture of capitalisation insurance policies	32,695	34,708
(Investments) Divestiture in other financial assets	7,198	(9,124)
Change in other financial liabilities (including payable due to ANAS - Central Insurance Fund)	(11,122)	(6,123)
Changes in shareholders' equity attributed to minority interests	-	(4,816)
(Purchase) sale of treasury shares	(11,658)	(746)
Changes in shareholders' equity attributed to the owners of the parent company	-	-
Dividends (and interim dividends) distributed by the Parent Company	-	(27,593)
Dividends (and interim dividends) distributed by Subsidiaries to minority interests	(233)	(68,363)
<b>Cash generated (absorbed) by financial activity (d)</b>	<b>151,579</b>	<b>(198,546)</b>
<b>Cash and cash equivalents – closing balance (a+b+c+d)</b>	<b>1,262,919</b>	<b>1,029,703</b>