

31 August 2022

ASX RELEASE

Atlas Arteria H1 2022 Results and 2022 Distribution Guidance

Atlas Arteria (ASX:ALX) today announced results for the six months ended 30 June 2022 and record first half distribution guidance of 20.0 cents per security.

- Traffic benefitted from a strong operating environment in France and the progressive removal of government imposed COVID-19 restrictions across all jurisdictions
 - Weighted average traffic was 22.7% above H1 2021 (1.3% below H1 2019)
 - Traffic at APRR was 23.4% above H1 2021 (2.3% above H1 2019)
 - Traffic at Warnow Tunnel was 10.1% above H1 2021 (8.5% below H1 2019, in-part due to fewer roadworks on competing routes)
 - Traffic at Dulles Greenway was 12.3% above H1 2021 (34.0% below H1 2019 given the gradual return to office-based work in the region)
- Statutory net profit after tax of \$117.1 million (H1 2021: net profit of \$41.2 million)¹
- Net profit after tax for APRR of €534.9 million (H1 2021: €408.6 million, H1 2019: €447.8 million)
- Safety remains a top priority and investigations continue into the tragic accident at APRR in April
- First standalone Sustainability Report released in April providing more information on key metrics
- Progress made against strategic objectives to improve average concession life of the portfolio and generate sustainable cashflows from Dulles Greenway:
 - APRR network expanded with ownership of A79 finalised and construction on track to complete late 2022
 - Review of ~€400 million Investment Plan by ART received in May and now being considered by Council of State
 - Engagement with stakeholders to deliver a better tolling regime at Dulles Greenway
- 2022 distribution guidance of 20.0 cents per security for H1 2022 and 20.0 cents per security for H2 2022²

Atlas Arteria CEO Graeme Bevans said:

“Atlas Arteria delivered a strong result during the period, driven by improved operating conditions across France, Germany and the USA.”

¹ The previous year Interim Financial Statements have been revised. H1 2021 net profit after tax excluding notable items was \$56.2 million with notable items reflecting the accounting impacts of the capital restructure at Warnow Tunnel. There were no notable items in H1 2022.

² The distribution remains subject to continued business performance, movements in foreign exchange rates, and other future events.

“Traffic on our flagship asset APRR benefitted from the easing of COVID-19 restrictions, favourable ski conditions, and high levels of domestic tourism, particularly over public holiday periods. We continue to see robust heavy vehicle traffic demonstrating the importance of the network as a critical trade route.”

“We have also made some good progress towards our strategy to improve our average concession life and deliver sustainable cashflows from Dulles Greenway. In France, we successfully expanded the APRR network with the addition of the A79, and the Investment Plan is now with the Council of State for approval. At the Dulles Greenway, we are continuing our work with stakeholders to develop a toll structure to better meet the needs of all stakeholders.”

“Atlas Arteria is well positioned in the current high inflationary environment. In 2022 we are absorbing some inflationary impacts in our costs given higher pricing, however with toll prices at APRR, ADELAC and Warnow Tunnel directly linked to inflation and a high proportion of fixed debt across the portfolio, securityholders stand to benefit from 2023 onwards.”

“Our balance sheet capacity remains strong, and we are well positioned to support organic and inorganic growth opportunities. We will continue to seek opportunities where we can see a clear ability for Atlas Arteria to add value to businesses and deliver appropriate returns for our securityholders.”

Key operational and strategic highlights by business

APRR Group

- APRR traffic increased by 23.4% vs H1 2021 given a busy winter holiday period, strong domestic tourism and reduced COVID-19 restrictions across Europe. Traffic was 2.3% higher than H1 2019.
- APRR light vehicle traffic increased by 28.3% and heavy vehicle traffic increased by 4.0% vs H1 2021.
- APRR toll revenue up 20.0% to €1,290 million (\$1,961 million) with toll increases in place from 1 February 2022.
- APRR EBITDA up 23.0% to €1,032 million (\$1,569 million).
- ADELAC traffic increased 42.1% vs H1 2021 but decreased 2.2% vs H1 2019, impacted by lower cross-border travel related to ongoing COVID-19 restrictions.
- A79 transferred from Eiffage to APRR at a cost of €658.9m³ with completion of the 88km road upgrade expected in late 2022.
- APRR successfully priced €500m of bonds under its Euro Medium Term Note Programme in May 2022 at a 1.875% coupon providing APRR with additional liquidity and extending its weighted average debt maturity.
- Roll-out of electric vehicle charging stations across the APRR and AREA network continued, with 70% of motorway service areas now equipped with high or very-high power terminals (359 charging points) and with the objective of 100% by the end of 2022.

Warnow Tunnel

- Traffic increased by 10.1% vs H1 2021, with some restrictions related to COVID-19 in place for the majority of the period. Traffic was down 8.5% compared to H1 2019, in-part due to a reduction in roadworks on competing routes.
- Toll revenue up 11.5% to €6.1 million (\$9.3 million) and EBITDA up 13.6% to €4.3 million (\$6.5 million).
- Capital restructure of Warnow Tunnel in 2021 has diversified Atlas Arteria’s sources of cash and positioned the business for sustainable growth. A distribution was received in August from Warnow Tunnel, based on the performance of the business in H1 2022.

Dulles Greenway

- Traffic increased by 12.3% vs H1 2021 despite significant snowfall experienced in the first quarter of the year.
- Traffic remained 34.0% lower vs H1 2019 in line with the delayed return to office-based work. Commuter based traffic continued to gradually recover evidenced by an increase in peak period traffic.

³ Purchased at construction cost to date.

- Toll revenue increased 20.3% to US\$32.1 million (\$44.6 million), supported by the increase in peak period traffic as well as the increase in off-peak toll prices by 5.0% from 1 January.
- EBITDA increased 27.9% (vs H1 2021) to US\$25.4 million (\$35.3 million).
- Hosted the second Run the Greenway fun run event in May with around 1,700 runners raising ~US\$220,000 for local charities.
- Continued engagement with relevant stakeholders on the best path forward for the introduction of distance-based tolling at the Greenway following the delay of legislation at the session of Virginia's General Assembly in February 2022.

As previously announced, Atlas Arteria is pleased to confirm the arrival of David Collins who will formally commence in the role of Chief Financial Officer on 1 September 2022.

Sustainability

Since the establishment of headline targets and supporting actions under Atlas Arteria's sustainability priorities during 2021, continued progress has been made. The Groups convened a Task Force on Climate-Related Financial Disclosures (TCFD) Working Group to lead the integration of climate change considerations into business-as-usual processes and commenced Scope 3 emissions assessments at wholly owned businesses. Other focus areas include pursuing a safe and inclusive culture, and gaining additional insight into customer satisfaction.

In April 2022, Atlas Arteria delivered its first standalone Sustainability Report (available on the website via this [link](#)) and in July 2022 published its second Modern Slavery Statement (available on the website via this [link](#))⁴.

Distribution Guidance

Atlas Arteria is pleased to reinstate distribution guidance for two periods (H1 2022 and H2 2022), reflecting sustained recovery in traffic.

Distribution guidance of 20.0 cents per security for H1 2022 reflects the strong performance of both APRR and Warnow Tunnel during the H1 2022 period. The H1 2022 distribution guidance has been affected by the weakening of the EUR versus AUD exchange rate and movements in the APRR maintenance provision.

The Atlas Arteria H2 2022 distribution is expected to be 20.0 cents per security. The H2 2022 distribution is expected to be affected by the full year impact of the APRR maintenance provision, commencement of amortisation of the Eiffarie debt facility⁵ and a continuing weak EUR versus the AUD exchange rate.

All distribution guidance is subject to continued business performance, movements in foreign exchange rates, and other future events.

IFM Update

IFM has acquired a combined relevant and economic interest in 19% of Atlas Arteria securities, comprising a relevant interest in up to 15.63% and an economic interest in the balance.

Atlas Arteria has not received any proposal from IFM to acquire all of the securities in Atlas Arteria. Indeed, IFM indicated on 28 July and again to its investors on 12 August that it was not presently in a position to meaningfully progress a proposal to acquire all of the Atlas Arteria securities it does not already own and had ceased discussions with Atlas Arteria. Atlas Arteria understands, however, that IFM has received FIRB approval to acquire all of the securities in Atlas Arteria.

Most recently, IFM has indicated that they would like to discuss the appointment of a director to the Atlas Arteria Board as they convert their combined relevant and economic interest in Atlas Arteria securities to a substantial physical holding. Atlas Arteria is considering this request.

⁴ While Atlas Arteria is not a 'reporting entity' under the *Modern Slavery Act 2018* (Cth), the Groups are committed to transparency and progress on this important issue.

⁵ Scheduled 30 June 2023 amortisation payment on the Eiffarie debt facility will be withheld by Eiffarie.

Outlook

Atlas Arteria's financial performance is positively correlated to inflation and securityholders stand to benefit from this during a high inflationary environment.

The Groups have strong organic growth potential within the current portfolio and continue to focus on improving average concession life, as well as creating a clear pathway to sustainable cashflows from the Dulles Greenway. Atlas Arteria also routinely considers other opportunities to drive long-term value and returns to securityholders.

Investor Conference Call Details

A briefing for analysts and investors will be held today by Graeme Bevans (CEO) and Emmalene Stepcic (Acting CFO) at 10:30am Australian Eastern Standard Time. The briefing will be via a live audio webcast and accessible from the Atlas Arteria website: www.atlasarteria.com/investor-centre.

To participate and ask questions in the briefing, pre-registration is required via the following [link](#). Registered participants will receive a calendar invite, dial-in details and a unique code which is to be quoted when dialing into the call.

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This announcement has been authorised for release by the Boards of Atlas Arteria Limited and Atlas Arteria International Limited.

About Atlas Arteria

Atlas Arteria (ASX:ALX) is a global owner, operator and developer of toll roads, creating value for our investors over the long-term through considered and disciplined management. The roads we own, operate and develop benefit communities through reduced travel time, greater time certainty, reduced fuel consumption and carbon emissions.

Today the Atlas Arteria Group consists of four businesses. We currently own a 31.14% interest in the APRR toll road group in France. Adjacent to the APRR business is the smaller ADELAC business which connects to APRR in south-east France. Together APRR and ADELAC comprise a 2,406km motorway network located in the East and South East of France. In the US, we have 100% of the economic interest in the Dulles Greenway, a 22km toll road in the Commonwealth of Virginia. In Germany, we own 100% of the Warnow Tunnel in the north-east city of Rostock.

www.atlasarteria.com

Review of H1 2022 Operations

Summary Financial Performance

	H1 2022	H1 2021	H1 2022 vs H1 2021 (%)	H1 2019	H1 2022 vs H1 2019 (%)
Atlas Arteria Key Financial Metrics (A\$m)					
Net Profit after tax (pre notable items)	117.1	56.2 ⁶	108.3%	88.2	32.8%
Net Profit after tax	117.1	41.2 ⁶	184.2%	(87.6)	233.7%
Net Corporate Cashflows	194.5	128.5	51.4%	94.7	105.4%
Distributions	196.6	124.7	57.7%	102.5	91.8%
Distribution paid per share (dps)	20.5	13.0	57.7%	15.0	36.7%
Closing Cash Balance	131.7	133.2	(1.1%)	79.6	65.4%
Key Financial Metrics by business unit					
APRR Group (€m)					
Total Traffic (VKT millions)	11,828	9,588	23.4%	11,562	2.3%
Toll Revenue	1,289.6	1,074.4	20.0%	1,215.0	6.1%
EBITDA	1,031.5	838.6	23.0%	955.3	8.0%
EBITDA margin excl. IFRIC 12 (%)	76.5%	75.3%	1.2%	76.4%	0.1%
NPAT	534.9	408.6	30.9%	447.8	19.4%
Total Liquidity	2,951.0	2,910.6	1.4%	2,805.7	5.2%
Warnow Tunnel (€m)					
Total Traffic (m)	2.15	1.95	10.1%	2.35	(8.5%)
Toll Revenue	6.1	5.5	11.5%	6.3	(3.9%)
EBITDA	4.3	3.7	13.6%	4.9	(14.0%)
EBITDA margin (%)	69.5%	67.8%	1.7%	77.7%	(8.2%)
Total Liquidity	10.6	10.1	4.9%	4.6	130.7%
Dulles Greenway (US\$m)					
Total Traffic (m)	5.87	5.23	12.3%	8.90	(34.0%)
Toll Revenue	32.1	26.6	20.3%	44.2	(27.5%)
EBITDA	25.4	19.8	27.9%	36.3	(30.1%)
EBITDA margin (%)	78.7%	73.9%	4.8%	81.7%	(3.0%)
Total Liquidity	178.7	196.9	(9.3%)	183.1	(2.4%)

- ENDS -

⁶ The previous year Interim Financial Statements have been revised. Refer to the Interim Financial Statements for further information.