



atlas**Arteria**

# MACQUARIE AUSTRALIA CONFERENCE 2023

2 May 2023

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## Basis of Preparation

All financial results are presented in Australian dollars unless stated otherwise. Data used for calculating percentage movements has been based on actual numbers. Percentage changes are based on prior comparative period unless otherwise stated. Atlas Arteria has a 31 December financial year end. Refer to the Glossary of Terms for key terms used in this presentation.

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# Important Information

## U.S. Ownership Restrictions

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To monitor compliance with these foreign ownership restrictions, the ASX's settlement facility operator ("ASTC") has classified the Atlas Arteria securities as Foreign Ownership Restricted financial products and designated the Stapled Securities as "FOR – Excluded U.S. Person", and has put in place certain additional monitoring procedures.

For further details of ownership restrictions that apply to residents of the United States and other U.S. Persons that are not Qualified Purchasers, please see our website [https://atlasarteria.com/stores/\\_sharedfiles/US\\_Ownership/AtlasArteria-USownershiprestrictions.pdf](https://atlasarteria.com/stores/_sharedfiles/US_Ownership/AtlasArteria-USownershiprestrictions.pdf)

# WHO IS ATLAS ARTERIA

We leverage our strategic, operating and financial positions to create value for all stakeholders



Global owner and operator of toll roads with strategic position in APRR and majority interest in Chicago Skyway



Toll prices positively leveraged to high inflation



Cash flows from existing businesses to provide for long-term sustainable distributions



A uniquely experienced team and culture, with a proven track record of executing complex multi-party transactions to unlock value




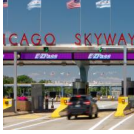



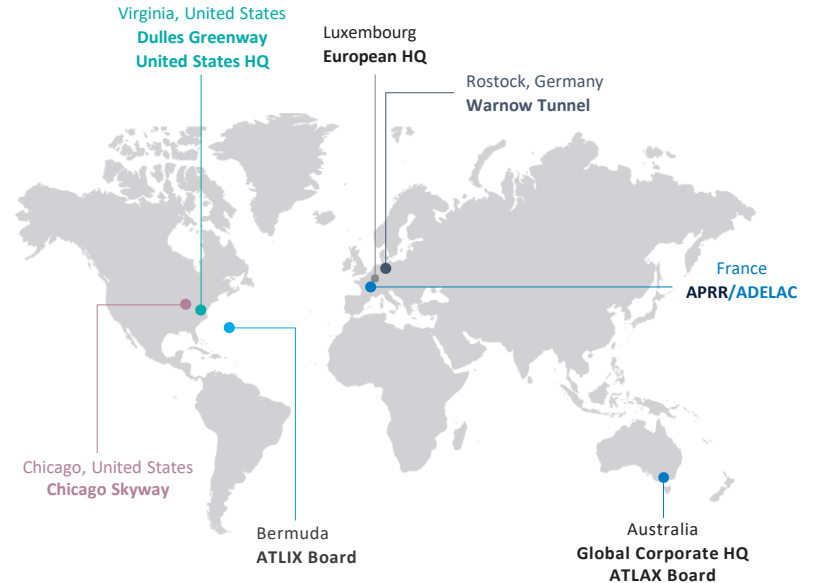
Strong balance sheet with optionality via under-utilised leverage capacity at corporate level, APRR and Chicago Skyway



# THE ATLAS ARTERIA BUSINESS

Today the Atlas Arteria Group consists of five toll road businesses in France, Germany and the United States

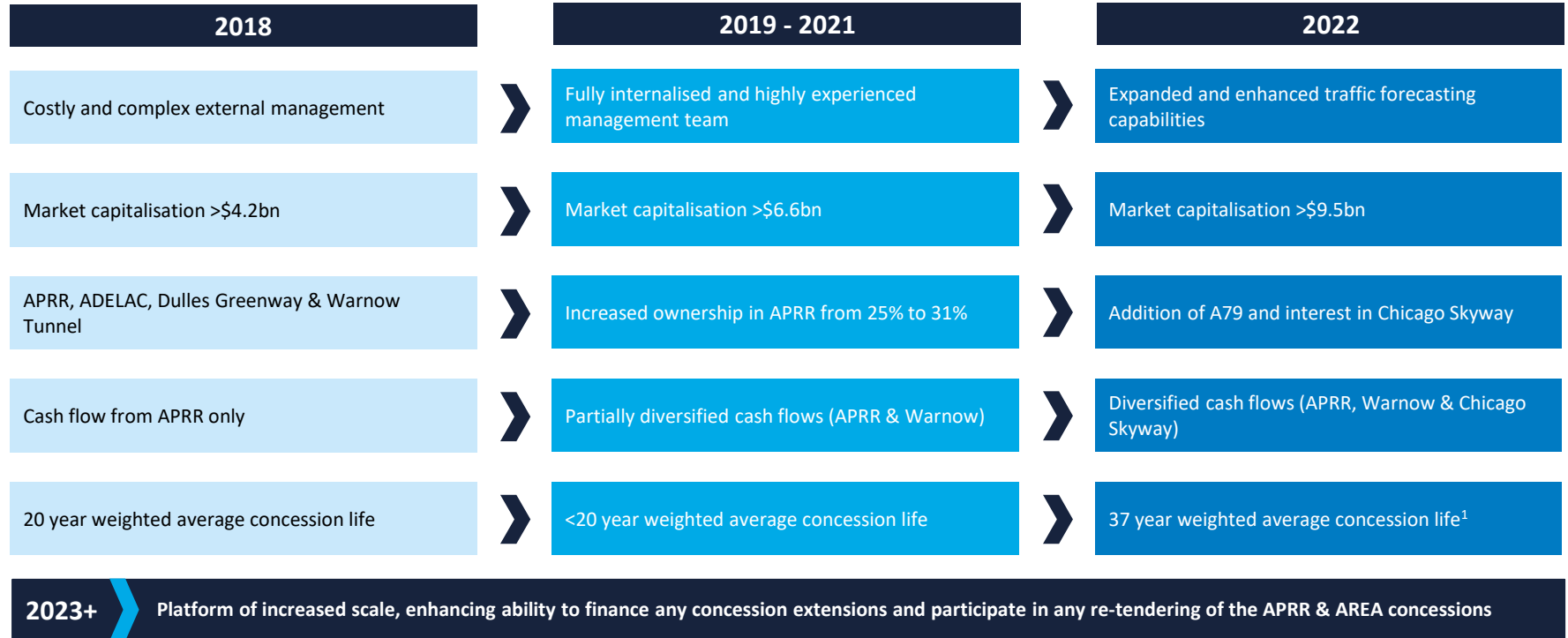
<b>APRR GROUP</b>	Ownership: 31.14% 2,404km motorway network in Eastern France 2035 concession expiry <sup>1</sup>	
<b>ADELAC</b>	Ownership: 31.17% 20km commuter road connecting Annecy to Geneva 2060 concession expiry	
<b>WARNOW TUNNEL</b>	Ownership: 100% 2.1km road and tunnel in Rostock, Germany 2053 concession expiry	
<b>CHICAGO SKYWAY</b>	Ownership: 66.67% 12.5km toll road connecting Chicago and Northwest Indiana 2104 concession expiry	
<b>DULLES GREENWAY</b>	Ownership: 100% <sup>2</sup> 22km commuter route into the greater Washington DC area 2056 concession expiry	



1. APRR concession expires in November 2035, AREA concession expires in September 2036, A79 concession expires in February 2068.  
2. 100% economic ownership.

# CREATING A PLATFORM FOR A SUSTAINABLE FUTURE

Atlas Arteria is focused on enhancing long-term value for securityholders

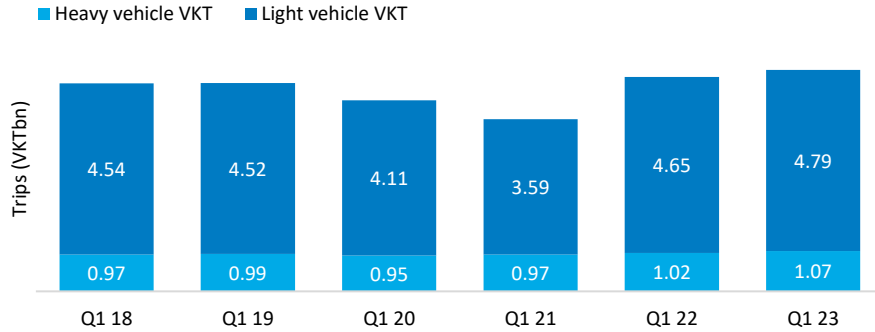


1. Weighted by Equity Value; Remaining concession life calculated as at 11 September 2022.

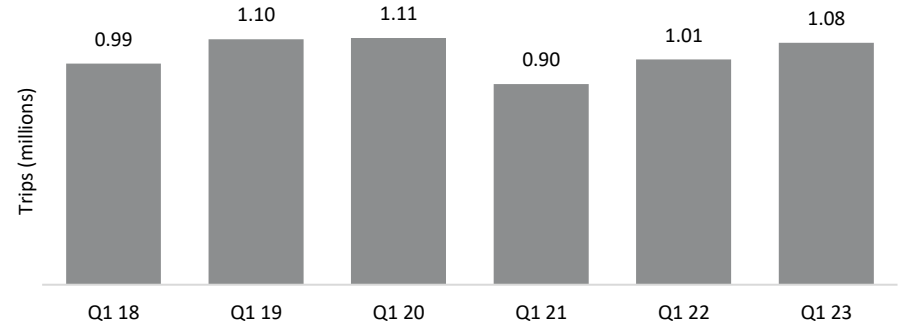
# Q1 2023 TRAFFIC PERFORMANCE

Weighted average traffic for Q1 2023 was 4.1% higher than Q1 2022 and 2.6% higher than Q1 2019

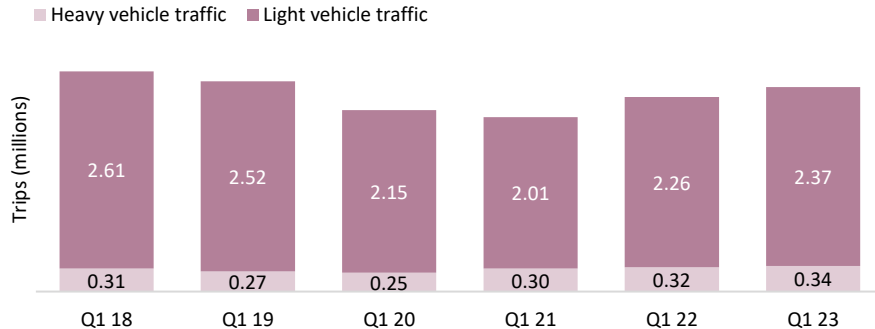
## APRR Group Traffic



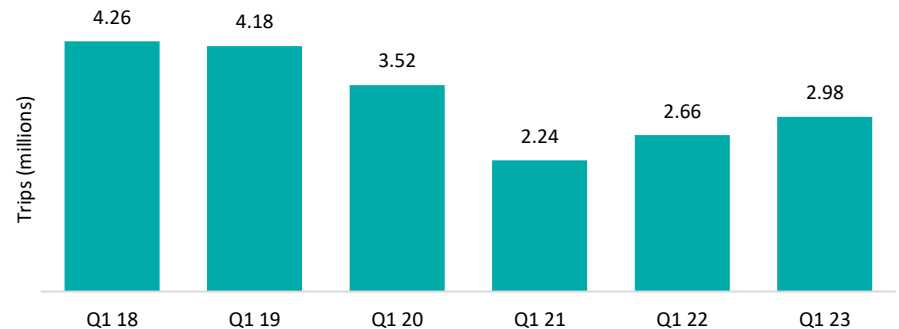
## Warnow Tunnel Traffic



## Chicago Skyway Traffic



## Dulles Greenway Traffic

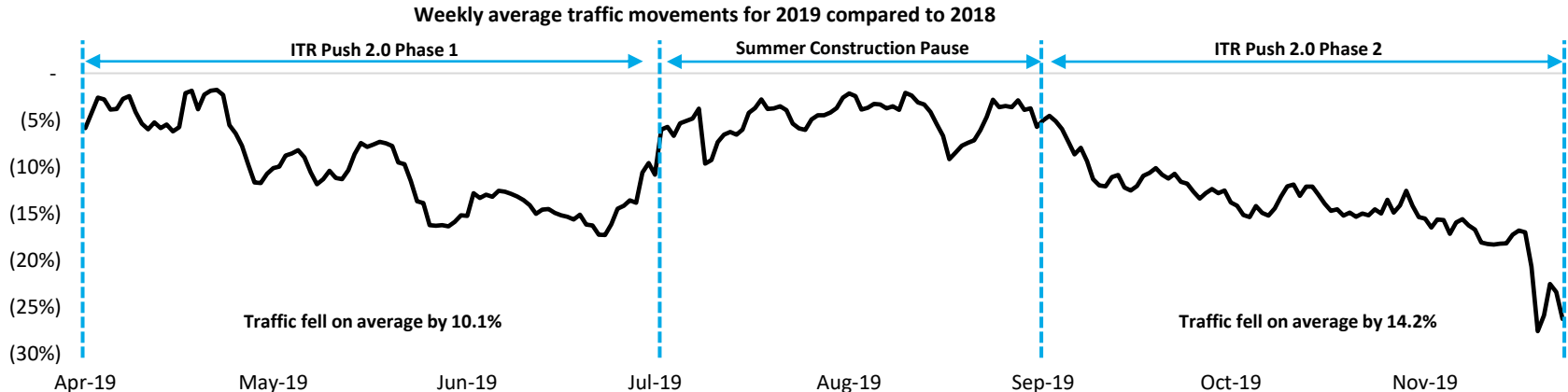


# CHICAGO SKYWAY 2023 TRAFFIC

Roadworks have begun on the Indiana Toll Road which will impact the Chicago Skyway 2023 traffic performance

## Anticipated schedule of works

- As flagged at the time of the acquisition, traffic at the Chicago Skyway for 2023 is expected to be negatively impacted by roadworks on the Indiana Toll Road (ITR)
- The preliminary work commenced in mid February 2023, with the overpass rehabilitation broken up into two phases:
  - Phase one works began in early March 2023 with completion scheduled by end May 2023
  - Phase two works are expected to commence in early September 2023 and complete by mid November 2023
- There will be a pause to the works over the summer holiday period during which lanes will be subject to closure at certain times
- During both phase one and two, there will only be one lane available in each direction (normally two lanes in each direction)
- Similar works were undertaken in 2019 (ITR Push 2.0) which resulted in traffic down 8.2% for the year compared to 2018





# TRANSITION OF OWNERSHIP IN CHICAGO SKYWAY

Working alongside Ontario Teachers' and the management team to deliver value-add for stakeholders

## Key highlights since acquisition completion

- Smooth and successful transition from previous ownership
- Engaging transparently and collaboratively with all stakeholders
- Established effective interfaces between Atlas Arteria teams and management
- Commenced leveraging Atlas Arteria's capabilities across multiple areas, including O&M, ESG, traffic, risk and finance
- Agreed detailed maintenance capex plan for 2023 resulting in guidance of US\$19m including investments in modernisation and automation

## Focus areas for remainder of 2023

- Continue working with Chicago Skyway to deliver proactive maintenance milestones
- Complete key upcoming financing activities
- Continue support for strategic ESG opportunities and engage with local stakeholders
- Deliver technology investments and support inhouse expertise and knowledge management
- Foster relationship with City of Chicago and strengthen long-term partnership

# PROACTIVE MAINTENANCE AT CHICAGO SKYWAY

Proactive maintenance aims to identify and schedule required repairs of critical elements reducing risks and overall cost of maintenance over the long term



## Manage

Understand and manage maintenance more effectively and efficiently



## Scheduling

Optimise and coordinate timing of maintenance to minimise impact on traffic and revenue



## Monitor

Review asset condition more frequently to detect required maintenance early and reduce overall cost of maintenance over the long term



## Digital Twin

Brings additional dimension to the process and allows for virtual assessment at any time, anywhere



## Longer Asset Life

Extend asset life through detailed analytics and targeted interventions



## Predict

Use data and artificial intelligence to anticipate and remediate serious defects early

# DULLES GREENWAY UPDATE

Atlas Arteria remains optimistic about achieving a positive outcome at the Greenway

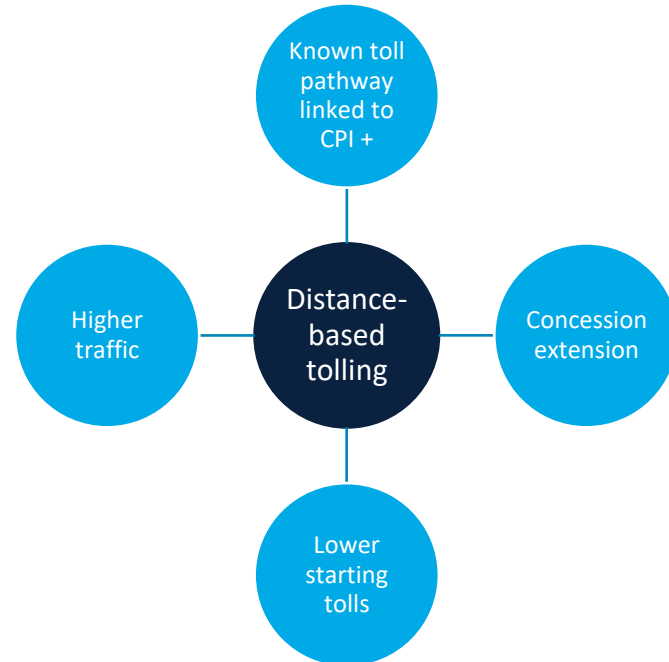
## Achieving distance-based tolling at Dulles Greenway

- Legislation was considered by the Virginia General Assembly in February 2023 which would authorise the Virginia Department of Transportation to negotiate and execute a new concession agreement under the Public-Private Transportation Act with the Dulles Greenway
- For the first time, Atlas Arteria was able to gain the support of a Virginia governor and the Virginia Department of Transportation for enabling legislation
- Unfortunately, the Senate Finance Committee voted to block the change. Authority to negotiate a new concession may still be passed through the approval of the state budget in a special session, most likely held in May or June 2023
- Atlas Arteria retains the capacity to reinstate covenant-light holding company debt at the right time, for the right opportunity i.e. a potential restructure of the Dulles Greenway (no expectation of raising equity in the capital markets for such a transaction)

## SCC Rate Case Application

- TRIP II has notified the Virginia State Corporation Commission of its intention to file a rate case and expects to file the application in the next three months
- The administrative hearing for this request would likely commence during H2 2023, with a decision possible by mid-to-late 2024
- There is no statutory deadline for a decision from the SCC
- Past rate case decisions have typically been received between 12-18 months after the initial filing request

## The move to distance-based tolling would involve four key value drivers



# FOCUS ON ORGANIC GROWTH OPPORTUNITIES



Transitioning ownership of Chicago Skyway



Achieving sustainable cash flows from Dulles Greenway



Executing on organic growth opportunities at APRR

THANK YOU

# Q&A

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