



**Gruppo FS**

**Press Release**

## **FS GROUP 2025-2029 STRATEGIC PLAN: 100 BILLION IN INVESTMENTS TO KEEP PACE WITH THE COUNTRY'S GROWTH**

- **presented by CEO and GM Stefano Antonio Donnarumma, with speeches by Chairman Tommaso Tanzilli and Deputy Prime Minister and Minister of Infrastructure and Transport Matteo Salvini**
- **infrastructure development, best-ever punctuality, travel experience, international development, sustainability and innovation are the main strategic guidelines**
- **transformative programmes with a focus on safety, people, technology, sustainability and adequate funding sources**
- **preview also of four strategic initiatives still being studied to reach full potential: introduction of a RAB regulatory model, creation of a NewCo for international development, vertical integration and connectivity**

Rome, 12 December 2024

**100 billion-plus euros of investment** over five years to make a tangible contribution to the **transformation of the company** and confirm **Europe** as its home market.

The **2025-2029 Strategic Plan** of the **FS Group** was presented today, Thursday 12 December, in Rome by the CEO and General Manager **Stefano Antonio Donnarumma**. The presentation was attended by the Chairman of Ferrovie dello Stato Italiane, **Tommaso Tanzilli** and Deputy Prime Minister and Minister of Infrastructure and Transport, **Matteo Salvini**.

Through an industrial approach and a high-specification action plan with some 250 key indicators to be achieved over the next five years, the FS Group aims to strengthen the **resilience of the rail and road network**, improve **quality of service**, support the **completion of infrastructure** and promote increasingly sustainable **mobility**.

Substantial growth is expected between now and 2029, driven by an improvement in all key economic indicators, with an increase in **revenues to over 20 billion euros**, **EBITDA to over 3.5 billion euros** and **net profit to over 500 million euros**.

*“Our Strategic Plan over the next five years will have a decisive impact on the structure of the FS Group, putting it in a position to overcome current and upcoming challenges,”* emphasised the Chairman, **Tommaso Tanzilli**. *“Challenges that we will only be able to overcome with a targeted programme of investment in infrastructure and technology and the indispensable input of the Group's people, who are committed each day to guaranteeing a service that lives up to expectations. The Strategic Plan will also have a decisive impact on the Country System, bringing added value that can make the difference.”*

*“The FS Group is about to embark on an ambitious programme of transformation, aimed not only at innovating operational processes, but also at significantly improving the services offered,”* declared Chief Executive Officer and General Manager, **Stefano Antonio Donnarumma**. *“I am honoured to lead a solid company that is firmly rooted in the socio-economic fabric of the country and has a strong need for revitalisation through a detailed roadmap, supported by proper investment. This Plan, marking a clean break, will respond to the needs of a future-oriented company, recognising integrated mobility as a foundation stone for development. The goal is to meet economic and financial challenges more effectively and to further improve infrastructure and service quality. The new organisation also aims to strengthen the Group's international role and to position it as a leader in the mobility sector.”*

### **MEETING THE CHALLENGES OF THE NEXT FIVE YEARS**

The FS Group's Relaunch Plan was developed with the aim of responding effectively to the growing challenges of the market while also strengthening the company's position in the transport sector.

There are eight **strategic guidelines** that will accompany this path of renewal, starting with the Group's commitment to **upgrading the country's infrastructure**. The aim is to introduce **new high-speed railway lines** to connect currently unserved territories, thus **achieving a 30% increase in the number of people reached** by the high-speed system in Italy. This will be accomplished by pushing the FS Group towards new **frontiers of excellence**, with the achievement of best-ever performance through **punctuality recovery for more than 50,000 trains per year**. Added to this is a **travel experience** tailored to the individual, for increased passenger satisfaction. No less crucial is the **international operation**, which is estimated to grow by 40% in passenger volume. Substantial investment in **operating discipline** aims to achieve a 5% improvement in reducible operating costs. In matters of **sustainability**, more than one Gigawatt of photovoltaics will be installed by 2029, and with regard to **innovation and safety**, a target has been set to reach 100% of the *Core Extended* covered by ERTMS by 2040. Completing the strategic lines is a sharp **acceleration of business**, with the acquisition of new skills and financial resources needed to ensure continued investment.

### **TRANSFORMATIVE PROGRAMMES TO ENABLE GROUP GROWTH**

To support the FS Group on its development path, five **transformative programmes** have been identified, impacting all areas of the business.

- **Safety** for passengers, assets and workers wherever they are, with the goal of “zero injuries”. 125,000 training days will be made available through FS Security Academy.
- **Human resources with people and skills** at its centre, aiming to increasing identity, inclusion and collaboration.
- **Technology** playing a decisive role, with more than **two billion euros of digital investment over ten years**.
- **Sustainability** through an even greater focus on sustainable mobility and work on **people's well-being** to increase employee satisfaction.
- **Financial Resources** to fully exploit the Group's businesses to maximise growth opportunities.

## DETAILS BY BUSINESS AREA

### RAILWAY INFRASTRUCTURE

Currently, 17,000 kilometres of railway lines are operated by the FS Group and around 9,000 trains run every day. To enhance the **quality of service** of the network more than **50 billion euros** will be invested over the next **ten years**. A level of investment that, between now and 2034, will drive the implementation of new technological standards and the evolution of maintenance models. There are also plans to rationalise the operating model with the corresponding volumes and to enhance the accessibility of stations and dedicated services. A genuine **network transformation** will be implemented in this timeframe, thanks to an investment of **60 billion euros**.

### ROAD INFRASTRUCTURE

The FS Group also manages 32,000 kilometres of roads, with 8 million vehicles in circulation every day. More than **40 billion euros of investment** is planned over ten years, 25 billion of which are earmarked for **new road works** on the national perimeter and 15 billion for improving quality of service.

### PASSENGER TRANSPORT ITALY

Every year, around 570 million people use the FS Group's connections in Italy. The 2025-2029 Strategic Plan goals also include **the expansion of the commercial offer**, so that the transported **passenger perimeter** can develop. In five years, the number of people wanting to travel green on Trenitalia trains will grow by over 100 million, while passenger growth on Busitalia buses will be over 95 million. A modern, innovative and sustainable service requires a transformation of the train and bus fleet. This will start with the commissioning of 46 new high-speed *Frecciarossa 1000* trains, 145 regional trains, and more than 1,260 low CO<sub>2</sub> buses over the next ten years.

### INTERNATIONAL PASSENGER TRANSPORT

Looking beyond the borders of Italy, 230 million people travelled on FS Group trains in one year. During the Plan period, more attention will be paid to passenger transport abroad, with the aim of **accelerating the FS Group's international development**. High-speed rail passenger numbers in Europe will exceed 14 million, Urban Mobility passengers 140 million and European regulated business passengers 150 million.

### FREIGHT TRANSPORT

**Freight transport** will also experience a business transformation, moving towards a European Freight Forwarder model serving a large and diversified market. Currently, 37 million tonnes of goods are transported each year. Key actions for the revitalisation of the sector will include the creation of a single customer interface, the development of an integrated offer and the setting up of partnerships to support multi-modal transport.

## **URBAN**

It is also important for the FS Group to create value from all those assets that are no longer functional to the railway service in terms of sustainable development of cities. This can be addressed through 1.1 billion euros of non-functional real estate assets, allocated to **real estate development projects** to support **urban regeneration**. Further investments will be made for the development of an **innovative parking** offer, thus promoting intermodality and facilitating access to the rail network.

## **STRATEGIC INITIATIVES: RAB, INTERNATIONAL, VERTICAL INTEGRATION AND CONNECTIVITY**

In order for the FS Group to boost its solidity and to actively help create value for the Country System, the Plan could be further enhanced by a series of **strategic** initiatives not included in the Plan numbers:

- adoption of a new **RAB-base financing model** for securing investments through self-financing with a possible opening to third-party capital and the consequent reduction in the need for public financing;
- upgrade of **FS International** through the establishment of a NewCo for the control and management of the international passenger business;
- **vertical integration and partnership development** with industrial and financial players to accelerate business development;
- **better connectivity services** on board trains by improving infrastructure.