

A photograph of a woman with blonde hair and glasses driving a car, viewed from the side. The image is partially obscured by a large white arrow pointing to the right.

# 2023 RESULTS PRESENTATION

for the twelve months ending 31 December 2023

29 February 2024

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

# Important Information

## Disclaimer

The information in this presentation is given in good faith and derived from sources believed to be accurate at this date, but no representation or warranty (express or implied) is given as to its accuracy, completeness or reliability. Neither Atlas Arteria, nor its subsidiaries, their officers, employees or any other person accept any responsibility or liability arising in any way whatsoever from or in connection with this presentation or the information it contains, including without limitation any liability arising from any fault, negligence, errors or omissions. The material contained in this presentation may include information derived from publicly available sources that have not been independently verified and Atlas Arteria makes no representation as to the accuracy of such information.

This presentation is not an offer or invitation for subscription for or the purchase of, or a recommendation of, securities. It does not take into account the investment objectives, financial situation and particular needs of the investor. Information in this presentation should not be considered as advice or a recommendation to investors or potential investors. Before making an investment in Atlas Arteria, the investor or prospective investor should consider whether such an investment is appropriate to their particular investment needs, objectives and financial circumstances and consult an investment adviser if appropriate.

Investments in Atlas Arteria are subject to investment risk, including possible delays in repayment and loss of income and capital invested.

## Forward Looking Statements

This presentation may contain forward-looking statements including statements with respect to Atlas Arteria's future performance. Such forward-looking statements are not guarantees of future performance. Due care and attention has been exercised in the preparation of forward-looking statements, however actual results may vary as a result of various factors beyond the control of Atlas Arteria, its subsidiaries and their officers, employees, agents and advisors. The words, 'plan', 'will', 'expect', 'may', 'should', and similar expressions are intended to identify forward looking statements.

## Non-IFRS Information

This presentation includes certain financial measures that are not recognised under Australian Accounting Standards (AAS) or International Financial Reporting Standards (IFRS), which are included for the purpose of providing a more comprehensive understanding of Atlas Arteria. Such non-IFRS financial measures do not have a standardised meaning prescribed by AAS or IFRS and may not be comparable to similarly titled measures presented by other entities, and should not be construed as an alternative to other financial measures determined in accordance with AAS or IFRS. Recipients are cautioned not to place undue reliance on any non-IFRS financial measures included in this presentation. The non-IFRS information has not been subject to audit or review by Atlas Arteria's external auditor.

## 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.

## No Offer

This presentation may not be distributed in the United States.

This presentation does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to, or for the account or benefit of, "US persons" (as defined in Rule 902(k) under the U.S. Securities Act) ("U.S. Person"), or in any other jurisdiction in which such an offer would be illegal.

Atlas Arteria's securities have not been, and will not be, registered under the US Securities Act of 1933, as amended (US Securities Act) or the securities laws of any state or other jurisdiction of the United States or elsewhere. Accordingly, Atlas Arteria's securities may not be offered or sold, directly or indirectly, in the United States unless they are offered or sold pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and any other applicable US state securities laws.

# Important Information

## U.S. Ownership Restrictions

Investors should note that neither of the Atlas Arteria entities has been, or will be, registered under the U.S. Investment Company Act 1940, as amended (the "U.S. Investment Company Act"), in reliance on the exception in Section 3(c)(7) from the definition of "investment company".

Accordingly, Atlas Arteria securities cannot be held at any time by, or for the account or benefit of, any "U.S. person" (as defined in Rule 902(k) under the U.S. Securities Act of 1933) ("U.S. Person") that is not a "qualified purchaser" (as defined in section 2(a)(51) of the U.S. Investment Company Act and the rules and regulations thereunder) ("Qualified Purchaser" or "QP") at the time of their acquisition. Any U.S. Person that is not a Qualified Purchaser, or any investor acting for the account or benefit of any U.S. Person that is not a Qualified Purchaser, is an "Excluded U.S. Person" and may not hold Atlas Arteria securities.

Atlas Arteria may require an investor to complete a statutory declaration as to whether they (or any person on whose account or for whose benefit it holds Atlas Arteria securities) are an Excluded U.S. Person. Atlas Arteria may treat any investor who does not comply with such a request as an Excluded U.S. Person. Atlas Arteria has the right to: (i) refuse to register a transfer of Atlas Arteria securities to any Excluded U.S. Person; or (ii) require any Excluded U.S. Person to dispose of their securities in Atlas Arteria, and, if the Excluded U.S. Person does not do so within 30 business days, require the securities to be sold by a nominee appointed by Atlas Arteria.

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://www.atlasarteria.com/stores/\\_sharedfiles/US\\_Ownership/AtlasArteria-USownershiprestrictions.pdf](https://www.atlasarteria.com/stores/_sharedfiles/US_Ownership/AtlasArteria-USownershiprestrictions.pdf)

- **KEY HIGHLIGHTS**
- **OPERATIONAL PERFORMANCE**
- **FINANCIAL PERFORMANCE**
- **OUTLOOK**
- **APPENDICES**

# Robust financial performance and refined strategy

Traffic<sup>1</sup>

↑ 3.3%

EBITDA<sup>2</sup>

↑ 7.1%

Recent toll increases of

3.1%<sup>3</sup> at APRR

10.0% at Skyway

8.4% at Warnow Tunnel

Distribution guidance of

20 cps for H2 2023

40 cps for 2024<sup>4</sup>

Safety is a key  
priority

Strong focus on  
continuous improvements

Chicago Skyway  
12-month transition  
plan complete

Refined business  
strategy

1. Reflects weighted average traffic growth based on portfolio revenue allocations from Atlas Arteria's current beneficial interests in its businesses, in A\$ using the average foreign currency exchange rates in the current period (2023 AUD = 0.6638 USD and AUD = 0.6138 EUR).

2. Reflects proportionate EBITDA growth calculated using the same FX rates and current ownership percentage as the weighted average traffic growth calculation.

3. Includes the supplemental toll increases of 0.06% for APRR and 0.08% for AREA that were voluntarily not be applied in 2023 and have instead been applied in 2024.

4. Guidance subject to continued business performance, movements in foreign exchange rates, and other future events.

# BUSINESS STRATEGY – REFINED STRATEGIC PRIORITIES

Non-associated growth opportunities are not being considered



## Business optimisation

- Optimising business activities across operations, maintenance, toll management and revenue recovery
- Innovation to enhance efficiency and lower costs

## Associated growth opportunities

- Pursuing only growth opportunities directly related to or in proximity to our existing businesses to realise accretive value
- Acquisitions outside this are not being considered – we will provide appropriate notice to securityholders if this position were to change

## Capital management

- Maintaining a robust balance sheet
- Targeting an optimal capital structure at each of our businesses backed by investment grade credit ratings
- Exploring medium term capital management options to maximise securityholder returns

# 2023 FINANCIAL OVERVIEW

Strong results reflect record APRR traffic and earnings which outperformed 2022 and 2019 levels

Business	2023 Traffic		2023 Toll Revenue <sup>3,4</sup>		2023 EBITDA <sup>3,4</sup>	
	VS 2022	VS 2019	VS 2022	VS 2019	VS 2022	VS 2019
<b>APRR Group<sup>1</sup></b>	3.9%	6.2%	7.0%	13.4%	7.5%	15.4%
<b>ADELAC</b>	5.0%	4.9%	11.5%	20.2%	15.8%	22.5%
<b>Warnow Tunnel</b>	3.1%	(5.8%)	9.9%	6.1%	9.5%	(2.9%)
<b>Chicago Skyway</b>	(7.2%)	1.3%	2.7%	34.3%	0.8%	34.1%
<b>Dulles Greenway</b>	6.4%	(26.4%)	8.5%	(18.5%)	6.3%	(21.8%)
<b>Weighted average % change<sup>2</sup></b>	<b>3.3%</b>	<b>2.9%</b>	<b>6.9%</b>	<b>11.9%</b>	<b>7.1%</b>	<b>13.1%</b>

1. APRR Group includes APRR, AREA and A79 concessions.

2. Reflects weighted average traffic growth based on portfolio revenue allocations from Atlas Arteria's current beneficial interests in its businesses, in A\$ using the average foreign currency exchange rates in the current period (2023 AUD = 0.6638 USD and AUD = 0.6138 EUR). Revenue and EBITDA growth is calculated using the same FX rates and current ownership percentage as the weighted average traffic growth calculation.

3. Revenues and operating costs are presented under IFRS in local currency, excluding impacts of IFRIC 12.

4. Toll revenue % and EBITDA % change is calculated using the respective businesses local currencies.



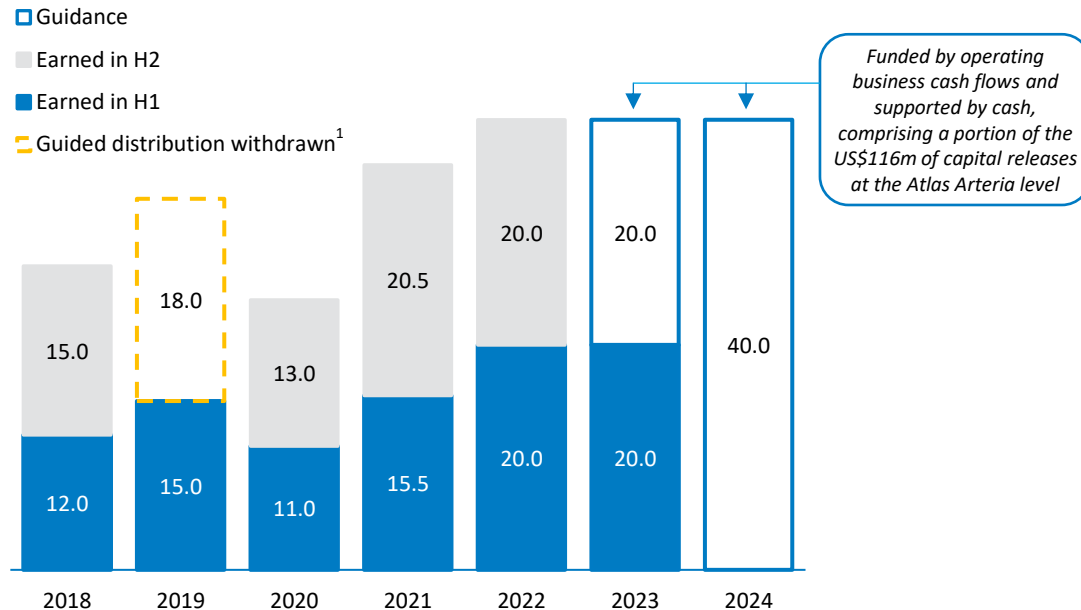
# ATLAS ARTERIA DISTRIBUTION GUIDANCE

Distribution guidance of 20.0 cps for H2 2023 reaffirmed and 40.0 cps for 2024

## Distribution guidance for H2 2023 and 2024

- Reaffirmed distribution guidance of 20.0 cps for H2 2023 reflects the performance of APRR, Warnow Tunnel and Chicago Skyway during the period
  - The H2 2023 distribution is expected to include 2 - 3 cps of cash on hand, reflecting a portion of Atlas Arteria's US\$116 million of capital releases from Chicago Skyway
  - Expected to announce H2 2023 distribution in March with payment by early April
- The 2024 distribution is expected to be 40.0 cps, and will include distributions from APRR, Warnow Tunnel and Chicago Skyway. The 2024 distribution is expected to include 7 - 8 cps of cash on hand<sup>2</sup>
- Guidance subject to continued business performance, movements in foreign exchange rates, and other future events

## Atlas Arteria distributions – by period earned (cps)



1. Distribution withdrawn and funds used to restructure Atlas Arteria's balance sheet.  
 2. Reflecting a portion of the US\$116m of capital releases at the Atlas Arteria level.

# POSITIVELY CORRELATED TO INFLATION

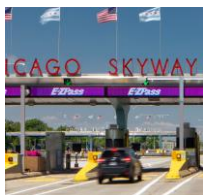
Inflationary environment supports toll increases and earnings, with mechanisms that embed predictability over future toll escalation



**APRR GROUP**

APRR / AREA:  $70\% \times \text{CPI} + \text{increments agreed under any Investment Plans}^1$

A79:  $75\% \times \text{CPI} + 15\% \times \text{TP01} + 10\% \times \text{TP09}^2$



**CHICAGO SKYWAY**

Greater of <sup>3</sup>:

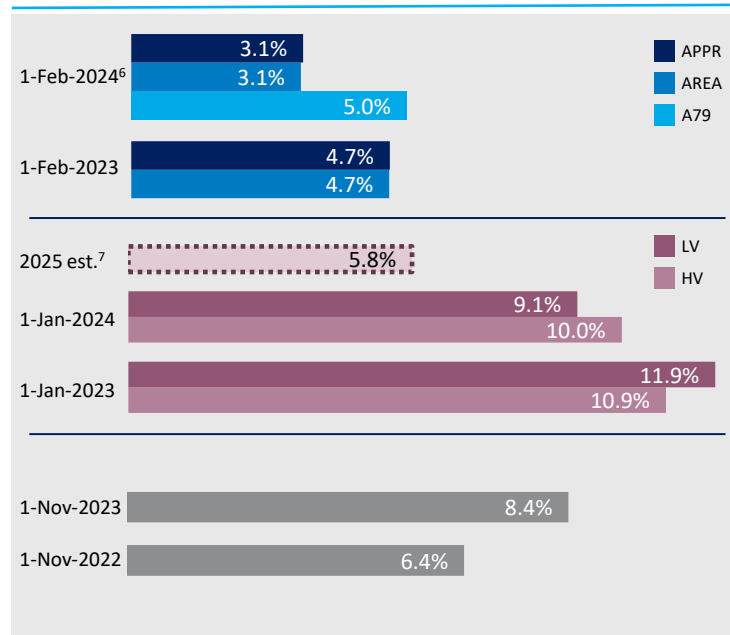
- Nominal US GDP per capita
- US CPI
- 2.0% floor



**WARNOW TUNNEL**

Prior calendar year and current year Q1 CPI and GDP for Germany and Mecklenburg Vorpommern<sup>4</sup>

## Toll increases implemented



## Tolls on the Dulles Greenway are set on application to the Virginia SCC<sup>5</sup>

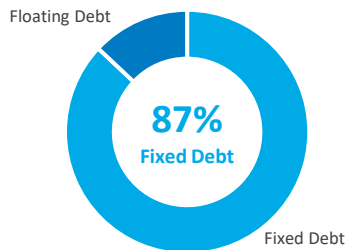
- Consumer Price index (exc. Tobacco) from October in the prior year (i.e. October 2022 CPI x 0.70% + 0.25% set the toll increase for APRR in 2023).
- TP01 and TP09 are production costs indices typically used in contract escalation and are capped at 4% and floored at zero.
- Escalation is based on a 2-year look-back regime for the macroeconomic indicators and rounded up to the nearest US\$0.10.
- Tolls may rise at a rate higher than inflation provided the pre-tax equity IRR of the concession is < 17%. Refer to slide 48 for more information.
- Tolls on the Dulles Greenway are set on application by the Virginia SCC under the Virginia Highway Corporation Act (1988) (VHCA). Refer to slide 54 for more information.
- Includes the supplemental toll increases of 0.06% for APRR and 0.08% for AREA that were voluntarily not be applied in 2023 and have instead been applied in 2024.
- Estimated toll increase based on estimated US nominal GDP per capita for 2023 from the BEA as at January 2024, and US CPI data for December 2023 as at January 2024.

# WELL-POSITIONED FOR CURRENT MACRO-ECONOMIC ENVIRONMENT

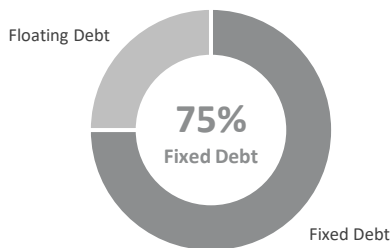
High EBITDA margins with primarily fixed rate debt providing protection from interest rate risk

## Fixed vs floating debt profile at 31 December 2023

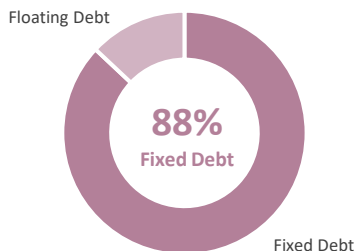
### APRR/FINANCIÈRE EIFFARIE



### WARNOW TUNNEL



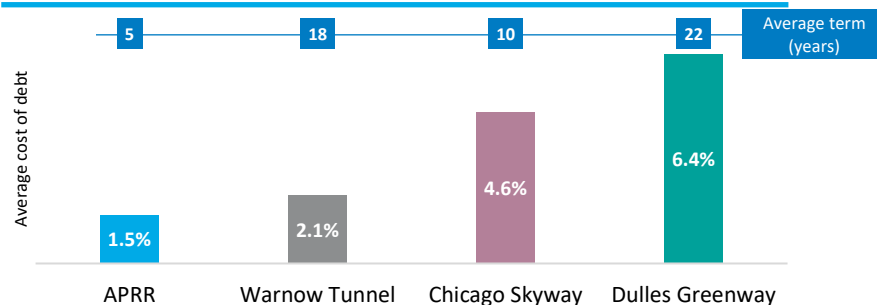
### CHICAGO SKYWAY



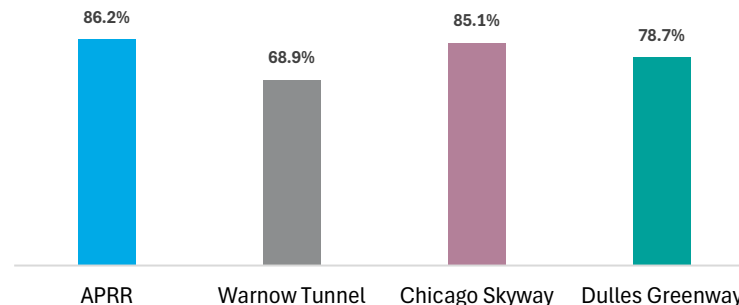
### DULLES GREENWAY



## Fixed interest rate debt profile at 31 December 2023



## High EBITDA margins<sup>1</sup> mitigating the impact of rising operating costs

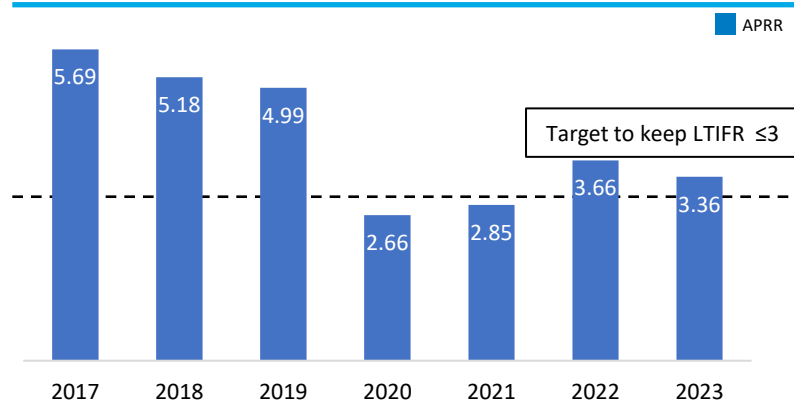


1. EBITDA margin for 2023 (APRR margin excludes construction services and taxes). EBITDA margins exclude impacts of construction services to reflect underlying business performance.

# STRONG FOCUS ON SAFE AND RESPONSIBLE OPERATIONS

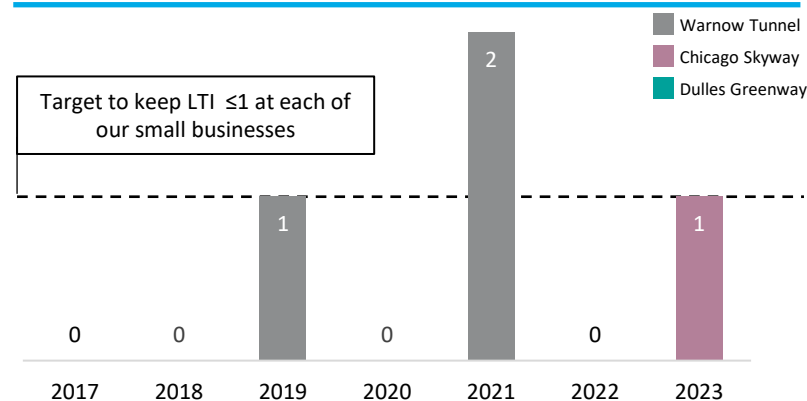
Building a strong safety culture to deliver safe outcomes for all our stakeholders

## Large businesses – lost-time injury frequency rate (LTIFR)<sup>1</sup>



- Focused on improving safety record and building a strong safety culture
- New APRR safety plan built around nine core areas launched at APRR and rolled out across the business

## Small businesses – lost time injuries (LTI)<sup>2</sup>



- No LTIs recorded at Warnow Tunnel or Dulles Greenway during 2023 with 1 LTI recorded at Chicago Skyway
- Chicago Skyway fully aligned with Atlas Arteria’s safety approach and reporting process with over 772 hours of safety training undertaken in 2023

1. The calculation methodology for LTIFR at APRR does not include injuries caused by external factors, e.g. accidents caused by motorway users. Thus, the APRR LTIFR calculation does not include the injuries to the employees related to the April 2022 accident.

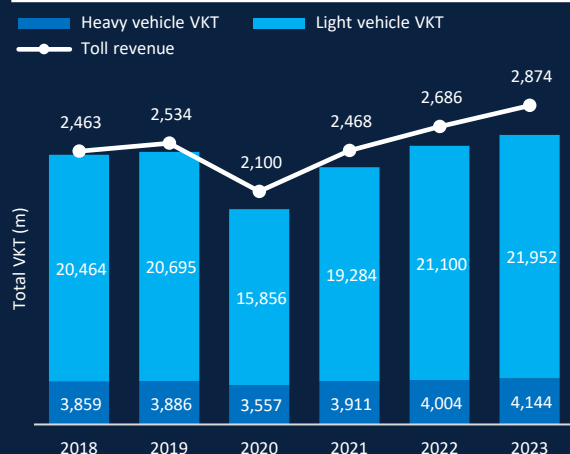
2. Includes Chicago Skyway from 2023 only.

# Record APRR traffic & Chicago Skyway 12-month transition plan complete

# APRR GROUP TRAFFIC UPDATE

Strong traffic and revenue performance reflecting robust light vehicle traffic and inflation-linked toll increases

## APRR Group traffic<sup>1</sup>



- APRR Group traffic increased 3.9% vs 2022. Excluding A79 traffic and traffic attributable to the additional 17km stretch of A6 North, Group traffic increased c.1.5%<sup>2</sup>
- LV traffic was robust, achieving incremental growth each quarter versus the prior corresponding period, driven by strong leisure and holiday traffic and high employment levels which positively impacted household earnings

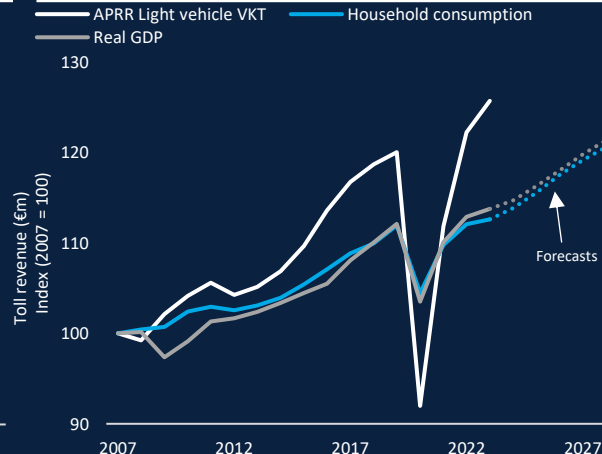
1. APRR Group includes APRR, AREA and A79 concessions. The A79 concession began tolling on 4 November 2022.

2. APRR traffic from 1 February 2023 includes A6 North traffic. This relates to the integration of the 17.5km stretch of the existing A6 as part of the Investment Plan announced in February.

3. French household consumption index based on Quarterly National Accounts data released for Q3 2023 from INSEE.

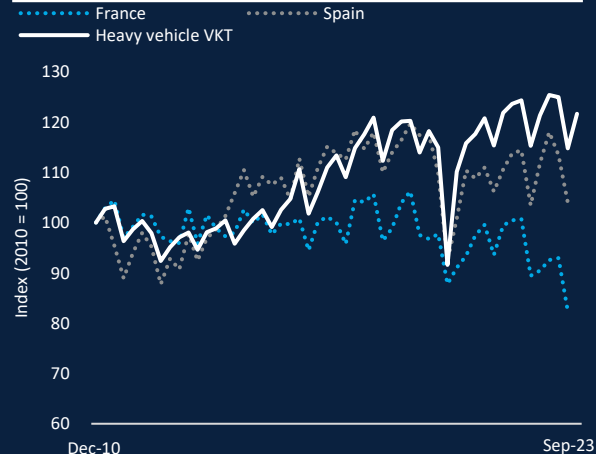
4. Based on FocusEconomics Consensus Forecasts sourced in January 2024.

## Traffic resilience through economic cycles



- Traffic at APRR (correlated closely with French household consumption) has generally remained resilient to economic downturns in France<sup>3</sup>
- Based on macroeconomic forecasts for France, French household consumption and real GDP are both expected to grow by around 1% in 2024<sup>4</sup>

## Trade in France and Spain



- HV traffic growth was marginal, being closely correlated with Spanish GDP and manufacturing which was constrained by the relatively flat performance of the European economies in 2023
- In addition, reduced agricultural production associated with the summer drought in Western Europe softened traffic in H2

# APRR GROUP OPERATIONAL UPDATE

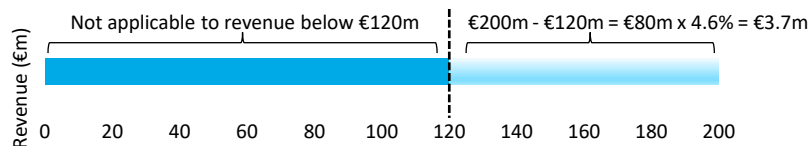
## Long-distance transport infrastructure tax enacted by the French State

### French transportation tax update

- In December 2023, the French Government enacted a new French tax (TEILD) applicable to companies operating long-distance transport infrastructure with annual revenues above €120 million and a historical profit margin<sup>1</sup> above 10% over the last 7 years
- The tax represents 4.6% of annual revenues exceeding €120 million per legal entity and is expected to apply to both APRR and AREA based on historical earnings
- APRR, along with its shareholders, will use all appropriate means and avenues to assert APRR's legal and contractual rights to ensure that the concession contracts are respected, and its rights are protected
- Focused on mitigating the impact of the new French tax on distributions

### Conceptual illustration of the tax impact on annual revenue

Tax rate: 4.6%  
 Effective from: 1 January 2024  
 Applicable to: Annual revenue per legal entity<sup>2</sup>



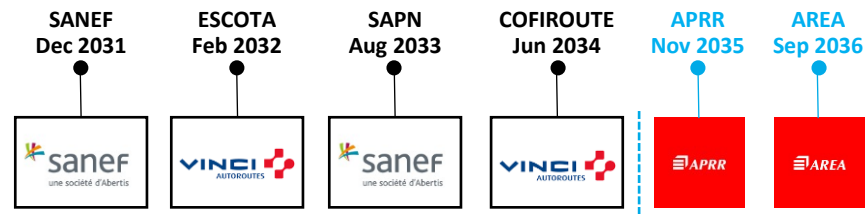
1. Calculated as the average profit margin for the last seven completed accounting years, excluding the two years for which this level is the highest and the two for which it is the lowest.

2. Not deductible for corporate income tax purposes.

### Outlook for future concessions

- It has previously been acknowledged that the private concession model is the most effective way to operate the French toll road network
- One of the numerous options could be to have a regulatory system more like the Airports regulatory model, and potentially shorter duration concessions with regular review points
- The appointment of a working group on the future of the French toll road network was put on hold following a government reshuffle in January 2024. Patrice Vergriete was appointed on 8 February 2024 as the new Transport Minister
- The SANEF concession is the first to expire in 2031

### Key near-term concession expiries



# A412 PROJECT UPDATE

## Potential expansion of the network and improving the customer experience

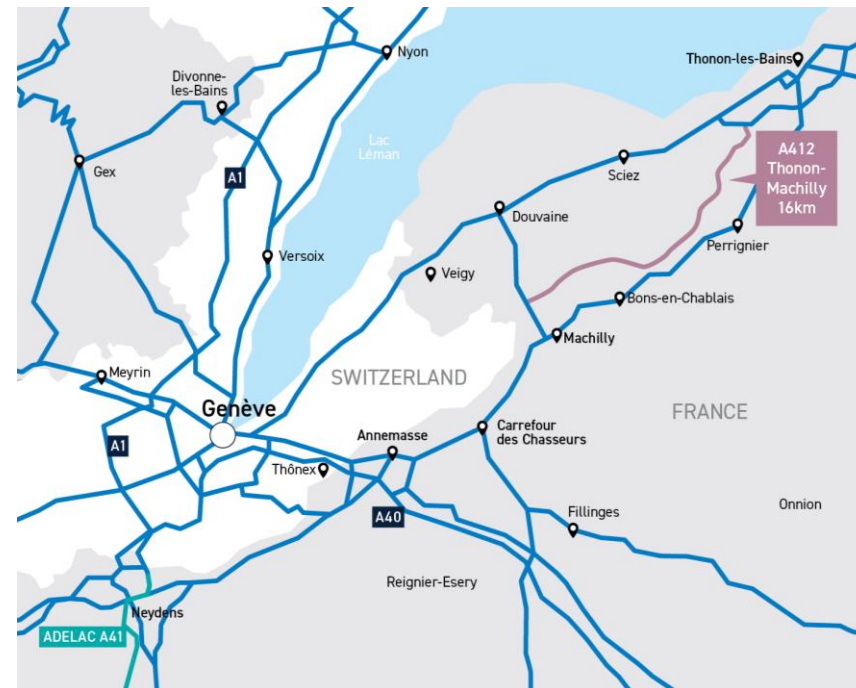
### Project overview

- A412 Thonon-Machilly is a new 16.5km motorway from Thonon-les-Bains to Machilly to the south of Lake Geneva and will operate under free-flow tolling
- The new motorway is expected to reduce traffic on the RD1005 and RD903, two congested country roads, improving safety
- Traffic flows on the A412 will likely show similar traffic patterns to ADELAC
- The project will consist of a two-lane dual carriageway with free-flow tolling that is expected to reduce congestion and travel times
- An important component of this project is to integrate the new road into the existing landscape and protect the environment

### Project structure

- In February 2024, the French government announced that a consortium formed by Eiffage and APRR had been appointed for exclusive negotiations for the A412 motorway
- The concession has a long duration of 55 years, commencing when the concession contract is signed
- Construction works are expected to commence after all necessary permits have been granted

### Project location

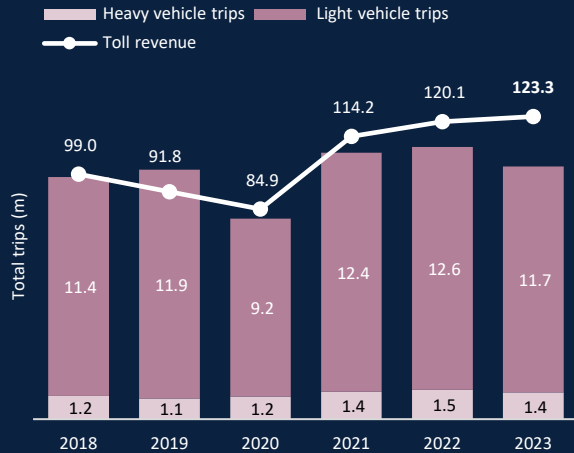




# CHICAGO SKYWAY TRAFFIC UPDATE

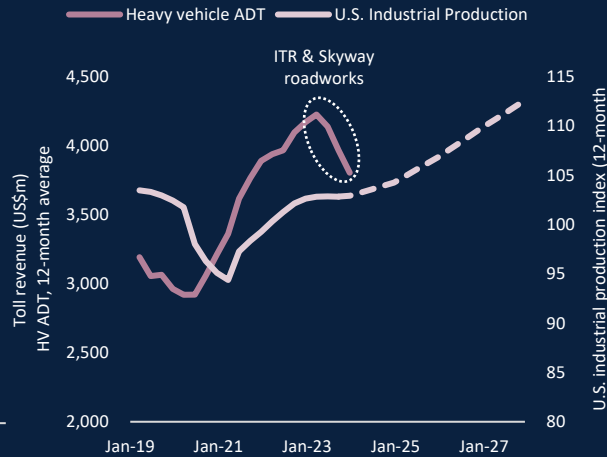
Traffic performance above business acquisition case with roadworks on the Indiana Toll Road (ITR) now complete

## Chicago Skyway traffic



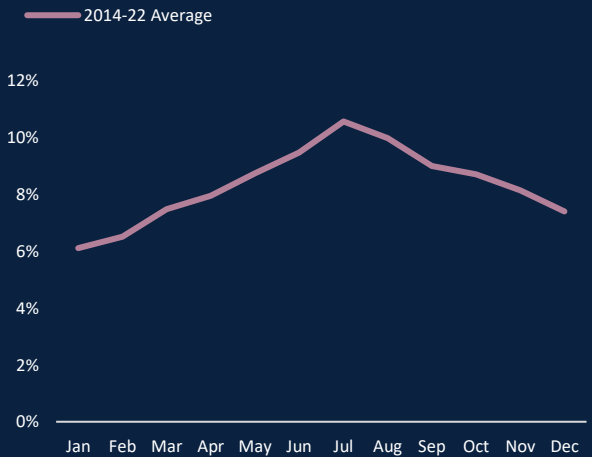
- Traffic was above the acquisition business case in 2022 despite the negative impact of the planned ITR roadworks
- The prior period also saw elevated traffic on the Skyway due to roadworks on the Frank Borman Expressway (I-94)
- Traffic fell 7.2% versus 2022 while toll revenue increased by 2.7% due to toll increases implemented in January 2023

## Long-term economic drivers<sup>1</sup>



- Chicago Skyway serves as a critical connection to Indiana, a major industrial economy, with >US\$100 billion in manufacturing output<sup>3</sup>
- Industrial production in the US continues to perform strongly supporting freight traffic
- Industrial production is forecast to grow in 2024 and the longer-term outlook remains robust from 2025 to 2028

## Historical monthly traffic seasonality<sup>2</sup>



- Skyway's diverse user base underpins predictable seasonal support throughout the year
- Summer months of June to August historically feature higher traffic volume due to summer leisure traffic, including travel between the city and beach resorts on the eastern shore of Lake Michigan
- Significant contribution of HV traffic ensures a robust level of baseline traffic (and revenue) throughout the year

1. U.S. Industrial Production sourced from the Federal Reserve Bank of St. Louis.

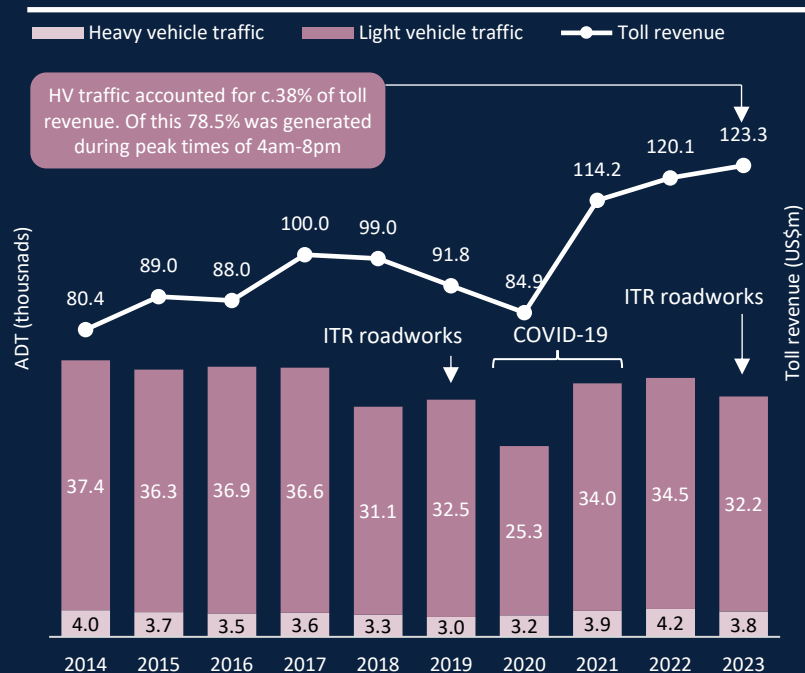
2. Percent of annual transactions passing along Skyway each month; Seasonality average analysis excludes monthly data for 2020 which was impacted by the COVID-19 pandemic.

3. Sourced from the National Association of Manufacturers.

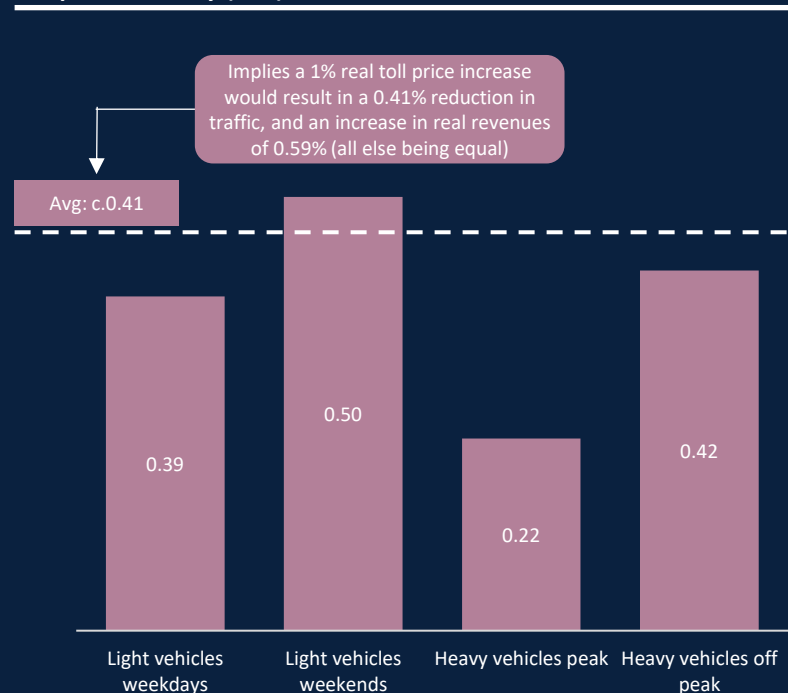
# TOLLING REGIME SUPPORTS STRONG REVENUE PERFORMANCE

Toll escalation formula, combined with relatively inelastic traffic, delivers sustainable revenue growth

## Toll revenue vs traffic performance



## Toll price elasticity (real)<sup>1</sup>



1. Toll price elasticity estimates based on data from 2010 to 2022. Average elasticity weighted according to transaction shares of each transaction group.

# CHICAGO SKYWAY TRANSITION 12-MONTH PLAN COMPLETE

Will deliver long-term cost savings and enhancements to asset quality as well as capital efficiency

## 2023 achievements – delivering on acquisition strategy



### Asset Management Program

- Initiated the transition and anchored a whole-of-life approach into the maintenance strategy of the Skyway
- Launched new asset management system allowing Skyway to modernise operations and maintenance management
- Commenced process to establish digital twin which will improve monitoring of the condition of roads and bridges, and help forecast condition evolution and plan for appropriate pro-active maintenance works



### Capital Structure

- Optimised through the refinancing of maturing debt, along with a regearing to release capital
- Comprised a note issuance of US\$155m enabling capital releases of US\$116m at the Atlas Arteria level that will be used to smooth distributions in the short term
- New and existing notes rated BBB (stable) by S&P



### Operational Review

- Undertook operational review, championing inhouse expertise, efficiency and modernisation, and implementing programs and systems to optimise operations
- Further developed the Skyway's Executive Team with the hiring of a new CFO and COO



### Safety and ESG

- Aligned the business with Atlas Arteria's approach to safety, sustainability, and emissions reporting

## Outperformed business acquisition case

### Traffic decrease vs 2022

9.6%

7.2%

### 2023/24 toll increases<sup>1</sup>

c. 18%

c. 21%

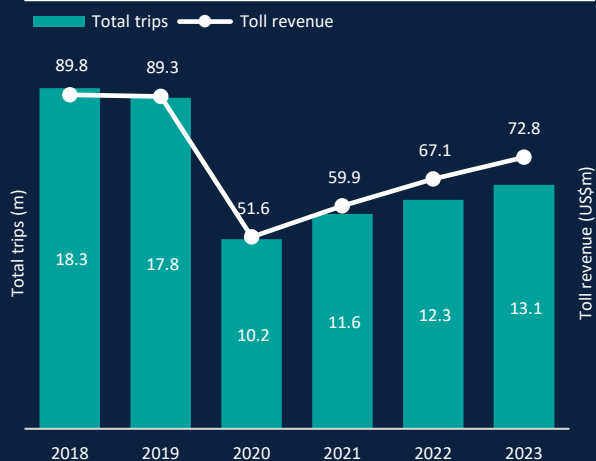
Business acquisition case Outcome

1. Weighted average toll increase.

# DULLES GREENWAY TRAFFIC UPDATE

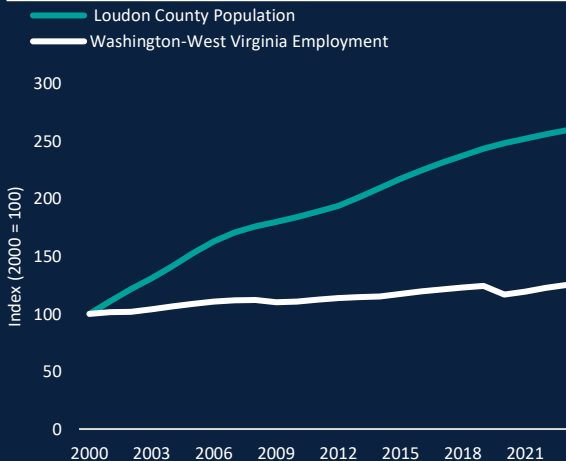
Continued gradual traffic improvement reflecting higher peak and weekday traffic

## Dulles Greenway traffic



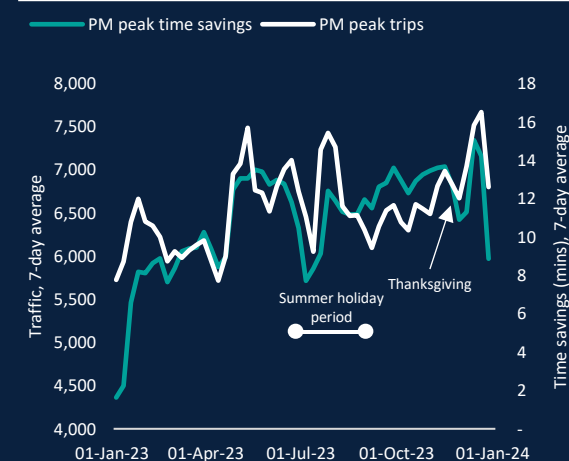
- Traffic at the Greenway was 6.4% higher than 2022
- The key driver of traffic continues to be the gradual return to office-based work in Northern Virginia which saw higher weekday traffic
- Toll revenue increased 8.5% reflecting growth in the higher priced peak traffic and higher violation revenue collection

## Population growth in Loudoun County



- Dulles Greenway is located in one of the fastest growing and most affluent counties in the United States
- Median household income in Loudoun County is 2.2x the national average<sup>1</sup>
- Population growth and stable employment in the region is expected to continue to support growth in demand on the Greenway

## Travel time savings<sup>2</sup>



- The alternate route to Dulles Greenway along VA-7 has been experiencing increased congestion, increasing travel time savings offered by Dulles Greenway
- Peak period traffic along Dulles Greenway has been increasing with travel time savings

1. United States Census Bureau.

2. Peak period traffic is defined as transactions that occurred on Weekdays, between 6:30-9:00am Eastbound and 4:00-6:30pm Westbound.

# DULLES GREENWAY OPERATIONAL UPDATE

Atlas Arteria is advocating for the Dulles Greenway to move to distance-based tolling, which is in the best interests of its customers and would put the business on a more sustainable financial path

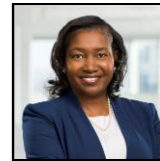
## Approach to legislative change in Virginia

- In 2023, legislation that would have started a path for the Greenway to operate under the PPTA passed the House of Delegates with a bi-partisan majority, but it ultimately failed in the Senate
- In 2024, measures have once again been introduced in the House to start a path for the Greenway to operate under the PPTA
- New on the ground lobbying expertise added in Virginia with extensive experience in policy making and strong relationships with both the Democrats and Republicans

## SCC rate case application progress

- ✓ Submissions lodged with the SCC from stakeholders as part of the determination process
- ✓ Hearings commenced on 28 February 2024 (USA)
- 🎯 Outcome expected in H2 2024 based on past rate case decisions

## Key people engaged in both processes



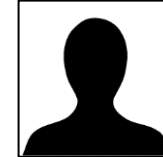
**Renee Hamilton**  
Chief Executive Officer  
Dulles Greenway



**Pierce Homer**  
Director of Dulles Greenway  
Former Virginia Secretary  
of Transportation



**Christian Deschauer**  
Public Affairs Manager  
Atlas Arteria



**Hiring**  
Group Executive North  
America  
Atlas Arteria



Strong local management team with significant track record of success managing transportation assets



Developing internal capabilities to unlock value

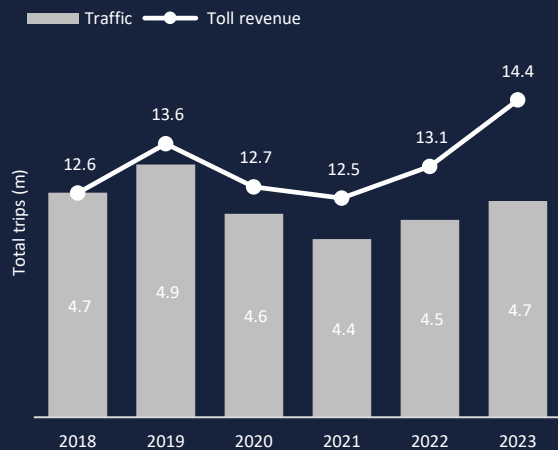


Key focus on hiring on the ground expertise

# WARNOW TUNNEL TRAFFIC UPDATE

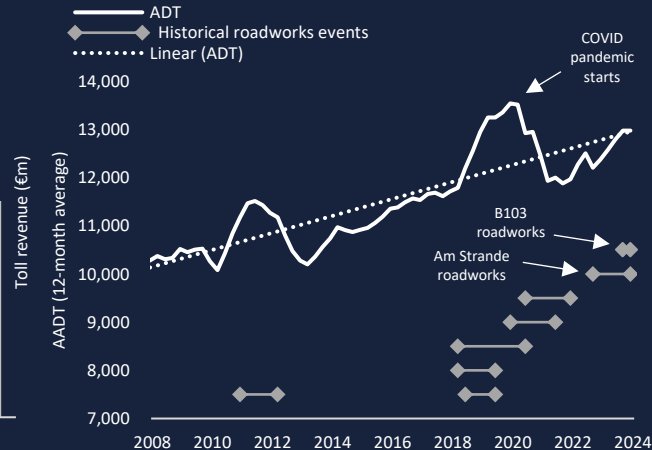
Strong traffic and revenue growth due to roadworks on the competing route driving travel time savings

## Warnow Tunnel traffic



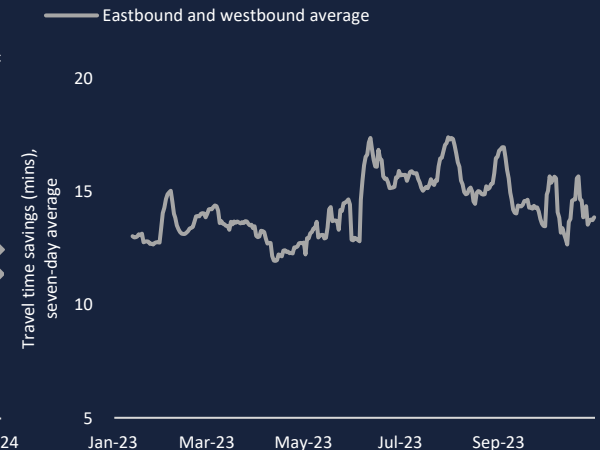
- Traffic was positively impacted in 2023 by roadworks on the competing route along Am Strande, up 3.1% vs 2022, though softened in the second half because of roadworks along the B103 to the west of Warnow Tunnel
- The prior period was also negatively impacted by the COVID-19 Omicron variant outbreak
- Toll revenue grew 9.9% vs 2022, driven by robust traffic and higher tolls implemented in November 2022

## Roadworks



- The urban infrastructure around Rostock is subject to frequent restorative roadworks and upgrades
- Roadworks around the center of Rostock have historically positively impacted traffic at Warnow Tunnel, as they typically lead to higher congestion and travel times on competing routes

## Travel time savings<sup>1</sup>



- Travel times remained elevated along the alternative route due to the Am Strande roadworks, maintaining the travel time savings offered by the Warnow Tunnel
- Travel time savings gradually softened over the second half of the year due to the roadworks along the B103 to the west of Warnow Tunnel

1. Based on travel times between 9am and 5pm, approximately from Lütten Klein and the A19 / Rövershäger Chaussee intersection via Warnow Tunnel and via Rostock city centre.

## Key Targets

- LTIFR  $\leq 3$  at large businesses and LTI  $\leq 1$  at small businesses
- Maintain 40/40/20 commitment to gender balance and evolve representation across and within specific teams
- 25% reduction in scope 1 and 2 emissions by 2025, and 46% by 2030, compared to a 2019 baseline

## Priorities

### SAFETY

- Continue to foster a safety-first, “zero-harm” culture across all businesses and corporate offices
- New safety plan launched at APRR
  - The plan is built on nine core areas and has been rolled out across the APRR business setting behaviour for expectations for employees
- Chicago Skyway fully aligned with our safety approach and reporting processes
- New Dulles Greenway camera-based violation enforcement system installed removing the need for lane walkers at toll plaza

### OUR PEOPLE

- Maintained 40% gender balance<sup>1</sup>
- Aim to double the number of females in the top 50 roles at APRR by 2025
- Embed inclusive policies, practices and behaviours including a continued focus on flexible working
- Released our 3<sup>rd</sup> Modern Slavery Statement including key performance indicators
  - 2022 Modern Slavery Statement achieved A rating in the Monash University assessment of ASX 100 Modern Slavery Statements

### CUSTOMERS & COMMUNITY

- Hosted the 3<sup>rd</sup> Run the Greenway event in May 2023 with c. 2,000 runners raising over US\$268,000 for local charities
- Free-flow tolling to be implemented at the majority of network entry points at AREA to improve traffic flow and reduce carbon emissions
- All payment methods now available in each lane at the Warnow toll plaza improving the customer experience<sup>2</sup>

### CLIMATE & ENVIRONMENTAL STEWARDSHIP

- Maintained ‘A’ rating in GRESB’s Infrastructure Public Disclosure Assessment and ranked 2 out of 33 in the Asia-Pacific transport sector
- APRR increased its score in GRESB’s Infrastructure Asset Assessment from 87 to 92
- APRR transitioned to 100% renewable electricity in early 2023
- 31% of APRR’s LV fleet now electric, aiming for 75% by 2025
- Met target of 19 wildlife crossings along APRR/AREA by end of 2023
- Over 750 charging points for EVs deployed along APRR network
- 5 EV charging stations for HVs to be deployed along APRR in 2024

<sup>1</sup> Across Boards, within senior executive roles and across all Atlas Arteria employees. Senior executives is defined as Atlas Arteria executive team members, their direct reports in senior roles and CEOs of the wholly and majority owned businesses.

<sup>2</sup> Excludes the bidirectional and Electronic Toll Collection (ETC) lanes.

# Robust traffic drives strong financial performance



# ATLAS ARTERIA INCOME STATEMENT

## Record APRR traffic driving strong profitability

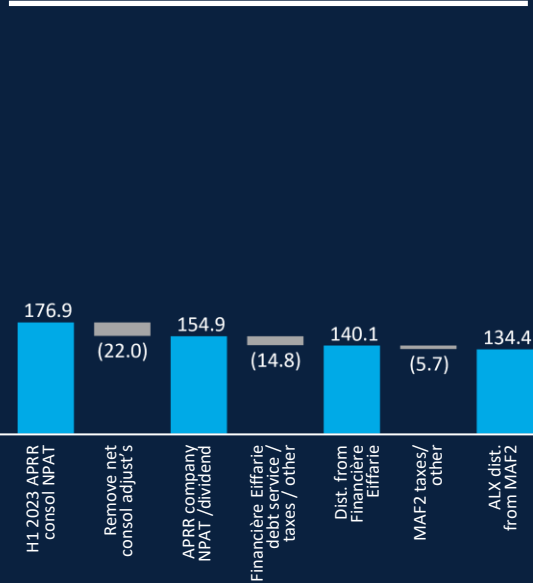
A\$m	2023	2022	% change	
Toll revenue	133.2	116.7	14%	← Primarily driven by increase in Dulles Greenway toll revenue due to higher traffic as well as weakening of the AUD against the USD and EUR
Other revenue	0.8	1.5	(47%)	
<b>Total revenue</b>	<b>134.0</b>	<b>118.2</b>	<b>13%</b>	← Decrease primarily driven by slight decrease in maintenance provisions when compared to increases in 2022
Business operations	(33.9)	(38.0)	11%	←
Corporate costs	(36.0)	(32.5)	(11%)	← Increase in corporate costs driven by the increase in labour costs because of inflationary impacts, as well as prior year labour costs being capitalised as Skyway acquisition related costs
Depreciation and amortisation	(69.2)	(66.2)	(5%)	←
Share of profit/(loss) of equity accounted investments <sup>1</sup>	325.6	336.4	(3%)	← Refer to slide 39 for 2024 guidance
Interest on shareholder loans with CCPI	18.1	1.7	965%	←
Other finance income	17.9	5.1	251%	← Incorporates APRR and Chicago Skyway
Finance costs	(96.5)	(82.8)	(17%)	← Reflects increased interest income as a result of higher cash deposits and higher interest rates
Income tax (expense)/benefit	(3.7)	(3.2)	(16%)	←
<b>Net Profit after tax (Underlying results<sup>2</sup>)</b>	<b>256.3</b>	<b>238.7</b>	<b>7%</b>	← Reflects the weakening of the AUD against the USD
<b>Underlying adjustments:</b>				
– IFM engagement costs	-	(2.3)	n/a	
– Acquisition transaction costs	-	(2.5)	n/a	
– Hedge ineffectiveness	-	(10.9)	n/a	
– FX impacts of significant transactions	-	2.7	n/a	
– Interest on funds held	-	15.3	n/a	
<b>Net Profit after tax (Statutory results)</b>	<b>256.3</b>	<b>241.0</b>	<b>6%</b>	

1. The Atlas Arteria equity accounted profit/(loss) includes the equity accounted profit of APRR \$370.2m (2022: profit of \$340.5m) and the equity accounted loss for Chicago Skyway is \$44.6m (2022: loss of \$4.1m). The Chicago Skyway loss was partially offset by the interest income on the Calumet Concession Partners Inc (CCPI) shareholder loans of \$18.1m (2022: \$1.7m).

2. Underlying results is a non-IFRS measure that is used by ALX management and the Boards as a measure to assess financial performance and represents statutory profit excluding the impact of items not related to underlying operational performance such as impairments of investments, acquisition and disposal costs, and debt and equity issuance costs. There were no such items in 2023, and therefore the statutory results reflect the underlying operational performance of the business ('Underlying Results').

# ATLAS ARTERIA CASH FLOW FOR H2 2023

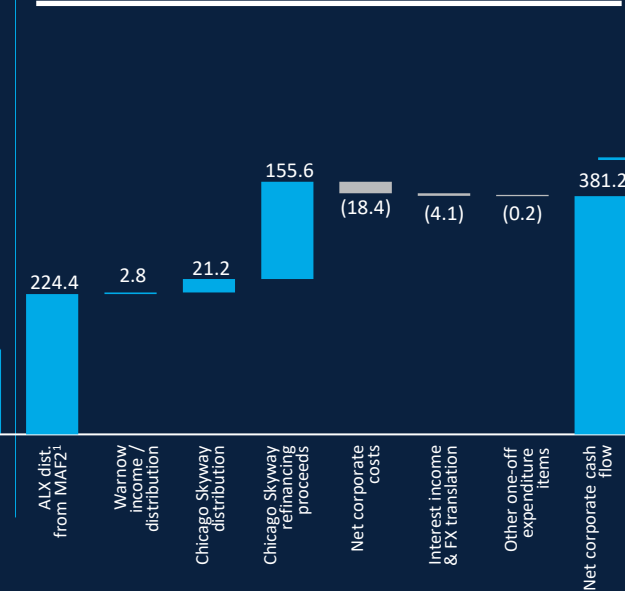
## APRR dividends to Atlas Arteria (€m)



### APRR proportional cash flows to Atlas Arteria

Represents the 31% interest that Atlas Arteria has in APRR via Financière Eiffarie and MAF2

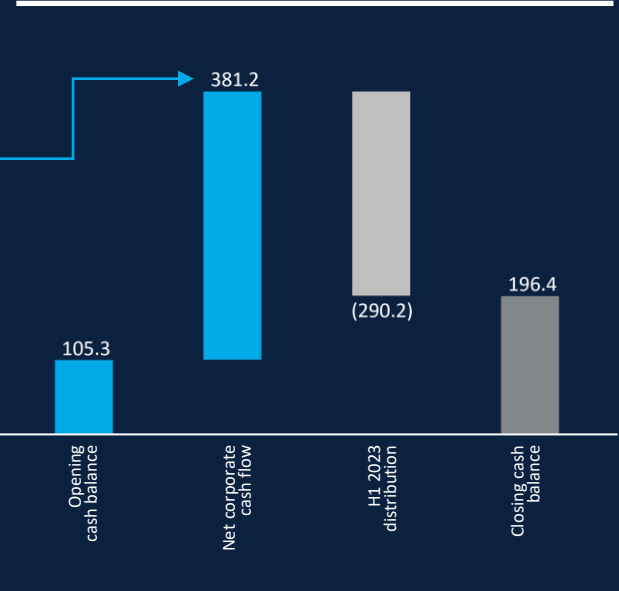
## Corporate cash flows (A\$m)



### Atlas Arteria corporate cash flows

Represents the operational cash flows within the Atlas Arteria controlled corporate structure

## Cash balance (A\$m)



### Corporate cash balance

Atlas Arteria corporate cash balances post payment of H1 2023 distribution

1. Represents the exchange rate at the date of distribution payment, AUD/EUR of 0.599.

# APRR FINANCIAL PERFORMANCE

## APRR financial performance reflecting strength of the network

€m <sup>1</sup>	2023	2022	% change
<b>Traffic (VKTm)</b>	<b>26,095.7</b>	<b>25,104.6</b>	<b>3.9%</b>
Operating revenue	3,018.7	2,818.5	7.1%
Construction services revenue	230.5	335.4	(31.3%)
<b>Total revenue</b>	<b>3,249.2</b>	<b>3,153.8</b>	<b>3.0%</b>
Operating expenses	(777.5)	(733.9)	(5.9%)
Construction services expenses	(230.5)	(335.4)	31.3%
<b>Total expenses</b>	<b>(1,008.0)</b>	<b>(1,069.3)</b>	<b>5.7%</b>
<b>Total EBITDA</b>	<b>2,241.2</b>	<b>2,084.6</b>	<b>7.5%</b>
<b>EBITDA margin % (excl. construction services)</b>	<b>74.2%</b>	<b>74.0%</b>	<b>0.3%</b>
<b>EBITDA margin % (excl. construction services &amp; taxes)</b>	<b>86.2%</b>	<b>86.3%</b>	<b>(0.0%)</b>
Provisions and other	(78.8)	(62.4)	(26.2%)
Net interest expense	(98.3)	(99.1)	0.8%
Depreciation and amortisation	(564.0)	(504.3)	(11.8%)
APRR corporate income tax	(384.3)	(362.5)	(6.0%)
<b>APRR consolidated NPAT</b>	<b>1,115.8</b>	<b>1,056.3</b>	<b>5.6%</b>
Removing APRR net consolidation adjustments	(62.3)	(137.3)	54.7%
<b>APRR company NPAT/dividend</b>	<b>1,053.5</b>	<b>919.0</b>	<b>14.6%</b>
APRR average cost of debt (%)	1.6%	1.3%	
Financière Eiffarie average cost of debt (%)	3.9%	0.7%	

- Growth in operating revenue reflects higher traffic and toll price increases at APRR and AREA of c.4.7% from 1 February 2023
- Operating expenses increased 5.9% predominantly as a result of:
  - Full year impact of A79 operating expenses (c.€17m in 2023)
  - Higher operational taxes due to higher traffic and earnings in the period, partially offset by reduction in the CET rate
  - General cost escalation impacting personnel expenses and other external charges (e.g. electricity)
- Increases in D&A reflect continued completion of major capital expenditure works on the network to be amortised by the end of the concession and full year inclusion of the A79
- Increase in provisions and other reflects a one-off adjustment to the discount rate used to calculate the maintenance provision. This impacts APRR consolidated accounts by €32.5m (pre-tax), however there is no impact on APRR statutory accounts
- Net interest expenses at APRR reduced versus 2022, driven by a €28.9m increase in interest costs which was more than offset by a €29.7m increase in interest income on cash balances, reflecting primarily fixed rate debt at APRR
- Net consolidation adjustments reduced due to the exclusion of the one-off IFRS maintenance provision adjustment (thereby not impacting APRR company NPAT) and a reduction in the maintenance provision during H1 2023 reflecting a decrease in input costs relative to 2022 levels (measured by the TP09 construction index)
  - Intercompany loan arrangements between APRR and AREA participation expired at the end of 2023 and from H1 2024 will increase the APRR company dividend (based on period earned).<sup>2</sup> The loan arrangements constrained the 2023 dividend by around €100m

1. Revenues and expenses are presented on a consolidated basis under IFRS. EBITDA margins exclude impacts of construction services to reflect underlying business performance.

The APRR distribution is paid from APRR company NPAT on a standalone basis (accounts prepared under French GAAP). APRR net consolidation adjustments ordinarily reflect the differences between APRR standalone company and APRR consolidated NPAT within the period.

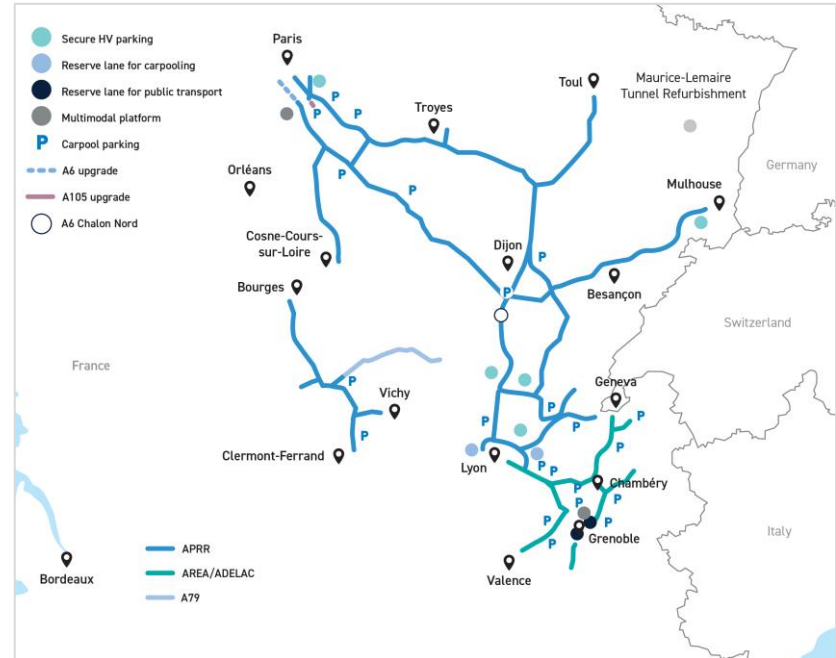
2. Financière Eiffarie debt amortisation of €80m in 2024 and impact of TEILD tax is expected to offset the distributions.

# APRR CAPITAL EXPENDITURE PROGRAM

Investing to grow the footprint and improve customer experience

## APRR capital expenditure program

- Capex spend across the year was around €330m
  - Majority of spend was on road improvements
  - A6 Chalon Nord on/off ramp upgrade commenced in March 2023 and is expected to be completed in H2 2024
- Completed capital projects in 2023 include:
  - A43-A41 Chambéry junction
- Investment Plan agreed with the French Government on 31 January 2023 includes total capital cost of €410 million (value 2020) of which €310 million is for APRR and €100m is for AREA
- The investment plan consists of motorway upgrades, environmental protection, and safety developments, as well as customer service improvements
- Capex guidance (including 2023 Investment Plan, € real at 31 December 2023):
  - Expected capex spend for 2024 to 2028 is €300m - €350m p.a.
  - Average c. €300m p.a. post 2029



# APRR GROUP FINANCIAL POSITION

APRR strong balance sheet rated A by Fitch Ratings and A- by S&P

## APRR Group debt maturity profile as at 31 December 2023 (€m)<sup>1</sup>

<b>Rating</b>	A Stable Outlook (Fitch); A- Stable Outlook (S&P)
<b>Net Debt balance</b>	€7.7bn (including €1.0bn at Financière Eiffarie) (31 Dec 2022: €8.2bn)
<b>Liquidity</b>	€3.4bn (€2.0bn undrawn RCF and €1.4bn cash)

■ APRR - Other Debt ■ APRR - Commercial Paper ■ Financière Eiffarie

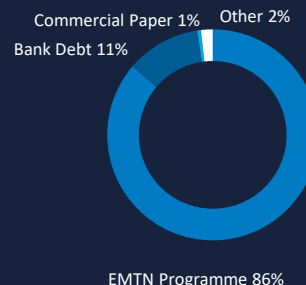


1. Chart excludes the €22m Maurice-Lemaire Loans.

## APRR has significant balance sheet flexibility to support growth

- APRR is currently rated A by Fitch Ratings and A- by S&P
- €9.1bn in total debt outstanding as at 31 December 2023
- Strong coverage of debt covenants at 31 December 2023:
  - Net debt/EBITDA of 3.0x relative to 7.0x default covenant
  - Interest cover ratio of 18.8x relative to 2.2x default covenant
- €635m of debt to mature at APRR and Financière Eiffarie in 2024
  - €50m of short-term commercial paper
  - €500m of fixed coupon bonds
  - €5m of CNA debt
  - €80m of scheduled amortisation at Financière Eiffarie which will impact distributions paid to Atlas Arteria

### Sources of Debt



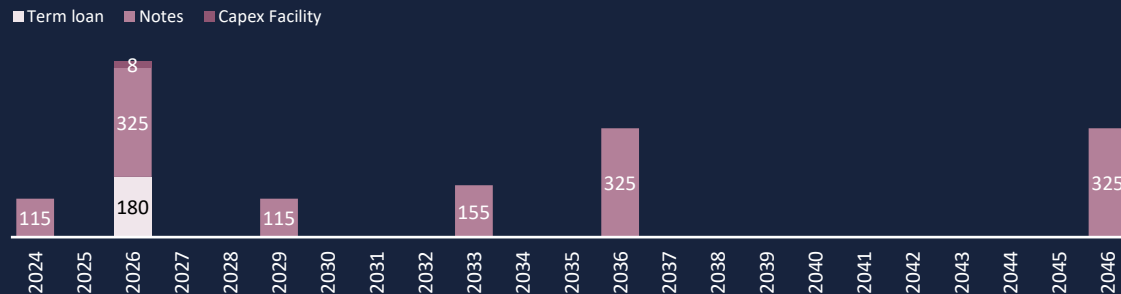
# CHICAGO SKYWAY FINANCIAL OVERVIEW

## Outperforming the business acquisition case on key metrics

US\$m (100%) <sup>1</sup>	2023	2022	% change
<b>Traffic (ADT)</b>	<b>35,941</b>	<b>38,710</b>	<b>(7.2%)</b>
Total revenue	123.3	120.1	2.7%
Total expenses	(18.4)	(16.0)	(15.2%)
<b>Total EBITDA</b>	<b>104.9</b>	<b>104.1</b>	<b>0.8%</b>
<b>EBITDA margin %</b>	<b>85.1%</b>	<b>86.7%</b>	<b>(1.6%)</b>
Capital expenditure	(16.0)	(5.9)	(170.4%)
Distributions paid to CCPI	214.4	41.2	
Chicago Skyway average cost of debt (%)	4.6%	4.1%	

- Traffic fell by 7.2% compared to 2022, but was above the acquisition business case, which allowed for the negative impact of the planned ITR roadworks
- As a result of toll increases implemented in January 2023, total revenue increased 2.7%, despite the fall in traffic
- Operating expenses increased 15.2% predominantly driven by increased spending on tolling systems, additional operating and maintenance expenditure and higher insurance premiums
- Capital expenditure of US\$16.0m in 2023 which related to planned bridge redecking spend (timed to coincide with ITR roadworks) and other maintenance programs. Capital expenditure in 2024 is expected to be around US\$11m
- Financial close reached in October 2023 for the refinancing of existing maturing debt and issuance of incremental notes, enabling a capital release of US\$174m (Atlas Arteria's pro-rata share being around US\$116m)
- Chicago Skyway is currently rated BBB (Stable) by S&P
- DSCR as at 31 December 2023: 1.54x (target: c. 1.40x to 1.60x)

## Debt service profile to 2046 as at 31 December 2023 (US\$m)



1. Revenues and operating costs are presented on a consolidated basis under IFRS.

# DULLES GREENWAY FINANCIAL OVERVIEW

Traffic improvement driven by gradual return to office-based work

US\$m <sup>1</sup>	2023	2022	% change
<b>Traffic (m)</b>	<b>13.1</b>	<b>12.3</b>	<b>6.4%</b>
Total revenue	73.3	68.0	7.8%
Total expenses	(15.6)	(13.7)	(13.7%)
<b>Total EBITDA</b>	<b>57.7</b>	<b>54.3</b>	<b>6.3%</b>
<b>EBITDA margin %</b>	<b>78.7%</b>	<b>79.8%</b>	<b>(1.1%)</b>
Capex	0.5	0.6	(25.6%)

- Increased revenue reflects improved traffic performance and higher violation revenue collection. Growth in traffic was largely driven by higher weekday traffic, reflecting the gradual return to office-based work
- US\$204m of cash available across restricted and unrestricted reserve accounts as at 31 December 2023
- Expenses increased 13.7% predominantly due to costs associated with a new violation enforcement system and costs incurred in connection with the SCC rate case application
- In February 2024, US\$8.9m of cash was drawn from reserves in order to supplement debt service funds to ensure bond service requirements were met
- US\$1,120m in total debt outstanding as at 31 December 2023

## Debt service profile to 2037 as at 31 December 2023 (US\$m)

- Debt service amount to be paid
- Debt service paid in period



1. Revenues and operating costs are presented under IFRS.

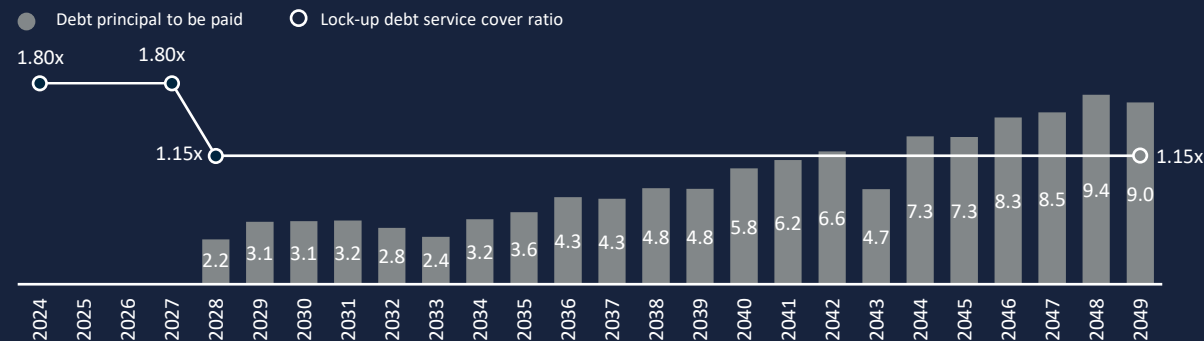
# WARNOW TUNNEL FINANCIAL OVERVIEW

## Toll increases and robust traffic driving higher revenue

€m <sup>1</sup>	2023	2022	% change
<b>Traffic (m)</b>	<b>4.7</b>	<b>4.5</b>	<b>3.1%</b>
Total revenue	14.6	13.3	9.8%
Total expenses	(4.5)	(4.1)	(10.4%)
<b>Total EBITDA</b>	<b>10.0</b>	<b>9.2</b>	<b>9.5%</b>
<b>EBITDA margin %</b>	<b>68.9%</b>	<b>69.0%</b>	<b>(0.2%)</b>
Net Debt	105.9	106.6	(0.6%)
Debt Service Cover Ratio	2.72x	3.64x	

- Traffic was 3.1% higher vs 2022 as motorists opted for the travel time savings offered by the Warnow Tunnel given roadworks on the competing route along Am Strande
- Revenue performed strongly over the year increasing 9.8% outperforming traffic growth as a result of an increase to average tolls of 6.4% on 1 November 2022
- A €3.5 million distribution was paid in February 2024 to Atlas Arteria

## Debt repayment profile for Warnow Tunnel (€m)



1. Revenues and operating costs are presented under IFRS.



# CAPITAL MANAGEMENT

## Disciplined balance sheet and capital management

### Growing free cash flow

---

- H2 2023 and 2024 distribution to be funded by underlying operating cash flows and cash on hand
- US\$116m of capital releases at Atlas Arteria level which will be used to smooth distributions
- Focused on mitigating the impact of the new French tax on distributions

### Appropriate gearing across the portfolio

---

- APRR credit rating of A/A- with a Stable outlook rating by Fitch Ratings and S&P
- Refinancing has aligned Chicago Skyway to a BBB (Stable) credit rating
- Continue to pursue options to restructure Dulles Greenway
- Balance sheet optionality at APRR and via undrawn A\$50m corporate working capital facility

### Funding to support strategic objectives

---

- Strong underlying cash flows to support strategic objectives
- Analysing capital management options to maximise securityholder returns
- Work underway to determine best future use of capital releases from Chicago Skyway

# Delivering on our strategic priorities

# THE ATLAS ARTERIA VALUE PROPOSITION

Mature, established  
global toll road business



Geographically diverse,  
cash generative business of scale



High-quality brownfield  
asset base



---

## A unique investment opportunity

---

Positively leveraged to  
inflation



Attractive distribution  
yield



High EBITDA margins,  
limited floating rate debt exposure



## STRONG PERFORMANCE

Record APRR traffic performance

Chicago Skyway outperformed business acquisition case

Proportionate toll revenue and EBITDA up 6.9% and 7.1% respectively

## DELIVERING ON THE STRATEGY

Chicago Skyway 12-month transition plan complete

Eiffage and APRR consortium in exclusive negotiations for A412

Refined business strategy

## MAXIMISING DISTRIBUTIONS

2024 full year distribution guidance of 40.0 cps

US\$116m of capital releases to smooth distributions in the short term

Reviewing capital management in the medium term

THANK YOU

# Q&A

Contact for investors

Chloe Heazlewood

Acting Director, Investor Relations

+61 (0) 438 493 692

[investors@atlasarteria.com](mailto:investors@atlasarteria.com)



# Additional Financial Information

# Reporting changes from H1 2024 - Corporate Costs

- Atlas Arteria is providing notice that from H1 2024 corporate costs will be reported under a new classification methodology to provide greater consistency with market practice
- Historically, Atlas Arteria has accounted for centralised employee and related costs associated with the operation of the US and European businesses as part of corporate costs
  - Effective from H1 2024, these costs will be reported as part of business unit costs to provide a more accurate view
- Corporate costs will be defined as follows:
  - Non-operating governance, compliance and centralised service costs that are not directly attributable to a business unit
  - Examples include Board, CEO and CFO costs, Company Secretarial, Investor Relations, Group Finance, Audit and Risk, Group IT, Group People and Culture costs and ESG
- Corporate costs for 2023 of A\$36.0m have been reported under the historical classification methodology
- Under the new classification methodology, corporate costs of \$36m for 2023 will be restated effective from 1H 2024 as:
  - Corporate costs \$30m
  - Business unit costs \$6m
- Guidance for 2024 under the new methodology is:
  - Corporate costs \$29m – \$31m
  - Business unit costs \$7m – \$9m (includes one-off implementation costs of \$1m)
- The increase in business unit costs reflects the outcomes of the operational review completed in 2023 with the key components being:
  - Investment in capability in the US businesses:
    - Key strategic initiatives at Dulles Greenway, including toll rate regulatory cases and legislative reform
    - Maintain pace of implementation of acquisition case at Chicago Skyway

# ATLAS ARTERIA CONSOLIDATED BALANCE SHEET

Statutory accounts	As at 31 December 2023	As at 31 December 2022
<b>A\$m</b>		
Current assets	345.1	533.5
Investments accounted for using the equity method	5,097.2	5,350.1
Tolling concessions	2,103.5	2,167.9
Goodwill	14.3	13.8
Other non-current assets	484.6	253.2
<b>Total assets</b>	<b>8,044.7</b>	<b>8,318.5</b>
Current liabilities	(118.8)	(123.7)
Non-current liabilities	(1,690.3)	(1,704.3)
<b>Total liabilities</b>	<b>(1,809.1)</b>	<b>(1,828.0)</b>
<b>Net assets</b>	<b>6,235.6</b>	<b>6,490.5</b>



# PROPORTIONATE EBITDA BY BUSINESS

APRR Group 100% (€m) <sup>1</sup>	2023	2022	% change	2019	% change
Traffic (VKTm)	26,096	25,105	3.9%	24,581	6.2%
Total revenue	3,249.2	3,153.8	3.0%	3,015.9	7.7%
Total expenses	(1,008.0)	(1,069.3)	5.7%	(1,073.9)	6.1%
Total EBITDA	2,241.2	2,084.6	7.5%	1,942.0	15.4%
<b>Total EBITDA (proportional, A\$m)<sup>2,3</sup></b>	<b>1,137.1</b>	<b>1,057.6</b>	<b>7.5%</b>	<b>985.3</b>	<b>15.4%</b>

ADELAC 100% (€m)	2023	2022	% change	2019	% change
Traffic (m)	11.3	10.8	5.0%	10.8	4.9%
Total revenue	68.5	61.2	11.8%	56.8	20.5%
Total expenses	(10.7)	(11.4)	5.6%	(9.7)	(10.8%)
Total EBITDA	57.7	49.8	15.8%	47.1	22.5%
<b>Total EBITDA (proportional, A\$m)<sup>2,3</sup></b>	<b>29.3</b>	<b>25.3</b>	<b>15.8%</b>	<b>23.9</b>	<b>22.5%</b>

Warnow Tunnel 100% (€m)	2023	2022	% change	2019	% change
Traffic (m)	4.7	4.5	3.1%	4.9	(5.8%)
Total revenue	14.6	13.3	9.8%	13.7	6.2%
Total expenses	(4.5)	(4.1)	(10.4%)	(3.4)	(34.1%)
Total EBITDA	10.0	9.2	9.5%	10.3	(2.9%)
<b>Total EBITDA (proportional, A\$m)<sup>2,3</sup></b>	<b>16.3</b>	<b>14.9</b>	<b>9.5%</b>	<b>16.8</b>	<b>(2.9%)</b>

Note: Revenue and operating costs are presented under IFRS.

1. APRR Group includes APRR, AREA and A79 concessions.

2. Average foreign currency exchange rates in the current period (2023 AUD = 0.6638 USD and AUD = 0.6138 EUR).

3. Proportionate figures are calculated using respective businesses local currencies and current ownership percentages, converted to AUD. For comparative purposes, historical periods have been restated to reflect current ownership percentages and foreign currency exchange rates from the current period.

4. Reflects weighted average traffic growth based on portfolio revenue allocations from Atlas Arteria's current beneficial interests in its businesses, in A\$ using the average foreign currency exchange rates in the current period.

Chicago Skyway 100% (US\$m)	2023	2022	% change	2019	% change
Traffic (ADT)	35,941	38,710	(7.2%)	35,472	1.3%
Total revenue	123.3	120.1	2.7%	91.9	34.3%
Total expenses	(18.4)	(16.0)	(15.2%)	(13.6)	(35.0%)
Total EBITDA	104.9	104.1	0.8%	78.2	34.1%
<b>Total EBITDA (proportional, A\$m)<sup>2,3</sup></b>	<b>105.4</b>	<b>104.6</b>	<b>0.8%</b>	<b>78.6</b>	<b>34.1%</b>

Dulles Greenway 100% (US\$m)	2023	2022	% change	2019	% change
Traffic (m)	13.1	12.3	6.4%	17.8	(26.4%)
Total revenue	73.3	68.0	7.8%	89.7	(18.3%)
Total expenses	(15.6)	(13.7)	(13.7%)	(16.0)	2.6%
Total EBITDA	57.7	54.3	6.3%	73.7	(21.8%)
<b>Total EBITDA (proportional, A\$m)<sup>2,3</sup></b>	<b>86.9</b>	<b>81.8</b>	<b>6.3%</b>	<b>111.1</b>	<b>(21.8%)</b>

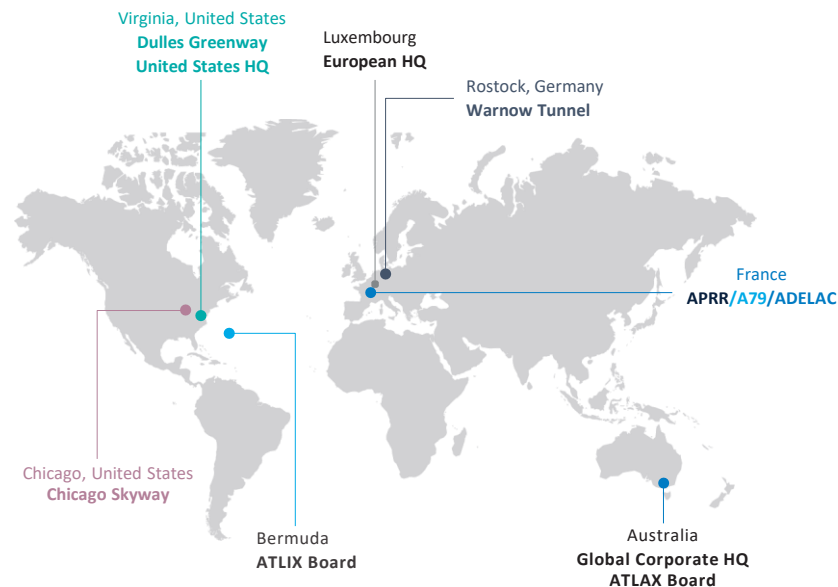
  

Atlas Arteria proportionate (A\$m) <sup>2,3</sup>	2023	2022	% change	2019	% change
Traffic (Weighted Average) <sup>4</sup>	n.a.	n.a.	3.3%	n.a.	2.9%
Toll revenue	1,749.8	1,636.9	6.9%	1,563.7	11.9%
Total revenue	1,941.3	1,875.9	3.5%	1,808.8	7.3%
Total expenses	(556.3)	(591.7)	4.3%	(593.1)	4.5%
<b>Total EBITDA</b>	<b>1,375.0</b>	<b>1,284.2</b>	<b>7.1%</b>	<b>1,215.7</b>	<b>13.1%</b>

# About the Business

# THE ATLAS ARTERIA BUSINESS

<p><b>APRR</b></p>	<p>Ownership: 31.14% 2,316km motorway network in Eastern France 2035 concession expiry<sup>1</sup></p>	
<p><b>A79</b></p>	<p>Ownership: 31.14% 88km east-west transversal link 2068 concession expiry</p>	
<p><b>ADELAC</b></p>	<p>Ownership: 31.17% 20km commuter road connecting Annecy to Geneva 2060 concession expiry</p>	
<p><b>WARNOW TUNNEL</b></p>	<p>Ownership: 100% 2.1km road and tunnel in Rostock, Germany 2053 concession expiry</p>	
<p><b>CHICAGO SKYWAY</b></p>	<p>Ownership: 66.67% 12.5km toll road connecting Chicago and Northwest Indiana 2104 concession expiry</p>	
<p><b>DULLES GREENWAY</b></p>	<p>Ownership: 100%<sup>2</sup> 22km commuter route into the greater Washington DC area 2056 concession expiry</p>	



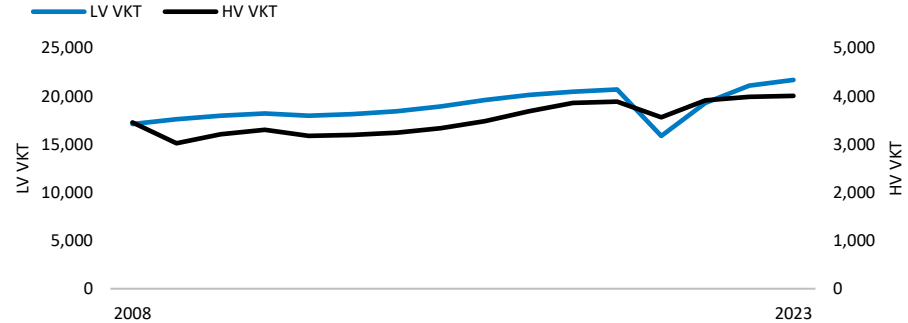
1. APRR concession expires in November 2035, AREA concession expires in September 2036.  
2. 100% economic ownership.

# APRR - OVERVIEW

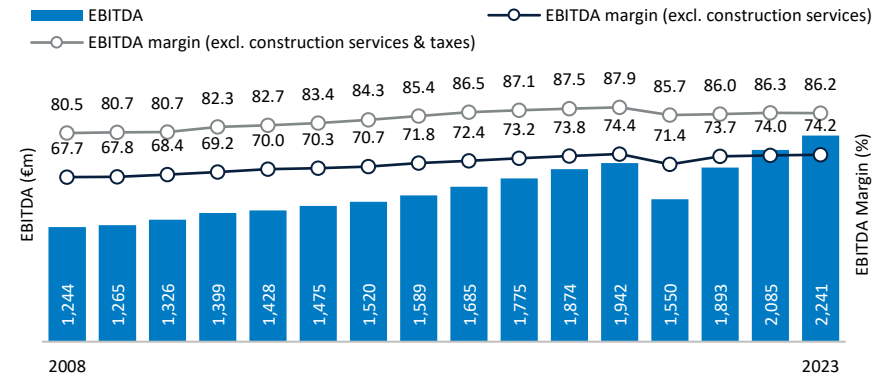


- Provides a high quality, faster alternative travel option compared with free roads and train travel (on average c. 30% faster than the untolled network)
- Travelling by car on tolled roads is typically the preferred option for trips between regional destinations (much more flexible, cost effective, and efficient)
- Heavy vehicle traffic forms a major part of the demand on the APRR network
  - Located at the intersection between several major freight corridors in Europe
  - The reduction of trade barriers has fostered longer and more complex supply chains, and has grown the range of customers for European companies
  - These trends have resulted in an increase in demand for freight and logistics

## APRR heavy and light vehicle traffic



## APRR EBITDA & EBITDA margin



# APRR - CONTRACTUAL TOLL REGIME

## APRR & AREA contractual toll regime

- Tolls escalate annually in February by a percentage of French CPI, plus supplemental increases as agreed with the French State as a result of APRR funded capex projects
- The current toll escalation formulae are shown below:

	APRR	AREA
2024	$70\% \times \text{CPI}^1 + 0.315\% + 0.06\%^2$	$70\% \times \text{CPI}^1 + 0.33\% + 0.08\%^2$
2025 - 2026	$70\% \times \text{CPI}^1 + 0.315\%$	$70\% \times \text{CPI}^1 + 0.33\%$
2027+	$70\% \times \text{CPI}^1$	$70\% \times \text{CPI}^1$

## A79 contractual toll regime

- Tolls to escalate annually in February by percentage of French CPI and production cost indices under the concession contract
- Tolls were increased on 1 February 2024 based on CPI (ex tobacco), TP01 and TP09 between May 2022 and August 2023. Subsequent toll increases will be based on an August to August basis and applied in February
- The current toll escalation formulae is:  $75\% \times \text{CPI} + 15\% \times \text{TP01} + 10\% \times \text{TP09}$
- TP01 and TP09 are production costs indices typically used in contract escalation and are capped at 4% and floored at zero

1. CPI = Consumer Price index (excl. Tobacco) from October in the prior year (i.e. October 2023 CPI used for the toll increase for APRR in 2024).

2. APRR, AREA and ADELAC voluntarily decided that the supplemental toll increases in 2023 of 0.06% for APRR, 0.08% for AREA and 1.00% for ADELAC would not be applied in 2023 and have instead been applied in 2024.

## ADELAC contractual toll regime

- Under the concession contract, tolls typically increase each year in February by French CPI plus a fixed percentage
- The current toll escalation formulae is shown below:

	ADELAC
2024	$\text{CPI}^1 + 1.0\% + 1.0\%^2$
2025 – 2027	$\text{CPI}^1 + 1.0\%$
2028	$\text{CPI}^1 + 0.41\%$
2029+	$\text{CPI}^1$

# APRR - FRENCH TAXES

## Corporate Income Tax

- The current corporate tax rates in France are shown in the table below

Current Tax Rate	Current Tax Rate (incl surtax)
25.00%	25.83 %

## Land Tax (Redevance Domaniale)

Applicable to highway concession companies via a formula that incorporates:

- Rental value of the highway as defined by Article 1501 of the French Tax Code
  - Land area based on the total lane kilometers of the APRR network
  - Total turnover
- The number of kilometres and total turnover is as at 31 December of the prior year

## Motorway Specific Tax (TAT)

- The French Tax Code provides for a specific tax payable by motorway companies based on the number of kilometres travelled by users on their motorways<sup>2</sup>
- Recent changes in law now apply to index this tax to inflation. As from 1 January 2022, the indexation is equal to 70% of the change in the CPI (exc. tobacco) for the month of November between the second year preceding the revision and the year preceding the revision
- The rate applicable for 2023 is €7.83 per 1,000 kilometres travelled and for 2024 is €8.02 per 1,000 kilometres travelled
  - APRR, along with the other toll road companies, contested the increase of the TAT in the absence of compensation, and litigation is in progress with the French State

## Long-distance Transport Infrastructure Tax (TEILD)

- From 1 January 2024, a new tax was applied to companies operating long-distance transport infrastructure with annual revenues above €120m and a historical profit margin<sup>1</sup> above 10% over the last 7 years. The new tax represents 4.6% of annual revenues exceeding €120m per legal entity
- The tax will not be deductible from corporate income tax
  - APRR, along with its shareholders, will use all appropriate means and avenues to assert APRR's legal and contractual rights to ensure that the concession contracts are respected, and its rights are protected

## Territorial economic contribution (CET)

- The territorial economic contribution (Contribution Economique Territoriale or CET) is a local tax imposed by the municipal, departmental and regional councils on businesses to assist in the funding of local services and the Chambres de Commerce/Metiers. The CET comprises of two different taxes (CFE plus CVAE)
- The 2023 Finance Law reduced the CVAE tax rates by 50% and provided that the CVAE was to be fully abolished from 2024. However, the 2024 Finance Law provided for its gradual phase out, over four years, for a complete removal in 2027

	CVAE (Maximum Tax Rate applicable to APRR)	CET (CFE plus CVAE) Cap rate of the added value
2024	0.28%	1.531%
2025	0.19%	1.438%
2026	0.09%	1.344%
2027	n/a	1.250%

- The company's added value is calculated based on the turnover of the company adjusted for certain products<sup>3</sup> and charges<sup>4</sup>
- The company's added value is capped at 85% of turnover for companies with a turnover greater than €7.6m

1. Calculated as the average profit margin for the last 7 completed accounting years, excluding the 2 years for which this level is the highest and the two for which it is the lowest.

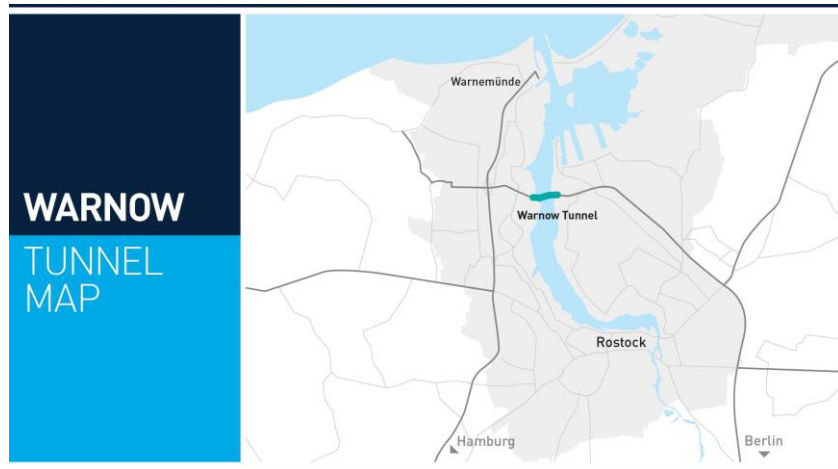
2. From 2012 to 2019, the tax rate was set at €7.32 per 1,000 kilometres travelled.

3. Such as immobilised productions, positive inventory changes, other common management products.

4. Such as external services, purchases of stored raw and other supplies, negative inventory changes.

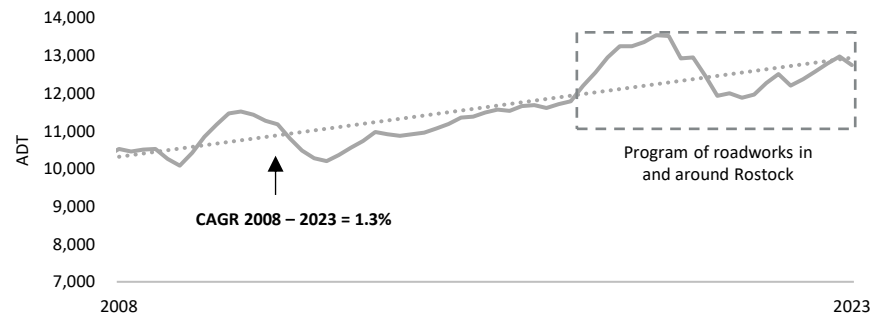


# WARNOW TUNNEL - OVERVIEW

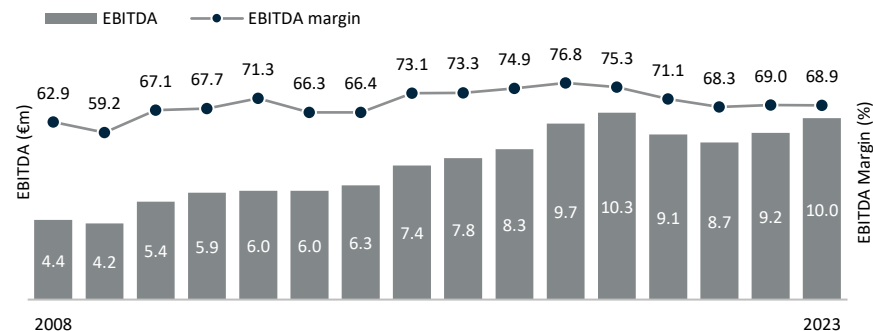


- Warnow Tunnel is a 2km toll road with two lanes in each direction, including a 0.8km tunnel under the Warnow River
- It opened to traffic in September 2003 and allows users to cross under the Warnow River which divides Rostock
- Most of the residential areas are located on the western side and most of the industrial areas are on the eastern side of the river which includes the Rostock Port, a roll on roll off freight and passenger ferry port for Baltic shipping and a bulk port
- A Cruise Ship Terminal is located on the western side of the river
- The European summer typically features higher traffic volumes due to summer leisure travel to the coast

## Warnow tunnel traffic

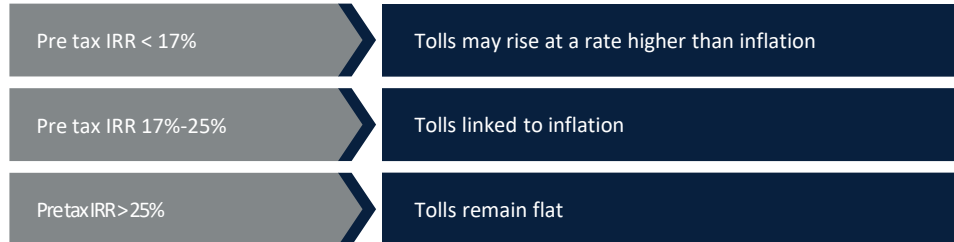


## Warnow Tunnel EBITDA & EBITDA margin



# WARNOW TUNNEL - TOLL REGIME

- Tolls may be escalated annually and are subject to approval by the Ministry of Energy, Infrastructure and State Development for the State of Mecklenburg-Vorpommern
- Toll increases are linked to pre-tax equity IRR of the concession as outlined below
- Warnow Tunnel tolls have been increasing on the basis of a calculation using inflation and GDP growth
- No toll increase was implemented in November 2021 as a result of 2020 GDP growth being negative as a result of the impact of COVID-19
- On 1 November 2023 toll prices at Warnow Tunnel were increased by an average of 8.38%



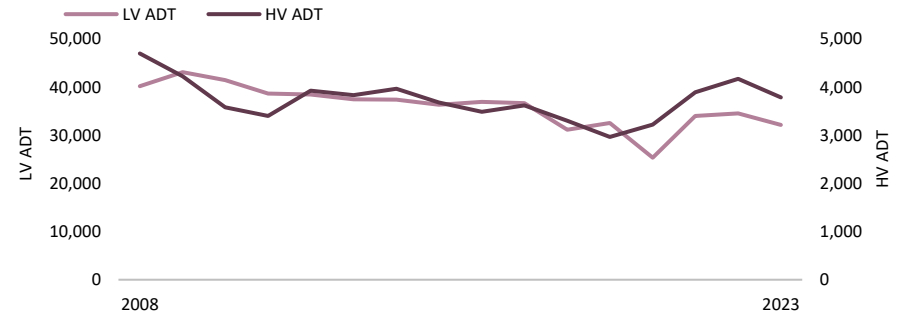


# CHICAGO SKYWAY - OVERVIEW

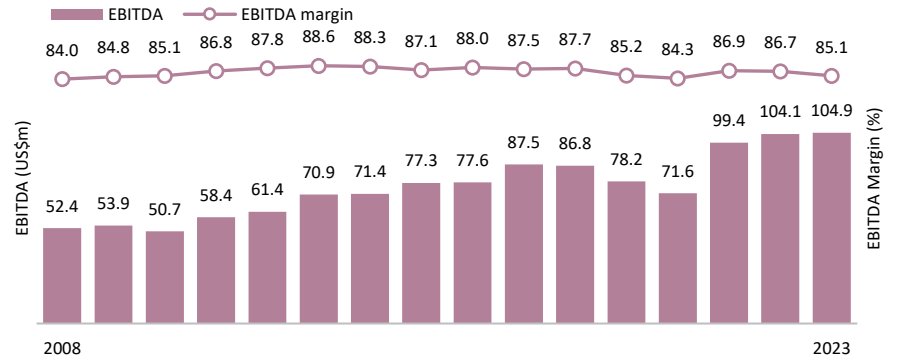


- Skyway is a 12.5km (7.8 mile) elevated toll road providing congestion relief in an essential transportation corridor between Chicago, Illinois and Northwest Indiana. It's location in a major logistics hub makes it a favourable route for freight traffic that require speed and reliability
- **Speed:** the Chicago Skyway provides up to 30 minutes (c.20 minutes on average) time saving in peak hours and c.9 km shorter travel distance
- **Reliability:** high capacity, reliable and predictable travel and superior road conditions have historically led to low congestion

## Chicago Skyway heavy and light vehicle traffic



## Chicago Skyway EBITDA & EBITDA margin



# CHICAGO SKYWAY - TOLL REGIME

Toll escalation linked to macroeconomic factors with a 2.0% floor, based on a 2-year look-back

Toll escalates at the greater of:

Annual US CPI growth

Annual US nominal GDP per capita growth

2.0% per annum

Escalation is based on a 2-year look-back regime for the macroeconomic indicators

Retention of upside potential and downside protection through 2.0% floor

Benefits from inflationary economic environment with direct CPI linkage

Strong near-term toll increases reflecting rebounding economic environment post COVID-19

Inelastic demand profile allows revenue growth from real price increases

2-year look-back regime provides a level of predictability of future toll escalation unlike typical escalation regimes for other toll roads

- There are six tolled vehicle classes based on vehicle axles:
  - Class 2 vehicles are vehicles with two axles (includes small delivery vans)
  - Class 3 to Class 7 vehicles are heavy vehicles with three to seven axles (including trailers, etc.)
- Peak period tolling applies to heavy vehicles only, between 4am and 8pm on weekdays
- Tolls increased annually on January 1 each year at greater of nominal US GDP per capita growth, US CPI growth, or 2.0% floor, rounded up to the nearest US\$0.10 if the calculated toll is not at an amount at a 10-cent denomination
  - For example, if the toll formula results in a toll increasing to \$6.33, then the toll charged should be \$6.40. If the toll formula results in a toll increasing to \$6.30, then there is no rounding-up
  - When calculating toll increases, the calculation should be made on the un-rounded toll amount. Per the above example, the toll formula for the subsequent year should be applied to the \$6.33, not the \$6.40
- Macroeconomic variables flow through toll increase formula with a 2-year lag
- US nominal GDP per capita growth is calculated on a calendar year basis (i.e. 2022 nominal GDP per capita growth calculated using average nominal GDP per capita over 2022 and average nominal GDP per capita over 2021)
  - Source: <https://apps.bea.gov/iTable/?reqid=19&step=2&isuri=1&categories=survey> (Table 7.1)
- US CPI growth is calculated according to year-on-year CPI growth in the month of December (i.e. 2022 CPI growth calculated using December 2021 CPI and December 2022 CPI)
  - Source: <https://data.bls.gov/timeseries/CUUR0000SA0>
- Toll rate increases require notice to be provided to the City of Chicago 90 days prior to the planned increase, with no required governmental approval to implement toll rate increases (subject to above limits)

# CHICAGO SKYWAY - TOLL OUTCOMES

Toll drivers	2016 Variables	2017 Variables	2018 Variables	2019 Variables	2020 Variables	2021 Variables	2022 Variables	Cumulative 2016-22	CAGR 2016-22
US nominal GDP per capita	2.1%	3.8%	5.2%	3.8%	(3.0%)	10.9%	10.0%	36.8%	5.4%
US CPI	2.1%	2.1%	1.9%	2.3%	1.4%	7.0%	6.5%	25.5%	3.9%
Floor	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	14.9%	2.3%
<b>Toll Outcomes<sup>1,2</sup></b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>Cumulative 2018-24</b>	<b>CAGR 2018-24</b>
<b>Toll escalation set at maximum of economic factors and 2% floor with macroeconomic indicators based on 2-year look-back</b>								43.8%	6.2%

1. Escalation is based on a 2-year look-back regime for the macroeconomic indicators and rounded up to the nearest US\$0.10.

2. Actual toll outcomes will vary due to rounding in the year and the macroeconomic data retrieved at the time of the price setting process, which may be subsequently revised.

# CHICAGO SKYWAY - UNITED STATES FEDERAL AND STATE TAX

## The current tax situation

### US Federal and State income tax rates

- Chicago Skyway is subject to US Federal and Illinois State income tax
- The combined US income tax rate for Chicago Skyway is 28.5%, comprising Federal tax rate at 21% and Illinois State tax rate at 9.5%

### Tax profile

- Chicago Skyway benefits from a favorable tax profile given significant tax attributes generated since the asset was last acquired in 2016. As at 31 December 2021, Chicago Skyway had:
  - tax basis in depreciable assets of c. US\$1,740m; and
  - c. US\$1,100m of carry forward tax losses which can be applied for Federal tax (applied at tax rate of 21%) and Illinois State tax (applied at effective tax rate of 7.5%) purposes

### Tax depreciation/amortization and interest expense

- Chicago Skyway is an electing 'real property trade or business' able to fully deduct all interest expenses
- Tax depreciation and amortisation is expected to provide tax shelter in addition to existing carried forward tax losses

- The majority of Chicago Skyway's depreciable / amortisable assets are depreciated / amortised for tax purposes over a 15 year period. Generally, the amortisation period starts from 2016 in respect of assets in existence at that time, such as the concession right

### Tax losses

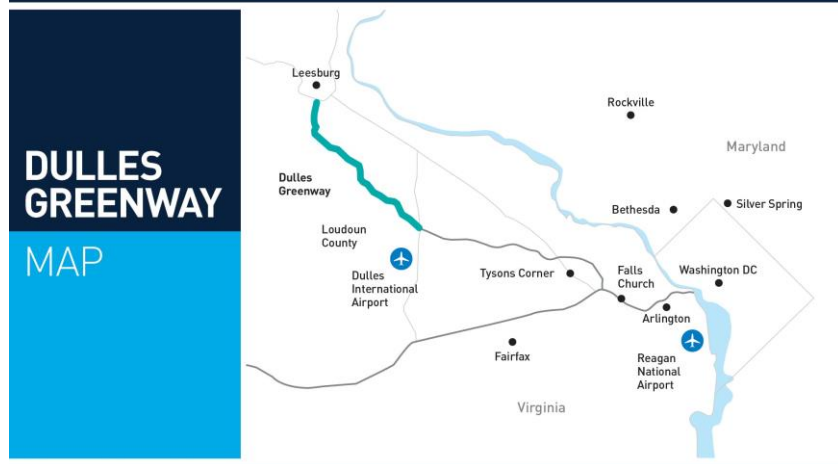
- Chicago Skyway has carry forward tax losses which can be used to offset future taxable income. However these are subject to utilisation limitations and expiry dates
- Federal tax losses made during 2016 and 2017 are subject to a 20 year expiry date. Federal tax losses made during or after 2018 are subject to a utilisation limit of around 80% of taxable income per annum, in broad terms. Forecasting indicates this results in some Federal cash tax becoming payable from around the late 2030s, with Federal cash tax payable stepping up further around the early 2060s once all Federal tax losses have been utilised or expired
- All of the Illinois State tax losses are subject to expiry 20 years from the year the loss was generated. Forecasting currently suggests State tax losses (current and future) would be utilised or expire in the early 2050s

### Upstream tax profile

Distributions from Chicago Skyway to Atlas Arteria corporate holding entities are expected to be treated as follows:

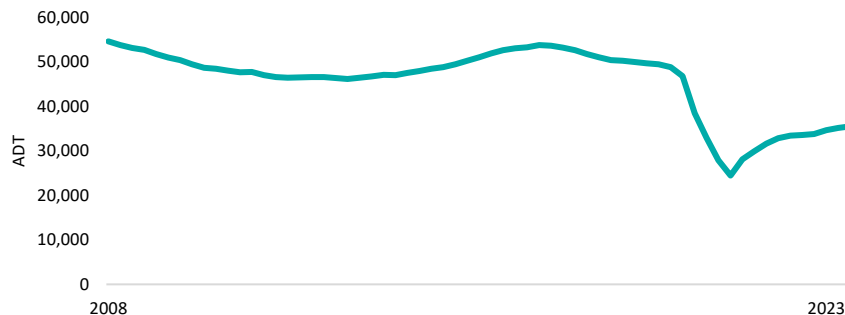
- Equity distributions are not expected to be taxed in Australia
- Based on current ownership, the portion of equity distributions paid to Atlas Arteria that are characterised as dividends for US tax purposes are expected to be subject to 5% dividend withholding tax. The portion subject to dividend withholding tax would broadly be in line with Chicago Skyway's taxable income prior to utilisation of tax loss carryforwards (as proxy for 'E&P'). Forecasting indicates Chicago Skyway may start to generate E&P in early 2030s
- The non-dividend component of equity distributions paid by Chicago Skyway which do not exceed the amount of Atlas Arteria's stock base (approximately equal to the purchase price of the shares of Chicago Skyway) for the investment are generally expected to not be subject to US tax. To the extent the non-dividend component of equity distributions exceed purchase price, it is expected that 21% 'FIRPTA' tax may apply and is not expected to be taxed in Australia
- Our forecasting assumes that interest paid to Atlas Arteria on the shareholder loan are not subject to withholding tax in the US

# DULLES GREENWAY - OVERVIEW

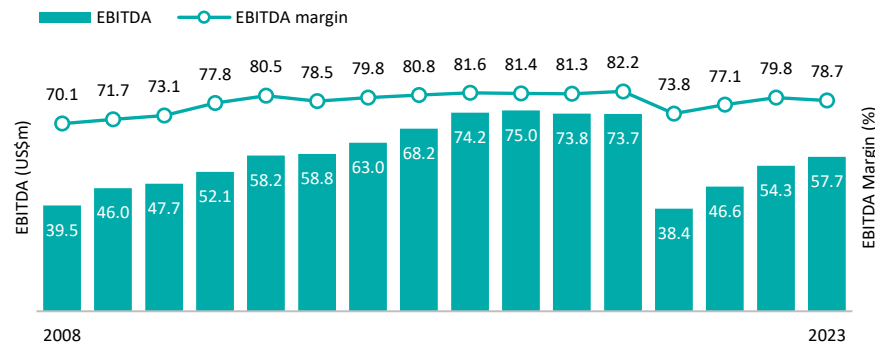


- Dulles Greenway is a 22km tolled motorway in northern Virginia, USA, which runs from Dulles International Airport to the town of Leesburg
- Dulles Greenway is part of a key route in one of the fastest growing and most affluent counties in the United States
- As Loudoun County continues to grow, it is anticipated that Dulles Greenway will be well positioned to provide capacity, a quality service and attract a greater share of future corridor growth, with the ability to expand to meet future demand

## Dulles Greenway traffic



## Dulles Greenway EBITDA & EBITDA margin



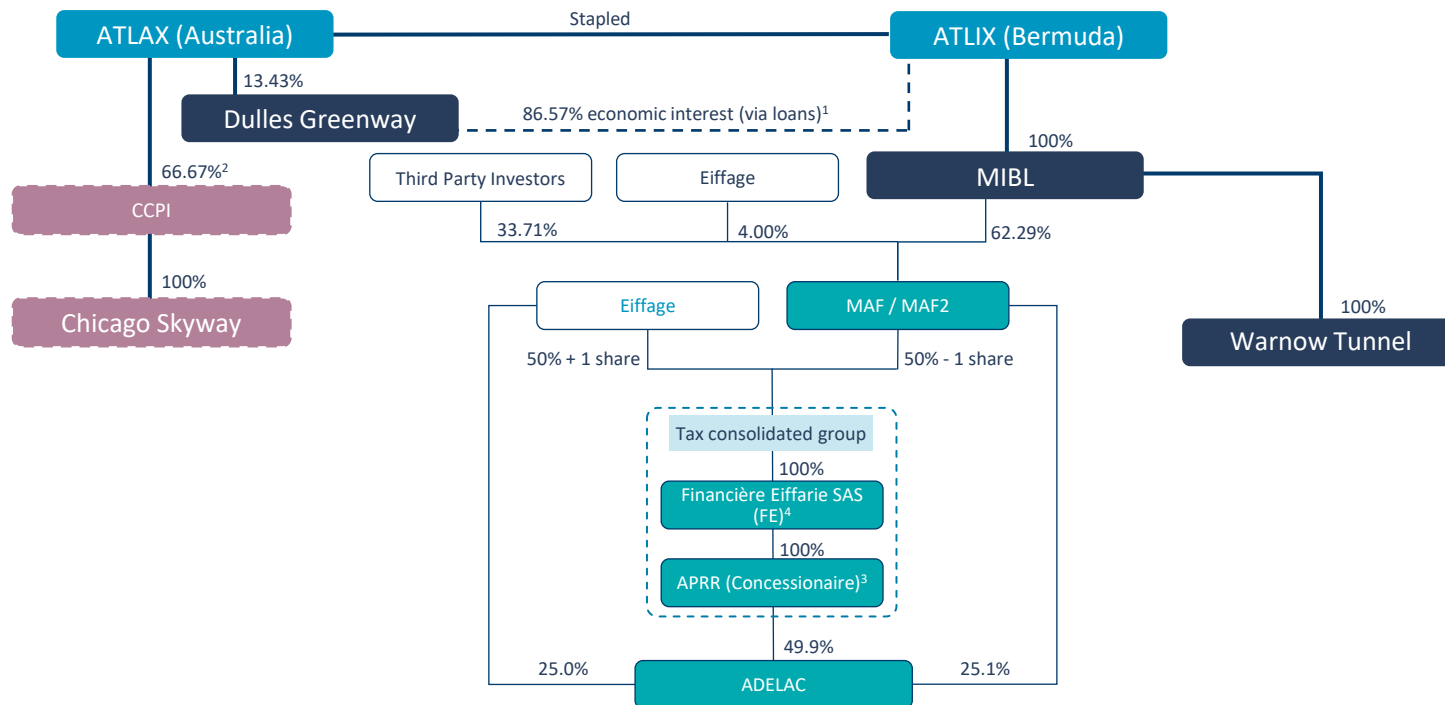
# DULLES GREENWAY - TOLL REGIME

## Tolls on the Dulles Greenway are set on application by the Virginia State Corporation Commission (SCC) under the Virginia Highway Corporation Act (1988) (VHCA)

- From 1 Jan 2022 onward, the SCC will determine the toll rates under the VHCA in accordance with **Section §56-542D**:
  - SCC shall “have the duty and authority to approve or revise the toll rates charged by the operator”. Toll rates should be set at a level that:
    1. “is reasonable to the user in relation to the benefit obtained”; and
    2. “will not materially discourage use of the roadway by the public”; and
    3. “will provide the operator with no more than a reasonable rate of return as determined by the SCC”
  - The SCC may not approve more than one year of toll rate increases at a time (where previously approvals have granted multiple increases for up to five years as part of any one rate case submission), with this change applying following the current rate case period which ends on 31 December 2022; and
  - The material discouragement test defines “discouragement” as a fall in traffic of 3% or more attributable to the toll increase and is measured using an investment grade traffic forecasting model that takes into account population growth and other socio-economic factors
- On 27 April 2021 the SCC increased off-peak tolls by 5.3% in 2021 and 5.0% in 2022
  - Dulles Greenway implemented the 2021 toll increase on 5 May 2021
- On 11 July 2023 an application seeking approval for an increase in the maximum level of tolls for the Dulles Greenway was filed with the SCC. The requested tolls, from 1 January 2024 are as follows:
  - US\$8.10 for the maximum 2-axle peak toll (from US\$5.80, a 39.7% increase)
  - US\$6.40 for the maximum 2-axle off-peak toll (from US\$5.25, a 21.9% increase)

# ATLAS ARTERIA SUMMARY CORPORATE STRUCTURE

as at 31 December 2023



1. ATLI's 86.57% economic interest in Dulles Greenway represents two subordinated loans secured against the non-Atlas Arteria limited partner interests in Toll Road Investors Partnership II ("TRIP II").

2. ATLI group holds US\$166.7m of shareholder loans in CCPI.

3. APRR owns 99.84% of AREA and 99.9% of A79. A79 was included in the tax consolidated group on 1 January 2023.

4. On 31 December 2023, the Eiffarie SAS entity was dissolved and its assets and liabilities were transferred into Financière Eiffarie SAS entity (FE), effectively merging the two entities into one. As a consequence, FE will now hold directly 100% of the shares in APRR.



# References



# GLOSSARY OF TERMS

<b>ADT</b>	Average daily traffic	<b>DSCR</b>	Debt service coverage ratio	<b>MIBL</b>	MIBL Finance (Luxembourg) S.à r.l.
<b>ADELAC</b>	The concessionaire of the A41 north motorway	<b>Eiffarie</b>	Eiffarie SAS	<b>n.a.</b>	Not applicable
<b>ALX</b>	Atlas Arteria	<b>E&amp;P</b>	Earnings & Profit	<b>NPAT</b>	Net Profit after Tax
<b>APRR Group</b>	Includes APRR, AREA and A79 concessions	<b>ESG</b>	Environmental, Social and Corporate Governance	<b>PPTA</b>	Public Private Transportation Act
<b>ATLAX</b>	Atlas Arteria Limited	<b>FE</b>	Financière Eiffarie SAS	<b>RCF</b>	Revolving Credit Facility
<b>ATLIX</b>	Atlas Arteria International Limited	<b>FX</b>	Foreign Exchange	<b>S&amp;P</b>	Standard & Poor's
<b>bn</b>	billions	<b>GRESB</b>	Global Real Estate Sustainability Benchmark	<b>SCC</b>	Virginia State Corporation Commission
<b>CAGR</b>	Compounded annual growth rate	<b>H1</b>	First half	<b>TAT</b>	Taxe d'Aménagement du Territoire
<b>CCPI</b>	Calumet Concession Partners Inc.	<b>H2</b>	Second half	<b>TEILD</b>	Long-distance Transport Infrastructures Tax
<b>CEO</b>	Chief Executive Officer	<b>HV</b>	Heavy Vehicles	<b>US</b>	United States of America
<b>CFO</b>	Chief Financial Officer	<b>ITR</b>	Indiana Toll Road	<b>VHCA</b>	Virginia Highway Corporation Act
<b>COO</b>	Chief Operating Officer	<b>GDP</b>	Gross Domestic Product	<b>VKT</b>	Vehicle kilometres travelled
<b>CET</b>	Contribution Economique Territoriale	<b>HQ</b>	Head quarters	<b>Warnow Tunnel</b>	Warnowquerung GmbH & Co., KG
<b>CO<sub>2</sub></b>	Carbon dioxide	<b>LTI</b>	Lost-time injury		
<b>CPI</b>	Consumer Price Index	<b>LTIFR</b>	Lost-time injury frequency rate		
<b>CPS</b>	Cents per security	<b>LV</b>	Light Vehicles		
<b>D&amp;A</b>	Depreciation and amortisation	<b>M</b>	Millions		