

INVESTOR **NEWSLETTER**

August 2024 / Vol. 17

MADRID CHAMARTÍN STATION

MADRID CHAMARTÍN CLARA CAMPOAMOR

**TACKLING THE LAST PHASE OF THE
TRANSFORMATION, WHICH WILL
COMPLETE THE DOUBLING OF CAPACITY
FOR HIGH-SPEED TRAINS**

Please find below the seventeenth issue of ADIF Alta Velocidad (hereafter, Adif AV) Newsletter, based on our commitment to provide the highlights related to our financial situation as well as our ESG policies.

HIGHLIGHTS AND SUMMARY OF H1 2024 RESULTS

EBITDA
€230 million

Continuing the positive trend, Adif AV's H1 2024 EBITDA reached €230 million, meaning an increase of 15% compared to H1 2023 results (€200 million).

Charges
+€49 million

Charges in the network managed by Adif AV increased in €50 million compared with the same period of 2023, which means a total amount of revenues from charges of €401 million.

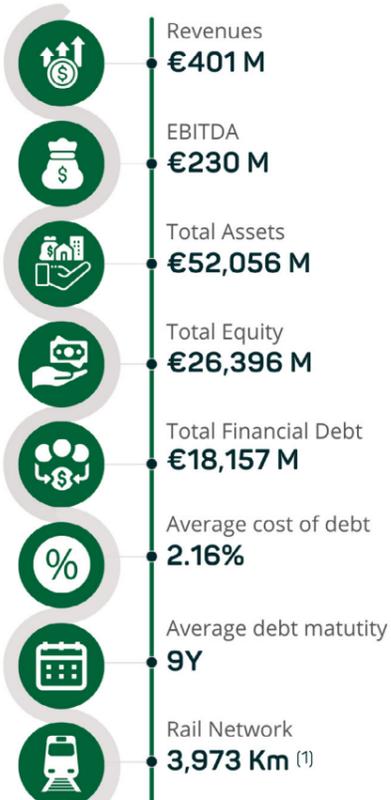
Net finance expense
€166 million

Additionally, and also compared to H1 2023, net finance expense amounts €166 million, meaning an increase of €32 million.

Investments
1,142 million

In line with the investment budget for 2024, Adif AV has performed investments amounting to €1,142 million as of 30 June 2024.

KEY FIGURES 2024



(1) Data from 2024 Network Statement

Preliminary data, accounting information not yet published



Madrid Chamartín Clara Campoamor Station

Adif AV is tackling the last phase of the transformation of Madrid Chamartín station, which will complete the doubling of capacity for high-speed trains

Adif Alta Velocidad is already developing the last phase for the transformation of Madrid Chamartín Clara Campoamor station into a strategic mobility node. This phase will gradually complete the doubling of high-speed capacity from 6 to 12 tracks, all of them transit tracks, plus a parking track.

To make this possible, two of these tracks have been adapted to standard gauge and the construction of 4 new high-speed transit tracks is currently underway, with the deployment of tracks, electrification and installation of switches and crossings, together with the Control, Command and Signalling systems.

During this new phase, Adif will complete the four new standard gauge tracks and their connection to the network. In addition, part of the high-speed lobby will be put into service, extending to the north and east over these tracks and thus increasing the surface area for passengers to 3,700 m², compared to the current 2,500 m².

With these actions, Chamartín increases its capacity to accommodate a greater number of high-speed trains and a more fluid traffic, while increasing flexibility and responding to the growth of high-speed services coming from the Valencian region, Murcia and the high-speed network lines from the north of the Iberian Peninsula.

It highlights the following High-Speed Lines (HSL)

Levante Investment 82 million	Mainly superstructure works / Sections La Encina - Xàtiva Requena - Valencia
Almería - Murcia HSL Investment 231 million	Mainly platform works / Sections Murcia - Lorca Vera-Almería Lorca - Pulpí Pulpí-Vera
Vitoria - Bilbao - San Sebastián HSL Investment 113 million	Mainly platform works / Sections Elorrio - Bilbao Mondragón - Bergara Vitoria - Legutiano Mainly platform works / Branches San Sebastian - Bilbao (through Guipuzcoa and Vizcaya)
Madrid - Extremadura HSL Investment 98 million	Mainly platform works / Sections Naval Moral de la Mata - Plasencia Plasencia - Cáceres Mainly Electrification and superstructure works / Sections Carmonita - Mérida Mérida - Badajoz

GREEN BOND NEWS



Green Bonds 2023 Annual Report Published

In compliance with the commitments acquired in its Green Financing Framework but also in line with its 2030 Strategic Plan, Adif Alta Velocidad has recently published its most recent Green Bonds Annual Report, covering this time the placement of funds corresponding to the issuances made in October 2022 and October 2023.

As usual, 100% of the proceeds of its sixth green issuance, disbursed on 25 October 2022, have been allocated to projects in the first category established in the Green Funding Framework, "Investments related to new lines and extensions of existing lines". These projects (among which the construction of the Almería-Murcia and Levante high-speed lines stands out), as well as the exact proceeds allocation and expected impact, can be seen in detail in the report published on Adif Alta Velocidad website.

The same report also details the allocation to green projects of almost half of the funds obtained from our seventh green issuance, disbursed on last year's 27th of April. The main projects in which funds from this issuance have been placed are Castejón - Pamplona and Madrid - Barcelona - Figueres HSL lines.

Full report can be reached through the following link

[Green Bond
Annual Report 2023](#)

Development of an innovative system for monitoring wildlife traffic on the Madrid-Galicia high-speed line

One of the most intense environmental effects caused by linear transport infrastructures is known as the "barrier effect". This consists of the physical separation caused in a habitat by the implementation of an infrastructure with perimeter fence. This physical separation can cause genetic isolation, increasing the vulnerability of local fauna.

To minimise this barrier effect, Adif Alta Velocidad installs a series of structures on its lines that allow the cross-flow of fauna, ensuring the reconnection of existing populations on both sides of a line.

A paradigmatic example of these kind of measures has been developed on the high-speed line between Madrid and Galicia, in the Zamora municipality of Otero de Bodas. This area, very close to the mountain range known as Sierra de Culebra, has one of the highest population densities of ungulates in the Iberian Peninsula, a faunal group particularly sensitive to this barrier effect.

In addition to the construction of a 130-metre wide eco-pipeline, a video surveillance system with two infrared cameras (with built-in video analytics and a high-definition dome) has been added as a pilot project. These measures make it possible to monitor the transit of the fauna that crosses the eco-pipeline 24 hours a day, 365 days a year, making it possible to evaluate its effectiveness in a simple way.

Since its commissioning, the structure has played a fundamental role in mitigating the barrier effect in this environmentally sensitive area. The observed crossing flow for deers, one of the targeted species, reaches an average of 51.5 crossings per day, with values exceeding 150 crossings at times of high mobility. The system also allows the behaviour of individuals during crossings to be analysed, an aspect that will allow the design and effectiveness of similar structures to be improved in the future.



ESG ACTIVIST

Installation of more than 1,000 electric vehicle recharging points at 80 stations

Adif and Adif Alta Velocidad are taking another step towards sustainability with the installation of more than 1,000 electric vehicle charging points, with energy generated by renewable sources, in the parking lots of different passenger stations, thus contributing to the development of sustainable and connected mobility in urban and metropolitan environments.

The supply, installation, operation and maintenance of these recharging points has been awarded to the company Repsol Comercial de Productos Petrolíferos through a 18.3 million euros contract, and a deadline of 30 months (although last 24 months correspond to the operation and maintenance phase). This action has been funded through the Recovery and Resilience Facility (NextGenerationEU) of the European Union.

The initiative promotes clean transport in transfers to and from railway stations, increasing passenger services in these spaces, which are set to become nodes of sustainable and intelligent mobility. Adif and Adif Alta Velocidad are clearly committed to the development of electromobility in Spain, setting up a wide territorial recharging network in all regions where the railway network runs.

Up to 80 stations of the Spanish railway network will benefit from its implementation, among which the High Speed nodes of Madrid, Barcelona, Seville or Malaga stand out.

Adif and Adif Alta Velocidad strategy against climate change

This action is part of the Adif and Adif Alta Velocidad 2018-2030 Plan to Combat Climate Change, which includes the promotion of sustainable mobility and electromobility as a tool to meet the objectives of decarbonisation of economic activity.

The initiative is part of the Ecomilla programme, which promotes energy-efficient and zero-emission mobility in first and last mile trips, through the development of sustainable mobility areas for zero-emission and shared vehicles, among other clean modes of transport.

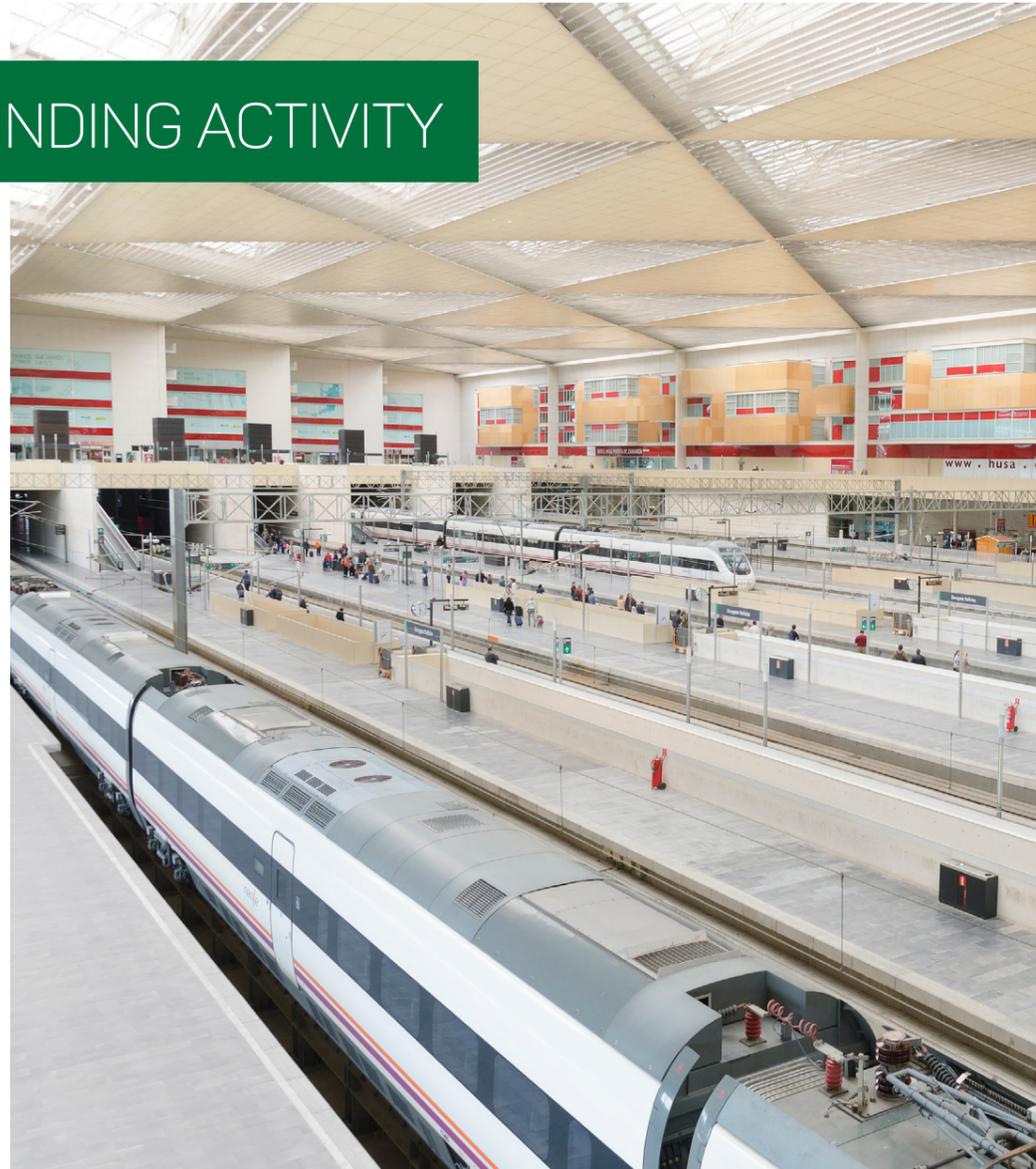
FUNDING POLICY & FUNDING ACTIVITY

BOND FUNDING HIGHLIGHTS

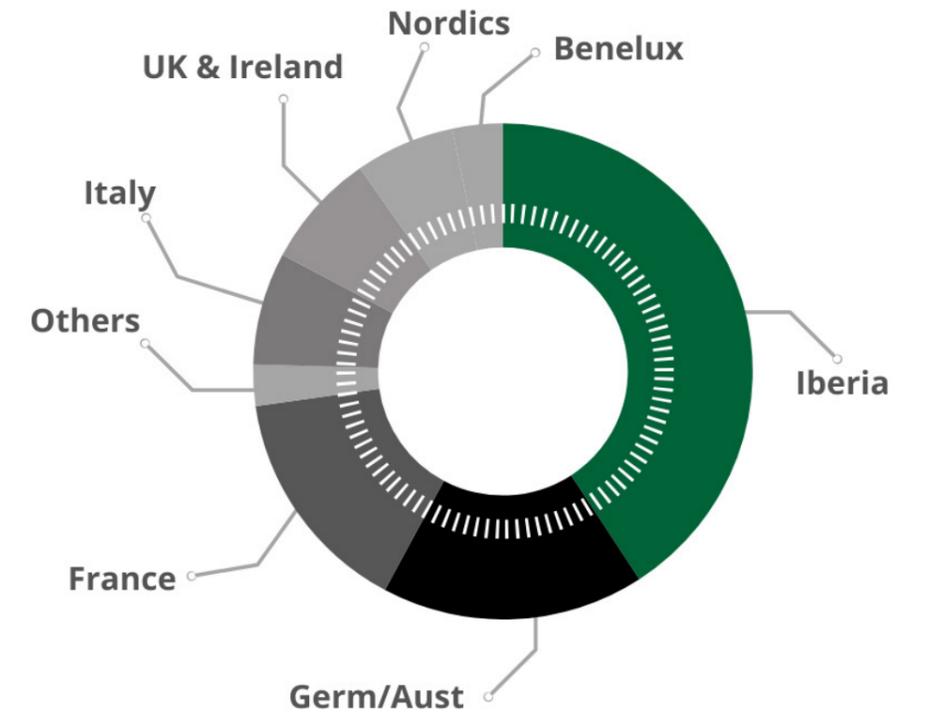
- Frequent bond issuer
- EUR market
- Benchmark transactions
- Focus on the Green market

ADIF ALTA VELOCIDAD RATING

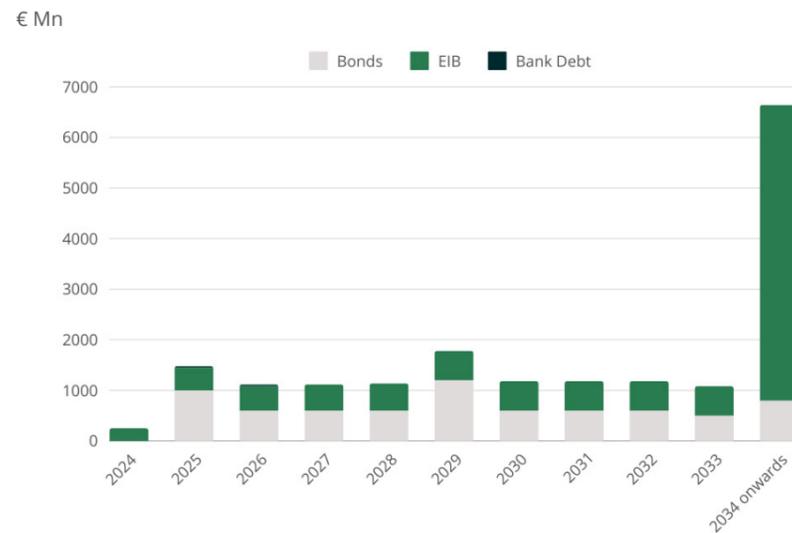
RATING	LONG-TERM	SHORT-TERM	OUTLOOK
Moody's	Baa2	P-2	Positive
Fitch	A-	F-1	Stable



BOND DISTRIBUTION BY COUNTRY



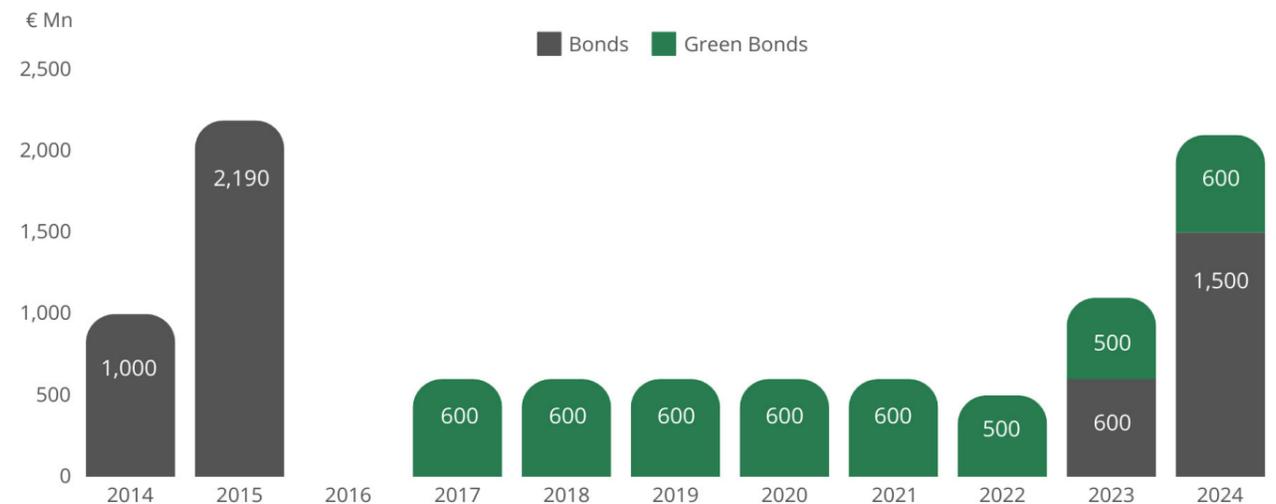
FINANCIAL DEBT MATURITY PROFILE*



■ BANK DEBT
■ EIB
■ BONDS

*As of 30 June 2024

BOND ISSUANCE ACTIVITY



OUTSTANDING BONDS

ISIN	ISSUE DATE	SECURITY	RATINGS	COUPON (%)	MATURITY	TENOR (Years)	OUTSTANDING (€ Mln)
ES0200002006	28/01/2015	ADIFAL 1.875 01/28/25	Baa2/A -	1.875	28/01/2025	0.6	1,000
ES0200002030	04/05/2018	ADIFAL 1.250 05/04/26	Baa2/A -	1.250	04/05/2026	1.8	600
ES0200002048	25/04/2019	ADIFAL 0.950 04/30/27	Baa2/A -	0.950	30/04/2027	2.8	600
ES0200002055	12/02/2020	ADIFAL 0.550 04/30/30	Baa2/A -	0.550	30/04/2030	5.8	600
ES0200002063	08/10/2021	ADIFAL 0.550 10/31/31	Baa2/A -	0.550	31/10/2031	7.3	600
ES0200002071	17/10/2022	ADIFAL 3.500 07/30/29	Baa2/A -	3.500	30/07/2029	5.1	500
ES0200002089	18/04/2023	ADIFAL 3.900 04/30/33	Baa2/A -	3.900	30/04/2033	8.8	500
ES0200002097	21/06/2023	ADIFAL 3.500 07/30/28	Baa2/A -	3.500	30/07/2028	4.1	600
ES0200002105	25/01/2024	ADIFAL 3.250 05/31/29	Baa2/A -	3.250	31/05/2029	4.9	700
ES0200002113	25/01/2024	ADIFAL 3.650 04/30/34	Baa2/A -	3.650	30/04/2034	9.8	800
ES0200002121	29/04/2024	ADIFAL 3.500 04/30/32	Baa2/A -	3.500	30/04/2032	7.8	600

SPANISH AND EURO AREA

ECONOMY SNAPSHOT

MACROECONOMIC PROJECTIONS FOR THE SPANISH ECONOMY

Annual rate of charge (%)

	GDP				Harmonised index of Consumer Prices (HICP)				HICP excluding energy and food				Unemployment rate (% of labour force) (b)			
	2023	2024	2025	2026	2023	2024	2025	2026	2023	2024	2025	2026	2023	2024	2025	2026
June 2024	2.5	2.3	1.9	1.7	3.4	3.0	2.0	1.8	4.1	2.6	2.0	1.9	12.2	11.5	11.3	11.2
March 2024	2.5	1.9	1.9	1.7	3.4	2.7	1.9	1.7	4.1	2.2	1.9	1.8	12.1	11.6	11.5	11.3

Sources: Banco de España and INE.
Note: Latest QNA figure published: 2024 Q1

a Projections cut-off date: 22 May 2024
b Annual average



INTERNATIONAL ENVIRONMENT, AND MONETARY AND FINANCIAL CONDITIONS

Annual rate of charge (%), unless otherwise indicated

	June 2024 projections				Difference between the current projections and the March 2024 projections (b)		
	2023	2024	2025	2026	2024	2025	2026
Spain's export markets (c)	-0.1	1.0	3.3	3.2	-0.4	0.1	0.1
Oil price in dollars / barrel (level)	83.7	83.8	78.0	74.5	4.0	2.8	1.4
Monetary and financial conditions							
Dollar/euro exchange rate (level)	1.08	1.08	1.08	1.08	0.00	0.00	0.00
Nominal effective exchange rate against non-euro area countries (d) (2000 = 100)	115.6	116.1	116.2	116.2	0.7	0.8	0.8
Short-term interest rate (3-month EURIBOR; level) (e)	3.4	3.6	2.8	2.5	0.2	0.4	0.2
Long-term interest rate (10-year Spanish government bond yield; level) (e)	3.5	3.2	3.2	3.4	-0.1	-0.1	-0.2

Sources: Banco de España and ECB

- a** Cut-off date for assumptions: 15 May. Figures expressed as levels are annual averages, figures expressed as rates are calculated on the basis of the related annual averages.
- b** Differences in rates for export markets, in levels for oil prices, the dollar/euro exchange rate and the nominal effective exchange rate, and in percentage points for interest rates.
- c** The assumptions regarding the behaviour of Spain's export markets presented in the table are obtained from the March 2024 Eurosystem staff macroeconomic projections for the euro area.
- d** A positive percentage change in the nominal effective exchange rate denotes an appreciation of the euro.
- e** For the projection period, the figures in the table are technical assumptions, prepared following the Eurosystem's methodology. These assumptions are based on futures market prices or on proxies thereof and should not be interpreted as a Eurosystem prediction as to the path of these variables.



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Investors can find further information on our investors' portal.
For any queries you may have, please contact us by mail at
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www.adifaltavelocidad.es

DISCLAIMER

