

RATP Group 2021 annual results Improving results amid the difficult context of the pandemic

Key takeaways from the year

- **A gradual recovery in passenger traffic in the Île-de-France (Greater Paris) region (up 24%),** in line with the improving public health situation. Nevertheless, traffic remains 29% below its pre-pandemic level from 2019.
- **A clear rebound in activity with €5.854 billion in consolidated revenue,** up 6% compared to 2020, driven by the recovery in traffic and the strong commercial momentum of the subsidiaries. The context of the pandemic continued to curb business, with a negative impact of €239 million. **Revenue is back to a level close to that of 2019,** when it reached €5.89 billion (excluding the impact of strikes).
- **The pandemic continued to negatively affect the Group's results (down €157 million), but this is gradually easing with:**
 - o **An operating profit (EBIT) of €332 million,** up €99 million from 2020
 - o **A positive net income (Group share) of €207 million, compared to a net loss of €134 million in 2020**
- **A new all-time investment record will be broken in 2021, with €2.364 billion invested in the Île-de-France¹ region** with the support of Île-de-France Mobilités, up 8% from 2020, and **€2.708 billion in consolidated investments for the RATP Group,** up 18% compared to 2020.
- **Net debt of €5.694 billion,** a controlled increase of €150 million compared to 2020, due to significant investments made in Italy in connection with the start-up of the Tuscany bus operating contract. Gearing (the ratio of net debt to equity) had nonetheless improved to 1.14x from 1.20x at the end of 2020.

The RATP Board of Directors, meeting on 4 March 2022, under the presidency of Catherine Guillouard, the Company's President and Chief Executive Officer, examined and approved the consolidated financial statements of RATP Group and the financial statements of the state-owned industrial and commercial enterprise (EPIC) for the year ended on 31 December 2021.

Catherine Guillouard, President and Chief Executive Officer of the RATP Group, stated: "These results, which are satisfactory considering the ongoing difficult context of the pandemic, demonstrate the resilience of RATP Group, which in 2021 confirmed the solidity of its business model while preparing for its future

¹ including €409 million in investments made as the delegated project manager on behalf of Société du Grand Paris for the extension of metro line 14 to Orly.

with a remarkable growth dynamic in France and abroad. Our consolidated revenue increased by 6% in 2021, returning to its pre-pandemic level, reflecting both the business recovery of the RATP EPIC and the very strong growth of the subsidiaries (+13.6%), which is expected to increase further in 2022.

Major contracts won abroad, notably in Tuscany, Cairo, and Riyadh, have enabled RATP Dev to grow to a new scale. The contribution of the subsidiaries, at €1.4 billion, accounts for almost a quarter of RATP Group's revenue at the end of 2021. It should be close to 30% by the end of 2022, with the ramp-up of these operations and the commercial momentum of our new urban services subsidiary RATP Solutions Ville. That subsidiary enjoyed great success in 2021, winning the concession for the Grand Paris Express fiber optic network in partnership with CDC, and the concession for the City of Paris cooling network in partnership with Engie.

In 2021, the company also put great efforts into carrying out the massive investment program contracted with Île-de-France Mobilités, with an all-time record of €2.4 billion invested in the Île-de-France region to modernize and expand our networks and improve the service quality provided to passengers, an increase of 8% compared to 2020. With the takeover of operations of the Tuscany bus network, RATP Group's total investments rose by 18% to €2.7 billion, or nearly half our revenue."

Changes in RATP Group's main performance indicators

Changes in the main performance indicators

€ million	2019 (excluding strikes)	2020	2021	Change 2021/2019 (excluding strikes)	Change 2021/2020
Consolidated revenue	5,890	5,523	5,854	-0.6%	+6.0%
EBIT	469	99	332	-29.2%	+234.7%
Net income (Group share)	280	-134	207	-26.1%	+254.1%
Self-financing capacity	1,151	858	1,104	-4.1%	+28.6%
Net debt	5,119	5,544	5,694	+11.2%	+2.7%

The pandemic and ensuing economic squeeze continue to negatively affect the Group's results, but a gradual easing is underway

Consolidated revenue

The Group's consolidated revenue in 2021 amounted to €5.85 billion, up significantly (+€331 million, or +6%) compared to 2020.

This rebound was driven in equal measure by the **recovery of the EPIC's business (+€166 million, or +3.9%)**, which notably benefited from a catch-up effect with the gradual recovery from the pandemic (+€134 million), the counter-effect of the January 2020 strikes (+€71 million), and by **the major increase in the contribution of the subsidiaries (+€165 million, i.e. +13.6%)**, bolstered by RATP Dev's growth momentum, with the start-up of major contracts in Tuscany, Cairo, and Riyadh.

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The contribution of the subsidiaries to the Group's revenue will account for €1.38 billion in 2021, i.e. 23.5% of consolidated revenue, up 1.6% compared to 2020 (21.9%).

Operational and financial performance

Consolidated operating profit (EBIT) came to €332 million, compared to €99 million in 2020. That improvement was mainly due to the mitigation of the impact of the pandemic (+€147 million), and the counter-effect of unfavorable events (€101 million) which had affected the fiscal year 2020 (notably the January 2021 strikes for the EPIC, and a loss of goodwill for the RATP Dev sightseeing business line). It also results from the EPIC's pursuit, in accordance with its contractual commitments, of ambitious performance and competitiveness plans, both in support functions and purchasing and in operations and maintenance activities.

Consolidated operating income as a percentage of revenue reached 5.7%, compared with 1.8% in 2020.

After a loss of €134 million in 2020, the 2021 financial year shows a net profit Group share of €207 million. In addition to the improved operating performance, net income benefited from a positive contribution from deferred taxes and an improved financial result.²

Self-financing capacity is up by €246 million compared to 2020, reaching €1.104 billion. The EPIC's investments are entirely self-financed.

However, net debt increased by €150 million (+2.7%) to €5.694 billion at the end of 2021, due to the purchase at the end of the year of the assets needed to operate the Tuscany buses business line (€211 million).

The Group's gearing (net debt/equity ratio) is improving, reaching 1.14x in 2021 compared with 1.20x at the end of 2020.

RATP continues to grow as passenger traffic in the Île-de-France region gradually picks up again

Passenger traffic is clearly up but remains below its pre-Covid level.

In the Île-de-France region, there has been a sharp rebound in passenger traffic, to **2.361 billion journeys (+24%** compared to 2020) thanks to the mitigation of the effects of the pandemic. Despite an acceleration in traffic at the end of the year, passenger traffic is still below its pre-Covid level (-29% on average for 2021 as a whole compared to 2019, and approximately -20% in the last quarter).

An all-time investment record was set in 2021, driven by ambitious modernization projects (the energy transition of the bus network, renewal of rolling stock for the metro and RER suburban rail networks) and the extension of metro lines 4, 11, 12, and 14.

RATP Group's investments reached an all-time high in 2021:

²Deferred tax income of €23 million was recorded in 2021, in line with the International Financial Reporting Standards (IFRS), whereas an expense of €54 million had negatively impacted the 2020 results.

- **The RATP EPIC invested €2.364 billion in the Île-de-France region** (including €409 million of investments made on behalf of Société du Grand Paris), **with the support of Île-de-France Mobilités**, up 8% compared to 2020
- **RATP Group spent €2.708 billion in consolidated investments**—up 18% compared to 2020— including €344 million invested by the subsidiaries (RATP Dev, RATP Smart Systems, RATP Real Estate, and RATP Connect)

In the Île-de-France region:

- **€1.159 billion was spent on modernizing and maintaining the network and infrastructure and renewing rolling stock:** this included the introduction of 600 electric and biogas buses, the conversion of bus depots to electric power and biogas (6 bus depots converted and 8 others in the process of conversion), the purchase of MP14 trains, project studies for MF19 and MI20 trains, the automation of metro line 4 and modernization of metro lines 6, 9, and 11, the modernization of various infrastructure, systems and maintenance workshops, etc.
- **€1.027 billion was invested to extend metro and tram lines:** extension of metro line 14 to the north and south, extension of metro line 4 to Bagneux, metro line 11 to Rosny-Bois-Perrier, and metro line 12 to Mairie d'Aubervilliers, extension of tram line T1 to Val de Fontenay and tram line T3b to Porte Dauphine.
- **€178 million was spent on improving passenger information systems, modernizing spaces (stations), and ticketing systems:** work was completed at Vincennes, Nogent, Torcy, Croix de Berny, and Robinson stations; work is ongoing at Nanterre-Ville, Auber, and Charles de Gaulle - Etoile stations; clean-up operations were carried out at eight metro stations in 2021, including Liège, Madeleine, Daumesnil, and Porte de la Villette. With the opening of Croix de Berny station, 100% of the stations on the RER suburban rail network became accessible to passengers with disabilities. Work also began to improve accessibility at Place d'Italie station. New information screens were installed on RER line A. Distribution of new paperless ticketing media continued.

A strong acceleration of the growth of the Group's subsidiaries, in France and abroad

2021 saw strong growth for our subsidiaries, whose business reached a new scale with successful bids for major contracts in France and abroad.

The contributory revenue of the subsidiaries rose to €1.378 billion (€1.464 billion including intra-group business) in 2021, **up 13.6%** compared to 2020, driven by the acceleration of **RATP Dev's** growth, with the start-up of the operation of the Tuscany bus network and Line 3 of the Cairo metro, the creation and ramp-up of the new subsidiaries **RATP Solutions Ville** (in charge of increasing the Group's revenue from urban services: real estate, urban logistics, energy, telecommunications, new mobility), and **RATP Cap Île-de-France**, whose role is to support all Île-de-France public transport activities operated by RATP Group in the competitive sector (excluding the Grand Paris Express) and respond to calls for tenders within that scope.

RATP Dev

RATP Dev, with an established presence in 14 countries, recorded strong revenue growth of €1.338 billion (+12.9%), notably driven by the start of operations on the Tuscany bus network since 1 November, as well as the ramp-up of operations on the Cairo and Riyadh metros and growth in the United States.

In France, RATP Dev won contracts in the Alps (notably Thonon), a contract for demand-responsive transport in the Somme region, and had its contract renewed for the operation of the Boulogne-sur-Mer and Vienne networks.

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Several major tenders are currently underway: we are on the offensive for contracts in Perpignan and Toulon, defending our position on contracts in Valenciennes, aiming for metro lines 16-17 and 15 of the Grand Paris Express, in partnership with Alstom and ComfortDelGro, as well as two regional rail tenders in the Hauts-de-France and Grand Est regions, in partnership with Getlink.

Outside of France, in addition to the start-up of the Tuscany bus network and the resumption of operations on Line 3 of the Cairo metro (Egypt), RATP Dev opened the first section of the Lusail tram in Qatar on 1 January 2022. RATP Dev has signed a contract to operate the Light Rail Transit (LRT) network in 2021 to serve the new Egyptian capital and is preparing to respond to several major tenders for automated metro systems (notably in Sydney and Toronto).

RATP Cap Île-de-France

Fiscal year 2021 was marked by the structuring and ramping up of the RATP Cap Île-de-France subsidiary. At the end of the year, that new company acquired all of RATP Dev's public transit activities in the greater Paris area (Optile). It is supporting the new contracts won in 2021, notably the operation of the Mantois and Plateau de Saclay networks, as well as tram line T10 and related bus lines, for a total business volume of €90 million annually. RATP Cap Île-de-France is preparing to submit its bid in 2022 for calls for tenders issued by Île-de-France Mobilités for the operation of buses in Paris and the inner suburbs, as well as tram-train lines.

RATP Solutions Ville

RATP Solutions Ville, a subsidiary created in 2021 to increase RATP Group's urban services business line, was partnered towards the end of the year with several existing subsidiaries (RATP Connect, RATP Real Estate, RATP Habitat and RATP Capital Innovation) to form a structured group. It won its first two major contracts in 2021:

- The concession for the Grand Paris Express fiber optic network: a 25-year contract worth €500 million to be operated by RATP Solutions Ville (75%), in partnership with CDC (25%);
- The production and distribution of cooling energy for the City of Paris: a 20-year contract worth €2.4 billion will be operated by a joint subsidiary with Engie/Climespace, in which RATP Solutions Ville will hold a 15% stake.

In addition, RATP Solutions Ville is inaugurating its urban logistics business line at the Group's first four Parisian sites, with Chronopost and Amazon.

RATP Smart Systems

2021 was a pivotal year for RATP Smart Systems, which saw its business scope evolve significantly, with the continued integration of Mappy and the ramp-up of the MaaS program. The year also saw the launch of the new *Bonjour RATP* MaaS app and the integration of new mobility partners (VTC Marcel, Velib and Tier since October), as well as Mappy.

Systra

Systra, in which RATP Group holds a 43.4% stake alongside SNCF, is a consulting and engineering group that is a world leader in the design of transportation infrastructure, with over 70% of its business conducted abroad. Systra experienced remarkable commercial momentum in 2021, with a record order intake of €880 million (up 21% compared to 2020), bringing its order backlog to €1.15 billion, or approximately 17 months of revenue. Revenue rose by 14% to €763 million, notably driven by the United Kingdom (phase 2 of the HS2 high-speed line project and the Old Oak Common station project) and by the integration of Italian company SWS, acquired

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in September 2021. SWS specializes in the construction of underground structures and will enable Systra to strengthen its position in the field of design & build.