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Atlas Arteria

2019 Half Year Results Presentation

atlasArteria

29 August 2019

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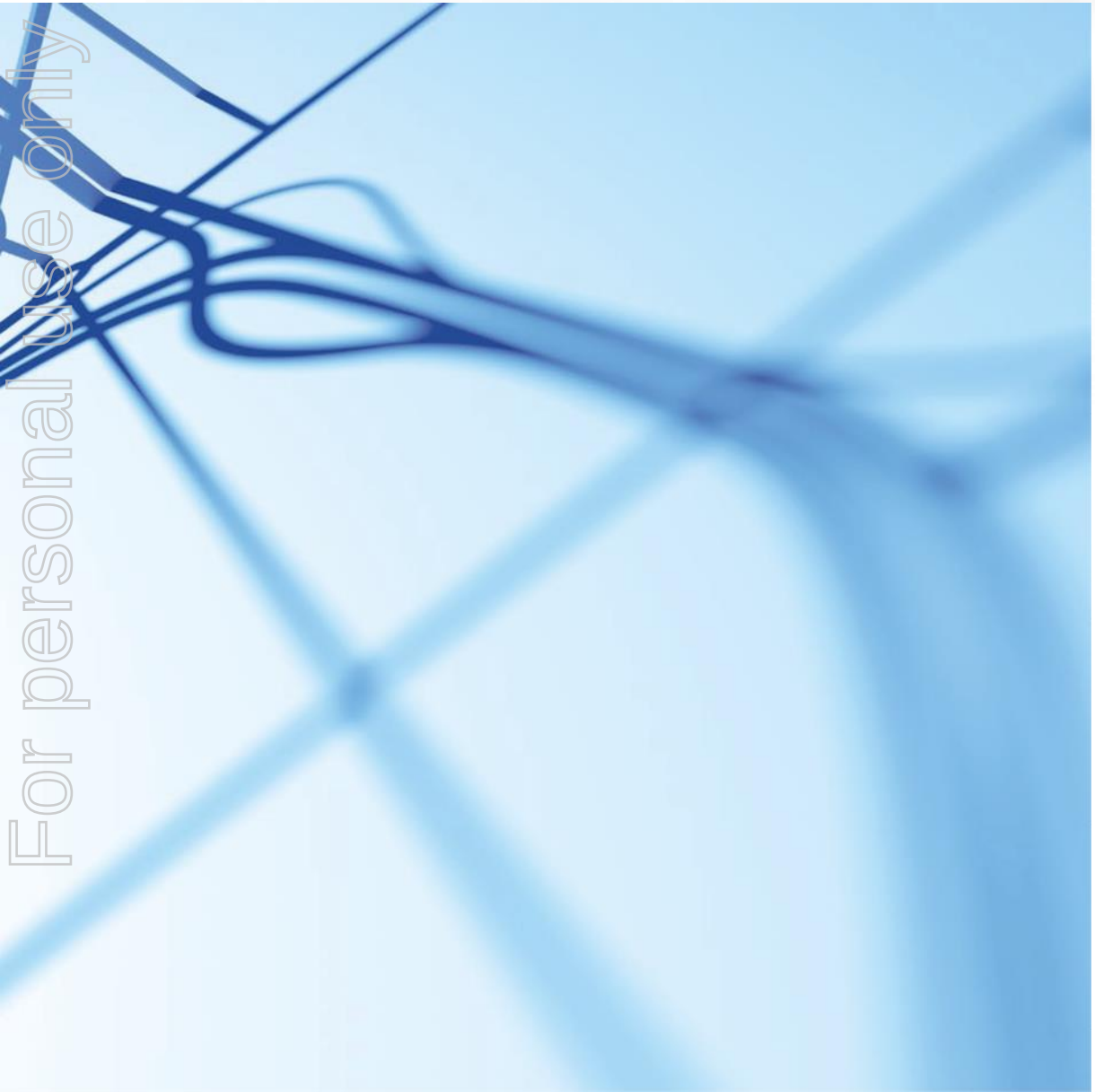

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01 Key Highlights

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Graeme Bevans
Chief Executive Officer

APRR
France

Photo of APRR, source: APRR

01 Atlas Arteria – 5 months post internalisation

ALX is in a strong position to grow for its shareholders, customers, communities, and staff

Experienced internal team

Strong positive corporate culture – clear principles support teamwork and transparency

Focus on Safety and ESG

Strategy for growth

Refocus of the US business underway

APRR fundamentally strong business

Opportunity to simplify the MAF management arrangements

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01 Safety on our motorway networks is the number 1 priority

We have continued to add features to improve safety

APRR

- LTIFR 5.5 with incident number flat from the prior half year
- Further initiatives to reduce incidents are underway
- APRR working with the authorities to rectify speed cameras damaged as a result of the Gilets Jaunes

Dulles Greenway

- LTIFR 0 with 0 serious customer motor accidents
- During the half year Dulles Greenway partnered with an e-training company to increase access to safety training for employees

Warnow

- LTIFR affected by 1 workplace injury – but 0 serious customer motor accidents
- New accident analysis protocol installed to further mitigate against potential hazardous situations
- Installed road signs in February to prevent counter-flow driving

Case Studies from APRR: The connected working boot and safety apps

APRR is currently working on increasing worker safety through technology. It is trialling work boots that vibrate when the user comes close to large equipment, divider cones, or when divider cones are hit by traffic. The focus of this technology is to increase the safety of workers in construction zones.

APRR has developed an app to make employees immediately aware of risky situations and hot alerts about traffic conditions around them. The app will allow workers to follow risk situations and record prevention measures. Currently in testing and expected to be rolled out by the end of 2019.

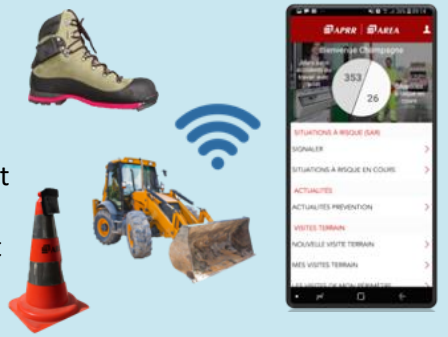
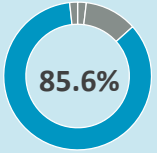
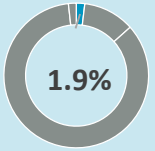
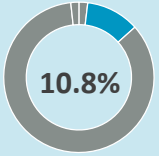
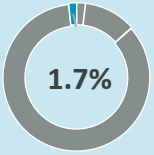


Photo of APRR, source: APRR

01 H1 2019 Highlights

Group operating revenue up 1.2% and proportionate EBITDA up 1.6%, while group traffic was down 1.1%

Business	Highlights	Revenue Contribution	Traffic Growth	Revenue Growth	EBITDA Growth
APRR	— Continued strong growth in heavy vehicle traffic — Light vehicle traffic returning to long term trend growth off high comparison period — Revenue growth was driven by the traffic mix and a toll increase		-1.0%	+1.3%	+1.7%
ADELAC	— Traffic growth impacted by similar factors as APRR — Revenue outcomes supported by the traffic mix and toll increase		-2.0%	-0.2%	-0.8%
Dulles	— Traffic affected by the US Federal Government shutdown and weather — Network factors continued to impact traffic — Revenue supported by increase in toll in mid April		-2.3%	-0.4%	+0.1%
Warnow	— Traffic continues to benefit from roadworks on competing routes — Revenue risen strongly reflecting increased traffic and toll increase		+4.9%	+8.5%	+9.2%

Note: Revenues and operating costs are presented under local accounting standards in natural currency, excluding impacts of IFRIC 12, excluding project improvement expenses for Dulles Greenway and excluding provisions and maintenance capital expenditure for Warnow. Details in IRP Appendix 1

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01 ALX Distribution

Continued strong growth in distributions

H1 2019 distribution guidance of 15.0 cps reaffirmed

- Wholly funded by and dependent upon projected distributions from APRR
- A 25.0% increase on distribution paid in H2 2018 (interim dividend for FY 2018)
- Expected to declare in mid-late Sept 2019 with payment by early-mid Oct 2019
- No hedging of foreign currency exposure

H2 2019 distribution guidance of 16.0 cps

- Distribution guidance now for 2 rather than 3 half year forward periods, consistent with our peers
- Guidance assumes no changes to the current APRR / Eiffarie capital structure, or the MAF advisory agreements
- Guidance is subject to business performance, foreign exchange movements, French tax rates and other future events

ALX distributions (cps)

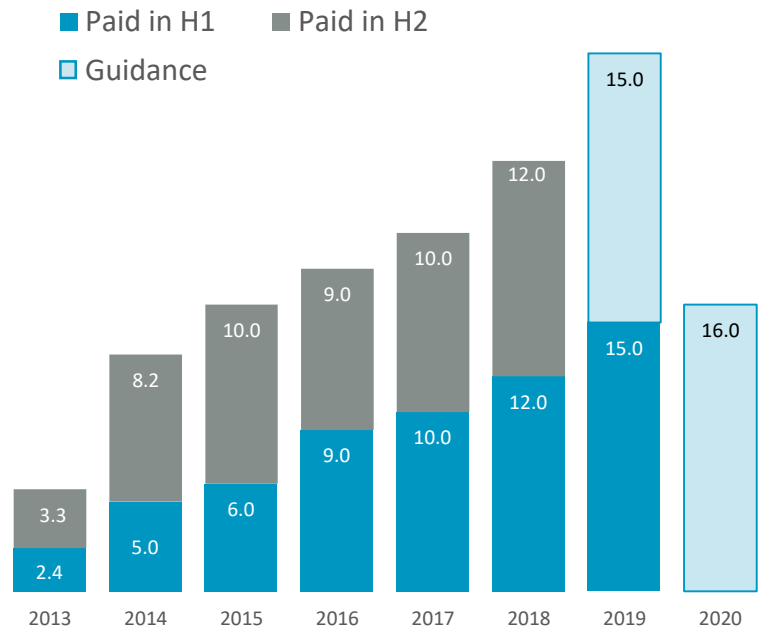

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Photo of Dulles Greenway

02 Financial Performance

Nadine Lennie
Chief Financial Officer

APRR
France

Photo of APRR, source: APRR

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02 Income Statement

ALX A$m	H1 2019	H1 2018	% Chg
Revenue, other income			
— Toll Revenue	72.8	57.6	26.3%
— Other revenue	13.3	2.0	574.7%
Costs			
— Business operations	(28.6)	(15.3)	(86.1%)
— Corporate cost	(7.7)	(6.5)	(19.5%)
— Macquarie management fees	(1.5)	(88.3)	98.3%
Finance costs	(55.8)	(58.9)	5.3%
Depreciation and Amortisation	(34.8)	(29.0)	(20.3%)
Income Tax Expense	0.8	0.5	53.0%
Share of profits from associates (APRR)	129.7	127.5	1.8%
Net Profit After Tax (normalised)	**88.2**	**(10.4)**	**n.m**
Notable items			
— Transition costs	(2.3)	(5.1)	55.1%
— Macquarie management fees	(16.2)	-	n.m
— Impairments	(162.9)	-	n.m
Income Tax effect of notable Items	5.6	-	n.m
Net Profit (Loss) After Tax	**(87.6)**	**(15.5)**	**(465.0%)**

ALX is profitable and corporate costs are expected to perform in line with guidance

H1 2019 includes the consolidated financial performance of both Dulles Greenway and Warnow versus only Dulles Greenway for H1 2018

Other revenue and Business operations costs are impacted each by $9.4m of IFRIC 12 adjustments

Corporate costs are in line with guidance at A$15-20m p.a

Fees to Macquarie for the management of MAF/MAF2 will remain as ongoing costs pending any agreed termination

Macquarie fees for the management of Atlas Arteria in H1 2019 are reflected as an exceptional expense given they will not be an ongoing expense. Fees paid to Macquarie under the Transition Services Agreement of $750k per month from 16 May 2019 will also be part of the notable items for 2019

The impairment reflects the revised valuation for Dulles Greenway. Non cash item

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02 Proportionate EBITDA by business

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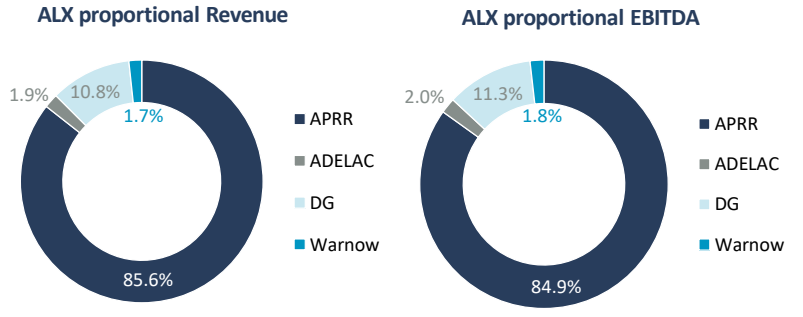
APRR 100% (€m)	H1 2019	H1 2018	% change
Traffic (VKTm)	11,562	11,685	(1.0%)
Operating revenue	1,250.8	1,234.7	1.3%
Operating expenses	(295.5)	(295.7)	0.1%
Total EBITDA	**955.3**	**939.0**	**1.7%**
Total EBITDA (proportional, A$m)[1,2]	**382.2**	**375.6**	**1.7%**

ADELAC 100% (€m)	H1 2019	H1 2018	% change
Traffic (ADT)	29,348	29,961	(2.0%)
Operating revenue	28.0	28.0	(0.2%)
Operating expenses	(4.9)	(4.7)	(2.9%)
Total EBITDA	**23.1**	**23.3**	**(0.8%)**
Total EBITDA (proportional, A$m)[1,2]	**9.2**	**9.3**	**(0.8%)**

Warnow 100% (€m)	H1 2019	H1 2018	% change
Traffic (ADT)	12,967	12,358	4.9%
Operating revenue	6.4	5.9	8.5%
Operating expenses	(1.4)	(1.3)	(6.2%)
Total EBITDA	**4.9**	**4.5**	**9.2%**
Total EBITDA (proportional, A$m)[1, 2]	**7.9**	**7.3**	**9.2%**

Dulles Greenway 100% (US$m)	H1 2019	H1 2018	% change
Traffic (ADT)	49,146	50,284	(2.3%)
Operating revenue	44.4	44.6	(0.4%)
Operating expenses	(8.5)	(8.7)	2.9%
Total EBITDA	**35.9**	**35.9**	**0.1%**
Total EBITDA (proportional, A$m)[1, 2]	**50.9**	**50.8**	**0.1%**

ALX proportionate (A$m)[1,2]	H1 2019	H1 2018	% change
Traffic (Weighted Average)[3]	n.a	n.a	(1.1%)
Operating revenue	584.8	577.8	1.2%
Operating expenses	(134.6)	(134.8)	0.2%
Total EBITDA	**450.2**	**443.0**	**1.6%**



Note: Revenues and operating costs are presented under local accounting standards in natural currency, excluding impacts of IFRIC 12, excluding project improvement expenses for Dulles Greenway and excluding provisions and maintenance capital expenditure for Warnow. Details in IRP Appendix 1

1. Average foreign currency exchange rates from the current period AUD = 0.7061 USD and AUD = 0.6249 EUR
2. EBITDA for H1 2018 have been derived by restating the H1 2018 results with the current asset ownership percentage and foreign currency exchange rates from the current period
3. Traffic growth is weighted by ALXs beneficial interests in each business' revenues, in AUD using the average exchange rates in the period

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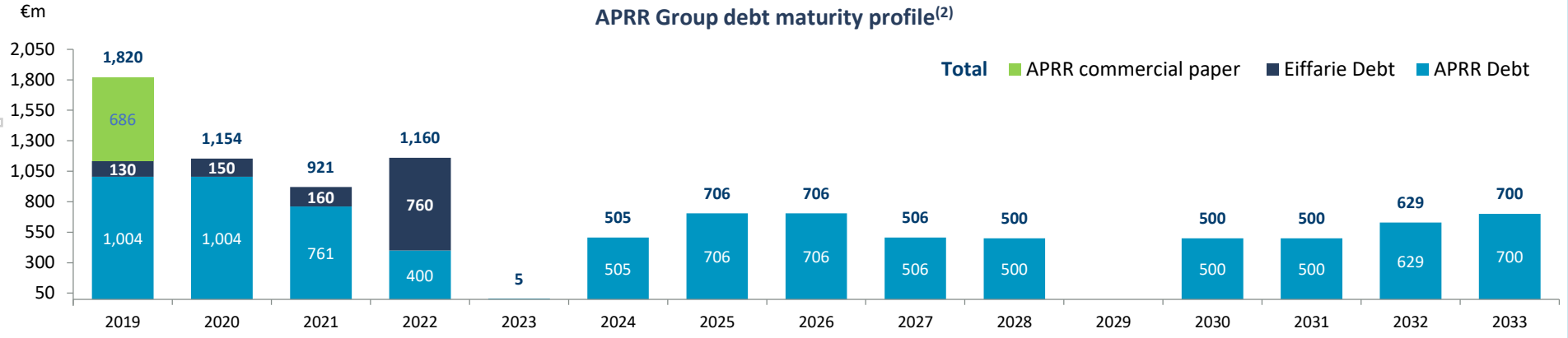
02 APRR financial position

Earnings growth driven by operational performance and a low cost financing structure

€m[1]	H1 2019	H1 2018	% change
Total EBITDA	**955.3**	**939.0**	**1.7%**
EBITDA margin %	**76.4%**	**76.0%**	**0.4%**
Provisions and other	(24.6)	(18.5)	(33.0%)
Net interest expense	(59.6)	(75.7)	21.3%
Depreciation and amortisation	(212.0)	(203.4)	(4.2%)
APRR corporate income tax	(211.3)	(221.0)	4.4%
APRR consolidated NPAT	**447.8**	**420.4**	**6.5%**
APRR average cost of debt (%)	1.5%	1.9%	(0.4%)
Eiffarie average cost of debt (%)	0.9%	13.2%	(12.3%)

- APRR has investment grade credit ratings, rated A- Stable Outlook by both S&P (rating re-affirmed in November 2018) and Fitch (rating re-affirmed in June 2019)
- APRR Group Net Debt balance of €8.2bn (including €1.1bn at Eiffarie) (30 June 2018: €8.3bn)
- At 30 June 2019, the APRR Group had €2.8bn of liquidity via €1.8bn undrawn revolving credit facility and ~€1.0bn cash on balance sheet
- APRR has sufficient balance sheet flexibility for capital growth in the short term



1. Revenues and operating costs are presented under local accounting standards in natural currency, excluding impacts of IFRIC 12 and project improvement expenses. Details in IRP Appendix 1
2. Refer to the IRP for further details on APRR's debt

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02 Dulles Greenway financial position

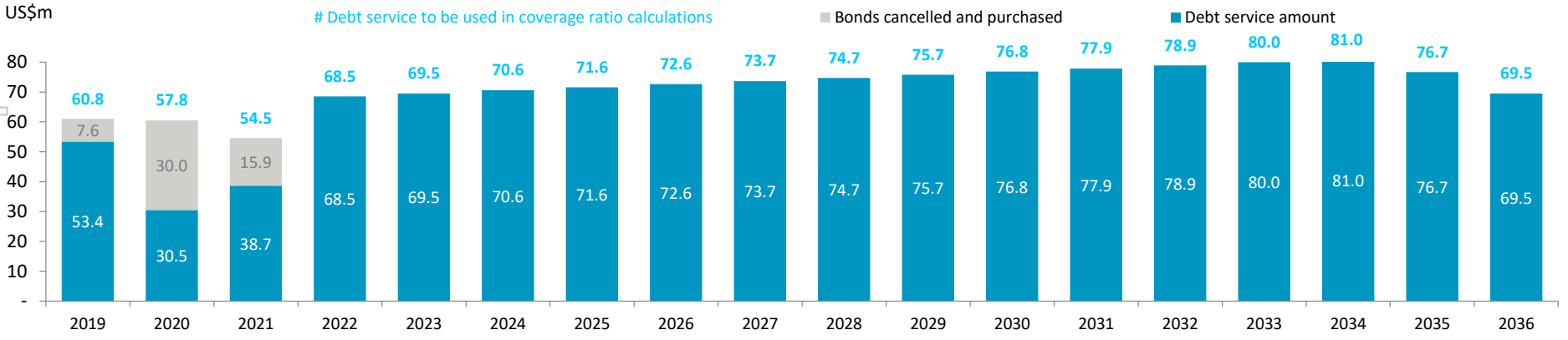
One-Year Lock Up Test unlikely to be met at December year end

US$m[1]	H1 2019	H1 2018	% change
Traffic (ADT)	49,146	50,284	(2.3%)
Operating revenue	44.4	44.6	(0.4%)
Operating expenses	(8.5)	(8.7)	2.9%
Total EBITDA	**35.9**	**35.9**	**0.1%**
Net Toll Revenue	**35.7**	**35.7**	**0.2%**
EBITDA margin %	**80.9%**	**80.4%**	**0.5%**
Capex	7.1	2.0	
Cash balance retained for capital projects	19.0	19.5	
"Locked Cash" otherwise available for distribution	41.4	19.1	

- US$1.0bn total gross outstanding debt as at 30 June 2019 with fixed repayment profile until 2056
- To pass the 2019 1 year distribution lock up test, Net Toll Revenues[2] at Dulles Greenway would need to be ~US$76m. Based on current performance this test is unlikely to be met
- To pass the 3 year lock up test, Net Toll Revenues[2] needs to be ~US$72-73m (accommodating transfers to the required reserve funds)
- H2 will see the full 6 months benefit of increased tolls (2.91% on 10 April 2019)

1 year lock-up MCR	3 year lock-up ACR
1.25x debt service	1.15x debt service

Dulles Greenway debt service profile to 2036[3]



1. Revenues and operating costs are presented under local accounting standards in natural currency, excluding impacts of IFRIC 12 and project improvement expenses. Details in IRP Appendix 1
2. Net Toll Revenue: Reflects the definitions in the TRIP II bond indenture documents. Refer to the IRP for further details
3. Refer to the IRP for further details on Dulles Greenway's debt

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02 ALX corporate cash flow in the 6 months to 30 June 2019

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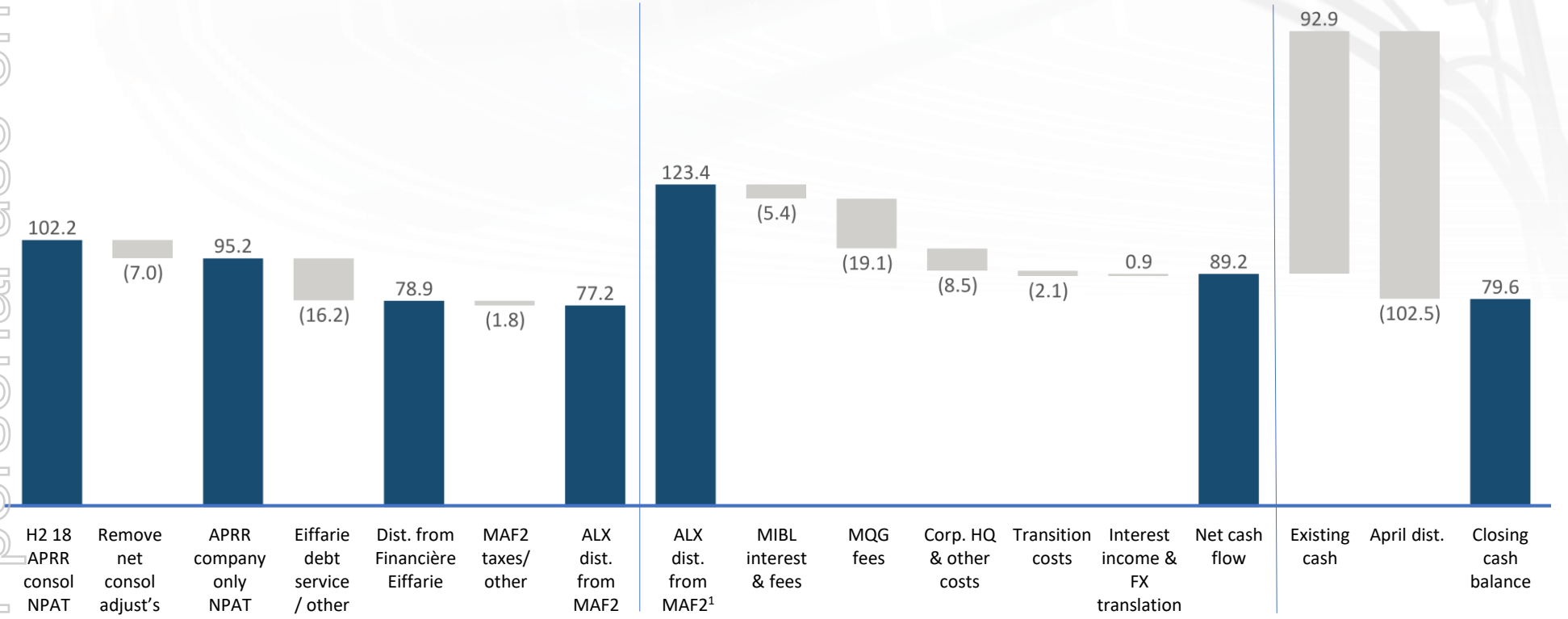
APRR dividend to ALX (€m)

ALX cash flows (A$m)

ALX cash balance (A$m)



APRR Proportional Cashflows to ALX	ALX Cash flows	ALX cash balance
Represents the 25% indirect interest that ALX has in APRR and Financière Eiffarie, and 50.01% interest in MAF2	Represents the cash flows within the ALX controlled corporate structure	ALX cash balances pre and post distribution

1. Represents the spot exchange rate at which the distribution from MAF2 was converted to AUD

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03 Operations

Graeme Bevans
Chief Executive Officer

Dulles Greenway
Virginia, USA

Photo of Dulles Greenway, source: David Madison photography

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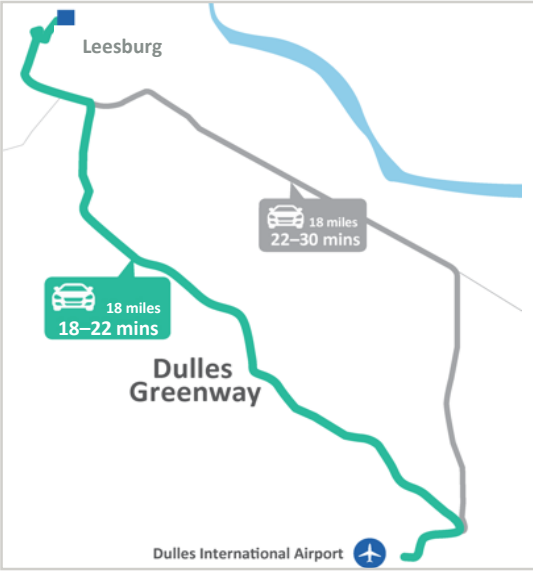
03 Value for Customers

Each day our network provides customers substantial saving on their travel time

APRR	120 MIN[1] (PARIS-LYON) saving AT A COST OF €35.40
ADELAC	18 MIN[1] (ANNECY – GENEVA) saving AT A COST OF €8.40
DULLES GREENWAY	10 MIN[1] saving AT A COST OF US$5.80
WARNOW TUNNEL	16 MIN[1] saving AT A COST OF €4.20

APRR
Case study[1]:
Visiting parents in Lyon

Adele lives in Paris with her family and her parents live in Lyon. Adele plans a weekend trip to her parents. By paying €35.40 to use the A6 in the APRR network, the drive takes them ~5 hours compared to ~7 hours when avoiding tolls. Adele and her family can now leave Paris Friday afternoon and still make it in time for dinner in Lyon, receiving a nice home cooked meal for the kids rather than stopping at rest stop to pay for dinner.



Dulles Greenway
Case study[1]:
Peak to Dulles Airport

Ann lives in Leesburg, and is flying on a domestic flight at 8:55am from Dulles Airport. Ann is running late and uses the Greenway to make sure she reaches the airport on time. The Greenway provides her with a reliable trip time that is less than the alternative route. Ann pays $5.80 and avoids the need to change her flights for a $75 change fee and a 3 hour delay to reach her destination.

1. Average timed saved as per Google maps. Refer to Sources (slide 44)

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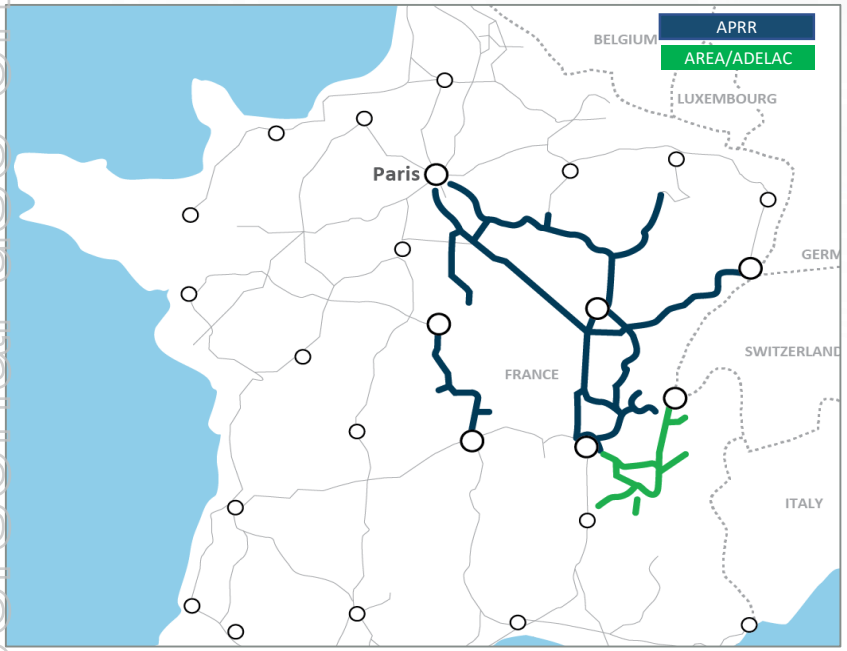
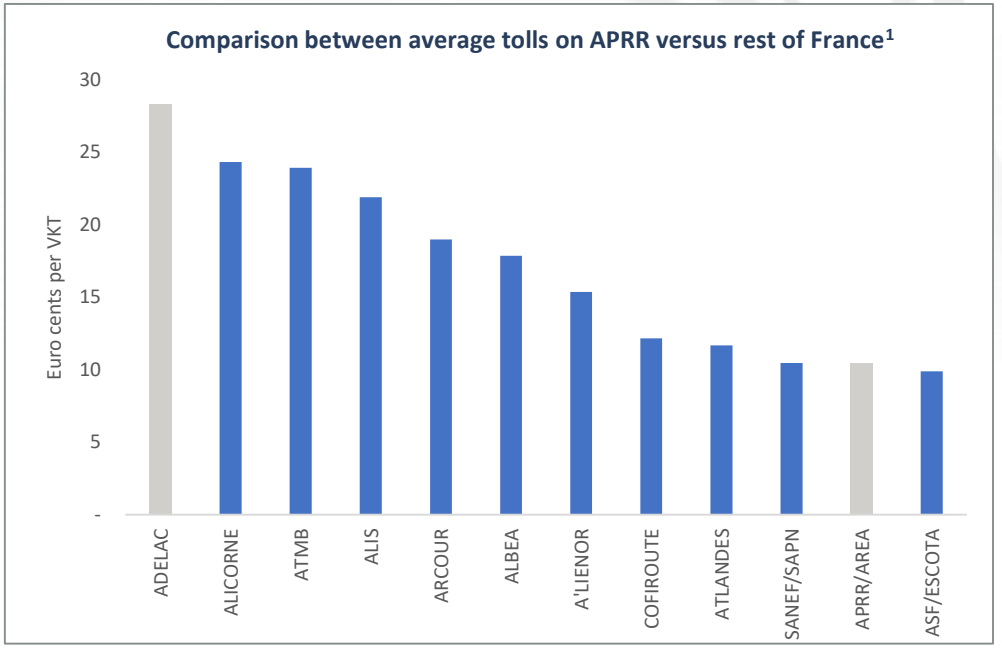
03 APRR and ADELAC connecting Paris with Lyon and eastern France

An efficient, safe and cost effective network for customers





A focus on user experience and convenience

- APRR provides high value effective outcomes for customers compared to other toll roads in France
- Road network growth to date has been funded primarily by way of concession extensions rather than substantial toll increases
- Innovation for customer experience (such as investment in charging stations) positions APRR as a convenient and competitive travel solution
- Nearly 23% of ADELAC trip length is tunnels and viaducts

1. Source: ASFA 'Chiffres Cles' 2018 report, published May 2019

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03 APRR traffic growth

Heavy vehicle and light vehicle growth create resilient traffic performance across business cycles

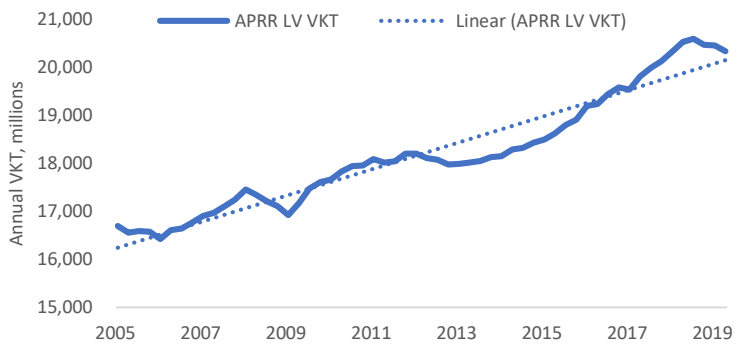
LV traffic long term growth of 1.5% p.a.

LV traffic growth highly correlated with French household income

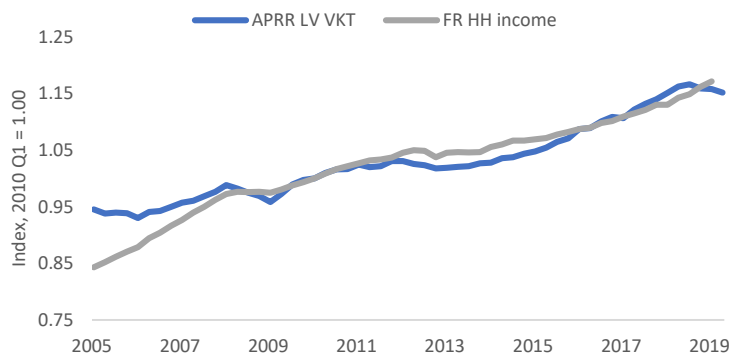
HV traffic long term growth rate of 2.8% p.a. with growth over the past 5 years at 3.7% p.a.

HV traffic growth strongly correlated with growth in French manufactured goods

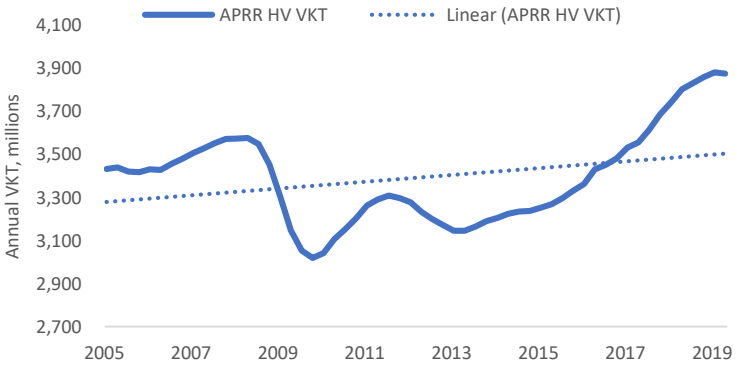
APRR Light Vehicle Traffic



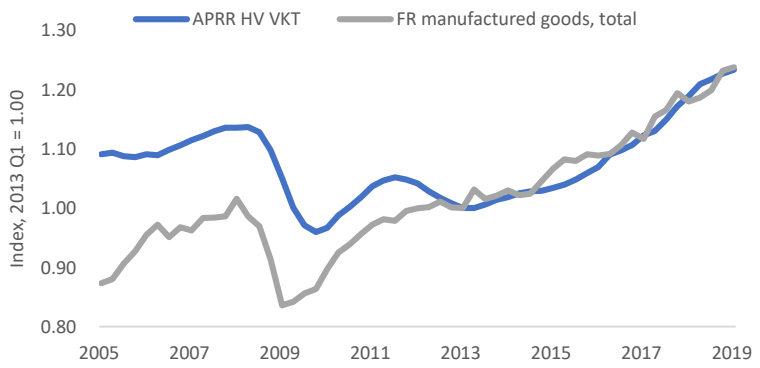
APRR LV Traffic Growth vs French Household Income[1]



APRR Heavy Vehicle Traffic



APRR HV Traffic vs French manufacturing[1]



1. Source: INSEE (Institut national de la statistique et des etudes economiques)

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03 APRR continues to improve customer satisfaction and margins

Ongoing commitment to improving operational efficiency

Operational efficiency and innovation to improve margins

- APRR increased their automated toll collections by 0.3% vs prior year
- Electronic toll collection increased to now account for 60.7% of all collections, up 0.9% from H1 2018
- APRR now manages 2.8m electronic transponders, up 9.5% from H1 2018, processing more accurate data on traveling times and patterns
- Headcount at APRR has decreased to 3,211 FTE, down 1.3% compared to H1 2018, resulting from an organisational review and increased efficiencies
- RCEA project expected to be free flow tolling, setting the stage for the network

Enhancing customer experience to drive value

- Round the clock monitoring with the help of 550 video cameras, 380 traffic counting stations and 470 variable message signs
- APRR has installed variable message and speed signs at key locations, in an effort to reduce the number of accidents in key areas and reduce travel time for customers
- Increasing of the number of charging stations for electric vehicles from 52 to ~100 by 2020, with at least 4 high performance charging points at each rest area

Photo source: APRR

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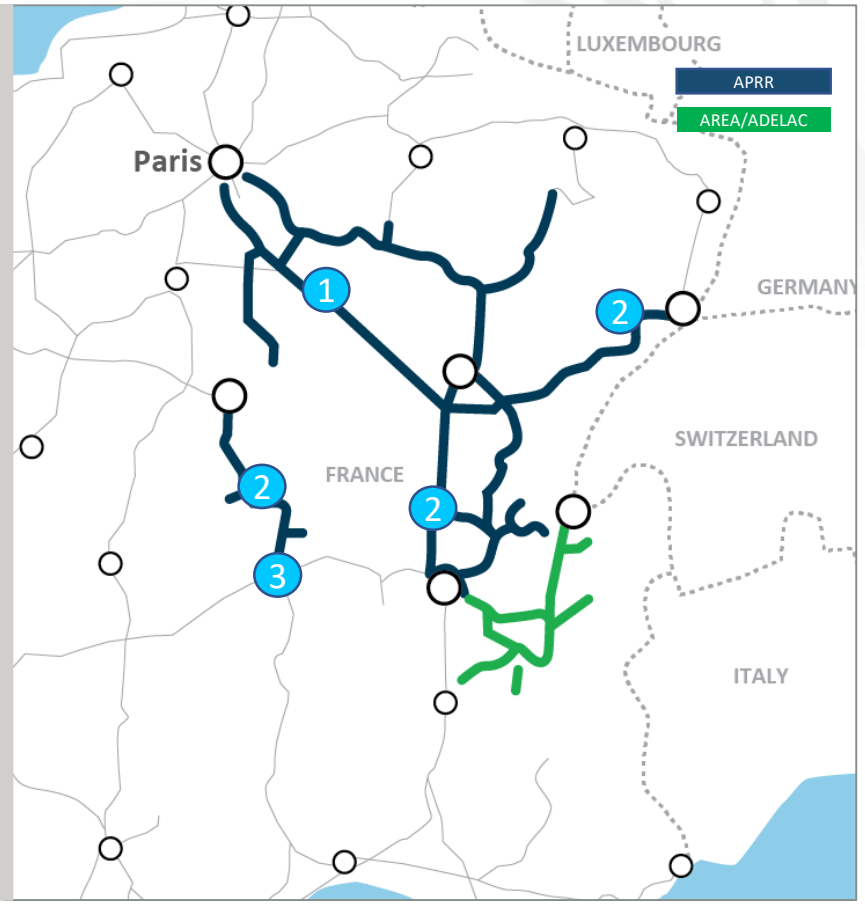
03 APRR continues to invest for an improved customer experience

Investing in capital projects to grow APRR footprint

Growth within the APRR footprint

- Since 2015, APRR had added 50km to the network
- APRR continued to grow and improve its network over the last 6 months with €232m in capex spending, up from €161m for H1 2018. Some of the ongoing capital projects include:
  1. Adding a 3rd lane on A6 near Auxerre
  2. Upgrading interchanges at 3 conjunctions
  3. Widening to dual three-lane on A75, Clermont-Ferrand to Le Crest
  4. Surveying to add 19 wildlife crossings across the network
- Projects under the Motorway Investment Plan (PIA) (€187m in total, with ~10% to be financed by local authorities) are progressing well
- Negotiations regarding RCEA are underway, first finalisation meeting has taken place and review/approval by ARAFER (regulator) and Council of State is expected in the second half
- Capital expenditure guidance excluding RCEA project (€ real as at June 2019):
  - ~€1.5bn over the next 3 years (2019-21)
  - Average ~€150m to €200m per annum over the long-term



1. Adding a 3rd lane on A6 near Auxerre
2. Upgrading interchanges at 3 conjunctions
3. Widening to dual three-lane on A75, Clermont-Ferrand to Le Crest

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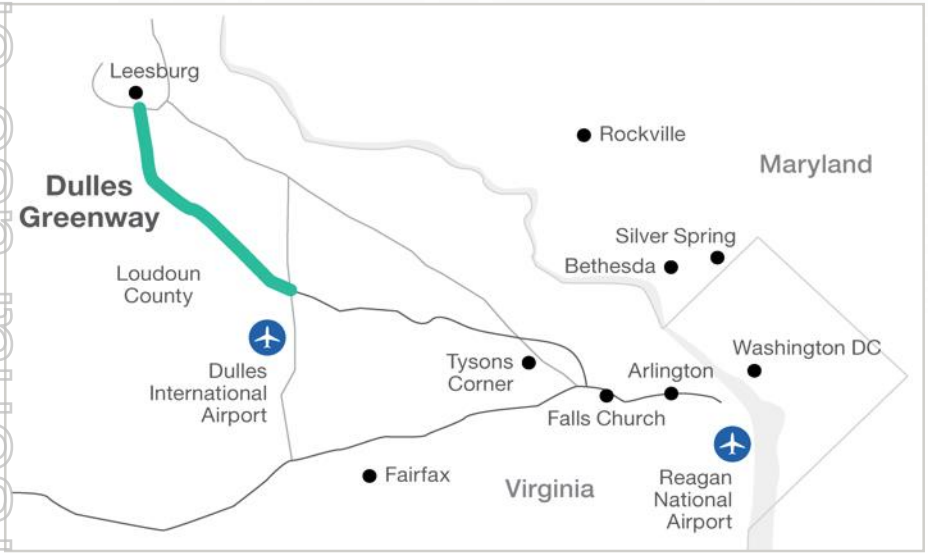
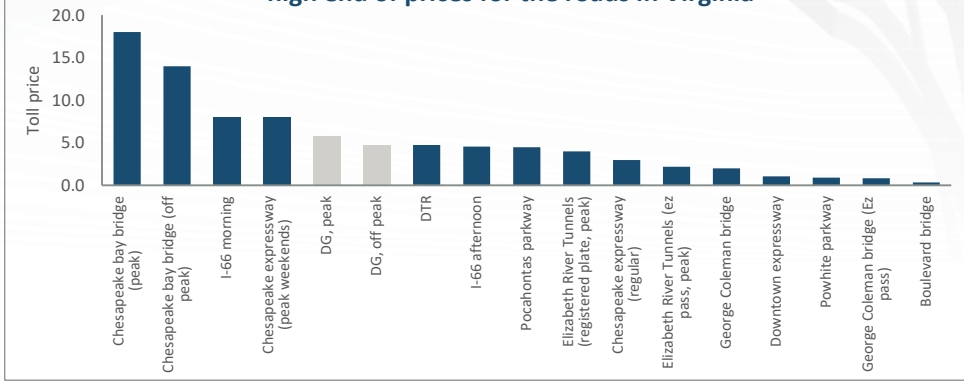
03 Dulles Greenway

A cost effective road connecting growing, prosperous communities to connector roads and Washington DC



- Population growth is an important driver of long term growth
- Loudoun County has a pro growth economic development strategy, including promoting a mixed use of low, medium, and high-density developments along the corridor
- Developments encompass residential, commercial, retail, targeted at the middle/upper income band

On a stand alone basis, tolls on the Greenway are in the mid to high end of prices for the roads in Virginia[1]



On a per mile basis, the DG offers good value for consumers[1]

1. Source: refer to Sources (slide 44)

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03 Dulles Greenway operational update

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Current Status

- Q2 2019 traffic is down 10% compared with Q2 2016
- Upgrades to surrounding roads means traffic is taking longer than expected to reflect population growth and economic development in the area

Preparation for the SCC Rate Case

- The current legislation permits tolls at Dulles Greenway to increase by the maximum of CPI+1%, Real GDP or 2.8% for the period between 1 Jan 2013 and 1 Jan 2020
- In 2018, Dulles Greenway had dialogue with multiple stakeholders to establish distance based tolling with a future toll path beyond 2020, but an agreement was not reached
- From 2020 onwards, toll increases will be set by application to the State Corporation Commission (SCC)
- Dulles Greenway anticipates lodging its 2020 toll application with the SCC during the second half of 2019

Business improvement initiatives

Leadership

- Pierce Homer (former Secretary of Transport in Virginia) was appointed as a new board member in early August
- The search for a new CEO is underway

Processes and Systems

- New initiatives aimed at reducing costs (US$1m identified):
  - Maintenance reviews to be optimised
  - Consolidation of some administrative activities
  - Optimisation of pricing on key contracts
- Continued optimisation of toll collections through increased use of automated transactions in 2019:
  - 85.7% Automatic Vehicle Identification (AVI) transactions (2018: 84.5%)
  - 94.1% automated transactions (AVI + credit cards) (2018: 93.8%)

03 Dulles Greenway improving the customer experience

Capital projects improving traffic flow and overall performance

Dulles Toll Road (DTR) Connector Project

- Alleviate morning peak congestion where Dulles Greenway merges on to the DTR
- Phase 1 started Dec 2018 and expect completion late 2019 to early 2020, subject to weather
- Phase 2 pending planning permit from MWAA (expected shortly) - completion for the overall project is expected within 12 months
- Total DTR Connector Project capex is ~ US$18 million – the project has been designated as a special improvement project[1]

Western End Projects

- Alleviate afternoon peak congestion where Dulles Greenway merges on to the Leesburg Bypass (LBP)
- Phase 1 involves a reconfiguration of Dulles Greenway's off-ramp to the eastbound LBP. Initial engineering work is being conducted on this Phase
- Phase 2 involves a joint project with Loudoun County to widen a section of the LBP to the west of where Dulles Greenway merges on to the LBP
- Both phases are expected to be completed within 2-2.5 years, and are designated as special improvement projects

Photos of Dulles Greenway, source: David Madison photography

1. Special improvement projects are funded out of cash balances but do not affect lock-up tests

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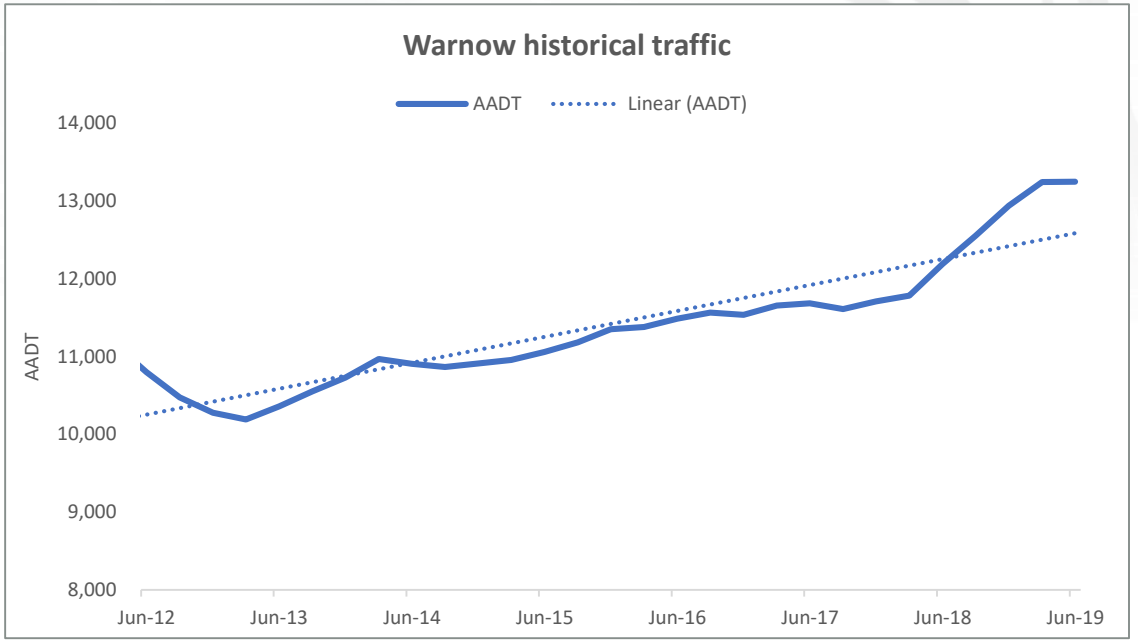
03 Warnow connecting the Baltic sea with Rostock and highways to Berlin

Stable growth in an asset located in a favourable part of Europe



- Located in the town of Rostock, 240km north west of Berlin
- Provides a 4km crossing of the River Warnow, which substantially reduces travel times, avoiding congestion and a longer route through the city centre
- Stable economic conditions in the largest economy in Europe, Germany's most preferred port for tourism and the second port on the German Baltic Coast, and a key route between Germany and Scandinavia
- Named one of the safest tunnels in Europe by ADAC (German Automobile Club) in 2009 and has since then continued to improve further on its safety
- Long term underlying growth rate of 1.8%, with growth since Q2 2018 boosted by roadworks on competing routes in Rostock

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04 Strategy and Outlook

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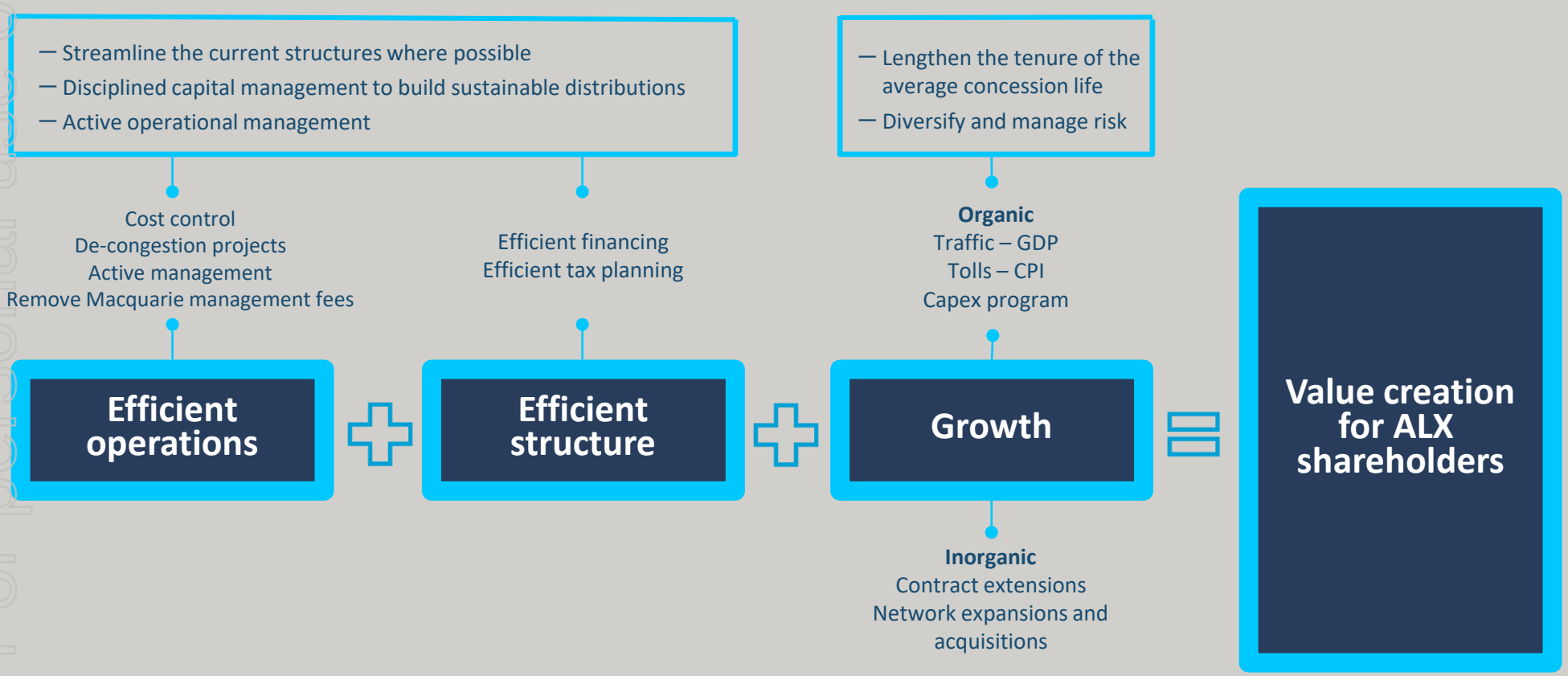
Graeme Bevans
Chief Executive Officer

APRR
France

Photo of APRR, source: APRR

04 ALX value creation

Implementation against strategy underway



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04 Investment discipline

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Focus on strategy

- Streamline the existing portfolio
- New opportunities need to meet strategic objectives & minimum A rated jurisdictions within the OECD

Leverage internal capability

- Strong road operations and maintenance experience
- Data management traffic forecasting capability
- Teams located in Australia, Europe and North America

Optimal leverage

- Focus on investment grade leverage metrics

Valuation discipline

- Disciplined approach to all investment
- Focus on shareholder value and distribution growth
- Significant inter-cycle and international investment experience brings sound judgement

Photo of APRR, source: APRR

04 Positive outlook with growing distributions

Atlas Arteria

- Benefits from internalisation to flow through into H2 2019
- Negotiations with Macquarie and Eiffage continue relating the management of MAF/MAF2
- Focus on opportunities to create sustainable cash flows and lengthening the average concession term
- Reaffirmed H1 2019 distribution of 15.0 cps (payable September/October) and H2 2019 guidance of 16.0 cps payable in H1 2020

APRR

- Stronger growth in HV traffic expected to continue
- LV traffic growth expected to return to historic longer-term averages
- RCEA under negotiation
- Ongoing dialogue with French State around opportunities to add value in return for concession extensions

Dulles Greenway

- Projects to ease congestions ongoing
- Seasonal and unusual factors that impacted H1 2019 not expected to continue in H2 (subject to weather late in Q4)
- Network impacts expected to continue
- Recruitment for new CEO underway
- Relationship with VDOT developing

Photo of APRR, source: APRR

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Thank You

Q&A

Contact for investors
Nadine Lennie
Chief Financial Officer
Australia : 1800 621 694
International: +61 2 8232 7455
investors@atlasarteria.com

05 Appendices

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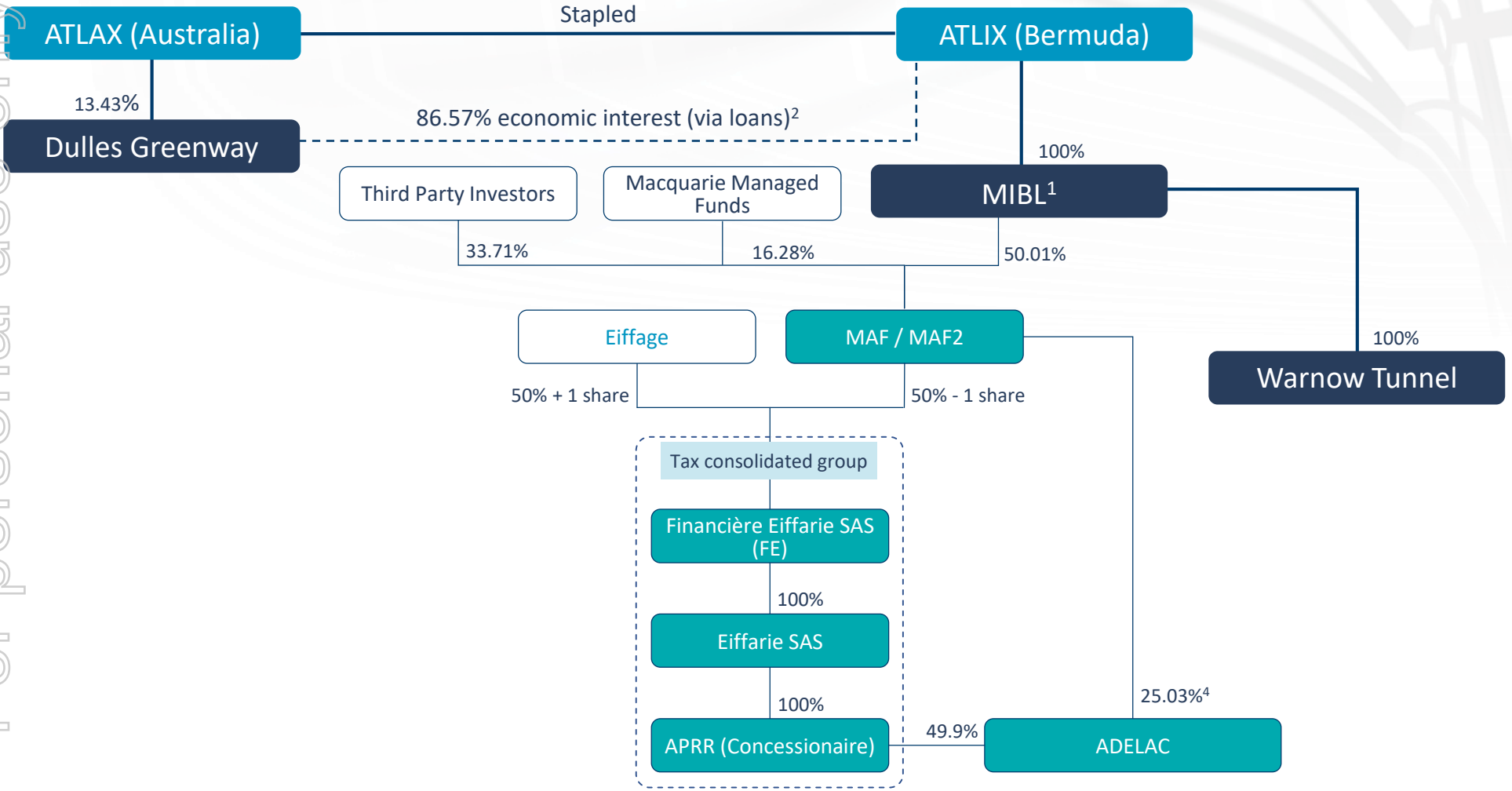
Appendices

Dulles Greenway
Virginia, USA

Photo of Dulles Greenway

05 ALX Corporate Structure



1. ATLIX has acquired interests in APRR, ADELAC and Warnow Tunnel indirectly through its wholly owned subsidiary MIBL Finance Luxembourg Sarl ("MIBL")
2. ATLIX's 86.57% economic interest in Dulles Greenway represents two subordinated loans secured against the non-ALX limited partner interests in Toll Road Investors Partnership II ("TRIP II")
3. APRR represents APRR and its subsidiaries. APRR Group represents a consolidation of Financière Eiffarie ("FE"), Eiffarie, and APRR and its subsidiaries. References to APRR and APRR Group excludes ADELAC financial information.
4. ATLIX's 25.03% interest in ADELAC is held partly through its investment in APRR and partly through its 50.01% investment in Macquarie Autoroutes de France 2 SA ("MAF2")

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Management team post internalisation

Graeme Bevans
Chief Executive Officer

Commenced May 2018

Strong track record in infrastructure investment globally

Lead CPPIB and IFM infrastructure businesses delivering outstanding investment performance

Deep experience with complex investments in Australia, Europe and North America

Nadine Lennie
Chief Financial Officer

Commenced with ALX in July 2018

Experienced CFO, previously with Melbourne Airport and the AfterPay Touch Group

Experience in implementing and managing complex financial structures across Australia, Europe and North America

Strong track record in disciplined infrastructure development and investment globally

Vincent Portal-Barrault
Chief Operating Officer

Commenced with ALX in December 2018

Joined from Macquarie Group in France and brings exceptional knowledge of APRR, having been responsible for the management of APRR for the past six years

Proven track record in the origination of infrastructure investments

Deep experience in operational monitoring and improvement of infrastructure businesses

Clayton McCormack
General Counsel and Company Secretary

Commenced with ALX in December 2018

Over 20 years' experience at leading law firms and in legal and company secretarial positions

Formerly legal executive and company secretary of BlueScope Steel

Experienced legal governance and risk advisor to complex multinational businesses (US & Europe)

Strong transactional experience

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05 Consolidated Balance Sheet

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Statutory accounts

				As at 30 Jun 2019	As at 31 Dec 2018
A$m	ALX Corporate	Dulles Greenway	Warnow Tunnel	ALX Total	ALX Total
Current assets	77.1	72.9	3.5	153.5	189.0
Investments in associates	1,572.3	–	–	1,572.3	1,570.0
Tolling concessions	–	2,253.5	210.6	2,464.1	2,578.4
Goodwill	–	-	14.2	14.2	79.4
Other non-current assets	6.1	195.0	8.4	209.5	211.8
Total assets	**1,655.5**	**2,521.4**	**236.7**	**4,413.6**	**4,628.6**
Current liabilities	(14.6)	(54.0)	(17.4)	(86.0)	(115.3)
Non-current liabilities	(565.4)	(1,416.2)	(207.4)	(2,189.0)	(2,184.7)
Total liabilities	**(580.0)**	**(1,470.2)**	**(224.8)**	**(2,275.0)**	**(2,300.0)**
Net assets	**1,075.5**	**1,051.2**	**11.9**	**2,138.6**	**2,328.6**

05 ALX corporate cash flow summary

Cash (A$m)	H1 2019	H1 2018
Opening balance – 1 January	**92.9**	**41.6**
Distributions from APRR	123.4	103.7
Interest on corporate cash balances	0.7	0.3
Management fees paid	(19.1)	(17.3)
Corporate costs and other payments to suppliers	(8.7)	(3.0)
ALX internalisation and transition costs	(2.1)	(5.9)
Other, including tax payments	0.3	0.2
Net operating cash flows	**94.5**	**78.0**
Proceeds from borrowings	-	534.7
Repayment of borrowings	-	(465.2)
Capital Return	(53.3)	-
Distributions paid	(49.2)	(80.4)
Interest paid	(5.4)	(10.5)
Payment for purchase of derivative financial instruments	-	(4.8)
Purchase of fixed assets	(0.1)	-
Exchange rate movements	0.2	(3.1)
Closing cash balance – 30 June	**79.6**	**90.3**

Note: This slide contains information about ALX's corporate cash flows only and excludes all cashflows relating to operations at TRIP II and Warnow. Accordingly it will not reconcile with the Statutory Financial Report

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05 Cash flow: APRR to ALX securityholders

Eiffarie / Financière Eiffarie (FE)		H2 2018	H1 2018	H2 2017	H1 2017
	APRR dividend	381	400	365	326
add	APRR tax instalments to FE	204	246	222	217
add	Eiffarie / FE opex and movement in reserves	0	-	7	(7)
less	Eiffarie interest reserve	(5)	(6)	(84)	(86)
less	Eiffarie debt repayment reserve	(60)	(60)	(50)	(50)
less	FE tax payments / tax reserving	(204)	(204)	(204)	(172)
	Cash available to Eiffarie / FE shareholders	**316**	**376**	**257**	**228**
MAF / MAF 2 (€m) (100%)					
	Distribution received by MAF / MAF2 (50.0% share of FE)	158	188	129	114
less	Cash reserves for estimated costs and taxes at MAF / MAF2	(4)	(9)	-	-
	Cash available to MAF / MAF 2 shareholders	**154**	**179**	**129**	**114**
Atlas Arteria (A$m)					
	ALX stake in MAF 2	50.01%	50.01%	50.01%	40.28%
	Distribution received from MAF / MAF2 (€m)	77	90	65	46
	AUD / EUR foreign exchange range	0.63	0.61	0.62	0.68
	Distribution received from MAF / MAF2 (A$m)	**123**	**146**	**104**	**68**
less	MIBL facility interest payment	(5)	(8)	(1)	-
less	Cash reserves top up[1]	(16)	(56)	(23)	(10)
	Distribution to ALX security holders	**102**	**82**	**80**	**58**
	Cents per security	**15.0**	**12.0**	**12.0**	**10.0**
	Distribution paid by ALX in	**Apr-19**	**Oct-18**	**Apr-18**	**Sep-17**

1. Taking into account corporate expenses, historical DG acquisition facility interest payments, Macquarie fees and increase/decrease in ALX cash balances

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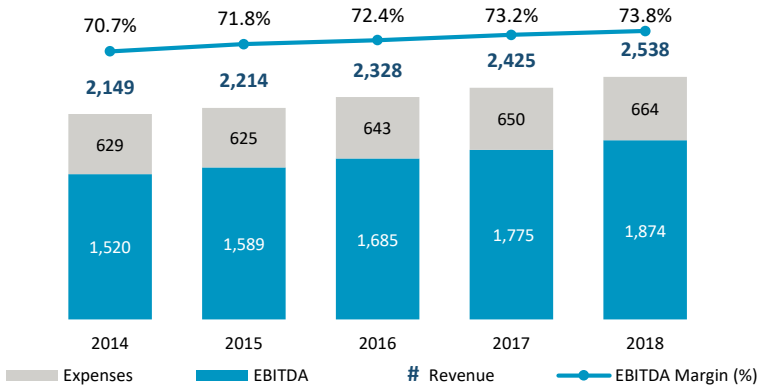
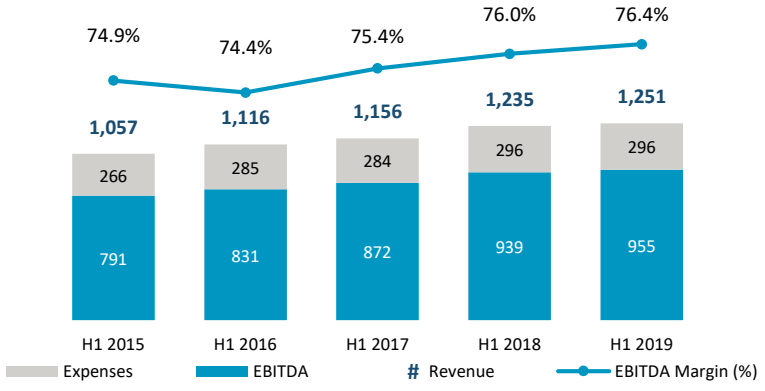
05 APRR Historical financial performance

Revenue and EBITDA growth underpinned by positive traffic performance and toll increases

5 year annual financial performance (€m)



5 year H1 financial performance (€m)



- Over the last 4 years to 31 December 2018, APRR's EBITDA has increased at a CAGR of 5.4%
- Revenue growth of 4.2% p.a over this period has been underpinned by:
  - average traffic growth of 2.9%
  - average toll increases of 1.0% and 1.1% for APRR and AREA, respectively
  - a favourable change in traffic mix due to stronger growth in heavy vehicles (4.5%) relative to light vehicles (2.7%) over the 5 year period
- An increase in the EBITDA margin from 70.7% to 73.8% reflects both the strong revenue growth over this period and continued cost control measures undertaken by APRR management

Note: Revenues and operating costs are presented under local accounting standards in natural currency and excluding the impact of IFRIC 12. See IRP Appendix 1 for more details.

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05 APRR Tariff formula 2019-2023

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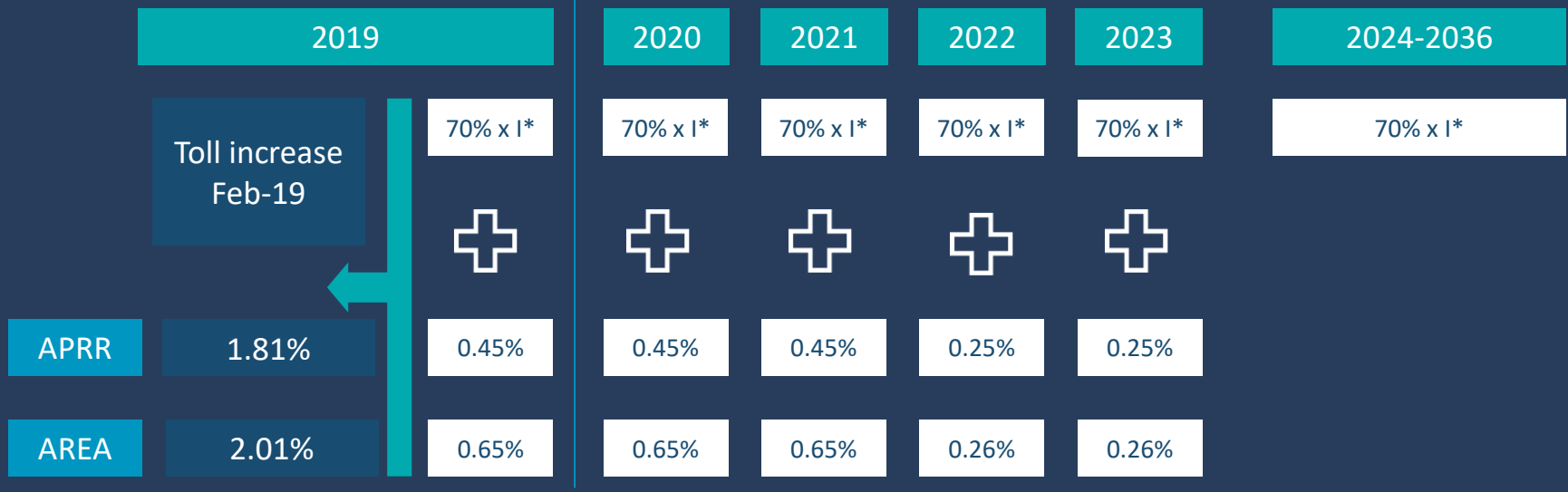
Inflation-linked tolling and established regulatory regime underpin APRR's predictable cashflows

- Stable concession regime: In place for another 16-17 years
- Predicable, inflation linked toll increases: Contracted toll increase of 70% of CPI to concession end
- Upside from Management Contracts: Capex plans have been negotiated with the State to improve the existing networks in exchange for improved toll paths



*I: CPI=Consumer Price index (exc. Tobacco) from the 12 month from prior October (i.e. October 2018 CPI x 0.70% + 0.45% set the toll increase for APRR in 2019)

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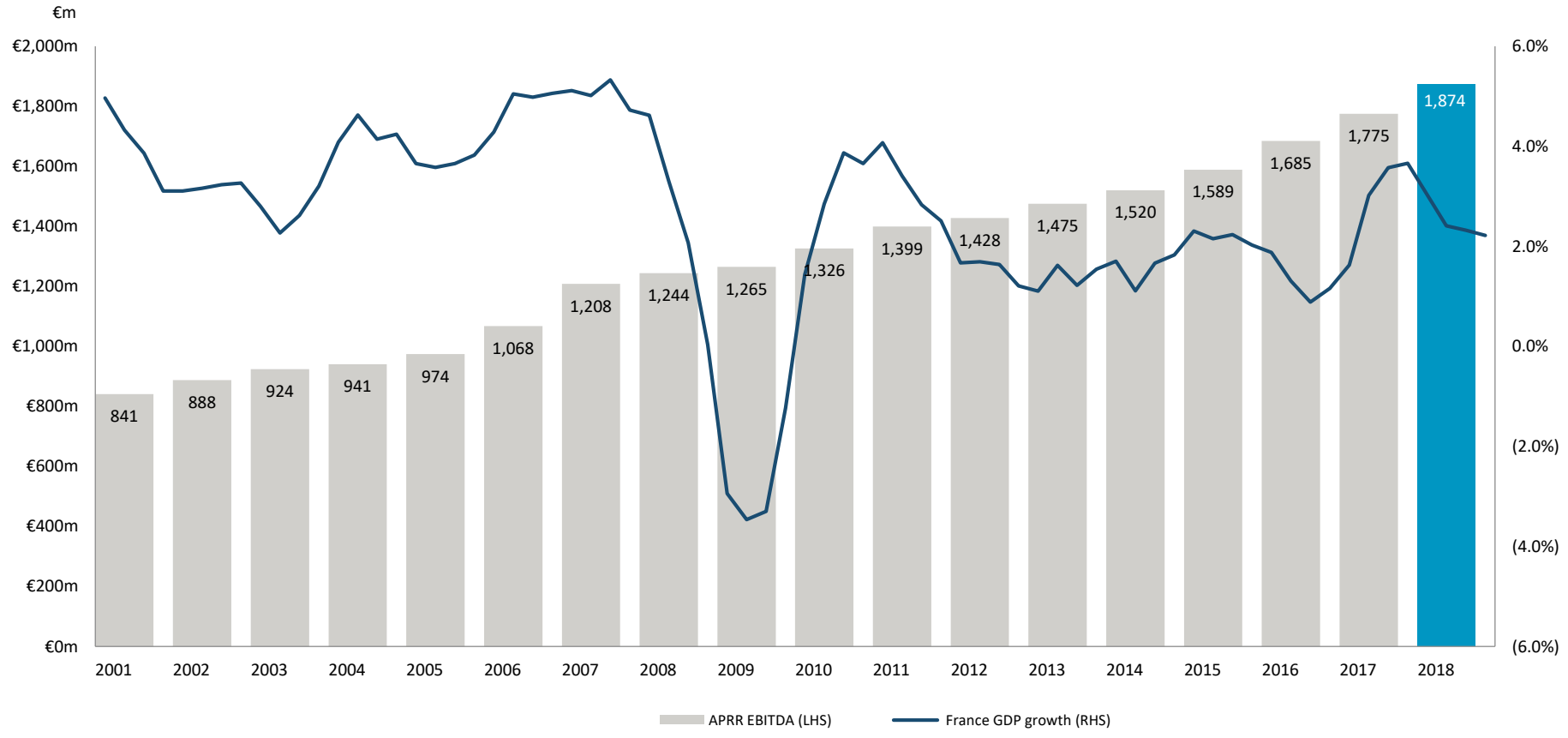
05 APRR Earnings Stability

EBITDA has historically been resilient through economic cycles



1. Represents performance of APRR consolidated statements excluding ADELAC.
2. Source: INSEE, Jan 2019; quarterly growth on pcp.
3. EBITDA from 2004 onwards prepared using IFRS

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05 French tax rates

The Reform Agenda

- In 2017, France had voted a new law reducing the standard French corporate tax rate, marking the first reduction since 1993. Under this law, the French corporate tax rate will progressively drop from 33.3% to 25% over a five year period
- In response to the "Gilets Jaunes" movement in 2018-19, the French State implemented the "great national debate" and various appeasement measures aimed at improving the purchasing power of French citizens
- Additional measures under Macron's reform agenda included toll discounts (up to 30% off headline tolls) for frequent users who travel ≥10 return trips per month on the same designated journey on the network
- The major French motorway companies have agreed with the French State for the toll discounts to be effective 1st February 2019.

The Current Tax Situation

- The standard corporate income tax rate for 2019 had been reduced to 31% for financial years opening from 1 January 2019
- However, to assist financing the appeasement measures, legislation was passed in July 2019, whereby the income tax rate for the fiscal year 2019 was increased back to 33.3% for companies with revenues greater than €250 million - which will apply to APRR
- This change, effectively slowing down the corporate income tax rate reduction, is not proposed to affect later financial years
- The 3.3% surtax applied on the standard corporate income tax liability remains unaffected.

Effective Date	Tax Rate excl surtax (revenues > €250m)	Tax Rate incl surtax (revenues > €250m)
1 January 2019	33.33%	34.43%
1 January 2020	28.00%	28.92%
1 January 2021	26.50%	27.37%
1 January 2022	25.00%	25.83%

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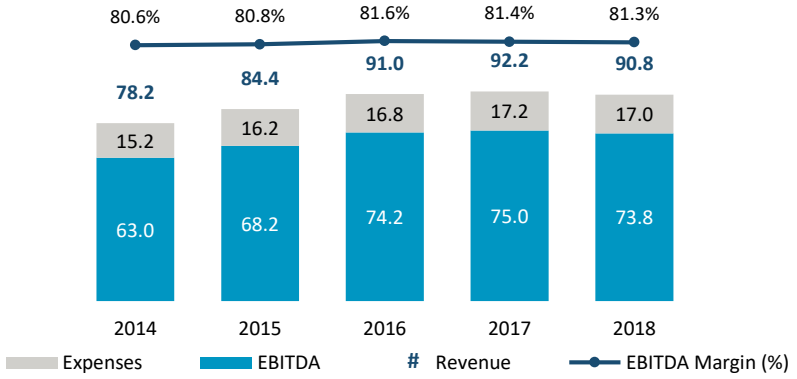
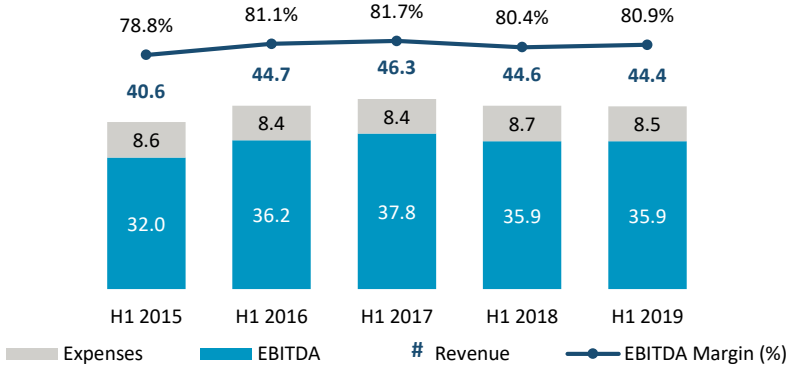
05 Dulles Greenway Historical financial performance

Revenue and EBITDA growth underpinned by toll increases and a stable operating cost base

5 year annual financial performance (US$m)



5 year H1 financial performance (US$m)



- Over the last 5 years to 31 December 2018, Dulles Greenway's EBITDA has increased at a CAGR of 4.0%
- Revenue CAGR of 3.6% over this period has been underpinned by:
  - average traffic growth of 0.9%
  - annual approved toll increases of between 2.80% - 3.17%, reflecting legislated toll increases at the highest of CPI+1%, real GDP or 2.8%
- Operating costs have remained relatively stable over this period with a CAGR of 1.7% to 2018
- An increase in the EBITDA margin from 80.6% to 81.3% reflects the stable operating base and growing revenues over this period

Note: Revenues and operating costs are presented under local accounting standards in natural currency and excluding the impact of IFRIC 12 and project improvement expenses. See IRP Appendix 1 for more details.

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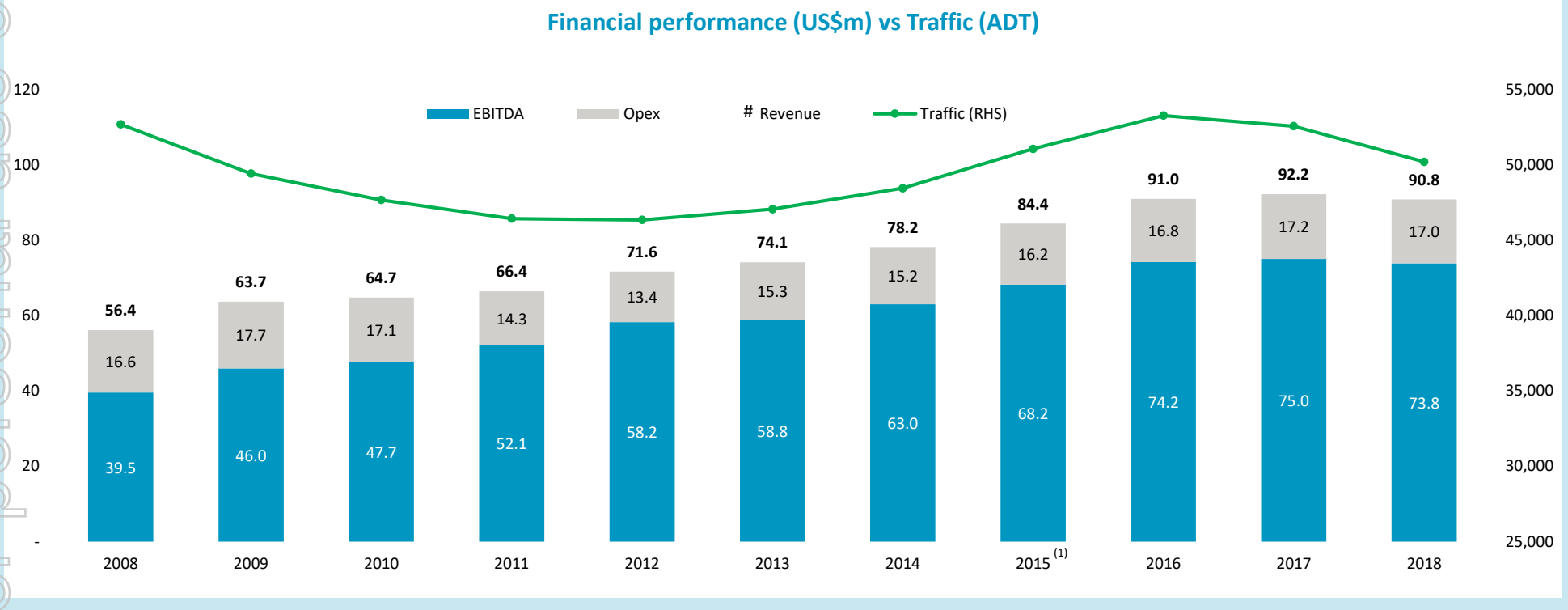
05 Dulles Greenway Earnings Stability

Toll increases and cost control drive stable financial performance



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Note: Revenues and operating costs are presented in local GAAP in natural currency and excluding the impact of IFRIC 12 and project improvement expenses. See IRP Appendix 1 for more details

1. EBITDA from 2015 onwards adjusted to exclude Project Improvement Expenses. Operating expenses have been adjusted to exclude the recognition of Project Improvement Expenses which are included in operating expenses following the US accounting standards change for prior period figures to be comparable and also to present expenses in the form used for the TRIP II covenant testing (Topic 835)

atlasArteria

05 Dulles Greenway toll regime

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

- **Section §56-542I** of VHCA stipulates that: from 1 Jan 2013 through to 1 Jan 2020, toll rates would increase annually at the highest of CPI+1%, Real GDP or 2.8%
- From 1 Jan 2020 onward, the SCC will again determine the toll rates under the legislative framework that was used prior to 1 Jan 2013 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"*

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05 Sources

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Slide 17 Value for Customers
Based on Google maps:

APRR
Paris to Lyon
APRR southbound: Friday 5pm departure (280-360 min)
Alternative southbound: Friday 5pm departure (380-520 min)
APRR northbound: Sunday 5pm departure (250-310 min)
Alternative northbound: Sunday 5pm departure (350-430 min)

Dulles Greenway
Leesburg to 2303 Dulles Station Boulevard
DG eastbound: Wednesday 8am departure (18-28min)
Alternative eastbound: Wednesday 8am departure (22-45min)
DG westbound: Wednesday 5pm departure (18-35min)
Alternative Westbound: Wednesday 5pm departure (22-50min)

ADELAC
Annecy to Geneva:
ADELAC northbound: Monday 8am departure (45-70min)
Alternative northbound: Monday 8am departure (55-90min)
ADELAC southbound: Monday 5.30pm departure (45-75min)
Alternative southbound: Monday 5.30pm departure (60-100min)

Warnow
Lutten Klein to Dierkow-Neu:
Warnow eastbound: Monday 8:30am departure (14-18min)
Alternative eastbound: Monday 8:30am departure (22-40min)
Warnow westbound: Monday 5:30pm departure (14-20min)
Alternative westbound: Monday 5:30pm departure (22-45min)

Case studies:
Paris to Lyon 4pm Friday (12 August 2019):
APRR: 260-360min
Avoiding tolls: 370-500min

Leesburg to Dulles Airport 7:45AM Monday (12 August 2019):
Dulles Greenway: 18-22min
Alternative: 22-30min

Slide 22 Dulles Greenway
Information for toll prices and $ per mile calculations are based on 2 axle vehicles from:
I-66: https://wtop.com/dc-transit/2019/01/average-i-66-price-speeds-from-first-year-of-tolls-and-extended-hov-hours/
Pocahontas parkway: www.pocahontas895.com/toll-prices.html
Chesapeake Expressway: www.chesapeakeexpressway.com/
Chesapeake Bay Bridge: www.cbbt.com/current-toll-schedule/
George Coleman Bridge: www.virginiadot.org/travel/hro-tunnel-default.asp#The_Bridges
Powhite parkway: www.rmtaonline.org/facilities/#
Boulevard Bridge: www.rmtaonline.org/facilities/#
Elizabeth Rivers Tunnels: www.driveert.com/toll-info/toll-rates/
Downtown Expressway: www.rmtaonline.org/facilities/#
DTR: https://www.dullestollroad.com/toll/toll-rates

Glossary of terms

AADT	Average annual daily trips
ACR	Additional Coverage Ratio
ADELAC	Autoroute des deux Lacs
ADT	Average daily trips
ALX	Atlas Arteria
APRR	Autoroutes Paris-Rhin-Rhone
ATLAX	Atlas Arteria Limited
ATLIX	Atlas Arteria International Limited
AVI	Automatic Vehicle Identification
bn	billions
CAGR	Compounded annual growth rate
CPI	Consumer Price Index
cps	cents per security
DG	Dulles Greenway
DTR	Dulles Toll Road
Eiffarie	Eiffarie SAS
ESG	Environmental, Social and Governance
IRP	Investor Reference Pack (formally Management Information Report)
FE	Financière Eiffarie SAS
FTE	Full-time employees
FX	Foreign Exchange
FY	Full year
GDP	Gross Domestic Product
HV	Heavy Vehicles
LBP	Leesburg Bypass
LTIFR	Lost time injury frequency rate
LV	Light Vehicles
m	millions
MAF	Macquarie Autoroutes de France
MAF2	Macquarie Autoroutes de France 2 SA
MCR	Minimum Coverage Ratio
MIBL	MIBL Finance Luxembourg Sarl
MWAA	Metropolitan Washington Airports Authority
MQG	Macquarie Group Limited
OECD	Organisation of Economic Co-operation and Development
RCEA	Route Centre-Europe Atlantique
S&P	Standard & Poors
SCC	State Corporation Commission
TRIP II	Toll Road Investors Partnership II, L.P.
VDOT	Virginia Department of Transportation
VHCA	Virginia Highway Corporation Act
VKT	Vehicle kilometres travelled
Warnow	Warnowquerung GmbH & Co., KG

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