

Letter from the Chairperson



Starting from the year 2022, the ATM Group has prepared an “Integrated Annual Report”, which includes the financial statements and non-financial statements, thus anticipating Corporate Sustainability Reporting Directive, which will become mandatory from 2024.

The main event to be recorded, after two years of suffering due to the Covid-19 pandemic, is the return to profit for ATM Group, which closes period 2022 with a profit of Euro 15.5 Mln, and in substantial balance for the parent company ATM S.p.A. This is a demonstration of the sound management of the company and of the commitment and capacity of reaction of all our people in a gradual process that has recorded, first, the huge loss in 2020 (equal to Euro 64.5 Mln) and, subsequently, due to a cost-cutting operation, a further but lower loss in 2021 (Euro 16 Mln).

This result was made possible thanks to the increase in revenues deriving from commercial activities to a greater effort in the parking control, and through a general efficiency of all the cost items supported by the company.

The Group’s economic and financial results, detailed in the internal chapters, reflect the proper management and success of the initiatives implemented during the financial year. Compared to revenues of Euro 1,091 Mln (+ Euro 82 Mln vs. 2021) and operating costs and expenses of Euro 978 Mln (Euro +52Mln vs. 2021), ATM Group recorded a gross operating margin of Euro 113 Mln (Euro + 30 Mln vs. 2021) and operating income of Euro 31 Mln (Euro + 44,6 Mln vs. 2021), to reach a profit of Euro 15.5 Mln (Euro +31 Mln vs. 2021). Also due to this effect, the shareholders' equity of the ATM Group was therefore equal to Euro 2,153 Mln (Euro + 54 Mln vs. 2021).

The revenue profile shows higher fees resulting from public transport service contracts, in Italy and abroad, and management contracts for M5 and M4; the first segment of M4 was opened in November 2022. This was accompanied by the positive effects linked to the total resumption of activities, which led to an increase in revenues generated by ancillary services and complementary to the local public transport service contract, and in revenues deriving from commercial activities. Revenues from services rendered to third parties also increased, also as a result of increased availability of finance.

In relation to costs profile, although the global scenario was already characterized in 2022 by the surge in energy prices and the extraordinary increase in raw materials prices, ATM benefited from the price of the electricity supply awarded in 2021 as a result of a public invitation to tender and fixed until December 31, 2022. This benefit will no longer be present from 2023 and will therefore suffer severely as a result of rising energy costs, despite actions to mitigate the impact that are promptly implemented.

In the absence of appropriate measures to safeguard the local public transport sector, due to high energy and high real inflation, despite the validity of all the actions undertaken, the closure of the financial year 2023 with a further loss will be unavoidable.

Despite the difficult general and sector scenario, the implementation of the Industrial Strategic Plan 2021-2025 continued: as it concerns the Full Electric project, 78 new electric buses were ordered, 76 new hybrid buses started to operate, 95 diesel buses have been retired, and the provision of charging systems in line and in storage continued. At the end of 2022, the ATM fleet has 167 electric buses, equivalent to 16% of its city buses. These elements have allowed to continue the gradual conversion of the transport lines not yet electrified (+4.5% electric bus journeys vs. 2021). In the face of the expansion of the business, the participation of ATM in tenders for the entrustment of public transport services abroad continued and the first maintenance and design contracts in Italy were closed.

In order to better understand the point of view and the needs of the thousands of people working in the group, the first source of value for ATM, a climate survey was conducted in 2022 with the aim of defining a set of concrete actions to be implemented already from the current financial year. The arrival at the beginning of 2023 of a new Human Resources Manager will accelerate the commitment to our workers and the objective of the strategic plan to promote the valorization of our people through the development of new skills and the attraction and growth of talent, promoting a culture open to diversity and inclusion.

The Company, confirming its mission and the desire to create value for the shareholder and for all its stakeholders, has all the intention to continue along the virtuous path. At the end of 2023, the current extension of the service contract between ATM and the Municipality of Milan expires: In order to continue to provide a service of excellence ATM is working to update and improve the offer of Milano Next with the aim of contributing further to the development of Milan in line with the shareholder strategy.

The Chairperson

Gioia Maria Ghezzi