

## **BOARD APPROVES CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR 2017**

### **Consolidated results in 2017<sup>(1)</sup>**

- **Traffic on Group's Italian motorway network up 2.2% (up 2.8% after excluding leap-year effect and including mix effect of growth in heavy vehicles)**
- **Gross operating profit (EBITDA) of €2,453m up 3% (also on like-for-like basis<sup>(2)</sup>)**
- **Profit attributable to owners of parent amounts to €972m, up 19% (up 6% on like-for-like basis<sup>(2)</sup>)**
- **Group capital expenditure totals €56m**
- **Operating cash flow totals €1,715m, down 17% due to different scopes of consolidation in two comparative periods (up 5% on like-for-like basis<sup>(2)</sup>)**
- **Group's net debt at 31 December 2017 totals €9,351m, up €657m compared with 31 December 2016**
- **Group's average workforce totalled 6,906 in 2017**

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<sup>(1)</sup> In addition to the reported amounts in the consolidated financial statements, this press release also presents and analyses alternative performance indicators ("APIs"), such as EBITDA, operating cash flow and capital expenditure. A detailed description of the principal APIs used in the following consolidated financial review, including an explanation of the term "like-for-like basis", used in describing changes in certain consolidated financial indicators, is provided in the "Explanatory notes" below.

<sup>(2)</sup> The "Explanatory notes" include a table showing the reconciliation of certain consolidated financial indicators on a like-for-like basis for the two comparative periods.

#### **Investor Relations**

e-mail: [investor.relations@autostrade.it](mailto:investor.relations@autostrade.it)

#### **Media Relations**

e-mail: [ufficiostampa@autostrade.it](mailto:ufficiostampa@autostrade.it)

[www.autostrade.it](http://www.autostrade.it)

## Annual General Meeting

- **Autostrade per l'Italia's Annual General Meeting ("AGM") to be held on 20 April 2018**

Rome, 2 March 2018 – The Board of Directors Meeting of Autostrade per l'Italia SpA, chaired by Fabio Cerchiai on 1<sup>st</sup> March 2018, has examined and approved Autostrade per l'Italia's separate and consolidated financial statements for the year ended 31 December 2017, which will be published within the deadline established by the relevant statutory requirements, together with the results of the audit currently in progress. The separate and consolidated financial statements for the year ended 31 December 2017 have been prepared in accordance with the IFRS in effect on 31 December 2017.

## Operating review for the principal Group companies

### Traffic

Traffic on the Group's Italian network in 2017 is up 2.2% compared with the previous year. The number of kilometres travelled by vehicles with 2 axles is up 1.8%, with the figure for those with 3 or more axles up 4.7%. After excluding the leap-year effect, traffic is estimated to have risen 2.4% in 2017 compared with 2016.

## Traffic on the network operated under concession in 2017

Motorway section	Km travelled (in millions)				ATVD <sup>(1)</sup> 2017
	Vehicles with 2 axles	Vehicles with 3 or more axles	Total vehicles	% increase/ (decrease) on 2016	
A1 Milan-Naples	15.425	2.882	18.307	2,5	62.421
A4 Milan-Brescia	3.324	435	3.759	1,8	110.151
A7 Serravalle-Genoa	525	81	606	0,7	33.185
A8/A9 Milan-Lakes	2.403	145	2.548	1,9	89.839
A8/26 spur	482	31	514	3,0	58.629
A10 Genoa-Savona	777	93	870	-1,4	52.384
A11 Florence-Coast	1.430	110	1.539	1,8	51.616
A12 Genoa-Sestri	818	57	875	1,0	49.230
A12 Rome-Civitavecchia	617	41	658	1,7	27.553
A13 Bologna-Padua	1.727	315	2.041	2,6	43.937
A14 Bologna-Taranto	8.897	1.507	10.404	1,8	36.477
A16 Naples-Canosa	1.243	153	1.396	1,9	22.194
A23 Udine-Tarvisio	468	133	601	4,4	16.278
A26 Genoa Voltri- Gravelona Toce	1.832	290	2.122	3,0	23.736
A27 Venice-Belluno	705	56	761	4,4	25.351
A30 Caserta-Salerno	760	109	869	3,3	43.039
Mestre Interchange	42	6	47	2,0	-
<b>TOTAL AUTOSTRADE PER L'ITALIA</b>	<b>41.473</b>	<b>6.442</b>	<b>47.915</b>	<b>2,2</b>	<b>45.987</b>
Autostrade Meridionali	1.665	37	1.702	2,8	90.364
Tangenziale di Napoli	882	46	928	-0,5	125.842
Autostrada Tirrenica <sup>(2)</sup>	282	26	308	4,5	18.596
Raccordo Autostradale Valle d'Aosta	96	21	117	4,6	10.023
Società italiana per il Traforo del Monte Bianco	8	4	12	5,1	5.562
<b>TOTAL ITALIAN OPERATORS</b>	<b>44.408</b>	<b>6.575</b>	<b>50.982</b>	<b>2,2</b>	<b>46.411</b>

(1) ATVD - Average theoretical vehicles per day, equal to number of kilometres travelled/journey length/number of days.

(2) The 15-km Civitavecchia-Tarquinia section was opened to traffic at the end of March 2016.

## Capital expenditure

Capital expenditure by Autostrade per l'Italia and the Group's other motorway operators in 2017 amounts to €556m.

## Upgrade and modernisation of the network operated under concession

(€m)	2017	2016
Autostrade per l'Italia - projects in Agreement of 1997	214	305
Autostrade per l'Italia - projects in IV Addendum of 2002	71	169
Autostrade per l'Italia: other capital expenditure (including capitalised costs)	209	161
Other operators (including capitalised costs)	23	42
<b>Total investment in infrastructure operated under concession</b>	<b>517</b>	<b>677</b>
Investment in other intangible assets	21	17
Investment in property, plant and equipment	18	24
<b>Total capital expenditure</b>	<b>556</b>	<b>718</b>
Discontinued operations: investment in infrastructure operated under concession	-	167
Discontinued operations: investment in property, plant and equipment and intangible assets	-	46
<b>Total capital expenditure including discontinued operations</b>	<b>556</b>	<b>931</b>

With regard to the works envisaged in the Agreement of 1997, work continued in 2017 on widening the A1 between Barberino and Florence North to three lanes, with mechanical boring of the new Santa Lucia Tunnel currently under way. Work is also continuing on completion of the *Variante di Valico* (opened to traffic at the end of 2015). The work relates solely to off carriageway works, the Florence North-Florence South section of the A1 and Lot 1 North on the A1 between Florence South and Incisa, which is being widened to three lanes. The Galluzzo bypass was opened to traffic in May. This involved lengthening the Florence-Siena expressway by 4 km in order to bypass the town of Galluzzo and reduce through traffic. The “Villa Costanza” park-and-ride on the A1 near to Scandicci also opened in June (this is the first car park of its kind in Italy to provide pedestrian access from the ordinary road network).

In terms of the works contained in the IV Addendum of 2002, work on construction of link roads serving the A14 motorway and on mitigation works in the Municipality of Fano proceeded in 2017, as did work on completing off carriageway works for the previously opened sections between Cattolica and Fano and between Senigallia and Ancona South. The A4-A13 link road in the vicinity of the Padua Industrial Park toll station was also opened to traffic in September, with the aim of making it easier and faster to transfer from one motorway to another. Finally, on 7 September 2017, the Grantor approved the Final

Design for the upgrade of the road and motorway system serving Genoa (the so-called "*Gronda di Ponente*") and work on the executive design for the various lots that make up the project is now in progress.

Autostrade per l'Italia's other capital expenditure includes approximately €76m invested in major works, primarily construction of the fourth free-flow lane for the A4 between the Viale Certosa and Sesto San Giovanni interchanges, landscaping work for the Barberino-Florence North section, and design work and surveys carried out in preparation for work on the Bologna Interchange (on carriageway works and work on the surrounding area).

In December, the new interchanges serving Foggia Industrial Park (situated close to the city's industrial park) on the A14, and at Sasso Marconi North on the A1 were opened to traffic. The latter is located close to Borgonuovo di Sasso Marconi and will relieve traffic congestion on the main SS64 Porrettana road to the south of Bologna).

## Group financial review

### Introduction

The accounting standards applied during preparation of the consolidated accounts for 2017 are consistent with those adopted for the consolidated financial statements for the year ended 31 December 2016, in that the amendments to existing standards that came into effect in 2017 have not had any impact on the accounts. It should also be noted that the Atlantia Group's restructuring was completed in early 2017. This involved the transfer of Autostrade per l'Italia's investments in Telepass and Stalexport Autostrady to Atlantia, completed at the end of 2016, and, in the first quarter of 2017, the transfer of Autostrade per l'Italia's interests in Autostrade dell'Atlantico (also "ADA", the sub-holding company that controls the Group's Chilean and Brazilian motorway businesses and holds the controlling interest in Electronic Transaction Consultants) and Autostrade Indian Infrastructure Development (also "AID") in the form of a special dividend in kind payable to the parent. The transfers of these interests involved:

- the deconsolidation, from 28 February 2017, of ADA and its subsidiaries and, from 31 March 2017, of AID;
- classification of the contributions of AID, ADA and the related subsidiaries and, for 2016 alone, of the contributions of Telepass, Stalexport Autostrady and the related

subsidiaries to the Group's operating results for the two comparative periods in "Profit/Loss) from discontinued operations".

After excluding the impact of the above restructuring, there have been no further material effects of changes in the scope of consolidation in 2017 compared with 2016.

Finally, an explanation of the term "like-for-like basis", used in the description of certain amounts in the consolidated income statement and statement of financial position, is provided in the "Explanatory notes" below.

## Operating results

### Revenue

Operating revenue for 2017 amounts to €3,945m, marking an increase of €146m (4%) compared with 2016 (€3,799m).

Toll revenue of €3,590m is up €107m (3%) on the figure for 2016 (€3,483m), primarily reflecting the following:

- a 2.2% increase in traffic on the Italian network, accounting for an increase in toll revenue of approximately €82m (including the positive impact of the traffic mix<sup>(3)</sup>);
- application of annual toll increases (essentially a 0.64% increase applied by Autostrade per l'Italia with effect from 1 January 2017), boosting toll revenue by an estimated €19m.

Other operating income of €355m is up €39m (12%) compared with 2016 (€316m), primarily due to the greater contribution from Autostrade Tech as a result of the services and goods supplied to Telepass (a company deconsolidated at the end of 2016) in 2017.

### Operating costs

Net operating costs of €1,492m are up €77m on 2016 (€1,415m), primarily as a result of the following:

- an increase of €66m in the cost of materials and external services compared with 2016 (€461m). After stripping out the above impact of the deconsolidation of Telepass, the increase in costs is substantially due to maintenance work on the Group's network, primarily by Autostrade per l'Italia (an increase in work on the network and the variable costs linked to increased snowfall in 2017);

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<sup>(3)</sup> Reflecting the different rates of increase for traffic in the individual categories of vehicle, each having their own pricing structure.

- an €11m (2%) increase in concession fees compared with 2016 (€454m), substantially due to the component of tolls corresponding with the additional concession fee payable to ANAS, also accounted for in toll revenue;
- the fact that net staff costs are in line with the previous year. This broad equivalence essentially reflects a combination of the following:
  - a reduction of 162 in the average workforce;
  - an increase in the average unit cost, primarily due to the cost of contract renewals.

## Results

Gross operating profit (EBITDA) for 2017, totalling €2,453m, is up €69m (3%) compared with 2016 (€2,384m).

Amortisation, depreciation, impairment losses and reversals of impairment losses amount to €527m (€579m in 2016). This marks a reduction of €52m (9%), essentially due to the partial reversal of impairment losses on intangible assets deriving from concession rights recognised in the past (€79m by Raccordo Autostradale Valle d'Aosta), partially offset by increased amortisation of concession rights at Autostrade per l'Italia (€24m).

The operating change in provisions and other adjustments shows an expense of €13m, marking a reduction of €75m compared with the figure for 2016 (€88m). This is primarily attributable to the change in provisions for the repair and replacement of Autostrade per l'Italia's motorway infrastructure, which in 2016 reflected charges of €85m following a significant decline in the related interest rates used to adjust the present value of the provisions.

Operating profit (EBIT) of €1,913m is up €196m (11%) compared with 2016 (€1,717m).

Financial expenses from the discounting of provisions for construction services required by contract and other provisions amount to €25m, down €22m on 2016. This essentially reflects reductions in the discount rates applied in 2017, compared with the comparative period.

Net other financial expenses of €456m are down €365m on 2016 (€821m). This essentially reflects the impact of the issuer substitution implemented by Autostrade per l'Italia and Atlantia at the end of 2016, which resulted in the recognition of non-recurring financial expenses in 2016 (€308m) and financial income in 2017 (€41m). This was essentially due to the recognition and subsequent remeasurement of the fair value of the bonds transferred

and of the related derivative financial instruments. After excluding the above effects, net financial expenses are down €16m, mainly due to the lower cost of debt.

Total income tax expense of €420m is up €101m on 2016 (€319m). This is proportionately less than the increase in profit before tax, having benefitted from the reduction in the IRES rate from 1 January 2017.

Profit from continuing operations amounts to €1,018m, an increase of €490m (93%) compared with 2016 (€528m), having partly benefitted from the reduction in financial expenses.

The Group reports a profit from discontinued operations of €24m, down €378m compared with 2016 (€402m). This reflects the different scopes of consolidation in the two comparative periods, following the restructuring of the Atlantia Group described in the introduction. This item includes:

- the contributions of ADA and its subsidiaries and of AID in 2017 through to the date of deconsolidation (February 2017 and March 2017, respectively);
- the contributions of Telepass, Stalexport Autostrady and the related subsidiaries (companies deconsolidated at the end of 2016) in 2016, in addition to those of the companies referred to in the previous point.

Profit for the year attributable to owners of the parent, amounting to €972m, is up €155m (19%) compared with 2016 (€817m). On a like-for-like basis, profit for the period attributable to owners of the parent is up €54m.

Operating cash flow for 2017 amounts to €1,715m, down €348m (17%) on 2016. This primarily reflects reduced cash flow from discontinued operations (€357m), following the changes in the scope of consolidation from one comparative period to the other. On a like-for-like basis, operating cash flow for 2017 is up €76m (5%) compared with 2016, essentially due to the increase in gross operating profit (EBITDA).

As at 31 December 2017, equity attributable to owners of the parent totals €2,390m, marking a reduction of €1,979m compared with 31 December 2016 (€4,369m). This essentially reflects a combination of the following:

- transfer of the net assets of AID, ADA and the related subsidiaries, amounting to €1,155m (including the effect of taxation, recognised in equity), to the parent, Atlantia, following distribution of the special dividend in kind approved by the General Meeting of

Autostrade per l'Italia's shareholders held on 25 January 2017;

- distribution of a portion of the available reserves (€1,101m) in accordance with the resolution approved by the AGM of Autostrade per l'Italia's shareholders held on 21 April 2017;
- payment of Autostrade per l'Italia's final dividend for 2016 (€314m) and the interim dividend for 2017 (€450m);
- comprehensive income for the period (€1,062m).

The Group's net debt as at 31 December 2017 totals €9,351m, an increase of €657m compared with 31 December 2016 (€8,694m), partly reflecting the distribution of a portion of the available reserves (€1,101m).

As at 31 December 2017, the Group has cash reserves (consisting of cash, term deposits and undrawn committed lines of credit) amounting to €4,191m.

## Financial review for Autostrade per l'Italia SpA

Autostrade per l'Italia SpA's profit for 2017 is €968m, up €349m on 2016 (€619m), which primarily reflected the non-recurring charges incurred on as a result of the previously mentioned issuer substitution, completed at the end of 2016.

The Company's equity as at 31 December 2017 amounts to €1,987m, having decreased by €1,618m compared with 31 December 2016 (€3,605m) as a result of the following:

- distribution of the special dividend in kind approved by the General Meeting of Autostrade per l'Italia's shareholders held on 25 January 2017, totalling €755m and recognition of the related current tax liabilities of €12m;
- distribution of a portion of the "Reserve for transactions under common control", approved by the AGM of the Company's shareholders held on 21 April 2017, totalling €1,101m;
- payment of the final dividend for 2016 (€314m) and the interim dividend for 2017 (€450m);
- comprehensive income for the period (€1,012m).

Autostrade per l'Italia SpA's net debt as at 31 December 2017 amounts to €9,528m, up €60m compared with 31 December 2016 (€9,468m).

## **Events after 31 December 2017**

### **Traffic figures for early 2018**

Between the beginning of the year and 18 February (preliminary data), traffic using Autostrade per l'Italia's network was up 5.1%, with heavy vehicles (3 or more axles) up 6.1% and light vehicles (2 axles) rising 4.9%.

### **Outlook**

Traffic using the Group's Italian network is expected to grow, as confirmed from the trends seen in the early part of the year. Work on upgrading the network operated under concession will continue in 2018, whilst preparation of the executive design for the Genoa Bypass is proceeding.

Overall, forecasts for 2018 lead us to expect the Group to post earnings growth and improvements in key performance indicators.

### **Annual General Meeting**

The Board of Directors intends to propose to the Annual General Meeting ("AGM") of Autostrade per l'Italia's shareholders, to be held in single call on 20 April 2018, payment of a final dividend of €0.832 per share with a value date of 16 May 2018. The final dividend adds to the interim dividend of €0.724 paid in 2017, resulting in a total dividend for 2017 of €1.556 (€0.995 per share in 2016).

## Explanatory notes

### Alternative performance indicators

In application of the CONSOB Ruling of 3 December 2015, governing implementation in Italy of the guidelines for alternative performance indicators (“APIs”) issued by the European Securities and Markets Authority (ESMA), the basis used in preparing the APIs published by the Autostrade per l’Italia Group is described below.

The APIs shown in this release are deemed relevant to an assessment of the operating performance based on the overall results of the Group as a whole and of individual Group companies. In addition, the APIs provide an improved basis for comparison of the results over time, even if they are not a replacement for or an alternative to the results published on a reported basis in accordance with international financial reporting standards (IAS/IFRS).

With regard to the APIs, Autostrade per l’Italia presents the following financial statements for both the Group and the Parent Company as attachments to this release: the reclassified income statement, the reclassified statement of financial position and the statement of cash flows. In addition to amounts from the income statement and statement of financial position prepared under IFRS, these reclassified financial statements present a number of indicators and items derived from them, even when they are not required by the above standards and are, therefore, identifiable as APIs.

A list of the APIs used in this release, together with a brief description and reconciliation with reported amounts, is provided below:

- **“Gross operating profit (EBITDA)”** is the synthetic indicator of earnings from operations, calculated by deducting operating costs, with the exception of amortisation, depreciation, impairment losses and reversals of impairment losses, the operating change in provisions and other adjustments, from operating revenue;
- **“Operating profit (EBIT)”** is the indicator that measures the return on invested capital, calculated by deducting amortisation, depreciation, impairment losses and reversals of impairment losses, the operating change in provisions and other adjustments from EBITDA. Like EBITDA, EBIT does not include the capitalised component of financial expenses relating to construction services, which is shown in a specific item under financial income and expenses in the reclassified income statement, whilst being included in revenue in the consolidated income statement prepared on a reported basis;
- **“Net invested capital”**, showing the total value of non-financial assets, after deducting non-financial liabilities;
- **“Net debt”**, indicating the portion of net invested capital funded by net financial liabilities, calculated by deducting “Current and non-current financial assets” from “Current and non-current financial liabilities”. The notes to consolidated financial statements for the year ended 31 December 2017 also include the reconciliation of net debt with net debt as defined in the ESMA Recommendation of 20 March 2013;
- **“Capital expenditure”**, indicating the total amount invested in development of the Group’s businesses, calculated as the sum of cash used in investment in property, plant and equipment, in assets held under concession and in other intangible assets, excluding investment linked to transactions involving investees;
- **“Operating cash flow”**, indicating the cash generated by or used in operating activities. Operating cash flow is calculated as profit for the period + amortisation/depreciation +/- impairments/reversals of impairments of assets +/- provisions/releases of provisions + other adjustments + financial expenses from discounting of provisions +/- share of profit/(loss) of investees accounted for using equity method +/- (losses)/gains on sale of assets +/- other non-cash items +/- portion of net deferred tax assets/liabilities recognised in profit or loss.

A number of APIs, calculated as above, are also presented after certain adjustments applied in order to provide a consistent basis for comparison over time. These “like-for-like changes”, used in the

analysis of changes in gross operating profit (EBITDA), profit for the period, profit for the period attributable to owners of the parent and operating cash flow, have been calculated by excluding, where present, the impact of: (i) changes in the scope of consolidation; (ii) changes in exchange rates on the value of assets and liabilities denominated in functional currencies other than the euro; and (iii) events and/or transactions not strictly connected with operating activities that have an appreciable influence on amounts for at least one of the two comparative periods. In particular, the term “like-for-like” indicates that certain financial indicators for the two comparative periods have been determined by eliminating:

- from consolidated amounts for 2017 and 2016, the contributions of AID, ADA and the related subsidiaries through to the date of their deconsolidation and, for 2016 alone, the contributions of Telepass, Stalexport Autostrady and the related subsidiaries;
- from consolidated amounts for 2017, the partial reversal of impairment losses on intangible assets deriving from concession rights, recognised in the past by Raccordo Autostradale Valle d’Aosta (RAV), after the related taxation;
- from consolidated amounts for 2017 and 2016, the after-tax impact of the difference in the discount rates applied to the provisions accounted for among the Group’s liabilities;
- for 2016 alone, the after-tax impact of the net financial expenses resulting from the issuer substitution involving the transfer of bonds from Atlantia to Autostrade per l’Italia, and the partial early repayment of medium/long-term loans granted by the parent, Atlantia;
- for 2017 alone, the after-tax impact of the financial income and expenses resulting from the issuer substitution carried out in December 2016 and the issue and accompanying partial repurchase of certain bonds by Autostrade per l’Italia in September 2017;
- from consolidated amounts for 2016, the increase in the Italian companies’ tax expense following the reduction in the IRES tax rate from 27.5% to 24% with effect from 1 January 2017 (the 2016 Stability Law).

The following table shows a reconciliation of like-for-like consolidated amounts, for 2017 and 2016, for gross operating profit (EBITDA), profit for the period, profit for the period attributable to owners of the parent and operating cash flow for the comparative periods and the corresponding amounts presented in the reclassified consolidated financial statements shown above.

€m	Amounts for 2017				Amounts for 2016			
	Gross operating profit (EBITDA)	Profit for the period	Profit attributable to owners of the parent	Operating cash flow	Gross operating profit (EBITDA)	Profit for the period	Profit attributable to owners of the parent	Operating cash flow
<b>Reported amounts (A)</b>	<b>2.453</b>	<b>1.042</b>	<b>972</b>	<b>1.715</b>	<b>2.384</b>	<b>930</b>	<b>817</b>	<b>2.063</b>
<b>Adjustment for non like-for-like item</b>								
Change in scope of consolidation	-	25	10	57	-	406	300	414
Reversal of impairment losses on intangible assets	-	57	14	-	-	-	-	-
Change in discount rate applied to provisions	-	24	23	-3	-	-62	-58	-
Non-recurring financial transactions	-	-	-	-	-	-237	-237	71
Impact of financial income and expenses resulting from issuer substitution and issue and accompanying partial repurchase of certain bonds (September 2017)	-	15	15	-26	-	-	-	-
Change in IRES rate (2016 Stability Law)	-	-	-	-	-	-45	-44	-33
<b>Sub-total (B)</b>	<b>-</b>	<b>121</b>	<b>62</b>	<b>28</b>	<b>-</b>	<b>62</b>	<b>-39</b>	<b>452</b>
<b>Like-for-like amounts (C) = (A)-(B)</b>	<b>2.453</b>	<b>921</b>	<b>910</b>	<b>1.687</b>	<b>2.384</b>	<b>868</b>	<b>856</b>	<b>1.611</b>

\* \* \*

*The manager responsible for financial reporting, Giancarlo Guenzi, declares, pursuant to section 2 of article 154 bis of the Consolidated Finance Act, that the accounting information contained in this release is consistent with the underlying accounting records.*

*In addition to the conventional financial indicators required by IFRS contained in this press release, certain alternative performance indicators have been included (e.g., EBITDA) in order to permit a better appraisal of the Company's results and financial position. These indicators have been calculated in accordance with the usual market practices.*

*The Group's net debt, as defined in the European Securities and Market Authority – ESMA Recommendation of 20 March 2013 (which does not entail the deduction of non-current financial assets from debt), amounts to €9,744m as at 31 December 2017 (net debt of €9,090m as at 31 December 2016).*

*The reclassified income statements and statements of financial position, the statements of comprehensive income and the statements of cash flows of the Autostrade per l'Italia Group and Autostrade per l'Italia SpA as at and for the year ended 31 December 2017 are attached hereinafter.*

*It should be noted that, to date, the audit of Autostrade per l'Italia's separate and consolidated financial statements for the year ended 31 December 2017 has yet to be completed.*

**RECLASSIFIED CONSOLIDATED INCOME STATEMENT**

€m	2017	2016	Increase/(Decrease)	
			Absolute	%
Toll revenue	3.590	3.483	107	3
Other operating income	355	316	39	12
<b>Total operating revenue</b>	<b>3.945</b>	<b>3.799</b>	<b>146</b>	<b>4</b>
Cost of materials and external services	-527	-461	-66	14
Concession fees	-465	-454	-11	2
Net staff costs	-500	-500	-	-
<b>Total net operating costs</b>	<b>-1.492</b>	<b>-1.415</b>	<b>-77</b>	<b>5</b>
<b>Gross operating profit (EBITDA)</b>	<b>2.453</b>	<b>2.384</b>	<b>69</b>	<b>3</b>
Amortisation, depreciation, impairment losses and reversals of impairment losses	-527	-579	52	-9
Operating change in provisions and other adjustments	-13	-88	75	-85
<b>Operating profit (EBIT)</b>	<b>1.913</b>	<b>1.717</b>	<b>196</b>	<b>11</b>
Financial expenses from discounting of provisions for construction services required by contract and other provisions	-25	-47	22	-47
Other financial income/(expenses)	-456	-821	365	-44
Capitalised financial expenses on intangible assets deriving from concession rights	3	6	-3	-50
Share of profit/(loss) of investees accounted for using the equity method	3	-8	11	n.s.
<b>Profit/(Loss) before tax from continuing operations</b>	<b>1.438</b>	<b>847</b>	<b>591</b>	<b>70</b>
Income tax expense	-420	-319	-101	32
<b>Profit/(Loss) from continuing operations</b>	<b>1.018</b>	<b>528</b>	<b>490</b>	<b>93</b>
Profit/(Loss) from discontinued operations	24	402	-378	-94
<b>Profit for the year</b>	<b>1.042</b>	<b>930</b>	<b>112</b>	<b>12</b>
(Profit)/Loss attributable to non-controlling interests	70	113	-43	-38
<b>(Profit)/Loss attributable to owners of the parent</b>	<b>972</b>	<b>817</b>	<b>155</b>	<b>19</b>

	2017	2016	Increase/ (Decrease)
<b>Basic earnings per share attributable to the owners of the parent (€)</b>	<b>1,56</b>	<b>1,31</b>	<b>0,25</b>
<i>of which:</i>			
- from continuing operations	1,55	0,84	0,71
- from discontinued operations	0,01	0,47	-0,46
<b>Diluted earnings per share attributable to the owners of the parent (€)</b>	<b>1,56</b>	<b>1,31</b>	<b>0,25</b>
<i>of which:</i>			
- from continuing operations	1,55	0,84	0,71
- from discontinued operations	0,01	0,47	-0,46

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

€m		2017	2016
<b>Profit for the year</b>	<b>(A)</b>	<b>1.042</b>	<b>930</b>
Fair value gains/(losses) on cash flow hedges		39	-72
Tax effect of fair value gains/(losses) on cash flow hedges		-14	-32
Gains/(losses) from translation of assets and liabilities of consolidated companies denominated in functional currencies other than the euro		90	347
Gains/(losses) from translation of investments accounted for using the equity method denominated in functional currencies other than the euro		1	4
<b>Other comprehensive income/(loss) reclassifiable to profit or loss for the year</b>	<b>(B)</b>	<b>116</b>	<b>247</b>
<b>Other comprehensive income/(loss) not reclassifiable to profit or loss for the year</b>	<b>(C)</b>	<b>-1</b>	<b>-2</b>
<b>Reclassifications of other components of comprehensive income to profit or loss for the year</b>	<b>(D)</b>	<b>20</b>	<b>198</b>
<b>Tax effect of reclassifications of other components of comprehensive income to profit or loss for the year</b>	<b>(E)</b>	<b>-</b>	<b>-</b>
<b>Total other comprehensive income/(loss) for the year</b>	<b>(F=B+C+D+E)</b>	<b>135</b>	<b>443</b>
<i>of which attributable to discontinued operations</i>		91	352
<b>Comprehensive income for the year</b>	<b>(A+F)</b>	<b>1.177</b>	<b>1.373</b>
<i>Of which attributable to owners of the parent</i>		1.062	1.086
<i>Of which attributable to non-controlling interests</i>		115	287

**RECLASSIFIED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

€m	31 December 2017	31 December 2016	Increase/ (Decrease)
<b>Non-current non-financial assets</b>			
Property, plant and equipment	81	86	-5
Intangible assets	18.356	18.750	-394
Investments	64	61	3
Deferred tax assets	101	119	-18
Other non-current assets	-	8	-8
<b>Total non-current financial assets (A)</b>	<b>18.602</b>	<b>19.024</b>	<b>-422</b>
<b>Working capital</b>			
Trading assets	507	575	-68
Current tax assets	35	69	-34
Other current assets	82	83	-1
Non-financial assets held for sale or related to discontinued operations	5	3.576	-3.571
Current portion of provisions for construction services required by contract	-422	-521	99
Current provisions	-214	-232	18
Trading liabilities	-1.324	-1.255	-69
Current tax liabilities	-88	-4	-84
Other current liabilities	-302	-304	2
Non-financial liabilities related to discontinued operations	-6	-1.234	1.228
<b>Total working capital (B)</b>	<b>-1.727</b>	<b>753</b>	<b>-2.480</b>
<b>Gross invested capital (C=A+B)</b>	<b>16.875</b>	<b>19.777</b>	<b>-2.902</b>
<b>Non-current non-financial liabilities</b>			
Non-current portion of provisions for construction services required by contract	-2.840	-3.165	325
Non-current provisions	-1.314	-1.298	-16
Deferred tax liabilities	-598	-471	-127
Other non-current liabilities	-34	-31	-3
<b>Total non-current non-financial liabilities (D)</b>	<b>-4.786</b>	<b>-4.965</b>	<b>179</b>
<b>NET INVESTED CAPITAL (E=C+D)</b>	<b>12.089</b>	<b>14.812</b>	<b>-2.723</b>
<b>Equity</b>			
Equity attributable to owners of the parent	2.390	4.369	-1.979
Equity attributable to non-controlling interests	348	1.749	-1.401
<b>Total equity (F)</b>	<b>2.738</b>	<b>6.118</b>	<b>-3.380</b>
<b>Net debt</b>			
<b>Non-current net debt</b>			
<b>Non-current financial liabilities</b>	<b>10.991</b>	<b>12.022</b>	<b>-1.031</b>
Bond issues	8.093	8.005	88
Medium/long-term borrowings	2.469	3.537	-1.068
Non-current derivative liabilities	429	480	-51
<b>Non-current financial assets</b>	<b>-394</b>	<b>-396</b>	<b>2</b>
Non-current financial assets deriving from government grants	-188	-190	2
Non-current term deposits	-184	-186	2
Other non-current financial assets	-22	-20	-2
<b>Total non-current net debt (G)</b>	<b>10.597</b>	<b>11.626</b>	<b>-1.029</b>
<b>Current net debt</b>			
<b>Current financial liabilities</b>	<b>2.231</b>	<b>3.131</b>	<b>-900</b>
Short-term borrowings	775	244	531
Current derivative liabilities	1	3	-2
Intercompany current account payables due to related parties	14	206	-192
Current portion of medium/long-term borrowings	1.385	915	470
Other current financial liabilities	56	-	56
Financial liabilities related to discontinued operations	-	1.763	-1.763
<b>Cash and cash equivalents</b>	<b>-2.945</b>	<b>-3.625</b>	<b>680</b>
Cash	-2.076	-2.541	465
Cash equivalents	-100	-200	100
Intercompany current account receivables due from related parties	-762	-483	-279
Cash and cash equivalents related to discontinued operations	-7	-401	394
<b>Current financial assets</b>	<b>-532</b>	<b>-2.438</b>	<b>1.906</b>
Current financial assets deriving from concession rights	-400	-398	-2
Current financial assets deriving from government grants	-52	-50	-2
Current term deposits	-51	-49	-2
Current portion of medium/long-term financial assets	-22	-3	-19
Other current financial assets	-7	-8	1
Financial assets held for sale or related to discontinued operations	-	-1.930	1.930
<b>Total current net debt (H)</b>	<b>-1.246</b>	<b>-2.932</b>	<b>1.686</b>
<b>Total net debt (I=G+H)</b>	<b>9.351</b>	<b>8.694</b>	<b>657</b>
<b>NET DEBT AND EQUITY (L=F+I)</b>	<b>12.089</b>	<b>14.812</b>	<b>-2.723</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

€m	2017	2016
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Profit for the year	1.042	930
Adjusted by:		
Amortisation and depreciation	604	742
Operating change in provisions	12	78
Financial expenses from discounting of provisions for construction services required by contract and other provisions	25	61
Impairments/(Reversal of impairment losses) on non-current financial assets and investments accounted for at cost or fair value	-	-22
Share of (profit)/loss of investees accounted for using the equity method	-3	13
Impairment losses/(Reversal of impairment losses) and adjustments of non-current assets	-77	-26
(Gains)/Losses on sale of non-current assets	-1	-
Net change in deferred tax (assets)/liabilities through profit or loss	131	56
Other non-cash costs (income)	-50	231
Change in working capital and other changes	230	-215
<b>Net cash generated from/(used in) operating activities [a]</b>	<b>1.913</b>	<b>1.848</b>
<b>CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES</b>		
Investment in assets held under concession	-517	-844
Purchases of property, plant and equipment	-18	-47
Purchases of other intangible assets	-21	-40
Government grants related to assets held under concession	1	6
Increase in financial assets deriving from concession rights (related to capital expenditure)	2	76
Purchases of investments	-	-
Proceeds from sales of property, plant and equipment, intangible assets and unconsolidated investments	1	5
Proceeds from sales of consolidated investments, net of cash and cash equivalents transferred	-	1.555
Cash and cash equivalents of consolidated companies transferred as a result of distribution of special dividend in kind	-386	-
Net change in other non-current assets	8	-11
Net change in current and non-current financial assets	-33	-76
<b>Net cash generated from/(used in) investing activities [b]</b>	<b>-963</b>	<b>624</b>
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Distribution of reserves to the parent	-1.101	-
Dividends paid	-777	-784
Return of capital to non-controlling shareholders	-	-6
Repayment of loans from parent	-	-1.101
Issuance of bonds	131	654
Increase in medium/long term borrowings (excluding finance lease liabilities)	-	5
Redemption of bonds	-506	-91
Repayments of medium/long term borrowings (excluding finance lease liabilities)	-165	-253
Net change in other current and non-current financial liabilities	970	-323
<b>Net cash generated from/(used in) financing activities [c]</b>	<b>-1.448</b>	<b>-1.899</b>
Net effect of foreign exchange rate movements on net cash and cash equivalents [d]	10	34
<b>Increase/(Decrease) in net cash and cash equivalents [a+b+c+d]</b>	<b>-488</b>	<b>607</b>
<b>NET CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>3.419</b>	<b>2.812</b>
<b>NET CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>2.931</b>	<b>3.419</b>

**ADDITIONAL INFORMATION ON THE CONSOLIDATED STATEMENT OF CASH FLOWS**

€m	2017	2016
Income taxes paid	195	356
Interest and other financial income collected	36	41
Interest expense and other financial expenses paid	533	685
Dividends received	2	2

**RECONCILIATION OF NET CASH AND CASH EQUIVALENTS**

€m	2017	2016
<b>NET CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>3.419</b>	<b>2.812</b>
Cash and cash equivalents	3.224	2.787
Bank overdrafts repayable on demand	-	-
Intercompany current account payables due to related parties	-206	-14
Cash and cash equivalents related to discontinued operations	401	39
<b>NET CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>2.931</b>	<b>3.419</b>
Cash and cash equivalents	2.938	3.224
Bank overdrafts repayable on demand	-	-
Intercompany current account payables due to related parties	-14	-206
Cash and cash equivalents related to discontinued operations	7	401

## RECLASSIFIED INCOME STATEMENT OF AUTOSTRADE PER L'ITALIA SpA

€m	2017	2016	INCREASE/(DECREASE)	
			ABSOLUTE	%
Toll revenue	3.321	3.222	99	3
Other operating income	300	305	-5	-2
<b>Total operating revenue</b>	<b>3.621</b>	<b>3.527</b>	<b>94</b>	<b>3</b>
Cost of materials and external services	-483	-463	-20	4
Concession fees	-442	-431	-11	3
Net staff costs	-388	-390	2	-1
<b>Total net operating costs</b>	<b>-1.313</b>	<b>-1.284</b>	<b>-29</b>	<b>2</b>
<b>Gross operating profit (EBITDA)</b>	<b>2.308</b>	<b>2.243</b>	<b>65</b>	<b>3</b>
Amortisation, depreciation, impairment losses and reversal of impairment losses	-565	-540	-25	5
Operating change in provisions and other adjustments	6	-64	70	n.s.
<b>Operating profit (EBIT)</b>	<b>1.749</b>	<b>1.639</b>	<b>110</b>	<b>7</b>
Dividends received from investees	50	27	23	85
Reversals of impairment losses/(Impairment losses) on investments	4	-13	17	n.s.
Financial expenses from discounting of provisions for construction services required by contract and other provisions	-24	-45	21	-47
Other financial income/(expenses), net	-432	-799	367	-46
Capitalised financial expenses on intangible assets deriving from concession rights	1	2	-1	-50
<b>Profit/(Loss) before tax from continuing operations</b>	<b>1.348</b>	<b>811</b>	<b>537</b>	<b>66</b>
Income tax expense	-380	-296	-84	28
<b>Profit/(Loss) from continuing operations</b>	<b>968</b>	<b>515</b>	<b>453</b>	<b>88</b>
After-tax dividends from discontinued operations	-	104	-104	n.s.
<b>Profit for the year</b>	<b>968</b>	<b>619</b>	<b>349</b>	<b>56</b>

(€)	2017	2016	INCREASE/(DECREASE)
<b>Basic earnings per share</b>	<b>1,56</b>	<b>1,00</b>	<b>0,56</b>
<i>of which:</i>			
- from continuing operations	1,56	0,83	0,73
- from discontinued operations	-	0,17	-0,17
<b>Diluted earnings per share</b>	<b>1,56</b>	<b>1,00</b>	<b>0,56</b>
<i>of which:</i>			
- from continuing operations	1,56	0,83	0,73
- from discontinued operations	-	0,17	-0,17

## STATEMENT OF COMPREHENSIVE INCOME OF AUTOSTRADE L'ITALIA SpA

€m		2017	2016
<b>Profit for the year</b>	<b>(A)</b>	<b>968</b>	<b>619</b>
		-	104
<i>of which attributable to discontinued operations</i>			
Fair value gains/(losses) on cash flow hedges		39	-74
Tax effect of fair value gains/(losses) on cash flow hedges		-14	18
Deferred tax effect of issuer substitution on cash flow hedges		-	-50
<b>Other comprehensive income/(loss) reclassifiable to profit or loss for the year</b>	<b>(B)</b>	<b>25</b>	<b>-106</b>
Gains/(losses) from actuarial valuations of provisions for employee benefits		-1	-2
Tax effect of gains/(losses) from actuarial valuations of provisions for employee benefits		-	1
<b>Other comprehensive income/(loss) not reclassifiable to profit or loss for the year</b>	<b>(C)</b>	<b>-1</b>	<b>-1</b>
Reclassification of the cash flow hedge reserve arising from issuer substitution		-	201
Other reclassifications of the cash flow hedge reserve		20	-3
<b>Reclassifications of other components of comprehensive income to profit or loss for the year</b>	<b>(D)</b>	<b>20</b>	<b>198</b>
<b>Total other comprehensive income/(loss) for the year</b>	<b>(E=B+C+D)</b>	<b>44</b>	<b>91</b>
<b>Comprehensive income for the year</b>	<b>(A+E)</b>	<b>1.012</b>	<b>710</b>

## RECLASSIFIED STATEMENT OF FINANCIAL POSITION OF AUTOSTRADE PER L'ITALIA SpA

€m	31 December 2017	31 December 2016	INCREASE/ (DECREASE)
<b>Non-current non-financial assets</b>			
Property, plant and equipment	74	78	-4
Intangible assets	17.403	17.862	-459
Investments	225	221	4
<b>Total non-current non-financial assets (A)</b>	<b>17.702</b>	<b>18.161</b>	<b>-459</b>
<b>Working capital</b>			
Trading assets	465	537	-72
Current tax assets	24	55	-31
Other current assets	66	63	3
Non-financial assets held for sale or for distribution to shareholders or related to discontinued operations	4	1.158	-1.154
Current portion of provisions for construction services required by contract	-422	-522	100
Current provisions	-196	-188	-8
Trading liabilities	-1.306	-1.229	-77
Current tax liabilities	-88	-3	-85
Other current liabilities	-209	-219	10
<b>Total working capital (B)</b>	<b>-1.662</b>	<b>-348</b>	<b>-1.314</b>
<b>Gross invested capital (C=A+B)</b>	<b>16.040</b>	<b>17.813</b>	<b>-1.773</b>
<b>Non-current non-financial liabilities</b>			
Non-current portion of provisions for construction services required by contract	-2.840	-3.165	325
Non-current provisions	-1.064	-1.084	20
Deferred tax liabilities	-588	-461	-127
Other non-current liabilities	-33	-30	-3
<b>Total non-current non-financial liabilities (D)</b>	<b>-4.525</b>	<b>-4.740</b>	<b>215</b>
<b>NET INVESTED CAPITAL (E=C+D)</b>	<b>11.515</b>	<b>13.073</b>	<b>-1.558</b>
<b>Equity</b>			
Issued capital	622	622	-
Reserves and retained earnings	847	2.669	-1.822
Profit/(Loss) for the year after payment of interim dividend	518	314	204
<b>Total equity (F)</b>	<b>1.987</b>	<b>3.605</b>	<b>-1.618</b>
<b>Net debt/(net funds)</b>			
<b>Non-current net debt/(net funds)</b>			
<b>Non-current financial liabilities</b>	<b>10.964</b>	<b>11.994</b>	<b>-1.030</b>
Bond issues	8.093	8.005	88
Medium/long-term borrowings	2.442	3.509	-1.067
Non-current derivative liabilities	429	480	-51
<b>Non-current financial assets</b>	<b>-638</b>	<b>-642</b>	<b>4</b>
Non-current financial assets deriving from government grants	-184	-186	2
Non-current term deposits	-184	-186	2
Other non-current financial assets	-270	-270	-
<b>Total non-current net debt/(net funds) (G)</b>	<b>10.326</b>	<b>11.352</b>	<b>-1.026</b>
<b>Current net debt/(net funds)</b>			
<b>Current financial liabilities</b>	<b>1.971</b>	<b>1.156</b>	<b>815</b>
Short-term borrowings	530	-	530
Current derivative liabilities	-	2	-2
Intercompany current account payables due to related parties	57	242	-185
Current portion of medium/long-term borrowings	1.381	912	469
Other current financial liabilities	3	-	3
<b>Cash and cash equivalents</b>	<b>-2.627</b>	<b>-2.924</b>	<b>297</b>
Cash	-1.773	-2.238	465
Cash equivalents	-80	-200	120
Intercompany current account receivables due from related parties	-774	-486	-288
<b>Current financial assets</b>	<b>-142</b>	<b>-116</b>	<b>-26</b>
Current financial assets deriving from government grants	-52	-51	-1
Current term deposits	-50	-48	-2
Current derivative assets	-	-2	2
Current portion of other medium/long-term financial assets	-32	-14	-18
Other current financial assets	-8	-1	-7
<b>Total current net debt/(net funds) (H)</b>	<b>-798</b>	<b>-1.884</b>	<b>1.086</b>
<b>Total net debt/(net funds) (I=G+H) <sup>(1)</sup></b>	<b>9.528</b>	<b>9.468</b>	<b>60</b>
<b>NET DEBT AND EQUITY (L=F+I)</b>	<b>11.515</b>	<b>13.073</b>	<b>-1.558</b>

## STATEMENT OF CASH FLOWS OF AUTOSTRADE PER L'ITALIA SpA

€m	2017	2016
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Profit for the year	<b>968</b>	<b>619</b>
Adjusted by:		
Amortisation and depreciation	565	540
Operating change in provisions	-7	63
Financial expenses from discounting of provisions for construction services required by contract	24	45
(Reversals of impairment losses)/Impairment losses on investments	-4	13
Impairment losses/(Reversals of impairment losses) on current and non-current assets	1	2
(Gains)/Losses on sale of non-current assets	-1	-
Net change in deferred tax (assets)/liabilities through profit or loss	115	108
Other non-cash costs (income)	-48	293
Change in working capital and other changes	224	-79
<b>Net cash generated from/(used in) operating activities [a]</b>	<b>1.837</b>	<b>1.604</b>
<b>CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES</b>		
Investment in assets held under concession	-494	-635
Purchases of property, plant and equipment	-17	-22
Purchases of other intangible assets	-19	-15
Government grants related to assets held under concession	1	1
Proceeds from sale of property, plant and equipment, intangible assets and investments	1	1.266
Return of capital reserves by Autostrade dell'Atlantico	398	-
Net change in current and non-current financial assets	-21	-35
<b>Net cash generated from/(used in) investing activities [b]</b>	<b>-151</b>	<b>560</b>
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Distribution of equity reserves	-1.101	-
Dividends paid	-764	-775
Repayment of loans from parent	-	-1.100
Issuance of bonds	131	591
Redemption of bonds	-506	-
Repayments of medium/long term borrowings	-162	-135
Net change in other current and non-current financial liabilities	604	-411
<b>Net cash generated from/(used in) financing activities [c]</b>	<b>-1.798</b>	<b>-1.830</b>
<b>(Decrease)/Increase in net cash and cash equivalents [a+b+c]</b>	<b>-112</b>	<b>334</b>
<b>NET CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>2.682</b>	<b>2.348</b>
<b>NET CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>2.570</b>	<b>2.682</b>

## ADDITIONAL INFORMATION ON THE STATEMENT OF CASH FLOWS

€m	2017	2016
Income taxes paid(refunded)	161	225
Interest income and other financial income collected	53	40
Interest expense and other financial expenses paid	528	589
Dividends received	43	132

### RECONCILIATION OF NET CASH AND CASH EQUIVALENTS

€m	2017	2016
<b><u>Net cash and cash equivalents at beginning of year</u></b>	<b>2.682</b>	<b>2.348</b>
Cash and cash equivalents	2.924	2.422
Intercompany current account payables due to related parties	-242	-74
<b><u>Net cash and cash equivalents at end of year</u></b>	<b>2.570</b>	<b>2.682</b>
Cash and cash equivalents	2.627	2.924
Intercompany current account payables due to related parties	-57	-242