



**CONSOLIDATED INTERIM FINANCIAL  
STATEMENTS OF THE AUTOSTRADA PER  
L'ITALIA GROUP FOR THE SIX MONTHS  
ENDED 30 JUNE 2014**

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**1. CONSOLIDATED FINANCIAL STATEMENTS**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

€000	Note	30 June 2014	31 December 2013
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Property, plant and equipment</b>	<b>7.1</b>	<b>137,076</b>	<b>194,268</b>
Property, plant and equipment		130,426	187,376
Property, plant and equipment held under finance leases		2,663	2,833
Investment property		3,987	4,059
<b>Intangible assets</b>	<b>7.2</b>	<b>21,894,811</b>	<b>21,717,317</b>
Intangible assets deriving from concession rights		15,734,990	15,565,582
Goodwill and other intangible assets with indefinite lives		6,112,160	6,112,160
Other intangible assets		47,661	39,575
<b>Investments</b>	<b>7.3</b>	<b>111,083</b>	<b>113,846</b>
Investments accounted for at cost or fair value		35,964	38,985
Investments accounted for using the equity method		75,119	74,861
<b>Other non-current financial assets</b>	<b>7.4</b>	<b>2,327,079</b>	<b>2,309,530</b>
Non-current financial assets deriving from concession rights		1,179,401	1,296,694
Non-current financial assets deriving from government grants		278,706	247,481
Non-current term deposits		347,114	332,745
Non-current derivative assets		-	5,387
Other non-current financial assets		521,858	427,223
<b>Deferred tax assets</b>	<b>7.5</b>	<b>147,609</b>	<b>153,290</b>
<b>Other non-current assets</b>	<b>7.6</b>	<b>4,208</b>	<b>7,754</b>
<b>Total non-current assets</b>		<b>24,621,866</b>	<b>24,496,005</b>
<b>Current assets</b>			
<b>Trading assets</b>	<b>7.7</b>	<b>1,160,818</b>	<b>1,125,137</b>
Inventories		48,520	53,473
Contract work in progress		10,493	26,530
Trade receivables		1,101,805	1,045,134
<b>Cash and cash equivalents</b>	<b>7.8</b>	<b>1,228,756</b>	<b>3,324,129</b>
Cash		865,515	1,345,725
Cash equivalents		363,241	1,978,404
<b>Other current financial assets</b>	<b>7.4</b>	<b>984,833</b>	<b>757,570</b>
Current financial assets deriving from concessions		487,810	413,067
Current financial assets deriving from government grants		17,299	18,931
Current term deposits		229,607	166,863
Current derivative assets		-	70
Current portion of medium/long-term financial assets		55,562	29,621
Other current financial assets		194,555	129,018
<b>Current tax assets</b>	<b>7.9</b>	<b>161,767</b>	<b>57,518</b>
<b>Other current assets</b>	<b>7.10</b>	<b>115,110</b>	<b>120,529</b>
<b>Non-current assets held for sale and related to discontinued operations</b>	<b>7.11</b>	<b>167,363</b>	<b>18,153</b>
<b>Total current assets</b>		<b>3,818,647</b>	<b>5,403,036</b>
<b>TOTAL ASSETS</b>		<b>28,440,513</b>	<b>29,899,041</b>

€000	Note	30 June 2014	31 December 2013
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<b>Equity attributable to owners of the parent</b>		<b>2,823,376</b>	<b>2,922,406</b>
Issued capital		622,027	622,027
Reserves and retained earnings		1,902,956	1,993,402
Profit/(Loss) for the period net of interim dividends		298,393	306,977
<b>Equity attributable to non-controlling interests</b>		<b>1,641,414</b>	<b>1,607,114</b>
Issued capital and reserves		1,603,278	1,525,203
Profit/(Loss) for the period net of interim dividends		38,136	81,911
<b>Total equity</b>	<b>7.12</b>	<b>4,464,790</b>	<b>4,529,520</b>
<b>Non-current liabilities</b>			
<b>Non-current portion of provisions for construction services required by contract</b>	<b>7.13</b>	<b>3,703,685</b>	<b>3,727,154</b>
<b>Non-current provisions</b>	<b>7.14</b>	<b>1,052,821</b>	<b>1,024,921</b>
Non-current provisions for employee benefits		121,963	135,115
Non-current provisions for repair and replacement of motorway infrastructure		912,986	858,151
Other non-current provisions		17,872	31,655
<b>Non-current financial liabilities</b>	<b>7.15</b>	<b>13,574,868</b>	<b>13,550,416</b>
Bond issues		928,560	991,771
Medium/long-term borrowings		12,266,576	12,258,584
Non-current derivative liabilities		334,682	259,251
Other non-current financial liabilities		45,050	40,810
<b>Deferred tax liabilities</b>	<b>7.5</b>	<b>1,173,657</b>	<b>1,142,083</b>
<b>Other non-current liabilities</b>	<b>7.16</b>	<b>94,137</b>	<b>93,469</b>
<b>Total non-current liabilities</b>		<b>19,599,168</b>	<b>19,538,043</b>
<b>Current liabilities</b>			
<b>Trading liabilities</b>	<b>7.17</b>	<b>1,197,878</b>	<b>1,286,317</b>
Contract work in progress		-	229
Trade payables		1,197,878	1,286,088
<b>Current portion of provisions for construction services required by contract</b>	<b>7.13</b>	<b>618,205</b>	<b>434,882</b>
<b>Current provisions</b>	<b>7.14</b>	<b>352,880</b>	<b>336,888</b>
Current provisions for employee benefits		18,988	18,653
Current provisions for repair and replacement of motorway infrastructure		272,796	253,609
Other current provisions		61,096	64,626
<b>Current financial liabilities</b>	<b>7.15</b>	<b>1,490,451</b>	<b>3,368,926</b>
Bank overdrafts		1,863	7,228
Short-term borrowings		95,981	2,976
Current derivative liabilities		93	-
Intercompany current account payables due to subsidiaries and the parent		528,665	430,779
Current portion of medium/long-term financial liabilities		860,865	2,918,737
Other current financial liabilities		2,984	9,206
<b>Current tax liabilities</b>	<b>7.9</b>	<b>136,216</b>	<b>25,899</b>
<b>Other current liabilities</b>	<b>7.18</b>	<b>378,827</b>	<b>378,566</b>
<b>Non-current liabilities related to discontinued operations</b>	<b>7.11</b>	<b>202,098</b>	<b>-</b>
<b>Total current liabilities</b>		<b>4,376,555</b>	<b>5,831,478</b>
<b>TOTAL LIABILITIES</b>		<b>23,975,723</b>	<b>25,369,521</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>28,440,513</b>	<b>29,899,041</b>

**CONSOLIDATED INCOME STATEMENT**

€000	Note	H1 2014	H1 2013
<b>REVENUE</b>			
Toll revenue	8.1	1,738,718	1,683,544
Revenue from construction services	8.2	200,690	367,616
Contract revenue	8.3	15,495	9,932
Other operating income	8.4	342,254	267,764
<b>TOTAL REVENUE</b>		<b>2,297,157</b>	<b>2,328,856</b>
<b>COSTS</b>			
<b>Raw and consumable materials</b>	8.5	<b>-76,084</b>	<b>-87,104</b>
<b>Service costs</b>	8.6	<b>-418,221</b>	<b>-512,186</b>
<b>Gain/(Loss) on sale of elements of property, plant and equipment</b>		<b>36</b>	<b>-</b>
<b>Staff costs</b>	8.7	<b>-291,356</b>	<b>-294,764</b>
<b>Other operating costs</b>	8.8	<b>-395,789</b>	<b>-417,237</b>
Concession fees		-204,430	-203,126
Lease expense		-4,588	-6,757
Other		-186,771	-207,354
<b>Operating change in provisions</b>	8.9	<b>-67,086</b>	<b>-11,385</b>
Provisions/ (Uses of provisions) for repair and replacement of motorway infrastructure		-55,487	12,652
Provisions/ (Uses of provisions)		-11,599	-24,037
<b>Use of provisions for construction services required by contract</b>	8.10	<b>161,992</b>	<b>211,232</b>
<b>Amortisation and depreciation</b>		<b>-328,900</b>	<b>-343,934</b>
Depreciation of property, plant and equipment		-19,974	-21,195
Amortisation of intangible assets deriving from concession rights		-299,226	-313,319
Amortisation of other intangible assets		-9,700	-9,420
<b>(Impairment losses)/Reversals of impairment losses</b>	8.11	<b>-2,254</b>	<b>-1,116</b>
<b>TOTAL COSTS</b>		<b>-1,417,662</b>	<b>-1,456,494</b>
<b>OPERATING PROFIT</b>		<b>879,495</b>	<b>872,362</b>
<b>Financial income</b>		<b>135,644</b>	<b>134,475</b>
Financial income accounted for as an increase in financial assets deriving from concession rights and government grants		40,449	43,401
Dividends received from investee companies		14	1
Other financial income		95,181	91,073
<b>Financial expenses</b>		<b>-497,192</b>	<b>-490,925</b>
Financial expenses from discounting of provisions for construction services required by contract and other provisions		-53,893	-47,713
Other financial expenses after government grants		-443,299	-443,212
<b>Foreign exchange gains/(losses)</b>		<b>6,124</b>	<b>228</b>
<b>FINANCIAL INCOME/(EXPENSES)</b>	8.12	<b>-355,424</b>	<b>-356,222</b>
<b>Share of (profit)/loss of associates and joint ventures accounted for using the equity method</b>	8.13	<b>-4,380</b>	<b>-1,132</b>
<b>PROFIT BEFORE TAX FROM CONTINUING OPERATIONS</b>		<b>519,691</b>	<b>515,008</b>
<b>Income tax (expense)/benefit</b>	8.14	<b>-184,244</b>	<b>-186,994</b>
Current tax expense		-148,667	-146,777
Differences on current tax expense for previous years		2,399	3,592
Deferred tax income and expense		-37,976	-43,809
<b>PROFIT/(LOSS) FROM CONTINUING OPERATIONS</b>		<b>335,447</b>	<b>328,014</b>
<b>Profit/(Loss) from discontinued operations</b>	8.15	<b>1,082</b>	<b>2,275</b>
<b>PROFIT FOR THE PERIOD</b>		<b>336,529</b>	<b>330,289</b>
<i>of which:</i>			
<b>Profit attributable to owners of the parent</b>		<b>298,393</b>	<b>297,383</b>
<b>Profit attributable to non-controlling interests</b>		<b>38,136</b>	<b>32,906</b>
<hr/>			
(€)		H1 2014	H1 2013
<hr/>			
<b>Basic earnings per share attributable to owners of the parent (€)</b>	8.16	<b>0.48</b>	<b>0.47</b>
of which:			
- continuing operations		0.48	0.47
- discontinued operations		-	-

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

<b>€000</b>	<b>Note</b>	<b>H1 2014</b>	<b>H1 2013</b>
<b>Profit for the period (A)</b>		<b>336,529</b>	<b>330,289</b>
Fair value gains/(losses) on cash flow hedges		-64,807	67,276
Fair value gains/(losses) on net investment hedges		-	858
Gains/(losses) from translation of assets and liabilities of consolidated companies denominated in functional currencies other than the euro		6,003	-153,700
Gains/(Losses) from translation of investments in associates and joint ventures accounted for using the equity method denominated in functional currencies other than the euro		2,780	-2,668
<b>Other comprehensive income/(loss) for the period reclassifiable to profit or loss, after related taxation (B)</b>		<b>-56,024</b>	<b>-88,234</b>
<b>Other comprehensive income/(loss) for the period not reclassifiable to profit or loss, after related taxation (C)</b>		<b>-</b>	<b>-721</b>
<b>Total other comprehensive income/(loss) for the period, after related taxation (D=B+C)</b>		<b>-56,024</b>	<b>-88,955</b>
<b>Comprehensive income for the period (A + D)</b>	<b>7.12</b>	<b>280,505</b>	<b>241,334</b>
<i>Of which attributable to owners of the parent</i>		239,875	281,603
<i>Of which attributable to non-controlling interests</i>		40,630	-40,269

€000	EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT						EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT AND NON-CONTROLLING INTERESTS		
	Issued capital	Cash flow hedge reserve	Net investment hedge reserve	Reserve for differences on transactions in functional currencies other than the euro	Reserve for associates and joint ventures accounted for using the equity method	Other reserves and retained earnings			Profit/(loss) for the period	Total
<b>Balance as at 31 December 2012</b>	622,027	-102,530	-37,593	-7,565	-1,667	1,981,917	598,082	3,052,671	1,708,156	4,760,827
<b>Comprehensive income for the period</b>	-	63,786	858	-77,072	-2,668	-684	297,383	281,603	-40,269	241,334
<b>Owner transactions and other changes</b>										
Final dividend approved	-	-	-	-	-	-	-344,146	-344,148	-8,496	-352,644
Transfer of profit/(loss) for previous year to retained earnings	-	-	-	-	-	253,934	-253,934	-	-	-
Exercise of options awarded under share-based incentive plans	-	-	-	-	-	1,517	-	1,517	15	1,532
Capital contributions, reclassifications and other changes	-	-	-	-	-	-44	-	-44	631	587
<b>Balance as at 30 June 2013</b>	622,027	-38,744	-36,735	-84,637	-4,335	2,236,640	297,383	2,891,599	1,660,037	4,651,636
<b>Balance as at 31 December 2013</b>	622,027	-12,733	-36,400	-197,678	-2,061	2,242,274	306,977	2,922,406	1,607,114	4,529,520
<b>Comprehensive income for the period</b>	-	-62,308	-	2,399	1,391	-	298,393	239,875	40,630	280,505
<b>Owner transactions and other changes</b>										
Final dividend approved	-	-	-	-	-	-	-340,249	-340,249	-7,860	-348,109
Transfer of profit/(loss) for previous year to retained earnings	-	-	-	-	-	-33,272	33,272	-	-	-
Exercise of options awarded under share-based incentive plans	-	-	-	-	-	2,122	-	2,122	24	2,146
Capital contributions, reclassifications and other changes	-	-	-	68	-	-846	-	-778	1,506	728
<b>Balance as at 30 June 2014</b>	622,027	-75,041	-36,400	-195,211	-670	2,210,278	298,393	2,823,376	1,641,414	4,464,790

**CONSOLIDATED STATEMENT OF CASH FLOWS**

€000	Note	H1 2014	H1 2013
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>			
<b>Profit for the period</b>		<b>336,529</b>	<b>330,289</b>
<b>Adjusted by:</b>			
Amortisation and depreciation		334,376	349,612
Provisions		67,402	14,130
Financial expenses from discounting of provisions for construction services required by contract		54,033	47,835
Share of (profit)/loss of associates and joint ventures accounted for using the equity method	8.13	4,380	1,132
Impairment losses/(Reversal of impairment losses) and adjustments of other non-current assets		4	1
(Gain)/Loss on sale of non-current assets		-17	-
Net change in deferred tax (assets)/liabilities through profit or loss		37,519	43,120
Other non-cash costs (income)		-5,477	-8,157
Change in working capital and other changes		-42,742	-247,930
<b>Net cash generated from/(used in) operating activities [a]</b>	<b>9.1</b>	<b>786,007</b>	<b>530,032</b>
<b>CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES</b>			
Investment in assets held under concession	7.2	-362,679	-578,846
Government grants related to assets held under concession		32,215	19,550
Increase in financial assets deriving from concession rights (related to capital expenditure)		21,157	170,527
Purchases of property, plant and equipment	7.1	-14,199	-10,783
Purchases of other intangible assets	7.2	-11,486	-9,767
Purchase of investments, net of unpaid called-up issued capital		-1,984	-943
Proceeds from sales of property, plant and equipment, intangible assets and unconsolidated investments		358	391
Net change in other non-current assets		1,251	-5,752
Net change in current and non-current financial assets not held for trading purposes		-235,196	-196,113
<b>Net cash generated from/(used in) investing activities [b]</b>	<b>9.1</b>	<b>-570,563</b>	<b>-611,736</b>
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>			
Repayments of shareholder loans		-2,094,200	-
Dividends paid		-348,591	-351,695
Contributions from non-controlling shareholders		720	627
New loans from parent		202,880	75,734
Issuance of bonds		-	648,500
Increase in medium/long term borrowings (excluding finance lease liabilities)		156,781	213,814
Bond redemptions	7.15	-11,597	-570,148
Repayments of medium/long term borrowings (excluding finance lease liabilities)		-278,795	-105,667
Payment of finance lease liabilities		-216	-289
Net change in other current and non-current financial liabilities		-30,916	-143,897
<b>Net cash generated from/(used in) financing activities [c]</b>	<b>9.1</b>	<b>-2,403,934</b>	<b>-233,021</b>
Net effect of foreign exchange rate movements on net cash and cash equivalents [d]		8,959	-18,888
<b>Increase/(Decrease) in cash and cash equivalents [a+b+c+d]</b>	<b>9.1</b>	<b>-2,179,531</b>	<b>-333,613</b>
<b>NET CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>		<b>2,886,112</b>	<b>2,413,906</b>
<b>NET CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>		<b>706,581</b>	<b>2,080,293</b>

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

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€000	Note	H1 2014	H1 2013
Income taxes paid		152,232	76,975
Interest and other financial income collected		30,199	47,751
Interest expense and other financial expenses paid		-500,107	-473,185
Dividends received	8.12	14	1
Foreign exchange gains/(losses) collected		-	242

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**RECONCILIATION OF NET CASH AND CASH EQUIVALENTS**

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€000	Note	H1 2014	H1 2013
<b><u>NET CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</u></b>		<b>2,886,112</b>	<b>2,413,906</b>
Cash and cash equivalents	7.8	3,324,129	2,809,944
Bank overdrafts repayable on demand	7.15	-7,228	-113
Intercompany current account payables due to subsidiaries and the parent	7.15	-430,779	-395,925
Cash and cash equivalents related to discontinued operations		-10	-
<b><u>NET CASH AND CASH EQUIVALENTS AT END OF PERIOD</u></b>		<b>706,581</b>	<b>2,080,293</b>
Cash and cash equivalents	7.8	1,228,756	2,552,094
Bank overdrafts repayable on demand	7.15	-1,863	-2,367
Intercompany current account payables due to subsidiaries and the parent	7.15	-528,665	-469,334
Cash and cash equivalents related to discontinued operations		8,960	-
Bank overdrafts (disposal groups)		-607	-

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## 2. NOTES

### 1. INTRODUCTION

The core business of the Autostrade per l'Italia Group ("the Group") is the operation of motorways under concessions granted by the relevant authorities. Under the related concession arrangements, the Group's operators are responsible for the construction, management, improvement and upkeep of motorway infrastructure in Italy and abroad. Further information on the Group's concession arrangements is provided in note 4. The Group's activities are not, on the whole, subject to significant seasonal variations between the first and second halves of the year.

Autostrade per l'Italia SpA (the "Company" or "Parent Company") is a public limited company incorporated in 2003 with its registered office at Via Bergamini, 50 in Rome.

The duration of the Company is until 31 December 2050.

100% of the Company's share capital is held by Atlantia SpA (also referred to as "Atlantia"), which is listed on the screen-based trading system (*Mercato Telematico Azionario*) operated by Borsa Italiana SpA, and is responsible for management and coordination of the Company.

At the date of preparation of these consolidated financial statements, Sintonia SpA is the shareholder that holds a relative majority of the issued capital of Atlantia SpA. Sintonia SpA, which is in turn a subsidiary of Edizione Srl, does not exercise management and coordination of Atlantia.

These consolidated interim financial statements as at and for the six months ended 30 June 2014 were approved by the Company's Board of Directors at its meeting of 17 October 2014.

### 2. BASIS OF PREPARATION

These consolidated interim financial statements as at and for the six months ended 30 June 2014 have been prepared under the assumption that the Parent Company and consolidated companies are going concerns. They have been prepared in compliance with the International Financial Reporting Standards (IFRS), above all with regard to IAS 34 "Interim Financial Reporting" (relating to the content of interim reports), issued by the International Accounting Standards Board and endorsed by the European Commission, and as in force at the end of the period. These standards reflect the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), in addition to previous International Accounting Standards (IAS) and interpretations issued by the Standard Interpretations Committee (SIC) and still in force at the end of the period. For the sake of simplicity, all the above standards and interpretations are hereinafter referred to as "IFRS".

The consolidated interim financial statements consist of the consolidated accounts (the statement of financial position, income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows) and these notes. The Group has applied IAS 1 "Presentation of financial statements" and, in general, the historic cost convention, with the exception of those items that are required by IFRS to be recognised at fair value, as explained in the notes to the relevant items in the consolidated financial statements as at and for the year ended 31 December 2013. Compared with the consolidated annual financial statements, a summary of the basis of preparation of the condensed financial statements has been provided, in compliance with IAS 34. For a more complete description, these consolidated interim financial statements should, therefore, be read in conjunction with the consolidated financial statements as at and for the year ended 31 December 2013.

The statement of financial position is based on the format that separately discloses current and non-current assets and liabilities. The income statement is classified by nature of expense. The statement of cash flows has been prepared in application of the indirect method.

IFRS have been applied in accordance with the indications provided in the "Framework for the Preparation and Presentation of Financial Statements", and no events have occurred that would require exemptions pursuant to paragraph 19 of IAS 1.

The Company has prepared these condensed consolidated interim financial statements due to the fact that it intends to issue debt under a Euro Medium Term Note Programme to be admitted to listing on the Irish Stock Exchange.

During the first half of 2014, have not been put in operation, with significant impact in the consolidated statement of income, non-recurring, atypical or unusual with third parties or with related parties. All amounts are shown in thousands of euros, unless otherwise stated. The euro is the functional currency of the Parent Company and a number of its subsidiaries and the presentation currency for these consolidated interim financial statements.

Each component of the consolidated interim financial statements is compared with the corresponding amount for the comparative reporting period. It should be noted, however, that, in accordance with IFRS 5, following the corporate operations described in detail in note 6 below, the contributions of Pavimental, SPEA Ingegneria Europea, Pavimental Polska and Spea do Brasil to the consolidated income statement for both comparative reporting periods are presented in "Profit/(Loss) from discontinued operations", rather than included in each component of the consolidated income statement for continuing operations. The above companies' contributions to the consolidated statement of financial position as at 30 June 2014 have also been classified in the specific items for assets and liabilities held for sale.

### **3. ACCOUNTING STANDARDS APPLIED**

The accounting standards and policies applied in preparation of the consolidated interim financial statements as at and for the six months ended 30 June 2014 are consistent with those applied in preparation of the consolidated financial statements as at and for the year ended 31 December 2013, to which reference should be made for a description of the relevant accounting standards and policies.

In the preparation of these consolidated interim financial statements, account has been taken of the effect of adjusting events between the end of the reporting period and the date of approval of these financial statements, as required by IAS 10.

Relating to the accounting standards applied in the preparation of this document have not undergone significant changes with respect to those adopted in the preparation of the consolidated financial statements as at and for the year ended 31 December 2013, as no new standards, interpretations, or amendments to existing standards, having a material effect on the Autostrade per l'Italia Group's consolidated financial statements, became effective in the first half of 2014, as, moreover, previously indicated in the notes to the consolidated financial statements as at and for the year ended 31 December 2013. For the sake of completeness, it should be noted that the following new standards and/or amendments to existing standards and interpretations are applicable from 1 January 2014:

- a. IFRS 10 – Consolidated Financial Statements and IFRS 12 – Disclosure of Interests in Other Entities. IFRS 10 replaces certain of the provisions of the old IAS 27 and SIC 12 with a new definition of control, but retains the methods used in preparation of IFRS compliant consolidated financial statements, having made no changes to the relevant provisions in the existing IAS 27. IFRS 10 provides that an investor controls an investee when the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to influence those returns through its power over the investee. Finally, IFRS 10 refers readers to the new IFRS 12 in relation to the disclosure of interests in other entities. This latter standard establishes disclosure requirements pertaining to investments in subsidiaries and associates, as well as other joint arrangements (cf. the new IFRS 11 below);
- b. IFRS 11 – Joint Arrangements. This standard replaces IAS 31 and SIC 13 and requires that a party to a joint arrangement determines the nature of the agreement in which that party is involved by evaluation of its rights and obligations arising thereunder. A joint arrangement is an arrangement by which two or more parties have joint control, which, in turn, is defined

by the standard as a contractually agreed sharing of control of an arrangement. Such arrangements only exist when decisions about activities that significantly affect the returns of the arrangement require the unanimous consent of the parties sharing control. IFRS 11 requires that joint arrangements be classified as one of two types: (i) joint operations - joint arrangements whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement, and (ii) joint ventures - joint arrangements whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement, such as, for example, companies with a separate legal personality. The accounting treatment required by IFRS 11 for joint operations is the prorated recognition of assets, liabilities, revenues and costs arising under the arrangement to be measured in accordance with the relevant standards. The accounting treatment required by the new standard for joint ventures, on the other hand, is based on the equity method established by IAS 28;

- c. IAS 27 – Separate Financial Statements. Following the amendments, which take account of the introduction of the new IFRS 10, this standard is only applicable to an entity's preparation of its separate financial statements and the accounting treatment of investments in subsidiaries;
- d. IAS 28 – Investments in Associates and Joint Ventures. The amendments to the standard take account of the introduction of the new IFRS 11, and have made the equity method mandatory for the measurement of investments in joint ventures;
- e. IAS 36 – Impairment of Assets. The amendments have essentially clarified the disclosures to be provided on the recoverable amount of non-financial assets, and simplified the disclosures to be provided regarding the recoverable value of CGUs for which no impairment has been accounted for;
- f. IAS 39 – Financial Instruments. The amendments regard the introduction of a number of exemptions to the hedge accounting requirements established by IAS 39, where an existing derivative is to be replaced with a new derivative that, due to a law or regulation, is novated directly or indirectly to a Central Counterparty (CCP).

Preparation of financial statements in compliance with IFRS involves the use of estimates and judgements, which are reflected in the measurement of the carrying amounts of assets and liabilities and in the disclosures provided in the notes to the financial statements, including contingent assets and liabilities at the end of the reporting period. These estimates are especially important in determining amortisation and depreciation, impairment testing of assets (including the measurement of receivables), provisions, employee benefits, the fair value of financial assets and liabilities, and current and deferred tax assets and liabilities.

The amounts subsequently recognised may, therefore, differ from these estimates. Moreover, these estimates and judgements are periodically reviewed and updated, and the resulting effects of each change immediately recognised in the financial statements.

As required by IAS 36, in preparing the consolidated interim financial statements the only assets tested for impairment are those for which there are internal and external indications of a reduction in value, requiring immediate recognition of the relevant losses.

#### **4. CONCESSIONS**

The Group's core business is the management of concessions held by Group companies, regarding the construction and operation of motorways (in Italy and abroad).

The main developments during the first half of 2014, in relation to the motorway concessions held by companies consolidated by the Group, are described below. Further essential information on the concessions held by the Group is provided in note 4 to the consolidated financial statements as at and for the year ended 31 December 2013.

### **Italian motorways**

The following information regards the motorway concessions held by the Group's Italian companies:

- a) on 29 May 2014, Ministerial Decree 498 of 31 December 2013, approving the Addendum to the Single Concession Arrangement of 12 October 2007, signed by the Ministry of Infrastructure and Transport and the operator, Autostrade per l'Italia SpA, was registered with the Italian Court of Auditors; further details are provided in note 10.7;
- b) in June 2014 Raccordo Autostradale Valle d'Aosta SpA and Tangenziale di Napoli SpA submitted their proposed five-yearly revision of their financial plans to the Grantor, within the deadline required by the relevant legislation, as described in more detail in note 10.7.

With the exception of the above, there are no further changes during the first half of 2014 to report regarding the motorway concession arrangements to which the Italian companies are party.

### **Overseas motorways**

#### **Brazil**

There were no material changes in relation to the concessions held by the Group's Brazilian companies during the first half of 2014.

#### **Chile**

With regard to the operator, Costanera Norte, with the publication, on 12 March 2014, of the Supreme Decree ratifying the programme, the investment programme named "*Programma SCO*" (*Santiago Centro Oriente*) is now fully effective. This has already been described in detail in note 4 to the consolidated financial statements as at and for the year ended 31 December 2013.

There were no material changes in relation to the concession arrangements of the other Chilean operators during the first half of 2014.

#### **Poland**

There were no material changes in relation to the concession held by the subsidiary, Stalexport Autostrady, during the first half of 2014.

The following table lists the motorway operators consolidated on a line-by-line basis by the Group as at 30 June 2014, providing details of the related concessions and the relevant expiry dates for each country.

Country	Operator	Section of motorway	Kilometres in service	Expiry date
<b>ITALIAN MOTORWAYS</b>				
Italy	Autostrade per l'Italia	A1 Milan - Naples	803.5	31 Dec 2038
		A4 Milan - Brescia	93.5	
		A7 Genoa - Serravalle	50.0	
		A8/9 Milan - lakes	77.7	
		A8 / A26 link road	24.0	
		A10 Genoa - Savona	45.5	
		A11 Florence - Pisa North	81.7	
		A12 Genoa - Sestri Levante	48.7	
		A12 Rome - Civitavecchia	65.4	
		A13 Bologna - Padua	127.3	
		A14 Bologna - Taranto	781.4	
		A16 Naples - Canosa	172.3	
		A23 Udine - Tarvisio	101.2	
	A26 Genoa - Gravelona Toce	244.9		
A27 Mestre- Belluno	82.2			
A30 Caserta - Salerno	55.3			
		2,854.6		
	Autostrade Meridionali (1)	A3 Naples - Salerno	51.6	31 Dec 2012
	Tangenziale di Napoli	Naples ring road	20.2	31 Dec 2037
	Raccordo Autostradale Valle d'Aosta	A5 Aosta - Mont Blanc	32.3	31 Dec 2032
	Società Italiana per azioni per il Traforo del Monte Bianco	Mont Blanc Tunnel	5.8	31 Dec 2050
<b>OVERSEAS MOTORWAYS</b>				
Brazil	Triangulo do Sol Auto-Estradas	SP 310 Rodovia Washington Luis SP326 Rodovia Brigadeiro Faria Lima SP333 Rodovia Carlos Tonani, Nemesio Cadetti e Laurentino Mascari	442.0	18 July 2021
	Rodovias das Colinas	SP075 - Itu/Campinas SP127- Rio Claro/Tatuí SP280 - Itu/Tatuí SP300 - Jundiaí/Tietê SPI-102/300	307.0	1 July 2028
	Nascentes das Gerais	MG-050 BR-265 BR-491	372.0	12 June 2032
Chile	Sociedad Concesionaria de Los Lagos	Rio Bueno - Puerto Montt (Chile)	135.0	20 Sept 2023
	Sociedad Concesionaria Costanera Norte	Puente La Dehesa - Puente Centenario	43.0	30 June 2033
		Puente Centenario - Vivaceta Vivaceta - A. Vespucio Estoril - Puente Lo Saldes		
	Sociedad Concesionaria Autopista Nororiente (2)	Sector Oriente: Enlace Centenario - Enlace Av. Del Valle Sector Poniente: Enlace Av. Del Valle - Enlace Ruta 5 Norte	21.5	2044
	Sociedad Concesionaria Vespucio Sur	Ruta 78 - General Velásquez	23.5	6 Dec 2032
		General Velásquez - Ruta 5 Sur Ruta 5 Sur - Nuevo Acceso Sur a Santiago Nuevo Acceso Sur a Santiago - Av. Vicuna Mackenna Av. Vicuna Mackenna - Av. Grecia		
Sociedad Concesionaria AMB (3)	Tramo A Tramo B	10.0	2020	
Sociedad Concesionaria Litoral Central	Nuevo Camino Costero: Cartagena Algarrobo Camino Algarrobo - Casablanca (Ruta F-90) Camino Costero Interior (Ruta F-962-G)	80.6	16 Nov 2031	
Poland	Stalexport Autostrada Malopolska	A4 Cracovia - Katowice (Poland)	61.0	15 Mar 2027

(1) The concession held by Autostrade Meridionali expired on 31 December 2012. The company continues to operate the motorway under an extension to its concession.

(2) Estimate: the concession will expire when the net present value of the revenues received, discounted to the start date of the concession at the real rate of 9.5%, reaches the agreed threshold of approximately €360 million and, in any event, no later than 2044.

(3) Estimate: the concession will expire when the net present value of the revenues received, discounted to the start date of the concession at the real rate of 9.0%, reaches the agreed threshold of approximately €40 million and, in any event, no later than 2048.

## 5. BASIS OF CONSOLIDATION

Consolidation policies and methods are consistent with those used in preparation of the consolidated financial statements as at and for the year ended 31 December 2013.

In addition to the Parent Company, Autostrade per l'Italia, companies are consolidated when Autostrade per l'Italia SpA exercises control as a result of its direct or indirect ownership of a majority of the voting power of the relevant entities (including potential voting rights resulting from currently exercisable options), or because, as a result of other events or circumstances that (regardless of its percentage interest in the entity) mean it has power over the investee, exposure, or rights, to variable returns from its involvement with the investee, and the ability to use its power over the investee to affect the amount of the investor's returns. Subsidiaries are consolidated using the line-by-line method and are listed in Annex 1.

Three companies listed in Annex 1 have not been consolidated due to their quantitative and qualitative immateriality to a true and fair view of the Group's financial position, results of operations and cash flows, as a result of their operational insignificance (dormant companies or companies whose liquidation is nearing completion).

All entities over which control is exercised are consolidated from the date on which the Group gains control. Entities are deconsolidated from the date on which the Group ceases to exercise control, as defined above.

The scope of consolidation as at 30 June 2014 is unchanged with respect to 31 December 2013.

As for the consolidated financial statements as at and for the year ended 31 December 2013, As part of the consolidation, all consolidated companies have submitted individual reporting packages as of the end of the reporting period, with accounting information consistent with the Group's IFRS accounting policies.

The exchange rates, shown below, used for the translation of reporting packages, denominated in functional currencies other than the euro, were obtained from the Bank of Italy:

Currency	2014		2013	
	Spot exchange rate 30 June	Average exchange rate for first half	Spot exchange rate 30 June	Average exchange rate for first half
Euro/US Dollar	1.366	1.370	1.308	1.313
Euro/Polish Zloty	4.157	4.175	4.338	4.177
Euro/Chilean Peso	753.629	757.788	664.259	628.747
Euro/Brazilian Real	3.000	3.150	2.890	2.668
Euro/Indian Rupee	82.202	83.289	77.721	72.278

## **6. CORPORATE ACTIONS DURING THE PERIOD**

In the first half of 2014, the parent, Atlantia, approved a restructuring of the companies that provide construction and maintenance services to the Atlantia Group's motorway and airport operators. The restructuring envisages Autostrade per l'Italia's disposal of its controlling interests in Pavimental and Spea (as at 30 June 2014, amounting to 99.4% and 100% of the companies' issued capital, respectively). Atlantia is to acquire control of both companies, whilst, on completion of the restructuring, both Autostrade per l'Italia and the affiliate, Aeroporti di Roma (a subsidiary of Atlantia) will each hold 20% interests in the two investees.

As a result, as previously indicated in note 2, in application of IFRS 5 the contributions of Pavimental and Spea and of their subsidiaries (Pavimental Polska and Spea do Brasil, respectively) to the Autostrade per l'Italia Group's consolidated income statement for the first half of 2014 (and for the comparative reporting period) are presented in "Profit/(Loss) from discontinued operations", rather than included in each component of the consolidated income statement for continuing operations. The above companies' contributions to the consolidated statement of financial position as at 30 June 2014 have also been classified in the specific items for assets and liabilities held for sale.

## **7. NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

The following notes provide information on items in the consolidated statement of financial position as at 30 June 2014. Comparative amounts as at 31 December 2013 are shown in brackets.

With regard to the transactions described in note 6 above, the statements of changes in assets include the effect on consolidated figures of the reclassification of the contributions of Pavimental, Spea and their respective subsidiaries, Pavimental Polska and Spea do Brasil to assets and liabilities held for sale and or related to discontinued operations.

Details of amounts in the consolidated statement of financial position deriving from related party transactions are provided in note 10.5.

### **7.1 Property, plant and equipment □ €137,076 thousand (€194,268 thousand)**

The balance of property, plant and equipment shows a net decrease of €57,192 thousand in the first half of 2014, essentially as a result of the combined effect of depreciation for the period, totalling €25,200 thousand, capital expenditure of €14,199 thousand and the above reclassification of the subsidiaries, Pavimental and Spea, to assets held for sale.

Investment property of €3,987 thousand refers to land and buildings not used in operations and is stated at cost. The total fair value of these assets is estimated to be €24.2 million, based on independent appraisals and information on property markets relevant to these types of investment property.

There were no significant changes in the expected useful lives of these assets during the period.

Property, plant and equipment as at 30 June 2014 is free of mortgages, liens or other charges restricting use.

The following table show changes in the various categories of property, plant and equipment during the first half of 2014, including amounts at the beginning and end of the period.



## 7.2 Intangible assets □ €21,894,811 thousand (€21,717,317 thousand)

Intangible assets recorded a net increase of €177,494 thousand in the first half of 2014, primarily due to the combined effect of the following:

- an increase in the present value on completion of investment in construction services for which no additional benefits are received, totalling €282,356 thousand;
- investment in construction services for which additional economic benefits are received, totalling €155,964 thousand;
- the positive balance of net currency translation differences, totalling €39,462 thousand;
- amortisation for the period of €309,174 thousand.

There were no significant changes in the expected useful lives of intangible assets during the period.

In the first half of 2014 the Group invested a total of €362,682 thousand in assets held under concession (€578,848 thousand in the first half of 2013). The following analysis shows the various components of investment in assets held under concession effected through construction services, as reported in the statement of cash flows for the year.

€000	Note	H1 2014	H1 2013	Increase/ (Decrease)
Use of provisions for construction services required by contract for which no additional economic benefits are received	7.13 / 8.10	161,992	211,232	-49,240
Increase in intangible concession rights accruing from completed construction services for which additional economic benefits are received	8.2	155,965	194,006	-38,041
Increase in financial assets deriving from motorway construction services	7.4 / 8.2	16,375	163,114	-146,739
Revenue from government grants for construction services for which no additional economic benefits are received	7.13 / 8.2	28,350	10,496	17,854
<b>Investment in assets held under concession</b>		<b>362,682</b>	<b>578,848</b>	<b>-216,166</b>

Research and development expenditure of approximately €2.8 million has been recognised in the income statement for the first half of 2014. These activities are carried out in order to improve infrastructure, the services offered, safety levels and environmental protection.

"Goodwill and other intangible assets with indefinite lives" of €6,112,160 thousand is unchanged with respect to 31 December 2013. The balance primarily consists of the carrying amount of goodwill (impairment tested at least once a year rather than amortised), amounting to €6,111,199 thousand, regarding the transfer of motorway assets from the former Autostrade – Concessioni e Costruzioni Autostrade SpA (now Atlantia), as part of the Group's reorganisation in 2003. This goodwill was determined in accordance with prior accounting standards under the exemption permitted by IFRS 1 and is the carrying amount as at 1 January 2004, the Parent Company's IFRS transition date. The full amount has been allocated to the CGU represented by the operator, Autostrade per l'Italia.

There is no evidence of impairment of goodwill, concession rights belonging to Group operators, and other intangible assets with indefinite lives.

The following table shows intangible assets at the beginning and end of the first half of 2014 and changes during the period in the different categories of intangible asset.

(600)	CHANGES DURING THE PERIOD																			
	31 December 2013							30 June 2014												
	Cost	Accumulated impairments	Accumulated amortisation	Carrying amount	Increase due to work completed	Additions through capitalisations	Charges due to impairment value of obligations	Disposals	Currency differences and other adjustments	Reclassifications and other adjustments	Currency differences	Impairments	Additions	Disposals	Currency differences and other adjustments	Accumulated amortisation	Accumulated impairments	Cost	Net reclassifications and other adjustments to discontinued operations	Carrying amount
Acquired concession rights	2,876,210	-17,646	-277,073	2,581,092	-	-	-	32,177	-	-8,708	10	-42,296	-	-	-	-31,037	-17,635	2,807,357	-	2,589,316
Concession rights accruing from construction services for which no additional economic benefits are received	11,910,937	-	-3,183,039	8,727,907	-	-	262,396	-	3,018	-3,706	-	-175,680	-	-	-	-3,359,890	-	12,192,121	-	8,833,007
Concession rights accruing from construction services for which additional economic benefits are expected to be received	5,589,794	-184,748	-1,205,641	4,189,405	155,964	-	-	29,182	-4,782	-16,442	-	-78,938	-	-	-	-1,289,621	-184,748	5,770,159	-	4,276,389
Concession rights accruing from construction services provided by sub-operators	87,608	-	-20,356	67,252	-	-	-	-	-1,353	-	-	-1,353	-	-	-	-21,703	-	87,608	-	66,225
<b>Intangible assets deriving from concession rights</b>	<b>20,465,469</b>	<b>-211,793</b>	<b>-4,866,004</b>	<b>15,565,592</b>	<b>155,964</b>	<b>-</b>	<b>262,396</b>	<b>64,377</b>	<b>-6,572</b>	<b>-25,500</b>	<b>10</b>	<b>-209,227</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-5,010,921</b>	<b>-211,793</b>	<b>20,857,594</b>	<b>-</b>	<b>15,774,006</b>
Goodwill	6,112,129	-	-	6,112,129	-	-	-	-	-	-	-43	-	-	-	-	-	-	6,112,129	1	6,112,129
Intangibles	4,454	-4,423	-	31	-	-	-	-	-	-	-	-	-	-	-	-	-	4,497	-	31
<b>Goodwill and other intangible assets with indefinite lives</b>	<b>6,116,582</b>	<b>-4,422</b>	<b>-</b>	<b>6,112,160</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>43</b>	<b>-</b>	<b>-</b>	<b>-43</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,116,625</b>	<b>-4,465</b>	<b>6,112,160</b>
Development costs	171,670	-	-159,646	12,221	-	1,796	-	-31	1,266	-49	-	-5,511	10	-	-	-185,249	-	173,052	-	9,726
Industrial patents and intellectual property rights	67,210	-630	-57,702	8,878	-	3,909	-	-282	303	-175	-6	-2,959	202	-	-	-53,840	-636	63,631	-795	9,155
Concessions and licenses	6,300	-2	-2,192	4,106	-	-	-	-44	-145	25	-	-193	44	-	-	-1,795	-	5,457	-153	3,661
Other	4,615	-2,368	-2,107	140	-	3,116	-	-72	1,602	-23	-23	-1,266	-47	-	-	-27,956	-2,391	36,799	-	9,349
Intangible assets under development and advance payments	14,210	-	-	14,210	-	2,686	-	0	-1,266	-	-	-	-	-	-	-	-	15,743	-	15,743
<b>Other intangible assets</b>	<b>264,225</b>	<b>-3,000</b>	<b>-21,650</b>	<b>339,575</b>	<b>-</b>	<b>11,496</b>	<b>-</b>	<b>-409</b>	<b>2,975</b>	<b>-209</b>	<b>-20</b>	<b>-9,947</b>	<b>209</b>	<b>-</b>	<b>-</b>	<b>-22,414</b>	<b>-3,029</b>	<b>268,630</b>	<b>-949</b>	<b>47,661</b>
<b>Intangible assets</b>	<b>26,844,276</b>	<b>-219,215</b>	<b>-4,907,744</b>	<b>21,717,317</b>	<b>155,964</b>	<b>11,496</b>	<b>262,396</b>	<b>66,474</b>	<b>-409</b>	<b>20,903</b>	<b>-62</b>	<b>-300,174</b>	<b>208</b>	<b>-</b>	<b>-</b>	<b>-219,277</b>	<b>-5,283,761</b>	<b>27,372,849</b>	<b>-948</b>	<b>21,884,611</b>

### 7.3 Investments □ €111,083 thousand (€113,846 thousand)

There was a net reduction of €2,763 thousand during the first half of 2014, primarily due to:

- reclassification to assets held for sale of a number of minor investments held by Pavimental and Spea, which Atlantia intends to dispose of as part of the corporate restructuring described in note 6.
- recognition of the Group's share of the results of associates and joint ventures measured using the equity method, resulting in a loss of €1,600 thousand, primarily attributable to the Brazilian operator, Rodovia do Tietè.

The equity method was used to measure interests in associates and joint ventures based on the most recent approved financial statements made available by the respective companies. In the event that interim financial statements as at 30 June 2014 were not available, the above data was supplemented by specific estimates based on the latest available information and, where necessary, restated to bring them into line with Group accounting policies.

The table below shows the carrying amounts of the Group's investments at the beginning and end of the period, grouped by category, and changes in the first half of 2014.

(€000)	CHANGES DURING THE PERIOD						30 June 2014
	31 December 2013	Acquisitions	Reclassification to assets held for sale	Investments accounted for using the equity method		Closing balance	
	Opening balance			Comprehensive income/(loss) for the period			
				Other comprehensive income	Profit or loss		
Investments accounted for at cost or fair value	38,985	-	-3,021	-	-	35,964	
Investments accounted for using the equity method	74,861	1,984	-126	2,780	-4,380	75,119	
<b>Investments</b>	<b>113,846</b>	<b>1,984</b>	<b>-3,147</b>	<b>2,780</b>	<b>-4,380</b>	<b>111,083</b>	

The following table shows an analysis of the Group's principal investments as at 30 June 2014, including the Group's percentage interest and the relevant carrying amount, net of unpaid, called-up issued capital, and showing the original cost and any accumulated revaluations and impairments at the end of the period.

(€000)	30 June 2014				31 December 2013			
	% interest	Original cost	Revaluations/ (Impairments)	Carrying amount	% interest	Original cost	Revaluations/ (Impairments)	Carrying amount
<b>Investments accounted for at cost or fair value</b>								
Tangenziali Esterne di Milano	13.67%	36,034	-1,490	34,544	13.67%	36,034	-1,490	34,544
Tangenziale Esterna	0.25%	703	-	703	1.25%	3,515	-	3,515
Uirnet	1.60%	427	-	427	1.61%	427	-	427
Veneto Strade	5.00%	258	-	258	5.00%	258	-	258
Other smaller investments	-	459	-427	32	-	241	-	241
				35,964				38,985
<b>Investments accounted for using the equity method</b>								
Rodovia do Tieté	50.00%	44,448	-10,348	34,100	50.00%	42,465	-8,567	33,898
Societa' Infrastrutture Toscane	46.60%	6,990	-1,275	5,715	46.60%	6,990	-1,196	5,794
Società Autostrada Tirrenica	24.98%	6,343	22,613	28,956	24.98%	6,343	21,885	28,268
Bologna & Fiera Parking	32.50%	5,557	-4,392	1,165	32.50%	5,558	-3,976	1,582
Pedemontana Veneta	29.77%	1,935	-31	1,904	29.77%	1,935	22	1,957
Arcea Lazio	34.00%	1,430	296	1,726	34.00%	1,430	253	1,683
Geie del Traforo Del Monte Bianco	50.00%	1,000	-	1,000	50.00%	1,000	-	1,000
Autostrada Mazowsze SA (in liquidation)	30.00%	912	508	404	30.00%	913	507	406
Other smaller investments	-	216	-67	149	-	1,128	-855	273
				75,119				74,861
<b>Investments</b>				<b>111,083</b>				<b>113,846</b>

Annex 1 provides a list of all the Group's investments as at 30 June 2014.

#### 7.4 **Financial assets** (non-current) □ €2,327,079 thousand (€2,309,530 thousand) (current) □ €984,833 thousand (€757,570 thousand)

The following analysis shows the composition of other financial assets at the beginning and end of the period, together with the current and non-current portions.

(€000)	Note	30 June 2014			31 December 2013		
		Carrying amount	Current portion	Non-current portion	Carrying amount	Current portion	Non-current portion
Takeover rights		395,215	395,215	-	390,433	390,433	-
Guaranteed minimums		617,117	24,170	592,947	631,408	22,634	608,774
Other concession rights		654,879	68,425	586,454	687,920	-	687,920
<b>Financial assets deriving from concession rights</b>	(1)	<b>1,667,211</b>	<b>487,810</b>	<b>1,179,401</b>	<b>1,709,761</b>	<b>413,067</b>	<b>1,296,694</b>
<b>Financial assets deriving from government grants related to construction services</b>	(1)	<b>296,005</b>	<b>17,299</b>	<b>278,706</b>	<b>266,412</b>	<b>18,931</b>	<b>247,481</b>
<b>Convertible term deposits</b>	(2)	<b>576,721</b>	<b>229,607</b>	<b>347,114</b>	<b>499,608</b>	<b>166,863</b>	<b>332,745</b>
Derivative assets	(3)	22,987	22,987	-	5,387	-	5,387
Other medium/long-term financial assets	(1)	554,433	32,575	521,858	456,844	29,621	427,223
<b>Other medium/long-term financial assets</b>		<b>577,420</b>	<b>55,562</b>	<b>521,858</b>	<b>462,231</b>	<b>29,621</b>	<b>432,610</b>
<b>Current derivative assets</b>	(3)	-	-	-	70	70	-
<b>Other current financial assets</b>	(1)	<b>194,555</b>	<b>194,555</b>	-	<b>129,018</b>	<b>129,018</b>	-
		<b>3,311,912</b>	<b>984,833</b>	<b>2,327,079</b>	<b>3,067,100</b>	<b>757,570</b>	<b>2,309,530</b>

1) These assets include financial instruments primarily classified as "loans and receivables" under IAS 39. The carrying amount is equal to fair value.

2) These assets have been classified as "available-for-sale" financial instruments and in level 2 of the fair value hierarchy. The carrying amount is equal to fair value.

3) These assets primarily include derivative financial instruments classified as hedges under level 2 of the fair value hierarchy.

Financial assets deriving from concession rights include:

- a) takeover rights of €395,215 thousand attributable to the subsidiary, Autostrade Meridionali, being the amount payable by a replacement operator on termination of the concession for the company's unamortised capital expenditure during the final years of the outgoing operator's concession;
- b) the present value of the financial asset deriving from the minimum revenue guarantee given by the Grantor of the concessions held by certain of the Group's Chilean operators (€617,117 thousand);
- c) other financial assets (€654,879 thousand) essentially connected to Ecomouv's capital expenditure relating to construction of a satellite-based tolling system for heavy vehicles in France.

The reduction of €42,550 thousand in financial assets deriving from concession rights primarily reflects the formal acceptance of the System developed for the Eco-Tax project, in accordance with the memorandum of understanding entered into with the French government on 20 June 2014.

Financial assets deriving from government grants to finance infrastructure works include amounts receivable from grantors or other public entities as grants accruing as a result of construction and maintenance of assets held under concession. This item has increased €29,593 thousand compared with 31 December 2013, essentially due to grants accruing to Autostrade per l'Italia SpA during the first half.

Term deposits are up €77,113 thousand, primarily following recognition of the term deposits attributable to Ecomouv in connection to the Eco-Tax project (€51,318 thousand) and an increase in the deposits used to service the debts of the Chilean companies (€15,391 thousand).

The increase in other medium/long-term financial assets (equal to €115,189 thousand) essentially reflects the increased amounts due to Atlantia Bertin Concessoes from Infra Bertin Empreendimentos, totalling €97,974 thousand, including €33,058 thousand due to the increase in the value of the Brazilian real against the euro, and an increase in derivative assets (€17,600 thousand), essentially reflecting accrued and unpaid differentials on the hedging derivatives entered into by Triangulo Do Sol and Colinas.

Other current financial assets, totalling €194,555 thousand, are up €65,537 thousand. This primarily reflects recognition of the amount due to Ecomouv from the French government under the memorandum of understanding signed in connection with the Eco-Tax project.

There has been no indication of impairment of the financial assets accounted for in the financial statements.

## **7.5 Deferred tax assets and liabilities**

**Deferred tax assets** □ **€147,609 thousand (€153,290 thousand)**

**Deferred tax liabilities** □ **€1,173,657 thousand (€1,142,083 thousand)**

The amount of deferred tax assets and liabilities both eligible and ineligible for offset is shown below, with respect to temporary timing differences between consolidated carrying amounts and the corresponding tax bases at the end of the period.

(€ 000)	30 June 2014	31 December 2013
Deferred tax assets	1,450,028	1,426,168
Deferred tax liabilities eligible for offset	-1,302,419	-1,272,878
<b>Deferred tax assets less deferred tax liabilities eligible for offset</b>	<b>147,609</b>	<b>153,290</b>
<b>Deferred tax liabilities not eligible for offset</b>	<b>1,173,657</b>	<b>1,142,083</b>
<b>Difference between deferred tax assets and liabilities (eligible and ineligible for offset)</b>	<b>-1,026,048</b>	<b>-988,793</b>

The nature of the temporary differences giving rise to the Group's deferred taxation is summarised in the following table.

(€000)	31 December 2013	CHANGES DURING THE PERIOD					30 June 2014
		Provisions	Releases	Deferred tax assets/liabilities on gains and losses recognised in comprehensive income	Changes in prior year estimates	Currency translation differences and other changes	
Restatement of global balance on application of IFRIC 12 by Autostrade per l'Italia	540,415	1,189	-11,145	-	-	-9,880	520,579
Provisions	348,274	43,259	-16,762	-	-53	-10,682	364,036
Impairments and depreciation of non-current assets	124,641	2,745	-4,331	-	-	-464	122,591
Tax losses eligible for carry-forward	152,126	18,521	-7,907	-	-	-3,984	158,756
Other temporary differences	162,087	14,513	-9,674	-	-841	-2,717	163,368
Reduction in carrying amounts of hedging instruments	74,936	43	-97	25,430	-	-737	99,575
Impairment of receivables and inventories	23,689	690	-45	-	-1,707	-1,504	21,123
<b>Deferred tax assets</b>	<b>1,426,168</b>	<b>80,960</b>	<b>-49,961</b>	<b>25,430</b>	<b>-2,601</b>	<b>-29,968</b>	<b>1,450,028</b>
Off-balance sheet amortisation of goodwill	-1,153,568	-54,556	-	-	-	16,400	-1,191,724
Differences between carrying amounts and fair values of assets and liabilities acquired through business combinations	-825,812	-	11,963	-	-956	-15,843	-830,648
Gain on recognition of financial assets	-176,412	-2,007	-	-	-	5,609	-172,810
Accelerated depreciation	-	-	-	-	-	-	-
Other temporary differences	-259,169	-26,059	4,871	-	-	-537	-280,894
<b>Deferred tax liabilities</b>	<b>-2,414,961</b>	<b>-82,622</b>	<b>16,834</b>	<b>-</b>	<b>-956</b>	<b>5,629</b>	<b>-2,476,076</b>
<b>Difference between deferred tax assets and liabilities (eligible and ineligible for offset)</b>	<b>-988,793</b>	<b>-1,662</b>	<b>-33,127</b>	<b>25,430</b>	<b>-3,557</b>	<b>-24,339</b>	<b>-1,026,048</b>

As shown above, the balance of net deferred tax liabilities, totalling €1,026,048 thousand as at 30 June 2014, substantially includes the following:

- deferred tax liabilities recognised from 2003 as a result of the deduction, solely for tax purposes, of the amortisation of goodwill attributable to Autostrade per l'Italia;
- deferred tax liabilities on the gains recognised following the fair value measurement of the assets acquired through business combinations in prior years and primarily attributable to the Chilean and Brazilian motorway operators;
- the residual balance of Autostrade per l'Italia's deferred tax assets deriving from the realignment of the total amount determined on first-time application of IFRIC 12, in accordance with art. 11, paragraph 3 of the Ministerial Decree of 8 June 2011 on the harmonisation of tax rules and international financial reporting standards;
- deferred tax assets on the portion of provisions, primarily for the repair and replacement of motorway assets held under the concession, deductible in future years.

The most important changes during the period essentially regard:

- an increase (€54,556 thousand) in deferred tax liabilities relating to the deduction, solely for tax purposes, of amortisation of goodwill for the period attributable to Autostrade per l'Italia;
- an increase (€43,259 thousand) in deferred tax assets in connection with the non-deductible portion of provisions, primarily having regard to the repair and replacement of concession assets;
- the recognition in comprehensive income of net deferred tax assets on the fair value measurement of hedging derivatives (€25,430 thousand).

## 7.6 Other non-current assets □ €4,208 thousand (€7,754 thousand)

This item is down €3,546 thousand, essentially due to accrued income attributable to the Chilean companies and the collection of other receivables by Electronic Transaction Consultants.

## 7.7 Trading assets □ €1,160,818 thousand (€1,125,137 thousand)

Trading assets consist of:

- inventories of €48,520 thousand (€53,473 thousand as at 31 December 2013), primarily relating to stocks and spare parts used in motorway maintenance or the assembly of plant;
- contract work in progress of €10,493 thousand as at 30 June 2014 (€26,530 thousand as at 31 December 2013);
- trade receivables, with the composition shown in the following table.

(€000)	30 June 2014					31 December 2013				
	Amounts due from customers	Other trade receivables	Prepayments for construction services	Other trading assets	TOTAL	Amounts due from customers	Other trade receivables	Prepayments for construction services	Other trading assets	TOTAL
Amounts receivable from motorway users	784,449					712,477				
Service area operators	90,028					123,589				
Receivable from sundry customers and retentions	36,242					26,692				
<b>Gross trade receivables</b>	<b>910,719</b>	<b>309,103</b>	<b>27,217</b>	<b>26,283</b>	<b>1,273,322</b>	<b>862,758</b>	<b>304,614</b>	<b>27,644</b>	<b>19,126</b>	<b>1,214,142</b>
Allowance for bad debts	99,160	72,357	0	0	171,517	94,854	74,154	0	0	169,008
<b>Net trade receivables</b>	<b>811,559</b>	<b>236,746</b>	<b>27,217</b>	<b>26,283</b>	<b>1,101,805</b>	<b>767,904</b>	<b>230,460</b>	<b>27,644</b>	<b>19,126</b>	<b>1,045,134</b>

Receivables due from customers, net of the allowance for bad debts, have increased €43,655 thousand, primarily due to an increase in motorway tolls receivable, partially offset by a reduction in amounts due from service area operators.

Other receivables and other trading assets are up, net of the allowance for bad debts, by €13,016 thousand, primarily due to an increase in amounts due to Ecomouv following the start-up of maintenance of the system.

The following table shows an ageing schedule for amounts due from customers and other trade receivables.

(€000)	Total receivables at 30 June 2014	Total not yet due and payable	More than 90 days overdue	Between 90 and 365 days overdue	More than one year overdue
Due from customers and other trade receivables	1,219,822	947,437	27,176	63,830	181,379

Overdue receivables regard uncollected and unpaid tolls, in addition to royalties due from service area operators and sales of other goods and services, such as authorisations to cross motorways and the sale of services and proprietary assets.

The following table shows movements of the bad debt allowance for trade receivables.

(€000)	31 December 2013	Additions	Uses	Reclassifications and other changes	Reclassifications to assets related to discontinued operations	30 June 2014
Allowance for bad debts	169,008	13,261	-1,745	-1,142	-7,865	171,517

The bad debt allowance for trade receivables is adequate and has been determined with reference to past experience with specific customers and historical data regarding losses on receivables, taking into account guarantee deposits and other collateral given by customers.

The carrying amount of trade receivables approximates to fair value.

## **7.8 Cash and cash equivalents □ **€1,228,756 thousand (€3,324,129 thousand)****

Cash and cash equivalents consists of cash on hand and investments with terms of less than 120 days. The balance is down €2,095,373 thousand on the figure for 31 December 2013, primarily following the redemption of bonds and repayments of bank borrowings, as described in note 7.15.

## **7.9 Current tax assets and liabilities**

**Current tax assets** □ **€161,767 thousand (€57,518 thousand)**

**Current tax liabilities** □ **€136,216 thousand (€25,899 thousand)**

Current tax assets and liabilities at the beginning and end of the period are detailed below.

(€000)	Current tax assets		Current tax liabilities	
	30 June 2014	31 Dec 2013	30 June 2014	31 Dec 2013
IRES	119,248	49,929	84,029	4,692
IRAP	32,275	2,292	34,029	1,662
Taxes attributable to foreign operations	10,244	5,297	18,158	19,545
	<b>161,767</b>	<b>57,518</b>	<b>136,216</b>	<b>25,899</b>

As at 30 June 2014, the Group reports net current tax assets of €25,551 thousand, marking a reduction on the previous year of €6,068 thousand. This essentially reflects the offset of accumulated tax credits for previous years against advance payments due for 2013.

## **7.10 Other current assets □ **€115,110 thousand (€120,529 thousand)****

This item consists of receivables and other current assets that are not eligible for classification as trading or financial. The composition of this item is shown below.

(€000)	30 June 2014	31 December 2013
Tax credits other than for income tax	30,707	37,363
Receivables due from end users and insurance companies for damages	30,057	34,801
Receivable from public entities	10,879	9,028
Receivables from social security institutions	10,226	8,676
Accrued income of a non-trading nature	4,350	2,324
Other current assets	59,063	59,771
<b>Gross other current assets</b>	<b>145,282</b>	<b>151,963</b>
Allowance for bad debts	-30,172	-31,434
<b>Other current assets</b>	<b>115,110</b>	<b>120,529</b>

The balance as at 30 June 2014 is substantially unchanged with respect to 31 December 2013.

The allowance for bad debts, totalling €30,172 thousand as at 30 June 2014 (€31,434 thousand as at 31 December 2013), primarily relates to Stalexport Autostrady's accounts receivable (in the table included in other current assets) from a number of investee companies on Stalexport's repayment, acting in its capacity of guarantor, to local authorities of loans on the books of its investee companies, which are now insolvent.

#### **7.11 Non-current assets held for sale or related to discontinued operations**

**□ €167,363 thousand (€18,153 thousand)**

**Liabilities related to discontinued operations □ €202,098 thousand (-)**

As at 30 June 2014 these assets regard:

- a) net liabilities essentially attributable to Pavimental, Spea and their subsidiaries, totalling €52.890 thousand, classified as liabilities held for sale as part of the corporate restructuring described in note 6;
- b) the non-controlling interest in Lusoponte, totalling €12,239 thousand and loans and receivables due from this company, totalling €1,643 thousand;
- c) the 2% interest in Strada dei Parchi, amounting to €4,271 thousand, that is the subject of put and call options agreed with Toto Costruzioni Generali in the contract governing the sale, in 2011, of a controlling interest in the company.

#### **7.12 Equity □ €4,464,790 thousand (€4,529,520 thousand)**

At 30 June 2014 Autostrade per l'Italia SpA's issued capital is fully subscribed and paid and consists of 622,027,000 ordinary shares of a par value of €1 each, amounting to a total of €622,027 thousand. This figure has not undergone any changes in the first half of 2014.

Equity attributable to owners of the parent, totalling €2,823,376 thousand, is down €99,030 thousand compared with 31 December 2013. The most important changes during the period are shown in detail in the statement of changes in consolidated equity. These regard:

- a) payment of the final dividend for 2013 (€340,249 thousand);
- b) profit for the period (€298,393 thousand);
- c) the other comprehensive loss for the period (€58,518 thousand), primarily reflecting a loss on the fair value measurement of cash flow hedges, totalling €62,308 thousand, essentially reflecting a fall in interest rates during the first half, partially offset by a gain on the translation of assets and liabilities denominated in functional currencies other than the euro, totalling €2,399 thousand.

Equity of €1,641,414 thousand attributable to non-controlling interests is up €34,300 thousand on 31 December 2013 (€1,607,114 thousand), essentially due to comprehensive income for the period (€40,630 thousand), partially offset by payment of final dividends for 2013 (€7,860 thousand).

Autostrade per l'Italia aims to manage its capital in order to create value for shareholders, ensure the Company remains a going concern, safeguard the interests of stakeholders and guarantee efficient access to external sources of financing to adequately support the growth of the Group's businesses and fulfil the commitments given in concession arrangements.

#### **Other comprehensive income**

The section "Consolidated financial statements" includes the "Statement of comprehensive income", showing after tax other comprehensive income, in addition to the profit for the period.

The following table shows the gross amount and net amounts of components of other comprehensive income including amounts attributable to owners of the parent and non-controlling interests.

(€000)	H1 2014			H1 2013		
	BEFORE TAX	TAX	AFTER TAX	BEFORE TAX	TAX	AFTER TAX
Fair value gains/(losses) on cash flow hedges	-90,237	25,430	-64,807	93,955	-26,679	67,276
Fair value gains/(losses) on net investment hedges	-	-	-	858	-	858
Gains/(losses) from translation of assets and liabilities of consolidated companies denominated in functional currencies other than the euro	6,003	-	6,003	-153,700	-	-153,700
Gains/(Losses) from translation of investments in associates and joint ventures accounted for using the equity method denominated in functional currencies other than the euro	2,780	-	2,780	-2,668	-	-2,668
<b>Other comprehensive income/(loss) for the period reclassifiable to profit or loss, after related taxation</b>	<b>(A)</b>	<b>-81,454</b>	<b>25,430</b>	<b>-61,555</b>	<b>-26,679</b>	<b>-88,234</b>
Gains/(losses) from actuarial valuations of provisions for employee benefits	-	-	-	-963	242	-721
<b>Other comprehensive income/(loss) for the period not reclassifiable to profit or loss, after related taxation</b>	<b>(B)</b>	<b>-</b>	<b>-</b>	<b>-963</b>	<b>242</b>	<b>-721</b>
<b>Total other comprehensive income/(loss) for the period, after related taxation</b>	<b>(A+B)</b>	<b>-81,454</b>	<b>25,430</b>	<b>-62,518</b>	<b>-26,437</b>	<b>-88,955</b>

**7.13 Provisions for construction services required by contract (non-current) □ €3,703,685 thousand (€3,727,154 thousand) (current) □ €618,205 thousand (€434,882 thousand)**

Provisions for construction services required by contract represent the residual present value of motorway infrastructure construction and/or upgrade services that certain of the Group's operators, particularly Autostrade per l'Italia, are required to provide and for which no additional economic benefits are received in terms of specific toll increases and/or significant increases in traffic.

The following table shows provisions for construction services required by contract and for which no additional economic benefits are received at the beginning and end of the year and changes during the first half of 2014, showing the non-current and current portions.

(€000)	31 December 2013			CHANGES DURING THE PERIOD					30 June 2014		
	Carrying amount	non-current	current	Changes due to revised present value of obligations	Financial provisions	Reductions for completed works	Grants accrued on completed works	Currency translation differences	Carrying amount	non-current	current
Provisions for construction services required by contract	4,162,036	3,727,154	434,882	282,356	36,123	-190,342	28,350	3,367	4,321,890	3,703,685	618,205

The €159,854 thousand increase in the combined current and non-current provisions essentially reflects the combined effect of the following:

- a) a €282,356 thousand increase following a revision of the present value of future construction services, with an analogous increase in intangible assets deriving from concession rights;
- b) a €36,123 thousand increase in finance-related provisions accruing in the first half of 2014, being the double entry to the financial expenses incurred in connection with discounting to present value;
- c) the release of €161,989 thousand, net of government grants, in connection with construction services completed during the period and for which no additional benefits are received.

#### **7.14 Provisions**

**(non-current) □ €1,052,821 thousand (€1,024,921 thousand)**  
**(current) □ €352,880 thousand (€336,888 thousand)**

The following table shows provisions at the beginning and end of the period and changes in the first half of 2014, showing the non-current and current portions.

##### **PROVISIONS FOR EMPLOYEE BENEFITS**

**(non-current) □ €121,963 thousand (€135,115 thousand)**  
**(current) □ €18,988 thousand (€18,653 thousand)**

As at 30 June 2014 this item almost entirely consists of provisions for post-employment benefits. Provisions for post-employment benefits and other employee benefits are down €12,817 thousand on 31 December 2013, essentially due to:

- a) operating and financial provisions, totalling €2,500 thousand;
- b) use of provisions amounting to €3,706 thousand for benefits and advances paid;
- c) reclassifications to liabilities related to discontinued operations, totalling €11,176 thousand, following reclassification of the net assets held for sale of Pavimental and Spea as part of the restructuring implemented by Atlantia, described in more detail in note 6.

##### **PROVISIONS FOR REPAIR AND REPLACEMENT OBLIGATIONS**

**(non-current) □ €912,986 thousand (€858,151 thousand)**  
**(current) □ €272,796 thousand (€253,609 thousand)**

This item regards the present value of provisions for the repair and replacement of assets operated under concession, in accordance with the contractual commitments of the Group's motorway operators.

The provisions, including the current and non-current portions, have increased by €74,022 thousand, essentially due to new operating and financial provisions (totalling €220,527 thousand), partially offset by uses (€148,936 thousand) in connection with repairs and replacements carried out during the period.

##### **OTHER PROVISIONS**

**(non-current) □ €17,872 thousand (€31,655 thousand)**  
**(current) □ €61,096 thousand (€64,626 thousand)**

These provisions essentially regard liabilities at the end of the period expected to be incurred in connection with pending litigation and disputes, including those with maintenance contractors regarding contract reserves. Total other provisions are down €17,313 thousand, primarily reflecting the combined effect of uses, totalling €8,391 thousand, new provisions for the period of €12,352 thousand and reclassifications to liabilities related to discontinued operations, totalling €19,337 thousand.

The following tables show the amounts at the beginning and end of the period of the other provisions with evidence of non-current and current, as well as the changes that occurred in the first half of 2014 .

	31 December 2013				CHANGES DURING THE PERIOD							30 June 2014		
	Carrying amount	non-current	current		Operating provisions	Financial provisions	Reductions due to post-employment benefits paid and advances	Reductions due to reversal of overprovisions	Operating uses	Reclassifications and other changes	Reclassifications to liabilities related to discontinued operations	Currency translation differences	Carrying amount	non-current
Post-employment benefits	152,695	133,999	18,596		479	1,805	-3,706	-	-	-600	-11,176	-	120,471	18,928
Other employee benefits	1,173	1,116	57		216	-	-	-52	-	232	-	-15	1,492	62
<b>Provisions for employee benefits</b>	<b>153,768</b>	<b>135,115</b>	<b>18,653</b>		<b>695</b>	<b>1,805</b>	<b>-3,706</b>	<b>-52</b>	<b>-</b>	<b>-368</b>	<b>-11,176</b>	<b>-15</b>	<b>121,963</b>	<b>18,989</b>
<b>Provisions for repair and replacement obligations</b>	<b>1,111,760</b>	<b>855,151</b>	<b>253,609</b>		<b>204,423</b>	<b>16,104</b>	<b>-</b>	<b>-</b>	<b>-148,936</b>	<b>-</b>	<b>-</b>	<b>2,431</b>	<b>912,986</b>	<b>272,796</b>
Provisions for impairments exceeding carrying amounts of investments	3,699	-	3,699		8	-	-	-1,883	-	-	-3,697	-	10	10
Provisions for disputes, liabilities and sundry charges	92,582	31,655	60,927		12,271	-	-	-	-8,394	-153	-15,640	172	76,968	61,086
<b>Other provisions</b>	<b>96,281</b>	<b>31,655</b>	<b>64,626</b>		<b>12,279</b>	<b>-</b>	<b>-</b>	<b>-1,883</b>	<b>-8,394</b>	<b>-153</b>	<b>-15,337</b>	<b>172</b>	<b>76,968</b>	<b>61,096</b>
<b>TOTAL PROVISIONS</b>	<b>1,351,899</b>	<b>1,024,921</b>	<b>336,888</b>		<b>217,397</b>	<b>17,909</b>	<b>-3,706</b>	<b>-1,935</b>	<b>-157,327</b>	<b>-521</b>	<b>-30,513</b>	<b>2,598</b>	<b>1,495,821</b>	<b>352,890</b>

## 7.15 Financial liabilities

(non-current) □ €13,574,868 thousand (€13,550,416 thousand)

(current) □ €1,490,451 thousand (€3,368,926 thousand)

### MEDIUM/LONG-TERM FINANCIAL LIABILITIES

(non-current) □ €13,574,868 thousand (€13,550,416 thousand)

(current) □ €860,865 thousand (€2,918,737 thousand)

The following two tables provide an analysis of medium/long-term financial liabilities, showing:

a) an analysis of the balance by par value and maturity (current and non-current portions)

(€000)	Note	30 June 2014						31 December 2013			
		Par value	Carrying amount	Current portion	Non-current portion	Term		Par value	Carrying amount	Current portion	Non-current portion
						between 13 and 60 months	after 60 months				
<b>Medium/long-term financial liabilities</b>											
<b>Bond issues</b>	(1) (2) (3)	1,040,911	1,055,662	127,102	928,560	414,725	513,835	1,007,717	1,010,985	19,214	991,771
	Bank borrowings	3,923,981	3,919,138	492,294	3,426,844	986,568	2,440,276	4,064,511	4,058,247	446,366	3,611,881
	Other borrowings	8,877,275	8,848,631	8,899	8,839,732	4,565,506	4,274,226	10,776,055	10,746,068	2,099,365	8,646,703
<b>Medium/long-term borrowings</b>	(2) (3)	12,801,256	12,767,769	501,193	12,266,576	5,552,074	6,714,502	14,840,566	14,804,315	2,545,731	12,258,584
<b>Derivative liabilities</b>	(4)		341,834	7,152	334,682	8,697	325,985		259,251	-	259,251
Accrued expenses on medium/long-term financial liabilities			225,418	225,418	-	-	-		353,792	353,792	-
Other financial liabilities			45,050	-	45,050	45,050	-		40,810	-	40,810
<b>Other medium/long-term financial liabilities</b>			270,468	225,418	45,050	45,050	-		394,602	353,792	40,810
<b>Total</b>			14,435,733	860,865	13,574,868	6,020,546	7,554,322		16,469,153	2,918,737	13,550,416

(1) The par value of bonds hedged using PCA x CDI Swap derivatives is shown at the hedged notional amount.

(2) Financial instruments classified as financial liabilities measured at amortised cost in accordance with IAS 39.

(3) Details of hedged financial liabilities are contained in note 9.2.

(4) Financial instruments classified as hedging derivatives in accordance with IAS 39 and in level 2 of the fair value hierarchy.

b) type of interest rate, maturities and fair values

(€000)	Maturity	30 June 2014		31 December 2013	
		Carrying amount (1)	Fair value	Carrying amount (1)	Fair value
<b>Bond issues</b>					
	- listed fixed rate from 2014 to 2028	450,687	466,925	465,253	470,999
	- tasso variabile quotata from 2014 to 2023	536,838	591,502	483,026	535,468
	- unlisted floating rate 2015	68,137	79,464	62,706	70,667
		<b>1,055,662</b>	<b>1,137,891</b>	<b>1,010,985</b>	<b>1,077,134</b>
<b>Medium/long-term borrowings</b>					
	- fixed rate from 2014 to 2036	1,675,574	1,830,136	1,704,277	1,792,364
	- floating rate from 2014 to 2034	2,031,263	2,188,201	2,141,669	2,173,207
	- non-interest bearing from 2016 to 2017	212,301	212,301	212,301	212,301
	<b>Bank borrowings</b>	<b>3,919,138</b>	<b>4,230,638</b>	<b>4,058,247</b>	<b>4,177,872</b>
	- fixed rate from 2014 to 2024	37,323	37,323	34,443	34,443
	- floating rate from 2014 to 2015	8,767,686	10,153,286	10,667,320	11,733,639
	- non-interest bearing from 2019 to 2020	43,622	43,613	44,305	43,865
	<b>Other borrowings</b>	<b>8,848,631</b>	<b>10,234,222</b>	<b>10,746,068</b>	<b>11,811,947</b>
	<b>Total medium/long-term borrowings</b>	<b>12,767,769</b>	<b>14,464,861</b>	<b>14,804,315</b>	<b>15,989,819</b>
	<b>Derivative liabilities</b>	<b>341,834</b>	<b>341,834</b>	<b>259,251</b>	<b>259,251</b>
	Accrued expenses on medium/long-term financial liabilities	225,418		353,792	
	Other financial liabilities	45,050		40,810	
	<b>Total medium/long-term financial liabilities</b>	<b>270,468</b>		<b>394,602</b>	
	<b>Total</b>	<b>14,435,733</b>		<b>16,469,153</b>	

(1) The amounts shown in the table for medium/long-term financial liabilities include both the non-current and current portions.

c) a comparison of the par value and carrying amount of each liability, by issue currency, showing the corresponding average and effective interest rate;

(€000)	31 December 2013		30 June 2014			
	Par value	Carrying amount	Par value	Carrying amount	Average interest rate to 30 June 2014 (1)	Effective interest rate as at 30 June 2014
euro (EUR)	14,046,681	14,010,186	12,038,414	12,004,115	4.83%	4.24%
zloty (PLN)	116,847	103,176	111,365	99,098	6.18%	6.11%
peso (CLP) / unidad de fomento (UF)	1,107,681	1,149,223	1,070,222	1,108,838	6.49%	5.81%
real (BRL)	570,091	545,732	615,761	604,975	12.01%	12.96%
dollar (USD)	6,983	6,983	6,405	6,405	5.25%	5.25%
<b>Total</b>	<b>15,848,283</b>	<b>15,815,300</b>	<b>13,842,167</b>	<b>13,823,431</b>	<b>5.21%</b>	

1) Includes the impact of interest and foreign currency hedges.

d) movements during the period in the carrying amounts of outstanding bond issues and medium/long-term borrowings.

(€000)	Carrying amount as at 31 December 2013	New borrowings	Repayments	Currency translation differences and other changes	Carrying amount as at 30 June 2014
Bond issues	1,010,985	-	11,597	56,274	1,055,662
Bank borrowings	4,058,247	156,781	276,771	-19,119	3,919,138
Other borrowings	10,746,068	202,880	2,096,440	-3,877	8,848,631
<b>Total</b>	<b>15,815,300</b>	<b>359,661</b>	<b>2,384,808</b>	<b>33,278</b>	<b>13,823,431</b>

The Group uses derivative financial instruments to hedge existing risks associated with certain financial liabilities, including interest rate swaps (IRS) and IPCA x CDI Swaps, which are classified as cash flow hedges or fair value hedges pursuant to IAS 39. The market value of the hedging instruments as at 30 June 2014 is recognised in “Derivative liabilities” and “Derivative assets”. More detailed information on financial risks and the manner in which they are managed, in addition to details of outstanding financial instruments, is contained in note 9.2 “Financial risk management”.

#### BOND ISSUES

(non-current) □ €928,560 thousand (€991,771 thousand)

(current) □ €127,102 thousand (€19,214 thousand)

This item, which includes the current and non-current portions, principally refers to Chilean project bonds issued by Costanera Norte (accounted for in the financial statements at €299,832 thousand and maturing in 2016 and 2024) and Vespucio Sur (accounted for in the financial statements at €150,855 thousand and maturing in 2025), bonds issued by Triangulo do Sol and Rodovia das Colinas, with maturities between 2020 and 2023 paying a floating nominal CDI rate (accounted for in the financial statements at €288,455 thousand) and a real IPCA rate (accounted for in the financial statements at €248,382 thousand), in addition to Rodovia MG050’s issue of bullet bonds maturing in April 2015 (accounted for in the financial statements at €68,137 thousand). The change of €44,677 thousand during the period primarily reflects an increase in the value of the Brazilian real against the euro.

#### MEDIUM/LONG-TERM BORROWINGS

(non-current) □ €12,266,576 thousand (€12,258,584 thousand)

(current) □ €501,193 thousand (€2,545,731 thousand)

The non-current portion is up €7,992 thousand on 31 December 2013, primarily reflecting the combined effect of new borrowings (€359,661 thousand), including loans to Autostrade per l’Italia from Atlantia, replicating the bonds issued by Atlantia in March and June 2014, having par values of €75 million and €125 million, respectively, and new borrowings obtained by Ecomouv (€159,661 thousand). These increases are partially offset by the reclassification to short-term of borrowings falling due in the next twelve months (€332,545 thousand) and a change in financial liabilities denominated in currencies other than the euro held by Group companies (€20,334 thousand) due to exchange rate movements.

The current portion is down €2,044,538 thousand, primarily due to the effect of repayments during the period (€2,373,931 thousand), partially offset by the reclassification of borrowings maturing in the 12 months after 30 June 2014 (€332,545 thousand).

Medium/long-term borrowings include loan agreements entailing certain covenants. The method of selecting the variables to compute the ratios is specified in detail in the relevant loan agreements.

These include a term loan facility (€278,962 thousand as at 30 June 2014), entailing certain covenants with which Autostrade per l’Italia must comply over the term of the facility and which, to 30 June 2014, have never been breached.

#### NON-CURRENT DERIVATIVE LIABILITIES

(non-current) □ €334,682 thousand (€259,251 thousand)

(current) □ €7,152 thousand (€ -)

This item represents fair value losses on outstanding derivatives as at 30 June 2014, classified as cash flow hedges or fair value hedges depending on the hedged risk, as required by IAS 39.

The non-current portion includes the fair values of:

- a) interest rate swaps (€333,137 thousand) entered into by certain Group companies to hedge interest rate risk on non-current financial liabilities, classified as cash flow hedges;
- b) IPCA x CDI Swaps (€8,697 thousand), classified as fair value hedges, entered into by Triangulo do Sol and Rodovias das Colinas, which are designed to convert the above bonds issued at a real IPCA rate in 2013 to a floating nominal CDI rate.

Further details of derivative financial instruments entered into by the Group companies for hedging purposes are contained in note 9.2 “Financial risk management”.

#### OTHER MEDIUM/LONG-TERM FINANCIAL LIABILITIES

(non-current) □ €45,050 thousand (€40,810 thousand)

(current) □ €225,418 thousand (€353,792 thousand)

This item, which includes the current and non-current portions, is down €124,134 thousand as a result of a reduction in accrued interest payable following payment, in the first half of 2014, of interest on medium/long-term borrowings and of differentials on hedging derivatives.

#### SHORT-TERM FINANCIAL LIABILITIES

€629,586 thousand (€450,189 thousand)

The composition of short-term financial liabilities is shown below.

(€000)	30 June 2014	31 December 2013
<b>Bank overdrafts</b>	<b>1,863</b>	<b>7,228</b>
<b>Short-term borrowings</b>	<b>95,981</b>	<b>2,976</b>
<b>Derivative liabilities</b>	<b>93</b>	<b>-</b>
<b>Intercompany current account payables to the parent, affiliates and associates</b>	<b>528,665</b>	<b>430,779</b>
Short-term financial liabilities	2,855	2,770
Other current financial liabilities	129	6,436
<b>Other current financial liabilities</b>	<b>2,984</b>	<b>9,206</b>
<b>Total short-term financial liabilities</b>	<b>629,586</b>	<b>450,189</b>

This item is up €179,397 thousand, primarily due to the €93,005 thousand increase in short-term borrowings. This is essentially due to use of a €88,000 thousand tranche of a new short-term line of credit (with a total value of €175,000 thousand, maturing in March 2015), obtained by Ecomouv in relation to the delay in collecting amounts due to the company under the Eco-Taxe project, and movements in the intercompany current account (€97,886 thousand), essentially linked to an increase in amounts due from Autostrade per l'Italia to the parent, Atlantia, following the latter's collection of €94,600 thousand resulting from disposal of the investment in TowerCo.

### 7.16 Other non-current liabilities □ **€94,137 thousand (€93,469 thousand)**

This item is analysed below:

<b>(€000)</b>	<b>30 June 2014</b>	<b>31 December 2013</b>
Accrued expenses of a non-trading nature	41,009	42,563
Amounts payable to grantors	30,625	31,025
Liabilities deriving from contractual obligations	20,153	18,556
Other payables	2,350	1,325
<b>Other non-current liabilities</b>	<b>94,137</b>	<b>93,469</b>

### 7.17 Trading liabilities □ **€1,197,878 thousand (€1,286,317 thousand)**

An analysis of trading liabilities is shown below.

<b>(€000)</b>	<b>30 June 2014</b>	<b>31 December 2013</b>
<b>Liabilities deriving from contract work in progress</b>	<b>-</b>	<b>229</b>
Trade payables	467,244	703,824
Payable to operators of interconnecting motorways	612,772	491,242
Tolls in the process of settlement	95,621	84,191
Accrued expenses	17,339	3,397
Deferred income	2,742	2,440
Other trading liabilities	2,160	994
<b>Trade payables</b>	<b>1,197,878</b>	<b>1,286,088</b>
<b>Trading liabilities</b>	<b>1,197,878</b>	<b>1,286,317</b>

The reduction of €88,439 thousand during the period is primarily due to:

- a reduction in trade payables (€236,580 thousand), essentially reflecting the reduced volume of investment in assets held under concession during the first half of 2014, compared with the first half of 2013, and the above-mentioned reclassification of the trading liabilities of the subsidiaries, Pavimental and Spea, to liabilities related to discontinued operations;
- an increase in amounts payable to the operators of interconnecting motorways by Autostrade per l'Italia (€121,530 thousand), corresponding to the balance of amounts payable at December 2013, which, in accordance with the related contractual agreements, were paid in July 2014.

### 7.18 Other current liabilities □ **€378,827 thousand (€378,566 thousand)**

An analysis of other current liabilities is shown below.

<b>(€000)</b>	<b>30 June 2014</b>	<b>31 December 2013</b>
Guarantee deposits from users who pay by direct debit	52,414	52,489
Concession fees payable	49,789	76,193
Payable to staff	48,192	45,649
Taxation other than income taxes	47,886	35,062
Amounts payable for expropriations	38,989	37,742
Social security contributions payable	33,078	28,916
Amounts payable to public entities	18,766	16,604
Deferred income	8,407	17,856
Accrued expenses of a non-trading nature	2,651	2,892
Other payables	78,655	65,163
<b>Other current liabilities</b>	<b>378,827</b>	<b>378,566</b>

The balance of other current liabilities as at 30 June 2014 is substantially in line with the figure for 31 December 2013.

## 8. NOTES TO THE CONSOLIDATED INCOME STATEMENT

This section includes the notes to the principal amounts in the consolidated income statement. Negative components of income are indicated with a minus sign in the headings and tables. Amounts for the first half of 2013 are shown in brackets.

It should be noted that, in accordance with IFRS requirements and as previously described in note 6, the contributions of Pavimental, SPEA Ingegneria Europea and their respective subsidiaries to the consolidated income statements for the first halves of 2014 and 2013 are presented in "Profit/(Loss) from discontinued operations", rather than included in each component of the consolidated income statement for continuing operations.

Details of amounts in the consolidated income statement deriving from related party transactions are provided in note 10.5.

### 8.1 Toll revenue □ €1,738,718 thousand (€1,683,544 thousand)

Toll revenue of €1,738,718 thousand is up by a total of €55,174 thousand (3.3%) on the first half of 2013 (€1,683,544 thousand), primarily reflecting a combination of:

- application of annual toll increases for 2014 by the Group's Italian operators (a rise of 4.43% for Autostrade per l'Italia from 1 January 2014), boosting toll revenue by an estimated €54 million;
- a 1.1% improvement in traffic on the Italian network, accounting for an estimated €15 million increase in toll revenue (including the impact of the different traffic mix);
- an increase in toll revenue at overseas operators (up €26 million), primarily reflecting traffic growth (up 5.0% at the Brazilian operators and 7.2% at the Chilean operators), toll charge increases applied by the Chilean operators from January 2014 and the measures (tolls for vehicles with suspended axles) introduced by ARTESP (Brazil's public transport regulator) to compensate the operators, Triangulo do Sol and Rodovia das Colinas, for the decision not to apply annual toll increases from 1 July 2013;
- the increase in toll increases matching the increased concession fees payable by Italian operators, amounting to €2 million, linked to traffic growth;
- the deterioration in the average exchange rates applied following falls in the value of the Chilean peso and the Brazilian real against the euro, amounting to €41 million.

### 8.2 Revenue from construction services □ €200,690 thousand (€367,616 thousand)

An analysis of this revenue is shown below.

(€000)	H1 2014	H1 2013	Increase/ (Decrease)
Revenue from construction services for which additional economic benefits are received	155,965	194,006	-38,041
Revenue from investments in financial concession rights	16,375	163,114	-146,739
Revenue from construction services: government grants for services for which no additional economic benefits are received	28,350	10,496	17,854
<b>Revenue from construction services</b>	<b>200,690</b>	<b>367,616</b>	<b>-166,926</b>

This item, which represents the fair value of construction services rendered during the period, is down on the first half of 2013, following completion of the design and build phase of the Eco-Taxe project by the subsidiary, Ecomouv.

In line with the accounting model adopted pursuant to IFRIC 12, this revenue, which represents the consideration for services rendered, is recognised at fair value based on total costs incurred, represented by operating costs and financial expenses.

In the first half of 2014, the Group carried out additional construction services for which no additional benefits are received, amounting to €161,992 thousand, net of government grants (€211,232 thousand in the first half of 2013), for which the Group made use of a portion of the

specifically allocated “Provisions for construction services required by contract”. This is accounted for as a reduction in operating costs for the year, as explained in note 8.10. Details of investment in assets held under concession during the period are provided in note 7.2, above.

### 8.3 Contract revenue □ **€15,495 thousand (€9,932 thousand)**

Contract revenue of €15,495 thousand is up €5,563 thousand on the first half of 2013 (€9,932 thousand), primarily reflecting an increase in work carried out by the subsidiary, Electronic Transaction Consultants, for external customers.

### 8.4 Other operating income □ **€342,254 thousand (€267,764 thousand)**

An analysis of other operating income is provided below.

(€000)	H1 2014	H1 2013	Increase/ (Decrease)
Revenue from sub-concessions	119,931	113,855	6,076
Revenue from Telepass and Viacard fees	62,734	61,793	941
Maintenance revenue	16,570	19,820	-3,250
Other revenue from motorway operation	15,702	15,624	78
Damages and compensation	9,623	12,108	-2,485
Revenue on the sale of technology devices and services	9,261	11,309	-2,048
Refunds	8,871	10,049	-1,178
Advertising revenue	2,344	2,717	-373
Other income	97,218	20,489	76,729
<b>Other operating income</b>	<b>342,254</b>	<b>267,764</b>	<b>74,490</b>

Other operating income of €342,254 thousand is up €74,490 thousand on the first half of 2013 (€267,764 thousand). In the Other Income item, the increase includes €50,230 thousand linked to formal acceptance of the system developed for the Eco-Tax project and coverage of the operating costs incurred during the delay in introducing the tax, as provided for in the memorandum of understanding agreed with the French government on 20 June 2014.

### 8.5 Raw and consumable materials □ **-€76,084 thousand (-€87,104 thousand)**

This item consists of purchases of materials and the change in inventories of raw and consumable materials. The balance is down €11,020 thousand compared with the first half of 2013, mainly in following completion of the design and build phase of the Eco-Tax contract.

(€000)	H1 2014	H1 2013	Increase/ (Decrease)
Construction materials	-41,656	-14,500	-27,156
Electrical and electronic materials	-9,086	-23,260	14,174
Lubricants and fuel	-7,077	-7,956	879
Other raw and consumable materials	-19,758	-35,101	15,343
<b>Cost of materials</b>	<b>-77,577</b>	<b>-80,817</b>	<b>3,240</b>
<b>Change in inventories of raw, ancillary and consumable materials and goods for resale</b>	<b>1,493</b>	<b>-6,287</b>	<b>7,780</b>
<b>Raw and consumable materials</b>	<b>-76,084</b>	<b>-87,104</b>	<b>11,020</b>

## 8.6 Service costs □ **-€418,221 thousand (-€512,186 thousand)**

An analysis of service costs is provided below.

(€000)	H1 2014	H1 2013	Increase/ (Decrease)
Construction and similar	-266,496	-294,866	28,370
Professional services	-67,114	-116,015	48,901
Transport and similar	-24,240	-25,902	1,662
Utilities	-9,994	-20,903	10,909
Insurance	-9,303	-9,795	492
Statutory Auditors' fees	-385	-386	1
Other services	-41,022	-45,921	4,899
<b>Gross service costs</b>	<b>-418,554</b>	<b>-513,787</b>	<b>95,233</b>
Capitalised service costs for assets other than concession assets	333	1,601	-1,268
<b>Service costs</b>	<b>-418,221</b>	<b>-512,186</b>	<b>93,965</b>

Service costs are down €93,965 thousand, primarily due to:

- a decrease in professional services (down €48,901 thousand), primarily attributable to the reduction in costs linked to completion of the design and build phase of the Eco-Taxi project;
- a €28,370 thousand like-for-like decrease in construction and similar services, essentially due to the lower volume of investment in assets held under concession.

## 8.7 Staff costs □ **-€291,356 thousand (-€294,764 thousand)**

Staff costs break down as follows.

(€000)	H1 2014	H1 2013	Increase/ (Decrease)
Wages and salaries	-207,165	-211,075	3,910
Social security contributions	-59,490	-61,023	1,533
Post-employment benefits (including payments to supplementary pension funds or INPS)	-10,613	-10,459	-154
Directors' remuneration	-2,017	-1,815	-202
Other staff costs	-12,432	-11,787	-645
<b>Gross staff costs</b>	<b>-291,717</b>	<b>-296,159</b>	<b>4,442</b>
Capitalised staff costs for assets other than concession assets	361	1,395	-1,034
<b>Staff costs</b>	<b>-291,356</b>	<b>-294,764</b>	<b>3,408</b>

Staff costs (before deducting capitalised expenses) of €291,717 thousand are down €3,408 thousand on the same period of 2013 (€294,764 thousand).

At constant exchange rates, staff costs for the first half of 2014 before the capitalized portion amount to €295,452 thousand, in line with the figure for the first half of 2013, reflecting the offset between the following items:

- a) a reduction of 71 in the average workforce;
- b) an increase in the average unit cost, reflecting inflation-linked salary rises in a number of countries (Chile and Brazil), partly offset by a reduction in the average unit cost at the motorway operators and other Group companies in Italy, due to a reduction in variable staff and the application of new contract terms.

Staff costs for the first half of 2014 include €2,146 thousand corresponding to the fair value of options and units vesting during the period under share-based incentive plans, as more fully described in note 10.6, below.

The following table shows the average number of employees (by category and including agency staff).

Average workforce	H1 2014	H1 2013	Increase/ (Decrease)
Senior managers	172	182	-10
Middle managers and administrative staff	4,664	4,635	29
Toll collectors	3,224	3,279	-55
Manual workers	1,867	1,902	-35
<b>Total</b>	<b>9,927</b>	<b>9,998</b>	<b>-71</b>

## 8.8 Other operating costs □ **-€395,789 thousand (-€417,237 thousand)**

An analysis of other operating costs is shown below.

(€000)	H1 2014	H1 2013	Increase/ (Decrease)
<b>Concession fees</b>	<b>-204,430</b>	<b>-203,126</b>	<b>-1,304</b>
<b>Lease expense</b>	<b>-4,588</b>	<b>-6,757</b>	<b>2,169</b>
Grants and donations	-12,175	-9,825	-2,350
Direct and indirect taxes	-5,391	-4,929	-462
Other	-169,205	-192,600	23,395
<b>Other costs</b>	<b>-186,771</b>	<b>-207,354</b>	<b>20,475</b>
<b>Other operating costs</b>	<b>-395,789</b>	<b>-417,237</b>	<b>21,448</b>

Other operating costs are down €21,448 thousand compared with the same period of the previous year.

## 8.9 Operating change in provisions □ **-€67,086 thousand (-€11,385 thousand)**

This item consists of operating changes (new provisions and uses) in provisions, excluding those for employee benefits, recorded by Group companies during the period in order to meet their legal and contractual obligations requiring the use of financial resources in future years. The increase compared with the first half of 2013 is due to an increase in net provisions “for the repair and replacement of motorway infrastructure” at Autostrade per l’Italia, linked to the reduction in interest rates at 30 June 2014 compared with 31 December 2013.

**8.10 Use of provisions for construction services required by contract □ **€161,992 thousand**  
**(€211,232 thousand)****

This item regards “provisions for construction services required by contract”, relating to services for which no additional economic benefits are received rendered in the first half of 2014, less accrued government grants (recognised in revenue from construction services, as explained in note 8.3). The item represents the indirect adjustment to construction costs classified by nature and incurred by the Group’s operators, above all Autostrade per l’Italia, subject to such contractual obligations. Further information on construction services and capital expenditure in the first half of 2014 is provided in notes 7.2 and 8.2.

**8.11 (Impairment losses)/Reversal of impairment losses □ **-€2,254 thousand** **(-€1,116 thousand)****

Impairment losses recognised in the first half of 2014 essentially regard losses on trade receivables attributable to Electronic Transaction Consultants as a result of outstanding disputes.

**8.12 Financial income/(expenses) □ **-€355,424 thousand** **(-€356,222 thousand)**  
**Financial income** □ **€135,644 thousand** **(€134,475 thousand)**  
**Net financial expenses** □ **-€497,192 thousand** **(-€490,925 thousand)**  
**Foreign exchange gains/(losses)** □ **€6,124 thousand** **(-€228 thousand)****

An analysis of financial income and expenses is shown below.

(€000)	H1 2014	H1 2013	Increase/ (Decrease)
<b>Financial income accounted for as an increase in financial assets deriving from concession rights and government grants</b>	<b>40,449</b>	<b>43,401</b>	<b>-2,952</b>
Interest and fees on bank and post office deposits	29,850	38,278	-8,428
Financial income accounted for as an increase in financial assets	20,091	16,482	3,609
Income from transactions in derivative financial instruments	14,175	317	13,858
Other	31,065	35,996	-4,931
<b>Other financial income</b>	<b>95,181</b>	<b>91,073</b>	<b>4,108</b>
<b>Dividends received from investee companies</b>	<b>14</b>	<b>1</b>	<b>13</b>
<b>Financial income (a)</b>	<b>135,644</b>	<b>134,475</b>	<b>1,169</b>
<b>Financial expenses from the discounting to present value of provisions for construction services required by contract and other provisions</b>	<b>-53,893</b>	<b>-47,713</b>	<b>-6,180</b>
Interest on bonds	-51,919	-37,536	-14,383
Interest on medium/long-term borrowings	-319,391	-319,103	-288
Losses on derivative financial instruments	-39,167	-40,752	1,585
Interest expense accounted for as an increase in financial liabilities	-10,185	-5,003	-5,182
Interest and fees on bank and post office deposits	-788	-2,058	1,270
Other	-21,849	-38,760	16,911
<b>Other financial expenses less grants</b>	<b>-443,299</b>	<b>-443,212</b>	<b>-87</b>
<b>Financial expenses (b)</b>	<b>-497,192</b>	<b>-490,925</b>	<b>-6,267</b>
Foreign exchange gains	20,791	693	20,098
Foreign exchange losses	-14,667	-465	-14,202
<b>Foreign exchange gains/(losses) (c)</b>	<b>6,124</b>	<b>228</b>	<b>5,896</b>
<b>Financial income/(expenses) (a+b+c)</b>	<b>-355,424</b>	<b>-356,222</b>	<b>798</b>

Net financial expenses in the first half of 2014 are in line with the figure for the same period of 2013. The increase of €6,180 thousand in “Financial expenses from the discounting to present value of provisions for construction services required by contract and other provisions” is primarily due to the performance of provisions for construction services required by contract, reflecting a decline in the interest rates used to discount provisions at 31 December 2013, compared with the rates used at 31 December 2012, offset by an increase in “Foreign exchange gains” of €5,896 thousand, essentially due to a fall in the value of the Chilean peso against the euro.

#### **8.13 Share of profit/(loss) of associates and joint ventures accounted for using the equity method □ -€4,380 thousand (-€1,132 thousand)**

The “Share of profit/(loss) of associates and joint ventures accounted for using the equity method” amounts to a loss of €4,380 thousand, primarily reflecting the Group’s share of the results of the Brazilian motorway operator, Rodovias do Tietè, as previously mentioned in note 7.3.

#### **8.14 Income tax (expense)/benefit □ -€184,244 thousand (-€186,994 thousand)**

A comparison of the tax charges for the two comparative periods is shown below.

(€000)	H1 2014	H1 2013	Increase/ (Decrease)
IRES	-83,727	-83,999	272
IRAP	-34,060	-37,796	3,736
Income taxes attributable to foreign operations	-30,880	-24,982	-5,898
<b>Current tax expense</b>	<b>-148,667</b>	<b>-146,777</b>	<b>-1,890</b>
Recovery of previous years' income taxes	2,739	4,331	-1,592
Previous years' income taxes	-340	-739	399
<b>Differences on current tax expense for previous years</b>	<b>2,399</b>	<b>3,592</b>	<b>-1,193</b>
Provisions	79,141	58,387	20,754
Releases	-48,692	-47,693	-999
Changes in prior year estimates	-18,287	-425	-17,862
<b>Deferred tax income</b>	<b>12,162</b>	<b>10,269</b>	<b>1,893</b>
Provisions	-82,391	-80,742	-1,649
Releases	16,701	26,664	-9,963
Changes in prior year estimates	15,552	-	15,552
<b>Deferred tax expense</b>	<b>-50,138</b>	<b>-54,078</b>	<b>3,940</b>
<b>Income tax (expense)/benefit</b>	<b>-184,244</b>	<b>-186,994</b>	<b>2,750</b>

Income tax expense for the first half of 2014 is broadly in line with the figure for the same period of 2013.

## 8.15 Profit/(Loss) from discontinued operations □ €1,082 thousand (€2,275 thousand)

An analysis of the profit/(loss) from discontinued operations for the two comparative periods is shown below.

(€000)	H1 2014	H1 2013	Increase/ (Decrease)
Operating income	188,519	201,489	-12,970
Operating costs	-183,875	-195,171	11,296
Financial income	33	785	-752
Financial expenses	-1,346	-1,201	-145
Tax expense	-3,166	-4,427	1,261
Foreign exchange gains/(losses) on assets/liabilities held for sale	18	-99	117
<b>Net contribution to IFRS profits of discontinued operations</b>	<b>183</b>	<b>1,376</b>	<b>-1,193</b>
<b>Other net profit/(loss) from discontinued operations</b>	<b>899</b>	<b>899</b>	<b>-</b>
<b>Profit/(Loss) from discontinued operations</b>	<b>1,082</b>	<b>2,275</b>	<b>-1,193</b>

The total of €1,082 thousand for the first half of 2014 reflects:

- the profits and losses of the subsidiaries, Pavimental, Spea, Pavimental Polska and Spea do Brasil held for sale as part of the corporate restructuring described in note 6;
- the dividend received in the first half of 2014 from the Portuguese company, Lusoponte, totalling €899 thousand (equal to the amount recognised in 2013).

## 8.16 Earnings per share

The following table shows the calculation of basic and diluted earnings per share with comparative amounts.

	H1 2014	H1 2013
Weighted average number of shares outstanding	622,027,000	622,027,000
<b>Weighted average of shares outstanding</b>	<b>622,027,000</b>	<b>622,027,000</b>
Profit for the period (€000)	298,393	297,383
Profit from continuing operations attributable to owners of the parent (€000)	297,311	295,108
<b>Basic earnings per share from continuing operations (€)</b>	<b>0.48</b>	<b>0.47</b>
Profit from discontinued operations attributable to owners of the parent (€000)	1,082	2,275
<b>Basic earnings/(loss) per share from discontinued operations (€)</b>	<b>n/s</b>	<b>n/s</b>

In the absence of options or convertible financial instruments issued by the Parent Company, diluted earnings per share coincides with the figure for basic earnings per share.

## **9. OTHER FINANCIAL INFORMATION**

### **9.1 Notes to the consolidated statement of cash flows**

Consolidated cash flow in the first half of 2014, compared with the first half of 2013, is analysed below. The statement of cash flows is included in the “Consolidated financial statements”.

Cash flows during the first half of 2014 resulted in a €2,179.5 million decrease in cash, versus a net cash outflow of €333.6 million in the first half of 2013.

Operating activities generated cash flows of €786.0 million in the first half of 2014, up €256.0 million on the first half of 2013 (€530.0 million). The increase essentially reflects the reduced amount of cash used resulting from the change in working capital, primarily due to a very notable reduction in trading liabilities during the first half of 2013. This reflects payments to suppliers for construction services rendered in the second half of 2012 by motorway operators and in connection with the Eco-Tax project.

Cash used for investment in non-financial assets amounts to €570.6 million and is essentially linked to investment in assets held under concession after the related government grants (totalling €32.2 million). This figure is down €41.1 million on the first half of 2013, primarily reflecting the combined effect of:

- a) a reduced volume of investments in concession activities, net of government grants, for €228,8 million;
- b) a reduced volume of investments in financial assets for €149.4 million;
- c) a €39.1 million increase of net cash used for other current and non-current financial assets.

Net cash used for financing activities in the first half of 2014 amounts to €2,403.9 million (€233.0 million in the first half of 2013), marking an increase of €2,170.9 million. This essentially reflects the repayment of shareholder loans in the first half of 2014, totalling €2,094.2 million.

### **9.2 Financial risk management**

#### **The Autostrade per l'Italia Group's financial risk management objectives and policies**

In the normal course of business, the Atlantia Group is exposed to:

- a) market risk, principally linked to the effect of movements in interest and foreign exchange rates on financial assets acquired and financial liabilities assumed;
- b) liquidity risk, with regard to ensuring the availability of sufficient financial resources to fund the Group's operating activities and repayment of the liabilities assumed;
- c) credit risk, linked to both ordinary trading relations and the likelihood of defaults by financial counterparties.

The Group's financial risk management strategy is derived from and consistent with the business goals set by Atlantia's Board of Directors, as contained in the various strategic plans from time to time approved by the Board, taking into account Atlantia's role in the management and coordination of Autostrade per l'Italia.

#### **Market risk**

The adopted strategy for each type of risk aims, wherever possible, to eliminate interest rate and currency risks and minimise borrowing costs, whilst taking account of stakeholders' interests, as defined in the Financial Policy as approved by the Board of Directors of the parent, Atlantia.

Management of these risks is based on prudence and best market practice.

The main objectives set out in this policy are as follows:

- a) to protect the scenario forming the basis of the strategic plan from the effect of exposure to currency and interest rate risks, identifying the best combination of fixed and floating rates;
- b) to pursue a potential reduction of the Group's borrowing costs within the risk limits determined by the Board of Directors;

- c) to manage derivative financial instruments taking account of their potential impact on the results of operations and financial position in relation to their classification and presentation.

The Group's hedges outstanding as at 30 June 2014 are classified, in accordance with IAS 39, either as cash flow or fair value hedges, depending on the type of risk hedged. The fair value of financial derivative instruments is based on expected discounted cash flows, using the market yield curve at the measurement date. Amounts in foreign currencies other than the euro are translated at closing exchange rates communicated by the European Central Bank. The residual average term to maturity of the Group's debt as at 30 June 2014 is approximately 7 years. The average cost of medium to long-term debt for the first half of 2014 was 5.2% (4.8% for the companies operating in Italy, 6.5% for the Chilean companies and 12% for the Brazilian companies). Monitoring is, moreover, intended to assess, on a continuing basis, counterparty creditworthiness and the degree of risk concentration.

#### **a) Interest rate risk**

Interest rate risk is linked to uncertainty regarding the performance of interest rates, and takes two forms:

- a) cash flow risk: linked to financial assets and liabilities with cash flows indexed to a market interest rate. In order to reduce floating rate debt, the Group has entered into interest rate swaps (IRS), classified as cash flow hedges. The hedging instruments and the underlying financial liabilities have matching terms to maturity and notional amounts. Following tests of effectiveness, changes in fair value were essentially recognised in comprehensive income. Interest income or expense deriving from the hedged instruments is recognised simultaneously in profit or loss;
- b) fair value risk: the risk of losses deriving from an unexpected change in the value fixed rate financial assets and liabilities following an unfavourable shift in the market yield curve. As at 30 June 2014 the Group reports transactions classifiable as fair value hedges in accordance with IAS 39, regarding the previously mentioned new IPCA x CDI Swaps entered into by the Brazilian companies, Triangulo do Sol and Colinas, with the aim of converting the real IPCA rate bonds issued in 2013 to a floating CDI rate. Changes in the fair value of these instruments are recognised in profit or loss and are offset by matching changes in the fair value of the underlying liabilities.

During the period, there were no significant ineffectiveness shares to cover existing operations .  
As a result of cash flow hedges, 87% of interest bearing debt is fixed rate.

#### **b) Currency risk**

Currency risk can result in the following types of exposure:

- a) economic exposure incurred through purchases and sales denominated in currencies other than the functional currency of the individual company;
- b) translation exposure through equity investments in subsidiaries and associates whose financial statements are denominated in a currency other than the Group's functional currency;
- c) transaction exposure incurred by making deposits or obtaining loans in currencies other than the functional currency of the individual company.

The Group's prime objective of currency risk is to minimise transaction exposure through the assumption of liabilities in currencies other than the presentation currency.

13% of the Group's debt is denominated in currencies other than the euro, based on the proportion of debt denominated in the local currency of the country in which the relevant Group company operates. The Group is, therefore, effectively not exposed to currency risk on translation. During the period, there were no significant ineffectiveness shares to cover existing operations .

The following table summarises outstanding derivative financial instruments as at 30 June 2014 (compared with 31 December 2013) and shows the corresponding market value and the hedged financial asset or liability.

(€000)			31 December 2013		30 June 2014		Hedged financial liability			
Type	Purpose of hedge	Currency	Company	Fair value asset/(liability)	Notional amount	Fair value asset/(liability)	Notional amount	Description	Par value	Term
<b>Cash flow hedges (1)</b>										
<b>Interest Rate Swaps</b>										
Interest Rate Swap	Interest rate			-242,565	2,267,910	-333,137	2,117,454			
Interest Rate Swap		EUR	Autostrade per l'Italia	-184,542	750,000	-225,184	750,000	Atlantia loan	750,000	2004-2022
Interest Rate Swap		EUR	Autostrade per l'Italia	-12,936	400,000	-7,152	280,000	Term Loan Facility	280,000	2004-2015
Interest Rate Swap		EUR	Autostrade per l'Italia	-20,378	500,000	-50,403	488,372	Cassa Depositi e Prestiti	488,372	2011-2034
Interest Rate Swap		EUR	Autostrade per l'Italia	3,099	100,000	-3,725	100,000	Cassa Depositi e Prestiti and SACE	100,000	2012-2024
Interest Rate Swap		EUR	Autostrade per l'Italia	2,288	100,000	-4,363	100,000	Cassa Depositi e Prestiti and SACE	100,000	2013-2024
Interest Rate Swap		EUR	Ecomouv	-26,942	380,589	-38,506	363,803	Project financings	363,803	2012-2024
Interest Rate Swap		EUR	Stalexport	-3,154	37,321	-3,804	35,279	50% Project Loan Agreement (PLN)	57,467	2008-2020
			<b>Total</b>	<b>-242,565</b>	<b>2,267,910</b>	<b>-333,137</b>	<b>2,117,454</b>			
<b>Fair value hedges (1)</b>										
<b>IPCA x CDI Swaps</b>										
IPCA x CDI Swap	Interest rate	BRL	Triangulo do Sol	-11,299	232,314	-8,697	252,244			
IPCA x CDI Swap	Interest rate	BRL	Rodovias das Colinas	-4,250	115,036	-3,455	124,905	Bond 2020 IPCA linked	124,905	2013-2020
IPCA x CDI Swap	Interest rate	BRL	Rodovias das Colinas	-1,659	38,304	-1,392	41,590	Bond 2020 IPCA linked	41,590	2013-2020
			<b>Total</b>	<b>-11,299</b>	<b>232,314</b>	<b>-8,697</b>	<b>252,244</b>			
<b>Derivatives not accounted for as hedges</b>										
FX Forward	Currency	USD	Autostrade per l'Italia	70 (2)	24,268	-93 (2)	27,437			
			<b>Totale</b>	<b>70</b>	<b>24,268</b>	<b>-93</b>	<b>27,437</b>			
			<b>Total</b>	<b>-253,794</b>	<b>2,524,491</b>	<b>-341,927</b>	<b>2,397,135</b>			
			<b>Total of which:</b>							
			<b>fair value (asset)</b>	<b>5,457</b>						
			<b>fair value (liability)</b>	<b>-259,251</b>		<b>-341,927</b>				

(1) The fair value of cash flow hedges excludes accruals at the end of the reporting period.

(2) The fair value of these derivatives is classified in short-term financial liabilities and assets.

## Sensitivity analysis

Sensitivity analysis describes the impact that the interest rate and foreign exchange movements to which the Group is exposed would have had on the income statement for the first half of 2014 and on equity as at 30 June 2014. The interest rate sensitivity analysis is based on the exposure of derivative and non-derivative financial instruments at the end of the year, assuming, in terms of the impact on the income statement, a 0.10% (10 bps) shift in the market yield curve at the beginning of the year, whilst, with regard to the impact of changes in fair value on equity, the 10 bps shift in the curve was assumed to have occurred at the measurement date. The results of the analyses were:

- in terms of interest rate risk, an unexpected and unfavourable 0.10% shift in market interest rates would have resulted in a negative impact on the income statement, totalling €953 thousand, and on the statement of comprehensive income, totalling €15,713 thousand, before the related taxation;
- in terms of currency risk, an unexpected and unfavourable 10% shift in the exchange rate would have resulted in a negative impact on the income statement, totalling €6,952 thousand, and on the statement of comprehensive income, totalling €241,190 thousand, due to the adverse effect on the overseas companies' after-tax results and changes in the foreign currency translation reserves.

## Liquidity risk

Liquidity risk relates to the risk that cash resources may be insufficient to fund the payment of liabilities as they fall due. The Group believes that its ability to generate cash, the ample diversification of its sources of funding and the availability of committed and uncommitted lines of credit provides access to sufficient sources of finance to meet its projected financial needs.

As at 30 June 2014 project debt allocated to specific overseas companies amounts to €2,342 million. At the same date the Group has estimated cash reserves of €4,943 million, consisting of:

- €1,229 million in cash and/or investments maturing within 120 days;
- €577 million in term deposits allocated primarily to part finance the execution of specific construction services and to service the debt of certain Chilean companies;
- €3,137 million in undrawn committed lines of credit.

Details of drawn and undrawn committed lines of credit are shown below.

(€m)				30 June 2014		
Borrower	Facility	Drawdown period expires	Final maturity	Available	Drawn	Undrawn
Autostrade per l'Italia	Committed Revolving Credit Facility	31 May 2015	30 June 2015	1,000	-	1,000
Autostrade per l'Italia	Medium/long-term committed EIB line - Tranche A	30 Nov 2012	31 Dec 2036	1,000	1,000	-
Autostrade per l'Italia	Medium/long-term committed EIB line - Tranche B	31 Dec 2014	31 Dec 2036	300	-	300
Autostrade per l'Italia	Medium/long-term committed EIB line 2013	31 Mar 2016	20 Sept 2034	200	-	200
Autostrade per l'Italia	Medium/long-term committed EIB line 2013	20 Sept 2015	20 Sept 2036	250	-	250
Autostrade per l'Italia	Medium/long-term committed CDP/EIB line	1 Aug 2013	19 Dec 2034	500	500	-
Autostrade per l'Italia	Medium/long-term committed CDP/SACE line	23 Sept 2016	23 Dec 2024	1,000	200	800
Autostrade per l'Italia	Medium/long-term committed CDP line	21 Nov 2016	20 Dec 2027	500	-	500
Ecomouv	Bridge Loan/Caisse de Depots et Consignations	30 Apr 2014	1 Dec 2024	582	582	-
Ecomouv	Short-term facility	31 Dec 2014	1 Mar 2015	175	88	87
<b>Total</b>				<b>5,507</b>	<b>2,370</b>	<b>3,137</b>

### Credit risk

The Group manages credit risk essentially through recourse to counterparties with high credit ratings, with no significant credit risk concentrations as required by Financial Policy.

Credit risk deriving from outstanding derivative financial instruments can also be considered marginal in that the counterparties involved are major financial institutions. There are no margin agreements providing for the exchange of cash collateral if a certain fair value threshold is exceeded.

Provisions for impairment losses on individually material items, on the other hand, are established when there is objective evidence that the Group will not be able to collect all or any of the amount due. The amount of the provisions takes account of estimated future cash flows and the date of collection, any future recovery costs and expenses, and the value of any security and guarantee deposits received from customers. General provisions, based on the available historical and statistical data, are established for items for which specific provisions have not been made. Details of the bad debt allowance for trade receivables are provided in note 7.7.

## **10. OTHER INFORMATION**

### **10.1 Operating and geographical segments**

#### **Operating segments**

The Autostrade per l'Italia Group's operating segments have been identified on the basis of the information provided to the Board of Directors of the parent, Atlantia, which represents the Group's chief operating decision maker, taking into account Atlantia's role in the management and coordination of Autostrade per l'Italia, taking decisions regarding strategy and the allocation of resources and assessing performance. In particular, the Board of Directors assesses the performance of the business both in terms of geographical area and in terms of segment.

Details of the Autostrade per l'Italia Group's operating segments are as follows:

a) Italian motorways: this includes the Italian motorway operators (Autostrade per l'Italia, Autostrade Meridionali, Tangenziale di Napoli, Società italiana per azioni per il Traforo del Monte Bianco and Raccordo Autostradale Valle d'Aosta), whose core business consists of the management, maintenance, construction and widening of the related motorways operated under concession. In addition, this segment also includes Telepass, the companies that provide support for the motorway business in Italy and the Italian holding company, Autostrade dell'Atlantico, which holds investments in South America;

b) overseas motorways: this operating segment includes the activities of the holders of motorway concessions in Brazil, Chile and Poland, and the companies that provide operational support for these operators and the related foreign-registered holding companies;

c) other activities: this segment includes:

- 1) the production and operation of free-flow tolling systems in France, traffic and transport management systems, public information and electronic payment systems. The most important companies are Autostrade Tech, Ecomouv and Electronic Transaction Consultants;
- 2) the design, construction and maintenance of infrastructure, essentially referring to Pavimental and Spea Ingegneria Europea.

Other than those identified and presented in the following tables, there are no other operating segments that meet the quantitative thresholds provided for by IFRS 8.

The column "Adjustments" includes the consolidation adjustments included and intersegment eliminations. The "Unallocated items" include income and cost components that have not been allocated to the individual segments. These regard: revenue from construction services recognised in accordance with IFRIC 12 by the Group's motorway operators, depreciation, amortisation, impairment losses and reversals of impairment losses, provisions and other adjustments, financial income and expenses and income tax expense. In relation to the information used to assess the performances of its operating segments, the Group reports EBITDA (calculated as shown in the following table), deemed to be an appropriate means of assessing the results of the Autostrade per l'Italia Group and its operating segments.

A summary of the key performance indicators for each segment, identified in accordance with the requirements of IFRS 8, is shown below.

**AUTOSTRADe PER L'ITALIA GROUP - H1 2014**

(€m)	Italian motorways	Overseas motorways	Other activities	Adjustments	Unallocated items	Total consolidated amounts
External revenue	1,727	256	113	-	-	2,096
Intersegment revenue	15	-	12	-27	-	-
<b>Total revenue</b>	<b>1,742</b>	<b>256</b>	<b>125</b>	<b>-27</b>	<b>-</b>	<b>2,096</b>
<b>EBITDA</b>	<b>1,058</b>	<b>192</b>	<b>20</b>	<b>-</b>	<b>-</b>	<b>1,270</b>
Amortisation, depreciation, impairment losses and reversals of impairment losses					-329	-329
Provisions and other adjustments					-70	-70
<b>EBIT</b>					<b>-</b>	<b>871</b>
Financial income/(expenses)					-352	-352
<b>Profit/(Loss) before tax from continuing operations</b>					<b>-</b>	<b>519</b>
Income tax (expense)/benefit					-184	-184
<b>Profit/(Loss) from continuing operations</b>					<b>-</b>	<b>335</b>
Profit/(Loss) from discontinued operations					1	1
<b>Profit for the period</b>					<b>-</b>	<b>336</b>
<b>Operating cash flow</b>	<b>664</b>	<b>153</b>	<b>13</b>	<b>-</b>	<b>-</b>	<b>830</b>

**AUTOSTRADe PER L'ITALIA GROUP - H1 2013**

(€m)	Italian motorways	Overseas motorways	Other activities	Adjustments	Unallocated items	Total consolidated amounts
External revenue	1,653	275	32	-	-	1,960
Intersegment revenue	24	-	14	-38	-	-
<b>Total revenue</b>	<b>1,677</b>	<b>275</b>	<b>46</b>	<b>-38</b>	<b>-</b>	<b>1,960</b>
<b>EBITDA</b>	<b>999</b>	<b>199</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,198</b>
Amortisation, depreciation, impairment losses and reversals of impairment losses					-344	-344
Provisions and other adjustments					-12	-12
<b>EBIT</b>					<b>-</b>	<b>842</b>
Financial income/(expenses)					-327	-327
<b>Profit/(Loss) before tax from continuing operations</b>					<b>-</b>	<b>515</b>
Income tax (expense)/benefit					-187	-187
<b>Profit/(Loss) from continuing operations</b>					<b>-</b>	<b>328</b>
Profit/(Loss) from discontinued operations					2	2
<b>Profit for the period</b>					<b>-</b>	<b>330</b>
<b>Operating cash flow</b>	<b>610</b>	<b>152</b>	<b>14</b>	<b>-</b>	<b>-</b>	<b>776</b>

The following should be noted with regard to the operating segment information presented in the above tables:

- a) intersegment revenue regards intragroup transactions between companies in different operating segments. They relate primarily to the activities of construction and management of toll collection systems dynamics , traffic management and mobility , and information to users of electronic payment systems;
- b) total revenue does not include revenue from construction services, totalling €200.7 million in the first half of 2014 and €367.6 million in the first half of 2013;
- c) EBITDA is calculated by deducting all operating costs, with the exception of amortisation, depreciation, impairment losses on assets and reversals of impairment losses, provisions and other adjustments, from operating revenue;
- d) EBIT is calculated by deducting amortisation, depreciation, impairment losses on assets and reversals of impairment losses, provisions and other adjustments from EBITDA. EBIT differs from "Operating profit" in the consolidated income statement, as it does not include the capitalised component of financial expenses relating to construction services, which are not reported in this table, as indicated in point c) above. These amounts are €8.2 million for the first half of 2014 and €30.3 million for the first half of 2013;
- e) operating cash flow is calculated as profit + amortisation/depreciation +/- provisions/releases of provisions + financial expenses from discounting of provisions +/- impairments/reversals of impairments of assets +/- share of profit/(loss) of investments accounted for using equity method +/- (losses)/gains on sale of assets +/- other non-cash items +/- portion of net deferred tax assets/liabilities recognised in the income statement.

EBITDA, EBIT and operating cash flow are not identified as performance indicators under the IFRS endorsed by the European Union. They have not, therefore, been audited.

Finally, in no case did revenues from transactions with a single external customer exceed 10% of the Group's total revenue in either the first half of 2014 or the same period of 2013.

## 10.2 Analysis by geographical segment

The following table shows an analysis of the Group's revenue and non-current assets by geographical segment.

(€m)	Revenue		Non-current assets*	
	H1 2014	H1 2013	30 June 2014	31 December 2013
Italy	1,876.5	1,841.1	18,494.9	18,418.2
Brazil	182.9	170	1,506.6	1,371.1
Chile	99.8	109.1	1,892.6	1,987.6
France	80.5	160.2	5.9	6.3
United States	25.7	22.7	17.1	19.3
Poland	29.1	23.7	229.9	230.6
Romania	2.5	1.6	-	-
India	0.1	0.4	0.1	0.1
Other European countries	0.1	0.1	-	-
	<b>2,297.2</b>	<b>2,328.9</b>	<b>22,147.1</b>	<b>22,033.2</b>

\* In accordance with IFRS 8, non-current assets do not include financial instruments, deferred tax assets, assets relating to post-employment benefits or rights deriving from insurance contracts.

### **10.3 Guarantees**

The Group has certain personal guarantees in issue to third parties as at 30 June 2014. These include, listed by importance:

- a) guarantees issued by Autostrade per l'Italia securing the bonds issued by Atlantia, amounting to a total of €10,509,331 thousand and representing 120% of par value, in return for which Autostrade per l'Italia receives intragroup loans with the same terms to maturity and a face value of €8,757,776 thousand;
- b) bank guarantees provided by Tangenziale di Napoli (€29,756 thousand) to the Ministry of Infrastructure and Transport, as required by the covenants in the relevant concession arrangement;
- c) guarantees issued by the Brazilian, Chilean and Polish operators securing project financing in the form of either bank loans or bonds.

Also as at 30 June 2014 the shares of certain of the Group's overseas operators (Rodovia das Colinas, Concessionaria da Rodovia MG050, Triangulo do Sol, Sociedad Concesionaria Costanera Norte, Sociedad Concesionaria de Los Lagos, Sociedad Concesionaria Autopista Nororient, Sociedad Concesionaria Litoral Central, Sociedad Concesionaria Vespucio Sur and Stalexport Autostrada Malopolska) have been pledged to providers of project financing to the same companies, as have shares in Pune Solapur Expressways, Lusoponte and Bologna & Fiera Parking.

### **10.4 Reserves**

As at 30 June 2014 the Group's Italian motorway operators have recognised contract reserves quantified by contractors amounting to approximately €1,960 million (€2,050 million as at 31 December 2013). Based on past experience, only a small percentage of the reserves will actually have to be paid to contractors and, in this case, will be accounted for as an increase in the cost of concession rights. Reserves have also been recognised in relation to works not connected to investment (work for external parties and maintenance), amounting to approximately €50 million. The estimated future cost is covered by provisions for disputes accounted for in the consolidated financial statements as at and for the six months ended 30 June 2014.

### **10.5 Related party transactions**

This section describes the Autostrade per l'Italia Group's principal transactions with related parties, identified as such according to the criteria in the procedure for related party transactions adopted by the parent, Atlantia, in application the Regulations adopted by the *Commissione Nazionale per le Società e la Borsa* (the CONSOB) in Resolution 17221 of 12 March 2010, as amended. This Procedure, which is available for inspection at the Company's website [www.atlantia.it](http://www.atlantia.it), sets out the criteria to be used in identifying related parties and the related reporting requirements.

The following table shows amounts in the income statement and statement of financial position generated by the Autostrade per l'Italia Group's related party transactions, broken down by nature of the transaction (trading or financial), including those with Directors, Statutory Auditors and key management personnel at the Parent Company, Autostrade per l'Italia SpA.

**Related party trading and other transactions**

(€m)

Name	30 June 2014		H1 2014		31 December 2013		H1 2013	
	Assets	Liabilities	Income	Expenses	Assets	Liabilities	Income	Expenses
<i>Parents</i>								
Atlantia	96.3	1.3	0.9	1.2	30.3	5.4	0.9	0.6
Sintonia	17.8	-	-	-	18.5	-	-	-
<b>Total parents</b>	<b>114.1</b>	<b>1.3</b>	<b>0.9</b>	<b>1.2</b>	<b>48.8</b>	<b>5.4</b>	<b>0.9</b>	<b>0.6</b>
<i>Associates</i>								
Bologna and Fiera Parking	1.1	-	-	-	1.1	-	-	-
Società Autostrada Tirrenica	0.7	6.2	1.0	-	2.1	4.7	1.0	-
Biuro Centrum	-	-	-	0.3	-	-	-	0.3
Uimet	2.2	-	-	-	2.5	-	0.1	-
<b>Total associates</b>	<b>4.0</b>	<b>6.2</b>	<b>1.0</b>	<b>0.3</b>	<b>5.7</b>	<b>4.7</b>	<b>1.1</b>	<b>0.3</b>
<i>Affiliates</i>								
Autogrill	57.2	0.8	41.9	0.3	37.7	0.7	34.5	0.2
United Colors of Communication	-	-	0.2	1.6	-	0.5	-	-
Pune Solapur Expressways private Ltd	0.5	-	-	-	0.4	-	-	-
TowerCo	-	-	1.2	-	3.0	0.1	2.6	-
Aeroporti di Roma group	0.6	0.1	0.5	-	0.4	-	-	-
<b>Total affiliates</b>	<b>58.3</b>	<b>0.9</b>	<b>43.8</b>	<b>1.9</b>	<b>41.5</b>	<b>1.3</b>	<b>37.1</b>	<b>0.2</b>
<i>Pension funds</i>								
ASTRI pension fund	-	4.2	-	5.8	-	4.1	-	5.6
CAPIDI pension fund	-	1.1	-	1.1	-	2.6	-	1.3
<b>Total pension funds</b>	<b>-</b>	<b>5.3</b>	<b>-</b>	<b>6.9</b>	<b>-</b>	<b>6.7</b>	<b>-</b>	<b>6.9</b>
<i>Key management personnel</i>								
Key management personnel <sup>(1)</sup>	-	1.1	-	4.4	-	1.2	-	1.6
<b>Total key management personnel</b>	<b>-</b>	<b>1.1</b>	<b>-</b>	<b>4.4</b>	<b>-</b>	<b>1.2</b>	<b>-</b>	<b>1.6</b>
<b>TOTAL</b>	<b>176.4</b>	<b>14.8</b>	<b>45.7</b>	<b>14.7</b>	<b>96.0</b>	<b>19.3</b>	<b>39.1</b>	<b>9.6</b>

**Related party financial transactions**

(€m)

Name	30 June 2014		H1 2014		31 December 2013		H1 2013	
	Assets	Liabilities	Income	Expenses	Assets	Liabilities	Income	Expenses
<i>Parents</i>								
Atlantia	0.2	9,625.7	13.5	267.0	0.3	11,512.0	12.5	258.9
Sintonia	-	-	-	-	-	-	-	-
<b>Total parents</b>	<b>0.2</b>	<b>9,625.7</b>	<b>13.5</b>	<b>267.0</b>	<b>0.3</b>	<b>11,512.0</b>	<b>12.5</b>	<b>258.9</b>
<i>Associates</i>								
Società Autostrada Tirrenica	110.0	4.9	3.7	-	110.0	13.5	2.6	-
Società Infrastrutture Toscana	-	-	-	-	-	-	-	-
<b>Total associates</b>	<b>110.0</b>	<b>4.9</b>	<b>3.7</b>	<b>-</b>	<b>110.0</b>	<b>13.5</b>	<b>2.6</b>	<b>-</b>
<i>Affiliates</i>								
Autogrill SpA	0.5	-	-	-	0.6	-	-	-
TowerCo	-	-	-	-	-	10.2	-	-
<b>Total affiliates</b>	<b>0.5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.6</b>	<b>10.2</b>	<b>-</b>	<b>-</b>
<b>TOTAL</b>	<b>110.7</b>	<b>9,630.6</b>	<b>17.2</b>	<b>267.0</b>	<b>110.9</b>	<b>11,535.6</b>	<b>15.1</b>	<b>258.9</b>

- (1) Autostrade per l'Italia's "key management personnel" means Directors, Statutory Auditors and other senior management. Expenses for each period include emoluments, salaries, non-monetary benefits, bonuses and other incentives paid to key management personnel holding positions at Autostrade per l'Italia and its subsidiaries.

Finally, related party transactions do not include transactions of an atypical or unusual nature, and are conducted on an arm's length basis.

The principal transactions entered into by the Group with related parties are described below.

### **The Autostrade per l'Italia Group's transactions with its parents**

With regard to trading relations, the Company provides administrative, financial and tax services to Atlantia.

As a result of the tax consolidation arrangement headed by Atlantia, in which Autostrade per l'Italia and certain of its subsidiaries participate, as at 30 June 2014 the Group has recognised tax assets

due from Atlantia of €27.5 million. Tax assets also include receivables due from Sintonia SpA (which has absorbed Schemaventotto), totalling €17.8 million, relating to the expected refund of income tax (IRES) paid during the periods when these companies headed the tax consolidation arrangement.

Transactions of a financial nature as at 30 June 2014 include medium/long-term loans from Atlantia to Autostrade per l'Italia and its subsidiaries, amounting to a total face value of €8,757.8 million. This marks a reduction of €1,894.2 million compared with 31 December 2013, primarily reflecting repayment of the loan replicating, at intercompany level, the bond issue with a par value of €2,094,200 thousand maturing on 9 June 2014, only partially offset by the following new loans during the period:

- a) a loan to Autostrade per l'Italia with a face value of €75,000 thousand, granted on 3 March 2014, with interest payable at 3.997% and maturing in 2038;
- b) a loan to Autostrade per l'Italia with a face value of €125,000 thousand, granted on 10 June 2014, with interest payable at 3.454% and maturing in 2034.

The conditions applicable to these loans replicate those of Atlantia's bond issues, increased by a spread that takes account of the cost of managing the loans. The floating rate loan 2004-2022 (included in "Non-current financial liabilities", described in note 7.15) is hedged against interest rate risk through the use of specific derivative financial instruments entered into with Atlantia. As at 30 June 2014 fair value losses on these instruments amount to €225,184 thousand.

As a result of the centralised treasury services provided to the Group by Autostrade per l'Italia, the Company maintains a current account with Atlantia that has a debit balance of €523,804 thousand as at 30 June 2014.

#### **The Autostrade per l'Italia Group's transactions with other related parties**

Autostrade per l'Italia provides services to a number of associates. The criteria used to determine the related fees take account of the estimated commitment of resources, for each company, broken down by area of activity.

The Group earned revenue of approximately €1.2 million on transactions with the affiliate, Towerco, until the date of its sale and resulting deconsolidation. This revenue was generated by fees paid to certain Italian motorway operators in return for the use of land on the motorway network on which to locate telecommunications equipment.

For the purposes of the above CONSOB Resolution, which applies the requirements of IAS 24, the Autogrill group, which is under the common control of Edizione Srl, is treated as a related party. With regard to relations between the Autostrade per l'Italia Group's motorway operators and the Autogrill group, it should be noted that, as at 30 June 2014, Autogrill holds 131 food service concessions for service areas along the Group's motorway network.

In the first half of 2014 the Group earned revenue of approximately €41.9 million on transactions with Autogrill, including €36.2 million in royalties deriving from the management of service areas. This recurring income is generated by contracts entered into over various years, of which a large part was awarded as a result of transparent and non-discriminatory competitive tenders. As at 30 June 2014 trading assets receivable from Autogrill amount to €57.2 million, in part collected in July under the terms of the related contracts.

Transactions of a financial nature as at 30 June 2014 include, as part of the Autostrade per l'Italia's provision of centralised treasury services, a short-term loan granted to Autostrada Tirrenica, totalling €110 million. The term to maturity of this loan has been extended until 30 June 2015.

## 10.6 Disclosures regarding share-based payments

There were a number of changes made, during the first half of 2014, to the share-based incentive plans already adopted by the Group as at 31 December 2013. The characteristics of the incentive plans are described in note 10.6 of the consolidated financial statements for the year ended 31 December 2013. During the first half of 2014 the new “2014 Phantom Share Option Plan” was approved; the principal characteristics of this plan are described below. The plans are also described in information circulars published on the Group’s website at [www.atlantia.it](http://www.atlantia.it) and prepared pursuant to art. 84-bis of CONSOB Regulation 11971/1999, as subsequently amended.

The following table shows the main aspects of the Atlantia Group’s existing incentive plans as at 31 December 2013, including the options and units awarded to directors and employees of the Group (which include certain Directors and employees of Autostrade per l’Italia and its subsidiaries) and changes during the first half of 2014. The table also shows the fair value of each option or unit awarded, as determined by a specially appointed expert, using the Monte Carlo model and the following parameters. The amounts have been adjusted for the amendments to the plans originally approved by General Meetings of Atlantia’s shareholders and required to ensure plan benefits remained substantially unchanged despite the dilution caused by the bonus issues approved by Atlantia’s shareholders on 14 April 2010, 20 April 2011, and 24 April 2012.

	Number of options/units awarded	Vesting date	Exercise / grant date	Exercise price (€)	Unit fair value on grant date (€)	Expected expiry on grant date (years)	Risk free interest rate used	Expected volatility (around historic mean)	Expected dividends on grant date
<b>2011 SHARE OPTION PLAN</b>									
<b>Options outstanding as at 1 January 2014</b>									
- 13 May 2011 grant	279,860	13 May 2014	14 May 2017	14.78	3.48	6.0	2.60%	25.2%	4.09%
- 14 October 2011 grant	13,991	13 May 2014	14 May 2017	14.78	(*)	(*)	(*)	(*)	(*)
- 14 June 2012 grant	14,692	13 May 2014	14 May 2017	14.78	(*)	(*)	(*)	(*)	(*)
	345,887	14 June 2015	15 June 2018	9.66	2.21	6.0	1.39%	28.0%	5.05%
- 8 November 2013 grant	1,592,367	8 November 2016	9 November 2019	16.02	2.65	6.0	0.86%	29.5%	5.62%
	2,246,797								
<b>Changes in options in H1 2014</b>									
- May 9 2014 grant	173,762	N/AP (**)	42869	N/AP	(**)	(**)	(**)	(**)	(**)
- exercised options	-52,889								
<b>Options outstanding as at 30 June 2014</b>	<b>2,367,670</b>								
<b>2011 SHARE GRANT PLAN</b>									
<b>Units outstanding as at 1 January 2014</b>									
- 13 May 2011 grant	192,376	13 May 2014	13 May 2015 and 13 May 2016	N/AP	12.90	4,0 - 5,0	2.45%	26.3%	4.09%
- 14 October 2011 grant	9,618	13 May 2014	13 May 2015 and 13 May 2016	N/AP	(*)	(*)	(*)	(*)	(*)
- 14 June 2012 grant	10,106	13 May 2014	13 May 2015 and 13 May 2016	N/AP	(*)	(*)	(*)	(*)	(*)
	348,394	14 June 2015	14 June 2016 and 14 June 2017	N/AP	7.12	4,0 - 5,0	1.12%	29.9%	5.05%
- 8 November 2013 grant	209,420	8 November 2016	8 November 2017 and 8 November 2018	N/AP	11.87	4,0 - 5,0	0.69%	28.5%	5.62%
	769,914								
<b>Changes in units in H1 2014</b>									
	-								
<b>Units outstanding as at 30 June 2014</b>	<b>769,914</b>								
<b>MBO SHARE OPTION PLAN</b>									
<b>Units outstanding as at 1 January 2014</b>									
- 14 May 2012 grant	96,282	14 May 2015	14 May 2015	N/AP	13.81	3.0	0.53%	27.2%	4.55%
- 14 June 2012 grant	4,814	14 May 2015	14 May 2015	N/AP	(*)	(*)	(*)	(*)	(*)
- 2 May 2013 grant	41,077	2 May 2016	2 May 2016	N/AP	17.49	3.0	0.18%	27.8%	5.38%
- 8 May 2013 grant	49,446	8 May 2016	8 May 2016	N/AP	18.42	3.0	0.20%	27.8%	5.38%
	191,619								
<b>Changes in units in H1 2014</b>									
- 12 May 2014 grant	61,627	12 May 2017	12 May 2017	N/AP	25.07	3.0	0.34%	28.2%	5.47%
<b>Units outstanding as at 30 June 2014</b>	<b>253,246</b>								

(\*) Options and units awarded as a result of Atlantia’s bonus issues which, therefore, do not represent the award of new benefits.

(\*\*) These are phantom share options granted in place of certain conditional rights included in the grant of 13 May 2011 which, therefore, do not represent the award of new benefits.

In particular, with reference to changes during the first half of 2014:

a) 13 May 2014 was the vesting date for the options awarded under the “2011 Share Option Plan”. In accordance with the Plan Terms and Conditions, following confirmation of effective achievement of the related performance hurdles, the final value of the shares (the arithmetic mean of the share price in the fifteen days prior to the vesting date) was determined, together with the additional options resulting from dividends paid during the vesting period. On 7 March 2014, Atlantia’s Board of Directors decided to submit an amendment to the Terms and Conditions of this plan for approval by Atlantia’s shareholders. The purpose of the amendment was to authorise the Board of Directors, as necessary from time to time, to award the plan beneficiaries, in place of additional options, a matching amount of phantom options in such a way that, on exercising the awarded options, the beneficiaries receive a gross amount in cash, computed in such a way as to enable beneficiaries to receive a net amount equal to what they would have received had they exercised the additional options (resulting in the award of shares in Atlantia and payment of the predetermined price) and sold the underlying shares in the market.

This change was approved by the Annual General Meeting on 16 April 2014 and, on 9 May 2014, Atlantia’s Board of Directors exercised this authority, awarding a total of 173,762 phantom options at the end of the first cycle of the above plan. For the reasons given above, the options awarded do not constitute an additional benefit with respect to the benefits established in the Plan Terms and Conditions.

Finally, in the period between 13 May and 30 June 2014, a number of beneficiaries exercised vested options; this entailed the allocation to them of 52,889 of Atlantia’s ordinary shares held by the Company as treasury shares, against payment of the established exercise price.

Thus, as at 30 June 2014, the remaining options total 2,367,670, including 173,762 phantom options;

b) the vesting period for the first award cycle for the “2011 Share Grant Plan” expired on 13 May 2014.

In accordance with the Terms and Conditions of this plan, following confirmation of effective achievement of the related performance hurdles, the units previously awarded were converted into “vested units”, which may be converted into Atlantia’s ordinary shares from 13 May 2015;

c) with regard to the “MBO Share Grant Plan”, the Board of Directors’ meeting of 9 May 2014 approved the grant of a total of 61,627 units with effect from 12 May 2014, following achievement of the performance hurdles for 2013. The units were to be granted to the directors and employees of the Group previously selected at the Board of Directors’ meeting of 22 March 2013, with vesting dates of 12 May 2017 and conversion into shares from this latter date.

As described in note 7.12 to the consolidated financial statements as at and for the year ended 31 December 2013, the Terms and Conditions of the plan in question established that, at the end of the vesting period, certain additional units were to be granted in application of a mathematical algorithm, taking into account, among other things, the initial value of the shares and any dividends paid during the vesting period. On 7 March 2014, Atlantia’s Board of Directors decided to submit an amendment to the Terms and Conditions of this plan for approval by shareholders. The purpose of the amendment was to authorise the Board of Directors, as necessary from time to time, to award the plan beneficiaries, in place of the additional units, a gross amount in cash, computed in such a way as to enable beneficiaries to receive a net amount equal to what they would have received, at the end of the vesting period, had they been awarded a number of Atlantia shares equal to the additional units and sold these shares in the market.

This amendment was approved by shareholders on 16 April 2014;

d) on 16 April 2014, the Annual General Meeting of Atlantia’s shareholders approved the new incentive plan named the “2014 Phantom Share Option Plan”, subsequently also approved by the Board of Directors of Autostrade per l’Italia on 13 June 2014 and by the boards of directors

of certain subsidiaries, to the extent of their responsibilities. The plan entails the award of phantom share options free of charge in three annual award cycles (2014, 2015 and 2016), being options that give beneficiaries the right to payment of a gross amount in cash, computed on the basis of the potential increase in the value of Atlantia's ordinary shares in the relevant period.

In accordance with the Terms and Conditions of the plan, the options granted will only vest if, at the end of the vesting period (equal to three years from the date on which the options were awarded to the beneficiaries by the Board of Directors), a minimum operating/financial performance target for (alternatively) the Group, the Company or for one or more of Autostrade per l'Italia's subsidiaries, as indicated for each Plan beneficiary (the "hurdle"), has been met or exceeded. The vested options may be exercised from, in part, the first day immediately following the vesting period, with the remaining part exercisable from the end of the first year after the end of the vesting period and, in any event, in the three years after the end of the vesting period (without prejudice to the Terms and Conditions of the plan as regards minimum holding requirements for executive directors and key management personnel). The number of exercisable options is to be computed in application of a mathematical algorithm, taking into account, among other things, the current value, the target value and the exercise price, in order to cap the realisable gain. On 9 May 2014, the Board of Directors selected the beneficiaries of the plan in question for the first cycle, granting a total of 1,773,027 phantom options to Directors and employees of Autostrade per l'Italia and its subsidiaries, with a vesting period from 9 May 2014 to 9 May 2017 and exercisable in the period from 10 May 2017 to 9 May 2020.

The following table shows the main aspects of the above plan as it relates to the Directors and employees of Autostrade per l'Italia and its subsidiaries, showing the fair value of each option or unit awarded, as determined by a specially appointed expert, using the Monte Carlo model and the following parameters.

	Number of options/units awarded	Vesting date	Exercise / grant date	Exercise price (€)	Unit fair value on grant date (€)	Expected expiry on grant date (years)	Risk free interest rate used	Expected volatility (around historic mean)	Expected dividends on grant date
<b>2014 PHANTOM SHARE OPTION PLAN</b>									
<u>Options outstanding as at 1 January 2014</u>	-								
	-								
<b>Changes in options in H1 2014</b>									
- 9 May 2014 grant	1,773,027	9 May 2017	9 May 2020	N/AP	2.25	6.0	1.10%	28.9%	5.47%
<u>Options outstanding as at 30 June 2014</u>	<u>1,773,027</u>								

The prices of Atlantia's ordinary shares in the various periods covered by the above plans are shown below:

- price at 30 June 2014: €20.78;
- price at 9 May 2014 (the grant date for new options or units, as described): €18.43;
- the weighted average price for the first half of 2014: €18.67;
- the weighted average price for the period 9 May – 30 June 2014: €19.64.

In accordance with the requirements of IFRS 2, as a result of existing plans, in the first half of 2014 the Group has recognised staff costs of €2.1 million, based on the accrued fair value of the options and units awarded at that date, including €0.1 million accounted for in "Other non-current liabilities" (in relation to the phantom share options granted, as above) and €2.0 million accounted for as an increase in equity reserves.

## **10.7 Significant regulatory aspects and litigation**

This section describes the main disputes outstanding and key regulatory aspects of importance to the Group's operators through to the date of approval of these consolidated interim financial statements.

Current disputes are unlikely to give rise to significant charges for Group companies in addition to the provisions already accounted for in the consolidated financial statements as at and for the six months ended 30 June 2014.

### ***ITALIAN MOTORWAYS***

#### **Disputes with food and oil service providers**

With reference to the dispute involving an oil service provider (Tamoil) that has requested the termination of existing agreements, alleging that the terms are excessively onerous and requesting the payment of damages for breach of contract by Autostrade per l'Italia in relation to a number of service areas, and ii) the challenges brought by Tamoil against the orders for payment served on the company due to its failure to pay the fees due, on 9 June 2014 the parties reached a global settlement that involves, among other things, withdrawal of the above legal action.

In addition, Autostrade per l'Italia is party to disputes involving two holders of food service concessions, My Chef and Chef Express, who have alleged that Autostrade per l'Italia has breached the terms of contracts relating to a number of service areas, requesting the payment of damages. Autostrade per l'Italia SpA has been served two further writs by Chef Express in 2014, in addition to those served by the two operators since the end of 2012. Consequently, there are now a total of eight claims pending before the Civil Court of Rome regarding the same number of service areas.

#### **Claim for damages from the Ministry of the Environment**

The criminal case (initiated in 2007 and relating to events in 2005) pending before the Pontassieve division of the Court of Florence involves two of Autostrade per l'Italia's managers and another 18 people from contractors, who are accused of violating environmental laws relating to the reuse of soil and rocks resulting from excavation work during construction of the *Variante di Valico*.

#### **Challenge filed by Varese Provincial Authority**

On 6 March 2014, Varese Provincial Authority filed a legal challenge before Lazio Regional Administrative Court against the Ministry of Infrastructure and Transport, the Ministry of the Economy and Finance, ANAS and Autostrade per l'Italia, requesting cancellation, subject to suspensive relief, (i) of the decree of 31 December 2013 issued by the Ministry of Infrastructure and Transport, in agreement with the Ministry of the Economy and Finance, approving the toll increase for 2014, regarding, in particular, tolls on the A8 and A9 motorways, and (ii) the arrangement under which Autostrade per l'Italia was permitted to operate the toll stations on the above motorways, collecting a toll that is not based on the effective distance travelled by road users. Varese Provincial Authority also requested an injunction suspending implementation of the above decree and thus the toll increase. This request for injunctive relief was turned down by the Regional Administrative Court on 17 April 2014. A date for the hearing to discuss the challenge has yet to be fixed.

#### **Società Infrastrutture Toscane SpA**

In 2006 Società Infrastrutture Toscane ("SIT") signed the Concession Arrangement with Tuscany Regional Authority covering the construction and management of the motorway link between Prato and Signa, under a project financing initiative. SIT is 46% owned by Autostrade per l'Italia.

At the end of 2011 Tuscany Regional Authority terminated the arrangement, deeming the costs to be excessively high. Following the start of arbitration, the Arbitration Panel filed its arbitration award on 19 February 2014. The Panel found the Regional Authority's termination of the arrangement due to its high cost to be legal, ruling that the Authority should pay SIT, as a result of the termination, approximately €30.6 million (including €9.8 million as payment for design work), and that SIT should return public subsidies of approximately €32.2 million, with the debit and credit

amounts to be offset. The Panel ruled that SIT should pay the difference due only following the outcome of the failed enforcement of the guarantee provided by Assicurazioni Generali SpA in relation to the project.

Partly to permit early implementation of the award, Generali Italia, Tuscany Regional Authority and SIT agreed a settlement on 1 October 2014 in order to resolve a situation involving a number of significant disputes. As a result, the concession is to be considered as definitively terminated with effect from 1 October 2014.

#### Autostrade per l'Italia -Autostrade Tech against Alessandro Patanè and others

To protect the Group's position following repeated claims filed by Mr. Alessandro Patanè and the companies linked to him, in substance regarding ownership of the software used in the SICVe (Safety Tutor) systems, on 14 August 2013 Autostrade per l'Italia and Autostrade Tech served a writ on Mr. Patanè before the Court of Rome, with the aim of having his claims declared without grounds.

On appearing before the court at the beginning of 2014, Mr. Patanè filed a counterclaim after the legal deadline. The counterclaim contains, among other things, an assertion that the SICVe system has been illegally copied and asserting title to the system, and a claim for damages of approximately €7.5 billion.

The action, originally assigned to another section of the court, has finally been assigned to the section specializing in commercial disputes.

The first hearing, which should have been held on 23 April 2014, was adjourned until 3 December 2014 and the judge was replaced.

In the opinion of Autostrade per l'Italia's external legal advisor, none of the counterclaims have any chance of success, given that they were filed late and that the claims are inadmissible and without grounds.

#### Challenges filed by Autostrade Meridionali and Raccordo Autostradale Valle d'Aosta regarding the absence of toll increases with effect from 1 January 2014

In 2014 Autostrade Meridionali brought an action before Campania Regional Administrative Court, challenging the Decree of 31 December 2013 issued by the Ministry of Infrastructure and Transport, in agreement with the Ministry of the Economy and Finance, in which the Ministry omitted to award any toll increase for 2014, on 28 May 2014 the Court upheld the request for an injunction brought by Autostrade Meridionali, requiring the Grantor to review its earlier decision. In execution of the ruling, on 18 July 2014 the Grantor issued a report on its review, confirming its earlier position. As part of the same action, Autostrade Meridionali has also challenged this decision, with additional grounds.

Raccordo Autostradale Valle d'Aosta SpA has also brought an action before the Regional Administrative Court in 2014, challenging the Decree of 31 December 2013 issued by the Ministry of Infrastructure and Transport, in agreement with the Ministry of the Economy and Finance, awarding the company a toll increase of 5% for 2014, thus lower than the increase requested (13.96%).

#### Accident on the Acqualonga viaduct on the A16 Naples-Canosa motorway on 28 July 2013

With regard to the criminal investigation of the accident on the Acqualonga viaduct on the Naples-bound carriageway of the A16 Naples-Canosa motorway, at km 32+700, on 28 July 2013, in May 2014 the experts appointed by the Public Prosecutor's Office in Avellino filed their technical report. The report highlights the poor state of maintenance of the safety barriers which, if confirmed, could imply that Autostrade per l'Italia is liable.

It should be noted that Autostrade per l'Italia has an insurance policy that covers the Company for third-party liability. In June 2014, three further managers from Autostrade per l'Italia SpA were placed under investigation by the Public Prosecutor's Office in Avellino. In total, therefore, there are now eight of Autostrade per l'Italia SpA's managers/employees under investigation. Finally, in September 2014, the examining judge with responsibility for the case extended the deadline for completion of the preliminary investigation by six months.

#### Five-yearly revision of the financial plans of Tangenziale di Napoli and Raccordo Autostradale Valle d'Aosta

In compliance with CIPE Resolution 27/2013, in June 2014 Tangenziale di Napoli SpA and Raccordo Autostradale Valle d'Aosta SpA submitted their proposed five-yearly revision of their financial plans to the Grantor, the Ministry of Infrastructure and Transport. In particular, with regard to Raccordo Autostradale Valle d'Aosta SpA, the proposed revision of the plan also includes a proposal to make up for the failure to award a toll increase from 1 January 2014.

The process of drawing up the revised plans with the Grantor is in progress, with the new plan to be formalised in the form of addenda to the existing concession arrangements.

#### Award of the concession for the A3 Naples – Pompei – Salerno motorway

There have not been any developments regarding award of the concession for maintenance and operation of the Naples – Pompei – Salerno motorway, for which Autostrade Meridionali, which continues to operate the motorway under a contract extension, has submitted its request for prequalification.

#### Claim brought by ESA Euro Service Assistance srl against Autostrade per l'Italia SpA, Tangenziale di Napoli SpA, Autostrade Meridionali SpA, ANAS SpA, Aci Global SpA and Europ Assistance Vai SpA

On 7 May 2014 ESA served a writ on Autostrade per l'Italia SpA and other parties before the Court of Naples, asking the court to declare the regulations drawn up by the motorway operators, in relation to motorway breakdown services, invalid as far as they relate to the assignment of requests of a "nominative" kind, alleging that there is an agreement restricting competition and violation of art.2, paragraph 2 of Law 287/90. The claim amounts to €417.6 thousand. The first hearing is scheduled for 10 November 2014.

#### Reduced tolls for frequent users

On 24 February 2014 a "Memorandum of Understanding" was signed by a number of motorway operators (including Autostrade per l'Italia), the trade association, AISCAT, and the Minister of Infrastructure and Transport. This has introduced reduced tolls for private road users who frequently make the same journey (not more than 50 km) in class A vehicles. To benefit the user must have a Telepass account in the name of a private individual and must make the same journey more than 20 times in a calendar month, subject to a limit of twice a day. The reductions, which may not be used together with any other available discounts or subsidies, involve application of a discount on the relevant toll with effect from the 21<sup>st</sup> journey. The discounts are progressive, rising from a minimum 1% of the total toll payable for 21 journeys up to 20% of the total toll for 40 journeys. A discount of 20% will also be applied if users make between 41 and 46 journeys, whilst any journeys after the 46<sup>th</sup> will not qualify for the discount.

In accordance with the Memorandum, in the first four-month trial period (from 1 February to 31 May 2014) operators will absorb the loss of revenue resulting from the discount. After this period (from 1 June 2014 until 31 December 2015) operators will have the right to recoup the lost revenue through the solutions described in the Memorandum.

#### Registration of the Decree approving the addendum to Autostrade per l'Italia's Single Concession Arrangement with the Italian Court of Auditors

On 29 May 2014, the Decree of 30 December 2013 issued by the Ministry of Infrastructure and Transport, in agreement with the Ministry of the Economy and Finance, approving the addendum to the Single Concession Arrangement signed by the Ministry of Infrastructure and Transport and Autostrade per l'Italia SpA on 24 December 2013, was registered with the Italian Court of Auditors. The addendum contains the five-yearly revision of the financial plan annexed to the Arrangement.

## **OVERSEAS MOTORWAYS**

### **BRAZIL**

On 28 June 2014, the Public Transport Services Regulator for the State of Sao Paulo (ARTESP) approved the toll increase to be introduced by motorway operators in the State of Sao Paulo from 1 July 2014.

Concession arrangements in the State of Sao Paulo provide for annual toll increases based on the inflation rate for the previous 12 months (the consumer price index), which, in the relevant period from June 2013 to May 2014, was 6.37%.

The authorised increase for each operator has been reduced by the additional amount collected as a result of the measures introduced to compensate for the absence of any toll increase for 2013 (i.e. the right to charge for the suspended axles of heavy vehicles and a reduction in the variable concession fee from 3% to 1.5%).

The authorised increases were: 5.72% for Triangulo do Sol; 5.51% for Rodovias das Colinas; 5.44% for Rodovias do Tietè.

After two negative outcomes in the first two instances in the courts of Sao Paulo, in 2004 and 2010, respectively, on 3 December 2013 Brazil's Supreme Court (Superior Tribunal de Justiça di Brasilia, or "STJ") found in favour of the operators, including Triangulo do Sol, who had brought the action challenging the unilateral decision of the Secretariat for Logistics and Transport in the State of Sao Paulo, which, in 1998, had imposed a ban on toll charges for the suspended axles of heavy vehicles, introducing a restriction not provided for in the concession arrangements. Following ARTESP's challenge, requesting a review of the sentence, on 20 February 2014 the court withdrew its previous ruling. On 24 February 2014, the operators then requested that the final ruling should be issued by the Supreme Court's panel of judges. The ruling is still awaited. Should the Court find in the operators' favour, Triangulo do Sol will have a contractual right to charge for suspended axles in the future and a right to compensation for the period prior to the start-up of the concession.

On 13 July 2013 ARTESP used the Official Gazette to announce its decision to proceed with an investigation of all twelve operators in the State of Sao Paulo that agreed Addenda and Amendments with ARTESP, which were signed and approved in 2006. The agreed changes were designed to extend the concession terms to compensate, among other things, for the expenses incurred as a result of taxes introduced after the concessions were granted.

The Addenda and Amendments of 2006 were negotiated and signed by ARTESP on the basis of favourable opinions issued by the Regulator's own technical, legal and finance departments. The Addenda and Amendments were then examined by specific oversight bodies from the Ministry of Transport and the Court of Auditors of the State of Sao Paulo, which confirmed their full validity. ARTESP is contesting the fact that the compensation was calculated on the basis of forecasts in the related financial plans as, moreover, provided for in the concession arrangements, and not on the basis of actual data. The administrative stage of the investigation undertaken by ARTESP with a view to revising the Addenda and Amendments of 2006 has been completed for all the operators concerned and ARTESP is progressively taking legal action in order to request cancellation of the Addenda and Amendments of 2006, thus enabling the regulator to make recalculations in accordance with its proposed method. Notice has to date been served on seven of the twelve operators concerned, including Rodovias das Colinas, which received notice on 29 September 2014. Triangulo do Sol has yet to be served notice, which is, however, expected to take place by the end of 2014. The operators concerned, including Triangulo do Sol and Rodovias das Colinas, and industry insiders, including banks, believe that the risk of a unilateral revision of the Addenda and Amendments is remote. This view is backed up by a number of unequivocal legal opinions provided by leading experts in administrative law and regulation.

### **POLAND**

In September 2013, the Polish transport regulator requested Stalexport to provide information on the timing of its repayment to the Polish government, in accordance with the mechanism provided for in the Concession Arrangement, of the loan granted to finance construction work on the Katowice-Krakov section of the A4 motorway prior to being awarded the concession. The loan was, in turn, provided by the European Bank for Reconstruction and Development (EBRD).

The operator sent the Grantor an updated repayment schedule, based on the latest forecasts. In January and February 2014, the regulator requested further details, suggesting, among other things, that the loan could constitute "state aid" received by the operator prior to Poland's entry into the EU and, in this case, be the subject of an investigation by the European Commission. Legal experts are currently assessing the actual risk for the operator should the loan be deemed to constitute "state aid". This risk, however, appears moderate.

Since 20 June 2012, the Polish Antitrust Authority has been conducting an Explanatory Proceeding to investigate the investee company, Stalexport Autostrada Maloposka SA.

The proceeding aims to investigate the company's "abuse of its dominant position" with regard to the tolls charged to road users when carrying out construction and extraordinary maintenance work, given that Stalexport Autostrada Maloposka SA is held to operate as a "monopoly". Should the Authority rule that there has been an "abuse of its dominant position", the proceeding could result in a fine.

Whilst reserving the right to challenge any ruling the Authority's investigation may result in, the company is taking steps to define the timing and amount of eventual reductions in tolls whilst such work takes place.

At the end of a similar investigation in 2008 the local Antitrust office fined the Polish company approximately €300 thousand, given that it had not put in place a procedure for reducing tolls during the work. The fine was confirmed at various instances, including by the Supreme Court.

#### **OTHER ACTIVITIES**

##### **ECOMOUV**

With reference to the partnership agreement for the implementation and operation of a satellite-based tolling system for heavy vehicles in France, the French Ministry of Transport called a tripartite meeting with Ecomouv and the lending banks on 16 January 2014, at which it formally announced the results of system acceptance testing (*Vérification d'Attitude au Bon Fonctionnement* or "VABF"), and its intention to initiate negotiations with Ecomouv in order to determine the conditions for suspending the contract until such time as the parliamentary committees had concluded their work, safeguard the government's rights and provide Ecomouv with appropriate guarantees in view of its rights under the Eco-Tax project and Contract.

On 17 January 2014, after having received the results of the VABF, which took place after the issue of a notice of default by Ecomouv, the company provided the government with the report on the user acceptance test that concluded that the System was in working order, which is the contractual condition precedent to the acceptance of the System.

A Senate committee hearing was held on 11 March 2014, at which the representatives of CAP Gemini, the government's technical advisor, who had tested the System, testified under oath that the System was in working order and the User Acceptance Test Report (*Vérification en Service Régulier*) made no mention of a "serious defects". In fact, even though the government had taken two months to analyse the User Acceptance Test Report, it had made no comment on the existence of serious defects that could have prevented it from accepting the system.

Despite this, and although the System is undeniably ready and compliant with the related contract specifications and applicable laws, in a letter of 20 March 2014, the date the government considered to be the deadline for taking a position on the final user acceptance test, the Ministry of Transport advised Ecomouv that the government was of the opinion that there were grounds for terminating the contract. The reason given being that delivery of the System had taken place over six months later than the delivery date foreseen by the contract (20 July 2013).

At the same time, however, in the same letter the Ministry expressed its hope to restart negotiations with Ecomouv, as subsequently happened on 22 March.

Whilst agreeing to the meeting, in letters dated 21 March and 4 April 2014, Ecomouv, with the support of its legal advisors, firmly and formally rejected the legitimacy of the Ministry of Transport's claims and in particular: (i) the delay of over six months caused by Ecomouv, (ii) the ability of the government to terminate the contract due to the lack of harm caused to the government by the alleged delay, and (iii) maintained that the purpose of the proposed sanction together with the request to meet with Ecomouv to negotiate an agreement, was to gain an unfair

advantage over Ecomouv in the negotiations. Ecomouv stated that its letter was without prejudice to its right to raise its own claims and to proceed against the government to protect its rights. At the same time, Ecomouv also initiated the obligatory conciliation procedure provided for in the Contract, in order to arrive at an amicable solution of disputes between the parties prior to any legal action being taken. The conciliation panel, consisting of three former presidents of a section of the French Council of State, formerly opened proceedings on 5 May 2014.

Negotiations between Ecomouv and the General Directorate of Transport (the *DGTIM*), appointed to conduct the negotiations by the Interministerial Committee, have resulted in preparation of a draft Memorandum of Understanding, which the *DGTIM* submitted for political approval by the Interministerial Committee at the beginning of April 2014.

Subsequently, and following the favourable opinion issued by the Conciliation Panel and publication of the findings of the parliamentary committees set up by the French National Assembly and Senate to look into the ecotax, which confirmed the advisability of continuing with implementation of the system developed by Ecomouv and the legality of the tender procedures - on 20 June a Memorandum of Understanding was entered into with the French government governing application of the partnership agreement during the period of suspension of the ecotax through to 31 December 2014.

Under the memorandum, the French government acknowledges that the System developed by Ecomouv meets the requirements set out in the contract, declaring its formal acceptance (the so-called "*mise à disposition*") of the system, and acknowledges its debt to the company. The government will also hold Ecomouv harmless from any operating costs and financial expenses resulting from its decision to postpone introduction of the ecotax. Amendments to the related legislation, aiming to ensure the introduction of the system, expected to enter service from 1 January 2015, with a number of modifications designed to render the tax more socially acceptable, have been approved by the French parliament.

The principal modifications regard the nature of the tax, transforming it into a "road toll" and reducing the extent of the national road network covered by the toll, cutting it from around 15,000 to 4,000 kilometres.

The reduction in the road network covered by the toll will not have more than a marginal impact on the consideration to be received by Ecomouv, which is for the most part fixed over the term of the Contract.

On 26 September 2014, the French government announced (i) the start of trials of the system from 1 October, to enable hauliers to become familiar with how the system works, and (ii) the entry into service of the system during the early weeks of 2015. However, on 9 October 2014, following threats of strike action, involving road blocks, by road hauliers' associations, the government announced that introduction of the new tax had been indefinitely postponed. Based on press conferences and interviews with senior members of the government over the following days, it would appear that the Eco-Tax project is about to be abandoned completely by the French government.

On the basis of the agreements signed in June 2014, the government may notify Ecomouv, by 31 October 2014, of its intention to abandon the project. This would take the form an agreed termination, involving the payment of compensation to Ecomouv, which will include full reimbursement of the company's investment in the project.

Otherwise, despite indefinite postponement of application of the tax, the partnership agreement would remain fully effective, including contractual obligations governing payments due to Ecomouv. Nevertheless, given the political sensitivity of the project, the situation may develop in other ways, potentially resulting in litigation. Should this be the case, Ecomouv's contractual position is extremely strong.

### ***ELECTRONIC TRANSACTION CONSULTANTS (ETC)***

Following the withholding of payment by the Miami-Dade Expressway Authority ("MDX") for the on site and office system management and maintenance services provided by ETC, and after a failed attempt at mediation as required by the service contract, on 28 November 2012 ETC petitioned the Miami Dade County Court in Florida to order MDX to settle unpaid claims amounting to over US\$30 million and damages for breach of contract.

In December 2012 MDX, in turn, notified ETC of its decision to terminate the service contract and sue for compensation for alleged damages of US\$26 million for breach of contract by ETC.

In August 2013 ETC and MDX agreed a settlement covering the services rendered by ETC during the “disentanglement” phase, which ended on 22 November 2013. MDX has duly paid the sum due.

Pre-trial hearings were concluded during the first half of 2014. The court, which was initially expected to rule by the end of 2014, has announced a delay and a judgement is now expected in February 2015.

Furthermore, in September 2013 the Port Authority of New York and New Jersey (PANY) sent ETC a letter drawing attention to accumulated delays in the project involving installation of a new tolling system for the bridges and tunnels of New York and New Jersey, and requesting immediate action to make up for the delays and ensure completion of the project on time, under penalty of cancellation of the contract. Discussions with the Authority with the aim of resolving the disagreements have so far proved fruitless. ETC believes it has good grounds on which to base a challenge to the Port Authority. In the meantime, design work has been halted and talks are in progress with PANY, with the aim of negotiating an agreed termination of the contract.

## **10.8 More Events after 30 June 2014**

### **DISPOSAL OF CONTROLLING INTERESTS IN PAVIMENTAL AND SPEA**

On 8 August 2014, as part of a restructuring of the Atlantia Group's investments, Autostrade per l'Italia transferred:

- a) 46,223,290 shares, representing 59.4% of Pavimental's issued capital, to Atlantia SpA;
  - b) 15,563,773 shares, representing 20% of Pavimental's issued capital, to Aeroporti di Roma SpA.
- As a result of this transaction, Autostrade per l'Italia continues to own a 20% interest in Pavimental. Further details are provided in note 6 "Corporate actions during the period".

The corporate restructuring, including the planned disposal of the controlling interest in Spea, is expected to be completed in the coming months, following receipt of the necessary clearance from the relevant authorities.

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### **3. ANNEXES**

#### **ANNEX 1**

**THE AUTOSTRADE PER L'ITALIA GROUP'S BASIS OF CONSOLIDATION AND INVESTMENTS AS AT 30 JUNE 2014**

#### **ANNEX 2**

**RECLASSIFIED FINANCIAL STATEMENTS OF THE AUTOSTRADE PER L'ITALIA GROUP**

## **ANNEX 1**

### **THE AUTOSTRADE PER L'ITALIA GROUP'S BASIS OF CONSOLIDATION AND INVESTMENTS AS AT 30 JUNE 2014**

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/CONSORTIUM FUND AS AT 30 JUNE 2014	HELD BY	% INTEREST IN SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2014		NOTE
						OVERALL GROUP INTEREST (%)		
<b>PARENT</b>								
AUTOSTRADE PER L'ITALIA SPA	ROME	MOTORWAY OPERATION AND CONSTRUCTION	EURO	622,027,000				
<b>SUBSIDIARIES CONSOLIDATED ON A LINE-BY-LINE BASIS</b>								
AD MOVING SPA	ROME	ADVERTISING SERVICES	EURO	1,000,000	Autostrade per l'Italia Spa	100%	100%	
ATLANTIA BERTIN CONCESSIONS SA	SAO PAULO (BRAZIL)	HOLDING COMPANY	BRAZILIAN REAL	773,739,894	Triangulo do Sul Participacoes SA	100%	50.00%	(1)
AUTOSTRADE CONCESSIONS E PARTICIPACOES BRASIL LIMITADA	SAO PAULO (BRAZIL)	HOLDING COMPANY	REAL	729,990,883	Autostrade Portugal - Concessoes de Infraestruturas SA Autostrade dell'Atlantico Srl Autostrade Holding do Sur SA	25.00% 41.14% 33.86%	100%	
AUTOSTRADE DELL'ATLANTICO Srl	ROME	HOLDING COMPANY	EURO	1,000,000	Autostrade per l'Italia Spa	100%	100%	
AUTOSTRADE HOLDING DO SUR SA	SANTIAGO (CHILE)	HOLDING COMPANY	CHILEAN PESO	51,456,805,692	Autostrade dell'Atlantico Srl Autostrade per l'Italia Spa	99.99% 0.01%	100%	
AUTOSTRADE MUMBAI INFRASTRUCTURE DEVELOPMENT PRIVATE LIMITED	MUMBAI - MAHARASHTRA (INDIA)	HOLDING COMPANY	RUPEE	900,000	Autostrade per l'Italia Spa SPEA Ingegneria Europea Spa	99.99% 0.01%	100%	
AUTOSTRADE MERIDIONALI SPA	NAPLES	MOTORWAY OPERATION AND CONSTRUCTION	EURO	9,056,250	Autostrade per l'Italia Spa	58.98%	58.98%	(2)
AUTOSTRADE PORTUGAL - CONCESSIONS DE INFRASTRUCTURAS SA	LIBRON (PORTUGAL)	HOLDING COMPANY	EURO	30,000,000	Autostrade dell'Atlantico Srl	100%	100%	
AUTOSTRADE TECH SPA	ROME	INFORMATION SYSTEMS AND EQUIPMENT FOR THE CONTROL AND AUTOMATION OF TRAFFIC AND ROAD SAFETY	EURO	1,120,000	Autostrade per l'Italia Spa	100%	100%	
CONCESSIONARIA DA RODOVIA MG 050 SA	SAO PAULO (BRAZIL)	MOTORWAY OPERATION AND CONSTRUCTION	REAL	53,976,022	Atlantia Bertin Concessoes SA	100%	50.00%	(1)
DANNI HOLDING GMBH	VIENNA (AUSTRIA)	ACQUISITION AND MANAGEMENT OF INVESTMENTS IN OTHER COMPANIES	EURO	10,000	Autostrade Tech Spa	100%	100%	

(1) The Atlantia Group holds 50% plus one share in the companies and exercises control on the base of partnership and governance agreements.

(2) The company is listed on Borsa Italiana SpA's Easgard market.

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/CONSORTIUM FUND AS AT 30 JUNE 2014	HELD BY	% INTEREST IN SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2014	OVERALL GROUP INTEREST (%)	NOTE
<b>SUBSIDIARIES CONSOLIDATED ON A LINE-BY-LINE BASIS</b>								
ECONOVY D&B SAS	PARIS (FRANCE)	DESIGN CONSTRUCTION/DISTRIBUTION OF EQUIPMENT REQUIRED FOR ECO-TAXE	EURO	500,000	Autobstrade per l'Italia SpA	75.00%	75.00%	
ECONOVY SAS	PARIS (FRANCE)	FINANCING/DESIGN/CONSTRUCTION/OPERATION OF EQUIPMENT REQUIRED FOR ECO-TAXE	EURO	30,000,000	Autobstrade per l'Italia SpA	70.00%	70.00%	
ELECTRONIC TRANSACTIONS CONSULTANTS Co.	RICHARDSON (TEXAS - USA)	AUTOMATED TOLLING SERVICES	US DOLLAR	20,000	Autostrade dell'Atlantico Srl	64.46%	64.46%	
ESSEDIESTE SOCIETA' DI SERVIZI SPA	ROME	GENERAL AND ADMINISTRATIVE SERVICES	EURO	500,000	Autobstrade per l'Italia SpA	100%	100%	
GIOVE CLEAR Srl	ROME	CLEANING SERVICES	EURO	10,000	Autobstrade per l'Italia SpA	100%	100%	
GRUPO COSTANERA SPA	SANTIAGO (CHILE)	HOLDING COMPANY	CHILEAN PESO	465,286,403,416	Autostrade dell'Atlantico Srl	50.01%	50.01%	
INFOBLU SPA	ROME	TRAFFIC INFORMATION	EURO	5,160,000	Autobstrade per l'Italia SpA	75.00%	75.00%	
INFRA BERTIN PARTICIPAÇÕES SA	SÃO PAULO (BRAZIL)	HOLDING COMPANY	BRAZILIAN REAL	738,652,989	Autobstrade Concessões e Participações Brasil limitada	50.00%	50.00%	(1)
MAXIMUZAO	SAINTE PETERSBURG	ACQUISITION AND MANAGEMENT OF INVESTMENTS IN OTHER COMPANIES	RUSSIAN ROUBLE	10,000	Dammil Holding GMBH	99.00%	#REF!	
NEWPASS SPA	VERONA	TRANSPORT CONTROL AND AUTOMATED INFORMATION SYSTEMS AND EQUIPMENT	EURO	1,747,064	Autobstrade per l'Italia SpA	100%	100%	
PAVIMENTAL POLSKA SPZO O.	WARSAW (POLAND)	MOTORWAY AND AIRPORT CONSTRUCTION AND MAINTENANCE	ZLOTY	3,000,000	Pavimental SpA	100%	99.40%	(3)
PAVIMENTAL SPA	ROME	MOTORWAY AND AIRPORT CONSTRUCTION AND MAINTENANCE	EURO	10,116,452	Autobstrade per l'Italia SpA	99.40%	99.40%	(3)

(1) The Atlantis Group holds 50% plus one share in the companies and exercises control on the base of partnership and governance agreements.

(3) Companies held for sale according to IFRS 5.

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/CONSORTIUM FUND AS AT 30 JUNE 2014	HELD BY	% INTEREST IN SHARE CAPITAL/CONSORTIUM FUND AS AT 30 JUNE 2014	OVERALL GROUP INTEREST (%)	NOTE
<b>SUBSIDIARIES CONSOLIDATED ON A LINE-BY-LINE BASIS</b>								
RACCORDO AUTOSTRADALE VALLE D'AOSTA SPA	AOSTA	MOTORWAY OPERATION AND CONSTRUCTION	EURO	344,805,000	Società Italiana per Azioni per il Traforo del Monte Bianco	47.97%	24.46%	(4)
RODOVIA DAS COLINAS SA	SAO PAULO (BRAZIL)	MOTORWAY OPERATION AND CONSTRUCTION	BRAZILIAN REAL	226,145,401	Atlantia Berlin Concessões SA	100%	50.00%	(1)
SOCIEDAD CONCESIONARIA AMB SA	SANTIAGO (CHILE)	MOTORWAY OPERATION AND CONSTRUCTION	CHILEAN PESO	5,875,178,700	Grupo Costanera SpA Sociedad Gestion Vial SA	99.98% 0.02%	50.01%	
SOCIEDAD CONCESIONARIA AUTOPISTA NORORIENTE SA	SANTIAGO (CHILE)	MOTORWAY OPERATION AND CONSTRUCTION	CHILEAN PESO	22,738,894,654	Grupo Costanera SpA Sociedad Gestion Vial SA	99.90% 0.10%	50.01%	
SOCIEDAD CONCESIONARIA AUTOPISTA NUEVA VESPUCCIO SUR SA	SANTIAGO (CHILE)	HOLDING COMPANY	CHILEAN PESO	166,967,672,229	Grupo Costanera SpA Sociedad Gestion Vial SA	99.9999% 0.00004%	50.01%	
SOCIEDAD CONCESIONARIA COSTANERA NORTE SA	SANTIAGO (CHILE)	MOTORWAY OPERATION AND CONSTRUCTION	CHILEAN PESO	59,697,765,519	Grupo Costanera SpA Sociedad Gestion Vial SA	99.99004% 0.001681%	50.01%	
SOCIEDAD CONCESIONARIA DE LOS LAGOS SA	LANQUIHUE (CHILE)	MOTORWAY OPERATION AND CONSTRUCTION	CHILEAN PESO	53,662,294,081	Autostade Holding Do Sur SA Autostade dell'Atlantico Srl	99.99235% 0.04762%	100%	
SOCIEDAD CONCESIONARIA LITORAL CENTRAL SA	SANTIAGO (CHILE)	MOTORWAY OPERATION AND CONSTRUCTION	CHILEAN PESO	18,368,224,675	Grupo Costanera SpA Sociedad Gestion Vial SA	99.99% 0.01%	50.01%	
SOCIEDAD CONCESIONARIA VESPUCCIO SUR SA	SANTIAGO (CHILE)	MOTORWAY OPERATION AND CONSTRUCTION	CHILEAN PESO	52,967,792,704	Sociedad Concesionaria Autopista Nueva Vespucio Sur SA Sociedad Gestion Vial SA	99.99750% 0.00250%	50.01%	
SOCIEDAD GESTION VIAL SA	SANTIAGO (CHILE)	CONSTRUCTION AND MAINTENANCE OF ROADS AND TRAFFIC SERVICES	CHILEAN PESO	397,237,788	Grupo Costanera SpA Sociedad Operacion y Logistica de Infraestructuras SA	99.99% 0.01%	50.01%	
SOCIEDAD OPERACION Y LOGISTICA DE INFRAESTRUCTURAS SA	SANTIAGO (CHILE)	CONCESSION CONSTRUCTION AND SERVICES	CHILEAN PESO	11,736,819	Grupo Costanera SpA Sociedad Gestion Vial SA	99.99% 0.01%	50.01%	
SOCIETA ITALIANA PER AZIONI PER IL TRAFORO DEL MONTE BIANCO	PRE SAINT DIDIER (AOSTA)	MONT BLANC TUNNEL OPERATION AND CONSTRUCTION	EURO	109,094,800	Autostade per l'Italia SpA	51.00%	51.00%	

(1) The Atlantia Group holds 50% plus one share in the companies and exercises control on the base of partnership and governance agreements.

The issued capital is made up of €264,350,000 in ordinary shares and €59,455,000 in preference shares. The percentage interest is calculated with reference to all shares in issue, whereas the (4) 58.00% of voting rights is calculated with reference to ordinary voting shares.

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/CONSORTIUM FUND AS AT 30 JUNE 2014	HELD BY	% INTEREST IN SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2014	OVERALL GROUP INTEREST (%)	NOTE
<b>SUBSIDIARIES CONSOLIDATED ON A LINE-BY-LINE BASIS</b>								
SPEA INGEGNERIA EUROPEA SPA	SAO PAULO (BRAZIL)	INTEGRATED TECHNICAL ENGINEERING SERVICES	BRAZILIAN REAL	1,000,000	SPEA Engenharia Europeia	99.99%	100%	(3)
					Autostrade Concessões e Participações Brasil Ltda	0.01%		
SPEA INGEGNERIA EUROPEA SPA	MILAN	INTEGRATED TECHNICAL ENGINEERING SERVICES	EURO	5,160,000	Autostrade per l'Italia SpA	100%	100%	(3)
STALEXPORT AUTOROUTE SARL	LUXEMBOURG (LUXEMBOURG)	MOTORWAY SERVICES	EURO	56,149,500	Stalexport Autoroady SA	100%	61.20%	
STALEXPORT AUTOSTRADA MALOPOLSKA SA	MYSLOWICE (POLAND)	MOTORWAY OPERATION AND CONSTRUCTION	ZLOTY	66,733,000	Stalexport Autostrade SAK J.	100%	61.20%	
STALEXPORT AUTOSTRADY SA	KATOWICE (POLAND)	HOLDING COMPANY	ZLOTY	185,446,517	Autostrade per l'Italia SpA	61.20%	61.20%	(5)
TANGENZIALE DI NAPOLI SPA	NAPLES	MOTORWAY OPERATION AND CONSTRUCTION	EURO	108,077,400	Autostrade per l'Italia SpA	100%	100%	
TECH SOLUTIONS INTEGRATORS SAS	PARIS (FRANCE)	CONSTRUCTION, INSTALLATION AND MAINTENANCE OF ELECTRONIC TOLLING SYSTEMS	EURO	2,000,000	Autostrade per l'Italia SpA	100%	100%	
TELEPASS FRANCE SAS	PARIS (FRANCE)	ELECTRONIC TOLLING AND ECO TAX PAYMENT SYSTEMS	EURO	1,000,000	Telepass SpA	100%	100%	
TELEPASS SPA	ROME	AUTOMATED TOLLING SERVICES	EURO	26,000,000	Autostrade per l'Italia SpA	98.15%	100%	
					Autostrade Tech SpA	3.85%		
TRIANGULO DO SOL AUTO-ESTRADAS SA	MATAO (BRAZIL)	MOTORWAY OPERATION AND CONSTRUCTION	BRAZILIAN REAL	71,000,000	Atlantia Bertin Concessões SA	100%	50.00%	(1)
TRIANGULO DO SOL PARTICIPACOES SA	SAO PAULO (BRAZIL)	HOLDING COMPANY	BRAZILIAN REAL	1,122,539,010	Infra Bertin Participações SA	100%	50.00%	(1)
VIA4 SA	MYSLOWICE (POLAND)	MOTORWAY SERVICES	ZLOTY	500,000	Stalexport Autostrade SAK J.	55.00%	33.66%	

(1) The Atlantia Group holds 50% plus one share in the companies and exercises control on the basis of partnership and governance agreements.

(3) Companies held for sale according to IFRS 5

(5) The company is listed on the Warsaw stock exchange.

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/CONSORTIUM TUM FUND AS AT 30 JUNE 2014	HELD BY	% INTEREST IN SHARE CAPITAL/CONSORTIUM FUND AS AT 30 JUNE 2014	NOTE
<b>INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD</b>							
<b>Associates and joint ventures</b>							
ARCEA LAZIO SpA (IN LIQUIDATION)	ROME	ROAD AND MOTORWAY CONSTRUCTION AND CONCESSIONS IN LAZIO	EURO	1,983,469	Autostrade per l'Italia SpA	34.00%	
A&T ROAD CONSTRUCTION MANAGEMENT AND OPERATION PRIVATE LIMITED	PUNE MAHARASHTRA (INDIA)	OPERATION AND MAINTENANCE, DESIGN AND PROJECT MANAGEMENT	RUPEE	100,000	Autostrade Indian Infrastructure Development Private Limited	50.00%	
AUTOSTRADA MAZOWSZE SA (IN LIQUIDATION)	KATOWICE (POLAND)	MOTORWAY SERVICES	ZLOTY	20,000,000	Stalexport Autostrady SA	30.00%	
AUTOSTRADE FOR RUSSIA GMBH	VIENNA (AUSTRIA)	HOLDING COMPANY	EURO	60,000	Autostrade Tech SpA	25.50%	
BOLOGNA & FIERA PARKING SpA	BOLOGNA	DESIGN, CONSTRUCTION AND MANAGEMENT OF MULTI-LEVEL PUBLIC CAR PARKS	EURO	9,000,000	Autostrade per l'Italia SpA	32.50%	
BIURO CENTRUM SP. Z O.O.	KATOWICE (POLAND)	ADMINISTRATIVE SERVICES	ZLOTY	80,000	Stalexport Autostrady SA	40.63%	
CONCESSIONARIA RODOVIAS DO TIETÉ SA	SAO PAULO (BRAZIL)	MOTORWAY OPERATION AND CONSTRUCTION	BRAZILIAN REAL	236,079,476	Atlantia Berlin Concessões SA	50.00%	
GEIE DEL TRAFORO DEL MONTE BIANCO	COURMAYEUR	MAINTENANCE AND OPERATION OF MONT BLANC TUNNEL	EURO	2,000,000	Società Italiana per Azioni per il Traforo del Monte Bianco	50.00%	
PEDEMONTANA VENETA SpA (IN LIQUIDATION)	VERONA	OPERATION AND CONSTRUCTION OF PEDEMONTANA VENETA MOTORWAYS	EURO	6,000,000	Autostrade per l'Italia SpA	29.77%	
SOCIETÀ AUTOSTRADA TIRRENICA p.A.	ROME	MOTORWAY OPERATION AND CONSTRUCTION	EURO	24,460,800	Autostrade per l'Italia SpA	24.98%	
SOCIETÀ INFRASTRUTTURE TOSCANE SpA	FLORENCE	DESIGN, CONSTRUCTION AND OPERATION OF PRATO TO SIGNA MOTORWAY LINK	EURO	30,000,000	Autostrade per l'Italia SpA	46.00%	
					SPEA Ingegneria Europea SpA	0.60%	

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/CONSORTIUM FUND AS AT 30 JUNE 2014	HELD BY	% INTEREST IN SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2014	NOTE
<b>INVESTMENTS ACCOUNTED FOR AT COST OR FAIR VALUE</b>							
<i>Unconsolidated subsidiaries</i>							
PAVIMENTAL EST AO	MOSCOW (RUSSIA)	MOTORWAY OPERATION AND CONSTRUCTION	RUSSIAN ROUBLE	4,200,000	Pavimental SpA	100%	
PETROSTAL SA (IN LIQUIDATION)	WARSAW (POLAND)	REAL ESTATE SERVICES	ZLOTY	2,050,500	Stalexport Autostrady SA	100%	
STALEXPORT WIELKOPOLSKA SP. Z O. W UP/ADŚOLCI	KOMORNIKI (POLAND)	STEEL TRADING	ZLOTY	8,080,475	Stalexport Autostrady SA	97.96%	
<b>Other investments</b>							
HUTA JEDNOŚĆ SA	SIEMIANOWICE (POLAND)	STEEL TRADING	ZLOTY	27,200,000	Stalexport Autostrady SA	2.40%	
INWEST STAR SA (IN LIQUIDATION)	STARACHOWICE (POLAND)	STEEL TRADING	ZLOTY	11,700,000	Stalexport Autostrady SA	0.26%	
ITALMEX SpA (IN LIQUIDATION)	MILAN	TRADING AGENCY	EURO	1,464,000	Stalexport Autostrady SA	4.24%	
KONSORCJUM AUTOSTRADA ŚLĄSK SA	KATOWICE (POLAND)	MOTORWAY OPERATION AND CONSTRUCTION	ZLOTY	1,987,300	Stalexport Autostrady SA	5.43%	
SOCIETA' DI PROGETTO BREBEMI SpA	BRESCIA	CONCESSION FOR THE CONSTRUCTION AND OPERATION OF THE BRESCIA - MILAN LINK	EURO	180,000,000	SPEA Ingegneria Europea SpA	0.10%	
TANGENZIALE ESTERNA SpA	MILAN	DESIGN, CONSTRUCTION AND OPERATION OF THE NEW MILAN OUTER RING ROAD	EURO	464,945,000	Autostrade per l'Italia SpA	0.25%	
TANGENZIALI ESTERNE DI MILANO SpA	MILAN	CONSTRUCTION AND OPERATION OF MILAN RING ROAD	EURO	220,344,608	Autostrade per l'Italia SpA	13.67%	
UIRNET SpA	ROME	OPERATION OF NATIONAL LOGISTICS NETWORK	EURO	1,011,000	Autostrade per l'Italia SpA	1.60%	
VENETO STRADE SpA	VENICE	CONSTRUCTION AND MAINTENANCE OF ROADS AND TRAFFIC SERVICES	EURO	5,163,200	Autostrade per l'Italia SpA	5.00%	
WALCOWNIA RUR JEDNOŚĆ SP. Z O. O.	SIEMIANOWICE (POLAND)	STEEL TRADING	ZLOTY	220,590,000	Stalexport Autostrady SA	0.01%	
ZAKŁADY METALOWE DEZAMET SA	NOWA DĘBA (POLAND)	STEEL TRADING	ZLOTY	18,789,410	Stalexport Autostrady SA	0.27%	

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/CONSORTIUM FUNDS AS AT 30 JUNE 2014	HELD BY	% INTEREST IN SHARE CAPITAL/CONSORTIUM FUNDS AS AT 30 JUNE 2014	NOTE
<b>CONSORTIA</b>							
CONSORCIO ANHANGUERA NORTE	RIBERAO PRETO (BRAZIL)	CONSTRUCTION CONSORTIUM	BRAZILIAN REAL	-	Autostrade Concessões e Participações Brasil	13.13%	
CONSORZIO AUTOSTRADE ITALIANE ENERGIA	ROME	ELECTRICITY PROCUREMENT	EURO	107,112	Autostrade per l'Italia Spa Autostrada Torino-Savona Spa Tangenziale di Napoli Spa Società Italiana per Azioni per il Traforo del Monte Bianco Raccordo Autostradale Valle d'Aosta Spa Autostrade Meridionali Spa	29.00% 2.00% 2.00% 1.90% 1.10% 0.90%	
CONSORZIO COSTRUTTORI TEEM	TORTONA (ALESSANDRIA)	MOTORWAY CONSTRUCTION AND OPERATION	EURO	10,000	Pavimental Spa	1.00%	
CONSORZIO FASTIGI (IN LIQUIDATION)	CIVITAVECCHIA (ROME)	TUNNEL SAFETY RESEARCH AND STUDIES	EURO	40,000	Autostrade per l'Italia Spa	12.50%	(6)
CONSORZIO GALILEO SCARL (IN LIQUIDATION)	TODI (PERUGIA)	CONSTRUCTION OF AIRPORT APRONS	EURO	10,000	Pavimental Spa	40.00%	
CONSORZIO ITALTECNASUD (IN LIQUIDATION)	ROME	CONTROL OF IRPINA EARTHQUAKE FUNDS	EURO	51,646	SPEA Ingegneria Europea Spa	20.00%	
CONSORZIO MIDRA	FLORENCE	SCIENTIFIC RESEARCH FOR DEVICE BASE TECHNOLOGIES	EURO	73,989	Autostrade Tech Spa	33.33%	
CONSORZIO MITECO	PESCHIERA BORROMEO (MILAN)	EXECUTION OF SERVICES AND WORKS ASSIGNED BY TANGENZIALE ESTERNA SPA	EURO	10,000	Pavimental Spa	1.30%	
CONSORZIO NUOVA ROMEA ENGINEERING	MONSELICE (PADOVA)	MOTORWAY DESIGN	EURO	60,000	SPEA Ingegneria Europea Spa	16.67%	
CONSORZIO PEDEMONTANA ENGINEERING	VERONA	DESIGN OF PEDEMONTANA VENETA MOTORWAY	EURO	20,000	SPEA Ingegneria Europea Spa	23.30%	
CONSORZIO RAMONTI S.C.A.R.L.	TORTONA (ALESSANDRIA)	MOTORWAY CONSTRUCTION	EURO	10,000	Pavimental Spa	49.00%	
CONSORZIO R.F.C.C. (IN LIQUIDATION)	TORTONA (ALESSANDRIA)	CONSTRUCTION OF MOROCCAN ROAD NETWORK	EURO	510,000	Pavimental Spa	30.00%	
CONSORZIO SPEA-GARIBELLO	SAN PAOLO (BRAZIL)	INTEGRATED TECHNICAL AND ENGINEERING SERVICES - HIGHWAY MG-050	REAL	0	SPEA do Brasil Projetos e Infra Estrutura Limitada	50.00%	
CONSORZIO TANGENZIALE ENGINEERING	MILAN	INTEGRATED TECHNICAL ENGINEERING SERVICES - MILAN EXTERNAL RINGROAD EAST	EURO	20,000	SPEA Ingegneria Europea Spa	30.00%	
CONSORZIO TRINCRIA S.C.A.R.L. (IN LIQUIDATION)	LIMENA (PADOVA)	CONSTRUCTION OF AIRPORT APRONS	EURO	10,000	Pavimental Spa	47.73%	
CONSORZIO 2050	ROME	MOTORWAY DESIGN	EURO	50,000	SPEA Ingegneria Europea Spa	0.50%	
CONSTRUZIONI IMPIANTI AUTOSTRADALI SCARL	ROME	CONSTRUCTION OF PUBLIC WORKS AND INFRASTRUCTURE	EURO	10,000	Pavimental Spa Autostrade Tech Spa Pavimental Polska Sp. z o.o.	75.00% 20.00% 5.00%	
ELMAS S.C.A.R.L. (IN LIQUIDATION)	ROME	CONSTRUCTION AND MAINTENANCE OF AIRPORT RUNWAYS AND APRONS	EURO	10,000	Pavimental Spa	60.00%	
IDROELETTRICA S.C.R.L.	CHATILLON (AGOSTA)	ELECTRICITY GENERATION	EURO	50,000	Raccordo Autostradale Valle d'Aosta Spa	0.10%	
LAMBRO S.C.A.R.L.	TORTONA (ALESSANDRIA)	OPERATION AND CONSTRUCTION ON BEHALF OF TEEM CONSTRUCTION CONSORTIUM	EURO	200,000	Pavimental Spa	2.76%	

(6) The consortium was removed from the Companies' Register on 1 July 2014 following the conclusion of the liquidation process.

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/CONSORTIUM FUND AS AT 30 JUNE 2014	HELD BY	% INTEREST IN SHARE CAPITAL/CONSORTIUM FUND AS AT 30 JUNE 2014	NOTE
<b>INVESTMENTS ACCOUNTED FOR IN CURRENT ASSETS</b>							
DOM MAKLEPSKI BDM SA	BIELSKO-BIALA (POLAND)	HOLDING COMPANY	ZLOTY	19,796,924	Stalexport Autostrady SA	2.71%	
IDEON SA	KATOWICE (POLAND)	STEEL TRADING	ZLOTY	343,490,781	Stalexport Autostrady SA Biuro Centrum Sp. Z.O.O.	2.63% 0.15%	
LUSOPONTE - CONCESSIONARIA PARA A TRAVESSIA DO TEJO SA	MONTIJO (PORTUGAL)	MOTORWAY OPERATION	EURO	25,000,000	Autostrade Portugal - Concessionoes de Infraestruturas SA	17.21%	
STRADA DEI PARCHI SpA	ROME	MOTORWAY OPERATION AND CONSTRUCTION	EURO	48,114,240	Autostrade per l'Italia SpA	2.00%	

## **ANNEX 2**

### **RECLASSIFIED FINANCIAL STATEMENTS OF THE AUTOSTRADE PER L'ITALIA GROUP**

The Autostrade per l'Italia Group's reclassified consolidated income statement, statement of consolidated financial position and statement of changes in consolidated net debt for the period ended June 30, 2014 are provided below. The reclassified statements have not been audited. It should be noted, moreover, that the indicators presented in the following consolidated financial statements (EBITDA, EBIT and Net Financial Debt) are not identified as an accounting measure under IFRS as adopted by the European Union.

**RECLASSIFIED CONSOLIDATED INCOME STATEMENT**

€m	H1 2014	H1 2013	INCREASE/ (DECREASE)	
			ABSOLUTE	%
Toll revenue	1,739	1,684	55	3.3
Contract revenue	16	10	6	n.s.
Other operating income	341	266	75	28.2
<b>Total revenue</b>	<b>2,096</b>	<b>1,960</b>	<b>136</b>	<b>6.9</b>
Cost of materials and external services (1)	-341	-280	-61	21.8
Concession fees	-203	-203	-	0.0
Staff costs	-292	-296	4	-1.4
Capitalised staff costs	10	17	-7	-41.2
<b>Total net operating costs</b>	<b>-826</b>	<b>-762</b>	<b>-64</b>	<b>8.4</b>
<b>Gross operating profit (EBITDA) (2)</b>	<b>1,270</b>	<b>1,198</b>	<b>72</b>	<b>6.0</b>
Amortisation, depreciation, impairment losses and	-329	-344	15	-4.4
Provisions and other adjustments	-70	-12	-58	n.s.
<b>Operating profit (EBIT) (3)</b>	<b>871</b>	<b>842</b>	<b>29</b>	<b>3.4</b>
Financial income accounted for as an increase in financial assets deriving from concession rights and government grants	40	43	-3	-7.0
Financial expenses from discounting of provisions for construction services required by contract and other provisions	-54	-48	-6	12.5
Other financial income/(expenses)	-342	-351	9	-2.6
Capitalised financial expenses	8	30	-22	-73.3
Share of profit/(loss) of associates and joint ventures accounted for using the equity method	-4	-1	-3	n.s.
<b>Profit/(Loss) before tax from continuing operations</b>	<b>519</b>	<b>515</b>	<b>4</b>	<b>0.8</b>
Income tax (expense)/benefit	-184	-187	3	-1.6
<b>Profit/(Loss) from continuing operations</b>	<b>335</b>	<b>328</b>	<b>7</b>	<b>2.1</b>
Profit/(Loss) from discontinued operations	1	2	-1	-50.0
<b>Profit for the period</b>	<b>336</b>	<b>330</b>	<b>6</b>	<b>1.8</b>
(Profit)/Loss attributable to non-controlling interests	-38	-33	-5	15.2
<b>(Profit)/Loss attributable to owners of the parent</b>	<b>298</b>	<b>297</b>	<b>1</b>	<b>0.3</b>

**RECLASSIFIED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

€m	30 June 2014	31 December 2013	INCREASE/ DECREASE
<b>Non-current non-financial assets</b>			
Property, plant and equipment	137	194	-57
Intangible assets	21,895	21,717	178
Investments	111	114	-3
Deferred tax assets	148	153	-5
Other non-current assets	4	8	-4
<b>Total non-current non-financial assets (A)</b>	<b>22,295</b>	<b>22,186</b>	<b>109</b>
<b>Working capital (1)</b>			
Trading assets	1,161	1,125	36
Current tax assets	162	58	104
Other current assets	115	121	-6
Non-financial assets held for sale or related to discontinued operations (2)	149	17	132
Current portion of provisions for construction services required by contract	-618	-435	-183
Current provisions	-353	-338	-15
Trading liabilities	-1,198	-1,285	87
Current tax liabilities	-136	-26	-110
Other current liabilities	-380	-379	-1
Non-financial liabilities related to discontinued operations (2)	-201	-	-201
<b>Total working capital (B)</b>	<b>-1,299</b>	<b>-1,142</b>	<b>-157</b>
<b>Invested capital less current liabilities (C=A+B)</b>	<b>20,996</b>	<b>21,044</b>	<b>-48</b>
<b>Non-current non-financial liabilities</b>			
Non-current portion of provisions for construction services required by contract	-3,704	-3,727	23
Non-current provisions	-1,053	-1,025	-28
Deferred tax liabilities	-1,174	-1,142	-32
Other non-current liabilities	-93	-94	1
<b>Total non-current non-financial liabilities (D)</b>	<b>-6,024</b>	<b>-5,988</b>	<b>-36</b>
<b>NET INVESTED CAPITAL (E=C+D)</b>	<b>14,972</b>	<b>15,056</b>	<b>-84</b>

(1) Calculated as the difference between current non-financial assets and liabilities.

(2) The presentation of assets and liabilities related to discontinued operations is based on their nature (financial or non-financial).

**RECLASSIFIED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

€m	30 June 2014	31 December 2013	INCREASE/ DECREASE
<b>Equity</b>			
Equity attributable to owners of the parent	2,824	2,923	-99
Equity attributable to non-controlling interests	1,641	1,607	34
<b>Total equity (F)</b>	<b>4,465</b>	<b>4,530</b>	<b>-65</b>
<b>Net Debt</b>			
<b>Non-current net debt</b>			
<b>Non-current financial liabilities</b>	<b>13,575</b>	<b>13,550</b>	<b>25</b>
Bond issues	929	992	-63
Medium/long-term borrowings	12,267	12,259	8
Non-current derivative liabilities	335	259	76
Other non-current financial liabilities	44	40	4
<b>Other non-current financial assets</b>	<b>-2,327</b>	<b>-2,310</b>	<b>-17</b>
Non-current financial assets deriving from concession rights	-1,179	-1,297	118
Non-current financial assets deriving from government grants	-279	-247	-32
Non-current term deposits convertible	-347	-338	-9
Other non-current financial assets	-522	-428	-94
<b>Non-current net debt (G)</b>	<b>11,248</b>	<b>11,240</b>	<b>8</b>
<b>Current net debt</b>			
<b>Current financial liabilities</b>	<b>1,491</b>	<b>3,369</b>	<b>-1,878</b>
Bank overdrafts	2	7	-5
Short-term borrowings	96	3	93
Intercompany current account payables due to unconsolidated Group companies	529	431	98
Current portion of medium/long-term borrowings	861	2,919	-2,058
Other current financial liabilities	3	9	-6
<b>Cash and cash equivalents</b>	<b>-1,239</b>	<b>-3,324</b>	<b>2,085</b>
Cash in hand and at bank and post offices	-866	-1,346	480
Cash equivalents	-364	-1,978	1,614
Cash and cash equivalents related to discontinued operations (2)	-9	-	-9
<b>Other current financial assets</b>	<b>-993</b>	<b>-759</b>	<b>-234</b>
Current financial assets deriving from concession rights	-488	-413	-75
Current financial assets deriving from government grants	-17	-19	2
Current term deposits convertible	-230	-167	-63
Current portion of medium/long-term financial assets	-56	-30	-26
Other current financial assets	-192	-128	-64
Financial assets held for sale or related to discontinued operations (2)	-10	-2	-8
<b>Current net debt (H)</b>	<b>-741</b>	<b>-714</b>	<b>-27</b>
<b>Net debt (I=G+H)</b>	<b>10,507</b>	<b>10,526</b>	<b>-19</b>
<b>NET DEBT AND EQUITY (L=F+I)</b>	<b>14,972</b>	<b>15,056</b>	<b>-84</b>

## STATEMENT OF CHANGES IN CONSOLIDATED NET DEBT

€m	H1 2014	H1 2013
<b>Profit for the period</b>	<b>337</b>	<b>330</b>
<b>Adjusted by:</b>		
Amortisation and depreciation	334	350
Provisions	67	14
Financial expenses from discounting of provisions for construction services required by contract and other provisions	54	48
Share of (profit)/loss of associates and joint ventures accounted for using the equity method	4	1
Net change in deferred tax (assets)/liabilities through profit or loss	38	43
Other non-cash costs (income)	-5	-8
Change in working capital	-56	-300
Other changes in non-financial assets and liabilities	12	52
<b>Net cash from operating activities (A)</b>	<b>785</b>	<b>530</b>
Investment in assets held under concession	-363	-579
Government grants related to assets held under concession	32	20
Increase in financial assets deriving from concession rights (related to capital expenditure)	21	171
Purchases of property, plant and equipment	-14	-10
Purchases of intangible assets	-11	-10
Purchase of investments, net of unpaid called-up issued capital	-2	-1
Net change in other non-current assets	2	-6
<b>Net cash from/(used in) investment in non-financial assets (B)</b>	<b>-335</b>	<b>-415</b>
Dividends declared by Group companies	-348	-354
Contributions from non-controlling shareholders	1	1
Effect of changes in exchange rates on net debt and other changes	-4	20
<b>Net equity cash outflows (C)</b>	<b>-351</b>	<b>-333</b>
<b>Increase/(Decrease) in cash and cash equivalents (A+B+C)</b>	<b>100</b>	<b>-218</b>
Change in fair value and extinguishment of financial instruments recognised in comprehensive income (D)	-90	95
Financial income/(expenses) accounted for as an increase in financial assets/(liabilities) (E)	10	12
<b>Decrease/(Increase) in net debt for period (A+B+C+D+E)</b>	<b>19</b>	<b>-111</b>
<b>Net debt at beginning of period</b>	<b>-10,525</b>	<b>-10,674</b>
<b>Net debt at end of period</b>	<b>-10,506</b>	<b>-10,785</b>

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## 4. REPORT OF THE INDEPENDENT AUDITORS

**AUDITORS' REVIEW REPORT ON THE CONSOLIDATED  
INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2014**

**To the Board of Directors of  
Autostrade per l'Italia S.p.A.**

1. We have reviewed the consolidated interim financial statements of Autostrade per l'Italia S.p.A. and subsidiaries (the "Autostrade per l'Italia Group"), which comprise the statement of financial position as of June 30, 2014, and the income statement, statement of comprehensive income, statement of changes in equity and cash flow statement for the six-month period then ended, and the related explanatory notes. These consolidated interim financial statements have been prepared in connection with the admission of the Euro Medium Term Note Programme of Autostrade per l'Italia S.p.A. to trade on the Irish Stock Exchange. The Company's directors are responsible for the preparation and presentation of these consolidated interim financial statements in accordance with the International Financial Reporting Standard applicable to the interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to issue a report on these consolidated interim financial statements based on our review.
2. We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". The review of consolidated interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, unlike an auditors' report on the year-end consolidated financial statements, we do not express an audit opinion on the consolidated interim financial statements.

The consolidated interim financial statements present for comparative purposes the corresponding figures of the prior year's consolidated financial statements, for the opinion on which reference should be made to our auditors' report issued on today's date, and the corresponding half-year period of the previous year which have been examined by us solely for the purposes of expressing our conclusion on the consolidated interim financial statements as of June 30, 2014.

3. Based on our review, nothing has come to our attention that causes us to believe that the consolidated interim financial statements of Autostrade per l'Italia Group as of June 30, 2014 are not prepared, in all material aspects, in accordance with the International Financial Reporting Standard applicable to the interim financial reporting (IAS 34) as adopted by the European Union.

DELOITTE & TOUCHE S.p.A.

*Signed by*  
Fabio Pompei  
Partner

Rome, Italy  
October 22, 2014

*This report has been translated into the English language solely for the convenience of international readers.*

Ancona Bari Bergamo Bologna Brescia Cagliari Firenze Genova Milano Napoli Padova  
Palermo Parma Roma Torino Treviso Verona

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