



2015
ANNUAL REPORT

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1.

INTRODUCTION

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1.1 Consolidated financial highlights

€m	2015 ^(a)	2014
Revenue	4,425	4,288
Toll revenue	3,836	3,678
Other operating income and contract revenue	589	610
Gross operating profit (EBITDA)	2,743	2,683
Adjusted gross operating profit (EBITDA) ^(b)	2,829	2,760
Operating profit (EBIT)	2,057	1,777
Profit/(Loss) before tax from continuing operations	1,467	1,193
Profit for the year	1,129	694
Profit attributable to owners of the parent	1,013	662
Operating cash flow ^(c)	1,824	1,740
Adjusted operating cash flow ^(b)	1,857	1,842
Capital expenditure ^(d)	1,151	933

€m	31/12/2015 ^(a)	31/12/2014
Equity	4,560	4,426
Equity attributable to owners of the parent	3,000	2,803
Net debt	10,342	10,393
Adjusted net debt ^(b)	11,445	11,531

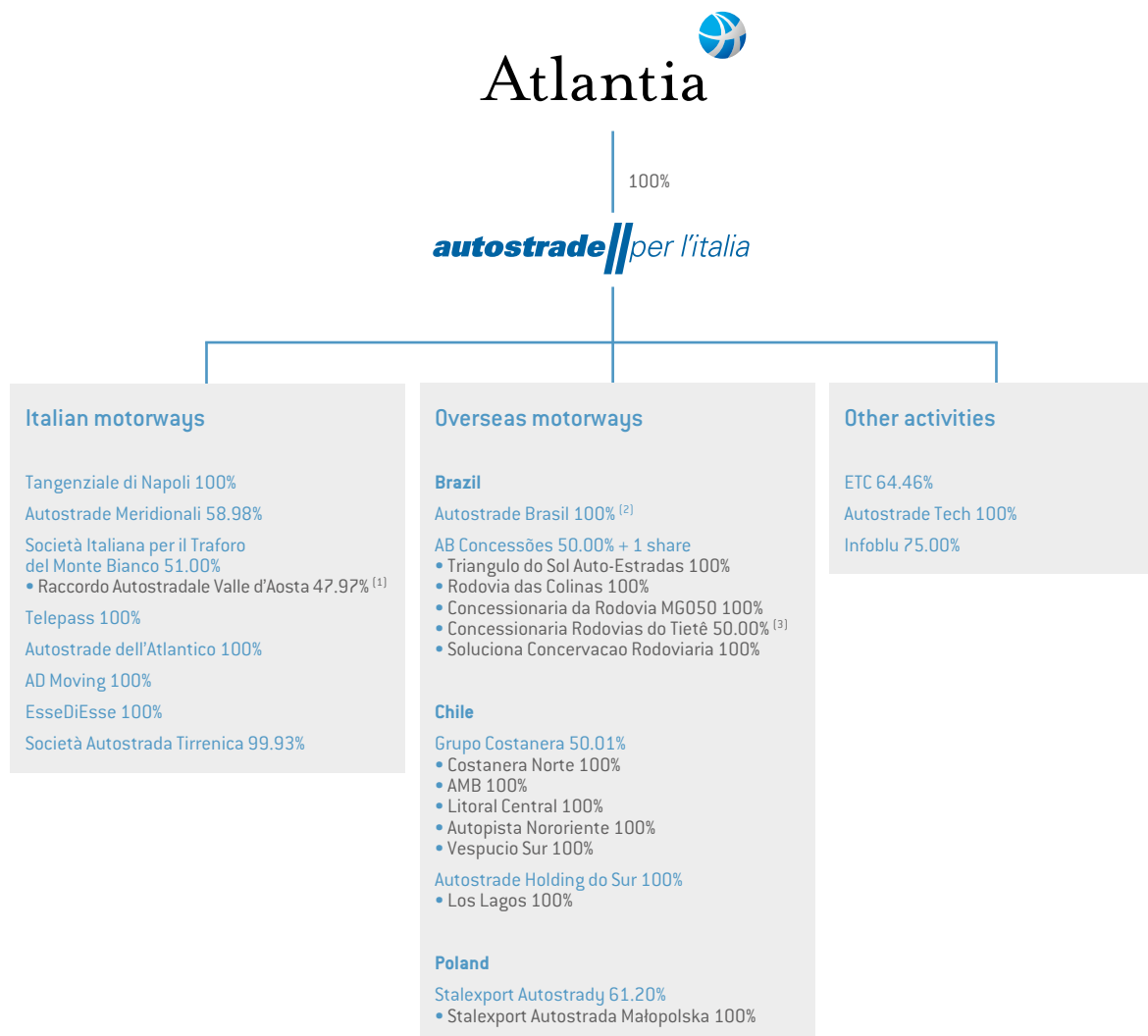
(a) The figures for 2015 reflect the accounting effects of a number of non-recurring financial transactions carried out during the year, as described in detail in the section, "Group financial review", and the notes to the consolidated financial statements.

(b) Adjusted amounts have been presented with the aim of enabling analysts and the rating agencies to assess the Group's results of operations and financial position using the basis of presentation normally adopted by them. Information on the nature of the adjustments and on differences between the reported and adjusted amounts is provided in the section, "Adjusted consolidated results of operations and financial position and reconciliation with reported consolidated amounts", in the "Group financial review".

(c) Operating cash flow is calculated as profit for the year + amortisation/depreciation +/- impairments/reversals of impairments of assets +/- provisions/releases of provisions + other adjustments + financial expenses from discounting of provisions +/- share of profit/(loss) of investees accounted for using equity method +/- (losses)/gains on sale of assets +/- other non-cash items +/- net deferred tax assets/liabilities recognised in profit or loss.

(d) The figure includes investment in assets held under concession, in property, plant and equipment and in intangible assets, as presented in the statement of changes in consolidated net debt, included in the "Group financial review".

1.2 Structure of the Autostrade per l'Italia Group ^(*)



(*) The chart shows interests in the principal Autostrade per l'Italia Group companies as at 31 December 2015.

[1] The percentage shown refers to the interest in terms of the total number of shares in issue, whilst the interest in ordinary voting shares is 58.00%.

[2] This company is 41.14% owned by Autostrade dell'Atlantico, 33.86% owned by Autostrade Holding du Sur and 25% owned by Autostrade Portugal.

[3] Unconsolidated companies.

1.3 The Group around the world

MOTORWAY NETWORKS OPERATED UNDER CONCESSION	Km	Concession expiry
Italy	3,005	
Autostrade per l'Italia	2,855	2038
Società Italiana per il Traforo del Monte Bianco	6	2050
Raccordo Autostradale Valle d'Aosta	32	2032
Tangenziale di Napoli	20	2037
Autostrade Meridionali ⁽¹⁾	52	2012
Società Autostrada Tirrenica ⁽²⁾	40	2046
Brazil	1,538	
AB Concessões		
Rodovia das Colinas	307	2028
Concessionaria da Rodovia MG050	372	2032
Triangulo do Sol Auto Estradas	442	2021
Concessionaria Rodovias do Tietê ⁽³⁾	417	2039
Chile	313	
Grupo Costanera		
Costanera Norte	43	2033
AMB ⁽⁴⁾	10	2020
Litoral Central	81	2031
Autopista Nororiente ⁽⁴⁾	22	2044
Vespucio Sur	24	2032
Los Lagos	135	2023
Poland	61	
Stalexport Autostrada Malopolska	61	2027

TOLLING SYSTEMS	Km of network using the service	
Telepass (Italy)	5,907	Electronic tolling systems
Electronic Transaction Consultants (USA)	994	Electronic tolling systems

(1) The process of awarding the new concession is underway.

(2) A draft addendum to the concession arrangement, to expire in 2040, is currently being negotiated with the Grantor.

(3) Unconsolidated company.

(4) The concession term is estimated on the basis of agreements with the Grantor.

1.4 Corporate bodies

BOARD OF DIRECTORS IN OFFICE FOR THE THREE-YEAR PERIOD 2013-2014-2015

CHAIRMAN Fabio Cerchiai

CHIEF EXECUTIVE OFFICER Giovanni Castellucci

DIRECTORS Valerio Bellamoli
Giuseppe Angiolini ⁽¹⁾
Giuseppe Piaggio
Roberto Pistorelli
Antonino Turicchi

SECRETARY Andrea Grillo
Antonio Sanna ⁽²⁾

BOARD OF STATUTORY AUDITORS FOR THE THREE-YEAR PERIOD 2015-2016-2017

CHAIRMAN Antonio Mastrapasqua

AUDITORS Giandomenico Genta
Antonio Parente

ALTERNATE AUDITORS Mario Venezia
Francesco Mariano Bonifacio

INDEPENDENT AUDITORS FOR THE PERIOD 2012-2020

Deloitte & Touche SpA

[1] Mr. Giuseppe Angiolini was co-opted on to the Board at the Board of Directors' meeting of 8 May 2015 in replacement of Mr. Stefano Cao who resigned with effect from 29 April 2015.

[2] Mr. Antonio Sanna took over as Secretary to the Board of Directors on 15 October 2015.

1.5 Profile, history and mission

Autostrade-Concessioni e Costruzioni Autostrade SpA was established in 1950 on the initiative of IRI (Istituto per la Ricostruzione Industriale).

In 1956 an Agreement was entered into with ANAS that would see Autostrade co-finance, build and operate the Autostrada del Sole between Milan and Naples. Work began in May of that year and by 1964 the entire length of the motorway was open to traffic. Further agreements followed, granting the Company the concession to build and operate further motorways throughout the country, some of which previously operated by ANAS.

Autostrade was privatised in 1999 and IRI, the founding shareholder, was replaced by a stable group of shareholders today led by Edizione Srl (a holding company controlled by the Benetton family).

Autostrade per l'Italia SpA was incorporated in 2003, following a restructuring of the Group that was intended to separate concessions from non-motorway operations. Autostrade per l'Italia SpA became a wholly owned subsidiary of Autostrade SpA (now Atlantia SpA), a holding company listed on the Milan Stock Exchange.

Autostrade per l'Italia and the Group's other Italian motorway operators are in the process of implementing a programme designed to upgrade and modernise approximately 900 km of the Italian motorway network, entailing total capital expenditure of approximately €15.2 billion. Other projects with a value of approximately €8 billion are under consideration or assessment. The aim of the programme is to bring the capacity of toll motorways into line with growing traffic volumes and to improve standards of safety and service quality. This makes Autostrade per l'Italia the country's biggest private investor.

Autostrade per l'Italia now also manages around 2,000 km of overseas toll motorways, following a series of acquisitions since 2005. Through its subsidiaries and investee companies, the Company now operates in the following countries:

- Chile: since 2005, with approximately 300 km of motorway, partly concentrated in the metropolitan area of Santiago (through the companies controlled by Grupo Costanera), with the remainder located in the south of the country (Los Lagos);
- Poland: since 2006, via the subsidiary, Stalexport Autostrady (61 km);
- Brazil: since 2009, with Triangulo do Sol and, from 2012, after Autostrade per l'Italia and the Bertin group created a group of operators responsible for over 1,500 km of motorway under concession concentrated in the Sao Paulo area, becoming the second biggest operator at local level.

Finally, Autostrade per l'Italia is the leading European provider of automated tolling systems through its subsidiary, Telepass, which today, with almost nine million devices in circulation, accounts for around one third of the European market and leads the way in the sale of payment technologies and systems for transport-related services.





2.

REPORT
ON OPERATIONS

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2.1 Group financial review

Introduction

The financial review contained in this section includes and analyses the reclassified consolidated income statement, the statement of comprehensive income, the statement of changes in equity and the statement of changes in the Autostrade per l'Italia Group's net debt for the year ended 31 December 2015, in which amounts are compared with those of the previous year. The review also includes and analyses the reclassified consolidated statement of financial position, compared with the corresponding amounts as at 31 December 2014, and the reconciliation of Autostrade per l'Italia's equity and profit for 2015 with the corresponding consolidated amounts for the Autostrade per l'Italia Group.

The accounting standards applied during preparation of the consolidated accounts for 2015 are consistent with those adopted for the consolidated financial statements for the year ended 31 December 2014, in that the new standards and interpretations that have come into effect since 1 January 2015 have not had a material impact on the consolidated accounts.

The scope of consolidation at 31 December 2015 differs from the scope used at 31 December 2014, due to the acquisition of control of Società Autostrada Tirrenica (SAT) following the completion, in September 2015, of Autostrade per l'Italia's purchase of a 74.95% interest in this company. When added to the existing 24.98% interest in the company, the total interest amounts to 99.93%. In accordance with IFRS 3, the assets acquired and liabilities assumed have been recognised at their fair value at the acquisition date, whilst SAT's income and expenses for the fourth quarter of 2015 and its assets and liabilities at 31 December 2015 have been consolidated on a line-by-line basis.

Other than the financial transactions referred to above, the Group did not enter into non-recurring transactions during 2015, nor did it enter into transactions of an atypical nature with third or related parties.

The reclassified financial statements included and analysed below have not been audited and, in certain cases, contain differences with respect to the corresponding statements presented in the consolidated financial statements. These differences are described in notes to the reclassified statements.

Like-for-like changes

The term "like-for-like basis", used in the following consolidated financial review, indicates that amounts for comparative periods have been determined by eliminating:

- a) from the consolidated amounts for 2015:
 - 1) the difference between foreign currency amounts for 2015 converted at average exchange rates for the period and the matching amounts converted using average exchange rates for 2014;
 - 2) SAT's contribution for the fourth quarter of 2015;
 - 3) the overall impact, including the related taxation, recognised by Autostrade per l'Italia as income following the handover free of charge of buildings located at service areas, the higher discounts applied to service area royalties (which have increased significantly from the second half of 2014), less the matching concession fees, compared with the previous year, and the cost of settlements with certain service area operators;
 - 4) income recognised by Tangenziale di Napoli following settlement of a legal dispute arising in previous years, including after-tax interest accrued since initiation of the dispute;
 - 5) the overall impact, including the related taxation, of the non-recurring financial transactions carried out, relating to partial early repayment of medium/long-term borrowings from the parent, Atlantia, and maturing in 2016, 2017, 2019 and 2020;
 - 6) the after-tax impact of the difference in the discount rates applied to the provisions accounted for among the Group's liabilities;
 - 7) the overall benefit linked to reassessment of the deferred taxation of Italian companies at 31 December 2015, following approval of the 2016 Stability Law, which has reduced the rate for IRES (corporation tax) from 27.5% to 24% from 1 January 2017;
- b) from the consolidated amounts for 2014:
 - 1) the contributions of Pavimental, Pavimental Polska, Spea and Spea do Brasil, classified in "Profit/(Loss) from discontinued operations" in application of IFRS 5;

- 2) the overall impact, including the related taxation, recognised by Autostrade per l'Italia in respect of one-off royalty payments received from service area operators whose contracts were renewed and the cost of settlements with certain operators, in addition to income recognised as a result of the handover free of charge of buildings located at service areas;
- 3) the after-tax impact of the difference in the discount rates applied to the provisions accounted for among the Group's liabilities;
- 4) the tax expense resulting from approval of a tax reform package by the Chilean Parliament in September 2014 that, among other things, introduced a progressive increase in corporation tax rates from 21% in 2014 to 25% from 2017 on.

The following table shows a reconciliation of like-for-like consolidated amounts for gross operating profit (EBITDA), profit for the year, profit for the year attributable to owners of the parent and operating cash flow for 2015 and 2014 and the corresponding amounts presented in the reclassified financial statements included below.

€m	Gross operating profit (EBITDA)	Profit for the year attributable to owners of the parent	Profit/(Loss) for the year attributable to non-controlling interests	Operating cash flow
Reported amounts for 2015 (A)	2,743	1,129	1,013	1,824
Adjustment for non like-for-like items in 2015				
Exchange rate movements	-28	-10	-4	-6
Contribution of SAT for fourth quarter of 2015	2	-	-	1
Handover free of charge of buildings at service areas, discounts on service area royalties, cost of settlements	-18	-12	-12	-19
Settlement of legal action involving Tangenziale di Napoli	4	9	9	9
Non-recurring financial transactions	-	-91	-91	-91
Change in discount rate applied to provisions	-	65	65	-12
Change in IRES tax rate (2016 Stability Law)	-	64	70	-
Sub-total (B)	-40	25	37	-118
Like-for-like amounts (C = A + B)	2,783	1,104	976	1,942
Reported amounts for 2014 (A)	2,683	694	662	1,740
Adjustment for non like-for-like items in 2014				
Contribution from Spea and Pavimental for 2014	-	7	7	14
Handover free of charge of buildings at service areas, one-off payments received from sub-operators, cost of settlements	33	23	23	-10
Change in discount rate applied to provisions	-	-122	-122	-
Tax reform (Chilean companies)	-	-107	-56	-
Sub-total (B)	33	-199	-148	4
Like-for-like amounts (C = A + B)	2,650	893	810	1,736

Consolidated results of operations

“**Revenue**” for 2015 amounts to €4,425 million, marking an increase of €137 million (3%) on 2014 (€4,288 million). On a like-for-like basis, total revenue is up €213 million (5%).

“**Toll revenue**” of €3,836 million is up €158 million (4%) on 2014 (€3,678 million). On a like-for-like basis, toll revenue is up €192 million (5%), primarily reflecting the following main factors:

- a) application of annual toll increases for 2015 by the Group’s Italian operators (a rise of 1.46% for Autostrade per l’Italia), boosting toll revenue by an estimated €39 million;
- b) a 3.0% improvement in traffic on the Italian network, accounting for an estimated €90 million increase in toll revenue (including the impact of the different traffic mix);
- c) an increase in toll revenue at overseas operators (up €41 million), primarily reflecting traffic growth in Chile (up 6.7%) and Poland (up 8.6%), toll increases applied by the various operators in 2014 and 2015 in accordance with their respective concession arrangements, partially offset by a decline in traffic in Brazil (down 2.1%).

“**Contract revenue**” of €35 million (€26 million in 2014) is up €4 million on a like-for-like basis compared with 2014.

“**Other operating income**” amounts to €554 million, marking a reduction of €30 million (5%) compared with 2014 (€584 million). The decrease was negatively impacted by the effect on Autostrade per l’Italia’s service area royalties of agreements with certain operators, further discounts applied with effect from the second half of 2014, a reduction in “one-off” payments received and reduced income resulting from the handover free of charge of buildings located at service areas following expiry of the related sub-concessions. These items are partially offset by the contingent assets recognised by Tangenziale di Napoli in 2015, following settlement of a legal dispute regarding an expropriation. On a like-for-like basis, other operating income is up €17 million (3%), reflecting increased turnover at Autostrade Tech, Telepass and Electronic Transaction Consultants (ETC).

“**Net operating costs**”, amounting to €1,682 million, are up €77 million on 2014 (€1,605 million). On a like-for-like basis, net operating costs are up €80 million (5%).

RECLASSIFIED CONSOLIDATED INCOME STATEMENT

€m	2015	2014	Increase/(Decrease)	
			Absolute	%
Toll revenue	3,836	3,678	158	4
Contract revenue	35	26	9	35
Other operating income	554	584	-30	-5
Total revenue ⁽¹⁾	4,425	4,288	137	3
Cost of materials and external services ⁽²⁾	-673	-631	-42	7
Concession fees	-443	-435	-8	2
Gross staff costs	-591	-560	-31	6
Capitalised staff costs	25	21	4	19
Total net operating costs	-1,682	-1,605	-77	5
Gross operating profit (EBITDA) ⁽³⁾	2,743	2,683	60	2
Amortisation, depreciation, impairment losses and reversals of impairment losses	-710	-661	-49	7
Operating change in provisions and other adjustments	24	-245	269	n.s.
Operating profit (EBIT) ⁽⁴⁾	2,057	1,777	280	16
Financial income accounted for as an increase in financial assets deriving from concession rights and government grants	63	56	7	12
Financial expenses from discounting of provisions for construction services required by contract and other provisions	-52	-108	56	-52
Other financial income/(expenses)	-621	-542	-79	15
Capitalised financial expenses deriving from intangible concession rights	29	18	11	61
Share of profit/(loss) of investees accounted for using the equity method	-9	-8	-1	13
Profit/(Loss) before tax from continuing operations	1,467	1,193	274	23
Income tax (expense)/benefit	-345	-499	154	-31
Profit/(Loss) from continuing operations	1,122	694	428	62
Profit/(Loss) from discontinued operations	7	-	7	n.s.
Profit for the year	1,129	694	435	63
(Profit)/Loss attributable to non-controlling interests	116	32	84	n.s.
(Profit)/Loss attributable to owners of the parent	1,013	662	351	53

	2015	2014	Increase/ (Decrease)
Basic earnings per share attributable to the owners of the parent (€)	1.63	1.07	0.56
<i>of which:</i>			
– from continuing operations	1.62	1.07	0.55
– from discontinued operations	0.01	-	0.01
Diluted earnings per share attributable to the owners of the parent (€)	1.63	1.07	0.56
<i>of which:</i>			
– from continuing operations	1.62	1.07	0.55
– from discontinued operations	0.01	-	0.01

	2015	2014	Increase/ (Decrease)
Operating cash flow (€m) ⁽⁵⁾	1,824	1,740	84
<i>of which:</i>			
– from continuing operations	1,817	1,733	84
– from discontinued operations	7	7	-
Operating cash flow per share (€) ⁽⁵⁾	2.93	2.80	0.13
<i>of which:</i>			
– from continuing operations	2.92	2.79	0.13
– from discontinued operations	0.01	0.01	-

- [1] Revenue in the reclassified consolidated income statement differs from revenue shown in the income statement in the consolidated financial statements, as revenue from construction services, recognised on the basis of the cost of raw and consumable materials, services costs, staff costs, other operating costs and financial expenses relating to construction services, and excluding revenue for services provided by sub-operators, are presented in the reclassified statement as a reduction in the respective operating costs and financial expenses, including through the inclusion of specific items showing capitalised components.
- [2] After deducting the margin recognised on construction services provided by the Group's own technical units.
- [3] EBITDA is calculated by deducting all operating costs, with the exception of amortisation, depreciation, impairment losses and reversals of impairment losses, the operating change in provisions and other adjustments, from operating revenue.
- [4] EBIT is calculated by deducting amortisation, depreciation, impairment losses and reversals of impairment losses, the operating change in provisions and other adjustments from EBITDA. In addition, it does not include the capitalised component of financial expenses relating to construction services, which is shown as a specific line item under financial income and expenses in the reclassified statement, whilst it is included in revenue in the income statement in the consolidated financial statements.
- [5] A definition of "Operating cash flow" is provided in note (d) to the table headed "Consolidated financial highlights".

The “Cost of materials and external services” amounts to €673 million, up €42 million on 2014 (€631 million). On a like-for-like basis, the figure is up €47 million, primarily due to the following:

- a) higher maintenance costs (up €20 million), essentially linked to an increase in work on the Italian network, as a result of the decision to bring forward work initially scheduled for 2016, and the Chilean and Brazilian networks;
- b) an increase in other costs of materials and external services (up €27 million), primarily reflecting an increase in direct costs incurred by Autostrade Tech, Telepass and ETC, linked to growth in activity, and, in Autostrade per l'Italia's case, an increase in insurance deductibles, the corporate advertising costs incurred by Autostrade per l'Italia in relation to the issue of bonds to retail investors in June 2015.

“Concession fees” amount to €443 million and, on a like-for-like basis, are up €10 million (2%) on 2014 (€435 million), broadly reflecting the increase in toll revenue reported by the Italian operators.

“Staff costs”, after deducting capitalised expenses, amount to €566 million (€539 million in 2014) and are up €27 million (5%).

“Staff costs”, before deducting capitalised expenses, amount to €591 million, up €31 million (6%) on 2014 (€560 million).

On a like-for-like basis, staff costs, before deducting capitalised expenses, amount to €586 million, marking an increase of €26 million (4.7%) compared with 2014. This reflects:

- a) an increase in the average cost (up 2.3%), primarily due to the cost of contract renewals and management incentive plans, partly offset by the Brazilian companies' recruitment of personnel on different forms of contract with respect to the one applicable to motorway and tunnel workers;
- b) an increase of 240 in the average workforce excluding agency staff (up 2.4%).

“Gross operating profit” (EBITDA) of €2,743 million is up €60 million (2%) on 2014 (€2,683 million).

On a like-for-like basis, after stripping out the impact of the above components, gross operating profit is up €133 million (5%).

“Operating profit” (EBIT) of €2,057 million is up €280 million (16%) compared with 2014 (€1,777 million), primarily reflecting the impact of discounting provisions to present value, amounting to €217 million.

On a like-for-like basis, operating profit is up €118 million (6%), reflecting, in addition to the above improvement in EBITDA, a combination of the following:

- a) the positive impact of a revised estimate of the maintenance work to be funded by provisions for the repair and replacement of motorway infrastructure, totalling €33 million;
- b) a reduction in provisions for risks, totalling €19 million;
- c) an increase of €63 million in “Amortisation and depreciation, impairment losses and reversals of impairment losses”, primarily due to a combination of the following:
 - 1) a €49 million increase in amortisation, primarily relating to works without additional economic benefits, reflecting a revision of the present value of committed capital expenditure under the concession arrangement recognised at 31 December 2014;
 - 2) the reversal of an impairment loss of €12 million, recognised in 2014, on the concession rights attributable to the Polish operator, Stalexport Autostrada Malopolska.

“Financial income from the discounting to present value of concession rights and government grants” amounts to €63 million, up €7 million on 2014. On a like-for-like basis, the increase is €5 million, primarily due to interest accruing on financial assets deriving from concession rights and the financial assets of the Chilean operators.

“Financial expenses from the discounting of provisions for construction services required by contract and other provisions” amount to €52 million, marking a reduction of €56 million on 2014 (€108 million). The reduction in these expenses, computed on the basis of the value of the provisions and the discount rates used at 31 December of the

year prior to the reporting period, is primarily due to a reduction in the rates used at 31 December 2014, compared with the rates used at the end of 2013. On a like-for-like basis, financial expenses from discounting of provisions for construction services required by contract and other provisions are up €7 million.

Net **other financial expenses** of €621 million are up €79 million on 2014 (€542 million). The change primarily reflects net financial expenses on non-recurring financial transactions, amounting to €125 million. This were incurred by the Parent Company, Autostrade per l'Italia, in order to complete partial early repayment of loans from its parent, Atlantia, replicating the bond issues maturing in 2016, 2017, 2019 and 2020, which were also subject to a partial buyback by Atlantia. On a like-for-like basis, other net financial expenses are down €39 million compared with 2014, primarily due to a combination of the following:

- a) reductions in interest expense and in net financial expenses payable by the companies operating in Italy (totalling €80 million), reflecting a reduction in average net debt compared with 2014 and the decrease in borrowing costs linked to repayment, in June 2014, of the loan granted by Atlantia to Autostrade per l'Italia with a face value of €2,094 million, and to the above non-recurring financial transactions;
- b) a €10 million increase in interest income and net financial income received by the companies operating in Brazil and Chile, essentially due to an increase in average cash holdings and the greater average yield on the medium/long-term loan from AB Concessões to Infra Bertin Empreendimentos;
- c) the recognition of financial income by Autostrade do Brasil (€50 million) in 2014, linked to the agreements entered into with the Bertin Group in connection with the acquisition of the Brazilian operators in 2012, which also provided for an earn-out adjustment based on the effective toll revenue of Triangulo do Sol, Rodovias das Colinas and Tietê during the three-year period 2012-2014.

In this regard, it should be noted that, in return for the net financial expenses incurred in 2015 as a result of the above non-recurring financial transactions, in present and future years the Group will benefit from an equivalent reduction in its cost of debt.

“Capitalised financial expenses”, amounting to €29 million, are up €11 million on 2014 (€18 million). On a like-for-like basis, the increase is €9 million and primarily reflects the progressive increase in accumulated payments made in relation to investment in construction services in progress for which additional economic benefits are received.

The **“Share of the (profit)/loss of investees accounted for using the equity method”** amounts to a loss of €9 million, compared with a loss of €8 million in 2014, essentially relating to the loss incurred by the Brazilian operator, Rodovias do Tietê.

“Income tax expense” of €345 million is down €154 million (31%) compared with 2014 (€499 million).

On a like-for-like basis, income tax expense is down €34 million, benefitting from the recognition of deferred taxes following the corporate restructuring conducted by the Brazilian sub-holding, AB Concessoes, and the reduction in current tax expense at the Italian companies due to the reform of direct taxation introduced in Italy by the 2015 Stability Law, only partly offset by the increase in tax expense recognised as a result of the rise in pre-tax profit.

“Profit from continuing operations” amounts to €1,122 million for 2015, marking an increase of €428 million (62%) compared with 2014 (€694 million). On a like-for-like basis, profit from continuing operations is up €197 million (22%).

The Group reports a **“Profit from discontinued operations”** of €7 million (the value of this item was zero in 2014). On a like-for-like basis, the increase of €14 million essentially reflects the different contribution from Ecomouv in the two comparative periods.

“Profit for the year”, amounting to €1,129 million, is up €435 million (63%) on 2014 (€694 million). On a like-for-like basis, profit for the year is up €211 million (24%) on 2014, benefitting from the increase in EBITDA, the reduction in financial expenses resulting from the decrease in debt and the above tax benefits.

“Profit for the year attributable to owners of the parent”, amounting to €1,013 million, is up €351 million (53%) compared with 2014 (€662 million), whilst **“Profit for the year attributable to non-controlling interests”**, amounting

to €116 million, is up €84 million compared with 2014 (€32 million). This primarily reflects the greater contribution from the Chilean companies, which in 2014 were hit by the negative impact of the country's tax reforms.

On a like-for-like basis, profit attributable to owners of the parent is €976 million, up €166 million (20%), whilst profit attributable to non-controlling interests is up €45 million (54%).

Operating cash flow as defined in the section "Consolidated financial highlights", to which reference should be made, amounts to €1,824 million, up €84 million (5%) on 2014. On a like-for-like basis, operating cash flow is up €206 million (12%), essentially reflecting the improvement in EBITDA and a reduction in net financial expenses in 2015 (in part, as a result of the non-recurring financial transactions carried out during the period).

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

€m	2015	2014
Profit for the year (A)	1,129	694
Fair value gains/(losses) on cash flow hedges	7	-99
Gains/(losses) from translation of assets and liabilities of consolidated companies denominated in functional currencies other than the euro	-314	-29
Gains/(Losses) from translation of investments accounted for using the equity method denominated in functional currencies other than the euro	-7	1
Other comprehensive income/(loss) for the year reclassifiable to profit or loss, after related taxation (B)	-314	-127
Gains/(losses) from actuarial valuations of provisions for employee benefits	3	-12
Other comprehensive income/(loss) for the year not reclassifiable to profit or loss, after related taxation (C)	3	-12
Reclassifications of other components of comprehensive income to profit or loss for the year (D)	4	12
Total other comprehensive income/(loss) for the year, after related taxation (E = B + C + D)	-307	-127
<i>of which:</i>		
– attributable to discontinued operations	6	12
Comprehensive income for the year (A + E)	822	567
<i>of which:</i>		
– attributable to owners of the parent	861	545
– attributable to non-controlling interests	-39	22

The "Other comprehensive loss for the year", after the related taxation, amounts to €314 million (a loss of €127 million in the previous year). This essentially reflects a loss on the translation of the assets and liabilities of consolidated companies denominated in functional currencies other than the euro, totalling €314 million, reflecting the significant fall in the value of the Brazilian real against the euro in 2015.

The reduction in fair value losses on cash flow hedges and the related impact on taxation, amounting to €7 million, was also recognised in the relevant equity reserves, linked to an increase in interest rates at 31 December 2015, compared with those at 31 December 2014. This was partially offset by the recognition of net fair value losses on the Forward-Starting Interest Rate Swaps entered into in February and June 2015. In 2014, the change in cash flow hedges, after the related taxation, resulted in losses of €99 million, reflecting an opposing movement in interest rates.

Consolidated financial position

As at 31 December 2015, “**Non-current non-financial assets**” of €22,056 million are down €286 million on the figure for 31 December 2014 (€22,342 million).

“**Intangible assets**” total €21,637 million (€21,918 million as at 31 December 2014) and essentially consist of intangible assets deriving from the Group’s concession rights, amounting to €15,449 million (€15,748 million as at 31 December 2014), and goodwill (€6,111 million) recognised following the contribution of the motorway assets of the former Autostrade - Concessioni e Costruzioni Autostrade SpA (now Atlantia) to Autostrade per l’Italia as part of a reorganisation of the Group in 2003.

The net decrease of €281 million in intangible assets is primarily due to a combination of the following:

- a) amortisation for the year (€674 million);
- b) the negative effect of currency translation differences recognised at the end of 2015 on the concession rights of overseas operators (totalling €423 million), essentially reflecting the significant fall in the value of the Brazilian real against the euro;
- c) investment in construction services for which additional economic benefits are received (€442 million);
- d) recognition of the intangible assets attributable to SAT (€347 million), including the gain on the company’s intangible assets deriving from concession rights following the acquisition of control in 2015.

“**Property, plant and equipment**” of €132 million is up €5 million on 2014 (€127 million).

“**Investments**”, totalling €108 million are down €23 million on the figure for the end of 2014 (€131 million), primarily following the line-by-line consolidation of SAT, which was accounted for at a carrying amount of €28 million as at 31 December 2014.

“**Deferred tax assets**” of €168 million are up €12 million on the figure for 31 December 2014 (€156 million).

“**Working capital**” has a negative balance of €1,238 million, and it’s down of €25 million compared with a negative balance of €1,213 million as at 31 December 2014. After stripping out the changes in the scope of consolidation resulting from the acquisition of SAT (€25 million), working capital is substantially unchanged with respect to the previous year, a primarily as a result of the following components:

- a) an increase in trading liabilities of €124 million, after stripping out the contribution from SAT. This is primarily attributable an increase in amounts payable to the operators of interconnecting motorways, reflecting traffic trends on the network operated by these companies and is in line with standard payment periods;
- b) a reduction of €104 million in net non-financial assets related to discontinued operations, broadly linked to Ecomouv’s collection of compensation due from the French government in relation to the “EcoTaxe” project, less payments to suppliers by this company;
- c) a reduction in the current portion of provisions, totalling €139 million after stripping out the contribution from SAT (€4 million), primarily due to the current portion of provisions for the repair of Autostrade per l’Italia’s infrastructure, linked to work planned for 2016;
- d) a reduction of €60 million in the current portion of provisions for construction services required by contract, reflecting the combined effect of uses during the year, totalling €505 million, less accrued grants for completed works, and reclassification of the current portion, totalling €451 million, linked to expected investment in construction services for which no additional benefits are received in 2016;
- e) an increase of €22 million in net current tax assets, linked to payment of the balance of income tax due for 2014 and payments on account for 2015.

RECLASSIFIED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

€m	31/12/2015	31/12/2014	Increase/ [Decrease]
Non-current non-financial assets			
Property, plant and equipment	132	127	5
Intangible assets	21,637	21,918	-281
Investments	108	131	-23
Deferred tax assets	168	156	12
Other non-current assets	11	10	1
Total non-current financial assets [A]	22,056	22,342	-286
Working capital ⁽¹⁾			
Trading assets	1,145	1,125	20
Current tax assets	46	37	9
Other current assets	184	167	17
Non-financial assets held for sale or related to discontinued operations ⁽²⁾	6	242	-236
Current portion of provisions for construction services required by contract	-459	-519	60
Current provisions	-285	-420	135
Trading liabilities	-1,466	-1,313	-153
Current tax liabilities	-34	-47	13
Other current liabilities	-369	-347	-22
Non-financial liabilities related to discontinued operations ⁽²⁾	-6	-138	132
Total working capital [B]	-1,238	-1,213	-25
Gross invested capital [C = A + B]	20,818	21,129	-311
Non-current non-financial liabilities			
Non-current portion of provisions for construction services required by contract	-3,369	-3,784	415
Non-current provisions	-1,267	-1,184	-83
Deferred tax liabilities	-1,189	-1,250	61
Other non-current liabilities	-91	-92	1
Total non-current non-financial liabilities [D]	-5,916	-6,310	394
Net invested capital [E = C + D]	14,902	14,819	83

(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).

€m	31/12/2015	31/12/2014	Increase/ [Decrease]
EQUITY			
Equity attributable to owners of the parent	3,000	2,803	197
Equity attributable to non-controlling interests	1,560	1,623	-63
Total equity (F)	4,560	4,426	134
NET DEBT			
Non-current net debt			
Non-current financial liabilities	13,442	13,114	328
Bond issues	3,308	874	2,434
Medium/long-term borrowings	9,739	11,875	-2,136
Non-current derivative liabilities	369	359	10
Other non-current financial liabilities	26	6	20
Non-current financial assets	-1,775	-1,750	-25
Non-current financial assets deriving from concession rights	-766	-704	-62
Non-current financial assets deriving from government grants	-256	-215	-41
Non-current term deposits	-325	-291	-34
Other non-current financial assets	-428	-540	112
Total non-current net debt (G)	11,667	11,364	303
Current net debt			
Current financial liabilities	2,282	1,896	386
Short-term borrowings	645	496	149
Intercompany current account payables due to related parties	14	213	-199
Current portion of medium/long-term borrowings	1,623	894	729
Other current financial liabilities	-	5	-5
Financial liabilities related to discontinued operations ⁽²⁾	-	288	-288
Cash and cash equivalents	-2,826	-1,680	-1,146
Cash	-2,003	-960	-1,043
Cash equivalents	-707	-579	-128
Intercompany current account receivables due from related parties	-77	-92	15
Cash and cash equivalents related to discontinued operations ⁽²⁾	-39	-49	10
Current financial assets	-781	-1,187	406
Current financial assets deriving from concession rights	-436	-429	-7
Current financial assets deriving from government grants	-75	-80	5
Current term deposits	-211	-239	28
Current portion of medium/long-term financial assets	-42	-43	1
Other current financial assets	-17	-147	130
Financial assets held for sale or related to discontinued operations ⁽²⁾	-	-249	249
Total current net debt (H)	-1,325	-971	-354
Total net debt (I = G + H) ⁽³⁾	10,342	10,393	-51
NET DEBT AND EQUITY (L = F + I)	14,902	14,819	83

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

(3) Net debt includes non-current financial assets, unlike the Group's financial position shown in the notes to the consolidated financial statements and prepared in compliance with the European Securities and Markets Authority (ESMA) Recommendation of 20 March 2013, which does not permit the deduction of non-current financial assets from debt.

“Non-current non-financial liabilities”, totalling €5,916 million, are down €394 million on the figure for 31 December 2014 (€6,310 million). The change reflects the combined effect of the following:

- a) a reduction of €415 million in the non-current portion of provisions for construction services required by contract, due primarily to reclassification of the current portion of €451 million;
- b) a reduction of €61 million in deferred tax liabilities, primarily as a result of the combined effect of the reassessment of deferred tax liabilities, totalling €159 million, following the above reduction in the IRES (corporation tax) rate from 2017, and the recognition of deferred tax liabilities due to the deduction, solely for tax purposes, of the amortisation of Autostrade per l'Italia's goodwill (€111 million);
- c) an increase of €83 million in the non-current portion of other provisions, essentially following the adjustment of provisions for the repair and replacement of motorway infrastructure based on a revised estimate of the work to be carried out under maintenance programmes.

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

€m	Equity attributable to owners of the parent		
	Issued capital	Cash flow hedge reserve	Net investment hedge reserve
Balance as at 31/12/2013	622	-13	-36
Comprehensive income for the year	-	-90	-
Owner transactions and other changes			
Austostrade per l'Italia SpA's final dividend (€0.547 per share)	-	-	-
Transfer of profit/(loss) for previous year to retained earnings	-	-	-
Austostrade per l'Italia SpA's interim dividend (€0.530 per share)	-	-	-
Dividends paid by other Group companies to non-controlling shareholders	-	-	-
Share-based incentive plans	-	-	-
Changes in the scope of consolidation, other minor changes and reclassifications	-	-	-
Balance as at 31/12/2014	622	-103	-36
Comprehensive income for the year	-	9	-
Owner transactions and other changes			
Austostrade per l'Italia SpA's final dividend (€0.539 per share)	-	-	-
Transfer of profit/(loss) for previous year to retained earnings	-	-	-
Austostrade per l'Italia SpA's interim dividend (€0.539 per share)	-	-	-
Dividends paid by other Group companies to non-controlling shareholders	-	-	-
Share-based incentive plans	-	-	-
Changes in the scope of consolidation, other minor changes and reclassifications	-	-	-
Balance as at 31/12/2015	622	-94	-36

As a result, “Net invested capital”, totalling €14,902 million, is up €83 million on the figure for 31 December 2014 (€14,819 million).

“Equity” amounts to €4,560 million (€4,426 million as at 31 December 2014).

“Equity attributable to owners of the parent”, totalling €3,000 million, is up €197 million on the figure for 31 December 2014 (€2,803 million), essentially reflecting:

a) comprehensive income for the year of €861 million;

b) payment of the final dividend for 2014 (€335 million) and of the interim dividend for 2015 (€335 million).

“Equity attributable to non-controlling interests” of €1,560 million is down €63 million on the figure for 31 December 2014 (€1,623 million). This is essentially due to the comprehensive loss for the year attributable to non-controlling interests, amounting to €39 million, partly linked to the significant fall in the value of the Brazilian real against the euro and dividends declared by a number of Group companies that are not wholly owned subsidiaries, totalling €24 million.

Reserve for translation differences on translation of assets and liabilities of consolidated companies denominated in functional currencies other than the euro	Equity attributable to owners of the parent				Total	Equity attributable to non-controlling interests	Total equity attributable to owners of the parent and non-controlling interests
	Reserve for translation of investments accounted for using the equity method denominated in functional currencies other than the euro	Other reserves and retained earnings	Profit/(Loss) for year				
-198	-2	2,243	307	2,923	1,607	4,530	
-16	-	-11	662	545	22	567	
-	-	-	-340	-340	-	-340	
-	-	-33	33	-	-	-	
-	-	-	-330	-330	-	-330	
-	-	-	-	-	-8	-8	
-	-	3	-	3	-	3	
-	-	2	-	2	2	4	
-214	-2	2,204	332	2,803	1,623	4,426	
-160	-3	2	1,013	861	-39	822	
-	-	-	-335	-335	-	-335	
-	-	-3	3	-	-	-	
-	-	-	-335	-335	-	-335	
-	-	-	-	-	-24	-24	
-	-	4	-	4	-	4	
-	-	2	-	2	-	2	
-374	-5	2,209	678	3,000	1,560	4,560	

RECONCILIATION OF AUTOSTRADE PER L'ITALIA'S EQUITY AND PROFIT WITH THE CORRESPONDING CONSOLIDATED AMOUNTS

€m	Equity as at 31/12/2015	Profit for 2015
Amounts in financial statements of Autostrade per l'Italia	2,566	955
Recognition in consolidated financial statements of equity and profit/(loss) for the year of investments less non-controlling interests	4,006	652
Elimination of carrying amount of consolidated investments	-3,911	-
Elimination of impairment losses on consolidated investments less reversals	31	-
Elimination of intercompany dividends	-	-597
Elimination of after-tax intercompany profits	-32	-
Measurement of investments at fair value and using the equity method less dividends received	-5	-4
Other consolidation adjustments ^(*)	345	7
Consolidated carrying amounts (attributable to owners of the parent)	3,000	1,013
Consolidated carrying amounts (attributable to non-controlling interests)	1,560	116
Carrying amounts in consolidated financial statements	4,560	1,129

(*) Other consolidation adjustments essentially include the different amounts, in the consolidated financial statements, for gains and/or losses on the sale of investments with respect to the corresponding amounts included in the reporting packages of consolidated companies, and the effects of remeasurement at fair value, solely for the purposes of consolidation, of previously held interests following the acquisition of control of the related companies.

The Group's "Net debt" as at 31 December 2015 totals €10,342 million, a reduction of €51 million compared with the end of the previous year (€10,393 million). After stripping out the impact of the consolidation of SAT, which resulted in an increase in debt of €274 million, the reduction totals €325 million.

"Non-current net debt", totalling €11,667 million, is up €303 million on 31 December 2014 (€11,364 million), primarily due to an increase in "Non-current financial liabilities". This reflects a combination of the following:

- a) an increase in bond issues of €2,434 million, essentially due to the following:
 - 1) the issue of bonds to institutional investors by Autostrade per l'Italia, accounted for in the financial statements at a total of €1,885 million, as part of its €7 billion Euro Medium Term Note ("EMTN") Programme launched in October 2014; issues were completed in October 2015 (a par value of €650 million, paying coupon interest of 1.125% and maturing in November 2021 and a par value of €500 million, paying coupon interest of 1.875% and maturing in November 2025) and November 2015 (a par value of €750 million, paying coupon interest of 1.75% and maturing in June 2026);
 - 2) the issue, by Autostrade per l'Italia, of bonds totalling €733 million to retail investors in June 2015 (a par value of €750 million, paying coupon interest of 1.625% and maturing in June 2023). In February 2015, the subsidiary entered into a number of Forward-Starting Interest Rate Swaps with banks to hedge interest rate risk associated with the launch of the bonds. The swaps have a weighted average rate of 0.54%. Fair value gains of €35 million resulted from the unwinding of these derivatives following issue of the bonds. Approximately €10 million has been recognised in the consolidated income statement, representing the portion exceeding the nominal amount at issue, whilst the remaining gains have been recognised in consolidated comprehensive income and will be reclassified to profit or loss in line with the related interest flows. The cost of the issue, including the above hedges, thus amounts to 1.28%;
 - 3) Rodovias MG050's issue of bonds worth €142 million (with a par value of €143 million).
- These new issues were partially offset by:
- 1) the reclassification to short-term of bonds maturing in 2016 (€232 million);
 - 2) a reduction due to movements in the value of the related currencies against the euro (€106 million), primarily the significant fall in the value of the Brazilian real against the euro;
- b) a reduction in medium/long-term borrowings of €2,136 million, essentially due to a combination of the following:
 - 1) partial repayment (amounting to a total face value of €1,351 million) of a portion of the loans from Atlantia maturing in 2016, 2017, 2019 and 2020, replicating the parent's bond issues that were in turn subject to early redemption;
 - 2) the reclassification to short-term of portions of borrowings maturing in the next 12 months (€1,071 million),

- primarily regarding loans from Atlantia to Autostrade per l'Italia;
- 3) the use of €200 million of the facility granted by Cassa Depositi e Prestiti, subject to a floating rate and maturing in June 2021, and the use of €50 million of the facility obtained from the EIB.

As at 31 December 2015, "Non-current derivative liabilities" includes the balance for new Forward-Starting Interest Rate Swaps (€54 million), entered into with banks in June 2015 and having a total notional value of €2,200 million, with varying durations of 6, 7 and 8 years. The hedges are subject to a weighted average fixed rate of 1.16% and are associated with highly likely future financial liabilities entered into through to 2017 in order to meet funding requirements.

"Current net funds" of €1,325 million are up €354 million on 31 December 2014 (€971 million) and consists of:

- a) "Current financial liabilities" of €2,282 million, up €386 million due primarily to the following:
 - 1) an increase in the current portion of medium/long-term financial liabilities (€729 million), essentially due to reclassifications to short-term (€1,303 million), after repayments during the year (€503 million) and a reduction in the current portion of the overseas companies' financial liabilities due to movements in exchange rates (€59 million), reflecting falls in the Brazilian and Chilean currencies against the euro;
 - 2) a reduction in financial liabilities held for sale (€288 million), following the French government's repayment, on 2 March 2015, of Ecomouv's project debt;
 - 3) a reduction in intercompany current account payables due to related parties, partly offset by an increase in short-term loans from the parent, Atlantia (totalling €50 million);
- b) "Cash and cash equivalents" of €2,826 million, up €1,146 million on 31 December 2014 (€1,680 million). In addition to operating cash flows during the period, the change reflects the new bond issues by Autostrade per l'Italia, after the above partial repayment of medium/long-term loans to the Company from Atlantia;
- c) "Current financial assets" of €781 million, which are down €406 million on the figure for 31 December 2014 (€1,187 million), essentially due to:
 - 1) a reduction in financial assets held for sale (€249 million), following the French government's payment of compensation for termination of the partnership agreement governing the "Eco-Taxe" project;
 - 2) a reduction in other current financial assets (€130 million), essentially following the consolidation of SAT and the resulting elimination, in the consolidated financial statements, of the short-term loan to this company from Autostrade per l'Italia;

The residual weighted average term to maturity of the Group's interest bearing debt is approximately six years and six months at 31 December 2015. 90% of the Group's debt is fixed rate. 11% of the Group's debt is denominated in currencies other than the euro, corresponding to the proportion of debt denominated in the local currency of the country in which the relevant Group company operates. As a result, the Group's net debt is not exposed to currency risk. The average cost of the Group's medium/long-term borrowings in 2015 was approximately 5.1% (reflecting the combined effect of costs of 4.4% for the companies operating in Italy, 7.5% for the Chilean companies and 14.9% for the Brazilian companies).

As at 31 December 2015, project debt attributable to specific overseas companies amounts to €1,561 million (€1,959 million in 2014).

As at 31 December 2015, the Group has cash reserves of €4,803 million, consisting of:

- a) €2,412 million in investments and cash maturing in the short term, after Autostrade per l'Italia's net short-term debt to Atlantia Group companies, essentially relating to Autostrade per l'Italia's role as a provider of centralised treasury management;
- b) €536 million in term deposits allocated primarily to part finance the execution of specific construction services and to service the debt of the Chilean companies;
- c) €1,855 million in undrawn committed lines of credit.

As at 31 December 2015, the Group has lines of credit with a weighted average residual term to maturity of approximately eight years and six months and a weighted average residual drawdown period of approximately two years and three months.

The Group's net debt, as defined in the European Securities and Market Authority (ESMA) Recommendation of 20 March

2013 (which does not permit the deduction of non-current financial assets from debt), amounts to €12,117 million as at 31 December 2015, compared with €12,143 million as at 31 December 2014.

Consolidated cash flow

“Net cash from operating activities” amounts to €1,990 million for 2015, up €520 million compared with 2014 (€1,470 million).

The change reflects:

- a) an increase of €84 million in operating cash flow, due primarily to an improvement in cash from operating activities and cash flows related to taxation, only partially offset by increased financial expenses, linked to the impact of the non-recurring financial transaction carried out in 2015;
- b) the differing performance of movements in operating capital and non-financial assets and liabilities in the two comparative periods (amounting to an inflow of €166 million in 2015 and an outflow of €270 million in 2014). Cash flows for 2015 benefitted from the collection of compensation paid by the French government, following early termination of the “EcoTaxe” project, whilst the figure for 2014 reflected a cash outflow due to an increase in trade receivables, following the signature of a memorandum of understanding with the French government.

“Cash used for investment in non-financial assets”, totalling €1,300 million, is up €729 million on 2014 (€571 million), primarily reflecting:

- a) a €168 million increase in investment in assets held under concession, after the related government grants and an increase in financial assets deriving from concession rights;
- b) cash of €274 million used for the acquisition of a controlling interest in SAT, completed in September 2015, including the outflow to fund the purchase of a controlling interest (€84 million) and the net debt contributed by this company (€190 million);
- c) proceeds from the disposal of consolidated companies, resulting from the sale of controlling interests in Pavimental and Spea in 2014, amounting to a total of €209 million, based on the sale price collected and deconsolidation of the net debt of these companies.

The “Cash outflow resulting from changes in equity”, amounting to €694 million in 2015 (€677 million in 2014), essentially reflects dividends declared by Autostrade per l'Italia and payable to the parent, Atlantia, totalling €670 million (in line with 2014) and by other Group companies for payment to non-controlling shareholders, totalling €24 million (€8 million in 2014).

In addition, in 2015, net debt decreased by €55 million as a result of movements not linked to operating or investing activities or to changes in equity, whilst, in 2014, there was an increase in net debt of €90 million as a result of similar movements. The contrasting impact in the two comparative periods essentially reflects a reduction in the fair value of cash flow hedges recognised in the consolidated statement of comprehensive income in 2015, amounting to €29 million (losses of €118 million in 2014).

This primarily reflects the positive impact of the increase in interest rates (which declined in 2014), partially offset by the recognition of fair value losses on the Forward-Starting Interest Rate Swaps entered into in February and June 2015.

The overall impact of the above cash flows has resulted in a reduction in net debt of €51 million in 2015, compared with a decrease of €132 million recorded in 2014.

STATEMENT OF CHANGES IN CONSOLIDATED NET DEBT ⁽¹⁾

€m	2015	2014
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Profit for the year	1,129	694
Adjusted by:		
Amortisation and depreciation	709	683
Operating change in provisions	-24	242
Financial expenses from discounting of provisions for construction services required by contract and other provisions	52	108
Share of (profit)/loss of investees accounted for using the equity method	9	8
Impairment losses/(Reversal of impairment losses) and adjustments of non-current assets	1	-9
(Gain)/Loss on sale of non-current assets	1	-
Net change in deferred tax (assets)/liabilities through profit or loss	-12	123
Other non-cash costs (income)	-41	-109
Operating cash flow	1,824	1,740
Change in operating capital	96	-240
Other changes in non-financial assets and liabilities	70	-30
Net cash generated from/(used in) operating activities (A)	1,990	1,470
NET CASH FROM/(USED IN) INVESTMENT IN NON-FINANCIAL ASSETS		
Investment in assets held under concession	-1,074	-858
Government grants related to assets held under concession	56	40
Increase in financial assets deriving from concession rights (related to capital expenditure)	95	63
Purchases of property, plant and equipment	-44	-40
Purchases of intangible assets	-33	-35
Purchases of investments	-8	-4
Purchases of consolidated companies, including net debt assumed	-274	-
Proceeds from sales of property, plant and equipment, intangible assets and unconsolidated investments	2	9
Proceeds from sale of consolidated companies, including net debt transferred	-	209
Net change in other non-current assets	-20	45
Net cash from/(used in) investment in non-financial assets (B)	-1,300	-571
NET EQUITY CASH INFLOWS/(OUTFLOWS)		
Dividends declared by Group companies	-694	-678
Contributions from non-controlling shareholders	-	1
Net equity cash inflows/(outflows) (C)	-694	-677
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS DURING YEAR (A + B + C)	-4	222
Change in fair value and settlement of financial instruments and hedging derivatives recognised in comprehensive income	29	-118
Financial income/(expenses) accounted for as an increase in financial assets/(liabilities)	36	28
Effect of foreign exchange rate movements on net debt and other changes	-10	-
Other changes in net debt (D)	55	-90
DECREASE/(INCREASE) IN NET DEBT FOR YEAR (A + B + C + D)	51	132
Net debt at beginning of year	-10,393	-10,525
NET DEBT AT END OF YEAR	-10,342	-10,393

- (1) The statement of changes in consolidated net debt presents the impact of cash flows generated or used during the period on net debt, unlike the statement of cash flows in the consolidated financial statements, which presents the impact of cash flows on cash and cash equivalents. The statement of changes in consolidated net debt shows the following information:
- "Net cash from/(used in) operating activities" includes the item, "Operating cash flow", computed on the basis of the definition provided in the specific section containing the "Consolidated financial highlights" and shows the change in operating capital, consisting of trade-related items directly linked to the ordinary activities of the Group;
 - "Net cash from/(used in) investment in non-financial assets" solely includes cash flows used in and generated from investment in and the sale of non-financial assets;
 - "Net equity cash inflows/(outflows)" solely regard changes in equity with an impact on net debt;
 - the item "Other changes in net debt" includes the impact of changes recognised in comprehensive income, not included in other types of flow that have an impact on net debt.

Adjusted consolidated results of operations and financial position and reconciliation with reported consolidated amounts

The following section presents estimates of adjusted amounts for consolidated gross operating profit (EBITDA), operating cash flow and net debt. These amounts have been adjusted by stripping out, from the reported amounts, the impact of application of the “financial model”, introduced by IFRIC 12, to the Group’s operators who, under their concession arrangements, have an unconditional right to receive contractually guaranteed cash payments regardless of the extent to which the public uses the service. This right is accounted for in “financial assets deriving from concession rights” in the statement of financial position. It should be noted that the reported and adjusted for 2014 benefitted from the contribution from Ecomouv (the “Eco-Taxe” project), which ceased operations following the French government’s decision to terminate the related partnership agreement on 30 October 2014.

The adjusted amounts, which are not IFRS compliant, are presented with the aim of enabling analysts and the rating agencies to assess the Group’s results of operations and financial position using the basis of presentation normally adopted by them.

In particular, the adjustments applied to the reported amounts regard:

- a) an increase in revenue to take account of the reduction (following collection) in financial assets accounted for in the statement of financial position, as a result of guaranteed minimum toll revenue;
- b) an increase in revenue, corresponding to the portion of government grants collected in relation to motorway maintenance and accounted for, in the statement of financial position, as a reduction in financial assets deriving from grants for investment in motorway infrastructure;
- c) an increase in revenue, corresponding to the accrued portion of government grants collected (in previous years) in relation to investment in motorway infrastructure and accounted for, in the statement of financial position, as a reduction in financial assets deriving from grants for investment in motorway infrastructure;
- d) the reversal of financial income deriving from the discounting to present value of financial assets deriving from concession rights (relating to guaranteed minimum revenue and the “Eco-Taxe” project) and government grants for motorway maintenance, accounted for in financial income in the income statement;
- e) the elimination of financial assets recognised, in the statement of financial position, in application of the “financial model” introduced by IFRIC 12 (takeover rights, guaranteed minimum revenue and government grants for motorway maintenance).

RECONCILIATION OF ADJUSTED AND REPORTED CONSOLIDATED AMOUNTS

€m	2015		2014	
	EBITDA	Operating cash flow	EBITDA	Operating cash flow
Reported amounts	2,743	1,824	2,683	1,740
Increase in revenue for guaranteed minimum revenue:				
Los Lagos	9	9	8	8
Costanera Norte	38	38	34	34
Litoral Central	10	10	9	9
Nororiente	13	13	12	12
Adjustment	70	70	63	63
Grants for motorway maintenance:				
Los Lagos	15	15	13	13
Adjustment	15	15	13	13
Grants for investment in motorway infrastructure:				
Litoral Central	1	1	1	1
Adjustment	1	1	1	1
Increase in revenue due to financial assets deriving from concession rights attributable to Eco-Taxe project:				
Ecomouv	-	-	-	89
Adjustment	-	-	-	89
Reversal of financial income from discounting of financial assets deriving from concession rights (guaranteed minimums and Eco-Taxe project):				
Los Lagos		-5		-5
Costanera Norte		-22		-21
Litoral Central		-7		-7
Nororiente		-12		-11
Ecomouv		-		-13
Adjustment		-46		-57
Reversal of financial income from discounting of financial assets deriving from grants for motorway maintenance:				
Los Lagos		-7		-7
Adjustment		-7		-7
Total adjustments	86	33	77	102
Adjusted amounts	2,829	1,857	2,760	1,842

€m	Net debt as at 31/12/2015	Net debt as at 31/12/2014
Reported amount	10,342	10,393
Reversal of financial assets deriving from takeover rights:		
Autostrade Meridionali	403	402
Adjustment	403	402
Reversal of financial assets deriving from guaranteed minimum revenue:		
Los Lagos	61	66
Costanera Norte	285	303
Litoral Central	99	102
Nororiente	165	167
Adjustment	610	638
Reversal of financial assets deriving from grants for motorway maintenance:		
Los Lagos	90	98
Adjustment	90	98
Total adjustments	1,103	1,138
Adjusted amounts	11,445	11,531

2.2 Financial review for Autostrade per l'Italia SpA

Introduction

The financial review contained in this section includes and analyses the reclassified income statement, the statement of comprehensive income, the statement of changes in equity and the statement of changes in net debt for the year ended 31 December 2015, in which amounts are compared with those of the previous year. The review also includes and analyses the reclassified statement of financial position as at 31 December 2015, compared with the corresponding amounts as at 31 December 2014.

The accounting standards applied during preparation of the accounts for the year ended 31 December 2015 are consistent with those adopted for the financial statements for the year ended 31 December 2014, in that the amendments to existing standards and interpretations that have come into effect since 1 January 2015 have not had a material impact on the accounts.

Other than the partial early repayment of loans from Atlantia, described in detail in note 6.17 "Material non-recurring transactions" in the financial statements, the Company did not enter into non-recurring transactions with third or related parties during 2015. Moreover, there were no transactions of an atypical or unusual nature during the year.

The reclassified financial statements presented and analysed below have not been audited and, in certain cases, contain differences with respect to the corresponding statements presented in the financial statements. These differences are described in notes to the reclassified statements as at and for the year ended 31 December 2015.

Results of operations

"Revenue" for 2015 amounts to €3,405 million, marking an increase of €73 million (2%) compared with 2014 (€3,332 million).

It should be noted that toll revenue includes the toll increases matching the addition to the concession fee payable to ANAS and accounted for in operating costs, without having any impact on the Company's results⁽¹⁾. After stripping out the above toll increases, total revenue is up €62 million on the previous year.

"Toll revenue" of €3,098 million is up €143 million (5%) on 2014 (€2,955 million).

After stripping out the above toll increases, the improvement is €132 million, primarily reflecting:

- a) a 3.0% improvement in traffic on the Italian network, accounting for an estimated €82 million increase in toll revenue (including the impact of the different traffic mix);
- b) application of annual toll increases for 2015 (a rise of 1.46% from 1 January 2015), boosting toll revenue by an estimated €38 million.

"Other operating income" amounts to €307 million, marking a reduction of €68 million compared with 2014 (€375 million). The decrease was negatively impacted by the effect on service area royalties of agreements with certain operators and further discounts applied with effect from the second half of 2014, as well as a reduction in "one-off" payments received and reduced income resulting from the handover free of charge of buildings located at service areas following expiry of the related sub-concessions compared with the comparative period.

"Net operating costs", amounting to €1,291 million, are up €35 million compared with 2014 (€1,256 million). After stripping out the above additional concession fees payable, net operating costs are up €24 million (3%).

The "Cost of materials and external services" amounts to €495 million, broadly in line with the figure for 2014 (€488 million). The performance reflects the following:

- a) higher maintenance costs, essentially linked to an increase in work on the Italian network, partly as a result of the decision to bring forward work initially scheduled for 2016;

(1) From 1 January 2011 the additional concession fees payable to ANAS, pursuant to laws 102/2009 and 122/2010, calculated on the basis of the number of kilometres travelled, amount to 6 thousandths of a euro per kilometre for toll classes A and B and 18 thousandths of a euro per kilometre for classes 3, 4 and 5.

- b) an increase in insurance deductibles and the corporate advertising costs incurred in relation to the issue of bonds to retail investors in June 2015;
- c) reduced charges relating to settlements with a number of service area operators.

“Concession fees” amount to €418 million, up approximately €13 million on 2014 (€405 million). This item includes the above addition in the concession fees payable, amounting to €338 million in 2015 (€327 million in 2014).

RECLASSIFIED INCOME STATEMENT

€m	2015	2014	Increase/(Decrease)	
			Absolute	%
Toll revenue	3,098	2,955	143	5
Contract revenue	-	2	-2	n.s.
Other operating income	307	375	-68	-18
Total revenue ⁽¹⁾	3,405	3,332	73	2
Cost of materials and external services	-495	-488	-7	1
Concession fees	-418	-405	-13	3
Gross staff costs	-396	-380	-16	4
Capitalised staff costs	18	17	1	6
Total net operating costs	-1,291	-1,256	-35	3
Gross operating profit (EBITDA) ⁽²⁾	2,114	2,076	38	2
Amortisation, depreciation, impairment losses and reversals of impairment losses	-511	-487	-24	5
Operating change in provisions and other adjustments	47	-178	225	n.s.
Operating profit (EBIT) ⁽³⁾	1,650	1,411	239	17
Dividends received from investees	199	175	24	14
Reversals of impairment losses/(Impairment losses) on investments	6	24	-18	-75
Financial expenses from discounting of provisions for construction services required by contract and other provisions	-43	-98	55	-56
Other financial income/(expenses)	-593	-538	-55	10
Capitalised financial expenses	26	18	8	44
Profit/(Loss) before tax from continuing operations	1,245	992	253	26
Income tax (expense)/benefit	-290	-288	-2	1
Profit for the year	955	704	251	36
Basic earnings per share (€)	1.54	1.13	0.41	
<i>of which:</i>				
– from continuing operations	1.54	1.13	0.41	
Diluted earnings per share (€)	1.54	1.13	0.41	
Operating cash flow (€m)	1,510	1,449	61	
Operating cash flow per share (€)	2.43	2.33	0.10	

(1) Revenue in the reclassified income statement differs from revenue shown in the income statement in the financial statements, as revenue from construction services, recognised on the basis of the cost of raw and consumable materials, services costs, staff costs, other operating costs and financial expenses relating to construction services, and excluding revenue for services provided by sub-operators, are presented in the reclassified statement as a reduction in the respective operating costs and financial expenses, including through the inclusion of specific items showing capitalised components.

(2) EBITDA is calculated by deducting all operating costs, with the exception of amortisation, depreciation, impairment losses and reversals of impairment losses, the operating change in provisions and other adjustments, from operating revenue.

(3) EBIT is calculated by deducting amortisation, depreciation, impairment losses and reversals of impairment losses, the operating change in provisions and other adjustments from EBITDA. In addition, it does not include the capitalised component of financial expenses relating to construction services, which is shown as a specific line item under financial income and expenses in the reclassified statement, whilst it is included in revenue in the income statement in the financial statements.

Staff costs, after deducting capitalised expenses, amount to €378 million, up €15 million on the previous year (€363 million).

Before deducting capitalised expenses, which are in line with the previous year, staff costs amount to €396 million (€380 million in 2014). The increase of 4% reflects:

- a) an increase in the average cost (up 4.9%), primarily due to the cost of contract renewals and management incentive plans and in Directors' fees, in addition to reduced costs recovered for seconded staff;
- b) a reduction of 50 (0.9%) in the average workforce, primarily linked to a slowdown in recruitment and transfers from Autostrade per l'Italia to Atlantia in 2014, following the merger with Gemina, partly offset by recruitment for certain specific units.

"Gross operating profit" (EBITDA) of €2,114 million is up €38 million on 2014 (€2,076 million).

"Operating profit" (EBIT) of €1,650 million is up €239 million (17%) compared with 2014 (€1,411 million), primarily reflecting:

- a) the different contribution from the "Operating change in provisions and other adjustments" in the comparative periods, resulting in a positive impact of €225 million. This primarily reflects the different impact of discounting provisions for the repair and replacement of motorway infrastructure to present value, due to opposing movements in the interest rates used (sharply falling rates in 2014 and rising rates in 2015);
- b) an increase of €24 million in amortisation and depreciation, primarily relating to works without additional economic benefits, reflecting a revision of the present value of committed capital expenditure under the concession arrangement recognised at 31 December 2014.

"Dividends received from investees", totalling €199 million, are up €24 million on the previous year (€175 million), primarily due to an increase in dividends declared by the subsidiary, Autostrade dell'Atlantico (€130 million in 2015 and €110 million in 2014).

In both comparative periods, the item, **"Impairment losses/Reversals of impairment losses on investments"** consists of reversals of impairments of investments. The figure for 2015 (€6 million) refers to the reversal of the impairment loss on the investment in Tech Solution Integrators in 2014, in view of the liquidation of this company and the transfer of all its assets and liabilities to the Company, thereby eliminating the possibility of covering its losses via a capital injection. In 2014, this item mainly regarded reversal of the impairment loss on the investment in Stalexport Autostrady (€32 million).

"Financial expenses from the discounting of provisions for construction services required by contract and other provisions" amount to €43 million, marking a reduction of €55 million on 2014 (€98 million). The reduction in these expenses, computed on the basis of the value of the provisions and the discount rates used at 31 December of the year prior to the reporting period, is primarily due to a reduction in the rates used at 31 December 2014, compared with the rates used at the end of 2013.

Net other financial expenses of €593 million are up €55 million on 2014 (€538 million). The change primarily reflects:

- a) financial expenses on non-recurring financial transactions, amounting to €125 million, relating to partial early repayment of loans from its parent, Atlantia, replicating the bond issues maturing in 2016, 2017, 2019 and 2020, which were also subject to a partial buyback by Atlantia;
- b) reductions in interest expense and in net financial expenses payable (totalling approximately €70 million), reflecting a reduction in average net debt compared with 2014 and the decrease in borrowing costs linked to repayment, in June 2014, of the loan granted by Atlantia to Autostrade per l'Italia with a face value of €2,094 million, and to the above non-recurring financial transactions.

"Capitalised financial expenses", amounting to €26 million in 2015, are up €8 million on the figure for 2014 (€18 million), reflecting the progressive increase in accumulated payments made in relation to investment in construction services in progress for which additional economic benefits are received.

“Income tax expense” of €290 million is in line with the figure for 2014 (€288 million). The increase in income tax expense in 2015 relates to the higher pre-tax result, offset by the following tax benefits:

- a) €72 million, resulting from reassessment of deferred taxation in response to the reduction in the IRES (corporation tax) rate from 2017, introduced by the 2016 Stability Law (Law 208/2015);
- b) €11 million, linked to the changes introduced by the 2015 Stability Law (Law 190/2014), reflecting the deductibility of staff costs for the purpose of IRAP (regional income tax) in the case of staff hired on permanent contracts.

“Profit for the year” thus amounts to €955 million, up €251 million (36%) on 2014 (€704 million).

Operating cash flow amounts to €1,510 million (€1,449 million in 2014), marking an increase of €61 million. This essentially reflects an improvement in cash from operating activities and an increase in dividend income.

After stripping out the net expenses linked to the above non-recurring financial transactions, operating cash flow for 2015 would have been €1,601 million, up €152 million on 2014.

STATEMENT OF COMPREHENSIVE INCOME

€m	2015	2014
Profit for the year (A)	955	704
Fair value gains/(losses) on cash flow hedges	6	-98
Other comprehensive income/(loss) for the year reclassifiable to profit or loss, after related taxation (B)	6	-98
Gains/(losses) from actuarial valuations of provisions for employee benefits	3	-9
Other comprehensive income/(loss) for the year not reclassifiable to profit or loss, after related taxation (C)	3	-9
Reclassification of cash flow hedge reserve to profit or loss for the year	-2	-
Reclassifications of other components of comprehensive income to profit or loss for the year (D)	-2	-
Total other comprehensive income/(loss) for the year, after related taxation (E = B + C + D)	7	-107
Comprehensive income for the year (A + E)	962	597

“Total other comprehensive income for the year, after the related taxation” amounts to €7 million, reflecting fair value gains on cash flow hedges (€6 million).

In 2014, fair value losses on the measurement of cash flow hedges, after the related taxation, totalled €98 million, reflecting the impact of falling interest rates on Interest Rate Swaps.

The following should also be noted:

- a) actuarial gains on provisions for employee benefits, totalling €3 million (actuarial losses of €9 million in 2014);
- b) the reclassification to profit or loss of accruals (€2 million) deriving from the unwinding of Forward-Starting Interest Rate Swaps, as described in more detail below.

Financial position

As at 31 December 2014, “Non-current non-financial assets” of €19,363 million are down €54 million on the figure for 31 December 2014 (€19,417 million).

“Intangible assets” amounting to €17,751 million (€17,891 million as at 31 December 2014) make up the principal component of this category and essentially consist of:

- a) concession rights totalling €11,625 million (€11,764 million as at 31 December 2014);
- b) the residual value of goodwill (€6,111 million) recognised following the contribution of the motorway assets of the former Autostrade – Concessioni e Costruzioni Autostrade SpA (now Atlantia SpA) to Autostrade per l'Italia as part of a reorganisation of the Group in 2003. Goodwill is not amortised on a systematic basis but is subject to impairment tests which, as at 31 December 2014, have confirmed recoverability of the above carrying amount with respect to the estimated value in use.

The decrease of €140 million in intangible assets compared with 31 December 2014 is essentially due to a combination of amortisation for the year (€491 million) and investment in construction services for which additional economic benefits are received (€334 million).

RECLASSIFIED STATEMENT OF FINANCIAL POSITION

€m	31/12/2015	31/12/2014	Increase/ (Decrease)
Non-current non-financial assets			
Property, plant and equipment	76	75	1
Intangible assets	17,751	17,891	-140
Investments	1,536	1,451	85
Total non-current non-financial assets (A)	19,363	19,417	-54
Working capital ⁽¹⁾			
Trading assets	509	498	11
Current tax assets	31	17	14
Other current assets	122	121	1
Non-financial assets held for sale	4	4	-
Current portion of provisions for construction services required by contract	-429	-494	65
Current provisions	-189	-341	152
Trading liabilities	-1,291	-1,185	-106
Current tax liabilities	-	-21	21
Other current liabilities	-213	-207	-6
Total working capital (B)	-1,456	-1,608	152
Gross invested capital (C = A + B)	17,907	17,809	98
Non-current non-financial liabilities			
Non-current portion of provisions for construction services required by contract	-3,265	-3,655	390
Non-current provisions	-1,013	-927	-86
Deferred tax liabilities	-320	-248	-72
Other non-current liabilities	-33	-28	-5
Total non-current non-financial liabilities (D)	-4,631	-4,858	227
NET INVESTED CAPITAL (E = C + D)	13,276	12,951	325

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

€m	31/12/2015	31/12/2014	Increase/ [Decrease]
EQUITY			
Issued capital	622	622	-
Reserves and retained earnings	1,324	1,273	51
Profit/(Loss) for the year after interim dividends	620	374	246
Total equity (F)	2,566	2,269	297
NET DEBT			
Non-current net debt			
Non-current financial liabilities	12,076	11,526	550
Bond issues	2,617	-	2,617
Medium/long-term borrowings	9,106	11,181	-2,075
Non-current derivative liabilities	353	345	8
Non-current financial assets	-595	-363	-232
Non-current financial assets deriving from government grants	-176	-132	-44
Non-current term deposits	-176	-172	-4
Other non-current financial assets	-243	-59	-184
Total non-current net debt (G)	11,481	11,163	318
Current net debt			
Current financial liabilities	1,781	1,138	643
Short-term borrowings	400	264	136
Current derivative liabilities	-	1	-1
Intercompany current account payables due to related parties	74	252	-178
Current portion of medium/long-term borrowings	1,307	619	688
Other current financial liabilities	-	2	-2
Cash and cash equivalents	-2,422	-1,265	-1,157
Cash	-1,708	-494	-1,214
Cash equivalents	-340	-353	13
Intercompany current account receivables due from related parties	-374	-418	44
Current financial assets	-130	-354	224
Current financial assets deriving from government grants	-60	-66	6
Current term deposits	-58	-62	4
Current derivative assets	-	-1	1
Current portion of medium/long-term financial assets	-11	-99	88
Other current financial assets	-1	-126	125
Total current net debt (H)	-771	-481	-290
Total net debt (I=G+H) ⁽²⁾	10,710	10,682	28
NET DEBT AND EQUITY (L = F + I)	13,276	12,951	325

(2) Net debt includes non-current financial assets, unlike the financial position shown in the notes to the financial statements and prepared in compliance with the European Securities and Markets Authority (ESMA) Recommendation of 20 March 2013, which does not permit the deduction of non-current financial assets from debt.

As at 31 December 2015, “Investments” amount to €1,536 million (€1,451 million as at 31 December 2014). The increase of €85 million essentially reflects the acquisition, completed on 2 September 2015, of a further 74.95% stake in Società Autostrada Tirrenica, thus raising the total interest to 99.93%.

As at 31 December 2015, “Working capital” has a negative balance of €1,456 million, marking an improvement of €152 million on the negative balance of €1,608 million as at 31 December 2014. This reflects a combination of the following:

- a) a reduction in the current portion of provisions, totalling €152 million, primarily due to the current portion of provisions for the repair and replacement of motorway infrastructure, linked to work planned for 2016;
- b) a reduction of €65 million in the current portion of provisions for construction services required by contract, reflecting expected investment in construction services for which no additional benefits are received in 2016;
- c) an increase of €35 million in net current tax assets, primarily due to provisions for income tax expense for the year (€234 million), after payment of the balance for 2014 and payments on account for 2015 (€203 million) and the collection (€10 million) of the amount due from Sintonia as a result of the refund of IRES for deductible IRAP, in accordance with art. 6 of Law 2 of 28 January 2009, having participated in the tax consolidation arrangement headed by the former consolidating entity for the tax years 2004-2007;
- d) an increase in trading liabilities of €106 million, primarily attributable to an increase in amounts payable to the operators of interconnecting motorways, reflecting the performance of these companies’ toll revenue and in line with standard payment periods.

“Non-current non-financial liabilities”, totalling €4,631 million (€4,858 million as at 31 December 2014), are down €227 million, primarily due to:

- a) a reduction of €390 million in the non-current portion of provisions for construction services required by contract, due primarily to reclassification of the current portion of €431 million;

STATEMENT OF CHANGES IN EQUITY

€m	Issued capital	Undistributable extraordinary reserve for delayed investment
Balance as at 31/12/2013	622	446
Comprehensive income for the year	-	-
Owner transactions and other changes		
Final dividend (€0.547 per share)	-	-
Transfer of profit/(loss) for previous year to retained earnings	-	-
Reclassification of undistributable extraordinary reserve for delayed investment to the extraordinary reserve	-	-446
Interim dividend (€0.530 per share)	-	-
Share-based incentive plans	-	-
Recognition of after-tax gains from disposal of investments (business combinations under common control)	-	-
Balance as at 31/12/2014	622	-
Comprehensive income for the year	-	-
Owner transactions and other changes		
Final dividend (€0.539 per share)	-	-
Transfer of profit/(loss) for previous year to retained earnings	-	-
Interim dividend (€0.539 per share)	-	-
Share-based incentive plans	-	-
Balance as at 31/12/2015	622	-

- b) an increase of €86 million in the non-current portion of other provisions, essentially following the adjustment of provisions for the repair and replacement of motorway infrastructure based on a revised estimate of the work to be carried out under maintenance programmes;
- c) an increase of €72 million in deferred tax liabilities, primarily as a result of the combined effect of the recognition of deferred tax liabilities due to the deduction, solely for tax purposes, of the amortisation of goodwill (€111 million) and the reassessment of deferred tax liabilities (a positive impact of €72 million in profit or loss and a negative impact of €9 million in other comprehensive income), following the above reduction in the IRES (corporation tax) rate from 2017.

As a result, “Net invested capital” amounts to €13,276 million (€12,951 million as at 31 December 2014).

“Equity” of €2,566 million is up €297 million on 31 December 2014 (€2,269 million), primarily due to:

- a) comprehensive income for the year (€962 million);
- b) payment of the final dividend for 2014 (€335 million) and of the interim dividend for 2015 (€335 million).

“Net debt” as at 31 December 2015 amounts to €10,710 million, practically in line with 31 December 2014 (€10,682 million).

“Non-current net debt” of €11,481 million is up €318 million on the figure for 31 December 2014 (€11,163 million) and primarily consists of:

- a) bond issues of €2,617 million, including:
 - 1) the issue of bonds to institutional investors, accounted for in the financial statements at a total of €1,884 million, as part of the €7 billion Euro Medium Term Note (“EMTN”) Programme launched in October 2014; issues were completed in October 2015 (a par value of €650 million, paying coupon interest of 1.125% and maturing in November 2021 and a par value of €500 million, paying coupon interest of 1.875% and maturing in November 2025) and November 2015 (a par value of €750 million, paying coupon interest of 1.75% and maturing in June

Share premium reserve	Other reserves and retained earnings			Other reserves and retained earnings	Total other reserves and retained earnings	Profit for the year after interim dividends	Total equity
	Legal reserve	Cash flow hedge reserve					
216	124	-154	590	776	460	2,304	
-	-	-98	-9	-107	704	597	
-	-	-	-	-	-340	-340	
-	-	-	120	120	-120	-	
-	-	-	446	446	-	-	
-	-	-	-	-	-330	-330	
-	-	-	3	3	-	3	
-	-	-	35	35	-	35	
216	124	-252	1,185	1,273	374	2,269	
-	-	4	3	7	955	962	
-	-	-	-	-	-335	-335	
-	-	-	39	39	-39	-	
-	-	-	-	-	-335	-335	
-	-	-	5	5	-	5	
216	124	-248	1,232	1,324	620	2,566	

- 2026);
- 2) the issue of bonds totalling €733 million to retail investors in June 2015 (a par value of €750 million, paying coupon interest of 1.625% and maturing in June 2023). In February 2015, the subsidiary entered into a number of Forward-Starting Interest Rate Swaps with banks to hedge interest rate risk associated with the launch of the bonds. The swaps have a weighted average rate of 0.54%. Fair value gains of €35 million resulted from the unwinding of these derivatives following issue of the bonds. Approximately €10 million has been recognised in the consolidated income statement, representing the portion exceeding the nominal amount at issue, whilst the remaining gains have been recognised in consolidated comprehensive income and will be reclassified to profit or loss in line with the related interest flows. The cost of the issue, including the above hedges, thus amounts to 1.28%;
 - b) medium/long-term borrowings (€9,106 million), down €2,075 million primarily following partial early repayment (€1,351 million) of a portion of the loans from Atlantia maturing in 2017, 2019, 2020 and May 2016, and reclassification of both the remaining loans maturing at this date (€883 million) and of a portion of the Company's bank borrowings (€134 million), partially offset by the use of €200 million of the facility granted by Cassa Depositi e Prestiti, subject to a floating rate and maturing in June 2021, and the use of €50 million of the facility obtained from the EIB in 2010;
 - c) other non-current financial assets (€595 million), up €232 million mainly as a result of the new loan granted to Società Autostrada Tirrenica (a face value of €190 million, a fixed interest rate of 6.3% and maturing on 30 September 2020), following the acquisition of control of this company in September 2015.

“Non-current derivative liabilities” includes the balance for new Forward-Starting Interest Rate Swaps (€54 million), entered into with banks in June 2015 and having a total notional value of €2,200 million, with varying durations of 6, 7 and 8 years. The hedges are subject to a weighted average fixed rate of 1.16% and are associated with highly likely future financial liabilities entered into through to 2017 in order to meet funding requirements.

As at 31 December 2015, “Current net funds” amount to €771 million (€481 million as at 31 December 2014) and consist of:

- a) cash and cash equivalents (€2,422 million), up €1,157 million, essentially reflecting the proceeds from the above bond issues, after the above partial early repayment of medium-/long-term loans from Atlantia;
- b) current financial liabilities (€1,781 million), up €643 million, primarily due to reclassifications to short-term (€1,012 million), partially offset by repayments of bank borrowings (€290 million);
- c) current financial assets (€130 million), down €224 million, primarily following repayment of the loan to the subsidiary, Società Autostrada Tirrenica (€117 million), following the grant of the new medium/long-term line of credit mentioned above, and a reduction in the current portion of other medium/long-term financial assets (€88 million), following collection of the amount due from Ecomouv (€73 million, reflecting the French government's payment, to this company, of compensation for termination of the partnership agreement governing the “Eco-Tax” project, and Toto Holding's payment of the remaining amount recognised in 2011 (€14 million) following the sale of a 58% interest in Strada dei Parchi.

The loans received by the Company from Atlantia mature between 2016 and 2038 and have a residual average term to maturity of approximately five years and six months. The conditions applicable to these loans replicate those of Atlantia's bank borrowings and bond issues, increased by a spread that takes account of the cost of managing the loans.

The average term to maturity of interest bearing debt is approximately seven years as at 31 December 2015. 96% of net debt is fixed rate.

The average cost of the Company's medium/long-term borrowings in 2015 was approximately 4.4%.

As at 31 December 2015, the Company has cash reserves (cash, term deposits and undrawn committed lines of credit) of an estimated €3,982 million and consisting of:

- a) €1,948 million in investments and cash maturing in the short term, after net short-term debt due to Atlantia Group companies, essentially relating to the Company's role as a provider of centralised treasury management;
- b) €234 million in term deposits allocated to finance the execution of construction services;
- c) €1,800 million in undrawn committed lines of credit.

The Company has lines of credit with a weighted average residual term to maturity of approximately eight years and nine months and a weighted average residual drawdown period of approximately two years and three months.

The Company's net debt, as defined in the European Securities and Market Authority (ESMA) Recommendation of 20 March 2013 (which does not permit the deduction of non-current financial assets from debt), amounts to €11,305 million as at 31 December 2015, compared with €11,045 million as at 31 December 2014.

Cash flow

“**Net cash from operating activities**” amounts to €1,554 million for 2015, up €159 million compared with 2014 (€1,395 million). This primarily reflects:

- a) an increased contribution from operating capital (€99 million), linked to an increase in trading liabilities in 2015, given the substantial offset between changes in amounts payable to suppliers and those due to the operators of interconnecting motorways in 2014;
- b) an increase in operating cash flow (€61 million), commented on in “Results of operations”.

“**Cash used for investment in non-financial assets**”, totalling €931 million, is up €308 million on 2014 (€623 million), essentially due to a combination of the following:

- a) a €147 million increase in investment in assets held under concession, after the related government grants;
- b) cash of €85 million used for the acquisition of a controlling interest in Società Autostrada Tirrenica;
- c) proceeds from the disposal of investments, resulting from the sale of controlling interests in Pavimental and Spea Ingegneria Europea (now Spea Engineering) in 2014, amounting to €78 million.

The “**Cash outflow resulting from changes in equity**”, amounting to €670 million, is unchanged with respect to the previous year and consists of the final dividend declared for 2014 and the interim dividend for 2015.

In addition, in 2015, net debt decreased as a result of an increase of €19 million, after the related taxation, in the **fair value of derivative financial instruments recognised in comprehensive income**, essentially reflecting the settlement of differentials during the year, in addition to an increase in interest rates as at 31 December 2014, compared with 31 December 2014. These effects were partially offset by fair value losses on Forward-Starting Interest Rate Swaps entered into in June 2015, following a reduction in the related interest rates in the second half of 2015. 2014, on the other hand, witnessed a reduction in interest rates as at 31 December 2014, compared with the end of 2013, with the resulting recognition of fair value losses on cash flow hedges (€135 million).

The above cash flows have, therefore, resulted in an **overall increase in net debt** of €28 million, compared with an increase of €32 million in 2014.

STATEMENT OF CHANGES IN NET DEBT ⁽¹⁾

€m	2015	2014
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Profit for the year	955	704
Adjusted by:		
Amortisation and depreciation	511	487
Operating change in provisions	-48	176
Financial expenses from discounting of provisions for construction services required by contract and other provisions	43	98
Impairment losses/(Reversal of impairment losses) on non-current financial assets and investments	-6	-24
Net change in deferred tax (assets)/liabilities through profit or loss	58	40
Other non-cash costs (income)	-3	-32
Operating cash flow	1,510	1,449
Change in operating capital	92	-7
Other changes in non-financial assets and liabilities	-48	-47
Net cash generated from/(used in) operating activities (A)	1,554	1,395
NET CASH FROM/(USED IN) INVESTMENT IN NON-FINANCIAL ASSETS		
Investment in assets held under concession	-870	-707
Government grants related to assets held under concession	56	40
Purchases of property, plant and equipment	-22	-17
Purchases of intangible assets	-12	-15
Purchases of investments	-85	-2
Proceeds from sales of property, plant and equipment, intangible assets and investments	2	78
Net cash from/(used in) investment in non-financial assets (B)	-931	-623
NET EQUITY CASH INFLOWS/(OUTFLOWS)		
Dividends declared	-670	-670
Net equity cash inflows/(outflows) (C)	-670	-670
Increase/(Decrease) in cash and cash equivalents during year (A + B + C)	-47	102
Change in fair value and settlement of financial instruments and hedging derivatives recognised in comprehensive income	19	-135
Financial income/(expenses) accounted for as an increase in financial assets/(liabilities)	-	1
Other changes in net debt (D)	19	-134
Decrease/(Increase) in net debt for year (A + B + C + D)	-28	-32
Net debt at beginning of year	-10,682	-10,650
Net debt at end of year	-10,710	-10,682

- (1) The statement of changes in net debt presents the impact of cash flows generated or used during the period on net debt, unlike the statement of cash flows in the financial statements, which presents the impact of cash flows on cash and cash equivalents. The statement of changes in net debt shows the following information:
- "Net cash from/(used in) operating activities" includes the item, "Operating cash flow" and shows the change in operating capital, consisting of trade-related items directly linked to ordinary activities;
 - "Net cash from/(used in) investment in non-financial assets" solely includes cash flows used in and generated from investment in and the sale of non-financial assets;
 - "Net equity cash inflows/(outflows)" solely regard changes in equity with an impact on net debt;
 - the item "Other changes in net debt" includes the impact of changes not included in other types of flow that have an impact on net debt.

2.3 Key performance indicators by operating segment

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 performance of the business is assessed both in terms of geographical area and in terms of business 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. This operating segment also include the motorway operator, Società Autostrada Tirrenica, following the acquisition of control of this company and its consolidation from 30 September 2015. 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 the production and operation of free-flow tolling systems, traffic and transport management systems, and public information and electronic payment systems. The most important companies are Autostrade Tech and Electronic Transaction Consultants. In addition, adjusted operating cash flow for 2014 benefitted from the contribution of Ecomouv (the "Eco-Taxe" project), which ceased operations following the French government's decision to terminate the related partnership agreement on 30 October 2014, and Pavimental and Spea (and their respective subsidiaries), disposed of by Autostrade per l'Italia in 2014.

Key performance indicators for each segment in the two comparative years are shown below.

€m	Italian motorways		Overseas motorways		Other activities		Consolidation adjustments		Total Group ⁽¹⁾	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
REPORTED AMOUNTS										
External revenue	3,768	3,669	546	541	111	78	-	-	4,425	4,288
Intersegment revenue	9	10	-	-	32	24	-41	-34	-	-
Total revenue	3,777	3,679	546	541	143	102	-41	-34	4,425	4,288
EBITDA	2,314	2,257	407	412	22	14	-	-	2,743	2,683
Operating Cash Flow	1,471	1,410	330	319	23	11	-	-	1,824	1,740
Capital expenditure ⁽²⁾	967	774	172	156	12	13	-	-10	1,151	933
ADJUSTED AMOUNTS										
Adjusted EBITDA	2,314	2,257	493	489	22	14	-	-	2,829	2,760
Adjusted Cash Flow	1,471	1,410	363	345	23	87	-	-	1,857	1,842

(1) A description of the principal amounts in the consolidated income statement and statement of financial position and the related changes is provided in the section, "Group financial review".

(2) This item includes expenditure on assets held under concession, on property, plant and equipment and on other intangible assets, as shown in the statement of changes in net debt.

2.4 Key performance indicators for the principal Group companies ^(*)

€m	Revenue				EBITDA			
	2015	2014	Increase/(Decrease)		2015	2014	Increase/(Decrease)	
			Absolute	%			Absolute	%
Italian motorways								
Autostrade per l'Italia	3,405	3,332	73	2%	2,114	2,076	38	2%
Telepass	151	145	6	4%	89	88	1	1%
Società Italiana per il Traforo del Monte Bianco	58	55	3	5%	38	35	3	9%
Autostrade Meridionali	85	79	6	8%	28	28	-	n/s
Tangenziale di Napoli	75	71	4	6%	31	26	5	19%
Raccordo Autostradale Valle d'Aosta	19	18	1	6%	7	5	2	40%
Società Autostrada Tirrenica ^(b)	7	-	7	n/s	2	-	2	n/s
AD Moving	9	9	-	n/s	-	-	-	n/s
Overseas motorways								
Rodovias das Colinas	125	145	-20	-14%	91	116	-25	-22%
Triangulo do Sol	114	134	-20	-15%	88	103	-15	-15%
Vespucio Sur	85	70	15	21%	68	59	9	15%
Costanera Norte	95	76	19	25%	72	57	15	26%
Gruppo Stalexport Autostrady	64	54	10	19%	51	40	11	27%
Rodovia MG050 (Nascentes das Gerais)	27	32	-5	-16%	18	21	-3	-14%
Los Lagos	25	19	6	32%	16	12	4	33%
Autopista Nororiental	5	3	2	67%	-	-	-	n/s
Litoral Central	3	2	1	50%	-1	-	-1	n/s
AMB	1	1	-	n/s	-	-	-	n/s
Other activities								
Autostrade Tech	65	52	13	25%	11	9	2	22%
ETC	71	48	23	48%	10	3	7	n/s

(*) Figures calculated under IFRS and in compliance with the standards and policies adopted by Autostrade per l'Italia, and extracted from specific reporting packages prepared by each subsidiary for the purpose of preparing the Autostrade per l'Italia Group's consolidated financial statements.

(a) Includes investment in assets held under concession, in property, plant and equipment and in other intangible assets.

(b) This company has been consolidated by the Group from 30 September 2015.

	EBIT				Capital expenditure (a)				Net debt (net funds)			
	2015	2014	Increase/(Decrease)		2015	2014	Increase/(Decrease)		2015	2014	Increase/(Decrease)	
			Absolute	%			Absolute	%			Absolute	%
	1,650	1,411	239	17%	904	739	165	22%	10,710	10,682	28	n/s
	76	72	4	6%	16	9	7	78%	263	299	-36	-12%
	22	11	11	n/s	2	1	1	n/s	-125	-99	-26	26%
	18	20	-2	-10%	7	11	-4	-36%	-150	-148	-2	1%
	21	13	8	62%	16	10	6	60%	22	37	-15	-41%
	-2	-11	9	-82%	7	3	4	n/s	-90	-88	-2	2%
	2	-	2	n/s	15	-	15	n/s	230	-	230	n/s
	-	-	-	n/s	-	-	-	n/s	3	1	2	n/s
	66	94	-28	-30%	18	20	-2	-10%	-23	1	-24	n/s
	68	83	-15	-18%	15	5	10	n/s	-50	-42	-8	19%
	66	54	12	22%	-	-	-	n/s	-16	37	-53	n/s
	68	54	14	26%	88	50	38	76%	-217	-133	-84	63%
	41	26	15	58%	5	10	-5	-50%	-70	-34	-36	n/s
	6	12	-6	-50%	42	65	-23	-35%	104	90	14	16%
	11	7	4	57%	-	-	-	n/s	-261	-241	-20	8%
	-	-	-	n/s	-	-	-	n/s	-43	-32	-11	34%
	-	-	-	n/s	-	-	-	n/s	-105	-99	-6	6%
	-	-	-	n/s	-	-	-	n/s	-11	-8	-3	37%
	9	7	2	29%	1	1	-	n/s	-15	-10	-5	50%
	5	-4	9	n/s	11	3	8	n/s	51	44	7	16%

2.5 Italian motorways

Italian motorway operations generated revenue of €3,777 million in 2015, an increase of €98 million (3%) on the previous year. On a like-for-like basis ⁽¹⁾, total revenue is up €145 million (4%).

The Group's Italian motorway operators report net toll revenue of €3,323 million for 2015, marking an increase of €157 million compared with the previous year, including the contribution from Società Autostrada Tirrenica. On a like-for-like basis, net toll revenue is up €151 million, primarily reflecting an increase in motorway traffic (up 3%, accounting for an increase of €90 million, including the impact of the different traffic mix) and the application of annual toll increases (up €39 million, essentially reflecting the increase of 1.46% applied by Autostrade per l'Italia from 1 January 2015).

Other operating income is down €59 million on 2014. The figure was negatively influenced by a reduction in royalties from service areas as a result of agreements with certain operators, further discounts applied to royalties with effect from the second half of 2014, a reduction in "one-off" payments received and reduced income resulting from the handover free of charge of buildings located at service areas. These items are partially offset by the contingent assets recognised by Tangenziale di Napoli in 2015, following settlement of a legal dispute regarding an expropriation. On a like-for-like basis, other operating income has not changed significantly.

Net operating costs of €1,532 million in 2015 are up €41 million on the previous year, whilst benefitting from the lower cost of settlements reached with certain service area operators (which had a greater impact in 2014). On a like-for-like basis, net operating costs are up €43 million, primarily as a result of the following:

- a) higher maintenance costs, above all on Autostrade per l'Italia's network, partly linked to the decision to bring forward work initially scheduled for 2016;
- b) an increase in operating costs, above all at Autostrade per l'Italia, linked primarily to an increase in insurance deductibles and the corporate advertising costs incurred by Autostrade per l'Italia in relation to the issue of bonds to retail investors in June 2015;
- c) an increase in concession fees linked to the rise in toll revenue;
- d) a 3.8% increase in staff costs which, before deducting capitalised expenses, substantially unchanged across the two comparative periods. This reflects a combination of the following:
 - an increase in the average unit cost (up 4.5%), primarily due to the cost of contract renewals, management incentive plans, early retirement incentives and a reduction in expenses recovered for staff on secondment, partially offset by Giove Clear's recruitment of personnel on different forms of contract with respect to the one applicable to motorway and tunnel workers;
 - a reduction of 50 (0.7%) in the average workforce, primarily due to a slowdown in recruitment (at Autostrade per l'Italia, Tangenziale di Napoli and Società Autostrade Meridionali) and the transfer of personnel from Autostrade per l'Italia to Atlantia in 2014 following the merger with Gemina, partly offset by recruitment for certain specific units at Autostrade per l'Italia and an increase in Giove Clear's workforce, reflected the company's expanded operations compared with 2014.

EBITDA for the Italian motorways segment in 2015 amounts to €2,314 million, up €57 million (3%) on 2014. On a like-for-like basis, EBITDA is up €102 million (5%).

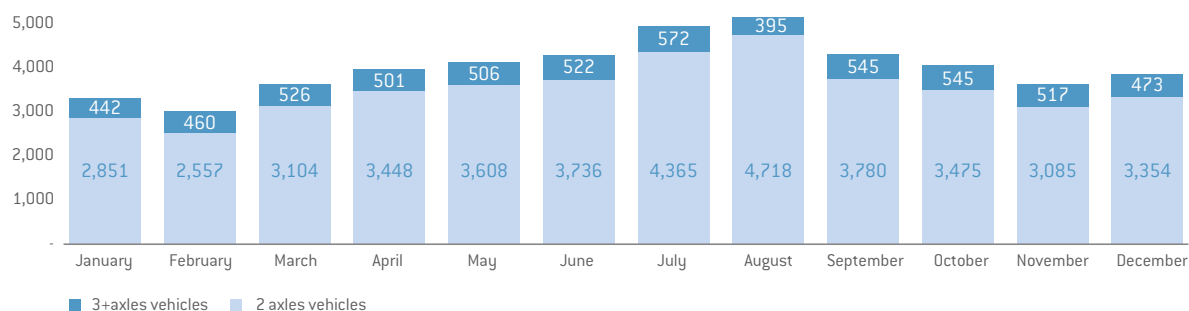
Traffic

The number of kilometres travelled on the Italian network operated by Autostrade per l'Italia and the Group's other Italian motorway operators is up 3.0% on a like-for-like basis, compared with 2014. Vehicles with 2 axles (cars and vans, representing 87.5% of the total) registered an increase of 2.9%, whilst those with 3 or more axles (12.5% of the total) are up 3.9%. Autostrade per l'Italia registered an increase of 3.0%. The Group's other Italian operators also report positive performances: Raccordo Autostradale Valle d'Aosta and Autostrade Meridionali recorded increases of 5.6% and 4.5%, respectively, whilst Società Italiana per il Traforo del Monte Bianco and Tangenziale di Napoli saw growth of 3.5% and 0.7%.

Finally, Società Autostrada Tirrenica recorded a 3.0% increase.

(1) The term "like-for-like basis", used with reference to certain performance indicators, is defined in the introduction to the "Group financial review" above.

MONTHLY TRAFFIC TRENDS ON THE NETWORK OPERATED UNDER CONCESSION IN ITALY IN 2015 ^(*) (millions of vehicles x km)



(*) Excluding Società Autostrada Tirrenica.

TRAFFIC ON THE NETWORK OPERATED UNDER CONCESSION IN ITALY IN 2015

Motorway	Vehicles x km (millions)				ATVD ^(*) 2015
	Vehicles with 2 axles	Vehicles with 3 or more axles	Total vehicles	% Increase/ (Decrease) on 2014	
A1 Milan-Naples	14,601	2,570	17,171	3.0	58,548
A4 Milan-Brescia	3,255	413	3,668	0.9	107,485
A7 Serravalle-Genoa	519	77	595	2.2	32,620
A8/A9 Milan-Lakes	2,287	138	2,424	4.0	85,479
A8/26 spur	462	28	490	4.5	55,896
A10 Genoa-Savona	775	88	863	2.2	51,986
A11 Florence-Coast	1,372	100	1,472	1.2	49,370
A12 Genoa-Sestri	796	53	849	2.5	47,762
A12 Rome-Civitavecchia	588	42	630	1.9	26,391
A13 Bologna-Padua	1,661	282	1,943	0.8	41,823
A14 Bologna-Taranto	8,468	1,410	9,878	4.2	34,635
A16 Naples-Canosa	1,217	141	1,358	4.1	21,594
A23 Udine-Tarvisio	444	112	556	2.7	15,049
A26 Genoa Voltri-Gravellona Toce	1,755	267	2,021	3.8	22,613
A27 Venice-Belluno	650	50	700	4.0	23,316
A30 Caserta-Salerno	704	99	803	2.4	39,762
Mestre Interchange	40	5	45	3.4	-
Total autostrade per l'Italia	39,594	5,873	45,467	3.0	43,637
Autostrade Meridionali	1,550	34	1,584	4.5	84,082
Tangenziale di Napoli	841	76	917	0.7	124,431
Trafo del Monte Bianco	8	3	11	3.5	5,225
Raccordo Autostradale Valle d'Aosta	88	19	107	5.6	9,184
Total Italian operators	42,081	6,005	48,086	3.0	44,445
Società Autostrada Tirrenica ^(**)	245	23	268	3.0	18,346

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

(**) This company was consolidated from 30 September 2015.

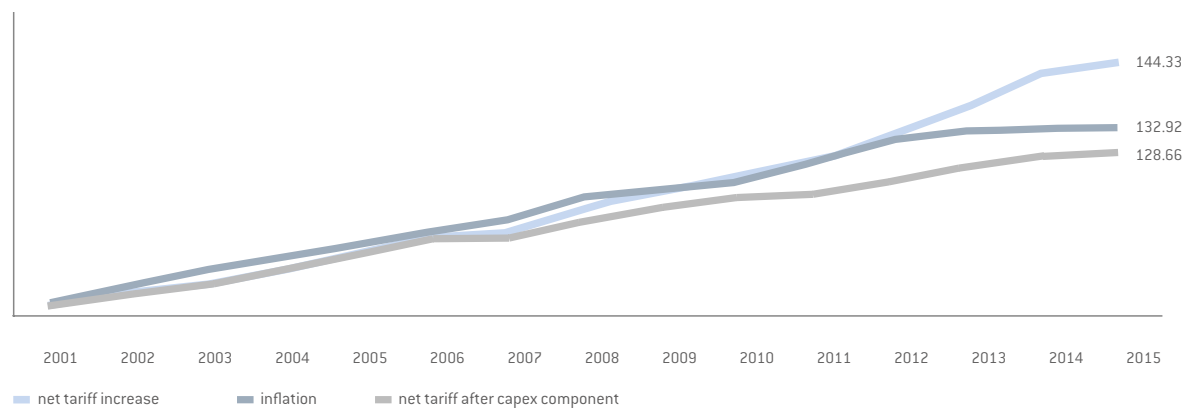
Toll increases

Autostrade per l'Italia applied an annual toll increase of 1.46% from 1 January 2015. This was determined, in accordance with the concession arrangement, on the basis of the following components: 0.49%, equivalent to 70% of the consumer price inflation rate in the period from 1 July 2013 to 30 June 2014; 0.89% to provide a return capital expenditure via the X tariff component; 0.08% to provide a return on investment via the K tariff component.

In the case of Raccordo Autostradale Valle d'Aosta and Tangenziale di Napoli (which, unlike Autostrade per l'Italia, apply a toll formula that takes into account the target inflation rate, a rebalancing component and a return on investment, in addition to quality), a toll increase of 1.5% has been provisionally authorised. Any difference with respect to the effective toll increase due as a result of five-yearly revision of the respective financial plans, to be included in an addendum for publication by 30 June 2015, will be recouped, as expressly agreed in a specific memorandum signed by the Grantor and the operators on 30 December 2014. The process of drawing up the above addendum is still under way. As happened with the requested toll increase for 2014, the Grantor has not approved any toll increase for Autostrade Meridionali, in view of the fact that its concession has expired.

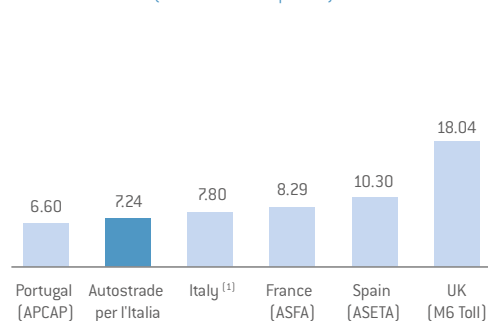
Based on bilateral agreements between Italy and France, Traforo del Monte Bianco has applied an increase of 2.59% from 1 January 2015, in compliance with the Intergovernmental Committee resolution. This was determined on the basis of the inflation-linked component of 0.19% (the average for Italy and France) and an increase of 2.40% resulting from the above surcharges introduced by the joint declaration of the relevant Italian and French ministries dated 3 December 2012.

INFLATION AND TOLL INCREASES APPLIED BY AUTOSTRADE PER L'ITALIA: TRENDS 2000-2015 (*) (BASE 2000 = 100)



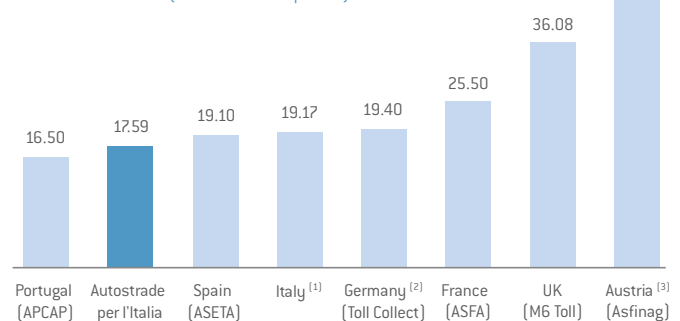
(*) Source for inflation: ISTAT consumer price index for Italy as a whole (including tobacco products).

AVERAGE TOLLS FOR CARS IN EUROPE (*) VAT INCLUDED (2015 in € cents per km)



(*) Source: APCAP, ASETA, ASFA, M6 Toll, ASECAP.
(1) Source: AISCAT.

AVERAGE TOLLS FOR HEAVY VEHICLES IN EUROPE (*) VAT INCLUDED (2015 in € cents per km)



(*) Source: APCAP, ASETA, ASFA, Toll Collect, Asfinag, M6 Toll, ASECAP.
(1) Source: AISCAT.

(2) Tolls in Germany are differentiated by vehicle emission class: those shown are for emission class "euro 3".

(3) Tolls in Austria are differentiated by vehicle emission class: those shown are based on the average tolls for the category with 4 or more axles.

Capital expenditure

Autostrade per l'Italia is in the process of implementing a programme of investment in major infrastructure projects under the original Agreement of 1997 and the IV Addendum of 2002, totalling €14.2 billion.

The purpose of these investments is to increase the capacity of the existing motorway network on the country's principal arteries, in order to improve road safety and service quality.

In addition to the above programme, Autostrade per l'Italia's new Single Concession Arrangement of 2007 also envisages further investment totalling €7 billion, via:

- extensions to projects already included in the Agreement of 1997, involving new specific network upgrades worth approximately €2 billion;
- a commitment to develop preliminary designs for the upgrade of certain sections of motorway operated under concession, totalling around 325 km, at a cost of approximately €5 billion.

AUTOSTRADE PER L'ITALIA	Total km	Km opened to traffic	Total ^(*) (€bn)	Completed (€bn)
Financial Plan 1997	233	197	6.8	5.5
IV Addendum 2002	270	213	7.4	3.4
Single Arrangement 2007 ^(**)	325	-	5.0	0.0
Other projects	-	-	2.0	0.3
Total	829	410	21.2	9.2

SUBSIDIARIES	Km	Km completed	Total ^(*) (€bn)	Completed (€bn)
Raccordo Autostradale Valle d'Aosta	12	12	0.4	0.4
Autostrade Meridionali ^(***)	20	20	0.6	0.5
Società Autostrada Tirrenica ^(****)	205	4	1.4	0.2
Total	237	36	2.4	1.1
Total group	1,066	446	23.6	10.3

(*) Total cost of carrying out the works, as assessed as at 31 December 2015, including the base bid price (net of bid or agreed reductions), available funds, recognised reserves and early completion bonuses.

The value of works under the 1997 Financial Plan are net of an amount included in "Other investment".

(**) The Single Arrangement signed by Autostrade per l'Italia on 12 October 2007 provides for further upgrades of the network, totalling around 325 km, at a cost of approximately €5 billion, in addition to new specific projects worth approximately €2 billion.

(***) The concession held by Autostrade Meridionali expired on 31 December 2012. At the Grantor's request, in 2015 the company continued to be responsible for day-to-day operation of the motorway whilst awaiting the transfer of the concession to the new operator (subject to inclusion of the related costs in the value of its takeover right).

(****) Società Autostrada Tirrenica was consolidated from 30 September 2015.

The Group's other motorway have, on the other hand, completed the programmes of investment in major infrastructure projects (€1 billion) set out in their respective arrangements, whilst Società Autostrada Tirrenica, a company acquired by the Group in September 2015, is currently working on an extension of the section of motorway it operates between Civitavecchia and Tarquinia (€200 million already completed). Completion of the entire section from Tarquinia to Livorno (at an estimated cost of €1.2 billion) is, on the other hand, subject to fulfilment of the technical and financial conditions to be verified jointly by the grantor and Società Autostrada Tirrenica, and execution of an addendum to the Concession Arrangement, to include a viable financial plan.

Upgrade and modernisation of the network operating under concession in Italy

On a like-for-like basis, Autostrade per l'Italia and the Group's other Italian operators invested a total of €952 million in 2015, marking an increase of €178 million (23%) on 2014. Including Società Autostrada Tirrenica, capital expenditure is up €193 million (25%).

Capital expenditure

€m	2015	2014	% Increase/ [Decrease]
Autostrade per l'Italia - projects in Agreement of 1997	370	277	34%
Autostrade per l'Italia - projects in IV Addendum of 2002	268	216	24%
Investment in major works by other operators	14	14	0%
Other capital expenditure and capitalised costs (staff, maintenance and other)	250	224	12%
Total investment in infrastructure operated under concession	902	731	23%
Investment in other intangible assets	14	17	-18%
Investment in property, plant and equipment	36	26	38%
Total investment in motorways in Italy	952	774	23%
Investment by Società Autostrada Tirrenica (*)	15	-	
Total investment in motorways in Italy including Società Autostrada Tirrenica	967	774	25%

(*) This company was consolidated from 30 September 2015.

The volume of investment relating to works envisaged in Autostrade per l'Italia's Agreement of 1997 is €93 million up compared with 2014. The difference primarily reflects the completion of work on the *Variante di Valico*, opened to traffic on 23 December 2015, and the start of work on widening the A1 between Barberino and Florence North to three lanes and on completion of off carriageway works on the Florence North-Florence South section of the A1.

The increase in investment in works envisaged in Autostrade per l'Italia's IV Addendum of 2002, amounting to approximately €52 million, is largely due to work on Lot 4 on the A14 and on the A4-A13 interchange (where work, which had previously been halted due to the financial difficulties faced by contractors, gradually recommenced in the second half of 2014). The increase also reflects work on the fifth lane of the A8 between Milan and Lainate, which began in the second half of 2014.

Contract reserves quantified by contractors

As at 31 December 2015, Group companies have recognised contract reserves quantified by contractors amounting to approximately €1,750 million (€2,260 million as at 31 December 2014).

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 intangible assets deriving from concession rights.

Reserves have also been recognised in relation to works not connected to investment (work for external parties and maintenance), amounting to approximately €44 million. The estimated future cost is covered by provisions for disputes accounted for in the consolidated financial statements as at and for the year ended 31 December 2015.

Stage of completion of works being carried out by Autostrade per l'Italia and the other Italian motorway operators

The following tables show major works to be carried out as part of the upgrade of the network operated under concession, based on the commitments given in the respective concession arrangements.

The estimated value of each project includes the overall cost (before any government grants) of the works, as assessed at the end of December 2015.

The final cost of the works is subject to change based on the effective future stage of completion of the works. In spite of the Group's determination to push ahead with design work and organisation of the projects, the above complications and problems relating to approvals may well continue to delay completion of works, with the following implications:

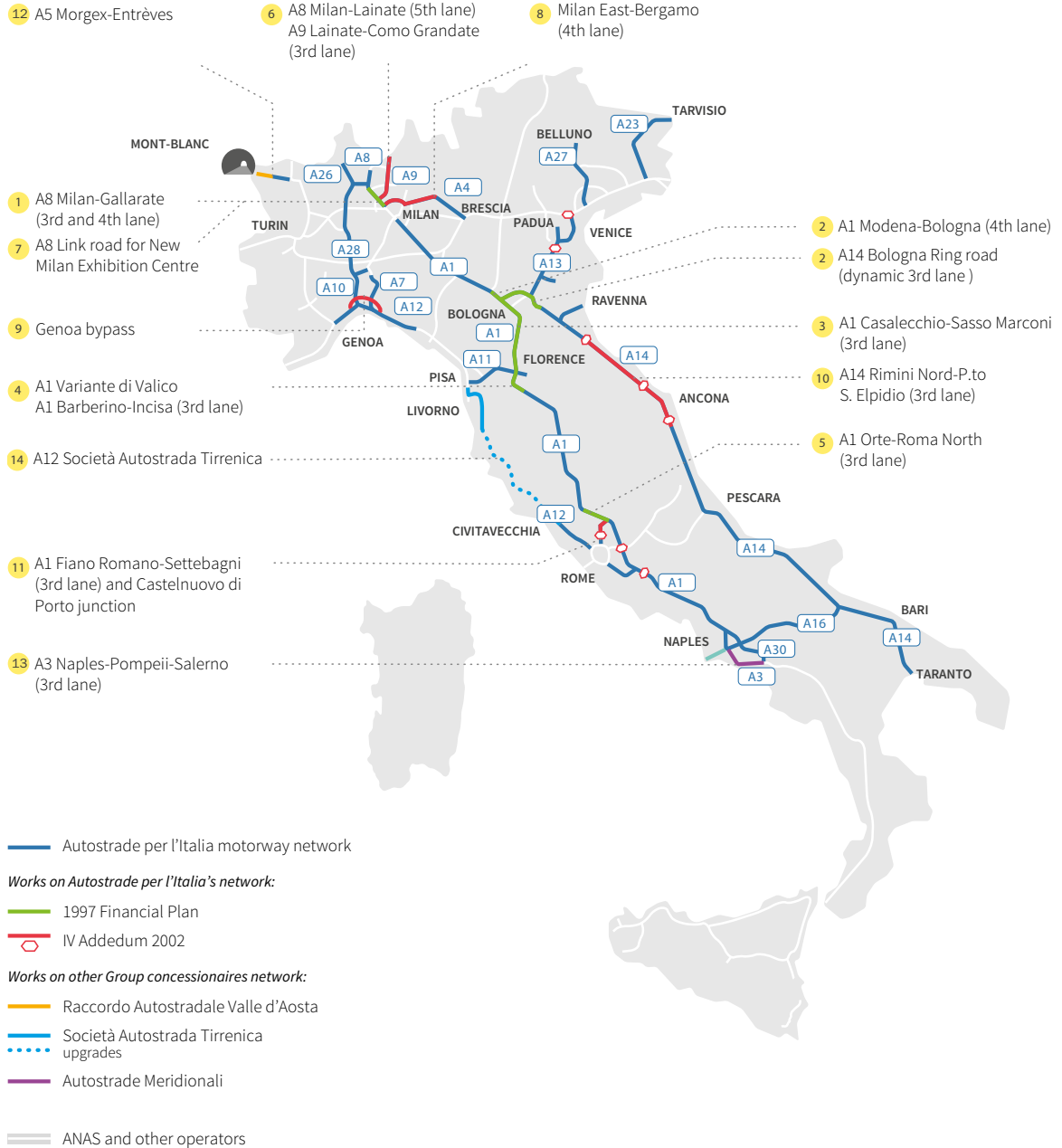
- the impossibility of making a reasonable estimate of the date of completion and entry into service of the various works, especially those where the related contracts have yet to be awarded;
- potential cost overruns due to disputes and eventual changes to designs.

In 2009, Autostrade per l'Italia's Board of Directors set up a body known as the "Committee responsible for the Completion of Projects", with the role of monitoring:

- the performance of infrastructure investment plans in terms of state of progress of the works, the related costs and compliance with the commitments given by the Company and its subsidiaries in the relevant concession arrangements;
- the process of selecting contractors to carry out the works;
- the organisational and procedural aspects of carrying out the works;
- the state of contract reserves;
- the status of the most important legal disputes.

The Committee met on 10 occasions in 2015.

PLANNED INVESTMENT IN THE ITALIAN NETWORK



PLANNED UPGRADES AND MODERNISATION OF THE NETWORK OPERATED UNDER CONCESSION IN ITALY

Project		Status as at 31/12/2015	Km covered by project (km)	Value of project ^(a) €m	Km opened to traffic as at 31/12/2015 (km)	Stage of completion as at 31/12/2015 €m	
Autostrade per l'Italia: Arrangement of 1997							
1	A8	3 rd and 4 th lanes Milan-Gallarate	Completed	28.7	65	28.7	65
2	A1	4 th lane Modena-Bologna	Completed ⁽¹⁾	31.6	180	31.6	146
2	A14	3 rd lane Bologna Ring Road	Completed ⁽²⁾	13.7	59	13.7	59
3	A1	3 rd lane Casalecchio - Sasso Marconi	Completed	4.1	83	4.1	83
4	A1	Variante di Valico	Completed/in progress ⁽³⁾	58.7	4,097	58.7	3,900
4	A1	3 rd lane Barberino - Incisa	⁽⁴⁾	58.5	2,059	21.9	1,011
5	A1	3 rd lane Orte - Rome North	Completed	37.8	192	37.8	192
		Other projects	Work in progress/completed ⁽⁵⁾		27	n/a	24
Total projects under Arrangement of 1997				233.1	6,762	196.5	5,480
Projects included in IV Addendum of 2002 ^(c)							
11	A1	3 rd lane Fiano R. - Settebagni and Castelnuovo di Porto junction	Completed	15.9	129	15.9	124
8	A4	4 th lane Milan East - Bergamo	Completed	33.6	514	33.6	511
6	A8	5 th lane Milan - Lainate	Work in progress	4.4	211	2.2	50
6	A9	3 rd lane Lainate - Como Grandate	Completed	23.2	345	23.2	302
10	A14	3 rd lane Rimini North - Porto Sant'Elpidio	Work in progress/completed ⁽⁶⁾	154.7	2,541	134.6	2,077
9	A7/A10/A12	Genoa Bypass	Final design in progress	34.8	3,256	-	65
7	A8	Link road for New Milan Exhibition Centre	Completed	3.8	86	3.8	86
		Other projects	⁽⁷⁾		342	n.a.	210
Total projects under IV Addendum of 2002				270.4	7,424	213.3	3,425
Other Group motorway operators							
12	A5	RAV A0-Mont Blanc Tunnel, new Morgex-Entrèves section	Completed	12.4	430	12.4	422
13	A3	Autostrade Meridionali, 3 rd lane Naples-Pompeii East/Scafati ^(d)	Completed/in progress	20.0	545	20.0	541
Total projects of other operators				32.4	975	32.4	963
Total investment in major works				535.9	15,161	442	9,868

(a) Total cost of carrying out the works, as assessed at 31 December 2015, including the base bid price (net of bid or agreed reductions), available funds, recognised reserves and early completion bonuses. The value of works under the Arrangement of 1997 is net of an amount included in "Other investment".

(b) Excludes capitalised costs (financial expenses and staff costs).

(c) Final approval given in 2004.

(d) Planned widening on Autostrade Meridionali's network regards 24.5 km, including 4.5 km already open to traffic over duration of Arrangement of 1972-1992. The concession held by Autostrade Meridionali expired on 31 December 2012. As requested by the Grantor, from 1 January 2013 the company has continued to be responsible for day-to-day operation of the motorway, including completion of the investment plan, whilst awaiting the transfer of the concession to the new operator (subject to inclusion of the related costs in the value of its takeover right).

(1) Includes construction of the Modena Ring Road, a work requested by local authorities and is awaiting approval from the Services Conference.

(2) Total investment of €247 million, of which €59 million in the Major Works Plan of 1997 and €188 million in "Other investment".

(3) The Variante di Valico is open to traffic as at 31 December 2015. Work is continuing on off carriageway works, landscaping and completion of the new Rivoeggio and Firenzuola junctions.

(4) Work on Lots 0 and 1 on the Barberino-Florence North section is in progress. Approximately 21.9 km of third lane is open to traffic between Florence North and Florence South; the executive design for Lot 1 of the Florence South-Incisa section has been approved, Lot 2 is awaiting approval by the Services Conference.

(5) Work on widening the bridge over the Volturno, the Rio Tufano viaduct and the Marano viaduct has been completed. Construction of the Lodi junction and re-routing of the Lodi Vecchio section has been completed (TAV Agreement).

(6) Approximately 134.6 km of third lane is open to traffic between Rimini North and Ancona North and between Ancona South and Porto Sant'Elpidio, in addition to the new junctions at Montemarcano, Porto Sant'Elpidio and Senigallia. Work is in progress on Lot 5 (Ancona North-Ancona South, 17.2 km) and Lot 4 (Senigallia-Ancona North, 18.9 km, including 16 km open to traffic).

(7) The tender procedure is underway for the Maddaloni junction; work is in progress on the Tunnel Safety Plan and on the Padua Industrial Park junction; work has been completed on the Villamarzana, Ferentino, Guidonia and Rubicone junctions.

Investment in major works by Autostrade per l'Italia - 1997 Agreement

Of the works included in Autostrade per l'Italia's Agreement of 1997, following the opening of the section of motorway known as the *Variante di Valico*, as at 31 December 2015 approximately 81% of these works have been completed.

The 1997 Agreement originally envisaged expenditure of €3,556 million for the above works.

The updated Financial Plan of 2002, which was included in the IV Addendum, entailed revisions to construction schedules and to the estimated total cost of the works, which was increased to €4,500 million, reflecting accumulated delays in obtaining approvals. It was, moreover, ascertained that the delays were not the fault of Autostrade per l'Italia, and that the financial benefits arising from the delays in carrying out the works were, in any case, less than the increase in costs to be borne by the Company.

The increase in costs above the levels originally set out in the Financial Plan annexed to the Agreement of 1997, are primarily the result of the above delays in the authorisation process, which have led to price increases, and of subsequently issued regulations. Cost increases have also been caused by works requested by local authorities involved in the approval and authorisation process. It is not envisaged that Autostrade per l'Italia will be able to claw back past and future cost overruns through increases in tolls.

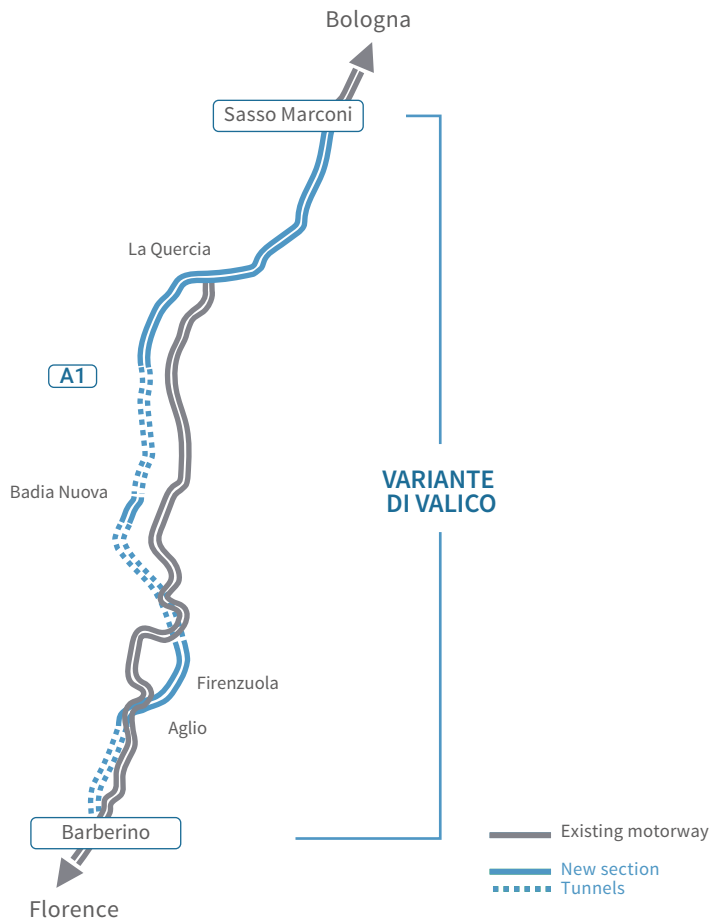
When, moreover, construction schedules were revised and agreed during the drafting of the IV Addendum in mid-2002, the authorisation process for many sections had not yet been completed (Casalecchio-Sasso Marconi, lots 5, 6, 7, 8, 13 and 14 of the *Variante di Valico*, Barberino-Florence North, lots 4, 5 and 6 of the Florence North-Florence South section, Florence South-Incisa and the Bologna Ring Road) and it was not possible to estimate when this might occur.

Today, in contrast, all the authorisation procedures have been completed for the upgrade of the A1 between Bologna and Florence, with the exception of Lot 2 (7.5 km) of the Florence South-Incisa section, for which it has not been possible to finalise the agreement between central government and the regional authority, and for which modifications to the earlier design were required. The new design obtained an Environmental Impact Assessment decree in January 2015 and is currently awaiting final approval by the Services Conference.

The final cost of the works (based on contracts in progress and final and executive designs awaiting authorisation) amounts to €6.8 billion. Of this, works with a value of approximately €5.5 billion have been completed, a figure that is higher than the cost of the works estimated in 2007. Compared with the initial estimate of €3.6 billion in 1997, on the basis of which the Company was privatised, the additional expense to be borne by the operator currently stands at €3.2 billion.

The Variante di Valico opens to traffic

On 23 December 2015, some of Italy's most important dignitaries gathered at the Sparvo Tunnel to attend the opening ceremony for the *Variante di Valico*, a key component of Autostrade per l'Italia's investment programme.



The widening of the Apennine stretch of the A1 between Sasso Marconi and Barberino represents a key stage in improving road conditions and cutting the time it takes to travel from the north to the south of the country. The project covers around 59 km and includes 41 new tunnels and 41 new viaducts, 2 new junctions and 2 new service areas. Hill climbs have been reduced by 220 metres and travel times have been cut by 30% compared with the old road. The project involved three major works:

- the widening of the Sasso Marconi-La Quercia section of 19.4 km to three lanes (opened to traffic in June 2007);
- construction, of a new 32-km motorway alongside the existing road between La Quercia and Aglio, offering drivers the choice of using the new or the old motorway;
- construction of a new 3-lane, 6-km section of southbound motorway between Aglio and Barberino. The existing 4-lane motorway is now reserved for northbound traffic.

The works presented a number of significant technical difficulties, reflecting a technologically advanced project carried out in one of the most morphologically and geologically complex landscapes in Europe: the Apennines in Tuscany and Emilia. With narrow valleys and sharp inclines, areas subject to the risk of landslip and geotechnical difficulties, this proved to be the most challenging part of the whole project.

The new tunnels obviously play a major role in the new motorway: the Base Tunnel, extending for around 9 km and

bored in parallel on 8 fronts and a 180m² section, is considered unique and of global importance; the Sparvo Tunnel, running through 2.5 km of landscape subject to firedamp, was built entirely using the world's biggest tunnel boring machine (a section of over 200m²), which saw the contractor (Toto Costruzioni Generali) win a number of international prizes in the sector.

It is estimated that over 90% of the heavy vehicles that travel from Bologna to Florence will choose to use the Variante rather than the existing A1.

Investment in major works by Autostrade per l'Italia - IV Addendum 2002

Investment envisaged in the IV Addendum is designed to upgrade the network close to a number of major conurbations and along the Adriatic coast. The authorisation process for works covered by the IV Addendum, signed by Autostrade per l'Italia in December 2002, was completed and became effective in June 2004. Work on the designs relating to the investment programme envisaged by the IV Addendum could thus only start from this date, after a delay of 21 months with respect to the original programme.

As at 31 December 2015, over 95% of the works have been authorised, approximately 50% have been contracted out and over 46% have been completed.

The most important project included in the IV Addendum, from both a technical and financial viewpoint, is the Genoa Interchange. The project aims to relieve congestion on the section of the A10 close to the city of Genoa, from the Genoa West toll station (the Port of Genoa) to the residential district of Voltri. This will involve transferring through traffic on to a new road running alongside the existing motorway, effectively doubling capacity.

To take account of accumulated delays in the approval process, the revised Financial Plan of 2013 has amended the schedule for carrying out the works and the estimated total cost, increasing it to €3.3 billion.

In 2015, the project completed the final stage of the authorisation process, with the issue, in May, of the Decree finalising the agreement between central government and the regional authority. The final design is currently being prepared.

The investments included in the IV Addendum are associated with specific toll increases linked to validation of the individual works and based on the stage of completion.

Planned investment in major works by the Group's other Italian motorway operators

As at 31 December 2015, almost all of the investments in new works by the Group's subsidiaries, Raccordo Autostradale Valle d'Aosta and Autostrade Meridionali, have been completed.

The concession held by Autostrade Meridionali expired on 31 December 2012. As requested by the Grantor, from January 2013 the company has continued to be responsible for day-to-day operation of the motorway whilst awaiting the transfer of the concession to the incoming operator and subject to inclusion of the related costs in the value of its takeover right. As at 31 December 2015, the works included in the investment programme agreed with the grantor have been completed. SAT, which has been recently acquired by the Group, is working on completion of the section of motorway linking Civitavecchia with Tarquinia (approximately 90% of the work has been completed as at 31 December 2015).

Network operations

The cost to Autostrade per l'Italia and its Italian motorway subsidiaries for maintenance, safety and traffic management on the network in 2015 (excluding work at service areas) was €430 million on a like-for-like basis ⁽²⁾ (€401 million in 2014).

Total expenditure in 2015 (not including maintenance staff costs) is made up of the following:

- maintenance costs of €305 million;
- €125 million spent on safety and traffic management (including capitalised maintenance costs).

Approximately €392 million of the total of €430 million was for projects carried out by Autostrade per l'Italia.

(2) The term, "on a like-for-like basis", is defined in the introduction to the "Group financial review".

Safety and maintenance

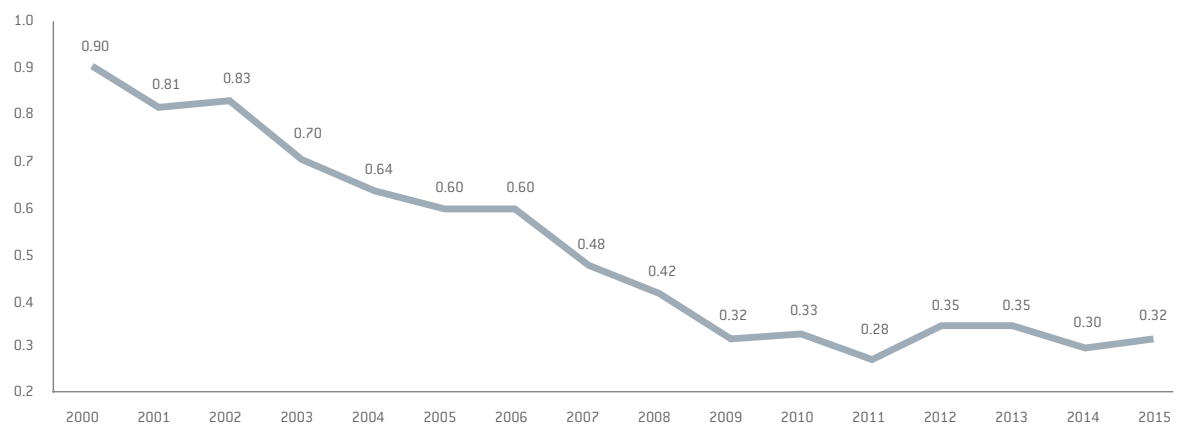
There were 14,724 accidents on Autostrade per l'Italia's network in 2015 (up 1.7% on 2014). The global accident rate is down 0.4% on 2014, whilst the death rate (calculated as the number of fatalities per 100 million kilometres) was 0.32, compared with the 0.31 of the previous year.

On a like-for-like basis, there 15,170 accidents on the network operated by Autostrade per l'Italia and its Italian motorway operators in 2015 (up 2.1% on 2014), with the global accident rate falling 0.3 percentage points compared with 2014 and a death rate (calculated as the number of fatalities per 100 million kilometres) of 0.32, compared with 0.30 in 2014⁽³⁾.

ACCIDENT RATES ON THE NETWORK OPERATED BY AUTOSTRADA PER L'ITALIA AND THE GROUP'S OTHER ITALIAN MOTORWAY OPERATORS⁽⁴⁾

	2000	2014	2015
Global accident rate (number of accidents per 100 Mn km travelled)	60.6	31.8	31.5
Accident rate on carriageways	-	27.7	27.1
Casualty rate (number of accidents per 100 Mn km travelled)	15.8	8.7	8.1
Fatal accident rate (number of accidents per 100 Mn km travelled)	0.71	0.25	0.28
Death rate (number of deaths per 100 Mn km travelled)	0.90	0.30	0.32

DEATH RATES ON THE NETWORK OPERATED BY AUTOSTRADA PER L'ITALIA AND THE GROUP'S OTHER ITALIAN MOTORWAY OPERATORS



Note: 2015 figures are provisional.

The number of accidents at accident blackspots was also down in 2015, falling 20.5% compared with 2014. 90 specific initiatives were implemented during the year, to add to the almost 2,000 such initiatives carried out from 2002, since when accidents at these points on the network have fallen by approximately 80%.

The improvement was also achieved thanks to deployment of the "Tutor" system for measuring average speeds (as at 31 December 2015, the system was in use on over 2,500 km or approximately 40% of the roads operated by Autostrade per l'Italia and the Group's other Italian motorway operators), in addition to the continual improvement of quality standards and specific infrastructure and operational measures. These include the introduction of a new system for road works signs and information campaigns designed to raise safety awareness among road users.

(3) Including Società Autostrada Tirrenica, the number of accidents in 2015 is 15,233; the rates are unchanged.

(4) The figures for 2015 are provisional. 2015 includes Società Autostrada Tirrenica.

Regarding routine and unscheduled maintenance activities, Autostrade per l'Italia pursued its commitment to guaranteeing ever better operating standards, via regular work on road surfaces, traffic signs, safety barriers and other infrastructure.

In keeping with the standards set in recent years, during 2015 there were over 68 major projects entailing structural maintenance. Work was carried out on repairs to bridges and viaducts on all the motorways in Liguria, on Apennine sections of the A1 and A16 and along the central sections of the motorway that runs down the Adriatic coast. Work was also carried out on a number of tunnels on the A10, A26 and A16. Finally work was carried out on motorways in Liguria, the Apennines and on the A14.

Other work on safety improvements related to the continuing upgrade of further roadside barriers on a total of approximately 297 km of motorway.

Draining pavement has been laid throughout the network, with the exception of roads liable to ice over, tunnels and roads where high traction paving has been laid or sections where major works are due to take place or are in progress.

RESURFACED PAVEMENTS ON AUTOSTRADE PER L'ITALIA'S NETWORK

	2000	2014	2015
Square metres (000)	11,256	7,525	7,659
of which square metres with draining pavement (000)	2,319	4,847	4,932
Total cubic metres (000)	586	395	376
Total Autostrade per l'Italia's network surfaced with draining pavement	18.9%	84.4%	83.9%

As always, Autostrade per l'Italia ran numerous initiatives and campaigns in 2015 to promote safety:

- the plan for managing peak-time traffic during the summer of 2015, via additional road traffic information, the removal of all road works, and increasing traffic flow at toll stations;
- "Traffic forecasts", made available on a specific section of Autostrade per l'Italia's website and at the Hi-Point information desks at service areas;
- the "Snow Plan", put into practice each year in collaboration with the highway police and aimed at stressing Autostrade per l'Italia's commitment in terms of personnel and equipment used to manage emergency situations, in addition to providing a series of useful suggestions for motorists travelling on the motorway in snow. Amongst other things, the specific section of the website dedicated to winter operations was revamped in 2015, and provides a handbook containing advice on driving during the winter and details of the winter equipment road users are required to carry;
- the "Angolo della Prevenzione" initiative run in collaboration with the Italian Red Cross, and aimed at making lorry drivers aware of the importance of health prevention in guaranteeing road safety, involving the offer of free medical examinations at service areas, with the support of Red Cross medical staff.

Traffic management

The Total Delay ⁽⁵⁾ ("TD") on the network managed by Autostrade per l'Italia in 2015 amounted to approximately 4.47 million hours, up 11.0% on 2014 due to an increase in traffic over the year.

The Total Delay Work, a sub-index of Total Delay, which measures disruption caused by roadworks on motorways, recorded a reduction of 31% in 2015, compared with the previous year.

The principal steps taken to improve traffic flow in the presence of roadworks were:

- a prior assessment of the impact on traffic of each roadwork in order to best plan the work to be carried out in terms of period of the year and the layout of the site in order to reduce disruption to a minimum;
- an increase in the number of road workers and equipment used to reduce the time required;
- the suspension of work at busy times of day;
- more information given to road users on the sections affected and the most critical times of day, with suggestions on how to organise journeys and choose alternative routes.

(5) Total Delay: the sum of the difference between the average transit time for each section of the entire network in the period under review and the equivalent time at an average speed typical of the section in question, multiplied by the number of journeys.

In terms of information, the following took place in 2015:

- for the broadcast of 28 live bulletins a day from Autostrade per l'Italia's Traffic Operations centre, with additional links in the event of serious disruption, thus supplementing the information provided by the traditional partner, RAI Isoradio;
- the number of Variable Message Panels providing traffic information was further increased; at the end of 2015 there were 1,681 panels on Autostrade per l'Italia's network ⁽⁶⁾;
- a total of 288,490 calls were made to the traffic information centre, with a total of 99.9% answered;
- as at 31 December 2015, live coverage on the MyWay slots on SkyTG24 was provided on 1,050 occasions, with peaks of 12 slots a day during the summer season; there were over 10,000 reports on SkyMeteo24's 501 channel, where MyWay is on air every day from 7.10 in the morning until 9.40 at night.

QUALITY OF TRAFFIC MANAGEMENT SERVICES ON AUTOSTRADE PER L'ITALIA'S NETWORK

	2000	2014	2015
Number of variable message panels	384	1,342	1,681
% of traffic covered by service on entry	n.a.	99	99
% of traffic on motorway covered by service	n.a.	99	99
% of network on which ISORADIO and RTL can be received	n.a.	75	75
% of calls answered by the traffic information centre	n.a.	99	99

Toll collection and payment systems

In 2015, the number of transactions handled by automated tolling systems on the network operated by Autostrade per l'Italia rose 2.9% on the previous year, reaching 83.2% of total transactions (82.7% in 2014). This led to a reduction in manual transactions of 1.2%.

The number of transactions handled by automated tolling systems on the Italian network operated by Autostrade per l'Italia and the Group's other motorway operators is up 3.0%, accounting for 81.6% of total transactions (81.0% in 2014). Including the contribution from Società Autostrada Tirrenica, the percentage of transactions using automated systems is 81.8% of total transactions.

Free-flow tolling using Telepass accounted for 59.9% of transactions (58.8% including the networks of the Group's other operators), compared with 59.8% in 2014 (58.6% including the networks of the Group's other operators).

Service areas and advertising

There are currently 228 service areas along the motorway network operated by Autostrada per l'Italia and the Group's other Italian motorway operators (230 including Società Autostrada Tirrenica), 216 of which are on motorways operated by Autostrade per l'Italia.

Aside from the limited cases where approval or environmental clearance is still awaited, the original plan for the period 2003-2012 has been substantially completed.

To date, 24 areas named in Autostrade per l'Italia's Single Concession Arrangement of 2007 and in the related Addendum, signed and approved on 24 December 2013, remain to be completed. The above projects, which have a total value of approximately €72.6 million, consist of:

- 13 projects already underway (3 where work is in progress; 1 where work is about to start; 9 where the executive design is under approval by the Grantor);
- 11 projects yet to get underway (2 where Technical Validation by the Grantor is awaited, 7 where the final design has been validated and the art. 81 approval process is underway and 2 where the executive designs have been submitted for approval).

(6) The increase compared with 2014 is primarily due to the panels installed on the newly opened *Variante di Valico*.

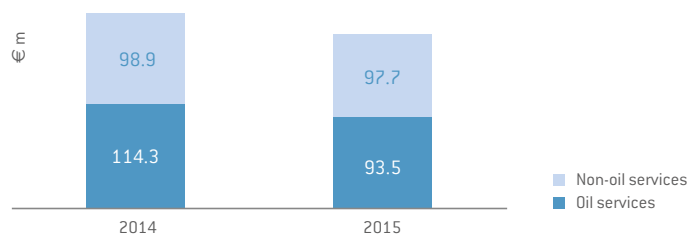
In addition to increased capacity and the wider range of goods and services on offer, the plan has also resulted in improvements to the quality of service provided at service areas.

On 7 August 2015, the Ministry of Infrastructure and Transport and the Ministry for Economic Development issued a decree approving the plan to restructure the motorway service area network. The plan envisages steps to rationalise the network, with the closure of a number of service areas (15 on the network operated by Autostrade per l'Italia), and revisitation of the manner in which services are provided to motorway users, in keeping with the Guidelines of 29 March 2013 and 29 January 2015. 10 service areas on Autostrade per l'Italia's network have already been closed in application of the decree.

Recurring royalties received from sub-operators on the network managed by Autostrade per l'Italia in 2014 totalled €187.7 million in 2015, marking a reduction of 10.3% compared with 2014, essentially due to agreements with certain sub-operators and further discounts applied with effect from the second half of 2014.

On a like-for-like basis, including the royalties received by the Group's other motorway operators, recurring service area royalties amount to €191.2 million, down €22.0 million on 2014 (a decline of 10.3%)^(?).

RECURRING ROYALTIES FROM SUB-OPERATORS ON THE NETWORK



In 2015, the subsidiary, AD Moving SpA, earned revenue of approximately €8.5 million (down 4.5% or €0.4 million on 2014) from the management and marketing of advertising space at service areas (temporary and permanent billboards, the "Infomoving" TV channel, the network of LED walls, displays, etc.) and road travel information along the motorways. This reflects a further decline in the Italian advertising market, with the advertising spend down 1% in the year to November 2015 (the latest date available from Nielsen).

Financial review for the principal subsidiaries

Società Autostrade Meridionali

Autostrade Meridionali's single concession arrangement expired on 31 December 2012. ANAS published the call for tenders in the Official Gazette of 10 August 2012 in order to award the concession for maintenance and operation of the Naples-Pompei-Salerno motorway. The tender process envisages that the winning bidder must pay Autostrade Meridionali the value of the "takeover right", which the call for tenders has set at up to €410 million. Autostrade Meridionali submitted its request for prequalification and has received the invitation to tender sent to prequalified bidders and submitted its bid for award of the concession. The process of awarding the concession for the A3 Naples-Salerno is still in progress.

In compliance with the concession arrangement, in December 2012 the Grantor asked Autostrade Meridionali to continue operating the motorway after 1 January 2013, in accordance with the terms and conditions of the existing arrangement, and to implement safety measures on the motorway. According to the terms of the concession arrangement, the transfer of the concession to the incoming operator will take place at the same time as payment for the "takeover right" is made to Autostrade Meridionali.

(?) Including the contribution from Società Autostrada Tirrenica, the reduction with respect to 2014 is €22.5 million (10.5%).

Total revenue for 2015 amounts to €85.0 million, up €5.9 million (7.45%) on 2014.

Revenue reflects the previously mentioned addition to the concession fee to be paid to the Grantor, amounting to €9.8 million in 2015 (€9.4 million in 2014), with a matching amount recognised in operating costs.

Net toll revenue of €78.7 million compares with €75.2 million in the previous year (up €3.5 million). The increase reflects the impact of traffic growth in 2015, with the total number of journeys rising 4.54% compared with the previous year. The increase in traffic affected both heavy vehicles (up 2.2%) and light vehicles (up 4.8%), boosting revenue by an estimated €3.5 million. Other recurring revenue is up €2.3 million, essentially due to the recognition of receivables for refunds due from contractors building the third lane.

EBITDA of €28.5 million is up €0.8 million on 2014, primarily due to a combination of the increase in total revenue and a reduction in operating costs, partially offset by increased costs for maintenance services to be paid for by the company.

Investment in motorway assets in 2015 amounts to €7.2 million (compared with €11.3 million in 2014).

Tangenziale di Napoli

Total revenue of €71.6 million is up €0.8 million (1.1%) on 2014.

Revenue reflects the previously mentioned addition to the concession fee to be paid to the Grantor, amounting to €5.0 million (unchanged with respect to 2014), with a matching amount recognised in operating costs.

The increase in total revenue, net of the toll surcharge, is primarily due to a €0.8 million rise in toll revenue due, given that tolls have not increased, to an increase in traffic compared with 2014 (up 0.7%).

EBITDA is up €1.7 million on 2014, reflecting the increase in revenue, as well as a €0.5 million reduction in maintenance costs and in other operating costs, after concession fees, which are down €0.1 million. Other non-recurring costs are down €0.6 million, partly offset by an increase in staff costs of €0.3 million.

Modernisation and upgrade of the motorway continued in 2015, with work amounting to €15.6 million carried out (up €6.1 million on 2014). This regarded the new Hospital Area toll station, earthquake proofing, safety barriers, the waste water treatment system, tunnel equipment and the upgrade of the Capodimonte toll station.

Società Italiana per Azioni per il Traforo del Monte Bianco

Total revenue of €57.6 million is up 4.2% on 2014 (€55.3 million). Toll revenue of €57.2 million is up €2.2 million due to toll increases and traffic growth (up 3.5%).

The Intergovernmental Committee authorised a toll increase of 2.59% from 1 January 2015, including the increase designed to keep pace with the average inflation rate in Italy and France for the period from 1 September 2013 to 31 August 2014 (an increase of 0.19%) and the final tranche of the extraordinary toll increase (this year 2.40%) agreed on by the Italian and French ministers of infrastructure at their meeting in Lyons on 3 December 2012. The Italian operator's use of the revenue generated by this second component has yet to be decided on by the relevant ministries. As a result, in common with previous years, the portion of the additional revenue generated by application of the extraordinary increase attributable to the Italian company has been temporarily accounted for in liabilities, and has not, therefore, been recognised in toll revenue.

EBITDA of €37.6 million is up €2.4 million, following the significant rise in revenue and modest decline in maintenance costs and other operating costs.

Capital expenditure amounts to €1.7 million, up on the figure for 2014 (up €0.5 million) as a result of continuing upgrade work, above all in order to conduct a general evolution of the Centralised Technical Operations.

Raccordo Autostradale Valle d'Aosta

Total revenue of €18.9 million is up 6.7% on 2014 (up €1.2 million) and consists primarily of toll revenue (€18.3 million in 2015, compared with €17.1 million in 2014).

The increase in toll revenue above all reflects a toll increase of 1.5% applied from 1 January 2015, whilst traffic growth amounted to 5.6% compared with 2014).

EBITDA (€7.3 million) is up €2.4 million on the previous year, primarily due to an increase in toll revenue, a reduction in maintenance for winter operations and the reduced cost of urgent work compared with 2014.

Capital expenditure amounts to €7.3 million in 2015, almost entirely relating to investment in motorway assets. This includes €5.5 million relating to the settlement reached with Impresa Torno, regarding cost overruns for work on the first section of the Sarre-Morgex motorway.

In terms of matters relating to tolls and the concession, following further talks with the Grantor and based on the memorandum of understanding signed by the Grantor and RAV on 30 December 2014, the company was authorised to apply a toll increase below the level requested by the company. The memorandum fixed the date (30 June 2015) for approval of the Addendum to the Single Concession Arrangement, which, among other things, sets out the procedure for recovering the toll increase that was not authorised. In early May, the Company submitted a revised Addendum, in which the Financial Plan, whilst modifying the structure of the proposed works in order to obtain the envisaged return, confirmed it as 6.70%, based on what was established in the Single Concession Arrangement of 2009. The Addendum has not yet been approved and is being examined with a view to approval.

Società Autostrada Tirrenica

During 2015, Autostrade per l'Italia acquired almost all the ordinary shares of Società Autostrada Tirrenica, which, from 30 September 2015, is again consolidated in the Group's accounts.

Total revenue for 2015 amounts to €36.2 million (€36.5 million in 2014), broadly in line with the previous year. Annual toll revenue for 2015 amounts to €32.8 million (€31.4 million in 2014), an increase that reflects 3.0% growth in traffic compared with the previous year and the Grantor's permission to apply a toll increase of 1.50%. Toll revenue during the period of consolidation amounts to €5.9 million.

In implementation of decree 593 of 31 December 2014, the Ministry of Infrastructure and Transport, on the basis of the memorandum of understanding sign by SAT and the Ministry on 30 December 2014, provisionally gave the go-ahead for a toll increase of 1.50%, below the level requested by the company (5.20%). The above memorandum of understanding established that, the revised Financial Plan annexed to the Addendum to the existing Concession Arrangement, to be submitted by 30 June 2015, would set out the method of recouping the difference between the effective increase due and the authorised increase. The Addendum, submitted by the company in 2015, has not yet been approved and is being examined with a view to approval.

EBITDA for 2015 amounts to €20.3 million, broadly in line with the figure for 2014 (€19.9 million). EBITDA for the period of consolidation amounts to €2.4 million.

Capital expenditure in 2015 amounted to €75.1 million, including €73.3 million for Lot 6A Civitavecchia–Tarquinia under construction. This section of motorway is due to enter service in 2016⁽⁸⁾.

Telepass

As at 31 December 2015, 8.8 million Telepass devices are in circulation (up 327 thousand compared with 31 December 2014), whilst the number of subscribers of the Premium option stands at over 1.9 million (up 95 thousand compared with 31 December 2014).

Telepass, the company responsible for operating tolling systems and the supplier, in Italy and overseas, of other transport-related payment systems, generated revenue of €151 million in 2015, up €5 million on the figure for 2014. Revenue primarily consists of Telepass fees of €97 million, Viacard subscription fees of €21 million and payments for Premium services of €17 million.

The company's EBITDA for 2015 is €89 million, compared with €88 million for 2014.

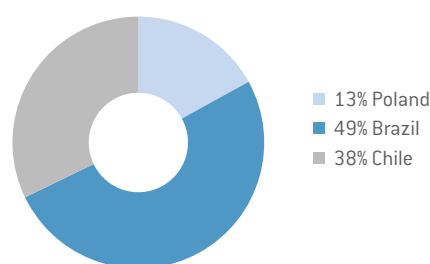
(8) Capital expenditure during the period of consolidation (October-December 2015) amounts to €12.2 million, including €10.9 in the construction of Lot 6A.

2.6 Overseas motorways

The Group's overseas motorway operators generated total revenue of €546 million in 2015, up €5 million (1%) on 2014, after an overall negative impact of exchange rate movements. At constant exchange rates, revenue is up 9%. Revenue growth during the year was driven by toll increases applied by operators in accordance with the terms of their concession arrangements, and by increases in traffic (measured in terms of kilometres travelled) compared with 2014. Traffic growth was particularly evident in Chile (6.7%) and Poland (8.6%), whilst traffic declined in Brazil⁽⁹⁾ (a decline of 2.1%) as a result of the continuing weakness of the country's economy which, already from the second half of 2014, had led to a reduction in heavy vehicles.

EBITDA for the overseas companies, amounting to €407 million in 2015, is up 1% on 2014. At constant exchange rates, EBITDA is up 6%.

BREAKDOWN OF REPORTED EBITDA FOR OVERSEAS MOTORWAY OPERATORS (BY GEOGRAPHICAL AREA)



Chile

The Chilean operators' revenue for 2015 amounts to a total of €214 million, up 25% on 2014 (€171 million). At constant exchange rates⁽¹⁰⁾, revenue is up 20%. EBITDA of €155 million, marking an increase of approximately €27 million (21%) on 2014. At constant exchange rates, EBITDA is up 16%.

KEY PERFORMANCE INDICATORS

€m	Revenue			EBITDA			Adjusted revenue ^(*)			Adjusted EBITDA ^(*)		
	2015	2014	% inc./ [dec.]	2015	2014	% inc./ [dec.]	2015	2014	% inc./ [dec.]	2015	2014	% inc./ [dec.]
Grupo Costanera												
Costanera Norte	95	76	25%	72	57	26%	133	109	22%	110	90	22%
Nororiente	5	3	67%	0	0	n.s.	18	15	20%	13	12	8%
Vespucio Sur	85	70	21%	68	59	15%	85	70	21%	68	59	15%
Litoral Central	3	2	50%	-1	0	n.s.	14	12	17%	12	9	33%
AMB	1	1	n.s.	0	0	n.s.	1	1	n.s.	0	0	n.s.
Los Lagos	25	19	32%	16	12	33%	48	40	20%	39	33	18%
Total	214	171	25%	155	128	21%	299	247	21%	242	203	19%

(*) Information on the nature of the adjustments made and differences between reported and adjusted amounts is provided in the specific section "Group financial review".

(9) If the 50% interest in Rodovias do Tietê is included, the decline in traffic in Brazil is 2.2%.

(10) The results of the Group's Chilean companies for 2015 expressed in euros have benefitted from a strengthening of the Chilean peso, with the exchange rate moving from 756.9 Chilean pesos per euro (the average rate for 2014) to an average of 726.4 Chilean pesos for 2015 (an increase in value of 4%).

Traffic on the motorways operated by the Group's Chilean operators, measured in terms of kilometres travelled, rose by a total of 6.7% in 2015.

TRAFFIC

	Traffic (millions of km travelled)			Traffic (thousands of journeys)		
	2015	2014	% inc./[dec.]	2015	2014	% inc./[dec.]
Grupo Costanera						
Costanera Norte	1.076	1.038	3,6%	255.788	248.021	3,1%
Nororiente	79	73	8,3%	6.639	6.122	8,5%
Vespucio Sur	898	849	5,7%	292.678	277.706	5,4%
Litoral Central	111	99	12,3%	4.493	3.990	12,6%
AMB	23	22	2,6%	9.857	9.611	2,6%
Los Lagos	673	597	12,6%	17.385	16.033	8,4%
Total	2,859	2,679	6.7%	586,841	561,483	4.5%

(*) Excludes new tollgates installed in 2015.

In addition to the above traffic growth, toll revenue recorded by Costanera Norte in 2015 benefitted from the reconfiguration of tollgates in the first quarter of 2014 and in January 2015, carried out as part of the *Santiago Centro Oriente* upgrade programme. The effect of the new configuration, which in a number of cases enables the company to bill certain types of traffic that previously did not pay, has resulted in a 7.5% increase in traffic.

From January 2015, the operators controlled by Grupo Costanera applied the following annual toll increases ⁽¹¹⁾, calculated under the terms of the related concession arrangements:

- 9.4% for Costanera Norte, Vespucio Sur and Nororiente, reflecting a combination of the increase linked to inflation in 2014 (up 5.7%) and a further increase of 3.5%;
- 7.3% for AMB, reflecting a combination of the increase linked to inflation in 2014 (up 5.7%) and a further increase of 1.5%;
- 5.7% for Litoral Central, linked to inflation in 2014.

From January 2015, the tolls applied by Los Lagos rose 9.0%, reflecting a combination of the increase linked to inflation in 2014 (up 5.7%) and a further increase in the form of a bonus relating to safety improvements in 2015 (up 4.0%), less the bonus for safety improvements awarded in 2014, equal to 0.85%.

Capital expenditure amounted to a total of €88 million in 2015, with around 52% of the works to be carried out as part of the *Santiago Centro Oriente* upgrade programme, amounting to total investment of approximately €250bn Chilean pesos (equal to around €338 million ⁽¹²⁾) in the section operated by Costanera Norte, having been completed.

Brazil

The Brazilian operators generated total revenue of €266 million in 2015, down 14% on 2014 (€311 million). At constant exchange rates ⁽¹³⁾, revenue is up 1.3%. The Brazilian operators consolidated by the Group recorded a 2.1% decline in traffic, measured in terms of kilometres travelled, in 2015. Toll revenue reflects the annual toll increases applied by operators in the state of Sao Paulo from July and those applied from June by the operator, Rodovias MG050, in the state of Minas Gerais.

(11) The toll increases applied to road users may also be influenced by the rounding off of tolls and, in the case of Nororiente, by the distribution of the increase between the two barriers.

(12) Amounts for previous years have been translated at the average peso/euro exchange rates for the relevant year (2013: 658.3; 2014: 756.9; 2015: 726.4), whilst amounts for 2016 and future years have been translated at the prevailing peso/euro exchange rate as at 31 December 2015 (772.7).

(13) The results of the Group's Brazilian companies for 2015 expressed in euros reflect a decline in the value of the Brazilian real, with the exchange rate moving from 3.12 Brazilian reals per euro (the average rate for 2014) to an average of 3.70 Brazilian reals per euro in 2015 (a reduction in value of 19%).

KEY PERFORMANCE INDICATORS

€m	Traffic (millions of km travelled)			Revenue			EBITDA		
	2015	2014	% inc./ [dec.]	2015	2014	% inc./ [dec.]	2015	2014	% inc./ [dec.]
Triangulo do Sol	1,465	1,511	-3.1%	114	134	-15%	88	103	-15%
Rodovias das Colinas	2,042	2,080	-1.8%	125	145	-14%	91	116	-22%
Rodovia MG050	795	804	-1.1%	27	32	-16%	18	21	-14%
Total	4,302	4,395	-2.1%	266	311	-14%	197	240	-18%
Rodovias do Tietê	1,292	1,326	-2.6%						
Total including Tietê	5,595	5,722	-2.2%						

Triangulo do Sol and Colinas increased their tolls by 4.11% from 1 July 2015, based on the rate of general price inflation in the period between June 2014 and May 2015, whilst Rodovias do Tietê raised its tolls by 8.47%, based on the rate of consumer price inflation in the same period. The increase was applied in accordance with the respective concession arrangements.

From 24 June 2015, the tolls applied by the operator, Rodovias MG050, in the state of Minas Gerais rose by 8.17%, based on the rate of consumer price inflation in the period between May 2014 and April 2015, as provided for in the related concession arrangement.

Rodovias MG050's toll revenue was negatively affected by the suspension of charges for the suspended axles of heavy vehicles introduced by federal law 13103/2015, which came into effect on 17 April 2015. The loss of revenue resulting from the entry into effect of above legislation will be subject to compensation in accordance with the concession arrangement.

EBITDA of €197 million is down by approximately €43 million (18%) compared with 2014. At constant exchange rates, EBITDA is down 2.9%.

A total of €67 million was invested in upgrading the network operated under concession in Brazil.

With the opening to traffic of the last 5.5 km of the Rodoanel (Sao Paulo's orbital motorway), the entire stretch of this road, covering 105 km, is now operational with a provisional layout⁽¹⁴⁾. This road is operated under concession by SPMAR, on whose shares Atlantia Bertin Concessoes has a call option exercisable in accordance with the terms of agreements with the Bertin group, currently SPMAR's controlling shareholder.

Poland

In Poland, the Stalexport Autostrady group recorded total revenue of €64million, marking an increase of 19% compared with 2014. EBITDA of €51million is up 28% on 2014.

The operator, Stalexport Autostrada Malopolska, registered an 8.6% increase in traffic, in terms of kilometres travelled, in 2015, compared with 2014. The number of light vehicles is up 8.5%, whilst heavy vehicles are up 9.1%.

Tolls were increased by 10.7%⁽¹⁵⁾ from 1 March 2015, rising from 9.0 to 10.0 zlotys for light vehicles, from 15.0 to 16.5 zlotys for vehicles with up to 3 axles and from 24.5 to 26.5 zlotys for those with more than 3 axles.

€m	Traffic (millions of km travelled)			Revenue			EBITDA		
	2015	2014	% inc./ [dec.]	2015	2014	% inc./ [dec.]	2015	2014	% inc./ [dec.]
Stalexport Autostrady group	822	757	8.6%	64	54	19%	51	40	28%
Total	822	757	8.6%	64	54	19%	51	40	28%

(14) The regulator for the state of Sao Paulo (ARTESP) has also authorised collection of tolls from 2 July 2015, despite the fact that a number of construction works still have to be carried out to complete the section of motorway.

(15) The weighted average increase based on the distribution of traffic in the first quarter of 2015 (in terms of km travelled) over the three classes of vehicle.

2.7 Other activities

Autostrade Tech

Autostrade Tech is a provider of Information Technology Systems, operating in Italy and overseas. It supplies systems used for tolling, traffic management and information, urban access controls, car parks and speed checks.

Revenue of €65 million in 2015 is up €13 million compared with 2014. The improvement is primarily due to the positive impact of increases in the volume of Telepass devices supplied, the supply of tolling equipment to Sat Lavori and the contract with Pedelombarda Lombarda for design and other work on a free-flow tolling system for a section of the A8-A9 and on the first lot of the Como and Varese orbital motorways.

EBITDA for 2015 amounts to €11 million, up €2 million on 2014.

Electronic Transaction Consultants

Electronic Transaction Consultants (ETC) is the leading US provider of systems integration, hardware and software maintenance, customer services and consultancy in the field of free-flow electronic tolling systems.

In 2015, ETC generated revenue of €71 million. EBITDA of €10 million is a €7 million improvement on 2014.

2.8 Innovation, research and development

Within the Group, innovation, research and development activities aim to offer innovative, technologically advanced solutions designed to contribute to ensuring accessibility, traffic flow, quality, maintenance and safety, partly to keep pace with changing technological and regulatory standards. The activities thus aim to:

- boost motorway service quality, in terms of safety and traffic flow, by improving the network through its upgrade, modernisation, maintenance and monitoring;
- improve management of the network and the efficiency of transport through the development of dedicated information systems;
- minimise the impact of motorway operations right from the start of the design process, by managing the infrastructure in a sustainable manner in accordance with European and national objectives.

Innovation, research and development activities, some of which are long-term in nature, are undertaken by the relevant departments, in cooperation with other Group companies, in collaboration with research centres and universities and, on occasion, in partnership with other companies. Once again in 2015 activities focused on many projects, some of which were co-financed at EU and national level.

The various projects in the motorway sector reaching the application stage in 2015 include:

- the application of new information systems for use in monitoring traffic and accidents, with the aim of improving traffic management and the planning of roadworks;
- the free and geolocalised My Way application, providing real-time information on traffic, roads and motorways, including those in urban areas, and enabling the computation of journey times and average speeds in sections of motorway served by the Tutor system, cameras and motorway services;
- the Pyng application for the payment of parking;
- the launch of interoperable DSRC (Dedicated Short Range Communication) technology in Europe;
- the start-up of a payment service for the ferries serving the Strait of Messina, using a Telepass device;
- the installation and testing of newly designed wireless devices in the Porto San Giorgio tunnel on the A14 motorway for emergency communications and new aspiration systems to draw off flammable and toxic liquids in accordance with Legislative Decree 264/2006;
- the use of new card readers in compliance with international security standards.

The main activities underway in 2015 include:

- continuation of activities involved in the development of free-flow tolling systems;

- continuation of work on developing the platform to manage the satellite-based tolling system and to track vehicles on motorways and in urban areas;
- continuation of work on developing systems to identify the class of vehicle in order to apply the appropriate toll;
- participation in the EU-financed REETS project, regarding implementation of a Regional European Electronic Toll Service, set up by European Directive 2004/527EC and Decision 2009/750/EC;
- participation in the EU-financed MOBINET project, aimed at creating an e-marketplace in the Intelligent Transport Systems sector;
- participation in the nationally funded EASYRIDER project regarding development of new interaction services between fixed structures and vehicles, aimed at optimising traffic flows and road safety, especially relating to urban and extra-urban infomobility;
- participation in the European EASYWAY programme for the development and application of ITS services (information for road users, traffic management, freight transport and logistics) required to meet EU objectives regarding safety, and the environmental impact of transport and mobility;
- continuation of the nationally funded Landslides Early Warning (LEW) project, regarding development of a monitoring and early warning system to reduce hydrogeological risk in order to protect people, including the circulation of information;
- the application of structural monitoring systems for infrastructure, using optical fibre sensors;
- a study of innovative initiatives to improve visibility and safety in mobile work sites;
- the testing of innovative vehicles for use in winter operations;
- application of new LED lighting systems for motorway tunnel entrances in order to improve safety conditions and energy efficiency.

These activities also include those carried out in relation to the conduct of European or national research, development and innovation programmes and the establishment of transport-related regulations, such as safety, the implementation of intelligent transport and automated tolling systems, by participating in bodies and associations at regional, national and European level.

Autostrade per l'Italia Group companies' total expenditure on innovation, research and development in 2015 amounts to €7 million.

This sum represents the total amount spent by the Group on research and development, including operating costs and investment in staff and the related expenses.

2.9 Workforce

As at 31 December 2015, the Autostrade per l'Italia Group employs 10,324 staff on permanent contracts and 361 temporary staff, making a total workforce of 10,685 (up 214 compared with the 10,471 of 2014, representing a 2.0% increase).

The change in permanent staff (up 263) primarily reflects events at the following Group companies:

- Società Autostrada Tirrenica (up 73), following this company's consolidation from 30 September 2015;
- the Brazilian companies (up 159), due to the insourcing of routine maintenance and completion of the reorganisation of the holding company and operators;
- Electronic Transaction Consultants (up 56), reflecting an increase in contract work;
- Giove Clear (up 61), reflecting the conversion of a number of temporary contracts into permanent ones;
- Italian motorway operators (down 40), primarily due to a slowdown in recruitment;
- the Chilean companies (down 48), due to staff cuts following the centralisation of certain activities.

The change in temporary staff at 31 December 2015 (down 49) primarily reflects events at the following Group companies:

- Giove Clear (down 66), reflecting the conversion of a number of temporary contracts into permanent ones;
- Italian motorway operators (up 28), primarily due to the different number of seasonal toll collectors required by Autostrade per l'Italia in the comparative periods.

The average workforce (including agency staff) is up from 9,890 in 2014 to 10,153 in 2015, marking an increase of 263 on average (up 2.7%). This increase primarily reflects:

- Società Autostrada Tirrenica (up 17), following this company's consolidation from the last quarter of 2015;
- the Brazilian companies (up 290 on average), due to the insourcing of routine maintenance at the operators and the reorganisation of the holding company and operators;
- Electronic Transaction Consultants (up 24 on average), reflecting an increase in contract work;
- the Stalexport Autostrady SA group (up 12 on average), primarily due to the recruitment of additional toll collectors in response to traffic trends;
- Giove Clear (up 10 on average), reflecting an expansion of operations to include new service areas;
- Italian motorway operators (down 61 on average), primarily due to a slowdown in recruitment (at Autostrade per l'Italia, Tangenziale di Napoli and Autostrade Meridionali) and the transfer of staff from Autostrade per l'Italia to Atlantia in 2014 following the merger with Gemina;
- the Chilean companies (down 22), due to staff cuts following the centralisation of certain activities.

Staff costs for 2015, after deducting capitalised expenses, total €566 million, up €27 million on the previous year. Before capitalised expenses, which are up €4 million compared with the previous year, staff costs total €591 million, an increase of 5.5% (€560 million in 2014).

On a like-for-like basis, staff costs before capitalised expenses amount to €586 million, up €26 million (4.7%) on the previous year. This reflects the following:

- an increase in the average unit cost (up 2.3%), primarily due to the cost of contract renewals and management incentive plans at the Group's Italian motorway operators, partly offset by the Brazilian companies' recruitment of personnel on different forms of contract with respect to the one applicable to motorway and tunnel workers;
- an increase of 240 in the average workforce excluding agency staff (up 2.4%).

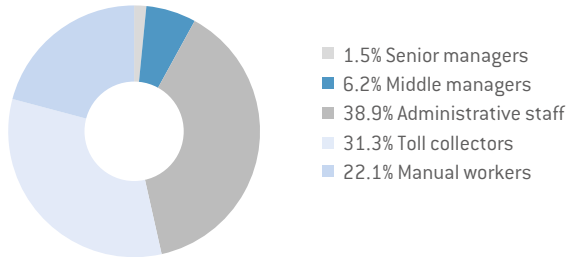
PERMANENT STAFF	31/12/2015	31/12/2014	Increase/ (Decrease)	
			Absolute	%
Senior managers	151	157	-6	-3.8%
Middle managers	638	647	-9	-1.4%
Administrative staff	4,022	3,873	149	3.8%
Manual workers	2,280	2,099	181	8.6%
Toll collectors	3,233	3,285	-52	-1.6%
Total	10,324	10,061	263	2.6%

TEMPORARY STAFF	31/12/2015	31/12/2014	Increase/ (Decrease)	
			Absolute	%
Senior managers	1	1	0	0.0%
Middle managers	-	-	-	n.a.
Administrative staff	30	35	-5	-14.3%
Manual workers	143	215	-72	0
Toll collectors	187	159	28	17.6%
Total	361	410	-49	-12.0%

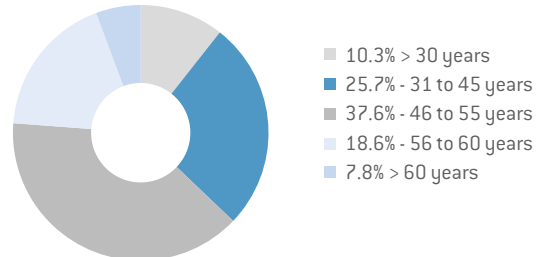
AVERAGE WORKFORCE	31/12/2015	31/12/2014	Increase/ (Decrease)	
			Absolute	%
Senior managers	154	161	-7	-4.3%
Middle managers	632	644	-12	-1.9%
Administrative staff	3,912	3,833	79	2.1%
Manual workers	2,229	1,971	258	13.1%
Toll collectors	3,226	3,281	-55	-1.7%
Total	10,153	9,890	263	2.7%

Distribution of the Group's workforce

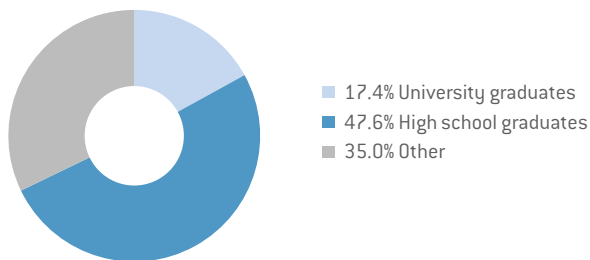
DISTRIBUTION OF PERMANENT STAFF BY CATEGORY



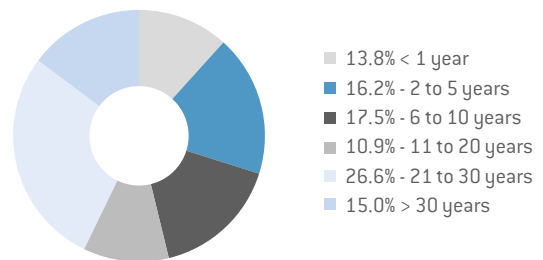
DISTRIBUTION OF PERMANENT STAFF BY AGE RANGE



DISTRIBUTION OF PERMANENT STAFF BY EDUCATIONAL QUALIFICATION



DISTRIBUTION OF PERMANENT STAFF BY LENGTH OF SERVICE



Staff management and development

The process of identifying and selecting personnel is based on the search for the best talent. The tools and channels used to find candidates differ according to seniority and the technical and specialist expertise required.

The tools and channels used to find candidates are the "Atlantia per la Conoscenza" programme, managed by the parent, Atlantia, the Company's own database and the online recruiting database. Junior staff are selected after an assessment, involving individual and group tests aimed at gauging attitude and ability. Head hunters and social network platforms are used to recruit senior staff, in order to find the best possible candidates from Italy and abroad. The selection process involves assessment of both motivational and managerial aspects, and of technical and professional aspects.

The Autostrade per l'Italia Group has always been committed to enhancing and developing the know-how available to the Group, through training programmes designed to promote professional development and the achievement of business targets. In 2015, training continued to focus primarily on improving the quality of the services provided, on developing know-how within the Group and on supporting change management processes with the aim of achieving a significant improvement in the perceived quality of customers' journeys, developing the skills necessary in order to provide an excellent level of service.

The training courses organised primarily related to the following areas:

- improving customer communication;
- support for change management processes;
- the enhancement of know-how within the Group;
- management training;
- training in corporate responsibility and on the organisation, management and control model.

The Autostrade per l'Italia Group invests in its human capital as a means to boosting its competitiveness in order to achieve success. The Group assesses its organisational structure, results, and the expertise, experience and potential of its staff using the most appropriate assessment tools to orientate management and development initiatives in order to meet the Group's needs. This process involves two integrated assessment tools:

- Performance Management: an process forming an integrated part of the overall business strategy, with the aim of boosting the Group's performance;
- Development Programmes: with the aim of getting the most out of personnel and ensuring their professional development.

In 2015, the Group's commitment to corporate welfare, paying attention to people and their well-being, continued. Key areas of intervention include:

- **Health Care** - initiatives designed to promote the health and wellbeing of personnel and corporate wellness programmes aimed at raising awareness and improving lifestyles;
- **Family Care** - initiatives for the families and children of employees in order to improve the worklife balance;
- **People Care** - engagement and time-saving initiatives to foster a sense of belonging to the Group.

Details of remuneration policies are provided in Atlantia's Remuneration Report for 2016 (as approved by the Board of Directors on 4 March 2016) and in the information circulars for the various equity plans, prepared pursuant to art. 84-bis, paragraph 1 of the Regulations for Issuers and available for inspection on the parent's website at <http://www.atlantia.it/it/corporate-governance/remunerazione.html>

Workplace health and safety

Training and refresher courses on health and safety in the workplace are organised by the Autostrade per l'Italia Group, taking into account the requirements of Legislative Decree 81/2008, the agreement between central government and regional authorities dated 21 December 2011 and additional regulations governing such matters. Training involves all newly hired personnel, apprentices or those on work experience schemes, as well as all staff who have changed role, resulting in exposure to a different set of workplace risks. The content and duration of the training programmes differs based on the shared needs of each group of trainees. Training is arranged for personnel who use new machinery and/or equipment or how have operational responsibilities requiring specific skills, such as those who work on the motorways. Further courses were organised to improve on basic training and to develop the skills of people exposed to certain risks or who deal with situations of particular importance.

Organisation

As in previous years, the organisational activities of the Autostrade per l'Italia Group in 2015 focused on improving service quality, via the constant monitoring of pre-defined quality indicators and the implementation of specific projects.

Autostrade per l'Italia's new organisational structure was also implemented in the first half of 2015. This involved eliminating the role of General Manager and the creation of a Chief Operating Officer with responsibility for infrastructure development and new investment, and a Chief Operations and Maintenance Officer, with overall responsibility for existing motorway operations.

In February 2015, Autostrade per l'Italia implemented an innovation project regarding operating methods for plant maintenance work (the M2i project).

The following key projects and actions were implemented by the Autostrade per l'Italia Group's Italian companies:

- initiatives designed to strengthen the Contact Centre, with the aim of increasing the level of quality perceived by Telepass customers;
- improvements to the process of collecting unpaid tolls;
- a review of organisational structures and processes.

Industrial relations

The Group reached a number of agreements with the labour unions in 2015, some regarding the requirements of the existing national collective labour contract regarding second-level collective bargaining.

The most important regard the staffing of existing and future toll stations, plans for further automation of toll collection, the management of operational staff turnover, welfare, training and productivity and performance bonuses.

Other agreements reached during the year regarded improvements to customer service and training funded by Fondimpresa, with particular attention to operational personnel, such as contact centre staff, Centralised Network Monitoring personnel and toll collectors.

2.10 Corporate governance

This section also represents the corporate governance report provided for by art. 123-bis of legislative Decree 58 of 24 February 1998 (the "Consolidated Finance Act" or "CFA"), in terms of the disclosures required by paragraph 2, letter b) ^[16]. The Corporate Governance system adopted by Autostrade per l'Italia SpA (the "Company" or "Autostrade per l'Italia") is based on a collection of rules that are in line with regulatory guidelines and best market practices, in line with the applicable Statutory and regulatory requirements.

The Company has adopted a traditional type system of management and control, in which assigns executive responsibility to the Board of Directors and responsibility for supervision to the Board of Statutory Auditors. The overall governance and organisational structures are in keeping with the aim of maximising operational efficiency.

The Company's corporate bodies are the General Meeting of shareholders, the Board of Directors and the Board of Statutory Auditors. The powers and roles of the various corporate bodies are governed by law, the Articles of Association and the resolutions passed by the competent bodies, as the case may be.

The General Meeting of shareholders is the body whose resolutions represent the corporate interest.

The General Meeting, in ordinary or extraordinary session, deliberates on matters falling within its purview in accordance with the law and the Articles of Association. In particular, the Ordinary General Meeting must be called, at least once a year, within one-hundred and twenty days after the end of the financial year, or, in certain instances, within one-hundred and eighty days.

The Board of Directors has been given the fullest powers for the ordinary and extraordinary management of the Company. It has the authority to take all the initiatives it deems necessary in order to implement and achieve the Company's objects, excluding the powers reserved by law and the Articles of Association for the General Meeting.

The Board of Statutory Auditors is the Company's supervisory body and has three serving members and two alternates. The Board of Statutory Auditors oversees compliance with the law and the Articles of Association, compliance with the principles of good governance and, in particular, the adequacy of the organisational, administrative and accounting structure adopted by the Company, and its functionality.

Responsibility for auditing the accounts is assigned to the Independent Auditors elected by General Meeting of shareholders.

[16] Given that the Company has not issued shares admitted to trading on a regulated market or in a multilateral trading system, the Company has chosen to apply the option granted by paragraph 5 of art. 123-bis of the Consolidated Finance Act and to omit publication of the disclosures referred to in paragraphs 1 and 2, with the exception of those required by paragraph 2, letter b) of the same article 123-bis.

Based on the provisions of art. 32 of the Articles of Association, the Chairman and Chief Executive Officer represent the Company.

In implementation of the provisions of Legislative Decree 231 of 8 June 2001, as amended, (“Legislative Decree 231/2001”), the Company has adopted an Organisational Model in compliance with Legislative Decree 231/2001 (the “Organisational, Management and Control Model”), which includes the code of ethics applied by the Group of companies headed by Atlantia, which forms an integral part of the Organisational, Management and Control Model (the “Code of Ethics”). The Company has also set up a Supervisory Board.

The provisions of the Articles of Association form an integral part of the rules included in Autostrade per l’Italia’s governance system.

The Corporate Governance system was implemented with the adoption of principles and procedures governing the activities of the various organisational and operational bodies. These principles and procedures are subject to constant supervision and revision in order to effectively respond to changes in the regulatory framework and in the operating environment.

Autostrade per l’Italia’s issued capital is wholly owned by Atlantia SpA, a company listed on the screen-based trading system (*Mercato Telematico Azionario*) operated by Borsa Italiana SpA. The Company is managed and coordinated by Atlantia in accordance with articles 2497 *et seq.* of the Italian Civil Code. Autostrade per l’Italia manages and coordinates the operators and industrial companies it controls.

1.2 Internal control and risk management system

1.2.1 Introduction

The internal control and risk management system consists of all of the instruments, rules, procedures and corporate organisational structures designed to enable – via the adequate identification, measurement, management and monitoring of the main risks – sound and correct management of the Company in a manner consistent with the Company’s objectives set out by the Board of Directors.

The risk management and internal control system established by the Board of Directors shall be based on the following general principles:

- a) operational powers: operational powers are assigned taking account of the size and risks associated with the various categories of transaction;
- b) organisational structures: the organisational structures are arranged in such a way as to avoid functional overlaps and the concentration of responsibility for highly critical or risky activities in one individual;
- c) regular reports: each process is subject to a set of standards and a related regular report designed to measure its efficiency and effectiveness;
- d) regular analyses: the professional knowledge and skills available within the organisation are periodically analysed in terms of their match with the objectives assigned;
- e) operating processes: operating processes are defined in such a way as to ensure that there are adequate documentary records enabling their continuous assessment in terms of fairness, consistency and responsibility;
- f) security systems: security systems guarantee an adequate level of protection for the corporate organisation’s assets and data, to allow access to data as required in order to carry out the activities assigned;
- g) risk monitoring: the risks connected to achievement of objectives are identified and periodically monitored and updated. Negative events that may pose a threat to the organisation’s business continuity shall be appropriately assessed and the related protections adapted;
- h) ongoing supervision: the risk management and internal control system must be subject to continuous supervision to enable periodic assessment and ongoing adaptation.

An effective internal control and risk management system contributes to:

- a) monitoring the efficiency, measurability and verifiability of the Company’s operations and, in general, verifying and monitoring the correctness and reliability of corporate governance and management of the Company’s and the Group’s businesses;
- b) ensuring and checking the quality and reliability of accounting, management and financial information, in general, including controls of the related registration processes and information flows;

- c) ensuring and monitoring compliance with the requirements of the Code of Ethics and, in general, the applicable legislation and regulations;
- d) ensuring implementation of and compliance with the Organisational, Management and Control Model pursuant to Legislative Decree 231/2011 and regulatory requirements;
- e) protecting the value of the Company's assets, including the prevention of fraudulent activity that may damage the Company and the financial markets.

To verify the functionality and appropriateness of the internal control and risk management system, the Company's Board of Directors annually approves the audit plan, prepared by the Head of the Internal Audit department for the group of companies headed by Atlantia (the "Atlantia Group").

The Internal Control and Audit Committee, a role carried out by the Company's Board of Statutory Auditors, assesses the findings of the independent auditors as may be contained in a letter of recommendations and the report on material deficiencies detected during the course of the independent audit.

Following a series of corporate and organisational changes affecting the Atlantia Group, in 2014 it was decided to close the Company's Audit department and, from 1 January 2015, the parent, Atlantia, has set up an Internal Audit department for the Group, reporting to the Chairman of Atlantia. This department has been assigned the role of conducting audit activities for the Atlantia Group as a whole ⁽¹⁷⁾.

In order to monitor and improve the effectiveness and efficiency of its internal control and risk management system, Autostrade per l'Italia makes use of the Group Internal Audit department of the parent, Atlantia.

On 12 February 2016, Autostrade per l'Italia's Board of Directors approved the audit plan for 2016.

1.2.2 Main characteristics of existing risk management and internal control systems in respect of the financial reporting process

1.2.2.1 Introduction

The risk management system should not be considered separately from the internal control system in relation to financial reporting. In fact, both are part and parcel of the same system.

In the context of the internal control system, with reference to the process of financial reporting, the Autostrade per l'Italia Group has implemented and continually revises an internal control system for financial reporting, based on a series of administrative and accounting procedures such as to guarantee their truthfulness ⁽¹⁸⁾, accuracy ⁽¹⁹⁾, reliability ⁽²⁰⁾ and punctuality ⁽²¹⁾ in accordance with the regulations governing their preparation.

From 2007, Autostrade per l'Italia benefits from the activities carried out, at the level of the Atlantia Group, by the parent, Atlantia, within the context of the laws and regulations applicable to it.

The planning, implementation and maintenance of this system, and its regular assessment, are informed by international best practices and compliant with the "CoSo Report III", which is the internationally recognised framework of reference for the implementation, analysis and assessment of the internal control and risk management system. In particular, the CoSo Report III (published by the Committee of Sponsoring Organizations of the Treadway Commission) provides for five components (control environment, risk assessment, control activities, information and communication, monitoring activities) that operate at the level of organisational entity and/or operating/administrative process, based on their characteristics.

(17) As indicated in Atlantia's report on corporate governance and the ownership structure for 2014, prepared in accordance with art. 123-bis of the Consolidated Finance Act and published on the parent's website at www.Atlantia.it, in the corporate governance section, on 11 December 2014, Atlantia's Board of Directors established the Internal Audit department, effective 1 January 2015, structured as follows: (i) Motorways Segment Audit; (ii) Airports Segment Audit; (iii) Holding and Industrial Companies Audit; (iv) Foreign Audit; (v) Monitoring of Internal Control System and Compliance. The Internal Audit department is responsible, *inter alia*, for: "revising, where required, in accordance with the instructions of the Supervisory Board, the Organisational, Management and Control Model and providing assistance to the supervisory bodies of Italian and international subsidiaries".

(18) Truthfulness (of disclosures): disclosures must be correct and and comply with generally accepted accounting principles and with their applicable statutory and regulatory requirements.

(19) Accuracy (of disclosures): disclosures must be neutral and precise. Disclosures are considered neutral if free from preconceived distortions designed to influence the decision-making process of users for the purposes of achieving a pre-determined result.

(20) Reliability (of disclosures): disclosures must be clear and complete so as to enable investors to take informed decisions. Disclosures are deemed to be clear if they aid in understanding complex aspects of the business, without going into excessive and superfluous detail.

(21) Punctuality (of disclosures): disclosures must comply with the deadlines for publication.

In common with the Atlantia Group, the Autostrade per l'Italia Group's internal control system for financial reporting provides for regulations, procedures and guidelines by virtue of which Autostrade per l'Italia ensures the exchange of data and information with its subsidiaries, thereby ensuring their coordination. In particular, this activity is carried out through the distribution, by the parent, Atlantia, of regulations for the application of the reference accounting standards, such as the "Guidelines for preparation of the IFRS reporting package used in drawing up the Group's consolidated financial statements", and procedures regulating the preparation of the separate and consolidated financial statements and of the interim accounts and reports. The operational processes put in place by subsidiaries on the basis of Atlantia's guidelines are applicable to the above.

The setting up of audits is performed after a process conducted by the parent, Atlantia, according to a top-down approach, aimed at identifying the organisational entities, processes and specific activities capable of generating the risk of unintentional errors or fraud that could have a material impact on financial reports.

1.2.2.2 Description of the main characteristics of existing risk management and internal control systems in respect of the financial reporting process

(A) Phases of the existing risk management and internal control systems in respect of financial reporting

The process of monitoring the internal control system for financial reporting is reiterated on a six-monthly basis in compliance with the provisions contained in art. 154 *bis*, paragraph 5 of the CFA. Autostrade per l'Italia uses the same process as the parent, Atlantia, which is broken down into the following phases:

(i) *Identification of financial reporting risks*: risk identification activities are performed with reference to Autostrade per l'Italia's separate financial statements and the Group's consolidated financial statements, and is based on the assessment of qualitative and quantitative aspects concerning, firstly, the selection of significant companies to be included in the analysis, and then the classes of transaction and significant accounts.

This selection activity requires:

- a) the definition of quantitative criteria with respect to the contribution in terms of operating performance and financial condition of the individual companies to the latest accounts and the selection rules, including minimum materiality thresholds;
- b) the consideration of qualitative elements that might contribute to the inclusion of other entities or classes of transactions on the basis of the specific risks determined by the accounting implications of the transactions carried out by the above entities, or by the presence in the accounts of the latter of substantial amounts in terms of contribution to the consolidated financial statements in relation to items not considered in the above criteria.

Every material item of data/information is traced back to the accounting and administrative processes that originated them and the typical financial report "assertions" are identified (existence and occurrence of events, completeness, measurement and recognition, rights and obligations, presentation and reporting) and the risks that one or more financial statement assertions do not provide a true and fair view, with consequent impact on the financial report.

(ii) *Assessment of financial reporting risks*: the risks are assessed in terms of potential impact on the basis of quantitative and qualitative indicators and assuming the absence of controls (at an inherent level). Risks are assessed at entity level and at process level. The former includes risks of fraud, incorrect working of IT systems and other unintentional errors. At process level, financial reporting risks (underestimation, overestimation, inaccuracy etc.) are analysed at the level of the activities that make up the processes.

(iii) *Identification of controls for the risks detected*: the risks detected are addressed through controls capable of mitigating them, both at entity level and at process level. Key controls are determined, according to risk-based and top-down controls; such controls are deemed necessary to ensure with reasonable certainty the prevention and timely identification of material errors in financial reporting.

(iv) *Assessment of controls in relation to identified risks*: the process of analysing and assessing the internal control system for financial reporting continues with the assessment of the identified controls in terms of adequacy (effectiveness of control design) and in terms of effective application.

Effective application is tested through specific activities performed first of all by the management line responsible for implementing such controls and, to ensure the effective assessment and consistent design of the control system, by the Financial and Accounting Compliance unit available to the Manager Responsible for Financial Reporting.

The monitoring of the effective application of administrative and accounting procedures is conducted with regard to the effective implementation of key controls.

The assessment procedure is chosen on the basis of the underlying risk: this choice takes into account the strengths and weaknesses of the control environment that may condition the outcome of the assessments made, the complexity of the control, the type of control (manual or automatic), the level of judgment required during the process and the dependence of the control on the functionality of other controls.

The monitoring activities involve sampling techniques in line with international best practices.

With reference to the automatic controls implemented, the assessment of adequacy and effective application is extended to the design and operation of general IT controls supporting the relevant applications.

At the end of the monitoring activity, any deficiencies or problems are tested for significance.

The Manager Responsible for Financial Reporting will, at least every six months, bring to the attention of the Control, Risk and Corporate Governance Committee the results of the activities performed and the assessment process described above by checking, together with it, the adequacy of the administrative and accounting procedures, and their effective application, in view of the issue of the attestations provided for by article 154-*bis* of the CFA.

(B) Roles and Functions involved

The internal control and risk management system requires a clear identification of the roles involved in its planning, implementation, monitoring and upgrading over time.

The above components of the internal control and risk management system are coordinated and interdependent and the system, as a whole, involves – in different roles and on a collaborative and coordinated basis – management bodies, supervisory and oversight bodies, the Company's management and the Atlantia Group.

1.2.2.3 The Manager Responsible for Financial Reporting

The Manager Responsible for Financial Reporting is responsible for monitoring the internal control system on financial reporting. In particular, this Manager:

- (i) is responsible for ensuring the preparation of the administrative and accounting procedures necessary to prepare the annual financial statements, the six-monthly condensed financial statements and the consolidated financial statements, as well as any other periodic financial reports;
- (ii) complies with article 154-*bis* by issuing the attestations required by the applicable laws and regulations.

In performing these duties, the Manager Responsible for Financial Reporting relies on the Financial and Accounting Compliance unit, which performs the following functions:

- (i) operational management of the System in its planning, implementation, monitoring and revision phases;
- (ii) review of the design and effectiveness of controls;
- (iii) fostering of the necessary synergies with Atlantia's Group Internal Audit department and the coordination of primary external experts in relation to their support to the performance of the unit's duties and responsibilities;
- (iv) ensure at Atlantia Group level, thanks to Atlantia's and its subsidiaries' departments, the revision, implementation and monitoring and effective application of the procedures falling within the purview of the Manager Responsible for Financial Reporting.

Lastly, the Manager responsible for financial reporting works in cooperation with the company units responsible for auditing the internal control system, to obtain all the information necessary to take effective action and to ensure the effectiveness and efficiency of the attestation process.

On 19 February 2015, the Board of Directors called an Extraordinary General Meeting of shareholders to deliberate on amendments to the Articles of Association necessary in order to introduce the role of manager responsible for financial reporting. In accordance with art. 34 of the Articles of Association, in compliance with the provisions of art. 154-*bis* of the CFA, the Board of Directors, subject to obtaining the required opinion of the Board of Statutory Auditors, appoints and dismisses the Manager Responsible for Financial Reporting. The Manager Responsible for Financial Reporting is selected from candidates with at least three years' experience in positions with appropriate responsibility for administration and finance, or administration and control in listed joint-stock companies, and who possess the integrity required by the regulations in force. The Directors fix the related remuneration and the term of office, which is renewable, and grant the manager all the authority and instruments necessary in order to carry out the duties assigned to them by law.

At the same meeting, the Board of Directors appointed Giancarlo Guenzi as the Manager Responsible for Financial Reporting, subject to adoption of the necessary amendments to the Articles of Association (adopted by resolution of

the Extraordinary General Meeting of 4 March 2015) and the admission to listing of the bonds denominated “Autostrade TF 2015-2023” on the screen-based bond market managed by Borsa Italiana SpA and with effect from the same date (11 May 2015 with the admission to listing of the bonds by Borsa Italia SpA).

In 2015, the internal control and risk management system, previously introduced to meet the statutory requirements to which the parent, Atlantia, is subject, was revised from an administrative and accounting viewpoint, for the purposes of attestations by the Chief Executive Officer and the Manager Responsible for Financial Reporting of the separate and consolidated annual financial reports and the consolidated half-year report, concerning, among other aspects, the adequacy and effective application of the administrative and accounting procedures.

1.2.2.4 Director of Internal Audit

The Group’s Director of Internal Audit is responsible for verifying that the risk management and internal control system is properly functioning and is fit for purpose.

With particular reference to Autostrade per l’Italia, the Group’s Director of Internal Audit:

- a) audits, on an ongoing and ad hoc basis and in compliance with international standards, the good working order and adequacy of the risk management and internal control system through the application of an audit plan, based on a structured analysis and ranking of material risks;
- b) has direct access to all information required for the performance of his duties;
- c) prepares periodic reports containing an assessment of the internal control and risk management system;
- d) promptly present reports on events of particular relevance;
- e) distributes the reports pursuant to c) and d) above to the Chairmen of the Board of Statutory Auditors and the Board of Directors;
- f) on request, supports the Group’s Ethics Officer in handling reports received in anonymous and confidential form;
- g) ascertains, as part of the audit plan, the reliability of information systems, including accounting systems.

1.2.2.5 Independent Auditors

Deloitte & Touche SpA are the Independent Auditors engaged to perform the statutory audit of the separate and consolidated financial statements, the periodical assessment of the propriety of bookkeeping and a limited scope audit of the consolidated interim reports of Autostrade per l’Italia for the financial years 2012-2020. The firm was engaged by the General Meeting of shareholders held on 24 April 2012.

The Board of Statutory Auditors and the Independent Auditors periodically exchange information and data on their respective audits.

Atlantia’s “Procedure for the engagement of statutory audit firms” and the monitoring of other engagements with a view to determining corporate responsibility and internal operating methods for the engagement of statutory external auditors in accordance with law and regulation as in force from time to time and the management of the relationship with the statutory audit firm and its associates. The procedure applies to all Atlantia Group companies consolidated in accordance with Legislative Decree 127 of 9 April 1991, and subject to statutory audit. The procedure thus relates to senior management and the managements of Atlantia Group companies who, in the performance of their duties, have direct or indirect contact with independent auditors during their internal audit procedures.

1.2.2.6 Supervisory Board

Autostrade per l’Italia has set up a Supervisory Board. The Board was appointed by the Board of Directors on 10 July 2015, for the period from 1 July 2015 to 30 June 2018.

During 2015, the Supervisory Board met on 11 occasions reported regularly to the Company’s Board of Directors and Board of Statutory Auditors on the activities carried out, with regard to both revision of the Organisational, Management and Control Model and monitoring. It confirmed that the Organisational, Management and Control Model adopted by the Company meets all the necessary statutory requirements to prevent the commission of the offences referred to in Legislative Decree 231/2001.

1.2.2.7 Organisational, Management and Control Model (Legislative Decree 231/2001)

Autostrade per l’Italia has adopted an Organisational, Management and Control Model to prevent commission of the offences referred to in Legislative Decree 231/2001. During 2015, the Company continued its analysis and adjustment of its organisational, management and control tools to meet the requirements of Legislative Decree 231/01. This was done to ensure that its Organisational, Management and Control Model keeps pace with regulatory developments and

organisational changes during the year.

In particular, during 2015, the competent departments (Corporate Governance and Compliance, Legal Affairs and Central Human Resources) revised the map of areas at risk, taking into account the organisational and corporate changes that had taken place since the Model was previously revised, and the new offences introduced in the first half of 2015 (self-money laundering and environmental crimes, introduced by Law 68 of 22 May 2015, and false accounting, introduced by Law 69 of 27 May 2015).

2.11 Sustainability

This section of Autostrade per l'Italia's consolidated financial statements includes key information on the Company's sustainability activities and a summary of its social and environmental performance.

Autostrade per l'Italia's sustainability strategy focuses on the safety of network infrastructures, continual improvement of customer service quality standards, operating excellence through development of innovative technologies, workplace health and safety, respect for the environment and energy efficiency, dialogue with communities and promotion of local development initiatives, as well as enhancement of people, who are at the centre of all Group activities.

In pursuing this aim, Autostrade per l'Italia and its subsidiaries abide by the principles of transparency, rigour and ethics, respecting people's right to freedom and equality and combating all forms of discrimination and corruption.

Service quality

Service quality is at the centre of the Group's activities in Italy and overseas. The Group carries out constant monitoring of motorway infrastructure safety standards and improvement of the services provided to road users. This is done through the upgrade, modernisation and maintenance of the motorway network; initiatives at construction sites designed to limit disturbances to traffic; and information and prevention campaigns aimed at promoting safer driving behaviours and improving the quality of journeys.

In 2015, the number of accidents on the network operated by Autostrade per l'Italia and its Italian subsidiaries (excluding SAT to provide a like-for-like basis for comparison with 2014), totalled 15,170 (up 2.1% compared with 2014), registering an accident rate of 31.55, broadly in line with the figure for 2014 (31.84). However, the fatal accident rate is up from 0.30 to 0.32.

There continues to be a high level of safety on the Italian motorway network, thanks to the initiatives taken by the Group over the years, such as deployment of the "Tutor" system for measuring average speeds, continual improvements in maintenance standards information campaigns designed to raise safety awareness among road users.

Improvements in management of the network have enabled the Group to minimise traffic queues and tailbacks, measured by the Total Delay indicator^[22]. The overall Total Delay for the network managed by Autostrade per l'Italia in 2015 is approximately 4.38 million hours, up 11% on the figure for 2014 due to increased traffic. The indicator remains, however, less than half the level recorded in 2006 (9.8 million hours).

In addition, Autostrade per l'Italia deploys a series of instruments, systems and devices to provide traffic information and a widespread network of Information Centres, operating 24 hours a day, 7 days a week, throughout Italy. All incidents with an impact on road conditions are registered by the information system and reported in real time, either directly or using specific software, through the various communication channels (Variable Message Panels, radio channels, the internet, satellite navigation systems, etc.) under the supervision of the Multimedia Centre in Rome, which operates round the clock.

During snow events, Autostrade per l'Italia implements a series of operational procedures to manage road traffic.

Customer satisfaction with the motorway service is measured through Customer Satisfaction surveys, conducted periodically by specialised firms and/or via telephone interviews.

In 2015, Autostrade per l'Italia's Customer Satisfaction Index (CSI), based on a sample of 3,602 customers interviewed

[22] Total Delay measures the difference between the average transit time for a section of the network in the period under review and the average time under normal traffic flow conditions at a specific average speed typical of the section in question. This difference is then multiplied by the number of vehicles in transit, thereby obtaining the total delay for all customers using the section in question.

via phone on two occasions during the year, and measured on a scale from 0 to 10, stood at 7.20, marking an increase with respect to 2014 (7.13). The components analysed are: safety, traffic, service areas, toll stations and the payment systems offered.

CUSTOMER SATISFACTION	2012	2013	2014	2015
SAFETY	68.2	70.9	67.8	74.6
% of customers satisfied (score > or equal to 7-scale 1:10)				
Overall score (average score on a scale 1:10)	7.15	7.15	7.10	7.33
TRAFFIC INFORMATION	75.1	74.7	74.8	76.4
% of customers satisfied (score > or equal to 7-scale 1:10)				
Overall score (average score on a scale 1:10)	7.08	7.16	7.15	7.29
TOLLGATES	73.2	83.3	79.60	81.9
% of customers satisfied (score > or equal to 7-scale 1:10)				
Overall score (average score on a scale 1:10)	7.11	7.41	7.28	7.44
PAYMENT SYSTEMS	80.1	88.8	88.7	87.9
% of customers satisfied (score > or equal to 7-scale 1:10)				
Overall score (average score on a scale 1:10)	7.49	7.96	8.15	8.05
ROAD CONDITIONS	57.5	57.6	63.0	57.6
% of customers satisfied (score > or equal to 7-scale 1:10)				
Overall score (average score on a scale 1:10)	6.66	6.57	6.73	6.65
SERVICE AREAS	67.6	69.8	69.3	73.4
% of customers satisfied (score > or equal to 7-scale 1:10)				
Overall score (average score on a scale 1:10)	6.92	6.97	6.94	7.08
Total CSI	6.96	7.08	7.13	7.20

The environment

Environmental sustainability is particularly important in the construction and management of motorway infrastructure – especially in the areas the network passes through – and is the basis of a long-term strategy to protect and enhance Italy's landscape, architectural and natural heritage.

Indeed, the complexity of the motorway network managed by the Group requires adoption of an organic approach to environmental management geared towards prevention and control. Consequently, the Group promotes environmental protection using appropriate procedural, managerial and organisational tools, ranging from training and awareness raising to the study of innovative technological solutions aimed at providing excellent performances, if possible going beyond legally required standards.

Use of resources

In managing its activities (especially the maintenance and modernisation of infrastructure) Autostrada per l'Italia makes necessary use of materials whose impact on the environment has to be constantly monitored and limited. The materials normally used are: quarry materials, bitumen, iron and steel and cement. Optimising use of the materials employed is a constant concern in managing the Group's activities.

Another essential material used to ensure that motorways are safe and kept open during the winter months are the chlorides used to prevent ice forming on roads. In 2015, the Group's motorway operators used a total of 72,402 tonnes of de-icing salt during the winter in Italy (97%), with the remaining 3% used in Poland and Chile, marking a slight increase of around 2% on the previous year.

Water consumption registered a 4.9% increase compared with 2014, with total consumption of around 2.1 million cubic metres. A factor to be taken into account is the higher consumption of the Chilean companies operating in the Santiago area, which experiences a long dry season that requires more water, especially for the irrigation of green spaces and replenishment of the network of firefighting reservoirs.

Energy and climate

The efficient use of energy and renewable sources has become a key issue in international sustainability policy-making. Autostrade per l'Italia's commitment in this field is expressed via projects aimed at the adoption of renewable energy sources, and the study and implementation of eco-efficient solutions in terms of consumption.

This approach is accompanied by monitoring, management and emissions reduction activities, and more generally by a strategy to combat climate change.

Energy consumption depends on the organisation's needs and the amount of energy used in providing the motorway service: the lighting of tunnels, toll stations, junctions and service areas, power for plant and equipment, fuel for service vehicles. In 2015, the Group consumed a total of 379 GWh_{eq}, including electricity, methane, LPG, diesel, petrol and ethanol.

Regarding greenhouse gas emissions, in 2015 the Group's CO₂ equivalent emissions (CO₂eq^[23]), totalled 109 thousand tonnes, up 5% on 2014.

In terms of renewable energy, by the end of 2015, Autostrade per l'Italia's photovoltaic plant installation plan had achieved the following results:

- installed photovoltaic capacity: over 10.8 MW;
- 160 plants installed and in production;
- estimated energy production: approximately 11,400 MWh a year, including 40% consumed on site by the Company;
- estimated CO₂ saved once fully operational: approximately 3,700 tonnes a year.

As part of its energy saving programme, the initiatives carried out on external lighting systems during the period 2008-2015 resulted in energy savings of 22,464 MWh a year, due especially to three types of initiative: the replacement of high pressure sodium lamps used in tunnels and at toll stations with LED lamps; the upgrade of lighting at service areas through the replacement of lamps installed on lighting towers; a reduction in the brightness of lighting systems at service areas to bring it into line with current legal requirements, using voltage regulators.

Regarding air conditioning, during 2015 programmes regarding the installation of solar thermal plants, the conversion of thermal power stations from diesel to methane, the installation of high-efficiency boilers and the office climate project continued. These initiatives resulted in total annual energy savings of 1,534 MWh in terms of electricity, and of 160 thousand litres of diesel, thus saving 926 tonnes of CO₂.

In 2014, Autostrade per l'Italia launched a series of methane gas tri-generation initiatives, with the aim of building two plants for the head office buildings in Rome and Florence (Data Processing Centre).

This plan is aimed at maximising energy saving by installing systems capable of producing electricity, thermal energy and cool air at the same time. The systems will be used for air conditioning during the summer and at the Data Processing Centre.

In 2015, Autostrade per l'Italia completed the construction of its Rome plant and began functional testing. Work on installation of the plant due to serve the Florence Data Processing Centre is nearing completion.

Investment in improving levels of service and safety standards have, over the years, resulted in significantly reducing the Total Delay indicator (down 54% between 2006 and 2015), which measures traffic congestion. The projects have included improved planning of road works and quicker removal of accident-damaged vehicles, better response to weather events, the adoption of accident-prevention measures, boosting the capacity of the infrastructure to handle changes in traffic volumes, and improvements to traffic information. This has also helped to bring about a reduction in emissions of CO₂ and of other air pollutants caused by motorway traffic on Autostrade per l'Italia's Italian network.

The increase in the Total Delay indicator in 2015, deriving as previously mentioned from increases in the numbers of daytime roadworks and traffic, in turn led to an increase in CO₂ emissions linked to traffic congestion, rising from the 17,080 tonnes registered in 2014 to 18,981 tonnes in 2015.

Waste

The total amount of waste produced in 2015 amounted to around 30,000 tonnes, of which around 41% was recovered or recycled. Approximately 78% of the total amount was produced by the Parent Company, Autostrade per l'Italia SpA.

[23] In terms of global warming, the amount of emissions of all greenhouse gases is measured in terms of CO₂ equivalent (CO₂eq), based on defined conversion tables.

KEY ENVIRONMENTAL INDICATORS	2014	2015	2014/2015 (%)
Water consumption (m ³)	2,035,470	2,136,139	4.9%
Energy consumption by type (MWh eq)	356,705	379,059	6.3%
Diesel	115,947	126,300	8.9%
Natural gas	11,191	14,147	26.4%
Petrol	18,791	17,271	-8.1%
Electricity	208,502	218,883	5.0%
Other	2,274	2,458	8.1%
CO ₂ emissions (t)	103,884	109,122	5.0%
Direct emissions ⁽¹⁾	36,111	39,263	8.7%
Indirect emissions from electricity consumption ⁽²⁾	67,773	69,859	3.1%
CO ₂ emissions due to congestion - total delay (t) ⁽³⁾	17,080	18,981	11.1%
De-icing salts (t)	70,839	72,402	2.2%
Waste produced (t)	29,761	30,180	1.4%
% of waste recycled/recovered	43	41	-4.7%

(1) This type of emissions includes fuel consumption for heating and air conditioning buildings, motor vehicles, running generators, road maintenance works.

(2) This figure differs from the amount published in the 2014 report following improvements to the system for measuring consumption.

(3) This figure refers to Autostrade per l'Italia SpA's network.

Government and the community

A leading international player in the motorway and airport concessions sector, the Autostrade per l'Italia Group works closely with communities and maintains constant dialogue with central and local government authorities throughout all stages of its operations. At central government level, the Group's vital counterparties are the Ministries of Infrastructure, the Environment, Heritage and Culture and Tourism, parliamentary committees – during the discussion phase of new regulatory proposals for the sector – supervisory and monitoring bodies, and government-level technical organisations. Relations with local stakeholders, regions and municipalities, as well as with government departments, in order to guarantee a shared approach to local planning for development.

Relations with international institutions are also of great importance, as they establish the principles, overall objectives and strategies on which EU transport policy is based, as well as issuing specific directives regarding matters directly and indirectly linked to Autostrade per l'Italia's business.

Generally speaking, community relations are one of the main tools available to Autostrade per l'Italia in implementing its sustainability policies: in operating the motorway network in keeping with the characteristics of the surrounding area and in carrying out works that enhance the environment, even when not directly connected to the impact of the motorway network.

The Group's humanitarian, scientific, cultural, sporting and social initiatives also play an important role, whether implemented independently or in collaboration with national and international entities and bodies. Over time such initiatives have become more than a simple question of corporate giving, having increasingly taken the form of projects designed to culturally enrich the people and communities involved and spread the adoption of sustainable behaviours.

Suppliers

Autostrade per l'Italia's main suppliers are businesses that provide goods and services and those involved in the construction of new infrastructure and maintenance of the existing network, and companies that supply technology used in developing automated tolling systems and new safety and quality service standards for customers.

The process of selecting suppliers starts with a request for assessment of the financial, technical and organisational aspects of each supplier. This qualification process for new suppliers also includes requests for specific information on sustainability backed up by documentary evidence (e.g. sustainability reports, environmental reports, adoption of

sustainability strategies, certification of processes and/or products, implementation of initiatives aimed at developing a socially responsible approach to planning and business management).

The awarding of construction, operation and network maintenance contracts to external companies takes place via public tenders, in which all bidders who meet the general and specific requirements provided for in the relative tenders may freely participate. Competitions are held in accordance with the relevant EU regulations in a fair and transparent way.

All Autostrade per l'Italia's suppliers must commit to complying with the Group's Code of Ethics and Conduct on their own behalf and on behalf of any authorised sub-contractors, consultants and employees. In addition, all the contracts entered into include specific clauses requiring the supplier to meet a series of social obligations relating, for example, to occupational health and safety and environmental protection, such as the methods used for disposing of waste and scrap. In order to ensure that suppliers comply with their obligations regarding sustainability, a number of specific audits and training and awareness raising initiatives have been carried out.

2.12 Related party transactions

Information on related party transactions is provided in note 10.5 to the consolidated financial statements and note 8.3 to Autostrade per l'Italia's separate financial statements.

2.13 Significant legal and regulatory aspects

Italian motorways

Toll increases with effect from 1 January 2016

The decrees issued by the Minister of Infrastructure and Transport and Minister of the Economy and Finance on 31 December 2015 approved the following:

- a) Autostrade per l'Italia's right, in accordance with its request to the Grantor, to apply an increase of 1.09% with effect from 1 January 2016, corresponding to the sum of the following components:
 - 0.00% for inflation;
 - 0.97% to provide a return capital expenditure via the "X" tariff component;
 - 0.12% to provide a return on investment via the "K" tariff component;
- b) the provisional suspension of the toll increases to be applied by Tangenziale di Napoli, Raccordo Autostradale Valle d'Aosta and Società Autostrada Tirrenica with effect from 1 January 2016 (the increases thus amount to 0.00%), whilst awaiting approval of the operators' revised financial plans. The toll increases will be finalised by the interministerial decree approving the related addenda revising the financial plans, subject to the right of the operators to recoup any toll increases on the basis of the revised financial plans. Revenue lost as a result of suspension of the increases will be taken into account in the toll increases for 2017. The above companies have challenged the legislation suspending the toll increases for 2016;
- c) the absence of any toll increase for Autostrade Meridionali, given that its concession expired on 31 December 2012. Autostrade Meridionali has brought a legal challenge contesting the above decision, in line with 2014 (the related legal challenge was upheld by the Campania Regional Administrative Court sentence of 22 January 2015) and 2015 (judgement is pending).

Based on bilateral agreements between Italy and France, Traforo del Monte Bianco has applied an increase of 0.02% from 1 January 2016, in compliance with the relevant Intergovernmental Committee resolution. This was determined on the basis of inflation (the average rate for Italy and France).

Legal actions brought by Autostrade Meridionali, challenging the Grantor

In addition to the above challenges regarding tolls, on 19 March 2015 Autostrade Meridionali brought an action before Campania Regional Administrative Court, challenging the Grantor's failure to respond to a request to review its toll structure with effect from 1 January 2015 in order to maintain the same level of revenue for the company, as provided for in the existing toll policies. In a sentence entered on 11 June 2015, Campania Regional Administrative Court upheld Autostrade Meridionali's challenge, ordering the Grantor to respond to the above request within 30 days of the date of notification of the sentence, which took place on 10 July 2015. As things stand, the Grantor has yet to respond to the request.

On 24 April 2015, the company also brought an action before Campania Regional Administrative Court, challenging the Grantor's adoption of a financial rebalancing plan for the period from 1 January 2013 (the date of expiry of the concession) and 31 December 2015 (the date on which it was assumed that the new operator would take over, at the time of filing the action). The Campania Regional Administrative Court sentence entered on 30 July 2015 upheld Autostrade Meridionali's challenge, ruling that the Grantor's failure to respond to the request for adoption of a new financial plan for the concession period 2013-2015 is unlawful. The Grantor appealed the above sentence before the Council of State in October 2015. Judgement is pending.

Reduced tolls for frequent Users

The reduced tolls for frequent users, introduced by the Memorandum of Understanding of 24 February 2014 signed by a number of motorway operators, including Autostrade per l'Italia and the trade association, AISCAT, have been extended, at the request of the Minister of Infrastructure and Transport on 31 December 2015, for a further 12 months, and therefore until the end of 2016. Recovery of the revenue lost as a result of the initiative during the period 1 June 2014-31 December 2016 is assured on the basis of the criteria set out in the Memorandum. One of the options for operators requesting such a solution (as notified to the above Ministry by Autostrade per l'Italia) is the application of a specific toll increase to be introduced in the first year of the next regulatory period.

II Addendum to Autostrade per l'Italia's Single Concession Arrangement

On 10 December 2015, the Ministry of Infrastructure and Transport and Autostrade per l'Italia signed the II Addendum to the Single Concession Arrangement, which has added the Casalecchio - Northbound interchange to Autostrade per l'Italia's investment commitments. This project requires a commitment to invest up to a total of approximately €157 million, with around €2 million already invested as at 31 December 2015 to cover the cost of design, and the remainder to be paid to ANAS on the basis of the state of progress of the works. ANAS is to build and then manage the road. The Addendum will be effective once the Minister of Infrastructure and Transport and Minister of the Economy and Finance have issued the relevant decree and it has been registered with the Court of Auditors.

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

Following signature of the memoranda of understanding at the end of 2014 by the Ministry of Infrastructure and Transport and Tangenziale di Napoli and Raccordo Autostradale Valle d'Aosta – in accordance with which, the new financial plans should be formalised in addenda to be signed and approved by 30 June 2015 –, in May 2015 the two companies submitted new five-yearly revisions of their financial plans taking account of a number of requests from the Grantor. The process of drawing up the addenda is, however, still under way.

Addendum to Società Autostrada Tirrenica's Single Concession Arrangement

In response to observations from the European Commission regarding, among other things, extension of the concession to 2046, on 14 October 2014 the Grantor sent Società Autostrada Tirrenica a draft addendum envisaging extension

of the concession to 2043, completion of work on the Civitavecchia–Tarquinia section (in progress), and eventual completion of the motorway (in sections, if necessary) to be put out to tender.

Completion of the motorway is subject to fulfilment of the technical and financial conditions to be verified jointly by the grantor and the operator and execution of an addendum to the Concession Arrangement, with a viable financial plan attached. Subsequently, on 13 May 2015, a memorandum of understanding was signed by the Grantor, Tuscany Regional Authority, Lazio Regional Authority, Autostrade per l'Italia and Società Autostrada Tirrenica with an attached draft addendum which, whilst maintaining the duration of the concession until 2043, a viable financial plan for the Civitavecchia–Tarquinia section and the obligation to put all the works out to tender, provides for further commitments regarding the design of the Tarquinia–Ansedonia and Ansedonia–Grosseto South sections and of the improvements to the existing dual carriageway (the SS. 1 *Variante Aurelia*) between Grosseto South and San Pietro in Palazzi, retaining the current layout of the road.

Performance of the above construction work is subject to positive outcomes of studies of the technical/design, financial and administrative feasibility to be conducted jointly by the Grantor and Società Autostrada Tirrenica and execution of an addendum with a viable financial plan.

Following a request from the Grantor on 5 June 2015, after further discussion with Italy's representative office at the EU, on 24 June 2015 Società Autostrada Tirrenica prepared and submitted further versions of a financial plan, relating to (i) the sections in operation and the Civitavecchia–Tarquinia section under construction, and (ii) the entire Civitavecchia–San Pietro in Palazzi section of road, both expiring on 31 December 2040.

Finally, again at the Grantor's request, on 6 August 2015 Società Autostrada Tirrenica submitted a draft financial plan for the sections in operation between Livorno and Cecina and Rosignano and San Pietro in Palazzi and for the section under construction between Civitavecchia and Tarquinia, with an expiry date of 2028 if the financial design for the San Pietro in Palazzi–Tarquinia section and the financial plan for the entire road not be approved by 2017.

Award of the concession for the A3 Naples–Pompeii–Salerno motorway

With regard to award of the concession for maintenance and operation of the Naples–Pompeii–Salerno motorway (the previous concession expired at the end of 2012), Autostrade Meridionali, which continues to operate the motorway under a contract extension, submitted its bid on 23 April 2015.

On 16 November 2015, the Tender Committee raised a number of doubts regarding the two bids received, proposing to disqualify both. The two bidders responded with a request to be allowed to resolve the issues raised and thus continue with the tender process. The Grantor thus submitted a supplement to the procedure to the Tender Committee and, on 16 December 2015, informed the bidders that the final outcome of the tender process will be announced at the next public session of the Committee, which has, however, yet to be scheduled.

The bidder, Consorzio Stabile SIS, has brought a legal challenge before Campania Regional Administrative Court, contesting the minutes of the meeting of 16 November 2015. This challenge, which was not notified to Autostrade Meridionali, will be discussed at a hearing on 9 March 2016. The company will be represented in court in order to object to the challenge on the grounds of inadmissibility, given that the conclusions of the Tender Committee are not final in view of the position adopted by the Grantor.

Enabling Act on tenders and concessions

Enabling Act 11 of 28 January 2016 regarding tenders and concessions, designed to apply the relevant EU directives and reform the regulations governing public contracts, was published in the Official Gazette of 29 January 2016.

In this regard, the legislation has introduced an obligation for public and private entities, which hold an existing or future concession to provide public works or services, to award 80% of the related contracts for works, services or goods, with a value of over €150 thousand, by public tender. The legislation also establishes that the remaining part may be carried out in-house, in the case of public entities, or by direct or indirect subsidiaries or associates in the case of private entities. The legislation provides for a transitional period of adjustment of no more than twenty-four months in the case of existing concessions. The only exclusions from compliance with the above obligation are existing or future concessions awarded in the form of project financing, and existing or future concessions awarded by public tender in accordance with EU law, for which existing legislation governing tenders in force at the date of entry into effect of the enabling act (13 February 2016) will continue to apply.

By 18 April 2016, the government is authorised to issue a legislative decree applying the above EU directives, in accordance with the criteria contained in the enabling act.

Overseas motorways

Brazil

The pending legal action regarding the ban on toll charges for the suspended axles of heavy vehicles, involving operators in the State of Sao Paulo, including Triangulo do Sol, is described in detail in the Annual Report for the year ended 31 December 2014. On 24 March 2015, the Supreme Court (*Tribunale Superiore di Giustizia* or “STJ”) for the State of Sao Paulo rejected the challenge brought by the operators with the aim of obtaining a reinstatement of proceedings before the Court of the State of Sao Paulo, ruling it inadmissible. On 14 April 2015, the operators filed an extraordinary challenge against the court’s ruling before Brazil’s Federal Supreme Court (*Supremo Tribunal Federal* or “STF”). On 3 June 2015, the STJ refuted the existence of the grounds of a political, social or economic nature necessary for the case to be heard by the STF. On 28 June 2015, the operators filed a further challenge, contesting this preliminary judgement. This challenge was also rejected by the Supreme Court on 5 August 2015.

Thus, as a result of this decision, toll charges for the suspended axles of heavy vehicles are not permitted under the terms of the concession. To date, the operator, Triangulo do Sol (in common with Colinas, which was not a party to the legal action) has, in any event, applied this charge, not in application of any court ruling, but as a means of compensating for the decision, taken by the Public Transport Services Regulator for the State of Sao Paulo (ARTESP) in the same period, not to allow the application of annual toll increases from July 2013.

On 17 April 2015, Federal Law 13103/2015 come into effect. This, among other things, authorises the exemption of road hauliers from the payment of toll charges for the suspended axles of heavy vehicles. The above legislation has been applied by the state of Minas Gerais, whilst the government of the state of Sao Paulo has decided not to apply the exemption. Thus, from 17 April 2015, Rodovias MG050, in Minas Gerais, has ceased charging for the suspended axles of heavy vehicles, whilst operators in the state of Sao Paulo, including Rodovias das Colinas and Triangulo do Sol, continue to levy the charge. Rodovia MG050’s lost revenue, following the entry into effect of the above legislation and the resulting cessation of charges for the suspended axles of heavy vehicles, will be recouped in accordance with the terms of the concession arrangement.

The investigation launched by ARTESP on 13 July 2013, with a view to revising the Addenda and Amendments signed and approved by the Regulator and 12 motorway operators in 2006 - the 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 – is described in detail in the Annual Report for the year ended 31 December 2014. On 24 February 2015, the Public Prosecutor for the State of Sao Paulo provided a non-binding opinion the judge appointed to take charge of the investigation relating to the operator, Colinas. This recommended termination of the proceedings underway, reiterating that legality of the Addenda and Amendments of 2006, which were subject to close examination and endorsed by the relevant Ministry. On 10 March 2015, ARTESP responded to the judge, contesting the Public Prosecutor’s opinion and requesting that the investigation continue. On 15 February 2016, the Court of the State of Sao Paulo issued a ruling, granting Rodovias das Colinas the option of submitting a financial assessment to demonstrate its case.

The operators concerned, including Colinas and Triangulo do Sol, and industry insiders, including banks, believe that the risk of a negative outcome is remote. This view is backed up by a number of unequivocal legal opinions provided by leading experts in administrative law and regulation.

Poland

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

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 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

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.

In December 2015, the court case, during which the parties presented their respective arguments and the various experts and witnesses were heard, came to an end. Judgement is expected by the end of the first half of 2016.

2.14 Other information

Autostrade per l'Italia does not own, either directly or indirectly through trust companies or proxies, shares or units issued by parent companies. No transactions were carried out during the year involving treasury shares or shares or units issued by parent companies.

Autostrade per l'Italia does not operate branch offices.

With reference to Consob Ruling 2423 of 1993, regarding criminal proceedings or judicial investigations, the Company is not involved in proceedings, other than those described in note 10.7 "Significant legal and regulatory aspects", that may result in charges or potential liabilities with an impact on the financial statements.

2.15 Events after 31 December 2015

There were no material events after the end of the year under review.

2.16 Outlook and risks or uncertainties

Despite the continuing instability of the global economy, the consolidated operating results are expected to register improvements across all the Group's areas of business in 2016.

Italian motorways

Traffic trends on the Group's Italian motorway network in recent months show signs of a recovery. In addition, Società Autostrada Tirrenica will contribute to the full-year results, following its consolidation by the Group from 30 September 2015, and we expect to see a reduction in the margins generated by service areas, partly as a result of the award of new sub-concessions.

Overseas motorways

Traffic on the Group's overseas motorways continues to register overall traffic growth, with the exception of Brazil, where the performance of the local economy continues to weigh. The related contribution to the Group's results is, however, subject to movements in the respective currencies.

The Group's results for 2016 will also benefit from the tangible reduction in the cost of debt, thanks to the steps taken in 2015 to improve the capital structure.

2.17 Proposed resolutions for the Annual General Meeting of Autostrade per l'Italia SpA's shareholders

Dear Shareholders,

In conclusion, we invite you:

- to discuss and approve the Board of Directors' report on operations and the financial statements as at and for the year ended 31 December 2015, which report profit of €954,952,727.85;
- to appropriate the €619,680,174.85 in profit for the year remaining, after payment of the interim dividend of €335,272,553.00 (equal to €0.539 per share) in 2015, as follows:
 1. €470,252,412.00 to pay a final dividend of €0.756 per share, payable to holders of each of the 622,027,000 dividend-bearing shares with a par value of €1.00 in issue;
 2. the remaining €149,427,762.85 to retained earnings;
- to establish the dividend payment date as 19 May 2016.

For the Board of Directors

The Chairman





3.

CONSOLIDATED
FINANCIAL
STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

€000	Note	31/12/2015	Of which related party transactions	31/12/2014	Of which related party transactions
ASSETS					
NON-CURRENT ASSETS					
Property, plant and equipment	7.1	131,978		126,823	
Property, plant and equipment		125,529		119,619	
Property, plant and equipment held under finance leases		2,951		3,271	
Investment property		3,498		3,933	
Intangible assets	7.2	21,637,197		21,918,049	
Intangible assets deriving from concession rights		15,449,258		15,748,202	
Goodwill and other intangible assets with indefinite lives		6,111,330		6,111,331	
Other intangible assets		76,609		58,516	
Investments	7.3	108,292		130,942	
Investments accounted for at cost or fair value		51,747		36,149	
Investments accounted for using the equity method		56,545		94,793	
Non-current financial assets	7.4	1,774,790		1,749,405	
Non-current financial assets deriving from concession rights		766,499		704,347	
Non-current financial assets deriving from government grants		255,662		215,023	
Non-current term deposits		324,894		291,189	
Other non-current financial assets		427,735	15,631	538,846	9,672
Deferred tax assets	7.5	167,804		155,874	
Other non-current assets	7.6	11,301		9,879	
TOTAL NON-CURRENT ASSETS		23,831,362		24,090,972	
CURRENT ASSETS					
Trading assets	7.7	1,145,347		1,125,092	
Inventories		47,475		46,264	
Contract work in progress		2,696		4,307	
Trade receivables		1,095,176	61,933	1,074,521	68,125
Cash and cash equivalents	7.8	2,786,098		1,631,687	
Cash		2,002,557		960,089	
Cash equivalents		706,714		579,476	
Intercompany current account receivables due to related parties		76,827	76,827	92,122	92,122
Current financial assets	7.4	781,914		937,898	
Current financial assets deriving from concession rights		435,511		428,933	
Current financial assets deriving from government grants		74,627		79,847	
Current term deposits		211,318		238,919	
Current derivative assets		36		-	
Current portion of medium/long-term financial assets		42,081		42,840	
Other current financial assets		18,341	121	147,359	124,849
Current tax assets	7.9	46,299	20,930	36,921	26,170
Other current assets	7.10	183,489		167,351	
Assets held for sale and related to discontinued operations	7.11	44,985		539,354	
TOTAL CURRENT ASSETS		4,988,132		4,438,303	
TOTAL ASSETS		28,819,494		28,529,275	

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

€000	Note	31/12/2015	Of which related party transactions	31/12/2014	Of which related party transactions
EQUITY AND LIABILITIES					
EQUITY					
Equity attributable to owners of the parent		2,999,735		2,802,940	
Issued capital		622,027		622,027	
Reserves and retained earnings		1,700,600		1,848,431	
Profit/(Loss) for the year net of interim dividends		677,108		332,482	
Equity attributable to non-controlling interests		1,559,981		1,622,922	
Issued capital and reserves		1,444,160		1,591,056	
Profit/(Loss) for the year net of interim dividends		115,821		31,866	
TOTAL EQUITY	7.12	4,559,716		4,425,862	
NON-CURRENT LIABILITIES					
Non-current portion of provisions for construction services required by contract	7.13	3,369,243		3,783,956	
Non-current provisions	7.14	1,267,465		1,183,608	
Non-current provisions for employee benefits		119,946		134,790	
Non-current provisions for repair and replacement of motorway infrastructure		1,114,906		1,029,314	
Other non-current provisions		32,613		19,504	
Non-current financial liabilities	7.15	13,441,751		13,113,511	
Bond issues		3,307,882		874,235	
Medium/long-term borrowings		9,738,968	6,495,414	11,874,686	8,736,615
Non-current derivative liabilities		368,545	216,123	359,053	245,232
Other non-current financial liabilities		26,356		5,537	
Deferred tax liabilities	7.5	1,188,774		1,249,703	
Other non-current liabilities	7.16	90,659		92,330	
TOTAL NON-CURRENT LIABILITIES		19,357,892		19,423,108	
CURRENT LIABILITIES					
Trading liabilities	7.17	1,466,126		1,313,363	
Trade payables		1,466,126	265,045	1,313,363	274,527
Current portion of provisions for construction services required by contract	7.13	458,737		518,734	
Current provisions	7.14	284,597		419,514	
Current provisions for employee benefits		21,609		20,202	
Current provisions for repair and replacement of motorway infrastructure		217,101		329,881	
Other current provisions		45,887		69,431	
Current financial liabilities	7.15	2,281,967		1,609,089	
Bank overdrafts		31		17	
Short-term borrowings		645,353	400,000	494,820	250,000
Current derivative liabilities		-		1,034	
Intercompany current account payables due to related parties		13,522	13,522	213,319	213,319
Current portion of medium/long-term financial liabilities		1,622,928	1,083,340	894,450	241,897
Other current financial liabilities		133		5,449	
Current tax liabilities	7.9	34,074	9,001	46,733	21,363
Other current liabilities	7.18	370,186	41,469	348,151	11,432
Liabilities related to discontinued operations	7.11	6,199		424,721	
TOTAL CURRENT LIABILITIES		4,901,886		4,680,305	
TOTAL LIABILITIES		24,259,778		24,103,413	
TOTAL EQUITY AND LIABILITIES		28,819,494		28,529,275	

CONSOLIDATED INCOME STATEMENT

€000	Note	2015	Of which related party transactions	2014	Of which related party transactions
REVENUE					
Toll revenue	8.1	3,835,954		3,677,693	
Revenue from construction services	8.2	576,075	2,487	489,743	29,215
Contract revenue	8.3	34,901		25,806	
Other operating income	8.4	547,760	77,264	551,222	86,145
TOTAL REVENUE		4,994,690		4,744,464	
COSTS					
Raw and consumable materials	8.5	-166,801		-185,541	
Service costs	8.6	-1,431,007	-442,694	-1,174,499	-211,189
Gain/(Loss) on sale of elements of property, plant and equipment		-294		-272	
Staff costs	8.7	-587,332	-29,694	-559,383	-23,820
Other operating costs	8.8	-542,818		-523,732	
Concession fees		-443,423		-435,065	
Lease expense		-10,296		-8,754	
Other		-89,099		-79,913	
Operating change in provisions	8.9	31,602		-240,351	
Provisions/ (Uses of provisions) for repair and replacement of motorway infrastructure		36,635		-216,196	
Provisions/ (Uses of provisions)		-5,033		-24,155	
Use of provisions for construction services required by contract	8.10	504,872		399,528	
Amortisation and depreciation		-708,547		-669,933	
Amortisation of property, plant and equipment	7.1	-34,880		-35,830	
Amortisation of intangible assets deriving from concession rights	7.2	-649,852		-611,683	
Amortisation of other intangible assets	7.2	-23,815		-22,420	
(Impairment losses)/Reversals of impairment losses	8.11	-8,903		4,976	
TOTAL COSTS		-2,909,228		-2,949,207	
OPERATING PROFIT/(LOSS)		2,085,462		1,795,257	
Financial income					
Financial income accounted for as an increase in financial assets deriving from concession rights and government grants		63,437		56,241	
Dividends received from investees		2,975		15	
Other financial income		217,108	36,408	243,168	38,390
Financial expenses		-912,363		-910,104	
Financial expenses from discounting of provisions for construction services required by contract and other provisions		-52,234		-107,735	
Other financial expenses		-860,129	-516,969	-802,369	-488,029
– of which: non-recurring	8.17	-125,486		-	
Foreign exchange gains/(losses)		18,706		16,321	
FINANCIAL INCOME/(EXPENSES)	8.12	-610,137		-594,359	
Share of (profit)/loss of investees accounted for using the equity method	8.13	-8,749		-8,139	
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS		1,466,576		1,192,759	

€000	Note	2015	Of which related party transactions	2014	Of which related party transactions
Income tax (expense)/benefit	8.14	-345,003		-498,597	
Current tax expense		-362,482		-373,470	
Differences on current tax expense for previous years		5,177		4,806	
Deferred tax income and expense		12,302		-129,933	
PROFIT/(LOSS) FROM CONTINUING OPERATIONS		1,121,573		694,162	
Profit/(Loss) from discontinued operations	8.15	6,983		210	
PROFIT FOR THE YEAR		1,128,556		694,372	
<i>of which:</i>					
– profit attributable to owners of the parent		1,012,381		662,156	
– profit attributable to non-controlling interests		116,175		32,216	
Basic earnings per share attributable to owners of the parent (€)	8.16	1.63		1.07	
<i>of which:</i>					
– continuing operations		1.62		1.07	
– discontinued operations		0.01		-	
Diluted earnings per share attributable to owners of the parent (€)	8.16	1.63		1.07	
<i>of which:</i>					
– continuing operations		1.62		1.07	
– discontinued operations		0.01		-	

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

€000	Note	2015	2014
Profit for the year (A)		1,128,556	694,372
Fair value gains/(losses) on cash flow hedges		7,131	-99,013
Gains/(losses) from translation of assets and liabilities of consolidated companies denominated in functional currencies other than the euro		-314,438	-28,947
Gains/(Losses) from translation of investments accounted for using the equity method denominated in functional currencies other than the euro		-6,878	512
Other comprehensive income/(loss) for the year reclassifiable to profit or loss, after related taxation (B)		-314,185	-127,448
Gains/(losses) from actuarial valuations of provisions for employee benefits		3,556	-11,330
Other comprehensive income/(loss) for the year not reclassifiable to profit or loss, after related taxation (C)		3,556	-11,330
Reclassifications of other components of comprehensive income to profit or loss for the year (D)		3,958	12,344
Total other comprehensive income/(loss) for the year, after related taxation (E = B + C + D)		-306,671	-126,434
– of which: attributable to discontinued operations		5,618	11,507
Comprehensive income for the year (A + E)	7.12	821,885	567,938
<i>of which:</i>			
– attributable to owners of the parent		861,015	545,484
– attributable to non-controlling interests		-39,130	22,454

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

€000

	Equity attributable to owners of the parent		
	Issued capital	Cash flow hedge reserve	Net investment hedge reserve
Balance as at 31/12/2013	622,027	-12,733	-36,400
Comprehensive income for the year	-	-89,963	-
Owner transactions and other changes			
Austostrade per l'Italia SpA's final dividend (€0.547 per share)	-	-	-
Transfer of profit/(loss) for previous year to retained earnings	-	-	-
Austostrade per l'Italia SpA's interim dividend (€0.530 per share)	-	-	-
Dividends paid by other Group companies to non-controlling shareholders	-	-	-
Share-based incentive plans	-	-	-
Changes in the scope of consolidation, other minor changes and reclassifications	-	-	-
Balance as at 31/12/2014	622,027	-102,696	-36,400
Comprehensive income for the year	-	9,060	-
Owner transactions and other changes			
Austostrade per l'Italia SpA's final dividend (€0.539 per share)	-	-	-
Transfer of profit/(loss) for previous year to retained earnings	-	-	-
Austostrade per l'Italia SpA's interim dividend (€0.539 per share)	-	-	-
Dividends paid by other Group companies to non-controlling shareholders	-	-	-
Share-based incentive plans	-	-	-
Changes in the scope of consolidation, other minor changes and reclassifications	-	-71	-
Balance as at 31/12/2015	622,027	-93,707	-36,400

Equity attributable to owners of the parent					Total	Equity attributable to non-controlling interests	Total equity attributable to owners of the parent and non-controlling interests
Reserve for translation differences on translation of assets and liabilities of consolidated companies denominated in functional currencies other than the euro	Reserve for translation of investments accounted for using the equity method denominated in functional currencies other than the euro	Other reserves and retained earnings	Profit/(loss) for year				
-197,678	-2,061	2,242,274	306,977	2,922,406	1,607,114	4,529,520	
-15,765	256	-11,200	662,156	545,484	22,454	567,938	
-	-	-	-340,249	-340,249	-	-340,249	
-	-	-33,272	33,272	-	-	-	
-	-	-	-329,674	-329,674	-	-329,674	
-	-	-	-	-	-8,211	-8,211	
-	-	2,672	-	2,672	51	2,723	
-	-	2,301	-	2,301	1,514	3,815	
-213,443	-1,805	2,202,775	332,482	2,802,940	1,622,922	4,425,862	
-160,506	-3,443	3,523	1,012,381	861,015	-39,130	821,885	
-	-	-	-335,273	-335,273	-	-335,273	
-	-	-2,791	2,791	-	-	-	
-	-	-	-335,273	-335,273	-	-335,273	
-	-	-	-	-	-23,811	-23,811	
-	-	4,773	-	4,773	24	4,797	
197	-309	1,736	-	1,553	-24	1,529	
-373,752	-5,557	2,210,016	677,108	2,999,735	1,559,981	4,559,716	

CONSOLIDATED STATEMENT OF CASH FLOWS

€000	Note	2015	Of which related party transactions	2014	Of which related party transactions
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES					
Profit for the year		1,128,556		694,372	
Adjusted by:					
Amortisation and depreciation		708,547		682,983	
Operating change in provisions		-23,961		242,314	
Financial expenses from discounting of provisions for construction services required by contract and other provisions		52,234		107,943	
Impairments/(Reversal of impairment losses) on non-current financial assets and investments accounted for at cost or fair value		-		5	
Share of (profit)/loss of investees accounted for using the equity method	8.13	8,749		8,139	
Impairment losses/(Reversal of impairment losses) and adjustments of non-current assets		1,341		-9,187	
(Gain)/Loss on sale of non-current assets		963		243	
Net change in deferred tax (assets)/liabilities through profit or loss		-12,302		123,160	
Other non-cash costs (income)		-40,109	-2,487	-108,731	-29,215
Change in working capital and other changes		165,652	13,341	-271,306	5,413
Net cash generated from/(used in) operating activities (A)	9.1	1,989,670		1,469,935	
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES					
Investment in assets held under concession	7.2	-1,074,370		-858,332	
Government grants related to assets held under concession		56,021		39,875	
Increase in financial assets deriving from concession rights (related to capital expenditure)		95,120		63,465	
Purchases of property, plant and equipment	7.1	-43,768		-39,630	
Purchases of intangible assets	7.2	-33,453		-34,721	
Purchases of investments		-7,690		-4,207	
Purchase of consolidated investments, net of cash and cash equivalent acquired		-71,996		-	
Proceeds from sales of property, plant and equipment, intangible assets and unconsolidated investments		1,879	-	8,507	77,505
Proceeds from sales of consolidated investments net of cash and cash equivalents transferred		-		208,777	
Net change in other non-current assets		-18,847		45,595	
Net change in current and non-current financial assets		105,072	-1,589	164,051	-16,446
Net cash generated from/(used in) investing activities (B)		-992,032		-406,620	
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES					
Dividends paid		-694,344		-678,617	
Contributions from non-controlling shareholders		24		720	
New loans from parent and non-controlling shareholders		-	-	202,880	200,000
Repayment of loans from parent		-1,351,250	-1,351,250	-2,100,234	-2,094,200
Issuance of bonds	7.15	2,758,388		32,038	
Increase in medium/long term borrowings (excluding finance lease liabilities)		250,508		397,940	
Increase in finance lease liabilities		-		3,935	
Bond redemptions	7.15	-147,902		-45,041	
Repayments of medium/long term borrowings (excluding finance lease liabilities)		-358,360		-591,639	
Payment of finance lease liabilities		-381		-4,497	
Net change in other current and non-current financial liabilities		-73,816	98,177	297,199	215,070
Net cash generated from/(used in) financing activities (C)	9.1	382,867		-2,485,316	
Net effect of foreign exchange rate movements on net cash and cash equivalents (D)		-35,912		2,862	
Increase/(Decrease) in cash and cash equivalents (A + B + C + D)	9.1	1,344,593		-1,419,139	
NET CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		1,466,973		2,886,112	
NET CASH AND CASH EQUIVALENTS AT END OF YEAR		2,811,566		1,466,973	

ADDITIONAL INFORMATION ON THE STATEMENT OF CASH FLOWS

€000	Note	2015	2014
Income taxes paid		374,162	336,773
Interest and other financial income collected		88,850	63,340
Interest expense and other financial expenses paid		772,756	749,312
Dividends received	8.12	2,975	15
Foreign exchange gains collected		96	123
Foreign exchange losses incurred		79	268

RECONCILIATION OF NET CASH AND CASH EQUIVALENTS

€000	Note	2015	2014
NET CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		1,466,973	2,886,112
Cash and cash equivalents	7.8	1,631,687	3,324,129
Bank overdrafts repayable on demand	7.15	-17	-7,228
Intercompany current account payables due to related parties		-213,319	-430,779
Cash and cash equivalents related to discontinued operations	7.11	48,622	-10
NET CASH AND CASH EQUIVALENTS AT END OF YEAR		2,811,566	1,466,973
Cash and cash equivalents	7.8	2,786,098	1,631,687
Bank overdrafts repayable on demand	7.15	-31	-17
Intercompany current account payables due to related parties		-13,522	-213,319
Cash and cash equivalents related to discontinued operations	7.11	39,021	48,622

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 Parent Company, Autostrade per l'Italia SpA ("Autostrade per l'Italia", "the Company" or "the Parent Company") is a public limited company incorporated in 2003. The Company's core business is the operation of motorways under a concession granted by the Ministry of Infrastructure and Transport, which assumed the role of Grantor previously fulfilled by ANAS SpA (Italy's Highways Agency) from 1 October 2012. Its registered office is at Via Bergamini, 50 in Rome. The Company does not have branch offices. 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 financial statements as at and for the year ended 31 December 2015 were approved by the Company's Board of Directors at its meeting of 4 March 2016.

2. Basis of preparation of the consolidated financial statements

The consolidated financial statements as at and for the year ended 31 December 2015 are based on the assumption that the Parent Company and consolidated companies are going concerns. They have been prepared in compliance with articles 2 and 3 of Legislative Decree 38/2005 and International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board and endorsed by the European Commission, as in force as at 31 December 2015. 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 reporting period. For the sake of simplicity, all the above standards and interpretations are hereinafter referred to as "IFRS". Moreover, the measures introduced by the Consob, in application of paragraph 3 of article 9 of Legislative Decree 38/2005, relating to the preparation of financial statements, have also been taken into account.

The consolidated financial statements consist of the statement of financial position, the income statement, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows and these notes, in application of IAS 1 - Presentation of financial statements and, in general, the historical cost convention, with the exception of those items that are required by IFRS to be recognised at fair value, as explained in the accounting policies for the relevant items described in note 3. 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 "Conceptual Framework for Financial Reporting", and no events have occurred that would require exemptions pursuant to paragraph 19 of IAS 1.

Consob Resolution 15519 of 27 July 2006 requires that, in addition to the specific requirements of IAS 1 and other IFRS, financial statements must, where material, include separate sub-items providing (i) disclosure of amounts deriving from related party transactions; and, with regard to the income statement, (ii) separate disclosure of income and expenses deriving from events and transactions that are non-recurring in nature, or transactions or events that do not occur on a frequent basis in the normal course of business.

A number of non-recurring transactions and events occurred in 2015, as described in notes 8.17. Otherwise, no atypical or unusual transactions, having a material impact on the Group's income statement and statement of financial position, were entered into during the period, either with third or related parties. The consolidated financial statements therefore show the principal amounts relating to the related party and non-recurring transactions that took place during the reporting period.

Amounts in the Company's financial statements and in the notes 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 financial statements.

Each component of the consolidated financial statements is compared with the corresponding amount for the comparative reporting period.

3. Accounting standards and policies applied

A description follows of the more important accounting standards and policies employed by the Group for its consolidated financial statements as at and for the year ended 31 December 2015. These accounting standards and policies are consistent with those applied in preparation of the consolidated financial statements for the previous year, as no new standards, interpretations, or amendments to existing standards became effective in 2015 having a material effect on the Autostrade per l'Italia Group's consolidated financial statements.

It should be noted that the following new standards and interpretations and/or amendments to existing standards and interpretations were applicable from 1 January 2015:

- a) IFRS 3 - Business Combinations. The amendment to the standard clarifies that a contingent consideration classified as an asset or a liability must be measured at fair value at each reporting date, with the effects to be recognised in profit or loss, regardless of whether the contingent consideration is a financial instrument or a non-financial asset or liability. In addition, it clarifies that the standard does not apply to all joint ventures;
- b) IFRS 13 - Fair Value Measurement. The amendment clarifies and explicitly confirms the option of accounting for short-term trade receivables and payables on an undiscounted basis, should the effect of discounting not be material;
- c) IFRIC 21 - Levies. The interpretation applies to all levies imposed by the government that do not fall within the scope of other standards (for example, IAS 12 - Income Taxes). The interpretation clarifies that an entity must only recognise a liability for a levy when the activity that triggers payment, as identified by the relevant legislation, occurs. In addition, a liability for a levy may only be accrued progressively if the activity that triggers payment occurs over a period of time. For a levy that is triggered upon reaching a minimum threshold, the liability must be estimated and recognised before the threshold is reached, when the threshold is expected to be exceeded in the assessment period.

Property, plant and equipment

Property, plant and equipment is stated at cost. Cost includes expenditure that is directly attributable to the acquisition of the items and financial expenses incurred during construction of the asset. As permitted by IFRS 1, assets acquired through business combinations prior to 1 January 2004 are stated at previous amounts, as determined under Italian GAAP for those business combinations and representing deemed cost.

The cost of assets with finite useful lives is systematically depreciated on a straight-line basis applying rates that represent the expected useful life of the asset. Each component of an asset with a cost that is significant in relation to the total cost of the item, and that has a different useful life, is accounted for separately. Land, even if undeveloped or annexed to residential and industrial buildings, is not depreciated as it has an indefinite useful life.

Investment property, which is held to earn rentals or for capital appreciation, or both, is recognised at cost measured in the same manner as property, plant and equipment. The relevant fair value of such assets has also been disclosed.

The bands of annual rates of depreciation used in 2015 are shown in the table below by asset class:

Property, plant and equipment	Rate of depreciation
Buildings	2.5%-33.33%
Plant and machinery	10%-33%
Industrial and business equipment	4.5%-33%
Other assets	8.6%-33.33%

Assets acquired under finance leases are initially accounted for as property, plant and equipment, and the underlying liability recorded in the balance sheet, at an amount equal to the relevant fair value or, if lower, the present value of the minimum payments due under the contract. Lease payments are apportioned between the interest element, which is charged to the income statement as incurred, and the capital element, which is deducted from the financial liability.

Property, plant and equipment is tested for impairment, as described below in the relevant note, whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Property, plant and equipment is derecognised on disposal. Any gains or losses (determined as the difference between disposal proceeds, less costs to sell, and the carrying amount of the asset) are recognised in profit or loss in the period in which the asset is sold.

Intangible assets

Intangible assets are identifiable assets without physical substance, controlled by the entity and from which future economic benefits are expected to flow, and purchased goodwill. Identifiable intangible assets are those purchased assets that, unlike goodwill, can be separately distinguished. This condition is normally met when the intangible asset: (i) arises from a legal or contractual right, or (ii) is separable, meaning that it may be sold, transferred, licensed or exchanged, either individually or as an integral part of other assets. The asset is controlled by the entity if the entity has the ability to obtain future economic benefits from the asset and can limit access to it by others.

Internally developed assets are recognised as assets to the extent that: (i) the cost of the asset can be measured reliably; (ii) the entity has the intention, the available financial resources and the technical expertise to complete the asset and either use or sell it; (iii) the entity is able to demonstrate that the asset is capable of generating future economic benefits.

Intangible assets are stated at cost which, apart from concession rights, is determined in the same manner as the cost of property, plant and equipment. The cost of concession rights is recovered in the form of payments received from road users and may include one or more of the following:

- a) the fair value of construction services and/or improvements carried out on behalf of the Grantor (measured as described in the note on "Construction contracts and services in progress") less finance-related amounts, consisting of (i) the amount funded by government grants, (ii) the amount that will be unconditionally paid by replacement operators on termination of the concession (so-called "takeover rights"), and/or (iii) any minimum level of tolls or revenue guaranteed by the Grantor. In particular, the following give rise to intangible assets deriving from concession rights:
 - 1) rights received as consideration for specific obligations to provide construction services for road widening and improvement for which the operator does not receive additional economic benefits. These rights are initially recognised at the fair value of the construction services to be provided in the future (equal to their present value, less the portion covered by grants, and excluding any financial expenses that may be incurred during provision of the services), with a contra entry of an equal amount in "Provisions for construction services required by contract", accounted for in liabilities in the statement of financial position. In addition to the impact of amortisation, the initial value of the rights changes over time as a result of periodic reassessment of the fair value of the part of the construction services still to be rendered at the end of the reporting period (equal to their present value, less the portion covered by grants, and excluding any financial expenses that may be incurred during provision of the services);
 - 2) rights received as consideration for construction and/or upgrade services rendered for which the operator receives additional economic benefits in the form of specific toll increases and/or significant increases in the expected number of users as a result of expansion/upgrade of the infrastructure;
 - 3) rights to infrastructure constructed and financed by service area concession holders which have reverted free of charge to Group companies on expiry of the related concessions;
- b) rights acquired from third parties, to the extent costs were incurred to acquire concessions from the Grantor or from third parties (the latter relating to the acquisition of control of a company that already holds a concession).

Concession rights, on the other hand, are amortised over the concession term in a pattern that reflects the estimated manner in which the economic benefits embodied in the right are consumed. Amortisation rates are, consequently, determined taking any significant changes in traffic volumes during the concession term into account. Amortisation is charged from the date on which economic benefits begin to accrue.

In contrast, amortisation of other intangible assets with finite useful lives begins when the asset is ready for use, in relation to their residual useful lives.

The bands of annual rates of amortisation used in 2015 are shown in the table below by asset class:

Intangible assets	Rate of amortisation
Concession rights	On the commencement of generation of economic benefits for the entity, based on the residual term of the concession and/or traffic projections.
Development costs	4.8%-33.33%
Industrial patents and intellectual property rights	6.4%-55%
Licences and similar rights	7.7%-33.33%
Other assets	3.3%-33.33%

Intangible assets are tested for impairment, as described below in the note on impairments and reversals, whenever events or changes in circumstances indicate that the carrying amount may not be fully recoverable.

Gains and losses on the disposal of intangible assets are determined as the difference between the disposal proceeds, less costs to sell, and the carrying amount of the asset and then recognised in profit or loss in the period in which the asset is disposed of.

Goodwill

Acquisitions of companies and business units are accounted for using the acquisition method, as required by IFRS 3. For this purpose, identifiable assets liabilities acquired through business combinations are measured at their fair value at the acquisition date. The cost of an acquisition is measured as the fair value, at the date of exchange, of the assets acquired, liabilities assumed and any equity instruments issued by the Group in exchange for control.

Goodwill is initially measured as the positive difference between 1) the acquisition cost, plus both the fair value at the acquisition date of any previous non-controlling interests held in the acquiree and non-controlling interests held by third parties in the acquiree (at fair value or prorated to the current net asset value of the acquiree), and 2) the fair value of net assets acquired.

The goodwill, as measured on the date of acquisition, is allocated to each of the substantially independent cash generating units or groups of cash generating units which are expected to benefit from the synergies of the business combination.

A negative difference between the cost of the acquisition, as increased by the above components, and the fair value of the net assets acquired is recognised as income in profit or loss in the year of acquisition.

Goodwill on acquisitions of non-controlling interests is included in the carrying amount of the relevant investments.

After initial recognition, goodwill is no longer amortised and is carried at cost less any accumulated impairment losses, determined as described in the note on impairment testing.

IFRS 3 was not applied retrospectively to acquisitions prior to 1 January 2004. As a result, the carrying amount of goodwill on these acquisitions is that determined under Italian GAAP, which is the net carrying amount at this date, subject to impairment testing and the recognition of any impairment losses.

Acquisitions or disposals of companies and/or business units under common control are treated, in accordance with IAS 1 and IAS 8, on the basis of their economic substance, with reference to both the (i) the method of determining the purchase consideration, and (ii) confirmation of the generation of added value for all the parties involved, resulting in significant measurable changes in the cash flows generated by the assets transferred before and after the transaction. In this regard:

- a) if both requirements to be confirmed are met, such acquisitions of companies and/or business units are accounted for in accordance with IFRS 3, using the same treatment previously described for similar transactions with third parties. In such cases, the seller recognises any difference between the carrying amount of the assets and liabilities transferred and the related purchase consideration in profit or loss;
- b) in the other cases, the acquirer recognises the assets and liabilities transferred at the same carrying amounts at which they were accounted for in the financial statements of the seller prior to the transaction, recognising any difference with respect to the cost of the acquisition in equity. Accordingly, the seller recognises the difference between the carrying amount of the assets and liabilities transferred and the agreed purchase consideration in equity.

Investments

Investments in unconsolidated subsidiaries and other companies, which qualify as available-for-sale financial instruments as defined by IAS 39, are initially accounted for at cost at the settlement date, in that this represents fair value, plus any directly attributable transaction costs.

After initial recognition, these investments are measured at fair value, to the extent reliably determinable, through the statement of comprehensive income and hence in a specific equity reserve. On realisation or recognition of an impairment loss in the income statement, the accumulated gains and losses in that reserve are reclassified to the income statement.

Impairment losses, identified as described below in the note on “Impairment of assets and reversals (impairment testing)”, are reversed to other comprehensive income in the event the circumstances giving rise to the impairment cease to exist.

When fair value cannot be reliably determined, investments, classified as available-for-sale, are measured at cost less any impairment losses. In this case impairment losses may not be reversed.

Investments in associates and joint ventures are accounted for using the equity method. The Group's share of post-acquisition profits or losses is recognised in the income statement for the accounting period to which they relate, with the exception of the effects deriving from other changes in the equity of the investee other than owner transactions, which are recognised directly in comprehensive income attributable to owners of the parent.

Provisions are made to cover any losses of an associate or joint venture exceeding the carrying amount of the investment, to the extent that the shareholder is required to comply with actual or constructive obligations to cover such losses.

Construction contracts and services in progress

Construction contracts are accounted for on the basis of a contract's revenue and costs that can be reliably estimated with reference to the stage of completion of the contract, in accordance with the percentage of completion method, as determined by a survey of the works carried out or based on the ratio of costs incurred to total estimated costs. Contract revenue is allocated to the individual reporting periods in proportion to the stage of contract completion. Any positive or negative difference between contract revenue and any advance payments received is recognised in assets or liabilities, taking account of any impairments, in order to reflect the risks linked to the inability to recover the value of work performed on behalf of customers.

In addition to contract payments, contract revenue includes variations, price reviews and claims to the extent that they can be reliably determined.

Expected losses are recognised immediately in profit or loss, regardless of the stage of contract completion.

Revenue from construction and/or upgrade services provided to the Grantor and relating to the concessions held by certain Group companies, are recognised on a percentage of completion basis. Construction and/or upgrade service revenues, representing the consideration for services provided, are measured at fair value, calculated on the basis of the total costs incurred (consisting primarily of the cost of materials and external services, relevant employee benefits and financial expenses, the latter only in the case of construction and/or upgrade services for which the operator receives additional economic benefits), plus any arm's length profits realised on construction services provided by Group entities (in that they represent the fair value of the services). The double entry of construction and/or upgrade service revenue is represented by financial assets deriving from concession rights and/or grants, or by intangible assets deriving from concession rights, as explained in the relevant note.

Inventories

Inventories, primarily consisting of stocks and spare parts used in the maintenance and assembly of plant, are measured at the lower of purchase or conversion costs and net realisable value obtained on their sale in the ordinary course of business. The purchase cost is determined using the weighted average cost method.

Receivables and payables

Receivables are initially recognised at fair value and subsequently measured at amortised cost, using the effective interest method, less any allowance for bad debts. The amount of the allowance is based on the present value of

expected future cash flows. These cash flows take account of expected collection times, estimated realisable value, any guarantees received, and the expected costs of recovering amounts due. Impairment losses are reversed in future periods if the circumstances that resulted in the loss no longer exist. In this case, the reversal is accounted for in the income statement and may not in any event exceed the amortised cost of the receivable had no previous impairment losses been recognised.

Payables are initially recognised at cost, which corresponds to the fair value of the liability, less any directly attributable transaction costs. After initial recognition, payables are recognised at amortised cost, using the original effective interest method.

Trade receivables and payables, which are subject to normal commercial terms and conditions, are not discounted to present value.

Cash and cash equivalents

Cash and cash equivalents are recognised at face value. They include highly liquid demand deposits or very short-term instruments of excellent quality, which are subject to an insignificant risk of changes in value.

Derivative financial instruments

All derivative financial instruments are recognised at fair value at the end of the year.

As required by IAS 39, derivatives are designated as hedging instruments when the relationship between the derivative and the hedged item is formally documented and the periodically assessed effectiveness of the hedge is high and ranges between 80% and 125%.

Changes in the fair value of cash flow hedges hedging assets and liabilities (including those that are pending and highly likely to arise in the future) are recognised in the statement of comprehensive income. The gain or loss relating to the ineffective portion is recognised in profit or loss.

Changes in the value of fair value hedged assets or liabilities are recognised in profit or loss for the period. Analogously, the hedged assets and liabilities are restated at fair value through profit or loss.

Since derivative contracts deemed net investment hedges in accordance with IAS 39, because they were concluded to hedge the risk of unfavourable movements in the exchange rates used to translate net investments in foreign operations, are treated as cash flow hedges, the effective portion of fair value gains or losses on the derivatives is recognised in other comprehensive income, thus offsetting changes in the foreign currency translation reserve for net investments in foreign operations. Accumulated fair value gains and losses, recognised in the net investment hedge reserve, are reclassified from comprehensive income to profit or loss on the disposal or partial disposal of the foreign operation.

Changes in the fair value of derivative instruments that do not qualify for hedge accounting under IAS 39 are recognised in profit or loss.

Other financial assets and liabilities

Other financial assets that Group companies intend and are able to hold to maturity and other financial liabilities are recognised at the fair value of the purchase consideration at the settlement date, with assets being increased and liabilities being reduced by transaction costs directly attributable to the purchase of the assets or issuance of the liabilities. After initial recognition, financial assets are measured at amortised cost using the original effective interest method.

Financial assets and liabilities are derecognised when, following their sale or settlement, the Group is no longer involved in their management and has transferred all risks and rewards of ownership.

Financial assets held for trading are recognised and measured at fair value through profit or loss. Other categories of financial asset classified as available-for-sale financial instruments are recognised and measured at fair value through comprehensive income and, consequently, in a specific equity reserve. The financial instruments in these categories have, to date, never been reclassified.

Financial assets also include the following considerations for assets held under concession:

- a) "takeover rights", being the amount that will be unconditionally paid by an incoming operator on termination of the concession;

- b) the present value of minimum toll revenue guaranteed by the Grantor, representing an unconditional right to receive cash payments for construction services performed, regardless of the extent to which the public uses the service;
- c) amounts due from public entities as grants or similar compensation relating to the construction of infrastructure (construction and/or upgrade services).

Fair value measurement and the fair value hierarchy

For all transactions or balances (financial or non-financial) for which an accounting standard requires or permits fair value measurement and which fall within the application of IFRS 13, the Group applies the following criteria:

- a) identification of the unit of account, defined as the level at which an asset or a liability is aggregated or disaggregated in an IFRS for recognition purposes;
- b) identification of the principal market or, in the absence of such a market, the most advantageous market in which the particular asset or liability to be measured could be traded; unless otherwise indicated, it is assumed that the market currently used coincides with the principal market or, in the absence of such a market, the most advantageous market;
- c) definition for non-financial assets of the highest and best use of the asset; unless otherwise indicated, highest and best use is the same as the asset's current use;
- d) definition of valuation techniques that are appropriate for the measurement of fair value, maximising the use of relevant observable inputs that market participants would use when determining the price of an asset or liability;
- e) determination of the fair value of assets, based on the price that would be received to sell an asset, and of liabilities and equity instruments, based on the price paid to transfer a liability in an orderly transaction between market participants at the measurement date;
- f) inclusion of non-performance risk in the measurement of assets and liabilities and above all, in the case of financial instruments, determination of a valuation adjustment when measuring fair value to include, in addition to counterparty risk (CVA - credit valuation adjustment), the own credit risk (DVA - debit valuation adjustment).

Based on the inputs used for fair value measurement, a fair value hierarchy for classifying the assets and liabilities measured at fair value, or the fair value of which is disclosed in the financial statements, has been identified:

- a) level 1: includes quoted prices in active markets for identical assets or liabilities;
- b) level 2: includes inputs other than quoted prices included within level 1 that are observable, such as the following:
 - i) quoted prices for similar assets or liabilities in active markets; ii) quoted prices for similar or identical assets or liabilities in markets that are not active; iii) other observable inputs (interest rate and yield curves, implied volatilities and credit spreads);
- c) level 3: unobservable inputs used to the extent that observable data is not available. The unobservable inputs used for fair value measurement should reflect the assumptions that market participants would use when pricing the asset or liability being measured.

Definitions of the fair value hierarchy level in which individual financial instruments measured at fair value have been classified, or for which the fair value is disclosed in the financial statements, are provided in the notes to individual components of the financial statements.

There are no assets or liabilities classifiable in level 3 of the fair value hierarchy.

No transfers between the various levels of the fair value hierarchy took place during the year.

The fair value of derivative financial instruments is based on expected cash flows that are discounted at rates derived from the market yield curve at the measurement date and the curve for listed credit default swaps entered into by the counterparty and Group companies, to include the non-performance risk explicitly provided for by IFRS 13.

In the case of medium/long-term financial instruments, other than derivatives, where market prices are not available, the fair value is determined by discounting expected cash flows, using the market yield curve at the measurement date and taking into account counterparty risk in the case of financial assets and the own credit risk in the case of financial liabilities.

Provisions for construction services required by contract and other provisions

“Provisions for construction services required by contract” relate to specific contractual obligations having regard to motorway expansion and upgrading for which the operator receives no additional economic benefit. Since the performance of such obligations is treated as part of the consideration for the concession, an amount equal to the fair

value of future construction services (equal to the present value of the services, less the portion covered by grants, and excluding any financial expenses that may be incurred during provision of the services) is initially recognised. The double entry is concession rights for works without additional economic benefits. The fair value of the residual liability for future construction services (equal to their present value, less the portion covered by grants, and excluding any financial expenses that may be incurred during provision of the services) is periodically reassessed and changes to the measurement of the liabilities (such as, for example, changes to the estimated cash outflows necessary to discharge the obligation, a change in the discount rate or a change in the construction period) are recognised as a matching increase or reduction in the corresponding intangible asset. Any increase in provisions to reflect the time value of money is recognised as a financial expense.

Other provisions are made when: (i) the Group has a present (actual or constructive) obligation as a result of a past event; (ii) it is probable that an outflow of resources will be required to settle the obligation; and (iii) the related amount can be reliably estimated.

Provisions are measured on the basis of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If the discount to present value is material, provisions are determined by discounting future expected cash flows to their present value at a rate that reflects the market view of the time value of money. Subsequent to the computation of present value, the increase in provisions over time is recognised as a financial expense.

"Provisions for the repair and replacement of motorway infrastructure" cover the liability represented by the contractual obligation to repair and replace motorway infrastructure, as required by the concession arrangements entered into by the Group's motorway operators and the respective grantors. These provisions are calculated on the basis of the usage and wear and tear of motorways at the end of the reporting period, taking into account, if material, the time value of money.

Employee benefits

Short-term employee benefits, provided during the period of employment, are recognised on an accruals basis as the accrued liability at the end of the reporting period.

Liabilities deriving from other medium/long-term employee benefits are recognised in the vesting period, less any plan assets and advance payments made. They are determined on the basis of actuarial assumptions and, if material, recognised on an accruals basis in line with the period of service necessary to obtain the benefit.

Medium/long-term post-employment benefits in the form of defined benefit plans are recognised at the amount accrued at the end of the reporting period.

Post-employment benefits delivered at the same time or after the termination of employment in the form of defined benefit plans are recognised in the vesting period, less any plan assets and advance payments made. Such defined benefit plans primarily regard the obligation as determined on the basis of actuarial assumptions and recognised on an accruals basis in line with the period of service necessary to obtain the benefit. The obligation is calculated by independent actuaries. Any resulting actuarial gain or loss is recognised in full in other comprehensive income in the period to which it relates.

Non-current assets held for sale, assets and liabilities included in disposal groups and/or related to discontinued operations

Where the carrying amount of non-current assets held for sale, or of assets and liabilities included in disposal groups and/or related to discontinued operations is to be recovered primarily through sale rather than through continued use, these items are presented separately in the statement of financial position.

Immediately prior to being classified as held for sale, each asset and liability is recognised under the specific IFRS applicable and subsequently accounted for at the lower of the carrying amount and fair value. Any impairment losses are recognised immediately in the income statement.

Disposal groups or discontinuing operations are recognised in profit or loss as discontinued operations provided the following conditions are met:

- a) they represent a major line of business or geographical area of operation;
- b) they are part of a single coordinated plan to dispose of a separate major line of business or geographical area of operation;
- c) they are subsidiaries acquired exclusively with a view to resale.

After tax gains and losses resulting from the management or sale of such operations are recognised as one amount in profit or loss with comparatives.

Revenue

Revenue is recognised when the fair value can be reliably measured and it is probable that the economic benefits associated with the transactions will flow to the Group. Depending on the type of transaction, revenue is recognised on the basis of the following specific criteria:

- a) toll revenue is accrued with reference to traffic volumes;
- b) to the extent, for sales of goods, that significant risks and rewards of ownership are transferred to the buyer;
- c) the provision of services is prorated to percentage of completion of work, based on the previously described criteria used for “construction contracts and services in progress”, which also include the construction and/or upgrade services provided to grantors, in application of IFRIC 12. When service revenue cannot be reliably determined, it is only recognised to the extent that expenses are considered to be recoverable;
- d) rental income or royalties, on an accruals basis, based on the agreed terms and conditions of the contract;
- e) interest income (and interest expense) is calculated with reference to amount of the financial asset or liability, in accordance with the effective interest method;
- f) dividend income is recognised when the right to receive payment is established.

Government grants

Government grants are accounted for at fair value when: (i) the related amount can be reliably determined and there is reasonable certainty that (ii) they will be received and that (iii) the conditions attaching to them will be satisfied.

Grants related to income are accounted for in the income statement for the accounting period in which they accrue, in line with the corresponding costs.

Grants received for investment in motorways and airports are accounted for as construction service revenue, as explained in the note on “Construction contracts and services work in progress”.

Grants related to assets received to fund development projects and activities are accounted for in liabilities, and are subsequently recognised as operating income, in line with depreciation of the assets to which they refer.

Any grants received to fund investment in property, plant and equipment are accounted for as a reduction in the cost of the asset to which they refer and result in a reduction in depreciation.

Income taxes

Income taxes are recognised on the basis of an estimate of tax expense to be paid, in compliance with the regulations in force, as applicable to each Group company.

Income tax payables are reported under current tax liabilities in the statement of financial position less any advance payments of taxes. Any overpayments of IRAP are recognised as current tax assets.

Deferred tax assets and liabilities are determined on the basis of temporary differences between the carrying amounts of assets and liabilities as in the Company’s books, resulting from application of the accounting policies described in note 3, and the corresponding tax bases, resulting from application of the tax regulations in force in the country relevant to each subsidiary, as follows:

- a) deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the asset can be utilised;
- b) deferred tax liabilities are always recognised.

The Parent Company, Atlantia SpA, has again operated a tax consolidation arrangement for 2015, in which Autostrade per l’Italia and certain of its Italian-registered subsidiaries participate.

Share-based payments

The cost of services provided by directors and/or employees remunerated through share-based incentive plans, and settled through the award of financial instruments, is based on the fair value of the rights at the grant date. Fair value

is computed using actuarial assumptions and with reference to all characteristics, at the grant date (vesting period, any consideration due and conditions of exercise, etc.), of the rights and the plan's underlying securities. The obligation is determined by independent actuaries. The cost of these plans is recognised in profit or loss, with a contra-entry in equity, over the vesting period, based on a best estimate of the number of options that will vest.

The cost of any services provided by Directors and/or employees and remunerated through share-based payments, but settled in cash, is instead measured at the fair value of the liability assumed and recognised in profit or loss, with a contra entry in liabilities, over the vesting period, based on a best estimate of the number of options that will vest. Fair value is remeasured at the end of each reporting period until such time as the liability is settled, with any changes recognised in profit or loss.

Impairment of assets and reversals (impairment testing)

At the end of the reporting period, the Group tests property, plant and equipment, intangible assets, financial assets and investments for impairment.

If there are indications that these assets have been impaired, the value of such assets is estimated in order to verify the recoverability of the carrying amounts and eventually measure the amount of the impairment loss. Irrespective of whether there is an indication of impairment, intangible assets with indefinite lives and those which are not yet available for use are tested for impairment at least annually, or more frequently, if an event has occurred or there has been a change in circumstances that could cause an impairment.

If it is not possible to estimate the recoverable amounts of individual assets, the recoverable amount of the cash-generating unit to which a particular asset belongs is estimated.

This entails estimating the recoverable amount of the asset (represented by the higher of the asset's fair value less costs to sell and its value in use) and comparing it with the carrying amount. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount is reduced to its recoverable amount. In calculating value in use, expected future pre-tax cash flow is discounted using a pre-tax rate that reflects current market assessments of the cost of capital which embodies the time value of money and the risks specific to the business. In estimating an operating CGU's future cash flows, after-tax cash flows and discount rates are used because the results are substantially the same as pre-tax computations.

Impairments are recognised in profit or loss in a variety of classifications depending on the nature of the impaired asset. Losses are reversed if the circumstances that resulted in the loss no longer exist, provided that the reversal does not exceed the cumulative impairment losses previously recognised, unless the impairment loss relates to goodwill and investments measured at cost, where the related fair value cannot be reliably determined.

Estimates and judgements

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 primarily used 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 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.

Translation of foreign currency items

The reporting package of each consolidated enterprise is prepared using the functional currency of the economy in which the enterprise operates. Transactions in currencies other than the functional currency are recognised by application of the exchange rate at the transaction date. Assets and liabilities denominated in currencies other than the functional currency are, subsequently, remeasured by application of the exchange rate at the end of the reporting period. Any exchange differences on remeasurement are recognised in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies and recognised at historical cost are translated using the exchange rate at the date of initial recognition.

Translation of the liabilities, assets, goodwill and consolidation adjustments shown in the reporting packages of consolidated companies with functional currencies other than the euro is made at the closing rate of exchange, whereas

the average rate of exchange is used for income statement items to the extent that they approximate the transaction date rate or the rate during the period of consolidation, if lower. All resultant exchange differences are recognised directly in comprehensive income and reclassified to profit or loss upon the loss of control of the investment and the resulting deconsolidation.

Earnings per share

Basic earnings per share is computed by dividing profit attributable to owners of the parent by the weighted average number of shares outstanding during the accounting period.

Diluted earnings per share is computed by dividing profit attributable to owners of the parent by the above weighted average, also taking into account the effects deriving from the subscription, exercise or conversion of all potential shares that may be issued as a result of the exercise of any outstanding rights.

New accounting standards and interpretations, or revisions and amendments of existing standards, that have either yet to come into effect

As required by IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”, this section describes new accounting standards and interpretations, and amendments of existing standards and interpretations that are already applicable, but that have either yet to come into effect at the reporting date, and that may in the future be applied in the Group’s consolidated financial statements:

Name of document	Effective date of IASB document	Date of EU endorsement
New accounting standards and interpretations		
IFRS 9 - Financial Instruments	1 January 2018	Not endorsed
IFRS 15 - Revenue from Contracts with Customers	1 January 2018	Not endorsed
Amendments to existing standards and interpretations		
Amendments to IAS 1 - Disclosure Initiative	1 January 2016	December 2015
Amendments to IAS 16 and IAS 38 - Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016	December 2015
Amendments to IFRS 11 - Accounting for Acquisitions of Interests in Joint Operation	1 January 2016	November 2015
Annual Improvements to IFRSs: 2010-2012	1 febbraio 2015	December 2014
Annual Improvements to IFRSs: 2012-2014	1 January 2016	December 2015

IFRS 9 - Financial Instruments

In July 2014, the IASB published the final version of IFRS 9, the standard created to replace the existing IAS 39 for the classification and measurement of financial instruments.

The standard introduces new rules for the classification and measurement of financial instruments, a new impairment model for financial assets and a new hedge accounting model.

Classification and measurement

IFRS 9 envisages a single approach for the assessment and classification of all financial assets, including those containing embedded derivatives. The classification and related measurement is driven by both the business model in which the financial asset is held and the contractual cash flow characteristics of the asset.

The financial asset is measured at amortised cost subject to both of the following conditions:

- a) the asset is held in conjunction with a business model whose objective is to hold assets in order to collect contractual cash flows; and
- b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The financial asset is measured at fair value, with any changes recognised in comprehensive income, if the objectives of the business model are to hold the financial asset to collect the contractual cash flows, or to sell it.

Finally, the standard envisages a residual category of financial asset measured at fair value through profit or loss, which includes assets held for trading.

A financial asset meeting the conditions to be classified and measured at amortised cost may, on initial recognition, be designated as a financial asset at fair value through profit or loss, to the extent that this accounting treatment would eliminate or significantly reduce a measurement or recognition inconsistency (sometimes referred to as an “accounting mismatch”) that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

In addition, the new standard provides that an entity may, with respect to investments in equity instruments, which consequently may not be carried and measured at amortised cost unless such instruments are shares that are not held for trading but rather for strategic reasons, make an irrevocable election on initial recognition to present changes in the fair value in comprehensive income.

The new IFRS 9, on the other hand, has confirmed the provisions of IAS 39 for financial liabilities including the relative measurement at amortised cost or, in specific circumstances, at fair value through profit or loss.

The requirements of IAS 39 that have been changed are primarily:

- a) the reporting of changes in fair value in connection with the credit risk of certain liabilities, which IFRS 9 requires to be recognised in comprehensive income rather than in profit or loss as movements in fair value as a result of other risks;
- b) the elimination of the option to measure, at amortised cost, financial liabilities consisting of derivative financial instruments entailing the delivery of unlisted equity instruments. The consequence of the change is that all derivative financial instruments must now be recognised at fair value.

Impairment

IFRS 9 has defined a new impairment model for financial assets, with the objective of providing the users of financial statements with more useful information about an entity’s expected losses. The model requires an entity to recognise expected credit losses at all times and to update the amount of expected losses recognised at each reporting date to reflect changes in the credit risk of the financial instruments. It is, therefore, no longer necessary to wait for evidence of a trigger event before testing for impairment and recognition of a credit loss.

All financial instruments must be tested for impairment, with the exception of those measured at fair value through profit or loss.

Hedge accounting

The most important changes introduced by IFRS 9 regard:

- a) the extended scope of the risks eligible for hedge accounting, to include those to which non-financial assets and liabilities are exposed, also permitting the designation of groups and net positions as hedged items, also including any derivatives;
- b) the option of designating a financial instrument at fair value through profit or loss as a hedging instrument;
- c) the alternative method of accounting for forwards and options, when included in a hedge accounting relationship;
- d) changes to the method of conducting hedge effectiveness tests, following introduction of the principle of the “economic relationship” between the hedged item and the hedging instrument; in addition, retrospective hedge effectiveness testing is no longer required;
- e) the possibility of “rebalancing” an existing hedge where the risk management objectives continue to be valid.

IFRS 15 - Revenue from Contracts with Customers

On 28 May the IASB published the new standard, IFRS 15. IFRS 15 replaces the previous IAS 18, in addition to IAS 11, regarding contract work, and the related interpretations, IFRIC 13, IFRIC 15, IFRIC 18 and SIC 31.

IFRS 15 establishes the standards to follow in recognising revenue from contracts with customers, with the exception of contracts falling within the scope of application of standards governing leases, insurance contracts and financial instruments.

The new standard provides an overall framework for identifying the timing and amount of revenue to be recognised in the financial statements. Based on the new standard, the amount recognised as revenue by an entity must reflect the consideration to which the entity is entitled in exchange for goods transferred to the customer and/or services rendered. This revenue is to be recognised when the entity has satisfied its performance obligations under the contract.

In addition, in recognising revenue, the standard stresses the need to assess the likelihood of obtaining/collecting the economic benefits linked to the proceeds. In the case of contract work in progress, currently governed by IAS 11, the

new standard introduces the requirement to recognise revenue taking into account the effect of discounting to present value resulting from the deferral of collections over time.

If it is not possible to retrospectively apply the new standard, a modified approach can be used upon first-time adoption. Under this approach, the effects of application of the new standard must be recognised in opening equity at the beginning of the reporting period of first-time adoption.

Amendments to IAS 1 - Disclosure Initiative

In December 2014, the IASB published a number of amendments to IAS 1, in order to clarify the disclosures to be included in the notes to financial statements.

A number of changes have been made to the disclosures to be provided regarding:

- a) the concept of materiality, relating to the relevance of the information to be provided in financial statements;
- b) the items to be presented in the financial statements;
- c) the structure of the notes;
- d) the accounting policies;
- e) the basis of presentation in the statement of comprehensive income of profits and losses attributable to investments accounted for using the equity method.

Given that the amendments regard the classification of items in the financial statements and the disclosures to be included in the notes, they will not have any impact on amounts in the Group's consolidated financial statements.

Amendments to IAS 16 and IAS 38 - Clarification of Acceptable Methods of Depreciation and Amortisation

In May 2014, the IASB published a number of amendments to IAS 16 - Property, Plant and Equipment, and IAS 38 - Intangible Assets.

The amendments provide clarification regarding acceptable methods of depreciation and amortisation under the above standards. Above all, whilst reiterating that the method of depreciation or amortisation used must reflect the expected pattern of consumption of the future economic benefits embodied in the asset, the amendments introduce the presumption that a revenue-based method of depreciation or amortisation is not appropriate. This is because the IASB believes that revenue generated by an asset reflects factors not directly linked to consumption of the economic benefits embodied in the asset.

In the case of intangible assets, the IASB has also specified that in choosing which method of amortisation to use, the entity must take into account the predominant, limiting factors inherent in the intangible asset, and that the above presumption may only be overcome in limited circumstances, when, for example, (i) the intangible asset is expressed as a measure of revenue that can be obtained from the asset, or (ii) when it can be demonstrated that revenue and the consumption of economic benefits of the intangible asset are highly correlated.

Amendments to IFRS 11 - Accounting for Acquisitions of Interests in Joint Operations

On 6 May 2014, the IASB published a number of amendments to IFRS 11 - Joint Arrangements. The aim of the amendments is to clarify the accounting, by investors, of the acquisition of an interest in a joint operation that constitutes or contains a business.

Annual Improvements to IFRSs: 2010-2012

The IASB published "Annual Improvements to IFRSs: 2010-2012 Cycle" on 12 December 2013.

The principal amendments that could be relevant to the Group are:

- a) IFRS 2 - Share-based Payment: amendments have been made to the definitions of "vesting condition" and "market condition" and further definitions for "performance condition" and "service condition" have been added, for the recognition of share-based benefit plans;
- b) IFRS 8 - Operating Segments: the amendments require disclosure of the judgements made by management in applying the aggregation criteria for operating segments, including a description of the aggregate operating segments and the economic indicators assessed in determining if the operating segments have "similar economic characteristics". In addition, the reconciliation of the total of the reportable segment's assets to the entity's total assets should only be disclosed if the total of the reportable segment's assets is regularly provided to the chief operating decision maker.

Annual Improvements to IFRSs: 2012-2014

The IASB published “Annual Improvements to IFRSs: 2012-2014 Cycle” on 25 September 2014.

The principal amendments that could be relevant to the Group are:

- a) IFRS 7 - Financial Instruments: Disclosures: the amendments eliminate uncertainty regarding when disclosures regarding the offsetting of financial assets and liabilities (that came into effect from accounting periods beginning on or after 1 January 2013) must be included in interim financial statements; the document clarifies that fact that offsetting disclosures are not explicitly required for all interim financial statements. However, such disclosures may be necessary in order to meet the requirements of IAS 34, if the disclosure is material;
- b) IAS 19 - Employee Benefits: the document clarifies that the high-quality corporate bonds used in estimating the discount rate for post-employment benefits should be denominated in the same currency as the benefits to be paid. The changes also establish that the depth of the market for such bonds should be assessed at currency level;
- c) IAS 34 - Interim Financial Statements: changes have been introduced to clarify the requirements when the required disclosures are presented in the interim financial report, but not in the interim financial statements. Such disclosures may be included by including a reference in the interim financial statements to elsewhere in the interim financial report, provided that the latter document is available to readers of the interim financial statements in the same way and at the same time as the interim financial statements.

The effect of the future application of newly issued standards and interpretations, as well as all revisions and amendments to existing standards, with the exception of those regarding IAS 1, is currently being evaluated by the Group. The impact cannot currently be reasonably estimated.

4. Concessions

The Group's core business is the operation of motorways under concessions held by Group companies. The purpose of the concessions is the construction and operation of motorway infrastructure (in Italy and abroad).

Essential information regarding the concessions held by Group companies is set out below.

Further details of events of a regulatory nature, linked to the Group's concession arrangements, during the year are provided in note 10.7 "Significant legal and regulatory aspects".

Italian motorways

Existing concessions establish the right for motorway operators to demand tolls from motorway users. Tolls are revised annually through a toll formula contained in the specific individual concession arrangements. On the other hand, operators have an obligation to pay concession fees, to expand and modernise the motorway infrastructure operated under the concessions, and to maintain and operate the motorways. Concessions are not automatically renewed on expiry but are publicly re-tendered in accordance with laws as may be in effect from time to time. This consequently entails the handover free of charge of all assets in a good state of repair by the operator to the Grantor, unless the concession provides for a payment by a replacement operator of the residual carrying amount of assets to be handed over.

The only developments affecting the motorway concessions held by the Group's Italian companies in 2015 are the following:

- a) the signature by the Ministry of Infrastructure and Transport and Autostrade per l'Italia, on 10 December 2015, of the II Addendum to the Single Concession Arrangement, which has added the Casalecchio-Northbound interchange to Autostrade per l'Italia's investment commitments, at a cost of up to €157,875 thousand;
- b) the fact that the process of revising the financial plans of Raccordo Autostradale Valle d'Aosta, Tangenziale di Napoli and Società Autostrada Tirrenica is still in progress.

Further details of both the above aspects are provided in note 10.7 "Significant legal and regulatory aspects".

With the exception of the above, there were no further changes during 2015 to report regarding the concession arrangements to which the Group's Italian companies are party.

In addition, with regard to Autostrade per l'Italia's concession, the company is in the process of implementing a programme of investment in major infrastructure projects (including the works envisaged in the Concession Arrangement of 1997, the IV Addendum of 2002 and other investment), worth approximately €16.0 billion, including approximately €9.2 billion already completed as at 31 December 2015 (€8.5 billion as at 31 December 2014). The investment programme, which forms part of the Company's financial plan, updated to December 2013, essentially regards the upgrade of existing motorways.

With regard to the concession held by Autostrade Meridionali, which expired on 31 December 2012, the company is continuing to operate the relevant motorway (the A3 Naples-Salerno) under a contract extension, in accordance with the terms of the previous arrangement, and whilst awaiting the conclusion of the tender process that will select the new operator to take over operation of the motorway. Further information is provided in note 10.7.

Overseas motorways

Brazil

The concessions held by the Group's Brazilian companies also envisage a series of obligations relating to the construction, expansion, modernisation, maintenance and operation of the motorways covered by the concession arrangements, in return for the right to charge motorway users a toll, revised annually on the basis of inflation.

The following should be noted with regard to operators' investment commitments:

- a) Triangulo do Sol has residual investment commitments, under its concession arrangement, of approximately 89 million reais (equal to approximately €21 million at the closing exchange rate at the end of 2015);
- b) Rodovias das Colinas is currently engaged in widening the existing sections, with the remaining amount to be invested totalling approximately 184 million Brazilian reais (equal to approximately €43 million at the closing exchange rate at the end of 2015). Work is scheduled for completion in 2019;
- c) Rodovias MG050 is currently carrying out work designed to upgrade the section of motorway. The remaining value of the works to be carried out is approximately 564 million Brazilian reais (equal to approximately €131 million at the closing exchange rate at the end of 2015).

On expiry, the concessions are publicly re-tendered and all the motorway assets built by the operator must be handed over to the Grantor free of charge in a good state of repair.

Chile

The concessions held by Group companies establish the right for motorway operators to charge motorway users a toll which may be subject to a minimum guaranteed by the Grantor. These tolls are revised annually on the basis of inflation and, in certain cases, other parameters represented by unconditional increases (3.5% for the concessions held by Costanera Norte, Vespucio Sur and Nororient, 1.5% for AMB) and/or quality indicators. The operators have specific obligations: the payment of concession fees, the expansion and/or upgrade of the motorways covered by their concession arrangements and maintenance and operation of the motorways. On expiry, the concessions are publicly re-tendered and all the motorway assets built by the operator handed over to the Grantor free of charge in a good state of repair. The concessions held by Nororient and AMB will expire on reaching specific thresholds for revenue (in real terms) and, in any event, not beyond a certain date.

The investment programme to which the operator, Costanera Norte, is committed, named "Programma Santiago Centro Oriente" (or "CC7"), covers seven projects designed to eliminate the principal bottlenecks on the section operated under concession. The total value of the work to be carried out is around 250 billion Chilean pesos (approximately €338 million¹), with approximately 52% of the work completed at the end of 2015. The agreement with the Chilean government envisages that the operator will receive specific payment from the grantor in return for the above construction services, including an amount to be paid on the expiry of the concession term designed to guarantee a minimum return, and a share of the increase in revenue deriving from the installation of new tollgates.

Finally, the operator, AMB, has plans in place for the construction of the remaining 8-km section of the total of 10 km covered by the concession at an estimated cost of approximately 22 billion Chilean pesos (equal to €28 million at the closing exchange rate at the end of 2015). Work should start in 2016 and be completed in 2018. This investment is included in the company's financial plan.

Poland

Stalexport Autostrada Malopolska, holds a concession requiring implementation of an investment programme and the obligation to operate and maintain the specific section of motorway covered by its concession arrangement. In return for the services rendered, the operator has the right to charge motorway users a toll. The concession arrangement has capped the tolls that may be charged, although the cap may rise in line with inflation and growth in Poland's GDP. The tolls currently applied are well below the cap. The concession arrangement envisages a profit sharing scheme, with the share of the profits to be passed on to the State rising in line with increases in shareholder returns. Completion of the second and final phase of the investment and maintenance programme is currently in progress. The operator has residual investment commitments, under its concession arrangement, of approximately 344 million zloty (equal to approximately €81 million at the closing exchange rate for 2015).

On expiry, the concession is to be transferred to the Grantor and the motorway infrastructure must have at least 50% of its remaining useful life.

[1] The amounts for previous years are converted at the average exchange rate for the year in question, whilst the closing exchange rate at the end of 2015 has been used to convert the amounts for 2016 and future years.

Country	Operator	Section of motorway	Km in service	Expiry date	
Italian motorways					
Italy	Autostrade per l'Italia	A1 Milan-Naples	803.5		
		A4 Milan-Brescia	93.5		
		A7 Genoa-Serravalle	50.0		
		A8/9 Milan-laghi	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-Gravellona Toce	244.9		
		A27 Mestre-Belluno	82.2		
		A30 Caserta-Salerno	55.3		
		Total	2,854.6		
	Autostrade Meridionali ⁽¹⁾	A3 Naples-Salerno	51.6	31 December 2012	
	Raccordo Autostradale Valle d'Aosta	A5 Aosta-Monte Bianco	32.3	31 December 2032	
	Tangenziale di Napoli	Naples ring road	20.2	31 December 2037	
	Società Autostrada Tirrenica	A12 Livorno-Civitavecchia	40.1	31 December 2046	
	Società Italiana pA per il Traforo del Monte Bianco	Mont Blanc tunnel	5.8	31 December 2050	
Overseas motorways					
Brazil	Triangulo do Sol Auto-Estradas	SP 310 Rodovia Washington Luis	442.0	18 July 2021	
		SP326 Rodovia Brigadeiro Faria Lima			
		SP333 Rodovia Carlos Tonani, Nemesio Cadetti and Laurentino Mascari			
	Rodovias das Colinas	SP075-Itu/Campinas	307.0	1 July 2028	
		SP127-Rio Claro/Tatuí			
		SP280-Itu/Tatuí			
		SP300-Jundiaí/Tietê			
	Concessionaria da Rodovia MG050	SPI-102/300	372.0	12 June 2032	
		MG-050			
		BR-265			
		BR-491			
Chile	Sociedad Concesionaria de Los Lagos	Rio Bueno-Puerto Montt (Chile)	135.0	20 September 2023	
		Sociedad Concesionaria Litoral Central	Nuevo Camino Costero: Cartagena Algarrobo	80.6	16 November 2031
			Camino Algarrobo-Casablanca (Ruta F-90)		
			Camino Costero Interior (Ruta F-962-G)		
	Sociedad Concesionaria Vespucio Sur	Ruta 78-General Velásquez	23.5	6 December 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 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 Nororiental ⁽²⁾	Sector Oriente: Enlace Centenario-Enlace				
	Av. Del Valle	21.5	7 January 2044		
		Sector Poniente: Enlace Av. Del Valle-Enlace			
		Ruta 5 Norte			
Sociedad Concesionaria AMB ⁽³⁾	Tramo A	10.0	2020		
	Tramo B				
Poland	Stalexport Autostrada Malopolska	A4 Krakow-Katowice (Poland)	61.0	15 March 2027	

(1) In compliance with the concession arrangement, in December 2012 the Grantor asked Autostrade Meridionali to continue operating the motorway after 1 January 2013, in accordance with the terms and conditions of the existing arrangement.

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

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

5. Scope of consolidation

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.

One company listed in Annex 1 has not been consolidated due to its 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 its operational insignificance.

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.

Companies are, in part, consolidated on the basis of the specific reporting packages prepared by each consolidated company, as of the end of the reporting period and in compliance with the IFRS accounting policies adopted by the Group. Companies are consolidated according to the following criteria and procedures:

- a) use of the line-by-line method, entailing the reporting of non-controlling interests in equity and profit or loss and the recognition of all assets, liabilities, revenues and costs, regardless of percentage ownership;
- b) elimination of intercompany assets, liabilities, revenues and costs, including the reversal of unrealised profits and losses on transactions between consolidated companies and recognition of the consequent deferred taxation;
- c) reversal of intercompany dividends and reallocation to the relevant opening equity reserves;
- d) netting of the carrying amount of investments in consolidated companies against the corresponding amount of equity, with any resultant positive and/or negative differences being debited/credited to the relevant balance sheet accounts (assets, liabilities and equity), as determined on the acquisition date of each investment and adjusted for subsequent variations. Following the acquisition of control, any acquisition of further interests from non-controlling shareholders, or the sale of interests to such shareholders not resulting in the loss of control, are accounted for as owner transactions and the related changes recognised directly in equity; any resulting difference between the amount of the change in equity attributable to non-controlling interests and cash and cash equivalents exchanged are recognised directly in equity attributable to owners of the Parent;
- e) translation of the reporting packages of consolidated companies in functional currencies other than the euro applying the method previously described in the policy regarding the "Translation of foreign currency items", included in note 3.

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:

Currencies	2015		2014	
	Spot exchange rate 31 December	Average exchange rate for year	Spot exchange rate 31 December	Average exchange rate for year
Euro/US Dollar	1.089	1.110	1.214	1.329
Euro/Polish Zloty	4.264	4.184	4.273	4.184
Euro/Chilean Peso	772.713	726.406	737.297	756.933
Euro/Brazilian Real	4.312	3.700	3.221	3.121
Euro/Indian Rupee	72.022	71.196	76.719	81.041

The scope of consolidation at 31 December 2015 differs from the scope used at 31 December 2014, following the Group's acquisition of a controlling interest in Autostrade Tirrenica (SAT), as described in note 6.1 below.

Finally, the liquidation of two companies, Ecomouv D&B and Telepass France, was completed in December 2015 (on 22 December 2015 and 28 December 2015, respectively). These companies have, therefore, not been consolidated from the dates of completion of their respective liquidations. Finally, during 2015, a number of transactions were carried out as part of a restructuring of the Group's subsidiaries. In particular, the restructuring of the Brazilian sub-holding companies, described in note 6.2, was completed.

6. Corporate actions

6.1 Acquisition of control of Società Autostrada Tirrenica pA

On 25 February 2015, Autostrade per l'Italia which already owned 24.98% of Società Autostrada Tirrenica (SAT), agreed to acquire a further 74.95% stake in the company from SAT's other existing shareholders, thus raising its total interest to 99.93%. The transaction was completed in September 2015, following the receipt of clearance from the Grantor, with Autostrade per l'Italia's payment of a total consideration of €84.3 million.

SAT, which was a subsidiary of Autostrade per l'Italia until 2011, holds the concession for the A12 Livorno–Civitavecchia motorway. The related Single Concession Arrangement entered into with the Grantor in 2009 envisages an extension of the concession from 31 October 2028 to 31 December 2046, and execution of the work needed to complete the motorway through to Civitavecchia. In response to observations from the European Commission regarding, among other things, extension of the concession to 2046, on 14 October 2014 the Grantor sent SAT a draft addendum envisaging extension of the concession to 2043, completion of work on the Civitavecchia–Tarquinia section (in progress), and eventual completion of the motorway (in sections, if necessary) to be put out to tender. The draft addendum envisages that completion of the motorway will, in any event, be subject to fulfilment of the technical and financial conditions to be verified jointly by the grantor and the operator and execution of an addendum to the Concession Arrangement, with a viable financial plan attached. Subsequently, on 13 May 2015, a memorandum of understanding was signed by the Grantor, Tuscany Regional Authority, Lazio Regional Authority, Autostrade per l'Italia and SAT with an attached draft addendum which, whilst maintaining (i) the duration of the concession until 2043, (ii) a viable financial plan for the Civitavecchia–Tarquinia section and (iii) the obligation to put all the works out to tender, provides for a commitment from SAT to carry out the design work involved in improving the final designs for the Tarquinia–Ansedonia section, in preparing the final design and for the environmental impact study for the Ansedonia–Grosseto South section, and for the final design for improvements to the existing dual carriageway (the SS. 1 Variante Aurelia) between Grosseto South and San Pietro in Palazzi, retaining the current layout of the road. Performance of the above construction work is subject to positive outcomes of studies of the technical/design, financial and administrative feasibility to be conducted jointly by the Grantor and SAT, with regard to the above completion work, and execution of an addendum with a viable financial plan. Following a request from the Grantor on 5 June 2015, after further discussion with Italy's representative office at the EU, on 24 June 2015 SAT prepared and submitted further versions of a financial plan, relating to (i) the sections in operation and the Civitavecchia–Tarquinia section under construction, and (ii) the entire Civitavecchia–San Pietro in Palazzi section of road, both expiring on 31 December 2040.

For the purposes of preparation of these consolidated financial statements, the transaction has been accounted for, in accordance with IFRS 3, using the acquisition method, which involved recognition of the fair value of the assets acquired and liabilities assumed.

The table below shows the carrying amounts of the net assets acquired, in addition to the fair values identified.

€m	Carrying amount	Fair value adjustments	Fair value and recognition of effects of transaction
Net assets acquired			
Property, plant and equipment	0.3		0.3
Intangible assets	287.2	58.8	346.0
Non-current financial assets	4.4		4.4
Other non-current assets	0.1		0.1
Cash and cash equivalents	12.6		12.6
Trading and other current assets	22.3		22.3
Non-current financial liabilities	-47.9	17.8	-30.1
Deferred tax assets/(liabilities)	9.2	-23.9	-14.7
Current financial liabilities	-176.9		-176.9
Provisions	-8.5		-8.5
Trading and other current liabilities	-42.9		-42.9
Total net assets acquired	59.9	52.7	112.6
Carrying amount of 24.98% interest already held in acquired company			28.2
Non-controlling interests			0.1
Consideration (A)			84.3
Cash and cash equivalents acquired (B)			-12.6
Net effective cash outflow for the acquisition (A + B)			71.7

Completion of the measurement process has resulted in a net fair value adjustment to the net assets acquired of €52.7 million, reflecting recognition of the following:

- a) an increase in the value of the concession held by SAT, estimated at €58.8 million;
- b) a fair value adjustment of SAT's non-interest bearing financial liability consisting of an amount payable to the former Central Guarantee Fund ("Fondo Centrale di Garanzia"), with the recognition of an estimated reduction in the value of the liability of €17.8 million;
- c) net deferred tax liabilities of €23.9 million.

From the date of its first-time consolidation to 31 December 2015, SAT generated total revenue of €21.3 million and a net loss of €0.1 million.

Had the company been consolidated on a line-by-line basis from 1 January 2015, the Group's consolidated revenue and consolidated profit for 2015 would have amounted to €5,112 million (including €649 million in revenue from construction services) and €1,135 million.

At the end of 2015, SAT completed the acquisition of own shares representing 0.06% of its issued capital. As at 31 December 2015, the Group holds a 99.99% interest in SAT.

6.2 Restructuring of the Group's Brazilian operations

The Brazilian sub-holding companies underwent a comprehensive restructuring in the second half of 2015, with the aim of simplifying the corporate structure and shortening the chain of control over the locally owned motorway operators.

In particular, following receipt of clearance from the competent local authorities, the reverse merger of Triângulo do Sol Participações with its former subsidiary, Atlantia Bertin Concessões, was carried out and a complete carve-out of the latter conducted, resulting in the merger of the four carved-out business units with and into the motorway operators, Rodovias das Colinas, Triângulo do Sol and Rodovias MG050 and the parent, Infra Bertin Participações.

Finally, Infra Bertin Participações changed its name to AB Concessões, which has thus assumed the new role of holding company with direct control over the local motorway operators.

The above restructuring resulted in the recognition of tax benefits (consisting of deferred tax assets) totalling €50 million (at the average euro/real exchange rate of 3.7 for 2015) for the operators, Rodovias das Colinas and Triângulo do Sol. A matching amount has been accounted for in the income statement for 2015.

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 31 December 2015. Comparative amounts as at 31 December 2014 are shown in brackets. 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 - €131,978 thousand (€126,823 thousand)

As at 31 December 2015, property, plant and equipment amounts to €131,978 thousand, compared with a carrying amount of €126,823 thousand as at 31 December 2014.

€000	31/12/2015			31/12/2014		
	Cost	Accumulated depreciation	Carrying amount	Cost	Accumulated depreciation	Carrying amount
Property, plant and equipment	447,088	-321,559	125,529	429,654	-310,035	119,619
Property, plant and equipment held under finance leases	3,286	-335	2,951	3,493	-222	3,271
Investment property	12,558	-9,060	3,498	11,970	-8,037	3,933
Property, plant and equipment	462,932	-330,954	131,978	445,117	-318,294	126,823

The following table provides details of property, plant and equipment at the beginning and end of the period, showing the original cost and accumulated depreciation at the end of the period.

The increase in the carrying amount with respect to 31 December 2014, amounting to €5,155 thousand, primarily reflects a combination of capital expenditure during the year, amounting to €43,768 thousand, and depreciation of €34,880 thousand, as shown in the following table.

€000	Carrying amount as at 31/12/2014	Changes during the year							Carrying amount as at 31/12/2015
		Additions	Depreciation	Impairments	Disposals	Net currency translation differences	Reclassifications and other adjustments	Changes in scope of consolidation	
Property, plant and equipment									
Land	3,336	-	-	-	-	-19	-42	-	3,275
Buildings	28,541	322	-1,909	-	-41	5	1,141	-	28,059
Plant and machinery	2,213	784	-584	-	-15	-57	10	-	2,351
Industrial and business equipment	40,147	11,247	-15,930	-8	-603	-155	5,404	242	40,344
Other assets	36,385	22,684	-16,069	-1,254	-93	2	278	39	41,972
Property, plant and equipment under construction and advance payments	8,997	8,731	-	-	-16	69	-8,264	11	9,528
Total	119,619	43,768	-34,492	-1,262	-768	-155	-1,473	292	125,529
Property, plant and equipment held under finance leases									
Equipment held under finance leases	14	-	-3	-	-	-	-10	-	1
Other assets held under finance leases	3,257	-	-160	-	-9	-138	-	-	2,950
Total	3,271	-	-163	-	-9	-138	-10	-	2,951
Investment property									
Land	124	-	-	-	-	-	42	-	166
Buildings	3,809	-	-225	-	-8	1	-245	-	3,332
Total	3,933	-	-225	-	-8	1	-203	-	3,498
Property, plant and equipment	126,823	43,768	-34,880	-1,262	-785	-292	-1,686	292	131,978

Investment property of €3,498 thousand as at 31 December 2015 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 €8.7 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 2015.

Finally, as at 31 December 2015, property, plant and equipment is free of mortgages, liens or other collateral guarantees restricting use.

7.2 Intangible assets - €21,637,197 thousand (€21,918,049 thousand)

This item consists of:

- a) intangible assets deriving from concession rights, totalling €15,449,258 thousand (€15,748,202 thousand as at 31 December 2014), and regarding the following categories:
 - 1) rights acquired from third parties (€2,160,594 thousand), essentially reflecting the fair value of concession rights recognised following the acquisitions of the Chilean and Brazilian companies in previous years;
 - 2) rights deriving from the commitment to perform construction services for which no additional economic benefits are received (€8,440,514 thousand);
 - 3) rights deriving from construction services for which additional economic benefits are received (€4,748,603 thousand);
 - 4) rights deriving from construction services carried out by service area operators, represented by assets that were handed over free of charge to the Group's operators on expiry of the related sub-concessions (€99,547 thousand).
- b) goodwill and other intangible assets with indefinite lives, totalling €6,111,330 thousand (€6,111,331 thousand as at 31 December 2014);
- c) other intangible assets of €76,609 thousand (€58,516 thousand as at 31 December 2014).

€000	31/12/2015				31/12/2014			
	Cost	Accumulated amortisation	Accumulated impairments	Carrying amount	Cost	Accumulated amortisation	Accumulated impairments	Carrying amount
Intangible assets deriving from concession rights	21,529,284	-5,885,279	-194,747	15,449,258	21,242,264	-5,299,193	-194,869	15,748,202
Goodwill and other intangible assets with indefinite lives	6,130,782	-	-19,452	6,111,330	6,129,603	-	-18,272	6,111,331
Other intangible assets	369,705	-289,297	-3,799	76,609	294,291	-232,777	-2,998	58,516
Intangible assets	28,029,771	-6,174,576	-217,998	21,637,197	27,666,158	-5,531,970	-216,139	21,918,049

Intangible assets recorded a net decrease of €280,852 thousand in 2015, primarily due to a combination of the following:

- a) amortisation for the year of €673,667 thousand;
- b) the negative impact of currency translation differences, accounting for a reduction of €423,339 thousand, substantially due to the significant fall in the value of the Brazilian real against the euro;
- c) investment in construction services for which additional economic benefits are received, totalling €441,646 thousand;
- d) recognition of the intangible assets attributable to SAT from the date of the company's first-time consolidation, totalling €346,087 thousand, including the related gain accounted for in intangible assets deriving from concession rights (€58,842 thousand), following the acquisition of control in 2015;
- e) investment in other intangible assets, totalling €33,453 thousand.

The following table shows intangible assets at the beginning and end of the period and changes during 2015 in the different categories of intangible asset.

€000	Carrying amount as at 31/12/2014	Changes during the year		
		Additions due to completion of construction services	Additions: purchases and capitalisations	Additions free of charge
Intangible assets deriving from concession rights				
Acquired concession rights	2,479,907	-	-	-
Concession rights accruing from construction services for which no additional economic benefits are received	8,824,429	-	-	-
Concession rights accruing from construction services for which additional economic benefits are received	4,346,863	441,646	-	-
Concession rights accruing from construction services provided by sub-operators	97,003	-	-	6,577
Total	15,748,202	441,646	-	6,577
Goodwill and other intangible assets with indefinite lives				
Goodwill	6,111,298	-	-	-
Trademarks	33	-	-	-
Total	6,111,331	-	-	-
Other intangible assets				
Development costs	10,920	-	11,381	-
Industrial patents and intellectual property rights	9,457	-	6,422	-
Concessions and licenses	4,026	-	166	-
Other	16,132	-	8,657	-
Intangible assets under development and advance payments	17,981	-	6,827	-
Total	58,516	-	33,453	-
Intangible assets	21,918,049	441,646	33,453	6,577

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

In 2015, the Group invested a total of €1,074,370 thousand in assets held under concession (€858,332 thousand in 2014). In accordance with IFRIC 12 and as described in note 3, operating and financial expenses in connection with those assets were recognised in income by nature, as was the fair value of construction and upgrade services rendered (classified in "Revenue from construction services" and "Use of provisions for construction services required by contract"). The following analysis shows the various components of investment in assets held under concession effected through construction services, as also reported in the consolidated statement of cash flows.

€000	Note	2015	2014	Increase/ (Decrease)
Use of provisions for construction services required by contract for which no additional economic benefits are received	7.13/8.10	504,872	399,528	105,344
Increase in intangible concession rights accruing from completed construction services for which additional economic benefits are received	8.2	441,646	372,041	69,605
Increase in financial assets deriving from motorway construction services	8.2	87,895	52,181	35,714
Revenue from government grants for construction services for which no additional economic benefits are received	7.13/8.2	39,957	34,582	5,375
Investment in assets held under concession		1,074,370	858,332	216,038

Amortisation	Changes due to revised present value of contractual obligations	Changes during the year				Change in scope of consolidation	Carrying amount as at 31/12/2015
		Disposals	Net currency translation differences	Reclassifications and other adjustments			
-95,054	-	-	-283,101	-	58,842	2,160,594	
-369,991	9,018	-	-8,057	-14,885	-	8,440,514	
-180,488	-	-	-126,895	-19,417	286,894	4,748,603	
-4,319	-	-	-	-	286	99,547	
-649,852	9,018	-	-418,053	-34,302	346,022	15,449,258	
-	-	-	-	-	-	6,111,298	
-	-	-	-1	-	-	32	
-	-	-	-1	-	-	6,111,330	
-11,719	-	-	26	7	54	10,669	
-7,668	-	-	-457	146	3	7,903	
-316	-	-	-155	737	-	4,458	
-4,112	-	-57	-6,581	13,334	-	27,373	
-	-	-394	1,882	-98	8	26,206	
-23,815	-	-451	-5,285	14,126	65	76,609	
-673,667	9,018	-451	-423,339	-20,176	346,087	21,637,197	

Research and development expenditure of approximately €0.8 million has been recognised in the consolidated income statement for 2015. 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 €6,111,330 thousand. The balance primarily consists of the carrying amount of goodwill (impairment tested at least once a year rather than amortised), including €6,111,298 thousand (unchanged with respect to 31 December 2014) recognised following the transfer of motorway assets from the former Autostrade – Concessioni e Costruzioni Autostrade SpA (now Atlantia), as part of the Autostrade 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 impairment test of the CGU represented by Autostrade per l’Italia, to which the above goodwill is allocated, confirmed that the carrying amount is fully recoverable.

With regard to the recoverability of the intangible assets belonging to the Group’s other motorway operators, CGUs showing evidence of a potential impairment have been tested for impairment.

In terms of the methodology used in impairment testing, the following should be noted:

- a) as explained in note 3, in line with the approach adopted in previous years, each operator is a separate CGU since the cash flows generated by the motorways operated under concession arrangements are largely independent of cash flows generated by other assets. Subsidiaries that do not hold concessions are also treated as a separate CGU;
- b) in the case of the motorway operators tested for impairment, with the exception of Autostrade Meridionali (which is dealt with below), value in use was estimated on the basis of the long-term plans drawn up by the respective companies, containing traffic, investment, revenue and cost projections for the full term of the related concessions, as previously described in note 4. The use of long-term plans covering the entirety of the respective concession terms is deemed more appropriate than the approach provisionally suggested by IAS 36 (namely, a limited explicit projection period and the estimated terminal value), given the intrinsic nature of the motorway concession arrangements, above all with regard to the regulations governing the sector and the predetermined duration of the arrangements.

The following table shows the key assumptions forming the basis for the long-term plans of the CGUs represented by the Group’s motorway operators, prepared on the basis of the regulatory mechanisms included in the specific concession arrangements. The recoverable value of the CGUs is estimated on the basis of these assumptions (rate of traffic growth, rate of toll increases and discount rate used, representing the companies’ after-tax WACC).

	Traffic growth rate (CAGR)	Average annual toll increase ^(*)	Discount rate (after-tax WACC)
Autostrade per l’Italia	1.00%	2.12%	6.14%
Raccordo Autostradale Valle d’Aosta	1.67%	3.44%	6.78%
Rodovia das Colinas (Brasil)	3.50%	4.95%	11.15%
Triangulo do Sol Auto-Estradas (Brasil)	3.50%	5.38%	11.15%
Concessionaria da Rodovia MG050 (Brasil)	4.50%	5.57%	11.15%

(*) In Autostrade per l’Italia’s case, this includes an average annual toll increase of 1.15% based on implementation of the investment programme, in addition to annual toll increase designed to take account of inflation in the country of operation.

Quantification of the above assumptions was primarily based on publicly available information from external sources, integrated, where appropriate, by estimates based also on historical data.

In the case of the CGU represented by Raccordo Autostradale Valle d’Aosta, this company’s intangible assets deriving from concession rights were written down in previous years by €193,843 thousand, before the related deferred taxation. In 2015, the company submitted a proposal for a further addendum to its Single Concession Arrangement of 2009 to the Grantor. An annex to this document contains a new long-term plan based on the financial compensation mechanism provided for in the existing arrangement, maintaining the same returns contained therein. The addendum will be examined by the Interministerial Economic Planning Committee (“CIPE”) at an upcoming meeting. The related impairment test was conducted on the basis of the proposed plan and would have resulted in the partial reversal of previous impairments. However, this was not done in view of the uncertainty surrounding the regulatory framework in the process of being finalised.

Should the addendum not be approved, the company could activate the clause contained in article 9-bis of the existing Single Concession Arrangement, which provides for termination of the concession arrangement and payment to the company of the value of any unamortised assets, in addition to compensation for lost earnings. The recoverability

of the CGU's net assets was, therefore, also tested with reference to the above value determined in accordance with article 9-bis of the Concession Arrangement. The resulting amount is higher than the carrying amount of the CGU's net assets as at 31 December 2015.

The impairment tests confirmed that the assets accounted for in the financial statements and allocated to the above CGUs, which in Autostrade per l'Italia's case also includes the value of goodwill, are fully recoverable.

In addition to the above impairment test, sensitivity analyses were conducted on the recoverable values, increasing the above discount rates by 1%, and reducing the average annual rate of traffic growth by 1%. The results of these analyses have not, in any event, resulted in any material differences with respect to the outcomes of the above tests.

In the case of Autostrade Meridionali, the operator's motorway concession expired on 31 December 2012. The operator is continuing to operate the relevant motorway whilst awaiting the conclusion of the tender process that will select the new operator, which will be required (i) to pay Autostrade Meridionali compensation equal to the unamortised carrying amount of the capital expenditure carried out in the final years of the concession arrangement, and (ii) to assume the obligations relating to sale and purchase agreements entered into by Autostrade Meridionali, excluding those of a financial nature, and to outstanding legal actions and disputes. In this regard, the value of this CGU's net assets is recoverable due to the above obligations to be honoured by the incoming operator.

7.3 Investments - €108,292 thousand (€130,942 thousand)

As at 31 December 2015, this item is down €22,650 thousand, primarily due to a combination of the following:

- elimination of the value of the investment in SAT, previously accounted for at a value of €28,268 thousand, following this company's line-by-line consolidation;
- recognition of the Group's share of the results of associates and joint ventures measured using the equity method, resulting in a loss of €15,627 thousand and primarily attributable to Rodovias do Tietê, partially offset by the positive results recorded by Pavimental and Spea;
- the reclassification to investments accounted for at cost or fair value, of the interest in Lusoponte, amounting to €15,339 thousand, following its failure to meet the requirements of IFRS 5 for its classification in non-current assets held for sale;
- capital injections of €7,690 thousand, essentially relating to the Brazilian operator, Rodovias do Tietê.

The following table shows carrying amounts at the beginning and end of the period, grouped by category, and changes in investments in 2015.

€000	31/12/2014 Opening balance	Changes during the year					31/12/2015 Closing balance
		Capital injections	Measurement using equity method		Changes in scope of consolidation	Reclassifi- cations and other changes	
			Profit or loss	Other comprehen- sive income			
Investments accounted for at cost or fair value	36,149	258	-	-	-	15,340	51,747
Investments accounted for using the equity method:							
– associates	63,350	-	4,558	-	-28,268	-1,793	37,847
– joint ventures	31,443	7,432	-13,307	-6,878	-	8	18,698
Investments	130,942	7,690	-8,749	-6,878	-28,268	13,555	108,292

The equity method is used to measure interests in associates and joint ventures, based on the most recent approved financial statements made available by the companies. In the event that financial statements for the year ended 31 December 2015 were not available, the above information was supplemented and, where necessary, restated in accordance with Group accounting policies.

€000	31/12/2015				31/12/2014			
	% interest	Cost	Revaluations/ (Impairments)	Carrying amount	% interest	Cost	Revaluations/ (Impairments)	Carrying amount
Investments accounted for at cost or fair value:								
Tangenziali Esterne di Milano	13.67%	36,034	-1,490	34,544	13.67%	36,034	-1,490	34,544
Lusoponte	17.21%	39,852	-24,513	15,339	-	-	-	-
Tangenziale Esterna	0.25%	1,162	-	1,162	0.25%	905	-	905
Uirnet	1.51%	427	-	427	1.51%	427	-	427
Veneto Strade	5.00%	258	-	258	5.00%	258	-	258
Other smaller investments	-	614	-597	17	-	612	-597	15
				51,747				36,149
Investments accounted for using the equity method:								
Associates								
Società Autostrada Tirrenica ⁽¹⁾	-	-	-	-	24.98%	6,343	21,925	28,268
Spea Engineering	20.00%	1,576	15,872	17,448	27.00%	1,576	12,761	14,337
Pavimental	20.00%	9,505	1,868	11,373	20.00%	9,505	1,251	10,756
Società Infrastrutture Toscane (in liquidation)	46.00%	6,900	-182	6,718	46.00%	6,900	-1,368	5,532
Pedemontana Veneta (in liquidation)	29.77%	1,935	-96	1,839	29.77%	1,935	-61	1,874
Arcea Lazio ⁽²⁾	-	-	-	-	34.00%	1,430	228	1,658
Bologna & Fiera Parking	36.81%	5,557	-5,411	146	32.50%	5,557	-4,879	678
Other smaller investments	-	2,068	-1,745	323	-	2,068	-1,821	247
Joint ventures								
Rodovia do Tietê	50.00%	53,903	-36,205	17,698	50.00%	46,471	-16,028	30,443
GEIE del Traforo del Monte Bianco	50.00%	1,000	-	1,000	50.00%	1,000	-	1,000
				56,545				94,793
Investments				108,292				130,942

(1) Information on the acquisition of control of Società Autostrada Tirrenica in 2015 is contained in note 6.1.

(2) The company has been wound up and was struck off the companies' register on 9 December 2015.

The following table shows an analysis of the Group's principal investments as at 31 December 2015, 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. There are no investments in associates and joint ventures that are individually material with respect to total consolidated assets, operating activities and geographical area and, therefore, the additional disclosures required in such cases by IFRS 12 are not presented.

Annex 1 provides a list of the Group's investments as at 31 December 2015.

7.4 Financial assets

[non-current] - €1,774,790 thousand (€1,749,405 thousand)

[current] - €781,914 thousand (€937,898 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	31/12/2015			31/12/2014		
	Carrying amount	Current portion	Non-current portion	Carrying amount	Current portion	Non-current portion
Takeover rights	403,293	403,293	-	401,716	401,716	-
Guaranteed minimums	610,454	32,218	578,236	637,068	27,217	609,851
Other financial assets deriving from concession rights	188,263	-	188,263	94,496	-	94,496
Financial assets deriving from concession rights ⁽¹⁾	1,202,010	435,511	766,499	1,133,280	428,933	704,347
Financial assets deriving from government grants related to construction services ⁽¹⁾	330,289	74,627	255,662	294,870	79,847	215,023
Term deposits ⁽²⁾	536,212	211,318	324,894	530,108	238,919	291,189
Derivative assets ⁽³⁾	35,200	35,200	-	24,854	24,854	-
Other medium/long-term financial assets ⁽¹⁾	434,616	6,881	427,735	556,832	17,986	538,846
Other medium/long-term financial assets	469,816	42,081	427,735	581,686	42,840	538,846
Current derivative assets ⁽³⁾	36	36	-	-	-	-
Other current financial assets ⁽¹⁾	18,341	18,341	-	147,359	147,359	-
Total	2,556,704	781,914	1,774,790	2,687,303	937,898	1,749,405

(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:

- takeover rights attributable to Autostrade Meridionali (€403,293 thousand as at 31 December 2015), 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;
- the present value of the financial asset deriving from concession rights represented by the minimum tolls guaranteed by the Grantor of the concessions held by certain of the Group’s Chilean operators (€610,454 thousand as at 31 December 2015);
- other financial assets deriving from concession rights (€188,263 thousand as at 31 December 2015), attributable to the Chilean operator, Costanera Norte. In particular, this item regards the financial assets due to Costanera Norte as a result of carrying out the motorway investment programme named Santiago Centro Oriente (“CC7”), which are subject to revaluation at a real annual rate of 7%. Under the agreements, the increase in toll revenue resulting from the installation of new tollgates along the existing motorway, after deducting the company’s share, remains at the company’s disposal and are recognised in financial liabilities until such time as it has covered the cost of the related capital expenditure. If, at the end of the concession term, the specific amount at Costanera Norte’s disposal, also revalued at a real annual rate of 7%, is lower than the financial assets recognised at that time, the Grantor has the option of either extending the concession term or paying Costanera Norte the remaining net amount due.

The increase of €68,730 thousand in financial assets deriving from concession rights primarily reflects the motorway investments realised by Costanera Norte during the year as part of the CC7 project.

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 €35,419 thousand compared with 31 December 2014, primarily due to grants accruing to Autostrade per l'Italia during the period.

Term deposits are up €6,104 thousand. The item is broadly in line with the previous year.

Other medium/long-term financial assets are down €111,870 thousand, primarily reflecting a combination of the following:

- a) a reduction in the loan repayable to AB Concessões by Infra Bertin Empreendimentos (€121,722 thousand), reflecting translation differences recognised at the end of the year due to the significant fall in the value of the Brazilian real against the euro in 2015, partially offset by the capitalisation of accrued interest income (€58,799 thousand);
- b) Vespucio Sur's receipt of the amount due to it from Chile's Ministry of Public Works, linked to the loss of toll revenue incurred by the company as a result of the delayed opening to traffic of the motorway it operates under concession (€59,890 thousand).

Other current financial assets, totalling €18,341 thousand, are down €129,018 thousand. This primarily reflects the consolidation of SAT and the resulting elimination, in the consolidated financial statements, of the short-term loan between Autostrade per l'Italia and this company (€116,667 thousand).

There has been no indication of impairment of any financial assets.

7.5 Deferred tax assets and liabilities

Deferred tax assets - €167,804 thousand (€155,874 thousand)

Deferred tax liabilities - €1,188,774 thousand (€1,249,703 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	31/12/2015	31/12/2014
Deferred tax assets	1,438,786	1,536,118
Deferred tax liabilities eligible for offset	-1,270,982	-1,380,244
Deferred tax assets less deferred tax liabilities eligible for offset	167,804	155,874
Deferred tax liabilities not eligible for offset	-1,188,774	-1,249,703
Difference between deferred tax assets and liabilities (eligible and ineligible for offset)	-1,020,970	-1,093,829

Changes in the Group's deferred tax assets and liabilities during the period, based on the nature of the temporary differences giving rise to them, are summarised in the following table.

€000	31/12/2014	Changes during the year					Translation differences and other changes	31/12/2015
		Provisions	Releases	Provisions/Releases in other comprehensive income	Effect of change in rate recognized in other comprehensive income	Effect of change in rate recognized in the income statement		
Deferred tax assets on:								
Restatement of total amount subject to IFRIC 12 by Autostrade per l'Italia	519,688	1,059	-23,132	-	-	-52,091	-	445,524
Change in provisions	447,395	100,299	-88,327	-	-	-34,721	4,989	429,635
Tax losses eligible to be carried forward	138,761	13,761	-28,860	-	-	-	-3,332	120,330
Impairments and depreciation of non-current assets	125,226	8,659	-9,787	-	-	-5,174	-18,045	100,879
Fair value losses on derivative financial instruments	102,531	-	-617	-687	-10,170	-	3,592	94,649
Impairment of receivables and inventories	21,590	9,487	-5,277	-	-	-	747	26,547
Other temporary differences	180,927	74,971	-21,713	101	-	-4,007	-9,057	221,222
Total	1,536,118	208,236	-177,713	-586	-10,170	-95,993	-21,106	1,438,786
Deferred tax liabilities on:								
Off-balance sheet amortisation of goodwill	-1,263,613	-110,940	-	-	-	155,902	-	-1,218,651
Difference between carrying amounts and fair values of assets and liabilities acquired through business combinations	-871,687	-	25,960	-	-	-	81,273	-764,454
Financial assets deriving from concession rights and grants	-224,764	-2,106	2,503	-823	-	1,360	6,661	-217,169
Accelerated depreciation	-12,732	-75	6,616	-	-	1,480	15,590	10,879
Other temporary differences	-257,151	-14,864	14,681	-5,639	780	926	-9,094	-270,361
Total	-2,629,947	-127,985	49,760	-6,462	780	159,668	94,430	-2,459,756
Difference between deferred tax assets and liabilities (eligible and ineligible for offset)	-1,093,829	80,251	-127,953	-7,048	-9,390	63,675	73,324	-1,020,970

The balance of net deferred tax liabilities, totalling €1,020,970 thousand as at 31 December 2015, substantially reflects the combined effect of the following:

- deferred tax liabilities recognised from 2003 as a result of the deduction, solely for tax purposes, of the amortisation of goodwill recognised by Autostrade per l'Italia, totalling €1,218,651 thousand;
- deferred tax liabilities on the gains recognised following the fair value measurement of the assets acquired through business combinations in the past and primarily attributable to the Chilean and Brazilian motorway operators, totalling €764,454 thousand;
- the residual balance of Autostrade per l'Italia's deferred tax assets accounted for as a result of recognition of the impact on taxation of the carrying amounts accounted for in application of IFRIC 12 and to be released on a straight-line basis over the concession term, amounting to €445,524 thousand;
- deferred tax assets on the portion of provisions, primarily for the repair and replacement of motorway infrastructure, deductible in future years, totalling €429,635 thousand.

The reduction of €72,859 thousand is primarily linked to:

- the provision of deferred tax liabilities of €110,940 thousand on the deduction, solely for tax purposes, of amortisation of the above goodwill accounted for by Autostrade per l'Italia;
- the net increase of €100,299 thousand in deferred tax assets in connection with the non-deductible portion of provisions, primarily having regard to the repair and replacement of motorway infrastructure;
- the overall benefit of €54,285 thousand (including the amounts recognised in profit or loss and in other comprehensive income) resulting from approval of the 2016 Stability Law (Law 2018/2015), which has reduced the IRES (corporation tax) rate from 27.5% to 24% with effect from 2017.

7.6 Other non-current assets - €11,301 thousand (€9,879 thousand)

This item essentially includes the amount due to the operator, Concessionaria da Rodovia MG050, from the Grantor and is almost in line with the previous year.

7.7 Trading assets - €1,145,347 thousand (€1,125,092 thousand)

As at 31 December 2015, trading assets consist of:

- inventories of €47,475 thousand as at 31 December 2015 (€46,264 thousand as at 31 December 2014), consisting of stocks and spare parts used in the maintenance or assembly of plant;
- contract work in progress, totalling €2,696 thousand (€4,307 thousand as at 31 December 2014);
- trade receivables of €1,095,176 thousand (€1,074,521 thousand as at 31 December 2014), the detailed composition of which is shown in the following table.

€000	31/12/2015	31/12/2014
Trade receivables due from:		
Motorway users	860,091	828,105
Sub-operators at motorway service areas	103,309	94,946
Sundry customers	238,531	213,632
Gross trade receivables	1,201,931	1,136,683
Allowance for bad debts	170,801	150,142
Other trading assets	64,046	87,980
Net trade receivables	1,095,176	1,074,521

Trade receivables, after the allowance for bad debts, are up €20,655 thousand. The most significant changes regard the following:

- an increase in receivables due from motorway customers, totalling €31,986 thousand, essentially reflecting an increase in trade receivables at the Chilean companies and including overdue interest on past due receivables, resulting in an increase in the related allowance for bad debts (€30,363 thousand);
- an increase in amounts due from sundry customers, totalling €24,899 thousand, essentially reflecting an increase in fees and payments for transport services due to Telepass (€10,387 thousand), due to an increase in tolls payable to Telepass by overseas motorway operators, and an increase of €10,145 thousand in amounts due to Autostrade Tech on contract work carried out during the year;
- a reduction in other trading assets of €23,934 thousand, essentially reflecting reduced prepayments to suppliers for services provided during the year.

The following table shows an ageing schedule for trade receivables.

€000	Total receivables as at 31/12/2015	Total not yet due	More than 90 days overdue	Between 90 and 365 days overdue	More than 1 year overdue
Trade receivables	1,201,931	896,895	49,437	49,266	206,333

Overdue receivables regard uncollected and unpaid tolls, royalties due from service area operators and sales of other goods and services.

The following table shows movements in the allowance for bad debts for trade receivables in 2015. The allowance has been determined with reference to past experience and historical data regarding losses on receivables, also taking into account guarantee deposits and other collateral given by customers.

€000	31/12/2014	Additions	Uses	Change in scope of consolidation	Reclassifications and other changes	31/12/2015
Allowance for bad debts	150,142	36,791	-18,592	101	2,359	170,801

The carrying amount of trade receivables approximates to fair value, in that the effect of discounting to present value is not material.

7.8 Cash and cash equivalents - €2,786,098 thousand (€1,631,687 thousand)

This item consists of cash in hand and investments maturing within the short term. The item is up €1,154,411 thousand compared with 31 December 2014. In addition to operating cash flow, the change reflects the issue of bonds by Autostrade per l'Italia after taking into account the above partial early repayment of medium/long-term loans from Atlantia.

Detailed explanations of the cash flows resulting in the increase in the Group's cash in 2015 are contained in note 9.1.

7.9 Current tax assets and liabilities

Current tax assets - €46,299 thousand (€36,921 thousand)

Current tax liabilities - €34,074 thousand (€46,733 thousand)

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

€000	Current tax assets		Current tax liabilities	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
IRES	23,401	31,298	8,667	21,363
IRAP	17,864	245	-30	858
Taxes attributable to foreign operations	5,034	5,378	25,437	24,512
Total	46,299	36,921	34,074	46,733

As at 31 December 2015, the Group reports net current tax assets of €12,225 thousand, compared with net current tax liabilities of €9,812 thousand as at 31 December 2014. The positive change in 2015, amounting to €22,037 thousand, is essentially due to a combination of the following:

- a net increase in refundable IRAP, amounting to €16,731 thousand, reflecting the fact that payments on account were higher than the effective tax charge for the year, due partly to the deductibility of staff costs for employees hired on permanent contracts, recently introduced by the 2015 Stability Law;
- collection (€10,836 thousand) of amounts due from Sintonia, following a request for a refund of IRES for deductible IRAP, in accordance with article 6 of Law 2 of 28 January 2009, having participated in the tax consolidation arrangement headed by the former consolidating entity for the tax years 2004-2007.

7.10 Other current assets - €183,489 thousand (€167,351 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	31/12/2015	31/12/2014	Increase/ (Decrease)
Receivables due from end users and insurance companies for damages	23,937	30,857	-6,920
Receivable from public entities	21,757	17,269	4,488
Tax credits other than for income tax	28,292	16,539	11,753
Receivables from social security institutions	982	537	445
Accrued income of a non-trading nature	3,742	3,506	236
Amounts due from staff	2,084	2,262	-178
Payments on account to suppliers and other current assets	130,986	125,911	5,075
Gross other current assets	211,780	196,881	14,899
Allowance for bad debts	-28,291	-29,530	1,239
Other current assets	183,489	167,351	16,138

The balance is up €16,138 thousand on the figure for 31 December 2014. This is primarily due to an increase in tax credits other than for income tax, amounting to €11,753 thousand, primarily attributable to the contribution from Società Autostrada Tirrenica (€6,988 thousand), following its consolidation.

The allowance for bad debts, totalling €28,291 thousand as at 31 December 2015 (€29,530 thousand as at 31 December 2014), primarily relates to Stalexport Autostrady's accounts receivable (presented in other current assets) from a number of investee companies, which are now insolvent. This follows Stalexport's repayment, in previous years, of loans to the investee companies from local authorities, acting in its capacity of guarantor.

7.11 Assets held for sale and or related to discontinued operations - €44,985 thousand (€539,354 thousand) Liabilities related to discontinued operations - €6,199 thousand (€424,721 thousand)

Net non-current assets held for sale or related to discontinued operations, totalling €38,786 thousand as at 31 December 2015, consist of:

- a) the remaining net assets of the French companies involved in the Eco-Taxe project, totalling €34,515 thousand;
- b) the remaining 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.

The following table shows the composition of these assets and liabilities according to their nature (trading, financial or other).

€000	31/12/2015	31/12/2014	Increase/ (Decrease)
Property, plant and equipment	-	1,570	-1,570
Investments	4,271	16,510	-12,239
Financial assets	39,034	297,532	-258,498
– Cash and cash equivalents	39,021	48,622	-9,601
– Other financial assets	13	248,910	-248,897
Deferred tax assets	-	2,829	-2,829
Trading assets	7	157,616	-157,609
Other assets	1,673	63,297	-61,624
Total assets held for sale or related to discontinued operations	44,985	539,354	-494,369
Financial liabilities	431	287,066	-286,635
Trading liabilities	1,260	73,293	-72,033
Other liabilities	4,508	64,362	-59,854
Total liabilities related to discontinued operations	6,199	424,721	-418,522

The reduction in net assets held for sale or related to discontinued operations, totalling €75,847 thousand, is essentially due to a combination of the following:

- a) a reduction in financial and trading assets, totalling €416,107 thousand, is essentially due to the French government's payment of the compensation due as a result of termination of the Partnership Agreement relating to the Eco-Taxe project, in accordance with the method of calculation set out in the Memorandum of Understanding signed by Ecomouv and the French government. As a result of agreements with the government, the French companies' financial liabilities have also been reduced by €286,635 thousand;
- b) reclassification of the minority investment in Lusoponte to investments accounted for at cost or fair value, as it no longer meets the requirements of IFRS 5 for its classification in assets held for sale or related to discontinued operations;
- c) a reduction of €72,033 thousand in trading liabilities, reflecting payment of both amounts due to the suppliers of the Group's French companies and of penalties for early termination of the related contracts following the above early termination of the Partnership Agreement relating to the "Eco-Taxe" project.

7.12 Equity - €4,559,716 thousand (€4,425,862 thousand)

Autostrade per l'Italia SpA's issued capital as at 31 December 2015 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 did not undergo any changes compared with 31 December 2014.

Equity attributable to owners of the parent, totalling €2,999,735 thousand, is up €196,795 thousand compared with 31 December 2014. The most important changes during the period are shown in detail in the statement of changes in consolidated equity. These regard:

- a) comprehensive income for 2015 of €861,015 thousand, consisting of profit for the year of €1,012,381 thousand and the loss on other components of comprehensive income for the year (€151,366 thousand), essentially reflecting a reduction in the foreign currency translation reserve for assets and liabilities of consolidated companies denominated in functional currencies other than the euro, totalling €160,506 thousand, due to the significant fall in the value of the Brazilian real against the euro in 2015;
- b) the dividends declared by Autostrade per l'Italia, amounting to €335,273 thousand, and including the final dividend for 2014 and the interim dividend for 2015, totalling €335,273 thousand.

Equity attributable to non-controlling interests of €1,559,981 thousand is down €62,941 thousand on the figure for 31 December 2014 (€1,622,922 thousand), essentially due to:

- a) the comprehensive loss for the year attributable to non-controlling interests, amounting to €39,130 thousand, essentially linked to the impact of the significant fall in the value of the Brazilian real against the euro, totalling €153,089 thousand;
- b) dividends payable to the non-controlling shareholders of subsidiaries, totalling €23,811 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 funding 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 "Consolidated statement of comprehensive income", showing after tax other comprehensive income, in addition to the profit for the year.

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. The impact of taxation on other comprehensive income in 2015 reflects the effects of the 2016 Stability Law.

€000	2015	2014
Profit for the year (A)	1,128,556	694,372
Fair value gains/(losses) on cash flow hedges	22,007	-136,417
Taxation on fair value gains/(losses) on cash flow hedges	-14,876	37,404
Gains/(losses) from translation of assets and liabilities of consolidated companies denominated in functional currencies other than the euro	-314,438	-28,947
Gains/(Losses) from translation of investments accounted for using the equity method denominated in functional currencies other than the euro	-6,878	512
Other comprehensive income/(loss) for the year reclassifiable to profit or loss, after related taxation (B)	-314,185	-127,448
Gains/(losses) from actuarial valuations of provisions for employee benefits	4,895	-15,182
Taxation on gains/(losses) from actuarial valuations of provisions for employee benefits	-1,339	3,852
Other comprehensive income/(loss) for the year not reclassifiable to profit or loss, after related taxation (C)	3,556	-11,330
Reclassifications of other components of comprehensive income to profit or loss for the year (D)	6,766	18,516
Taxation on reclassifications of other components of comprehensive income to profit or loss for the year	-2,808	-6,172
Total other comprehensive income/(loss) for the year, after reclassifications to profit or loss (E = B + C + D)	-306,671	-126,434
<i>of which: attributable to discontinued operations</i>	<i>5,618</i>	<i>11,507</i>
Comprehensive income for the year (A + E)	821,885	567,938
<i>of which:</i>		
– <i>attributable to owners of the parent</i>	<i>861,015</i>	<i>545,484</i>
– <i>attributable to non-controlling interests</i>	<i>-39,130</i>	<i>22,454</i>

7.13 Provisions for construction services required by contract

(non-current) - €3,369,243 thousand (€3,783,956 thousand)

(current) - €458,737 thousand (€518,734 thousand)

Provisions for construction services required by contract represent the 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 2015, showing the non-current and current portions.

€000	31/12/2014			Changes during the year	
	Carrying amount	Non-current portion	Current portion	Changes due to revised present value of obligations	Financial provisions
Provisions for construction services required by contract	4,302,690	3,783,956	518,734	9,018	32,393

The reduction in these provisions, including the current and non-current portions, amounts to €474,710 thousand and primarily reflects a combination of the following:

- the use of provisions for construction services completed during the year and for which no additional benefits are received (€504,872 thousand, net of the related government grants);
- a reduction due to the impact of exchange rate differences, recognised at the end of 2015, on provisions for the construction services to be provided by the overseas operators (totalling €10,309 thousand), essentially reflecting the significant fall in the value of the Brazilian real against the euro in 2015;
- finance-related provisions (€32,393 thousand), being the double entry to the financial expenses accruing in connection with discounting to present value in 2015, recognised in the consolidated income statement;
- revision of the present value of future construction services, with a matching increase in intangible assets deriving from concession rights (€9,018 thousand).

7.14 Provisions

(non-current) - €1,267,465 thousand (€1,183,608 thousand)

(current) - €284,597 thousand (€419,514 thousand)

As at 31 December 2015, provisions amount to €1,552,062 thousand (€1,603,122 thousand as at 31 December 2014). The following table shows details of provisions by type, showing the non-current and current portions.

€000	31/12/2015			31/12/2014		
	Carrying amount	Non-current portion	Current portion	Carrying amount	Non-current portion	Current portion
Provisions for employee benefits	141,555	119,946	21,609	154,992	134,790	20,202
Provisions for repair and replacement of motorway infrastructure	1,332,007	1,114,906	217,101	1,359,195	1,029,314	329,881
Other provisions	78,500	32,613	45,887	88,935	19,504	69,431
Total provisions	1,552,062	1,267,465	284,597	1,603,122	1,183,608	419,514

Uses to finance works	Changes during the year			31/12/2015		
	Government grants accrued on completed works	Reclassifications and other changes	Currency translation differences	Carrying amount	Non-current portion	Current portion
-544,829	39,957	-940	-10,309	3,827,980	3,369,243	458,737

The following table shows provisions at the beginning and end of the period and changes in 2015.

€000	31/12/2014 Carrying amount	Changes during the year						31/12/2015 Carrying amount
		Operating provisions	Financial provisions	Operating uses	Deferred actuarial gains/ (losses) recognised in comprehensive income	Currency translation differences, reclassifications and other changes	Change in scope of consolidation	
Post-employment benefits	153,015	805	1,281	-12,245	-4,895	520	945	139,426
Other employee benefits	1,977	663	7	-199	-	-319	-	2,129
Provisions for employee benefits	154,992	1,468	1,288	-12,444	-4,895	201	945	141,555
Provisions for repair and replacement of motorway infrastructure	1,359,195	336,156	18,553	-372,791	-	-16,707	7,601	1,332,007
Provisions for impairments exceeding carrying amounts of investments	10	38	-	-387	-	349	-	10
Provisions for disputes, liabilities and sundry charges	88,925	5,033	-141	-13,037	-	-2,290	-	78,490
Other provisions	88,935	5,071	-141	-13,424	-	-1,941	-	78,500
Total provisions	1,603,122	342,695	19,700	-398,659	-4,895	-18,447	8,546	1,552,062

PROVISIONS FOR EMPLOYEE BENEFITS

(non-current) - €119,946 thousand (€134,790 thousand)

(current) - €21,609 thousand (€20,202 thousand)

As at 31 December 2015, this item consists almost entirely of provisions for post-employment benefits to be paid to staff employed under Italian law.

The reduction of €13,437 thousand essentially reflects a combination of the following:

- a) uses of provisions amounting to €12,444 thousand for benefits and advances paid;
- b) recognition of deferred actuarial gains of €4,895 thousand in other comprehensive income;
- c) operating and financial provisions, totalling €2,756 thousand.

The most important actuarial assumptions used to measure the provision for post-employment benefits at 31 December 2015 are summarised below.

Financial assumptions

Annual discount rate ^(*)	1.39%
Annual inflation rate	1.50% for 2016 1.80% for 2017 1.70% for 2018 1.60% for 2019 2.00% from 2020 on
Annual rate of increase in post-employment benefits	2.625% for 2016 2.850% for 2017 2.775% for 2018 2.700% for 2019 3.000% from 2020 on
Annual rate of increase in real salaries	0.65%
Annual turnover rate	from 0.75% to 5%
Duration (years)	from 8.2 to 17.6

(*) The annual discount rate used to determine the present value of the obligation was determined, in accordance with paragraph 83 of IAS 19, with reference to the average yield curve taken from the Iboxx Corporate AA index on the valuation date for durations of 7-10 years, reflecting the overall duration of the relevant provisions.

Demographic assumptions

Mortality	Government General Accounting Office projections
Disability	INPS tables by age and gender
Retirement age	Mandatory state pension retirement age

The following table shows a sensitivity analysis of provisions for post-employment benefits at the end of the year based on assumed changes in the individual rates used in the actuarial assumptions.

€000	Sensitivity analysis for principal assumptions as at 31/12/2015 - Change in assumption					
	Turnover rate		Inflation rate		Discount rate	
	+ 1 %	- 1 %	+ 0.25 %	- 0.25 %	+ 0.25 %	- 0.25 %
Autostrade per l'Italia Group's provisions for post-employment benefits	138,880	140,034	140,947	137,938	137,048	141,887

PROVISIONS FOR REPAIR AND REPLACEMENT OF MOTORWAY INFRASTRUCTURE

(non-current) - €1,114,906 thousand (€1,029,314 thousand)

(current) - €217,101 thousand (€329,881 thousand)

This item regards the present value of provisions for the repair and replacement of motorway infrastructure operated under concession, in accordance with the contractual commitments of the Group's operators and designed to ensure the serviceability and safety of the assets. The provisions, including the current and non-current portions, are down €27,188 thousand on 31 December 2014, reflecting a combination of the following:

- uses (€372,791 thousand) in connection with repairs and replacements carried out during the period;
- the reduction due to exchange rate differences recognised at the end of 2015, essentially due to the significant fall in the value of the Brazilian real against the euro in 2015 (€16,707 thousand);
- operating provisions, totalling €336,156 thousand (including the positive impact resulting from the increase in the interest rate used as at 31 December 2015 to discount future commitments, with respect to the rate used as at 31 December 2014, primarily attributable to Autostrade per l'Italia and amounting to €54,979);
- financial provisions for the year (€18,553 thousand);
- the change in the scope of consolidation, following the recognition of SAT's provisions for repair and replacement obligations (€7,601 thousand), following the acquisition of control of this company in 2015.

OTHER PROVISIONS

(non-current) - €32,613 thousand (€19,504 thousand)

(current) - €45,887 thousand (€69,431 thousand)

These provisions essentially regard estimates of liabilities, at the end of the period, expected to be incurred in connection with pending litigation and disputes, including the estimated expenses provisioned for contract reserves relating to contractors who carry out maintenance work. The overall balance at the end of 2015 is down €10,435 thousand, essentially due to uses during the year, totalling €13,037 thousand, following the settlement of a number of disputes.

7.15 Financial liabilities

(non-current) - €13,441,751 thousand (€13,113,511 thousand)
 (current) - €2,281,967 thousand (€1,609,089 thousand)

MEDIUM/LONG-TERM FINANCIAL ASSETS

(non-current) - €13,441,751 thousand (€13,113,511 thousand)
 (current) - 1,622,928 thousand (€894,450 thousand)

As at 31 December 2015, medium/long-term financial liabilities amount to €15,064,679 thousand. These liabilities essentially consist of loans to Autostrade per l'Italia from Atlantia, in addition to bank borrowings and bonds issued.

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

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

€000	31/12/2015			
	Face value	Carrying amount	Current portion	Non-current portion
Bond issues ⁽¹⁾⁽²⁾⁽³⁾	3,513,658	3,511,386	203,504	3,307,882
Bank borrowings	3,300,071	3,297,747	191,569	3,106,178
Other borrowings	7,627,653	7,575,621	942,831	6,632,790
of which due to Atlantia	7,406,526	7,378,146	882,732	6,495,414
Medium/long-term borrowings ⁽²⁾⁽³⁾	10,927,724	10,873,368	1,134,400	9,738,968
Derivative liabilities ⁽⁴⁾		368,545	-	368,545
of which due to Atlantia		216,123	-	216,123
Accrued expenses on medium/long-term financial liabilities ⁽²⁾		279,681	279,681	-
Other financial liabilities		31,699	5,343	26,356
Other medium/long-term financial liabilities		311,380	285,024	26,356
Total		15,064,679	1,622,928	13,441,751

(1) The par value of the bond issues hedged by Cross Currency Swaps and IPCA x CDI Swaps is shown at the hedged notional value.

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

(3) Further 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.

31/12/2015		31/12/2014			
Term		Face value	Carrying amount	Current portion	Non-current portion
Between 13 and 60 months	After 60 months				
357,672	2,950,210	1,017,824	1,037,122	162,887	874,235
828,549	2,277,629	3,415,785	3,421,849	344,138	3,077,711
3,142,401	3,490,389	8,889,996	8,860,014	63,039	8,796,975
3,006,827	3,488,587	8,757,776	8,736,615	-	8,736,615
3,970,950	5,768,018	12,305,781	12,281,863	407,177	11,874,686
15,742	352,803		361,725	2,672	359,053
-	216,123		245,232	-	245,232
-	-		317,039	317,039	-
19,273	7,083		10,212	4,675	5,537
19,273	7,083		327,251	321,714	5,537
4,363,637	9,078,114		14,007,961	894,450	13,113,511

b) type of interest rate, maturity and fair value

€000	Maturity	31/12/2015		31/12/2014	
		Carrying amount ⁽¹⁾	Fair value ⁽²⁾	Carrying amount ⁽¹⁾	Fair value ⁽²⁾
Bond issues					
Listed fixed rate	from 2016 to 2034	3,049,344	3,077,858	460,939	478,035
Listed floating rate	from 2016 to 2023	339,574	353,853	481,548	522,269
Unlisted floating rate	2016	122,468	138,385	94,635	111,473
		3,511,386	3,570,096	1,037,122	1,111,777
Medium/long-term borrowings					
<i>Bank borrowings</i>					
Fixed rate	from 2016 to 2036	1,843,116	2,131,387	1,853,032	2,174,926
Floating rate	from 2016 to 2034	1,348,407	1,406,973	1,408,307	1,414,296
Non-interest bearing ⁽³⁾	from 2016 to 2017	106,224	106,224	160,510	160,510
		3,297,747	3,644,584	3,421,849	3,749,732
<i>Other borrowings</i>					
Fixed rate	from 2016 to 2038	6,634,882	7,870,774	7,994,346	9,545,124
Floating rate	from 2016 to 2022	748,877	771,251	820,259	837,362
Non-interest bearing ⁽⁴⁾	from 2019 to 2020	191,862	191,886	45,409	45,404
		7,575,621	8,833,911	8,860,014	10,427,890
<i>of which: due to Atlantia</i>		<i>7,378,146</i>	<i>8,636,418</i>	<i>8,736,615</i>	<i>10,304,501</i>
Total medium/long-term borrowings		10,873,368	12,478,495	12,281,863	14,177,621
Derivative liabilities					
<i>of which: due to Atlantia</i>		<i>216,123</i>	<i>216,123</i>	<i>245,232</i>	<i>245,232</i>
Accrued expenses on medium/long-term financial liabilities					
		279,681		317,039	
Other financial liabilities					
		31,699		10,212	
Other medium/long-term financial liabilities		311,380		327,251	
Total		15,064,679	16,417,136	14,007,961	15,651,123

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

(2) The fair value shown is classified in level 2 of the fair value hierarchy.

(3) Figure refers to Autostrade per l'Italia financial assets deriving from government grants (Law no. 662/1996, no. 135/1997, no. 345/1997) for the infrastructure works carried out on the stretches of motorway "Firenze Nord-Firenze Sud" and "Cà Nova-Aglio (Variante di Valico), which will be reimbursed by ANAS.

(4) Item mainly includes Autostrade per l'Italia's financial liabilities and Stalexport Autostrada Malopolska's financial liabilities recognized on the basis of the related concession agreements as well as SAT's financial liability with "Fondo Centrale di Garanzia" recognized after the Company control acquisition performed during the year 2015.

- c) a comparison of the face value of each liability (bond issues and medium/long-term borrowings) and the related carrying amount, by issue currency, showing the corresponding average and effective interest rates;

€000	31/12/2015				31/12/2014	
	Face value	Carrying amount	Average interest rate applied to 31/12/2015 ⁽¹⁾	Effective interest rate as at 31/12/2015	Face value	Carrying amount
Euro (EUR)	12,905,263	12,814,408	4.40%	4.02%	11,558,134	11,531,578
Chilean peso (CLP)/Unidad de fomento (UF)	980,482	1,012,924	7.48%	6.92%	1,072,173	1,110,074
Brazilian real (BRL)	452,699	462,040	14.90%	14.93%	581,684	576,181
Polish zloty (PLN)	97,126	89,570	6.41%	6.16%	104,449	93,987
US dollar (USD)	5,812	5,812	5.25%	5.25%	7,165	7,165
Total	14,441,382	14,384,754	5.10%		13,323,605	13,318,985

(1) This figure includes the impact of interest rate hedges.

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

€000	Carrying amount as at 31/12/2014	New borrowings	Repayments	Currency translation differences	Other changes	Carrying amount as at 31/12/2015
Bond issues	1,037,122	2,758,388	-147,902	-152,877	16,655	3,511,386
Bank borrowings	3,421,849	249,000	-354,616	-19,216	730	3,297,747
Other borrowings	8,860,014	1,508	-1,355,375	109	69,365	7,575,621
Total	13,318,985	3,008,896	-1,857,893	-171,984	86,750	14,384,754

The Group uses derivative financial instruments to hedge certain current and highly likely future financial liabilities, including Interest Rate Swaps (IRSs) and Índice Nacional de Preços ao Consumidor Amplo (IPCA) x Certificado de Depósito Interfinanceiro (CDI) Swaps, which, in accordance with IAS 39, are classifiable as cash flow hedges or fair value hedges. The fair value of the hedging instruments as at 31 December 2015 is recognised in "Derivative liabilities". More detailed information on financial risks and the manner in which they are managed, in addition to details of outstanding financial instruments held by the Group, is contained in note 9.2 "Financial risk management".

BOND ISSUES

(non-current) - €3,307,882 thousand (€874,235 thousand)

(current) - €203,504 thousand (€162,887 thousand)

Bond issues as at 31 December 2015 are up €2,474,264 thousand on 31 December 2014, essentially due to a combination of the following:

- a) new bond issues by Autostrade per l'Italia, totalling €2,617,531 thousand, as follows:
 - 1) the issue of bonds to institutional investors, with a total carrying amount of €1,884,610 thousand, as part of €7 billion the Company's Euro Medium Term Note ("EMTN") Programme launched in October 2014; issues were completed in October 2015 (a par value of €650,000 thousand, paying coupon interest of 1.125% and maturing in November 2021 and a par value of €500,000 thousand, paying coupon interest of 1.875% and maturing in November 2025) and November 2015 (a par value of €750,000 thousand, paying coupon interest of 1.75% and maturing in June 2026);
 - 2) the issue of bonds with a carrying amount of €732,921 thousand to retail investors in June 2015 (a par value of €750,000 thousand, paying coupon interest of 1.625% and maturing date June 2023);
- b) Rodovias MG050's issue of the new floating rate CDI bonds, with a carrying amount of €142,275 thousand (a par value of €143,226 thousand, paying interest of 15.6% throughout 2015 and maturing in October 2016);
- c) the decrease in the value of bonds denominated in foreign currencies as a result of exchange rate movements (€152,877 thousand), primarily reflecting the significant fall in the value of the Brazilian real against the euro;
- d) redemptions during the period, totalling €147,902 thousand.

With regard to the above bonds issued to retail investors by Autostrade per l'Italia, in February 2015, Autostrade per l'Italia entered into a number of Forward-Starting Interest Rate Swaps with banks, having a notional value of €1,250 million, to hedge interest rate risk associated with the issue of the retail bonds, at a weighted average rate of 0.54%. At the closing date fair value gains on these derivatives amounted at €34,849 thousand. €9,678 thousand has been recognised in the consolidated income statement, representing the portion exceeding the nominal amount at issue, whilst the remaining €25,171 thousand, corresponding to the hedged portion of the par value of the issue, has been recognised in consolidated comprehensive income. This amount will be effectively reclassified to profit or loss in line with the interest flows associated with the hedged instrument, in keeping with the nature of the derivatives as cash flow hedges. The cost of the bond issue, including the above hedges, thus amounts to 1.28%.

MEDIUM/LONG-TERM BORROWINGS

[non-current] - €9,738,968 thousand (€11,874,686 thousand)

[current] - €1,134,400 thousand (€407,177 thousand)

The balance of this item, including both current and non-current portions, consists of other borrowings (accounted for in the financial statements at €7,575,621 thousand). These essentially include medium/long-term loans to Autostrade per l'Italia from Atlantia (accounted for in the financial statements at €7,378,146 thousand), replicating the bonds issued by the latter and guaranteed by Autostrade per l'Italia, and medium/long-term bank borrowings (accounted for in the financial statements at €3,297,747 thousand). This item includes the medium/long-term bank borrowings of both Autostrade per l'Italia (accounted for in the financial statements at €2,674,476 thousand) and the Group's overseas companies (accounted for in the financial statements at €623,271 thousand).

The reduction in this item of €1,408,495 thousand, compared with 31 December 2014, essentially reflects the following:

- a) partial early repayment (amounting to a total face value of €1,351,250 thousand) of a portion of the loans from Atlantia maturing in 2016, 2017, 2019 and 2020, replicating the parent's bond issues that were in turn subject to early redemption;
- b) other repayments during the year, totalling €358,741 thousand;
- c) a reduction due to movements in the related closing exchange rate (€19,107 thousand), essentially due to falls in the value of the Brazilian real and Chilean peso against the euro in 2015;
- d) new medium/long-term borrowings (€250,508 thousand), essentially including the use of €200,000 thousand of the line of credit granted by Cassa Depositi e Prestiti in 2012 and restructured in September 2015 (floating rate, maturing in June 2021) and the use of €50,000 thousand of the line of credit granted by the EIB in 2010 (at a fixed rate of 1.83%, maturing in September 2036);
- e) an increase of €54,287 thousand in amounts due to ANAS, reflecting the Grantor's direct payment, under the programme for financing the investment provided for in the Concession Arrangement (in accordance with the provisions of laws 662/1996, 345/1997 and 135/1997), of instalments due on bank loans disbursed to Autostrade per l'Italia. These liabilities will be reduced, on receipt of specific permission from the Grantor, by offsetting against the financial assets deriving from government grants accrued as the related construction services are performed;
- f) non-interest bearing debt repayable by SAT to the Central Guarantee Fund for motorways and urban railways (Fondo Centrale di Garanzia per le autostrade e ferrovie metropolitane), amounting to €16,389 thousand as at 31 December 2015, following the Fund's subrogation of the company when it extinguished borrowings. These liabilities are accounted for at the fair value measured at the consolidation date and are accounted for at amortised cost, using the market rate for a loan with similar characteristics.

A number of the medium/long-term loan agreements include negative pledge provisions, in line with international practice. Under these provisions, it is not possible to create or maintain (unless required to do so by law) collateral guarantees on all or a part of any proprietary assets, with the exception of project debt. The above agreements also require compliance with certain covenants.

The method of selecting the variables to compute the ratios is specified in detail in the relevant loan agreements. Breach of these covenants, at the relevant measurement dates, could constitute a default event and result in the lenders calling in the loans, requiring the early repayment of principal, interest and of further sums provided for in the agreements.

The most important covenants are those relating to the loan agreements with Cassa Depositi e Prestiti (totalling €840,744 thousand as at 31 December 2015) require compliance with a minimum threshold for “Operating cash flow available for Debt Service/Debt Service” (DSCR).

With regard to the financial commitments of the foreign project companies, the related debt does not envisage recourse to direct or indirect parents and is subject to covenants typical of international practice. The main commitments provide for a pledge on all the project companies’ assets and receivables in favour of their creditors.

NON-CURRENT DERIVATIVE LIABILITIES

(non-current) - €368,545 thousand (€359,053 thousand)

(current) - € – thousand (€2,672 thousand)

This item represents fair value losses on outstanding derivatives as at 31 December 2015, classified as cash flow hedges or fair value hedges depending on the hedged risk, as required by IAS 39. These consist of:

- a) fair value losses (€356,084 thousand) on Interest Rate Swaps (IRSs), entered into by certain Group companies to hedge interest rate risk on their existing non-current financial liabilities. This item also includes fair value losses on the new Forward-Starting Interest Rate Swaps entered into by Autostrade per l’Italia with a number of banks and having a total notional value of €2,200 million, variable durations of 6, 7 and 8 years and a weighted average fixed rate of 1.16%, linked to highly likely future financial liabilities to be assumed through to 2017 in order to meet the Company’s expected financing requirements;
- b) fair value losses on IPCA x CDI Swaps (€12,461 thousand), classified as fair value hedges, entered into in past years by Triangulo do Sol and Rodovias das Colinas with the aim of converting bonds issued at a real IPCA rate 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.

OTHER MEDIUM/LONG-TERM FINANCIAL LIABILITIES

(non-current) - €26,356 thousand (€5,537 thousand)

(current) - €285,024 thousand (€321,714 thousand)

The balance of this item, including the current and non-current portions, is down €15,871 thousand, primarily due to a reduction in accrued expenses payable (€37,358 thousand), essentially due to Autostrade per l’Italia’s partial early repayment of a portion of the loans from Atlantia maturing in 2016, 2017, 2019 and 2020. This change is partially offset by an increase in other financial liabilities (€21,487 thousand), essentially linked to deferred financial income of €13,743 thousand.

SHORT-TERM FINANCIAL LIABILITIES - €659,039 thousand (€714,639 thousand)

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

€000	31/12/2015	31/12/2014
Bank overdrafts	31	17
Short-term borrowings	645,353	494,820
<i>of which due to Atlantia</i>	<i>400,000</i>	<i>250,000</i>
Current derivative liabilities ⁽¹⁾	-	1,034
Intercompany current account payables due to related parties	13,522	213,319
Other current financial liabilities	133	5,449
Short-term financial liabilities	659,039	714,639

(1) These liabilities primarily include derivative instruments that do not qualify for hedge accounting and that are classified in level 2 of the fair value hierarchy.

The reduction of €55,600 thousand primarily relates to a reduction in the intercompany current account payables due to related parties (€199,797 thousand), partially offset by an increase in short-term loans from the parent, Atlantia (€150,000 thousand).

NET DEBT IN COMPLIANCE WITH ESMA RECOMMENDATION OF 20 MARCH 2013

An analysis of the various components of net debt is shown below with amounts payable to and receivable from related parties, as required by Consob Ruling DEM/6064293 of 28 July 2006, in accordance with European Securities and Markets Authority ["ESMA"] Recommendation of 20 March 2013 (which does not entail the deduction of non-current financial assets from debt).

€m	Note	31/12/2015	Of which related party transactions	31/12/2014	Of which related party transactions
Cash		-2,003		-960	
Cash equivalents and intercompany current account receivables due to related parties		-784	-77	-671	-92
Cash and cash equivalents related to discontinued operations		-39		-49	
Cash and cash equivalents (A)		-2,826		-1,680	
Current financial assets⁽¹⁾ (B)	7.4	-781	-	-1,187	125
Bank overdrafts		-		-	
Current portion of medium/long-term financial liabilities		1,623	1,083	894	242
Other financial liabilities		659	414	714	463
Financial liabilities related to discontinued operations		-		288	
Current financial assets (C)	7.15	2,282		1,896	
Current net debt (D = A + B + C)		-1,325		-971	
Medium/long-term borrowings		9,739	6,495	11,875	8,737
Bond issues		3,308		874	
Other non-current borrowings		395	216	365	245
Non-current financial liabilities (E)		13,442		13,114	
(Net funds) / Net debt as defined by ESMA recommendation (F = D + E)		12,117		12,143	
Non-current financial assets (G)	7.4	-1,775	-16	-1,750	-10
Net debt (H = F + G)		10,342		10,393	

(1) Includes financial assets held for sale or related to discontinued operations.

7.16 Other non-current liabilities - €90,659 thousand (€92,330 thousand)

The balance at the end of 2015 is substantially in line with 31 December 2014. The following table shows a breakdown of this item.

€000	31/12/2015	31/12/2014
Accrued expenses of a non-trading nature	38,791	40,662
Liabilities deriving from contractual obligations	26,933	23,012
Amounts payable to grantors	13,681	24,640
Payable to staff	6,708	2,249
Taxation other than income taxes	2,954	-
Other payables	1,592	1,767
Other non-current liabilities	90,659	92,330

7.17 Trading liabilities - €1,466,126 thousand (€1,313,363 thousand)

An analysis of trading liabilities is shown below.

€000	31/12/2015	31/12/2014
Amounts payable to suppliers	745,982	689,040
Payable to operators of interconnecting motorways	619,621	525,344
Tolls in the process of settlement	94,110	93,331
Accrued expenses, deferred income and other trading liabilities	6,413	5,648
Trade payables	1,466,126	1,313,363
Trading liabilities	1,466,126	1,313,363

The increase during the year, amounting to €152,763 thousand, primarily reflects an increase of €94,277 thousand in amounts payable to the operators of interconnecting motorways, primarily attributable to Autostrade per l'Italia. This reflects increases in the operators' toll revenue and is in line with standard payment periods. The increase in trading liabilities is also due to an increase in amounts payable to suppliers, totalling €56,942 thousand, primarily reflecting SAT's contribution following its consolidation.

7.18 Other current liabilities - €370,186 thousand (€348,151 thousand)

An analysis of other current liabilities is shown below.

€000	31/12/2015	31/12/2014
Concession fees payable	84,654	83,715
Guarantee deposits from users who pay by direct debit	47,464	48,255
Payable to staff	34,915	36,781
Group VAT payable to Atlantia	25,781	-
Social security contributions payable	22,823	22,719
Taxation other than income taxes	17,340	15,482
Amounts payable for expropriations	16,514	43,608
Amounts payable to public entities	14,462	17,213
Other payables	106,233	80,378
Other current liabilities	370,186	348,151

The balance as at 31 December 2015 marks an increase of €22,035 thousand compared with 31 December 2014, primarily reflecting a combination of the following:

- a) an increase of €25,855 thousand in other payables, partly due to the accrued portion, for 2015, of the extraordinary toll increase applied by Traforo Monte Bianco (€10,694 thousand), which is still awaiting a decision on the use of the resulting funds;
- b) an increase of €25,781 thousand in VAT payable under the Group arrangement, in which Atlantia, together with certain subsidiaries, participates from 2015; the VAT due was paid to the tax authorities by the parent, Atlantia and then paid to this company in January 2016;
- c) a reduction in amounts payable for expropriations, totalling €27,094 thousand, recorded by Autostrade per l'Italia, essentially connected to a reduction in new construction projects and a revision of amounts payable as compensation for projects in progress.

8. Notes to the consolidated income statement

This section contains analyses of the most important consolidated income statement items. Negative components of the income statement are indicated with a minus sign in the headings and tables in the notes, whilst amounts for 2014 are shown in brackets.

It should be noted that, in accordance with IFRS 5, the contributions of Ecomouv, Ecomouv D&B and Tech Solutions Integrators to the consolidated income statement for both comparative periods have been presented in "Profit/(Loss) from discontinued operations", rather than included in each component of the consolidated income statement for continuing operations.

In addition, again in accordance with IFRS 5, the contributions of Pavimental and Spea and of their subsidiaries (Pavimental Polska and Spea do Brasil) to the Group's consolidated income statement for 2014, through to the dates of their respective deconsolidation, have also been presented in "Profit/(Loss) from discontinued operations".

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

8.1 Toll revenue - €3,835,954 thousand (€3,677,693 thousand)

Toll revenue of €3,835,954 thousand is up €158,261 thousand (4%) on 2014 (€3,677,693 thousand). At constant exchange rates, which in 2015 had a negative impact of €40,077 thousand, toll revenue is up €198,338 thousand, primarily reflecting a combination of the following:

- application of annual toll increases for 2015 by the Group's Italian operators (a rise of 1.46% for Autostrade per l'Italia), boosting toll revenue by an estimated €39 million;
- a 3.0% improvement in traffic on the Italian network, accounting for an estimated €90 million increase in toll revenue (including the impact of the different traffic mix);
- an increase in toll revenue at overseas operators (up €41 million), primarily reflecting traffic growth in Chile (up 6.7%) and Poland (up 8.6%), toll increases applied by the various operators in 2014 and 2015 in accordance with their respective concession arrangements, partially offset by a decline in traffic in Brazil (down 2.1%).
- SAT's contribution for the fourth quarter of 2015, totalling €6 million.

8.2 Revenue from construction services - €576,075 thousand (€489,743 thousand)

An analysis of this revenue is shown below.

€000	2015	2014	Increase/ (Decrease)
Revenue from construction services for which additional economic benefits are received	441,646	372,041	69,605
Revenue from investments in financial concession rights	87,895	49,651	38,244
Revenue from construction services: government grants for services for which no additional economic benefits are received	39,957	34,582	5,375
Revenue from construction services provided by sub-operators	6,577	33,469	-26,892
Revenue from construction services	576,075	489,743	86,332

Revenue from construction services essentially consists of construction services for which additional benefits are received and financial assets deriving from concession rights, represented by the fair value of the consideration due in return for the construction and upgrade services rendered in relation to assets held under concession during the year. The consideration is based on the operating costs and financial expenses incurred (the latter solely in relation to investment in assets held under concession) and any margins earned on the services provided by the Group's own technical units.

Revenue from construction services performed during the year is up €86,332 thousand compared with 2014, reflecting a combination of the following:

- an increase in construction services for which additional benefits are received, amounting to €69,605 thousand, primarily due to the greater volume of work carried out by Autostrade per l'Italia;
- an increase in construction services accounted for as an increase in financial assets deriving from concession rights, amounting to €38,244 thousand, linked to construction carried out under the Santiago Centro Oriente ("CC7") project being implemented by the Chilean operator, Costanera Norte;
- a reduction of €26,892 thousand in income resulting from the handover free of charge of buildings located at service areas to Autostrade per l'Italia, following expiry of the related sub-concessions.

In 2015, the Group carried out additional construction services for which no additional benefits are received, amounting to €504,872 thousand, net of related government grants, for which the Group made use of a portion of the specifically allocated "Provisions for construction services required by contract". Uses of these provisions are classified as a reduction in operating costs for the period, as explained in note 8.10. Details of total investment in assets held under concession during the year are provided in note 7.2, above.

8.3 Contract revenue - €34,901 thousand (€25,806 thousand)

Contract revenue of €34,901 thousand is up €9,095 thousand on 2014, essentially due to an increase in work carried out by Electronic Transaction Consultants for external customers.

8.4 Other operating income - €547,760 thousand (€551,222 thousand)

An analysis of other operating income is provided below.

€000	2015	2014	Increase/ (Decrease)
Revenue from sub-concessions	192,788	223,931	-31,143
Revenue from Telepass and Viacard fees	134,180	127,466	6,714
Maintenance revenue	39,886	34,826	5,060
Other revenue from motorway operation	35,595	32,182	3,413
Revenue from the sale of technology devices and services	34,887	24,922	9,965
Refunds	23,391	17,370	6,021
Damages and compensation	17,314	20,832	-3,518
Advertising revenue	4,696	5,097	-401
Other income	65,023	64,596	427
Other operating income	547,760	551,222	-3,462

Other operating income of €547,760 thousand is down €3,462 thousand on 2014, due primarily to a combination of the following:

- a €31,143 thousand reduction in revenue from sub-concessions, primarily reflecting the impact on service area royalties of agreements with a number of sub-operators (above all oil service providers), further discounts applied with effect from the second half of 2014 and a reduction in "one-off" payments received in 2015;
- b) an increase of €9,965 thousand in sales of equipment and technology services, essentially reflecting sales generated by Autostrade Tech during the year;
- c) an increase in Telepass and Viacard fees, totalling €6,714 thousand;
- d) an increase in cost recoveries, amounting to €6,021 thousand.

8.5 Raw and consumable materials - €-166,801 thousand (€-185,541 thousand)

This item consists of purchases of materials and the change in inventories of raw and consumable materials.

€000	2015	2014	Increase/ (Decrease)
Construction materials	-78,276	-89,802	11,526
Electrical and electronic materials	-30,495	-21,910	-8,585
Lubricants and fuel	-12,204	-13,496	1,292
Other raw and consumable materials	-41,019	-58,123	17,104
Cost of materials	-161,994	-183,331	21,337
Change in inventories of raw, ancillary and consumable materials and goods for resale	-5,162	-2,520	-2,642
Capitalised cost of raw materials	355	310	45
Raw and consumable materials	-166,801	-185,541	18,740

The reduction of €18,740 thousand primarily reflects a reduction in the cost of construction materials incurred by the Brazilian operator, Rodovia MG050 (€22,529 thousand), as a result of investment in assets held under concession.

8.6 Service costs - €-1,431,007 thousand (€-1,174,499 thousand)

An analysis of service costs is provided below.

€000	2015	2014	Increase/ (Decrease)
Construction and similar	-1,084,443	-874,373	-210,070
Professional services	-158,424	-129,385	-29,039
Transport and similar	-20,236	-18,825	-1,411
Utilities	-46,549	-44,737	-1,812
Insurance	-25,062	-18,115	-6,947
Statutory Auditors' fees	-712	-758	46
Other services	-99,955	-89,240	-10,715
Gross service costs	-1,435,381	-1,175,433	-259,948
Capitalised service costs for assets other than concession assets	4,374	934	3,440
Service costs	-1,431,007	-1,174,499	-256,508

Service costs rose €256,508 thousand in 2015, essentially due to increases in the cost of construction and similar services (up €210,070 thousand) and in professional services (up €29,039 thousand), mainly due to increases in investment in assets held under concession and in motorway maintenance work.

8.7 Staff costs - €-587,332 thousand (€-559,383 thousand)

Staff costs break down as follows.

€000	2015	2014	Increase/ (Decrease)
Wages and salaries	-416,088	-394,139	-21,949
Social security contributions	-114,829	-111,531	-3,298
Payments to supplementary pension funds, INPS and post-employment benefits	-21,549	-21,236	-313
Directors' remuneration	-5,105	-4,335	-770
Other staff costs	-33,238	-29,060	-4,178
Gross staff costs	-590,809	-560,301	-30,508
Capitalised staff costs for assets other than concession assets	3,477	918	2,559
Staff costs	-587,332	-559,383	-27,949

Staff costs (before deducting capitalised expenses) of €590,809 thousand are up €30,508 thousand on 2014 (€560,301 thousand). This essentially reflects:

- an increase in the average cost, due in part to the cost of contract renewals and management incentive plans, partly offset by the Brazilian companies' recruitment of personnel on different forms of contract with respect to the one applicable to motorway and tunnel workers;
- an increase of 240 in the average workforce, excluding agency staff.

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

Average workforce	2015	2014	Increase/ (Decrease)
Senior managers	154	161	-7
Middle managers and administrative staff	4,544	4,477	67
Toll collectors	3,226	3,281	-55
Manual workers	2,229	1,971	258
Total	10,153	9,890	263

(*) The figures for both comparative periods do not include staff employed in the companies whose Profit/(Loss) have been classified under the item "Profit/(Loss) from discontinued operations", as described in the note 8.15.

8.8 Other operating costs - €-542,818 thousand (€-523,732 thousand)

An analysis of other operating costs is shown below.

€000	2015	2014	Increase/ (Decrease)
Concession fees	-443,423	-435,065	-8,358
Lease expense	-10,296	-8,754	-1,542
Grants and donations	-33,909	-30,575	-3,334
Direct and indirect taxes	-13,339	-9,989	-3,350
Other	-41,851	-39,349	-2,502
Other costs	-89,099	-79,913	-9,186
Other operating costs	-542,818	-523,732	-19,086

The increase of €19,086 thousand in other operating costs primarily reflects the increase of €8,358 thousand in the concession fees payable by the Italian motorway operators, as a result of traffic growth and toll increases, as well as the greater contribution from other costs, totalling €9,186 thousand, including the contract reserves paid to contractors by Autostrade per l'Italia following the opening to traffic of the Variante di Valico.

8.9 Operating change in provisions - €31,602 thousand (€-240,351 thousand)

This item reflects the impact on profit or loss of operating changes (new provisions and uses) in provisions, excluding those for employee benefits, made by Group companies in order to meet the legal and contractual obligations that it is presumed will require the use of financial resources in future years.

The positive impact of this item in 2015, totalling €31,602 thousand, essentially consists of the change in provisions for the repair and replacement of motorway infrastructure (€36,635 thousand), primarily relating to an increase in the discount rate applied at 31 December 2015, compared with the rate applied at 31 December 2014.

8.10 Use of provisions for construction services required by contract - €-504,872 (€-399,528)

This item regards the use of provisions for construction services required by contract, relating to services for which no additional economic benefits are received rendered in 2015, 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, whose concession arrangements provide for such obligations. The increase of €105,344 thousand is broadly linked to increased investment in the upgrade of the A1 on the section between Bologna and Florence. This reflects completion of the motorway in view of the opening to traffic of the Variante di Valico.

Further information on construction services and capital expenditure in 2015 is provided in notes 7.2 and 8.2.

8.11 (Impairment losses) and reversals of impairment losses - €-8,903 thousand (€4,976 thousand)

The figure for 2015 essentially regards the impairment (€5,801 thousand) of short-term financial assets deriving from concession rights, in keeping with a revised estimate of the value of the takeover right due to Autostrade Meridionali under the relevant concession arrangement. This company continues to operate the section of motorway under an extension of its concession term, as described in note 10.7.

8.12 Financial income/(expenses) - €-610,137 thousand (€-594,359 thousand)

Financial income - €283,520 thousand (€299,424 thousand)

Financial expenses - €-912,363 thousand (€-910,104 thousand)

Foreign exchange gains/(losses) - €18,706 thousand (€16,321 thousand)

An analysis of financial income and expenses is shown below.

€000	2015	2014	Increase/ (Decrease)
Financial income accounted for as an increase in financial assets deriving from concession rights and government grants	63,437	56,241	7,196
Dividends received from investees	2,975	15	2,960
Financial income linked to agreements with the Bertin group	-	50,067	-50,067
Financial income accounted for as an increase in financial assets	61,670	48,582	13,088
Income from derivative financial instruments	42,465	28,213	14,252
Interest and fees receivable on bank and post office deposits	31,970	49,207	-17,237
Other	81,003	67,099	13,904
Other financial income	217,108	243,168	-26,060
Financial income (A)	283,520	299,424	-15,904
Financial expenses from discounting of provisions for construction services required by contract and other provisions	-52,234	-107,735	55,501
Interest on medium/long-term borrowings	-458,313	-548,481	90,168
Expenses on bonds	-104,718	-99,522	-5,196
Losses on derivative financial instruments	-91,557	-91,515	-42
Interest expense accounted for as an increase in financial liabilities	-22,418	-18,762	-3,656
Interest and fees payable on bank and post office deposits	-2,108	-1,204	-904
Other	-181,015	-42,885	-138,130
<i>of which: non-recurring</i>	-125,486	-	-125,486
Other financial expenses	-860,129	-802,369	-57,760
Financial expenses (B)	-912,363	-910,104	-2,259
Foreign exchange gains/(losses) (C)	18,706	16,321	2,385
Financial income/(expenses) (A + B + C)	-610,137	-594,359	-15,778

“Financial income accounted for as an increase in financial assets deriving from concession rights and government grants” totals €63,437 thousand, up €7,196 thousand on the figure for 2014.

“Financial expenses from the discounting to present value of provisions for construction services required by contract and other provisions”, linked to the passage of time, amount to €52,234 thousand and are down €55,501 thousand compared with 2014. The reduction in these expenses, computed on the basis of the value of the provisions and the discount rates used at 31 December of the year prior to the reporting period, is primarily due to a reduction in the rates used at 31 December 2014, compared with the rates used at the end of 2013.

Net other financial expenses of €643,021 thousand are up €83,820 thousand on 2014 (€559,201 thousand).

The increase in net financial expenses essentially reflects the non-recurring financial transactions carried out, including the expenses incurred by the Parent Company, Autostrade per l'Italia, in order to complete partial early repayment of loans from its parent, Atlantia. Details of these transactions and of the composition of non-recurring financial expenses in 2015 (amounting to €125,486 thousand) are provided in note 8.17.

After stripping out the impact of these non-recurring financial transactions, other financial expenses, after deducting other financial income, are down €41,666 thousand, essentially due to:

- a) reductions in interest expense and in net financial expenses payable by the companies operating in Italy (totalling €87,609 thousand), reflecting a reduction in average net debt compared with 2014 and the decrease in borrowing costs linked to repayment, in June 2014, of the loan granted by Atlantia to Autostrade per l'Italia with a face value of €2,094 million, and to the above non-recurring financial transactions;
- b) a €9,668 thousand increase (at constant exchange rate) in interest income and net financial income received by the companies operating in Brazil and Chile, essentially due to an increase in average cash holdings and the greater average yield on the medium/long-term loan from AB Concessões to Infra Bertin Empreendimentos;
- c) the recognition of financial income by Autostrade do Brasil (€50,067 thousand) in 2014, linked to the agreements entered into with the Bertin group in connection with the acquisition of the Brazilian operators in 2012, which also provided for an earn-out adjustment based on the effective toll revenue of Triangulo do Sol, Rodovias das Colinas and Tietê during the three-year period 2012-2014.

8.13 Share of profit/(loss) of investees accounted for using the equity method - €-8,749 thousand (€-8,139 thousand)

The "Share of (profit)/loss of investees accounted for using the equity method" amounts to a loss of €8,749 thousand, essentially attributable to the share of the losses reported by Rodovias do Tietê (€13,307 thousand), partially offset by shares of the profits reported by Spea (€3,102 thousand) and Società Infrastrutture Toscane in liquidation (€1,186 thousand) for 2015.

8.14 Income tax (expense)/benefit - €-345,003 thousand (€-498,597 thousand)

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

€000	2015	2014	Increase/ (Decrease)
IRES	-233,433	-225,120	-8,313
IRAP	-62,096	-80,110	18,014
Income taxes attributable to foreign operations	-71,420	-73,872	2,452
Current tax benefit of tax loss carry-forwards	4,467	5,632	-1,165
Current tax expense	-362,482	-373,470	10,988
Recovery of previous years' income taxes	4,912	5,451	-539
Previous years' income taxes	265	-645	910
Differences on income taxes for previous years	5,177	4,806	371
Provisions	208,236	225,591	-17,355
Releases	-177,713	-138,044	-39,669
Changes in prior year estimates	-92,813	35,123	-127,936
Deferred tax income	-62,290	122,670	-184,960
Provisions	-127,985	-128,560	575
Releases	49,760	24,704	25,056
Changes in prior year estimates	152,817	-148,747	301,564
Deferred tax expense	74,592	-252,603	327,195
Income tax (expense)/benefit	-345,003	-498,597	153,594

Income tax expense for 2015 amounts to €345,003 thousand, down €153,594 thousand on 2014 (€498,597 thousand). This essentially reflects a combination of the following:

- a) the recognition, in 2014, of deferred tax liabilities of €107,093 thousand, following the tax reforms approved by the Chilean parliament, which increased corporation tax rates from 21% in 2014 to 25% from 2017;
- b) recognition, in 2015, of the tax benefit of €63,675 thousand, following the reduction in the IRES (corporation tax) rate from 27.5% to 24% with effect from 2017, introduced by the 2016 Stability Law;
- c) recognition, in 2015, of deferred tax assets of €49,288 thousand, resulting from the corporate restructuring carried out by the Brazilian sub-holding company, AB Concessões, which has enabled the Brazilian motorway operators to recognise tax-deductible goodwill, as described in note 6.2;

- d) recognition, in 2015, of the benefits of application of the 2015 Stability Law, estimated at €14,223 thousand;
e) an increase in current tax expense, essentially reflecting the increase in profit before tax from continuing operations.

The following table shows a reconciliation of the statutory rate of IRES with the effective charge in the two comparative periods.

€000	2015			2014		
	Taxable income	Tax	Tax rate	Taxable income	Tax	Tax rate
Profit/(Loss) before tax from continuing operations	1,466,576			1,192,759		
IRES tax expense computed using statutory rate applied by Parent Company		403,308	27.5%		328,009	27.5%
Temporary differences deductible in future years	576,153	144,210	9.8%	748,289	199,519	16.7%
Temporary differences taxable in future years	(468,323)	(113,809)	-7.8%	(457,528)	(121,085)	-10.2%
Reversal of prior year temporary differences	(442,156)	(108,686)	-7.4%	(365,387)	(88,661)	-7.4%
Permanent differences	(51,448)	(13,883)	-0.9%	(82,090)	(23,931)	-2.0%
Effect on taxation of application of different rates in various foreign countries		(10,754)	-0.7%	(1,782)	(490)	-
IRAP		62,096			80,110	
Total		362,482	24.7%		373,470	31.3%

8.15 Profit/(Loss) from discontinued operations - €6,983 thousand (€210 thousand)

An analysis of the profit/(loss) from discontinued operations in 2014 and 2015 is shown below.

€000	2015	2014	Increase/ (Decrease)
Operating income	-	439,743	-439,743
Operating costs	-5,251	-391,110	385,859
Financial income	10,730	12,964	-2,234
Financial expenses	-11,541	-52,348	40,807
Tax benefit/(expense)	13,045	-12,396	25,441
Contribution to net profit of discontinued operations	6,983	-3,147	10,130
Other net profit/(loss) from discontinued operations	-	3,357	-3,357
Profit/(Loss) from discontinued operations	6,983	210	6,773

Both comparative periods reflect the results of the French companies engaged in the “Ecotaxe” project, classified in accordance with IFRS 5 following early termination of the project, as previously described in the consolidated financial statements as at and for the year ended 31 December 2014. In addition, the amount for 2014 included the contribution of the companies deconsolidated during the year, as described in note 8.

8.16 Earnings per share

The following statement shows a breakdown of the calculation of earnings per share for the two comparative periods.

	2015	2014
Weighted average of shares outstanding	622,027,000	622,027,000
Weighted average of shares outstanding	622,027,000	622,027,000
Profit for the year attributable to the Group (€000)	1,012,381	662,156
Earnings per share (€)	1.63	1.07
Profit from continuing operations attributable to owners of the parent (€000)	1,007,336	664,563
Basic earnings per share from continuing operations (€)	1.62	1.07
Profit/(Loss) from discontinued operations attributable to owners of the parent (€000)	5,045	-2,407
Basic earnings/(losses) per share from discontinued operations (€)	0.01	-

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.

8.17 Material non-recurring transactions

During 2015, as part of a plan to improve its financial structure, Autostrade per l'Italia proceeded with early repayment of borrowings with a face value of €1,351,250 thousand, forming a portion of its borrowings, maturing in 2016, 2017, 2019 and 2020 (amounting to a total face value of €4,250,000 thousand), granted by the parent, Atlantia.

This took the form of two separate transactions:

- a) repayment, in February 2015, of loans from Atlantia with a face value of €1,020,130 thousand, maturing in 2016, 2017 and 2019, which took place at the same time as a Tender Offer launched by Atlantia with the aim of redeeming bonds in issue with the same maturities; as a result of this transaction, the Company recognised non-recurring financial expenses of €85,164 thousand, corresponding to the premium paid by Atlantia in order to proceed with early redemption, after taxation of €23,420 thousand, with a net impact on the result for the year of €61,744 thousand;
- b) repayment, in December 2015, of loans from Atlantia with a face value of €331,120 thousand, maturing in 2017, 2019 and 2020, carried out through a Tender Offer, launched by Autostrade per l'Italia, with the aim of purchasing bonds with the same maturities issued by Atlantia and, at the same time, selling them back to the parent (which then cancelled them); as a result of this transaction, the Company recognised non-recurring financial expenses of €40,322 thousand, corresponding to the premium paid by Atlantia in order to proceed with early redemption, after taxation of €11,089 thousand, with a net impact on the result for the year of €29,233 thousand.

In this regard, it should be noted that, in return for the net financial expenses incurred in 2015 as a result of the above non-recurring financial transactions, in present and future years the Group will benefit from an equivalent reduction in its cost of debt.

9. Other financial information

9.1 Notes to the consolidated statement of cash flows

Consolidated cash flow in 2015, compared with 2014, is analysed below. The consolidated statement of cash flows is included in the “Consolidated financial statements”.

Cash flows during 2015 resulted in an increase of €1,344,593 thousand in cash and cash equivalents, versus a net cash outflow of €1,419,139 thousand in 2014.

Cash flows from operating activities amount to €1,989,670 thousand in 2015, up €519,735 thousand on the figure for 2014 (€1,469,935 thousand). The increase is primarily attributable to the inflow generated from working capital and other non-financial assets and liabilities, totalling €165,652 thousand, compared with an outflow of €271,306 thousand in 2014. This differing performance primarily reflects collection, in March 2015, of compensation payable by the French government, following early termination of the “Eco-Taxe” project in 2014, following the signature, in June 2014, of a memorandum of understanding with the French government.

Cash used for investing activities in 2015, totalling €992,032 thousand, is up €585,412 thousand on 2014 (€406,620 thousand), primarily due to:

- a) a €168,237 thousand increase in investment in assets held under concession, after the related government grants and an increase in financial assets deriving from concession rights;
- b) the amount invested in order to acquire a controlling interest in SAT (amounting to €71,674 thousand), including the outflow incurred in 2015 to fund the purchase of a 74.95% interest, after the cash and cash equivalents contributed by the company;
- c) a reduction in current and non-current financial assets, totalling €104,750 thousand, primarily linked to the French government’s acknowledgement of its obligation to pay compensation following early termination of the “Eco-Taxe” project.

Net cash from financing activities amounts to €382,867 thousand for 2015, whilst 2014 recorded an outflow of €2,485,316 thousand following repayment of a loan from Autostrade per l’Italia to the parent, totalling €2,094,200 thousand.

The following table shows net cash flows generated from discontinued operations, including the contributions of the French companies (Ecomouv, Ecomouv D&B and Tech Solutions Integrators) in the two periods and of Pavimental, Spea and their respective subsidiaries for 2014 alone. These cash flows are included in the consolidated statement of cash flows under operating, investing and financing activities.

CASH FLOWS FROM DISCONTINUED OPERATIONS

€m	2015	2014
Net cash generated from/(used in) operating activities	96	-122
Net cash generated from/(used in) investing activities	247	394
Net cash generated from/(used in) financing activities	-280	-188

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 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 long-term plans approved annually 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 long-term 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 31 December 2015 are classified, in accordance with IAS 39, either as cash flow or fair value hedges, depending on the type of risk hedged. Fair value measurement of derivative financial instruments is dealt with in note 3. The residual average term to maturity of the Group's debt as at 31 December 2015 is 6 years and 6 months. The average cost of medium to long-term debt for 2015 was 5.1% (4.4% for the companies operating in Italy, 7.5% for the Chilean companies and 14.9% for the Brazilian companies). Monitoring is, moreover, intended to assess, on a continuing basis, counterparty creditworthiness and the degree of risk concentration.

Interest rate risk

This 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 the amount of floating rate debt, the Group has entered into interest rate swaps (IRSs), 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 are recognised in other comprehensive income. The tests conducted revealed the presence of an ineffective portion (€966 thousand), accounted for in profit or loss and linked primarily to the impact of the new Forward-Starting IRSs with a total notional value of €2,200 million, variable durations of 6, 7 and 8 years and a weighted average fixed rate of 1.16%, entered into to hedge highly likely future financial liabilities to be assumed through to 2017 in order to meet Autostrade per l'Italia's expected financing requirements. 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 31 December 2015, the Group reports transactions classifiable as fair value hedges in accordance with IAS 39, regarding the previously mentioned new IPCA Linked 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.

As a result of cash flow hedges, 90% of interest bearing debt is fixed rate.

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

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.

11% 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's net debt is, therefore, effectively not exposed to currency risk on translation.

The following table summarises outstanding derivative financial instruments as at 31 December 2015 (compared with 31 December 2014) and shows the corresponding market and notional values of the hedged financial asset or liability.

€000	Purpose of hedge	31/12/2015		31/12/2014	
		Fair value asset/ (liability)	Notional amount	Fair value asset/ (liability)	Notional amount
Cash flow hedges⁽¹⁾					
Interest Rate Swaps	Interest rate risk	-356,084	3,632,107	-360,351	1,692,591
Total		-356,084	3,632,107	-360,351	1,692,591
Fair value hedges⁽¹⁾					
IPCA x CDI Swaps		-12,461	154,954	-9,800	225,670
Total		-12,461	154,954	-9,800	225,670
Derivatives not accounted for as hedges					
FX Forwards	Currency risk	36 ⁽²⁾	35,914	-1,034 ⁽²⁾	31,230
Total		36	35,914	-1,034	31,230
Total derivatives		-368,509	3,822,975	-371,185	1,949,491
<i>of which:</i>					
– fair value (asset)		36		-	
– fair value (liability)		-368,545		-371,185	

(1) The fair value of cash flow hedges excludes accruals at the measurement date.

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

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 consolidated income statement for 2015 and on equity as at 31 December 2015.

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 other comprehensive income, the 10 bps shift in the curve was assumed to have occurred at the measurement date. The results of the analyses were:

- a) 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 consolidated income statement, totalling €989 thousand, and on other comprehensive income, totalling €26,439 thousand, before the related taxation;
- b) in terms of currency risk, an unexpected and unfavourable 10% shift in the exchange rate would have resulted in a negative impact on the consolidated income statement, totalling €22,716 thousand, and on other comprehensive income, totalling €233,769 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 31 December 2015, project debt allocated to specific overseas companies amounts to €1,561 million. At the same date the Group has cash reserves of €4,802 million, consisting of:

- a) €2,412 million in cash and/or investments maturing in the short term, after net short-term payables due to Atlantia Group companies, essentially in relation to the Company's provision of centralised treasury services;
- b) €536 million in term deposits allocated primarily to part finance the execution of specific construction services and to service the debt of certain Chilean companies;
- c) €1,855 million in undrawn committed lines of credit. The Group has lines of credit with a weighted average residual term to maturity of approximately 8 years and 6 months and a weighted average residual drawdown period of approximately 2 year and 3 months.

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

€000 Borrower	Line of credit	Drawdown period expires	Final maturity	31/12/2015		
				Available	Drawn	Undrawn
Autostrade per l'Italia	Medium/long-term committed EIB line 2013 "Environment and Motorway Safety"	31/12/2017	15/09/2037	200	-	200
Autostrade per l'Italia	Medium/long-term committed EIB line 2010 "Upgrade A14 B"	31/12/2017	31/12/2036	300	100	200
Autostrade per l'Italia	Medium/long-term committed EIB line 2013 "Florence Bologna IV B"	31/12/2017	15/09/2038	250	150	100
Autostrade per l'Italia	Medium/long-term committed CDP/SACE line	23/09/2016	23/12/2024	1,000	200	800
Autostrade per l'Italia	Medium/long-term committed CDP A1 2012 line	21/11/2020	20/12/2021	700	200	500
Autostrade Meridionali	Short-term loan from Banco di Napoli	30/06/2016	31/12/2016	300	245	55
Lines of credit				2,750	895	1,855

The following schedule shows the distribution of maturities for financial liabilities outstanding as at 31 December 2015 and 31 December 2014.

The amounts shown in the following tables include interest payments and exclude the impact of any offset agreements. The time distribution of terms to maturity is based on the residual contract term or on the earliest date on which repayment of the liability may be required, unless a better estimate is available. The distribution for transactions with amortisation schedules is based on the date on which each instalment falls due.

€000	31/12/2015					
	Carrying amount	Total contractual flows	Within 12 months	Between 1 and 2 years	Between 3 and 5 years	After 5 years
Non-derivative financial liabilities ⁽¹⁾						
Bond issues (A)	3,511,386	-4,247,641	-298,828	-188,794	-533,487	-3,226,532
Medium/long-term borrowings ⁽²⁾						
Total bank borrowings	3,297,747	-4,230,486	-249,397	-299,687	-877,141	-2,804,261
Total other borrowings	7,575,621	-9,372,705	-1,198,817	-861,781	-3,052,595	-4,259,512
<i>of which due to Atlantia</i>	7,378,146	-9,320,425	-1,198,817	-861,781	-3,000,315	-4,259,512
Total medium/long-term borrowings (B)	10,873,368	-13,603,191	-1,448,214	-1,161,468	-3,929,736	-7,063,773
Total non-derivative financial liabilities (C = A + B)	14,384,754	-17,850,832	-1,747,042	-1,350,262	-4,463,223	-10,290,305
Derivatives ⁽²⁾⁽³⁾						
Interest rate swaps ⁽⁴⁾	356,084	-614,933	-61,324	-70,601	-239,672	-243,336
IPCA x CDI Swaps ⁽⁴⁾	12,461	52,020	-7,833	-3,779	15,760	47,872
Total derivatives	368,545	-562,913	-69,157	-74,380	-223,912	-195,464

(1) Future cash flows relating to interest on bond issues and floating rate loans have been projected on the basis of the latest established rate and applied and held constant to final maturity.

(2) As at 31 December 2015, expected contractual flows are linked to the hedging of outstanding and highly likely future financial liabilities to meet funding requirements through to 2017.

(3) Expected future cash flows from differentials on derivatives have been projected on the basis of the exchange rate fixed at the measurement date.

(4) Future cash flows relating to differentials on interest rate swaps (IRS) and IPCA x CDI Swaps have been projected on the basis of the latest interest rate fixed and held constant to the maturity of the contract.

€000	31/12/2014					
	Carrying amount	Total contractual flows	Within 12 months	Between 1 and 2 years	Between 3 and 5 years	After 5 years
Non-derivative financial liabilities ⁽¹⁾						
Bond issues (A)	1,037,122	-1,506,238	-251,196	-158,176	-487,050	-609,816
Medium/long-term borrowings ⁽²⁾						
Total bank borrowings ⁽²⁾	3,495,168	-4,418,941	-460,848	-229,456	-880,436	-2,848,201
Total other borrowings	8,891,303	-11,381,782	-420,768	-1,888,841	-2,877,606	-6,194,567
<i>of which due to Atlantia</i>	8,736,615	-11,298,323	-389,475	-1,888,841	-2,830,697	-6,189,309
Total medium/long-term borrowings (B)	12,386,471	-15,800,723	-881,616	-2,118,297	-3,758,042	-9,042,768
Total non-derivative financial liabilities (C = A + B)	13,423,593	-17,306,961	-1,132,812	-2,276,473	-4,245,092	-9,652,584
Derivatives ⁽³⁾⁽⁴⁾						
Interest rate swaps ⁽²⁾⁽⁵⁾	360,351	-473,694	-64,950	-53,211	-154,828	-200,705
IPCA x CDI Swaps ⁽⁵⁾	9,800	61,384	-6,753	-4,400	10,994	61,543
Total derivatives	370,151	-412,310	-71,703	-57,611	-143,834	-139,162

(1) Future cash flows relating to interest on bond issues and floating rate loans have been projected on the basis of the latest established rate and applied and held constant to final maturity.

(2) This item includes the French companies' liabilities classified in liabilities related to discontinued operations.

(3) Expected contractual flows are linked to the outstanding hedged financial liabilities as at 31 December 2014.

(4) Expected future cash flows from differentials on derivatives have been projected on the basis of the exchange rate fixed at the measurement date.

(5) Future cash flows relating to differentials on interest rate swaps (IRS) and IPCA x CDI Swaps have been projected on the basis of the latest interest rate fixed and held constant to the maturity of the contract.

The following table shows the time distribution of expected cash flows from cash flow hedges, and the financial years in which they will be recognised in profit or loss.

€000	31/12/2015						31/12/2014					
	Carrying amount	Expected cash flows ⁽¹⁾	Within 12 months	Between 1 and 2 years	Between 3 and 5 years	After 5 years	Carrying amount	Expected cash flows ⁽¹⁾	Within 12 months	Between 1 and 2 years	Between 3 and 5 years	After 5 years
Interest rate swaps												
Derivative liabilities	-356,084	-381,928	-69,037	-67,833	-170,135	-74,923	-360,351	-386,006	-64,718	-52,247	-138,959	-130,082
Total cash flow hedges	-356,084	-381,928	-69,037	-67,833	-170,135	-74,923	-360,351	-386,006	-64,718	-52,247	-138,959	-130,082
Accrued expenses on cash flow hedges	-25,844						-25,655					
Total cash flow hedge derivative assets/liabilities	-381,928	-381,928	-69,037	-67,833	-170,135	-74,923	-386,006	-386,006	-64,718	-52,247	-138,959	-130,082

€000	31/12/2015					31/12/2014				
	Expected cash flows ⁽¹⁾	Within 12 months	Between 1 and 2 years	Between 3 and 5 years	After 5 years	Expected cash flows ⁽¹⁾	Within 12 months	Between 1 and 2 years	Between 3 and 5 years	After 5 years
Interest rate swaps										
Income from cash flow hedges		5,986	-	-	-	5,986		-	-	-
Losses on cash flow hedges	-362,070	-47,395	-68,087	-169,747	-76,841	-360,351	-47,415	-51,871	-137,300	-123,765
Total income (losses) from cash flow hedges	-356,084	-47,395	-68,087	-169,747	-70,855	(360,351)	(47,415)	(51,871)	(137,300)	(123,765)

(1) Expected cash flows from swap differentials are calculated on the basis of market curves at the measurement date.

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 allowance for bad debts 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 performance of the business is assessed both in terms of geographical area and in terms of business 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. This operating segment also include the motorway operator, Società Autostrada Tirrenica, following the acquisition of control of this company and its consolidation from 30 September 2015. 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 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 the production and operation of free-flow tolling systems, traffic and transport management systems, and public information and electronic payment systems. The most important companies are Autostrade Tech and Electronic Transaction Consultants. In addition, adjusted operating cash flow for 2014 benefitted from the contribution of Ecomouv (the "Eco-Taxe" project), which ceased operations following the French government's decision to terminate the related partnership agreement on 30 October 2014, and Pavimental and Spea (and their respective subsidiaries), disposed of by Autostrade per l'Italia in 2014.

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 "Consolidation adjustments" includes consolidation adjustments 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, 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.

€m	2015					Total consolidated amounts
	Italian motorways	Overseas motorways	Other activities	Consolidation adjustments	Unallocated items	
External revenue	3,768	546	111	-	-	4,425
Intersegment revenue	9	-	32	(41)	-	-
Total revenue	3,777	546	143	(41)	-	4,425
EBITDA	2,314	407	22	-	-	2,743
Amortisation, depreciation, impairment losses and reversals of impairment losses					(710)	(710)
Operating change in provisions and other adjustments					24	24
EBIT						2,057
Financial income/(expenses)					(590)	(590)
Profit/(Loss) before tax from continuing operations						1,467
Income tax (expense)/benefit					(345)	(345)
Profit/(Loss) from continuing operations						1,122
Profit/(Loss) from discontinued operations					7	7
Profit for the year						1,129
Operating cash flow	1,471	330	23	-	-	1,824
Capital expenditure	967	172	12	-	-	1,151

€m	2014					Total consolidated amounts
	Italian motorways	Overseas motorways	Other activities	Consolidation adjustments	Unallocated items	
External revenue	3,669	541	78	-	-	4,288
Intersegment revenue	10	-	24	(34)	-	-
Total revenue	3,679	541	102	(34)	-	4,288
EBITDA	2,257	412	14	-	-	2,683
Amortisation, depreciation, impairment losses and reversals of impairment losses					(661)	(661)
Operating change in provisions and other adjustments					(245)	(245)
EBIT						1,777
Financial income/(expenses)					(584)	(584)
Profit/(Loss) before tax from continuing operations						1,193
Income tax (expense)/benefit					(499)	(499)
Profit/(Loss) from continuing operations						694
Profit/(Loss) from discontinued operations					-	-
Profit for the year						694
Operating cash flow	1,410	319	11	-	-	1,740
Capital expenditure	774	156	13	(10)	-	933

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 work carried out by Autostrade Tech for Telepass and the Group's other Italian operators;
- b) total revenue does not include revenue from construction services, totalling €576 million in 2015 and €490 million in 2014;
- 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 €29 million for 2015 and €18 million for 2014;
- 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;
- f) the figure for capital expenditure includes investment in assets held under concession, in property, plant and equipment and in other intangible assets, as shown in the consolidated statement of cash flows.

In accordance with the information provided in note 8, the contributions of the French companies set up in relation to the "Eco-Tax" project and the companies disposed of during 2014 (Pavimental, Spea and their respective subsidiaries) have been included in "Profit/(Loss) from discontinued operations" and, therefore, do not contribute to the revenue or EBITDA of the operating segments. In contrast, however, the segments' operating cash flow and capital expenditure include the contributions of these companies (in the case of Pavimental and Spea, only for 2014 and until the respective dates of their sale).

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 2015.

Geographical information

The following table shows an analysis of the Autostrade per l'Italia Group's revenue and non-current assets by geographical area.

€m	Revenue		Non-current assets (*)	
	2015	2014	31/12/2015	31/12/2014
Italy	4,221	3,991	18,819	18,620
Poland	66	57	206	227
France	2	38	-	-
Portugal	-	-	15	-
Europe subtotal	4,289	4,086	19,040	18,847
Brazil	327	384	1,022	1,400
Chile	308	226	1,799	1,920
USA	71	48	28	19
Total	4,995	4,744	21,889	22,186

(*) In accordance with IFRS 8, non-current assets do not include non-current financial assets or deferred tax assets.

10.2 Disclosure of non-controlling interests in consolidated companies

A list of the principal consolidated companies with non-controlling interests as at 31 December 2015 (with the relevant comparatives as at 31 December 2014). The complete list of the Group's investments as at 31 December 2015 is provided in Annex 1 "The Autostrade per l'Italia Group's scope of consolidation and investments".

Consolidated companies with relevant Non-controlling interests	Country	31/12/2015		31/12/2014	
		Group interest	Non-controlling interests	Group interest	Non-controlling interests
Italian motorways					
Autostrade Meridionali SpA	Italy	58.98%	41.02%	58.98%	41.02%
Società Italiana pA per il Traforo del Monte Bianco	Italy	51.00%	49.00%	51.00%	49.00%
Raccordo Autostradale Valle d'Aosta SpA	Italy	24.46%	75.54%	24.46%	75.54%
Overseas motorways					
AB Concessões SA	Brazil	50.00%	50.00%	50.00%	50.00%
Concessionaria da Rodovia MG 050 SA	Brazil	50.00%	50.00%	50.00%	50.00%
Rodovia das Colinas SA	Brazil	50.00%	50.00%	50.00%	50.00%
Triangulo do Sol Auto-Estradas SA	Brazil	50.00%	50.00%	50.00%	50.00%
Grupo Costanera SA	Chile	50.01%	49.99%	50.01%	49.99%
Sociedad concesionaria AMB SA	Chile	50.01%	49.99%	50.01%	49.99%
Sociedad concesionaria Costanera Norte SpA	Chile	50.01%	49.99%	50.01%	49.99%
Sociedad concesionaria Vespucio Sur SA	Chile	50.01%	49.99%	50.01%	49.99%
Sociedad concesionaria Litoral Central SA	Chile	50.01%	49.99%	50.01%	49.99%
Sociedad Gestion Vial SA	Chile	50.01%	49.99%	50.01%	49.99%
Sociedad Operation y Logistica de Infraestructuras SA	Chile	50.01%	49.99%	50.01%	49.99%
Sociedad concesionaria Autopista Nororiente SA	Chile	50.01%	49.99%	50.01%	49.99%
Sociedad concesionaria Autopista Nueva Vespucio Sur SA	Chile	50.01%	49.99%	50.01%	49.99%
Stalexport Autostrady SA	Poland	61.20%	38.80%	61.20%	38.80%
Stalexport Autostrada Małopolska SA	Poland	61.20%	38.80%	61.20%	38.80%
Stalexport Autoroute Sàrl	Poland	61.20%	38.80%	61.20%	38.80%
Via4 SA	Poland	33.66%	66.34%	33.66%	66.34%
Other activities					
Ecomouv' Sas	France	70.00%	30.00%	70.00%	30.00%
Electronic Transactions Consultants Co.	USA	64.46%	35.54%	64.46%	35.54%
Infoblu SpA	Italy	75.00%	25.00%	75.00%	25.00%

The consolidated companies deemed to be material for the Autostrade per l'Italia Group, in terms of the percentage interest held by non-controlling interests for the purposes of the financial disclosures required by IFRS 12, are as follows:

- a) the Brazilian sub-holding, AB Concessões, and its subsidiaries;
- b) the Chilean sub-holding, Grupo Costanera, and its direct and indirect subsidiaries.

Non-controlling interests in these sub-groups of companies are deemed material based on their contribution to the Autostrade per l'Italia Group's consolidated amounts. In addition, the non-controlling interest in AB Concessões is held by a sole shareholder (a Bertin group company), whilst the non-controlling interest in Grupo Costanera (equal to 49.99%), is held by the Canadian pension fund, Canada Pension Plan Investment Board.

Information on the corporate restructuring carried out by the Brazilian sub-holding companies is provided in note 6.2.

The key financial indicators presented in the following table thus include amounts for the above companies and their respective subsidiaries, extracted, unless otherwise indicated, from the reporting packages prepared by these companies for the purposes of Autostrade per l'Italia's consolidated financial statements, in addition to the accounting effects of acquisitions (fair value adjustments of the net assets acquired).

€m	AB Concessões and direct subsidiaries		Grupo Costanera and direct and indirect subsidiaries	
	2015	2014	2015	2014
Revenue ⁽¹⁾	327	384	280	206
Profit for the year	76	54	124	2
Profit/(Loss) for the year attributable to non-controlling interests ⁽²⁾	38	27	62	1
Net cash generated from operating activities ⁽²⁾	91	115	181	159
Net cash used in investing activities ⁽²⁾	-124	-181	-33	-103
Net cash generated from/(used in) financing activities ⁽²⁾	7	22	-23	-9
Effect of exchange rate movements on cash and cash equivalents ⁽¹⁾	-22	3	-12	-
Increase/(Decrease) in cash and cash equivalents ⁽²⁾	-48	-41	113	47
Dividends paid to non-controlling shareholders	16	-	-	-

€m	AB Concessões and direct subsidiaries		Grupo Costanera and direct and indirect subsidiaries	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Non-current assets	1,911	2,365	2,922	3,271
Current assets	126	164	697	396
Non-current liabilities	1,013	1,371	1,686	1,987
Current liabilities	324	271	313	104
Net assets	700	887	1,620	1,576
Net assets attributable to non-controlling interests ⁽²⁾	351	445	823	802

(1) This item includes toll revenue, revenue from construction services, contract revenue and other operating income.

(2) The amounts shown contribute to the Group's consolidated amounts and, therefore, include the impact of any consolidation adjustments.

10.3 Guarantees

The Group has certain personal guarantees in issue to third parties as at 31 December 2015. These include, listed by importance:

- guarantees issued by Autostrade per l'Italia securing the bonds issued by Atlantia, amounting to a total of €8,991,511 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 €7,492,926 thousand as at 31 December 2015;
- 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;
- bank guarantees provided by Telepass (€25,789 thousand) to certain French operators in connection with the company's operations in France;
- guarantees issued by the Brazilian, Chilean and Polish operators securing project financing in the form of either bank loans or bonds.

As at 31 December 2015, the shares of certain of the Group's overseas operators (Rodovias das Colinas, Concessionaria da Rodovias MGO50, 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 also been pledged to the respective 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 31 December 2015, Group companies have recognised contract reserves quantified by contractors amounting to approximately €1,750 million (€2,260 million as at 31 December 2014).

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 intangible assets deriving from concession rights.

Reserves have also been recognised in relation to works not connected to investment (work for external parties and maintenance), amounting to approximately €44 million. The estimated future cost is covered by provisions for disputes accounted for in the consolidated financial statements as at and for the year ended 31 December 2015.

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 of article 2391-bis of the Italian Civil Code, the Regulations adopted by the *Commissione Nazionale per le Società e la Borsa* (the Consob) in Resolution 17221 of 12 March 2010, as amended. The Procedure, which is available for inspection at www.atlantia.it, establishes the criteria to be used in identifying related parties, in distinguishing between transactions of greater and lesser significance and in applying the rules governing the above transactions of greater and lesser significance, and in fulfilling the related reporting requirements.

The following table shows material 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 Autostrade per l'Italia.

PRINCIPAL TRADING TRANSACTIONS WITH RELATED PARTIES

€m	31/12/2015			
	Assets			
	Trading and other assets			
	Trade receivables	Current tax assets	Other trading and other assets	Total
Parents				
Sintonia	-	7.1	-	7.1
Atlantia	3.1	13.8	-	16.9
Total parents	3.1	20.9	-	24.0
Associates				
Società Autostrada Tirrenica	-	-	-	-
Biuro Centrum	-	-	-	-
Bologna & Fiera Parking	1.1	-	-	1.1
Pavimental	1.0	-	-	1.0
Spea Engineering	19.0	-	-	19.0
Other associates	-	-	-	-
Total associates	21.1	-	-	21.1
Affiliates				
Autogrill	36.8	-	-	36.8
Aeroporti di Roma group	0.6	-	-	0.6
Pavimental Polska	-	-	-	-
Pune Solapur Expressways Private	0.3	-	-	0.3
Total affiliates	37.7	-	-	37.7
Pension funds				
ASTRI pension fund	-	-	-	-
CAPIDI pension fund	-	-	-	-
Total pension funds	-	-	-	-
Key management personnel				
Key management personnel	-	-	-	-
Total key management personnel ⁽¹⁾	-	-	-	-
Total	61.9	20.9	-	82.8

(1) Autostrade per l'Italia's "key management personnel" means the Company's Directors, Statutory Auditors and other key management personnel as a whole. Expenses for each period include emoluments, salaries, benefits in kind, bonuses and other incentives (including the fair value of share-based incentive plans) for Autostrade per l'Italia staff and staff of the relevant subsidiaries and associates.

In addition to the information shown in the table, the consolidated financial statements also include contributions for 2015 of €1.7 million paid on behalf of Directors, Statutory Auditors and other key management personnel and the related liabilities of €0.6 million as at 31 december 2015.

31/12/2015				2015						
Liabilities				Income		Expenses				
Trading and other liabilities				Revenue from construction services and other operating income	Total	Trading and other expenses				
Trade payables	Current tax liabilities	Other current liabilities	Total			Raw and consumable materials	Service costs	Staff costs	Other operating costs	Total
-	-	-	-	-	-	-	-	-	-	-
2.9	9.0	26.9	38.8	2.9	2.9	-	0.8	2.6	0.1	3.5
2.9	9.0	26.9	38.8	2.9	2.9	-	0.8	2.6	0.1	3.5
-	-	-	-	1.6	1.6	-	0.1	-	-	0.1
0.1	-	-	0.1	0.1	0.1	-	0.7	-	-	0.7
-	-	-	-	-	-	-	-	-	-	-
176.4	-	5.7	182.1	1.3	1.3	-	367.8	-	0.3	368.1
80.9	-	-	80.9	0.9	0.9	-	72.4	0.9	-	73.3
-	-	-	-	0.1	0.1	-	-	-	-	-
257.4	-	5.7	263.1	4	4	-	441	0.9	0.3	442.2
3.9	-	-	3.9	72.2	72.2	0.4	0.5	-	0.3	1.2
0.2	-	-	0.2	0.7	0.7	-	0.2	-	-	0.2
0.6	-	-	0.6	-	-	-	0.2	-	-	0.2
-	-	-	-	-	-	-	-	-	-	-
4.7	-	-	4.7	72.9	72.9	0.4	0.9	-	0.3	1.6
-	-	4.1	4.1	-	-	-	-	13.4	-	13.4
-	-	1.0	1.0	-	-	-	-	2.0	-	2.0
-	-	5.1	5.1	-	-	-	-	15.4	-	15.4
-	-	3.7	3.7	-	-	-	-	10.8	-	10.8
-	-	3.7	3.7	-	-	-	-	10.8	-	10.8
265.0	9.0	41.4	315.4	79.8	79.8	0.4	442.7	29.7	0.7	473.5

€m

	31/12/2014			
	Assets			
	Trading and other assets			
	Trade receivables	Current tax assets	Other trading and other assets	Total
Parents				
Sintonia	-	18.0	-	18.0
Atlantia	2.0	8.2	-	10.2
Total parents	2.0	26.2	-	28.2
Associates				
Società Autostrada Tirrenica	1.1	-	-	1.1
Biuro Centrum	-	-	-	-
Bologna & Fiere Parking	1.1	-	-	1.1
Pavimental	1.3	-	-	1.3
Spea Engineering	22.8	-	-	22.8
Other associates	1.9	-	0.4	2.3
Total associates	28.2	-	0.4	28.6
Affiliates				
Autogrill	36.3	-	-	36.3
Aeroporti di Roma group	1.0	-	-	1.0
Pavimental Polska	-	-	-	-
Pune Solapur Expressways Private	0.6	-	-	0.6
Spea Brasil	-	-	-	-
United Colors Communication	-	-	-	-
Other affiliates	-	-	-	-
Total affiliates	37.8	-	-	37.9
Pension funds				
ASTRI pension fund	-	-	-	-
CAPIDI pension fund	-	-	-	-
Total pension funds	-	-	-	-
Key management personnel				
Key management personnel	-	-	-	-
Total key management personnel ⁽¹⁾	-	-	-	-
Total	68.1	26.2	0.4	94.7

31/12/2014				2014						
Liabilities				Income		Expenses				
Trading and other liabilities				Revenue from construction services and other operating income	Total	Trading and other expenses				
Trade payables	Current tax liabilities	Other current liabilities	Total			Raw and consumable materials	Service costs	Staff costs	Other operating costs	Total
-	-	-	-	-	-	-	-	-	-	-
2.0	21.4	-	23.4	2.1	2.1	1.3	0.1	1.5	0.1	3.0
2.0	21.4	-	23.4	2.1	2.1	1.3	0.1	1.5	0.1	3.0
5.1	-	-	5.1	1.9	1.9	-	-	-	-	-
-	-	-	-	0.1	0.1	-	0.7	-	-	0.7
-	-	-	-	-	-	-	-	-	-	-
191.6	-	3.8	195.4	1.1	1.1	-	207.5	-	-	207.5
74.4	-	-	74.4	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
-	-	-	-	-	0.1	-	-	-	-	-
271.1	-	3.8	274.9	3.1	3.2	-	208.2	-	-	208.2
0.3	-	-	0.3	109.1	109.1	1.7	0.5	-	-	2.2
-	-	-	-	1.7	1.7	-	-	-	-	-
0.6	-	-	0.6	-	-	-	0.8	-	-	0.8
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
-	-	-	-	0.2	0.2	-	1.6	-	-	1.6
0.5	-	-	0.5	-	-	-	-	-	-	-
1.4	-	-	1.4	111.0	111.0	1.7	2.9	-	-	4.6
-	-	4.6	4.6	-	-	-	-	11.9	-	11.9
-	-	1.0	1.0	-	-	-	-	1.9	-	1.9
-	-	5.6	5.6	-	-	-	-	13.8	-	13.8
-	-	2.0	2.0	-	-	-	-	8.5	-	8.5
-	-	2.0	2.0	-	-	-	-	8.5	-	8.5
274.5	21.4	11.4	307.3	116.3	116.3	3.0	211.2	23.8	0.1	238.1

PRINCIPAL FINANCIAL TRANSACTIONS WITH RELATED PARTIES

€m	31/12/2015				
	Assets				
	Financial assets				
	Other non-current financial assets	Current financial assets deriving from government grants	Inter-company current account receivables	Other current financial assets	Total
Parents					
Atlantia	-	-	-	-	-
Total parents	-	-	-	-	-
Associates					
Società Autostrada Tirrenica ⁽¹⁾	-	-	-	-	-
Pavimental ⁽²⁾	-	-	76.8	-	76.8
Pedemontana Veneta (in liquidation)	-	-	-	0.1	0.1
Spea Engineering ⁽³⁾	-	-	-	-	-
Total associates	-	-	76.8	0.1	76.9
Joint venture					
Rodovias do Tietê	15.6	-	-	-	15.6
Total joint ventures	15.6	-	-	-	15.6
Affiliates					
Autogrill	-	0.5	-	-	0.5
Aeroporti di Roma group	-	-	-	-	-
Total affiliates	-	0.5	-	-	1
Total	15.6	0.5	76.8	0.1	93.0

	31/12/2014				
Parents					
Atlantia	-	-	-	0.2	0.2
Total parents	-	-	-	0.2	0.2
Associates					
Società Autostrada Tirrenica	-	-	-	116.7	116.7
Pavimental ⁽²⁾	-	-	92.1	-	92.1
Spea Engineering ⁽³⁾	-	-	-	8.0	8.0
Other associates	-	-	-	-	-
Total associates	-	-	92.1	124.7	216.8
Joint venture					
Rodovias do Tietê	9.7	-	-	-	9.7
Total joint ventures	9.7	-	-	-	9.7
Affiliates					
Autogrill	-	0.5	-	-	0.5
Aeroporti di Roma group	-	-	-	-	-
Total affiliates	-	0.5	-	-	0.5
Total	9.7	0.5	92.1	124.9	227.2

(1) The amounts shown in the table refer to financial incomes recognized during the year to the consolidation date of SAT, following the Company control acquisition performed during the 2015.

(2) This company was consolidated until 30 June 2014.

(3) This company was consolidated until 31 December 2014.

31/12/2015							2015			
Liabilities							Income		Expenses	
Financial liabilities							Financial income		Financial expenses	
Medium/long-term borrowings	Non-current derivative liabilities	Short-term borrowings	Inter-company current account payables	Current portion of medium/long-term financial liabilities	Other current borrowings	Total	Other financial income	Total	Other financial expenses	Total
6,495.4	216.1	400.0	13.3	1,083.3	-	8,208.1	25.1	25.1	517.0	517.0
6,495.4	216.1	400.0	13.3	1,083.3	-	8,208.1	25.1	25.1	517.0	517.0
-	-	-	-	-	-	-	6.6	6.6	-	-
-	-	-	-	-	-	-	1.3	1.3	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	0.2	-	-	0.2	-	-	-	-
-	-	-	0.2	-	-	0.2	7.9	7.9	-	-
-	-	-	-	-	-	-	2.4	2.4	-	-
-	-	-	-	-	-	-	2.4	2.4	-	-
-	-	-	-	-	-	-	0.9	0.9	-	-
-	-	-	-	-	-	-	0.1	0.1	-	-
-	-	-	-	-	-	-	1.0	1.0	-	-
6,495.4	216.1	400.0	13.5	1,083.3	-	8,208.3	36.4	36.4	517.0	517.0

31/12/2014							2014			
8,736.6	245.2	250.0	212.9	241.9	2.9	9,689.5	27.0	27.0	488.0	488.0
8,736.6	245.2	250.0	212.9	241.9	2.9	9,689.5	27.0	27.0	488.0	488.0
-	-	-	0.1	-	-	0.1	7.5	7.5	-	-
-	-	-	-	-	-	-	0.8	0.8	-	-
-	-	-	0.3	-	-	0.3	-	-	-	-
-	-	-	-	-	-	-	0.1	0.1	-	-
-	-	-	0.4	-	-	0.4	8.4	8.4	-	-
-	-	-	-	-	-	-	0.7	0.7	-	-
-	-	-	-	-	-	-	0.7	0.7	-	-
-	-	-	-	-	-	-	1.4	1.4	-	-
-	-	-	-	-	-	-	0.1	0.1	-	-
-	-	-	-	-	-	-	1.5	1.5	-	-
8,736.6	245.2	250.0	213.3	241.9	2.9	9,689.9	37.6	37.6	488.0	488.0

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, Autostrade per l'Italia 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 Italian subsidiaries participate, as at 31 December 2015 the Group has recognised tax liabilities and assets due to and from Atlantia of €9 million and €13.8 million, respectively.

As at 31 December 2015, the Group reports tax assets due from the parent, Sintonia (which in 2012 absorbed Schemaventotto), totalling €7.1 million, relating to amounts receivable in the form of tax rebates applied for by Schemaventotto for income tax (IRES) paid during the period when this company headed the tax consolidation arrangement.

With regard to transactions of a financial nature, as at 31 December 2015, financial liabilities (including the current portion) repayable to Atlantia, and linked to medium/long-term loans to the Company from Atlantia, amount to €7,578.7 million, down €1,399.8 million compared with 31 December 2014 (€8,978.5 million). This primarily reflects the partial early repayment of a portion of the loans from Atlantia maturing in 2016, 2017, 2019 and 2020, as described in note 7.15.

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 loans from Atlantia include a floating rate loan 2004-2022, with a face value of €750 million (included in "Non-current financial liabilities", analysed in note 7.15), which is hedged against interest rate risk through the use of specific derivative financial instruments entered into with Atlantia. As at 31 December 2015, fair value losses on these instruments amount to €216.1 million.

As a result of the centralised treasury services provided to the Atlantia Group by Autostrade per l'Italia, the current account between the latter and Atlantia has a debit balance of €13.3 million as at 31 December 2015. In addition, at the end of 2015, Atlantia has granted Autostrade per l'Italia a short-term loan of €400 million, as a result of the parent's investment of liquidity.

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

The Group reports liabilities payable to the affiliates, Pavimental and Spea, controlling interests in which were disposed of by the Group in the first half of 2014 and at the end of 2014. As at 31 December 2015, trade payables due to these companies total €176.4 million and €80.9 million. These payables essentially regard maintenance and construction services provided by these companies to the Group's operators and regarding motorway infrastructure.

In addition, the Group reports costs of €368.1 million payable to Pavimental in return for the above services provided.

With regard to relations between the Autostrade per l'Italia Group's motorway operators and the Autogrill group (considered a related party as it is under the common control of Edizione Srl), as at 31 December 2015, Autogrill holds 111 food service concessions for service areas along the Group's motorway network. In 2015, the Group earned revenue of approximately €72.7 million on transactions with Autogrill, including €69.8 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 31 December 2015, trading assets receivable from Autogrill amount to €36.8 million.

Transactions of a financial nature as at 31 December 2015 include, as part of the Autostrade per l'Italia's provision of centralised treasury services for the Atlantia Group, intercompany current account receivables of €76.8 million due from Pavimental.

10.6 Disclosures regarding share-based payments

There were no changes, during 2015, in the share-based incentive plans already adopted by the Group as at 31 December 2014 and originally approved by the Annual General Meetings of Atlantia's shareholders held on 20 April 2011 (later amended by subsequent Annual General Meetings) and 16 April 2014.

Details of each plan are contained in specific information circulars prepared pursuant to article 84-*bis* of Consob Regulation 11971/1999, as amended, and in Atlantia's Remuneration Report prepared pursuant to article 123-*ter* of the Consolidated Finance Act. These documents, to which reference should be made, are published in the "Remuneration" section of Atlantia's website at www.atlantia.it.

The following table shows the main aspects of existing incentive plans as at 31 December 2015, including the options and units awarded to directors and employees of the Atlantia Group and changes during 2015 (in terms of new awards and the exercise, conversion or lapse of rights). The table also shows the fair value (at the grant date) of each option or unit awarded, as determined by a specially appointed expert, using the Monte Carlo model and other assumptions. The amounts have been adjusted for the amendments to the plans originally approved by Atlantia's shareholders, which were required to ensure plan benefits remained substantially unchanged despite the dilution caused by the bonus issues approved by Atlantia's shareholders on 20 April 2011 and 24 April 2012.

	Number of options/units awarded (***)	Vesting date	Exercise/ Grant date
2011 SHARE OPTION PLAN			
Options outstanding as at 1 January 2014			
- 14 May 2011 grant	279,860	13 May 2014	14 May 2017
- 14 October 2011 grant	13,991	13 May 2014	14 May 2017
- 14 June 2012 grant	14,692	13 May 2014	14 May 2017
	345,887	14 June 2015	14 May 2018
- 8 November 2013 grant	1,592,367	8 November 2016	9 November 2019
- 13 May 2014 grant	173,762	n.a. (**)	14 May 2017
- options exercised in 2014	-209,525		
- options lapsed in 2014	-43,557		
	2,167,477		
Changes in options in 2015			
- 15 June 2015 grant	52,359	n.a. (**)	14 June 2018
- options exercised	-459,762		
- options lapsed	-142,172		
	1,617,902		
2011 SHARE GRANT PLAN			
Units outstanding as at 1 January 2015			
- 14 May 2011 grant	192,376	13 May 2014	14 May 2016
- 14 October 2011 grant	9,618	13 May 2014	14 May 2016
- 14 June 2012 grant	10,106	13 May 2014	14 May 2016
	348,394	14 June 2015	15 June 2017
- 8 November 2013 grant	209,420	8 November 2016	9 November 2018
- units lapsed in 2014	-19,683		
	750,231		
Changes in units in 2015			
- units converted into shares on 15 May 2015	-97,439		
- units lapsed	-28,699		
	624,093		
MBO SHARE OPTION PLAN			
Units outstanding as at 1 January 2015			
- 14 May 2012 grant	96,282	14 May 2015	14 May 2015
- 14 June 2012 grant	4,814	14 May 2015	14 May 2015
- 2 May 2013 grant	41,077	2 May 2016	2 May 2016
- 8 May 2013 grant	49,446	8 May 2016	8 May 2016
- 12 May 2014 grant	61,627	12 May 2017	12 May 2017
	253,246		
Changes in units in 2015			
- units converted into shares on 14 May 2015	-101,096		
	152,150		

(*) 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 grants of 2011 and 2012 which, therefore, do not represent the award of new benefits.

(***) These are options and units awarded to beneficiaries throughout the Atlantia Group and not only to those at Autostrade per l'Italia.

Exercise price (€)	Fair value of each option or unit at grant date (€)	Expected expiration at grant date (years)	Risk free interest rate used	Expected volatility (based on historic mean)	Expected dividends at grant date
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14.78	3.48	3.0-6.0	2.60%	25.2%	4.09%
14.78	(*)	(*)	(*)	(*)	(*)
14.78	(*)	(*)	(*)	(*)	(*)
9.66	2.21	3.0-6.0	1.39%	28.0%	5.05%
16.02	2.65	3.0-6.0	0.86%	29.5%	5.62%
n.a.	(**)	(*)	(**)	(**)	(**)

n.a.	(**)	(**)	(**)	(**)	(**)
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n.a.	12.90	4.0-5.0	2.45%	26.3%	4.09%
n.a.	(*)	(*)	(*)	(*)	(*)
n.a.	(*)	(*)	(*)	(*)	(*)
n.a.	7.12	4.0-5.0	1.12%	29.9%	5.05%
n.a.	11.87	4.0-5.0	0.69%	28.5%	5.62%

n.a.	13.81	3.0	0.53%	27.2%	4.55%
n.a.	(*)	(*)	(*)	(*)	(*)
n.a.	17.49	3.0	0.18%	27.8%	5.38%
n.a.	18.42	3.0	0.20%	27.8%	5.38%
n.a.	25.07	3.0	0.34%	28.2%	5.47%

2011 Share Option Plan

Description

As approved by the Annual General Meeting of Atlantia's shareholders on 20 April 2011, and amended by the Annual General Meeting of Atlantia's shareholders on 30 April 2013 and 16 April 2014, the 2011 Share Option Plan entails the award of up to 2,500,000 options free of charge in three annual award cycles (2011, 2012 and 2013). Each option will grant beneficiaries the right to purchase one ordinary Atlantia share held in treasury, with settlement involving either physical delivery or, at the beneficiary's option, a cash payment equivalent to the proceeds from the sale of the shares on the stock exchange organised and managed by Borsa Italiana SpA, after deduction of the full exercise price. The exercise price is equivalent to the average of the official prices of Atlantia's ordinary shares in the month prior to the date on which Atlantia's Board of Directors announces the beneficiary and the number of options to be awarded.

The options granted will vest in accordance with the Plan terms and conditions and, in particular, only if, on expiration of the vesting period (three years from the date of award of the options to beneficiaries by the Board of Directors), cumulative FFO for the three annual reporting periods preceding expiration of the vesting period, adjusted for a number of specific items (total operating cash flow of the Group, Atlantia or of certain of its subsidiaries – depending on the role held by the various beneficiaries of the Plan), is higher than a pre-established target, unless otherwise decided by the Board of Directors, which has the authority to assign beneficiaries further targets. Vested options may be exercised, in part, from the first day following expiration of the vesting period and, in part, from the end of the first year following expiration of the vesting period and, in any event, in the three years following expiration of the vesting period (subject to the clause in the Plan terms and conditions requiring executive Directors and key management personnel to retain a minimum holding). The maximum number of exercisable options will be calculated on the basis of a mathematical algorithm that takes account, among other things, of the current value and the exercise price, plus any dividends paid, so as to cap the realisable gain.

Changes in options in 2015

The vesting period for the second award cycle expired on 14 June 2015. In accordance with the Terms and Conditions of this plan, 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 as well as the additional options resulting from dividends paid during the vesting period. On 8 May 2015, Atlantia's Board of Directors, exercising the authority provided for in the Plan Terms and Conditions, awarded the plan beneficiaries, in place of these 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, determined with a calculation method which allow the beneficiaries to receive a net amount equal to what would have been received if they had exercised the additional options (resulting in the award of shares in Atlantia and payment of the exercise price) and sold the underlying shares in the market. On expiry of the vesting period, this resulted in the award of a total of 52,359 phantom options for the second cycle of the 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.

During 2015, a number of beneficiaries exercised vested options and paid the established exercise price; this entailed the allocation to them of Atlantia's ordinary shares held by the Company as treasury shares. This resulted in the transfer of:

- a) 99,018 of Atlantia's ordinary shares to beneficiaries in connection with the first cycle, the vesting period for which expired on 13 May 2014, accompanied by the exercise of 173,762 phantom options awarded in 2014; following the exercise of these options, the first cycle of the Plan has for all purposes concluded;
- b) 186,982 of Atlantia's ordinary shares to beneficiaries in connection with the second cycle, the vesting period for which expired on 14 June 2015, whilst no phantom options awarded in 2015 were exercised.

Thus, as at 31 December 2015, taking into account lapsed options at that date, the remaining options outstanding total 1,617,902, including 52,359 phantom options awarded under the second cycle (the unit fair values of which, as at 31 December 2015, was measured as €21.29, in place of the unit fair values at the grant date).

2011 Share Grant Plan

Description

As approved by the Annual General Meeting of Atlantia's shareholders on 20 April 2011, and amended by the Annual General Meeting of Atlantia's shareholders on 30 April 2013, the 2011 Share Grant Plan entails the grant of up to 920,000 units free of charge in three annual award cycles (2011, 2012 and 2013). Each unit will grant beneficiaries the right to receive one Atlantia ordinary share held in treasury, with settlement involving either physical delivery or, at

the beneficiary's option, a cash payment equivalent to the proceeds from the sale of the shares on the stock exchange organised and managed by Borsa Italiana SpA.

The units granted will vest in accordance with the Plan terms and conditions and, in particular, only if, on expiration of the vesting period (three years from the date the units are granted to beneficiaries by the Board of Directors), cumulative FFO for the three annual reporting periods preceding expiration of the vesting period, adjusted for a number of specific items (total operating cash flow of the Group, Atlantia or of certain of its subsidiaries – depending on the role held by the various beneficiaries of the Plan) is higher than a pre-established target, unless otherwise decided by Atlantia's Board of Directors. Vested units may be converted into shares, in part, after one year from the date of expiration of the vesting period and, in part, after two years from the date of expiration of the vesting period (subject to the clause in the Plan terms and conditions requiring executive Directors and key management personnel to maintain a minimum holding). The number of convertible units will be calculated on the basis of a mathematical algorithm that takes account, among other things, of the current value and initial value of the shares so as to cap the realisable gain.

Changes in units in 2015

The vesting period for the second award cycle expired on 14 June 2015. In accordance with the Terms and Conditions of this plan, following confirmation of effective achievement of the related performance hurdles, the units previously awarded vested: these units may be converted into Atlantia's ordinary shares from 14 June 2016.

In addition, with regard to the first award cycle, the vesting period for which expired on 13 May 2014, on 15 May 2015 vested units were converted, in accordance with the Plan Terms and Conditions, into Atlantia's ordinary shares. As a result, Plan beneficiaries received 97,439 shares held by the Company as treasury shares. The remaining units will be converted into Atlantia's ordinary shares from 15 May 2016.

As at 31 December 2015, taking into account lapsed units at that date, the remaining units outstanding total 624,093.

MBO - Share Grant Plan

Description

As approved by the Annual General Meetings of Atlantia's shareholders on 20 April 2011 and amended by the Annual General Meetings of 30 April 2013 and 16 April 2014, the MBO Share Grant Plan, serving as part payment of the annual bonus for the achievement of objectives assigned to each beneficiary under the Management by Objectives (MBO) plan adopted by the Atlantia Group in 2011, 2012 and 2013, entails the grant of up to 340,000 units free of charge annually for three years (2012, 2013 and 2014). Each unit will grant beneficiaries the right to receive one ordinary share in Atlantia SpA held in treasury.

The units granted (the number of which is based on the unit price of the company's shares at the time of payment of the bonus, and on the size of the bonus effectively awarded on the basis of achievement of the assigned objectives) will vest in accordance with the Plan terms and conditions, on expiration of the vesting period (three years from the date of payment of the annual bonus to beneficiaries, following confirmation that the objectives assigned have been achieved). Vested units will be converted into a maximum number of shares on expiration of the vesting period (subject to the clause in the Plan terms and conditions requiring executive Directors and key management personnel to maintain a minimum holding), on the basis of a mathematical algorithm that takes account, among other things, of the current value and initial value of the shares, plus any dividends paid during the vesting period, so as to cap the realisable gain.

Changes in the units in 2015

The vesting period for the MBO Plan units awarded in relation to the objectives for 2011 expired on 14 May 2015. In accordance with the Terms and Conditions of this plan, all the units awarded thus vested, resulting in their conversion into Atlantia's ordinary shares and the allocation to beneficiaries of 101,096 shares held by the parent as treasury shares.

In addition, on 8 May 2015, Atlantia's Board of Directors, exercising the authority provided for in the Plan Terms and Conditions, awarded the plan beneficiaries a gross amount in cash in place of the additional units to be awarded as a result of the payment of dividends during the vesting period. This amount is computed in such a way as to enable beneficiaries to receive a net amount equal to what they would have received in case they had been awarded a number of Atlantia shares equal to the additional units and sold these shares in the market. Following the conversion of these units, there are no remaining units outstanding in relation to the awards for 2012.

As at 31 December 2015, the remaining units outstanding total 152,150.

The following table shows the main aspects of the "2014 Phantom Share Option Plan", unlike the other plans settled entirely in cash. The table shows the options awarded to directors and employees of the Company and changes (in terms of new awards and the exercise, conversion or lapse of rights, and transfers or secondments to other Atlantia

Group companies) during 2015. The table also shows the fair value (at the grant date) of each option awarded, as determined by a specially appointed expert, using the Monte Carlo model and other assumptions.

	Number of options/ units awarded (***)	Vesting date	Exercise/ Grant date	Exercise price (€)	Fair value of each option or unit at grant date (€)	Expected expiration at grant date (years)	Risk free interest rate used	Expected volatility (based on historic mean)	Expected dividends at grant date
2014 PHANTOM SHARE OPTION PLAN									
Options outstanding as at 1 January 2015									
– 9 May 2014 grant	1,566,736	09/05/2017	09/05/2020	n.a. (*)	2.88	3.0-6.0	1.10%	28.9%	5.47%
– deconsolidation of a company	-125,222								
– transfers/ secondments	-30,973								
Total	1,410,541								
Changes in options in 2015									
– 8 May 2015 grant	1,436,941	09/05/2018	08/05/2021	n.a. (*)	2.59	3.0-6.0	1.01%	25.8%	5.32%
– transfers/ secondments	24,305								
– options lapsed	-149,849								
Options outstanding as at 31 December 2015	2,721,938								

(*) Given that this is a cash bonus plan, involving payment of a gross amount in cash, the 2014 Phantom Share Option Plan does not require an exercise price. However, the Terms and Conditions of this specific plan indicate an “Exercise price” (equal to the arithmetic mean of Atlantia’s share price in a determinate period) as the basis on which to calculate the gross amount to be paid to beneficiaries.

2014 Phantom Share Option Plan

Description

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 approved, within the scope of its responsibilities, by Autostrade per l’Italia’s Boards of Directors on 13 June 2014. 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 increase in the value of Atlantia’s ordinary shares in the relevant three-year 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.

Changes in options in 2015

On 8 May 2015, Atlantia’s Board of Directors selected the beneficiaries for the second cycle of the plan in question, subsequently approved, within the scope of its responsibilities, by Autostrade per l’Italia’s Boards of Directors on 12 June 2015. This resulted in the award of a total of 1,436,941 phantom options with a vesting period from 8 May 2015 to 8 May 2018 and an exercise period, on achievement of the relevant hurdles, from 9 May 2018 to 8 May 2021.

Thus, as at 31 December 2015, taking into account lapsed options at that date, the remaining options outstanding total 2,721,938, including 1,410,541 phantom options awarded under the first cycle and 1,311,397 phantom options awarded under the second cycle (the unit fair values of which as at 31 December 2015 were measured as €4.10 and €2.33, respectively, in place of the unit fair values at the grant date).

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

- a) price as at 31 December 2015: €24.57;
- b) price as at 8 May and 15 June 2015 (the grant date for new options or units, as described): €23.58 and €21.73, respectively;
- c) the weighted average price for 2015: €23.64;
- d) the weighted average price for the period 8 May 2015-31 December 2015: €23.89;
- e) the weighted average price for the period 14 June 2015-31 December 2015: €24.01.

In accordance with the requirements of IFRS 2, as a result of existing plans, in 2015 the Group has recognised staff costs, as indicated in note 6.7, of €8,316 thousand, based on the accrued fair value of the options and units awarded at that date, including €4,797 thousand accounted for as an increase in equity reserves. In contrast, the liabilities represented by phantom share options outstanding as at 31 December 2015 have been recognised in other current and non-current liabilities, based on the assumed exercise date. In addition, the Company has recognised the accrued portion of share-based incentive plans, with regard to the benefits awarded to certain directors and employees at its subsidiaries, in "Investments", as described in note 7.3.

10.7 Significant legal and regulatory aspects

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 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 year ended 31 December 2015.

Italian motorways

Toll increases with effect from 1 January 2016

The decrees issued by the Minister of Infrastructure and Transport and Minister of the Economy and Finance on 31 December 2015 approved the following:

- a) Autostrade per l'Italia's right, in accordance with its request to the Grantor, to apply an increase of 1.09% with effect from 1 January 2016, corresponding to the sum of the following components:
 - 0.00% for inflation;
 - 0.97% to provide a return capital expenditure via the "X" tariff component;
 - 0.12% to provide a return on investment via the "K" tariff component;
- b) the provisional suspension of the toll increases to be applied by Tangenziale di Napoli, Raccordo Autostradale Valle d'Aosta and Società Autostrada Tirrenica with effect from 1 January 2016 (the increases thus amount to 0.00%), whilst awaiting approval of the operators' revised financial plans. The toll increases will be finalised by the interministerial decree approving the related addenda revising the financial plans, subject to the right of the operators to recoup any toll increases on the basis of the revised financial plans. Revenue lost as a result of suspension of the increases will be taken into account in the toll increases for 2017. The above companies have challenged the legislation suspending the toll increases for 2016;
- c) the absence of any toll increase for Autostrade Meridionali, given that its concession expired on 31 December 2012. Autostrade Meridionali has brought a legal challenge contesting the above decision, in line with 2014 (the related legal challenge was upheld by the Campania Regional Administrative Court sentence of 22 January 2015) and 2015 (judgement is pending).

Based on bilateral agreements between Italy and France, Traforo del Monte Bianco has applied an increase of 0.02% from 1 January 2016, in compliance with the relevant Intergovernmental Committee resolution. This was determined on the basis of inflation (the average rate for Italy and France).

Legal actions brought by Autostrade Meridionali, challenging the Grantor

In addition to the above challenges regarding tolls, on 19 March 2015 Autostrade Meridionali brought an action before Campania Regional Administrative Court, challenging the Grantor's failure to respond to a request to review its toll

structure with effect from 1 January 2015 in order to maintain the same level of revenue for the company, as provided for in the existing toll policies. In a sentence entered on 11 June 2015, Campania Regional Administrative Court upheld Autostrade Meridionali's challenge, ordering the Grantor to respond to the above request within 30 days of the date of notification of the sentence, which took place on 10 July 2015. As things stand, the Grantor has yet to respond to the request.

On 24 April 2015, the company also brought an action before Campania Regional Administrative Court, challenging the Grantor's adoption of a financial rebalancing plan for the period from 1 January 2013 (the date of expiry of the concession) and 31 December 2015 (the date on which it was assumed that the new operator would take over, at the time of filing the action). The Campania Regional Administrative Court sentence entered on 30 July 2015 upheld Autostrade Meridionali's challenge, ruling that the Grantor's failure to respond to the request for adoption of a new financial plan for the concession period 2013-2015 is unlawful. The Grantor appealed the above sentence before the Council of State in October 2015. Judgement is pending.

Reduced tolls for frequent users

The reduced tolls for frequent users, introduced by the Memorandum of Understanding of 24 February 2014 signed by a number of motorway operators, including Autostrade per l'Italia and the trade association, AISCAT, have been extended, at the request of the Minister of Infrastructure and Transport on 31 December 2015, for a further 12 months, and therefore until the end of 2016. Recovery of the revenue lost as a result of the initiative during the period 1 June 2014-31 December 2016 is assured on the basis of the criteria set out in the Memorandum. One of the options for operators requesting such a solution (as notified to the above Ministry by Autostrade per l'Italia) is the application of a specific toll increase to be introduced in the first year of the next regulatory period.

II Addendum to Autostrade per l'Italia's Single Concession Arrangement

On 10 December 2015, the Ministry of Infrastructure and Transport and Autostrade per l'Italia signed the II Addendum to the Single Concession Arrangement, which has added the Casalecchio-Northbound interchange to Autostrade per l'Italia's investment commitments. This project requires a commitment to invest up to a total of approximately €157 million, with around €2 million already invested as at 31 December 2015 to cover the cost of design, and the remainder to be paid to ANAS on the basis of the state of progress of the works. ANAS is to build and then manage the road. The Addendum will be effective once the Minister of Infrastructure and Transport and Minister of the Economy and Finance have issued the relevant decree and it has been registered with the Court of Auditors.

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

Following signature of the memoranda of understanding at the end of 2014 by the Ministry of Infrastructure and Transport and Tangenziale di Napoli and Raccordo Autostradale Valle d'Aosta – in accordance with which, the new financial plans should be formalised in addenda to be signed and approved by 30 June 2015 –, in May 2015 the two companies submitted new five-yearly revisions of their financial plans taking account of a number of requests from the Grantor. The process of drawing up the addenda is, however, still under way.

Addendum to Società Autostrada Tirrenica's Single Concession Arrangement

In response to observations from the European Commission regarding, among other things, extension of the concession to 2046, on 14 October 2014 the Grantor sent Società Autostrada Tirrenica a draft addendum envisaging extension of the concession to 2043, completion of work on the Civitavecchia-Tarquinia section (in progress), and eventual completion of the motorway (in sections, if necessary) to be put out to tender.

Completion of the motorway is subject to fulfilment of the technical and financial conditions to be verified jointly by the grantor and the operator and execution of an addendum to the Concession Arrangement, with a viable financial plan attached. Subsequently, on 13 May 2015, a memorandum of understanding was signed by the Grantor, Tuscany Regional Authority, Lazio Regional Authority, Autostrade per l'Italia and Società Autostrada Tirrenica with an attached draft addendum which, whilst maintaining the duration of the concession until 2043, a viable financial plan for the Civitavecchia-Tarquinia section and the obligation to put all the works out to tender, provides for further commitments regarding the design of the Tarquinia-Ansedonia and Ansedonia-Grosseto South sections and of the improvements to the existing dual carriageway (the SS. 1 Variante Aurelia) between Grosseto South and San Pietro in Palazzi, retaining the current layout of the road.

Performance of the above construction work is subject to positive outcomes of studies of the technical/design, financial and administrative feasibility to be conducted jointly by the Grantor and Società Autostrada Tirrenica and execution of an addendum with a viable financial plan.

Following a request from the Grantor on 5 June 2015, after further discussion with Italy's representative office at the EU, on 24 June 2015 Società Autostrada Tirrenica prepared and submitted further versions of a financial plan, relating to (i) the sections in operation and the Civitavecchia-Tarquinia section under construction, and (ii) the entire Civitavecchia-San Pietro in Palazzi section of road, both expiring on 31 December 2040.

Finally, again at the Grantor's request, on 6 August 2015 Società Autostrada Tirrenica submitted a draft financial plan for the sections in operation between Livorno and Cecina and Rosignano and San Pietro in Palazzi and for the section under construction between Civitavecchia and Tarquinia, with an expiry date of 2028 if the financial design for the San Pietro in Palazzi-Tarquinia section and the financial plan for the entire road not be approved by 2017.

Award of the concession for the A3 Naples-Pompei-Salerno motorway

With regard to award of the concession for maintenance and operation of the Naples-Pompei-Salerno motorway (the previous concession expired at the end of 2012), Autostrade Meridionali, which continues to operate the motorway under a contract extension, submitted its bid on 23 April 2015.

On 16 November 2015, the Tender Committee raised a number of doubts regarding the two bids received, proposing to disqualify both. The two bidders responded with a request to be allowed to resolve the issues raised and thus continue with the tender process. The Grantor thus submitted a supplement to the procedure to the Tender Committee and, on 16 December 2015, informed the bidders that the final outcome of the tender process will be announced at the next public session of the Committee, which has, however, yet to be scheduled.

The bidder, Consorzio Stabile SIS, has brought a legal challenge before Campania Regional Administrative Court, contesting the minutes of the meeting of 16 November 2015. This challenge, which was not notified to Autostrade Meridionali, will be discussed at a hearing on 9 March 2016. The company will be represented in court in order to object to the challenge on the grounds of inadmissibility, given that the conclusions of the Tender Committee are not final in view of the position adopted by the Grantor.

Enabling Act on tenders and concessions

Enabling Act 11 of 28 January 2016 regarding tenders and concessions, designed to apply the relevant EU directives and reform the regulations governing public contracts, was published in the Official Gazette of 29 January 2016.

In this regard, the legislation has introduced an obligation for public and private entities, who hold an existing or future concession to provide public works or services, to award 80% of the related contracts for works, services or goods, with a value of over €150 thousand, by public tender. The legislation also establishes that the remaining part may be carried out in-house, in the case of public entities, or by direct or indirect subsidiaries or associates in the case of private entities. The legislation provides for a transitional period of adjustment of no more than twenty-four months in the case of existing concessions. The only exclusions from compliance with the above obligation are existing or future concessions awarded in the form of project financing, and existing or future concessions awarded by public tender in accordance with EU law, for which existing legislation governing tenders in force at the date of entry into effect of the enabling act (13 February 2016) will continue to apply.

By 18 April 2016, the government is authorised to issue a legislative decree applying the above EU directives, in accordance with the criteria contained in the enabling act.

Litigation regarding the Ministry of Infrastructure and Transport and the Ministry for Economic Development decree of 7 August 2015 and competitive tenders for oil and food services at service areas

On 7 August 2015, the Ministry of Infrastructure and Transport and the Ministry for Economic Development issued a decree approving the plan to restructure the motorway service area network.

The plan envisages steps to rationalise the network and revisit the manner in which services are provided to motorway users and the tender process for the award of the related concessions, in keeping with the Guidelines of 29 March 2013 and 29 January 2015.

The above Plan envisages, among other things, (i) the closure of 15 service areas on Autostrade per l'Italia's network and (ii) the option of revisiting the manner in which services are provided by operators. With regard to the decree and with reference to the competitive tenders for the award of concessions at service areas, a number of challenges have been brought before Lazio Regional Administrative Court, in which Autostrade per l'Italia is a party. These appeals can be summarised as follows:

- a) an appeal, with a request for injunctive relief, brought by Unione Petrolifera, the trade body representing oil service providers, and notified to AISCAT, with the aim of obtaining the cancellation of the above decree of 7 August 2015 and all other related or connected acts;

- b) an appeal, with a request for injunctive relief, brought by a number of certain oil service providers (Q8, TotalErg, API) with the aim of obtaining the cancellation of the above decree of 7 August 2015 and all other related or connected acts;
- c) an appeal, with a request for injunctive relief, brought by Maglione Srl (Sarni group), with the aim of contesting the tender process for the award of a unified concession called by the Advisor, Roland Berger, appointed by Autostrade per l'Italia;
- d) appeals, with in some cases a request for injunctive relief, brought by individual oil service providers, with the aim of obtaining the cancellation of the above decree of 7 August 2015 and all other related or connected acts, including those regarding the competitive tenders called and those relating to the closure of service areas. Certain appeals also involve claims for compensation;
- e) an appeal brought by trade bodies representing oil service providers, contesting initial calls for tenders for oil service concessions, published by Autostrade per l'Italia in June 2015, and the related acts.

The requests for injunctive relief have been turned down. In some cases, the plaintiffs have appealed to the Council of State against the refusal to grant injunctive relief; as of 4 March 2016, these appeals have also been rejected. In addition, the acts relating to a number of competitive tenders for oil service concessions, forming part of the first tranche of awards, have been challenged before Lazio Regional Administrative Court by TotalErg and ENI. In particular, the requests for injunctive relief filed by the plaintiff, TotalErg, regarding awards in the first tranche have been rejected by both the Regional Administrative Court and the Council of State. The two plaintiffs, TotalErg and ENI, have requested a hearing on the merits of the second tranche of awards. Hearings on the merits of the above challenges at Lazio Regional Administrative Court are, if scheduled, expected to take place from April 2016.

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

On 28 July 2013, there was an accident, involving a coach travelling along the Naples-bound carriageway (at km 32+700) of the Acqualonga viaduct on the A16 Naples-Canosa motorway, operated by Autostrade per l'Italia. At the beginning of 2015, all those under investigation, including the Chief Executive Officer, received notice of completion of the preliminary investigation. Including executives, former managers and former employees, twelve of Autostrade per l'Italia's employees are under investigation. At the preliminary hearing held on 22 October 2015, after two adjournments due to irregularities in the writs of summons, the court admitted the entry of appearance of the civil parties and ordered, at the request of the civil parties, the citation of Autostrade per l'Italia and Reale Mutua (the company that insured the coach) as liable in civil law. At the hearing of 17 December 2015, Autostrade per l'Italia and Reale Mutua were represented in court and the Public Prosecutors concluded their briefs requesting the indictment of all the defendants. At the hearing of 14 January 2016, evidence was presented by the attorneys for the defendants and the civil parties. Discussion of the defence of all the accused took place at the hearing of 22 February 2016 and will continue at the hearing of 14 March 2016.

To date, approximately 60% of the civil parties have received compensation and have, therefore, withdrawn their actions following payment of their claims by Autostrade per l'Italia's insurance provider under the existing general liability policy.

In addition to the criminal proceedings, a number of civil actions have been brought and were recently combined by the Civil Court of Avellino.

Following the combination of the various proceedings, judgement is pending before the Civil Court of Avellino in relation to: (i) the original action brought by Reale Mutua Assicurazioni, the company that insured the coach, in order to make the maximum claim payable available to the damaged parties, including Autostrade per l'Italia (€6 million), (ii) subsequent claims, submitted as counterclaims or on an individual basis, by a number of damaged parties, including claims against Autostrade per l'Italia.

Subject to the permission of the court, Autostrade per l'Italia intends to refer claimants to its insurance provider (Swiss Re International), with a view to being indemnified against any claims should it lose the case.

In addition, as a result of the accident, the Autorità di Vigilanza sui Contratti Pubblici (the Authority for the Control of Public Contracts, now known as the Autorità Nazionale Anticorruzione, Italy's National Anti-Corruption Authority) launched an investigation of Autostrade per l'Italia regarding maintenance, carried out over the years, of the section of the A16 Naples-Canosa motorway including the above Acqualonga viaduct. On completing its investigation, the National Anti-Corruption Authority published resolution 30 of 22 December 2014, registered on 22 January 2015, stating that it had found clear evidence of irregularities in the work carried out in 2012 in order to upgrade the safety barriers on the Naples-Canosa section, which should also have included, according to the Authority, the Acqualonga viaduct.

Based on the opinion of its own technical units, Autostrade per l'Italia responded to the Authority on 24 February 2015, contesting the conclusions contained in the above resolution.

Investigation by the Public Prosecutor's Office in Prato of a fatal accident to a worker employed by Pavimental

On 27 August 2014, a worker employed by Pavimental SpA – the company contracted by Autostrade per l'Italia to carry out work on the widening of the A1 to three lanes – was involved in a fatal accident whilst at work. In response, the Public Prosecutor's Office in Prato has placed a number of Pavimental personnel under criminal investigation for reckless homicide, alleging violation of occupational health and safety regulations.

In December 2014, Autostrade per l'Italia was notified of a request for information from the Company, together with a request to appoint a defence counsel and elect an address for service, given that the Company is considered a juridical person under investigation in accordance with Legislative Decree 231/2001 (regarding the administrative responsibility of corporate entities). The crime of which Autostrade per l'Italia is accused is that defined in article 25 septies of Legislative Decree 231/2001, in relation to article 589, paragraph 3 of the penal code ("Reckless homicide committed in violation of occupational health and safety regulations").

The suspects include Autostrade per l'Italia's Project Manager. Pavimental has also been ordered to hand over documentation. Preliminary investigations are underway and a preliminary hearing has been requested by the defence counsel of one of the suspects employed by Pavimental, with the aim of appointing experts to reconstruct the dynamics of the fatal accident.

The hearing, held to examine the experts' report, took place on 5 February 2016, during which the expert appointed by the court concluded that the company's Organisational, Management and Control Model, required by Legislative Decree 231/2001, and the related procedures were broadly in compliance with the Decree.

At the hearing of 24 February 2016, scheduled to enable the defendants' attorneys to respond, the preliminary hearing held to examine the experts' report came to an end. The decision of the Public Prosecutor's office is now awaited.

Investigation by the Public Prosecutor's Office in Florence of the state of New Jersey barriers installed on the section of motorway between Barberino and Roncobilaccio

On 23 May 2014, the Public Prosecutor's Office in Florence issued an order requiring Autostrade per l'Italia to hand over certain documentation, following receipt, on 14 May 2015, of a report from Traffic Police investigators in Florence noting the state of disrepair of the New Jersey barriers on the section of motorway between Barberino and Roncobilaccio. The report alleges negligence on the part of unknown persons, as defined by article 355, paragraph 2.3 of the penal code (breach of public supply contracts concerning "goods or works designed to protect against danger or accidents to the public").

At the same time, the Prosecutor's Office ordered the seizure of the New Jersey barriers located along the right side of the carriageways between Barberino and Roncobilaccio, on ten viaducts, ordering Autostrade per l'Italia to take steps to ensure safety on the relevant sections of motorway. This seizure was executed on 28 May 2014.

In June 2014, Autostrade per l'Italia's IV Section Department handed over the requested documents to the Police. The documentation concerns the maintenance work carried out over the years on the safety barriers installed on the above section of motorway.

In October 2014, addresses for service were formally nominated for a former General Manager and an executive of Autostrade per l'Italia, both under investigation in relation to the crime defined in article 355 of the penal code.

In addition, at the end of November 2014, experts appointed by the Public Prosecutor's Office, together with experts appointed by Autostrade per l'Italia, carried out a series of sample tests on the barriers installed on the above motorway section to establish their state of repair.

Following the experts' tests, the barriers were released from seizure. Preliminary investigations are still in progress, given that the Public Prosecutor's Office has yet to take a final decision.

Proceedings before the Supreme Court - Autostrade per l'Italia versus Craft Srl (Judgement no. 22563/2015)

Craft Srl holds a patent for a type of speed check equipment. In 2006, Craft filed suit against Autostrade per l'Italia, claiming that the IT system used by the latter for its speed checks ("SICVe Tutor") infringed its patent and requesting the court to, therefore, find in its favour and declare an infringement of its patent. The related claim for damages from Autostrade per l'Italia amounted to approximately €1.8 million.

Autostrade per l'Italia filed a counterclaim, requesting that Craft's patent be declared null and void on the grounds that the patent did not meet the requirements of novelty and innovation. The court of first instance rejected both Craft's claim and Autostrade per l'Italia's counterclaim.

Craft then appealed and the court found that Autostrade per l'Italia had not infringed the patent and that Craft's patent was valid.

In 2012, Autostrade per l'Italia appealed the second judgement before the Supreme Court (Corte di Cassazione), requesting that the case be referred to the Court of Appeal for a judgement declaring the patent null and void.

Craft, for its part, filed a cross-appeal, repeating its request for a judgement upholding its claim that its patent had been infringed.

On 4 November 2015, the First Civil Section of the Supreme Court handed down judgement no. 22563, rejecting Autostrade per l'Italia's appeal and confirming the judgement handed down by the court of second instance in relation to validity of the patent. The Court also upheld Craft's cross-appeal, revoking the previous judgement on the basis of inadequate grounds and referring the case to the Court of Appeal in Rome, before different judges.

There will, therefore, be a new hearing before the Court of Appeal in Rome, to be held by 5 December 2016. The Court must decide whether or not Craft has incurred damages as a result of Autostrade per l'Italia's infringement of its patent.

[Autostrade per l'Italia-Autostrade Tech against Alessandro Patanè and others](#)

On 14 August 2013, Autostrade per l'Italia and Autostrade Tech served a writ on Mr. Alessandro Patanè and the companies linked to him with the aim of protecting the Group's position, following repeated claims filed by Mr. Patanè regarding ownership of the software used in the SICVe (Safety Tutor) system. Patanè responded by filing a counterclaim that included, among other things, a claim for damages of approximately €7.5 billion and permission to summons numerous third parties.

At the hearing of 19 November 2015, the court, having noted Autostrade per l'Italia and Autostrade Tech's refusal to accept the settlement proposed by Mr. Patanè during the previous hearing of 10 June 2015 (a "settlement based on the payment of €240 million for a 20-year licence to use the Tutor software from 2006, and the waiver of any other future claim"), reserved judgement on the objections put forward by Autostrade per l'Italia and Autostrade Tech regarding the inadmissibility of the counterclaim and the request to summons third parties given that they were filed late by Mr. Patanè and his companies.

On 10 December 2015, the court announced its decision, declaring that the plaintiffs had filed their claims late and that the counterclaim and summons of third parties were, therefore, inadmissible. The hearing was adjourned until 9 November 2016, when the case will be heard.

[Appeals brought before the Civil Court of Rome and the Court of Latina in accordance with article 700 of the Code of Civil Procedure](#)

On 24 November 2015 and 4 January 2016, Mr. Patanè and the companies linked to him (MPA Group Srl and Alessandro Patanè Srl) filed two urgent appeals, the first in Rome, against Autostrade per l'Italia, Autostrade Tech, Atlantia and Edizione, the second in Latina, citing ANAS and Deloitte & Touche.

On an urgent preliminary basis, without hearing the defendants, and then with regard to the merits, the appellants made various requests, largely the same as those contained in the counterclaim filed by Mr. Patanè within the context of the action brought by Autostrade per l'Italia and Autostrade Tech against Alessandro Patanè and others.

In both the above actions, the courts turned down the appeals, ordering Mr. Patanè and the companies linked to him to pay the legal expenses of all the parties involved.

[Claim for damages from the Ministry of the Environment](#)

The criminal case (initiated in 2007 and relating to events in 2005) pending before 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. A total of seven hearings were held between September and December 2014, in order to hear evidence from certain witnesses and experts called on by a number of the parties involved.

Numerous hearings were then held in 2015, during which all the witnesses for the prosecution were heard.

In particular, at the hearing of 12 January 2015, in response to matching objections raised by the counsel for the defence, the court issued a lengthy order establishing that the reports on the inspections conducted by the Police, with particular reference to the sampling report collected by the Police under the above warrant, and the ensuing laboratory analyses of the samples, were null and void due to procedural irregularities. Similarly, the reports on the laboratory analyses of the samples collected by ARPAT staff in exercising their regulatory powers were also declared null and void and thus returned to the investigating magistrate as they may no longer be used as evidence.

In response, the investigating magistrate filed an objection to the judge which, in the order dated 9 February 2015, was declared inadmissible by the court appointed to rule on such objections at the Florence Court of Appeal, in view of the absence of any grounds for the objection.

The witnesses and experts called by the defence are currently being heard. Once this process has been completed, the preliminary hearing will conclude.

Investigation by the Public Prosecutor's Office in Vasto of the fatal motorway accident of 21 September 2013

Following the motorway accident of 21 September 2013 at km 450 of the A14, operated by Autostrade per l'Italia, in which several people were killed, the Public Prosecutor's Office in Vasto has launched a criminal investigation, initially against persons unknown.

On 23 March 2015, the Chief Executive Officer and, later, further two executives of the Company received notice of completion of the investigation, containing a formal notification of charges.

The charges relate to negligent cooperation resulting in reckless manslaughter. The Public Prosecutor, following initiatives taken by the defence counsel, has requested that the case be brought to court. Due to irregularities in the writs of summons sent to the defendants, the preliminary hearing was adjourned until 1 March 2016. At this hearing, the case was adjourned until 17 May 2016.

Società Infrastrutture Toscane SpA (in liquidation)

On 25 March 2015, a general meeting of Società Infrastrutture Toscane's shareholders voted to place the company in liquidation and proceeded to appoint a receiver. Furthermore, in a ruling dated 26 May 2015, the Court of Florence declared the action brought by all SIT's shareholders, including Autostrade per l'Italia, opposing the court order applied for by Generali Italia to be terminated (Generali Italia was challenging Tuscany Regional Authority's attempt to enforce the guarantee provided within the context of the initiative).

Overseas motorways

Brazil

The pending legal action regarding the ban on toll charges for the suspended axles of heavy vehicles, involving operators in the State of Sao Paulo, including Triangulo do Sol, is described in detail in the Annual Report for the year ended 31 December 2014. On 24 March 2015, the Supreme Court (Tribunale Superiore di Giustizia or "STJ") for the State of Sao Paulo rejected the challenge brought by the operators with the aim of obtaining a reinstatement of proceedings before the Court of the State of Sao Paulo, ruling it inadmissible. On 14 April 2015, the operators filed an extraordinary challenge against the court's ruling before Brazil's Federal Supreme Court (Supremo Tribunal Federal or "STF"). On 3 June 2015, the STJ refuted the existence of the grounds of a political, social or economic nature necessary for the case to be heard by the STF. On 28 June 2015, the operators filed a further challenge, contesting this preliminary judgement. This challenge was also rejected by the Supreme Court on 5 August 2015.

Thus, as a result of this decision, toll charges for the suspended axles of heavy vehicles are not permitted under the terms of the concession. To date, the operator, Triangulo do Sol (in common with Colinas, which was not a party to the legal action) has, in any event, applied this charge, not in application of any court ruling, but as a means of compensating for the decision, taken by the Public Transport Services Regulator for the State of Sao Paulo (ARTESP) in the same period, not to allow the application of annual toll increases from July 2013.

On 17 April 2015, Federal Law 13103/2015 come into effect. This, among other things, authorises the exemption of road hauliers from the payment of toll charges for the suspended axles of heavy vehicles. The above legislation has been applied by the state of Minas Gerais, whilst the government of the state of Sao Paulo has decided not to apply the exemption. Thus, from 17 April 2015, Rodovias MG050, in Minas Gerais, has ceased charging for the suspended axles of heavy vehicles, whilst operators in the state of Sao Paulo, including Rodovias das Colinas and Triangulo do Sol, continue to levy the charge. Rodovias MG050's lost revenue, following the entry into effect of the above legislation and the resulting cessation of charges for the suspended axles of heavy vehicles, will be recouped in accordance with the terms of the concession arrangement.

The investigation launched by ARTESP on 13 July 2013, with a view to revising the Addenda and Amendments signed and approved by the Regulator and 12 motorway operators in 2006 - the 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 - is described in detail in the Annual Report for the year ended 31 December 2014. On 24 February 2015, the Public Prosecutor for the State of Sao Paulo provided a non-binding opinion the judge appointed to take charge of the investigation relating to the operator, Colinas. This recommended termination of the proceedings underway, reiterating that legality of the Addenda and Amendments of 2006, which were subject to close examination and endorsed by the relevant Ministry. On 10 March 2015, ARTESP responded to the judge, contesting the Public

Prosecutor's opinion and requesting that the investigation continue. On 15 February 2016, the Court of the State of Sao Paulo issued a ruling, granting Rodovias das Colinas the option of submitting a financial assessment to demonstrate its case.

The operators concerned, including Colinas and Triangulo do Sol, and industry insiders, including banks, believe that the risk of a negative outcome is remote. This view is backed up by a number of unequivocal legal opinions provided by leading experts in administrative law and regulation.

Poland

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

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. In December 2015, the court case, during which the parties presented their respective arguments and the various experts and witnesses were heard, came to an end. Judgement is expected by the end of the first half of 2016.

10.8 Events after 31 December 2015

There were no material events after the end of the year under review.

Annexes to the consolidated financial statements

[Annex 1](#) • The Autostrade per l'Italia Group's scope of consolidation and investments as at 31 December 2015

[Annex 2](#) • Disclosure of the fees paid to the Independent Auditors

The above annexes have not been audited.

The Autostrade per l'Italia Group's scope of consolidation and investments as at 31 December 2015

Name	Registered office	Business	Currency
Parent company			
Autostrade per l'Italia SpA	Rome	Motorway operation and construction	Euro
Subsidiaries consolidated on a line-by-line basis			
AD Moving SpA	Rome	Advertising services	Euro
AB Concessões SA	Sao Paulo (Brazil)	Holding company	Brazilian Real
Autostrade Concessões e Participações Brasil Limitada	Sao Paulo (Brazil)	Holding company	Brazilian Real
Autostrade dell'Atlantico Srl	Rome	Holding company	Euro
Autostrade Holding do Sur SA	Santiago (Chile)	Holding company	Chilean Peso
Autostrade Indian Infrastructure Development Private Limited	Mumbai - Maharashtra (India)	Holding company	Indian Rupee
Autostrade Meridionali SpA	Naples	Motorway operation and construction	Euro
Autostrade Portugal - Concessões de Infraestructuras SA	Lisbon (Portugal)	Holding company	Euro
Autostrade Tech SpA	Rome	Information systems and equipment for the control and automation of traffic and road safety	Euro
Concessionária da Rodovia MG050 SA	Sao Paulo (Brazil)	Motorway operation and construction	Brazilian Real
Dannii Holding GmbH	Vienna (Austria)	Acquisition and management of investments	Euro
Ecomouv' Sas	Paris (France)	Financing/design/construction/operation of equipment required for Eco-Taxe	Euro
Electronic Transaction Consultants Co.	Richardson (Texas - Usa)	Management of automated tolling services	Dollaro Usa
EsseDiEsse Società di Servizi SpA	Rome	General and administrative services	Euro
Giove Clear Srl	Rome	Cleaning services	Euro
Grupo Costanera SpA	Santiago (Chile)	Holding company	Chilean Peso
Infoblu SpA	Rome	Traffic information	Euro
Raccordo Autostradale Valle d'Aosta SpA	Aosta	Motorway operation and construction	Euro
Rodovia das Colinas SA	Sao Paulo (Brazil)	Motorway operation and construction	Brazilian Real
Sociedad Concesionaria Amb SA	Santiago (Chile)	Motorway operation and construction	Chilean Peso
Sociedad Concesionaria Autopista Nororiental SA	Santiago (Chile)	Motorway operation and construction	Chilean Peso
Sociedad Concesionaria Autopista Nueva Vespucio Sur SA	Santiago (Chile)	Holding company	Chilean Peso
Sociedad Concesionaria Costanera Norte SA	Santiago (Chile)	Motorway operation and construction	Chilean Peso

Share capital/ consortium fund as at 31/12/2015	Held by	% interest in share capital/ consortium fund as at 31/12/2015	Overall group interest [%]	Note
622,027,000				
1,000,000	Autostrade per l'Italia SpA	100%	100%	
738,652,989	Autostrade Concessões e Participações Brasil Limitada	50.00%	50.00%	(1)
729,590,863		100%	100%	
	Autostrade Portugal - Concessões de Infrastructuras SA	25.00%		
	Autostrade dell'Atlantico Srl	41.14%		
	Autostrade Holding do Sur SA	33.86%		
1,000,000	Autostrade per l'Italia SpA	100%	100%	
51,496,805,692		100%	100%	
	Autostrade dell'Atlantico Srl	99.99%		
	Autostrade per l'Italia SpA	0.01%		
500,000		100%	100%	
	Autostrade per l'Italia SpA	99.99%		
	Spea Engineering SpA	0.01%		
9,056,250	Autostrade per l'Italia SpA	58.98%	58.98%	(2)
30,000,000	Autostrade dell'Atlantico Srl	100%	100%	
1,120,000	Autostrade per l'Italia SpA	100%	100%	
113,525,350	AB Concessões SA	100%	50.00%	
10,000	Autostrade Tech SpA	100%	100%	
30,000,000	Autostrade per l'Italia SpA	70.00%	70.00%	
20,000,000	Autostrade dell'Atlantico Srl	64.46%	64.46%	
500,000	Autostrade per l'Italia SpA	100%	100%	
10,000	Autostrade per l'Italia SpA	100%	100%	
465,298,430,418	Autostrade dell'Atlantico Srl	50.01%	50.01%	
5,160,000	Autostrade per l'Italia SpA	75.00%	75.00%	
343,805,000	Società Italiana pA per il Traforo del Monte Bianco	47.97%	24.46%	(3)
226,145,401	AB Concessões SA	100%	50.00%	
5,875,178,700		100%	50.01%	
	Grupo Costanera SpA	99.98%		
	Sociedad Gestion Vial SA	0.02%		
22,738,904,654		100%	50.01%	
	Grupo Costanera SpA	99.90%		
	Sociedad Gestion Vial SA	0.10%		
166,967,672,229		100%	50.01%	
	Grupo Costanera SpA	99.99996%		
	Sociedad Gestion Vial SA	0.00004%		
58,859,765,519		100%	50.01%	
	Grupo Costanera SA	99.99804%		
	Sociedad Gestion Vial SA	0.00196%		

Name	Registered office	Business	Currency
Sociedad Concesionaria de Los Lagos SA	Llanquihue (Chile)	Motorway operation and construction	Chilean Peso
Sociedad Concesionaria Litoral Central SA	Santiago (Chile)	Motorway operation and construction	Chilean Peso
Sociedad Concesionaria Vespuccio Sur SA	Santiago (Chile)	Motorway operation and construction	Chilean Peso
Sociedad Gestion Vial SA	Santiago (Chile)	Construction and maintenance of roads and traffic services	Chilean Peso
Sociedad Operacion y Logistica de Infraestructuras SA	Santiago (Chile)	Concession construction and services	Chilean Peso
Società Autostrada Tirrenica pA	Rome	Motorway operation and construction	Euro
Società Italiana pA per il Traforo del Monte Bianco	Pré Saint Didier (Aosta)	Mont Blanc tunnel operation and construction	Euro
Soluciona Conservação Rodoviaria Ltda	Matao (Brazil)	Motorway maintenance	Brazilian Real
Stalexport Autoroute Sàrl	Luxembourg (Luxembourg)	Motorway services	Euro
Stalexport Autostrada Małopolska SA	Mysłowice (Poland)	Motorway operation and construction	Polish Zloty
Stalexport Autostrady SA	Mysłowice (Poland)	Holding company	Polish Zloty
Tangenziale di Napoli SpA	Naples	Motorway operation and construction	Euro
Tech Solutions Integrators Sas (in liquidation)	Paris (France)	Construction, installation and maintenance of electronic tolling systems	Euro
Telepass SpA	Rome	Automated tolling services	Euro
Triangulo do Sol Auto-Estradas SA	Matao (Brazil)	Motorway operation and construction	Brazilian Real
Via4 SA	Mysłowice (Poland)	Motorway services	Polish Zloty

(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 Expandi market.

(3) The issued capital is made up of €284,350,000 in ordinary shares and €59,455,000 in preference shares. The percentage interest is calculated with reference to all shares in issue, whereas the 58.00% of voting rights is calculated with reference to ordinary voting shares.

(4) On 29 December 2015, Società Autostrada Tirrenica, following authorisation by the general meeting of shareholders held on the same date, purchased 109,600 own shares from non-controlling shareholders. Autostrade per l'Italia's interest is, therefore, equal to 99.99% as at 31 December 2015 (the percentage interest calculated on the basis of the ratio of shares held by Autostrade per l'Italia and the subsidiary's total shares is 99.93%).

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

Share capital/ consortium fund as at 31/12/2015	Held by	% interest in share capital/ consortium fund as at 31/12/2015	Overall group interest [%]	Note	
53,602,284,061			100%		
	Autostrade Holding do Sur SA	99.95238%			
	Autostrade dell'Atlantico Srl	0.04762%			
18,368,224,675			100%	50.01%	
	Grupo Costanera SpA	99.99%			
	Sociedad Gestion Vial SA	0.01%			
52,967,792,704			100%	50.01%	
	Sociedad Concesionaria Autopista Nueva Vespucio Sur SA	99.9975%			
	Sociedad Gestion Vial SA	0.0025%			
397,237,788			100%	50.01%	
	Grupo Costanera SA	99.99%			
	Sociedad Operacion y Logistica de Infraestructuras SA	0.01%			
11,736,819			100%	50.01%	
	Grupo Costanera SpA	99.99%			
	Sociedad Gestion Vial SA	0.01%			
24,460,800	Autostrade per l'Italia SpA		99.93%	99.99%	(4)
198,749,200	Autostrade per l'Italia SpA		51.00%	51.00%	
	AB Concessões SA		100%	50.00%	
56,149,500	Stalexport Autostrady SA		100%	61.20%	
66,753,000	Stalexport Autoroute Sàrl		100%	61.20%	
185,446,517	Autostrade per l'Italia SpA		61.20%	61.20%	(5)
108,077,490	Autostrade per l'Italia SpA		100%	100%	
2,000,000	Autostrade per l'Italia SpA		100%	100%	
26,000,000			100%	100%	
	Autostrade Per L'Italia SpA	96.15%			
	Autostrade Tech SpA	3.85%			
71,000,000	Atlantia Bertin Concessões SA		100%	50.00%	
500,000	Stalexport Autoroute Sàrl		55.00%	33.66%	

Name	Registered office	Business
Investments accounted for using the equity method		
Associates		
Pavimental SpA	Rome	Motorway and airport construction and maintenance
Spea Engineering SpA	Rome	Integrated technical engineering services
Autostrade for Russia GmbH	Wien (Austria)	Holding company
Bologna & Fiera Parking SpA	Bologna	Design, construction and management of multi-level public car parks
Biuro Centrum Spzoo	Katowice (Poland)	Administrative services
Pedemontana Veneta SpA (in liquidation)	Verona	Motorway operation and construction
Società Infrastrutture Toscane SpA (in liquidation)	Rome	Motorway operation and construction
Joint Venture		
A&T Road Construction Management and Operation Private Limited	Pune - Maharashtra (India)	Operation and maintenance, design and project management
Concessionária Rodovias do Tietê SA	Sao Paulo (Brazil)	Motorway operation and construction
GEIE del Traforo del Monte Bianco	Courmayeur (Aosta)	Maintenance and operation of Mont Blanc tunnel
Investments accounted for at cost or fair value		
Unconsolidated subsidiaries		
Petrostal SA (in liquidation)	Warsaw (Poland)	Real estate services
Other investments		
Centro Intermodale Toscano Amerigo Vespucci SpA	Livorno	Distribution centre
Huta Jednosc SA	Siemianowice (Poland)	Steel trading
Inwest Star SA (in liquidation)	Starachowice (Poland)	Steel trading
Italmex SpA (in liquidation)	Milan	Trading agency
Lusoponte - Concessionaria Para a Travessia do Tejo	SA Montijo (Portugal)	Motorway operation
Konsorcjum Autostrada Slask SS	Katowice (Poland)	Motorway operation and construction
Tangenziale Esterna SpA	Milan	Motorway operation and construction
Tangenziali Esterne di Milano SpA	Milan	Construction and operation of Milan ring road
Uirnet SpA	Rome	Operation of national logistics network
Veneto Strade SpA	Venice	Construction and maintenance of roads and traffic services
Walcownia Rur Jednosc Spzoo	Siemianowice (Poland)	Steel trading
Zakłady Metalowe Dezamet SA	Nowa Deba (Poland)	Steel trading
Consortia		
Consorcio Anhanguera Norte	Riberao Preto (Brazil)	Construction consortium
Consorzio Autostrade Italiane Energia	Rome	Electricity procurement
Consorzio Midra	Florence	Scientific research for device based technologies
Costruzioni Impianti Autostradali S.c.ar.l.	Rome	Construction of public works and infrastructure

Currency	Share capital/ consortium fund as at 31/12/2014	Held by	% interest in share capital/ consortium fund as at 31/12/2014
Euro	10,116,452	Autostrade per l'Italia SpA	20.00%
Euro	6,966,000	Autostrade per l'Italia SpA	20.00%
Euro	60,000	Autostrade Tech SpA	25.50%
Euro	2,715,200	Autostrade per l'Italia SpA	36.81%
Polish Zloty	80,000	Stalexport Autostrady SA	40.63%
Euro	6,000,000	Autostrade per l'Italia SpA	29.77%
Euro	15,000,000	Autostrade per l'Italia SpA	46.00%
Indian Rupee	100,000	Autostrade Indian Infrastructure Development Private Limited	50.00%
Brazilian Real	303,578,476	AB Concessões SA	50.00%
Euro	2,000,000	Società Italiana pA per il Traforo del Monte Bianco	50.00%
Polish Zloty	2,050,500	Stalexport Autostrady SA	100%
Euro	11,756,695	Società Autostrada Tirrenica pA	0.43%
Polish Zloty	27,200,000	Stalexport Autostrady SA	2.40%
Polish Zloty	11,700,000	Stalexport Autostrady SA	0.26%
Euro	1,464,000	Stalexport Autostrady SA	4.24%
Euro	25,000,000	Autostrade Portugal - Concessões de Infraestructuras SA	17.21%
Polish Zloty	1,987,300	Stalexport Autostrady SA	5.43%
Euro	464,945,000	Autostrade per l'Italia SpA	0.25%
Euro	220,344,608	Autostrade per l'Italia SpA	13.67%
Euro	1,061,000	Autostrade per l'Italia SpA	1.51%
Euro	5,163,200	Autostrade per l'Italia SpA	5.00%
Polish Zloty	220,590,000	Stalexport Autostrady SA	0.01%
Polish Zloty	19,241,750	Stalexport Autostrady SA	0.26%
Brazilian Real	-	Autostrade Concessões e Participações Brasil	13.13%
Euro	113,949	Autostrade per l'Italia SpA	27.30%
		Tangenziale di Napoli SpA	2.00%
		Società Italiana pA per il Traforo del Monte Bianco	1.90%
		Raccordo Autostradale Valle d'Aosta SpA	1.10%
		Società Autostrada Tirrenica pA	0.30%
		Autostrade Meridionali SpA	0.90%
		Pavimental SpA	1.00%
Euro	73,989	Autostrade Tech SpA	33.33%
Euro	10,000	Autostrade Tech SpA	20.00%

Name	Registered office	Business
Idroelettrica Scrl	Châtillon (Aosta)	Electricity generation
Sat Lavori Scrl	Rome	Construction consortium
Investments accounted for in current assets		
Dom Maklerski Bdm SA	Bielsko-Biala (Poland)	Holding company
Ideon SA	Katowice (Poland)	Steel trading
Strada dei parchi SpA	Rome	Motorway operation and construction

Annex 2

Disclosure of the fees paid to the Independent Auditors

Disclosures pursuant to art. 149-duodecies of the Consob Regulation for Issuers

Type of service	Provider of service	Fees €000
Autostrade per l'Italia SpA		
Audit	Parent Company's auditor	188
Certification	Parent Company's auditor ⁽¹⁾	23
Other services	Parent Company's auditor ⁽²⁾	77
Other services	Associate of Parent Company's auditor ⁽³⁾	17
Total Autostrade per l'Italia SpA		305
Subsidiaries		
Audit	Parent Company's auditor	210
Audit	Associate of Parent Company's auditor	468
Other services	Parent Company's auditor ⁽⁴⁾	70
Other services	Associate of Parent Company's auditor ⁽⁵⁾	85
Total subsidiaries		833
Total Autostrade per l'Italia SpA Group		1,138

(1) Opinion on payment of the interim dividend.

(2) Signature of consolidated and 770 tax forms, agreed upon procedures for data and accounting information and comfort letters on offering circulars.

(3) Checks on income tax applied to employees and obligations as withholding agent.

(4) Signature of Consolidated Tax Return and Form 770 and agreed upon procedures on accounting data and information.

(5) Agreed upon procedures on accounting data and information.

Currency	Share capital/ consortium fund as at 31/12/2014	Held by	% interest in share capital/ consortium fund as at 31/12/2014
Euro	50,000	Raccordo Autostradale Valle d'Aosta SpA	0.10%
Euro	100,000	Società Autostrada Tirrenica pA	1.00%
Polish Zloty	19,796,924	Stalexport Autostrady SA	2.71%
Polish Zloty	343,490,781	Stalexport Autostrady SA	2.63%
Euro	48,114,240	Autostrade per l'Italia SpA	2.00%





4.

SEPARATE
FINANCIAL
STATEMENTS

Financial statements

STATEMENT OF FINANCIAL POSITION ⁽¹⁾

€	31/12/2015	31/12/2014
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	76,065,271	74,791,378
Property, plant and equipment	68,547,748	68,427,728
Investment property	7,517,523	6,363,650
Intangible assets	17,750,951,065	17,890,665,047
Intangible assets deriving from concession rights	11,624,796,469	11,764,460,867
Goodwill and other intangible assets with indefinite lives	6,111,200,484	6,111,200,765
Other intangible assets	14,954,112	15,003,415
Investments	1,535,861,597	1,451,039,259
Other non-current financial assets	595,188,130	362,540,607
Non-current financial assets deriving from government grants	175,984,110	131,501,586
Non-current term deposits	176,316,092	171,790,791
Other non-current financial assets	242,887,928	59,248,230
Other non-current assets	269,082	269,082
TOTAL NON-CURRENT ASSETS	19,958,335,145	19,779,305,373
CURRENT ASSETS		
Trading assets	509,063,001	497,929,851
Inventories	38,918,989	36,535,715
Contract work in progress	4,204,491	3,696,881
Trade receivables	465,939,521	457,697,255
Cash and cash equivalents	2,422,343,027	1,265,206,184
Cash	1,708,380,905	494,338,869
Cash equivalents	340,074,290	352,717,734
Intercompany current account receivables due from related parties	373,887,832	418,149,581
Current financial assets	129,926,891	353,876,758
Current financial assets deriving from government grants	59,855,351	65,679,850
Current term deposits	57,745,476	62,270,778
Current derivative assets	36,032	1,034,216
Current portion of medium/long-term financial assets	11,459,947	98,718,885
Other current financial assets	830,085	126,173,029
Current tax assets	31,469,291	17,143,181
Other current assets	121,149,009	121,304,050
Non-current assets held for sale or related to discontinued operations	4,271,004	4,271,004
TOTAL CURRENT ASSETS	3,218,222,223	2,259,731,028
TOTAL ASSETS	23,176,557,368	22,039,036,401

(1) As required by Consob Resolution 15519 of 27 July 2006, the impact of related party transactions on Autostrade per l'Italia SpA's statement of financial position are shown in the statement of financial position, expressed in thousands of euros, on the following pages. The impact is also described in further detail in note 8.3.

€	31/12/2015	31/12/2014
EQUITY AND LIABILITIES		
EQUITY		
Issued capital	622,027,000	622,027,000
Undistributable extraordinary reserve for delayed investment	-	-
Other reserves and retained earnings	1,323,901,324	1,272,670,890
Profit/(Loss) for the year after interim dividends	619,680,175	373,856,667
TOTAL EQUITY	2,565,608,499	2,268,554,557
NON-CURRENT LIABILITIES		
Non-current portion of provisions for construction services required by contract	3,264,523,400	3,654,564,990
Non-current provisions	1,013,062,714	926,536,421
Non-current provisions for employee benefits	100,129,094	114,497,542
Non-current provisions for repair and replacement of motorway infrastructure	912,933,620	812,038,879
Non-current financial liabilities	12,076,225,010	11,525,508,466
Bond issues	2,617,531,413	-
Medium/long-term borrowings	9,105,890,054	11,180,597,181
Non-current derivative liabilities	352,803,543	344,911,285
Net deferred tax liabilities	320,326,827	247,447,082
Other non-current liabilities	32,695,495	28,896,847
TOTAL NON-CURRENT LIABILITIES	16,706,833,446	16,382,953,806
CURRENT LIABILITIES		
Trading liabilities	1,290,700,668	1,184,651,182
Trade payables	1,290,700,668	1,184,651,182
Current portion of provisions for construction services required by contract	428,783,410	494,091,940
Current provisions	188,700,192	341,169,653
Current provisions for employee benefits	13,965,062	13,145,545
Current provisions for repair and replacement of motorway infrastructure	129,368,873	268,124,299
Current provisions for the risk of fines and penalties under the Single Concession Arrangement	3,139,546	2,140,543
Other current provisions	42,226,711	57,759,266
Current financial liabilities	1,781,542,553	1,138,478,462
Bank overdrafts	374	13,935
Short-term borrowings	400,000,369	263,999,946
Current derivative liabilities	36,032	1,034,215
Intercompany current account payables due to related parties	73,840,754	251,741,753
Current portion of medium/long-term financial liabilities	1,307,644,587	618,902,270
Other current financial liabilities	20,437	2,786,343
Current tax liabilities	-	21,070,171
Other current liabilities	214,388,600	208,066,630
Non-current liabilities related to discontinued operations	-	-
TOTAL CURRENT LIABILITIES	3,904,115,423	3,387,528,038
TOTAL LIABILITIES	20,610,948,869	19,770,481,844
TOTAL EQUITY AND LIABILITIES	23,176,557,368	22,039,036,401

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INCOME STATEMENT ⁽²⁾

€	2015	2014
REVENUE		
Toll revenue	3,097,669,506	2,954,773,302
Revenue from construction services	380,073,505	347,142,997
Contract revenue	507,610	2,370,000
Other operating income	300,399,630	341,726,853
TOTAL REVENUE	3,778,650,251	3,646,013,152
COSTS		
Raw and consumable materials	-72,825,383	-80,324,428
Service costs	-1,172,604,076	-1,015,282,564
Gain/(loss) on sale of property, plant and equipment	188,850	423,375
Staff costs	-395,885,113	-380,553,355
Other operating costs	-493,599,105	-469,663,501
Concession fees	-417,576,775	-405,548,256
Lease expense	-5,672,174	-5,114,458
Other	-70,350,156	-59,000,787
Operating change in provisions	51,387,145	-173,111,714
Provisions/ (Uses of provisions) for repair and replacement of motorway infrastructure	53,955,117	-159,766,481
Provisions/ (Uses of provisions)	-2,567,972	-13,345,233
Use of provisions for construction services required by contract	496,527,482	393,160,285
Amortisation and depreciation	-511,190,035	-487,359,842
Depreciation of property, plant and equipment	-19,624,656	-20,344,650
Depreciation of investment property	-389,372	-368,175
Amortisation of intangible assets deriving from concession rights	-478,808,288	-454,683,278
Amortisation of other intangible assets	-12,367,719	-11,963,739
(Impairment losses)/Reversals of impairment losses	-4,127,878	-4,374,772
TOTAL COSTS	-2,102,128,113	-2,217,086,516
OPERATING PROFIT/(LOSS)	1,676,522,138	1,428,926,636
Financial income	272,640,023	297,317,102
Dividends received from investees	199,389,267	174,681,499
Reversal of impairment losses on financial assets and investments	5,696,991	32,235,000
Other financial income	67,553,765	90,400,603
Financial expenses	-703,786,237	-734,290,820
Financial expenses from discounting of provisions for construction services required by contract and other provisions	-43,295,983	-98,358,679
Impairment losses on financial assets and investments	-	-7,983,830
Other financial expenses	-660,490,254	-627,948,311
Foreign exchange gains/(losses)	-45,214	-12,085
FINANCIAL INCOME/(EXPENSES)	-431,191,428	-436,985,803
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	1,245,330,710	991,940,833
Income tax (expense)/benefit	-290,377,982	-288,409,856
Current income tax expense	-234,056,950	-252,637,147
Differences on income tax expense for previous years	1,888,920	4,189,748
Deferred tax income and expense	-58,209,952	-39,962,457
PROFIT/(LOSS) FROM CONTINUING OPERATIONS	954,952,728	703,530,977
Profit/(Loss) from discontinued operations	-	-
PROFIT FOR THE YEAR	954,952,728	703,530,977

(2) As required by Consob Resolution 15519 of 27 July 2006, the impact of related party transactions and components of income deriving from non-recurring transactions on Autostrade per l'Italia SpA's income statement are shown in the income statement, expressed in thousands of euros, on the following pages. The impact is also described in further detail in notes 8.3 and 6.13.

STATEMENT OF FINANCIAL POSITION

€000	Note	31/12/2015	Of which related party transactions	31/12/2014	Of which related party transactions
ASSETS					
NON-CURRENT ASSETS					
Property, plant and equipment	5.1	76,065		74,791	
Property, plant and equipment		68,547		68,428	
Investment property		7,518		6,363	
Intangible assets	5.2	17,750,951		17,890,665	
Intangible assets deriving from concession rights		11,624,796		11,764,461	
Goodwill and other intangible assets with indefinite lives		6,111,201		6,111,201	
Other intangible assets		14,954		15,003	
Investments	5.3	1,535,862		1,451,039	
Other non-current financial assets	5.4	595,188		362,541	
Non-current financial assets deriving from government grants		175,984		131,502	
Non-current term deposits		176,316		171,791	
Other non-current financial assets		242,888	226,240	59,248	43,161
Other non-current assets	5.5	269		269	
TOTAL NON-CURRENT ASSETS		19,958,335		19,779,305	
CURRENT ASSETS					
Trading assets	5.6	509,063		497,930	
Inventories		38,919		36,536	
Contract work in progress		4,204		3,697	
Trade receivables		465,940	100,728	457,697	110,390
Cash and cash equivalents	5.7	2,422,343		1,265,207	
Cash		1,708,381		494,339	
Cash equivalents		340,074		352,718	
Intercompany current account receivables due from related parties		373,888	373,888	418,150	418,150
Current financial assets	5.4	129,927		353,877	
Current financial assets deriving from government grants		59,855		65,680	
Current term deposits		57,746		62,271	
Current derivative assets		36		1,034	
Current portion of medium/long-term financial assets		11,460	9,862	98,719	81,807
Other current financial assets		830	121	126,173	124,809
Current tax assets	5.8	31,470	16,864	17,143	17,040
Other current assets	5.9	121,149		121,304	
Non-current assets held for sale or related to discontinued operations	5.10	4,271		4,271	
TOTAL CURRENT ASSETS		3,218,223		2,259,732	
TOTAL ASSETS		23,176,558		22,039,037	

€000	Note	31/12/2015	Of which related party transactions	31/12/2014	Of which related party transactions
EQUITY AND LIABILITIES					
EQUITY					
Issued capital		622,027		622,027	
Undistributable extraordinary reserve for delayed investment		-		-	
Other reserves and retained earnings		1,323,901		1,272,670	
Profit/(Loss) for the year after interim dividends		619,680		373,857	
TOTAL EQUITY	5.11	2,565,608		2,268,554	
Non-current liabilities					
Non-current portion of provisions for construction services required by contract	5.12	3,264,523		3,654,565	
Non-current provisions	5.13	1,013,063		926,536	
Non-current provisions for employee benefits		100,130		114,497	
Non-current provisions for repair and replacement of motorway infrastructure		912,933		812,039	
Non-current financial liabilities	5.14	12,076,225		11,525,508	
Bond issues		2,617,531		-	
Medium/long-term borrowings		9,105,890	6,495,414	11,180,597	8,736,615
Non-current derivative liabilities		352,804	216,123	344,911	245,232
Net deferred tax liabilities	5.15	320,330		247,451	
Other non-current liabilities	5.16	32,695		28,897	
TOTAL NON-CURRENT LIABILITIES		16,706,836		16,382,957	
Current liabilities					
Trading liabilities	5.17	1,290,701		1,184,651	
Trade payables		1,290,701	288,606	1,184,651	290,719
Current portion of provisions for construction services required by contract	5.12	428,783		494,092	
Current provisions	5.13	188,700		341,170	
Current provisions for employee benefits		13,965		13,146	
Current provisions for repair and replacement of motorway infrastructure		129,369		268,124	
Current provisions for the risk of fines and penalties under the Single Concession Arrangement		3,140		2,141	
Other current provisions		42,226	5,804	57,759	4,673
Current financial liabilities	5.14	1,781,542		1,138,478	
Bank overdrafts		-		14	
Short-term borrowings		400,000	400,000	264,000	264,000
Current derivative liabilities		36		1,034	
Intercompany current account payables due to related parties		73,841	73,841	251,741	251,741
Current portion of medium/long-term financial liabilities		1,307,645	1,077,381	618,903	237,606
Other current financial liabilities		20		2,786	
Current tax liabilities	5.8	-	-	21,069	21,069
Other current liabilities	5.18	214,388	38,099	208,066	12,021
Non-current liabilities related to discontinued operations	5.10	-		-	
Total current liabilities		3,904,114		3,387,526	
TOTAL LIABILITIES		20,610,950		19,770,483	
TOTAL EQUITY AND LIABILITIES		23,176,558		22,039,037	

INCOME STATEMENT

€000	Note	2015	Of which related party transactions	2014	Of which related party transactions
REVENUE					
Toll revenue	6.1	3,097,669		2,954,773	
Revenue from construction services	6.2	380,074	2,487	347,144	29,215
Contract revenue	6.3	507		2,370	
Other operating income	6.4	300,400	100,731	341,726	112,677
TOTAL REVENUE		3,778,650		3,646,013	
COSTS					
Raw and consumable materials	6.5	-72,825		-80,324	
Service costs	6.6	-1,172,604	-471,354	-1,015,283	-438,431
Gain/(loss) on sale of property, plant and equipment		189		423	
Staff costs	6.7	-395,885	-18,126	-380,553	-12,896
Other operating costs	6.8	-493,599		-469,663	
Concession fees		-417,577		-405,548	
Lease expense		-5,672		-5,114	
Other		-70,350		-59,001	
Operating change in provisions	6.9	51,387		-173,112	
Provisions/ (Uses of provisions) for repair and replacement of motorway infrastructure		53,955		-159,766	
Provisions/ (Uses of provisions)		-2,568	-5,804	-13,346	-
Use of provisions for construction services required by contract	6.10	496,527		393,161	
Amortisation and depreciation	6.11	-511,190		-487,360	
Depreciation of property, plant and equipment		-19,625		-20,345	
Depreciation of investment property		-390		-368	
Amortisation of intangible assets deriving from concession rights		-478,808		-454,683	
Amortisation of other intangible assets		-12,367		-11,964	
(Impairment losses)/Reversals of impairment losses	6.12	-4,128		-4,375	
TOTAL COSTS		-2,102,128		-2,217,086	
OPERATING PROFIT/(LOSS)		1,676,522		1,428,927	
Financial income					
Dividends received from investees		199,390		174,681	
Reversal of impairment losses on financial assets and investments		5,697	5,697	32,234	32,234
Other financial income		67,553	48,425	90,402	65,126
Financial expenses		-703,786		-734,291	
Financial expenses from discounting of provisions for construction services required by contract and other provisions		-43,296		-98,360	
Impairment losses on financial assets and investments		-	-	-7,984	-7,979
Other financial expenses		-660,490	-526,178	-627,947	-498,705
– of which: non-recurring	6.16	-125,486	-125,486	-	-
Foreign exchange gains/(losses)		-45		-12	
FINANCIAL INCOME/(EXPENSES)	6.13	-431,191		-436,986	
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS		1,245,331		991,941	

€000	Note	2015	Of which related party transactions	2014	Of which related party transactions
Income tax (expense)/benefit	6.14	-290,378		-288,410	
Current income tax expense		-234,058		-252,637	
Differences on income tax expense for previous years		1,889		4,189	
Deferred tax income and expense		-58,209		-39,962	
PROFIT/(LOSS) FROM CONTINUING OPERATIONS		954,953		703,531	
Profit/(Loss) from discontinued operations		-		-	
PROFIT FOR THE YEAR		954,953		703,531	
Basic earnings per share (€)	6.15	1.54		1.13	
<i>of which:</i>					
– from continuing operations		1.54		1.13	
– from discontinued operations		-		-	
Diluted earnings per share (€)	6.15	1.54		1.13	
<i>of which:</i>					
– from continuing operations		1.54		1.13	
– from discontinued operations		-		-	

STATEMENT OF COMPREHENSIVE INCOME

€000	Note	2015	2014
Profit for the year (A)		954,953	703,531
Fair value gains/(losses) on cash flow hedges	5.11	6,246	-97,957
Other comprehensive income/(loss) for the year reclassifiable to profit or loss, after related taxation (B)		6,246	-97,957
Gains/(losses) from actuarial valuations of provisions for employee benefits	5.11	3,222	-9,075
Other comprehensive income/(loss) for the year not reclassifiable to profit or loss, after related taxation (C)		3,222	-9,075
Reclassification of cash flow hedge reserve to profit or loss for the year	5.11	-1,660	-
Reclassifications of other components of comprehensive income to profit or loss for the year (D)		-1,660	-
Total other comprehensive income/(loss) for the year, after related taxation (E = B + C + D)		7,808	-107,032
Comprehensive income for the year (A + E)		962,761	596,499

STATEMENT OF CHANGES IN EQUITY

€000	Issued capital	Undistributable extraordinary reserve for delayed investment	Other reserves and retained earnings	
			Share premium reserve	Legal reserve
Balance as at 31/12/2013	622,027	446,000	216,070	124,406
Comprehensive income for the year	-	-	-	-
Owner transactions and other changes				
Final dividend (€0.547 per share)		-	-	-
Transfer of profit/(loss) for previous year to retained earnings		-	-	-
Reclassification of undistributable extraordinary reserve for delayed investment to the extraordinary reserve		-446,000	-	-
Interim dividend (€0.530 per share)		-	-	-
Share-based incentive plans		-	-	-
Recognition of after-tax gains from disposal of investments (business combinations under common control)		-	-	-
Balance as at 31/12/2014	622,027	-	216,070	124,406
Comprehensive income for the year	-	-	-	-
Owner transactions and other changes				
Final dividend (€0.539 per share)		-	-	-
Transfer of profit/(loss) for previous year to retained earnings		-	-	-
Interim dividend (€0.539 per share)		-	-	-
Share-based incentive plans		-	-	-
Balance as at 31/12/2015	622,027	-	216,070	124,406

Other reserves and retained earnings		Total other reserves and retained earnings	Profit for the year after interim dividends	Total equity
Cash flow hedge reserve	Other reserves and retained earnings			
-154,042	589,586	776,020	460,231	2,304,278
-97,957	-9,075	-107,032	703,531	596,499
-	-	-	-340,249	-340,249
-	119,982	119,982	-119,982	-
-	446,000	446,000	-	-
-	-	-	-329,674	-329,674
-	3,331	3,331	-	3,331
-	34,369	34,369	-	34,369
-251,999	1,184,193	1,272,670	373,857	2,268,554
4,586	3,222	7,808	954,953	962,761
-	-	-	-335,273	-335,273
-	38,584	38,584	-38,584	-
-	-	-	-335,273	-335,273
-	4,839	4,839	-	4,839
-247,413	1,230,838	1,323,901	619,680	2,565,608

STATEMENT OF CASH FLOWS

€000	Note	2015	Of which related party transactions	2014	Of which related party transactions
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES					
Profit for the year		954,953		703,531	
Adjusted by:					
Amortisation and depreciation	6.11	511,190		487,360	
Operating change in provisions		-48,493	10,548	175,950	-
Financial expenses from discounting of provisions for construction services required by contract	6.13	43,296		98,360	
Impairments/(Reversal of impairment losses) on non-current financial assets and investments	6.13	-5,697	-5,697	-24,250	-24,255
(Gain)/Loss on sale of non-current assets		-861		-427	
Net change in deferred tax (assets)/liabilities through profit or loss		58,209		39,962	
Other non-cash costs (income)		-2,565	-2,487	-31,808	-29,215
Change in working capital and other changes		43,029	10,749	-54,316	8,124
Net cash generated from/(used in) operating activities (A)	7.1	1,553,061		1,394,362	
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES					
Investment in assets held under concession	5.2	-870,024		-706,836	
Government grants related to assets held under concession		56,021		39,875	
Purchases of property, plant & equipment	5.1	-21,689		-17,445	
Purchases of other intangible assets	5.2	-12,318		-14,621	
Purchase of investments	5.3	-84,519	-84,262	-1,883	-1,680
Proceeds from sales of property, plant and equipment, intangible assets and investments		2,310	1,721	78,250	77,505
Net change in current and non-current financial assets		15,314	14,594	258,812	259,314
Net cash generated from/(used in) investing activities (B)	7.1	-914,905		-363,848	
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES					
Dividends paid	5.11	-670,546		-669,923	
New loans from parent		-	-	200,000	200,000
Repayment of loans from parent	5.14	-1,351,250	-1,351,250	-2,094,200	-2,094,200
Issuance of bonds	5.14	2,616,113		-	
Increase in medium/long term borrowings	5.14	249,000		200,000	
Repayments of medium/long term borrowings	5.14	-289,541		-364,763	
Net change in other current and non-current financial liabilities		143,118	83,101	-222,148	-265,711
Net cash generated from/(used in) financing activities (C)	7.1	696,894		-2,951,034	
Increase/(decrease) in net cash and cash equivalents during the year (A + B + C)	7.1	1,335,050		-1,920,520	
NET CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		1,013,452		2,933,972	
NET CASH AND CASH EQUIVALENTS AT END OF YEAR		2,348,502		1,013,452	

ADDITIONAL INFORMATION ON THE STATEMENT OF CASH FLOWS

€000	Note	2015	2014
Income taxes paid(refunded)		268,792	209,949
Interest income and other financial income collected		76,470	75,846
Interest expense and other financial expenses paid		681,834	659,617
Dividends received		207,390	190,681
Foreign exchange gains collected		13	46
Foreign exchange losses incurred		57	55

RECONCILIATION OF NET CASH AND CASH EQUIVALENTS

€000	Note	2015	2014
NET CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		1,013,452	2,933,972
Cash and cash equivalents	5.7	1,265,207	3,444,972
Bank overdrafts repayable on demand	5.14	-14	-131
Intercompany current account payables due to related parties	5.14	-251,741	-510,869
NET CASH AND CASH EQUIVALENTS AT END OF YEAR		2,348,502	1,013,452
Cash and cash equivalents	5.7	2,422,343	1,265,207
Bank overdrafts repayable on demand	5.14	-	-14
Intercompany current account payables due to related parties	5.14	-73,841	-251,741

1. Introduction

Autostrade per l'Italia (or the "Company") is a public limited company incorporated in 2003 with its registered office at Via Bergamini, 50 in Rome. The Company does not have branch offices.

The duration of the Company is until 31 December 2050.

The Company's core business is the operation of motorways under a concession granted by the Ministry of Infrastructure and Transport, which assumed the role of Grantor previously fulfilled by ANAS SpA (Italy's Highways Agency) from 1 October 2012. Under the concession arrangements, the Company and its motorway subsidiaries are responsible for the construction, management, improvement and upkeep of sections of motorway in Italy. Further information on the Company's concession arrangement is provided in note 4.

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 Valori SpA, and is responsible for management and coordination of the Company.

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

These separate financial statements as at and for the year ended 31 December 2015 were approved by the Company's Board of Directors at its meeting of 4 March 2016.

The Company also prepares consolidated financial statements for the Group, published together with these separate financial statements.

2. Basis of preparation

The financial statements as at and for the year ended 31 December 2015 have been prepared on a going concern basis and in accordance with articles 2 and 4 of Legislative Decree 38/2005, as well as with International Financial Reporting Standards (IFRS) in force on the balance sheet date, as issued by the International Accounting Standards Board and endorsed by the European Commission. 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 reporting period. For the sake of simplicity, all standards and interpretations are hereinafter referred to as "IFRS".

Moreover, the measures introduced by the Consob, in application of paragraph 3 of article 9 of Legislative Decree 38/2005, relating to the preparation of financial statements, have also been taken into account.

The financial statements consist of the statement of financial position, the income statement, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows and these notes, applying, where required, IAS 1 "Presentation of financial statements" and, in general, the historical cost convention, with the exception of those items that are required by IFRS to be recognised at fair value, as explained in the accounting policies for individual items described in note 3. 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, whilst the statement of cash flows has been prepared in application of the indirect method.

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

Consob Resolution 15519 of 27 July 2006 requires that, in addition to the specific requirements of IAS 1 and other IFRS, financial statements must, where material, include separate sub-items providing (i) disclosure of amounts deriving from related party transactions; and, with regard to the income statement, (ii) separate disclosure of income and expenses deriving from events and transactions that are non-recurring in nature, or transactions or events that do not occur on a frequent basis in the normal course of business.

A number of non-recurring transactions and events occurred in 2015, as described in note 6.16. Otherwise, no atypical or unusual transactions, having a material impact on the Company's income statement and statement of financial position, were entered into during the period, either with third or related parties. The financial statements therefore show the principal amounts relating to the related party and non-recurring transactions that took place during the reporting period.

Amounts in the income statement and statement of financial position are shown in euros, whilst amounts in the statement of comprehensive income, the statement of cash flows, the statement of changes in equity and these notes are shown in thousands of euros, unless otherwise indicated. With regard Consob Resolution 15519 of 27 July 2006

relating to the format for financial statements, a specific supplementary income statement and statement of financial position, with amounts in thousands of euros, showing material related party transactions, has been included. The euro is both the Company's functional currency and its presentation currency. Each item in the financial statements is compared with the corresponding amount for the previous year.

3. Accounting standards and policies applied

A description follows of the more important accounting standards and policies employed by the Company for its financial statements as at and for the year ended 31 December 2015. These accounting standards and policies are consistent with those applied in preparation of the financial statements for the previous year, as no new standards, interpretations, or amendments to existing standards became effective in 2015 having a material effect on the Company's financial statements.

It should be noted that the following new standards and interpretations and/or amendments to existing standards and interpretations were applicable from 2015:

- a) Annual Improvements to IFRSs: 2011–2013, relating specifically to:
 - 1) IFRS 3 - Business Combinations. The amendment to the standard clarifies that a contingent consideration classified as an asset or a liability must be measured at fair value at each reporting date, with the effects to be recognised in profit or loss, regardless of whether the contingent consideration is a financial instrument or a non-financial asset or liability. In addition, it clarifies that the standard does not apply to all joint ventures;
 - 2) IFRS 13 - Fair Value Measurement. The amendment clarifies and explicitly confirms the option of accounting for short-term trade receivables and payables on an undiscounted basis, should the effect of discounting not be material;
- b) IFRIC 21 - Levies. The interpretation applies to all levies imposed by the government that do not fall within the scope of other standards (for example, IAS 12 – Income Taxes). The interpretation clarifies that an entity must only recognise a liability for a levy when the activity that triggers payment, as identified by the relevant legislation, occurs. In addition, a liability for a levy may only be accrued progressively if the activity that triggers payment occurs over a period of time. For a levy that is triggered upon reaching a minimum threshold, the liability must be estimated and recognised before the threshold is reached, when the threshold is expected to be exceeded in the assessment period.

Property, plant and equipment

Property, plant and equipment is stated at cost. Cost includes expenditure that is directly attributable to the acquisition of the items and financial expenses incurred during construction of the asset. As permitted by IFRS 1, assets acquired through business combinations prior to 1 January 2004 are stated at previous amounts, as determined under prior accounting standards for those business combinations and representing deemed cost.

The cost of assets with finite useful lives is systematically depreciated on a straight-line basis applying rates that represent the expected useful life of the asset. Each component of an asset with a cost that is significant in relation to the total cost of the item, and that has a different useful life, is accounted for separately. Land, even if undeveloped or annexed to residential and industrial buildings, is not depreciated as it has an indefinite useful life.

Investment property, which is held to earn rentals or for capital appreciation, or both, is recognised at cost measured in the same manner as property, plant and equipment. The relevant fair value of such assets has also been disclosed.

The bands of annual rates of depreciation used in 2015 are shown in the table below by asset class.

Property, plant and equipment	Rate of depreciation
Buildings	3%-16.7%
Industrial and business equipment	10%-25%
Other assets	12%-20%

Assets acquired under finance leases are initially accounted for as property, plant and equipment, and the underlying liability recorded in the balance sheet, at an amount equal to the relevant fair value or, if lower, the present value of the minimum payments due under the contract. Lease payments are apportioned between the interest element, which is charged to the income statement as incurred, and the capital element, which is deducted from the financial liability.

Property, plant and equipment is tested for impairment, as described below in the relevant note, whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Property, plant and equipment is derecognised on disposal. Any gains or losses (determined as the difference between disposal proceeds, less costs to sell, and the carrying amount of the asset) are recognised in profit or loss in the period in which the asset is sold.

Intangible assets

Intangible assets are identifiable assets without physical substance, controlled by the entity and from which future economic benefits are expected to flow, and purchased goodwill. Identifiable intangible assets are those purchased assets that, unlike goodwill, can be separately distinguished. This condition is normally met when the intangible asset: (i) arises from a legal or contractual right, or (ii) is separable, meaning that it may be sold, transferred, licensed or exchanged, either individually or as an integral part of other assets. The asset is controlled by the entity if the entity has the ability to obtain future economic benefits from the asset and can limit access to it by others.

Internally developed assets are recognised as assets to the extent that: (i) the cost of the asset can be measured reliably; (ii) the entity has the intention, the available financial resources and the technical expertise to complete the asset and either use or sell it; (iii) the entity is able to demonstrate that the asset is capable of generating future economic benefits.

Intangible assets are stated at cost which, apart from concession rights, is determined in the same manner as the cost of property, plant and equipment. The cost of concession rights is recovered in the form of payments received from road users and may include one or more of the following:

- a) the fair value of construction services and/or improvements carried out on behalf of the Grantor (measured as described in the note on "Construction contracts and services in progress") less finance-related amounts, consisting of the amount funded by government grants. In particular, the following give rise to intangible assets deriving from concession rights:
 - 1) rights received as consideration for specific obligations to provide construction services for road widening and improvement for which the operator does not receive additional economic benefits. These rights are initially recognised at the fair value of the construction services to be provided in the future (equal to their present value, less the portion covered by grants, and excluding any financial expenses that may be incurred during provision of the services), with a contra entry of an equal amount in "Provisions for construction services required by contract", accounted for in liabilities in the statement of financial position. In addition to the impact of amortisation, the initial value of the rights changes over time as a result of periodic reassessment of the fair value of the part of the construction services still to be rendered at the end of the reporting period (equal to their present value, less the portion covered by grants, and excluding any financial expenses that may be incurred during provision of the services);
 - 2) rights received as consideration for construction and/or upgrade services rendered for which the operator receives additional economic benefits in the form of specific toll increases and/or significant increases in the expected number of users as a result of expansion/upgrade of the infrastructure;
- b) rights to infrastructure constructed and financed by service area concession holders which have reverted free of charge to the Company on expiry of the related concessions.

Concession rights, on the other hand, are amortised over the concession term in a pattern that reflects the estimated manner in which the economic benefits embodied in the right are consumed. For this purpose, given that the Company does not expect to obtain material increases in traffic over the concession term, amortisation is calculated on a straight-line basis from the accounting period in which the rights in question begin to generate economic benefits. Amortisation of other intangible assets with finite useful lives begins when the asset is ready for use and is based on remaining economic benefits to be obtained in relation to their residual useful lives.

The bands of annual rates of amortisation used in 2015 are shown in the table below by asset class.

Intangible assets	Rate of amortisation
Concession rights	On the commencement of generation of economic benefits for the entity, based on the residual term of the concession (4.17% for concessions whose amortisation commenced in 2015)
Development costs	20%-33.3%
Industrial patents and intellectual property rights	10%-33.3%
Licences and similar rights	3.3%-33.3%

Intangible assets are tested for impairment, as described below in the note on impairments and reversals, whenever events or changes in circumstances indicate that the carrying amount may not be fully recoverable.

Gains and losses on the disposal of intangible assets are determined as the difference between the disposal proceeds, less costs to sell, and the carrying amount of the asset and then recognised in profit or loss in the period in which the asset is disposed of.

Goodwill

Acquisitions of companies and business units are accounted for using the acquisition method, as required by IFRS 3. For this purpose, identifiable assets and liabilities acquired through business combinations are measured at their fair value at the acquisition date. The cost of an acquisition is measured as the fair value, at the date of exchange, of the assets acquired, liabilities assumed and any equity instruments issued by the Company in exchange for control.

Goodwill is initially measured as the positive difference between the acquisition cost, plus the fair value at the acquisition date of any previous non-controlling interests held in the acquiree, and the fair value of net assets acquired. The goodwill, as measured on the date of acquisition, is allocated to each of the substantially independent cash generating units or groups of cash generating units which are expected to benefit from the synergies of the business combination. A negative difference between the cost of the acquisition, as increased by the above components, and the fair value of the net assets acquired is recognised as income in profit or loss in the year of acquisition.

Goodwill on acquisitions of investments is included in the carrying amount of the relevant investment.

After initial recognition, goodwill is no longer amortised and is carried at cost less any accumulated impairment losses, determined as described in the note on impairment testing.

IFRS 3 was not applied retrospectively to acquisitions prior to 1 January 2004. As a result, the carrying amount of goodwill on these acquisitions is that determined under prior accounting standards, which is the net carrying amount at this date, subject to impairment testing and the recognition of any impairment losses.

Investments

Investments in subsidiaries, associates and joint ventures are accounted for at cost and include any directly related transaction costs. Impairment losses are identified in accordance with IAS 36, as described below in the note on "Impairment of assets and reversals (impairment testing)". The impairment is reversed in the event the circumstances giving rise to the impairment cease to exist; the reversal may not exceed the original carrying amount of the investment. Provisions are made to cover any losses of an associate or joint venture exceeding the carrying amount of the investment, to the extent that the shareholder is required to comply with actual or constructive obligations to cover such losses.

Investments in other companies, which qualify as available-for-sale financial instruments, as defined by IAS 39, are initially accounted for at cost at the settlement date, in that, this represents fair value, including any directly attributable transaction costs.

After initial recognition, these investments are measured at fair value through the statement of comprehensive income and hence in a specific equity reserve. On realisation or recognition of an impairment loss in the income statement, the accumulated gains and losses in that reserve are taken to the income statement. Impairment losses, identified as described in the note on "Impairment of assets and reversals (impairment testing)", are reversed through comprehensive income if the circumstances that resulted in the loss no longer exist. When fair value cannot be reliably determined, investments classified as available-for-sale are measured at cost less any impairment losses. In this case impairment losses may not be reversed.

Acquisitions or disposals of companies and/or business units between entities or businesses under common control are treated, in accordance with IAS 1 and IAS 8, on the basis of their economic substance, with confirmation of both the method of determining the purchase consideration, and of the generation of added value for all the parties involved, resulting in significant measurable changes in the cash flows generated by the assets transferred before and after the transaction. In this regard:

- a) in the case of the disposal of an intra-group investment, if both requirements to be confirmed are met, the difference between the carrying amount of the investment transferred and the related purchase consideration is recognised in profit or loss. In the other cases, the difference is recognised directly in equity;
- b) in the case of acquisitions of intra-group investments, such investments are recognised at cost (as defined above) when the consideration is determined on the basis of the fair value of the investment being acquired; in the other cases, the investment is accounted for at the same amount at which it was accounted for in the financial statements of the transferee.

Construction contracts and services in progress

Construction contracts are accounted for on the basis of the contract revenue and costs that can be reliably estimated with reference to the stage of completion of the contract, in accordance with the percentage of completion method, as determined by a survey of the works carried out or based on the ratio of costs incurred to total estimated costs. Contract revenue is allocated to the individual reporting periods in proportion to the stage of contract completion. Any positive or negative difference between contract revenue and any advance payments received is recognised in assets or liabilities, taking account of any impairment of the value of the completed work, in order to reflect the risks linked to the inability to recover the value of work performed on behalf of customers.

In addition to contract payments, contract revenue includes changes in contract work, price reviews and claims to the extent that they can be measured reliably.

Expected losses are recognised immediately in profit or loss regardless of the stage of contract completion.

Revenue from construction and/or upgrade services provided to the Grantor and relating to the concessions held by certain Group companies, are recognised on a percentage of completion basis. Construction and/or upgrade service revenues, representing the consideration for services provided, are measured at fair value, calculated on the basis of the total costs incurred (consisting primarily of the cost of materials and external services, relevant employee benefits and financial expenses, and the latter only in the case of construction and/or upgrade services for which the operator receives additional economic benefits). The double entry of construction and /or upgrade service revenue is represented by financial assets deriving from concession rights and/or grants, or by intangible assets deriving from concession rights, as explained in the relevant note.

Inventories

Inventories, primarily consisting of stocks and spare parts used in the maintenance and assembly of plant, are measured at the lower of purchase or conversion costs and net realisable value obtained on their sale in the ordinary course of business. The cost of purchase is to be determined using the weighted average cost formula.

Receivables and payables

Receivables are initially recognised at fair value and subsequently measured at amortised cost, using the effective interest method, less any allowance for bad debts. The amount of the allowance is based on the present value of expected future cash flows. These cash flows take account of expected collection times, estimated realisable value, any guarantees received, and the expected costs of recovering amounts due. Impairment losses are reversed in future periods if the circumstances that resulted in the loss no longer exist. In this case, the reversal is accounted for in the income statement and may not exceed the amortised cost of the receivable had no previous impairment losses been recognised.

Payables are initially recognised at cost, which corresponds to the fair value of the liability, less any directly attributable transaction costs. After initial recognition, payables are recognised at amortised cost, using the effective interest method.

Trade receivables and payables, which are subject to normal commercial terms and conditions, are not discounted to present value.

Cash and cash equivalents

Cash and cash equivalents are recognised at face value and include highly liquid demand or very short-term instruments of excellent quality which are subject to an insignificant risk of changes in value.

Derivative financial instruments

All derivative financial instruments are recognised at fair value at the end of the year.

As required by IAS 39, derivatives are designated as hedging instruments when the relationship between the derivative and the hedged item is formally documented and the periodically assessed effectiveness of the hedge is high and ranges between 80% and 125%.

Changes in the fair value of cash flow hedges hedging assets and liabilities (including those that are pending and highly likely to arise in the future) are recognised in the statement of comprehensive income. The gain or loss relating to the ineffective portion is recognised in profit or loss.

Changes in the value of fair value hedged assets or liabilities are recognised in profit or loss for the period. Analogously, the hedged assets and liabilities are restated at fair value through profit or loss.

Changes in the fair value of derivative instruments that do not qualify for hedge accounting under IAS 39 are recognised in profit or loss.

Other financial assets and liabilities

Other financial assets that the Company intends and is able to hold to maturity and other financial liabilities are recognised at the fair value of the purchase consideration at the settlement date, with assets being increased and liabilities being reduced by transaction costs directly attributable to the purchase of the assets or issuance of the liabilities. After initial recognition, financial assets and liabilities are measured at amortised cost using the original effective interest method.

Financial assets and liabilities are derecognised when, following their sale or settlement, the Group is no longer involved in their management and has transferred all risks and rewards of ownership.

Financial assets held for trading are recognised and measured at fair value through profit or loss. Other categories of financial asset classified as available-for-sale financial instruments are recognised and measured at fair value through comprehensive income and, consequently, in a specific equity reserve. The financial instruments in these categories have never been reclassified.

Financial assets also include amounts due from public entities as grants or similar compensation relating to the construction of infrastructure (construction and/or upgrade services).

Fair value measurement and the fair value hierarchy

For all transactions or balances (financial or non-financial) for which an accounting standard requires or permits fair value measurement and which fall within the application of IFRS 13, the Group applies the following criteria:

- a) identification of the "unit of account", defined as the level at which an asset or a liability is aggregated or disaggregated in an IFRS for recognition purposes;
- b) identification of the principal market or, in the absence of such a market, the most advantageous market in which the particular asset or liability to be measured could be traded; unless otherwise indicated, it is assumed that the market currently used coincides with the principal market or, in the absence of such a market, the most advantageous market;
- c) definition for non-financial assets of the highest and best use of the asset; unless otherwise indicated, highest and best use is the same as the asset's current use;
- d) definition of valuation techniques that are appropriate for the measurement of fair value, maximising the use of relevant observable inputs that market participants would use when determining the price of an asset or liability;
- e) determination of the fair value of assets, based on the price that would be received to sell an asset, and of liabilities and equity instruments, based on the price paid to transfer a liability in an orderly transaction between market participants at the measurement date;
- f) inclusion of non-performance risk in the measurement of assets and liabilities and above all, in the case of financial instruments, determination of a valuation adjustment when measuring fair value to include, in addition to counterparty risk (CVA - credit valuation adjustment), the own credit risk (DVA - debit valuation adjustment).

Based on the inputs used for fair value measurement, a fair value hierarchy for classifying the assets and liabilities measured at fair value, or the fair value of which is disclosed in the financial statements, has been identified:

- a) level 1: includes quoted prices in active markets for identical assets or liabilities;
- b) level 2: includes inputs other than quoted prices included within level 1 that are observable, such as the following:
 - i) quoted prices for similar assets or liabilities in active markets;
 - ii) quoted prices for similar or identical assets or liabilities in markets that are not active;
 - iii) other observable inputs (interest rate and yield curves, implied volatilities and credit spreads);
- c) level 3: unobservable inputs used to the extent that observable data is not available. The unobservable inputs used for fair value measurement should reflect the assumptions that market participants would use when pricing the asset or liability being measured.

Definitions of the fair value hierarchy level in which individual financial instruments measured at fair value have been classified, or for which the fair value is disclosed in the financial statements, are provided in the notes to individual components of the financial statements.

There are no assets or liabilities classifiable in level 3 of the fair value hierarchy.

No transfers between the various levels of the fair value hierarchy took place during the year.

The fair value of derivative financial instruments is based on expected cash flows that are discounted at rates derived from the market yield curve at the measurement date and the curve for listed credit default swaps entered by the counterparty and the Company, to include the non-performance risk explicitly provided for by IFRS 13.

In the case of medium/long-term financial instruments, other than derivatives, where market prices are not available, the fair value is determined by discounting expected cash flows, using the market yield curve at the measurement date and taking into account counterparty risk in the case of financial assets and the own credit risk in the case of financial liabilities.

Provisions for construction services required by contract and other provisions

“Provisions for construction services required by contract” relate to specific contractual obligations having regard to motorway expansion and upgrading for which the operator receives no additional economic benefit. Since the performance of such obligations is treated as part of the consideration for the concession, an amount equal to the fair value of future construction services (equal to the present value of the services, less the portion covered by grants, and excluding any financial expenses that may be incurred during provision of the services) is initially recognised. The double entry is concession rights for works without additional economic benefits. The fair value of the residual liability for future construction services (equal to their present value, less the portion covered by grants, and excluding any financial expenses that may be incurred during provision of the services) is periodically reassessed and changes to the measurement of the liabilities (such as, for example, changes to the estimated cash outflows necessary to discharge the obligation, a change in the discount rate or a change in the construction period) are recognised as a matching increase or reduction in the corresponding intangible asset. Any increase in provisions to reflect the time value of money is recognised as a financial expense.

Provisions are made when: (i) the Company has a present (actual or constructive) obligation as a result of a past event; (ii) it is probable that an outflow of resources will be required to settle the obligation; and (iii) the related amount can be reliably estimated.

Provisions are measured on the basis of management’s best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If the discount to present value is material, provisions are determined by discounting future expected cash flows to their present value at a rate that reflects the market view of the time value of money. Subsequent to the computation of present value, the increase in provisions over time is recognised as a financial expense.

“Provisions for the repair and replacement of motorway infrastructure” cover the liability represented by the contractual obligation to repair and replace assets to be handed over, as required by the concession arrangements entered into with the Grantor. These provisions are calculated on the basis of the usage and wear and tear of motorways at the end of the reporting period, taking into account, if material, the time value of money.

Employee benefits

Short-term employee benefits, provided during the period of employment, are recognised on an accruals basis as the accrued liability at the end of the reporting period.

Liabilities deriving from medium/long-term employee benefits are recognised in the vesting period, less any plan assets and advance payments made. They are determined on the basis of actuarial assumptions and, if material, recognised on an accruals basis in line with the period of service necessary to obtain the benefit.

Post-employment benefits in the form of defined benefit plans are recognised at the amount accrued at the end of the reporting period.

Post-employment benefits in the form of defined benefit plans are recognised in the vesting period, less any plan assets and advance payments made. Such defined benefit plans primarily regard the obligation as determined on the basis of actuarial assumptions and recognised on an accruals basis in line with the period of service necessary to obtain the benefit. The obligation is calculated by independent actuaries. Any resulting actuarial gain or loss is recognised in full in other components of comprehensive income in the period to which it relates.

Non-current assets held for sale, assets and liabilities included in disposal groups and/or related to discontinued operations

Where the carrying amount of non-current assets held for sale, or of assets and liabilities included in disposal groups and/or related to discontinued operations is to be recovered primarily through sale rather than through continued use, these items are presented separately in the statement of financial position.

Immediately prior to being classified as held for sale, each asset and liability is recognised under the specific IFRS applicable and subsequently accounted for at the lower of the carrying amount and fair value. Any impairment losses are recognised immediately in the income statement.

Disposal groups or discontinuing operations are recognised in profit or loss as discontinued operations provided when the following conditions are met:

- a) they represent a major line of business or geographical area of operation;
- b) they are part of a single coordinated plan to dispose of a separate major line of business or geographical area of operation;
- c) they are subsidiaries acquired exclusively with a view to resale.

After tax gains and losses resulting from the management or sale of such operations are recognised as one amount in profit or loss with comparatives.

Revenue

Revenue is recognised when the fair value can be reliably measured and it is probable that the economic benefits associated with the transactions will flow to the Company. Depending on the type of transaction, revenue is recognised on the basis of the following specific criteria:

- a) toll revenue is accrued with reference to traffic volumes;
- b) to the extent, for sales of goods, that significant risks and rewards of ownership are transferred to the buyer;
- c) the provision of services is prorated to percentage of completion of work, based on the previously described criteria used for “construction contracts and services in progress”, which also include the construction and/or upgrade services provided to the Grantor, in application of IFRIC 12. When revenue cannot be reliably determined, it is only recognised to the extent that expenses are considered to be recoverable;
- d) rental income or royalties, on an accruals basis, based on the agreed terms and conditions of the contract;
- e) interest income (and interest expense) is calculated with reference to amount of the financial asset or liability, in accordance with the effective interest method;
- f) dividend income is recognised when the right to receive payment is established.

Government grants

Government grants are accounted for at fair value when: (i) the related amount can be reliably determined and there is reasonable certainty that (ii) they will be received and that (iii) the conditions attaching to them will be satisfied.

Grants related to income are accounted for in the income statement for the accounting period in which they accrue, in line with the corresponding costs.

Grants received for investment in motorways and airports are accounted for as construction service revenue, as explained in the note on “Construction contracts and services work in progress”.

Any grants received to fund investment in property, plant and equipment and/or intangible assets (other than concession rights) are accounted for as a reduction in the cost of the asset to which they refer and result in a reduction in depreciation.

Income taxes

Income taxes are recognised on the basis of an estimate of tax expense to be paid, in compliance with the regulations in force.

Deferred tax assets and liabilities are determined on the basis of temporary differences between the carrying amounts of assets and liabilities as in the Company's books (resulting from application of the accounting policies described in note 3), and the corresponding tax bases (resulting from application of the tax regulations in force), as follows:

- a) deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the asset can be utilised;
- b) deferred tax liabilities are always recognised.

The parent, Atlantia SpA, operates a tax consolidation arrangement in which Autostrade per l'Italia participates. Relations between the companies are regulated by a specific contract. This contract establishes that participation in the tax consolidation arrangement may not, under any circumstances, result in economic or financial disadvantages for the participating companies compared with the situation that would have arisen had they not participated in the arrangement. Should such disadvantages arise, they are to be offset by a corresponding indemnity to be paid to the participating companies concerned.

Income tax expense is recognised in current tax liabilities in the statement of financial position, less any payments on account, and includes the portion of IRES transferred to Atlantia under the tax consolidation arrangement. Any tax credits are recognised in current tax assets.

Share-based payments

The cost of services provided by directors and/or employees remunerated through share-based incentive plans, and settled through the award of financial instruments, is based on the fair value of the rights at the grant date. Fair value is computed using actuarial assumptions and with reference to all characteristics, at the grant date (vesting period, any consideration due and conditions of exercise, etc.), of the rights and the plan's underlying securities. The obligation is determined by independent actuaries. The cost of these plans is recognised in profit or loss, with a contra-entry in equity, over the vesting period, based on a best estimate of the number of options that will vest. In case the beneficiaries are administrators and employees of subsidiaries the cost is determined as an increase in the value of the related investment. The cost of any services provided by Directors and/or employees and remunerated through share-based payments, but settled in cash, is instead measured at the fair value of the liability assumed and recognised in profit or loss, with a contra entry in liabilities, over the vesting period, based on a best estimate of the number of options that will vest. Fair value is remeasured at the end of each reporting period until the liability is settled, with any changes recognised in profit or loss.

Impairment of assets and reversals (impairment testing)

At the end of the reporting period, the Company tests property, plant and equipment, intangible assets, financial assets and investments for impairment.

If there are indications that these assets have been impaired, the recoverable amounts of such assets are estimated in order to verify and eventually measure the amount of the impairment loss. Irrespective of whether there is an indication of impairment, intangible assets with indefinite lives and those which are not yet available for use are tested for impairment at least annually, or more frequently, if an event has occurred or there has been a change in circumstances that could cause an impairment.

If it is not possible to estimate the recoverable amounts of individual assets, the recoverable amount of the cash-generating unit to which a particular asset belongs is estimated.

This entails estimating the recoverable amount of the asset (represented by the higher of the asset's fair value less costs to sell and its value in use) and comparing it with the carrying amount. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount is reduced to its recoverable amount. In calculating value in use, expected future pre-tax cash flow is discounted using a pre-tax rate that reflects current market assessments of the cost of capital which embodies the time value of money and the risks specific to the business. In estimating an operating CGU's future cash flows, after-tax cash flows and discount rates are used because the results are substantially the same as pre-tax computations.

Impairments are recognised in profit or loss in a variety of classifications depending on the nature of the impaired asset. Losses are reversed if the circumstances that resulted in the loss no longer exist, provided that the reversal does not exceed the cumulative impairment losses previously recognised, unless the impairment loss relates to goodwill and investments measured at cost, where the related fair value cannot be reliably determined.

Estimates and judgements

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 primarily used 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 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.

Translation of foreign currency items

Transactions in currencies other than the functional currency are recognised by application of the exchange rate of the transaction date. Assets and liabilities denominated in currencies other than the euro are, subsequently, remeasured by application of the closing exchange rate. Any exchange differences on remeasurement are recognised in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies and recognised at historic cost are translated using the exchange rate of the date of initial recognition.

Earnings per share

Basic earnings per share is computed by dividing profit attributable to owners of the parent by the weighted average number of shares outstanding during the accounting period.

Diluted earnings per share is computed by dividing profit attributable to owners of the parent by the above weighted average, also taking into account the effects deriving from the subscription, exercise or conversion of all potential shares that may be issued as a result of the exercise of any outstanding rights.

New accounting standards and interpretations, or revisions and amendments of existing standards, that have either yet to come into effect

As required by IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”, this section describes new accounting standards and interpretations, and amendments of existing standards and interpretations that are already applicable, but that have either yet to come into effect at the reporting date, and that may in the future be applied in the Company’s financial statements:

Name of document	Effective date of IASB document	Date of EU endorsement
New accounting standards and interpretations		
IFRS 9 - Financial Instruments	1 January 2018	Not endorsed
IFRS 15 - Revenue from Contracts with Customers	1 January 2018	Not endorsed
Amendments to existing standards and interpretations		
Amendments to IAS 1 - Disclosure Initiative	1 January 2016	December 2015
Amendments to IAS 16 and IAS 38 - Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016	December 2015
Amendments to IAS 27- Equity Method in Separate Financial Statements	1 January 2016	December 2015
Amendments to IFRS 11 - Accounting for Acquisitions of Interests in Joint Operation	1 January 2016	November 2015
Annual Improvements to IFRSs: 2010-2012	1 February 2015	December 2014
Annual Improvements to IFRSs: 2012-2014	1 January 2016	December 2015

IFRS 9 - Financial Instruments

In July 2014, the IASB published the final version of IFRS 9, the standard created to replace the existing IAS 39 for the classification and measurement of financial instruments.

The standard introduces new rules for the classification and measurement of financial instruments, a new impairment model for financial assets and a new hedge accounting model.

Classification and measurement

IFRS 9 envisages a single approach for the assessment and classification of all financial assets, including those containing embedded derivatives. The classification and related measurement is driven by both the business model in which the financial asset is held and the contractual cash flow characteristics of the asset.

The financial asset is measured at amortised cost subject to both of the following conditions:

- a) the asset is held in conjunction with a business model whose objective is to hold assets in order to collect contractual cash flows; and
- b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The financial asset is measured at fair value, with any changes recognised in comprehensive income, if the objectives of the business model are to hold the financial asset to collect the contractual cash flows, or to sell it.

Finally, the standard envisages a residual category of financial asset measured at fair value through profit or loss, which includes assets held for trading.

A financial asset meeting the conditions to be classified and measured at amortised cost may, on initial recognition, be designated as a financial asset at fair value through profit or loss, to the extent that this accounting treatment would eliminate or significantly reduce a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

In addition, the new standard provides that an entity may, with respect to investments in equity instruments, which consequently may not be carried and measured at amortised cost unless such instruments are shares that are not held for trading but rather for strategic reasons, make an irrevocable election on initial recognition to present changes in the fair value in comprehensive income.

The new IFRS 9, on the other hand, has confirmed the provisions of IAS 39 for financial liabilities including the relative measurement at amortised cost or, in specific circumstances, at fair value through profit or loss.

The requirements of IAS 39 that have been changed are primarily:

- a) the reporting of changes in fair value in connection with the credit risk of certain liabilities, which IFRS 9 requires to be recognised in comprehensive income rather than in profit or loss as movements in fair value as a result of other risks;
- b) the elimination of the option to measure, at amortised cost, financial liabilities consisting of derivative financial instruments entailing the delivery of unlisted equity instruments. The consequence of the change is that all derivative financial instruments must now be recognised at fair value.

Impairment

IFRS 9 has defined a new impairment model for financial assets, with the objective of providing the users of financial statements with more useful information about an entity's expected losses. The model requires an entity to recognise expected credit losses at all times and to update the amount of expected losses recognised at each reporting date to reflect changes in the credit risk of the financial instruments. It is, therefore, no longer necessary to wait for evidence of a trigger event before testing for impairment and recognition of a credit loss.

All financial instruments must be tested for impairment, with the exception of those measured at fair value through profit or loss.

Hedge accounting

The most important changes introduced by IFRS 9 regard:

- a) the extended scope of the risks eligible for hedge accounting, to include those to which non-financial assets and liabilities are exposed, also permitting the designation of groups and net positions as hedged items, also including any derivatives;
- b) the option of designating a financial instrument at fair value through profit or loss as a hedging instrument;
- c) the alternative method of accounting for forwards and options, when included in a hedge accounting relationship;
- d) changes to the method of conducting hedge effectiveness tests, following introduction of the principle of the "economic relationship" between the hedged item and the hedging instrument; in addition, retrospective hedge effectiveness testing is no longer required;
- e) the possibility of "rebalancing" an existing hedge where the risk management objectives continue to be valid.

IFRS 15 - Revenue from Contracts with Customers

On 28 May the IASB published the new standard, IFRS 15. IFRS 15 replaces the previous IAS 18, in addition to IAS 11, regarding contract work, and the related interpretations, IFRIC 13, IFRIC 15, IFRIC 18 and SIC 31.

IFRS 15 establishes the standards to follow in recognising revenue from contracts with customers, with the exception of contracts falling within the scope of application of standards governing leases, insurance contracts and financial instruments.

The new standard provides an overall framework for identifying the timing and amount of revenue to be recognised in the financial statements. Based on the new standard, the amount recognised as revenue by an entity must reflect the consideration to which the entity is entitled in exchange for goods transferred to the customer and/or services rendered. This revenue is to be recognised when the entity has satisfied its performance obligations under the contract. In addition, in recognising revenue, the standard stresses the need to assess the likelihood of obtaining/collecting the economic benefits linked to the proceeds. In the case of contract work in progress, currently governed by IAS 11, the new standard introduces the requirement to recognise revenue taking into account the effect of discounting to present value resulting from the deferral of collections over time.

If it is not possible to retrospectively apply the new standard, a modified approach can be used upon first-time adoption. Under this approach, the effects of application of the new standard must be recognised in opening equity at the beginning of the reporting period of first-time adoption.

Amendments to IAS 1 - Disclosure Initiative

In December 2014, the IASB published a number of amendments to IFRS 1, in order to clarify the disclosures to be included in the notes to financial statements.

A number of changes have been made to the disclosures to be provided regarding:

- a) the concept of materiality, relating to the relevance of the information to be provided in financial statements;
- b) the items to be presented in the financial statements;
- c) the structure of the notes;
- d) the accounting policies;
- e) the basis of presentation in the statement of comprehensive income of profits and losses attributable to investments accounted for using the equity method.

Given that the amendments regard the classification of items in the financial statements and the disclosures to be included in the notes, they will not have any impact on amounts in the Group's consolidated financial statements.

Amendments to IAS 16 and IAS 38 - Clarification of Acceptable Methods of Depreciation and Amortisation

In May 2014, the IASB published a number of amendments to IAS 16 - Property, Plant and Equipment, and IAS 38 - Intangible Assets.

The amendments provide clarification regarding acceptable methods of depreciation and amortisation under the above standards. Above all, whilst reiterating that the method of depreciation or amortisation used must reflect the expected pattern of consumption of the future economic benefits embodied in the asset, the amendments introduce the presumption that a revenue-based method of depreciation or amortisation is not appropriate. This is because the IASB believes that revenue generated by an asset reflects factors not directly linked to consumption of the economic benefits embodied in the asset.

In the case of intangible assets, the IASB has also specified that in choosing which method of amortisation to use, the entity must take into account the predominant, limiting factors inherent in the intangible asset, and that the above presumption may only be overcome in limited circumstances, when, for example, (i) the intangible asset is expressed as a measure of revenue that can be obtained from the asset, or (ii) when it can be demonstrated that revenue and the consumption of economic benefits of the intangible asset are highly correlated.

Amendments to IAS 27 - Equity Method in Separate Financial Statements

On 12 August 2014, the IASB published amendments to IAS 27 - Separate Financial Statements, which required an entity to disclose its investments in subsidiaries, associates and joint ventures at cost or, in accordance with IFRS 9 (or IAS 39, for entities who have yet to adopt IFRS 9), at fair value. The amendments introduce, alongside the methods of measurement already permitted in the separate financial statements, the option of measuring such investments using the equity method.

Amendments to IFRS 11 - Accounting for Acquisitions of Interests in Joint Operations

On 6 May 2014, the IASB published a number of amendments to IFRS 11 - Joint Arrangements. The aim of the amendments is to clarify the accounting, by investors, of the acquisition of an interest in a joint operation that constitutes or contains a business.

Annual Improvements to IFRSs: 2010-2012

The IASB published “Annual Improvements to IFRSs: 2010-2012 Cycle” on 12 December 2013.

The principal amendments that could be relevant to the Group are:

- a) IFRS 2 - Share-based Payment: amendments have been made to the definitions of “vesting condition” and “market condition” and further definitions for “performance condition” and “service condition” have been added, for the recognition of share-based benefit plans;
- b) IFRS 8 - Operating Segments: the amendments require disclosure of the judgements made by management in applying the aggregation criteria for operating segments, including a description of the aggregate operating segments and the economic indicators assessed in determining if the operating segments have “similar economic characteristics”. In addition, the reconciliation of the total of the reportable segment’s assets to the entity’s total assets should only be disclosed if the total of the reportable segment’s assets is regularly provided to the chief operating decision maker.

Annual Improvements to IFRSs: 2012-2014

The IASB published “Annual Improvements to IFRSs: 2012-2014 Cycle” on 25 September 2014.

The principal amendments that could be relevant to the Group are:

- a) IFRS 7 - Financial Instruments: Disclosures: the amendments eliminate uncertainty regarding when disclosures regarding the offsetting of financial assets and liabilities (that came into effect from accounting periods beginning on or after 1 January 2013) must be included in interim financial statements; the document clarifies that offsetting disclosures are not explicitly required for all interim financial statements. However, such disclosures may be necessary in order to meet the requirements of IAS 34, if the disclosure is material;
- b) IAS 19 - Employee Benefits: the document clarifies that the high-quality corporate bonds used in estimating the discount rate for post-employment benefits should be denominated in the same currency as the benefits to be paid. The changes also establish that the depth of the market for such bonds should be assessed at currency level;
- c) IAS 34- Interim Financial Statements: changes have been introduced to clarify the requirements when the required disclosures are presented in the interim financial report, but not in the interim financial statements. Such disclosures may be included by including a reference in the interim financial statements to elsewhere in the interim financial report, provided that the latter document is available to readers of the interim financial statements in the same way and at the same time as the interim financial statements.

The effect of the future application of newly issued standards and interpretations, as well as all revisions and amendments to existing standards, with the exception of those regarding IAS 1, is currently being evaluated by the Company. The impact cannot currently be reasonably estimated.

4. Concession arrangement

The Single Concession Arrangement executed by the Company and ANAS (whose role as Grantor was assumed by the Ministry of Infrastructure and Transport from 1 October 2012) on 12 October 2007 and approved by Law 101/2008. Its purpose is the construction and operation of the motorways for which the concession is granted. The Single Concession Arrangement terminates on 31 December 2038.

Very briefly, the concession gives the Company, on the one hand, the right to retain tolls collected from motorway users, less the concession fees payable to ANAS SpA, with such tolls being revised annually based on a toll formula contained in the Single Concession Arrangement, while, on the other hand, requiring the Company to upgrade and modernise the motorway infrastructure operated under concession and provide maintenance and operating services. At the end of the concession term, the operator shall hand over the motorway operated under the concession and the related assets free of charge to the Grantor in a good state of repair and unencumbered.

On 24 December 2013 the Grantor and Autostrade per l'Italia signed an Addendum to the Single Concession Arrangement. This document contained the five-yearly revision of the financial plan annexed to the Arrangement, as provided for by art. 11 of the Arrangement. The above Addendum was approved by a ministerial decree of 30 December 2013 and was registered with the Italian Court of Auditors on 29 May 2014.

On 10 December 2015, the II Addendum to the Single Concession Arrangement, which has added the Casalecchio-Northbound interchange to Autostrade per l'Italia's investment commitments, was signed. The road will form part of the ordinary road network and is to be built by ANAS SpA, with financing to be provided by Autostrade per l'Italia SpA up to a maximum of €157,875 thousand, including around €2,275 thousand already incurred as at 31 December 2015 to cover the cost of design. The Addendum will be effective once the Minister of Infrastructure and Transport and Minister of the Economy and Finance have issued the relevant decree and it has been registered with the Court of Auditors.

With regard to the existing concession, the Company is engaged in the implementation of a programme of investment in "Major Works" (including the works envisaged by the 1997 Agreement, the IV Addendum of 2002 and other investment) worth approximately €16.0 billion, including approximately €9.2 billion already completed as at 31 December 2015 (€8.5 billion as at 31 December 2014). The investment programme, which forms part of the Company's financial plan, updated to December 2013, essentially regards the upgrade of existing motorways.

The item, "Current provisions for fines and penalties under the Single Concession Arrangement", in the statement of financial position reflects estimated fines and penalties that may be imposed by the Grantor, in connection with alleged breaches of the concession terms and conditions and/or non-fulfilment of its obligations under Annex N of the existing Concession Arrangement. In this regard, Autostrade per l'Italia has brought four actions before Lazio Regional Administrative Court, contesting the application of fines and penalties. A detailed analysis of the provisions is contained in note 5.13, in the section "Provisions for fines and penalties under the Single Concession Arrangement".

The following table lists the sections of motorway operated under the concession as at 31 December 2015.

Section of motorway	Km in service
A1 Milan-Naples (*)	803.5
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-Gravellona Toce	244.9
A27 Mestre-Belluno	82.2
A30 Caserta-Salerno	55.3
Total	2,854.6

(*) Including 32 km upgraded through doubling of capacity via construction of new carriageway (*Variante di Valico*).

5. Notes to the statement financial position

The following notes provide information on items in the statement of financial position as at 31 December 2015. Comparative amounts as at 31 December 2014 are shown in brackets. Details of items in the consolidated statement of financial position deriving from related party transactions are provided in note 8.3.

5.1 Property, plant and equipment - €76,065 thousand (€74,791 thousand)

The following table provides details of property, plant and equipment at the beginning and end of the period, showing the original cost and accumulated depreciation at the end of the period.

€000	31/12/2015			31/12/2014		
	Cost	Accumulated depreciation	Carrying amount	Cost	Accumulated depreciation	Carrying amount
Property, plant and equipment	253,852	-185,305	68,547	241,331	-172,903	68,428
Investment property	17,045	-9,527	7,518	14,782	-8,419	6,363
Total property, plant and equipment	270,897	-194,832	76,065	256,113	-181,322	74,791

The balance of property, plant and equipment is substantially in line with the figure for 31 December 2014, given that additions (€21,689 thousand) were almost entirely offset by depreciation (€20,015 thousand).

The following table show changes in the various categories of property, plant and equipment during 2015, including amounts at the beginning and end of the period.

€000	31/12/2014 Carrying amount	Changes during the year							31/12/2015 Carrying amount
		Cost				Accumulated depreciation			
		Additions: purchases and capitali- sations	Assets entering service	Disposals	Reclassifi- cations	Additions	Disposals	Reclassifi- cations	
Property, plant and equipment									
Land	1,175	-	-	-	-42	-	-	-	1,133
Buildings	19,072	125	734	-	-2,221	-1,071	-	718	17,357
Industrial and business equipment	32,916	9,936	2,537	-6,900	-	-14,055	6,504	-	30,938
Other assets	11,019	5,138	-	-5	-	-4,499	1	-	11,654
Property, plant and equipment under construction and advance payments	4,246	6,490	-3,271	-	-	-	-	-	7,465
Total	68,428	21,689	-	-6,905	-2,263	-19,625	6,505	718	68,547
Investment property									
Land	369	-	-	-	42	-	-	-	411
Buildings	5,994	-	-	-	2,221	-390	-	-718	7,107
Total	6,363	-	-	-	2,263	-390	-	-718	7,518
Total property, plant and equipment	74,791	21,689	-	-6,905	-	-20,015	6,505	-	76,065

Investment property refers to certain portions of buildings and land not used in operations and leased (primarily to Atlantia Group companies). These properties are measured at cost. The fair value of these assets, estimated by independent property appraisers on the basis of the market for properties of this type, is €23,745 thousand and is higher than the related carrying amount.

In 2015, these properties generated rental income of €2,431 thousand, with direct maintenance and management costs of €2,788 thousand.

There were no changes in the expected useful lives of the assets during 2015. Property, plant and equipment as at 31 December 2015 is free of mortgages, liens or other charges restricting use.

5.2 Intangible assets - €17,750,951 thousand (€17,890,665 thousand)

The following table provides details of intangible assets at the beginning and end of the period, showing the original cost and accumulated amortisation at the end of the period.

€000	31/12/2015			31/12/2014		
	Cost	Accumulated amortisation	Carrying amount	Cost	Accumulated amortisation	Carrying amount
Intangible assets deriving from concession rights	16,028,172	-4,403,376	11,624,796	15,689,029	-3,924,568	11,764,461
Goodwill and other intangible assets with indefinite lives	6,111,201	-	6,111,201	6,111,201	-	6,111,201
Other intangible assets	201,653	-186,699	14,954	189,335	-174,332	15,003
Intangible assets	22,341,026	-4,590,075	17,750,951	21,989,565	-4,098,900	17,890,665

intangible assets deriving from concession rights regard the following categories:

- rights deriving from construction services for which no additional economic benefits are received, totalling €8,331,540 thousand (€8,693,789 thousand as at 31 December 2014);
- rights deriving from construction services for which additional economic benefits are received, totalling €3,194,646 thousand (€2,974,352 thousand as at 31 December 2014);
- rights deriving from construction services carried out by service area operators, totalling €98,610 thousand (€96,320 as at 31 December 2014).

The reduction in intangible assets, amounting to €139,714 thousand, is explained in detail in the following table and is essentially due to a combination of the following changes in concession rights:

- amortisation for the year (€478,808 thousand);
- investment in construction services for which additional economic benefits are received (€333,540 thousand).

The increase of €15,090 thousand in concession rights resulted from a revision of the present value on completion of investment in construction services for which no additional benefits are received, with a matching entry in provisions for construction services required by contract. Further details are provided in note 5.12.

€000	31/12/2014 Carrying amount	Changes during the year						Accumulated amortisation Additions	31/12/2015 Carrying amount
		Cost							
		Additions: purchases and capitalisations	Additions free of charge	Additions/ Reductions due to changes in present value of contractual obligations	Additions due to completion of construction services	Reductions due to government grants	Assets entering service		
Intangible assets deriving from concession rights									
Concession rights accruing from construction services for which no additional economic benefits are received	8,693,789	-	-	15,090	-	-15,754	-	-361,585	8,331,540
Concession rights accruing from construction services for which additional economic benefits are received	2,974,352	-	-	-	333,540	-310	-	-112,936	3,194,646
Concession rights accruing from construction services provided by sub-operators	96,320	-	6,577	-	-	-	-	-4,287	98,610
Total	11,764,461	-	6,577	15,090	333,540	-16,064	-	-478,808	11,624,796
Goodwill and other intangible assets with indefinite lives									
Goodwill	6,111,198	-	-	-	-	-	-	-	6,111,198
Trademarks	3	-	-	-	-	-	-	-	3
Total	6,111,201	-	-	-	-	-	-	-	6,111,201
Other intangible assets									
Development costs	6,655	7,338	-	-	-	-	-	-6,948	7,045
Industrial patents and intellectual property rights	5,688	4,820	-	-	-	-	3	-5,279	5,232
Concessions and licenses	722	160	-	-	-	-	-	-140	742
Intangible assets under development and advance payments	1,938	-	-	-	-	-	-3	-	1,935
Total	15,003	12,318	-	-	-	-	-	-12,367	14,954
Intangible assets	17,890,665	12,318	6,577	15,090	333,540	-16,064	-	-491,175	17,750,951

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

In 2015, the Company invested a total of €870,024 thousand in assets held under concession (€706,836 thousand in 2014). In accordance with IFRIC 12 and as described in note 3, operating and financial expenses in connection with those assets were recognised in income by nature, as was the fair value of construction and upgrade services rendered (classified in “Revenue from construction services” and “Use of provisions for construction services required by contract”). The following analysis shows the various components of investment in assets held under concession effected through construction services, as also shown in the statement of cash flows for the year.

€000	Note	2015	2014	Increase/ (Decrease)
Use of provisions for construction services required by contract for which no additional economic benefits are received	5.12/6.10	496,527	393,161	103,366
Revenue from government grants for construction services for which no additional economic benefits are received	5.12/6.2	39,957	34,582	5,375
Increase in intangible concession rights accruing from completed construction services for which additional economic benefits are received	6.2	333,540	279,093	54,447
Investment in assets held under concession		870,024	706,836	163,188

With regard to the recoverability of goodwill and the concession rights belonging to the Company (given the overall size of these items), the related impairment test was conducted.

The related value in use was, therefore, estimated on the basis of the long-term plan drawn up by the Company, prepared on the basis of the regulatory mechanisms included in the Single Concession Arrangement, containing traffic, investment, revenue and cost projections for the full term of the concession. The use of a long-term plan covering the entirety of the concession term is deemed more appropriate than the approach provisionally suggested by IAS 36 (namely, a limited explicit projection period and the estimated terminal value), given the intrinsic nature of the motorway concession arrangement, above all with regard to the regulations governing the sector and the predetermined duration of the arrangement.

In particular the long-term plan used for the test has been prepared on the basis of the following assumptions:

- a) a CAGR for traffic of 1.00%;
- b) an average annual toll increase, linked to inflation, of 0.97%, which is 70% lower than the target inflation rate (2.00%) for the medium term indicated in the update to the Italian government's Economic and Finance Document for 2015;
- c) an average annual increase in the return on investment to be carried out of 1.15%. In this regard, a portion of this toll increase is not recognised if the planned investment is not carried out; in this case, the other economic and financial effects of not carrying out such investment would, instead, be taken into account.

The projected after-tax cash flows for the long-term plans of the subsidiaries indicated in points a) and b) were discounted to present value using the rate of 6.14% (6.25% in 2014), representing the Company's specific after-tax WACC.

The impairment tests confirmed that the carrying amounts of the investments accounted for as at 31 December 2015 are fully recoverable.

In addition to the above impairment test, sensitivity analyses were conducted on the recoverable values, increasing the above discount rates by 1%, and reducing the average annual rate of traffic growth by 1%. The results of these analyses have not, in any event, resulted in any material differences with respect to the outcomes of the above tests.

Finally, in 2015, research and development expenditure of approximately €631 thousand (€509 thousand in 2014) was charged against income. The purpose of research and development is the improvement of infrastructure, services offered, safety levels and environmental protection.

5.3 Investments - €1,535,862 thousand (€1,451,039 thousand)

The net increase of €84,823 thousand, compared with 31 December 2014, is almost entirely due to the acquisition of a 74.95% controlling interest in Società Autostrada Tirrenica at a cost of €84,262 thousand, raising the Company's total interest to 99.93%.

The following tables show:

- a) amounts at the beginning and end of the period (showing the original cost and any accumulated revaluations and impairments) for the investment held by the Company, classified by category, and the related changes during the year;
- b) details of investments, showing, as well as other information, percentage interest and the relevant carrying amount as at 31 December 2015 (net of any unpaid, called-up issued capital).

€000	31/12/2014			Changes during the year		
	Cost	Accumulated (impairments)	Carrying amount	Cost		
				New acquisitions and additions for consideration	Capital contributions	Reductions due to liquidation of companies
Autostrade dell'Atlantico Srl	1,166,496	-13,659	1,152,837	-	-	-
Stalexport Autostrady SA	104,842	-	104,842	-	-	-
Società Autostrada Tirrenica pA ⁽¹⁾	-	-	-	84,262	-	-
Tangenziale di Napoli SpA	54,506	-	54,506	-	-	-
Telepass SpA	25,359	-	25,359	-	-	-
Ecomouv Sas	18,917	-	18,917	-	-	-
Autostrade Meridionali SpA	14,879	-	14,879	-	-	-
Autostrade Tech SpA	6,578	-1,236	5,342	-	-	-
AD Moving SpA	3,995	-	3,995	-	-	-
Infoblu SpA	3,875	-	3,875	-	-	-
Società Italiana pA per il Traforo del Monte Bianco	2,318	-	2,318	-	-	-
EssediEsse Società di Servizi SpA	501	-	501	-	-	-
Autostrade Indian Infrastructure Development Private Limited	486	-	486	-	-	-
Giove Clear Srl	20	-	20	-	-	-
Tech Solutions Integrators Sas	2,000	-2,000	-	-	-	-
Ecomouv D&B Sas (in liquidation)	375	-	375	-	-	-375
Investments in subsidiaries (A)	1,405,147	-16,895	1,388,252	84,262	-	-375
Pavimental SpA	9,601	-	9,601	-	-	-
Società Infrastrutture Toscane SpA (in liquidation)	6,900	-1,182	5,718	-	-	-
Pedemontana Veneta SpA (in liquidation)	1,935	-	1,935	-	-	-
Spea Engineering SpA ⁽²⁾	1,707	-	1,707	-	-	-
Bologna & Fiera Parking SpA	5,558	-4,882	676	-	-	-
Consorzio Autostrade Italiane Energia	29	-	29	-	-	-
Società Autostrada Tirrenica pA ⁽¹⁾	6,343	-	6,343	-	-	-
Arcea Lazio SpA (in liquidation) ⁽³⁾	703	-29	674	-	-	-703
Investments in associates (B)	32,776	-6,093	26,683	-	-	-703
Tangenziali Esterne di Milano SpA	34,514	-	34,514	-	-	-
Tangenziale Esterna SpA	906	-	906	-	257	-
Uirnet SpA	426	-	426	-	-	-
Veneto Strade SpA	258	-	258	-	-	-
Investments in other companies (C)	36,104	-	36,104	-	257	-
Investments (A + B + C)	1,474,027	-22,988	1,451,039	84,262	257	-1,078

(1) The investment has been reclassified to "Investments in subsidiaries" following the acquisition of a controlling interest.

(2) With effect from 1 June 2015, ADR Engineering SpA was merged with and into Spea Ingegneria Europea SpA, which changed its name to Spea Engineering SpA.

(3) The company has been wound up and was struck off the companies' register on 9 December 2015.

Changes during the year							31/12/2015		
Cost			Impairments				Cost	Accumulated (impairments)	Carrying amount
Reductions due to capital reductions	Increases related to share-based payment plans	Reclassifications and other changes	(Additions)/ Reductions	Reductions due to liquidation of companies	Reductions due to capital reductions	Reclassifications and other changes			
-	-	-	-	-	-	-	1,166,496	-13,659	1,152,837
-	-	-	-	-	-	-	104,842	-	104,842
-	-	6,343	-	-	-	-	90,605	-	90,605
-	-	-	-	-	-	-	54,506	-	54,506
-	126	-	-	-	-	-	25,485	-	25,485
-	-	-	-	-	-	-	18,917	-	18,917
-	59	-	-	-	-	-	14,938	-	14,938
-	102	-	-	-	-	-	6,680	-1,236	5,444
-	-	-	-	-	-	-	3,995	-	3,995
-	-	-	-	-	-	-	3,875	-	3,875
-	-	-	-	-	-	-	2,318	-	2,318
-	-	-	-	-	-	-	501	-	501
-	-	-	-	-	-	-	486	-	486
-	-	-	-	-	-	-	20	-	20
-	-	-	-	-	-	-	2,000	-2,000	-
-	-	-	-	-	-	-	-	-	-
-	287	6,343	-	-	-	-	1,495,664	-16,895	1,478,769
-	20	-	-	-	-	-	9,621	-	9,621
-	-	-	1,024	-	-	-	6,900	-158	6,742
-	-	-	-	-	-	-	1,935	-	1,935
-	22	-	-	-	-	-	1,729	-	1,729
-3,746	-	-813	-	-	3,746	813	999	-323	676
-	-	-	-	-	-	-	29	-	29
-	-	-6,343	-	-	-	-	-	-	-
-	-	-	-	29	-	-	-	-	-
-3,746	42	-7,156	1,024	29	3,746	813	21,213	-481	20,732
-	-	-	-	-	-	-	34,514	-	34,514
-	-	-	-	-	-	-	1,163	-	1,163
-	-	-	-	-	-	-	426	-	426
-	-	-	-	-	-	-	258	-	258
-	-	-	-	-	-	-	36,361	-	36,361
-3,746	329	-813	1,024	29	3,746	813	1,553,238	-17,376	1,535,862

Name	Registered office	Number of shares/units	Par value
Autostrade dell'Atlantico Srl	Rome	1,000,000	Euro 1.00
Stalexport Autostrady SA	Myslowice (Poland)	247,262,023	Polish Zloty 0.75
Società Autostrada Tirrenica p.a. ⁽⁵⁾	Rome	163,072,000	Euro 0.15
Tangenziale di Napoli SpA	Naples	20,945,250	Euro 5.16
Telepass SpA	Rome	26,000,000	Euro 1.00
Ecomouv Sas	Paris (France)	300,000	Euro 100.00
Autostrade Meridionali SpA	Naples	4,375,000	Euro 2.07
Autostrade Tech SpA	Rome	1,120,000	Euro 1.00
AD Moving SpA	Rome	1,000,000	Euro 1.00
Infoblu SpA	Rome	1,000,000	Euro 5.16
Società Italiana pA per il Traforo del Monte Bianco	Pré Saint Didier	3,848,000	Euro 51.65
EssediEsse Società di Servizi SpA	Rome	500,000	Euro 1.00
Autostrade Indian Infrastructure Development Private Limited	Mumbai (Maharashtra)	10,000	Indian Rupee 50.00
Giove Clear Srl	Rome	10,000	Euro 1.00
Tech Solutions Integrators Sas	Paris (France)	2,000,000	Euro 1.00
Investments in subsidiaries (A)			
Pavimental SpA	Rome	77,818,865	Euro 0.13
Società Infrastrutture Toscane SpA (in liquidation)	Florence	30,000,000	Euro 0.50
Pedemontana Veneta SpA (in liquidation)	Verona	12,000	Euro 500.00
Spea Engineering SpA ⁽⁶⁾	Milan	1,350,000	Euro 5.16
Bologna & Fiera Parking SpA	Bologna	2,715,200	Euro 1.00
Consorzio Autostrade Italiane Energia	Rome		Euro -
Investments in associates (B)			
Tangenziali Esterne di Milano SpA	Milan	293,792,811	Euro 0.75
Tangenziale Esterna SpA	Milan	464,945,000	Euro 1.00
Uirnet SpA	Rome	1,061	Euro 1,000.00
Veneto Strade SpA	Venice	5,163,200	Euro 1.00
Investments in other companies (C)			
Investments (A + B + C)			

(1) The figures have been taken from the latest financial statements approved by the boards of directors of each company.

(2) Latest financial statements approved (31 December 2014).

(3) Latest financial statements approved (31 March 2015).

(4) The figures refer to 14 April 2015, the reporting date used for the accounts prepared pursuant to art. 2487-bis of the Italian Civil Code, following the decision, approved by the Extraordinary General Meeting of shareholders of 25 March 2015 (filed with the companies register on 14 April 2015), to place the company in liquidation.

(5) The investment has been reclassified to "Investments in subsidiaries" following the acquisition of a controlling interest.

(6) With effect from 1 June 2015, ADR Engineering SpA was merged with and into Spea Ingegneria Europea SpA, which changed its name to Spea Engineering SpA.

(7) On 29 December 2015, Società Autostrada Tirrenica, following authorisation by the general meeting of shareholders held on the same date, purchased 109,600 own shares from non-controlling shareholders. Autostrade per l'Italia's interest is, therefore, equal to 99.99% as at 31 December 2015 (the percentage interest calculated on the basis of the ratio of shares held by Autostrade per l'Italia and the subsidiary's total shares is 99.93%).

With regard to the recoverability of the carrying amounts of investments as at 31 December 2015, the investments in Spea Engineering and Pavimental were tested for impairment, given that there was an indication of a possible impairment.

In terms of the method used in carrying out the impairment tests for these two companies, which essentially provide support services to the Atlantia Group's operators (with regard to their construction and maintenance activities), it was also considered appropriate to estimate value in use on the basis of the same period covered by the long-term plans of the operators to which they provide their services, or until 2044, without estimating the terminal value.

The projected after-tax cash flows for the long-term plans of both Spea Engineering and Pavimental were discounted to present value using the rate of 6.14%, representing the companies' specific after-tax WACC.

The impairment tests confirmed that the carrying amounts of the investments accounted for as at 31 December 2015 are fully recoverable.

	Capital/ Consortium fund	Interest [%]	Number of shares/ units held	Profit/(Loss) for 2015 [€000] ⁽¹⁾	Equity as at 31/12/2015 [€000] ⁽¹⁾	Carrying amount [€000]
Euro	1,000,000	100.00%	1,000,000	5,399	621,788	1,152,837
Polish Zloty	185,446,517	61.20%	151,323,463	1,222	48,509	104,842
Euro	24,460,800	99.99% ⁽²⁾	162,953,999	8,758	80,772	90,605
Euro	108,077,490	100.00%	20,945,250	17,390	184,776	54,506
Euro	26,000,000	96.15%	25,000,000	57,205	106,622	25,485
Euro	30,000,000	70.00%	210,000	-163,343 ⁽²⁾	37,570 ⁽²⁾	18,917
Euro	9,056,250	58.98%	2,580,500	9,321	119,615	14,938
Euro	1,120,000	100.00%	1,120,000	8,140	45,040	5,444
Euro	1,000,000	100.00%	1,000,000	3	995	3,995
Euro	5,160,000	75.00%	750,000	731	6,107	3,875
Euro	198,749,200	51.00%	1,962,480	10,704	290,332	2,318
Euro	500,000	100.00%	500,000	1,014	1,614	501
Indian Rupee	500,000	99.99%	9,999	301 ⁽³⁾	794 ⁽³⁾	486
Euro	10,000	100.00%	10,000	517	1,894	20
Euro	2,000,000	100.00%	2,000,000	-11,347	-10,729	-
						1,478,769
Euro	10,116,452	20.00%	15,563,773	7,764	49,295	9,621
Euro	15,000,000	46.00%	13,800,000	-100 ⁽⁴⁾	29,907 ⁽⁴⁾	6,742
Euro	6,000,000	29.77% ⁽²⁾	3,573	-151 ⁽²⁾	5,840 ⁽²⁾	1,935
Euro	6,966,000	20.00%	270,000	16,408	87,370	1,729
Euro	2,715,200	36.81%	999,440	-2,006 ⁽²⁾	2,715 ⁽²⁾	676
Euro	113,949	27.30%		- ⁽²⁾	107 ⁽²⁾	29
						20,732
Euro	220,344,608	13.67%	40,174,660	-224 ⁽²⁾	236,258 ⁽²⁾	34,514
Euro	464,945,000	0.25%	1,162,363	-2,548 ⁽²⁾	455,013 ⁽²⁾	1,163
Euro	1,061,000	1.51%	16	9 ⁽²⁾	5,089 ⁽²⁾	426
Euro	5,163,200	5.00%	258,160	38 ⁽²⁾	6,750 ⁽²⁾	258
						36,361
						1,535,862

In addition to the above impairment test, sensitivity analyses were conducted on the recoverable values, increasing the above discount rate by 1%. The results of these analyses have not, in any event, resulted in any material differences with respect to the outcomes of the above tests.

In addition to the above, the carrying amounts of the investments in Autostrade dell'Atlantico, Stalexport Autostrady and Società Autostrada Tirrenica are significantly higher than the respective shares of equity. However, this does not represent an indication of a potential impairment, as the carrying amount is deemed to be fully recoverable, based on the estimated present value of these companies' future net operating cash flows, or of the operators they control.

With regard to the carrying amount of zero attributed to the investment in Tech Solution Integrators as at 31 December 2015, note 5.13 provides details of the accounting effects resulting from the company's liquidation via the "universal transfer" to the Company of all the assets and liabilities.

5.4 Financial assets

(non-current) - €595,188 thousand (€362,541 thousand)

(current) - €129,927 thousand (€353,877 thousand)

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

€000	31/12/2015			31/12/2014		
	Carrying amount	Current portion	Non-current portion	Carrying amount	Current portion	Non-current portion
Financial assets deriving from concession rights ⁽¹⁾	235,839	59,855	175,984	197,182	65,680	131,502
Term deposits ⁽²⁾	234,062	57,746	176,316	234,062	62,271	171,791
Derivative assets ⁽³⁾	36	36	-	1,034	1,034	-
Medium/long-term loans ⁽¹⁾	241,287	6,910	234,377	124,955	81,805	43,150
Other loans and receivables ⁽¹⁾	4,039	2,952	1,087	15,095	14,055	1,040
Staff loans ⁽¹⁾	8,877	1,475	7,402	9,203	2,739	6,464
Non-current prepayments ⁽¹⁾	145	123	22	8,714	120	8,594
Other medium/long-term financial assets	254,348	11,460	242,888	157,967	98,719	59,248
Short-term loans ⁽¹⁾	122	122	-	116,667	116,667	-
Other financial assets ⁽¹⁾	708	708	-	9,506	9,506	-
Other current financial assets	830	830	-	126,173	126,173	-
Financial assets	725,115	129,927	595,188	716,418	353,877	362,541

(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 government grants include amounts payable by the Grantor, third parties or other government entities as grants payable for construction services carried out. The increase of €38,657 thousand compared with 31 December 2014 is essentially due to the recognition of grants accruing during the period (€56,021 thousand), less amounts collected during the period (€17,679 thousand), primarily consisting of grants for the Apennine stretch of the A1 between Florence and Bologna.

Term bank deposits are essentially blocked cash reserve accounts. They primarily relate to loans disbursed by banks as a condition precedent for the grants financing the new construction required by laws 662/1996, 345/1997 and 135/1997, relating to the Variante di Valico and the upgrade of the motorway interchange serving Florence.

The balances on the accounts may not be withdrawn until such time as the Grantor specifically approves the substantial completion of the works and the stage of completion.

The current portion as at 31 December 2015, totalling €57,746 thousand, represents the sum expected to be released within 2016.

Derivative assets consist of the fair value of certain trading derivatives of non-hedge accounting, totalling €36 thousand, details of which are provided in note 7.2.

Other medium/long-term financial assets primarily include the loan granted to the subsidiary, Società Autostrada Tirrenica (€190,000 thousand, a fixed rate of 6.3% and maturing on 30 September 2020) and the loan granted to the subsidiary, Tangenziale di Napoli (€43,150 thousand). After stripping out the new medium/long-term loan, this item is down €93,619 thousand, essentially following collection of the amount due from Ecomouv (€73,006 thousand), reflecting the French government's payment to this company of compensation for terminating the Partnership Agreement relating to the Eco-Taxe project, and Toto Holding's payment of the remaining amount due (€13,798 million), recognised in 2011 following the sale of 58% of Strada dei Parchi.

Current financial assets are down €125,343 thousand on 31 December 2014 (€126,173 thousand), primarily due to repayment (€116,667 thousand) of a loan by the subsidiary, Società Autostrada Tirrenica, following signature of the above-mentioned new medium/long-term line of credit.

No evidence of impairment was found for any of the financial assets reported in the financial statements.

5.5 Other non-current assets - €269 thousand (€269 thousand)

This item, the value of which is in line with the figure for 31 December 2014, includes amounts due from the Municipality of Rome following work on the enlargement of one of the car parks outside the Via Bergamini offices.

5.6 Trading assets - €509,063 thousand (€497,930 thousand)

Trading assets consist of:

- a) inventories of €38,919 thousand (€36,536 thousand as at 31 December 2014), primarily relating to stocks and spare parts used in motorway maintenance or the assembly of machinery;
- b) contract work in progress of €4,204 thousand (€3,697 thousand as at 31 December 2014), connected to work carried out for the Grantor, in this case a customer;
- c) trade receivables of €465,940 thousand (€457,697 as at 31 December 2014), which consist of the following.

€000	31/12/2015	31/12/2014
Trade receivables due from:		
Customers	247,584	233,216
Sub-operators at motorway service areas	103,246	94,883
Sundry customers	108,718	112,853
Gross trade receivables	459,548	440,952
Allowance for bad debts	44,329	52,905
Other trading assets	50,721	69,650
Net trade receivables	465,940	457,697

The increase in trade receivables, amounting to €8,243 thousand, reflects:

- 1) an increase in receivables due from motorway customers, totalling €26,910 thousand, reflecting positive traffic trends on the network under operation, partially offset by a reduction of €12,542 thousand in unpaid tolls, largely attributable to the cancellation of amounts that are over 5 years past due and have already been written off in previous years;
- 2) an increase in amounts due from service area sub-operators, totalling €8,363 thousand, essentially due to the issue of invoices, totalling €8,024 thousand, linked to the handover of free of charge works carried out by sub-operators at service areas, for which the former operators will issue invoices payable of the same amount, to be recognised in trade receivables, in order to carry out the related offset;
- 3) a reduction of €18,929 thousand in other trading assets, reflecting reduced prepayments to suppliers for services provided during the year (€16,379 thousand);
- 4) a reduction in the allowance for bad debts for trade receivables, amounting to €8,576 thousand, largely due to use of the provisions for the above receivable to be cancelled, partially offset by impairments recognised during the year, as described in note 6.12.

The following table shows an ageing schedule for trade receivables.

€000	Total receivables 31/12/2015	Total not yet due	More than 90 days overdue	Between 90 and 365 days overdue	More than 1 year overdue
Trade receivables	459,548	355,180	23,413	12,143	68,812

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 agreements relating to authorisations to cross motorways and sales of proprietary services and goods.

The following table shows movements in the allowance for bad debts for trade receivables during the year, determined with reference to the management and measurement of receivables and historical data regarding losses on receivables, also taking into account guarantee deposits and other collateral given by customers.

€000	31/12/2014	Additions	Uses	31/12/2015
Allowance for bad debts	52,905	7,699	-16,275	44,329

The carrying amount of trade receivables approximates to fair value.

5.7 Cash and cash equivalents- €2,422,343 thousand (€1,265,207 thousand)

This item includes:

- cash, totalling €1,708,381 thousand (€494,339 thousand as at 31 December 2014), essentially relating to demand bank deposits;
- cash equivalents, totalling €340,074 thousand (€352,718 thousand as at 31 December 2014), which primarily regard bank deposits convertible within the short term;
- the balance receivable on current accounts with Atlantia Group companies, totalling €373,888 thousand (€418,150 thousand as at 31 December 2014), taking account of the centralised treasury management service provided by the Company.

The increase in cash and cash equivalents, amounting to €1,157,136 thousand, is essentially due to cash generated from operating activities and the new bond issues in 2015, partially offset by capital expenditure during the year and partial early repayment of medium/long-term loans granted by Atlantia, as described in note 6.16.

Detailed explanations of the cash flows resulting in the increase in cash in 2015 are contained in note 7.1.

5.8 Current tax assets and liabilities

Current tax assets - €31,470 thousand (€17,143 thousand)

Current tax liabilities - €- (€21,069 thousand)

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

€000	Current tax assets		Current tax liabilities	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
IRES	16,864	17,040	-	21,069
IRAP	14,606	103	-	-
Total	31,470	17,143	-	21,069

The Company participates in the tax consolidation arrangement headed by Atlantia, with the balance for current IRES accounted for in amounts due to and from the consolidating entity.

The balance of current tax assets as at 31 December 2015 essentially consists of:

- a) the amount due from the parent, Atlantia, totalling €18,597 thousand. This reflects application for a refund of IRES following the non-deductibility of IRAP on staff costs in the four-year period 2008-2011, in accordance with the provisions of Law 44 of 26 April 2012 and the tax authorities' ruling of 17 December 2012;
- b) refundable IRAP, amounting to €14,606 thousand, deriving from the fact that payments on account are in excess of the amount payable for this tax for 2015;
- c) the amount due from Sintonia, totalling €5,702 thousand, following an application for a refund of IRES following the non-deductibility of IRAP on staff costs for 2007, in accordance with the description in point a) above;
- d) the amount payable to Atlantia as the balance due for IRES for the current year, totalling €6,587 thousand, and €1,796 thousand for the previous year.

The improvement in the net current tax assets compared with 31 December 2014, amounting to €35,396 thousand, essentially reflects:

- a) payment of the balance of IRES due for the previous year (€37,659 thousand);
- b) the fact that payments on account during the year (€242,058 thousand) were greater than income tax expense for the year (€234,058 thousand);
- c) collection (€10,498 thousand) of the amount due from Sintonia, following a request for a refund of IRES for deductible IRAP, in accordance with article 6 of Law 2 of 28 January 2009, having participated in the tax consolidation arrangement headed by the former consolidating entity for the tax years 2004-2007.

5.9 Other current assets - €121,149 thousand (€121,304 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	31/12/2015	31/12/2014
Receivables due from end users and insurance companies for damages	23,923	30,845
Receivable from public entities	7,937	2,792
Receivables from social security institutions	844	482
Payments on account and other sundry receivables	94,984	95,011
	127,688	129,130
Allowance for bad debts	6,539	7,826
Other current assets	121,149	121,304

The balance is substantially in line with the figure for 31 December 2014.

The allowance for bad debts for other current assets entirely refers to estimated losses on amounts due from road users and insurance companies to cover damage to the motorway infrastructure managed by the Company.

5.10 Non-current assets held for sale or related to discontinued operations - €4,271 thousand (€4,271 thousand) Liabilities related to discontinued operations - €- (-)

This item solely regards the remaining 2% interest in Strada dei Parchi, which is subject to a call/put option with the counterparty Toto Costruzioni Generali. Exercise of the option is subject to the completion of certain works required by Strada dei Parchi's Single Concession Arrangement.

5.11 Equity - €2,565,608 thousand (€2,268,554 thousand)

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 did not undergo any changes in 2015.

The increase of €297,054 thousand in equity essentially reflects a combination of the following:

- comprehensive income for 2015 of €962,761 thousand, consisting of profit for the year of €954,953 thousand and other comprehensive income (totalling €7,808 thousand, as described below);
- payment of the final dividend for 2014 and of the interim dividend for 2015, both totalling €335,273 thousand (€0.539 per share).

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 funding to adequately support the growth of the Company's businesses and fulfil the commitments given in concession arrangements.

The table below shows an analysis of issued capital and equity reserves, showing their permitted uses and distributable amounts.

Description	Balance as at 31/12/2015 (€000)	Permitted uses (A, B, C) ^(*)	Available portion (€000)	Uses between 01/01/2012-31/12/2015	
				To cover losses	For other reasons
Issued capital	622,027	B	-	-	-
Share premium reserve	216,070	A, B, C	216,070	-	-
Legal reserve	124,406	B	-	-	-
Cash flow hedge reserve ⁽¹⁾	-247,413		-247,413		
Extraordinary reserve	1,196,339	A, B, C	1,196,339	-	-
Reserve for actuarial gains and losses on post-employment benefits ⁽¹⁾	-14,260		-14,260		
Other reserves ^{(1) (2)}	-384,760		-384,760		
Retained earnings	433,519	A, B, C	433,519	-	-
Other reserves and retained earnings	1,230,838	A, B, C		-	-
Other reserves and retained earnings ⁽³⁾	1,323,901				
Total	1,945,928		1,199,495	-	-
of which:					
- Non-distributable ⁽⁴⁾			7,045		
- Distributable			1,192,450		

(*) Key:
A: capital increases
B: to cover losses
C: shareholder distributions

Notes:

(1) Reserves with negative balances are included in computation of the available portion.

(2) Of which:

- €962,198 thousand in the "IFRIC 12 reserve";
- €568,638 thousand in the "IFRS transition reserve";
- €8,800 thousand in the "Reserve for share-based incentive plans".

(3) As a result of article 109, paragraph 4, letter b of the Consolidated Income Tax Act (abrogated by Law 244 of 24 December 2007 and replaced, without retroactive effect, by article 103, paragraph 3-bis), the sum of €557,858 thousand is taxable if distributed to shareholders, unless there are sufficient reserves. The new legislation has abolished all restrictions on the distribution of equity reserves imposed by tax legislation arising in connection with the amortisation of trademarks and goodwill. As a result, there should be no increase in the amount of dividends subject to additional taxation.

(4) This represents the undistributable portion to cover unamortised development costs.

Other comprehensive income

The section "Financial statements" includes the "Statement of comprehensive income", which includes other comprehensive income, after the related taxation.

The following table shows the before and after tax amounts of this other comprehensive income.

€000	2015	2014
Profit for the year (A)	954,953	703,531
Fair value gains/(losses) on cash flow hedges	20,916	-135,113
Tax effect on fair value gains/(losses) on cash flow hedges	-14,670	37,156
Other comprehensive income for the year reclassifiable to profit or loss after the related taxation (B)	6,246	-97,957
Gains/(losses) from actuarial valuations of provisions for employee benefits	4,443	-12,517
Tax effect on gains/(losses) from actuarial valuations of provisions for employee benefits	-1,221	3,442
Other comprehensive income for the year not reclassifiable to profit or loss after the related taxation (C)	3,222	-9,075
Reclassifications of cash flow hedge reserve measured at fair value to profit or loss	-1,660	-
Reclassifications of other components of comprehensive income to profit or loss for the year (D)	-1,660	-
Total other comprehensive income/(loss) for the year after the related taxation (E = B + C + D)	7,808	-107,032
Comprehensive income for the year (A + E)	962,761	596,499

"Total other comprehensive income for the year, after the related taxation" reflects the following:

- a) the value of cash flow hedges is based on the combined effect of:
 - 1) a reduction of €35,051 thousand in fair value losses, after the related taxation, on cash flow hedges, essentially due to the settlement of differentials during the year, in addition to an increase in interest rates as at 31 December 2015, compared with 31 December 2014;
 - 2) the recognition of fair value gains, after the related taxation, of €18,705 thousand, resulting from the unwinding of Forward-Starting Interest Rate Swaps at the time of the bond issue in June 2015;
 - 3) the recognition of fair value losses of €38,136 thousand, after the related taxation, on the new Forward-Starting Interest Rate Swaps hedging financial liabilities to be assumed through to the end of 2017, reflecting the decline in the relevant interest rates in the second half of 2015;
 - 4) the negative impact on deferred taxation, amounting to €9,374 thousand, of the reduction in the IRES rate from 2017 introduced by the 2016 Stability Law (Law 208/2015);
- b) actuarial gains on provisions for employee benefits, after the related taxation, essentially due to an increase in the discount rate used at the measurement date of 31 December 2015, compared with the rate used as at 31 December 2014, as described in note 5.13;
- c) the reclassification to profit or loss of the portion of the cash flow hedge reserve that takes account, as indicated in point a) 2), of the accrued amount for the year and relating to the flows generated by interest on the above bond issue.

The comparative amounts for points a) 1) and b), as at 31 December 2014, were, in both cases, measured on the basis of specific rates that were lower than those applied as at 31 December 2013.

5.12 Provisions for construction services required by contract

(non-current) - €3,264,523 thousand (€3,654,565 thousand)

(current) - €428,783 thousand (€494,092 thousand)

Provisions for construction services required by contract represent the residual present value of motorway infrastructure construction and/or upgrade services that the Company is required to provide through to the end of the term of the Single Concession Arrangement (31 December 2038). Provision of the services does not result in additional economic benefits in terms of specific toll charge 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 2015, showing the non-current and current portions.

€000	31/12/2014		
	Carrying amount	Non-current portion	Current portion
Upgrade of Florence-Bologna section	1,587,403	1,265,464	321,939
Third and fourth lanes	11,776	11,776	-
Other construction services	2,549,478	2,377,325	172,153
Provisions for construction services required by contract	4,148,657	3,654,565	494,092

The reduction in these provisions amounts to €455,351 thousand and essentially reflects the use of provisions for construction services completed in 2015 and for which no additional benefits are received (€496,527 thousand, net of the related government grants).

The following should also be noted:

- finance-related provisions (€26,086 thousand), being the double entry to the financial expenses accruing in connection with discounting to present value, recognised in the income statement;
- revision of the present value of future construction services, with a matching increase in intangible assets deriving from concession rights (€15,090 thousand), including €715 thousand due to the impact of movements in the current and future interest rates used as at 31 December 2015, compared with those used as at 31 December 2014.

5.13 Provisions

(non-current) - €1,013,063 thousand (€926,536 thousand)

(current) - €188,700 thousand (€341,170 thousand)

The following table shows details of provisions by type, showing the non-current and current portions.

€000	31/12/2015			31/12/2014		
	Carrying amount	Non-current portion	Current portion	Carrying amount	Non-current portion	Current portion
Provisions for employee benefits	114,095	100,130	13,965	127,643	114,497	13,146
Provisions for repair and replacement of motorway infrastructure	1,042,302	912,933	129,369	1,080,163	812,039	268,124
Provisions for the risk of fines and penalties under the Single Concession Arrangement	3,140	-	3,140	2,141	-	2,141
Provisions for tax risk	1,837	-	1,837	1,744	-	1,744
Provisions for impairment of Tech Solution Integrators in excess of carrying amount	-	-	-	4,673	-	4,673
Provisions for universal transfer from Tech Solution Integrators	5,804	-	5,804	-	-	-
Sundry provisions	34,585	-	34,585	51,342	-	51,342
Other provisions	42,226	-	42,226	57,759	-	57,759
Provisions	1,201,763	1,013,063	188,700	1,267,706	926,536	341,170

Changes due to revised present value of obligations	Changes during the year			31/12/2015		
	Financial provisions	Uses to finance works	Government grants accrued on completed works	Carrying amount	Non-current portion	Current portion
2,906	5,903	-373,394	39,957	1,262,775	1,025,823	236,952
417	38	-728	-	11,503	9,048	2,455
11,767	20,145	-162,362	-	2,419,028	2,229,652	189,376
15,090	26,086	-536,484	39,957	3,693,306	3,264,523	428,783

The following table shows provisions at the beginning and end of the period and changes in 2015.

€000	31/12/2014 Carrying amount	Changes during the year	
		Operating provisions	Financial provisions
Provisions for employee benefits	127,643	253	1,116
Provisions for repair and replacement of motorway infrastructure	1,080,163	279,495	16,094
Provisions for the risk of fines and penalties under the Single Concession Arrangement	2,141	999	-
Provisions for tax risk	1,744	401	-
Provisions for impairment of Tech Solution Integrators in excess of carrying amount	4,673	-	-
Provisions for universal transfer from Tech Solution Integrators	-	5,804	-
Sundry provisions	51,342	-4,636	-
Other provisions	57,759	1,569	-
Provisions	1,267,706	282,316	17,210

PROVISIONS FOR EMPLOYEE BENEFITS

(non-current) - €100,130 thousand (€114,497 thousand)

(current) - €13,965 thousand (€13,146 thousand)

As at 31 December 2015, this item consists almost entirely of provisions for post-employment benefits to be paid to staff employed under Italian law.

The reduction of €13,548 thousand essentially reflects the following:

- a) uses of provisions amounting to €10,287 thousand for benefits and advances paid;
- b) actuarial gains of €4,443 thousand recognised in comprehensive income, including €3,694 thousand in actuarial gains resulting from changes in the financial assumptions used, essentially reflecting the increase in the discount rate used for measurement as at 31 December 2015 (1.39%), compared with 31 December 2014 (0.91%) and €749 thousand in actuarial gains deriving from changes in the rate with which advances are paid and in the annual turnover rate.

Deferred actuarial gains/(losses) recognised in comprehensive income	Changes during the year					31/12/2015 Carrying amount
	Reductions due to post employment benefits and advances	Reductions due to reversal of overprovisions	Transfers (to)/ from other companies	Uses		
				Direct	Indirect	
-4,443	-10,287		-187	-	-	114,095
-	-	-	-	-	-333,450	1,042,302
-	-	-	-	-	-	3,140
-	-	-	-	-308	-	1,837
-	-	-4,673	-	-	-	-
-	-	-	-	-	-	5,804
-	-	-1,488	-	-10,633	-	34,585
-	-	-6,161	-	-10,941	-	42,226
-4,443	-10,287	-6,161	-187	-10,941	-333,450	1,201,763

The most important actuarial assumptions used to measure the provision for post-employment benefits at 31 December 2015 are summarised below.

Financial assumptions

Annual discount rate ⁽¹⁾	1.39%
Annual inflation rate	1.50% for 2016 1.80% for 2017 1.70% for 2018 1.60% for 2019 2.00% from 2020 on
Annual rate of increase in post-employment benefits	2.625% for 2016 2.850% for 2017 2.775% for 2018 2.700% for 2019 3.000% from 2020 on
Annual rate of increase in real salaries	0.65%
Annual turnover rate	0.75%
Annual rate for advances paid	2.5%
Duration (years)	8.3

(1) The annual discount rate is used to determine the present value of the obligation and was, in turn, determined with reference to the average yield curve taken from the Iboxx Eurozone Corporate AA on the valuation date for durations of 7-10 years which reflect the overall duration of the provisions.

Demographic assumptions

Mortality	Government General Accounting Office projections
Disability	INPS tables by age and gender
Retirement age	Mandatory state pension retirement age

The following table shows a sensitivity analysis of provisions for post-employment benefits for each actuarial assumption at the end of 2015, indicating the effects on the defined benefit obligation of reasonably possible changes in the actuarial assumptions used at that date.

€000	Sensitivity analysis as at 31/12/2015 - Change in actuarial assumption					
	Turnover rate		Inflation rate		Discount rate	
	+1%	-1%	+0.25%	-0.25%	+0.25%	-0.25%
Balance of post-employment benefits	113,639	114,590	115,376	112,832	112,072	116,177

PROVISIONS FOR REPAIR AND REPLACEMENT OF MOTORWAY INFRASTRUCTURE

{non-current} - €912,933 thousand {€812,039 thousand}

{current} - €129,369 thousand {€268,124 thousand}

This item regards the present value of provisions for the repair and replacement of assets operated under concession, in accordance with the arrangement entered into with the Grantor and designed to ensure the serviceability and safety of the assets.

The provisions are down €37,861 thousand on 31 December 2014, primarily reflecting a combination of the following:

- a) uses {€333,450 thousand} in connection with repairs and replacements carried out during the period;
- b) operating provisions {€279,495 thousand, also taking into account the positive impact of €54,979 thousand relating to the increase in the rate used as at 31 December 2015 to discount future commitments, with respect to the rate used as at 31 December 2014};
- c) financial provisions {€16,094 thousand}.

PROVISION FOR FINES AND PENALTIES UNDER THE SINGLE CONCESSION ARRANGEMENT
(current) - €3,140 thousand (€2,141 thousand)

The value of these provisions as at 31 December 2015 consists of:

- a) the total amount of €1,451 thousand for penalties imposed (or that could be imposed based on the alleged breaches) by the Grantor pursuant to Annex N of the Single Concession Arrangement. These penalties for breach of contract, which are cumulative for the years from 2009 to 2014, relate to failure to meet the requirements of the Annual Audit Plan required under the Arrangement;
- b) the total amount of €1,689 thousand for penalties or fines imposed in relation to snow events or disruption to traffic. This amount primarily regards:
 - 1) penalties imposed by the Grantor on 22 November 2011 for disruption to traffic caused by snow on the A1 Milan-Naples motorway near Florence (€484 thousand) and the Pescara-Vasto section of the A14 motorway (€96 thousand) in December 2010. The amount of the penalties, computed with reference to the formula provided in Annex N of the Single Concession Arrangement;
 - 2) a penalty imposed by the Grantor on 10 December 2015, amounting to €959 thousand, as a result of disruption to traffic on 5 and 6 February 2015 on the A1, A13 and A14 motorways due to snowfall.

The Company is contesting a number of the above penalties before Lazio Regional Administrative Court and the related judgements are pending.

Further information on significant legal and regulatory aspects is provided in note 8.5.

OTHER PROVISIONS
(current) - €42,226 thousand (€57,759 thousand)

These provisions primarily relate to potential contingencies and liabilities that could arise in connection with pending litigation at the end of the period, including the estimated expenses provisioned for contract reserves relating to contractors who carry out maintenance work. The overall balance is down €15,533 thousand on the figure for 31 December 2014, primarily due to:

- a) uses of €10,941 thousand, primarily following the settlement of disputes with a number of service area operators (My Chef SpA and Chef Express SpA, amounting to €10,399 thousand);
- b) an improvement in estimated provisions for the year, amounting to €4,235 thousand, primarily due to developments in a number of disputes regarding maintenance contracts for certain sections of motorway, totalling €9,267 thousand, partially offset (€3,931 thousand) by new provisions for disputes relating to compensation for damages;
- c) the net provisions linked to the expected liquidation of the subsidiary, Tech Solution Integrators (TSI), amounting to €1,131 thousand. In December 2015, the Company's Board of Directors approved the subsidiary's liquidation via the "universal transfer" to the Company of all the assets and liabilities (as provided for in French law governing the voluntary liquidation of companies with a sole shareholder). Whilst awaiting approval from TSI's shareholders, expected in 2016, the Company has recognised:
 - 1) provisions for additional expenses in connection with the net liabilities to be transferred from TSI, amounting to €5,804 thousand, as described in note 6.9;
 - 2) a reversal, amounting to €4,673 thousand, of the impairment, in excess of the carrying amount of the investment in TSI, recognised in 2014, given that the subsidiary's losses no longer have to be covered via a capital injection, as described in note 6.13.

Finally, the impairment of trade receivables due to the Company from TSI, amounting to a total of €4,531 thousand, is described in note 6.12.

Further details of developments in disputes pending as at 31 December 2015 are provided in note 8.5.

5.14 Financial liabilities

(non-current) - €12,076,225 thousand (€11,525,508 thousand)
(current) - €1,781,542 thousand (€1,138,478 thousand)

MEDIUM/LONG-TERM FINANCIAL LIABILITIES

(non-current) - €12,076,225 thousand (€11,525,508 thousand)
(current) - €1,307,645 thousand (€618,903 thousand)

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

- a) an analysis of the balance by face value and maturity (current and non-current portions), showing transactions with the parent, Atlantia:

€000	31/12/2015			
	Face value	Carrying amount	Current portion	Non-current portion
Bond 2015-2023	750,000	732,921	-	732,921
Bond 2015-2021	650,000	646,769	-	646,769
Bond 2015-2025	500,000	496,270	-	496,270
Bond 2015-2026	750,000	741,571	-	741,571
Bond issues ⁽³⁾	2,650,000	2,617,531	-	2,617,531
Loans from Atlantia ⁽¹⁾	7,406,526	7,378,146	882,732	6,495,414
Loans from parents (A)	7,406,526	7,378,146	882,732	6,495,414
Term Loan Facility	-	-	-	-
European Investment Bank (EIB)	1,727,508	1,727,508	54,387	1,673,121
Cassa Depositi e Prestiti and SACE ⁽¹⁾	853,488	840,744	22,824	817,920
Borrowings linked to grants ⁽²⁾	106,224	106,224	56,904	49,320
Bank borrowings (B)	2,687,220	2,674,476	134,115	2,540,361
ANAS ⁽²⁾	127,860	127,860	57,745	70,115
Other borrowings (C)	127,860	127,860	57,745	70,115
Medium/long-term borrowings (A + B + C) ⁽³⁾	10,221,606	10,180,482	1,074,592	9,105,890
Derivative liabilities ⁽⁴⁾		352,804	-	352,804
Accrued expenses on medium/long-term financial liabilities ⁽³⁾		233,053	233,053	-
Other medium/long-term financial liabilities		233,053	233,053	-
Medium/long-term financial liabilities		13,383,870	1,307,645	12,076,225

(1) As at 31 December 2015, certain of these borrowings are hedged against interest rate and currency risk with notional amounts and maturities matching those of the underlyings. These are classified as cash flow hedges in accordance with IAS 39 and included in "Derivative liabilities".

(2) This item refers to borrowings linked to the grants provided for in laws 662/1996, 135/1997 and 345/1997 and designed to finance work on infrastructure for the "Florence North-Florence South" and "Cà Nova-Aglio" sections of motorway (*Variante di Valico*). The borrowings are to be repaid by the Ministry of Infrastructure and Transport.

(3) These financial instruments are classified as financial liabilities measured at amortised cost, in accordance with IAS 39.

(4) These financial instruments are classified as hedging derivatives in level 2 of the fair value hierarchy.

Maturity		31/12/2014			
Between 13 and 60 months	After 60 months	Face value	Carrying amount	Current portion	Non-current portion
-	732,921	-	-	-	-
-	646,769	-	-	-	-
-	496,270	-	-	-	-
-	741,571	-	-	-	-
-	2,617,531	-	-	-	-
3,006,827	3,488,587	8,757,776	8,736,615	-	8,736,615
3,006,827	3,488,587	8,757,776	8,736,615	-	8,736,615
-	-	160,000	159,615	159,615	-
407,727	1,265,394	1,729,508	1,729,508	51,999	1,677,509
91,578	726,342	676,744	671,734	22,809	648,925
49,320	-	160,510	160,510	54,287	106,223
548,625	1,991,736	2,726,762	2,721,367	288,710	2,432,657
70,115	-	73,596	73,596	62,271	11,325
70,115	-	73,596	73,596	62,271	11,325
3,625,567	5,480,323	11,558,134	11,531,578	350,981	11,180,597
-	352,804	-	347,583	2,672	344,911
-	-	-	265,250	265,250	-
-	-	-	265,250	265,250	-
3,625,567	8,450,658	-	12,144,411	618,903	11,525,508

b) type of interest rate, maturity and fair value:

€000	Maturity	31/12/2015		31/12/2014	
		Carrying amount ⁽¹⁾	Fair value ⁽²⁾	Carrying amount ⁽¹⁾	Fair value ⁽²⁾
Bond (2015)	2023	732,921	752,550	-	-
Bond (2015)	2021	646,769	652,594	-	-
Bond (2015)	2025	496,270	506,115	-	-
Bond (2015)	2026	741,571	748,178	-	-
- fixed rate		2,617,531	2,659,437	-	-
Bond issues ⁽³⁾		2,617,531	2,659,437	-	-
Atlantia loan issued 2004	2024	987,547	1,379,059	986,456	1,406,123
Atlantia loan issued 2009	2016	882,732	931,511	1,515,178	1,668,426
Atlantia loan issued 2009	2038	149,176	221,050	149,176	225,613
Atlantia loan issued 2010	2017	597,360	637,456	1,000,000	1,092,782
Atlantia loan issued 2010	2025	500,000	620,507	500,000	627,856
Atlantia loan issued 2012	2019	764,028	900,273	1,000,000	1,209,373
Atlantia loan issued 2012	2020	656,890	786,815	750,000	915,794
Atlantia loan issued 2012	2032	35,000	46,941	35,000	47,895
Atlantia loan issued 2012	2032	48,600	67,602	48,600	69,023
Atlantia loan issued 2012	2018	988,549	1,103,087	984,936	1,125,646
Atlantia loan issued 2013	2033	75,000	92,068	75,000	93,714
Atlantia loan issued 2013	2021	750,000	852,879	750,000	827,648
Atlantia loan issued 2014	2038	75,000	91,002	75,000	92,531
Atlantia loan issued 2014	2034	125,000	140,524	125,000	142,700
- fixed rate		6,634,882	7,870,774	7,994,346	9,545,124
Atlantia loan issued 2004 ⁽⁴⁾	2022	743,264	765,644	742,269	759,377
- floating rate		743,264	765,644	742,269	759,377
Loans from parents (A)		7,378,146	8,636,418	8,736,615	10,304,501
European Investment Bank (EIB)	from 2016 to 2036	1,727,508	2,030,151	1,729,508	2,067,588
- fixed rate		1,727,508	2,030,151	1,729,508	2,067,588
Term Loan Facility		-	-	159,615	112,140
Cassa Depositi e Prestiti ⁽⁴⁾	from 2016 to 2034	644,370	660,908	471,734	483,964
Cassa Depositi e Prestiti and SACE ⁽⁴⁾	from 2023 to 2024	196,374	234,670	200,000	235,806
- floating rate		840,744	895,578	831,349	831,910
Borrowings linked to grants	from 2016 to 2017	106,224	106,224	160,510	160,510
- non-interest bearing		106,224	106,224	160,510	160,510
Bank borrowings (B)		2,674,476	3,031,953	2,721,367	3,060,008
ANAS		127,860	127,860	73,596	73,596
Other borrowings (C)		127,860	127,860	73,596	73,596
Medium/long-term borrowings (A + B + C)		10,180,482	11,796,231	11,531,578	13,438,105
Derivative liabilities		352,804	352,804	347,583	347,583
Accrued expenses on medium/long-term financial liabilities		233,053	-	265,250	-
Other medium/long-term financial liabilities		233,053	-	265,250	-
Medium/long-term financial liabilities		13,383,870	14,808,472	12,144,411	13,785,688

(1) The value of medium/long-term financial liabilities shown in the table includes both the non-current and current portions.

(2) The fair value shown is classified in level 2 of the fair value hierarchy.

(3) The Bonds shown in the table are listed.

(4) As at 31 December 2015, certain of these borrowings are hedged against interest rate and currency risk with notional amounts and maturities matching those of the underlyings. These are classified as cash flow hedges in accordance with IAS 39 and included in "Derivative liabilities".

Details of the criteria used to determine the fair values shown in the table are provided in note 3;

- c) a comparison of the face value of each liability (bond issues and medium/long-term borrowings) and the related carrying amount, by issue currency, showing the corresponding average and effective interest rate:

€000	31/12/2015				31/12/2014	
	Face value	Carrying amount	Average interest rate applied to 31/12/2015 ⁽¹⁾	Effective interest rate as at 31/12/2015	Face value	Carrying amount
Euro (EUR)	12,871,606	12,798,013	4.40%	4.02%	11,558,134	11,531,578
Total	12,871,606	12,798,013	4.40%	4.02%	11,558,134	11,531,578

(1) This amount includes the effect of interest rate hedges as at 31 December 2015.

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

€000	Carrying amount as at 31/12/2014 ⁽¹⁾	New borrowings	Repayments	Other changes	Change in exposure to ANAS ⁽²⁾	Carrying amount as at 31/12/2015 ⁽¹⁾
Bond issues	-	2,616,113	-	1,418	-	2,617,531
Loans from parents	8,736,615	-	-1,351,250	-7,219	-	7,378,146
Bank borrowings	2,721,367	249,000	-289,541	-6,350	-	2,674,476
Other borrowings	73,596	-	-	-	54,264	127,860
Total	11,531,578	2,865,113	-1,640,791	-12,151	54,264	12,798,013

(1) The value of medium/long-term financial liabilities shown in the table includes both the non-current and current portions.

(2) This amount refers to movements in loans linked to grants, details of which are provided in note 2 on "ANAS" in the table under point a).

As explained in greater detail in note 7.2, derivatives have been entered into with Atlantia and a number of banks to hedge the exposure to interest rate risk of certain medium/long-term financial liabilities, including highly likely future financial liabilities to be assumed through to 2017, in accordance with the Atlantia Group's financial policy.

BOND ISSUES

(non-current) - €2,617,531 thousand (-)

(current) - €- (-)

This item consists of both the issue of bonds (accounted for in the financial statements at €1,884,610 thousand) to institutional investors as part of the Company's Euro Medium Term Note ("EMTN") Programme launched in October 2014 and authorised for an amount of up to €7 billion, and the issue of bonds to retail investors (accounted for in the financial statements at €732,921 thousand). The Company issued the following bonds in 2015:

- the issue of bonds to retail investors in June 2015 (a par value of €750,000 thousand, paying coupon interest of 1.625% and maturing in June 2023). In February 2015, Autostrade per l'Italia entered into a number of Forward-Starting Interest Rate Swaps with banks, having a notional value of €1,250 million, to hedge interest rate risk associated with the issue of the retail bonds, at a weighted average rate of 0.54%. At the date on which these derivatives were unwound, fair value gains on these instruments totalled €34,849 thousand. €9,678 thousand has been recognised in the income statement, representing the portion exceeding the nominal amount at issue, whilst the remaining €25,171 thousand, corresponding to the hedged portion of the par value of the issue, has been recognised in comprehensive income and will be reclassified to profit or loss. This amount will be effectively reclassified in line with the interest flows associated with the hedged instrument, in keeping with the nature of the derivatives as cash flow hedges. The cost of the bond issue, including the above hedges, thus amounts to 1.28%;
- the issue of bonds to institutional investors in October 2015, one tranche having a par value of €650,000 thousand (paying coupon interest of 1.125% and maturing in November 2021) and another a par value of €500,000 thousand (paying coupon interest of 1.875% and maturing in November 2025);
- the issue of bonds to institutional investors in November 2015, having a par value of €750,000 thousand (paying coupon interest of 1.75% and maturing in June 2026).

MEDIUM/LONG-TERM BORROWINGS

(non-current) - €9,105,890 thousand (€11,180,597 thousand)

(current) - €1,074,592 thousand (€350,981 thousand)

The balance of this item, including both current and non-current portions, consists of other borrowings from Atlantia, replicating the bonds issued by the latter. There was a reduction of €1,351,096 thousand in these borrowings in 2015, essentially reflecting:

- a) partial early repayment (amounting to a total face value of €1,351,250 thousand) of a portion of the loans from Atlantia maturing in 2016, 2017, 2019 and 2020, as described in note 6.16;
- b) the use of €200,000 thousand of the line of credit granted by Cassa Depositi e Prestiti in 2012 and restructured in September 2015 (floating rate, maturing in June 2021) and the use of €50,000 thousand of the line of credit granted by the EIB in 2010 (at a fixed rate of 1.83%, maturing in September 2036);
- c) repayments of bank borrowings, totalling €289,541 thousand;
- d) an increase of €54,287 thousand in amounts due to ANAS, reflecting the Grantor's direct payment, under the programme for financing the investment provided for in the Concession Arrangement (in accordance with the provisions of Laws 662/1996, 345/1997 and 135/1997), of instalments due on bank loans disbursed to the Company. These liabilities will be reduced, on receipt of specific permission from the Grantor, by offsetting against the financial assets deriving from government grants accrued as the related construction services are performed.

A number of the medium/long-term loan agreements include negative pledge provisions, in line with international practice. Under these provisions, it is not possible to create or maintain (unless required to do so by law) collateral guarantees on all or a part of any proprietary assets, with the exception of project debt. The above agreements also require compliance with certain covenants.

The method of selecting the variables to compute the ratios is specified in detail in the relevant loan agreements. Breach of these covenants, at the relevant measurement dates, could constitute a default event and result in the lenders calling in the loans, requiring the early repayment of principal, interest and of further sums provided for in the agreements.

The most important covenants are those relating to the loan agreements with Cassa Depositi e Prestiti (totalling €840,744 thousand as at 31 December 2015) require compliance with a minimum threshold for "Operating cash flow available for Debt Service/Debt Service" (DSCR). The Company is in compliance with these covenants.

DERIVATIVE LIABILITIES

(non-current) - €352,804 thousand (€344,911 thousand)

(current) - €- (€2,672 thousand)

This item regards derivatives entered into with Atlantia and a number of banks to hedge the exposure to interest rate risk of certain medium/long-term financial liabilities, including highly likely future financial liabilities to be assumed through to 2017.

The overall increase in this item compared with 31 December 2014, amounting to €5,221 thousand, is linked to a combination of the following:

- a) fair value losses on the new Forward-Starting Interest Rate Swaps (€53,567 thousand) entered into with a number of banks in June 2015 and having a total notional value of €2,200 million, variable durations of 6, 7 and 8 years and a weighted average fixed rate of 1.16%, linked to highly likely future financial liabilities to be assumed through to 2017 in order to meet the Company's expected financing requirements. The losses reflect falls in the relevant interest rates in the second half of 2015;
- b) a reduction in fair value losses (€48,346 thousand) on outstanding Interest Rate Swaps, essentially due to the settlement of differentials during 2015, in addition to an increase in the interest rates used to determine fair value as at 31 December 2015, compared with 31 December 2014.

As mentioned above, further details are provided in note 7.2.

OTHER MEDIUM/LONG-TERM FINANCIAL LIABILITIES

(non-current) - €- (-)

(current) - €233,053 thousand (€265,250 thousand)

The balance of this item (consisting of accrued expenses payable, primarily in terms of interest payable on bond issues, the loans obtained from Atlantia and banks, and differentials on outstanding derivatives) is down €32,197 thousand compared with 31 December 2014. This essentially reflects partial early repayment of a portion of the loans from Atlantia maturing in 2016, 2017, 2019 and 2020.

SHORT-TERM FINANCIAL LIABILITIES - €473,897 thousand (€519,575 thousand)

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

€000	31/12/2015	31/12/2014
Bank overdrafts	-	14
Short-term borrowings	400,000	264,000
Derivative liabilities ⁽¹⁾	36	1,034
Intercompany current account payables due to related parties	73,841	251,741
Other current financial liabilities	20	2,786
Short-term financial liabilities	473,897	519,575

(1) These liabilities primarily include derivative instruments that do not qualify for hedge accounting and that are classified in level 2 of the fair value hierarchy.

The reduction in short-term financial liabilities of €45,678 thousand primarily relates to:

- an increase in short-term loans, amounting to €136,000 thousand, reflecting cash deposits (totalling €400,000 thousand as at 31 December 2015) by Atlantia, maturing between 29 January 2016 and 29 February 2016;
- a reduction in the intercompany current account payables due to related parties, totalling €177,900 thousand, essentially due to the above cash deposits by Atlantia.

More detailed information on financial risks and the manner in which they are managed, in addition to outstanding derivative financial instruments, is contained in note 7.2.

NET DEBT IN COMPLIANCE WITH ESMA RECOMMENDATION OF 20 MARCH 2013

An analysis of the various components of consolidated net debt is shown below with amounts payable to and receivable from related parties, as required by Consob Ruling DEM/6064293 of 28 July 2006, in accordance with European Securities and Markets Authority ("ESMA") Recommendation of 20 March 2013 (which does not entail the deduction of non-current financial assets from debt).

€000	Note	31/12/2015	Of which related party transactions	31/12/2014	Of which related party transactions
Cash		-1,708,381		-494,339	
Cash equivalents and intercompany current account receivables due to related parties		-713,962	-373,888	-770,868	-418,150
Cash and cash equivalents (A)	5.7	-2,422,343		-1,265,207	
Current financial assets (B)	5.4	-129,927	-9,983	-353,877	-206,616
Bank overdrafts		-		14	
Current portion of medium/long-term financial liabilities		1,307,645	1,077,381	618,903	237,606
Other borrowings		473,897	473,841	519,561	515,741
Current financial liabilities (C)		1,781,542		1,138,478	
Current net debt (D = A + B + C)		-770,728		-480,606	
Bond issues		2,617,531		-	
Medium/long-term borrowings		9,105,890	6,495,414	11,180,597	8,736,615
Other non-current borrowings		352,804	216,123	344,911	245,232
Non-current financial liabilities (E)		12,076,225		11,525,508	
(Net funds)/Net debt as defined by ESMA recommendation (F = D + E)		11,305,497		11,044,902	
Non-current financial assets (G)	5.4	-595,188	-226,240	-362,541	-43,161
Net debt (H = F + G)		10,710,309		10,682,361	

5.15 Net deferred tax liabilities - €320,330 thousand (€247,451 thousand)

The following tables show deferred tax liabilities, after offsetting against deferred tax assets.

€000	31/12/2015	31/12/2014
Deferred tax liabilities (IRES)	1,074,743	1,128,287
Deferred tax liabilities (IRAP)	149,604	135,332
Deferred tax liabilities	1,224,347	1,263,619
Deferred tax assets eligible for offset (IRES)	789,705	896,415
Deferred tax assets eligible for offset (IRAP)	114,312	119,753
Deferred tax assets eligible for offset	904,017	1,016,168
Net deferred tax liabilities	320,330	247,451

The nature of the temporary differences giving rise to deferred taxation and changes during the period are summarised in the following table.

€000	31/12/2014	Changes during the year						31/12/2015
		Provisions	Releases	Deferred tax assets/liabilities on gains and losses recognised in comprehensive income	Changes in prior year estimates	Effect of change in rate		
						Profit or loss	Other comprehensive income	
Off-balance sheet amortisation of goodwill	1,263,613	110,940	-	-	-	-155,902	-	1,218,651
Measurement of cash flow hedges	-	-	-	6,466	-	-	-775	5,691
Other temporary differences	6	-	-	-	-	-1	-	5
Deferred tax liabilities	1,263,619	110,940	-	6,466	-	-155,903	-775	1,224,347
Restatement of total amount subject to IFRIC 12	519,688	1,059	-23,132	-	-	-52,091	-	445,524
Provisions:								
– Provisions for repair and replacement obligations	359,675	90,298	-76,781	-	-	-28,538	-	344,654
– Other provisions	19,317	315	-5,140	-	-148	-1,591	-	12,753
Impairment of receivables and inventories	13,717	326	-4,986	-	-19	-653	-	8,385
Measurement of cash flow hedges	95,586	-	-	1,170	-	-	-10,149	86,607
Other temporary differences	8,185	735	-2,212	-	143	-757	-	6,094
Deferred tax assets eligible for offset	1,016,168	92,733	-112,251	1,170	-24	-83,630	-10,149	904,017
Net deferred tax liabilities	247,451	18,207	112,251	5,296	24	-72,273	9,374	320,330

As shown above, the balance as at 31 December 2015 substantially includes the following:

- deferred tax liabilities, recognised since 2003, relating to the deduction, solely for tax purposes, of goodwill amortisation;
- the residual balance of deferred tax assets deriving from the realignment over 29 years, from 2010, 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;
- the non-deductible portion of provisions, primarily for the repair and replacement of motorway infrastructure.

The increase of €72,879 thousand essentially relates to:

- a) the provision of deferred taxes on the above deduction, solely for tax purposes, of goodwill amortisation (€110,940 thousand);
- b) the net release of the portion (€22,073 thousand) of deferred tax assets, determined on a straight-line basis over the concession term, of the total amount deriving from application of IFRIC 12;
- c) the positive impact on deferred taxation, amounting to €62,899 thousand, of the reduction in the IRES rate from 27.5% to 24% from 2017 introduced by the 2016 Stability Law (Law 208/2015).

5.16 Other non-current liabilities - €32,695 thousand (€28,897 thousand)

This item refers to deferred income to be reversed over several years, relating primarily to:

- a) advance payments received in return for use of the Company's fibre optic cables and fully equipped sites, totalling €16,293 thousand (€16,500 thousand as at 31 December 2014);
- b) the residual grant received from the Extraordinary Commissioner for the Campania Region to compensate the Company for the loss of future revenue following the transfer of the Naples toll station, totalling €6,563 thousand (€6,646 thousand as at 31 December 2014);
- c) amounts payable to the Company's Directors and employees, totalling €3,989 thousand (€851 thousand as at 31 December 2014) as a result of the benefits awarded under the "2014 Phantom Share Option Plan".

The change in this item is primarily due to the benefits awarded to the Company's Directors and employees under the "2014 Phantom Share Option Plan", given that the award of options free of charge, as part of the second cycle of the Plan, took place in 2015. These options are settled in cash, based on the increase in the value of Atlantia's ordinary shares. In addition, the entire amount accruing during the year in relation to options awarded under the first cycle of the same Plan on 9 May 2014 was also recognised, as described in note 8.4.

5.17 Trading liabilities - €1,290,701 thousand (€1,184,651 thousand)

Trading liabilities primarily consist of the following.

€000	31/12/2015	31/12/2014
Trade payables	562,073	554,637
Payable to operators of interconnecting motorways	643,233	544,001
Tolls in the process of settlement	85,307	85,942
Other trading liabilities	88	71
Trading liabilities	1,290,701	1,184,651

The increase during the year, amounting to €106,050 thousand, primarily reflects an increase in amounts payable to the operators of interconnecting motorways. This reflects increases in the operators' toll revenue and is in line with standard payment periods.

The carrying amount of trading liabilities approximates fair value.

5.18 Other current liabilities - €214,388 thousand (€208,066 thousand)

This item consists of payables and other current liabilities that are neither trading nor financial in nature. An analysis of the balance as at 31 December 2015 is shown below.

€000	31/12/2015	31/12/2014
Concession fees payable	80,255	80,161
VAT payable to Atlantia under Group arrangement	25,781	-
Payable to staff	22,705	24,072
Social security contributions payable	16,012	16,331
Amounts payable for expropriations	15,506	40,582
Taxation other than income taxes	7,252	6,257
Amounts payable to public entities	3,251	3,222
Guarantee deposits by users who pay by direct debit	1,693	1,442
Other payables	41,933	35,999
Other current liabilities	214,388	208,066

The balance as at 31 December 2015 is up €6,322 thousand on 31 December 2014, primarily due to a combination of the following:

- a) an increase of €25,781 thousand in VAT payable under the Group arrangement, in which Atlantia, together with certain subsidiaries, participates from 2015; the VAT due was paid to the tax authorities by the parent, Atlantia and then paid by the Company in January 2016;
- b) an increase of €7,003 thousand in compensation payable to third parties by the Company as a result of accidents on the motorway network;
- c) a reduction in amounts payable for expropriations, totalling €27,076 thousand, essentially linked to the volume of new works and an updated estimate of the compensation payable in relation to work in progress.

6. Notes to the income statement

This section includes the notes to amounts in the income statement, with amounts for 2014 shown in brackets and negative components of the income statement shown with a “-” sign in the headings and tables.

Details of amounts in the consolidated income statement deriving from related party transactions are provided in note 8.3.

6.1 Toll revenue - €3,097,669 thousand (€2,954,773 thousand)

Toll revenue is up €142,896 thousand (5%) on 2014. This essentially reflects:

- a) a 3.0% improvement in traffic on the Italian network, accounting for an estimated €82 million increase in toll revenue (including the impact of the different traffic mix);
- b) application of annual toll increases for 2015 (a rise of 1.46% from 1 January 2015), boosting toll revenue by an estimated €38 million.

Further information on points a) and b) is provided in the sub-sections, “Traffic” and “Toll increases”, in the section “Italian motorways” in the “Report on operations” accompanying these financial statements.

Toll revenue includes the additional concession fees payable to ANAS, totalling €337,887 thousand (€327,398 thousand as at 31 December 2014), and accounted for under concession fees in operating costs. Further details are provided in note 6.8.

As required by the CIPE Resolution of 20 December 1996, tables containing monthly traffic figures for the various motorway sections operated under concession have been annexed to these notes.

6.2 Revenue from construction services - €380,074 thousand (€347,144 thousand)

An analysis of this revenue is shown below.

€000	2015	2014	Increase/ (Decrease)
Construction service revenue - services for which additional economic benefits are received	333,540	279,093	54,447
Construction service revenue - government grants for services for which additional economic benefits are not received	39,957	34,582	5,375
Revenue from construction services for sub-operators	6,577	33,469	-26,892
Revenue from construction services	380,074	347,144	32,930

In line with the accounting model adopted pursuant to IFRIC 12, this revenue (which excludes revenue from construction services rendered by sub-operators), which represents the consideration for construction and upgrade services rendered during the year, is recognised at fair value based on total costs incurred, represented by operating costs and financial expenses (solely in the case of services for which additional economic benefits are received).

Revenue from construction services performed during the year is up €32,930 thousand (9%) compared with 2014, reflecting a combination of the following:

- a) an increase in construction services for which additional benefits are received, amounting to €54,447 thousand, primarily due to work on the A14 (the Senigallia-Ancona North section) and on the fifth lane of the A8 (Milan-Lainate). Further details are provided in the section, “Upgrade and modernisation of the network” in the report on operations;
- b) a reduction in income resulting from the handover free of charge of buildings located at service areas.

In 2015, the Company carried out additional construction services for which no additional benefits are received, amounting to €496,527 thousand, net of related government grants, for which the Company made use of a portion of the specifically allocated “Provisions for construction services required by contract”. Uses of these provisions are classified as a reduction in operating costs for the period, as explained in note 6.10.

Details of total investment in assets held under concession during the year are provided in note 5.2, above.

6.3 Contract revenue - €507 thousand (€2,370 thousand)

Contract revenue is down €1,863 thousand (79%) on 2014, as the comparative amount included the costs recovered from Ecomouv D&B for additional services provided within the context of the Eco-Tax project in France, substantially completed in 2013. This amount was then passed on to Autostrade Tech as a sub-contractor. The balance for 2015 solely includes contract revenue generated by work carried out for the Grantor.

6.4 Other operating income - €300,400 thousand (€341,726 thousand)

An analysis of other operating income is provided below.

€000	2015	2014	Increase/ (Decrease)
Revenue from sub-concessions	187,808	219,248	-31,440
Revenue from services	20,060	19,782	278
Refunds	17,812	18,791	-979
Other revenue from motorway operation	15,925	16,319	-394
Maintenance revenue	14,425	15,255	-830
Damages and compensation	12,554	17,665	-5,111
Advertising revenue	5,482	5,858	-376
Revenue from the sale of technology devices and services	2,510	622	1,888
Release of overprovisions	1,488	1,751	-263
Other income	22,336	26,435	-4,099
Other operating income	300,400	341,726	-41,326

Other operating income is down €41,326 thousand (12%) on 2014, essentially reflecting:

- a €31,440 thousand reduction in revenue from sub-concessions, primarily reflecting the impact on service area royalties of agreements with a number of sub-operators (above all oil service providers), further discounts applied with effect from the second half of 2014 and a reduction in "one-off" payments received in 2015;
- b a reduction of €5,111 thousand in damages and compensation from insurance companies, primarily linked to lower payouts for accidents on the motorway network;
- c a reduction in other income of €4,099 thousand, reflecting recognition, in 2014, of a refund from the Ministry for Economic Development of overpayments for the use of radio frequencies in previous years (2003-2013).

6.5 Raw and consumable materials - €-72,825 thousand (€-80,324 thousand)

This item consists of purchases of materials and the change in inventories of raw and consumable materials.

€000	2015	2014	Increase/ (Decrease)
Electrical and electronic materials	-24,305	-11,617	-12,688
Lubricants and fuel	-9,767	-11,238	1,471
Construction materials	-9,297	-7,838	-1,459
Other raw and consumable materials	-32,177	-50,650	18,473
Cost of materials	-75,546	-81,343	5,797
Change in inventories of raw, ancillary and consumable materials and goods for resale	2,383	721	1,662
Capitalised cost of raw materials	338	298	40
Raw and consumable materials	-72,825	-80,324	7,499

The reduction of €7,499 thousand (9%) is essentially due to the higher cost of expropriations incurred in 2014, primarily reflecting the start-up of work on the fifth lane of the A8 (Rho-Monza section) and an update of the compensation payable for work in progress on the A14 and A1 (Barberino-Florence North section), offset by increased costs incurred

for the purchase of electrical and electronic materials for the equipment needed in order to open the Variante di Valico to traffic in December 2015.

6.6 Service costs - €-1,172,604 thousand (€-1,015,283 thousand)

This item includes construction, insurance, transport and professional services primarily relating to the maintenance and upgrade of motorways. An analysis of the balance is shown below.

€000	2015	2014	Increase/ (Decrease)
Construction and similar	-914,148	-767,332	-146,816
Professional services	-135,491	-141,491	6,000
Utilities	-32,452	-32,913	461
Transport and similar	-16,798	-14,872	-1,926
Insurance	-16,146	-9,398	-6,748
Advertising	-7,426	-5,499	-1,927
Board of Statutory Auditors' fees	-197	-245	48
Other services	-49,946	-43,533	-6,413
Service costs	-1,172,604	-1,015,283	-157,321

The increase in service costs, amounting to €157,321 thousand (up 15%), essentially reflects increases in the cost of construction and similar services, mainly due to increases in investment in assets held under concession and in motorway maintenance work.

Details of the accounting policy applicable to service costs recognised in application of IFRIC 12 are provided in note 6.2.

6.7 Staff costs - €-395,885 thousand (€-380,553)

Staff costs break down as follows.

(€000)	2015	2014	Increase/ (Decrease)
Wages and salaries	-276,309	-266,253	-10,056
Social security contributions	-82,528	-80,586	-1,942
Post-employment benefits (including payments to supplementary pension funds or to INPS)	-16,817	-16,484	-333
Cost of share-based incentive plans	-7,649	-3,537	-4,112
Directors' remuneration	-3,410	-3,136	-274
Recovery of cost of seconded staff	7,813	9,067	-1,254
Other staff costs	-16,985	-19,624	2,639
Staff costs	-395,885	-380,553	-15,332

The increase of €15,332 thousand (4%) reflects:

- an increase in the average cost, primarily due to the cost of contract renewals and management incentive plans and in Directors' fees, in addition to reduced costs recovered for seconded staff;
- a reduction in the average workforce, primarily linked to a slowdown in recruitment and transfers from Autostrade per l'Italia to Atlantia in 2014, following the merger with Gemina, partly offset by recruitment for certain specific units.

Details of share-based incentive plans or those payable in shares or cash, involving a number of the Company's Directors and employees, are provided in note 8.4.

Actuarial gains on provisions for employee benefits, which are subject to actuarial valuation in that they are considered a defined benefit plan, amount to €4,443 thousand for 2015, as indicated in "Other comprehensive income" in note 5.11.

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

Category	2015	2014	Increase/ (Decrease)
Senior managers	97	104	-7
Middle managers	323	329	-6
Administrative staff	2,002	1,994	8
Toll collectors	2,058	2,092	-34
Manual workers	962	973	-11
Average workforce	5,442	5,492	-50

Details of the accounting policy applicable to staff costs recognised in application of IFRIC 12 are provided in note 6.2.

6.8 Other operating costs - €-493,599 thousand (€-469,663 thousand)

An analysis of other operating costs is shown below.

€000	2015	2014	Increase/ (Decrease)
Concession fees	-417,577	-405,548	-12,029
Lease expense	-5,672	-5,114	-558
Grants and donations	-32,886	-29,704	-3,182
Compensation for damages	-23,382	-17,194	-6,188
Direct and indirect taxes	-8,751	-6,811	-1,940
Other	-5,331	-5,292	-39
Other costs	-70,350	-59,001	-11,349
Other operating costs	-493,599	-469,663	-23,936

Other operating costs are up €23,936 thousand (5%), primarily due to the following:

- an increase in concession fees (€12,029 thousand), including the additional fee introduced by Law 78 of 1 July 2009, as more fully described below. The increase reflects previously discussed traffic growth;
- an increase in compensation and penalties (€6,188 thousand), reflecting a combination of the contract reserves paid to contractors (€10,591 thousand) in relation to the opening to traffic of the *Variante di Valico* and the reduced cost (€6,707 thousand) of settlements, reached in 2014, with service area operators;
- an increase in grants and donations (€3,182 thousand), reflecting the increased costs incurred in 2015 for work on the upgrade of infrastructure operated by public entities, as part of construction services relating to assets held under concession.

Law 102 of 3 August 2009 converting Law Decree 78 of 1 July 2009, with amendments, eliminated the toll surcharge pursuant to Law 296/2006 (the 2007 Finance Act), while increasing concession fees computed on the distance travelled by each vehicle on a motorway in the amount of 6 thousandths of a euro per kilometre for toll classes A and B and 18 thousandths of a euro per kilometre for classes 3, 4 and 5. The fees payable to the Grantor are recouped through a matching increase in the tolls charged to road users, thereby not having an impact on the Company's results.

Concession fees for 2015, consequently, consist of the increased concession fees payable, totalling €337,887 thousand (€327,398 thousand in 2014), in addition to concession fees payable from toll revenue of €66,147 thousand and sub-concession fees of €13,111 thousand (€63,110 thousand and €14,732 thousand, respectively, in 2014).

6.9 Operating change in provisions - €51,387 thousand (€-173,112 thousand)

This item reflects the impact on profit or loss of operating changes (new provisions and uses) in provisions, excluding those for employee benefits, made by the Company during the period in order to meet the legal and contractual obligations that it is presumed will require the use of financial resources in future years.

The positive impact of this item in 2015, totalling €51,387 thousand, essentially consists of the change in provisions for the repair and replacement of motorway infrastructure (€53,955 thousand) relating almost entirely to an increase in the discount rate applied at 31 December 2015, compared with the rate applied at 31 December 2014. The negative impact of €159,766 thousand in 2014 was affected by an opposite movement in the interest rates applied.

This item also includes provisions of €2,568 thousand for 2015 (€13,346 thousand for 2014), as described in note 5.13.

6.10 Use of provisions for construction services required by contract - €496,527 thousand (€393,161 thousand)

This item regards the use of provisions for construction services required by contract, relating to services for which no additional economic benefits are received rendered in 2015, less accrued government grants (recognised in revenue from construction services, as explained in note 6.2). The item represents the indirect adjustment to construction costs classified by nature in the cost of materials and external services and staff costs.

The increase of €103,366 thousand is broadly linked to increased investment in the upgrade of the A1 on the section between Bologna and Florence. This reflects completion of the motorway in view of the opening to traffic of the Variante di Valico.

Further information on construction services and capital expenditure in 2015 is provided in notes 5.2 and 6.2.

6.11 Amortisation and depreciation - €-511,190 thousand (€-487,360 thousand)

The increase of €23,830 thousand (5%) essentially reflects:

- a) an increase in amortisation of concession rights deriving from construction services for which no additional economic benefits are received, totalling €17,643 thousand, resulting from the decrease in the present value on completion of investment in construction services at the end of 2014;
- b) increased amortisation of concession rights deriving from construction services for which additional economic benefits are received, totalling €6,208 thousand, due to the toll increases applied from 1 January 2015.

6.12 {Impairment losses} and reversals of impairment losses - €-4,128 thousand (€-4,375 thousand)

The balance for 2015 primarily reflects the impairment of trade receivables due from Tech Solutions Integrators, amounting to a total of €4,531 thousand, as previously described in note 5.13. The balance for 2014 the impairment of trade receivables (€1,438 thousand) and amounts due from insurance companies (€2,937 thousand) attributable to previous years, reflecting the risk of non-collection.

6.13 Financial income/(expenses) - €-431,191 thousand (€-436,986 thousand)

Financial income - €272,640 thousand (€297,317 thousand)

Financial expenses - €-703,786 thousand (€-734,291 thousand)

Foreign exchange gains/(losses) - €-45 thousand (€-12 thousand)

An analysis of financial income and expenses is shown below, showing changes in the balances between the comparative periods:

€000	2015	2014	Increase/ (Decrease)
Dividends received from investees	199,390	174,681	24,709
Interest income	21,134	57,783	-36,649
Income from derivative financial instruments	19,939	5,449	14,490
Income from measurement of financial instruments at amortised cost	12,992	10,920	2,072
Financial income accounted for as an increase in financial assets	497	1,025	-528
Gain on sale of investments	672	-	672
Other	12,319	15,225	-2,906
Other financial income	67,553	90,402	-22,849
Reversal of impairment losses on financial assets and investments	1,024	32,234	-31,210
Releases due to impairments in excess of carrying amount of investments	4,673	-	4,673
Reversal of impairment losses on financial assets and investments	5,697	32,234	-26,537
Financial income (A)	272,640	297,317	-24,677
Financial expenses from discounting of provisions for construction services required by contract and other provisions	-43,296	-98,360	55,064
Interest expense	-443,469	-531,649	88,180
Losses on derivative financial instruments	-65,798	-67,052	1,254
Expenses from measurement of financial instruments at amortised cost	-8,817	-11,421	2,604
Other	-142,406	-17,825	-124,581
<i>of which: non-recurring ⁽¹⁾</i>	<i>-125,486</i>	<i>-</i>	<i>-125,486</i>
Other financial expenses	-660,490	-627,947	-32,543
Impairment losses on investments	-	-3,311	3,311
Provisions for impairment losses in excess of carrying amount of investments	-	-4,673	4,673
Impairment losses on financial assets and investments	-	-7,984	7,984
Financial expenses (B)	-703,786	-734,291	30,505
Foreign exchange gains/(losses) (C)	-45	-12	-33
Financial income/(expenses) (A + B + C)	-431,191	-436,986	5,795

(1) Details of non-recurring financial transactions are provided in note 6.17.

“Dividends received from investees” are up €24,709 thousand (14%), primarily due to an increase in dividends declared by Autostrade dell’Atlantico (€130,000 thousand in 2015 and €110,000 thousand in 2014).

“Reversals of impairment losses on financial assets and investments”, totalling €5,697 thousand, consist of:

- reversal of the impairment loss, in excess of the carrying amount of the investment in Tech Solutions Integrators, recognised in 2014 (€4,673 thousand). Further details are provided in note 5.13;
- reversal of the impairment loss on the carrying amount of the investments in Società Infrastrutture Toscane (€1,024 thousand).

In 2014, the item, after “Impairment losses on financial assets and investments”, amounting to €24,250 thousand, included:

- reversal of impairment losses on the investment in Stalexport Autostrady (€32,234 thousand);
- the impairment of the carrying amount of the investment in Tech Solutions Integrators (€2,000 thousand) and the additional provision to take account of the fact that the impairment loss is in excess of the carrying amount (€4,673 thousand), as noted above;
- the impairment of the carrying amount of the investment in Bologna&Fiera Parking (€1,306 thousand).

Financial expenses from the discounting to present value of provisions for construction services required by contract and other provisions” are down €55,064 thousand (56%) on 2014 (€98,360 thousand). The reduction in these expenses, computed on the basis of the value of the provisions and the discount rates used at 31 December of the year prior to the reporting period, is primarily due to a reduction in the rates used at 31 December 2014, compared with the rates used at the end of 2013.

Net other financial expenses of €592,982 thousand are up €55,425 thousand (10%) on the previous year (€537,557 thousand). The change essentially reflects a combination of the following:

- a) financial expenses (€125,486 thousand) on non-recurring financial transactions, relating to partial early repayment of loans from Atlantia, replicating the bond issues maturing in 2016, 2017, 2019 and 2020, which were also subject to a partial buyback by Atlantia, as described in detail in note 6.16;
- b) reductions in interest expense and in net financial expenses payable (totalling €70,061 thousand), reflecting a reduction in average net debt compared with 2014 and the decrease in borrowing costs linked to repayment, in June 2014, of the loan granted by Atlantia with a face value of €2,094 million, and to the above partial early repayment.

Details of the accounting policy applicable to financial expenses recognised in application of IFRIC 12 are provided in note 6.2.

6.14 Income tax (expense)/benefit - €-290,378 thousand (€-288,410 thousand)

An analysis of income tax expense is shown below.

€000	2015	2014	Increase/ (Decrease)
IRES	-181,437	-185,324	3,887
IRAP	-52,621	-67,313	14,692
Current tax expense	-234,058	-252,637	18,579
Recovery of previous years' income taxes	1,903	4,200	-2,297
Previous years' income taxes	-14	-11	-3
Differences on current income taxes expense for previous years	1,889	4,189	-2,300
Provisions	92,733	172,698	-79,965
Releases	-112,251	-100,278	-11,973
Change in prior year estimates	-83,654	-2,338	-81,316
Deferred tax income	-103,172	70,082	-173,254
Provisions	-110,940	-110,939	-1
Releases	-	-	-
Change in prior year estimates	155,903	895	155,008
Deferred tax expense	44,963	-110,044	155,007
Income tax (expense)/benefit	-290,378	-288,410	-1,968

The increase in income tax expense in 2015 amounts to €1,968 thousand (1%) compared with 2014 and essentially reflects a combination of the following:

- a) an increase in pre-tax profit, totalling €253,390 thousand;
- b) the tax benefit, totalling €72,273 thousand, generated by the reassessment of net deferred taxation following the reduction in the IRES (corporation tax) rate from 2017 introduced by the 2016 Stability Law (Law 208/2015), as described in detail in note 5.15;
- c) the tax benefit of €11,171 thousand linked to the changes introduced by the 2015 Stability Law (Law 190/2014) regarding the deductibility of staff costs for the purpose of IRAP (regional income tax) in the case of staff hired on permanent contracts.

The following table shows a reconciliation of the Statutory rate of IRES with the effective charge in the two comparative periods.

€000	2015			2014		
	Taxable income	Tax	Tax rate	Taxable income	Tax	Tax rate
Profit/(loss) before tax from continuing operations	1,245,331			991,941		
Tax expense/(benefit) at statutory rate		342,466	27.50%		272,784	27.50%
Temporary differences deductible in future years:	289,485	79,608	6.39%	540,309	148,585	14.98%
Provisions for the repair and replacement of motorway infrastructure	284,716	78,297		505,167	138,921	
Other differences	4,769	1,311		35,142	9,664	
Temporary differences taxable in subsequent years:	-351,520	-96,668	-7.76%	-351,520	-96,668	-9.75%
Off-balance sheet deduction of goodwill	-351,520	-96,668		-351,520	-96,668	
Reversal of temporary differences arising in previous years	-340,353	-93,597	-7.52%	-299,336	-82,318	-8.30%
Permanent differences	-183,173	-50,373	-4.04%	-207,481	-57,058	-5.75%
Non-taxable dividends	-189,420	-52,090		-165,947	-45,636	
Tax-exempt reversals of impairment losses/impairment losses on investments	-5,697	-1,567		-24,250	-6,669	
Other permanent differences	11,944	3,285		-17,284	-4,753	
Income assessable to IRES	659,770			673,913		
IRES for the year		181,437	14.57%		185,324	18.68%
IRAP for the year		52,621	4.23%		67,313	6.79%
Current income tax expense		234,058	18.79%		252,637	25.47%

6.15 Earnings per share

The following statement shows a breakdown of the calculation of earnings per share for the two comparative periods. In the absence of options or convertible bonds, diluted earnings per share coincides with the figure for basic earnings per share.

	2015	2014
Weighted average of shares outstanding	622,027,000	622,027,000
Profit for the year (€000)	954,953	703,531
Earnings per share (€)	1.54	1.13
Profit from continuing operations (€000)	954,953	703,531
Basic earnings per share from continuing operations (€)	1.54	1.13
Profit from discontinued operations (€000)	-	-
Basic earnings per share from discontinued operations (€)	-	-

6.16 Material non-recurring transactions

During 2015, as part of a plan to improve its financial structure, Autostrade per l'Italia proceeded with early repayment of borrowings with a face value of €1,351,250 thousand, forming a portion of its borrowings, maturing in 2016, 2017, 2019 and 2020 (amounting to a total face value of €4,250,000 thousand), granted by the parent, Atlantia.

This took the form of two separate transactions:

- a) repayment, in February 2015, of loans from Atlantia with a face value of €1,020,130 thousand, maturing in 2016, 2017 and 2019, which took place at the same time as a Tender Offer launched by Atlantia with the aim of redeeming bonds in issue with the same maturities; as a result of this transaction, the Company recognised non-recurring financial expenses of €85,164 thousand, corresponding to the premium paid by Atlantia in order to proceed with early redemption, after taxation of €23,420 thousand, with a net impact on the result for the year of €61,744 thousand;
- b) repayment, in December 2015, of loans from Atlantia with a face value of €331,120 thousand, maturing in 2017, 2019 and 2020, carried out through a Tender Offer, launched by the Company, with the aim of purchasing bonds with the same maturities issued by Atlantia and, at the same time, selling them back to the parent (which then cancelled them); as a result of this transaction, the Company recognised non-recurring financial expenses of €40,322 thousand, corresponding to the premium paid by Atlantia in order to proceed with early redemption, after taxation of €11,089 thousand, with a net impact on the result for the year of €29,233 thousand.

In this regard, it should be noted that, in return for the net financial expenses incurred in 2015 as a result of the above non-recurring financial transactions, in present and future years the Group will benefit from an equivalent reduction in its cost of debt.

7. Other financial information

7.1 Notes on the statement of cash flows

Cash and cash equivalents increased by €1,335,050 thousand in 2015, compared with the decrease of €1,920,520 thousand recorded in 2014.

Cash flows from operating activities amount to €1,553,061 thousand, an increase of €158,699 thousand compared with the flow generated in 2014 (€1,394,362 thousand), essentially due to the different contribution from working capital in the two comparative periods (€97,345 thousand) and the increase in operating cash flow (€67,472 thousand), primarily reflecting the increase in EBITDA. In particular, the contribution from working capital in 2015 essentially reflects an increase in amounts payable to the operators of interconnecting motorways (€99,232 thousand), reflecting an increase in their toll revenue, partially offset by the outflow (€36,617 thousand) relating to current taxation, whilst, in 2014, the outflow of cash for working capital was primarily linked to advances to suppliers, in relation to contract reserves accounted for in connection with work on the upgrade of the section of the A1 Milan-Naples motorway where it crosses the Apennines between Sasso Marconi and Barberino del Mugello (€56,585 thousand).

Cash used for investing activities, totalling €914,905 thousand, is up €551,057 thousand on 2014 (€363,848 thousand), primarily due to a combination of the following:

- a) the performance of current and non-current financial assets (€243,498 thousand), essentially linked to Autostrade Meridionali's repayment, in 2014, of the loan granted to this company (€245,000 thousand);
- b) increased investment in motorway infrastructure, after the related government grants (€147,042 thousand), primarily relating to the upgrade of the A1 between Bologna and Florence, above all with regard to completion of the motorway in view of the opening to traffic of the Variante di Valico;
- c) the purchase, in 2015 (€84,262 thousand) of the controlling interest in Società Autostrada Tirrenica;
- d) the benefit (€77,505 thousand), in 2014, resulting from the purchase consideration received in return for transferring controlling interests in Pavimental and Spea Ingegneria Europea (now Spea Engineering) to Atlantia and Aeroporti di Roma as part of a restructuring of the Atlantia Group's investments.

Net cash from financing activities amounts to €696,894 thousand for 2015 (compared with a net cash outflow of €2,951,034 thousand in 2014). This primarily reflects:

- a) the issue of bonds to retail and institutional investors after the related costs incurred (€2,616,113 thousand);
- b) reduced repayments of loans from the parent (€742,950 thousand), linked to partial early repayment, in 2015, of loans maturing in 2016, 2017, 2019 and 2020, as described in note 6.16, and repayment, in June 2014, of the loan granted by Atlantia (€2,094,200 thousand).

The following table shows the net cash flows for the two comparative periods generated by the investment in Spea Engineering and relating to dividends payable to the Company in 2015 and 2014 and declared in 2013.

€000	2015	2014
Net cash generated from/(used in) operating activities	-	-
Net cash generated from/(used in) investing activities	8,000	16,000
Net cash generated from/(used in) financing activities	-	-

7.2 Financial risk management

Financial risk management objectives and policies

In the normal course of its business and finances, the Company is exposed to:

- a) market risk, principally with respect to the effect of movements in interest and foreign exchange rates on financial liabilities assumed and financial assets acquired;
- b) liquidity risk, with regard to ensuring the availability of sufficient financial resources to fund 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 Company's financial risk management strategy is derived from and consistent with the business goals set by Atlantia's Board of Directors that are contained in the various long-term business plans approved annually by the Board, and taking into account Atlantia's role in the management and coordination of Autostrade per l'Italia.

Market risk

The objective of market risk strategy is to minimise interest rate risk and borrowing costs, as defined in the Financial Policy 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 long-term 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 Company's derivative hedging instruments as at 31 December 2015 are classified essentially as cash flow hedges in accordance with IAS 39.

Details of the criteria used to determine the fair value of derivative financial instruments are provided in note 3.

The residual average term to maturity of the Company's debt as at 31 December 2015 is approximately 7 years. The average cost of medium to long-term debt for 2015 was 4.40%.

Monitoring is, moreover, intended to assess, on a continuing basis, counterparty creditworthiness and the degree of risk concentration.

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 the amount of current and highly likely future floating rate debt, the Company has entered into interest rate swaps (IRSs), 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 are essentially recognised in other comprehensive income. The tests conducted revealed the presence of an ineffective portion (€966 thousand), accounted for in profit or loss and linked primarily to the new Forward-Starting IRSs with a total notional value of €2,200 million, variable durations of 6, 7 and 8 years and a weighted average fixed rate of 1.16%, entered into to hedge highly likely future financial liabilities to be assumed through to 2017 in order to meet the Company's expected financing requirements. Interest income or expense deriving from the hedged instruments is recognised simultaneously in profit or loss;
- b) fair value risk: this represents the risk of losses deriving from an unexpected change in the value a financial asset or liability following an unfavourable shift in the market interest rate curve. As at 31 December 2015, the Company has not entered into derivatives classified as fair value hedges.

As a result of cash flow hedges, 96% of interest bearing debt is fixed rate. The remaining 4% subject to a floating rate regards short-term loans in the form of cash deposits by Atlantia and intercompany current account payables due to related parties.

A list of derivative contracts outstanding as at 31 December 2015 (with 31 December 2014 comparatives), showing the corresponding fair value and notional amount, is shown in the table below.

Type €000	Purpose of hedge	31/12/2015		31/12/2014	
		Fair value asset/ (liability)	Notional amount	Fair value asset/ (liability)	Notional amount
Cash flow hedges ⁽¹⁾					
Interest Rate Swaps	Interest rate risk	-352,804	3,603,488	-347,583	1,586,744
Total		-352,804	3,603,488	-347,583	1,586,744
Derivatives not accounted for as hedges ⁽²⁾					
FX Forwards	Currency risk	-36	35,914	1,034	31,230
FX Forwards	Currency risk	36	-35,914	-1,034	-31,230
Total		-	-	-	-
Trading derivatives		-352,804	3,603,488	-347,583	1,586,744
<i>of which:</i>					
- fair value asset		36		1,034	
- fair value liability		-352,840		-348,617	

(1) The fair value of cash flow hedges excludes accruals at the measurement date.

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

Sensitivity analysis

Sensitivity analysis describes the impact that the interest rate and foreign exchange movements to which the Company is exposed would have had on the income statement for 2015 and on equity as at 31 December 2015.

The interest rate sensitivity analysis is based on the exposure of derivative and non-derivative financial instruments at the end of the reporting period, assuming, in terms of the impact on the income statement, a 0.10% (10 bps) shift in the interest rate curve at the beginning of the year, whilst, with regard to the impact of changes in fair value on comprehensive income, the 10 bps shift in the curve was assumed to have occurred at the measurement date. Based on the above analysis, in terms of interest rate risk, an unexpected and unfavourable 10 bps shift in market interest rates would have resulted in a negative impact on the income statement, totalling €597 thousand, and on other comprehensive income, totalling €28,210 thousand, before the related taxation.

Liquidity risk

Liquidity risk relates to the possibility that cash resources may be insufficient to fund the payment of liabilities as they fall due. The Company 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.

The Company's cash reserves as at 31 December 2015 are estimated at €3,982,564 thousand made up of:

- a) €1,948,502 thousand in cash and/or investments maturing in the short term, after net short-term payables due to Atlantia Group companies, essentially in relation to the Company's provision of centralised treasury services, as described in notes 5.7 and 5.14;
- b) €234,062 thousand in term deposits to part finance the execution of specific works, as described in note 5.4;
- c) €1,800,000 thousand in undrawn committed lines of credit, with a weighted average residual term to maturity of approximately eight years and nine months and a weighted average residual drawdown period of approximately two years and three months, details of which are shown in the following table.

Line of credit €000	Drawdown period expires	Final maturity	31/12/2015		
			Available	Drawn	Undrawn
Medium/long-term committed EIB line - Tranche B	31/12/2017	31/12/2036	300,000	100,000	200,000
Medium/long-term committed EIB line 2013	31/12/2017	15/09/2037	200,000	-	200,000
Medium/long-term committed EIB line 2013	31/12/2017	15/09/2038	250,000	150,000	100,000
Medium/long-term committed CDP/SACE line	23/09/2016	23/12/2024	1,000,000	200,000	800,000
Medium/long-term committed CDP line	21/11/2020	20/12/2021	700,000	200,000	500,000
Lines of credit			2,450,000	650,000	1,800,000

The following schedule shows the distribution of maturities for medium/long-term financial liabilities outstanding as at 31 December 2015 and 31 December 2014, excluding accrued financial expenses at those dates.

€000	31/12/2015					
	Carrying amount	Total contractual flows	Within 12 months	Between 1 and 2 years	Between 3 and 5 years	After 5 years
Non-derivative financial liabilities ⁽¹⁾						
Retail bond 2015-2023	-732,921	-847,535	-12,221	-12,188	-36,563	-786,563
Bond 2015-2021	-646,769	-693,897	-7,333	-7,313	-21,938	-657,313
Bond 2015-2025	-496,270	-593,776	-9,401	-9,375	-28,125	-546,875
Bond 2015-2026	-741,571	-888,781	-7,531	-13,125	-39,375	-828,750
Total bond issues	-2,617,531	-3,023,989	-36,486	-42,001	-126,001	-2,819,501
Loans from parents						
Atlantia loan 2004-2022	-743,264	-802,599	-8,319	-8,093	-24,125	-762,062
Atlantia loan 2004-2024	-987,547	-1,553,770	-61,530	-61,530	-184,590	-1,246,120
Atlantia loan 2009-2016	-882,732	-932,006	-932,006	-	-	-
Atlantia loan 2009-2038	-149,176	-339,597	-8,341	-8,251	-24,820	-298,185
Atlantia loan 2010-2017	-597,360	-638,154	-21,397	-616,757	-	-
Atlantia loan 2010-2025	-500,000	-728,650	-22,865	-22,865	-68,595	-614,325
Atlantia loan 2012-2019	-764,028	-891,292	-36,516	-36,516	-818,260	-
Atlantia loan 2012-2020	-656,890	-783,444	-29,651	-29,651	-724,142	-
Atlantia loan 2012-2032	-35,000	-64,449	-1,733	-1,733	-5,198	-55,785
Atlantia loan 2012-2032 (zero coupon bond)	-48,600	-91,910	-2,548	-2,548	-7,643	-79,171
Atlantia loan 2012-2018	-988,549	-1,117,960	-39,320	-39,320	-1,039,320	-
Atlantia loan 2013-2033	-75,000	-130,892	-3,111	-3,103	-9,317	-115,361
Atlantia loan 2013-2021	-750,000	-894,719	-24,164	-24,098	-72,359	-774,098
Atlantia loan 2014-2038	-75,000	-143,949	-2,998	-2,998	-8,993	-128,960
Atlantia loan 2014-2034	-125,000	-207,034	-4,318	-4,318	-12,953	-185,445
Total loans from parents (A)	-7,378,146	-9,320,425	-1,198,817	-861,781	-3,000,315	-4,259,512
Bank borrowings						
Term Loan Facility	-	-	-	-	-	-
European Investment Bank (EIB)	-1,727,508	-2,427,204	-125,646	-159,791	-497,793	-1,643,974
Cassa Depositi e Prestiti and SACE	-840,744	-982,370	-38,082	-37,153	-109,317	-797,818
Borrowings linked to grants ⁽²⁾	-106,224	-	-	-	-	-
Total bank borrowings (B)	-2,674,476	-3,409,574	-163,728	-196,944	-607,110	-2,441,792
Other borrowings						
ANAS	-127,860	-	-	-	-	-
Total other borrowings (C)	-127,860	-	-	-	-	-
Total medium/long-term borrowings (A + B + C)	-10,180,482	-12,729,999	-1,362,545	-1,058,725	-3,607,425	-6,701,304
Derivative liabilities ⁽³⁾						
Interest Rate Swaps	-352,804	-611,121	-60,165	-69,631	-237,989	-243,336
Total derivative liabilities	-352,804	-611,121	-60,165	-69,631	-237,989	-243,336

(1) Future cash flows relating to interest on bond issues and floating rate loans have been projected on the basis of the latest established rate and applied and held constant to final maturity.

(2) Repayment of these non-interest bearing loans is due from ANAS in accordance with the provisions of laws 662/1996, 345/1997 and 135/1997.

(3) As at 31 December 2015, expected contractual flows are linked to the hedging of outstanding and highly likely future financial liabilities to meet funding requirements through to 2017. Expected future cash flows from differentials on interest rate swaps have been projected on the basis of the interest rate fixed at the measurement date.

€000

	31/12/2014					
	Carrying amount	Total contractual flows	Within 12 months	Between 1 and 2 years	Between 3 and 5 years	After 5 years
Non-derivative financial liabilities ⁽¹⁾						
Total bond issues	-	-	-	-	-	-
Loans from parents						
Atlantia loan 2004-2022	-742,269	-826,092	-10,140	-10,168	-30,420	-775,364
Atlantia loan 2004-2024	-986,456	-1,615,300	-61,530	-61,530	-184,590	-1,307,650
Atlantia loan 2009-2016	-1,515,178	-1,675,590	-87,795	-1,587,795	-	-
Atlantia loan 2009-2038	-149,176	-347,869	-8,273	-8,341	-24,774	-306,481
Atlantia loan 2010-2017	-1,000,000	-1,107,820	-35,940	-35,940	-1,035,940	-
Atlantia loan 2010-2025	-500,000	-751,515	-22,865	-22,865	-68,595	-637,190
Atlantia loan 2012-2019	-1,000,000	-1,245,000	-49,000	-49,000	-1,147,000	-
Atlantia loan 2012-2020	-750,000	-959,964	-35,010	-35,010	-105,030	-784,914
Atlantia loan 2012-2032	-35,000	-66,182	-1,733	-1,733	-5,198	-57,518
Atlantia loan 2012-2032 (zero coupon bond)	-48,600	-94,458	-2,548	-2,548	-7,643	-81,719
Atlantia loan 2012-2018	-984,936	-1,196,600	-39,320	-39,320	-117,960	-1,000,000
Atlantia loan 2013-2033	-75,000	-133,995	-3,103	-3,111	-9,308	-118,473
Atlantia loan 2013-2021	-750,000	-918,816	-24,098	-24,164	-72,293	-798,261
Atlantia loan 2014-2038	-75,000	-147,759	-3,803	-2,998	-8,993	-131,965
Atlantia loan 2014-2034	-125,000	-211,363	-4,318	-4,318	-12,953	-189,774
Total loans from parents (A)	-8,736,615	-11,298,323	-389,476	-1,888,841	-2,830,697	-6,189,309
Bank borrowings						
Term Loan Facility	-159,615	-160,440	-160,440	-	-	-
European Investment Bank (EIB)	-1,729,508	-2,488,430	-124,598	-124,929	-480,693	-1,758,210
Cassa Depositi e Prestiti and SACE	-671,734	-832,349	-38,769	-38,379	-112,446	-642,755
Borrowings linked to grants ⁽²⁾	-160,510	-	-	-	-	-
Total bank borrowings (B)	-2,721,367	-3,481,219	-323,807	-163,308	-593,139	-2,400,965
Other borrowings						
ANAS	-73,596	-	-	-	-	-
Total other borrowings (C)	-73,596	-	-	-	-	-
Total medium/long-term borrowings (A + B + C)	-11,531,578	-14,779,542	-713,283	-2,052,149	-3,423,836	-8,590,274
Derivative liabilities ⁽³⁾						
Interest Rate Swaps	-347,583	-460,724	-55,349	-52,187	-152,795	-200,393
Total derivative liabilities	-347,583	-460,724	-55,349	-52,187	-152,795	-200,393

(1) Future cash flows relating to interest on bond issues and floating rate loans have been projected on the basis of the latest established rate and applied and held constant to final maturity.

(2) Repayment of these non-interest bearing loans is due from ANAS in accordance with the provisions of laws 662/1996, 345/1997 and 135/1997.

(3) As at 31 December 2014, expected contractual flows are linked to the hedging of outstanding financial liabilities. Expected future cash flows from differentials on interest rate swaps have been projected on the basis of the interest rate fixed at the measurement date.

The amounts shown in the tables include interest payments and exclude the impact of any offset agreements.

The time distribution of terms to maturity is based on the residual contract term or on the earliest date on which repayment of the liability may be required, unless a better estimate is available.

The distribution for liabilities with amortisation schedules is based on the date on which each instalment falls due.

The following table shows the time distribution of expected cash flows from cash flow hedges, and the periods in which they will be recognised in profit or loss.

€000	31/12/2015					
	Carrying amount	Expected cash flows ⁽¹⁾	Within 12 months	Between 1 and 2 years	Between 3 and 5 years	After 5 years
Interest rate swaps						
Derivative assets	-	-	-	-	-	-
Derivative liabilities	-352,804	-378,350	-67,866	-66,871	-168,690	-74,923
Total cash flow hedges	-352,804					
Accrued expenses on cash flow hedges	-25,546					
Accrued income on cash flow hedges	-					
Total cash flow hedge derivative assets/liabilities	-378,350	-378,350	-67,866	-66,871	-168,690	-74,923

€000	31/12/2015				
	Expected cash flows ⁽¹⁾	Within 12 months	Between 1 and 2 years	Between 3 and 5 years	After 5 years
Interest rate swaps					
Expenses on cash flow hedges	-358,790	-46,263	-67,186	-168,500	-76,841
Income from cash flow hedges	5,986	-	-	-	5,986
Total income (losses) from cash flow hedges	-352,804	-46,263	-67,186	-168,500	-70,855

(1) Expected cash flows from swap differentials are calculated on the basis of market curves at the measurement date.

31/12/2014					
Carrying amount	Expected cash flows ⁽¹⁾	Within 12 months	Between 1 and 2 years	Between 3 and 5 years	After 5 years
-	-	-	-	-	-
-347,583	-372,933	-55,057	-51,123	-136,941	-129,812
-347,583					
-25,350					
-					
-372,933	-372,933	-55,057	-51,123	-136,941	-129,812

31/12/2014					
	Expected cash flows ⁽¹⁾	Within 12 months	Between 1 and 2 years	Between 3 and 5 years	After 5 years
	-347,583	-37,762	-50,802	-135,449	-123,570
	-	-	-	-	-
	-347,583	-37,762	-50,802	-135,449	-123,570

Credit risk

Credit risk is the exposure of the Company to potential losses as a result of a default in a counterparty's obligations. The risk can arise both from factors that are strictly technical and commercial or administrative and legal in nature (disputes regarding the nature quality of service, on the interpretation of contractual provisions, supporting invoices, etc.), as well as from factors that are financial in nature, such as the credit standing of a counterparty.

Trade receivables essentially arise in connection with the provision of services and relate to activities linked to the core business.

These types of receivables include:

- a) concession fees and royalties receivable in connection with service areas;
- b) receivables relating to agreements permitting motorway crossings or the location of equipment;
- c) receivables relating to the sale of goods and services;
- d) receivables related to property rentals.

Trade receivables, on the other hand, do not include receivables arising in connection with the invoicing of tolls in arrears, following the execution of a novation agreement for this particular type of receivable with the subsidiary, Telepass.

Credit risk deriving from outstanding derivative financial instruments can be considered marginal in that the counterparties involved are the Parent Company, Atlantia, and major financial institutions.

Provisions for impairment losses on individually material items are established when there is objective evidence that the Company 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 guarantees. 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 allowance for bad debts for trade receivables are provided in note 5.6, whilst information on other financial assets is provided in note 5.4.

8. Other information

8.1 Guarantees

The Company guarantees all the bonds issued by the Parent Company, Atlantia, amounting to a total of €8,991,511 thousand and representing 120% of the par value of the bonds (€7,492,926 thousand as at 31 December 2015)⁽¹⁾.

In addition, the Company reports the following outstanding personal and collateral guarantees issued to third parties, including the following material items:

- a) sureties issued on behalf of certain subsidiaries and associates that operate motorway infrastructure, amounting to €20,365 thousand;
- b) the joint and several guarantee issued with Società Autostrada Tirrenica in favour of the Grantor (€8,690 thousand) following the latter's release of a surety;
- c) the pledge to credit institutions, to collateralise loans issued, of shares in Bologna & Fiera Parking (€999 thousand) and of the 2% interest in Strada dei Parchi (€1,355 thousand), which is subject, in accordance with the agreement entered into with the purchaser, to a put and call option.

8.2 Reserves

As at 31 December 2015, the Company has recognised contract reserves quantified by contractors amounting to approximately €1,597 million (€2,082 million as at 31 December 2014).

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 intangible assets deriving from concession rights.

Reserves have also been recognised in relation to works not connected to investment (work for external parties and maintenance), amounting to approximately €44 million. The estimated future cost is covered by provisions for disputes accounted for in the financial statements.

8.3 Related party transactions

This section describes the Company'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 of art. 2391-bis of the Italian Civil Code, the Regulations adopted by the *Commissione Nazionale per le Società e la Borsa* (the Consob) in Resolution 17221 of 12 March 2010, as amended. The Procedure, published in the section, "Articles of Association, codes and procedures", on Atlantia's website at www.atlantia.it, establishes the criteria to be used in identifying related parties, in distinguishing between transactions of greater and lesser significance and in applying the rules governing the above transactions of greater and lesser significance, and in fulfilling the related reporting requirements.

[1] This amount differs from the amount reported in note 5.14, in relation to the par value of the zero coupon bonds, amounting to €135,000 thousand (to be redeemed at maturity in 2032), as a result of which the Company has received loans of the same amount and term.

The following tables show amounts of a trading or financial nature in the income statement and statement of financial position generated by related party transactions, including those with the Company's Directors, Statutory Auditors and key management personnel.

PRINCIPAL TRADING TRANSACTIONS WITH RELATED PARTIES

€000	31/12/2015						
	Assets				Liabilities		
	Trading and other assets				Trading and other liabilities		
	Trade receivables	Current tax assets	Other trading and other assets	Total	Other non-current liabilities	Trade payables	Current tax liabilities
Parents							
Atlantia	2,741	10,322	-	13,063	-	2,847	-
Sintonia	-	6,542	-	6,542	-	-	-
Total parents	2,741	16,864	-	19,605	-	2,847	-
Subsidiaries							
AD Moving	3,347	-	-	3,347	-	3,265	-
Autostrade dell'Atlantico	51	-	-	51	-	-	-
Autostrade Meridionali	808	-	-	808	-	13,019	-
Autostrade Tech	11,726	-	13	11,739	-	4,297	-
Ecomouv	81	-	-	81	-	-	-
Electronic Transaction Consultants Co	1,623	-	-	1,623	-	383	-
EsseDiEsse Società di Servizi	7,437	-	-	7,437	-	4,904	-
Giove Clear	582	-	-	582	-	1,885	-
Infoblu	2,071	-	-	2,071	-	645	-
Raccordo Autostradale Valle d'Aosta	385	-	-	385	-	3,951	-
Società Italiana pA per il Traforo del Monte Bianco	721	-	-	721	-	127	-
Tangenziale di Napoli	523	-	-	523	-	11,067	-
Tech Solutions Integrators	-	-	-	-	-	-	-
Telepass	10,358	-	3	10,361	-	6,232	-
Società Autostrada Tirrenica	722	-	-	722	-	4,962	-
Other subsidiaries ⁽¹⁾	1,001	-	12	1,013	-	111	-
Total subsidiaries	41,436	-	28	41,464	-	54,848	-
Associates							
Bologna and Fiera Parking	1,025	-	-	1,025	-	-	-
Pavimental	1,027	-	-	1,027	-	157,148	-
Spea Ingegneria Europea	18,863	-	-	18,863	-	69,746	-
Other associates ⁽¹⁾	2	-	-	2	-	4	-
Total associates	20,917	-	-	20,917	-	226,898	-
Autogrill	35,297	-	-	35,297	-	3,833	-
Aeroporti di Roma group	-	-	-	-	-	-	-
United Colors Communication	-	-	-	-	-	-	-
Other affiliates ⁽¹⁾	337	-	-	337	-	180	-
Total affiliates	35,634	-	-	35,634	-	4,013	-
Pension funds							
ASTRI pension fund	-	-	-	-	-	-	-
CAPIDI pension fund	-	-	-	-	-	-	-
Total pension funds	-	-	-	-	-	-	-
Key management personnel							
Key management personnel	-	-	-	-	2,760	-	-
Total key management personnel	-	-	-	-	2,760	-	-
Total	100,728	16,864	28	117,620	2,760	288,606	-

31/12/2015		2015									
Liabilities		Income				Expenses					
Trading and other liabilities		Trading and other income				Trading and other expenses					
Other current liabilities	Total	Revenue from construction services	Contract revenue	Other operating income ⁽²⁾	Total	Raw and consumable materials	Service costs	Staff costs ⁽²⁾	Lease expense	Other operating costs	Total ⁽³⁾
25,781	28,628	-	-	2,090	2,090	-	762	2,471	114	34	3,381
-	-	-	-	-	-	-	-	34	-	-	34
25,781	28,628	-	-	2,090	2,090	-	762	2,505	114	34	3,415
-	3,265	-	-	5,677	5,677	-	3,469	-98	-	8	3,379
-	-	-	-	41	41	-	-	-	-	-	-
-	13,019	-	-	341	341	-	5	-876	-	-	-871
-	4,297	-	-	7,199	7,199	1,263	2,582	-756	-	-	3,089
333	333	-	-	-	-	-	-	-148	-	-	-148
-	383	-	-	-	-	-	-	-461	-	-	-461
-	4,904	-	-	5,061	5,061	-	21,441	-850	-	-	20,591
-	1,885	-	-	210	210	-	6,770	-1,124	-	-	5,646
-	645	-	-	561	561	-	545	-141	-	-	404
-	3,951	-	-	339	339	-	-	-141	-	-	-141
-	127	-	-	343	343	-	-	-645	-	18	-627
-	11,067	-	-	215	215	-	245	-403	-	378	220
-	-	-	-	-	-	-	-	-615	-	28	-587
-	6,232	-	-	10,186	10,186	-	9,075	-1,142	-	-	7,933
-	4,962	-	-	665	665	-	56	-615	-	-	-559
844	955	-	-	-	-	-	77	-410	-	26	-307
1,177	56,025	-	-	30,838	30,838	1,263	44,265	-8,425	-	458	37,561
-	-	-	-	-	-	-	-	-	-	-	-
5,681	162,829	-	-	809	809	4	356,554	-493	259	59	356,383
-	69,746	-	-	760	760	-	69,147	769	-	-	69,916
-	4	-	-	12	12	-	5	-22	-	-	-17
5,681	232,579	-	-	1,581	1,581	4	425,706	254	259	59	426,282
-	3,833	2,487	-	66,200	68,687	-	460	-	-	266	726
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	180	-	-	22	22	-	161	-201	-	102	62
-	4,013	2,487	-	66,222	68,709	-	621	-201	-	368	788
3,602	3,602	-	-	-	-	-	-	11,519	-	-	11,519
1,027	1,027	-	-	-	-	-	-	1,749	-	-	1,749
4,629	4,629	-	-	-	-	-	-	13,268	-	-	13,268
831	3,591	-	-	-	-	-	-	10,725	-	-	10,725
831	3,591	-	-	-	-	-	-	10,725	-	-	10,725
38,099	329,465	2,487	-	100,731	103,218	1,267	471,354	18,126	373	919	492,039

€000

31/12/2014

	Assets				Liabilities		
	Trading and other assets				Trading and other liabilities		
	Trade receivables	Current tax assets	Other trading and other assets	Total	Other non-current liabilities	Trade payables	Current tax liabilities
Parents							
Atlantia	2,036	-	-	2,036	-	1,907	21,069
Sintonia	-	17,040	-	17,040	-	-	-
Total parents	2,036	17,040	-	19,076	-	1,907	21,069
Subsidiaries							
AD Moving	3,124	-	-	3,124	-	1,772	-
Autostrade dell'Atlantico	-	-	-	-	-	-	-
Autostrade Meridionali	781	-	-	781	-	12,207	-
Autostrade Tech	10,044	-	13	10,057	-	4,532	-
Ecomouv	464	-	-	464	-	-	-
Ecomouv D & B	438	-	-	438	-	-	-
Electronic Transaction Consultants Co	1,162	-	-	1,162	-	278	-
EsseDiEsse Società di Servizi	9,425	-	-	9,425	-	5,611	-
Giove Clear	414	-	-	414	-	1,100	-
Infoblu	1,386	-	-	1,386	-	1,790	-
Raccordo Autostradale Valle d'Aosta	141	-	-	141	-	3,430	-
Società Italiana pA per il Traforo del Monte Bianco	357	-	-	357	-	121	-
Tangenziale di Napoli	517	-	-	517	-	11,053	-
Tech Solutions Integrators	4,870	-	-	4,870	-	104	-
Telepass	13,274	-	3	13,277	-	5,151	-
Other subsidiaries ⁽¹⁾	652	-	12	664	-	232	-
Total subsidiaries	47,049	-	28	47,077	-	47,381	-
Associates							
Bologna and Fiera Parking	1,025	-	-	1,025	-	-	-
Pavimental	1,257	-	-	1,257	-	171,998	-
Spea Ingegneria Europea	22,605	-	-	22,605	-	64,099	-
Società Autostrada Tirrenica	794	-	-	794	-	5,044	-
Other associates ⁽¹⁾	8	-	-	8	-	4	-
Total associates	25,689	-	-	25,689	-	241,145	-
Affiliates							
ADR Engineering	-	-	-	-	-	-	-
Autogrill	35,401	-	-	35,401	-	285	-
United Colors Communication	-	-	-	-	-	-	-
Other affiliates ⁽¹⁾	215	-	-	215	-	1	-
Total affiliates	35,616	-	-	35,616	-	286	-
Pension funds							
ASTRI pension fund	-	-	-	-	-	-	-
CAPIDI pension fund	-	-	-	-	-	-	-
Total pension funds	-	-	-	-	-	-	-
Key management personnel							
Key management personnel ⁽⁴⁾	-	-	-	-	-	-	-
Total key management personnel	-	-	-	-	-	-	-
Total	110,390	17,040	28	127,458	-	290,719	21,069

(1) This item includes balances for companies where the relevant amount is not material.

(2) "Staff costs" include cost recoveries.

(3) The total costs for 2015 do not include provisions, totalling €5,804 thousand, for risks associated with Tech Solutions Integrators or provisions for doubtful trade receivables, totalling €4,531 thousand, described in the relevant note, or provisions of €213 thousand for doubtful trade receivables due from Autogrill.

(4) Autostrade per l'Italia's "key management personnel" means the Company's Directors, Statutory Auditors and other key management personnel as a whole.

Expenses for each period include emoluments, salaries, benefits in kind, bonuses and other incentives (including the fair value of share-based

31/12/2014		2014									
Liabilities		Income				Expenses					
Trading and other liabilities		Trading and other income				Trading and other expenses					
Other current liabilities	Total	Revenue from construction services	Contract revenue	Other operating income ⁽²⁾	Total	Raw and consumable materials	Service costs	Staff costs ⁽²⁾	Lease expense	Other operating costs	Total ⁽³⁾
-	22,976	-	-	1,629	1,629	-	37	2,723	114	1	2,875
-	-	-	-	-	-	-	-	46	-	-	46
-	22,976	-	-	1,629	1,629	-	37	2,769	114	1	2,921
-	1,772	-	-	6,002	6,002	-	3,376	-68	-	1	3,309
-	-	-	-	41	41	-	-	-	-	-	-
-	12,207	-	-	316	316	-	5	-836	-	-	-831
-	4,532	-	-	6,876	6,876	464	8,022	-923	-	-	7,563
265	265	-	-	-	-	-	-	-759	-	-	-759
258	258	-	2,370	1,360	3,730	-	-	-1	-	-	-1
-	278	-	-	-	-	-	-	-503	-	-	-503
-	5,611	-	-	5,729	5,729	-	21,700	-619	-	-	21,081
-	1,100	-	-	207	207	-	6,248	-1,021	-	-	5,227
-	1,790	-	-	920	920	-	1,025	-87	-	-	938
-	3,430	-	-	353	353	-	-	-145	-	-	-145
-	121	-	-	373	373	-	-	-559	-	7	-552
-	11,053	-	-	208	208	-	231	-400	-	378	209
363	467	-	-	316	316	-	-	-944	-	45	-899
-	5,151	-	-	9,970	9,970	-	8,836	-1,433	-	-	7,403
609	841	-	-	-	-	-	596	-591	-	-	5
1,495	48,876	-	2,370	32,671	35,041	464	50,039	-8,889	-	431	42,045
-	-	-	-	-	-	-	-	-	-	-	-
3,770	175,768	-	-	1,148	1,148	-	312,258	-513	201	-	311,946
-	64,099	-	-	783	783	-	73,923	99	-	-	74,022
-	5,044	-	-	647	647	-	56	-331	-	-	-275
-	4	-	-	26	26	-	4	-30	-	-	-26
3,770	244,915	-	-	2,604	2,604	-	386,241	-775	201	-	385,667
-	-	-	-	-	-	-	-	-	-	-	-
-	285	29,215	-	75,773	104,988	1,659	497	-	-	-	2,156
-	-	-	-	-	-	-	1,597	-	-	-	1,597
-	1	-	-	-	-	-	20	-261	-	93	-148
-	286	29,215	-	75,773	104,988	1,659	2,114	-261	-	93	3,605
3,874	3,874	-	-	-	-	-	-	10,216	-	-	10,216
908	908	-	-	-	-	-	-	1,697	-	-	1,697
4,782	4,782	-	-	-	-	-	-	11,913	-	-	11,913
1,974	1,974	-	-	-	-	-	-	8,139	-	-	8,139
1,974	1,974	-	-	-	-	-	-	8,139	-	-	8,139
12,021	323,809	29,215	2,370	112,677	144,262	2,123	438,431	12,896	315	525	454,290

incentive plans based on the shares of the parent, Atlantia).

In addition to the information shown in the table, the financial statements also include contributions of €1,703 thousand paid on behalf of Directors, Statutory Auditors and other key management personnel (€1,565 thousand in 2014) and the related liabilities of €582 thousand (€460 thousand as at 31 December 2014).

PRINCIPAL FINANCIAL TRANSACTIONS WITH RELATED PARTIES

€000

	31/12/2015						Total
	Assets						
	Financial assets						
	Other non-current financial assets	Current financial assets deriving from government grants	Non-current derivative assets	Inter-company current account receivables	Current portion of medium/long-term financial assets	Other current financial assets	
Parents							
Atlantia	-	-	-	-	-	-	-
Sintonia	-	-	-	-	-	-	-
Total parents	-	-	-	-	-	-	-
Subsidiaries							
AD Moving	-	-	-	2,699	-	-	2,699
Autostrade dell'Atlantico	-	-	-	-	-	-	-
Autostrade Meridionali	-	-	-	11,698	-	-	11,698
Autostrade Tech	-	-	-	-	-	-	-
Ecomouv	-	-	-	-	-	-	-
EsseDiEsse Società di Servizi	-	-	-	-	-	-	-
Giove Clear	-	-	-	-	-	-	-
Infoblu	-	-	-	-	-	-	-
Raccordo Autostradale Valle d'Aosta	-	-	-	-	-	-	-
Società Italiana pA per il Traforo del Monte Bianco	-	-	-	-	-	-	-
Tangenziale di Napoli	36,240	-	-	-	6,910	-	43,150
Tech Solutions Integrators	-	-	-	-	-	-	-
Telepass	-	-	-	282,664	-	-	282,664
Other subsidiaries ⁽²⁾	-	-	-	-	-	-	-
Total subsidiaries	36,240	-	-	297,061	6,910	-	340,211
Associates							
Pavimental	-	-	-	76,827	-	-	76,827
Spea Ingegneria Europea	-	-	-	-	-	-	-
Società Autostrada Tirrenica	190,000	-	-	-	2,952	-	192,952
Other associates ⁽²⁾	-	-	-	-	-	121	121
Total associates	190,000	-	-	76,827	2,952	121	269,900
Affiliates							
Autogrill	-	511	-	-	-	-	511
Total affiliates	-	511	-	-	-	-	511
Total	226,240	511	-	373,888	9,862	121	610,622

31/12/2015								2015			
Liabilities								Income		Expenses	
Financial liabilities								Financial income		Financial expenses	
Medium/ long-term borrowings	Non-current derivative liabilities	Short-term borrowings	Current derivative liabilities	Inter- company current account payables	Current portion of medium/ long-term financial liabilities	Other current borrowings	Total	Other financial income ⁽¹⁾	Total	Other financial expenses ⁽¹⁾	Total
6,495,414	216,123	400,000	-	13,329	1,077,381	-	8,202,247	25,093	25,093	515,837	515,837
-	-	-	-	-	-	-	-	-	-	-	-
6,495,414	216,123	400,000	-	13,329	1,077,381	-	8,202,247	25,093	25,093	515,837	515,837
-	-	-	-	-	-	-	-	19	19	-	-
-	-	-	36	5,397	-	-	5,433	6,130	6,130	2,453	2,453
-	-	-	-	-	-	18	18	165	165	-	-
-	-	-	-	6,442	-	-	6,442	1	1	-	-
-	-	-	-	-	-	-	-	1,100	1,100	-	-
-	-	-	-	2,862	-	-	2,862	-	-	1	1
-	-	-	-	219	-	-	219	-	-	-	-
-	-	-	-	1,962	-	-	1,962	-	-	1	1
-	-	-	-	3,141	-	-	3,141	-	-	2	2
-	-	-	-	8,083	-	-	8,083	-	-	2	2
-	-	-	-	18,411	-	-	18,411	2,923	2,923	4	4
-	-	-	-	7,087	-	-	7,087	-	-	2	2
-	-	-	-	-	-	2	2	505	505	7,827	7,827
-	-	-	-	-	-	-	-	-	-	49	49
-	-	-	36	53,604	-	20	53,660	10,843	10,843	10,341	10,341
-	-	-	-	-	-	-	-	1,340	1,340	-	-
-	-	-	-	195	-	-	195	1	1	-	-
-	-	-	-	6,713	-	-	6,713	9,625	9,625	-	-
-	-	-	-	-	-	-	-	672	672	-	-
-	-	-	-	6,908	-	-	6,908	11,638	11,638	-	-
-	-	-	-	-	-	-	-	851	851	-	-
-	-	-	-	-	-	-	-	851	851	-	-
6,495,414	216,123	400,000	36	73,841	1,077,381	20	8,262,815	48,425	48,425	526,178	526,178

€000

	31/12/2014						
	Assets						
	Financial assets						
	Other non-current financial assets	Current financial assets deriving from government grants	Non-current derivative assets	Inter-company current account receivables	Current portion of medium/long-term financial assets	Other current financial assets	Total
Parents							
Atlantia	12	-	-	-	-	-	12
Total parents	12	-	-	-	-	-	12
Subsidiaries							
AD Moving	-	-	-	1,093	-	-	1,093
Autostrade dell'Atlantico	-	-	1,034	-	-	-	1,034
Autostrade Meridionali	-	-	-	12,953	-	-	12,953
Autostrade Tech	-	-	-	-	-	-	-
Ecomouv	-	-	-	-	75,233	-	75,233
Ecomouv D & B	-	-	-	-	-	-	-
EsseDiEsse Società di Servizi	-	-	-	-	-	-	-
Giove Clear	-	-	-	-	-	-	-
Infoblu	-	-	-	-	-	-	-
Raccordo Autostradale Valle d'Aosta	-	-	-	-	-	-	-
Società Italiana pA per il Traforo del Monte Bianco	-	-	-	-	-	-	-
Stalexport Autostrady	-	-	-	-	-	-	-
Tangenziale di Napoli	43,149	-	-	-	6,555	-	49,704
Tech Solutions Integrators	-	-	-	-	-	-	-
Telepass	-	-	-	311,982	-	20	312,002
Total subsidiaries	43,149	-	1,034	326,028	81,788	20	452,019
Associates							
Pavimental	-	-	-	92,122	-	-	92,122
Spea Ingegneria Europea	-	-	-	-	-	8,000	8,000
Società Autostrada Tirrenica	-	-	-	-	19	116,668	116,687
Other associates ⁽²⁾	-	-	-	-	-	121	121
Total associates	-	-	-	92,122	19	124,789	216,930
Affiliates							
Autogrill	-	517	-	-	-	-	517
Other affiliates ⁽²⁾	-	-	-	-	-	-	-
Total affiliates	-	517	-	-	-	-	517
Total	43,161	517	1,034	418,150	81,807	124,809	669,478

(1) The table does not include dividends from investees, reversals of impairment losses on financial assets and investments or impairment losses on financial assets and investments.

(2) This item includes balances for companies where the relevant amount is not material.

31/12/2014								2014			
Liabilities								Income		Expenses	
Financial liabilities								Financial income		Financial expenses	
Medium/ long-term borrowings	Non-current derivative liabilities	Short-term borrowings	Current derivative liabilities	Inter- company current account payables	Current portion of medium/ long-term financial liabilities	Other current borrowings	Total	Other financial income ⁽¹⁾	Total	Other financial expenses ⁽¹⁾	Total
8,736,615	245,232	250,000	-	212,946	237,401	2,779	9,684,973	26,953	26,953	486,613	486,613
8,736,615	245,232	250,000	-	212,946	237,401	2,779	9,684,973	26,953	26,953	486,613	486,613
-	-	-	-	-	-	-	-	14	14	-	-
-	-	-	-	4,452	-	-	4,452	3,973	3,973	2,669	2,669
-	-	-	-	-	-	-	-	12,749	12,749	-	-
-	-	-	-	841	-	-	841	15	15	13	13
-	-	-	-	-	-	-	-	7,506	7,506	-	-
-	-	14,000	-	-	205	-	14,205	29	29	318	318
-	-	-	-	3,829	-	-	3,829	-	-	15	15
-	-	-	-	370	-	-	370	-	-	2	2
-	-	-	-	2,576	-	-	2,576	-	-	5	5
-	-	-	-	5,094	-	-	5,094	-	-	764	764
-	-	-	-	7,245	-	-	7,245	-	-	584	584
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	9,118	-	-	9,118	3,009	3,009	24	24
-	-	-	-	4,895	-	-	4,895	-	-	10	10
-	-	-	-	-	-	-	-	262	262	7,667	7,667
-	-	14,000	-	38,420	205	-	52,625	27,557	27,557	12,071	12,071
-	-	-	-	-	-	-	-	1,686	1,686	-	-
-	-	-	-	307	-	-	307	1	1	1	1
-	-	-	-	54	-	-	54	7,545	7,545	20	20
-	-	-	-	13	-	-	13	-	-	-	-
-	-	-	-	374	-	-	374	9,232	9,232	21	21
-	-	-	-	-	-	-	-	1,384	1,384	-	-
-	-	-	-	1	-	-	1	-	-	-	-
-	-	-	-	1	-	-	1	1,384	1,384	-	-
8,736,615	245,232	264,000	-	251,741	237,606	2,779	9,737,973	65,126	65,126	498,705	498,705

A number of non-recurring transactions and events occurred in 2015, as described in note 6.16. Otherwise, no atypical or unusual transactions, having a material impact on the Group's income statement and statement of financial position, were entered into during the period, either with third or related parties.

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

Transactions with parents

The Company is subject to management and coordination by Atlantia, as also provided for in Atlantia's Corporate Governance Code. A condensed version of Atlantia's approved financial statements, showing key financial indicators, is included in note 9.

Trading relations with Atlantia include the Company's provision of administrative, financial and tax services to Atlantia.

Transactions of a financial nature as at 31 December 2015 include medium/long-term loans to the Company from Atlantia, amounting to a total face value of €7,406,526 thousand. This marks a reduction of €1,351,250 thousand compared with 31 December 2014, reflecting partial early repayment of a portion of the loans from Atlantia maturing in 2016, 2017, 2019 and 2020. In 2015, the Company also recognised non-recurring financial expenses payable to Atlantia of €125,486 thousand, following the above non-recurring financial transactions described in detail in note 6.16.

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, with a face value of €750 million, is hedged against interest rate risk through the use of specific derivative financial instruments entered into with Atlantia. As at 31 December 2015, fair value losses on these instruments amount to €216,123 thousand.

As a result of the centralised treasury services provided to the Atlantia Group by Autostrade per l'Italia, the current account between the latter and Atlantia has a debit balance of €13,329 thousand as at 31 December 2015. In addition, at the end of 2015, Atlantia has granted Autostrade per l'Italia a short-term loan of €400,000 thousand, as a result of the parent's cash deposits.

With regard to transactions relating to tax (note 5.8), as at 31 December 2015, the Company reports net receivables of €10,322 thousand due from Atlantia, deriving from its participation in the tax consolidation arrangement headed by the parent. The Company is also owed €6,542 thousand by Sintonia relating to the expected refund of income tax (IRES) paid during the periods when this company headed the tax consolidation arrangement.

Finally, as at 31 December 2015, the Company has issued a number of personal guarantees in favour of Atlantia, as reported in note 8.1.

Transactions with subsidiaries and associates

Autostrade per l'Italia provides services to a number of subsidiaries and associates under specific contracts. 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.

In 2015, these contracts primarily regarded the following services:

- a) administrative, accounting and tax services, operational planning and management controls;
- b) organisation, management and development of personnel;
- c) corporate and legal affairs, including the conduct of legal actions;
- d) the purchase of goods and services and the administration of and accounting for contracts;
- e) risk management in the mapping of areas of risk, including the analyses required by Legislative Decree 231/01.

Autostrade per l'Italia also provides treasury, insurance and the related risk management services to its subsidiaries. Under specific agreements with the Company's Italian motorway subsidiaries and associates, the Company also provides services relating to the recording of traffic data and the settlement of amounts due to and from the operators of interconnecting motorways.

Other material transactions involving the purchase of goods and services from subsidiaries and associates include the following:

- a) the activities involved in motorway construction and maintenance contracts with Spea Engineering, including design, project management, supervision and infrastructure inspection services, and with Pavimental for the construction of infrastructure, under the related contracts, and for maintenance and road surfacing;
- b) relations with Telepass primarily regard a novation agreement by which Telepass collects motorway tolls due to Autostrade per l'Italia by way of the Viacard and Telepass deferred toll payment systems;
- c) the services provided by Autostrade Tech following the spin-off to this company of the business unit responsible for the research, development, production, marketing and operation of technology equipment, systems and services;
- d) the provision of accounting, credit recovery, human resources, general and real estate services by EsseDiEsse;
- e) the lease of advertising space along the motorway network to AD Moving.

Transactions of a financial nature include current accounts with Atlantia Group companies as part of the Company's provision of centralised treasury services. The conditions on these accounts are all at arm's length.

As at 31 December 2015, the following medium/long-term loans have been disbursed:

- a) Autostrade Tirrenica, totalling €190,000 thousand, maturing in September 2020;
- b) Tangenziale di Napoli, totalling €43,150 thousand, maturing in March 2021.

Finally, as at 31 December 2015, following approval, by the Company's Board of Directors, of Tech Solution Integrators' liquidation via the "universal transfer" to the Company of all its assets and liabilities (as provided for in French law governing the voluntary liquidation of companies with a sole shareholder), the Company has recognised:

- a) provisions for additional expenses in connection with the net liabilities to be transferred, amounting to €5,804 thousand, as described in note 6.9;
- b) a reversal, amounting to €4,673 thousand, of the impairment, in excess of the carrying amount of the investment in TSI, recognised in 2014, given that the subsidiary's losses no longer have to be covered via a capital injection, as described in note 6.13;
- c) the impairment of trade receivables due to the Company from Tech Solutions Integrators, amounting to a total of €4,531 thousand, is described in note 6.12.

Transactions with other related parties

The Company also engages in transactions with Autogrill and United Colors Communications, with which it shares the same ultimate parent, Edizione Srl.

As at 31 December 2015, Autogrill holds 107 food service concessions for service areas along the Company's motorway network, including 3 operated in temporary consortia with other companies. In 2015, the Company's revenue arising from its relationship with Autogrill amounted to €67,961 thousand, including €60,974 thousand in royalties and one-off payments relating to the management of service areas. This 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. A further €2,487 thousand was generated by the transfer, free of charge, of buildings located at certain service areas.

The following tables show amounts in the income statement for 2015 and in the statement of financial position as at 31 December 2015 generated by transactions with related parties.

8.4 Disclosures regarding share-based payments

There were no changes, during 2015, in the share-based incentive plans already adopted by the Group as at 31 December 2014 and originally approved by the Annual General Meetings of Atlantia's shareholders held on 20 April 2011 (later amended by subsequent Annual General Meetings) and 16 April 2014.

Details of each plan are contained in specific information circulars prepared pursuant to art. 84-bis of Consob Regulation 11971/1999, as amended, and in Atlantia's Remuneration Report prepared pursuant to art. 123 ter of the Consolidated Finance Act. These documents, to which reference should be made, are published in the "Remuneration" section of Atlantia's website at www.atlantia.it.

The following table shows the main aspects of existing incentive plans as at 31 December 2015, including the options and units awarded to directors and employees of the Atlantia Group and changes during 2015 (in terms of new awards

and the exercise, conversion or lapse of rights). The table also shows the fair value (at the grant date) of each option or unit awarded, as determined by a specially appointed expert, using the Monte Carlo model and other assumptions. The amounts have been adjusted for the amendments to the plans originally approved by Atlantia's shareholders, which were required to ensure plan benefits remained substantially unchanged despite the dilution caused by the bonus issues approved by Atlantia's shareholders on 20 April 2011 and 24 April 2012.

	Number of options/units awarded ^(****)	Vesting date	Exercise/ Grant date
2011 SHARE OPTION PLAN			
Options outstanding as at 1 January 2015			
- 13 May 2011 grant	279,860	13 May 2014	14 May 2017
- 14 October 2011 grant	13,991	13 May 2014	14 May 2017
- 14 June 2012 grant	14,692	13 May 2014	14 May 2017
	345,887	14 June 2015	14 June 2018
- 8 November 2013 grant	1,592,367	8 November 2016	9 November 2019
- 13 May 2014 grant	173,762	n.a. ^(**)	14 May 2017
- options exercised in 2014	-209,525		
- options lapsed in 2014	-43,557		
	2,167,477		
Changes in options in 2015			
- 15 June 2015 grant	52,359	n.a. ^(**)	14 June 2018
- options exercised	-459,762		
- options lapsed	-142,172		
Options outstanding as at 31 December 2015	1,617,902		
2011 SHARE GRANT PLAN			
Units outstanding as at 1 January 2015			
- 13 May 2011 grant	192,376	13 May 2014	14 May 2016
- 14 October 2011 grant	9,618	13 May 2014	14 May 2016
- 14 June 2012 grant	10,106	13 May 2014	14 May 2016
	348,394	14 June 2015	15 June 2017
- 8 November 2013 grant	209,420	8 November 2016	9 November 2018
- units lapsed in 2014	-19,683		
	750,231		
Changes in units in 2015			
- units converted into shares on 15 May 2015	-97,439		
- units lapsed	-28,699		
Units outstanding as at 31 December 2015	624,093		
MBO SHARE OPTION PLAN			
Units outstanding as at 1 January 2015			
- 14 May 2012 grant	96,282	14 May 2015	14 May 2015
- 14 June 2012 grant	4,814	14 May 2015	14 May 2015
- 2 May 2013 grant	41,077	2 May 2016	2 May 2016
- 8 May 2013 grant	49,446	8 May 2016	8 May 2016
- 12 May 2014 grant	61,627	12 May 2017	12 May 2017
	253,246		
Changes in units in 2015			
- units converted into shares on 14 May 2015	-101,096		
Units outstanding as at 31 December 2015	152,150		

(*) 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 grants of 2011 and 2012 which, therefore, do not represent the award of new benefits.

(***) These are options and units awarded to beneficiaries throughout the Atlantia Group and not only to those at Autostrade per l'Italia.

Exercise price (€)	Fair value of each option or unit at grant date (€)	Expected expiration at grant date (years)	Risk free interest rate used	Expected volatility (based on historic mean)	Expected dividends at grant date
14.78	3.48	3.0 - 6.0	2.60%	25.2%	4.09%
14.78	(*)	(*)	(*)	(*)	(*)
14.78	(*)	(*)	(*)	(*)	(*)
9.66	2.21	3.0 - 6.0	1.39%	28.0%	5.05%
16.02	2.65	3.0 - 6.0	0.86%	29.5%	5.62%
n.a.	(**)	(**)	(**)	(**)	(**)
n.a.	(**)	(**)	(**)	(**)	(**)
n.a.	12.90	4.0 - 5.0	2.45%	26.3%	4.09%
n.a.	(*)	(*)	(*)	(*)	(*)
n.a.	(*)	(*)	(*)	(*)	(*)
n.a.	7.12	4.0 - 5.0	1.12%	29.9%	5.05%
n.a.	11.87	4.0 - 5.0	0.69%	28.5%	5.62%
n.a.	13.81	3.0	0.53%	27.2%	4.55%
n.a.	(*)	(*)	(*)	(*)	(*)
n.a.	17.49	3.0	0.18%	27.8%	5.38%
n.a.	18.42	3.0	0.20%	27.8%	5.38%
n.a.	25.07	3.0	0.34%	28.2%	5.47%

2011 Share Option Plan

Description

As approved by the Annual General Meeting of Atlantia's shareholders on 20 April 2011, and amended by the Annual General Meeting of Atlantia's shareholders on 30 April 2013 and 16 April 2014, the 2011 Share Option Plan entails the award of up to 2,500,000 options free of charge in three annual award cycles (2011, 2012 and 2013). Each option will grant beneficiaries the right to purchase one ordinary Atlantia share held in treasury, with settlement involving either physical delivery or, at the beneficiary's option, a cash payment equivalent to the proceeds from the sale of the shares on the stock exchange organised and managed by Borsa Italiana SpA, after deduction of the full exercise price. The exercise price is equivalent to the average of the official prices of Atlantia's ordinary shares in the month prior to the date on which Atlantia's Board of Directors announces the beneficiary and the number of options to be awarded.

The options granted will vest in accordance with the Plan terms and conditions and, in particular, only if, on expiration of the vesting period (three years from the date of award of the options to beneficiaries by the Board of Directors), cumulative FFO for the three annual reporting periods preceding expiration of the vesting period, adjusted for a number of specific items (total operating cash flow of the Group, Atlantia or of certain of its subsidiaries – depending on the role held by the various beneficiaries of the Plan), is higher than a pre-established target, unless otherwise decided by the Board of Directors, which has the authority to assign beneficiaries further targets. Vested options may be exercised, in part, from the first day following expiration of the vesting period and, in part, from the end of the first year following expiration of the vesting period and, in any event, in the three years following expiration of the vesting period (subject to the clause in the Plan terms and conditions requiring executive Directors and key management personnel to retain a minimum holding). The maximum number of exercisable options will be calculated on the basis of a mathematical algorithm (which could result in an assignment of some "additional" options) that takes account, among other things, of the current value and the exercise price, plus any dividends paid, so as to cap the realisable gain.

Changes in options in 2015

The vesting period for the second award cycle expired on 14 June 2015. In accordance with the Terms and Conditions of this plan, 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 as well as the additional options resulting from dividends paid during the vesting period. On 8 May 2015, Atlantia's Board of Directors, exercising the authority provided for in the Plan Terms and Conditions, awarded the plan beneficiaries, in place of these 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, determined with a calculation method which allow the beneficiaries to receive a net amount equal to what would have been received if they had exercised the additional options (resulting in the award of shares in Atlantia and payment of the exercise price) and sold the underlying shares in the market. On expiry of the vesting period, this resulted in the award of a total of 52,359 phantom options for the second cycle of the 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.

During 2015, a number of beneficiaries exercised vested options and paid the established exercise price; this entailed the allocation to them of Atlantia's ordinary shares held by the Company as treasury shares. This resulted in the transfer of:

- a) 99,018 of Atlantia's ordinary shares to beneficiaries in connection with the first cycle, the vesting period for which expired on 13 May 2014, accompanied by the exercise of 173,762 phantom options awarded in 2014; following the exercise of these options, the first cycle of the Plan has for all purposes concluded;
- b) 186,982 of Atlantia's ordinary shares to beneficiaries in connection with the second cycle, the vesting period for which expired on 14 June 2015, whilst no phantom options awarded in 2015 were exercised.

Thus, as at 31 December 2015, taking into account lapsed options at that date, the remaining options outstanding total 1,617,902, including 52,359 phantom options awarded under the second cycle (the unit fair values of which, as at 31 December 2015, was measured as €21.29, in place of the unit fair values at the grant date).

2011 Share Grant Plan

Description

As approved by the Annual General Meeting of Atlantia's shareholders on 20 April 2011, and amended by the Annual General Meeting of Atlantia's shareholders on 30 April 2013, the 2011 Share Grant Plan entails the grant of up to 920,000 units free of charge in three annual award cycles (2011, 2012 and 2013). Each unit will grant beneficiaries

the right to receive one Atlantia ordinary share held in treasury, with settlement involving either physical delivery or, at the beneficiary's option, a cash payment equivalent to the proceeds from the sale of the shares on the stock exchange organised and managed by Borsa Italiana SpA.

The units granted will vest in accordance with the Plan terms and conditions and, in particular, only if, on expiration of the vesting period (three years from the date the units are granted to beneficiaries by the Board of Directors), cumulative FFO for the three annual reporting periods preceding expiration of the vesting period, adjusted for a number of specific items (total operating cash flow of the Group, Atlantia or of certain of its subsidiaries – depending on the role held by the various beneficiaries of the Plan) is higher than a pre-established target, unless otherwise decided by Atlantia's Board of Directors. Vested units may be converted into shares, in part, after one year from the date of expiration of the vesting period and, in part, after two years from the date of expiration of the vesting period (subject to the clause in the Plan terms and conditions requiring executive Directors and key management personnel to maintain a minimum holding). The number of convertible units will be calculated on the basis of a mathematical algorithm that takes account, among other things, of the current value and initial value of the shares so as to cap the realisable gain.

Changes in units in 2015

The vesting period for the second award cycle expired on 14 June 2015. In accordance with the Terms and Conditions of this plan, following confirmation of effective achievement of the related performance hurdles, the units previously awarded vested: these units may be converted into Atlantia's ordinary shares from 14 June 2016.

In addition, with regard to the first award cycle, the vesting period for which expired on 13 May 2014, on 15 May 2015 vested units were converted, in accordance with the Plan Terms and Conditions, into Atlantia's ordinary shares. As a result, Plan beneficiaries received 97,439 shares held by the Company as treasury shares. The remaining units will be converted into Atlantia's ordinary shares from 15 May 2016.

As at 31 December 2015, taking into account lapsed units at that date, the remaining units outstanding total 624,093.

MBO - Share Grant Plan

Description

As approved by the Annual General Meetings of Atlantia's shareholders on 20 April 2011 and amended by the Annual General Meetings of 30 April 2013 and 16 April 2014, the MBO Share Grant Plan, serving as part payment of the annual bonus for the achievement of objectives assigned to each beneficiary under the Management by Objectives (MBO) plan adopted by the Atlantia Group in 2011, 2012 and 2013, entails the grant of up to 340,000 units free of charge annually for three years (2012, 2013 and 2014). Each unit will grant beneficiaries the right to receive one ordinary share in Atlantia SpA held in treasury.

The units granted (the number of which is based on the unit price of the company's shares at the time of payment of the bonus, and on the size of the bonus effectively awarded on the basis of achievement of the assigned objectives) will vest in accordance with the Plan terms and conditions, on expiration of the vesting period (three years from the date of payment of the annual bonus to beneficiaries, following confirmation that the objectives assigned have been achieved). Vested units will be converted into a maximum number of shares on expiration of the vesting period (subject to the clause in the Plan terms and conditions requiring executive Directors and key management personnel to maintain a minimum holding), on the basis of a mathematical algorithm (which could result in an assignment of some "additional" options) that takes account, among other things, of the current value and initial value of the shares, plus any dividends paid during the vesting period, so as to cap the realisable gain.

Changes in the units in 2015

The vesting period for the MBO Plan units awarded in relation to the objectives for 2011 expired on 14 May 2015. In accordance with the Terms and Conditions of this plan, all the units awarded thus vested, resulting in their conversion into Atlantia's ordinary shares and the allocation to beneficiaries of 101,096 shares held by the parent as treasury shares.

In addition, on 8 May 2015, Atlantia's Board of Directors, exercising the authority provided for in the Plan Terms and Conditions, awarded the plan beneficiaries a gross amount in cash in place of the additional units to be awarded as a result of the payment of dividends during the vesting period. This amount is computed in such a way as to enable beneficiaries to receive a net amount equal to what they would have received in case they had been awarded a number of Atlantia shares equal to the additional units and sold these shares in the market. Following the conversion of these units, there are no remaining units outstanding in relation to the awards for 2012.

As at 31 December 2015, the remaining units outstanding total 152,150.

The following table shows the main aspects of the "2014 Phantom Share Option Plan", unlike the other plans settled

entirely in cash. The table shows the options awarded to directors and employees of the Company and changes (in terms of new awards and the exercise, conversion or lapse of rights, and transfers or secondments to other Atlantia Group companies) during 2015. The table also shows the fair value (at the grant date) of each option awarded, as determined by a specially appointed expert, using the Monte Carlo model and other assumptions.

	Number of options/units awarded ^(*)	Vesting date	Exercise/ Grant date
2014 PHANTOM SHARE OPTION PLAN			
Options outstanding as at 1 January 2015			
– 9 May 2014 grant	1,244,647	9 May 2017	9 May 2020
– transfers/secondments	-30,973		
	1,213,674		
Changes in options in 2015			
– 8 May 2015 grant	1,258,364	8 May 2018	8 May 2021
– transfers/secondments	24,305		
– options lapsed	-94,905		
Options outstanding as at 31 December 2015	2,401,438		

(*) Given that this is a cash bonus plan, involving payment of a gross amount in cash, the 2014 Phantom Share Option Plan does not require an exercise price. However, the Terms and Conditions of this specific plan indicate an “Exercise price” (equal to the arithmetic mean of Atlantia’s share price in a determinate period) as the basis on which to calculate the gross amount to be paid to beneficiaries.

2014 Phantom Share Option Plan

Description

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 approved, within the scope of its responsibilities, by Autostrade per l’Italia’s Boards of Directors on 13 June 2014. 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 increase in the value of Atlantia’s ordinary shares in the relevant three-year 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.

Changes in options in 2015

On 8 May 2015, Atlantia’s Board of Directors selected the beneficiaries for the second cycle of the plan in question, subsequently approved, within the scope of its responsibilities, by Autostrade per l’Italia’s Boards of Directors on 12 June 2015. This resulted in the award of a total of 1,258,364 phantom options with a vesting period from 8 May 2015 to 8 May 2018 and an exercise period, on achievement of the relevant hurdles, from 9 May 2018 to 8 May 2021.

Thus, as at 31 December 2015, taking into account lapsed options at that date, the remaining options outstanding total 2,401,438, including 1,213,674 phantom options awarded under the first cycle and 1,187,764 phantom options awarded under the second cycle (the unit fair values of which as at 31 December 2015 were measured as €4.10 and €2.33, respectively, in place of the unit fair values at the grant date).

Exercise price (€)	Fair value of each option or unit at grant date (€)	Expected expiration at grant date (years)	Risk free interest rate used	Expected volatility (based on historic mean)	Expected dividends at grant date
n.a. ^(*)	2.88	3.0 - 6.0	1.10%	28.9%	5.47%
n.a. ^(*)	2.59	3.0 - 6.0	1.01%	25.8%	5.32%

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

- a) price as at 31 December 2015: €24.57;
- b) price as at 8 May and 15 June 2015 (the grant date for new options or units, as described): €23.58 and €21.73, respectively;
- c) the weighted average price for 2015: €23.64;
- d) the weighted average price for the period 8 May 2015-31 December 2015: €23.89;
- e) the weighted average price for the period 15 June 2015-31 December 2015: €24.01.

In accordance with the requirements of IFRS 2, as a result of existing plans, in 2015 the Company has recognised staff costs, as indicated in note 6.7, of €7,649 thousand, based on the accrued fair value of the options and units awarded at that date, including €4,509 thousand accounted for as an increase in equity reserves. In contrast, the liabilities represented by phantom share options outstanding as at 31 December 2015 have been recognised in other current and non-current liabilities, based on the assumed exercise date. In addition, the Company has recognised the accrued portion of share-based incentive plans, with regard to the benefits awarded to certain directors and employees at its subsidiaries, in "Investments", as described in note 5.3.

8.5 Significant legal and regulatory aspects

This section describes the main disputes outstanding and key regulatory aspects in 2015.

Current disputes are unlikely to give rise to significant charges for the Company, in addition to the provisions already accounted for in the consolidated financial statements as at and for the year ended 31 December 2015.

Toll increases with effect from 1 January 2016

The decrees issued by the Minister of Infrastructure and Transport and Minister of the Economy and Finance on 31 December 2015 sanctioned Autostrade per l'Italia's right, in accordance with its request to the Grantor, to apply an increase of 1.09% with effect from 1 January 2016, corresponding to the sum of the following components:

- 0.00% for inflation;
- 0.97% to provide a return capital expenditure via the "X" tariff component;
- 0.12% to provide a return on investment via the "K" tariff component.

Toll modulation initiative

The reduced tolls for frequent users, introduced by the Memorandum of Understanding of 24 February 2014 signed by a number of motorway operators, including Autostrade per l'Italia and the trade association, AISCAT, have been extended, at the request of the Minister of Infrastructure and Transport on 31 December 2015, for a further 12 months, and therefore until the end of 2016. Recovery of the revenue lost as a result of the initiative during the period 1 June 2014-31 December 2016 is assured on the basis of the criteria set out in the Memorandum. One of the options for operators requesting such a solution (as notified to the above Ministry by Autostrade per l'Italia) is the application of a specific toll increase to be introduced in the first year of the next regulatory period.

II Addendum to Autostrade per l'Italia's Single Concession Arrangement

On 10 December 2015, the Ministry of Infrastructure and Transport and Autostrade per l'Italia signed the II Addendum to the Single Concession Arrangement, which has added the Casalecchio - Northbound interchange to Autostrade per l'Italia's investment commitments. This project requires a commitment to invest up to a total of approximately €157 million, with around €2 million already invested as at 31 December 2015 to cover the cost of design, and the remainder to be paid to ANAS on the basis of the state of progress of the works. ANAS is to build and then manage the road. The Addendum will be effective once the Minister of Infrastructure and Transport and Minister of the Economy and Finance have issued the relevant decree and it has been registered with the Court of Auditors.

Enabling Act on tenders and concessions

Enabling Act 11 of 28 January 2016 regarding tenders and concessions, designed to apply the relevant EU directives and reform the regulations governing public contracts, was published in the Official Gazette of 29 January 2016.

In this regard, the legislation has introduced an obligation for public and private entities, who hold an existing or future concession to provide public works or services, to award 80% of the related contracts for works, services or goods, with a value of over €150 thousand, by public tender. The legislation also establishes that the remaining part may be carried out in-house, in the case of public entities, or by direct or indirect subsidiaries or associates in the case of private entities. The legislation provides for a transitional period of adjustment of no more than twenty-four months in the case of existing concessions. The only exclusions from compliance with the above obligation are existing or future concessions awarded in the form of project financing, and existing or future concessions awarded by public tender in accordance with EU law, for which existing legislation governing tenders in force at the date of entry into effect of the enabling act (13 February 2016) will continue to apply.

By 18 April 2016, the government is authorised to issue a legislative decree applying the above EU directives, in accordance with the criteria contained in the enabling act.

Litigation regarding the Ministry of Infrastructure and Transport and the Ministry for Economic Development decree of 7 August 2015 and competitive tenders for oil and food services at service areas

On 7 August 2015, the Ministry of Infrastructure and Transport and the Ministry for Economic Development issued a decree approving the plan to restructure the motorway service area network.

The plan envisages steps to rationalise the network and revisit the manner in which services are provided to motorway users and the tender process for the award of the related concessions, in keeping with the Guidelines of 29 March 2013 and 29 January 2015.

The above Plan envisages, among other things, (i) the closure of 15 service areas on Autostrade per l'Italia's network and (ii) the option of revisiting the manner in which services are provided by operators. With regard to the above decree and with reference to the competitive tenders for the award of concessions at service areas, a number of challenges have been brought before Lazio Regional Administrative Court, in which Autostrade per l'Italia is a party. These appeals can be summarised as follows:

- an appeal, with a request for injunctive relief, brought by Unione Petrolifera, the trade body representing oil service providers, and notified to AISCAT, with the aim of obtaining the cancellation of the above decree of 7 August 2015 and all other related or connected acts;
- an appeal, with a request for injunctive relief, brought by a number of certain oil service providers (Q8, TotalErg, API) with the aim of obtaining the cancellation of the above decree of 7 August 2015 and all other related or connected acts;
- an appeal, with a request for injunctive relief, brought by Maglione Srl (Sarni group), with the aim of contesting the tender process for the award of a unified concession called by the Advisor, Roland Berger, appointed by Autostrade per l'Italia;

- appeals, with in some cases a request for injunctive relief, brought by individual oil service providers, with the aim of obtaining the cancellation of the above decree of 7 August 2015 and all other related or connected acts, including those regarding the competitive tenders called and those relating to the closure of service areas. Certain appeals also involve claims for compensation;
- an appeal brought by trade bodies representing oil service providers, contesting initial calls for tenders for oil service concessions, published by Autostrade per l'Italia in June 2015, and the related acts.

The requests for injunctive relief have been turned down. In some cases, the plaintiffs have appealed to the Council of State against the refusal to grant injunctive relief; as of 4 March 2016, these appeals have also been rejected.

In addition, the acts relating to a number of competitive tenders for oil service concessions, forming part of the first tranche of awards, have been challenged before Lazio Regional Administrative Court by TotalErg and ENI. In particular, the requests for injunctive relief filed by the plaintiff, TotalErg, regarding awards in the first tranche have been rejected by both the Regional Administrative Court and the Council of State. The two plaintiffs, TotalErg and ENI, have requested a hearing on the merits of the second tranche of awards.

Hearings on the merits of the above challenges at Lazio Regional Administrative Court are, if scheduled, expected to take place from April 2016.

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

On 28 July 2013, there was an accident, involving a coach travelling along the Naples-bound carriageway (at km 32+700) of the Acqualonga viaduct on the A16 Naples-Canosa motorway, operated by Autostrade per l'Italia. At the beginning of 2015, all those under investigation, including the Chief Executive Officer, received notice of completion of the preliminary investigation. Including executives, former managers and former employees, twelve of Autostrade per l'Italia's employees are under investigation. At the preliminary hearing held on 22 October 2015, after two adjournments due to irregularities in the writs of summons, the court admitted the entry of appearance of the civil parties and ordered, at the request of the civil parties, the citation of Autostrade per l'Italia and Reale Mutua (the company that insured the coach) as liable in civil law. At the hearing of 17 December 2015, Autostrade per l'Italia and Reale Mutua were represented in court and the Public Prosecutors concluded their briefs requesting the indictment of all the defendants. At the hearing of 14 January 2016, evidence was presented by the attorneys for the defendants and the civil parties. Discussion of the defence of all the accused took place at the hearing of 22 February 2016 and will continue at the hearing of 14 March 2016.

To date, approximately 60% of the civil parties have received compensation and have, therefore, withdrawn their actions following payment of their claims by Autostrade per l'Italia's insurance provider under the existing general liability policy. In addition to the criminal proceedings, a number of civil actions have been brought and were recently combined by the Civil Court of Avellino.

Following the combination of the various proceedings, judgement is pending before the Civil Court of Avellino in relation to: (i) the original action brought by Reale Mutua Assicurazioni, the company that insured the coach, in order to make the maximum claim payable available to the damaged parties, including Autostrade per l'Italia (€6 million), (ii) subsequent claims, submitted as counterclaims or on an individual basis, by a number of damaged parties, including claims against Autostrade per l'Italia.

Subject to the permission of the court, Autostrade per l'Italia intends to refer claimants to its insurance provider (Swiss Re International), with a view to being indemnified against any claims should it lose the case.

In addition, as a result of the accident, the *Autorità di Vigilanza sui Contratti Pubblici* (the Authority for the Control of Public Contracts, now known as the *Autorità Nazionale Anticorruzione*, Italy's National Anti-Corruption Authority) launched an investigation of Autostrade per l'Italia regarding maintenance, carried out over the years, of the section of the A16 Naples-Canosa motorway including the above Acqualonga viaduct. On completing its investigation, the National Anti-Corruption Authority published resolution 30 of 22 December 2014, registered on 22 January 2015, stating that it had found clear evidence of irregularities in the work carried out in 2012 in order to upgrade the safety barriers on the Naples-Canosa section, which should also have included, according to the Authority, the Acqualonga viaduct.

Based on the opinion of its own technical units, Autostrade per l'Italia responded to the Authority on 24 February 2015, contesting the conclusions contained in the above resolution.

Investigation by the Public Prosecutor's Office in Prato of a fatal accident to a worker employed by Pavimental

On 27 August 2014, a worker employed by Pavimental SpA – the company contracted by Autostrade per l'Italia to carry out work on the widening of the A1 to three lanes – was involved in a fatal accident whilst at work. In response, the Public Prosecutor's Office in Prato has placed a number of Pavimental personnel under criminal investigation for reckless homicide, alleging violation of occupational health and safety regulations.

In December 2014, Autostrade per l'Italia was notified of a request for information from the Company, together with a request to appoint a defence counsel and elect an address for service, given that the Company is considered a juridical person under investigation in accordance with Legislative Decree 231/2001 (regarding the administrative responsibility of corporate entities).

The crime of which Autostrade per l'Italia is accused is that defined in art. 25 septies of Legislative Decree 231/2001, in relation to art. 589, paragraph 3 of the penal code ("Reckless homicide committed in violation of occupational health and safety regulations").

The suspects include Autostrade per l'Italia's Project Manager. Pavimental has also been ordered to hand over documentation. Preliminary investigations are underway and a preliminary hearing has been requested by the defence counsel of one of the suspects employed by Pavimental, with the aim of appointing experts to reconstruct the dynamics of the fatal accident.

The hearing, held to examine the experts' report, took place on 5 February 2016, during which the expert appointed by the court concluded that the company's Organisational, Management and Control Model, required by Legislative Decree 231/2001, and the related procedures were broadly in compliance with the Decree.

At the hearing of 24 February 2016, scheduled to enable the defendants' attorneys to respond, the preliminary hearing held to examine the experts' report came to an end. The decision of the Public Prosecutor's office is now awaited.

Investigation by the Public Prosecutor's Office in Florence of the state of New Jersey barriers installed on the section of motorway between Barberino and Roncobilaccio

On 23 May 2014, the Public Prosecutor's Office in Florence issued an order requiring Autostrade per l'Italia to hand over certain documentation, following receipt, on 14 May 2015, of a report from Traffic Police investigators in Florence noting the state of disrepair of the New Jersey barriers on the section of motorway between Barberino and Roncobilaccio. The report alleges negligence on the part of unknown persons, as defined by art. 355, paragraph 2.3 of the penal code (breach of public supply contracts concerning "goods or works designed to protect against danger or accidents to the public").

At the same time, the Prosecutor's Office ordered the seizure of the New Jersey barriers located along the right side of the carriageways between Barberino and Roncobilaccio, on ten viaducts, ordering Autostrade per l'Italia to take steps to ensure safety on the relevant sections of motorway. This seizure was executed on 28 May 2014.

In June 2014, Autostrade per l'Italia's IV Section Department handed over the requested documents to the Police. The documentation concerns the maintenance work carried out over the years on the safety barriers installed on the above section of motorway.

In October 2014, addresses for service were formally nominated for a former General Manager and an executive of Autostrade per l'Italia, both under investigation in relation to the crime defined in art. 355 of the penal code.

In addition, at the end of November 2014, experts appointed by the Public Prosecutor's Office, together with experts appointed by Autostrade per l'Italia, carried out a series of sample tests on the barriers installed on the above motorway section to establish their state of repair.

Following the experts' tests, the barriers were released from seizure. Preliminary investigations are still in progress, given that the Public Prosecutor's Office has yet to take a final decision.

Proceedings before the Supreme Court - Autostrade per l'Italia versus Craft Srl (Judgement no. 22563/2015)

Craft Srl holds a patent for a type of speed check equipment. In 2006, Craft filed suit against Autostrade per l'Italia, claiming that the IT system used by the latter for its speed checks ("Sicve Tutor") infringed its patent and requesting the court to, therefore, find in its favour and declare an infringement of its patent. The related claim for damages from Autostrade per l'Italia amounted to approximately €1.8 million.

Autostrade per l'Italia filed a counterclaim, requesting that Craft's patent be declared null and void on the grounds that the patent did not meet the requirements of novelty and innovation. The court of first instance rejected both Craft's claim and Autostrade per l'Italia's counterclaim.

Craft then appealed and the court found that Autostrade per l'Italia had not infringed the patent and that Craft's patent was valid.

In 2012, Autostrade per l'Italia appealed the second judgement before the Supreme Court (Corte di Cassazione), requesting that the case be referred to the Court of Appeal for a judgement declaring the patent null and void.

Craft, for its part, filed a cross-appeal, repeating its request for a judgement upholding its claim that its patent had been infringed.

On 4 November 2015, the First Civil Section of the Supreme Court handed down judgement no. 22563, rejecting Autostrade per l'Italia's appeal and confirming the judgement handed down by the court of second instance in relation to validity of the patent. The Court also upheld Craft's cross-appeal, revoking the previous judgement on the basis of inadequate grounds and referring the case to the Court of Appeal in Rome, before different judges.

There will, therefore, be a new hearing before the Court of Appeal in Rome, to be held by 5 December 2016. The Court must decide whether or not Craft has incurred damages as a result of Autostrade per l'Italia's infringement of its patent.

[Autostrade per l'Italia -Autostrade Tech against Alessandro Patanè and companies linked to him](#)

On 14 August 2013, Autostrade per l'Italia and Autostrade Tech served a writ on Mr. Alessandro Patanè and the companies linked to him with the aim of protecting the Group's position, following repeated claims filed by Mr. Patanè regarding ownership of the software used in the SICVe (Safety Tutor) system. Patanè responded by filing a counterclaim that included, among other things, a claim for damages of approximately €7.5 billion and permission to summons numerous third parties.

At the hearing of 19 November 2015, the court, having noted Autostrade per l'Italia and Autostrade Tech's refusal to accept the settlement proposed by Mr. Patanè during the previous hearing of 10 June 2015 (a "settlement based on the payment of €240 million for a 20-year licence to use the Tutor software from 2006, and the waiver of any other future claim"), reserved judgement on the objections put forward by Autostrade per l'Italia and Autostrade Tech regarding the inadmissibility of the counterclaim and the request to summons third parties given that they were filed late by Mr. Patanè and his companies.

On 10 December 2015, the court announced its decision, declaring that the plaintiffs had filed their claims late and that the counterclaim and summons of third parties were, therefore, inadmissible. The hearing was adjourned until 9 November 2016, when the case will be heard.

[Appeals brought before the Civil Court of Rome and the Court of Latina in accordance with art. 700 of the Code of Civil Procedure](#)

On 24 November 2015 and 4 January 2016, Mr. Patanè and the companies linked to him (MPA Group Srl and Alessandro Patanè Srl) filed two urgent appeals, the first in Rome, against Autostrade per l'Italia, Autostrade Tech, Atlantia and Edizione, the second in Latina, citing ANAS and Deloitte & Touche.

On an urgent preliminary basis, without hearing the defendants, and then with regard to the merits, the appellants made various requests, largely the same as those contained in the counterclaim filed by Mr. Patanè within the context of the action brought by Autostrade per l'Italia and Autostrade Tech against Alessandro Patanè and the companies linked to him.

In both the above actions, the courts turned down the appeals, ordering Mr. Patanè and the companies linked to him to pay the legal expenses of all the parties involved.

[Claim for damages from the Ministry of the Environment](#)

The criminal case (initiated in 2007 and relating to events in 2005) pending before 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. A total of seven hearings were held between September and December 2014, in order to hear evidence from certain witnesses and experts called on by a number of the parties involved.

Numerous hearings were then held in 2015, during which all the witnesses for the prosecution were heard.

In particular, at the hearing of 12 January 2015, in response to matching objections raised by the counsel for the defence, the court issued a lengthy order establishing that the reports on the inspections conducted by the Police, with particular reference to the sampling report collected by the Police under the above warrant, and the ensuing laboratory analyses of the samples, were null and void due to procedural irregularities. Similarly, the reports on the laboratory analyses of the samples collected by ARPAT staff in exercising their regulatory powers were also declared null and void and thus returned to the investigating magistrate as they may no longer be used as evidence.

In response, the investigating magistrate filed an objection to the judge which, in the order dated 9 February 2015, was declared inadmissible by the court appointed to rule on such objections at the Florence Court of Appeal, in view of the absence of any grounds for the objection.

The witnesses and experts called by the defence are currently being heard. Once this process has been completed, the preliminary hearing will conclude.

[Investigation by the Public Prosecutor's Office in Vasto of the fatal motorway accident of 21 September 2013](#)

Following the motorway accident of 21 September 2013 at km 450 of the A14, operated by Autostrade per l'Italia, in which several people were killed, the Public Prosecutor's Office in Vasto has launched a criminal investigation, initially against persons unknown.

On 23 March 2015, the Chief Executive Officer and, later, further two executives of the Company received notice of completion of the investigation, containing a formal notification of charges.

The charges relate to negligent cooperation resulting in reckless manslaughter. The Public Prosecutor, following initiatives taken by the defence counsel, has requested that the case be brought to court. Due to irregularities in the writs of summons sent to the defendants, the preliminary hearing was adjourned until 1 March 2016. At this hearing, the case was adjourned until 17 May 2016.

Società Infrastrutture Toscane SpA (in liquidation)

On 25 March 2015, a general meeting of Società Infrastrutture Toscane's shareholders voted to place the company in liquidation and proceeded to appoint a receiver. Furthermore, in a ruling dated 26 May 2015, the Court of Florence declared the action brought by all SIT's shareholders, including Autostrade per l'Italia, opposing the court order applied for by Generali Italia to be terminated (Generali Italia was challenging Tuscany Regional Authority's attempt to enforce the guarantee provided within the context of the initiative).

8.6 Events after 31 December 2015

There were no material events after the end of the year under review.

9. Key indicators extracted from the most recent financial statements of the company exercising management and coordination, as defined by article 2497-bis of the Italian civil code

Key indicators extracted from the most recent financial statements of the parent, Atlantia, which exercises management and coordination of the Company, are shown below.

These financial statements are available to the public at the Company's registered office or on line in the section "Financial statements and reports" at www.atlantia.it.

ATLANTIA SpA KEY INDICATORS FROM THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2014

€000

STATEMENT OF FINANCIAL POSITION

Non-current assets	17,870,060
Current assets	769,991
Total assets	18,640,051
Equity	9,437,975
– of which issued capital	825,784
Non-current liabilities	8,911,880
Current liabilities	290,196
Total liabilities and equity	18,640,051

INCOME STATEMENT

Operating income	1,592
Operating costs	-23,151
Operating loss	-21,559
Profit for the year	686,217

Annexes to the financial statements

- Annex 1 • Disclosures pursuant to article 149-*duodecies* of the Consob Regulation for Issuers 11971/1999:
- Annex 2 • Traffic figures (pursuant to the CIPE Resolution of 20 December 1996):
- Annex 3 • Table of investment required by article 2 of the Single Concession Arrangement of 2007:
- Annex 4 • Subsidiaries, associates and joint ventures accounted for using the equity method (article 3, point 1.1 of the 2007 Single Concession Arrangement):

The above annexes are unaudited.

Annex 1

Disclosures pursuant to article 149-duodecies of the Consob Regulation for Issuers 11971/1999

SOCIETÀ AUTOSTRADE PER L'ITALIA SpA

Type of service	Provider of service	Fees (€000)
Audit	Parent Company's auditor	188
Certification	Parent Company's auditor ⁽¹⁾	23
Other services	Parent Company's auditor ⁽²⁾	77
Other services	Associate of Parent Company's auditor ⁽³⁾	17
Total		305

(1) Opinion on payment of the interim dividend for 2015.

(2) Signature of consolidated and 770 tax forms, agreed upon procedures for data and accounting information and comfort letters on offering circulars.

(3) Checks on income tax applied to employees and obligations as withholding agent.

Annex 2

Traffic figures (pursuant to the CIPE Resolution of 20 December 1996)

The figures for toll paid kilometres travelled shown in the following tables relate to traffic during the year paying the toll surcharge, pursuant to article 15 of Law 531/1982 as amended by Law 407/1990 and, therefore, in addition to not including non-paying traffic, the figures exclude traffic that failed to pay the required toll and that was only recorded when the toll was subsequently paid. The following are categories of non-paying traffic: traffic exempted by agreement or for operational reasons (company vehicles, motorway police, ACI, which provides breakdown services, emergency vehicles and employees travelling to work); estimates traffic during toll collectors' strikes; and other non-paying traffic (users who fail to pay the required toll, etc.).

Law 102/2009, which has abolished the motorway toll surcharge, at the same time introducing an addition to the concession fee to be paid by Italian motorway operators. This is calculated on the basis of the number of kilometres travelled by each vehicle. The amounts, which are to be passed on to ANAS, are recouped via a matching increase in the tolls charged to road users. Whilst not having an impact on the Company's results, this regulatory change, which was effective from 5 August 2009, has led to increases of equal amounts in toll revenues and concession fees from this date.

The kilometres travelled on Autostrade per l'Italia's network, as reported in the sub-section "Traffic", in the section "Italian motorways" in the "Report on operations", regard all traffic using the network, including traffic for which the relevant toll was not paid, recognised at the time effective use of the motorway is recorded.

Toll paying traffic by month (in thousands of kilometres travelled) - Year 2015

AUTOSTRADA PER L'ITALIA: WHOLE NETWORK

Month	Toll class										Total		Overall
	A		B		3		4		5		Plains	Mountains	
	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains			
January	1,957,405	395,286	228,247	43,982	38,447	6,744	28,882	6,261	284,413	63,257	2,537,394	515,530	3,052,924
February	1,725,457	335,324	231,679	43,784	40,051	6,895	30,985	6,623	293,775	66,196	2,321,947	458,822	2,780,769
March	2,093,302	411,050	283,763	54,549	47,519	8,415	35,888	7,651	334,516	75,445	2,794,988	557,110	3,352,098
April	2,349,377	476,479	297,270	58,764	47,704	8,697	34,093	7,343	316,985	71,592	3,045,429	622,875	3,668,304
May	2,442,853	505,562	316,327	62,743	49,950	9,614	34,522	7,540	317,678	71,071	3,161,330	656,530	3,817,860
June	2,539,954	535,262	312,556	62,676	52,233	10,453	34,647	7,531	327,440	73,094	3,266,830	689,016	3,955,846
July	2,990,818	652,128	335,094	66,977	59,879	12,099	37,983	8,170	357,034	79,213	3,780,808	818,587	4,599,395
August	3,377,881	749,404	272,831	58,236	45,911	10,550	23,604	5,331	238,797	57,887	3,959,024	881,408	4,840,432
September	2,589,775	534,005	320,568	63,515	53,734	10,653	36,643	7,867	341,366	77,546	3,342,086	693,586	4,035,672
October	2,371,341	458,416	315,995	60,806	50,536	9,151	37,575	7,909	347,696	78,255	3,123,143	614,537	3,737,680
November	2,109,218	406,476	275,902	52,684	46,375	8,208	35,160	7,288	330,294	74,295	2,796,949	548,951	3,345,900
December	2,313,109	460,121	264,136	51,431	42,996	7,674	32,664	6,743	300,733	67,285	2,953,638	593,254	3,546,892
Year	28,860,490	5,919,513	3,454,368	680,147	575,335	109,153	402,646	86,257	3,790,727	855,136	37,083,566	7,650,206	44,733,772

MOTORWAY: MILAN-NAPLES

Section: A1 Milan-Bologna

Month	Toll class										Total		Overall
	A		B		3		4		5		Plains	Mountains	
	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains			
January	267,346	-	32,798	-	6,596	-	6,019	-	53,990	-	366,749	-	366,749
February	238,464	-	33,502	-	6,943	-	6,322	-	55,808	-	341,039	-	341,039
March	305,089	-	42,246	-	8,233	-	7,308	-	63,969	-	426,845	-	426,845
April	340,062	-	44,159	-	8,269	-	6,953	-	60,855	-	460,298	-	460,298
May	367,349	-	47,614	-	8,494	-	7,017	-	60,644	-	491,118	-	491,118
June	385,234	-	46,266	-	8,818	-	7,034	-	62,030	-	509,382	-	509,382
July	448,573	-	48,508	-	10,247	-	7,689	-	67,405	-	582,422	-	582,422
August	488,025	-	38,509	-	7,544	-	4,714	-	43,691	-	582,483	-	582,483
September	396,866	-	49,913	-	9,269	-	7,574	-	64,478	-	528,100	-	528,100
October	368,120	-	48,389	-	8,675	-	7,650	-	65,913	-	498,747	-	498,747
November	304,090	-	40,355	-	7,818	-	7,270	-	61,984	-	421,517	-	421,517
December	314,256	-	37,825	-	7,128	-	6,708	-	56,689	-	422,606	-	422,606
Year	4,223,474	-	510,084	-	98,034	-	82,258	-	717,456	-	5,631,306	-	5,631,306

MOTORWAY: MILAN-NAPLES

Section: A1 Bologna-Florence

Month	Toll class										Total		Overall
	A		B		3		4		5		Plains	Mountains	
	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains			
January	110	80,485	13	10,942	1	2,027	1	2,163	6	19,508	131	115,125	115,256
February	93	64,200	11	10,701	1	2,057	1	2,221	6	19,827	112	99,006	99,118
March	108	83,021	14	13,875	2	2,592	1	2,625	6	22,830	131	124,943	125,074
April	108	94,419	14	14,989	2	2,624	1	2,524	6	21,401	131	135,957	136,088
May	112	101,189	14	15,957	2	2,833	1	2,626	6	21,543	135	144,148	144,283
June	106	100,018	15	15,508	2	3,028	1	2,563	6	22,005	130	143,122	143,252
July	112	118,719	15	15,869	2	3,355	1	2,830	7	23,723	137	164,496	164,633
August	89	143,680	12	13,727	1	2,734	1	1,697	4	15,506	107	177,344	177,451
September	107	108,474	15	16,360	2	3,104	2	2,814	6	22,530	132	153,282	153,414
October	111	95,681	15	15,702	2	2,754	1	2,844	6	23,353	135	140,334	140,469
November	103	81,592	13	13,267	1	2,477	1	2,712	6	22,382	124	122,430	122,554
December	106	95,673	13	12,915	2	2,305	1	2,520	6	20,778	128	134,191	134,319
Year	1,265	1,167,151	164	169,812	20	31,890	13	30,139	71	255,386	1,533	1,654,378	1,655,911

Toll paying traffic by month (in thousands of kilometres travelled) - Year 2015

MOTORWAY: MILAN-NAPLES Section: A1 Florence-Rome

Month	Toll class										Total		Overall
	A		B		3		4		5		Plains	Mountains	
	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains			
January	247,873	-	29,177	-	4,646	-	4,910	-	45,878	-	332,484	-	332,484
February	203,870	-	29,123	-	4,645	-	5,178	-	45,826	-	288,642	-	288,642
March	249,522	-	36,504	-	5,719	-	6,176	-	52,977	-	350,898	-	350,898
April	292,342	-	38,940	-	5,771	-	5,858	-	49,774	-	392,685	-	392,685
May	293,296	-	40,928	-	5,943	-	6,017	-	50,194	-	396,378	-	396,378
June	287,064	-	39,786	-	6,081	-	5,926	-	50,690	-	389,547	-	389,547
July	330,507	-	41,879	-	6,777	-	6,474	-	54,382	-	440,019	-	440,019
August	424,532	-	35,381	-	5,593	-	3,953	-	37,197	-	506,656	-	506,656
September	308,497	-	41,087	-	6,372	-	6,359	-	52,367	-	414,682	-	414,682
October	284,572	-	41,060	-	6,024	-	6,529	-	54,035	-	392,220	-	392,220
November	253,402	-	35,845	-	5,643	-	6,268	-	52,447	-	353,605	-	353,605
December	307,952	-	35,370	-	5,388	-	6,063	-	48,936	-	403,709	-	403,709
Year	3,483,429	-	445,080	-	68,602	-	69,711	-	594,703	-	4,661,525	-	4,661,525

MOTORWAY: MILAN-NAPLES Section: A1 Fiano-San Cesareo

Month	Toll class										Total		Overall
	A		B		3		4		5		Plains	Mountains	
	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains			
January	14,270	11,613	2,001	1,503	425	267	372	196	4,453	2,161	21,521	15,740	37,261
February	10,663	9,458	1,945	1,488	424	264	399	211	4,452	2,157	17,883	13,578	31,461
March	13,140	11,416	2,414	1,808	509	308	469	245	5,075	2,464	21,607	16,241	37,848
April	17,722	13,937	2,621	1,903	509	314	440	237	4,765	2,316	26,057	18,707	44,764
May	16,667	13,589	2,720	1,987	509	322	457	243	4,824	2,352	25,177	18,493	43,670
June	16,839	13,779	2,613	1,950	518	331	458	243	4,895	2,379	25,323	18,682	44,005
July	20,900	16,259	2,827	2,105	580	359	500	266	5,224	2,530	30,031	21,519	51,550
August	33,031	20,617	2,517	1,720	483	299	306	161	3,590	1,733	39,927	24,530	64,457
September	18,770	14,682	2,732	2,000	553	346	491	263	5,035	2,450	27,581	19,741	47,322
October	16,290	13,567	2,758	2,054	539	339	504	270	5,178	2,524	25,269	18,754	44,023
November	13,994	12,283	2,406	1,849	520	326	482	258	4,981	2,452	22,383	17,168	39,551
December	19,344	15,078	2,494	1,838	519	321	466	248	4,706	2,302	27,529	19,787	47,316
Year	211,630	166,278	30,048	22,205	6,088	3,796	5,344	2,841	57,178	27,820	310,288	222,940	533,228

MOTORWAY: MILAN-NAPLES Section: A1 Rome-Naples

Month	Toll class										Total		Overall
	A		B		3		4		5		Plains	Mountains	
	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains			
January	254,910	-	26,997	-	3,974	-	3,099	-	30,677	-	319,657	-	319,657
February	215,679	-	26,439	-	3,956	-	3,349	-	30,942	-	280,365	-	280,365
March	253,593	-	31,830	-	4,635	-	3,830	-	35,151	-	329,039	-	329,039
April	298,669	-	33,141	-	4,697	-	3,664	-	32,931	-	373,102	-	373,102
May	294,195	-	34,338	-	4,860	-	3,716	-	33,549	-	370,658	-	370,658
June	298,589	-	34,229	-	5,006	-	3,768	-	34,370	-	375,962	-	375,962
July	343,739	-	36,834	-	5,434	-	4,050	-	37,052	-	427,109	-	427,109
August	414,451	-	30,556	-	4,544	-	2,563	-	27,150	-	479,264	-	479,264
September	309,885	-	34,596	-	5,241	-	3,962	-	36,285	-	389,969	-	389,969
October	287,756	-	35,540	-	5,077	-	4,101	-	36,617	-	369,091	-	369,091
November	267,106	-	31,655	-	4,746	-	3,821	-	34,861	-	342,189	-	342,189
December	321,450	-	31,439	-	4,642	-	3,713	-	32,549	-	393,793	-	393,793
Year	3,560,022	-	387,594	-	56,812	-	43,636	-	402,134	-	4,450,198	-	4,450,198

Toll paying traffic by month (in thousands of kilometres travelled) - Year 2015

MOTORWAY: TURIN-TRIESTE Section: A4 Milan-Brescia

Month	Toll class										Total		Overall
	A		B		3		4		5		Plains	Mountains	
	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains			
January	207,758	-	28,412	-	4,162	-	2,081	-	24,771	-	267,184	-	267,184
February	196,255	-	30,014	-	4,492	-	2,289	-	26,648	-	259,698	-	259,698
March	230,155	-	35,426	-	5,205	-	2,650	-	29,546	-	302,982	-	302,982
April	237,828	-	35,902	-	5,160	-	2,530	-	27,994	-	309,414	-	309,414
May	247,722	-	35,934	-	5,237	-	2,500	-	27,402	-	318,795	-	318,795
June	242,744	-	35,489	-	5,457	-	2,487	-	28,355	-	314,532	-	314,532
July	267,909	-	38,086	-	6,417	-	2,798	-	30,827	-	346,037	-	346,037
August	242,046	-	26,221	-	4,065	-	1,585	-	17,482	-	291,399	-	291,399
September	254,487	-	36,760	-	5,623	-	2,639	-	29,018	-	328,527	-	328,527
October	262,433	-	38,120	-	5,411	-	2,689	-	29,317	-	337,970	-	337,970
November	225,038	-	33,685	-	4,937	-	2,511	-	27,918	-	294,089	-	294,089
December	227,155	-	30,334	-	4,287	-	2,178	-	23,804	-	287,758	-	287,758
Year	2,841,530	-	404,383	-	60,453	-	28,937	-	323,082	-	3,658,385	-	3,658,385

MOTORWAY: MILAN-SERRAVALLE-GENOA Section: A7 Serravalle-Genoa

Month	Toll class										Total		Overall
	A		B		3		4		5		Plains	Mountains	
	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains			
January	-	33,405	-	3,165	-	547	-	494	-	4,691	-	42,302	42,302
February	-	28,615	-	3,162	-	549	-	516	-	4,825	-	37,667	37,667
March	-	35,403	-	3,812	-	646	-	581	-	5,510	-	45,952	45,952
April	-	39,091	-	3,940	-	641	-	555	-	5,308	-	49,535	49,535
May	-	41,745	-	4,116	-	654	-	599	-	5,264	-	52,378	52,378
June	-	43,456	-	4,103	-	692	-	598	-	5,425	-	54,274	54,274
July	-	49,321	-	4,350	-	787	-	624	-	5,962	-	61,044	61,044
August	-	46,122	-	3,389	-	608	-	418	-	4,090	-	54,627	54,627
September	-	41,956	-	4,129	-	694	-	588	-	5,483	-	52,850	52,850
October	-	39,205	-	4,158	-	652	-	583	-	5,541	-	50,139	50,139
November	-	35,574	-	3,710	-	611	-	541	-	5,298	-	45,734	45,734
December	-	36,247	-	3,524	-	570	-	505	-	5,079	-	45,925	45,925
Year	-	470,140	-	45,558	-	7,651	-	6,602	-	62,476	-	592,427	592,427

MOTORWAY: MILAN-LAKES Section: A8/A9 Milan-Lakes

Month	Toll class										Total		Overall
	A		B		3		4		5		Plains	Mountains	
	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains			
January	138,981	9,116	12,494	618	1,439	66	831	64	6,952	499	160,697	10,363	171,060
February	131,479	8,371	13,198	662	1,623	72	912	70	7,517	525	154,729	9,700	164,429
March	158,557	10,208	15,762	823	1,867	92	1,071	83	8,384	597	185,641	11,803	197,444
April	160,579	11,324	16,197	934	1,943	114	1,030	82	7,880	551	187,629	13,005	200,634
May	172,121	12,186	17,087	1,036	2,137	149	1,040	83	7,763	531	200,148	13,985	214,133
June	169,374	11,853	17,082	1,005	2,255	166	1,071	83	8,208	555	197,990	13,662	211,652
July	187,227	14,506	18,093	1,103	2,834	252	1,097	93	8,956	615	218,207	16,569	234,776
August	150,212	12,788	12,409	919	2,031	223	657	64	5,198	379	170,507	14,373	184,880
September	177,298	12,506	17,966	1,094	2,390	174	1,031	87	8,278	560	206,963	14,421	221,384
October	181,723	12,067	18,242	1,028	2,151	123	1,044	82	8,529	585	211,689	13,885	225,574
November	160,217	10,274	15,518	756	1,828	82	960	75	8,170	555	186,693	11,742	198,435
December	156,559	10,349	13,884	685	1,597	75	835	63	6,985	467	179,860	11,639	191,499
Year	1,944,327	135,548	187,932	10,663	24,095	1,588	11,579	929	92,820	6,419	2,260,753	155,147	2,415,900

Toll paying traffic by month (in thousands of kilometres travelled) - Year 2015

MOTORWAY: A08/A26 Gallarate-Gattico Spur

Month	Toll class										Total		Overall
	A		B		3		4		5		Plains	Mountains	
	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains			
January	20,872	7,986	1,955	751	270	104	114	45	1,024	433	24,235	9,319	33,554
February	19,371	7,150	2,120	799	294	115	135	54	1,130	483	23,050	8,601	31,651
March	24,066	8,874	2,579	989	355	139	164	67	1,258	537	28,422	10,606	39,028
April	25,443	9,664	2,678	1,052	355	143	160	65	1,219	533	29,855	11,457	41,312
May	27,133	10,133	2,781	1,094	364	144	154	64	1,182	512	31,614	11,947	43,561
June	27,747	10,405	2,800	1,096	377	148	156	64	1,267	558	32,347	12,271	44,618
July	31,261	12,077	3,019	1,199	437	172	161	67	1,366	606	36,244	14,121	50,365
August	26,546	11,090	1,844	764	243	98	85	36	723	326	29,441	12,314	41,755
September	26,677	10,269	2,774	1,096	384	154	146	63	1,248	549	31,229	12,131	43,360
October	26,302	9,824	2,851	1,110	371	149	152	65	1,280	562	30,956	11,710	42,666
November	23,703	8,786	2,527	960	334	132	137	60	1,206	527	27,907	10,465	38,372
December	23,687	9,124	2,263	881	287	113	115	50	1,003	439	27,355	10,607	37,962
Year	302,808	115,382	30,191	11,791	4,071	1,611	1,679	700	13,906	6,065	352,655	135,549	488,204

MOTORWAY: GENOA-VENTIMIGLIA Section: A10 Genoa-Savona

Month	Toll class										Total		Overall
	A		B		3		4		5		Plains	Mountains	
	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains			
January	-	48,130	-	4,347	-	505	-	579	-	5,474	-	59,035	59,035
February	-	41,629	-	4,359	-	509	-	569	-	5,842	-	52,908	52,908
March	-	50,858	-	5,409	-	624	-	656	-	6,695	-	64,242	64,242
April	-	57,439	-	5,930	-	663	-	590	-	6,458	-	71,080	71,080
May	-	61,531	-	6,192	-	709	-	624	-	6,256	-	75,312	75,312
June	-	66,363	-	6,048	-	751	-	616	-	6,253	-	80,031	80,031
July	-	80,134	-	6,505	-	869	-	671	-	6,498	-	94,677	94,677
August	-	83,842	-	5,636	-	783	-	423	-	4,465	-	95,149	95,149
September	-	61,403	-	5,856	-	751	-	593	-	6,351	-	74,954	74,954
October	-	53,278	-	5,609	-	652	-	574	-	6,875	-	66,988	66,988
November	-	47,749	-	4,908	-	568	-	520	-	6,457	-	60,202	60,202
December	-	51,650	-	4,793	-	544	-	483	-	5,594	-	63,064	63,064
Year	-	704,006	-	65,592	-	7,928	-	6,898	-	73,218	-	857,642	857,642

MOTORWAY: A11 FLORENCE-PISA NORTH

Month	Toll class										Total		Overall
	A		B		3		4		5		Plains	Mountains	
	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains			
January	85,894	72	8,941	10	1,049	1	563	1	5,675	5	102,122	89	102,211
February	78,996	57	9,258	9	1,098	1	594	1	5,942	5	95,888	73	95,961
March	94,089	69	11,320	11	1,334	2	694	1	6,779	5	114,216	88	114,304
April	99,459	72	11,869	11	1,367	2	646	1	6,444	5	119,785	91	119,876
May	107,274	77	12,612	11	1,433	2	673	1	6,423	5	128,415	96	128,511
June	111,837	72	12,496	12	1,493	2	677	1	6,562	5	133,065	92	133,157
July	126,708	76	13,103	12	1,599	2	713	1	7,070	6	149,193	97	149,290
August	117,968	66	9,935	10	1,196	1	445	1	4,780	4	134,324	82	134,406
September	105,927	74	12,248	12	1,485	2	695	1	6,704	5	127,059	94	127,153
October	99,393	75	12,098	12	1,377	2	720	1	6,857	5	120,445	95	120,540
November	92,503	68	10,725	10	1,249	2	660	1	6,568	5	111,705	86	111,791
December	95,060	74	10,164	10	1,171	2	584	1	6,055	5	113,034	92	113,126
Year	1,215,108	852	134,769	130	15,851	21	7,664	12	75,859	60	1,449,251	1,075	1,450,326

Toll paying traffic by month (in thousands of kilometres travelled) - Year 2015

MOTORWAY: GENOA-ROSIGNANO MARITTIMO

Section: Genoa-Sestri Levante

Month	Toll class										Total		Overall
	A		B		3		4		5		Plains	Mountains	
	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains			
January	-	49,239	-	4,833	-	493	-	367	-	3,037	-	57,969	57,969
February	-	43,630	-	4,807	-	499	-	393	-	3,275	-	52,604	52,604
March	-	52,655	-	5,854	-	619	-	426	-	3,669	-	63,223	63,223
April	-	59,469	-	6,302	-	629	-	422	-	3,423	-	70,245	70,245
May	-	63,011	-	6,627	-	654	-	414	-	3,381	-	74,087	74,087
June	-	64,649	-	6,623	-	705	-	421	-	3,383	-	75,781	75,781
July	-	74,231	-	7,040	-	808	-	438	-	3,621	-	86,138	86,138
August	-	77,507	-	5,833	-	687	-	278	-	2,518	-	86,823	86,823
September	-	61,588	-	6,317	-	688	-	413	-	3,585	-	72,591	72,591
October	-	56,868	-	6,130	-	626	-	435	-	3,733	-	67,792	67,792
November	-	51,930	-	5,435	-	559	-	411	-	3,656	-	61,991	61,991
December	-	54,915	-	5,322	-	509	-	355	-	3,135	-	64,236	64,236
Year	-	709,692	-	71,123	-	7,476	-	4,773	-	40,416	-	833,480	833,480

MOTORWAY: A12 ROME-CIVITAVECCHIA

Month	Toll class										Total		Overall
	A		B		3		4		5		Plains	Mountains	
	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains			
January	33,488	-	2,584	-	370	-	299	-	2,267	-	39,008	-	39,008
February	30,300	-	2,595	-	381	-	339	-	2,548	-	36,163	-	36,163
March	36,964	-	3,205	-	448	-	370	-	2,781	-	43,768	-	43,768
April	42,668	-	3,754	-	459	-	366	-	2,602	-	49,849	-	49,849
May	46,611	-	4,248	-	490	-	368	-	2,667	-	54,384	-	54,384
June	53,099	-	4,468	-	518	-	383	-	2,666	-	61,134	-	61,134
July	65,588	-	4,932	-	594	-	411	-	2,960	-	74,485	-	74,485
August	65,968	-	4,263	-	519	-	267	-	2,481	-	73,498	-	73,498
September	46,643	-	4,128	-	490	-	339	-	2,722	-	54,322	-	54,322
October	40,826	-	4,150	-	456	-	404	-	2,799	-	48,635	-	48,635
November	37,732	-	3,234	-	431	-	394	-	2,701	-	44,492	-	44,492
December	39,158	-	2,939	-	420	-	327	-	2,254	-	45,098	-	45,098
Year	539,045	-	44,500	-	5,576	-	4,267	-	31,448	-	624,836	-	624,836

MOTORWAY: A13 BOLOGNA-PADUA

Month	Toll class										Total		Overall
	A		B		3		4		5		Plains	Mountains	
	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains			
January	102,288	-	13,695	-	2,438	-	1,572	-	16,469	-	136,462	-	136,462
February	94,084	-	14,123	-	2,521	-	1,699	-	17,020	-	129,447	-	129,447
March	114,364	-	17,449	-	3,045	-	1,962	-	19,502	-	156,322	-	156,322
April	120,637	-	18,192	-	3,028	-	1,863	-	18,493	-	162,213	-	162,213
May	126,796	-	19,350	-	3,138	-	1,848	-	18,421	-	169,553	-	169,553
June	125,643	-	18,747	-	3,296	-	1,864	-	19,259	-	168,809	-	168,809
July	141,471	-	20,036	-	3,737	-	2,070	-	21,433	-	188,747	-	188,747
August	144,376	-	16,280	-	2,851	-	1,369	-	14,541	-	179,417	-	179,417
September	129,188	-	18,962	-	3,405	-	1,945	-	20,186	-	173,686	-	173,686
October	120,388	-	18,660	-	3,223	-	2,044	-	20,410	-	164,725	-	164,725
November	108,645	-	16,337	-	2,957	-	1,788	-	19,039	-	148,766	-	148,766
December	110,533	-	15,342	-	2,727	-	1,757	-	16,968	-	147,327	-	147,327
Year	1,438,413	-	207,173	-	36,366	-	21,781	-	221,741	-	1,925,474	-	1,925,474

Toll paying traffic by month (in thousands of kilometres travelled) - Year 2015

MOTORWAY: A14 BOLOGNA-TARANTO Ravenna Spur

Month	Toll class										Total		Overall
	A		B		3		4		5		Plains	Mountains	
	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains			
January	8,455	-	787	-	141	-	98	-	1,684	-	11,165	-	11,165
February	7,831	-	825	-	150	-	103	-	1,802	-	10,711	-	10,711
March	10,358	-	1,061	-	176	-	127	-	2,125	-	13,847	-	13,847
April	11,296	-	1,113	-	174	-	118	-	2,026	-	14,727	-	14,727
May	13,004	-	1,221	-	180	-	119	-	1,985	-	16,509	-	16,509
June	15,840	-	1,290	-	188	-	113	-	2,023	-	19,454	-	19,454
July	17,315	-	1,343	-	204	-	115	-	2,090	-	21,067	-	21,067
August	15,470	-	1,062	-	152	-	77	-	1,269	-	18,030	-	18,030
September	11,983	-	1,220	-	187	-	118	-	2,012	-	15,520	-	15,520
October	9,911	-	1,078	-	169	-	118	-	2,111	-	13,387	-	13,387
November	9,245	-	958	-	160	-	107	-	2,010	-	12,480	-	12,480
December	8,741	-	897	-	148	-	96	-	1,652	-	11,534	-	11,534
Year	139,449	-	12,855	-	2,029	-	1,309	-	22,789	-	178,431	-	178,431

MOTORWAY: BOLOGNA-TARANTO Section: A14 Bologna-Ancona

Month	Toll class										Total		Overall
	A		B		3		4		5		Plains	Mountains	
	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains			
January	253,196	-	30,130	-	6,222	-	4,205	-	44,303	-	338,056	-	338,056
February	217,718	-	30,010	-	6,612	-	4,538	-	46,198	-	305,076	-	305,076
March	273,108	-	37,621	-	7,878	-	5,209	-	52,696	-	376,512	-	376,512
April	316,725	-	40,201	-	7,850	-	4,956	-	50,256	-	419,988	-	419,988
May	338,598	-	44,878	-	8,241	-	5,052	-	50,676	-	447,445	-	447,445
June	383,009	-	44,356	-	8,760	-	5,066	-	52,520	-	493,711	-	493,711
July	465,019	-	47,479	-	10,066	-	5,634	-	58,008	-	586,206	-	586,206
August	543,905	-	40,699	-	7,589	-	3,579	-	37,966	-	633,738	-	633,738
September	362,803	-	44,417	-	8,826	-	5,388	-	55,529	-	476,963	-	476,963
October	299,772	-	41,242	-	8,196	-	5,447	-	56,245	-	410,902	-	410,902
November	272,242	-	36,110	-	7,510	-	5,046	-	52,963	-	373,871	-	373,871
December	292,458	-	34,860	-	6,841	-	4,541	-	47,749	-	386,449	-	386,449
Year	4,018,553	-	472,003	-	94,591	-	58,661	-	605,109	-	5,248,917	-	5,248,917

MOTORWAY: BOLOGNA-TARANTO Section: A14 Ancona-Pescara

Month	Toll class										Total		Overall
	A		B		3		4		5		Plains	Mountains	
	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains			
January	90,924	-	11,550	-	2,226	-	1,694	-	15,646	-	122,040	-	122,040
February	79,089	-	11,696	-	2,350	-	1,805	-	16,344	-	111,284	-	111,284
March	93,557	-	14,052	-	2,768	-	2,025	-	18,562	-	130,964	-	130,964
April	111,322	-	14,747	-	2,729	-	1,914	-	17,693	-	148,405	-	148,405
May	112,702	-	16,497	-	3,044	-	1,934	-	17,838	-	152,015	-	152,015
June	120,435	-	16,325	-	3,104	-	1,937	-	18,638	-	160,439	-	160,439
July	155,877	-	18,194	-	3,523	-	2,187	-	20,843	-	200,624	-	200,624
August	209,064	-	16,624	-	2,757	-	1,374	-	14,214	-	244,033	-	244,033
September	124,752	-	16,001	-	3,033	-	2,058	-	19,797	-	165,641	-	165,641
October	106,052	-	15,399	-	2,999	-	2,137	-	20,145	-	146,732	-	146,732
November	97,313	-	13,848	-	2,829	-	2,009	-	19,010	-	135,009	-	135,009
December	111,657	-	13,858	-	2,650	-	1,837	-	17,400	-	147,402	-	147,402
Year	1,412,744	-	178,791	-	34,012	-	22,911	-	216,130	-	1,864,588	-	1,864,588

Toll paying traffic by month (in thousands of kilometres travelled) - Year 2015

MOTORWAY: BOLOGNA-TARANTO Section: A14 Pescara-Lanciano

Month	Toll class										Total		Overall
	A		B		3		4		5		Plains	Mountains	
	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains			
January	7,813	17,819	1,073	2,226	216	404	182	347	1,638	3,096	10,922	23,892	34,814
February	6,460	15,040	1,081	2,194	226	422	193	361	1,689	3,198	9,649	21,215	30,864
March	7,673	17,567	1,289	2,614	269	495	216	414	1,919	3,605	11,366	24,695	36,061
April	9,519	21,447	1,359	2,770	264	487	204	381	1,831	3,444	13,177	28,529	41,706
May	9,434	20,956	1,460	2,930	287	512	205	382	1,859	3,487	13,245	28,267	41,512
June	10,583	23,119	1,535	3,109	296	537	208	389	1,967	3,718	14,589	30,872	45,461
July	14,641	32,113	1,757	3,656	346	642	234	439	2,194	4,149	19,172	40,999	60,171
August	20,919	45,555	1,676	3,521	279	534	146	263	1,524	2,866	24,544	52,739	77,283
September	11,241	25,726	1,553	3,267	299	557	220	416	2,070	3,923	15,383	33,889	49,272
October	9,171	21,258	1,469	3,083	294	555	229	431	2,090	3,961	13,253	29,288	42,541
November	8,256	18,695	1,311	2,681	273	511	213	403	1,970	3,725	12,023	26,015	38,038
December	9,945	22,433	1,321	2,676	256	482	196	365	1,821	3,408	13,539	29,364	42,903
Year	125,655	281,728	16,884	34,727	3,305	6,138	2,446	4,591	22,572	42,580	170,862	369,764	540,626

MOTORWAY: BOLOGNA-TARANTO Section: A14 Lanciano-Canosa

Month	Toll class										Total		Overall
	A		B		3		4		5		Plains	Mountains	
	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains			
January	31,839	15,607	4,012	2,132	701	424	659	347	6,725	3,538	43,936	22,048	65,984
February	23,863	12,539	3,807	2,084	731	455	713	370	6,832	3,670	35,946	19,118	55,064
March	27,802	14,640	4,616	2,502	854	526	829	423	7,796	4,147	41,897	22,238	64,135
April	40,034	19,174	5,212	2,698	866	534	759	408	7,589	4,024	54,460	26,838	81,298
May	38,314	18,482	5,735	2,907	918	548	783	415	7,747	4,072	53,497	26,424	79,921
June	46,379	20,988	5,944	3,055	987	566	794	408	8,323	4,312	62,427	29,329	91,756
July	72,076	29,865	6,864	3,497	1,215	672	904	452	9,221	4,743	90,280	39,229	129,509
August	123,631	46,918	7,830	3,528	1,102	577	571	278	6,713	3,329	139,847	54,630	194,477
September	51,791	22,903	6,053	3,075	992	586	854	422	8,747	4,536	68,437	31,522	99,959
October	35,846	17,576	5,512	2,872	937	576	886	436	8,936	4,571	52,117	26,031	78,148
November	30,925	15,830	4,821	2,570	882	545	832	405	8,501	4,320	45,961	23,670	69,631
December	43,881	20,281	5,064	2,557	860	514	764	360	8,014	3,938	58,583	27,650	86,233
Year	566,381	254,803	65,470	33,477	11,045	6,523	9,348	4,724	95,144	49,200	747,388	348,727	1,096,115

MOTORWAY: BOLOGNA-TARANTO Section: A14 Canosa-Taranto

Month	Toll class										Total		Overall
	A		B		3		4		5		Plains	Mountains	
	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains			
January	30,569	-	3,537	-	511	-	390	-	3,654	-	38,661	-	38,661
February	25,787	-	3,446	-	504	-	425	-	3,682	-	33,844	-	33,844
March	29,944	-	4,125	-	588	-	489	-	4,276	-	39,422	-	39,422
April	38,310	-	4,457	-	580	-	470	-	4,010	-	47,827	-	47,827
May	37,640	-	4,823	-	602	-	455	-	4,084	-	47,604	-	47,604
June	43,669	-	4,871	-	653	-	462	-	4,488	-	54,143	-	54,143
July	62,133	-	5,528	-	773	-	534	-	4,998	-	73,966	-	73,966
August	98,101	-	5,889	-	701	-	338	-	3,700	-	108,729	-	108,729
September	47,632	-	5,095	-	646	-	505	-	4,529	-	58,407	-	58,407
October	36,860	-	4,865	-	654	-	529	-	4,723	-	47,631	-	47,631
November	33,123	-	4,426	-	631	-	494	-	4,515	-	43,189	-	43,189
December	41,243	-	4,517	-	635	-	448	-	4,355	-	51,198	-	51,198
Year	525,011	-	55,579	-	7,478	-	5,539	-	51,014	-	644,621	-	644,621

Toll paying traffic by month (in thousands of kilometres travelled) - Year 2015

MOTORWAY: A16 NAPLES-CANOSA

Month	Toll class										Total		Overall
	A		B		3		4		5		Plains	Mountains	
	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains			
January	33,887	36,841	3,429	4,841	540	797	291	487	2,451	4,945	40,598	47,911	88,509
February	31,829	33,540	3,448	4,839	529	784	311	514	2,521	5,190	38,638	44,867	83,505
March	37,322	39,754	4,116	5,923	614	910	355	563	2,856	5,912	45,263	53,062	98,325
April	41,146	46,463	4,060	6,051	607	932	326	543	2,620	5,516	48,759	59,505	108,264
May	41,087	46,291	4,250	6,351	614	935	320	511	2,640	5,514	48,911	59,602	108,513
June	41,274	46,832	4,238	6,330	630	974	327	510	2,807	5,826	49,276	60,472	109,748
July	46,388	53,890	4,549	6,642	683	1,053	340	585	3,018	6,843	54,978	69,013	123,991
August	48,625	68,094	3,593	5,677	562	900	221	550	2,463	9,569	55,464	84,790	140,254
September	42,070	48,861	4,492	6,728	699	1,105	343	621	3,092	8,740	50,696	66,055	116,751
October	41,130	45,438	4,715	7,116	692	1,093	369	612	3,100	6,483	50,006	60,742	110,748
November	39,584	43,291	4,421	6,564	645	1,029	336	537	2,907	6,172	47,893	57,593	105,486
December	42,686	48,691	4,288	6,270	637	978	333	517	2,813	5,690	50,757	62,146	112,903
Year	487,028	557,986	49,599	73,332	7,452	11,490	3,872	6,550	33,288	76,400	581,239	725,758	1,306,997

MOTORWAY: A23 UDINE-TARVISIO

Month	Toll class										Total		Overall
	A		B		3		4		5		Plains	Mountains	
	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains			
January	12,750	7,937	1,526	1,232	140	109	174	206	2,822	4,021	17,412	13,505	30,917
February	11,262	6,545	1,564	1,284	154	132	218	273	3,080	4,427	16,278	12,661	28,939
March	12,537	7,680	1,886	1,644	202	182	244	300	3,378	4,805	18,247	14,611	32,858
April	13,286	9,323	2,059	1,941	262	268	242	295	3,289	4,677	19,138	16,504	35,642
May	18,352	15,808	2,603	2,613	564	698	263	319	3,192	4,458	24,974	23,896	48,870
June	22,297	20,575	2,729	2,831	760	978	269	339	3,420	4,804	29,475	29,527	59,002
July	27,846	26,588	2,947	2,975	955	1,229	292	362	3,647	5,113	35,687	36,267	71,954
August	33,478	34,270	3,054	3,270	1,120	1,500	229	292	2,443	3,511	40,324	42,843	83,167
September	22,537	20,662	2,896	2,913	696	882	262	330	3,413	4,803	29,804	29,590	59,394
October	13,719	8,991	2,114	1,927	252	251	263	329	3,688	5,223	20,036	16,721	36,757
November	11,176	6,568	1,702	1,408	188	170	214	258	3,438	4,913	16,718	13,317	30,035
December	14,165	9,946	1,705	1,468	172	154	211	244	2,916	4,073	19,169	15,885	35,054
Year	213,405	174,893	26,785	25,506	5,465	6,553	2,881	3,547	38,726	54,828	287,262	265,327	552,589

MOTORWAY: A26 GENOA VOLTRI-GRAVELLONA TOCE

Section: Genoa Voltri-Alessandria

Month	Toll class										Total		Overall
	A		B		3		4		5		Plains	Mountains	
	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains			
January	-	47,269	-	4,730	-	704	-	827	-	10,564	-	64,094	64,094
February	-	38,238	-	4,652	-	710	-	899	-	11,329	-	55,828	55,828
March	-	49,610	-	6,059	-	877	-	1,068	-	13,083	-	70,697	70,697
April	-	64,977	-	6,951	-	932	-	1,053	-	12,394	-	86,307	86,307
May	-	70,258	-	7,376	-	1,005	-	1,067	-	12,167	-	91,873	91,873
June	-	80,025	-	7,294	-	1,090	-	1,100	-	12,186	-	101,695	101,695
July	-	100,209	-	7,653	-	1,332	-	1,131	-	12,989	-	123,314	123,314
August	-	111,368	-	6,858	-	1,197	-	742	-	8,515	-	128,680	128,680
September	-	70,277	-	6,894	-	1,119	-	1,059	-	12,352	-	91,701	91,701
October	-	54,423	-	6,428	-	948	-	1,045	-	13,174	-	76,018	76,018
November	-	46,179	-	5,411	-	806	-	915	-	12,265	-	65,576	65,576
December	-	52,437	-	5,330	-	772	-	868	-	11,110	-	70,517	70,517
Year	-	785,270	-	75,636	-	11,492	-	11,774	-	142,128	-	1,026,300	1,026,300

Toll paying traffic by month (in thousands of kilometres travelled) - Year 2015

MOTORWAY: A26 GENOA VOLTRI-GRAVELLONA TOCE Section: Alessandria-Gravellona Toce

Month	Toll class										Total		Overall
	A		B		3		4		5		Plains	Mountains	
	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains			
January	38,536	12,718	4,225	1,285	738	173	430	85	5,045	842	48,974	15,103	64,077
February	34,672	11,109	4,445	1,330	778	194	494	111	5,389	952	45,778	13,696	59,474
March	42,961	13,768	5,690	1,686	924	239	577	125	6,034	1,023	56,186	16,841	73,027
April	49,163	15,719	6,124	1,844	954	250	574	113	5,845	995	62,660	18,921	81,581
May	51,686	16,575	6,443	1,985	986	269	565	117	5,660	975	65,340	19,921	85,261
June	52,764	17,153	6,194	1,968	1,007	278	573	118	5,810	1,068	66,348	20,585	86,933
July	62,981	21,646	6,753	2,177	1,184	323	610	124	6,283	1,162	77,811	25,432	103,243
August	62,184	21,301	4,891	1,561	805	203	342	70	3,857	689	72,079	23,824	95,903
September	51,367	17,675	6,288	2,015	1,035	282	549	114	5,925	1,078	65,164	21,164	86,328
October	47,230	16,022	6,279	1,966	1,003	254	573	120	6,178	1,065	61,263	19,427	80,690
November	41,713	13,982	5,418	1,636	876	227	532	115	5,754	992	54,293	16,952	71,245
December	43,196	15,088	5,077	1,557	805	193	476	99	5,268	801	54,822	17,738	72,560
Year	578,453	192,756	67,827	21,010	11,095	2,885	6,295	1,311	67,048	11,642	730,718	229,604	960,322

MOTORWAY: A27 VENICE-BELLUNO

Month	Toll class										Total		Overall
	A		B		3		4		5		Plains	Mountains	
	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains			
January	31,917	17,049	3,325	1,367	497	123	251	53	2,608	443	38,598	19,035	57,633
February	30,566	15,203	3,569	1,414	541	132	288	60	2,736	491	37,700	17,300	55,000
March	34,529	15,527	4,117	1,540	623	164	334	74	3,024	563	42,627	17,868	60,495
April	33,521	13,961	4,028	1,448	617	164	311	74	2,953	547	41,430	16,194	57,624
May	33,694	13,731	4,098	1,561	625	180	309	75	2,916	554	41,642	16,101	57,743
June	33,943	15,975	4,210	1,744	655	207	312	78	3,062	617	42,182	18,621	60,803
July	39,443	22,494	4,776	2,194	765	244	347	87	3,345	653	48,676	25,672	74,348
August	37,134	26,186	3,387	1,823	508	206	217	58	2,029	387	43,275	28,660	71,935
September	36,511	16,949	4,344	1,759	683	209	336	83	3,225	601	45,099	19,601	64,700
October	35,539	14,143	4,324	1,611	680	177	351	82	3,148	600	44,042	16,613	60,655
November	33,143	13,675	3,978	1,519	636	163	330	77	3,051	576	41,138	16,010	57,148
December	35,810	18,135	3,876	1,605	568	142	299	65	2,700	466	43,253	20,413	63,666
Year	415,750	203,028	48,032	19,585	7,398	2,111	3,685	866	34,797	6,498	509,662	232,088	741,750

MOTORWAY: A30 CASERTA-SALERNO

Month	Toll class										Total		Overall
	A		B		3		4		5		Plains	Mountains	
	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains	Plains	Mountains			
January	43,729	-	5,586	-	1,145	-	647	-	5,675	-	56,782	-	56,782
February	37,126	-	5,460	-	1,098	-	680	-	5,663	-	50,027	-	50,027
March	43,864	-	6,441	-	1,271	-	788	-	6,422	-	58,786	-	58,786
April	49,538	-	6,443	-	1,241	-	708	-	5,910	-	63,840	-	63,840
May	49,066	-	6,693	-	1,282	-	726	-	6,006	-	63,773	-	63,773
June	51,485	-	6,873	-	1,372	-	761	-	6,074	-	66,565	-	66,565
July	63,104	-	7,572	-	1,507	-	822	-	6,705	-	79,710	-	79,710
August	78,126	-	6,199	-	1,266	-	565	-	5,782	-	91,938	-	91,938
September	52,743	-	7,028	-	1,424	-	827	-	6,700	-	68,722	-	68,722
October	48,197	-	7,115	-	1,354	-	835	-	6,391	-	63,892	-	63,892
November	45,965	-	6,609	-	1,281	-	755	-	6,294	-	60,904	-	60,904
December	54,067	-	6,606	-	1,256	-	716	-	6,090	-	68,735	-	68,735
Year	617,010	-	78,625	-	15,497	-	8,830	-	73,712	-	793,674	-	793,674

Annex 3

Table of investment required by article 2 of the Single Concession Arrangement of 2007

The following table shows a summary of the investment envisaged by article 2 of the Single Concession Arrangement of 2007. The figures shown are presented on the basis of Italian GAAP and not under IFRS, which have been used in preparation of the financial statements as at and for the year ended 31 December 2015.

AUTOSTRADA PER L'ITALIA - SINGLE CONCESSION ARRANGEMENT - ARTICLE 2

[€000 - Italian GAAP]		Contractually agreed amounts ⁽⁹⁾		Completed as at 31/12/2014			
Article 2	Project	Gross approved amount ⁽¹⁰⁾ Total	Net amount as per Arrangement ⁽¹¹⁾ Total	Base tender price ^(*)	Available funding	Financial expenses	Total
UPGRADE OF THE BOLOGNA-FLORENCE SECTION							
Aa]	Casalecchio-Sasso Marconi	68,106	82,042	64,610	18,240	2,559	85,409
Ab)+Ba2]	Sasso Marconi-La Quercia ⁽¹⁾	628,558	564,561	463,253	99,776	38,636	601,665
Ac]	La Quercia-Aglio ⁽²⁾	2,402,605	2,592,908	2,097,004	403,899	387,199	2,888,102
Ad]	Aglio-Barberino	310,928	365,385	302,124	61,940	73,725	437,789
Ae]	Barberino- Florence North	987,679	837,905	99,882	68,583	18,614	187,079
Af]	Florence North-Florence South	753,177	798,928	588,107	132,303	71,071	791,481
Ag]	Florence South-Incisa	300,409	397,487	-	21,712	4,332	26,044
Ah]	Construction of the Florence access roads	27,272	25,012	-	19,417	4,937	24,354
Ai]	Landscaping	157,106	298,045	53,097	131,172	19,808	204,077
	Total			3,668,077	957,042	620,881	5,246,000
REMAINING INVESTMENT IN THIRD AND FOURTH LANES							
Ba1]	Bologna Modena ⁽³⁾	148,943	185,731	115,657	28,748	2,051	146,456
Ba1]	Bologna-Modena Complementary works	-14		-	1,085	316	1,401
Ba3]	Rome-Orte ⁽³⁾	156,451	191,163	157,991	33,180	8,582	199,753
Ba4]	Remaining investment in third lanes ⁽³⁾	29,642	27,826	9,015	14,916	686	24,617
B]	Milan-Lakes ⁽⁴⁾	44,857	64,733	35,186	29,548	37	64,771
B]	Bologna Ring Road ⁽⁴⁾	169,158	59,393	47,754	11,639	1,383	60,776
	Total			365,603	119,116	13,055	497,774
ADDITIONAL WORKS UNDER THE IV ADDENDUM OF 2002							
Da1)+Dg]	A1 - Fiano-Settebagni and Castelnuovo di Porto junction	125,407	161,441	99,193	25,927	2,015	127,135
Db1]	Milan-Bergamo	525,885	495,672	384,758	117,471	3,842	506,071
Db2]	Structural repairs to Adda and Brembo bridges	11,438	9,767	8,098	1,096	180	9,374
Dc1]	A9 - Lainate-Como	465,713	358,933	237,810	62,419	6,299	306,528
Dc1]	A8 - Milan North-Lainate	77,844	218,726	9,678	9,741	14	19,433
Dd1.2]	A14 - Lot 1 Rimini North-Cattolica	551,461	495,364	361,807	71,282	5,975	439,064
Dd1.3]	A14 - Lot 2 Cattolica-Fano ⁽⁵⁾	584,063	592,953	331,786	74,500	7,618	413,904
Dd1.4]	A14 - Lot 3 Fano-Senigallia	377,486	342,133	226,679	73,764	2,871	303,314
Dd1.5]	A14 - Lot 4 Senigallia-Ancona North and Marina di Monte Marciano junction	466,231	418,623	194,420	46,529	26,264	267,213
Dd1.6]	A14 - Lot 5 Ancona North-Ancona South ⁽⁶⁾	341,628	367,551	146,322	38,734	11,882	196,938
Dd1.7]	A14 - Lot 6A Ancona South-P.S. Elpidio, Phase 1	153,819	134,358	109,118	23,888	8,440	141,446
Dd1.8]	A14 - Lot 6 B Ancona South-P.S. Elpidio, Phase 2 and Porto S. Elpidio junction	173,278	163,818	112,473	23,315	2,159	137,947
Dd1.9]	A14 - Lot 7A P.S. Elpidio-Pedaso, Phase 1	-14	4,240	-	4,247	1,695	5,942
Dd1.10]	A14 - Lot 7B P.S. Elpidio-Pedaso, Phase 2	-14	1,568	-	1,568	732	2,300
Dd1.11]	A14 - Lot 0	23,716	22,106	19,290	2,358	9,638	31,286
De1)+De3]	Genoa bypass ⁽⁸⁾	-14	3,187,015	-	47,414	261	47,675
De2]	San Benigno Interchange	79,078	75,740	5,518	3,586	175	9,279
Df]	Milan Exhibition Centre	93,334	86,298	78,550	7,578	-	86,128

	2015				Completed as at 31/12/2015			
	Base tender price ^(*)	Available funding	Financial expenses	Total	Base tender price ^(*)	Available funding	Financial expenses	Total
	-	22	-	22	64,610	18,262	2,559	85,431
	-82	609	-	527	463,171	100,385	38,636	602,192
	209,788	34,759	889	245,436	2,306,792	438,658	388,088	3,133,538
	12,801	4,732	-	17,533	314,925	66,672	73,725	455,322
	60,714	5,269	7,829	73,812	160,596	73,852	26,443	260,891
	15,567	10,731	1,286	27,584	603,674	143,034	72,357	819,065
	-	3,618	1,064	4,682	-	25,330	5,396	30,726
	-	4,251	1,022	5,273	-	23,668	5,959	29,627
	108	6,436	2,649	9,193	53,205	137,608	22,457	213,270
	298,896	70,427	14,739	384,062	3,966,973	1,027,469	635,620	5,630,062
	-	656	-	656	115,657	29,404	2,051	147,112
	-	9	58	67	-	1,094	374	1,468
	-	59	-	59	157,991	33,239	8,582	199,812
	-	8	-	8	9,015	14,924	686	24,625
	-	-	-	-	35,186	29,548	37	64,771
	-	-	-	-	47,754	11,639	1,383	60,776
	-	732	58	790	365,603	119,848	13,113	498,564
	-905	48	-	-857	98,288	25,975	2,015	126,278
	-	-638	-	-638	384,758	116,833	3,842	505,433
	-	9	-	9	8,098	1,105	180	9,383
	598	909	-	1,507	238,408	63,328	6,299	308,035
	27,674	3,061	947	31,682	37,352	12,802	961	51,115
	851	1,304	-	2,155	362,658	72,586	5,975	441,219
	-	5,066	165	5,231	331,786	79,566	7,783	419,135
	-	7,959	-	7,959	226,679	81,723	2,871	311,273
	97,818	9,063	12,787	119,668	292,238	55,592	39,051	386,881
	83,420	8,348	9,418	101,186	229,742	47,082	21,300	298,124
	19	45	159	223	109,137	23,933	8,599	141,669
	-	625	-	625	112,473	23,940	2,159	138,572
	-	-	268	268	-	4,247	1,963	6,210
	-	-	103	103	-	1,568	835	2,403
	-	-	1,412	1,412	19,290	2,358	11,050	32,698
	-	624	-	624	-	48,038	261	48,299
	5,142	2,623	452	8,217	10,660	6,209	627	17,496
	-	-	-	-	78,550	7,578	-	86,128

(€000 - Italian GAAP)		Contractually agreed amounts ⁽⁹⁾		Completed as at 31/12/2014			
Article 2	Project	Gross approved amount ⁽¹⁰⁾	Net amount as per Arrangement ⁽¹¹⁾	Base tender price ⁽⁷⁾	Available funding	Financial expenses	Total
		Total	Total				
Dh)	Guidonia Junction	14,527	14,869	8,527	4,290	-	12,817
Di)	Padua Industrial Estate junction and A13-A4 link at Km 101+093	46,286	39,776	6,916	3,693	157	10,766
DI)	Rubicone Junction	17,485	15,691	10,449	2,613	-	13,062
Dm)	Villa Marzana Junction	4,429	4,008	2,147	1,862	-	4,009
Dn)	Ferentino Junction	17,384	16,604	9,158	7,465	-	16,623
Do)	Maddaloni Junction	13,369	12,006	-	390	-	390
Dp)	Tunnel Safety Plan	168,076	244,900	115,732	20,979	-	136,711
	Total			2,478,429	676,709	90,217	3,245,355

OTHER SPECIFIC PROJECTS REQUIRED UNDER ARTICLE 2

C1)	Upgrade of service areas and related facilities						
Ca4)	Reggello West Service Area	2,338	3,425	1,746	1,472	-	3,218
Ca5)	Prenestina East Service Area	2,321	-16	1,538	1,153	-	2,691
Ca6)	Teano East Service Area	2,818	-16	1,194	1,576	-	2,770
Ca6)	Teano West Service Area	5,041	4,996	2,602	1,808	-	4,410
Ca7)	Nicola West Service Area	5,653	-16	3,656	1,405	-	5,061
Ca8)	S. Zenone East Service Area	8,736	2,344	7	926	-	933
Ca8)	S. Zenone West Service Area	3,618	3,567	-	516	-	516
Ca9)	Cantagallo East Service Area	5,769	5,539	988	1,063	-	2,051
Ca9)	Cantagallo West Service Area	7,420	5,996	4	990	-	994
Ca10)	S. Martino East Service Area	-14	2,611	-	200	-	200
Ca10)	S. Martino West Service Area	-14	2,858	-	243	-	243
Ca11)	Lucignano West Service Area	2,047	1,540	362	229	-	591
Ca12)	La Macchia West Service Area	-14	2,328	-	595	-	595
Cb1)	Brianza North Service Area	4,558	-16	464	2,422	-	2,886
Cb2)	Lambro South Service Area	3,715	-16	1,492	1,980	-	3,472
Cb3)	Valtrompia North Service Area	1,723	-16	1,335	156	-	1,491
Cb4)	Sebino North Service Area	1,914	1,780	40	439	-	479
Cb4)	Sebino South Service Area	2,177	3,301	250	615	-	865
Cd1)	Villoresi East Service Area	1,004	521	359	166	-	525
Cd1)	Villoresi West Service Area	1,447	1,286	-	57	-	57
Cf1)	Po West Service Area	3,001	-16	1,757	727	-	2,484
Cf2)	San Pelagio East Service Area	-14	522	-	206	-	206
Cf2)	San Pelagio West Service Area	-14	1,940	-	146	-	146
Cg2)	Metauro West Service Area	4,996	4,210	4,978	1,309	-	6,287
Cg3)	Esino East Service Area	3,437	4,763	3,738	1,275	-	5,013
Cg3)	Esino West Service Area	1,997	-16	1,428	285	-	1,713
Cg4)	Sillaro East Service Area	7,525	8,631	3,545	4,732	-	8,277
Cg5)	Santerno East Service Area	-14	2,314	-	233	-	233
Cg5)	Santerno West Service Area	-14	2,169	-	149	-	149
Cg6)	La Pioppa East Service Area	4,670	4,871	3,268	1,852	-	5,120
Cg7)	Murge West Service Area	-14	865	-	122	-	122
Cg8)	Bevano West Service Area	-14	718	-	143	-	143
Cg9)	Montefeltro East Service Area	-14	2,253	-	380	-	380
Cg10)	Chienti West Service Area	-14	1,701	-	373	-	373
	Total			34,751	29,943	-	64,694
C2)	Toll stations, junctions and other network investment						
Ca1)	New junction at Caprara di Campegine	12,765	-16	10,007	2,989	-	12,996
Ca2)	New junction and toll station at Ceprano	8,578		5,394	2,609	-	8,003

	2015				Completed as at 31/12/2015			
	Base tender price ^(*)	Available funding	Financial expenses	Total	Base tender price ^(*)	Available funding	Financial expenses	Total
	-	1	-	1	8,527	4,291	-	12,818
	9,592	1,117	577	11,286	16,508	4,810	734	22,052
	279	239	-	518	10,728	2,852	-	13,580
	-	-	-	-	2,147	1,862	-	4,009
	-	-	-	-	9,158	7,465	-	16,623
	-	-	-	-	-	390	-	390
	730	2,055	-	2,785	116,462	23,034	-	139,496
	225,218	42,458	26,288	293,964	2,703,647	719,167	116,505	3,539,319
	-	201	-	201	1,746	1,673	-	3,419
	-	9	-	9	1,538	1,162	-	2,700
	-	1	-	1	1,194	1,577	-	2,771
	-	342	-	342	2,602	2,150	-	4,752
	-	49	-	49	3,656	1,454	-	5,110
	3	49	-	52	10	975	-	985
	-	-42	-	-42	-	474	-	474
	-	-21	-	-21	988	1,042	-	2,030
	834	33	-	867	838	1,023	-	1,861
	-	14	-	14	-	214	-	214
	-	15	-	15	-	258	-	258
	347	125	-	471	709	354	-	1,062
	-	0	-	0	-	595	-	595
	-	13	-	13	464	2,435	-	2,899
	-	-134	-	-134	1,492	1,846	-	3,338
	-	-	-	-	1,335	156	-	1,491
	-	62	-	62	40	501	-	541
	-	69	-	69	250	684	-	934
	-	2	-	2	359	168	-	527
	-	-	-	-	-	57	-	57
	-	-	-	-	1,757	727	-	2,484
	-	-	-	-	-	206	-	206
	-	0	-	0	-	146	-	146
	-	-11	-	-11	4,978	1,298	-	6,276
	129	68	-	197	3,867	1,343	-	5,210
	-	89	-	89	1,428	374	-	1,802
	1,307	69	-	1,375	4,852	4,801	-	9,652
	-	3	-	3	-	236	-	236
	-	39	-	39	-	188	-	188
	-	-	-	-	3,268	1,852	-	5,120
	-	-	-	-	-	122	-	122
	-	0	-	0	-	143	-	143
	-	0	-	0	-	380	-	380
	-	19	-	19	-	392	-	392
	2,619	1,064	-	3,684	37,370	31,007	-	68,378
	-	-	-	-	10,007	2,989	-	12,996
	-	1	-	1	5,394	2,610	-	8,004

(€000 - Italian GAAP)		Contractually agreed amounts ⁽⁹⁾		Completed as at 31/12/2014			
Article 2	Project	Gross approved amount ⁽¹⁰⁾ Total	Net amount as per Arrangement ⁽¹¹⁾ Total	Base tender price ^(*)	Available funding	Financial expenses	Total
Ca3)	Junction and toll station at S. Maria Capua Vetere	11,338		6,035	4,323	-	10,358
Cc1)	Upgrade of Busalla Junction	1,787		1,069	632	-	1,701
Ce1)	New junction at Capannori	14,259		13,974	4,148	-	18,122
Cg1)	Giulianova Junction	1,435		880	755	-	1,635
	Total			37,359	15,456	-	52,815

Upgrade and expansion of the motorway network and motorway feeder roads, improvement of traffic flows on access roads at port hubs and other minor investments including five new automated toll stations

Ch1)	Construction of a new junction at Arezzo and interchange with the Strada dei Due Mari and the A1 and feeder roads	-14	45,000	-	-	-	-
Ch2)	New Bazzanese	41,400	41,400	-	10,350	-	10,350
Ch3)	S. Cesario Interchange	26,539	26,539	-	5,436	222	5,658
Ch4)	Improvement of local feeder roads to the A1 motorway at the Barberino-Calenzano-Florence South-Incisa junctions with works on SP8-SS67-SS69-SP34 – support road to the Calenzano and Rignano industrial estates.	-19	86,705	31,185	4,904	1,612	37,701
Ch5)	Rho-Monza (Section 1)	183,340	157,559	30,703	19,220	669	50,592
Ch6)	Port access road (Voltri)	-14	15,000	-	323	-	323
Ch7)	New Crespellano (previously La Muffa) Junction	32,329	27,749	1,555	3,194	97	4,846
Ch8)	Local roads and improvement of access at the Lavagna toll station (Viale Kasman)	-14	20,000	-	267	-	267
Ch10)	Bologna Ring Road (7)	-20	118,704	95,257	21,282	3,246	119,785
C3)	Upgrade of fourth lane A4 between V.le Certosa and Sesto San Giovanni junctions	226,046	212,540	7,478	5,016	548	13,042
C3)	New S.Maria del Piave toll station	-14	13,784	-	451	-	451
C3)	New Foggia Industrial Park toll station	14,222	11,669	2,808	764	-	3,572
C3)	New Bisceglie toll station	-14	5,422	-	61	-	61
C3)	New Orvieto North toll station	-14	13,239	-	340	-	340
C3)	New Borgonovo toll station	9,890	9,508	-	528	51	579
C3)	Construction of new Dalmine toll plaza	-14	10,000	-	-	-	-
C3)	Link road joining Val Fontanabuona and A12	-14	5,950	-	3,435	91	3,526
C3)	Ordinary link road serving Bologna Interporto junction	-14	2,500	-	-	-	-
C3)	Completion of Baveno junction	-14	2,002	-	96	-	96
C3)	Completion of Rapallo junction	1,098	1,247	102	529	-	631
C3)	Change to A11 Florence-Pisa North exit road on to SS1 Aurelia at Migliarino	-14	1,000	-	-	-	-
C3)	Total			169,088	76,196	6,536	251,820
	Total specific projects required under article 2			241,198	121,595	6,536	369,329

OTHER UNSPECIFIED INVESTMENT

C1)	Upgrade of service areas and buildings used in operations	-18	-18	1,951,450		1,671	1,953,121
C2)	Toll stations, junctions and remaining network investments						
C3)	Upgrade and expansion of the motorway network and motorway feeder roads and other minor investments (unspecified works).						

	2015				Completed as at 31/12/2015			
	Base tender price ^(*)	Available funding	Financial expenses	Total	Base tender price ^(*)	Available funding	Financial expenses	Total
	-	25	-	25	6,035	4,348	-	10,383
	-	-	-	-	1,069	632	-	1,701
	-	-	-	-	13,974	4,148	-	18,122
	-	-	-	-	880	755	-	1,635
	-	26	-	26	37,359	15,482	-	52,841
	-	-	-	-	-	-	-	-
	-	8,280	-	8,280	-	18,630	-	18,630
	-	-	256	256	-	5,436	478	5,914
	7,048	2,656	1,557	11,261	38,233	7,560	3,169	48,962
	41,056	5,430	2,407	48,893	71,759	24,650	3,076	99,485
	-	-	-	-	-	323	-	323
	7,598	1,967	232	9,797	9,153	5,161	329	14,643
	-	-	-	-	-	267	-	267
	-	128	-	128	95,257	21,410	3,246	119,913
	-	628	569	1,197	7,478	5,644	1,117	14,239
	-	-	-	-	-	451	-	451
	3,560	474	-	4,034	6,368	1,238	-	7,606
	-	-	-	-	-	61	-	61
	-	-	-	-	-	340	-	340
	-	76	27	103	-	604	78	682
	-	48	-	48	-	48	-	48
	-	1,954	120	2,074	-	5,389	211	5,600
	-	-	-	-	-	-	-	-
	-	31	-	31	-	127	-	127
	-	-3	-	-3	102	526	-	628
	-	-	-	-	-	-	-	-
	59,262	21,668	5,168	86,098	228,350	97,864	11,704	337,918
	61,881	22,758	5,168	89,808	303,079	144,353	11,704	459,137
	72,740	-	-	72,740	2,024,190	-	1,671	2,025,861

(€000 - Italian GAAP)		Contractually agreed amounts ⁽⁹⁾		Completed as at 31/12/2014			Total
		Gross approved amount ⁽¹⁰⁾	Net amount as per arrangement ⁽¹¹⁾	Base tender price ^(*)	Available funding	Financial expenses	
Article 2	Project	Total	Arrangement Total				
C4)	Noise abatement plan						
C5)	Improvement of safety standards						
C6)	Technological plant improvements						
C7)	Other improvements and capitalised non-routine maintenance						
	Total other unspecified investment			1,951,450		1,671	1,953,121
E)	New investment remunerated pursuant to CIPE Resolution 39 of 15 June 2007	-18	-18	122,079	10,108	-	132,187
	Grand total			10,711,406		732,360	11,443,766
	Handover of service areas free of charge						116,923
	New works under article 15 of the 2007 Single Concession Arrangement						40,297
	Capitalised staff costs, change in advances paid to suppliers and other sundries						315,035
	Total investment in assets to be handed over						11,916,021

- [1] Includes Ab) "Sasso Marconi-La Quercia", Ba2) "Sasso Marconi-La Quercia – completion of lot 4 and complementary works" and completed contracts under the 1997 Arrangement.
- [2] Local works relating to the section are included in Ai) "Landscaping".
- [3] Including works completed under the 1997 Arrangement.
- [4] Works completed under the 1997 Arrangement.
- [5] Includes Lot 2 Bis.
- [6] Includes Lot 5 Bis.
- [7] Percentage of the works included in "Other investments".
- [8] Includes noise abatement work Pra' Palmaro area.
- [9] Information provided only for specific projects.
- [10] Unless otherwise indicated: the gross amount to be financed by Autostrade per l'Italia as per final/executive designs (including the variation appraisal) of projects, or related lots/phases, for which at 31 December 2015 approval has been given by the Grantor, or the amount expected to be financed by Autostrade per l'Italia in the agreements with final approval from the Grantor at 31 December 2015 (for projects to be carried out by third parties). If the document approving the design/appraisal/agreement relating to the project (or to one of the related Lots/phases) does not show the gross amount of the base tender price, the figure shown is the net amount indicated in the document itself.
- [11] Net amount envisaged per project(s) in the Addendum to the Single Concession Arrangement of 24 December 2014, as updated by the report of 15 September 2014.
- [12] The gross approved amount for the "Barberino toll station" is included in the gross amount approved for the "La Quercia-Aglio" section.
- [13] The gross approved amount for landscaping work for the Casalecchio-Sasso Marconi and Sasso Marconi-La Quercia sections is included in the gross amounts approved for the "Ab-Sasso Marconi-La Quercia", "Ac-La Quercia-Aglio" and "Ad-Aglio Barberino" projects.
- [14] At 31 December 2015, approval has not been given for the final/executive design for the project or for the related lots/phases, or for the agreements governing construction where this is to be carried out by third parties.
- [15] The gross approved amount only includes the Executive Designs for the lots that have received approval.
- [16] Project(s) whose value is not shown in the Addendum to the Single Concession Arrangement of 24 December 2013, as updated by the report of 15 September 2014.
- [17] The completion of expansion of the Brianza North service area was included in the first variation appraisal for the fourth lane of the Milan-Bergamo Lot 1 (net amount).
- [18] Unspecified project(s).
- [19] The gross approved amount for the project is included in the item "Ae) Barberino-Florence North", forming part of the Bologna-Florence upgrade.
- [20] The gross approved amount is included in item "B) Bologna Ring Road" in "Remaining investment in third and fourth lanes".
- (*) Base Tender Price includes advance payments, reserves and savings to be refunded to the contractor pursuant to article 11, Ministerial Decree 145/2000 and statutory payments for changes in prices of materials.

Total investment in assets to be handed over (pursuant to article 2 of the Single Concession Arrangement of 2007)	896,508
Adjusted by:	
Capitalised financial expenses (relating to construction services for which no additional economic benefits are received)	-19,907
Handover, free of charge, of service areas	-6,577
Total investment in assets held under concession (as indicated in note 5.2)	870,024

	2015			Completed as at 31/12/2015				
	Base tender price ^(*)	Available funding	Financial expenses	Total	Base tender price ^(*)	Available funding	Financial expenses	Total
	72,740		-	72,740	2,024,190		1,671	2,025,861
	27,176	3,501	-	30,677	149,255	13,609	-	162,864
	825,788		46,253	872,041	11,537,194		778,613	12,315,807
				6,577				123,500
				43				40,340
				17,847				332,882
				896,508				12,812,529

Annex 4

Subsidiaries, associates and joint ventures accounted for using the equity method as at 31 December 2015 (article 3, point 1.l of the 2007 Single Concession Arrangement)

Name €000	Measurement [art. 2426, para. 1, 4] ⁽¹⁾	Carrying amount	Difference between measurement pursuant to article 2426, para. 1, 4 ⁽¹⁾ and carrying amount [A - B]
	(A)	(B)	(A - B)
Subsidiaries			
Autostrade dell'Atlantico Srl ⁽²⁾	907,465	1,152,837	-245,372 ⁽³⁾
Stalexport Autostrady SA ⁽²⁾	97,115	104,842	-7,727 ⁽³⁾
Società Autostrada Tirrenica pA	114,245	90,605	23,640
Tangenziale di Napoli SpA	174,284	54,506	119,778
Telepass SpA	102,518	25,485	77,033
Ecomouv Sas	24,217	18,917	5,300
Autostrade Meridionali SpA	70,127	14,938	55,189
Autostrade Tech SpA	52,415	5,444	46,971
AD Moving SpA	922	3,995	-3,073 ⁽³⁾
Infoblu SpA	4,565	3,875	690
Società Italiana pA per il Traforo del Monte Bianco	126,464	2,318	124,146
EssediEsse Società di Servizi SpA	1,145	501	644
Autostrade Indian Infrastructure Development Private Limited	892	486	406
Giove Clear Srl	1,783	20	1,763
Tech Solutions Integrators Sas	-10,728	-	-10,728 ⁽⁴⁾
	1,667,429	1,478,769	188,660
Associates			
Pavimental SpA	11,373	9,621	1,752
Società Infrastrutture Toscane SpA (in liquidation)	6,718	6,742	-24
Pedemontana Veneta SpA (in liquidation)	1,839	1,935	-96
Spea Engineering SpA	17,448	1,729	15,719
Bologna & Fiera Parking SpA	146	676	-530
Consorzio Autostrade Italiane Energia	29	29	-
	37,553	20,732	16,821
	1,704,982	1,499,501	205,481

(1) Autostrade per l'Italia's measurement of subsidiaries and associates using the equity method is consistent with IFRS, as applied by Autostrade per l'Italia.

(2) Valued with reference to the consolidation reporting package prepared by this company and its subsidiaries for the purposes of the Autostrade per l'Italia Group's consolidated financial statements.

(3) As stated in note 5.3, The higher carrying amount of the investment compared with the value resulting from measurement using the equity method does not represent an indication of potential impairment and the carrying amount is deemed to be recoverable in full, taking into account the estimated present value of these companies' net operating cash flow, being that of the operators they control.

(4) Further details are provided in note 5.3.

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REPORTS

Attestations of the consolidated and separate financial statements

Attestation of the consolidated financial statements pursuant to article 81-ter of Consob Regulation 11971 of 14 May 1999, as amended

1. We, the undersigned, Giovanni Castellucci and Giancarlo Guenzi, as Chief Executive Officer and as the manager responsible for Atlantia SpA's financial reporting, having taken account of the provisions of article 154-bis, paragraphs 3 and 4 of Legislative Decree 58 of 24 February 1998, attest to:
 - the adequacy with regard to the nature of the Company and
 - the effective applicationof the administrative and accounting procedures adopted in preparation of the consolidated financial statements during 2015.
2. The administrative and accounting procedures adopted in preparation of the consolidated financial statements as at and for the year ended 31 December 2015 were drawn up, and their adequacy assessed, on the basis of the regulations and methods drawn up by Atlantia SpA in accordance with the Internal Control - Integrated Framework model issued by the Committee of Sponsoring Organizations of the Treadway Commission. This Commission has established a body of general principles providing a standard for internal control systems that is generally accepted at international level.
3. We also attest that
 - 3.1 the consolidated financial statements:
 - a) have been prepared in compliance with international accounting standards approved for application in the European Community by EC Regulation 1606/2002, passed by the European Parliament and by the Council on 19 July 2002;
 - b) are consistent with the underlying accounting books and records;
 - c) present a true and fair view of the financial position and results of operations of the issuer and the consolidated companies;
 - 3.2 the report on operations contains a reliable analysis of operating trends and results, in addition to the state of affairs of the issuer and the consolidated companies, together with a description of the principal risks and uncertainties to which they are exposed.

4 March 2016

Giovanni Castellucci
Chief Executive Officer

Giancarlo Guenzi
Manager responsible for financial reporting

Attestation of the separate financial statements pursuant to article 81-ter of Consob Regulation 11971 of 14 May 1999, as amended

1. We, the undersigned, Giovanni Castellucci and Giancarlo Guenzi, as Chief Executive Officer and as the manager responsible for Atlantia SpA's financial reporting, having taken account of the provisions of art. 154-bis, paragraphs 3 and 4 of Legislative Decree 58 of 24 February 1998, attest to:
 - the adequacy with regard to the nature of the Company and
 - the effective applicationof the administrative and accounting procedures adopted in preparation of the separate financial statements during 2015.
2. The administrative and accounting procedures adopted in preparation of the separate financial statements as at and for the year ended 31 December 2015 were drawn up, and their adequacy assessed, on the basis of the regulations and methods drawn up by Atlantia SpA in accordance with the Internal Control–Integrated Framework model issued by the Committee of Sponsoring Organizations of the Treadway Commission. This Commission has established a body of general principles providing a standard for internal control systems that is generally accepted at international level.
3. We also attest that
 - 3.1 the separate financial statements:
 - a) have been prepared in compliance with international accounting standards approved for application in the European Community by EC Regulation 1606/2002, passed by the European Parliament and by the Council on 19 July 2002;
 - b) are consistent with the underlying accounting books and records;
 - c) present a true and fair view of the financial position and results of operations of the issuer;
 - 3.2 the report on operations contains a reliable analysis of operating trends and results, in addition to the state of affairs of the issuer, together with a description of the principal risks and uncertainties to which it is exposed.

4 March 2016

Giovanni Castellucci
Chief Executive Office

Giancarlo Guenzi
Manager responsible for financial reporting

Report of the Board of Statutory Auditors to the Annual General Meeting (pursuant to article 153 of Legislative Decree 58/1998 and article 2429, paragraph 2 of the Italian Civil Code)

to the Annual General Meeting of the Shareholders of Autostrade per l'Italia SpA

During the financial year ended 31 December 2015, we performed the audit procedures required by law, adopting, *inter alia*, the Standards recommended by the Italian accounting profession.

Having issued securities admitted to listing on the screen-based exchange organised and managed by Borsa Italiana SpA, in accordance with art. 16 of Legislative Decree 39/2010, Autostrade per l'Italia is now classified as a public interest entity. Accordingly, in accordance with art. 19 of the above Legislative Decree 39/2010, the Board of Statutory Auditors has, from 2015, assumed the role of Internal and Statutory Audit Committee.

Specifically:

- we verified compliance with the law and the articles of association;
- we obtained reports from the Directors, providing adequate information on the Company's activities and on transactions carried out by the Company and its subsidiaries with a major impact on the Company's results of operations, financial position and cash flow, ensuring that the actions decided on and carried out were in compliance with the law and the articles of association, were not subject to any potential conflict of interest or contrary to the resolutions adopted by the General Meeting, and were not clearly imprudent or risky or such as to compromise the value of the Company;
- in accordance with our responsibilities, we obtained information on and checked the adequacy of the Company's organisational structure and on observance of the principles of good governance, by means of direct observation, the gathering of information from the heads of the various departments and through meetings with the independent auditors with a view to exchanging the relevant data and information; in this regard we have no special observations to make;
- we assessed and verified the adequacy of the administrative/accounting system and its ability to correctly represent operating activities, by gathering information from the respective heads of department, examining corporate documents and analysing the results of the work carried out by the independent auditors;
- we verified that the company is subject to the management and coordination of Atlantia SpA. In addition, with reference to relations between Autostrade per l'Italia and its parent, Atlantia, as noted in our reports for previous years, following the Group's restructuring in 2007, Atlantia is a holding company responsible for investments and portfolio strategies, capable of supporting growth in the infrastructure and network management sector, but without having any direct operational role, which has been assigned to the subsidiary, Autostrade per l'Italia SpA, as an operating parent company in the motorway sector. Autostrade per l'Italia SpA thus has responsibility for management and coordination of the motorway operators and industrial companies it controls. As a result, Autostrade per l'Italia's subsidiaries have complied with the requirements of article 2497-bis of the Italian Civil Code.

In relation to the role of sub-holding company for the motorway sector assumed by Autostrade per l'Italia SpA, in order to improve and develop strategy with the aim of achieving performance targets and in accordance with the regulations governing the role of holding companies within corporate groups, Autostrade per l'Italia has established various committees (consisting of the main heads of the operating departments and presided over by senior management). In this regard, as noted in the report for the previous year, from 11 February 2014 the previous structure of the committees changed. The Company currently has an Executive Committee, a Post Audit Committee and a Consultative Committee for the Monitoring of Reserves;

- Legislative Decree 39/2010 requires the Board of Statutory Auditors (identified by article 19 of the decree as the "Internal and Statutory Audit Committee") to oversee the following:
 - the financial reporting process;
 - the effectiveness of internal control, internal audit and risk management systems;
 - the statutory audit of the annual and consolidated accounts;
 - the independence of the independent auditors, checking any services other than auditing provided.

With specific reference to the requirements of Legislative Decree 39/2010, the following should be noted.

Oversight of the financial reporting process

The Board of Statutory Auditors has verified the existence of regulations and procedures governing the process of preparing and publishing financial information. In this regard, the report on operations includes section 2.10 "Corporate governance", which also represents the report on corporate governance required by article 123-bis of Legislative

Decree 58 of 24 February 1998 (the “CFA”). This section defines guidelines for the establishment and management of administrative and accounting procedures. The Board of Statutory Auditors, with the assistance of the manager responsible for financial reporting, examined the procedures involved in preparing the Company’s financial statements and the consolidated financial statements, in addition to periodic financial reports. The Board of Statutory Auditors also received information on the process that enables the manager responsible for financial reporting and the Chief Executive Officer to issue the attestations required by article 154-*bis* of the CFA.

In this regard, on 4 March 2016, the Chief Executive Officer and the manager responsible for financial reporting issued the attestations of the consolidated and separate financial statements required by article 81-*ter* of the Consob Regulations of 14 May 1999, as amended.

The Board of Statutory Auditors thus believes the financial reporting process to be adequate and deems that there is nothing to report to the General Meeting.

Oversight of the effectiveness of the internal control, internal audit and risk management systems and the statutory audit of the annual and consolidated accounts

The Board of Statutory Auditors has assessed and verified the adequacy of the internal control system and the effectiveness of internal control and risk management systems.

Following changes to the structure of the Atlantia Group and its organisation, in 2014 the Company’s Internal Audit department was closed down and, from 1 January 2015, the parent, Atlantia, established a Group Internal Audit department, reporting to the Chairman of Atlantia, with responsibility for conducting audit activities throughout the Atlantia Group. In order to monitor and improve the effectiveness and efficiency of the internal control and risk management system, Autostrade per l’Italia therefore depends on the Group Internal Audit department set up by the parent, Atlantia.

On 12 February 2016, Autostrade per l’Italia’s Board of Directors approved the 2016 Audit Plan.

As part of the internal control system, as it relates to the financial reporting process, the group headed by Autostrade per l’Italia has implemented and regularly revises internal controls over financial reporting, based on a series of administrative and accounting procedures designed to ensure reliability, accuracy, integrity and timeliness in accordance with the regulations governing financial reporting.

During our periodic meetings with the Head of Atlantia’s Group Internal Audit department and the Risk Officer, the Board of Statutory Auditors was kept fully informed regarding internal auditing activities (with a view to assessing the adequacy and functionality of the internal control system, and compliance with the law and with internal procedures and regulations), and the activities of the Risk Officer in identifying, measuring, managing and monitoring the risks included in the Company’s current Business Risk Model (compliance, regulatory and operational risks), in order to provide the necessary support to these departments in reviewing the design of the internal control system and monitoring implementation of the resulting changes.

The Board of Statutory Auditors held periodic meetings with the independent auditors, Deloitte & Touche SpA, to obtain information and data regarding the audits conducted, overseeing the audit of the annual and consolidated accounts. We have nothing to report in this regard.

Furthermore, we note that, during 2015, Autostrade per l’Italia’s Supervisory Board, with the help of an expert in criminal law, continued its review of the organisational, management and control model adopted by Autostrade per l’Italia, pursuant to Legislative Decree 231/2001, in order to ensure that the model had kept pace with changes in legislation and in the Company’s organisational structure during the year. In particular, the Supervisory Board dealt with issues arising during its review of the Organisational Model (revised to take into account the new offences of self-laundering and false accounting added in the first half of 2015) and drew up a plan of action for monitoring and assessing the adequacy and effective implementation of the Model. In addition, based on the revised map of the areas at risk of breaching Legislative Decree 231, the process revising the General Part and other special parts of the organisational Model is in process.

The Board of Statutory Auditors examined the Supervisory Board’s reports on their activities in the first and second halves of 2015 and do not have anything to mention in this regard in this report.

Independence of the independent auditors, checking any services other than auditing provided

The Board of Statutory Auditors verified, also with reference to the provisions of article 19 of Legislative Decree 39/2010, the independence of the independent auditors, Deloitte & Touche, checking the nature and entity of any services other than auditing provided to Autostrade per l’Italia and its subsidiaries by the auditors and by their associates.

We also checked that, in compliance with the requirements of art. 149-duodecies of Consob Regulation 11971/1999, information on the type of services provided to Autostrade per l'Italia and its subsidiaries by Deloitte & Touche or associates of Deloitte & Touche in 2015, and the related fees, is provided in an annex to the financial statements.

The fees paid by the Autostrade per l'Italia Group to the independent auditors, Deloitte & Touche or associates of Deloitte & Touche, are as follows:

• audit	€866 thousand
• certification (audit-related)	€23 thousand
• other services	€249 thousand

making a total of €1,138 thousand.

It should be noted that:

the category "Other services" (those other than audit or certification) includes €147 thousand for services relating to signature of the Company's tax return and Form 770, agreed-upon procedures on accounting data and information, comfort letters relating to offering circulars, whilst €102 thousand regards checks on the income tax applied to employees and obligations as a withholding agent and agreed-upon procedures on accounting data and information.

In addition, on 21 March 2016, Deloitte & Touche provided their annual confirmation of independence pursuant to article 17, paragraph 9.a) of Legislative Decree 39/2010.

In the light of the above, we therefore deem that the independent auditors, Deloitte & Touche, meet the requirements for independence.

Finally, pursuant to article 13, paragraph 1 of Legislative Decree 39/2010, on 19 February 2015, the Board of Statutory Auditors prepared a reasoned recommendation to Autostrade per l'Italia's shareholders regarding a request, received from Deloitte & Touche on 12 February 2015, for a supplement of €3,904 for 2014 and €12,842 for the period 2015-2020 to be added to the fees payable for the years between 2014 and 2020, in recognition of an additional workload.

- with respect to the contractual obligations deriving from the Single Concession Arrangement signed by ANAS and Autostrade per l'Italia on 12 October 2007, which became fully effective from 8 June 2008, the day following publication of Law 101/2008 in the Official Gazette, which approved the single concession arrangements entered into at that time, including that of Autostrade per l'Italia, we had meetings with the head of the department responsible for compliance with the terms of the Single Concession Arrangement, and for preparing periodic reports for senior management on compliance with the terms of the Single Concession Arrangement with ANAS, in order to be periodically updated on the Company's compliance with the terms of the Single Concession Arrangement;
- we held meetings with representatives of the independent auditors, pursuant to article 150, paragraph 2 of Legislative Decree 58/98, and no significant information that should be included in this report has come to light;
- as noted in reports for previous years, Autostrade per l'Italia has opted to participate in the tax consolidation arrangement prepared by the parent, Atlantia;
- as reported in the notes to the consolidated financial statements, the consolidated financial statements as at and for the year ended 31 December 2015, prepared on the basis that the Parent Company and consolidated companies are going concerns, have been prepared pursuant to articles 2 and 3 of Legislative Decree 38/2005, and in compliance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board and endorsed by the European Commission, as in force at the end of the reporting period. These standards include 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 reporting period. For the sake of simplicity, all the above standards and interpretations are hereinafter referred to as "IFRS". Moreover, the measures introduced by the Consob, in application of paragraph 3 of article 9 of Legislative Decree 38/2005, relating to the preparation of financial statements, have also been taken into account;
- as described in the Introduction to the section "Group Financial review", the accounting standards applied during preparation of the consolidated accounts for the year ended 31 December 2015 are consistent with those adopted for the consolidated financial statements for the previous year, in that the new standards and interpretations that have come into effect since 1 January 2015 have not had a material impact on the Company's accounts. In addition, we note that, as described in the above Introduction, the reclassified financial statements included and analysed in the above-mentioned "Group Financial review" have not been audited.

Furthermore, no critical issues have arisen requiring application of the exemptions to IFRS permitted by IAS 1.19;

- the accounts have been submitted to the required controls by the independent auditors, Deloitte & Touche SpA, appointed by the Annual General Meeting of 24 April 2012 for the annual reporting periods, 2012-2020. During periodic meetings with the Board, the independent auditors had nothing to report in this regard;
- we checked that no complaints have been lodged under art. 2408 of the Italian Civil Code, and no complaints of any kind have been presented;
- the Board of Statutory Auditors issued the mandatory opinion required by article 154-bis of the CFA relating to the appointment of the manager responsible for financial reporting;
- we have examined the financial statements as at and for the year ended 31 December 2015, with regard to which we state the following.
 - in view of the fact that it is not our responsibility to audit the Company's separate and consolidated financial statements, we checked the overall basis of presentation of the financial statements and their general compliance with the laws relating to their preparation and structure; we have no particular observations to make in this regard.
 - we verified compliance with the laws governing preparation of the report on operations and have no particular observations to make in this regard.
 - to the best of our knowledge, in preparing the financial statements, the Directors did not elect to apply any of the exemptions permitted by article 2433, paragraph 4 of the Italian Civil Code.
 - we verified that the financial statements are consistent with the information in our possession, as a result of carrying out our duties, and have no particular observations to make in this regard.
 - we note that the report on operations includes a section entitled "Significant regulatory aspects", in which the Directors provide information on certain events in 2015, including reference to their potential implications for the future. In particular, full information is provided about:
 - Toll increases with effect from 1 January 2016
 - Legal actions brought by Autostrade Meridionali, challenging the Grantor
 - Reduced tolls for frequent users
 - Five-yearly revision of the financial plans of Tangenziale di Napoli and Raccordo Autostradale Valle d'Aosta
 - Addendum to Società Autostrada Tirrenica's Single Concession Arrangement
 - Award of the concession for the A3 Naples-Pompei-Salerno motorway
 - Enabling Act on tenders and concessions
 - We note that the report on operations includes a section, "Outlook and risks or uncertainties", in which the Directors stress that Despite the continuing instability of the global economy, the consolidated operating results are expected to register improvements across all the Group's areas of business in 2016, and that the Group's results for 2016 will also benefit from the tangible reduction in the cost of debt, thanks to the steps taken in 2015 to improve the capital structure.

The above audit procedures were carried out during 14 meetings of the Board of Statutory Auditors and by taking part in 12 meetings of the Board of Directors.

As a result of the audit procedures carried out and on the basis of the information obtained from the independent auditors, we are not aware of any negligence, fraud, irregularities or any other material events that would require a report to be made to regulatory bodies or disclosed in this report. We also approve the proposal of the Board of Directors with respect to the appropriation of profit for the year.

After also considering the fact that the independent auditors' report, containing their opinion on the fact that the separate and consolidated financial statements comply with the applicable laws and accounting standards, and their opinion on the consistency of the report on operations with the financial statements, was issued on 30 March 2016, without any reservations or additional information, we invite the Annual General Meeting to approve the Annual Report for the year ended 31 December 2015, as prepared by the Directors.

Finally, the Board of Statutory Auditors reminds the Meeting that the term of office of the Board of Directors expires with approval of the financial statements for the year ended 31 December 2015. You are thus invited to elect a new Board of Directors.

30 March 2016

Antonio Mastrapasqua (Chairman)
 Giandomenico Genta (Auditor)
 Antonio Parente (Auditor)



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**INDEPENDENT AUDITORS' REPORT
PURSUANT TO ART. 14 AND 16 OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010**

**To the sole Shareholder of
Autostrade per l'Italia S.p.A.**

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Autostrade per l'Italia S.p.A. and its subsidiaries (the "Autostrade per l'Italia Group"), which comprise the consolidated statement of financial position as at December 31, 2015, and the consolidated income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Company's Directors are responsible for the preparation of these consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of national regulations issued pursuant to art. 9 of Italian Legislative Decree n° 38/2005.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA Italia) issued pursuant to art. 11, n° 3, of Italian Legislative Decree 39/10. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation that give a true and fair view of consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

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Codice Fiscale/Registro delle Imprese Milano n. 03049560166 - R.E.A. Milano n. 1720239
Partita IVA: IT 03049560166

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Autostrade per l'Italia Group as at December 31, 2015, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of national regulations issued pursuant to art. 9 of Italian Legislative Decree n° 38/2005.

Report on Other Legal and Regulatory Requirements

We have performed the procedures indicated in the Auditing Standard (SA Italia) n° 720B in order to express, as required by law, an opinion on the consistency of the report on operations and of certain information included in such report required by art. 123-bis, n° 2, point b) of Italian Legislative Decree n° 58/98, which are the responsibility of the Directors of Autostrade per l'Italia S.p.A., with the consolidated financial statements of the Autostrade per l'Italia Group as at December 31, 2015. In our opinion the report on operations and the information included in the report on corporate governance referred to above are consistent with the consolidated financial statements of the Autostrade per l'Italia Group as at December 31, 2015.

DELOITTE & TOUCHE S.p.A.

Signed by
Fabio Pompei
Partner

Rome, Italy
March 30, 2016

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

INDEPENDENT AUDITORS' REPORT PURSUANT TO ART. 14 AND 16 OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010

**To the sole Shareholder of
Autostrade per l'Italia S.p.A.**

Report on the Financial Statements

We have audited the accompanying financial statements of Autostrade per l'Italia S.p.A. which comprise the statement of financial position as at December 31, 2015, and the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Directors are responsible for the preparation of these financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of national regulations issued pursuant to art. 9 of Italian Legislative Decree n° 38/2005.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA Italia) issued pursuant to art. 11, n° 3, of Italian Legislative Decree 39/10. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation that give a true and fair view of financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Autostrade per l'Italia S.p.A. as at December 31, 2015, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of national regulations issued pursuant to art. 9 of Italian Legislative Decree n° 38/2005.

Report on Other Legal and Regulatory Requirements

We have performed the procedures indicated in the Auditing Standard (SA Italia) n° 720B in order to express, as required by law, an opinion on the consistency of the report on operations and of certain information included in such report required by art. 123-bis, n° 2, point b), of Italian Legislative Decree n° 58/98, which are the responsibility of the Directors of Autostrade per l'Italia S.p.A., with the financial statements of Autostrade per l'Italia S.p.A as at December 31, 2015. In our opinion the report on operations and the information included in the report on corporate governance referred to above are consistent with the financial statements of Autostrade per l'Italia S.p.A as at December 31, 2015.

DELOITTE & TOUCHE S.p.A.

Signed by
Fabio Pompei
Partner

Rome, Italy
March 30, 2016

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





6.

KEY INDICATORS
FOR SUBSIDIARIES,
ASSOCIATES AND
JOINT VENTURES

Key indicators extracted from the financial statements of subsidiaries, associates and joint ventures, as defined by paragraphs 3 and 4 of article 2429 of the Italian Civil Code

The figures provided below were extracted from the companies' most recent approved financial statements. The companies reporting date is 31 December of each year, unless otherwise indicated.

Telepass, Autostrade Meridionali and the Stalexport Autostrady group present financial statements prepared in accordance with international financial reporting standards, whereas the other companies' financial statements are prepared in accordance with accounting principles generally accepted in their countries.

Subsidiaries

Financial position (€000)	AD Moving SpA		Autostrade dell'Atlantico Srl	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Non-current assets	1,209	1,303	512,702	506,500
<i>of which non-current investments</i>		-	470,897	470,897
Current assets	6,790	5,049	113,182	244,946
Other assets	5	7	-	1
Total assets	8,004	6,359	625,884	751,447
Equity	995	992	621,788	746,389
<i>of which issued capital</i>	1,000	1,000	1,000	1,000
Provisions and post-employment benefits	156	143	-	-
Payables	6,835	5,198	4,096	5,058
Other liabilities	18	26	-	-
Total equity and liabilities	8,004	6,359	625,884	751,447
Results of operations (€000)	2015	2014	2015	2014
Value of production	8,585	8,972	-	-
Costs of production	-8,487	-8,844	-165	-132
Operating profit/(loss)	98	128	-165	-132
Profit/(Loss) for the period	3	61	5,399	532

Financial position	Autostrade Indian Infrastructure Ltd. (thousands of rupees)		Stalexport Autostrady group (thousands of zloty - consolidated amounts)	
	31/03/2015	31/03/2014	31/12/2015	31/12/2014
Non-current assets	6,261	5,459	1,170,249	1,133,520
Current assets	64,814	42,589	205,048	182,355
Total assets	71,075	48,048	1,375,297	1,315,875
Equity	57,168	35,770	423,095	304,924
<i>of which issued capital</i>	500	500	185,447	185,447
Liabilities	13,907	12,278	952,202	1,010,951
Total equity and liabilities	71,075	48,048	1,375,297	1,315,875
Results of operations (thousands of rupees)	01/04/2014-31/03/2015	01/04/2013-31/03/2014	2015	2014
Operating income	53,805	48,441	269,829	227,146
Operating costs	-20,703	-23,909	-100,117	-119,886
Operating profit/(loss)	33,102	24,532	169,712	107,260
Profit/(Loss) for the period	21,408	20,978	113,599	60,497

Autostrade Meridionali SpA			
Financial position (€000)	31/12/2015	31/12/2014	
Non-current assets	21,345	20,117	
Current assets	430,980	426,400	
Total assets	452,325	446,517	
Equity	119,615	112,016	
<i>of which issued capital</i>	<i>9,056</i>	<i>9,056</i>	
Non-current liabilities	23,761	13,438	
Current liabilities	308,949	321,063	
Total equity and liabilities	452,325	446,517	
Results of operations (€000)	2015	2014	
Operating income	91,289	90,487	
Operating costs	-73,005	-70,703	
Operating profit/(loss)	18,284	19,784	
Profit/(Loss) for the period	9,321	3,247	

Autostrade Tech SpA		EsseDiEsse Società di Servizi SpA		
Financial position (€000)	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Non-current assets	3,778	5,403	562	602
<i>of which non-current investments</i>	<i>1,049</i>	<i>1,049</i>	-	-
Current assets	72,863	57,996	15,063	16,956
Other assets	54	61	127	150
Total assets	76,695	63,460	15,752	17,708
Equity	45,040	40,219	1,614	1,321
<i>of which issued capital</i>	<i>1,120</i>	<i>1,120</i>	<i>500</i>	<i>500</i>
Provisions and post-employment benefits	1,540	1,590	4,987	5,167
Payables	29,877	21,403	8,720	10,792
Other liabilities	238	248	431	428
Total equity and liabilities	76,695	63,460	15,752	17,708
Results of operations (€000)	2015	2014	2015	2014
Value of production	65,427	53,007	27,647	27,227
Costs of production	-56,425	-46,020	-25,658	-25,598
Operating profit/(loss)	9,002	6,987	1,989	1,629
Profit/(Loss) for the period	8,140	6,340	1,014	721

Financial position (€000)	Ecomouv Sas		Tech solutions Integrators Sas	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Unpaid called-up capital	2,976	5,376	-	-
Non-current assets	192	563,148	-	6,248
<i>of which non-current investments</i>	-	-	-	-
Current assets	534,044	80,535	21,374	49,865
Total assets	537,212	649,059	21,374	56,113
Equity	37,570	-28,136	-10,729	-6,640
<i>of which issued capital</i>	<i>30,000</i>	<i>30,000</i>	<i>2,000</i>	<i>2,000</i>
Provisions and post-employment benefits	-	-	-	-
Payables	499,642	677,195	32,103	62,753
Total equity and liabilities	537,212	649,059	21,374	56,113
Results of operations (€000)	2014	2013	2014	2013
Operating income	605	1,032	12,553	88,910
Operating costs	-115,599	-38,869	-23,737	-97,091
Operating profit/(loss)	-114,994	-37,837	-11,184	-8,181
Profit/(Loss) for the period	-163,343	-45,709	-11,347	-8,141

Financial position (€000)	Giove Clear Srl	
	31/12/2015	31/12/2014
Non-current assets	320	284
<i>of which non-current investments</i>	-	-
Current assets	4,700	4,084
Other assets	-	-
Total assets	5,020	4,368
Equity	1,894	1,552
<i>of which issued capital</i>	<i>10</i>	<i>10</i>
Provisions and post-employment benefits	748	626
Payables	2,378	2,190
Other liabilities	-	-
Total equity and liabilities	5,020	4,368
Results of operations (€000)	2015	2014
Value of production	11,481	10,916
Costs of production	-10,561	-10,131
Operating profit/(loss)	920	785
Profit/(Loss) for the period	517	351

Financial position (€000)	Infoblu SpA		Società Autostrada Tirrenica pA	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Non-current assets	756	665	334,286	255,951
<i>of which non-current investments</i>	-	-	52	52
Current assets	9,303	8,672	25,912	27,191
Other assets	775	869	98	153
Total assets	10,834	10,206	360,296	283,295
Equity	6,107	5,836	80,772	72,014
<i>of which issued capital</i>	5,160	5,160	24,461	24,461
Provisions and post-employment benefits	126	114	7,466	7,921
Payables	4,601	4,256	268,991	203,137
Other liabilities	-	-	3,067	223
Total equity and liabilities	10,834	10,206	360,296	283,295
Results of operations (€000)	2015	2014	2015	2014
Value of production	5,635	5,454	53,559	41,057
Costs of production	-4,512	-4,714	-30,446	-21,220
Operating profit/(loss)	1,123	740	23,113	19,837
Profit/(Loss) for the period	731	491	8,758	8,065

Financial position (€000)	Società Italiana pA per il Traforo del Monte Bianco		Tangenziale di Napoli SpA	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Non-current assets	239,260	243,954	250,723	243,069
<i>of which non-current investments</i>	165,752	165,752	2	2
Current assets	172,315	140,064	43,850	37,176
Other assets	501	983	248	298
Total assets	412,076	385,001	294,821	280,543
Equity	290,332	290,479	184,776	172,623
<i>of which issued capital</i>	198,749	198,749	108,077	108,077
Provisions and post-employment benefits	67,250	53,819	34,351	34,038
Payables	54,323	40,530	75,103	73,303
Other liabilities	171	173	591	579
Total equity and liabilities	412,076	385,001	294,821	280,543
Results of operations (€000)	2015	2014	2015	2014
Value of production	64,577	62,083	70,733	70,916
Costs of production	-45,758	-45,782	-53,160	-51,850
Operating profit/(loss)	18,819	16,301	17,573	19,066
Profit/(Loss) for the period	10,704	11,458	17,390	8,764

Telepass SpA			
Financial position (€000)	31/12/2015	31/12/2014	
Non-current assets	28,378	25,396	
Current assets	487,901	506,695	
Total assets	516,279	532,091	
Equity	106,623	103,693	
<i>of which issued capital</i>	<i>26,000</i>	<i>26,000</i>	
Liabilities	409,656	428,398	
Total equity and liabilities	516,279	532,091	
Results of operations (€000)	2015	2014	
Operating income	150,652	145,324	
Operating costs	-74,280	-72,892	
Operating profit/(loss)	76,372	72,432	
Profit/(Loss) for the period	57,205	54,458	

Associates and joint ventures

Financial position (€000)	Bologna & Fiera Parking SpA		Pavimental SpA	
	31/12/2014	31/12/2013	31/12/2015	31/12/2014
Non-current assets	48,508	50,117	58,290	40,625
<i>of which non-current investments</i>	-	-	5,397	5,396
Current assets	7,423	7,671	313,007	327,397
Other assets	9	5	6,038	4,029
Total assets	55,940	57,793	377,335	372,051
Equity	2,715	4,721	49,295	41,537
<i>of which issued capital</i>	<i>9,000</i>	<i>9,000</i>	<i>10,116</i>	<i>10,116</i>
Provisions and post-employment benefits	290	316	11,356	9,661
Payables	49,202	49,028	316,641	320,848
Other liabilities	3,733	3,728	43	5
Total equity and liabilities	55,940	57,793	377,335	372,051
Results of operations (€000)	2014	2013	2015	2014
Value of production	2,590	2,127	510,984	402,122
Costs of production	-2,638	-2,854	-495,441	-393,786
Operating profit/(loss)	-48	-727	15,543	8,336
Profit/(Loss) for the period	-2,006	-2,782	7,764	3,047

Financial position (€000)	Pedemontana Veneta SpA (in liquidation)		Spea Engineering SpA ⁽¹⁾	
	31/12/2014	31/12/2013	31/12/2015	31/12/2014
Non-current assets	-	-	6,913	6,944
<i>of which non-current investments</i>	-	-	634	634
Current assets	9,352	9,129	164,753	126,983
Other assets	-	-	840	613
Total assets	9,352	9,129	172,506	134,540
Equity	5,840	5,991	87,370	60,132
<i>of which issued capital</i>	<i>6,000</i>	<i>6,000</i>	<i>6,966</i>	<i>5,160</i>
Provisions and post-employment benefits	187	216	23,954	21,061
Payables	3,325	2,870	61,182	53,347
Other liabilities	-	52	-	-
Total equity and liabilities	9,352	9,129	172,506	134,540
Results of operations (€000)	2014	2013	2015	2014
Value of production	-	-	109,508	79,045
Costs of production	-232	-126	-84,627	-63,143
Operating profit/(loss)	-232	-126	24,881	15,902
Profit/(Loss) for the period	-151	-78	16,408	9,772

(1) Amounts for 2014 refer to Spea Ingegneria Europea, which absorbed ADR Engineering SpA, with effect from 1 June 2015, changing its name to Spea Engineering SpA.

Financial position (€000)	Società Infrastrutture Toscane SpA	
	31/12/2014	31/12/2013
Unpaid called-up capital	15,000	15,000
Non-current assets	-	8,607
<i>of which non-current investments</i>	-	-
Current assets	16,088	4,004
Other assets	-	-
Total assets	31,088	27,611
Equity	30,007	27,462
<i>of which issued capital</i>	<i>30,000</i>	<i>30,000</i>
Provisions and post-employment benefits	-	-
Payables	1,081	149
Other liabilities	-	-
Total equity and liabilities	31,088	27,611
Results of operations (€000)	2014	2013
Value of production	166	-
Costs of production	-25,409	-437
Operating profit/(loss)	-25,243	-437
Profit/(Loss) for the period	2,545	-369



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7.

SHAREHOLDERS'
RESOLUTIONS

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The Annual General Meeting (AGM) of Autostrade per l'Italia SpA's shareholders, held in ordinary session and in single call at via Antonio Nibby, 20 in Rome on 21 April 2016, passed resolutions on the following

Agenda

- 1) Financial statements for the year ended 31 December 2015. Reports of the Board of Directors, the Board of Statutory Auditors and the Independent Auditors. Appropriation of profit for the year. Presentation of the consolidated financial statements for the year ended 31 December 2015. Related and resulting resolutions.
- 2) Determination of the number of members of the Board of Directors, election of Directors and the Chairman of the Board of Directors for the 2016 financial year, in accordance with article 21 of the Articles of Association; determination of Directors' remuneration.

With regard to item 1) on the agenda the shareholders resolved:

- to approve the Board of Directors' report on operations and the financial statements for the year ended 31 December 2015, which report profit of €954,952,727.85 euro;
- to appropriate the €619,680,174.85 in profit for the year remaining, after payment of the interim dividend of €335,272,553.00 (equal to €0.539 per share) in 2015, as follows:
 - €470,252,412.00 to pay a final dividend of €0.756 per share, payable to the holders of each of the 622,027,000 dividend-bearing shares with a par value of €1.00 in issue;
 - the remaining €149,427,762.85 to retained earnings;
- to establish the dividend payment date as 19 May 2016.

With regard to item 2) on the agenda the shareholders resolved:

- determine that the number of members of the Board of Directors shall be 7;
- to elect the following members of the Board of Directors for the 2016 financial year: Fabio Cerchiai, Giovanni Castellucci, Giuseppe Angiolini, Massimo Bianchi, Roberto Pistorelli, Antonino Turicchi and Roberto Tomasi;
- to elect Fabio Cerchiai as Chairman of the Board of Directors;
- to fix, in accordance with art. 2389, paragraph 1 of the Italian Civil Code, the annual remuneration payable to each Director as €35,000.00, in addition to an attendance fee of €250.00 per meeting.





Legal information and contacts

Registered Office and Operational Headquarters

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Legal information

Autostrade per l'Italia SpA
A sole shareholder company, managed and coordinated by Atlantia SpA

Issued capital: €622,027,000 (fully paid)
Tax code, VAT number and Rome Companies' Register number: 07516911000
REA no. 1037417

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Co-ordination

zero3zero9 (Milan)

Design

19novanta communication partners (Rome)

Pictures

Autostrade per l'Italia library
Donato Di Bello (Milan)
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