



2014 ANNUAL REPORT

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1.

INTRODUCTION

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1.1 Consolidated financial highlights

€m	2014 ^(a)	2013 ^{(a) (b)}
Revenue	4,288	4,118
Toll revenue	3,678	3,541
Other operating income	610	577
Gross operating profit (EBITDA)	2,683	2,517
Adjusted gross operating profit (EBITDA) ^(c)	2,760	2,597
Operating profit (EBIT)	1,777	1,795
Profit/(Loss) before tax from continuing operations	1,193	1,116
Profit for the year (including non-controlling interests)	694	739
Profit attributable to owners of the parent	662	657
Capital expenditure (assets held under concession, property, plant and equipment and other intangible assets)	933	1,226
Operating cash flow ^(d)	1,740	1,628
Adjusted operating cash flow ^(c)	1,842	1,623

€m	31/12/2014 ^(a)	31/12/2013 ^{(a) (b)}
Equity (including non-controlling interests)	4,426	4,530
Equity attributable to owners of the parent	2,803	2,923
Net debt	10,393	10,525
Adjusted net debt ^(c)	11,531	12,297

CREDIT RATINGS OF AUTOSTRADE PER L'ITALIA

	2014	2013
Standard & Poor's	BBB+ (stable outlook)	BBB+ (negative outlook)
Moody's	Baa1 (stable outlook)	Baa1 (stable outlook)
Fitch Ratings	A- (stable outlook)	A- (stable outlook)

(a) The figures for the comparative periods reflect the accounting effects of certain changes in the scope of consolidation, as described more fully in the section "Consolidated financial review".

(b) Amounts in the income statement for 2013, presented for comparison with the matching amounts for 2014, differ from those published in the consolidated financial statements as at and for the year ended 31 December 2013. In particular, these differences regard: i) the reclassification to "Profit/(Loss) from discontinued operations" of the contributions to the consolidated income statement, until the date of their respective deconsolidation, of Pavimental and Spea and their respective subsidiaries (Pavimental Polska and Spea do Brasil), following disposal of the related controlling interests; ii) the reclassification to "Profit/(Loss) from discontinued operations" of the contributions to the income statement of Ecomouv, Ecomouv D&B and Tech Solutions Integrators, following the French government's decision to terminate the contract for collection of the ecotax (the "Eco-Taxe" project).

(c) 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 specific section "Consolidated financial review".

(d) 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 profit or loss.

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



[*] The chart shows interests in the principal Autostrade per l'Italia Group companies as at 31 December 2014.

[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] Unconsolidated companies.

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

[4] This company is held through the holding company, Infra Bertin Participações.

[5] A company reclassified as a discontinued operation.

1.3 The Group around the world

MOTORWAY CONCESSIONS	Km	Concession expiry
Italy	2,965	
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
Brazil	1,538	
Atlantia Bertin Concessões		
Rodovias das Colinas	307	2028
Rodovia MG050	372	2032
Triangulo do Sol	442	2021
Rodovias do Tietê ⁽²⁾	417	2039
Chile	313	
Grupo Costanera		
Costanera Norte	43	2033
Acceso Vial Aeropuerto AMB ⁽³⁾	10	2020
Litoral Central	81	2031
Nororiente ⁽³⁾	22	2044
Vespucio Sur	24	2032
Los Lagos	135	2023
Poland	61	
Stalexport Autostrada Malopolska	61	2027

ELECTRONIC TOLLING SYSTEMS	Km of network using the service
Telepass	5,800
Electronic Transaction Consultants (USA)	994

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

(2) Unconsolidated company.

(3) 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 2013-2015

CHAIRMAN	Fabio Cerchiai
CEO	Giovanni Castellucci
DIRECTORS	Valerio Bellamoli Stefano Cao Giuseppe Piaggio Roberto Pistorelli Antonino Turicchi
SECRETARY	Andrea Grillo

BOARD OF STATUTORY AUDITORS ELECTED FOR THE THREE-YEAR PERIOD 2012-2014

CHAIRMAN	Alessandro Trotter
AUDITORS	Gaetana Celico Giandomenico Genta Antonio Mastrapasqua Stefano Meroi
ALTERNATE AUDITORS	Salvatore Benedetto Francesco Mariano Bonifacio

INDEPENDENT AUDITORS FOR THE PERIOD 2012-2020

Deloitte & Touche S.p.A.

1.5 Profile, history and mission

Autostrade-Concessioni e Costruzioni Autostrade S.p.A. 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 S.r.l. (a holding company controlled by the Benetton family).

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

Autostrade per l'Italia is engaged in a major programme designed to upgrade and modernise approximately 900 km of the Italian motorway network, entailing total capital expenditure of approximately €22 billion. Other projects 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.





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 net debt for the year ended 31 December 2014, 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 2013, and the reconciliation of Autostrade per l'Italia's equity and profit for 2014 with the corresponding consolidated amounts for the Autostrade per l'Italia Group.

There have not been any material changes in the accounting standards or accounting policies applied in the preparation of the consolidated financial statements as at and for the year ended 31 December 2014 with respect to those adopted in the consolidated financial statements for the previous year.

The scope of consolidation as at 31 December 2014 differs from the scope at the end of the previous year, essentially following the deconsolidation of Pavimental and Spea Ingegneria Europea (hereinafter "Spea"), with effect from the second half of 2014 and the end of 2014, respectively. This followed completion of Autostrade per l'Italia's transfer of controlling interests in these companies to the parent, Atlantia, and to Aeroporti di Roma, in accordance with the planned restructuring of the Atlantia Group.

The terms "at constant exchange rates" and "on a like-for-like basis", used in the following review, indicate that amounts for comparative periods have been determined by eliminating:

a) from the consolidated amounts for 2014:

- 1) the difference between foreign currency amounts for 2014 converted at average exchange rates for 2014 and the matching amounts converted using average exchange rates for 2013;
- 2) the contributions for the first half of Pavimental and its subsidiary, Pavimental Polska;

b) from the consolidated amounts for 2013:

- 1) the contributions of Pavimental and Pavimental Polska.

Furthermore, following the French government's decision to terminate the contract for collection of the ecotax (the "Eco-Taxe" project), to have been carried out by the French-registered subsidiaries, Ecomouv, Ecomouv D&B and Tech Solutions Integrators, and in accordance with IFRS 5 "Non-Current Assets Held for Sale and Discontinued Operations", the contributions of these companies 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. Again in accordance with IFRS 5, the above French companies' contributions to the consolidated statement of financial position as at 31 December 2014 have also been classified, according to their nature (financial or non-financial), in the specific items for assets and liabilities held for sale.

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 consolidated income statements for full-year 2013 and full-year 2014, through to the dates of their respective deconsolidation, have also been presented in "Profit/(Loss) from discontinued operations", rather than included in each component of the consolidated income statement for continuing operations.

As a result, the classification of income statement amounts for 2013 differs from the classification used in the financial statements published by the Autostrade per l'Italia Group for the year ended 31 December 2013.

There were no transactions, either with third or related parties, of a non-recurring, atypical or unusual nature during 2014 having a material impact on the Group's income statement or financial position.

The reclassified financial statements included and analysed below have not been audited.

Consolidated results of operations

“Revenue” for 2014 amounts to €4,288 million, marking an increase of €170 million (4.1%) on 2013 (€4,118 million). At constant exchange rates, total revenue is up €224 million (5.4%).

“Toll revenue” of €3,678 million for 2014 is up €137 million (3.9%) on 2013 (€3,541 million). The result reflects the negative impact of exchange rate movements, totalling €50 million. At constant exchange rates, toll revenue is up €187 million (5.3%), reflecting a combination of the following:

- a) application of annual toll increases for 2014 by the Group's Italian operators (a rise of 4.43% for Autostrade per l'Italia), boosting toll revenue by an estimated €115 million;
- b) a 1.0% improvement in traffic on the Italian network, accounting for an estimated €28 million increase in toll revenue (including the impact of the different traffic mix);
- c) the rise in toll increases matching the increased concession fees payable by Italian operators¹, amounting to €4 million (up 1.0%), linked to traffic growth;
- d) a reduction in revenue resulting from the discounts applied following the decision to reduce the tolls payable by commuters who subscribe to the Telepass service (approximately €3 million);
- e) an increase in toll revenue at overseas operators (up €43 million), primarily reflecting traffic growth (up 2.3% at the Brazilian operators, 5.9% at the Chilean operators and 7.4% at the Polish operator), toll increases applied by the Chilean and Brazilian operators in 2014 (as provided for in the related concession arrangements) and the measures (tolls for vehicles with suspended axles) introduced by ARTESP (Brazil's public transport regulator) to compensate operators in the State of Sao Paulo for the decision not to apply annual toll increases for 2013.

(1) The additional concession fees payable to ANAS by Italian operators from 1 January 2011, 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.

RECLASSIFIED CONSOLIDATED INCOME STATEMENT

€m	2014	2013	Incr./[Decr.]	
			Total	%
Toll revenue	3,678	3,541	137	3.9
Contract revenue	26	15	11	73.3
Other operating income	584	562	22	3.9
Total revenue ⁽¹⁾	4,288	4,118	170	4.1
Cost of materials and external services ⁽²⁾	-631	-638	7	-1.1
Concession fees	-435	-425	-10	2.4
Staff costs	-560	-561	1	-0.2
Capitalised staff costs	21	23	-2	-8.7
Total net operating costs	-1,605	-1,601	-4	0.2
Gross operating profit (EBITDA) ⁽³⁾	2,683	2,517	166	6.6
Amortisation, depreciation, impairment losses and reversals of impairment losses	-661	-666	5	-0.8
Provisions and other adjustments	-245	-56	-189	n.s.
Operating profit (EBIT) ⁽⁴⁾	1,777	1,795	-18	-1.0
Financial income accounted for as an increase in financial assets deriving from concession rights and government grants	56	59	-3	-5.1
Financial expenses from discounting of provisions for construction services required by contract and other provisions	-108	-95	-13	13.7
Other financial income/(expenses)	-542	-651	109	-16.7
Capitalised financial expenses	18	13	5	38.5
Share of profit/(loss) of associates and joint ventures accounted for using the equity method	-8	-5	-3	60.0
Profit/(Loss) before tax from continuing operations	1,193	1,116	77	6.9
Income tax (expense)/benefit	-499	-395	-104	26.3
Profit/(Loss) from continuing operations	694	721	-27	-3.7
Profit/(Loss) from discontinued operations	-	18	-18	-100
Profit for the year	694	739	-45	-6.1
(Profit)/Loss attributable to non-controlling interests	-32	-82	50	-61.0
(Profit)/Loss attributable to owners of the parent	662	657	5	0.8

(1) Operating income in this reclassified consolidated income statement is different from revenue shown in the income statement in the consolidated financial statements, as revenue from construction services, recognised on the basis of the services costs, staff costs and capitalised financial expenses incurred on services provided under concession and excluding revenue from construction services provided by sub-operators, is presented in this statement as a reduction in the respective operating costs and financial expenses.

(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 on assets and reversals of impairment losses, provisions and other adjustments, from operating revenue.

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

	2014	2013	Incr./[Decr.]
Basic earnings per share attributable to the owners of the parent (€)	1.07	1.05	0.02
of which:			
- continuing operations	1.07	1.02	0.05
- discontinued operations	-	0.03	-0.03
Diluted earnings per share attributable to the owners of the parent (€)	1.07	1.05	0.02
of which:			
- continuing operations	1.07	1.02	0.05
- discontinued operations	-	0.03	-0.03

	2014	2013	Incr./[Decr.]
Operating cash flow (€m)	1,740	1,628	112
of which:			
- from continuing operations	1,733	1,593	140
- from discontinued operations	7	35	-28
Operating cash flow per share (€)	2.80	2.62	0.18
of which:			
- from continuing operations	2.79	2.56	0.23
- from discontinued operations	0.01	0.06	-0.05

“Contract revenue” of €26 million for 2014 is up €11 million on 2013 (€15 million), primarily reflecting the increased contribution from Electronic Transaction Consultants.

“Other operating income” amounts to €584 million for 2014, marking an increase of €22 million (3.9%) on 2013 (€562 million). At constant exchange rates, other operating income is up €26 million (4.6%), essentially reflecting items attributable to service areas. These include €33 million resulting from the handover, free of charge, of buildings at service areas following the renewal of sub-concessions in 2014 and an increase in one-off royalties received from new operators, partly offset by a reduction in recurring royalties from one year to the other (in 2014 recurring royalties amounted to €214 million).

“Net operating costs” for 2014, amounting to €1,605 million, are up €4 million on 2013 (€1,601 million). At constant exchange rates, net operating costs are up €16 million (1.0%).

The “Cost of materials and external services” amounts to €631 million, down €7 million on 2013 (€638 million). At constant exchange rates, the cost of materials and external services is substantially in line with 2013, reflecting a combination of the following:

- a) an increase in maintenance costs (up €17 million at constant exchange rates), essentially due to the greater volume of maintenance work carried out on the Italian motorway network, partially offset by a decrease in winter operations, due to reduced snowfall during 2014, and by a reduction in work on the Brazilian network;
- b) a reduction in other costs (down €16 million at constant exchange rates), reflecting a decline in the cost of settlements with sub-operators at Autostrade per l'Italia's service areas and an increase in margins on construction services carried out internally by the Chilean company, Gesvial, in Chile.

“Concession fees”, totalling €435 million, are up €10 million (2.4%) on 2013 (€425 million). At constant exchange rates, concession fees are €436 million, having increased essentially due to traffic growth and the increase in toll

revenue recorded by Italian operators, partially offset by the reduction in the variable fees charged by ARTESP as a further measure designed to compensate for the decision not to apply annual toll increases for the Brazilian operators in the State of Sao Paulo.

“Staff costs” (before deducting capitalised expenses) of €560 million are in line with the figure for 2013 (€561 million). At constant exchange rates, the increase is €3 million (0.5%), reflecting a combination of the following:

- a) an increase in the average unit cost (up 1.0%), primarily due to the cost of contract renewals at the Group's Italian motorway operators and inflation-linked salary increases at the Chilean and Brazilian operators, partially offset by a reduction in the cost of variable staff and the application of new contract terms by Italian motorway operators;
- b) a reduction of 46 in the average workforce, excluding agency staff (down 0.5%).

“Capitalised staff costs” of €21 million in 2014 are substantially in line with the figure of €23 million for 2013.

“Gross operating profit” (EBITDA) of €2,683 million is up €166 million (6.6%) on 2013 (€2,517 million). At constant exchange rates, gross operating profit is up €207 million (8.2%).

“Operating profit” (EBIT) of €1,777 million is down €18 million (1.0%) on 2013 (€1,795 million).

At constant exchange rates, operating profit is up €8 million. This reflects the above increase in EBITDA and a rise in **“Provisions and other adjustments”** of €191 million, primarily reflecting an increase in provisions for the repair and replacement of assets to be handed over at the end of concession terms (up €210 million on 2013), linked to the significant reduction in the discount rates applied at 31 December 2014, compared with those applied at 31 December 2013.

“Financial income accounted for as an increase in financial assets deriving from concession rights and government grants” amounts to €56 million, down €5 million on 2013. At constant exchange rates, this item, representing the impact of the passage of time on financial assets deriving from concession rights and government grants, is up €3 million.

“Financial expenses from the discounting of provisions for construction services required by contract and other provisions” are up €13 million on 2013. This primarily reflects an increase in the interest rates (as at 31 December 2013) used in 2014 to discount provisions for construction services required by contract, compared with the rates used in 2013.

Net other financial expenses of €542 million are down €109 million on the figure for 2013 (€651 million). At constant exchange rates, the reduction is €108 million, essentially as a result of the following:

- a) the recognition of financial income by Autostrade do Brasil (€54 million, including €4 million relating to exchange rate differences), as a result of agreements entered into with the Bertin group in connection with the acquisition of the Brazilian operators in 2012, which was also subject to an earn-out adjustment based on the effective toll revenue of Triângulo do Sol, Rodovias das Colinas and Tietê during the three-year period 2012-2014;
- b) a reduction in interest and other net charges incurred by companies operating in Italy (€28 million), essentially linked to the cost of servicing Autostrade per l'Italia's debt, which primarily reflects repayment, in June 2014, of medium/long-term borrowing with a face value of €2,094 million;
- c) an increase in net interest income (€8 million) earned by the companies operating in Brazil, essentially due to an increase in average cash holdings and the greater average yield on the medium/long-term loan from Atlantia Bertin Concessões to Infra Bertin Empreendimentos;
- d) a reduction in interest and other net charges (€13 million) payable by the Chilean companies, essentially reflecting a decrease in average net debt.

“Capitalised financial expenses”, amounting to €18 million, are up €5 million on 2013 (€13 million), primarily due to a progressive increase in accumulated payments for capital expenditure.

The **“Share of (profit)/loss of associates and joint ventures accounted for using the equity method”** amounts to a loss of €8 million, compared with a loss of €5 million in 2013, essentially relating to the Brazilian operator, Rodovias do Tietê.

“Income tax expense” for 2014 totals €499 million. The increase of €104 million (26.3%) compared with 2013 (€395 million) essentially reflects the impact of the tax reforms approved by the Chilean parliament in September 2014. This includes, among other things, a progressive increase in corporation tax rates from 21% in 2014 to 25% from 2017 on. This has resulted in the remeasurement of net deferred tax liabilities attributable to the Group’s Chilean companies, with an overall negative impact on the income statement of €112 million (based on the average exchange rate for 2014).

“Profit from continuing operations” amounts to €694 million, down €27 million (3.7%) on 2013 (€721 million). At constant exchange rates, profit from continuing operations is down €18 million (2.5%).

The **“Profit/(Loss) from discontinued operations”**, which includes the contribution of the companies classified in accordance with IFRS 5, as described above, amounts to zero in 2014, down €18 million on 2013. At constant exchange rates and on a like-for-like basis, the reduction is €14 million, essentially due to the reduced contribution, in 2014, from the French companies engaged in the Eco-Taxe project, following the above termination of the Partnership Agreement with the French government.

“Profit for the year”, amounting to €694 million, is down €45 million (6.1%) on 2013 (€739 million).

“Profit for the period attributable to owners of the parent” (€662 million) is up €5 million (0.8%) on 2013 (€657 million), whilst profit attributable to non-controlling interests amounts to €32 million, down €50 million on 2013 (€82 million). This essentially reflects the reduced contribution from the Chilean companies, reflecting the above tax reform. After stripping out the accounting effects of exchange rate movements and changes in the scope of consolidation, profit attributable to owners of the parent is €672 million, an increase of €16 million (2.4%), whilst profit attributable to non-controlling interests is down €48 million.

Operating cash flow for 2014, as defined in the section “Consolidated financial highlights”, to which reference should be made, amounts to €1,740 million, up €112 million (6.9%) on 2013. At constant exchange rates and on a like-for-like basis, operating cash flow is up €165 million (10.1%), essentially reflecting the improvement in EBITDA.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

€m	2014	2013
Profit for the year (A)	694	739
Fair value gains/(losses) on cash flow hedges	-99	93
Fair value gains/(losses) on net investment hedges	-	1
Gains/(losses) from translation of assets and liabilities of consolidated companies denominated in functional currencies other than the euro	-29	-388
Gains/(Losses) from translation of investments in associates and joint ventures accounted for using the equity method denominated in functional currencies other than the euro	1	-4
Other comprehensive income/(loss) for the year reclassifiable to profit or loss, after related taxation (B)	-127	-298
Other comprehensive income/(loss) for the year not reclassifiable to profit or loss, after related taxation (C)	-12	4
Reclassifications of other components of comprehensive income to profit or loss (D)	12	2
Total other comprehensive income/(loss) for the year, after related taxation (E=B+C+D)	-127	-292
Comprehensive income for the year (A+E)	567	447
<i>Of which attributable to owners of the parent</i>	<i>545</i>	<i>561</i>
<i>Of which attributable to non-controlling interests</i>	<i>22</i>	<i>-114</i>

The “Other comprehensive loss for the year”, after the related taxation, amounts to €127 million for 2014 (a loss of €292 million for the comparative period), essentially reflecting the following main components:

- a) a loss on the fair value measurement of cash flow hedges, after the related taxation, totalling €99 million (a gain of €93 million in 2013), linked to the significant reduction in interest rates at 31 December 2014, compared to those at 31 December 2013;
- b) a loss on the translation of assets and liabilities denominated in functional currencies other than the euro, totalling €29 million, which, compared with the movement registered in 2013 (a loss of €388 million as at 31 December 2013), reflects a less pronounced decrease in the values of the Brazilian real and the Chilean peso against the euro.

Consolidated financial position

As at 31 December 2014, “**Non-current non-financial assets**” of €22,342 million are up €156 million on the figure for 31 December 2013 (€22,186 million).

“**Intangible assets**” total €21,918 million (€21,717 million as at 31 December 2013) and include:

- a) goodwill (€6,109 million) recognised as at 31 December 2003, following acquisition of the majority shareholding in the former Autostrade - Concessioni e Costruzioni Autostrade S.p.A., the recoverability of which has been confirmed by impairment tests conducted using value use;
- b) the intangible assets deriving from the Group’s concession rights, amounting to €15,748 million (€15,566 million as at 31 December 2013), essentially attributable to Autostrade per l’Italia and the Chilean and Brazilian operators.

The increase of €201 million in intangible assets primarily reflects:

- a) adjustment of the present value on completion of investment in construction services for which no additional benefits are received (up €458 million);
- b) investment in construction services for which additional economic benefits are received (up €372 million);
- c) amortisation for the year (down €634 million).

“**Investments**”, totalling €131 million (€114 million as at 31 December 2013), are up €17 million on the previous year. The change primarily reflects:

- a) recognition of the fair value of the remaining investments in Pavimental and Spea, following the disposal of controlling interests to the parent, Atlantia, and Aeroporti di Roma, resulting in an impact of €24 million;
- b) the result of accounting for the Group’s share in the Brazilian operator, Tietê, using the equity method, resulting in a reduction of €8 million (a reduction of €4 million in 2013);
- c) further capital contributions of €4 million to the Brazilian operator, Tietê.

RECLASSIFIED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

€m	31/12/2014	31/12/2013	Incr./[Decr.]
Non-current non-financial assets			
Property, plant and equipment	127	194	-67
Intangible assets	21,918	21,717	201
Investments	131	114	17
Deferred tax assets	156	153	3
Other non-current assets	10	8	2
Total non-current non-financial assets (A)	22,342	22,186	156
Working capital ⁽¹⁾			
Trading assets	1,125	1,125	-
Current tax assets	37	58	-21
Other current assets	167	121	46
Non-financial assets held for sale or related to discontinued operations ⁽²⁾	242	17	225
Current portion of provisions for construction services required by contract	-519	-435	-84
Current provisions	-420	-337	-83
Trading liabilities	-1,313	-1,286	-27
Current tax liabilities	-47	-26	-21
Other current liabilities	-347	-380	33
Non-financial liabilities related to discontinued operations ⁽²⁾	-138	-	-138
Total working capital (B)	-1,213	-1,143	-70
Invested capital less current liabilities (C=A+B)	21,129	21,043	86
Non-current non-financial liabilities			
Non-current portion of provisions for construction services required by contract	-3,784	-3,727	-57
Non-current provisions	-1,184	-1,025	-159
Deferred tax liabilities	-1,250	-1,142	-108
Other non-current liabilities	-92	-94	2
Total non-current non-financial liabilities (D)	-6,310	-5,988	-322
NET INVESTED CAPITAL (E=C+D)	14,819	15,055	-236

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

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

RECLASSIFIED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

€m	31/12/2014	31/12/2013	Incr./[Decr.]
EQUITY			
Equity attributable to owners of the parent	2,803	2,923	-120
Equity attributable to non-controlling interests	1,623	1,607	16
Total equity (F)	4,426	4,530	-104
NET DEBT			
Non-current net debt			
Non-current financial liabilities	13,114	13,550	-436
Bond issues	874	992	-118
Medium/long-term borrowings	11,875	12,259	-384
Non-current derivative liabilities	359	259	100
Other non-current financial liabilities	6	40	-34
Other non-current financial assets	-1,750	-2,310	560
Non-current financial assets deriving from concession rights	-704	-1,297	593
Non-current financial assets deriving from government grants	-215	-247	32
Non-current term deposits	-291	-338	47
Other non-current financial assets	-540	-428	-112
Non-current net debt (G)	11,364	11,240	124
Current net debt			
Current financial liabilities	1,896	3,369	-1,473
Bank overdrafts	-	7	-7
Short-term borrowings	496	3	493
Intercompany current account payables due to related parties	213	431	-218
Current portion of medium/long-term borrowings	894	2,919	-2,025
Other current financial liabilities	5	9	-4
Financial liabilities related to discontinued operations ⁽²⁾	288	-	288
Cash and cash equivalents	-1,680	-3,324	1,644
Cash in hand and at bank and post offices	-960	-1,346	386
Cash equivalents	-579	-1,978	1,399
Intercompany current account receivables due from related parties	-92	-	-92
Cash and cash equivalents related to discontinued operations ⁽²⁾	-49	-	-49
Current financial assets	-1,187	-760	-427
Current financial assets deriving from concession rights	-429	-413	-16
Current financial assets deriving from government grants	-80	-19	-61
Current term deposits	-239	-167	-72
Current portion of medium/long-term financial assets	-43	-30	-13
Other current financial assets	-147	-129	-18
Financial assets held for sale or related to discontinued operations ⁽²⁾	-249	-2	-247
Current net debt (H)	-971	-715	-256
Net debt (I=G+H) ⁽³⁾	10,393	10,525	-132
NET DEBT AND EQUITY (L=F+I)	14,819	15,055	-236

(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 "Analysis of consolidated net debt" included in the notes to the consolidated financial statements, which is prepared in accordance with the European Securities and Markets Authority-ESMA (formerly CESR) recommendation of 10 February 2005 (subsequently amended by ESMA on 20 March 2013), which does not permit non-current financial assets to be deducted from debt.

“Deferred tax assets” of €156 million are substantially in line with the figure for the previous year.

“Working capital” has a negative balance of €1,213 million, compared with a negative balance of €1,143 million as at 31 December 2013, marking a decline of €70 million. After stripping out the impact of the deconsolidation of Pavimental, Spea and their respective overseas subsidiaries, working capital is up €119 million, primarily as a result of the following components:

- a) a €167 million increase in net trading assets attributable to Ecomouv, due to both the increase in trading assets recognised following the agreements entered into with the French government and as a result of acknowledgement of the compensation payable for termination of the Partnership Agreement, and the reduction in trading liabilities as a result of the payment of suppliers;
- b) an increase of €54 million in trade receivables at Telepass, primarily due to the greater volume of toll payments processed in the final quarter of 2014, compared with the same period of the previous year, reflecting both the toll increases applied in 2014 and traffic growth on the Italian network;
- c) an increase of €57 million in other current assets at Autostrade per l'Italia, essentially reflecting the payment of advances to suppliers in relation to contract reserves accounted for in connection with work on the upgrade of the section of motorway that crosses the Apennines between Sasso Marconi and Barberino del Mugello. These advances may be subject to final recognition after a possible settlement or a civil court judgement following the outcome of a prior expert appraisal currently in progress;
- d) a reduction of €27 million in trading liabilities attributable to Autostrade per l'Italia, due essentially to a €69 million reduction in amounts payable to suppliers as a result of the different timing of due dates and payments relating to investment in the last quarter of 2014, compared with the same period of the previous year, partially offset by an increase in amounts payable to the operators of interconnecting motorways and tolls in the process of settlement, totalling €34 million and primarily due to the above increase in the volume of tolls.

The above changes have been partially offset by:

- a) an increase of €84 million in the current portion of provisions for construction services required by contract, linked to expected investment in construction services for which no additional benefits are received in the next twelve months, essentially attributable to Autostrade per l'Italia;
- b) an increase of €83 million in the current portion of provisions, primarily linked to current provisions for the repair and replacement of Autostrade per l'Italia's motorway infrastructure, reflecting the volume of works planned for 2015;
- c) a reduction of €42 million in current tax assets after deducting the corresponding current tax liabilities.

“Non-current non-financial liabilities”, totalling €6,310 million, are up €322 million on the figure for 31 December 2013 (€5,988 million), essentially reflecting:

- a) an increase in the non-current portion of provisions for construction services required by contract, totalling €57 million, primarily attributable to a combination of the following:
 - 1) adjustment of the present value on completion of investment in construction services (up €458 million);
 - 2) an increase in accrued financial expenses on the discounting of provisions, described in the above section, “Consolidated results of operations” (up €72 million);
 - 3) the reclassification to short-term of the expected volume of investment in construction services for which no additional benefits are received in the next twelve months (down €471 million);
- b) an increase of €159 million in non-current provisions, primarily due to a reduction in the discount rate used at 31 December 2014, compared with the rate used at 31 December 2013;
- c) a €108 million increase in deferred tax liabilities, primarily due to the effect of the adjustments to deferred tax liabilities attributable to the Chilean companies following the tax reform approved in September 2014, as described in the above section, “Consolidated results of operations”.

As a result, “Net invested capital”, totalling €14,819 million, is down €236 million on the figure for 31 December 2013 (€15,055 million).

“Equity attributable to owners of the parent and non-controlling interests” totals €4,426 million (€4,530 million as at 31 December 2013). “Equity attributable to owners of the parent”, totalling €2,803 million, is down €120 million on the figure for 31 December 2013 (€2,923 million), essentially reflecting a combination of:

- a) comprehensive income for the period (€545 million);
- b) payment of the final dividend for 2013 (€340 million) and of the interim dividend for 2014 (€330 million).

“Equity attributable to non-controlling interests” of €1,623 million is up €16 million on the figure for 31 December 2013 (€1,607 million), reflecting comprehensive income for the period (22 million), after the payment of dividends to non-controlling shareholders (€8 million).

The Group’s net debt as at 31 December 2014 totals €10,393 million (€10,525 million as at 31 December 2013).

“Non-current net debt”, totalling €11,364 million, is up €124 million on 31 December 2013 (€11,240 million) and consists of:

- a) “non-current financial liabilities” of €13,114 million, which have fallen €436 million, essentially as a result of:
 - 1) reclassifications to short-term of medium/long-term borrowings and certain bond issues maturing in the next twelve months, totalling €1,190 million; under the agreements with the French government, a portion of Ecomouv’s non-current borrowings, including the loan obtained in 2014 (€198 million), has been transferred to the French government (€391 million), as a result of the combined effect of its formal acceptance of the system under the Trilateral Memorandum of Understanding of 20 June 2014 between Ecomouv, the company’s banks and the French government, and the later exercise, by the French government, of its right to terminate the Partnership Agreement with effect from 30 December 2014, without the possibility of any further claim on Ecomouv;
 - 2) new medium/long-term borrowings obtained by Autostrade per l’Italia (€400 million, of which €200 million from the EIB and €200 million from Atlantia) and an increase (€47 million) in the amount payable by Autostrade per l’Italia to the Grantor under Laws 662/1996, 345/1997 and 135/1997;
 - 3) an increase of €118 million in fair value losses on hedging derivatives, primarily due to the reduction in the interest rates used at 31 December 2014, compared with those used at 31 December 2013, partially offset by the reduction in derivatives held by Ecomouv following the above agreements with the French government;
- b) “non-current financial assets” of €1,750 million, marking a reduction of €560 million, essentially due to:
 - 1) a decrease in financial assets deriving from concession rights (€593 million), primarily attributable to the Eco-Taxe project (€652 million) as an effect of the above transfer of Ecomouv’s borrowings to the French government, with a portion of the concession rights held by the French company (€391 million) and the reclassification to short-term of the remaining net financial assets; this change was partially offset by an increase in financial assets deriving from concession rights resulting from works carried out by the Chilean operators (€50 million);
 - 2) a reduction in financial assets deriving from government grants and term deposits (€79 million), essentially following the reclassification of current portions at the end of 2014;
 - 3) an increase in other non-current financial assets (€112 million), primarily due to the increase in the medium/long-term receivable due to Atlantia Bertin Concessões from Infra Bertin Empreendimentos (amounting to €448 million as at 31 December 2014) which controls the project company, SPMAR, the holder of the concession for the construction and operation of the orbital motorway serving the south east of Sao Paulo.

“Current net funds” of €971 million are up €256 million on 31 December 2013.

This reflects the receipt of €78 million following the sale of controlling interests in Spea and Pavimental to Atlantia and Aeroporti di Roma, and a €92 million increase in the credit balances on intercompany current accounts following the deconsolidation of Pavimental.

Medium/long-term borrowings and certain Bond issues of €2,741 million were repaid during the year, essentially using cash held at the end of 2013.

The residual weighted average term to maturity of the Group’s interest bearing debt is approximately six years and six months at 31 December 2014.

86% of the Group’s debt is fixed rate.

12% 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 2014 was approximately 5.4% (4.7% for the companies operating in Italy, 8.7% for the Chilean companies and 12.2% for the Brazilian companies).

On 31 October 2014, the Central Bank of Ireland and the Irish Stock Exchange approved the Base Prospectus for Autostrade per l'Italia S.p.A.'s €7 billion Euro Medium Term Note ("EMTN") Programme, approved by the Board of Directors on 17 October 2014. The new notes to be issued by Autostrade per l'Italia under the new EMTN Programme will not be backed by any form of guarantee or other credit support from Atlantia, whilst Autostrade per l'Italia will continue to act as guarantor in respect of any outstanding issues under Atlantia's previous €10 billion EMTN Programme.

As at 31 December 2014 project debt attributable to specific overseas companies amounts to €1,959 million. At the same date the Group has cash reserves of €5,023 million, consisting of:

- a) €1,588 million in cash and/or investments maturing in the short term;
- b) €530 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) €2,905 million in undrawn committed lines of credit. The Group has lines of credit with a weighted average residual term to maturity - computed with reference to expiry of the drawdown period - of approximately 6 years and a weighted average residual drawdown period of approximately 1.3 years, including:
 - 1) €1,000 million available under a committed Revolving Credit Facility with Mediocredito acting as Agent Bank, unused as at 31 December 2014, drawable until May 2015 and maturing in June 2015;
 - 2) €800 million, representing the unused portion of the loan granted by Cassa Depositi e Prestiti and SACE, drawable until September 2016 and maturing in December 2024;
 - 3) €500 million representing the unused portion of the new loan granted by Cassa Depositi e Prestiti on 21 December 2012, drawable until November 2016 and maturing in December 2027;
 - 4) €250 million representing the unused portion of the €300 million loan obtained from the European Investment Bank in December 2010, drawable until March 2016 and maturing in March 2036;
 - 5) €200 million relating to the unused portion of the facilities agreed with the European Investment Bank in September 2013, drawable until March 2016 and maturing in March 2036;
 - 6) €100 million relating to the unused portion of the facilities agreed with the European Investment Bank in September 2013, with €250 million drawable until September 2015 and maturing in September 2037;
 - 7) €55 million relating to the unused portion of the short-term facility granted to Autostrade Meridionali, totalling €300 million, drawable until September 2015 and maturing in December 2015.

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 €12,143 million as at 31 December 2014, compared with €12,836 million as at 31 December 2013.

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

€m	Issued capital	Cash flow hedge reserve	Net investment hedge reserve
Balance as at 31/12/2012	622	-103	-37
Comprehensive income for the year	-	90	1
Owner transactions and other changes			
Final dividend declared	-	-	-
Transfer of profit/(loss) for previous year to retained earnings	-	-	-
Interim dividend	-	-	-
Share-based incentive plans	-	-	-
Change in the scope of consolidation, capital contributions, other minor changes and reclassifications	-	-	-
Balance as at 31/12/2013	622	-13	-36
Comprehensive income for the year	-	-90	-
Owner transactions and other changes			
Final dividend declared	-	-	-
Transfer of profit/(loss) for previous year to retained earnings	-	-	-
Interim dividend	-	-	-
Share-based incentive plans	-	-	-
Change in the scope of consolidation, capital contributions, other minor changes and reclassifications	-	-	-
Balance as at 31/12/2014	622	-103	-36

Equity attributable to owners of the parent					Equity attributable to non-controlling interests	Total equity attributable to owners of the parent and non-controlling interests
Reserve for translation differences on transactions in functional currencies other than the euro	Reserve for associates and joint ventures accounted for using the equity method	Other reserves and retained earnings	Profit/(loss) for the year	Total		
-7	-2	1,982	598	3,053	1,708	4,761
-191	-	4	657	561	-114	447
-	-	-	-344	-344	-9	-353
-	-	254	-254	-	-	-
-	-	-	-350	-350	-	-350
-	-	4	-	4	-	4
-	-	-1	-	-1	22	21
-198	-2	2,243	307	2,923	1,607	4,530
-16	-	-11	662	545	22	567
-	-	-	-340	-340	-8	-348
-	-	-33	33	-	-	-
-	-	-	-330	-330	-	-330
-	-	3	-	3	-	3
-	-	2	-	2	2	4
-214	-2	2,204	332	2,803	1,623	4,426

RECONCILIATION OF AUTOSTRAD PER L'ITALIA'S EQUITY AND PROFIT FOR THE YEAR AND THE CORRESPONDING CONSOLIDATED AMOUNTS

€m	Equity as at 31/12/2014	Profit for 2014
Amounts in Autostrade per l'Italia's financial statements	2,269	704
Recognition in consolidated financial statements of equity and profit/(loss) for the year of investments less non-controlling interests	4,161	556
Elimination of carrying amount of consolidated investments	-4,002	-
Elimination of impairment losses of consolidated investments less reversals	38	-20
Elimination of intercompany dividends	-	-571
Elimination of intercompany gains net of the tax effect	-8	-
Measurement of investments at fair value and using the equity method less dividends received	9	-4
Other consolidation adjustments ^(*)	336	-3
Consolidated carrying amounts (attributable to owners of the parent)	2,803	662
Consolidated carrying amounts (attributable to non-controlling interests)	1,623	32
Carrying amounts in consolidated financial statements	4,426	694

(*) 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.

Consolidated cash flow

“Cash flows from operating activities” amount to €1,470 million for 2014, down €30 million on the figure for 2013 (€1,500 million).

The change essentially reflects a combination of:

- a) cash used for operating capital and other non-financial assets and liabilities, amounting to €270 million and marking an increase of €141 million compared with the figure for 2013. This increase is primarily due to the increase in net trading assets connected to the Eco-Taxe project, with €167 million attributable to Ecomouv, in addition to increased trade receivables at Telepass (up €54 million) as a result of the traffic growth registered;
- b) an improvement in operating cash flow (up €112 million on 2013), as described in the section, “Consolidated results of operations”.

“Cash used for investment in non-financial assets”, totalling €571 million, is down €285 million on the corresponding figure for 2013.

The reduction is essentially due to the impact of the disposal of controlling interests in Pavimental and Spea, which, in addition to collection of the relevant considerations of €78 million, resulted in deconsolidation of the net debt of the two companies, with a total impact of €209 million.

The “Cash outflow resulting from changes in equity”, amounting to €677 million in 2014, essentially reflects dividends declared by Autostrade per l’Italia (€670 million) and by other Group companies for payment to non-controlling shareholders (€8 million).

The corresponding outflow in 2013 was essentially due to the dividends declared by Autostrade per l’Italia and other Group companies for payment to non-controlling shareholders (totalling €701 million).

In 2014, net debt also increased, with respect to 2013, as a result of movements not linked to operating or investing activities or to changes in equity, totalling €90 million. This essentially reflects a €118 million increase in fair value losses on hedging derivatives recognised in comprehensive income and due to a significant reduction in interest rates. This contrasts with a movement in the opposite direction in 2013, when net debt fell by €130 million.

The overall impact of the above cash flows has resulted in a reduction in net debt of €132 million, compared with a reduction of €149 million in 2013.

STATEMENT OF CHANGES IN CONSOLIDATED NET DEBT⁽¹⁾

€m	2014	2013
PROFIT FOR THE YEAR	694	739
<i>Adjusted by:</i>		
Amortisation and depreciation	683	678
Provisions	242	56
Financial expenses from discounting of provisions for construction services required by contract and other provisions	108	95
Share of (profit)/loss of associates and joint ventures accounted for using the equity method	8	4
Impairment losses/(Reversals of impairment losses) and adjustment of non-current assets	-9	-
Net change in deferred tax (assets)/liabilities through profit or loss	123	72
Other non-cash costs (income)	-109	-15
Change in operating capital	-240	-137
Other changes in non-financial assets and liabilities	-30	8
Net cash from operating activities (A)	1,470	1,500
Investment in assets held under concession	-858	-1,149
Government grants related to assets held under concession	40	35
Increase in financial assets deriving from concession rights (related to capital expenditure)	63	358
Purchases of property, plant and equipment	-40	-54
Purchases of other intangible assets	-35	-23
Purchase of investments, net of unpaid called-up issued capital	-4	-18
Proceeds from sales of property, plant and equipment, intangible assets and unconsolidated investments	9	2
Proceeds from sale of consolidated investments, after net debt transferred	209	-
Net change in other non-current assets and other changes in investment activities	45	-7
Net cash from/(used in) investment in non-financial assets (B)	-571	-856
Dividends declared by Group companies	-678	-702
Contributions from non-controlling shareholders	1	1
Net equity cash outflows (C)	-677	-701
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	222	-57
Change in fair value and extinguishment of financial instruments and hedging derivatives recognised in comprehensive income	-118	130
Financial income/(expenses) accounted for as an increase in financial assets/(liabilities)	28	24
Effect of changes in exchange rates on net debt and other changes	-	52
Other changes in net debt (D)	-90	206
DECREASE/(INCREASE) IN NET DEBT FOR YEAR (A+B+C+D)	132	149
Net debt at beginning of year	-10,525	-10,674
NET DEBT AT END OF YEAR	-10,393	-10,525

(1) The statement of changes in consolidated net debt presents the impact of cash flows generated or used during the period on consolidated net debt, unlike the statement of consolidated cash flows, 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" shows the change in operating capital, consisting of trade-related items directly linked to the ordinary activities of the business;
- "Net cash from/(used in) investment in non-financial assets" solely includes cash flows used in and generated from investment in 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 movements in financial assets and liabilities that do not have changes on consolidated net debt.

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

The following section shows adjusted 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.

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 deriving from guaranteed minimum revenue and in financial assets deriving from concession rights relating to the Eco-Tax project;
- b) an increase in revenue, corresponding to the portion of government grants collected in relation to motorway maintenance and accounted for as a reduction in financial assets;
- 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 as a reduction in financial assets;
- 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-Tax project) and government grants for motorway maintenance;
- e) the elimination of financial assets recognised in application of the “financial model” introduced by IFRIC 12 (takeover rights, guaranteed minimum revenue, other financial assets deriving from concession rights relating to the Eco-Tax project and government grants for motorway maintenance).

RECONCILIATION OF ADJUSTED AND REPORTED AMOUNTS

€m	2014		2013	
	EBITDA	Operating cash flow	EBITDA	Operating cash flow
Reported amounts	2,683	1,740	2,517	1,628
Increase in revenue for guaranteed minimum revenue:				
Los Lagos	8	8	8	8
Costanera Norte	34	34	36	36
Litoral Central	9	9	9	9
Nororient	12	12	13	13
Adjustment	63	63	66	66
Grants for motorway maintenance:				
Los Lagos	13	13	13	13
Adjustment	13	13	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-Tax project:				
Ecomouv	-	89	-	-
Adjustment	-	89	-	-
Reversal of financial income deriving from the discounting to present value of financial assets deriving from concession rights [guaranteed minimums and Eco-Tax project]:				
Los Lagos		-5		-5
Costanera Norte		-21		-25
Litoral Central		-7		-10
Nororient		-11		-13
Ecomouv		-13		-24
Adjustment		-57		-77
Reversal of financial income deriving from the discounting to present value of financial assets deriving from grants for motorway maintenance:				
Los Lagos		-7		-8
Adjustment		-7		-8
Total adjustments	77	102	80	-5
Adjusted amounts	2,760	1,842	2,597	1,623

€m	Net debt as at 31/12/2014	Net debt as at 31/12/2013
Reported amounts	10,393	10,525
Reversal of financial assets deriving from takeover rights:		
Autostrade Meridionali	402	390
Adjustment	402	390
Reversal of financial assets deriving from guaranteed minimum revenue:		
Los Lagos	66	66
Costanera Norte	303	304
Litoral Central	102	100
Nororient	167	161
Adjustment	638	631
Reversal of financial assets deriving from concession rights attributable to Eco-Taxe project:		
Ecomouv	-	652
Adjustment	-	652
Reversal of financial assets deriving from grants for motorway maintenance:		
Los Lagos	98	99
Adjustment	98	99
Total adjustments	1,138	1,772
Adjusted amounts	11,531	12,297

2.2 Financial review for Autostrade per l'Italia S.p.A.

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 2014, in which amounts are compared with those of the previous year. The review also includes and analyses the reclassified statement of financial position, compared with the corresponding amounts as at 31 December 2013.

These financial statements have been prepared under the international financial reporting standards (IFRS) issued by the International Accounting Standards Board, endorsed by the European Commission, and in force as at 31 December 2014. The accounting standards applied in the preparation of this document are consistent with those adopted for the consolidated financial statements as at and for the year ended 31 December 2013, in that the new standards and interpretations that came into effect from 1 January 2014 have not had a material impact on the Company's results or operations or financial position. No critical issues have arisen requiring application of the exemptions permitted by IAS 1.19.

The transfer of controlling interests in Pavimental and Spea Ingegneria Europea to Atlantia was completed in 2014. Therefore, in accordance with IFRS 5 "Non-Current Assets Held for Sale and Discontinued Operations", the dividends declared by Spea Ingegneria Europea in 2013 and the related taxation have been reclassified, with respect to the information published in 2013, to "Profit/(Loss) from discontinued operations".

There were no transactions, either with third or related parties, of a non-recurring, atypical or unusual nature during 2014 having a material impact on the Company's income statement or financial position.

The reclassified financial statements included and analysed below have not been audited.

Results of operations

"Revenue" for 2014 amounts to €3,332 million, marking an increase of €142 million (4.5%) compared with 2013 (€3,190 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 results¹. After stripping out the above toll increases, total revenue is up €139 million (4.8%) on the previous year.

"Toll revenue" of €2,955 million is up €139 million (4.9%) on 2013 (€2,816 million), primarily reflecting:

- a) application of the annual toll increases for 2014 (4.43% from 1 January, with an estimated total impact of €111 million);
- b) a 1.0% increase in traffic. Including the effect of the traffic mix, the increase in toll revenue amounts to an estimated €26 million;
- c) the rise in toll increases matching the increased concession fees payable to the Grantor, due to the above traffic growth (€4 million);
- d) a reduction in revenue resulting from the discounts applied from 1 February 2014, following the decision to reduce the tolls payable by commuters who subscribe to the Telepass service (approximately €3 million).

"Contract revenue" is down €11 million on 2013, reflecting substantial completion of the "Design & Build" phase of the Eco-Taxi project in France.

"Other operating income" of €375 million is up €14 million on 2013 (€361 million), primarily reflecting items attributable to service areas. These include €33 million resulting from the handover, free of charge, of buildings at service areas following the renewal of sub-concessions in 2014 and an increase in one-off royalties received from

[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 km for toll classes A and B and 18 thousandths of a euro per km for classes 3, 4 and 5.

new operators, partly offset by a reduction in recurring royalties, the impact of income, recognised in 2013, as a result of settlements with banks and with the Fossano Tanker Drivers' Cooperative and a reduction in amounts released for overprovisioning and in other reimbursements received.

RECLASSIFIED INCOME STATEMENT

€m	2014	2013	Incr./{Decr.}	
			Total	%
Toll revenue	2,955	2,816	139	4.9
Contract revenue	2	13	-11	-84.6
Other operating income	375	361	14	3.9
Total revenue⁽¹⁾	3,332	3,190	142	4.5
Cost of materials and external services	-488	-497	9	-1.8
Concession fees	-405	-398	-7	1.8
Staff costs	-380	-380	-	-
Capitalised staff costs	17	16	1	6.3
Total net operating costs	-1,256	-1,259	3	-0.2
Gross operating profit (EBITDA)⁽²⁾	2,076	1,931	145	7.5
Amortisation, depreciation, impairment losses and reversals of impairment losses	-487	-489	2	-0.4
Provisions and other adjustments	-178	-1	-177	n.s.
Operating profit (EBIT)⁽³⁾	1,411	1,441	-30	-2.1
Dividends received from investee companies	175	286	-111	-38.8
(Impairment losses)/Reversals of impairment losses on investments	24	-2	26	n.s.
Financial expenses from discounting of provisions for construction services required by contract and other provisions	-98	-82	-16	19.5
Other financial income/(expenses)	-538	-571	33	-5.7
Capitalised financial expenses	18	12	6	50.0
Profit/(loss) before tax from continuing operations	992	1,084	-92	-8.5
Income tax (expense)/benefit	-288	-298	10	-3.4
Profit/(loss) from continuing operations	704	786	-82	-10.5
Profit/(loss) from discontinued operations	-	24	-24	-100.0
Profit for the year	704	810	-106	-13.1

(1) Operating income in this reclassified income statement is different from revenue shown in the income statement in the consolidated financial statements, as revenue from construction services, recognised on the basis of the services costs, staff costs and capitalised financial expenses incurred on services provided under concession and excluding revenue from construction services provided by sub-operators, is presented in this statement as a reduction in the respective operating costs and financial expenses.

(2) 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.

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

	2014	2013	Incr./[Decr.]
Basic earnings per share (€)	1.13	1.30	-0.17
from:			
continuing operations	1.13	1.26	-0.13
discontinued operations	-	0.04	-0.04
Diluted earnings per share (€)	1.13	1.30	-0.17
from:			
continuing operations	1.13	1.26	-0.13
discontinued operations	-	0.04	-0.04

	2014	2013	Incr./[Decr.]
Operating cash flow (€m)	1,449	1,463	-14
of which:			
from continuing operations	1,449	1,439	10
from discontinued operations	-	24	-24
Operating cash flow per share (€)	2.33	2.35	-0.02
of which:			
from continuing operations	2.33	2.31	0.02
from discontinued operations	-	0.04	-0.04

“Net operating costs” of €1,256 million are down €3 million on the previous year (€1,259 million). After stripping out the above additional concession fees payable, net operating costs are down €6 million (0.4%).

The “Cost of materials and external services” amounts to €488 million, marking a reduction of €9 million on 2013 (€497 million). This primarily reflects a combination of the following:

- a) decline in the cost of settlements with sub-operators at service areas, lower costs incurred following substantial completion, in 2013, of the “Design & Build” phase of the Eco-Taxe project in France, and a reduction in the costs incurred for energy and fuel, telecommunications and information technology;
- b) an increase in maintenance costs due to the greater volume of maintenance work carried out on the motorway network, partially offset by a decrease in winter operations, due to reduced snowfall during 2014.

“Concession fees”, totalling €405 million, are up approximately €7 million on 2013 (€398 million). This item includes the above addition in the concession fees payable, amounting to €327 million in 2014 and €324 million in 2013.

“Staff costs”, after deducting capitalised expenses, total €363 million and are in line with the figure for 2013 (€364 million).

“Gross operating profit” (EBITDA) of €2,076 million is up €145 million (7.5%) on 2013 (€1,931 million).

“Operating profit” (EBIT) of €1,411 million is down €30 million (2.1%) on the figure for 2013 (€1,441 million).

In addition to the above increase in EBITDA, the result reflects a €177 million increase in “Provisions and other adjustments”, primarily reflecting an increase in provisions for the repair and replacement of assets held under concession (up €160 million), mainly linked to the reduction in the discount rates applied at 31 December 2014, compared with those applied at 31 December of the previous year. This has led to an increase in the present value of the provisions and, as a result, the need for further provision to be made.

“Dividends received from investee companies”, totalling €175 million, are down €111 million on the previous year (€286 million), primarily due to a reduction in dividends declared by the subsidiary, Autostrade dell’Atlantico (€110 million).

The item, “Impairment losses/Reversals of impairment losses on investments”, totals €24 million, following the reversal of the impairment loss on the investment in Stalexport Autostrady (€32 million), partially offset by an impairment loss on the investment in Tech Solutions Integrators (€7 million).

“Financial expenses from discounting of provisions for construction services required by contract and other provisions” are up €16 million on 2013, primarily due to the performance of provisions for construction services required by contract, which essentially reflected a rise in the interest rates used to discount provisions at 31 December 2013, compared with the rates used at 31 December 2012.

Net other financial expenses of €538 million are down €33 million compared with the figure for 2013 (€571 million), essentially reflecting:

- a) a reduction in interest payable (€24 million) in order to service debt, primarily reflecting repayment of the medium/long-term borrowings that replicated the bonds with a par value of €2,094 million issued by the parent, Atlantia, and redeemed on 9 June 2014;
- b) an increase in interest income (€6 million) due to a rise in average yields and an increase in the average value of short- and medium/long-term loans from the Company to Autostrade Meridionali, Società Autostrada Tirrenica and Ecomouv.

“Capitalised financial expenses”, amounting to €18 million, are up €6 million on 2013 (€12 million), primarily due to a progressive increase in accumulated payments for construction services for which additional economic benefits are received.

“Income tax expense” (€288 million) is down €10 million (3.4%) on 2013 (€298 million), reflecting a reduction in pre-tax income, adjusted for permanent differences in the two comparative periods. This is essentially due to reduced income in the form of only partially taxable dividends and impairment losses on investments, which are immaterial for tax purposes.

The “Profit/(Loss) from discontinued operations” amounts to zero for 2014. The figure for 2013 reflects the after tax amount for dividends declared by Spea Ingegneria Europea and recognised in this item in accordance with IFRS 5. The above company was disposed of in 2014 as part of a restructuring of the Atlantia Group’s investments.

“Profit for the year” thus amounts to €704 million, down €106 million (13.1%) on 2013 (€810 million).

Operating cash flow for 2014 totals €1,449 million (€1,463 million in 2013). The reduction compared with 2013 (€14 million) essentially reflects a reduction in dividends received in 2014 (down €135 million), largely offset by an increase in cash from operating activities (up €114 million), reflecting the improvement in EBITDA.

STATEMENT OF COMPREHENSIVE INCOME

€m	2014	2013
Profit for the year (A)	704	810
<i>Of which from discontinued operations</i>	<i>-</i>	<i>24</i>
Fair value gains/(losses) on cash flow hedges	-98	82
Other comprehensive income/(loss) for the year reclassifiable to profit or loss, after related taxation (B)	-98	82
Gains/(losses) from actuarial valuations of provisions for employee benefits	-9	4
Other comprehensive income/(loss) for the year not reclassifiable to profit or loss, after related taxation (C)	-9	4
Total other comprehensive income/(loss) for the year, after related taxation (D=B+C)	-107	86
Comprehensive income for the year (A + D)	597	896

The statement of comprehensive income reports comprehensive income for 2014 of €597 million (€896 million for 2013). In addition to profit for the year, this reflects recognition of the following in equity:

- a) an increase in fair value losses on the measurement of cash flow hedges, after the related taxation, totalling €98 million (gains of €82 million in 2013);
- b) actuarial losses on provisions for employee benefits, totalling €9 million (actuarial gains of €4 million in 2013).

Both are linked to the reduction in the interest rates used at 31 December 2014 with respect to those used at 31 December 2013. The movement in interest rates at 31 December 2013 was in the opposite direction compared with 31 December 2012, with, therefore, a matching impact on the statement of comprehensive income.

Financial position

“**Non-current non-financial assets**”, totalling €19,417 million, are up €280 million on the figure for 31 December 2013 (€19,137 million).

“**Intangible assets**” amounting to €17,891 million (€17,596 million as at 31 December 2013) make up the principal component of this category and essentially consist of:

- a) concession rights accruing from construction services for which no additional economic benefits are received, totalling €8,694 million (€8,604 million as at 31 December 2013), construction services for which additional economic benefits are received, amounting to €2,974 million (€2,802 million as at 31 December 2013) and construction services carried out by sub-operators linked to the handover of assets free of charge, totalling €96 million (€67 million as at 31 December 2013);
- b) the residual goodwill that arose on the transfer of motorway assets in 2003 (€6,111 million). 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 increase of €295 million in intangible assets, compared with 31 December 2013, is essentially due to a combination of the following:

- a) an increase in concession rights, primarily resulting from adjustment of the present value on completion of investment in construction services for which no additional benefits are received (€439 million), reflecting the reduction in the interest rates used at 31 December 2014, compared with those used at the end of 2013;
- b) investment in construction services for which additional economic benefits are received (€279 million);
- c) investment in construction services by sub-operators (€33 million) linked to the handover, free of charge, of buildings at service areas following renewal of the related sub-concessions;
- d) amortisation for the year (€467 million).

As at 31 December 2014, “**Investments**” amount to €1,451 million (€1,462 million as at 31 December 2013). The reduction of €11 million primarily reflects:

- a) the disposal of controlling interests in Spea Ingegneria Europea and Pavimental (accounted for at a carrying amount of €43 million) as part of the process of restructuring the Atlantia Group's investments;
- b) reversal of the impairment loss on the investment in Stalexport Autostrady (€32 million), recognised following an impairment test that estimated both the fair value, based on the relevant share price, and value in use, essentially with reference to the subsidiary responsible for operating the relevant motorway, Stalexport Autostrada Malopolska.

RECLASSIFIED STATEMENT OF FINANCIAL POSITION

€m	30/12/2014	30/12/2013	Incr./[Decr.]
Non-current non-financial assets			
Property, plant and equipment	75	79	-4
Intangible assets	17,891	17,596	295
Investments	1,451	1,462	-11
Total non-current non-financial assets (A)	19,417	19,137	280
Working capital ⁽¹⁾			
Trading assets	498	513	-15
Current tax assets	17	31	-14
Other current assets	121	65	56
Non-financial assets held for sale or related to discontinued operations	4	4	-
Current portion of provisions for construction services required by contract	-494	-416	-78
Current provisions	-341	-269	-72
Trading liabilities	-1,185	-1,208	23
Current tax liabilities	-21	-	-21
Other current liabilities	-207	-221	14
Total working capital (B)	-1,608	-1,501	-107
Invested capital less current liabilities (C=A+B)	17,809	17,636	173
Non-current non-financial liabilities			
Non-current portion of provisions for construction services required by contract	-3,655	-3,619	-36
Non-current provisions	-927	-791	-136
Deferred tax liabilities	-248	-245	-3
Other non-current liabilities	-28	-27	-1
Total non-current non-financial liabilities (D)	-4,858	-4,682	-176
NET INVESTED CAPITAL (E=C+D)	12,951	12,954	-3

[1] Calculated as the difference between current non-financial assets and liabilities.

€m	30/12/2014	30/12/2013	Incr./[Decr.]
Equity (F)	2,269	2,304	-35
Net debt			
Non-current net debt			
Non-current financial liabilities	11,526	11,303	223
Medium/long-term borrowings	11,181	11,085	96
Derivative liabilities	345	218	127
Non-current financial assets	-363	-548	185
Non-current financial assets deriving from government grants	-132	-159	27
Non-current term deposits	-172	-234	62
Non-current derivative assets	-	-5	5
Other non-current financial assets	-59	-150	91
Non-current net debt (G)	11,163	10,755	408
Current net debt			
Current financial liabilities	1,138	3,766	-2,628
Short-term borrowings	264	483	-219
Current derivative liabilities	1	-	1
Intercompany current account payables due to related parties	252	511	-259
Current portion of medium/long-term borrowings	619	2,769	-2,150
Other current financial liabilities	2	3	-1
Cash and cash equivalents	-1,265	-3,445	2,180
Current financial assets	-354	-426	72
Current financial assets deriving from government grants	-66	-6	-60
Current term deposits	-62	-5	-57
Current derivative assets	-1	-	-1
Current portion of other medium/long-term financial assets	-99	-29	-70
Other current financial assets	-126	-386	260
Net short-term debt (H)	-481	-105	-376
Net debt (I=G+H)	10,682	10,650	32
EQUITY PLUS NET DEBT (L=F+I)	12,951	12,954	-3

As at 31 December 2014, "Working capital" has a negative balance of €1,608 million (compared with a negative balance of €1,501 million as at 31 December 2013), representing the net balance of current assets of €623 million (€613 million as at 31 December 2013) and current liabilities of €2,231 million (€2,114 million as at 31 December 2013).

The decrease of €107 million, compared with the figure as at 31 December 2013, primarily reflects a combination of:

- a) an increase of €78 million in the current portion of provisions for construction services required by contract, reflecting the forecast volume of construction services for which no additional economic benefits are received to be carried out in the next twelve months;
- b) an increase of €72 million in the current portion of provisions, primarily linked to current provisions for the repair and replacement of assets held under concession, reflecting the volume of planned works;
- c) a reduction of €35 million in the net balance of current tax assets and liabilities, primarily reflecting provisions for income tax for the year after any prepayments due;
- d) a reduction of €23 million in trading liabilities, due essentially to a €69 million reduction in amounts payable to suppliers as a result of the different timing of due dates and payments relating to investment in the last quarter of 2014, compared with the same period of the previous year, partially offset by an increase in amounts payable to the operators of interconnecting motorways and tolls in the process of settlement, totalling €45 million and primarily due to traffic growth during the year;
- e) an increase of €56 million in other current assets, essentially reflecting the payment of advances to suppliers in relation to contract reserves accounted for in connection with work on the upgrade of the section of motorway that crosses the Apennines between Sasso Marconi and Barberino del Mugello. These advances may be subject to final recognition after a possible settlement or a civil court judgement following the outcome of a prior expert appraisal currently in progress.

STATEMENT OF CHANGES IN EQUITY

€m	Issued capital	Undistributable extraordinary reserve for delayed investment
Balance as at 31/12/2012	622	446
Total comprehensive income	-	-
Owner transactions and other changes		
Final dividend declared	-	-
Interim dividend	-	-
Share-based incentive plans	-	-
Balance as at 31/12/2013	622	446
Total comprehensive income	-	-
Owner transactions and other changes		
Final dividend declared	-	-
Transfer of profit/(loss) for previous year to retained earnings	-	-
Reclassification of undistributable extraordinary reserve for delayed investment	-	-446
Interim dividend	-	-
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	-

“Non-current non-financial liabilities” total €4,858 million (€4,682 million as at 31 December 2013), marking an increase of €176 million. This is primarily due to:

a) an increase of €36 million in the non-current portion of “Provisions for construction services required by contract”, totalling €3,655 million (€3,619 million as at 31 December 2013), reflecting a combination of:

- 1) the adjustment, based on current and future interest rates, of the present value on completion of investment in construction services (€439 million);
- 2) reclassification of the current portion (€470 million);
- 3) recognition of the accrued portion of financial expenses from the discounting of provisions recognised in the income statement, amounting to €67 million;

b) the non-current portion of other “Provisions”, totalling €927 million (€791 million as at 31 December 2013). The increase of €136 million is primarily linked to the reduction in the interest rates used at 31 December 2014, compared with those used at 31 December 2013, as described in the section, “Results of operations”.

“Net invested capital” therefore amounts to €12,951 million (€12,954 million as at 31 December 2013).

“Equity” of €2,269 million is down €35 million on 31 December 2013 (€2,304 million), primarily due to:

- a) payment of the final dividend for the previous year (€340 million) and of the interim dividend for 2014 (€330 million);
- b) comprehensive income for the year (€597 million);
- c) the after-tax gains on the disposal of controlling interests in Pavimental and Spea to Atlantia, recognised in accordance with the accounting treatment used for business combinations of entities under common control (€35 million).

Other reserves and retained earnings					Profit for the year	Total equity
Share premium reserve	Legal reserve	Cash flow hedge reserve	Other reserves and retained earnings	Total other reserves and retained earnings		
216	124	-236	583	687	344	2,099
-	-	82	4	86	810	896
-	-	-	-	-	-344	-344
-	-	-	-	-	-350	-350
-	-	-	3	3	-	3
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

“Net debt” as at 31 December 2014 amounts to €10,682 million, up €32 million compared with 31 December 2013 (€10,650 million).

“Non-current net debt” of €11,163 million is up €408 million on the figure for 31 December 2013 (€10,755 million). This primarily reflects:

- a) an increase in the fair value of non-current derivative liabilities (€127 million), reflecting the reduction in interest rates as at 31 December 2014, compared with 31 December 2013;
- b) a reduction in the non-current portion of medium/long-term borrowings (€96 million), primarily due to:
 - 1) reclassifications to short-term of the portion of bank borrowings maturing in 2015 (€289 million), partially offset by the use of two lines of credit, totalling €200 million, granted by the European Investment Bank (EIB) in 2010 and 2013;
 - 2) new medium/long-term borrowings, with €75 million maturing in 2038 and €125 million maturing in 2034, which replicate bonds issued by Atlantia in 2014;
- c) a reduction of €91 million in other non-current financial assets, primarily following the reclassification to short-term of a loan to Ecomouv;
- d) a reduction of €62 million in term bank deposits, following reclassifications to short-term based on new estimates regarding collection;
- e) a reduction of €27 million in financial assets deriving from government grants for construction services for which no additional benefits are received, due to reclassifications to short-term, partially offset by accrued grants.

As at 31 December 2014, **current net funds** amount to €481 million (€105 million as at 31 December 2013).

After stripping out the new medium/long-term borrowings (€400 million) and the reclassification of portions of non-current net financial liabilities maturing in 2015 (€90 million), the increase in current net funds amounts to €66 million and primarily reflects the contribution from operating cash flow (€1,395 million), partially offset by net cash used for investment in motorway assets, property, plant and equipment, intangible assets and investments (€663 million) and dividends declared (€670 million).

The loans received by the Company from Atlantia mature between 2016 and 2038 and have a residual average term to maturity of approximately 6 years. 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 6 years and 10 months as at 31 December 2014. Also taking into account the type of interest rate hedges entered into by the Company (cash flow hedges), 96% of net debt as at 31 December 2014 is fixed rate.

The average cost of the Company's medium/long-term borrowings in 2014 was approximately 4.7%.

On 31 October 2014, the Central Bank of Ireland and the Irish Stock Exchange approved the Base Prospectus for the Company's €7 billion Euro Medium Term Note (“EMTN”) Programme, approved by the Board of Directors on 17 October 2014. The new notes to be issued under the new EMTN Programme will not be backed by any form of guarantee or other credit support from Atlantia, whilst the Company will continue to act as guarantor in respect of any outstanding issues under Atlantia's previous €10 billion EMTN Programme.

As at 31 December 2014, the Company has cash reserves (cash, term deposits and undrawn committed lines of credit) of an estimated €3,931 million and consisting of:

- a) €847 million in cash and/or investments maturing within the short term;
- b) €234 million in term deposits allocated to finance the execution of construction services;
- c) €2,850 million in undrawn committed lines of credit. The Company has lines of credit with a weighted average residual term to maturity - computed with reference to expiry of the drawdown period - of approximately 6 years and 3 months and a weighted average residual drawdown period of approximately 1 year and 3 months, including:
 - 1) €250 million representing the unused portion of the loan obtained from the EIB in December 2010, drawable until March 2016 and maturing in December 2036;
 - 2) €800 million representing the unused portion of the loan granted by Cassa Depositi e Prestiti and SACE, drawable until September 2016 and maturing in 2024;

- 3) €500 million representing the unused portion of the loan granted by Cassa Depositi e Prestiti on 21 December 2012, drawable until November 2016 and maturing in 2027;
- 4) €1,000 million available under a committed Revolving Credit Facility with Mediocredito acting as Agent Bank, unused as at 31 December 2014 and maturing in June 2015;
- 5) €100 million relating to the unused portion of the facilities agreed with the EIB in September 2013, drawable until September 2015 and maturing in September 2036;
- 6) €200 million relating to the unused portion of the facilities agreed with the EIB in September 2013, drawable until March 2016 and maturing in September 2034.

Cash flow

“Cash flows from operating activities” amount to €1,395 million, marking a reduction of €110 million compared with the figure for 2013 (€1,505 million). This reflects the reduction in dividends received in 2014, compared with 2013.

Operating cash flow is, however, down €14 million, as previously described in the section, “Results of operations”, whilst cash from operating capital and other non-financial assets and liabilities is down €95 million compared with 2013. In particular, cash used in 2014 is essentially linked to the increase in current assets, totalling €56 million, essentially reflecting the payment of advances to suppliers in relation to contract reserves accounted for in connection with work on the upgrade of the section of motorway that crosses the Apennines between Sasso Marconi and Barberino del Mugello, whilst the inflow in 2013 was primarily due to a reduction in net current tax assets of €66 million, due to the offset of the tax credit deriving from the previous year against prepayments due for 2013.

“Cash used for investment in non-financial assets” amounts to €623 million, down €156 million on the corresponding flow for 2013 (€779 million). This primarily reflects:

- a) reduced investment in motorway assets, after the related government grants (down €58 million);
- b) proceeds from the disposal of investments, totalling €78 million, following collection of the considerations received in return for controlling interests in Pavimental and Spea Ingegneria Europea, previously described in the section, “Financial position”.

The “Cash outflow resulting from changes in equity”, amounting to €670 million, includes the balance of dividends payable to the parent, Atlantia, down €24 million on 2013 (€694 million).

As a result of the above cash flows, net debt has been reduced by €102 million in 2014 (€32 million in 2013).

There were also “Other changes in net debt” in 2014, increasing net debt by €134 million. These essentially regard fair value losses on derivative financial instruments, linked to the reduction in interest rates as at 31 December 2014, compared with 31 December 2013. In 2013, other changes in net debt resulted in a reduction in net debt of €120 million, and included €113 million relating to fair value gains on derivative financial instruments, reflecting an increase in interest rates as at 31 December 2013, compared with 31 December 2012.

The above cash flows have, therefore, resulted in an overall increase in net debt of €32 million, compared with a reduction of €152 million in 2013.

STATEMENT OF CHANGES IN NET DEBT ⁽¹⁾

€m	2014	2013
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Profit for the year	704	810
Adjusted by:		
Amortisation and depreciation	487	489
Provisions	176	-1
Financial expenses from discounting of provisions for construction services required by contract and other provisions	98	82
Impairment losses/(Reversal of impairment losses) of non-current financial assets including investments accounted for at cost or fair value	-24	2
Net change in deferred tax (assets)/liabilities through profit or loss	40	86
Other non-cash costs (income)	-32	-4
Change in working capital	-7	41
Other changes in non-financial assets and liabilities	-47	-
Net cash generated from/(used in) operating activities [A]	1.395	1.505
CASH FLOWS FROM (USED IN) INVESTMENT IN NON-FINANCIAL ASSETS		
Investment in motorway infrastructure	-707	-760
Government grants related to motorway infrastructure	40	35
Purchases of property, plant and equipment	-17	-23
Purchases of other intangible assets	-15	-12
Purchase of investments, net of unpaid called-up issued capital	-2	-20
Proceeds from sales of property, plant and equipment, intangible assets and investments	78	1
Net cash generated from/(used in) investment in non-financial assets [B]	-623	-779
CASH FLOWS FROM (USED IN) CHANGES IN EQUITY		
Dividends declared	-670	-694
Net equity cash outflows [C]	-670	-694
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS [A+B+C]	102	32
Change in fair value of derivative financial instruments recognised in comprehensive income	-135	113
Financial income/(expenses) accounted for as an increase in financial assets/(liabilities)	1	7
Other changes in net debt [D]	-134	120
DECREASE/(INCREASE) IN NET DEBT FOR YEAR [A+B+C+D]	-32	152
Net debt at beginning of year	-10.650	-10.802
NET DEBT AT END OF YEAR	-10.682	-10.650

- (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, 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" shows the change in operating capital, consisting of trade-related items directly linked to the ordinary activities of the business;
 - "Net cash from/(used in) investment in non-financial assets" solely includes cash flows used in and generated from investment in 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 movements in financial assets and liabilities that do not have an impact on cash and cash equivalents.

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. 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. It should be noted that, as a result of the events described in the "Introduction", the contributions of the French companies set up in relation to the "Eco-Taxe project" and the companies disposed of during the year (Pavimental, Spea and their respective subsidiaries) have been included in "Profit/(Loss) from discontinued operations" in both comparative periods, and therefore do not contribute to the segment's revenue or EBITDA. In contrast, however, the segment's operating cash flow and capital expenditure include the contributions of these companies (in the case of Pavimental and Spea, until the respective dates of their deconsolidation).

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

AUTOSTRADA PER L'ITALIA GROUP - 2014

€m	Italian motorways	Overseas motorways	Other activities	Eliminations and consolidation adjustments	Total consolidated amounts
REPORTED AMOUNTS					
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
Operating cash flow	1,410	319	11	-	1,740
Capital expenditure	774	156	13	-10	933
ADJUSTED AMOUNTS ⁽¹⁾					
Adjusted EBITDA	2,257	489	14	-	2,760
Adjusted operating cash flow	1,410	345	87	-	1,842

(1) Adjusted amounts are presented on the basis normally adopted by financial analysts and the rating agencies. The adjustments made regard disapplication of the financial model introduced by IFRIC 12.

AUTOSTRADE PER L'ITALIA GROUP - 2013

€m	Italian motorways	Overseas motorways	Other activities	Eliminations and consolidation adjustments	Total consolidated amounts
REPORTED AMOUNTS					
External revenue	3,496	557	65	-	4,118
Intersegment revenue	32	-	29	-61	-
Total revenue	3,528	557	94	-61	4,118
EBITDA	2,106	410	1	-	2,517
Operating cash flow	1,289	307	32	-	1,628
Capital expenditure	852	78	268	29	1,227
ADJUSTED AMOUNTS ⁽¹⁾					
Adjusted EBITDA	2,106	490	1	-	2,597
Adjusted operating cash flow	1,289	326	8	-	1,623

(1) Adjusted amounts are presented on the basis normally adopted by financial analysts and the rating agencies. The adjustments made regard disapplication of the financial model introduced by IFRIC 12.

2.4 Key performance indicators for the Group's principal subsidiaries^[*]

€m	Revenue				EBITDA			
	2014	2013	Incr./[Decr.]		2014	2013	Incr./[Decr.]	
	Total		%		Total		%	
ITALIAN MOTORWAYS								
Autostrade per l'Italia	3,332	3,190	142	4%	2,076	1,931	145	8%
Telepass	145	141	4	3%	88	86	2	2%
Società Italiana per il Traforo del Monte Bianco	55	55	-	n.a.	35	36	-1	-3%
Autostrade Meridionali	79	75	4	5%	28	27	1	4%
Tangenziale di Napoli	71	70	1	1%	26	24	2	8%
Raccordo Autostradale Valle d'Aosta	18	17	1	6%	5	5	-	n.a.
AD Moving	9	9	-	n.a.	-	-	-	n.a.
OVERSEAS MOTORWAYS								
Rodovias das Colinas	145	149	-4	-3%	116	112	4	4%
Triangulo do Sol	134	137	-3	-2%	103	102	1	1%
Vespucio Sur	70	71	-1	-1%	59	60	-1	-2%
Costanera Norte	76	81	-5	-6%	57	60	-3	-5%
Stalexport Autostrady group	54	50	4	8%	40	39	1	3%
Rodovia MG050 (Nascentes das Gerais)	32	31	1	3%	21	21	-	n.a.
Los Lagos	19	20	-1	-5%	12	13	-1	-8%
Autopista Nororientale	3	4	-1	-25%	-	-1	1	-100%
Litoral Central	2	2	-	n.a.	-	-	-	n.a.
AMB	1	1	-	n.a.	-	-	-	n.a.
OTHER ACTIVITIES								
Autostrade Tech	52	62	-10	-16%	9	7	2	29%
ETCC	49	45	4	9%	3	-2	5	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.

[**] Include investment in assets held under concession, in property, plant and equipment and in other intangible assets

EBIT					CAPEX (**)				Net funds/(debt)			
2014	2013	Incr./{Decr.}		2014	2013	Incr./{Decr.}		2014	2013	Incr./{Decr.}		
		Total	%			Total	%			Total	%	
	1,411	1,441	-30	-2%	739	795	-56	-7%	10,682	10,650	32	n.s.
	72	71	1	1%	9	13	-4	-31%	299	269	30	11%
	11	21	-10	-48%	1	1	-	n.a.	-99	-85	-14	16%
	20	16	4	25%	11	33	-22	-67%	-148	-138	-10	7%
	13	14	-1	-7%	10	6	4	67%	37	40	-3	-8%
	-11	-6	-5	83%	3	3	-	n.a.	-88	-82	-6	7%
	-	-	-	n.a.	-	-	-	n.a.	1	1	-	n.a.
	94	100	-6	-6%	20	7	13	n.s.	1	21	-20	-95%
	83	84	-1	-1%	5	3	2	67%	-42	-16	-26	n.s.
	54	54	-	n.a.	-	-	-	n.a.	37	84	-47	-56%
	54	56	-2	-4%	50	38	12	32%	-133	-49	-84	n.s.
	26	27	-1	-4%	10	7	3	43%	-34	-11	-23	n.s.
	12	12	-	n.a.	65	20	45	n.s.	90	36	54	n.s.
	7	7	-	n.a.	-	-	-	n.a.	-241	-214	-27	13%
	-	-1	1	-100%	-	-	-	n.a.	-32	-18	-14	78%
	-	-1	1	-100%	-	-	-	n.a.	-99	-88	-11	13%
	-	-	-	n.a.	-	-	-	n.a.	-8	-3	-5	n.s.
	7	3	4	n.s.	1	3	-2	-67%	-10	10	-20	n.s.
	-4	-26	22	-85%	3	6	-3	-50%	44	35	9	26%

2.5 Italian motorways

The Group's Italian motorway operators report net toll revenue of €3,166 million for 2014. This marks an increase of €145 million, essentially reflecting the application of annual toll increases (boosting revenue by €115 million, primarily due to the increase of 4.43% applied by Autostrade per l'Italia from 1 January 2014) and an increase in motorway traffic volumes (up 1.0%, accounting for an increase of €28 million).

Other operating income is up €6 million on 2013, primarily as a result of one-off royalties received following the award of food service concessions at a number of service areas and income recognised as a result of the handover, free of charge, of buildings following the expiry of concessions. The improvement also reflects increased revenue at Telepass, which benefitted from increased business in Italy and compensation designed to cover the costs incurred as a result of the decision to postpone introduction of the eco-tax in France, as agreed in the memorandum of understanding between Ecomouv and the French government. These increases were partially offset by the conclusion, in 2013, of Autostrade per l'Italia's involvement in the "Design & Build" phase of the Eco-Tax project, by a reduction in recurring royalties from sub-concessions on the Italian motorway network and a reduction in other income from one year to the other.

Net operating costs of €1,422 million are stable with respect to 2013, primarily as a result of the combined effect of the following:

- a) reduced costs incurred by Autostrade per l'Italia for the "Design & Build" phase of the Eco-Tax project;
- b) a reduction in the cost of materials and external services, above all lower costs deriving from settlements with service area operators;
- c) increased maintenance work on the networks operated by Autostrade per l'Italia and Autostrade Meridionali, the latter following the entry into service of the third lanes, partly offset by a reduction in winter operations at Autostrade per l'Italia, due to reduced snowfall during 2014;
- d) an increase in concession fees due to the above growth in toll revenue;
- e) substantially stable staff costs, which, before deducting capitalised costs, are up 0.2% due to:
 - an increase in the average unit cost (up 0.9%), primarily due to contract renewals at motorway operators, partially offset by a reduction in the cost of variable staff and 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 linked to a freeze on new recruitment at Autostrade per l'Italia and Tangenziale di Napoli and the transfer of personnel from Autostrade per l'Italia to Atlantia in order to strengthen the parent's organisation following the merger with Gemina, partially offset by an increase in the workforce at Giove Clear following expansion of the company's operations to include new service areas.

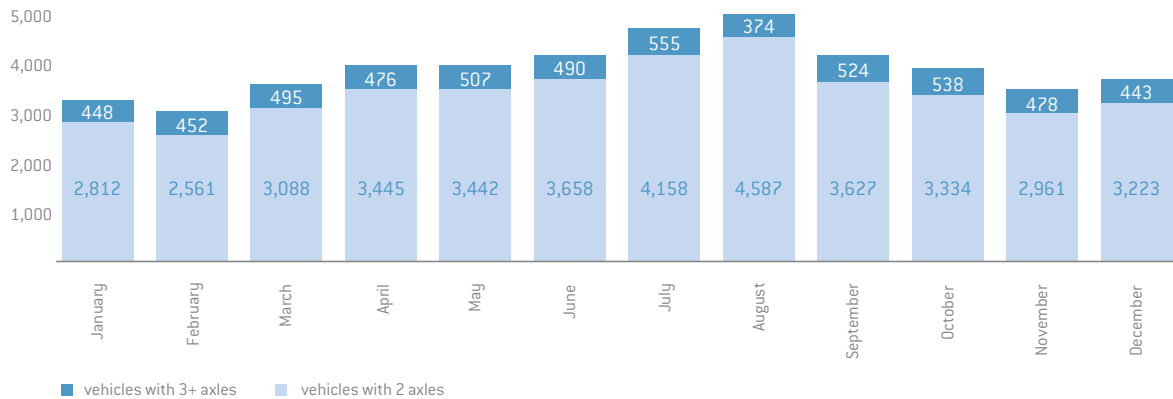
EBITDA for the Italian motorways segment in 2014, amounting to €2,257 million, is up €151 million (7%) on 2013 (€2,106 million).

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 1.0% compared with 2013. Vehicles with 2 axles (cars and vans, representing 87.6% of the total) registered an increase of 1.0%, whilst those with 3 or more axles (12.4% of the total) are up 1.3%. The comparison with the previous year should take into account the fact that 2014 benefitted from more favourable meteorological conditions and calendar effects compared with 2013.

The Group's other Italian operators report contrasting performances: Raccordo Autostradale Valle d'Aosta and Tangenziale di Napoli saw declines in traffic of 2.1% and 1.7%, respectively, whilst the other two Group companies registered positive trends (up 4.5% at Autostrade Meridionali and up 0.7% at Traforo del Monte Bianco).

MONTHLY TRAFFIC TRENDS ON THE NETWORK OPERATED UNDER CONCESSION IN ITALY IN 2014 (millions of vehicles x km)



TRAFFIC ON THE NETWORK OPERATED UNDER CONCESSION IN ITALY IN 2014

Motorway	Vehicles x km (millions)				ATVD * 2014
	Vehicles with 2 axes	Vehicles with 3+ axes	Total vehicles	% Incr./[decr.] on 2013	
A1 Milan-Naples	14,200	2,471	16,670	1.3	56,842
A4 Milan-Brescia	3,219	418	3,637	-0.2	106,576
A7 Serravalle-Genoa	508	74	582	0.4	31,912
A8/A9 Milan-Lakes	2,196	135	2,331	0.8	82,195
A8/26 link road	441	27	469	0.8	53,485
A10 Genoa-Savona	761	84	844	-0.1	50,845
A11 Florence-coast	1,357	97	1,454	0.9	48,773
A12 Genoa-Sestri	776	52	828	-0.3	46,596
A12 Rome-Civitavecchia	579	40	618	-1.4	25,904
A13 Bologna-Padua	1,653	276	1,928	1.4	41,503
A14 Bologna-Taranto	8,147	1,335	9,482	1.4	33,245
A16 Naples-Canosa	1,177	128	1,305	0.4	20,746
A23 Udine-Tarvisio	432	109	541	1.7	14,647
A26 Genoa Voltri-Gravellona Toce	1,690	257	1,947	1.1	21,782
A27 Venice-Belluno	622	51	672	0.5	22,409
A30 Caserta-Salerno	690	94	784	-0.7	38,831
Mestre Interchange	39	5	44	16.6	-
Total Autostrade per l'Italia	38,487	5,652	44,138	1.0	42,362
Naples-Pompei-Salerno	1,484	32	1,515	4.5	80,447
Naples Ring Road	836	76	911	-1.7	123,581
Mont Blanc Tunnel	8	3	11	0.7	5,046
Raccordo Autostradale Valle d'Aosta	83	18	102	-2.1	8,599
Total Italian operators	40,897	5,780	46,677	1.0	43,137

[*] ATVD: Average Theoretical Vehicles per Day, equal to number of kilometres travelled/journey length/number of days in the year.

Toll increases

The following annual toll increases were introduced by Autostrade per l'Italia and the Group's Italian motorway operators from 1 January 2014:

Italian motorway operators	Toll increase
Autostrade per l'Italia ⁽¹⁾	4.43%
Raccordo Autostradale Valle d'Aosta ⁽²⁾	5.00%
Tangenziale di Napoli ⁽³⁾	1.89%
Autostrade Meridionali ⁽⁴⁾	-
Società Italiana Traforo del Monte Bianco ⁽⁵⁾	3.35%

(1) The toll increase applicable to Autostrade per l'Italia consists of 2.69% designed to provide a return on additional capital expenditure via the X tariff component; 0.20% designed to provide a return on new investment via the K tariff component; and 1.54%, being equivalent to 70% of the consumer price inflation rate in the period from 1 July 2012 to 30 June 2013.

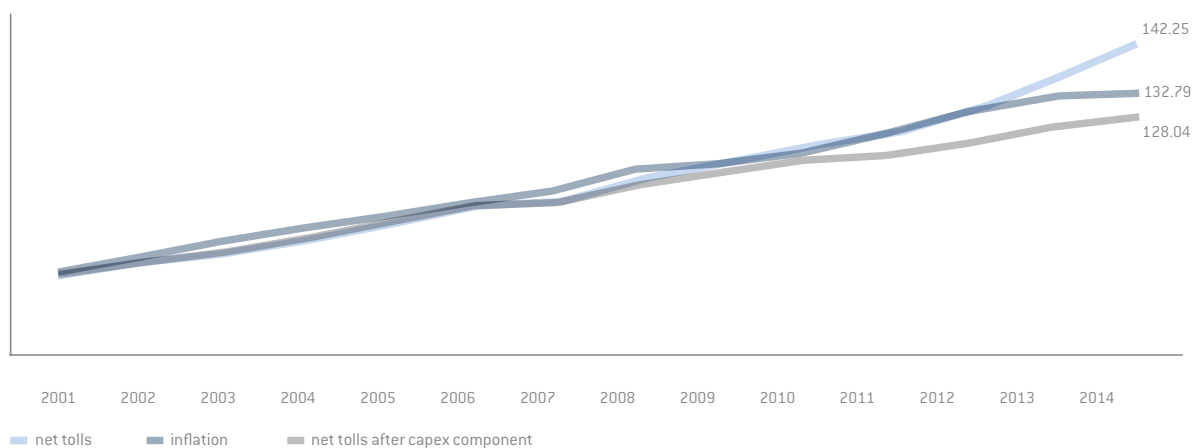
(2) Raccordo Autostradale Valle d'Aosta applied a toll formula that takes into account the target inflation rate, a rebalancing component and a return on investment, in addition to quality in 2014. The toll increase was provisionally determined, with respect to the increase of 14.63% applied for.

(3) Tangenziale di Napoli applies a toll formula that takes into account the target inflation rate, a rebalancing component and a return on investment, in addition to quality. In 2014, the company benefitted from a lower increase than applied for, amounting to 0.54%. This was due to the non-recognition, for the purposes of tolls for 2014, of certain investments (0.53%) and a change to the method of measuring quality (-0.01%).

(4) Autostrade Meridionali was not authorised to apply any toll increase following expiry of its concession on 31 December 2012.

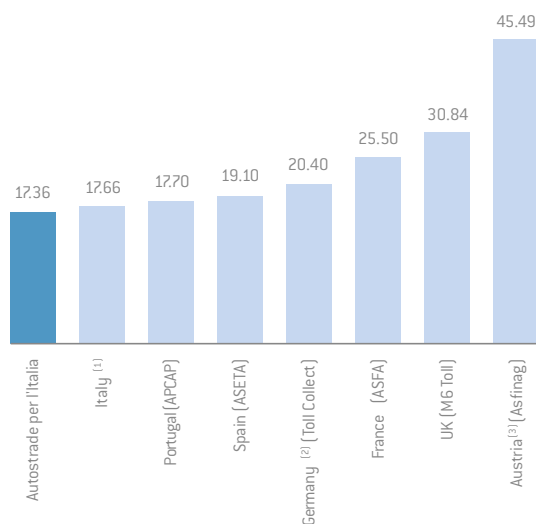
(5) Traforo del Monte Bianco, which operates under a different concession regime based on bilateral agreements between Italy and France, applied a total increase of 3.35% from 1 January 2014, in accordance with the resolutions approved by the relevant Intergovernmental Committee on 20 October 2011 and 25 November 2011. This reflects a combination of two elements:
 - 0.95% representing the average inflation rate in France and Italy for the period from 1 September 2012 - 31 August 2013;
 - 2.40% in accordance with the joint declaration issued by the Italian and French governments on 3 December 2012, with use of the proceeds still to be decided on by the two governments.

Inflation and toll increases applied by Autostrade per l'Italia: trends 2000-2014^(*) (base 2000 = 100)



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

AVERAGE TOLLS FOR HEAVY VEHICLES IN EUROPE^(*) VAT INCLUDED (2014 in € cents per km)



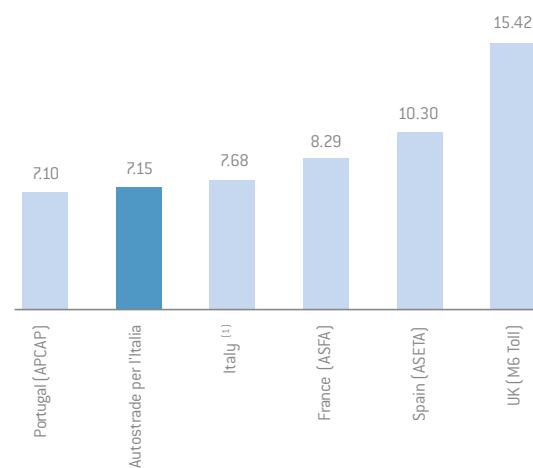
[*] Source: APCAP, ASETA, ASFA, Toll Collect, Asfinag, M6 Toll, ASECAP.

[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.

AVERAGE TOLLS FOR CARS IN EUROPE^(*) VAT INCLUDED (2014 in € cents per km)



[*] Source: APCAP, ASETA, ASFA, M6 Toll, ASECAP.

[1] Source: AISCAT.

Capital expenditure

Autostrade per l'Italia and the Group's Italian motorway operators are in the process of implementing a programme of investment in major infrastructure projects worth approximately €15 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 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.

Upgrade and modernisation of the network operated under concession in Italy

During 2014, Autostrade per l'Italia and the Group's other Italian operators invested a total of €774 million, down €78 million (9%) compared with 2013, basically following completion of a number of works on the network.

CAPITAL EXPENDITURE

€m	2014	2013	% Incr./[Decr.]
Autostrade per l'Italia - projects in Agreement of 1997	277	297	-7%
Autostrade per l'Italia - projects in IV Addendum of 2002	216	282	-23%
Investment in major works by other operators	14	35	-60%
Other capital expenditure and capitalised costs (staff, maintenance and other)	224	188	19%
Total investment in infrastructure operated under concession	731	802	-9%
Investment in other intangible assets	17	14	21%
Investment in property, plant and equipment	26	36	-28%
Total investment in motorways in Italy	774	852	-9%

The volume of investment relating to works envisaged in Autostrade per l'Italia's Agreement of 1997 is down €20 million on the figure for 2013. The difference primarily reflects the approaching completion of work on the boring of tunnels for the *Variante di Valico*, partially offset by a cost increase agreed with the contractor working on the Base Tunnel following settlement of the related dispute. There was also a reduction in work on the upgrade of the Barberino-Incisa section, primarily linked to completion of the first phase of off carriageway works on the Florence North-Florence South section. There is continuing uncertainty over when work in the Tuscany region can start up again. Work has been halted following the investigation launched by the Public Prosecutor's Office in Florence regarding the reuse of soil and rocks resulting from excavation work.

The decrease in investment in works envisaged in Autostrade per l'Italia's IV Addendum of 2002, amounting to approximately €66 million, is primarily due to completion, in 2013, of work on the Rimini Nord-Cattolica and Cattolica-Fano sections of the A14, and the opening to traffic, in August 2013, of 10.4 km of new lanes between Pesaro and Fano.

The above reduction in work was partly offset by an increase in work on the Senigallia-Ancona North and Ancona North-Ancona South sections of the A14, and by the start-up of work on widening the Milan-Lainate section of the A8 Milan-Lakes motorway to five lanes.

The €21 million reduction in investment in major works by the Group's Italian operators, compared with 2013, reflects a decrease in work carried out by Autostrade Meridionali, following completion of the works earmarked in agreement with the Grantor. Autostrade Meridionali's concession actually expired on 31 December 2012. At the request of the Grantor, however, from January 2013 the company has continued to be responsible for day-to-day operation of the concession, whilst awaiting its replacement by the incoming operator, subject to inclusion of the related costs in the value of its takeover right.

The authorisation process for investment projects

Motorway investment projects in Italy are subject to a complex authorisation process involving various relevant ministries and entities, in addition to the Grantor. The authorisations, primarily having regard to environmental and urban planning requirements, are dependent on numerous entities with decision-making powers. There are, however, significant difficulties in obtaining all necessary permits and the application processes are long and drawn out.

Even when projects have been given approval and agreement has been reached with local communities, relations with the construction companies awarded contracts can prove difficult, in part due to the selection criteria imposed by current regulations, which, in the event of a public tender, require contracts to be awarded on a lowest cost basis. This requirement, which focuses exclusively on the cost of the work, often ignores the technical ability and quality of contractors.

Law Decree 207 of 30 December 2008, converted with amendments into Law 14 of 27 February 2009, introduced new regulations for motorway operators that are not contracting entities, who are now permitted to award contracts to subsidiaries or associates, such as Pavimental in the case of Autostrade per l'Italia, for a portion of the network upgrade works to be carried out, whilst, however, introducing an obligation to award a minimal part of the works to be carried out to third-party contractors.

More recently, Law Decree 1/2012 (converted, with amendments, into Law 27/2012) and Law Decree 83/2012 (the so-called "Development Decree", converted into Law 134/2012) set the minimum percentage of works to be contracted out to third-party contractors at 60% from 1 January 2014.

Contract reserves quantified by contractors

As at 31 December 2014, the Group's Italian motorways operators have recognised contract reserves quantified by contractors amounting to approximately €2,260 million (€2,050 million as at 31 December 2013). Based on past experience, only a small percentage of the reserves will actually have to be paid to contractors and, in this case, will be accounted for as an increase in the cost of concession rights.

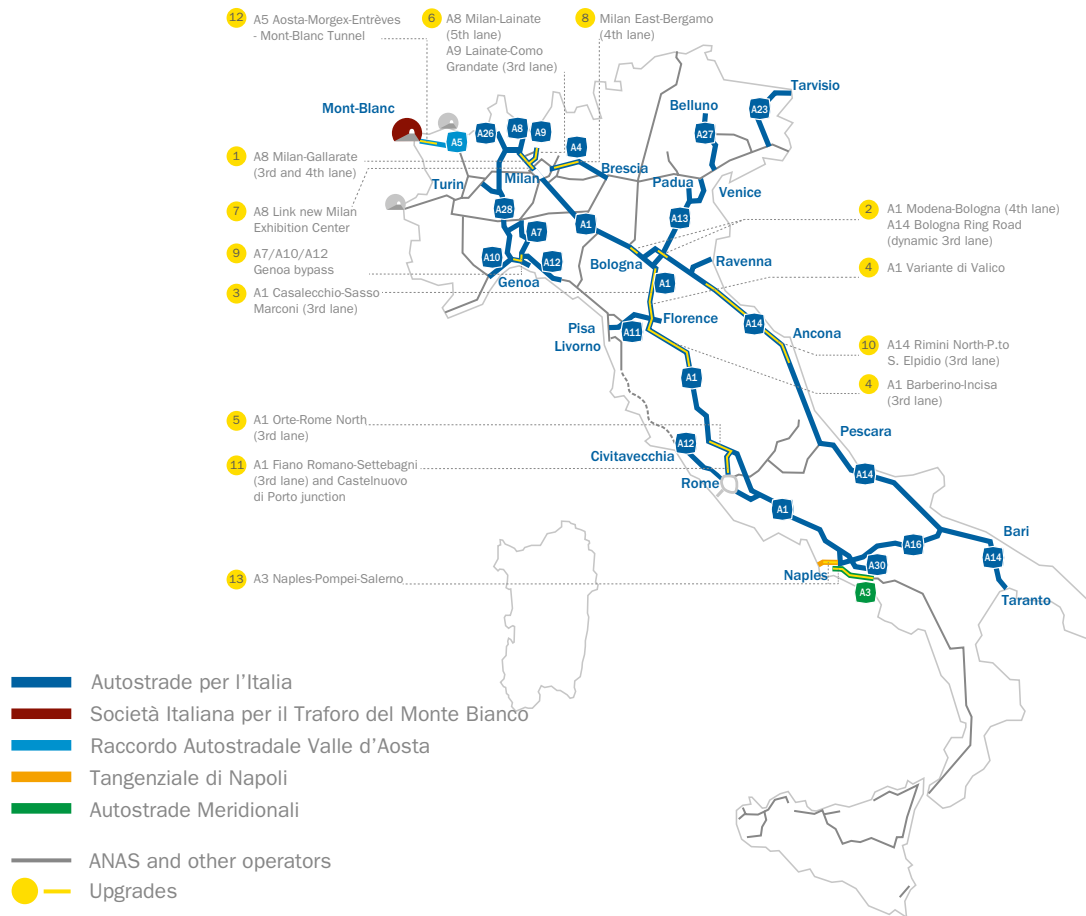
Reserves have also been recognised in relation to works not connected to investment (work for external parties and maintenance), amounting to approximately €50 million. The estimated future cost is covered by provisions for disputes accounted for in the consolidated financial statements as at and for the year ended 31 December 2014.

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 2014.

PLANNED INVESTMENT IN THE ITALIAN NETWORK



Autostrade per l'Italia	Total km	Km opened to traffic	(€bn) Total ⁽¹⁾	(€bn) Completed
Agreement of 1997	237	151	6.8	5.1
IV Addendum of 2002	270	195	7.4	3.2
Single Arrangement 2007 ⁽²⁾	325	-	5	-
Other projects	-	-	2	0.3
Total	832	346	21.2	8.6

SUBSIDIARIES	Km	Km completed	(€bn) Total ⁽¹⁾	(€bn) Completed
Construction of Valle d'Aosta Link Road	12	12	0.4	0.4
Construction of third lane by Autostrade Meridionali	20	15	0.6	0.5
Total	32	27	1	0.9
Group total	864	373	22.2	9.5

(1) Total cost of carrying out the works, as assessed as at 31 December 2014, 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 are net of an amount included in "Other investment".

(2) 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.

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

Project		Status as at 31/12/2014	Km covered by project	Value of project	Km opened to traffic as at 31/12/2014	Stage of completion as at 31/12/2014
			(km)	(a) €m	(km)	(b) €m
Autostrade per l'Italia: Agreement of 1997						
1	A8 3rd and 4th lanes Milan-Gallarate	Completed	28.7	65	28.7	65
2	A1 4th lane Modena-Bologna	Completed ⁽¹⁾	31.6	180	31.6	145
2	A14 3rd lane Bologna Ring Road	Completed ⁽²⁾	13.7	59	13.7	59
3	A1 3rd lane Casalecchio-Sasso Marconi	Completed	4.1	83	4.1	83
4	A1 Variante di Valico	Work in progress/ completed ⁽³⁾	62.5	4,057	19.4	3,612
4	A1 3rd lane Barberino-Incisa	completed ⁽⁴⁾	58.5	2,099	15.2	930
5	A1 3rd lane Orte-Rome North	Completed	37.8	192	37.8	191
	Other projects	Work in progress/ completed ⁽⁵⁾	-	28	n.a	24
Total projects under Agreement of 1997			236.9	6,763	150.5	5,109
Projects included in IV Addendum of 2002 ^(c)						
11	A1 3rd lane Fiano R.-Settebagni and Castelnuovo di Porto junction	Completed	15.9	129	15.9	125
8	A4 4th lane Milan East-Bergamo	Completed	33.6	514	33.6	511
6	A8 5th lane Milan-Lainate	Work in progress	4.4	209	-	19
6	A9 3rd lane Lainate-Como Grandate	Completed	23.2	344	23.2	300
10	A14 3rd lane Rimini North-Porto Sant'Elpidio	Work in progress/ completed ⁽⁶⁾	154.7	2,550	118.6	1,862
9	A7/A10/A12 Genoa Bypass	Services Conference in progress	34.8	3,256	-	57
7	A8 Access for New Milan Exhibition Centre	Completed	3.8	86	3.8	86
	Other projects	completed ⁽⁷⁾	-	202	n.a	195
Total projects under IV Addendum of 2002			270.4	7,290	195.1	3,155
Subsidiaries						
12	A5 RAV A0-Mont Blanc Tunnel (A5) Morgex-Entrèves	Completed	12.4	430	12.4	422
13	A3 Autostrade Meridionali NA-Pompei-SA (A3) Naples-Pompei ^(d)	Work in progress/ completed	20.0	553	15.0	521
Total projects of subsidiaries			32.4	983	27.4	943
Total investment in major works			539.7	15,036	373	9,207

(a) Total cost of carrying out the works, as assessed at 31 December 2014, 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 Agreement 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, which forms part of the works requested by local authorities and is awaiting approval from the Services Conference. This cannot be closed until a new Arrangement has been agreed by ANAS and the authorities concerned.

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

(3) 19.4 km is open to traffic between Sasso Marconi and La Quercia. Work on Lot 12, of which 4.5 km has been completed and will be opened to traffic to coincide with completion of work on the Base Tunnel and Lot 13. Work is in progress on the remaining section of motorway.

(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 is under approval by the Ministry of Infrastructure and Transport, whilst the Environmental Impact Assessment for Lot 2 has been completed and approval by the Services Conference is awaited.

(5) Work on widening the bridge over the Voltorno, 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 118.6 km of third lane is open to traffic between Rimini North and Senigallia and between Ancona South and Porto Sant'Elpidio, in addition to the new junctions at Montemarciano, Porto Sant'Elpidio and Senigallia. Work is in progress on Lots 4 (Senigallia-Ancona North, 18.9 km) and 5 (Ancona North-Ancona South, 17.2 km).

(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.

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 9 times in 2014.

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

Of the works included in Autostrade per l'Italia's Agreement of 1997, as at 31 December 2014 over 95% of the works have been authorised, more than 85% have been contracted out, and 75% 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, ruled 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 were also 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 (for 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, even though much later than forecast in 2002, 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.

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 €5.1 billion have been completed, a figure that is higher than the cost of the works estimated in 2002. 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.

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 (Milan, Genoa and Rome) 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 2014, over 53% of the works have been authorised, approximately 50% have been contracted out and over 43% 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.

On 22 January 2015, the second and last session of the Services Conference was held. Receipt of the Decree finalising the agreement between central government and the regional authority, which marks the conclusion of the authorisation process, is awaited.

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 investments in major works by the other Italian motorway operators

With regard to investments in new works by Autostrade per l'Italia's subsidiaries (Raccordo Autostradale Valle d'Aosta and Autostrade Meridionali), as at 31 December 2014, 100% of the works have been authorised, 100% of the works are being carried out or the related contracts are being awarded, and 96% have been completed.

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 related investment programme, 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, over 94% of the upgrade works have been completed.

Network operations

The cost to Autostrade per l'Italia and its Italian motorway subsidiaries for maintenance, safety and traffic management on the network in 2014 (excluding work at service areas) was €401 million (€409 million in 2013 on a like-for-like basis).

Total expenditure in 2014 (not including maintenance staff costs) is made up of the following:

- maintenance costs of €298 million;
- €103 million spent on safety and traffic management (including capitalised maintenance costs).

Approximately €372 million of the total of €401 million was for projects carried out by Autostrade per l'Italia.

Safety and maintenance

There were 14,329 accidents on Autostrade per l'Italia's network in 2014 (6.4% down on 2013). The global accident rate is down 7.1% on 2013, whilst the death rate (calculated as the number of fatalities per 100 million kilometres) was 0.31, compared with the 0.37 of 2013 (16.2%)¹.

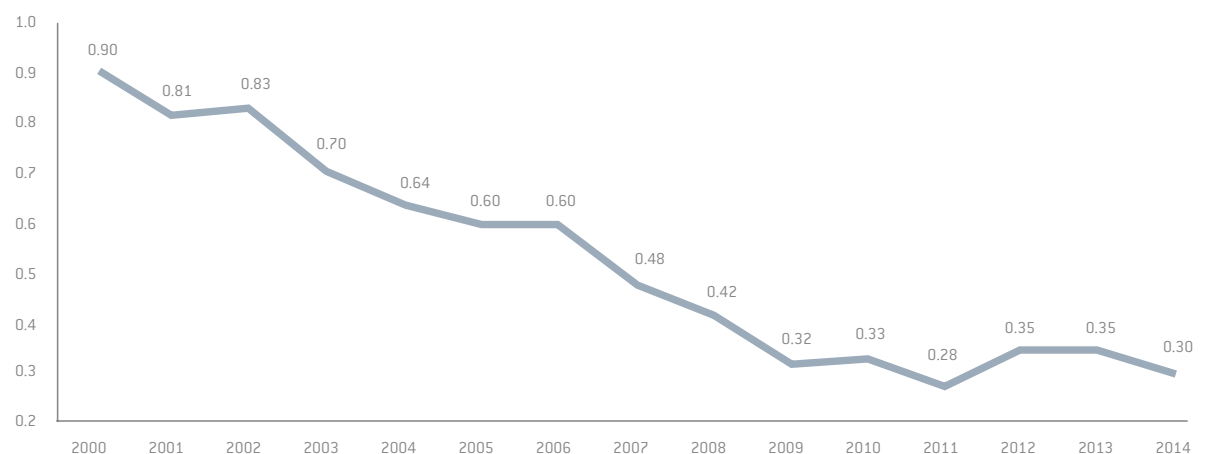
The figure for the entire network operated by Autostrade per l'Italia and the Group's other Italian motorway operators was 14,721 accidents (down 6.4 % on 2013), with the global accident rate falling 7.1% on 2013, whilst the death rate (calculated as the number of fatalities per 100 million kilometres) was 0.30, down 14.3 % on the figure for 2013 (0.35).

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

	2000	2013	2014
Global accident rate (number of accidents per 100 Mn km travelled)	60.6	34.0	31.6
Accident rate on carriageways	-	29.5	27.1
Casualty rate (number of accidents per 100 Mn km travelled)	15.8	9.1	8.5
Fatal accident rate (number of accidents per 100 Mn km travelled)	0.71	0.24	0.25
Death rate (number of deaths per 100 Mn km travelled)	0.90	0.35	0.30

Note: the figures for 2014 are provisional; those for 2011 exclude Strada dei Parchi and those for 2012 also exclude Società Autostrada Tirrenica and Autostrada Torino-Savona.

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



Note: the figures for 2014 are provisional.

[1] The figure for 2013 was influenced by the accident that happened on the Acqualonga viaduct on the A16 on 28 July, as a result of which 40 people died.

The number of accidents at accident blackspots was also down in 2014, falling 21.5%. 278 specific initiatives were implemented during the year, to add to the over 1,650 such initiatives carried out from 2002, since when accidents at these points on the network have fallen by approximately 76%.

The improvement was also achieved thanks to deployment of the “Tutor” system for measuring average speeds (31 December 2014, 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 maintenance 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.

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

In keeping with the standards set in recent years, during 2014 there were over 75 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, above all on the A7, the A16 and the A23.

Other work on safety improvements related to the upgrade of further roadside barriers on a total of approximately 154 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	2013	2014
Square metres (x 1,000)	11,256	7,083	7,525
of which square metres with draining pavement (x 1,000)	2,319	4,321	4,847
Total cubic metres (x 1,000)	586	406	395
Total percentage of Autostrade per l'Italia's network surfaced with draining pavement	18.9%	84.8%	84.4%

As always, Autostrade per l'Italia ran numerous initiatives and campaigns in 2014 to promote safety:

- the plan for managing peak-time traffic during the summer of 2014, 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 the Company'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, a specific section of the website was created in 2014, providing 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 Delay¹ ("TD") on the network managed by Autostrade per l'Italia in 2014 amounted to approximately 4,030 thousand hours, up 5.6% on 2013.

The increase in the TD in 2013 primarily reflects a different concentration of traffic at weekends, above all during peak summer periods and over the Christmas period.

In fact, the Total Delay for weekends alone (Saturday and Sunday) was up 27.7%.

The Total Delay Work, a sub-index of Total Delay, which measures disruption caused by roadworks on motorways, recorded a reduction of 38.3% in 2014, compared with the previous year.

Work has continued over the years on the expansion of the number of information channels providing up-to-the-minute, detailed information on road conditions on the network operated under concession.

The following initiatives took place in 2014:

- continuation of the agreement with the commercial radio station, RTL, 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 2014 there were 1,342 panels on Autostrade per l'Italia's network;
- a total of 261,795 calls were made to the traffic information centre, with a total of 99.7% answered.

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

	2000	2013	2014
Number of variable message panels	384	1,328	1,342
% 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.	74	75
% of calls answered by the traffic information centre	n.a.	99	99

Toll collection and payments systems

In 2014, the number of transactions handled by automated tolling systems on the network operated by Autostrade per l'Italia rose 1.7% on the previous year, reaching 82.7% of total transactions (81.7% in 2013). This led to a reduction in manual transactions of 4.9%.

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 1.97%, accounting for 81.0% of total transactions (79.9% in 2013).

Free-flow tolling using Telepass accounted for 59.8% of transactions (58.6% including the networks of the Group's other operators), compared with 59.6% in 2013 (58.3% including the networks of the Group's other operators).

[1] 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.

Service areas and advertising

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

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

To date, 25 areas named in Autostrade per l'Italia's Single Concession Arrangement and in the related Addendum, signed and approved on 24 December 2013, remain to be completed.

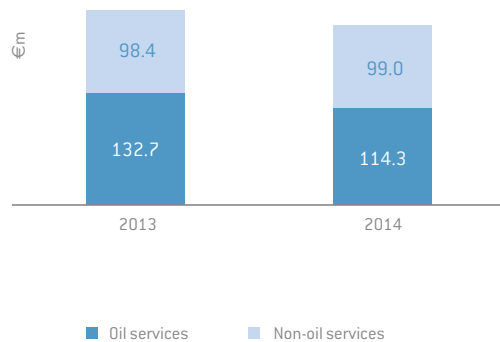
The above 25 projects, which have a total value of approximately €73.6 million, consist of:

- 14 projects already underway (6 where work is in progress; 1 where work is about to start; 7 where the design is under approval by the Grantor);
- 11 projects yet to get underway (9 designs to be approved by the Grantor, of which 7 where an application for Technical Validation has been requested, 2 where the designs are being drawn up).

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.

Recurring royalties received from sub-operators on the network managed by Autostrade per l'Italia in 2014 totalled €209.3 million, down 7.7% on 2013. Including the royalties received by the Group's other motorway operators, recurring service area royalties amount to €213.2 million, marking a decline of €17.9 million (7.8%) on 2013.

RECURRING ROYALTIES FROM SUB-OPERATORS ON THE NETWORK



In 2014, the subsidiary, AD Moving S.p.A., earned revenue of approximately €8.9 million (down 1.5% or €138 thousand on 2013) from the management and marketing of advertising space at service areas (temporary and permanent billboards, the "Infomoving" TV channel, displays, etc.) and road travel information along the motorways. This reflects a further decline in the Italian advertising market, with the advertising spend down 2.6% in the year to November 2014 (the latest date available from Nielsen).

Financial review for the principal subsidiaries

Autostrade Meridionali

Total revenue for 2014 amounts to €79.1 million, up €4 million (5.2%) on 2013.

Revenue reflects the previously mentioned addition to the concession fee to be paid to the Grantor, amounting to €9.4 million in 2014 (€8.9 million in 2013), with a matching amount recognised in operating costs.

Net toll revenue of €75.2 million compares with €72.2 million in the previous year (up €3 million). The increase reflects the impact of traffic growth in 2014, with the total number of journeys rising 4.5% compared with the previous year. The increase in traffic affected both heavy vehicles (up 5.8%) and light vehicles (up 4.3%), boosting revenue by an estimated €2.5 million. Other recurring revenue is up €1 million, essentially due to the recognition of receivables as a result of the discrepancies caused in 2013 and 2014 by the application of differentiated tolls.

EBITDA of €27.7 million is slightly up on 2013 (an increase of €0.3 million), primarily due to combined effect of the increase in total revenue, partially offset by an increase in the cost of maintenance services.

Investment of motorway assets totalled €11.3 million in 2014 (€32.7 million in 2013).

The single concession arrangement signed by Autostrade Meridionali and ANAS on 28 July 2009, and approved with Law 191/2009, 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.

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.

Tangenziale di Napoli

Total revenue of €70.8 million is up €1.3 million (1.8%) on 2013.

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 2013), with a matching amount recognised in operating costs.

The increase in total revenue, net of the toll surcharge, is primarily due to a €2.1 million rise in toll revenue as a result of the toll increase implemented from 1 January 2014, partly offset by a decline in traffic compared with 2013 (down 1.7%). The increase is partly offset by a reduction in other operating income of €0.9 million (down 12.1% on 2013, due substantially to a reduction in extraordinary items and reduced income from service areas and advertising, in addition to lower reimbursements from third parties).

EBITDA is up €2.0 million on 2013, reflecting the increase in revenue, as well as a reduction in operating and staff costs. Maintenance costs are down €0.2 million, whilst respecting obligations under the concession, and other operating costs, after concession fees, are down €0.6 million as a result of lower energy costs, partly offset by a rise in non-recurring operating costs. Staff costs are substantially unchanged.

The modernisation and upgrades provided for in the new concession arrangement continued in 2014. Investment, which totalled €9.5 million, is up €3.6 million on 2013 and regarded the new Hospital Area toll station, earthquake proofing, the installation of noise-absorbent barriers, safety barriers and the upgrade of the Capodimonte and Capodichino stations.

Società Italiana per Azioni per il Traforo del Monte Bianco

Total revenue of €55.3 million is substantially in line with 2013 (€55.4 million). Within this item, toll revenue of €55 million is up €0.1 million. Compared with the previous year, the number of paying vehicles is up from 1,783,964 to 1,804,982, marking an increase of 21,018 vehicles.

The Intergovernmental Committee authorised a toll increase of 3.35% from 1 January 2014, including the average inflation rate in Italy and France for the period from 1 September 2012 to 31 August 2013 (an increase of 0.95%) and the extraordinary toll increase of 2.40%, which - based on the decisions taken by the Italian and French ministers of infrastructure at their meeting in Lyons on 3 December 2012 - will also be applied through to 2015. 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 €35.2 million is down €0.5 million, reflecting the slight downturn in revenue and an increase in maintenance costs. Capital expenditure amounts to €1.1 million for 2014, slightly down compared with 2013 (a decline of €0.1 million). This reflects completion of work carried out in 2013 on enlarging the access ramp on the French side.

Raccordo Autostradale Valle d'Aosta

Total revenue of €17.7 million is up 2.5% on 2013 (up €0.4 million) and consists primarily of toll revenue (€17.1 million in 2014, compared with €16.4 million in 2013).

The increase in toll revenue above all reflects a toll increase of 5% applied from 1 January 2014, partially offset by a 2% reduction in traffic compared with the previous year. 2014 saw a decline in heavy vehicles of 0.4% and in light vehicles of 2.6%. EBITDA (€4.9 million) is down €0.5 million on the previous year, reflecting the net effect of the increase in toll revenue and a rise in the cost of materials and external services, due above all to maintenance work.

Capital expenditure amounts to €2.9 million for 2014 and almost entirely regards motorway infrastructure.

Net funds of €87.9 million are up €6.4 million on 2013.

Telepass

As at 31 December 2014, 8.5 million Telepass devices were in circulation (up 262,000 on 31 December 2013), whilst the number of subscribers of the Premium option exceeds 1.8 million (up 95,000 compared with 31 December 2013).

Telepass, the company responsible for operating tolling systems and the supplier, in Italy and overseas, of other transport-related payment systems, generated revenue of €145 million in 2014 (up 3% on the previous year). This primarily consists of Telepass fees of €94 million, Viacard subscription fees of €21 million and payments for Premium services of €14 million. Following postponement of the introduction of the eco-tax and the subsequent signature of the memorandum of understanding between Ecomouv and the French government, Ecomouv is to pay Telepass lump-sum compensation of €2 million to cover the cost of ensuring the operating system remains in service. This amount has been recognised in the current year.

The company's EBITDA for 2014 is €88 million, compared with €86 million for 2013.

2.6 Overseas motorways

The results of the Group's overseas motorway businesses for 2014 have benefitted from positive traffic trends (measured in kilometres travelled) compared with 2013: up 5.9% in Chile, up 2.3% in Brazil¹ and up 7.4% at the Polish operator, Stalexport Autostrada Malopolska.

The operating results for 2014 reflect, however, the depreciation of the Chilean and Brazilian currencies compared with the previous year.

The Chilean operators generated total revenue of €171 million in 2014, marking a reduction of 4% on 2013 (€179 million). At constant exchange rates, revenue is up 10%. Toll revenue for 2014 reflects the toll increases provided for in the concession arrangements from January 2014. EBITDA of €128 million is down by approximately €4 million (3%) on 2013. At constant exchange rates, EBITDA is up 11%.

The Brazilian operators generated total revenue of €311 million in 2014, marking a reduction of 2% on 2013 (€317 million). At constant exchange rates, revenue is up 5%. Toll revenue for 2014 reflects the toll increases provided for in concession arrangements applied by operators in the State of Sao Paulo from July and by the operator, Rodovia MG050, in the State of Minas Gerais from June. EBITDA of €240 million is up by approximately €5 million (2%) on 2013. At constant exchange rates, EBITDA is up 11%.

In Poland, the Stalexport Autostrady group recorded total revenue of €54 million, up 8% compared with 2013. EBITDA of €40 million is up 3% on 2013.

Chile

Autostrade per l'Italia has indirect interests in the following companies in Chile:

- the operator, Los Lagos, a wholly owned subsidiary of the Group, which holds the concession for a 135-km section of Ruta 5 between Rio Bueno and Puerto Montt;
- the holding company, Grupo Costanera, which is 50.01% owned by the Atlantia Group and 49.99% owned by CPPIB (Canada Pension Plan Investment Board), and which operates, among others, around 100 km of urban motorway in the capital of Chile, Santiago and 80 km of network managed by Litoral Central.

The Chilean companies' results for 2014, expressed in euros, reflect the fall in the value of the Chilean peso, which saw the exchange rate decline from 658.3 Chilean pesos per euro (the average rate for 2013) to an average rate of 756.9 Chilean pesos per euro in 2014 (a fall of 15%). At constant exchange rate, growth continued in terms of both revenue and EBITDA.

KEY PERFORMANCE INDICATORS

€m	Revenue			EBITDA			Adjusted revenue ^(*)			Adjusted ebitda ^(*)		
	2014	2013	% Incr./ (Decr.)	2014	2013	% Incr./ (Decr.)	2014	2013	% Incr./ (Decr.)	2014	2013	% Incr./ (Decr.)
Grupo Costanera												
Costanera Norte	76	81	-6%	57	60	-5%	109	117	-7%	90	95	-5%
Nororient	3	4	-25%	-	-1	-100%	15	17	-12%	12	12	n.s.
Vespucio Sur	70	71	-1%	59	60	-2%	70	71	-1%	59	60	-2%
Litoral Central	2	2	n.s.	-	-	n.s.	12	12	n.s.	10	10	n.s.
AMB	1	1	n.s.	-	-	n.s.	1	1	n.s.	-	-	n.s.
Los Lagos	19	20	-5%	12	13	-8%	40	42	-5%	33	35	-6%
Total	171	179	-4%	128	132	-3%	247	260	-5%	204	212	-4%

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

(1) The increase refers solely to the Group's consolidated companies. Including Rodovias do Tietê, which is 50%-owned, traffic growth in Brazil is 2.2%.

The Group's Chilean operators recorded overall traffic growth of 5.9%, in terms of kilometres travelled, in 2014.

Traffic on the network managed by the operators present in the metropolitan area of Santiago registered increases ranging from 3.4% for Costanera Norte and 6.5% for Vespucio Sur to 9.8% for Nororiente, which serves a highly developed residential and business district.

In addition to the above traffic growth, the increase in toll revenue recorded by Costanera Norte benefitted from the introduction of new tollgates in the first quarter of 2014, enabling the company to bill certain types of traffic that previously did not pay (boosting revenue by 4.6%).

On the network managed by Litoral Central, located along the coast to the west of the capital, traffic grew 8.2% compared with 2013.

TRAFFIC

	Traffic (millions of km travelled)			Traffic (thousands of journeys)		
	2014	2013	% Incr./[Decr.]	2014	2013	% Incr./[Decr.]
Grupo Costanera						
Costanera Norte	993	960	3.4%	217,830	211,228	3.1%
Nororiente	73	67	9.8%	6,122	5,579	9.7%
Vespucio Sur	849	797	6.5%	277,706	260,550	6.6%
Litoral Central	99	92	8.2%	3,990	3,680	8.4%
AMB	22	21	4.8%	9,611	9,167	4.8%
Los Lagos	597	552	8.2%	16,033	14,662	9.4%
Total	2,634	2,489	5.9%	531,292	504,866	5.2%

From January 2014 the operators controlled by Grupo Costanera applied the annual toll increases calculated under the terms of the related concession arrangements:

- up 6.0% for Costanera Norte and Vespucio Sur, reflecting the increase for inflation in 2013 (up 2.4%) plus a further increase of 3.5%;
- up 8.7% for Nororiente, reflecting the increase for inflation in 2013 (2.4%) plus a further increase of 3.5% and the component distributing the increase between the two barriers, including the rounding off of tariffs to the nearest 50 pesos (up 2.6%);
- up 5.4% for AMB, reflecting an increase to make up for inflation during the period 2012-2013 (up 3.9%) plus a further increase of 1.5% (AMB has also recouped the inflation-linked increase for 2012, the year in which investment in the free-flow tolling system was completed);
- up 2.3% for Litoral Central, based on the inflation-linked component for 2013 (up 2.4%) and the rounding off of tolls to the nearest 50 pesos (down 0.1%).

From January 2014 the tolls applied by Los Lagos rose 0.2%, reflecting the inflation-linked increase of 2.4% for 2013, the bonus relating to safety improvements in 2014 (an increase of 0.9%), cessation of the bonus for safety improvements in 2013 (down 2.7%) and the process of rounding off tolls to the nearest 100 pesos, which resulted in a reduction of 0.3%.

Following the publication, on 12 March 2014, of the Supreme Decree ratifying the programme, the investment programme named *Santiago Centro Oriente* ("CC7") is now fully effective.

The programme 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 240 billion pesos (approximately €325 million at the exchange rate at the end of 2014), with around 27% completed to date. The agreement envisages that the operator will receive specific payment from the grantor in return for the above construction services, including a final payment at 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.

Brazil

Atlantia is indirectly one of the leading motorway operators in Brazil via the Group company, Atlantia Bertin Concessões S.A., in partnership with the Bertin group, which operates a total of 1,538 km of network.

The Brazilian companies' results for 2014, expressed in euros, reflect the weakness of the Brazilian real, which saw the exchange rate decline from 2.8 Brazilian reals per euro (the average rate for 2013) to an average rate of 3.1 Brazilian reals per euro in 2014 (a fall of 8.9%). At constant exchange rate, growth continued in terms of both revenue and EBITDA.

The Brazilian operators consolidated by the Group recorded overall traffic growth of 2.3%, in terms of kilometres travelled, in 2014, with growth of 1.8% on the section operated by Rodovias do Tietê, which is 50% owned.

Compared with cumulative growth of 4.2% recorded by light vehicles (4.0% including Rodovias do Tietê) heavy vehicles registered a decline of 3.2% (3.1% including Rodovias do Tietê), reflecting the current downturn in the Brazilian economy.

KEY PERFORMANCE INDICATORS

€m	Traffic (millions of km travelled)			Revenue			EBITDA		
	2014	2013	% Incr./ (Decr.)	2014	2013	% Incr./ (Decr.)	2014	2013	% Incr./ (Decr.)
Triângulo do Sol	1,511	1,482	2.0%	134	137	-2%	103	102	1%
Rodovias das Colinas	2,080	2,037	2.1%	145	149	-3%	116	112	4%
Rodovia MG050	804	778	3.4%	32	31	3%	21	21	n.s.
Total	4,395	4,297	2.3%	311	317	-2%	240	235	2%
Rodovias do Tietê	1,326	1,303	1.8%						
Total including Tietê	5,722	5,600	2.2%						

The concession arrangements for the State of Sao Paulo provide for annual toll increases linked to consumer price inflation over the previous 12 months.

The increase for the operators, Triangulo do Sol and Colinas, was based on inflation in the period between June 2013 and May 2014, equal to 6.37%, whilst for Rodovia MG050, operating in the state of Minas Gerais, applied a toll increase of 6.24% from 13 June 2014.

The authorised increase for operators in the State of Sao Paulo was reduced by the greater amount received as a result of the measures adopted to compensate for the failure to authorise toll increases for 2013 (for example, the right to charge for the suspended axles of heavy vehicles and a reduction in the variable component of the concession fee payable from 3% to 1.5%).

The authorised increases were: 5.72% for Triangulo do Sol, 5.51% for Rodovias das Colinas and 5.44% for Rodovias do Tietê.

Poland

The Polish operator, Stalexport Autostrada Malopolska, recorded a 7.4% increase in kilometres travelled in 2014, compared with 2013, with light vehicles up 7.2% and heavy vehicles 8.7%.

The high rate of traffic growth partly reflects extraordinary maintenance on alternative roads.

€m	Traffic (millions of km travelled)			Revenue			EBITDA		
	2014	2013	% Incr./ (Decr.)	2014	2013	% Incr./ (Decr.)	2014	2013	% Incr./ (Decr.)
Stalexport Autostrady group	757	705	7.4%	54	50	8%	40	39	3%
Total	757	705	7.4%	54	50	8%	40	39	3%

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 €52 million in 2014 is down €10 million (16%) on 2013. The reduction is essentially due to completion of the principal activities carried out in 2013 in relation to the Eco-Taxe project in France, partially offset by an increase in revenue from the sale of Telepass equipment. EBITDA for 2014 is €9 million, up €2 million on 2013.

Electronic Transaction Consultants (ETC)

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. Via its subsidiary, Autostrade dell'Atlantico, Autostrade per l'Italia holds a 64.46% interest in the company.

ETC generated revenue of €48 million in 2014. EBITDA of €3 million is a €7 million improvement on 2013 (negative EBITDA of €4 million).

Ecomouv

On 20 October 2011, Autostrade per l'Italia, via the project company, Ecomouv S.A.S. (in which Autostrade per l'Italia holds a 70% interest) signed a Partnership Agreement with the French Ministry of Ecology, Sustainable Development, Transport and Public Housing (MEEDE) for the implementation and operation of a satellite-based tolling system for heavy vehicles weighing over 3.5 tonnes on approximately 15,000 km of the country's road network (the so-called Eco-Taxe Poids Lourds project).

The contract envisaged an initial 21-month design and construction phase following signature of the contract, with operation and maintenance of the tax collection system for a further 11 and a half years.

Testing of the system by the French government (*Vérification d'Attitude au Bon Fonctionnement - VABF*) was completed on 8 November 2013 and on 22 November the government acknowledged compliance of the system with the applicable technical, legal and regulatory requirements, save for endorsement of the chains of collection and control. These endorsements, which according to Ecomouv are not necessary for the purpose of the VABF, were, in any event, announced in December 2013.

On 29 October 2013, in response to violent protests in Brittany, the French Prime Minister announced the suspension of introduction of the ecotax in order to review the scope of application, as demanded by road hauliers' associations, farmers and politicians in the Brittany region. Two parliamentary committees were set up at the National Assembly and the Senate to look into the ecotax in December 2013, one of which, the *Mission d'Information* at the National Assembly, with the main purpose of establishing if the conditions are right for a renewed attempt to introduce the tax.

Subsequently, and following the favourable opinion issued by the Conciliation Panel requested by Ecomouv in order to arrive at an amicable solution of the disputes arising over the French government's refusal to accept the system, despite the fact that the tests had been successfully concluded, and the favourable findings contained in the reports prepared by the above 2 parliamentary committees, which confirmed the advisability of continuing with implementation of the system developed by Ecomouv and the legality of the tender procedures, on 20 June a Memorandum of Understanding was entered into with the French government governing application of the Partnership Agreement during the period of suspension of the ecotax through to 31 December 2014.

Under the memorandum, the French government has acknowledged that the System developed by Ecomouv meets the requirements set out in the contract, declaring its formal acceptance (the so-called "*mise à disposition*") of the system, and acknowledges its debt to the company. The government will also hold Ecomouv harmless from any operating costs and financial expenses resulting from its decision to postpone introduction of the ecotax.

On 30 October 2014, the relevant ministries formally notified Ecomouv of their decision to terminate the contract "due to insurmountable difficulties in implementing the ecotax".

Subsequently, on 30 December 2014, the French government informed Ecomouv that it would assume liability for the compensation due as a result of termination of the Partnership Agreement, in accordance with the previously established method of calculation. The compensation, totalling a net amount of €403 million, will enable the company to recover its

investment, including repayment of the borrowings not transferred to the French government, earn a return on invested capital and cover the cost of putting Ecomouv into voluntary liquidation, including the cost of safeguarding jobs. The French government has also undertaken to repurchase the equipment produced by Ecomouv and distributed to operators, and to repay the related project financing.

The obligation to repay the project financing obtained from the company's banks, originally amounting to approximately €440 million, was assumed directly by the French government as a result of the combined effect of its formal acceptance of the system under the Trilateral Memorandum of Understanding of 20 June 2014 between Ecomouv, the company's banks and the French government, and the later exercise, by the French government, of its right to terminate the Partnership Agreement with effect from 30 December 2014, without the possibility of any further claim on Ecomouv.

2.8 Research, development and innovation

The Group's innovation, research and development activities aim to offer innovative, technologically advanced solutions designed 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 2014 activities focused on many projects, some of which were co-financed at EU and national level.

The most important projects carried out in 2014 regard:

- continuation of activities involved in the development of free-flow tolling systems;
- technological improvements to the Safety Tutor system;
- continuation of work on developing systems to identify the class of vehicle in order to apply the appropriate toll;
- continuation of work on developing the platform to manage the satellite-based tolling system and to track vehicles; development of technological solutions regarding recent advances relating to Smart Cities systems and applications;
- participation in the EU-financed REETS project, regarding implementation of a Regional European Electronic Toll Service;
- participation in the EU-financed MOBINET project, aimed at creating an e-marketplace in the Intelligent Transport Systems sector;
- participation in the nationally funded KOM4T ME project regarding development of a new platform for the multichannel diffusion of georeferenced information linked to infomobility and infotainment;
- 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 work on developing an information system for monitoring traffic and accidents to improve traffic management and the planning of road works;
- continuation of the nationally funded 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 use of new robotic technologies (drones) with a low impact on traffic flow to carry out close-up inspections;
- study of systems to mitigate tunnel fires;

- continuation of work on developing new-generation wireless devices for emergency communication in tunnels, in compliance with Legislative Decree 264/2006;
- 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.

The Autostrade per l'Italia Group's total expenditure on innovation, research and development in 2014 amounts to €8 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 2014 (after excluding Ecomouv, Ecomouv D&B, Tech Solutions Integrators, Pavimental, Pavimental Polska, Spea, Spea Brasile¹ from the consolidation for the relevant periods), the Autostrade per l'Italia Group employs 10,061 staff on permanent contracts and 410 temporary staff, making a total workforce of 10,471 (up 188 compared with the 10,283 of 2013, representing a 1.8% increase).

The change in permanent staff (up 134) primarily reflects events at the following Group companies:

- Brazilian companies (up 318), as the process of bedding down the organisation continues and the insourcing of routine maintenance continued;
- Giove Clear (up 19) due to the expansion of cleaning operations to include other service areas;
- Italian operators (down 117) primarily due to a freeze on recruitment at Autostrade per l'Italia and Tangenziale di Napoli, as well as the transfer of staff from Autostrade per l'Italia to Atlantia during 2014 in order to boost the organisational structure of the parent following the merger with Gemina;
- Chilean companies (down 64), due to a staff reduction following the centralisation of certain activities.

The change in temporary staff (up 54) primarily reflects events at the following Group companies:

- Autostrade per l'Italia (up 30) due to a seasonal need for toll collectors in 2014;
- expansion of Giove Clear's operations (up 21).

The average workforce (including agency staff) has fallen from 9,937 in 2013 to 9,890 in 2014, a reduction of 47 (down 0.5%). This change is primarily due to:

- Chilean companies (down 117), due to a staff reduction following the centralisation of certain activities;
- Italian operators (down 47) primarily due to a freeze on recruitment at Autostrade per l'Italia and Tangenziale di Napoli, as well as the transfer of staff from Autostrade per l'Italia to Atlantia during 2014, partly offset by the transfer of Telepass staff to the contact centre;
- Telepass (down 24), due to the transfer of contact centre staff to Autostrade per l'Italia;
- Electronic Transaction Consultants (down 29) due to changes to the workforce in response to changing volumes of work;

[1] This contribution to the years 2014 and 2013 has been accounted for in "Profit/(Loss) from discontinued operations".

- Brazilian companies (up 141) as the process of bedding down the organisation continues and the insourcing of routine maintenance continued;
- expansion of Giove Clear's operations (up 22).

Staff costs for 2014, after deducting capitalised expenses, total €539 million, which are in line with 2013. Before capitalised expenses, which are down €1 million, staff costs total €560 million (down €1 million, or 0.2%, on the €561 million of 2013).

At constant exchange rates, staff costs before capitalised expenses of €564 million are up €3 million (up 0.5%) compared with 2013 due to the combined effect of these factors:

- an increase in the average unit cost (up 1.0%), primarily due to the cost of contract renewals at the Group's Italian motorway operators and inflation-linked salary increases at the Chilean and Brazilian operators, partially offset by a reduction in the cost of variable staff and the application of new contract terms by Italian motorway operators;
- a reduction of 46 in the average workforce, excluding agency staff (down 0.5%).

PERMANENT STAFF

	31/12/2014	31/12/2013	Incr./[Decr.]	
			Total	%
Senior managers	157	168	-11	-6.5%
Middle managers	647	655	-8	-1.2%
Administrative staff	3,873	3,881	-8	-0.2%
Manual workers	2,099	1,838	261	14.2%
Toll collectors	3,285	3,385	-100	-3.0%
Total	10,061	9,927	134	1.3%

TEMPORARY STAFF

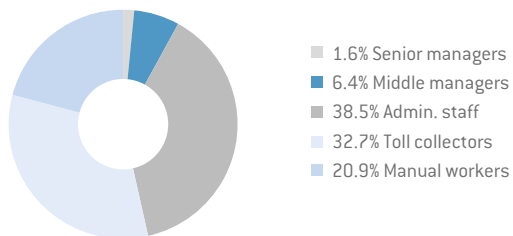
	31/12/2014	31/12/2013	Incr./[Decr.]	
			Total	%
Senior managers	1	1	-	0.0%
Middle managers	-	-	-	n.a.
Administrative staff	35	33	2	6.1%
Manual workers	215	193	22	-
Toll collectors	159	129	30	23.3%
Total	410	356	54	15.2%

AVERAGE WORKFORCE

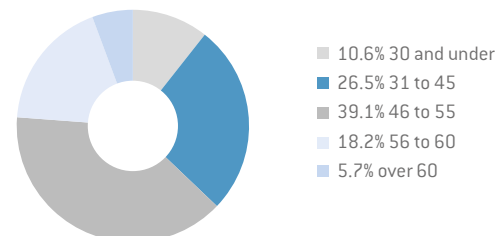
	2014	2013	Incr./[Decr.]	
			Total	%
Senior managers	161	169	-8	-4.7%
Middle managers	644	649	-5	-0.8%
Administrative staff	3,833	3,844	-11	-0.3%
Manual workers	1,971	1,778	193	10.9%
Toll collectors	3,281	3,497	-216	-6.2%
Total	9,890	9,937	-47	-0.5%

Distribution of the Group's workforce

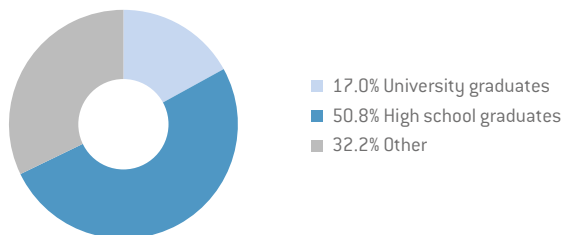
DISTRIBUTION OF PERMANENT STAFF BY CATEGORY/POSITION



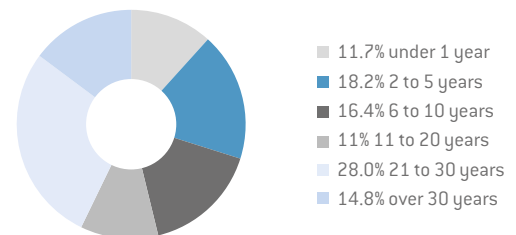
DISTRIBUTION OF PERMANENT STAFF BY AGE RANGE



DISTRIBUTION OF PERMANENT STAFF BY EDUCATIONAL QUALIFICATION



DISTRIBUTION OF PERMANENT STAFF BY LENGTH OF SERVICE



Staff management and development

Professional development and mobility

The Autostrade per l'Italia Group's development systems are aimed at enhancing talent and professional skills, differentiated in terms of professional and motivational characteristics.

In accordance with the Human Capital development guidelines formulated by the parent, Atlantia, and with the different areas of business, Autostrade per l'Italia's Talent Management system involves these main tools:

- **Performance Management:** used to reinforce an appraisal culture centred on measuring results and developing the careers of the staff involved. In 2014, the process involved 1,543 administrative staff and middle managers;
- **Road Map:** used to guarantee coverage of key positions through identification of talents and successors, and the formulation of consistent development and career plans.

In 2014 more than 160 staff were included in the Road Map.

The Human Resources Talent Management systems supports the professional mobility policy formulated by the parent, Atlantia.

In this context, 655 staff from the Autostrade per l'Italia Group experienced mobility in 2014, of which 508 horizontally and 147 vertically.

Training

The training courses run by the Autostrade per l'Italia Group are aimed at guaranteeing staff have the necessary skills to achieve corporate goals.

Training activities in 2014 included:

- 130,074 training hours provided;
- 4,973 staff involved overall;
- expenditure of €1.5 million (of which 50% funded).

29% of training hours regarded workplace health and safety issues, 26% on-the-job training, 21% specialised technical training, 10% organisational behaviour training, 5% IT training, 5% language training and 4% mandatory training for apprenticeship contracts.

In particular, the training courses provided at Autostrade per l'Italia primarily regarded the following key drivers:

- **improvement of communication with customers** aimed at developing the skills needed for the Contact Centre, the Centralised Monitoring Network and the Traffic and Operations Centre;
- **support to job enrichment processes**, including the new winter operations portal, continuing professional development for engineers, plant training regarding maintenance methods, and an upgrade programme for Telepass commercial staff in order to identify new business opportunities;
- **enhancement of corporate expertise**, aimed at insourcing support staff, such as contact centre operators, plant operators and technicians, project management experts, and debt collection and customer care staff;
- **management training courses**, implemented via individual coaching programmes for Group managers.

Investment in the expansion of Autostrade per l'Italia's Internal Trainers' Academy also continued, via a process of selection and training of "scientists", who have special expertise, and "mentors" able to transfer their managerial knowledge and experience to colleagues and collaborators. Autostrade per l'Italia's Academy currently has 70 internal trainers.

Welfare

Paying attention to people and their well-being is the foundation of the Group's welfare activities. Once again in 2014 efforts continued to promote a qualitatively and quantitatively diversified model for the welfare of the Company's workforce, complemented by contractually defined tools and services (e.g. healthcare and flexitime working), with a view to promoting the needs of health prevention, work-life balance and the management of family life.

Remuneration system

The main incentive schemes used to support remuneration policies, primarily with regard to the Group's Italian companies, are:

- **Short-term variable remuneration (MBO)**, which pursues business objectives by linking corporate and individual performance. In 2014 participation in the MBO system included 100% of senior managers, 74% of middle managers and 27% of professionals.
In particular, for 38% of senior managers, a new "Annual/Three-year" MBO system was introduced for 2014-2016, which provides for an annual portion linked to individual objectives and a three-year portion linked to Group objectives, while some overseas subsidiaries adopted short-term incentive plans with performance objectives connected with the specific nature of their business and the local context.
- **Medium/long-term variable remuneration (Equity Plans)** is an incentive scheme formulated by the parent, Atlantia, also aimed at Autostrade per l'Italia Group senior managers and/or staff. As at 31 December 2014, ASPI Group Equity Plan beneficiaries included:
 - 2011 Share Option Plan:
 - 1st cycle: 3 senior managers and directors from the Group
 - 2nd cycle: 4 senior managers and directors from the Group
 - 3rd cycle: 33 senior managers and directors from the Group
 - 2011 Share Grant Plan:
 - 1st cycle: 19 senior managers and directors from the Group
 - 2nd cycle: 21 senior managers and directors from the Group
 - 3rd cycle: 33 senior managers and directors from the Group
 - MBO Share Grant Plan:
 - 1st cycle: 5 senior managers and directors from the Group
 - 2nd cycle: 6 senior managers and directors from the Group
 - 3rd cycle: 6 senior managers and directors from the Group
 - 2014 Phantom Share Option Plan:
 - 1st cycle: 35 senior managers and directors from the ASPI Group

All the Atlantia Equity Plans are described in the respective information circulars, prepared pursuant to art. 84-bis, paragraph 1 of the Regulations for Issuers and available for inspection on the Parent Company's website at www.atlantia.it/en/corporate-governance/remunerazione.html.

For further information regarding the remuneration system and short- and medium/long-term incentive plans, reference should be made to Atlantia's Remuneration Report 2014, posted on the parent's website at www.atlantia.it/en/corporate-governance/remunerazione.html.

Organisation

The organisational development of the Autostrade per l'Italia Group in 2014 included these main elements:

- i) Improvement of service quality;
- ii) Integration within the Atlantia Group;
- iii) Compliance with control systems.

In this context, the following projects and actions particularly regarding the Group's Italian companies were implemented:

- introduction of the role of motorway section quality monitor (40 staff in Italy) and completion of the operating manual for recording any problems;
- implementation of the innovation project regarding operating methods for plant maintenance work (M2i project), involving 550 staff in Italy and including extension of a related training plan to all staff concerned;
- completion of the process of insourcing for the Contact Centre in Italy, via recruitment of additional staff from internal departments and the organisation of tailor-made training courses;
- continuation of insourcing of activities regarding Project Management and Safety Coordination in the Execution and Design phase, via the identification, training and retraining of internal Company staff;
- the issue and/or update of 88 organisational documents, due to the occurrence of regulatory and organisational changes, with particular reference to issues relating to the "works" process at the Italian motorway operators, workplace health and safety and the Consolidated Finance Act.

Industrial relations

The main agreements with the labour unions in 2014 regard these issues:

- **18 July 2014**

2014/2015 Plan: aimed at improving the quality of service provided and at the same time continuing to boost the Company's efficiency. In particular, the following areas were addressed: contact centres, operations, welfare of the Company's workforce.

Productivity bonus: in application of the indicators reported in the previous agreements and assessments of the results achieved by the Company in 2013, a gross payment of €2,120 was agreed, relating to grade "C" of the Motorway and Tunnel National Collective Labour Contract.

- **1 October 2014**

European Works Council (EWC) During the internationalisation process and due to its European presence, Autostrade per l'Italia launched procedures to establish a European Works Council (a body regulated by EU legislation that aims to guarantee employees the right of information and transnational consultation) with the Polish group, Stalexport, which holds the concession for the A4 Krakow-Katowice motorway.

- **16 December 2014**

Agreement on renewal of Giove Clear company contract on 11 May 2011, for the period from 1 January 2015 to 31 December 2017, introducing updated and revised pay and conditions.

Workplace health and safety

Autostrade per l'Italia extended certification in accordance with the OHSAS 18001 international standard, the Workplace Health and Safety Organisation and Management Model, to other Group companies. Within corporate organisational structures, the Model defines the responsibilities, processes, procedures, staff, means and tools for implementing the Group's Safety Policy to prevent accidents, in compliance with current legislation, so as to ensure they are more efficient and smoothly integrated within the Company's operations.

Information, training and education activities continued in 2014, carried out in accordance with the agreement between central government and regional authorities. Special attention was paid to the "critical" phases (new recruitment, changes in duties or organisational/procedural modifications) and the specific nature of each "homogeneous group", in order to guarantee the training of all individuals in line with the risk factors they are actually exposed to. Once again in 2014, efforts continued on the health and safety front to raise awareness and increase understanding of workplace risks, especially via the SafetyWalks campaign promoted by Autostrade per l'Italia.

2.10 Corporate Governance

Autostrade per l'Italia S.p.A.'s Corporate Governance system is based on a collection of rules that are in line with regulatory guidelines and best market practices.

In accordance with the current Articles of Association, management of the Company is assigned to the Board of Directors, whilst supervisory functions are the responsibility of the Board of Statutory Auditors and responsibility for auditing the Group's accounts is assigned to the Independent Auditors elected by General Meeting of shareholders.

Based on the provisions of art. 30 of the Articles of Association, the Chairman and Chief Executive Officer represent the Company.

In implementation of the provisions of Legislative Decree 231/2001, Autostrade per l'Italia S.p.A. has adopted the Organisational, Management and Control Model, including the Code of Ethics, and has set up a Supervisory Board.

Atlantia's Governance system is completed by the regulations contained in the Articles of Association.

The Corporate Governance system was implemented with the adoption of principles and procedures that characterise the various organisational and operational components, which are constantly subjected to checks and updates in order to respond effectively to changes in the legislative context and in operating practices.

Autostrade per l'Italia S.p.A., which is a wholly owned subsidiary of Atlantia S.p.A., is subject to management and coordination by Atlantia. Moreover, following the Group's reorganisation in 2007, Atlantia has transferred responsibility for management and coordination of the motorway operators and industrial companies controlled by its subsidiary to Autostrade per l'Italia itself.

2.11 Sustainability

This section of Autostrade per l'Italia's consolidated financial statements as at and for the year ended 31 December 2014 includes key information on the Company's sustainability activities and a summary of its social and environmental performance¹.

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.

Autostrade per l'Italia's substantial commitment in these areas, with a view to creating value for all stakeholders, was decisive in reconfirming, in 2014, Atlantia's membership of the prestigious Dow Jones Sustainability World Index, which ranks the world's best companies on the basis of economic, environmental and social criteria. 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 2014 the global accident rate on the Group's motorway network in Italy fell to 31.6² from the 34.0 of the previous year, whilst the fatal accident rate stood at 0.30² compared with 0.35 of 2013 (the number of deaths per 100 million kilometres travelled).

Despite the reduction in the number of accidents and in the roadworks accident rate, the traffic flow indicator for delays on Autostrade per l'Italia's Italian network in 2014, or the Total Delay indicator (the total number of hours spent in traffic queues), was up 5.6% on 2013, amounting to approximately 4.03 million hours. This is primarily due to a 65% rise in daytime roadworks, and partly to traffic growth.

The Total Delay indicator rose sharply in January, March and August due to an increase in rainy days, resulting in traffic delays without a reduction in volume, and a rise in the number of kilometres travelled during the summer.

Customer satisfaction regarding the quality of motorway service is measured via surveys and summarised in the Customer Satisfaction Index (CSI). The surveys are conducted periodically (twice a year) by a specialist firm and using telephone interviews. In 2014, the sample involved 3,616 customers. The components analysed included safety, the road network, service areas, toll stations and the payment systems offered. Customer satisfaction survey results are one of the elements used in assessing the Company's management.

In 2014 Autostrade per l'Italia's Customer Satisfaction Index (measured on a scale from 0 to 10) stood at 7.13, marking an increase on the 7.8 registered in 2013.

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 legal standards.

(1) The figures reported in this section have been restated with respect to the previous edition of the consolidated financial statements due to changes in the scope of consolidation. In particular, Pavimental and Spea were excluded.

(2) Data updated to 12 January 2015.

Use of resources

In managing its activities - especially maintenance and the modernisation of infrastructure - Autostrade 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 2014 the Group's motorway operators used a total of 70,839 tonnes of de-icing salt during the winter in Italy (97%), with the remaining 3% used in Poland and Chile, marking a decrease of around 60% on the previous year. This drastic reduction is due to the 62.6% drop in the number of snow events, with 77,874 hours of snow per kilometre in areas affected by snow in 2014, compared with 208,254 in 2013¹.

Water consumption registered a 4.2% fall compared with 2013, with total consumption of around 2 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 change

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 2014, the Group consumed a total of 356,705 MWh, including electricity, methane, LPG, diesel, petrol and ethanol, registering a 3% reduction in consumption compared with the previous year on a like-for-like basis.

Regarding greenhouse gas emissions, in 2014 the Group's CO₂ equivalent emissions (CO₂eq²), totalled 122,518 tonnes, down 3% on 2013.

In terms of renewable energy, by the end of 2014 Autostrade per l'Italia's photovoltaic plant installation plan had achieved the following results:

- installed photovoltaic capacity: over 10.8 MW;
- 159 plants installed and in production (up 3 compared with 2013);
- estimated energy production: approximately 10,800 MWh a year, including 40% consumed on site by the Company;
- estimated CO₂ saved once fully operational: approximately 4,460 tonnes a year.

As part of its energy saving programme, the initiatives carried out on external lighting systems during the period 2008-2014 resulted in energy savings of 22,125 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 2014 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 987 MWh in terms of electricity, and of 153,000 litres of diesel, thus saving 812 tonnes of CO₂.

[1] Amounts refer to the indicator "hours of snow per kilometer of areas affected by snow" in 2014, calculated by reference to the Network Managed by Autostrade per l'Italia S.p.A.

[2] 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.

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, the tri-generation plant at the Rome office is expected to enter service, enabling CO₂ savings of approximately 260 tonnes per year and 516 tonnes per year when fully operational. Construction of the Florence plant is also due to begin.

Investment in improving levels of service and safety standards have, over the years, resulted in significantly reducing the Total Delay indicator (down 59% between 2006 and 2014), 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 2014, 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 16,193 tonnes registered in 2013 to 17,080 tonnes in 2014.

Waste

The total amount of waste produced in 2014 amounted to around 30,000 tonnes, compared with 38,000 tonnes in 2013, of which around 43% was recovered or recycled. Approximately 91% of the total amount was produced by the Parent Company, Autostrade per l'Italia S.p.A.

Key environmental indicators	2013 ⁽¹⁾	2014	% Incr./[Decr.]
Water consumption (m ³)	2,124,749	2,035,470	-4.2%
Energy consumption by type (MWh eq)	367,244	356,705	-2.9%
Diesel	129,633	115,947	-10.6%
Natural gas	11,498	11,191	-2.7%
Petrol	12,600	18,791	49.1%
Electricity	211,331	208,502	-1.3%
Other	2,182	2,274	4.2%
CO ₂ emissions (t)	126,172	122,518	-2.9%
Direct emissions ⁽²⁾	38,892	36,111	-7.2%
Indirect emissions from electricity consumption	87,280	86,407	-1.0%
CO ₂ emissions due to traffic congestion - Total Delay (t) ⁽³⁾	16,193	17,080	5.5%
De-icing salt (t)	172,917	70,839	-59.0%
Waste products (t)	38,224	29,761	-22.1%
% of waste recycled/recovered	44	43	-2.3%

(1) Figures restated with respect to the previous Annual Report, following changes in the scope of consolidation. In particular, Pavimental and Spea have been excluded from the data.

(2) This type of emission include consumption of fuels for heating/air conditioning in buildings, motor vehicles, generators and motorway maintenance.

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

Government and the community

One of the main infrastructure operators at international level, over the years the Autostrade per l'Italia Group has built up constructive relations with the communities in the areas the motorway network passes through and maintained constant dialogue with central and local government authorities, during the process of works authorisation, and more generally in implementing social and environmental sustainability policies relating to its activities. At central government level in Italy, the Group's key counterparties are the Ministry of Transport and Infrastructure and the Ministry of the Environment, parliamentary committees - during the discussion of new regulatory proposals for the sector -, supervisory and regulatory bodies, and government-level technical bodies.

Regional and local authorities play a vital role in the phase of authorising new local initiatives, and as representatives of local communities.

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. The safety of all employees during provision of services is a priority strategy, aimed at limiting and where possible eliminating the risk of accidents occurring. To this end, one of the courses of action is promotion of a safety culture within the supply chain.

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 regulatory aspects and litigation

Italian motorways

Toll increases with effect from 1 January 2015

On 15 October 2014, Autostrade per l'Italia submitted its request for the toll increase to be applied from 1 January 2015 to the Grantor. The increase of 1.46% has been 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.

On 31 December 2014, the Grantor published the Decree issued by the Minister of Infrastructure and Transport, in agreement with the Minister of the Economy and Finance, authorising application of the requested toll increase of 1.46% with effect from 1 January 2015.

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 toll increase of 1.5% has been provisionally authorised. Any difference with respect to the effective toll increase due as a result of revision of the Financial Plan, 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 operator the previous day (30 December 2014).

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.

Reduced tolls for frequent users

On 24 February 2014, a "Memorandum of Understanding" was signed by a number of motorway operators (including Autostrade per l'Italia), the trade association, AISCAT, and the Minister of Infrastructure and Transport. This has introduced reduced tolls (valid from 1 February 2014 to 31 December 2015) for private road users who frequently make the same journey (not more than 50 km) in class A vehicles. To benefit the user must have a Telepass account in the name of a private individual and must make the same journey more than 20 times in a calendar month, subject to a limit of twice a day. The reductions involve application of a discount on the relevant toll with effect from the 21st journey. The discounts are progressive, rising from a minimum 1% of the total toll payable for 21 journeys up to 20% of the total toll for 40 journeys. A discount of 20% will also be applied if users make between 41 and 46 journeys, whilst any journeys after the 46th will not qualify for the discount.

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

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

On 29 May 2014, the Decree of 30 December 2013 issued by the Minister of Infrastructure and Transport, in agreement with the Minister of the Economy and Finance, approving the addendum to the Single Concession Arrangement signed by the Ministry of Infrastructure and Transport and Autostrade per l'Italia S.p.A. on 24 December 2013, was registered with the

Italian Court of Auditors. The addendum contains the five-yearly revision of the financial plan annexed to the Arrangement.

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

In compliance with CIPE Resolution 27/2013, in June 2014 Tangenziale di Napoli and Raccordo Autostradale Valle d'Aosta submitted their proposed five-yearly revisions of their financial plans to the Grantor. The revisions were re-submitted in November 2014 after taking into account a number of requests from the Grantor.

Discussions with the Grantor regarding revision of the above plans are ongoing. The revised documents will be formalised in addenda to the concession arrangements in force, to be approved by 30 June 2015, in accordance with the memorandum signed by each of the above operators and the Grantor on 30 December 2014.

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), for which Autostrade Meridionali, which continues to operate the motorway under a contract extension, has submitted its request for prequalification, on 23 January 2015 the Ministry of Infrastructure and Transport sent Autostrade Meridionali an invitation to tender.

Law Decree 133/2014 (the so-called "Sblocca Italia" or "Unlock Italy" legislation)

Law Decree 133 of 12 September 2014 (the so-called "Sblocca Italia" legislation), converted into law, with amendments, by Law 164 of 11 November 2014, contains a number of provisions regarding the motorway sector. In particular, art. 5 (Measures relating to motorway concessions) establishes that "1. In compliance with European Union principles, in order to ensure the required investment in the upgrade and structural, technological and environmental improvement of national motorway infrastructure, in accordance with the latest safety standards required by EU legislation, and to ensure the provision of services offering road users lower costs and improved conditions of access, Italy's motorway operators may, by 31 December 2014 at the latest, submit proposals to the Minister of Infrastructure and Transport regarding changes to their existing concession arrangements, with a view to their update or revision, including the unification of interconnecting sections that are adjacent or complementary to each other, with the purpose of operating them as a single entity. By the same date, the operator shall submit a new financial plan to the Minister of Infrastructure and Transport, accompanied by suitable guarantees and certified by authorised bodies, with a view to execution of an addendum or a specific unified arrangement, to be concluded no later than 31 December 2015. The Minister of Infrastructure and Transport, having consulted, as appropriate, the Office of Transport Regulation, shall submit the draft addendum or arrangement and the related financial plans, accompanied by the opinions required by existing legislation, including the opinion of the Interministerial Committee for Economic Planning ("CIPE"), to both houses of Parliament for examination by the relevant parliamentary committees, which shall express an opinion within thirty days of receipt. After such deadline, the measure shall, in any event, be deemed to be effective. The requested amendments referred to in this article shall entail new investment by operators, who must, however, ensure fulfilment of the investment commitments in their existing concession arrangements. 2. The plan must guarantee economic and financial viability, without entailing new or additional public expenditure, and the availability of sufficient financial resources to ensure completion of the infrastructure works contained in the original concession arrangements and the further works required in order to fulfil the purposes set out in paragraph 1 and to ensure a more favourable tariff regime for road users. 3. The award of contracts for the provision of construction services, and of goods and services, in addition to those envisaged in existing concession arrangements, shall comply with the procedures for public tenders set out in the code referred to in Legislative Decree 163 of 12 April 2006. The related contract awards shall be subject to articles 11, paragraph 5.f) of Law 498 of 23 December 1992, as amended. 4. In order to accelerate the process of re-tendering the motorway concessions for the A21 "Piacenza-Cremona-Brescia and the Fiorenzuola d'Arda (PC) link road" and the A3 "Naples-Pompei-Salerno", the draft concession arrangements, as amended in accordance with the requirements of the Consulting Unit for the implementation and regulation of public utility services (Nucleo di consulenza per l'attuazione delle linee guida sulla regolazione dei servizi di pubblica utilità or "NARS") contained in opinions 6 and 7 of 7 August 2014, forming an integral part of the concession arrangements, and the related financial plans, previously submitted to the CIPE, have been approved. 4-bis. Implementation of the provisions of this article is subject to prior receipt of clearance from the competent EU bodies. 4-ter. Public revenue deriving from the motorway

concession fees resulting from application of paragraph 1 is to be used, in the manner established by a decree issued by the Minister of Infrastructure and Transport, in agreement with the Minister of the Economy and Finance, in consultation with the relevant parliamentary committees, to finance maintenance of the road network operated under concession by ANAS S.p.A., and to contribute to the National Fund for the provision of subsidies for local transport, as referred to in article 16-bis of Law Decree 95 of 6 July 2012, converted, with amendments, into Law 135 of 7 August 2012, as amended, and, for the purposes of environmental investment and compensation, to the National Fund for mountain areas, as referred to in article 2 of Law 97 of 31 January 1994, as amended.”

Overseas motorways

Brazil

In May 1998, the Secretariat for Logistics and Transport in the State of Sao Paulo took the unilateral decision to impose a ban on toll charges for the suspended axles of heavy vehicles, introducing a restriction not provided for in the concession arrangements. The affected operators, including Triangulo do Sol, initiated legal action in order to ensure restoration of the original financial terms of their arrangements. After two negative outcomes in the first two instances in the courts of Sao Paulo, in 2004 and 2010, respectively, on 3 December 2013 Brazil's Supreme Court (Superior Tribunal de Justiça de Brasília, or “STJ”) found in favour of the operators. Following ARTESP's challenge, requesting a review of the sentence, on 20 February 2014 the court withdrew its previous ruling. On 24 February 2014, the operators then requested that the final ruling should be issued by the Supreme Court's panel of judges. On 2 December 2014, the court turned down the operators' request, declaring itself not competent to rule on this type of matter. Following publication of the court's decision on 3 February 2015, on 9 February 2015 the operators filed a legal challenge, requesting, among other things, that the case be returned to the Court of the State of Sao Paulo. Opposition to this challenge was filed with the Supreme Court by ARTESP and the State of Sao Paulo on 24 February 2015.

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

The Addenda and Amendments of 2006 were negotiated and signed by ARTESP on the basis of favourable opinions issued by the Regulator's own technical, legal and finance departments. The Addenda and Amendments were then examined by specific oversight bodies from the Ministry of Transport and the Court of Auditors of the State of Sao Paulo, which confirmed their full validity. ARTESP is contesting the fact that the compensation was calculated on the basis of forecasts in the related financial plans as, moreover, provided for in the concession arrangements, and not on the basis of actual data.

The administrative stage of the investigation undertaken by ARTESP with a view to revising the Addenda and Amendments of 2006 has been completed for all the operators concerned and ARTESP is progressively taking legal action in order to request cancellation of the Addenda and Amendments of 2006, thus enabling the regulator to make recalculations in accordance with its proposed method.

Of the twelve operators concerned, notice of the action has been served on the ten who have had their concessions extended under the Addenda and Amendments of 2006. These include Rodovias das Colinas, which received notice on 29 September 2014, and Triangulo do Sol, which was notified on 26 November 2014.

The operators concerned, including two companies referred to above, 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

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

The company sent the Grantor an updated repayment schedule, based on the latest forecasts.

In January and February 2014, the regulator requested further details, suggesting, among other things, that the loan could constitute “state aid” received by the operator prior to Poland’s entry into the EU and, in this case, be the subject of an investigation by the European Commission. Legal experts are currently assessing the actual risk for the operator should the loan be deemed to constitute “state aid”. This risk, however, appears remote.

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 Malopolska 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

ETC

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

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

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

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

In September 2013, the Port Authority of New York and New Jersey (PANY) sent ETC a letter drawing attention to accumulated delays in the project involving installation of a new tolling system for the bridges and tunnels of New York and New Jersey, and requesting immediate action to make up for the delays and ensure completion of the project on time, under penalty of cancellation of the contract. Following receipt of the latter, ETC has halted implementation of the tolling system and has entered into negotiations with PANY with a view to reaching agreement on termination of the contract.

Discussions with the Authority with the aim of resolving the disagreements have so far proved fruitless. ETC believes it has good grounds on which to base a challenge to the Port Authority.

Ecomouv

On 20 October 2011, Autostrade per l’Italia, via the project company, Ecomouv S.A.S. (in which Autostrade per l’Italia holds a 70% interest) signed a Partnership Agreement with the French Ministry of Ecology, Sustainable Development, Transport and Public Housing (MEEDE) for the implementation and operation of a satellite-based tolling system for heavy vehicles weighing over 3.5 tonnes on approximately 15,000 km of the country’s road network (the so-called Eco-Taxe Poids Lourds project).

The contract envisaged an initial 21-month design and construction phase following signature of the contract, with operation and maintenance of the tax collection system for a further 11 and a half years.

Testing of the system by the French government (*Vérification d’Aptitude au Bon Fonctionnement - VABF*) was completed on 8 November 2013 and on 22 November the government acknowledged compliance of the system with the applicable

technical, legal and regulatory requirements, save for endorsement of the chains of collection and control. These endorsements, which according to Ecomouv are not necessary for the purpose of the VABF, were, in any event, announced in December 2013.

On 29 October 2013, in response to violent protests in Brittany, the French Prime Minister announced the suspension of introduction of the ecotax in order to review the scope of application, as demanded by road hauliers' associations, farmers and politicians in the Brittany region. Two parliamentary committees were set up at the National Assembly and the Senate to look into the ecotax in December 2013, one of which, the *Mission d'Information* at the National Assembly, with the main purpose of establishing if the conditions are right for a renewed attempt to introduce the tax.

Subsequently, and following the favourable opinion issued by the Conciliation Panel requested by Ecomouv in order to arrive at an amicable solution of the disputes arising over the French government's refusal to accept the system, despite the fact that the tests had been successfully concluded, and the favourable findings contained in the reports prepared by the above 2 parliamentary committees, which confirmed the advisability of continuing with implementation of the system developed by Ecomouv and the legality of the tender procedures, on 20 June a Memorandum of Understanding was entered into with the French government governing application of the Partnership Agreement during the period of suspension of the ecotax through to 31 December 2014.

Under the memorandum, the French government has acknowledged that the System developed by Ecomouv meets the requirements set out in the contract, declaring its formal acceptance (the so-called "*mise à disposition*") of the system, and acknowledges its debt to the company. The government will also hold Ecomouv harmless from any operating costs and financial expenses resulting from its decision to postpone introduction of the ecotax.

On 30 October 2014, the relevant ministries formally notified Ecomouv of their decision to terminate the contract "due to insurmountable difficulties in implementing the Eco-Tax".

Subsequently, on 30 December 2014, the French government informed Ecomouv that it would assume liability for the compensation due as a result of termination of the Partnership Agreement, in accordance with the previously established method of calculation. The compensation, totalling a net amount of €403 million, was paid on 2 March 2015 and will enable the company to recover its investment, including repayment of the borrowings not transferred to the French government, earn a return on invested capital and cover the cost of putting Ecomouv into voluntary liquidation, including the cost of safeguarding jobs. The French government has also undertaken to repurchase the equipment produced by Ecomouv and distributed to operators, and to repay the related project financing.

The obligation to repay the project financing obtained from the company's banks, originally amounting to approximately €440 million, was assumed directly by the French government as a result of the combined effect of its formal acceptance of the system under the Trilateral Memorandum of Understanding of 20 June 2014 between Ecomouv, the company's banks and the French government, and the later exercise, by the French government, of its right to terminate the Partnership Agreement with effect from 30 December 2014, without any further claim on Ecomouv.

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 the section "Significant regulatory aspects and litigation" in this Report on operations, that may result in charges or potential liabilities with an impact on the financial statements.

Disposal of controlling interests in Pavimental and Spea Ingegneria Europea

As part of a restructuring of the Atlantia Group's investments, on 8 August 2014 Autostrade per l'Italia transferred control of Pavimental, a company that provides maintenance and construction services to both the Group's Italian motorway operators and Aeroporti di Roma (a subsidiary of Atlantia), to the parent, Atlantia.

Following this transaction, Autostrade per l'Italia continues to own 20% of Pavimental, having transferred a 59.4% interest in the company to its parent, Atlantia, and 20% to Aeroporti di Roma.

In addition, on 1 December 2014, Autostrade per l'Italia transferred control of Spea Ingegneria Europea, a company that provides design and project management services to both the Group's Italian motorway operators and Aeroporti di Roma, to Atlantia. Following the transaction, Spea's ownership structure is now as follows: Atlantia 46%, Aeroporti di Roma 27% and Autostrade per l'Italia 27%.

2.15 Events after 31 December 2014

Guidelines for the plan to restructure the Italian service area network

On 2 February 2015, the Grantor sent all Italian motorway operators guidelines, drawn up jointly by the Ministry of Infrastructure and Transport and the Ministry for Economic Development, regarding "*Determination of the criteria for preparing a restructuring plan for service areas located on the motorway network*". The guidelines grant each operator the option of (i) closing any service areas deemed to be of marginal importance, provided that the operator ensures an adequate level of service on the relevant motorway section, and (ii) reviewing the way that oil and non-oil services are provided by the various operators. Autostrade per l'Italia, Tangenziale di Napoli and Società Traforo del Monte Bianco have submitted their own plan which, in accordance with the guidelines, must be approved by the Ministry of Infrastructure and Transport, in agreement with the Ministry for Economic Development, and in consultation with regional authorities. The term for the above approval will expire on 15 March 2015.

Partial buyback of bonds issued by Atlantia through a Tender Offer

On 13 February 2015, Atlantia S.p.A. announced the launch of a Tender Offer with the aim of partially repurchasing the following notes issued by Atlantia and guaranteed by Autostrade per l'Italia:

- a) 5.625%, having a total par value of €1,500,000,000, maturing 2016;
- b) 3.375%, having a total par value of €1,000,000,000, maturing 2017, guaranteed by Autostrade per l'Italia;
- c) 4.500%, having a total par value of €1,000,000,000, maturing 2019.

The purchases are to be settled in cash of a predetermined maximum amount.

On closure of the tender offer, valid acceptances were received for notes with a total par value of €1,078,963,000. Atlantia has announced that it has decided to accept validly submitted acceptances with a total par value of €1,020,130,000.

Following the offer, Autostrade per l'Italia will repay the same amount in matching borrowings obtained from the parent, Atlantia, and reduce the guarantees issued by the same amount.

Resolution authorising the issue of retail bonds

On 19 February 2015, Autostrade per l'Italia's Board of Directors voted to authorise the issue, by 31 December 2015, of one or more new non-convertible bonds, to be issued in one or more tranches and with a total value of up to €1.5 billion. The bonds are to be listed on one or more regulated markets [including the *Mercato Telematico delle Obbligazioni*, organised and managed by Borsa Italiana S.p.A.] and are to be offered for sale to retail investors in Italy. The Board of Directors also resolved that the bonds, with terms to maturity of no more than 8 years, may be fixed, floating or mixed rate (i.e., a combination of a fixed rate - applied during the initial term - and a floating rate - applied during the remaining term). The primary purpose of the issues is to finance the Autostrade per l'Italia Group's development plans, maintain a balanced financial structure in terms of the ratio of short to medium/long-term debt, diversify sources of funding and raise funds at competitive costs, in addition to maintaining a wide base of investors and enabling early repayment of intercompany loans obtained from Atlantia, in order to extend the average term to maturity of the Company's debt.

Acquisition of control of Società Autostrada Tirrenica agreed

On 25 February 2015, Autostrade per l'Italia which already owned 24.98% of Società Autostrada Tirrenica p.A. (SAT), reached agreement with SAT's other shareholders for the acquisition of a further 74.95% stake in the company, thus raising its total interest to 99.93%. The cost of the transaction is approximately €84 million.

SAT holds the concession for the A12 Livorno-Civitavecchia motorway, of which the Livorno-Rosignano section of around 40 km is in operation. The Single Concession Arrangement entered into with the Grantor 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, the Grantor sent the operator 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. The draft addendum has been submitted to the European Commission for review.

The purchase, which, among other conditions, is suspensively conditional on receipt of clearance from the Grantor, is expected to complete within the first half of 2015.

2.16 Outlook and risks or uncertainties

Despite the continuing weakness of the Italian economy, traffic trends on the Italian motorway network in recent months have shown positive signs of stabilising, whilst the motorways operated by the Group's overseas subsidiaries are registering overall traffic growth, in spite of the slowdown in Brazil caused by the weakness of the local economy. The contributions of the Group's overseas motorway operators are, however, subject to falls in the respective currencies.

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

Dear Shareholders,

In conclusion, we invite you:

- a) to discuss and approve the Board of Directors' report on operations and the financial statements as at and for the year ended 31 December 2014, which report profit of €703,530,976.66;
- b) to appropriate the €373,856,666.66 in profit for the year remaining, after payment of the interim dividend of €329,674,310.00 in 2014, as follows:
 - 1) €335,272,553.00 to pay a final dividend of €0.539 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 €38,584,113.66 to retained earnings;
- c) to establish the dividend payment date as 18 May 2015.

For the Board of Directors

The Chairman

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3.

CONSOLIDATED
FINANCIAL
STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

€000	Note	31/12/2014	of which related party transactions	31/12/2013	of which related party transactions
ASSETS					
NON-CURRENT ASSETS					
Property, plant and equipment	7.1	126,823		194,268	
Property, plant and equipment		119,619		187,376	
Property, plant and equipment held under finance leases		3,271		2,833	
Investment property		3,933		4,059	
Intangible assets	7.2	21,918,049		21,717,317	
Intangible assets deriving from concession rights		15,748,202		15,565,582	
Goodwill and other intangible assets with indefinite lives		6,111,331		6,112,160	
Other intangible assets		58,516		39,575	
Investments	7.3	130,942		113,846	
Investments accounted for at cost or fair value		36,149		38,985	
Investments accounted for using the equity method		94,793		74,861	
Other non-current financial assets	7.4	1,749,405		2,309,530	
Non-current financial assets deriving from concession rights		704,347		1,296,694	
Non-current financial assets deriving from government grants		215,023		247,481	
Non-current term deposits		291,189		332,745	
Non-current derivative assets		-		5,387	
Other non-current financial assets		538,846		427,223	
Deferred tax assets	7.5	155,874		153,290	
Other non-current assets	7.6	9,879		7,754	
TOTAL NON-CURRENT ASSETS		24,090,972		24,496,005	
CURRENT ASSETS					
Trading assets	7.7	1,125,092		1,125,137	
Inventories		46,264		53,473	
Contract work in progress		4,307		26,530	
Trade receivables		1,074,521	68,125	1,045,134	50,855
Cash and cash equivalents	7.8	1,631,687		3,324,129	
Cash		960,089		1,345,725	
Cash equivalents		579,476		1,978,404	
Intercompany current account receivables due from related parties		92,122	92,122	-	-
Other current financial assets	7.4	937,898		757,570	
Current financial assets deriving from concessions		428,933		413,067	
Current financial assets deriving from government grants		79,847		18,931	
Current term deposits		238,919		166,863	
Current derivative assets		-		70	
Current portion of medium/long-term financial assets		42,840		29,621	
Other current financial assets		147,359	124,849	129,018	110,324
Current tax assets	7.9	36,921	26,170	57,518	47,097
Other current assets	7.10	167,351		120,529	
Non-current assets held for sale and related to discontinued operations	7.11	539,354		18,153	
TOTAL CURRENT ASSETS		4,438,303		5,403,036	
TOTAL ASSETS		28,529,275		29,899,041	

€000	Note	31/12/2014	of which related party transactions	31/12/2013	of which related party transactions
EQUITY AND LIABILITIES					
EQUITY					
Equity attributable to owners of the parent		2,802,940		2,922,406	
Issued capital		622,027		622,027	
Reserves and retained earnings		1,848,431		1,993,402	
Profit/(Loss) for the year net of interim dividends		332,482		306,977	
Equity attributable to non-controlling interests		1,622,922		1,607,114	
Issued capital and reserves		1,591,056		1,525,203	
Profit/(Loss) for the year net of interim dividends		31,866		81,911	
TOTAL EQUITY	7.12	4,425,862		4,529,520	
NON-CURRENT LIABILITIES					
Non-current portion of provisions for construction services required by contract	7.13	3,783,956		3,727,154	
Non-current provisions	7.14	1,183,608		1,024,921	
Non-current provisions for employee benefits		134,790		135,115	
Non-current provisions for repair and replacement of motorway infrastructure		1,029,314		858,151	
Other non-current provisions		19,504		31,655	
Non-current financial liabilities	7.15	13,113,511		13,550,416	
Bond issues		874,235		991,771	
Medium/long-term borrowings		11,874,686	8,736,615	12,258,584	8,541,996
Non-current derivative liabilities		359,053	245,232	259,251	184,542
Other non-current financial liabilities		5,537		40,810	
Deferred tax liabilities	7.5	1,249,703		1,142,083	
Other non-current liabilities	7.16	92,330		93,469	
Total non-current liabilities		19,423,108		19,538,043	
CURRENT LIABILITIES					
Trading liabilities	7.17	1,313,363		1,286,317	
Contract work in progress		-		229	
Trade payables		1,313,363	274,527	1,286,088	7,788
Current portion of provisions for construction services required by contract	7.13	518,734		434,882	
Current provisions	7.14	419,514		336,888	
Current provisions for employee benefits		20,202		18,653	
Current provisions for repair and replacement of motorway infrastructure		329,881		253,609	
Other current provisions		69,431		64,626	
Current financial liabilities	7.15	1,609,089		3,368,926	
Bank overdrafts		17		7,228	
Short-term borrowings		494,820	250,000	2,976	-
Current derivative liabilities		1,034		-	
Intercompany current account payables due to related parties		213,319	213,319	430,779	430,779
Current portion of medium/long-term financial liabilities		894,450	241,897	2,918,737	2,375,574
Other current financial liabilities		5,449		9,206	
Current tax liabilities	7.9	46,733	21,363	25,899	3,578
Other current liabilities	7.18	348,151		378,566	
Non-current liabilities related to discontinued operations	7.11	424,721		-	
Total current liabilities		4,680,305		5,831,478	
TOTAL LIABILITIES		24,103,413		25,369,521	
TOTAL EQUITY AND LIABILITIES		28,529,275		29,899,041	

CONSOLIDATED INCOME STATEMENT

€000	Note	2014	of which related party transactions	2013	of which related party transactions
REVENUE					
Toll revenue	8.1	3,677,693		3,540,993	
Revenue from construction services	8.2	489,743	29,215	481,001	-
Contract revenue	8.3	25,806		15,235	
Other operating income	8.4	551,222	86,145	562,229	82,736
TOTAL REVENUE		4,744,464		4,599,458	
COSTS					
Raw and consumable materials	8.5	-185,541		-100,010	
Service costs	8.6	-1,174,499	-211,189	-1,274,700	-1,760
Gain/(Loss) on sale of elements of property, plant and equipment		-272		-76	
Staff costs	8.7	-559,383	-23,820	-558,968	-18,974
Other operating costs	8.8	-523,732		-517,451	
Concession fees		-435,065		-425,435	
Lease expense		-8,754		-10,843	
Other		-79,913	-470	-81,173	-13,879
Operating change in provisions	8.9	-240,351		-38,064	
Provisions/ (Uses of provisions) for repair and replacement of motorway infrastructure		-216,196		-6,325	
Provisions/ (Uses of provisions)		-24,155		-31,739	
Use of provisions for construction services required by contract	8.10	399,528		380,974	
Amortisation and depreciation		-669,933		-665,447	
Depreciation of property, plant and equipment	7.1	-35,830		-41,503	
Amortisation of intangible assets deriving from concession rights	7.2	-611,683		-601,231	
Amortisation of other intangible assets	7.2	-22,420		-22,713	
(Impairment losses)/Reversals of impairment losses	8.11	4,976		-17,771	
TOTAL COSTS		-2,949,207		-2,791,513	
OPERATING PROFIT		1,795,257		1,807,945	
Financial income					
Financial income accounted for as an increase in financial assets deriving from concession rights and government grants		56,241		59,373	
Dividends received from investee companies		15		1	
Other financial income		243,168	38,390	208,030	33,534
Financial expenses		-910,104		-957,804	
Financial expenses from discounting of provisions for construction services required by contract and other provisions		-107,735		-94,819	
Other financial expenses after government grants		-802,369	-488,029	-862,985	-528,417
Foreign exchange gains/(losses)		16,321		3,953	
FINANCIAL INCOME/(EXPENSES)	8.12	-594,359		-686,447	
Share of (profit)/loss of associates and joint ventures accounted for using the equity method	8.13	-8,139		-5,196	
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS		1,192,759		1,116,302	

€000	Note	2014	of which related party transactions	2013	of which related party transactions
Income tax (expense)/benefit	8.14	-498,597		-395,086	
Current tax expense		-373,470		-330,771	
Differences on current tax expense for previous years		4,806		4,640	
Deferred tax income and expense		-129,933		-68,955	
PROFIT/(LOSS) FROM CONTINUING OPERATIONS		694,162		721,216	
Profit/(Loss) from discontinued operations	8.15	210		17,454	
PROFIT FOR THE YEAR		694,372		738,670	
<i>of which:</i>					
Profit attributable to owners of the parent		662,156		656,556	
Profit attributable to non-controlling interests		32,216		82,114	
Basic earnings per share attributable to owners of the parent (€)	8.16	1.07		1.05	
<i>of which:</i>					
- continuing operations		1.07		1.02	
- discontinued operations		-		0.03	
Diluted earnings per share attributable to owners of the parent (€)	8.16	1.07		1.05	
<i>of which:</i>					
- continuing operations		1.07		1.02	
- discontinued operations		-		0.03	

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

€000	Note	2014	2013
Profit for the year (A)		694,372	738,670
Fair value gains/(losses) on cash flow hedges		-99,013	93,363
Fair value gains/(losses) on net investment hedges		-	1,193
Gains/(losses) from translation of assets and liabilities of consolidated companies denominated in functional currencies other than the euro		-28,947	-387,741
Gains/(Losses) from translation of investments in associates and joint ventures accounted for using the equity method denominated in functional currencies other than the euro		512	-4,596
Other comprehensive income/(loss) for the year reclassifiable to profit or loss, after related taxation (B)		-127,448	-297,781
Gains/(losses) from actuarial valuations of provisions for employee benefits		-11,330	4,260
Other comprehensive income/(loss) for the year not reclassifiable to profit or loss, after related taxation (C)		-11,330	4,260
Reclassifications of other components of comprehensive income to profit or loss (D)		12,344	1,830
Total other comprehensive income/(loss) for the year, after related taxation (E=B+C+D)		-126,434	-291,691
<i>Of which discontinued operations</i>		<i>11,507</i>	<i>-10,554</i>
Comprehensive income for the year (A+E)	7.12	567,938	446,979
<i>Of which attributable to owners of the parent</i>		<i>545,484</i>	<i>561,238</i>
<i>Of which attributable to non-controlling interests</i>		<i>22,454</i>	<i>-114,259</i>

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 31/12/2012	622,027	-102,530	-37,593
Comprehensive income for the year	-	89,797	1,193
Owner transactions and other changes			
Final dividend declared	-	-	-
Transfer of profit/(loss) for previous year to retained earnings	-	-	-
Interim dividend	-	-	-
Share-based incentive plans	-	-	-
Change in the scope of consolidation, capital contributions, other minor changes and reclassifications	-	-	-
Balance as at 31/12/2013	622,027	-12,733	-36,400
Comprehensive income for the year	-	-89,963	-
Owner transactions and other changes			
Final dividend declared	-	-	-
Transfer of profit/(loss) for previous year to retained earnings	-	-	-
Interim dividend	-	-	-
Share-based incentive plans	-	-	-
Change in the scope of consolidation, capital contributions, other minor changes and reclassifications	-	-	-
Balance as at 31/12/2014	622,027	-102,696	-36,400

Equity attributable to owners of the parent					Equity attributable to non-controlling interests	Total equity attributable to owners of the parent and non-controlling interests
Reserve for translation differences on transactions in functional currencies other than the euro	Reserve for associates and joint ventures accounted for using the equity method	Other reserves and retained earnings	Profit/(loss) for the year	Total		
-7,565	-1,667	1,981,917	598,082	3,052,671	1,708,156	4,760,827
-190,113	-468	4,273	656,556	561,238	-114,259	446,979
-	-	-	-	-	-	-
-	-	-	-344,148	-344,148	-8,496	-352,644
-	-	253,934	-253,934	-	-	-
-	-	-	-349,579	-349,579	-203	-349,782
-	-	3,304	-	3,304	32	3,336
-	74	-1,154	-	-1,080	21,884	20,804
-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	-7,861	-348,110
-	-	-33,272	33,272	-	-	-
-	-	-	-329,674	-329,674	-350	-330,024
-	-	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

CONSOLIDATED STATEMENT OF CASH FLOWS

€000	Note	2014	of which related party transactions	2013	of which related party transactions
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES					
Profit for the year		694,372		738,670	
Adjusted by:					
Amortisation and depreciation		682,983		678,070	
Provisions		242,314		56,201	
Financial expenses from discounting of provisions for construction services required by contract		107,943		95,067	
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 associates and joint ventures accounted for using the equity method	8.13	8,139		5,233	
Impairment losses/(Reversal of impairment losses) and adjustments of other non-current assets		-9,187		-	
(Gains)/Losses on sale of non-current assets		243		-154	
Net change in deferred tax (assets)/liabilities through profit or loss		123,160		72,206	
Other non-cash costs (income)		-108,731	-29,215	-14,805	-
Change in working capital and other changes		-271,306	5,413	-130,655	57,533
Net cash generated from/(used in) operating activities [A]	9.1	1,469,935		1,499,833	
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES					
Investment in assets held under concession	7.2	-858,332		-1,149,134	
Government grants related to assets held under concession		39,875		35,105	
Increase in financial assets deriving from concession rights (related to capital expenditure)		63,465		357,953	
Purchases of property, plant and equipment		-39,630		-54,035	
Purchases of other intangible assets	7.2	-34,721		-23,390	
Purchase of investments, net of unpaid called-up issued capital		-4,207		-18,247	
Purchase of consolidated investments, net of cash acquired		-		-893	
Proceeds from sales of property, plant and equipment, intangible assets and unconsolidated investments		8,507	77,505	1,599	-
Proceeds from sales of consolidated investments net of cash and cash equivalents transferred		208,777		-	
Net change in other non-current assets and other changes in investment activities		45,595		-6,176	
Net change in current and non-current financial assets not held for trading purposes		164,051	-16,446	-392,286	-971
Net cash generated from/(used in) investing activities [B]		-406,620		-1,249,504	

€000	Note	2014	of which related party transactions	2013	of which related party transactions
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES					
Dividends paid		-678,617		-701,943	
Contributions from non-controlling shareholders		720		1,282	
New loans from parent		202,880	200,000	830,114	825,000
Repayment of loans from parent		-2,100,234	-2,094,200	-	-
Issuance of bonds		32,038		621,279	
Increase in medium/long-term borrowings (excluding finance lease liabilities)		397,940		368,761	
Increase in finance lease liabilities		3,935		-	
Bond redemptions	7.15	-45,041		-538,195	
Repayments of medium/long-term borrowings (excluding finance lease liabilities)		-591,639		-405,972	
Payment of finance lease liabilities		-4,497		-538	
Net change in other current and non-current financial liabilities		297,199	215,070	83,029	27,014
Net cash generated from/(used in) financing activities [C]	9.1	-2,485,316		257,817	
Net effect of foreign exchange rate movements on net cash and cash equivalents [D]		2,862		-35,940	
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS [A+B+C+D]	9.1	-1,419,139		472,206	
Net cash and cash equivalents at beginning of year		2,886,112		2,413,906	
NET CASH AND CASH EQUIVALENTS AT END OF YEAR		1,466,973		2,886,112	

ADDITIONAL INFORMATION ON THE STATEMENT OF CASH FLOWS

€000	Note	2014	2013
Income taxes paid		336,773	256,035
Interest income and other financial income collected		63,340	82,243
Interest expense and other financial expenses paid		-749,312	-704,033
Dividends received	8.12	15	1
Foreign exchange gains collected		123	233
Foreign exchange losses incurred		-268	-222

RECONCILIATION OF NET CASH AND CASH EQUIVALENTS

€000	Note	2014	2013
NET CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		2,886,112	2,413,906
Cash and cash equivalents	7.8	3,324,129	2,809,944
Bank overdrafts repayable on demand	7.15	-7,228	-113
Intercompany current account payables due to related parties	7.15	-430,779	-395,925
Cash and cash equivalents related to discontinued operations		-10	-
NET CASH AND CASH EQUIVALENTS AT END 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	7.15	-213,319	-430,779
Cash and cash equivalents related to discontinued operations		48,622	-10

Notes

1. Introduction

The core business of the Autostrade per l'Italia Group ("the Group") is the operation of motorways under concessions granted by the relevant authorities. Under the related concession arrangements, the Group's operators are responsible for the construction, management, improvement and upkeep of motorway infrastructure in Italy and abroad. Further information on the Group's concession arrangements is provided in note 4.

Autostrade per l'Italia S.p.A. ("Autostrade per l'Italia", "the Company" or "the Parent Company") is a public limited company incorporated in 2003, whose 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 S.p.A. (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 S.p.A. (also referred to as "Atlantia"), which is listed on the screen-based trading system (*Mercato Telematico Azionario*) operated by Borsa Italiana S.p.A., and is responsible for management and coordination of the Company.

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

These consolidated financial statements as at and for the year ended 31 December 2014 were approved by the Company's Board of Directors at its meeting of 26 February 2015.

2. Basis of preparation of the consolidated financial statements

The consolidated financial statements as at and for the year ended 31 December 2014 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 2014. 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".

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.

It should be noted that no non-recurring, atypical or unusual transactions, having a material impact on the Group's financial statements, were entered into during 2014, either with third or related parties. In this regard, the consolidated financial statements show amounts relating to the principal related party transactions.

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. It should be noted, however, that, in accordance with IFRS 5, following the corporate

actions described in detail in note 6, the contributions of Pavimental, Spea Ingegneria Europea, Pavimental Polska, Spea do Brasil, Ecomouv, Ecomouv D&B and Tech Solutions Integrators to the consolidated income statement for the comparative reporting period in 2013 are presented in "Profit/(Loss) from discontinued operations", rather than included in each component of the consolidated income statement for continuing operations.

3. Accounting standards 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 2014. 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 2014 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/or amendments to existing standards and interpretations were applicable from 1 January 2014:

- a) IFRS 10 - Consolidated Financial Statements and IFRS 12 - Disclosure of Interests in Other Entities. IFRS 10 replaces certain of the provisions of the old IAS 27 and SIC 12 with a new definition of control, but retains the methods used in preparation of IFRS compliant consolidated financial statements, having made no changes to the relevant provisions in the existing IAS 27. IFRS 10 provides that an investor controls an investee when the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to influence those returns through its power over the investee. Finally, IFRS 10 refers readers to the new IFRS 12 in relation to the disclosure of interests in other entities. This latter standard establishes disclosure requirements pertaining to investments in subsidiaries and associates, as well as other joint arrangements (cf. the new IFRS 11 below);
- b) IFRS 11 - Joint Arrangements. This standard replaces IAS 31 and SIC 13 and requires that a party to a joint arrangement determines the nature of the agreement in which that party is involved by evaluation of its rights and obligations arising thereunder. A joint arrangement is an arrangement by which two or more parties have joint control, which, in turn, is defined by the standard as a contractually agreed sharing of control of an arrangement. Such arrangements only exist when decisions about activities that significantly affect the returns of the arrangement require the unanimous consent of the parties sharing control. IFRS 11 requires that joint arrangements be classified as one of two types: (i) joint operations - joint arrangements whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement, and (ii) joint ventures - joint arrangements whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement, such as, for example, companies with a separate legal personality. The accounting treatment required by IFRS 11 for joint operations is the prorated recognition of assets, liabilities, revenues and costs arising under the arrangement to be measured in accordance with the relevant standards. The accounting treatment required by the new standard for joint ventures, on the other hand, is based on the equity method established by IAS 28;
- c) IAS 27 - Separate Financial Statements. Following the amendments, which take account of the introduction of the new IFRS 10, this standard is only applicable to an entity's preparation of its separate financial statements and the accounting treatment of investments in subsidiaries;
- d) IAS 28 - Investments in Associates and Joint Ventures. The amendments to the standard take account of the introduction of the new IFRS 11, and have made the equity method mandatory for the measurement of investments in joint ventures;
- e) IAS 36 - Impairment of Assets. The amendments have essentially clarified the disclosures to be provided on the recoverable amount of non-financial assets, and simplified the disclosures to be provided regarding the recoverable value of CGUs for which no impairment has been accounted for;
- f) IAS 39 - Financial Instruments. The amendments regard the introduction of a number of exemptions to the hedge accounting requirements established by IAS 39, where an existing derivative is to be replaced with a new derivative that, due to a law or regulation, is novated directly or indirectly to a Central Counterparty (CCP).

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. Assets acquired through business combinations prior to 1 January 2004 (the IFRS transition date for the Parent Company) 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 2014 are shown in the table below by asset class:

Property, plant and equipment	Rate of depreciation
Buildings	2.5%-33.33%
Plant and machinery	5%-33.33%
Industrial and trading equipment	5%-40%
Other assets	9%-50%

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, on the other hand, 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 financial assets, consists of (i) the amount funded by government grants, (ii) any amounts repayable by replacement operators on termination of a concession (so-called "takeover rights"), and/or (iii) any minimum level of tolls or revenue guaranteed by the Grantor. Cost, as determined in this manner, is recovered by payments received from road users. 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 present fair value of the construction services to be provided in the future (excluding any financial expenses that may be incurred during provision of the services), less any grants, with a double 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 present fair value of the part of the construction services still to be rendered at the end of the reporting period;
 - 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, among other things, 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 2014 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	8%-33.33%
Industrial patents and intellectual property rights	5%-50%
Licenses and similar rights	10%-33.33%
Other assets	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 (with the exception of those under common control, as specified below) are accounting 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 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, the Parent Company's IFRS transition date, as noted above. 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) 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.

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.

Investments held for sale, or those in the process of being sold, are accounted for in current assets at the lower of their carrying amount and fair value, less any costs to sell.

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.

Profit or loss on construction and/or upgrade services provided to the Grantor in relation to concessions held by certain Group companies are also 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, which primarily consist of the costs 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. The double entry of revenue from construction and /or upgrade services is represented by financial assets (concession rights and/or government grants) or by intangible assets deriving from concession rights, as explained in the relevant note.

Inventories

Inventories 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 reporting period.

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 derivatives that are designated and qualify as asset or liability cash flow hedges are recognised in the statement of comprehensive income, net of any deferred taxation. 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, in accordance with IAS 39, 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.

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, as required by IFRS 13, 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 adjusting the resulting value to include counterparty risk in the case of financial assets and the own credit risk in the case of financial liabilities.

In the case of short-term financial instruments, the carrying amount, less any impairment losses, approximates to fair value.

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 present fair value of future construction services, excluding financial costs, is initially recognised, less the portion covered by government grants. The double entry is concession rights for works without additional economic benefits. The present value of the residual liability for future construction 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.

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 assets to be handed over, 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 in the form of defined benefit plans (for Italian companies, primarily post-employment benefits accrued to 31 December 2006 or, where applicable, to the date the employee joins a supplementary pension fund) 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, net of taxation.

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

Where the carrying amount of non-current assets held for sale or of assets and liabilities included in disposal groups and/or 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, the above assets and liabilities are recognised under the specific IFRS applicable to each asset and liability, and subsequently accounted for at the lower of the carrying amount and estimated 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, and taking account of any applicable exemptions.

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.

In 2014, Atlantia continued to operate a tax consolidation arrangement, in which Autostrade per l’Italia and certain other Italian-registered companies participate.

Share-based payments

The cost of services provided by directors and 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, of the rights (term, any consideration, conditions of exercise, etc.) and the related plan's underlying securities. The obligation is determined by independent actuaries. The cost of the 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. Fair value is remeasured at the end of the 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 especially important in determining amortisation and depreciation, impairment testing of assets (including the measurement of receivables), provisions, employee benefits, the fair value of financial assets and liabilities, and 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 the Parent Company's shares outstanding during the accounting period.

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

New accounting standards and interpretations, or revisions and modifications of existing standards, that have either yet to come into effect or yet to be endorsed by the European Union

As required by IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors", this section describes new accounting standards and interpretations, and revisions of existing standards and interpretations that are already applicable, but that have either yet to come into effect or endorsed by the European Union (EU), and that may in the future be applied in the Group's consolidated financial statements.

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.

IFRS 9 is effective from 1 January 2018. The standard is currently being examined by the European Union for the purposes of endorsement.

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 fair value through profit or loss in specific circumstances.

The requirements of IAS 39 that have been changed are:

- 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.

Amendments to IFRS 10 and IAS 28 - Sale or Contribution of an Assets between an Investor and its Associate or Joint Venture

On 11 September 2014, the IASB published amendments to IFRS 10 - Consolidated Financial Statements, and IAS 28 - Investments in Associates and Joint Ventures, in order to coordinate the accounting treatment of sales and contributions of assets between an investor and its associates or joint ventures.

The amendments introduced establish that the gain or loss to be recognised in the financial statements of the seller/transferee, as a result of the sale or contribution of an asset (including a subsidiary) to an associate or a joint venture, depends on whether or not the asset (or subsidiary) sold or contributed constitutes a business or not, as defined by IFRS 3. If it constitutes a business, the entity must recognise the gain or loss computed with respect to the entire interest previously held, whilst, if the assets do not constitute a business, the portion of the gain or loss attributable to the portion of the assets retained by the entity must be eliminated.

The same criterion must also be applied to any amounts previously recognised in comprehensive income and which must be reclassified to profit or loss as a result of the transaction.

Accordingly, IAS 28 has also been amended so that gains or losses from upstream or downstream transactions concluded by the associate or joint venture, and involving assets constituting a business, are recognised in full, rather than to the extent that the gains or losses are attributable to non-controlling shareholders.

The IASB has established that the amendments will be effective for annual periods beginning on 1 January 2016. They have yet to be endorsed by the European Union.

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.

The IASB has established that the amendments will be effective for annual periods beginning on or after 1 January 2016. The amendments have yet to be endorsed by the European Union.

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 and 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.

IFRS 15 is required to be adopted for accounting periods beginning on or after 1 January 2017, once endorsed by the European Union. 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) 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.

The amendments will come into effect for accounting periods beginning on 1 January 2016. The amendments are currently being examined by the European Union. Given that they regard disclosures to be included in the financial statements, 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.

The amendments are required to be adopted prospectively for accounting periods beginning on or after 1 January 2016. These amendments have yet to be endorsed by the European Union.

IFRIC 21 - Levies

In May 2013 the IASB issued interpretation IFRIC 21 - Levies. The interpretation applies to all levies imposed by a government other than those that fall within the scope of other standards (for example, IAS 12 - Income taxes) and fines or other penalties for breaches of legislation. The levies are defined in the interpretation as "outflows of resources embodying economic benefits imposed by a government on entities in accordance with legislation".

The interpretation clarifies that an entity is required to recognise a liability for a levy imposed by a government only when the activity that triggers payment of the levy, as identified by the relevant legislation, occurs. The interpretation also clarifies that a levy liability is accrued progressively only if the activity that triggers payment occurs over a period of time. For a levy that is triggered on reaching a minimum threshold, no liability is recognised before the specified minimum threshold is reached.

The interpretation is required to be adopted for accounting periods beginning on or after 1 January 2014. The interpretation was endorsed by the European Union in 2014 and the EU regulation requires its application at the latest from the beginning of the first accounting period beginning after 16 June 2014. It will, therefore, be applied by the Atlantia Group from 2015.

Annual Improvements to IFRSs: 2010-2012 and 2011-2013

The IASB published "Annual Improvements to IFRSs: 2010-2012 Cycle" and "Annual Improvements to IFRSs: 2011-2013 Cycle" on 12 December 2013, amending standards deemed necessary but not urgent as part of its annual improvements programme.

The 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 3 - Business Combinations: the amendments clarify that a contingent consideration classified as an asset or liability must be measured at fair value at the end of each reporting period, with changes in fair value recognised in profit or loss, regardless of whether or not the contingent consideration is a financial instrument or a non-financial asset or liability. In addition, the IASB has clarified that the standard does not apply to all formations of a joint venture;
- c) 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;
- d) IFRS 13 - Fair Value Measurement: the standard's “Basis for Conclusions” have been amended in order to clarify that with the publication of IFRS 13, and the resulting amendments to IAS 39 and IFRS 9, the option of accounting for short-term trade receivables and payables without recognising the impact of discounting to present value remains valid if such impact is not material.

The proposed amendments are required to be applied in accounting periods beginning on or after 1 July 2014. The amendments were endorsed by the European Union in December 2014.

Annual Improvements to IFRSs: 2012-2014

The IASB published “Annual Improvements to IFRSs: 2010-2014 Cycle” on 25 September 2014.

The amendments that could be relevant to the Group are:

- a) IFRS 7 - Financial Instruments: Disclosures: the amendments eliminate uncertainty regarding how 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 proposed amendments are required to be applied in accounting periods beginning on or after 1 January 2016. The amendments will be endorsed by the European Union in September 2015.

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 core business of the Autostrade per l'Italia 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.

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.

Italian motorways

Briefly, concessions, on the one hand, 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 /or modernise the motorways 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 2014 are the following:

- a) on 29 May 2014, Ministerial Decree 498 of 30 December 2013, approving the addendum to the Single Concession Arrangement of 12 October 2007, signed by the Ministry of Infrastructure and Transport and Autostrade per l'Italia S.p.A. on 24 December 2013, was registered with the Italian Court of Auditors;
- b) in compliance with CIPE Resolution 27/2013, in June 2014 Tangenziale di Napoli and Raccordo Autostradale Valle d'Aosta submitted their proposed five-yearly revisions of their financial plans to the Grantor. The revisions were re-submitted in November 2014 after taking into account a number of requests from the Grantor. Discussions with the Grantor regarding revision of the above plans are ongoing. The revised documents will be formalised in addenda to the concession arrangements in force, to be approved by 30 June 2015, in accordance with the memorandum signed by each of the above operators and the Grantor on 30 December 2014.

With the exception of the above, there were no further changes during 2014 to report regarding the concession arrangements to which the Group's Italian companies are party.

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 €8.5 billion already completed as at 31 December 2014 (€8.0 billion as at 31 December 2013). The investment programme, which forms part of the Company's financial plan, updated to December 2013, essentially regards the upgrade of existing motorways.

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 92 million Brazilian reais (equal to approximately €29 million at the closing exchange rate at the end of 2014);
- b) Rodovias das Colinas is currently engaged in widening the existing sections, with the remaining amount to be invested totalling approximately 215 million Brazilian reais (equal to approximately €67 million at the closing exchange rate at the end of 2014). Work is scheduled for completion in 2019;
- c) Rodovia 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 €680 million Brazilian reais (equal to approximately €211 million at the closing exchange rate at the end of 2014).

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"), is now fully effective, following publication of the Supreme Decree ratifying the programme on 12 March 2014. The programme 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 240 billion Chilean pesos (approximately €325 million at the closing exchange rate at the end of 2014), with approximately 27% of the work completed at the end of 2014. 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 20 billion Chilean pesos (equal to €27 million at the closing exchange rate at the end of 2014). Work should start in 2015 and be completed in 2017. This investment is included in the company's financial plan.

Poland

The subsidiary, Stalexport Autostrada Malopolska, holds a concession requiring implementation of an investment programme and the obligation to operate and maintain the 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 380 million zloty (equal to approximately €89 million at the closing exchange rate for 2014).

Country	Operator	Section of motorway	Kilometres 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-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	
			2,854.6	31 Dec 2038
	Autostrade Meridionali	A3 Naples-Salerno	51.6	31 Dec 2012 ⁽¹⁾
	Tangenziale di Napoli	Naples ring road	20.2	31 Dec 2037
	Raccordo Autostradale Valle d'Aosta	A5 Aosta-Mont Blanc	32.3	31 Dec 2032
	Società Italiana p.A. per il Traforo del Monte Bianco	Mont Blanc Tunnel	5.8	31 Dec 2050
Overseas motorways				
Brazil	Triangulo do Sol Auto-Estradas	SP 310 Rodovia Washington Luis	442.0	18 Jul 2021
		SP326 Rodovia Brigadeiro Faria Lima		
		SP333 Rodovia Carlos Tonani, Nemesio Cadetti e Laurentino Mascari		
	Rodovias das Colinas	SP075 - Itu/Campinas	307.0	1 Jul 2028
		SP127 - Rio Claro/Tatuí		
		SP280 - Itu/Tatuí		
		SP300 - Jundiaí/Tietê		
	Nascentes das Geraes	SPI-102/300		
		MG-050	372.0	12 Jun 2032
		BR-265		
Chile	Sociedad Concesionaria de Los Lagos	Rio Bueno-Puerto Montt	135.0	20 Sep 2023
		Puente La Dehesa-Puente Centenario	43.0	30 Jun 2033
	Sociedad Concesionaria Costanera Norte	Puente Centenario-Vivaceta		
		Vivaceta-A. Vespucio		
		Estoril-Puente Lo Saldes		
		Sector Oriente: Enlace Centenario-Enlace Av. Del Valle	21.5	7 Jan 2044 ⁽²⁾
	Sociedad Concesionaria Autopista Nororiental	Sector Poniente: Enlace Av. Del Valle-Enlace Ruta 5 Norte		
		Ruta 78-General Velásquez	23.5	6 Dec 2032
		General Velásquez-Ruta 5 Sur		
		Ruta 5 Sur-Nuevo Acceso Sur a Santiago		
	Sociedad Concesionaria Vespucio Sur	Nuevo Acceso Sur a Santiago-Av. Vicuna Mackenna		
		Av. Vicuna Mackenna-Av. Grecia		
Poland	Stalexport Autostrada Malopolska	Sociedad Concesionaria AMB	10.0	2020 ⁽³⁾
		Tramo A		
		Tramo B		
		Nuevo Camino Costero: Cartagena Algarrobo	80.6	16 Nov 2031
		Camino Algarrobo-Casablanca (Ruta F-90)		
		Camino Costero Interior (Ruta F-962-G)		
		A4 Cracovia-Katowice	61.0	15 Mar 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, discounted to the start date of the concession at the real rate of 9.5%, reaches the agreed threshold of €360 million and, in any event, no later than 7 January 2044.

(3) Estimated date: the concession will expire when the net present value of the revenues received, discounted to the start date of the concession at the real rate of 9.0%, reaches the agreed threshold of €40 million and, in any event, no later than 12 September 2048.

5. Scope of consolidation

In addition to the Parent Company, Autostrade per l'Italia, companies are consolidated when Autostrade per l'Italia S.p.A. 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.

As part of the consolidation, all companies consolidated on a line-by-line basis submit individual reporting packages as of the end of the reporting period, with accounting information consistent with the Group's IFRS accounting policies.

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:

Currency	2014		2013	
	Spot exchange rate at 31/12	Average exchange rate for year	Spot exchange rate at 31/12	Average exchange rate for year
Euro/US Dollar	1.214	1.329	1.379	1.328
Euro/Polish Zloty ⁽¹⁾	4.273	4.184	4.154	4.197
Euro/Chilean Peso	737.297	756.933	724.769	658.324
Euro/Brazilian Real	3.221	3.121	3.258	2.869
Euro/Indian Rupee	76.719	81.041	85.366	77.930

(1) The average euro/zloty rate for the period 1 January 2014 - 30 June 2014 (equal to 4.175) was used to convert the results of operations for 2014 of the Polish company, Pavimental Polska, deconsolidated from 1 July 2014.

The scope of consolidation as at 31 December 2014 differs from the scope at the end of the previous year, essentially following the deconsolidation of Pavimental and Spea Ingegneria Europea and their subsidiaries (Pavimental Polska and Spea do Brasil), with effect from the second half of 2014 and the end of 2014, respectively. This followed completion of Autostrade per l'Italia's transfer of controlling interests in these companies to the parent, Atlantia, and to Aeroporti di Roma, in accordance with the planned restructuring of the Atlantia Group.

In addition, as required by IFRS 5, following the events described below in note 6.2, the contributions of the deconsolidated companies, and of Ecomouv, Ecomouv D&B and Tech Solutions Integrators, to the consolidated income statement for 2014 are presented in "Profit/(Loss) from discontinued operations", rather than included in each component of the consolidated income statement for continuing operations. As a result, again in accordance with IFRS 5, these companies' contributions to the consolidated income statement for 2013, presented for comparative purposes, have been reclassified with respect to the statement previously published in the consolidated financial statements as at and for the year ended 31 December 2013. Furthermore, as required by IFRS 5, the carrying amounts of the assets and liabilities of the above French companies as at 31 December 2014 are presented in the consolidated statement of financial position, according to their nature (financial or non-financial), in the specific items for assets and liabilities related to discontinued operations.

6. Corporate actions

6.1 Disposal of controlling interests in Pavimental and Spea Ingegneria Europea

As part of a restructuring of the Atlantia Group's investments, on 8 August 2014 Autostrade per l'Italia transferred control of Pavimental, a company that provides maintenance and construction services, to the parent, Atlantia. This involved Autostrade per l'Italia's transfer of a 59.4% interest in Pavimental to Atlantia and of a 20% interest to Aeroporti di Roma. The purchase considerations of €29,010 thousand and €9,768 thousand, respectively, were based on the outcome of an independent expert appraisal of Pavimental's economic capital.

In addition, as part of the same restructuring, on 1 December 2014, Autostrade per l'Italia transferred control of Spea Ingegneria Europea, a company that provides design and project management services to both the Group's Italian motorway operators and Aeroporti di Roma, to Atlantia. This involved Autostrade per l'Italia's transfer of a 46% interest in the company to Atlantia and of a 27% interest to Aeroporti di Roma. The purchase considerations of €24,404 thousand and €14,324 thousand were based on the outcome of an independent expert appraisal of Spea's economic capital.

In accordance with the accounting policies described in note 3 with regard to IFRS 3, in view of the fact that the above corporate restructuring did not result in significant measurable changes in the cash flows generated by the companies transferred before and after the transaction, the net gain generated by the above disposals has been recognized directly in equity attributable to owners of the parent.

6.2 Discontinuation of operations relating to the "Eco-Taxe" project

Detailed information on early termination of the Eco-Taxe project, on which the French companies, Ecomouv, Ecomouv D&B and Tech Solutions Integrators were working, following the French government's decision to terminate the Partnership Agreement, is provided in note 10.7.

Again in accordance with IFRS 5, the carrying amounts of the assets and liabilities of the above French companies as at 31 December 2014 are presented in the consolidated statement of financial position, according to their nature (financial or non-financial), in the specific items for assets and liabilities related to discontinued operations, as described in note 7.11. Finally, in the consolidated income statement for the year ended 31 December 2014, the contributions of the French companies to the income statements for both comparative periods have been presented in "Profit/(Loss) from discontinued operations", as described in note 8.16.

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 2014. Comparative amounts as at 31 December 2013 are shown in brackets. As described in note 6 above, the statements of changes in assets and liabilities reflect the reclassification of the contributions of Ecomouv, Ecomouv D&B and Tech Solutions Integrators, whose assets and liabilities as at 31 December 2014 are, in accordance with IFRS 5, presented according to their nature (financial or non-financial) in the specific items for assets and liabilities related to discontinued operations.

Changes in assets and liabilities also reflect the assets and liabilities of Pavimental and Spea, and of their direct subsidiaries, at the date of deconsolidation.

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 - €126,823 thousand (€194,268 thousand)

The balance of property, plant and equipment shows a net decrease of €67,445 thousand in 2014, primarily as a result of the combined effect of the following:

- a) depreciation, totalling €48,316 thousand;
- b) reductions due to disposals during the year, totalling €19,769 thousand;
- c) capital expenditure during the year of €39,630 thousand;
- d) the reduction due to the change in the scope of consolidation, totalling €38,727 thousand, essentially regarding Pavimental and Spea.

Investment property of €3,933 thousand refers to land and buildings not used in operations and is stated at cost. The total fair value of these assets is estimated to be €8.3 million, based on independent appraisals and information on property markets relevant to these types of investment property.

There were no significant changes in the expected useful lives of these assets during the period or in the rates of depreciation used, which are shown in note 3 above.

Property, plant and equipment as at 31 December 2014 is free of mortgages, liens or other charges restricting use.

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

€000	31/12/2013			Changes during the year				
	Cost	Accumulated depreciation	Carrying amount	Cost				
				Additions for purchases and capitalisations	Assets entering service	Disposals	Currency translation differences	Write-downs
Property, plant and equipment								
Land	6,882	-	6,882	-	-	-117	-12	-
Buildings	71,886	-33,692	38,194	473	163	-346	-111	-
Plant and machinery	102,769	-74,379	28,390	1,491	1,495	-2,651	276	-
Industrial and business equipment	175,704	-125,823	49,881	12,682	2,441	-8,158	96	-13
Other assets	227,539	-173,611	53,928	13,229	117	-1,342	1,782	-2,798
Property, plant and equipment under construction and advance payments	10,100	1	10,101	8,594	-4,216	-4,058	-98	-9
Total	594,880	-407,504	187,376	36,469	-	-16,672	1,933	-2,820
Property, plant and equipment held under finance leases								
Land held under finance leases	644	-	644	-	-	-616	-28	-
Buildings held under finance leases	2,498	-399	2,099	-	-	-2,390	-107	-
Equipment held under finance leases	83	-45	38	-	-	-	-1	-
Other assets held under finance leases	309	-257	52	3,161	-	-91	76	-
Total	3,534	-701	2,833	3,161	-	-3,097	-60	-
Investment property								
Land	124	-	124	-	-	-	-	-
Buildings	11,903	-7,968	3,935	-	-	-	-192	-
Total	12,027	-7,968	4,059	-	-	-	-192	-
Total property, plant and equipment	610,441	-416,173	194,268	39,630	-	-19,769	1,681	-2,820

Changes during the year									31/12/2014		
Cost	Accumulated depreciation				Net reclassifications to assets related to discontinued operations		Change in scope of consolidation		Cost	Accumulated depreciation	Carrying amount
Reclassifications and other adjustments	Additions	Disposals	Currency translation differences	Reclassifications and other adjustments	Cost	Accumulated depreciation	Cost	Accumulated depreciation			
-	-	-	-	-	-	-	-3,417	-	3,336	-	3,336
-478	-2,687	253	28	248	-	-	-13,782	6,586	57,805	-29,264	28,541
-11,531	-8,886	2,488	-210	7,559	-7,200	7,200	-75,755	59,547	8,894	-6,681	2,213
-3,858	-17,956	7,753	-157	3,761	-	-	-33,062	26,737	145,832	-105,685	40,147
-13,984	-18,566	158	-1,450	11,159	-3,322	1,815	-16,431	12,090	204,790	-168,405	36,385
-13	-	-	-	-1	-63	-	-1,240	-	8,997	-	8,997
-29,864	-48,095	10,652	-1,789	22,726	-10,585	9,015	-143,687	104,960	429,654	-310,035	119,619
-	-	-	-	-	-	-	-	-	-	-	-
-	-64	445	17	-	-	-	-	-	1	-1	-
-45	-8	-	1	29	-	-	-	-	37	-23	14
-	-37	90	6	-	-	-	-	-	3,455	-198	3,257
-45	-109	535	24	29	-	-	-	-	3,493	-222	3,271
-	-	-	-	-	-	-	-	-	124	-	124
135	-112	-	164	-121	-	-	-	-	11,846	-8,037	3,809
135	-112	-	164	-121	-	-	-	-	11,970	-8,037	3,933
-29,774	-48,316	11,187	-1,601	22,634	-10,585	9,015	-143,687	104,960	445,117	-318,294	126,823

7.2 Intangible assets - €21,918,049 thousand (€21,717,317 thousand)

This item essentially consists of goodwill of €6,111,298 thousand (€6,112,129 thousand as at 31 December 2013), as described below, and the value of intangible assets deriving from concession rights, totalling €15,748,202 thousand (€15,565,582 thousand as at 31 December 2013). These rights regard the following categories:

- a) rights acquired from third parties (€2,749,907 thousand), essentially reflecting the fair value of the concession rights recognised following the acquisition of the Chilean and Brazilian companies in previous years;
- b) rights deriving from the commitment to carry out infrastructure construction work for which no additional economic benefits are received (€8,824,429 thousand);
- c) rights deriving from construction services for which additional economic benefits are received (€4,346,863 thousand);
- d) rights deriving from construction services carried out by service area operators at the end of concession terms and handed over free of charge to the Group's operators (€97,003 thousand).

There was a net increase of €200,732 thousand in intangible assets in 2014, primarily reflecting a combination of the following:

- a) an increase in 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, resulting in an increase of €457,757 thousand, including €295,522 thousand due to the decline in the current and future interest rates used as at 31 December 2014;
- b) investment in construction services for which additional economic benefits are received, totalling €372,041 thousand;
- c) recognition of the appraised value construction services performed by sub-operators and handed over free of charge to Autostrade per l'Italia, totalling €33,469 thousand;
- d) reversal of impairment losses on the concession rights of Stalexport Autostrady, totalling €12,018 thousand, for the reasons given below;
- e) amortisation for the year of €634,679 thousand;
- f) the negative balance of currency translation differences, totalling €24,615 thousand.

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

In 2014, the Group invested a total of €858,332 thousand in assets held under concession (€1,149,134 thousand in 2013). In accordance with IFRIC 12, operating and financial expenses in connection with those assets were recognised in income by nature, as was the fair value of construction services rendered.

The following analysis shows the various components of investment in assets held under concession effected through construction services, as reported in the statement of cash flows for the year.

€000	Note	2014	2013	Incr./[Decr.]
Use of provisions for construction services required by contract for which no additional economic benefits are received	7.13/8.10	399,528	380,974	18,554
Increase in intangible concession rights accruing from completed construction services for which additional economic benefits are received	8.2	372,041	420,317	-48,276
Increase in financial assets deriving from completed motorway construction services	7.4/8.2	52,181	325,295	-273,113
Revenue from government grants for construction services for which no additional economic benefits are received	7.13/8.2	34,582	22,548	12,033
Investment in assets held under concession		858,332	1,149,134	-290,802

Research and development expenditure of approximately €0.4 million has been recognised in the consolidated income statement for 2014. These activities are carried out in order to improve infrastructure, the services offered, safety levels and environmental protection.

“Goodwill and other intangible assets with indefinite lives” of €6,111,331 thousand. The balance primarily consists of the carrying amount of goodwill (impairment tested at least once a year rather than amortised), including €6,109,280 thousand (unchanged with respect to 31 December 2013) recognised following the transfer of motorway assets from the former Autostrade - Concessioni e Costruzioni Autostrade S.p.A. (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 full amount has been allocated to the CGU represented by the operator, Autostrade per l’Italia.

With regard to the recoverability of goodwill and the concession rights belonging to Group operators, the CGU represented by Autostrade per l’Italia, to which the above goodwill is allocated, has been tested for impairment, as have the CGUs showing evidence of impairment and CGUs on which impairment losses were recognised in previous years and for which there was evidence of a potential reversal of the impairment.

More specifically, the following should be noted:

- a) as explained in note 3, 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 Autostrade per l’Italia and Raccordo Autostradale Valle d’Aosta, 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. 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. In particular, Autostrade per l’Italia’s long-term plan used for the test has been prepared on the basis of the following assumptions:

- 1) a CAGR for traffic of 0.96%;
- 2) an average annual toll increase, linked to inflation, of 0.97%, which is 70% lower than the average inflation rate for the period 2015-2020 indicated in the Italian government’s Economic and Finance Document for 2014;
- 3) an average annual increase in the return on investment to be carried out of 1.14%. 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.

With regard to Raccordo Autostradale Valle d’Aosta’s long-term plan, the test was based on the five-yearly review of the financial rebalancing provided for in the existing concession arrangement, prepared by the company at the end of 2014 and currently being examined by the Grantor. This long-term plan has been prepared on the basis of the following assumptions:

- 1) a CAGR for traffic of 0.49%;
- 2) an average annual toll increase of approximately 2%, including a projected average annual inflation rate of 1.5%;
- 3) an average annual grant related to income, from 2016, of approximately €25 million;
- 4) a takeover right to be paid to the company on expiry of the concession, totalling €164 million.

The projected after-tax cash flows for the long-term plans of Autostrade per l’Italia and Raccordo Autostradale Valle d’Aosta were discounted to present value using the rates of 6.25% (6.08% in 2013) and 6.84% (6.66% in 2013), respectively, representing the specific after-tax WACC for each company.

The impairment tests confirmed that the assets accounted for in the financial statements and allocated to both the Autostrade per l’Italia CGU, including the value of goodwill, and the Raccordo Autostradale Valle d’Aosta CGU are fully recoverable. In the latter case, the results of the test revealed a partial reversal of the impairment losses recognised in previous years (€193,843 thousand after the related deferred taxation, which as at 31 December 2014 had a residual value of €48,471 thousand), determined following application of the impairment tests required by IAS 36 and included in the carrying amounts as at 31 December 2014. However, due to the uncertainties linked to possible changes to the above financial plan following its examination by the Grantor, and the resulting impact on projected cash flows, no reversal of any of the impairment losses previously referred to has been recognised;

c) in the case of the Stalexport Autostrady group, estimates of both value in use and fair value were used, the latter based on the price of the shares of its parent (a company listed on the Warsaw Stock Exchange). Value in use was estimated on the basis of the consolidated long-term plan drawn up by the company, containing traffic, investment, revenue and cost projections for the full term of the concession held by Stalexport Autostrada Malopolska, for the same reasons previously described in b) above.

The long-term plan used has been prepared on the basis of the following assumptions:

- 1) an average annual toll increase of 5.5%, based on the projected average annual inflation rate and expected GDP growth, in line with IMF World Economic Outlook estimates for the years 2015-2019, published in 2014;
- 2) a CAGR for traffic of 2.5%, which also takes into account the above GDP growth, weighted, for the years 2016-2020, by an elasticity factor of 1.35, used on a prudent basis with respect to the average of historical series for the last 5 years, which results in an elasticity factor of approximately 2.0.

The projected after-tax cash flows were discounted to present value using the rate of 5.56% (6.85% in 2013), representing the company's after-tax WACC. The outcome of the impairment test revealed a full reversal of the impairment losses recognised in previous years (€17,045 thousand after the related deferred taxation,

€000	31/12/2013				Changes during the year				
	Cost	Accumulated impairments	Accumulated amortisation	Carrying amount	Cost				
					Additions due to completion of construction services	Additions: purchases and capitalisations	Additions free of charge	Changes due to revised present value of contractual obligations	Disposals
Intangible assets deriving from concession rights									
Acquired concession rights	2,875,210	-17,045	-277,073	2,581,092	-	-	-	-	-
Concession rights accruing from construction services for which no additional economic benefits are received	11,910,537	-	-3,183,030	8,727,507	-	-	-	457,757	-
Concession rights accruing from construction services for which additional economic benefits are received	5,589,794	-194,748	-1,205,641	4,189,405	372,041	-	-	-	-
Concession rights accruing from construction services provided by sub-operators	87,928	-	-20,350	67,578	-	-	33,469	-	-
Total	20,463,469	-211,793	-4,686,094	15,565,582	372,041	-	33,469	457,757	-
Goodwill and other intangible assets with indefinite lives									
Goodwill	6,112,128	1	-	6,112,129	-	-	-	-	-
Trademarks	4,454	-4,423	-	31	-	2	-	-	-
Total	6,116,582	-4,422	-	6,112,160	-	2	-	-	-
Other intangible assets									
Development costs	171,870	-	-159,649	12,221	-	9,427	-	-	-31
Industrial patents and intellectual property rights	67,210	-630	-57,702	8,878	-	8,616	-	-	-273
Concessions and licenses	6,320	-2	-2,192	4,126	-	482	-	-	-44
Other	4,615	-2,368	-2,107	140	-	11,886	-	-	-137
Intangible assets under development and advance payments	14,210	-	-	14,210	-	4,308	-	-	-
Total	264,225	-3,000	-221,650	39,575	-	34,719	-	-	-485
Intangible assets	26,844,276	-219,215	-4,907,744	21,717,317	372,041	34,721	33,469	457,757	-485

amounting to €3,238 thousand at the exchange rate at 31 December 2013], using both the methods described. As a result, a reversal of impairment losses on the concession rights allocated to this CGU, totalling €12,018 thousand, has been recognised, together with the related deferred taxation, amounting to €2,282 thousand, after taking into account, as required by IAS 36, the value of amortisation (€4,906 thousand) that would have been charged in the years up to 2014 had the above impairment losses not been recognised.

In addition to the above impairment test, sensitivity analyses were conducted, increasing and reducing the above WACCs by 1%, and increasing and reducing the average annual rate of toll revenue 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 and, therefore, to the carrying amounts recognized in the consolidated financial statements as at and for the year ended 31 December 2014.

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

Changes during the year										31/12/2014			
Cost		Reversal of impairment losses/ (Impairment losses)	Accumulated amortisation				Net reclassifications to assets related to discontinued operations			Cost	Accumulated impairments	Accumulated amortisation	Carrying amount
Currency translation differences	Reclassifications and other adjustments		Additions	Disposals	Currency translation differences	Reclassifications and other adjustments	Cost	Accumulated amortisation					
-19,020	-	16,924	-97,067	-	2,884	-4,906	-	-	-	2,856,190	-121	-376,162	2,479,907
-4,544	-5,294	-	-351,601	-	1,603	-999	-	-	-	12,358,456	-	-3,534,027	8,824,429
-6,127	-11,283	-	-158,972	-	-871	874	-38,204	-	-	5,906,221	-194,748	-1,364,610	4,346,863
-	-	-	-4,043	-	-	-1	-	-	-	121,397	-	-24,394	97,003
-29,691	-16,577	16,924	-611,683	-	3,616	-5,032	-38,204	-	-	21,242,264	-194,869	-5,299,193	15,748,202
-	-	-	-	-	-	-	-831	-	-	6,111,297	1	-	6,111,298
-	-	-	-	-	-	-	-	-	-	4,456	-4,423	-	33
-	-	-	-	-	-	-	-831	-	-	6,115,753	-4,422	-	6,111,331
1,577	2,684	-	-13,134	10	-1,549	-285	-	-	-	185,527	-	-174,607	10,920
842	1,274	1	-7,136	263	-686	-1,275	-8,106	7,059		69,563	-629	-59,477	9,457
-58	1	1	-378	44	8	-3	-674	521		6,027	-1	-2,000	4,026
-1,052	-120	-	-2,348	-	539	7,224	1	-1		15,193	-2,368	3,307	16,132
1,839	-2,376	-	-	-	-	-	-	-		17,981	-	-	17,981
3,148	1,463	2	-22,996	317	-1,688	5,661	-8,779	7,579		294,291	-2,998	-232,777	58,516
-26,543	-15,114	16,926	-634,679	317	1,928	629	-47,814	7,579		27,652,308	-202,289	-5,531,970	21,918,049

7.3 Investments - €130,942 thousand (€113,846 thousand)

There was a net increase of €17,096 thousand during 2014.

The change primarily reflects:

- a) recognition of the fair value of the remaining investments in the associates, Pavimental and Spea, amounting to €25,093 thousand, following the corporate restructuring described in note 6.1;
- b) capital contributions of €4,206 thousand, essentially attributable to the Brazilian operator, Rodovias do Tietê;
- c) recognition of the Group's share (€7,973 thousand) of the loss reported by Rodovias do Tietê, consolidated using the equity method.

The following table shows carrying amounts at the beginning and end of the period, grouped by category, and changes in investments in 2014.

€000	31/12/2013 opening balance	Changes during the year					31/12/2014 closing balance
		Acquisitions	Revalua- tions through equity	Measurement using equity method		Changes in scope of consolidation	
				Profit or loss	Other com- ponents of comprehen- sive income statement		
Investments accounted for at cost or fair value	38,985	200	-	-	-	-3,036	36,149
Investments accounted for using the equity method <i>of which</i> :							
- associates	39,963	-	13,024	-166	-	10,529	63,350
- joint ventures	34,898	4,006	-	-7,973	512	-	31,443
Investments	113,846	4,206	13,024	-8,139	512	7,493	130,942

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 2014 were not available, the above information was supplemented and, where necessary, restated in accordance with Group accounting policies.

The following table shows an analysis of the Group's principal investments as at 31 December 2014, including the Group's percentage interest and the relevant carrying amount, net of unpaid, called-up issued capital, and showing the original cost and any accumulated revaluations and impairments at the end of the period. None of the Group's investments in associates and joint ventures is individually material with respect to total consolidated assets, operating activities or geographical areas and, therefore, the additional disclosures required in such cases by IFRS 12 have not been provided.

Annex 1 provides a list of the Group's investments as at 31 December 2014.

€000	31/12/2014				31/12/2013			
	% interest	Original cost	Revaluations/ (Impairments)	Carrying amount	% interest	Original 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
Tangenziale Esterna	0.25%	905	-	905	1.25%	3,515	-	3,515
Uirnet	1.51%	427	-	427	1.61%	427	-	427
Veneto Strade	5.00%	258	-	258	5.00%	258	-	258
Other smaller investments	-	612	-597	15	-	241	-	241
				36,149				38,985
Investments accounted for using the equity method								
Associates								
Società Autostrada Tirrenica	24.98%	6,343	21,925	28,268	24.98%	6,343	21,885	28,228
Spea Ingegneria Europea	27.00%	1,576	12,761	14,337	-	-	-	-
Pavimental	20.00%	9,505	1,251	10,756	-	-	-	-
Società Infrastrutture Toscane	46.00%	6,900	-1,368	5,532	46.60%	6,990	-1,196	5,794
Pedemontana Veneta	29.77%	1,935	-61	1,874	29.77%	1,935	22	1,957
Arcea Lazio	34.00%	1,430	228	1,658	34.00%	1,430	253	1,683
Bologna & Fiera Parking	32.50%	5,557	-4,879	678	32.50%	5,558	-3,976	1,582
Autostrade Mazowsze S.A. (*)	-	-	-	-	30.00%	913	-507	406
Other smaller investments	-	2,068	-1,821	247	-	1,128	-815	313
Joint ventures								
Rodovias do Tietê	50.00%	46,471	-16,028	30,443	50.00%	42,465	-8,567	33,898
Geie del Traforo del Monte Bianco	50.00%	1,000	-	1,000	50.00%	1,000	-	1,000
				94,793				74,861
Investments				130,942				113,846

(*) A company whose liquidation has been completed during the 2014.

7.4 Financial assets

(non-current) - €1,749,405 thousand (€2,309,530 thousand)

(current) - €937,898 thousand (€757,570 thousand)

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

€000	31/12/2014			31/12/2013		
	Carrying amount	Current portion	Non-current portion	Carrying amount	Current portion	Non-current portion
Takeover rights	401,716	401,716	-	390,433	390,433	-
Guaranteed minimums	637,068	27,217	609,851	631,408	22,634	608,774
Other concession rights	94,496	-	94,496	687,920	-	687,920
Financial assets deriving from concession rights ⁽¹⁾	1,133,280	428,933	704,347	1,709,761	413,067	1,296,694
Financial assets deriving from government grants related to construction services ⁽¹⁾	294,870	79,847	215,023	266,412	18,931	247,481
Convertible term deposits ⁽²⁾	530,108	238,919	291,189	499,608	166,863	332,745
Derivative assets ⁽³⁾	24,854	24,854	-	5,387	-	5,387
Other medium/long-term financial assets ⁽¹⁾	556,832	17,986	538,846	456,844	29,621	427,223
Other medium/long-term financial assets	581,686	42,840	538,846	462,231	29,621	432,610
Current derivative assets ⁽¹⁾	-	-	-	70	70	-
Other current financial assets ⁽¹⁾	147,359	147,359	-	129,018	129,018	-
Total	2,687,303	937,898	1,749,405	3,067,100	757,570	2,309,530

(1) These assets include financial instrument classified mainly in "credits and financial receivables" according to IAS 39. The carrying amount is equal to their fair value.

(2) These assets are classified as financial instruments held for sale and are included in the 2nd level of the fair value hierarchy. The carrying amount is equal to their fair value.

(3) These assets include mainly hedge account derivative assets included in the 2nd level of the fair value hierarchy.

Financial assets deriving from concession rights include:

- takeover rights attributable to Autostrade Meridionali (€401,716 thousand as at 31 December 2014), 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 (€637,068 thousand as at 31 December 2014);
- other financial assets deriving from concession rights (€94,496 thousand as at 31 December 2014), 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"). 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 until it has covered the cost of the related capital expenditure, including a revaluation of such cost at a real annual rate of +7%. As a result, the increase in toll revenue is recognised in other financial assets (see note 7). If at the end of the concession term, the specific amount at Costanera Norte's disposal, after also being 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 amount due.

The reduction of €576,481 thousand in financial assets deriving from concession rights primarily reflects the reduction in financial assets deriving from concession rights linked to the Eco-Taxe project (€652,051 thousand), following early termination of the project, as described in note 10.7. In particular, a portion of the financial assets deriving from concession rights (€390,790 thousand) was offset by a matching portion of Ecomouv's medium/long-term borrowings, following their transfer to the French government, whilst the remaining portion has been reclassified to discontinued operations, as described in note 7.1, reflecting the combined effect of the government's formal acceptance of the system developed, under the Trilateral Memorandum of Understanding of 20 June 2014 between Ecomouv, the company's banks and the French government, and the later exercise, by the French government, of its right to terminate the Partnership Agreement with effect from 30 December 2014, without the possibility of any further claim on Ecomouv. There was also an increase of €52,181 thousand in concession rights as a result of work carried out, including €49,651 thousand resulting from work carried out by Costanera Norte in relation to the above-mentioned CC7 project.

Financial assets deriving from government grants to finance infrastructure construction work 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 €28,458 thousand compared with 31 December 2013, essentially due to grants accruing to Autostrade per l'Italia during the year.

Term deposits are up €30,500 thousand, primarily following an increase in the credit balance on the project accounts of the Chilean companies (€29,869 thousand).

The increase in other medium/long-term financial assets (equal to €119,455 thousand) primarily reflects the increase of €100,540 thousand in amounts due to Atlantia Bertin Concessões from Infra Bertin Empreendimentos (€448,106 thousand as at 31 December 2014), including €52,754 thousand attributable to new loans and €46,883 thousand in capitalised interest. The increase also reflects a rise in derivative assets (€19,467 thousand), essentially reflecting accrued and unpaid differentials on the hedging derivatives entered into by Triangulo do Sol and Colinas.

Other current financial assets, totalling €147,359 thousand, are up €18,341 thousand, essentially due to an increase of €6,667 thousand in the loan from Autostrade per l'Italia to the associate, Società Autostrada Tirrenica (€116,667 as at 31 December 2014, paying interest at a fixed rate of 6.75% and maturing in June 2015), and dividends of €8,000 thousand declared by the investee, Spea, in 2014 and yet to be collected as at 31 December 2014.

There has been no indication of impairment of any financial assets.

7.5 Deferred tax assets and liabilities

Deferred tax assets - €155,874 thousand (€153,290 thousand)

Deferred tax liabilities - €1,249,703 thousand (€1,142,083 thousand)

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

€000	31/12/2014	31/12/2013
Deferred tax assets	1,536,118	1,426,168
Deferred tax liabilities eligible for offset	-1,380,244	-1,272,878
Deferred tax assets less deferred tax liabilities eligible for offset	155,874	153,290
Deferred tax liabilities not eligible for offset	1,249,703	1,142,083
Difference between deferred tax assets and liabilities (eligible and ineligible for offset)	-1,093,829	-988,793

Changes in the Group's deferred tax assets and liabilities, based on the nature of the temporary differences giving rise to them, are summarised in the following table.

€000	31/12/2013	Changes during the year						31/12/2014
		Provisions	Releases	Deferred tax assets/ liabilities on gains and losses recognised in comprehen- sive income	Effect of change in tax rates	Reclassi- fications to assets related to discontinued operations	Currency translation differences and other changes	
Deferred tax assets:								
Restatement of global balance on application of IFRIC 12 by Autostrade per l'Italia	540,415	2,728	-22,932	-	-521	-	-	519,690
Provisions	348,274	175,677	-75,119	-	3,831	-5,235	-33	447,395
Impairments and depreciation of non-current assets	124,641	11,545	-8,985	-	759	-	-2,734	125,226
Impairment of receivables and inventories	23,689	6,227	-7,268	-	1,441	-1,320	-1,179	21,590
Tax losses eligible for carry-forward	152,126	7,096	-39,805	-	20,719	-21	-1,354	138,761
Reduction in carrying amounts of hedging instruments	74,936	75	-420	31,232	-	-3,620	328	102,531
Other temporary differences	162,087	25,884	-14,747	-	10,422	-859	-1,862	180,925
Total	1,426,168	229,232	-169,276	31,232	36,651	-11,055	-6,834	1,536,118
Deferred tax liabilities:								
Off-balance sheet amortisation of goodwill	-1,153,568	-110,939	-	-	895	-	-	-1,263,612
Differences between carrying amounts and fair values of assets and liabilities acquired through business combinations	-825,812	-2,283	26,564	-	-68,136	-	-2,020	-871,687
Gain on recognition of financial assets	-176,412	-4,248	-	-	-45,263	-	1,159	-224,764
Accelerated depreciation	-9,368	-4,137	784	-	-2,315	-	2,304	-12,732
Other temporary differences	-249,801	-16,380	42,010	-	-32,970	671	-682	-257,152
Total	-2,414,961	-137,987	69,358	-	-147,789	671	761	-2,629,947
Difference between deferred tax assets and liabilities (eligible and ineligible for offset)	-988,793	91,245	-99,918	31,232	-111,138	-10,384	-6,073	-1,093,829

The balance of net deferred tax liabilities, totalling €1,093,829 thousand as at 31 December 2014, substantially reflects the combined effect of the following:

- a) 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;
- b) 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;

- c) 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, to be released on a straight-line basis over the concession term;
- d) deferred tax assets on the portion of provisions, primarily for the repair and replacement of motorway assets held under the concession, deductible in future years.

The most important changes in amounts during 2014 essentially regard:

- a) recognition of the impact of changes in tax rates (a €111,138 thousand increase in net deferred tax liabilities), essentially resulting from the tax reforms approved by the Chilean parliament in September 2014, which, among other things, has led to a progressive increase in corporation tax rates from 21% in 2014 to 25% from 2017 on. This has resulted in the remeasurement of net deferred tax liabilities attributable to the Group's Chilean companies;
- b) the provision of deferred tax liabilities of €110,939 thousand on the deduction, solely for tax purposes, of amortisation of the above goodwill accounted for by Autostrade per l'Italia;
- c) the net increase of €100,558 thousand in deferred tax assets in connection with the non-deductible portion of provisions, primarily having regard to the repair and replacement of assets held under concession;
- d) the recognition in comprehensive income of increased net deferred tax assets on the fair value measurement of hedging derivatives [€31,232 thousand].

7.6 Other non-current assets - €9,879 thousand (€7,754 thousand)

This item is up €2,125 thousand, essentially reflecting the receivable due to the Brazilian operator, Concessionaria da Rodovia MG050 S.A., from the Grantor for the State of Minas Gerais.

7.7 Trading assets - €1,125,092 thousand (€1,125,137 thousand)

As at 31 December 2014, trading assets consist of:

- a) inventories of €46,264 thousand (€53,473 thousand as at 31 December 2013), primarily relating to stocks and spare parts used in motorway maintenance or the assembly of plant;
- b) contract work in progress of €4,307 thousand (€26,530 thousand as at 31 December 2013), down essentially as a result of the deconsolidation of Pavimental;
- c) trade receivables of €1,074,521 thousand (€1,045,134 thousand as at 31 December 2013), with details of the composition shown in the specific table.

€000	31/12/2014				31/12/2013			
	Amounts due from customers	Other trade receivables	Prepay-ments and other trading assets	Total	Amounts due from customers	Other trade receivables	Prepay-ments and other trading assets	Total
Amounts receivable from motorway users	746,349				712,477			
Service area operators	94,946				123,589			
Receivable from sundry customers	30,940				26,692			
Gross trade receivables	872,235	264,448	87,980	1,224,663	862,758	304,614	46,770	1,214,142
Allowance for bad debts	81,651	68,491	-	150,142	94,854	74,154	-	169,008
Net trade receivables	790,584	195,957	87,980	1,074,521	767,904	230,460	46,770	1,045,134

Receivables due from customers, before the allowance for bad debts, have increased €9,477 thousand compared with 31 December 2013. The allowance for bad debts is down €13,203 thousand compared with 31 December 2013. The change primarily regards the use of provisions by Autostrade per l'Italia as a result of amounts deemed no longer collectible.

Prepayments and other trading assets are up €41,210 thousand compared with 2013, primarily following the deconsolidation of Pavimental and Spea.

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

€000	Total receivables at 31/12/2014	Total not yet due and payable	More than 90 days overdue	Between 90 and 365 days overdue	More than one year overdue
Due from customers and other trade receivables	1,136,683	875,138	18,158	20,680	222,707

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

The following table shows movements in the allowance for bad debts for trade receivables, which deemed to be adequate and has been determined with reference to past experience and historical data regarding losses on receivables, taking into account guarantee deposits and other collateral given by customers.

€000	31/12/2013	Additions	Uses	Reclassifications and other changes	31/12/2014
Allowance for bad debts	169,008	32,662	-37,154	-14,374	150,142

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 - €1,631,687 thousand (€3,324,129 thousand)

This item consists of cash in hand and investments maturing within the short term. The item is down €1,692,442 thousand compared with 31 December 2013, primarily reflecting Autostrade per l'Italia's repayment of loans obtained from Atlantia.

Detailed explanations of the cash flows resulting in the decrease in the Group's cash in 2014, in addition to the above repayments of debt, are contained in note 9.1.

7.9 Current tax assets and liabilities

Current tax assets - €36,921 thousand (€57,518 thousand)

Current tax liabilities - €46,733 thousand (€25,899 thousand)

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

€000	Current tax assets		Current tax liabilities	
	30/12/2014	30/12/2013	30/12/2014	30/12/2013
IRES	31,298	49,929	21,363	4,692
IRAP	245	2,292	858	1,662
Taxes attributable to foreign operations	5,378	5,297	24,512	19,545
	36,921	57,518	46,733	25,899

As at 31 December 2014, the Group reports net current tax liabilities of €9,812 thousand, compared with net current tax assets of €31,619 thousand as at 31 December 2013. The balance of current tax assets includes the amount of €17,984 thousand due from Sintonia, reflecting the participation of certain Atlantia Group companies in the tax consolidation arrangement headed by Sintonia in the period covering the tax years 2004-2007.

7.10 Other current assets - €167,351 thousand (€120,529 thousand)

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

€000	31/12/2014	31/12/2013	Incr./[Decr.]
Tax credits other than for income tax	16,539	37,363	-20,824
Receivables due from end users and insurance companies for damages	30,857	34,801	-3,944
Receivable from public entities	17,269	9,028	8,241
Receivables from social security institutions	3,297	8,676	-5,379
Accrued income of a non-trading nature	3,506	2,324	1,182
Other current assets	125,413	59,771	65,642
Gross other current assets	196,881	151,963	44,918
Allowance for bad debts	-29,530	-31,434	1,904
Other current assets	167,351	120,529	46,822

The balance is up €46,822 thousand compared with 31 December 2013, reflecting the following:

- a) an increase of €65,642 thousand in other current assets, essentially reflecting the payment of advances to a number of suppliers under an agreement regarding contract reserves accounted for in connection with work on the upgrade of the section of the A1 Milan-Naples motorway that crosses the Apennines between Sasso Marconi and Barberino del Mugello. These advances may be subject to final recognition after a possible settlement or a civil court judgement following the outcome of a prior expert appraisal currently in progress;
- b) a reduction of €20,824 thousand in tax credits other than for income tax.

The allowance for bad debts, totalling €29,530 thousand as at 31 December 2014 (€31,434 thousand as at 31 December 2013) primarily relates to Stalexport Autostrady's accounts receivable (in the table included in other current assets) from a number of investee companies on Stalexport's repayment, acting in its capacity of guarantor, to local

authorities of loans on the books of its investee companies, which are now insolvent.

7.11 Non-current assets held for sale or related to discontinued operations - €539,354 thousand [~~€18,153 thousand~~] Liabilities related to discontinued operations - €424,721 thousand [-]

As previously discussed in notes 6.2 and 7.4, following the French government's decision to terminate the Partnership Agreement relating to the Eco-Taxe project, the remaining assets and liabilities of the French companies involved in the project have been reclassified to these items. In addition, as was the case at 31 December 2013, non-current assets held for sale regard:

- a) the non-controlling interest in Lusoponte, totalling €12,239 thousand and loans and receivables due from this company, totalling €1,643 thousand;
- a) 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 assets and liabilities held for sale or related to discontinued operations, according to their nature (trading, financial or other).

€000	31/12/2014	31/12/2013	Incr./[Decr.]
Property, plant and equipment	1,570	-	1,570
Investments	16,510	16,510	-
Financial assets	297,532	1,643	295,889
Deferred tax assets	2,829	-	2,829
Trading assets	157,616	-	157,616
Other assets	63,297	-	63,297
Total assets held for sale	539,354	18,153	521,201
Financial liabilities	287,066	-	287,066
Trading liabilities	73,293	-	73,293
Other liabilities	64,362	-	64,362
Total liabilities held for sale	424,721	-	424,721

7.12 Equity - €4,425,862 thousand [~~€4,529,520 thousand~~]

Autostrade per l'Italia S.p.A.'s issued capital as at 31 December 2014 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 2014.

Equity attributable to owners of the parent, totalling €2,802,904 thousand, is down €119,466 thousand compared with 31 December 2013. The most important changes during the period are shown in detail in the statement of changes in consolidated equity. These regard:

- a) net comprehensive income for 2014 of €545,484 thousand, consisting of profit for the year of €662,156 thousand and the loss on other components of comprehensive income for the year [~~€116,672 thousand~~], primarily reflecting:
 - 1) fair value losses, after the related taxation, on cash flow hedges, totalling €89,963 thousand;
 - 2) the reduction in the foreign currency translation reserve for assets and liabilities of consolidated companies

- denominated in functional currencies other than the euro, totalling €15,765 thousand, essentially reflecting the fall in the value of the Chilean peso against the euro;
- b) payment of the final dividend for 2013, amounting to €340,249 thousand and of the interim dividend for 2014, totalling €329,674 thousand.

Equity of €1,622,922 thousand attributable to non-controlling interests is up €15,808 thousand on 31 December 2013 (€1,607,114 thousand), essentially due to:

- a) comprehensive income for the year attributable to non-controlling interests, totalling €22,454 thousand;
- b) payment of the final dividend for 2013, totalling €7,861 thousand, and of the interim dividend for 2014, amounting to €350 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 "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.

€000	2014			2013		
	Before tax	Tax	After tax	Before tax	Tax	After tax
Fair value gains/(losses) on cash flow hedges	-136,417	37,404	-99,013	129,928	-36,565	93,363
Fair value gains/(losses) on net investment hedges	-	-	-	1,645	-452	1,193
Gains/(losses) from translation of assets and liabilities of consolidated companies denominated in functional currencies other than the euro	-28,947	-	-28,947	-387,741	-	-387,741
Gains/(Losses) from translation of investments in associates and joint ventures accounted for using the equity method denominated in functional currencies other than the euro	512	-	512	-4,596	-	-4,596
Other comprehensive income/(loss) for the period reclassifiable to profit or loss, after related taxation (A)	-164,852	37,404	-127,448	-260,764	-37,017	-297,781
Gains/(losses) from actuarial valuations of provisions for employee benefits	-15,182	3,852	-11,330	4,309	-49	4,260
Other comprehensive income/(loss) for the period not reclassifiable to profit or loss, after related taxation (B)	-15,182	3,852	-11,330	4,309	-49	4,260
Reclassifications of other components of comprehensive income to profit or loss (C)	18,516	-6,172	12,344	1,830	-	1,830
Total other comprehensive income/(loss) for the period, after related taxation (A + B + C)	-161,518	35,084	-126,434	-254,625	-37,066	-291,691

7.13 Provisions for construction services required by contract

(non-current) - €3,783,956 thousand (€3,727,154 thousand)

(current) - €518,734 thousand (€434,882 thousand)

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

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

€000	31/12/2013		Changes during the year		
	Carrying amount	non-current	current	Changes due to revised present value of contractual obligations	Financial provisions
Provisions for construction services required by contract	4,162,036	3,727,154	434,882	457,757	72,108

The €140,654 thousand increase in the combined current and non-current provisions essentially reflects the combined effect of the following:

- a) a €457,757 thousand increase following a revision of the present value of future construction services, with €295,522 thousand of the increase reflecting the decline in the current and future interest rates used at 31 December 2014;
- b) a €72,108 thousand increase in finance-related provisions accruing in 2014, being the double entry to the financial expenses accruing in 2014 in connection with discounting to present value and recognised in the consolidated income statement;
- c) the release of €399,528 thousand, net of government grants, in connection with construction services completed during the period and for which no additional benefits are received.

7.14 Provisions

(non-current) - €1,183,608 thousand (€1,024,921 thousand)

(current) - €419,514 thousand (€336,888 thousand)

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

€000	31/12/2013			Changes during the year	
	Carrying amount	non-current	current	Operating provisions	Financial provisions
Post-employment benefits	152,595	133,999	18,596	949	3,502
Other employee benefits	1,173	1,116	57	687	-
Provisions for employee benefits	153,768	135,115	18,653	1,636	3,502
Provisions for motorway repair and replacement obligations	1,111,760	858,151	253,609	575,225	32,332
Provisions for impairments exceeding carrying amounts of investments	3,699	-	3,699	8	-
Provisions for disputes, liabilities and sundry charges	92,582	31,655	60,927	25,148	-
Other provisions	96,281	31,655	64,626	25,156	-
Total provisions	1,361,809	1,024,921	336,888	602,017	35,834

Changes during the year					31/12/2014		
Reductions for completed works	Grants accrued on completed works	Currency translation differences	Change in scope of consolidation and corporate actions	Carrying amount	non-current	current	
-434,110	34,582	-2,212	12,529	4,302,690	3,783,956	518,734	

Changes during the year						31/12/2014		
Deferred actuarial (gains)/losses recognised in comprehensive income	Reductions due to post-employment benefits paid and advances	Reductions due to reversal of overprovisions	Operating uses	Currency translation differences, reclassifications and other changes	Reclassifications to liabilities related to discontinued operations	Carrying amount	non-current	current
15,182	-6,528	-	-	-843	-11,842	153,015	132,916	20,099
-	-	-136	-	253	-	1,977	1,874	103
15,182	-6,528	-136	-	-590	-11,842	154,992	134,790	20,202
-	-	-	-359,029	-1,093	-	1,359,195	1,029,314	329,881
-	-	-	-	-	-3,697	10	-	10
-	-	-3,309	-9,764	-45	-15,687	88,925	19,504	69,421
-	-	-3,309	-9,764	-45	-19,384	88,935	19,504	69,431
15,182	-6,528	-3,445	-368,793	-1,728	-31,226	1,603,122	1,183,608	419,514

PROVISIONS FOR EMPLOYEE BENEFITS

(non-current) - €134,790 thousand (€135,115 thousand)

(current) - €20,202 thousand (€18,653 thousand)

As at 31 December 2014, this item consists essentially of provisions for post-employment benefits to be paid to staff employed under Italian law.

Provisions for post-employment benefits are up €420 thousand on the previous year, reflecting a combination of the following:

- a) operating and financial provisions, totalling €4,451 thousand;
- b) uses of provisions amounting to €6,528 thousand for benefits and advances paid;
- c) net actuarial losses of €15,182 thousand recognised in comprehensive income;
- d) a reduction of €11,842 thousand, following the deconsolidation of Pavimental and Spea, as a result of the disposal of controlling interests in these companies by Autostrade per l'Italia as part of a restructuring carried out by the Group, described in more detail in note 6.1.

The most important actuarial assumptions used to measure the provision for post-employment benefits at 31 December 2014 are summarised below.

Financial assumptions

Annual discount rate ^(*)	0.91%
Annual inflation rate	0.60% for 2015 1.20% for 2016 1.50% for 2017 and 2018 2.0% from 2019 on
Annual rate of increase in post-employment benefits	1.95% for 2015 2.40% for 2016 2.625% for 2017 and 2018 3.00% from 2019 on
Annual rate of increase in real salaries	0,65%
Turnover rate	from 0.75% to 5%
Duration	from 8.6 to 18.9

(*) The annual discount rate used to determine the present value of the obligation was determined with reference to the average yield curve taken from the Iboxx Corporate AA index 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 sex
Retirement age	Mandatory state pension retirement age, updated on the basis of Law 214 of 22 December 2011.

The following table shows a sensitivity analysis at the end of the year based on assumed changes in the individual rates used in the actuarial assumptions.

Sensitivity analysis for principal assumptions used in measuring post-employment benefit obligations as at 31/12/2014	change in assumptions					
	turnover rate		inflation rate		discount rate	
	+1 %	-1 %	+0.25 %	-0.25 %	+0.25 %	-0.25 %
€000						
Autostrade per l'Italia Group	151,936	154,166	154,914	151,114	149,972	156,124

PROVISIONS FOR REPAIR AND REPLACEMENT OF MOTORWAY INFRASTRUCTURES

(non-current) - €1,029,314 thousand (€858,151 thousand)

(current) - €329,881 thousand (€253,609 thousand)

This item regards the present value of provisions for the repair and replacement of assets operated under concession, in accordance with the contractual commitments of the Group's motorway operators. The provisions, including the current and non-current portions, have increased by €247,435 thousand, essentially due to new operating and financial provisions (totalling €607,557 thousand), in part reflecting the decline in the interest rates used to discount to present value, partially offset by uses (€359,029 thousand) in connection with repairs and replacements carried out during the period.

OTHER PROVISIONS

(non-current) - €19,504 thousand (€31,655 thousand)

(current) - €69,431 thousand (€64,626 thousand)

These provisions essentially regard liabilities at year end 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 on the infrastructure operated under concession. Total other provisions are down €7,346 thousand, primarily reflecting the combined effect of the following:

- a) operating uses and the release of overprovisions, totalling €13,073 thousand;
- b) the deconsolidation of Pavimental and Spea, with an overall impact of €19,384 thousand;
- c) new operating provisions for the year, totalling €25,156 thousand.

7.15 Financial liabilities

(non-current) - €13,113,511 thousand (€13,550,416 thousand)

(current) - €1,609,089 thousand (€3,368,926 thousand)

MEDIUM/LONG-TERM FINANCIAL LIABILITIES

(non-current) - €13,113,511 thousand (€13,550,416 thousand)

(current) - €894,450 thousand (€2,918,737 thousand)

As at 31 December 2014, medium/long-term financial liabilities amount to €14,007,961 thousand, including the current portion. These liabilities essentially consist of loans to Autostrade per l'Italia from Atlantia, in addition to bank borrowings and bonds issued by the Group's overseas companies.

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):

Medium/long-term financial liabilities €000	31/12/2014			
	Face value	Carrying amount	Current portion	Non-current portion
Bond issues ^{(1) (2) (3)}	1,017,824	1,037,122	162,887	874,235
Bank borrowings	3,415,785	3,421,849	344,138	3,077,711
Other borrowings	8,889,996	8,860,014	63,039	8,796,975
<i>of which due to Atlantia</i>		8,736,615	-	8,736,615
Medium/long-term borrowings ^{(2) (3)}	12,305,781	12,281,863	407,177	11,874,686
Derivative liabilities ⁽⁴⁾		361,725	2,672	359,053
<i>of which due to Atlantia</i>		245,232	-	245,232
Accrued expenses on medium/long-term financial liabilities		317,039	317,039	-
Other financial liabilities		10,212	4,675	5,537
Other medium/long-term financial liabilities		327,251	321,714	5,537
Total		14,007,961	894,450	13,113,511

(1) The par value of the bond issues hedged by Cross Currency Swaps and IPCA x CDI Swaps is shown at the hedged par 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.

Term		31/12/2013				
between 13 and 60 months	after 60 months	Face value	Carrying amount	Current portion	Non-current portion	
406,045	468,190	1,007,717	1,010,985	19,214	991,771	
821,708	2,256,003	4,064,511	4,058,247	446,366	3,611,881	
4,551,421	4,245,554	10,776,055	10,746,068	2,099,365	8,646,703	
4,500,114	4,236,501		10,633,448	2,091,452	8,541,996	
5,373,129	6,501,557	14,840,566	14,804,315	2,545,731	12,258,584	
9,800	349,253		259,251	-	259,251	
-	245,232		184,542	-	184,542	
-	-		353,792	353,792	-	
5,537	-		40,810	-	40,810	
5,537	-		394,602	353,792	40,810	
5,794,511	7,319,000		16,469,153	2,918,737	13,550,416	

b) type of interest rate, maturity and fair value:

€000	31/12/2014			31/12/2013	
	Maturity	Carrying amount ⁽¹⁾	Fair value ⁽²⁾	Carrying amount ⁽¹⁾	Fair value ⁽²⁾
Bond issues					
- listed fixed rate	from 2016 to 2028	460,939	478,035	465,253	470,999
- listing floating rate	from 2015 to 2023	481,548	522,269	483,026	535,468
- unlisted floating rate	2015	94,635	111,473	62,706	70,667
		1,037,122	1,111,777	1,010,985	1,077,134
Medium/long-term borrowings					
- fixed rate	from 2015 to 2036	1,853,032	2,174,926	1,704,277	1,792,364
- floating rate	from 2015 to 2034	1,408,307	1,414,296	2,141,669	2,173,207
- non-interest bearing	from 2016 to 2017	160,510	160,510	212,301	212,301
Bank borrowings		3,421,849	3,749,732	4,058,247	4,177,872
- fixed rate	from 2016 to 2038	7,994,346	9,545,124	9,926,604	11,032,913
- floating rate	from 2015 to 2022	820,259	837,362	773,047	759,868
- non-interest bearing	from 2019 to 2020	45,409	45,404	46,417	45,977
Other borrowings		8,860,014	10,427,890	10,746,068	11,838,758
<i>of which due to Atlantia</i>		<i>8,736,615</i>	<i>10,304,501</i>	<i>10,633,448</i>	<i>11,726,584</i>
Total medium/long-term borrowings		12,281,863	14,177,621	14,804,315	16,016,630
Derivative liabilities		361,725	361,725	259,251	259,251
<i>of which due to Atlantia</i>		<i>245,232</i>	<i>245,232</i>	<i>184,542</i>	<i>184,542</i>
Accrued expenses on medium/long-term financial liabilities		317,039		353,792	
Other financial liabilities		10,212		40,810	
Other medium/long-term financial liabilities		327,251	-	394,602	-
Total		14,007,961	15,651,123	16,469,153	17,353,015

(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.

- 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:

	31/12/2013		31/12/2014			
	Face value	Carrying amount	Face value	Carrying amount	Average interest rate to 31/12/2014 ⁽¹⁾	Effective interest rate as at 31/12/2014
€000						
Euro (EUR)	14,046,681	14,010,186	11,558,134	11,531,578	4.78%	4.24%
Zloty (PLN)	116,847	103,176	104,449	93,987	6.37%	6.16%
Peso (CLP)/Unidad de Fomento (UF)	1,107,681	1,149,223	1,072,173	1,110,074	8.65%	8.25%
Real (BRL)	570,091	545,732	581,684	576,181	12.20%	12.89%
US Dollar (USD)	6,983	6,983	7,165	7,165	5.25%	5.25%
Total	15,848,283	15,815,300	13,323,605	13,318,985	5.38%	

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

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

€000	Carrying amount as at 31/12/2013	New borrowings	Repayments	Currency translation differences	Other movements	Carrying amount as at 31/12/2014
Bond issues	1,010,985	32,038	-45,041	22,402	16,738	1,037,122
Bank borrowings	4,058,247	397,940	-589,154	-3,174	-442,010	3,421,849
Other borrowings	10,746,068	206,815	-2,107,216	-974	15,321	8,860,014
Total	15,815,300	636,793	-2,741,411	18,254	-409,951	13,318,985

The column headed "Other movements" relating to changes in bank borrowings, totalling €446,600 thousand, includes the transfer of Ecomouv's project to the French government, as more fully described in the section, "Medium/long-term borrowings".

The Group uses derivative financial instruments to hedge existing risks associated with certain financial liabilities, including interest rate swaps (IRS) and Índice Nacional de Preços ao Consumidor Amplo (IPCA) x Certificado de Depósito Interfinanceiro (CDI) Swaps, which are classified as cash flow hedges or fair value hedges pursuant to IAS 39. The fair value of the hedging instruments as at 31 December 2014 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, is contained in note 9.2 "Financial risk management".

BOND ISSUES

(non-current) - €874,235 thousand (€991,771 thousand)

(current) - €162,887 thousand (€19,214 thousand)

This item, which includes the current and non-current portions, principally refers to Chilean project bonds issued by Costanera Norte (accounted for in the financial statements at €306,281 thousand and maturing in 2016 and 2024) and Vespucio Sur (accounted for in the financial statements at €154,658 thousand and maturing in 2028), bonds issued by Triangulo do Sol and Rodovias das Colinas, with maturities between 2020 and 2023 paying a floating nominal CDI rate (accounted for in the financial statements at €255,769 thousand) and a real IPCA rate (accounted for in the financial statements at €225,779 thousand), in addition to Rodovia MG050's issues of bullet bonds in 2013 and 2014, maturing in April 2015 (accounted for in the financial statements at €94,635 thousand).

The increase of €26,137 thousand reflects a combination of the following:

- a) the issue, in August 2014, of a new bond by Rodovia MG050 (accounted for in the financial statements at €32,038 thousand);
- b) exchange movements (totalling €22,402 thousand), essentially linked to the bonds issued by the Chilean companies in unidad de fomento (a currency whose value, with respect to the Chilean peso, is linked to inflation in Chile);
- c) an increase in bonds issued by Triangulo do Sol and Rodovias das Colinas (a total of €15,909 thousand);
- d) redemptions during the year, totalling €45,041 thousand.

On 31 October 2014, the Central Bank of Ireland and the Irish Stock Exchange approved the Base Prospectus for Autostrade per l'Italia S.p.A.'s €7 billion Euro Medium Term Note ("EMTN") Programme, approved by the Company's Board of Directors on 17 October 2014. The notes to be issued by under the new EMTN Programme will not be backed by any form of guarantee or other credit support from Atlantia, whilst Autostrade per l'Italia will continue to act as guarantor in respect of any outstanding issues under Atlantia's previous €10 billion EMTN Programme.

MEDIUM/LONG-TERM BORROWINGS

(non-current) - €11,874,686 thousand (€12,258,584 thousand)

(current) - €407,177 thousand (€2,545,731 thousand)

The balance of this item, including both current and non-current portions, consists of other borrowings (accounted for in the financial statements at €8,860,014 thousand). These essentially include medium/long-term loans to Autostrade per l'Italia from Atlantia (accounted for in the financial statements at €8,736,615 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 €3,421,849 thousand), which include the medium/long-term bank borrowings of both Autostrade per l'Italia (accounted for in the financial statements at €2,721,367 thousand) and the Group's overseas companies (accounted for in the financial statements at €700,482 thousand).

The reduction of €2,522,452 thousand compared with 31 December 2014 essentially reflects the following:

- a) repayments of €2,696,370 thousand during the year, including €2,094,200 repaid to Atlantia;
- b) new medium/long-term loans (€604,755 thousand), including (i) new loans from Atlantia to Autostrade per l'Italia, replicating the bonds issued by Atlantia in March and June 2014, having par values of €75,000 thousand (paying interest of 3.997% and maturing in 2038) and €125,000 thousand (paying interest of 3.454% and maturing in 2034); (ii) the use of €200,000 thousand in lines of credit granted by the EIB to Autostrade per l'Italia, including €150,000 thousand (at a fixed rate of 2.75%, maturing in September 2036) drawn on the €250,000 thousand facility obtained in 2013 and €50,000 thousand (at a fixed rate of 2.7%, maturing in September 2034) drawn on the committed line totalling €300,000 thousand obtained in 2010; and (iii) new drawdowns on the project line of credit obtained by Ecomouv (€197,940 thousand) in 2014;
- c) the reduction in Ecomouv's borrowings following the reclassification to liabilities related to discontinued operations (€104,608 thousand) and the transfer of a portion of its project debt to the French government (€390,790 thousand) following the events previously described in note 7.4;
- d) an increase of €46,785 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.

Medium/long-term borrowings include loan agreements entailing specific covenants. The method of selecting the variables to compute the ratios is specified in detail in the relevant loan agreements. These include a term loan facility (€159,615 thousand as at 31 December 2014), entailing certain covenants that must be complied with over the term of the facility and which, at 31 December 2014, have never been breached.

This requires the borrower to remain within certain thresholds with regard to:

- a) Atlantia's consolidated accounts, the ratio of "FFO + Net Interest Expenses - Capitalised Interest and Financing Charges", as numerator, and "Net interest expenses", as denominator, and the ratio of "FFO / Total Net Debt";
- b) Atlantia's "Net Worth".

NON-CURRENT DERIVATIVE LIABILITIES

(non-current) - €359,053 thousand (€259,251 thousand)

(current) - €1,034 thousand (€ -)

This item represents fair value losses on outstanding derivatives as at 31 December 2014, classified as cash flow hedges or fair value hedges depending on the hedged risk, as required by IAS 39.

The non-current portion includes:

- a) fair value losses on interest rate swaps (€349,253 thousand) entered into by certain Group companies to hedge interest rate risk on non-current financial liabilities, classified as cash flow hedges;
- b) fair value losses on IPCA x CDI Swaps (€9,800 thousand), classified as fair value hedges, entered into by Triangulo do Sol and Rodovias das Colinas, which are designed to convert the above bonds issued at a real IPCA rate in 2013 to a floating nominal CDI rate.

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

OTHER MEDIUM/LONG-TERM FINANCIAL LIABILITIES

(non-current) - €5,537 thousand (€40,810 thousand)

(current) - €321,714 thousand (€353,792 thousand)

This item, which includes the current and non-current portions, is down €67,351 thousand as a result of both a reduction in accrued interest payable (€36,753 thousand), primarily reflecting Autostrade per l'Italia's repayment of loans from Atlantia and a reduction in other financial liabilities (€35,273 thousand). In particular, as a result of agreements entered into by the Bertin group and Autostrade do Brasil in connection with the acquisition of the Brazilian operators in 2012, which was subject to 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, a financial liability accounted for in previous years (amounting to €36,089 thousand as at 31 December 2013) was taken to profit or loss in 2014.

SHORT-TERM FINANCIAL LIABILITIES - €714,639 THOUSAND (€450,189 THOUSAND)

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

€000	31/12/2014	31/12/2013
Bank overdrafts	17	7,228
Short-term borrowings	494,820	2,976
<i>of which due to Atlantia</i>	<i>250,000</i>	-
Derivative liabilities	1,034	-
Intercompany current account payables due to related parties	213,319	430,779
Other current financial liabilities	5,449	9,206
Total short-term financial liabilities	714,639	450,189

This item is up €264,450 thousand, primarily due to the new short-term bank facility obtained by Autostrade Meridionali, amounting to €300,000 thousand, of which €245,000 thousand has been drawn down as at 31 December 2014. The loan is floating rate and matures in December 2015.

The €217,460 thousand reduction in the intercompany current account payables due to Atlantia is essentially due to the new short-term line of credit obtained from the parent, amounting to €250,000 thousand as at 31 December 2014.

NET DEBT IN COMPLIANCE WITH ESMA RECOMMENDATION OF 20 MARCH 2013

The Group's net debt, which does not entail the deduction of non-current financial assets from debt, as required by the European Securities and Market Authority (ESMA) Recommendation of 20 March 2013, amounts to €12,143 million as at 31 December 2014, compared with €12,835 million as at 31 December 2013.

€m	31/12/2014	of which related party transactions	31/12/2013	of which related party transactions
Cash	-960		-1,346	
Cash equivalents and intercompany current account receivables due from related parties	-671	-92	-1,978	-
Securities held for trading	-49		-	
Liquidity (A)	-1,680		-3,324	
Current financial assets (*) (B)	-1,187	-125	-760	-111
Bank overdrafts	-		7	
Current portion of medium/long-term financial liabilities	894	242	2,919	2,376
Other financial liabilities	714	463	443	431
Financial liabilities related to discontinued operations	288		-	
Current financial liabilities (C)	1,896		3,369	
Current net debt (D = A + B + C)	-971		-715	
Medium/long-term borrowings	11,875	8,737	12,259	8,542
Bond issues	874		992	
Other non-current financial liabilities	365	245	299	185
Non-current financial liabilities (E)	13,114		13,550	
(Net funds) / Net debt as defined by ESMA Recommendation (F = D + E)	12,143		12,835	
Non-current financial assets (G)	-1,750		-2,310	
Net debt (H = F + G)	10,393		10,525	

(*) The item includes financial assets held for sale or from discontinued operations.

7.16 Other non-current liabilities - €92,330 thousand (€93,469 thousand)

The reduction of €1,139 thousand is essentially due to a combination of the following:

- a) a decrease in amounts payable to the grantor by the Brazilian companies, totalling €6,385 thousand, following the reclassification to other current liabilities of amounts falling due in 2015;
- b) an increase in liabilities deriving from obligations under the concession arrangement of the Chilean operator, AMB, totalling €4,456 thousand, representing the portion of toll revenue collected but not attributable to the reporting period.

€000	31/12/2014	31/12/2013
Accrued expenses of a non-trading nature	40,662	42,563
Amounts payable to grantors	24,640	31,025
Liabilities deriving from contractual obligations	23,012	18,556
Payable to staff	2,249	2
Other payables	1,767	1,323
Other non-current liabilities	92,330	93,469

7.17 Trading liabilities - €1,313,363 thousand (€1,286,317 thousand)

An analysis of trading liabilities is shown below.

€000	31/12/2014	31/12/2013
Liabilities deriving from contract work in progress	-	229
Trade payables	689,040	703,824
Payable to operators of interconnecting motorways	525,344	491,242
Tolls in the process of settlement	93,331	84,191
Accrued expenses, deferred income and other trading liabilities	5,648	6,831
Trade payables	1,313,363	1,286,088
Trading liabilities	1,313,363	1,286,317

The increase of €27,046 thousand is due to the combined effect of an increase in amounts payable to the operators of interconnecting motorways (amounting to €34,102 thousand), reflecting increases in traffic and tolls on the Group's motorway network, and a reduction of €14,784 thousand in amounts payable to suppliers.

7.18 Other current liabilities - €348,151 thousand (€378,566 thousand)

An analysis of other current liabilities is shown below.

€000	31/12/2014	31/12/2013
Concession fees payable	83,715	76,193
Guarantee deposits from users who pay by direct debit	49,826	52,489
Amounts payable for expropriations	43,608	37,742
Payable to staff	36,781	45,649
Social security contributions payable	22,719	28,916
Amounts payable to public entities	17,213	16,604
Taxation other than income taxes	15,482	35,062
Accrued expenses of a non-trading nature	2,348	2,892
Other payables	76,459	83,019
Other current liabilities	348,151	378,566

The reduction of €30,415 thousand is primarily due to a reduction in amounts payable in the form of taxation other than income taxes, totalling €19,580 thousand, above all relating to the amount of VAT payable by Autostrade per l'Italia, and a reduction in amounts payable to staff, totalling €8,868 thousand.

8. Notes to the consolidated income statement

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

It should be noted that, in accordance with IFRS and as previously described in note 6.2, 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, and for 2013 have also been presented in "Profit/(Loss) from discontinued operations".

As a result, amounts in the income statement for 2013 differ from those in the financial statements published by the Autostrade per l'Italia Group for the year ended 31 December 2013.

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

8.1 Toll revenue - €3,677,693 thousand (€3,540,993 thousand)

Toll revenue of €3,677,693 thousand for 2014 is up €136,700 thousand (3.8%) on 2013 (€3,540,993 thousand). The result reflects the negative impact of exchange rate movements, totalling €50 million. At constant exchange rates, which in 2014 had a negative impact of €49,966 thousand, toll revenue is up €186,666 thousand (5.3%), reflecting a combination of the following:

- a) application of annual toll increases for 2014 by the Group's Italian operators (a rise of 4.43% for Autostrade per l'Italia), boosting toll revenue by an estimated €115 million;
- b) a 1.0% improvement in traffic on the Italian network, accounting for an estimated €28 million increase in toll revenue (including the impact of the different traffic mix);
- c) the rise in toll increases matching the increased concession fees payable by Italian operators¹, amounting to approximately €4 million, linked to traffic growth;
- d) a reduction in revenue resulting from the discounts applied following the decision to reduce the tolls payable by Italian commuters who subscribe to the Telepass service (approximately €3 million);
- e) an increase in toll revenue at overseas operators (up approximately €43 million), primarily reflecting traffic growth (up 2.3% at the Brazilian operators, 7.6% at the Chilean operators and 7.4% at the Polish operator), toll increases applied by the Chilean and Brazilian operators in 2014 (as provided for in the related concession arrangements) and the measures (tolls for vehicles with suspended axles) introduced by ARTESP (Brazil's public transport regulator) to compensate operators in the State of Sao Paulo for the decision not to apply annual toll increases from 1 July 2013.

8.2 Revenue from construction services - €489,743 thousand (€481,001 thousand)

An analysis of other operating income is provided below.

€000	2014	2013	Incr./(Decr.)
Revenue from construction services for which additional economic benefits are received	372,041	420,317	-48,276
Revenue from investments in financial concession rights	49,651	38,136	11,515
Revenue from construction services: government grants for services for which no additional economic benefits are received	34,582	22,548	12,034
Revenue from construction services for sub-operators	33,469	-	33,469
Revenue from construction services	489,743	481,001	8,742

(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.

In line with the accounting model adopted pursuant to IFRIC 12, this revenue, which represents the consideration for construction and upgrade services rendered, 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 €8,742 thousand on 2013, partly due to €33,469 thousand in revenue deriving from the handover free of charge of buildings by sub-operators at Autostrade per l'Italia's motorway services areas, following the expiry of their concessions.

8.3 Contract revenue - €25,806 thousand (€15,235 thousand)

Contract revenue of €25,806 thousand is up €10,571 thousand on 2013 (€15,235 thousand), primarily reflecting the increased contribution from Electronic Transaction Consultants.

8.4 Other operating income - €551,222 thousand (€562,229 thousand)

An analysis of other operating income is provided below.

€000	2014	2013	Incr./{Decr.}
Revenue from sub-concessions	223,931	231,994	-8,063
Revenue from Telepass and Viacard fees	127,466	125,560	1,906
Maintenance revenue	34,826	40,349	-5,523
Other revenue from motorway operation	32,182	35,878	-3,696
Revenue on the sale of technology devices and services	24,922	23,258	1,664
Damages and compensation	20,832	22,010	-1,178
Refunds	17,370	20,335	-2,965
Advertising revenue	5,097	5,359	-262
Other income	64,596	57,486	7,110
Other operating income	551,222	562,229	-11,007

Other operating income of €551,222 thousand is down €11,007 thousand on 2013, essentially due to reduced royalties paid to Autostrade per l'Italia by sub-operators at service areas.

8.5 Raw and consumable materials - €-185,541 thousand (€-100,010 thousand)

This item is up €85,531 thousand, primarily due to a €44,212 thousand increase in the cost of construction materials incurred by the Brazilian operator, Rodovia MG050, as a result of investment in assets held under concession, and an increase of €33,948 thousand in the cost of raw and consumable materials, primarily as a result of the start-up of new motorway works by Autostrade per l'Italia.

€000	2014	2013	Incr./[Decr.]
Construction materials	-89,802	-31,889	-57,913
Electrical and electronic materials	-21,910	-24,411	2,501
Lubricants and fuel	-13,496	-15,257	1,761
Other raw and consumable materials	-58,123	-24,175	-33,948
Cost of materials	-183,331	-95,732	-87,599
Change in inventories of raw, ancillary and consumable materials and goods for resale	-2,210	-4,278	2,068
Raw and consumable materials	-185,541	-100,010	-85,531

8.6 Service costs - €-1,174,499 thousand (€-1,274,700 thousand)

An analysis of service costs is provided below.

€000	2014	2013	Incr./[Decr.]
Construction and similar	-874,373	-927,760	53,387
Professional services	-129,385	-153,797	24,412
Transport and similar	-18,825	-29,213	10,388
Utilities	-44,737	-49,227	4,490
Insurance	-18,115	-18,104	-11
Statutory Auditors' fees	-758	-763	5
Other services	-89,240	-98,473	9,233
Gross service costs	-1,175,433	-1,277,337	101,904
Capitalised service costs for assets other than concession assets	934	2,637	-1,703
Service costs	-1,174,499	-1,274,700	100,201

Service costs are down €100,201 thousand in 2014, essentially reflecting:

- a) a €53,387 thousand decrease in construction and similar services, due to reduced investment in assets held under concession by the Group;
- b) a decrease in professional services (down €24,412 thousand), essentially reflecting the reduced costs incurred following completion of the infrastructure linked to the Eco-Taxe project.

8.7 Staff costs - €-559,383 thousand (€-558,968 thousand)

Staff costs break down as follows.

€000	2014	2013	Incr./[Decr.]
Wages and salaries	-394,139	-402,089	7,950
Social security contributions	-111,531	-112,938	1,407
Post-employment benefits (including payments to supplementary pension funds or INPS)	-21,236	-21,038	-198
Directors' remuneration	-4,335	-3,621	-714
Other staff costs	-29,060	-21,724	-7,336
Gross staff costs	-560,301	-561,410	1,109
Capitalised staff costs for assets other than concession assets	918	2,442	-1,524
Staff costs	-559,383	-558,968	-415

Staff costs (before deducting capitalised expenses) of €560,301 thousand are down €1,109 thousand on the figure for 2013 (€561,410 thousand).

At constant exchange rates, staff costs are up €2,859 thousand (0.5%), reflecting:

- a) an increase in the average unit cost (up 1.0%), primarily due to the cost of contract renewals at the Group's Italian motorway operators and inflation-linked salary increases in the countries where this is provided for (Chile and Brazil), partially offset by a reduction in the cost of variable staff and the application of new contract terms at Italian motorway operators;
- b) a reduction of 46 in the average workforce, excluding agency staff (down 0.5%).

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

	2014 (*)	2013 (*)	Incr./[Decr.]
Senior managers	161	169	-8
Middle managers and administrative staff	4,477	4,493	-16
Toll collectors	3,281	3,497	-216
Manual workers	1,971	1,778	193
Total	9,890	9,937	-47

(*) Data for the 2 years do not include personnel of the companies Ecomouv, Ecomouv D&B, Tech Solutions Integrators, Pavimental, Spea, Pavimental Polska and Spea do Brasil, indeed, staff cost for these companies is classified in the item "Profit/(Loss) from discontinued operations", as described in note 8.16.

8.8 Other operating costs - €-523,732 thousand (€-517,451 thousand)

An analysis of other operating costs is shown below.

€000	2014	2013	Incr./[Decr.]
Concession fees	-435,065	-425,435	-9,630
Lease expense	-8,754	-10,843	2,089
Grants and donations	-30,575	-28,966	-1,609
Direct and indirect taxes	-9,989	-10,378	389
Other	-39,349	-41,829	2,480
Other costs	-79,913	-81,173	1,260
Other operating costs	-523,732	-517,451	-6,281

The increase of €6,281 thousand in other operating costs is essentially due to a €9,630 thousand increase in concession fees, reflecting the above traffic growth and increases in motorway tolls.

8.9 Operating change in provisions - €-240,351 thousand (€-38,064 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 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 increase of €202,287 thousand essentially reflects the negative impact of the change in provisions for the repair and replacement of motorway infrastructure operated under concession (€209,871 thousand), primarily following a reduction in the discount rates applied at 31 December 2014, compared with those applied at 31 December 2013, which has resulted in an increase in the present value of the provisions and, as a consequence, the need to make further provisions.

8.10 Use of provisions for construction services required by contract - €-399,528 thousand (€-380,974 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 2014, less accrued government grants (recognised in revenue from construction services, as explained in note 8.3). The item represents the indirect adjustment to construction costs classified by nature and incurred by the Group's operators, above all Autostrade per l'Italia, subject to this type of contractual obligation under their concession arrangements.

Further information on construction services and capital expenditure in 2014 is provided in notes 7.2 and 8.2.

8.11 (Impairment losses)/Reversal of impairment losses - €4,976 thousand (€-17,771 thousand)

The figure for 2014, essentially reflects the combined effect of the reversal of impairment losses on the concession rights of Stalexport Autostrady Malopolska, totalling €12,018 thousand, for the reasons given in note 7.2, and impairment losses on trade receivables, totalling €4,222 thousand (toll revenue and other revenue recorded in previous years) and primarily relates to Autostrade per l'Italia.

8.12 Financial income/(expenses) - €-594,359 thousand (€-686,477 thousand)
Financial income - €299,424 thousand (€267,404 thousand)
Net financial expenses - €-910,104 thousand (€-957,804 thousand)
Foreign exchange gains/(losses) - €16,321 thousand (€3,953 thousand)

An analysis of financial income and expenses is shown below.

€000	2014	2013	Incr./[Decr.]
Financial income accounted for as an increase in financial assets deriving from concession rights and government grants	56,241	59,373	-3,132
Dividends received from investee companies	15	1	14
Financial income on earn-out linked to acquisition of Brazilian companies	50,067	-	50,067
Interest and fees on bank and post office deposits	49,207	76,142	-26,935
Financial income accounted for as an increase in financial assets	48,582	37,015	11,567
Income from transactions in derivative financial instruments	28,213	2,897	25,316
Other	67,099	91,976	-24,877
Other financial income	243,168	208,030	35,138
Financial income (A)	299,424	267,404	32,020
Financial expenses from the discounting to present value of provisions for construction services required by contract and other provisions	-107,735	-94,819	-12,916
Interest on medium/long-term borrowings	-548,481	-608,722	60,241
Interest on bonds	-99,522	-98,803	-719
Losses on derivative financial instruments	-91,515	-92,677	1,162
Interest expense accounted for as an increase in financial liabilities	-18,762	-9,727	-9,035
Interest and fees on bank and post office deposits	-1,204	-1,010	-194
Other	-42,885	-52,046	9,161
Other financial expenses less grants	-802,369	-862,985	60,616
Financial expenses (B)	-910,104	-957,804	47,700
Foreign exchange gains	42,277	16,943	25,334
Foreign exchange losses	-25,956	-12,990	-12,966
Foreign exchange gains/(losses) (C)	16,321	3,953	12,368
Financial income/(expenses) (A + B + C)	-594,359	-686,447	92,088

“Financial income accounted for as an increase in financial assets deriving from concession rights and government grants” totals €56,241 thousand, down €3,132 thousand on 2013. At constant exchange rates, the balance is up €5,298 thousand.

“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 €107,735 thousand and are up €12,916 thousand on 2013. This is primarily due to the performance of provisions for construction services required by contract, mainly reflecting an increase in the interest rates used to discount provisions at 31 December 2013, compared with the rates used at 31 December 2012.

Net other financial expenses of €542,865 thousand are down €108,136 thousand on the figure for 2013 (€651,001 thousand). At constant exchange rates, the reduction is €107,042 thousand, essentially as a result of the following:

- a) the recognition of non-recurring financial income by Autostrade do Brasil (€54,473 thousand, including €4,406 thousand attributable to exchange rate movements) as a result of agreements entered into with the Bertin group in connection with the acquisition of the Brazilian operators in 2012, which was subject to 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;
- b) a reduction in interest and other net charges incurred by companies operating in Italy (€28,143 thousand), essentially linked to the cost of servicing Autostrade per l'Italia's debt, which primarily reflects repayment, in June 2014, of medium/long-term borrowing with a face value of €2,094,000 thousand;
- c) a reduction in interest and other net charges (€13,235 thousand) payable by the Chilean companies, essentially reflecting a decrease in average net debt during the period.

8.13 Share of profit/(loss) of associates and joint ventures accounted for using the equity method - €-8,139 thousand (€-5,196 thousand)

The "Share of (profit)/loss of associates and joint ventures accounted for using the equity method" amounts to a loss of €8,139 thousand for 2014, essentially reflecting the loss reported by Rodovias do Tietê (€7,973 thousand), partially offset by the Group's share of the profit reported by Pavimental (€1,009 thousand).

8.14 Income tax (expense)/benefit - €-498,597 thousand (€-395,086 thousand)

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

€000	2014	2013	Incr./[Decr.]
IRES	-225,120	-187,357	-37,763
IRAP	-80,110	-78,226	-1,884
Income taxes attributable to foreign operations	-73,872	-68,168	-5,704
Current tax benefit of tax loss carry-forwards	5,632	2,980	2,652
Current tax expense	-373,470	-330,771	-42,699
Recovery of previous years' income taxes	5,451	5,198	253
Previous years' income taxes	-645	-558	-87
Differences on current tax expense for previous years	4,806	4,640	166
Provisions	225,591	132,740	92,851
Releases	-138,044	-113,004	-25,040
Changes in prior year estimates	35,123	-1,058	36,181
Deferred tax income	122,670	18,678	103,992
Provisions	-128,560	-134,801	6,241
Releases	24,704	46,068	-21,364
Changes in prior year estimates	-148,747	1,100	-149,847
Deferred tax expense	-252,603	-87,633	-164,970
Income tax (expense)/benefit	-498,597	-395,086	-103,511

Income tax expense for 2014 totals €498,597 thousand, marking an increase of €103,511 thousand compared with 2013 (€395,086 thousand). The increase is essentially due to recalculation of the net deferred tax liabilities of the Chilean companies, with an overall negative impact on the income statement of €112,244 thousand (based on the average exchange rate for 2014). This reflects the tax reforms approved by the Chilean parliament in September 2014, including, among other things, a progressive increase in corporation tax rates from 21% in 2014 to 25% from 2017 on.

The following table shows a reconciliation, for both comparative periods, of the statutory rate of IRES with the effective charge for the year and for current tax expense payable overseas.

€000	2014			2013		
	Taxable income	Tax	%	Taxable income	Tax	%
Profit/(Loss) before tax from continuing operations	1,192,759			1,116,302		
Tax computed using the Parent Company's tax rate		328,009	27.5%		306,983	27,5%
Temporary differences deductible in future years	748,289	199,519	16.7%	570,060	150,132	13,4%
Temporary differences taxable in future years	-457,528	-121,085	-10.2%	-533,257	-148,031	-13,3%
Reversal temporary differences from previous years	-365,387	-88,661	-7.4%	-273,437	-63,783	-5,7%
Permanent differences	-82,090	-23,931	-2.0%	9,656	12,277	1,1%
Tax effect deriving from using different tax rates in different foreign countries	-1,782	-490	0.0%	-40,923	-5,033	-0,5%
IRAP		80,110			78,226	
Total		373,470			330,771	

8.15 Profit/(Loss) from discontinued operations - €210 thousand (€17,454 thousand)

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

€000	2014	2013	Incr./[Decr.]
Operating income	439,743	1,005,593	-565,850
Operating costs	-391,110	-954,750	563,640
Financial income	12,964	25,816	-12,852
Financial expenses	-52,348	-45,840	-6,508
Tax expense	-12,396	-14,264	1,868
Net contribution to IFRS profits of discontinued operations	-3,147	16,555	-19,702
Other net profit/(loss) from discontinued operations	3,357	899	2,458
Profit/(Loss) from discontinued operations	210	17,454	-17,244

The balance of €210 thousand reflects the contribution of the companies classified in accordance with IFRS 5, as previously described in note 8, and is down €17,244 thousand on 2013, primarily due to the deterioration in the net result reported by the French companies engaged in the Eco-Tax project.

8.16 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 financial instruments issued by the Parent Company, diluted earnings per share coincides with the figure for basic earnings per share.

	2014	2013
Weighted average number of shares outstanding	622,027,000	622,027,000
Weighted average of shares outstanding	622,027,000	622,027,000
Profit attributable to owners of the parent (€000)	662,156	656,556
Earnings per share (€)	1.07	1.05
Profit from continuing operations attributable to owners of the parent (€000)	664,563	635,003
Basic earnings per share from continuing operations (€)	1.07	1.02
Profit/(Loss) from discontinued operations (€000)	-2,407	21,553
Basic earnings per share from discontinued operations (€)	-	0.03

9. Other financial information

9.1 Notes to the consolidated statement of cash flows

The Group's consolidated cash flows for the year ended 2014 are analysed below and compared with those of 2013. Cash flows are shown in the statement of cash flows included in the section, "Consolidated financial statements".

Cash flows from operating activities amount to €1,470 million for 2014, down €30 million on the figure for 2013 (€1,500 million).

The change essentially reflects a combination of:

- a) the increase in cash used for operating capital and other non-financial assets and liabilities, amounting to €271 million and marking an increase of €140 million compared with the figure for 2013. This increase is essentially due to the increase in net trading assets connected to the Eco-Taxe project, following the agreements entered into the French government, which has terminated its Partnership Agreement with Ecomouv;
- b) an improvement in operating cash flow from continuing operations (up €112 million on 2013), reflecting the Group's improved operating performance.

Cash used for investing activities in 2014, totalling €407 million (€1,250 million in 2013), essentially regards:

- a) investment in assets held under concession, totalling €858 million;
- b) the cash inflow generated by the proceeds from the disposal of Pavimental and Spea, totalling €209 million, including cash and cash equivalents transferred;
- c) a net reduction of €164 million in current financial assets, due to the following:
 - 1) a reduction in concession rights at Ecomouv, following the transfer of a €391 million portion of the company's project debt, under the agreements entered into by Ecomouv with the French government and the company's banks;
 - 2) a net increase in other financial assets, totalling €227 million, which, among other changes, includes the increase in the amounts due to Atlantia Bertin Concessões from Infra Bertin Empreendimentos, totalling €101 million.

Net cash used for financing activities amounts to €2,485 million for 2014 (compared with a net cash inflow of €258 million in 2013). This essentially reflects:

- a) repayments of medium/long-term borrowings, totalling €2,692 million;
- b) dividends paid by Autostrade per l'Italia and by other Group companies to non-controlling shareholders (totalling €679 million);
- c) new medium/long-term borrowings and bond issues, totalling €633 million;
- d) the reduction in Ecomouv's borrowings following the above transfer to the French government, amounting to €391 million.

The overall impact of the above cash flows has resulted in a reduction in cash and cash equivalents of €1,419 million, compared with an increase of €472 million in 2013.

The following table shows the net cash flows for 2014 of the companies whose contribution to the income statement has been reclassified in accordance with IFRS 5, as described in note 8.

CASH FLOWS FROM DISCONTINUED OPERATIONS

€m	2014	2013
Net cash generated from/(used in) operating activities	-173	-62
Net cash generated from/(used in) investing activities	422	-293
Net cash generated from/(used in) financing activities	-221	272

9.2 Financial risk management

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

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

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

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

Market risk

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

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

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

- a) to protect the scenario forming the basis of the strategic plan from the effect of exposure to currency and interest rate risks, identifying the best combination of fixed and floating rates;
- b) to pursue a potential reduction of the Group's borrowing costs within the risk limits determined by the Board of Directors;
- c) to manage derivative financial instruments taking account of their potential impact on the results of operations and financial position in relation to their classification and presentation.

The Group's hedges outstanding as at 31 December 2014 are classified, in accordance with IAS 39, either as cash flow or fair value hedges, depending on the type of risk hedged. The fair value of financial derivative instruments is based on expected discounted cash flows, using the market yield curve at the measurement date. Amounts in foreign currencies other than the euro are translated at closing exchange rates communicated by the European Central Bank. The residual average term to maturity of the Group's debt as at 31 December 2014 is approximately 6 years and 6 months. The average cost of medium to long-term debt for 2014 was 5.4% (4.7% for the companies operating in Italy,

8.7% for the Chilean companies and 12.2% for the Brazilian companies). Monitoring is, moreover, intended to assess, on a continuing basis, counterparty creditworthiness and the degree of risk concentration.

a) Interest rate risk

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

- a) cash flow risk: linked to financial assets and liabilities with cash flows indexed to a market interest rate. In order to reduce floating rate debt, the Group has entered into interest rate swaps (IRS), classified as cash flow hedges. The hedging instruments and the underlying financial liabilities have matching terms to maturity and notional amounts. Following tests of effectiveness, changes in fair value were essentially recognised in comprehensive income. Interest income or expense deriving from the hedged instruments is recognised simultaneously in profit or loss;
- b) fair value risk: the risk of losses deriving from an unexpected change in the value fixed rate financial assets and liabilities following an unfavourable shift in the market yield curve. As at 31 December 2014 the Group reports transactions classifiable as fair value hedges in accordance with IAS 39, regarding the previously mentioned new IPCA x CDI Swaps entered into by the Brazilian companies, Triangulo do Sol and Colinas, with the aim of converting the real IPCA rate bonds issued 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, 86% of interest bearing debt is fixed rate.

Type €000	Purpose of hedge	Currency	Company	31/12/2014	
				Fair value asset/(liability)	Notional amount
Cash flow hedges ⁽¹⁾					
Interest Rate Swap	Interest rate				
Interest Rate Swap		EUR	Autostrade per l'Italia	-245,232	750,000
Interest Rate Swap		EUR	Autostrade per l'Italia	-2,672 ⁽²⁾	160,000
Interest Rate Swap		EUR	Autostrade per l'Italia	-80,716	476,744
Interest Rate Swap		EUR	Autostrade per l'Italia	-9,172	100,000
Interest Rate Swap		EUR	Autostrade per l'Italia	-9,791	100,000
Interest Rate Swap		EUR	Ecomouv	-8,426 ⁽³⁾	73,319
Interest Rate Swap		EUR	Stalexport	-4,342	32,528
Total				-360,351	1,692,591
Fair value hedges ⁽¹⁾					
IPCA x CDI Swaps					
IPCA x CDI Swap	Interest rate	BRL	Triangulo do Sol	-3,949	109,373
IPCA x CDI Swap	Interest rate	BRL	Rodovias das Colinas	-1,558	36,418
IPCA x CDI Swap	Interest rate	BRL	Rodovias das Colinas	-4,293	79,879
Total				-9,800	225,670
Derivatives not accounted for as hedges					
FX Forward	Currency	USD	Autostrade per l'Italia	-1,034 ⁽⁴⁾	31,230
Total				-1,034	31,230
Total				-371,185	1,949,491
of which:					
fair value (asset)			-		
fair value (liability)				-371,185	

(1) The fair value of the derivatives excludes accruals at the end of the reporting period.

(2) This value is included in the current portion of medium/long-term liabilities.

(3) This fair value is accounted for in liabilities held for sale in connection with the termination of the Partnership Agreement between the company and the French government.

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

b) Currency risk

Currency risk can result in the following types of exposure:

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

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

12% 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 30 June 2014 (compared with 31 December 2014) and shows the corresponding market value and the hedged financial asset or liability.

31/12/2013		Description	Hedged financial liability	
Fair value asset/(liability)	Notional amount		Face value	Term
-184,542	750,000	Atlantia loan	750,000	2004-2022
-12,936	400,000	Term Loan Facility	160,000	2004-2015
-20,378	500,000	Cassa Depositi e Prestiti	476,744	2011-2034
3,099	100,000	Cassa Depositi e Prestiti and SACE	100,000	2012-2024
2,288	100,000	Cassa Depositi e Prestiti and SACE	100,000	2013-2024
-26,942	380,589	Project financings	73,319	2015
-3,154	37,321	50% Project Loan Agreement (PLN)	32,528	2008-2020
-242,565	2,267,910			
-4,250	115,036	Bond 2020 IPCA linked	109,373	2013-2020
-1,659	38,304	Bond 2020 IPCA linked	36,418	2013-2020
-5,390	78,974	Bond 2020 IPCA linked	79,879	2013-2023
-11,299	232,314			
70 ⁽⁴⁾	24,268			
70	24,268			
-253,794	2,524,492			
5,457				
-259,251				

Sensitivity analysis

Sensitivity analysis describes the impact that the interest rate and foreign exchange movements to which the Group is exposed would have had on the income statement for 2014 and on equity as at 31 December 2014. The interest rate sensitivity analysis is based on the exposure of derivative and non-derivative financial instruments at the end of the year, assuming, in terms of the impact on the income statement, a 0.10% (10 bps) shift in the market yield curve at the beginning of the year, whilst, with regard to the impact of changes in fair value on equity, the 10 bps shift in the curve was assumed to have occurred at the measurement date. The results of the analyses were:

- 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 income statement, totalling €1,431 thousand, and on the statement of comprehensive income, totalling €14,422 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 income statement, totalling €12,266 thousand, and on the statement of comprehensive income, totalling €248,240 thousand, due to the adverse effect on the Group's 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 2014 project debt allocated to specific overseas companies amounts to €1,959 million. At the same date the Group has estimated cash reserves of €5,023 million, consisting of:

- a) €1,588 million in cash and/or investments maturing within the short term;
- b) €530 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) €2,905 million in undrawn committed lines of credit. The Group has lines of credit with a weighted average residual term to maturity of approximately 6 years and a weighted average residual drawdown period of approximately 1 year and 2 months.

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

Borrower €m	Facility	Drawdown period expires	Final maturity	31/12/2014		
				Available	Drawn	Undrawn
Autostrade per l'Italia	Committed Revolving Credit Facility	31/05/2015	30/06/2015	1,000	-	1,000
Autostrade per l'Italia	Medium/long-term committed EIB line - Tranche B	31/03/2016	30/03/2036	300	50	250
Autostrade per l'Italia	Medium/long-term committed EIB line 2013	31/03/2016	31/03/2036	200	-	200
Autostrade per l'Italia	Medium/long-term committed EIB line 2013	30/09/2015	30/09/2037	250	150	100
Autostrade per l'Italia	Medium/long-term committed CDP/EIB line	21/11/2016	20/12/2027	500	-	500
Autostrade per l'Italia	Medium/long-term committed CDP/SACE line	23/09/2016	23/12/2024	1,000	200	800
Ecomouv	Bridge Loan/Caisse de Dépôts et Consignations	30/04/2014	01/12/2024	582	582	-
Ecomouv	Short-term facility	31/12/2014	01/03/2015	175	173	-
Autostrade Meridionali	Short-term facility	18/09/2015	18/12/2015	300	245	55
Total				4,307	1,400	2,905

The following schedule shows the distribution of maturities for financial liabilities outstanding as at 31 December 2014 and 31 December 2013.

€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						
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>	<i>8,736,615</i>	<i>-11,298,323</i>	<i>-389,475</i>	<i>-1,888,841</i>	<i>-2,830,697</i>	<i>-6,189,309</i>
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 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 ECM's liabilities classified in liabilities held for sale in connection with the termination of the Partnership Agreement between the company and the French government, as provided for in the memorandum of understanding entered into by the parties in June 2014.

(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.

€000	31/12/2013					
	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)	1,010,985	-1,525,662	-114,201	-226,270	-420,658	-764,533
Medium/long-term borrowings						
Total bank borrowings	4,058,247	-5,200,074	-531,932	-449,130	-990,870	-3,228,142
Total other borrowings	10,746,068	-13,634,186	-2,628,440	-382,901	-3,446,418	-7,176,427
<i>of which due to Atlantia</i>	<i>10,633,448</i>	<i>-13,537,551</i>	<i>-2,589,506</i>	<i>-382,534</i>	<i>-3,436,227</i>	<i>-7,129,284</i>
Total medium/long-term borrowings (B)	14,804,315	-18,834,260	-3,160,372	-832,031	-4,437,288	-10,404,569
Total non-derivative financial liabilities (C = A + B)	15,815,300	-20,359,922	-3,274,573	-1,058,301	-4,857,946	-11,169,102
Derivatives ^{(2) (3)}						
Interest rate swaps ⁽⁴⁾	-242,565	-549,487	-70,221	-60,734	-166,567	-251,965
IPCA x CDI Swaps ⁽⁴⁾	-11,299	-27,742	-10,110	-7,460	7,780	-17,952
Total derivatives	-253,864	-577,229	-80,331	-68,194	-158,787	-269,917

(1) Future cash flows relating to floating rate loans have been projected on the basis of the latest established rate and applied and held constant to final maturity.

(2) Expected contractual flows are linked to the outstanding hedged financial liabilities as at 31 December 2013.

(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.

The amounts shown in the above 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.

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	31/12/2014					
	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 ⁽²⁾	-360,351	-386,006	-64,718	-52,247	-138,959	-130,082
Total cash flow hedges	-360,351	-386,006	-64,718	-52,247	-138,959	-130,082
Accrued expenses on cash flow hedges	-25,655					
Total cash flow hedge derivative assets/liabilities	-386,006	-386,006	-64,718	-52,247	-138,959	-130,082

€000	31/12/2014				
	Expected cash flows ⁽¹⁾	Within 12 months	Between 1 and 2 years	Between 3 and 5 years	After 5 years
Interest rate swaps					
Income on cash flow hedges	-	-	-	-	-
Losses on cash flow hedges	-360,351	-47,415	-51,871	-137,300	-123,765
Total income (losses) on cash flow hedges	-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.

(2) This item includes the fair value of the derivative agreement of Ecomouv classified in liabilities held for sale.

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.

31/12/2013					
Carrying amount	Expected cash flows ⁽¹⁾	Within 12 months	Between 1 and 2 years	Between 3 and 5 years	After 5 years
5,387	5,291	-2,830	-2,443	-981	11,545
-247,952	-273,334	-68,072	-54,543	-98,367	-52,352
-242,565	-268,043	-70,902	-56,986	-99,348	-40,807
-25,478					
-268,043	-268,043	-70,902	-56,986	-99,348	-40,807

31/12/2013					
Expected cash flows ⁽¹⁾	Within 12 months	Between 1 and 2 years	Between 3 and 5 years	After 5 years	
5,387	-2,795	-2,422	-912	11,516	
-247,952	-51,206	-53,232	-94,588	-48,926	
-242,565	-54,001	-55,654	-95,500	-37,410	

10. Other information

10.1 Operating segments and geographical information

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. 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, Ecomouv and Electronic Transaction Consultants. It should be noted that, as a result of the events described in the "Introduction", the contributions of the French companies set up in relation to the "Eco-Taxe project" and the companies disposed of during the year (Pavimental, Spea and their respective subsidiaries) have been included in "Profit/(Loss) from discontinued operations" in both comparative periods, and therefore do not contribute to the segment's revenue or EBITDA. In contrast, however, the segment's operating cash flow and capital expenditure include the contributions of these companies (in the case of Pavimental and Spea, until the respective dates of their deconsolidation).

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.

AUTOSTRADE PER L'ITALIA GROUP

€m

2014

	Italian motorways	Overseas motorways	Other activities	Consolidation adjustments	Unallocated items	Total consolidated amounts
External revenue	3,669	541	78	-	-	4,288
Intersegment revenue (A)	10	-	24	-34	-	-
Total revenue (B)	3,679	541	102	-34	-	4,288
EBITDA (C)	2,257	412	14	-	-	2,683
Amortisation, depreciation, impairment losses and reversals of impairment losses					-661	-661
Provisions and other adjustments					-245	-245
EBIT (D)						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 period						694
Operating cash flow (E)	1,410	319	11	-	-	1,740

€m

2013

	Italian motorways	Overseas motorways	Other activities	Consolidation adjustments	Unallocated items	Total consolidated amounts
External revenue	3,496	557	65	-	-	4,118
Intersegment revenue (A)	32	-	29	-61	-	-
Total revenue (B)	3,528	557	94	-61	-	4,118
EBITDA (C)	2,106	410	1	-	-	2,517
Amortisation, depreciation, impairment losses and reversals of impairment losses					-666	-666
Provisions and other adjustments					-56	-56
EBIT (D)						1,795
Financial income/(expenses)					-679	-679
Profit/(Loss) before tax from continuing operations						1,116
Income tax (expense)/benefit					-395	-395
Profit/(Loss) from continuing operations						721
Profit/(Loss) from discontinued operations					18	18
Profit for the period						739
Operating cash flow (E)	1,289	307	32	-	-	1,628

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, classified in the “Other activities” segment, for Autostrade per l’Italia in connection with the Eco-Tax project;
- b) total revenue does not include revenue from construction services, totalling €490 million in 2014 and €481 million in 2013;
- c) EBITDA is calculated by deducting all operating costs, with the exception of amortisation, depreciation, impairment losses on assets and reversals of impairment losses, provisions and other adjustments, from operating revenue;
- d) EBIT is calculated by deducting amortisation, depreciation, impairment losses on assets and reversals of impairment losses, provisions and other adjustments from EBITDA. EBIT differs from “Operating profit” in the consolidated income statement, as it does not include the capitalised component of financial expenses relating to construction services, which are not reported in this table, as indicated in point c) above. These amounts are €17.9 million for 2014 and €12.5 million for 2013;
- e) operating cash flow is calculated as profit + amortisation/depreciation +/- provisions/releases of provisions + financial expenses from discounting of provisions +/- impairments/reversals of impairments of assets +/- share of profit/(loss) of investments accounted for using equity method +/- (losses)/gains on sale of assets +/- other non-cash items +/- portion of net deferred tax assets/liabilities recognised in the income statement.

In accordance with the information provided in note 6.2, the contributions of the French companies set up in relation to the “Eco-Tax project” and the companies disposed of during the year (Pavimental, Spea and their respective subsidiaries) have been included in “Profit/(Loss) from discontinued operations” in both comparative periods, 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, until the respective dates of their deconsolidation).

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 2014.

Geographical information

The following table shows an analysis of the Autostrade per l’Italia Group’s revenue and non-current assets by geographical area.

€000	Revenue		Non-current assets ^(*)	
	2014	2013	31/12/2014	31/12/2013
Italy	3,984	3,903	18,620	18,419
France	38	29	-	6
Brazil	388	342	1,400	1,371
Chile	226	228	1,920	1,987
United States	48	41	19	19
Poland	59	53	227	231
Romania	1	3	-	-
India	-	-	-	-
Other European countries	-	-	-	-
	4,744	4,599	22,186	22,033

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

Impairment losses on the concession rights of the Polish operator, Stalexport Autostrady Malopolska, totalling €12,018 thousand, were reversed in 2014, following impairment testing of the relevant CGU, as described in note 7.2.

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 2014 and 31 December 2013 is shown below. The complete list of the Group's investments as at 31 December 2014 is provided in Annex 1 "The Autostrade per l'Italia Group's scope of consolidation and investments".

Consolidated investments	Country	31/12/2014		31/12/2013	
		Group interests	Non-controlling interests	Group interests	Non-controlling interests
Italian motorways activities					
Autostrade Meridionali S.p.A.	Italy	58.98%	41.02%	58.98%	41.02%
Società Italiana p.A. per il Traforo del Monte Bianco	Italy	51.00%	49.00%	51.00%	49.00%
Raccordo Autostradale Valle d'Aosta S.p.A.	Italy	24.46%	75.54%	24.46%	75.54%
Foreign motorways activities					
Atlantia Bertin Concessões S.A.	Brazil	50.00%	50.00%	50.00%	50.00%
Concessionária da Rodovia MG050 S.A.	Brazil	50.00%	50.00%	50.00%	50.00%
Infra Bertin Participações S.A.	Brazil	50.00%	50.00%	50.00%	50.00%
Rodovias das Colinas S.A.	Brazil	50.00%	50.00%	50.00%	50.00%
Triangulo do Sol Auto-Estradas S.A.	Brazil	50.00%	50.00%	50.00%	50.00%
Triangulo do Sol Participações S.A.	Brazil	50.00%	50.00%	50.00%	50.00%
Grupo Costanera S.A.	Chile	50.01%	49.99%	50.01%	49.99%
Sociedad Concesionaria AMB S.A.	Chile	50.01%	49.99%	50.01%	49.99%
Sociedad Concesionaria Costanera Norte S.A.	Chile	50.01%	49.99%	50.01%	49.99%
Sociedad Concesionaria Vespucio Sur S.A.	Chile	50.01%	49.99%	50.01%	49.99%
Sociedad Concesionaria Litoral Central S.A.	Chile	50.01%	49.99%	50.01%	49.99%
Sociedad Gestion Vial S.A.	Chile	50.01%	49.99%	50.01%	49.99%
Sociedad Operacion y Logistica de Infraestructuras S.A.	Chile	50.01%	49.99%	50.01%	49.99%
Sociedad Concesionaria Autopista Nororiente S.A.	Chile	50.01%	49.99%	50.01%	49.99%
Sociedad Concesionaria Autopista Nueva Vespucio Sur S.A.	Chile	50.01%	49.99%	50.01%	49.99%
Stalexport Autostrady S.A.	Poland	61.20%	38.80%	61.20%	38.80%
Stalexport Autostrada Malopolska S.A.	Poland	61.20%	38.80%	61.20%	38.80%
Stalexport Autoroute S.àr.l.	Poland	61.20%	38.80%	61.20%	38.80%
Via4 S.A.	Poland	33.66%	66.34%	33.66%	66.34%
Other activities					
Ecomouv D&B S.A.S.	France	75.00%	25.00%	75.00%	25.00%
Ecomouv S.A.S.	France	70.00%	30.00%	70.00%	30.00%
Electronic Transaction Consultants Co.	USA	66.46%	33.54%	66.46%	33.54%
Infoblu S.p.A.	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 Chilean sub-holding, Grupo Costanera, and its direct and indirect subsidiaries;
- b) the Brazilian sub-holding, AB Concessões, and its 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.

The key financial indicators shown 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 purpose of preparing Autostrade per l'Italia's consolidated financial statements, in addition to the accounting effects of business combinations (fair value adjustments of the net assets acquired).

€m	Grupo Costanera and direct and indirect subsidiaries		Atlantia Bertin Concessões and direct subsidiaries	
	2014	2013	2014	2013
Revenues	206	207	384	342
Profit for the year	2	95	54	69
Profit (Loss) attributable to non-controlling interests ⁽¹⁾	1	47	27	34
Non-current assets	3,271	3,222	2,365	2,158
Current assets	396	342	164	186
Non-current liabilities	1,987	1,867	1,371	1,351
Current liabilities	104	96	271	165
Net assets	1,576	1,601	887	828
Net assets attributable to non-controlling interests ⁽¹⁾	802	815	445	414
Net cash flow from operating activities ⁽¹⁾	159	136	115	107
Net cash flow from investing activities ⁽¹⁾	-103	-31	-181	-98
Net cash flow from financing activities ⁽¹⁾	-9	-89	22	69
Net effect of exchange rate movements on net cash and cash equivalents ⁽¹⁾	-	-6	3	-25
Increase/(Decrease) in cash and cash equivalents ⁽¹⁾	47	10	-41	53
Dividends paid by non-controlling shareholders	-	-	-	-

(1) Data shown in the table above are in contribution to the Autostrade per l'Italia Group consolidated data. Therefore data include relative adjustments entries for Autostrade per l'Italia Group purposes

10.3 Guarantees

The Group has certain personal guarantees in issue to third parties as at 31 December 2014. These include, listed by importance:

- a) guarantees issued by Autostrade per l'Italia securing the bonds issued by Atlantia, amounting to a total of €10,613,011 thousand and representing 120% of par value, in return for which Autostrade per l'Italia receives intragroup loans with the same terms to maturity and a face value of €8,757,776 thousand as at 31 December 2014;
- b) bank guarantees provided by Tangenziale di Napoli (€29,756 thousand) to the Ministry of Infrastructure and Transport, as required by the covenants in the relevant concession arrangement;
- c) guarantees issued by the Brazilian, Chilean and Polish operators securing project financing in the form of either bank loans or bonds.

Also as at 31 December 2014, the shares of certain of the Group's overseas operators (Rodovias das Colinas, Concessionaria da Rodovia MG050, Triangulo do Sol, Sociedad Concesionaria Costanera Norte, Sociedad Concesionaria de Los Lagos, Sociedad Concesionaria Autopista Nororiental, Sociedad Concesionaria Litoral Central, Sociedad Concesionaria Vespucio Sur and Stalexport Autostrada Malopolska) have been pledged to providers of project financing to the same companies, as have shares in Pune Solapur Expressways, Lusoponte and Bologna & Fiera Parking.

10.4 Reserves

As at 31 December 2014, the Group's Italian motorway operators have recognised contract reserves amounting to approximately €2,260 million (€2,050 million as at 31 December 2013). Based on past experience, only a small percentage of the reserves will actually have to be paid to contractors and, in this case, will be accounted for as an increase in the cost of concession rights. Reserves have also been recognised in relation to works not connected to investment (work for external parties and maintenance), amounting to approximately €50 million. The estimated future cost is covered by provisions for disputes accounted for in the consolidated financial statements as at and for the year ended 31 December 2014.

10.5 Related party transactions

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

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

RELATED PARTY TRADING AND OTHER TRANSACTIONS

Name €m	31/12/2014		2014		31/12/2013		2013	
	Assets	Liabilities	Income	Expenses	Assets	Liabilities	Income	Expenses
Parents								
Sintonia	18.0	-	-	-	18.5	-	-	0.1
Atlantia	10.2	23.4	2.1	3.0	30.3	5.4	1.9	2.3
Total parents	28.2	23.4	2.1	3.0	48.8	5.4	1.9	2.4
Associates								
Uirnet	2.2	-	0.1	-	2.5	-	0.3	-
Bologna & Fiera Parking	1.1	-	-	-	1.1	-	-	-
Società Autostrada Tirrenica	1.1	5.1	1.9	-	2.1	4.7	2.3	-
Biuro Centrum	-	-	0.1	0.7	-	-	0.1	0.7
Total associates	4.4	5.1	2.1	0.7	5.7	4.7	2.7	0.7
Affiliates								
Autogrill	36.3	0.3	109.1	2.2	37.7	0.7	73.4	14.3
Spea Ingegneria Europea ⁽¹⁾	22.8	74.4	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Pavimental ⁽²⁾	1.3	191.6	1.1	207.5	n.a.	n.a.	n.a.	n.a.
Aeroporti di Roma group	1.0	-	1.7	-	0.4	-	0.4	-
Pune Solapur Expressways Private Ltd	0.6	-	-	-	0.4	-	-	-
United Colors of Communication	-	-	0.2	1.6	-	0.5	-	0.5
TowerCo ⁽³⁾	n.a.	n.a.	n.a.	n.a.	3.0	0.1	5.3	0.1
Pavimental Polska ⁽²⁾	-	0.6	-	0.8	n.a.	n.a.	n.a.	n.a.
Total affiliates	62.1	266.9	112.1	212.1	41.5	1.3	79.1	14.9
Pension funds								
Pension fund ASTRI	-	4.6	-	11.9	-	4.1	-	11.0
Pension fund CAPIDI	-	1.0	-	1.9	-	2.6	-	2.6
Total pension funds	-	5.6	-	13.8	-	6.7	-	13.6
Autostrade per l'Italia's key management personnel⁽⁴⁾								
Key management personnel	-	2.0	-	8.5	-	1.2	-	4.4
Total key management personnel	-	2.0	-	8.5	-	1.2	-	4.4
Total	94.7	303.0	116.3	238.1	96.0	19.3	83.7	36.0

RELATED PARTY FINANCIAL TRANSACTIONS

Name €m	31/12/2014		2014		31/12/2013		2013	
	Assets	Liabilities	Income	Expenses	Assets	Liabilities	Income	Expenses
Parents								
Atlantia	0.2	9,689.5	27.0	488.0	0.4	11,512.0	26.7	529.2
Total parents	0.2	9,689.5	27.0	488.0	0.4	11,512.0	26.7	529.2
Associates								
Società Autostrada Tirrenica	116.7	0.1	7.5	-	110.0	13.5	5.4	0.1
Biuro Centrum	-	-	0.1	-	-	-	0.1	-
Società Infrastrutture Toscane	-	-	-	-	-	0.1	-	-
Total associates	116.7	0.1	7.6	-	110.0	13.6	5.5	0.1
Joint ventures								
Rodovias do Tietê	9.7	-	0.7	-	-	-	-	-
Total joint ventures	9.7	-	0.7	-	-	-	-	-
Affiliates								
Pavimental ⁽²⁾	92.1	-	0.8	-	n.a.	n.a.	n.a.	n.a.
Spea Ingegneria Europea ⁽¹⁾	8.0	0.3	-	-	n.a.	n.a.	n.a.	n.a.
Autogrill	0.5	-	1.4	-	0.6	-	1.4	-
TowerCo ⁽³⁾	n.a.	n.a.	n.a.	n.a.	-	10.2	-	-
Aeroporti di Roma group	-	-	0.1	-	-	-	0.1	-
Total affiliates	100.6	0.3	2.3	-	0.6	10.2	1.5	-
Total	227.2	9,689.9	37.6	488.0	111.0	11,535.8	33.7	529.3

(1) This company was deconsolidated as at 31 December 2014.

(2) This company was deconsolidated during the second half of 2014.

(3) This company was sold during the first half of 2014 to the parent Atlantia, therefore is no more considered in related party.

(4) Autostrade per l'Italia's key management personnel means the Company's Directors, Statutory Auditors and other key management personnel. Expenses for each year include emoluments, salaries, benefits in kind, bonuses and incentives for Autostrade per l'Italia staff and the staff of its subsidiaries.

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 2014 the Group has recognised tax liabilities and assets due to and from Atlantia of €21.4 million and €8.1 million, respectively.

As at 31 December 2014, the Group reports tax assets due from the parent, Sintonia (which in 2012 absorbed Schemaventotto), totalling €18.0 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.

Transactions of a financial nature as at 31 December 2014 include medium/long-term loans to the Company from Atlantia, amounting to a total face value of €8,757,776 thousand. This marks a reduction of €1,894,200 thousand compared with 31 December 2013, primarily reflecting repayment of a loan with a face value of €2,094,200 thousand on 9 June 2014, partially offset by the following new loans during the period:

- a) a loan with a face value of €75,000 thousand, granted on 3 March 2014, with interest payable at 3.997% and maturing in 2038;
- b) a loan with a face value of €125,000 thousand, granted on 10 June 2014, with interest payable at 3.45% and maturing in 2034.

The conditions applicable to these loans replicate those of Atlantia's bond issues, increased by a spread that takes account of the cost of managing the loans.

The loans from Atlantia include a floating rate loan 2004-2022, with a face value of €750 million, which is hedged against interest rate risk through the use of specific derivative financial instruments entered into with Atlantia. As at 31 December 2014, fair value losses on these instruments amount to €245,232 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 €212,946 thousand as at 31 December 2014. In addition, at the end of 2014, Atlantia has granted Autostrade per l'Italia a short-term loan of €250,000 thousand, as a result of the parent's investment of liquidity.

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

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

The Group reports liabilities payable to the affiliates, Pavimental and Spea, controlling interests in which were disposed of by the Group in 2014, totalling €191.6 million and €74.7 million.

These payables essentially regard maintenance and construction services provided by these companies to the Group's operators and regarding assets held under concession.

In addition, the Group reports costs of €207.5 million payable to Pavimental in return for the above services provided from the date of the company's deconsolidation until 31 December 2014.

For the purposes of the above CONSOB Resolution, which applies the requirements of IAS 24, the Autogrill group ("Autogrill"), which is under the common control of Edizione S.r.l., is treated as a related party. With regard to relations between the Autostrade per l'Italia Group's motorway operators and the Autogrill group, it should be noted that, as at 31 December 2014, Autogrill holds 113 food service concessions for service areas along the Group's motorway network.

In 2014, the Group earned revenue of approximately €109.1 million on transactions with Autogrill, including €70.2 million in royalties deriving from the management of service areas and €29.2 million resulting from the handover, free of charge, of buildings at service areas (following expiry of the related sub-concession arrangements). 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 2014, trading assets receivable from Autogrill amount to €36.3 million.

Transactions of a financial nature as at 31 December 2014 include, as part of the Autostrade per l'Italia's provision of centralised treasury services for the Atlantia Group, a loan granted to Società Autostrada Tirrenica, totalling €116.7 million and maturing in June 2015. The Group also reports intercompany current account receivables of €92.1 million due from Pavimental.

10.6 Disclosures regarding share-based payments

In order to incentivise and foster the loyalty of directors and/or employees of the Atlantia Group who hold key positions and responsibilities within Atlantia or in Group companies, and to promote and disseminate a value creation culture in all strategic and operational decision-making processes, driving the Group's growth and boosting management efficiency, a number of share incentive plans based on Atlantia's shares have been introduced. The plans entail payment in the form of shares or cash and are linked to the achievement of predetermined corporate objectives.

The Annual General Meeting of shareholders, held on 16 April 2014, approved a number of changes to existing incentive plans, already approved and then amended by the Annual General Meetings of shareholders held on 20 April 2011 and 30 April 2013. In addition, in 2014 the Annual General Meeting of shareholders approved introduction of the new "2014 Phantom Share Option Plan"; the principal characteristics of this plan are described below.

The following table shows the main aspects of the Atlantia Group's existing incentive plans as at 31 December 2014, including the options and units awarded to directors and employees of the Group and changes during 2014. The table also shows the fair value (at the grant date) of each outstanding option or unit, as determined by a specially appointed expert, using the Monte Carlo model and the following parameters. The amounts have been adjusted for the amendments to the plans originally approved by shareholders, which were required to ensure plan benefits remained substantially unchanged despite the dilution caused by the bonus issues approved by 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 01/01/2014			
- 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	15 June 2018
- 8 November 2013 grant	1,592,367	8 November 2016	9 November 2019
	2,246,797		
Changes in options in 2014			
- 13 May 2014 grant	173,762	n.app. ^(**)	14 May 2017
- exercised options	-209,525		
- elapsed options	-43,557		
Options outstanding as at 31/12/2014	2,167,477		
2011 SHARE GRANT PLAN			
Units outstanding as at 01/01/2014			
- 13 May 2011 grant	192,376	13 May 2014	14 May 2015 and 14 May 2016
- 14 October 2011 grant	9,618	13 May 2014	14 May 2015 and 14 May 2016
- 14 June 2012 grant	10,106	13 May 2014	14 May 2015 and 14 May 2016
	348,394	14 June 2015	15 June 2016 and 15 June 2017
- 8 November 2013 grant	209,420	8 November 2016	9 November 2017 and 9 November 2018
	769,914		
Changes in options in 2014			
- elapsed options	-19,683		
Units outstanding as at 31/12/2014	769,914		
MBO SHARE OPTION PLAN			
Units outstanding as at 01/01/2014			
- 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
	191,619		
Changes in options in 2014			
- 12 May 2014 grant	61,627	12 May 2017	12 May 2017
Units outstanding as at 31/12/2014	253,246		

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

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

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	6.0	2.60%	25.2%	4.09%
14.78	(*)	(*)	(*)	(*)	(*)
14.78	(*)	(*)	(*)	(*)	(*)
9.66	2.21	6.0	1.39%	28.0%	5.05%
16.02	2.65	6.0	0.86%	29.5%	5.62%
n.app.	(**)	(**)	(**)	(**)	(**)
n.app.	12.90	4.0-5.0	2.45%	26.3%	4.09%
n.app.	(*)	(*)	(*)	(*)	(*)
n.app.	(*)	(*)	(*)	(*)	(*)
n.app.	7.12	4.0-5.0	1.12%	29.9%	5.05%
n.app.	11.87	4.0-5.0	0.69%	28.5%	5.62%
n.app.	13.81	3.0	0.53%	27.2%	4.55%
n.app.	(*)	(*)	(*)	(*)	(*)
n.app.	17.49	3.0	0.18%	27.8%	5.38%
n.app.	18.42	3.0	0.20%	27.8%	5.38%
n.app.	25.07	3.0	0.34%	28.2%	5.47%

Details of each plan are contained in specific information circulars prepared pursuant to art. 84-bis of CONSOB Regulation 11971/1999, as amended, and published in the "Remuneration" section of the Company's website (www.atlantia.it/it/corporate-governance/documenti-informativi-remunerazione.html).

In general, the options and units awarded under any of the existing plans may not form part of inter vivos transfers by beneficiaries, and may not be subject to restrictions or be part of any disposition for any reason. The options and units cease to be exercisable or convertible on the unilateral termination of employment or in the event of dismissal for cause of the beneficiary prior to expiration of the vesting period.

2011 Share Option Plan

As approved by the Annual General Meeting of shareholders on 20 April 2011, and amended by the Annual General Meeting of shareholders on 30 April 2013, 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 S.p.A., 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 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, the Company or of one or more specific 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 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. 13 May 2014 was the vesting date for the options awarded under the first award cycle of the plan. In accordance with the Plan Terms and Conditions, following confirmation of effective achievement of the related performance hurdles, the final value of the shares (the arithmetic mean of the share price in the fifteen days prior to the vesting date) was determined, together with the additional options resulting from dividends paid during the vesting period. On 7 March 2014, Atlantia's Board of Directors decided to submit an amendment to the Terms and Conditions of this plan for approval by Atlantia's shareholders. The purpose of the amendment was to authorise the Board of Directors, as necessary from time to time, to award the plan beneficiaries, in place of additional options, a matching amount of phantom options in such a way that, on exercising the awarded options, the beneficiaries receive a gross amount in cash, computed in such a way as to enable beneficiaries to receive a net amount equal to what they would have received had they exercised the additional options (resulting in the award of shares in Atlantia and payment of the predetermined price) and sold the underlying shares in the market.

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

Finally, in the period between 13 May and 31 December 2014, a number of beneficiaries exercised vested options; this entailed the allocation to them of 209,525 of Atlantia's ordinary shares held by the Company as treasury shares, against payment of the established exercise price.

2011 Share Grant Plan

As approved by the Annual General Meeting of shareholders on 20 April 2011, and amended 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 ordinary share in Atlantia S.p.A. 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 S.p.A.

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, the Company or of one or more specific 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. 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. The vesting period for the first award cycle expired on 13 May 2014.

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

MB0 Share Grant Plan

As approved by the Annual General Meetings of shareholders on 20 April 2011 and 30 April 2013, the MB0 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 Group, 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 S.p.A. 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 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 could result in the award of these "additional" units) 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.

On 7 March 2014, Atlantia's Board of Directors decided to submit an amendment to the Terms and Conditions of this plan for approval by shareholders. The purpose of the amendment was to authorise the Board of Directors, as necessary from time to time, to award the plan beneficiaries, in place of the additional units, a gross amount in cash, computed in such a way as to enable beneficiaries to receive a net amount equal to what they would have received, at the end of the vesting period, had they been awarded a number of Atlantia shares equal to the additional units and sold these shares in the market. This amendment was approved by shareholders on 16 April 2014.

Following the Board of Directors' meeting of 9 May 2014, a total of 61,627 units were granted with effect from 12 May 2014, in recognition of achievement of the performance hurdles for 2013. The units were to be granted to the directors and employees of the Group previously selected at the Board of Directors' meeting of 22 March 2013, with vesting dates of 12 May 2017 and conversion into shares from this latter date.

2014 Phantom Share Option Plan

On 16 April 2014, the Annual General Meeting of Atlantia's shareholders approved the new incentive plan named the "2014 Phantom Share Option Plan", previously approved by the Board of Directors on 7 March 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.

On 9 May 2014, the Board of Directors selected the beneficiaries of the plan in question for the first cycle, granting a total of 2,718,203 phantom options, with a vesting period from 9 May 2014 to 9 May 2017 and exercisable in the period from 10 May 2017 to 9 May 2020.

2014 Phantom Share Option Plan	Number of options/units awarded	Vesting date	Exercise / grant date
Options outstanding as at 01/01/2014	-		
Changes in options in 2014			
- 9 May 2014 grant	1,773,027	9 May 2017	9 May 2020
- reduction following deconsolidation of companies ^(*)	-125,222	9 May 2017	9 May 2020
Options outstanding as at 31/12/2014	1,647,805		

(*) As a result of the disposal of controlling interests in Pavimental and Spea Ingegneria Europea.

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

- a) price at 31 December 2014: €19.39;
- b) price at 9 May 2014 (the grant date for new options or units, as described): €18.43;
- c) the weighted average price for 2014: €18.78;
- d) the weighted average price for the period 9 May-31 December 2014: €19.14.

In accordance with the requirements of IFRS 2, as a result of existing plans, in 2014 the Group recognised staff costs of €4,028 thousand, based on the accrued fair value of the options and units awarded during the year, consisting of:

- a) €3,213 thousand accounted for in a contra entry in equity reserves for share-based incentive plans;
- b) €815 thousand accounted for in "Other non-current assets" in relation to the "2014 Phantom Share Option Plan", following re-computation of the unit fair value of the options at the end of the reporting period, amounting to €3.13, with respect to the unit fair value at the grant date.

Exercise price (€)	Unit fair value on grant date (€)	Expected expiry on grant date (years)	Risk free interest rate used	Expected volatility (around historic mean)	Expected dividends on grant date
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n.app.	2.88	6.0	1.10%	28.9%	5.47%
n.app.	2.88	6.0	1.10%	28.9%	5.47%

10.7 Significant regulatory aspects and litigation

This section describes the main disputes outstanding and key regulatory aspects of importance to the Group's operators through to the date of approval of these consolidated 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 2014.

Italian motorways

Toll increases with effect from 1 January 2015

On 15 October 2014, Autostrade per l'Italia submitted its request for the toll increase to be applied from 1 January 2015 to the Grantor. The increase of 1.46% has been 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.

On 31 December 2014, the Grantor published the Decree issued by the Minister of Infrastructure and Transport, in agreement with the Minister of the Economy and Finance, authorising application of the requested toll increase of 1.46% with effect from 1 January 2015.

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 toll increase of 1.5% has been provisionally authorised. Any difference with respect to the effective toll increase due as a result of revision of the Financial Plan, 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 operator the previous day (30 December 2014).

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.

Reduced tolls for frequent users

On 24 February 2014, a “Memorandum of Understanding” was signed by a number of motorway operators (including Autostrade per l’Italia), the trade association, AISCAT, and the Minister of Infrastructure and Transport. This has introduced reduced tolls (valid from 1 February 2014 to 31 December 2015) for private road users who frequently make the same journey (not more than 50 km) in class A vehicles. To benefit the user must have a Telepass account in the name of a private individual and must make the same journey more than 20 times in a calendar month, subject to a limit of twice a day. The reductions involve application of a discount on the relevant toll with effect from the 21st journey. The discounts are progressive, rising from a minimum 1% of the total toll payable for 21 journeys up to 20% of the total toll for 40 journeys. A discount of 20% will also be applied if users make between 41 and 46 journeys, whilst any journeys after the 46th will not qualify for the discount.

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

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

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

Challenges filed by Autostrade Meridionali and Raccordo Autostradale Valle d’Aosta regarding the absence of toll increases

In 2014 Autostrade Meridionali brought an action before Campania Regional Administrative Court, challenging the Decree of 31 December 2013 issued by the Ministry of Infrastructure and Transport, in agreement with the Ministry of the Economy and Finance, in which the Ministry omitted to award any toll increase for 2014. On 28 May 2014 the Court upheld the request for an injunction brought by Autostrade Meridionali, requiring the Grantor to review its earlier decision. On 18 July 2014 the Grantor issued a report on its review, confirming its earlier position. As part of the same action, Autostrade Meridionali has also challenged this decision, with additional grounds. In a sentence entered on 22 January 2015, the Regional Administrative Court upheld Autostrade Meridionali’s challenge, cancelling the decree turning down the toll increase for 2014.

On 31 December 2014, the Ministry of Infrastructure and Transport, in agreement with the Ministry of the Economy and Finance, also issued a decree turning down a toll increase for 2015. As happened with regard to the decree turning down the increase for 2014, Autostrade Meridionali is in the process of challenging this decree before the Regional Administrative Court.

Raccordo Autostradale Valle d’Aosta S.p.A. has also brought an action before the Regional Administrative Court in 2014, challenging the Decree of 31 December 2013 issued by the Ministry of Infrastructure and Transport, in agreement with the Ministry of the Economy and Finance, awarding the company a toll increase of 5% for 2014, putting off recovery of the difference between the effective toll increase due (13.96%) and the authorised increase until the five-yearly revision of the financial plan. The action is still ongoing.

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

In compliance with CIPE Resolution 27/2013, in June 2014 Tangenziale di Napoli and Raccordo Autostradale Valle d'Aosta submitted their proposed five-yearly revision of their financial plans to the Grantor. The revision was re-submitted in November 2014 after taking into account a number of requests from the Grantor.

Discussions with the Grantor regarding revision of the above plans are ongoing. The revised documents will be formalised in addenda to the concession arrangements in force, to be approved by 30 June 2015, in accordance with the memorandum signed by each of the above operators and the Grantor on 30 December 2014.

Challenge filed by Varese Provincial Authority

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

This request for injunctive relief was turned down by the Regional Administrative Court on 17 April 2014. A date for the hearing to discuss the challenge has yet to be fixed.

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), for which Autostrade Meridionali, which continues to operate the motorway under a contract extension, has submitted its request for prequalification, on 23 January 2015 the Ministry of Infrastructure and Transport sent Autostrade Meridionali an invitation to tender.

Disputes with oil and food service providers

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

Autostrade per l'Italia is party to disputes involving two holders of food service concessions, My Chef and Chef Express, who have, since 2012, alleged that Autostrade per l'Italia has breached the terms of contracts relating to a number of service areas, requesting the payment of damages. Autostrade per l'Italia S.p.A. has been served two further writs by Chef Express in 2014.

Consequently, there are to date a total of eight claims pending before the Civil Court of Rome regarding the same number of service areas.

Negotiations are underway with a view to concluding two settlements with both My Chef and Chef Express in order to resolve the above disputes. In particular, on 24 February 2015, Chef Express sent Autostrade per l'Italia a proposal for a binding settlement.

In November 2013 Autogrill filed three legal challenges, one before Lazio Regional Administrative Court, one before Emilia-Romagna Regional Administrative Court and the third before Lombardy Regional Administrative Court. The plaintiff is requesting cancellation, subject to suspensive relief, of the calls for expressions of interest and the invitations to tender sent by the Advisor, Roland Berger, in relation to the award of food service concessions at a number of motorway service areas. In brief, Autogrill is contesting the onerous nature of the conditions forming the basis of the tenders. Two requests for suspensive relief have been rejected by the courts and one has been withdrawn by the plaintiff. Moreover, with regard to tenders in the meantime completed by the Advisor, as a result of which Autogrill was ranked first, in

January 2014 Autogrill filed three challenges, one before Tuscany Regional Administrative Court, one before Piedmont Regional Administrative Court and a third before Liguria Regional Administrative Court, requesting cancellation of certain contract terms and conditions governing financial aspects of the sub-concession arrangement. Again with reference to the above tenders called by the Advisor, as a result of which Autogrill ranked first, the company has announced additional grounds for the challenges filed in November 2013, containing a similar request for cancellation of the contract terms and conditions governing financial aspects of the sub-concession arrangement.

In 2014, Autogrill subsequently unconditionally agreed to all the arrangements resulting from the procedures in which it was ranked first.

In the challenges pending before Lombardy Regional Administrative Court and Piedmont Regional Administrative Court, for which hearings on the merits had been scheduled, Autogrill has announced an absence of interest in the outcome of the challenges and the administrative courts have, in sentences handed down in November 2014 and January 2015, ruled that the above challenges are inadmissible due to an absence of interest.

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 of the A16 Naples-Canosa motorway. 40 people were killed as a result of the accident, which occurred at km 32+700 on the Acqualonga viaduct. In response to this event, the Public Prosecutor's Office in Avellino has begun a criminal investigation of, among others, three managers (the current Director of the section of motorway and his two predecessors) and two employees of Autostrade per l'Italia, who are being investigated for multiple manslaughter and negligence.

In May 2014 the experts appointed by the Public Prosecutor's Office in Avellino filed their technical report. The report highlights the poor state of maintenance of the safety barriers. Subsequently, in June 2014, three further managers from the Company were placed under investigation by the Public Prosecutor's Office in Avellino, including the person who at the time of the accident held the position of Joint Director of Operations & Maintenance (who later left the Group with effect from 1 January 2015).

On completion of the preliminary investigation in early January 2015, all those under investigation, including the Chief Executive Officer and a further two executives and an employee of the Company (meaning, therefore, that a total of twelve of the Company's managers and employees were under investigation), received notice of completion of the preliminary investigation, containing an initial formal notification of charges. In particular, all the suspects are charged with negligent cooperation resulting in multiple manslaughter and gross negligence. Specifically, the Chief Executive Officer and a further two executives are charged with failing to ensure that the safety barriers on the viaduct had been upgraded, whilst the other suspects from among the Company's employees are accused of failing to ensure that the barriers were properly maintained.

In addition to the criminal proceedings, two separate civil actions have been brought. These were recently combined by the local civil court.

In the first action, brought by Reale Mutua Assicurazioni, the company that insured the coach, more than 200 parties were summoned to court (including Autostrade per l'Italia), in their role as plaintiffs, to whom the maximum sum payable (€6 million) under the insurance policy covering the vehicle was made available. During the hearing, a number of those summoned issued statements explaining that they also intended to claim damages from Autostrade per l'Italia. In response, the Company referred claimants to its own insurance provider (Swiss Re International SE), with which it has taken out a third party liability insurance policy.

In the second action, the heirs of one of the deceased passengers filed a direct claim for damages against Autostrade per l'Italia, in addition to the insurer of the vehicle, the company that owned it and its user. This claim was subsequently combined with the action brought by Reale Mutua in an order issued by the Court of Avellino on 19 February 2014. This order also formally authorised Autostrade per l'Italia to summon the insurance company, Swiss Re International SE, to attend the hearing of 2 July 2015.

As a result of the accident on the Acqualonga viaduct, 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. Any further action to be taken is currently under consideration.

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 Italian 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 10 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 section for which it is responsible.

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 Italian penal code.

Finally, 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.

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 S.p.A. - 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 working on site. 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 231/01 (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 231/01, in relation to art. 589, paragraph 3 of the Italian 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.

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

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

On appearing before the court at the beginning of 2014, Mr. Patanè filed a counterclaim after the legal deadline. The counterclaim contains, among other things, an assertion that the SICVe system has been illegally copied and asserting

title to the system, and a claim for damages of approximately €7.5 billion.

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

The Tutor system has been leased to the highway police free of charge and Autostrade per l'Italia does not obtain any resulting economic benefit, whilst, however, bearing the cost of maintaining the system.

The first hearing was due to be held on 3 December 2014, but has been adjourned until 20 May 2015.

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. Sixteen hearings have been scheduled between January and May 2015.

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: (i) *"the reports on the inspections conducted by the Police, under the warrant issued by the investigating magistrate on 31 May 2007, are null and void, given that the failure to give prior notification to the person under investigation was not adequately justified, and must be returned to the investigating magistrate; (ii) the sampling report collected by the Police under the above warrant, and the ensuing laboratory analyses of the samples, are null and void, in that inadequate notice was given to the persons under investigation, and must be returned to the investigating magistrate; (iii) the reports on the laboratory analyses of the samples collected by ARPAT staff in exercising their regulatory powers are inadmissible [...], in that they are not accompanied by any documentary proof of prior notification of the interested party, and because they regard samples for which the impossibility of repeating the analyses was not, at that time, demonstrated. These documents must also be returned to the investigating magistrate."*

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.

Società Infrastrutture Toscane S.p.A.

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

At the end of 2011 Tuscany Regional Authority terminated the arrangement, deeming the costs to be excessively high. Following the start of arbitration, the Arbitration Panel filed its arbitration award on 19 February 2014. The Panel found the Regional Authority's termination of the arrangement due to its high cost to be legal, ruling that the Authority should pay SIT, as a result of the termination, approximately €30.6 million (including €9.8 million as payment for design work), and that SIT should return public subsidies of approximately €32.2 million, with the debit and credit amounts to be offset. The Panel ruled that SIT should pay the difference due only following the outcome of the failed enforcement of the guarantee provided by Assicurazioni Generali S.p.A. in relation to the project.

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

OVERSEAS MOTORWAYS

Brazil

In May 1998, the Secretariat for Logistics and Transport in the State of Sao Paulo took the unilateral decision to impose a ban on toll charges for the suspended axles of heavy vehicles, introducing a restriction not provided for in the concession arrangements. The affected operators, including Triangulo do Sol, initiated legal action in order to ensure restoration of the original financial terms of their arrangements. After two negative outcomes in the first two instances in the

courts of Sao Paulo, in 2004 and 2010, respectively, on 3 December 2013 Brazil's Supreme Court (Superior Tribunal de Justiça de Brasília, or "STJ") found in favour of the operators. Following ARTESP's challenge, requesting a review of the sentence, on 20 February 2014 the court withdrew its previous ruling. On 24 February 2014, the operators then requested that the final ruling should be issued by the Supreme Court's panel of judges, consisting of 5 members. On 2 December 2014, the court turned down the operators' request, declaring itself not competent to rule on this type of matter. Following publication of the court's decision on 3 February 2015, on 9 February 2015 the operators filed a legal challenge, requesting, among other things, that the case be returned to the Court of the State of Sao Paulo. Opposition to this challenge was filed with the Supreme Court by ARTESP and the State of Sao Paulo on 24 February 2015.

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

The Addenda and Amendments of 2006 were negotiated and signed by ARTESP on the basis of favourable opinions issued by the Regulator's own technical, legal and finance departments. The Addenda and Amendments were then examined by specific oversight bodies from the Ministry of Transport and the Court of Auditors of the State of Sao Paulo, which confirmed their full validity. ARTESP is contesting the fact that the compensation was calculated on the basis of forecasts in the related financial plans as, moreover, provided for in the concession arrangements, and not on the basis of actual data.

The administrative stage of the investigation undertaken by ARTESP with a view to revising the Addenda and Amendments of 2006 has been completed for all the operators concerned and ARTESP is progressively taking legal action in order to request cancellation of the Addenda and Amendments of 2006, thus enabling the regulator to make recalculations in accordance with its proposed method.

Of the twelve operators concerned, notice of the action has been served on the ten who have had their concessions extended under the Addenda and Amendments of 2006. These include Rodovias das Colinas, which received notice on 29 September 2014, and Triangulo do Sol, which was notified on 26 November 2014.

The operators concerned, including the two companies referred to above, 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

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

The company sent the Grantor an updated repayment schedule, based on the latest forecasts.

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

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

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 Malopolska 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

ETC

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

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

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

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

In September 2013, the Port Authority of New York and New Jersey (PANY) sent ETC a letter drawing attention to accumulated delays in the project involving installation of a new tolling system for the bridges and tunnels of New York and New Jersey, and requesting immediate action to make up for the delays and ensure completion of the project on time, under penalty of cancellation of the contract. Following receipt of the latter, ETC has halted implementation of the tolling system and has entered into negotiations with PANY with a view to reaching agreement on termination of the contract.

Discussions with the Authority with the aim of resolving the disagreements have so far proved fruitless. ETC believes it has good grounds on which to base a challenge to the Port Authority.

Ecomouv

On 20 October 2011, Autostrade per l'Italia, via the project company, Ecomouv S.A.S. (in which Autostrade per l'Italia holds a 70% interest) signed a Partnership Agreement with the French Ministry of Ecology, Sustainable Development, Transport and Public Housing (MEEDE) for the implementation and operation of a satellite-based tolling system for heavy vehicles weighing over 3.5 tonnes on approximately 15,000 km of the country's road network (the so-called Eco-Taxe Poids Lourds project).

The contract envisaged an initial 21-month design and construction phase following signature of the contract, with operation and maintenance of the tax collection system for a further 11 and a half years.

Testing of the system by the French government (Vérification d'Aptitude au Bon Fonctionnement - VABF) was completed on 8 November 2013 and on 22 November the government acknowledged compliance of the system with the applicable technical, legal and regulatory requirements, save for endorsement of the chains of collection and control. These endorsements, which according to Ecomouv are not necessary for the purpose of the VABF, were, in any event, announced in December 2013.

On 29 October 2013, in response to violent protests in Brittany, the French Prime Minister announced the suspension of introduction of the Eco-Taxe in order to review the scope of application, as demanded by road hauliers' associations, farmers and politicians in the Brittany region. Two parliamentary committees were set up at the National Assembly and the Senate to look into the Eco-Taxe in December 2013, one of which, the Mission d'Information at the National Assembly, with the main purpose of establishing if the conditions are right for a renewed attempt to introduce the tax. Subsequently, and following the favourable opinion issued by the Conciliation Panel requested by Ecomouv in order to arrive at an amicable solution of the disputes arising over the French government's refusal to accept the system, despite the fact that the tests had been successfully concluded, and the favourable findings contained in the reports prepared by the above 2 parliamentary committees, which confirmed the advisability of continuing with implementation of the system developed by Ecomouv and the legality of the tender procedures, on 20 June a Memorandum of Understanding was entered into with the French government governing application of the Partnership Agreement during the period of suspension of the Eco-Taxe through to 31 December 2014.

Under the memorandum, the French government has acknowledged that the System developed by Ecomouv meets the requirements set out in the contract, declaring its formal acceptance (the so-called "mise à disposition") of the system, and acknowledges its debt to the company. The government will also hold Ecomouv harmless from any operating costs and financial expenses resulting from its decision to postpone introduction of the Eco-Taxe. On 30 October 2014, the relevant

ministries formally notified Ecomouv of their decision to terminate the contract “due to insurmountable difficulties in implementing the Eco-Tax”. Subsequently, on 30 December 2014, the French government informed Ecomouv that it would assume liability for the compensation due as a result of termination of the Partnership Agreement, in accordance with the previously established method of calculation. The compensation, totalling a net amount of €403 million, was paid on 2 March 2015 and will enable the company to recover its investment, including repayment of the borrowings not transferred to the French government, earn a return on invested capital and cover the cost of putting Ecomouv into voluntary liquidation, including the cost of safeguarding jobs. The French government has also undertaken to repurchase the equipment produced by Ecomouv and distributed to operators, and to repay the related project financing. The obligation to repay the project financing obtained from the company’s banks, originally amounting to approximately €440 million, was assumed directly by the French government as a result of the combined effect of its formal acceptance of the system under the Trilateral Memorandum of Understanding of 20 June 2014 between Ecomouv, the company’s banks and the French government, and the later exercise, by the French government, of its right to terminate the Partnership Agreement with effect from 30 December 2014, without the possibility of any further claim on Ecomouv.

10.8 Events after 31 December 2014

Guidelines for the plan to restructure the Italian service area network

On 2 February 2015, the Grantor sent all Italian motorway operators guidelines, drawn up jointly by the Ministry of Infrastructure and Transport and the Ministry for Economic Development, regarding “Determination of the criteria for preparing a restructuring plan for service areas located on the motorway network”. The guidelines grant each operator the option of (i) closing any service areas deemed to be of marginal importance, provided that the operator ensures an adequate level of service on the relevant motorway section, and (ii) reviewing the way that oil and non-oil services are provided by the various operators. Autostrade per l'Italia, Tangenziale di Napoli and Società Traforo del Monte Bianco have submitted their own plan which, in accordance with the guidelines, must be approved by the Ministry of Infrastructure and Transport, in agreement with the Ministry for Economic Development, and in consultation with regional authorities. The term for the above approval will expire on 15 March 2015.

Partial buyback of bonds issued by Atlantia through a Tender Offer

On 13 February 2015, Atlantia S.p.A. announced the launch of a Tender Offer with the aim of partially repurchasing the following notes issued by Atlantia and guaranteed by Autostrade per l'Italia:

- a) 5.625%, having a total par value of €1,500,000,000, maturing 2016;
- b) 3.375%, having a total par value of €1,000,000,000, maturing 2017, guaranteed by Autostrade per l'Italia;
- c) 4.500%, having a total par value of €1,000,000,000, maturing 2019.

The purchases are to be settled in cash of a predetermined maximum amount.

On closure of the tender offer, valid acceptances have been received for notes with a total par value of €1,078,963,000. Atlantia has announced that it has decided to accept validly submitted acceptances with a total par value of €1,020,130,000. Following the offer, Autostrade per l'Italia will repay the same amount of borrowings obtained from the parent, Atlantia, and reduce the guarantees issued by the same amount.

Resolution authorising the issue of retail bonds

On 19 February 2015, Autostrade per l'Italia's Board of Directors voted to authorise the issue, by 31 December 2015, of one or more new non-convertible bonds, to be issued in one or more tranches and with a total value of up to €1.5 billion. The bonds are to be listed on one or more regulated markets (including the Mercato Telematico delle Obbligazioni, organised and managed by Borsa Italiana S.p.A.) and are to be offered for sale to retail investors in Italy. The Board of Directors also resolved that the bonds, with terms to maturity of no more than 8 years, may be fixed, floating or mixed

rate (i.e., a combination of a fixed rate - applied during the initial term - and a floating rate - applied during the remaining term). The primary purpose of the issues is to finance the Autostrade per l'Italia Group's development plans, maintain a balanced financial structure in terms of the ratio of short to medium/long-term debt, diversify sources of funding and raise funds at competitive costs, in addition to maintaining a wide base of investors and enabling early repayment of intercompany loans obtained from Atlantia, in order to extend the average term to maturity of the Company's debt.

Acquisition of control of Società Autostrada Tirrenica agreed

On 25 February 2015, Autostrade per l'Italia which already owned 24.98% of Società Autostrada Tirrenica p.A. (SAT), reached agreement with SAT's existing shareholders for the acquisition of a further 74.95% stake in the company, thus raising its total interest to 99.93%. The cost of the transaction is approximately €84 million.

SAT holds the concession for the A12 Livorno-Civitavecchia motorway, of which the Livorno-Rosignano section of around 40 km is in operation. The Single Concession Arrangement entered into with the Grantor in 2009⁽¹⁾ 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, the Grantor sent the operator 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. The draft addendum has been submitted to the European Commission for review.

The purchase, which, among other conditions, is suspensively conditional on receipt of clearance from the Grantor, is expected to complete within the first half of 2015.

[1] The Concession Arrangement was effective from 24 November 2010 following compliance with the requirements set out by the Interministerial Economic Planning Committee (CIPE).

Annexes to the consolidated financial statements

- [Annex 1](#) • The Autostrade per l'Italia Group's scope of consolidation and investments as at 31 December 2014
- [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 2014

Name	Registered office	Business	Currency
Parent company			
Autostrade per l'Italia S.p.A.	Rome	Motorway operation and construction	Euro
Subsidiaries consolidated on a line-by-line basis			
AD Moving S.p.A.	Rome	Advertising services	Euro
Atlantia Bertin Concessões S.A.	Sao Paulo (Brazil)	Holding company	Brazilian Real
Autostrade Concessões e Participações Brasil Limitada	Sao Paulo (Brazil)	Holding company	Brazilian Real
Autostrade dell'Atlantico S.r.l.	Rome	Holding company	Euro
Autostrade Holding do Sur S.A.	Santiago (Chile)	Holding company	Chilean Peso
Autostrade Indian Infrastructure Development Private Limited	Mumbai - Maharashtra (India)	Holding company	Indian Rupee
Autostrade Meridionali S.p.A.	Naples	Motorway operation and construction	Euro
Autostrade Portugal - Concessões de Infraestruturas S.A.	Lisbon (Portugal)	Holding company	Euro
Autostrade Tech S.p.A.	Rome	Information systems and equipment for the control and automation of traffic and road safety	Euro
Concessionária da Rodovia MG050 S.A.	Sao Paulo (Brazil)	Motorway operation and construction	Brazilian Real
Dannii Holding GmbH	Vienna (Austria)	Acquisition and management of investments in other companies	Euro
Ecomouv D&B S.a.s.	Paris (France)	Design/construction/distribution of equipment required for Eco-Taxe	Euro
Ecomouv S.a.s.	Paris (France)	Financing/design/construction/operation of equipment required for Eco-Taxe	Euro
Electronic Transaction Consultants Co.	Richardson (Texas - USA)	Automated tolling services	US Dollar
EsseDiEsse Società di Servizi S.p.A.	Rome	General and administrative services	Euro
Giove Clear S.r.l.	Rome	Cleaning services	Euro
Grupo Costanera S.A.	Santiago (Chile)	Holding company	Chilean Peso

Share capital/ consortium fund as at 31/12/2014	Held by	% Interest in share capital/ consortium fund as at 31/12/2014	Overall Group interest (%)	Note
622,027,000				
1,000,000	Autostrade per l'Italia S.p.A.	100%	100%	
773,739,894	Triangulo do Sol Participações S.A.	100%	50.00%	(1)
729,590,863		100%	100%	
	Autostrade Portugal - Concessões de Infraestruturas S.A.	25.00%		
	Autostrade dell'Atlantico S.r.l.	41.14%		
	Autostrade Holding do Sur S.A.	33.86%		
1,000,000	Autostrade per l'Italia S.p.A.	100%	100%	
51,496,805,692		100%	100%	
	Autostrade dell'Atlantico S.r.l.	99.99%		
	Autostrade per l'Italia S.p.A.	0.01%		
500,000	Autostrade per l'Italia S.p.A. Spea Ingegneria Europea S.p.A.	99.99%	99.99%	
9,056,250	Autostrade per l'Italia S.p.A.	58.98%	58.98%	(2)
30,000,000	Autostrade dell'Atlantico S.r.l.	100%	100%	
1,120,000	Autostrade per l'Italia S.p.A.	100%	100%	
53,976,022	Atlantia Bertin Concessões S.A.	100%	50.00%	
10,000	Autostrade Tech S.p.A.	100%	100%	
500,000	Autostrade per l'Italia S.p.A.	75%	75%	
30,000,000	Autostrade per l'Italia S.p.A.	70%	70%	
16,692	Autostrade dell'Atlantico S.r.l.	64.46%	64.46%	
500,000	Autostrade per l'Italia S.p.A.	100%	100%	
10,000	Autostrade per l'Italia S.p.A.	100%	100%	
465,298,430,418	Autostrade dell'Atlantico S.r.l.	50.01%	50.01%	

Name	Registered office	Business	Currency
Infoblu S.p.A.	Rome	Traffic information	Euro
Infra Bertin Participações S.A.	Sao Paulo (Brazil)	Holding company	Brazilian Real
Raccordo Autostradale Valle d'Aosta S.p.A.	Aosta	Motorway operation and construction	Euro
Rodovias das Colinas S.A.	Sao Paulo (Brazil)	Motorway operation and construction	Brazilian Real
Sociedad Concesionaria AMB S.A.	Santiago (Chile)	Motorway operation and construction	Chilean Peso
Sociedad Concesionaria Autopista Nororiental S.A.	Santiago (Chile)	Motorway operation and construction	Chilean Peso
Sociedad Concesionaria Autopista Nueva Vespucio Sur S.A.	Santiago (Chile)	Holding company	Chilean Peso
Sociedad Concesionaria Costanera Norte S.A.	Santiago (Chile)	Motorway operation and construction	Chilean Peso
Sociedad Concesionaria de Los Lagos S.A.	Llanquihue (Chile)	Motorway operation and construction	Chilean Peso
Sociedad Concesionaria Litoral Central S.A.	Santiago (Chile)	Motorway operation and construction	Chilean Peso
Sociedad Concesionaria Vespucio Sur S.A.	Santiago (Chile)	Motorway operation and construction	Chilean Peso
Sociedad Gestion Vial S.A.	Santiago (Chile)	Construction and maintenance of roads and traffic services	Chilean Peso
Sociedad Operacion y Logistica de Infraestructuras S.A.	Santiago (Chile)	Concession construction and services	Chilean Peso
Società Italiana p.A. per il Traforo del Monte Bianco	Pré Saint Didier (Aosta)	Mont Blanc tunnel operation and construction	Euro

Share capital/ consortium fund as at 31/12/2014	Held by	% Interest in share capital/ consortium fund as at 31/12/2014	Overall Group interest [%]	Note
5,160,000	Autostrade per l'Italia S.p.A.	75%	75%	
738,652,989	Autostrade Concessões e Participações Brasil limitada	50%	50%	(1)
343,805,000	Società Italiana p.A. per il Traforo del Monte Bianco	47.97%	24.46%	(3)
226,145,401	Atlantia Bertin Concessões S.A.	100%	50.00%	(1)
5,875,178,700		100%	50.01%	
	Grupo Costanera S.A.	99.98%		
	Sociedad Gestion Vial S.A.	0.02%		
22,738,904,654		100%	50.01%	
	Grupo Costanera S.A.	99.90%		
	Sociedad Gestion Vial S.A.	0.10%		
166,967,672,229		100%	50.01%	
	Grupo Costanera S.A.	99.99996%		
	Sociedad Gestion Vial S.A.	0.00004%		
58,859,765,519		100%	50.01%	
	Grupo Costanera S.A.	99.99804%		
	Sociedad Gestion Vial S.A.	0.001961%		
53,602,284,061		100%	100%	
	Autostrade Holding do Sur S.A.	99.95238%		
	Autostrade dell'Atlantico S.r.l.	0.04762%		
18,368,224,675		100%	50.01%	
	Grupo Costanera S.A.	99.99%		
	Sociedad Gestion Vial S.A.	0.01%		
52,967,792,704		100%	50.01%	
	Sociedad Concesionaria Autopista Nueva Vespucio Sur S.A.	99.9975%		
	Sociedad Gestion Vial S.A.	0.0025%		
397,237,788		100%	50.01%	
	Grupo Costanera S.A.	99.99%		
	Sociedad Operacion y Logistica de Infraestructuras S.A.	0.01%		
11,736,819		100%	50.01%	
	Grupo Costanera S.A.	99.99%		
	Sociedad Gestion Vial S.A.	0.01%		
198,749,200	Autostrade per l'Italia S.p.A.	51.00%	51.00%	(3)

Name	Registered office	Business	Currency
Stalexport Autoroute S.à.r.l.	Luxembourg (Luxembourg)	Motorway services	Euro
Stalexport Autostrada Małopolska S.A.	Mysłowice (Poland)	Motorway operation and construction	Polish Zloty
Stalexport Autostrady S.A.	Katowice (Poland)	Holding company	Polish Zloty
Tangenziale di Napoli S.p.A.	Naples	Motorway operation and construction	Euro
Tech Solutions Integrators S.a.s.	Paris (France)	Construction, installation and maintenance of electronic tolling systems	Euro
Telepass France S.a.s.	Paris (France)	Electronic tolling and eco tax payment systems	Euro
Telepass S.p.A.	Rome	Automated tolling services	Euro
Triangulo do Sol Auto-Estradas S.A.	Matao (Brazil)	Motorway operation and construction	Brazilian Real
Triangulo do Sol Participações S.A.	Sao Paulo (Brazil)	Holding company	Brazilian Real
Via4 S.A.	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 S.p.A.'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) The company is listed on the Warsaw stock exchange.

Share capital/ consortium fund as at 31/12/2014	Held by	% Interest in share capital/ consortium fund as at 31/12/2014	Overall Group interest [%]	Note
56,149,500	Stalexport Autostrady S.A.	100%	61.20%	
66,753,000	Stalexport Autoroute S.à.r.l.	100%	61.20%	
185,446,517	Autostrade per l'Italia S.p.A.	61.20%	61.20%	[4]
108,077,490	Autostrade per l'Italia S.p.A.	100%	100%	
2,000,000	Autostrade per l'Italia S.p.A.	100%	100%	
1,000,000	Telepass S.p.A.	100%	100%	
26,000,000		100%	100%	
	Autostrade per l'Italia S.p.A.	96.15%		
	Autostrade Tech S.p.A.	3.85%		
71,000,000	Atlantia Bertin Concessões S.A.	100%	50.00%	
1,122,539,010	Infra Bertin Participações S.A.	100%	50.00%	
500,000	Stalexport Autoroute S.à.r.l.	55.00%	33.66%	

Name	Registered office	Business
Investments accounted for using the equity method		
Associates		
Pavimental S.p.A.	Rome	Motorway and airport construction and maintenance
Spea Ingegneria Europea S.p.A.	Milan	Integrated technical engineering services
Arcea Lazio S.p.A. (in liquidation)	Rome	Road and motorway construction and concessions in Lazio
A&T Road Construction Management and Operation Private Limited	Pune Maharashtra (India)	Operation and maintenance, design and project management
Autostrade for Russia GmbH	Vienna (Austria)	Holding company
Bologna & Fiera Parking S.p.A.	Bologna	Design, construction and management of multi-level public car parks
Biuro Centrum Sp.zo.o.	Katowice (Poland)	Administrative services
Pedemontana Veneta S.p.A. (in liquidation)	Verona	Operation and construction of Pedemontana Veneta motorways
Società Autostrada Tirrenica p.A.	Rome	Motorway operation and construction
Società Infrastrutture Toscane p.A.	Florence	Design, construction and operation of Prato to Signa motorway link
Joint ventures		
Concessionária Rodovias do Tietê S.A.	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 S.A. (in liquidation)	Warsaw (Poland)	Real estate services
Other investments		
Huta Jednosc S.A.	Siemianowice (Poland)	Steel trading
Inwest Star S.A. (in liquidation)	Starachowice (Poland)	Steel trading
Italmex S.p.A. (in liquidation)	Milan	Trading agency
Konsorcjum Autostrada Slask S.A.	Katowice (Poland)	Motorway operation and construction
Tangenziale Esterna S.p.A.	Milan	Design, construction and operation of the new Milan outer ring road
Tangenziali Esterne di Milano S.p.A.	Milan	Construction and operation of Milan ring road
Uirnet S.p.A.	Rome	Operation of national logistics network
Veneto Strade S.p.A.	Venice	Construction and maintenance of roads and traffic services

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 S.p.A.	20.00%
Euro	5,160,000	Autostrade per l'Italia S.p.A.	27.00%
Euro	1,983,469	Autostrade per l'Italia S.p.A.	34.00%
Indian Rupee	100,000	Autostrade Indian Infrastructure Development Private Limited	50.00%
Euro	60,000	Autostrade Tech S.p.A.	25.50%
Euro	9,000,000	Autostrade per l'Italia S.p.A.	32.50%
Polish Zloty	80,000	Stalexport Autostrady S.A.	40.63%
Euro	6,000,000	Autostrade per l'Italia S.p.A.	29.77%
Euro	24,460,800	Autostrade per l'Italia S.p.A.	24.98%
Euro	30,000,000	Autostrade per l'Italia S.p.A.	46.00%
Brazilian Real	248,578,476	Atlantia Bertin Concessões S.A.	50.00%
Euro	2,000,000	Società Italiana p.A. per il Traforo del Monte Bianco	50.00%
Polish Zloty	2,050,500	Stalexport Autostrady S.A.	100%
Polish Zloty	27,200,000	Stalexport Autostrady S.A.	2.40%
Polish Zloty	11,700,000	Stalexport Autostrady S.A.	0.26%
Euro	1,464,000	Stalexport Autostrady S.A.	4.24%
Polish Zloty	1,987,300	Stalexport Autostrady S.A.	5.43%
Euro	464,945,000	Autostrade per l'Italia S.p.A.	0.25%
Euro	220,344,608	Autostrade per l'Italia S.p.A.	13.67%
Euro	1,061,000	Autostrade per l'Italia S.p.A.	1.51%
Euro	5,163,200	Autostrade per l'Italia S.p.A.	5.00%

Name	Registered office	Business
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Walcownia Rur Jednosc Sp.zo.o.	Siemianowice (Poland)	Steel trading
Zakłady Metalowe Dezamet S.A.	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 base technologies
Costruzioni Impianti Autostradali S.c.ar.l.	Rome	Construction of public works and infrastructure
Idroelettrica S.c.r.l.	Châtillon (Aosta)	Electricity generation

Investments accounted for in current assets

Dom Maklerski Bdm S.A.	Bielsko-Biala (Poland)	Holding company
Ideon S.A.	Katowice (Poland)	Steel trading

Lusoponte - Concessionaria para a Travessia do Tejo S.A.	Montijo (Portugal)	Motorway operation
Strada dei Parchi S.p.A.	Rome	Motorway operation and construction

Currency	Share capital/ consortium fund as at 31/12/2014	Held by	% Interest in share capital/ consortium fund as at 31/12/2014
Polish Zloty	220,590,000	Stalexport Autostrady S.A.	0.01%
Polish Zloty	18,789,410	Stalexport Autostrady S.A.	0.27%
Brazilian Real		Autostrade Concessões e Participações Brasil	13.13%
Euro	107,112		34.90%
		Autostrade per l'Italia S.p.A.	29.00%
		Tangenziale di Napoli S.p.A.	2.00%
		Società Italiana p.A. per il Traforo del Monte Bianco	1.90%
		Raccordo Autostradale Valle d'Aosta S.p.A.	1.10%
		Autostrade Meridionali S.p.A.	0.90%
Euro	73,989	Autostrade Tech S.p.A.	33.33%
Euro	10,000	Autostrade Tech S.p.A.	20%
Euro	50,000	Raccordo Autostradale Valle d'Aosta S.p.A.	0.10%
Polish Zloty	19,796,924	Stalexport Autostrady S.A.	2.71%
Polish Zloty	343,490,781		2.78%
		Stalexport Autostrady S.A.	2.63%
		Biuro Centrum Sp.zo.o.	0.15%
Euro	25,000,000	Autostrade Portugal - Concessões de Infraestruturas S.A.	17.21%
Euro	48,114,240	Autostrade per l'Italia S.p.A.	2.00%

Annex 2

Disclosure of the fees paid to the Independent Auditors

DISCLOSURE PURSUANT TO ART. 149 - *DUODECIES* OF THE CONSOB REGULATIONS FOR ISSUERS 11971/1999

Type of service €000	Provider of service	Fees
Autostrade per l'Italia S.p.A.		
Audit	Parent's auditor	204
Certification	Parent's auditor ⁽¹⁾	23
Other services	Parent's auditor ⁽²⁾	36
Other services	Associate of parent's auditor ⁽³⁾	44
Total		307
Subsidiaries		
Audit	Parent's auditor	122
Audit	Associate of parent's auditor	621
Other services	Parent's auditor ⁽⁴⁾	73
Other services	Associate of parent's auditor ⁽⁵⁾	65
Total subsidiaries		881
Total Autostrade per l'Italia Group		1,188

(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 relating to substitute tax.

(4) Signature of Consolidated Tax Return and Form 770, agreed upon procedures on accounting data and information and services relating to the internal control system.

(5) Agreed upon procedures on accounting data and information.

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4.

SEPARATE
FINANCIAL
STATEMENTS

Financial statements

STATEMENT OF FINANCIAL POSITION

€ 000	Note	31/12/2014	of which related party transactions	31/12/2013	of which related party transactions
ASSETS					
NON-CURRENT ASSETS					
Property, plant and equipment	5.1	74,791		78,356	
Property, plant and equipment		68,428		72,264	
Investment property		6,363		6,092	
Intangible assets	5.2	17,890,665		17,596,250	
Intangible assets deriving from concession rights		11,764,461		11,472,682	
Goodwill and other intangible assets with indefinite lives		6,111,201		6,111,199	
Other intangible assets		15,003		12,369	
Investments	5.3	1,451,039		1,462,245	
Other non-current financial assets	5.4	362,541		548,249	
Non-current financial assets deriving from government grants		131,502		159,190	
Non-current term deposits		171,791		233,886	
Non-current derivative assets		-		5,387	
Other non-current financial assets		59,248	43,161	149,786	130,043
Other non-current assets	5.5	269		269	
TOTAL NON-CURRENT ASSETS		19,779,305		19,685,369	
CURRENT ASSETS					
Trading assets	5.6	497,930		512,620	
Inventories		36,536		35,814	
Contract work in progress		3,697		3,697	
Trade receivables		457,697	110,390	473,109	112,314
Cash and cash equivalents	5.7	1,265,207		3,444,972	
Cash		494,339		1,261,959	
Cash equivalents		352,718		1,752,584	
Intercompany current account receivables due from related parties		418,150	418,150	430,429	430,429
Current financial assets	5.4	353,877		425,957	
Current financial assets deriving from government grants		65,680		5,934	
Current term deposits		62,271		5,158	
Current derivative assets		1,034		70	
Current portion of medium/long-term financial assets		98,719	81,807	29,243	779
Other current financial assets		126,173	124,809	385,552	379,181
Current tax assets	5.8	17,143	17,040	31,104	30,555
Other current assets	5.9	121,304		64,719	
Non-current assets held for sale and related to discontinued operations	5.10	4,271		4,271	
TOTAL CURRENT ASSETS		2,259,732		4,483,643	
TOTAL ASSETS		22,039,037		24,169,012	

€ 000	Note	31/12/2014	of which related party transactions	31/12/2013	of which related party transactions
EQUITY AND LIABILITIES					
EQUITY					
Issued capital		622,027		622,027	
Undistributable extraordinary reserve for delayed investment		-		446,000	
Other reserves and retained earnings		1,272,670		776,020	
Profit/(Loss) for the year after interim dividends		373,857		460,231	
TOTAL EQUITY	5.11	2,268,554		2,304,278	
Non-current liabilities					
Non-current portion of provisions for construction services required by contract	5.12	3,654,565		3,619,420	
Non-current provisions	5.13	926,536		790,666	
Non-current provisions for employee benefits		114,497		106,471	
Non-current provisions for repair and replacement obligations		812,039		684,195	
Non-current financial liabilities	5.14	11,525,508		11,302,871	
Medium/long-term borrowings		11,180,597	8,736,615	11,085,015	8,541,996
Non-current derivative liabilities		344,911	245,232	217,856	184,542
Deferred tax liabilities not eligible for offset	5.15	247,451		244,645	
Other non-current liabilities	5.16	28,897		26,665	
Total non-current liabilities		16,382,957		15,984,267	
Current liabilities					
Trading liabilities	5.17	1,184,651	290,719	1,208,552	323,045
Current portion of provisions for construction services required by contract	5.12	494,092		416,000	
Current provisions	5.13	341,170		268,638	
Current provisions for employee benefits		13,146		10,923	
Current provisions for repair and replacement obligations		268,124		207,921	
Current provisions for risk of Single Concession Arrangement fines and penalties		2,141		1,984	
Other current provisions		57,759		47,810	
Current financial liabilities	5.14	1,138,478		3,766,357	
Bank overdrafts		14		131	
Short-term borrowings		264,000	264,000	483,712	483,712
Current derivative liabilities		1,034		70	
Intercompany current account payables due to related parties		251,741	251,741	510,869	510,869
Current portion of medium/long-term financial liabilities		618,903	237,606	2,768,745	2,372,352
Other current financial liabilities		2,786		2,830	
Current tax liabilities	5.8	21,069	21,069	-	-
Other current liabilities	5.18	208,066	12,021	220,920	9,085
Non-current liabilities related to discontinued operations	5.10	-		-	
Total current liabilities		3,387,526		5,880,467	
TOTAL LIABILITIES		19,770,483		21,864,734	
TOTAL EQUITY AND LIABILITIES		22,039,037		24,169,012	

INCOME STATEMENT

€ 000	Note	2014	of which related party transactions	2013	of which related party transactions
REVENUE					
Toll revenue	6.1	2,954,773		2,815,900	
Revenue from construction services	6.2	347,144	29,215	375,989	
Contract revenue	6.3	2,370	2,370	12,873	12,873
Other operating income	6.4	341,726	112,677	361,093	107,154
TOTAL REVENUE		3,646,013		3,565,855	
COSTS					
Raw and consumable materials	6.5	-80,324		-56,972	
Service costs	6.6	-1,015,283	-438,431	-1,097,576	-456,539
Gain/(loss) on sale of property, plant and equipment		423		-169	
Staff costs	6.7	-380,553	-12,896	-379,916	-6,858
Other operating costs	6.8	-469,663		-471,058	
Concession fees		-405,548		-398,146	
Lease expense		-5,114		-5,890	
Other		-59,001	-525	-67,022	-13,996
Operating change in provisions	6.9	-173,112		-2,121	
Provisions/ (Uses of provisions) for repair and replacement obligations		-159,766		19,360	
Other provisions		-13,346		-21,481	
Use of provisions for construction services required by contract	6.10	393,161		383,827	
Amortisation and depreciation	6.11	-487,360		-488,556	
Depreciation of property, plant and equipment		-20,345		-20,628	
Depreciation of investment property		-368		-386	
Amortisation of intangible assets deriving from concession rights		-454,683		-455,534	
Amortisation of other intangible assets		-11,964		-12,008	
(Impairment losses)/Reversals of impairment losses	6.12	-4,375		-193	
TOTAL COSTS		-2,217,086		-2,112,734	
OPERATING PROFIT/(LOSS)		1,428,927		1,453,121	
Financial income		297,317		397,179	
Dividends received from investee companies		174,681		285,890	
Other financial income		90,402	65,126	111,289	55,357
Revaluations of financial assets and investments		32,234	32,234	-	-
Financial expenses		-734,291		-766,164	
Financial expenses from discounting of provisions for construction services required by contract and other provisions		-98,360		-82,141	
Other financial expenses		-627,947	-498,705	-682,011	-543,200
Impairment losses on financial assets and investments		-7,984		-2,012	
Foreign exchange gains/(losses)		-12		9	
FINANCIAL INCOME/(EXPENSES)	6.13	-436,986		-368,976	
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS		991,941		1,084,145	
Income tax (expense)/benefit	6.14	-288,410		-298,005	
Current tax expense		-252,637		-212,252	
Differences on current tax expense for previous years		4,189		382	
Deferred tax income and expense		-39,962		-86,135	
PROFIT/(LOSS) FROM CONTINUING OPERATIONS		703,531		786,140	
Profit/(Loss) from discontinued operations	6.15	-		23,670	
PROFIT FOR THE YEAR	6.16	703,531		809,810	

€	Note	2014	2013
Basic earnings per share	6.16	1.13	1.30
of which:			
from continuing operations		1.13	1.26
from discontinued operations		-	0.04
Diluted earnings per share	6.16	1.13	1.30
of which:			
from continuing operations		1.13	1.26
from discontinued operations		-	0.04

STATEMENT OF COMPREHENSIVE INCOME

€ 000	Note	2014	2013
Profit for the year (A)		703,531	809,810
of which from discontinued operations		-	23,670
Fair value gains/(losses) on cash flow hedges	5.11	-97,957	81,751
Other comprehensive income/(loss) for the year reclassifiable to profit or loss, after related taxation (B)		-97,957	81,751
Gains/(losses) from actuarial valuations of provisions for employee benefits	5.11	-9,075	4,093
Other comprehensive income/(loss) for the year not reclassifiable to profit or loss, after related taxation (C)		-9,075	4,093
Total other comprehensive income/(loss) for the year, after related taxation (D = B+C)		-107,032	85,844
Comprehensive income for the year (A+D)		596,499	895,654

STATEMENT OF CHANGES IN EQUITY

€m

	Other reserves and retained earnings			
	Issued capital	Undistributable extraordinary reserve for delayed investment	Share premium reserve	Legal reserve
Balance as at 31/12/2012	622,027	446,000	216,070	124,406
Total comprehensive income	-	-	-	-
Owner transactions and other changes				
Final dividend declared	-	-	-	-
Interim dividend	-	-	-	-
Share-based incentive plans	-	-	-	-
Balance as at 31/12/2013	622,027	446,000	216,070	124,406
Total comprehensive income	-	-	-	-
Owner transactions and other changes				
Final dividend declared	-	-	-	-
Transfer of profit/(loss) for previous year to retained earnings	-	-	-	-
Reclassification of undistributable extraordinary reserve for delayed investment	-	-446,000	-	-
Interim dividend	-	-	-	-
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

	Other reserves and retained earnings		Total other reserves and retained earnings	Profit for the year	Total equity
	Cash flow hedge reserve	Other reserves and retained earnings			
	-235,793	582,157	686,840	344,148	2,099,015
	81,751	4,093	85,844	809,810	895,654
	-	-	-	-344,148	-344,148
	-	-	-	-349,579	-349,579
	-	3,336	3,336	-	3,336
	-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

STATEMENT OF CASH FLOWS

€ 000	Note	2014	of which related party transactions	2013	of which related party transactions
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES					
Profit for the year	6.16	703,531		809,810	
Adjusted by:					
Amortisation and depreciation	6.11	487,360		488,556	
Provisions		175,950		-1,520	
Financial expenses from discounting of provisions for construction services required by contract	6.13	98,360		82,141	
Impairments/(Reversal of impairment losses) on non-current financial assets including investments accounted for at cost or fair value	6.13	-24,250	-24,255	2,012	2,012
(Gain)/Loss on sale of non-current assets		-427		201	
Net change in deferred tax (assets)/liabilities through profit or loss		39,962		86,135	
Other non-cash items		-31,808	-29,215	-3,841	-
Change in working capital and other changes		-54,316	8,124	41,488	120,890
Net cash generated from/(used in) operating activities [A]	7.1	1,394,362		1,504,982	
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES					
Investment in motorway infrastructure	5.2	-706,836		-759,816	
Government grants related to motorway infrastructure		39,875		35,107	
Purchases of property, plant and equipment	5.1	-17,445		-22,785	
Purchases of other intangible assets	5.2	-14,621		-12,016	
Purchase of investments, net of unpaid called-up issued capital	5.3	-1,883		-20,295	
Proceeds from sales of property, plant and equipment, intangible assets and investments		78,250	77,505	638	-
Net change in other non-current assets		-	-	295	-
Net change in current and non-current financial assets not held for trading purposes		258,812	259,314	-71,689	-72,778
Net cash generated from/(used in) investing activities [B]	7.1	-363,848		-850,561	
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES					
Dividends paid	5.11	-669,923		-693,727	
New shareholder loans	5.14	200,000	200,000	825,000	825,000
Repayment of shareholder loans	5.14	-2,094,200	-2,094,200	-	-
Increase in medium/long-term borrowings (excluding finance lease liabilities)	5.14	200,000		100,000	
Repayments of medium/long-term borrowings (excluding finance lease liabilities)	5.14	-364,763		-249,532	
Net change in other current and non-current financial liabilities		-222,148	-265,711	-103,749	-138,463
Net cash generated from/(used in) financing activities [C]	7.1	-2,951,034		-122,008	
Increase/(Decrease) in cash and cash equivalents [A+B+C]	7.1	-1,920,520		532,413	
Net cash and cash equivalents at beginning of year		2,933,972		2,401,559	
NET CASH AND CASH EQUIVALENTS AT END OF YEAR		1,013,452		2,933,972	

ADDITIONAL INFORMATION ON THE STATEMENT OF CASH FLOWS

€ 000	2014	2013
Income taxes paid(refunded)	209,949	145,422
Interest income and other financial income collected	75,846	75,511
Interest expense and other financial expenses paid	659,617	646,038
Dividends received	190,681	285,890
Foreign exchange gains collected	46	90
Foreign exchange losses incurred	55	81

RECONCILIATION OF NET CASH AND CASH EQUIVALENTS

€ 000	Note	2014	2013
Net cash and cash equivalents at beginning of year		2,933,972	2,401,559
Cash and cash equivalents	5.7	3,444,972	2,877,234
Bank overdrafts repayable on demand	5.14	-131	-5
Intercompany current account payables due to related parties	5.14	-510,869	-475,670
Net cash and cash equivalents at end 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

Notes

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 S.p.A. (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 S.p.A. (also referred to as "Atlantia"), which is listed on the screen-based trading system (*Mercato Telematico Azionario*) operated by Borsa Valori S.p.A., and is responsible for management and coordination of the Company.

At the date of preparation of these separate financial statements, Sintonia S.p.A. is the shareholder that holds a relative majority of the issued capital of Atlantia. Sintonia S.p.A., which is in turn a subsidiary of Edizione S.r.l., does not exercise management and coordination of Atlantia.

These separate financial statements as at and for the year ended 31 December 2014 were approved by the Company's Board of Directors at its meeting of 26 February 2015.

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 2014 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".

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.

It should be noted that no non-recurring, atypical or unusual transactions, having a material impact on the Company's financial statements, were entered into during 2014, either with third or related parties.

In this regard, the financial statements show amounts relating to the principal related party transactions.

Amounts in the Company's financial statements and in the notes are shown in thousands of euros, unless otherwise stated. The euro is the Company's functional and its presentation currency.

Each item in the financial statements is compared with the corresponding amount for the previous year. These comparative amounts have neither been restated nor reclassified since the year ended 31 December 2013, due to the absence of any occurrence or changes in accounting policies requiring such a restatement or reclassification of prior year amounts, with the exception of the following: the reclassification of dividends declared, in 2013, by Spea Ingegneria Europea S.p.A.

[a company disposed of in 2014] and the related taxation, following the events described in note 5.3 (point a), and as required by IFRS 5 and described in "Non-current assets held for sale and assets/liabilities included in disposal groups and/or related to discontinued operations" in note 5.3 below.

3. Accounting policies

The following more important accounting policies were used by the Company in preparing the financial statements as at and for the year ended 31 December 2014. They are substantially consistent with the accounting policies used for last year's financial statements due to the fact that no new standards, interpretations or amendments came into effect during 2014 that would have had a material effect on the Company's financial statements.

It should be noted that the following new standards and/or amendments to existing standards and interpretations were applicable from 1 January 2014:

- a) IFRS 10 - Consolidated Financial Statements and IFRS 12 - Disclosure of Interests in Other Entities. IFRS 10 replaces certain of the provisions of the old IAS 27 and SIC 12 with a new definition of control, but retains the methods used in preparation of IFRS compliant consolidated financial statements, having made no changes to the relevant provisions in the existing IAS 27. IFRS 10 provides that an investor controls an investee when the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to influence those returns through its power over the investee. Finally, IFRS 10 refers readers to the new IFRS 12 in relation to the disclosure of interests in other entities. This latter standard establishes disclosure requirements pertaining to investments in subsidiaries and associates, as well as other joint arrangements (cf. the new IFRS 11 below);
- b) IFRS 11 - Joint Arrangements. This standard replaces IAS 31 and SIC 13 and requires that a party to a joint arrangement determines the nature of the agreement in which that party is involved by evaluation of its rights and obligations arising thereunder. A joint arrangement is an arrangement by which two or more parties have joint control, which, in turn, is defined by the standard as a contractually agreed sharing of control of an arrangement. Such arrangements only exist when decisions about activities that significantly affect the returns of the arrangement require the unanimous consent of the parties sharing control. IFRS 11 requires that joint arrangements be classified as one of two types: (i) joint operations - joint arrangements whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement, and (ii) joint ventures - joint arrangements whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement, such as, for example, companies with a separate legal personality. The accounting treatment required by IFRS 11 for joint operations is the prorated recognition of assets, liabilities, revenues and costs arising under the arrangement to be measured in accordance with the relevant standards. The accounting treatment required by the new standard for joint ventures, on the other hand, is based on the equity method established by IAS 28;
- c) IAS 27 - Separate Financial Statements. Following the amendments, which take account of the introduction of the new IFRS 10, this standard is only applicable to an entity's preparation of its separate financial statements and the accounting treatment of investments in subsidiaries;
- d) IAS 28 - Investments in Associates and Joint Ventures. The amendments to the standard take account of the introduction of the new IFRS 11;
- e) IAS 36 - Impairment of Assets. The amendments have essentially clarified the disclosures to be provided on the recoverable amount of non-financial assets, and simplified the disclosures to be provided regarding the recoverable value of CGUs for which no impairment has been accounted for;
- f) IAS 39 - Financial Instruments. The amendments regard the introduction of a number of exemptions to the hedge accounting requirements established by IAS 39, where an existing derivative is to be replaced with a new derivative that, due to a law or regulation, is novated directly or indirectly to a Central Counterparty (CCP).

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. Assets acquired through business combinations prior to 1 January 2004 (the IFRS transition date for the Company) 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 2014 are shown in the table below by asset class:

Property, plant and equipment	Rate of depreciation
Buildings	3%-16.7%
Industrial and trading equipment	10%-25%
Other assets	9%-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 fully 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. Identifiability is determined with reference to the ability to distinguish the intangible asset acquired from goodwill. This is normally the case requirement is generally satisfied when: (i) the intangible asset arises from a legal or contractual right, or (ii) the intangible asset 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 power to obtain future economic benefits from the asset and can limit access to it by others.

Internal development costs are recognised as an asset when: (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, with the exception of concession rights, are recognised at cost, measured in the same manner as property, plant and equipment. The cost of intangible assets in the form of concession rights is, on the other hand, 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 any government grants, recognised as financial assets. The cost determined in this manner is recovered through payments received from road users. The cost of intangible assets deriving from concession rights includes:

- a) rights received as consideration for construction and 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 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 present fair value of the construction services to be provided in the future (excluding any financial expenses that may be incurred during provision of the services), less any grants, with a double 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 present fair value of the part of the construction services still to be rendered at the end of the reporting period;
- c) 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 2014 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% for concessions whose amortisation commenced in 2013).
Development costs	20%-33.3%
Industrial patents and intellectual property rights	33.3%
Licenses and similar rights	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 accounting 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 1) the acquisition cost, plus the fair value at the acquisition date of any previous non-controlling interests held in 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 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 Italian GAAP, 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.

Investments held for sale or those acquired as a temporary investment are recognised at the lower of their carrying amount and fair value, less any costs to sell.

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.

Construction and/or upgrade services provided to the Grantor relating to the Company's concession arrangement are specifically recognised in the income statement in accordance with the stage of completion method. Specifically, construction and/or upgrade service revenue represents the consideration for the services provided and are measured at fair value, calculated on the basis of the total costs incurred. These primarily consist of the costs of materials and external services, the cost of employment benefits payable to employees used to provide the services, and attributable financial expenses (the latter only in the case of construction and/or upgrade services for which the operator receives additional economic benefits). The double entry for revenue from construction and/or upgrade services is represented by financial assets (government grants) or by intangible assets deriving from concession rights, as explained in the relevant note.

Inventories

Inventories 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 the 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 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 reporting period.

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 derivatives that are designated and qualify as assets and liability cash flow hedges are recognised in the statement of comprehensive income, net of any deferred taxation. The gain or loss relating to the ineffective portion is recognised in profit or loss.

Changes in the fair value of derivatives serving as fair value hedges of assets and liabilities are recognised in the income statement 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, in accordance with IAS 39, and other financial liabilities are recognised at the fair value of the purchase consideration at the settlement date, with other assets being increased and other liabilities being reduced by transaction costs directly attributable to the purchase of the assets or the 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 Company 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.

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 Company 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, as required by IFRS 13, 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. These inputs are used to the extent that observable data is not available. The unobservable data 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 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 adjusting the resulting value to include counterparty risk in the case of financial assets and the own credit risk in the case of financial liabilities.

In the case of short-term financial instruments, the carrying amount, less any impairment losses, approximates to fair value.

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 Company 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 present fair value of future construction services, excluding financial costs, is initially recognised, less the portion covered by government grants. The double entry is concession rights for works without additional economic benefits. The present value of the residual liability for future construction 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.

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 (for Italian companies, primarily post-employment benefits accrued to 31 December 2006 or, where applicable, to the date the employee joins a supplementary pension fund) 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, net of taxation.

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

Where the carrying amount of non-current assets held for sale or of assets and liabilities included in disposal groups and/or 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, the above assets and liabilities are recognised under the specific IFRS applicable to each asset and liability, and subsequently accounted for at the lower of the carrying amount and estimated 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:

- d) they represent a major line of business or geographical area of operation;
- e) they are part of a single coordinated plan to dispose of a separate major line of business or geographical area of operation;
- f) 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 a realistic estimate of tax expense to be paid, in compliance with the regulations in force and taking account of any applicable exemptions.

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 S.p.A., again operated 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 employees remunerated through share based incentive plans is based on the fair value of the rights at the grant date. Fair value is computed with reference to actuarial assumptions and all aspects, at the grant date, of the options (term, any consideration, conditions of exercise, etc.) and the securities underlying the related plan. The amount of the liability 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 options that will vest. When beneficiaries are directors or employees of subsidiaries, the cost is recognised as an increase in the carrying amount of the related investment.

The cost of any services provided by Directors and employees that are remunerated through share-based payments, but settled in cash, is, on the other hand, measured at the fair value of the liability assumed and recognised in profit or loss, with a contra entry in liabilities. 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 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 especially important in determining amortisation and depreciation, impairment testing of assets (including the measurement of receivables), provisions, employee benefits, the fair value of financial assets and liabilities, and 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 are computed by dividing profit for the period by the weighted average number of shares outstanding during the accounting period.

Diluted earnings per share are computed by taking into account, for both earnings for the year and the above weighted average, the effects deriving from the subscription and/or conversion of all potential shares that may be issued as a result of the exercise of any outstanding share options.

New accounting standards and interpretations, or revisions and modifications of existing standards, that have either yet to come into effect or yet to be endorsed by the European Union

As required by IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”, this section describes new accounting standards and interpretations, and revisions of existing standards and interpretations that are already applicable, but that have either yet to come into effect or endorsed by the European Union (EU), and that may in the future be applied in the Company’s financial statements.

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.

IFRS 9 is effective from 1 January 2018. The standard is currently being examined by the European Union for the purposes of endorsement.

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 objective of the business model is 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 fair value through profit or loss in specific circumstances.

The requirements of IAS 39 that have been changed are:

- 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.

Amendments to IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

On 11 September 2014, the IASB published amendments to IFRS 10 - Consolidated Financial Statements, and IAS 28 - Investments in Associates and Joint Ventures, in order to coordinate the accounting treatment of sales and contributions of assets between an investor and its associates or joint ventures.

The amendments introduced establish that the gain or loss to be recognised in the financial statements of the seller or transferee, as a result of a sale or contribution of an asset (including a subsidiary) to an associate or a joint venture, depends on whether or not the asset (or subsidiary) sold or contributed constitutes a business or not, as defined by IFRS 3. If it constitutes a business, the entity must recognise the gain or loss computed with respect to the entire interest previously held, whilst, if the asset does not constitute a business, the portion of the gain or loss attributable to the portion of the assets retained by the entity must be eliminated.

The same criterion must also be applied to any amounts previously recognised in comprehensive income and which must be reclassified to profit or loss as a result of the transaction.

Accordingly, IAS 28 has also been amended so that gains or losses from upstream or downstream transactions concluded by the associate or joint venture, and involving assets constituting a business, are recognised in full, rather than to the extent that the gains or losses are attributable to non-controlling shareholders.

The IASB has established that these amendments will be effective for annual periods beginning on 1 January 2016. They have yet to be endorsed by the European Union.

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.

The IASB has established that the amendments will be effective for annual periods beginning on or after 1 January 2016. The amendments have yet to be endorsed by the European Union.

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 and 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.

IFRS 15 is required to be adopted for accounting periods beginning on or after 1 January 2017, once endorsed by the European Union. 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) information on 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.

The amendments will come into effect for accounting periods beginning on 1 January 2016. The amendments are currently being examined by the European Union. Given that they regard disclosures to be included in the financial statements, they will not have any impact on amounts in the Company's financial statements.

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

On 12 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.

The amendments are required to be adopted prospectively for accounting periods beginning on or after 1 January 2016. These amendments have yet to be endorsed by the European Union.

IAS 27 - Equity method in separate financial statements

On 12 August 2014, the IASB published amendments to IAS 27 - Separate Financial Statements, requiring an entity to account for investments in subsidiaries, associates and joint ventures at cost or, in accordance with IFRS 9 (or IAS 39, for entities that have yet to adopt IFRS 9), at fair value. The amendments have, alongside the methods of measurement already permitted in separate financial statements, also introduced the option of measuring these investments using the equity method.

The amendments will come into effect for accounting periods beginning on 1 January 2016, but early adoption is permitted. These amendments have yet to be endorsed by the European Union.

IFRIC 21 - Levies

In May 2013 the IASB issued interpretation IFRIC 21 - Levies. The interpretation applies to all levies imposed by a government other than those that fall within the scope of other standards (for example, IAS 12 - Income taxes) and fines or other penalties for breaches of legislation. The levies are defined in the interpretation as "outflows of resources embodying economic benefits imposed by a government on entities in accordance with legislation".

The interpretation clarifies that an entity is required to recognise a liability for a levy imposed by a government only when the activity that triggers payment of the levy, as identified by the relevant legislation, occurs. The interpretation also clarifies that a levy liability is accrued progressively only if the activity that triggers payment occurs over a period of time. For a levy that is triggered on reaching a minimum threshold, no liability is recognised before the specified minimum threshold is reached.

The interpretation is required to be adopted for accounting periods beginning on or after 1 January 2014. The interpretation was endorsed by the European Union in 2014 and the EU regulation requires its application at the latest from the beginning of the first accounting period beginning after 16 June 2014. It will, therefore, be applied by the Atlantia Group from 2015.

Annual Improvements to IFRSs: 2010-2012 and 2011-2013

The IASB published "Annual Improvements to IFRSs: 2010-2012 Cycle" and "Annual Improvements to IFRSs: 2011-2013 Cycle" on 12 December 2013, amending standards deemed necessary but not urgent as part of its annual improvements programme.

The 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 3 - Business Combinations: the amendments clarify that a contingent consideration classified as an asset or liability must be measured at fair value at the end of each reporting period, with changes in fair value recognised in profit or loss, regardless of whether or not the contingent consideration is a financial instrument or a non-financial asset or liability. In addition, the IASB has clarified that the standard does not apply to all formations of a joint venture;
- c) 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;
- d) IFRS 13 - Fair Value Measurement: the standard's "Basis for Conclusions" have been amended in order to clarify that with the publication of IFRS 13, and the resulting amendments to IAS 39 and IFRS 9, the option of accounting for short-term trade receivables and payables without recognising the impact of discounting to present value remains valid if such impact is not material.

The proposed amendments are required to be applied in accounting periods beginning on or after 1 July 2014. The amendments were endorsed by the European Union in December 2014.

Annual Improvements to IFRS: 2012-2014

The IASB published "Annual Improvements to IFRSs: 2010-2014 Cycle" on 25 September 2014.

The amendments that could be relevant to the Company are:

- a) IFRS 7 - Financial Instruments: Disclosures: the amendments eliminate uncertainty regarding how 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 proposed amendments are required to be applied in accounting periods beginning on or after 1 January 2016. The amendments will be endorsed by the European Union in September 2015.

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 was 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 S.p.A., 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.

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 €8.5 billion already completed as at 31 December 2014 (€8.0 billion as at 31 December 2013). The investment programme, which forms part of the Company's financial plan, updated to December 2013, essentially regards the upgrade of existing motorways. The following table lists the sections of the motorways operated and maintained under the concession as at 31 December 2014.

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 Venice-Belluno	82.2
A30 Caserta-Salerno	55.3
Total	2,854.6

The Company has made specific provisions to reflect 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. These estimates have been updated on the basis of information received in 2014. A detailed analysis of the provisions is contained in note 5.13.

5. Notes to the statement of financial position

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

5.1 Property, plant and equipment - €74,791 thousand (€78,356 thousand)

Property, plant and equipment decreased by €3,565 thousand in 2014, essentially reflecting depreciation for the period (€20,713 thousand), partially offset by capital expenditure during the year (€17,445 thousand).

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 €22,394 thousand and is higher than the related carrying amount.

In 2014, these properties generated rental income of €2,193 thousand, with direct maintenance and management costs of €2,828 thousand.

The balance of this item (€6,363 thousand) is substantially in line with the figure for 31 December 2013 (€6,092 thousand).

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

Property, plant and equipment as at 31 December 2014 is free of mortgages, liens or other charges restricting use.

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

€ 000

	31/12/2013		
	Cost	Accumulated depreciation	Carrying amount
Property, plant and equipment			
Land	1,324	-	1,324
Buildings	34,577	-14,216	20,361
Industrial and trading equipment	117,362	-82,227	35,135
Other assets	74,606	-62,045	12,561
Property, plant and equipment under construction and advances	2,883	-	2,883
Total	230,752	-158,488	72,264
Investment property			
Land	220	-	220
Buildings	13,727	-7,855	5,872
Total	13,947	-7,855	6,092
Total property, plant and equipment	244,699	-166,343	78,356

Changes during the year							31/12/2014		
Cost				Accumulated depreciation			Cost	Accumulated depreciation	Carrying amount
Additions: purchases and capitalisations	Assets entering service	Disposals	Reclassifications	Additions	Disposals	Reclassifications			
-	-	-	-149	-	-	-	1,175	-	1,175
271	125	-	-686	-1,195	-	196	34,287	-15,215	19,072
10,272	2,300	-6,029	-	-14,496	5,734	-	123,905	-90,989	32,916
3,116	-2	-2	-	-4,654	-	-	77,718	-66,699	11,019
3,786	-2,423	-	-	-	-	-	4,246	-	4,246
17,445	-	-6,031	-835	-20,345	5,734	196	241,331	-172,903	68,428
-	-	-	149	-	-	-	369	-	369
-	-	-	686	-368	-	-196	14,413	-8,419	5,994
-	-	-	835	-368	-	-196	14,782	-8,419	6,363
17,445	-	-6,031	-	-20,713	5,734	-	256,113	-181,322	74,791

5.2 Intangible assets - €17,890,665 thousand (€17,596,250 thousand)

Intangible assets essentially consist of the residual goodwill that arose on the transfer of motorway assets to the Company in 2003 (€6,111,198 thousand), and concession rights deriving from investment in construction services for which no additional benefits are received (€8,693,789 thousand), construction services for which additional economic benefits are received (€2,974,352 thousand) and from construction services provided by sub-operators at service areas (€96,320 thousand).

The increase in intangible assets, totalling €294,415 thousand, essentially reflects a combination of the following changes in concession rights:

- a) an increase in 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, resulting in an increase of €439,195 thousand, including €295,522 thousand due to the decline in the current and future interest rates used as at 31 December 2014;
- b) investment in construction services for which additional economic benefits are received, totalling €279,093 thousand;
- c) construction services carried out by sub-operators linked to the handover of assets free of charge, totalling €33,469 thousand;
- d) amortisation for the year of €466,647 thousand.

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

In 2014, the Company invested a total of €706,836 thousand in motorway infrastructure (€759,816 thousand in 2013). In accordance with IFRIC 12, operating and financial expenses in connection with those assets were recognised in income by nature, as was the fair value of construction services rendered. The following analysis shows the various components of investment in motorway infrastructure effected through construction services, as reported in the statement of cash flows for the year.

€ 000	Note	2014	2013	Incr./[Decr.]
Use of provisions for construction services required by contract for which no additional economic benefits are received	5.12 / 6.10	393,161	383,827	9,334
Revenue from government grants for construction services for which no additional economic benefits are received	5.12 / 6.2	34,582	22,548	12,034
Increase in intangible concession rights accruing from construction services for which additional economic benefits are received	6.2	279,093	353,441	-74,348
Total investment in motorway infrastructure		706,836	759,816	-52,980

With regard to the recoverability of goodwill and the concession rights belonging to the Company, the related impairment test was conducted. The related value in use was estimated on the basis of the long-term plan drawn up by the Company, containing traffic, investment, revenue and cost projections for the full term of the related concessions.

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, Autostrade per l'Italia's long-term plan used for the test has been prepared on the basis of the following assumptions:

- a) a CAGR for traffic of 0.96%;
- b) an average annual toll increase, linked to inflation, of 0.97%, which is 70% lower than the average inflation rate for the period 2015-2020 indicated in the Italian government's Economic and Finance Document for 2014;
- c) an average annual increase in the return on investment to be carried out of 1.14%. 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 plan were discounted to present value using the rate of 6.25% (6.08% in 2013), representing the Company's specific after-tax WACC.

The impairment test confirmed that the goodwill and concession rights accounted for in the Company's financial statements are fully recoverable.

In addition to the above impairment test, sensitivity analyses were conducted, increasing and reducing the above WACCs by 1%, and increasing and reducing the average annual rate of toll revenue growth by 1%. The results of these analyses have confirmed that the assets accounted for in the financial statements as at and for the year ended 31 December 2014 are fully recoverable.

Finally, in 2014, research and development expenditure of approximately €509 thousand (€882 thousand in 2013) was charged against income. The purpose of research and development is the improvement of infrastructure, services offered, safety levels and protection and enhancement of the environment.

The following table shows amounts at the beginning and end of the year and changes in the different categories of intangible asset during 2014.

€ 000

	31/12/2013		
	Cost	Accumulated amortisation	Carrying amount
Concession rights accruing from construction services for which no additional economic benefits are received	11,729,629	-3,125,799	8,603,830
Concession rights accruing from construction services for which additional economic benefits are received	3,125,871	-323,883	2,801,988
Concession rights accruing from construction services provided by sub-operators	87,067	-20,203	66,864
Intangible assets deriving from concession rights	14,942,567	-3,469,885	11,472,682
Goodwill	6,111,198	-	6,111,198
Trademarks	1	-	1
Goodwill and other intangible assets with indefinite lives	6,111,199	-	6,111,199
Development costs	128,901	-121,518	7,383
Industrial patents and intellectual property rights	44,136	-39,926	4,210
Concessions and licenses	1,710	-934	776
Intangible assets under development and advance payments	-	-	-
Other intangible assets	174,747	-162,378	12,369
Intangible assets	21,228,513	-3,632,263	17,596,250

5.3 Investments - €1,451,039 thousand (€1,462,245 thousand)

The net reduction of €11,206 thousand primarily reflects:

- the disposal of controlling interests in Pavimental and Spea Ingegneria Europea (previously accounted for at a total carrying amount of €42,657 thousand, compared with an overall purchase consideration of €77,505 thousand) to Atlantia (46,223,290 shares, equal to a stake of 59.4%, and 460,000 shares, equal to a stake of 46%, respectively) and Aeroporti di Roma (15,563,773 shares, equal to a stake of 20%, and 270,000 shares, equal to a stake of 27%, respectively) as part of a restructuring of the Atlantia Group's investments. The purchase considerations were based on the outcome of independent expert appraisals of the companies' economic capital. Following these transactions, the Company continues to have a 20% interest in Pavimental and a 27% interest in Spea Ingegneria Europea;
- reversal of the impairment loss on the investment in Stalexport Autostrady (€32,234 thousand), recognized in previous years and described in detail below;
- impairment losses on the investments in Tech Solutions Integrators (€2,000 thousand) and Bologna & Fiera Parking (€1,306 thousand).

With regard to point b) above, the carrying amount of the investment was tested for impairment. For this purpose, the Company estimated both the fair value, based on the company's share price (it is listed on the Warsaw Stock Exchange), and value in use, based essentially on the projected cash flows of the motorway operator, Stalexport Autostrada Malopolska. Value in use was estimated on the basis of the long-term plan drawn up by the operator,

Changes during the year								31/12/2014		
Cost						Accumulated amortisation		Cost	Accumulated amortisation	Carrying amount
Additions: purchases and capitalisations	Disposals	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	Additions	Disposals			
-	-	-	439,195	-	-5,295	-343,941	-	12,163,529	-3,469,740	8,693,789
-	-	-	-	279,093	-	-106,729	-	3,404,964	-430,612	2,974,352
-	-	33,469	-	-	-	-4,013	-	120,536	-24,216	96,320
-	-	33,469	439,195	279,093	-5,295	-454,683	-	15,689,029	-3,924,568	11,764,461
-	-	-	-	-	-	-	-	6,111,198	-	6,111,198
2	-	-	-	-	-	-	-	3	-	3
2	-	-	-	-	-	-	-	6,111,201	-	6,111,201
6,466	-31	-	-	-	-	-7,173	10	135,336	-128,681	6,655
6,041	-	-	-	-	-	-4,563	-	50,177	-44,489	5,688
174	-	-	-	-	-	-228	-	1,884	-1,162	722
1,938	-	-	-	-	-	-	-	1,938	-	1,938
14,619	-31	-	-	-	-	-11,964	10	189,335	-174,332	15,003
14,621	-31	33,469	439,195	279,093	-5,295	-466,647	10	21,989,565	-4,098,900	17,890,665

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. The long-term plan used has been prepared on the basis of the following assumptions:

- a) an average annual toll increase of 5.5%, based on the projected average annual inflation rate and expected GDP growth, in line with IMF World Economic Outlook estimates for the years 2015-2019, published in 2014;
- b) a CAGR for traffic of 2.5%, which also takes into account the above GDP growth, weighted, for the years 2016-2020, by an elasticity factor of 1.35, used on a prudent basis with respect to the average of historical series for the last 5 years, which results in an elasticity factor of approximately 2.0.

The projected after-tax cash flows were discounted to present value using the rate of 5.56% (6.85% in 2013), representing the company's after-tax WACC.

The outcome of the impairment test revealed a full reversal of the impairment losses recognised in previous years. In addition to the above impairment test, sensitivity analyses were conducted, increasing and reducing the above WACCs by 1%, and increasing and reducing the average annual rate of toll revenue 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 and, therefore, to the carrying amounts recognized in the consolidated financial statements as at and for the year ended 31 December 2014.

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

	31/12/2013		
	Cost	Accumulated (impairments)	Carrying amount
€ 000			
Autostrade dell'Atlantico S.r.l.	1,166,496	-13,659	1,152,837
Stalexport Autostrady S.A.	104,842	-32,234	72,608
Tangenziale di Napoli S.p.A.	54,506	-	54,506
Telepass S.p.A.	25,219	-	25,219
Ecomouv S.A.S.	17,237	-	17,237
Autostrade Meridionali S.p.A.	14,787	-	14,787
Autostrade Tech S.p.A.	3,406	-	3,406
AD Moving S.p.A.	3,995	-	3,995
Infoblu S.p.A.	3,875	-	3,875
Società Italiana p.A. per il Traforo del Monte Bianco	2,318	-	2,318
EsseDiEsse Società di Servizi S.p.A.	501	-	501
Autostrade Indian Infrastructure Development Private Limited	486	-	486
Ecomouv D&B S.A.S.	375	-	375
Giove Clear S.r.l.	20	-	20
Tech Solutions Integrators S.A.S.	2,000	-	2,000
Newpass S.p.A. ⁽¹⁾	3,010	-1,236	1,774
Pavimental S.p.A. ⁽²⁾	47,566	-	47,566
Spea Ingegneria Europea S.p.A. ⁽²⁾	6,148	-	6,148
Investments in subsidiaries (A)	1,456,787	-47,129	1,409,658
Pavimental S.p.A.	-	-	-
Società Autostrada Tirrenica p.A.	6,343	-	6,343
Società Infrastrutture Toscane p.A.	6,900	-1,182	5,718
Pedemontana Veneta S.p.A. (in liquidation)	1,935	-	1,935
Spea Ingegneria Europea S.p.A.	-	-	-
Bologna & Fiera Parking S.p.A.	5,558	-3,576	1,982
Arcea Lazio S.p.A. (in liquidation)	703	-29	674
Consorzio Autostrade Italiane Energia	29	-	29
Investments in associates (B)	21,468	-4,787	16,681
Tangenziali Esterne di Milano S.p.A.	34,514	-	34,514
Tangenziale Esterna S.p.A.	703	-	703
Uirnet S.p.A.	426	-	426
Veneto Strade S.p.A.	258	-	258
Consorzio Fastigi ⁽³⁾	5	-	5
Investments in other companies (C)	35,906	-	35,906
Investments (A+B+C)	1,514,161	-51,916	1,462,245

(1) Newpass was merged with and into Autostrade Tech from 1 August 2014.

(2) The investments in Pavimental and Spea have been reclassified to "Investments in associates" following the disposal of controlling interests, as described above.

(3) Consorzio Fastigi was struck off the Companies' Register on 1 July 2014 following its liquidation.

Changes during the year						31/12/2014		
Capital contributions	Cost			Impairment losses		Cost	Accumulated (impairments)	Carrying amount
	Disposals	Increases related to share-based payment plans	Reclassifications and other changes	(Increases)/Decreases	Reclassifications and other changes			
-	-	-	-	-	-	1,166,496	-13,659	1,152,837
-	-	-	-	32,234	-	104,842	-	104,842
-	-	-	-	-	-	54,506	-	54,506
-	-	140	-	-	-	25,359	-	25,359
1,680	-	-	-	-	-	18,917	-	18,917
-	-	92	-	-	-	14,879	-	14,879
-	-	162	3,010	-	-1,236	6,578	-1,236	5,342
-	-	-	-	-	-	3,995	-	3,995
-	-	-	-	-	-	3,875	-	3,875
-	-	-	-	-	-	2,318	-	2,318
-	-	-	-	-	-	501	-	501
-	-	-	-	-	-	486	-	486
-	-	-	-	-	-	375	-	375
-	-	-	-	-	-	20	-	20
-	-	-	-	-2,000	-	2,000	-2,000	-
-	-	-	-3,010	-	1,236	-	-	-
-	-38,068	91	-9,589	-	-	-	-	-
-	-4,589	138	-1,697	-	-	-	-	-
1,680	-42,657	623	-11,286	30,234	-	1,405,147	-16,895	1,388,252
-	-	12	9,589	-	-	9,601	-	9,601
-	-	-	-	-	-	6,343	-	6,343
-	-	-	-	-	-	6,900	-1,182	5,718
-	-	-	-	-	-	1,935	-	1,935
-	-	10	1,697	-	-	1,707	-	1,707
-	-	-	-	-1,306	-	5,558	-4,882	676
-	-	-	-	-	-	703	-29	674
-	-	-	-	-	-	29	-	29
-	-	22	11,286	-1,306	-	32,776	-6,093	26,683
-	-	-	-	-	-	34,514	-	34,514
203	-	-	-	-	-	906	-	906
-	-	-	-	-	-	426	-	426
-	-	-	-	-	-	258	-	258
-	-	-	-5	-5	5	-	-	-
203	-	-	-5	-5	5	36,104	-	36,104
1,883	-42,657	645	-5	28,923	5	1,474,027	-22,988	1,451,039

The following table shows an analysis of investments in addition to the percentage interest and the relevant carrying amount as at 31 December 2014, net of unpaid, called-up issued capital.

Name	Registered office	Number of shares held	Par value
Autostrade dell'Atlantico S.r.l.	Rome	1,000,000	EUR 1.00
Stalexport Autostrady S.A.	Myslowice (Poland)	247,262,023	PLN 0.75
Tangenziale di Napoli S.p.A.	Naples	20,945,250	EUR 5.16
Telepass S.p.A.	Rome	26,000,000	EUR 1.00
Ecomouv S.A.S.	Paris (France)	300,000	EUR 100.00
Autostrade Meridionali S.p.A.	Naples	4,375,000	EUR 2.07
Autostrade Tech S.p.A.	Rome	1,120,000	EUR 1
AD Moving S.p.A.	Rome	1,000,000	EUR 1.00
Infoblu S.p.A.	Rome	1,000,000	EUR 5.16
Società Italiana p.A. per il Traforo del Monte Bianco	Pré Saint Didier	3,848,000	EUR 51.65
EsseDiEsse Società di Servizi S.p.A.	Rome	500,000	EUR 1.00
Autostrade Indian Infrastructure Development Private Limited	Mumbai (India)	10,000	INR 50.00
Ecomouv' D&B S.A.S.	Paris (France)	500,000	EUR 1.00
Giove Clear S.r.l.	Rome	10,000	EUR 1.00
Tech Solutions Integrators S.A.S.	Paris (France)	2,000,000	EUR 1.00

Investments in subsidiaries [A]

Pavimental S.p.A.	Rome	77,818,865	EUR 0.13
Società Autostrada Tirrenica p.A.	Rome	163,072,000	EUR 0.15
Società Infrastrutture Toscane p.A.	Florence	30,000,000	EUR 1
Pedemontana Veneta S.p.A. [in liquidation]	Verona	12,000	EUR 500
Spea Ingegneria Europea S.p.A.	Milan	1,000,000	EUR 5.16
Bologna & Fiera Parking S.p.A.	Bologna	9,000,000	EUR 1
Arcea Lazio S.p.A. [in liquidation]	Rome	1,983,469	EUR 1
Consorzio Autostrade Italiane Energia	Rome	-	EUR -

Investments in associates [B]

Tangenziali Esterne di Milano S.p.A.	Milan	293,792,811	EUR 0.75
Tangenziale Esterna S.p.A.	Milan	464,945,000	EUR 1.00
Uirnet S.p.A.	Rome	1,061	EUR 1,000.00
Veneto Strade S.p.A.	Venice	5,163,200	EUR 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 March 2014].

[3] Latest financial statements approved [31 December 2013].

	Issued capital/ Consortium fund	Interest [%]	Number of shares held	Profit (Loss) for the year 2014 [€000] ⁽¹⁾		Equity as at 31/12/2014 [€000] ⁽¹⁾	Carrying amount [€000]
EUR	1,000,000	100.00%	1,000,000	532		746,389	1,152,837
PLN	185,446,517	61.20%	151,323,463	1,477		47,205	104,842
EUR	108,077,490	100.00%	20,945,250	8,764		172,623	54,506
EUR	26,000,000	96.15%	25,000,000	54,458		103,693	25,359
EUR	30,000,000	70.00%	210,000	-45,709	⁽³⁾	-28,136	⁽³⁾ 18,917
EUR	9,056,250	58.98%	2,580,500	3,247		112,016	14,879
EUR	1,120,000	100.00%	1,120,000	6,340		40,219	5,342
EUR	1,000,000	100.00%	1,000,000	61		992	3,995
EUR	5,160,000	75.00%	750,000	491		5,836	3,875
EUR	198,749,200	51.00%	1,962,480	11,458		290,479	2,318
EUR	500,000	100.00%	500,000	721		1,321	501
INR	500,000	99.99%	9,999	258	⁽²⁾	466	⁽²⁾ 486
EUR	500,000	75.00%	375,000	31,200	⁽³⁾	489	⁽³⁾ 375
EUR	10,000	100.00%	10,000	351		1,552	20
EUR	2,000,000	100.00%	2,000,000	-8,141	⁽³⁾	-6,640	⁽³⁾ -
							1,388,252
EUR	10,116,452	20.00%	15,563,773	3,047		41,537	9,601
EUR	24,460,800	24.98%	40,738,499	8,065		72,014	6,343
EUR	30,000,000	46.00%	13,800,000	2,545		30,007	5,718
EUR	6,000,000	29.77%	3,573	-78	⁽³⁾	5,991	⁽³⁾ 1,935
EUR	5,160,000	27.00%	270,000	9,772		60,132	1,707
EUR	9,000,000	32.50%	2,925,000	-1,406	⁽³⁾	4,721	⁽³⁾ 676
EUR	1,983,469	34.00%	674,379	-75	⁽³⁾	5,278	⁽³⁾ 674
EUR	107,112	29.00%	-	-	⁽³⁾	107	⁽³⁾ 29
							26,683
EUR	220,344,608	13.67%	40,174,660	-714	⁽³⁾	236,481	⁽³⁾ 34,514
EUR	464,945,000	0.25%	1,162,363	-1,894	⁽³⁾	457,561	⁽³⁾ 906
EUR	1,061,000	1.51%	16	44	⁽³⁾	5,020	⁽³⁾ 426
EUR	5,163,200	5.00%	258,160	1	⁽³⁾	6,712	⁽³⁾ 258
							36,104
							1,451,039

The carrying amount of the investment in Autostrade dell'Atlantico is deemed to be recoverable, based on the estimated present value of future net operating cash flows of the subsidiary's investee companies.

The carrying amount of the investment in Ecomouv is deemed to be recoverable, based on the available information regarding the impact of settlement of trading relations resulting from the Eco-Tax project, described in the section, "Significant regulatory aspects and litigation" in the report on operations.

With regard to the carrying amount of zero attributed to the investment in Tech Solutions Integrators as at 31 December 2014, it should be noted that, based on the available information regarding the impact of settlement of trading relations resulting from the above Eco-Tax project, provision has been made for an impairment loss in excess of the carrying amount of the investment, as described in notes 5.13 and 6.13.

Finally, information on the recoverability of the carrying amount of the investment in Stalexport Autostrady is provided above.

5.4 Financial assets

(non-current) - €362,541 thousand (€548,249 thousand)

(current) - €353,877 thousand (€425,957 thousand)

The following table shows the composition of other financial assets at the beginning and end of the year.

€ 000	Note	31/12/2014			31/12/2013		
		Carrying amount	Current portion	Non-current portion	Carrying amount	Current portion	Non-current portion
Financial assets deriving from government grants related to construction services	(1)	197,182	65,680	131,502	165,124	5,934	159,190
Term deposits	(2)	234,062	62,271	171,791	239,044	5,158	233,886
Derivative assets	(3)	1,034	1,034	-	5,457	70	5,387
Medium/long-term loans	(1)	124,955	81,805	43,150	130,807	779	130,028
Other loans and receivables	(1)	15,095	14,055	1,040	29,192	28,225	967
Staff loans	(1)	9,203	2,739	6,464	9,037	-	9,037
Non-current prepayments	(1)	8,714	120	8,594	9,993	239	9,754
Other medium/long-term financial assets		157,967	98,719	59,248	179,029	29,243	149,786
Short-term loans	(1)	116,667	116,667	-	355,181	355,181	-
Other financial assets	(1)	9,506	9,506	-	30,371	30,371	-
Other current financial assets		126,173	126,173	-	385,552	385,552	-
Financial assets		716,418	353,877	362,541	974,206	425,957	548,249

(1) Assets classified as "loans and receivables".

(2) Assets 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) As at 31 December 2014, derivative assets are classified as financial instruments measured "at fair value through profit or loss" and included in level 2 of the fair value hierarchy. As at 31 December 2013, they were classified as hedging derivatives (€5,387 thousand) and as financial instruments measured "at fair value through profit or loss" (€70 thousand).

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. As at 31 December 2014, this item amounts to €197,182 thousand, which is up €32,058 thousand on 31 December 2013, essentially due to the recognition of grants accruing during the period (€40,545 thousand), less amounts collected during the period (€8,487 thousand), primarily consisting of grants for both the Apennine stretch of the A1 between Florence and Bologna, and for the new Capannori junction on the A11.

Convertible term bank deposits are essentially blocked cash reserve accounts amounting to €234,062 thousand (€239,044 thousand as at 31 December 2013). 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 2014, totalling €62,271 thousand, represents the sum expected to be released within 2015.

Derivative assets consist of the fair value of certain trading derivatives, totalling €1,034 thousand, details of which are provided in note 7.2.

Other medium/long-term financial assets of €157,967 thousand (€179,029 thousand as at 31 December 2013) primarily include the loan granted to the subsidiary, Ecomouv (€73,005 thousand), the loan granted to the subsidiary, Tangenziale di Napoli (€49,704 thousand) and the residual amount due from Toto Costruzioni Generali (€13,798 thousand), recognised in 2011 following the sale of 58% of Strada dei Parchi. As agreed by the parties, the repayment period for the latter amount has been extended, with the remaining receivable to be paid in six monthly instalments, with a term of 14 May 2015. This item is down €21,062 thousand, essentially following partial collection (€14,427 thousand) of the amount due from Toto Costruzioni Generali and Ecomouv's repayment (€7,359 thousand) of a portion of the medium/long-term loan, reclassified to current financial assets reflecting the combined effect of the government's formal acceptance of the system developed, under the Trilateral Memorandum of Understanding of 20 June 2014 between Ecomouv, the company's banks and the French government, and the later exercise, by the French government, of its right to terminate the Partnership Agreement with effect from 30 December 2014, without any further claim on Ecomouv.

Current financial assets, totalling €126,173 thousand, are down €259,379 thousand on 31 December 2013 (€385,552 thousand), primarily due to repayment of the loan granted to Autostrade Meridionali (€245,000 thousand) and the collection of dividends for 2013 declared by Spea Ingegneria Europea (€16,000 thousand), partially offset by an increase (€6,667 thousand) in the loan to Società Autostrada Tirrenica (amounting to €116,667 as at 31 December 2014, at a fixed rate of 6.75% and maturing in June 2015).

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 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 - €497,930 thousand (€512,620 thousand)

Trading assets consist of:

- a) inventories of €36,536 thousand (€35,814 thousand as at 31 December 2013), primarily relating to stocks and spare parts used in motorway maintenance or the assembly of plant;
- b) contract work in progress of €3,697 thousand, in line with the figure at 31 December 2013. This item includes work and services in progress for ANAS and public entities;
- c) trade receivables of €457,697 thousand (€473,109 as at 31 December 2013), which consist of the following.

€ 000	31/12/2014					31/12/2013				
	Amounts due from customers	Other trade receivables	Prepayments for construction services	Other trading assets	Total	Amounts due from customers	Other trade receivables	Prepayments for construction services	Other trading assets	Total
Direct debit road users and similar: outstanding bills	233,216					243,518				
Service area operators	94,883					123,526				
Gross trade receivables	328,099	112,853	55,750	13,900	510,602	367,044	114,699	49,793	8,594	540,130
Allowance for bad debts	49,745	3,160	-	-	52,905	62,073	4,948	-	-	67,021
Net trade receivables	278,354	109,693	55,750	13,900	457,697	304,971	109,751	49,793	8,594	473,109

With regard to changes in trade receivables, amounts due from customers, net of the allowance for bad debts, amount to €278,354 thousand, down €26,617 thousand on the end of 2013 (€304,971 thousand), primarily due to a reduction in amounts payable by sub-operators at service areas in the form of royalties.

Receivables payable by service area operators included amounts receivable from the affiliate, Autogrill, totalling €31,268 thousand (€33,048 thousand as at 31 December 2013).

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

€ 000	Total receivables	Not yet due	Up to 90 days overdue	Between 90 and 365 days overdue	More than one year overdue
Amounts due from customers and other trade receivables	440,952	332,206	10,905	13,469	84,372

Overdue receivables regard uncollected and unpaid tolls, in addition to royalties due from service area operators and sales of other goods and services.

The following table shows movements of the allowance for bad debts for trade receivables. The relevant allowance is adequate and has been determined with reference to the management and measurement of receivables and historical data regarding losses on receivables.

€ 000	31/12/2013	Additions	Uses	Reduction due to reversal of overprovisions	31/12/2014
Allowance for bad debts	67,021	3,908	16,573	1,451	52,905

The carrying amount of trade receivables approximates to fair value, as the effect of discounting to present value is not material.

5.7 Cash and cash equivalents - €1,265,207 thousand (€3,444,972 thousand)

This item includes:

- a) cash, totalling €494,339 thousand (€1,261,959 thousand as at 31 December 2013), essentially relating to demand bank deposits;
- b) cash equivalents, totalling €352,718 thousand (€1,752,584 thousand as at 31 December 2013), which primarily regard bank deposits convertible within the short term;
- c) the balance receivable on current accounts with Atlantia Group companies, totalling €418,150 thousand (€430,429 thousand as at 31 December 2013), taking account of the centralised treasury management service provided by the Company.

Detailed explanations of the cash flows resulting in the increase in the Group's cash in 2013 are contained in note 7.1.

5.8 Current tax assets and liabilities

Current tax assets - €17,143 thousand (€31,104 thousand)

Current tax liabilities - €21,069 thousand [-]

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

€ 000	31/12/2014	31/12/2013	31/12/2014	31/12/2013
	Current tax assets		Current tax liabilities	
IRES	17,040	30,555	21,069	-
IRAP	103	549	-	-
	17,143	31,104	21,069	-

The change in the net balance of current tax assets and liabilities compared with 31 December 2013, totalling €35,030 thousand, essentially reflects:

- a) a reduction in income tax payable for the year (€252,637 thousand);
- b) an increase in prepayments during the year (€204,055 thousand);
- c) an increase in withholding tax on interest income (€5,945 thousand);
- d) positive differences relating to taxation for previous years (€4,189 thousand).

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.

Current tax assets reflects the following:

- a) the amount due from Sintonia, totalling €11,338 thousand, following a request for a 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;
- b) 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 provisions of Law 44 of 26 April 2012 and the tax authorities' ruling of 17 December 2012.

Net current tax liabilities essentially reflect:

- a) the amount payable to Atlantia as the balance due for IRES, totalling €39,795 thousand;
- b) 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.

5.9 Other current assets - €121,304 thousand (€64,719 thousand)

This item consists of receivables and other current assets that are not eligible for classification as trading or financial. An analysis of the balance as at 31 December 2014 is shown below.

€ 000	31/12/2014	31/12/2013
Receivables due from end users and insurance companies for damages	30,845	33,858
Receivable from public entities	2,792	2,431
Receivables from social security institutions	482	601
VAT credits	50	454
Prepayments and other sundry receivables	94,961	32,447
	129,130	69,791
Allowance for bad debts	7,826	5,072
Other current assets	121,304	64,719

An increase of €56,585 thousand in other current assets essentially reflects the payment of advances to a number of suppliers under an agreement regarding contract reserves accounted for in connection with work on the upgrade of the section of the A1 Milan-Naples motorway that crosses the Apennines between Sasso Marconi and Barberino del Mugello. These advances may be subject to final recognition after a possible settlement or a civil court judgement following the outcome of a prior expert appraisal currently in progress.

5.10 Non-current assets held for sale and related to discontinued operations - €4,271 thousand (€4,271 thousand)

Non-current 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 - €2,268,554 thousand (€2,304,278 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 2014.

The principal changes in equity during the period regard:

- a) net comprehensive income for the year (€596,499 thousand), consisting of profit for the year of €703,531 thousand and the loss on other components of comprehensive income for the year (totalling €107,032 thousand), resulting from:
 - 1) fair value losses, after the related taxation, on cash flow hedges, totalling €97,957 thousand (gains of €81,751 thousand in 2013), reflecting the reduction in interest rates as at 31 December 2014, compared with 31 December 2013;
 - 2) actuarial losses on provisions for employee benefits, after the related taxation, of €9,075 thousand (gains of €4,093 thousand in 2013), essentially reflecting the lower discount rate used for measurement as at 31 December 2014, compared with 31 December 2013;
- b) payment of the final dividend for 2013, amounting to €340,249 thousand (€0.547 per share) and of the interim dividend for 2014, totalling €329,674 thousand (€0.530 per share);
- c) recognition, in accordance with the accounting standards applicable to business combinations under common control and described in note 3, of after-tax gains on the disposal of controlling interests in Pavimental and Spea as part of the restructuring the Atlantia Group's investments (€34,369 thousand).

The funds appropriated to the "Extraordinary reserve for delayed investment" (€446,000 thousand) have been reclassified to the "Extraordinary reserve", included in "Other reserves and retained earnings", in accordance with the resolution approved by the Annual General Meeting of 16 April 2014, following the receipt of approval for the release from the Ministry of Infrastructure and Transport.

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, so as to enable it to meet its obligations under the concession.

The table below shows an analysis of capital and equity reserves with their permitted uses.

Description	Balance at 31/12/2014 [€000]	Permitted uses (A, B, C)*	Available [€000]	Uses between 01/01/2011 and 31/12/2014	
				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	-251,999	B	-	-	-
Other reserves and retained earnings ^[1]	1,184,193	A, B, C	1,184,193	-	-
Reserves and retained earnings ^[2]	1,272,670				
Total capital and reserves	1,894,697		1,400,263	-	-
<i>of which:</i>					
non distributable ^[3]			6,655		
distributable			1,393,608		

* Key:
A: capital increases
B: to cover losses
C: shareholder distributions

Note:

^[1] Including:

- a) €1,196,339 thousand in the "Extraordinary reserve";
- b) €568,638 thousand in the "IFRS transition reserve";
- c) a deficit of €962,198 thousand in the "IFRIC 12 reserve";
- d) a deficit of €17,481 thousand in the "Reserve for actuarial gains and losses on provisions for employee benefits";
- e) €9,306 thousand in the "Reserve for share-based incentive plans";
- f) €34,369 thousand in the "Reserve for gains on the disposal of investments under common control";
- g) €355,220 thousand in "Retained earnings".

^[2] In addition to issued capital, the Company's total reserves and retained earnings are €1,272,670 thousand. As a result of article 109, paragraph 4, letter b of the Consolidated Income Tax Act, €557,858 thousand will, unless there are sufficient reserves, become taxable if distributed to shareholders. Paragraph 4, letter b of article 109 was abrogated by the 2008 Finance Act [Law 244 of 24 December 2007] and replaced, although not retroactively, by article 103, paragraph 3-bis which 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.

^[3] 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	2014			2013		
	Before tax	Tax	After tax	Before tax	Tax	After tax
Fair value gains/(losses) on cash flow hedges	-135,113	37,156	-97,957	112,760	-31,009	81,751
Other comprehensive income/(loss) for the year reclassifiable to profit or loss, after related taxation (A)	-135,113	37,156	-97,957	112,760	-31,009	81,751
Gains/(losses) from actuarial valuations of provisions for employee benefits	-12,517	3,442	-9,075	4,093	-	4,093
Other comprehensive income/(loss) for the year not reclassifiable to profit or loss, after related taxation (B)	-12,517	3,442	-9,075	4,093	-	4,093
Total other comprehensive income/(loss) for the year, after related taxation (A+B)	-147,630	40,598	-107,032	116,853	-31,009	85,844

5.12 Provisions for construction services required by contract

(non-current) - €3,654,565 thousand (€3,619,420 thousand)
(current) - €494,092 thousand (€416,000 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 with no additional economic benefits. It shows amounts at the beginning and end of the year and movements during 2014, by non-current and current portion.

€ 000	31/12/2013			Changes during the year				31/12/2014		
	Carrying amount	non-current	current	Changes due to adjustment of present value of contractual obligations	Financial provisions	Reductions for completed works	Grants accrued on completed works	Carrying amount	non-current	current
Upgrade of Florence - Bologna section	1,580,978	1,332,638	248,340	232,947	18,102	-279,206	34,582	1,587,403	1,265,464	321,939
Third and fourth lanes	11,173	11,173	-	1,963	138	-1,498	-	11,776	11,776	-
Other construction services	2,443,269	2,275,609	167,660	204,285	48,963	-147,039	-	2,549,478	2,377,325	172,153
Provisions for construction services required by contract	4,035,420	3,619,420	416,000	439,195	67,203	-427,743	34,582	4,148,657	3,654,565	494,092

The €113,237 thousand increase in the provisions essentially reflects the combined effect of the following:

- a) an increase in 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, resulting in an increase of €439,195 thousand, including €295,522 thousand due to the decline in the current and future interest rates used as at 31 December 2014;
- b) a €67,203 thousand increase in finance-related provisions accruing in 2014, being the double entry to the financial expenses incurred in connection with discounting to present value;
- c) the release of €393,161 thousand, net of government grants, in connection with construction services completed during the period and for which no additional benefits are received.

5.13 Provisions

(non-current) - €926,536 thousand (€790,666 thousand)

(current) - €341,170 thousand (€268,638 thousand)

PROVISIONS FOR EMPLOYEE BENEFITS

(non-current) - €114,497 thousand (€106,471 thousand)

(current) - €13,146 thousand (€10,923 thousand)

As at 31 December 2014, this item consists solely of the present value of provisions for post-employment benefits. This item amounts to €127,643 thousand, up €10,249 thousand on the figure for 31 December 2013 (€117,394 thousand). Movements during the period essentially related to:

- a) actuarial losses of €12,517 thousand recognised in comprehensive income, including €12,639 thousand in actuarial losses resulting from changes in the financial assumptions used, essentially reflecting the reduction in the discount rate used for measurement as at 31 December 2014 (0.91%), compared with 31 December 2013 (2.50%), €92 thousand in actuarial losses due to changes in the demographic assumptions used, and €214 thousand in actuarial gains deriving from changes in the rate with which advances are paid and in the annual turnover rate;
- b) use of provisions amounting to €4,915 thousand for the payment of benefits and advances;
- c) operating and financial provisions of €2,876 thousand accounted for, respectively, in staff costs and financial expenses.

The main actuarial assumptions applied in estimating provisions for employee benefits as at 31 December 2014 are shown below.

Financial assumptions

Annual discount rate (*)	0.91%
Annual inflation rate	0.60% for 2015 1.20% for 2016 1.50% for 2017 and for 2018 2.0% from 2019 on
Annual rate of increase in post-employment benefits	1.95% for 2015 2.40% for 2016 2.625% for 2017 and for 2018 3.00% from 2019 on
Annual rate of increase in real salaries	0.65%
Annual turnover rate	0.75%
Annual rate of advances paid	2.5%
Duration (years)	9

(*) 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 sex
Retirement age	Mandatory state pension retirement age

The following table shows a sensitivity analysis for each actuarial assumption at the end of 2014, indicating the effects on the defined benefit obligation of reasonably possible changes in the actuarial assumptions used at that date.

Change in actuarial assumption	Turnover rate		Inflation rate		Discount rate	
	+1%	-1%	+0.25%	-0.25%	+0.25%	-0.25%
Provisions for employee benefits (€000)	126,737	128,638	129,301	126,013	125,016	130,356

PROVISIONS FOR REPAIR AND REPLACEMENT OBLIGATIONS
(non-current) - €812,039 thousand (€684,195 thousand)
(current) - €268,124 thousand (€207,921 thousand)

This item regards the present value of provisions for the repair and replacement of motorway infrastructure operated under concession, in accordance with undertakings to the Grantor and designed to ensure the serviceability and safety of the assets.

The provisions of €1,080,163 thousand as at 31 December 2014 (€892,116 thousand as at 31 December 2013) are up €188,047 thousand, primarily reflecting a reduction in the discount rate used at 31 December 2014 to estimate the present value of future commitments, compared with the rate used at 31 December 2013. The increase reflects new operating (€485,185 thousand) and financial (€28,281 thousand) provisions, partially offset by uses (€325,419 thousand) in connection with repairs and replacements carried out during the period.

PROVISION FOR RISK OF FINES AND PENALTIES UNDER THE SINGLE CONCESSION ARRANGEMENT
(current) - €2,141 thousand (€1,984 thousand)

These provisions regard:

- a) the total amount of €1,411 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 2013, relate to failure to meet the requirements of the Annual Audit Plan required under the Arrangement;
- b) administrative fines imposed by the Grantor on 7 September 2010, totalling €75 thousand, as a result of traffic disruption on the Pesaro-Marotta section of the A14 motorway on 31 January 2010. The Company has appealed to the Lazio Regional Administrative Court, requesting annulment but a date for the hearing on the merits has not yet been set;
- c) two penalties imposed by ANAS 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, is €580 thousand;
- d) administrative fines in relation to the snow events of 3 February 2012 on the A1 at the D18 - Capua and D19 intersections and on 6 and 7 February 2012 on the A16 between Candela and Cerignola West. On 8 March 2013, Autostrade per l'Italia appealed the second fine before Lazio Regional Administrative Court, requesting its annulment. The fines total €50 thousand;
- e) an administrative fine imposed by the Grantor on 23 October 2014, amounting to €25 thousand, in relation to disruption to motorway traffic on the A12 (Genoa-Sestri Levante section) on 18 April 2014. On 18 December 2014, the Company appealed the fine before Lazio Regional Administrative Court, requesting its annulment.

€ 000

	31/12/2013			Changes during the year	
	Carrying amount	non-current	current	Operating provisions	Financial provisions
Provisions for employee benefits	117,394	106,471	10,923	215	2,876
Provisions for repair and replacement obligations	892,116	684,195	207,921	485,185	28,281
Provisions for risk of Single Concession Arrangement fines and penalties	1,984	-	1,984	157	-
Provisions for tax disputes	1,709	-	1,709	85	-
Provisions for impairments exceeding carrying amounts of investments	-	-	-	4,673	-
Other provisions	46,101	-	46,101	13,104	-
Total other provisions	47,810	-	47,810	17,862	-
Total provisions	1,059,304	790,666	268,638	503,419	31,157

Further information on significant regulatory aspects and litigation is provided in note 8.4.

OTHER PROVISIONS

(current) - €57,759 thousand (€47,810 thousand)

These provisions primarily relate to potential contingencies and liabilities that could arise in connection with pending litigation at the end of the period and provisions for impairment losses on investments in excess of the related carrying amounts. The increase of €9,949 thousand, compared with 31 December 2013, primarily reflects:

- a) provisions for the year of €17,862 thousand, reflecting an impairment loss on the investment in Tech Solutions Integrators in excess of its carrying amount (€4,673 thousand) and provisions made in response to developments in a number of contract disputes, primarily relating to disputes with maintenance contractors on a number of motorway sections and with certain sub-operators at service areas (totalling €13,104 thousand);
- b) uses of €7,614 thousand, primarily following settlement of a dispute with Tamoil, as described in note 8.5.

The Company is involved in certain disputes with the tax authorities, for which €35 thousand was provided during the period, after the release of overprovisions, to cover the risk of negative outcomes to disputes regarding local taxes.

Further details of developments in disputes pending as at 31 December 2014 are provided in note 8.4.

The following table shows provisions at the beginning and end of the year and movements during 2014, showing the non-current and current portions.

	Changes during the year						31/12/2014		
	Deferred actuarial gains/(losses) recognised in comprehensive income	Reductions due to post-employment benefits paid and advances	Reductions due to reversal of over provisions	Transfers (to)/from other companies	Uses		Carrying amount	non-current	current
					Direct	Indirect			
	12,517	-4,915		-444	-		127,643	114,497	13,146
	-	-	-	-	-	-325,419	1,080,163	812,039	268,124
	-	-	-	-	-	-	2,141	-	2,141
	-	-	-50	-	-	-	1,744	-	1,744
	-	-	-	-	-	-	4,673	-	4,673
	-	-	-249	-	-7,614	-	51,342	-	51,342
	-	-	-299	-	-7,614	-	57,759	-	57,759
	12,517	-4,915	-299	-444	-7,614	-325,419	1,267,706	926,536	341,170

5.14 Financial liabilities

non-current) - €11,525,508 thousand (€11,302,871 thousand)
 (current) - €1,138,478 thousand (€3,766,357 thousand)

MEDIUM/LONG-TERM FINANCIAL LIABILITIES

(non-current) - €11,525,508 thousand (€11,302,871 thousand)
 (current) - €618,903 thousand (€2,768,745 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	Note	31/12/2014	
		Face value	Carrying amount
Loans from Atlantia S.p.A.		8,757,776	8,736,615
Total intercompany loans (A)		8,757,776	8,736,615
Term Loan Facility		160,000	159,615
EIB		1,729,508	1,729,508
Cassa Depositi e Prestiti and SACE		676,744	671,734
Borrowings linked to grants ⁽¹⁾		160,510	160,510
Total bank borrowings (B)		2,726,762	2,721,367
Financial liabilities repayable to ANAS		73,596	73,596
Other borrowings (C)		73,596	73,596
Medium/long-term borrowings (A+B+C) ⁽²⁾⁽³⁾		11,558,134	11,531,578
Derivative liabilities ⁽⁴⁾			347,583
Accrued expenses on medium/long-term financial liabilities			265,250
Other medium/long-term financial liabilities			265,250
Medium/long-term financial liabilities			12,144,411

[(1) This item refers to loans linked to grants provided for in Laws 662/1996, 135/1997 and 345/1997 for construction services on the "Florence North-Florence South" and "Cà Nova-Aglio" sections (Variante di Valico). These loans are to be repaid by the Ministry of Infrastructure and Transport.

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

[(3) Details on hedged liabilities are contained in note 7.2.

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

	31/12/2014		31/12/2013					
			Maturity		Face value	Carrying amount		
	of which		Between 13 and 60 months	After 60 months			of which	
	Current portion	Non-current portion					Current portion	Non-current portion
	-	8,736,615	4,500,114	4,236,501	10,651,976	10,633,448	2,091,452	8,541,996
	-	8,736,615	4,500,114	4,236,501	10,651,976	10,633,448	2,091,452	8,541,996
	159,615	-	-	-	400,000	398,007	238,392	159,615
	51,999	1,677,509	345,181	1,332,328	1,579,223	1,579,223	49,716	1,529,507
	22,809	648,925	91,509	557,416	700,000	694,527	22,793	671,734
	54,287	106,223	106,223	-	212,301	212,301	51,791	160,510
	288,710	2,432,657	542,913	1,889,744	2,891,524	2,884,058	362,692	2,521,366
	62,271	11,325	11,325	-	26,811	26,811	5,158	21,653
	62,271	11,325	11,325	-	26,811	26,811	5,158	21,653
	350,981	11,180,597	5,054,352	6,126,245	13,570,311	13,544,317	2,459,302	11,085,015
	2,672	344,911	344,911	-		217,856	-	217,856
	265,250	-	-	-		309,443	309,443	-
	265,250	-	-	-		309,443	309,443	-
	618,903	11,525,508	5,399,263	6,126,245		14,071,616	2,768,745	11,302,871

b) type of interest rate, maturity and fair value:

€ 000	Maturity	31/12/2014		31/12/2013	
		Carrying amount ⁽¹⁾	Fair value ⁽²⁾	Carrying amount ⁽¹⁾	Fair value ⁽²⁾
Atlantia loan issue 2004	2014	-	-	2,091,452	2,201,366
Atlantia loan issue 2004	2024	986,456	1,406,123	985,429	1,239,455
Atlantia loan issue 2009	2016	1,515,178	1,668,426	1,526,024	1,727,484
Atlantia loan issue 2009	2038	149,176	225,613	149,176	176,158
Atlantia loan issue 2010	2017	1,000,000	1,092,782	1,000,000	1,081,885
Atlantia loan issue 2010	2025	500,000	627,856	500,000	533,963
Atlantia loan issue 2012	2019	1,000,000	1,209,373	1,000,000	1,170,006
Atlantia loan issue 2012	2020	750,000	915,794	750,000	858,703
Atlantia loan issue 2012	2032	35,000	47,895	35,000	38,482
Atlantia loan issue 2012	2032	48,600	69,023	48,600	55,833
Atlantia loan issue 2012	2018	984,936	1,125,646	981,474	1,084,009
Atlantia loan issue 2013	2033	75,000	93,714	75,000	73,881
Atlantia loan issue 2013	2021	750,000	827,648	750,000	757,245
Atlantia loan issue 2014	2038	75,000	92,531	-	-
Atlantia loan issue 2014	2034	125,000	142,700	-	-
- fixed rate		7,994,346	9,545,124	9,892,155	10,998,470
Atlantia loan issue 2004	2022	742,269	759,377	741,293	728,114
- floating rate		742,269	759,377	741,293	728,114
Loans from parents (A)		8,736,615	10,304,501	10,633,448	11,726,584
EIB	from 2014 to 2036	1,729,508	2,067,588	1,579,223	1,685,205
- fixed rate		1,729,508	2,067,588	1,579,223	1,685,205
Term Loan Facility	from 2014 to 2015	159,615	112,140	398,007	400,823
Cassa Depositi e Prestiti	from 2014 to 2034	471,734	483,964	494,527	490,438
Cassa Depositi e Prestiti and SACE	from 2014 to 2024	200,000	235,806	200,000	227,623
- floating rate		831,349	831,910	1,092,534	1,118,884
Borrowings linked to grants	from 2014 to 2017	160,510	160,510	212,301	212,301
- non-interest bearing		160,510	160,510	212,301	212,301
Bank borrowings (B)		2,721,367	3,060,008	2,884,058	3,016,390
Financial liabilities repayable to ANAS		73,596	73,596	26,811	26,811
Other borrowings (C)		73,596	73,596	26,811	26,811
Medium/long-term borrowings (A+B+C)		11,531,578	13,438,105	13,544,317	14,769,785
Non-current derivative liabilities		347,583	347,583	217,856	217,856
Accrued expenses on medium/long-term financial liabilities		265,250	265,250	309,443	309,443
Other medium/long-term financial liabilities		265,250	265,250	309,443	309,443
Medium/long-term financial liabilities		12,144,411	14,050,938	14,071,616	15,297,084

(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.

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 and carrying amount of each medium/long-term liability, by issue currency with, for each currency, the average and effective interest rate:

Currency	31/12/2014				31/12/2013	
	Face value (€000)	Carrying amount (€000)	Average rate until 31/12/2014 ⁽¹⁾	Effective interest rate as at 31/12/2014	Face value (€000)	Carrying amount (€000)
Borrowings in euros (€)	11,558,134	11,531,578	4.78%	4.24%	13,570,311	13,544,317
Medium/long-term borrowings	11,558,134	11,531,578	4.78%	4.24%	13,570,311	13,544,317

1) This amount includes the effect of interest rate hedges as at 31 December 2014.

- d) movements during the period in medium/long-term borrowings:

€ 000	Face value 31/12/2013 ⁽¹⁾	New borrowings	Repayments	Other changes	Change in exposure to ANAS ⁽²⁾	Face value 31/12/2014 ⁽¹⁾
Intercompany loans	10,633,448	200,000	-2,094,200	-2,633	-	8,736,615
Bank borrowings	2,884,058	200,000	-364,763	2,072	-	2,721,367
Other borrowings	26,811	-	-	-	46,785	73,596
Medium/long-term borrowings	13,544,317	400,000	-2,458,963	-561	46,785	11,531,578

(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 item "Financial liabilities repayable to ANAS" of the table under letter a).

Medium/long-term financial liabilities total €12,144,411 thousand (€14,071,616 thousand as at 31 December 2013), net of the related borrowing costs, where incurred, and include:

- a) medium/long-term borrowings of €11,531,578 thousand (€13,544,317 thousand as at 31 December 2013). The decrease of €2,012,739 thousand essentially reflects:
- 1) repayment of the medium/long-term loan that replicated the bonds issued by Atlantia with a par value of €2,094,200 thousand and redeemed on 9 June 2014, partially offset by new medium/long-term borrowings that replicate new bonds issues by Atlantia in 2014, amounting, respectively, to €125,000 thousand (paying a fixed interest rate of 3.454% and maturing in 2034) and €75,000 thousand (paying a fixed interest rate of 3.997% and maturing in June 2038);
 - 2) the use of €200,000 thousand in lines of credit granted by the EIB, including €150,000 thousand (at a fixed rate of 2.75%, maturing in September 2036) drawn on the €250,000 thousand facility obtained in 2013 and €50,000 thousand (at a fixed rate of 2.7%, maturing in September 2034) drawn on the committed line totalling €300,000 thousand obtained in 2010;
 - 3) repayments of bank borrowings during the year, totalling €364,763 thousand;
 - 4) an increase of €46,785 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;

- b) fair value losses on hedging instruments, amounting to €347,583 thousand (€217,856 thousand as at 31 December 2013). The increase compared with 31 December 2013, amounting to €129,727 thousand, is linked to a reduction in interest rates at the end of 2014, with respect to 31 December 2013;
- c) accrued expenses on financial liabilities of €265,250 thousand, down €44,193 thousand on the figure for 31 December 2013 (€309,443 thousand), essentially due to repayment of the above loan.

The loans received by the Company from Atlantia mature between 2016 and 2038 and have a residual average term to maturity of approximately 6 years. 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.

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 described below:

- a) a "Term Loan Facility" (€159,615 thousand as at 31 December 2014) and the "Revolving Credit Facility", which entail compliance with certain covenants over the term of the facilities and which, as at 31 December 2014, have never been breached. This requires the borrower to remain within certain thresholds with regard to:
 - 1) Atlantia's consolidated accounts, the ratio of "FFO+Net Interest Expenses - Capitalised Interest and Financing Charges", as numerator, and "Net interest expenses", as denominator, and the ratio of "FFO /Total Net Debt";
 - 2) Atlantia, the company's "Net Worth";
- b) loans from Cassa Depositi e Prestiti (totalling €671,734 thousand as at 31 December 2014), which require the borrower to remain within a minimum threshold for "Operating cash flow available for Debt Service/Debt Service" (DSCR).

In accordance with the Atlantia Group's financial policy, 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. As a result of tests showing these cash flow hedges to be highly effective, any changes in fair value have been recognised in full in equity, as required by IAS 39, with no recognition of any ineffective portion in the income statement. Details of these derivative financial instruments are provided in note 7.2.

Finally, on 31 October 2014, the Central Bank of Ireland and the Irish Stock Exchange approved the Base Prospectus for the Company's €7 billion Euro Medium Term Note ("EMTN") Programme, approved by the Board of Directors on 17 October 2014. The notes that may be issued under the new EMTN Programme will not be backed by any form of guarantee or other credit support from Atlantia, whilst the Company will continue to act as guarantor in respect of any outstanding issues under Atlantia's previous €10 billion EMTN Programme.

SHORT-TERM FINANCIAL LIABILITIES

€519,575 thousand (€997,612 thousand)

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

€ 000	31/12/2014	31/12/2013
Bank overdrafts	14	131
Short-term borrowings	264,000	483,712
Derivative liabilities	1,034	70
Intercompany current account payables due from related parties	251,741	510,869
Other current financial liabilities	2,786	2,830
Short-term financial liabilities	519,575	997,612

The decrease of €478,037 thousand in short-term financial liabilities primarily reflects the following:

- a) a reduction in short-term borrowings from related parties of €219,712 thousand, reflecting the repayment of loans during the period, totalling €469,712 thousand, partially offset by Atlantia's deposit of liquidity of €250,000 thousand, maturing on 15 January 2015;
- b) a reduction in intercompany current account payables due to related parties, essentially due to the deposit of the above liquidity.

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 net debt is shown below with amounts payable to and receivable from related parties, in accordance with the European Securities and Markets Authority (ESMA) Recommendation of 20 March 2013 (which does not entail the deduction of non-current financial assets from debt).

With regard to components of net debt not referred to this note 5.14, reference should be made to the specific notes indicated in the table. The relevant related party disclosures are provided in note 8.3.

€ 000	Note	31/12/2014	of which related party transactions	31/12/2013	of which related party transactions
Cash		-494,339		-1,261,959	
Cash equivalents and intercompany current account receivables due from related parties		-770,868	-418,150	-2,183,013	-430,429
Securities held for trading		-		-	
Liquidity (A)	5.7	-1,265,207		-3,444,972	
Current financial assets (B)	5.4	-353,877	-206,616	-425,957	-379,960
Bank overdrafts		14		131	
Current portion of medium/long-term financial liabilities		618,903	237,606	2,768,745	2,372,352
Other financial liabilities		519,561	515,741	997,481	994,581
Current financial liabilities (C)		1,138,478		3,766,357	
Current net debt (D=A+B+C)		-480,606		-104,572	
Medium/long-term borrowings		11,180,597	8,736,615	11,085,015	8,541,996
Bond issues		-		-	
Other non-current financial liabilities		344,911	245,232	217,856	184,542
Non-current financial liabilities		11,525,508		11,302,871	
(Net funds)/Net debt as defined by ESMA Recommendation (F=D+E)		11,044,902		11,198,299	
Non-current financial assets (G)	5.4	-362,541	-43,161	-548,249	-130,043
Net debt (H=F+G)		10,682,361		10,650,050	

5.15 Net deferred tax liabilities - €247,451 thousand (€244,645 thousand)

The following tables show deferred tax liabilities, after offsetting against deferred tax assets.

€ 000	31/12/2014	31/12/2013
Deferred tax liabilities	1,263,619	1,153,575
Deferred tax assets eligible for offset	1,016,168	908,930
Net deferred tax liabilities	247,451	244,645

The nature of the temporary differences giving rise to deferred taxation and changes during the period are summarised in the following table.

€ 000	31/12/2013	Changes during the year				31/12/2014
		Provisions	Releases	Deferred tax assets/ liabilities on gains and losses recognised in comprehensive income	Changes in prior year estimates	
Off-balance sheet amortisation of goodwill	1,153,569	110,939	-	-	-895	1,263,613
Other temporary differences	6	-	-	-	-	6
Deferred tax liabilities	1,153,575	110,939	-	-	-895	1,263,619
Restatement of total amount subject to IFRIC 12	540,414	2,728	-22,933	-	-521	519,688
Provisions:						
- Provisions for repair and replacement obligations	269,847	159,768	-69,770	-	-170	359,675
- Other provisions	18,579	5,311	-2,954	-	-14	20,922
Impairment of receivables and inventories	18,865	883	-4,340	-	-1,691	13,717
Measurement of cash flow hedges	58,430	-	-	37,156	-	95,586
Other temporary differences	2,795	4,008	-281	-	58	6,580
Deferred tax assets eligible for offset	908,930	172,698	-100,278	37,156	-2,338	1,016,168
Net deferred tax liabilities	244,645	-61,759	100,278	-37,156	1,443	247,451

As shown above, the balance as at 31 December 2014 substantially includes the following:

- a) deferred tax liabilities, recognised since 2003, relating to the deduction, solely for tax purposes, of goodwill amortisation;
- b) 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;
- c) the non-deductible portion of provisions, primarily for the repair and replacement of motorway assets held under the concession.

The most important changes during 2014 were:

- a) the provision of deferred taxes on the deduction, solely for tax purposes, of goodwill amortisation (€110,044 thousand);
- b) release of the portion (€20,726 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) recognition of deferred tax assets (€92,171 thousand) for the non-deductible portion of provisions, primarily for the repair and replacement of motorway assets held under the concession;
- d) the recognition in comprehensive income of net deferred tax assets on the fair value measurement of hedging derivatives (€37,156 thousand).

5.16 Other non-current liabilities - €28,897 thousand (€26,665 thousand)

This item refers to deferred income to be reversed over several years:

- a) advance payments received in return for use of the Company's fibre optic cables and fully equipped sites, totalling €16,500 thousand (€16,689 thousand as at 31 December 2013);
- 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 €6,646 thousand (€6,722 thousand as at 31 December 2013).

5.17 Trading liabilities - €1,184,651 thousand (€1,208,552 thousand)

Trading liabilities primarily consist of the following.

€ 000	31/12/2014	31/12/2013
Trade payables	554,637	623,023
Payable to operators of interconnecting motorways	544,001	508,043
Tolls in the process of settlement	85,942	77,361
Accrued expenses, deferred income and other liabilities	71	125
Trading liabilities	1,184,651	1,208,552

The reduction in trading liabilities primarily reflects a decrease of €68,386 thousand in amounts payable to suppliers, as a result of the different timing of due dates and payments relating to investment in the last quarter of 2014, compared with the same period of the previous year, partially offset by an increase in amounts payable to the operators of interconnecting motorways and tolls in the process of settlement, up €35,958 thousand and €8,581 thousand, respectively, primarily due to traffic growth during the year.

The carrying amount of trading liabilities approximates fair value, in that the effect of discounting to present value is not significant.

5.18 Other current liabilities - €208,066 thousand (€220,920 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 2014 is shown below.

€ 000	31/12/2014	31/12/2013
Concession fees payable	80,161	71,591
Amounts payable for expropriations	40,582	34,143
Payable to staff	24,072	23,962
Social security contributions payable	16,331	17,048
Taxation other than income taxes	6,257	22,178
Amounts payable to public entities	3,222	7,584
Guarantee deposits by users who pay by direct debit	1,442	1,443
Other payables	35,999	42,971
Other current liabilities	208,066	220,920

The balance as at 31 December 2014 is down €12,854 thousand on the figure for 31 December 2013, primarily reflecting the combined effect of a €16,124 thousand reduction in VAT payable, a reduction in other payables of €6,973 thousand and a reduction of €4,362 thousand in amounts payable to public entities, partially offset by an increase in amounts payable for expropriations (€6,439 thousand), primarily linked to the start-up of new works (the fifth lane on the A8 Milan-Varese and the Rho-Monza section), an update of the compensation payable for work in progress (A14 Bologna-Taranto and the Barberino-Florence North section of the A1 Milan-Naples) and an increase in concession fees payable, which are up €8,571 thousand as a result of traffic growth.

6. Notes to the income statement

This section includes the notes to amounts in the income statement, with amounts for 2013 shown in brackets and negative components of income shown with a “-” sign in the headings and tables.

6.1 Toll revenue - €2,954,773 thousand (€2,815,900 thousand)

Toll revenue is up €138,873 thousand (4.9%) on 2013. This essentially reflects the following:

- a) application of the annual toll increases for 2014 (4.43% from 1 January), with an estimated total impact of €111 million;
- b) a 1% increase in traffic. Including the effect of the traffic mix, the increase in toll revenue amounts to an estimated €26 million;
- c) the rise in toll increases matching the increased concession fees payable to the Grantor, due to the above traffic growth (approximately €3 million);
- d) a reduction in revenue resulting from the discounts applied from 1 February 2014, following the decision to reduce the tolls payable by commuters who subscribe to the Telepass service (approximately €3 million).

Further information on points a) and b) is provided in the sections, “Traffic” and “Toll increases”, in the report on operations.

Toll revenue includes the additional concession fees payable to ANAS, totalling €327,398 thousand (€324,146 thousand for 2013). 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 - €347,144 thousand (€375,989 thousand)

An analysis of this revenue is shown below.

€ 000	2014	2013	Incr./[Decr.]
Construction service revenue - services for which additional economic benefits are received	279,093	353,441	-74,348
Construction service revenue - government grants for services for which additional economic benefits are not received	34,582	22,548	12,034
Revenue from construction services for sub-operators	33,469	-	33,469
Revenue from construction services	347,144	375,989	-28,845

This item reflects the value of construction services during the period for which additional economic benefits are received. The amount is down €74,348 thousand compared with 2013, primarily due to completion, in 2013, of work on the Rimini North-Cattolica and Cattolica-Fano sections of the A14, and the opening to traffic, in August 2013, of 10.4 km of new lanes between Pesaro and Fano. Further details are provided in the section, “Upgrade and modernisation of the network” in the report on operations.

This item also includes income of €33,469 thousand resulting from the handover, free of charge, of buildings at a number of service areas, following the renewal of sub-concessions in 2014.

In line with the accounting treatment recommended by IFRIC 12, this revenue, which excludes revenue from construction services rendered by sub-operators, is recognised on the basis of the construction costs incurred during the same period, which are reported as operating costs and financial expenses. Moreover, in 2014 the Company executed additional

construction services for which no additional economic benefits are received, amounting to €393,161 thousand, for which it made use of a portion of the specific "Provisions for construction services required by contract", thus reducing operating costs for the year. The use of these provisions is described in note 6.10. Details of investment in motorway infrastructure are provided in note 5.2, above.

6.3 Contract revenue - €2,370 thousand (€12,873 thousand)

Contract revenue is down €10,503 thousand following substantial completion of the "Design & Build" phase of the Eco-Taxe project in France.

6.4 Other operating income - €341,726 thousand (€361,093 thousand)

An analysis of other operating income is provided below.

€ 000	2014	2013	Incr./[Decr.]
Revenue from sub-operators	219,248	227,096	-7,848
Reimbursements, insurance payouts and compensation	36,456	36,136	320
Other service revenues	35,037	34,461	576
Other revenue from motorway operation	16,319	13,997	2,322
Advertising revenues	5,858	6,148	-290
Release of overprovisions	1,751	4,145	-2,394
Penalties received	1,648	2,674	-1,026
Revenue on the sale of technology devices and services	622	1,114	-492
Other income	24,787	35,322	-10,535
Other operating income	341,726	361,093	-19,367

Other operating income is down €19,367 thousand (5.4%) on 2013, primarily reflecting:

- a) the impact of income, recognised in 2013, as a result of settlements with banks and with the Fossano Tanker Drivers' Cooperative (€8,588 thousand) and accounted for in other income in the table analysing the item;
- b) a reduction in royalties from sub-concessions at service areas (€7,848 thousand);
- c) a decrease in amounts released for overprovisioning for liabilities and bad debts (totalling €2,394 thousand).

6.5 Raw and consumable materials - €80,324 thousand (€-56,972 thousand)

The balance of this item essentially consists of the cost of materials, amounting to €81,045 thousand (€55,424 thousand in 2013) after the positive change in inventories of raw materials, totalling €721 thousand (a negative change of €1,548 thousand in 2013). The increase of €25,621 thousand essentially reflects an increase in the cost of expropriations linked to the start-up of new works (the fifth lane on the A8 Milan-Varese and the Rho-Monza section), an update of the compensation payable for work in progress (A14 Bologna-Taranto and the Barberino-Florence North section of the A1 Milan-Naples).

6.6 Service costs - €-1,015,283 thousand (€-1,097,576 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	2014	2013	Incr./(Decr.)
Construction and similar	-767,332	-819,388	52,056
Professional services	-141,491	-159,655	18,164
Utilities	-32,913	-36,476	3,563
Transport and similar	-14,872	-25,200	10,328
Insurance	-9,398	-8,624	-774
Advertising	-5,499	-3,619	-1,880
Board of Statutory Auditors' fees	-245	-243	-2
Other services	-43,533	-44,371	838
Service costs	-1,015,283	-1,097,576	82,293

The reduction of €82,293 thousand (7.5%) in service costs is essentially due to:

- a) a €52,056 thousand decrease in construction services, caused by the lower volume of investment;
- b) a decrease in professional services (down €18,164 thousand), primarily reflecting the greater costs incurred in 2013 for consultants' fees, primarily relating to project management for motorway construction work, the "Design & Build" phase of the Eco-Taxe project in France;
- c) a reduction in transport costs (down €10,328 thousand), essentially linked to a reduction in the cost of winter operations;
- d) a reduction in the costs of utilities (€3,563 thousand).

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 - €-380,553 thousand (€-379,916 thousand)

Staff costs break down as follows.

€ 000	2014	2013	Incr./(Decr.)
Wages and salaries	-266,253	-270,894	4,641
Social security contributions	-80,586	-81,749	1,163
Post-employment benefits (including payments to supplementary pension funds or to INPS)	-16,484	-16,421	-63
Directors' remuneration	-3,136	-2,668	-468
Cost of share-based incentive plans	-3,537	-2,697	-840
Recovery of cost of seconded staff	9,067	10,106	-1,039
Other staff costs	-19,624	-15,593	-4,031
Staff costs	-380,553	-379,916	-637

Staff costs total €380,553 thousand (€379,916 thousand in 2013).

The substantially unchanged amount is due to:

- a) an increase in the average unit cost (up 0.9%), primarily linked to contract renewals, management incentive plans, Directors' fees and a reduction in reimbursements for seconded personnel, partially offset by a reduction in the cost of variable staff and application of new contract terms regarding travel expenses;
- b) a reduction of 39 in the average workforce (down 0.7%).

The reduction in "Wages and salaries" is primarily due to the transfer to Atlantia, in 2014, of 41 staff (28 employees and 13 senior managers) in order to strengthen the parent's organisation following the merger with Gemina. The increase in "Other staff costs" is, on the other hand, due to increased provisions for employee benefits.

Staff costs include €3,537 thousand corresponding to the fair value of options and units vesting during the period under the incentive plans for certain of the Company's directors and managers, as more fully described in note 8.4, to which reference should be made.

Actuarial losses on provisions for employee benefits, which are subject to actuarial valuation in that they are considered a defined benefit plan, amount to €12,517 thousand for 2014 and are recognised in other comprehensive income (as shown in section 5.11).

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

Category	2014	2013	Incr./[Decr.]
Senior managers	104	114	-10
Middle managers	329	339	-10
Administrative staff	1,994	1,952	42
Toll collectors	2,092	2,122	-30
Manual workers	973	1,004	-31
Average workforce	5,492	5,531	-39

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 - €-469,663 thousand (€-471,058 thousand)

An analysis of other operating costs is shown below.

€ 000	2014	2013	Incr./[Decr.]
Concession fees	-405,548	-398,146	-7,402
Lease expense	-5,114	-5,890	776
Grants and donations	-29,704	-27,739	-1,965
Compensation for damages	-17,194	-26,594	9,400
Direct and indirect taxes	-6,811	-7,188	377
Other	-5,292	-5,501	209
Other costs	-59,001	-67,022	8,021
Other operating costs	-469,663	-471,058	1,395

The reduction in other operating costs of €1,395 thousand is essentially a combination of the following:

- a) a reduction in compensation and penalties (€9,400 thousand), primarily relating to settlements with service area operators, above all connected with the settlement agreed with Autogrill in 2013 (€13,800 thousand);
- b) an increase in concession fees (up €7,402 thousand), reflecting traffic growth.

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. Whilst not having an impact on the Company's results, this regulatory change, which became effective on 5 August 2009, has led to increases of equal amounts in toll revenue and concession fees from that date.

Concession fees of €405,548 thousand for 2014, consequently, consist of the increased concession fees payable, totalling €327,398 thousand (€324,146 thousand in 2013), in addition to concession fees payable from toll revenue of €63,110 thousand and sub-concession fees of €14,732 thousand (€59,867 thousand and €13,468 thousand, respectively, in 2013).

6.9 Operating change in provisions - €-173,112 thousand (€-2,121 thousand)

This item reflects the impact on profit or loss of operating changes (new provisions and uses) and excludes those for employee benefits, recognised in staff costs.

The reduction of €170,991 thousand is due to:

- a) the negative impact of the change in provisions for the repair and replacement of assets to be handed over at the end of concession terms (€179,126 thousand), essentially due to a reduction in the discount rates applied at 31 December 2014, compared with those applied at 31 December 2013, which has resulted in an increase in the present value of the provisions and, as a consequence, the need to make further provisions;
- b) a reduction in other provisions (€8,135 thousand).

6.10 Use of provisions for construction services required by contract - €-393,161 thousand (€-383,827 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 2014, 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.

Further information on construction services and capital expenditure in 2014 is provided in notes 5.2 and 6.2.

6.11 Amortisation and depreciation - €-487,360 thousand (€-488,556 thousand)

The decrease of €1,196 thousand compared with 2013 essentially refers to:

- a) reduced amortisation of concession rights deriving from construction services for which no additional economic benefits are received, totalling €9,057 thousand, resulting from the decrease in the present value on completion of investment in construction services at the end of 2013;
- b) increased amortisation of concession rights deriving from construction services for which additional economic benefits are received, totalling €6,867 thousand, due both to the toll increases applied and to the entry into service, at the end of 2013, of certain sections of motorway after widening to three lanes (certain lots included in the Rimini North-Pedaso section of the A14).

6.12 (Impairment losses)/Reversal of impairment losses - €-4,375 thousand (€-193 thousand)

This amount relates to provisions for 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 of certain receivables.

6.13 Financial income/(expenses) - €-436,986 thousand (€-368,976 thousand)

Financial income - €297,317 thousand (€397,179 thousand)

Net financial expenses - €-734,291 thousand (€-766,164 thousand)

Foreign exchange gains/(losses) - €-12 thousand (€9 thousand)

€ 000	2014	2013	Incr./[Decr.]
Dividends received from investee companies	174,681	285,890	-111,209
Interest income	57,783	69,487	-11,704
Income from measurement of financial instruments at amortised cost	10,920	10,476	444
Income from transactions in derivative financial instruments	5,449	8,822	-3,373
Financial income accounted for as an increase in financial assets	1,025	6,538	-5,513
Other	15,225	15,966	-741
Other financial income	90,402	111,289	-20,887
Revaluations of financial assets and investments	32,234	-	32,234
Financial income (A)	297,317	397,179	-99,862
Financial expenses from discounting of provisions for construction services required by contract and other provisions	-98,360	-82,141	-16,219
Interest expense	-531,649	-573,711	42,062
Expenses from measurement of financial instruments at amortised cost	-11,421	-15,217	3,796
Losses on transactions in derivative financial instruments	-67,052	-74,319	7,267
Other	-17,825	-18,764	939
Other financial expenses less grants	-627,947	-682,011	54,064
Impairment losses on investments	-3,311	-2,012	-1,299
Provisions for impairment losses in excess of carrying amount of investments	-4,673	-	-4,673
Impairments of financial assets and investments	-7,984	-2,012	-5,972
Financial expenses (B)	-734,291	-766,164	31,873
Unrealised foreign exchange gains/(losses)	-3	-	-3
Realised foreign exchange gains/(losses)	-9	9	-18
Foreign exchange gains/(losses) (C)	-12	9	-21
Financial income/(expenses) (A+B+C)	-436,986	-368,976	-68,010

Financial expenses, after financial income and foreign exchange gains and losses, amount to €436,986 thousand, up €68,010 thousand (18.4%) on the previous year. This essentially reflects a reduction in dividends (down €111,209 thousand) paid by investee companies in 2014 (totalling €174,681 thousand and including €110,000 thousand paid by Autostrade dell'Atlantico). The figure for dividends recognized in 2013 differs from the amount published in the financial statements for the year ended and as at 31 December 2013 as a result of the events described in note 6.15.

The above increase was only partially offset by an increase in revaluations of financial assets and investments, after impairments, of €26,262 thousand, including:

- a) reversal of impairment losses on the investment in Stalexport Autostrady (€32,234 thousand, described in note 5.3);
- b) 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);
- c) the impairment of the carrying amount of the investment in Bologna & Fiera Parking (€1,306 thousand).

After stripping out these items, net financial expenses are down €16,937 thousand, essentially reflecting the combined effect of:

- a) a reduction in interest and other net charges payable (€24,437 thousand) in order to service debt, primarily reflecting repayment of the medium/long-term borrowings that replicated the bonds with a par value of €2,094 million issued by the parent, Atlantia, and redeemed on 9 June 2014;
- b) an increase in interest income (€6,261 thousand) due to a rise in average yields and an increase in the average value of short- and medium/long-term loans from the Company to Autostrade Meridionali, Società Autostrada Tirrenica and Ecomouv;
- c) an increase of €16,219 thousand in financial expenses from discounting, linked to the passage of time, essentially reflecting a decline in the interest rates used to discount provisions for construction services required by contract and other provisions at 31 December 2013, compared with the rates used at 31 December 2012.

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 - €-288,410 thousand (€-298,005 thousand)

A comparison of the net tax charges for 2014 and 2013 is shown in the following table. The amounts for 2013 differ from the previously published amounts, as described in note 6.15.

€ 000	2014	2013	Incr./[Decr.]
IRES	-185,324	-145,806	-39,518
IRAP	-67,313	-66,446	-867
Current tax expense	-252,637	-212,252	-40,385
Recovery of previous years' income taxes	4,200	1,505	2,695
Previous years' income taxes	-11	-1,123	1,112
Differences on current tax expense for previous years	4,189	382	3,807
Provisions	172,698	95,070	77,628
Releases	-100,278	-75,546	-24,732
Change in prior year estimates	-2,338	141	-2,479
Deferred tax income	70,082	19,665	50,417
Provisions	-110,939	-111,045	106
Releases	-	5,245	-5,245
Changes in prior year estimates	895	-	895
Deferred tax expense	-110,044	-105,800	-4,244
Income tax (expense)/benefit	-288,410	-298,005	9,595

The reduction of €9,595 thousand primarily reflects:

- a) a reduction in pre-tax income (€92,204 thousand) adjusted for permanent differences in the two comparative periods. This is essentially due to reduced income in the form of only partially taxable dividends (€105,649 thousand), and impairment losses on investments (€26,262 thousand), which are immaterial for tax purposes;
- b) positive differences on current tax expense for previous years (€4,189 thousand).

The following table shows a reconciliation of the statutory rate of IRES with the effective charge in the two comparative periods.

€ 000	2014			2013		
	Taxable income	Tax expense		Taxable income	Tax expense	
		Tax	Tax rate		Tax	Tax rate
Profit/(loss) before tax from continuing operations	991,941			1,084,145		
Tax expense/(benefit) at statutory rate		272,784	27.50%		298,140	27.50%
Temporary differences deductible in future years:	540,309	148,585	14.98%	286,670	78,834	7.27%
Provisions for the repair and replacement of assets to be handed over	505,167	138,921		261,483	71,908	
Other differences	35,142	9,664		25,187	6,924	
Temporary differences taxable in subsequent years:	-351,520	-96,668	-9.75%	-351,520	-96,668	-8.92%
Off-balance sheet deduction of goodwill	-351,520	-96,668		-351,520	-96,668	
Reversal of temporary differences arising in previous years	-299,336	-82,318	-8.30%	-210,805	-57,971	-5.35%
Permanent differences	-207,481	-57,058	-5.75%	-278,284	-76,528	-7.06%
Non-taxable dividends	-165,947	-45,636		-271,596	-74,689	
Other permanent differences (tax-exempt reversals of impairment losses/impairment losses, deduction of IRAP from IRES, etc.)	-41,534	-11,422		-6,688	-1,839	
Income assessable to IRES	673,913			530,206		
IRES for the year		185,324	18.68%		145,806	13.45%
IRAP for the year		67,313	6.79%		66,446	6.13%
Current income tax expense		252,637	25.47%		212,252	19.58%

6.15 Profit/(Loss) from discontinued operations - (€23,670)

In accordance with IFRS 5, "Profit/(Loss) from discontinued operations", which is zero in 2014, in 2013 included dividends (€24,000 thousand, after taxation of €330 thousand) declared by Spea Ingegneria Europea. Control of this company was transferred in 2014, as part of a restructuring of the Atlantia Group's investments.

6.16 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.

	2014	2013
Weighted number of shares outstanding	622,027,000	622,027,000
Profit for the year (€000)	703,531	809,810
Earnings per share (€)	1.13	1.30
Profit from continuing operations (€000)	703,531	786,140
Basic earnings per share from continuing operations (€)	1.13	1.26
Profit/(Loss) from discontinued operations (€000)	-	23,670
Basic earnings per share from discontinued operations (€)	-	0.04

7. Other financial information

7.1 Notes to the statement of cash flows

Cash and cash equivalents decreased by €1,920,520 thousand in 2014, compared with the increase of €532,413 thousand recorded in 2013.

Cash flows from operating activities amount to €1,394,362 thousand, down €110,620 thousand compared with the figure for 2013 (€1,504,982 thousand). This essentially reflects a reduction in dividends received from subsidiaries (€135,209 thousand). The change in cash flows from operating activities also reflects the improvement in operating cash flow (€112,629 thousand), including the increase in EBITDA and the difference in cash used for working capital in the two comparative periods (€95,804 thousand). In particular, cash used for working capital in 2014 primarily reflects an increase in other current assets (€56,585 thousand), essentially 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.

Cash used for investing activities, totalling €363,848 thousand, is down €486,713 thousand on the amount used in 2013 (€850,561 thousand), primarily due to:

- a) the change in current and non-current financial assets (€330,501 thousand), essentially linked to Autostrade Meridionali's repayment of the loan disbursed (€245,000 thousand) and collection of a portion of the dividends declared and not yet paid by Spea Ingegneria Europea in 2013 (€16,000 thousand);
- b) the purchase consideration (€77,505 thousand) received in return for transferring controlling interests in Pavimental and Spea Ingegneria Europea to Atlantia and Aeroporti di Roma as part of a restructuring of the Atlantia Group's investments;
- c) reduced investment in motorway infrastructure, after the related government grants (€57,748 thousand), primarily due to completion, in 2013, of work on the Rimini North-Cattolica and Cattolica-Fano sections of the A14, and the opening to traffic, in August 2013, of 10.4 km of new lanes between Pesaro and Fano.

Net cash used in financing activities amounts to €2,951,034 thousand, up €2,829,026 thousand on the outflow in 2013 (€122,008 thousand). The change primarily reflects:

- a) repayment, in June 2014, of the loan from Atlantia that replicated bonds issued by the parent (€2,094,200 thousand);
- b) a reduction in new medium/long-term shareholder loans from one comparative period to the other (€625,000 thousand).

The following table shows the net cash flows for the two comparative periods generated by the investment in Spea Ingegneria Europea and relating to dividends payable to the Company.

€ 000	2014	2013
Net cash generated from/(used in) operating activities	-	24,000
Net cash generated from/(used in) investing activities	16,000	-24,000
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 strategic plans approved by the Board. The strategy aims to both manage and control such risks.

Market risk

The objective of market risk strategy for the Company 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 manage financial risk, above all with regard to exposure to interest rate risk, identifying the best combination of fixed and floating rates;
- b) a potential reduction of the Group's borrowing costs within the risk limits assigned 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 2014 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.

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: this is linked to financial assets and liabilities with cash flows indexed to a market interest rate. In order to reduce floating rate debt, the Company has entered into interest rate swaps (IRS), classified as cash flow hedges. The hedging instruments and the underlying financial liabilities have matching terms to maturity and notional amounts. Based on the positive outcome of tests of effectiveness of cash flow hedges, changes in fair value have been recognised in full in comprehensive income, with no recognition of any ineffective portion in profit or loss. Interest income or expense deriving from the hedged instruments is recognised simultaneously in the income statement;
- b) fair value risk: this represents the risk of losses deriving from an unexpected change in the value of a financial asset or liability following an unfavourable shift in the market interest rate curve. As at 31 December 2014, the Company has not entered into derivatives classified as fair value hedges.

96% of the Company's debt as at 31 December 2014 has been swapped into fixed rate through cash flow hedges.

A list of derivative contracts outstanding as at 31 December 2014 (with 31 December 2013 comparatives) with the relevant underlying hedged financial liability for each is shown in the table below.

€ 000

Type	Purpose of hedge	Currency
Cash flow hedges ⁽¹⁾		
Interest Rate Swap	Interest rate risk	EUR
Interest Rate Swap	Interest rate risk	EUR
Interest Rate Swap	Interest rate risk	EUR
Interest Rate Swap	Interest rate risk	EUR
Interest Rate Swap	Interest rate risk	EUR
Total cash flow hedges		
Trading derivatives ⁽³⁾		
Forward	Foreign currency risk	USD
Forward	Foreign currency risk	USD
Trading derivatives		
Total		
<i>of which:</i>		
fair value asset		
fair value liability		

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

⁽²⁾ The fair value of these hedges is reported in the current portion of medium/long-term liabilities.

⁽³⁾ The fair value of trading derivatives is classified in short-term assets and liabilities.

31/12/2014		31/12/2013		Hedged financial liability		
Fair value asset/(liability)	Notional amount	Fair value asset/(liability)	Notional amount	Description	Face value	Term
-245,232	750,000	-184,542	750,000	Atlantia loan	750,000	2004-2022
-2,672 ⁽²⁾	160,000	-12,936	400,000	Term Loan Facility	160,000	2004-2015
-80,716	476,744	-20,378	500,000	Cassa Depositi e Prestiti	476,744	2011-2034
-9,172	100,000	3,099	100,000	Cassa Depositi e Prestiti and SACE	100,000	2012-2024
-9,791	100,000	2,288	100,000	Cassa Depositi e Prestiti and SACE	100,000	2013-2024
-347,583	1,586,744	-212,469	1,850,000			
1,034	31,230	-70	24,268			
-1,034	-31,230	70	-24,268			
-	-	-	-			
-347,583	1,586,744	-212,469	1,850,000			
1,034		5,457				
-348,617		-217,926				

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 2014 and on equity as at 31 December 2014.

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 €1,436 thousand, and on other comprehensive income, totalling €13,900 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 2014 are estimated at €3,931,119 thousand made up of:

- a) €847,057 thousand in cash and/or investments with terms to maturity within the short term;
- b) €234,062 thousand in term deposits to part finance the execution of specific works, as described in note 5.4;
- c) €2,850,000 thousand in undrawn committed lines of credit, with a weighted average residual term to maturity - computed with reference to expiry of the drawdown period - of approximately 6 years and a weighted average residual drawdown period of approximately 1 year and 3 months, details of which are shown in the following table.

€ 000 Facility	Drawdown period	Final maturity	31/12/2014		
			Available	Drawn	Undrawn
Committed Revolving Credit Facility	31/05/2015	30/06/2015	1,000,000	-	1,000,000
Medium/long-term committed EIB line - Tranche B	31/03/2016	30/03/2036	300,000	50,000	250,000
Medium/long-term committed EIB line 2013	31/03/2016	31/03/2036	200,000	-	200,000
Medium/long-term committed EIB line 2013	30/09/2015	30/09/2037	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	21/11/2016	20/12/2027	500,000	-	500,000
Lines of credit			3,250,000	400,000	2,850,000

The following table contains a maturity analysis of medium to long-term financial liabilities on the books as at 31 December 2014 and 31 December 2013 comparatives, net of accrued charges.

€ 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⁾						
Loans from parents						
Atlantia S.p.A. 2004-2022	-742,269	-826,092	-10,140	-10,168	-30,420	-775,364
Atlantia S.p.A. 2004-2024	-986,456	-1,615,300	-61,530	-61,530	-184,590	-1,307,650
Atlantia S.p.A. 2009-2016	-1,515,178	-1,675,590	-87,795	-1,587,795	-	-
Atlantia S.p.A. 2009-2038	-149,176	-347,869	-8,273	-8,341	-24,774	-306,481
Atlantia S.p.A. 2010-2017	-1,000,000	-1,107,820	-35,940	-35,940	-1,035,940	-
Atlantia S.p.A. 2010-2025	-500,000	-751,515	-22,865	-22,865	-68,595	-637,190
Atlantia S.p.A. 2012-2019	-1,000,000	-1,245,000	-49,000	-49,000	-1,147,000	-
Atlantia S.p.A. 2012-2032	-750,000	-66,182	-1,733	-1,733	-5,198	-57,518
Atlantia S.p.A. 2012-2032 Zero Coupon Bond	-35,000	-94,458	-2,548	-2,548	-7,643	-81,719
Atlantia S.p.A. 2012-2020	-48,600	-959,964	-35,010	-35,010	-105,030	-784,914
Atlantia S.p.A. 2012-2018	-984,936	-1,196,600	-39,320	-39,320	-117,960	-1,000,000
Atlantia S.p.A. 2013-2033	-75,000	-133,995	-3,103	-3,111	-9,308	-118,473
Atlantia S.p.A. 2013-2021	-750,000	-918,816	-24,098	-24,164	-72,293	-798,261
Atlantia S.p.A. 2014-2038	-75,000	-147,759	-3,803	-2,998	-8,993	-131,965
Atlantia S.p.A. 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	-	-	-
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	-163,306	-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
Derivate liabilities ⁽³⁾						
Interest Rate Swap	-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 floating rate loans have been calculated 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) Includes derivative instruments hedging the interest rate risk associated with borrowings outstanding as at 31 December 2014. Future cash flows relating to swap differentials are projected on the basis of the latest rate fixed and held constant to the maturity of the contract.

€ 000

			31/12/2013			
	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⁾						
Intercompany loans						
Atlantia S.p.A. 2004-2014	-2,091,452	-2,206,742	-2,206,742	-	-	-
Atlantia S.p.A. 2004-2022	-741,293	-846,256	-11,319	-11,319	-34,018	-789,600
Atlantia S.p.A. 2004-2024	-985,429	-1,676,830	-61,530	-61,530	-184,590	-1,369,180
Atlantia S.p.A. 2009-2016	-1,526,024	-1,763,385	-87,795	-87,795	-1,587,795	-
Atlantia S.p.A. 2009-2038	-149,176	-356,142	-8,273	-8,273	-24,842	-314,754
Atlantia S.p.A. 2010-2017	-1,000,000	-1,143,760	-35,940	-35,940	-1,071,880	-
Atlantia S.p.A. 2010-2025	-500,000	-774,380	-22,865	-22,865	-68,595	-660,055
Atlantia S.p.A. 2012-2019	-1,000,000	-1,294,134	-49,134	-49,000	-147,000	-1,049,000
Atlantia S.p.A. 2012-2032	-750,000	-67,914	-1,733	-1,733	-5,198	-59,250
Atlantia S.p.A. 2012-2032 Zero Coupon Bond	-35,000	-97,006	-2,548	-2,548	-7,643	-84,267
Atlantia S.p.A. 2012-2020	-48,600	-995,070	-35,106	-35,010	-105,030	-819,924
Atlantia S.p.A. 2012-2018	-981,474	-1,235,920	-39,320	-39,320	-117,960	-1,039,320
Atlantia S.p.A. 2013-2033	-75,000	-137,098	-3,103	-3,103	-9,317	-121,575
Atlantia S.p.A. 2013-2021	-750,000	-942,914	-24,098	-24,098	-72,359	-822,359
Total intercompany loans (A)	-10,633,448	-13,537,551	-2,589,506	-382,534	-3,436,227	-7,129,284
Bank borrowings						
Term Loan Facility	-398,007	-403,257	-242,640	-160,617	-	-
EIB	-1,579,223	-2,334,353	-119,489	-119,472	-428,206	-1,667,186
Cassa Depositi e Prestiti and SACE	-694,527	-884,570	-40,380	-39,940	-117,103	-687,147
Borrowings linked to grants ⁽²⁾	-212,301	-	-	-	-	-
Total bank borrowings (B)	-2,884,058	-3,622,180	-402,509	-320,029	-545,309	-2,354,333
Other borrowings						
ANAS	-26,811	-	-	-	-	-
Total other borrowings (C)	-26,811	-	-	-	-	-
Total medium/long-term borrowings (A+B+C)	-13,544,317	-17,159,731	-2,992,015	-702,563	-3,981,536	-9,483,617
Derivate liabilities ⁽³⁾						
Interest Rate Swaps	-212,469	-485,639	-59,673	-51,082	-142,702	-232,182
Total derivative liabilities	-212,469	-485,639	-59,673	-51,082	-142,702	-232,182

(1) Future cash flows relating to floating rate loans have been calculated 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) Includes derivative instruments hedging the interest rate risk associated with borrowings outstanding as at 31 December 2013. Future cash flows relating to swap differentials are projected on the basis of the latest rate fixed and held constant to the maturity of the contract.

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

	31/12/2014					
	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	-347,583	-372,933	-55,057	-51,123	-136,941	-129,812
Total cash flow hedges	-347,583					
Accrued expenses on cash flow hedges	-25,350					
Accrued income on cash flow hedges	-					
Total cash flow hedge derivative assets/liabilities	-372,933	-372,933	-55,057	-51,123	-136,941	-129,812

€ 000

	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	-347,583	-37,762	-50,802	-135,449	-123,570
Income on cash flow hedges	-	-	-	-	-
Total income (expenses) on cash flow hedges	-347,583	-37,762	-50,802	-135,449	-123,570

(1) Expected cash flows from swap differentials are calculated on the basis of market curves at the measurement date.

Credit risk

Credit risk is the exposure of the Company to potential losses as a result of a default in a counterparty's obligation. 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.

31/12/2013					
Carrying amount	Expected cash flows ⁽¹⁾	Within 12 months	Between 1 and 2 years	Between 3 and 5 years	After 5 years
5,387	5,291	-2,830	-2,443	-981	11,545
-217,856	-242,936	-57,761	-45,997	-86,492	-52,686
-212,469					
-25,176					
-					
-237,645	-237,645	-60,591	-48,440	-87,473	-41,141
	Expected cash flows ⁽¹⁾	Within 12 months	Between 1 and 2 years	Between 3 and 5 years	After 5 years
	-217,856	-40,260	-44,926	-83,281	-49,389
	5,387	-2,795	-2,422	-912	11,516
	-212,469	-43,055	-47,348	-84,193	-37,873

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 is 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 €10,613,011 thousand and representing 120% of the par value of the bonds (€8,844,176 thousand as at 31 December 2014). This sum differs from the amount referred to in note 5.14, as a result of the par value of zero coupon bonds, amounting to €135,000 thousand, which will be redeemed on maturity in 2032). In return for guaranteeing the bonds, the Company receives intercompany loans of the same amount and with the same terms to maturity.

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 that operate motorway infrastructure, amounting to €4,374 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 the surety previously issued by Autostrade per l'Italia;
- c) the pledge to credit institutions, to collateralise loans issued, of shares in Bologna & Fiera Parking (€2,925 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 2014, the Company has recognised contract reserves quantified by contractors amounting to approximately €2,082 million, down €176 million on 31 December 2013 (approximately €2,258 million). The reduction essentially reflects an out-of-court settlement that has resulted in lower than expected additional expenses with regard to work on the Base Tunnel for the Variante di Valico. The reserves include approximately €1,065 million regarding works envisaged in the Agreement of 1997 (€1,230 million as at 31 December 2013), the additional cost of which cannot be clawed back via tolls.

Based on past experience, only a small percentage of the reserves will actually have to be paid to contractors and, in this case, will be accounted for as an increase in the cost of concession rights. Reserves have also been recognised in relation to works not connected to investment (work for external parties and maintenance), amounting to approximately €12 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 Atlantia, in application of the Regulations adopted by the Commissione Nazionale per le Società e la Borsa (CONSOB) in Resolution 17221 of 12 March 2010, as amended.

Finally, related party transactions do not include transactions of an atypical or unusual nature with a material impact on the Company's income statement, and are conducted on an arm's length basis.

Relations 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 to these financial statements.

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 2014 include medium/long-term loans to the Company from Atlantia, amounting to a total face value of €8,757,776 thousand. This marks a reduction of €1,894,200 thousand compared with 31 December 2013, primarily reflecting repayment of a loan with a face value of €2,094,200 thousand on 9 June 2014, partially offset by the following new loans during the period:

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

The conditions applicable to these loans replicate those of Atlantia's bond issues, increased by a spread that takes account of the cost of managing the loans. The floating rate loan 2004-2022, 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 2014, fair value losses on these instruments amount to €245,232 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 €212,946 thousand as at 31 December 2014. In addition, at the end of 2014, Atlantia has granted Autostrade per l'Italia a short-term loan of €250,000 thousand, as a result of the parent's investment of liquidity.

As a result of the tax consolidation arrangement, as at 31 December 2014 the Company has recognised net tax liabilities due from Atlantia of €21,069 thousand. The Company has also recognised tax assets due from Sintonia, totalling €17,040 thousand, relating to the expected refund of income tax (IRES) paid during the periods when this company headed the tax consolidation arrangement, as previously described in note 5.8.

Finally, as at 31 December 2014, the Company has issued a number of personal guarantees in favour of Atlantia, as reported in note 8.1 to the financial statements.

Relations 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 2014, 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 Ingegneria Europea, under an existing agreement, including design, project management, supervision and infrastructure inspection services, and with Pavimental, as provided for in the regulations for tenders, 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 2014, the following loans have been disbursed:

a) medium/long-term loans granted to:

- 1) Ecomouv, totalling €73,006 thousand, maturing in December 2024 and already classified as current as at 31 December 2014, as previously described in note 5.4;
- 2) Tangenziale di Napoli, totalling €49,704 thousand, maturing in March 2021;

b) a short-term term loan to Società Autostrada Tirrenica, totalling €116,667 thousand, maturing in June 2015.

As at 31 December 2014, the Company has received short-term loans in its role as the Group's bank and consisting of cash deposited by subsidiaries (Ecomouv D&B, €14,000 thousand).

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 S.r.l.

As at 31 December 2014, Autogrill holds 110 food service concessions for service areas along the Company's motorway network, including 3 operated in temporary consortia with other companies. In 2014, the Company's revenue arising from its relationship with Autogrill amounted to €104,252 thousand, including €70,055 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 €29,215 thousand was generated by the transfer, free of charge, of buildings located at certain service areas.

Relations with United Colors Communications regard the expenses incurred for the advertising campaign run in relation to the merger of Gemina with into Atlantia, amounting to €1,597 thousand.

The following tables show amounts in the income statement for 2014 and in the statement of financial position as at 31 December 2014 generated by transactions with related parties.

TRADING AND OTHER (NON-FINANCIAL) TRANSACTIONS WITH RELATED PARTIES

€ 000

Name	31/12/2014			2014		31/12/2013			2013	
	Receivables	Payables	Revenue ⁽¹⁾	Costs	Investment	Receivables	Payables	Revenue ⁽¹⁾	Costs	Investment
Parents										
Atlantia										
- tax	-	21,069	-	-	-	13,724	-	-	-	-
- trade	2,036	1,907	1,885	3,131	-	1,616	518	1,531	1,902	-
Sintonia										
- tax	17,040	-	-	46	-	16,831	-	4	50	-
Total parents	19,076	22,976	1,885	3,177	-	32,171	518	1,535	1,952	-
Subsidiaries										
AD Moving	3,124	1,772	6,143	3,407	43	3,162	1,584	6,439	3,055	16
Atlantia Bertin Concessões	391	263	389	-	-	-	20	-	-	-
Autostrade Brasil	229	142	202	-	-	233	100	234	-	-
Autostrade dell'Atlantico	-	-	41	-	-	-	-	80	70	-
Autostrade Holding do Sur	18	176	-	-	-	18	176	-	-	-
Autostrade Indian Infrastructure	1	232	-	596	-	-	-	-	195	-
Autostrade Meridionali	781	12,207	1,152	5	-	657	12,030	1,233	5	-
Autostrade Tech	10,057	4,532	8,029	5,290	3,426	8,343	5,289	7,085	7,559	2,989
Ecomouv	464	265	759	-	-	4,011	315	934	-	-
Ecomouv D & B	438	258	3,731	-	-	6,516	1,100	13,280	-	-
Electronic Transaction Consultants Co	1,162	278	503	-	-	660	112	660	-	-
EsseDiEsse Società di Servizi	9,425	5,611	7,105	22,457	-	6,096	3,574	6,898	22,380	-
Giove Clear	414	1,100	1,228	6,248	-	429	1,009	845	5,636	-
Infoblu	1,386	1,790	1,007	1,025	-	731	865	1,023	865	-
Los Lagos	-	-	-	-	-	29	-	-	-	-
Newpass ⁽²⁾	-	-	-	-	-	164	5	140	57	5
Raccordo Autostradale Valle d'Aosta	141	3,430	498	-	-	393	2,927	542	14	-
Sociedad Concesionaria Costanera Norte	14	28	-	-	-	14	28	-	-	-
Società Italiana p.A. per il Traforo del Monte Bianco	357	121	1,022	97	-	435	53	955	119	-
Stalexport Autostrady	11	-	-	-	-	10	-	-	-	-
Tangenziale di Napoli	517	11,053	608	609	-	623	9,463	732	432	-
Tech Solutions Integrators	4,870	467	1,260	45	-	4,145	468	1,888	-	-
Telepass	13,277	5,151	11,922	9,355	-	9,574	4,795	10,274	8,887	-
Total subsidiaries	47,077	48,876	45,599	49,134	3,469	46,243	43,913	53,242	49,274	3,010
Associates										
Bologna & Fiera Parking	1,025	-	-	-	-	1,025	-	-	-	-
Consorzio Autostrade Italiane Energia	-	4	-	4	-	-	4	-	7	-
Pavimental	1,257	175,768	1,680	132,979	179,499	1,022	217,213	1,222	115,936	209,653
Società Autostrada Tirrenica	794	5,044	978	56	-	846	4,671	1,336	56	-
Società Infrastrutture Toscane	8	-	56	-	-	8	-	96	-	-
Spea Ingegneria Europea	22,605	64,099	1,420	12,328	62,331	24,172	59,566	1,488	11,256	69,435
Total associates	25,689	244,915	4,134	145,367	241,830	27,073	281,454	4,142	127,255	279,088
Affiliates										
Autogrill	35,401	285	104,988	736	1,420	36,147	662	68,812	14,317	21
Edizione	-	-	-	93	-	-	-	15	-	-
Aeroporti di Roma group	215	1	270	9	-	5	-	5	-	-
TowerCo ⁽³⁾	-	-	-	-	-	2,264	-	4,443	10	-
United Colors Communication	-	-	-	1,597	-	-	518	-	518	-
Verde Sport	-	-	-	20	-	-	-	-	20	-
Total affiliates	35,616	286	105,258	2,455	1,420	38,416	1,180	73,275	14,865	21
Pension funds (CAPIDI and ASTRI)	-	4,782	-	11,913	-	-	4,597	-	11,545	-
Total pension funds	-	4,782	-	11,913	-	-	4,597	-	11,545	-
Autostrade per l'Italia's key management personnel ⁽⁴⁾	-	1,974	-	8,139	-	-	468	-	3,875	-
Total key management personnel	-	1,974	-	8,139	-	-	468	-	3,875	-
TOTAL	127,458	323,809	156,876	220,185	246,719	143,903	332,130	132,194	208,766	282,119

(1) Revenue includes reimbursements of staff costs, accounted for as a reduction in operating costs reported in the income statement. The amount for revenue from Autogrill in 2014 includes the value of certain buildings at a number of service areas handed over free of charges.

(2) This company was merged with and into Autostrade Tech from 1 August 2014.

(3) A 100% interest in this company was sold by the parent, Atlantia, in 2014.

(4) Autostrade per l'Italia's key management personnel means the Directors, Statutory Auditors and other key management personnel.

Expenses for each year include emoluments, salaries, benefits in kind, bonuses and other incentives (including the fair value of the share-based incentive plans of the parent, Atlantia).

In addition to the amounts shown in the table, the financial statements also include contributions of €1,564,926 thousand (€394,999 thousand in 2013) paid on behalf of Directors, Statutory Auditors and key management personnel and the related liability of €460,176 thousand as at 31 December 2014 (€118,327 thousand as at 31 December 2013).

FINANCIAL TRANSACTIONS WITH RELATED PARTIES

€ 000

Name	31/12/2014		2014		31/12/2013		2013	
	Assets	Liabilities ⁽¹⁾	Financial income ⁽²⁾	Financial expenses	Assets	Liabilities ⁽¹⁾	Financial income ⁽²⁾	Financial expenses
Parents								
Atlantia	12	9,684,973	26,953	486,613	49	11,507,771	26,682	526,977
Total parents	12	9,684,973	26,953	486,613	49	11,507,771	26,682	526,977
Subsidiaries								
AD Moving	1,093	-	14	-	798	-	10	-
Autostrade dell'Atlantico	1,034	4,452	113,973	2,669	-	342,355	696	3,990
Autostrade Meridionali	12,953	-	13,265	-	256,151	-	10,006	-
Autostrade Sud America	-	-	-	-	-	-	220,000	2,129
Autostrade Tech	-	841	15	13	4,856	-	8,049	12
Ecomouv	75,233	2,083	7,506	-	81,281	3,763	6,687	-
Ecomouv D & B	-	14,205	29	318	-	39,154	-	427
EsseDiEsse Società di Servizi	-	3,829	939	15	-	10,482	869	10
Giove Clear	-	370	517	2	-	878	495	2
Infoblu	-	2,576	233	5	-	1,768	315	3
Newpass ⁽³⁾	-	-	-	-	-	1,504	-	3
Raccordo Autostradale Valle d'Aosta	-	5,094	-	764	-	71,652	-	1,174
Società Italiana p.A. per il Traforo del Monte Bianco	-	7,245	6,980	584	-	84,742	7,917	1,112
Tangenziale di Napoli	49,704	9,118	7,826	24	49,630	7,543	7,116	2
Tech Solutions Integrators	-	4,895	-	10	-	4,124	-	42
Telepass	312,002	-	50,941	7,667	265,040	2	44,131	7,239
Total subsidiaries	452,019	54,708	202,238	12,071	657,756	567,967	306,291	16,145
Associates								
Pavimental	92,122	-	1,686	-	148,627	-	1,537	-
Pedemontana Veneta	121	-	-	-	-	-	-	-
Società Autostrada Tirrenica	116,687	54	7,545	20	110,000	13,458	5,355	50
Società Infrastrutture Toscane	-	6,913	-	-	-	6,950	-	-
Spea Ingegneria Europea	8,000	307	1	1	24,000	688	24,001	2
Total associates	216,930	7,274	9,232	21	282,627	21,096	30,893	52
Affiliates								
Autogrill	517	-	1,384	-	639	-	1,381	-
Mizard	-	1	-	-	-	-	-	-
TowerCo ⁽⁴⁾	-	-	-	-	-	10,151	-	26
Total affiliates	517	1	1,384	-	639	10,151	1,381	26
TOTAL	669,478	9,746,956	239,807	498,705	941,071	12,106,985	365,247	543,200

(1) Financial liabilities include unpaid, called-up capital.

(2) Financial income includes dividends received from investee companies.

(3) This company was merged with and into Autostrade Tech from 1 August 2014.

(4) A 100% interest in this company was sold by the parent, Atlantia, in 2014.

8.4 Disclosures regarding share-based payments

In order to incentivise and foster the loyalty of Directors and/or employees of Autostrade per l'Italia who hold key positions and responsibilities within Autostrade per l'Italia or in Group companies, and to promote and disseminate a value creation culture in all strategic and operational decision-making processes, driving the Group's growth and boosting management efficiency, a number of share incentive plans based on Atlantia's shares have been introduced. The plans entail payment in the form of shares or cash and are linked to the achievement of predetermined corporate objectives.

The Annual General Meeting of Atlantia's shareholders, held on 16 April 2014, approved a number of changes to existing incentive plans, already approved and then amended by the Annual General Meetings of Atlantia's shareholders held on 20 April 2011 and 30 April 2013. In addition, in 2014 the Annual General Meeting of Atlantia's shareholders approved the new "2014 Phantom Share Option Plan" ; the principal characteristics of this plan are described below.

The following table shows the main aspects of the Atlantia Group's existing incentive plans as at 31 December 2013, including the options and units awarded to directors and employees of the Atlantia Group and changes during 2014. 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 the following parameters. The amounts have been adjusted for the amendments to the plans originally approved by the Annual General Meeting of 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	Exercise price (€)
2011 SHARE OPTION PLAN				
Options outstanding as at 01/01/2014				
13 May 2011 grant	279,860	13 May 2014	14 May 2017	14.78
14 October 2011 grant	13,991	13 May 2014	14 May 2017	14.78
14 June 2012 grant	14,692	13 May 2014	14 May 2017	14.78
	345,887	14 June 2015	15 June 2018	9.66
8 November 2013 grant	1,592,367	8 November 2016	9 November 2019	16.02
	2,246,797			
Changes in options in 2014				
13 May 2014 grant	173,762	n.a. ^(**)	14 May 2017	n.a.
- exercised options	-209,525			
- expired options	-43,557			
Options outstanding as at 31/12/2014	2,167,477			
2011 SHARE GRANT PLAN				
Units outstanding as at 01/01/2014				
13 May 2011 grant	192,376	13 May 2014	14 May 2016	n.a.
14 October 2011 grant	9,618	13 May 2014	14 May 2016	n.a.
14 June 2012 grant	10,106	13 May 2014	14 May 2016	n.a.
	348,394	14 June 2015	15 June 2017	n.a.
8 November 2013 grant	209,420	8 November 2016	9 November 2018	n.a.
	769,914			
Changes in units in 2014				
- expired units	-19,683			
Units outstanding as at 31/12/2014	750,231			
MBO SHARE OPTION PLAN				
Units outstanding as at 01/01/2014				
14 May 2012 grant	96,282	14 May 2015	14 May 2015	n.a.
14 June 2012 grant	4,814	14 May 2015	14 May 2015	n.a.
2 May 2013 grant	41,077	2 May 2016	2 May 2016	n.a.
8 May 2013 grant	49,446	8 May 2016	8 May 2016	n.a.
	191,619			
Changes in units in 2014				
12 May 2014 grant	61,627	12 May 2017	12 May 2017	n.a.
Units outstanding as at 31/12/2014	253,246			

[*] Options and units awarded as a result of Atlantia's bonus issues which, therefore, do not represent the award of new benefits.

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

[***] These are options and units awarded to all Atlantia Group employees and not only employees of Autostrade per l'Italia.

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
3.48	6.0	2.60%	25.2%	4.09%
(*)	(*)	(*)	(*)	(*)
(*)	(*)	(*)	(*)	(*)
2.21	6.0	1.39%	28.0%	5.05%
2.65	6.0	0.86%	29.5%	5.62%
(**)	(**)	(**)	(**)	(**)
12.90	4.0 - 5.0	2.45%	26.3%	4.09
(*)	(*)	(*)	(*)	(*)
(*)	(*)	(*)	(*)	(*)
7.12	4.0 - 5.0	1.12%	29.9%	5.05%
11.87	4.0 - 5.0	0.69%	28.5%	5.62%
13.81	3.0	0.53%	27.2%	4.55%
(*)	(*)	(*)	(*)	(*)
17.49	3.0	0.18%	27.8%	5.38%
18.42	3.0	0.20%	27.8%	5.38%
25.07	3.0	0.34%	28.2%	5.47%

Details of each plan are contained in specific information circulars prepared pursuant to art. 84-bis of CONSOB Regulation 11971/1999, as amended, and published in the “Remuneration” section of the Atlantia Group’s website (www.atlantia.it/it/corporate-governance/documenti-informativi-remunerazione.html).

In general, the options and units awarded under any of the existing plans may not form part of inter vivos transfers by beneficiaries, and may not be subject to restrictions or be part of any disposition for any reason. The options and units cease to be exercisable or convertible on the unilateral termination of employment or in the event of dismissal for cause of the beneficiary prior to expiration of the vesting period.

2011 Share Option Plan

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 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 S.p.A., 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, the Company or of one or more specific 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, 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 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.

13 May 2014 was the vesting date for the options awarded under the first award cycle of the plan. In accordance with the Plan Terms and Conditions, following confirmation of effective achievement of the related performance hurdles, the final value of the shares (the arithmetic mean of the share price in the fifteen days prior to the vesting date) was determined, together with the additional options resulting from dividends paid during the vesting period. On 7 March 2014, Atlantia’s Board of Directors decided to submit an amendment to the Terms and Conditions of this plan for approval by Atlantia’s shareholders. The purpose of the amendment was to authorise the Board of Directors, as necessary from time to time, to award the plan beneficiaries, in place of additional options, a matching amount of phantom options in such a way that, on exercising the awarded options, the beneficiaries receive a gross amount in cash, computed in such a way as to enable beneficiaries to receive a net amount equal to what they would have received had they exercised the additional options (resulting in the award of shares in Atlantia and payment of the predetermined price) and sold the underlying shares in the market. This change was approved by the Annual General Meeting on 16 April 2014 and, on 9 May 2014, Atlantia’s Board of Directors exercised this authority, awarding a total of 173,762 phantom options at the end of the first cycle of the above plan. For the reasons given above, the options awarded do not constitute an additional benefit with respect to the benefits established in the Plan Terms and Conditions.

Finally, in the period between 13 May and 31 December 2014, a number of beneficiaries exercised vested options; this entailed the allocation to them of 209,525 of Atlantia’s ordinary shares held by the Company as treasury shares, against payment of the established exercise price.

2011 Share Grant Plan

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 S.p.A.

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 Atlantia's 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, the Company or of one or more specific 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.

The vesting period for the first award cycle expired on 13 May 2014.

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

MBO Share Grant Plan

As approved by the Annual General Meetings of Atlantia's shareholders on 20 April 2011 and 30 April 2013, 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 Group, 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 Atlantia share 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 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.

On 7 March 2014, Atlantia's Board of Directors decided to submit an amendment to the Terms and Conditions of this plan for approval by shareholders. The purpose of the amendment was to authorise the Board of Directors, as necessary from time to time, to award the plan beneficiaries, in place of the additional units, a gross amount in cash, computed in such a way as to enable beneficiaries to receive a net amount equal to what they would have received, at the end of the vesting period, had they been awarded a number of Atlantia shares equal to the additional units and sold these shares in the market. This amendment was approved by shareholders on 16 April 2014.

Following the Board of Directors' meeting of 9 May 2014, a total of 61,627 units were granted with effect from 12 May 2014, in recognition of achievement of the performance hurdles for 2013. The units were to be granted to the directors and employees of the Group previously selected at the Board of Directors' meeting of 22 March 2013, with vesting dates of 12 May 2017 and conversion into shares from this latter date.

2014 Phantom Share Option Plan

On 16 April 2014, the Annual General Meeting of Atlantia's shareholders approved the new incentive plan named the "2014 Phantom Share Option Plan", subsequently also approved, to the extent of its responsibilities, by the Board of Directors of Autostrade per l'Italia 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.

On 9 May 2014, the Board of Directors selected the beneficiaries of the plan in question for the first cycle, granting a total of 1,213,674 phantom options to Directors and employees of Autostrade per l'Italia and its subsidiaries, with a vesting period from 9 May 2014 to 9 May 2017 and exercisable in the period from 10 May 2017 to 9 May 2020.

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

2014 PHANTOM STOCK OPTION PLAN		9 May 2014 grant	
Options outstanding as at 01/01/2014	0	Number of options/units awarded	1,213,674
Changes in options in 2014		Vesting date	9 May 2017
9 May 2014 grant	1,213,674	Exercise / grant date	9 May 2020
Options outstanding as at 31/12/2014	1,213,674	Exercise price (€)	n.a. ⁽¹⁾
		Unit fair value on grant date (€)	2.88
		Expected expiry on grant date (years)	6.0
		Risk free interest rate used	1.10%
		Expected volatility (around historic mean)	28.9%
		Expected dividends on grant date	5.47%

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

- a) price at 31 December 2014: €19.39;
- b) price at 9 May 2014 (the grant date for new options or units, as described): €18.43;
- c) the weighted average price for 2014: €18.78;
- d) the weighted average price for the period 9 May - 31 December 2014: €19.14.

In accordance with the requirements of IFRS 2, as a result of existing plans, in 2014 the Company has recognised staff costs of €3,537 thousand, attributable to the benefits awarded to certain of the Company's Directors and employees, based on the accrued fair value of the options and units awarded at that date. The contra entry for this item consists of:

- a) €851 thousand accounted for in "Other non-current assets" in relation to the "2014 Phantom Share Option Plan", following re-computation of the unit fair value of the options at the end of the reporting period, amounting to €3.13, with respect to the unit fair value at the grant date as shown in the table above;
- b) €2,686 thousand accounted for as an increase in equity reserves in relation to the other plans.

In addition, the Company has recognised an increase of €645 thousand in the value of its investments in subsidiaries, based on the value of the options or units awarded to certain directors and employees of these companies.

8.5 Significant regulatory aspects and litigation

Toll increases with effect from 1 January 2015

On 15 October 2014, Autostrade per l'Italia submitted its request for the toll increase to be applied from 1 January 2015 to the Grantor. The increase of 1.46% has been 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.

On 31 December 2014, the Grantor published the Decree issued by the Minister of Infrastructure and Transport, in agreement with the Minister of the Economy and Finance, authorising application of the requested toll increase of 1.46% with effect from 1 January 2015.

Reduced tolls for frequent users

On 24 February 2014, a "Memorandum of Understanding" was signed by a number of motorway operators (including Autostrade per l'Italia), the trade association, AISCAT, and the Minister of Infrastructure and Transport. This has introduced reduced tolls (valid from 1 February 2014 to 31 December 2015) for private road users who frequently make the same journey (not more than 50 km) in class A vehicles. To benefit the user must have a Telepass account in the name of a private individual and must make the same journey more than 20 times in a calendar month, subject to a limit of twice a day. The reductions involve application of a discount on the relevant toll with effect from the 21st journey. The discounts are progressive, rising from a minimum 1% of the total toll payable for 21 journeys up to 20% of the total toll for 40 journeys. A discount of 20% will also be applied if users make between 41 and 46 journeys, whilst any journeys after the 46th will not qualify for the discount.

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

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

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

Challenge filed by Varese Provincial Authority

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

This request for injunctive relief was turned down by the Regional Administrative Court on 17 April 2014. A date for the hearing to discuss the challenge has yet to be fixed.

Disputes with oil and food service providers

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

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

Negotiations are underway with a view to concluding two settlements with both My Chef and Chef Express in order to resolve the above disputes. In particular, on 24 February 2015, Chef Express sent Autostrade per l'Italia a proposal for a binding settlement.

In November 2013 Autogrill filed three legal challenges, one before Lazio Regional Administrative Court, one before Emilia-Romagna Regional Administrative Court and the third before Lombardy Regional Administrative Court. The plaintiff is requesting cancellation, subject to suspensive relief, of the calls for expressions of interest and the invitations to tender sent by the Advisor, Roland Berger, in relation to the award of food service concessions at a number of motorway service areas. In brief, Autogrill is contesting the onerous nature of the conditions forming the basis of the tenders. Two requests for suspensive relief have been rejected by the courts and one has been withdrawn by the plaintiff. Moreover, with regard to tenders in the meantime completed by the Advisor, as a result of which Autogrill was ranked first, in January 2014 Autogrill filed three challenges, one before Tuscany Regional Administrative Court, one before Piedmont Regional Administrative Court and a third before Liguria Regional Administrative Court, requesting cancellation of certain contract terms and conditions governing financial aspects of the sub-concession arrangement. Again with reference to the above tenders called by the Advisor, as a result of which Autogrill ranked first, the company has announced additional grounds for the challenges filed in November 2013, containing a similar request for cancellation of the contract terms and conditions governing financial aspects of the sub-concession arrangement.

In 2014, Autogrill subsequently unconditionally agreed to all the arrangements resulting from the procedures in which it was ranked first.

In the challenges pending before Lombardy Regional Administrative Court and Piedmont Regional Administrative Court, for which hearings on the merits had been scheduled, Autogrill has announced an absence of interest in the outcome of the challenges and the administrative courts have, in sentences handed down in November 2014 and January 2015, ruled that the above challenges are inadmissible due to an absence of interest.

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 of the A16 Naples-Canosa motorway. 40 people were killed as a result of the accident, which occurred at km 32+700 on the Acqualonga viaduct. In response to this event, the Public Prosecutor's Office in Avellino has begun a criminal investigation of, among others, three managers (the current Director of the section of motorway and his two predecessors) and two employees of Autostrade per l'Italia, who are being investigated for multiple manslaughter and negligence.

In May 2014 the experts appointed by the Public Prosecutor's Office in Avellino filed their technical report. The report highlights the poor state of maintenance of the safety barriers. Subsequently, in June 2014, three further managers from the Company were placed under investigation by the Public Prosecutor's Office in Avellino, including the person who at the time of the accident held the position of Joint Director of Operations & Maintenance (who later left the Group with effect from 1 January 2015).

On completion of the preliminary investigation in early January 2015, all those under investigation, including the Chief Executive Officer and a further two executives and an employee of the Company (meaning, therefore, that a total of twelve of the Company's managers and employees were under investigation), received notice of completion of the preliminary investigation, containing an initial formal notification of charges. In particular, all the suspects are charged with negligent cooperation resulting in multiple manslaughter and gross negligence. Specifically, the Chief Executive Officer and a further two executives are charged with failing to ensure that the safety barriers on the viaduct had been upgraded, whilst the other suspects from among the Company's employees are accused of failing to ensure that the barriers were properly maintained.

In addition to the criminal proceedings, two separate civil actions have been brought. These were recently combined by the local civil court.

In the first action, brought by Reale Mutua Assicurazioni, the company that insured the coach, more than 200 parties were summoned to court (including Autostrade per l'Italia), in their role as plaintiffs, to whom the maximum sum payable (€6 million) under the insurance policy covering the vehicle was made available. During the hearing, a number of those summoned issued statements explaining that they also intended to claim damages from Autostrade per l'Italia. In response, the Company referred claimants to its own insurance provider (Swiss Re International SE), with which it has taken out a third party liability insurance policy.

In the second action, the heirs of one of the deceased passengers filed a direct claim for damages against Autostrade per l'Italia, in addition to the insurer of the vehicle, the company that owned it and its user. This claim was subsequently combined with the action brought by Reale Mutua in an order issued by the Court of Avellino on 19 February 2014. This order also formally authorised Autostrade per l'Italia to summon the insurance company, Swiss Re International SE, to attend the hearing of 2 July 2015.

As a result of the accident on the Acqualonga viaduct, 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.

Any further action to be taken is currently under consideration.

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 Italian 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 10 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 section for which it is responsible.

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 Italian penal code.

Finally, 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.

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 S.p.A. - 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 working on site. 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 231/01 (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 231/01, in relation to art. 589, paragraph 3 of the Italian 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.

Autostrade per l'Italia - Autostrade Tech against Alessandro Patanè and other persons

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

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

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

The Tutor system has been leased to the highway police free of charge and Autostrade per l'Italia does not obtain any resulting economic benefit, whilst, however, bearing the cost of maintaining the system.

The first hearing was due to be held on 3 December 2014, but has been adjourned until 20 May 2015.

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. Sixteen hearings have been scheduled between January and May 2015.

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: (i) *“the reports on the inspections conducted by the Police, under the warrant issued by the investigating magistrate on 31 May 2007, are null and void, given that the failure to give prior notification to the person under investigation was not adequately justified, and must be returned to the investigating magistrate; (ii) the sampling report collected by the Police under the above warrant, and the ensuing laboratory analyses of the samples, are null and void, in that inadequate notice was given to the persons under investigation, and must be returned to the investigating magistrate; (iii) the reports on the laboratory analyses of the samples collected by ARPAT staff in exercising their regulatory powers are inadmissible [...], in that they are not accompanied by any documentary proof of prior notification of the interested party, and because they regard samples for which the impossibility of repeating the analyses was not, at that time, demonstrated. These documents must also be returned to the investigating magistrate.”*

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.

Società Infrastrutture Toscane S.p.A.

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

At the end of 2011 Tuscany Regional Authority terminated the arrangement, deeming the costs to be excessively high. Following the start of arbitration, the Arbitration Panel filed its arbitration award on 19 February 2014. The Panel found the Regional Authority's termination of the arrangement due to its high cost to be legal, ruling that the Authority should pay SIT, as a result of the termination, approximately €30.6 million (including €9.8 million as payment for design work), and that SIT should return public subsidies of approximately €32.2 million, with the debit and credit amounts to be offset. The Panel ruled that SIT should pay the difference due only following the outcome of the failed enforcement of the guarantee provided by Assicurazioni Generali S.p.A. in relation to the project.

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

8.6 Events after 31 December 2014

Guidelines for the plan to restructure the Italian service area network

On 2 February 2015, the Grantor sent all Italian motorway operators guidelines, drawn up jointly by the Ministry of Infrastructure and Transport and the Ministry for Economic Development, regarding *“Determination of the criteria for preparing a restructuring plan for service areas located on the motorway network”*. The guidelines grant each operator the option of (i) closing any service areas deemed to be of marginal importance, provided that the operator ensures an adequate level of service on the relevant motorway section, and (ii) reviewing the way that oil and non-oil services are provided by the various operators. Autostrade per l'Italia, Tangenziale di Napoli and Società Traforo del Monte Bianco have submitted their own plan which, in accordance with the guidelines, must be approved by the Ministry of Infrastructure and Transport, in agreement with the Ministry for Economic Development, and in consultation with regional authorities. The term for the above approval will expire on 15 March 2015.

Partial buyback of bonds issued by Atlantia through a Tender Offer

On 13 February 2015, Atlantia S.p.A. announced the launch of a Tender Offer with the aim of partially repurchasing the

following notes issued by Atlantia and guaranteed by Autostrade per l'Italia:

- 5.625%, having a total par value of €1,500,000,000, maturing 2016;
- 3.375%, having a total par value of €1,000,000,000, maturing 2017, guaranteed by Autostrade per l'Italia;
- 4.500%, having a total par value of €1,000,000,000, maturing 2019.

The purchases are to be settled in cash of a predetermined maximum amount.

On closure of the tender offer, valid acceptances were received for notes with a total par value of €1,078,963,000. Atlantia has announced that it has decided to accept validly submitted acceptances with a total par value of €1,020,130,000, at a total cost of €1,102,245,344.

Following the offer, Autostrade per l'Italia will repay the same amount in matching borrowings obtained from the parent, Atlantia, and reduce the guarantees issued by the same amount.

Resolution authorising the issue of retail bonds

On 19 February 2015, Autostrade per l'Italia's Board of Directors voted to authorise the issue, by 31 December 2015, of one or more new non-convertible bonds, to be issued in one or more tranches and with a total value of up to €1.5 billion. The bonds are to be listed on one or more regulated markets (including the Mercato Telematico delle Obbligazioni, organised and managed by Borsa Italiana S.p.A.) and are to be offered for sale to retail investors in Italy. The Board of Directors also resolved that the bonds, with terms to maturity of no more than 8 years, may be fixed, floating or mixed rate (i.e., a combination of a fixed rate - applied during the initial term - and a floating rate - applied during the remaining term). The primary purpose of the issues is to finance the Autostrade per l'Italia Group's development plans, maintain a balanced financial structure in terms of the ratio of short to medium/long-term debt, diversify sources of funding and raise funds at competitive costs, in addition to maintaining a wide base of investors and enabling early repayment of intercompany loans obtained from Atlantia, in order to extend the average term to maturity of the Company's debt.

Acquisition of control of Società Autostrada Tirrenica agreed

On 25 February 2015, Autostrade per l'Italia which already owned 24.98% of Società Autostrada Tirrenica p.A. (SAT), reached agreement with SAT's existing shareholders for the acquisition of a further 74.95% stake in the company, thus raising its total interest to 99.93%. The cost of the transaction is approximately €84 million.

SAT holds the concession for the A12 Livorno-Civitavecchia motorway, of which the Livorno-Rosignano section of around 40 km is in operation. The Single Concession Arrangement entered into with the Grantor in 2009⁽¹⁾ 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, the Grantor sent the operator a draft addendum envisaging extension of the concession to 2043, completion of work on the Civitavecchia-Tarquini 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. The draft addendum has been submitted to the European Commission for review.

The purchase, which, among other conditions, is suspensively conditional on receipt of clearance from the Grantor, is expected to complete within the first half of 2015.

⁽¹⁾ The Concession Arrangement was effective from 24 November 2010 following compliance with the requirements set out by the Interministerial Economic Planning Committee (CIPE).

9. Key indicators extracted from the most recent financial statements of the Company exercising management and coordination, as defined by art. 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 at www.atlantia.it.

ATLANTIA S.P.A.

KEY INDICATORS FROM THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2013

€000

STATEMENT OF FINANCIAL POSITION

Non-current assets	17,577,899
Current assets	3,157,525
Total assets	20,735,424
Equity	9,329,086
<i>of which issued capital</i>	<i>825,784</i>
Non-current liabilities	8,671,589
Current liabilities	2,734,749
Total liabilities and equity	20,735,424

INCOME STATEMENT

Operating income	1,778
Operating costs	-17,791
Operating loss	-16,013
Profit for the year	666,454

Annexes to the financial statements

[Annex 1](#) • Disclosures pursuant to art.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 art. 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 art. 149-*duodecies* of the CONSOB Regulation for Issuers 11971/1999

Type of service	Provider of service	Note	Fees in 2014 [€000]
Audit	Parent's auditor		204
Certification	Parent's auditor	(1)	23
Other services	Parent's auditor	(2)	36
Other services	Associate of parent's auditor	(3)	44
Total			307

(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 relating to substitute tax.

Annex 2

Traffic figures (pursuant to the CIPE Resolution of 20 December 1996)

The figures for toll paid km travelled shown in the following tables relate to traffic during the year paying the toll surcharge, pursuant to art. 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 km 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 km travelled on Autostrade per l'Italia's network, as reported in the section "Traffic" of the "Report on operations", regard all traffic using the network, including traffic for which the relevant toll was not paid, recognised at the time wherein the transit on the motorway actually took place.

TOLL PAYING TRAFFIC BY MONTH (IN THOUSAND OF KM TRAVELLED) - 2014

P = plain sections, M = mountain sections

AUTOSTRADA PER L'ITALIA: WHOLE NETWORK

Month	Toll class						Toll class						Total	
	A		B		3		4		5					
	P	M	P	M	P	M	P	M	P	M	P	M	Total	Total
Jan.	1,931,803	378,310	234,252	43,885	40,251	6,851	28,662	5,963	287,461	63,458	2,522,429	498,467	3,020,896	
Feb.	1,741,981	335,411	234,660	43,933	40,716	6,906	30,314	6,318	289,938	64,303	2,337,609	456,871	2,794,480	
Mar.	2,087,954	416,772	276,569	52,916	45,970	7,975	32,648	6,865	315,347	69,915	2,758,488	554,443	3,312,931	
Apr.	2,355,618	478,898	295,909	58,447	47,187	8,613	31,684	6,650	300,465	66,527	3,030,863	619,135	3,649,998	
May	2,326,810	474,763	306,444	60,198	49,901	9,325	33,652	7,170	319,154	70,633	3,035,961	622,089	3,658,050	
June	2,492,336	527,656	300,773	60,153	51,175	10,407	32,294	7,001	304,838	67,354	3,181,416	672,571	3,853,987	
July	2,859,401	614,304	324,321	64,009	59,090	11,985	36,473	7,929	345,265	76,177	3,624,550	774,404	4,398,954	
Aug.	3,277,004	731,029	268,050	57,521	44,755	10,415	22,699	5,166	224,542	53,664	3,837,050	857,795	4,694,845	
Sept.	2,472,761	523,022	309,918	61,691	52,053	10,474	34,428	7,585	328,475	74,471	3,197,635	677,243	3,874,878	
Oct.	2,253,126	439,280	306,403	59,334	50,700	9,276	36,442	7,875	340,355	75,329	2,987,026	591,094	3,578,120	
Nov.	2,032,563	377,943	264,427	49,745	43,600	7,666	32,580	7,005	303,874	67,917	2,677,044	510,276	3,187,320	
Dec.	2,221,577	437,803	256,198	49,182	41,234	7,314	29,723	6,470	281,512	62,595	2,830,244	563,364	3,393,608	
Year	28,052,934	5,735,191	3,377,924	661,014	566,632	107,207	381,599	81,997	3,641,226	812,343	36,020,315	7,397,752	43,418,067	

MOTORWAY A1 MILAN-NAPLES / SECTION: MILAN-BOLOGNA

Month	Toll class						Toll class						Total	
	A		B		3		4		5					
	P	M	P	M	P	M	P	M	P	M	P	M	Total	Total
Jan.	259,405	-	33,212	-	7,008	-	5,821	-	55,038	-	360,484	-	360,484	
Feb.	242,843	-	33,674	-	7,069	-	5,908	-	55,664	-	345,158	-	345,158	
Mar.	296,987	-	40,402	-	7,998	-	6,516	-	60,427	-	412,330	-	412,330	
Apr.	340,346	-	43,417	-	8,181	-	6,345	-	57,907	-	456,196	-	456,196	
May	343,587	-	44,563	-	8,638	-	6,765	-	61,061	-	464,614	-	464,614	
June	374,244	-	43,639	-	8,842	-	6,331	-	58,150	-	491,206	-	491,206	
July	423,241	-	46,207	-	10,504	-	7,180	-	66,127	-	553,259	-	553,259	
Aug.	466,903	-	37,162	-	7,612	-	4,377	-	41,965	-	558,019	-	558,019	
Sept.	361,055	-	46,348	-	9,103	-	7,001	-	62,767	-	486,274	-	486,274	
Oct.	323,466	-	44,706	-	8,792	-	7,390	-	64,730	-	449,084	-	449,084	
Nov.	290,758	-	38,852	-	7,401	-	6,647	-	57,035	-	400,693	-	400,693	
Dec.	302,245	-	36,798	-	6,924	-	6,118	-	53,201	-	405,286	-	405,286	
Year	4,025,080	-	488,980	-	98,072	-	76,399	-	694,072	-	5,382,603	-	5,382,603	

MOTORWAY A1 MILAN-NAPLES / SECTION: BOLOGNA-FLORENCE

Month	Toll class						Toll class						Total	
	A		B		3		4		5					
	P	M	P	M	P	M	P	M	P	M	P	M	Total	Total
Jan.	112	76,697	14	11,103	1	2,105	1	2,044	6	19,740	134	111,689	111,823	
Feb.	99	65,394	12	10,968	1	2,140	1	2,119	6	19,654	119	100,275	100,394	
Mar.	114	82,020	15	13,584	2	2,496	1	2,362	7	21,733	139	122,195	122,334	
Apr.	115	97,210	15	15,305	2	2,657	1	2,271	6	20,737	139	138,180	138,319	
May	119	94,612	15	15,403	2	2,874	1	2,419	7	21,930	144	137,238	137,382	
June	115	100,315	16	15,116	2	3,007	1	2,286	6	20,727	140	141,451	141,591	
July	121	114,253	16	15,467	2	3,412	1	2,640	7	23,495	147	159,267	159,414	
Aug.	97	140,900	12	13,575	1	2,711	1	1,643	5	14,912	116	173,741	173,857	
Sept.	114	102,977	15	15,794	2	3,063	1	2,540	6	21,860	138	146,234	146,372	
Oct.	117	90,332	15	15,415	2	2,765	1	2,720	7	22,974	142	134,206	134,348	
Nov.	109	79,480	13	12,709	1	2,284	1	2,411	6	20,791	130	117,675	117,805	
Dec.	112	91,087	13	12,447	1	2,168	1	2,215	6	19,235	133	127,152	127,285	
Year	1,344	1,135,277	171	166,886	19	31,682	12	27,670	75	247,788	1,621	1,609,303	1,610,924	

TOLL PAYING TRAFFIC BY MONTH (IN THOUSAND OF KM TRAVELLED) - 2014

P = plain sections, M = mountain sections

MOTORWAY A1 MILANO-NAPLES / SECTION: FLORENCE-ROME

Month	Toll class						Toll class						Total	
	A		B		3		4		5				Total	
	P	M	P	M	P	M	P	M	P	M	P	M	Total	Total
Jan.	241,578	-	29,585	-	4,792	-	4,712	-	45,574	-	326,241	-	326,241	
Feb.	205,394	-	29,514	-	4,800	-	4,869	-	45,553	-	290,130	-	290,130	
Mar.	249,265	-	35,528	-	5,549	-	5,470	-	50,232	-	346,044	-	346,044	
Apr.	297,216	-	39,885	-	5,801	-	5,225	-	47,866	-	395,993	-	395,993	
May	281,138	-	40,683	-	6,027	-	5,544	-	50,790	-	384,182	-	384,182	
June	281,805	-	38,217	-	5,799	-	5,291	-	47,604	-	378,716	-	378,716	
July	320,822	-	40,073	-	6,618	-	5,988	-	53,418	-	426,919	-	426,919	
Aug.	415,735	-	34,612	-	5,356	-	3,824	-	35,346	-	494,873	-	494,873	
Sept.	296,031	-	39,438	-	6,076	-	5,781	-	50,361	-	397,687	-	397,687	
Oct.	275,702	-	40,486	-	6,069	-	6,251	-	53,193	-	381,701	-	381,701	
Nov.	246,208	-	33,876	-	5,203	-	5,573	-	48,602	-	339,462	-	339,462	
Dec.	298,100	-	34,133	-	5,099	-	5,096	-	45,824	-	388,252	-	388,252	
Year	3,408,994	-	436,030	-	67,189	-	63,624	-	574,363	-	4,550,200	-	4,550,200	

MOTORWAY A1 MILAN-NAPLES / SECTION: FIANO-SAN CESAREO

Month	Toll class						Toll class						Total	
	A		B		3		4		5				Total	
	P	M	P	M	P	M	P	M	P	M	P	M	Total	Total
Jan.	13,857	11,001	2,017	1,454	433	246	363	183	4,438	2,108	21,108	14,992	36,100	
Feb.	10,483	8,949	1,943	1,427	432	246	374	193	4,392	2,102	17,624	12,917	30,541	
Mar.	13,302	10,818	2,350	1,651	482	279	414	214	4,828	2,295	21,376	15,257	36,633	
Apr.	18,400	13,547	2,632	1,781	492	285	388	204	4,549	2,181	26,461	17,998	44,459	
May	15,881	12,641	2,656	1,870	516	308	415	221	4,839	2,320	24,307	17,360	41,667	
June	16,602	13,206	2,501	1,790	479	295	400	210	4,524	2,188	24,506	17,689	42,195	
July	20,056	15,373	2,666	1,934	545	328	454	239	5,030	2,442	28,751	20,316	49,067	
Aug.	32,444	20,132	2,457	1,631	438	260	295	156	3,318	1,603	38,952	23,782	62,734	
Sept.	18,245	14,043	2,636	1,878	509	304	436	231	4,790	2,316	26,616	18,772	45,388	
Oct.	15,734	12,942	2,664	1,926	521	310	469	244	5,047	2,447	24,435	17,869	42,304	
Nov.	13,593	11,562	2,320	1,719	472	284	420	219	4,637	2,260	21,442	16,044	37,486	
Dec.	18,395	14,209	2,397	1,735	484	296	391	206	4,405	2,152	26,072	18,598	44,670	
Year	206,992	158,423	29,239	20,796	5,803	3,441	4,819	2,520	54,797	26,414	301,650	211,594	513,244	

MOTORWAY A1 MILAN-NAPLES / SECTION: ROME-NAPLES

Month	Toll class						Toll class						Total	
	A		B		3		4		5				Total	
	P	M	P	M	P	M	P	M	P	M	P	M	Total	Total
Jan.	254,872	-	27,622	-	3,859	-	3,055	-	29,932	-	319,340	-	319,340	
Feb.	216,290	-	26,766	-	3,825	-	3,500	-	29,428	-	279,809	-	279,809	
Mar.	257,552	-	31,393	-	4,261	-	3,492	-	32,198	-	328,896	-	328,896	
Apr.	300,617	-	33,146	-	4,331	-	3,362	-	30,527	-	371,983	-	371,983	
May	285,587	-	34,820	-	4,674	-	3,552	-	33,077	-	361,710	-	361,710	
June	294,762	-	33,109	-	4,514	-	3,444	-	31,357	-	367,186	-	367,186	
July	333,668	-	35,478	-	5,098	-	3,923	-	35,119	-	413,286	-	413,286	
Aug.	408,400	-	30,314	-	4,065	-	2,543	-	25,253	-	470,575	-	470,575	
Sept.	304,728	-	34,326	-	4,700	-	3,628	-	33,942	-	381,324	-	381,324	
Oct.	283,639	-	34,609	-	4,748	-	3,917	-	35,152	-	362,065	-	362,065	
Nov.	257,779	-	30,285	-	4,266	-	3,439	-	31,711	-	327,480	-	327,480	
Dec.	307,245	-	30,396	-	4,312	-	3,251	-	30,493	-	375,697	-	375,697	
Year	3,505,139	-	382,264	-	52,653	-	41,106	-	378,189	-	4,359,351	-	4,359,351	

TOLL PAYING TRAFFIC BY MONTH (IN THOUSAND OF KM TRAVELLED) - 2014

P = plain sections, M = mountain sections

MOTORWAY A4 TURIN-TRIESTE / SECTION: MILAN-BRESCIA

Month	Toll class						Toll class						Total	
	A		B		3		4		5				Total	
	P	M	P	M	P	M	P	M	P	M	P	M	Total	Total
Jan.	209,607	-	29,782	-	4,593	-	2,233	-	26,279	-	272,494	-	272,494	
Feb.	201,228	-	30,491	-	4,712	-	2,396	-	26,967	-	265,794	-	265,794	
Mar.	236,735	-	35,088	-	5,288	-	2,547	-	29,381	-	309,039	-	309,039	
Apr.	241,532	-	35,079	-	5,307	-	2,569	-	28,204	-	312,691	-	312,691	
May	245,130	-	36,421	-	5,458	-	2,689	-	29,602	-	319,300	-	319,300	
June	246,381	-	35,149	-	5,613	-	2,607	-	28,153	-	317,903	-	317,903	
July	268,130	-	38,579	-	6,555	-	2,916	-	31,667	-	347,847	-	347,847	
Aug.	232,751	-	25,891	-	4,049	-	1,558	-	16,977	-	281,226	-	281,226	
Sept.	241,341	-	35,840	-	5,563	-	2,562	-	29,006	-	314,312	-	314,312	
Oct.	239,391	-	36,766	-	5,504	-	2,746	-	29,999	-	314,406	-	314,406	
Nov.	218,644	-	32,107	-	4,647	-	2,446	-	26,264	-	284,108	-	284,108	
Dec.	223,215	-	30,551	-	4,211	-	2,131	-	23,383	-	283,491	-	283,491	
Year	2,804,085	-	401,744	-	61,500	-	29,400	-	325,882	-	3,622,611	-	3,622,611	

MOTORWAY A7 MILAN-GENOA / SECTION: SERRAVALLE-GENOA

Month	Toll class						Toll class						Total	
	A		B		3		4		5				Total	
	P	M	P	M	P	M	P	M	P	M	P	M	Total	Total
Jan.	-	31,424	-	3,165	-	528	-	457	-	4,658	-	40,232	40,232	
Feb.	-	28,994	-	3,180	-	528	-	479	-	4,730	-	37,911	37,911	
Mar.	-	36,281	-	3,759	-	604	-	513	-	4,991	-	46,148	46,148	
Apr.	-	39,386	-	3,961	-	621	-	510	-	4,813	-	49,291	49,291	
May	-	40,662	-	4,080	-	689	-	584	-	5,384	-	51,399	51,399	
June	-	43,278	-	3,973	-	690	-	554	-	5,146	-	53,641	53,641	
July	-	48,139	-	4,287	-	784	-	617	-	5,757	-	59,584	59,584	
Aug.	-	45,609	-	3,400	-	612	-	381	-	3,790	-	53,792	53,792	
Sept.	-	41,920	-	4,103	-	714	-	561	-	5,338	-	52,636	52,636	
Oct.	-	36,904	-	4,110	-	700	-	607	-	5,589	-	47,910	47,910	
Nov.	-	32,066	-	3,544	-	591	-	532	-	5,068	-	41,801	41,801	
Dec.	-	35,053	-	3,470	-	583	-	519	-	4,849	-	44,474	44,474	
Year	-	459,716	-	45,032	-	7,644	-	6,314	-	60,113	-	578,819	578,819	

MOTORWAY A8/A9 MILAN-LAKES

Month	Toll class						Toll class						Total	
	A		B		3		4		5				Total	
	P	M	P	M	P	M	P	M	P	M	P	M	Total	Total
Jan.	136,763	8,506	13,567	675	1,556	64	851	71	7,204	519	159,941	9,835	169,776	
Feb.	131,789	8,034	13,824	684	1,629	66	918	76	7,459	547	155,619	9,407	165,026	
Mar.	156,151	9,705	15,565	804	1,755	79	989	85	8,196	596	182,656	11,269	193,925	
Apr.	159,703	10,855	15,979	939	1,879	109	1,008	92	7,910	557	186,479	12,552	199,031	
May	167,778	11,198	16,505	968	1,967	119	1,086	93	8,058	569	195,394	12,947	208,341	
June	164,734	11,669	16,312	1,012	2,219	169	1,048	96	7,828	545	192,141	13,491	205,632	
July	176,835	13,443	17,632	1,049	2,741	241	1,161	99	8,832	613	207,201	15,445	222,646	
Aug.	139,922	12,112	11,911	912	1,927	221	639	62	4,911	364	159,310	13,671	172,981	
Sept.	166,865	11,732	17,161	1,044	2,203	161	1,119	93	8,096	568	195,444	13,598	209,042	
Oct.	166,279	11,239	17,197	999	1,990	108	1,156	93	8,455	592	195,077	13,031	208,108	
Nov.	148,481	9,582	14,219	717	1,685	74	980	75	7,420	518	172,785	10,966	183,751	
Dec.	149,148	9,856	13,279	685	1,468	68	839	68	6,638	467	171,372	11,144	182,516	
Year	1,864,448	127,931	183,151	10,488	23,019	1,479	11,794	1,003	91,007	6,455	2,173,419	147,356	2,320,775	

TOLL PAYING TRAFFIC BY MONTH (IN THOUSAND OF KM TRAVELLED) - 2014

P = plain sections, M = mountain sections

MOTORWAYS A8/A26 / GALLARATE-GATTICO SPUR

Month	Toll class						Toll class						Total	
	A		B		3		4		5				Total	
	P	M	P	M	P	M	P	M	P	M	P	M	Total	Total
Jan.	20,398	7,686	2,003	762	280	106	114	48	1,070	459	23,865	9,061	32,926	
Feb.	19,476	7,139	2,079	793	299	112	128	52	1,078	465	23,060	8,561	31,621	
Mar.	23,904	9,033	2,382	945	334	130	135	57	1,185	521	27,940	10,686	38,626	
Apr.	24,744	9,295	2,521	998	341	135	144	59	1,169	505	28,919	10,992	39,911	
May	25,915	9,643	2,681	1,067	360	143	150	61	1,200	516	30,306	11,430	41,736	
June	26,291	9,909	2,651	1,059	368	146	148	62	1,210	530	30,668	11,706	42,374	
July	28,136	10,771	2,886	1,150	419	169	172	70	1,347	588	32,960	12,748	45,708	
Aug.	25,049	10,519	1,797	758	228	93	96	41	699	318	27,869	11,729	39,598	
Sept.	25,804	9,991	2,704	1,078	373	147	166	66	1,215	533	30,262	11,815	42,077	
Oct.	24,666	9,328	2,685	1,052	373	148	161	63	1,305	571	29,190	11,162	40,352	
Nov.	22,073	8,317	2,296	893	305	121	132	53	1,110	479	25,916	9,863	35,779	
Dec.	22,587	8,730	2,153	839	277	109	116	46	997	436	26,130	10,160	36,290	
Year	289,043	110,361	28,838	11,394	3,957	1,559	1,662	678	13,585	5,921	337,085	129,913	466,998	

MOTORWAY A10 GENOA-VENTIMIGLIA / SECTION: GENOA-SAVONA

Month	Toll class						Toll class						Total	
	A		B		3		4		5				Total	
	P	M	P	M	P	M	P	M	P	M	P	M	Total	Total
Jan.	-	45,456	-	4,252	-	501	-	488	-	5,362	-	56,059	56,059	
Feb.	-	42,205	-	4,404	-	508	-	494	-	5,555	-	53,166	53,166	
Mar.	-	52,008	-	5,360	-	599	-	547	-	6,119	-	64,633	64,633	
Apr.	-	58,148	-	5,904	-	660	-	528	-	5,830	-	71,070	71,070	
May	-	59,137	-	5,968	-	708	-	615	-	6,073	-	72,501	72,501	
June	-	65,200	-	5,840	-	745	-	640	-	5,615	-	78,040	78,040	
July	-	76,603	-	6,354	-	884	-	728	-	6,298	-	90,867	90,867	
Aug.	-	83,533	-	5,659	-	796	-	467	-	4,131	-	94,586	94,586	
Sept.	-	63,510	-	5,860	-	765	-	736	-	6,018	-	76,889	76,889	
Oct.	-	51,593	-	5,581	-	679	-	751	-	6,413	-	65,017	65,017	
Nov.	-	42,240	-	4,522	-	534	-	644	-	5,691	-	53,631	53,631	
Dec.	-	50,647	-	4,678	-	534	-	594	-	5,189	-	61,642	61,642	
Year	-	690,280	-	64,382	-	7,913	-	7,232	-	68,294	-	838,101	838,101	

MOTORWAY A11 FLORENCE-PISA NORTH

Month	Toll class						Toll class						Total	
	A		B		3		4		5				Total	
	P	M	P	M	P	M	P	M	P	M	P	M	Total	Total
Jan.	85,309	67	9,229	10	1,138	1	596	1	5,817	6	102,089	85	102,174	
Feb.	79,912	57	9,290	9	1,148	1	609	1	5,767	5	96,726	73	96,799	
Mar.	95,120	70	10,979	11	1,335	1	641	1	6,378	5	114,453	88	114,541	
Apr.	99,219	72	11,853	11	1,364	2	638	1	6,153	5	119,227	91	119,318	
May	104,405	74	12,361	12	1,461	2	664	1	6,414	6	125,305	95	125,400	
June	110,018	71	11,868	12	1,444	2	670	1	6,084	5	130,084	91	130,175	
July	122,545	76	12,679	12	1,601	2	718	1	6,802	5	144,345	96	144,441	
Aug.	118,304	63	9,804	9	1,187	1	446	0	4,437	4	134,178	77	134,255	
Sept.	105,112	72	12,089	11	1,483	2	694	1	6,421	5	125,799	91	125,890	
Oct.	99,794	73	12,300	11	1,408	2	737	1	6,722	5	120,961	92	121,053	
Nov.	90,299	68	10,233	10	1,167	1	630	1	5,911	5	108,240	85	108,325	
Dec.	92,306	71	9,881	9	1,133	1	588	1	5,621	5	109,529	87	109,616	
Year	1,202,343	834	132,566	127	15,869	18	7,631	11	72,527	61	1,430,936	1,051	1,431,987	

TOLL PAYING TRAFFIC BY MONTH (IN THOUSAND OF KM TRAVELLED) - 2014

P = plain sections, M = mountain sections

MOTORWAY A12 GENOA-ROSIGNANO MARITTIMO / SECTION: GENOA-SESTRI LEVANTE

Month	Toll class						Toll class						Total	
	A		B		3		4		5				Total	
	P	M	P	M	P	M	P	M	P	M	P	M	Total	Total
Jan.	-	46,860	-	4,711	-	489	-	341	-	3,185	-	55,586	55,586	
Feb.	-	43,755	-	4,772	-	485	-	343	-	3,173	-	52,528	52,528	
Mar.	-	53,534	-	5,678	-	592	-	411	-	3,519	-	63,734	63,734	
Apr.	-	59,689	-	6,249	-	627	-	404	-	3,335	-	70,304	70,304	
May	-	60,853	-	6,408	-	663	-	420	-	3,477	-	71,821	71,821	
June	-	63,104	-	6,122	-	684	-	419	-	3,268	-	73,597	73,597	
July	-	71,917	-	6,798	-	791	-	487	-	3,639	-	83,632	83,632	
Aug.	-	76,989	-	5,851	-	673	-	281	-	2,345	-	86,139	86,139	
Sept.	-	61,631	-	6,232	-	681	-	432	-	3,486	-	72,462	72,462	
Oct.	-	54,640	-	6,125	-	635	-	453	-	3,599	-	65,452	65,452	
Nov.	-	46,124	-	5,030	-	518	-	385	-	3,288	-	55,345	55,345	
Dec.	-	52,636	-	5,130	-	516	-	371	-	3,030	-	61,683	61,683	
Year	-	691,732	-	69,106	-	7,354	-	4,747	-	39,344	-	812,283	812,283	

MOTORWAY A12 ROME-CIVITAVECCHIA

Month	Toll class						Toll class						Total	
	A		B		3		4		5				Total	
	P	M	P	M	P	M	P	M	P	M	P	M	Total	Total
Jan.	33,183	-	2,709	-	388	-	311	-	2,271	-	38,862	-	38,862	
Feb.	30,604	-	2,572	-	391	-	347	-	2,274	-	36,188	-	36,188	
Mar.	37,667	-	3,139	-	449	-	327	-	2,525	-	44,107	-	44,107	
Apr.	42,767	-	3,805	-	489	-	349	-	2,397	-	49,807	-	49,807	
May	44,809	-	4,154	-	510	-	364	-	2,677	-	52,514	-	52,514	
June	52,191	-	4,454	-	508	-	373	-	2,410	-	59,936	-	59,936	
July	62,586	-	4,724	-	580	-	396	-	2,701	-	70,987	-	70,987	
Aug.	65,891	-	4,086	-	516	-	256	-	2,357	-	73,106	-	73,106	
Sept.	46,748	-	4,132	-	518	-	325	-	2,561	-	54,284	-	54,284	
Oct.	40,946	-	4,045	-	486	-	384	-	2,736	-	48,597	-	48,597	
Nov.	35,261	-	2,998	-	417	-	313	-	2,460	-	41,449	-	41,449	
Dec.	37,402	-	2,878	-	415	-	320	-	2,231	-	43,246	-	43,246	
Year	530,055	-	43,696	-	5,667	-	4,065	-	29,600	-	613,083	-	613,083	

MOTORWAY A13 BOLOGNA-PADUA

Month	Toll class						Toll class						Total	
	A		B		3		4		5				Total	
	P	M	P	M	P	M	P	M	P	M	P	M	Total	Total
Jan.	100,797	-	14,151	-	2,517	-	1,643	-	16,576	-	135,684	-	135,684	
Feb.	93,688	-	14,343	-	2,517	-	1,684	-	16,784	-	129,016	-	129,016	
Mar.	113,067	-	17,295	-	2,922	-	1,821	-	18,435	-	153,540	-	153,540	
Apr.	120,627	-	18,420	-	3,045	-	1,806	-	17,790	-	161,688	-	161,688	
May	122,256	-	19,091	-	3,177	-	1,850	-	18,762	-	165,136	-	165,136	
June	124,824	-	18,329	-	3,213	-	1,799	-	18,176	-	166,341	-	166,341	
July	136,335	-	19,670	-	3,647	-	2,067	-	20,738	-	182,457	-	182,457	
Aug.	142,914	-	16,257	-	2,798	-	1,404	-	13,786	-	177,159	-	177,159	
Sept.	129,681	-	19,212	-	3,334	-	1,942	-	20,007	-	174,176	-	174,176	
Oct.	122,756	-	19,156	-	3,289	-	2,021	-	20,566	-	167,788	-	167,788	
Nov.	110,283	-	16,335	-	2,821	-	1,806	-	18,041	-	149,286	-	149,286	
Dec.	111,789	-	15,437	-	2,660	-	1,652	-	16,272	-	147,810	-	147,810	
Year	1,429,017	-	207,696	-	35,940	-	21,495	-	215,933	-	1,910,081	-	1,910,081	

TOLL PAYING TRAFFIC BY MONTH (IN THOUSAND OF KM TRAVELLED) - 2014

P = plain sections, M = mountain sections

MOTORWAY A14 BOLOGNA-TARANTO / RAVENNA SPUR

Month	Toll class						Toll class						Total	
	A		B		3		4		5					
	P	M	P	M	P	M	P	M	P	M	P	M	Total	Total
Jan.	8,362	-	815	-	142	-	114	-	1,834	-	11,267	-	11,267	
Feb.	8,244	-	842	-	143	-	121	-	1,965	-	11,315	-	11,315	
Mar.	10,120	-	1,004	-	165	-	131	-	2,155	-	13,575	-	13,575	
Apr.	11,205	-	1,116	-	174	-	133	-	1,963	-	14,591	-	14,591	
May	12,704	-	1,183	-	180	-	128	-	2,128	-	16,323	-	16,323	
June	15,708	-	1,259	-	190	-	120	-	1,987	-	19,264	-	19,264	
July	16,287	-	1,342	-	212	-	133	-	2,136	-	20,110	-	20,110	
Aug.	15,971	-	1,089	-	157	-	87	-	1,274	-	18,578	-	18,578	
Sept.	11,999	-	1,179	-	180	-	120	-	2,032	-	15,510	-	15,510	
Oct.	10,176	-	1,125	-	175	-	117	-	2,068	-	13,661	-	13,661	
Nov.	9,199	-	970	-	149	-	111	-	1,801	-	12,230	-	12,230	
Dec.	8,819	-	891	-	141	-	105	-	1,597	-	11,553	-	11,553	
Year	138,794	-	12,815	-	2,008	-	1,420	-	22,940	-	177,977	-	177,977	

MOTORWAY A14 BOLOGNA-TARANTO / SECTION: BOLOGNA-ANCONA

Month	Toll class						Toll class						Total	
	A		B		3		4		5					
	P	M	P	M	P	M	P	M	P	M	P	M	Total	Total
Jan.	246,119	-	30,437	-	6,584	-	4,213	-	45,101	-	332,454	-	332,454	
Feb.	220,449	-	30,490	-	6,737	-	4,416	-	45,900	-	307,992	-	307,992	
Mar.	266,886	-	36,471	-	7,679	-	4,846	-	49,452	-	365,334	-	365,334	
Apr.	313,111	-	40,018	-	7,849	-	4,673	-	46,759	-	412,410	-	412,410	
May	310,183	-	40,910	-	8,244	-	5,000	-	49,951	-	414,288	-	414,288	
June	371,651	-	42,163	-	8,702	-	4,753	-	48,088	-	475,357	-	475,357	
July	439,020	-	45,845	-	10,021	-	5,380	-	55,280	-	555,546	-	555,546	
Aug.	528,320	-	39,987	-	7,575	-	3,384	-	35,175	-	614,441	-	614,441	
Sept.	342,929	-	42,584	-	8,699	-	5,062	-	52,960	-	452,234	-	452,234	
Oct.	287,668	-	39,885	-	8,431	-	5,268	-	54,695	-	395,947	-	395,947	
Nov.	262,332	-	35,259	-	7,226	-	4,755	-	48,427	-	357,999	-	357,999	
Dec.	277,694	-	33,715	-	6,687	-	4,268	-	43,926	-	366,290	-	366,290	
Year	3,866,362	-	457,764	-	94,434	-	56,018	-	575,714	-	5,050,292	-	5,050,292	

MOTORWAY A14 BOLOGNA-TARANTO / SECTION: ANCONA-PESCARA

Month	Toll class						Toll class						Total	
	A		B		3		4		5					
	P	M	P	M	P	M	P	M	P	M	P	M	Total	Total
Jan.	91,016	-	11,941	-	2,385	-	1,647	-	16,049	-	123,038	-	123,038	
Feb.	79,482	-	11,858	-	2,434	-	1,732	-	16,252	-	111,758	-	111,758	
Mar.	92,921	-	13,742	-	2,710	-	1,905	-	17,341	-	128,619	-	128,619	
Apr.	111,441	-	14,619	-	2,728	-	1,756	-	16,217	-	146,761	-	146,761	
May	104,776	-	15,156	-	3,063	-	1,895	-	17,506	-	142,396	-	142,396	
June	116,421	-	15,483	-	3,062	-	1,788	-	16,677	-	153,431	-	153,431	
July	147,767	-	17,591	-	3,446	-	2,068	-	19,348	-	190,220	-	190,220	
Aug.	201,467	-	16,604	-	2,739	-	1,274	-	13,068	-	235,152	-	235,152	
Sept.	118,495	-	15,527	-	3,002	-	1,909	-	18,657	-	157,590	-	157,590	
Oct.	103,099	-	15,170	-	3,057	-	2,007	-	19,207	-	142,540	-	142,540	
Nov.	95,295	-	13,614	-	2,706	-	1,850	-	17,376	-	130,841	-	130,841	
Dec.	105,292	-	13,308	-	2,474	-	1,687	-	15,862	-	138,623	-	138,623	
Year	1,367,472	-	174,613	-	33,806	-	21,518	-	203,560	-	1,800,969	-	1,800,969	

TOLL PAYING TRAFFIC BY MONTH (IN THOUSAND OF KM TRAVELLED) - 2014

P = plain sections, M = mountain sections

MOTORWAY A14 BOLOGNA-TARANTO / SECTION: PESCARA-LANCIANO

Month	Toll class						Toll class						Total	
	A		B		3		4		5					
	P	M	P	M	P	M	P	M	P	M	P	M	Total	Total
Jan.	8,158	19,088	1,137	2,376	236	434	177	321	1,659	3,125	11,367	25,344	36,711	
Feb.	6,721	16,077	1,109	2,319	238	439	186	351	1,666	3,133	9,920	22,319	32,239	
Mar.	7,772	18,012	1,253	2,549	258	479	201	382	1,763	3,292	11,247	24,714	35,961	
Apr.	9,680	21,808	1,352	2,771	263	501	185	342	1,639	3,047	13,119	28,469	41,588	
May	8,889	20,060	1,401	2,846	275	501	196	370	1,778	3,303	12,539	27,080	39,619	
June	10,260	22,210	1,460	2,943	293	527	190	355	1,729	3,233	13,932	29,268	43,200	
July	13,472	28,665	1,670	3,339	330	605	217	402	1,998	3,739	17,687	36,750	54,437	
Aug.	19,850	42,092	1,635	3,369	272	520	131	238	1,377	2,557	23,265	48,776	72,041	
Sept.	10,443	23,468	1,480	3,000	292	545	201	367	1,945	3,630	14,361	31,010	45,371	
Oct.	8,728	19,760	1,436	2,905	297	557	214	394	1,996	3,727	12,671	27,343	40,014	
Nov.	8,111	18,471	1,281	2,600	262	488	198	368	1,801	3,387	11,653	25,314	36,967	
Dec.	9,158	20,786	1,241	2,484	239	450	179	331	1,657	3,112	12,474	27,163	39,637	
Year	121,242	270,497	16,455	33,501	3,255	6,046	2,275	4,221	21,008	39,285	164,235	353,550	517,785	

MOTORWAY A14 BOLOGNA-TARANTO / SECTION: LANCIANO-CANOSA

Month	Toll class						Toll class						Total	
	A		B		3		4		5					
	P	M	P	M	P	M	P	M	P	M	P	M	Total	Total
Jan.	31,989	15,850	4,086	2,177	751	456	601	329	6,438	3,538	43,865	22,350	66,215	
Feb.	23,726	12,549	3,924	2,126	765	462	659	359	6,452	3,529	35,526	19,025	54,551	
Mar.	27,872	14,840	4,480	2,418	844	510	698	389	6,809	3,788	40,703	21,945	62,648	
Apr.	41,095	19,508	5,271	2,695	876	536	668	359	6,342	3,467	54,252	26,565	80,817	
May	34,649	17,277	5,305	2,750	915	543	736	390	6,827	3,816	48,432	24,776	73,208	
June	44,129	20,347	5,607	2,906	978	576	708	377	6,759	3,757	58,181	27,963	86,144	
July	64,766	27,781	6,434	3,299	1,148	659	790	418	7,756	4,314	80,894	36,471	117,365	
Aug.	116,603	44,750	7,670	3,488	1,078	574	525	261	5,637	2,966	131,513	52,039	183,552	
Sept.	47,840	21,629	5,762	2,933	1,016	604	752	388	7,752	4,209	63,122	29,763	92,885	
Oct.	33,564	17,008	5,259	2,819	972	610	808	411	7,961	4,292	48,564	25,140	73,704	
Nov.	29,740	15,604	4,629	2,473	861	526	759	376	7,434	3,890	43,423	22,869	66,292	
Dec.	40,405	18,963	4,636	2,391	818	482	680	346	7,046	3,596	53,585	25,778	79,363	
Year	536,378	246,106	63,063	32,475	11,022	6,538	8,384	4,403	83,213	45,162	702,060	334,684	1,036,744	

MOTORWAY A14 BOLOGNA-TARANTO / SECTION: CANOSA-TARANTO

Month	Toll class						Toll class						Total	
	A		B		3		4		5					
	P	M	P	M	P	M	P	M	P	M	P	M	Total	Total
Jan.	31,056	-	3,642	-	554	-	356	-	3,517	-	39,125	-	39,125	
Feb.	26,210	-	3,538	-	525	-	393	-	3,489	-	34,155	-	34,155	
Mar.	29,829	-	4,019	-	569	-	407	-	3,699	-	38,523	-	38,523	
Apr.	39,094	-	4,464	-	560	-	406	-	3,488	-	48,012	-	48,012	
May	34,714	-	4,660	-	592	-	426	-	3,760	-	44,152	-	44,152	
June	41,482	-	4,655	-	591	-	431	-	3,826	-	50,985	-	50,985	
July	56,148	-	5,183	-	729	-	470	-	4,263	-	66,793	-	66,793	
Aug.	91,888	-	5,750	-	690	-	308	-	3,193	-	101,829	-	101,829	
Sept.	44,593	-	4,938	-	662	-	468	-	4,113	-	54,774	-	54,774	
Oct.	34,428	-	4,641	-	648	-	471	-	4,268	-	44,456	-	44,456	
Nov.	30,824	-	4,185	-	606	-	424	-	3,886	-	39,925	-	39,925	
Dec.	38,152	-	4,085	-	605	-	394	-	3,895	-	47,131	-	47,131	
Year	498,418	-	53,760	-	7,331	-	4,954	-	45,397	-	609,860	-	609,860	

TOLL PAYING TRAFFIC BY MONTH (IN THOUSAND OF KM TRAVELLED) - 2014

P = plain sections, M = mountain sections

MOTORWAY A16 NAPLES-CANOSA

Month	Toll class						Toll class						Total	
	A		B		3		4		5					
	P	M	P	M	P	M	P	M	P	M	P	M	Total	Total
Jan.	35,775	36,919	3,492	4,847	538	804	289	419	2,349	4,506	42,443	47,495	89,938	
Feb.	33,999	33,242	3,494	4,736	519	774	335	489	2,339	4,486	40,686	43,727	84,413	
Mar.	38,809	38,949	4,016	5,499	564	837	331	477	2,594	4,917	46,314	50,679	96,993	
Apr.	42,414	45,541	4,038	5,666	548	841	314	447	2,430	4,578	49,744	57,073	106,817	
May	40,913	43,300	4,311	6,145	593	904	327	449	2,601	4,916	48,745	55,714	104,459	
June	41,566	45,067	4,206	5,787	575	858	322	457	2,686	5,022	49,355	57,191	106,546	
July	46,248	51,934	4,440	6,152	666	1,016	348	515	2,900	5,771	54,602	65,388	119,990	
Aug.	48,228	66,122	3,498	5,382	521	847	214	506	2,233	8,225	54,694	81,082	135,776	
Sept.	41,852	47,619	4,343	6,345	682	1,048	345	628	2,974	8,447	50,196	64,087	114,283	
Oct.	41,953	45,669	4,557	6,612	719	1,150	340	535	2,973	5,779	50,542	59,745	110,287	
Nov.	38,714	41,624	4,206	6,112	635	997	305	501	2,662	5,323	46,522	54,557	101,079	
Dec.	40,343	45,282	3,962	5,695	593	903	298	493	2,533	5,076	47,729	57,449	105,178	
Year	490,814	541,268	48,563	68,978	7,153	10,979	3,768	5,916	31,274	67,046	581,572	694,187	1,275,759	

MOTORWAY A23 UDINE-TARVISIO

Month	Toll class						Toll class						Total	
	A		B		3		4		5					
	P	M	P	M	P	M	P	M	P	M	P	M	Total	Total
Jan.	12,241	7,436	1,494	1,184	150	116	198	245	2,886	4,086	16,969	13,067	30,036	
Feb.	10,336	6,117	1,483	1,241	159	128	227	302	3,110	4,473	15,315	12,261	27,576	
Mar.	12,962	7,978	1,824	1,547	203	178	232	288	3,255	4,577	18,476	14,568	33,044	
Apr.	13,662	10,197	2,175	2,111	300	327	243	309	3,200	4,536	19,580	17,480	37,060	
May	15,951	12,559	2,415	2,271	408	460	267	329	3,314	4,670	22,355	20,289	42,644	
June	24,201	23,435	2,985	3,060	894	1,152	265	339	3,144	4,480	31,489	32,466	63,955	
July	26,177	25,086	2,893	2,859	970	1,251	290	373	3,577	5,144	33,907	34,713	68,620	
Aug.	32,740	33,709	3,154	3,403	1,122	1,492	226	290	2,345	3,380	39,587	42,274	81,861	
Sept.	21,168	19,088	2,906	2,929	688	861	263	337	3,247	4,660	28,272	27,875	56,147	
Oct.	13,332	8,687	2,189	1,959	254	242	260	324	3,496	5,068	19,531	16,280	35,811	
Nov.	10,714	6,292	1,682	1,403	178	153	238	304	3,137	4,492	15,949	12,644	28,593	
Dec.	13,098	8,796	1,687	1,423	167	139	192	236	2,660	3,741	17,804	14,335	32,139	
Year	206,582	169,380	26,887	25,390	5,493	6,499	2,901	3,676	37,371	53,307	279,234	258,252	537,486	

MOTORWAY A26 GENOA VOLTRI-GRAVELLONA TOCE / SECTION: GENOA VOLTRI-ALESSANDRIA

Month	Toll class						Toll class						Total	
	A		B		3		4		5					
	P	M	P	M	P	M	P	M	P	M	P	M	Total	Total
Jan.	-	42,481	-	4,504	-	703	-	869	-	10,925	-	59,482	59,482	
Feb.	-	38,604	-	4,638	-	701	-	894	-	11,185	-	56,022	56,022	
Mar.	-	52,728	-	6,016	-	819	-	959	-	12,082	-	72,604	72,604	
Apr.	-	65,227	-	6,875	-	930	-	944	-	11,488	-	85,464	85,464	
May	-	63,847	-	6,916	-	976	-	1,027	-	12,124	-	84,890	84,890	
June	-	77,712	-	6,923	-	1,080	-	1,014	-	11,305	-	98,034	98,034	
July	-	92,152	-	7,246	-	1,303	-	1,132	-	12,599	-	114,432	114,432	
Aug.	-	110,206	-	6,858	-	1,210	-	699	-	8,001	-	126,974	126,974	
Sept.	-	72,255	-	6,836	-	1,115	-	998	-	11,742	-	92,946	92,946	
Oct.	-	51,740	-	6,356	-	947	-	1,070	-	12,523	-	72,636	72,636	
Nov.	-	41,237	-	5,036	-	755	-	954	-	11,200	-	59,182	59,182	
Dec.	-	50,356	-	5,155	-	745	-	895	-	10,390	-	67,541	67,541	
Year	-	758,545	-	73,359	-	11,284	-	11,455	-	135,564	-	990,207	990,207	

TOLL PAYING TRAFFIC BY MONTH (IN THOUSAND OF KM TRAVELLED) - 2014

P = plain sections, M = mountain sections

MOTORWAY A26 GENOA VOLTRI-GRAVELLONA TOCE / SECTION: ALESSANDRIA-GRAVELLONA TOCE

Month	Toll class						Toll class				Total		
	A		B		3		4		5		Total		Total
	P	M	P	M	P	M	P	M	P	M	P	M	
Jan.	36,546	12,269	4,256	1,294	743	178	431	96	5,180	842	47,156	14,679	61,835
Feb.	34,426	11,111	4,437	1,343	771	186	473	108	5,218	845	45,325	13,593	58,918
Mar.	43,681	14,323	5,429	1,613	870	219	510	123	5,593	980	56,083	17,258	73,341
Apr.	46,839	15,233	5,783	1,793	922	236	488	117	5,385	962	59,417	18,341	77,758
May	47,498	15,779	6,058	1,943	970	263	524	119	5,693	993	60,743	19,097	79,840
June	51,341	16,672	5,940	1,931	997	273	532	123	5,571	1,022	64,381	20,021	84,402
July	58,518	18,846	6,384	2,067	1,139	310	608	128	6,234	1,139	72,883	22,490	95,373
Aug.	60,999	20,259	4,845	1,543	811	200	353	87	3,730	670	70,738	22,759	93,497
Sept.	50,884	17,057	6,106	1,989	1,006	262	542	131	5,866	1,066	64,404	20,505	84,909
Oct.	44,992	15,286	6,075	1,849	986	247	575	127	6,144	1,091	58,772	18,600	77,372
Nov.	38,192	12,806	4,941	1,527	820	198	520	112	5,398	955	49,871	15,598	65,469
Dec.	41,385	14,376	4,832	1,497	793	183	462	93	5,000	862	52,472	17,011	69,483
Year	555,301	184,017	65,086	20,389	10,828	2,755	6,018	1,364	65,012	11,427	702,245	219,952	922,197

MOTORWAY A27 MESTRE-BELLUNO

Month	Toll class						Toll class				Total		
	A		B		3		4		5		Total		Total
	P	M	P	M	P	M	P	M	P	M	P	M	
Jan.	31,194	16,570	3,420	1,371	526	120	282	51	2,625	399	38,047	18,511	56,558
Feb.	29,116	13,184	3,539	1,293	540	130	294	58	2,715	421	36,204	15,086	51,290
Mar.	34,133	16,473	4,036	1,482	602	153	307	57	3,053	500	42,131	18,665	60,796
Apr.	32,255	13,182	4,045	1,388	619	146	311	63	3,076	486	40,306	15,265	55,571
May	32,905	13,121	4,349	1,551	641	172	327	72	3,162	536	41,384	15,452	56,836
June	33,074	15,461	4,172	1,679	660	203	309	68	3,156	511	41,371	17,922	59,293
July	37,018	19,265	4,655	1,996	748	230	354	80	3,538	634	46,313	22,205	68,518
Aug.	35,384	24,034	3,355	1,683	496	205	216	54	2,076	398	41,527	26,374	67,901
Sept.	34,933	16,030	4,295	1,659	666	202	329	76	3,289	593	43,512	18,560	62,072
Oct.	34,824	14,079	4,403	1,615	674	176	342	82	3,409	659	43,652	16,611	60,263
Nov.	31,327	12,470	3,849	1,450	573	142	319	70	2,997	570	39,065	14,702	53,767
Dec.	33,765	16,955	3,732	1,544	537	137	284	56	2,626	455	40,944	19,147	60,091
Year	399,928	190,824	47,850	18,711	7,282	2,016	3,674	787	35,722	6,162	494,456	218,500	712,956

MOTORWAY A30 CASERTA-SALERNO

Month	Toll class						Toll class				Total		
	A		B		3		4		5		Total		Total
	P	M	P	M	P	M	P	M	P	M	P	M	
Jan.	43,466	-	5,641	-	1,077	-	654	-	5,618	-	56,456	-	56,456
Feb.	37,466	-	5,438	-	1,062	-	744	-	5,460	-	50,170	-	50,170
Mar.	43,105	-	6,159	-	1,131	-	727	-	5,841	-	56,963	-	56,963
Apr.	49,536	-	6,276	-	1,116	-	672	-	5,488	-	63,088	-	63,088
May	47,023	-	6,746	-	1,230	-	746	-	5,947	-	61,692	-	61,692
June	50,536	-	6,598	-	1,232	-	764	-	5,713	-	64,843	-	64,843
July	61,505	-	7,274	-	1,371	-	839	-	6,447	-	77,436	-	77,436
Aug.	77,144	-	6,160	-	1,117	-	542	-	5,380	-	90,343	-	90,343
Sept.	51,901	-	6,897	-	1,296	-	782	-	6,468	-	67,344	-	67,344
Oct.	47,872	-	7,034	-	1,305	-	807	-	6,226	-	63,244	-	63,244
Nov.	44,627	-	6,277	-	1,199	-	714	-	5,758	-	58,575	-	58,575
Dec.	50,922	-	6,193	-	1,196	-	671	-	5,639	-	64,621	-	64,621
Year	605,103	-	76,693	-	14,332	-	8,662	-	69,985	-	774,775	-	774,775

Annex 3

Table of investment required by art. 2 of the Single Concession Arrangement of 2007

The following table shows a summary of the investment envisaged by art. 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 2014.

AUTOSTRADE PER L'ITALIA - SINGLE CONCESSION ARRANGEMENT - ART. 2

[€000 - Italian GAAP]		Contractually agreed amounts ⁽⁸⁾		Completed as at 31/12/2013		
Art. 2 reference	Project	Gross approved amount ⁽⁹⁾	Net amount as per Arrangement ⁽¹⁰⁾	Base tender price ⁽¹⁾	Available funding	Financial expenses
UPGRADE OF THE BOLOGNA-FLORENCE SECTION						
Aa)	Casalecchio-Sasso Marconi	68,106	82,042	63,817	18,238	2,559
Ab)+Ba2)	Sasso Marconi-La Quercia ⁽¹¹⁾	628,558	564,561	460,459	99,628	38,636
Ac)	La Quercia-Aglio ⁽²⁾	2,330,664 ⁽¹¹⁾	2,592,908	1,906,138	381,599	297,357
Ad)	Aglio-Barberino	236,120 ⁽¹¹⁾	365,385	302,115	60,689	57,165
Ae)	Barberino- Florence North	987,679	837,905	74,935	54,397	12,798
Af)	Florence North-Florence South	735,725	798,927	584,948	127,158	61,663
Ag)	Florence South-Incisa	296,132	397,487	-	19,762	3,340
Ah)	Construction of the Florence access roads	20,082	25,012	-	19,391	3,964
Ai)	Landscaping	156,294 ⁽¹²⁾	298,045	53,065	123,585	17,223
	Total			3,445,477	904,447	494,705
REMAINING INVESTMENT IN THIRD AND FOURTH LANES						
Ba1)	Bologna Modena ⁽³⁾	148,943	185,731	113,866	29,065	2,051
Ba1)	Bologna-Modena Complementary works ⁽¹³⁾			-	777	266
Ba3)	Rome-Orte ⁽³⁾	156,451	191,163	157,991	33,180	8,582
Ba4)	Remaining investment in third lanes ⁽³⁾	29,642	27,826	9,015	14,913	686
B)	Milan-Lakes ⁽⁴⁾	44,857	64,733	35,186	29,548	37
B)	Bologna Ring Road ⁽⁴⁾	169,158	59,393	47,754	11,639	1,383
	Total			363,812	119,122	13,005
ADDITIONAL WORKS UNDER THE IV ADDENDUM OF 2002						
Da1)+Dg)	A1 - Fiano-Settebagni and Castelnuovo di Porto junction	125,407	161,441	99,193	24,880	2,015
Db1)	Milan-Bergamo	525,885	495,672	375,154	117,026	3,842
Db2)	Structural repairs to Adda and Brembo bridges	11,438	9,767	8,098	1,096	180
Dc1)	A9 - Lainate-Como	465,713	358,933	237,495	59,957	6,299
Dc1)	A8 - Milan North-Lainate	77,844	218,726	-	3,226	-
Dd1.2)	A14 - Lot 1 Rimini North-Cattolica	551,461	495,364	353,457	57,918	5,975
Dd1.3)	A14 - Lot 2 Cattolica-Fano ⁽⁵⁾	521,043	592,952	321,569	66,616	7,470
Dd1.4)	A14 - Lot 3 Fano-Senigallia	377,486	342,133	223,097	71,368	2,871
Dd1.5)	A14 - Lot 4 Senigallia-Ancona North and Marina di Monte Marciano junction	466,231	418,623	154,888	40,926	16,425
Dd1.6)	A14 - Lot 5 Ancona North-Ancona South ⁽⁶⁾	341,628	367,551	81,335	27,959	6,221
Dd1.7)	A14 - Lot 6A Ancona South-P.S. Elpidio, Phase 1	153,819	134,358	109,118	23,803	8,287
Dd1.8)	A14 - Lot 6 B Ancona South-P.S. Elpidio, Phase 2 and P. S. Elpidio junction	166,006	163,818	112,473	21,100	2,159
Dd1.9)	A14 - Lot 7A P.S. Elpidio-Pedaso, Phase 1 ⁽¹³⁾		4,240	-	4,240	1,433
Dd1.10)	A14 - Lot 7B P.S. Elpidio-Pedaso, Phase 2 ⁽¹³⁾		1,568	-	1,568	631
Dd1.11)	A14 - Lot 0	23,716	22,106	19,290	2,363	8,257
De1)+De3)	Genoa bypass ⁽¹³⁾		3,187,015	-	47,186	261
De2)	San Benigno Interchange	79,078	75,740	-	1,306	21
Df)	Milan Exhibition Centre	93,334	86,298	78,550	7,523	-
Dh)	Guidonia Junction	14,527	14,869	8,277	4,129	-
Di)	Padua Industrial Estate junction and A13-A4 link at Km 101+093	46,286	39,776	807	3,014	9
DI)	Rubicone Junction	17,485	15,691	10,449	2,524	-
Dm)	Villa Marzana Junction	4,429	4,008	2,147	1,862	-
Dn)	Ferentino Junction	17,384	16,604	9,158	7,456	-
Do)	Maddaloni Junction	13,369	12,006	-	342	-
Dp)	Tunnel Safety Plan	167,969 ⁽¹⁴⁾	244,900	115,033	20,010	-
	Total			2,319,588	619,398	72,356

2014					Completed as at 31/12/2014			
Total	Base tender price ^(*)	Available funding	Financial expenses	Total	Base tender price ^(*)	Available funding	Financial expenses	Total
84,614	793	2	-	795	64,610	18,240	2,559	85,409
598,723	2,794	148	-	2,942	463,253	99,776	38,636	601,665
2,585,094	190,866	22,300	89,842	303,008	2,097,004	403,899	387,199	2,888,102
419,969	9	1,251	16,560	17,820	302,124	61,940	73,725	437,789
142,130	24,947	14,186	5,816	44,949	99,882	68,583	18,614	187,079
773,769	3,159	5,145	9,408	17,712	588,107	132,303	71,071	791,481
23,102	-	1,950	992	2,942	-	21,712	4,332	26,044
23,355	-	26	973	999	-	19,417	4,937	24,354
193,873	32	7,587	2,585	10,204	53,097	131,172	19,808	204,077
4,844,629	222,600	52,595	126,176	401,371	3,668,077	957,042	620,881	5,246,000
144,982	1,791	-317	-	1,474	115,657	28,748	2,051	146,456
1,043	-	308	50	358	-	1,085	316	1,401
199,753	-	-	-	-	157,991	33,180	8,582	199,753
24,614	-	3	-	3	9,015	14,916	686	24,617
64,771	-	-	-	-	35,186	29,548	37	64,771
60,776	-	-	-	-	47,754	11,639	1,383	60,776
495,939	1,791	-6	50	1,835	365,603	119,116	13,055	497,774
126,088	-	1,047	-	1,047	99,193	25,927	2,015	127,135
496,022	9,604	445	-	10,049	384,758	117,471	3,842	506,071
9,374	-	-	-	-	8,098	1,096	180	9,374
303,751	315	2,462	-	2,777	237,810	62,419	6,299	306,528
3,226	9,678	6,515	14	16,207	9,678	9,741	14	19,433
417,350	8,350	13,364	-	21,714	361,807	71,282	5,975	439,064
395,655	10,217	7,884	148	18,249	331,786	74,500	7,618	413,904
297,336	3,582	2,396	-	5,978	226,679	73,764	2,871	303,314
212,239	39,532	5,603	9,839	54,974	194,420	46,529	26,264	267,213
115,515	64,987	10,775	5,661	81,423	146,322	38,734	11,882	196,938
141,208	-	85	153	238	109,118	23,888	8,440	141,446
135,732	-	2,215	-	2,215	112,473	23,315	2,159	137,947
5,673	-	7	262	269	-	4,247	1,695	5,942
2,199	-	-	101	101	-	1,568	732	2,300
29,910	-	-5	1,381	1,376	19,290	2,358	9,638	31,286
47,447	-	228	-	228	-	47,414	261	47,675
1,327	5,518	2,280	154	7,952	5,518	3,586	175	9,279
86,073	-	55	-	55	78,550	7,578	-	86,128
12,406	250	161	-	411	8,527	4,290	-	12,817
3,830	6,109	679	148	6,936	6,916	3,693	157	10,766
12,973	-	89	-	89	10,449	2,613	-	13,062
4,009	-	-	-	-	2,147	1,862	-	4,009
16,614	-	9	-	9	9,158	7,465	-	16,623
342	-	48	-	48	-	390	-	390
135,043 ⁽²⁰⁾	699	969	-	1,668	115,732	20,979	-	136,711
3,011,342	158,841	57,311	17,861	234,013	2,478,429	676,709	90,217	3,245,355

(€000 - Italian GAAP)

Art. 2 reference	Project	Contractually agreed amounts ⁽⁸⁾		Completed as at 31/12/2013		
		Gross approved amount ⁽⁹⁾	Net amount as per Arrangement ⁽¹⁰⁾	Base tender price ^(*)	Available funding	Financial expenses
	OTHER SPECIFIC PROJECTS REQUIRED UNDER ART. 2					
C1)	Upgrade of service areas and related facilities					
Ca4)	Reggello West Service Area	3,078	3,425	1,746	1,336	-
Ca5)	Prenestina East Service Area	2,321	⁽¹⁵⁾	1,538	1,136	-
Ca6)	Teano East Service Area	2,818	⁽¹⁵⁾	1,194	1,573	-
Ca6)	Teano West Service Area	4,298	4,996	2,539	1,690	-
Ca7)	Nicola West Service Area	5,653	⁽¹⁵⁾	3,651	1,388	-
Ca8)	S. Zenone East Service Area	8,736	2,344	7	1,078	-
Ca8)	S. Zenone West Service Area	3,618	3,567	-	473	-
Ca9)	Cantagallo East Service Area	5,769	5,539	988	1,026	-
Ca9)	Cantagallo West Service Area	7,420	5,996	-	843	-
Ca10)	S. Martino East Service Area	⁽¹³⁾	2,611	-	197	-
Ca10)	S. Martino West Service Area	⁽¹³⁾	2,858	-	236	-
Ca11)	Lucignano West Service Area	2,047	1,540	347	191	-
Ca12)	La Macchia West Service Area	⁽¹³⁾	2,328	-	595	-
Cb1)	Brianza North Service Area ⁽⁵⁾	4,558 ⁽¹⁶⁾	⁽¹⁵⁾	464	2,418	-
Cb2)	Lambro South Service Area	2,833	⁽¹⁵⁾	1,492	1,958	-
Cb3)	Valtrompia North Service Area	1,723	⁽¹⁵⁾	1,335	155	-
Cb4)	Sebino North Service Area	1,914	1,780	40	370	-
Cb4)	Sebino South Service Area	2,177	3,301	250	560	-
Cd1)	Villoresi East Service Area	1,004	521	359	165	-
Cd1)	Villoresi West Service Area	1,447	1,286	-	57	-
Cf1)	Po West Service Area	3,001	⁽¹⁵⁾	1,757	726	-
Cf2)	San Pelagio East Service Area	⁽¹³⁾	522	-	204	-
Cf2)	San Pelagio West Service Area	⁽¹³⁾	1,940	-	143	-
Cg2)	Metauro West Service Area	4,996	4,210	4,367	1,447	-
Cg3)	Esino East Service Area	3,962	4,763	3,380	1,520	-
Cg3)	Esino West Service Area	1,997	⁽¹⁵⁾	1,428	289	-
Cg4)	Sillaro East Service Area	7,525	8,631	2,773	4,645	-
Cg5)	Santerno East Service Area	⁽¹³⁾	2,314	-	138	-
Cg5)	Santerno West Service Area	⁽¹³⁾	2,169	-	144	-
Cg6)	La Pioppa East Service Area	5,133	4,871	3,268	1,819	-
Cg7)	Murge West Service Area	⁽¹³⁾	865	-	121	-
Cg8)	Bevano West Service Area	⁽¹³⁾	718	-	141	-
Cg9)	Montefeltro East Service Area	⁽¹³⁾	2,253	-	379	-
Cg10)	Chienti West Service Area	⁽¹³⁾	1,701	-	373	-
	TOTAL			32,922	29,534	-
C2)	Toll stations, junctions and other network investment					
Ca1)	New junction at Caprara di Campegine	12,765		10,007	2,989	-
Ca2)	New junction and toll station at Ceprano	8,578		5,394	2,604	-
Ca3)	Junction and toll station at S. Maria Capua Vetere	11,338	⁽¹⁵⁾	6,035	4,309	-
Cc1)	Upgrade of Busalla Junction	1,787		1,069	632	-
Ce1)	New junction at Capannori	14,259		13,974	4,134	-
Cg1)	Giulianova Junction	1,435		880	755	-
	TOTAL			37,359	15,423	-
	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	⁽¹³⁾	45,000	-	-	-
Ch2)	New Bazzanese	41,400	41,400	-	10,350	-
Ch3)	S. Cesario Interchange	26,539	26,539	-	5,436	84
Ch4)	Improvement of local feeder roads to the A1 motorway at the Barberino-Calenzano-Firenze South-Incisa junctions with works on SP8-SS67-SS69-SP34 - support road to the Calenzano and Rignano industrial estates	⁽¹⁸⁾	86,705	17,384	2,474	703
Ch5)	Rho-Monza (Section 1)	183,340	157,559	-	4,153	264
Ch6)	Port access road (Voltri)	⁽¹³⁾	15,000	-	323	-

2014					Completed as at 31/12/2014				
Total	Base tender price (*)	Available funding	Financial expenses	Total	Base tender price(*)	Available funding	Financial expenses	Total	
3,082	-	136	-	136	1,746	1,472	-	3,218	
2,674	-	17	-	17	1,538	1,153	-	2,691	
2,768	-	3	-	3	1,194	1,576	-	2,771	
4,229	63	117	-	181	2,602	1,808	-	4,410	
5,039	5	17	-	22	3,656	1,405	-	5,061	
1,085	-	-151	-	-151	7	926	-	933	
473	-	43	-	43	-	516	-	516	
2,013	-	37	-	37	988	1,063	-	2,051	
843	4	148	-	152	4	990	-	995	
197	-	3	-	3	-	200	-	200	
236	-	7	-	7	-	243	-	243	
537	15	39	-	54	362	229	-	591	
595	-	-	-	-	-	595	-	595	
2,882	-	4	-	4	464	2,422	-	2,886	
3,450	-	22	-	22	1,492	1,980	-	3,472	
1,490	-	1	-	1	1,335	156	-	1,491	
410	-	69	-	69	40	439	-	479	
810	-	55	-	55	250	615	-	865	
524	-	-	-	-	359	166	-	524	
57	-	-	-	-	-	57	-	57	
2,483	-	1	-	1	1,757	727	-	2,484	
204	-	2	-	2	-	206	-	206	
143	-	3	-	3	-	146	-	146	
5,814	611	-138	-	473	4,978	1,309	-	6,287	
4,900	358	-244	-	114	3,738	1,275	-	5,013	
1,717	-	-4	-	-4	1,428	285	-	1,713	
7,418	772	88	-	860	3,545	4,732	-	8,277	
138	-	96	-	96	-	233	-	233	
144	-	5	-	5	-	149	-	149	
5,086	-	33	-	33	3,268	1,852	-	5,119	
121	-	-	-	-	-	122	-	122	
141	-	2	-	2	-	143	-	143	
379	-	-	-	-	-	380	-	380	
373	-	-	-	-	-	373	-	373	
62,455	1,829	410	-	2,239	34,750	29,944	-	64,695	
12,996	-	-	-	-	10,007	2,989	-	12,996	
7,998	-	5	-	5	5,394	2,609	-	8,003	
10,344	-	14	-	14	6,035	4,323	-	10,358	
1,701	-	-	-	-	1,069	632	-	1,701	
18,108	-	14	-	14	13,974	4,148	-	18,122	
1,635	-	-	-	-	880	755	-	1,635	
52,782	-	33	-	33	37,359	15,456	-	52,815	
-	-	-	-	-	-	-	-	-	
10,350	-	-	-	-	-	10,350	-	10,350	
5,520	-	-	138	138	-	5,436	222	5,658	
20,561	13,801	2,430	909	17,140	31,185	4,904	1,612	37,701	
4,417	30,703	15,067	405	46,175	30,703	19,220	669	50,592	
323	-	-	-	-	-	323	-	323	

[€000 - Italian GAAP]		Contractually agreed amounts ⁽⁹⁾		Completed as at 31/12/2013		
Art. 2 reference	Project	Gross approved amount ⁽⁹⁾	Net amount as per Arrangement ⁽¹⁰⁾	Base tender price ^(*)	Available funding	Financial expenses
Ch7)	New Crespellano (previously La Muffa) Junction	32,329	27,749	-	744	51
Ch8)	Local roads and improvement of access at the Lavagna toll station (Viale Kasman)	⁽¹³⁾	20,000	-	267	-
Ch10)	Bologna Ring Road ⁽⁷⁾	⁽¹⁹⁾	118,704	97,318	21,130	3,246
C3)	Upgrade of fourth lane A4 between V.le Certosa and Sesto San Giovanni junctions	12,457	212,540	5,172	2,634	192
C3)	New S. Maria del Piave toll station	⁽¹³⁾	13,784	-	451	-
C3)	New Foggia Industrial Park toll station	14,222	11,669	-	382	-
C3)	New Bisceglie toll station	⁽¹³⁾	5,422	-	61	-
C3)	New Orvieto North toll station	⁽¹³⁾	13,239	-	340	-
C3)	New Borgonovo toll station	9,890	9,508	-	421	28
C3)	Construction of new Dalmine toll plaza	⁽¹³⁾	10,000	-	-	-
C3)	Link road joining Val Fontanabuona and A12	⁽¹³⁾	5,950	-	3,395	-
C3)	Ordinary link road serving Bologna Interporto junction	⁽¹³⁾	2,500	-	-	-
C3)	Completion of Baveno junction	⁽¹³⁾	2,002	-	74	-
C3)	Completion of Rapallo junction	1,098	1,247	97	529	-
C3)	Change to A11 Florence-Pisa North exit road on to SS1 Aurelia at Migliarino	⁽¹³⁾	1,000	-	-	-
C3)	TOTAL			119,971	53,164	4,568
	TOTAL SPECIFIC PROJECTS REQUIRED UNDER ART.2			190,252	98,121	4,568
	OTHER UNSPECIFIED INVESTMENT					
C1)	Upgrade of service areas and buildings used in operations					
C2)	Toll stations, junctions and pending network investments					
C3)	Upgrade and expansion of the motorway network and motorway feeder roads and other minor investments (unspecified works)	⁽¹⁷⁾	⁽¹⁷⁾		1,885,908	1,671
C4)	Noise abatement plan					
C5)	Improvement of safety standards					
C6)	Technological plant improvements					
C7)	Other improvements and capitalised unscheduled maintenance					
	TOTAL OTHER UNSPECIFIED INVESTMENT				1,885,908	1,671
E)	New investment remunerated pursuant to CIPE Resolution 39 of 15 June 2007	⁽¹⁷⁾	⁽¹⁷⁾	95,978	6,931	-
	GRAND TOTAL				10,049,033	586,305

Handover of service areas free of charge

New works under art. 15 of the 2007 Single Concession Arrangement

Capitalised staff costs, change in advances paid to suppliers and other sundry

TOTAL INVESTMENT IN ASSETS TO BE HANDED OVER

[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] Information provided only for specific projects.

[9] Unless otherwise indicated: the gross amount to be financed by ASPI as per final/executive designs (including the variation appraisal) of projects, or related lots/phases, for which at 31 December 2014 approval has been given by the Grantor, or the amount expected to be financed by ASPI in the agreements with final approval from the Grantor at 31 December 2014 (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.

[10] Net amount envisaged per project(s) in the Addendum to the Single Concession Arrangement of 24 December 2013, as updated by the report of 15 September 2014.

[11] The gross approved amount for the "Barberino toll station" is included in the gross amount approved for the "La Quercia-Aglio" section.

[12] 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.

[13] At 31 December 2014, 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.

[14] The gross approved amount only includes the Executive Designs for the lots that have received approval.

[15] 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.

[16] The completion of expansion of the Brianza North service area was included in the first valuation appraisal for the fourth lane of the Milan-Bergamo Lot 1 (net amount).

[17] Unspecified project(s).

[18] The gross approved amount for the project is included in the item "Ae) Barberino-Florence North", forming part of the Bologna-Florence upgrade.

[19] The gross approved amount is included in item "B) Bologna Ring Road" in "Remaining investment in third and fourth lanes".

[20] Amounts for 2013 have been reclassified in order to ensure a more suitable presentation.

[*) Base Tender Price includes advance payments, reserves and savings to be refunded to the contractor pursuant to art. 11, Ministerial Decree 145/2000 and statutory payments for changes in prices of materials.

2014					Completed as at 31/12/2014				
	Total	Base tender price ^(*)	Available funding	Financial expenses	Total	Base tender price ^(*)	Available funding	Financial expenses	Total
	795	1,556	2,450	46	4,051	1,555	3,194	97	4,846
	267	-	-	-	-	-	267	-	267
	121,694	-2,061	152	-	-1,909	95,257	21,282	3,246	119,785
	7,998	2,306	2,382	356	5,044	7,478	5,016	548	13,042
	451	-	-	-	-	-	451	-	451
	382	2,808	382	-	3,190	2,808	764	-	3,572
	61	-	-	-	-	-	61	-	61
	340	-	-	-	-	-	340	-	340
	449	-	107	23	130	-	528	51	579
	-	-	-	-	-	-	-	-	-
	3,395	-	40	91	131	-	3,435	91	3,526
	-	-	-	-	-	-	-	-	-
	74 ⁽²⁰⁾	-	22	-	22	-	96	-	96
	626 ⁽²⁰⁾	5	-	-	5	102	529	-	631
	-	-	-	-	-	-	-	-	-
	177,703	49,117	23,032	1,968	74,117	169,088	76,196	6,536	251,820
	292,940	50,945	23,475	1,968	76,389	241,197	121,596	6,536	369,330
	1,887,579 ⁽²⁰⁾		65,542	-	65,542 ⁽⁷⁾		1,951,450	1,671	1,953,121
	1,887,579		65,542	-	65,542		1,951,450	1,671	1,953,121
	102,909	26,101	3,177	-	29,278	122,079	10,108	-	132,187
	10,635,338		662,373	146,055	808,428		10,711,406	732,360	11,443,766
	83,454				33,469				116,923
	31,068				9,229				40,297
	297,714				17,321				315,035
	11,047,574				868,447				11,916,021

Total investment in assets to be handed over (pursuant to art. 2 of the Single Concession Arrangement of 2007)

868.447

Adjusted by:

Capitalised financial expenses (relating to construction services for which no additional economic benefits are received)

-128,142

Handover, free of charge, of service areas

-33,469

Total investment in motorway infrastructure (IFRS compliant)

706,836

Annex 4

Subsidiaries, associates and joint ventures accounted for using the equity method as at 31 December 2014 (art. 3, point 1.1 of the 2007 Single Concession Arrangement)

Name €000	Measurement art. 2426, para. 1, 4 ⁽¹⁾ Italian Civil Code [a]	Carrying amount [B]	Difference between measurement pursuant to art. 2426, para. 1, 4 ⁽¹⁾ and carrying amount [A-B]
Subsidiaries			
Autostrade dell'Atlantico S.r.l. ⁽²⁾	999,152	1,152,837	-153,685 ⁽³⁾
Stalexport Autostrady S.A. ⁽²⁾	82,655	104,842	-22,187 ⁽⁴⁾
Tangenziale di Napoli S.p.A.	162,860	54,506	108,354
Telepass S.p.A.	103,693	25,359	78,334
Ecomouv S.a.s.	15,740	18,917	-3,177 ⁽⁵⁾
Autostrade Meridionali S.p.A.	66,067	14,879	51,188
Autostrade Tech S.p.A.	44,760	5,342	39,418
AD Moving S.p.A.	911	3,995	-3,084 ⁽⁶⁾
Infoblu S.p.A.	4,359	3,875	484
Società Italiana p.A. per il Traforo del Monte Bianco	127,499	2,318	125,181
EsseDiEsse Società di Servizi S.p.A.	687	501	186
Autostrade Indian Infrastructure Development Private Limited	779	486	293
Ecomouv D&B S.a.s.	580	375	205
Giove Clear S.r.l.	1,461	20	1,441
Tech Solutions Integrators S.a.s.	-11,255	-	-11,255 ⁽⁷⁾
Total	1,599,949	1,388,252	211,697
Associates			
Pavimental S.p.A.	10,756	9,601	1,155
Società Autostrada Tirrenica p.A.	28,268	6,343	21,925
Società Infrastrutture Toscane p.A.	5,532	5,718	-186
Pedemontana Veneta S.p.A. (in liquidation)	1,874	1,935	-61
Spea Ingegneria Europea S.p.A.	14,337	1,707	12,630
Bologna & Fiera Parking S.p.A.	678	676	2
Arcea Lazio S.p.A.	1,658	674	984
Consorzio Autostrade Italiane Energia	29	29	-
Total	1,651,826	26,683	1,625,143

[1] Autostrade per l'Italia's measurement of subsidiaries, associates and joint ventures 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 consolidation.

[3] The higher carrying amount of the investment compared with the value resulting from measurement using the equity method is not deemed to be a permanent impairment, in view of the estimated present value of the operating cash flow of Autostrade dell'Atlantico's investee companies.

[4] The higher carrying amount of the investment compared with the value resulting from measurement using the equity method is not deemed to be a permanent impairment, in view of the information provided in note 5.3.

[5] The higher carrying amount of the investment compared with the value resulting from measurement using the equity method is not deemed to be a permanent impairment, taking into account the available information regarding the impact of settling trading relations deriving from the Eco-Taxe project.

[6] The higher carrying amount of the investment compared with the value resulting from measurement using the equity method is not deemed to be a permanent impairment, in view of the investee company's prospective earnings.

[7] The higher carrying amount of the investment compared with the value resulting from measurement using the equity method includes an impairment of €4,673 thousand (as indicated in notes 5.13 and 6.13), taking into account the available information regarding the impact of settling trading relations deriving from the Eco-Taxe project.

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RILEVAMENTO
VELOCITA'



5.

REPORTS

5.1 Report of the Board of Statutory Auditors to the Annual General Meeting

To the Annual General Meeting of the Shareholders of Autostrade per l'Italia S.p.A. [pursuant to art. 2429, paragraph 2 of the Italian Civil Code]

During the financial year ended 31 December 2014, we performed the audit procedures required by law, adopting, inter alia, the Standards recommended by the Italian accounting profession.

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 verified that the Company is subject to the management and coordination of Atlantia S.p.A. 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 S.p.A., as an operating parent company in the motorway sector. Autostrade per l'Italia S.p.A. 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 art. 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 S.p.A., 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;
- we assessed and verified the adequacy of the internal control system. In particular, during our periodic meetings with the heads of the Internal Audit and Risk Management departments, 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;
- 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;
- in accordance with the provisions of art. 3 of Legislative Decree 37 of 6 February 2004, which introduced a series of amendments to Legislative Decree 58/98, including the provision of the second paragraph of art. 151 permitting a parent company's board of statutory auditors to exchange information with the boards of statutory auditors of that company's subsidiaries, in planning our audit activities, Autostrade per l'Italia's Board of Statutory Auditors has, for many years now, established direct contact with the boards of statutory auditors of subsidiaries in order to obtain a better understanding of the problems confronting the Boards of Statutory Auditors of subsidiaries and the principal matters of concern for audit work. In this regard, we obtained information from the boards of statutory auditors of subsidiaries on their activities, by monitoring the minutes of the meetings of each board;

- 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 art. 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 2014, 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";
- as described in the Introduction to the section "Group Financial review", there have not been any material changes in the accounting standards or accounting policies applied in the preparation of the consolidated financial statements as at and for the year ended 31 December 2014, with respect to those adopted in the consolidated financial statements for the previous year. 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.
The accounting standards and policies are consistent with those adopted in preparation of the previous year's financial statements, as no new standards or interpretations effective from 1 January 2014 have had a material effect on the Company's results of operations or financial position. 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 S.p.A., 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 petitions of any kind have been presented;
- we note that, during 2014, 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 (the latest revision of the model was approved by the Board of Directors on 18 October 2013);
- the Board of Statutory Auditors did not issue opinions pursuant to the law during the year;
- we have examined the financial statements as at and for the year ended 31 December 2014, 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 art. 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 and litigation”, in which the Directors provide information on certain events in 2014, including reference to their potential implications for the future. In particular, full information is provided about:
 - toll increases with effect from 1 January 2015
 - reduced tolls for frequent users
 - registration of the Decree approving the addendum to Autostrade per l’Italia’s Single Concession Arrangement with the Italian Court of Auditors
 - five-yearly revision of the financial plans of Tangenziale di Napoli and Raccordo Autostradale Valle d’Aosta
 - award of the concession for the A3 Naples-Pompei-Salerno motorway
 - Law Decree 133/2014 (the so-called “Sblocca Italia” or “Unlock Italy” legislation)
- We note that the report on operations includes a section, “Events after 31 December 2014”, in which the Directors report on a number of events they deem to be of significance. In particular, they provide information on:
 - guidelines for the plan to restructure the Italian service area network
 - the partial buyback of bonds issued by Atlantia through a Tender Offer
 - the resolution authorising the issue of retail bonds
 - the acquisition of control of Autostrada Tirrenica
- We note that the report on operations includes a section, “Outlook and risks or uncertainties”, in which the Directors state that, despite the continuing weakness of the Italian economy, traffic trends on the Italian motorway network in recent months have shown positive signs of stabilising, whilst the motorways operated by the Group’s overseas subsidiaries have registered overall traffic growth. The contributions of the Group’s overseas motorway operators are, however, subject to falls in the respective currencies.

The above audit procedures were carried out during 14 meetings of the Board of Statutory Auditors and by taking part in 13 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 have informed us that their 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, will be issued on 27 March 2015, without any reservations, we invite the Annual General Meeting to approve the Annual Report for the year ended 31 December 2014, as prepared by the Directors.

Finally, the Board of Statutory Auditors reminds the Meeting that, with the approval of the Annual Report for 2014, our term of office has expired. As a result, we invite the meeting to elect new members.

31 March 2015

Alessandro Trotter (Chairman)
 Gaetana Celico (Auditor)
 Giandomenico Genta (Auditor)
 Antonio Mastrapasqua (Auditor)
 Stefano Meroi (Auditor)

5.2 Report of the Independent Auditors



Deloitte & Touche S.p.A.
Via della Camiluccia, 589/A
00135 Roma
Italia
Tel: +39 06 367491
Fax: +39 06 36749282
www.deloitte.it

AUDITORS' REPORT PURSUANT TO ART. 14 OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010 AND ARTICLE 165 OF LEGISLATIVE DECREE No. 58 OF FEBRUARY 24, 1998

**To the sole Shareholder of
Autostrade per l'Italia S.p.A.**

1. We have audited the consolidated financial statements of Autostrade per l'Italia S.p.A. and subsidiaries (the "Autostrade per l'Italia Group"), which comprise the consolidated statement of financial position as of December 31, 2014, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in consolidated equity and consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes. These consolidated financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union are the responsibility of the Company's Directors. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
2. We conducted our audit in accordance with the Auditing Standards recommended by CONSOB, the Italian Commission for listed Companies and the Stock Exchange. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Directors, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The consolidated financial statements present for comparative purposes prior year data. As explained in the notes to the consolidated financial statements, the Directors have revised certain comparative data related to the prior year with respect to the data previously reported and audited by us, on which we issued auditors' reports dated October 22, 2014. These revisions to comparative data and related disclosures included in the notes to the consolidated financial statements have been audited by us for the purpose of expressing our opinion on the consolidated financial statements as of December 31, 2014.

3. 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 of December 31, 2014, and of the results of its operations and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.
4. The Directors of Autostrade per l'Italia S.p.A. are responsible for the preparation of the report on operations in accordance with the applicable laws and regulations. Our responsibility is to express an opinion on the consistency of the report on operations with the consolidated financial

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

Sede Legale: Via Tortona, 25 - 20144 Milano - Capitale Sociale: Euro 10.328.220,00 i.v.
Codice Fiscale/Registro delle Imprese Milano n. 03049560166 - R.E.A. Milano n. 1720239
Partita IVA IT 03049560166

Member of Deloitte Touche Tohmatsu Limited

statements, as required by law. For this purpose, we have performed the procedures required under Auditing Standard n. 001 issued by the Italian Accounting Profession (CNDCEC) and recommended by CONSOB. In our opinion, the report on operations is consistent with the consolidated financial statements of Autostrade per l'Italia S.p.A. as of December 31, 2014.

DELOITTE & TOUCHE S.p.A.

Signed by
Fabio Pompei
Partner

Rome, Italy
March 27, 2015

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

**AUDITORS' REPORT PURSUANT
TO ART. 14 OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010 AND ARTICLE 165
OF LEGISLATIVE DECREE No. 58 OF FEBRUARY 24, 1998**

**To the sole Shareholder of
Autostrade per l'Italia S.p.A.**

1. We have audited the financial statements of Autostrade per l'Italia S.p.A., which comprise the statement of financial position as of December 31, 2014, and the income statement, statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes. These financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union are the responsibility of the Company's Directors. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the Auditing Standards recommended by CONSOB, the Italian Commission for listed Companies and the Stock Exchange. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Directors, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

For the opinion on the prior year's financial statements, whose data are presented for comparative purposes, reference should be made to our auditors' report issued on March 25, 2014.

3. 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 of December 31, 2014, and of the results of its operations and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.
4. The Directors of Autostrade per l'Italia S.p.A. are responsible for the preparation of the report on operations in accordance with the applicable laws and regulations. Our responsibility is to express an opinion on the consistency of the report on operations with the financial statements,

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as required by law. For this purpose, we have performed the procedures required under Auditing Standard n. 001 issued by the Italian Accounting Profession (CNDCEC) and recommended by CONSOB. In our opinion, the report on operations is consistent with the financial statements of Autostrade per l'Italia S.p.A. as of December 31, 2014.

DELOITTE & TOUCHE S.p.A.

Signed by
Fabio Pompei
Partner

Rome, Italy
March 27, 2015

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6.

KEY FINANCIAL
INDICATORS
OF SUBSIDIARIES,
PRINCIPAL ASSOCIATES
AND JOINT VENTURES

6. Key indicators extracted from the most recent financial statements of subsidiaries and principal associates and joint ventures, as defined by art. 2429, paragraphs 3 and 4 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. Consolidated data is provided where available. Telepass, Autostrade Meridionali and the Stalexport Autostrady Group present financial statements prepared in accordance with international financial reporting standards, whereas all other companies' financial statements are prepared in accordance with accounting principles generally accepted in their countries.

Subsidiaries

(€000)		AD Moving S.p.A.		Autostrade dell'Atlantico S.r.l.	
Financial position (€000)	31/12/2014	31/12/2013	31/12/2014	31/12/2013	
Non-current assets	1,303	1,227	506,500	501,755	
<i>of which non-current investments</i>	-	-	470,897	476,104	
Current assets	5,049	4,509	244,946	358,607	
Other assets	7	13	1	-	
Total assets	6,359	5,749	751,447	860,362	
Equity	992	931	746,389	855,857	
<i>of which issued capital</i>	1,000	1,000	1,000	1,000	
Provisions including employee benefits	143	163	-	-	
Payables	5,198	4,642	5,058	4,505	
Other liabilities	26	13	-	-	
Total equity and liabilities	6,359	5,749	751,447	860,362	
Results of operations (€000)	2014	2013	2014	2013	
Value of production	8,972	9,057	-	-	
Cost of production	-8,844	-8,867	-132	-342	
Operating profit/(loss)	128	190	-132	-342	
Profit/(Loss) for the period	61	107	532	20,047	

Autostrade Indian Infrastructure Ltd		
Financial position (thousands of Rupees)	31/03/2014	31/03/2013
Non-current assets	5,459	9,001
Current assets	42,589	14,820
Total assets	48,048	23,821
Equity	35,770	14,891
<i>of which issued capital</i>	500	500
Liabilities	12,278	8,930
Total equity and liabilities	48,048	23,821

Results of operations (thousands of Rupees)	01/04/2013 - 31/03/2014	01/04/2012 - 31/03/2013
Operating income	48,441	6,903
Operating costs	-23,909	-19,586
Operating profit/(loss)	24,532	-12,683
Profit/(Loss) for the period	20,878	-12,660

Autostrade Meridionali S.p.A.		
Financial position (€000)	31/12/2013	31/12/2012
Non-current assets	19,412	17,408
Current assets	414,908	378,875
Total assets	434,320	396,283
Equity	109,521	106,633
<i>of which issued capital</i>	9,056	9,056
Liabilities	324,799	289,650
Total equity and liabilities	434,320	396,283

Results of operations (€000)	2013	2012
Value of production	107,802	123,182
Cost of production	-91,342	-114,922
Operating profit/(loss)	16,460	8,260
Profit/(Loss) for the period	2,809	-246

Autostrade Tech S.p.A.		
Financial position (€000)	31/12/2014	31/12/2013
Non-current assets	5,403	6,332
<i>of which non-current investments</i>	1,049	1,049
Current assets	57,996	61,246
Other assets	61	55
Total assets	63,460	67,633
Equity	40,219	31,979
<i>of which issued capital</i>	1,120	1,120
Provisions including employee benefits	1,590	1,575
Payables	21,403	33,817
Other liabilities	248	262
Total equity and liabilities	63,460	67,633
Results of operations (€000)	2014	2013
Value of production	53,007	63,442
Cost of production	-46,020	-60,017
Operating profit/(loss)	6,987	3,425
Profit/(Loss) for the period	6,340	3,934

	Ecomouv D&B S.a.s.		Ecomouv S.a.s.	
Financial position (€000)	31/12/2013	31/12/2012	31/12/2013	31/12/2012
Due from shareholders as unpaid, called-up issued capital	94	94	5,376	9,638
Non-current assets	-	-	563,148	355,897
<i>of which non-current investments</i>	-	-	-	-
Current assets	121,372	204,423	80,535	82,411
Total assets	121,466	204,517	649,059	447,946
Equity	489	40	-28,136	9,741
<i>of which issued capital</i>	500	500	30,000	30,000
Provisions including employee benefits	-	-	-	-
Payables	120,977	204,477	677,195	438,205
Total equity and liabilities	121,466	204,517	649,059	447,946
Results of operations (€000)	2013	2012	2013	2012
Operating income	222,555	257,381	1,032	1,741
Operating costs	-191,782	-257,886	-38,869	-11,410
Operating profit/(loss)	30,773	-505	-37,837	-9,669
Profit/(Loss) for the period	31,200	-380	-45,709	-16,575

	EsseDiEsse Società di Servizi S.p.A.		Giove Clear S.r.l.	
Financial position (€000)	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Non-current assets	602	559	284	313
<i>of which non-current investments</i>	-	-	-	-
Current assets	16,956	16,330	4,084	3,868
Other assets	150	138	-	-
Total assets	17,708	17,027	4,368	4,181
Equity	1,321	1,539	1,552	1,718
<i>of which issued capital</i>	500	500	10	10
Provisions including employee benefits	5,167	5,302	626	451
Payables	10,792	9,730	2,190	2,012
Other liabilities	428	456	-	-
Total equity and liabilities	17,708	17,027	4,368	4,181
Results of operations (€000)				
	2014	2013	2014	2013
Value of production	27,227	27,258	10,916	10,455
Cost of production	-25,598	-25,396	-10,131	-8,768
Operating profit/(loss)	1,629	1,862	785	1,687
Profit/(Loss) for the period	721	939	351	1,034

	Stalexport Autostrady group (consolidated amounts)	
Financial position (PLN000)	31/12/2013	31/12/2012
Non-current assets	1,063,618	1,116,603
Current assets	183,727	179,093
Total assets	1,247,345	1,295,696
Equity	248,510	186,491
<i>of which issued capital</i>	185,447	185,447
Liabilities	998,835	1,109,205
Total equity and liabilities	1,247,345	1,295,696
Results of operations (PLN000)		
	2013	2012
Operating income	211,875	188,840
Operating costs	-96,673	-122,781
Operating profit/(loss)	115,202	66,059
Profit/(Loss) for the period	58,572	8,602

	Infoblu S.p.A.		Società Italiana per Azioni per il Traforo del Monte Bianco	
Financial position (€000)	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Non-current assets	665	738	243,954	248,285
<i>of which non-current investments</i>	-	-	165,752	165,752
Current assets	8,672	7,322	140,064	117,876
Other assets	869	955	983	739
Total assets	10,206	9,015	385,001	366,900
Equity	5,836	5,655	290,479	292,707
<i>of which issued capital</i>	5,160	5,160	198,749	109,085
Provisions including employee benefits	114	102	53,819	40,529
Payables	4,256	3,258	40,530	33,300
Other liabilities	-	-	173	364
Total equity and liabilities	10,206	9,015	385,001	366,900

Results of operations (€000)	2014	2013	2014	2013
Value of production	5,454	5,221	62,083	62,203
Cost of production	-4,714	-4,707	-45,782	-41,873
Operating profit/(loss)	740	514	16,301	20,330
Profit/(Loss) for the period	491	329	11,458	14,424

	Tangenziale di Napoli S.p.A.	
Financial position (€000)	31/12/2013	31/12/2012
Non-current assets	241,209	243,161
<i>of which non-current investments</i>	2	2
Current assets	33,767	39,661
Other assets	254	228
Total assets	275,230	283,050
Equity	168,677	163,246
<i>of which issued capital</i>	108,077	108,077
Provisions including employee benefits	35,412	35,216
Payables	70,516	83,971
Other liabilities	625	617
Total equity and liabilities	275,230	283,050

Results of operations (€000)	2013	2012
Value of production	68,536	70,578
Cost of production	-54,276	-55,873
Operating profit/(loss)	14,260	14,705
Profit/(Loss) for the period	9,620	10,850

Tech Solutions Integrators S.a.s.		
Financial position (€000)	31/12/2013	31/12/2012
Due from shareholders as unpaid, called-up issued capital	-	-
Non-current assets	6,248	6,837
<i>of which non-current investments</i>	-	-
Current assets	49,865	69,337
Total assets	56,113	76,174
Equity	-6,640	-981
<i>of which issued capital</i>	2,000	2,000
Provisions including employee benefits	-	-
Payables	62,753	77,155
Total equity and liabilities	56,113	76,174
Results of operations (€000)	2013	2012
Operating income	88,910	113,737
Operating costs	-97,091	-118,514
Operating profit/(loss)	-8,181	-4,777
Profit/(Loss) for the period	-8,141	-4,744

Telepass S.p.A.		
Financial position (€000)	31/12/2014	31/12/2013
Non-current assets	25,396	39,485
Current assets	506,695	430,000
Total assets	532,091	469,485
Equity	103,693	102,007
<i>of which issued capital</i>	26,000	26,000
Liabilities	428,398	367,478
Total equity and liabilities	532,091	469,485
Results of operations (€000)	2014	2013
Value of production	145,324	141,118
Cost of production	-72,892	-70,319
Operating profit/(loss)	72,432	70,799
Profit/(Loss) for the period	54,458	52,707

Associates and joint ventures

	Arcea Lazio S.p.A.		Bologna & Fiera Parking S.p.A.	
Financial position (€000)	31/12/2013	31/12/2012	31/12/2013	31/12/2012
Non-current assets	-	-	50,117	51,905
<i>of which non-current investments</i>	-	-	-	-
Current assets	5,342	5,481	7,671	7,856
Other assets	24	-	5	10
Total assets	5,366	5,481	57,793	59,771
Equity	5,278	5,352	4,721	7,504
<i>of which issued capital</i>	<i>1,983</i>	<i>1,983</i>	<i>9,000</i>	<i>9,000</i>
Provisions including employee benefits	-	-	316	316
Payables	48	113	49,028	48,141
Other liabilities	40	16	3,728	3,810
Total equity and liabilities	5,366	5,481	57,793	59,771
Results of operations (€000)	2013	2012	2013	2012
Value of production	-	-	1,116	2,418
Cost of production	-200	-211	-1,467	-2,927
Operating profit/(loss)	-200	-211	-351	-509
Profit/(Loss) for the period	-75	39	-1,406	-2,832

	Pavimental S.p.A.		Pedemontana Veneta S.p.A. (in liquidation)	
Financial position (€000)	31/12/2014	31/12/2013	31/12/2013	31/12/2012
Non-current assets	40,625	42,102	-	-
<i>of which non-current investments</i>	5,396	5,396	-	-
Current assets	327,397	327,983	9,129	9,184
Other assets	4,029	1,267	-	-
Total assets	372,051	371,352	9,129	9,184
Equity	41,537	38,575	5,991	6,069
<i>of which issued capital</i>	10,116	10,116	6,000	6,000
Provisions including employee benefits	9,661	11,574	216	425
Payables	320,848	321,203	2,870	2,668
Other liabilities	5	-	52	22
Total equity and liabilities	372,051	371,352	9,129	9,184
Results of operations (€000)	2014	2013	2013	2012
Value of production	402,122	358,060	-	-
Cost of production	-393,786	-353,414	-126	-46
Operating profit/(loss)	8,336	4,646	-126	-46
Profit/(Loss) for the period	3,047	329	-78	1,306

Società Autostrada Tirrenica p.A.		
Financial position (€000)	31/12/2013	31/12/2012
Non-current assets	223,767	207,187
<i>of which non-current investments</i>	52	52
Current assets	29,191	37,405
Other assets	125	86
Total assets	253,083	244,678
Equity	63,949	56,468
<i>of which issued capital</i>	24,461	24,461
Provisions including employee benefits	7,873	7,419
Payables	181,016	180,568
Other liabilities	245	223
Total equity and liabilities	253,083	244,678
Results of operations (€000)	2013	2012
Value of production	43,939	35,684
Cost of production	-27,238	-19,141
Operating profit/(loss)	16,701	16,543
Profit/(Loss) for the period	7,481	7,467

Società Infrastrutture Toscane p.A.		
Financial position (€000)	31/12/2013	31/12/2012
Due from shareholders as unpaid, called-up issued capital	15,000	15,000
Non-current assets	8,607	8,433
<i>of which non-current investments</i>	-	-
Current assets	4,004	4,608
Other assets	-	10
Total assets	27,611	28,051
Equity	27,462	27,830
<i>of which issued capital</i>	30,000	30,000
Provisions including employee benefits	-	-
Payables	149	221
Other liabilities	-	-
Total equity and liabilities	27,611	28,051
Results of operations (€000)	2013	2012
Value of production	-	-
Cost of production	-437	-438
Operating profit/(loss)	-437	-438
Profit/(Loss) for the period	-369	-375

Spea Ingegneria Europea S.p.A.		
Financial position (€000)	31/12/2014	31/12/2013
Non-current assets	6,944	6,997
<i>of which non-current investments</i>	634	634
Current assets	126,983	137,670
Other assets	613	799
Total assets	134,540	145,466
Equity	60,132	50,360
<i>of which issued capital</i>	5,160	5,160
Provisions including employee benefits	21,061	22,023
Payables	53,347	73,083
Other liabilities	-	-
Total equity and liabilities	134,540	145,466
Results of operations (€000)	2014	2013
Value of production	80,748	92,965
Cost of production	-64,846	-70,484
Operating profit/(loss)	15,902	22,481
Profit/(Loss) for the period	9,772	13,471





7.

SHAREHOLDERS'
RESOLUTIONS

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7. Shareholders' resolutions

The Annual General Meeting (AGM) of Autostrade per l'Italia SpA's shareholders, held in ordinary session and in second call at the registered office of the Company at via Antonio Nibby, 20 in Rome on 24 April 2015, passed resolutions on the following

Agenda

1. Financial statements for the year ended 31 December 2014. Reports of the Board of Directors, the Board of Statutory Auditors and the Independent Auditors. Appropriation of profit for the year. Related and resulting resolutions.
2. Election of the Statutory Auditors and the Chairperson of the Board of Statutory Auditors for the financial years 2015-2016-2017, following prior determination of the number of Board members. Determination of the related 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 2014, which report profit of €703,530,976.66;
- to appropriate the €373,856,666.66 in profit for the year remaining, after payment of the interim dividend of €329,674,310.00 in 2014, as follows:
 - €335,272,553.00 to pay a final dividend of €0.539 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 €38,584,113.66 to retained earnings;
- to establish the dividend payment date as 18 May 2015.

With regard to item 2) on the agenda the shareholders resolved:

- to acknowledge the appointment by the Grantor, the Ministry of Infrastructure and Transport, of Antonio Parente as a Standing Auditor;
- to establish that the number of Standing Auditors shall be 3;
- to elect the following additional members of the Board of Statutory Auditors for the financial years 2015-2016-2017: Antonio Mastrapasqua (Chairman), Giandomenico Genta (Standing Auditor), Mario Venezia and Francesco Mariano Bonifacio (Alternates);
- to fix the annual remuneration payable to the Board of Statutory Auditors as follows: €5,000.00 for the Chairman and €35,000.00 for each Standing Auditor, in addition to an attendance fee of €250.00 per meeting.

Corporate information and contacts

Registered office and headquarters

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Corporate information

Autostrade per l'Italia S.p.A.
A sole shareholder company, managed and coordinated by Atlantia S.p.A.
Issued capital: €622,027,000 (fully paid-up)
Tax code, VAT number and Rome Companies' Registrar number: 07516911000
REA no. 1037417

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Pictures

Autostrade per l'Italia library/Donato Di Bello (Milan)

Printing

Varigrafica Alto Lazio (Rome - Italy)

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