Atlantia

Interim Report of the Atlantia Group for the six months ended 30 June 2016

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Introduction

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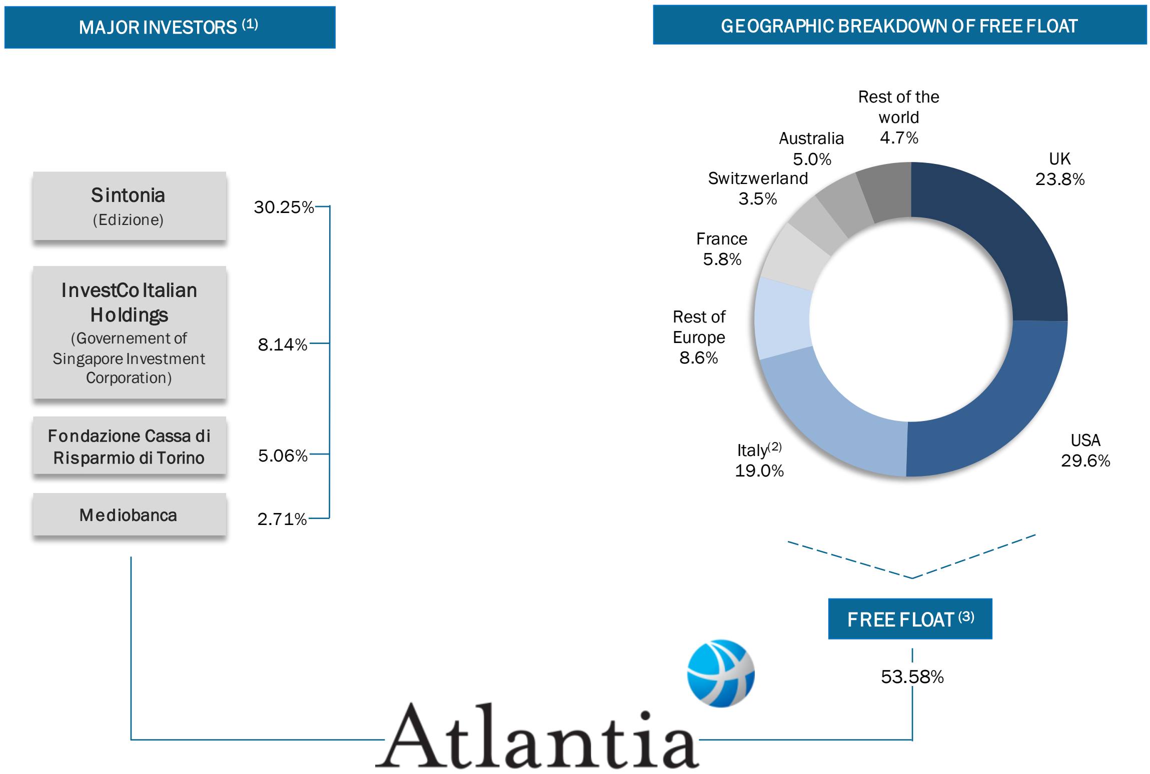
Consolidated financial highlights (*)

€M	H1 2016	H1 2015
Revenue	2,566	2,495
Toll revenue	1,875	1,810
Aviation revenue	292	260
Other operating income and contract revenue	399	425
Gross operating profit (EBITDA)	1,578	1,518
Adjusted gross operating profit (EBITDA)	1,622	1,563
Operating profit (EBIT)	965	1,075
Profit/(Loss) from continuing operations	711	636
Profit for the period	465	427
Profit attributable to owners of the parent	413	377
Operating cash flow	1,095	955
Adjusted operating cash flow	1,114	972
Capital expenditure	566	659

€M	30 June 2016	31 December 2015
Equity	8,643	8,483
Equity attributable to owners of the parent	6,820	6,800
Net debt	10,491	10,387
Adjusted net debt	11,624	11,490

(*) The amounts shown in the above table have been extracted from the reclassified consolidated financial statements included in the "Group financial review ", which also includes the reconciliation of the reclassified and reported amounts published in the "Condensed consolidated interim financial statements". Some of the amounts shown in the table refer to alternative performance indicators, definitions of which are provided in a specific section of this Interim Report.

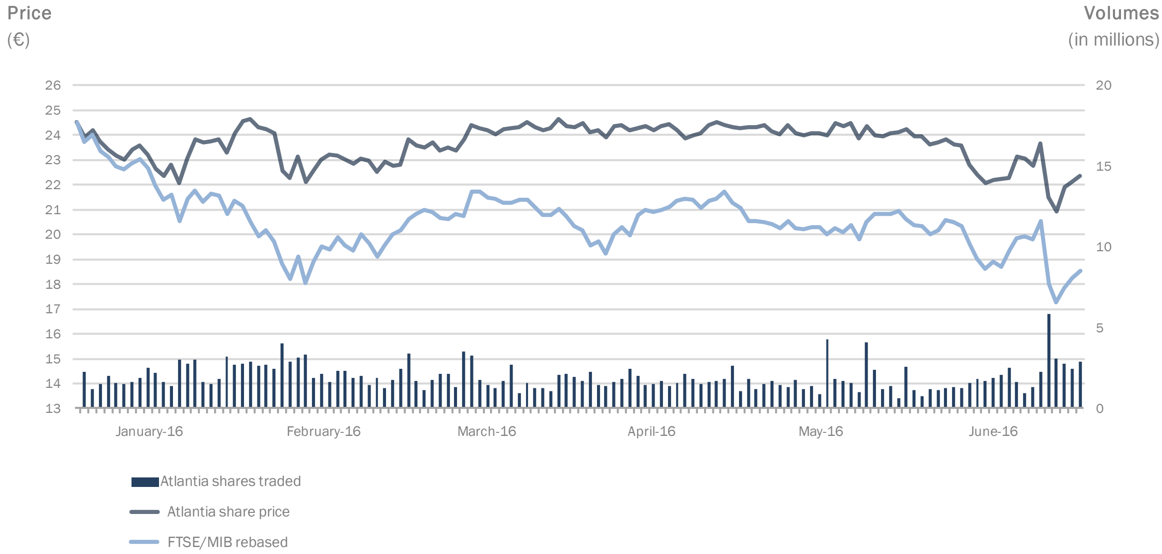
Ownership structure



(1) *Source: CONSOB (as at 30 June 2016).*
(2) *Includes retail investors.*
(3) *Excludes treasury shares held by Atlantia SpA, equal to 0.26% of the issued capital. Source: Nasdaq (as at 30 June 2016).*

Share price performance

Atlantia share price – first half of 2016



Structure of the Atlantia Group(*)

Atlantia (*)

100% — autostrade per l'italia

95.92% — Aeroporti di Roma

Italian motorways

Tangenziale di Napoli 100%
Autostrade Meridionali 58.98%
Traforo del Monte Bianco 51.00%
- Raccordo Autostradale Valle d'Aosta 47.97%(1)

Società Autostrada Tirrenica 99.99% (2)
Telepass 100%
Autostrade dell'Atlantico 100%
AD Moving 100%
EsseDiEsse 100%

Overseas motorways

Brazil
Autostrade Brasil 100% (3)
- AB Concessões 50.00%+ 1 share
  - Triangulo do Sol Auto-Estradas 100%
  - Rodovia das Colinas 100%
  - Concessionária da Rodovia MG050 100%
  - Concessionária Rodovias do Tietê 50.00% (4)
  - Soluciona Conservaçao Rodoviaria 100%

Chile
Grupo Costanera 50.01%
- Costanera Norte 100%
- AMB 100%
- Litoral Central 100%
- Autopista Nororiente 100%
- Vespucio Sur 100%

Autostrade Holding do Sur 100%
- Los Lagos 100%

Poland
Stalexport Autostrady 61.20%
- Stalexport Autostrada Małopolska 100%

India
Pune Solapur Expressways Private 50.00% (4)(5)

Italian airports

ADR Sviluppo 100%
ADR TEL 100%
ADR Assistance 100%
ADR Security 100%
ADR Mobility 100%
Airport Cleaning 100%
Fiumicino Energia 87.14% (5)
- Leonardo Energia 90.00%

Other activities

Pavimental 99.40% (6)
Spea Engineering 100% (7)
ETC 64.46% (8)
Autostrade Tech 100% (9)
Infoblu 75.00% (9)

(*) The above chart shows interests in the principal Atlantia Group companies as at 30 June 2016.
(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) The percentage shown refers to the interest in terms of the total number of shares in issue.
(3) The company is 41.14% owned by Autostrade dell'Atlantico, 33.86% by Autostrade Holding do Sur and 25.00% by Autostrade Portugal (a wholly owned subsidiary of Autostrade dell'Atlantico).
(4) An unconsolidated company.
(5) This company is a direct subsidiary of Atlantia.
(6) This company is 59.40% owned by Atlantia, 20.00% by Autostrade per l'Italia and 20.00% by Aeroporti di Roma.
(7) This company is 60.00% owned by Atlantia, 20.00% by Autostrade per l'Italia and 20.00% by Aeroporti di Roma.
(8) A subsidiary of Autostrade dell'Atlantico.
(9) A subsidiary of Autostrade per l'Italia.

The Group around the world

MOTORWAY NETWORKS OPERATED UNDER CONCESSION	KM	CONCESSION EXPIRY
Italy	**3,020**	
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
Autostrada Tirrenica [2]	55	2046
Brazil	**1,538**	
AB Concessões		
Rodovias das Colinas	307	2028
Concessionária da Rodovia MG050	372	2032
Triangulo do Sol Auto Estradas	442	2021
Concessionária Rodovias do Tietê [3]	417	2039
Chile	**313**	
Grupo Costanera		
Costanera Norte	43	2033
AMB [4]	10	2020
Litoral Central	81	2031
Autopista Nororiente [4]	22	2044
Vespucio Sur	24	2032
Los Lagos	135	2023
India	**110**	
Pune-Solapur Expressway [3]	110	2030
Poland	**61**	
Stalexport Autostrada Malopolska	61	2027

AIRPORTS	NO. OF AIRPORTS	CONCESSION EXPIRY
Aeroporti di Roma	2	2044

OTHER ACTIVITIES	KM OF NETWORK USING THE SERVICE	SECTOR OF ACTIVITY
Telepass (Italy)	5,989	Electronic tolling systems
Electronic Transaction Consultants (USA)	994	Electronic tolling systems
Pavimental (Italy)	n/a	Motorway and airport infrastructure construction and maintenance
Spea Engineering (Italy)	n/a	Motorway and airport infrastructure engineering services

(1) For information on the process of awarding the new concession, refer to the section, "Significant regulatory aspects".
(2) A draft addendum to the concession arrangement, to expire in 2040, is currently being negotiated with the Grantor.
(3) An unconsolidated company.
(4) The concession term is estimated on the basis of agreements with the Grantor.

Corporate bodies

Board of Directors in charge for 2016-2018	Chairman Chief Executive Officer	Fabio Cerchiai Giovanni Castellucci	
	Directors	Carla Angela	*(independent)*
		Gilberto Benetton	
		Carlo Bertazzo	
		Bernardo Bertoldi	*(independent)*
		Gianni Coda	*(independent)*
		Elisabetta De Bernardi di Valserra	
		Massimo Lapucci	*(independent)*
		Giuliano Mari	*(independent)*
		Valentina Martinelli	
		Gianni Mion	
		Lucy P. Marcus	*(independent)*
		Monica Mondardini	*(independent)*
		Lynda Tyler-Cagni	*(independent)*
	Secretary	Stefano Cusmai	
Internal Control, Risk and Corporate Governance Committee	Chairman	Giuliano Mari	*(independent)*
	Members	Carla Angela	*(independent)*
		Bernardo Bertoldi	*(independent)*
Committee of Independent Directors with responsibility for Related Party Transactions	Chairman	Giuliano Mari	*(independent)*
	Members	Bernardo Bertoldi	*(independent)*
		Lynda Tyler-Cagni	*(independent)*
Human Resources and Remuneration Committee	Chairman	Lynda Tyler-Cagni	*(independent)*
	Members	Carlo Bertazzo	
		Gianni Coda	*(independent)*
		Massimo Lapucci	*(independent)*
		Monica Mondardini	*(independent)*
Board of Statutory Auditors for three-year period 2015-2017	Chairman	Corrado Gatti	
	Auditors	Alberto De Nigro	
		Lelio Fornabaio	
		Silvia Olivotto	
		Livia Salvini	
	Alternate Auditors	Laura Castaldi	
		Giuseppe Cerati	
Independent Auditors for the period 2012-2020	Deloitte & Touche SpA		

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2 Interim report on operations

Alternative performance indicators

In application of the CONSOB Ruling of 3 December 2015, which applies the guidelines for alternative performance indicators ("APIs") issued by the European Securities and Markets Authority (ESMA), and which are mandatory in order to meet regulatory reporting requirements or for accounts published after 3 July 2016, the basis used in preparing the APIs published by the Atlantia Group is described below.
The APIs shown in this interim report on operations are deemed relevant to an assessment of the operating performance based on the Group's overall results, the results of its operating segments and the performances of individual Group companies. In addition, the APIs provide an improved basis for comparison of the results over time, even if they are not a replacement for or an alternative to the results published on a reported basis, in accordance with international financial reporting standards (IAS/IFRS), in the "Condensed consolidated interim financial statements".
With regard to the APIs relating to the consolidated results, the Atlantia Group presents the following reclassified financial statements, which are different from those required under IAS/IFRS and included in the "Condensed consolidated interim financial statements", in the "Group financial review": the reclassified consolidated income statement, the reclassified consolidated statement of financial position and the statement of changes in consolidated net debt. In addition to amounts from the income statement and statement of financial position prepared under IAS/IFRS, these reclassified financial statements present a number of indicators and items derived from them, even when they are not required by the above standards and are, therefore, identifiable as APIs. The reconciliation of reported amounts in the consolidated interim financial statements and those in the reclassified financial statements presented in this interim report on operations is provided in the section, "Reconciliation of the reclassified and reported financial statements", included in the "Group financial review".

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

a) "Gross operating profit (EBITDA)" is the synthetic indicator of earnings from operations, calculated by deducting operating costs, with the exception of amortisation, depreciation, impairment losses and reversals of impairment losses, the operating change in provisions and other adjustments, from operating revenue;
b) "Operating profit (EBIT)" is the indicator that measures the return on invested capital, calculated by deducting amortisation, depreciation, impairment losses and reversals of impairment losses, the operating change in provisions and other adjustments from EBITDA. Like EBITDA, EBIT does not include the capitalised component of financial expenses relating to construction services, which is shown in a specific item under financial income and expenses in the reclassified statement, whilst being included in revenue in the income statement in the consolidated financial statements, on a reported basis;
c) "Net invested capital", showing the total value of non-financial assets, after deducting non-financial liabilities;

d) “Net debt”, being the indicator of the portion of net invested capital funded by net financial liabilities, calculated by deducting “Current and non-current financial assets” from “Current and non-current financial liabilities”. The notes to the condensed consolidated interim financial statements also include the reconciliation of net debt with net debt calculated in compliance with the ESMA Recommendation of 20 March 2013;
e) “Capital expenditure”, being the indicator of the total amount invested in development of the Group’s businesses, calculated as the sum of cash used in investment in property, plant and equipment, in assets held under concession and in other intangible assets, excluding investment linked to transactions involving investees;
f) “Operating cash flow”, being the indicator of cash generated by or used in operating activities. Operating cash flow is calculated as profit for the period + amortisation/depreciation +/- impairments/reversals of impairments of assets +/- provisions/releases of provisions + other adjustments + financial expenses from discounting of provisions +/- share of profit/(loss) of investees accounted for using equity method +/- (losses)/gains on sale of assets +/- other non-cash items +/- portion of net deferred tax assets/liabilities recognised in profit or loss.

A number of API’s, calculated as above, are also presented after applying certain adjustments in order to provide a consistent basis for comparison over time or in application of a different accounting treatment deemed more effective in representing the financial performance of specific activities carried out by the Group. These adjustments to the AIPs fall within the following two categories:

a) “Like-for-like changes”, used in the analysis of changes in gross operating profit (EBITDA), profit for the period, profit for the period attributable to owners of the parent and operating cash flow, and calculated by excluding, where present, the impact of: (i) changes in the scope of consolidation; (ii) changes in exchange rates on the value of assets and liabilities denominated in functional currencies other than the euro; and (iii) events and/or transactions not strictly connected with operating activities that have an appreciable influence on amounts for at least one of the two comparative periods. The reconciliation of the like-for-like indicators and the corresponding amounts in the reclassified financial statements is provided in the section, “Like-for-like changes”, in the “Group financial review”, in addition to details of the adjustments made;
b) “Adjusted consolidated results of operations and financial position”, which present adjusted amounts for consolidated gross operating profit (EBITDA), operating cash flow and net debt. These amounts are adjusted by stripping out, from the reported amounts in the reclassified consolidated financial statements, the impact of application of the “financial model”, introduced by IFRIC 12, by the Group’s operators that have adopted this model. Details of the adjustments made and the reconciliation with the corresponding reported amounts are provided in the section, “Adjusted consolidated results of operations and financial position and reconciliation with reported consolidated amounts”, included in the “Group financial review”.

Group financial review

Introduction

The financial review contained in this section includes and analyses the Atlantia Group's reclassified consolidated income statement, the consolidated statement of comprehensive income, the statement of changes in consolidated equity and the statement of changes in consolidated net debt for the first half of 2016, in which amounts are compared with those for the same period of the previous year. The review also includes the reclassified statement of financial position as at 30 June 2016, compared with the corresponding amounts as at 31 December 2015.

The accounting standards applied during preparation of this document are consistent with those adopted for the consolidated financial statements for the year ended 31 December 2015, in that the amendments to existing standards that have come into effect from 1 January 2016 have not had a material impact on the consolidated accounts.

The scope of consolidation at 30 June 2016 is unchanged with respect to 31 December 2015. However, it should be noted that the first half of 2016 benefits from the contribution of Autostrada Tirrenica (SAT), consolidated from September 2015.

The Group did not enter into non-recurring, atypical or unusual transactions during the first half of 2016, either with third or related parties. A number of non-recurring transactions with a material impact on profit or loss were, however, concluded in the first half of 2015, as described in greater detail below.

Finally, it should be noted that the reclassified consolidated financial statements presented and analysed in this section have not been audited and that the reconciliation with the corresponding reported amounts in the consolidated interim financial statements is included in the section, "Reconciliation of the reclassified and reported financial statements".

Like-for-like changes

The term "like-for-like basis", used in the analysis of changes in gross operating profit (EBITDA), profit for the period, profit for the period attributable to owners of the parent and operating cash flow, indicates that amounts for comparative periods have been determined by eliminating:

a) from consolidated amounts for the first half of 2016:
   1) SAT's contribution for the first half of 2016, as this represents a change in the scope of consolidation compared with the first half of 2015;
   2) the difference between foreign currency amounts for the first half of 2016 for companies with functional currencies other than the euro, converted at average exchange rates for the period,

and the matching amounts converted using average exchange rates for the same period of 2015;
3) the after-tax impact of the difference in the discount rates applied to the provisions accounted for among the Group's liabilities;
4) the financial income generated by reversal of the impairment loss on the investment in Lusoponte;
5) the financial expenses, after the related taxation, linked to the partial buyback of certain bonds issued by Atlantia;

b) from consolidated amounts for the first half of 2015:
1) the after-tax impact of the difference in the discount rates applied to the provisions accounted for among the Group's liabilities;
2) the overall impact, including the related taxation, of the partial buyback of certain bonds issued by Atlantia and Atlantia's purchase of notes issued by Romulus Finance.

The following table shows the reconciliation of like-for-like consolidated amounts for gross operating profit (EBITDA), profit for the period, profit for the period attributable to owners of the parent and operating cash flow for the comparative periods and the corresponding amounts presented in the reclassified consolidated income statement.

€M	GROSS OPERATING PROFIT (EBITDA)	PROFIT FOR THE PERIOD	PROFIT FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE PARENT	OPERATING CASH FLOW
Reported amounts for H1 2016 (A)	1,578	465	413	1,095
Adjustment for non like-for-like items in H1 2016				
Contribution of SAT	-9	1	1	-5
Exchange rate movements	30	12	6	20
Change in discount rate applied to provisions	-	81	81	-
Reversal of impairment losses on investments	-	-25	-25	-
Partial buyback of bonds issued by Atlantia	-	7	7	7
Sub-total (B)	21	76	70	22
Like-for-like amounts for H1 2016 (C) = (A)+(B)	1,599	541	483	1,117
Reported amounts for H1 2015 (D)	1,518	427	377	955
Adjustment for non like-for-like items in H1 2015				
Change in discount rate applied to provisions	-	-46	-46	-
Partial buyback of bonds issued by Atlantia and purchase of notes issued by Romulus Finance	-	129	128	119
Sub-total (E)	-	83	82	119
Like-for-like amounts for H1 2015 (F) = (D)+(E)	1,518	510	459	1,074
Like-for-like change (G) = (C)-(F)	81	31	24	43

Consolidated results of operations

"Operating revenue" for the first half of 2016 totals €2,566 million and is up €71 million (3%) on the same period of 2015 (€2,495 million).

"Toll revenue" of €1,875 million is up €65 million (4%) compared with the first half of 2015 (€1,810 million). At constant exchange rates, which in the first half of 2016 have had a negative impact of €40 million, toll revenue is up €105 million, primarily reflecting a combination of the following:

a) a 3.8% increase in traffic on the Italian network, accounting for an estimated €54 million increase in toll revenue (including the positive impact of the different traffic mix and the extra day in February 2016);
b) application of annual toll increases (essentially resulting from a rise of 1.09% for Autostrade per l'Italia from 1 January 2016), boosting toll revenue by an estimated €14 million;
c) an improved contribution from overseas operators (up €18 million), primarily reflecting traffic growth in Chile (up 5.6%) and Poland (up 12.1%) and toll increases applied by operators in accordance with their respective concession arrangements, partially offset by a fall in traffic in Brazil (down 2.4%);
d) Autostrada Tirrenica's contribution for the first half of 2016, totalling €15 million.

"Aviation revenue" of €292 million is up €32 million (12%) compared with the first half of 2015 (€260 million), primarily reflecting increases in airport fees applied from 1 March 2015 and 1 March 2016 and traffic trends (passengers up 2.8%).

"Contract revenue" and "Other operating income", totalling €399 million, is down €26 million on the first half of 2015 (€425 million). After stripping out exchange rate movements, the reduction is €24 million and primarily reflects reduced revenue at Pavimental and Autostrade Tech, due to a reduction in work carried out for external customers, only partially offset by an increase in external revenue at Spea Engineering.

Reclassified consolidated income statement

€M	H1 2016	H1 2015	INCREASE/ (DECREASE)	
			ABSOLUTE	%
Toll revenue	1,875	1,810	65	4
Aviation revenue	292	260	32	12
Contract revenue	36	52	-16	-31
Other operating income	363	373	-10	-3
Total operating revenue	**2,566**	**2,495**	**71**	**3**
Cost of materials and external services	-348	-362	14	-4
Concession fees	-233	-223	-10	4
Staff costs	-453	-433	-20	5
Capitalised staff costs	46	41	5	12
Total net operating costs	**-988**	**-977**	**-11**	**1**
Gross operating profit (EBITDA)	**1,578**	**1,518**	**60**	**4**
Amortisation, depreciation, impairment losses and reversals of impairment losses	-454	-452	-2	n.s.
Provisions and other adjustments	-159	9	-168	n.s.
Operating profit (EBIT)	**965**	**1,075**	**-110**	**-10**
Financial income accounted for as an increase in financial assets deriving from concession rights and government grants	32	32	-	n.s.
Financial expenses from discounting of provisions for construction services required by contract and other provisions	-32	-28	-4	14
Other financial income/(expenses)	-251	-446	195	-44
Capitalised financial expenses on intangible assets deriving from comcession rights	5	12	-7	-58
Share of profit/(loss) of investees accounted for using the equity method	-8	-9	1	-11
Profit/(Loss) before tax from continuing operations	**711**	**636**	**75**	**12**
Income tax (expense)/benefit	-246	-216	-30	14
Profit/(Loss) from continuing operations	**465**	**420**	**45**	**11**
Profit/(Loss) from discontinued operations	-	7	-7	n.s.
Profit for the period	**465**	**427**	**38**	**9**
(Profit)/Loss attributable to non-controlling interests	52	50	2	4
(Profit)/Loss attributable to owners of the parent	**413**	**377**	**36**	**10**

	H1 2016	H1 2015	INCREASE/ (DECREASE)
Basic earnings per share attributable to the owners of the parent (€)	**0.50**	**0.46**	**0.04**
of which:			
- from continuing operations	0.50	0.45	0.05
- from discontinued operations	-	0.01	-0.01
Diluted earnings per share attributable to the owners of the parent (€)	**0.50**	**0.46**	**0.04**
of which:			
- from continuing operations	0.50	0.45	0.05
- from discontinued operations	-	0.01	-0.01

(*) The reconciliation with reported amounts in the consolidated income statement is provided in the section, "Reconciliation of the reclassified and reported financial statements".

"Net operating costs" of €988 million are up €11 million (1%) on the first half of 2015 (€977 million).

The "Cost of materials and external services" amounts to €348 million, down €14 million on the first half of 2015 (€362 million). After stripping out the effect of exchange rate movements, the cost of materials and external services is down €6 million, primarily due to the following:

a) reduced costs incurred by Pavimental and Autostrade Tech, as a result of reduced activity partially offset by increased costs at Spea Engineering and a reduction in margins earned on the construction services provided by the Group's own technical units;
b) lower corporate advertising costs incurred by Autostrade per l'Italia which, in 2015, related to the issue of bonds to retail investors;
c) an increase in maintenance costs on the Brazilian network as a result of maintenance cycles and resurfacing work, which was partially offset by reduced costs at Autostrade per l'Italia related to reduced snowfall and a different scheduling of work on the network, as well as lower maintenance costs at Aeroporti di Roma;
d) Autostrada Tirrenica's contribution for the first half of 2016.

"Concession fees", totalling €233 million, are up €10 million (4%) compared with the first half of 2015 (€223 million), primarily in line with the increase in toll revenue at the Italian operators.

"Staff costs", after deducting capitalised expenses, amount to €407 million (€392 million in the first half of 2015) and are up €15 million (4%).

"Gross staff costs" of €453 million are up €20 million (5%) on the first six months of 2015 (€433 million). After stripping out exchange rate movements, staff costs are up €23 million (5.3%) due to:

a) an increase of 519 in the average workforce excluding agency staff (up 3.5%), primarily attributable to the Aeroporti di Roma group as a result of heightened anti-terrorism measures, initiatives designed to improve the quality of passenger assistance, staff hired in relation to implementation of the development plan and the adoption of particular operating procedures in response to continuing restrictions on capacity following the fire in 2015. The increase also reflects the decision to insource airport cleaning services and the motorway maintenance carried out by the Brazilian operators, as well as Autostrada Tirrenica's contribution for the first half of 2016;
b) an increase in the average unit cost (up 1.8%), primarily due to the cost of contract renewals at the Group's Italian companies, partially offset by the reduced cost of incentive plans for management.

"Gross operating profit" (EBITDA) of €1,578 million is up €60 million (4%) on the first half of 2015 (€1,518 million). On a like-for-like basis, gross operating profit is up €81 million (5%), despite the reduced contribution from the Group's industrial companies in the first half of 2016, reflecting a decrease in activity. This was primarily attributable to reduced investment by the Italian motorway operators, following the completion and entry into service of a number of major works in 2015.

"Amortisation and depreciation, impairment losses and reversals of impairment losses" amount to €454 million, in line with the figure for the first half of 2015 (€452 million).

The "Operating change in provisions and other adjustments" is down €168 million compared with the first half of 2015. This primarily reflects the different performance of provisions for the repair and replacement of motorway infrastructure and of provisions for the refurbishment of airport infrastructure, which in the first half of 2016 reflect charges of €112 million following an adjustment to the present value of the provisions to reflect the significant decline in the related interest rates. In the first half of 2015, discounting of the provisions resulted in income of €67 million due to increases in the matching interest rates.

"Operating profit" (EBIT) of €965 million is down €110 million (10%) on the first half of 2015 (€1,075 million). Compared with the improvement in EBITDA, this reduction essentially reflects the negative impact of the above discounting of provisions for repair and replacement costs.

"Financial income recognised as an increase in financial assets deriving from concession rights and government grants" is unchanged in the comparative periods at €32 million.

"Financial expenses from discounting of provisions for construction services required by contract and other provisions" amount to €32 million, up €4 million on the first half of 2015 (€28 million).

"Net other financial expenses" of €251 million are down €195 million compared with the first half of 2015 (€446 million). The difference reflects the impact of the financial expenses incurred, in the comparative periods, in relation to the partial buyback of certain bonds issued by the Company and maturing in 2016, 2017 and 2019 (€10 million in the first half of 2016 and €82 million in the comparative period) and the Atlantia's buyback, in the first half of 2015, of notes issued by Romulus Finance (having a total impact on financial expenses of €101 million).
After stripping out the impact of these two transactions in the comparative periods, net financial expenses are down €22 million, reflecting a combination of the following:
a) reversal of the impairment loss of €25 million on the carrying amount of the investment in the Portuguese operator, Lusoponte;
b) an increase in net financial income, totalling €11million, at the companies operating in Chile, essentially due to a reduction in average net debt during the first half of 2016 (€5 million) and financial income (€6 million) recognised by the Chilean company, Nororiente, following redetermination of the income resulting from the discounting of non-current provisions;
c) an increase in net financial expenses reported by the companies operating in Italy (totalling €7 million), primarily following the issue of bonds by Autostrade per l'Italia and partial early repayment of borrowings, both during 2015 (€8 million);
d) the financial expenses contributed by SAT, consolidated from 30 September 2015 (€8 million).

"Capitalised financial expenses" of €5 million are down €7 million compared with the same period of 2015 (€12 million). This primarily reflects substantial completion of work on a number of lots on the A14 motorway from Bologna to Taranto.

The "Share of (profit)/loss of associates and joint ventures accounted for using the equity method" amounts to a loss of €8 million (a loss of €9 million in the first half of 2015), essentially attributable to the loss reported by the Brazilian operator, Rodovias do Tietè, in the first half of 2016.

"Income tax expense" for the first half of 2016 amounts to €246 million, up €30 million on the first half of 2015 (€216 million). The increase in tax expense is in line with the rise in pre-tax profit from continuing operations.

"Profit from continuing operations" amounts to €465 million, up €45 million on the first half of 2015 (€420 million).

"Profit for the period", amounting to €465 million, is up €38 million on the first half of 2015 (€427 million). On a like-for-like basis, profit for the period is up €31 million (6%).

"Profit for the period attributable to owners of the parent", amounting to €413 million, is up €36 million on the first half of 2015 (€377 million). On a like-for-like basis, profit for the period attributable to owners of the parent is €483 million, marking an increase of €24 million (5%) despite the above decrease in the contribution from the Group's industrial companies.
"Profit attributable to non-controlling interests" amounts to €52 million, not very different from the figure for the comparative period.

Consolidated statement of comprehensive income

€M		H1 2016	H1 2015
Profit for the period	**(A)**	**465**	**427**
Fair value gains/(losses) on cash flow hedges		-145	62
Tax effect of fair value gains/(losses) on cash flow hedges		33	-16
Gains/(losses) from translation of assets and liabilities of consolidated companies denominated in functional currencies other than the euro		226	-15
Gains/(Losses) from translation of investments accounted for using the equity method denominated in functional currencies other than the euro		2	-1
Other comprehensive income/(loss) for the period reclassifiable to profit or loss	**(B)**	**116**	**30**
Gains/(losses) from actuarial valuations of provisions for employee benefits		-1	1
Tax effect of gains/(losses) from actuarial valuations of provisions for employee benefits		-	-
Other comprehensive income/(loss) for the period not reclassifiable to profit or loss	**(C)**	**-1**	**1**
Reclassifications of other components of comprehensive income to profit or loss for the period	**(D)**	**-1**	**75**
Tax effect of reclassifications of other components of comprehensive income to profit or loss for the period	**(E)**	**-**	**-21**
Total other comprehensive income/(loss) for the period	**(F=B+C+D+E)**	**114**	**85**
of which attributable to discontinued operations		-	6
Comprehensive income for the period	**(A+F)**	**579**	**512**
Of which attributable to owners of the parent		*415*	*465*
Of which attributable to non-controlling interests		*164*	*47*

"Total other comprehensive income for the period", after the related taxation, amounts to €114 million (€85 million in the first half of 2015), essentially reflecting a combination of the following:

a) gains on the translation of assets and liabilities denominated in functional currencies other than the euro, totalling €226 million (losses of €15 million in the first half of 2015), reflecting increases in the value of the Brazilian real and Chilean peso against the euro as at 30 June 2016, compared with 31 December 2015; in the matching period of 2015, the fall in the value of the Brazilian real against the euro was partially offset by a strengthening of the Chilean peso;
b) an increase in fair value losses on cash flow hedges, after the related taxation, totalling €112 million, primarily reflecting falls in interest rates; in the first half of 2015, there was a reduction in fair value losses on cash flow hedges after the related taxation, amounting to €46 million and reflecting an increase in interest rates;
c) reclassifications of other components of comprehensive income to profit or loss, resulting in a loss of €1 million in the first half of 2016, compared with income of €75 million in the first half of 2015, following the release of the negative balance of Romulus Finance's cash flow hedge reserve.

This was due to the fact that the derivative linked to the notes held by Romulus Finance and purchased by Atlantia no longer qualified as a hedge.

Consolidated financial position

As at 30 June 2016, "Non-current non-financial assets" of €26,977 million are up €216 million on the figure for 31 December 2015 (€26,761 million).

"Property, plant and equipment" of €247 million is substantially in line with the figure as at 31 December 2015 (€232 million).

"Intangible assets" total €25,006 million (€24,845 million as at 31 December 2015). These assets essentially relate to the Group's concession rights, amounting to €20,214 million (€20,043 million as at 31 December 2015), and goodwill (€4,383 million) recognised as at 31 December 2003, following acquisition of the majority shareholding in the former Autostrade – Concessioni e Costruzioni Autostrade SpA.
The net increase of €161 million in intangible assets is essentially due to:

a) the effect of currency translation differences recognised at the end of the period on the concession rights of overseas operators (an increase of €275 million), essentially due to a strengthening of the Brazilian real and the Chilean peso against the euro as at 30 June 2016, compared with the end of 2015;
b) investment of €263 million during the period, essentially in construction services for which additional economic benefits are received;
c) an increase in the present value on completion of investment in construction services for which no additional benefits are received (€33 million), primarily reflecting a decline in the interest rates applied as at 30 June 2016, compared with those used as at 31 December 2015;
d) amortisation for the period (€428 million).

"Investments", totalling €114 million, are up €17 million on 31 December 2015 (€97 million). This essentially reflects reversal of the impairment loss on the carrying amount of the investment in the Portuguese operator, Lusoponte (€25 million), partially offset by recognition of the Group's share of the loss for the period reported by investees accounted for using the equity method (€8 million) and adjustments to the value of investees accounted for at cost (€3 million).

"Deferred tax assets" of €1,581 million are in line with the figure as at 31 December 2015 (€1,575 million).

Reclassified consolidated statement of financial position(*)

€M	30 June 2016	31 December 2015	INCREASE/ (DECREASE)
Non-current non-financial assets			
Property, plant and equipment	247	232	15
Intangible assets	25,006	24,845	161
Investments	114	97	17
Deferred tax assets	1,581	1,575	6
Other non-current assets	29	12	17
Total non-current non-financial assets (A)	**26,977**	**26,761**	**216**
Working capital			
Trading assets	1,604	1,469	135
Current tax assets	206	44	162
Other current assets	241	245	-4
Non-financial assets held for sale or related to discontinued operations	4	6	-2
Current portion of provisions for construction services required by contract	-563	-441	-122
Current provisions	-475	-429	-46
Trading liabilities	-1,559	-1,582	23
Current tax liabilities	-214	-30	-184
Other current liabilities	-539	-497	-42
Non-financial liabilities related to discontinued operations	-3	-6	3
Total working capital (B)	**-1,298**	**-1,221**	**-77**
Gross invested capital (C=A+B)	**25,679**	**25,540**	**139**
Non-current non-financial liabilities			
Non-current portion of provisions for construction services required by contract	-3,128	-3,369	241
Non-current provisions	-1,572	-1,501	-71
Deferred tax liabilities	-1,748	-1,701	-47
Other non-current liabilities	-97	-99	2
Total non-current non-financial liabilities (D)	**-6,545**	**-6,670**	**125**
NET INVESTED CAPITAL (E=C+D)	**19,134**	**18,870**	**264**

(*) The reconciliation with the reported amounts in the consolidated interim financial statements is provided in the section, "Reconciliation of the reclassified and reported financial statements".

€M	30 June 2016	31 December 2015	INCREASE/ (DECREASE)
Equity			
Equity attributable to owners of the parent	6,820	6,800	20
Equity attributable to non-controlling interests	1,823	1,683	140
Total equity (F)	8,643	8,483	160
Net debt			
Non-current net debt			
Non-current financial liabilities	14,210	14,044	166
Bond issues	10,297	10,301	-4
Medium/long-term borrowings	3,241	3,256	-15
Non-current derivative liabilities	655	461	194
Other non-current financial liabilities	17	26	-9
Non-current financial assets	-2,030	-1,781	-249
Non-current financial assets deriving from concession rights	-848	-766	-82
Non-current financial assets deriving from government grants	-273	-256	-17
Non-current term deposits	-323	-325	2
Non-current derivative assets	-26	-	-26
Other non-current financial assets	-560	-434	-126
Total non-current net debt (G)	12,180	12,263	-83
Current net debt			
Current financial liabilities	1,032	1,939	-907
Bank overdrafts repayable on demand	25	37	-12
Short-term borrowings	246	246	-
Current derivative liabilities	26	7	19
Current portion of medium/long-term borrowings	725	1,649	-924
Other current financial liabilities	10	-	10
Cash and cash equivalents	-1,883	-2,997	1,114
Cash in hand	-1,388	-2,251	863
Cash equivalents	-464	-707	243
Cash and cash equivalents related to discontinued operations	-31	-39	8
Current financial assets	-838	-818	-20
Current financial assets deriving from concession rights	-441	-435	-6
Current financial assets deriving from government grants	-59	-75	16
Current term deposits	-239	-222	-17
Current portion of other medium/long-term financial assets	-67	-69	2
Other current financial assets	-32	-17	-15
Total current net debt (H)	-1,689	-1,876	187
Total net debt (I=G+H) (1)	10,491	10,387	104
NET DEBT AND EQUITY (L=F+I)	19,134	18,870	264

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

"Working capital" reports a negative balance of €1,298 million, compared with a negative balance of €1,221 million as at 31 December 2015, marking an increase of €77 million. The principal changes during the period reflect the following:

a) an increase of €122 million in the current portion of provisions for construction services required by contract, primarily attributable to Autostrade per l'Italia, and linked to expected investment in construction services for which no additional benefits are received in the next twelve months, after uses during the first half of 2016;

b) reclassification of €46 million to the current portion of provisions for the refurbishment of airport infrastructure, reflecting expected investment in the next twelve months, after uses during the period;

c) an increase of €42 million in other current liabilities, primarily relating to an increase in VAT payable by Autostrade per l'Italia;

d) a €135 million increase in trading assets, primarily due to increased turnover and an increase in toll revenue in the first half of 2016 compared with the comparative period, in part reflecting positive traffic trends on the Italian motorway network.

"Non-current non-financial liabilities", totalling €6,545 million, are down €125 million compared with 31 December 2015 (€6,670 million). The change essentially reflects the combined effect of the following:

a) a reduction of €241 million in the non-current portion of provisions for construction services required by contract, reflecting the reclassification of the current portion, totalling €279 million, partially offset by an adjustment of €33 million to the same provisions to reflect a reduction in the discount rate used as at 30 June 2016, compared with the rate used as at 31 December 2015;

b) an increase of €71 million in the non-current portion of other provisions, primarily following the adjustment of provisions for the repair and replacement of motorway infrastructure and of provisions for the refurbishment of airport infrastructure, reflecting a reduction in the discount rate used as at 30 June 2016, compared with the rate used as at 31 December 2015, partially offset by uses and reclassifications to the current portion during the period;

c) an increase of €47 million in "Deferred tax liabilities", primarily reflecting:

    1) an increase due to currency translation differences recognised as at 30 June 2016, totalling €85 million, essentially due to increases in the value of the Brazilian real and Chilean peso against the euro as at 30 June 2016, compared with 31 December 2015;

    2) releases connected with deferred taxation (€49 million) on gains recognised following the fair value measurement of assets acquired as a result of business combinations carried out and primarily attributable to Aeroporti di Roma and the Chilean and Brazilian motorway operators.

As a result, "Net invested capital" totals €19,134 million (€18,870 million as at 31 December 2015).

"Equity attributable to owners of the parent and non-controlling interests" totals €8,643 million (€8,483 million as at 31 December 2015).

"Equity attributable to owners of the parent", totalling €6,820 million, is up €20 million on the figure for 31 December 2015 (€6,800 million), essentially reflecting:

a) comprehensive income for the period of €415 million;

b) Atlantia's payment, in the first half of 2016, of the final dividend for 2015 (€395 million).

"Equity attributable to non-controlling interests" of €1,823 million is up €140 million on 31 December 2015 (€1,683 million). This is due to comprehensive income for the period attributable to non-controlling interests (€164 million), partially offset by dividends paid by a number of Group companies to non-controlling shareholders, totalling €24 million.

Statement of changes in consolidated equity

€M	EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT									EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT AND TO NON-CONTROLLING INTERESTS
	ISSUED CAPITAL	CASH FLOW HEDGE RESERVE	NET INVESTMENT HEDGE RESERVE	RESERVE FOR TRANSLATION DIFFERENCES ON TRANSLATION OF ASSETS AND LIABILITIES OF CONSOLIDATED COMPANIES DENOMINATED IN FUNCTIONAL CURRENCIES OTHER THAN THE EURO	RESERVE FOR TRANSLATION OF INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD DENOMINATED IN FUNCTIONAL CURRENCIES OTHER THAN THE EURO	OTHER RESERVES AND RETAINED EARNINGS	TREASURY SHARES	PROFIT/(LOSS) FOR PERIOD	TOTAL		
Balance as at 31 December 2014	826	-75	-36	-214	-4	5,776	-205	451	6,519	1,744	8,263
Comprehensive income for the period	-	96	-	-9	-	1	-	377	465	47	512
Owner transactions and other changes											
Allocation of profit/(loss) for previous period to retained earnings	-	-	-	-	-	85	-	-85	-	-	-
Atlantia SpA's final dividend (€0.445 per share)	-	-	-	-	-	-	-	-366	-366	-	-366
Dividends paid by other Group companies to non-controlling shareholders	-	-	-	-	-	-	-	-	-	-30	-30
Sale of treasury shares	-	-	-	-	-	70	158	-	228	-	228
Share-based incentive plans	-	-	-	-	-	-3	6	-	3	-	3
Balance as at 30 June 2015	826	21	-36	-223	-4	5,929	-41	377	6,849	1,761	8,610
Balance as at 31 December 2015	826	-28	-36	-374	-7	5,934	-39	524	6,800	1,683	8,483
Comprehensive income for the period	-	-113	-	115	1	-1	-	413	415	164	579
Owner transactions and other changes											
Allocation of profit/(loss) for previous period to retained earnings	-	-	-	-	-	129	-	-129	-	-	-
Atlantia SpA's final dividend (€0.480 per share)	-	-	-	-	-	-	-	-395	-395	-	-395
Dividends paid by other Group companies to non-controlling shareholders	-	-	-	-	-	-	-	-	-	-24	-24
Share-based incentive plans	-	-	-	-	-	-4	5	-	1	-	1
Other minor changes	-	-1	-	-	-	-	-	-	-1	-	-1
Balance as at 30 June 2016	826	-142	-36	-259	-6	6,058	-34	413	6,820	1,823	8,643

The Group's net debt as at 30 June 2016 amounts to €10,491 million (€10,387 million as at 31 December 2015).

Non-current net debt, amounting to €12,180 million, is up €83 million compared with 31 December 2015 (€12,263 million) and consists of:

a) "Non-current financial liabilities" of €14,210 million, up €166 million on the figure at 31 December 2015, totalling €14,044 million. The change is primarily due to an increase in fair value losses on non-current derivatives, amounting to €194 million, due to the reduction in interest rates used as at 30 June 2016, compared with those used as at 31 December 2015 (€127 million) and foreign exchange losses (€66 million).
   It should be noted that, as at 30 June 2016, the item "Non-current derivative liabilities" includes the balance of the new Forward-Starting Interest Rate Swaps (€22 million), entered into with a number of banks in February 2016, having a total notional value of €900 million, with varying 8-year durations. The hedges are subject to a weighted average fixed rate of 0.966% and are associated with highly likely future financial liabilities entered into through to 2019 in order to meet funding requirements.
b) "Non-current financial assets" of €2,030 million, up €249 million on the figure for 31 December 2015 (€1,781 million). This is essentially due to:
   1) an increase of €126 million in other non-current financial assets, primarily linked to the non-current portion of the medium/long-term receivable due to AB Concessões from Infra Bertin Empreendimentos, essentially as a result of a rise in the value of the Brazilian real against the euro in the first half of 2016 (€82 million) and the capitalisation of interest income for the period (€30 million);
   2) an increase in financial assets deriving from concession rights (€82 million), essentially reflecting a rise in the value of the Chilean peso against the euro (€54 million) and investment in motorway infrastructure by Costanera Norte under the *Santiago Centro Oriente* ("CC7") investment programme (€36 million);
   3) an increase of €23 million in fair value gains on the Cross Currency Swaps entered into by Atlantia to hedge the purchase, in 2015, of notes issued by Romulus Finance, now attributable to Aeroporti di Roma. The restructuring of Romulus Finance (a vehicle entity controlled by Aeroporti di Roma) was completed in the first half of 2016, bringing the notes issued by the entity broadly into line with those issued by Aeroporti di Roma in 2013.

"Current net funds" of €1,689 million are down €187 million on 31 December 2015 (€1,876 million) and consist of:

a) "Current financial liabilities" of €1,032 million, down €907 million primarily due to a combination of the following:
   1) repayments during the period, totalling €950 million, including the repayment of bonds with a par value of €880 million issued by Atlantia on 9 May 2016;
   2) an increase in fair value losses on current derivatives (€19 million), including Aeroporti di Roma's Forward-Starting Interest Rate Swaps with a notional value of €300 million, varying durations of 8 and 10 years and a weighted average rate of 1.29%. These are associated with highly likely future financial liabilities to be entered into over the next twelve months in order to meet funding requirements;
b) "Cash and cash equivalents" of €1,883 million, down €1,114 million on 31 December 2015 (€2,997 million). The reduction essentially reflects the above repayment, in May 2016, of bonds issued by Atlantia, in addition to cash flows used in operating activities;

c) “Current financial assets” of €838 million as at 30 June 2015, broadly in line with the figure for 31 December 2015 (€818 million). These assets primarily regard current financial assets deriving from concession rights and current term deposits.

The residual weighted average term to maturity of the Group’s interest bearing debt is 6 years and 5 months as at 30 June 2016. 91% of the Group’s debt is fixed rate.
The average cost of the Group’s medium/long-term borrowings in the first half of 2016 was approximately 4.5% (reflecting the combined effect of 3.8% for the companies operating in Italy, 7.2% for the Chilean companies and 15.8% for the Brazilian companies).
As at 30 June 2016, project debt attributable to specific overseas companies amounts to €1,672 million. At the same date, the Group has cash reserves of €4,589 million, consisting of:

a) €1,883 million in cash and/or in investments maturing in the short term;
b) €562 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) €2,136 million in undrawn committed lines of credit.

As at 30 June 2016, the Group has lines of credit with a weighted average residual term to maturity of approximately eight years and a weighted average residual drawdown period of approximately two years.

The Group’s net debt, as defined in the European Securities and Market Authority – ESMA (formerly CESR) Recommendation of 20 March 2013 (which does not permit the deduction of non-current financial assets from debt), amounts to €12,521 million as at 30 June 2016, compared with €12,168 million as at 31 December 2015.

Consolidated cash flow

"Net cash from operating activities" amounts to €965 million for the first half of 2016 (€1,020 million in the first half of 2015), marking a reduction of €55 million. This reflects a combination of the following:

a) an increase of €140 million in operating cash flow, due partly to the fact that the figure for the first half of 2015 was impacted by the financial expenses incurred on the partial buyback of bonds issued by Atlantia and the purchase of notes issued by Romulus, as described in the section, "Consolidated results of operations". On a like-for-like basis, operating cash flow amounts to €1,117 million, marking an increase of €43 million (4%) on the first half of 2015, primarily due to an increase in cash from operating activities (EBITDA), after the related tax expense;
b) the change in operating capital, which reflects outflows of €165 million, primarily linked to an increase in amounts receivable in the form of motorway tolls, compared with no change in the same period of 2015;
c) the flows generated by other changes in non-financial assets and liabilities, totalling €35 million, compared with the €65 million of the first half of 2015, which benefitted from the collection of compensation paid by the French government in March 2015, following early termination of the "EcoTaxe" project.

"Cash used for investment in non-financial assets" amounts to €543 million, down €46 million on the first half of 2015 (€589 million). This reflects reduced capital expenditure, after the related government grants, primarily due to the completion and entry into service, in December 2015, of the main sections of motorway included in the *Variante di Valico* project, partly offset by increased capital expenditure at Aeroporti di Roma.

"Net equity cash outflows" amount to €419 million, reflecting the final dividend payable to owners of the parent and non-controlling shareholders, up €252 million compared with the figure for the first half of 2015 (€167 million), which benefitted from the proceeds (€228 million) from Atlantia's sale of treasury shares in the market in March 2015.

Finally, other changes during the first half of 2016, not linked to the above cash flows, have resulted in an increase of €107 million in net debt, above all reflecting an increase in fair value losses on derivative financial instruments as a result of falling interest rates. There was a decline in net debt in the first half of 2015 due to the same changes (amounting to €115 million). This primarily reflected a reduction in fair value losses on derivative financial instruments as a result of rising interest rates during the period.

The overall impact of the above cash flows has resulted in an increase in net debt of €104 million in the first half of 2016, compared with a decrease of €379 million recorded in the first half of 2015.

Statement of changes in consolidated net debt(*)

€M	H1 2016	H1 2015
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Profit for the period	465	427
Adjusted by:		
Amortisation and depreciation	454	452
Operating change in provisions, after use of provisions for refurbishment of airport infrastructure	156	-9
Financial expenses from discounting of provisions for construction services required by contract and other provisions	32	28
Impairment losses/(Reversal of impairment losses) on financial assets and investments accounted for at cost or fair value	-21	-
Share of (profit)/loss of investees accounted for using the equity method	8	9
Impairment losses/(Reversal of impairment losses) and adjustments of current and non-current assets	2	-
(Gains)/Losses on sale of non-current assets	-	-1
Net change in deferred tax (assets)/liabilities through profit or loss	18	24
Other non-cash costs (income)	-19	25
Operating cash flow	1,095	955
Change in operating capital	-165	-
Other changes in non-financial assets and liabilities	35	65
Net cash generated from/(used in) operating activities (A)	965	1,020
NET CASH FROM/(USED IN) INVESTMENT IN NON-FINANCIAL ASSETS		
Investment in assets held under concession	-509	-622
Purchases of property, plant and equipment	-43	-23
Purchases of other intangible assets	-14	-14
Capital expenditure	-566	-659
Government grants related to assets held under concession	2	30
Increase in financial assets deriving from concession rights (related to capital expenditure)	37	57
Purchase of investments	-6	-15
Proceeds from sales of property, plant and equipment, intangible assets and unconsolidated investments	4	1
Net change in other non-current assets	-14	-3
Net cash from/(used in) investment in non-financial assets (B)	-543	-589
NET EQUITY CASH INFLOWS/(OUTFLOWS)		
Dividends declared by Group companies	-419	-397
Proceeds from sale of treasury shares and exercise of rights under share-based incentive plans	-	230
Net equity cash inflows/(outflows) (C)	-419	-167
Increase/(Decrease) in cash and cash equivalents during period (A+B+C)	3	264
Change in fair value of hedging derivatives	-147	71
Financial income/(expenses) accounted for as an increase in financial assets/(liabilities)	23	46
Effect of foreign exchange rate movements on net debt and other changes	17	-2
Other changes in net debt (D)	-107	115
Decrease/(Increase) in net debt for period (A+B+C+D)	-104	379
Net debt at beginning of period	-10,387	-10,528
Net debt at end of period	-10,491	-10,149

(*) The reconciliation with the reported amounts in the consolidated interim financial statements is provided in the section, "Reconciliation of the reclassified and reported financial statements".

Reconciliation of the reclassified and reported financial statements

The following statements present reconciliations of the amounts shown in the reclassified consolidated income statement, the reclassified consolidated statement of financial position and the statements of changes in net debt with the corresponding reported amounts.

Reconciliation of the consolidated income statement and the reclassified consolidated income statement

€000	H1 2016						H1 2015					
Reconciliation of items	Reported basis			Reclassified basis			Reported basis			Reclassified basis		
	Ref.	Sub-items	Main entries	Ref.	Sub-items	Main entries	Ref.	Sub-items	Main entries	Ref.	Sub-items	Main entries
Toll revenue			1,874,966			1,874,966			1,809,864			1,809,864
Aviation revenue			291,898			291,898			259,684			259,684
Revenue from construction services			300,363						321,325			
Revenue from construction services - government grants and cost of materials and external services	*(a)*	*277,009*					*(a)*	*292,932*				
Capitalised staff costs - construction services for which additional economic benefits are received	*(b)*	*18,450*					*(b)*	*16,830*				
Revenue from construction services: capitalised financial expenses	*(c)*	*4,904*					*(c)*	*11,550*				
Revenue from construction services provided by sub-operators	*(d)*	*-*					*(d)*	*13*				
Contract revenue			35,817			35,817			52,362			52,362
Other revenue	*(e)*		363,192				*(e)*		373,251			
Other operating income				*(e+d)*		363,192				*(e+d)*		373,264
Total revenue			**2,866,236**						**2,816,486**			
TOTAL OPERATING REVENUE						**2,565,873**						**2,495,174**
Raw and consumable materials			**-125,038**		-125,038				**-177,151**		-177,151	
Service costs			**-639,981**		-639,981				**-720,300**		-720,300	
Gain/(Loss) on sale of elements of property, plant and equipment			**221**		221				**543**		543	
Other operating costs			**-276,720**						**-271,481**			
Concession fees	*(r)*		-233,078				*(r)*		-223,250			
Lease expense			-8,164		-8,164				-8,551		-8,551	
Other			-35,478		-35,478				-39,680		-39,680	
Use of provisions for construction services required by contract				*(i)*	*136,550*					*(i)*	*229,184*	
Revenue from construction services: government grants and capitalised cost of materials and external services				*(a)*	*277,009*					*(a)*	*292,932*	
Use of provisions for refurbishment of airport infrastructure				*(h)*	*46,669*					*(h)*	*60,631*	
COST OF MATERIALS AND EXTERNAL SERVICES						**-348,212**						**-362,392**
CONCESSION FEES				*(r)*		**-233,078**				*(r)*		**-223,250**
Staff costs	*(f+g)*		**-450,277**				*(f+g)*		**-431,922**			
GROSS STAFF COSTS				*(f)*		**-452,557**				*(f)*		**-433,268**
Capitalised staff costs for non-concession-related activities				*(g)*	*2,280*					*(g)*	*1,346*	
Capitalised staff costs - construction services for which no additional economic benefits are received				*(j)*	*25,591*					*(j)*	*23,294*	
Capitalised staff costs - construction services for which additional economic benefits are received				*(b)*	*18,450*					*(b)*	*16,830*	
CAPITALISED STAFF COSTS						**46,321**						**41,470**
TOTAL NET OPERATING COSTS						**-987,526**						**-977,440**
GROSS OPERATING PROFIT (EBITDA)						**1,578,347**						**1,517,734**
OPERATING CHANGE IN PROVISIONS AND OTHER ADJUSTMENTS						**-158,767**						**9,257**
Operating change in provisions			**-108,715**						**77,010**			
(Provisions)/ Uses of provisions for repair and replacement of motorway infrastructure			-118,851		-118,851				42,999		42,999	
(Provisions)/ Uses of provisions for refurbishment of airport infrastructure			16,624						31,174			
Provisions for refurbishment of airport infrastructure		*-30,045*			-30,045			*-29,457*			*-29,457*	
Use of provisions for refurbishment of airport infrastructure	*(h)*	*46,669*					*(h)*	*60,631*				
Other provisions			-6,488		-6,488				2,837		2,837	
(Impairment losses)/Reversals of impairment losses on current assets				*(m)*	-3,383					*(m)*	*-7,122*	
Use of provisions for construction services required by contract			**162,141**						**252,478**			
Use of provisions for construction services required by contract	*(i)*	*136,550*					*(i)*	*229,184*				
Capitalised staff costs - construction services for which no additional economic benefits are received	*(j)*	*25,591*					*(j)*	*23,294*				
Amortisation and depreciation	*(k)*		**-454,083**				*(k)*		**-452,420**			
Depreciation of property, plant and equipment			-26,414						-25,755			
Amortisation of intangible assets deriving from concession rights			-398,059						-396,074			
Amortisation of other intangible assets			-29,610						-30,591			
(Impairment losses)/Reversals of impairment losses			**-3,383**						**-7,122**			
(Impairment losses)/Reversals of impairment losses on property, plant and equipment and intangible assets	*(l)*	*-*					*(l)*	*-*				
(Impairment losses)/Reversals of impairment losses on current assets	*(m)*	*-3,383*					*(m)*	*-7,122*				
AMORTISATION, DEPRECIATION, IMPAIRMENT LOSSES AND REVERSALS OF IMPAIRMENT LOSSES				*(k+l)*		**-454,083**				*(k+l)*		**-452,420**
TOTAL COSTS			**-1,895,835**						**-1,730,365**			
OPERATING PROFIT/(LOSS)			**970,401**						**1,086,121**			
OPERATING PROFIT/(LOSS) (EBIT)						**965,497**						**1,074,571**
Financial income			**195,394**						**175,311**			
Financial income accounted for as an increase in financial assets deriving from concession rights and government grants			31,919			**31,919**			31,976			**31,976**
Dividends received from investees	*(n)*		7,830				*(n)*		569			
Other financial income	*(o)*		155,645				*(o)*		142,766			
Financial expenses			**-451,184**						**-627,064**			
Financial expenses from discounting of provisions for construction services required by contract and other provisions			-31,605			**-31,605**			-28,431			**-28,431**
Other financial expenses	*(p)*		-419,579				*(p)*		-598,633			
Foreign exchange gains/(losses)	*(q)*		**4,843**				*(q)*		**10,599**			
Other financial expenses, after other financial income				*(n+o+p+q)*		**-251,261**				*(n+o+p+q)*		**-444,699**
Capitalised financial expenses on intangible assets deriving from concession rights				*(c)*		**4,904**				*(c)*		**11,550**
FINANCIAL INCOME/(EXPENSES)			**-250,947**						**-441,154**			
Share of (profit)/loss of investees accounted for using the equity method			**-8,323**			**-8,323**			**-8,836**			**-8,836**
PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS IN FUNZIONAMENTO			**711,131**			**711,131**			**636,131**			**636,131**
Income tax (expense)/benefit			**-246,432**			**-246,432**			**-216,108**			**-216,108**
Current tax expense			-228,163						-196,060			
Differences on tax expense for previous years			-102						3,597			
Deferred tax income and expense			-18,167						-23,645			
PROFIT/(LOSS) FROM CONTINUING OPERATIONS			**464,699**			**464,699**			**420,023**			**420,023**
Profit/(Loss) from discontinued operations			**-**			**-**			**7,277**			**7,277**
PROFIT FOR THE PERIOD			**464,699**			**464,699**			**427,300**			**427,300**
of which:												
Profit attributable to owners of the parent			**413,230**			**413,230**			**377,538**			**377,538**
Profit attributable to non-controlling interests			**51,469**			**51,469**			**49,762**			**49,762**

Reconciliation of the consolidated statement of financial position and the reclassified consolidated statement of financial position

€000	30 June 2016				31 December 2015			
Reconciliation of items	Reported basis		Reclassified basis		Reported basis		Reclassified basis	
	Ref.	Main entries	Ref.	Main entries	Ref.	Main entries	Ref.	Main entries
Property, plant and equipment	*(a)*	247,512		247,512	*(a)*	231,742		231,742
Intangible assets	*(b)*	25,005,701		25,005,701	*(b)*	24,844,588		24,844,588
Investments	*(c)*	113,688		113,688	*(c)*	96,865		96,865
Deferred tax assets	*(d)*	1,580,851		1,580,851	*(d)*	1,574,566		1,574,566
Other non-current assets	*(e)*	29,024		29,024	*(e)*	13,623		13,623
Total non-current non-financial assets (A)				**26,976,776**				**26,761,384**
Working capital								
Trading assets	*(f)*	1,603,725		1,603,725	*(f)*	1,468,759		1,468,759
Current tax assets	*(g)*	205,997		205,997	*(g)*	43,626		43,626
Other current assets	*(h)*	240,697		240,697	*(h)*	244,735		244,735
Non-financial assets held for sale or related to discontinued operations			*(w)*	4,271			(w)	5,951
Current portion of provisions for construction services required by contract	*(i)*	-563,198		-563,198	*(i)*	-441,499		-441,499
Current provisions	*(j)*	-475,012		-475,012	*(j)*	-428,550		-428,550
Trading liabilities	*(k)*	-1,558,915		-1,558,915	*(k)*	-1,581,503		-1,581,503
Current tax liabilities	*(l)*	-213,576		-213,576	*(l)*	-29,815		-29,815
Other current liabilities	*(m)*	-538,975		-538,975	*(m)*	-497,802		-497,802
Non-financial liabilities related to discontinued operations			*(x)*	-2,917			(x)	-5,768
Total working capital (B)				**-1,297,903**				**-1,221,866**
Gross invested capital (C=A+B)				**25,678,873**				**25,539,518**
Non-current non-financial liabilities								
Non-current portion of provisions for construction services required by contract	*(n)*	-3,128,266		-3,128,266	*(n)*	-3,369,243		-3,369,243
Non-current provisions	*(o)*	-1,571,758		-1,571,758	*(o)*	-1,500,793		-1,500,793
Deferred tax liabilities	*(p)*	-1,747,512		-1,747,512	*(p)*	-1,701,181		-1,701,181
Other non-current liabilities	*(q)*	-97,102		-97,102	*(q)*	-98,778		-98,778
Total non-current non-financial liabilities (D)				**-6,544,638**				**-6,669,995**
Net invested capital (E=C+D)				**19,134,235**				**18,869,523**
Total equity (F)		**8,643,288**		**8,643,288**		**8,482,816**		**8,482,816**
Net debt								
Non-current net debt								
Non-current financial liabilities	*(r)*	14,210,195		14,210,195	*(r)*	14,044,199		14,044,199
Non-current financial assets	*(s)*	-2,030,698		-2,030,698	*(s)*	-1,781,276		-1,781,276
Total non-current net debt (G)				**12,179,497**				**12,262,923**
Current net debt								
Current financial liabilities	*(t)*	1,031,505		1,031,899	*(t)*	1,938,634		1,939,045
Bank overdrafts repayable on demand		*24,423*		*24,423*		*36,654*		*36,654*
Short-term borrowings		*245,465*		*245,465*		*245,353*		*245,353*
Current derivative liabilities		*26,314*		*26,314*		*7,036*		*7,036*
Current portion of medium/long-term borrowings		*725,406*		*725,406*		*1,649,176*		*1,649,176*
Other current financial liabilities		*9,897*		*9,897*		*415*		*415*
Current financial liabilities related to discontinued operations			(aa)	*394*			(aa)	*411*
Cash and cash equivalents	*(u)*	-1,851,979		-1,882,521	*(u)*	-2,957,246		-2,996,267
Cash in hand		*-1,387,891*		*-1,387,891*		*-2,250,532*		*-2,250,533*
Cash equivalents		*-464,088*		*-464,088*		*-706,714*		*-706,713*
Cash and cash equivalents related to discontinued operations			*(y)*	*-30,542*			*(y)*	*-39,021*
Current financial assets	*(v)*	-837,917		-837,928	*(v)*	-818,981		-818,994
Current financial assets deriving from concession rights		*-441,131*		*-441,131*		*-435,511*		*-435,511*
Current financial assets deriving from government grants		*-59,289*		*-59,289*		*-74,627*		*-74,627*
Current term deposits		*-238,779*		*-238,779*		*-221,834*		*-221,834*
Current derivative assets		*-*		*-*		*-36*		*-36*
Current portion of other medium/long-term financial assets		*-66,782*		*-66,782*		*-68,987*		*-68,987*
Other current financial assets		*-31,936*		*-31,936*		*-17,986*		*-17,986*
Financial assets held for sale or related to discontinued operations			*(z)*	*-11*			*(z)*	*-13*
Total current net debt (H)				**-1,688,550**				**-1,876,216**
Total net debt (I=G+H)				**10,490,947**				**10,386,707**
Net debt and equity (L=F+I)				**19,134,235**				**18,869,523**
Assets held for sale or related to discontinued operations	*(-y-z+w)*	34,824			*(-y-z+w)*	44,985		
Liabilities related to discontinued operations	*(-x+aa)*	3,311			*(-x+aa)*	6,179		
TOTAL NON-CURRENT ASSETS	*(a+b+c+d +e-s)*	29,007,474			*(a+b+c+d+ e-s)*	28,542,660		
TOTAL CURRENT ASSETS	*(f+g+h-u-v- y-z+w)*	4,775,139			*(f+g+h-u-v- y-z+w)*	5,578,332		
TOTAL NON-CURRENT LIABILITIES	*(-n-o-p- q+r)*	20,754,833			*(-n-o-p-q+r)*	20,714,194		
TOTAL CURRENT LIABILITIES	*(-i-j-k-l- m+t-x+aa)*	4,384,492			*(-i-j-k-l-m+t- x+aa)*	4,923,982		

Reconciliation of the consolidated statement of changes in net debt and the consolidated statement of cash flows

€000		H1 2016			H1 2015		
Reconciliation of items	Note	Consolidated statement of cash flows	Changes in consolidated net debt		Consolidated statement of cash flows	Changes in consolidated net debt	
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES							
Profit for the period		**464,699**	**464,699**		**427,300**	**427,300**	
Adjusted by:							
Amortisation and depreciation		454,083	454,083		452,420	452,420	
Operating change in provisions, after use of provisions for refurbishment of airport infrastructure		156,402	156,402		-9,096	-9,096	
Financial expenses from discounting of provisions for construction services required by contract and other provisions		31,605	31,605		28,431	28,431	
Impairment losses/(Reversal of impairment losses) on financial assets and investments accounted for at cost or fair value		-21,264	-21,264		-	-	
Share of (profit)/loss of investees accounted for using the equity method		8,323	8,323		8,836	8,836	
Impairment losses/(Reversal of impairment losses) and adjustments of current and non-current assets		1,825	1,825		10	10	
(Gains)/Losses on sale of non-current assets		-221	-221		-543	-543	
Net change in deferred tax (assets)/liabilities through profit or loss		18,167	18,167		23,645	23,645	
Other non-cash costs (income)		-19,044	-19,044		24,333	24,333	
Operating cash flow				**1,094,575**			**955,336**
Change in operating capital	(a)			-164,765			-
Other changes in non-financial assets and liabilities	(b)			35,070			64,653
Change in working capital and other changes	(a+b)	-129,695			64,653		
Net cash generated from/(used in) operating activities (A)		**964,880**		**964,880**	**1,019,989**		**1,019,989**
NET CASH FROM/(USED IN) INVESTMENT IN NON-FINANCIAL ASSETS							
Investment in assets held under concession		-509,248	-509,248		-621,709	-621,709	
Purchases of property, plant and equipment		-42,777	-42,777		-22,625	-22,625	
Purchases of other intangible assets		-14,414	-14,414		-14,794	-14,794	
Capital expenditure				**-566,439**			**-659,128**
Government grants related to assets held under concession		1,521	1,521		29,503	29,503	
Increase in financial assets deriving from concession rights (related to capital expenditure)		37,324	37,324		57,285	57,285	
Purchase of investments		-5,660	-5,660		-14,881	-14,881	
Purchases of consolidated companies, including net debt assumed		-	-		-193	-193	
Proceeds from sales of property, plant and equipment, intangible assets and unconsolidated investments		4,117	4,117		981	981	
Net change in other non-current assets		-13,583	-13,583		-2,396	-2,396	
Net change in current and non-current financial assets	(c)	-85,134			196,616		
Net cash from/(used in) investment in non-financial assets (B)	(d)			**-542,720**			**-588,829**
Net cash generated from/(used in) investing activities (C)	(c+d)	**-627,854**			**-392,213**		
NET EQUITY CASH INFLOWS/(OUTFLOWS)							
Dividends declared by Group companies	(e)			-418,804			-396,629
Dividends paid	(f)	-410,521			-396,609		
Proceeds from sale of treasury shares and exercise of rights under share-based incentive plans		-		-	230,118		230,118
Net equity cash inflows/(outflows) (D)				**-418,804**			**-166,511**
Net cash generated during the period (A+B+D)				**3,356**			**264,649**
Issuance of bonds		23,887			890,495		
Increase in medium/long term borrowings (excluding finance lease liabilities)		12,467			786		
Bond redemptions		-909,614			-115,431		
Buyback of bonds issued by Atlantia and purchase of notes issued by Romulus Finance		-72,200			-1,306,812		
Repayments of medium/long term borrowings (excluding finance lease liabilities)		-55,699			-216,294		
Payment of finance lease liabilities		-1,390			-1,361		
Net change in other current and non-current financial liabilities		-46,568			-403,722		
Net cash generated from/(used in) financing activities (E)		**-1,459,638**			**-1,318,830**		
Change in fair value of hedging derivatives	(g)			-146,921			70,763
Financial income/(expenses) accounted for as an increase in financial assets/(liabilities)	(h)			22,362			46,438
Effect of foreign exchange rate movements on net debt and other changes	(i)			16,963			-3,115
Other changes in net debt (F)				**-107,596**			**114,086**
Net effect of foreign exchange rate movements on net cash and cash equivalents (G)		**21,097**			**-6,278**		
Decrease in net debt for period (A+B+D+F)				**-104,240**			**378,735**
Net debt at beginning of period				**-10,386,707**			**-10,527,795**
Net debt at end of period				**-10,490,947**			**-10,149,060**
Increase/(Decrease) in cash and cash equivalents during period (A+C+E+G)		**-1,101,515**			**-697,332**		
NET CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		**2,959,613**			**1,952,748**		
NET CASH AND CASH EQUIVALENTS AT END OF PERIOD		**1,858,098**			**1,255,416**		

Notes:

a) The “Change in operating capital” shows the change in trade-related items directly linked to the Group’s ordinary activities (in particular: inventories, trading assets and trading liabilities);

b) the “Change in other non-financial assets and liabilities” shows the change in items of a non-trading nature (in particular: current tax assets and liabilities, other current assets and liabilities, current provisions for construction services required by contract and other provisions);

c) the “Net change in current and non-current financial assets” is not shown in the “Statement of changes in consolidated net debt”, as it does not have an impact on net debt;

d) “Net cash from/(used in) investment in non-financial assets” excludes changes in the financial assets and liabilities referred to in note c) that do not have an impact on net debt;

e) “Dividends declared by Group companies” regard the portion of dividends declared by the Parent Company and other Group companies attributable to non-controlling interests, regardless of the period of payment;

f) “Dividends paid” refer to amounts effectively paid during the reporting period;

g) the amount represents the change in the fair value of cash flow hedges, before the related taxation, as shown in “Fair value gains/(losses) on cash flow hedges” in the consolidated statement of comprehensive income;

h) this item essentially includes financial income and expenses in the form of interest linked to loans requiring the repayment of principal and interest accrued at maturity; the financial assets are described in note 7.4 and the financial liabilities are described in note 7.15 in the condensed consolidated interim financial statements;

i) this item essentially includes the impact of exchange rate movements on financial assets (including cash and cash equivalents) and financial liabilities denominated in currencies other than the euro held by Group companies.

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

The following section presents a number of ("adjusted") alternative performance indicators, calculated by stripping out, from the corresponding reported amounts in the reclassified consolidated income statement and the reclassified consolidated statement of financial position, the impact of application of the "financial model", introduced by IFRIC 12, by the Group's operators who have adopted this model.
The following statement presents adjustments to gross operating profit (EBITDA), operating cash flow and net debt deriving from the specific nature of concession arrangements entered into with the grantors of the concessions held by certain Chilean operators, under which the operators 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 alternative performance indicators are presented with the sole 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.

The adjustments applied to the alternative performance indicators based on reported amounts regard:

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

Reconciliation of adjusted and reported consolidated amounts

€M	Reference to notes to consolidated financial statements	H1 2016 EBITDA	H1 2016 Operating cash flow	H1 2015 EBITDA	H1 2015 Operating cash flow
Reported amounts		1,578	1,095	1,518	955
Increase in revenue for guaranteed minimum revenue	*note 7.4*	36	36	36	36
Grants for motorway maintenance	*note 7.4*	7	7	8	8
Grants for investment in motorway infrastructure		1	1	1	1
Reversal of financial income deriving from discounting of financial assets deriving from concession rights (guaranteed minimums)	*note 8.13*		-22		-24
Reversal of financial income deriving from discounting of financial assets deriving from government grants for motorway maintenance	*note 8.13*		-3		-4
Total adjustments		44	19	45	17
Adjusted amounts		1,622	1,114	1,563	972

€M		NET DEBT AS AT 30 JUNE 2016	NET DEBT AS AT 31 DDECEMBER 2015
Reported amounts		10,491	10,387
Reversal of financial assets deriving from takeover rights	*note 7.4*	404	403
Reversal of financial assets deriving from guaranteed minimum revenue	*note 7.4*	637	610
Reversal of financial assets deriving from grants for motorway maintenance	*note 7.4*	92	90
Total adjustments		1,133	1,103
Adjusted amounts		11,624	11,490

Key performance indicators by operating segment

The Atlantia Group's operating segments are identified based on the information provided to and analysed by Atlantia's Board of Directors, which represents the Group's chief operating decision maker, when taking decisions regarding the allocation of resources and assessing performance. In particular, the Board of Directors assesses the performance of the business in terms of geographical area and business segment.

Details of the composition of the Atlantia 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, Raccordo Autostradale Valle d'Aosta and Autostrada Tirrenica), 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;

€M	ITALIAN MOTORWAYS		OVERSEAS MOTORWAYS		ITALIAN AIRPORTS	
	H1 2016	H1 2015	H1 2016	H1 2015	H1 2016	H1 2015
REPORTED AMOUNTS						
External revenue	1,844	1,755	255	280	399	370
Intersegment revenue	6	6	-	-	-	1
Total operating revenue	1,850	1,761	255	280	399	371
EBITDA	1,156	1,075	188	210	230	212
Operating cash flow	759	663	164	176	169	156
Capital expenditure	311	445	72	88	172	114
ADJUSTED AMOUNTS						
Adjusted EBITDA	1,156	1,075	232	255	230	212
Adjusted operating cash flow	759	663	183	193	169	156

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

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) Italian airports: this includes the airports business of Aeroporti di Roma, which holds the concession to operate and expand the airports of Rome Fiumicino and Rome Ciampino, and the companies responsible for supporting and developing the airports business;
d) Atlantia and other activities: this segment includes:
    e) the Parent Company, Atlantia, which operates as a holding company for its subsidiaries and associates whose business is the construction and operation of motorways, airports and transport infrastructure, parking areas and intermodal systems, or who engage in activities related to the management of motorway or airport traffic;
    f) a number of subsidiaries that produce and operate free-flow tolling systems, traffic and transport management systems, and public information and electronic payment systems. The most important companies in this segment are Autostrade Tech and Electronic Transaction Consultants.
    g) infrastructure design, construction and maintenance, essentially carried out by Pavimental and Spea Engineering.

Key performance indicators for each of the Group's operating segments in the two comparative periods are shown below.

ATLANTIA AND OTHER ACTIVITIES		CONSOLIDATION ADJUSTMENTS		TOTAL ATLANTIA GROUP[1]	
H1 2016	H1 2015	H1 2016	H1 2015	H1 2016	H1 2015
68	90	-	-	2,566	2,495
206	270	-212	-277	-	-
274	360	-212	-277	2,566	2,495
4	21	-	-	1,578	1,518
3	-40	-	-	1,095	955
16	12	-5	-	566	659
4	21	-	-	1,622	1,563
3	-40	-	-	1,114	972

Segment information for Group companies(*)

€M	OPERATING REVENUE			
	H1 2016	H1 2015	INCREASE/(DECREASE)	
			ABSOLUTE	%
Italian motorways				
Autostrade per l'Italia	1,652	1,585	67	4%
Telepass	77	73	4	5%
Autostrade Meridionali	42	41	1	2%
Tangenziale di Napoli	36	36	-	n/s
Società Italiana per il Traforo del Monte	28	28	-	n/s
Autostrada Tirrenica (a)	16	-	16	n/s
Essediesse	13	13	-	n/s
Raccordo Autostradale Valle d'Aosta	9	9	-	n/s
Giove Clear	6	6	-	n/s
Ad Moving	4	4	-	n/s
Intersegment adjustments	*-33*	*-34*	*1*	*-3%*
Total Italian motorways	**1,850**	**1,761**	**89**	**5%**
Overseas motorways				
Rodovia das Colinas	54	67	-13	-19%
Triangulo do Sol	48	60	-12	-20%
Rodovia MG050 (Nascentes das Gerais)	13	14	-1	-7%
AB Concessões	2	3	-1	-33%
Soluciona Concervacao Rodoviaria	2	1	1	n/s
Total Brazil	**119**	**145**	**-26**	**-18%**
Costanera Norte	48	47	1	2%
Vespucio Sur	43	42	1	2%
Gestion Vial	15	13	2	15%
Los Lagos	13	13	-	n/s
Autopista Nororiente	3	3	-	n/s
Grupo Costanera	1	1	-	n/s
Litoral Central	1	1	-	n/s
AMB	1	1	-	n/s
Total Chile	**125**	**121**	**4**	**3%**
Stalexport Autostrady group	32	30	2	7%
Total Poland and other	**32**	**30**	**2**	**7%**
Intersegment adjustments	*-21*	*-16*	*-5*	*31%*
Total overseas motorways	**255**	**280**	**-25**	**-9%**
Italian airports				
Aeroporti di Roma group	398	369	29	8%
Fiumicino Energia	3	4	-1	-25%
Leonardo Energia	10	11	-1	-9%
Intersegment adjustments	*-12*	*-13*	*1*	*-8%*
Total Italian airports	**399**	**371**	**28**	**8%**
Atlantia and other activities				
Pavimental	155	241	-86	-36%
Spea Engineering	58	54	4	7%
ETC	32	34	-2	-6%
Autostrade Tech	24	28	-4	-14%
Pavimental Polska	3	2	1	50%
Atlantia	2	1	1	n/s
Infoblu	2	2	-	n/s
Intersegment adjustments	*-2*	*-2*	*-*	*n/s*
Total Atlantia and other activities	**274**	**360**	**-86**	**-24%**
Consolidation adjustments	*-212*	*-277*	*65*	*-23%*
Total Atlantia Group	**2,566**	**2,495**	**71**	**3%**

(*) The alternative performance indicators presented above are defined in the section, "Alternative performance indicators".

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

EBITDA				CAPITAL EXPENDITURE			
H1 2016	H1 2015	INCREASE/(DECREASE)		H1 2016	H1 2015	INCREASE/(DECREASE)	
		ABSOLUTE	%			ABSOLUTE	%
1,045	978	67	7%	273	425	-152	-36%
47	46	1	2%	7	5	2	40%
15	13	2	15%	1	9	-8	-89%
16	15	1	7%	8	5	3	60%
19	18	1	6%	1	-	1	n/s
9	-	9	n/s	21	-	21	n/s
1	1	-	n/s	-	-	-	n/s
3	3	-	n/s	-	1	-1	n/s
1	1	-	n/s	-	-	-	n/s
-	-	-	n/s	-	-	-	n/s
-	-	-	*n/s*	-	-	-	*n/s*
1,156	**1,075**	**81**	**8%**	**311**	**445**	**-134**	**-30%**
37	53	-16	-30%	10	7	3	43%
36	46	-10	-22%	5	6	-1	-17%
4	10	-6	-60%	15	23	-8	-35%
-1	-1	-	n/s	-	-	-	n/s
-	-	-	n/s	-	-	-	n/s
76	**108**	**-32**	**-30%**	**30**	**36**	**-6**	**-17%**
37	36	1	3%	36	50	-14	-28%
37	33	4	12%	1	-	1	n/s
4	3	1	33%	2	-	2	n/s
8	8	-	n/s	-	-	-	n/s
-	-	-	n/s	1	-	1	n/s
-	-1	1	n/s	-	-	-	n/s
1	-1	2	n/s	-	-	-	n/s
-	-	-	n/s	-	-	-	n/s
87	**78**	**9**	**12%**	**40**	**50**	**-10**	**-20%**
25	24	1	4%	2	2	-	n/s
25	**24**	**1**	**4%**	**2**	**2**	**-**	**n/s**
-	-	-	*n/s*	-	-	-	*n/s*
188	**210**	**-22**	**-10%**	**72**	**88**	**-16**	**-18%**
228	209	19	9%	172	114	58	51%
2	3	-1	-33%	-	-	-	n/s
-	-	-	n/s	-	-	-	n/s
-	-	-	*n/s*	-	-	-	*n/s*
230	**212**	**18**	**8%**	**172**	**114**	**58**	**n/s**
-	9	-9	n/s	12	6	6	n/s
13	16	-3	-19%	-	1	-1	n/s
4	6	-2	-33%	4	4	-	n/s
2	5	-3	-60%	-	1	-1	n/s
-	-	-	n/s	-	-	-	n/s
-15	-15	-	n/s	-	-	-	n/s
-	-	-	n/s	-	-	-	n/s
-	-	-	*n/s*	-	-	-	*n/s*
4	**21**	**-17**	**-81%**	**16**	**12**	**4**	**n/s**
-	-	-	*n/s*	-5	-	-5	*n/s*
1,578	**1,518**	**60**	**4%**	**566**	**659**	**-93**	**-14%**

Italian motorways

The Group's Italian motorway operations generated operating revenue of €1,850 million in the first half of 2016, an increase of €89 million on the same period of 2015 (up 5%).
The Group's Italian motorway operators report net toll revenue of €1,635 million for the first half of 2016, marking an increase of €88 million on the first half of 2015, primarily due to the following:

- a 3.8% increase in traffic on the Italian network (including the positive impact of the different traffic mix, the increase in toll revenue is approximately €54 million). The performance also reflects the fact that there was an extra day in February 2016, a leap year, accounting for an increase in traffic of around 0.5%;
- application of annual toll increases for 2016 (a rise of 1.09% for Autostrade per l'Italia from 1 January 2016), boosting toll revenue by €14 million;
- the change in the scope of consolidation resulting from the consolidation of Autostrada Tirrenica from 30 September 2015 (up €15 million).

Other operating income of €215 million is in line with the first half of 2015, primarily reflecting the combined effect of increased turnover at Telepass, the change in the scope of consolidation resulting from the consolidation of Autostrada Tirrenica and reduced oil royalties from Autostrade per l'Italia's service areas, linked to the discounts granted to service providers whose concessions were renewed in 2016.

EBITDA for the Italian motorway operations in the first half of 2016 amounts to €1,156 million, up €81 million (8%) on the same period of 2015.

This results partly reflects an increase in net operating costs of approximately €8 million, primarily due to the combined effect of the following:

- an increase in concession fees linked to the rise in toll revenue;
- lower maintenance costs, above all at Autostrade per l'Italia, linked to reduced snowfall and a different scheduling of work on the network in the comparative periods;
- a reduction in corporate advertising costs incurred by Autostrade per l'Italia, in 2015 linked to the issue of bonds to retail investors;
- an increase in staff costs which, before deducting capitalised expenses, stable across the two comparative periods, are up 2.1%. This reflects:
    - an increase in the average unit cost (up 1.3%), primarily due to the cost of contract renewals, partially offset by the reduced cost of incentive plans for management and early retirement incentives;
    - an increase of 58 (0.8%) in the average workforce, primarily attributable to Autostrada Tirrenica's contribution for the first half of 2016, an increase in Giove Clear's workforce, reflected an expansion of the company's operations and service quality targets, and recruitment for certain specific units at Autostrade per l'Italia, partially offset by a slowdown in recruitment

at EsseDiEsse and in the hiring of toll collectors at Autostrade per l'Italia and Tangenziale di Napoli.

Traffic

Traffic on the Group's Italian network in the first half of 2016 (measured in kilometres travelled) is up 3.8% on the same period of the previous year.
The number of kilometres travelled by vehicles with 2 axles is up 3.6%, with the figure for those with 3 or more axles up 5.1%.
After adjusting for the leap-year effect, the increase in kilometres travelled is 3.3%.

Traffic on the network operated under concession in Italy during the first half of 2016

MOTORWAY SECTION	KM TRAVELLED (MILLIONS) *				ATVD **
	VEHICLES WITH 2 AXLES	VEHICLES WITH 3+ AXLES	TOTAL VEHICLES	% INC./(DEC.) ON H1 2015	H1 2016
Autostrade per l'Italia	18,719	3,041	21,760	3.7	41,883
Autostrade Meridionali	792	17	808	5.5	86,088
Tangenziale di Napoli	436	39	475	2.7	129,205
Raccordo Autostradale Valle d'Aosta	41	10	50	5.2	8,665
Società Italiana per il Traforo del Monte Bianco	4	2	5	1.6	4,901
Società Autostrada Tirrenica	104	11	115	3.1	15,769
Total Italian operators	**20,095**	**3,119**	**23,214**	**3.8**	**42,457**

** The data for June is provisional.*
*** Average theoretical vehicles per day, equal to number of kilometres travelled/journey length/number of days.*

Toll increases

Information on toll increases effective 1 January 2016 is provided in the section, "Significant regulatory aspects".

Capital expenditure

Autostrade per l'Italia and the Group's other Italian operators invested a total of €311 million in the first half of 2016, marking a reduction of €134 million (30%) compared with the first half of 2015. The difference essentially reflects completion, in 2015, of the main works forming part of the *Variante di Valico* project and of works, in the Milan area, completed and opened to traffic in April 2015 on the occasion of the Milan Expo.

€M	H1 2016	H1 2015	% INCREASE/ (DECREASE)
Autostrade per l'Italia -projects in Agreement of 1997	104	167	-38%
Autostrade per l'Italia - projects in IV Addendum of 2002	89	146	-39%
Investment in major works by other operators	19	9	111%
Other capital expenditure and capitalised costs (staff, maintenance and other)	80	112	-29%
Total investment in infrastructure operated under concession	**292**	**434**	**-33%**
Investment in other intangible assets	7	3	133%
Investment in property, plant and equipment	12	8	50%
Total investment in motorways in Italy	**311**	**445**	**-30%**

With regard to the works envisaged in Autostrade per l'Italia's Agreement of 1997, work on completion of the *Variante di Valico*, opened to traffic on 23 December 2015, continued in the first half of 2016, with the construction of works not having an impact on operation of the new infrastructure.
In terms of the Florence Interchange, work proceeded on widening the A1 between Barberino and Florence North to three lanes and on completion of off carriageway works on the Florence North-Florence South section.
Expenditure on the works envisaged in Autostrade per l'Italia's IV Addendum of 2002 in the first half of 2016 primarily regarded completion of the A14 Rimini-Porto Sant'Elpidio, on the sections between Senigallia and Ancona North, 16 km of which was opened to traffic in December 2015, and between Ancona North and Ancona South. Investment also focused, through to a lesser extent, on the section of the A8/A9 in Lombardy.
Investment in major works by the Group's other Italian operators almost entirely relates to works carried out by Autostrada Tirrenica on approximately 15 km of the Civitavecchia-Tarquinia South section, opened to traffic at the end of March 2016.
The €32 million reduction in other investment largely reflects completion of the upgraded Rho-Monza section of motorway, which has replaced the old provincial highway. The new section of road was also opened to traffic in April 2015.

Contract reserves quantified by contractors

As at 30 June 2016, Group companies have recognised contract reserves quantified by contractors amounting to approximately €1,569 million (€1,620 million as at 31 December 2015).
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 accounted for in intangible assets.
Reserves have also been recognised in relation to works not connected to investment (work for external parties and maintenance), amounting to approximately €43 million. The estimated future cost is covered by provisions for disputes accounted for in the consolidated financial statements as at and for the six months ended 30 June 2016.

Telepass

As at 30 June 2016, 8,997,835 Telepass devices are in circulation (up 354,000 on 30 June 2015), whilst the number of subscribers of the Premium Option total 1,947,382 (up 91,000 on the figure for 30 June 2015).
Telepass generated operating revenue of €77 million in the first half of 2016, up €4 million on the same period of 2015. This primarily consists of Telepass fees of €50 million, Viacard subscription fees of €10 million and payments for Premium services of €9 million. The company's EBITDA for the first half of 2016 is €47 million, marking an increase of €1 million compared with the same period of the previous year.

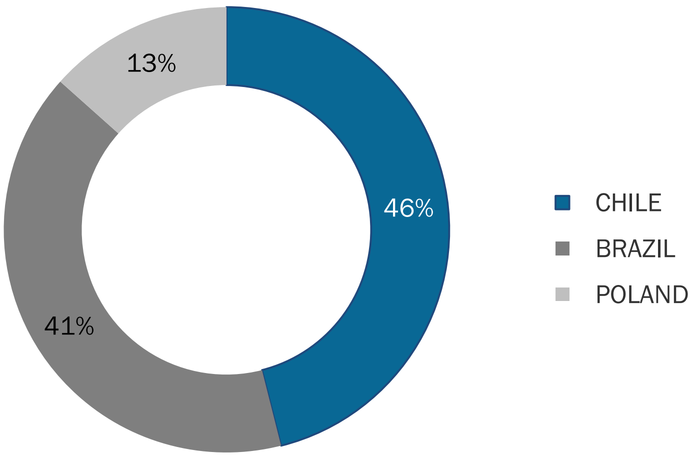
Overseas motorways

The Group's overseas motorway operators generated operating revenue of €255 million in the first half of 2016, down €25 million (9%) on the first half of 2015 and reflecting the negative impact of exchange rate movements. At constant exchange rates, operating revenue is up 6%.
The growth was driven by toll increases applied by operators in accordance with the terms of their concession arrangements, and by increases in traffic (measured in terms of kilometres travelled) comparerd with the first half of del 2015. Traffic growth was particularly evident in Chile (5.6%) and Poland (12.1%), compared with a decline in Brazil (down 2.4%), linked to the continuing weakness of the Brazilian economy.

After stripping out the leap-year effect, traffic in the first half of 2016 (measured in kilometres travelled) is up 5.1% in Chile, down 2.9% in Brazil and up 11.6% in Poland.

EBITDA for the overseas companies, amounting to €188 million in the first half of 2016, is down €22 million (10%) on the same period of 2015. Among other factors, the reduction reflects increased costs linked to planned maintenance and resurfacing work carried out in Brazil and the negative impact of exchange rate movements. At constant exchange rates, EBITDA is up 4%.

Breakdown of EBITDA for overseas motorway operators (by geographical area)



Chile

The Chilean operators' operating revenue for the first half of 2016 amounts to a total of €125 million, up 3% on the same period of 2015. At constant exchange rates, operating revenue is up 13%.
EBITDA of €87 million is up approximately €9 million (12%) on the first half of 2015, rising 23% at constant exchange rates.
Adjusted EBITDA[1] of €131 million is up approximately €8 million on the first half of 2015 (up 7%).

Traffic performance

MILLIONS OF KM TRAVELLED	TRAFFIC		
	H1 2016	H1 2015	% INCREASE/ (DECREASE)
Grupo Costanera			
Costanera Norte	571	552	3.6%
Nororiente	42	36	16.5%
Vespucio Sur	449	432	4.0%
Litoral Central	65	64	3.0%
AMB	12	11	7.0%
Los Lagos (*)	378	342	10.3%
Total	**1,518**	**1,438**	**5.6%**

(*) The increase in traffic in terms of journeys is 8.2%.

Traffic on the motorways operated by the Group's Chilean operators, measured in terms of kilometres travelled, rose by a total of 5.6% in the first half of 2016.

From January 2016, the operators controlled by Grupo Costanera applied the following annual toll increases, calculated under the terms of the related concession arrangements:

- 7.6% for Costanera Norte, Vespucio Sur and Nororiente, reflecting a combination of the increase linked to inflation in 2015 (+3.9%) and a further increase of 3.5%;
- 5.5% for AMB, reflecting a combination of the increase linked to inflation in 2015 (+3.9%) and a further increase of 1.5%;
- 3.9% for Litoral Central, linked to inflation in 2015 (+3.9%).

From January 2016, the tolls applied by Los Lagos have risen 2.3%, reflecting a combination of the increase linked to inflation in 2015 (+3.9%) and a further increase in the form of a bonus relating to safety improvements in 2016 (up 2.4%), less the bonus for safety improvements awarded in 2015, equal to 4.0%.

1 *Adjusted EBITDA is calculated by adding, to the Chilean companies' total reported EBITDA, the impact of application of the "financial model", introduced by IFRIC 12, by the Chilean operators who have adopted this model, amounting to €44 million for the first half of 2016. Details of the adjustments made and the reconciliation with the corresponding reported amounts are provided in the section, "Adjusted consolidated results of operations and financial position and reconciliation with reported consolidated amounts", included in the "Group financial review".*

Capital expenditure amounted to a total of €40 million in the first half 2016, with around 61% of the works to be carried out as part of the *Santiago Centro Oriente* upgrade programme, amounting to total investment of approximately €256 billion Chilean pesos (equal to around €344 million) in the section operated by Costanera Norte, having been completed.

Brazil

The Brazilian operators' operating revenue for the first half of 2016 amounts to a total of €119 million, down 18% on the same period of 2015. At constant exchange rates, operating revenue is up 2%.

EBITDA of €76 million is down approximately €32 million (30%) on the first half of 2015. The reduction is primarily due to an increase in maintenance and resurfacing work carried out in the first half of 2016, compared with the first half of 2015, and the negative impact of exchange rate movements. At constant exchange rates, EBITDA is down 11%.

Traffic performance

MILLIONS OF KM TRAVELLED	TRAFFIC		
	H1 2016	H1 2015	% INCREASE/ (DECREAS
Triangulo do Sol	692	714	-3.1%
Rodovias das Colinas	975	1,009	-3.4%
Rodovia MG050	390	384	1.6%
Total	**2,057**	**2,107**	**-2.4%**

Traffic on the network operated by the Brazilian operators consolidated by the Group fell 2.4% in terms of kilometres travelled in the first half of 2016.

Toll revenue for the first half of 2016 benefitted from the annual toll increases applied by the two operators in the State of Sao Paulo from July 2015 and by the operator, Rodovia MG050, in the State of Minas Gerais, from June 2015.
Triangulo do Sol and Colinas increased their tolls by 4.11% from 1 July 2015, based on the rate of general price inflation in the period between June 2014 and May 2015, as provided for in the respective concession arrangements.
From 24 June 2015, the tolls applied by the operator, Rodovia MG050, rose by 8.17%, based on the rate of consumer price inflation in the period between May 2014 and April 2015, as provided for in the related concession arrangement.
Rodovia MG050's toll revenue was negatively affected by the suspension of charges for the suspended axles of heavy vehicles introduced by federal law 13103/2015, which came into effect on 17 April 2015. The loss of revenue resulting from the entry into effect of above legislation will be subject to compensation in accordance with the concession arrangement.
During the first half of 2016, a total of €30 million was invested in upgrading the network operated under concession in Brazil.

With the opening to traffic of the last 5.5 km of the Rodoanel (Sao Paulo's orbital motorway), the entire stretch of this road, covering 105 km, is now operational with a provisional layout[2]. This road is operated under concession by SPMAR, on whose shares Atlantia Bertin Concessoes has a call option exercisable in accordance with the terms of agreements with the Bertin group, currently SPMAR's controlling shareholder.

Poland

In Poland, the Stalexport Autostrady group recorded operating revenue of €32 million in the first half of 2016, up 7% on the same period of 2015. At constant exchange rates, revenue is up 13%.
EBITDA of €25 million is up 4% on the first half of 2015. At constant exchange rates, EBITDA is up 13%.

Traffic performance

MILLIONS OF KM TRAVELLED	TRAFFIC		
	H1 2016	H1 2015	% INCREASE/ (DECREASE)
Stalexport Autostrada Malopolska	424	378	12.1%

The Polish operator, Stalexport Autostrada Malopolska, registered a 12.1% increase in traffic, in terms of kilometres travelled, in the first half of 2016, compared with the first half of 2015. The number of light vehicles is up 11.9%, whilst heavy vehicles are up 12.6%.
Tolls were increased by 10.7%[3] from 1 March 2015, rising from 9.0 to 10.0 zlotys for light vehicles, from 15.0 to 16.5 zlotys for vehicles with up to 3 axles and from 24.5 to 26.5 zlotys for those with more than 3 axles. There have not been any further increases for 2016.

[2] *The regulator for the state of Sao Paulo (ARTESP) also authorised collection of tolls from 2 July 2015, despite the fact that a number of construction works still have to be carried out to complete the section of motorway.*
[3] *The weighted average increase based on the distribution of traffic in the first quarter of 2015 (in terms of km travelled) over the three classes of vehicle.*

Italian airports

The Italian airports business generated operating revenue of €399 million in the first half of 2016, an increase of €28 million (8%) compared with the same period of the previous year.
Aviation revenue of €292 million is up by a total of €32 million (12%) compared with the first half of 2015, reflecting traffic growth (passengers up 2.8%) and the increases in airport fees applied from 1 March (2016 and 2015).

Other operating income of €107 million is down €4 million compared with the first half of 2015, which included the estimated insurance proceeds receivable in order to cover the cost of the rescue and security services incurred during the period as a result of the fire in Terminal 3.

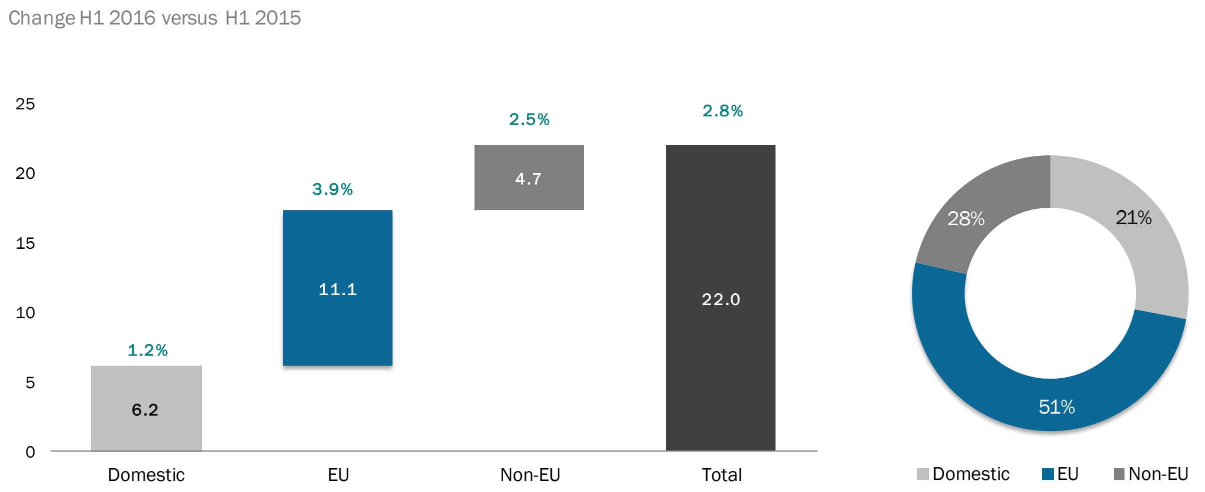
EBITDA of €230 million is up €18 million (8%) on the first half of 2015. The performance of EBITDA reflects the following:

- a reduction in the cost of materials and external services, primarily due to lower maintenance costs and a reduction in external cleaning costs, reflecting the progressive expansion of Airport Cleaning Srl's operations. This reduction is partially offset by increased expenditure on surveillance and security services and on commercial initiatives (promotions). In addition, the change is also influenced by a reduction in costs linked to the fire at Terminal 3 which, in the first half of 2015, included the cost of rescue and security services in the areas affected by the incident, whilst the figure for the period under review includes the cost of operating penalties incurred as a result of the fire;
- an increase in concession fees due to traffic growth;
- a 14% increase in net staff costs, primarily due to an increase in the ADR group's average workforce, reflecting the decision to insource airport cleaning services and changes made to the operational procedures applied in managing passenger flows following the fire at Terminal 3. These costs also rose due to heightened anti-terrorism measures, initiatives designed to improve the quality of passenger assistance and staff hired in relation to implementation of the Planning Agreement.

Traffic performance

The Roman airport system handled a traffic volume of 22 million passengers in the first half of 2016, marking an increase of 2.8% on the same period of the previous year. After stripping out calendar-related effects (the leap-year effect), the increase is approximately 2.3%.
In terms of the airport system as a whole, the EU segment is up 3.9% on the first half of 2015 (accounting for 51% of total traffic). The non-EU segment is up 2.5% and domestic traffic is up 1.2%. In particular, passenger traffic at Fiumicino airport is up 3.9%, whilst Ciampino registered decrease of 4.0%. The latter decline is entirely due to the exceptional transfer, between May and June 2015, of flights that could no longer operate from Fiumicino as a result of the above fire. Capacity at the Roman airport system is also up, with the number of available seats rising 1.9% and aircraft tonnage up 3.4%, whilst movements are substantially in line (a decline of 0.2%).

Breakdown of traffic using the Roman airport system in the first half of 2016 (millions of pax)



Capital expenditure

Capital expenditure totalled €172 million in the first half of 2016 (up €45 million compared with the first half of 2015).

The principal works underway on terminals and piers regard construction of the new departure areas E/F and the avant-corps for Terminal 3 at Fiumicino.

Work on the development of airport systems and equipment includes installation of the new baggage handling system ("BHS") for Terminal 1, with the first section of the system due to begin operating (on 6 July) undergoing tests. Work on the makeover of the new electricity network serving the runways also continued. Work on the final design for Lot 2 of the Eastern Terminal System at Fiumicino airport is in progress, with this project covering the enlargement of Terminal 1, reconfiguration of Boarding Area C and construction of the interchange for Boarding Area D.

Work on Terminal 3, involving restoration of the facade to reflect its original appearance, as required by MiBACT (the Ministry of Cultural Heritage and Tourism), is ongoing, as is renovation of the Immigration Area. The upgrade and restyling of part of Boarding Area B in Terminal 1 has also been completed.

With regard to work on runways and aprons, work on extension of the aprons included in the *Piazzali 200* ("200 Aprons") project has been completed, whilst the process of installing pre-conditioning systems for aircraft at the aprons has begun. Work on the first phase of construction of the Western Aprons is in progress. Other works include the reconstruction of the portion of Terminal 3 damaged by the fire.

€M	H1 2016	H1 2015	% INCREASE/ (DECREASE)
E/F departure area (Avant-corps and third BHS)	61	29	47%
Work on baggage handling sub-systems and airport equipment	35	14	47%
Work on terminals and piers	26	29	-18%
Work on technical systems and networks	11	6	11%
Work on runways and aprons	7	32	n.s
Other	32	17	n.s
TOTAL	**172**	**127** (*)	**35%**

(*) Including capital expenditure funded by ENAC, totalling €13 million.

Contract reserves quantified by contractors

As at 30 June 2016, Group companies have recognised contract reserves quantified by contractors amounting to approximately €145 million (€68 million as at 31 December 2015).
Based on past experience, only a small percentage of the quantified reserves is actually recognised to contractors and, in this case, will be accounted for as an increase in the cost of concession rights accounted for in intangible assets.

Other activities

Autostrade Tech

Autostrade Tech is a provider of Intelligent Transportation Systems, operating in Italy and overseas. It supplies systems used for tolling, traffic management and information, urban access controls, car parks and speed checks. Operating revenue of €24 million in the first half of 2016 is down €4 million compared with the same period of 2015. The reduction reflects a decline in sales of tolling and Tutor speed check systems. EBITDA of €2 million for the first half of 2016 is down €3 million on the same period of 2015.

Electronic Transaction Consultants

Electronic Transaction Consultants (ETC) is the leading US provider of systems integration, hardware and software maintenance, customer services and consultancy in the field of free-flow electronic tolling systems. ETC generated operating revenue of €32 million in the first half of 2016. EBITDA of approximately €4 million is down by around €2 million on the same period of 2015.

Pavimental

The company provides the Group with motorway and airport maintenance services and carries out major infrastructure works for the Group and external customers. Operating revenue for the first half of 2016 amounts to €155 million, down €86 million (36%) on the first half of 2015. This primarily reflects the completion of work on existing contracts with other Group companies. EBITDA of zero is down €9 million compared with the first half of 2015, primarily reflecting the above reduction in construction and maintenance services and the impact of receipt of an early completion bonus for the Rho-Monza contract in the first three months of 2015.

Spea Engineering

Spea Engineering supplies engineering services involved in the design, project management and controls connected to the upgrade and maintenance of the Group's motorway and airport infrastructure. Operating revenue in the first half of 2016 amounts to €58 million, an increase of €4 million on the same period of of the previous year. This primarily reflects the design of new motorway infrastructure, which have offset the reduction in project management, and the progress of work on overseas contracts. 90% of the company's total revenue during the period was earned on services provided to the Group. EBITDA for the first half of 2016 amounts to €13 million, down €3 million on the same period of the previous year. This is essentially due to the reduction in motorway project management carried out, which was not fully offset by a matching reduction in operating costs.

Workforce

As at 30 June 2016, the Group employs 14,449 staff on permanent contracts and 1,780 temporary staff, resulting in a total workforce of 16,229, including 12,984 in Italy and 3,245 at overseas companies. This is up 570 on the 15,659 of 31 December 2015.

The change in permanent staff as at 30 June 2016, compared with the end of 2015 (up 43), primarily reflects events at the following Group companies:

- the Chilean companies (up 69) following recruitment, during the second quarter of 2016, of personnel engaged in implementing the *Santiago Centro Oriente* upgrade programme;
- the Brazilian companies (up 36), due to implementation of the plan to insource maintenance services;
- Italian motorway operators (down 44), primarily due to a slowdown in the recruitment of toll collectors at Autostrade per l'Italia and Tangenziale di Napoli, partly offset by the hiring of staff to fill specific roles within certain organisational units at Autostrade per l'Italia;
- Pavimental (down 21), primarily due to efficiency improvements in response to a reduction in the volume of maintenance work carried out;
- Aeroporti di Roma group (up 8), primarily linked to initiatives designed to improve the quality of passenger services and staff hired in relation to implementation of the development plan envisaged in the Planning Agreement.

The change in temporary staff as at 30 June 2016, compared with 31 December 2015 (up 527), primarily reflects events at the following Group companies:

- Aeroporti di Roma group (up 365), primarily due to the usual increase in staff in response to seasonal peaks in passenger traffic and initiatives designed to improve the quality of passenger services, as well as the adoption of particular operating procedures due to ongoing restrictions on capacity following the fire of 7 May 2015;
- Italian motorway operators (up 87), primarily reflecting differing requirements for seasonal toll collection staff in the comparative periods;
- Pavimental (up 38), primarily due to the start of work on infrastructure contracts;
- Stalexport Autostrady group (up 15), primarily due to recruitment in response to traffic trends;
- Giove Clear (up 9), reflecting the addition of staff linked to the expansion of operations and improved levels of service;
- Spea Engineering (up 8), primarily due to the recruitment of additional project management and airport design staff.

The average workforce (including agency staff) is up from 14,285 in the first six months of 2015 to 14,804 in the same period of 2016, marking an increase of 519 on average (up 4%).
This increase primarily reflects:

- Aeroporti di Roma group (up 333 on average), primarily linked to insourcing and the new operating procedures introduced by Airport Cleaning, heightened anti-terrorism measures and security checks, initiatives designed to improve the quality of passenger assistance and staff hired in relation to implementation of the development plan envisaged in the Planning Agreement, as well the adoption of particular operating procedures due to ongoing restrictions on capacity following the fire of 7 May 2015;
- the Brazilian companies (up 103 on average), due to implementation of the plan to insource maintenance services;
- Autostrada Tirrenica (up 75 on average), following the company's consolidation from 30 September 2015;
- Electronic Transaction Consultants (up 27 on average), reflecting the business performance;
- Spea Engineering (up 20 on average), reflecting the impact of personnel recruited in 2015 in response to an increase in the volume of airport contracts and completion of the *Variante di Valico*;
- Giove Clear (up 14 on average), reflecting the addition of staff linked to the expansion of operations and improved levels of service;
- Stalexport Autostrady group (up 12 on average), primarily due to recruitment in response to traffic trends;
- Italian motorway operators (down 28 on average), primarily due to a slowdown in the recruitment of toll collectors at Autostrade per l'Italia and Tangenziale di Napoli, partly offset by the hiring of staff to fill specific roles within certain organisational units at Autostrade per l'Italia;
- the Chilean companies (down 22 on average), due to staff cuts following the centralisation of certain activities, resulting in cost efficiencies, partially offset by the recruitment of personnel engaged in implementing the *Santiago Centro Oriente* upgrade programme;
- Pavimental (down 22 on average), reflecting improvements to the efficiency of maintenance operations, partially offset by staff hired in relation to the start of work on infrastructure contracts.

Information on the performance of staff costs is provided in the "Group financial review".

Permanent staff

CATEGORY	30 June 2016	31 December 2015	INCREASE/(DECREASE) ABSOLUTE	%
Senior managers	246	238	8	3%
Middle managers	986	989	(3)	0%
Administrative staff	6,328	6,328	-	0%
Manual workers	3,666	3,618	48	1%
Toll collectors	3,223	3,233	(10)	0%
Total	**14,449**	**14,406**	**43**	**0%**

Temporary staff

CATEGORY	30 June 2016	31 December 2015	INCREASE/(DECREASE) ABSOLUTE	%
Senior managers	5	5	-	0%
Middle managers	-	-	-	n.a.
Administrative staff	720	604	116	19%
Manual workers	772	457	315	69%
Toll collectors	283	187	96	51%
Total	**1,780**	**1,253**	**527**	**42%**

Average workforce (*)

CATEGORY	H1 2016	H1 2015	INCREASE/(DECREASE) ABSOLUTE	%
Senior managers	248	240	8	3%
Middle managers	982	965	17	2%
Administrative staff	6,662	6,369	293	5%
Manual workers	3,752	3,542	210	6%
Toll collectors	3,160	3,169	(9)	0%
Total	**14,804**	**14,285**	**519**	**4%**

(*) Include temporary worker

Related party transactions

In implementation of the provisions of art. 2391-*bis* of the Italian Civil Code and the Regulations adopted by the *Commissione Nazionale per le Società e la Borsa* (the CONSOB) in Resolution 17221 of 12 March 2010, as amended, on 11 November 2010 Atlantia's Board of Directors - with the prior approval of the Independent Directors on the Related Party Transactions Committee – approved the new Procedure for Related Party Transactions entered into directly by the Company and/or through subsidiaries.
The Procedure, which is available for inspection on the Company's website at www.atlantia.it, establishes the criteria to be used in identifying related parties, in distinguishing between transactions of greater and lesser significance and in applying the rules governing the above transactions of greater and lesser significance, and in fulfilling the related reporting requirements.
Related party transactions do not include transactions of an atypical or unusual nature, and are conducted on an arm's length basis.
Details of transactions of a trading or financial nature with the Atlantia Group's parents and with other related parties are provided in note 10.5, "Related party transactions", in the condensed consolidated interim financial statements.

Significant regulatory aspects

In addition to the information already provided in the Annual Report for the year ended 31 December 2015, this section provides details of updates or new developments relating to significant regulatory events affecting Group companies and occurring through to the date of approval of this Interim Report for the six months ended 30 June 2016.

Italian motorways

Toll increases with effect from 1 January 2016

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

- Autostrade per l'Italia's right, in accordance with its request to the Grantor, to apply an increase of 1.09% with effect from 1 January 2016, corresponding to the sum of the following components:
  1) 0.00% for inflation;
  2) 0.97% to provide a return capital expenditure via the "X" tariff component;
  3) 0.12% to provide a return on investment via the "K" tariff component;
- the provisional suspension of the toll increases to be applied by Tangenziale di Napoli, Raccordo Autostradale Valle d'Aosta and Autostrada Tirrenica with effect from 1 January 2016 (the increases thus amount to 0.00%), whilst awaiting approval of the operators' revised financial plans. The toll increases will be finalised by the interministerial decree approving the related addenda revising the financial plans, subject to the right of the operators to recoup any toll increases on the basis of the revised financial plans. Revenue lost as a result of suspension of the increases will be taken into account in the toll increases for 2017. The above companies have challenged the legislation suspending the toll increases for 2016;
- the absence of any toll increase for Autostrade Meridionali, given that its concession expired on 31 December 2012. Autostrade Meridionali has brought a legal challenge contesting the above decision, in line with the approach adopted in 2014 (the related legal challenge was upheld by the Campania Regional Administrative Court sentence of 22 January 2015) and 2015 (judgement is pending).

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

Agreement on the upgrade of the existing motorway system/ring road interchange for Bologna

On 15 April 2016, Autostrade per l'Italia, the Ministry of Infrastructure and Transport, Emilia-Romagna Regional Authority, the Bologna Metropolitan Authority and the Municipality of Bologna signed an agreement for the upgrade of the existing motorway system/ring road interchange serving the city of Bologna. The agreement governs the various phases of the upgrade of the existing motorways, which will include the widening of the A14 and parallel roads to three lanes, as well as works designed to improve the roads linking with the motorway system/ring road.

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

With regard to the call for tenders for the new concession for the A3 Naples – Pompei – Salerno motorway and the final decision to disqualify both bidders from the tender process, in addition to the challenge brought by Autostrade Meridionali before Campania Regional Administrative Court on 1 April 2016, on 20 April 2016 the company lodged a further challenge, citing additional grounds. The Regional Administrative Court has scheduled the hearing to discuss the challenges brought by Autostrade Meridionali and the other bidder for 23 November 2016.

New legislation concerning tenders and concessions

Enabling Act 11 of 28 January 2016 regarding tenders and concessions, designed to apply the relevant EU directives and reform the regulations governing public contracts, was published in the Official Gazette of 29 January 2016. Legislative Decree 50 of 18 April 2016, named "*Implementation of directives 2014/23/EU, 2014/24/EU and 2014/25/EU on the award of concessions, public tenders and tender procedures for the providers of water, energy, transport and postal services, and reform of the existing legislation regarding the public procurement of works, services and goods*", was published in the Official Gazette of 19 April 2016.
Art. 177 of the new legislation, for which ANAC (the *Autorità Nazionale Anti Corruzione*, Italy's National Anti-Corruption Authority) is in the process of issuing interpretation guidelines, with regard to the "award of concessions", has confirmed that public or private entities, not operating in the so-called excluded sectors, and who hold an existing concession at the date of entry into force of the legislation not awarded in the form of project financing or by public tender in accordance with EU law, have an obligation to award 80% of the related contracts for works, services or goods, with a value of over €150 thousand, by public tender. The legislation also establishes that the remaining part (equal to 20%) may, in the case of private entities, be contracted out to direct or indirect subsidiaries or associates.
The new legislation came into force on 22 April 2016. There will be a transitional period to enable operators to comply with the new legislation and this will last for 24 months from the date of entry into force.
Annual checks on compliance with the above limit of 80% are to be conducted by the competent authorities and ANAC. Any instances of non-compliance must be rectified within the following year. In the event of repeated failures to comply over a period of two consecutive years, the penalties of 10% of the total value of the works, services or goods that should have been purchased by public tender may be applied.

Overseas motorways

Brazil

On 29 June 2016, the Public Transport Services Regulator for the State of Sao Paulo (ARTESP) authorised the toll increases to be applied, from 1 July 2016, on motorways in the State of Sao Paulo, including those operated by Triangulo do Sol, Colinas and Rodovias do Tietè. The authorised increase is 9.32%, based on the consumer price inflation rate in the period from June 2015 to May 2016, as provided for in the respective concession arrangements. Triangulo do Sol and Colinas also applied toll increases for 2016 in line with consumer price inflation, as this was lower than general price inflation in the period between June 2015 and May 2016 (11.09%). The difference will be compensated for in accordance with the related concession arrangements. Nascentes das Gerais is still awaiting publication of the new tolls. The delay in authorising the toll increase, with respect to the contractually established date of 13 June 2016, will be subject to compensation in accordance with the concession arrangement.

On 13 July 2013, ARTESP launched an investigation with a view to revising the Addenda and Amendments signed and approved by the Regulator and 12 motorway operators in 2006. The changes were designed to extend the concession terms to compensate, among other things, for the expenses incurred as a result of taxes introduced after the concessions were granted. On 24 February 2015, the Public Prosecutor for the State of Sao Paulo provided a non-binding opinion the judge appointed to take charge of the investigation relating to the operator, Colinas. This recommended termination of the proceedings underway, reiterating that legality of the Addenda and Amendments of 2006, which were subject to close examination and endorsed by the relevant Ministry. On 10 March 2015, ARTESP responded to the judge, contesting the Public Prosecutor's opinion and requesting that the investigation continue. On 15 February 2016, the Court of the State of Sao Paulo issued a ruling, granting Rodovias das Colinas the option of submitting a financial assessment to demonstrate its case. The operators concerned, including Colinas and Triangulo do Sol, and industry insiders, including banks, believe that the risk of a negative outcome is remote. This view is backed up by a number of unequivocal legal opinions provided by leading experts in administrative law and regulation.

Italian airports

Fee increases

On 15 December 2015, at the end of the consultation process between airport operators and users initiated by Aeroporti di Roma, the fees for Fiumicino and Ciampino were published on the websites of ENAC and ADR. The new fees will be in effect from 1 March 2016 until 28 February 2017.
The fee increases for 2016 consist of average increases of 10.4% and 6.4% for Fiumicino and Ciampino, respectively.
In keeping with the regulations applicable at the start of the consultation process relating to the next five-year regulatory period, ADR, in a letter dated 17 March 2016, requested the airlines operating from Fiumicino and Ciampino to provide the following information relating to the next five years which, as usual, is considered confidential, above all in respect of other carriers (traffic projections; forecasts relating to the composition and expected use of the fleet; any plans to expand the airline's activities at the airport; any proposals for the differentiation/structure of regulated fees; any unmet needs in relation to the airport and any deficiencies in terms of existing capacity, operations and airport equipment, deemed to have a material impact on the overall functionality of the airport, operational security and the standards and services relating to passengers, baggage, aircraft and cargo). The requested information was provided to ADR by May 2016.

Limitation on the handlers authorised to operate at Fiumicino airport

In December 2014, ADR was notified of five challenges lodged with Lazio Regional Administrative Court, contesting ENAC's decision of 13 October 2014 to limit the number of handlers authorised to provide the services listed in points 3, 4 and 5 (with the exclusion of 5.7) in Annex A to Legislative Decree 18/99 at Fiumicino airport. The challenges were lodged by Assaereo, Aviation Services SpA, Consulta S.r.l, Consulta SpA and IBAR. In December 2014, ADR was also notified of two additional grounds for a

challenge lodged by "Fallimento Groundcare Milano Srl". Finally, on 6 February 2015, ALHA Airport filed an extraordinary challenge with the Italian President, requesting cancellation of ENAC's decision.
With two separate rulings dated 17 April 2015, Lazio Regional Administrative Court rejected the requests for injunctive relief brought by IBAR and Assaereo. No dates have so far been set for hearings on the merits of the other challenges filed. At the hearing on the merits of Assaereo's challenge on 16 June 2016, Assaereo's defence counsel requested an adjournment to a later date, potentially 11 October 2016 (the date on which the merits of Consulta's challenge will be discussed).
The judge accepted the request, adjourning the hearing until 11 October 2016 in order to hear both challenges together.

Noise Reduction and Abatement Plan for Ciampino airport

On 12 June 2014, Regulation 598/2014 was published in the Office Journal of the European Union L173. The regulation has introduced rules and procedures for the introduction of operational restrictions aimed at containing the noise at airports in the EU, as part of a balanced approach, based on an examination (using a process developed by the International Civil Aviation Organisation) of the available measures, with a view to resolving the issue of noise pollution in keeping with the principle of cost effectiveness at the level of each individual airport.
The Regulation, which has abolished Directive 2002/30/EC, will come into effect on 13 June 2016 and will apply to European airports "with traffic in excess of 50,000 movements of civil aircraft per calendar year, based on the average of the last three calendar years prior to determining the level of noise".
On 11 November 2015, ADR submitted a new Noise Reduction and Abatement Plan for Ciampino airport to Lazio Regional Authority and the municipalities of Rome, Ciampino and Marino. The new Plan was drawn up following the opposition expressed by the authorities to the Noise Reduction and Abatement Plan submitted by ADR in 2013.
Following receipt of the Plan, Lazio Regional Authority called a Services Conference with all the interested authorities (neighbouring municipalities) in order to jointly assess the Plan submitted by ADR, which must then be approved by each individual municipality.
The Conference's first sitting, to which ADR was invited, was held on 12 January 2016. The Services Conference merely has an investigative, and not a decision-making, role, given that it is the responsibility of each municipality involved to approve or reject the Plan. During the sitting, ADR presented its proposed Plan to the authorities' representatives (the Municipality of Ciampino, Lazio Regional Authority, ARPA and ENAC). The Conference asked ADR to include further documentation, giving the company 90 days to comply with the request.
Later, on 19 February 2016, Lazio Regional Authority sent the Ministry of the Environment a note requesting an opinion on its authority to approve the Plan submitted by ADR (in view of (i) the provisions of art. 5, paragraph 2 of the Ministerial Decree of 29 November 2000, which gives the Ministry of the Environment the power to approve noise abatement plans for infrastructure of national importance, and (ii) the subsequent publication, in December 2015, of the "National Airports Plan", which has identified Ciampino as an airport of national interest).
On 17 March 2016, the Ministry of the Environment responded to Lazio Regional Authority's query, asserting its authority to approve the Noise Reduction and Abatement Plan for Ciampino airport submitted by ADR, subject to receipt of the Agreement resulting from the above Unified Conference.
This was followed, on 13 July, by the first meeting of representatives from the Ministry, ISPRA (the scientific body charged by the Ministry with conducting a technical assessment of the Plan) and ADR.
On 18 July 2016, the Ministry sent ADR a letter containing all the requests and observations set out by ISPRA in relation to the Plan, and giving ADR sixty days to provide the relevant responses and supplementary information.

Procedure for approving airport infrastructure projects

Law Decree 185 of 25 November 2015 contains "Urgent measures for infrastructure projects". Article 9 (Withdrawal of unused funding and repeal of procedures for airports), c. 3 states that "*Paragraph 3-bis of article 71 of Law Decree 1 of 24 January 2012, converted, with amendments, into Law 27 of 24 March 2012, is hereby repealed".*

Article 71, c. 3-*bis* had assimilated the procedures involved in carrying out infrastructure projects at Fiumicino and Ciampino airports with those relating to strategic infrastructure projects of national interest (so-called major works) and had extended application of the legislation governing consents for such works to include the airports.

With the repeal of art. 71, c. 3-*bis*, infrastructure projects for Fiumicino and Ciampino airports no longer on a par with the above major works and are, therefore, once again subject to the pre-existing legislation governing consents.

Following the entry into effect of Law Decree 185/2015, ENAC has formally withdrawn its request for an environmental impact assessment linked to approval of the Master Plan for Ciampino in accordance with the procedure introduced by art. 71, c. 3-*bis*, announcing that it would shortly submit a new request for the assessment according to the ordinary procedure.

On 4 December 2015, the Ministry of the Environment took receipt of the above withdrawal (ceasing to process the application) and ENAC's commitment to submit a new request for an assessment in accordance with the ordinary procedure.

Notice of withdrawal of the application was also given in a release published on the Ministry's website, which also stated that a new request for an environmental impact assessment would be submitted in accordance with the ordinary procedure, pursuant to art. 23 of Legislative Decree 152/2006, as amended, following the Law Decree's conversion into law.

Law 9 of 22 January 2016, converting Law Decree 185/2015 into law with amendments, published in Official Gazette 18 of 23 January 2016, has confirmed the repeal of art. 71, c. 3-*bis*.

Following the above repeal, on 4 February 2016, the Ministry of the Environment, at ENAC's request, announced the start of a new environmental impact assessment of the Master Plan for Ciampino, publishing the documentation relating to the public consultation on its website.

Increase in the municipal surcharge on air passenger duty

The Decree issued by the Ministry of Infrastructure and Transport on 29 October 2015, regarding "Definition of the increase in the municipal surcharge on air passenger duty to be transferred to INPS", was published in Official Gazette 300 of 28 December 2015.

The decree has introduced a further increase in the municipal surcharge, amounting to €2.50 for 2016, €2.42 for 2017 and €2.34 for 2018, in application of paragraph 23 of art. 13 of Law Decree 145/2013, the so-called "Destinazione Italia" legislation, converted with amendments into Law 9/2014.

As a result of this decree, the municipal surcharge on air passenger duty paid by passengers departing from Fiumicino and Ciampino airports amounts to €10 in 2016.

The airline, EasyJet, has challenged the decree before Lazio Regional Administrative Court, requesting its cancellation subject to prior injunctive relief.

On 15 February 2016, ENAC announced that the increase only applies to tickets for flights departing from 1 January 2016, sold after 17 December 2015 and, in any event, no later than the day following publication of the decree on the Ministry of Infrastructure and Transport's website, which took place on 22 December 2015.

Other information

As at 30 June 2016, Atlantia SpA holds 2,109,451 treasury shares, representing 0.26% of its issued capital. Atlantia SpA 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 period involving shares or units issued by parent companies.
During the first half of 2016, share grants issued in relation to share-based incentive plans for certain of the Group's managers were converted into a total of 292,302 shares.

Atlantia SpA 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 period involving shares or units issued by parent companies.

Atlantia does not operate branch offices. Its administrative headquarters are at Via Bergamini 50, 00159 Rome.

With reference to CONSOB Ruling 2423 of 1993, regarding criminal proceedings or judicial investigations, the Group is not involved in proceedings, other than those described in note 10.7 "Significant legal and regulatory aspects", that may result in charges or potential liabilities with an impact on the condensed consolidated interim financial statements.
On 17 January 2013, a meeting of the Board of Directors elected to apply the exemption provided for by article 70, paragraph 8 and article 71, paragraph 1-bis of the CONSOB Regulations for Issuers (Resolution 11971/99, as amended). The Company will therefore exercise the exemption from disclosure requirements provided for by Annex 3B of the above Regulations in respect of significant mergers, spin-offs, capital increases involving contributions in kind, acquisitions and disposals.

Events after 30 June 2016

Winning bidder for Aéroports de la Côte d'Azur provisionally chosen

On 28 July 2016, the consortium incorporated by Atlantia Group and EDF invest (respectively with a share of 75% and 25%) was ranked the best bidder in the process that will result in the sale of the French state's 60% interest in the company that controls the airports in the Côte d'Azur (Nice, Cannes-Mandelieu and Saint Tropez). The consortium has been provisionally selected by the French government as the purchaser of the government's stake in the airport operator. The final selection of the winning bidder will be confirmed in the coming months, once all the necessary administrative consents have been received.

Outlook and risks or uncertainties

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

Italian motorways

Traffic trends on the Group's Italian motorway network continue to show signs of a recovery. In addition, Autostrada Tirrenica will contribute to the full-year results and there will be a reduction in the royalties generated by service areas, partly as a result of the award of new sub-concessions.

Overseas motorways

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

Italian airports

Aviation revenue is expected to rise, in line with the growth in passenger traffic registered in the first six months of the year and with airlines' forecasts for the coming months.

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

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Condensed consolidated interim financial statements

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CONDENCED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Consolidated statement of financial position

€000	NOTE	30 June 2016	*OF WHICH RELATED PARTY TRANSACTIONS*	31 December 2015	*OF WHICH RELATED PARTY TRANSACTIONS*
ASSETS					
NON-CURRENT ASSETS					
Property, plant and equipment	7.1	247,512		231,742	
Property, plant and equipment		243,653		227,862	
Property, plant and equipment held under finance leases		3,025		2,951	
Investment property		834		929	
Intangible assets	7.2	25,005,701		24,844,588	
Intangible assets deriving from concession rights		20,213,824		20,043,215	
Goodwill and other intangible assets with indefinite useful life		4,382,790		4,382,789	
Other intangible assets		409,087		418,584	
Investments	7.3	113,688		96,865	
Investments accounted for at cost or fair value		89,199		62,231	
Investments accounted for using the equity method		24,489		34,634	
Other non-current financial assets	7.4	2,030,698		1,781,276	
Non-current financial assets deriving from concession rights		847,742		766,499	
Non-current financial assets deriving from government grants		273,186		255,662	
Non-current term deposits		323,039		324,894	
Non-current derivative assets		26,558		562	
Other non-current financial assets		560,173	*20,524*	433,659	*15,631*
Deferred tax assets	7.5	1,580,851		1,574,566	
Other non-current assets	7.6	29,024		13,623	
TOTAL NON-CURRENT ASSETS		29,007,474		28,542,660	
CURRENT ASSETS					
Trading assets	7.7	1,603,725		1,468,759	
Inventories		60,615		57,392	
Contract work in progress		10,043		16,471	
Trade receivables		1,533,067	*40,845*	1,394,896	*39,749*
Cash and cash equivalents	7.8	1,851,979		2,957,246	
Cash		1,387,891		2,250,532	
Cash equivalents		464,088		706,714	
Other current financial assets	7.4	837,917		818,981	
Current financial assets deriving from concession rights		441,131		435,511	
Current financial assets deriving from government grants		59,289		74,627	
Current term deposits		238,779		221,834	
Current derivative assets		-		36	
Current portion of medium/long-term financial assets		66,782		68,987	
Other current financial assets		31,936		17,986	
Current tax assets	7.9	205,997	*7,595*	43,626	*7,588*
Other current assets	7.10	240,697		244,735	
Assets held for sale and related to discontinued operations	7.11	34,824		44,985	
TOTAL CURRENT ASSETS		4,775,139		5,578,332	
TOTAL ASSETS		33,782,613		34,120,992	

Consolidated statement of financial position

€000	NOTE	30 June 2016	*OF WHICH RELATED PARTY TRANSACTIONS*	31 December 2015	*OF WHICH RELATED PARTY TRANSACTIONS*
EQUITY AND LIABILITIES					
EQUITY					
Equity attributable to owners of the parent		**6,820,143**		**6,799,634**	
Issued capital		825,784		825,784	
Reserves and retained earnings		5,615,369		5,489,653	
Treasury shares		-34,240		-38,985	
Profit/(Loss) for the period net of interim dividends		413,230		523,182	
Equity attributable to non-controlling interests		**1,823,145**		**1,683,182**	
Issued capital and reserves		1,771,676		1,561,728	
Profit/(Loss) for the period net of interim dividends		51,469		121,454	
TOTAL EQUITY	7.12	8,643,288		8,482,816	
NON-CURRENT LIABILITIES					
Non-current portion of provisions for construction services required by contract	7.13	**3,128,266**		**3,369,243**	
Non-current provisions	7.14	**1,571,758**		**1,500,793**	
Non-current provisions for employee benefits		139,900		152,437	
Non-current provisions for repair and replacement of motorway infrastructure		1,263,403		1,114,906	
Non-current provisions for refurbishment of airport infrastructure		107,582		161,266	
Other non-current provisions		60,873		72,184	
Non-current financial liabilities	7.15	**14,210,195**		**14,044,199**	
Bond issues		10,296,697		10,300,558	
Medium/long-term borrowings		3,241,350		3,256,238	
Non-current derivative liabilities		654,866		461,047	
Other non-current financial liabilities		17,282		26,356	
Deferred tax liabilities	7.5	**1,747,512**		**1,701,181**	
Other non-current liabilities	7.16	**97,102**		**98,778**	
TOTAL NON-CURRENT LIABILITIES		20,754,833		20,714,194	
CURRENT LIABILITIES					
Trading liabilities	7.17	**1,558,915**		**1,581,503**	
Liabilities deriving from contract work in progress		2,082		3,595	
Trade payables		1,556,833		1,577,908	
Current portion of provisions for construction services required by contract	7.13	**563,198**		**441,499**	
Current provisions	7.14	**475,012**		**428,550**	
Current provisions for employee benefits		30,010		23,329	
Current provisions for repair and replacement of motorway infrastructure		214,252		217,101	
Current provisions for refurbishment of airport infrastructure		140,051		101,169	
Other current provisions		90,699		86,951	
Current financial liabilities	7.15	**1,031,505**		**1,938,634**	
Bank overdrafts repayable on demand		24,423		36,654	
Short-term borrowings		245,465		245,353	
Current derivative liabilities		26,314		7,036	
Current portion of medium/long-term financial liabilities		725,406		1,649,176	
Other current financial liabilities		9,897		415	
Current tax liabilities	7.9	**213,576**		**29,815**	
Other current liabilities	7.18	**538,975**	*18,424*	**497,802**	*17,310*
Liablities related to discontinued operations	7.11	**3,311**		**6,179**	
TOTAL CURRENT LIABILITIES		4,384,492		4,923,982	
TOTAL LIABILITIES		25,139,325		25,638,176	
TOTAL EQUITY AND LIABILITIES		33,782,613		34,120,992	

Consolidated income statement

€000	NOTE	H1 2016	*OF WHICH RELATED PARTY TRANSACTIONS*	H1 2015	*OF WHICH RELATED PARTY TRANSACTIONS*
REVENUE					
Toll revenue	8.1	1,874,966		1,809,864	
Aviation revenue	8.2	291,898		259,684	
Revenue from construction services	8.3	300,363		321,325	
Contract revenue	8.4	35,817		52,362	
Other operating income	8.5	363,192	*39,504*	373,251	*39,074*
TOTAL REVENUE		**2,866,236**		**2,816,486**	
COSTS					
Raw and consumable materials	8.6	**-125,038**		**-177,151**	
Service costs	8.7	**-639,981**		**-720,300**	
Gain/(Loss) on sale of elements of property, plant and equipment		**221**		**543**	
Staff costs	8.8	**-450,277**	*-21,839*	**-431,922**	*-14,558*
Other operating costs	8.9	**-276,720**		**-271,481**	
Concession fees		-233,078		-223,250	
Lease expense		-8,164		-8,551	
Other		-35,478		-39,680	
Operating change in provisions	8.10	**-108,715**		**77,010**	
Provisions/ (Uses of provisions) for repair and replacement of motorway infrastructure		-118,851		42,999	
Provisions/ (Uses of provisions) for refurbishment of airport infrastructure		16,624		31,174	
Provisions		-6,488		2,837	
Use of provisions for construction services required by contract	8.11	**162,141**		**252,478**	
Amortisation and depreciation		**-454,083**		**-452,420**	
Depreciation of property, plant and equipment	7.1	-26,414		-25,755	
Amortisation of intangible assets deriving from concession rights	7.2	-398,059		-396,074	
Amortisation of other intangible assets	7.2	-29,610		-30,591	
(Impairment losses)/Reversals of impairment losses	8.12	**-3,383**		**-7,122**	
TOTAL COSTS		**-1,895,835**		**-1,730,365**	
OPERATING PROFIT/(LOSS)		**970,401**		**1,086,121**	
Financial income		**195,394**		**175,311**	
Financial income accounted for as an increase in financial assets deriving from concession rights and government grants		31,919		31,976	
Dividends received from investees		7,830		569	
Other financial income		155,645		142,766	
Financial expenses		**-451,184**		**-627,064**	
Financial expenses from discounting of provisions for construction services required by contract and other provisions		-31,605		-28,431	
Other financial expenses		-419,579		-598,633	
of which non-recurring	8.18	-		*-183,376*	
Foreign exchange gains/(losses)		**4,843**		**10,599**	
FINANCIAL INCOME/(EXPENSES)	8.13	**-250,947**		**-441,154**	
Share of (profit)/loss of investees accounted for using the equity method	8.14	**-8,323**		**-8,836**	
PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS		**711,131**		**636,131**	
Income tax (expense)/benefit	8.15	**-246,432**		**-216,108**	
Current tax expense		-228,163		-196,060	
Differences on tax expense for previous years		-102		3,597	
Deferred tax income and expense		-18,167		-23,645	
PROFIT/(LOSS) FROM CONTINUING OPERATIONS		**464,699**		**420,023**	
Profit/(Loss) from discontinued operations	8.16	**-**		**7,277**	
PROFIT FOR THE PERIOD		**464,699**		**427,300**	
of which:					
Profit attributable to owners of the parent		**413,230**		**377,538**	
Profit attributable to non-controlling interests		**51,469**		**49,762**	

€		H1 2016	H1 2015
Basic earnings per share attributable to owners of the parent	8.17	**0.50**	**0.46**
of which:			
- continuing operations		0.50	0.45
- discontinued operations		-	0.01
Diluted earnings per share attributable to owners of the parent	8.17	**0.50**	**0.46**
of which:			
- continuing operations		0.50	0.45
- discontinued operations		-	0.01

Consolidated statement of comprehensive income

€000		H1 2016	H1 2015
Profit for the period	**(A)**	**464,699**	**427,300**
Fair value gains/(losses) on cash flow hedges		-145,414	62,495
Tax effect of fair value gains/(losses) on cash flow hedges		33,242	-16,133
Gains/(losses) from translation of assets and liabilities of consolidated companies denominated in functional currencies other than the euro		226,493	-14,715
Gains/(Losses) from translation of investments accounted for using the equity method denominated in functional currencies other than the euro		1,964	-1,273
Other comprehensive income/(loss) for the period reclassifiable to profit or loss	**(B)**	**116,285**	**30,374**
Gains/(losses) from actuarial valuations of provisions for employee benefits		-1,120	1,009
Tax effect of gains/(losses) from actuarial valuations of provisions for employee benefits		225	-277
Other comprehensive income/(loss) for the period not reclassifiable to profit or loss	**(C)**	**-895**	**732**
Reclassifications of other components of comprehensive income to profit or loss for the period	**(D)**	**-1,498**	**74,347**
Tax effect of reclassifications of other components of comprehensive income to profit or loss for the period	**(E)**	**-**	**-20,977**
Total other comprehensive income/(loss) for the period	**(F=B+C+D+E)**	**113,892**	**84,476**
of which attributable to discontinued operations		*-*	*5,618*
Comprehensive income for the period	**(A+F)**	**578,591**	**511,776**
Of which attributable to owners of the parent		*414,985*	*464,760*
Of which attributable to non-controlling interests		*163,606*	*47,016*

Statement of changes in consolidated equity

€000	EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT									EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT AND TO NON-CONTROLLING INTERESTS
	ISSUED CAPITAL	CASH FLOW HEDGE RESERVE	NET INVESTMENT HEDGE RESERVE	RESERVE FOR TRANSLATION DIFFERENCES ON TRANSLATION OF ASSETS AND LIABILITIES OF CONSOLIDATED COMPANIES DENOMINATED IN FUNCTIONAL CURRENCIES OTHER THAN THE EURO	RESERVE FOR TRANSLATION OF INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD DENOMINATED IN FUNCTIONAL CURRENCIES OTHER THAN THE EURO	OTHER RESERVES AND RETAINED EARNINGS	TREASURY SHARES	PROFIT/(LOSS) FOR PERIOD	TOTAL		
Balance as at 31 December 2014	825,784	-75,683	-36,400	-213,741	-3,699	5,776,061	-204,968	451,588	6,518,942	1,744,380	8,263,322
Comprehensive income for the period	-	95,625	-	-8,913	-190	700	-	377,538	464,760	47,016	511,776
Owner transactions and other changes											
Atlantia SpA's final dividend (€0.445 per share)	-	-	-	-	-	-	-	-366,309	-366,309	-	-366,309
Allocation of profit/(loss) for previous period to retained earnings	-	-	-	-	-	85,279	-	-85,279	-	-	-
Dividends paid by other Group companies to non-controlling shareholders	-	-	-	-	-	-	-	-	-	-30,320	-30,320
Sale of treasury shares	-	-	-	-	-	69,832	158,120	-	227,952	-	227,952
Share-based incentive plans	-	-	-	-	-	-2,895	6,216	-	3,321	10	3,331
Other minor changes	-	-	-	-	-	-43	-	-	-43	-88	-131
Balance as at 30 June 2015	825,784	19,942	-36,400	-222,654	-3,889	5,928,934	-40,632	377,538	6,848,623	1,760,998	8,609,621
Balance as at 31 December 2015	825,784	-28,779	-36,400	-374,165	-6,397	5,935,394	-38,985	523,182	6,799,634	1,683,182	8,482,816
Comprehensive income for the period	-	-113,224	-	114,992	848	-861	-	413,230	414,985	163,606	578,591
Owner transactions and other changes											
Atlantia SpA's final dividend (€0.480 per share)	-	-	-	-	-	-	-	-395,223	-395,223	-	-395,223
Allocation of profit/(loss) for previous period to retained earnings	-	-	-	-	-	127,959	-	-127,959	-	-	-
Dividends paid by other Group companies to non-controlling shareholders	-	-	-	-	-	-	-	-	-	-23,585	-23,585
Share-based incentive plans	-	-	-	-	-	-4,068	4,745	-	677	17	694
Other minor changes	-	-	-	-	-	70	-	-	70	-75	-5
Balance as at 30 June 2016	825,784	-142,003	-36,400	-259,173	-5,549	6,058,494	-34,240	413,230	6,820,143	1,823,145	8,643,288

Consolidated statement of cash flows

€000	NOTE	H1 2016	OF WHICH RELATED PARTY TRANSACTIONS	H1 2015	OF WHICH RELATED PARTY TRANSACTIONS
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES					
Profit for the period		464,699		427,300	
Adjusted by:					
Amortisation and depreciation		454,083		452,420	
Operating change in provisions, excluding uses of provisions for refurbishment of airport infrastructure		156,402		-9,096	
Financial expenses from discounting of provisions for construction services required by contract and other provisions	8.13	31,605		28,431	
Impairment losses/(Reversal of impairment losses) on financial assets and investments accounted for at cost or fair value		-21,264		-	
Share of (profit)/loss of investees accounted for using the equity method	8.14	8,323		8,836	
Impairment losses/(Reversal of impairment losses) and adjustments of current and non-current assets		1,825		10	
(Gains)/Losses on sale of non-current assets		-221		-543	
Net change in deferred tax (assets)/liabilities through profit or loss		18,167		23,645	
Other non-cash costs (income)		-19,044		24,333	
Change in working capital and other changes		-129,695		64,653	
Net cash generated from/(used in) operating activities [a]	9.1	964,880		1,019,989	
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES					
Investment in assets held under concession	7.2	-509,248		-621,709	
Purchases of property, plant and equipment	7.1	-42,777		-22,625	
Purchases of other intangible assets	7.2	-14,414		-14,794	
Government grants related to assets held under concession		1,521		29,503	
Increase in financial assets deriving from concession rights (related to capital expenditure)		37,324		57,285	
Purchase of investments		-5,660		-14,881	
Investment in consolidated companies, net of cash acquired		-		-193	
Proceeds from sales of property, plant and equipment, intangible assets and unconsolidated investments		4,117		981	
Net change in other non-current assets		-13,583		-2,396	
Net change in current and non-current financial assets		-85,134	*-73*	196,616	*-25,843*
Net cash generated from/(used in) investing activities [b]	9.1	-627,854		-392,213	
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES					
Dividends paid		-410,521		-396,609	
Proceeds from sale of treasury shares and exercise of rights under share-based incentive plans		-		230,118	
Issuance of bonds	7.15	23,887		890,495	
Increase in medium/long term borrowings (excluding finance lease liabilities)		12,467		786	
Bond redemptions	7.15	-909,614		-115,431	
Buyback of bonds issued by Atlantia and purchase of notes issued by Romulus Finance	7.15	-72,200		-1,306,812	
Repayments of medium/long term borrowings (excluding finance lease liabilities)		-55,699		-216,294	
Payment of finance lease liabilities		-1,390		-1,361	
Net change in other current and non-current financial liabilities		-46,568		-403,722	
Net cash generated from/(used in) financing activities [c]	9.1	-1,459,638		-1,318,830	
Net effect of foreign exchange rate movements on net cash and cash equivalents [d]		21,097		-6,278	
Increase/(Decrease) in cash and cash equivalents [a+b+c+d]	9.1	-1,101,515		-697,332	
NET CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		2,959,613		1,952,748	
NET CASH AND CASH EQUIVALENTS AT END OF PERIOD		1,858,098		1,255,416	

Additional information on the statement of cash flows

€000	NOTE	H1 2016	H1 2015
Income taxes paid		203,865	193,486
Interest and other financial income collected		61,780	97,239
Interest and other financial expenses paid		451,309	578,060
Dividends received	8.13	7,830	569
Foreign exchange gains collected		913	107
Foreign exchange losses incurred		1,001	157

Reconciliation of net cash and cash equivalents

€000	NOTE	H1 2016	H1 2015
NET CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		2,959,613	1,952,748
Cash and cash equivalents	7.8	2,957,246	1,904,996
Bank overdrafts repayable on demand	7.15	-36,654	-813
Intercompany current account payables due to related parties		-	-67
Cash and cash equivalents related to discontinued operations	7.11	39,021	48,632
NET CASH AND CASH EQUIVALENTS AT END OF PERIOD		1,858,098	1,255,416
Cash and cash equivalents	7.8	1,851,979	1,240,111
Bank overdrafts repayable on demand	7.15	-24,423	-36,641
Intercompany current account payables due to related parties		-	-2,063
Cash and cash equivalents related to discontinued operations	7.11	30,542	54,009

EXPLANATORY NOTES

1. INTRODUCTION

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

The Parent Company is Atlantia SpA ("Atlantia" or the "Company" or the "Parent Company"), a holding company listed on the screen-based trading system *(Mercato Telematico Azionario)* operated by Borsa Italiana SpA.
The Company's registered office is in Rome, at Via Nibby, 20. The Company does not have branch offices. The duration of the Company is currently until 31 December 2050.
At the date of preparation of these condensed consolidated interim financial statements, Sintonia SpA is the shareholder that holds a relative majority of the issued capital of Atlantia SpA. Neither Sintonia SpA nor its direct parent, Edizione Srl, exercise management and coordination of Atlantia SpA.

The condensed consolidated interim financial statements as at and for the six months ended 30 June 2016 were approved by the Board of Directors of Atlantia at its meeting of 4 August 2016.

2. BASIS OF PREPARATION

The condensed consolidated interim financial statements as at and for the six months ended 30 June 2016 have been prepared pursuant to articles 2 and 3 of Legislative Decree 38/2005 and article 154-*ter* "Financial Reports" of the Consolidated Finance Act, on the assumption that the Parent Company and consolidated companies are going concerns.
Art. 154-*ter* "Financial reports" of the Consolidated Finance Act has been amended by Legislative Decree 25 of 15 February 2016, which has transposed EU Directive 2013/50/EU (the so-called "Transparency" directive) into Italian law. The condensed consolidated interim financial statements have been prepared in compliance with the International Financial Reporting Standards (IFRS), above all with regard to IAS 34 "Interim Financial Reporting" (relating to the content of interim reports), issued by the International Accounting Standards Board and endorsed by the European Commission, and as in force at the end of the period. These standards reflect the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), in addition to previous International Accounting Standards (IAS) and interpretations issued by the Standard Interpretations Committee (SIC) and still in force at the end of the period. For the sake of simplicity, all the above standards and interpretations are hereinafter referred to as "IFRS".
Moreover, the measures introduced by the CONSOB (*Commissione Nazionale per le Società e la Borsa*) in application of paragraph 3 of article 9 of Legislative Decree 38/2005, relating to the preparation of financial statements, have also been taken into account.

The condensed consolidated interim financial statements consist of the consolidated accounts (the statement of financial position, income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows) and these notes. The Group has applied IAS 1 "Presentation of financial statements" and, in general, the historic cost convention, with the exception of those items that are required by IFRS to be recognised at fair value, as explained in the notes to the relevant items in the consolidated financial statements as at and for the year ended 31 December 2015, to which reference should be made. Compared with the consolidated annual report, the consolidated interim financial statements have been prepared in condensed form, as permitted by IAS 34. For a more complete description, these condensed consolidated interim financial statements should, therefore, be read in conjunction with the consolidated financial statements as at and for the year ended 31 December 2015.

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.
In terms of the consolidated financial statements, no changes have been made to the structure of the financial statements with respect to the information previously published in the condensed consolidated interim financial statements as at and for the six months ended 30 June 2015 and the consolidated financial statements as at and for the year ended 31 December 2015. However, in certain cases, the names of items or sub-items have been changed in order to ensure a clearer understanding of the relevant content.
IFRS have been applied in accordance with the indications provided in the "Conceptual Framework for Financial Reporting", and no events have occurred that would require exemptions pursuant to paragraph 19 of IAS 1.

CONSOB Resolution 15519 of 27 July 2006 requires that, in addition to the specific requirements of IAS 1 and other IFRS, financial statements must, where material, include separate sub-items providing (i) disclosure of amounts deriving from related party transactions; and, with regard to the income statement, (ii) separate disclosure of income and expenses deriving from events and transactions that are non-recurring in nature, or transactions or events that do not occur on a frequent basis in the normal course of business.
No atypical or unusual transactions, having a material impact on the Group's consolidated income statement, were entered into during the first half of 2016, either with third or related parties. A number of non-recurring financial transactions with a material impact on the consolidated income statement were, however, concluded in the first half of 2015. These are described in note 8.18.
The consolidated financial statements therefore show the principal amounts relating to related party transactions and, for the first half of 2015 alone, the impact of the above non-recurring financial transactions.

All amounts are shown in thousands of euros, unless otherwise stated. The euro is both the functional currency of the Parent Company and its principal subsidiaries and the presentation currency for these condensed consolidated interim financial statements.

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

3. ACCOUNTING STANDARDS APPLIED

The accounting standards and policies applied in preparation of the condensed consolidated interim financial statements as at and for the six months ended 30 June 2016 are consistent with those applied in preparation of the consolidated financial statements as at and for the year ended 31 December 2015, to which reference should be made for a description of the relevant accounting standards and policies. This reflects the fact that no new standards, interpretations, or amendments to existing standards, having a material effect on the Atlantia Group's consolidated financial statements, became effective in the first half of 2016.
For the sake of full disclosure, it should be noted that the following new standards, interpretations and/or amendments to existing standards and interpretations are applicable by the Atlantia Group from 1 January 2016:

a) IFRS 11 – Joint Arrangements. The amendment has clarified the method of accounting for acquisitions of an interest in a joint operation that constitutes or contains a business, as defined by IFRS 3, requiring application of the provisions of this latter standard;
b) IFRS 7 – Financial Instruments: Disclosures. The amendments to the standard clarify that when a financial asset is transferred, but at the same time service arrangements are entered into, resulting in an interest in the asset's future performance, it is, in any event, necessary to provide the disclosures required by the standard;
c) IAS 19 – Employee Benefits. The amendments clarify that the rate used to discount post-employment benefit obligations (whether financial or non-financial) must be determined with reference to market returns, at the reporting date, on high-quality corporate bonds denominated in the same currency as the benefits to be paid;
d) IAS 34 – Interim Financial Statements. This amendment clarifies that the disclosures required by this standard may be presented in the notes to the interim financial statements, or in other sections of the

document (such as the management report on operations or the reports on risks), including a reference in the interim financial statements to elsewhere in the interim financial report. In this case, however, the document must be available to readers of the interim financial statements in the same way and at the same time as the interim financial statements;

e) IAS 16 – Property, Plant and Equipment and IAS 38 – Intangible Assets. The amendments introduce the presumption that a revenue-based method of depreciation or amortisation for an asset or group of assets is not appropriate. This is because the IASB believes that revenue generated by an asset or group of assets, represented by an item of property, plant and equipment or an intangible asset, generally reflects factors not directly linked to consumption of the economic benefits embodied in the asset. The above presumption may only be overcome in limited circumstances, when it can be demonstrated that revenue and the consumption of economic benefits of the item of property, plant or equipment or intangible asset are highly correlated, or when the item of property, plant or equipment or intangible asset is expressed as a measure of revenue that can be obtained from the asset (such as, for example, in the case of concession rights giving rise to receipt of a determinate amount of revenue).

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 used in determining amortisation and depreciation, impairment testing of assets (including the measurement of receivables), provisions, employee benefits, the fair value of financial assets and liabilities, and current and deferred tax assets and liabilities.
The amounts subsequently recognised may, therefore, differ from these estimates. Moreover, these estimates and judgements are periodically reviewed and updated, and the resulting effects of each change immediately recognised in the consolidated financial statements, applying the IFRS relevant in such cases.

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

4. CONCESSIONS

The Group's core business is the operation of motorways and airports under concessions held by Group companies. The purpose of the concessions is the construction and operation of motorway and airport infrastructure located in Italy and overseas.
The main developments during the first half of 2016, in relation to the concessions held by Group companies, are described below. Further essential information on the concessions held by the Group is provided in note 4 to the consolidated financial statements as at and for the year ended 31 December 2015.
Further details of events of a regulatory nature, linked to the Group's concession arrangements, during the first half of 2016 are provided in note 10.7.

ITALIAN MOTORWAYS

With regard to award of the concession to operate the A3 Naples–Pompei–Salerno motorway, described in more detail in note 10.7, on 22 March 2016 the sixth meeting of the Tender Committee decided to disqualify both bidders due to irregularities in their bids. On the same date, the Ministry of Infrastructure and Transport informed Autostrade Meridionali of its final decision to disqualify both bidders from the tender process. The company has challenged the disqualification. Autostrade Meridionali's challenge is pending.

With the exception of the above, there are no further changes during the first half of 2016 to report regarding the motorway concession arrangements held by the Italian companies.

ITALIAN AIRPORTS

There were no material changes in relation to the concession held by Aeroporti di Roma, covering operation of the airport system serving Italy's capital city, during the first half of 2016.

OVERSEAS MOTORWAYS

There were no material changes in relation to the motorway concessions held by the Group's overseas companies during the first half of 2016.

The following table lists the motorway and airport operators consolidated on a line-by-line basis by the Group as at 30 June 2016, providing details of the related concessions and the relevant expiry dates for each country.

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	
		TOTAL	2,854.6	31 Dec 2038
	Autostrade Meridionali	A3 Naples – Salerno	51.6	31 Dec 2012 (1)
	Raccordo Autostradale Valle d'Aosta	A5 Aosta – Mont Blanc	32.3	31 Dec 2032
	Tangenziale di Napoli	Naples ring road	20.2	31 Dec 2037
	Autostrada Tirrenica	A12 Livorno - Civitavecchia	40.1	31 Dec 2046
	Società Italiana per azioni 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 July 2021
		SP326 Rodovia Brigadeiro Faria Lima		
		SP333 Rodovia Carlos Tonani, Nemesio Cadetti e Laurentino Mascari		
	Rodovias das Colinas	SP075 - Itu/Campinas		
		SP127- Rio Claro/Tatuí		
		SP280 - Itu/Tatuí	307.0	1 July 2028
		SP300 – Jundiaí/Tietê		
		SPI-102/300		
	Concessionaria da Rodovia MG050	MG-050		
		BR-265	372.0	12 June 2032
		BR-491		
Chile	Sociedad Concesionaria de Los Lagos	Rio Bueno - Puerto Montt (Chile)	135.0	20 Sept 2023
	Sociedad Concesionaria Litoral Central	Nuevo Camino Costero: Cartagena Algarrobo	80.6	16 Nov 2031
		Camino Algarrobo - Casablanca (Ruta F-90)		
		Camino Costero Interior (Ruta F-962-G)		
	Sociedad Concesionaria Vespucio Sur	Ruta 78 - General Velàsquez	23.5	6 Dec 2032
		General Velàsquez - Ruta 5 Sur		
		Ruta 5 Sur - Nuevo Acceso Sur a Santiago		
		Nuevo Acceso Sur a Santiago - Av. Vicuna Mackenna		
		Av. Vicuna Mackenna - Av. Grecia		
	Sociedad Concesionaria Costanera Norte	Puente La Dehesa - Puente Centenario	43.0	30 June 2033
		Puente Centenario - Vivaceta		
		Vivaceta - A. Vespucio		
		Estoril - Puente Lo Saldes		
	Sociedad Concesionaria Autopista Nororiente	Sector Oriente: Enlace Centenario - Enlace Av. Del Valle	21.5	7 Jan 2044 (2)
		Sector Poniente: Enlace Av. Del Valle - Enlace Ruta 5 Norte		
	Sociedad Concesionaria AMB	Section A	10.0	2020 (3)
		Section B		
Poland	Stalexport Autostrada Malopolska	A4 Krakow – Katowice (Poland)	61.0	15 Mar 2027

COUNTRY	OPERATOR	AIRPORT	EXPIRY DATE
ITALIAN AIRPORTS			
Italy	Aeroporti di Roma	"Leonardo da Vinci" Fiumicino	30 June 2044
		"G.B. Pastine" Ciampino	

(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 threshold provided for in the concession arrangement and, in any event, no later than 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 threshold provided for in the concession arrangement and, in any event, no later than 2048.

5. SCOPE OF CONSOLIDATION

The consolidation policies and methods used for the condensed consolidated interim financial statements as at and for the six months ended 30 June 2016 are consistent with those used in preparation of the consolidated financial statements as at and for the year ended 31 December 2015.
In addition to the Parent Company, entities are consolidated when Atlantia 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.
A number of companies listed in Annex 1 have not been consolidated due to their quantitative and qualitative immateriality to a true and fair view of the Group's financial position, results of operations and cash flows, as a result of their operational insignificance (dormant companies or companies whose liquidation is nearing completion).
Entities over which control is exercised are consolidated from the date on which the Group acquires control, whilst they are deconsolidated from the date on which the Group ceases to exercise control, as defined above.

The scope of consolidation at 30 June 2016 is unchanged with respect to the consolidated financial statements for the year ended 31 December 2015. However, it should be noted that the first half of 2016 benefits from the contribution of Autostrada Tirrenica (SAT), consolidated from September 2015.

For the purposes of preparing the condensed consolidated interim financial statements, all consolidated companies have, as in previous years, prepared a specific reporting package as of the end of the reporting period, with accounting information consistent with the IFRS adopted by the Group.

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	2016		2015		
	Spot exchange rate 30 June	Average exchange rate H1	Spot exchange rate 30 June	Spot exchange rate 31 December	Average exchange rate H1
Euro/US Dollar	1.110	1.116	1.119	1.089	1.116
Euro/Polish Zloty	4.436	4.369	4.191	4.264	4.141
Euro/Chilean Peso	735.500	769.129	714.921	772.713	693.343
Euro/Brazilian Real	3.590	4.130	3.470	4.312	3.310
Euro/Indian Rupee	74.960	75.002	71.187	72.022	70.124

6. ACQUISITIONS AND CORPORATE ACTIONS DURING THE PERIOD

There were no corporate actions or acquisitions during the first half of 2016.

7. NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

The following notes provide information on items in the consolidated statement of financial position as at 30 June 2016. Comparative amounts as at 31 December 2015 are shown in brackets.
Details of items in the consolidated statement of financial position deriving from related party transactions are provided in note 10.5.

7.1 Property, plant and equipment €247,512 thousand (€231,742 thousand)

As at 30 June 2016, property, plant and equipment amounts to €247,512 thousand, compared with a carrying amount of €231,742 thousand as at 31 December 2015. The following table provides details of property, plant and equipment at the beginning and end of the period, showing the original cost and accumulated depreciation at the end of the period.

€000	30 June 2016			31 December 2015		
	COST	ACCUMULATED DEPRECIATION	CARRYING AMOUNT	COST	ACCUMULATED DEPRECIATION	CARRYING AMOUNT
Property, plant and equipment	786,522	-542,869	243,653	748,342	-520,480	227,862
Property, plant and equipment held under finance leases	3,435	-410	3,025	3,286	-335	2,951
Investment property	6,782	-5,948	834	7,053	-6,124	929
Total property, plant and equipment	796,739	-549,227	247,512	758,681	-526,939	231,742

The increase in the carrying amount with respect to 31 December 2015, amounting to €15,770 thousand, primarily reflects a combination of capital expenditure during the period, amounting to €42,777 thousand, and depreciation of €26,414 thousand, as shown in the following table.

€000	CARRYING AMOUNT AS AT 31 DECEMBER 2015	CHANGES DURING THE PERIOD: ADDITIONS	DEPRECIATION	DISPOSALS	NET CURRENCY TRANSLATION DIFFERENCES	RECLASSIFICATIONS AND OTHER ADJUSTMENTS	CARRYING AMOUNT AS AT 30 JUNE 2016
Property, plant and equipment							
Land	7,982	-	-	-	20	-	8,002
Buildings	43,260	509	-1,845	-4	-121	701	42,500
Plant and machinery	34,655	2,245	-4,483	-22	29	467	32,891
Industrial and business equipment	48,835	4,252	-9,739	-119	-60	4,783	47,952
Other assets	50,832	9,283	-10,215	-18	85	191	50,158
Property, plant and equipment under construction and advance payments	42,298	26,488	-	-	-36	-6,600	62,150
Total	**227,862**	**42,777**	**-26,282**	**-163**	**-83**	**-458**	**243,653**
Property, plant and equipment held under finance leases							
Equipment and other assets held under finance leases	2,951	-	-73	-	147	-	3,025
Total	**2,951**	**-**	**-73**	**-**	**147**	**-**	**3,025**
Investment property							
Land	39	-	-	-	-	-	39
Buildings	890	-	-59	-	-36	-	795
Total	**929**	**-**	**-59**	**-**	**-36**	**-**	**834**
Total property, plant and equipment	**231,742**	**42,777**	**-26,414**	**-163**	**28**	**-458**	**247,512**

"Investment property" of €834 thousand as at 30 June 2016 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 €2 million, based on independent appraisals and information on property markets relevant to these types of investment property.

There were no significant changes in the expected useful lives of these assets during the period. As at 30 June 2016, property, plant and equipment is free of mortgages, liens or other collateral guarantees restricting use.

7.2 Intangible assets
€25,005,701 thousand (€24,844,588 thousand)

This item consists of:

a) intangible assets deriving from concession rights, totalling €20,213,824 thousand (€20,043,215 thousand as at 31 December 2015), and regarding the following categories:
   1) rights acquired from third parties (€6,162,936 thousand), essentially reflecting the fair value recognised following the acquisitions of Aeroporti di Roma and the Chilean and Brazilian companies in previous years;
   2) rights deriving from the commitment to perform construction services for which no additional economic benefits are received (€8,299,681 thousand);
   3) rights deriving from construction services for which additional economic benefits are received (€5,653,824 thousand);
   4) rights deriving from construction services carried out by service area operators (€97,383 thousand), represented by assets that were handed over free of charge to the Group's operators on expiry of the related sub-concessions;

b) goodwill and other intangible assets with indefinite lives, totalling €4,382,790 thousand, unchanged with respect to 31 December 2015;

c) other intangible assets of €409,087 thousand (€418,584 thousand as at 31 December 2015), essentially consisting of contractual rights attributable to Aeroporti di Roma, accounted for following identification of the fair value of the former Gemina group's assets and liabilities.

€000	30 June 2016				31 December 2015			
	COST	ACCUMULATED AMORTISATION	ACCUMULATED IMPAIRMENTS	CARRYING AMOUNT	COST	ACCUMULATED AMORTISATION	ACCUMULATED IMPAIRMENTS	CARRYING AMOUNT
Intangible assets deriving from concession rights	27,872,084	-7,463,513	-194,747	20,213,824	27,216,893	-6,978,931	-194,747	20,043,215
Goodwill and other intangible assets with indefinite lives	4,402,196	-	-19,406	4,382,790	4,402,304	-	-19,515	4,382,789
Other intangible assets	866,739	-453,885	-3,767	409,087	840,684	-418,260	-3,840	418,584
Intangible assets	**33,141,019**	**-7,917,398**	**-217,920**	**25,005,701**	**32,459,881**	**-7,397,191**	**-218,102**	**24,844,588**

Intangible assets recorded a net increase of €161,113 thousand in the first half of 2016, primarily due to a combination of the following:

a) the positive impact of currency translation differences, accounting for a rise of €280,877 thousand, substantially due to a strengthening of the Brazilian real and Chilean peso against the euro;

b) investment in construction services for which additional economic benefits are received, totalling €263,461 thousand;

c) a revision of the present value on completion of investment in construction services for which no additional benefits are received, with a matching entry in provisions for construction services required by contract, primarily attributable to Autostrade per l'Italia, resulting in an increase of €32,594 thousand due to a reduction in current and future interest rates used as at 30 June 2016, compared with 31 December 2015;

d) amortisation for the period of €427,669 thousand.

The following table shows intangible assets at the beginning and end of the period and changes in the different categories of intangible asset during the first half of 2016.

€000	CARRYING AMOUNT AS AT 31 DECEMBER 2015	CHANGES DURING THE PERIOD					CARRYING AMOUNT AS AT 30 JUNE 2016
		ADDITIONS DUE TO COMPLETION OF CONSTRUCTION SERVICES, ACQUISITIONS AND CAPITALISATIONS	AMORTISATION	CHANGES DUE TO REVISED PRESENT VALUE OF CONTRACTUAL OBLIGATIONS	NET CURRENCY TRANSLATION DIFFERENCES	RECLASSIFICATIONS AND OTHER ADJUSTMENTS	
Intangible assets deriving from concession rights							
Acquired concession rights	6,087,169	-	-110,508	-	186,275	-	6,162,936
Concession rights accruing from construction services for which no additional economic benefits are received	8,440,514	-	-184,923	32,594	1,600	9,896	8,299,681
Concession rights accruing from construction services for which additional economic benefits are received	5,415,985	263,461	-100,465	-	87,604	-12,761	5,653,824
Concession rights accruing from construction services provided by sub-operators	99,547	-	-2,163	-	-	-1	97,383
Total	**20,043,215**	**263,461**	**-398,059**	**32,594**	**275,479**	**-2,866**	**20,213,824**
Goodwill and other intangible assets with indefinite useful life							
Goodwill	4,382,757	-	-	-	-	-	4,382,757
Trademarks	32	-	-	-	1	-	33
Total	**4,382,789**	**-**	**-**	**-**	**1**	**-**	**4,382,790**
Other intangible assets							
Contractual trading relations	331,759	-	-18,195	-	1	-	313,565
Development costs	10,669	2,350	-3,758	-	-5	-	9,256
Industrial patents and intellectual property rights	10,134	3,824	-3,605	-	349	73	10,775
Concessions and licenses	10,599	350	-1,936	-	121	524	9,658
Other	27,483	1,367	-2,116	-	5,372	2	32,108
Intangible assets under development and advance payments	27,940	6,523	-	-	-441	-297	33,725
Total	**418,584**	**14,414**	**-29,610**	**-**	**5,397**	**302**	**409,087**
Intangible assets	**24,844,588**	**277,875**	**-427,669**	**32,594**	**280,877**	**-2,564**	**25,005,701**

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

The following analysis shows the various components of investment in motorway and airport infrastructure effected through construction services, as reported in the consolidated statement of cash flows.

€000	NOTE	H1 2016	H1 2015	INCREASE/ (DECREASE)
Use of provisions for construction services required by contract for which no additional economic benefits are received	7.13 / 8.11	162,141	252,478	-90,337
Use of provisions for refurbishment of airport infrastructure	7.14	46,669	60,631	-13,962
Increase in intangible concession rights accruing from completed construction services for which additional economic benefits are received		263,461	246,286	17,175
Increase in financial assets deriving from motorway construction services	7.4 / 8.3	36,645	49,371	-12,726
Revenue from government grants for construction services for which no additional economic benefits are received	8.3	332	12,943	-12,611
Investment in assets held under concession		**509,248**	**621,709**	**-112,461**

Research and development expenditure of approximately €0.5 million has been recognised in the consolidated income statement for the first half of 2016. 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", totalling €4,382,790 thousand, primarily consists of the carrying amount of goodwill (impairment tested at least once a year rather than amortised), amounting to €4,382,757 thousand, regarding the acquisition in 2003 of a majority interest in the former Autostrade – Concessioni e Costruzioni Autostrade SpA. This goodwill was determined in accordance with prior accounting standards under the exemption permitted by IFRS 1 and coincides with the carrying amount as at 1 January 2004, the 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, and of other intangible assets with indefinite lives, there were no indications of impairment during the period. The recoverability of goodwill and of other intangible assets with indefinite lives is tested annually for impairment. Reference should be made to note 7.2 to the consolidated financial statements as at and for the year ended 31 December 2015 for a detailed description of the assumptions and criteria used in the most recent impairment testing of intangible assets.

7.3 Investments
€113,688 thousand (€96,865 thousand)

This item increased by €16,823 thousand in the first half of 2016, essentially due to a combination of the following:

a) net revaluations through comprehensive income, totalling €21,264 thousand and relating primarily to the full reversal of the previous impairment of the carrying amount of the investment in the Portuguese operator Lusoponte (17,21% held by Autostrade per l'Italia S.p.A.), amounting to €24,514 thousand. The reversal of the impairment recognised in previous years reflects a new estimate of the recoverable value of the asset by an independent expert, as part of the process of moving the registered domicile of the parent, Autostrade Portugal, to Italy, which was completed on 24 June 2016. In determining the recoverable value of the investment, the expert used the Dividend Discount Method ("DDM") method, based on discounting the future dividend payments envisaged in the company's long-term business plan, containing traffic, investment, revenue and cost projections for the full term of the concession held by Lusoponte;
b) a capital injection of €5,660 thousand related to Compagnia Aerea Italiana. With regard to the capital injection approved by the extraordinary general meeting of Compagnia Aerea Italiana's shareholders on 25 July 2014, Atlantia's remaining commitment as at 30 June 2016 amounts to €7,958 thousand;
c) recognition of the Group's share of the results of associates and joint ventures measured using the equity method, resulting in a loss of €6,359 thousand;
d) the return of capital of €3,680 thousand as a result of the current liquidation of Società Infrastrutture Toscane, owned by Autostrade per l'Italia.

The equity method was used to measure interests in associates and joint ventures based on the most recent approved financial statements available. In the event that interim financial statements as at 30 June 2016 were not available, the above data was supplemented by specific estimates based on the latest available information and, where necessary, restated to bring them into line with Group accounting policies.

The table below shows the carrying amounts of the Group's investments at the beginning and end of the period, grouped by category, and changes in the first half of 2016.

€000	31 December 2015	CHANGES DURING THE PERIOD						30 June 2016
					MEASURMENT USING EQUITY METHOD			
	OPENING BALANCE	CAPITAL INJECTIONS	REVERSALS OF IMPAIRMENTS (IMPAIRMENTS) RECOGNISED IN PROFIT OR LOSS	RETURNS OF CAPITAL	PROFIT OR LOSS	OTHER COMPREHENSIVE INCOME	RECLASSIFICATIONS AND OTHER CHANGES	CLOSING BALANCE
Investments accounted for at cost or fair value	62,231	5,660	21,264	-	-	-	44	89,199
Investments accounted for using the equity method in:								
- associates	9,150	-	-	-3,680	-189	-	-106	5,175
- joint ventures	25,484	-	-	-	-8,134	1,964	-	19,314
Investments	**96,865**	**5,660**	**21,264**	**-3,680**	**-8,323**	**1,964**	**-62**	**113,688**

The following table shows the Group's principal investments as at 30 June 2016, including the Group's percentage interest and the relevant carrying amount, net of unpaid, called-up issued capital, and showing the original cost and any accumulated revaluations and impairments at the end of the period. There are no investments in associates and joint ventures that are individually material with respect to total consolidated assets, operating activities and geographical area and, therefore, the additional disclosures required in such cases by IFRS 12 are not presented.

€000	30 June 2016				31 December 2015			
	% INTEREST	COST	REVERSALS OF IMPAIRMENTS (IMPAIRMENTS)	CARRYING AMOUNT	% INTEREST	COST	REVERSALS OF IMPAIRMENTS (IMPAIRMENTS)	CARRYING AMOUNT
Investments accounted for at cost or fair value								
Tangenziali Esterne di Milano	13.67%	36,034	-4,012	32,022	13.67%	36,034	-1,490	34,544
Lusoponte	17.21%	39,852	-	39,852	17.21%	39,852	-24,513	15,339
Compagnia Aerea Italiana	7.02%	167,909	-162,249	5,660	7.02%	162,249	-162,249	-
Tangenziale Esterna	1.25%	5,811	-	5,811	1.25%	5,811	-	5,811
Firenze Parcheggi	5.47%	2,582	-728	1,854	5.47%	2,582	-	2,582
S.A.CAL.	16.57%	1,307	-	1,307	16.57%	1,307	-	1,307
Aeroporto di Genova	15.00%	894	-	894	15.00%	894	-	894
Emittente Titoli	7.24%	827	-	827	7.24%	827	-	827
Uirnet	1.51%	427	-	427	1.51%	427	-	427
Veneto Strade	5.00%	258	-	258	5.00%	258	-	258
Other smaller investments	-	433	-146	287	-	242	-	242
				89,199				**62,231**
Investments accounted for using the equity method in:								
- associates								
Società Infrastrutture Toscane (in liquidation)	46.60%	3,262	-270	2,992	46.60%	6,990	-182	6,808
Pedemontana Veneta (in liquidation)	29.77%	1,935	-78	1,857	29.77%	1,935	-96	1,839
Bologna & Fiera Parking	36.81%	5,557	-5,557	-	36.81%	5,557	-5,411	146
Other smaller investments	-	460	-134	326	-	411	-54	357
- joint ventures								
Rodovias do Tieté	50.00%	53,903	-42,794	11,109	50.00%	53,903	-36,205	17,698
Pune Solapur Expressways Private Limited	50.00%	16,310	-9,105	7,205	50.00%	16,426	-9,640	6,786
Geie del Traforo del Monte Bianco	50.00%	1,000	-	1,000	50.00%	1,000	-	1,000
				24,489				**34,634**
Investments				**113,688**				**96,865**

Annex 1, "The Atlantia Group's scope of consolidation and investments", provides a list of all the Group's investments as at 30 June 2016, as required by CONSOB Communication DEM/6064293 of 28 July 2006.

7.4 Financial assets (non-current) / €2,030,698 thousand (€1,781,276 thousand) (current) / €837,917 thousand (€818,981 thousand)

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

€000	30 June 2016 CARRYING AMOUNT	CURRENT PORTION	NON-CURRENT PORTION	31 December 2015 CARRYING AMOUNT	CURRENT PORTION	NON-CURRENT PORTION
Takeover rights	403,972	403,972	-	403,293	403,293	-
Guaranteed minimum tolls	637,652	37,159	600,493	610,454	32,218	578,236
Other financial assets deriving from concession rights	247,249	-	247,249	188,263	-	188,263
Financial assets deriving from concession rights (1)	**1,288,873**	**441,131**	**847,742**	**1,202,010**	**435,511**	**766,499**
Financial assets deriving from government grants related to construction services (1)	**332,475**	**59,289**	**273,186**	**330,289**	**74,627**	**255,662**
Term deposits (2)	**561,818**	**238,779**	**323,039**	**546,728**	**221,834**	**324,894**
Derivative assets (3)	84,398	57,840	26,558	60,246	59,684	562
Other medium/long-term financial assets (1)	569,115	8,942	560,173	442,962	9,303	433,659
Other medium/long-term financial assets	**653,513**	**66,782**	**586,731**	**503,208**	**68,987**	**434,221**
Current derivative assets (3)	-	-	-	**36**	**36**	-
Other current financial assets (1)	**31,936**	**31,936**	-	**17,986**	**17,986**	-
Total	**2,868,615**	**837,917**	**2,030,698**	**2,600,257**	**818,981**	**1,781,276**

(1) These assets include financial instruments primarily classified as "loans and receivables" under IAS 39. The carrying amount coincides with fair value.
(2) These assets have been classified as "available-for-sale" financial instruments and in level 2 of the fair value hierarchy. The carrying amount coincides with fair value.
(3) These assets primarily include derivative financial instruments classified as hedges under level 2 of the fair value hierarchy.

Changes in financial assets deriving from concession rights during the period are shown below.

€000	31 December 2015 CARRYING AMOUNT	INCREASES DUE TO DISCOUNTING TO PRESENT VALUE	ADDITIONS DUE TO COMPLETION OF CONSTRUCTION SERVICES	REDUCTIONS DUE TO COLLECTIONS	CURRENCY TRANSLATION DIFFERENCES	RECLASSIFICATIONS AND OTHER CHANGES	30 June 2016 CARRYING AMOUNT
Takeover rights	403,293	-	-	-	-	679	403,972
Guaranteed minimum tolls	610,454	21,965	-	35,746	40,979	-	637,652
Other financial assets deriving from concession rights	188,263	6,581	36,645	-	15,200	560	247,249
Financial assets deriving from concession rights	**1,202,010**	**28,546**	**36,645**	**35,746**	**56,179**	**1,239**	**1,288,873**

Financial assets deriving from concession rights include:

a) takeover rights attributable to Autostrade Meridionali (€403,972 thousand as at 30 June 2016), being the amount payable by a replacement operator on termination of the concession for the company's unamortised capital expenditure during the final years of the outgoing operator's concession;

b) the present value of the financial asset deriving from concession rights represented by the minimum tolls guaranteed by the Grantor of the concessions held by certain of the Group's Chilean operators (€637,652 thousand as at 30 June 2016);

c) other financial assets deriving from concession rights (€247,249 thousand as at 30 June 2016), regarding the financial assets attributable to the Chilean operator, 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 contractually agreed share, remains at the company's disposal and is recognised in financial liabilities until such time as it has covered the cost of the related capital expenditure, revalued at a real annual rate of 7%. If, at the end of the concession term, the specific amount at Costanera Norte's disposal, also revalued at a real annual rate of 7%, is lower than the financial assets recognised at that time, the Grantor has the option of either extending the concession term or paying Costanera Norte the remaining net amount due.

The increase of €86,863 thousand in financial assets deriving from concession rights primarily reflects movements in exchange rates, linked to the rise in the value of the Chilean peso against the euro (€56,179 thousand), and motorway construction services performed by Costanera Norte during the period as part of the CC7 project (€36,645 thousand).

Financial assets deriving from government grants to finance infrastructure works include amounts receivable from grantors or other public entities as grants accruing as a result of construction and maintenance of assets held under concession. This item is broadly in line with the figure for 31 December 2015. During the first half of 2016, the Chilean company, Los Lagos, had, in accordance with its concession arrangement, accrued grants receivable of €7,544 thousand in return for carrying out motorway maintenance. These grants are due from the Grantor and, as at 30 June 2016, amount to a total of €91,934 thousand.

Other medium/long-term financial assets are up €150,305 thousand, primarily reflecting a combination of the following:

a) an increase in the loan repayable to AB Concessões by Infra Bertin Empreendimentos (€112,529 thousand), reflecting translation differences recognised at the end of the period due to a strengthening of the Brazilian real against the euro (€82,043 thousand) and the capitalisation of interest income (€30,486 thousand);
b) an increase in derivative assets, essentially due to an increase, following a fall in the value of sterling against the euro, in the fair value of the Cross Currency Swaps entered into by Atlantia when it purchased the notes issued by Romulus Finance in the first half of 2015, as described in detail in the consolidated financial statements as at and for the year ended 31 December 2015.

There has been no indication of impairment of any financial assets recognised in the financial statements in the first half of 2016.

7.5 Deferred tax assets and liabilities
Deferred tax assets €1,580,851 thousand (€1,574,566 thousand)
Deferred tax liabilities €1,747,512 thousand (€1,701,181 thousand)

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

€000	30 June 2016	31 December 2015
Deferred tax assets	2,187,110	2,175,043
Deferred tax liabilities eligible for offset	-606,259	-600,477
Deferred tax assets less deferred tax liabilities eligible for offset	**1,580,851**	**1,574,566**
Deferred tax liabilities not eligible for offset	**-1,747,512**	**-1,701,181**
Difference between deferred tax assets and liabilities (eligible and ineligible for offset)	**-166,661**	**-126,615**

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

€000	31 December 2015	CHANGES DURING THE PERIOD					30 June 2016
		PROVISIONS	RELEASES	DEFERRED TAX ASSETS/LIABILITIES ON GAINS AND LOSSES RECOGNISED IN COMPREHENSIVE INCOME	CHANGE IN ESTIMATES FOR PREVIOUS YEARS	CURRENCY TRANSLATION DIFFERENCES AND OTHER CHANGES	
Deferred tax assets on:							
Deductible intercompany goodwill	509,726	-	-55,470	-	-	-	454,256
Provisions	550,386	62,035	-33,764	-70	-6,099	-	572,488
Restatement of global balance on application of IFRIC 12 by Autostrade per l'Italia	445,524	-	-11,366	-	-	-	434,158
Derivative liabilities	188,512	-	-300	35,181	64	443	223,900
Tax loss carryforwards	120,330	3,785	-17,842	-	-94	4,329	110,508
Impairments and depreciation of non-current assets	103,119	1,934	-1,167	-	-	12,605	116,491
Impairment of receivables and inventories	35,418	5,642	-614	-	-84	1,423	41,785
Other temporary differences	222,028	15,016	-15,058	-930	-163	12,631	233,524
Total	**2,175,043**	**88,412**	**-135,581**	**34,181**	**-6,376**	**31,431**	**2,187,110**
Deferred tax liabilities on:							
Differences between carrying amounts and fair values of assets and liabilities acquired through business combinations	-1,733,960	-165	34,556	-	-	-58,096	-1,757,665
Financial assets deriving from concession rights and government grants	-179,873	-673	2,364	-	13	-9,596	-187,765
Derivative assets	-80,338	-	-	-714	-	-	-81,052
Other temporary differences	-307,487	-12,195	11,694	-	-216	-19,085	-327,289
Total	**-2,301,658**	**-13,033**	**48,614**	**-714**	**-203**	**-86,777**	**-2,353,771**
Difference between deferred tax assets and liabilities (eligible and ineligible for offset)	**-126,615**	**75,379**	**-86,967**	**33,467**	**-6,579**	**-55,346**	**-166,661**

Deferred tax assets primarily include the residual deferred tax assets (€454,256 thousand) recognised in connection with the reversal of intercompany gains arising in 2003 on the contribution of the portfolio of motorways to Autostrade per l'Italia, those that will be released on a straight-line basis over the life of Autostrade per l'Italia's concession, recognised as a result of the impact on taxation of adoption of IFRIC 12 (€434,158 thousand), and deferred tax assets on provisions not deducted from tax (€572,488 thousand).
Deferred tax liabilities essentially regard fair value gains recognised on assets acquired as a result of past business combinations (€1,757,665 thousand). They are primarily attributable to the Aeroporti di Roma group and the Group's Chilean and Brazilian motorway operators.
The net increases both for the Deferred tax asset (€ 12,067 thousand) and Deferred tax liabilities (€ 52,113 thousand) are mainly determined by currency traslation differecences recognised in the period.

7.6 Other non-current assets
€29,024 thousand (€13,623 thousand)

The increase of €15,401 thousand in the first half of 2016 primarily reflects VAT refundable to Autostrade Tirrenica.

7.7 Trading assets
€1,603,725 thousand (€1,468,759 thousand)

As at 30 June 2016, trading assets consist of:

a) inventories of €60,615 thousand as at 30 June 2016 (€57,392 thousand as at 31 December 2015), consisting of stocks and spare parts used in the maintenance or assembly of plant;
b) contract work in progress, totalling €10,043 thousand (€16,471 thousand as at 31 December 2015);
c) trade receivables of €1,533,067 thousand (€1,394,896 thousand as at 31 December 2015), the detailed composition of which is shown below.

€000	30 June 2016	31 December 2015
Trade receivables due from:		
Motorway users	1,030,108	860,091
Airport users	276,154	265,134
Sub-operators at motorway service areas	68,949	103,309
Sundry customers	325,162	318,360
Gross trade receivables	**1,700,373**	**1,546,894**
Allowance for bad debts	**242,291**	**216,474**
Other trading assets	**74,985**	**64,476**
Net trade receivables	**1,533,067**	**1,394,896**

Trade receivables, after the allowance for bad debts, have increased €138,171 thousand, essentially reflecting a combination of the following changes:

a) an increase in receivables due from motorway customers, totalling €170,017 thousand, primarily due to the increased amount billed and the increased volume of tolls in the first half of 2016 compared with the comparative period, taking into account traffic growth on the Italian motorway network;

b) a reduction in amounts due from sub-operators at motorway services areas, totalling €34,360 thousand, essentially due to receipt, in the first half of 2016, of the outstanding balance of royalties due for 2015.

The following table shows an ageing schedule for trade receivables.

€000	TOTAL RECEIVABLES AS AT 30 JUNE 2016	TOTAL NOT YET DUE	MORE THAN 90 DAYS OVERDUE	BETWEEN 90 AND 365 DAYS OVERDUE	MORE THAN ONE YEAR OVERDUE
Trade receivables	1,700,373	1,219,065	78,272	103,721	299,315

Overdue receivables regard uncollected and unpaid tolls, royalties due from service area operators, amounts due from airlines and sales of other goods and services.

The following table shows movements in the allowance for bad debts for trade receivables in the first half of 2016. The allowance has been determined with reference to past experience and historical data regarding losses on receivables, also taking into account guarantee deposits and other collateral provided by customers.

€000	31 December 2015	ADDITIONS	USES	RECLASSIFICATIONS AND OTHER CHANGES	30 June 2016
Allowance for bad debts	216,474	24,898	-3,859	4,778	242,291

The carrying amount of trade receivables approximates to fair value.

7.8 Cash and cash equivalents €1,851,979 thousand (€2,957,246 thousand)

Cash and cash equivalents consists of cash on hand and short-term investments. The balance is down €1,105,267 thousand compared with 31 December 2015, essentially due to redemption of bonds issued by Atlantia maturing in May 2016, in addition to net cash used in operating activities.

Detailed explanations of the cash flows resulting in the decrease in the Group's cash in the first half of 2016 are contained in note 9.1, "Notes to the consolidated statement of cash flows".

7.9 Current tax assets and liabilities

Current tax assets €205,997 thousand (€43,626 thousand)
Current tax liabilities €213,576 thousand (€29,815 thousand)

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

€000	CURRENT TAX ASSETS		CURRENT TAX LIABILITIES	
	30 June 2016	31 December 2015	30 June 2016	31 December 2015
IRES	170,006	11,838	157,260	4,298
IRAP	30,370	26,683	33,493	30
Taxes attributable to foreign operations	5,621	5,105	22,823	25,487
Total	**205,997**	**43,626**	**213,576**	**29,815**

As at 30 June 2016, the Group reports net current tax liabilities of €7,579 thousand, essentially as a result of income tax payable for the period being higher than payments on account made during the first half of 2016. The balance includes the amount due following a request for a refund of IRES of €31,756 thousand, relating to previous periods of assessment.

7.10 Other current assets
€240,697 thousand (€244,735 thousand)

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

€000	30 June 2016	31 December 2015	INCREASE/ (DECREASE)
Receivable from public entities	34,493	22,867	11,626
Tax credits other than for income tax	33,652	60,143	-26,491
Receivables due from end users and insurance companies for damages	23,055	24,436	-1,381
Accrued income of a non-trading nature	4,406	3,742	664
Amounts due from staff	3,556	2,479	1,077
Receivable from social security institutions	2,847	1,671	1,176
Payments on account to suppliers and other current assets	166,425	159,145	7,280
Gross other current assets	**268,434**	**274,483**	**-6,049**
Allowance for bad debts	-27,737	-29,748	2,011
Other current assets	**240,697**	**244,735**	**-4,038**

The balance as at 30 June 2016 is substantially in line with the figure for 31 December 2015. The allowance for bad debts, totalling €27,737 thousand as at 30 June 2016 (€29,748 thousand as at 31 December 2015), primarily relates to Stalexport Autostrady's accounts receivable (presented in other current assets) from a number of investee companies, which are now insolvent. This follows Stalexport's repayment, in previous years, of loans to the investee companies from local authorities, acting in its capacity of guarantor.

7.11 Non-current assets held for sale or related to discontinued operations €34,824 thousand (€44,985 thousand) Liabilities related to discontinued operations €3,311 thousand (€6,179 thousand)

Net non-current assets held for sale or related to discontinued operations, totalling €31,513 thousand as at 30 June 2016, primarily consist of:

a) the remaining net assets of the French companies involved in the EcoTaxe project, totalling €27,240 thousand. During the first half of 2016, Ecomouv paid dividends amounting to €7,192 thousand;
b) the remaining 2% interest in Strada dei Parchi, amounting to €4,271 thousand, that is the subject of put and call options agreed with Toto Costruzioni Generali in the contract governing the sale, in 2011, of a controlling interest in the company.

The following table shows the composition of these assets and liabilities according to their nature (trading, financial or other).

€000	30 June 2016	31 December 2015	INCREASE/ (DECREASE)
Investments	4,271	4,271	-
Financial assets	30,553	39,034	-8,481
- Cash and cash equivalents	*30,542*	*39,021*	*-8,479*
- Other current financial assets	*11*	*13*	*-2*
Trading and other assets	-	1,680	-1,680
Assets held for sale or related to discontinued operations	**34,824**	**44,985**	**-10,161**
Financial liabilities	394	411	-17
Trading and other liabilities	2,917	5,768	-2,851
Liabilities related to discontinued operations	**3,311**	**6,179**	**-2,868**

7.12 Equity
€8,643,288 thousand (€8,482,816 thousand)

Atlantia SpA's issued capital as at 30 June 2016, is fully subscribed and paid-in and consists of 825,783,990 ordinary shares with a par value of €1 each, amounting to €825,784 thousand. The issued capital did not undergo any changes in the first half of 2016.

Equity attributable to owners of the parent, totalling €6,820,143 thousand, is up €20,508 thousand compared with 31 December 2015. The most important changes during the period are shown in detail in the statement of changes in consolidated equity. These regard:

a) profit for the period of €413,230 thousand;
b) other comprehensive income for the period, totalling €1,755 thousand, primarily due to the combined effect of gains (amounting to €114,992 thousand) on the translation of assets and liabilities denominated in functional currencies other than the euro, reflecting increases in the value of the Brazilian real and Chilean peso against the euro, and an increase in fair value losses on cash flow hedges, amounting to €113,224 thousand (reflecting falls in interest rates as at 30 June 2016, compared with 31 December 2015);
c) Atlantia's payment of the final dividend for 2015, amounting to €395,223 thousand.

Equity attributable to non-controlling interests of €1,823,145 thousand is up €139,963 thousand compared with 31 December 2015 (€1,683,182 thousand), essentially due to comprehensive income for the period of €163,606 thousand, reflecting the rises in the value of the above South American currencies, partially offset by dividends declared by a number of Group companies and payable to non-controlling shareholders, totalling €23,585 thousand.

Atlantia manages its capital with a view to creating value for shareholders, ensuring the Group can function as a going concern, safeguarding the interests of stakeholders, and providing efficient access to external sources of financing to adequately support the growth of the Group's businesses and fulfil the commitments given in concession arrangements.

7.13 Provisions for construction services required by contract
(non-current) €3,128,266 thousand (€3,369,243 thousand)
(current) €563,198 thousand (€441,499 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 at the beginning and end of the period and changes during the first half of 2016, showing the non-current and current portions.

€000	31 December 2015							30 June 2016		
	CARRYING AMOUNT	NON-CURRENT PORTION	CURRENT PORTION	CHANGES DUE TO REVISED PRESENT VALUE OF OBLIGATIONS	FINANCE-RELATED PROVISIONS	USES TO FINANCE WORKS	CURRENCY TRANSLATION DIFFERENCES AND OTHER RECLASSIFICATIONS	CARRYING AMOUNT	NON-CURRENT PORTION	CURRENT PORTION
Provisions for construction services required by contract	3,810,742	3,369,243	441,499	32,594	13,094	-162,141	-2,825	3,691,464	3,128,266	563,198

The reduction in these provisions, including the current and non-current portions, amounts to €119,278 thousand and essentially reflects a combination of the following:

a) the use of provisions for construction services completed during the period and for which no additional benefits are received (€162,141 thousand);
b) a €32,594 thousand increase following a revision of the present value of future construction services, essentially linked to a reduction in the current and future interest rates used for discounting at the end of the period, with a matching increase in intangible assets deriving from concession rights;

c) a €13,094 thousand increase in finance-related provisions accruing in the first half of 2016, being the double entry to the financial expenses accruing in connection with discounting to present value and recognised in the consolidated income statement.

7.14 Provisions
(non-current) €1,571,758 thousand (€1,500,793 thousand)
(current) €475,012 thousand (€428,550 thousand)

As at 30 June 2016, provisions amount to €2,046,770 thousand (€1,929,343 thousand as at 31 December 2015). The following table shows details of provisions by type, showing the non-current and current portions.

€000	30 June 2016			31 December 2015		
	CARRYING AMOUNT	NON-CURRENT PORTION	CURRENT PORTION	CARRYING AMOUNT	NON-CURRENT PORTION	CURRENT PORTION
Provisions for employee benefits	169,910	139,900	30,010	175,766	152,437	23,329
Provisions for repair and replacement of motorway infrastructure	1,477,655	1,263,403	214,252	1,332,007	1,114,906	217,101
Provisions for airport refurbishment	247,633	107,582	140,051	262,435	161,266	101,169
Other provisions	151,572	60,873	90,699	159,135	72,184	86,951
Total provisions	**2,046,770**	**1,571,758**	**475,012**	**1,929,343**	**1,500,793**	**428,550**

The following table shows provisions at the beginning and end of the period and changes in the first half of 2016.

€000	31 December 2015	CHANGES DURING THE PERIOD					30 June 2016
	CARRYING AMOUNT	OPERATING PROVISIONS	FINANCE-RELATED PROVISIONS	USES	ACTUARIAL GAINS/(LOSSES) RECOGNISED IN OTHER COMPREHENSIVE INCOME	CURRENCY TRANSLATION DIFFERENCES, RECLASSIFICATIONS AND OTHER CHANGES	CARRYING AMOUNT
Provisions for employee benefits							
Post-employment benefits	173,637	723	1,074	-7,573	1,120	-831	168,150
Other employee benefits	2,129	226	8	-620	-	17	1,760
Total	**175,766**	**949**	**1,082**	**-8,193**	**1,120**	**-814**	**169,910**
Provisions for repair and replacement of motorway infrastructure	**1,332,007**	**280,290**	**15,605**	**-161,439**	**-**	**11,192**	**1,477,655**
Provisions for airport refurbishment	**262,435**	**30,045**	**1,824**	**-46,669**	**-**	**-2**	**247,633**
Other provisions							
Provisions for impairments exceeding carrying amounts of investments	3,554	70	-	-	-	-	3,624
Provisions for disputes, liabilities and sundry charges	155,581	6,488	-10	-2,544	-	-11,567	147,948
Total	**159,135**	**6,558**	**-10**	**-2,544**	**-**	**-11,567**	**151,572**
Provisions	**1,929,343**	**317,842**	**18,501**	**-218,845**	**1,120**	**-1,191**	**2,046,770**

PROVISIONS FOR EMPLOYEE BENEFITS
(non-current) €139,900 thousand (€152,437 thousand)
(current) €30,010 thousand (€23,329 thousand)

As at 30 June 2016, this item consists almost entirely of provisions for post-employment benefits to be paid to staff employed under Italian law. The reduction of €5,856 thousand is primarily due to the payment of benefits and of advances during the period. The actuarial model used to measure the related obligations is based on assumptions of both a demographic and financial nature. Having carried out a simplified actuarial assessment of these liabilities as at 30 June 2016, a number of key assumptions used were the same as those used in the measuring the liabilities as at 31 December 2015. These are described in note 7.14 to the consolidated financial statements as at and for the year ended 31 December 2015.

PROVISIONS FOR REPAIR AND REPLACEMENT OF MOTORWAY INFRASTRUCTURE
(non-current) €1,263,403 thousand (€1,114,906 thousand)

(current) €214,252 thousand (€217,101 thousand)

This item regards the present value of provisions for the estimated cost of the repair and replacement of motorway infrastructure, in accordance with the contractual commitments of the Group's operators.
The balance of these provisions, including both the current and non-current portions, is up €145,648 thousand, essentially due to a combination of the following:

a) operating provisions for the period, reflecting a decline in the discount rate used as at 30 June 2016, compared with the rate used as at 31 December 2015 (€280,290 thousand);
b) uses for repairs and replacements during the period (€161,439 thousand).

PROVISIONS FOR REFURBISHMENT OF AIRPORT INFRASTRUCTURE (non-current) €107,582 thousand (€161,266 thousand) (current) €140,051 thousand (€101,169 thousand)

Provisions for the refurbishment of airport infrastructure, including the current and non-current portions, amount to €247,633 thousand, broadly in line with the figure for 31 December 2015, amounting to €262,435 thousand. They represent the present value of the estimated costs to be incurred for extraordinary maintenance, repairs and replacements under the contractual obligation provided for in the airport concession arrangement entered into by Aeroporti di Roma. The objective of such services is to ensure that the airport infrastructure is fit for purpose and safe.

OTHER PROVISIONS (non-current) €60,873 thousand (€72,184 thousand) (current) €90,699 thousand (€86,951 thousand)

These provisions essentially regard estimates of liabilities, at the end of the period, expected to be incurred in connection with pending litigation and disputes, including the estimated expenses provisioned for contract reserves relating to contractors who carry out maintenance work. The balance is down €7,563 thousand, primarily reflecting uses following the settlement of a number of disputes. With regard to claims brought by third parties against Aeroporti di Roma, following the fire in Terminal 3 at Fiumicino airport described in note 8.18, provisions have already been made in the consolidated financial statements as at and for the year ended 31 December 2015. The provisions were made on the basis of an estimate, based on the best information available, of the liabilities, other than those covered by existing insurance policies, the company is likely to be required to pay once final responsibility for the incident has been determined. These provisions are unchanged as at 30 June 2016.

7.15 Financial liabilities (non-current) €14,210,195 thousand (€14,044,199 thousand) (current) €1,031,505 thousand (€1,938,634 thousand)

MEDIUM/LONG-TERM BORROWINGS (non-current) €14,210,195 thousand (€14,044,199 thousand) (current) €725,406 thousand (€1,649,176 thousand).

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

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

€000	30 June 2016						31 December 2015			
					TERM					
	NOMINAL VALUE	CARRYING AMOUNT	CURRENT PORTION	NON-CURRENT PORTION	BETWEEN 13 AND 60 MONTHS	AFTER 60 MONTHS	NOMINAL VALUE	CARRYING AMOUNT	CURRENT PORTION	NON-CURRENT PORTION
Bond issues (1) (2) (3)	10,590,770	10,538,474	241,777	10,296,697	4,718,897	5,577,800	11,465,101	11,386,551	1,085,993	10,300,558
Bank borrowings	3,296,273	3,294,744	213,317	3,081,427	852,327	2,229,100	3,310,536	3,308,211	191,569	3,116,642
Other borrowings	238,009	216,842	56,919	159,923	141,186	18,737	225,801	202,149	62,553	139,596
Medium/long-term borrowings (2) (3)	3,534,282	3,511,586	270,236	3,241,350	993,513	2,247,837	3,536,337	3,510,360	254,122	3,256,238
Derivative liabilities (4)		654,866	-	654,866	16,089	638,777		461,047	-	461,047
Accrued expenses on medium/long-term financial liabilities (2)		209,199	209,199	-	-	-		303,718	303,718	-
Other financial liabilities		21,476	4,194	17,282	17,282	-		31,699	5,343	26,356
Other medium/long-term financial liabilities		230,675	213,393	17,282	17,282	-		335,417	309,061	26,356
Total		14,935,601	725,406	14,210,195	5,745,781	8,464,414		15,693,375	1,649,176	14,044,199

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

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

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

(4) This item primarily includes financial instruments classified as hedging derivatives in accordance with IAS 39 and in level 2 of the fair value hierarchy.

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

€000		30 June 2016		31 December 2015	
	MATURITY	CARRYING AMOUNT (1)	FAIR VALUE (2)	CARRYING AMOUNT (1)	FAIR VALUE (2)
Bond issues					
- listed fixed rate	from 2016 to 2034	9,575,409	11,090,259	10,568,634	11,766,231
- listed floating rate	from 2016 to 2023	434,110	436,289	339,574	353,853
- unlisted fixed rate	from 2032 to 2038	381,532	513,164	355,875	486,702
- unlisted floating rate	2016	147,423	176,235	122,468	138,385
		10,538,474	12,215,947	11,386,551	12,745,171
Bank borrowings (A)					
- fixed rate	from 2016 to 2036	1,820,103	2,165,383	1,843,116	2,131,387
- floating rate	from 2016 to 2034	1,368,417	1,423,044	1,358,871	1,417,437
- non-interest bearing (3)	from 2016 to 2017	106,224	106,224	106,224	106,224
		3,294,744	3,694,651	3,308,211	3,655,048
Other borrowings (B)					
- fixed rate	from 2017 to 2026	7,158	7,158	8,309	8,309
- floating rate	2017	1,824	1,824	1,978	1,978
- non-interest bearing (4)	from 2016 to 2020	207,860	207,969	191,862	191,886
		216,842	216,951	202,149	202,173
Medium/long-term borrowings (A+B)		3,511,586	3,911,602	3,510,360	3,857,221
Derivative liabilities		654,866	654,866	461,047	461,047
Accrued expenses on medium/long-term financial liabilities		209,199		303,718	
Other financial liabilities		21,476		31,699	
Other medium/long-term financial liabilities		230,675		335,417	
Total		14,935,601	16,782,415	15,693,375	17,063,439

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

(2) The fair value shown is classified in level 2 of the fair value hierarchy.

(3) This item refers to subsidised loans granted to Autostrade per l'Italia under laws 662/1996, 135/1997 and 345/1997 in order to finance infrastructure on the "Florence North - Florence South" and "Cà Nova - Aglio" (Variante di Valico) sections of motorway, with repayments made by ANAS.

(4) This item primarily includes the borrowings of Autostrade per l'Italia and the operator, Stalexport Autostrada Malopolska, in relation to their respective concession arrangements, and the amount repayable to the Central Guarantee Fund contributed by SAT.

c) a comparison of the face value of each liability (bond issues and medium/long-term borrowings) and the related carrying amount, by issue currency, showing the corresponding average and effective interest rates;

€000	30 June 2016 NOMINAL VALUE	CARRYING AMOUNT	AVERAGE INTEREST RATE APPLIED TO 30 JUNE 2016 (1)	EFFECTIVE INTEREST RATE AS AT 30 JUNE 2016	31 December 2015 NOMINAL VALUE	CARRYING AMOUNT
Euro (EUR)	11,561,369	11,429,756	3.66%	4.39%	12,566,143	12,500,409
Chilean peso (CLP)(2)	1,012,825	1,044,482	7.22%	6.46%	980,482	1,012,924
Pound sterling (GBP)	750,000	749,655	5.99%	6.26%	750,000	674,140
Brazilian real (BRL)	553,230	581,531	15.78%	16.82%	452,699	462,040
Japanese Yen (JPY)	149,176	152,014	5.30%	5.48%	149,176	152,014
Polish zloty (PLN)	89,506	83,676	6.52%	4.03%	97,126	89,572
US dollar (USD)	8,946	8,946	5.25%	5.25%	5,812	5,812
Total	**14,125,052**	**14,050,060**	**4.47%**		**15,001,438**	**14,896,911**

(1) This figure includes the impact of interest and foreign currency hedges.

(2) This primarily includes financial liabilities denominated in Unidad de Fomento (UF), a unit of account used inside Chile, linked to the inflation rate. The exchange rate with the Chilean peso is fixed by Chile's central bank.

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

€000	CARRYING AMOUNT AS AT 31 DECEMBER 2015	NEW BORROWINGS	REPAYMENTS	CURRENCY TRANSLATION DIFFERENCES AND OTHER MOVEMENTS	CARRYING AMOUNT AS AT 30 JUNE 2016
Bond issues	11,386,551	23,887	-981,814	109,850	10,538,474
Bank borrowings	*3,308,211*	*12,234*	*-55,164*	*29,463*	*3,294,744*
Other borrowings	*202,149*	*233*	*-1,925*	*16,385*	*216,842*
liabilities	3,510,360	12,467	-57,089	45,848	3,511,586
Total	**14,896,911**	**36,354**	**-1,038,903**	**155,698**	**14,050,060**

The Group uses derivative financial instruments to hedge certain current and highly likely future financial liabilities, including interest rate swaps (IRSs), cross currency swaps (CCSs), 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 30 June 2016 is recognised in "Derivative liabilities". More detailed information on financial risks and the manner in which they are managed, in addition to details of outstanding financial instruments held by the Group, is contained in note 9.2 "Financial risk management".

Bond issues
(non-current) €10,296,697 thousand (€10,300,558 thousand)
(current) €241,777 thousand (€1,085,993 thousand)

This item principally refers to bonds issued by Atlantia as part of its €10 billion Medium Term Note (MTN) programme, accounted for at a total amount of €5,310,994 thousand as at 30 June 2016, and the bonds issued by Autostrade per l'Italia as part of its own Medium Term Note (MTN) Programme, authorised for an amount of up to €7 billion.
The decrease of €848,077 thousand primarily reflects:

a) redemptions totalling €981,814 thousand, which include mainly the bonds redeemed by Atlantia on 6 May 2016 (amounting to €880,472 thousand) and the partial buyback of certain bonds issued by Atlantia and maturing in 2017, 2019 and 2020 (€72,200 thousand);
b) the impact of exchange rate movements on bonds denominated in currencies other than the euro, resulting in an increase of €87,181 thousand, primarily due to a strengthening of the Brazilian real and the Chilean peso against the euro, partially offset by a fall in the value of sterling against the euro;

c) Rodovias das Colinas's issue of the new floating rate CDI bonds, with a carrying amount of €23,887 thousand.

Medium/long-term borrowings
(non-current) €3,241,350 thousand (€3,256,238 thousand)
(current) €270,236 thousand (€254,122 thousand)

The balance of this item, amounting to €3,511,586 thousand, including the current and non-current portions, is substantially in line with the figure as at 31 December 2015 (€3,510,360 thousand).
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 relate to the loan agreements with Cassa Depositi e Prestiti (totalling €829,900 thousand as at 30 June 2016), require compliance with a minimum threshold for "Operating cash flow available for Debt Service/Debt Service" (DSCR).
With regard to the financial commitments of the foreign project companies, the related debt does not envisage recourse to direct or indirect parents and is subject to covenants typical of international practice. The main commitments provide for a pledge on all the project companies' assets and receivables in favour of their creditors.

Non-current derivative liabilities
(non-current) €654,866 thousand (€461,047 thousand)
(current) - (-)

This item represents fair value losses on outstanding derivatives as at 30 June 2016 and includes:

a) fair value losses (€353,735 thousand) on Cross Currency Interest Rate Swaps (CCIRSs), linked to both derivative instruments classified as cash flow hedges in accordance with IAS 39, hedging the foreign currency and interest rate risks on medium/long-term bonds issued by Atlantia, denominated in pounds sterling (£500 million) and Japanese yen (¥20 billion) and having a total value in euros of €226,040 thousand, and to derivatives entered into by Aeroporti di Roma (with a total value of €127,695 thousand) to hedge the notes with a par value of £215 million issued by Romulus Finance (the special purpose entity controlled by Aeroporti di Roma), 99.87% of which have been repurchased by Atlantia. These latter derivatives, following the above buyback by the Group, ceased to qualify as cash flow hedges in the consolidated financial statements as at and for the year ended 31 December 2015.
The overall balance is up €45,110 thousand, essentially reflecting exchange rate movements consisting of a fall in the value of sterling against the euro, recognised essentially in response to a matching adjustment of the hedged liabilities;

b) fair value losses (€287,803 thousand) on Interest Rate Swaps (IRSs), classified as cash flow hedges in accordance with IAS 39, entered into by certain Group companies to hedge interest rate risk on their existing non-current financial liabilities and those that are highly likely to be assumed in the future. The increase of €147,842 thousand primarily reflects the reduction in the interest rates used as at 30 June 2016, compared with those used as at 31 December 2015. As at 30 June 2016, this item includes the balance for new Forward-Starting Interest Rate Swaps (€21,775 thousand), entered into with a number of banks in February 2016 and having a total notional value of €900 million and varying 8-year durations, and subject to a weighted average fixed rate of 0.966%. These derivatives are associated with highly likely future financial liabilities entered into through to 2019 in order to meet funding requirements of the Group companies;

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) €17,282 thousand (€26,356 thousand)
(current) €213,393 thousand (€309,061 thousand)

The balance of this item, including the current and non-current portions, is down €104,742 thousand, primarily due to a reduction in accrued expenses payable (€94,518 thousand), essentially following payment of both interest on medium/long-term borrowings and differentials on hedging derivatives, in addition to the Atlantia's partial buyback of its own bonds maturing in 2017, 2019 and 2020.

SHORT-TERM FINANCIAL LIABILITIES
€306,099 thousand (€289,458 thousand)

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

€000	30 June 2016	31 December 2015
Bank overdrafts repayable on demand	24,423	36,654
Short-term borrowings	245,465	245,353
Derivative liabilities (1)	26,314	7,036
Other current financial liabilities	9,897	415
Short-term financial liabilities	**306,099**	**289,458**

(1) These liabilities primarily include derivative instruments that do not qualify for hedge accounting and that are classified in level 2 of the fair value hierarchy.

The €16,641 thousand increase in this item compared with 31 December 2015 primarily reflects the fair value (€17,973 thousand) of Forward-Starting Interest Rate Swaps entered into by Aeroporti di Roma. These have a total notional value of €300 million, varying durations of 9 and 10 years and a weighted average rate of 1.29%, and are linked to highly likely future financial liabilities that the company is to assume in the next 12 months in order to meet its financing requirements. The balance of current derivative liabilities includes fair value losses (€578 thousand) on certain floor options on interest rates, embedded in certain borrowings and not qualifying for hedge accounting in accordance with IAS 39.

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

NET DEBT IN COMPLIANCE WITH ESMA RECOMMENDATION OF 20 MARCH 2013

An analysis of the various components of consolidated net debt is shown below with amounts payable to and receivable from related parties, as required by CONSOB Ruling DEM/6064293 of 28 July 2006, in accordance with European Securities and Markets Authority ("ESMA") Recommendation of 10 February 2005, as revised by ESMA on 20 March 2013 (which does not entail the deduction of non-current financial assets from debt).

€M	Note	30 June 2016	*OF WHICH RELATED PARTY TRANSACTIONS*	31 December 2015	*OF WHICH RELATED PARTY TRANSACTIONS*
Cash		-1,388		-2,251	
Cash equivalents		-464		-707	
Cash and cash equivalents related to discontinued operations		-31		-39	
Cash and cash equivalents (A)		**-1,883**		**-2,997**	
Current financial assets (1) (B)	**7.4**	**-838**	-	**-818**	-
Bank overdrafts		25		37	
Current portion of medium/long-term financial liabilities		725		1,649	
Other financial liabilities		282		253	
Current financial assets (C)	**7.15**	**1,032**		**1,939**	
Current net debt (D=A+B+C)		**-1,689**		**-1,876**	
Bond issues		10,297		10,301	
Medium/long-term borrowings		3,241		3,256	
Other non-current financial liabilities		672		487	
Non-current financial liabilities (E)	**7.15**	**14,210**		**14,044**	
(Net funds) / Net debt as defined by ESMA recommendation (F=D+E)		**12,521**		**12,168**	
Non-current financial assets (G)	**7.4**	**-2,030**	*-21*	**-1,781**	*-16*
Net debt (H=F+G)		**10,491**		**10,387**	

(1) Includes financial assets held for sale or related to discontinued operations.

7.16 Other non-current liabilities
€97,102 thousand (€98,778 thousand)

The balance as at 30 June 2016 is broadly in line with 31 December 2015. The following table shows a breakdown of this item.

€000	30 June 2016	31 December 2015
Accrued expenses of a non-trading nature	38,894	38,791
Liabilities deriving from contractual obligations	31,124	26,933
Amounts payable to grantors	12,922	13,681
Taxation other than income taxes	7,003	2,954
Payable to staff	6,182	13,526
Other payables	977	2,893
Other non-current liabilities	**97,102**	**98,778**

7.17 Trading liabilities
€1,558,915 thousand (€1,581,503 thousand)

An analysis of trading liabilities is shown below.

€000	30 June 2016	31 December 2015
Liabilities deriving from contract work in progress	**2,082**	**3,595**
Amounts payable to suppliers	735,569	845,900
Payable to operators of interconnecting motorways	680,615	619,621
Tolls in the process of settlement	103,966	94,110
Accrued expenses, deferred income and other trading liabilities	36,683	18,277
Trade payables	**1,556,833**	**1,577,908**
Trading liabilities	**1,558,915**	**1,581,503**

The €22,588 thousand reduction in this item primarily reflects a reduction in amounts payable to suppliers, totalling €110,331 thousand. This reflects reduced investment in motorway infrastructure operated under concession and is partially offset by a €60,994 thousand increase in amounts payable to the operators of interconnecting motorways, essentially due to increases in the operators' toll revenue and in line with standard payment periods.

7.18 Other current liabilities €538,975 thousand (€497,802 thousand)

The balance as at 30 June 2016 is up €41,173 thousand on the figure for 31 December 2015. The following table shows a breakdown of this item.

€000	30 June 2016	31 December 2015
Taxation other than income taxes	129,767	94,860
Payable to staff	86,611	61,166
Concession fees payable	61,342	101,849
Social security contributions payable	56,300	38,208
Guarantee deposits from users who pay by direct debit	47,339	47,464
Amounts payable to public entities	19,792	14,629
Amounts payable for expropriations	15,942	16,514
Other payables	121,882	123,112
Other current liabilities	**538,975**	**497,802**

The most significant changes during the period regard:

a) an increase of €34,907 thousand in amounts payable in the form of taxation other than income taxes, primarily linked to VAT payable in July 2016;

b) an increase of €25,445 thousand in amounts payable to staff, essentially linked to accrued thirteenth-month pay to be paid by the end of the year;

c) an increase of €18,092 thousand in social security contributions payable, relating to INPS contributions for June paid in July 2016;

d) a reduction in concession fees payable, amounting to €40,507 thousand, reflecting payments during the first half of 2016, primarily by Autostrade per l'Italia.

8. NOTES TO THE CONSOLIDATED INCOME STATEMENT

This section contains analyses of the most important consolidated income statement items. Negative components of income are indicated with a minus sign in the headings and tables in the notes, whilst amounts for the first half of 2015 are shown in brackets.
As reported in note 5 "Scope of consolidation", it should be noted that the values of the first half of 2016 are positively affected by Società Autostrada Tirrenica (SAT), consolidated as from September 2015.
Details of amounts in the consolidated income statement deriving from related party transactions are provided in note 10.5.

8.1 Toll revenue
€1,874,966 thousand (€1,809,864 thousand)

Toll revenue of €1,874,966 thousand is up €65,102 thousand (4%) on the figure for the first half of 2015 (€1,809,864 thousand). The increase primarily reflects a combination of the following:

a) a 3.8% increase in traffic on the Italian network, accounting for an estimated €54 million increase in toll revenue (including the positive impact of the different traffic mix and the extra day in February 2016);
b) application of annual toll increases (essentially resulting from a rise of 1.09% for Autostrade per l'Italia from 1 January 2016), boosting toll revenue by an estimated €14 million;
c) Società Autostrada Tirrenica's contribution for the first half of 2016, totalling €15 million;
d) the contribution from overseas motorway operators, resulting in an overall loss of €22 million, reflecting a combination of the following:
    1) the negative effect of exchange rate movements (€40 million) on toll revenue from overseas operators, essentially due to falls in the value of the Brazilian real and the Chilean peso against the euro;
    2) the positive impact of traffic growth (€18 million), reflecting increases in Chile (up 5.6%) and Poland (up 12.1%), and toll increases applied by operators in accordance with their respective concession arrangements, partially offset by a fall in traffic in Brazil (down 2.4%).

8.2 Aviation revenue
€291,898 thousand (€259,684 thousand)

This item refers to aviation revenue generated by Aeroporti di Roma and a number of its subsidiaries. It is up €32,214 thousand compared with the first half of 2015 (€259,684 thousand), primarily reflecting increases in airport fees applied from 1 March 2015 and 1 March 2016 and traffic trends (passengers up 2.8%). An analysis of this item is shown below.

€000	H1 2016	H1 2015	INCREASE/ (DECREASE)
Airport fees	226,960	201,601	25,359
Centralised infrastructure	8,248	6,035	2,213
Security services	42,242	38,872	3,370
Other	14,448	13,176	1,272
Aviation revenue	**291,898**	**259,684**	**32,214**

8.3 Revenue from construction services €300,363 thousand (€321,325 thousand)

An analysis of revenue from construction services is shown below.

€000	H1 2016	H1 2015	INCREASE/ (DECREASE)
Revenue from construction services for which additional economic benefits are received	263,386	258,999	4,387
Revenue from investments in financial concession rights	36,645	49,371	-12,726
Revenue from construction services: government grants for services for which no additional economic benefits are received	332	12,943	-12,611
Revenue from construction services provided by sub-operators	-	12	-12
Revenue from construction services	**300,363**	**321,325**	**-20,962**

Revenue from construction services essentially consists of construction services for which additional economic benefits are received and financial assets deriving from concession rights, represented by the fair value of the consideration due in return for the construction and upgrade services rendered in relation to assets held under concession during the period. The consideration is based on the operating costs and financial expenses incurred (the latter solely in relation to concession rights for which additional economic benefits are received) and any margins earned on the services provided by the Group's own technical units.

Revenue from construction services performed during the period is down €20,962 thousand on the first half of 2015, reflecting a reduction a reduction in construction services accounted for as an increase in financial assets deriving from concession rights, amounting to €12,726 thousand linked to construction carried out by the Chilean operator, Costanera Norte, and a reduction in construction services for which no additional economic benefits are received, amounting to €12,611 thousand.

In the first half of 2016, the Group carried out additional construction services for which no additional benefits are received, amounting to €162,141 thousand, net of related government grants, for which the Group made use of a portion of the specifically allocated "Provisions for construction services required by contract". Uses of these provisions are classified as a reduction in operating costs for the period, as explained in note 8.11.

Details of total investment in assets held under concession during the year are provided in note 7.2, above.

8.4 Contract revenue €35,817 thousand (€52,362 thousand)

Contract revenue of €35,817 thousand is down €16,545 thousand on the first half of 2015 (€52,362 thousand), primarily due to a reduction in work carried out by Pavimental for external customers.

8.5 Other operating income €363,192 thousand (€373,251 thousand)

An analysis of other operating income is provided below.

€000	H1 2016	H1 2015	INCREASE/ (DECREASE)
Revenue from sub-concessions	169,485	170,483	-998
Revenue from Telepass and Viacard fees	68,607	65,744	2,863
Maintenance revenue	19,077	19,970	-893
Other revenue from motorway operation	18,988	18,149	839
Damages and compensation	15,406	15,883	-477
Revenue from products related to the airport business	13,040	13,229	-189
Refunds	10,923	11,746	-823
Revenue from the sale of technology devices and services	9,800	11,230	-1,430
Advertising revenue	1,855	2,486	-631
Other income	36,011	44,331	-8,320
Other operating income	363,192	373,251	-10,059

Other operating income of €363,192 thousand is down €10,059 thousand on the first half of 2015 (€373,251 thousand), due essentially to a reduction in work carried out for external customers by Autostrade Tech.

8.6 Raw and consumable materials -€125,038 thousand (-€177,151 thousand)

This item, which consists of purchases of materials and the change in inventories of raw and consumable materials, is down €52,113 thousand on the first half of 2015. A breakdown of the balance is shown below.

€000	H1 2016	H1 2015	INCREASE/ (DECREASE)
Construction materials	-74,940	-106,656	31,716
Electrical and electronic materials	-8,102	-16,266	8,164
Lubricants and fuel	-6,968	-20,410	13,442
Other raw and consumable materials	-38,786	-31,022	-7,764
Cost of materials	**-128,796**	**-174,354**	**45,558**
Change in inventories of raw, ancillary and consumable materials and goods for resale	**3,067**	**-2,914**	**5,981**
Capitalised cost of raw materials	691	117	574
Raw and consumable materials	-125,038	-177,151	52,113

The reduction primarily reflects a decrease in maintenance and construction work carried out by Pavimental for both Group companies and external customers.

8.7 Service costs -€639,981 thousand (-€720,300 thousand)

An analysis of service costs is provided below.

€000	H1 2016	H1 2015	INCREASE/ (DECREASE)
Construction and similar	-410,752	-510,602	99,850
Professional services	-63,696	-51,257	-12,439
Transport and similar	-26,611	-30,676	4,065
Utilities	-25,380	-24,369	-1,011
Insurance	-15,720	-12,525	-3,195
Statutory Auditors' fees	-782	-761	-21
Other services	-98,837	-91,429	-7,408
Gross service costs	**-641,778**	**-721,619**	**79,841**
Capitalised service costs for assets other than concession assets	1,797	1,319	478
Service costs	**-639,981**	**-720,300**	**80,319**

Service costs in the first half of 2016 are down €80,319 thousand on the same period of 2015. This essentially reflects a combination of the following:

a) a reduction of €99,850 thousand in the cost of construction and similar services, essentially due to reduced investment in motorway assets held under concession;

b) a €12,439 thousand increase in the cost of professional services, reflecting an increase in design work and investment by Spea Engineering.

8.8 Staff costs -€450,277 thousand (-€431,922 thousand)

An analysis of staff costs is shown below.

€000	H1 2016	H1 2015	INCREASE/ (DECREASE)
Wages and salaries	-316,202	-303,643	-12,559
Social security contributions	-91,158	-87,955	-3,203
Payments to supplementary pension funds, INPS and post-employment benefits	-17,651	-16,227	-1,424
Directors' remuneration	-3,098	-2,971	-127
Other staff costs	-24,448	-22,472	-1,976
Gross staff costs	**-452,557**	**-433,268**	**-19,289**
Capitalised staff costs for assets other than concession assets	2,280	1,346	934
Staff costs	**-450,277**	**-431,922**	**-18,355**

Gross staff costs of €452,557 thousand are up €19,289 thousand (5%) compared with the first half of 2015 (€433,268 thousand). The increase essentially reflects:

a) an increase of 519 in the average workforce excluding agency staff (up 3.5%), primarily attributable to the Aeroporti di Roma group as a result of heightened anti-terrorism measures, initiatives designed to improve the quality of passenger assistance, staff hired in relation to implementation of the development plan and the adoption of particular operating procedures in response to continuing restrictions on capacity following the fire in 2015. The increase also reflects the decision to insource airport cleaning services and the motorway maintenance carried out by the Brazilian operators, as well as Autostrada Tirrenica's contribution for the first half of 2016;

b) an increase in the average unit cost (up 1.8%), primarily due to the cost of contract renewals at the Group's Italian companies, partially offset by the reduced cost of incentive plans for management.

The following table shows the average number of employees (by category and including agency staff), as commented on in the section on the "Workforce" in the report on operations:

AVERAGE WORKFORCE	H1 2016	H1 2015	INCREASE/ (DECREASE)
Senior managers	248	240	8
Middle managers and administrative staff	7,644	7,334	310
Toll collectors	3,160	3,169	-9
Manual workers	3,752	3,542	210
Total	**14,804**	**14,285**	**519**

8.9 Other operating costs -€276,720 thousand (-€271,481 thousand)

An analysis of other operating costs is shown below.

€000	H1 2016	H1 2015	INCREASE/ (DECREASE)
Concession fees	-233,078	-223,250	-9,828
Lease expense	-8,164	-8,551	387
Grants and donations	-11,476	-9,055	-2,421
Direct and indirect taxes	-10,640	-12,623	1,983
Other	-13,362	-18,002	4,640
Other costs	-35,478	-39,680	4,202
Other operating costs	**-276,720**	**-271,481**	**-5,239**

Other operating costs of €276,720 thousand are up €5,239 thousand compared with the comparative period, primarily due to an increase in concession fees as a result of the traffic growth registered in the first half of 2016.

8.10 Operating change in provisions -€108,715 thousand (€77,010 thousand)

This item consists of operating changes (new provisions and uses) in provisions, excluding those for employee benefits (classified in staff costs), made by Group companies during the period in order to meet their legal and contractual obligations requiring the use of financial resources in future years. The balance of this item for the first half of 2016, totalling €108,715 thousand, essentially reflects the present value of provisions for the repair and replacement of the Group's infrastructure, following a significant decline in the related interest rates used as at 30 June 2016, compared with those used as at 31 December 2015. In the same period of 2015, the positive balance of this item, totalling €77,010 thousand, reflected an opposite movement in the related interest rates.

8.11 Use of provisions for construction services required by contract €162,141 thousand (€252,478 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 the first half of 2016, less accrued government grants (recognised in revenue from construction services, as explained in note 8.3). The item represents the indirect adjustment to construction costs classified by nature and incurred by the Group's operators, above all Autostrade per l'Italia, whose concesssion arrangements provide for such obligations. The reduction of €90,337 thousand compared with the first half of 2015 substantially reflects the reduced amount of works carried lout following completion of the upgrade of the motorway infrastructure operated by Autostrade per l'Italia between Bologna and Florence, leading to the opening to traffic of the *Variante di Valico* in December 2015.
Further information on construction services and capital expenditure in the first half of 2016 is provided in notes 7.2 and 8.3.

8.12 (Impairment losses) and reversals of impairment losses -€3,383 thousand (-€7,122 thousand)

The balance for the first half of 2016 essentially consists of the impairment of trade receivables arising in past years, reflecting the risk of partial non-collection. The figure for the comparative period, amounting to €7,122 thousand, included the impairment (€5,776 thousand) of short-term financial assets deriving from concession rights, in keeping with a revised estimate of the value of the takeover right due to Autostrade Meridionali under the relevant concession arrangement. This company continues to operate the section of motorway under an extension of its concession term.

8.13 Financial income/(expenses) -€250,947 thousand (-€441,154 thousand)

Financial income €195,394 thousand (€175,311 thousand)
Financial expenses -€451,184 thousand (-€627,064 thousand)
Foreign exchange gains/(losses) €4,843 thousand (€10,599 thousand)

An analysis of financial income and expenses is shown below.

€000	H1 2016	H1 2015	INCREASE/ (DECREASE)
Financial income accounted for as an increase in financial assets deriving from concession rights and government grants	**31,919**	**31,976**	**-57**
Dividends received from investees	**7,830**	**569**	**7,261**
Income from derivative financial instruments	50,302	63,464	-13,162
Financial income accounted for as an increase in financial assets	32,485	30,459	2,026
Interest and fees receivable on bank and post office deposits	16,544	16,056	488
Recovery of Lusoponte carrying amount	24,514	-	24,514
Other	31,800	32,787	-987
Other financial income	**155,645**	**142,766**	**12,879**
Total financial income (a)	**195,394**	**175,311**	**20,083**
Financial expenses from discounting of provisions for construction services required by contract and other provisions	**-31,605**	**-28,431**	**-3,174**
Interest on bonds	-241,563	-245,390	3,827
Losses on derivative financial instruments	-68,952	-68,785	-167
Interest on medium/long-term borrowings	-54,506	-58,597	4,091
Interest expense accounted for as an increase in financial liabilities	-10,877	-17,292	6,415
Impairment losses on investments carried at cost or fair value and non-current financial assets	-3,338	-68	-3,270
Interest and fees payable on bank and post office deposits	-741	-1,726	985
Other	-39,602	-206,775	167,173
of which non-recurring	-	*-183,376*	*183,376*
Other financial expenses	**-419,579**	**-598,633**	**179,054**
Total financial expenses (b)	**-451,184**	**-627,064**	**175,880**
Foreign exchange gains/(losses) (c)	**4,843**	**10,599**	**-5,756**
Financial income/(expenses) (a+b+c)	**-250,947**	**-441,154**	**190,207**

(*) Details of non-recurring financial transactions are provided in note 8.18.

Net other financial expenses of €263,934 thousand are down €191,933 thousand on the first half of 2015 (€455,867 thousand), essentially reflecting:

a) recognition, in the first half of 2015, of financial expenses on non-recurring financial transactions, totalling €183,376 thousand;
b) reversal of the impairment loss of €24,514 thousand on the carrying amount of the investment in the Portuguese operator, Lusoponte), as described in note 7.3;
c) recognition of net financial expenses of €9,536 thousand, relating to the premium paid on the partial buyback, in the first half of 2016, of certain bonds issued by Atlantia and maturing in 2017, 2019 and 2020.

"Financial income recognised as an increase in financial assets deriving from concession rights and government grants" amounts to €31,919 thousand and essentially includes the impact of discounting financial assets driving from guaranteed minimum revenue, totalling €21,965 thousand, attributable to the Chilean companies, and the impact of discounting financial assets deriving from government grants for motorway maintenance, totalling €3,373 thousand, attributable to Los Lagos.

8.14 Share of profit/(loss) of investees accounted for using the equity method -€8,323 thousand (-€8,836 thousand)

The "Share of (profit)/loss of investees accounted for using the equity method" amounts to a loss of €8,323 thousand, essentially attributable to the share of the losses reported by associates and joint ventures.

8.15 Income tax (expense)/benefit -€246,432 thousand (-€216,108 thousand)

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

€000	H1 2016	H1 2015	INCREASE/ (DECREASE)
IRES	-157,497	-125,262	-32,235
IRAP	-39,459	-36,666	-2,793
Income taxes attributable to foreign operations	-31,832	-34,132	2,300
Current tax benefit of tax loss carry-forwards	625	-	625
Current tax expense	**-228,163**	**-196,060**	**-32,103**
Recovery of previous years' income taxes	850	1,750	-900
Previous years' income taxes	-952	1,847	-2,799
Differences on current tax expense for previous years	**-102**	**3,597**	**-3,699**
Provisions	88,412	73,970	14,442
Releases	-135,581	-132,447	-3,134
Changes in prior year estimates	-6,376	1,514	-7,890
Deferred tax income	**-53,545**	**-56,963**	**3,418**
Provisions	-13,033	-19,365	6,332
Releases	48,614	55,118	-6,504
Changes in prior year estimates	-203	-2,435	2,232
Deferred tax expense	**35,378**	**33,318**	**2,060**
Deferred tax income and deferred tax expense	**-18,167**	**-23,645**	**5,478**
Income tax (expense)/benefit	**-246,432**	**-216,108**	**-30,324**

Income tax expense amounts to €246,432 thousand, up €30,324 thousand on the first half of 2015 (€216,108 thousand). The increase in tax expense is in keeping with the variation in pre-tax profit from continuing operations. The tax rate is broadly in line across the two comparative periods.

8.16 Profit/(Loss) from discontinued operations - (€7,277 thousand)

An analysis of the net profit from discontinued operations for the two comparative periods is shown below.

€000	H1 2016	H1 2015	INCREASE/ (DECREASE)
Operating costs	-	-5,202	5,202
Financial income	-	10,729	-10,729
Financial expenses	-	-11,541	11,541
Tax benefit/(expense)	-	13,291	-13,291
Contribution to net profit of discontinued operations	**-**	**7,277**	**-7,277**
Profit/(Loss) from discontinued operations	**-**	**7,277**	**-7,277**

The profit for the first half of 2015 is primarily attributable to Ecomouv.

8.17 Earnings per share

The following table shows the calculation of basic and diluted earnings per share for the two comparative periods.

	H1 2016	H1 2015
Weighted average of shares outstanding	825,783,990	825,783,990
Weighted average of treasury shares in portfolio	-2,341,436	-6,511,785
Weighted average of shares outstanding for the calculation of basic earnings per share	**823,442,554**	**819,272,205**
Weighted average of diluted shares held under share-based incentive plans	1,206,562	1,430,221
Weighted average of all shares outstanding for the calculation of diluted earnings per share	**824,649,116**	**820,702,427**
Profit for the period attributable to owners of the parent (€000)	413,230	377,538
Basic earnings per share (€)	**0.50**	**0.46**
Diluted earnings per share (€)	**0.50**	**0.46**
Profit from continuing operations attributable to owners of the parent (€000)	413,230	372,274
Basic earnings per share from continuing operations (€)	**0.50**	**0.45**
Diluted earnings per share from continuing operations (€)	**0.50**	**0.45**
Profit from discontinued operations attributable to owners of the parent (€000)	-	5,264
Basic earnings/(losses) per share from discontinued operations (€)	**-**	**0.01**
Diluted earnings/(losses) per share from discontinued operations (€)	**-**	**0.01**

8.18 Material non-recurring transactions and events

No atypical or unusual transactions, having a material impact on the Group's consolidated income statement, were entered into during the first half of 2016, either with third or related parties.
A number of non-recurring financial transactions with a material impact on the consolidated income statement were, however, concluded in the first half of 2015:

a) Atlantia's buyback of 99.87% of the asset-backed securities (ABS – CLASS A4) issued by Romulus Finance (the special purpose entity controlled by Aeroporti di Roma), resulting in non-recurring net financial expenses of €101,261 thousand, before the related taxation;
b) the partial buyback of bonds issued by Atlantia and maturing in 2016, 2017 and 2019, resulting in non-recurring net financial expenses of €82,115 thousand, before the related taxation.

As a result of the above financial transactions in the first half of 2015, the Group recognised financial expenses of €183,376 thousand, before the related taxation of €53,782 thousand. This results in a net impact on the result for the year of €129,594 thousand.

There were no material non-recurring events in the first half of 2016. The first half of 2015, however, witnessed a fire in Terminal 3 at Fiumicino airport, as described in note 8.19 to the Atlantia Group's consolidated financial statements as at and for the year ended 31 December 2015. During the first half of 2016, the insurance assessors continued work on quantifying the costs incurred by the Group as a result of this incident. However, the results of this activity have so far not provided sufficient evidence to enable the Group to update its estimates of the insurance proceeds receivable, as reported in the consolidated financial statements as at and for the year ended 31 December 2015.

9. OTHER FINANCIAL INFORMATION

9.1 Notes to the consolidated statement of cash flows

Consolidated cash flow in the first half of 2016, compared with the first half of 2015, is analysed below. The consolidated statement of cash flows is included in the "Consolidated financial statements".
Cash flows during the first half of 2016 resulted in a decrease of €1,101,515 thousand in cash and cash equivalents, versus a net cash outflow of €697,332 thousand in the first half of 2015.

Operating activities generated cash flows of €964,880 thousand in the first half of 2016, down €55,109 thousand on the figure for the first half of 2015 (€1,019,989 thousand). The reduction reflects a combination of the following:

a) an increase of €139,239 thousand in operating cash flow compared with the first half of 2015, which was impacted by the financial expenses on non-recurring financial transactions concluded in the first half of 2015, as described in note 8.18 "Material non-recurring transactions and events";
b) the differing performance of movements in working capital in the two comparative periods and other changes (outflows of €129,695 thousand in the first half of 2016 and inflows of €64,653 thousand in the first half of 2015). This primarily reflects collection, in the first half of 2015, of compensation payable by the French government, following early termination of the EcoTaxe project. In the first half of 2016, outflows were essentially due to the increase in trade receivables, as described in note 7.7, "Trading assets".

Cash used in investing activities, totalling €627,854 thousand, is up €235,641 thousand on the figure for the first half of 2015 (€392,213 thousand) and essentially relates to the different contribution from current and non-current financial assets not held for trading, primarily linked to the French government's recognition of compensation for early termination of the partnership agreement covering the EcoTaxe project, which took place in the first half of 2015.

In the first half of 2016, net cash used in financing activities amounts to €1,459,638 thousand (€1,318,830 thousand in the first half of 2015). This reflects a combination of the following:

a) the redemption of bonds and the repayment of medium/long-term borrowings, totalling €1,037,513 thousand;
b) dividends paid to the Group's shareholders and non-controlling shareholders, totalling €410,521 thousand.

The following table shows net cash flows generated from discontinued operations, including the contributions of the French companies in the two comparative periods. These cash flows are included in the consolidated statement of cash flows under operating, investing and financing activities.

€M	H1 2016	H1 2015
Net cash generated from/(used in) operating activities	-1	108
Net cash generated from/(used in) investing activities	-	247
Net cash generated from/(used in) financing activities	-7	-278

9.2 Financial risk management

The Atlantia 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 Atlantia Group's financial risk management strategy is derived from and consistent with the business goals set by the Atlantia Board of Directors, as contained in the various long-term plans prepared each year.

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 Atlantia's Board of Directors.
Management of these risks is based on prudence and best market practice.
The main objectives set out in this policy are as follows:

a) to protect the scenario forming the basis of the long-term plan from the effect of exposure to currency and interest rate risks, identifying the best combination of fixed and floating rates;
b) to pursue a potential reduction of the Group's borrowing costs within the risk limits determined by the Board of Directors;
c) to manage derivative financial instruments taking account of their potential impact on the results of operations and financial position in relation to their classification and presentation.

The Group's hedges outstanding as at 30 June 2016 are classified, in accordance with IAS 39, either as cash flow or fair value hedges, depending on the type of risk hedged.
As at 30 June 2016, the Group has entered into transactions that do not qualify for hedge accounting, including derivatives embedded in a number of medium/long-term and short-term loans granted to Autostrade per l'Italia, Autostrade Meridionali and Pavimental. These derivatives have a total notional value of €463,979 thousand and fair value losses of €4,040 thousand have been recognised. Further details are provided above in note 7.15 "Financial liabilities".
The fair value of these derivative instruments is determined by discounting expected cash flows, using the market yield curve at the measurement date and credit default swap curve listed for both the counterparty and Group companies, so as to include the non-performance risk explicitly referred to in IFRS 13. Amounts in foreign currencies other than the euro are translated at closing exchange rates communicated by the European Central Bank.
The residual average term to maturity of the Group's debt as at 30 June 2016 is approximately 6 years and 5 months. The average cost of medium to long-term debt for the first six months of 2016 was 4.5% (3.8% for the companies operating in Italy, 7.2% for the Chilean companies and 15.8% for the Brazilian companies).
Monitoring is, moreover, intended to assess, on a continuing basis, counterparty creditworthiness and the degree of risk concentration.

Interest rate risk

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

a) cash flow risk: linked to financial assets and liabilities with cash flows indexed to a market interest rate. In order to reduce the amount of floating rate debt, the Group has entered into interest rate swaps (IRSs), classified as cash flow hedges. The hedging instruments and the underlying financial liabilities have matching terms to maturity and notional amounts. Following tests of effectiveness, changes in fair value are essentially recognised in other comprehensive income. The tests conducted revealed the presence of a minimal ineffective portion (€501 thousand) accounted for in profit or loss and linked essentially to the impact of IFRS 13 as at 30 June 2016. The income statement is credited (debited) simultaneously as the interest flows from the hedged instruments are received or paid. New Forward-Starting IRSs with a total notional value of €900 million were entered into in the first half of 2016. These have varying durations of 8 years and are subject to a weighted average fixed rate of approximately 0.966%, entered into to hedge highly likely future financial liabilities to be assumed through to 2019 in order to meet Autostrade per l'Italia's expected financing requirements. Forward-Starting IRSs with a notional value of €50 million, a duration of 9 years at a fixed rate of around 0.69% have also been entered into to hedge highly likely future financial liabilities that Aeroporti di Roma is to assume in the next 12 months in order to meet its financing requirements;

b) fair value risk: the risk of losses deriving from an unexpected change in the value fixed rate financial assets and liabilities following an unfavourable shift in the market yield curve. As at 30 June 2016, the Group reports transactions classifiable as fair value hedges in accordance with IAS 39, regarding the previously mentioned new IPCA Linked Swaps entered into by the Brazilian companies, Triangulo do Sol and Colinas, with the aim of converting the real IPCA rate bonds issued in 2013 to a floating CDI rate. Changes in the fair value of these instruments are recognised in profit or loss and are offset by matching changes in the fair value of the underlying liabilities.

As a result of cash flow hedges, 91% of interest bearing debt is fixed rate.

Currency risk

Currency risk can result in the following types of exposure:

a) economic exposure incurred through purchases and sales denominated in currencies other than the company's functional currency;

b) translation exposure through equity investments in subsidiaries and associates whose financial statements are denominated in a currency other than the euro;

c) transaction exposure incurred by making deposits or obtaining loans in currencies other than the currency in which financial statements are denominated.

The Group's prime objective of currency risk is to minimise transaction exposure through the assumption of liabilities in currencies other than the presentation currency. Cross currency swaps (CCIRS) with notional amounts and maturities matching those of the underlying financial liabilities have been entered into specifically to eliminate the currency risk to which the sterling and yen-denominated bonds issued by Atlantia are exposed. These swaps also qualify as cash flow hedges and tests have shown that they are fully effective.

Following Atlantia's buyback of 99.87% of the sterling-denominated notes, amounting to £215 million, issued by Romulus Finance (the special purpose entity controlled by Aeroporti di Roma), the Cross Currency Swaps entered into by Atlantia and Aeroporti di Roma, to hedge interest and currency risk associated with the underlying in foreign currency, ceased to qualify for hedge accounting in the consolidated financial statements.

18% of the Group's debt is denominated in currencies other than the euro. Taking account of foreign exchange hedges and the proportion of debt denominated in the local currency of the country in which the relevant Group company operates (around 10%), the Group is effectively not exposed to currency risk on translation.

The following table summarises outstanding derivative financial instruments as at 30 June 2016 (compared with 31 December 2015) and shows the corresponding market and notional values of the hedged financial asset or liability.

€000		30 June 2016		31 December 2015	
TYPE	PURPOSE OF HEDGE	FAIR VALUE ASSET/(LIABILITY)	NOTIONAL AMOUNT	FAIR VALUE ASSET/(LIABILITY)	NOTIONAL AMOUNT
Cash flow hedges (1)					
Cross Currency Swaps	Currency and interest rate risk	-226,040	899,176	-209,018	899,176
Interest Rate Swaps	Interest rate risk	-312,812	4,106,395	-146,997	3,132,107
	Total cash flow hedges	**-538,852**	**5,005,571**	**-356,015**	**4,031,283**
Fair value hedges (1)					
IPCA x CDI Swaps	Interest rate risk	**-9,866**	**186,115**	**-12,461**	**154,954**
Derivatives not accounted for as hedges					
Cross Currency Swaps (2)	Currency and interest rate risk	-101,137	611,701	-99,045	611,701
FX Forwards	Currency risk	-727 (3)	34,412	36	35,914
Derivatives embedded in loans	Interest rate risk	-4,040	463,979	-	-
	Total derivatives not accounted for as hedges	**-105,904**	**1,110,092**	**-99,009**	**647,616**
TOTAL		**-654,622**	**6,301,778**	**-467,485**	**4,833,853**
	fair value (asset)	**26,558**		**598**	
	fair value (liability)	**-681,180**		**-468,083**	

(1) The fair value of cash flow hedges excludes accruals at the measurement date.
(2) As at 30 June 2016, this includes the fair value of derivatives entered into by Aeroporti di Roma to hedge currency risk associated with the Class A4 notes issued by Romulus Finance in pounds sterling, which no longer qualify for hedge accounting as at 30 June 2016, following Atlantia's repurchase of 99.87% of the notes in 2015.
(3) The fair value of these derivatives is classified in short-term financial assets and liabilities.

Sensitivity analysis

Sensitivity analysis describes the impact that the interest rate and foreign exchange movements to which the Group is exposed would have had on the consolidated income statement for the first half of 2016 and on equity as at 30 June 2016. The interest rate sensitivity analysis is based on the exposure of derivative and non-derivative financial instruments at the end of the year, assuming, in terms of the impact on the income statement, a 0.10% (10 bps) shift in the market yield curve at the beginning of the year, whilst, with regard to the impact of changes in fair value on other comprehensive income, the 10 bps shift in the curve was assumed to have occurred at the measurement date. The results of the analyses were:

a) in terms of interest rate risk, an unexpected and unfavourable 0.10% shift in market interest rates would have resulted in a negative impact on the consolidated income statement for the first half of 2016, totalling €1,342 thousand, and on other comprehensive income for the same period, totalling €34,892 thousand, before the related taxation;
b) in terms of currency risk, an unexpected and unfavourable 10% shift in the exchange rate would have resulted in a negative impact on the consolidated income statement, totalling €9,325 thousand, and on other comprehensive income, totalling €247,894 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 Atlantia Group believes that its ability to generate cash, the ample diversification of its sources of funding and the availability of committed and uncommitted lines of credit provides access to sufficient sources of finance to meet its projected financial needs.

As at 30 June 2016, project debt allocated to specific overseas companies amounts to €1,672 million. At the same date the Group has cash reserves of €4,581 million, consisting of:

a) €1,883 million in cash and/or investments maturing in the short term;
b) €562 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) €2,136 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 7 years and 6 months and a weighted average residual drawdown period of approximately 1 year and 8 months.

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

€M				30 June 2016		
BORROWER	LINE OF CREDIT	DRAWDOWN PERIOD EXPIRES	FINAL MATURITY	AVAILABLE	DRAWN	UNDRAWN
Autostrade per l'Italia	Medium/long-term committed EIB line 2013 "Environment and Motorway Safety"	31 Dec 2017	15 Sept 2037	200	-	200
Autostrade per l'Italia	Medium/long-term committed EIB line 2010 "Upgrade A14 B"	31 Dec 2017	31 Dec 2036	300	100	200
Autostrade per l'Italia	Medium/long-term committed EIB line 2013 "Florence Bologna IV B"	31 Dec 2017	15 Sept 2038	250	150	100
Autostrade per l'Italia	Medium/long-term committed CDP/SACE line	23 Sept 2016	23 Dec 2024	1,000	200	800
Autostrade per l'Italia	Medium/long-term committed CDP A1 2012 line	21 Nov 2020	20 Dec 2021	700	200	500
Autostrade Meridionali	Short-term loan from Banco di Napoli	31 Dec 2016	31 Dec 2016	300	245	55
Pavimental	Buyer's Credit Euler Hermes loan	31 Aug 2017	30 Sept 2025	50	19	31
Aeroporti di Roma	Committed Revolving Facility	16 Nov 2018	16 Dec 2018	250	-	250
			Lines of credit	**3,050**	**914**	**2,136**

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. Moreover, 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, "Trading assets".

10. OTHER INFORMATION

10.1 Operating and geographical segments

Operating segments

The Atlantia Group's operating segments are identified based on the information provided to and analysed by Atlantia's Board of Directors, which represents the Group's chief operating decision maker, taking decisions regarding the allocation of resources and assessing performance. In particular, the Board of Directors assesses the performance of the business in terms of geographical area and business segment.

The composition of the Atlantia Group's operating segments is as follows:

a) Italian motorways: this includes the Italian motorway operators (Autostrade per l'Italia, Autostrade Meridionali, Tangenziale di Napoli, Società italiana per azioni per il Traforo del Monte Bianco and Raccordo Autostradale Valle d'Aosta), whose core business consists of the management, maintenance, construction and widening of the related motorways operated under concession. This operating segment also includes the motorway operator, Autostrada Tirrenica, following the acquisition of control of this company and its consolidation from September 2015. In addition, this segment also includes Telepass, the companies that provide support for the motorway business in Italy, and the Italian holding company, Autostrade dell'Atlantico, which holds investments in South America;
b) overseas motorways: this includes the activities of the holders of motorway concessions in Brazil, Chile and Poland, and the companies that provide operational support for these operators and the related foreign-registered holding companies;
c) Italian airports: this includes the airports business of Aeroporti di Roma, which holds the concession to operate and expand the airports of Rome Fiumicino and Rome Ciampino, and the companies responsible for supporting and developing the airports business;
d) Atlantia and other activities: this segment includes:
    1) the Parent Company, Atlantia, which operates as a holding company for its subsidiaries and associates whose business is the construction and operation of motorways, airports and transport infrastructure, parking areas and intermodal systems, or who engage in activities related to the management of motorway or airport traffic;
    2) a number of subsidiaries that produce and operate free-flow tolling systems, traffic and transport management systems, and public information and electronic payment systems. The most important companies in this segment are Autostrade Tech and Electronic Transaction Consultants. In addition, operating cash flow for the first half of 2015 benefitted from the contribution of the French companies that ceased operations, following the French government's decision to terminate the related partnership agreement (the "EcoTaxe" project);
    3) infrastructure design, construction and maintenance, essentially carried out by Pavimental and Spea Engineering.

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 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, an alternative performance indicator deemed to be an appropriate means of assessing the results of the Atlantia 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.

H1 2016							
€M	ITALIAN MOTORWAYS	OVERSEAS MOTORWAYS	AITALIAN AIRPORTS	ATLANTIA AND OTHER ACTIVITIES	CONSOLIDATION ADJUSTMENTS	UNALLOCATED ITEMS	TOTAL CONSOLIDATED AMOUNTS
External revenue	1,844	255	399	68	-	-	2,566
Intersegment revenue [(a)]	6	-	-	206	-212	-	-
Total operating revenue [(b)]	**1,850**	**255**	**399**	**274**	**-212**	**-**	**2,566**
EBITDA [(c)]	**1,156**	**188**	**230**	**4**	**-**	**-**	**1,578**
Amortisation, depreciation, impairment losses and reversals of impairment losses						-454	-454
Provisions and other adjustments						-159	-159
EBIT [(d)]							**965**
Financial income/(expenses)						-254	-254
Profit/(Loss) before tax from continuing operations							**711**
Income tax (expense)/benefit						-246	-246
Profit/(Loss) from continuing operations							**465**
Profit/(Loss) from discontinued operations						-	-
Profit for the period							**465**
Operating cash flow [(e)]	**759**	**164**	**169**	**3**	**-**	**-**	**1,095**
Capital expenditure [(f)]	**311**	**72**	**172**	**16**	**-5**	**-**	**566**

H1 2015							
€M	ITALIAN MOTORWAYS	OVERSEAS MOTORWAYS	AITALIAN AIRPORTS	ATLANTIA AND OTHER ACTIVITIES	CONSOLIDATION ADJUSTMENTS	UNALLOCATED ITEMS	TOTAL CONSOLIDATED AMOUNTS
External revenue	1,755	280	370	90	-	-	2,495
Intersegment revenue [(a)]	6	-	1	270	-277	-	-
Total operating revenue [(b)]	**1,761**	**280**	**371**	**360**	**-277**	**-**	**2,495**
EBITDA [(c)]	**1,075**	**210**	**212**	**21**	**-**	**-**	**1,518**
Amortisation, depreciation, impairment losses and reversals of impairment losses						-452	-452
Provisions and other adjustments						9	9
EBIT [(d)]							**1,075**
Financial income/(expenses)						-439	-439
Profit/(Loss) before tax from continuing operations							**636**
Income tax (expense)/benefit						-216	-216
Profit/(Loss) from continuing operations							**420**
Profit/(Loss) from discontinued operations						7	7
Profit for the period							**427**
Operating cash flow [(e)]	**663**	**176**	**156**	**-40**	**-**	**-**	**955**
Capital expenditure [(f)]	**445**	**88**	**114**	**12**	**-**	**-**	**659**

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 design and construction of infrastructure carried out by Pavimental and Spea Engineering;

b) total operating revenue does not include the balance of revenue from construction services, totalling €300 million in the first half of 2016 and €321 million in the first half of 2015;

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

d) EBIT is calculated by deducting amortisation, depreciation, impairment losses and reversals of impairment losses, the operating change in provisions and other adjustments from EBITDA. Like EBITDA, EBIT does not include the capitalised component of financial expenses relating to construction services, which is shown in a specific item under financial income and expenses in the reclassified statement, whilst being included in revenue in the income statement in the consolidated financial statements, on a reported basis. These amounts total €5 million in the first half of 2016 and €12 million in the first half of 2015;

e) operating cash flow is calculated as profit + amortisation/depreciation +/- impairments/reversals of impairments of assets +/- provisions/releases of provisions + other adjustments + financial expenses from discounting of provisions +/- share of profit/(loss) of investees accounted for using equity method +/-

(losses)/gains on sale of assets +/- other non-cash items +/- deferred tax assets/liabilities recognised in the income statement;

f) capital expenditure refers to the total amount invested in development of the Group's businesses, calculated as the sum of cash used in investment in property, plant and equipment, in assets held under concession and in other intangible assets, excluding investment linked to transactions involving investees.

The indicators shown in the above tables (EBITDA, EBIT and operating cash flow) are not measures of performance defined by the IFRS adopted by the European Union and have not, therefore, been audited. Finally, it should be noted that in the first half of 2016 and the first half of 2015, the Group did not earn revenue from any specific customer in excess of 10% of the Group's total revenue for the year.

Analysis by geographical segment

The following table shows the contribution of each geographical segment to the Group's revenue and non-current assets.

€M	REVENUE		NON-CURRENT ASSETS (*)	
	H1 2016	H1 2015	30 June 2016	31 December 2015
Italy	2,505	2,401	22,056	22,109
Poland	34	32	192	207
Romania	5	2	-	-
France	1	17	-	-
Portugal	-	-	40	15
Sub-total Europe	2,545	2,452	22,288	22,331
Brazil	141	170	1,208	1,022
Chile	148	161	1,862	1,799
USA	32	33	31	28
India	-	-	7	7
Total	2,866	2,816	25,396	25,187

(*) In accordance with IFRS 8, non-current assets do not include non-current financial assets or deferred tax assets.

10.2 Disclosures regarding non-controlling interests in consolidated companies and structured entities

Disclosure regarding non-controlling interests

The following list shows the principal consolidated companies with non-controlling interests as at 30 June 2016 and 31 December 2015. A complete list of the Group's investments as at 30 June 2016 is provided in Annex 1, "The Atlantia Group's scope of consolidation and investments".

NON-CONTROLLING INTERESTS IN CONSOLIDATED COMPANIES	COUNTRY	30 June 2016		31 December 2015	
		GROUP INTEREST	NON-CONTROLLING INTERESTS	GROUP INTEREST	NON-CONTROLLING INTERESTS
Italian motorways					
Autostrade Meridionali SpA	Italy	58.98%	41.02%	58.98%	41.02%
Società Italiana per Azioni per il Traforo del Monte Bianco SpA	Italy	51.00%	49.00%	51.00%	49.00%
Raccordo Autostradale Valle d'Aosta SpA	Italy	24.46%	75.54%	24.46%	75.54%
Overseas motorways					
AB Concessões SA	Brazil	50.00%	50.00%	50.00%	50.00%
Concessionária da Rodovia MG 050 SA	Brazil	50.00%	50.00%	50.00%	50.00%
Rodovia das Colinas SA	Brazil	50.00%	50.00%	50.00%	50.00%
Triangulo do Sol Auto-Estradas SA	Brazil	50.00%	50.00%	50.00%	50.00%
Grupo Costanera SA	Chile	50.01%	49.99%	50.01%	49.99%
Sociedad concesionaria AMB SA	Chile	50.01%	49.99%	50.01%	49.99%
Sociedad concesionaria Costanera Norte SA	Chile	50.01%	49.99%	50.01%	49.99%
Sociedad concesionaria Vespucio Sur SA	Chile	50.01%	49.99%	50.01%	49.99%
Sociedad concesionaria Litoral Central SA	Chile	50.01%	49.99%	50.01%	49.99%
Sociedad Gestion Vial SA	Chile	50.01%	49.99%	50.01%	49.99%
Sociedad Operation y Logistica de Infraestructuras SA	Chile	50.01%	49.99%	50.01%	49.99%
Sociedad concesionaria Autopista Nororiente SA	Chile	50.01%	49.99%	50.01%	49.99%
Sociedad concesionaria Autopista Nueva Vespucio Sur SA	Chile	50.01%	49.99%	50.01%	49.99%
Stalexport Autostrady SA	Poland	61.20%	38.80%	61.20%	38.80%
Stalexport Autostrada Małopolska SA	Poland	61.20%	38.80%	61.20%	38.80%
Stalexport Autoroute SAR.L.	Poland	61.20%	38.80%	61.20%	38.80%
Via4 SA	Poland	33.66%	66.34%	33.66%	66.34%
Italian airports					
Aeroporti di Roma SpA	Italy	95.92%	4.08%	95.92%	4.08%
Airport Cleaning Srl	Italy	95.92%	4.08%	95.92%	4.08%
AdR Assistence Srl	Italy	95.92%	4.08%	95.92%	4.08%
AdR Mobility Srl	Italy	95.92%	4.08%	95.92%	4.08%
AdR Security Srl	Italy	95.92%	4.08%	95.92%	4.08%
AdR Sviluppo Srl	Italy	95.92%	4.08%	95.92%	4.08%
AdR Tel SpA	Italy	95.92%	4.08%	95.92%	4.08%
Fiumicino Energia Srl	Italy	87.14%	12.86%	87.14%	12.86%
Leonardo Energia - Società consortile arl	Italy	88.02%	11.98%	88.02%	11.98%
Other activities					
Ecomouv' SAS.	France	70.00%	30.00%	70.00%	30.00%
Electronic Transactions Consultants Co.	USA	64.46%	35.54%	64.46%	35.54%
Infoblu SpA	Italy	75.00%	25.00%	75.00%	25.00%

The consolidated companies deemed relevant for the Atlantia Group, in terms of the percentage interests held by non-controlling shareholders for the purposes of the disclosures required by IFRS 12, are the following:
a) the Chilean sub-holding company, Grupo Costanera, and its direct and indirect subsidiaries;
b) the Brazilian sub-holding company, AB Concessoes, and its subsidiaries;
c) Aeroporti di Roma (ADR) and its subsidiaries.

The non-controlling interests in these sub-groups of companies are deemed relevant in relation to their contribution to the Atlantia Group's consolidated accounts. 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 (49.99%) is held by the Canadian fund, Canada Pension Plan Investment Board.
The key financial indicators presented in the following table thus include amounts for the above companies and their respective subsidiaries, extracted, unless otherwise indicated, from the reporting packages prepared by these companies for the purposes of Atlantia's consolidated financial statements, in addition to the accounting effects of acquisitions (fair value adjustments of the net assets acquired).

€M	AB CONCESSOES AND DIRECT AND INDIRECT SUBSIDIARIES		GRUPO COSTANERA AND DIRECT AND INDIRECT SUBSIDIARIES		AEROPORTI DI ROMA AND DIRECT SUBSIDIARIES	
	H1 2016	H1 2015	H1 2016	H1 2015	H1 2016	H1 2015
Revenue (1)	140	169	131	146	505	425
Profit for the year	12	18	69	57	46	10
Profit/(Loss) for the year attributable to non-controlling interests (2)	**6**	**9**	**35**	**29**	**2**	**-**
Net cash generated from operating activities (2)	25	55	89	85	169	131
Net cash used in investing activities (2)	-48	-73	-67	-13	-159	-111
Net cash generated from/(used in) financing activities (2)	23	34	-16	-16	-142	-158
Effect of exchange rate movements on cash and cash equivalents (2)	11	-8	11	1	-	-
Increase/(Decrease) in cash and cash equivalents (1)	**11**	**8**	**17**	**57**	**-132**	**-138**
Dividends paid to non-controlling shareholders	-	10	-	-	5	5

€M	AB CONCESSOES AND DIRECT AND INDIRECT SUBSIDIARIES		GRUPO COSTANERA AND DIRECT AND INDIRECT SUBSIDIARIES		AEROPORTI DI ROMA AND DIRECT SUBSIDIARIES	
	30 June 2016	31 December 2015	30 June 2016	31 December 2015	30 June 2016	31 December 2015
Non-current assets	2,263	1,911	2,989	2,922	5,109	5,084
Current assets	168	126	870	697	455	576
Non-current liabilities	1,163	1,013	1,658	1,686	2,103	2,177
Current liabilities	425	324	426	313	605	527
Net assets	**843**	**700**	**1,775**	**1,620**	**2,856**	**2,956**
Net assets attributable to non-controlling interests (1)	**419**	**351**	**902**	**823**	**117**	**121**

Notes

(1) This item includes toll revenue, aviation revenue, revenue from construction services, contract revenue and other operating income.

(2) The amounts shown contribute to the Atlantia Group's consolidated amounts and, therefore, include the impact of any consolidation adjustments.

Disclosures regarding structured entities included in the scope of consolidation

Romulus Finance ("Romulus"), a securitisation vehicle that qualifies as a structured entity under IFRS 12, concluded an issuer substitution transaction with its parent, Aeroporti di Roma ("ADR") in the first half of 2016. As a result, ADR has replaced Romulus, assuming all the obligations relating to the vehicle's previous debt: namely the A4 tranche of notes dating from 2003 and the related cross currency swaps ("CCSs").
As a result, the intercompany loan agreement between Romulus and Aeroporti di Roma, which had the purpose of providing the vehicle with the funds needed to service its debt to its noteholders and swap counterparties, was terminated, and all the related guarantees cancelled, along with the series of restrictions and obligations that the securitisation had imposed on Aeroporti di Roma since 2003. A sole collateral guarantee governed by English law, granted to tranche A4 noteholders (the Issuer Deed of Charge), remains. This guarantees any future claims on the CCS counterparties. This collateral which, as things stand, is unlikely to be activated given the current negative market value of the CCSs, does not entail any violation of the negative pledge clauses in the Group's loan agreements, bearing in mind the introduction of a cap on its value, amounting to €96.5 million, which is below the minimum threshold for activation of the pledges.

Disclosures regarding structured entities not included in the scope of consolidation

Unconsolidated subsidiaries include Gemina Fiduciary Services ("GFS"), in which Atlantia holds a 99.99% interest. This company is registered in Luxembourg and its sole purpose is to represent the interests of the holders of notes with a value of 40 million US dollars issued, in June 1997, by Banco Credito Provincial (Argentina), which subsequently became insolvent.
There are no material changes to report in addition to the information provided in the consolidated financial statements as at and for the year ended 31 December 2015.

10.3 Guarantees

As at 30 June 2016, the Group has certain personal guarantees in issue to third parties. These include, listed by importance:

a) the guarantee issued by Atlantia in favour of credit institutions on behalf of Strada dei Parchi as a safeguard against the impact on cash flow hedges of movements in interest rates. The amount of the guarantee, based on the fair value of the hedges, has been capped at €40,000 thousand, which corresponds to the value as at 30 June 2016. This guarantee has been renewed for a further 12 months until February 2017. The guarantee can only be enforced if the concession held by Strada dei Parchi is terminated, whilst Atlantia has received a counter-indemnity from Toto Holding (Strada dei Parchi's majority shareholder), which has undertaken to assume Atlantia's guarantee obligations by 31 October 2016;
b) bank guarantees provided by Tangenziale di Napoli (€27,322 thousand) to the Ministry of Infrastructure and Transport, as required by the covenants in the relevant concession arrangement;
c) Atlantia's corporate counter-indemnity issued on behalf of the subsidiary, Electronic Transaction Consultants, to the insurance companies which have issued performance and maintenance bonds totalling €100,670 thousand for free-flow tolling projects;
d) guarantees issued by the Brazilian, Chilean and Polish operators securing project financing in the form of either bank loans or bonds;
e) bank guarantees provided by Telepass (€25,789 thousand) to certain French operators in connection with the company's operations in France.

As at 30 June 2016, the shares of certain of the Group's overseas operators (Rodovia das Colinas, Concessionaria da Rodovia MG050, Triangulo do Sol, Sociedad Concesionaria Costanera Norte, Sociedad Concesionaria de Los Lagos, Sociedad Concesionaria Autopista Nororiente, Sociedad Concesionaria Litoral Central, Sociedad Concesionaria Vespucio Sur and Stalexport Autostrada Malopolska) have also been pledged to the respective providers of project financing to the same companies, as have shares in Pune Solapur Expressways, Lusoponte and Bologna & Fiera Parking.

10.4 Reserves

As at 30 June 2016, Group companies have recognised contract reserves quantified by contractors amounting to approximately €1,713 million (€1,630 million as at 31 December 2015).
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 intangible assets deriving from concession rights.
Reserves have also been recognised in relation to works not connected to investment (work for external parties and maintenance), amounting to approximately €45 million. The estimated future cost is covered by provisions for disputes accounted for in the condensed consolidated interim financial statements.

10.5 Related party transactions

In implementation of the provisions of art. 2391-*bis* of the Italian Civil Code and the Regulations adopted by the *Commissione Nazionale per le Società e la Borsa* (the CONSOB) in Resolution 17221 of 12 March 2010, as amended, on 11 November 2010 Atlantia's Board of Directors - with the prior approval of the Independent

Directors on the Related Party Transactions Committee – approved the new Procedure for Related Party Transactions entered into directly by the Company and/or through subsidiaries.

The Procedure, which is available for inspection on the Company's website at www.atlantia.it, establishes the criteria to be used in identifying related parties, in distinguishing between transactions of greater and lesser significance and in applying the rules governing the above transactions of greater and lesser significance, and in fulfilling the related reporting requirements.

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

€M	PRINCIPAL TRADING TRANSACTIONS WITH RELATED PARTIES													
	Assets			Liabilities					Income		Costs			
	Trading and other assets			Passività commerciali e di altra natura					Trading and other income		Trading and other expenses			
	Trade receivables	Current tax assets	Total	Trade payables	Current tax liabilities	Other current liabilities	Other non-current liabilities	Total	Other operating income	Total	Service costs	Staff costs	Other operating costs	Total
	30 June 2016								H1 2016					
Sintonia	-	7.6	**7.6**	-	0.4	-	-	**0.4**	-	-	-	-	-	-
Total parents	**-**	**7.6**	**7.6**	**-**	**0.4**	**-**	**-**	**0.4**	**-**	**-**	**-**	**-**	**-**	**-**
Biuro Centrum	-	-	-	-	-	-	-	-	-	-	0.3	-	-	**0.3**
Bologna & Fiera Parking	1.1	-	**1.1**	-	-	-	-	-	-	-	-	-	-	-
Total associates	**1.1**	**-**	**1.1**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.3**	**-**	**-**	**0.3**
Pune Solapur Expressways Private	0.2	-	**0.2**	-	-	-	-	-	-	-	-	-	-	-
Total joint ventures	**0.2**	**-**	**0.2**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Autogrill	39.5	-	**39.5**	3.2	-	-	-	**3.2**	39.5	**39.5**	0.4	-	0.1	**0.5**
Total affiliates	**39.5**	**-**	**39.5**	**3.2**	**-**	**-**	**-**	**3.2**	**39.5**	**39.5**	**0.4**	**-**	**0.1**	**0.5**
ASTRI pension fund	-	-	-	-	-	5.0	-	**5.0**	-	-	-	7.0	-	**7.0**
CAPIDI pension fund	-	-	-	-	-	2.8	-	**2.8**	-	-	-	2.5	-	**2.5**
Total pension funds	**-**	**-**	**-**	**-**	**-**	**7.8**	**-**	**7.8**	**-**	**-**	**-**	**9.5**	**-**	**9.5**
Key management personnel	-	-	-	-	-	10.6	3.8	14.4	-	-	-	12.3	-	12.3
Total key management personnel (1)	**-**	**-**	**-**	**-**	**-**	**10.6**	**3.8**	**14.4**	**-**	**-**	**-**	**12.3**	**-**	**12.3**
TOTAL	**40.8**	**7.6**	**48.4**	**3.2**	**0.4**	**18.4**	**3.8**	**25.8**	**39.5**	**39.5**	**0.7**	**21.8**	**0.1**	**22.6**
	31 December 2015								H1 2015					
Sintonia	-	7.6	**7.6**	-	-	-	-	-	-	-	-	-	-	-
Total parents	**-**	**7.6**	**7.6**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Società Autostrada Tirrenica	-	-	-	-	-	-	-	-	0.7	**0.7**	-	-0.4	-	**-0.4**
Bologna and Fiere Parking	1.0	-	**1.0**	-	-	-	-	-	-	-	-	-	-	-
Other associates	-	-	-	0.1	-	-	-	**0.1**	0.1	**0.1**	0.3	-	-	**0.3**
Total associates	**1.0**	**-**	**1.0**	**0.1**	**-**	**-**	**-**	**0.1**	**0.8**	**0.8**	**0.3**	**-0.4**	**-**	**-0.1**
Pune Solapur Expressways Private	0.3	-	**0.3**	-	-	-	-	-	-	-	-	-	-	-
Total joint ventures	**0.3**	**-**	**0.3**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Autogrill	38.4	-	**38.4**	4.0	-	-	-	**4.0**	38.3	**38.3**	0.5	-	-	**0.5**
Total affiliates	**38.4**	**-**	**38.4**	**4.0**	**-**	**-**	**-**	**4.0**	**38.3**	**38.3**	**0.5**	**-**	**-**	**0.5**
ASTRI pension fund	-	-	-	-	-	4.1	-	**4.1**	-	-	-	5.9	-	5.9
CAPIDI pension fund	-	-	-	-	-	1.1	-	**1.1**	-	-	-	1.3	-	1.3
Total pension funds	**-**	**-**	**-**	**-**	**-**	**5.2**	**-**	**5.2**	**-**	**-**	**-**	**7.2**	**-**	**7.2**
Key management personnel	-	-	-	-	-	12.1	-	**12.1**	-	-	-	7.7	-	7.7
Total key management personnel (1)	**-**	**-**	**-**	**-**	**-**	**12.1**	**-**	**12.1**	**-**	**-**	**-**	**7.7**	**-**	**7.7**
TOTAL	**39.7**	**7.6**	**47.3**	**4.1**	**-**	**17.3**	**-**	**21.4**	**39.1**	**39.1**	**0.8**	**14.5**	**-**	**15.3**

(1) Atlantia's "key management personnel" means the Company's Directors, Statutory Auditors and other key management personnel as a whole. Expenses for each period include emoluments, salaries, benefits in kind, bonuses and other incentives (including the fair value of share-based incentive plans) for Atlantia staff and staff of the relevant subsidiaries.

In addition to the information shown in the table, the condensed consolidated interim financial statements also include contributions of €2.6 million paid on behalf of Directors, Statutory Auditors and other key management personnel during the first half of 2016 and liabilities payable to such individuals as at 30 June 2016, totalling €3.4 million.

€M	PRINCIPAL FINANCIAL TRANSACTIONS WITH RELATED PARTIES							
	Assets				Income		Costs	
	Financial assets				Financial income		Financial expenses	
	Other non-current financial assets	Current financial assets deriving from government grants	Other current financial assets	Total	Other financial income	Total	Other financial expenses	Total
	30 June 2016				H1 2016			
Pedemontana Veneta (in liquidation)	-	-	0.1	0.1	-	-	-	-
Total associates	**-**	**-**	**0.1**	**0.1**	**-**	**-**	**-**	**-**
Rodovias do Tietê	20.5	-	-	20.5	-	-	-	-
Total joint ventures	**20.5**	**-**	**-**	**20.5**	**-**	**-**	**-**	**-**
Autogrill	-	0.5	-	0.5	-	-	-	-
Total affiliates	**-**	**0.5**	**-**	**0.5**	**-**	**-**	**-**	**-**
Gemina Fiduciary Services	-	-	0.1	0.1	-	-	0.1	0.1
Pavimental Est	-	-	0.4	0.4	-	-	-	-
Total other companies	**-**	**-**	**0.5**	**0.5**	**-**	**-**	**0.1**	**0.1**
TOTAL	**20.5**	**0.5**	**0.6**	**21.6**	**-**	**-**	**0.1**	**0.1**
	31 December 2015				H1 2015			
Società Autostrada Tirrenica (1)	-	-	-	-	4.0	4.0	-	-
Pedemontana Veneta (in liquidation)	-	-	0.1	0.1	-	-	-	-
Total associates	**-**	**-**	**0.1**	**0.1**	**4.0**	**4.0**	**-**	**-**
Rodovias do Tietê	15.6	-	-	15.6	0.8	0.8	-	
Total joint ventures	**15.6**	**-**	**-**	**15.6**	**0.8**	**0.8**	**-**	**-**
Autogrill	-	0.5	-	0.5	-	-	-	-
Total affiliates	**-**	**0.5**	**-**	**0.5**	**-**	**-**	**-**	**-**
Gemina Fiduciary Services	-	-	0.1	0.1	-	-	-	-
Pavimental Est	-	-	0.3	0.3	-	-	-	-
Total other companies	**-**	**-**	**0.4**	**0.4**	**-**	**-**	**-**	**-**
TOTAL	**15.6**	**0.5**	**0.5**	**16.6**	**4.8**	**4.8**	**-**	**-**

(1) The amounts included in the table refer to financial income recognised until the date of first-time consolidation of SAT, following the acquisition of control of this company in September 2015.

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 Atlantia Group's transactions with its parents

As at 30 June 2016, the Group is owed €7.6 million by the parent, Sintonia. This amount regards tax rebates claimed by Schemaventotto in prior years in respect of income taxes paid during the period in which this company headed the Group's tax consolidation arrangement.
During the first half of 2016, the Atlantia Group did not engage in material trading or financial transactions with its direct or indirect parents.

The Atlantia Group's transactions with other related parties

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 Srl, is treated as a related party. With regard to relations between the Atlantia Group's motorway operators and the Autogrill group, it should be noted that, as at 30 June 2016, Autogrill operates 106 food service concessions at service areas along the Group's motorway network and 12 food service concessions and one retail outlet at the airports managed by the Group.
During the first half of 2016, the Atlantia Group earned revenue of approximately €39.5 million on transactions with Autogrill, including €35.1 million in royalties deriving from the management of motorway service areas and food service concessions and retail outlets at airports. Recurring income is generated by contracts entered into over various years, of which a large part was awarded as a result of transparent and non-

discriminatory competitive tenders. As at 30 June 2016, trading assets due from Autogrill amount to €39.5 million.

10.6 Disclosures regarding share-based payments

There were no changes, during the first half of 2016, in the share-based incentive plans already adopted by the Group as at 31 December 2015. The characteristics of the incentive plans are described in note 10.6 to the consolidated financial statements as at and for the year ended 31 December 2015. The plans are also described in information circulars prepared pursuant to art. 84-*bis* of CONSOB Regulation 11971/1999, as subsequently amended, and in the Remuneration Report for 2016 prepared pursuant to art. 123 *ter* of Legislative Decree 58 of 24 February 1998 (the Consolidated Finance Act), and published in the "Remuneration" section of the Company's website at www.atlantia.it.

The following table shows the main aspects of existing incentive plans as at 30 June 2016, including the options and units awarded to directors and employees of the Group at that date and changes during the first half of 2016 (in terms of new awards and the exercise, conversion or lapse of rights). The table also shows the fair value (at the grant date) of each option or unit awarded, as determined by a specially appointed expert, using the Monte Carlo model and other parameters.

	Number of options/units awarded	Vesting date	Exercise/grant date	Exercise price (€)	Fair value of each option or unit at grant date (€)	Expected expiration at grant date (years)	Risk free interest rate used	Expected volatility (based on historic mean)	Expected dividends at grant date
2011 SHARE OPTION PLAN									
Options outstanding as at 1 January 2016									
- 13 May 2011 grant	279,860	13 May 2014	14 May 2017	14.78	3.48	6.0	2.60%	25.2%	4.09%
- 14 October 2011 grant	13,991	13 May 2014	14 May 2017	14.78	(*)	(*)	(*)	(*)	(*)
- 14 June 2012 grant	14,692	13 May 2014	14 May 2017	14.78	(*)	(*)	(*)	(*)	(*)
	345,887	14 June 2015	14 June 2018	9.66	2.21	6.0	1.39%	28.0%	5.05%
- 8 November 2013 grant	1,592,367	8 Nov 2016	9 Nov 2019	16.02	2.65	6.0	0.86%	29.5%	5.62%
- 13 May 2014 grant	173,762	N/A (**)	14 May 2017	N/A	(**)	(**)	(**)	(**)	(**)
- 15 June 2015 grant	52,359	N/A (**)	14 June 2018	N/A	(**)	(**)	(**)	(**)	(**)
- options exercised	-669,287								
- options lapsed	-185,729								
Total	**1,617,902**								
Changes in options in H1 2016	-								
Options outstanding as at 30 June 2016	**1,617,902**								
2011 SHARE GRANT PLAN									
Units outstanding as at 1 January 2016									
- 13 May 2011 grant	192,376	13 May 2014	14 May 2016	N/A	12.9	4.0 - 5.0	2.45%	26.3%	4.09%
- 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	7.12	4.0 - 5.0	1.12%	29.9%	5.05%
- 8 November 2013 grant	209,420	8 Nov 2016	9 Nov 2018	N/A	11.87	4.0 - 5.0	0.69%	28.5%	5.62%
- units converted into "shares" on 15 May 2015	-97,439								
- units lapsed	-48,382								
Total	**624,093**								
Changes in units in H1 2016									
- units converted into "shares" on 16 May 2016	-103,197								
- units converted into "shares" on 16 June 2016	-98,582								
- units lapsed	-8,277								
Units outstanding as at 30 June 2016	**414,037**								
MBO SHARE GRANT PLAN									
Units outstanding as at 1 January 2016									
- 14 May 2012 grant	96,282	14 May 2015	14 May 2015	N/A	13.81	3.0	0.53%	27.2%	4.55%
- 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	17.49	3.0	0.18%	27.8%	5.38%
- 8 May 2013 grant	49,446	8 May 2016	8 May 2016	N/A	18.42	3.0	0.20%	27.8%	5.38%
- 12 May 2014 grant	61,627	12 May 2017	12 May 2017	N/A	25.07	3.0	0.34%	28.2%	5.47%
- units converted into "shares" on 15 May 2015	-101,096								
Total	**152,150**								
Changes in units in H1 2016									
- units converted into "shares" on 3 May 2016	-41,077								
- units converted into "shares" on 9 May 2016	-49,446								
Units outstanding as at 30 June 2016	**61,627**								
2014 PHANTOM SHARE OPTION PLAN									
Options outstanding as at 1 January 2016									
- 9 May 2014 grant	2,718,203	9 May 2017	9 May 2020	N/A (***)	2.88	3.0 - 6.0	1.10%	28.9%	5.47%
- 8 May 2015 grant	2,971,817	8 May 2018	8 May 2021	N/A (***)	2.59	3.0 - 6.0	1.01%	25.8%	5.32%
- options lapsed	-330,443								
Total	**5,359,577**								
Changes in options in H1 2016									
- 10 June 2016 grant	3,047,045	10 June 2019	10 June 2022	N/A (***)	1.89	3.0 - 6.0	0.61%	25.3%	4.94%
- options lapsed	-316,659								
Options outstanding as at 30 June 2016	**8,089,963**								

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

(**) These are phantom share options granted in place of certain conditional rights included in the grants of 2011 and 2012, and which, therefore, do not represent the award of new benefits.

(***) Given that this is a cash bonus plan, involving payment of a gross amount in cash, the 2014 Phantom Share Option Plan does not require an exercise price. However, the Terms and Conditions of this specific plan indicate an "Exercise price" (equal to the arithmetic mean of Atlantia's share price in a determinate period) as the basis on which to calculate the gross amount to be paid to beneficiaries.

The following changes took place during the first half of 2016.

2011 Share Grant Plan

With regard to the first award cycle, the vesting period for which expired on 13 May 2014, on 16 May 2016 a further tranche of vested units was converted, in accordance with the Plan Terms and Conditions, into Atlantia's ordinary shares. As a result, Plan beneficiaries received 103,197 shares held by the Company as treasury shares. The first award cycle for this Plan has thus expired.
In addition, in accordance with the Plan Terms and Conditions, on 16 June 2016 a portion of the vested units granted to the beneficiaries of the second award cycle (the vesting period for which expired on 14 June 2015) was converted into Atlantia's ordinary shares, with beneficiaries receiving 98,582 shares held by the Company as treasury shares.

As at 30 June 2016, taking into account lapsed units at that date, the remaining units outstanding total 414,037.

MBO Share Grant Plan

On 4 March 2016, Atlantia's Board of Directors, exercising the authority provided for in the Plan Terms and Conditions, awarded the plan beneficiaries a gross amount in cash in place of the additional units to be awarded as a result of the payment of dividends during the vesting period. This amount is computed in such a way as to enable beneficiaries to receive a net amount equal to what they would have received in case they had been awarded a number of Atlantia shares equal to the additional units and sold these shares in the market.
In addition, on 2 and 8 May 2016, the vesting period for the 2012 MBO Plan expired, meaning that, in accordance with the Plan Terms and Conditions, all the units awarded had vested and were converted into Atlantia's ordinary shares, with beneficiaries receiving 90,523 shares held by the Company as treasury shares.
As at 30 June 2016, the remaining units outstanding total 61,627.

2014 Phantom Share Option Plan

On 10 June 2016, Atlantia's Board of Directors selected the beneficiaries for the third cycle of the plan in question, which, unlike the other plans, is settled entirely in cash.
This resulted in the award of a total of 3,047,045 phantom options with a vesting period that expires on 10 June 2019 and an exercise period, on achievement of the relevant hurdles, from 11 June 2019 to 10 June 2022.
The unit fair value of these options as at 30 June 2016 was remeasured, computing a value of €4.41 and €2.29 for the phantom options awarded in 2014 and 2015 under the first and second award cycles.
As at 30 June 2016, taking into account lapsed options at that date, the remaining options outstanding total 8,089,963.

The prices of Atlantia's ordinary shares in the various periods covered by the above plans are shown below:
a) price as at 30 June 2016: €22.14;
b) price as at 10 June 2016 (the grant date for new options or units, as described): €23.00;
c) the weighted average price for the first half of 2016: €23.55;
d) the weighted average price for the period 10 June 2016 – 30 June 2016: €22.20.

In accordance with the requirements of IFRS 2, as a result of existing plans, in the first half of 2016, the Group has recognised staff costs of €4,579 thousand, based on the accrued fair value of the options and units awarded at that date, including €1,201 thousand accounted for as an increase in equity reserves. In contrast, the liabilities represented by phantom share options outstanding as at 30 June 2016 have been recognised in other current and non-current liabilities, based on the assumed exercise date.

10.7 Significant legal and regulatory aspects

In addition to the information already provided in the Annual Report for the year ended 31 December 2015, this section provides details of updates or new developments relating to the main disputes outstanding and significant regulatory events affecting Group companies and occurring through to the date of approval of this Interim Report for the six months ended 30 June 2016. Current disputes are unlikely to give rise to significant charges for Group companies in addition to the provisions already accounted for in the consolidated statement of financial position as at 30 June 2016.

Italian motorways

Toll increases with effect from 1 January 2016

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

- Autostrade per l'Italia's right, in accordance with its request to the Grantor, to apply an increase of 1.09% with effect from 1 January 2016, corresponding to the sum of the following components:
  4) 0.00% for inflation;
  5) 0.97% to provide a return capital expenditure via the "X" tariff component;
  6) 0.12% to provide a return on investment via the "K" tariff component;
- the provisional suspension of the toll increases to be applied by Tangenziale di Napoli, Raccordo Autostradale Valle d'Aosta and Autostrada Tirrenica with effect from 1 January 2016 (the increases thus amount to 0.00%), whilst awaiting approval of the operators' revised financial plans. The toll increases will be finalised by the interministerial decree approving the related addenda revising the financial plans, subject to the right of the operators to recoup any toll increases on the basis of the revised financial plans. Revenue lost as a result of suspension of the increases will be taken into account in the toll increases for 2017. The above companies have challenged the legislation suspending the toll increases for 2016;
- the absence of any toll increase for Autostrade Meridionali, given that its concession expired on 31 December 2012. Autostrade Meridionali has brought a legal challenge contesting the above decision, in line with the approach adopted in 2014 (the related legal challenge was upheld by the Campania Regional Administrative Court sentence of 22 January 2015) and 2015 (judgement is pending).

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

Agreement on the upgrade of the existing motorway system/ring road interchange for Bologna

On 15 April 2016, Autostrade per l'Italia, the Ministry of Infrastructure and Transport, Emilia-Romagna Regional Authority, the Bologna Metropolitan Authority and the Municipality of Bologna signed an agreement for the upgrade of the existing motorway system/ring road interchange serving the city of Bologna. The agreement governs the various phases of the upgrade of the existing motorways, which will include the widening of the A14 and parallel roads to three lanes, as well as works designed to improve the roads linking with the motorway system/ring road.

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

With regard to the call for tenders for the new concession for the A3 Naples – Pompei – Salerno motorway and the final decision to disqualify both bidders from the tender process, in addition to the challenge brought by Autostrade Meridionali before Campania Regional Administrative Court on 1 April 2016, on 20 April 2016 the company lodged a further challenge, citing additional grounds. The Regional Administrative Court has scheduled the hearing to discuss the challenges brought by Autostrade Meridionali and the other bidder for 23 November 2016.

New legislation concerning tenders and concessions

Enabling Act 11 of 28 January 2016 regarding tenders and concessions, designed to apply the relevant EU directives and reform the regulations governing public contracts, was published in the Official Gazette of 29 January 2016. Legislative Decree 50 of 18 April 2016, named "*Implementation of directives 2014/23/EU, 2014/24/EU and 2014/25/EU on the award of concessions, public tenders and tender procedures for the providers of water, energy, transport and postal services, and reform of the existing legislation regarding the public procurement of works, services and goods*", was published in the Official Gazette of 19 April 2016.
Art. 177 of the new legislation, for which ANAC (the *Autorità Nazionale Anti Corruzione*, Italy's National Anti-Corruption Authority) is in the process of issuing interpretation guidelines, with regard to the "award of concessions", has confirmed that public or private entities, not operating in the so-called excluded sectors, and who hold an existing concession at the date of entry into force of the legislation not awarded in the form of project financing or by public tender in accordance with EU law, have an obligation to award 80% of the related contracts for works, services or goods, with a value of over €150 thousand, by public tender. The legislation also establishes that the remaining part (equal to 20%) may, in the case of private entities, be contracted out to direct or indirect subsidiaries or associates.
The new legislation came into force on 22 April 2016. There will be a transitional period to enable operators to comply with the new legislation and this will last for 24 months from the date of entry into force.
Annual checks on compliance with the above limit of 80% are to be conducted by the competent authorities and ANAC. Any instances of non-compliance must be rectified within the following year. In the event of repeated failures to comply over a period of two consecutive years, the penalties of 10% of the total value of the works, services or goods that should have been purchased by public tender may be applied.

Litigation regarding the Ministry of Infrastructure and Transport and the Ministry for Economic Development decree of 7 August 2015 and competitive tenders for oil and food services at service areas

With regard to the legal challenges, in which Autostrade per l'Italia is a party, brought before Lazio Regional Administrative Court by a number of oil and food service providers, and by individual operators, with the aim of contesting the decree issued by the Ministry of Infrastructure and Transport and the Ministry for Economic Development on 7 August 2015 and the competitive tender procedure for the award of concessions at service areas, the following developments have taken place.
The challenges brought before Lazio Regional Administrative Court by Unione Petrolifera (UP) and a number of oil service providers (Total Erg and Kuwait Petroleum Italia), with the aim of obtaining the cancellation of the above decree of 7 August 2015 and all other related or connected acts relating to approval of the plan to restructure the motorway service area network, have been rejected both in terms of injunctive relief (including by the Council of State, where relevant) and on the merits (the UP judgement of 8 June 2016, the Total Erg judgement of 21 June 2016 and the Kuwait Petroleum Italia judgement of 16 May 2016). In particular, with regard to the action brought by Unione Petrolifera, the Lazio Regional Administrative Court judgement of 8 June 2016 declared the challenge to be inadmissible due to a lack of standing to bring the suit, with regard to both the main action brought by Unione Petrolifera and the cross-appeals brought by trade bodies representing service providers and the action brought by the association of restaurant operators. As regards the challenges brought by the oil service provider, API, against the Ministry of Infrastructure and Transport and the Ministry for Economic Development decree of 7 August 2015 2015 and relating to two specific service areas, the hearing on the merits of the challenge relating to closure of the Angioina East service area has been adjourned until December 2016, whilst Lazio Regional Administrative Court (in a ruling dated 7 June 2016) has acknowledged the plaintiff's withdrawal of the challenge regarding the award of the concession for the provision of oil services at the San Martino East service area.
The challenge brought by Maglione Srl (a Sarni group company), with the aim of contesting the tender process for the award of an Oil Driven concession called by the Advisor, has been ruled inadmissible by the Lazio Regional Administrative Court due to a lack of interest in proceeding (ruling dated 21 June 2016).
The challenge brought by the operator at the Cantagallo West service area, contesting initial calls for tenders for the oil service concession at the Cantagallo West service area published by Autostrade per l'Italia and the decree of 7 August 2015, has been ruled inadmissible by the Lazio Regional Administrative Court due to a lack of interest in proceeding (ruling dated 16 May 2016).

The challenges brought before Lazio Regional Administrative Court by TotalErg (fifteen actions) and ENI (five actions), contesting a number of individual awards of oil service concessions, forming part of the first and second tranches, have been adjourned until hearings on the merits to be heard between November 2016 and February 2017.
A further six challenges brought before Lazio Regional Administrative Court by individual oil service providers at specific service areas, by which the providers sought injunctive relief in respect of the above Ministry of Infrastructure and Transport and the Ministry for Economic Development decree of 7 August 2015 2015 and other related or connected acts (e.g. individual competitive tenders or the closure of individual service areas, in implementation of the decree) have been turned down, with entry of the judgements awaited. Dates for the hearings on the merits of the remaining challenges, for which injunctive relief has not been requested, have yet to be fixed.

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

On 28 July 2013, there was an accident, involving a coach travelling along the Naples-bound carriageway (at km 32+700) of the Acqualonga viaduct on the A16 Naples-Canosa motorway, operated by Autostrade per l'Italia. At the beginning of 2015, all those under investigation, including the Chief Executive Officer, received notice of completion of the preliminary investigation. Including executives, former managers and former employees, twelve of Autostrade per l'Italia's employees are under investigation.
On completion of the investigations, the Public Prosecutors requested the indictment of all the defendants. During the initial preliminary hearings, the court admitted the entry of appearance of approximately a hundred civil parties and ordered the citation of Autostrade per l'Italia and Reale Mutua (the company that insured the coach) as liable in civil law.
At subsequent hearings, the Public Prosecutors and the remaining civil parties concluded their briefs requesting the indictment of all the defendants, whilst the defence attorneys for the defendants and the civil parties requested their acquittal.
At the hearing held on 9 May 2016, the judge committed all the accused for trial before a single judge at the Court of Avellino, with the hearing scheduled for 28 September 2016. To date, approximately 80% of the civil parties whose entry of appearance in the criminal trial has been admitted have received compensation and have, therefore, withdrawn their actions following payment of their claims by Autostrade per l'Italia's insurance provider under the existing general liability policy.
In addition to the criminal proceedings, a number of civil actions have been brought and were recently combined by the Civil Court of Avellino. Following the combination of the various proceedings, judgement is thus pending before the Civil Court of Avellino in relation to: (i) the original action brought by Reale Mutua Assicurazioni, the company that insured the coach, in order to make the maximum claim payable available to the damaged parties, including Autostrade per l'Italia (€6 million), (ii) subsequent claims, submitted as counterclaims or on an individual basis, by a number of damaged parties, including claims against Autostrade per l'Italia. Subject to the permission of the court, Autostrade per l'Italia intends to refer claimants to its insurance provider (Swiss Re International), with a view to being indemnified against any claims should it lose the case.
At the latest hearing on 9 June 2016, the court reserved judgement on the defence briefs submitted by the parties.

Investigation by the Public Prosecutor's Office in Prato of a fatal accident to a worker employed by Pavimental

On 27 August 2014, a worker employed by Pavimental SpA – the company contracted by Autostrade per l'Italia to carry out work on the A1 – was involved in a fatal accident whilst at work. In response, the Public Prosecutor's Office in Prato has placed a number of Pavimental personnel under criminal investigation for reckless homicide, alleging violation of occupational health and safety regulations. A similar charge has also been brought against, among others, Autostrade per l'Italia's Project Manager. Both Pavimental and Autostrade per l'Italia have received notification that they are under investigation as juridical persons, pursuant to Legislative Decree 231/2001. During the preliminary investigations, the defence counsel requested the appointment of experts to reconstruct the dynamics of the fatal accident. At the end of the related hearing, during which the companies' Organisational, Management and Control Models were examined, the case against the companies was dismissed. The case, which has not progressed any further since notification that the investigation had been completed, will now focus solely on the charges against the natural persons involved.

Investigation by the Public Prosecutor's Office in Florence of the state of New Jersey barriers installed on the section of motorway between Barberino and Roncobilaccio

On 23 May 2014, the Public Prosecutor's Office in Florence issued an order requiring Autostrade per l'Italia to hand over certain documentation, following receipt, on 14 May 2015, of a report from Traffic Police investigators in Florence noting the state of disrepair of the New Jersey barriers on the section of motorway between Barberino and Roncobilaccio. The report alleges negligence on the part of unknown persons, as defined by art. 355, paragraph 2.3 of the penal code (breach of public supply contracts concerning "goods or works designed to protect against danger or accidents to the public").
At the same time, the Prosecutor's Office ordered the seizure of the New Jersey barriers located along the right side of the carriageways between Barberino and Roncobilaccio, on ten viaducts, ordering Autostrade per l'Italia to take steps to ensure safety on the relevant sections of motorway. This seizure was executed on 28 May 2014.
In June 2014, Autostrade per l'Italia's IV Section Department handed over the requested documents to the Police. The documentation concerns the maintenance work carried out over the years on the safety barriers installed on the above section of motorway. In October 2014, addresses for service were formally nominated for a former General Manager and an executive of Autostrade per l'Italia, both under investigation in relation to the crime defined in art. 355 of the penal code. In addition, at the end of November 2014, experts appointed by the Public Prosecutor's Office, together with experts appointed by Autostrade per l'Italia, carried out a series of sample tests on the barriers installed on the above motorway section to establish their state of repair. Following the experts' tests, the barriers were released from seizure.
At the date of approval of this document, preliminary investigations are still in progress, given that the Public Prosecutor's Office has yet to take a final decision.

Autostrade per l'Italia -Autostrade Tech against Alessandro Patanè and companies linked to him and appeals brought before the Civil Court of Rome and the Court of Latina in accordance with art. 700 of the Code of Civil Procedure

With regard to the writ served on Mr. Alessandro Patanè and the companied linked to him by Autostrade per l'Italia and Autostrade Tech and the appeal filed by Mr. Patanè and the companies linked to him before the Civil Court of Rome, in accordance with art. 700 of the Code of Civil Procedure, against Autostrade per l'Italia and Autostrade Tech, there have been no further developments with respect to the information provided in the Annual Report for 2015. As regards the appeal filed before the Civil Court of Latina, in accordance with art. 700 of the Code of Civil Procedure, 28 April 2016, notification was received of an appeal against the judgement ruling that the court does not have jurisdiction and turning down the appeal. The appellants have requested suspension of the ruling issued by the Court of Latina ordering the payment of legal expenses (€3,000 plus the legal fees of each party) and a declaration that the court does have jurisdiction and can, therefore, rule on the original appeal in accordance with art. 700 of the Code of Civil Procedure. The appellants have also filed the same claims for damages filed as part of their actions before the courts of Rome and Latina, and in the counterclaim filed in relation to the action brought by Autostrade per l'Italia and Autostrade Tech against Mr. Patanè and his associated companies. The hearing, originally scheduled for 16 May 2016, was held on 20 June 2016. After hearing the evidence, the court reserved judgement on the claim.

Proceedings before the Supreme Court - Autostrade per l'Italia versus Craft Srl (Judgement no. 22563/2015)

On 4 November 2015, the First Civil Section of the Supreme Court handed down judgement no. 22563, rejecting Autostrade per l'Italia's appeal regarding the fact that Craft's patent should be declared null and void and partially annulling the earlier sentence of the Court of Appeal in Rome, referring the case back to this court, to be heard by different judges, following the reinstatement of proceedings by one of the parties. The Court of Appeal was asked to provide logical grounds for finding that Autostrade per l'Italia has not infringed Craft's patent.
On 6 May 2016, Craft notified Autostrade per l'Italia of an application for the reinstatement of proceedings before the Court of Appeal, requesting the court, among other things, to rule that Autostrade per l'Italia has infringed Craft's patent and to order the former to pay Craft compensation for the resulting damage to its moral and economic rights, calculated by the plaintiff to be approximately €3.5 million, with this sum to be reduced or increased by the court depending on the "economic benefits obtained by the defendant". The relevant hearing has been scheduled for 16 September 2016.

Claim for damages from the Ministry of the Environment

A 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*. Between February 2016 and May 2016, all the witnesses and experts called to give evidence by the defence were heard. On conclusion, the court declared the hearing of 19 July 2016 to be the last occasion for the submission of documents, scheduling a further hearing for September 2016 in order to hear voluntary statements from the defendants and begin discussion of the evidence.

Investigation by the Public Prosecutor's Office in Vasto of the fatal motorway accident of 21 September 2013

Following the motorway accident of 21 September 2013 at km 450 of the A14, operated by Autostrade per l'Italia, in which several people were killed, the Public Prosecutor's Office in Vasto has launched a criminal investigation, initially against persons unknown. On 23 March 2015, the Chief Executive Officer and, later, further two executives of the Company received notice of completion of the investigation, containing a formal notification of charges. The charges relate to negligent cooperation resulting in reckless manslaughter. The Public Prosecutor, following initiatives taken by the defence counsel, has requested that the case be brought to court.

Due to irregularities in the writs of summons sent to the defendants, the preliminary hearing was adjourned until 1 March 2016. At this hearing, in view of the request for an alternative procedure (an "accelerated trial") from the defence counsel representing the owner of the vehicle, the court adjourned the hearing until 17 May 2016. At the end of the last hearing, the court committed all the defendants for trial on 12 October 2016 before a single judge at the Court of Vasto.

Overseas motorways

Brazil

On 29 June 2016, the Public Transport Services Regulator for the State of Sao Paulo (ARTESP) authorised the toll increases to be applied, from 1 July 2016, on motorways in the State of Sao Paulo, including those operated by Triangulo do Sol, Colinas and Rodovias do Tietè. The authorised increase is 9.32%, based on the consumer price inflation rate in the period from June 2015 to May 2016, as provided for in the respective concession arrangements. Triangulo do Sol and Colinas also applied toll increases for 2016 in line with consumer price inflation, as this was lower than general price inflation in the period between June 2015 and May 2016 (11.09%). The difference will be compensated for in accordance with the related concession arrangements. Nascentes das Gerais is still awaiting publication of the new tolls. The delay in authorising the toll increase, with respect to the contractually established date of 13 June 2016, will be subject to compensation in accordance with the concession arrangement.

On 13 July 2013, ARTESP launched an investigation with a view to revising the Addenda and Amendments signed and approved by the Regulator and 12 motorway operators in 2006. The changes were designed to extend the concession terms to compensate, among other things, for the expenses incurred as a result of taxes introduced after the concessions were granted. On 24 February 2015, the Public Prosecutor for the State of Sao Paulo provided a non-binding opinion the judge appointed to take charge of the investigation relating to the operator, Colinas. This recommended termination of the proceedings underway, reiterating that legality of the Addenda and Amendments of 2006, which were subject to close examination and endorsed by the relevant Ministry. On 10 March 2015, ARTESP responded to the judge, contesting the Public Prosecutor's opinion and requesting that the investigation continue. On 15 February 2016, the Court of the State of Sao Paulo issued a ruling, granting Rodovias das Colinas the option of submitting a financial assessment to demonstrate its case. The operators concerned, including Colinas and Triangulo do Sol, and industry insiders, including banks, believe that the risk of a negative outcome is remote. This view is backed up by a number of unequivocal legal opinions provided by leading experts in administrative law and regulation.

Chile

On 17 April 2016, heavy rainfall hit central Chile, raising the Mapocho river, which runs through the city of Santiago, to an exceptionally high level. A number of works falling within the scope of the *Santiago Centro Oriente* upgrade programme were, at the time, being carried out in the river bed by the construction company, Sacyr, the contractor selected by Costanera Norte after a public tender, as required under the agreement with the Ministry of Public Works.
Work on the bed of the Mapocho river has required the temporary deviation of the river into a provisional channel built by Sacyr in accordance with statutory requirements and the design approved by the competent departments of the Ministry of Public Works.
The exceptional increase in the volume of water flowing through the Mapocho river on 17 April caused the partial breakage of the provisional channel.
The water from the river then caused flooding in a part of the municipality of Providencia and in the tunnel section of the Costanera Norte motorway.
The contractor, Sacyr, and Costanera Norte immediately intervened, alongside local and national authorities, to channel the water back to the original course of the river and to re-open the flooded urban roads and the Costanera Norte motorway, which was re-opened to traffic during 18 April.
There were no deaths or injuries. An investigation is currently underway to ascertain responsibility and assess the related insurance claims.
Both the contractor, Sacyr, and the operator, Costanera Norte, have insurance cover in place. Sacyr has already requested its insurance provider to assess the damage and any resulting claims.

Italian airports

Fee increases

On 15 December 2015, at the end of the consultation process between airport operators and users initiated by Aeroporti di Roma, the fees for Fiumicino and Ciampino were published on the websites of ENAC and ADR. The new fees will be in effect from 1 March 2016 until 28 February 2017.
The fee increases for 2016 consist of average increases of 10.4% and 6.4% for Fiumicino and Ciampino, respectively.
In keeping with the regulations applicable at the start of the consultation process relating to the next five-year regulatory period, ADR, in a letter dated 17 March 2016, requested the airlines operating from Fiumicino and Ciampino to provide the following information relating to the next five years which, as usual, is considered confidential, above all in respect of other carriers (traffic projections; forecasts relating to the composition and expected use of the fleet; any plans to expand the airline's activities at the airport; any proposals for the differentiation/structure of regulated fees; any unmet needs in relation to the airport and any deficiencies in terms of existing capacity, operations and airport equipment, deemed to have a material impact on the overall functionality of the airport, operational security and the standards and services relating to passengers, baggage, aircraft and cargo).

Limitation on the handlers authorised to operate at Fiumicino airport

In December 2014, ADR was notified of five challenges lodged with Lazio Regional Administrative Court, contesting ENAC's decision of 13 October 2014 to limit the number of handlers authorised to provide the services listed in points 3, 4 and 5 (with the exclusion of 5.7) in Annex A to Legislative Decree 18/99 at Fiumicino airport. The challenges were lodged by Assaereo, Aviation Services SpA, Consulta S.r.l, Consulta SpA and IBAR. In December 2014, ADR was also notified of two additional grounds for a challenge lodged by "Fallimento Groundcare Milano Srl". Finally, on 6 February 2015, ALHA Airport filed an extraordinary challenge with the Italian President, requesting cancellation of ENAC's decision.
With two separate rulings dated 17 April 2015, Lazio Regional Administrative Court rejected the requests for injunctive relief brought by IBAR and Assaereo. No dates have so far been set for hearings on the merits of the other challenges filed. At the hearing on the merits of Assaereo's challenge on 16 June 2016, Assaereo's defence counsel requested an adjournment to a later date, potentially 11 October 2016 (the date on which the merits of Consulta's challenge will be discussed).

The judge accepted the request, adjourning the hearing until 11 October 2016 in order to hear both challenges together.
No dates have so far been set for hearings on the merits of the other challenges filed.

Selection of 3 handlers authorised to provide the services defined in points 3, 4 and 5 (with the exclusion of 5.7) in Annex A of Legislative Decree 18/1999 at Fiumicino airport

Following publication of a call for tenders in the Official Journal of the European Union on 25 April 2015, with the aim of selecting ground handlers to be authorised to operate at the airport, Consulta S.p.A., Assaereo, IBAR and Aviation Services – who had already challenged ENAC's decision to limit the number of ground handlers to three - filed a legal challenge with Lazio Regional Administrative Court against the call for tenders, citing additional grounds. ATA Italia, instead, filed a new challenge with Lazio Regional Administrative Court and, at the hearing held on 26 June 2015, the Court rejected the request for injunctive relief brought by the plaintiff. At the hearing on the merits on 8 July 2016, ATA's counsel requested an adjournment with a view to subsequently filing a formal withdrawal of its challenge. The hearing was adjourned until October 2016.
At the respective hearings of 9 and 17 July 2015, Consulta SpA and IBAR withdrew their requests for injunctive relief. No date has so far been set for the hearing on the merits.

On 16 December 2015, ENAC's Tender Committee, meeting in public session, read the scores assigned to the 5 bidders and the related rankings and, on 23 December 2015, ENAC's General Manager issued a Directive announcing the selection of the following bidders: Aviation Services SpA, Aviapartner Handling SpA and Alitalia SAI SpA.
On 4 March 2016, ENAC announced that, following the checks conducted in accordance with the tender terms and conditions, the selection of Aviation Services SpA, Aviapartner Handling SpA and Alitalia SAI SpA was "effective". From 18 May 2016, the three winning bidders began to operate at the airport in accordance with the limitations imposed.
On 29 December 2015, Consulta, citing additional grounds, challenged the above selection before Lazio Regional Administrative Court, requesting injunctive relief. At the hearing of 21 January 2016, held to consider the request for injunctive relief, the Regional Administrative Court upheld Consulta's request for a postponement, adjourning the case until a later date. The adjournment will give the plaintiff time to prepare further supporting evidence once it has gained access to the documents held by ENAC. At the hearing held on 19 May 2016, Consulta withdrew its request for injunctive relief. On the same date, the Council of State issued an Order formally acknowledging the withdrawal.
In a challenge filed with Lazio Regional Administrative Court on 14 January 2016, WFS Srl has also challenged ENAC's selection of handlers. In response, ADR filed a cross-appeal opposing the challenge and, at the hearing of 4 February 2016, the court rejected WFS's request for injunctive relief and scheduled the hearing on the merits for 14 April 2016.
Subsequently, on 16 May 2016, the Regional Administrative Court admitted further evidence with regard to Aviation Services and adjourned the hearing until 13 October 2016.

Procedure for selecting a provider to operate cargo handling services in a portion of the Cargo Terminal at Fiumicino airport under a sub-concession arrangement

ADR published a call for tenders in Volume S/67 of the Official Journal of the European Union on 4 April 2015, with the aim of selecting a provider to operate cargo handling services in a portion of the Cargo Terminal at Fiumicino airport under a sub-concession arrangement.
At the date indicated in the call for tenders, ADR had received three applications to tender.
Following the above publication of the call for tenders, Fiumicino Logistica Europa and BAS Handler filed two separate challenges with Lazio Regional Administrative Court, requesting annulment of the call for tenders and injunctive relief.
At the hearing of 11 June 2015, the Regional Administrative Court rejected both requests for injunctive relief. BAS thus filed a second challenge before Lazio Regional Administrative Court, contesting the new layout of the cargo terminal. In a letter dated 5 October 2015, ADR proceeded to exclude Alha Airport from the procedure and, on 29 December 2015, sent out letters of invitation. The tender process was concluded on 22 March 2016, with the contract being awarded to X-Press.
On 27 April 2016, Alitalia lodged a challenge with Lazio Regional Administrative Court, requesting injunctive relief, with the aim of cancelling the award of the contract to X-Press. At the hearing held on 13 July 2016,

Lazio Regional Administrative Court rejected Alitalia's request for injunctive relief and scheduled a hearing on the merits for 11 January 2017.
At the hearing on the merits of the challenge brought by FLE, held on 16 June 2016, the plaintiff declared that it had decided to withdraw its challenge, partly in response to the final award announced in the intervening period. As a result, on 21 June 2016, the Regional Administrative Court declared the challenge inadmissible due to a lack of interest.

Noise Reduction and Abatement Plan for Ciampino airport

The Services Conference merely has an investigative, and not a decision-making, role, given that it is the responsibility of each municipality involved to approve or reject the Plan.
The first sitting of the Services Conference convened by Lazio Regional Authority was held on 12 January 2016, in order to discuss the Noise Reduction and Abatement Plan for Ciampino airport submitted by ADR. During the sitting, ADR presented its proposed Plan to the authorities' representatives (the Municipality of Ciampino, Lazio Regional Authority, ARPA and ENAC). The Conference asked ADR to include further documentation, giving the company 90 days to comply with the request.
Later, on 19 February 2016, Lazio Regional Authority sent the Ministry of the Environment a note requesting an opinion on its authority to approve the Plan submitted by ADR (in view of (i) the provisions of art. 5, paragraph 2 of the Ministerial Decree of 29 November 2000, which gives the Ministry of the Environment the power to approve noise abatement plans for infrastructure of national importance, and (ii) the subsequent publication, in December 2015, of the "National Airports Plan", which has identified Ciampino as an airport of national interest).
On 17 March 2016, the Ministry of the Environment responded to Lazio Regional Authority's query, asserting its authority to approve the Noise Reduction and Abatement Plan for Ciampino airport submitted by ADR, subject to receipt of the Agreement resulting from the above Unified Conference. This was followed, on 13 July, by the first meeting of representatives from the Ministry, ISPRA (the scientific body charged by the Ministry with conducting a technical assessment of the Plan) and ADR.
On 18 July 2016, the Ministry sent ADR a letter containing all the requests and observations set out by ISPRA in relation to the Plan, and giving ADR sixty days to provide the relevant responses and supplementary information.

Procedure for approving airport infrastructure projects

Law 9 of 22 January 2016, converting Law Decree 185/2015 into law with amendments, published in Official Gazette 18 of 23 January 2016, has confirmed the repeal of art. 71, c. 3-*bis*, which assimilated the procedures involved in carrying out infrastructure projects at Fiumicino and Ciampino airports with those relating to strategic infrastructure projects of national interest (so-called major works).
With the repeal of art. 71, c. 3-*bis*, infrastructure projects for Fiumicino and Ciampino airports no longer on a par with the above major works and are, therefore, once again subject to the pre-existing legislation governing consents.
Following the above repeal, on 4 February 2016, the Ministry of the Environment, at ENAC's request, announced the start of a new environmental impact assessment of the Master Plan for Ciampino, publishing the documentation relating to the public consultation on its website.

Increase in the municipal surcharge on air passenger duty

The Decree issued by the Ministry of Infrastructure and Transport on 29 October 2015, regarding "Definition of the increase in the municipal surcharge on air passenger duty to be transferred to INPS", was published in Official Gazette 300 of 28 December 2015.
The decree has introduced a further increase in the municipal surcharge, amounting to €2.50 for 2016, €2.42 for 2017 and €2.34 for 2018, in application of paragraph 23 of art. 13 of Law Decree 145/2013, the so-called "Destinazione Italia" legislation, converted with amendments into Law 9/2014.
As a result of this decree, the municipal surcharge on air passenger duty paid by passengers departing from Fiumicino and Ciampino airports amounts to €10 in 2016.
The airline, EasyJet, has challenged the decree before Lazio Regional Administrative Court, requesting its cancellation subject to prior injunctive relief.

On 15 February 2016, ENAC announced that the increase only applies to tickets for flights departing from 1 January 2016, sold after 17 December 2015 and, in any event, no later than the day following publication of the decree on the Ministry of Infrastructure and Transport's website, which took place on 22 December 2015.

Fire at Fiumicino airport's Terminal 3

During the night of 6 May 2015 a fire broke out in the airside part of Terminal 3 (also "T3") at Fiumicino airport, affecting a large part of the departures area.
The fire primarily damaged the areas used for security and passport controls at T3, the concourse linking gates C and D, a part of the transit corridor and the various systems and equipment serving arrivals and departures at T3.
The worst hit area was immediately seized by the police on 7 May 2015, and then rendered once again accessible to ADR on 15 June 2015.
ADR took the necessary steps to get the airport working again, whilst giving priority to the health and safety of staff. A leading fire damage clean-up company was contracted to carry out the work. The airport returned to full capacity from 19 July 2015, following the re-opening of Pier D.
Following the event, ADR immediately hired HSI Consulting to monitor the air quality. Based on the results of the monitoring of air quality, ADR announced that, under national legislation (Legislative Decree 81/2008), pollutant levels were within permitted amounts, with the exception of one day and one pollutant (toluene), which was present in the area closed to traffic in order to allow clean-up work to take place. ADR issued regular announcements, communicating the results of its monitoring to passengers and airport operators.
On 26 May 2015, the relevant *Giudice delle Indagini Preliminari* (Preliminary Investigating Magistrate), took the precautionary measure of ordering the preventive confiscation of Pier D in Terminal 3 in accordance with art. 321 of the Code of Criminal Procedure, authorising access only in order to decontaminate the premises so as to make them fit for use again.
At ADR's request, following compliance with the related requirements, the release of Pier D in Terminal 3 was ordered on 19 June 2015, subject to a complete, uniform and immediate clean-up of the retail areas, which ADR proceeded to carry out.
On 29 April 2016, the tunnel used by transit passengers connecting from the Schengen area to the Non-Schengen area was re-opened, restoring capacity in terms of space and management of the related passenger flows and putting an end to the need for a shuttle bus service.
Investigations by the relevant authorities are ongoing, with the aim of understanding exactly what happened to cause the fire and identify any responsible parties. At the same time, ADR and the insurance assessors are working to quantify the damage directly and indirectly incurred, on which the related insurance claims will be based and potential contractual and legal safeguards activated.
The Public Prosecutor's Office in Civitavecchia has launched two criminal proceedings as a result of the fire. The first regards violation of articles 113 and 449 of the criminal code (negligent arson), in relation to which, on 25 November 2015, the investigators issued the order required by art.415-bis of the criminal code giving notice of completion of the preliminary investigation of: (i) five employees of the contractor that was carrying out routine maintenance work on the air conditioning system and two employees of ADR, all also being investigated for the offence referred to in art. 590 of the criminal code (personal injury through negligence), (ii) ADR's Chief Executive Officer in his role as "employer", (iii) the airport fire chief and (iv) the Director of the Lazio Airport System (ENAC).
The second investigation, punishable by a fine, regards violations of occupational safety regulations contained in Legislative Decree 81/2008 allegedly committed by ADR's former Chief Executive Officer, in his role as "employer", and two ADR Group managers with the same roles within two subsidiaries (ADR Security Srl and Airport Cleaning Srl). All the parties were notified of fines imposed for the violations identified and, as a result, the investigations were closed.

Investigation of airport sub-concessions, with particular reference to the contracting out of non-aviation activities on airport premises

On 23 June 2015, the *Autorità Nazionale Anticorruzione* (Italy's National Anti-Corruption Authority or "ANAC"), informed ADR of *"the start of an investigation of the sub-concession of non-aviation activities on airport premises*".

To this end, ANAC requested ADR to submit a specific report on the sub-concessions linked to non-aviation activities during the last three years (2012-2013-2014), indicating, for each one, the type of award procedure (direct or competitive) used to grant the concession and the related contractual arrangements.
On 10 March 2016, ANAC thus informed ADR of the outcome of its investigation and the related conclusions. In brief, in addition to making a number of observations regarding (i) the duration of concessions, (ii) the delay in carrying out investment and (iii) the tariff regime applied (the dual-till method), the Authority, on the one hand, stated that ADR should always award retail sub-concessions within its airports by public tender and, on the other, contested certain specific aspects of the actual procedures used by ADR to grant the above concessions. The Authority also highlighted the fact that the participation of associated companies in the tender procedures managed by ADR gives rise to "*a clear issue of information asymmetry to the disadvantage of the other economic entities taking part in the tender procedures*".
On 8 April 2016, ADR submitted its response to the Authority's conclusions, observing that: (i) the concessions in question are not only of a retail nature; (ii) ADR is not legally obliged to award the concessions by public tender; and (iii) in any event, the procedures adopted to date by ADR, and agreed with the AGCM (Italy's National Competition Authority), are such as to guarantee compliance with the principles of transparency, proportionality and non-discrimination.
In Determination 758 dated 13 July 2016, announced on 18 July 2016, ANAC, following the above investigation, states that: (i) "*the airport concession does not merely concern the infrastructure used for aviation activities, but also regards the areas and premises used in non-aviation activities and that, as a result, all the activities covered by the concession, for the above reasons, fall within the scope of the concession arrangement";* (ii) "*the non-aviation activities referred to, merely by way of example, in recital 25 in directive 2014/23/EU* (the concession directive) *and, among these, food services, are defined and classifiable as forming part of the service provided to passengers";* (iii) "*the award of sub-concessions for premises and areas for retail purposes should be carried out by public tender, in accordance with EU rules and regulations and the relevant national legislation"*.
The thus granted ADR a period of 30 days to respond to the determination for the purpose of assessing compliance.

Other activities

Electronic Transaction Consultants (ETC)

Following the withholding of payment by the Miami-Dade Expressway Authority ("MDX") for the on site and office system management and maintenance services provided by ETC, and after a failed attempt at mediation as required by the service contract, on 28 November 2012 ETC petitioned the Miami Dade County Court in Florida to order MDX to settle unpaid claims amounting to over US$30 million and damages for breach of contact. In December 2012, MDX, in turn, notified ETC of its decision to terminate the service contract and sue for compensation for alleged damages of US$26 million for breach of contract by ETC.
In August 2013, ETC and MDX agreed a settlement covering the services rendered by ETC during the "disentanglement" phase, which ended on 22 November 2013. MDX has duly paid the sum due. In December 2015, the court case, during which the parties presented their respective arguments and the various experts and witnesses were heard, came to an end. Since January 2016, the court has asked the parties to make numerous attempts at finding a settlement, none of which has resulted in a positive outcome. Judgement is expected by the end of the second half of 2016.

10.8 Events after 30 June 2016

Winning bidder for Aéroports de la Côte d’Azur provisionally chosen

On 28 July 2016, the consortium incorporated by Atlantia Group and EDF invest (respectively with a share of 75% and 25%) was ranked the best bidder in the process that will result in the sale of the French state’s 60% interest in the company that controls the airports in the Côte d’Azur (Nice, Cannes-Mandelieu and Saint Tropez). The consortium has been provisionally selected by the French government as the purchaser of the government’s stake in the airport operator. The final selection of the winning bidder will be confirmed in the coming months, once all the necessary administrative consents have been received.

ANNEXES TO THE CONSOLIDATED FINANCIAL STATEMENTS

ANNEX 1

THE ATLANTIA GROUP'S SCOPE OF CONSOLIDATION AND INVESTMENTS AS AT 30 JUNE 2016

ANNEX 1

THE ATLANTIA GROUP'S SCOPE OF CONSOLIDATION AND INVESTMENTS AS AT 30 JUNE 2016

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2016 (IN SHARES/UNITS)	HELD BY	% INTEREST IN SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2016		OVERALL GROUP % INTEREST	NOTE
PARENT COMPANY									
ATLANTIA SpA	ROME	HOLDING COMPANY	EURO	825,783,990					
SUBSIDIARIES CONSOLIDATED ON A LINE-BY-LINE BASIS									
AB CONCESSÕES SA	SAO PAULO (BRAZIL)	HOLDING COMPANY	BRAZILIAN REAL	738,652,989	Autostrade Concessões e Participações Brasil limitada		50.00%	50.00%	(1)
AD MOVING SpA	ROME	ADVERTISING SERVICES	EURO	1,000,000	Autostrade per l'Italia SpA		100%	100%	
ADR ASSISTANCE Srl	FIUMICINO	PRM SERVICES	EURO	4,000,000	Aeroporti di Roma SpA		100%	95.92%	
AIRPORT CLEANING Srl	FIUMICINO	SUNDRY CLEANING AND MAINTENANCE SERVICES	EURO	1,500,000	Aeroporti di Roma SpA		100%	95.92%	
AEROPORTI DI ROMA SpA	FIUMICINO	AIRPORT MANAGEMENT AND DEVELOPMENT	EURO	62,224,743	Atlantia SpA		95.92%	95.92%	
ADR MOBILITY Srl	FIUMICINO	MANAGEMENT OF AIRPORT CAR PARKING AND CAR PARKS	EURO	1,500,000	Aeroporti di Roma SpA		100%	95.92%	
ADR SECURITY Srl	FIUMICINO	AIRPORT SCREENING AND SECURITY SERVICES	EURO	400,000	Aeroporti di Roma SpA		100%	95.92%	
ADR SVILUPPO Srl	FIUMICINO	PROPERTY MANAGEMENT	EURO	100,000	Aeroporti di Roma SpA		100%	95.92%	
ADR TEL SpA	FIUMICINO	TELECOMMUNICATIONS	EURO	600,000			100%	95.92%	
					Aeroporti di Roma SpA	99.00%			
					ADR Sviluppo Srl	1.00%			

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

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2016 (IN SHARES/UNITS)	HELD BY	% INTEREST IN SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2016	OVERALL GROUP % INTEREST	NOTE
AUTOSTRADE CONCESSÕES E PARTICIPACÕES BRASIL LIMITADA	SAO PAULO (BRAZIL)	HOLDING COMPANY	BRAZILIAN REAL	729,590,863		100%	100%	
					Autostrade Portugal - Concessoes de Infrastructuras SA	25.00%		
					Autostrade dell'Atlantico Srl	41.14%		
					Autostrade Holding do Sur SA	33.86%		
AUTOSTRADE DELL'ATLANTICO Srl	ROME	HOLDING COMPANY	EURO	1,000,000	Autostrade per l'Italia SpA	100%	100%	
AUTOSTRADE HOLDING DO SUR SA	SANTIAGO (CHILE)	HOLDING COMPANY	CHILEAN PESO	51,496,805,692		100%	100%	
					Autostrade dell'Atlantico Srl	99.99%		
					Autostrade per l'Italia SpA	0.01%		
AUTOSTRADE INDIAN INFRASTRUCTURE DEVELOPMENT PRIVATE LIMITED	MUMBAI - MAHARASHTRA (INDIA)	HOLDING COMPANY	INDIAN RUPEE	500,000		100%	100%	
					Autostrade per l'Italia SpA	99.99%		
					Spea Engineering SpA	0.01%		
AUTOSTRADE MERIDIONALI SpA	NAPLES	MOTORWAY OPERATION AND CONSTRUCTION	EURO	9,056,250	Autostrade per l'Italia SpA	58.98%	58.98%	(2)
AUTOSTRADE PER L'ITALIA SpA	ROME	MOTORWAY OPERATION AND CONSTRUCTION	EURO	622,027,000	Atlantia SpA	100%	100%	
AUTOSTRADE PORTUGAL Srl	ROME	HOLDING COMPANY	EURO	30,000,000	Autostrade dell'Atlantico Srl	100%	100%	
AUTOSTRADE TECH SpA	ROME	INFORMATION SYSTEMS AND EQUIPMENT FOR THE CONTROL AND AUTOMATION OF TRAFFIC AND ROAD SAFETY	EURO	1,120,000	Autostrade per l'Italia SpA	100%	100%	
CONCESSIONÁRIA DA RODOVIA MG050 SA	SAO PAULO (BRAZIL)	MOTORWAY OPERATION AND CONSTRUCTION	BRAZILIAN REAL	113,525,350	AB Concessões SA	100%	50.00%	

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

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2016 (IN SHARES/UNITS)	HELD BY	% INTEREST IN SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2016	OVERALL GROUP % INTEREST	NOTE
DANNII HOLDING GMBH	VIENNA (AUSTRIA)	ACQUISITION AND MANAGEMENT OF INVESTMENTS	EURO	10,000	Autostrade Tech SpA	100%	100%	
ECOMOUV SAS.	PARIS (FRANCE)	FINANCING/DESIGN/CONSTRUCTION/OPERATION OF EQUIPMENT REQURIED FOR ECO-TAXE	EURO	30,000,000	Autostrade per l'Italia SpA	70.00%	70.00%	
ELECTRONIC TRANSACTION CONSULTANTS Co.	RICHARDSON (TEXAS - USA)	MANAGEMENT OF AUTOMATED TOLLING SERVICES	US DOLLAR	16,264	Autostrade dell'Atlantico Srl	64.46%	64.46%	
ESSEDIESSE SOCIETÀ DI SERVIZI SpA	ROME	GENERAL AND ADMINISTRATIVE SERVICES	EURO	500,000	Autostrade per l'Italia SpA	100%	100%	
FIUMICINO ENERGIA Srl	FIUMICINO	ELECTRICITY PRODUCTION	EURO	741,795	Atlantia SpA	87.14%	87.14%	
GIOVE CLEAR Srl	ROME	SUNDRY CLEANING AND MAINTENANCE SERVICES	EURO	10,000	Autostrade per l'Italia SpA	100%	100%	
GRUPO COSTANERA SpA	SANTIAGO (CHILE)	HOLDING COMPANY	CHILEAN PESO	465,298,430,418	Autostrade dell'Atlantico Srl	50.01%	50.01%	
INFOBLU SpA	ROME	TRAFFIC INFORMATION	EURO	5,160,000	Autostrade per l'Italia SpA	75.00%	75.00%	
LEONARDO ENERGIA – SOCIETA' CONSORTILE a rl	FIUMICINO	ELECTRICITY PRODUCTION	EURO	10,000		100%	88.02%	
					Fiumicino Energia Srl	90.00%		
					Aeroporti di Roma SpA	10.00%		
MIZARD Srl	ROME	ACQUISITION, SALE AND MANAGEMENT OF INVESTMENTS IN IT SERVICES COMPANIES	EURO	10,000	Atlantia SpA	100%	100%	
PAVIMENTAL POLSKA SP.ZO.O.	WARSAW (POLAND)	MOTORWAY AND AIRPORT CONSTRUCTION AND MAINTENANCE	POLISH ZLOTY	3,000,000	Pavimental SpA	100%	98.58%	

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2016 (IN SHARES/UNITS)	HELD BY	% INTEREST IN SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2016		OVERALL GROUP % INTEREST	NOTE
PAVIMENTAL SpA	ROME	MOTORWAY AND AIRPORT CONSTRUCTION AND MAINTENANCE	EURO	10,116,452			99.40%	98.58%	
					Atlantia SpA	59.40%			
					Autostrade per l'Italia SpA	20.00%			
					Aeroporti di Roma SpA	20.00%			
RACCORDO AUTOSTRADALE VALLE D'AOSTA SpA	AOSTA	MOTORWAY OPERATION AND CONSTRUCTION	EURO	343,805,000	Società Italiana per Azioni per il Traforo del Monte Bianco		47.97%	24.46%	(3)
ROMULUS FINANCE Srl	CONEGLIANO	SECURITISATION VEHICLE	EURO	10,000				100%	(4)
RODOVIAS DAS COLINAS SA	SAO PAULO (BRAZIL)	MOTORWAY OPERATION AND CONSTRUCTION	BRAZILIAN REAL	226,145,401	AB Concessões SA		100%	50.00%	
SOCIEDAD CONCESIONARIA AMB SA	SANTIAGO (CHILE)	MOTORWAY OPERATION AND CONSTRUCTION	CHILEAN PESO	5,875,178,700			100%	50.01%	
					Grupo Costanera SA	99.98%			
					Sociedad Gestion Vial SA	0.02%			
SOCIEDAD CONCESIONARIA AUTOPISTA NORORIENTE SA	SANTIAGO (CHILE)	MOTORWAY OPERATION AND CONSTRUCTION	CHILEAN PESO	22,738,904,654			100%	50.01%	
					Grupo Costanera SA	99.90%			
					Sociedad Gestion Vial SA	0.10%			
SOCIEDAD CONCESIONARIA AUTOPISTA NUEVA VESPUCIO SUR SA	SANTIAGO (CHILE)	HOLDING COMPANY	CHILEAN PESO	166,967,672,229			100%	50.01%	
					Grupo Costanera SA	99.99996%			
					Sociedad Gestion Vial SA	0.00004%			
SOCIEDAD CONCESIONARIA COSTANERA NORTE SA	SANTIAGO (CHILE)	MOTORWAY OPERATION AND CONSTRUCTION	CHILEAN PESO	58,859,765,519			100%	50.01%	
					Grupo Costanera SA	99.99804%			
					Sociedad Gestion Vial SA	0.00196%			
SOCIEDAD CONCESIONARIA DE LOS LAGOS SA	LLANQUIHUE (CHILE)	MOTORWAY OPERATION AND CONSTRUCTION	CHILEAN PESO	53,602,284,061			100%	100%	
					Autostrade Holding Do Sur SA	99.95238%			
					Autostrade dell'Atlantico Srl	0.04762%			
SOCIEDAD CONCESIONARIA LITORAL CENTRAL SA	SANTIAGO (CHILE)	MOTORWAY OPERATION AND CONSTRUCTION	CHILEAN PESO	18,368,224,675			100%	50.01%	
					Grupo Costanera SA	99.99%			
					Sociedad Gestion Vial SA	0.01%			

(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) A special purpose entity, established pursuant to Law 130/99, through which Aeroporti di Roma SpA's creditor banks securitised a portion of the amount receivable from the company as at 14 February 2003; in accordance with IFRS, the Group's interest in the company is considered on a par with full control.

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2016 (IN SHARES/UNITS)	HELD BY	% INTEREST IN SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2016		OVERALL GROUP % INTEREST	NOTE
SOCIEDAD CONCESIONARIA VESPUCIO SUR SA	SANTIAGO (CHILE)	MOTORWAY OPERATION AND CONSTRUCTION	CHILEAN PESO	52,967,792,704			100%	50.01%	
					Sociedad Concesionaria Autopista Nueva Vespucio Sur SA	99.9975%			
					Sociedad Gestion Vial SA	0.0025%			
SOCIEDAD GESTION VIAL SA	SANTIAGO (CHILE)	CONSTRUCTION AND MAINTENANCE OF ROADS AND TRAFFIC SERVICES	CHILEAN PESO	397,237,788			100%	50.01%	
					Grupo Costanera SA	99.99%			
					Sociedad Operacion y Logistica de Infraestructuras SA	0.01%			
SOCIEDAD OPERACION Y LOGISTICA DE INFRAESTRUCTURAS SA	SANTIAGO (CHILE)	CONCESSION CONTRUCTION AND SERVICES	CHILEAN PESO	11,736,819			100%	50.01%	
					Grupo Costanera SA	99.99%			
					Sociedad Gestion Vial SA	0.01%			
SOCIETÀ AUTOSTRADA TIRRENICA p.A.	ROME	MOTORWAY OPERATION AND CONSTRUCTION	EURO	24,460,800	Autostrade per l'Italia SpA		99.93%	99.99%	(5)
SOCIETÀ ITALIANA PER AZIONI PER IL TRAFORO DEL MONTE BIANCO	PRE' SAINT DIDIER (AOSTA)	MONT BLANC TUNNEL OPERATION AND CONSTRUCTION	EURO	198,749,200	Autostrade per l'Italia SpA		51.00%	51.00%	
SOLUCIONA CONSERVACAO RODOVIARIA LTDA	MATAO (BRAZIL)	MOTORWAY MAINTENANCE	BRAZILIAN REAL	500,000	AB Concessões SA		100%	50.00%	
SPEA DO BRASIL PROJETOS E INFRA ESTRUTURA LIMITADA	SAO PAULO (BRAZIL)	INTEGRATED TECHNICAL AND ENGINEERING SERVICES	BRAZILIAN REAL	1,000,000			100%	99.18%	
					Spea Engineering SpA	99.99%			
					Austostrade Concessoes e Partecipacoes Brasil Limitada	0.01%			
SPEA ENGINEERING SPA	ROME	INTEGRATED TECHNICAL AND ENGINEERING SERVICES	EURO	6,966,000			100%	99.18%	
					Atlantia SpA	60.00%			
					Austostrade per l'Italia SpA	20.00%			
					Aeroporti di Roma SpA	20.00%			
STALEXPORT AUTOROUTE SAR.L.	LUXEMBOURG (LUXEMBOURG)	MOTORWAY SERVICES	EURO	56,149,500	Stalexport Autostrady SA		100%	61.20%	
STALEXPORT AUTOSTRADA MAŁOPOLSKA SA	MYSŁOWICE (POLAND)	MOTORWAY OPERATION AND CONSTRUCTION	POLISH ZLOTY	66,753,000	Stalexport Autoroute SAr.l.		100%	61.20%	
STALEXPORT AUTOSTRADY SA	MYSLOWICE (POLAND)	HOLDING COMPANY	POLISH ZLOTY	185,446,517	Autostrade per l'Italia SpA		61.20%	61.20%	(6)

(5) On 29 December 2015, Autostrada Tirrenica, following authorisation by the general meeting of shareholders held on the same date, purchased 109,600 own shares from non-controlling shareholders. Autostrade per l'Italia's interest is, therefore, equal to 99.99% as at 30 June 2016 (the percentage interest calculated on the basis of the ratio of shares held by Autostrade per l'Italia and the subsidiary's total shares is 99.93%).

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

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2016 (IN SHARES/UNITS)	HELD BY	% INTEREST IN SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2016	OVERALL GROUP % INTEREST	NOTE
TANGENZIALE DI NAPOLI SpA	NAPLES	MOTORWAY OPERATION AND CONSTRUCTION	EURO	108,077,490	Autostrade per l'Italia SpA	100%	100%	
TECH SOLUTIONS INTEGRATORS SAS.	PARIS (FRANCE)	CONSTRUCTION, INSTALLATION AND MAINTENANCE OF ELECTRONIC TOLLING SYSTEMS	EURO	2,000,000	Autostrade per l'Italia SpA	100%	100%	
TELEPASS SpA	ROME	AUTOMATED TOLLING SERVICES	EURO	26,000,000		100%	100%	
					Autostrade per l'Italia SpA	96.15%		
					Autostrade Tech SpA	3.85%		
TRIANGULO DO SOL AUTO-ESTRADAS SA	MATAO (BRAZIL)	MOTORWAY OPERATION AND CONSTRUCTION	BRAZILIAN REAL	71,000,000	AB Concessões SA	100%	50.00%	
VIA4 SA	MYSŁOWICE (POLAND)	MOTORWAY SERVICES	POLISH ZLOTY	500,000	Stalexport Autoroute SAr.l.	55.00%	33.66%	

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2016 (IN SHARES/UNITS)	HELD BY		% INTEREST IN SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2016
INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD							
Associates							
AUTOSTRADE FOR RUSSIA GMBH	VIENNA (AUSTRIA)	HOLDING COMPANY	EURO	60,000	Autostrade Tech SpA		25.50%
BOLOGNA & FIERA PARKING SpA	BOLOGNA	DESIGN, CONSTRUCTION AND MANAGEMENT OF MULTI-LEVEL PUBLIC CAR PARKS	EURO	2,715,200	Autostrade per l'Italia SpA		36.81%
BIURO CENTRUM SP. Z O.O.	KATOWICE (POLAND)	ADMINISTRATIVE SERVICES	POLISH ZLOTY	80,000	Stalexport Autostrady SA		40.63%
PEDEMONTANA VENETA SpA (IN LIQUIDATION)	VERONA	MOTORWAY OPERATION AND CONSTRUCTION	EURO	6,000,000	Autostrade per l'Italia SpA		29.77%
SOCIETA' INFRASTRUTTURE TOSCANE SpA (IN LIQUIDATION)	ROME	MOTORWAY OPERATION AND CONSTRUCTION	EURO	15,000,000			46.60%
					Autostrade per l'Italia SpA	46.00%	
					Spea Engineering SpA	0.60%	
Joint ventures							
A&T ROAD CONSTRUCTION MANAGEMENT AND OPERATION PRIVATE LIMITED	PUNE - MAHARASHTRA (INDIA)	OPERATION AND MAINTENANCE, DESIGN AND PROJECT MANAGEMENT	INDIAN RUPEE	100,000	Autostrade Indian Infrastructure Development Private Limited		50.00%
CONCESSIONÁRIA RODOVIAS DO TIETÊ SA	SAO PAULO (BRAZIL)	MOTORWAY OPERATION AND CONSTRUCTION	BRAZILIAN REAL	303,578,476	AB Concessões SA		50.00%
GEIE DEL TRAFORO DEL MONTE BIANCO	COURMAYEUR	MAINTENANCE AND OPERATION OF MONT BLANC TUNNEL	EURO	2,000,000	Società Italiana per Azioni per il Traforo del Monte Bianco		50.00%
PUNE SOLAPUR EXPRESSWAYS PRIVATE LIMITED	PATAS - PUNE DISTRICT - MAHARASHTRA (INDIA)	MOTORWAY OPERATION AND CONSTRUCTION	INDIAN RUPEE	100,000,000	Atlantia SpA		50.00%

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2016 (IN SHARES/UNITS)	HELD BY	% INTEREST IN SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2016
INVESTMENTS ACCOUNTED FOR AT COST OR FAIR VALUE						
Unconsolidated subsidiaries						
DOMINO Srl	FIUMICINO	INTERNET SERVICES	EURO	10,000	Atlantia SpA	100%
GEMINA FIDUCIARY SERVICES SA	LUXEMBOURG (LUXEMBOURG)	TRUST COMPANY	EURO	150,000	Atlantia SpA	99.99%
PAVIMENTAL EST AO (IN LIQUIDATION)	MOSCOW (RUSSIA)	MOTORWAY CONSTRUCTION AND MAINTENANCE	RUSSIAN ROUBLE	4,200,000	Pavimental SpA	100%
PETROSTAL SA (IN LIQUIDATION)	WARSAW (POLAND)	REAL ESTATE SERVICES	POLISH ZLOTY	2,050,500	Stalexport Autostrady SA	100%

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2016 (IN SHARES/UNITS)	HELD BY	% INTEREST IN SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2016
Other investments						
AEROPORTO DI GENOVA SpA	GENOA	AIRPORT MANAGEMENT	EURO	7,746,900	Aeroporti di Roma SpA	15.00%
CENTRO INTERMODALE TOSCANO AMERIGO VESPUCCI SpA	LIVORNO	FREIGHT LOGISTICS	EURO	11,756,695	Società Autostrada Tirrenica p.A.	0.43%
COMPAGNIA AEREA ITALIANA SpA	FIUMICINO	AIR TRANSPORT	EURO	359,885,315	Atlantia SpA	7.63%
DIRECTIONAL CAPITAL HOLDINGS (IN LIQUIDATION)	CHANNEL ISLANDS (USA)	FINANCIAL COMPANY	EURO	150,000	Atlantia SpA	5.00%
EMITTENTI TITOLI SpA	MILAN	INVESTMENT IN BORSA SPA	EURO	4,264,000	Atlantia SpA	7.24%
FIRENZE PARCHEGGI SpA	FLORENCE	CAR PARK MANAGEMENT	EURO	25,595,158	Atlantia SpA	5.47%
HUTA JEDNOŚĆ SA	SIEMIANOWICE (POLAND)	STEEL TRADING	POLISH ZLOTY	27,200,000	Stalexport Autostrady SA	2.40%
INWEST STAR SA (IN LIQUIDATION)	STARACHOWICE (POLAND)	STEEL TRADING	POLISH ZLOTY	11,700,000	Stalexport Autostrady SA	0.26%
ITALMEX SpA (IN LIQUIDATION)	MILAN	TRADING AGENCY	EURO	1,464,000	Stalexport Autostrady SA	4.24%
LUSOPONTE - CONCESSIONARIA PARA A TRAVESSIA DO TEJO	SA MONTIJO (PORTUGAL)	MOTORWAY OPERATOR	EURO	25,000,000	Autostrade Portugal - Concessoes de Infraestructuras SA	17.21%
LIGABUE GATE GOURMET ROMA SpA (INSOLVENT)	TESSERA	AIRPORT CATERING	EURO	103,200	Aeroporti di Roma SpA	20.00%
KONSORCJUM AUTOSTRADA ŚLĄSK SA	KATOWICE (POLAND)	MOTORWAY OPERATION AND CONSTRUCTION	POLISH ZLOTY	1,987,300	Stalexport Autostrady SA	5.43%
SACAL. SpA	LAMEZIA TERME	AIRPORT MANAGEMENT	EURO	7,755,000	Aeroporti di Roma SpA	16.57%
SOCIETA' DI PROGETTO BREBEMI SpA	BRESCIA	MOTORWAY OPERATION AND CONSTRUCTION	EURO	180,000,000	Spea Engineering SpA	0.06%
TANGENZIALE ESTERNA SpA	MILAN	MOTORWAY OPERATION AND CONSTRUCTION	EURO	464,945,000		1.25%
					Autostrade per l'Italia SpA	0.25%
					Pavimental SpA	1.00%
TANGENZIALI ESTERNE DI MILANO SpA	MILAN	CONSTRUCTION AND OPERATION OF MILAN RING ROAD	EURO	220,344,608	Autostrade per l'Italia SpA	13.67%
UIRNET SpA	ROME	OPERATION OF NATIONAL LOGISTICS NETWORK	EURO	1,061,000	Autostrade per l'Italia SpA	1.51%
VENETO STRADE SpA	VENICE	CONSTRUCTION AND MAINTENANCE OF ROADS AND TRAFFIC SERVICES	EURO	5,163,200	Autostrade per l'Italia SpA	5.00%
WALCOWNIA RUR JEDNOŚĆ SP. Z O. O.	SIEMIANOWICE (POLAND)	STEEL TRADING	POLISH ZLOTY	220,590,000	Stalexport Autostrady SA	0.01%
ZAKŁADY METALOWE DEZAMET SA	NOWA DĘBA (POLAND)	STEEL TRADING	POLISH ZLOTY	19,241,750	Stalexport Autostrady SA	0.26%

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2016 (IN SHARES/UNITS)	HELD BY	% INTEREST IN SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2016	
CONSORTIA							
CONSORCIO ANHANGUERA NORTE	RIBERAO PRETO (BRAZIL)	CONSTRUCTION CONSORTIUM	BRAZILIAN REAL	-	Autostrade Concessoes e Participacoes Brasil		13.13%
CONSORZIO AUTOSTRADE ITALIANE ENERGIA	ROME	ELECTRICITY PROCUREMENT	EURO	113,949			35.50%
					Autostrade per l'Italia SpA	27.30%	
					Tangenziale di Napoli SpA	2.00%	
					Società Italiana per Azioni per il Traforo del Monte Bianco	1.90%	
					Raccordo Autostradale Valle d'Aosta SpA	1.10%	
					Società Autostrada Tirrenica p.A.	0.30%	
					Autostrade Meridionali SpA	0.90%	
					Aeroporti di Roma SpA	1.00%	
					Pavimental SpA	1.00%	
CONSORZIO COSTRUTTORI TEEM	TORTONA	MOTORWAY CONSTRUCTION AND ACTIVITIES	EURO	10,000	Pavimental SpA		1.00%
CONSORZIO E.T.L. – EUROPEAN TRANSPORT LAW (IN LIQUIDATION)	ROME	STUDY OF EUROPEAN TRANSPORT LEGISLATION	EURO	82,633	Aeroporti di Roma SpA		25.00%
CONSORZIO GALILEO SCARL (IN LIQUIDATION)	TODI	CONSTRUCTION OF AIRPORT APRONS	EURO	10,000	Pavimental SpA		40.00%
CONSORZIO ITALTECNASUD (IN LIQUIDATION)	ROME	CONTROL OF IRPINIA EARTHQUAKE FUNDS	EURO	51,646	Spea Engineering SpA		20.00%
CONSORZIO MIDRA	FLORENCE	SCIENTIFIC RESEARCH FOR DEVICE BASE TECHNOLOGIES	EURO	73,989	Autostrade Tech SpA		33.33%
CONSORZIO MITECO	PESCHIERA BORROMEO	EXECUTION OF SERVICES AND WORKS ASSIGNED BY TANGENZIALE ESTERNA SPA	EURO	10,000	Pavimental SpA		1.30%

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2016 (IN SHARES/UNITS)	HELD BY		% INTEREST IN SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2016
CONSORZIO NUOVA ROMEA ENGINEERING	MONSELICE	MOTORWAY DESIGN	EURO	60,000	Spea Engineering SpA		16.67%
CONSORZIO PEDEMONTANA ENGINEERING	VERONA	DESIGN OF PEDEMONTANA VENETA MOTORWAY	EURO	20,000	Spea Engineering SpA		23.54%
CONSORZIO RAMONTI S.C.A.R.L. (IN LIQUIDATION)	TORTONA	MOTORWAY CONSTRUCTION	EURO	10,000	Pavimental SpA		49.00%
CONSORZIO R.F.C.C. (IN LIQUIDATION)	TORTONA	CONSTRUCTION OF MOROCCAN ROAD NETWORK	EURO	510,000	Pavimental SpA		30.00%
CONSORZIO SPEA-GARIBELLO	SAN PAOLO (BRAZIL)	INTEGRATED TECHNICAL ENGINEERING SERVICES - HIGHWAY MG-050	BRAZILIAN REAL	-	SPEA do Brasil Projetos e Infra Estrutura Limitada		50.00%
CONSORZIO TANGENZIALE ENGINEERING	MILANO	INTEGRATED TECHNICAL ENGINEERING SERVICES - MILAN EXTERNAL RING ROAD EAST	EURO	20,000	Spea Engineering SpA		30.00%
CONSORZIO 2050	ROME	MOTROWAY DESIGN	EURO	50,000	Spea Engineering SpA		0.50%
COSTRUZIONI IMPIANTI AUTOSTRADALI S.C.A.R.L.	ROME	CONSTRUCTION OF PUBLIC WORKS AND INFRASTRUCTURE	EURO	10,000			100%
					Pavimental SpA	75.00%	
					Autostrade Tech SpA	20.00%	
					Pavimental Polska Sp. z o.o.	5.00%	
ELMAS S.C.A.R.L. (IN LIQUIDATION)	ROME	CONSTRUCTION AND MAINTENANCE OF AIRPORT RUNWAYS AND APRONS	EURO	10,000	Pavimental SpA		60.00%
IDROELETTRICA S.C.A.R.L.	CHATILLON	ELECTRICITY GENERATION	EURO	50,000	Raccordo Autostradale Valle d'Aosta SpA		0.10%
LAMBRO S.C.A.R.L.	TORTONA	OPERATION AND CONSTRUCTION ON BEHALF OF TEEM CONSTRUCTION CONSORTIUM	EURO	200,000	Pavimental SpA		2.78%
SAT LAVORI S.C.A.R.L.	ROME	CONSTRUCTION CONSORTIUM	EURO	100,000	Società Autostrada Tirrenica p.A.		1.00%

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2016 (IN SHARES/UNITS)	HELD BY	% INTEREST IN SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2016
INVESTMENTS ACCOUNTED FOR IN CURRENT ASSETS						
DOM MAKLERSKI BDM SA	BIELSKO-BIAŁA (POLAND)	HOLDING COMPANY	POLISH ZLOTY	19,796,924	Stalexport Autostrady SA	2.71%
IDEON SA	KATOWICE (POLAND)	STEEL TRADING	POLISH ZLOTY	343,490,781	Stalexport Autostrady SA	2.63%
STRADA DEI PARCHI SpA	ROME	MOTORWAY OPERATION AND CONSTRUCTION	EURO	48,114,240	Autostrade per l'Italia SpA	2.00%

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Reports

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Attestation of the condensed consolidated interim financial statements pursuant to art. 81-ter of CONSOB Regulation 11971 of 14 May 1999, as amended

1. We, the undersigned, Giovanni Castellucci and Giancarlo Guenzi, as Chief Executive Officer and as the manager responsible for Atlantia SpA's financial reporting, having taken account of the provisions of art. 154-*bis*, paragraphs 3 and 4 of Legislative Decree 58 of 24 February 1998, attest to:
   - the adequacy with regard to the nature of the Company and
   - the effective application of the administrative and accounting procedures adopted in preparation of the condensed consolidated interim financial statements during the first half of 2016.

2. The administrative and accounting procedures adopted in preparation of the condensed consolidated interim financial statements as at and for the six months ended 30 June 2016 were drawn up, and their adequacy assessed, on the basis of the regulations and methods drawn up by Atlantia SpA in accordance with the Internal Control–Integrated Framework model issued by the Committee of Sponsoring Organizations of the Treadway Commission. This Commission has established a body of general principles providing a standard for internal control systems that is generally accepted at international level.

3. We also attest that:

   3.1 the condensed consolidated interim financial statements:
   a) have been prepared in compliance with international accounting standards approved for application in the European Community by EC Regulation 1606/2002, passed by the European Parliament and by the Council on 19 July 2002;
   b) are consistent with the underlying accounting books and records;
   c) present a true and fair view of the financial position and results of operations of the issuer and the consolidated companies.

   3.2 The interim report on operations contains a reliable analysis of material events during the first six months of the year and their impact on the condensed consolidated interim financial statements, together with a description of the principal risks and uncertainties for the remaining six months of the year. The interim report on operations also includes a reliable analysis of related party transactions.

4 August 2016

Giovanni Castellucci
Chief Executive Officer

Giancarlo Guenzi
Manager responsible for financial reporting

REPORT OF THE INDEPENDENT AUDITORS

Deloitte.

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REPORT ON REVIEW OF THE HALF-YEARLY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of Atlantia S.p.A.

Introduction

We have reviewed the accompanying half-yearly condensed consolidated financial statements of Atlantia S.p.A. and subsidiaries (the "Atlantia Group"), which comprise the consolidated statement of financial position as of June 30, 2016 and the consolidated income statement, consolidated statement of comprehensive income, statement of changes in consolidated equity and consolidated cash flow statement for the six month period then ended, and a summary of significant accounting policies and other explanatory notes. The Directors are responsible for the preparation of the half-yearly condensed consolidated financial statements in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on the half-yearly condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with the criteria recommended by the Italian Regulatory Commission for Companies and the Stock Exchange ("Consob") for the review of the half-yearly financial statements under Resolution n° 10867 of July 31, 1997. A review of half-yearly condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying half-yearly condensed consolidated financial statements of the Atlantia Group as at June 30, 2016 are not prepared, in all material respects, in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as adopted by the European Union.

DELOITTE & TOUCHE S.p.A.

Signed by
Fabio Pompei
Partner

Rome, Italy
September 12, 2016

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

Legal information and contacts

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Legal information

Issued capital: €825,783,990.00, fully paid-up.
Tax code, VAT number and Rome Companies'
Register no. 03731380261
REA no. 1023691

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Atlantia

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