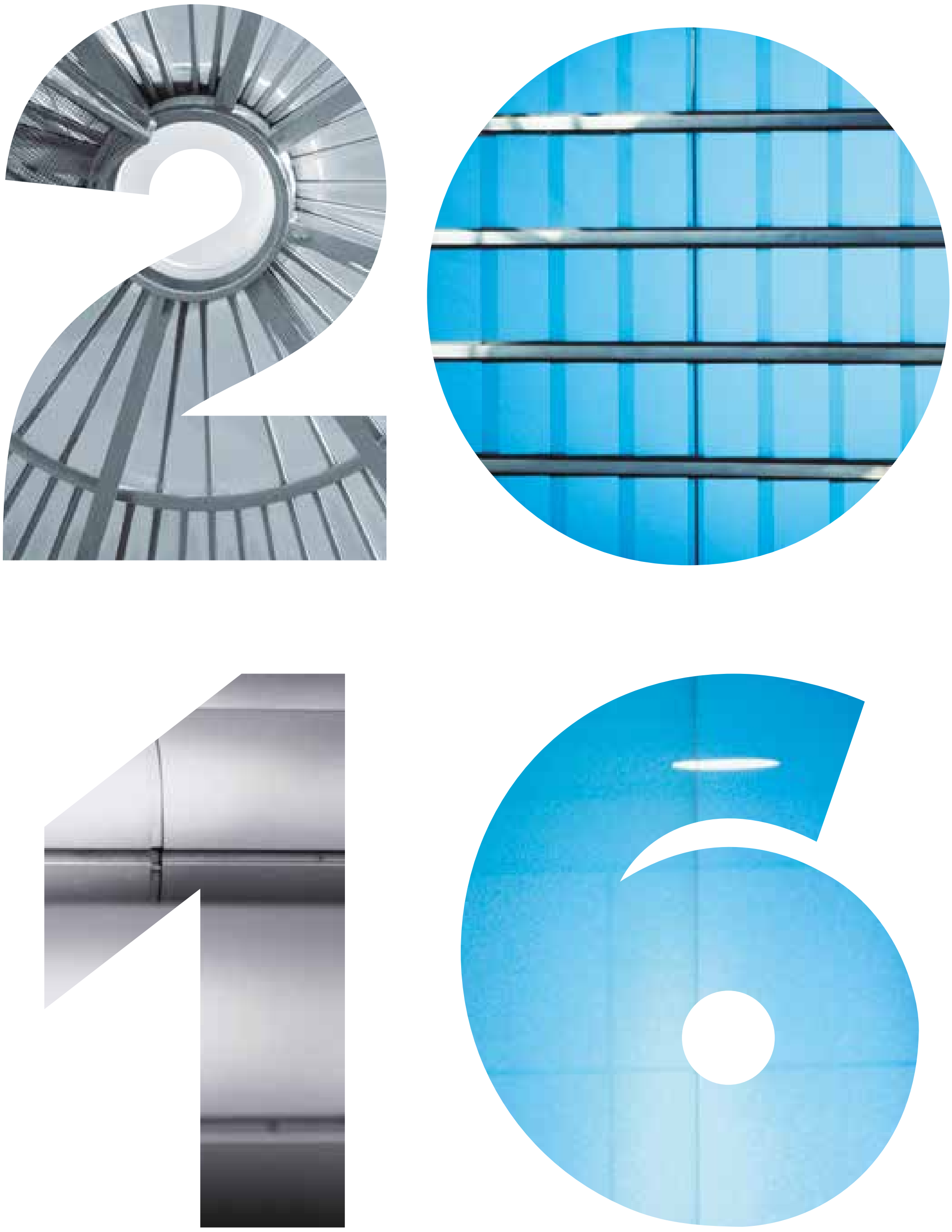
Atlantia

Atlantia Group's Interim Report for Q1 2016



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Contents

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Introduction

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Consolidated financial highlights

€M	Q1 2016	Q1 2015 [(a)]
Revenue	1,185	1,134
Toll revenue	877	831
Aviation revenue	122	110
Other operating income and contract revenue	186	193
Gross operating profit (EBITDA)	721	686
Adjusted gross operating profit (EBITDA) [(b)]	743	707
Operating profit (EBIT)	438	413
Profit/(Loss) from continuing operations	286	87
Profit for the period	187	51
Profit attributable to owners of the parent	164	32
Operating cash flow [(c)]	494	358
Adjusted operating cash flow [(b)]	503	365
Capital expenditure [(d)]	242	294

€M	31 March 2016	31 December 2015 [(a)]
Equity	8,627	8,483
Equity attributable to owners of the parent	6,900	6,800
Net debt	10,245	10,387
Adjusted net debt [(b)]	11,357	11,490

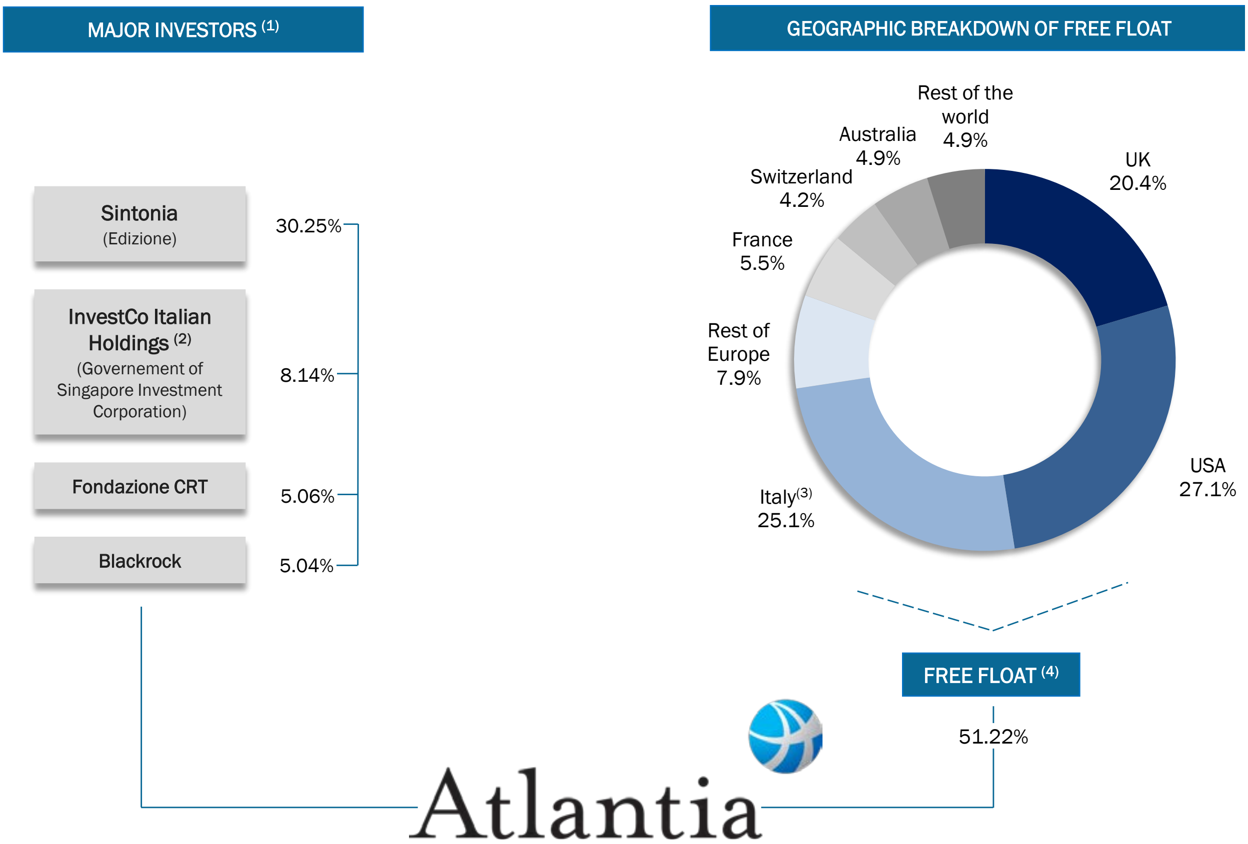
(a) The figures for the first quarter of 2015 also reflect the accounting effects of a number of non-recurring financial transactions carried out during the period, as described in more detail in the section, "Group financial review".

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

(c) Operating cash flow is calculated as profit for the 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 +/- net deferred tax assets/liabilities recognised in profit or loss.

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

Ownership structure



(1) The chart shows shareholders with interests of over 3%, in accordance with the disclosure threshold established by the CONSOB for substantial shareholdings. Source: CONSOB (as at 31 March 2016).
(2) Includes 0.082% held directly by Government of Singapore Investment Corporation.
(3) Includes retail investors.
(4) Excludes treasury shares held by Atlantia SpA, equal to 0.29% of the issued capital. Source: Thomson Reuters (as at 31 March 2016).

Share price performance

Atlantia share price – first quarter of 2016

Group structure[*]

Atlantia

100% — Autostrade per l'Italia

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% [1]
- Telepass 100%
- Autostrade dell'Atlantico 100%
- AD Moving 100%
- EsseDiEsse 100%

Overseas motorways

Brazil

- Autostrade Brasil 100% [2]
- - AB Concessões 50.00%+ 1 share
  - Triangulo do Sol Auto-Estradas 100%
  - Rodovias das Colinas 100%
  - Concessionária da Rodovia MG050 100%
  - Concessionária Rodovias do Tietê 50.00% [3]
  - Soluciona Conservacao 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% [3][4]

95.92% — Aeroporti di Roma

Italian airports

- ADR Sviluppo 100%
- ADR TEL 100%
- ADR Assistance 100%
- ADR Security 100%
- ADR Mobility 100%
- Airport Cleaning 100%
- Fiumicino Energia 87.14% [4]
  - Leonardo Energia 90.00%

Other activities

- Pavimental 99.40% [5]
- Spea Engineering 100% [6]
- ETC 64.46% [7]
- Autostrade Tech 100% [8]
- Infoblu 75.00% [8]

(*) The above chart shows interests in the principal Atlantia Group companies as at 31 March 2016.
(1) The percentage shown refers to the interest in terms of the total number of shares in issue.
(2) The company is 41.14% owned by Autostrade dell'Atlantico, 33.86% by Autostrade Holding do Sur and 25.00% by Autostrade Portugal.
(3) An unconsolidated company.
(4) This company is a direct subsidiary of Atlantia.
(5) This company is 59.40% owned by Atlantia, 20.00% by Autostrade per l'Italia and 20.00% by Aeroporti di Roma.
(6) This company is 60.00% owned by Atlantia, 20.00% by Autostrade per l'Italia and 20.00% by Aeroporti di Roma.
(7) A subsidiary of Autostrade dell'Atlantico.
(8) 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)	5,907	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) The process of awarding the new concession is underway.
(2) A draft addendum to the concession arrangement, to expire in 2040, is currently being negotiated with the Grantor.
(3) An unconsolidated company.
(4) The concession term is estimated on the basis of agreements with the Grantor.

Corporate bodies

Board of Directors in office for 2013-2015	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 (1)	Chairman	Bernardo Bertoldi	*(independent)*
	Members	Giuliano Mari	*(independent)*
		Lynda Tyler-Cagni	*(independent)*
Human Resources and Remuneration Committee (1)	Members	Carlo Bertazzo	
		Gianni Coda	*(independent)*
		Massimo Lapucci	*(independent)*
		Monica Mondardini	*(independent)*
		Lynda Tyler-Cagni	*(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		

(1) The Committee must elect a Chairperson from among its members.

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Report on operations

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Group financial review

Introduction

The financial review contained in this section presents and analyses the Atlantia Group's reclassified consolidated income statement, consolidated statement of comprehensive income, statement of changes in consolidated equity, statement of changes in consolidated net debt and consolidated statement of cash flows for the first quarter of 2016, with comparative amounts for the same period of the previous year. The review also includes the reclassified statement of financial position as at 31 March 2016, compared with the corresponding amounts as at 31 December 2015.

The consolidated financial statements presented and analysed in this section have been prepared in compliance with the international financial reporting standards (IFRS) issued by the International Accounting Standards Board (IASB), endorsed by the European Commission and in force at 31 March 2016. These standards are substantially consistent with those adopted for the consolidated financial statements as at and 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. This document, prepared on a voluntary basis, as indicated in the section, "Other information", does not represent interim financial statements prepared under IAS 34 and has not been audited.

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

With regard to the fire that broke out in Terminal 3 at Fiumicino airport, operated by Aeroporti di Roma, in May 2015, there was a negative impact on non-aviation revenue (retail and property management) in the first quarter of 2016, reflecting the unavailability of the most badly damaged retail units operated under sub-concession. In addition, given that the part of the terminal hit by the fire has not yet fully reopened, a number of temporary operational solutions have been adopted. This has resulted in additional costs in order to ensure the necessary operational and security measures. During the first quarter 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 and of the provisions needed to cover the indirect damage reported in the consolidated financial statements as at and for the year ended 31 December 2015.

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

Like-for-like changes

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

a) from consolidated amounts for the first quarter of 2016:
   1) the difference between foreign currency amounts for the first quarter of 2016, converted at average exchange rates for the period, and the matching amounts converted using average exchange rates for the same period of 2015;
   2) Autostrade Tirrenica's contribution for the first quarter of 2016;
   3) the overall impact, including the related taxation, on toll revenue and aviation revenue of the additional traffic resulting from the fact that February was one day longer in 2016 (a leap year) and from the timing of Easter in March 2016 (in 2015, Easter fell in the second quarter);
   4) the costs, after the related taxation, incurred by Aeroporti di Roma in the first quarter of 2016 due to additional operational and security measures in the areas most damaged by the fire that hit Terminal 3 at Fiumicino airport;
   5) the financial expenses, after the related taxation, linked to the partial buyback of certain bonds issued by Atlantia;
   6) the after-tax impact of the difference in the discount rates applied to the provisions accounted for among the Group's liabilities;

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

The following table shows a 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 quarters and the corresponding amounts presented in the reclassified consolidated financial statements included below.

€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 Q1 2016 (A)	721	187	164	494
Adjustment for non like-for-like items in Q1 2016				
Exchange rate movements	17	7	4	10
Contribution of SAT	-3	-	-	-1
Effect on traffic volumes and mix of leap year and timing of Easter in March 2016	-18	-13	-13	-13
Additional operational and security measures in the areas affected by the fire at Fiumicino airport's Terminal 3	2	1	1	1
Partial buyback of bonds issued by Atlantia	-	7	7	7
Change in discount rate applied to provisions	-	29	29	-
Sub-total (B)	-2	31	28	4
Like-for-like amounts for Q1 2016 (C) = (A)+(B)	719	218	192	498
Reported amounts for Q1 2015 (D)	686	51	32	358
Adjustment for non like-for-like items in Q1 2015				
Non-recurring financial transactions	-	129	128	119
Change in discount rate applied to provisions	-	16	16	-
Sub-total (E)	-	145	144	119
Like-for-like amounts for Q1 2015 (F) = (D)+(E)	686	196	176	477
Like-for-like change (G) = (C)-(F)	33	22	16	21

Consolidated results of operations

"Operating revenue" for the first quarter of 2016 totals €1,185 million, up €51 million (4%) on the same period of 2015 (€1,134 million). On a like-for-like basis, total revenue is up €49 million (4%).

"Toll revenue" of €877 million is up €46 million (6%) overall compared with the first quarter of 2015 (€831 million). Toll revenue is also up €46 million (6%) on a like-for-like basis, reflecting a combination of the following main factors:

a) a 4.2% increase in traffic on the Italian network, accounting for an estimated €30 million increase in toll revenue (including the impact of the different traffic mix);
b) application of annual toll increases for 2016 by the Group's Italian operators (a rise of 1.09% for Autostrade per l'Italia from 1 January 2016), boosting toll revenue by an estimated €6 million;
c) an improved contribution from overseas operators (up €7 million), primarily reflecting traffic growth in Chile (up 6.4%) and Poland (up 11.4%) and toll increases applied by operators in accordance with their respective concession arrangements, partially offset by a fall in traffic in Brazil (down 3.2%).

Reclassified consolidated income statement

€M	Q1 2016	Q1 2015	INCREASE/ (DECREASE) ABSOLUTE	%
Toll revenue	877	831	46	6
Aviation revenue	122	110	12	11
Contract revenue	13	18	-5	-28
Other operating income	173	175	-2	-1
Total operating revenue	**1,185**	**1,134**	**51**	**4**
Cost of materials and external services (1)	-161	-159	-2	1
Concession fees	-109	-102	-7	7
Staff costs	-216	-208	-8	4
Capitalised staff costs	22	21	1	5
Total net operating costs	**-464**	**-448**	**-16**	**4**
Gross operating profit (EBITDA)	**721**	**686**	**35**	**5**
Amortisation, depreciation, impairment losses and reversals of impairment losses	-225	-224	-1	n/s
Provisions and other adjustments	-58	-49	-9	18
Operating profit (EBIT)	**438**	**413**	**25**	**6**
Financial income accounted for as an increase in financial assets deriving from concession rights and government grants	16	15	1	7
Financial expenses from discounting of provisions for construction services required by contract and other provisions	-15	-14	-1	7
Other financial income/(expenses)	-152	-326	174	-53
Capitalised financial expenses on intangible assets deriving from comcession rights	3	5	-2	-40
Share of profit/(loss) of investees accounted for using the equity method	-4	-6	2	-33
Profit/(Loss) before tax from continuing operations	**286**	**87**	**199**	**n/s**
Income tax (expense)/benefit	-99	-36	-63	n/s
Profit/(Loss) from continuing operations	**187**	**51**	**136**	**n/s**
Profit/(Loss) from discontinued operations	-	-	-	n/s
Profit for the period	**187**	**51**	**136**	**n/s**
(Profit)/Loss attributable to non-controlling interests	23	19	4	21
(Profit)/Loss attributable to owners of the parent	**164**	**32**	**132**	**n/s**

	Q1 2016	Q1 2015	INCREASE/ (DECREASE)
Basic earnings per share attributable to the owners of the parent (€)	**0.20**	**0.04**	**0.16**
of which:			
- from continuing operations	0.20	0.04	0.16
- from discontinued operations	-	-	-
Diluted earnings per share attributable to the owners of the parent (€)	**0.20**	**0.04**	**0.16**
of which:			
- from continuing operations	0.20	0.04	0.16
- from discontinued operations	-	-	-

	Q1 2016	Q1 2015	INCREASE/ (DECREASE)
Operating cash flow (€m) (2)	**494**	**358**	**136**
of which:			
- from continuing operations	494	358	136
- from discontinued operations	-	-	-
Operating cash flow per share (€)	**0.60**	**0.44**	**0.16**
of which:			
- from continuing operations	0.60	0.44	0.16
- from discontinued operations	-	-	-

(1) After deducting the margin recognised on construction services provided by the Group's own technical units.

(2) A definition of "Operating cash flow" is provided in note (c) to the table headed "Consolidated financial highlights".

“Aviation revenue” of €122 million is up €12 million (11%) compared with the first quarter of 2015 (€110 million). On a like-for-like basis, aviation revenue is up €10 million, reflecting increases in airport fees applied from 1 March 2015 and 1 March 2016 and traffic trends (passengers up 1.9%). This was achieved despite the, albeit residual, negative impact on non-aviation revenue of the fire at Fiumicino airport’s Terminal 3 in May 2015.

“Contract revenue” and “Other operating income”, totalling €186 million, is down €7 million (also on a like-for-like basis) compared with the first quarter of 2015 (€193 million). This essentially reflects a reduction in work carried out for external customers by Pavimental and Autostrade Tech.

“Net operating costs” of €464 million are up (also on a like-for-like basis) €16 million (4%) on the first quarter of 2015 (€448 million).

The “Cost of materials and external services” amounts to €161 million, up €2 million on the first quarter of 2015 (€159 million). On a like-for-like basis, the cost of materials and external services is up €3 million, reflecting higher maintenance costs (up €3 million) as a result of maintenance cycles and resurfacing work on the Brazilian network and an increase in maintenance costs at Aeroporti di Roma with a view to improving service quality. These increases were partially offset by lower maintenance costs at Autostrade per l’Italia, linked to reduced snowfall in the first quarter of 2015 and a different scheduling of work on the network.

“Concession fees”, totalling €109 million, are up €7 million (7%) compared with the first quarter of 2015 (€102 million), primarily in line with the increase in toll revenue at the Italian operators.

“Staff costs”, after deducting capitalised expenses, amount to €194 million (€187 million in the first three months of 2015) and are up €7 million (4%).

“Gross staff costs” of €216 million are up €8 million (4%) on the first three months of 2015 (€208 million).
On a like-for-like basis, staff costs, before deducting capitalised expenses, are up €9 million (4%) on the first quarter of 2015, reflecting:

a) an increase of 464 in the average workforce excluding agency staff (up 3.2%), primarily attributable to Aeroporti di Roma as a result of the adoption of particular operating procedures in response to continuing restrictions on capacity following the fire of 7 May 2015, heightened anti-terrorism measures and security checks, initiatives designed to improve the quality of passenger assistance, staff hired in relation to implementation of the development plan and the insourcing of airport cleaning services, in addition to the recruitment of motorway maintenance personnel by the Brazilian operators;
b) an increase in the average unit cost (up 0.8%), primarily due to the cost of contract renewals at the Group’s Italian companies, partially offset by the different impact of early retirement incentives.

“Gross operating profit” (EBITDA) of €721 million is up €35 million (5%) on the first quarter of 2015 (€686 million). On a like-for-like basis, gross operating profit is up €33 million (5%).
“Amortisation and depreciation, impairment losses and reversals of impairment losses”, totalling €225 million, is in line with the figure for the first quarter of 2015 (€224 million).

The "Operating change in provisions and other adjustments" amounts to €58 million, up €9 million on the figure for the first quarter of 2015. This primarily reflects declines in the interest rates used to discount the provisions, compared with the comparative period. On a like-for-like basis, the figure is down €7 million on the figure for the first quarter of 2015.

"Operating profit" (EBIT) of €438 million is up €25 million (6%) on the first quarter of 2015 (€413 million). On a like-for-like basis, operating profit is up €34 million (8%), essentially reflecting the above improvement in EBITDA.

"Financial income recognised as an increase in financial assets deriving from concession rights and government grants" and "Financial expenses from discounting of provisions for construction services required by contract and other provisions" amount to €16 million and €15 million, respectively, and are in line with the first quarter of 2015.

"Net other financial expenses" of €152 million are down €174 million on the first quarter of 2015 (€326 million).
The reduction reflects the impact of non-recurring financial expenses of €183 million recognised in the first quarter of 2015 and relating to:

a) the premium paid by Atlantia (€82 million) in order to partially buy back certain bonds issued by the Company and maturing in 2016, 2017 and 2019;
b) net financial expenses linked to Atlantia's buyback of notes issued by Romulus Finance, totalling €101 million, including the premium paid by Atlantia to Romulus Finance's bondholders (€60 million).

Financial expenses of €10 million were recognised in the first quarter of 2016. These relate to the premium paid in order to partially buy back certain bonds issued by Atlantia and maturing in 2017, 2019 and 2020. On a like-for-like basis, the figure is down €4 million on the same period of 2015.

"Capitalised financial expenses" of €3 million in the first quarter of 2016 are down €2 million on the same period of 2015 (€5 million).

The "Share of (profit)/loss of associates and joint ventures accounted for using the equity method" amounts to a loss of €4 million, compared with a loss of €6 million in the first quarter of 2015. This is essentially attributable to the loss reported by the Brazilian operator, Rodovias do Tietè, in the first quarter of 2016.

"Income tax expense" of €99 million is up €63 million on the first quarter of 2015 (€36 million). The increase in tax expense is in line with the rise in pre-tax profit from continuing operations, totalling €199 million, compared with the first quarter of 2015. On a like-for-like basis, the increase is €17 million (17%).
"Profit from continuing operations" amounts to €187 million, up €136 million on the first quarter of 2015 (€51 million). On a like-for-like basis, the increase is €22 million (11%).

"Profit for the period", amounting to €187 million, is up €136 million on the first quarter of 2015 (€51 million). On a like-for-like basis, profit for the period is up €22 million (11%), essentially reflecting the improvement in EBITDA, after the related taxation.

“Profit for the period attributable to owners of the parent” (€164 million) is up €132 million compared with the first quarter of 2015 (€32 million), primarily as a result of the above non-recurring transactions in the Parent Company’s bonds during the first quarter of 2015, whilst “Profit attributable to non-controlling interests” amounts to €23 million (€19 million in the first quarter of 2015), up €4 million. On a like-for-like basis, profit for the period attributable to owners of the parent is €192 million, up €16 million (9%), whilst the profit attributable to non-controlling interests is up €6 million (30%).

“Operating cash flow” for the first quarter of 2015, as defined in the section “Consolidated financial highlights”, to which reference should be made, amounts to €494 million, up €136 million (38%) on the first quarter of 2015. On a like-for-like basis, operating cash flow is up €21 million (4%), primarily reflecting the improvement in EBITDA, after the related taxation.

Conto economico complessivo consolidato

€M		Q1 2016	Q1 2015
Profit for the period	**(A)**	**187**	**51**
Fair value gains/(losses) on cash flow hedges		-121	-37
Tax effect of fair value gains/(losses) on cash flow hedges		29	12
Gains/(losses) from translation of assets and liabilities of consolidated companies denominated in functional currencies other than the euro		55	77
Gains/(Losses) from translation of investments accounted for using the equity method denominated in functional currencies other than the euro		1	-
Other comprehensive income/(loss) for the period reclassifiable to profit or loss, after related taxation	**(B)**	**-36**	**40**
Reclassifications of other components of comprehensive income to profit or loss for the period	**(C)**	**-1**	**74**
Tax effect of reclassifications of other components of comprehensive income to profit or loss for the period	**(D)**	**-**	**-18**
Total other comprehensive income/(loss) for the period, after related taxation	**(E=B+C+D)**	**-37**	**96**
Of which attributable to discontinued operations		-	6
Comprehensive income for the period	**(A+E)**	**150**	**147**
Of which attributable to owners of the parent		*100*	*85*
Of which attributable to non-controlling interests		*50*	*62*

The "Total other comprehensive loss for the period, after the related taxation" amounts to €37 million for the first quarter of 2016 (income of €96 million in the first quarter of 2015), primarily reflecting a combination of the following:

a) an increase in fair value losses on cash flow hedges, after the related taxation, totalling €92 million (losses of €37 million in the first quarter of 2015), primarily reflecting falls in interest rates;
b) gains on the translation of assets and liabilities denominated in functional currencies other than the euro, totalling €55 million (€77 million in the first quarter of 2015), reflecting increases in the value of the Chilean peso and Brazilian real against the euro as at 31 March 2016, compared with the end of 2015.

Consolidated financial position

At 31 March 2016, "Non-current non-financial assets" of €26,829 million are up €68 million on the figure for 31 December 2015 (€26,761 million).

"Property, plant and equipment" of €229 million is substantially in line with the figure as at 31 December 2015 (€232 million).

"Intangible assets" total €24,895 million (€24,845 million as at 31 December 2015). These assets essentially relate to the Group's concession rights, amounting to €20,102 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 €50 million in intangible assets is essentially due to:

a) investment of €120 million during the period, essentially in construction services for which additional economic benefits are received;
b) an increase in the present value on completion of investment in construction services for which no additional benefits are received (€70 million), primarily reflecting a decline in the interest rates applied as at 31 March 2015, compared with those used at the end of 2014;
c) the impact of exchange rate movements on intangible assets deriving from the concession rights attributable to overseas operators, resulting in a net increase of €66 million, essentially due to a strengthening of the Brazilian real and the Chilean peso against the euro;
d) amortisation for the period (€212 million).

"Investments", totalling €99 million, are up €2 million on 31 December 2015 (€97 million). This essentially reflects a combination of the injection of further capital into Compagnia Aerea Italiana, totalling €6 million, and recognition of the Group's share of the loss for the period reported by investees accounted for using the equity method, amounting to €4 million.

"Deferred tax assets" of €1,580 million are in line with the figure as at 31 December 2015 (€1,575 million).

Reclassified consolidated statement of financial position

€M	31 March 2016	31 December 2015	INCREASE/ (DECREASE)
Non-current non-financial assets			
Property, plant and equipment	229	232	-3
Intangible assets	24,895	24,845	50
Investments	99	97	2
Deferred tax assets	1,580	1,575	5
Other non-current assets	26	12	14
Total non-current non-financial assets (A)	**26,829**	**26,761**	**68**
Working capital[1]			
Trading assets	1,417	1,469	-52
Current tax assets	74	44	30
Other current assets	248	245	3
Non-financial assets held for sale or related to discontinued operations [2]	5	6	-1
Current portion of provisions for construction services required by contract	-515	-441	-74
Current provisions	-419	-429	10
Trading liabilities	-1,498	-1,582	84
Current tax liabilities	-134	-30	-104
Other current liabilities	-479	-497	18
Non-financial liabilities related to discontinued operations [2]	-4	-6	2
Total working capital (B)	**-1,305**	**-1,221**	**-84**
Gross invested capital (C=A+B)	**25,524**	**25,540**	**-16**
Non-current non-financial liabilities			
Non-current portion of provisions for construction services required by contract	-3,302	-3,369	67
Non-current provisions	-1,545	-1,501	-44
Deferred tax liabilities	-1,702	-1,701	-1
Other non-current liabilities	-103	-99	-4
Total non-current non-financial liabilities (D)	**-6,652**	**-6,670**	**18**
NET INVESTED CAPITAL (E=C+D)	**18,872**	**18,870**	**2**

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

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

€M	31 March 2016	31 December 2015	INCREASE/ (DECREASE)
Equity			
Equity attributable to owners of the parent	6,900	6,800	100
Equity attributable to non-controlling interests	1,727	1,683	44
Total equity (F)	8,627	8,483	144
Net debt			
Non-current net debt			
Non-current financial liabilities	14,090	14,044	46
Bond issues	10,218	10,301	-83
Medium/long-term borrowings	3,216	3,256	-40
Non-current derivative liabilities	641	461	180
Other non-current financial liabilities	15	26	-11
Non-current financial assets	-1,900	-1,781	-119
Non-current financial assets deriving from concession rights	-793	-766	-27
Non-current financial assets deriving from government grants	-268	-256	-12
Non-current term deposits	-347	-325	-22
Current derivative assets	-23	-	-23
Other non-current financial assets	-469	-434	-35
Total non-current net debt (G)	12,190	12,263	-73
Current net debt			
Current financial liabilities	1,962	1,939	23
Bank overdrafts	2	37	-35
Short-term borrowings	245	246	-1
Current derivative liabilities	20	7	13
Current portion of medium/long-term borrowings	1,685	1,649	36
Other current financial liabilities	10	-	10
Cash and cash equivalents	-3,086	-2,997	-89
Cash in hand	-2,226	-2,251	25
Cash equivalents	-821	-707	-114
Cash and cash equivalents related to discontinued operations (2)	-39	-39	-
Current financial assets	-821	-818	-3
Current financial assets deriving from concession rights	-437	-435	-2
Current financial assets deriving from government grants	-67	-75	8
Current term deposits	-201	-222	21
Current portion of other medium/long-term financial assets	-91	-69	-22
Other current financial assets	-25	-17	-8
Total current net debt (H)	-1,945	-1,876	-69
Total net debt (I=G+H)	10,245	10,387	-142
NET DEBT AND EQUITY (L=F+I)	18,872	18,870	2

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

"Working capital" reports a negative balance of €1,305 million, compared with a negative balance of €1,221 million as at 31 December 2015, marking an increase of €84 million.

The change primarily reflects the following:

a) an increase of €74 million in the current portion of provisions for construction services required by contract, essentially reflecting the combined effect of reclassification of the current portion, totalling €141 million, linked to expected investment in construction services for which no additional benefits are received in the next twelve months, and uses during the period, totalling €73 million, primarily attributable to Autostrade per l'Italia;
b) a €74 million increase in net current tax liabilities, essentially due to recognition of tax expense for the period;
c) a €52 million decrease in trading assets, primarily due to a reduction in Aeroporti di Roma's trade receivables, reflecting reduced collection periods for amounts due from the customers;
d) a reduction in trading liabilities of €84 million, primarily due to a decrease in trade payables at Autostrade per l'Italia and Aeroporti di Roma, partly reflecting payments for work on infrastructure operated under concession in the last quarter of 2015.

“Non-current non-financial liabilities”, totalling €6,652 million, are down €18 million compared with 31 December 2015 (€6,670 million). The change essentially reflects the combined effect of the following:

a) a reduction of €67 million in the non-current portion of provisions for construction services required by contract, reflecting the combined effect of reclassification of the current portion, totalling €141 million, and an increase of €70 million following adjustment of the present value on completion of investment in construction services, primarily due to a reduction in current and future interest rates;
b) an increase of €44 million in the non-current portion of other provisions, primarily following the adjustment of provisions for the repair and replacement of motorway infrastructure to reflect the decline in the rates used as at 31 March 2016 to discount future commitments, compared with those used at the end of 2015.

As a result, “Net invested capital” totals €18,872 million (€18,870 million as at 31 December 2015).

“Equity attributable to owners of the parent and non-controlling interests” totals €8,627 million (€8,483 million as at 31 December 2015).
“Equity attributable to owners of the parent”, totalling €6,900 million, is up €100 million on the figure for 31 December 2015 (€6,800 million), reflecting comprehensive income for the period.
“Equity attributable to non-controlling interests” of €1,727 million is up €44 million on 31 December 2015 (€1,683 million). This is primarily due to comprehensive income for the period attributable to non-controlling interests (€50 million), partially offset by dividends declared (€6 million) by a number of Group companies that are not wholly owned subsidiaries.

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	-	15	-	37	1	-	-	32	85	62	147
Owner transactions and other changes											
Transfer of profit/(loss) for previous year to retained earnings whilst awaiting shareholder resolutions	-	-	-	-	-	451	-	-451	-	-	-
Dividends paid by other Group companies to non-controlling shareholders	-	-	-	-	-	-	-	-	-	-25	-25
Sale of treasury shares	-	-	-	-	-	70	158	-	228	-	228
Share-based incentive plans	-	-	-	-	-	1	-	-	1	-	1
Other minor changes and reclassifications	-	-	-	-	-	-	-	-	-	1	1
Balance as at 31 March 2015	826	-60	-36	-177	-3	6,298	-47	32	6,833	1,782	8,615
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	-	-92	-	28	-	-	-	164	100	50	150
Owner transactions and other changes											
Transfer of profit/(loss) for previous year to retained earnings whilst awaiting shareholder resolutions	-	-	-	-	-	524	-	-524	-	-	-
Dividends paid by other Group companies to non-controlling shareholders	-	-	-	-	-	-	-	-	-	-6	-6
Share-based incentive plans	-	-	-	-	-	1	-	-	1	-	1
Other minor changes and reclassifications	-	-	-	-	-	-1	-	-	-1	-	-1
Balance as at 31 March 2016	826	-120	-36	-346	-7	6,458	-39	164	6,900	1,727	8,627

The Group's net debt at 31 March 2016 is €10,245 million, marking a reduction of €142 million (€10,387 million as at 31 December 2015).

Non-current net debt, amounting to €12,190 million, is up €73 million compared with 31 December 2015 (€12,263 million) and consists of:

a) non-current financial liabilities of €14,090 million, up €46 million, essentially due to:
   1) an increase in fair value losses on non-current derivatives, amounting to €180 million, essentially due to the reduction in interest rates used as at 31 March 2016, compared with those used as at 31 December 2015 (€112 million) and foreign exchange losses (€68 million) reflecting a fall in the value of sterling against the euro;
   2) a reduction in bond issues of €83 million, primarily due to Atlantia's partial buyback of its own bonds maturing in 2017, 2019 and 2020 (with a total par value of €72 million);
   3) the reclassification to short-term of portions of borrowings maturing in the next twelve months (€61 million);
b) non-current financial assets of €1,900 million, up €119 million on 31 December 2015 (€1,781 million), essentially due to:
   1) an increase in financial assets deriving from concession rights (€27 million), essentially reflecting investment in motorway infrastructure by Costanera Norte under the *Santiago Centro Oriente* ("CC7") investment programme;
   2) an increase of €35 million in other non-current financial assets, reflecting the capitalisation of interest and a rise in the value of the Brazilian real against the euro, compared with the exchange rate as at 31 December 2015, affecting the value of the medium/long-term receivable due to Atlantia Bertin Concessões from Infra Bertin Empreendimentos;
   3) an increase in the non-current portion of financial assets deriving from government grants and term deposits (totalling €34 million), reflecting revised expectations of when the grants will be collected;
   4) 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.

"Current net funds" of €1,945 million are up €69 million on 31 December 2015 (€1,876 million) and consist of:

a) "Current financial liabilities" of €1,962 million, up €23 million due primarily to the following:
   1) an increase in fair value losses on current derivatives (€13 million);
   2) the net impact of reclassifications to short-term of the portion of medium/long-term financial liabilities maturing in the next twelve months (€60 million) and repayments during the quarter (€53 million);
b) "Cash and cash equivalents" of €3,086 million, up €89 million on the figure for 31 December 2015 (€2,997 million), essentially due to operating cash flows during the period, partially offset by the use of cash used in investing and financing activities;
c) "Other current financial assets" of €821 million, substantially in line with the figure for 31 December 2015 (€818 million).

The residual weighted average term to maturity of the Group's interest bearing debt is 6 years and 3 months as at 31 March 2016. 92% of the Group's debt is fixed rate.

The average cost of the Group's medium/long-term borrowings in the first quarter of 2016 was approximately 4.5% (reflecting the combined effect of 4% for the companies operating in Italy, 6.9% for the Chilean companies and 15.8% for the Brazilian companies).
As at 31 March 2016, project debt attributable to specific overseas companies amounts to €1,604 million. At the same date, the Group has cash reserves of €5,778 million, consisting of:

a) €3,086 million in cash and/or in investments maturing in the short term;
b) €548 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) €2,144 million in undrawn committed lines of credit.

As at 31 March 2016, the Group has lines of credit with a weighted average residual term to maturity of approximately 8 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 10 February 2005, subsequently amended by ESMA on 20 March 2013 (which does not permit the deduction of non-current financial assets from debt), amounts to €12,145 million as at 31 March 2016, compared with €12,168 million as at 31 December 2015.

Consolidated cash flow

"Net cash from operating activities" amounts to €498 million for the first quarter of 2016 (€523 million in the same period of 2015). The difference between the two comparative periods reflects a combination of the following:

a) a €161 million reduction in cash generated by the change in operating capital and other changes in non-financial assets and liabilities compared with the first quarter of 2015, which benefitted from the collection of compensation paid by the French government in March 2015, following early termination of the "EcoTaxe" project;
b) an increase of €136 million in operating cash flow compared with the first quarter of 2015, when the figure was impacted by the financial expenses incurred on the non-recurring financial transactions carried out, involving the buyback of bonds issued by Group companies, as described in "Consolidated results of operations".

"Cash used for investment in non-financial assets" amounts to €243 million, down €23 million on the first quarter of 2015 (€266 million). This reflects reduced investment by Autostrade per l'Italia in construction services for which no additional benefits are received, partially offset by increased investment in airport infrastructure by Aeroporti di Roma.

"Net equity cash outflows" amount to €6 million, compared with an inflow of €203 million in the first quarter of 2015, reflecting the proceeds from Atlantia's sale of treasury shares in the market in March 2015 (€228 million).

Finally, other changes during the first quarter of 2016, not linked to the above cash flows, have resulted in an increase of €107 million in net debt (€5 million in the first quarter of 2015). Above all, the figure for the first quarter of 2016 reflects an increase in fair value losses on derivative financial instruments, which are recognised in other comprehensive income and amount to €122 million.

Statement of changes in consolidated net debt [1]

€M	Q1 2016	Q1 2015
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Profit for the period	187	51
Adjusted by:		
Amortisation and depreciation	225	224
Operating change in provisions, after use of provisions for refurbishment of airport infrastructure	58	49
Financial expenses from discounting of provisions for construction services required by contract and other provisions	15	14
Share of (profit)/loss of investees accounted for using the equity method	4	6
Net change in deferred tax (assets)/liabilities through profit or loss	12	-5
Other non-cash costs (income)	-7	19
Operating cash flow	494	358
Change in operating capital	-36	59
Other changes in non-financial assets and liabilities	40	106
Net cash generated from/(used in) operating activities (A)	498	523
NET CASH FROM/(USED IN) INVESTMENT IN NON-FINANCIAL ASSETS		
Investment in assets held under concession	-226	-278
Government grants related to assets held under concession	-	4
Increase in financial assets deriving from concession rights (related to capital expenditure)	16	30
Purchases of property, plant and equipment	-11	-9
Purchases of intangible assets	-5	-7
Purchase of investments	-6	-4
Net change in other non-current assets	-11	-2
Net cash from/(used in) investment in non-financial assets (B)	-243	-266
NET EQUITY CASH INFLOWS/(OUTFLOWS)		
Dividends declared by Group companies	-6	-25
Proceeds from sale of treasury shares and exercise of rights under share-based incentive plans	-	228
Net equity cash inflows/(outflows) (C)	-6	203
Increase/(Decrease) in cash and cash equivalents during period (A+B+C)	249	460
Change in fair value of hedging derivatives	-122	-41
Financial income/(expenses) accounted for as an increase in financial assets/(liabilities)	8	31
Effect of foreign exchange rate movements on net debt and other changes	7	5
Other changes in net debt (D)	-107	-5
Decrease/(Increase) in net debt for period (A+B+C+D)	142	455
Net debt at beginning of period	-10,387	-10,528
Net debt at end of period	-10,245	-10,073

(1) The statement of changes in consolidated net debt presents the impact of cash flows generated or used during the period on net debt, unlike the statement of cash flows in the consolidated financial statements, which presents the impact of cash flows on cash and cash equivalents. The statement of changes in consolidated net debt shows the following information:

- "Net cash from /(used in) operating activities" includes the item, "Operating cash flow", computed on the basis of the definition provided in note (c) to the table headed "Consolidated financial highlights" and shows the change in operating capital, consisting of trade-related items directly linked to the ordinary activities of the Group;

- "Net cash from/(used in) investment in non-financial assets" solely includes cash flows used in and generated from investment in and the sale of non-financial assets;

- "Net equity cash inflows/(outflows)" solely regard changes in equity with an impact on net debt;

- the item "Other changes in net debt" includes the impact of changes not included in other types of flow that have an impact on net debt.

Consolidated statement of cash flows

€M	Q1 2016	Q1 2015
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Profit for the period	187	51
Adjusted by:		
Amortisation and depreciation	225	224
Operating change in provisions, after use of provisions for refurbishment of airport infrastructure	58	49
Financial expenses from discounting of provisions for construction services required by contract and other provisions	15	14
Share of (profit)/loss of investees accounted for using the equity method	4	6
Net change in deferred tax (assets)/liabilities through profit or loss	12	-5
Other non-cash costs (income)	-7	19
Change in working capital and other changes	4	165
Net cash generated from/(used in) operating activities [a]	498	523
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES		
Investment in assets held under concession	-226	-278
Government grants related to assets held under concession	-	4
Increase in financial assets deriving from concession rights (related to capital expenditure)	16	30
Purchases of property, plant and equipment	-11	-9
Purchases of intangible assets	-5	-7
Purchase of investments	-6	-4
Net change in other non-current assets and other changes generated by investing activities	-11	-2
Net change in current and non-current financial assets	-72	164
Net cash generated from/(used in) investing activities [b]	-315	-102
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Dividends paid	-	-19
Proceeds from sale of treasury shares and exercise of rights under share-based incentive plans	-	228
Increase in medium/long term borrowings (excluding finance lease liabilities)	1	-
Bond redemptions	-72	-1,300
Repayments of medium/long term borrowings (excluding finance lease liabilities)	-52	-50
Payment of finance lease liabilities	-1	-1
Net change in other current and non-current financial liabilities	59	441
Net cash generated from/(used in) financing activities [c]	-65	-701
Net effect of foreign exchange rate movements on net cash and cash equivalents [d]	6	2
Increase/(Decrease) in cash and cash equivalents [a+b+c+d]	124	-278
NET CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	2,960	1,953
NET CASH AND CASH EQUIVALENTS AT END OF PERIOD	3,084	1,675

Additional information on the statement of cash flows

€M	Q1 2016	Q1 2015
Income taxes paid	12	4
Interest and other financial income collected	9	4
Interest and other financial expenses paid	172	299
Dividends received	3	-

Reconciliation of net cash and cash equivalents

€M	Q1 2016	Q1 2015
NET CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	2,960	1,953
Cash and cash equivalents	2,958	1,905
Bank overdrafts repayable on demand	-37	-1
Intercompany current account payables due to related parties	-	-
Cash and cash equivalents related to discontinued operations	39	49
NET CASH AND CASH EQUIVALENTS AT END OF PERIOD	3,084	1,675
Cash and cash equivalents	3,047	1,636
Bank overdrafts repayable on demand	-2	-19
Intercompany current account payables due to related parties	-	-
Cash and cash equivalents related to discontinued operations	39	58

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

The following section presents estimates of adjusted amounts for consolidated gross operating profit (EBITDA), operating cash flow and net debt. These amounts have been adjusted by stripping out, from the reported amounts, the impact of application of the "financial model", introduced by IFRIC 12, to the Group's operators who, under their concession arrangements, have an unconditional right to receive contractually guaranteed cash payments regardless of the extent to which the public uses the service. This right is accounted for in "financial assets deriving from concession rights" in the statement of financial position.

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

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

a) an increase in revenue to take account of the reduction (following collection) in financial assets accounted for in the statement of financial position, as a result of guaranteed minimum toll revenue;
b) an increase in revenue, corresponding to the portion of government grants collected in relation to motorway maintenance and accounted for, in the statement of financial position, as a reduction in financial assets deriving from grants for investment in motorway infrastructure;
c) an increase in revenue, corresponding to the accrued portion of government grants collected (in previous years) in relation to investment in motorway infrastructure and accounted for, in the statement of financial position, as a reduction in financial assets deriving from grants for investment in motorway infrastructure;
d) the reversal of financial income deriving from the discounting to present value of financial assets deriving from concession rights (relating to guaranteed minimum revenue) and 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	Q1 2016		Q1 2015	
	EBITDA	Operating cash flow	EBITDA	Operating cash flow
Reported amounts	721	494	686	358
Increase in revenue for guaranteed minimum revenue:				
Los Lagos	2	2	2	2
Costanera Norte	10	10	9	9
Litoral Central	3	3	3	3
Nororiente	3	3	3	3
Adjustment	18	18	17	17
Grants for motorway maintenance:				
Los Lagos	4	4	4	4
Adjustment	4	4	4	4
Reversal of financial income deriving from discounting of financial assets deriving from concession rights (guaranteed minimums and Eco-Taxe project):				
Los Lagos		-1		-1
Costanera Norte		-5		-6
Litoral Central		-2		-2
Nororiente		-3		-3
Adjustment		-11		-12
Reversal of financial income deriving from discounting of financial assets deriving from grants for motorway maintenance:				
Los Lagos		-2		-2
Adjustment		-2		-2
Total adjustments	22	9	21	7
Adjusted amounts	743	503	707	365

€M	NET DEBT AS AT 31 MARCH 2016	NET DEBT AS AT 31 DECEMBER 2015
Reported amounts	10,245	10,387
Reversal of financial assets deriving from takeover rights:		
Autostrade Meridionali	403	403
Adjustment	403	403
Reversal of financial assets deriving from guaranteed minimum revenue:		
Los Lagos	61	61
Costanera Norte	286	285
Litoral Central	100	99
Nororiente	168	165
Adjustment	615	610
Reversal of financial assets deriving from grants for motorway maintenance:		
Los Lagos	94	90
Adjustment	94	90
Total adjustments	1,112	1,103
Adjusted amounts	11,357	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;
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:
    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.
    3) 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.

€M	ITALIAN MOTORWAYS		OVERSEAS MOTORWAYS		ITALIAN AIRPORTS		ATLANTIA AND OTHER ACTIVITIES		CONSOLIDATION ADJUSTMENTS		TOTAL ATLANTIA GROUP[1]	
	Q1 2016	Q1 2015	Q1 2016	Q1 2015	Q1 2016	Q1 2015	Q1 2016	Q1 2015	Q1 2016	Q1 2015	Q1 2016	Q1 2015
REPORTED AMOUNTS												
External revenue	864	802	123	138	170	159	28	35	-	-	1,185	1,134
Intersegment revenue	3	3	-	-	-	-	76	122	-79	-125	-	-
Total revenue	867	805	123	138	170	159	104	157	-79	-125	1,185	1,134
EBITDA	546	490	89	105	88	86	-2	5	-	-	721	686
Operating cash flow	355	270	78	85	62	67	-1	-64	-	-	494	358
Capital expenditure[2]	147	192	29	45	62	46	3	5	1	6	242	294
ADJUSTED AMOUNTS												
Adjusted EBITDA	546	490	111	126	88	86	-2	5	-	-	743	707
Adjusted operating cash flow	355	270	87	92	62	67	-1	-64	-	-	503	365

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

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

Italian motorways

The Group's Italian motorway operations generated revenue of €867 million in the first quarter of 2016, an increase of €62 million on the same period of 2015 (up 8%). On a like-for-like basis[1], total revenue is up €40 million (5%).

The Group's Italian motorway operators report net toll revenue of €761 million for the first quarter of 2016, marking an increase of €60 million on the first quarter of 2015, including the contribution from Autostrada Tirrenica. On a like-for-like basis, net toll revenue is up €39 million, primarily due to the following:

- a 4.2% increase in traffic on the Italian network (including the positive impact of the different traffic mix, the increase in toll revenue is approximately €30 million);
- 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 an estimated €6 million.

Other operating income of €106 million is in line with the first quarter of 2015 and, on a like-for-like basis, has not changed significantly.

Net operating costs of €321 million for the first quarter of 2016 are up €6 million on the same period of the previous year. On a like-for-like basis, net operating costs are substantially in line, reflecting 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;
- an increase in staff costs which, before deducting capitalised expenses, stable across the two comparative periods, are up 0.6%. This reflects:
  - an increase in the average unit cost (up 1.1%), primarily due to the cost of contract renewals and a reduction in expenses recovered for staff on secondment, partially offset by the different impact of early retirement incentives;
  - a reduction of 37 (0.5%) in the average workforce, primarily due to a slowdown in recruitment at Autostrade per l'Italia, EsseDiEsse and Tangenziale di Napoli and the transfer of personnel to Atlantia Group companies, partly offset by recruitment for certain specific units at Autostrade per l'Italia.

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

EBITDA for the Italian motorways segment in the first quarter of 2016 amounts to €546 million, up €56 million (11%) on the same period of 2015. On a like-for-like basis, EBITDA is up €39 million (8%).

Traffic

On a like-for-like basis with respect to the same period of 2015, traffic on the Group's Italian network in the first quarter of 2016 (measured in kilometres travelled) is up 7.2% on the same period of the previous year.
The number of kilometres travelled by vehicles with 2 axles is up 7.7%, with the figure for those with 3 or more axles up 4.7%.

After adjusting for calendar-related effects (the fact that 2016 is a leap year and the timing of Easter), the increase in kilometres travelled is estimated at approximately 4.2%.

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

OPERATOR	VEHICLES*KM (MILLIONS)*				
	VEHICLES WITH 2 AXLES	VEHICLES WITH 3+ AXLES	TOTAL VEHICLES	% INC./(DEC.) ON 2015	ATVD ** Q1 2016
Autostrade per l'Italia	8,563	1,463	10,026	7.3	38,597
Autostrade Meridionali	369	8	377	6.8	80,335
Tangenziale di Napoli	209	19	228	3.2	124,079
Raccordo Autostradale Valle d'Aosta	23	5	27	12.6	9,371
Società Italiana per il Traforo del Monte Bianco	2	1	3	6.6	4,902
Total Italian operators	**9,166**	**1,496**	**10,661**	**7.2**	**39,524**
*Autostrada Tirrenica ****	*38*	*5*	*43*	*11.3*	*11,846*

** Data for March 2016 is provisional*
*** Average theoretical vehicles per day, equal to number of kilometres travelled/journey length/number of days.*
**** This company was consolidated from 30 September 2015.*

Toll increases

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

Capital expenditure

Autostrade per l'Italia and the Group's other Italian operators invested a total of €147 million in the first quarter of 2016, marking a reduction of €45 million (23%) compared with the first quarter of 2015. On a like-for-like basis, capital expenditure amounts to €136 million, down €56 million (29%).

Capital expenditure

€M	Q1 2016	Q1 2015	% increase/ (decrease)
Autostrade per l'Italia -projects in Agreement of 1997	50	68	-26%
Autostrade per l'Italia - projects in IV Addendum of 2002	48	62	-23%
Investment in major works by other operators	-	4	-100%
Other capital expenditure and capitalised costs (staff, maintenance and other)	31	53	-42%
Total investment in infrastructure operated under concession	**129**	**187**	**-31%**
Investment in other intangible assets	3	2	50%
Investment in property, plant and equipment	4	3	33%
Total investment in motorways in Italy	**136**	**192**	**-29%**
Investment by Autostrada Tirrenica (SAT) (*)	**11**	**-**	
Total investment in motorways in Italy, including SAT	**147**	**192**	**-23%**

(*) Consolidated from 30 September 2015.

The volume of investment relating to works envisaged in Autostrade per l'Italia's Agreement of 1997 is down €18 million compared with the same period of 2015.
The difference primarily reflects the reduced volume of work on the *Variante di Valico* (opened to traffic on 23 December 2015), with only mitigation works still to be completed.
The above reduction was partially offset by an increase in work on the completion of off carriageway works on the Florence North-Florence South section of the A1.
The decrease in investment in works envisaged in Autostrade per l'Italia's IV Addendum of 2002 compared with the same period of 2015, amounting to approximately €14 million, is largely due to the completion of Lot 4 on the A14 (approximately 16 km of the new third lane was completed and opened to traffic in December 2015), and the progress of work on the fifth lane of the A8 between Milan and Lainate, opened to traffic in April 2015.
The above reduction was partially offset by an increase in work on construction of the new third lane for the Ancona North-Ancona South section of the A14 (nearing completion), and the impact of the amicable settlement of contract reserves claimed by the subsidiary, Pavimental, with regard to work on the widening of the A1 between Fiano Romano and Settebagni and of the A14 on the Rimini-Cattolica and Fano-Senigallia sections.
The €22 million reduction in other investment largely regards completion, in 2015, 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 31 March 2016, Group companies have recognised contract reserves quantified by contractors amounting to approximately €1,610 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 €44 million. The estimated future cost is covered by provisions for disputes accounted for in the consolidated financial statements as at and for the three months ended 31 March 2016.

Telepass

As at 31 March 2015, 8.6 million Telepass devices were in circulation (up 274,000 on 31 March 2014), whilst the number of subscribers of the Premium option exceeds 1.8 million (up 99,000 compared with 31 March 2014).
Telepass, generated revenue of €38 million in the first quarter of 2016, up €2 million on the same period of 2015. This primarily consists of Telepass fees of €25 million, Viacard subscription fees of €5 million and payments for Premium services of €4 million. The company's EBITDA for the first quarter of 2016 is €23 million, substantially in line with the figure for the same period of 2015.

Overseas motorways

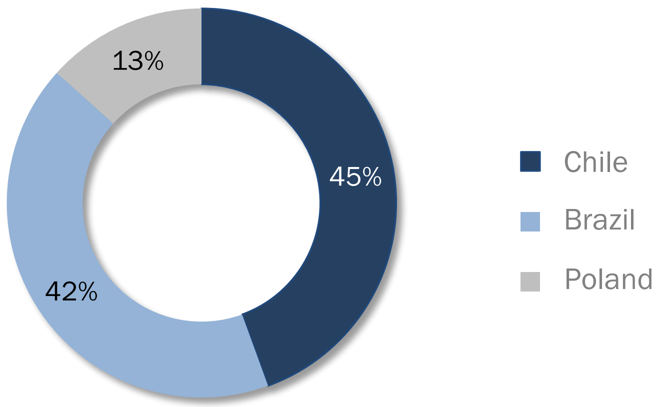
The Group's overseas motorway operators generated total revenue of €123 million in the first quarter of 2016, down €15 million (11%) on the first quarter of 2015 and reflecting the negative impact of exchange rate movements. On a like-for-like basis[1], revenue is up 5%.
Revenue growth during the year was driven by toll increases applied by operators in accordance with the terms of their concession arrangements, and by increases in traffic (measured in terms of kilometres travelled) comparerd with the first quarter of 2015. Traffic growth was particularly evident in Chile (7.0%) and Poland (12.8%), compared with a decline in Brazil (down 1.1%), linked to the continuing weakness of the Brazilian economy, which, from the second half of 2014, has resulted in a decline in heavy vehicles.

After stripping out the effects of the leap year and the different timing of Easter, traffic in the first quarter of 2016 (measured in terms of kilometres travelled) is estimated to be up 6.4% in Chile, down 3.2% in Brazil and up 11.4% in Poland.

Operating costs of €34 million are up €1 million (3.0%) on the first quarter of 2015. On a like-for-like basis, the costs are up 24%, primarily reflecting the increased costs linked to maintenance cycles in Brazil, as provided for in the operators' plans.

EBITDA for the overseas companies, amounting to €89 million in 2016, is down €16 million (15%) on the same period of 2015. On a like-for-like basis, EBITDA is down approximately 1%.

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



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

Chile

The Chilean operators' revenue for the first quarter of 2016 amounts to a total of €54 million, up 2% on the same period of 2015 (€52 million). On a like-for-like basis[2], revenue is up 11%.

EBITDA of €39 million is up approximately €2 million (6%) on the first quarter of 2015 (up 14% on a like-for-like basis.

Key performance indicators

€m	Revenue			EBITDA			Adjusted revenue(*)			Adjusted EBITDA(*)		
	Q1 2016	Q1 2015	% inc./(dec.)	Q1 2016	Q1 2015	% inc./(dec.)	Q1 2016	Q1 2015	% inc./(dec.)	Q1 2016	Q1 2015	% inc./(dec.)
Grupo Costanera												
Costanera Norte	22.6	21.9	3.2%	16.8	16.0	5.0%	32.0	31.4	1.9%	26.2	25.5	2.7%
Nororiente	0.9	1.3	-30.8%	0.0	-0.1	n.s.	4.3	4.5	-4.4%	3.4	3.1	9.7%
Vespucio Sur	21.2	20.3	4.4%	17.9	16.1	11.2%	21.2	20.3	4.4%	17.9	16.1	11.2%
Litoral Central	1.2	1.4	-14.3%	-0.1	0.7	-114.3%	4.2	4.2	n/s	2.9	3.6	-19.4%
AMB	0.3	0.4	-25.0%	0.0	0.0	n/s	0.3	0.4	-25.0%	0.0	0.4	n/s
Los Lagos	7.4	7.2	2.8%	4.8	4.5	6.7%	13.3	13.2	0.8%	10.8	10.4	3.8%
Total	**53.6**	**52.5**	**2.1%**	**39.4**	**37.2**	**5.9%**	**75.3**	**74.0**	**1.8%**	**61.2**	**59.1**	**3.6%**

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

Traffic on the motorways operated by the Group's Chilean operators, measured in terms of kilometres travelled, rose by a total of 7.0% in the first quarter of 2016.

	Traffic (millions of km travelled)			Traffic (thousands of journeys)		
	Q1 2015	Q1 2015	% inc./(dec.)	Q1 2015	Q1 2015	% inc./(dec.)
Grupo Costanera						
Costanera Norte	276	265	4.2%	61,581	59,303	3.8%
Nororiente	19	17	16.3%	1,637	1,399	17.0%
Vespucio Sur	220	210	4.4%	71,448	68,613	4.1%
Litoral Central	45	41	8.4%	1,792	1,659	8.0%
AMB	6	6	6.5%	2,599	2,440	6.5%
Los Lagos	215	191	12.4%	5,288	4,824	9.6%
Total	**781**	**730**	**7.0%**	**144,344**	**138,238**	**4.4%**

From January 2015, 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%).

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[2] *The results of the Group's Chilean companies for the first quarter of 2016 reflect a decline in the value of the Chilean peso, with the exchange rate moving from 703.49 Chilean pesos per euro (the average rate for the first quarter of 2015) to an average of 773.17 Chilean pesos in the first quarter of 2016.*

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%.
Capital expenditure amounted to a total of €16.5 million in the first quarter 2016, with around 56% of the works to be carried out as part of the *Santiago Centro Oriente* upgrade programme, amounting to total investment of approximately €256bn Chilean pesos (equal to around €344 million[3]) in the section operated by Costanera Norte, having been completed.

Brazil

The Brazilian operators generated total revenue of €55 million in the first quarter of 2016, marking a reduction of 24% compared with the same period of 2015 (€72 million). On a like-for-like basis[4], revenue is in line with the previous year.
Traffic on the network operated by the Brazilian operators consolidated by the Group fell 1.1% in terms of kilometres travelled in the first quarter of 2016.

The concession arrangements provide for annual toll increases to be applied from 1 July of each year for operators in the State of Sao Paulo and from June of each year for operators in the State of Minas Gerais.

Toll revenue for the first quarter of 2016 thus reflects the annual toll increases applied by 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.

Key performance indicators

€m	Traffic (millions of km travelled)			Revenue			EBITDA		
	Q1 2016	Q1 2015	% inc./(dec.)	Q1 2016	Q1 2015	% inc./(dec.)	Q1 2016	Q1 2015	% inc./(dec.)
Triangulo do Sol	354	357	-1.0%	23	31	-26%	17	24	-29%
Rodovias das Colinas	488	499	-2.3%	26	34	-24%	18	28	-36%
Rodovia MG050	197	193	2.1%	6	7	-14%	3	5	-40%
Total	**1,038**	**1,050**	**-1.1%**	**55**	**72**	**-24%**	**38**	**57**	**-33%**

Triangulo do Sol and Colinas increased their tolls by 4.11% from 1 July 2015, based on the rate of general price inflation in the period between June 2014 and May 2015, whilst Rodovias do Tieté raised its tolls by 8.47%, based on the rate of consumer price inflation in the same period. The increases were applied in accordance with the respective concession arrangements.
From 24 June 2015, the tolls applied by the operator, Rodovia MG050, in the state of Minas Gerais rose by 8.17%, based on the rate of consumer price inflation in the period between May 2014 and April 2015, as provided for in the related concession arrangement.

([3]) Amounts for previous years have been translated at the average peso/euro exchange rates for the relevant year, whilst amounts for 2016 have been translated at the average peso/euro exchange rate for the period (January-March 2016: 773.2 Chilean pesos per euro) and for future years at the peso/euro exchange rate of 766.4 Chilean pesos per euro).
[4] The results of the Group's Brazilian companies for the first quarter of 2016 reflect a decline in the value of the Brazilian real, with the exchange rate moving from 3.22 reals per euro (the average rate for the first quarter of 2015) to an average of 4.30 reals in the first quarter of 2016.

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.

EBITDA of €38 million is down approximately €19 million (33%) compared with 2015. On a like-for-like basis, EBITDA is down 14%. The reduction is primarily due to an increase in maintenance carried out in the first quarter of 2016, compared with the same period of 2015.
During the first quarter of 2016, a total of €12 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[5]. This road is operated under concession by SPMAR, on whose shares Atlantia Bertin Concessoes has a call option exercisable in accordance with the terms of agreements with the Bertin group, currently SPMAR's controlling shareholder.

Poland

In Poland, the Stalexport Autostrady group recorded total revenue of €15 million in the first quarter of 2016, up 15% on the same period of 2015. EBITDA of €12 million is up 9% on 2015.
The Polish operator, Stalexport Autostrada Malopolska, registered a 12.8% increase in traffic, in terms of kilometres travelled, in the first quarter of 2016, compared with the same period of 2015. The number of light vehicles is up 13.2%, whilst heavy vehicles are up 10.6%.
Tolls were increased by 10.7%[6] 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.

Key performance indicators

€m	Traffic (millions of km travelled)			Revenue			EBITDA		
	Q1 2016	Q1 2015	% inc./(dec.)	Q1 2016	Q1 2015	% inc./(dec.)	Q1 2016	Q1 2015	% inc./(dec.)
Stalexport Autostrady group	200	177	12.8%	15	13	15.4%	12	11	9.1%

(5)The regulator for the state of Sao Paulo (ARTESP) has also authorised collection of tolls from 2 July 2015, despite the fact that a number of construction works still have to be carried out to complete the section of motorway.
6 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 total revenue of €170 million in the first quarter of 2016, an increase of €11 million (7%) compared with the same period of the previous year.
Aviation revenue of €122 million is up €12 million (11%) on the same period of 2015, thanks to traffic growth (passengers up 4.0%, movements up 0.5%) and to the increases in airport fees applied from 1 March (2016 and 2015). On a like-for-like basis[1], aviation revenue is up €10 million.
Other operating income of €48 million is down €1 million compared with the first quarter of 2015.
Net operating costs, totalling €82 million in the first quarter of 2016, are up €9 million (12%). The increase continues to reflect the impact, in the period under review, of the additional costs incurred as a result of the operational solutions put in place to offset the disruption caused by the fire in Terminal 3 in May 2015. On a like-for-like basis, net operating costs are up €7 million, reflecting:

- the cost of materials and external services, totalling €35 million and up €2 million on the first quarter of 2015. The increase primarily reflects rising maintenance costs (with the aim of ensuring a high degree of efficiency of airport infrastructure and, therefore, service quality), the cost of policing and security services and commercial initiatives (promotions), partly offset by a reduction in the cost of external services following the decision to insource airport cleaning, awarding the contract to the subsidiary, Airport Cleaning Srl, which expanded its operations in 2015;
- concession fees, amounting to €7 million and substantially in line with the comparative period;
- net staff costs, totalling €38 million and up €5 million, in line with an increase in the average workforce employed by the ADR group linked, in addition to the above insourcing of cleaning services, to heightened anti-terrorism measures, the provision of assistance for epassport gates and electronic boarding pass scanners, and initiatives designed to improve passenger assistance and the recruitment of staff to work on implementation of the programmes envisaged in the Planning Agreement.

As result of the combined effect of these trends, EBITDA, totalling €88 million, is up €2 million on the first quarter of 2015 (2%). On a like-for-like basis, EBITDA is also up €2 million (2%).

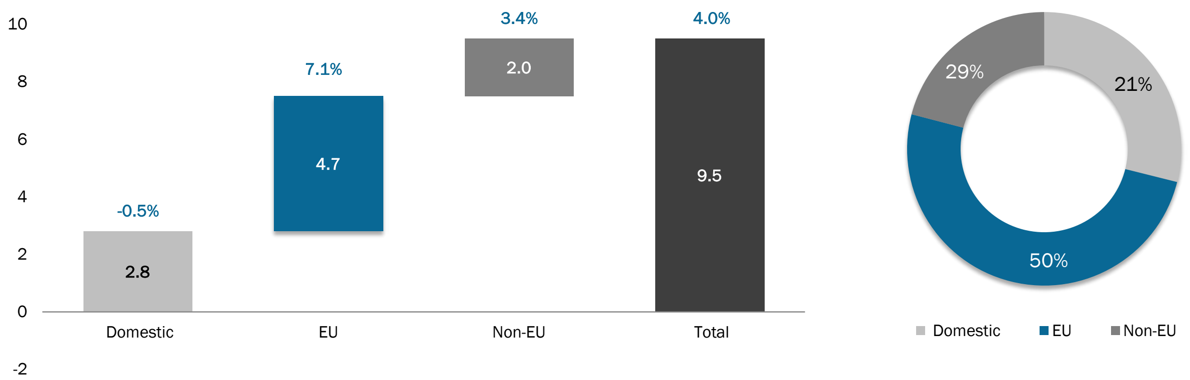
[1] *The term "like-for-like basis", used with reference to certain performance indicators, is defined in the introduction to the "Group financial review" above.*

Traffic performance

The Roman airport system handled over 9 million passengers in the first quarter of 2016, marking an increase of 4.0% on the same period of the previous year. After adjusting for calendar-related effects (the fact that 2016 is a leap year and the timing of Easter), the increase is approximately 1.9%.
In terms of the airport system as a whole, the EU segment was the main driver of growth, registering an increase of 7.1% and accounting for 50% of total traffic, whilst the non-EU segment is up 3.4%. In contrast domestic traffic registered a slight fall of 0.5%. In particular, passenger traffic at Fiumicino airport is up 3.4%, whilst Ciampino registered growth of 7.8%. Capacity at the Roman airport system also grew, with movements up 0.5%, the number of available seats rising 2.1% and aircraft tonnage up 2.3%.

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

Change in first quarter 2016 vs. first quarter 2015



Alitalia, the main carrier operating at Fiumicino, recorded a 1.7% increase in passenger traffic in the first quarter of 2016. Increases in traffic were registered by the Domestic segment (up 2.9%) and the International EU segment (up 0.9%). Non-EU traffic was broadly stable.

Aviation activities

Aviation revenue[2] of €122 million is up 11% on the same period of the previous year.
Airport fee revenue for the period under review totals €94 million, an increase of 12%. The improvement primarily reflects traffic growth, in addition to the annual increase in unit fees which, in accordance with the Planning Agreement, were applied from 1 March 2016 and 2015. In the case of Fiumicino, the ratio between the maximum permitted revenue for regulated services and fee-paying passengers, under the Planning Agreement, is €32.8 from 1 March 2016, whilst the figure for Ciampino airport is €19.8 per fee-paying passenger.

In detail:

- passenger embarkation fees, amounting to €64 million, are up 11% on the first quarter of 2015, primarily due to the increase in the number of passengers embarked (up 4.3%);

[2] *This primarily includes revenue from airport fees, security services and centralised infrastructure.*

- take-off, landing and parking fees, amounting to €29 million, are up 14%, primarily arising from increases in movements (up 0.5%) and aircraft tonnage (up 2.3%).

Non-aviation activities

Non-aviation revenue[3] of €45 million in the first quarter of 2016 is slightly down on the first quarter of 2015 (a reduction of 1%).
In detail:

- retail sub-concessions, which include sub-concessions for the retail sale of goods and services and the advertising business, generated revenue of €24 million. Retail revenue is down 5% on the first quarter of 2015, reflecting the closure of a number of retail units due to the damage caused by the fire in Fiumicino's Terminal 3;
- the advertising business generated revenue of €3 million, up €1 million on the same period of the previous year;
- revenue from property management, which includes the sub-concession of space and provision of the related utilities and services, amounts to €12 million, down 2% on the figure for the first quarter of 2015;
- car park management generated revenue of €6 million, down 2% on the same period of the previous year.

Capital expenditure

Capital expenditure totalled €62 million in the first quarter of 2016 (up €10 million compared with the first quarter of 2015). The principal works relating to terminals and piers regarded construction of the new departure areas E/F and the avant-corps for Terminal 3 at Fiumicino. Work on the final design for the eastern area of Fiumicino airport is nearing completion, with this project consisting primarily of the enlargement and reconfiguration of Terminal 1, and construction of a new retail plaza and of a new departure area A. The planned replacement of the façade of Terminal 3 is awaiting the relevant consents. Work on the upgrade and restyling of part of Boarding Area B has been completed. With regard to work on runways and aprons, work on extension of the aprons included in the *Piazzali 200* ("200 Aprons") project is in progress, whilst the upgrade of the road tunnel serving Terminal 1 has been carried out. As regards investment in plant, work on the makeover of the new electricity network serving the runways continued. Other investment includes reconstruction of the portion of Terminal 3 damaged by the fire of May 2015.

[3] *This includes retail sub-concessions, property management, car parks and advertising, as well as other activities carried out for external customers.*

€M	Q1 2016	Q1 2015	% increase/ (decrease)
E/F departure area (Avant-corps and third BHS)	20	14	47%
Work on baggage handling sub-systems and airport equipment	16	6	n/s
Work on terminals and piers	9	11	-18%
Work on technical systems and networks	3	3	11%
Work on runways and aprons	2	13	n/s
Other	12	5	n/s
TOTAL (*)	**62**	**52**	**19%**

(*) Including capital expenditure funded by ENAC, totalling €6m in the first quarter of 2015.

Contract reserves quantified by contractors

As at 31 March 2016, Group companies have recognised contract reserves quantified by contractors amounting to approximately €94 million (€75 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.

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. Revenue of €10 million in the first quarter of 2016 is down €2 million compared with the same period of 2015. The reduction reflects a decline in sales of equipment for the motorway market and the different timing of export sales. EBITDA is zero for the first quarter of 2016 (€1 million for the first quarter 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 revenue of €16 million in the first quarter of 2016. EBITDA of €3 million is a €1 million improvement on 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. Revenue for the first quarter of 2016 amounts to €48 million, down €55 million (53%) on the first quarter of 2015. This primarily reflects the reduced volume of work carried out and delays in the award of contracts by Autostrade per l'Italia and Aeroporti di Roma. Negative EBITDA of €6 million marks a deterioration of €4 million compared with the first quarter of 2015 (negative EBITDA of €2 million). This primarily reflects 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.
Revenue in the first quarter of 2016 amounts to €28 million, an increase of €8 million (40%) on the same period of of the previous year. This is primarily due to the airport work acquired following the merger with ADR Engineering, with effect from 1 June 2015, and continuing 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 quarter of 2016 amounts to €7 million, up €2 million on same period of of the previous year. This primarily reflects the above increase in activity.

Workforce

As at 31 March 2016, the Group employs 14,361 staff on permanent contracts and 1,249 temporary staff, resulting in a total workforce of 15,610, including 12,489 in Italy and 3,121 at overseas companies. This is down 49 on the 15,659 of 31 December 2015.

The change in permanent staff as at 31 March 2016, compared with the end of 2015 (down 45), primarily reflects events at the following Group companies:

- the Chilean companies (down 28), due to staff cuts following the centralisation of certain activities;
- Italian motorway operators (down 25), primarily due to a slowdown in recruitment;
- Pavimental (down 15), reflecting the performance of contracts;
- the Brazilian companies (up 25), due to the ongoing process of bedding down the organisational structures of operators.

The change in temporary staff as at 31 March 2016, compared with the end of 2015 (down 4), primarily reflects events at the following Group companies:

- Italian motorway operators (down 119), primarily due to differing seasonal requirements for toll collectors in the comparative periods;
- Pavimental (down 10), reflecting the performance of contract work;
- Aeroporti di Roma group (up 115), primarily due to the adoption of particular operating procedures following the fire of 7 May 2015, heightened anti-terrorism measures and initiatives designed to improve the quality of passenger assistance;
- Stalexport (up 9), primarily due to the recruitment of additional toll collectors in response to traffic trends.

The average workforce (including agency staff) is up from 14,022 in the first three months of 2015 to 14,571 in the same period of 2016, marking an increase of 549 on average (up 4%).
This increase primarily reflects:

- Aeroporti di Roma group (up 387 on average), primarily linked to insourcing and the expansion of Airport Cleaning's activities, the adoption of particular operating procedures following the fire of 7 May 2015, 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;
- the Brazilian companies (up 139 on average), due to implementation of the plan to insource motorway maintenance services at the Brazilian operators;
- Autostrada Tirrenica (up 68 on average), following the company's consolidation from 30 September 2015;
- Electronic Transaction Consultants (up 26 on average), reflecting the business performance;

- Spea Engineering (up 22 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*;
- the Chilean companies (down 63), due to staff cuts following the centralisation of certain activities, resulting in cost efficiencies;
- Italian motorway operators (down 22 on average), primarily due to a slowdown in recruitment and the transfer of staff from Autostrade per l'Italia to Atlantia Group companies;
- Pavimental (down 8 on average), reflecting the performance of contract work.

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

Permanent staff

CATEGORY	31 March 2016	31 December 2015	INCREASE/(DECREASE)	
			ABSOLUTE	%
Senior managers	247	238	9	4%
Middle managers	980	989	(9)	-1%
Administrative staff	6,317	6,328	(11)	0%
Manual workers	3,579	3,618	(39)	-1%
Toll collectors	3,238	3,233	5	0%
Total	**14,361**	**14,406**	**-45**	**0%**

Temporary staff

CATEGORY	31 March 2016	31 December 2015	INCREASE/(DECREASE)	
			ABSOLUTE	%
Senior managers	5	5	-	0%
Middle managers	-	-	-	-
Administrative staff	671	604	67	11%
Manual workers	498	457	41	9%
Toll collectors	75	187	(112)	-60%
Total	**1,249**	**1,253**	**-4**	**0%**

Average workforce (*)

CATEGORY	Q1 2016	Q1 2015	INCREASE/(DECREASE)	
			ABSOLUTE	%
Senior managers	246	242	4	2%
Middle managers	985	956	29	3%
Administrative staff	6,590	6,297	293	5%
Manual workers	3,618	3,391	227	7%
Toll collectors	3,132	3,136	(4)	0%
Total	**14,571**	**14,022**	**549**	**4%**

(*) Includes agency staff.

Significant regulatory aspects and pending litigation

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 events relating to the principal ongoing disputes and of any significant regulatory events affecting Group companies and occurring through to the date of approval of this Interim Report for the three months ended 31 March 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 31 March 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 the "Code for Public Tenders and Concession Arrangements", was published in the Official Gazette of 19 April 2016.
In accordance with the Enabling Act, art. 177 of the new code, with regard to the "award of concessions", has confirmed and further specified that public or private entities, which hold an existing concession at the date of entry into force of the code (19 April 2016) 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.
Although the code came into force from the date of its publication in the Official Gazette (19 April 2016), it has confirmed that there will be a transitional period to enable operators to comply with the new legislation. This transitional period will last 24 months from 19 April 2016.
Annual checks on compliance with the above limit of 80% are to be conducted by the competent authorities and ANAC (the *Autorità Nazionale Anti Corruzione*, Italy's National Anti-Corruption Authority). 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 Ministry of Infrastructure and Transport, as grantor of the concession, will impose a penalty equal to 10% of the total value of the works, services or goods that should have been purchased by public tender.

Italian motorways

Toll increases with effect from 1 January 2016

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

a) Autostrade per l'Italia's right, in accordance with its request to the Grantor, to apply an increase of 1.09% with effect from 1 January 2016, corresponding to the sum of the following components:
   - 0.00% for inflation;
   - 0.97% to provide a return capital expenditure via the "X" tariff component;
   - 0.12% to provide a return on investment via the "K" tariff component;

b) the provisional suspension of the toll increases to be applied by Tangenziale di Napoli, Raccordo Autostradale Valle d'Aosta and Autostrada Tirrenica with effect from 1 January 2016 (the increases thus amount to 0.00%), whilst awaiting approval of the operators' revised financial plans. The toll increases will be finalised by the interministerial decree approving the related addenda revising the financial plans, subject to the right of the operators to recoup any toll increases on the basis of the revised financial plans. Revenue lost as a result of suspension of the increases will be taken into account in the toll increases for 2017. The above companies have challenged the legislation suspending the toll increases for 2016;

c) the absence of any toll increase for Autostrade Meridionali, given that its concession expired on 31 December 2012. Autostrade Meridionali has brought a legal challenge contesting the above decision, in line with 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 0.2% 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).

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

With regard to the Ministry of Infrastructure and Transport's call for tenders for the new concession for the A3 Naples – Pompei – Salerno motorway, on 16 November 2015, the Tender Committee raised a number of doubts regarding the two bids received, proposing to disqualify both. The two bidders responded with a request to be allowed to resolve the issues raised and thus continue with the tender process. The Grantor thus submitted a supplement to the procedure to the Tender Committee and, on 16 December 2015, informed the bidders that the final outcome of the tender process will be announced at the next public session of the Committee.
On 22 March 2016, the Tender Committee, having carried out the supplementary procedure required by the Grantor, decided to disqualify both bidders due to irregularities in their bids.
The Ministry of Infrastructure and Transport thus informed Autostrade Meridionali, on 22 March 2016, of its final decision to disqualify both bidders from the tender process.
The company has challenged the disqualification, claiming that it is unlawful and sending the Grantor a cease and desist letter, requiring it to refrain from any further action with regard to award of the new concession until the challenge has been ruled on. The hearing to discuss the challenge is scheduled for 8 June 2016.

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 reference to the pending administrative disputes relating to cancellation of the decree of 7 August 2015 and ongoing competitive tenders for service area concessions, it should be noted that:

- at the date of approval of this Report, none of the requests for an injunctive relief lodged by the various plaintiffs has been upheld;
- with regard to the challenges brought by a number of oil service providers, on 5 April 2016, the oil company, API, declared a lack of interest in pursuing the action brought before Lazio Regional Administrative Court, challenging the above decree and the procedure for the award of the oil service concession at the San Martino Est service area, given that the company has been ranked first in the above procedure;
- in general terms, the merits of the various disputes are being examined. In particular, with regard to the challenges brought by Unione Petrolifera, TotalErg and Kuwait against the above decree and the challenge brought by an oil service provider against the award of the oil service concession at the Cantagallo Ovest service area, Lazio Regional Administrative Court, following the public hearing of 6 April 2016, postponed its ruling and the court's judgement on the merits is thus awaited.

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

With regard to the above accident, Public Prosecutor's Office in Avellino has filed criminal charges against, among others, twelve employees of the company, including executives, former managers and employees.
On completion of the related 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.
The next hearing is scheduled for 9 May 2016, at which any counter-arguments will be heard and the court will decide on whether or not to commit the defendants for trial.
To date, approximately 70% of the civil parties have received compensation and have, therefore, withdrawn their actions following payment of their claims by Autostrade per l'Italia's insurance provider under the existing general liability policy.
In addition to the criminal proceedings, a number of civil actions have been brought and were recently combined by the Civil Court of Avellino. Following the combination of the various proceedings, judgement is pending before the Civil Court of Avellino in relation to: (i) the original action brought by Reale Mutua Assicurazioni, the company that insured the coach, in order to make the maximum claim payable available to the damaged parties, including Autostrade per l'Italia (€6 million), (ii) subsequent claims, submitted as counterclaims or on an individual basis, by a number of damaged parties, including claims against Autostrade per l'Italia. Subject to the permission of the court, Autostrade per l'Italia intends to refer claimants to its insurance provider (Swiss Re International), with a view to being indemnified against any claims should it lose the case.
At the latest hearing, the court fixed the terms required by art. 183 of the Code of Criminal Procedure and adjourned the case until 9 June 2016, when the outcome of the assessment conducted by court-appointed experts will be examined.

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

On 27 August 2014, a worker employed by Pavimental SpA – the company contracted by Autostrade per l'Italia to carry out work on the widening of the A1 to three lanes – was involved in a fatal accident whilst at work. In response, the Public Prosecutor's Office in Prato has placed a number of Pavimental personnel under criminal investigation for reckless homicide, alleging violation of occupational health and safety regulations. 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, certain 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, all the defendants were notified that the investigation had been completed. In this notice, neither Autostrade per l'Italia or Pavimental are among the parties under investigation. Subsequent information from the Public Prosecutor's Office indicates that the two companies are no longer under investigation, as the Prosecutor's Office has requested dismissal of the case.

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

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

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 is scheduled for 16 May 2016.

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 latest 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, when the two procedures will be combined (the one for which an accelerated trial has been requested and the ordinary procedure in respect of the other defendants) and the presentation of evidence by the counsels for the defendants.

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 must be provided to ADR by 15 April 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. The hearing on the merits of Assaereo's challenge is scheduled for 16 June 2016.

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

ENAC published a call for tenders in Volume S/81 of 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, in accordance with art. 11 of Legislative Decree 18/1999. This followed ENAC's decision, dated 13 October 2014, to limit the number of ground handlers to three.
Following publication of the above call for tenders, Consulta SpA, Assaereo, IBAR and Aviation Services filed a legal challenge with Lazio Regional Administrative Court against the call for tenders, citing additional grounds. ATA Italia has, instead, filed a new challenge with Lazio Regional Administrative Court. At the hearing held on 26 June 2015, the Court rejected the request for injunctive relief brought by the plaintiff. The hearing on the merits has been scheduled for 8 July 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 bidders and the related rankings.
On 23 December 2015, ENAC's General Manager issued a Directive announcing the selection of the following bidders: Aviation Services SpA, Aviaprtner 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 is now "effective", and asked the three successful bidders to provide the documentation necessary in order to finalise the contract with the operator, ADR. On 14 March 2016, ENAC announced that the effective date for application of the limitations at the airport will be 18 May 2016, and invited airlines to notify ENAC and ADR, in compliance with the Airport Regulations, their chosen service provider no later than 18 April.
The three successful bidders sent the documentation required under the tender terms and conditions to ADR within the deadline (guarantee, insurance policies and ENAC certification), in order to proceed with finalisation of the contract and avoid invalidation of the award.
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.
Instead of putting forward the previously announced further evidence, Consulta then contested, before Lazio Regional Administrative Court, the letters from ENAC announcing the effectiveness of the contract award and the effective date of application of the limitations as 18 May, requesting an urgent *ex parte* injunction, which was rejected by the court. On 16 April 2016, Consulta filed a request for injunctive relief with the Council of State, contesting the Lazio Regional Administrative Court ruling and requesting an urgent injunction. The appointed judge issued decree 1319/2016 on the same day, rejecting the request for an urgent injunction "*considering that there is no evidence of bias necessary in order to uphold the request, also in the light of the documentation setting out the need for an* ex parte *ruling*".
The Council of State hearing to discuss the request for injunctive relief is scheduled for 19 May 2016.
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.
WFS has appealed to the Lazio Regional Administrative Court ruling before the Council of State, requesting an urgent *ex parte* injunction, which was rejected by the Council of State on 1 March 2016. A further hearing to discuss injunctive relief was scheduled for 28 April 2016. Following a request to this effect from the plaintiff, this hearing was brought forward to 22 March 2016 and, on this occasion, the Council of State rejected the request for injunctive relief.
At hearing on the merits on 14 April, the court rejected WFS's request for an adjournment and postponed a ruling, without hearing evidence.

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, requesting an urgent injunction against a letter from ENAC and one from ADR. This was turned down by the administrative court on 26 June 2015.
At the hearing held to discuss the injunctive relief, the plaintiff requested an adjournment to enable them to submit additional evidence and the court scheduled another hearing for 29 October 2015, when the plaintiff withdrew its request for injunctive relief.
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.

Noise Reduction and Abatement Plan for Ciampino airport

Pursuant to the Ministerial Decree of 29 November 2000, ADR submitted its Noise Reduction and Abatement Plan for Ciampino airport to Lazio Regional Authority and the municipalities of Rome,

Marino and Ciampino on 28 November 2013. In February 2014, the three municipalities expressed their opposition to the proposed plan.
On 5 May 2014, Lazio Regional Authority formally set up a cross-agency panel to look into the above Plan. In addition to Lazio Regional Authority, the panel's members include representatives from the Municipality of Rome, the municipalities of Ciampino and Marino, ENAC, ARPA Lazio (the region's environmental protection agency) and ADR.
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.

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 and Land and Sea Protection 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 and Land and Sea Protection, 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.
In response, ADR submitted the requested report to the Authority on 20 July 2015.

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.

Other information

As at 31 March 2016, Atlantia SpA holds 2,401,753 treasury shares, representing 0.29% 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.
No share options were exercised nor share grants converted during the first quarter of 2016 in relation to share-based incentive plans for certain of the Group's managers.

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 "Significant regulatory aspects and pending litigation", that may result in charges or potential liabilities with an impact on the consolidated 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.

On 18 March 2016, Legislative Decree 25 of 15 February 2016, which has transposed EU Directive 2013/50/EU into Italian law, eliminated the obligation to publish interim reports, as previously required by paragraph 5 of art. 154-*ter* of the Consolidated Finance Act, and granted the CONSOB the option of introducing additional interim financial reporting requirements. As things stand, therefore, the Group is under no obligation to publish financial information relating to the first quarter of 2016. However, whilst awaiting definition of a new regulatory framework, Atlantia believes it is important to ensure the continuity of the Group's financial reporting, in terms of both the content and timing of publications. As a result, the Group has prepared and published the Atlantia Group's interim report for the three months ended 31 March 2016 on a voluntary basis, in line with the information provided in the interim reports published in previous years.
This decision is not intended to put the Company under any future obligation and is subject to review in the light of changes in the relevant statutory and regulatory requirements.
Atlantia will keep the market fully informed of any future decisions in this regard.

Events after 31 March 2016

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.

Outlook and risks or uncertainties

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

Italian motorways

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

Overseas motorways

Traffic on the Group's overseas motorways continues to register overall 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.

Aeroporti di Roma

Aviation revenue is expected to rise, in line with the growth in passenger traffic registered in the first three months of the year and with airlines' forecasts, which partly reflect the launch of new direct flights from Fiumicino airport. The performance will also benefit from the increase in airport fees. Growth in non-aviation revenue may also contribute to an improvement in results, having been hit by the damage to retail outlets in 2015 as a result of the fire that broke out at Fiumicino on 7 May.

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.

Legal information and contacts

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Legal information

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