Atlantia

Interim Report of the Atlantia Group for the six months ended 30 June 2017

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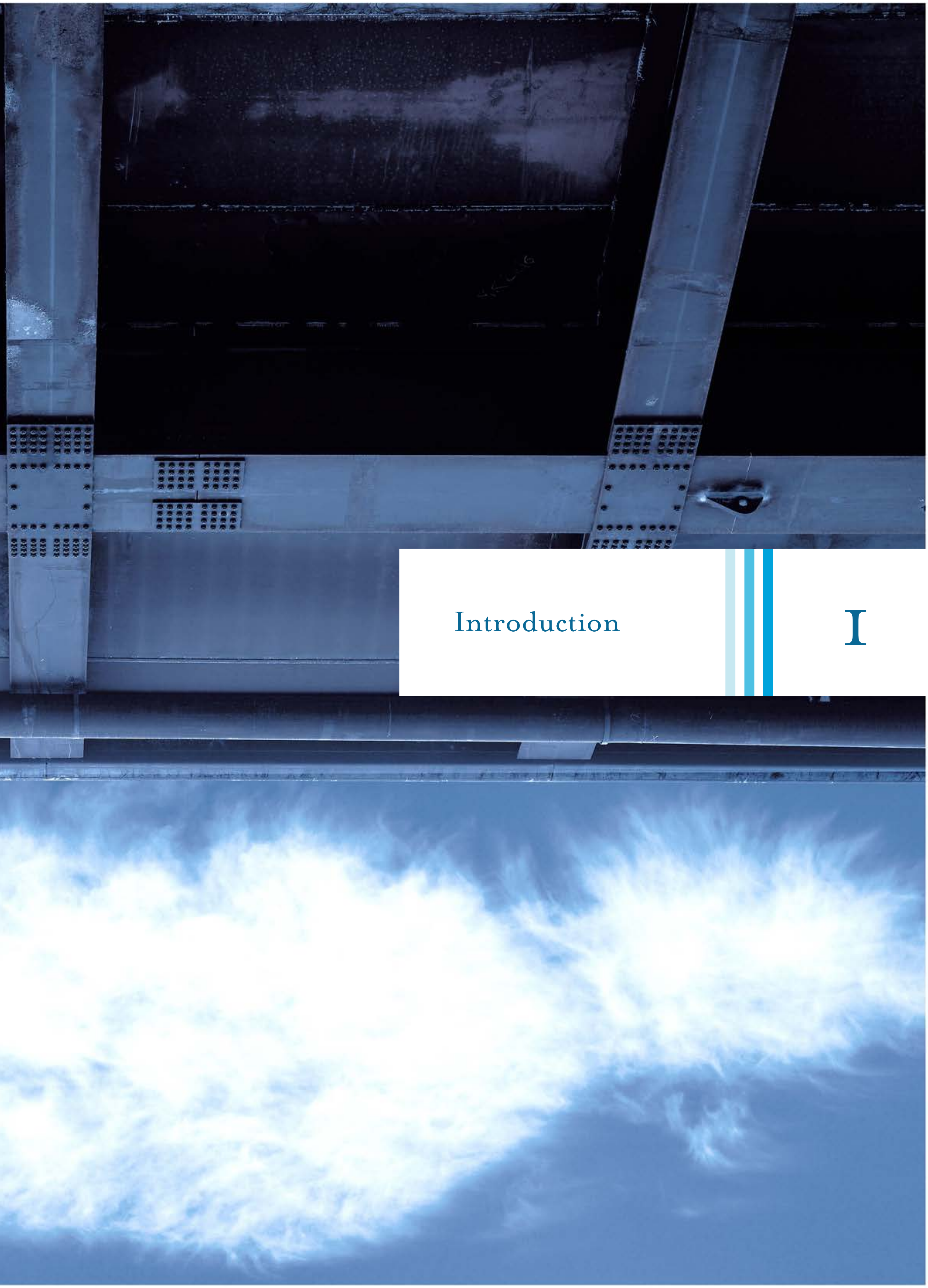
Contents



I Introduction

Consolidated financial highlights (*)

€M	H1 2017	H1 2016
Operating revenue	2,835	2,566
Toll revenue	1,994	1,875
Aviation revenue	373	292
Other operating income and contract revenue	468	399
Gross operating profit (EBITDA)	1,728	1,578
Adjusted gross operating profit (EBITDA)	1,778	1,622
Operating profit (EBIT)	1,144	965
Profit/(Loss) from continuing operations	913	711
Profit for the period	582	465
Profit attributable to owners of the parent	518	413
Operating cash flow	1,205	1,095
Adjusted operating cash flow	1,230	1,114
Capital expenditure	478	566

€M	30 June 2017	31 December 2016
Equity	9,816	10,009
Equity attributable to owners of the parent	7,202	7,224
Net debt	11,421	11,677
Adjusted net debt	12,503	12,823

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

The Atlantia Group

STRUCTURE OF THE GROUP AS AT 30 JUNE 2017 (*)

Atlantia

Italian motorways

Autostrade per l'Italia *100%*

- 5 concessions

Italian airports

Aeroporti di Roma *96.73%*

Overseas motorways

Brazil

AB Concessões *50% + 1 share*

- 4 concessions

Chile

Los Lagos *100%*

Grupo Costanera *50.01%*

- 5 concessions

Poland

Stalexport Autostrada Malopolska *61.20%*

India

Pune-Solapur Expressway *50%*

Overseas airports

Azzurra Aeroporti *75%* (1)

- Aéroports de la Côte D'Azur *64%*

Other businesses

- Telepass *100%*
- Spea Engineering *100%*
- Pavimental *99.40%*
- Electronic Transaction Consultants *64.46%*

(*) The above chart shows the structure of operating segments and the principal Atlantia Group companies. The Atlantia Group's investments as at 30 June 2017 are described in detail in the Annex to the condensed consolidated interim financial statements.

(1) As at 30 June 2017, Azzurra Aeroporti is 65%-owned by Atlantia and 10%-owned by Aeroporti di Roma, whilst EDF Invest owns a 25% interest.

THE GROUP AROUND THE WORLD	PERCENTAGE INTEREST	KM	CONCESSION EXPIRY

Italian motorways

Autostrade per l'Italia [1]	100%	2,855	2038
Società Italiana per il Traforo del Monte Bianco	51.00%	6	2050
Raccordo Autostradale Valle d'Aosta [2]	47.97%	32	2032
Tangenziale di Napoli	100%	20	2037
Autostrade Meridionali [3]	58.98%	52	2012
Autostrada Tirrenica [4]	99.99%	55	2046
Total Italy		3,020	

Overseas motorways

Brazil

AB Concessões	50% + 1 share		
Rodovias das Colinas	100%	307	2028
Concessionária da Rodovia MG050	100%	372	2032
Triangulo do Sol Auto Estradas	100%	442	2021
Concessionária Rodovias do Tietê [5]	50%	417	2039
Total Brazil		1,538	

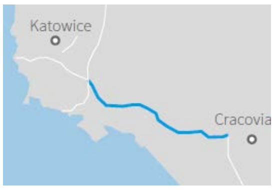
Chile

Grupo Costanera	50.01%		
Costanera Norte	100%	43	2033
Acceso Vial Aeropuerto AMB [6]	100%	10	2022
Litoral Central	100%	81	2031
Autopista Nororiente [6]	100%	22	2044
Vespucio Sur	100%	24	2032
Los Lagos	100%	135	2023
Total Chile		313	

India

Pune-Solapur Expressway [5]	50%	110	2030

Poland



Stalexport Autostrada Malopolska	61.20%	61	2027

		PERCENTAGE INTEREST	AIRPORTS	CONCESSION EXPIRY
Italian airports				
	Aeroporti di Roma	96.73%	2	2044

		PERCENTAGE INTEREST	AIRPORTS	CONCESSION EXPIRY
Overseas airports				
	Azzurra Aeroporti	75% [7]		
	Aéroports de la Côte D'Azur	64%	3	2044

		PERCENTAGE INTEREST	NETWORK (KM)	SECTOR OF ACTIVITY
Other businesses				
Italy				
	Telepass	100%	24,100 [8]	Electronic tolling systems
	Spea Engineering	100%	n/a	Motorway and airport infrastructure engineering services
	Pavimental	99.40%	n/a	Motorway and airport infrastructure construction and maintenance
USA				
	Electronic Transaction Consultants	64.46%	1,132	Electronic tolling systems

(1) *The sale of a 11.94% interest in Autostrade per l'Italia to the consortium established by Allianz Capital Partners (6.94%) and Silk Road Fund (5%) was completed on 26 July 2017.*

(2) *This investment is held by Società Italiana per il Traforo del Monte Bianco. The percentage interest is calculated with reference to all shares in issue, whereas the 58.00% of voting rights is calculated with reference to ordinary voting shares.*

(3) *For information on t**he process of awarding the new concession, reference should be made to the section,** "Significant regulatory aspects".*

(4) ***A draft addendum to the concession arrangement is currently being negotiated with the Grantor**.*

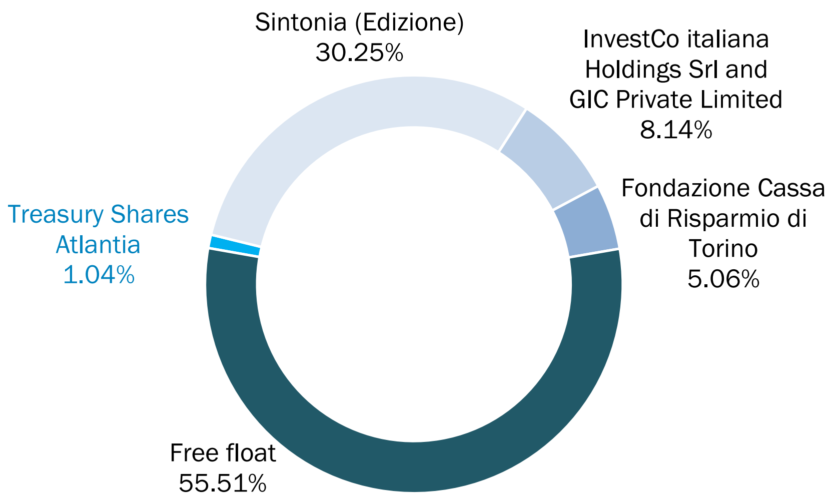
(5) *An unconsolidated company.*

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

(7) *On 31 July 2017, the Principality of Monaco acquired a 12.5% interest in Azzurra Aeroporti from Atlantia; following this transaction, Azzurra Aeroporti is 62.5%-owned by the Atlantia Group, with EDF Invest owning approximately 25% and the Principality of Monaco 12.5%.*

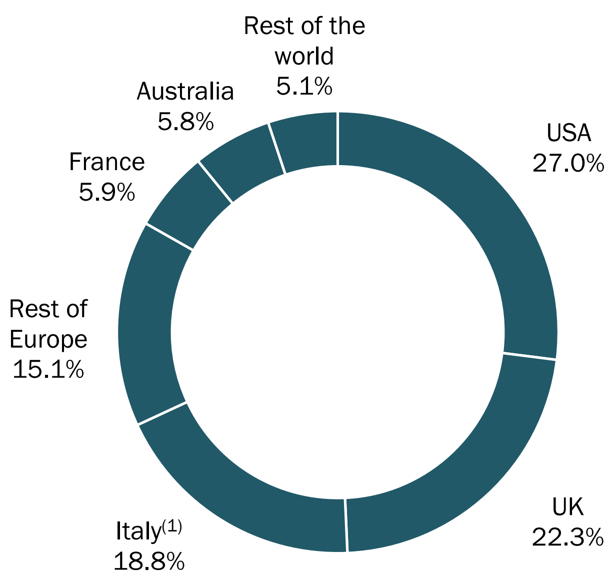
(8) *Present in seven European countries: Italy, Austria, Belgium, France, Poland, Portugal and Spain.*

Ownership structure



Source: CONSOB data as at 30 June 2017.

GEOGRAPHICAL BREAKDOWN OF THE FREE FLOAT



Source: Nasdaq, data as at 30 June 2017
(1) Includes estimated retail investors.

Atlantia share price

PERFORMANCE OF ATLANTIA'S SHARE PRICE IN THE FIRST HALF OF 2017

Corporate bodies

Board of Directors in office for the period 2016-2018	Chairman	Fabio Cerchiai
	Chief Executive Officer	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 Marco Patuano Lucy P. Marcus *(independent)* Monica Mondardini *(independent)* Lynda Tyler-Cagni *(independent)*
	Secretary	Stefano Cusmai
Internal Control, Risk and Corporate Governance Committee	Chairman	Giuliano Mari *(independent)*
	Members	Carla Angela *(independent)* Bernardo Bertoldi *(independent)*
Committee of Independent Directors with responsibility for Related Party Transactions	Chairman	Giuliano Mari *(independent)*
	Members	Bernardo Bertoldi *(independent)* Lynda Tyler-Cagni *(independent)*

Human Resources and Remuneration Committee	Chairwoman	Lynda Tyler-Cagni *(independent)*
	Members	Carlo Bertazzo
		Gianni Coda *(independent)*
		Massimo Lapucci *(independent)*
		Monica Mondardini *(independent)*
Board of Statutory Auditors in office for the 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	

Interim report on operations

2

Alternative performance indicators

In application of the CONSOB Ruling of 3 December 2015, governing implementation in Italy of the guidelines for alternative performance indicators ("APIs") issued by the European Securities and Markets Authority (ESMA), and which are mandatory in order to meet regulatory reporting requirements or for accounts published after 3 July 2016, the basis used in preparing the APIs published by the Atlantia Group is described below.

The APIs shown in this Interim Report are the same used in the Annual Report for the year ended 31 December 2016. They are deemed relevant to an assessment of the operating performance based on the Group's overall results and the results of its operating segments and of individual consolidated companies. In addition, the APIs provide an improved basis for comparison of the results over time, even if they are not a replacement for or an alternative to the results published in accordance with international financial reporting standards (IFRS).

The Atlantia Group presents reclassified financial statements in the "Group financial review". These statements are different from those required under the IFRS applied by the Atlantia Group. In addition to amounts from the income statement and statement of financial position prepared under IFRS, these reclassified financial statements thus present a number of indicators and items derived from them, even when they are not required by the above standards and are, therefore, identifiable as APIs. In this regard, the "Reconciliation of the reclassified and reported financial statements", included in the "Group financial review", presents the reconciliation of the reclassified financial statements with the corresponding reported financial statements (prepared under IAS/IFRS), included in the same section.

A list of the APIs presented by the Atlantia Group, together with a brief description and their reconciliation with reported amounts, is provided below:

a) **"Gross operating profit (EBITDA)"** is the synthetic indicator of gross profit from operations, calculated by deducting operating costs, with the exception of amortisation, depreciation, impairment losses and reversals of impairment losses, the operating change in provisions and other adjustments, from operating revenue;

b) **"Operating profit (EBIT)"** is the indicator that measures the operating return on invested capital, calculated by deducting amortisation, depreciation, impairment losses and reversals of impairment losses, the operating change in provisions and other adjustments from EBITDA;

c) **"Net invested capital"**, showing the total value of non-financial assets, after deducting non-financial liabilities;

d) **"Net debt"**, being the indicator of the portion of net invested capital funded by net financial liabilities, calculated by deducting "Current and non-current financial assets" from "Current and non-current financial liabilities";

e) **"Capital expenditure"**, being the indicator of the total amount invested in development of the Group's businesses, calculated as the sum of cash used in investment in property, plant and equipment, in assets held under concession and in other intangible assets, excluding investments in investees;

f) **"Operating cash flow"**, being the indicator of cash generated by or used in operating activities. Operating cash flow is calculated as profit for the period + amortisation/depreciation +/- impairments/reversals of impairments of assets +/- provisions/releases of provisions + other adjustments + financial expenses from discounting of provisions +/- share of profit/(loss) of investees accounted for using equity method +/- (losses)/gains on sale of assets +/- other non-cash items +/- portion of net deferred tax assets/liabilities recognised in profit or loss.

A number of APIs, calculated as above, are also presented after applying certain adjustments in order to provide a consistent basis for comparison over time, or in application of a different financial statement presentation deemed to be more effective in describing the financial performance of specific activities of the Group. These adjustments to the AIPs fall within the following two categories:

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

Group financial review

Introduction

The financial review contained in this section includes and analyses the Atlantia Group's reclassified consolidated income statement, the consolidated statement of comprehensive income, the statement of changes in consolidated equity and the statement of changes in consolidated net debt for the first half of 2017, in which amounts are compared with those for the same period of the previous year. The review also includes the reclassified statement of financial position as at 30 June 2017, compared with the corresponding amounts as at 31 December 2016.
The international accounting standards applied during preparation of the consolidated accounts for the first half of 2017 are consistent with those adopted for the consolidated financial statements for the year ended 31 December 2016, in that no new accounting standards, interpretations or amendments to existing standards have come into effect during the first half of 2017.
With regard to changes in the scope of consolidation as at 30 June 2017, compared with 31 December 2016, amounts for the first half of 2017 include the contribution of Aéroports de la Côte d'Azur ("ACA") and its subsidiaries following completion of the French company's acquisition at the end of 2016.
Whilst not modifying the Group's scope of consolidation, the Group's restructuring, begun in 2016, was completed in the first half of 2017. Completion of the process, in the first half of 2017, involved Autostrade per l'Italia's distribution of a special dividend in kind to its parent, Atlantia, via the transfer of its entire interests in Autostrade dell'Atlantico and Autostrade Indian Infrastructure Development. More details about the restructuring are provided in note 6 "Corporate actions in the first half of 2017" in the section, "Condensed consolidated interim financial statements".
On 15 May 2017, Atlantia announced that its Board of Directors had decided to launch a voluntary public tender offer, in cash and/or shares, for the entire issued capital of Abertis Infraestructuras, a company listed in Spain. The offer, which has led Atlantia to incur expenses during the first half of 2017, is currently subject to approval from the Independent Supervisory Authority. Further details are provided in the section, "Other information", in this report on operations.
The Group did not enter into non-recurring, atypical or unusual transactions, either with third or related parties, having a material impact on the consolidated accounts in the first half of 2017 or in the first half of 2016.
Finally, it should be noted that the reclassified consolidated financial statements presented and analysed in this section have not been audited and that the reconciliation with the corresponding reported amounts in the condensed consolidated interim financial statements is included in the section, "Reconciliation of the reclassified and reported financial statements".

Like-for-like changes

The term "like-for-like basis", used below in the analysis of changes in certain amounts in the consolidated income statement and statement of financial position, indicates that amounts for comparative periods have been determined by eliminating:

a) from consolidated amounts for the first half of 2017:
   1) the contribution of ACA and its subsidiaries, consolidated from December 2016, and of their direct parent, Azzurra Aeroporti;
   2) the expenses incurred in relation to the voluntary public tender offer, in cash and/or shares, for the entire issued capital of Abertis Infraestructuras, announced on 15 May 2017;
   3) the difference between foreign currency amounts for the first half 2017 for companies with functional currencies other than the euro, converted at average exchange rates for the period, and the matching amounts converted using average exchange rates for the same period of 2016;
   4) the after-tax impact of the difference in the discount rates applied to the provisions accounted for among the Group's liabilities;
   5) the current tax expense connected with Autostrade per l'Italia's distribution of the special dividend in kind, related to the above restructuring of the Group, and of available equity reserves to the parent, Atlantia;
b) from consolidated amounts for the first half of 2016:
   1) the after-tax impact of the difference in the discount rates applied to the provisions accounted for among the Group's liabilities;
   2) the financial expenses, after the related taxation, linked to the partial buyback of certain bonds issued by Atlantia;
   3) the financial income generated by reversal of the impairment loss on the investment in Lusoponte;
   4) the increase in the Italian companies' tax expense resulting from approval of the 2016 Stability Law, which reduced the IRES tax rate from 27.5% to 24% with effect from 1 January 2017.

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

€M	GROSS OPERATING PROFIT (EBITDA)	PROFIT FOR THE PERIOD	PROFIT FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE PARENT	OPERATING CASH FLOW
Reported amounts for H1 2017 (A)	1,728	582	518	1,205
Adjustment for non like-for-like items in H1 2017				
Change in scope of consolidation (ACA group and related charges for Azzurra Aeroporti)	43	-	-1	30
Exchange rate movements	26	9	5	17
Charges pertaining to the public offer for Abertis	-10	-7	-7	-7
Change in discount rate applied to provisions	-	33	30	-
Tax on transactions involved in Group restructuring	-	-46	-46	-46
Sub-total (B)	59	-11	-19	-6
Like-for-like amounts for H1 2017 (C) = (A)-(B)	1,669	593	537	1,211
Reported amounts for H1 2016 (D)	1,578	465	413	1,095
Adjustment for non like-for-like items in H1 2016				
Reversal of impairment losses on investments (Lusoponte)	-	25	25	-
Change in discount rate applied to provisions	-	-85	-82	-
Non-recurring financial transactions	-	-7	-7	-7
Higher IRES rate (reduced from 2017 with 2016 Stability Law)	-	-26	-29	-18
Sub-total (E)	-	-93	-93	-25
Like-for-like amounts for H1 2016 (F) = (D)-(E)	1,578	558	506	1,120
Like-for-like change (G) = (C)-(F)	91	35	31	91

Consolidated results of operations

"Operating revenue" for the first half of 2017 totals €2,835 million and is up €269 million (10%) on the same period of 2016 (€2,566 million).

"Toll revenue" of €1,994 million is up €119 million (6%) compared with the first half of 2016 (€1,875 million). After stripping out the impact of exchange rate movements, which had a positive impact of €33 million in the first half of 2017, toll revenue is up €86 million, primarily as a result of the following:

a) the application of annual toll increases for (essentially reflecting a 0.64% increase in tolls at Autostrade per l'Italia from 1 January 2017) and traffic growth of 2.9% (accounting for an increase in toll revenue of approximately €56 million, including the impact of the different traffic mix between the two comparative periods);
b) an improved contribution from overseas operators (up €24 million), linked to the application of toll increases on the overseas network and traffic growth registered by the Group's operators in Chile (5.1%) and Poland (6.9%).

"Aviation revenue" of €373 million is up €81 million (28%) compared with the first half of 2016 (€292 million), primarily reflecting the contribution of the Aéroports de la Côte d'Azur group (€72 million). Aeroporti di Roma benefitted from increases in airport fees applied in the two comparative periods (from 1 March of each year) and traffic growth (passengers up 0.6%), boosting revenue by €9 million.

"Contract revenue" and **"Other operating income"**, totalling €468 million, is up €69 million on the first half of 2016 (€399 million), primarily reflecting the contribution from the Aéroports de la Côte d'Azur group (€55 million) and increased retail revenue at Aeroporti di Roma, linked to the opening of the new retail plaza located in the new wing of Terminal 3 at Fiumicino at the end of 2016.

Reclassified consolidated income statement (*)

€M	H1 2017	H1 2016	INCREASE/(DECREASE) ABSOLUTE	%
Toll revenue	1,994	1,875	119	6
Aviation revenue	373	292	81	28
Contract revenue	16	36	-20	-56
Other operating income	452	363	89	25
Total operating revenue	**2,835**	**2,566**	**269**	**10**
Cost of materials and external services (1)	-412	-348	-64	18
Concession fees	-244	-233	-11	5
Staff costs	-503	-453	-50	11
Capitalised staff costs	52	46	6	13
Total net operating costs	**-1,107**	**-988**	**-119**	**12**
Gross operating profit (EBITDA)	**1,728**	**1,578**	**150**	**10**
Amortisation, depreciation, impairment losses and reversals of impairment losses	-555	-454	-101	22
Provisions and other adjustments	-29	-159	130	-82
Operating profit (EBIT)	**1,144**	**965**	**179**	**19**
Financial income accounted for as an increase in financial assets deriving from concession rights and government grants	37	32	5	16
Financial expenses from discounting of provisions for construction services required by contract and other provisions	-21	-32	11	-34
Other financial income/(expenses)	-238	-251	13	-5
Capitalised financial expenses on intangible assets deriving from comcession rights	1	5	-4	-80
Share of profit/(loss) of investees accounted for using the equity method	-10	-8	-2	25
Profit/(Loss) before tax from continuing operations	**913**	**711**	**202**	**28**
Income tax (expense)/benefit	-330	-246	-84	34
Profit/(Loss) from continuing operations	**583**	**465**	**118**	**25**
Profit/(Loss) from discontinued operations	-1	-	-1	n.s.
Profit for the period	**582**	**465**	**117**	**25**
(Profit)/Loss attributable to non-controlling interests	64	52	12	23
(Profit)/Loss attributable to owners of the parent	**518**	**413**	**105**	**25**

	H1 2017	H1 2016	INCREASE/(DECREASE)
Basic earnings per share attributable to the owners of the parent (€)	**0.63**	**0.50**	**0.13**
of which: - from continuing operations	0.63	0.50	0.13
- from discontinued operations	-	-	-
Diluted earnings per share attributable to the owners of the parent (€)	**0.63**	**0.50**	**0.13**
of which: - from continuing operations	0.63	0.50	0.13
- from discontinued operations	-	-	-

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

(1) Net of the margin recognised on construction services performed by the Group's own technical units.

"Net operating costs" of €1,107 million are up €119 million (12%) on the first half of 2016 (€988 million).

The **"Cost of materials and external services"** amounts to €412 million, up €64 million compared with the first half of 2016 (€348 million). At constant exchange rates, the increase is €58 million, primarily due to a combination of the following:

a) the contribution of the ACA group, amounting to €56 million;
b) the costs incurred by Atlantia for the external consultants engaged in relation to the voluntary public tender offer, in cash and/or shares, for the entire issued capital of Abertis Infraestructuras SA;
c) increased maintenance costs at Autostrade per l'Italia, reflecting a different scheduling of work on the network and increased snowfall in the first half of 2017, partially offset by a reduction in maintenance costs on the Brazilian network;
d) higher margins on construction services provided by the Group's in-house construction companies, reflecting an increase in the volume of work carried out.

"Concession fees", totalling €244 million, are up €11 million (5%) compared with the first half of 2016 (€233 million), primarily due to the increase in toll revenue at the Italian motorway operators and the contribution from the ACA group.

"Staff costs", after deducting capitalised expenses, amount to €451 million (€407 million in the first half of 2016), marking an increase of €44 million (11%).

"Gross staff costs" of €503 million are up €50 million (11%) compared with the first half of 2016 (€453 million). At constant exchange rates, staff costs are up €46 million (10%) due to:

a) an increase of 953 in the average workforce (up 6.3%), primarily reflecting the contribution from the Aéroports de la Côte d'Azur group, an increase in motorway and airport construction work carried out by Pavimental, the increased volume of infrastructure operated and the Aeroporti di Roma group's launch of new insourcing programmes;
b) an increase in the average unit cost (up 3.7%), primarily due to the cost of contract renewals at the Group's Italian companies and additional costs linked to management incentive plans.

"Gross operating profit" (EBITDA) of €1,728 million is up €150 million (10%) on the first half of 2016 (€1,578 million). On a like-for-like basis, EBITDA is up €91 million (6%).

"Amortisation, depreciation, impairment losses and reversals of impairment losses" amount to €555 million, up €101 million compared with the first half of 2016 (€454 million). This essentially reflects an increase in amortisation and depreciation at the Group's Italian motorway and airport operators and the contribution of the ACA group.

In the first half of 2017 the **"Operating change in provisions and other adjustments"** shows an expense of €29 million in the first half of 2017, compared with the expense of €159 million in the same period of 2016. The reduction in expense with respect to the comparative period, amounting to €130 million, primarily reflects:

a) the different performances of provisions for the repair and replacement of motorway infrastructure and provisions for the refurbishment of airport infrastructure, with the recognition of income of €43 million in the first half of 2017 and charges of €118 million in the same period of 2016, reflecting opposite movements in the interest rates used to discount the provisions to present value;

b) an increase of €25 million in operating provisions, essentially for the repair and replacement of motorway infrastructure operated under concession, following a revision of the programme of work to be carried out.

"Operating profit" (EBIT) of €1,144 million is up €179 million (19%) on the first half of 2016 (€965 million).

"Financial income recognised as an increase in financial assets deriving from concession rights and government grants" amounts to €37 million for the first half of 2017, up €5 million on the comparative period (€32 million).

"Financial expenses from discounting of provisions for construction services required by contract and other provisions" amount to €21 million, down €11 million on the first half of 2016 (€32 million). This essentially reflects reductions in the discount rates applied in the first half of 2017, compared with the comparative period.

"Net other financial expenses" of €238 million are down €13 million compared with the first half of 2016 (€251 million), essentially due to a reduction in borrowing costs.
The first half of 2016 also benefitted from reversal of the impairment loss of €25 million on the investment in Lusoponte, partially offset by the premium payable on the partial early redemption of bonds (amounting to €10 million).

"Capitalised financial expenses" of €1 million are down €4 million on the first half of 2016 (€5 million).

The **"Share of profit/(loss) of investees accounted for using the equity method"** amounts to a loss of €10 million (€8 million for the first half of 2016). This reflects the Group's share of the profit or loss of its associates and joint ventures and any dividends paid during the same period.

"Income tax expense" amounts to €330 million, up €84 million on the first half of 2016. The greater amount is proportionately higher than the increase in pre-tax profit, essentially reflecting the estimated tax expense (€46 million) on Autostrade per l'Italia's distribution of the special dividend in kind and of available equity reserves to Atlantia, only partially offset by a reduction in the IRES rate for the Group's Italian companies from the 2017 financial year.

"Profit from continuing operations" amounts to €583 million, up €118 million on the first half of 2016 (€465 million).

"Profit for the period", amounting to €582 million, is up €117 million on the first half of 2016 (€465 million). On a like-for-like basis, profit for the period is up €35 million (6%).

“Profit for the period attributable to owners of the parent”, amounting to €518 million, is up €105 million on the first half of 2016 (€413 million). On a like-for-like basis, profit for the period attributable to owners of the parent is up €31 million (6%).
“Profit attributable to non-controlling interests” amounts to €64 million, marking an increase of €12 million compared with the first half of 2016 (€52 million).

Consolidated statement of comprehensive income

€M		H1 2017	H1 2016
Profit for the period	**(A)**	**582**	**465**
Fair value gains/(losses) on cash flow hedges		110	-145
Tax effect of fair value gains/(losses) on cash flow hedges		-25	33
Gains/(losses) from translation of assets and liabilities of consolidated companies denominated in functional currencies other than the euro		-209	226
Gains/(Losses) from translation of investments accounted for using the equity method denominated in functional currencies other than the euro		-2	2
Other comprehensive income/(loss) for the period reclassifiable to profit or loss	**(B)**	**-126**	**116**
Gains/(losses) from actuarial valuations of provisions for employee benefits		-	-1
Tax effect of gains/(losses) from actuarial valuations of provisions for employee benefits		-	-
Other comprehensive income/(loss) for the period not reclassifiable to profit or loss	**(C)**	**-**	**-1**
Reclassifications of other components of comprehensive income to profit or loss for the period	**(D)**	**-**	**-1**
Tax effect of reclassifications of other components of comprehensive income to profit or loss for the period	**(E)**	**-4**	**-**
Total other comprehensive income/(loss) for the period	**(F=B+C+D+E)**	**-130**	**114**
Comprehensive income for the period	**(A+F)**	**452**	**579**
Of which attributable to owners of the parent		*488*	*415*
Of which attributable to non-controlling interests		*-36*	*164*

The **"Total other comprehensive loss for the period"**, after the related taxation, amounts to €130 million (income of €114 million for the first half of 2016). This primarily reflects a combination of the following:

a) losses on the translation of the assets and liabilities of consolidated companies denominated in functional currencies other than the euro, totalling €209 million (gains of €226 million in the first half of 2016), reflecting reductions, as at 30 June 2017, in the value of the Brazilian real and Chilean peso against the euro compared with 31 December 2016. In contrast, the comparative period recorded gains in response to opposite movements in the exchange rates for the above currencies against the euro;

b) a reduction in fair value losses on cash flow hedges, after the related taxation, totalling €85 million, primarily due to an increase in interest rates in the first half of 2017. In contrast, there was an increase of €112 million in fair value losses in the first half of 2016, reflecting an opposite movement in interest rates.

Consolidated financial position

As at 30 June 2017, "Non-current non-financial assets" of €29,725 million are down €673 million on the figure for 31 December 2016 (€30,398 million).

"Property, plant and equipment" of €295 million is broadly in line with the figure for 31 December 2016 (€291 million).

"Intangible assets" total €27,807 million (€28,383 million as at 31 December 2016). These assets essentially relate to the Group's concession rights, amounting to €23,026 million (€23,591 million as at 31 December 2016), 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 reduction of €576 million in intangible assets is essentially due to a combination of the following:

a) amortisation for the period (€523 million);
b) a reduction due to the effect of currency translation differences recognised as at 30 June 2017 on the concession rights of overseas operators (a decrease of €227 million), essentially due to a weakening of the Brazilian real and the Chilean peso against the euro;
c) a decrease in intangible assets deriving from concession rights due to an updated estimate of the present value on completion of investment in construction services for which no additional benefits are received (€18 million);
d) investment during the period in construction services for which additional economic benefits are received (€181 million).

"Investments", totalling €280 million, are down €11 million compared with 31 December 2016 (€291 million). This is due to changes in investments accounted for using the equity method, after taking into account dividends paid by these companies during the period.

"Deferred tax assets" of €1,325 million are down €78 million on the figure as at 31 December 2016. This primarily reflects the release of deferred tax assets on the deductible portion of the goodwill recognised solely for tax purposes by Autostrade per l'Italia as a result of the contribution in 2003 (€49 million).

Reclassified consolidated statement of financial position (*)

€M	30 June 2017	31 December 2016	INCREASE/ (DECREASE)
Non-current non-financial assets			
Property, plant and equipment	295	291	4
Intangible assets	27,807	28,383	-576
Investments	280	291	-11
Deferred tax assets	1,325	1,403	-78
Other non-current assets	18	30	-12
Total non-current non-financial assets (A)	29,725	30,398	-673
Working capital			
Trading assets	1,690	1,672	18
Current tax assets	212	106	106
Other current assets	179	197	-18
Non-financial assets held for sale or related to discontinued operations	4	4	-
Current portion of provisions for construction services required by contract	-711	-531	-180
Current provisions	-437	-446	9
Trading liabilities	-1,625	-1,651	26
Current tax liabilities	-249	-63	-186
Other current liabilities	-613	-611	-2
Non-financial liabilities related to discontinued operations	-6	-6	-
Total working capital (B)	-1,556	-1,329	-227
Gross invested capital (C=A+B)	28,169	29,069	-900
Non-current non-financial liabilities			
Non-current portion of provisions for construction services required by contract	-2,905	-3,270	365
Non-current provisions	-1,548	-1,576	28
Deferred tax liabilities	-2,385	-2,439	54
Other non-current liabilities	-94	-98	4
Total non-current non-financial liabilities (D)	-6,932	-7,383	451
NET INVESTED CAPITAL (E=C+D)	21,237	21,686	-449

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

€M	30 June 2017	31 December 2016	INCREASE/ (DECREASE)
Equity			
Equity attributable to owners of the parent	7,202	7,224	-22
Equity attributable to non-controlling interests	2,614	2,785	-171
Total equity (F)	9,816	10,009	-193
Net debt			
Non-current net debt			
Non-current financial liabilities	15,868	14,832	1,036
Bond issues	11,193	10,176	1,017
Medium/long-term borrowings	4,067	4,002	65
Non-current derivative liabilities	583	631	-48
Other non-current financial liabilities	25	23	2
Non-current financial assets	-2,301	-2,237	-64
Non-current financial assets deriving from concession rights	-898	-931	33
Non-current financial assets deriving from government grants	-262	-265	3
Non-current term deposits	-321	-322	1
Non-current derivative assets	-134	-83	-51
Other non-current financial assets	-686	-636	-50
Total non-current net debt (G)	13,567	12,595	972
Current net debt			
Current financial liabilities	1,603	3,249	-1,646
Bank overdrafts repayable on demand	40	5	35
Short-term borrowings	356	1,859	-1,503
Current derivative liabilities	1	26	-25
Intercompany current account payables due to related parties	-	-	-
Current portion of medium/long-term borrowings	1,172	1,346	-174
Other current financial liabilities	34	13	21
Cash and cash equivalents	-2,983	-3,391	408
Cash in hand	-2,533	-2,788	255
Cash equivalents	-442	-595	153
Cash and cash equivalents related to discontinued operations	-8	-8	-
Current financial assets	-766	-776	10
Current financial assets deriving from concession rights	-442	-441	-1
Current financial assets deriving from government grants	-60	-68	8
Current term deposits	-175	-194	19
Current derivative assets	-2	-	-2
Current portion of other medium/long-term financial assets	-66	-66	-
Other current financial assets	-21	-7	-14
Total current net debt (H)	-2,146	-918	-1,228
Total net debt (I=G+H) (1)	11,421	11,677	-256
NET DEBT AND EQUITY (L=F+I)	21,237	21,686	-449

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

"Working capital" reports a negative balance of €1,556 million, compared with a negative balance of €1,329 million as at 31 December 2016, marking an increase of €227 million. The principal changes during the period reflect the following:

a) an increase of €180 million in the current portion of provisions for construction services required by contract, primarily attributable to Autostrade per l'Italia, and linked to expected investment in construction services for which no additional benefits are received in the next twelve months;
b) an increase of €80 million in net current tax liabilities, essentially linked to provisions for tax expense for the period, partially offset by payment of the balance due for 2016 and of payments on account for 2017.

"Non-current non-financial liabilities", totalling €6,932 million, are down €451 million on the figure for 31 December 2016 (€7,383 million). This is essentially due to the combined effect of the following:

a) a reduction of €365 million in the non-current portion of provisions for construction services required by contract, primarily reflecting reclassification of the current portion and an updated estimate of the present value on completion of investment in construction services yet to be carried out, due to a reduction in current and future interest rates;
b) a reduction of €54 million in "Deferred tax liabilities", primarily linked to currency translation differences recognised as at 30 June 2017, totalling €90 million, essentially due to falls in the value of the Brazilian real and Chilean peso against the euro as at 30 June 2017, compared with the end of 2016, partially offset by releases during the period (€59 million).

As a result, "Net invested capital" totals €21,237 million (€21,686 million as at 31 December 2016).

"Equity attributable to owners of the parent and non-controlling interests" totals €9,816 million (€10,009 million as at 31 December 2016).
"Equity attributable to owners of the parent", totalling €7,202 million, is down €22 million compared with the figure for 31 December 2016 (€7,224 million). This essentially reflects:

a) Atlantia's payment of the final dividend for 2016 (€433 million);
b) the purchase of own shares, totalling €84 million;
c) comprehensive income for the period of €488 million.

"Equity attributable to non-controlling interests" of €2,614 million is down €171 million compared with the figure for 31 December 2016 (€2,785 million). This essentially reflects:

a) the return of capital to non-controlling shareholders by the Chilean holding company, Grupo Costanera (€95 million);
b) dividends paid by a number of Group companies that are not wholly owned subsidiaries, totalling €40 million;
c) the comprehensive loss for the period attributable to non-controlling interests, totalling €36 million, which reflects declines in the value of the Brazilian real and the Chilean peso against the euro.

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 AFTER INTERIM DIVIDEND	TOTAL		
Balance as at 31 December 2015	826	-162	-36	-374	-7	6,068	-39	524	6,800	1,683	8,483
Comprehensive income for the period	-	-113	-	115	1	-1	-	413	415	164	579
Owner transactions and other changes											
Atlantia SpA's final dividend (€0.480 per share)	-	-	-	-	-	-	-	-395	-395	-	-395
Allocation of profit/(loss) for previous period to retained earnings	-	-	-	-	-	129	-	-129	-	-	-
Dividends paid by other Group companies to non-controlling shareholders	-	-	-	-	-	-	-	-	-	-24	-24
Share-based incentive plans	-	-	-	-	-	-4	5	-	1	-	1
Other minor changes and reclassifications	-	-1	-	-	-	-	-	-	-1	-	-1
Balance as at 30 June 2016	826	-276	-36	-259	-6	6,192	-34	413	6,820	1,823	8,643
Balance as at 31 December 2016	826	-199	-36	-198	-5	6,183	-107	760	7,224	2,785	10,009
Comprehensive income for the period	-	78	-	-107	-1	-	-	518	488	-36	452
Owner transactions and other changes											
Atlantia SpA's final dividend (€0.530 per share)	-	-	-	-	-	-	-	-433	-433	-	-433
Allocation of profit/(loss) for previous period to retained earnings	-	-	-	-	-	327	-	-327	-	-	-
Dividends paid by other Group companies to non-controlling shareholders	-	-	-	-	-	-	-	-	-	-40	-40
Share-based incentive plans	-	-	-	-	-	-4	11	-	7	-	7
Purchase of treasury shares	-	-	-	-	-	-	-84	-	-84	-	-84
Returns of capital to non-controlling shareholders and other minor changes	-	-	-	-	-	-	-	-	-	-95	-95
Balance as at 30 June 2017	826	-121	-36	-305	-6	6,506	-180	518	7,202	2,614	9,816

The Group's net debt as at 30 June 2017 amounts to €11,421 million (€11,677 million as at 31 December 2016).

"Non-current net debt", amounting to €13,567 million, is up €972 million compared with 31 December 2016 (€12,595 million) and consists of:

a) **"Non-current financial liabilities"** of €15,868 million, up €1,036 million essentially due to the following changes:
    1) an increase of €1,017 million in bond issues, primarily due to new issues by Atlantia in January 2017 (a par value of €750 million, paying coupon interest of 1.625%, maturing in January 2025, and with a carrying amount of €747 million) and Aeroporti di Roma in June 2017 (a par value of €500 million, paying coupon interest of 1.625%, maturing in June 2027 and with a carrying amount of €471 million), partially offset by the partial buyback of bonds with a par value of €200 million, by Aeroporti di Roma, in June 2017;
    2) an increase of €65 million in medium/long-term borrowings, essentially linked to new borrowings in the period, amounting to €207 million (primarily use of the lines of credit granted by the EIB and CDP to Aeroporti di Roma, totalling €150 million), offset by the reclassification of borrowings maturing in the next twelve months, totalling €125 million;
    3) a reduction of €48 million in "Non-current derivative liabilities", essentially due to an increase in the interest rate used as at 30 June 2017, compared with 31 December 2016 (a positive impact of €75 million). This was partially offset by the impact of movements in the exchange rates applied to the cross currency swaps (a negative impact of €27 million). The balance includes derivative financial instruments entered into with a number of banks in order to hedge the interest rate risk to which certain medium/long-term financial liabilities are exposed, including highly likely future financial liabilities entered into through to 2019 in order to meet funding requirements;

b) **"Non-current financial assets"** of €2,301 million are up €64 million compared with 31 December 2016 (€2,237 million), essentially reflecting:
    1) the recognition of non-current financial assets of €50 million, representing the upfront fees payable as at 30 June 2017 following the signature, in May 2017, of the facility agreement for lines of credit to finance the above public tender offer and the subsequent provision, in June 2017, of the guarantees required by the Spanish authorities in relation to the offer;
    2) an increase in fair value gains on derivatives (€51 million), linked primarily to Interest Rate Swaps entered into by Azzurra Aeroporti and Aeroporti di Roma and Cross Currency Swaps entered into by Atlantia in relation to the repurchase, in 2015, of the notes issued by Romulus Finance, now attributable to Aeroporti di Roma. The increase in this item also reflects a rise in the fair value gain on the new Forward-Starting Interest Rate Swaps obtained by Atlantia in relation to its future funding needs;
    3) a decrease in financial assets deriving from concession rights (€33 million), essentially reflecting a reduction in the value of the Chilean peso against the euro (€56 million), after investment in motorway infrastructure by Costanera Norte under the *Santiago Centro Oriente* ("CC7") investment programme (€31 million).

"Current net funds" of €2,146 million are up €1,228 million compared with 31 December 2016 (€918 million) and consist of:

a) **"Current financial liabilities"** of €1,603 million, down €1,646 million primarily as a result of Atlantia's repayment of short-term loans amounting to €1,600 million;
b) **"Cash and cash equivalents"** of €2,983 million, down €408 million compared with 31 December 2016 (€3,391 million) primarily linked to cash used in investing and financing activities, after cash from operating activities, as described in greater detail below;
c) **"Current financial assets"** of €766 million, which are up €10 million and are broadly in line with the figure for 31 December 2016 (€776 million).

The residual weighted average term to maturity of the Group's interest bearing debt is five years and eight months as at 30 June 2017. 88% of the Group's debt is fixed rate.
The average cost of the Group's medium/long-term borrowings in the first half of 2017 was approximately 4.0% (reflecting the combined effect of 3.4% for the companies operating in Italy, 5.4% for the Chilean companies and 13.9% for the Brazilian companies).
As at 30 June 2017, project debt attributable to specific overseas companies amounts to €1,512 million. At the same date, the Group has cash reserves of €5,665 million, consisting of:
a) €2,832 million in cash and/or investments maturing in the short term;
b) €497 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) €2,336 million in undrawn committed lines of credit.

As at 30 June 2017, the Group has lines of credit with a weighted average residual term to maturity of approximately seven years and a weighted average residual drawdown period of approximately two years and six months.
In addition, in May 2017, Atlantia obtained committed lines of credit to finance the voluntary public tender offer, in cash and/or shares, for the entire issued capital of Abertis. The facility, amounting to €14,700 million, may only be used in connection with the above transaction and has a weighted average residual term to maturity of approximately 3 years, as described in greater detail in the section, "Other information".
The Group's net debt, as defined in the European Securities and Market Authority – ESMA (formerly CESR) Recommendation of 20 March 2013 (which does not permit the deduction of non-current financial assets from debt), amounts to €13,722 million as at 30 June 2017, compared with €13,914 million as at 31 December 2016.

Consolidated cash flow

"Net cash from operating activities" amounts to €1,206 million for the first half of 2017, marking an increase of €241 million compared with the first half of 2016 (€965 million). The change between the two periods reflects a combination of the following:

a) the increase of €110 million in operating cash flow in the first half of 2017 includes the contribution from the ACA group, amounting to €33 million. On a like-for-like basis, operating cash flow amounts to €1,211 million, marking an increase of €91 million (8%) on the first half of 2016, primarily due to an increase in cash from operating activities (EBITDA);
b) the differing performance of movements in operating capital and non-financial assets and liabilities, amounting to an outflow of €130 million in the first half of 2016, primarily linked to an increase in amounts receivable in the form of motorway tolls.

"Cash used for investment in non-financial assets" amounts to €439 million, down €104 million compared with the outflow of the first half of 2016 (€543 million). This primarily reflects Aeroporti di Roma's completion, at the end of 2016, of work on the new wing of Terminal 3 at Fiumicino airport.

"Net equity cash outflows" amount to €644 million, reflecting the final dividends payable to owners of the parent and non-controlling shareholders, totalling €473 million (€419 million in the first half of 2016), the cost of purchasing treasury shares (€84 million) and the return of capital to non-controlling shareholders by the Chilean holding company, Grupo Costanera (€95 million).

There was also a reduction of €133 million in net debt in the first half of 2017, linked primarily to the change in the fair value of hedging derivatives, reflecting rising interest rates during the period and accrued financial income on the medium/long-term receivable due from Infra Bertin Empreendimentos, which controls the project company, SPMAR. There was an increase of €107 million in net debt in the first half of 2016, above all reflecting an increase in fair value losses on derivative financial instruments as a result of falling interest rates.

The overall impact of the above cash flows has resulted in a decrease in net debt of €256 million in the first half of 2017, compared with an increase of €104 million recorded in the first half of 2016.

Statement of changes in consolidated net debt (*)

€M	H1 2017	H1 2016
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES		
Profit for the period	582	465
Adjusted by:		
Amortisation and depreciation	555	454
Operating change in provisions, after use of provisions for refurbishment of airport infrastructure	23	156
Financial expenses from discounting of provisions for construction services required by contract and other provisions	21	32
Impairment losses/(Reversal of impairment losses) on financial assets and investments accounted for at cost or fair value	4	-21
Share of (profit)/loss of investees accounted for using the equity method	10	8
Impairment losses/(Reversal of impairment losses) and adjustments of current and non-current assets	8	2
(Gains)/Losses on sale of non-current assets	-	-
Net change in deferred tax (assets)/liabilities through profit or loss	58	18
Other non-cash costs (income)	-56	-19
Operating cash flow	1,205	1,095
Change in operating capital	-85	-165
Other changes in non-financial assets and liabilities	86	35
Net cash generated from/(used in) operating activities (A)	1,206	965
NET CASH FROM/(USED IN) INVESTMENT IN NON-FINANCIAL ASSETS		
Investment in assets held under concession	-420	-509
Purchases of property, plant and equipment	-36	-43
Purchases of other intangible assets	-22	-14
Capital expenditure	-478	-566
Government grants related to assets held under concession	-	2
Increase in financial assets deriving from concession rights (related to capital expenditure)	33	37
Purchase of investments	-4	-6
Purchase of consolidated companies, including net debt assumed	-2	-
Proceeds from sales of property, plant and equipment, intangible assets and unconsolidated investments	1	4
Net change in other non-current assets	11	-14
Net cash from/(used in) investment in non-financial assets (B)	-439	-543
NET EQUITY CASH INFLOWS/(OUTFLOWS)		
Purchase of treasury shares	-84	-
Dividends declared by Group companies and payable to non-controlling shareholders	-473	-419
Proceeds from exercise of rights under share-based incentive plans	8	-
Return of capital to non-controlling shareholders	-95	-
Net equity cash inflows/(outflows) (C)	-644	-419
Increase/(Decrease) in cash and cash equivalents during period (A+B+C)	123	3
Change in fair value of hedging derivatives	110	-147
Financial income/(expenses) accounted for as an increase in financial assets/(liabilities)	39	23
Effect of foreign exchange rate movements on net debt and other changes	-16	17
Other changes in net debt (D)	133	-107
Decrease/(Increase) in net debt for period (A+B+C+D)	256	-104
Net debt at beginning of period	-11,677	-10,387
Net debt at end of period	-11,421	-10,491

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

Reconciliation of the reclassified and reported financial statements

Reconciliations of the reclassified financial statements presented above with the matching income statement, statement of financial position and statement of cash flows, as prepared under international financial reporting standards (IFRS), are included below.

Reconciliation of the consolidated income statement with the reclassified consolidated income statement

€M	H1 2017						H1 2016					
Reconciliation of items	Reported basis			Reclassified basis			Reported basis			Reclassified basis		
	Ref.	Sub-items	Main entries	Ref.	Sub-items	Main entries	Ref.	Sub-items	Main entries	Ref.	Sub-items	Main entries
Toll revenue			1,994			1,994			1,875			1,875
Aviation revenue			373			373			292			292
Revenue from construction services			213						300			
Revenue from construction services - government grants and cost of materials and external services	(a)	195					(a)	277				
Capitalised staff costs - construction services for which additional economic benefits are received	(b)	17					(b)	18				
Revenue from construction services: capitalised financial expenses	(c)	1					(c)	5				
Revenue from construction services provided by sub-operators	(d)	-					(d)	-				
Contract revenue			16			16			36			36
Other revenue	(e)		452				(e)		363			
Other operating income				(e+d)		452				(e+d)		363
Total revenue			**3,048**						**2,866**			
TOTAL OPERATING REVENUE						**2,835**						**2,566**
Raw and consumable materials			**-153**		-153				**-125**		-125	
Service costs			**-583**		-583				**-640**		-640	
Gain/(Loss) on sale of elements of property, plant and equipment			**-**		-				**-**		-	
Other operating costs			**-293**						**-277**			
Concession fees	(r)		-244				(r)		-233			
Lease expense			-11		-11				-8		-8	
Other			-38		-38				-36		-36	
Use of provisions for construction services required by contract				(i)	145					(i)	137	
Revenue from construction services: government grants and capitalised cost of materials and external services				(a)	195					(a)	277	
Use of provisions for refurbishment of airport infrastructure				(h)	33					(h)	47	
COST OF MATERIALS AND EXTERNAL SERVICES						**-412**						**-348**
CONCESSION FEES				(r)		**-244**				(r)		**-233**
Staff costs	(f+g)		**-498**				(f+g)		**-450**			
GROSS STAFF COSTS				(f)		**-503**				(f)		**-453**
Capitalised staff costs for non-concession-related activities				(g)	5					(g)	3	
Capitalised staff costs - construction services for which no additional economic benefits are received				(j)	30					(j)	25	
Capitalised staff costs - construction services for which additional economic benefits are received				(b)	17					(b)	18	
CAPITALISED STAFF COSTS						**52**						**46**
TOTAL NET OPERATING COSTS						**-1,107**						**-988**
GROSS OPERATING PROFIT (EBITDA)						**1,728**						**1,578**
OPERATING CHANGE IN PROVISIONS AND OTHER ADJUSTMENTS						**-29**						**-159**
Operating change in provisions			**12**						**-109**			
(Provisions)/ Uses of provisions for repair and replacement of motorway infrastructure			11		11				-119		-119	
(Provisions)/ Uses of provisions for refurbishment of airport infrastructure			9						17			
Provisions for refurbishment of airport infrastructure		-24			-24			-30			-30	
Use of provisions for refurbishment of airport infrastructure	(h)	33					(h)	47				
Other provisions			-8		-8				-7		-7	
(Impairment losses)/Reversals of impairment losses on current assets				(m)	-8					(m)	-3	
Use of provisions for construction services required by contract			**175**						**162**			
Use of provisions for construction services required by contract	(i)	145					(i)	137				
Capitalised staff costs - construction services for which no additional economic benefits are received	(j)	30					(j)	25				
Amortisation and depreciation	(k)		**-555**				(k)		**-454**			
Depreciation of property, plant and equipment			-31						-26			
Amortisation of intangible assets deriving from concession rights			-494						-398			
Amortisation of other intangible assets			-30						-30			
(Impairment losses)/Reversals of impairment losses			**-8**						**-3**			
(Impairment losses)/Reversals of impairment losses on property, plant and equipment and intangible assets	(l)	-					(l)	-				
(Impairment losses)/Reversals of impairment losses on current assets	(m)	-8					(m)	-3				
AMORTISATION, DEPRECIATION, IMPAIRMENT LOSSES AND REVERSALS OF IMPAIRMENT LOSSES				(k+l)		**-555**				(k+l)		**-454**
TOTAL COSTS			**-1,903**						**-1,896**			
OPERATING PROFIT/(LOSS)			**1,145**						**970**			
OPERATING PROFIT/(LOSS) (EBIT)						**1,144**						**965**
Financial income			**195**						**195**			
Financial income accounted for as an increase in financial assets deriving from concession rights and government grants			37			**37**			32			**32**
Dividends received from investees	(n)		12				(n)		8			
Other financial income	(o)		146				(o)		155			
Financial expenses			**-428**						**-451**			
Financial expenses from discounting of provisions for construction services required by contract and other provisions			-21			**-21**			-32			**-32**
Other financial expenses	(p)		-407				(p)		-419			
Foreign exchange gains/(losses)	(q)		**11**				(q)		**5**			
Other financial expenses, after other financial income				(n+o+ p+q)		**-238**				(n+o+ p+q)		**-251**
Capitalised financial expenses on intangible assets deriving from concession rights				(c)		**1**				(c)		**5**
FINANCIAL INCOME/(EXPENSES)			**-222**						**-251**			
Share of (profit)/loss of investees accounted for using the equity method			**-10**			**-10**			**-8**			**-8**
PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS			**913**			**913**			**711**			**711**
Income tax (expense)/benefit			**-330**			**-330**			**-246**			**-246**
Current tax expense			-273						-228			
Differences on tax expense for previous years			1						-			
Deferred tax income and expense			-58						-18			
PROFIT/(LOSS) FROM CONTINUING OPERATIONS			**583**			**583**			**465**			**465**
Profit/(Loss) from discontinued operations			**-1**			**-1**			**-**			**-**
PROFIT FOR THE PERIOD			**582**			**582**			**465**			**465**
of which:												
Profit attributable to owners of the parent			**518**			**518**			**413**			**413**
Profit attributable to non-controlling interests			**64**			**64**			**52**			**52**

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

€M	30 June 2017						31 December 2016					
Reconciliation of items	Reported basis			Reclassified basis			Reported basis			Reclassified basis		
	Ref.		Main entries	Ref.		Main entries	Ref.		Main entries	Ref.		Main entries
Property, plant and equipment	(a)		295			295	(a)		291			291
Intangible assets	(b)		27,807			27,807	(b)		28,383			28,383
Investments	(c)		280			280	(c)		291			291
Deferred tax assets	(d)		1,325			1,325	(d)		1,403			1,403
Other non-current assets	(e)		18			18	(e)		30			30
Total non-current non-financial assets (A)						**29,725**						**30,398**
Working capital												
Trading assets	(f)		1,690			1,690	(f)		1,672			1,672
Current tax assets	(g)		212			212	(g)		106			106
Other current assets	(h)		179			179	(h)		197			197
Non-financial assets held for sale or related to discontinued operations				(w)		4				(w)		4
Current portion of provisions for construction services required by contract	(i)		-711			-711	(i)		-531			-531
Current provisions	(j)		-437			-437	(j)		-446			-446
Trading liabilities	(k)		-1,625			-1,625	(k)		-1,651			-1,651
Current tax liabilities	(l)		-249			-249	(l)		-63			-63
Other current liabilities	(m)		-613			-613	(m)		-611			-611
Non-financial liabilities related to discontinued operations				(x)		-6				(x)		-6
Total working capital (B)						**-1,556**						**-1,329**
Gross invested capital (C=A+B)						**28,169**						**29,069**
Non-current non-financial liabilities												
Non-current portion of provisions for construction services required by contract	(n)		-2,905			-2,905	(n)		-3,270			-3,270
Non-current provisions	(o)		-1,548			-1,548	(o)		-1,576			-1,576
Deferred tax liabilities	(p)		-2,385			-2,385	(p)		-2,439			-2,439
Other non-current liabilities	(q)		-94			-94	(q)		-98			-98
Total non-current non-financial liabilities (D)						**-6,932**						**-7,383**
Net invested capital (E=C+D)						**21,237**						**21,686**
Total equity (F)			**9,816**			**9,816**			**10,009**			**10,009**
Net debt												
Non-current net debt												
Non-current financial liabilities	(r)		15,868			15,868	(r)		14,832			14,832
Non-current financial assets	(s)		-2,301			-2,301	(s)		-2,237			-2,237
Total non-current net debt (G)						**13,567**						**12,595**
Current net debt												
Current financial liabilities	(t)		1,603			1,603	(t)		3,249			3,249
Bank overdrafts repayable on demand		*40*			*40*			*5*			*5*	
Short-term borrowings		*356*			*356*			*1,859*			*1,859*	
Current derivative liabilities		*1*			*1*			*26*			*26*	
Intercompany current account payables due to related parties		*-*			*-*			*-*			*-*	
Current portion of medium/long-term borrowings		*1,172*			*1,172*			*1,346*			*1,346*	
Other current financial liabilities		*34*			*34*			*13*			*13*	
Current financial liabilities related to discontinued operations				(aa)	-					(aa)	-	
Cash and cash equivalents	(u)		-2,975			-2,983	(u)		-3,383			-3,391
Cash in hand		*-2,533*			*-2,533*			*-2,788*			*-2,788*	
Cash equivalents		*-442*			*-442*			*-595*			*-595*	
Cash and cash equivalents related to discontinued operations				(y)	-8					(y)	-8	
Current financial assets	(v)		-766			-766	(v)		-776			-776
Current financial assets deriving from concession rights		*-442*			*-442*			*-441*			*-441*	
Current financial assets deriving from government grants		*-60*			*-60*			*-68*			*-68*	
Current term deposits		*-175*			*-175*			*-194*			*-194*	
Current derivative assets		*-2*			*-2*			*-*			*-*	
Current portion of other medium/long-term financial assets		*-66*			*-66*			*-66*			*-66*	
Other current financial assets		*-21*			*-21*			*-7*			*-7*	
Financial assets held for sale or related to discontinued operations				(z)	-					(z)	-	
Total current net debt (H)						**-2,146**						**-918**
Total net debt (I=G+H)						**11,421**						**11,677**
Net debt and equity (L=F+I)						**21,237**						**21,686**
Assets held for sale or related to discontinued operations	(-y-z+w)		12				(-y-z+w)		12			
Liabilities related to discontinued operations	(-x+aa)		6				(-x+aa)		6			
TOTAL NON-CURRENT ASSETS	(a+b+c+d+e-s)		32,026				(a+b+c+d+e-s)		32,635			
TOTAL CURRENT ASSETS	(f+g+h-u-v-y-z+w)		5,834				(f+g+h-u-v-y-z+w)		6,146			
TOTAL NON-CURRENT LIABILITIES	(-n-o-p-q+r)		22,800				(-n-o-p-q+r)		22,215			
TOTAL CURRENT LIABILITIES	(-i-j-k-l-m+t-x+aa)		5,244				(-i-j-k-l-m+t-x+aa)		6,557			

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

€M		H1 2017		H1 2016	
Reconciliation of items	**Note**	**Consolidated statement of cash flows**	**Changes in consolidated net debt**	**Consolidated statement of cash flows**	**Changes in consolidated net debt**
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES					
Profit for the period		582	582	465	465
Adjusted by:					
Amortisation and depreciation		555	555	454	454
Operating change in provisions, after use of provisions for refurbishment of airport infrastructure		23	23	156	156
Financial expenses from discounting of provisions for construction services required by contract and other provisions		21	21	32	32
Impairment losses/(Reversal of impairment losses) on financial assets and investments accounted for at cost or fair value		4	4	-21	-21
Share of (profit)/loss of investees accounted for using the equity method		10	10	8	8
Impairment losses/(Reversal of impairment losses) and adjustments of current and non-current assets		8	8	2	2
Net change in deferred tax (assets)/liabilities through profit or loss		58	58	18	18
Other non-cash costs (income)		-56	-56	-19	-19
Operating cash flow			1,205		1,095
Change in operating capital	(a)		-85		-165
Other changes in non-financial assets and liabilities	(b)		86		35
Change in working capital and other changes	(a+b)	1		-130	
Net cash generated from/(used in) operating activities (A)		1,206	1,206	965	965
NET CASH FROM/(USED IN) INVESTMENT IN NON-FINANCIAL ASSETS					
Investment in assets held under concession		-420	-420	-509	-509
Purchases of property, plant and equipment		-36	-36	-43	-43
Purchases of other intangible assets		-22	-22	-14	-14
Capital expenditure			-478		-566
Government grants related to assets held under concession		-	-	2	2
Increase in financial assets deriving from concession rights (related to capital expenditure)		33	33	37	37
Purchase of investments		-4	-4	-6	-6
Purchase of consolidated companies, net of cash acquired		-2		-	
Purchase of consolidated companies, including net debt assumed			-2		-
Proceeds from sales of property, plant and equipment, intangible assets and unconsolidated investments		1	1	4	4
Net change in other non-current assets		11	11	-14	-14
Net change in current and non-current financial assets	(c)	-117		-85	
Net cash from/(used in) investment in non-financial assets (B)	(d)		-439		-543
Net cash generated from/(used in) investing activities (C)	(c+d)	-556		-628	
NET EQUITY CASH INFLOWS/(OUTFLOWS)					
Purchase of treasury shares		-84	-84	-	-
Dividends declared by Group companies and payable to non-controlling shareholders	(e)		-473		-419
Dividends paid	(f)	-455		-411	
Proceeds from exercise of rights under share-based incentive plans		8	8	-	-
Return of capital to non-controlling shareholders		-95	-95	-	-
Net equity cash inflows/(outflows) (D)			-644		-419
Net cash generated during the period (A+B+D)			123		3
Issuance of bonds		1,325		24	
Increase in medium/long term borrowings (excluding finance lease liabilities)		227		12	
Bond redemptions		-188		-910	
Buyback of bonds		-200		-72	
Repayments of medium/long term borrowings (excluding finance lease liabilities)		-87		-56	
Payment of finance lease liabilities		-2		-1	
Net change in other current and non-current financial liabilities		-1,530		-46	
Net cash generated from/(used in) financing activities (E)		-1,081		-1,460	
Change in fair value of hedging derivatives	(g)		110		-147
Financial income/(expenses) accounted for as an increase in financial assets/(liabilities)	(h)		39		23
Effect of foreign exchange rate movements on net debt and other changes	(i)		-16		17
Other changes in net debt (F)			133		-107
Net effect of foreign exchange rate movements on net cash and cash equivalents (G)		-12		21	
Increase/(decrease) in net debt for period (A+B+D+F)			256		-104
Net debt at beginning of period			-11,677		-10,387
Net debt at end of period			-11,421		-10,491
Increase/(Decrease) in cash and cash equivalents during period (A+C+E+G)		-443		-1,102	
NET CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		3,386		2,960	
NET CASH AND CASH EQUIVALENTS AT END OF PERIOD		2,943		1,858	

Notes:

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

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

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

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

e) "Dividends declared by Group companies and payable to non-controlling shareholders" regard the portion of dividends declared by the Parent Company and other Group companies attributable to non-controlling interests, regardless of the reporting period in which they are paid;

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

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

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

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

“Adjusted” consolidated alternative performance indicators

The following section presents a number of (“adjusted”) alternative performance indicators, calculated by stripping out, from the corresponding reported amounts in the reclassified consolidated income statement and the reclassified consolidated statement of financial position (reported alternative performance indicators), the impact of application of the “financial model”, introduced by IFRIC 12, by the Group’s operators who have adopted this model. The following statement presents adjustments to gross operating profit (EBITDA), operating cash flow and net debt deriving from the specific nature of concession arrangements entered into with the grantors of the concessions held by certain Chilean operators, under which the operators have an unconditional right to receive contractually guaranteed cash payments regardless of the extent to which the public uses the service. This right is accounted for in “financial assets deriving from concession rights” in the statement of financial position.
The adjusted alternative performance indicators are presented with the sole aim of enabling analysts and the rating agencies to assess the Group’s results of operations and financial position using the basis of presentation normally adopted by them.
The adjustments applied to the alternative performance indicators based on reported amounts regard:

a) an increase in revenue to take account of the reduction (following collection) in financial assets accounted for in the statement of financial position, as a result of guaranteed minimum toll revenue;
b) an increase in revenue, corresponding to the portion of government grants accrued 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 and attributable to the Chilean operator, Los Lagos;
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	H1 2017		H1 2016	
	EBITDA	Operating cash flow	EBITDA	Operating cash flow
Reported amounts	1,728	1,205	1,578	1,095
Increase in revenue for guaranteed minimum revenue	41	41	36	36
Grants for motorway maintenance	9	9	7	7
Grants for investment in motorway infrastructure	-	-	1	1
Reversal of financial income deriving from discounting of financial assets deriving from concession rights (guaranteed minimum revenue)		-22		-22
Reversal of financial income deriving from discounting of financial assets deriving from government grants for motorway maintenance		-3		-3
Total adjustments	50	25	44	19
Adjusted amounts	1,778	1,230	1,622	1,114

€M	NET DEBT AS AT 30 JUNE 2017	NET DEBT AS AT 31 DECEMBER 2016
Reported amounts	11,421	11,677
Reversal of financial assets deriving from:		
- takeover rights	400	398
- guaranteed minimum revenue	601	656
- grants for motorway maintenance	82	92
Total adjustments	1,083	1,146
Adjusted amounts	12,504	12,823

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 business segment and geographical area.
The planned restructuring of the Atlantia Group, initiated by the Board of Directors in 2016, was completed in the first half of 2017. As a result of the restructuring, the Atlantia Group's operating segments had already been revised as at 31 December 2016 and, therefore, amounts for the first half of 2016 have been restated with respect to those published in the Interim Report for the six months ended 30 June 2016.
Following the consolidation of Aéroports de la Côte d'Azur (ACA) at the end of December 2016, a new operating segment to which the Group's overseas airport operations have been allocated is now presented. In addition to the companies controlled by ACA (the company that directly and indirectly operates the airports of Nice, Cannes-Mandelieu and Saint-Tropez and the international network of ground handlers, Sky Valet), this segment also includes the acquisition vehicle used in order to acquire ACA (Azzurra Aeroporti).
As a result, the Group's new structure presents information for five main operating segments (Italian motorways, overseas motorways, Italian airports, overseas airports and a fifth operating segment including the Parent Company, Atlantia, and the other remaining activities).
The composition of the Atlantia Group's operating segments as at 30 June 2017 is as follows:

a) **Italian motorways**: this includes the Italian motorway operators (Autostrade per l'Italia, Autostrade Meridionali, Tangenziale di Napoli, Società Italiana per Azioni per il Traforo del Monte Bianco, 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. This operating segment also includes companies (AD Moving, Giove Clear, Infoblu, Essediesse and Autostrade Tech) that provide support for the Italian motorway operators and that are subsidiaries of Autostrade per l'Italia;
b) **Overseas motorways**: this includes the activities of the holders of motorway concessions in Brazil, Chile, India and Poland, and the companies that provide operational support for these operators and the related foreign-registered holding companies. In addition, this segment includes the Italian holding company, Autostrade dell'Atlantico, which holds investments in South America;
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 its subsidiaries;
d) **Overseas airports**: this includes the airport operations of the companies controlled by Aéroports de la Côte d'Azur (ACA), the company that (directly and indirectly) operates the airports of Nice, Cannes-Mandelieu and Saint-Tropez and the international network of ground handlers, Sky Valet, in addition to Azzurra Aeroporti (ACA's parent);
e) **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) the companies that produce and operate free-flow tolling systems, traffic and transport management systems and electronic payment systems. The most important companies in this segment are Telepass and Electronic Transaction Consultants;
3) the companies whose business is the design, construction and maintenance of infrastructure, essentially referring to Spea Engineering and Pavimental.

Key performance indicators by operating segment

€M	ITALIAN MOTORWAYS		OVERSEAS MOTORWAYS		ITALIAN AIRPORTS		OVERSEAS AIRPORTS		ATLANTIA AND OTHER ACTIVITIES		CONSOLIDATION ADJUSTMENTS		TOTAL ATLANTIA GROUP(1)	
	H1		H1		H1		H1		H1		H1		H1	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
REPORTED AMOUNTS														
External revenue	1,844	1,782	316	255	428	399	127	-	120	130	-	-	2,835	2,566
Intersegment revenue	17	16	-	-	-	-	-	-	236	194	-253	-210	-	-
Total operating revenue	1,861	1,798	316	255	428	399	127	-	356	324	-253	-210	2,835	2,566
EBITDA	1,149	1,110	242	188	257	230	43	-	37	50	-	-	1,728	1,578
Operating cash flow	770	723	202	165	196	169	30	-	7	38	-	-	1,205	1,095
Capital expenditure	243	304	87	72	105	172	10	-	34	23	-1	-5	478	566
ADJUSTED AMOUNTS														
Adjusted EBITDA	1,149	1,110	292	232	257	230	43	-	37	50	-	-	1,778	1,622
Adjusted operating cash flow	770	723	227	184	196	169	30	-	7	38	-	-	1,230	1,114

(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".*

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Segment information for Group companies (*)

€M	OPERATING REVENUE			
	H1		INCREASE/(DECREASE)	
	2017	2016	ABSOLUTE	%
Italian motorways				
Autostrade per l'Italia	1,709	1,652	57	3%
Autostrade Tech	24	24	-	n/s
Autostrade Meridionali	46	42	4	10%
Tangenziale di Napoli	35	36	-1	-3%
Società Italiana per il Traforo del Monte Bianco	29	28	1	4%
Autostrada Tirrenica	17	16	1	6%
Infoblu	2	2	-	n/s
Essediesse	13	13	-	n/s
Raccordo Autostradale Valle d'Aosta	9	9	-	n/s
Giove Clear	6	6	-	n/s
Ad Moving	3	4	-1	-25%
Intersegment adjustments	*-32*	*-34*	*2*	*-6%*
Total Italian motorways	**1,861**	**1,798**	**63**	**4%**
Overseas motorways				
Rodovia das Colinas	70	54	16	30%
Triangulo do Sol	61	48	13	27%
Rodovia MG050	17	13	4	31%
AB Concessões	3	2	1	50%
Soluciona Concervacao Rodoviaria	2	2	-	n/s
Total Brazil	**153**	**119**	**34**	**29%**
Costanera Norte	61	48	13	27%
Gestion Vial	24	15	9	60%
Los Lagos	15	13	2	15%
Autopista Nororiente	3	3	-	n/s
Grupo Costanera	2	1	1	n/s
Litoral Central	2	1	1	n/s
AMB	1	1	-	n/s
Nueva Vespucio Sur (**)	51	43	8	19%
Total Chile	**159**	**125**	**34**	**27%**
Stalexport Autostrady group	36	32	4	13%
Autostrade dell'Atlantico (***)	-	-	-	n/s
Total Poland and other	**36**	**32**	**4**	**13%**
Intersegment adjustments	*-32*	*-21*	*-11*	*52%*
Total overseas motorways	**316**	**255**	**61**	**24%**
Italian airports				
Aeroporti di Roma group	427	398	29	7%
Fiumicino Energia	3	3	-	n/s
Leonardo Energia	11	10	1	10%
Intersegment adjustments	*-13*	*-12*	*-1*	*8%*
Total Italian airports	**428**	**399**	**29**	**7%**
Overseas airports				
ACA group	127	-	127	n/s
Azzurra Aeroporti	-	-	-	n/s
Intersegment adjustments	-	-	-	n/s
Total overseas airports	**127**	**-**	**127**	**n/s**
Atlantia and other activities				
Pavimental	184	155	29	19%
Spea Engineering	52	58	-6	-10%
ETC	34	32	2	6%
Pavimental Polska	5	3	2	67%
Atlantia	2	1	1	n/s
Telepass	83	77	6	8%
Telepass pay	-	-	-	n/s
Intersegment adjustments	*-4*	*-2*	*-2*	*n/s*
Total Atlantia and other activities	**356**	**324**	**32**	**10%**
Consolidation adjustments	*-253*	*-210*	*-43*	*20%*
Total Atlantia Group	**2,835**	**2,566**	**269**	**10%**

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

(**) The figures for this company for the first half of 2016 include amounts for Vespucio Sur until the date of its merger with and into Nueva Vespucio Sur at the end of 2016.

(***) This is a holding company that holds investments in overseas companies.

EBITDA				CAPITAL EXPENDITURE			
H1		INCREASE/(DECREASE)		H1		INCREASE/(DECREASE)	
2017	2016	ABSOLUTE	%	2017	2016	ABSOLUTE	%
1,080	1,045	35	3%	229	273	-44	-16%
4	2	2	n/s	1	-	1	n/s
19	15	4	27%	2	1	1	n/s
13	15	-2	-13%	8	8	-	n/s
19	19	-	n/s	1	1	-	n/s
9	9	-	n/s	2	21	-19	-90%
-	-	-	n/s	-	-	-	n/s
1	1	-	n/s	-	-	-	n/s
4	3	1	33%	-	-	-	n/s
-	1	-1	n/s	-	-	-	n/s
-	-	-	n/s	-	-	-	n/s
-	-	-	n/s	-	-	-	n/s
1,149	**1,110**	**39**	**4%**	**243**	**304**	**-61**	**-20%**
56	37	19	51%	8	10	-2	-20%
46	36	10	28%	8	5	3	60%
8	4	4	n/s	12	15	-3	-20%
-1	-1	-	n/s	-	-	-	n/s
-	-	-	n/s	-	-	-	n/s
109	**76**	**33**	**43%**	**28**	**30**	**-2**	**-7%**
48	37	11	30%	33	36	-3	-8%
6	4	2	50%	1	2	-1	-50%
9	8	1	13%	-	-	-	n/s
1	-	1	n/s	14	1	13	n/s
-	-	-	n/s	-	-	-	n/s
-1	-	-1	n/s	-	-	-	n/s
-	1	-1	n/s	-	-	-	n/s
43	37	6	16%	7	1	6	n/s
106	**87**	**19**	**22%**	**55**	**40**	**15**	**38%**
28	25	3	12%	4	2	2	n/s
-1	-	-	n/s	-	-	-	n/s
27	**25**	**2**	**8%**	**4**	**2**	**2**	**n/s**
-	-	-	n/s	-	-	-	n/s
242	**188**	**54**	**29%**	**87**	**72**	**15**	**21%**
255	228	27	12%	105	172	-67	-39%
2	2	-	n/s	-	-	-	n/s
-	-	-	n/s	-	-	-	n/s
-	-	-	n/s	-	-	-	*n/s*
257	**230**	**27**	**12%**	**105**	**172**	**-67**	**-39%**
44	-	44	n/s	10	-	10	n/s
-1	-	-1	n/s	-	-	-	n/s
-	-	-	n/s	-	-	-	n/s
43	**-**	**43**	**n/s**	**10**	**-**	**10**	**n/s**
8	-	8	n/s	20	12	8	67%
8	14	-6	-43%	1	-	1	n/s
5	4	1	25%	6	4	2	50%
1	-	1	n/s	-	-	-	n/s
-31	-15	-16	n/s	-	-	-	n/s
47	47	-	n/s	7	7	-	n/s
-1	-	-1	n/s	-	-	-	n/s
-	-	-	n/s	-	-	-	*n/s*
37	**50**	**-13**	***-26%***	**34**	**23**	**11**	**48%**
-	-	-	n/s	*-1*	*-5*	*4*	*-80%*
1,728	**1,578**	**150**	**10%**	**478**	**566**	**-88**	**-16%**

Italian motorways

The Group's Italian motorway operations generated operating revenue of €1,861 million in the first half of 2017, an increase of €63 million on the same period of 2016 (up 4%). The performance reflects an increase in net toll revenue (€1,696 million), which is up €61 million compared with the first half of 2016. This is primarily due to traffic growth (up 2.9%, boosting toll revenue by €47 million, taking into account the positive impact of the different traffic mix) and application of annual toll adjustment (up €9 million, above all reflecting a 0.64% increase in tolls at Autostrade per l'Italia from 1 January 2017).
EBITDA for the Italian motorways segment in the first half of 2017 amounts to €1,149 million, up €39 million (4%) on the same period of 2016.
Net operating costs are up approximately €24 million, primarily reflecting:

- higher maintenance costs, above all at Autostrade per l'Italia, linked to a different scheduling of work on the network and increased snowfall in the first half of 2017, compared with the same period of 2016;
- an increase in concession fees, substantially reflecting an increase in the component of tolls corresponding with the additional concession fee payable to ANAS, also accounted for in toll revenue;
- an increase in labor costs which, before deducting capitalised expenses, are up 2.2%, essentially reflecting a combination of the following:
  - an increase in the average unit cost (up 4.4%), primarily due to the cost of contract renewals and additional costs linked to management incentive plans, partly offset by an increase in the amount recovered for seconded personnel;
  - a reduction of 156 in the average workforce (down 2.2%).

Traffic

Traffic on the Group's Italian network in the first six months of 2017 is up 2.9% on the first half of the previous year. The number of kilometres travelled by vehicles with 2 axles is up 2.6%, with the figure for those with 3 or more axles up 5.1%.

OPERATOR	KM TRAVELLED (IN MILLIONS)				ATVD [1]
	VEHICLES WITH 2 AXLES	VEHICLES WITH 3+ AXLES	TOTAL VEHICLES	% CHANGE VERSUS H1 2016	H1 2017
Autostrade per l'Italia	19,218	3,195	22,413	3.0	43,379
Autostrade Meridionali	818	18	835	3.3	89,434
Tangenziale di Napoli [2]	431	39	470	-1.0	128,666
Autostrada Tirrenica [3]	120	12	132	10.9	13,350
Raccordo Autostradale Valle d'Aosta	43	10	53	3.9	9,072
Società Italiana per il Traforo del Monte Bianco	4	2	5	3.3	5,091
Total Italian operators	20,633	3,276	23,909	2.9 [4]	43,757

(1) ATVD - Average theoretical vehicles per day, equal to number of kilometres travelled/journey length/number of days.
(2) The data for Tangenziale di Napoli at June 2017 is provisional.
(3) The 15-km Civitavecchia-Tarquinia section was opened to traffic at the end of March 2016.
(4) After stripping out the leap-year effect, the increase in kilometres travelled in the first half of 2017 is approximately 3.4%.

Toll increases

Information on toll increases effective 1 January 2017 is provided in the section, “Significant regulatory aspects”.

Capital expenditure

Autostrade per l’Italia and the Group’s other Italian operators invested a total of €243 million in the first half of 2017.

(€M)	H1 2017	H1 2016
Autostrade per l'Italia -projects in Agreement of 1997	103	104
Autostrade per l'Italia - projects in IV Addendum of 2002	39	89
Investment in major works by other operators	1	19
Other capital expenditure and capitalised costs (staff, maintenance and other)	89	80
Total investment in infrastructure operated under concession	232	292
Investment in other intangible assets	6	6
Investment in property, plant and equipment	5	6
Total capital expenditure on motorways in Italy	243	304

With regard works envisaged in the Agreement of 1997, work is continuing on the completion of off carriageway works for the *Variante di Valico* (opened to traffic at the end of 2015), as is work on widening the A1 between Barberino and Florence North to three lanes. Work on completion of off carriageway works for the Florence North-Florence South section of motorway is also in progress. This section saw the opening of the Galluzzo bypass in May 2017 and of the “Villa Costanza” park-and-ride on the A1 near to Scandicci in June 2017.

In terms of the works contained in the IV Addendum of 2002, work during the first half of 2017 consisted of off carriageway works for the A14 between Senigallia and Ancona North and Ancona North and Ancona South, and work on completing the A4-A13 interchange in the vicinity of the Padua Industrial Park toll station.

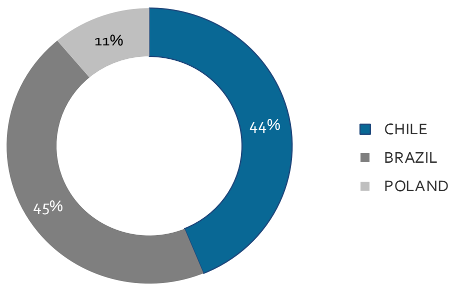
Investment by other operators primarily regards Autostrada Tirrenica, in relation to design work for the Fonteblanda-Capalbio section, expropriations for the section between Civitavecchia and Tarquinia and the related roads.
"Other capital expenditure and capitalised costs" includes approximately €29 million invested in major works by Autostrade per l'Italia, primarily reflecting work on the fourth free-flow lane for the A4 between Milan Viale Certosa and Sesto San Giovanni, and design work and surveys carried out in preparation for work on the Bologna Interchange (on carriageway works and work on the surrounding area).

Overseas motorways

The Group's overseas motorway operators generated operating revenue of €316 million in the first half of 2017, up €61 million (24%) on the same period of 2016. At constant exchange rates, operating revenue is up €26 million (10%), benefitting from the toll increases applied by operators and traffic growth (up 3.0%[1]).
EBITDA of €242 million for the first six months of 2017 is up €54 million (29%) on the same period of 2016. At constant exchange rates, EBITDA is up €28 million (15%).

Breakdown of EBITDA for overseas motorway operators

(by geographical area)



Chile

Chilean operators' operating revenue for the first six months of 2017 amounts to €159 million, up €34 million (27%) on the first half of 2016. At constant exchange rates, operating revenue is up €23 million (18%), benefitting from the toll increases that came into effect from January 2017 (more information is provided in the section, "Significant regulatory aspects") and the above traffic growth.
EBITDA of €106 million is up €19 million (22%) on the first half of 2016. At constant exchange rates, EBITDA is €99 million, up €12 million (14%). The improvement partly reflects increased margins on the work carried out by the in-house construction company, Gestion Vial, mainly on widening the Santiago Centro Oriente motorway.
The Chilean operators invested a total of €55 million in the first six months of 2017. As at 30 June 2017, 82% of the works to be carried out as part of the *Santiago Centro Oriente* upgrade programme has been completed. The programme involves investment of approximately 256 billion pesos (around €358 million[2]) in the section of motorway operated by Costanera Norte.

(1) *After stripping out the leap-year effect, the number of kilometres travelled is up 3.6% in the first half of 2017.*
(2) ***Translated using the average exchange rate for the period January-June 2017, equal to 714.89 pesos per euro.***

Traffic performance

OPERATOR	MILLIONS OF KM TRAVELLED		
	H1 2017	H1 2016	% INCREASE/ (DECREASE)
Grupo Costanera			
Costanera Norte	607	571	6.2%
Nororiente	45	42	5.1%
Vespucio Sur	468	449	4.2%
Litoral Central	71	65	8.8%
AMB	13	12	8.3%
Los Lagos [1]	392	378	3.8%
Total	1,596	1,518	5.1%[2]

(1) In terms of the number of journeys, traffic is up 3.7%.
(2) After stripping out the leap-year effect, the number of kilometres travelled is up 5.7% in the first half of 2017.

Brazil

Operating revenue for the first six months of 2017 amounts to €153 million, up €34 million (29%) on the same period of 2016. At constant exchange rates, operating revenue is up €9 million (8%). Toll revenue for the first half of 2017 benefitted from the toll increases introduced by Triangulo Do Sol and Rodovia das Colinas with effect from July 2016. Rodovia MG050 applied the toll increases for 2016 from 1 February 2017 and those relating to the current year from 13 June 2017 (more information is provided in the section, "Significant regulatory aspects").
EBITDA of €109 million is up €33 million (43%) on the first six months of 2016. At constant exchange rates, EBITDA is up €15 million (20%). The result is partly due to lowers costs incurred by Rodovias das Colinas for cyclical maintenance and resurfacing work.
During the first half of 2017, a total of €28 million was invested in upgrading the network operated under concession in Brazil.

Traffic performance

OPERATOR	MILLIONS OF KM TRAVELLED		
	H1 2017	H1 2016	% INCREASE/ (DECREASE)
Triangulo do Sol	688	692	-0.6%
Rodovias das Colinas	971	975	-0.3%
Rodovia MG050	412	390	5.5%
Total	2,071	2,057	0.7%[1]

(1) After stripping out the leap-year effect, the number of kilometres travelled is up 1.2% in the first half of 2017.

Poland

The Stalexport Autostrady group's operating revenue for the first half of 2017 amounts to €36 million, up €4 million (13%) on the same period of 2016. At constant exchange rates, revenue is up €3 million (9%). EBITDA of €28 million is up €3 million on the first half of 2016. At constant exchange rates, EBITDA is up €2 million (8%).

Traffic performance

OPERATOR	MILLIONS OF KM TRAVELLED		
	H1 2017	H1 2016	% INCREASE/ (DECREASE)
Stalexport Autostrada Malopolska	453	424	6.9% (1)

(1) After stripping out the leap-year effect, the number of kilometres travelled is up 7.5% in the first half of 2017

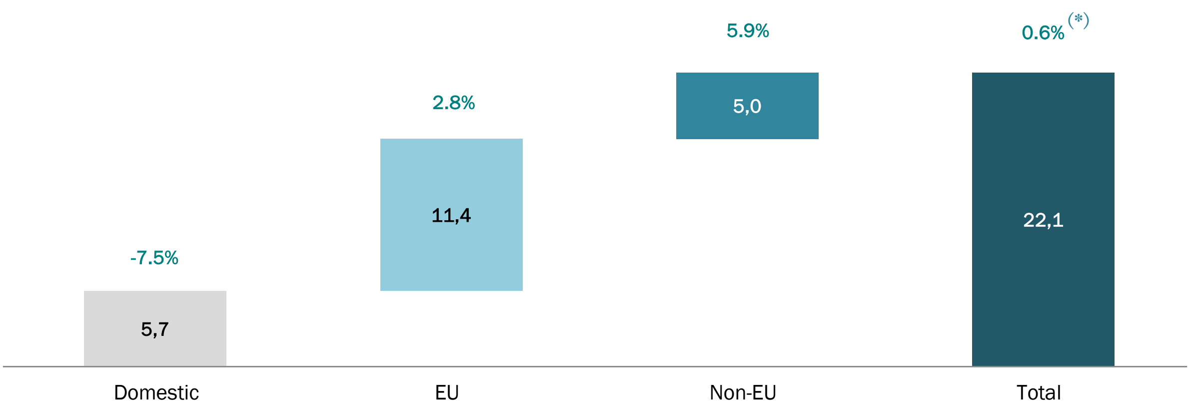
Italian airports

The Italian airports business generated operating revenue of €428 million in the first half of 2017, an increase of €29 million (7%) compared with the same period of the previous year.
Aviation revenue of €301 million is up €9 million (3%) as a result of a favourable traffic mix and the increase in airport fees applied from 1 March of each year.
Other operating income of €127 million is up €20 million, primarily due to the contribution from the new retail plaza located in the new wing of Terminal 3 at Fiumicino, opened at the end of 2016.
EBITDA of €257 million is up €27 million (12%) on the same period of the previous year.

Traffic

The Roman airport system handled over 22 million passengers in the first half of 2017, marking an increase of 0.6% on the same period of the previous year.
The EU segment, accounting for 52% of total traffic, is up 2.8% on the previous year, whilst non-EU traffic is up 5.9%. In contrast, domestic traffic is down 7.5%, partly due to a decline in operations at Alitalia, which is currently in extraordinary administration.

Breakdown of traffic using the Roman airport system in H1 2017
(millions of passengers and change H1 2017 versus H1 2016)



(*) After stripping out the leap-year effect, overall growth is 1.1%.

Capital expenditure

Capital expenditure totalled €105 million in the first half of 2017. Work on the upgrade of Runway 1 at Fiumicino was completed, whilst work continued on flood defences for the western area, on Phase 1 of the Western aprons and on the *Piazzali 300* ("300 Aprons") project, in preparation for the new boarding area A. Work on the internal upgrade and refurbishment of Terminal 1 and Terminal 3 was also completed, in readiness for the transfer of high-risk flights that previously departed from Terminal 5. Finishing work and complementary works for boarding area E also continued. At Ciampino airport, work on the upgrade of the General Aviation Terminal was completed.

(€M)	H1 2017	H1 2016
T3 wing and boarding area E	18	61
Work on baggage handling sub-systems and airport equipment	3	35
Work on terminals and piers	21	26
Work on technical systems and networks	9	11
Work on runways and aprons	36	7
Other	18	32
TOTAL CAPITAL EXPENDITURE	105	172

Overseas airports

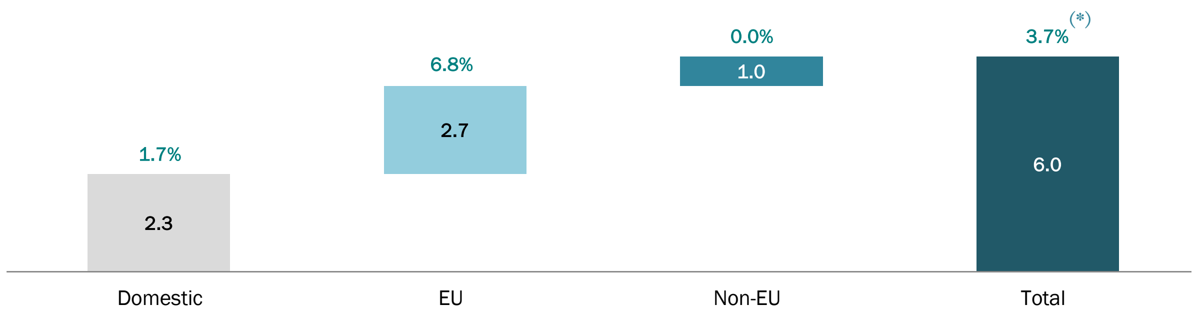
The Group's overseas airports segment generated operating revenue of €127 million in the first half of 2017. Aviation revenue of €72 million primarily consists of fees earned by the airports of Nice, Cannes and Saint-Tropez, in addition to the contribution from the Sky Valet FBO network, which also includes the Portuguese ground handling operations acquired in May 2016. Other operating income amounts to €55 million. EBITDA totals €43 million.

Traffic

Nice airport handled 6 million passengers in the first half of 2017, marking an increase of 3.7% compared with the same period of the previous year. In terms of general aviation, movements were up 5.0% in the first half of 2017[1].

Breakdown of traffic using Nice airport in H1 2017

(millions of pax and change H1 2017 versus H1 2016)



(*) *After stripping out the leap-year effect, overall growth is approximately 4.1%.*

Capital expenditure

The Aéroports de la Côte d'Azur group's capital expenditure amounts to €10 million for the first half of 2017. Initiatives designed to expand capacity amount to €7 million and include work on increasing the retail offering and expanding the capacity of Terminal 2, work on the tram line to Nice airport and improvements to the baggage reclaim system in Terminal 1.
A further €3 million was invested in compliance, primarily on the upgrade of airport infrastructure to comply with EASA regulations.

(1) *The figures refer to the airports of Nice, Cannes and Saint-Tropez.*

Other activities

Telepass

Telepass, the company responsible for operating electronic tolling systems and the supplier, in Italy and overseas, of other transport-related payment systems, generated operating revenue of €83 million in the first half of 2017, marking an increase of €6 million compared with the same period of 2016.
The company's EBITDA for the first half of 2017 is €47 million, in line with the same period of last year.
As at 30 June 2017, there are 9,413,093 Telepass devices in circulation, with the number of active devices totalling 7,976,555 (up approximately 321,000 compared with 30 June 2016), whilst the number of subscribers of the Premium Option totals 2,018,987 (up approximately 72,000 compared with 30 June 2016).
A new company named Telepass Pay SpA was established on 11 November 2016. The company, a wholly owned subsidiary of Telepass SpA, has been set up to expand to the offering of payment services linked to both urban and inter-city transport.
On 20 June 2017, Telepass Pay received authorisation from the Bank of Italy to operate as an electronic money institution, with the commercial launch of its services following in July 2017.

Pavimental

The company provides the Group with motorway and airport maintenance services and carries out major infrastructure works for the Group and external customers. Operating revenue for the first half of 2017 amounts to €184 million, up €29 million on the same period of 2016. This is primarily due to the increased volume of infrastructure work awarded by ADR and Autostrade per l'Italia (in particular, relating to the start-up of work on the main contract regarding Barberino Lot 2 on the A1). A greater volume of maintenance work was also carried out with respect to the first half of 2016. EBITDA of €8 million is up €8 million on the figure for the first six months of 2016.

Spea Engineering

Spea Engineering operates in Italy and overseas, supplying engineering services involved in the design, project management and controls connected to the upgrade and maintenance of motorway and airport infrastructure. Operating revenue for the first half of 2017 amounts to €52 million, marking a reduction of €6 million compared with the same period of the previous year. This primarily reflects a reduction in project management following the closure of construction sites and the production of final statements and a slowdown in airport projects.
91% of the company's total revenue during the period was earned on services provided to the Group.
EBITDA for the first half of 2017 amounts to €8 million, down €6 million on the same period of 2016.

Workforce

As at 30 June 2017, the Group employs 15,450 staff on permanent contracts and 1,737 temporary staff, resulting in a total workforce of 17,187, including 13,080 in Italy and 4,107 at overseas companies. This is an increase of 1,349 on the 15,838 of 31 December 2016.
The increase in permanent staff at 30 June 2017 compared with 31 December 2016 (up 866) primarily reflects events at the following Group companies:

- Aéroports de la Côte d'Azur group (up 674) following the group's first-time consolidation;
- Telepass (up 88), primarily due to the transfer of the Contact Centre from Autostrade per l'Italia;
- the Chilean companies (up 85), due to recruitment of staff engaged in the implementation of investments provided for in the *Santiago Centro Oriente* expansion programme;
- Pavimental (up 65), primarily due to an increase in motorway works;
- Atlantia (up 26), primarily due to the transfer of the Foreign Department from Autostrade per l'Italia;
- Giove Clear (up 20), reflecting the conversion of fixed-term contracts to permanent ones;
- Italian motorway operators (down 154) primarily due to the transfer of the Contact Centre from Autostrade per l'Italia to Telepass and of staff from the Foreign Department from Autostrade per l'Italia to Atlantia, as well as slower turnover among toll collectors at Autostrade per l'Italia, Tangenziale di Napoli and Autostrade Meridionali, partly offset by the hiring of staff to fill specific roles within certain organisational units at Autostrade per l'Italia;

The change in temporary staff at 30 June 2017 compared with 31 December 2016 (up 483) primarily reflects events at the following Group companies:

- Aeroporti di Roma group (up 246), primarily due to the usual increase in staff in response to seasonal peaks in passenger traffic and initiatives designed to improve the quality of passenger services, and expansion of the activities managed by Airport Cleaning;
- Italian motorway operators (up 128), primarily due to the higher number of seasonal toll collectors required;
- Aéroports de la Côte d'Azur group (up 77) following the group's first-time consolidation;
- Pavimental (up 47), primarily due to an increase in airport projects.

The average workforce (including agency staff) is up from 14,805 in the first six months of 2016 to 15,758 in the same period of 2017, marking an overall increase of 953 on average (up 6%).
This increase primarily reflects:

- Aéroports de la Côte d'Azur (up 704 on average) following the group's first-time consolidation;
- Pavimental (up 94 on average), primarily due to an increase in motorway works and airport projects;
- Telepass (up 80 on average), primarily due to the transfer of the Contact Centre from Autostrade per l'Italia;

- Aeroporti di Roma group (up 80 on average), primarily linked to insourcing and expansion of activities managed by Airport Cleaning, partially offset by initiatives designed to streamline and improve the passenger security checks managed by ADR Security;
- the Chilean companies (up 62 on average), due to recruitment of staff engaged in the implementation of investments provided for in the *Santiago Centro Oriente* expansion programme;
- Atlantia (up 25 on average), primarily due to the transfer of the Foreign Department from Autostrade per l'Italia and the follow-on impact of staff hired in 2016;
- Italian motorway operators (down 169 on average), primarily due to the transfer of the Contact Centre from Autostrade per l'Italia to Telepass and of staff from the Foreign Department from Autostrade per l'Italia to Atlantia, as well as slower turnover among toll collectors at Autostrade per l'Italia, Tangenziale di Napoli and Autostrade Meridionali.

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

Permanent staff

CATEGORY	30 June 2017	31 December 2016	INCREASE/(DECREASE) ABSOLUTE	%
Senior managers	285	245	40	16%
Middle managers	1,095	989	106	11%
Administrative staff	6,819	6,459	360	6%
Manual workers	4,175	3,765	410	11%
Toll collectors	3,076	3,126	(50)	-2%
Total	**15,450**	**14,584**	**866**	**6%**

Temporary staff

CATEGORY	30 June 2017	31 December 2016	INCREASE/(DECREASE) ABSOLUTE	%
Senior managers	2	4	(2)	-50%
Middle managers	2	2	-	n/s
Administrative staff	556	525	31	6%
Manual workers	799	483	316	65%
Toll collectors	378	240	138	58%
Total	**1,737**	**1,254**	**483**	**39%**

Average workforce (*)

CATEGORY	H1 2017	H1 2016	INCREASE/(DECREASE) ABSOLUTE	%
Senior managers	288	249	39	16%
Middle managers	1,084	982	102	10%
Administrative staff	7,016	6,662	354	5%
Manual workers	4,315	3,752	563	15%
Toll collectors	3,055	3,160	(105)	-3%
Total	**15,758**	**14,805**	**953**	**6%**

(*) *Includes agency staff.*

Related party transactions

Information on related party transactions is provided in note 10.5, "Related party transactions", in the condensed consolidated interim financial statements.

Significant regulatory aspects

In addition to the information already provided in the Annual Report for the year ended 31 December 2016, this section provides details of updates or new developments relating to significant regulatory events affecting Group companies and occurring through to the date of approval of this Interim Report for the six months ended 30 June 2017.

Italian motorways

Toll increases with effect from 1 January 2017

The Minister of Infrastructure and Transport and Minister of the Economy and Finance issued the related decrees on 30 December 2016, determining that:

- Autostrade per l'Italia was to apply a toll increase of 0.64%, compared with the 0.77% requested. The reason given for the reduction with respect to the requested percentage (equal to 0.13%) was that additional documentation was required in respect of the "X" and "K" tariff components. Once these documents have been submitted , the Grantor will decide whether or not to allow the company to recover the shortfall through subsequent toll increases. In this regard, having had access to the paperwork relating to the Grantor's determination, on 27 June 2017, Autostrade per l'Italia submitted further additional documentation, justifying its position, for the Grantor's consideration;
- Raccordo Autostradale Valle d'Aosta and Autostrada Tirrenica were to apply an increase based on the target inflation rate (0.90%), whilst determining that any over or under recoveries, including those for previous years, will be assessed following revision of the operators' financial plans. The companies thus challenged the related decree before the Regional Administrative Court;
- Tangenziale di Napoli was to apply a toll increase of 1.76%, thus lower than the requested increase, and that any over or under recoveries, including those for previous years, will be assessed following revision of the operator's financial plans. The company thus challenged the related decree before the Regional Administrative Court;
- Autostrade Meridionali, as in previous years, did not have the right to apply any toll increase, in view of the fact 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 previous years (for 2014 and 2015, the courts found in the company's favour, whilst the challenge relating to 2016 is still pending);
- in the case of Traforo del Monte Bianco, which operates under a different regulatory regime, on 2 December 2016, the Intergovernmental Committee for the Mont Blanc Tunnel gave to go-ahead for a toll increase of 0.06%, representing the average of the inflation rates registered in Italy (-0.07%) and France (+0.2%).

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

A II Addendum to Autostrade per l'Italia's Single Concession Arrangement was signed on 10 July 2017. The Addendum governs the inclusion of the first of the works in the Single Concession Arrangement of 2007, the Casalecchio Interchange – Northern section, among the operator's investment commitments. The project will involve expenditure of up to approximately €158 million, including around €2 million already incurred for design work, and almost €156 million to be paid to ANAS, which will carry out the work and then operate the infrastructure. This amount will be paid to ANAS on a stage of completion basis.
The Addendum replaces the previous concession arrangement signed on 10 December 2015, for which the related approval process had not been completed.
The Addendum signed on 10 July 2017 will be effective once it has been approved by the Ministry of Infrastructure and Transport and the Ministry of the Economy and Finance, and once the related decree has been registered by Italy's Court of Auditors.

Addendum to Autostrada Tirrenica's Single Concession Arrangement

In response to observations from the European Commission regarding, among other things, extension of the concession to 2046, on 14 October 2014 the Grantor sent Autostrada Tirrenica a draft addendum envisaging extension of the concession to 2043, completion of work on the Civitavecchia–Tarquinia section, and eventual completion of the motorway (in sections, if necessary) to be put out to tender. Completion of the motorway is subject to fulfilment of the technical and financial conditions to be verified jointly by the grantor and the operator and execution of an addendum to the Concession Arrangement, with a viable financial plan attached. Subsequently, on 13 May 2015, a memorandum of understanding was signed by the Grantor, Tuscany Regional Authority, Lazio Regional Authority, Autostrade per l'Italia and Autostrada Tirrenica with an attached draft addendum which, whilst maintaining the duration of the concession until 2043, a viable financial plan for the Civitavecchia–Tarquinia section and the obligation to put all the works out to tender. The memorandum also provides for further commitments regarding the design of the Tarquinia–Ansedonia and Ansedonia–Grosseto South sections and of the improvements to the existing dual carriageway (the *SS. 1 Variante Aurelia*) between Grosseto South and San Pietro in Palazzi, retaining the current layout of the road.
Performance of the above construction work is subject to positive outcomes of studies of the technical/design, financial and administrative feasibility to be conducted jointly by the Grantor and Autostrada Tirrenica and execution of an addendum with a viable financial plan.
Subsequently, after further discussions between the Grantor and the European Commission, at the Grantor's request, Autostrada Tirrenica submitted further versions of a financial plan, initially assuming an expiry date of 31 December 2040 and then one of 31 December 2038. In this latter regard, on 21 October 2016, the company submitted a letter of commitment, by which the company, subject to execution of an addendum governing completion of the road, has undertaken to award all the contracts for work on completion of the Civitavecchia – San Pietro in Palazzi section of motorway by public tender. The company has also agreed to accept the inclusion, in a new addendum, of a provision reducing the concession term to 2038.
On 17 May 2017, the European Commission announced that the Commission had referred Italy to the European Court of Justice for violation of EU law regarding extension of the concession arrangement without conducting a tender process.

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

In 2012, the Ministry of Infrastructure and Transport issued a call for tenders for the new concession for the A3 Naples – Pompei – Salerno motorway. Following the challenges brought by Autostrade Meridionali and Consorzio Stable SIS before Campania Regional Administrative Court, contesting the Ministry's decision, dated 22 March 2016, to disqualify both bidders from the tender process, on 19 December 2016, Campania Regional Administrative Court announced that it did not have jurisdiction for either action, referring the challenges to Lazio Regional Administrative Court. On 29 and 30 December 2016, respectively, Consorzio Stable SIS and Autostrade Meridionali returned to court and, on 31 January 2017, Lazio Regional Administrative Court published its view that the Campania Regional Administrative Court had jurisdiction, referring the matter to the Council of State in order to decide on the question. On 27 June 2017, a hearing was held before the Council of State. The outcome has yet to be made known at the date of approval of this Interim Report.

Contractual discounts on noise abatement works

On 12 June 2017, the Grantor announced that it had determined the extent of the contractual discounts to be applied in relation to 12 noise mitigation schemes contracted out by Autostrade per l'Italia to its associate, Pavimental, in 2012.
Believing the determination to be an error of law, backed up by an authoritative external legal opinion, Autostrade per l'Italia intends to challenge it before the Regional Administrative Court.

Overseas motorways

Chile

From January 2017, Grupo Costanera's motorway operators have applied the following annual toll increases, determined on the basis of their concession arrangements:

- 6.5% for Costanera Norte, Vespucio Sur and Nororiente, reflecting a combination of the increase linked to inflation in 2016 (2.9%) and a further increase of 3.5%;
- 4.5% for AMB, reflecting a combination of the increase linked to inflation in 2016 (2.9%) and a further increase of 1.5%;
- 2.9% for Litoral Central, reflecting a combination of the increase linked to inflation in 2016 (2.9%).

From January 2017, the tolls applied by Los Lagos have risen 4.0%, reflecting a combination of the increase linked to inflation in 2016 (up 2.9%) and a further increase in the form of a bonus relating to safety improvements in 2017 (up 3.5%), less the bonus for safety improvements awarded in 2016, equal to 2.4%.

Brazil

Triangulo do Sol and Colinas applied the annual adjustment of motorway tolls, increasing tolls by 9.32% from 1 July 2016. This was based on the rate of consumer price inflation (IPCA) in the period between June 2015 and May 2016, as provided for in the respective concession arrangements. This reflects the fact that this figure was lower than the rate of general price inflation in the period between June 2015 and May 2016 (11.09%). The difference will be compensated for in accordance with the related concession arrangements.
On 28 June 2017, Triangulo do Sol and Rodovias das Colinas received clearance for toll increases to be applied from 1 July 2017. The increase of 1.57% is based on the rate of general price inflation in the period between June 2016 and May 2017, as provided for in the respective concession arrangements. This reflects the fact that this figure was lower than the rate of consumer price inflation in the same period (3.60%). The adjustment based on the rate of general price inflation is the basis provided for in the original concession arrangement.
In June 2016, Rodovia MG050, which operates in the State of Minas Gerais, had not proceeded to apply the annual inflation-linked toll increase permitted by its concession arrangement. This was because, pending negotiations aimed at ensuring that the concession arrangement is financially viable, the grantor, SETOP, had requested the prior conclusion of the negotiations. Given the extended nature of the talks, Rodovia MG050 notified the grantor of its decision to apply the annual toll increase from 17 January 2017. In response to a formal notice from the grantor, reiterating its request not to proceed with the toll increase, Rodovia MG050 obtained a precautionary injunction on 30 January 2017, authorising it to raise tolls with immediate effect. Rodovia MG050 thus applied the increase from 1 February 2017, raising its tolls by 9.28%, based on the rate of consumer price inflation in the period between May 2015 and April 2016, as provided for in the related concession arrangement. The grantor initially appealed the precautionary injunction. In accordance with the precautionary injunction granted by the court, Rodovia MG050 proposed recourse to arbitration with regard to the merits of the case. The grantor accepted the proposal and withdrew its appeal. The arbitration procedure was put on hold whilst negotiations aimed at ensuring that the concession arrangement is financially viable continued. The talks came to an end with signature of an addendum (TA-07) to the concession arrangement on 11 May 2017 and termination of the arbitration procedure. The addendum has revised the investment programme and adjusted outstanding credit and debit items as at the relevant date, including the loss of income resulting from the delay in applying the toll increase with respect to the contractually established date of 13 June 2016, for which the operator has been compensated.
The tolls applied by the operator, Rodovia MG050, have been raised by 4.08% from 13 June 2017, based on the rate of consumer price inflation in the period between May 2016 and April 2017, as provided for in the concession arrangement.

Italian airports

Tariff proposal for the five-year period 2017-2021

On 9 September 2016, ADR began a consultation process, involving the users of Fiumicino and Ciampino airports, on future airport charges during the second sub-period from 1 March 2017 to 28 February 2021. The procedure meets existing Italian and EU requirements and is in line with the guidelines in the “Procedure for consultation between airport operators and users for ordinary planning agreements and those in derogation", published by the Civil Aviation Authority (*ENAC*) on 31 October 2014. The consultation process came to a conclusion on 22 November 2016 and, on 29 December 2016, ENAC published a table on its website showing a summary of the fees for Fiumicino and Ciampino, to be applied from March 2017.

Overseas airports

2017-2022 tariff period

During 2016, Aéroports de la Côte d'Azur (ACA) and the French government, through the *Direction Général de l'Aviation Civile* (*DGAC*, France's civil aviation authority), agreed on the basic principles underpinning the proposed multi-year regulatory framework, which will establish airport fees during the period 2017–2022. The regime establishes the services to be regulated and sets out fees for commercial aviation that are broadly in line with the *Contrat de Compétitivité Territoriale* (Local Competitiveness Agreement) proposed by ACA in 2015. It also sets out the Investment Programme that the company will be required to implement over the next 5 years and the quality targets to be met. The regulatory framework agreed by ACA and the DGCA is currently awaiting approval by the Independent Supervisory Authority.

Other information

As at 30 June 2017, Atlantia SpA holds 8,600,835 treasury shares, representing 1.04% of its issued capital. Atlantia SpA does not own, either directly or indirectly through trust companies or proxies, shares or units issued by parent companies. No transactions were carried out during the period involving shares or units issued by parent companies.
During the first half of 2017, share grants issued in relation to share-based incentive plans for certain of the Group's managers were converted into a total of 198,199 shares and a total of 508,489 shares were allotted as a result of the exercise of share options.

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

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

Voluntary public tender offer, in cash and/or shares, for the entire issued capital of Abertis Infraestructuras

On 15 May 2017, Atlantia announced that its Board of Directors had decided to launch a voluntary public tender offer, in cash and/or shares, for the entire issued capital of Abertis Infraestructuras.
This offer calls for a cash payment of €16.50 for each Abertis share tendered, with the possibility for Abertis's shareholders to opt, in whole or in part, for a Partial Alternative in Shares.
In particular, the Partial Alternative in Shares grants Abertis's shareholders the possibility to opt, in whole or in part, for payment in the form of newly issued special shares in Atlantia, based on an exchange ratio of 0.697 Special Atlantia Shares for every Abertis share. Payment of the consideration in the form of Special Atlantia Shares is subject to a maximum acceptance threshold of 230 million Abertis shares, equal to 23.2% of the total Abertis shares covered by the offer. Once this threshold is crossed, the Special Shares will be allotted on a prorated basis, with the balance payable in cash.
The Special Atlantia Shares will rank *pari passu* with the existing ordinary shares, save for the following:

- they will not be listed they will have a lock-up period until 15 February 2019, on expiration of which they will be automatically converted into ordinary shares on the basis of a 1:1 conversion ratio;

- they will grant the right to elect up to three directors; as a result, Atlantia's Board of Directors will increase in size from 15 to up to 18 members.

Effectiveness of the offer is subject to occurrence of the following suspensive conditions:

- minimum percentage of shares tendered equal to at least 50% plus one share of all of Abertis's shares covered by the offer;
- minimum number of Abertis shares tendered for the Partial Alternative in Shares equal to 100 million (representing 10.1% of all of Abertis's outstanding shares);
- approval of the transaction by Spain's stock market regulator, the *Comision Nacional del Mercado de Valores* ("CNMV") and, to the extent applicable, by the CONSOB;
- issuance of the necessary consents by the competent antitrust authorities (the European Commission and authorities in the United States, Brazil, Chile and Argentina) and other competent administrative authorities in Brazil (the *Agência Nacional de Transportes Terrestres - ANTT*, the *Agência Reguladora de Transporte do Estado de Sao Paulo - ARTESP* and the *Agência Nacional de Telecomunicações - ANATEL*).

To cover the maximum amount payable in cash to Abertis's shareholders who accept the offer, Atlantia has obtained acquisition financing from a pool of leading banks under a facility agreement signed in May 2017. The facility consists of four committed lines of credit, amounting to a total of €14.7 billion. In addition, in order to comply with Spanish takeover law, three leading banks have provided bank guarantees ("*Avales*") on behalf of Atlantia, presented to the CNMV to cover the cash amount payable under the voluntary public tender offer for Abertis's shares. The total amount of the guarantees matches the amount of the above financing. In addition, in July 2017, following Atlantia's issue of notes with a value of a €1.0 billion, maturing in 2027, and completion of Atlantia's sale of minority interests in Autostrade per l'Italia and Azzurra Aeroporti, part of the above acquisition financing for the public tender offer, totalling €2.8 billion, was cancelled, as provided for in the related contract. Under the related agreements, however, Atlantia is required to hold the liquidity raised from the issue of notes and the above sales in the form of cash and cash equivalents throughout the period of the offer.

On 2 August 2017, a General Meeting of Atlantia's shareholders, meeting in extraordinary session, resolved:

- to approve the capital increase for consideration, amounting to up to €3,794,537,700, inclusive of a share premium of €3,634,227,700, through the issue of up to 160,310,000 special shares with a nominal value of €1.00 per share, ranking *pari passu* with existing ordinary shares and with the special characteristics described above;
- to set 30 April 2018 as the deadline for execution of the capital increase;
- to approve the proposed amendments to the articles of association in relation to issue of the Special Shares;
- to provide that the resolution approving the Capital Increase and application of the above amendments to the articles of association shall be subject to completion of the public tender offer for Abertis Infraestructuras SA's shares in accordance with the applicable Spanish law.

Events after 30 June 2017

Atlantia issues notes worth €1 billion, maturing in 2027

On 6 July 2017, Atlantia issued a series of notes with a value of €1 billion, maturing on 13 July 2027, under its €3 billion Euro Medium Term Note Programme. The notes were placed with institutional investors. The effective yield to maturity is 1.99%, corresponding to a yield that is 102 basis points above the reference mid-swap rate. The proceeds from the issue of the notes may be used for Atlantia's general corporate purposes, including the funding of the voluntary public tender offer launched by Atlantia on the entire share capital of Abertis Infraestructuras SA.

Sale of investment in Autostrade per l'Italia completed

On 26 July 2017, the sale of a 10% stake in Autostrade per l'Italia was completed. A 5% interest has been sold to the consortium established by Allianz Capital Partners, acting on behalf of Allianz Group, EDF Invest and DIF Infrastructure IV, whilst a further 5% has been acquired by Silk Road Fund.
In addition, the consortium established by Allianz Capital Partners, acting on behalf of Allianz Group, EDF Invest and DIF has exercised its call option on a further 1.94% stake in Autostrade per l'Italia, thus raising its interest in Autostrade per l'Italia to 6.94%.

Atlantia wins contract for Américo Vespucio Priente Príncipe de Gales – Los Presidentes project in Chile

On 28 July 2017, Atlantia, through its Chilean subsidiary, Grupo Costanera, was awarded the concession for the Américo Vespucio Oriente Príncipe de Gales - Los Presidentes (AVO II) project. The AVO II project regards the construction and operation of a section of urban motorway in the city of Santiago, consisting of a 5.2-km long tunnel using a free-flow tolling system. In addition to building the section in the tunnel, the project also includes improvements to the surrounding area and to roads above ground. The AVO II section is located in the eastern section of Santiago's orbital motorway and is a continuation of the section operated under concession by Vespucio Sur, a wholly owned subsidiary of Grupo Costanera. The project is expected to cost approximately €500 million, less than twice Grupo Costanera's annual pre-tax operating profit. With AVO II, the grantor – Chile's Ministry of Public Works - has completed the award of concessions covering Santiago's entire orbital motorway.

Principality of Monaco acquires stake in Azzurra Aeroporti

On 23 June 2017, the Principality of Monaco, through Société Monegasque d'Investissement Aeroportuaire SA (SMIA), a wholly owned subsidiary of the Principality, signed an agreement with Atlantia that will see it acquire a 12.5% interest in Azzurra Aeroporti, the majority shareholder in Aéroports de la Côte d'Azur (ACA).
The transfer of the interest, for a consideration of €136.4 million, including the sale of a portion of the preference rights held by Atlantia, was completed on 31 July 2017. Following this transaction, Azzurra Aeroporti is 52.51% owned by Atlantia, with Aeroporti di Roma holding 10%, EDF Invest, through Sky Cruise SAS, holding approximately 24.99% and the Principality of Monaco, through SMIA, 12.5%.

Extraordinary General Meeting of Atlantia SpA's shareholders

A General Meeting of Atlantia SpA's shareholders, meeting in extraordinary and ordinary session, was held on 2 August 2017. The Meeting was called to approve the capital increase to service the public tender offer for Abertis's shares, amendments to the articles of association and a long-term incentive plan for a limited number of core managers involved in the process of integrating the Company with Abertis.
The General Meeting, in extraordinary session, resolved:

- to approve the capital increase for consideration, amounting to up to €3,794,537,700, inclusive of a share premium of €3,634,227,700, through the issue of up to 160,310,000 special shares at an issue price per share of €23.67 (of which €1.00 allocated to issued capital and €22.67 to the share premium reserve), to service the voluntary public tender offer, in cash and/or shares, for Abertis Infraestructuras SA's shares. Should the tender offer be successful, the capital increase will be carried out on the payment date (or payment dates) of the above offer (and otherwise by 30 April 2018) via the exchange of 1 ordinary Abertis shares for every 0.697 new Special Atlantia Shares subscribed. The Special Atlantia Shares will rank *pari passu* with the existing ordinary shares, save for the following:
  - they will not be listed and they will have a lock-up period until 15 February 2019, on expiration of which they will be automatically converted into ordinary shares on the basis of a 1:1 conversion ratio;
  - they will grant the right to elect up to three directors; as a result, Atlantia's Board of Directors will increase in size from 15 to up to 18 members;
- to approve the proposed amendments to the articles of association in relation to issue of the Special Shares and concerning the rules governing such shares; the proposed increase in the number of members of the Board of Directors; the proposed change to mechanism to elect the Directors by slate vote, to take effect upon conversion of the Special Shares into ordinary shares; the proposed change to the manner in which meetings of the Board of Directors are called;
- to provide that the resolution approving the Capital Increase and application of the above amendments to the articles of association shall be subject to completion of the public tender offer for Abertis Infraestructuras SA's shares in accordance with the applicable Spanish law.

The General Meeting, in ordinary session, resolved to approve, for the intents and purposes of article 114-*bis* of the Consolidated Finance Act, adoption of a supplementary phantom stock option plan for a limited number of core people involved in the process of building and creating value at the new Group that will be formed through the Company's integration with Abertis, should the tender offer be successful.

Atlantia acquires 29% interest in Bologna airport

On 3 August 2017, Atlantia signed agreements that will result in the acquisition of a 29.38% interest in Aeroporto Guglielmo Marconi SpA, the company that holds the concession to operate Bologna airport. Atlantia's total investment will be approximately €164.5 million. Atlantia is to acquire 11.53% of the company from Italian Airports SARL at a price of €15.50 per share, making a total of €64.6 million, and 17.85% of the company from San Lazzaro Investments Spain, SL at a price of €15.50 per share, amounting to a total of €99.9 million.

The agreements provide for a partial earnout should, within 18 months, the Atlantia Group launch a public tender offer, in cash and/or shares, for the shares at a price higher than the one agreed today, a development that is not currently under consideration.

Outlook and risks or uncertainties

Overall, we expect to see an improvement in the Group's earnings in 2017 and growth in key performance indicators. In particular:

Italian motorways

The operating results of the Italian motorway operations for the current year will benefit from the strong performance of traffic during the first six months of the year. Work on upgrading the network operated under concession will continue in 2017, whilst approval of the final design prior to the start-up of construction of the Genoa Bypass is awaited.

Overseas motorways

Traffic continues to register overall growth. The related contribution to the Group's results is, however, subject to movements in the respective currencies.

Italian airports

Aviation revenue for the current year will reflect changes in fees linked to the start of the new 5-year regulatory period and the remodelled offerings of a number of airlines, including Alitalia, whose contribution to aviation revenue has, in any event, already fallen to around 30%. On the other hand, non-aviation revenue will benefit from the opening of the new retail plaza in the non-Schengen area (area E) at Fiumicino airport.

Overseas airports

The Group's results for 2017 will also include the impact of the consolidation of Aéroports de la Côte d'Azur throughout the full year.

Atlantia and other activities

Finally, the operating results for the current year will include the expenses incurred by Atlantia in relation to its sale of a minority interest in Autostrade per l'Italia and the process involved in the voluntary public tender offer, in cash and/or shares, for the entire issued capital of Abertis Infraestructuras.

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Condensed consolidated interim financial statements

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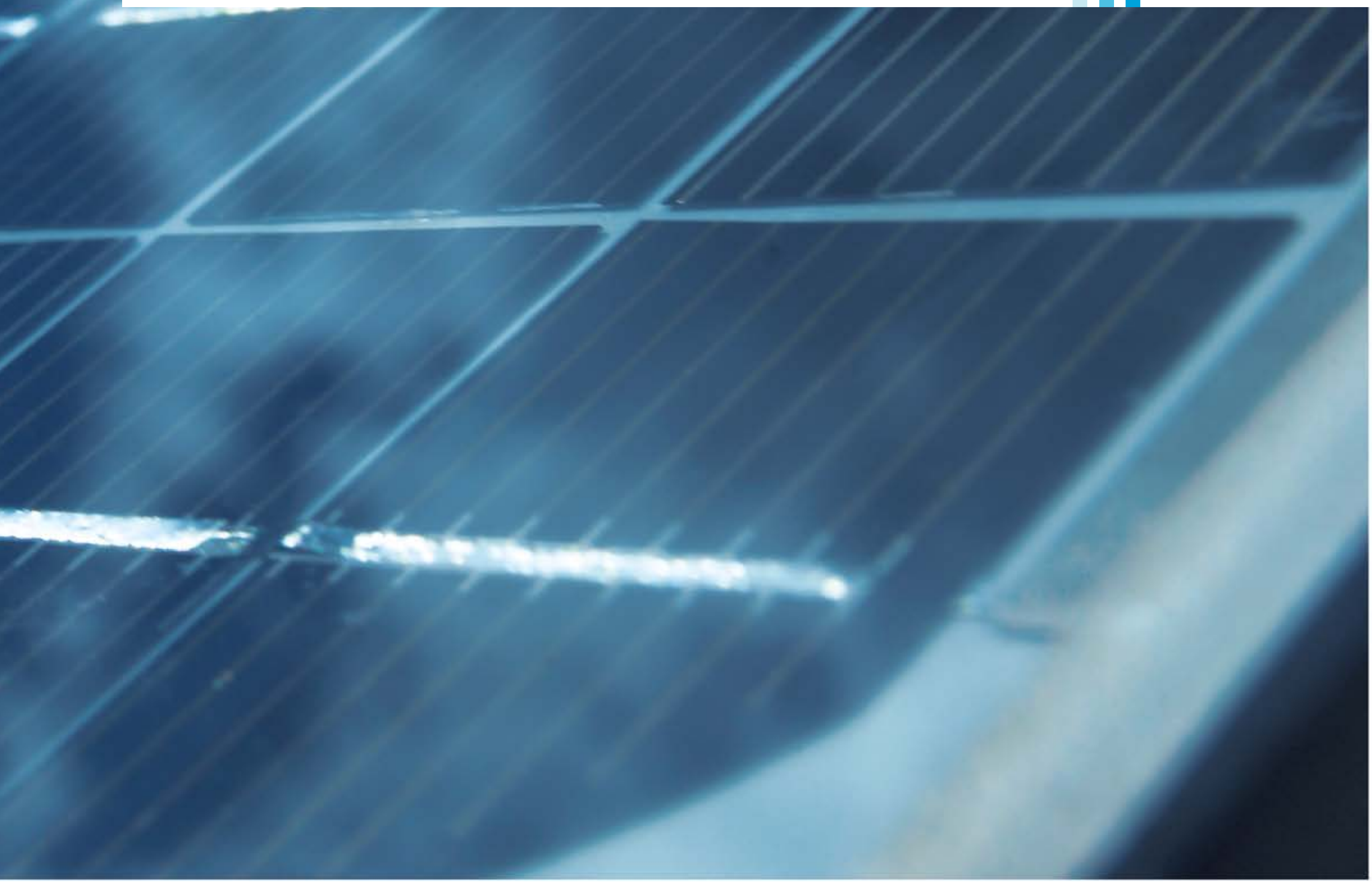

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated statement of financial position

€000	NOTE	30 June 2017	OF WHICH RELATED PARTY TRANSACTIONS	31 December 2016	OF WHICH RELATED PARTY TRANSACTIONS
ASSETS					
NON-CURRENT ASSETS					
Property, plant and equipment	7.1	295,150		291,080	
Property, plant and equipment		290,521		285,801	
Property, plant and equipment held under finance leases		2,787		3,077	
Investment property		1,842		2,202	
Intangible assets	7.2	27,807,264		28,382,686	
Intangible assets deriving from concession rights		23,025,916		23,591,032	
Goodwill and other intangible assets with indefinite lives		4,382,759		4,382,790	
Other intangible assets		398,589		408,864	
Investments	7.3	279,774		291,236	
Investments accounted for at cost or fair value		83,108		83,108	
Investments accounted for using the equity method		196,666		208,128	
Other non-current financial assets	7.4	2,301,278		2,237,054	
Non-current financial assets deriving from concession rights		897,859		931,414	
Non-current financial assets deriving from government grants		262,019		264,936	
Non-current term deposits		321,403		321,726	
Non-current derivative assets		134,027		83,397	
Other non-current financial assets		685,970	*23,276*	635,581	*23,576*
Deferred tax assets	7.5	1,325,306		1,402,785	
Other non-current assets	7.6	17,458		29,702	
TOTAL NON-CURRENT ASSETS		32,026,230		32,634,543	
CURRENT ASSETS					
Trading assets	7.7	1,690,531		1,671,739	
Inventories		71,445		68,266	
Contract work in progress		14,674		-	
Trade receivables		1,604,412	*15,545*	1,603,473	*39,313*
Cash and cash equivalents	7.8	2,975,269		3,383,029	
Cash		2,533,389		2,788,019	
Cash equivalents		441,880		595,010	
Other current financial assets	7.4	766,677		776,552	
Current financial assets deriving from concession rights		442,499		440,539	
Current financial assets deriving from government grants		60,386		67,962	
Current term deposits		175,293		194,283	
Current derivative assets		1,898		-	
Current portion of medium/long-term financial assets		66,039		65,883	
Other current financial assets		20,562		7,885	
Current tax assets	7.9	211,595	*7,595*	105,810	*7,595*
Other current assets	7.10	178,610		196,863	
Assets held for sale and related to discontinued operations	7.11	11,643		12,325	
TOTAL CURRENT ASSETS		5,834,325		6,146,318	
TOTAL ASSETS		37,860,555		38,780,861	

Consolidated statement of financial position

€000	NOTE	30 June 2017	OF WHICH RELATED PARTY TRANSACTIONS	31 December 2016	OF WHICH RELATED PARTY TRANSACTIONS
EQUITY AND LIABILITIES					
EQUITY					
Equity attributable to owners of the parent		7,202,358		7,223,908	
Issued capital		825,784		825,784	
Reserves and retained earnings		6,037,971		5,745,611	
Treasury shares		-179,576		-106,874	
Profit/(Loss) for the period net of interim dividends		518,179		759,387	
Equity attributable to non-controlling interests		2,613,877		2,784,697	
Issued capital and reserves		2,550,511		2,671,343	
Profit/(Loss) for the period net of interim dividends		63,366		113,354	
TOTAL EQUITY	7.12	9,816,235		10,008,605	
NON-CURRENT LIABILITIES					
Non-current portion of provisions for construction services required by contract	7.13	2,904,887		3,269,830	
Non-current provisions	7.14	1,547,943		1,576,258	
Non-current provisions for employee benefits		143,758		148,579	
Non-current provisions for repair and replacement obligations		1,229,462		1,226,619	
Non-current provisions for refurbishment of airport infrastructure		111,926		134,442	
Other non-current provisions		62,797		66,618	
Non-current financial liabilities	7.15	15,868,249		14,832,311	
Bond issues		11,193,058		10,176,386	
Medium/long-term borrowings		4,066,895		4,002,346	
Non-current derivative liabilities		582,638		630,896	
Other non-current financial liabilities		25,658		22,683	
Deferred tax liabilities	7.5	2,384,753		2,439,442	
Other non-current liabilities	7.16	94,890		97,702	
TOTAL NON-CURRENT LIABILITIES		22,800,722		22,215,543	
CURRENT LIABILITIES					
Trading liabilities	7.17	1,625,163		1,650,551	
Liabilities deriving from contract work in progress		566		13,906	
Trade payables		1,624,597		1,636,645	
Current portion of provisions for construction services required by contract	7.13	710,502		531,455	
Current provisions	7.14	437,059		446,041	
Current provisions for employee benefits		26,911		26,740	
Current provisions for repair and replacement obligations		236,741		219,610	
Current provisions for refurbishment of airport infrastructure		88,304		98,612	
Other current provisions		85,103		101,079	
Current financial liabilities	7.15	1,602,347		3,248,881	
Bank overdrafts		39,671		4,757	
Short-term borrowings		355,782		1,858,663	
Current derivative liabilities		585		25,644	
Current portion of medium/long-term financial liabilities		1,171,813		1,345,787	
Other current financial liabilities		34,496		14,030	
Current tax liabilities	7.9	249,189		62,617	
Other current liabilities	7.18	612,742	*20,438*	610,782	*18,836*
Liablities related to discontinued operations	7.11	6,596		6,386	
TOTAL CURRENT LIABILITIES		5,243,598		6,556,713	
TOTAL LIABILITIES		28,044,320		28,772,256	
TOTAL EQUITY AND LIABILITIES		37,860,555		38,780,861	

Consolidated income statement

€000	NOTE	H1 2017	OF WHICH RELATED PARTY TRANSACTIONS	H1 2016	OF WHICH RELATED PARTY TRANSACTIONS
REVENUE					
Toll revenue	8.1	1,993,576		1,874,966	
Aviation revenue	8.2	373,169		291,898	
Revenue from construction services	8.3	212,956		300,363	
Contract revenue	8.4	16,078		35,817	
Other operating income	8.5	452,107	*41,032*	363,192	*39,504*
TOTAL REVENUE		3,047,886		2,866,236	
COSTS					
Raw and consumable materials	8.6	-153,082		-125,038	
Service costs	8.7	-583,333		-639,981	
Gain/(Loss) on sale of elements of property, plant and equipment		428		221	
Staff costs	8.8	-497,662	*-21,334*	-450,277	*-21,834*
Other operating costs	8.9	-292,364		-276,720	
Concession fees		-243,578		-233,078	
Lease expense		-11,369		-8,164	
Other		-37,417		-35,478	
Operating change in provisions	8.10	11,505		-108,715	
Provisions/(Uses of provisions) for repair and replacement of motorway and airport infrastructure		10,666		-118,851	
Provisions/(Uses of provisions) for refurbishment of airport infrastructure		9,025		16,624	
Provisions		-8,186		-6,488	
Use of provisions for construction services required by contract	8.11	174,897		162,141	
Amortisation and depreciation		-554,525		-454,083	
Depreciation of property, plant and equipment	7.1	-31,114		-26,414	
Amortisation of intangible assets deriving from concession rights	7.2	-493,518		-398,059	
Amortisation of other intangible assets	7.2	-29,893		-29,610	
(Impairment losses)/Reversals of impairment losses	8.12	-7,964		-3,383	
TOTAL COSTS		-1,902,100		-1,895,835	
OPERATING PROFIT/(LOSS)		1,145,786		970,401	
Financial income		194,424		195,394	
Financial income accounted for as an increase in financial assets deriving from concession rights and government grants		36,866		31,919	
Dividends received from investees		11,964		7,830	
Other financial income		145,594		155,645	
Financial expenses		-429,024		-451,184	
Financial expenses from discounting of provisions for construction services required by contract and other provisions		-21,650		-31,605	
Other financial expenses		-407,374		-419,579	
Foreign exchange gains/(losses)		11,243		4,843	
FINANCIAL INCOME/(EXPENSES)	8.13	-223,357		-250,947	
Share of (profit)/loss of investees accounted for using the equity method	8.14	-10,074		-8,323	
PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS		912,355		711,131	
Income tax (expense)/benefit	8.15	-329,929		-246,432	
Current tax expense		-273,599		-228,163	
Differences on tax expense for previous years		1,285		-102	
Deferred tax income and expense		-57,615		-18,167	
PROFIT/(LOSS) FROM CONTINUING OPERATIONS		582,426		464,699	
Profit/(Loss) from discontinued operations	8.16	-881		-	
PROFIT FOR THE PERIOD		581,545		464,699	
of which:					
Profit attributable to owners of the parent		518,179		413,230	
Profit attributable to non-controlling interests		63,366		51,469	

€		H1 2017	H1 2016
Basic earnings per share attributable to owners of the parent	8.17	0.63	0.50
of which:			
- continuing operations		0.63	0.50
- discontinued operations		-	-
Diluted earnings per share attributable to owners of the parent	8.17	0.63	0.50
of which:			
- continuing operations		0.63	0.50
- discontinued operations		-	-

Consolidated statement of comprehensive income

€M		H1 2017	H1 2016
Profit for the period	(A)	581,545	464,699
Fair value gains/(losses) on cash flow hedges		110,067	-145,414
Tax effect of fair value gains/(losses) on cash flow hedges		-24,328	33,242
Gains/(losses) from translation of assets and liabilities of consolidated companies denominated in functional currencies other than the euro		-209,293	226,493
Gains/(Losses) from translation of investments accounted for using the equity method denominated in functional currencies other than the euro		-1,281	1,964
Other comprehensive income/(loss) for the period reclassifiable to profit or loss	(B)	-124,835	116,285
Gains/(losses) from actuarial valuations of provisions for employee benefits		-77	-1,120
Tax effect of gains/(losses) from actuarial valuations of provisions for employee benefits		32	225
Other comprehensive income/(loss) for the period not reclassifiable to profit or loss	(C)	-45	-895
Reclassifications of other components of comprehensive income to profit or loss for the period	(D)	-217	-1,498
Tax effect of reclassifications of other components of comprehensive income to profit or loss for the period	(E)	-4,115	-
Total other comprehensive income/(loss) for the period	(F=B+C+D+E)	-129,212	113,892
Comprehensive income for the period	(A+F)	452,333	578,591
Of which attributable to owners of the parent		*488,202*	*414,985*
Of which attributable to non-controlling interests		*-35,869*	*163,606*

Statement of changes in consolidated equity

€000	EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT										
	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	TEASURY SHARES	PROFIT/(LOSS) FOR PERIOD NET OF INTERIM DIVIDENDS	TOTAL	EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT AND TO NON-CONTROLLING INTERESTS
Balance as at 31 December 2015	825,784	-162,403	-36,400	-374,165	-6,397	6,069,018	-38,985	523,182	6,799,634	1,683,182	8,482,816
Comprehensive income for the period	-	-113,224	-	114,992	848	-861	-	413,230	414,985	163,606	578,591
Owner transactions and other changes											
Atlantia SpA's final dividend (€0.480 per share)	-	-	-	-	-	-	-	-395,223	-395,223	-	-395,223
Transfer of profit/(loss) for previous year to retained earnings	-	-	-	-	-	127,959	-	-127,959	-	-	-
Dividends paid by other Group companies to non-controlling shareholders	-	-	-	-	-	-	-	-	-	-23,585	-23,585
Share-based incentive plans	-	-	-	-	-	-4,068	4,745	-	677	17	694
Other minor changes and reclassifications	-	-	-	-	-	70	-	-	70	-75	-5
Balance as at 30 June 2016	825,784	-275,627	-36,400	-259,173	-5,549	6,192,118	-34,240	413,230	6,820,143	1,823,145	8,643,288
Balance as at 31 December 2016	825,784	-198,723	-36,400	-198,234	-4,427	6,183,395	-106,874	759,387	7,223,908	2,784,697	10,008,605
Comprehensive income for the period	-	77,529	-	-106,795	-708	-3	-	518,179	488,202	-35,869	452,333
Owner transactions and other changes											
Atlantia SpA's final dividend (€0.530 per share)	-	-	-	-	-	-	-	-433,012	-433,012	-	-433,012
Transfer of profit/(loss) for previous year to retained earnings	-	-	-	-	-	326,375	-	-326,375	-	-	-
Dividends paid by other Group companies to non-controlling shareholders	-	-	-	-	-	-	-	-	-	-40,090	-40,090
Share-based incentive plans	-	-	-	-	-	-3,748	11,470	-	7,722	4	7,726
Purchase of treasury shares	-	-	-	-	-		-84,172	-	-84,172	-	-84,172
Returns of capital to non-controlling shareholders and other minor changes	-	-198	-	-	-79	-13	-	-	-290	-94,865	-95,155
Balance as at 30 June 2017	825,784	-121,392	-36,400	-305,029	-5,214	6,506,006	-179,576	518,179	7,202,358	2,613,877	9,816,235

Consolidated statement of cash flows

€000	NOTE	H1 2017	*OF WHICH RELATED PARTY TRANSACTIONS*	H1 2016	*OF WHICH RELATED PARTY TRANSACTIONS*
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES					
Profit for the period		581,545		464,699	
Adjusted by:					
Amrtisation and depreciation		554,525		454,083	
Operating change in provisions, after use of provisions for refurbishment of airport infrastructure		22,665		156,402	
Financial expenses from discounting of provisions for construction services required by contract and other provisions	8.13	21,650		31,605	
Impairment losses/(Reversal of impairment losses) on financial assets and investments accounted for at cost or fair value		4,014		-21,264	
Share of (profit)/loss of investees accounted for using the equity method	8.14	10,074		8,323	
Impairment losses/(Reversal of impairment losses) and adjustments of current and non-current assets		8,255		1,825	
(Gains)/Losses on sale of non-current assets		-452		-221	
Net change in deferred tax (assets)/liabilities through profit or loss		57,615		18,167	
Other non-cash costs (income)		-54,872		-19,044	
Change in working capital and other charges		1,233	*23,227*	-129,695	*-1,064*
Net cash generated from/(used in) operating activities [a]	9.1	1,206,252		964,880	
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES					
Investment in assets held under concession	7.2	-420,378		-509,248	
Purchases of property, plant and equipment	7.1	-36,049		-42,777	
Purchases of other intangible assets	7.2	-21,541		-14,414	
Government grants related to assets held under concession		252		1,521	
Increase in financial assets deriving from concession rights (related to capital expenditure)		32,713		37,324	
Purchase of investments		-3,996		-5,660	
Investment in consolidated companies, net of cash acquired		-2,208		-	
Proceeds from sales of property, plant and equipment, intangible assets and unconsolidated investments		741		4,117	
Net change in other non-current assets		11,927		-13,583	
Net change in current and non-current financial assets		-118,262		-85,134	
Net cash generated from/(used in) investing activities [b]	9.1	-556,801		-627,854	
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES					
Purchase of treasury shares	7.12	-84,172		-	
Dividends paid	7.12	-454,725		-410,521	
Return of capital to non-controlling shareholders	7.12	-95,223		-	
Proceeds from exercise of rights under share-based incentive plans		7,945		-	
Issuance of bonds	7.15	1,325,325		23,887	
Repayments of loans from non-controlling shareholders	7.15	-		-	
Increase in medium/long term borrowings (excluding finance lease liabilities)		227,232		12,467	
Bond redemptions	7.15	-187,655		-909,614	
Buyback of bonds	7.15	-199,999		-72,200	
Repayments of medium/long term borrowings (excluding finance lease liabilities)		-86,548		-55,699	
Payment of finance lease liabilities		-2,418		-1,390	
Net change in other current and non-current financial liabilities		-1,530,729		-46,568	
Net cash generated from/(used in) financing activities [c]	9.1	-1,080,967		-1,459,638	
Net effect of foreign exchange rate movements on net cash and cash equivalents [d]		-11,858		21,097	
Increase/(Decrease) in cash and cash equivalents [a+b+c+d]	9.1	-443,374		-1,101,515	
NET CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		3,386,258		2,959,613	
NET CASH AND CASH EQUIVALENTS AT END OF PERIOD		2,942,884		1,858,098	

Additional information on the statement of cash flows

€000	NOTE	H1 2017	H1 2016
Income taxes paid		175,985	203,865
Interest and other financial income collected		36,663	61,780
Interest and other financial expenses paid		399,155	451,309
Dividends received	8.13	11,964	7,830
Foreign exchange gains collected		212	913
Foreign exchange losses incurred		279	1,001

Reconciliation of net cash and cash equivalents

€000	NOTE	H1 2017	H1 2016
NET CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		**3,386,258**	**2,959,613**
Cash and cash equivalents	7.8	3,383,029	2,957,246
Bank overdrafts repayable on demand	7.15	-4,757	-36,654
Cash and cash equivalents related to discontinued operations	7.11	7,986	39,021
NET CASH AND CASH EQUIVALENTS AT END OF PERIOD		**2,942,884**	**1,858,098**
Cash and cash equivalents	7.8	2,975,269	1,851,979
Bank overdrafts repayable on demand	7.15	-39,671	-24,423
Cash and cash equivalents related to discontinued operations	7.11	7,286	30,542

Notes

1. INTRODUCTION

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

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

The condensed consolidated interim financial statements as at and for the six months ended 30 June 2017 were approved by the Company's Board of Directors at its meeting of 4 August 2017.

2. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The condensed consolidated interim financial statements as at and for the six months ended 30 June 2017 have been prepared pursuant to articles 2 and 3 of Legislative Decree 38/2005 and article 154-*ter* "Financial Reports" of the Consolidated Finance Act, on the assumption that the Parent Company and its consolidated subsidiaries are going concerns.
The condensed consolidated interim financial statements have been prepared in compliance with the International Financial Reporting Standards (IFRS), above all with regard to IAS 34 "Interim Financial Reporting" (relating to the content of interim reports), issued by the International Accounting Standards Board and endorsed by the European Commission, and as in force at the end of the period. These standards reflect the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), in addition to previous International Accounting Standards (IAS) and interpretations issued by the Standard Interpretations Committee (SIC) and still in force at the end of the period. For the sake of simplicity, all the above standards and interpretations are hereinafter referred to as "IFRS".
Moreover, the measures introduced by the CONSOB (*Commissione Nazionale per le Società e la Borsa*) in application of paragraph 3 of article 9 of Legislative Decree 38/2005, relating to the preparation of financial statements, have also been taken into account.

The condensed consolidated interim financial statements consist of the consolidated accounts (the statement of financial position, income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows) and these notes. The Group has applied IAS 1 "Presentation of financial statements" and, in general, the historic cost convention, with the exception of those items that are required by IFRS to be recognised at fair value, as explained in the notes to the relevant items in the consolidated financial statements as at and for the year ended 31 December 2016, to which reference should be made. Compared with the consolidated annual report, the consolidated interim financial statements have been prepared in condensed form, as permitted by IAS 34. For a more complete description, these condensed consolidated interim financial statements should, therefore, be read in conjunction with the consolidated financial statements as at and for the year ended 31 December 2016.

The statement of financial position is based on the format that separately discloses current and non-current assets and liabilities. The income statement is classified by nature of expense. The statement of cash flows has been prepared in application of the indirect method.
In terms of the consolidated financial statements, no changes have been made to the structure of the financial statements with respect to the information previously published in the condensed consolidated interim financial statements as at and for the six months ended 30 June 2016 and the consolidated financial statements as at and for the year ended 31 December 2016. However, in certain cases, the names of items or sub-items have been changed in order to ensure a clearer understanding of the relevant content.
IFRS have been applied in accordance with the indications provided in the "Conceptual Framework for Financial Reporting", and no events have occurred that would require exemptions pursuant to paragraph 19 of IAS 1.

CONSOB Resolution 15519 of 27 July 2006 requires that, in addition to the specific requirements of IAS 1 and other IFRS, financial statements must, where material, include separate sub-items providing (i) disclosure of amounts deriving from related party transactions; and, with regard to the income statement, (ii) separate disclosure of income and expenses deriving from events and transactions that are non-recurring in nature, or transactions or events that do not occur on a frequent basis in the normal course of business.
No non-recurring, atypical or unusual transactions, having a material impact on the Group's consolidated income statement, were entered into during the first half of 2017, either with third or related parties. As a result, the consolidated financial statements therefore only show material amounts relating to related party transactions.

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

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

3. ACCOUNTING STANDARDS AND POLICIES APPLIED

The accounting standards and policies applied in preparation of the condensed consolidated interim financial statements as at and for the six months ended 30 June 2017 are consistent with those applied in preparation of the consolidated financial statements as at and for the year ended 31 December 2016, to which reference should be made for a description of the relevant accounting standards and policies. This reflects the fact that no new standards, interpretations, or amendments to existing standards have come into effect in the first half of 2017.

Preparation of financial statements in compliance with IFRS involves the use of estimates and judgements, which are reflected in the measurement of the carrying amounts of assets and liabilities and in the disclosures provided in the notes to the financial statements, including contingent assets and liabilities at the end of the reporting period. These estimates are especially used in determining amortisation and depreciation, impairment testing of assets (including the measurement of receivables), provisions, employee benefits, the fair value of financial assets and liabilities, and current and deferred tax assets and liabilities.
The amounts subsequently recognised may, therefore, differ from these estimates. Moreover, these estimates and judgements are periodically reviewed and updated, and the resulting effects of each change immediately recognised in the consolidated financial statements.

As required by IAS 36, in preparing the condensed consolidated interim financial statements the only assets tested for impairment are those for which there are internal and external indications of a reduction in value, requiring immediate recognition of the relevant losses. If there are indications that these assets have been impaired, the value of such assets is estimated in order to verify the recoverability of the carrying amounts and eventually measure the amount of the impairment loss.

The potential impact of future application of all the newly issued standards, as described in detail in note 3 to the consolidated financial statements as at and for the year ended 31 December 2016, as well as revisions and amendments to existing standards, is currently being evaluated by the Group. The impact cannot currently be reasonably estimated. Above all, with reference to IFRS 15, the Group has assessed the applicability of the new standard to the various types of existing contracts, and the potential operational and accounting effects. The assessment has examined the applicability of the new standard to the concession arrangements to which Group companies are party, to the sub-concessions granted for motorway service areas and retail space on motorways and at airports, and to the other contracts to which the Group's Italian motorway operators and Aeroporti di Roma are party, which represent the most significant components of consolidated revenue. The evaluations carried out so far have led to the view that the Group's concession arrangements do not fall within the scope of application of IFRS 15. As a result, the current methods of presentation are not expected to change, including the treatment of toll revenue, revenue from construction services and the above sub-concession arrangements. Based on the analyses and evaluations conducted so far, the adoption of IFRS 15 is not expected to have a material impact on the Atlantia Group's consolidated financial statements. The Group has also begun an assessment of the potential impact of application of the new accounting standards, IFRS 9 and IFRS 16. The assessment is at a preliminary stage. With regard to IFRS 9, the principal types of financial asset held by that Group that might be potentially affected are trade receivables due from customers and financial assets deriving from concession rights. As regards the potential impact of the introduction of IFRS 16, the Group is not a party to significant lease arrangements as a lessee, and it is not believed that the new standard will have a material impact in relation to arrangements in which the Group is the lessor. These are primarily represented by sub-concession arrangements involving the lease of space used by retailers and food service providers along the motorways and at the airports operated under concession.

4. CONCESSIONS

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

The main developments during the first half of 2017, in relation to the concessions held by Group companies, are described below. Further essential information on the concessions held by the Group is provided in note 4 to the consolidated financial statements as at and for the year ended 31 December 2016.

Further details of events of a regulatory nature, linked to the Group's concession arrangements, during the first half of 2017 are provided in note 10.7, "Significant legal and regulatory aspects".

Italian motorways

A II Addendum to Autostrade per l'Italia's Single Concession Arrangement was signed on 10 July 2017. The Addendum governs the inclusion the Casalecchio Interchange – Northern section, among Autostrade per l'Italia's investment commitments. The project will involve expenditure of up to approximately €158 million, including €155 million to be paid to ANAS, which will carry out the work and then operate the infrastructure. The Addendum replaces the previous concession arrangement signed on 10 December 2015, for which the related approval process had not been completed.

The Addendum signed on 10 July 2017 will be effective once it has been approved by the Ministry of Infrastructure and Transport and the Ministry of the Economy and Finance, and once the related decree has been registered by Italy's Court of Auditors.

Overseas motorways

In relation to the motorway concessions held by the Group's overseas subsidiaries, the operator, Rodovia MG050, which operates in the State of Minas Gerais, has negotiated an addendum (TA-07) to its concession arrangement. The addendum has revised the investment programme and adjusted outstanding credit and debit items as at the relevant date, including the loss of income resulting from the delay in applying the toll increase with respect to the contractually established date of 13 June 2016, for which the operator has been compensated.

Italian airports

There were no material changes in relation to the concession held by Aeroporti di Roma, covering operation of the airport system serving Italy's capital city, during the first half of 2017.

Overseas airports

There were no material changes in relation to the Group's overseas airport concessions during the first half of 2017.

5. SCOPE OF CONSOLIDATION

The consolidation policies and methods used for the condensed consolidated interim financial statements as at and for the six months ended 30 June 2017 are consistent with those used in preparation of the consolidated financial statements as at and for the year ended 31 December 2016.
In addition to the Parent Company, entities are consolidated when Atlantia exercises control as a result of its direct or indirect ownership of a majority of the voting power of the relevant entities (including potential voting rights resulting from currently exercisable options), or because, as a result of other events or circumstances that (regardless of its percentage interest in the entity) mean it has power over the investee, exposure, or rights, to variable returns from its involvement with the investee, and the ability to use its power over the investee to affect the amount of the investor's returns. Subsidiaries are consolidated using the line-by-line method and are listed in Annex 1, "The Atlantia Group's scope of consolidation and investments as at 30 June 2017".

A number of companies listed in Annex 1 have not been consolidated due to their quantitative and qualitative immateriality to a true and fair view of the Group's financial position, results of operations and cash flows, as a result of their operational insignificance (dormant companies or companies whose liquidation is nearing completion).
Entities over which control is exercised are consolidated from the date on which the Group acquires control, whilst they are deconsolidated from the date on which the Group ceases to exercise control, as defined above.

The scope of consolidation as at 30 June 2017 has changed with respect to the scope as at 31 December 2016 as a result of the following transactions:

a) the acquisition of control of Catterick Investments Sp.zo.o. by the subsidiary, Autostrade Tech, for a consideration of €2 thousand; as a result, this company has been consolidated on a line-by-line basis from March 2017;
b) the acquisition, in June 2017, of Urban Next SA by the subsidiary, Telepass SpA. The investee, a Swiss-registered company that develops software and applications for use in urban mobility solutions. The total cost of the acquisition was €2,100 thousand.

Given the immaterial nature of both transactions, the disclosures required by IFRS 3 have not been presented.

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

The exchange rates used for the translation of reporting packages denominated in functional currencies other than the euro were obtained from the Bank of Italy and are shown below, together with those applied to the comparative period:

CURRENCY	2017		2016		
	Spot exchange rate 30 June	Average exchange rate H1	Spot exchange rate 30 June	Spot exchange rate 31 December	Avergae exchange rate H1
Euro/US Dollar	1.141	1.083	1.110	1.054	1.116
Euro/Polish Zloty	4.226	4.269	4.436	4.410	4.369
Euro/Chilean Peso	758.214	714.889	735.500	704.945	769.129
Euro/Brazilian Real	3.760	3.443	3.590	3.431	4.130
Euro/Swiss Franc	1.093	n/a	n/a	n/a	n/a
Euro/Indian Rupee	73.745	71.176	74.960	71.594	75.002

6. CORPORATE ACTIONS IN THE FIRST HALF OF 2017

6.1 Restructuring of the Group

To complete the restructuring previously described in note 6.1, "Restructuring of the Group" in the consolidated financial statements as at and for the year ended 31 December 2016, which provides further details, the General Meeting of Autostrade per l'Italia's shareholders held on 25 January 2017 approved the distribution, to Atlantia, of a special dividend in kind, via the transfer of Autostrade per l'Italia's entire interests in Autostrade dell'Atlantico (the sub-holding company that controls the Group's Chilean and Brazilian motorway businesses and holds a controlling interest in Electronic Transaction Consultants) and Autostrade Indian Infrastructure Development. Autostrade per l'Italia's transfer of these investments and of available equity reserves to Atlantia, which was completed in the first half of 2017, has resulted in the Atlantia Group's recognition of estimated current tax expense of approximately €45,361 thousand.

7. NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

The following notes provide information on items in the consolidated statement of financial position as at 30 June 2017. Comparative amounts as at 31 December 2016 are shown in brackets. Details of items in the consolidated statement of financial position deriving from related party transactions are provided in note 10.5.

7.1 Property, plant and equipment €295,150 thousand (€291,080 thousand)

As at 30 June 2017, property, plant and equipment amounts to €295,150 thousand, compared with a carrying amount of €291,080 thousand as at 31 December 2016. The following table provides details of property, plant and equipment at the beginning and end of the period, showing the original cost and accumulated depreciation at the end of the period.

€000	30 June 2017			31 December 2016		
	COST	ACCUMULATED DEPRECIATION	CARRYING AMOUNT	COST	ACCUMULATED DEPRECIATION	CARRYING AMOUNT
Property, plant and equipment	879,134	-588,613	290,521	851,293	-565,492	285,801
Property, plant and equipment held under finance leases	3,299	-512	2,787	3,549	-472	3,077
Investment property	8,783	-6,941	1,842	8,481	-6,279	2,202
Total property, plant and equipment	**891,216**	**-596,066**	**295,150**	**863,323**	**-572,243**	**291,080**

The increase in the carrying amount with respect to 31 December 2016, amounting to €4,070 thousand, primarily reflects a combination of capital expenditure during the period, amounting to €36,049 thousand, and depreciation of €31,114 thousand, as shown in the following table.

€000	CARRYING AMOUNT AS AT 31 DECEMBER 2016	CHANGES DURING THE PERIOD					
		ADDITIONS	DEPRECIATION	DISPOSALS	NET CURRENCY TRANSLATION DIFFERENCES	RECLASSIFICATIONS AND OTHER ADJUSTMENTS	CARRYING AMOUNT AS AT 30 JUNE 2017
Property, plant and equipment							
Land	8,414	-	-	-	-39	-	8,375
Buildings	41,634	14	-1,590	-14	124	328	40,496
Plant and machinery	57,520	11,244	-7,957	-102	-59	56,519	117,165
Industrial and business equipment	54,597	3,305	-9,983	-142	-137	4,446	52,086
Other assets	60,243	6,083	-11,102	-3	-348	3,445	58,318
Property, plant and equipment under construction and advance payments	63,393	15,403	-	-	45	-64,760	14,081
Total	**285,801**	**36,049**	**-30,632**	**-261**	**-414**	**-22**	**290,521**
Property, plant and equipment held under finance leases							
Equipment and other assets held under finance leases	3,077	-	-78	-	-212	-	2,787
Total	**3,077**	**-**	**-78**	**-**	**-212**	**-**	**2,787**
Investment property							
Land	31	-	-	-	-	-	31
Buildings	2,171	-	-404	-	44	-	1,811
Total	**2,202**	**-**	**-404**	**-**	**44**	**-**	**1,842**
Total property, plant and equipment	**291,080**	**36,049**	**-31,114**	**-261**	**-582**	**-22**	**295,150**

"Investment property" of €1,842 thousand as at 30 June 2017 refers to land and buildings not used in operations and is stated at cost. The total fair value of these assets is estimated to be approximately €3 million, based on independent appraisals and information on property markets relevant to these types of investment property.

There were no significant changes in the expected useful lives of the Group's property, plant and equipment during the period and these assets are free of mortgages, liens or other collateral guarantees restricting use.

7.2 Intangible assets
€27,807,264 thousand (€28,382,686 thousand)

The item consists of:

a) intangible assets deriving from concession rights, totalling €23,025,916 thousand (€23,591,032 thousand as at 31 December 2016), and regarding the following categories:
   1) rights acquired from third parties (€8,290,998 thousand), essentially reflecting the fair value of the concession rights resulting from the acquisitions of Aeroporti di Roma, the Chilean and Brazilian operators and Aéroports de la Côte d'Azur;
   2) rights recognised as a result of the commitment to perform construction services for which no additional economic benefits are received (€8,292,526 thousand);
   3) rights deriving from construction services for which additional economic benefits are received (€6,338,695 thousand);
   4) rights deriving from construction services carried out by service area operators, represented by assets that were handed over free of charge to the Group's operators on expiry of the related sub-concessions (€103,697 thousand);

b) goodwill and other intangible assets with indefinite lives, totalling €4,382,759 thousand;

c) other intangible assets of €398,589 thousand (€408,864 thousand as at 31 December 2016), essentially consisting of contractual rights attributable to Aeroporti di Roma, accounted for following identification of the fair value of the former Gemina group's assets and liabilities.

€000	30 June 2017				31 December 2016			
	COST	ACCUMULATED AMORTISATION	ACCUMULATED IMPAIRMENTS	CARRYING AMOUNT	COST	ACCUMULATED AMORTISATION	ACCUMULATED IMPAIRMENTS	CARRYING AMOUNT
Intangible assets deriving from concession rights	31,614,984	-8,394,321	-194,747	23,025,916	31,754,108	-7,968,329	-194,747	23,591,032
Goodwill and other intangible assets with indefinite lives	4,402,016	-	-19,257	4,382,759	4,402,489	-	-19,699	4,382,790
Other intangible assets	917,876	-515,623	-3,664	398,589	905,758	-492,930	-3,964	408,864
Intangible assets	**36,934,876**	**-8,909,944**	**-217,668**	**27,807,264**	**37,062,355**	**-8,461,259**	**-218,410**	**28,382,686**

Intangible assets recorded a net decrease of €575,422 thousand in the first half of 2017, primarily due to a combination of the following:

a) amortisation for the period of €523,411 thousand;

b) the negative impact of currency translation differences at the end of the period, accounting for a reduction of €233,362 thousand, primarily due to a significant decline in the value of the Brazilian real and Chilean peso against the euro;

c) investment in construction services for which additional economic benefits are received, totalling €181,440 thousand.

The following table shows intangible assets at the beginning and end of the period and changes in the different categories of intangible asset during the first half of 2017.

€000	CARRYING AMOUNT AS AT 31 DECEMBER 2016	CHANGES DURING THE PERIOD: ADDITIONS DUE TO COMPLETION OF CONSTRUCTION SERVICES, ACQUISITIONS AND CAPITALISATIONS AND HANDOVER FREE OF CHARGE	AMORTISATION	CHANGES DUE TO REVISED PRESENT VALUE OF CONTRACTUAL OBLIGATIONS	NET CURRENCY TRANSLATION DIFFERENCES	RECLASSIFICATIONS AND OTHER ADJUSTMENTS	CHANGE IN SCOPE OF CONSOLIDATION	CARRYING AMOUNT AS AT 30 JUNE 2017
Intangible assets deriving from concession rights								
Goodwill and other intangible assets with indefinite lives	8,616,255	-	-169,468	-	-155,789	-	-	8,290,998
Concession rights accruing from construction services for which no additional economic benefits are received	8,503,690	-	-194,725	-18,165	1,270	456	-	8,292,526
Concession rights accruing from construction services for which additional economic benefits are received	6,365,342	181,440	-126,914	-	-72,545	-8,628	-	6,338,695
Concession rights accruing from construction services provided by sub-operators	105,745	363	-2,411	-	-	-	-	103,697
Total	**23,591,032**	**181,803**	**-493,518**	**-18,165**	**-227,064**	**-8,172**	**-**	**23,025,916**
Goodwill and other intangible assets with indefinite lives								
Goodwill	4,382,757	-	-	-	-	-	-	4,382,757
Trademarks	33	-	-	-	-	-31	-	2
Total	**4,382,790**	**-**	**-**	**-**	**-**	**-31**	**-**	**4,382,759**
Other intangible assets								
Commercial contractual relations	295,369	-	-16,504	-	-	-	-	278,865
Development costs	12,339	2,528	-4,564	-	-20	322	-	10,605
Industrial patents and intellectual property rights	10,891	4,195	-3,797	-	-171	30	108	11,256
Concessions and licenses	11,448	884	-2,414	-	-184	1,030	-	10,764
Other	34,642	3,377	-2,614	-	-3,082	-27	4,154	36,450
Intangible assets under development and advance payments	44,175	10,557	-	-	-2,841	-1,370	128	50,649
Total	**408,864**	**21,541**	**-29,893**	**-**	**-6,298**	**-15**	**4,390**	**398,589**
Intangible assets	**28,382,686**	**203,344**	**-523,411**	**-18,165**	**-233,362**	**-8,218**	**4,390**	**27,807,264**

There were no significant changes in the expected useful lives of intangible assets during the period.
The following analysis shows the various components of investment in motorway and airport infrastructure effected through construction services, as reported in the consolidated statement of cash flows.

€000	NOTE	H1 2017	H1 2016	INCREASE/ (DECREASE)
Use of provisions for construction services required by contract for which no additional economic benefits are received	7.13 / 8.11	174,897	162,141	12,756
Use of provisions for refurbishment of airport infrastructure	7.14	32,888	46,669	-13,781
Increase in intangible concession rights accruing from completed construction services for which additional economic benefits are received	8.3	181,440	263,461	-82,021
Increase in financial assets deriving from motorway construction services	7.4 / 8.3	31,153	36,645	-5,492
Revenue from government grants for construction services for which no additional economic benefits are received	8.3	-	332	-332
Investment in assets held under concession		**420,378**	**509,248**	**-88,870**

Research and development expenditure of approximately €0.2 million has been recognised in the consolidated income statement for the period. These activities are carried out in order to improve infrastructure, the services offered, safety levels and environmental protection and in relation to the internal development of software and IT systems.

"Goodwill and other intangible assets with indefinite lives", totalling €4,382,759 thousand, consists of the goodwill allocated to the CGU represented by Autostrade per l'Italia, amounting to €4,382,757 thousand, following the acquisition of a majority interest in the former Autostrade – Concessioni e Costruzioni Autostrade SpA in 2003. This goodwill coincides with the carrying amount as at 1 January 2004 (the IFRS transition date) and was determined in accordance with prior accounting standards under the exemption permitted by IFRS 1.
With regard to the recoverability of goodwill and the concession rights belonging to the Group's operators, and of other intangible assets with indefinite lives, there were no indications of impairment during the period. The recoverability of goodwill and of other intangible assets with indefinite lives is tested annually for impairment. Reference should be made to note 7.2 to the consolidated financial statements as at and for the year ended 31 December 2016 for a detailed description of the assumptions and criteria used in the most recent impairment testing of intangible assets.

7.3 Investments
€279,774 thousand (€291,236 thousand)

This item decreased by €11,462 thousand in the first half of 2017, primarily recognition of the Group's share of the results of associates and joint ventures measured using the equity method, resulting in a loss of €10,074 thousand, after taking into account dividends paid by these companies.
An impairment loss of €3,996 thousand has also been recognised on the carrying amount of the investment in Compagnia Aerea Italiana, following the capital injection carried out in the first half of 2017, representing the remaining portion of the equity commitment dating back to 2014.

The table below shows the carrying amounts of the Group's investments at the beginning and end of the period, grouped by category, and changes in the first half of 2017.

€000	31 December 2016 OPENING BALANCE	CHANGES DURING THE PERIOD						30 June 2017 CLOSING BALANCE
		ACQUISITIONS AND CAPITAL INJECTIONS	REVERSALS OF IMPAIRMENTS (IMPAIRMENTS) RECOGNISED IN PROFIT OR LOSS	RETURNS OF CAPITAL	MEASURMENT USING EQUITY METHOD		OTHER MINOR CHANGES	
					PROFIT OR LOSS	OTHER COMPRE-HENSIVE INCOME		
Investments accounted for at cost or fair value	83,108	3,996	-3,996	-	-	-	-	83,108
Investments accounted for using the equity method in:								
- associates	185,709	-	-	-	-6,284	-	-107	179,318
- joint ventures	22,419	-	-	-	-3,790	-1,281	-	17,348
Investments	**291,236**	**3,996**	**-3,996**	**-**	**-10,074**	**-1,281**	**-107**	**279,774**

The equity method was used to measure interests in associates and joint ventures based on the most recent approved financial statements available. In the event that interim financial statements as at 30 June 2017 were not available, the above data was supplemented by specific estimates based on the latest available information and, where necessary, restated to bring them into line with Group accounting policies.

The following table shows the Group's principal investments as at 30 June 2017, including the Group's percentage interest and the relative carrying amount, net of unpaid, called-up issued capital, and showing the original cost and any accumulated revaluations and impairments at the end of the period.

€000	30 June 2017				31 December 2016			
	% INTEREST	COST	REVERSALS OF IMPAIRMENTS (IMPAIRMENTS)	CARRYING AMOUNT	% INTEREST	COST	REVERSALS OF IMPAIRMENTS (IMPAIRMENTS)	CARRYING AMOUNT
Investments accounted for at cost or fair value								
Tangenziali Esterne di Milano	13.67%	36,034	-4,012	32,022	13.67%	36,034	-4,012	32,022
Lusoponte	17.21%	39,852	-	39,852	17.21%	39,852	-	39,852
Compagnia Aerea Italiana	8.42%	175,867	-175,867	-	8.03%	171,871	-171,871	-
Tangenziale Esterna	1.25%	5,811	-	5,811	1.25%	5,811	-	5,811
Firenze Parcheggi	5.47%	2,582	-728	1,854	5.47%	2,582	-728	1,854
S.A.CAL.	9.95%	1,307	-350	957	16.57%	1,307	-350	957
Aeroporto di Genova	15.00%	894	-	894	15.00%	894	-	894
Emittente Titoli	7.24%	827	-	827	7.24%	827	-	827
Uirnet	1.51%	427	-	427	1.51%	427	-	427
Veneto Strade	5.00%	258	-	258	5.00%	258	-	258
Other smaller investments	-	369	-163	206	-	363	-157	206
				83,108				**83,108**
Investments accounted for using the equity method in:								
- associates								
Società Infrastrutture Toscane (in liquidation)	46.60%	3,262	-155	3,107	46.60%	3,262	-251	3,011
Pedemontana Veneta (in liquidation)	29.77%	1,935	-246	1,689	29.77%	1,935	-109	1,826
Bologna & Fiera Parking	36.81%	5,557	-5,557	-	36.81%	5,557	-5,557	-
Save	22.09%	180,541	-6,344	174,197	22.09%	180,541	-	180,541
Other smaller investments	-	396	-71	325	-	390	-59	331
- joint ventures								
Rodovias do Tieté	50.00%	53,903	-42,109	11,794	50.00%	53,903	-37,419	16,484
Pune Solapur Expressways Private Limited	50.00%	16,426	-11,872	4,554	50.00%	16,426	-11,491	4,935
Geie del Traforo del Monte Bianco	50.00%	1,000	-	1,000	50.00%	1,000	-	1,000
				196,666				**208,128**
Investments				**279,774**				**291,236**

With regard to the additional disclosures required by IFRS 12 in the event of individually material investments, the following table shows key financial indicators taken from the press release of 1 August 2017, announcing the approval of the SAVE group's consolidated interim financial statements for the six months ended 30 June 2017, as published on its website at www.grupposave.it.

	€000
Revenue	91,556
Profit/(Loss) from continuing operations	17,937
Profit/(loss) from discontinued operations	-
Profit for the period	**17,937**
of which:	
- attributable to the investee's controlling shareholders	17,695
- attributable to non-controlling shareholders	242
Fixed capital	524,932
Net working capital	-65,877
Net debt	247,170
Equity	211,885
of which:	
- attributable to the investee's controlling shareholders	202,402
- attributable to non-controlling shareholders	9,483
Group interest in the carrying amount of the investee's net assets as at 30 June 2017	**46,805**

Annex 1 provides a list of the Group's investments as at 30 June 2017, as required by CONSOB Ruling DEM/6064293 of 28 July 2006.

7.4 Financial assets (non-current) / €2,301,278 thousand (€2,237,054 thousand) (current) / €766,677 thousand (€776,552 thousand)

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

€000	30 June 2017			31 December 2016		
	CARRYING AMOUNT	CURRENT PORTION	NON-CURRENT PORTION	CARRYING AMOUNT	CURRENT PORTION	NON-CURRENT PORTION
Takeover rights	399,830	399,830	-	398,270	398,270	-
Guaranteed minimum tolls	600,736	42,669	558,067	656,995	42,269	614,726
Other financial assets deriving from concession rights	339,792	-	339,792	316,688	-	316,688
Financial assets deriving from concession rights (1)	**1,340,358**	**442,499**	**897,859**	**1,371,953**	**440,539**	**931,414**
Financial assets deriving from government grants related to construction services (1)	**322,405**	**60,386**	**262,019**	**332,898**	**67,962**	**264,936**
Term deposits (2)	**496,696**	**175,293**	**321,403**	**516,009**	**194,283**	**321,726**
Derivative assets (3)	190,138	56,111	134,027	139,128	55,731	83,397
Other medium/long-term financial assets (1)	695,898	9,928	685,970	645,733	10,152	635,581
Other medium/long-term financial assets	**886,036**	**66,039**	**819,997**	**784,861**	**65,883**	**718,978**
Current derivative assets (3)	**1,898**	**1,898**	-	-	-	-
Other current financial assets (1)	**20,562**	**20,562**	-	**7,885**	**7,885**	-
Total	**3,067,955**	**766,677**	**2,301,278**	**3,013,606**	**776,552**	**2,237,054**

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

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

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

The following table shows changes during the period in financial assets deriving from concession rights.

€000	31 December 2016 CARRYING AMOUNT	ADDITIONS DUE TO REVISED PRESENT VALUE	ADDITIONS DUE TO COMPLETION OF CONSTRUCTION SERVICES	REDUCTIONS DUE TO AMOUNTS COLLECTED	CURRENCY TRANSLATION DIFFERENCES	RECLASSIFICATIONS AND OTHER CHANGES	30 June 2017 CARRYING AMOUNT
Takeover rights	398,270	-	-	-	-	1,560	399,830
Guaranteed minimum tolls	656,995	22,975	-	41,225	-38,009	-	600,736
Other financial assets deriving from concession rights	316,688	10,504	31,153	-	-21,049	2,496	339,792
Financial assets deriving from concession rights	**1,371,953**	**33,479**	**31,153**	**41,225**	**-59,058**	**4,056**	**1,340,358**

Financial assets deriving from concession rights include:

a) takeover rights attributable to Autostrade Meridionali (€399,830 thousand as at 30 June 2017), being the amount payable, under the concession arrangement, by a replacement operator on termination of the concession for the company's unamortised capital expenditure during the final years of the outgoing operator's concession;

b) the present value of the financial asset deriving from concession rights represented by the minimum tolls guaranteed by the Grantor of the concessions held by certain of the Group's Chilean operators (€600,736 thousand as at 30 June 2017);

c) other financial assets deriving from concession rights (€339,792 thousand as at 30 June 2017), primarily attributable to the Chilean operator, Costanera Norte, in relation to the financial assets due to this company as a result of carrying out the motorway investment programme named *Santiago Centro Oriente* ("CC7"). Under the agreements, the increase in toll revenue resulting from the installation of new tollgates along the existing motorway, after deducting the company's contractually agreed share, remains at the company's disposal and are recognised in financial liabilities until such time as it has covered the cost of the related capital expenditure, revalued at a real annual rate of 7%. If, at the end of the concession term, the specific amount at Costanera Norte's disposal, also revalued at a real annual rate of 7%, is lower than the financial assets recognised at that time, the Grantor has the option of either extending the concession term or paying Costanera Norte the remaining net amount due.

The decrease of €31,595 thousand in financial assets deriving from concession rights primarily reflects a combination of the following:

a) the reduction due to the decline in the value of the Chilean peso against the euro (€59,058 thousand);

b) the reduction linked to the realisation of financial assets deriving from concession rights during the period (€41,225 thousand);

c) the increase deriving from the discounting to present value of financial assets deriving from concession rights (€33,479 thousand) and from motorway construction services performed during the period (€31,153 thousand).

Financial assets deriving from government grants to finance infrastructure works include amounts receivable from grantors or other public entities as grants, accruing as a result of construction and maintenance of assets held under concession, are broadly in line with the figure for 31 December 2016.

Other medium/long-term financial assets are up €101,175 thousand, primarily reflecting the following:

a) an increase in derivative assets (€51,010 thousand), reflecting an increase in the fair value of the Interest Rate Swaps entered into by a number of Group companies (€31,044 thousand), due to rising interest rates during the first half of 2017, and an increase in the fair value of the new Forward-Starting Interest Rate Swaps obtained by Atlantia in relation to its future funding needs (€13,943 thousand);

b) an increase in other financial assets (€50,165 thousand), essentially due to the upfront fees payable as at 30 June 2017 following the signature, in 25 May 2017, of the facility agreement for lines of credit to finance Atlantia's voluntary public tender offer, in cash and/or shares, for the entire issued capital of Abertis Infraestructuras and the subsequent provision, in June 2017, of the guarantees required by the Spanish authorities in relation to the offer (€39,390 thousand).

7.5 Deferred tax assets and liabilities Deferred tax assets €1,325,306 thousand (€1,402,785 thousand) Deferred tax liabilities €2,384,753 thousand (€2,439,442 thousand)

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

€000	30 June 2017	31 December 2016
Deferred tax assets	1,852,402	1,979,650
Deferred tax liabilities eligible for offset	-527,096	-576,865
Deferred tax assets less deferred tax liabilities eligible for offset	**1,325,306**	**1,402,785**
Deferred tax liabilities not eligible for offset	**-2,384,753**	**-2,439,442**
Difference between deferred tax assets and liabilities (eligible and ineligible for offset)	**-1,059,447**	**-1,036,657**

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

€000	31 December 2016	CHANGES DURING THE PERIOD						30 June 2017
		PROVISIONS	RELEASES	DEFERRED TAX ASSETS/LIABILITIES ON GAINS AND LOSSES RECOGNISED IN COMPREHENSIVE INCOME	CHANGE IN ESTIMATES FOR PREVIOUS YEARS	CURRENCY TRANSLATION DIFFERENCES AND OTHER CHANGES	CHANGE IN SCOPE OF CONSOLIDATION	
Deferred tax assets on:								
Deductible intercompany goodwill	398,786	-	-49,318	-	-	-	-	349,468
Provisions	551,855	25,223	-37,242	-	-908	-641	-	538,287
Restatement of global balance on application of IFRIC 12 by Autostrade per l'Italia	423,095	170	-10,540	-	-	-	-	412,725
Derivative liabilities	114,482	1	-485	-14,802	12	-1,003	-	98,205
Tax loss carryforwards	74,858	7,784	-21,740	-	11	-2,838	-	58,075
Impairments and depreciation of non-current assets	124,019	4,411	-1,100	-	-	-7,831	-	119,499
Impairment of receivables and inventories	44,481	10,198	-138	-	-942	-3,184	-	50,415
Other temporary differences	248,074	14,728	-27,353	1,388	-1,141	-9,968	-	225,728
Total	**1,979,650**	**62,515**	**-147,916**	**-13,414**	**-2,968**	**-25,465**	**-**	**1,852,402**
Deferred tax liabilities on:								
Differences between carrying amounts and fair values of assets and liabilities acquired through business combinations	-2,384,649	-148	47,736	-	-	47,172	-997	-2,290,886
Financial assets deriving from concession rights and government grants	-194,589	-1,583	2,659	-	-206	14,356	-	-179,363
Financial assets deriving from concession rights and government grants	-22,397	-157	-	-10,924	-	-	-	-33,478
Other temporary differences	-414,672	-31,172	8,968	42	545	28,167	-	-408,122
Total	**-3,016,307**	**-33,060**	**59,363**	**-10,882**	**339**	**89,695**	**-997**	**-2,911,849**
Difference between deferred tax assets and liabilities (eligible and ineligible for offset)	**-1,036,657**	**29,455**	**-88,553**	**-24,296**	**-2,629**	**64,230**	**-997**	**-1,059,447**

As shown in the table, the balance of deferred tax assets as at 30 June 2017 primarily includes:

a) deferred tax assets on the portion of provisions, primarily for the repair and replacement of motorway infrastructure, deductible in future years, totalling €538,287 thousand;

b) deferred tax assets recognised as a result of the impact on taxation of adoption of IFRIC 12 by Autostrade per l'Italia (€412,725 thousand);
c) deferred tax assets recognised in connection with the reversal of intercompany gains arising in 2003 on the contribution of motorway assets to Autostrade per l'Italia (€349,468 thousand);

The reduction of €127,248 thousand in deferred tax assets primarily reflects releases net of the related provisions for the period (€85,401 thousand), translation differences and other changes recognised during the period (€25,465 thousand), in addition to deferred tax assets connected with the recognition of fair value losses on derivatives (€14,802 thousand).

Deferred tax liabilities, totalling €2,911,849 thousand, essentially regard fair value gains recognised on assets acquired as a result of past business combinations carried out by the Group (€2,290,886 thousand). This item rose by €104,458 thousand during the first half of 2017, primarily reflecting translation differences and other changes recognised during the period (€89,695 thousand), releases net of the related provisions for the period (€26,303 thousand), and the reduction in deferred tax liabilities linked to changes in the fair value of derivative assets (€10,924 thousand).

7.6 Other non-current assets
€17,458 thousand (€29,702 thousand)

The reduction of €12,244 thousand primarily reflects reclassification of the current portion during the period.

7.7 Trading assets
€1,690,531 thousand (€1,671,739 thousand)

As at 30 June 2017, trading assets consist of:
a) inventories of €71,445 thousand (€68,266 thousand as at 31 December 2016), consisting of stocks and spare parts used in the maintenance or assembly of plant;
b) contract work in progress, totalling €14,674 thousand;
c) trade receivables of €1,604,412 thousand (€1,603,473 thousand as at 31 December 2016), the detailed composition of which is shown in the following table.

€000	30 June 2017	31 December 2016
Trade receivables due from:		
Motorway users	1,097,854	1,042,424
Airport users	379,877	332,518
Sub-operators at motorway service areas	44,175	122,001
Sundry customers	289,351	276,313
Gross trade receivables	**1,811,257**	**1,773,256**
Allowance for bad debts	**257,199**	**229,544**
Other trading assets	**50,354**	**59,761**
Net trade receivables	**1,604,412**	**1,603,473**

Trade receivables, after the allowance for bad debts, are broadly unchanged with respect to 31 December 2016.

The following table shows an ageing schedule for trade receivables.

€000	TOTAL RECEIVABLES AS AT 30 JUNE 2017	TOTAL NOT YET DUE	MORE THAN 90 DAYS OVERDUE	BETWEEN 90 AND 365 DAYS OVERDUE	MORE THAN ONE YEAR OVERDUE
Trade receivables	1,811,257	1,146,466	164,291	153,302	347,198

Overdue receivables regard unpaid motorway tolls and uncollected payments for airport services, royalties due from service area operators and sales of other goods and services. The following table shows movements in the allowance for bad debts for trade receivables in the first half of 2017. The allowance has been determined with reference to past experience and historical data regarding losses on receivables, also taking into account guarantee deposits and other collateral given by customers.

€000	31 DECEMBER 2016	ADDITIONS	USES	RECLASSIFICATIONS AND OTHER CHANGES	30 JUNE 2017
Allowance for bad debts	229,544	42,445	-886	-13,904	257,199

The carrying amount of trade receivables approximates to fair value.

7.8 Cash and cash equivalents
€2,975,269 thousand (€3,383,029 thousand)

Cash and cash equivalents consists of cash on hand and short-term investments and is down €407,760 thousand compared with 31 December 2016. This essentially reflects the combined effect of cash generated by operating activities, partially offset by cash used in investing and financing activities. Detailed explanations of the cash flows resulting in the increase in net cash are contained in note 9.1.

7.9 Current tax assets and liabilities
Current tax assets €211,595 thousand (€105,810 thousand)
Current tax liabilities €249,189 thousand (€62,617 thousand)

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

€000	CURRENT TAX ASSETS		CURRENT TAX LIABILITIES	
	30 June 2017	31 December 2016	30 June 2017	31 December 2016
IRES	159,053	82,574	194,282	157
IRAP	29,767	4,577	32,313	10,248
Taxes attributable to foreign operations	22,775	18,659	22,594	52,212
Total	**211,595**	**105,810**	**249,189**	**62,617**

As at 30 June 2017, the Group reports net current tax liabilities of €37,594 thousand, essentially reflecting the fact that income tax payable for the period is higher than payments on account and the balance for 2016 paid during the first half of 2017.

7.10 Other current assets
€178,610 thousand (€196,863 thousand)

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

€000	30 June 2017	31 December 2016	INCREASE/ (DECREASE)
Amounts receivable from public entities	48,891	32,107	16,784
Tax credits other than for income tax	41,157	48,039	-6,882
Receivables due from end users and insurance companies for damages	20,180	20,036	144
Accrued income of a non-trading nature	6,710	3,332	3,378
Amounts due from staff	3,815	2,688	1,127
Receivable from social security institutions	3,779	1,622	2,157
Payments on account to suppliers and other current assets	82,447	116,517	-34,070
Gross other current assets	**206,979**	**224,341**	**-17,362**
Allowance for bad debts	-28,369	-27,478	-891
Other current assets	**178,610**	**196,863**	**-18,253**

The balance as at 30 June 2017 is down €18,253 thousand compared with 31 December 2016, broadly due to a reduction of €34,070 thousand in "Payments on account to suppliers and other current assets". This primarily reflects Aeroporti di Roma's collection of the insurance proceeds, recognised as receivables in previous years, relating to the insurance claims resulting from the fire at Fiumicino airport's Terminal 3 in 2015. This reduction was partially offset by an increase of €16,784 thousand in amounts receivable from public entities, essentially regarding works carried out by certain Chilean operators at the request of the local grantor.

7.11 Non-current assets held for sale or related to discontinued operations €11,643 thousand (€12,325 thousand) Liabilities related to discontinued operations €6,596 thousand (€6,386 thousand)

Net non-current assets held for sale or related to discontinued operations, totalling €5,047 thousand as at 30 June 2017, primarily consist of:

a) the remaining net assets of the French companies involved in the EcoTaxe project, totalling €774 thousand;
b) the remaining 2% interest in Strada dei Parchi, amounting to €4,271 thousand, that is the subject of put and call options agreed with Toto Costruzioni Generali in the contract governing the sale, in 2011, of a controlling interest in the company.

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

€000	30 June 2017	31 December 2016	INCREASE/ (DECREASE)
Investments	4,271	4,271	-
Financial assets	7,295	7,995	-700
- Cash and cash equivalents	*7,286*	*7,986*	*-700*
- Other current financial assets	*9*	*9*	*-*
Trading and other assets	77	59	18
Assets held for sale or related to discontinued operations	**11,643**	**12,325**	**-682**
Financial liabilities	357	345	12
Current provisions	2,860	2,860	-
Trading and other liabilities	3,379	3,181	198
Liabilities related to discontinued operations	**6,596**	**6,386**	**210**

7.12 Equity
€9,816,235 thousand (€10,008,605 thousand)

Atlantia SpA's issued capital as at 30 June 2017, is fully subscribed and paid-in and consists of 825,783,990 ordinary shares with a par value of €1 each, amounting to €825,784 thousand. The issued capital did not undergo any changes in the first half of 2017.
Equity attributable to owners of the parent, totalling €7,202,358 thousand, is down €21,550 thousand compared with 31 December 2016. The most important changes during the period are shown in detail in the statement of changes in consolidated equity. These regard:
a) payment of the final dividend for 2016, amounting to €433,012 thousand (€0.530 per share);
b) the purchase of own shares, totalling €84,172 thousand;
c) the other comprehensive loss for the period, totalling €29,977 thousand, primarily due to losses on the translation of the assets and liabilities of consolidated companies denominated in functional currencies other than the euro, essentially reflecting reductions in the value of the Brazilian real and Chilean peso against the euro during the period (€106,795 thousand) and a reduction in fair value losses on cash flow hedges (€77,529 thousand);
d) profit for the period of €518,179 thousand.

Equity attributable to non-controlling interests of €2,613,877 thousand is down €170,820 thousand compared with 31 December 2016 (€2,784,697 thousand), essentially reflecting a combination of the following main changes:

a) the return of capital to non-controlling shareholders by the Chilean holding company, Grupo Costanera (€95,711 thousand);
b) dividends declared and payable to non-controlling shareholders, totalling €40,090 thousand;
c) profit for the year attributable to non-controlling interests, totalling €63,366 thousand;
d) the comprehensive loss for the period attributable to non-controlling interests, totalling €99,235 thousand, primarily reflecting a change in the foreign currency translation reserve for the assets and liabilities of consolidated companies denominated in functional currencies other than the euro, reflecting the above decline in the value of the Brazilian real and the Chilean peso against the euro.

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

7.13 Provisions for construction services required by contract
(non-current) €2,904,887 thousand (€3,269,830 thousand)
(current) €710,502 thousand (€531,455 thousand)

Provisions for construction services required by contract represent the residual present value of motorway infrastructure construction and/or upgrade services that certain of the Group's operators, particularly Autostrade per l'Italia, are required to provide and for which no additional economic benefits are received in terms of specific toll increases and/or significant increases in traffic.
The following table shows provisions for construction services required by contract at the beginning and end of the period and changes during the first half of 2017, showing the non-current and current portions.

€000	31 December 2016			Changes during the period				30 June 2017		
	Carrying amount	Non-current portion	Current portion	Changes due to revised present value of obligations	Finance-related provisions	Uses to finance works	Currency translation differences and other reclassifications	Carrying amount	Non-current portion	Current portion
Provisions for construction services required by contract	3,801,285	3,269,830	531,455	-18,165	6,632	-174,897	534	3,615,389	2,904,887	710,502

The reduction in these provisions, including the current and non-current portions, amounts to €185,896 thousand and essentially reflects a combination of the following:

a) a reduction following the use of provisions for construction services for which no additional economic benefits are received performed during the period (€174,897 thousand);
b) a reduction following a revision of the present value of future construction services (€18,165 thousand).

7.14 Provisions (non-current) €1,547,943 thousand (€1,576,258 thousand) (current) €437,059 thousand (€446,041 thousand)

As at 30 June 2017, provisions amount to €1,985,002 thousand (€2,022,299 thousand as at 31 December 2016). The following table shows details of provisions by type, showing the non-current and current portions.

€000	30 June 2017			31 December 2016		
	Carrying amount	Non-current portion	Current portion	Carrying amount	Non-current portion	Current portion
Provisions for employee benefits	170,669	143,758	26,911	175,319	148,579	26,740
Provisions for repair and replacement of motorway infrastructure	1,466,203	1,229,462	236,741	1,446,229	1,226,619	219,610
Provisions for airport refurbishment	200,230	111,926	88,304	233,054	134,442	98,612
Other provisions	147,900	62,797	85,103	167,697	66,618	101,079
Total provisions	**1,985,002**	**1,547,943**	**437,059**	**2,022,299**	**1,576,258**	**446,041**

The following table shows provisions at the beginning and end of the period and changes in the first half of 2017.

€000	31 December 2016	Changes during the period				30 June 2017
	Carrying amount	Operating provisions	Finance-related provisions	Uses	Currency translation differences, reclassifications and other changes	Carrying amount
Provisions for employee benefits						
Post-employment benefits	166,909	904	717	-6,308	-451	161,771
Other employee benefits	8,410	378	57	-23	76	8,898
Total	**175,319**	**1,282**	**774**	**-6,331**	**-375**	**170,669**
Provisions for repair and replacement of motorway infrastructure	**1,446,229**	**167,109**	**13,348**	**-177,775**	**17,292**	**1,466,203**
Provisions for airport refurbishment	**233,054**	**23,863**	**896**	**-32,888**	**-24,695**	**200,230**
Other provisions						
Provisions for impairments exceeding carrying amount of investments	3,624	-	-	-	-	3,624
Provisions for disputes, liabilities and sundry charges	164,073	8,186	-	-15,250	-12,733	144,276
Total	**167,697**	**8,186**	**-**	**-15,250**	**-12,733**	**147,900**
Provisions	**2,022,299**	**200,440**	**15,018**	**-232,244**	**-20,511**	**1,985,002**

PROVISIONS FOR EMPLOYEE BENEFITS
(non-current) €143,758 thousand (€148,579 thousand)
(current) €26,911 thousand (€26,740 thousand)

As at 30 June 2017, this item consists almost entirely of provisions for post-employment benefits to be paid to staff employed under Italian law. The reduction of €4,650 thousand is primarily due to the payment of benefits and of advances during the period. The actuarial model used to measure the related obligations is based on assumptions of both a demographic and financial nature. Having carried out a simplified actuarial assessment of these liabilities as at 30 June 2017, a number of key assumptions used were the same as those used in the measuring the liabilities as at 31 December 2016. These are described in note 7.14 to the consolidated financial statements as at and for the year ended 31 December 2016.

PROVISIONS FOR REPAIR AND REPLACEMENT OF MOTORWAY AND AIRPORT INFRASTRUCTURE
(non-current) €1,229,462 thousand (€1,226,619 thousand)
(non-current) €236,741 thousand (€219,610 thousand)

This item regards the present value of provisions for the repair and replacement of motorway and airport infrastructure, in accordance with the contractual commitments of the Group's operators. The balance of these provisions is up €19,974 thousand, essentially due to a combination of the following:

a) operating provisions of €167,109 thousand, which partly reflect the positive impact of an increase in the rate used as at 30 June 2017 to discount future commitments, with respect to the rate used as at 31 December 2016;
b) uses (€177,775 thousand) in connection with repairs and replacements carried out during the period.

PROVISIONS FOR REFURBISHMENT OF AIRPORT INFRASTRUCTURE
(non-current) €111,926 thousand (€134,442 thousand)
(current) €88,304 thousand (€98,612 thousand)

Provisions for the refurbishment of airport infrastructure, including the current and non-current portions, amount to €200,230 thousand (€233,054 thousand as at 31 December 2016). They represent the present value of the estimated costs to be incurred for extraordinary maintenance, repairs and replacements under the contractual obligations provided for in the Group's airport concession arrangements. The objective of such services is to ensure that the airport infrastructure is fit for purpose and safe. Compared with 31 December 2016, the provisions have decreased by €32,824 thousand, primarily due to uses to cover work carried out during the period.

OTHER PROVISIONS
(non-current) €62,797 thousand (€66,618 thousand)
(current) €85,103 thousand (€101,079 thousand)

These provisions essentially regard estimates of liabilities, at the end of the period, expected to be incurred in connection with pending litigation and disputes, including the estimated expenses provisioned for contract reserves relating to contractors who carry out maintenance work. The overall balance is down €19,797 thousand, essentially reflecting uses following the settlement of a number of disputes.

7.15 Financial liabilities (non-current) €15,868,249 thousand (€14,832,311 thousand) (current) €1,602,347 thousand (€3,248,881 thousand)

MEDIUM/LONG-TERM BORROWINGS (non-current) €15,868,249 thousand (€14,832,311 thousand) (current) €1,171,813 thousand (€1,345,787 thousand)

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

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

€000	30 June 2017				TERM		31 December 2016			
	FACE VALUE	CARRYING AMOUNT	CURRENT PORTION	NON-CURRENT PORTION	BETWEEN 13 AND 60 MONTHS	AFTER 60 MONTHS	FACE VALUE	CARRYING AMOUNT	CURRENT PORTION	NON-CURRENT PORTION
Bond issues (1) (2) (3)	**11,624,053**	**11,819,948**	**626,890**	**11,193,058**	**5,133,913**	**6,059,145**	**11,180,387**	**10,959,638**	**783,252**	**10,176,386**
Bank borrowings	4,162,438	4,152,573	273,081	3,879,492	1,226,889	2,652,603	4,047,540	4,033,931	248,513	3,785,418
Other borrowings	289,779	273,038	85,635	187,403	171,259	16,144	290,808	271,891	54,963	216,928
Medium/long-term borrowings (2) (3)	**4,452,217**	**4,425,611**	**358,716**	**4,066,895**	**1,398,148**	**2,668,747**	**4,338,348**	**4,305,822**	**303,476**	**4,002,346**
Derivate liabilities (4)		**582,638**	**-**	**582,638**	**42,042**	**540,596**		**630,896**	**-**	**630,896**
Accrued expenses on medium/long-term financial liabilities (2)		**182,203**	182,203	-	-	-		**254,670**	254,670	-
Other financial liabilities		**29,662**	4,004	25,658	-	25,658		**27,072**	4,389	22,683
Other medium/long-term financial liabilities		**211,865**	**186,207**	**25,658**	**-**	**25,658**		**281,742**	**259,059**	**22,683**
Total		**17,040,062**	**1,171,813**	**15,868,249**	**6,574,103**	**9,294,146**		**16,178,098**	**1,345,787**	**14,832,311**

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

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

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

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

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

€000	MATURITY	30 June 2017		31 December 2016	
		CARRYING AMOUNT (1)	FAIR VALUE (2)	CARRYING AMOUNT (1)	FAIR VALUE (2)
Bond issues					
- listed fixed rate	from 2017 to 2038	11,312,495	12,589,631	10,346,850	11,757,986
- listed floating rate	from 2017 to 2023	439,473	455,159	458,292	481,750
- unlisted floating rate	2017	67,980	78,354	154,496	155,598
		11,819,948	**13,123,144**	**10,959,638**	**12,395,334**
Bank borrowings					
- fixed rate	from 2017 to 2036	1,742,965	2,001,604	1,795,005	2,105,885
- floating rate	from 2017 to 2034	2,360,289	2,431,484	2,189,606	2,238,649
- non-interest bearing (3)	2017	49,319	49,319	49,320	49,320
		4,152,573	**4,482,407**	**4,033,931**	**4,393,854**
Other borrowings					
- fixed rate	from 2017 to2026	-	-	2,217	2,217
- floating rate	2017	4,702	4,702	5,469	5,469
- non-interest bearing (4)	from 2017 to 2020	268,336	268,327	264,205	264,205
		273,038	**273,029**	**271,891**	**271,891**
Medium/long-term borrowings		**4,425,611**	**4,755,436**	**4,305,822**	**4,665,745**
Derivative liabilities		**582,638**	**582,638**	**630,896**	**630,896**
Accrued expenses on medium/long-term financial liabilities		182,203	182,203	254,670	254,670
Other financial liabilities		29,662	29,662	27,072	27,072
Other medium/long-term financial liabilities		**211,865**	**211,865**	**281,742**	**281,742**
Total		**17,040,062**	**18,673,083**	**16,178,098**	**17,973,717**

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

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

(3) This item refers to borrowings linked to the grants provided for in laws 662/1996, 135/1997 and 345/1997 and designed to finance work on infrastructure for the "Florence North - Florence South" and "Cà Nova - Aglio" sections of motorway (Variante di Valico). The borrowings are to be repaid by ANAS.

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

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

	30 June 2017				31 December 2016	
€000	FACE VALUE	CARRYING AMOUNT	AVERAGE INTEREST RATE APPLIED TO 30 JUNE 2017 (1)	EFFECTIVE INTEREST RATE AS AT 30 JUNE 2017	FACE VALUE	CARRYING AMOUNT
Euro (EUR)	13,655,767	13,779,861	3.33%	3.48%	12,938,115	12,624,207
Chilean peso (CLP) / Unidad de fomento (UF)	928,955	954,892	5.44%	5.46%	1,005,191	1,035,986
Sterling (GBP)	750,000	749,655	5.99%	2.20%	750,000	749,655
Brazilian real (BRL)	499,589	519,634	13.95%	13.79%	580,764	612,788
Yen (JPY)	149,176	152,014	5.30%	3.39%	149,176	152,014
Polish zloty (PLN)	85,379	82,099	6.63%	5.32%	86,003	81,324
US dollar (USD)	7,404	7,404	5.25%	5.25%	9,486	9,486
Total	16,076,270	16,245,559	3.93%		15,518,735	15,265,460

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

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

€000	CARRYING AMOUNT AS AT 31 DECEMBER 2016	NEW BORROWINGS	REPAYMENTS	CHANGE IN SCOPE OF CONSOLIDATION	CARRYING AMOUNT AS AT 30 JUNE 2017
Bond issues	10,959,638	1,325,325	-387,654	-77,361	11,819,948
Bank borrowings	4,033,931	226,704	-85,828	-22,234	4,152,573
Other borrowings	271,891	283	-3,134	3,998	273,038
Total	15,265,460	1,552,312	-476,616	-95,597	16,245,559

The Group uses derivative financial instruments to hedge certain current and highly likely future financial liabilities, including interest rate swaps (IRSs), cross currency swaps (CCSs), and Índice Nacional de Preços ao Consumidor Amplo (IPCA) x Certificado de Depósito Interfinanceiro (CDI) Swaps, which are classified as cash flow hedges or fair value hedges pursuant to IAS 39. The fair value of the hedging instruments as at 31 December 2016 is recognised in "Derivative liabilities". More detailed information on financial risks and the manner in which they are managed, in addition to details of outstanding financial instruments held by the group, is contained in note 9.2, "Financial risk management".

Bond issues
(non-current) €11,193,058 thousand (€10,176,386)
(current) €626,890 thousand (€783,252 thousand)

The item principally refers to bonds issued by Atlantia as part of its Medium Term Note (MTN) Programme, totalling €5,083,953 thousand, and transferred to Autostrade per l'Italia in 2016 as a result of the issuer substitution. A further €2,479,407 thousand relates to bonds issued by Autostrade per l'Italia as part of its own Medium Term Note (MTN) Programme, authorised for an amount of up to €7 billion.
The overall increase of €860,310 thousand primarily reflects:
a) a new issue by Atlantia in January 2017 (a par value of €750 million, paying coupon interest of 1.625%, maturing in January 2025, and with a carrying amount of €747,324 thousand as at 30 June 2017);
b) a new issue by Aeroporti di Roma in June 2017 (a par value of €500 million, paying coupon interest of 1.625%, maturing in June 2027 and with a carrying amount of €470,941 thousand as at 30 June 2017);

c) redemptions during the period (€387,654 thousand), primarily including the partial buyback carried out by Aeroporti di Roma (€199,999 thousand) and the repayment of debenture stock by Nascente (€153,931 thousand).

Medium/long-term borrowings
(non-current) €4,066,895 thousand (€4,002,346 thousand)
(current) €358,716 thousand (€303,476 thousand)

The balance of this item, amounting to €4,425,611 thousand, including the current and non-current portions, is up €119,789 thousand compared with 31 December 2016 (€4,305,822 thousand). This essentially reflects new borrowings (€226,987 thousand), primarily at Aeroporti di Roma, partially offset by repayments (€88,962 thousand) by Autostrade per l'Italia.
A number of the Group's long-term borrowings include negative pledge provisions, in line with international practice. Under these provisions, it is not possible to create or maintain (unless required to do so by law) collateral guarantees on all or a part of any proprietary assets, with the exception of project debt. The above agreements also require compliance with certain financial covenants.
The method of selecting the variables to compute the ratios is specified in detail in the relevant loan agreements. Breach of these covenants, at the relevant measurement dates, could constitute a default event and result in the lenders calling in the loans, requiring the early repayment of principal, interest and of further sums provided for in the agreements.
The most important covenants are described below:

a) as regards Atlantia, the acquisition financing of €14,700,000 thousand obtained to cover the cost of the voluntary public tender offer, in cash and/or shares, for the entire issued capital of Abertis Infraestructuras, which has yet to be drawn down as at 30 June 2017, requires compliance with a maximum threshold for i) Funds from Operations (FFO) / Net Debt and ii) the Debt Coverage Ratio, both measured on a consolidated basis, and a minimum threshold for Equity;
b) as regards Autostrade per l'Italia, the loan agreements with Cassa Depositi e Prestiti (totalling €808,261 thousand as at 30 June 2017) require compliance with a minimum threshold for "Operating Cash Flow available for Debt Service/Debt Service" (DSCR);
c) as regards Aeroporti di Roma, the company's revolving line of credit requires compliance with a maximum leverage ratio, with a similar provision included in the loan agreement entered into with Banca Nazionale del Lavoro in November 2016 (of which a total of €100,000 thousand has been drawn down as at 30 June 2017). The medium/long-term loan agreements financing the company's investment programme, entered into with the European Investment Bank and Cassa Depositi e Prestiti in December (of which a total of €150,000 thousand has been drawn down as at 30 June 2017) also require the company to ensure that its interest coverage ratio remains within certain limits linked to the company's rating, in addition to requiring compliance with a maximum Leverage Ratio (based on the long-term rating assigned to Aeroporti di Roma by the relevant rating agencies).

With regard to the financial commitments of the foreign project companies and of Azzurra Aeroporti, the related debt does not envisage recourse to direct or indirect parents and is subject to covenants typical of international practice.
The main commitments provide for a pledge on all the companies' assets and receivables in favour of their creditors.

Non-current derivative liabilities
(non-current) €582,638 thousand (€630,896 thousand)
(current) - (-)

This item represents fair value losses on outstanding derivatives as at 30 June 2017 and primarily includes:

a) fair value losses (€423,731 thousand) on Cross Currency Interest Rate Swap (CCIRS), linked to both derivative instruments classified as cash flow hedges in accordance with IAS 39, hedging the foreign currency and interest rate risk on medium/long-term bonds issued by the Group and denominated in pounds sterling (£500 million) and Japanese yen (¥20 billion) and having a total value in euros of €285,657 thousand, and to derivatives entered into by Aeroporti di Roma (with a total value of €138,074 thousand) to hedge the notes with a par value of £215 million issued by Romulus Finance (transferred to Aeroporti di Roma in the form of a novation in 2016), 99.87% of which were repurchased by Atlantia in 2015. These latter derivatives, following the above buyback by the Group, no longer qualify as cash flow hedges. The balance of fair value losses on these derivative instruments has increased by €3,308 thousand during the period, essentially due to exchange rate movements linked to a fall in the value of sterling against the euro, with a matching adjustment of the hedged liabilities;
b) fair value losses (€155,668 thousand) on Interest Rate Swaps (IRSs), classified as cash flow hedges in accordance with IAS 39, entered into by certain Group companies to hedge interest rate risk on their existing non-current financial liabilities and those that are highly likely to be assumed in the future. The reduction of €46,484 thousand primarily reflects an increase in interest rates as at 30 June 2017, compared with 31 December 2016.

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

Other medium/long-term financial liabilities (non-current) €25,658 thousand (€22,683 thousand) (current) €186,207 thousand (€259,059 thousand)

The balance of this item, including the current and non-current portions, is down €69,877 thousand. This primarily reflects a reduction in accrued expenses payable, following the payment of accrued interest on medium/long-term borrowings and of differentials on derivative instruments.

SHORT-TERM FINANCIAL LIABILITIES €430,534 thousand (€1,903,094 thousand)

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

€000	30 June 2017	31 December 2016
Bank overdrafts repayable on demand	39,671	4,757
Short-term borrowings	355,782	1,858,663
Derivative liabilities (1)	585	25,644
Other current financial liabilities	34,496	14,030
Short-term financial liabilities	**430,534**	**1,903,094**

(1) These liabilities primarily include derivative instruments that classify as non-hedge accounting and in level 2 of the fair value hierarchy.

The reduction of €1,472,560 thousand compared with 31 December 2016 is due primarily to Atlantia's repayment of short-term current account overdrafts, totalling €1,600,000 thousand. The reduction in current derivative liabilities is primarily due to the unwinding of Aeroporti di Roma's Forward-Starting

Interest Rate Swaps (€21,151 thousand). The balance also includes fair value losses (€585 thousand) on certain interest rate floors, embedded within certain borrowings and classified as non-hedge accounting, in accordance with IAS 39.
Further details of derivative financial instruments entered into by the Group companies for hedging purposes are contained in note 9.2.

NET DEBT IN COMPLIANCE WITH ESMA RECOMMENDATION OF 20 MARCH 2013

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

€M	Note	30 June 2017	OF WHICH RELATED PARTY TRANSACTIONS	31 December 2016	OF WHICH RELATED PARTY TRANSACTIONS
Cash		-2,533		-2,788	
Cash equivalents		-442		-595	
Cash and cash equivalents related to discontinued operations		-8		-8	
Cash and cash equivalents (A)		**-2,983**		**-3,391**	
Current financial assets (1) (B)	7.4	**-766**		**-776**	
Bank overdrafts repayable on demand		40		5	
Current portion of medium/long-term financial liabilities		1,172		1,346	
Other financial liabilities		391		1,898	
Current financial liabilities (C)	7.15	**1,603**		**3,249**	
Current net debt (D=A+B+C)		**-2,146**		**-918**	
Bond issues		11,193		10,176	
Medium/long-term borrowings		4,067		4,002	
Other non-current financial liabilities		608		654	
Non-current financial liabilities (E)	7.15	**15,868**		**14,832**	
(Net funds) / Net debt as defined by ESMA recommendation (F=D+E)		**13,722**		**13,914**	
Non-current financial assets (G)	7.4	**-2,301**	*-23*	**-2,237**	*-24*
Net debt (H=F+G)		**11,421**		**11,677**	

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

7.16 Other non-current liabilities €94,890 thousand (€97,702 thousand)

The balance is substantially in line with 31 December 2016. The following table shows a breakdown of this item.

€000	30 June 2017	31 December 2016
Accrued expenses of a non-trading nature	37,295	38,930
Liabilities deriving from contractual obligations	36,192	35,609
Amounts payable to grantors	5,168	9,974
Payable to staff	8,133	8,830
Taxation other than income taxes	608	2,103
Social security contributions payable	915	91
Other payables	6,579	2,165
Other non-current liabilities	**94,890**	**97,702**

7.17 Trading liabilities €1,625,163 thousand (€1,650,551 thousand)

An analysis of trading liabilities is shown below.

€000	30 June 2017	31 December 2016
Liabilities deriving from contract work in progress	**566**	**13,906**
Amounts payable to suppliers	757,689	906,061
Payable to operators of interconnecting motorways	721,395	623,179
Tolls in the process of settlement	105,865	90,649
Accrued expenses, deferred income and other trading liabilities	39,648	16,756
Trade payables	**1,624,597**	**1,636,645**
Trading liabilities	**1,625,163**	**1,650,551**

The reduction of €25,388 thousand essentially reflects:

a) a reduction in amounts payable to suppliers (€148,372 thousand), reflecting both the settlement of accounts due in the first half of 2017 and a reduction in investment in the first half of 2017, compared with 2016;

b) an increase in amounts payable to the operators of interconnecting motorways (€98,216 thousand), reflecting seasonal traffic trends.

7.18 Other current liabilities €612,742 thousand (€610,782 thousand)

The following table shows a breakdown of this item. The balance of this item as at 30 June 2017 is broadly in line with the figure for 31 December 2016.

€000	30 June 2017	31 December 2016
Taxation other than income taxes	160,750	129,898
Concession fees payable	74,040	117,752
Payable to staff	101,332	93,668
Social security contributions payable	67,004	56,110
Guarantee deposits from users who pay by direct debit	46,573	46,835
Amounts payable to public entities	11,223	11,031
Amounts payable for expropriations	8,344	11,747
Other payables	143,476	143,741
Other current liabilities	**612,742**	**610,782**

The most significant changes during the period regard:

a) a reduction of €43,712 thousand in concession fees payable, reflecting payments during the first half of 2017, primarily by Autostrade per l'Italia;

b) an increase of €30,852 thousand in amounts payable in the form of taxation other than income taxes, primarily linked to VAT payable in July 2017;

c) an increase of €10,894 thousand in social security contributions payable.

8. NOTES TO THE CONSOLIDATION INCOME STATEMENT

This section contains analyses of the most important consolidated income statement items. Negative components of the income statement are indicated with a minus sign in the headings and tables in the notes, whilst amounts for 2016 are shown in brackets. Compared with the comparative period, amounts for the first half of 2017 benefit from the contribution of Aéroports de la Côte d'Azur.
Details of amounts in the consolidated income statement deriving from related party transactions are provided in note 10.5.

8.1 Toll revenue €1,993,576 thousand (€1,874,966 thousand)

Toll revenue of €1,993,576 thousand is up €118,610 thousand (6%) on the first half of 2016 (€1,874,966 thousand). After stripping out the impact of exchange rate movements, which had a positive impact of €33,009 thousand in the first half of 2017, toll revenue is up €85,601 thousand, primarily as a result of the following:

a) the application of annual toll increases for (essentially reflecting a 0.64% increase in tolls at Autostrade per l'Italia from 1 January 2017) and traffic growth of 2.9% (accounting for an increase in toll revenue of approximately €56 million, including the impact of the different traffic mix);
b) an improved contribution from overseas operators (up €24 million), linked to the application of toll increases on the overseas network and traffic growth registered by the Group's operators in Chile (5.1%), Poland (6.9%) and Brazil (0.7%).

8.2 Aviation revenue €373,169 thousand (€291,898 thousand)

Aviation revenue of €373,169 thousand is up €81,271 thousand (28%) on the first half of 2016 (€291,898 thousand), primarily reflecting the contribution of the Aéroports de la Côte d'Azur group (€72,087 thousand) and an increased contribution from Aeroporti di Roma, which benefitted from increases in airport fees applied in the two comparative periods (from 1 March 2016 and 1 March 2017) and passenger growth of 0.6% (boosting revenue by €9 million).

€000	H1 2017	H1 2016	INCREASE/ (DECREASE)
Airport fees	268,529	226,960	41,569
Centralised infrastructure	11,546	8,248	3,298
Security services	71,407	42,242	29,165
Other	21,687	14,448	7,239
Aviation revenue	373,169	291,898	81,271

8.3 Revenue from construction services €212,956 thousand (€300,363 thousand)

An analysis of revenue from construction services is shown below.

€000	H1 2017	H1 2016	INCREASE/ (DECREASE)
Revenue from construction services for which additional economic benefits are received	181,440	263,386	-81,946
Revenue from investments in financial concession rights	31,153	36,645	-5,492
Revenue from construction services: government grants for services for which no additional economic benefits are received	-	332	-332
Revenue from construction services provided by sub-operators	363	-	363
Revenue from construction services	**212,956**	**300,363**	**-87,407**

Revenue from construction services essentially consists of construction services for which additional benefits are received and financial assets deriving from concession rights, represented by the fair value of the consideration due in return for the construction and upgrade services rendered in relation to assets held under concession during the period. The consideration is based on the operating costs and financial expenses incurred (the latter solely in relation to investment in assets held under concession) and any margins earned on the services provided by the Group's own technical units.
Revenue from construction services performed during the period is down €87,407 thousand on the first half of 2016, reflecting a decrease of €81,946 thousand in construction services for which additional benefits are received, reflecting a reduction in the services performed by Autostrade per l'Italia and Aeroporti di Roma.
In the first half of 2017, the Group carried out additional construction services for which no additional benefits are received, amounting to €174,897 thousand, net of related government grants, for which the Group made use of a portion of the specifically allocated "Provisions for construction services required by contract". Uses of these provisions are classified as a reduction in operating costs for the period, as explained in note 8.11, "Use of provisions for construction services required by contract".
Details of total investment in assets held under concession during the period are provided in note 7.2, "Intangible assets".

8.4 Contract revenue €16,078 thousand (€35,817 thousand)

Contract revenue of €16,078 thousand is down €19,739 thousand on the first half of 2016 (€35,817 thousand), essentially due to a reduction in work carried by Pavimental for external customers.

8.5 Other operating income €452,107 (€363,192)

An analysis of other operating income is provided below.

€000	H1 2017	H1 2016	INCREASE/ (DECREASE)
Revenue from sub-concessions	216,647	169,485	47,162
Revenue from Telepass and Viacard fees	74,044	68,607	5,437
Maintenance revenue	20,571	19,077	1,494
Other revenue from motorway operation	20,742	18,988	1,754
Damages and compensation	15,789	15,406	383
Revenue from products related to the airport business	26,621	13,040	13,581
Refunds	13,851	10,923	2,928
Revenue from the sale of technology devices and services	8,913	9,800	-887
Advertising revenue	2,015	1,855	160
Other income	52,914	36,011	16,903
Other operating income	**452,107**	**363,192**	**88,915**

Other operating income of €452,107 thousand is up €88,915 thousand on the first half of 2016 (€363,192 thousand). This partly reflects the increase in revenue resulting from the consolidation of

Aéroports de la Côte d'Azur (€54,494 thousand). There was also an increase in royalties at Aeroporti di Roma, amounting to €14,433 thousand, linked to the opening of the new retail plaza located in the new wing of Terminal 3 at Fiumicino at the end of 2016, and revenue from sub-concessions.

8.6 Raw and consumable materials -€153,082 thousand (-€125,038 thousand)

This item, which consists of purchases of materials and the change in inventories of raw and consumable materials, is up €28,044 thousand on the first half of 2016, primarily reflecting:

a) increased costs (€16,517 thousand) resulting from the contribution of Aéroports de la Côte d'Azur;
b) an increase in the cost of construction materials (€16,503 thousand) at Group companies, reflecting the increased volume of maintenance carried out during the period.

A breakdown of the balance is shown below.

€000	H1 2017	H1 2016	INCREASE/ (DECREASE)
Construction materials	-101,972	-74,940	-27,032
Electrocal and electronic materials	-7,285	-8,102	817
Lubricants and fuel	-8,052	-6,968	-1,084
Other raw and consumable materials	-41,245	-38,786	-2,459
Cost of materials	**-158,554**	**-128,796**	**-29,758**
Change in inventories of raw, ancillary and consumable materials and goods for resale	**3,595**	**3,067**	**528**
Capitalised cost of raw materials	1,877	691	1,186
Raw and consumable materials	**-153,082**	**-125,038**	**-28,044**

8.7 Service costs -€583,333 thousand (-€639,981 thousand)

An analysis of service costs is provided below.

€000	H1 2017	H1 2016	INCREASE/ (DECREASE)
Construction and similar	-308,168	-410,752	102,584
Professional services	-78,519	-63,696	-14,823
Transport and similar	-31,617	-26,611	-5,006
Utilities	-24,927	-25,380	453
Insurance	-17,028	-15,720	-1,308
Statutory Auditors' fees	-734	-782	48
Other services	-125,590	-98,837	-26,753
Gross service costs	**-586,583**	**-641,778**	**55,195**
Capitalised service costs for assets other than concession assets	3,250	1,797	1,453
Service costs	**-583,333**	**-639,981**	**56,648**

Service costs are down €56,648 thousand in the first half of 2017, compared with the same period of 2016. The change mainly reflects a combination of the following:

a) a reduction in construction and similar services of €102,584 thousand, reflecting the reduced volume of investment by Autostrade per l'Italia and Aeroporti di Roma during the period;
b) an increase of €26,753 thousand in the cost of other services, attributable to the contribution of Aeroports de la Cote d'Azur;
c) an increase in the cost of professional services, amounting to €14,823 thousand, primarily in relation to Atlantia's voluntary public tender offer, in cash and/or shares, for the entire issued capital of Abertis Infraestructuras SA.

8.8 Staff costs
-€497,662 thousand (-€450,277 thousand)

An analysis of staff costs is shown below.

€000	H1 2017	H1 2016	INCREASE/ (DECREASE)
Wages and salaries	-347,006	-316,202	-30,804
Social security contributions	-100,673	-91,158	-9,515
Payments to supplementary pension funds, INPS and post-employment benefits	-18,643	-17,651	-992
Directors' remuneration	-3,617	-3,098	-519
Other staff costs	-33,000	-24,448	-8,552
Gross staff costs	-502,939	-452,557	-50,382
Capitalised staff costs for assets other than concession assets	5,277	2,280	2,997
Staff costs	-497,662	-450,277	-47,385

Gross staff costs of €502,939 thousand are up €50,382 thousand (11%) on the first half of 2016 (€452,557 thousand). At constant exchange rates, staff costs are up €46,590 thousand (10%), reflecting:

a) an increase of 954 in the average workforce (up 6.3%), primarily reflecting the contribution from the ACA group, an increase in motorway and airport construction work carried out by Pavimental, the increased volume of infrastructure operated and the Aeroporti di Roma group's launch of new insourcing programmes;
b) an increase in the average unit cost (up 3.7%), primarily due to the cost of contract renewals at the Group's Italian companies and additional costs linked to management incentive plans.

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

AVERAGE WORKFORCE	H1 2017	H1 2016	INCREASE/ (DECREASE)
Senior managers	288	248	40
Middle managers and administrative staff	8,100	7,644	456
Toll collectors	3,055	3,160	-105
Manual workers	4,315	3,752	563
Total	**15,758**	**14,804**	**954**

8.9 Other operating costs
-€292,364 thousand (-€276,720 thousand)

An analysis of other operating costs is shown below.

€000	H1 2017	H1 2016	INCREASE/ (DECREASE)
Concession fees	-243,578	-233,078	-10,500
Lease expense	-11,369	-8,164	-3,205
Grants and donations	-13,287	-11,476	-1,811
Direct and indirect taxes	-18,541	-10,640	-7,901
Other	-5,589	-13,362	7,773
Other operating costs	-37,417	-35,478	-1,939
Other costs	-292,364	-276,720	-15,644

Other operating costs, totalling €292,364 thousand, are up €15,644 thousand compared with the same period of 2016. This primarily reflects an increase in concession fees (€10,500 thousand), linked to the increase in fees payable by Autostrade per l'Italia as a result of the increase in motorway traffic during the period and the contribution of Aéroports de la Côte d'Azur.

8.10 Operating change in provisions €11,505 thousand (-€108,715 thousand)

This item consists of operating changes (new provisions and uses) in provisions, excluding those for employee benefits (classified in staff costs), made by Group companies during the period in order to meet their legal and contractual obligations requiring the use of financial resources in future years. The positive balance for the first half of 2017, amounting to €11,505 thousand, essentially reflects the present value of provisions for the repair and replacement of the Group's infrastructure, due to an increase in the discount rate applied at 30 June 2017, compared with the rate applied as at 31 December 2016. In the same period of 2016, the negative balance of this item, totalling €108,715 thousand, reflected an opposite movement in the related interest rates.

8.11 Use of provisions for construction services required by contract €174,897 thousand (€162,141 thousand)

This item regards the use of provisions for construction services required by contract, relating to services for which no additional economic benefits are received rendered during the period, net of accrued government grants (recognised in revenue from construction services, as explained in note 8.3). The item represents the indirect adjustment to construction costs classified by nature and incurred by the Group's operators, above all Autostrade per l'Italia, whose concesssion arrangements provide for such obligations. Further information on construction services and capital expenditure during the period is provided in notes 7.2 and 8.3.

8.12 (Impairment losses) and reversals of impairment losses -€7,964 thousand (-€3,383 thousand)

The figure for the first half of 2017 essentially regards the impairment of trade receivables arising in past years, reflecting the risk of partial non-collection.

8.13 Financial income/(expenses) -€223,357 thousand (-€250,947 thousand)

Financial income €194,424 thousand (€195,394 thousand)
Financial expenses -€429,024 thousand (–€451,184 thousand)
Foreign exchange gains/(losses) €11,243 thousand (€4,843 thousand)

An analysis of financial income and expenses is shown below.

€000	H1 2017	H1 2016	INCREASE/ (DECREASE)
Financial income accounted for as an increase in financial assets deriving from concession rights and government grants	36,866	31,919	4,947
Dividends received from investees	11,964	7,830	4,134
Income from derivative financial instruments	49,078	50,302	-1,224
Financial income accounted for as an increase in financial assets	41,760	32,485	9,275
Interest and fees receivable on bank and post office deposits	12,755	16,544	-3,789
Reversal of impairment loss on carrying amount of Lusoponte	-	24,514	-24,514
Other	42,001	31,800	10,201
Other financial income	145,594	155,645	-10,051
Ttal financial income (a)	194,424	195,394	-970
Financial expenses from discounting of provisions for construction services required by contract and other provisions	-21,650	-31,605	9,955
Interest on bonds	-237,282	-241,563	4,281
Losses on derivative financial instruments	-64,201	-68,952	4,751
Interest on medium/long-term borrowings	-53,143	-54,506	1,363
Interest expense accounted for as an increase in financial liabilities	-5,158	-10,877	5,719
Impairment losses on investments carried at cost or fair value and non-current financial assets	-4,001	-3,338	-663
Interest and fees payable on bank and post office deposits	-951	-741	-210
Other	-42,638	-39,602	-3,036
Other financial expense	-407,374	-419,579	12,205
Capitalised financial expenses for assets other than concession assets	-	-	-
Total financial expenses (b)	-429,024	-451,184	22,160
Foreign exchange gains/(losses) (c)	11,243	4,843	6,400
Financial income/(expenses) (a+b+c)	-223,357	-250,947	27,590

Net other financial expenses, totalling €261,780 thousand, are down €2,154 thousand compared with the first half of 2016 (€263,934 thousand).
The first half of 2016 also benefitted from reversal of the impairment loss of €24,514 thousand on the investment in Lusoponte, partially offset by the premium payable on the partial early redemption of bonds (amounting to €9,536 thousand).

8.14 Share of profit/(loss) of investees accounted for using the equity method -€10,074 thousand (-€8,323 thousand)

The "Share of (profit)/loss of investees accounted for using the equity method" for the period amounts to a loss of €10,074 thousand. This reflects the Group's share of the estimated and/or reported profit or loss of its associates and joint ventures, after any dividends paid by these companies. Further details are provided in note 7.3, "Investments".

8.15 Income tax expense -€329,929 thousand (-€246,432 thousand)

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

€000	H1 2017	H1 2016	INCREASE/ (DECREASE)
IRES	-192,506	-157,497	-35,009
IRAP	-40,322	-39,459	-863
Income taxes attributable to foreign operations	-42,139	-31,832	-10,307
Current tax benefit of tax loss carry-forwards	1,368	625	743
Current tax expense	**-273,599**	**-228,163**	**-45,436**
Recovery of previous years' income taxes	3,734	850	2,884
Previous years' income taxes	-2,449	-952	-1,497
Differences on current tax expense for previous years	**1,285**	**-102**	**1,387**
Provisions	62,515	88,412	-25,897
Releases	-147,916	-135,581	-12,335
Changes in prior year estimates	-2,968	-6,376	3,408
Deferred tax income	**-88,369**	**-53,545**	**-34,824**
Provisions	-33,060	-13,033	-20,027
Releases	63,475	48,614	14,861
Changes in prior year estimates	339	-203	542
Deferred tax expense	**30,754**	**35,378**	**-4,624**
Deferred tax income/(expense)	**-57,615**	**-18,167**	**-39,448**
Income tax (expense)/benefit	**-329,929**	**-246,432**	**-83,497**

Income tax expense amounts to €329,929 thousand and is up €83,497 thousand compared with the first half of 2016 (€246,432 thousand). The increase in tax expense compared with the comparative period is essentially due to recognition of the estimated tax expense, totalling €45,361 thousand, on Autostrade per l'Italia's distribution of the special dividend in kind and of available equity reserves to Atlantia. This is described in note 6.1, "Restructuring of the Group".

8.16 Profit/(Loss) from discontinued operations -€881 thousand (-)

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

€000	H1 2017	H1 2016	INCREASE/ (DECREASE)
Tax benefit/(expense)	-881	-	-881
Contribution to net profit from discontinued operations	**-881**	**-**	**-881**
Profit/(Loss) from discontinued operations	**-881**	**-**	**-881**

The net loss for the first half of 2017 refers primarily to Tech Solutions Integrators.

8.17 Earnings per share

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

	H1 2017	H1 2016
Weighted average number of shares outstanding	825,783,990	825,783,990
Weighted average number of treasury shares in portfolio	-8,104,973	-2,341,436
Weighted average of shares outstanding for calculation of basic earnings per share	**817,679,017**	**823,442,554**
Weighted average number of diluted shares held held under share-based incentive plans	719,836	1,206,562
Weighted average of all shares outstanding for calculation of diluted earnings per share	**818,398,853**	**824,649,116**
Profit for the year attributable to owners of the parent (€000)	518,179	413,230
Basic earnings per share (€)	**0.63**	**0.50**
Diluted earnings per share (€)	**0.63**	**0.50**
Profit from continuing operations attributable to owners of the parent (€000)	519,060	413,230
Basic earnings per share from continuing operations (€)	**0.63**	**0.50**
Diluted earnings per share from continuing operations (€)	**0.63**	**0.50**
Profit from discontinued operations attributable to owners of the parent (€000)	-881	-
Basic earnings/(losses) per share from discontinued operations (€)	-	-
Diluted earnings/(losses) per share from discontinued operations (€)	-	-

The average number of treasury shares in portfolio in the first half of 2017 is up, essentially due to the purchase of Atlantia's shares in the market at the end of 2016.

9. OTHER FINANCIAL INFORMATION

9.1 Notes to the consolidated statement of cash flows

Consolidated cash flow in the first half of 2017, compared with the first half of 2016, is analysed below. The consolidated statement of cash flows is included in the "Consolidated financial statements".
Cash flows during the first half of 2017 resulted in a decrease of €443,374 thousand in cash and cash equivalents, versus a net cash outflow of €1,101,515 million in the first half of 2016.

Operating activities generated cash flows of €1,206,252 thousand in the first half of 2017, up €241,372 thousand on the figure for the first half of 2016 (€964,880 thousand). The increase is attributable to a combination of the following:

a) an increase of €110,444 thousand in operating cash flow compared with the first half of 2016, due primarily to an improvement in the operating performance, partially offset by an increase in tax expense for the period as a result of Autostrade per l'Italia's distribution of a special dividend in kind and of available equity reserves to Atlantia;
b) the differing performance of movements in working capital and other changes in the two comparative periods, primarily due to the outflow recorded in the comparative period as a result of an increase in trade receivables.

Cash used in investing activities, totalling €556,801 thousand, is down €71,053 thousand compared with the first half of 2016 (€627,854 thousand), reflecting reduced investment during the period.

In the first half of 2017, net cash used in financing activities amounts to €1,080,967 thousand (€1,459,638 thousand in the first half of 2016). This primarily reflects a combination of the following:

a) the net change in other current and non-current financial liabilities, amounting to €1,530,729 thousand, primarily due to the repayment of short-term bank borrowings;
b) dividends paid to the Group's shareholders and to non-controlling shareholders, totalling €454,725 thousand;
c) the buyback of bonds worth €199,999 thousand by the Aeroporti di Roma group during the period;
d) bond redemptions of €187,655 thousand carried out by Group companies;
e) the return of capital to non-controlling shareholders, amounting to €95,223 thousand, essentially attributable to the Chilean holding company, Grupo Costanera;
f) the purchase of own shares during the period, totalling €84,172 thousand;
g) the issue of new bonds with a total value of €1,325,325 thousand under the EMTN programmes of Atlantia (€747,191 thousand) and the Aeroporti di Roma group (€472,266 thousand);
h) new medium/long-term borrowings of €227,232 thousand.

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

€M	H1 2017	H1 2016
Net cash generated from/(used in) operating activities	-1	-1
Net cash generated from/(used in) investing activities	-	-
Net cash generated from/(used in) financing activities	-	-7

9.2 Financial risk management

The Atlantia Group's financial risk management objectives and policies

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

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

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

Market risk

The adopted strategy for each type of risk aims, wherever possible, to eliminate interest rate and currency risks and minimise borrowing costs, whilst taking account of stakeholders' interests, as defined in the Financial Policy approved by Atlantia's Board of Directors.
Management of these risks is based on prudence and best market practice.
The main objectives set out in this policy are as follows:

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

The Group's hedges outstanding as at 30 June 2017 are classified, in accordance with IAS 39, either as cash flow or fair value hedges, depending on the type of risk hedged. As at 30 June 2017, the Group's portfolio also includes non-hedge accounting transactions, including the derivatives embedded in certain medium/long-term and short-term borrowings obtained by Autostrade per l'Italia, Autostrade Meridionali and Pavimental, with a notional value of €478,532 thousand and fair value losses of €2,024 thousand (further details are provided in note 7.15, "Financial liabilities"). The fair value of these derivative instruments is determined by discounting expected cash flows, using the market yield curve at the measurement date and credit default swap curve listed for both the counterparty and Group companies, so as to include the non-performance risk explicitly referred to in IFRS 13. Amounts in foreign currencies other than the euro are translated at closing exchange rates communicated by the European Central Bank. The residual average term to maturity of the Group's debt as at 30 June 2017 is approximately six years. The average cost of medium to long-term debt for the first six months of 2017 was approximately 4% (3.3% for the companies operating in Italy, 5.4% for the Chilean companies and 13.9% for the Brazilian companies). Monitoring is, moreover, intended to assess, on a continuing basis, counterparty creditworthiness and the degree of risk concentration.

Interest rate risk

This risk is linked to uncertainty regarding the performance of interest rates and can result in:

a) cash flow risk: linked to financial assets and liabilities with cash flows indexed to a market interest rate. In order to reduce the amount of floating rate debt, the Group has entered into interest rate swaps (IRSs), classified as cash flow hedges. The hedging instruments and the underlying financial liabilities have matching terms to maturity and notional amounts. Following tests of effectiveness, changes in fair value are essentially recognised in other comprehensive income. The test conducted revealed the presence of a minimal ineffective portion (€582 thousand) accounted for in profit or loss and linked primarily to the impact of IFRS 13. Interest income or expense deriving from the hedged instruments is recognised simultaneously in profit or loss.
   New Forward-Starting IRSs with a total notional value of €1,000 million were entered into by the Group in the first half of 2017. Fair value gains on these instruments amount to €13,943 thousand as

at 30 June 2017. They have a duration of 10 years, are subject to a weighted average fixed rate of approximately 0.879% and have been entered into to hedge highly likely future financial liabilities to be assumed by Atlantia through to 2018.
In addition, following Atlantia's launch of a voluntary public tender offer, in cash and/or shares, for the entire issued capital of Abertis Infraestructuras, the Company entered into Deal Contingent hedges with a total notional value of €2,500 million, an average term of 9.4 years and a weighted average fixed rate of approximately 0.853%. Given that activation of these instruments, classifiable as Interest Rate Swaps, is subject to the success of the tender offer, fair value gains have not been recognised as at 30 June 2017.
Finally, following Aeroporti di Roma's issue of bonds with a notional value of €500,000 thousand, derivatives with a notional value of €300,000 thousand, entered into in 2016 for pre-hedging purposes, have been unwound. At the date on which these derivatives were unwound, fair value losses amounted to €21,400 thousand. This amount was paid to the counterparty and the matching cash flow hedge reserve will be released to comprehensive income over the residual term to maturity of the new issue. The cost of this issue, including the impact of the hedges, is thus 2.18%;

b) far value risk: the risk of losses deriving from an unexpected change in the value fixed rate financial assets and liabilities following an unfavourable shift in the market yield curve. As at 30 June 2017, the Group reports transactions classifiable as fair value hedges in accordance with IAS 39, regarding the previously mentioned new IPCA Linked Swaps entered into by the Brazilian companies, Triangulo do Sol and Colinas, with the aim of converting the real IPCA rate bonds issued in 2013 to a floating CDI rate. Changes in the fair value of these instruments are recognised in profit or loss and are offset by matching changes in the fair value of the underlying liabilities.

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

Currency risk

Currency risk can result in the following types of exposure:

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

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

Following Atlantia's buyback of 99.87% of the sterling-denominated bonds, amounting to £215 million, issued by Romulus Finance (the special purpose entity controlled by Aeroporti di Roma), the Cross Currency Swaps entered into by Atlantia and Aeroporti di Roma to hedge interest and currency risk associated with the underlying in foreign currency, no longer qualify for hedge accounting in the consolidated financial statements.

15% of the Group's debt is denominated in currencies other than the euro. Taking account of foreign exchange hedges and the proportion of debt denominated in the local currency of the country in which the relevant Group company operates (around 9%), the Group is effectively not exposed to currency risk on translation.

The following table summarises outstanding derivative financial instruments as at 30 June 2017 (compared with 31 December 2016) and shows the corresponding market and notional values of the hedged financial asset or liability.

€000		30 June 2017		31 June 2016	
Type	Purpose of hedge	Fair value asset/(liability)	Notional amount	Fair value asset/(liability)	Notional amount
Cash flow hedges (1)					
Cross Currency Swaps	Currency and interest rate risk	-285,657	899,176	-281,904	899,176
Interest Rate Swaps	Interest rate risk	-69,603	6,484,338	-182,225	5,803,331
	Total cash flow hedges	**-355,260**	**7,383,514**	**-464,129**	**6,702,507**
Fair value hedges (1)					
IPCA x CDI Swaps	Interest rate risk	**-1,800**	**157,098**	**-6,012**	**172,187**
	Total fair value hedges	**-1,800**	**157,098**	**-6,012**	**172,187**
Non-hedge accounting derivatives					
Cross Currency Swaps (1)	Currency and interest rate risk	-90,112	611,701	-96,200	611,701
Derivatives embedded in loans	Interest rate risk	-2,024	478,532	-4,310	1,476,453
FX Forward	Currency risk	1,898 (2)	35,913	-2,492 (2)	35,548
	Total non-hedge accounting derivatives	**-90,238**	**1,126,146**	**-103,002**	**2,123,702**
TOTAL		**-447,298**	**8,666,758**	**-573,143**	**8,998,396**
	fair value (asset)	**135,925**		**83,397**	
	fair value (liability)	**-583,223**		**-656,540**	

(1) The fair value of cash flow hedges excludes accruals at the measurement date.
(2) The fair value of these derivatives is classified in short-term assets and liabilities.

Sensitivity analysis

Sensitivity analysis describes the impact that the interest rate and foreign exchange movements to which the Group is exposed would have had on the consolidated income statement for the first half of 2017 and on equity as at 30 June 2017. The interest rate sensitivity analysis is based on the exposure of derivative and non-derivative financial instruments at the end of the year, assuming, in terms of the impact on the income statement, a 0.10% (10 bps) shift in the market yield curve at the beginning of the year, whilst, with regard to the impact of changes in fair value on other comprehensive income, the 10 bps shift in the curve was assumed to have occurred at the measurement date. The results of the analyses were:

a) in terms of interest rate risk, an unexpected and unfavourable 0.10% shift in market interest rates would have resulted in a negative impact on the consolidated income statement for the first half of 2017, totalling €1,588 thousand, and on other comprehensive income, totalling €49,272 thousand, before the related taxation;
b) in terms of currency risk, an unexpected and unfavourable 10% shift in the exchange rate would have resulted in a negative impact on the consolidated income statement, totalling €14,528 thousand, and on other comprehensive income, totalling €252,732 thousand, due to the adverse effect on the overseas companies' after-tax results and changes in the foreign currency translation reserves.

Liquidity risk

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

As at 30 June 2017, project debt allocated to specific overseas companies amounts to €1,705 million. At the same date the Group has estimated cash reserves of €5,692 million, consisting of:

a) €2,832 million in investments in financial assets and cash maturing in the short term;
b) €497 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) €2,336 million in undrawn committed lines of credit. The Group has lines of credit with a weighted average residual term to maturity of approximately seven years and a weighted average residual drawdown period of approximately two years and six months.

In addition, in May 2017, Atlantia obtained committed lines of credit to finance the voluntary public tender offer, in cash and/or shares, for the entire issued capital of Abertis Infraestructuras. The facility, amounting to €14,700 million, may only be used in connection with the above transaction and has a weighted average residual term to maturity of approximately 3 years.

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

€M					30 June 2017		
BORROWER	LINE OF CREDIT	DRAWDOWN PERIOD EXPIRES	FINAL MATURITY	AVAILABLE	DRAWN	UNDRAWN
Autostrade per l'Italia	Medium/long-term committed EIB line 2013 "Environment and Motorway Safety"	31 Dec 2017	15 Sept 2037	200	-	200
Autostrade per l'Italia	Medium/long-term committed EIB line 2010 "Upgrade A14 B"	31 Dec 2017	31 Dec 2036	300	100	200
Autostrade per l'Italia	Medium/long-term committed EIB line 2013 "Florence Bologna IV B"	31 Dec 2017	15 Sept 2038	250	150	100
Autostrade per l'Italia	Medium/long-term committed CDP/SACE line	23 Sept 2020	23 Dec 2024	1,000	200	800
Autostrade per l'Italia	Medium/long-term committed CDP A1 2012 line	21 Nov 2020	20 Dec 2021	700	200	500
Autostrade Meridionali	Short-term loan from Banco di Napoli	31 Dec 2017	31 Dec 2017	300	245	55
Pavimental	Buyer's Credit Euler Hermes loan	31 Aug 2017	30 Sept 2025	39	33	6
Aeroporti di Roma	BEI "Aeroporti di Roma – Fiumicino Sud"	13 Dec 2019	20 Sept 2031	150	110	40
Aeroporti di Roma	CDP "Aeroporti di Roma – Fiumicino Sud"	30 June 2018	20 Sept 2031	150	40	110
Aeroporti di Roma	Committed Revolving Facility	11 Apr 2021	11 July 2021	250	-	250
Aéroports de la Côte d'Azur	Medium/long-term committed EIB line 2014 "Airport Upgrade"	30 March 2019	30 March 2038	100	25	75
			Lines of credit	**3,439**	**1,103**	**2,336**

Credit risk

The Group manages credit risk essentially through recourse to counterparties with high credit ratings, with no significant credit risk concentrations as required by Financial Policy.
Credit risk deriving from outstanding derivative financial instruments can also be considered marginal in that the counterparties involved are major financial institutions. There are no margin agreements providing for the exchange of cash collateral if a certain fair value threshold is exceeded.
Provisions for impairment losses on individually material items, on the other hand, are established when there is objective evidence that the Group will not be able to collect all or any of the amount due. The amount of the provisions takes account of estimated future cash flows and the date of collection, any future recovery costs and expenses, and the value of any security and guarantee deposits received from customers. General provisions, based on the available historical and statistical data, are established for items for which specific provisions have not been made. Details of the allowance for bad debts for trade receivables are provided in note 7.7.

10. OTHER INFORMATION

10.1 Operating and geographical segments

Operating segments

The 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 business segment and geographical area.

The planned restructuring of the Atlantia Group, initiated by the Board of Directors in 2016, was completed in the first half of 2017. As a result of the restructuring, the Atlantia Group's operating segments had already been revised as at 31 December 2016 and, therefore, amounts for the first half of 2016 have been restated with respect to those published in the Interim Report for the six months ended 30 June 2016.

Following the consolidation of Aéroports de la Côte d'Azur (ACA) at the end of December 2016, a new operating segment to which the Group's overseas airport operations have been allocated is now presented. In addition to the companies controlled by ACA (the company that directly and indirectly operates the airports of Nice, Cannes-Mandelieu and Saint-Tropez and the international network of ground handlers, Sky Valet), this segment also includes the acquisition vehicle used in order to acquire ACA (Azzurra Aeroporti).

As a result, the Group's new structure presents information for five main operating segments (Italian motorways, overseas motorways, Italian airports, overseas airports and a fifth operating segment including the Parent Company, Atlantia, and the other remaining activities).

The composition of the Atlantia Group's operating segments as at 30 June 2017 is as follows:

a) Italian motorways: this includes the Italian motorway operators (Autostrade per l'Italia, Autostrade Meridionali, Tangenziale di Napoli, Società Italiana per Azioni per il Traforo del Monte Bianco, 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. This operating segment also includes companies (AD Moving, Giove Clear, Infoblu, Essediesse and Autostrade Tech) that provide support for the Italian motorway operators and that are subsidiaries of Autostrade per l'Italia;
b) Overseas motorways: this includes the activities of the holders of motorway concessions in Brazil, Chile, India and Poland, and the companies that provide operational support for these operators and the related foreign-registered holding companies. In addition, this segment includes the Italian holding company, Autostrade dell'Atlantico, which holds investments in South America;
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 its subsidiaries;
d) Overseas airports: this includes the airport operations of the companies controlled by Aéroports de la Côte d'Azur (ACA), the company that (directly and indirectly) operates the airports of Nice, Cannes-Mandelieu and Saint-Tropez and the international network of ground handlers, Sky Valet, in addition to Azzurra Aeroporti (ACA's parent);
e) 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) the companies that produce and operate free-flow tolling systems, traffic and transport management systems and electronic payment systems. The most important companies in this segment are Telepass and Electronic Transaction Consultants;

3) the companies whose business is the design, construction and maintenance of infrastructure, essentially referring to Spea Engineering and Pavimental.

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

H1 2017

€M	ITALIAN MOTORWAYS	OVERSEAS MOTORWAYS	ITALIAN AIRPORTS	OVERSEAS AIRPORTS	ATLANTIA AND OTHER ACTIVITIES	CONSOLIDATION ADJUSTMENTS	UNALLOCATED ITEMS	TOTAL CONSOLIDATED AMOUNTS
External revenue	1,844	316	428	127	120	-	-	2,835
Intersegment revenue [(a)]	17	-	-	-	236	-253	-	-
Total operating revenue [(b)]	**1,861**	**316**	**428**	**127**	**356**	**-253**	**-**	**2,835**
EBITDA [(c)]	**1,149**	**242**	**257**	**43**	**37**	**-**	**-**	**1,728**
Amortisation, depreciation, impairment losses and reversals of impairment losses							-555	-555
Provisions and other adjustments							-29	-29
EBIT [(d)]								**1,144**
Financial income/(expenses)							-231	-231
Profit/(Loss) before tax from continuing operations								**913**
Income tax (expense)/benefit							-330	-330
Profit/(Loss) from continuing operations								**583**
Profit/(Loss) from discontinued operations							-1	-1
Profit for the period								**582**
Operating cash flow [(e)]	**770**	**202**	**196**	**30**	**7**	**-**	**-**	**1,205**
Capital expenditure [(f)]	**243**	**87**	**105**	**10**	**34**	**-1**	**-**	**478**

H1 2016

€M	ITALIAN MOTORWAYS	OVERSEAS MOTORWAYS	ITALIAN AIRPORTS	OVERSEAS AIRPORTS	ATLANTIA AND OTHER ACTIVITIES	CONSOLIDATION ADJUSTMENTS	UNALLOCATED ITEMS	TOTAL CONSOLIDATED AMOUNTS
External revenue	1,782	255	399	-	130	-	-	2,566
Intersegment revenue (a)	16	-	-	-	194	-210	-	-
Total operating revenue (b)	**1,798**	**255**	**399**	**-**	**324**	**-210**	**-**	**2,566**
EBITDA [(c)]	**1,110**	**188**	**230**	**-**	**50**	**-**	**-**	**1,578**
Amortisation, depreciation, impairment losses and reversals of impairment losses							-454	-454
Provisions and other adjustments							-159	-159
EBIT [(d)]								**965**
Financial income/(expenses)							-254	-254
Profit/(Loss) before tax from continuing operations								**711**
Income tax (expense)/benefit							-246	-246
Profit/(Loss) from continuing operations								**465**
Profit/(Loss) from discontinued operations							-	-
Profit for the period								**465**
Operating cash flow [(e)]	**723**	**165**	**169**	**-**	**38**	**-**	**-**	**1,095**
Capital expenditure [(f)]	**304**	**72**	**172**	**-**	**23**	**-5**	**-**	**566**

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

a) intersegment revenue regards intragroup transactions between companies in different operating segments. They relate primarily to the design and construction of infrastructure carried out by Pavimental and Spea Engineering for the Group's Italian operators;
b) total operating revenue does not include the balance of revenue from construction services, totalling €213 million for the first half of 2017 and €300 million for the first half of 2016;
c) EBITDA is calculated by deducting all operating costs, with the exception of amortisation, depreciation, impairment losses on assets and reversals of impairment losses, provisions and other adjustments, from operating revenue;
d) EBIT is calculated by deducting amortisation, depreciation, impairment losses on assets and reversals of impairment losses, provisions and other adjustments from EBITDA. EBIT differs from the item "Operating profit" in the consolidated income statement due to the fact that the capitalised component of financial expenses relating to construction services is not shown in this table, as indicated in note b) above. The relevant amounts total €1 million for the first half of 2017 and €5 million for the first half of 2016;
e) operating cash flow is calculated as profit + amortisation/depreciation +/- impairments/reversals of impairments of assets +/- provisions/releases of provisions + other adjustments + financial expenses from discounting of provisions +/- share of profit/(loss) of investees accounted for using equity method +/- (losses)/gains on sale of assets +/- other non-cash items +/- deferred tax assets/liabilities recognised in the income statement;
f) the figure for capital expenditure includes investment in assets held under concession, in property, plant and equipment and in other intangible assets, as shown in the consolidated statement of cash flows.

EBITDA, EBIT and operating cash flow are not measures of performance defined by the IFRS adopted by the European Union and have not, therefore, been audited. Finally, it should be noted that in the first half of 2017, the Group did not earn revenue from any specific customer in excess of 10% of the Group's total revenue for the year.

Analysis by geographical segment

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

€M	REVENUE		NON-CURRENT ASSETS (*)	
	H1 2017	H1 2016	30 June 2017	31 December 2016
Italy	2,472	2,505	22,306	22,596
Poland	39	34	187	184
France	136	1	2,956	2,968
Portugal	1	-	40	40
Other European countries	7	5	-	-
Sub-total Europe	**2,655**	**2,545**	**25,489**	**25,788**
Brazil	172	141	1,094	1,234
Chile	187	148	1,778	1,935
USA	34	32	39	38
Total	**3,048**	**2,866**	**28,400**	**28,995**

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

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

Disclosure regarding non-controlling interests

The following list shows the principal consolidated companies with non-controlling interests as at 30 June 2017 and 31 December 2016. A complete list of the Group's investments as at 30 June 2017 is provided in Annex 1, "The Atlantia Group's scope of consolidation and investments as at 30 June 2017".

NON-CONTROLLING INTERESTS IN CONSOLIDATED COMPANIES	COUNTRY	30 June 2017		31 December 2016	
		GROUP INTEREST	NON-CONTROLLING INTERESTS	GROUP INTEREST	NON-CONTROLLING INTERESTS
Italian motorways					
Autostrade Meridionali SpA	Italy	58.98%	41.02%	58.98%	41.02%
Società Italiana per Azioni per il Traforo del Monte Bianco SpA	Italy	51.00%	49.00%	51.00%	49.00%
Raccordo Autostradale Valle d'Aosta SpA	Italy	24.46%	75.54%	24.46%	75.54%
Overseas motorways					
AB Concessões SA	Brazil	50.00%	50.00%	50.00%	50.00%
Concessionária da Rodovia MG 050 SA	Brazil	50.00%	50.00%	50.00%	50.00%
Rodovia das Colinas SA	Brazil	50.00%	50.00%	50.00%	50.00%
Triangulo do Sol Auto-Estradas SA	Brazil	50.00%	50.00%	50.00%	50.00%
Grupo Costanera SA	Chile	50.01%	49.99%	50.01%	49.99%
Sociedad concesionaria AMB SA	Chile	50.01%	49.99%	50.01%	49.99%
Sociedad concesionaria Costanera Norte SA	Chile	50.01%	49.99%	50.01%	49.99%
Sociedad concesionaria Litoral Central SA	Chile	50.01%	49.99%	50.01%	49.99%
Sociedad Gestion Vial SA	Chile	50.01%	49.99%	50.01%	49.99%
Sociedad Operation y Logistica de Infraestructuras SA	Chile	50.01%	49.99%	50.01%	49.99%
Sociedad concesionaria Autopista Nororiente SA	Chile	50.01%	49.99%	50.01%	49.99%
Sociedad concesionaria Autopista Nueva Vespucio Sur SA	Chile	50.01%	49.99%	50.01%	49.99%
Stalexport Autostrady SA	Poland	61.20%	38.80%	61.20%	38.80%
Stalexport Autostrada Małopolska SA	Poland	61.20%	38.80%	61.20%	38.80%
Stalexport Autoroute SAR.L.	Poland	61.20%	38.80%	61.20%	38.80%
Via4 SA	Poland	33.66%	66.34%	33.66%	66.34%
Italian airports					
Aeroporti di Roma SpA	Italy	96.73%	3.27%	96.73%	3.27%
Airport Cleaning Srl	Italy	96.73%	3.27%	96.73%	3.27%
AdR Assistence Srl	Italy	96.73%	3.27%	96.73%	3.27%
AdR Mobility Srl	Italy	96.73%	3.27%	96.73%	3.27%
AdR Security Srl	Italy	96.73%	3.27%	96.73%	3.27%
AdR Sviluppo Srl	Italy	96.73%	3.27%	96.73%	3.27%
AdR Tel SpA	Italy	96.73%	3.27%	96.73%	3.27%
Fiumicino Energia Srl	Italy	87.14%	12.86%	87.14%	12.86%
Leonardo Energia - Società consortile arl	Italy	88.10%	11.90%	88.10%	11.90%
Overseas airports					
Aca C1	France	51.42%	48.58%	51.42%	48.58%
ACA Holding Sas	France	51.42%	48.58%	51.42%	48.58%
Aéroports de la Côte d'Azur	France	51.42%	48.58%	51.42%	48.58%
Aéroports du Golfe de Saint Tropez	France	51.38%	48.62%	51.38%	48.62%
Azzurra Aeroporti Srl	Italy	80.34%	19.66%	80.34%	19.66%
Jetbase	Portugal	51.42%	48.58%	51.42%	48.58%
Sci la ratonniére	France	51.42%	48.58%	51.42%	48.58%
Sky Valet France Sas	France	51.42%	48.58%	51.42%	48.58%
Sky Valet Spain Sl	Spain	51.42%	48.58%	51.42%	48.58%
Other activities					
Ecomouv SAS	France	70.00%	30.00%	70.00%	30.00%
Electronic Transactions Consultants Co.	USA	64.46%	35.54%	64.46%	35.54%
Infoblu SpA	Italy	75.00%	25.00%	75.00%	25.00%

The consolidated companies deemed relevant for the Atlantia Group, in terms of the percentage interests held by non-controlling shareholders for the purposes of the disclosures required by IFRS 12, are the following:

a) the Brazilian sub-holding company, AB Concessões, and its subsidiaries;
b) the Chilean sub-holding company, Grupo Costanera, and its direct and indirect subsidiaries;
c) Aeroporti di Roma and its subsidiaries;
d) Azzurra Aeroporti and its subsidiaries.

The non-controlling interests in these sub-groups of companies are deemed relevant in relation to their contribution to the Atlantia Group's consolidated accounts. It should be noted that:

a) the non-controlling interest in AB Concessões is held by a sole shareholder (a Bertin group company from Brazil);
b) the non-controlling interest in Grupo Costanera (49.99%) is held by the Canadian fund, Canada Pension Plan Investment Board;
c) Azzurra Aeroporti, which directly controls Aéroports de la Côte d'Azur with a 64% interest, is owned by Atlantia and Aeroporti di Roma through their respective interests of 65% and 10% and by EDF Invest, which has a 25% interest. Including preference rights (described in note 6.2 to the consolidated financial statements as at and for the year ended 31 December 2016), the interests are as follows: Atlantia 72.84%, Aeroporti di Roma 7.76% and EDF Invest 19.40%. The Atlantia Group's total interest amounts to 80.343%, representing the sum of Atlantia's interest (72.836%) and the Aeroporti di Roma group's interest of 7.507%.

The key financial indicators presented in the following table thus include amounts for the above companies and their respective subsidiaries, extracted, unless otherwise indicated, from the reporting packages prepared by these companies for the purposes of Atlantia's condensed consolidated interim financial statements, in addition to the accounting effects of acquisitions (fair value adjustments of the net assets acquired).

€M	AB CONCESSOES AND DIRECT AND INDIRECT SUBSIDIARIES		GRUPO COSTANERA AND DIRECT AND INDIRECT SUBSIDIARIES		AEROPORTI DI ROMA AND DIRECT SUBSIDIARIES		AZZURRA AEROPORTI AND DIRECT SUBSIDIARIES	
	H1 2017	H1 2016	H1 2017	H1 2016	H1 2017	H1 2016	H1 2017	H1 2016
Revenue (1)	170	140	156	131	498	505	135	n/a
Profit for the period	20	12	68	69	70	46	-	n/a
Profit/(Loss) for the period attributable to non-controlling interests (2)	**10**	**6**	**34**	**35**	**2**	**2**	**1**	**n/a**
Net cash generated from operating activities (2)	27	25	91	89	105	169	-9	n/a
Net cash used in investing activities (2)	-8	-48	-41	-67	-109	-159	-11	n/a
Net cash generated from/(used in) financing activities (2)	18	23	-100	-16	268	-142	9	n/a
Effect of exchange rate movements on cash and cash equivalents (2)	-	11	-1	11	-2	-	-1	n/a
Increase/(Decrease) in cash and cash equivalents (2)	**36**	**11**	**-51**	**17**	**261**	**-132**	**-11**	n/a
Dividends paid to non-controlling shareholders	-	-	-	-	5	5	-	n/a

€M	AB CONCESSOES AND DIRECT SUBSIDIARIES		GRUPO COSTANERA AND DIRECT AND INDIRECT SUBSIDIARIES		AEROPORTI DI ROMA AND DIRECT SUBSIDIARIES		AZZURRA AEROPORTI AND DIRECT SUBSIDIARIES	
	30 June 2017	31 December 2016	30 June 2017	31 December 2016	30 June 2017	31 December 2016	30 JUNE 2017	31 December 2016
Non-current assets	2,271	2,412	2,996	3,224	5,156	5,257	4,322	4,309
Current assets	157	162	475	663	715	429	116	78
Non-current liabilities	1,259	1,199	1,664	1,805	2,584	2,152	1,595	1,560
Current liabilities	334	470	150	173	521	632	122	104
Net assets	**835**	**905**	**1,657**	**1,909**	**2,766**	**2,902**	**2,721**	**2,723**
Net assets attributable to non-controlling interests (1)	**419**	**454**	**843**	**969**	**93**	**93**	**851**	**866**

Notes

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

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

Disclosures regarding structured entities included in the scope of consolidation

Romulus Finance ("Romulus"), a securitisation vehicle that qualifies as a structured entity under IFRS 12, concluded an issuer substitution transaction with its parent (as defined by IFRS 10), Aeroporti di Roma ("ADR") in 2016. As a result, ADR has replaced Romulus, assuming all the obligations relating to the vehicle's previous debt: namely the A4 tranche of notes dating from 2003 and the related cross currency swaps ("CCSs").
As a result, the intercompany loan agreement between Romulus and Aeroporti di Roma, which had the purpose of providing the vehicle with the funds needed to service its debt to its noteholders and swap counterparties, was terminated, and all the related guarantees cancelled, along with the series of restrictions and obligations that the securitisation had imposed on Aeroporti di Roma since 2003. A sole collateral guarantee governed by English law, granted to tranche A4 noteholders (the Issuer Deed of Charge), remains. This guarantees any future claims on the CCS counterparties. This collateral which, as things stand, is unlikely to be activated given the current negative market value of the CCSs, does not entail any violation of the negative pledge clauses in the Group's loan agreements, bearing in mind the introduction of a cap on its value, amounting to €96.5 million, which is below the minimum threshold for activation of the pledges.

Disclosures regarding structured entities not included in the scope of consolidation

Unconsolidated subsidiaries include Gemina Fiduciary Services ("GFS"), in which Atlantia holds a 99.99% interest. This company is registered in Luxembourg and its sole purpose is to represent the interests of the holders of notes with a value of 40 million US dollars issued, in June 1997, by Banco Credito Provincial (Argentina), which subsequently became insolvent.
There are no material changes with respect to the information provided in the consolidated financial statements as at and for the year ended 31 December 2016.

10.3 Guarantees

The Group has certain personal guarantees in issue to third parties as at 30 June 2017. These include, listed by importance:

a) Atlantia has issued a counter-indemnity in favour of the banks who, in order to comply with Spanish takeover law, have provided bank guarantees ("*Avales*") on behalf of Atlantia, presented to the CNMV to cover the cash amount payable under the voluntary public tender offer for the entire issued capital of Abertis Infraestructuras, amounting to a total of €14,700,000 thousand;
b) the guarantee issued by Atlantia in favour of credit institutions on behalf of Strada dei Parchi as a safeguard against the impact on cash flow hedges of movements in interest rates. The amount of the guarantee, based on the fair value of the hedges, has been capped at €40,000 thousand, which corresponds to the value as at 30 June 2017. This guarantee was renewed for a further 12 months in February 2017. The guarantee can only be enforced if the concession held by Strada dei Parchi is terminated, whilst Atlantia has received a counter-indemnity from Toto Holding (Strada dei Parchi's majority shareholder), which has undertaken to assume Atlantia's guarantee obligations by 31 October 2017;
c) bank guarantees provided by Tangenziale di Napoli (€27,322 thousand) to the Ministry of Infrastructure and Transport, as required by the covenants in the relevant concession arrangement;
d) Atlantia's corporate counter-indemnity issued on behalf of the subsidiary, Electronic Transaction Consultants, to the insurance companies (a "surety") which have issued performance and maintenance bonds totalling €94,563 thousand for free-flow tolling projects;
e) guarantees issued by the Brazilian, Chilean and Polish operators and by Azzurra Aeroporti securing project financing in the form of either bank loans or bonds;
f) bank guarantees provided by Telepass (€25,789 thousand) to certain French operators in connection with the company's operations in France.

As at 30 June 2017, the shares of certain of the Group's overseas operators (Rodovia das Colinas, Concessionaria da Rodovia MG050, Triangulo do Sol, Sociedad Concesionaria Costanera Norte, Sociedad Concesionaria de Los Lagos, Sociedad Concesionaria Autopista Nororiente, Sociedad Concesionaria Litoral Central, Sociedad Concesionaria Vespucio Sur and Stalexport Autostrada Malopolska) have also been pledged to the respective providers of project financing to the same companies, as have shares in Pune Solapur Expressways, Lusoponte Tangenziale Esterna and Bologna & Fiera Parking. Finally, Azzurra Aeroporti's shareholding in Aèroports de la Côte d'Azur (ACA) has also been pledged as collateral to the providers of the company's project financing.

10.4 Reserves

As at 30 June 2017, Group companies have recognised contract reserves quantified by contractors amounting to approximately €801 million (€817 million as at 31 December 2016).
Based on past experience, only a small percentage of the reserves will actually have to be paid to contractors and, in this case, will be accounted for as an increase in the cost of intangible assets deriving from concession rights. Reserves have also been recognised in relation to works not connected to investment (work for external parties and maintenance), amounting to approximately €23 million. The estimated future cost is covered by provisions for disputes accounted for in the consolidated financial statements as at and for the six months ended 30 June 2017.

10.5 Related party transactions

In implementation of the provisions of art. 2391-*bis* of the Italian Civil Code, the Regulations adopted by the *Commissione Nazionale per le Società e la Borsa* (the CONSOB) in Resolution 17221 of 12 March 2010, as amended, and Resolution 17389 of 23 June 2010, on 11 November 2010 Atlantia's Board of Directors - with the prior approval of the Independent Directors on the Related Party Transactions Committee – approved the new Procedure for Related Party Transactions entered into directly by the Company and/or through subsidiaries.
The Procedure, which is available for inspection at the Company's website www.atlantia.it, establishes the criteria to be used in identifying related parties, in distinguishing between transactions of greater and lesser significance and in applying the rules governing the above transactions of greater and lesser significance, and in fulfilling the related reporting requirements.
The following table shows material amounts of a trading or financial nature in the income statement and statement of financial position generated by the Atlantia Group's related party transactions, including those with Directors, Statutory Auditors and key management personnel at Atlantia SpA.

€M	PRINCIPAL TRADING TRANSACTIONS WITH RELATED PARTIES													
	Assets			Liabilities				Income		Costs				
	Trading and other assets			Trading and other liabilities				Trading and other income		Trading and other expenses				
	Trade receivables	Current tax assets	Total	Trade payables	Other current liabilities	Other non-current liabilities	Total	Revenue from construction services and other operating income	Total	Raw and consumable materials	Service costs	Staff costs	Other operating costs	Total
	30 June 2017							H1 2017						
Sintonia	0	7.6	7.6	0	0	0	0	0	0	0	0	0	0	0
Total parents	**0**	**7.6**	**7.6**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Biuro Centrum	0	0	0	0	0	0	0	0	0	0	0.3	0	0	0.3
Bologna & Fiera Parking	1.1	0	1.1	0	0	0	0	0	0	0	0	0	0	0
Total associates	**1.1**	**0**	**1.1**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0.3**	**0**	**0**	**0.3**
Pune Solapur Expressways Private	0.3	0	0.3	0	0	0	0	0.2	0.2	0	0	0	0	0
Total joint ventures	**0.3**	**0**	**0.3**	**0**	**0**	**0**	**0**	**0.2**	**0.2**	**0**	**0**	**0**	**0**	**0**
Autogrill	14	0	14	2.9	0	0	2.9	40.8	40.8	0.4	0.5	0	0	0.9
Benetton Group	0.1	0	0.1	0.1	0		0.1	0.4	0.4	0	0	0	0	0
Verde Sport	0	0	0	0	0		0	0	0	0	0.1	0	0	0.1
Total affiliates	**14.1**	**0**	**14.1**	**3**	**0**	**0**	**3**	**41.2**	**41.2**	**0.4**	**0.6**	**0**	**0**	**1**
Pavimental Est	0	0	0	0	0		0	0	0	0	0	0	0	0
Total other companies	**0**	**0**	**0**	**0**	**0**		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Fondo pensione ASTRI	0	0	0	0	6	0	6	0	0	0	0	8	0	8
Fondo pensione CAPIDI	0	0	0	0	4.4	0	4.4	0	0	0	0	3.9	0	3.9
Total pension funds	**0**	**0**	**0**	**0**	**10.4**	**0**	**10.4**	**0**	**0**	**0**	**0**	**11.9**	**0**	**11.9**
Key management personnel	0	0	0	0	10	3.2	13.2	0	0	0	0	9.4	0	9.4
Total key management personnel (1)	**0**	**0**	**0**	**0**	**10**	**3.2**	**13.2**	**0**	**0**	**0**	**0**	**9.4**	**0**	**9.4**
TOTAL	**15.5**	**7.6**	**23.1**	**3**	**20.4**	**3.2**	**26.6**	**41.4**	**41.4**	**0.4**	**0.9**	**21.3**	**0**	**22.6**
	31 December 2016							H1 2016						
Sintonia	0	7.6	7.6	0	0	0	0	0	0	0	0	0	0	0
Total parents	**0**	**7.6**	**7.6**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Biuro Centrum	0	0	0	0	0	0	0	0	0	0	0.3	0	0	0.3
Bologna and Fiere Parking	1.1	0	1.1	0	0.1	0	0.1	0	0	0	0	0	0	0
Total associates	**1.1**	**0**	**1.1**	**0**	**0.1**	**0**	**0.1**	**0**	**0**	**0**	**0.3**	**0**	**0**	**0.3**
Pune Solapur Expressways Private	0.2	0	0.2	0	0	0	0	0	0	0	0	0	0	0
Total joint ventures	**0.2**	**0**	**0.2**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Autogrill	38	0	38	4	0	0	4	39.5	39.5	0	0.4	0	0.1	0.5
Total affiliates	**38**	**0**	**38**	**4**	**0**	**0**	**4**	**39.5**	**39.5**	**0**	**0.4**	**0**	**0.1**	**0.5**
Pavimental Est	0.1	0	0.1	0	0	0	0	0	0	0	0	0	0	0
Total other companies	**0.1**	**0**	**0.1**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Fondo pensione ASTRI	0	0	0	0	5.4	0	5.4	0	0	0	0	7	0	7
Fondo pensione CAPIDI	0	0	0	0	3.6	0	3.6	0	0	0	0	2.5	0	2.5
Total pension funds	**0**	**0**	**0**	**0**	**9**	**0**	**9**	**0**	**0**	**0**	**0**	**9.5**	**0**	**9.5**
Key management personnel	0	0	0	0	9.8	3.3	13.1	0	0	0	0	12.3	0	12.3
Total key management personnel (1)	**0**	**0**	**0**	**0**	**9.8**	**3.3**	**13.1**	**0**	**0**	**0**	**0**	**12.3**	**0**	**12.3**
TOTAL	**39.4**	**7.6**	**47**	**4**	**18.9**	**3.3**	**26.2**	**39.5**	**39.5**	**0**	**0.7**	**21.8**	**0.1**	**22.6**

(1) Atlantia's "key management personnel" means the Company's Directors, Statutory Auditors and other key management personnel as a whole. Expenses for each period include emoluments, salaries, benefits in kind, bonuses and other incentives (including the fair value of share-based incentive plans) for Atlantia staff and staff of the relevant subsidiaries.
In addition to the information shown in the table, the consolidated financial statements also include contributions of €2.4 million paid in the first half of 2017 on behalf of Directors, Statutory Auditors and other key management personnel and the liabilities of €2.9 million due to the same persons .

€M	PRINCIPAL FINANCIAL TRANSACTIONS WITH RELATED PARTIES							
	Assets				Income		Costs	
	Financial assets				Financial income		Financial expenses	
	Other non-current financial assets	Current financial assets deriving from government grants	Other current financial assets	Total	Other financial income	Total	Other financial expenses	Total
	30 June 2017				H1 2017			
Rodovias do Tietê	23.3	0	0	23.3	1.9	1.9	0	0
Total joint ventures	**23.3**	**0**	**0**	**23.3**	**1.9**	**1.9**	**0**	**0**
Autogrill	0	0.5	0	0.5	0	0	0	0
Total affiliates	**0**	**0.5**	**0**	**0.5**	**0**	**0**	**0**	**0**
Gemina Fiduciary Services	0	0	0.1	0.1	0	0	0	0
Pavimental Est	0	0	0.4	0.4	0	0	0	0
Total other companies	**0**	**0**	**0.5**	**0.5**	**0**	**0**	**0**	**0**
TOTAL	**23.3**	**0.5**	**0.5**	**24.3**	**1.9**	**1.9**	**0**	**0**
	31 December 2016				H1 2016			
Pedemontana Veneta (in liquidation)	0	0	0.1	0.1	0	0	0	0
Total associates	**0**	**0**	**0.1**	**0.1**	**0**	**0**	**0**	**0**
Rodovias do Tietê	23.6	0	0	23.6	0	0	0	0
Total joint ventures	**23.6**	**0**	**0**	**23.6**	**0**	**0**	**0**	**0**
Autogrill	0	0.5	0	0.5	0	0	0	0
Total affiliates	**0**	**0.5**	**0**	**0.5**	**0**	**0**	**0**	**0**
Gemina Fiduciary Services	0	0	0.1	0.1	0	0	0.1	0.1
Pavimental Est	0	0	0.5	0.5	0	0	0	0
Total other companies	**0**	**0**	**0.6**	**0.6**	**0**	**0**	**0.1**	**0.1**
TOTAL	**23.6**	**0.5**	**0.7**	**24.8**	**0**	**0**	**0.1**	**0.1**

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

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

The Atlantia Group's transactions with its parents

As at 30 June 2017, the Group is owed €7.6 million by the parent, Sintonia. This amount regards tax rebates claimed by Schemaventotto in prior years in respect of income taxes paid during the period in which this company headed the Group's tax consolidation arrangement.
During the first half of 2017, the Atlantia Group did not engage in material trading or financial transactions with its direct or indirect parents.

The Atlantia Group's transactions with other related parties

For the purposes of the above CONSOB Resolution, which applies the requirements of IAS 24, the Autogrill group ("Autogrill"), which is under the common control of Edizione Srl, is treated as a related party. With regard to relations between the Atlantia Group's motorway operators and the Autogrill group, it should be noted that, as at 30 June 2017, Autogrill operates 99 food service concessions at service areas along the Group's motorway network and 13 food service concessions at the airports managed by the Group. During the first half of 2017, the Atlantia Group earned revenue of approximately €40.8 million on transactions with Autogrill, including €36 million in royalties deriving from the management of service areas and airport sub-concessions. Recurring income is generated by contracts entered into over various years, of which a large part was awarded as a result of transparent and non-discriminatory competitive tenders. As at 30 June 2017, trading assets due from Autogrill amount to €14 million.

10.6 Disclosures regarding share-based payements

There were no changes, during the first half of 2017, in the share-based incentive plans already adopted for Group companies as at 31 December 2016. The characteristics of the incentive plans are described in note 10.6 to the consolidated financial statements as at and for the year ended 31 December 2016.
In addition, new plans were approved during the first half of 2017. These are the "2017 Phantom Share Option Plan" and the "2017 Phantom Share Grant Plan" and are described below. Details of all the plans are contained in specific information circulars prepared pursuant to art. 84-bis of CONSOB Regulation 11971/1999, as amended. Further details of the plans already in effect as at 31 December 2016 are provided in the Remuneration Report for 2016 prepared pursuant to art. 123 *ter* of Legislative Decree 58 of 24 February 1998 (the Consolidated Finance Act), published in the "Remuneration" section of the website at www.atlantia.it.

The following table shows the main aspects of existing incentive plans as at 30 June 2017, including the options and units awarded to directors and employees of the Group at that date and the related changes (in terms of new awards and the exercise, conversion or lapse of rights) in the first half of 2017. The table also shows the fair value (at the grant date) of each option or unit awarded, as determined by a specially appointed expert, using the Monte Carlo model and other assumptions.

	Number of options/units awarded	Vesting date	Exercise/grant date	Exercise price (€)	Fair value of each option or unit at grant date (€)	Expected expiration at grant date (years)	Risk free interest rate used	Expected volatility (based on historic mean)	Expected dividends at grant date
2011 SHARE OPTION PLAN									
Options outstanding as at 1 January 2017									
- 13 May 2011 grant	279,860	13 May 2014	14 May 2017	14.78	3.48	6.0	2.60%	25.2%	4.09%
- 14 October 2011 grant	13,991	13 May 2014	14 May 2017	14.78	(*)	(*)	(*)	(*)	(*)
- 14 June 2012 grant	14,692	13 May 2014	14 May 2017	14.78	(*)	(*)	(*)	(*)	(*)
	345,887	14 June 2015	14 June 2018	9.66	2.21	6.0	1.39%	28.0%	5.05%
- 8 November 2013 grant	1,592,367	8 Nov 2016	9 Nov 2019	16.02	2.65	6.0	0.86%	29.5%	5.62%
- 13 May 2014 grant	173,762	N/A (**)	14 May 2017	N/A	(**)	(**)	(**)	(**)	(**)
- 15 June 2015 grant	52,359	N/A (**)	14 June 2018	N/A	(**)	(**)	(**)	(**)	(**)
- 8 November 2016 grant	526,965	N/A (**)	9 Nov 2019	N/A	(**)	(**)	(**)	(**)	(**)
- options exercised	-981,459								
- options lapsed	-279,110								
Total	**1,739,314**								
Changes in options in H1 2017									
- options exercised	-524,788								
Options outstanding as at 30 June 2017	**1,214,526**								
2011 SHARE GRANT PLAN									
Units oustanding as at 1 January 2017									
- 13 May 2011 grant	192,376	13 May 2014	14 May 2016	N/A	12.9	4,0 - 5,0	2.45%	26.3%	4.09%
- 14 October 2011 grant	9,618	13 May 2014	14 May 2016	N/A	(*)	(*)	(*)	(*)	(*)
- 14 June 2012 grant	10,106	13 May 2014	14 May 2016	N/A	(*)	(*)	(*)	(*)	(*)
	348,394	14 June 2015	15 June 2017	N/A	7.12	4,0 - 5,0	1.12%	29.9%	5.05%
- 8 November 2013 grant	209,420	8 Nov 2016	9 Nov 2018	N/A	11.87	4,0 - 5,0	0.69%	28.5%	5.62%
- units converted into shares on 15 May 2015	-97,439								
- units converted into shares on 16 May 2016	-103,197								
- units converted into shares on 16 June 2016	-98,582								
- units lapsed	-64,120								
Total	**406,576**								
Changes in units in H1 2017									
- units converted into shares on 15 June 2017	-136,572								
- units lapsed	-95,509								
Units outstanding as at 30 June 2017	**174,495**								
MBO SHARE GRANT PLAN									
Units outstanding as at 1 January 2017									
- 14 May 2012 grant	96,282	14 May 2015	14 May 2015	N/A	13.81	3.0	0.53%	27.2%	4.55%
- 14 June 2012 grant	4,814	14 May 2015	14 May 2015	N/A	(*)	(*)	(*)	(*)	(*)
- 02 May 2013 grant	41,077	2 May 2016	2 May 2016	N/A	17.49	3.0	0.18%	27.8%	5.38%
- 08 May 20 13 grant	49,446	8 May 2016	8 May 2016	N/A	18.42	3.0	0.20%	27.8%	5.38%
- 12 May 2014 grant	61,627	12 May 2017	12 May 2017	N/A	25.07	3.0	0.34%	28.2%	5.47%
- units converted into shares on 15 May 2015	-101,096								
- units converted into shares on 3 May 2016	-41,077								
- units converted into shares on 9 May 2016	-49,446								
Total	**61,627**								
Changes in units in H1 2017									
- units converted into shares on 15 May 2017	-61,627								
Units outstanding as at 30 June 2017	**-**								
2014 PHANTOM SHARE OPTION PLAN									
Options outstanding as at 1 January 2017									
- 9 May 2014 grant	2,718,203	9 May 2017	9 May 2020	N/A (***)	2.88	3,0 - 6,0	1.10%	28.9%	5.47%
- 8 May 2015 grant	2,971,817	8 May 2018	8 May 2021	N/A (***)	2.59	3,0 - 6,0	1.01%	25.8%	5.32%
- 10 June 2016 grant	3,067,666	10 June 2019	10 June 2022	N/A (***)	1.89	3,0 - 6,0	0.61%	25.3%	4.94%
- options lapsed	-677,412								
Total	**8,080,274**								
Changes in options in H1 2017									
- options exercised	-847,816								
Options outstanding as at 30 June 2017	**7,232,458**								
2017 PHANTOM SHARE OPTION PLAN									
Options outstanding as at 1 January 2017	-								
Changes in options in H1 2017									
- 12 May 2017 grant	2,082,686	15 June 2020	1 July 2023	N/A (***)	2.37	3,13 - 6,13	1.31%	25.6%	4.40%
Totale	**2,082,686**								
Options outstanding as at 30 June 2017	**2,082,686**								
2017 PHANTOM SHARE GRANT PLAN									
Options outstanding as at 1 January 2017	-								
Changes in options in H1 2017									
- 12 May 2017 grant	193,487	15 June 2020	1 July 2023	N/A	23.18	3,13 - 6,13	1.31%	25.6%	4.40%
Total	**193,487**								
Options outstanding as at 30 June 2017	**193,487**								

(*) Options and units awarded as a result of Atlantia's bonus issues which, therefore, do not represent the award of new benefits.
(**) These are phantom share options granted in place of certain conditional rights included in the grants of 2011 and 2012, and which, therefore, do not represent the award of new benefits.
(***) Given that these are cash bonus plans, involving payment of a gross amount in cash, the 2014 Phantom Share Option Plan and the 2017 Phantom Share Option Plan do not require an exercise price. However, the Terms and Conditions of the plans indicate an "Exercise price" (equal to the arithmetic mean of Atlantia's share price in a determinate period) as the basis on which to calculate the gross amount to be paid to beneficiaries.

The following changes took place during the first half of 2017.

2011 Share Option Plan

With regard to the second and third award cycles (the vesting periods for both of which have expired), a number of beneficiaries exercised their vested options and paid the established exercise price during the first half of 2017. This entailed the allocation to them of Atlantia's ordinary shares held by the parent as treasury shares. This resulted in the transfer of:
33,259 of Atlantia's ordinary shares to beneficiaries in connection with the second cycle; moreover, 14,774 phantom options awarded in 2015 were exercised;
475,230 of Atlantia's ordinary shares to beneficiaries in connection with the third cycle; moreover, 1,525 phantom options awarded in 2016 were exercised.

As at 30 June 2017, after taking into account lapsed options at that date, the remaining options outstanding total 1,214,526, including 532,386 phantom options awarded under the second and third cycles (the unit fair values of which, as at 30 June 2017, were remeasured as €20.39 and €11.33, in place of the unit fair values at the grant date).

2011 Share Grant Plan

With regard to the second award cycle, the vesting period for which expired on 14 June 2015, on 15 June 2017 further vested units were converted, in accordance with the Plan Terms and Conditions, into Atlantia's ordinary shares. As a result, Plan beneficiaries received 136,572 shares held by the parent as treasury shares. The second award cycle for this Plan has thus also expired.
As at 30 June 2017, after taking into account lapsed units at that date, the remaining units outstanding total 174,495.

MBO Share Grant Plan

On 10 March 2017, Atlantia's Board of Directors, exercising the authority provided for in the Plan Terms and Conditions, awarded the plan beneficiaries a gross amount in cash in place of the additional units to be awarded as a result of the payment of dividends during the vesting period. This amount is computed in such a way as to enable beneficiaries to receive a net amount equal to what they would have received in case they had been awarded a number of Atlantia shares equal to the additional units and sold these shares in the market.
In addition, on 12 May 2017, vesting period for the 2013 MBO Plan expired. In accordance with the Terms and Conditions of this plan, all the units awarded thus vested, resulting in their conversion into Atlantia's ordinary shares and the allocation to beneficiaries of 61,627 shares held by the parent as treasury shares.
As at 30 June 2017, all the units awarded under the Plan have expired.

2014 Phantom Share Option Plan

The vesting period for the first cycle of the Plan expired on 9 May 2017. From this date until 30 June 2017, a total of 847,816 phantom options awarded under the first award cycle were exercised.
Thus, as at 30 June 2017, after taking into account lapsed options at that date, the remaining options outstanding amount to 7,232,458. The unit fair values of the options awarded under the first, second and third award cycles were remeasured as at 30 June 2017 as €5.52, €2.62 and €2.45, respectively.

2017 Phantom Share Option Plan

On 21 April 2017, the Annual General Meeting of Atlantia's shareholders approved the new incentive plan named the "2017 Phantom Share Option Plan". The Plan entails the award of phantom share options free of charge in three annual award cycles (2017, 2018 and 2019), to be awarded to directors and employees with key roles within the Group. The options grant beneficiaries the right to payment of a gross

amount in cash, computed on the basis of the increase in the value of Atlantia's ordinary shares in the relevant period.
In accordance with the Terms and Conditions of the Plan, the options granted will only vest if, at the end of the vesting period (15 June 2020 for options awarded in 2017, 15 June 2021 for options awarded in 2018 and 15 June 2022 for options awarded in 2019), one or more minimum operating/financial performance targets for (alternatively) the Group, the Company or one or more of Atlantia's subsidiaries, as indicated for each Plan beneficiary (the "hurdle"), have been met or exceeded. A portion of the vested options may be exercised from the 1 July immediately following the end of the vesting period, with the remaining options exercisable from the end of the first year after the end of the vesting period and, in any event, in the three years from 1 July of the year in which the vesting period ends (without prejudice to the Terms and Conditions of the Plan as regards minimum holding requirements for executive directors and key management personnel). The number of exercisable options is to be computed in application of a mathematical algorithm, taking into account, among other things, the current value, the target value and the exercise price, in order to cap the realisable gain.
On 12 May 2017, Atlantia's Board of Directors selected the beneficiaries for the first cycle of the Plan in question. This resulted in the award of a total of 2,082,686 phantom options with a vesting period from 13 May 2017 to 15 June 2020 and an exercise period from 1 July 2020 to 30 June 2023.

2017 Phantom Share Grant Plan

On 21 April 2017, the Annual General Meeting of Atlantia's shareholders approved the new incentive plan named the "2017 Phantom Share Grant Plan". The Plan, which was previously approved by the Board of Directors on 10 March 2017, entails the award of phantom shares free of charge in three annual award cycles (2017, 2018 and 2019), to be awarded to directors and employees with key roles within the Group. The units grant beneficiaries the right to payment of a gross amount in cash, computed on the basis of the value of Atlantia's ordinary shares in the period prior to the period in which the units are awarded.
In accordance with the Terms and Conditions of the Plan, the units granted will only vest if, at the end of the vesting period (15 June 2020 for units granted in 2017, 15 June 2021 for units granted in 2018 and 15 June 2022 for units granted in 2019), one or more minimum operating/financial performance targets for (alternatively) the Group, the Company or one or more of Atlantia's subsidiaries, as indicated for each beneficiary of the Plan (the "hurdle"), have been met or exceeded. A portion of the vested units will be convertible from the 1 July immediately following the end of the vesting period, with the remaining options exercisable from the end of the first year of the exercise period and, in any event, in the three years from 1 July of the year in which the vesting period ends (without prejudice to the Terms and Conditions of the Plan as regards minimum holding requirements for executive directors and key management personnel). The number of exercisable options is to be computed in application of a mathematical algorithm, taking into account, among other things, the current value and initial value of the shares, in order to cap the realisable gain.
On 12 May 2017, Atlantia's Board of Directors selected the beneficiaries for the first cycle of the Plan in question. This resulted in the award of a total of 193,487 units, vesting in the period from 13 May 2017 to 15 June 2020 and exercisable in the period from 1 July 2020 to 30 June 2023.

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

a) price as at 30 June 2017: €24.70;
b) price as at 12 May 2017 (the grant date for new options or units, as described): €24.31;
c) the weighted average price for the first half of 2017: €23.63;
d) the weighted average price for the period from 12 May 2017 to 30 June 2017: €25.20.

In accordance with the requirements of IFRS 2, as a result of the existing plans, in the first half of 2017, the Group recognised staff costs of €12,179 thousand, based on the accrued fair value of the options and units awarded at that date, including €1,468 thousand accounted for as an increase in equity reserves. In contrast, the liabilities represented by phantom share options outstanding as at 30 June 2017 have been recognised in other current and non-current liabilities, based on the assumed exercise date.

10.7 Significant legal and regulatory aspects

This section describes the main outstanding disputes and key regulatory aspects of importance to the Group's operators. Current disputes are unlikely to give rise to significant charges for Group companies in addition to the provisions already accounted for in the consolidated financial statements as at and for the six months ended 30 June 2017.

Toll increases with effect from 1 January 2017

The Minister of Infrastructure and Transport and the Minister of the Economy and Finance issued the related decrees on 30 December 2016, determining that:

- Autostrade per l'Italia was to apply a toll increase of 0.64%, compared with the 0.77% requested. The reason given for the reduction with respect to the requested percentage (equal to 0.13%) was that additional documentation was required in respect of the "X" and "K" tariff components. Once these documents have been submitted, the Grantor will decide whether or not to allow the company to recover the shortfall through subsequent toll increases. In this regard, having had access to the paperwork relating to the Grantor's determination, on 27 June 2017, Autostrade per l'Italia submitted further additional documentation, justifying its position, for the Grantor's consideration;
- Raccordo Autostradale Valle d'Aosta and Autostrada Tirrenica were to apply an increase based on the target inflation rate (0.90%), whilst determining that any over or under recoveries, including those for previous years, will be assessed following revision of the operators' financial plans. The companies thus challenged the related decree before the Regional Administrative Court;
- Tangenziale di Napoli was to apply a toll increase of 1.76%, thus lower than the requested increase, and that any over or under recoveries, including those for previous years, will be assessed following revision of the operator's financial plans. The company thus challenged the related decree before the Regional Administrative Court;
- Autostrade Meridionali, as in previous years, did not have the right to apply any toll increase, in view of the fact 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 previous years (for 2014 and 2015, the courts found in the company's favour, whilst the challenge relating to 2016 is still pending);
- in the case of Traforo del Monte Bianco, which operates under a different regulatory regime, on 2 December 2016, the Intergovernmental Committee for the Mont Blanc Tunnel gave to go-ahead for a toll increase of 0.06%, representing the average of the inflation rates registered in Italy (-0.07%) and France (+0.2%).

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

A II Addendum to Autostrade per l'Italia's Single Concession Arrangement was signed on 10 July 2017. The Addendum governs the inclusion of the first of the works in the Single Concession Arrangement of 2007, the Casalecchio Interchange – Northern section, among the operator's investment commitments. The project will involve expenditure of up to approximately €158 million, including around €2 million already incurred for design work, and almost €156 million to be paid to ANAS, which will carry out the work and then operate the infrastructure. This amount will be paid to ANAS on a stage of completion basis.
The Addendum replaces the previous concession arrangement signed on 10 December 2015, for which the related approval process had not been completed.
The Addendum signed on 10 July 2017 will be effective once it has been approved by the Ministry of Infrastructure and Transport and the Ministry of the Economy and Finance, and once the related decree has been registered by Italy's Court of Auditors.

Addendum to Autostrada Tirrenica's Single Concession Arrangement

In response to observations from the European Commission regarding, among other things, extension of the concession to 2046, on 14 October 2014 the Grantor sent Autostrada Tirrenica a draft addendum envisaging extension of the concession to 2043, completion of work on the Civitavecchia–Tarquinia section, and eventual completion of the motorway (in sections, if necessary) to be put out to tender. Completion of the motorway is subject to fulfilment of the technical and financial conditions to be verified jointly by the grantor and the operator and execution of an addendum to the Concession Arrangement, with a viable financial plan attached. Subsequently, on 13 May 2015, a memorandum of understanding was signed by the Grantor, Tuscany Regional Authority, Lazio Regional Authority, Autostrade per l'Italia and Autostrada Tirrenica with an attached draft addendum which, whilst maintaining the duration of the concession until 2043, a viable financial plan for the Civitavecchia–Tarquinia section and the obligation to put all the works out to tender. The memorandum also provides for further commitments regarding the design of the Tarquinia–Ansedonia and Ansedonia–Grosseto South sections and of the improvements to the existing dual carriageway (the *SS. 1 Variante Aurelia*) between Grosseto South and San Pietro in Palazzi, retaining the current layout of the road.
Performance of the above construction work is subject to positive outcomes of studies of the technical/design, financial and administrative feasibility to be conducted jointly by the Grantor and Autostrada Tirrenica and execution of an addendum with a viable financial plan.
Subsequently, after further discussions between the Grantor and the European Commission, at the Grantor's request, Autostrada Tirrenica submitted further versions of a financial plan, initially assuming an expiry date of 31 December 2040 and then one of 31 December 2038. In this latter regard, on 21 October 2016, the company submitted a letter of commitment, by which the company, subject to execution of an addendum governing completion of the road, has undertaken to award all the contracts for work on completion of the Civitavecchia – San Pietro in Palazzi section of motorway by public tender. The company has also agreed to accept the inclusion, in a new addendum, of a provision reducing the concession term to 2038.
On 17 May 2017, the European Commission announced that the Commission had referred Italy to the European Court of Justice for violation of EU law regarding extension of the concession arrangement without conducting a tender process.

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

In 2012, the Ministry of Infrastructure and Transport issued a call for tenders for the new concession for the A3 Naples – Pompei – Salerno motorway. Following the challenges brought by Autostrade Meridionali and Consorzio Stable SIS before Campania Regional Administrative Court, contesting the Ministry's decision, dated 22 March 2016, to disqualify both bidders from the tender process, on 19 December 2016, Campania Regional Administrative Court announced that it did not have jurisdiction for either action, referring the challenges to Lazio Regional Administrative Court. On 29 and 30 December 2016, respectively, Consorzio Stable SIS and Autostrade Meridionali returned to court and, on 31 January 2017, Lazio Regional Administrative Court published its view that the Campania Regional Administrative Court had jurisdiction, referring the matter to the Council of State in order to decide on the question. On 27 June 2017, a hearing was held before the Council of State. The outcome has yet to be made known at the date of approval of this Interim Report.

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

A number of legal challenges have been brought before Lazio Regional Administrative Court by Unione Petrolifera, a number of oil and food service providers and individual operators, with the aim of contesting the decree issued by the Ministry of Infrastructure and Transport and the Ministry for Economic Development on 7 August 2015, approving the Restructuring Plan for motorway services areas, and competitive tender procedures for the award of concessions at service areas, as described in previous reports. With the exception of the following, all the actions brought before Lazio Regional Administrative Court have been concluded in the Group's favour, with publication of the judgements on the merits,

none of which has upheld the challenges filed. The outcome of one last hearing on the merits, relating to a challenge brought by the operator of the Agogna East service area, is awaited. The related hearing was held in July 2017.
In addition, on 15 March 2017, the Group was notified of an appeal brought by the operator of the Aglio West service area, requesting a review of judgement 9779 handed down by Lazio Regional Administrative Court on 15 September 2016, which had declared the appellant's challenge inadmissible. The appeal does not include a request for injunctive relief regarding the Lazio Regional Administrative Court's judgement.
To complete the picture, hearings on the merits for a further five challenges brought by operators at individual service areas, with the aim of cancelling the above decree issued by Ministry of Infrastructure and Transport and the Ministry for Economic Development, and for another challenge brought by a trade association representing operators have yet to be scheduled. Such hearings have not been requested by the plaintiffs.

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

On 28 July 2013, there was an accident, involving a coach and a number of cars travelling along the Naples-bound carriageway (at km 32+700) of the Acqualonga viaduct on the A16 Naples-Canosa motorway. The accident resulted in the deaths of 40 people.
As a result of the accident, at the beginning of 2015 all those under investigation for being an accessory to culpable multiple manslaughter and criminal negligence (including executives, former managers and former employees, twelve of Autostrade per l'Italia's employees are under investigation) received notice of completion of the preliminary investigation.
At the initial hearing, held on 22 October 2015, the court admitted the entry of appearance of approximately a hundred civil parties and authorised, at the request of certain of these parties, the citation of Autostrade per l'Italia and Reale Mutua Assicurazioni as liable in civil law.
At the next hearing on 17 December, the Public Prosecutors concluded their briefs requesting the indictment of all the defendants.
At the subsequent hearing on 14 January 2016, the attorneys for the defence and for the civil parties presented their cases. This was followed, on 22 February and 14 March 2016, by hearings at which attorneys for the defence were heard.
Having heard the arguments of the Public Prosecutors and the other parties, on 9 May 2016 the judge committed all the accused for trial before a single judge at the Court of Avellino.
At the hearing of 9 November 2016, the court ruled on the admissibility of inclusion of the independent experts' report previously prepared by the Public Prosecutor's Office and the Public Prosecutor's examination of the witnesses began.
At subsequent hearings on 25 November 2016, 7 and 16 December 2016, 13 January 2017 and 3, 17 and 22 February 2017, the examination and cross examination of the witnesses for the prosecution continued.
At the hearing held on 10 March 2017, the experts appointed by the Public Prosecutor's Office testified.
At the next hearings, held on 31 March 2017 and 21 April 2017, examination of the witnesses for the prosecution came to an end and examination of the witnesses for the defence began. This continued during the hearings of 10 and 26 May 2017, 7 and 28 June 2017 and 5 July 2017.
This preliminary process will continue during further hearings scheduled for 15 and 27 September 2017 and 6 and 18 October 2017.
To date, almost all of the civil parties whose entry of appearance in the criminal trial has been admitted have received compensation and have, therefore, withdrawn their actions following payment of their claims by Autostrade per l'Italia's insurance provider under the existing general liability policy.
In addition to the criminal proceedings, a number of civil actions have been brought by persons not party to the criminal trial. These actions have been combined by the Civil Court of Avellino.
At the hearing of 20 October 2016, the court, in accepting the specific requests made by certain parties appearing before the court, appointed an independent expert to assess the psychological trauma caused to the above parties by the loss of close members of their families.

During the same hearing, the court appointed further independent experts to reconstruct, among other things, the dynamics of the accident and to assess both its causes and the number of vehicles involved, identifying the victims and preparing a document showing the family relations between these people and the defendants and plaintiffs.
Autostrade per l'Italia has appointed its own experts.
The experts began their investigation on 15 November 2016.
The court subsequently authorised access to a number of mechanical parts from the coach, which is currently under seizure, requesting the intervention of the fire service during the operations scheduled for 22 February 2017 and 10 March 2017. On 18 May 2017, the court then rejected the independent experts' request to be permitted to carry out further mechanical testing of the coach and adjourned the hearing until 20 July, when the court rejected a request from Autostrade per l'Italia's counsel to put the civil action on hold whilst awaiting the outcome of the criminal trial. The court then adjourned the case again until 15 December 2017, when the independent experts will be heard. This will follow submission of the experts' draft report, scheduled for 15 September 2017 in order to allow the experts appointed by the various parties to formulate their observations.

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 on the motorway. In response, the Public Prosecutor's Office in Prato has placed a number of Pavimental personnel under criminal investigation for culpable homicide, alleging breaches of occupational health and safety regulations.
In December 2014, Autostrade per l'Italia received a request for information about the Company, accompanied by a request to appoint a defence counsel and to elect an address for service, as it was under investigation as a juridical person, pursuant to Legislative Decree 231/2001 (the "Administrative liability of legal entities").
A similar request for information was also received by Pavimental. Autostrade per l'Italia has been charged with the offence provided for in art. 25 *septies* of Legislative Decree 231/01, as defined in art. 589, paragraph 3 of the penal code ("Culpable homicide resulting from breaches of occupational health and safety regulations"). A similar charge has also been brought against, among others, Autostrade per l'Italia's Project Manager.
A hearing took place on 5 February 2016, following a request from the Public Prosecutor's Office for a pre-trial hearing for the appointment of experts to reconstruct the dynamics of the fatal accident and apportion liability, including that of companies pursuant to Legislative Decree 231/01.
At the end of the related hearing, during which the companies' Organisational, Management and Control Models were examined, the case against the companies was dismissed.
The case then proceeded with the focus solely on the charges against the natural persons involved, with the preliminary hearing held on 23 November 2016. This was then adjourned until 8 February 2017, when the civil parties appeared before the court and it was requested that the accused be summoned to appear. Hearings were then held on 26 April 2017, to verify settlement of the damages requested by the parties to the civil action, and on 5 July 2017, to withdraw the actions brought by these parties and for any potential requests for an alternative procedure (an "accelerated trial"). The next hearing is scheduled for 27 September 2017.

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. According to the appointed defence counsel, the Public Prosecutor’s Office in Florence has requested that the charges against Autostrade per l’Italia’s personnel be dropped. This request is currently being assessed by the local office of the preliminary investigating magistrate.

Autostrade per l’Italia -Autostrade Tech against Alessandro Patanè and companies linked to him and appeals brought before the Civil Court of Rome

With regard to the writ served on Mr. Alessandro Patanè and the companies linked to him by Autostrade per l’Italia and Autostrade Tech, the hearing originally scheduled at the Civil Court of Rome for 9 November 2016 was postponed until 16 November 2016. At the hearing, having noted the withdrawal of Mr. Patanè’s defence counsel, the court adjourned the proceedings until 30 March 2017, in order to enable the defendant to appoint a new counsel.
At the hearing of 30 March 2017, having acknowledged the appointment of a new counsel to represent Mr. Patanè, the court declared the action for fraud brought by Mr. Patanè, with regard to certain documents filed by Autostrade per l'Italia and Autostrade Tech, to be inadmissible. The judge then adjourned the hearing until 10 January 2018 for admission of the facts.

Proceedings before the Supreme Court - Autostrade per l’Italia versus Craft Srl

At the hearing of 14 March 2017, the parties admitted the facts and the court reserved judgement, fixing a term pursuant to art. 190 of the code of civil procedure for the submission of closing and reply briefs.

Claim for damages from the Ministry of the Environment

A criminal case (initiated in 2007) pending before the Court of Florence involves two of Autostrade per l'Italia’s managers and another 18 people from contractors, who are accused of violating environmental laws relating to the reuse of soil and rocks resulting from excavation work during construction of the *Variante di Valico*. Between February 2016 and May 2016, all the witnesses and experts called to give evidence by the defence were heard. On conclusion, the court declared the hearing of 19 July 2016 to be the last occasion for the submission of documents.
At the hearings held on 5 and 12 December 2016, the defendants wishing to file a deposition were heard.
The Public Prosecutor made his closing statement at the hearings held on 6, 13 and 20 February 2017.
The parties began to make their final depositions at the hearing of 27 March 2017 and this process continued at the hearings of 15 and 22 May 2017 and in June 2017. At the hearing of 17 July 2017, the parties concluded their depositions and the hearing was adjourned until 21 September 2017, when the court will pronounce judgement.

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, 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 being an accessory to culpable manslaughter. The Public Prosecutor, following initiatives taken by the defence counsel, has requested that the case be brought to court. Due to irregularities in the writs of summons sent to the defendants, the preliminary hearing was adjourned until 1 March 2016. At this hearing, in view of the request for an alternative procedure (an "accelerated trial") from the defence counsel representing the owner of the vehicle, the court adjourned the hearing until 17 May 2016. At the end of the last hearing, the court committed all the defendants for trial on 12 October 2016 before a single judge at the Court of Vasto. This hearing was adjourned until 24 November 2016 in order to for a new judge to be appointed.
At the hearing of 24 November 2016, the parties requested leave to present their evidence to the court. At the hearing held on 23 February 2017, the court began to hear the witnesses for the prosecution, who continued and completed the process of giving evidence at the hearing held on 18 May 2017.
The next hearing is scheduled for 23 October 2017, at which the witnesses for the defence will be heard and eventually examined.

Investigation by the Public Prosecutor's Office in Ancona following the collapse of the motorway bridge on the SP10 crossing the A14 Bologna-Taranto motorway

On 9 March 2017, the collapse of a bridge on the SP10, as it crosses the A14 motorway at km 235+794, caused the deaths of a driver and passenger in a car and injuries to three workers employed by a sub-contractor of Pavimental SpA, to which Autostrade per l'Italia had previously awarded the contract for the widening to three lanes of the Rimini North–Porto Sant'Elpidio section of the A14 Bologna-Bari-Taranto motorway. Autostrade per l'Italia's legal representative was subsequently sent a notice of investigation issued by the Public Prosecutor's Office in Ancona. The investigation regards the alleged offence provided for in articles 25-*septies*, paragraphs 2 and 3, 6 and 7 of Legislative Decree 231/2001 (Art. 25-*septies* "Culpable homicide and negligent injury or grievous bodily harm resulting from breaches of occupational health and safety regulations"; art. 6 "Senior management and the entity's organisational models"; art. 7 "Subordinates and the entity's organisational models") regarding the offences provided for in art. 589, paragraph 2 of the penal code ("Culpable homicide resulting from breaches of occupational health and safety regulations") and art. 590, paragraph 3 of the penal code ("Culpable injury resulting from breaches of occupational accident prevention").
In connection with this event, at the date of approval of this document, a number of managers and employees of the two Group companies are under investigation pursuant to articles 113, 434, paragraph 2 and 449 of the penal code ("accessory to culpable collapse"), 113 and 589, last paragraph of the penal code ("accessory to culpable multiple manslaughter"), 113 and 590, paragraph 3 of the penal code ("accessory to culpable multiple injury"). The investigations are currently in progress.

Contractual discounts on noise abatement works

On 12 June 2017, the Grantor announced that it had determined the extent of the contractual discounts to be applied in relation to 12 noise mitigation schemes contracted out by Autostrade per l'Italia to its associate, Pavimental, in 2012.
Believing the determination to be an error of law, backed up by an authoritative external legal opinion, Autostrade per l'Italia intends to challenge it before the Regional Administrative Court.

Overseas motorways

Chile

From January 2017, Grupo Costanera's motorway operators have applied the following annual toll increases, determined on the basis of their concession arrangements:

- 6.5% for Costanera Norte, Vespucio Sur and Nororiente, reflecting a combination of the increase linked to inflation in 2016 (2.9%) and a further increase of 3.5%;
- 4.5% for AMB, reflecting a combination of the increase linked to inflation in 2016 (2.9%) and a further increase of 1.5%;
- 2.9% for Litoral Central, reflecting a combination of the increase linked to inflation in 2016 (2.9%).

From January 2017, the tolls applied by Los Lagos have risen 4.0%, reflecting a combination of the increase linked to inflation in 2016 (up 2.9%) and a further increase in the form of a bonus relating to safety improvements in 2017 (up 3.5%), less the bonus for safety improvements awarded in 2016, equal to 2.4%.

Brazil

Triangulo do Sol and Colinas applied the annual adjustment of motorway tolls, increasing tolls by 9.32% from 1 July 2016. This was based on the rate of consumer price inflation (IPCA) in the period between June 2015 and May 2016, as provided for in the respective concession arrangements. This reflects the fact that this figure was lower than the rate of general price inflation in the period between June 2015 and May 2016 (11.09%). The difference will be compensated for in accordance with the related concession arrangements.
On 28 June 2017, Triangulo do Sol and Rodovias das Colinas received clearance for toll increases to be applied from 1 July 2017. The increase of 1.57% is based on the rate of general price inflation in the period between June 2016 and May 2017, as provided for in the respective concession arrangements. This reflects the fact that this figure was lower than the rate of consumer price inflation in the same period (3.60%). The adjustment based on the rate of general price inflation is the basis provided for in the original concession arrangement.
In June 2016, Rodovia MG050, which operates in the State of Minas Gerais, had not proceeded to apply the annual inflation-linked toll increase permitted by its concession arrangement. This was because, pending negotiations aimed at ensuring that the concession arrangement is financially viable, the grantor, SETOP, had requested the prior conclusion of the negotiations. Given the extended nature of the talks, Rodovia MG050 notified the grantor of its decision to apply the annual toll increase from 17 January 2017. In response to a formal notice from the grantor, reiterating its request not to proceed with the toll increase, Rodovia MG050 obtained a precautionary injunction on 30 January 2017, authorising it to raise tolls with immediate effect. Rodovia MG050 thus applied the increase from 1 February 2017, raising its tolls by 9.28%, based on the rate of consumer price inflation in the period between May 2015 and April 2016, as provided for in the related concession arrangement. The grantor initially appealed the precautionary injunction. In accordance with the precautionary injunction granted by the court, Rodovia MG050 proposed recourse to arbitration with regard to the merits of the case. The grantor accepted the proposal and withdrew its appeal. The arbitration procedure was put on hold whilst negotiations aimed at ensuring that the concession arrangement is financially viable continued. The talks came to an end with signature of an addendum (TA-07) to the concession arrangement on 11 May 2017 and termination of the arbitration procedure. The addendum has revised the investment programme and adjusted outstanding credit and debit items as at the relevant date, including the loss of income resulting from the delay in applying the toll increase with respect to the contractually established date of 13 June 2016, for which the operator has been compensated.

The tolls applied by the operator, Rodovia MG050, have been raised by 4.08% from 13 June 2017, based on the rate of consumer price inflation in the period between May 2016 and April 2017, as provided for in the concession arrangement.

Italian airports

Tariff proposal for the five-year period 2017-2021

On 9 September 2016, ADR began a consultation process, involving the users of Fiumicino and Ciampino airports, on future airport charges during the second sub-period from 1 March 2017 to 28 February 2021. The procedure meets existing Italian and EU requirements and is in line with the guidelines in the "Procedure for consultation between airport operators and users for ordinary planning agreements and those in derogation", published by the Civil Aviation Authority (*ENAC*) on 31 October 2014. The consultation process came to a conclusion on 22 November 2016 and, on 29 December 2016, ENAC published a table on its website showing a summary of the fees for Fiumicino and Ciampino, to be applied from March 2017.

Continuity of the services provided by Alitalia in Extraordinary Administration

The Ministry for Economic Development Decree of 2 May 2017 placed Alitalia – Società Aerea Italiana SpA into extraordinary administration with immediate effect and appointed three Special Commissioners (Mr. Luigi Gubitosi, Prof. Enrico Laghi and Prof. Stefano Paleari).
On 17 May 2017, the Special Commissioners published a "Call for expressions of interest" in order to attract non-binding proposals for a potential recovery plan to take the company out of extraordinary administration.
In order to avoid disruption to the services provided by the airline, Law Decree 55/2017 also granted an interest-bearing bridge loan of €600 million, with a term of six months, to be used to fund essential day-to-day operations.
The above Law Decree was not converted into law, but was repealed and the related provisions included in art. 50, para.1 of Law 96, dated 21 June 2017, which requires the procedures resulting from the call for expressions of interest in taking the company out of extraordinary administration must take place within six months of the loan being granted, which ensuring that the process is conducted in accordance with the principles of transparency, equal treatment and non-discrimination.

Fire at Fiumicino airport's Terminal 3

With regard to the fire that broke out at Fiumicino airport during the night of 6 May 2015, affecting a large area within Terminal 3, the Public Prosecutor's Office in Civitavecchia has launched two criminal proceedings. 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). On 4 October 2016, the Court of Civitavecchia notified the persons charged with negligent arson and personal injury through negligence that the date of the preliminary hearing had been fixed for 19 January 2017. The persons charged with the above offences were identified following the preliminary investigation, except for the then Chief Executive Officer of ADR, who has since passed away, and the fire chief for Fiumicino airport. In addition to officers from the *Carabinieri* and Police, who are suing for exposure to toxic materials, ADR has also filed suit with regard to the offence of negligent arson.
At the preliminary hearing held on 19 January 2017, the process of ascertaining the identities of the various parties to the civil proceedings took place. At the subsequent hearing on 18 May 2017, the court

proceeded with this process. In addition, counsel representing the three *Carabinieri* officers filed a statement of claim against the parties alleged to be liable in civil law (ADR and the contractors who the employers of the accused), without producing further documentation. The preliminary hearing is scheduled to continue on 9 November 2017.

Overseas airports

2017-2022 tariff period

During 2016, Aéroports de la Côte d'Azur (ACA) and the French government, through the *Direction Général de l'Aviation Civile* (*DGAC*, France's civil aviation authority), agreed on the basic principles underpinning the proposed multi-year regulatory framework, which will establish airport fees during the period 2017–2022. The regime establishes the services to be regulated and sets out fees for commercial aviation that are broadly in line with the *Contrat de Compétitivité Territoriale* (Local Competitiveness Agreement) proposed by ACA in 2015. It also sets out the Investment Programme that the company will be required to implement over the next 5 years and the quality targets to be met. The regulatory framework agreed by ACA and the DGCA is currently awaiting approval by the Independent Supervisory Authority.

Other activities

Electronic Transaction Consultants (ETC)

Following the withholding of payment by the Miami-Dade Expressway Authority ("MDX") for the on site and office system management and maintenance services provided by ETC, and after a failed attempt at mediation as required by the service contract, on 28 November 2012 ETC petitioned the Miami Dade County Court in Florida to order MDX to settle unpaid claims amounting to over US$30 million and damages for breach of contact. In December 2012, MDX, in turn, notified ETC of its decision to terminate the service contract and sue for compensation for alleged damages of US$26 million for breach of contract by ETC.

In August 2013, ETC and MDX agreed a settlement covering the services rendered by ETC during the "disentanglement" phase, which ended on 22 November 2013. MDX has duly paid the sum due. In December 2015, the court case, during which the parties presented their respective arguments and the various experts and witnesses were heard, came to an end. During 2016, the court asked the parties on a number of occasions to attempt to reach a settlement. None of the attempts resulted in a positive outcome. In accepting a requested filed by the opposing party in October 2016, the court reopened the pre-trial phase solely with regard to certain aspects of the pending action. At the end of this stage, and prior to the judgement at first instance, expected for the end of 2016, the judge openly expressed a willingness to uphold most of ETC's claims.

MDX then requested removal of the judge which, having been turned down at first instance, was upheld by the Florida Court of Appeal at the beginning of 2017. In April 2017, the case was assigned to a new judge, who announced that the case would be reopened without delay, including the pre-trial phase that will focus on certain limited aspects of the case and evidence.

10.8 Events after 30 June 2017

Atlantia issues notes worth €1 billion, maturing in 2027

On 6 July 2017, Atlantia issued a series of notes with a value of €1 billion, maturing on 13 July 2027, under its €3 billion Euro Medium Term Note Programme. The notes were placed with institutional investors. The effective yield to maturity is 1.99%, corresponding to a yield that is 102 basis points above the reference mid-swap rate. The proceeds from the issue of the notes may be used for Atlantia's general corporate purposes, including the funding of the voluntary public tender offer launched by Atlantia on the entire share capital of Abertis Infraestructuras SA.

Sale of investment in Autostrade per l'Italia completed

On 26 July 2017, the sale of a 10% stake in Autostrade per l'Italia was completed. A 5% interest has been sold to the consortium established by Allianz Capital Partners, acting on behalf of Allianz Group, EDF Invest and DIF Infrastructure IV, whilst a further 5% has been acquired by Silk Road Fund.
In addition, the consortium established by Allianz Capital Partners, acting on behalf of Allianz Group, EDF Invest and DIF has exercised its call option on a further 1.94% stake in Autostrade per l'Italia, thus raising its interest in Autostrade per l'Italia to 6.94%.

Atlantia wins contract for Américo Vespucio Priente Príncipe de Gales – Los Presidentes project in Chile

On 28 July 2017, Atlantia, through its Chilean subsidiary, Grupo Costanera, was awarded the concession for the Américo Vespucio Oriente Príncipe de Gales - Los Presidentes (AVO II) project. The AVO II project regards the construction and operation of a section of urban motorway in the city of Santiago, consisting of a 5.2-km long tunnel using a free-flow tolling system. In addition to building the section in the tunnel, the project also includes improvements to the surrounding area and to roads above ground. The AVO II section is located in the eastern section of Santiago's orbital motorway and is a continuation of the section operated under concession by Vespucio Sur, a wholly owned subsidiary of Grupo Costanera. The project is expected to cost approximately €500 million, less than twice Grupo Costanera's annual pre-tax operating profit. With AVO II, the grantor – Chile's Ministry of Public Works - has completed the award of concessions covering Santiago's entire orbital motorway.

Principality of Monaco acquires stake in Azzurra Aeroporti

On 23 June 2017, the Principality of Monaco, through Société Monegasque d'Investissement Aeroportuaire SA (SMIA), a wholly owned subsidiary of the Principality, signed an agreement with Atlantia that will see it acquire a 12.5% interest in Azzurra Aeroporti, the majority shareholder in Aéroports de la Côte d'Azur (ACA).
The transfer of the interest, for a consideration of €136.4 million, including the sale of a portion of the preference rights held by Atlantia, was completed on 31 July 2017. Following this transaction, Azzurra Aeroporti is 52.51% owned by Atlantia, with Aeroporti di Roma holding 10%, EDF Invest, through Sky Cruise SAS, holding approximately 24.99% and the Principality of Monaco, through SMIA, 12.5%.

Extraordinary General Meeting of Atlantia SpA's shareholders

A General Meeting of Atlantia SpA's shareholders, meeting in extraordinary and ordinary session, was held on 2 August 2017. The Meeting was called to approve the capital increase to service the public tender offer for Abertis's shares, amendments to the articles of association and a long-term incentive plan for a limited number of core managers involved in the process of integrating the Company with Abertis.
The General Meeting, in extraordinary session, resolved:

- to approve the capital increase for consideration, amounting to up to €3,794,537,700, inclusive of a share premium of €3,634,227,700, through the issue of up to 160,310,000 special shares at an issue price per share of €23.67 (of which €1.00 allocated to issued capital and €22.67 to the share

premium reserve), to service the voluntary public tender offer, in cash and/or shares, for Abertis Infraestructuras SA's shares. Should the tender offer be successful, the capital increase will be carried out on the payment date (or payment dates) of the above offer (and otherwise by 30 April 2018) via the exchange of 1 ordinary Abertis shares for every 0.697 new Special Atlantia Shares subscribed. The Special Atlantia Shares will rank *pari passu* with the existing ordinary shares, save for the following:
    - they will not be listed and they will have a lock-up period until 15 February 2019, on expiration of which they will be automatically converted into ordinary shares on the basis of a 1:1 conversion ratio;
    - they will grant the right to elect up to three directors; as a result, Atlantia's Board of Directors will increase in size from 15 to up to 18 members;
- to approve the proposed amendments to the articles of association in relation to issue of the Special Shares and concerning the rules governing such shares; the proposed increase in the number of members of the Board of Directors; the proposed change to mechanism to elect the Directors by slate vote, to take effect upon conversion of the Special Shares into ordinary shares; the proposed change to the manner in which meetings of the Board of Directors are called;
- to provide that the resolution approving the Capital Increase and application of the above amendments to the articles of association shall be subject to completion of the public tender offer for Abertis Infraestructuras SA's shares in accordance with the applicable Spanish law.

The General Meeting, meeting in ordinary session, resolved to approve, for the intents and purposes of article 114-*bis* of the Consolidated Finance Act, adoption of a supplementary phantom stock option plan for a limited number of core people involved in the process of building and creating value at the new Group that will be formed through the Company's integration with Abertis, should the tender offer be successful.

Atlantia acquires 29% interest in Bologna airport

On 3 August 2017, Atlantia signed agreements that will result in the acquisition of a 29.38% interest in Aeroporto Guglielmo Marconi SpA, the company that holds the concession to operate Bologna airport. Atlantia's total investment will be approximately €164.5 million. Atlantia is to acquire 11.53% of the company from Italian Airports SARL at a price of €15.50 per share, making a total of €64.6 million, and 17.85% of the company from San Lazzaro Investments Spain, SL at a price of €15.50 per share, amounting to a total of €99.9 million.
The agreements provide for a partial earnout should, within 18 months, the Atlantia Group launch a public tender offer, in cash and/or shares, for the shares at a price higher than the one agreed today, a development that is not currently under consideration.

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ANNEXES TO THE CONSOLIDATED FINANCIAL STATEMENTS

ANNEX 1

THE ATLANTIA GROUP'S SCOPE OF CONSOLIDATION AND INVESTMENTS AS AT 30 JUNE 2017

ANNEX 1

THE ATLANTIA GROUP'S SCOPE OF CONSOLIDATION AND INVESTMENTS AS AT 30 JUNE 2017

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2017 (IN SHARES/UNITS)	HELD BY	% INTEREST IN SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2017 (IN SHARES/UNITS)		OVERALL GROUP INTEREST (%)	NOTE
PARENT									
ATLANTIA SpA	ROME	HOLDING COMPANY	EURO	825,783,990					
SUBSIDIARIES CONSOLIDATED ON A LINE-BY-LINE BASIS									
AB CONCESSÕES SA	SAO PAULO (BRAZIL)	HOLDING COMPANY	BRAZILIAN REAL	738,652,989	Autostrade Concessões e Participações Brasil limitada		50.00%	50.00%	(1)
ACA C1 SAS	NICE (FRANCE)	-	EURO	1	Aéroports de la Côte d'Azur		100%	51.42%	
ACA HOLDING SAS	NICE (FRANCE)	HOLDING COMPANY	EURO	17,000,000	Aéroports de la Côte d'Azur		100%	51.42%	
AD MOVING SpA	ROME	ADVERTISING SERVICES	EURO	1,000,000	Autostrade per l'Italia SpA		100%	100%	
ADR ASSISTANCE Srl	FIUMICINO	PRM SERVICES	EURO	4,000,000	Aeroporti di Roma SpA		100%	96.73%	
AEROPORTI DI ROMA SpA	FIUMICINO	MANAGEMENT AND DEVELOPMENT OF ROME AIRPORT SYSTEM	EURO	62,224,743	Atlantia SpA		96.73%	96.73%	
AÉROPORTS DE LA CÔTE D'AZUR SA	NICE (FRANCE)	MANAGEMENT AND DEVELOPMENT OF NICE AND CANNES -MANDELIEU AIRPORTS	EURO	148,000	Azzurra Aeroporti Srl		64.00%	51.42%	
AÉROPORTS DU GOLFE DE SAINT TROPEZ SA	SAINT TROPEZ (FRANCE)	MANAGEMENT AND DEVELOPMENT OF GOLFE DE SAINT TROPEZ AIRPORT	EURO	3,500,000	Aéroports de la Côte d'Azur		99.92%	51.38%	
AIRPORT CLEANING Srl	FIUMICINO	CLEANING AND MAINTENANCE SERVICES	EURO	1,500,000	Aeroporti di Roma SpA		100%	96.73%	
ADR MOBILITY Srl	FIUMICINO	MANAGEMENT OF AIRPORT CAR PARKING AND CAR PARKS	EURO	1,500,000	Aeroporti di Roma SpA		100%	96.73%	
ADR SECURITY Srl	FIUMICINO	AIRPORT SCREENING AND SECURITY SERVICES	EURO	400,000	Aeroporti di Roma SpA		100%	96.73%	
ADR SVILUPPO Srl	FIUMICINO	PROPERTY MANAGEMENT	EURO	100,000	Aeroporti di Roma SpA		100%	96.73%	
					Aeroporti di Roma SpA		100%	96.73%	
ADR TEL SpA	FIUMICINO	TELECOMMUNICATIONS	EURO	600,000	Aeroporti di Roma SpA	99.00%			
					ADR Sviluppo S.r.l.	1.00%			

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

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2017 (IN SHARES/UNITS)	HELD BY	% INTEREST IN SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2017 (IN SHARES/UNITS)	OVERALL GROUP INTEREST (%)	NOTE
AUTOSTRADE CONCESSÕES E PARTICIPACÕES BRASIL LIMITADA	SAO PAULO (BRAZIL)	HOLDING COMPANY	BRAZILIAN REAL	729,590,863		100%	100%	
					Autostrade Portugal Srl	25.00%		
					Autostrade dell'Atlantico Srl	41.14%		
					Autostrade Holding do Sur SA	33.86%		
AUTOSTRADE DELL'ATLANTICO Srl	ROME	HOLDING COMPANY	EURO	1,000,000	Atlantia SpA	100%	100%	
AUTOSTRADE HOLDING DO SUR SA	SANTIAGO (CHILE)	HOLDING COMPANY	CHILEAN PESO	51,496,805,692		100%	100%	
					Autostrade dell'Atlantico Srl	99.99%		
					Atlantia SpA	0.01%		
AUTOSTRADE INDIAN INFRASTRUCTURE DEVELOPMENT PRIVATE LIMITED	MUMBAI - MAHARASHTRA (INDIA)	HOLDING COMPANY	INDIAN RUPEE	500,000		100%	100%	
					Atlantia SpA	99.99%		
					Spea Engineering S.p.A.	0.01%		
AUTOSTRADE MERIDIONALI SpA	NAPLES	MOTORWAY OPERATION AND CONSTRUCTION	EURO	9,056,250	Autostrade per l'Italia SpA	58.98%	58.98%	(2)
AUTOSTRADE PER L'ITALIA SpA	ROME	MOTORWAY OPERATION AND CONSTRUCTION	EURO	622,027,000	Atlantia SpA	100%	100%	
AUTOSTRADE PORTUGAL Srl	ROME	HOLDING COMPANY	EURO	30,000,000	Autostrade dell'Atlantico Srl	100%	100%	
AUTOSTRADE TECH SpA	ROME	INFORMATION SYSTEMS AND EQUIPMENT FOR THE CONTROL AND AUTOMATION OF TRAFFIC AND ROAD SAFETY	EURO	1,120,000	Autostrade per l'Italia SpA	100%	100%	
AZZURRA AEROPORTI Srl	ROME	HOLDING COMPANY	EURO	2,500,000		75.01%	80.34%	(3)
					Atlantia SpA	65.01%		
					Aeroporti di Roma SpA	10.00%		
CONCESSIONÁRIA DA RODOVIA MG050 SA	SAO PAULO (BRAZIL)	MOTORWAY OPERATION AND CONSTRUCTION	BRAZILIAN REAL	358,525,350	AB Concessões SA	100%	50.00%	
CATTERICK INVESTMENTS SPÓLKA Z O.O.	WARSAW (POLAND)	PROJECT COMPANY	POLISH ZLOTY	12,858		100%	96.12%	
					Autostrade Tech SpA	90.00%		
					Stalexport Autostrady SA	10.00%		

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

(3) Atlantia's total interest includes preference rights attributed to Atlantia in accordance with art. 2308, paragraph three of the Italian Civil Code, totalling €150 million.

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2017 (IN SHARES/UNITS)	HELD BY	% INTEREST IN SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2017 (IN SHARES/UNITS)		OVERALL GROUP INTEREST (%)	NOTE
DANNII HOLDING GMBH	VIENNA (AUSTRIA)	ACQUISITION AND MANAGEMENT OF INVESTMENTS	EURO	10,000	Autostrade Tech S.p.A.		100%	100%	
ECOMOUV SAS	PARIS (FRANCE)	FINANCING/DESIGN/CONSTRUCTION/OPERATION OF EQUIPMENT REQURIED FOR ECO-TAXE	EURO	6,000,000	Autostrade per l'Italia SpA		70.00%	70.00%	
ELECTRONIC TRANSACTION CONSULTANTS Co.	RICHARDSON (TEXAS - USA)	MANAGEMENT OF AUTOMATED TOLLING SERVICES	US DOLLAR	16,264	Autostrade dell'Atlantico Srl		64.46%	64.46%	
ESSEDIESSE SOCIETÀ DI SERVIZI SpA	ROME	GENERAL AND ADMINISTRATIVE SERVICES	EURO	500,000	Autostrade per l'Italia SpA		100%	100%	
FIUMICINO ENERGIA Srl	FIUMICINO	ELECTRICITY PRODUCTION	EURO	741,795	Atlantia S.p.A.		87.14%	87.14%	
GIOVE CLEAR Srl	ROME	CLEANING AND MAINTENANCE SERVICES	EURO	10,000	Autostrade per l'Italia SpA		100%	100%	
GRUPO COSTANERA SpA	SANTIAGO (CHILE)	HOLDING COMPANY	CHILEAN PESO	328,443,738,418	Autostrade dell'Atlantico Srl		50.01%	50.01%	
INFOBLU SpA	ROME	TRAFFIC INFORMATION	EURO	5,160,000	Autostrade per l'Italia SpA		75.00%	75.00%	
JETBASE Ltda	CASCAIS (PORTUGAL)	HANDLING SERVICES	EURO	50,000	Aca Holding SAS		100.00%	51.42%	
LEONARDO ENERGIA – SOCIETA' CONSORTILE a r.l.	FIUMICINO	ELECTRICITY PRODUCTION	EURO	10,000			100%	88.10%	
					Fiumicino Energia Srl	90.00%			
					Aeroporti di Roma SpA	10.00%			
PAVIMENTAL POLSKA SP.ZO.O.	WARSAW (POLAND)	MOTORWAY AND AIRPORT CONSTRUCTION AND MAINTENANCE	POLISH ZLOTY	3,000,000	Pavimental SpA		100%	98.75%	
PAVIMENTAL SpA	ROME	MOTORWAY AND AIRPORT CONSTRUCTION AND MAINTENANCE	EURO	10,116,452			99.40%	98.75%	
					Atlantia SpA	59.40%			
					Autostrade per l'Italia SpA	20.00%			
					Aeroporti di Roma SpA	20.00%			

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2017 (IN SHARES/UNITS)	HELD BY	% INTEREST IN SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2017 (IN SHARES/UNITS)		OVERALL GROUP INTEREST (%)	NOTE
RACCORDO AUTOSTRADALE VALLE D'AOSTA SpA	AOSTA	MOTORWAY OPERATION AND CONSTRUCTION	EURO	343,805,000	Società Italiana per Azioni per il Traforo del Monte Bianco		47.97%	24.46%	(4)
ROMULUS FINANCE Srl (IN LIQUIDATION)	CONEGLIANO	SECURITISATION VEHICLE	EURO	10,000				100%	(5)
RODOVIAS DAS COLINAS SA	SAO PAULO (BRAZIL)	MOTORWAY OPERATION AND CONSTRUCTION	BRAZILIAN REAL	226,145,401	AB Concessões SA		100%	50.00%	
SCI LA RATONNIÉRE SAS	NIZZA (FRANCE)	PROPERTY SERVCIES	EURO	243,918	Aéroports de la Côte d'Azur		100%	51.42%	
SKY VALET FRANCE SAS	LE BOURGET (FRANCE)	HANDLING SERVICES	EURO	1,151,584	Aca Holding SAS		100%	51.42%	
SKY VALET SpAIN SL	MADRID (SPAIN)	HANDLING SERVICES	EURO	231,956	Aca Holding SAS		100%	51.42%	
SOCIEDAD CONCESIONARIA AMB SA	SANTIAGO (CHILE)	MOTORWAY OPERATION AND CONSTRUCTION	CHILEAN PESO	5,875,178,700			100%	50.01%	
					Grupo Costanera SpA	99.98%			
					Sociedad Gestion Vial SA	0.02%			
SOCIEDAD CONCESIONARIA AUTOPISTA NORORIENTE SA	SANTIAGO (CHILE)	MOTORWAY OPERATION AND CONSTRUCTION	CHILEAN PESO	22,738,904,654			100%	50.01%	
					Grupo Costanera SpA	99.90%			
					Sociedad Gestion Vial SA	0.10%			
SOCIEDAD CONCESIONARIA AUTOPISTA NUEVA VESPUCIO SUR SA	SANTIAGO (CHILE)	MOTORWAY OPERATION AND CONSTRUCTION	CHILEAN PESO	166,967,672,229			100%	50.01%	
					Grupo Costanera SpA	99.99996%			
					Sociedad Gestion Vial SA	0.00004%			
SOCIEDAD CONCESIONARIA COSTANERA NORTE SA	SANTIAGO (CHILE)	MOTORWAY OPERATION AND CONSTRUCTION	CHILEAN PESO	58,859,765,519			100%	50.01%	
					Grupo Costanera SpA	99.99804%			
					Sociedad Gestion Vial SA	0.00196%			

(4) The issued capital is made up of €284,350,000 in ordinary shares and €59,455,000 in preference shares. The percentage interest is calculated with reference to all shares in issue, whereas the 58.00% of voting rights is calculated with reference to ordinary voting shares.

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

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2017 (IN SHARES/UNITS)	HELD BY	% INTEREST IN SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2017 (IN SHARES/UNITS)	OVERALL GROUP INTEREST (%)	NOTE
SOCIEDAD CONCESIONARIA DE LOS LAGOS SA	LLANQUIHUE (CHILE)	MOTORWAY OPERATION AND CONSTRUCTION	CHILEAN PESO	53,602,284,061		100%	100%	
					Autostrade Holding Do Sur SA	99.95238%		
					Autostrade dell'Atlantico Srl	0.04762%		
SOCIEDAD CONCESIONARIA LITORAL CENTRAL SA	SANTIAGO (CHILE)	MOTORWAY OPERATION AND CONSTRUCTION	CHILEAN PESO	18,368,224,675		100%	50.01%	
					Grupo Costanera SpA	99.99%		
					Sociedad Gestion Vial SA	0.01%		
SOCIEDAD GESTION VIAL SA	SANTIAGO (CHILE)	CONSTRUCTION AND MAINTENANCE OF ROADS AND TRAFFIC SERVICES	CHILEAN PESO	397,237,788		100%	50.01%	
					Grupo Costanera SpA	99.99%		
					Sociedad Operacion y Logistica de Infraestructuras SA	0.01%		
SOCIEDAD OPERACION Y LOGISTICA DE INFRAESTRUCTURAS SA	SANTIAGO (CHILE)	CONCESSION CONSTRUCTION AND SERVICES	CHILEAN PESO	11,736,819		100%	50.01%	
					Grupo Costanera SpA	99.99%		
					Sociedad Gestion Vial SA	0.01%		
SOCIETÀ AUTOSTRADA TIRRENICA p.A.	ROME	MOTORWAY OPERATION AND CONSTRUCTION	EURO	24,460,800	Autostrade per l'Italia SpA	99.93%	99.99%	(6)
SOCIETÀ ITALIANA PER AZIONI PER IL TRAFORO DEL MONTE BIANCO	PRE' SAINT DIDIER (AOSTA)	MONT BLANC TUNNEL OPERATION AND CONSTRUCTION	EURO	198,749,200	Autostrade per l'Italia SpA	51.00%	51.00%	

(6) On 29 December 2015, Autostrada Tirrenica, following authorisation by the general meeting of shareholders held on the same date, purchased 109,600 own shares from non-controlling shareholders. Autostrade per l'Italia's interest is, therefore, equal to 99.99% as at 31 December 2016 (the percentage interest calculated on the basis of the ratio of shares held by Autostrade per l'Italia and the subsidiary's total shares is 99.93%).

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2017 (IN SHARES/UNITS)	HELD BY	% INTEREST IN SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2017 (IN SHARES/UNITS)		OVERALL GROUP INTEREST (%)	NOTE
SOLUCIONA CONSERVACAO RODOVIARIA LTDA	MATAO (BRAZIL)	MOTORWAY MAINTENANCE	BRAZILIAN REAL	500,000	AB Concessões SA		100%	50.00%	
SPEA DO BRASIL PROJETOS E INFRA ESTRUTURA LIMITADA	SAO PAULO (BRAZIL)	TEGRATED TECHNICAL AND ENGINEERING SERVICI	BRAZILIAN REAL	1,000,000			100%	99.35%	
					Spea Engineering SpA	99.99%			
					Austostrade Concessoes e Partecipacoes Brasil Limitada	0.01%			
SPEA ENGINEERING SpA	ROME	INTEGRATED TECHNICAL AND ENGINEERING SERVICES	EURO	6,966,000			100%	99.35%	
					Atlantia SpA	60.00%			
					Austostrade per l'Italia SpA	20.00%			
					Aeroporti di Roma SpA	20.00%			
STALEXPORT AUTOROUTE SARL	LUXEMBOURG (LUXEMBOURG)	MOTORWAY SERVICES	EURO	56,149,500	Stalexport Autostrady SA		100%	61.20%	
STALEXPORT AUTOSTRADA MAŁOPOLSKA SA	MYSŁOWICE (POLAND)	MOTORWAY OPERATION AND CONSTRUCTION	POLISH ZLOTY	66,753,000	Stalexport Autoroute Sarl		100%	61.20%	
STALEXPORT AUTOSTRADY SA	MYSLOWICE (POLAND)	HOLDING COMPANY	POLISH ZLOTY	185,446,517	Atlantia SpA		61.20%	61.20%	(7)
TANGENZIALE DI NAPOLI SpA	NAPLES	MOTORWAY OPERATION AND CONSTRUCTION	EURO	108,077,490	Autostrade per l'Italia SpA		100%	100%	
TECH SOLUTIONS INTEGRATORS SAS	PARIS (FRANCE)	CONSTRUCTION, INSTALLATION AND MAINTENANCE OF ELECTRONIC TOLLING SYSTEMS	EURO	2,000,000	Autostrade per l'Italia SpA		100%	100%	
TELEPASS SpA	ROME	AUTOMATED TOLLING SERVICES	EURO	26,000,000	Atlantia SpA		100%	100%	
TELEPASS PAY SpA	ROME	DEVELOPMENT, ISSUE AND MANAGEMENT OF ELECTRONIC MONEY INSTRUMENTS AND POSTPAID SERVICES	EURO	350,000	Telepass SpA		100%	100%	
TRIANGULO DO SOL AUTO-ESTRADAS SA	MATAO (BRAZIL)	MOTORWAY OPERATION AND CONSTRUCTION	BRAZILIAN REAL	71,000,000	AB Concessões SA		100%	50.00%	
URBANnext SA	CHIASSO (SWITZERLAND)	DESIGN, PRODUCTION AND DEVELOPMENT OF MOBILE TELEPHONY APPLICATIONS FOR URBAN MOBILITY	SWISS FRANC	100,000	Telepass SpA		70.00%	70.00%	
VIA4 SA	MYSŁOWICE (POLAND)	MOTORWAY SERVICES	POLISH ZLOTY	500,000	Stalexport Autoroute Sarl		55.00%	33.66%	

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

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2017 (IN SHARES/UNITS)	HELD BY	% INTEREST IN SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2017	
INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD							
Associates							
BOLOGNA & FIERA PARKING SpA	BOLOGNA	DESIGN, CONSTRUCTION AND MANAGEMENT OF MULTI-LEVEL PUBLIC CAR PARKS	EURO	2,715,200	Autostrade per l'Italia SpA		36.81%
BIURO CENTRUM SP. Z O.O.	KATOWICE (POLAND)	ADMINISTRATIVE SERVICES	POLISH ZLOTY	80,000	Stalexport Autostrady SA		40.63%
PEDEMONTANA VENETA SpA (IN LIQUIDATION)	VERONA	MOTORWAY OPERATION AND CONSTRUCTION	EURO	6,000,000	Autostrade per l'Italia SpA		29.77%
SOCIETA' INFRASTRUTTURE TOSCANE SpA (IN LIQUIDATION)	ROMA	MOTORWAY OPERATION AND CONSTRUCTION	EURO	15,000,000			46.60%
					Autostrade per l'Italia SpA	46.00%	
					Spea Engineering SpA	0.60%	
SAVE SpA	TESSERA - VENICE	MANAGEMENT OF VENICE AND TREVISO AIRPORTS	EURO	35,971,000	Atlantia SpA		22.09%

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2017 (IN SHARES/UNITS)	HELD BY	% INTEREST IN SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2017
Joint ventures						
A&T ROAD CONSTRUCTION MANAGEMENT AND OPERATION PRIVATE LIMITED	PUNE - MAHARASHTRA (INDIA)	OPERATION AND MAINTENANCE, DESIGN AND PROJECT MANAGEMENT	INDIAN RUPEE	100,000	Autostrade Indian Infrastructure Development Private Limited	50.00%
CONCESSIONÁRIA RODOVIAS DO TIETÊ SA	SAO PAULO (BRAZIL)	MOTORWAY OPERATION AND CONSTRUCTION	BRAZILIAN REAL	303,578,476	AB Concessões SA	50.00%
GEIE DEL TRAFORO DEL MONTE BIANCO	COURMAYEUR (AOSTA)	MAINTENANCE AND OPERATION OF MONT BLANC TUNNEL	EURO	2,000,000	Società Italiana per Azioni per il Traforo del Monte Bianco	50.00%
PUNE SOLAPUR EXPRESSWAYS PRIVATE LIMITED	PATAS - DISTRICT PUNE - MAHARASHTRA (INDIA)	MOTORWAY OPERATION AND CONSTRUCTION	INDIAN RUPEE	100,000,000	Atlantia SpA	50.00%

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2017 (IN SHARES/UNITS)	HELD BY	% INTEREST IN SHARE CAPITAL/CONSORTIUM FUND AS AT 30 JUNE 2017
INVESTMENTS ACCOUNTED FOR AT COST OR FAIR VALUE						
Unconsolidated subsidiaries						
DOMINO Srl	FIUMICINO	INTERNET SERVICES	EURO	10,000	Atlantia SpA	100%
GEMINA FIDUCIARY SERVICES SA	LUXEMBOURG (LUXEMBOURG)	TRUST COMPANY	EURO	150,000	Atlantia SpA	99.99%
PAVIMENTAL EST AO (IN LIQUIDATION)	MOSCOW (RUSSIA)	MOTORWAY CONSTRUCTION AND MAINTENANCE	RUSSIAN ROUBLE	4,200,000	Pavimental SpA	100%
PETROSTAL SA (IN LIQUIDATION)	WARSAW (POLAND)	REAL ESTATE SERVICES	POLISH ZLOTY	2,050,500	Stalexport Autostrady SA	100%

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2017 (IN SHARES/UNITS)	HELD BY	% INTEREST IN SHARE CAPITAL/CONSORTIUM FUND AS AT 30 JUNE 2017
Other investments						
AEROPORTO DI GENOVA SpA	GENOA	AIRPORT MANAGEMENT	EURO	7,746,900	Aeroporti di Roma SpA	15.00%
CENTRO INTERMODALE TOSCANO AMERIGO VESPUCCI SpA	LIVORNO	FREIGHT LOGISTICS	EURO	11,756,695	Società Autostrada Tirrenica p.A.	0.43%
COMPAGNIA AEREA ITALIANA SpA	FIUMICINO	AIR TRANSPORT	EURO	80,831,492	Atlantia SpA	8.42%
C2FPA SAS	PARIS (FRANCE)	FIRE SERVICE TRAINING	EURO	460,000	Aéroports de la Côte d'Azur	3.26%
DIRECTIONAL CAPITAL HOLDINGS (IN LIQUIDATION)	CHANNEL ISLANDS (USA)	FINANCIAL COMPANY	EURO	150,000	Atlantia SpA	5.00%
EMITTENTI TITOLI SpA	MILAN	INVESTMENT IN BORSA SPA	EURO	4,264,000	Atlantia SpA	7.24%
FIRENZE PARCHEGGI SpA	FLORENCE	CAR PARK MANAGEMENT	EURO	25,595,158	Atlantia SpA	5.47%
HUTA JEDNOŚĆ SA	SIEMIANOWICE (POLAND)	STEEL TRADING	POLISH ZLOTY	27,200,000	Stalexport Autostrady SA	2.40%
INWEST STAR SA (IN LIQUIDATION)	STARACHOWICE (POLAND)	STEEL TRADING	POLISH ZLOTY	11,700,000	Stalexport Autostrady SA	0.26%

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2017 (IN SHARES/UNITS)	HELD BY		% INTEREST IN SHARE CAPITAL/CONSORTIUM FUND AS AT 30 JUNE 2017
LUSOPONTE - CONCESSIONARIA PARA A TRAVESSIA DO TEJO	S.A. MONTIJO (PORTUGAL)	MOTORWAY OPERATOR	EURO	25,000,000	Autostrade Portugal - Concessoes de Infraestructuras SA		17.21%
LIGABUE GATE GOURMET ROMA SPA (INSOLVENT)	TESSERA	AIRPORT CATERING	EURO	103,200	Aeroporti di Roma SpA		20.00%
KONSORCJUM AUTOSTRADA ŚLĄSK SA	KATOWICE (POLAND)	MOTORWAY OPERATION AND CONSTRUCTION	POLISH ZLOTY	1,987,300	Stalexport Autostrady SA		5.43%
S.A.CAL. SpA	LAMEZIA TERME	AIRPORT MANAGEMENT	EURO	12,911,558	Aeroporti di Roma SpA		9.95%
SOCIETA' DI PROGETTO BREBEMI SpA	BRESCIA	MOTORWAY OPERATION AND CONSTRUCTION	EURO	180,000,000	Spea Engineering SpA		0.06%
TANGENZIALE ESTERNA SpA	MILAN	MOTORWAY OPERATION AND CONSTRUCTION	EURO	464,945,000			1.25%
					Autostrade per l'Italia SpA	0.25%	
					Pavimental SpA	1.00%	
TANGENZIALI ESTERNE DI MILANO SpA	MILAN	CONSTRUCTION AND OPERATION OF MILAN RING ROAD	EURO	220,344,608	Autostrade per l'Italia SpA		13.67%
UIRNET Spa	ROME	OPERATION NATIONAL LOGISTICS NETWORK	EURO	1,061,000	Autostrade per l'Italia SpA		1.51%
VENETO STRADE SpA	VENICE	CONSTRUCTION AND MAINTENANCE OF ROADS AND TRAFFIC SERVICES	EURO	5,163,200	Autostrade per l'Italia SpA		5.00%
WALCOWNIA RUR JEDNOŚĆ SP. Z O. O.	SIEMIANOWICE (POLAND)	STEEL TRADING	POLISH ZLOTY	220,590,000	Stalexport Autostrady SA		0.01%
ZAKŁADY METALOWE DEZAMET SA	NOWA DĘBA (POLAND)	STEEL TRADING	POLISH ZLOTY	19,241,750	Stalexport Autostrady SA		0.26%

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2017 (IN SHARES/UNITS)	HELD BY	% INTEREST IN SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2017	
CONSORTIA							
CONSORCIO ANHANGUERA NORTE	RIBERAO PRETO (BRAZIL)	CONSTRUCTON CONSORTIUM	BRAZILIAN REAL	-	Autostrade Concessoes e Participacoes Brasil		13.13%
CONSORZIO AUTOSTRADE ITALIANE ENERGIA	ROME	ELECTRICITY PROCUREMENT	EURO	113,949			35.50%
					Autostrade per l'Italia SpA	27.30%	
					Tangenziale di Napoli SpA	2.00%	
					Società Italiana per Azioni per il Traforo del Monte Bianco	1.90%	
					Raccordo Autostradale Valle d'Aosta SpA	1.10%	
					Società Autostrada Tirrenica p.A.	0.30%	
					Autostrade Meridionali SpA	0.90%	
					Aeroporti di Roma SpA	1.00%	
					Pavimental SpA	1.00%	
CONSORZIO COSTRUTTORI TEEM	TORTONA	MOTORWAY CONSTRUCTION AND ACTIVITIES	EURO	10,000	Pavimental SpA		1.00%
CONSORZIO E.T.L. – EUROPEAN TRANSPORT LAW (IN LIQUIDATION)	ROME	STUDY OF EUROPEAN TRANSPORT LEGISLATION	EURO	82,633	Aeroporti di Roma SpA		25.00%
CONSORZIO GALILEO SCARL (IN LIQUIDATION)	TODI	CONSTRUCTION OF AIRPORT APRONS	EURO	10,000	Pavimental Spa		40.00%
CONSORZIO ITALTECNASUD (IN LIQUIDATION)	ROME	CONTROL OF IRPINIA EARTHQUAKE FUNDS	EURO	51,646	Spea Engineering Spa		20.00%
CONSORZIO MIDRA	FLORENCE	SCIENTIFIC RESEARCH FOR DEVICE BASE TECHNOLOGIES	EURO	73,989	Autostrade Tech SpA		33.33%
CONSORZIO MITECO	PESCHIERA BORROMEO	EXECUTION OF SERVICES AND WORKS ASSIGNED BY TANGENZIALE ESTERNA SPA	EURO	10,000	Pavimental SpA		1.30%

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2017 (IN SHARES/UNITS)	HELD BY	% INTEREST IN SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2017	
CONSORZIO NUOVA ROMEA ENGINEERING	MONSELICE	MOTORWAY DESIGN	EURO	60,000	Spea Engineering SpA		16.67%
CONSORZIO PEDEMONTANA ENGINEERING	VERONA	DESIGN OF PEDEMONTANA VENETA MOTORWAY	EURO	20,000	Spea Engineering SpA		23.54%
CONSORZIO RAMONTI S.C.A.R.L. (IN LIQUIDATION)	TORTONA	MOTORWAY CONSTRUCTION	EURO	10,000	Pavimental SpA		49.00%
CONSORZIO R.F.C.C. (IN LIQUIDATION)	TORTONA	CONSTRUCTION OF MOROCCAN ROAD NETWORK	EURO	510,000	Pavimental SpA		30.00%
CONSORZIO SPEA-GARIBELLO	SAO PAULO (BRAZIL)	INTEGRATED TECHNICAL ENGINEERING SERVICES - HIGHWAY MG-050	BRAZILIAN REAL	-	SPEA do Brasil Projetos e Infra Estrutura Limitada		50.00%
CONSORZIO TANGENZIALE ENGINEERING	MILAN	INTEGRATED TECHNICAL ENGINEERING SERVICES - MILAN EXTERNAL RING ROAD EAST	EURO	20,000	Spea Engineering SpA		30.00%
CONSORZIO 2050	ROME	MOTORWAY DESIGN	EURO	50,000	Spea Engineering SpA		0.50%
COSTRUZIONI IMPIANTI AUTOSTRADALI S.C.A.R.L.	ROME	CONSTRUCTION OF PUBLIC WORKS AND INFRASTRUCTURE	EURO	10,000			100%
					Pavimental SpA	75.00%	
					Autostrade Tech SpA	20.00%	
					Pavimental Polska Sp. z o.o.	5.00%	
ELMAS S.C.A.R.L. (IN LIQUIDATION)	ROME	CONSTRUCTION AND MAINTENANCE OF AIRPORT RUNWAYS AND APRONS	EURO	10,000	Pavimental SpA		60.00%
IDROELETTRICA S.C.A.R.L.	CHATILLON (AOSTA)	ELECTRICITY GENERATION	EURO	50,000	Raccordo Autostradale Valle d'Aosta SpA		0.10%
LAMBRO S.C.A.R.L.	TORTONA	OPERATION AND CONSTRUCTION ON BEHALF OF TEEM CONSTRUCTION CONSORTIUM	EURO	200,000	Pavimental SpA		2.78%
SAT LAVORI S.C.A.R.L.	ROME	CONSTRUCTION CONSORTIUM	EURO	100,000	Società Autostrada Tirrenica p.A.		1.00%

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2017 (IN SHARES/UNITS)	HELD BY	% INTEREST IN SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2017
INVESTMENTS ACCOUNTED FOR IN CURRENT ASSETS						
DOM MAKLERSKI BDM SA	BIELSKO-BIAŁA (POLAND)	HOLDING COMPANY	POLISH ZLOTY	19,796,924	Stalexport Autostrady SA	2.71%
IDEON SA	KATOWICE (POLAND)	STEEL TRADING	POLISH ZLOTY	343,490,781	Stalexport Autostrady SA	2.63%
STRADA DEI PARCHI SpA	ROME	MOTORWAY OPERATION AND CONSTRUCTION	EURO	48,114,240	Autostrade per l'Italia SpA	2.00%

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Reports

4

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

1. We, the undersigned, Giovanni Castellucci and Giancarlo Guenzi, as Chief Executive Officer and as the manager responsible for Atlantia SpA's financial reporting, having taken account of the provisions of art. 154-*bis*, paragraphs 3 and 4 of Legislative Decree 58 of 24 February 1998, attest to:
   - the adequacy with regard to the nature of the Company and
   - the effective application of the administrative and accounting procedures adopted in preparation of the condensed consolidated interim financial statements during the first half of 2017.

2. The administrative and accounting procedures adopted in preparation of the condensed consolidated interim financial statements as at and for the six months ended 30 June 2017 were drawn up, and their adequacy assessed, on the basis of the regulations and methods drawn up by Atlantia SpA in accordance with the Internal Control–Integrated Framework model issued by the Committee of Sponsoring Organizations of the Treadway Commission. This Commission has established a body of general principles providing a standard for internal control systems that is generally accepted at international level.

3. We also attest that:

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

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

4 August 2017

Giovanni Castellucci	Giancarlo Guenzi
Chief Executive Officer	Manager responsible for financial reporting

Report of the Independent Auditors

Deloitte.

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

To the Shareholders of
Atlantia S.p.A.

Introduction

We have reviewed the accompanying half-yearly condensed consolidated financial statements of Atlantia S.p.A. and subsidiaries (the "Atlantia Group"), which comprise the consolidated statement of financial position as of June 30, 2017 and the consolidated income statement, consolidated statement of comprehensive income, statement of changes in consolidated equity and consolidated statement of cash flows for the six month period then ended, and a summary of significant accounting policies and other explanatory notes. The Directors are responsible for the preparation of the half-yearly condensed consolidated financial statements in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on the half-yearly condensed consolidated financial statements based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying half-yearly condensed consolidated financial statements of the Atlantia Group as at June 30, 2017 are not prepared, in all material respects, in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as adopted by the European Union.

DELOITTE & TOUCHE S.p.A.

Signed by
Fabio Pompei
Partner

Rome, Italy
August 9, 2017

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

Legal information and contacts

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Legal information

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

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Atlantia