Atlantia

INTERIM REPORT FOR THE SIX MONTHS ENDED 30 JUNE 2018

Atlantia

Interim Report of the Atlantia Group for the six months ended 30 June 2018

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INTRODUCTION

Consolidated financial highlights (*)

€M	H1 2018	H1 2017
Operating revenue	2,903	2,832
Toll revenue	2,026	1,994
Aviation revenue	387	370
Other operating revenue	490	468
Gross operating profit (EBITDA)	1,743	1,736
Adjusted gross operating profit (EBITDA)	1,795	1,786
Operating profit (EBIT)	1,137	1,148
Profit/(Loss) before tax from continuing operations	875	916
Profit for the period	618	586
Profit attributable to owners of the parent	531	520
Operating cash flow	1,263	1,213
Adjusted operating cash flow	1,292	1,238
Capital expenditure	377	486

€M	30 June 2018	31 December 2017
Equity	11,559	11,763
Equity attributable to owners of the parent	8,678	8,772
Net debt	10,344	9,496
Adjusted net debt	11,392	10,577

(*) 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 (*)

Atlantia

Italian motorways

Autostrade per l'Italia *88.06%*
- 5 concessions

Italian airports

Aeroporti di Roma *99.38%*

Overseas motorways

Brazil

AB Concessões *50%+1 share*
- 4 concessions

Chile

Los Lagos *100%*

Grupo Costanera *50.01%*
- 5 concessions

Poland

Stalexport Autostrady *61.20%*
- 1 concession

India

Pune-Solapur Expressway *50%*

Overseas airports

Azzurra Aeroporti *62.5%*
- Aéroports de la Côte D'Azur *64%*

Other businesses

- Telepass *100%*
- Spea *100%*
- Pavimental *99.40%*
- ETC *64.46%*

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

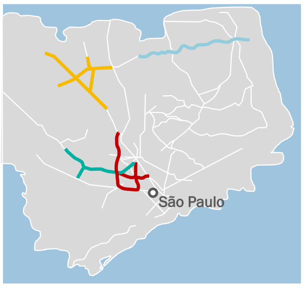
THE GROUP AROUND THE WORLD	PERCENTAGE INTEREST	KM	CONCESSION EXPIRY

Italian motorways

Autostrade per l'Italia	88.06%	2,855	2038
Società Italiana per il Traforo del Monte Bianco	51.00%	6	2050
Raccordo Autostradale Valle d'Aosta [1]	47.97%	32	2032
Tangenziale di Napoli	100%	20	2037
Autostrade Meridionali [2]	58.98%	52	2012
Autostrada Tirrenica [3]	99.99%	55	2046
Total Italy		3,020	

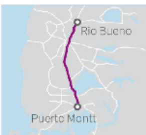
Overseas motorways

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 [4]	50%	417	2039
Total Brazil		1,538	

Chile

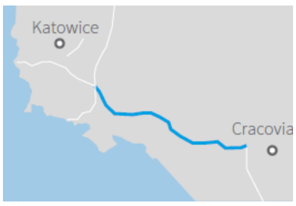


Grupo Costanera [5]	50.01%		
Costanera Norte	100%	43	2033
Acceso Vial Aeropuerto AMB [6]	100%	10	2020
Litoral Central	100%	81	2031
Autopista Nororiente [6]	100%	22	2044
Vespucio Sur	100%	24	2032
Los Lagos	100%	135	2023
Total Chile		313	

India

Pune-Solapur Expressway [4]	50%	110	2030

Poland



Stalexport Autostrady	61.20%		
Stalexport Autostrada Malopolska	100%	61	2027

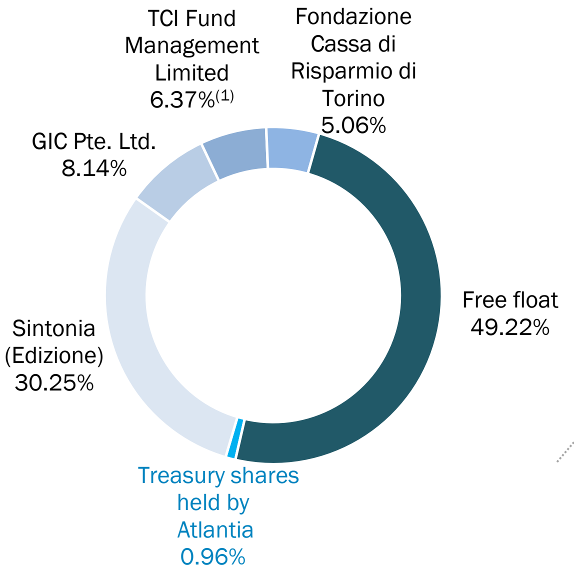
		PERCENTAGE INTEREST	AIRPORTS	CONCESSION EXPIRY
Italian airports				
	Aeroporti di Roma	99.38%	2	2044

		PERCENTAGE INTEREST	AIRPORTS	CONCESSION EXPIRY
Overseas airports				
	Azzurra Aeroporti	62.5%		
	Aéroports de la Côte D'Azur	64%	3	2044

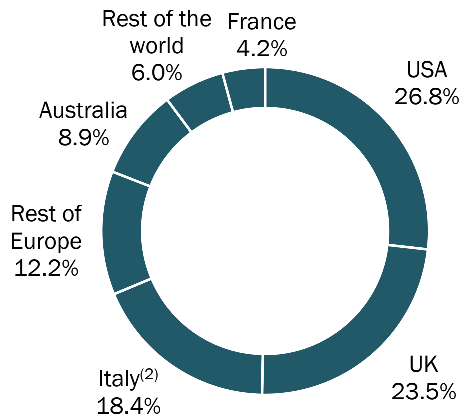
SECTOR OF ACTIVITY		PERCENTAGE INTEREST	NETWORK (KM)	COUNTRIES
Other businesses				
Electronic tolling systems	Telepass	100%	30,290	Italy, Austria, Belgium, France, Poland, Portugal, Spain
	Electronic Transaction Consultants	64.46%	1,132	USA
Motorway and airport infrastructure engineering services	Spea Engineering	100%	-	Italy
Motorway and airport infrastructure construction and maintenance	Pavimental	99.40%	-	Italy

(1) 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.
(2) For information on the process of awarding the new concession, reference should be made to the section, "Significant regulatory aspects".
(3) A draft addendum to the concession arrangement is currently being negotiated with the Grantor.
(4) An unconsolidated company.
(5) Through its Chilean subsidiary, Grupo Costanera, Atlantia has been awarded the contract to carry out two new projects in Chile: Progetto Américo Vespucio Oriente Principe de Gales – Los Chairmans (AVO II) and the Conexión Vial Ruta 78/68, awarded respectively in July 2017 and February 2018.
(6) The concession term is estimated on the basis of agreements with the Grantor.

Atlantia's ownership structure and share price performance



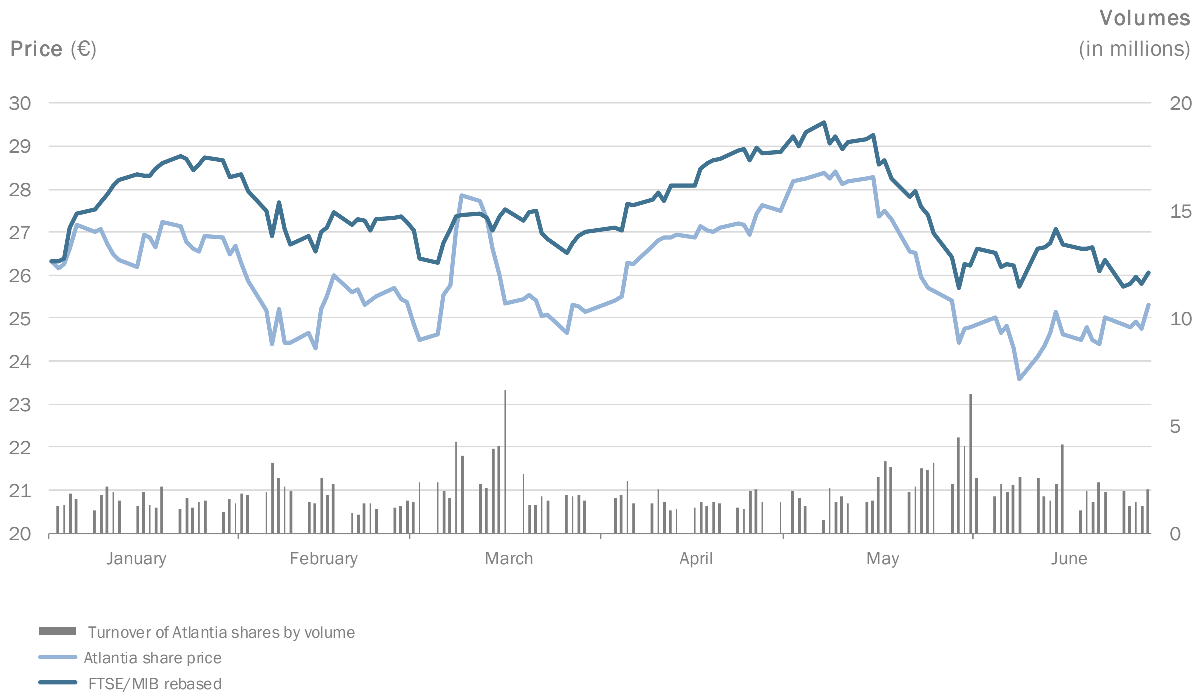
Geographical breakdown of the free float



Source: CONSOB, data as at 30 June 2018
[1] 5.011% under an equity swap agreement expiring on 22 July 2019.

Source: Nasdaq, data as at 30 June 2018.
[2] Includes retail investors.

PERFORMANCE OF ATLANTIA'S SHARE PRICE IN THE FIRST HALF OF 2018



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 2018-2020	Chairman	Corrado Gatti
	Auditors	Alberto De Nigro Lelio Fornabaio Sonia Ferrero Livia Salvini
	Alternate Auditors	Laura Castaldi Michela Zeme
Independent Auditors for the period 2012-2020	Deloitte & Touche SpA	

INTERIM REPORT ON OPERATIONS

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), the basis used in preparing the APIs published by the Atlantia Group is described below.

The APIs shown in this Interim Report are deemed relevant to an assessment of the operating performance based on the overall results of the Group as a whole 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) described in the "Consolidated financial statements as at 31 December 2017" (also "reported amounts") and computed applying the IFRS described therein.

With regard to the APIs, the Atlantia Group presents reclassified financial statements in the "Group financial review" which are different from the aforementioned consolidated financial statements (the statutory financial statements). 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 statutory financial statements.

The APIs shown in this Interim Report for the six months ended 30 June 2018 are the same as those presented in the Annual Report for 2017, which includes detailed information on the composition of the APIs and the computation methods used by the Atlantia Group.

Finally, it is noted that a number of the APIs in the "Group financial review" are presented after applying certain adjustments in order to provide a consistent basis for comparison over time (in the section "Like-for-like financial indicators") 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 (in the section "Adjusted consolidated results of operations and financial position").

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 2018, 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 2018, compared with the corresponding amounts as at 31 December 2017.

During preparation of the consolidated accounts for the first half of 2018, the international accounting standards (IFRS) approved by the European Commission and in force at 30 June 2018 were applied. The new IFRS include the first-time adoption of IFRS 9 - *Financial Instruments* and IFRS 15 *Revenue from Contracts with Customers*, in effect from 1 January 2018. The impact on the financial statements is described in detail below.

The Group's scope of consolidation as at 30 June 2018 differs from the scope used as at 31 December 2017 following the acquisition, in the first half of 2018, of a 100% interest in Aero I Global & International Sàrl, the Luxembourg-registered investment vehicle that holds the 15.49% interest in Getlink, the company that holds the concession to operate the undersea link between France and the United Kingdom. In accordance with IFRS 3, the estimated fair value of the assets and liabilities of Aero 1 Global & International Sàrl, at the acquisition date, have been recognised on a provisional basis and consolidated on a line-by-line basis from such date. This has not, however, had a significant impact on the reclassified consolidated income statement for the first half of 2018.

The reclassified consolidated income statement for the first half of 2017 presents a number of differences compared with the information published in the Interim Report for the six months ended 30 June 2017. These regard:

a) the impact of first-time adoption of IFRS 15 - *Revenue from Contracts with Customers* which, as a result of retrospective application required by the standard, has led to a different presentation of the incentive scheme funded by Aeroporti di Roma in the first half of 2017 in order to boost air traffic growth. This has reduced both operating revenue and costs by €3 million;
b) completion, at the end of 2017, of identification and fair value measurement of the assets acquired and liabilities assumed as a result of the acquisition (at the end of 2016) of Aéroports de la Côte d'Azur (ACA), resulting in a reduction in amortisation and depreciation in the first half of 2017 of €4 million, in addition to recognition of the related deferred taxation;
c) a different presentation of the impact on profit or loss of certain airport refurbishment work carried out by ACA, deemed to improve the related financial statement presentation. This has resulted in a reduction of €8 million in the cost of materials and external services and a matching increase in the

operating change in provision for the first half of 2017. As a result, the statement of changes in consolidated net debt for the first half of 2017 reports increases of the same amount in net cash from operating activities and in net cash used in investment in non-financial assets;

d) the different classification of dividends received from investees accounted for using the equity method, in order to improve the related financial statement presentation. This has resulted in an increase of €8 million in "Net other financial expenses" and a matching improvement in the "Share of profit/(loss) of investees accounted for using the equity method" for the first half of 2017.

In addition, following first-time adoption of IFRS 9 - *Financial Instruments*, certain effects of financial transactions carried out in 2017 have been restated and recognised, as permitted by the standard, in the statements of financial position as at 1 January 2018. This has resulted in an increase of €32 million in consolidated equity, a reduction in non-current financial liabilities of €42 million and an increase of €10 million in deferred tax liabilities, as described in greater detail in the section "Consolidated financial position".

Information on developments in the acquisition of control of Abertis Infraestructuras SA, following the agreements concluded by Atlantia with Actividades de Construccion y Servicios SA (ACS) and Hochtief AG, is provided in the section "Other information".

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 either of the comparative periods.

Like-for-like financial indicators

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	Note	Amounts for H1 2018				Amounts for H1 2017			
		GROSS OPERATING PROFIT (EBITDA)	PROFIT FOR THE PERIOD	PROFIT FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE PARENT	OPERATING CASH FLOW	GROSS OPERATING PROFIT (EBITDA)	PROFIT FOR THE PERIOD	PROFIT FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE PARENT	OPERATING CASH FLOW
Reported amounts (A)		1,743	618	531	1,263	1,736	586	520	1,213
Adjustment for non like-for-like items									
Exchange rate movements	(1)	-18	-5	-3	-10	-	-	-	-
Extraordinary maintenance work (Brazil)	(2)	-35	-	-	-23	-6	-	-	-4
Charges pertaining to corporate transactions	(3)	-7	-14	-14	-36	-10	-7	-7	-7
Change in discount rate applied to provisions	(4)	-	8	7	1	-	32	31	-
Tax on transactions involved in Group restructuring	(5)	-	-	-	-	-	-46	-46	-46
Change in non-controlling interests	(6)	-	-	-	-	-	-	46	-
Sub-total (B)		-60	-11	-10	-68	-16	-21	24	-57
Like-for-like amounts (C) = (A)-(B)		1,803	629	541	1,331	1,752	607	496	1,270

Notes

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

(1) from consolidated amounts for the first half of 2018, the difference between foreign currency amounts for the first half 2018 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 first half of 2017;

(2) from consolidated amounts for the first half of 2018 and the first half of 2017, the extraordinary maintenance work carried out by the Brazilian operators, uses of the same amount of the provisions for the repair and replacement of motorway infrastructure made for this purpose in previous years, and the related current and deferred taxation. As opposed to being cyclical, this maintenance work regards short sections of motorway, is carried out only in certain years and is of a variable entity. To provide a like-for-like basis for comparing EBITDA and operating cash flow for the two comparative periods, the accounting effects of this work have been eliminated;

*(3) from consolidated amounts for the first half of 2018 and the first half of 2017, the costs incurred in relation to the acquisition of Abertis Infraestructuras SA, **after the related taxation**;*

(4) from consolidated amounts for the first half of 2018 and the first half of 2017, the after-tax impact of the difference in the discount rates applied to the provisions accounted for among the Group's liabilities;

(5) from consolidated amounts for the first half of 2017 alone, the current tax expense connected with Autostrade per l'Italia's distribution of available equity reserves and 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;

(6) from consolidated amounts for the first half of 2018, the estimated impact on profit attributable to owners of the parent had the changes in interests in consolidated companies, completed in 2017, occurred in the first half of 2017 and regarding: i) the sale of 11.94% of Autostrade per l'Italia, ii) the sale of 12.50% of Azzurra Aeroporti, and iii) the acquisition of a further 2.65% of Aeroporti di Roma.

Consolidated results of operations

"Operating revenue" for the first half of 2018 totals €2,903 million and is up €71 million (3%) on the same period of 2017 (€2,832 million).

"Toll revenue" of €2,026 million is up €32 million (2%) compared with the first half of 2017 (€1,994 million). After stripping out the impact of exchange rate movements, which had a negative impact of €29 million in the first half of 2018, toll revenue is up €61 million, primarily as a result of the following:

a) traffic growth on the Italian network (0.6%), boosting revenue by an estimated €16 million, after taking into account the positive impact of the different traffic mix, and the application of annual toll increases for 2018 on the Italian network (up €25 million, primarily reflecting a 1.08% increase applied by Autostrade per l'Italia from 1 January 2018[1]);
b) an improved contribution from overseas operators (up €17 million), linked to the application of toll increases on the overseas network and traffic growth registered by the operators in Chile (5.0%) and Poland (5.2%).

"Aviation revenue" of €387 million is up €17 million (5%) compared with the first half of 2017 (€370 million), primarily due to traffic growth at Aeroporti di Roma and the Aéroports de la Côte d'Azur group.

"Other operating revenue", totalling €490 million, is up €22 million on the first half of 2017 (€468 million), primarily reflecting an increase in non-aviation revenue at Aeroporti di Roma and at the Aéroports de la Côte d'Azur group, as well as increased revenue at Telepass and a greater volume of contract work carried out by Spea Engineering for external customers.

[1] *Toll increase awarded by the Ministry of Transport net of 0.43% as reimbursement for discounts granted to commuters in the period 2014-2017. This component has not had an impact on toll revenue in 2018, as the related revenue and receivables have been allocated to the annual reporting periods in which the discounts were applied.*

Reclassified consolidated income statement (*)

€M	H1 2018	H1 2017	INCREASE/ (DECREASE) ABSOLUTE	%
Toll revenue	2,026	1,994	32	2
Aviation revenue	387	370	17	5
Other operating income	490	468	22	5
Total operating revenue	**2,903**	**2,832**	**71**	**3**
Cost of materials and external services and other expenses [1]	*-474*	*-431*	*-43*	*10*
Intercompany margin on capital expenditure [2]	*6*	*30*	*-24*	*-80*
Cost of materials and external services	-468	-401	-67	17
Concession fees	-247	-244	-3	1
Net staff costs	-445	-451	6	-1
Total net operating costs	**-1,160**	**-1,096**	**-64**	**6**
Gross operating profit (EBITDA)	**1,743**	**1,736**	**7**	**-**
Amortisation, depreciation, impairment losses and reversals of impairment losses	-565	-551	-14	3
Operating change in provisions and other adjustments	-41	-37	-4	11
Operating profit (EBIT)	**1,137**	**1,148**	**-11**	**-1**
Financial income accounted for as an increase in financial assets deriving from concession rights and government grants	37	37	-	-
Financial expenses from discounting of provisions for construction services required by contract and other provisions	-22	-21	-1	5
Net other financial expenses	-278	-247	-31	13
Financial expenses capitalised as intangible assets deriving from concession rights	3	1	2	n.s.
Share of profit/(loss) of investees accounted for using the equity method	-2	-2	-	-
Profit/(Loss) before tax from continuing operations	**875**	**916**	**-41**	**-4**
Income tax expense	-257	-329	72	-22
Profit/(Loss) from continuing operations	**618**	**587**	**31**	**5**
Profit/(Loss) from discontinued operations	-	-1	1	n.s.
Profit for the period	**618**	**586**	**32**	**5**
Profit for the period attributable to non-controlling interests	87	66	21	32
Profit for the period attributable to owners of the parent	**531**	**520**	**11**	**2**

(1) The increase in this item in the first half of 2018 reflects both the increase in the Group's turnover (as can be seen particularly from the increase in other operating revenue), and the extraordinary maintenance work carried out by the Brazilian operators (described in more detail in the section, "Like-for-like financial indicators"). After stripping out the latter item, the increase in the "Cost of materials and external services and other expenses" is 5%.

(2) The intercompany margin on capital expenditure results from the work carried out by the Group's industrial companies (Pavimental, Spea Engineering and Gesvial) on the infrastructure operated by the Group's motorway and airport operators. This margin, shown as a reduction in operating costs in the reclassified consolidated income statement, is calculated on the basis of the operating results recognised for each individual intercompany contract (operating revenue after deducting the operating costs attributable to the contracts).

	H1 2018	H1 2017	INCREASE/ (DECREASE)
Basic earnings per share attributable to the owners of the parent (€)	**0.65**	**0.64**	**0.01**
of which: - from continuing operations	0.65	0.64	0.01
- from discontinued operations	-	-	-
Diluted earnings per share attributable to the owners of the parent (€)	**0.65**	**0.64**	**0.01**
of which: - from continuing operations	0.65	0.64	0.01
- from discontinued operations	-	-	-

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

"Net operating costs" of €1,160 million are up €64 million (6%) on the first half of 2017 (€1,096 million).

The "Cost of materials and external services and other expenses", totalling €474 million, are up €43 million compared with the first half of 2017 (€431 million). After stripping out the impact of exchange rate movements, the increase is €54 million, primarily due to a combination of the following:

a) an increase in maintenance costs, primarily due to planned resurfacing work on the motorways operated by the Brazilian operators, Triangulo do Sol and Rodovias das Colinas, in 2018;
b) an increase in costs at Telepass, Aeroporti di Roma and the Aéroports de la Côte d'Azur group linked to the increase in other operating revenue;
c) increased costs at Spea Engineering as a result of the greater volume of contract work with third parties.

The "Intercompany margin on capital expenditure" in the first half of 2018 has resulted in income of €6 million, a reduction of €24 million compared with the first half of 2017 (€30 million). This reflects the reduced volume of work carried out by the Group's own in-house technical units, linked to application of the new legislation governing tenders.

"Concession fees" of €247 million are up €3 million (1%) compared with the first half of 2017 (€244 million), primarily due to traffic growth reported by the Group's Italian motorway operators.

"Net staff costs" of €445 million are down €6 million (€451 million in the first half of 2017). After stripping out the impact of exchange rate movements, these costs are down €1 million.

"Gross operating profit" (EBITDA) of €1,743 million is up €7 million compared with the first half of 2017 (€1,736 million). On a like-for-like basis, EBITDA is up €51 million (3%).

"Amortisation, depreciation, impairment losses and reversals of impairment losses", totalling €565m, are up €14 million compared with the first half of 2017 (€551 million).

The "Operating change in provisions and other adjustments" have resulted in an expense of €41 million, broadly in line with the figure for the first half of 2017 (an expense of €37 million).

"Operating profit" (EBIT) of €1,137 million is down €11 million (-1%) on the first half of 2017 (€1,148 million).

"Financial income recognised as an increase in financial assets deriving from concession rights and government grants" amounts to €37 million, in line with the figure for the same period of the previous year.

"Financial expenses from discounting of provisions for construction services required by contract and other provisions" amount to €22 million. This figure is broadly unchanged with respect to the first half of 2017 (€21 million), as the discount rates applied have remained practically unchanged from comparative period to another.

"Net other financial expenses" of €278 million are up €31 million compared with the first half of 2017 (€247 million).
This essentially reflects:

a) recognition, in the first half of 2018, of the financial expenses linked to the acquisition financing obtained in relation to the tender offer for Abertis Infraestructuras, amounting to €21 million, essentially in the form of commitment fees on committed lines of credit and upfront fees on lines of credit obtained in May 2017 and cancelled in April 2018;
b) an increase in financial expenses of €11 million, primarily linked to Atlantia's issue of bonds with a par value of €1,000 million in July 2017 (maturing in July 2027 and paying coupon interest of 1.875%), under the Company's €10 billion Euro Medium Term Note Programme finalised in November 2017.

"Capitalised financial expenses" of €3 million are up €2 million on the first half of 2017 (€1 million).

The "Share of profit/(loss) of investees accounted for using the equity method" amounts to a loss of €2 million (as in the first half of 2017).

Total "Income tax expense" amounts to €257 million, reduction of €72 million compared with the first half of 2017 (€329 million). This primarily reflects the tax expense of €46 million recognised in the comparative period on Autostrade per l'Italia's distribution of the special dividend in kind to Atlantia, as part of the Group's restructuring completed in 2017, and the lower pre-tax profit recognised in the first half of 2018.

"Profit from continuing operations" amounts to €618 million, a reduction of €31 million compared with the first half of 2017 (€587 million).

"Profit for the period", amounting to €618 million, is up €32 million on the first half of 2017 (€586 million). On a like-for-like basis, profit for the period is up €22 million (4%).

"Profit for the period attributable to owners of the parent", amounting to €531 million, is up €11 million on the first half of 2017 (€520 million). On a like-for-like basis, profit for the period attributable to owners of the parent is up €45 million (9%).
"Profit for the period attributable to non-controlling interests" amounts to €87 million, marking an increase of €21 million compared with the first half of 2017 (€66 million). This primarily reflects the acquisition of interests in Autostrade per l'Italia by non-controlling shareholders in July 2017.

Consolidated statement of comprehensive income

€M		H1 2018	H1 2017
Profit for the period	**(A)**	**618**	**586**
Fair value gains/(losses) on cash flow hedges		-61	110
Tax effect of fair value gains/(losses) on cash flow hedges		17	-25
Gains/(losses) from translation of assets and liabilities of consolidated companies denominated in functional currencies other than the euro		-158	-209
Gains/(losses) from translation of investments accounted for using the equity method denominated in functional currencies other than the euro		-1	-2
Other comprehensive income/(loss) for the period reclassifiable to profit or loss	**(B)**	**-203**	**-126**
Reclassifications of other components of comprehensive income to profit or loss for the period	**(C)**	**2**	**-**
Tax effect of reclassifications of other components of comprehensive income to profit or loss for the period	**(D)**	**-**	**-4**
Total other comprehensive income/(loss) for the period	**(E=B+C+D)**	**-201**	**-130**
Comprehensive income for the period	**(A+E)**	**417**	**456**
Of which attributable to owners of the parent		*407*	*490*
Of which attributable to non-controlling interests		*10*	*-34*

The "Other comprehensive income/(loss) for the period", after the related taxation, amounts to €201 million for the first half of 2018 (a loss of €130 million in the first half of 2017). 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 €158 million, essentially due to the sharp fall in the value of the Brazilian real against the euro as at 30 June 2018, compared with the exchange rate as at 31 December 2017; the first half of 2017 registered falls in the value of both the Brazilian real and the Chilean peso;
b) an increase in fair value losses on cash flow hedges, after the related taxation, totalling €44 million, primarily due to a reduction in the interest rates applied to the hedging instruments as at 30 June 2018, compared with those used as at 31 December 2017; in the first half of 2017, there was a reduction in fair value losses on cash flow hedges, after the related taxation, of €85 million, reflecting an increase in the interest rates used.

Consolidated financial position

As at 30 June 2018, "Non-current non-financial assets" of €29,750 million are up €490 million on the figure for 31 December 2017 (€29,260 million).

"Property, plant and equipment" of €284 million is broadly in line with the figure for 31 December 2017 (€303 million).

"Intangible assets" total €26,945 million (€27,424 million as at 31 December 2017) and essentially relate to the Group's concession rights, amounting to €22,005 million (€22,465 million as at 31 December 2017), 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 €479 million in intangible assets is primarily due to the following:

a) amortisation for the period (€530 million);
b) a reduction due to the effect of currency translation differences recognised as at 30 June 2018 on the concession rights of overseas operators (a decrease of €160 million), essentially due to the fall in the value of the Brazilian real against the euro;
c) investment during the period in construction services for which additional economic benefits are received, totalling €147 million;
d) an increase 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 (€45 million).

"Investments", totalling €1,300 million, are up €1,033 million compared with 31 December 2017 (€267 million). This essentially reflects the 15.49% interest in Getlink following the Group's acquisition of a 100% interest in Aero I Global & International Sàrl in March 2018.

"Deferred tax assets" of €1,214 million are down €44 million on the figure as at 31 December 2017 (€1,258 million). 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 2018	31 December 2017	INCREASE/ (DECREASE)
Non-current non-financial assets			
Property, plant and equipment	284	303	-19
Intangible assets	26,945	27,424	-479
Investments	1,300	267	1,033
Deferred tax assets	1,214	1,258	-44
Other non-current assets	7	8	-1
Total non-current non-financial assets (A)	**29,750**	**29,260**	**490**
Working capital			
Trading assets	1,945	1,798	147
Current tax assets	66	79	-13
Other current assets	224	187	37
Non-financial assets held for sale or related to discontinued operations	4	5	-1
Current portion of provisions for construction services required by contract	-649	-427	-222
Current provisions	-380	-380	-
Trading liabilities	-1,564	-1,583	19
Current tax liabilities	-325	-151	-174
Other current liabilities	-661	-634	-27
Non-financial liabilities related to discontinued operations	-	-6	6
Total working capital (B)	**-1,340**	**-1,112**	**-228**
Gross invested capital (C=A+B)	**28,410**	**28,148**	**262**
Non-current non-financial liabilities			
Non-current portion of provisions for construction services required by contract	-2,640	-2,961	321
Non-current provisions	-1,566	-1,566	-
Deferred tax liabilities	-2,191	-2,254	63
Other non-current liabilities	-110	-108	-2
Total non-current non-financial liabilities (D)	**-6,507**	**-6,889**	**382**
NET INVESTED CAPITAL (E=C+D)	**21,903**	**21,259**	**644**

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

€M	30 June 2018	31 December 2017	INCREASE/ (DECREASE)
Equity attributable to owners of the parent	8,678	8,772	-94
Equity attributable to non-controlling interests	2,881	2,991	-110
Total equity (F)	11,559	11,763	-204
Net debt			
Non-current net debt			
Non-current financial liabilities	15,463	15,970	-507
Bond issues	10,738	11,362	-624
Medium/long-term borrowings	4,078	4,012	66
Non-current derivative liabilities	612	566	46
Other non-current financial liabilities	35	30	5
Non-current financial assets	-2,263	-2,316	53
Non-current financial assets deriving from concession rights	-956	-964	8
Non-current financial assets deriving from government grants	-262	-250	-12
Non-current term deposits	-320	-315	-5
Non-current derivative assets	-102	-107	5
Other non-current financial assets	-623	-680	57
Total non-current net debt (G)	13,200	13,654	-454
Current net debt			
Current financial liabilities	2,679	2,254	425
Bank overdrafts repayable on demand	29	18	11
Short-term borrowings	335	430	-95
Current derivative liabilities	6	14	-8
Current portion of medium/long-term borrowings	2,236	1,718	518
Other current financial liabilities	73	74	-1
Cash and cash equivalents	-4,773	-5,631	858
Cash	-4,400	-4,840	440
Cash equivalents	-367	-784	417
Cash and cash equivalents related to discontinued operations	-6	-7	1
Current financial assets	-762	-781	19
Current financial assets deriving from concession rights	-450	-447	-3
Current financial assets deriving from government grants	-51	-70	19
Current term deposits	-169	-179	10
Current derivative assets	-	-1	1
Current portion of other medium/long-term financial assets	-55	-71	16
Other current financial assets	-37	-13	-24
Total current net debt (H)	-2,856	-4,158	1,302
Total net debt (I=G+H) (1)	10,344	9,496	848
NET DEBT AND EQUITY (L=F+I)	21,903	21,259	644

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

"Working capital" reports a negative balance of €1,340 million, compared with a negative balance of €1,112 million as at 31 December 2017, marking a variation of €228 million. This reflects the following:

a) a €222 million increase 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 €187 million in net current tax liabilities, essentially linked to provisions for tax expense for the period;
c) an increase of €147 million in trading assets, primarily due to the greater volume of trade receivables attributable to Telepass and Autostrade per l'Italia linked to increased turnover and the higher volume of motorway tolls to be collected.

"Non-current non-financial liabilities", totalling €6,507 million, are down €382 million on the figure for 31 December 2017 (€6,889 million). This variation is primarily due to the following:

a) a reduction of €321 million in the non-current portion of provisions for construction services required by contract, essentially reflecting reclassification of the current portion (€371 million), partially offset by an updated estimate of the present value on completion of investment in construction services yet to be carried out (€45 million);
b) a reduction of €63 million in "Deferred tax liabilities", primarily linked to currency translation differences recognised as at 30 June 2018, totalling €51 million, essentially due to the fall in the value of the Brazilian real against the euro as at 30 June 2018.

As a result, "Net invested capital" totals €21,903 million (€21,259 million as at 31 December 2017).

"Equity attributable to owners of the parent and non-controlling interests" totals €11,559 million (€11,763 million as at 31 December 2017).

"Equity attributable to owners of the parent", totalling €8,678 million, is down €94 million compared with the figure for 31 December 2017 (€8,772 million). This essentially reflects:

a) payment of Atlantia's final dividend for 2017 (€532 million);
b) comprehensive income for the period (€407 million), which was reduced by €83 million to reflect the movements in the reserve for the translation of assets and liabilities of consolidated companies denominated in functional currencies other than the euro;
c) the increase, before tax, deriving from first-time adoption of the new accounting standard, IFRS 9 (€29 million).

"Equity attributable to non-controlling interests" of €2,881 million is down €110 million compared with the figure for 31 December 2017 (€2,991 million). This essentially reflects a combination of the following:

a) dividends paid by a number of Group companies that are not wholly owned subsidiaries, totalling €123 million;

b) comprehensive income for the period attributable to non-controlling interests (€10 million) primarily reflecting profit for the period attributable to non-controlling interests (€87 million) and the reduction in the reserve for the translation of assets and liabilities of consolidated companies denominated in functional currencies other than the euro (€75 million).

Statement of changes in consolidated equity

€M	Equity attributable to owners of the parent									Equity attributable to non-controlling interests	Total equity attributable to owners of the parent and to non-controlling interests
	Issued capital	Cash flow hedge reserve	Net investment hedge reserve	Reserve for translation differences on translation of assets and liabilities of consolidated companies denominated in functional currencies other than the euro	Reserve for translation of investments accounted for using the equity method denominated in functional currencies other than the euro	Other reserves and retained earnings	Treasury shares	Profit/(loss) for period after interim dividend	Total		
Balance as at 31 December 2016	826	-199	-36	-198	-5	6,183	-107	760	7,224	2,699	9,923
Comprehensive income for the period	-	78	-	-107	-1	-	-	520	490	-34	456
Owner transactions and other changes											
Atlantia SpA's final dividend (€0.530 per share)	-	-	-	-	-	-	-	-433	-433	-	-433
Transfer of remaining profit/(loss) for previous year to retained earnings	-	-	-	-	-	327	-	-327	-	-	-
Dividends paid by other Group companies to non-controlling shareholders	-	-	-	-	-	-	-	-	-	-40	-40
Purchase of treasury shares	-	-	-	-	-	-	-84	-	-84	-	-84
Share-based incentive plans	-	-	-	-	-	-4	11	-	7	-	7
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	520	7,204	2,530	9,734
Balance as at 31 December 2017	826	-109	-36	-303	-6	7,863	-169	706	8,772	2,991	11,763
Impact of first-time adoption of IFRS 9 from 1 January 2018	-	-	-	-	-	29	-	-	29	3	32
Balance as at 1 January 2018	826	-109	-36	-303	-6	7,892	-169	706	8,801	2,994	11,795
Comprehensive income for the period	-	-41	-	-83	-	-	-	531	407	10	417
Owner transactions and other changes											
Atlantia SpA's final dividend (€0.650 per share)	-	-	-	-	-	-	-	-532	-532	-	-532
Transfer of remaining profit/(loss) for previous year to retained earnings	-	-	-	-	-	174	-	-174	-	-	-
Dividends paid by other Group companies to non-controlling shareholders	-	-	-	-	-	-	-	-	-	-123	-123
Share-based incentive plans	-	-	-	-	-	-	1	-	1	-	1
Reclassifications and other minor changes	-	-	-	-	-	1	-	-	1	-	1
Balance as at 30 June 2018	826	-150	-36	-386	-6	8,067	-168	531	8,678	2,881	11,559

The Group's net debt as at 30 June 2018 amounts to €10,344 million (€9,496 million as at 31 December 2017). As mentioned in the introduction and explained in greater detail in note 3, "Accounting standards and policies", in the section, "Condensed consolidated interim financial statements", the first-time adoption of IFRS 9 has resulted in a different accounting treatment for non-substantial modifications of financial liabilities. This has led to a reduction of €42 million in non-current financial liabilities, recognised as at 1 January 2018.

"Non-current net debt", amounting to €13,200 million, is down €454 million compared with 31 December 2017 (€13,654 million) and consists of:

a) "Non-current financial liabilities" of €15,463 million, down €507 million compared with 31 December 2017 (€15,970 million), essentially due to the reclassification of €592 million to current financial liabilities as a result of the fact that bonds issued by Autostrade per l'Italia are due to mature in February 2019, in addition to the impact of first-time adoption of IFRS 9;
b) "Non-current financial assets" of €2,263 million, down €53 million compared with 31 December 2017 (€2,316 million), essentially due to the impact of the fall in the value of the Brazilian real against the euro on the financial assets held by AB Concessoes.

"Current net funds" of €2,856 million are down €1,302 million compared with 31 December 2017 (€4,158 million) and consist of:

a) "Current financial liabilities" of €2,679 million, an increase of €425 million compared with 31 December 2017 (€2,254 million), due essentially to the above reclassification of bonds issued by Autostrade per l'Italia, partially offset by a reduction in accrued expenses on Autostrade per l'Italia's bond issues due primarily to repayment, in the second half of 2017, of the bond issued with a par value of €1,000 million;
b) "**Current financial assets**" of €762 million, down €19 million compared with 31 December 2017 (€781 million), primarily due to a reduction in financial assets and term deposits linked to grants to fund the construction of motorway infrastructure;
c) "Cash and cash equivalents" of €4,773 million, down €858 million compared with 31 December 2017 (€5,631 million), primarily linked to the cash used in acquiring the investment in Getlink in March 2018, partially offset by cash from operating activities during the period.

The residual weighted average term to maturity of the Group's interest bearing debt is six years and two months as at 30 June 2018. 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 2018 was 3.3% (reflecting the combined effect of 3.1% for the companies operating in Italy, 4.9% for the Chilean companies and 7.3% for the Brazilian companies).

As at 30 June 2018, project debt attributable to specific overseas companies amounts to €1,479 million. At the same date, the Group has cash reserves of €11,349 million, including €4,000 million earmarked to part finance the investments in Abertis Infraestructuras and Hochtief. The remaining €7,349 million consist of:

a) €4,655 million in cash and/or investments maturing in the short term;
b) €489 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) €2,205 million in undrawn committed lines of credit.

Not taking into account the lines of credit obtained in relation to the offer for Abertis Infraestructuras, as at 30 June 2018, the Group has lines of credit with an average residual term to maturity of approximately eight years and a weighted average residual drawdown period of three years and three months.

Following Atlantia's withdrawal of its voluntary public tender offer, in cash and/or shares, for the entire issued capital of Abertis Infraestructuras, as a result of the agreement with ACS and Hochtief regarding a joint investment in the target company, on 13 April 2018, Atlantia cancelled the acquisition financing provided by its banks in May 2017, amounting to €14,700 million (subsequently reduced to €11,648 million, following both the issue of bonds in July 2017, and the sale of interests in a number of subsidiaries and associates, completed in the second half of 2017).
The cancelled credit facilities were replaced by a combination of new facilities totalling up to €4,000 million on 15 May 2018. As at 30 June 2018, these are as follows:

a) a Term Loan of up to €1,500 million, repayable in tranches maturing between the first quarter of 2022 and the first quarter of 2023;
b) a Bridge Loan of up to €2,500 million, with a bullet repayment in December 2019.

As described in greater detail in the section, "Events after 30 June 2018", in addition to the above, following the signature of two new loan agreements on 4 July 2018 and cancellation of the Bridge Loan of €2,500 million, the Parent Company, Atlantia, has committed lines of credit of up to €4,500 million (fully available). These break down as follows:

a) Term Loan 1 of up to €1,500 million, repayable in tranches maturing between the first quarter of 2022 and the first quarter of 2023;
b) Term Loan 2 (agreed on 4 July 2018) of up to €1,750 million, with a bullet repayment in the third quarter of 2023;
c) a Revolving Facility (agreed on 4 July 2018) of up to €1,250 million, with a bullet repayment in the third quarter of 2023.

The two Term Loans are earmarked to finance the joint investment in Abertis Infraestructuras SA and the acquisition of a minority interest in Hochtief (only Term Loan 1), whilst the Revolving Facility is to be used for general corporate purposes.
The Group's net debt, as defined in the European Securities and Market Authority – ESMA (formerly CESR) Recommendation of 20 March 2013 (which does not permit the deduction of non-current

financial assets from debt), amounts to €12,607 million as at 30 June 2018, compared with €11,812 million as at 31 December 2017.

Consolidated cash flow

"Net cash from operating activities" amounts to €1,254 million for the first half of 2018, marking an increase of €40 million compared with the first half of 2017 (€1,214 million). The improvement primarily reflects an increase in operating cash flow of €50 million, mostly affected by the tax expense of €46 million incurred in the first half of 2017 in relation to Autostrade per l'Italia's distribution of a special dividend in kind to Atlantia. On a like-for-like basis, operating cash flow is €1,331 million, an increase of €61 million (5%) compared with the first half of 2017.

"Cash used for investment in non-financial assets" amounts to €1,430 million, compared with the outflow of €447 million in the first half of 2017. This primarily reflects:

a) the acquisition of a 100% interest in Aero I Global & International Sàrl, which owns 15.49% of Getlink, for a total of €1,056 million;
b) capital expenditure after the related government grants, totalling €377 million.

The outflow in the first half of 2017 primarily regarded capital expenditure after the related government grants, totalling €486 million.

"Net equity cash outflows" amount to €654 million, reflecting the final dividends payable to owners of the parent and non-controlling shareholders, totalling €655 million. The outflow in the first half of 2017, totalling €644 million, included dividends declared (€473 million), the return of capital to non-controlling shareholders by the Chilean holding company, Grupo Costanera (€95 million) and the cost of Atlantia's purchases of treasury shares (€84 million).

There was also an increase in net debt of €18 million in the first half of 2018, primarily due to an increase in fair value losses on hedging instruments, reflecting a reduction in interest rates during the period, partially offset by accrued financial income on financial assets held by Ab Concessoes. There was instead a reduction of €133 million in net debt in the first half of 2017, reflecting a decrease in fair value losses on hedging instruments as a result of the opposite performance on the interest rates.

The overall impact of the above cash flows has resulted in an increase in net debt of €848 million in the first half of 2018, compared with a decrease of €256 million recorded in the first half of 2017.

Statement of changes in consolidated net debt (*)

€M	H1 2018	H1 2017
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES		
Profit for the period	618	586
Adjusted by:		
Amortisation and depreciation	565	551
Operating change in provisions, after use of provisions for refurbishment of airport infrastructure	42	31
Financial expenses from discounting of provisions for construction services required by contract and other provisions	22	21
Impairment losses/(Reversal of impairment losses) on financial assets and investments accounted for at fair value	-	4
Dividends received and share of (profit)/loss of investees accounted for using the equity method	32	10
Impairment losses/(Reversal of impairment losses) and adjustments of current and non-current assets	-	8
Net change in deferred tax (assets)/liabilities through profit or loss	20	58
Other non-cash costs (income)	-36	-56
Operating cash flow	1,263	1,213
Change in operating capital	-181	-85
Other changes in non-financial assets and liabilities	172	86
Net cash generated from/(used in) operating activities (A)	1,254	1,214
NET CASH FROM/(USED IN) INVESTMENT IN NON-FINANCIAL ASSETS		
Investment in assets held under concession	-338	-428
Purchases of property, plant and equipment	-20	-36
Purchases of other intangible assets	-19	-22
Capital expenditure	-377	-486
Increase in financial assets deriving from concession rights (related to capital expenditure)	11	33
Purchase of investments	-10	-4
Investment in consolidated companies, including net debt assumed	-1,056	-2
Proceeds from sales of property, plant and equipment, intangible assets and unconsolidated investments	1	1
Net change in other non-current assets	1	11
Net cash from/(used in) investment in non-financial assets (B)	-1,430	-447
NET EQUITY CASH INFLOWS/(OUTFLOWS)		
Purchase of treasury shares	-	-84
Dividends declared by Atlantia and Group companies and payable to non-controlling shareholders	-655	-473
Proceeds from exercise of rights under share-based incentive plans	1	8
Return of capital to non-controlling shareholders	-	-95
Net equity cash inflows/(outflows) (C)	-654	-644
Increase/(Decrease) in cash and cash equivalents during period (A+B+C)	-830	123
Change in fair value of hedging derivatives	-61	110
Financial income/(expenses) accounted for as an increase in financial assets/(liabilities)	37	39
Effect of foreign exchange rate movements on net debt and other changes	6	-16
Other changes in net debt (D)	-18	133
Decrease/(Increase) in net debt for period (A+B+C+D)	-848	256
Net debt at beginning of period	-9,496	-11,677
Net debt at end of period	-10,344	-11,421

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

Reconciliation of the reclassified and reported financial statements

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 2018						H1 2017					
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			2,026			2,026			1,994			1,994
Aviation revenue			387			387			370			370
Revenue from construction services			158						213			
Revenue from construction services - government grants and cost of materials and external services	*(a)*	*135*					*(a)*	*195*				
Capitalised staff costs - construction services for which additional economic benefits are received	*(b)*	*20*					*(b)*	*17*				
Revenue from construction services: capitalised financial expenses	*(c)*	*3*					*(c)*	*1*				
Other revenue	*(d)*		490				*(d)*		468			
Other operating revenue				*(d)*		490				*(d)*		468
Total revenue			**3,061**						**3,045**			
TOTAL OPERATING REVENUE						**2,903**						**2,832**
Raw and consumable materials			**-159**		-159				**-153**		-153	
Service costs			**-540**		-540				**-580**		-580	
Gain/(Loss) on sale of elements of property, plant and equipment			**1**		1				**-**		-	
Other operating costs			**-300**						**-293**			
Concession fees	*(r)*		-247				*(r)*		-244			
Lease expense			-11		-11				-11		-11	
Other			-42		-42				-38		-38	
Use of provisions for construction services required by contract				*(k)*	*115*					*(k)*	*145*	
Revenue from construction services: government grants and capitalised cost of materials and external services				*(a)*	*135*					*(a)*	*195*	
Use of provisions for refurbishment of airport infrastructure				*(f)*	*33*					*(f)*	*41*	
COST OF MATERIALS AND EXTERNAL SERVICES						**-468**						**-401**
CONCESSION FEES				*(r)*		**-247**				*(r)*		**-244**
Staff costs	*(e)*		**-497**				*(e)*		**-498**			
NET STAFF COSTS				*(b+e+h)*		**-445**				*(b+e+h)*		**-451**
TOTAL NET OPERATING COSTS						**-1,160**						**-1,096**
GROSS OPERATING PROFIT (EBITDA)						**1,743**						**1,736**
OPERATING CHANGE IN PROVISIONS AND OTHER ADJUSTMENTS						**-41**						**-37**
Operating change in provisions			**-8**						**12**			
(Provisions)/ Uses of provisions for repair and replacement of motorway infrastructure			79		79				11		11	
(Provisions)/ Uses of provisions for refurbishment of airport infrastructure			-80						9			
Provisions for refurbishment of airport infrastructure		*-113*			*-113*			*-32*			*-32*	
Use of provisions for refurbishment of airport infrastructure	*(f)*	*33*					*(f)*	*41*				
Other provisions			-7		-7				-8		-8	
(Impairment losses)/Reversals of impairment losses				*(g)*	-					*(g)*	-8	
Use of provisions for construction services required by contract			**147**						**175**			
Use of provisions for construction services required by contract	*(k)*	*115*					*(k)*	*145*				
Capitalised staff costs - construction services for which no additional economic benefits are received	*(h)*	*32*					*(h)*	*30*				
Amortisation and depreciation	*(i)*		**-565**				*(i)*		**-551**			
Depreciation of property, plant and equipment			-35						-31			
Amortisation of intangible assets deriving from concession rights			-494						-490			
Amortisation of other intangible assets			-36						-30			
(Impairment losses)/Reversals of impairment losses			**-**						**-8**			
(Impairment losses)/Reversals of impairment losses on property, plant and equipment and intangible assets	*(j)*	-					*(j)*	-				
(Impairment losses)/Reversals of impairment losses	*(g)*	-					*(g)*	-8				
AMORTISATION, DEPRECIATION, IMPAIRMENT LOSSES AND REVERSALS OF IMPAIRMENT LOSSES				*(i+j)*		**-565**				*(i+j)*		**-551**
TOTAL COSTS			**-1,921**						**-1,896**			
OPERATING PROFIT/(LOSS)			**1,140**						**1,149**			
OPERATING PROFIT/(LOSS) (EBIT)						**1,137**						**1,148**
Financial income			**186**						**186**			
Financial income accounted for as an increase in financial assets deriving from concession rights and government grants			37			37			37			37
Dividends received from investees	*(l)*		4				*(l)*		3			
Other financial income	*(m)*		145				*(m)*		146			
Financial expenses			**-463**						**-428**			
Financial expenses from discounting of provisions for construction services required by contract and other provisions			-22			-22			-21			-21
Other financial expenses	*(n)*		-441				*(n)*		-407			
Foreign exchange gains/(losses)	*(o)*		**14**				*(o)*		**11**			
Other financial expenses, after other financial income				*(l+m+n+o)*		**-278**				*(l+m+n+o)*		**-247**
Capitalised financial expenses on intangible assets deriving from concession rights				*(c)*		**3**				*(c)*		**1**
FINANCIAL INCOME/(EXPENSES)			**-263**						**-231**			
Share of (profit)/loss of investees accounted for using the equity method			**-2**			**-2**			**-2**			**-2**
PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS			**875**			**875**			**916**			**916**
Income tax (expense)/benefit			**-257**			**-257**			**-329**			**-329**
Current tax expense			-244						-273			
Differences on tax expense for previous years			8						1			
Deferred tax income and expense			-21						-57			
PROFIT/(LOSS) FROM CONTINUING OPERATIONS			**618**			**618**			**587**			**587**
Profit/(Loss) from discontinued operations			**-**			**-**			**-1**			**-1**
PROFIT FOR THE YEAR			**618**			**618**			**586**			**586**
of which:												
Profit attributable to owners of the parent			**531**			**531**			**520**			**520**
Profit attributable to non-controlling interests			**87**			**87**			**66**			**66**

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

€m	30 June 2018				31 December 2017			
Reconciliation of items	Reported basis		Reclassified basis		Reported basis		Reclassified basis	
	Ref.	Main entries	Ref.	Main entries	Ref.	Main entries	Ref.	Main entries
Non-current non-financial assets								
Property, plant and equipment	(a)	284		284	(a)	303		303
Intangible assets	(b)	26,945		26,945	(b)	27,424		27,424
Investments	(c)	1,300		1,300	(c)	267		267
Deferred tax assets	(d)	1,214		1,214	(d)	1,258		1,258
Other non-current assets	(e)	7		7	(e)	8		8
Total non-current non-financial assets (A)				29,750				29,260
Working capital								
Trading assets	(f)	1,945		1,945	(f)	1,798		1,798
Current tax assets	(g)	66		66	(g)	79		79
Other current assets	(h)	224		224	(h)	187		187
Non-financial assets held for sale or related to discontinued operations			(w)	4			(w)	5
Current portion of provisions for construction services required by contract	(i)	-649		-649	(i)	-427		-427
Current provisions	(j)	-380		-380	(j)	-380		-380
Trading liabilities	(k)	-1,564		-1,564	(k)	-1,583		-1,583
Current tax liabilities	(l)	-325		-325	(l)	-151		-151
Other current liabilities	(m)	-661		-661	(m)	-634		-634
Non-financial liabilities related to discontinued operations			(x)	-			(x)	-6
Total working capital (B)				-1,340				-1,112
Gross invested capital (C=A+B)				28,410				28,148
Non-current non-financial liabilities								
Non-current portion of provisions for construction services required by contract	(n)	-2,640		-2,640	(n)	-2,961		-2,961
Non-current provisions	(o)	-1,566		-1,566	(o)	-1,566		-1,566
Deferred tax liabilities	(p)	-2,191		-2,191	(p)	-2,254		-2,254
Other non-current liabilities	(q)	-110		-110	(q)	-108		-108
Total non-current non-financial liabilities (D)				-6,507				-6,889
Net invested capital (E=C+D)				21,903				21,259
Total equity (F)		11,559		11,559		11,763		11,763
Net debt								
Non-current net debt								
Non-current financial liabilities	(r)	15,463		15,463	(r)	15,970		15,970
Non-current financial assets	(s)	-2,263		-2,263	(s)	-2,316		-2,316
Total non-current net debt (G)				13,200				13,654
Current net debt								
Current financial liabilities	(t)	2,679		2,679	(t)	2,254		2,254
Bank overdrafts repayable on demand		*29*		*29*		*18*		*18*
Short-term borrowings		*335*		*335*		*430*		*430*
Current derivative liabilities		*6*		*6*		*14*		*14*
Current portion of medium/long-term borrowings		*2,236*		*2,236*		*1,718*		*1,718*
Other current financial liabilities		*73*		*73*		*74*		*74*
Cash and cash equivalents	(u)	-4,767		-4,773	(u)	-5,624		-5,631
Cash in hand		*-4,400*		*-4,400*		*-4,840*		*-4,840*
Cash equivalents		*-367*		*-367*		*-784*		*-784*
Cash and cash equivalents related to discontinued operations			(y)	*-6*			(y)	*-7*
Current financial assets	(v)	-762		-762	(v)	-781		-781
Current financial assets deriving from concession rights		*-450*		*-450*		*-447*		*-447*
Current financial assets deriving from government grants		*-51*		*-51*		*-70*		*-70*
Current term deposits		*-169*		*-169*		*-179*		*-179*
Current derivative assets		*-*		*-*		*-1*		*-1*
Current portion of other medium/long-term financial assets		*-55*		*-55*		*-71*		*-71*
Other current financial assets		*-37*		*-37*		*-13*		*-13*
Total current net debt (H)				-2,856				-4,158
Total net debt (I=G+H)				10,344				9,496
Net debt and equity (L=F+I)				21,903				21,259
Assets held for sale or related to discontinued operations	(-y+w)	10			(-y+w)	12		
Liabilities related to discontinued operations	(-x)	-			(-x)	6		
TOTAL NON-CURRENT ASSETS	(a+b+c+d+e-s)	32,013			(a+b+c+d+e-s)	31,576		
TOTAL CURRENT ASSETS	(f+g+h-u-v-y+w)	7,774			(f+g+h-u-v-y+w)	8,481		
TOTAL NON-CURRENT LIABILITIES	(-n-o-p-q+r)	21,970			(-n-o-p-q+r)	22,859		
TOTAL CURRENT LIABILITIES	(-i-j-k-l-m+t-x)	6,258			(-i-j-k-l-m+t-x)	5,435		

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

€M		H1 2018				H1 2017			
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			618	618			586	586	
Adjusted by:									
Amortisation and depreciation			565	565			551	551	
Operating change in provisions, after use of provisions for refurbishment of airport infrastructure			42	42			31	31	
Financial expenses from discounting of provisions for construction services required by contract and other provisions			22	22			21	21	
Impairment losses/(Reversal of impairment losses) on financial assets and investments accounted for at fair value			-	-			4	4	
Dividends received and share of (profit)/loss of investees accounted for using the equity method			32	32			10	10	
Impairment losses/(Reversal of impairment losses) and adjustments of current and non-current assets			-	-			8	8	
Net change in deferred tax (assets)/liabilities through profit or loss			20	20			58	58	
Other non-cash costs (income)			-36	-36			-56	-56	
Operating cash flow					1,263				1,213
Change in operating capital	(a)				-181				-85
Other changes in non-financial assets and liabilities	(b)				172				86
Change in working capital and other changes	(a+b)		-9				1		
Net cash generated from/(used in) operating activities (A)			1,254		1,254		1,214		1,214
NET CASH FROM/(USED IN) INVESTMENT IN NON-FINANCIAL ASSETS									
Investment in assets held under concession			-338	-338			-428	-428	
Purchases of property, plant and equipment			-20	-20			-36	-36	
Purchases of other intangible assets			-19	-19			-22	-22	
Capital expenditure					-377				-486
Increase in financial assets deriving from concession rights (related to capital expenditure)			11		11		33		33
Purchase of investments			-10		-10		-4		-4
Cost of acquisition	(c)	-1,056		-1,056		-2		-2	
Cash and cash equivalents acquired	(d)	-		-		-		-	
Net financial liabilities assumed, excluding cash and cash equivalents acquired	(e)			-				-	
Acquisitions of additional interests and/or investments in consolidated companies, net of cash acquired	(c+d)		-1,056				-2		
Investment in consolidated companies, including net debt assumed	(c+d+e)				-1,056				-2
Proceeds from sales of property, plant and equipment, intangible assets and unconsolidated investments			1		1		1		1
Net change in other non-current assets			1		1		11		11
Net change in current and non-current financial assets	(f)		-29				-117		
Net cash from/(used in) investment in non-financial assets (B)	(g)				-1,430				-447
Net cash generated from/(used in) investing activities (C)	(g+f)		-1,459				-564		
NET EQUITY CASH INFLOWS/(OUTFLOWS)									
Purchase of treasury shares			-		-		-84		-84
Dividends declared by Atlantia and Group companies and payable to non-controlling shareholders	(h)				-655				-473
Dividends paid	(i)		-654				-455		
Proceeds from exercise of rights under share-based incentive plans			1		1		8		8
Return of capital to non-controlling shareholders			-		-		-95		-95
Net equity cash inflows/(outflows) (D)					-654				-644
Net cash generated during the year (A+B+D)					-830				123
Issuance of bonds			93				1,325		
Increase in medium/long term borrowings (excluding finance lease liabilities)			201				227		
Bond redemptions			-37				-388		
Repayments of medium/long term borrowings (excluding finance lease liabilities)			-110				-87		
Payment of finance lease liabilities			-				-2		
Net change in other current and non-current financial liabilities			-135				-1,530		
Net cash generated from/(used in) financing activities (E)			-641				-1,081		
Change in fair value of hedging derivatives	(j)				-61				110
Financial income/(expenses) accounted for as an increase in financial assets/(liabilities)	(k)				37				39
Effect of foreign exchange rate movements on net debt and other changes	(l)				6				-16
Other changes in net debt (F)					-18				133
Net effect of foreign exchange rate movements on net cash and cash equivalents (G)			-23				-12		
Increase/(decrease) in net debt for period (A+B+D+F)					-848				256
Net debt at beginning of period					-9,496				-11,677
Net debt at end of period					-10,344				-11,421
Increase/(Decrease) in cash and cash equivalents during period (A+C+E+G)			-869				-443		
NET CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD			5,613				3,386		
NET CASH AND CASH EQUIVALENTS AT END OF PERIOD			4,744				2,943		

Notes:

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

b) the “Other changes in non-financial assets and liabilities” shows changes 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) “Cost of acquisitions” shows the cost incurred for investments in consolidated companies;

d) “Cash and cash equivalents acquired” includes the cash acquired as a result of the acquisition of consolidated companies;

e) the “Net financial liabilities assumed, excluding cash and cash equivalents acquired” include the net debt assumed as a result of the acquisition of consolidated companies;

f) 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;

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

h) “Dividends declared by Atlantia and 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;

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

j) 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;

k) 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;

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

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

The following section presents a number of ("adjusted") alternative performance indicators, calculated by stripping out, from the corresponding reported alternative performance indicators 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 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 (Autostrade Meridionali's takeover right, guaranteed minimum revenue and government grants for motorway maintenance).

Reconciliation of adjusted and reported consolidated amounts

€M	H1 2018		H1 2017	
	EBITDA	Operating cash flow	EBITDA	Operating cash flow
Reported amounts	1,743	1,263	1,736	1,213
Increase in revenue for guaranteed minimum revenue	42	42	41	41
Grants for motorway maintenance	9	9	9	9
Grants for investment in motorway infrastructure	1	1	-	-
Reversal of financial income deriving from discounting of financial assets deriving from concession rights (guaranteed minimums)	-	-20	-	-22
Reversal of financial income deriving from discounting of financial assets deriving from government grants for motorway maintenance	-	-3	-	-3
Total adjustments	52	29	50	25
Adjusted amounts	1,795	1,292	1,786	1,238

€M	NET DEBT AS AT 30 JUNE 2018	NET DEBT AS AT 31 DECEMBER 2017
Reported amounts	10,344	9,496
Reversal of financial assets deriving from:		
- takeover rights	400	400
- guaranteed minimum revenue	575	602
- grants for motorway maintenance	73	79
Total adjustments	1,048	1,081
Adjusted amounts	11,392	10,577

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 composition of the Atlantia Group's operating segments as at 30 June 2018 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 the support activities for the Italian concessions held by the subsidiaries of Autostrade per l'Italia (AD Moving, Giove Clear, Essediesse and Autostrade Tech);
b) Overseas motorways: this includes the activities of the holders of motorway concessions in Brazil, Chile and Poland, and the companies that provide operational support for these operators and the related foreign-registered holding companies. In addition, this segment includes the Italian holding company, Autostrade dell'Atlantico, which primarily 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), which operates (directly or through its subsidiaries) the airports of Nice, Cannes-Mandelieu and Saint-Tropez and the international network of ground handlers, Sky Valet, in addition to Azzurra Aeroporti (the parent of ACA);
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 Spea Engineering and Pavimental;
    4) Aero I Global & International Sarl, the Luxembourg-registered investment vehicle that holds the 15.49% interest in Getlink.

Key performance indicators by operating segment

	ITALIAN MOTORWAYS[4]		OVERSEAS MOTORWAYS		ITALIAN AIRPORTS[2]		OVERSEAS AIRPORTS[3]		ATLANTIA AND OTHER ACTIVITIES[4]		CONSOLIDATION ADJUSTMENTS		TOTAL ATLANTIA GROUP[1]	
	H1		H1		H1		H1		H1		H1		H1	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
REPORTED AMOUNTS														
External revenue	1,884	1,842	308	316	439	425	143	127	129	122	-	-	2,903	2,832
Intersegment revenue	17	17	-	-	-	-	-	-	181	236	-198	-253	-	-
Total operating revenue	1,901	1,859	308	316	439	425	143	127	310	358	-198	-253	2,903	2,832
EBITDA	1,193	1,149	205	242	266	257	61	51	18	37	-	-	1,743	1,736
Operating cash flow	821	770	192	202	202	196	44	38	4	7	-	-	1,263	1,213
Capital expenditure	207	243	27	87	86	105	25	18	18	34	14	-1	377	486
ADJUSTED AMOUNTS														
Adjusted EBITDA	1,193	1,149	257	292	266	257	61	51	18	37	-	-	1,795	1,786
Adjusted operating cash flow	821	770	221	227	202	196	44	38	4	7	-	-	1,292	1,238

(1) Following Autostrade per l'Italia's sale of its interest in Infoblu to Telepass, Infoblu's activities in the first half of 2017 have been reclassified from the "Italian motorways" segment to the "Atlantia and other activities" segment.
(2) Application of the new accounting standard, IFRS 15 - Revenue from Contracts with Customers, from 1 January 2018, has resulted in the different classification of certain types of contract in operating revenue and costs. In particular, operating revenue and costs attributable to the "Italian airports" segment have been reduced by €3m, with EBITDA remaining unchanged.
(3) The ACA group's figures for the first half of 2017 have been restated with respect to the published amounts, as described in greater detail in the introduction to the section, "Group financial review".

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

(2) Application of the new accounting standard, IFRS 15 - *Revenue from Contracts with Customers*, from 1 January 2018, has resulted in the different classification of certain types of contract in operating revenue and costs. In particular, operating revenue and costs attributable to the "Italian airports" segment have been reduced by €3m, with EBITDA remaining unchanged.

(3) The ACA group's figures for the first half of 2017 have been restated with respect to the published amounts, as described in greater detail in the introduction to the section, "Group financial review".

(4) Following Autostrade per l'Italia's transfer of its interest in Infoblu to Telepass, Infoblu's activities in the first half of 2017 have been reclassified from the "Italian motorways" segment to the "Atlantia and other activities" segment".

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Segment information for Group companies (*)

€M	OPERATING REVENUE H1 2018	2017	INCREASE/(DECREASE) ABSOLUTE	%
Italian motorways				
Autostrade per l'Italia	1,740	1,709	31	2%
Autostrade Tech	26	24	2	8%
Autostrade Meridionali	46	46	-	-
Tangenziale di Napoli	37	35	2	6%
Società Italiana per il Traforo del Monte Bianco	30	29	1	3%
Autostrada Tirrenica	17	17	-	-
Essediesse	13	13	-	-
Raccordo Autostradale Valle d'Aosta	14	9	5	56%
Giove Clear	7	6	1	17%
Ad Moving	3	3	-	-
Intersegment adjustments	*-32*	*-32*	*-*	*-*
Total Italian motorways	**1,901**	**1,859**	**42**	**2%**
Overseas motorways				
Rodovia das Colinas	59	70	-11	-16%
Triangulo do Sol	53	61	-8	-13%
Rodovia MG050	15	17	-2	-12%
AB Concessões	3	3	-	-
Soluciona Concervacao Rodoviaria	2	2	-	-
Total Brazil	**132**	**153**	**-21**	**-14%**
Costanera Norte	69	61	8	13%
Gestion Vial	16	24	-8	-33%
Los Lagos	16	15	1	7%
Autopista Nororiente	3	3	-	-
Grupo Costanera	2	2	-	-
Litoral Central	2	2	-	-
AMB	1	1	-	-
Nueva Vespucio Sur	53	51	2	4%
Americo Vespucio Oriente II S.A.	-	-	-	-
Conexion Vial Ruta 78 - 68 S.A.	-	-	-	-
Total Chile	**162**	**159**	**3**	**2%**
Stalexport Autostrady group	38	36	2	6%
Autostrade dell'Atlantico (**)	-	-	-	-
Total Poland and other	**38**	**36**	**2**	**6%**
Intersegment adjustments	*-24*	*-32*	*8*	*-25%*
Total overseas motorways	**308**	**316**	**-8**	**-3%**
Italian airports				
Aeroporti di Roma group	438	424	14	3%
Fiumicino Energia	2	3	-1	-33%
Leonardo Energia	10	11	-1	-9%
Intersegment adjustments	*-11*	*-13*	*2*	*-15%*
Total Italian airports	**439**	**425**	**14**	**3%**
Overseas airports				
ACA group	143	127	16	13%
Azzurra Aeroporti	-	-	-	-
Intersegment adjustments	*-*	*-*	*-*	*-*
Total overseas airports	**143**	**127**	**16**	**13%**
Atlantia and other activities				
Pavimental	124	184	-60	-33%
Spea Engineering	58	52	6	12%
ETC	29	34	-5	-15%
Pavimental Polska	4	5	-1	-20%
Atlantia	2	2	-	-
Telepass	91	83	8	10%
Telepass Pay	1	-	1	n/s
K Master	1	-	1	n/s
Infoblu	2	2	-	-
Intersegment adjustments	*-2*	*-4*	*2*	*-50%*
Total Atlantia and other activities	**310**	**358**	**-48**	**-13%**
Consolidation adjustments	*-198*	*-253*	*55*	*-22%*
Total Atlantia Group	**2,903**	**2,832**	**71**	**3%**

(*) *The alternative performance indicators presented above are defined in the section, "Alternative performance indicators".*
(**) *This is a holding company that holds investments in overseas companies.*

EBITDA (*)				OPERATING INVESTMENTS (*)			
H1		INCREASE/(DECREASE)		H1		INCREASE/(DECREASE)	
2018	2017	ABSOLUTE	%	2018	2017	ABSOLUTE	%
1,120	1,080	40	4%	195	229	-34	-15%
2	4	-2	-50%	2	1	1	n/s
18	19	-1	-5%	-	2	-2	n/s
16	13	3	23%	2	8	-6	-75%
19	19	-	-	4	1	3	n/s
9	9	-	-	4	2	2	n/s
1	1	-	-	-	-	-	-
8	4	4	n/s	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,193	**1,149**	**44**	**4%**	**207**	**243**	**-36**	**-15%**
36	56	-20	-36%	5	8	-3	-38%
25	46	-21	-46%	1	8	-7	-88%
8	8	-	-	7	12	-5	-42%
-1	-1	-	-	-	-	-	-
-	-	-	-	-	-	-	-
68	109	-41	-38%	13	28	-15	-54%
53	48	5	10%	10	33	-23	-70%
3	6	-3	-50%	1	1	-	-
9	9	-	-	-	-	-	-
1	1	-	-	-	14	-14	n/s
-	-	-	-	-	-	-	-
-1	-1	-	-	-	-	-	-
-	-	-	-	-	-	-	-
45	43	2	5%	-	7	-7	n/s
-	-	-	-	1	-	1	n/s
-	-	-	-	1	-	1	n/s
110	106	4	4%	13	55	-42	-76%
30	28	2	7%	1	4	-3	-75%
-3	-1	-2	n/s	-	-	-	-
27	27	-	-	1	4	-3	-75%
-	-	-	-	-	-	-	-
205	**242**	**-37**	**-15%**	**27**	**87**	**-60**	**-69%**
264	255	9	4%	86	105	-19	-18%
1	2	-1	-50%	-	-	-	-
1	-	1	n/s	-	-	-	-
-	-	-	-	-	-	-	-
266	**257**	**9**	**4%**	**86**	**105**	**-19**	**-18%**
62	52	10	19%	25	18	7	39%
-1	-1	-	-	-	-	-	-
-	-	-	-	-	-	-	-
61	**51**	**10**	**20%**	**25**	**18**	**7**	**39%**
-12	8	-20	n/s	4	20	-16	-80%
3	8	-5	-63%	1	1	-	-
4	5	-1	-20%	2	6	-4	-67%
1	1	-	-	-	-	-	-
-28	-31	3	-10%	-	-	-	-
52	47	5	11%	11	7	4	57%
-2	-1	-1	n/s	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
18	**37**	**-19**	***-51%***	**18**	**34**	**-16**	**-47%**
-	-	-	-	*14*	*-1*	*15*	*n/s*
1,743	**1,736**	**7**	**-**	**377**	**486**	**-109**	**-22%**

Italian motorways

The Group's Italian motorway operations generated operating revenue of €1,901 million in the first half of 2018, an increase of €42 million (2%) compared with the same period of 2017.
Net toll revenue of €1,740 million is up €44 million on the first half of 2017. The increase is primarily due to traffic growth (boosting toll revenue by an estimated €16 million, taking into account the positive impact of the traffic mix), and application of annual toll increases from 1 January 2018 (an impact of approximately €25 million). Other operating revenue is down €2 million, primarily in connection with Autostrade Meridionali, which in the first half of 2017 benefitted from income resulting from positive developments in a number of disputes.
EBITDA for the Italian motorways segment in the first half of 2018 amounts to €1,193 million, up €44 million (4%) on the same period of 2017.
Net operating costs are down approximately €2 million, mainly due to a combination of the following:

- a different scheduling of maintenance work on the network, above all at Autostrade per l'Italia, and also in connection with tendering procedures for resurfacing work, partly offset by increases in the variable cost of winter operations (due to intense snowfall in the first quarter of 2018) and other operating costs;
- an increase in concession fees, linked to higher traffic volumes;
- a decrease in staff costs, primarily due to:
  a) a reduction of 71 (-1.0%) in the average headcount, broadly reflecting slower turnover among toll collectors and the transfer of staff from Autostrade per l'Italia's Foreign Department to Atlantia in March 2017, partially offset by the hiring of staff to fill specific roles within certain organisational units and an increase in the workforce at Giove Clear to cope with the greater volume of work;
  b) an increase in capitalised costs and a reduction in the costs linked to changes in the fair value of management incentive plans, partially offset by the cost of contract renewals.

Traffic

The number of kilometres travelled on the Group's Italian network in the first six months of 2018 is up 0.6% on the first half of the previous year. In particular, the number of vehicles with 2 axles is up 0.3%, whilst the figure for those with 3 or more axles is up 2.9%.
The performance for the first half of 2018, compared with the same period of 2017, reflects the negative impact of the heavy snowfall seen between the end of February and early March. After stripping out the resulting effect, like-for-like traffic using Autostrade per l'Italia's network in the first half of 2018 is up 1.4%.

OPERATOR	KM TRAVELLED (IN MILLIONS) [1] VEHICLES WITH 2 AXLES	VEHICLES WITH 3+ AXLES	TOTAL VEHICLES	% CHANGE VERSUS H1 2017
Autostrade per l'Italia	19,240.9	3,321.6	22,562.5	0.7
Autostrade Meridionali	822.1	18.0	840.0	0.6
Tangenziale di Napoli	461.5	8.0	469.4	-0.2
Società Autostrada Tirrenica	116.9	12.0	128.9	-2.3
Raccordo Autostradale Valle d'Aosta	41.3	10.2	51.5	-1.9
Società Italiana per il Traforo del Monte Bianco	3.5	1.8	5.3	-0.6
Total Italian operators	**20,686.2**	**3,371.6**	**24,057.8**	**0.6**

[1] The data for June 2018 is provisional. Figures in millions of kilometres travelled, after rounding to the nearest decimal place.

Toll increases

Information on the toll increases applied from 1 January 2018 is provided in the section, “Significant regulatory aspects”.

Capital expenditure

Capital expenditure by Italian motorway operators in the first half of 2018 amounts to €207 million.

€M	H1 2018	H1 2017
Autostrade per l'Italia -projects in Agreement of 1997	82	103
Autostrade per l'Italia - projects in IV Addendum of 2002	43	39
Autostrade per l'Italia: other capital expenditure (including capitalised costs)	63	78
Other operators (including capitalised costs)	9	12
Total investment in infrastructure operated under concession	**197**	**232**
Investment in other intangible assets	6	6
Investment in property, plant and equipment	4	5
Total capital expenditure	**207**	**243**

With regard to the works envisaged in the Agreement of 1997, work continued in the first half of 2018 on widening the A1 between Barberino and Florence North to three lanes, with mechanical boring of the Santa Lucia Tunnel currently under way. Work is also in progress on the third lane of the section between Florence South and Incisa in Lot 1 North. Work is also continuing on completion of the *Variante di Valico*, which relates solely to off carriageway works and completion of the Florence North-Florence South section.

In terms of the works contained in the IV Addendum of 2002, work on construction of link roads and on mitigation works in the Municipality of Fano, connected with work on the A14 motorway, proceeded in the first half of 2018. Preparations for the start-up of work on the upgrade of the road and motorway system serving Genoa (the so-called *Gronda di Genova*) are in progress.

Autostrade per l’Italia’s other capital expenditure includes approximately €21 million invested in major works, primarily construction of the fourth free-flow lane for the A4 in the Milan area and improvements to feeder roads for the Tuscan stretch of the A1.

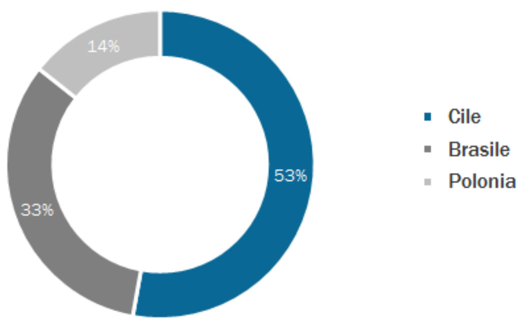
Overseas motorways

The overseas motorways segment generated operating revenue of €308 million in the first half of 2018, down €8 million (-3%) on the same period of 2017. This reflects the impact of the substantial fall in the value of the Brazilian real[1]. At constant exchange rates, operating revenue is up €22 million (7%), primarily reflecting toll increases and movements in traffic, albeit the Brazilian performance was impacted by the truck drivers' strike of May 2018 and the federal government's subsequent decision to extend the exemption from tolls for vehicles with raised axles to the State of Sao Paulo, which took effect from 31 May 2018.

EBITDA of €205 million for the first six months of 2018 is down €37 million (-15%) compared with the same period of 2017. On a like-for-like basis[2] and at constant exchange rates, EBITDA is up €10 million (4%).

Financial and operational data is provided below for each country.

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



Chile

Chilean operators' operating revenue for the first six months of 2018 amounts to €162 million, up €3 million (2%) on the first half of 2017. At constant exchange rates, operating revenue is up €9 million (6%), primarily reflecting traffic growth and toll increases applied from January 2018, partially offset by reduced turnover at the in-house construction company, Gesvial. EBITDA of €110 million is up €4 million compared with the first half of 2017. At constant exchange rates, EBITDA is up €8 million (8%).

(1) The Brazilian real has fallen by approximately 17%, based on average exchange rates for the period January-June in each of the comparative years.

(2) An explanation of the term "like-for-like basis", used in describing changes in certain consolidated financial indicators, is provided in the "Explanatory notes" below.

The Chilean operators invested a total of €13 million in the first six months of 2018, primarily linked to the *Santiago Centro Oriente* upgrade programme being carried out by Costanera Norte (95% of the project has been completed as at 30 June 2018).

Traffic performance

OPERATOR	KM TRAVELLED (IN MILLIONS)		
	H1 2018	H1 2017	% INCREASE/(DECREASE)
Grupo Costanera			
Costanera Norte	641	607	5.6%
Nororiente	46	45	4.1%
Vespucio Sur	474	468	1.3%
Litoral Central	75	71	5.5%
AMB	14	13	7.5%
Los Lagos (1)	567	527	7.5%
Total	**1,818**	**1,731**	**5.0%**

(1) The increase in traffic in terms of journeys is 8.3%.

Brazil

Operating revenue for the first six months of 2018 amounts to €132 million, down €21 million (-14%) compared with the same period of 2017 as a result of the sharp fall in the value of the Brazilian real [3]. At constant exchange rates, operating revenue is up €5 million (3%). The increase in toll revenue in the first half of 2018 benefitted from the toll increases introduced by Triangulo Do Sol and Rodovia das Colinas with effect from July 2017, and by Rodovia MG050 with effect from February 2017, June 2017 and June 2018, partially offset by the truck drivers' strike of May 2018 and the resulting suspension of the tolls for vehicles with raised axles in the State of Sao Paulo, after coming into effect from 31 May 2018. Operators will be compensated for the lost revenue in accordance with their existing concession arrangements.
EBITDA of €68 million is down €41 million (-38%) compared with the first six months of 2017. This is partly due to planned resurfacing work on the network operated by Triangulo do Sol and Rodovias das Colinas. On a like-for-like basis[4] and at constant exchange rates, EBITDA is up €2 million (2%).
Capital expenditure in the first six months of 2018 amounted to €13 million, primarily in relation to widening work carried out by Rodovia das Colinas and progress in implementing the Rodovia MG050 investment programme, as provided for in the addendum to the TA-07 concession contract.

(3) The Brazilian real has fallen by approximately 17%, based on average exchange rates for the period January-June in each of the comparative years.
(4) The term "like-for-like basis", used to comment on changes in certain economic figures, is defined in the introduction to the section "Group financial review".

Traffic performance

OPERATOR	KM TRAVELLED (IN MILLIONS)		
	H1 2018	H1 2017	% INCREASE/(DECREASE)
Triangulo do Sol [2]	689	688	0.2%
Rodovias das Colinas [2]	962	971	-1.0%
Rodovia MG050 [2]	403	412	-2.2%
Total	**2,054**	**2,071**	**-0.8%**

[2] The 2018 figures are impacted by the truck drivers' strike which began on 21 May and ended on 30 May 2018.

Poland

The Stalexport Autostrady group's operating revenue for the first half 2018 amounts to €38 million, an increase of €2 million (6%) on the same period of 2017. This reflects traffic growth and toll increases for heavy vehicles applied from March 2017.

EBITDA of €30 million is up €2 million (7%).

The exchange rate has remained broadly stable and has not had a significant impact on the results.

Traffic performance

OPERATOR	KM TRAVELLED (IN MILLIONS)		
	H1 2018	H1 2017	% INCREASE/(DECREASE)
Stalexport Autostrada Malopolska	476	453	5.2%

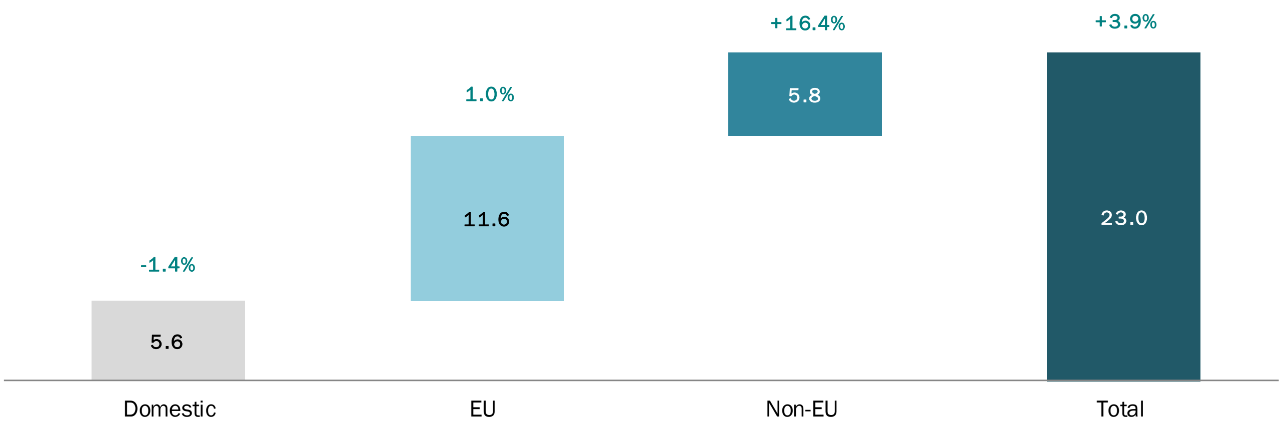
Italian airports

The Italian airports business generated operating revenue of €439 million in the first half of 2018, an increase of €14 million (3%) compared with the same period of the previous year. Aviation revenue of €311 million is up €14 million (5%) primarily due to the positive performance of traffic and the related mix, partially offset by a reduction in airport fees at Fiumicino and Ciampino (on average, 0.4% and 4.4%, respectively, compared with the previous year). Other operating revenue totals €128 million, in line with the first half of 2017. This is the result of the positive performance of non-aviation revenue across all lines of business, partly as a result of the entry into full operation of the retail plaza in Boarding Area E (opened in December 2016), and revenue from the sub-concession of space. This is partially offset by the fact that the first half of 2017 benefitted from the greater amount of provisions released. EBITDA of €266 million is up €9 million (4%) compared with the same period of the previous year.

Traffic

The Roman airport system handled 23.0 million passengers in the first six months of 2018, marking an increase of 3.9% on the same period of the previous year.
The Non-EU segment saw particularly strong growth of 16.4%, whilst the domestic segment was down 1.4%. The EU segment, which accounts for 50% of total traffic, was slightly up, rising 1.0% compared with the first six months of the previous year. The results for the first half of 2018 also reflect the impact of the cancellation of a number of flights due to the extremely bad weather that hit Europe between the end of February and the beginning of March.

Breakdown of traffic using the Roman airport system in H1 2018
(millions of pax and change H1 2018 versus H1 2017)



Capital expenditure

Capital expenditure totalled €86 million in the first half of 2018. At Fiumicino airport, as part of plans to upgrade the Eastern area, which is to be used primarily for domestic and Schengen flights, work continued on the new boarding area A and on a new wing for Terminal 1. Preparations for work to begin on Lot 2 (the extension of T1, a new hub for boarding area D and the restructuring of boarding area C) also continued.
The construction of aircraft aprons (2nd phase) in the western area, the *Piazzali 300* ("300 Aprons") project and flood defences for the western area continued. Work on the new transformer substation (HV/MV), and on the new electricity system serving the runways is also ongoing.
Work on the upgrade of aircraft aprons 400-500 at Ciampino airport is nearing completion.

€M	H1 2018	H1 2017
Work on terminals and piers	15	36
Terminal system for Eastern area	19	3
Work on runways and aprons	16	36
Work on technical systems and networks	8	9
Work on baggage handling sub-systems and airport equipment	4	3
Other	24	18
TOTAL	**86**	**105**

Overseas airports

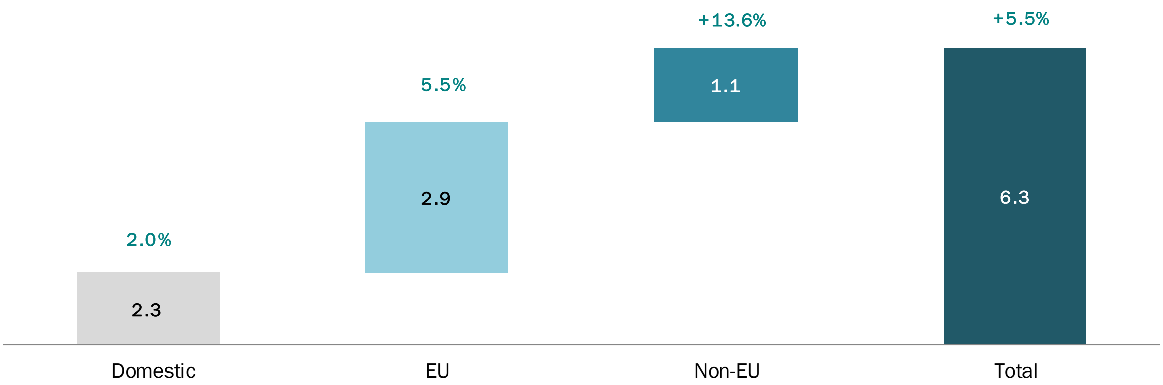
The Group's overseas airports segment generated operating revenue of €143 million in the first half of 2018, up €16 million on the same period of the previous year. Aviation revenue, primarily consisting of fees earned by the airports of Nice, Cannes and Saint-Tropez, in addition to the contribution from the Sky Valet FBO network, amounts to €76 million. This is up €4 million on the same period of the previous year and reflects the significant increase in traffic (up 5.5%) and in general aviation movements (up 5%). Other operating revenue of €67 million is up €12 million compared with the first half of 2017, reflecting the positive performance of non-aviation and parking revenue and the impact of the sale of an area belonging to Nice airport under agreements regarding the exchange of areas in relation to property development schemes.

EBITDA of €61million is up €10 million on the same period of the previous year.

Traffic

Nice airport handled 6.3 million passengers in the first half of 2018, marking an increase of 5.5% compared with the same period of the previous year.
In terms of general aviation, movements were up 5.0% in the first six months of 2018[1].

Breakdown of traffic using Nice airport in H1 2018
(millions of pax and change H1 2018 versus H1 2017)



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

Capital expenditure

The Aéroports de la Côte d'Azur group's capital expenditure amounts to €25 million for the first half of 2018, including €21 million on initiatives designed to expand capacity, primarily regarding improvements to aircraft aprons and the purchase of new land to be developed for real estate purposes and for a fuel depot.
A further €1 million was invested in a tram line providing access to Nice airport and €1 million in airport security.

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 €91 million in the first half of 2018, marking an increase of €8 million compared with the same period of 2017. This is primarily represented by Telepass fees of €5 million and payments for Premium Option services of €2 million.

The company's EBITDA for the first half of 2018 is €52 million, marking an increase of €5 million on 2017.

As at 30 June 2018, there are 9.8 million Telepass devices in circulation, of which 8.3 million are active (up approximately 319,000 compared with 30 June 2017), whilst the number of Premium Option subscribers totals 2.1 million (up approximately 72,000 compared with 30 June 2017).

A new company named Telepass Pay SpA was established in November 2016. The company, a wholly owned subsidiary of Telepass SpA, has been set up to expand the offering of payment services linked to both urban and inter-city transport. As at 30 June 2018, the company has 239,000 active customers.

The scope of consolidation of the Telepass group has expanded and now includes Urban Next, a company incorporated under Swiss law that develops software and applications relating to urban transport, and K-Master, which operates monitoring and management systems for truck fleets via a computer platform and various dedicated software applications.

Pavimental

The company operates primarily in Italy, providing 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 2018 amounts to €124 million, down approximately €60 million on the same period of 2017. This primarily reflects lower production in the motorway maintenance segment following regulatory changes introduced, and lower volumes relating to infrastructure contracts commissioned by Aeroporti di Roma. EBITDA, which reflects a slowdown across various areas of operation, is a negative €12 million (a positive €8 million in the first half of 2017).

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 2018 amounts to €58 million, marking an increase of €6 million compared with the same period of 2017. This primarily reflects the design of new motorway infrastructure and the progress of overseas contracts, which offset a reduction in project management following the completion of projects and, in the airport sector, due to a reduction in activity.

87% of the company's total revenue during the period was earned on services provided to the Group. EBITDA for the first half of 2018 amounts to €3 million, down €5 million on the same period of 2017.

Electronic Transaction Consultants

Electronic Transaction Consultants (ETC) provides systems integration, hardware and software maintenance, customer services and consultancy in the field of free-flow electronic tolling systems in the United States, including in combination with traditional methods of tolling (cash and cards).
ETC generated operating revenue of €29 million in the first half of 2018, down €5 million compared with the same period of 2017. EBITDA of €4 million in the first half of 2018 is down €1 million on the same period of 2017.

Workforce

As at 30 June 2018, the Group employs 15,214 staff on permanent contracts and 1,785 temporary staff, making a total workforce of 16,999, including 13,145 in Italy and 3,854 at overseas companies. This is up 254 on the 16,745 of 31 December 2017.
The decrease in permanent staff at 31 June 2018 compared with the end of 2017 (down 180) primarily reflects events at the following Group companies:

- the Chilean companies (down 101), primarily due to a decrease in the workforce at Gesvial after the Kennedy Tunnel was opened to traffic in October 2017, and the launch of the final stages of the *Santiago Centro Oriente* expansion programme;
- Electronic Transactions Consultants (down 81) due to changes to the workforce in response to changing volumes of work;
- Italian motorway operators (down 31), primarily due to slower turnover among toll collectors, partly offset by the hiring of staff to fill specific roles within certain organisational units;
- Telepass group (up 22), primarily due to increased recruitment in certain organisational units at Telepass SpA and the inclusion of KMaster within the scope of consolidation;
- the Brazilian companies (up 18), primarily due to continued implementation of the plan to bring routine maintenance in-house.

The number of temporary staff at 30 June 2018 has risen compared with the end of 2017 (up 434), primarily reflecting events at the following Group companies:

- Aeroporti di Roma group (up 280), primarily due to an increase in the size of the workforce at subsidiaries in line with the seasonal nature of passenger traffic, and to the drive to achieve improved levels of service;
- Italian motorway operators (up 112), primarily due to the higher number of seasonal toll collectors required.

The average workforce (including agency staff) in the first half of 2018 is 15,712, substantially in line with the same period of 2017 (15,758 on average).
The average decrease of 46 primarily reflects:

- Italian motorway operators (down 94 on average), primarily due to slower turnover among toll collectors and the transfer of staff from Autostrade per l'Italia's Foreign Department to Atlantia in March 2017, partially offset by the hiring of staff to fill specific roles within certain organisational units;
- the Chilean companies (down 61 on average), primarily due to a decrease in the workforce at Gesvial after the Kennedy Tunnel was opened to traffic, and the launch of the final stages of the *Santiago Centro Oriente* expansion programme;
- Electronic Transactions Consultants (down 33 on average) due to changes to the workforce in response to changing volumes of work;

- the Brazilian companies (up 63 on average), primarily due to continued implementation of the plan to bring routine maintenance in-house;
- Telepass group (up 30 on average), primarily due to the inclusion of KMaster and Urban Next within the scope of consolidation;
- Giove Clear (up 30 on average) due to an increase in the volume of work;
- Atlantia (up 25 on average), primarily due to increased recruitment in certain organisational units and the impact of the transfer of the Foreign Department from Autostrade per l'Italia.

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

Permanent staff

CATEGORY	30 June 2018	31 December 2017	INCREASE/(DECREASE)	
			ABSOLUTE	%
Senior managers	290	291	-1	0%
Middle managers	1,094	1,087	7	1%
Administrative staff	6,767	6,804	-37	-1%
Manual workers	4,084	4,182	-98	-2%
Toll collectors	2,979	3,030	-51	-2%
Total	**15,214**	**15,394**	**-180**	**-1%**

Temporary staff

CATEGORY	30 June 2018	31 December 2017	INCREASE/(DECREASE)	
			ABSOLUTE	%
Senior managers	2	2	-	n/s
Middle managers	2	2	-	n/s
Administrative staff	547	498	49	10%
Manual workers	821	540	281	52%
Toll collectors	413	309	104	34%
Total	**1,785**	**1,351**	**434**	**32%**

Average workforce(*)

CATEGORY	H1 2'18	H1 2017	INCREASE/(DECREASE)	
			ABSOLUTE	%
Senior managers	292	288	4	1%
Middle managers	1,092	1,084	8	1%
Administrative staff	7,021	7,016	5	0%
Manual workers	4,314	4,315	-1	0%
Toll collectors	2,993	3,055	-62	-2%
Total	**15,712**	**15,758**	**-46**	**0%**

(*) 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 2017, 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 2018.

Italian motorways

Toll increases with effect from 1 January 2018

The Minister of Infrastructure and Transport and Minister of the Economy and Finance issued decrees on 29 December 2017, determining toll increases with effect from 1 January 2018. These are as follows:

a) Autostrade per l'Italia was to apply an overall toll increase of 1.51%, including 0.49% as the inflation-linked component, 0.64% to provide a return capital expenditure via the "X" tariff component and -0.04% to provide a return on investment via the "K" tariff component (the shortfall in the increase awarded for 2017 was recouped almost in full for both these components) and 0.43% to recover the reduction in revenue earned in the period from June 2014 to 2017 as a result of the discounted tolls for frequent motorway users, introduced by the Memorandum of Understanding entered into with the Ministry. Regarding the shortfall in the increase with respect to the requested amount, equal to 0.01% (relating to the "X" component), the Grantor, following submission of additional documentation by Autostrade per l'Italia on 12 March 2018, deemed that the request was largely warranted, and therefore to be taken into account when determining the toll increase for 2019. Application of the remaining amounts was suspended, pending an update of the financial plan;

b) Raccordo Autostradale Valle d'Aosta was to apply a toll increase of 52.69%, compared with the 81.12% requested. The company has challenged this determination before the Regional Administrative Court;

c) Autostrade Meridionali was to apply a toll increase of 5.98%, compared with the 9.9% requested;

d) Società Autostrada Tirrenica was to apply a toll increase of 1.33%, compared with the 36.51% requested. The company has challenged this determination before the Regional Administrative Court;

e) Tangenziale di Napoli was to apply a toll increase of 4.31%, including recovery of amounts not applied in previous years, compared with the 1.93% requested. This application was granted on the basis of the new operating and financial plan attached to the Addendum, signed first on 8 September 2017 and, subsequently, at the Grantor's request, by digital signature on 22 February 2018. This came into effect with the approval of Ministry of Infrastructure and Transport and Ministry of the Economy and Finance Decree 131 of 16 March 2018, registered at the Court of Auditors on 23 April 2018.

In the case of Traforo del Monte Bianco, which operates under a different regulatory regime, the Intergovernmental Committee for the Mont Blanc Tunnel gave the go-ahead for a toll increase of 1.09%.

This is based on the average of the inflation rates registered in Italy and France from 1 September 2016 to 31 August 2017, in addition to an extra 0.95% increase determined by the mentioned Committee. From 1 April 2018, the toll for all Euro 3 heavy goods vehicles, of more than 3.5 tonnes, was increased by 5%.

Decision of the European Commission regarding the extension of Autostrade per l'Italia's concession

In July 2017, the Ministry of Infrastructure and Transport reached an agreement with the European Commission. The agreement sets out the key conditions to be met in order to grant Autostrade per l'Italia a 4-year extension to its concession in return for pre-determined toll increases and recognition of a takeover right on expiry.
On 27 April 2018, the European Commission announced that the Commission had given its approval for the "plan for investment in Italian motorways". In view of the implementation of Autostrade per l'Italia's investment plan of approximately €7.9 billion, the approval envisages extension of the concession term by four years (from 31 December 2038 to 31 December 2042), a cap on toll increases and introduction of a takeover right on expiry of the concession. The European Commission's decision was published on its website.

Overseas motorways

Chile

From January 2018, Grupo Costanera's motorway operators applied the following annual toll increases, determined on the basis of their concession arrangements:

- 5.5% for Costanera Norte, Vespucio Sur and Nororiente, reflecting a combination of the increase linked to inflation in 2017 (1.9%) and a further increase of 3.5%;
- 3.4% for AMB, reflecting a combination of the increase linked to inflation in 2017 (1.9%) and a further increase of 1.5%;
- 1.9% for Litoral Central, reflecting the increase linked to inflation in 2017.

From January 2018, the tolls applied by Los Lagos have risen 3.4%, reflecting a combination of the increase linked to inflation in 2017 (1.9%) and a further increase in the form of a bonus relating to safety improvements in 2018 (5.0%), less the bonus for safety improvements awarded in 2017 (3.5%). On 9 May 2018, Nororiente finalised an addendum with Chile's Ministry of Public Works regarding implementation of a free flow tolling system with compensation, at a pre-set rate, for loss of revenue due to toll evasion and unregistered motorway journeys. Compensation will, at the Ministry's discretion, take the form of a 10-month extension of the concession term and/or a cash payment after the application of overdue interest on the amounts due, discounted at a real interest rate of 5%.

Award of the new AVO II urban motorway concession

Through its Chilean subsidiary, Grupo Costanera, Atlantia has been awarded the concession for the Américo Vespucio Oriente II project, which regards the construction and operation of a section of the orbital motorway in the city of Santiago, consisting of a 5-km long tunnel using a free-flow tolling system. The estimated cost of construction is approximately 380 billion Chilean pesos (€500 million). The concession was awarded in July 2017, while on 5 April 2018 the Supreme Decree awarding the concession, and signed by the President of the Republic of Chile, was published in the Official Gazette, following prior approval by the Chilean Court of Auditors. This date marks the beginning of the concession term, which is linked to the achievement of specific pre-set revenue milestones (discounted at a rate defined in the concession arrangement). The term may not, in any event, exceed 45 years.

Award of the new "Vial Ruta 78-68 Connection" urban motorway concession

Atlantia has been awarded the contract for the Vial Ruta 78-68 Connection project through its Chilean subsidiary, Grupo Costanera. The project will involve construction and operation of a new 9.2-km section of urban, free-flow toll motorway in the city of Santiago. The new road will link Ruta 78 with Ruta 68, the two main roads connecting Santiago with the ports of Valparaiso and San Antonio, which will be connected with the section operated under concession by Costanera Norte. The estimated cost of the project is approximately €200 million. The concession, with a duration depending on achievement of specific pre-set revenue milestones (discounted at a rate defined in the concession arrangement), may not, in any event, exceed 45 years. The concession term started on 21 April 2018, the date on which the Supreme Decree awarding the concession, and signed by the President of the Republic of Chile, was published in the Official Gazette, following prior approval by the Chilean Court of Auditors.

Brazil

From 1 July 2017, Triangulo do Sol and Rodovias das Colinas applied their annual toll increase of 1.6% based on the rate of general price inflation in the period between 1 June 2016 and 31 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 (3.6%).
From 1 July 2018, Triangulo do Sol and Rodovias das Colinas have applied their annual toll increase of 2.9% based on the rate of general price inflation in the period between 1 June 2017 and 31 May 2018, 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 (4.3%). The difference will be adjusted for in accordance with the concession arrangement.
From 1 February 2017, later than the contractual deadline of 13 June 2016[(6)], Rodovia MG050 applied an annual toll increase of 9.3% based on the rate of general price inflation in the period between 1 May 2015 and 30 April 2016. The loss of income due to the above delay was adjusted for to compensate the operator, as provided for in the addendum to the TA-07 concession contract.
The tolls applied by the operator, Rodovia MG050, were raised by 4.1% from 13 June 2017, based on the rate of consumer price inflation in the period between 1 May 2016 and 30 April 2017, as provided for in the concession arrangement.
The tolls applied by the operator, Rodovia MG050, were raised by 2.8% from 13 June 2018, based on the rate of consumer price inflation in the period between 1 May 2017 and 30 April 2018, as provided for in the concession arrangement.

[(6)] In June 2016, Rodovia MG050, which operates in the State of Minas Gerais, did not proceed 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. 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.

From 31 May 2018, the toll exemption for vehicles with raised axles was extended to the State of Sao Paulo. This measure was adopted by the federal government to settle the truck drivers' strike that began on 21 May 2018. The lost income will be adjusted for to compensate the operator.

Italian airports

Tariff proposal for 2018

The process of consulting with airport users came to a conclusion on 10 November 2017 and, on 22 December 2017, the Civil Aviation Authority (*ENAC*) announced the final amounts payable as airport fees for Fiumicino and Ciampino.
The review of fees for the period 1 March 2018 - 28 February 2019 envisages that the fees for Fiumicino and Ciampino will fall by an average of 0.7% and 4%, respectively, compared with the fees for 2017[7].

Overseas airports

On 14 July 2018, a decree was published by the French Minister of Transport who, within the scope of the Minister's powers, has established the criteria for determining the fees payable in return for the airport services provided by Nice-Côte d'Azur and Cannes-Mandelieu airports.
Specifically, the decree:

- defines and differentiates the scope of regulated and non-regulated activities (essentially commercial and real estate activities, with the exception of car parks that come under regulated activities);
- establishes a tariff regulation mechanism for activities regulated by a price cap system (*plafond tarifaire*) linked to inflation, notwithstanding the limit on the allowed return on invested capital.

The decree thus establishes a stable and predictable regulatory framework for the period of the airport concession term, which may be reflected both in annual tariff increases and in the context of annual regulatory agreements lasting five years, which in any event are subject to approval by the Independent Supervisory Authority.

[7] Based on the ratio between the maximum permitted revenue and fee-paying passengers for the twelve months from 1 March.

Other information

As at 30 June 2018, Atlantia SpA holds 7,916,824 treasury shares, representing 0.96% 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 2018, share grants issued in relation to share-based incentive plans for certain of the Group's managers were converted into a total of 68,341 shares.

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.
On 17 January 2013, a meeting of the Board of Directors elected to apply the exemption provided for by article 70, paragraph 8 and article 71, paragraph 1-bis of the CONSOB Regulations for Issuers (Resolution 11971/99, as amended). The Company will therefore exercise the exemption from disclosure requirements provided for by Annex 3B of the above Regulations in respect of significant mergers, spin-offs, capital increases involving contributions in kind, acquisitions and disposals.

Events after 30 June 2018

Refinancing of Abertis and Hochtief acquisition completed

On 4 July 2018, Atlantia agreed a new five-year Term Loan worth €1,750 million to refinance the bridge loan obtained in May 2018 to finance the acquisition of investments in Abertis and Hochtief. The new Term Loan is in addition to the similar five-year loan of €1,500 million previously entered into for the same purposes in May 2018 and completes the refinancing of the above acquisition financing.
On the same date, Atlantia obtained a five-year Revolving Facility of €1,250 million for general corporate purposes.

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

On 6 July 2018, the European Commission approved the new structure of the acquisition of Abertis in the form of a joint offer with ACS-Hochtief.
The process of obtaining the remaining consents needed before the transaction can complete is in progress.
On 25 July 2018, an extraordinary general meeting of Abertis's shareholders approved the company's delisting from the Barcelona, Madrid, Bilbao and Valencia stock exchanges, subsequently authorised by Spain's market regulator, the *Comisión Nacional del Mercado de Valores* (the "CNMV") with effect from 31 July 2018.
On the same date, the extraordinary general meeting of Abertis's shareholders also approved cancellation of all the shares held in treasury. Following settlement of the public tender offer and Hochtief's issue of a standing purchase order in preparation for the delisting, the latter holds a 97.75% interest in Abertis.

Sale of 29.9% interest in Cellnex Telecom SA

On 13 March 2018, as part of the preliminary agreement concerning the joint investment in Abertis, Atlantia SpA was granted a call option by Hochtief and ACS on Abertis's investment in Cellnex Telecom SA ("Cellnex").
On 23 March 2018, Atlantia's Board of Directors decided to partially exercise the call option on a 29.9% stake in Cellnex (the "Stake"), designating Edizione Srl as the purchaser of the Stake, subject to the prior consent of the Committee of Independent Directors with responsibility for Related Party Transactions, in accordance with the Company's Procedure for Related Party Transactions, and to completion of the competitive procedure designed to search for potential buyers of the Stake. The above process was subject to the terms and conditions described in greater detail in the Information Document relating to transactions of greater significance with related parties, prepared in accordance with art. 5 of CONSOB Regulation 17221/2010 (as amended) and published on 30 March 2018.
On 12 July 2018, following the positive outcome to the public tender offer for Abertis's shares launched by Hochtief, Edizione, via ConnecT SpA, a newly established, wholly-owned subsidiary of Sintonia (a

sub-holding in turn a wholly-owned subsidiary of Edizione), thus completed the purchase of the Stake from Abertis.
On 24 July 2018, Atlantia, ConnecT, Sintonia and Edizione entered into a specific co-investment agreement in accordance with the commitments set out in the above Information Document.

Outlook and risks or uncertainties

Key performance indicators for the Group's Italian and overseas businesses lead us to expect earnings growth in full year 2018.
The Abertis Infraestructuras group will be included in Atlantia's scope of consolidation only once its acquisition has been completed.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated statement of financial position

€000	NOTE	30 June 2018	*OF WHICH RELATED PARTY TRANSACTIONS*	31 December 2017	*OF WHICH RELATED PARTY TRANSACTIONS*
ASSETS					
NON-CURRENT ASSETS					
Property, plant and equipment	7.1	284,120		302,799	
Property, plant and equipment		281,391		299,502	
Property, plant and equipment held under finance leases		2,643		2,789	
Investment property		86		508	
Intangible assets	7.2	26,944,789		27,424,561	
Intangible assets deriving from concession rights		22,005,099		22,465,021	
Goodwill and other intangible assets with indefinite lives		4,548,797		4,548,756	
Other intangible assets		390,893		410,784	
Investments	7.3	1,299,745		266,974	
Investments accounted for at fair value		91,924		82,283	
Investments accounted for using the equity method		1,207,821		184,691	
Other non-current financial assets	7.4	2,262,894		2,316,125	
Non-current financial assets deriving from concession rights		955,603		963,602	
Non-current financial assets deriving from government grants		261,883		249,936	
Non-current term deposits		320,007		315,474	
Non-current derivative assets		102,460		107,268	
Other non-current financial assets		622,941	*22,109*	679,845	*23,557*
Deferred tax assets	7.5	1,213,871		1,258,163	
Other non-current assets	7.6	7,101		8,005	
TOTAL NON-CURRENT ASSETS		32,012,520		31,576,627	
CURRENT ASSETS					
Trading assets	7.7	1,945,000		1,798,108	
Inventories		77,533		76,299	
Contract assets		19,276		18,703	
Trade receivables		1,848,191	*17,376*	1,703,106	*34,234*
Cash and cash equivalents	7.8	4,766,970		5,624,716	
Cash		4,399,950		4,840,250	
Cash equivalents		367,020		784,466	
Other current inancial assets	7.4	762,085		780,207	
Current financial assets deriving from concession rights		449,710		447,089	
Current financial assets deriving from government grants		51,337		70,110	
Current term deposits		168,738		179,222	
Current derivative assets		341		528	
Current portion of medium/long-term financial assets		54,520		70,720	
Other current financial assets		37,439		12,538	
Current tax assets	7.9	65,484	*6,743*	79,482	*6,743*
Other current assets	7.10	223,857		187,059	
Assets held for sale and related to discontinued operations	7.11	10,762		11,061	
TOTAL CURRENT ASSETS		7,774,158		8,480,633	
TOTAL ASSETS		39,786,678		40,057,260	

€000	NOTE	30 June 2018	OF WHICH RELATED PARTY TRANSACTIONS	31 December 2017	OF WHICH RELATED PARTY TRANSACTIONS
EQUITY AND LIABILITIES					
EQUITY					
Equity attributable to owners of the parent		8,677,908		8,772,377	
Issued capital		825,784		825,784	
Reserves and retained earnings		7,489,477		7,410,418	
Treasury shares		-168,427		-169,489	
Profit/(Loss) for the period net of interim dividends		531,074		705,664	
Equity attributable to non-controlling interests		2,880,966		2,990,601	
Issued capital and reserves		2,794,224		2,788,006	
Profit/(Loss) for the period net of interim dividends		86,742		202,595	
TOTAL EQUITY	7.12	11,558,874		11,762,978	
NON-CURRENT LIABILITIES					
Non-current portion of provisions for construction services required by contract	7.13	2,639,775		2,960,647	
Non-current provisions	7.14	1,566,164		1,566,541	
Non-current provisions for employee benefits		137,793		142,296	
Non-current provisions for repair and replacement obligations		1,185,988		1,238,794	
Non-current provisions for refurbishment of airport infrastructure		196,148		137,389	
Other non-current provisions		46,235		48,062	
Non-current financial liabilities	7.15	15,463,280		15,969,835	
Bond issues		10,738,194		11,362,089	
Medium/long-term borrowings		4,077,591		4,011,504	
Non-current derivative liabilities		612,189		565,575	
Other non-current financial liabilities		35,306		30,667	
Deferred tax liabilities	7.5	2,191,016		2,253,718	
Other non-current liabilities	7.16	110,127	*5,746*	108,052	*6,462*
TOTAL NON-CURRENT LIABILITIES		21,970,362		22,858,793	
CURRENT LIABILITIES					
Trading liabilities	7.17	1,563,726		1,583,415	
Contract liabilities		2,083		1,642	
Trade payables		1,561,643		1,581,773	
Current portion of provisions for construction services required by contract	7.13	648,945		426,846	
Current provisions	7.14	379,891		379,823	
Current provisions for employee benefits		25,842		25,658	
Current provisions for repair and replacement of motorway infrastructure		192,302		217,600	
Current provisions for refurbishment of airport infrastructure		98,145		72,785	
Other current provisions		63,602		63,780	
Current financial liabilities	7.15	2,678,939		2,253,836	
Bank overdrafts repayable on demand		29,070		17,813	
Short-term borrowings		334,821		430,086	
Current derivative liabilities		6,006		14,372	
Current portion of medium/long-term financial liabilities		2,235,725		1,717,935	
Other current financial liabilities		73,317		73,630	
Current tax liabilities	7.9	324,538		151,500	
Other current liabilities	7.18	660,961	*14,746*	633,803	*15,554*
Liablities related to discontinued operations	7.11	442		6,266	
TOTAL CURRENT LIABILITIES		6,257,442		5,435,489	
TOTAL LIABILITIES		28,227,804		28,294,282	
TOTAL EQUITY AND LIABILITIES		39,786,678		40,057,260	

Consolidated income statement

€000	NOTE	H1 2018	OF WHICH RELATED PARTY TRANSACTIONS	H1 2017	OF WHICH RELATED PARTY TRANSACTIONS
REVENUE					
Toll revenue	8.1	2,025,813		1,993,576	
Aviation revenue	8.2	387,328		369,524	
Revenue from construction services	8.3	158,091		212,956	
Other revenue	8.4	490,475	*42,274*	468,185	*41,032*
TOTAL REVENUE		**3,061,707**		**3,044,241**	
COSTS					
Raw and consumable materials	8.5	**-159,083**		**-153,082**	
Service costs	8.6	**-540,035**		**-579,688**	
Gain/(Loss) on sale of elements of property, plant and equipment		**611**		**428**	
Staff costs	8.7	**-497,142**	*-16,207*	**-497,662**	*-21,334*
Other operating costs	8.8	**-300,241**		**-292,364**	
Concession fees		-247,454		-243,578	
Lease expense		-10,880		-11,369	
Other		-41,907		-37,417	
Operating change in provisions	8.9	**-7,759**		**11,505**	
(Provisions)/Uses of provisions for repair and replacement of motorway infrastructure		79,452		11,793	
(Provisions)/Uses of provisions for refurbishment of airport infrastructure		-80,027		7,898	
Provisions		-7,184		-8,186	
Use of provisions for construction services required by contract	8.10	**147,400**		**174,897**	
Amortisation and depreciation		**-565,169**		**-550,936**	
Depreciation of property, plant and equipment	7.1	-34,703		-31,114	
Amortisation of intangible assets deriving from concession rights	7.2	-493,957		-489,929	
Amortisation of other intangible assets	7.2	-36,509		-29,893	
(Impairment losses)/Reversals of impairment losses	8.11	**-537**		**-7,964**	
TOTAL COSTS		**-1,921,955**		**-1,894,866**	
OPERATING PROFIT/(LOSS)		**1,139,752**		**1,149,375**	
Financial income		**186,587**		**186,029**	
Financial income accounted for as an increase in financial assets deriving from concession rights and government grants		37,467		36,866	
Dividends received from investees		4,189		3,569	
Other financial income		144,931		145,594	
Financial expenses		**-462,949**		**-429,024**	
Financial expenses from discounting of provisions for construction services required by contract and other provisions		-22,234		-21,650	
Other financial expenses		-440,715		-407,374	
Foreign exchange gains/(losses)		**13,558**		**11,243**	
FINANCIAL INCOME/(EXPENSES)	8.12	**-262,804**		**-231,752**	
Share of profit/(loss) of investees accounted for using the equity method	8.13	**-2,392**		**-1,679**	
PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS		**874,556**		**915,944**	
Income tax (expense)/benefit	8.14	**-256,928**		**-329,486**	
Current tax expense		-244,341		-273,599	
Differences on tax expense for previous years		8,364		1,285	
Deferred tax income and expense		-20,951		-57,172	
PROFIT/(LOSS) FROM CONTINUING OPERATIONS		**617,628**		**586,458**	
Profit/(Loss) from discontinued operations	8.15	**188**		**-881**	
PROFIT FOR THE PERIOD		**617,816**		**585,577**	
of which:					
Profit attributable to owners of the parent		**531,074**		**520,252**	
Profit attributable to non-controlling interests		**86,742**		**65,325**	

€		H1 2018	H1 2017
Basic earnings per share attributable to owners of the parent	8.16	**0.65**	**0.64**
of which:			
- continuing operations		0.65	0.64
- discontinued operations		-	-
Diluted earnings per share attributable to owners of the parent	8.16	**0.65**	**0.64**
of which:			
- continuing operations		0.65	0.64
- discontinued operations		-	-

Consolidated statement of comprehensive income

€000		H1 2018	H1 2017
Profit for the period	(A)	617,816	585,577
Fair value gains/(losses) on cash flow hedges		-60,988	110,067
Tax effect of fair value gains/(losses) on cash flow hedges		17,648	-24,328
Gains/(losses) from translation of assets and liabilities of consolidated companies denominated in functional currencies other than the euro		-157,514	-209,293
Gains/(losses) from translation of investments accounted for using the equity method denominated in functional currencies other than the euro		-877	-1,281
Other comprehensive income/(loss) for the period reclassifiable to profit or loss	(B)	-201,731	-124,835
Gains/(losses) from actuarial valuations of provisions for employee benefits		-125	-77
Tax effect of gains/(losses) from actuarial valuations of provisions for employee benefits		31	32
Other comprehensive income/(loss) for the period not reclassifiable to profit or loss	(C)	-94	-45
Reclassifications of other components of comprehensive income to profit or loss for the period	(D)	1,726	-217
Tax effect of reclassifications of other components of comprehensive income to profit or loss for the period	(E)	-215	-4,115
Total other comprehensive income/(loss) for the period	(F=B+C+D+E)	-200,314	-129,212
Comprehensive income for the period	(A+F)	417,502	456,365
Of which attributable to owners of the parent		*407,213*	*490,275*
Of which attributable to non-controlling interests		*10,289*	*-33,910*

Statement of changes in consolidated equity

€000	EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT									EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT AND TO NON-CONTROLLING INTERESTS
	ISSUED CAPITAL	CASH FLOW HEDGE RESERVE	NET INVESTMENT HEDGE RESERVE	RESERVE FOR TRANSLATION DIFFERENCES ON TRANSLATION OF ASSETS AND LIABILITIES OF CONSOLIDATED COMPANIES DENOMINATED IN FUNCTIONAL CURRENCIES OTHER THAN THE EURO	RESERVE FOR TRANSLATION OF INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD DENOMINATED IN FUNCTIONAL CURRENCIES OTHER THAN THE EURO	OTHER RESERVES AND RETAINED EARNINGS	TEASURY SHARES	PROFIT/(LOSS) FOR PERIOD NET OF INTERIM DIVIDENDS	TOTAL		
Balance as at 31 December 2016	825,784	-198,723	-36,400	-198,234	-4,427	6,183,356	-106,874	759,387	7,223,869	2,699,251	9,923,120
Comprehensive income for the period	-	77,529	-	-106,795	-708	-3	-	520,252	**490,275**	-33,910	**456,365**
Owner transactions and other changes											
Atlantia SpA's final dividend (€0.530 per share)	-	-	-	-	-	-	-	-433,012	**-433,012**	-	**-433,012**
Transfer of remaining 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	6,505,967	-179,576	520,252	7,204,392	2,530,390	9,734,782
Balance as at 31 December 2017	825,784	-108,823	-36,400	-303,696	-5,781	7,865,118	-169,489	705,664	8,772,377	2,990,601	11,762,978
Impact of first-time adoption of IFRS 9 from 1 January 2018	-	-	-	-	-	28,570	-	-	**28,570**	3,086	**31,656**
Balance as at 1 January 2018	825,784	-108,823	-36,400	-303,696	-5,781	7,893,688	-169,489	705,664	8,800,947	2,993,687	11,794,634
Comprehensive income for the period	-	-40,468	-	-82,873	-487	-33	-	531,074	**407,213**	10,289	**417,502**
Owner transactions and other changes											
Atlantia SpA's final dividend (€0.650 per share)	-	-	-	-	-	-	-	-531,607	**-531,607**	-	**-531,607**
Transfer of remaining profit/(loss) for previous year to retained earnings	-	-	-	-	-	174,057	-	-174,057	**-**	-	**-**
Dividends paid by other Group companies to non-controlling shareholders	-	-	-	-	-	-	-	-	**-**	-123,714	**-123,714**
Share-based incentive plans	-	-	-	-	-	-130	1,062	-	**932**	-	**932**
Reclassifications and other minor changes	-	-85	-	-	-4	512	-	-	**423**	704	**1,127**
Balance as at 30 June 2018	825,784	-149,376	-36,400	-386,569	-6,272	8,068,094	-168,427	531,074	8,677,908	2,880,966	11,558,874

Consolidated statement of cash flows

€000	NOTE	H1 2018	OF WHICH RELATED PARTY TRANSACTIONS	H1 2017	OF WHICH RELATED PARTY TRANSACTIONS
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES					
Profit for the period		617,816		585,577	
Adjusted by:					
Amortisation and depreciation		565,169		550,936	
Operating change in provisions, after use of provisions for refurbishment of airport infrastructure		41,674		30,076	
Financial expenses from discounting of provisions for construction services required by contract and other provisions	8.12	22,234		21,650	
Impairment losses/(Reversal of impairment losses) on financial assets and investments accounted for at fair value		33		4,014	
Dividends received and share of (profit)/loss of investees accounted for using the equity method	8.13	32,104		10,074	
Impairment losses/(Reversal of impairment losses) and adjustments of current and non-current assets		488		8,255	
(Gains)/Losses on sale of non-current assets		-617		-452	
Net change in deferred tax (assets)/liabilities through profit or loss		20,169		57,172	
Other non-cash costs (income)		-35,999		-54,872	
Change in working capital and other changes		-8,392	*18,142*	1,233	*23,227*
Net cash generated from/(used in) operating activities [a]	9.1	1,254,679		1,213,663	
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES					
Investment in assets held under concession	7.2	-338,330		-427,789	
Purchases of property, plant and equipment	7.1	-19,636		-36,049	
Purchases of other intangible assets	7.2	-19,483		-21,541	
Government grants related to assets held under concession		229		252	
Increase in financial assets deriving from concession rights (related to capital expenditure)		10,691		32,713	
Purchases of investments		-9,843		-3,996	
Acquisitions of additional interests and/or investment in consolidated companies, net of cash acquired		-1,056,124		-2,208	
Proceeds from sales of property, plant and equipment, intangible assets and unconsolidated investments		1,320		741	
Net change in other non-current assets		801		11,927	
Net change in current and non-current financial assets		-28,543		-118,262	
Net cash generated from/(used in) investing activities [b]	9.1	-1,458,918		-564,212	
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES					
Purchase of treasury shares	7.12	-		-84,172	
Dividends paid	7.12	-654,430		-454,725	
Return of capital to non-controlling shareholders	7.12	-		-95,223	
Proceeds from exercise of rights under share-based incentive plans		935		7,945	
Issuance of bonds	7.15	93,116		1,325,325	
Increase in medium/long-term borrowings (excluding finance lease liabilities)		201,046		227,232	
Increase in finance lease liabilities		179		-	
Redemption of bonds	7.15	-37,291		-387,654	
Repayments of medium/long-term borrowings (excluding finance lease liabilities)		-109,853		-86,548	
Payment of finance lease liabilities		-209		-2,418	
Net change in other current and non-current financial liabilities		-135,154		-1,530,729	
Net cash generated from/(used in) financing activities [c]	9.1	-641,661		-1,080,967	
Net effect of foreign exchange rate movements on net cash and cash equivalents [d]		-23,156		-11,858	
Increase/(Decrease) in cash and cash equivalents [a+b+c+d]	9.1	-869,056		-443,374	
NET CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		5,613,425		3,386,258	
NET CASH AND CASH EQUIVALENTS AT END OF PERIOD		4,744,369		2,942,884	

Additional information on the statement of cash flows

€000	NOTE	H1 2018	H1 2017
Income taxes paid		39,109	175,985
Interest and other financial income collected		45,112	36,663
Interest and other financial expenses paid		432,905	399,155
Dividends received	7.3	33,901	11,964
Foreign exchange gains collected		187	212
Foreign exchange losses incurred		94	279

Reconciliation of net cash and cash equivalents

€000	NOTE	H1 2018	H1 2017
NET CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		5,613,425	3,386,258
Cash and cash equivalents	7.8	5,624,716	3,383,029
Bank overdrafts repayable on demand	7.15	-17,813	-4,757
Cash and cash equivalents related to discontinued operations	7.11	6,522	7,986
NET CASH AND CASH EQUIVALENTS AT END OF PERIOD		4,744,369	2,942,884
Cash and cash equivalents	7.8	4,766,970	2,975,269
Bank overdrafts repayable on demand	7.15	-29,070	-39,671
Cash and cash equivalents related to discontinued operations	7.11	6,469	7,286

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 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 and is, therefore, subject to supervision by the CONSOB (the *Commisione Nazionale per le Società e la Borsa*, Italy's Securities and Exchange Commission).
The Company's registered office is in Rome, at Via Nibby, 20 and the Company does not have branch offices. The duration of the Company is until 31 December 2050.
At the date of preparation of these condensed consolidated interim financial statements, Sintonia SpA (hereinafter also the "significant shareholder") 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 2018 were approved by the Company's Board of Directors at its meeting of 4 August 2018.

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 2018 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, as amended, 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 2017, 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 2017. Given their importance, it should also be noted that, from 1 January 2018, the following accounting standards have become effective: "IFRS 9 – Financial Instruments" and "IFRS 15 – Revenue from Contracts with Customers". In adopting "IFRS 9 – Financial Instruments", the Group elected to recognise the impact of retrospective restatement of amounts in equity as at 1 January 2018, without restating the comparative prior-year amounts. In adopting "IFRS 15 – Revenue from Contracts with Customers", the Group opted for retrospective application, reclassifying components of "Revenue" for the first half of 2017.
Further information on the impact of the adoption of these standards is provided below in note 3, "Accounting standards and policies applied".
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 2017 and the consolidated financial statements as at and for the year ended 31 December 2017, the names of certain line items in the statements have been modified:

a) the item "Investments accounted for at cost or fair value" has been renamed "Investments accounted for at fair value";
b) the item "Contract work in progress" has been renamed "Contract assets";
c) the item "Liabilities deriving from contract work in progress" has been renamed "Contract liabilities".

In addition, the balance of "Contract revenue" has been reclassified to "Other revenue".

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 2018, either with third or related parties. As a result, the consolidated financial statements therefore only show material amounts relating to related party transactions.
It should be noted, however, that following conclusion of the joint investment agreement with ACS and Hochtief in the first half of 2018, Atlantia withdrew its voluntary public tender offer, in cash and/or shares, for the entire issued capital of Abertis Infraestructuras, launched in 2017. The impact of the above transaction on the Group's results of operations and financial position are described in note 6.2 below.

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.
In this regard, it should be noted that the consolidated income statement for the first half of 2017 presents a number of differences compared with the information published in the condensed

consolidated interim financial statements as at and for the six months ended 30 June 2017. These differences reflect:

a) first-time adoption of the new IFRS 15, as described in greater detail in note 3 below;
b) the impact of completion, at the end of 2017, of identification and fair value measurement of the assets acquired and liabilities assumed as a result of the acquisition (at the end of 2016) of Aéroports de la Côte d'Azur (ACA), as described in greater detail in note 6.1 in the consolidated financial statements as at and for the year ended 31 December 2017, reflected retrospectively from the acquisition date, with the resulting restatement and adjustment of the assets and liabilities previously included, on a provisional basis, in the condensed consolidated interim financial statements as at and for the six months ended 30 June 2017;
c) the different classification of dividends received from investees accounted for using the equity method, now recognised in the "Share of profit/(loss) of investees accounted for using the equity method" as opposed to their previous classification in "Financial income".

The following table shows the impact of the above changes on the income statement for the first half of 2017:

€000	H1 2017	Restatement IFRS 15	Restatement PPA ACA	Restatement reclassification of dividends from investees accounted for using equity method	H1 2017 restated
REVENUE					
Toll revenue	1,993,576				1,993,576
Aviation revenue	373,169	-3,645			369,524
Revenue from construction services	212,956				212,956
Contract revenue	16,078	*-16,078*			-
Other revenue	452,107	*16,078*			468,185
TOTAL REVENUE	**3,047,886**	**-3,645**	**-**		**3,044,241**
COSTS					
Raw and consumable materials	-153,082				-153,082
Service costs	-583,333	*3,645*			-579,688
Gain/(Loss) on sale of elements of property, plant and equipment	428				428
Staff costs	-497,662				-497,662
Other operating costs	-292,364				-292,364
Operating change in provisions	11,505				11,505
Use of provisions for construction services required by contract	174,897				174,897
Amortisation and depreciation	-554,525		3,589		-550,936
(Impairment losses)/Reversals of impairment losses	-7,964				-7,964
TOTAL COSTS	**-1,902,100**	**3,645**	**3,589**		**-1,894,866**
OPERATING PROFIT/(LOSS)	**1,145,786**	**-**	**3,589**	**-**	**1,149,375**
Financial income	194,424			*-8,395*	186,029
Financial expenses	-429,024				-429,024
Foreign exchange gains/(losses)	11,243				11,243
FINANCIAL INCOME/(EXPENSES)	**-223,357**	**-**	**-**	**-8,395**	**-231,752**
Share of profit/(loss) of investees accounted for using the equity method	-10,074			8,395	-1,679
PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	**912,355**	**-**	**3,589**	**-**	**915,944**
Income tax (expense)/benefit	-329,929		443		-329,486
PROFIT/(LOSS) FROM CONTINUING OPERATIONS	**582,426**	**-**	**4,032**	**-**	**586,458**
Profit/(Loss) from discontinued operations	-881				-881
PROFIT FOR THE PERIOD	**581,545**	**-**	**4,032**	**-**	**585,577**
of which:					
Profit attributable to owners of the parent	**518,179**		**2,073**		**520,252**
Profit attributable to non-controlling interests	**63,366**		**1,959**		**65,325**

Compared with the information provided in the consolidated financial statements as at and for the year ended 31 December 2017, the consolidated statement of financial position reflects the different classification of certain airport refurbishment work carried out by ACA, deemed to improve the related financial statement presentation. This has resulted in the reclassification of €27 million from "Provisions for repair and replacement" to "Provisions for the refurbishment of airport infrastructure". This has resulted in increases in "Net cash from operating activities" and in "Net cash from investing activities" in the consolidated statement of cash flows for the first half of 2017. This reflects the use of €8 million of ACA's provisions for airport refurbishment during the 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 2018 are consistent with those applied in preparation of the consolidated financial statements as at and for the year ended 31 December 2017, with the exception of the changes introduced as a result of adoption, with effect from 1 January 2018, of the new accounting standards, IFRS 9 – *Financial Instruments* and IFRS 15 – *Revenue from Contracts with Customers*.
The notes to the consolidated financial statements as at and for the year ended 31 December 2017, to which reference should be made, provide both a detailed description of the accounting standards and policies applied, and the most significant aspects of the new accounting standards, IFRS 9 and IFRS 15, in effect from 1 January 2018.

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.
The amounts subsequently recognised may, therefore, differ from these estimates. Moreover, these estimates and judgements are periodically reviewed and updated, and the resulting effects of each change immediately recognised in the financial statements.

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.

With regard to the potential impact of introduction of IFRS 16, effective from 1 January 2019, the Group is not a party to significant lease arrangements as a lessee. In addition, with regard to arrangements in which Group companies are the lessor, essentially 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, IFRS 16 has not introduced changes to the accounting treatment of lease arrangements by lessors, compared with the requirements of IAS 17. As a result, introduction of the new standard is not currently expected to have a material impact.
The potential impact of future application of all the newly issued standards due to come into effect on 1 January 2018, as well as of revisions and amendments to existing standards, is currently being evaluated by the Group. The impact of their future application cannot currently be reasonably estimated.

With regard to IFRS 9 and IFRS 15, which as indicated have been adopted from 1 January 2018, the principal changes introduced by these standards and differences with respect to the policies previously applied are described below.

IFRS 9 – Financial Instruments

IFRS 9, which has replaced IAS 39, has introduced a new approach to accounting for and measuring financial instruments.
The standard introduces new rules for the classification and measurement of financial instruments, a new impairment model for financial assets and a new hedge accounting model.

Classification and measurement

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

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

The financial asset is measured at fair value, with any changes recognised in comprehensive income, if the objectives of the business model are to hold the financial asset to collect the contractual cash flows, or to sell it.
Finally, the standard envisages a residual category of financial asset measured at fair value through profit or loss, which includes assets held for trading.
A financial asset meeting the conditions to be classified and measured at amortised cost may, on initial recognition, be designated as a financial asset at fair value through profit or loss, to the extent that this accounting treatment would eliminate or significantly reduce a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.
In addition, the new standard provides that an entity may, with respect to investments in equity instruments, which consequently may not be carried and measured at amortised cost unless such instruments are shares that are not held for trading but rather for strategic reasons, make an irrevocable election on initial recognition to present changes in the fair value in comprehensive income.
The new IFRS 9, on the other hand, has confirmed the provisions of IAS 39 for financial liabilities including the related measurement at amortised cost or, in specific circumstances, at fair value through profit or loss.
In addition, the amendment approved on 12 October 2017 specifies that:

a) in the event of non-substantial modifications to the terms of a financial instrument, the difference between the present value of the modified cash flows (determined using the instrument's effective interest rate at the date of modification) and the carrying amount of the instruments is accounted for in profit or loss;
b) a debt instrument with a prepayment option may comply with the definition of contractual cash flows alone required by IFRS 9 and, as a result, be accounted for at amortised cost or at fair value through other comprehensive income, even when the contract provides for negative compensation for the lender.

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

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

Impairment

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

Hedge accounting

The most important changes introduced by IFRS 9 regard:

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

Impact of the adoption of IFRS 9 on the Atlantia Group's consolidated financial statements

As permitted by IFRS 9, the Atlantia Group has restated the assets and liabilities accounted for as at 31 December 2017, recognising the impact of adoption of the new standard as an adjustment to equity as at 1 January 2018.
In terms of the Atlantia Group's assets and liabilities as at 31 December 2017, as reported in the statement of financial position included in the consolidated financial statements as at that date, the only effect of note resulting from adoption of IFRS 9 regards the non-substantial modifications of financial liabilities carried out by Autostrade per l'Italia and Aeroporti di Roma in 2017 (as described in note 7.15 to the consolidated financial statements as at and for the year ended 31 December 2017). Under the new standard, these modifications have resulted in recognition of the difference between the present value of the modified cash flows (determined using the instrument's effective interest rate at the date of the modification) and the carrying amount of the instrument at the date of the modification.
As a result and as shown in the following consolidated statement of financial position as at 1 January 2018, non-current financial liabilities have been reduced by €42 million, recognising the related deferred tax liabilities of €10 million. This has, therefore, resulted in an increase in consolidated equity of €32 million, including €29 million attributable to owners of the parent.

IFRS 15 – Revenue from Contracts with Customers

IFRS 15 has replaced the previous IAS 18 and IAS 11 and the related interpretations, IFRIC 13, IFRIC 15, IFRIC 18 and SIC 31.
The new standard establishes the standards to follow in recognising revenue from contracts with customers, with the exception of contracts falling within the scope of application of standards governing leases, insurance contracts and financial instruments.
The standard provides an overall framework for identifying the timing and amount of revenue to be recognised in the financial statements.
Under IFRS 15, the entity must analyse the contract and the related accounting effects using the following steps:

(a) identification of the contract;
(b) identification of the performance obligations in the contract;
(c) determination of the transaction price;

(d) allocation of the transaction price to each identified performance obligation;
(e) recognition of revenue when the performance obligation is satisfied.

The amount recognised as revenue by an entity must, therefore, reflect the consideration to which the entity is entitled in exchange for goods transferred to the customer and/or services rendered. This revenue is to be recognised when the entity has satisfied its performance obligations under the contract.
In addition, in recognising revenue, the standard stresses the need to assess the likelihood of obtaining/collecting the economic benefits linked to the proceeds. In the case of contract work in progress, the new standard introduces the requirement to recognise revenue taking into account the effect of discounting to present value resulting from the deferral of collections over time.

Impact of the adoption of IFRS 15 on the Atlantia Group's consolidated financial statements
Following the assessment conducted, the adoption of IFRS 15 is not expected to have any impact on the Group, with the exception of the following:
a) the reclassification of certain amounts paid by Aeroporti di Roma to airline customers as an incentive to boost air traffic and which, under the new standard, have been classified as a reduction in the revenue received by this subsidiary, rather than being recognised as a cost of services provided by the airlines, as was previously the case;
b) renaming of the items "Contract work in progress" and "Liabilities deriving from contract work in progress" as "Contract assets" and "Contract liabilities".

In addition, in order to improve presentation, the item "Contract revenue" has been reclassified to "Other revenue".

With regard to point a), the income statement for the first half of 2017, presented for comparative purposes, has been restated without having any impact on profit for the period or on consolidated equity, as shown in the table included in note 2.

The following table shows the impact of the restatement of assets and liabilities as at 31 December 2017, recognising the impact of first-time adoption of IFRS 9 as an adjustment to equity as at 1 January 2018.

Consolidated statement of financial position

€000	31 December 2017	Impact of adoption of IFRS 9	1 January 2018
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	302,799		302,799
Intangible assets	27,424,561		27,424,561
Investments	266,974		266,974
Non-current financial assets	2,316,125		2,316,125
Deferred tax assets	1,258,163		1,258,163
Other non-current assets	8,005		8,005
TOTAL NON-CURRENT ASSETS	**31,576,627**	**-**	**31,576,627**
CURRENT ASSETS			
Trading assets	1,798,108		1,798,108
Cash and cash equivalents	5,624,716		5,624,716
Current financial assets	780,207		780,207
Current tax assets	79,482		79,482
Other current assets	187,059		187,059
Assets held for sale and related to discontinued operations	11,061		11,061
TOTAL CURRENT ASSETS	**8,480,633**	**-**	**8,480,633**
TOTAL ASSETS	**40,057,260**	**-**	**40,057,260**
EQUITY AND LIABILITIES			
EQUITY			
Equity attributable to owners of the parent	8,772,377	28,570	8,800,947
Equity attributable to non-controlling interests	2,990,601	3,086	2,993,687
TOTAL EQUITY	**11,762,978**	**31,656**	**11,794,634**
NON-CURRENT LIABILITIES			
Non-current portion of provisions for construction services required by contract	2,960,647		2,960,647
Non-current provisions	1,566,541	-	1,566,541
Non-current financial liabilities	15,969,835	-41,652	15,928,183
Deferred tax liabilities	2,253,718	9,996	2,263,714
Other non-current liabilities	108,052		108,052
TOTAL NON-CURRENT LIABILITIES	**22,858,793**	**-31,656**	**22,827,137**
CURRENT LIABILITIES			
Trading liabilities	1,583,415		1,583,415
Current portion of provisions for construction services required by contract	426,846		426,846
Current provisions	379,823		379,823
Current financial liabilities	2,253,836		2,253,836
Current tax liabilities	151,500		151,500
Other current liabilities	633,803		633,803
Liabilities related to discontinued operations	6,266		6,266
TOTAL CURRENT LIABILITIES	**5,435,489**		**5,435,489**
TOTAL LIABILITIES	**28,294,282**	**-31,656**	**28,262,626**
TOTAL EQUITY AND LIABILITIES	**40,057,260**	**-**	**40,057,260**

In addition, the following table provides an overview of financial assets and liabilities as at 31 December 2017, showing the measurement criteria applied under the previous IAS 39 and under the new IFRS 9.

Consolidated statement of financial position

€000	IAS 39 Portfolio	IAS 39 Measurement criteria	IAS 39 Balance as at 31 December 2017	IFRS 9 Portfolio	IFRS 9 Measurement criteria	IFRS 9 Balance as at 1 January 2018
NON-CURRENT FINANCIAL ASSETS						
Investments						
Investments accounted for at fair value	AFS	FV TO OCI	82,283	HFT	FV TO OCI	82,283
Non-current financial assets						
Non-current financial assets deriving from concession rights	HTM	AMORTISED COST	963,602	HTC	AMORTISED COST	963,602
Non-current financial assets deriving from government grants	L&R	AMORTISED COST	249,936	HTC	AMORTISED COST	249,936
Non-current term deposits	L&R	AMORTISED COST	315,474	HTC	AMORTISED COST	315,474
Non-current derivative assets - HA portion	HEDGE ACCOUNTING	CASH FLOW HEDGE FAIR VALUE HEDGE	55,471	HEDGE ACCOUNTING	CASH FLOW HEDGE FAIR VALUE HEDGE	55,471
Non-current derivative assets - non-HA portion	FVTPL	FVTPL	51,797	FVTPL	FVTPL	51,797
Other non-current financial assets	L&R	AMORTISED COST	679,845	HTC	AMORTISED COST	679,845
CURRENT FINANCIAL ASSETS						
Trading assets						
Trade receivables	L&R	AMORTISED COST	1,703,106	HTC	AMORTISED COST	1,703,106
Cash and cash equivalents						
Cash	L&R	AMORTISED COST	4,840,250	HTC	AMORTISED COST	4,840,250
Cash equivalents	L&R	AMORTISED COST	784,466	HTC	AMORTISED COST	784,466
Current financial assets						
Current financial assets deriving from concession rights	HTM	AMORTISED COST	447,089	HTC	AMORTISED COST	447,089
Current financial assets deriving from government grants	L&R	AMORTISED COST	70,110	HTC	AMORTISED COST	70,110
Current term deposits	L&R	AMORTISED COST	179,222	HTC	AMORTISED COST	179,222
Current derivative assets - HA portion	HEDGE ACCOUNTING	CASH FLOW HEDGE FAIR VALUE HEDGE	-	HEDGE ACCOUNTING	CASH FLOW HEDGE FAIR VALUE HEDGE	-
Current derivative assets - non-HA portion	FVTPL	FVTPL	528	FVTPL	FVTPL	528
Current portion of other medium/long-term financial assets	L&R	AMORTISED COST	70,720	HTC	AMORTISED COST	70,720
Other current financial assets	L&R	AMORTISED COST	12,538	HTC	AMORTISED COST	12,538

Consolidated statement of financial position

€000	IAS 39 Measurement criteria	Balance as at 31 December 2017	IFRS 9 Measurement criteria	Balance as at 1 January 2018
LIABILITIES				
Non-current financial liabilities				
Bond issues	AMORTISED COST	10,976,377	AMORTISED COST	10,968,313
Bond issues	FVTPL	385,712	FVTPL	385,712
Medium/long-term borrowings	AMORTISED COST	4,011,504	AMORTISED COST	3,977,916
Non-current derivative liabilities	CASH FLOW HEDGE FAIR VALUE HEDGE	390,465	CASH FLOW HEDGE FAIR VALUE HEDGE	390,465
Non-current derivative liabilities	FVTPL	175,110	FVTPL	175,110
Other non-current financial liabilities	AMORTISED COST	30,667	AMORTISED COST	30,667
Trading liabilities				
Trade payables	AMORTISED COST	1,581,773	AMORTISED COST	1,581,773
Current financial liabilities				
Bank overdrafts repayable on demand	AMORTISED COST	17,813	AMORTISED COST	17,813
Short-term borrowings	AMORTISED COST	430,086	AMORTISED COST	430,086
Current derivative liabilities	CASH FLOW HEDGE FAIR VALUE HEDGE	-	CASH FLOW HEDGE FAIR VALUE HEDGE	-
Current derivative liabilities	FVTPL	14,372	FVTPL	14,372
Current portion of medium/long-term borrowings	AMORTISED COST	1,717,935	AMORTISED COST	1,717,935
Other current financial liabilities	AMORTISED COST	73,630	AMORTISED COST	73,630

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 2018, 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 2017.
Further details of events of a regulatory nature, linked to the Group's concession arrangements, during the first half of 2018 are provided in note 10.7 "Significant legal and regulatory aspects".

Italian motorways

The only changes to the motorway concessions held by the Group's Italian companies in the first half of 2018 are as follows:

a) the II Addendum to Autostrade per l'Italia's Single Concession Arrangement, signed on 22 February 2018, is effective following its approval by the Ministry of Infrastructure and Transport and the Ministry of the Economy and Finance in Decree 128 of 16 March 2018, registered by Italy's Court of Auditors on 31 May 2018;
b) the Addendum to Tangenziale di Napoli's Single Concession Arrangement, regarding the five-yearly review (2014–2018) of the financial plan annexed to the Arrangement, is effective following its approval by the Ministry of Infrastructure and Transport and the Ministry of the Economy and Finance in Decree 131 of 16 March 2018, registered by Italy's Court of Auditors on 23 April 2018;
c) on 15 June 2018, Autostrade per l'Italia submitted its proposed five-yearly review of its financial plan to the Grantor, to be formalised via an addendum to the existing concession arrangement;
d) on 27 April 2018, the European Commission announced that the Commission had given its approval for the "plan for investment in Italian motorways", under which, in return for Autostrade per l'Italia's implementation of an investment programme amounting to approximately €7.9 billion, the concession terms is to be extended by four years (from 31 December 2038 to 31 December 2042), toll increases are to be capped and a takeover right is to be introduced on expiry of the concession. The European Commission's decision has been published on the Commission's website.

Overseas motorways

In relation to the motorway concessions held by the Group's overseas subsidiaries, from 31 May 2018, the toll exemption for vehicles with raised axles was extended to the State of Sao Paulo (Triangulo do Sol, Rodovias das Colinas and Rodovias do Tiete). Operators will be compensated for the lost revenue in accordance with their existing concession arrangements, under a mechanism yet to be finalised.

On 9 May 2018, Nororiente finalised an addendum with Chile's Ministry of Public Works regarding implementation of a free flow tolling system. Compensation will, at the Ministry's discretion, take the form of a 10-month extension of the concession term and/or a cash payment for loss of revenue due to toll evasion and unregistered motorway journeys, after the application of overdue interest on the amounts due, discounted at a real interest rate of 5%.

On 21 April 2018, the Supreme Decree awarding the concession for the Conexión Vial Ruta 78 hasta Ruta 68 connection to Grupo Costanera, signed by the President of the Republic of Chile, was published in the Official Gazette, following prior approval by the Chilean Court of Auditors. The concession term began on this date. The concession regards construction and operation of a new 9.2-km section of urban, free-flow toll motorway in the city of Santiago. The new road will link Ruta 78 with Ruta 68, the two main roads connecting Santiago with the ports of Valparaiso and San Antonio, which will be connected with the section operated under concession by Costanera Norte, a wholly owned subsidiary of Grupo Costanera. The estimated cost of the project is approximately €200 million.

On 5 April 2018, the Supreme Decree awarding the concession for the Américo Vespucio Oriente Príncipe de Gales – Los Presidentes (AVO II) to Grupo Costanera, signed by the President of the Republic of Chile, was published in the Official Gazette, following prior approval by the Chilean Court of Auditors. The concession term began on this date. The concession regards construction and operation of a section of urban motorway in the city of Santiago, consisting of a 5-km long tunnel using a free-flow tolling system. The concession was awarded to Atlantia on 28 July 2017 through its Chilean subsidiary, Grupo Costanera. The AVO II section is located at the eastern side of Santiago's orbital motorway and is the continuation of the section operated under concession by Vespucio Sur, a wholly owned subsidiary of Grupo Costanera. The estimated cost of the project is approximately €500 million.

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 2018 are consistent with those used in preparation of the consolidated financial statements as at and for the year ended 31 December 2017.
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 2018". 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.
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	2018		2017		
	Spot exchange rate 30 June	Average exchange rate H1	Spot exchange rate 30 June	Spot exchange rate 31 December	Average exchange rate H1
Euro/US Dollar	1.166	1.210	1.141	1.199	1.083
Euro/Polish Zloty	4.373	4.221	4.226	4.177	4.269
Euro/Chilean Peso	757.260	740.220	758.214	737.290	714.889
Euro/Brazilian Real	4.488	4.142	3.760	3.973	3.443
Euro/Swiss Franc	1.157	1.170	1.093	1.170	n/a
Euro/Indian Rupee	79.813	79.490	73.745	76.606	71.176

The Group's scope of consolidation as at 30 June 2018 differs from the scope used as at 31 December 2017 following the acquisition, in the first half of 2018, of a 100% interest in Aero I Global & International Sàrl, the Luxembourg-registered investment vehicle that holds the 15.49% interest in Getlink, the company that holds the concession to operate the undersea link between France and the United Kingdom. In accordance with IFRS 3, the estimated fair value of the assets and liabilities of Aero I Global & International Sàrl, at the acquisition date, have been recognised on a provisional basis and consolidated on a line-by-line basis from such date, as explained in note 6.1.
The consolidation of Aero I Global & International Sàrl has not had a significant impact on the reclassified consolidated income statement for the first half of 2018.

The following transactions also took place in the first half of 2018 as part of a reorganisation of the Group's subsidiaries:

a) the transfer to Telepass of Autostrade per l'Italia's 75% interest in Infoblu;
b) the transfer to Telepass of K-Master's 100% interest in Telepass Broker.

6. CORPORATE ACTIONS IN THE FIRST HALF OF 2018

6.1 Acquisition of Aero I Global & International Sàrl

On 2 March 2018, Atlantia acquired a 100% interest in Aero I Global & International Sàrl (hereinafter "Aero I") from a number of funds managed by Goldman Sachs Infrastructure Partners. The acquired company is a Luxembourg-registered investment vehicle whose only significant asset is its holding of 85,170,758 shares in Getlink (formerly Groupe Eurotunnel SE), amounting to a 15.49% interest and representing 26.66% of the company's voting rights (quotas calculated on the basis of the total shares in issue, amounting to 550,000,000, and the total number of voting rights, amounting to 639,030,648, based on disclosures published by Getlink on 16 February 2018).
Getlink operates the undersea link connecting France with the UK (consisting of three tunnels and two terminals under a concession expiring in 2086), and Europorte (a rail business not operated under concession) and the future electricity interconnection between France and the UK (ElecLink), which is being built inside the tunnel. Getlink's consolidated revenue amounted to €1,033 million in 2017, with consolidated EBITDA amounting to €526 million. Getlink is listed on the Euronext Paris and Euronext London exchanges and had a market capitalisation of approximately €5.7 billion at the acquisition date.
The cost of the acquisition to Atlantia totals €1,056 million. The cost incurred consists of €779 million in loans to Aero I (subsequently converted into equity) and €277 million represented by the 100% interest in the company's capital.
For the purposes of preparing the condensed consolidated interim financial statements, the transaction has been accounted for using the acquisition method, as required by IFRS 3. This involves estimating and measuring the fair values of the assets acquired and the liabilities assumed as a result of the acquisition of Aero I. Specifically, this has resulted in a provisional calculation of the fair value of Aero I's investment in Getlink, whilst continuing to recognise the carrying amounts of the other assets and liabilities previously recognised in the acquired company's financial statements, as they are deemed to approximate to fair value. Aero I's financial liabilities have been excluded from the assessment, given that Atlantia has also acquired the matching financial assets transferred by the sellers together with the above shareholding.
The table below shows the carrying amounts of the assets acquired and liabilities assumed, in addition to the fair values identified.

€m		Carrying amount	Fair value adjustments	Fair value
Net assets acquired				
Investments		675	381	1,056
Non-current financial liabilities	-	652	-	652
Current financial liabilities	-	127	-	127
Total net assets acquired	**-**	**104**	**381**	**277**

As a result of the acquisition of Aero I, the Atlantia Group thus holds an investment in Getlink that, under IFRS, gives it significant influence over this company. This means that, from the acquisition date, the investment in Getlink is accounted for using the equity method. As permitted by IFRS 3, application of this method involved provisional identification of the fair value of the assets and liabilities of Getlink and its subsidiaries, including the fair value of the above investment. Under IFRS 3, final measurement of the fair value of the assets and liabilities of Getlink and its subsidiaries will be completed within 12 months of the acquisition date. The outcome of the assessment currently underway could, therefore, have an impact on the measurement of the investment using the equity method used in the preparation of the condensed consolidated interim financial statements as at and for the six months ended 30 June 2018.

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

In 2017, Atlantia launched a voluntary public tender offer, in cash and/or shares, for the entire issued capital of Abertis Infraestructuras (hereinafter also "Offer"), subsequently withdrawn on 12 April 2018, in implementation of the agreements reached with Hochtief and ACS regarding a joint investment in Abertis, as previous described in the Annual Report for the year ended 31 December 2017.

As a result of the above agreements, as at 30 June 2018, Hochtief holds a 95.3% interest in Abertis Infraestructuras SA, acquired as a result of this company's public tender offer for all the latter's issued capital and share purchases completed following the conclusion of the acceptance period for the offer (8 May 2018), as permitted by the existing regulations.

In the coming months, Hochtief, ACS and Atlantia will implement the agreements signed, which, on conclusion of the process, will result in Atlantia's acquisition of control of a majority of Abertis Infraestructuras SA's shares through a vehicle company, with minority interests held by ACS and Hochtief. In view of the transaction in progress and previous disclosures in the Group's consolidated financial statements as at and for the year ended 31 December 2017 (see the relevant note 6.4), the transaction has had the following effects in the first half of 2018:

a) to aid the Company's Board of Directors in its decision-making regarding the acquisition, in addition to the information disclosed during 2017, the Group has recognised fees for external consultants totalling €7 million, classified in "Service costs", and the related deferred taxation of €2 million. In addition, the costs incurred by Atlantia as a result of the Offer in 2017, amounting to €32 million, deferred tax assets of €8 million have been recognised in the consolidated financial statements as at 30 June 2018;

b) following Atlantia's withdrawal of its voluntary public tender offer, in cash and/or shares, for the entire issued capital of Abertis Infraestructuras, as a result of the agreement with ACS and Hochtief, on 13 April 2018, Atlantia cancelled the acquisition financing provided by its banks in May 2017, amounting to €14,700 million (previously reduced to €11,648 million in 2017, following both the issue of bonds in July 2017, and the sale of interests in a number of subsidiaries and associates, completed in the second half of 2017).

The cancelled credit facilities were replaced by a combination of new facilities totalling up to €4,000 million on 15 May 2018. As at 30 June 2018, these are as follows: i) a Term Loan of up to €1,500 million, repayable in tranches maturing between the first quarter of 2022 and the first quarter of 2023; ii) a Bridge Loan of up to €2,500 million, with a bullet repayment in December 2019.

As a result of above financing, in the first half of 2018 the Group recognised financial expenses of €24 million, regarding:

1) the recognition of upfront and commitment fees on committed financing outstanding as at 30 June 2018;
2) the release to profit or loss of a portion of the financial assets recognised as at 31 December 2017 in connection with the upfront fees payable on the committed financing cancelled in the first half of 2018;

c) to hedge the above committed financing, in addition to the Forward-Starting Interest Rate Swaps of €1,000 million entered into in June 2017, in March 2018, the Group entered into further specific Forward-Starting Interest Rate Swaps with a notional value of €2,000 million to hedge against the risk of movements in interest rates. These financial instruments, registering fair value losses of €45 million as at 30 June 2018, qualify for the application of hedge accounting, as they meet all the requirements of IFRS 9 for recognition as cash flow hedges.
With regard to the Forward-Starting Interest Rate Swaps subject to a "deal contingent hedge" provision, entered into in 2017, the Group recognised financial expenses of €8 million in the first half of 2018, following realisation of a portion of the fair value losses previously recognised as at 31 December 2017.

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 2018. Comparative amounts as at 31 December 2017 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 €284,120 thousand (€302,799 thousand)

As at 30 June 2018, property, plant and equipment amounts to €284,120 thousand, compared with a carrying amount of €302,799 thousand as at 31 December 2017. 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 2018 COST	30 June 2018 ACCUMULATED DEPRECIATION	30 June 2018 CARRYING AMOUNT	31 December 2017 COST	31 December 2017 ACCUMULATED DEPRECIATION	31 December 2017 CARRYING AMOUNT
Property, plant and equipment	912,208	-630,817	281,391	903,862	-604,360	299,502
Property, plant and equipment held under finance leases	3,305	-662	2,643	3,392	-603	2,789
Investment property	7,322	-7,236	86	7,650	-7,142	508
Total property, plant and equipment	**922,835**	**-638,715**	**284,120**	**914,904**	**-612,105**	**302,799**

The reduction in the carrying amount with respect to 31 December 2017, amounting to €18,769 thousand, primarily reflects a combination of depreciation for the period, amounting to €34,703 thousand, and capital expenditure of €19,636 thousand, as shown in the following table.

€000	CARRYING AMOUNT AS AT 31 DECEMBER 2017	CHANGES DURING THE PERIOD: ADDITIONS	DEPRECIATION	NET DISPOSALS	NET CURRENCY TRANSLATION DIFFERENCES	RECLASSIFICATIONS AND OTHER ADJUSTMENTS	CARRYING AMOUNT AS AT 30 JUNE 2018
Property, plant and equipment							
Land	8,388	-	-	-	-14	-1	8,373
Buildings	40,529	939	-1,486	-	-140	7	39,849
Plant and machinery	115,721	1,705	-10,786	-114	-44	1,640	108,122
Industrial and business equipment	53,206	3,006	-9,753	-273	-483	585	46,288
Other assets	65,190	4,792	-12,222	-29	-43	755	58,443
Property, plant and equipment under construction and advance payments	16,468	9,194	-	-	-5	-5,341	20,316
Total	**299,502**	**19,636**	**-34,247**	**-416**	**-729**	**-2,355**	**281,391**
Property, plant and equipment held under finance leases							
Equipment and other assets held under finance leases	2,789	-	-76	-	-70	-	2,643
Total	**2,789**	**-**	**-76**	**-**	**-70**	**-**	**2,643**
Investment property							
Land	32	-	-	-	-	-	32
Buildings	476	-	-380	-	-42	-	54
Total	**508**	**-**	**-380**	**-**	**-42**	**-**	**86**
Property, plant and equipment	**302,799**	**19,636**	**-34,703**	**-416**	**-841**	**-2,355**	**284,120**

"Investment property" 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 €2 million, based on independent appraisals and information on property markets relevant to these types of investment property.
There were no significant changes in the expected useful lives of the Group's property, plant and equipment during the period and as at 30 June 2018 these assets are free of mortgages, liens or other collateral guarantees restricting use.

7.2 Intangible assets €26,944,789 thousand (€27,424,561 thousand)

The item consists of:

a) intangible assets deriving from concession rights, totalling €22,005,099 thousand (€22,465,021 thousand as at 31 December 2017), and regarding the following categories:
   1) rights acquired from third parties (€7,563,746 thousand), essentially reflecting the fair value of the concession rights resulting from the acquisitions of Aeroporti di Roma, the Chilean and Brazilian operators and ACA;
   2) rights recognised as a result of the commitment to perform construction services for which no additional economic benefits are received (€7,955,501 thousand);
   3) rights deriving from construction services for which additional economic benefits are received (€6,380,519 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 (€105,333 thousand);

b) goodwill and other intangible assets with indefinite lives, totalling €4,548,797 thousand;

c) other intangible assets of €390,893 thousand, 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 2018				31 December 2017			
	COST	ACCUMULATED AMORTISATION	ACCUMULATED IMPAIRMENTS	CARRYING AMOUNT	COST	ACCUMULATED AMORTISATION	ACCUMULATED IMPAIRMENTS	CARRYING AMOUNT
Intangible assets deriving from concession rights	31,360,238	-9,238,431	-116,708	22,005,099	31,414,114	-8,832,299	-116,794	22,465,021
Goodwill and other intangible assets with indefinite lives	4,567,941	-	-19,144	4,548,797	4,567,754	-	-18,998	4,548,756
Other intangible assets	975,442	-580,962	-3,587	390,893	961,549	-547,277	-3,488	410,784
Intangible assets	**36,903,621**	**-9,819,393**	**-139,439**	**26,944,789**	**36,943,417**	**-9,379,576**	**-139,280**	**27,424,561**

Intangible assets recorded a net decrease of €479,772 thousand in the first half of 2018, primarily due to a combination of the following:

a) amortisation for the period of €530,466 thousand;

b) the negative impact of currency translation differences at the end of the period, accounting for a reduction of €162,601 thousand, primarily due to a significant decline in the value of the Brazilian real against the euro;

c) investment in construction services for which additional economic benefits are received, totalling €147,395 thousand;

d) an increase of €45,360 thousand in concession rights deriving from construction services for which no additional economic benefits are received, with a matching increase in provisions for construction services required by contract, following an updated estimate of the present value of construction services to be provided in the future.

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 2018.

€000	CARRYING AMOUNT AS AT 31 DECEMBER 2017	CHANGES DURING THE PERIOD					CARRYING AMOUNT AS AT 30 JUNE 2018
		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	
Intangible assets deriving from concession rights							
Acquired concession rights	7,820,195	-	-157,561	-	-98,888	-	7,563,746
Concession rights accruing from construction services for which no additional economic benefits are received	8,108,698	-	-194,184	45,360	-4,144	-229	7,955,501
Concession rights accruing from construction services for which additional economic benefits are received	6,428,226	147,395	-139,644	-	-56,529	1,071	6,380,519
Concession rights accruing from construction services provided by sub-operators	107,902	-	-2,568	-	-1	-	105,333
Total	**22,465,021**	**147,395**	**-493,957**	**45,360**	**-159,562**	**842**	**22,005,099**
Goodwill and other intangible assets with indefinite lives							
Goodwill and intangible assets with indefinite lives	4,548,753	-	-	-	-	-	4,548,753
Trademarks	3	-	-	-	-	41	44
Total	**4,548,756**	**-**	**-**	**-**	**-**	**41**	**4,548,797**
Other intangible assets							
Commercial contractual relations	262,361	-	-15,940	-	-	-	246,421
Development costs	15,618	7,785	-9,160	-	7	11,363	25,613
Industrial patents and intellectual property rights	13,663	3,632	-4,534	-	-171	129	12,719
Concessions and licenses	15,399	335	-2,792	-	-163	744	13,523
Other	45,203	2,345	-4,083	-	-3,927	-29	39,509
Intangible assets under development and advance payments	58,540	5,386	-	-	1,215	-12,033	53,108
Total	**410,784**	**19,483**	**-36,509**	**-**	**-3,039**	**174**	**390,893**
Intangible assets	**27,424,561**	**166,878**	**-530,466**	**45,360**	**-162,601**	**1,057**	**26,944,789**

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 2018	H1 2017	INCREASE/ (DECREASE)
Use of provisions for construction services required by contract for which no additional economic benefits are received	7.13 / 8.10	147,400	174,897	-27,497
Use of provisions for refurbishment of airport infrastructure	7.14	32,839	40,299	-7,460
Increase in intangible concession rights accruing from completed construction services for which additional economic benefits are received	8.3	147,395	181,440	-34,045
Increase in financial assets deriving from motorway construction services	7.4 / 8.3	10,696	31,153	-20,457
Investment in assets held under concession		**338,330**	**427,789**	**-89,459**

Research and development expenditure of approximately €1 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 €4,548,797 thousand, essentially consists of:

a) 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;
b) €151,990 thousand in goodwill recognised following the acquisition of control of ACA and its subsidiaries in 2016;
c) €14,006 thousand relating to the value of the licence to operate the airport of Saint-Tropez, held for an indeterminate length of time by Aéroport Golfe de Saint-Tropez, in which ACA has a 99.92% interest and which is accounted for following the acquisition of control of the latter company, as referred to above.

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 2017 for a detailed description of the assumptions and criteria used in the most recent impairment testing of intangible assets.

7.3 Investments
€1,299,745 thousand (€266,974 thousand)

As at 30 June 2018, this item has increased by €1,032,771 thousand, primarily due to a combination of the following:

a) the acquisition of investments amounting to €1,065,967 thousand, linked to the acquisition of a 15.49% interest in Getlink, held by the Group the acquisition of a 100% interest in the investment vehicle, Aero I Global & International Sàrl (described in note 6.1) and the acquisition of 4.47% of Tangenziale Esterne di Milano;
b) a reduction in the carrying amount of the investments in Getlink and Aeroporto di Bologna, following the collection of dividends amounting to €29,712 thousand in the first half of 2018.

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 2018.

€000	31 December 2017 OPENING BALANCE	CHANGES DURING THE PERIOD							30 June 2018 CLOSING BALANCE
		ACQUISITIONS AND CAPITAL INJECTIONS	REVERSALS OF IMPAIRMENTS (IMPAIRMENTS)	DIVIDENDS	SALES AND RETURNS OF CAPITAL	MEASURMENT USING EQUITY METHOD		OTHER MINOR CHANGES	
						PROFIT OR LOSS	OTHER COMPREHENSIVE INCOME		
Investments accounted for using the equity method in:									
- associates	170,077	1,056,124	-	-29,712	44	2,675	-	-57	1,199,151
- joint ventures	14,614	-	-	-	-	-5,067	-877	-	8,670
Investments accounted for at fair value	82,283	9,843	-33	-	-258	-	-	89	91,924
Investments	**266,974**	**1,065,967**	**-33**	**-29,712**	**-214**	**-2,392**	**-877**	**32**	**1,299,745**

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 2018 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 2018, including the Group's percentage interest and the relevant carrying amount at the end of the period.

€000	30 JUNE 2018		31 DECEMBER 2017	
	% INTEREST	CLOSING BALANCE	% INTEREST	CLOSING BALANCE
Investments accounted for using the equity method in:				
- associates				
Getlink	15.49%	1,032,419	-	-
Aeroporto Guglielmo Marconi di Bologna	29.38%	161,611	29.38%	164,948
Società Infrastrutture Toscane (in liquidation)	46.60%	3,143	46.60%	3,107
Pedemontana Veneta (in liquidation)	29.77%	1,655	29.77%	1,675
Other smaller investments	-	323	-	347
Total		**1,199,151**		**170,077**
- joint ventures				
Rodovias do Tieté	50.00%	4,574	50.00%	9,792
Pune Solapur Expressways Private Limited	50.00%	3,096	50.00%	3,822
Geie del Traforo del Monte Bianco	50.00%	1,000	50.00%	1,000
Total		**8,670**		**14,614**
Investments accounted for at fair value				
Tangenziali Esterne di Milano	18.14%	41,864	13.67%	32,022
Lusoponte	17.21%	39,852	17.21%	39,852
Compagnia Aerea Italiana	6.52%	-	6.52%	-
Tangenziale Esterna	1.25%	5,811	1.25%	5,811
Firenze Parcheggi	5.47%	1,854	5.47%	1,854
S.A.CAL.	9.23%	957	9.23%	957
Aeroporto di Genova	15.00%	894	15.00%	894
Uirnet	1.51%	427	1.51%	427
Veneto Strade	-	-	5.00%	258
Emittenti Titoli	-	-	7.24%	-
Other smaller investments	-	265	-	208
Total		**91,924**		**82,283**
Investments		**1,299,745**		**266,974**

With regard to the additional disclosures required by IFRS 12 in the event of individually material investments, the following table shows key financial indicators for:

a) Getlink SE, taken from the interim management report as at 30 June 2018, available on its website at https://www.getlinkgroup.com.

€000	1 January 2018-30 June 2018
Revenue	510,373
Profit/(Loss) from continuing operations	39,199
Profit/(Loss) from discontinued operations	4
Total other comprehensive income for the period, after tax	16,256
Comprehensive income for the period ended 30 June 2018	**55,459**
of which:	
- attributable to the investee's controlling shareholders	55,459
- attributable to non-controlling shareholders	-
€000	**30 June 2018**
Fixed capital	6,697,342
Net working capital	-112,611
Net debt	4,671,162
Equity	1,913,569
of which:	
- attributable to the investee's controlling shareholders	1,913,569
- attributable to non-controlling shareholders	-
Group interest in the carrying amount of the investee's net assets as at 30 June 2018	**296,412**

b) Aeroporto Guglielmo Marconi SpA taken from the interim report as at 31 March 2018, published and available on its website at www.bologna-airport.it. These are the most recent financial statements available at the date of these consolidated financial statements.

€000	1 January 2018-31 March 2018
Revenue	22,425
Profit/(Loss) from continuing operations	2,326
Comprehensive income for the period ended 31 March 2018	**2,326**
of which:	
- attributable to the investee's controlling shareholders	2,307
- attributable to non-controlling shareholders	19
€000	**31 March 2018**
Fixed capital	166,998
Net working capital	-24,938
Net debt	-32,575
Equity	174,635
of which:	
- attributable to the investee's controlling shareholders	173,795
- attributable to non-controlling shareholders	840
Group interest in the carrying amount of the investee's net assets as at 31 March 2018	**51,061**

Annex 1 provides a list of the Group's investments as at 30 June 2018, as required by CONSOB Ruling DEM/6064293 of 28 July 2006.

7.4 Financial assets (non-current) / €2,262,894 thousand (€2,316,125 thousand) (current) / €762,085 thousand (€780,207 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 2018			31 December 2017		
	CARRYING AMOUNT	CURRENT PORTION	NON-CURRENT PORTION	CARRYING AMOUNT	CURRENT PORTION	NON-CURRENT PORTION
Takeover rights	399,857	399,857	-	399,863	399,863	-
Guaranteed minimum tolls	574,702	49,853	524,849	602,088	47,226	554,862
Other financial assets deriving from concession rights	430,754	-	430,754	408,740	-	408,740
Financial assets deriving from concession rights (1)	**1,405,313**	**449,710**	**955,603**	**1,410,691**	**447,089**	**963,602**
Financial assets deriving from government grants related to construction services (1)	**313,220**	**51,337**	**261,883**	**320,046**	**70,110**	**249,936**
Term deposits (1)	**488,745**	**168,738**	**320,007**	**494,696**	**179,222**	**315,474**
Derivative assets (2)	152,580	50,120	102,460	173,403	66,135	107,268
Other medium/long-term financial assets (1)	627,341	4,400	622,941	684,430	4,585	679,845
Other medium/long-term financial assets	**779,921**	**54,520**	**725,401**	**857,833**	**70,720**	**787,113**
Current derivative assets (2)	**341**	**341**	-	**528**	**528**	-
Other current financial assets (1)	**37,439**	**37,439**	-	**12,538**	**12,538**	-
	3,024,979	**762,085**	**2,262,894**	**3,096,332**	**780,207**	**2,316,125**

(1) These instruments are held within a hold to collect business model and, as such, are measured at amortised cost.
(2) 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 2017 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 2018 CARRYING AMOUNT
Takeover rights	399,863	-	-	-	-	-6	399,857
Guaranteed minimum tolls	602,088	21,248	-	-42,416	-7,329	1,111	574,702
Other financial assets deriving from concession rights	408,740	13,273	10,697	-	-5,628	3,672	430,754
Financial assets deriving from concession rights	**1,410,691**	**34,521**	**10,697**	**-42,416**	**-12,957**	**4,777**	**1,405,313**

Financial assets deriving from concession rights include:

a) takeover rights attributable to Autostrade Meridionali (€399,857 thousand as at 30 June 2018), 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 (€574,702 thousand as at 30 June 2018);

c) other financial assets deriving from concession rights (€430,754 thousand as at 30 June 2018), 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.

Other medium/long-term financial assets are down €77,912 thousand compared with 31 December 2017, essentially due to the fall in the value of the Brazilian real against the euro.

No evidence of impairment was found in the first half of 2018 for any of the financial assets reported in the financial statements.

7.5 Deferred tax assets and liabilities
Deferred tax assets €1,213,871 thousand (€1,258,163 thousand)
Deferred tax liabilities €2,191,016 thousand (€2,253,718 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 2018	31 December 2017
Deferred tax assets	1,688,208	1,763,202
Deferred tax liabilities eligible for offset	-474,337	-505,039
Deferred tax assets less deferred tax liabilities eligible for offset	**1,213,871**	**1,258,163**
Deferred tax liabilities not eligible for offset	**-2,191,016**	**-2,253,718**
Difference between deferred tax assets and liabilities (eligible and ineligible for offset)	**-977,145**	**-995,555**

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 2017	CHANGES DURING THE PERIOD						30 June 2018
		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	IMPACT RECOGNISED IN EQUITY OF FIRST-TIME ADOPTION OF IFRS 9	
Deferred tax assets on:								
Deductible intercompany goodwill	300,149	-	-49,318	-	-	-		250,831
Provisions	525,548	11,932	-36,978	-	-2	-314		500,186
Restatement of global balance on application of IFRIC 12 by Autostrade per l'Italia	401,926	283	-9,863	-	-	-		392,346
Derivative liabilities	93,997	5	-444	13,723	-	-350		106,931
Tax loss carryforwards	58,335	18,045	-1,365	-	-	-1,035		73,980
Impairments and depreciation of non-current assets	97,541	1,244	-5,297	-	44	-8,805		84,727
Impairment of receivables and inventories	60,962	11,998	-582	-	-75	-1,593		70,710
Other temporary differences	224,744	17,512	-27,486	1,423	21	-7,717		208,497
Total	**1,763,202**	**61,019**	**-131,333**	**15,146**	**-12**	**-19,814**	**-**	**1,688,208**
Deferred tax liabilities on:								
Differences between carrying amounts and fair values of assets and liabilities acquired through business combinations	-2,117,273	-142	46,969	-	-	29,749		-2,040,697
Financial assets deriving from concession rights and government grants	-176,675	-1,638	3,190	-	-	4,778		-170,345
Derivative assets	-25,751	-	-37	2,516	-	-		-23,272
Other temporary differences	-439,058	-28,415	29,238	17	-5	17,285	-10,101	-431,039
Total	**-2,758,757**	**-30,195**	**79,360**	**2,533**	**-5**	**51,812**	**-10,101**	**-2,665,353**
Difference between deferred tax assets and liabilities (eligible and ineligible for offset)	**-995,555**	**30,824**	**-51,973**	**17,679**	**-17**	**31,998**	**-10,101**	**-977,145**

As shown in the table, the balance of deferred tax assets as at 30 June 2018 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 €500,186 thousand;
b) deferred tax assets recognised as a result of the impact on taxation of adoption of IFRIC 12 by Autostrade per l'Italia (€392,346 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 (€250,831 thousand);

Deferred tax liabilities, totalling €2,665,353 thousand, essentially regard fair value gains recognised on assets acquired as a result of past business combinations carried out by the Group (€2,040,697 thousand).

7.6 Other non-current assets €7,101 thousand (€8,005 thousand)

The above balance is broadly in line with 31 December 2017.

7.7 Trading assets €1,945,000 thousand (€1,798,108 thousand)

As at 30 June 2018, trading assets consist of:

a) inventories of €77,533 thousand (€76,299 thousand as at 31 December 2017), consisting of stocks and spare parts used in the maintenance or assembly of plant;
b) contract assets, totalling €19,276 thousand (€18,703 thousand as at 31 December 2017);
c) trade receivables of €1,848,191 thousand (€1,703,106 thousand as at 31 December 2017), the detailed composition of which is shown in the following table.

€000	30 June 2018	31 December 2017
Trade receivables due from:		
Motorway users	1,397,017	1,224,217
Airport users	393,569	374,612
Sub-operators at motorway service areas	47,250	84,983
Sundry customers	296,151	275,239
Gross trade receivables	**2,133,987**	**1,959,051**
Allowance for bad debts	**(335,450)**	**(296,362)**
Other trading assets	**49,654**	**40,417**
Net trade receivables	**1,848,191**	**1,703,106**

Trade receivables, after the allowance for bad debts, amount to €2,133,987 thousand, an increase of €174,936 thousand with respect to 31 December 2017 (€1,959,051 thousand). This is essentially due to an increase in receivables due from motorway customers, reflecting both the increased volume of motorway tolls and a delay, until early July 2018, in the collection of tolls billed in arrears.

The following table shows an ageing schedule for trade receivables.

€000	TOTAL RECEIVABLES AS AT 30 JUNE 2018	TOTAL NOT YET DUE	MORE THAN 90 DAYS OVERDUE	BETWEEN 90 AND 365 DAYS OVERDUE	MORE THAN ONE YEAR OVERDUE
Trade receivables	2,133,987	1,302,990	121,676	202,118	507,203

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 2018. 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 2017	ADDITIONS	USES	RECLASSIFICATIONS AND OTHER CHANGES	30 JUNE 2018
Allowance for bad debts	296,362	48,178	-2,687	-6,403	335,450

The carrying amount of trade receivables approximates the related fair value.

7.8 Cash and cash equivalents €4,766,970 thousand (€5,624,716 thousand)

Cash and cash equivalents consists of cash on hand and short-term investments and is down €857,746 thousand compared with 31 December 2017. This essentially reflects the acquisition of Aero I, completed during the period. 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 €65,484 thousand (€79,482 thousand) Current tax liabilities €324,538 thousand (€151,500 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 2018	31 December 2017	30 June 2018	31 December 2017
IRES	45,588	42,440	252,804	100,516
IRAP	1,297	2,778	36,861	2,326
Taxes attributable to foreign operations	18,599	34,264	34,873	48,658
Total	**65,484**	**79,482**	**324,538**	**151,500**

As at 30 June 2018, the Group reports net current tax liabilities of €259,054 thousand, broadly reflecting income tax payable for the period.

7.10 Other current assets €223,857 thousand (€187,059 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 2018	31 December 2017	INCREASE/ (DECREASE)
Amounts receivable from public entities	60,547	51,483	9,064
Tax credits other than for income tax	67,389	52,285	15,104
Receivables due from end users and insurance companies for damages	18,036	19,192	-1,156
Accrued income of a non-trading nature	4,854	4,063	791
Amounts due from staff	3,710	2,988	722
Receivable from social security institutions	4,593	1,755	2,838
Payments on account to suppliers and other current assets	91,203	84,369	6,834
Gross other current assets	**250,332**	**216,135**	**34,197**
Allowance for bad debts	-26,475	-29,076	2,601
Other current assets	**223,857**	**187,059**	**36,798**

The increase in this item primarily reflects an increase in tax credits other than for income tax and in amounts due to the overseas motorway operators from public entities.

7.11 Assets held for sale and related to discontinued operations €10,762 thousand (€11,061 thousand) Liabilities related to discontinued operations €442 thousand (€6,266 thousand)

Assets held for sale and related to discontinued operations, totalling €10,320 thousand as at 30 June 2018, primarily consist of:

a) the remaining 2% interest in Strada dei Parchi, amounting to €4,271 thousand, that is the subject of put and call options agreed with Toto Costruzioni Generali in the contract governing the sale, in 2011, of a controlling interest in the company;
b) the remaining net assets of the French companies involved in the EcoTaxe project, totalling €6,047 thousand.

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

€000	30 June 2018	31 December 2017	INCREASE/ (DECREASE)
Investments	4,271	4,271	-
Financial assets	6,478	6,531	-53
- Cash and cash equivalents	*6,469*	*6,522*	*-53*
- Other current financial assets	*9*	*9*	*-*
Trading and other assets	13	259	-246
Assets held for sale and related to discontinued operations	**10,762**	**11,061**	**-299**
Financial liabilities	-	308	-308
Current provisions	442	2,860	-2,418
Trading and other liabilities	-	3,098	-3,098
Liabilities related to discontinued operations	**442**	**6,266**	**-5,824**

7.12 Equity €11,558,874 thousand (€11,762,978 thousand)

Atlantia SpA's issued capital as at 30 June 2018, 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 2018.

Equity attributable to owners of the parent, totalling €8,677,908 thousand, is down €94,469 thousand compared with 31 December 2017. 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 2017, amounting to €531,607 thousand (€0,65 per share);
b) the other comprehensive loss for the period, totalling €123,861 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 against the euro during the period;
c) profit for the period of €531,074 thousand.
d) recognition of the impact of first-time adoption of the new accounting standard, IFRS 9 (€28,570 thousand), after the related taxation.

Equity attributable to non-controlling interests of €2,880,966 thousand is down €109,635 thousand compared with 31 December 2017 (€2,990,601 thousand), essentially reflecting a combination of the following main changes:

a) the declaration of dividends totalling €123,714 thousand;
b) profit for the year attributable to non-controlling interests, totalling €86,742 thousand
c) the other comprehensive loss for the period, totalling €76,453 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 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) €2,639,775 thousand (€2,960,647 thousand) (current) €648,945 thousand (€426,846 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 period, showing the non-current and current portions.

€000	31 December 2017			CHANGES DURING THE PERIOD				30 June 2018		
	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	3,387,493	2,960,647	426,846	45,360	8,854	-147,400	-5,587	3,288,720	2,639,775	648,945

7.14 Provisions (non-current) €1,566,164 thousand (€1,566,541 thousand) (current) €379,891 thousand (€379,823 thousand)

As at 30 June 2018, provisions amount to €1,946,055 thousand (€1,946,364 thousand as at 31 December 2017). The following table shows details of provisions by type, showing the non-current and current portions.

€000	30 June 2018			31 December 2017		
	CARRYING AMOUNT	NON-CURRENT PORTION	CURRENT PORTION	CARRYING AMOUNT	NON-CURRENT PORTION	CURRENT PORTION
Provisions for employee benefits	163,635	137,793	25,842	167,954	142,296	25,658
Provisions for repair and replacement of motorway infrastructure	1,378,290	1,185,988	192,302	1,456,394	1,238,794	217,600
Provisions for airport refurbishment	294,293	196,148	98,145	210,174	137,389	72,785
Other provisions	109,837	46,235	63,602	111,842	48,062	63,780
Provisions	**1,946,055**	**1,566,164**	**379,891**	**1,946,364**	**1,566,541**	**379,823**

The following table shows provisions at the beginning and end of the period and changes in the first half of 2018.

€000	31 December 2017	CHANGES DURING THE PERIOD				30 June 2018
	CARRYING AMOUNT	OPERATING PROVISIONS	FINANCE-RELATED PROVISIONS	USES	CURRENCY TRANSLATION DIFFERENCES, RECLASSIFICATIONS AND OTHER CHANGES	CARRYING AMOUNT
Provisions for employee benefits						
Post-employment benefits	158,639	806	695	-5,682	-227	154,231
Other employee benefits	9,315	270	64	-302	57	9,404
Total	**167,954**	**1,076**	**759**	**-5,984**	**-170**	**163,635**
Provisions for repair and replacement of motorway infrastructure	**1,456,394**	**113,131**	**11,641**	**-192,583**	**-10,293**	**1,378,290**
Provisions for airport refurbishment	**210,174**	**112,865**	**980**	**-32,839**	**3,113**	**294,293**
Other provisions						
Provisions for impairments exceeding carrying amount of investments	3,624	-	-	-	-	3,624
Provisions for disputes, liabilities and sundry charges	108,218	7,184	-	-6,224	-2,965	106,213
Total	**111,842**	**7,184**	**-**	**-6,224**	**-2,965**	**109,837**
Provisions	**1,946,364**	**234,256**	**13,380**	**-237,630**	**-10,315**	**1,946,055**

PROVISIONS FOR EMPLOYEE BENEFITS
(non-current) €137,793 thousand (€142,296 thousand)
(current) €25,842 thousand (€25,658 thousand)

As at 30 June 2018, this item consists almost entirely of provisions for post-employment benefits to be paid to staff employed under Italian law. The reduction of €4,319 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 2018, a number of key assumptions used were the same as those used in the measuring the liabilities as at 31 December 2017. These are described in note 7.14 to the consolidated financial statements as at and for the year ended 31 December 2017.

PROVISIONS FOR REPAIR AND REPLACEMENT OF MOTORWAY AND AIRPORT INFRASTRUCTURE
(non-current) €1,185,988 thousand (€1,238,794 thousand)
(current) €192,302 thousand (€217,600 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 down €78,104 thousand, essentially due to a combination of the following:
a) uses due to repairs and replacements carried out during the period of €192,583 thousand;
b) operating provisions of €113,131 thousand;
c) financial provisions of €11,641 thousand.

PROVISIONS FOR REFURBISHMENT OF AIRPORT INFRASTRUCTURE
(non-current) €196,148 thousand (€137,389 thousand)
(current) €98,145 thousand (€72,785 thousand)

Provisions for the refurbishment of airport infrastructure, including the current and non-current portions, amount to €294,293 thousand (€210,174 thousand as at 31 December 2017). 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 2017, the provisions have increased by €84,119 thousand, primarily due to provisions made during the period by ACA following an updated estimate of the present value of airport refurbishment work to be carried out in the future.

OTHER PROVISIONS
(non-current) €46,235 thousand (€48,062 thousand)
(current) €63,602 thousand (€63,780 thousand)
ALTRI FONDI PER RISCHI E ONERI

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 broadly in line with the figure for 31 December 2017.

7.15 Financial liabilities
(non-current) €15,463,280 thousand (€15,969,835 thousand)
(current) €2,678,939 thousand (€2,253,836 thousand)

MEDIUM/LONG-TERM BORROWINGS
(non-current) €15,463,280 thousand (€15,969,835 thousand)
(current) €2,235,725 thousand (€1,717,935 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 2018				Term		31 December 2017			
	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)	**12,655,055**	**12,494,728**	**1,756,534**	**10,738,194**	**3,849,216**	**6,888,978**	**12,534,212**	**12,480,591**	**1,118,502**	**11,362,089**
Bank borrowings	4,114,619	4,074,752	223,575	3,851,177	1,770,831	2,080,346	4,032,622	4,021,277	226,132	3,795,145
Other borrowings	308,254	295,873	69,459	226,414	206,465	19,949	323,526	309,148	92,789	216,359
Medium/long-term borrowings (1) (2)	**4,422,873**	**4,370,625**	**293,034**	**4,077,591**	**1,977,296**	**2,100,295**	**4,356,148**	**4,330,425**	**318,921**	**4,011,504**
Derivative liabilities (3)		**612,189**	-	**612,189**	**143,929**	**468,260**		**565,575**	-	**565,575**
Accrued expenses on medium/long-term financial liabilities (1)		**182,802**	182,802	-	-	-		**276,722**	276,722	-
Other financial liabilities		**38,661**	3,355	35,306	18	35,288		**34,457**	3,790	30,667
Other medium/long-term financial liabilities		**221,463**	**186,157**	**35,306**	**18**	**35,288**		**311,179**	**280,512**	**30,667**
Total		**17,699,005**	**2,235,725**	**15,463,280**	**5,970,459**	**9,492,821**		**17,687,770**	**1,717,935**	**15,969,835**

(1) These instruments are held within a hold to collect business model and, as such, are measured at amortised cost.

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

(3) Financial instruments classified as hedging derivatives in accordance with IFRS 9 and in level 2 of the fair value hierarchy. Further details are provided in note 9.2.

b) type of interest rate, maturity and fair value at the end of the period;

€000	Maturity	30 June 2018 Carrying amount (1)	30 June 2018 Fair value (2)	31 December 2017 Carrying amount (1)	31 December 2017 Fair value (2)
Bond issues					
- listed fixed rate	from 2018 to 2038	11,926,179	12,666,738	11,917,798	13,092,648
- listed floating rate	from 2018 to 2023	511,387	522,266	498,348	538,957
- unlisted floating rate		57,162	64,099	64,445	73,611
		12,494,728	13,253,103	12,480,591	13,705,216
(1) The amounts shown in the table for bond issues include both the non-current and current portions.					
Bank borrowings					
- fixed rate	from 2018 to 2036	1,639,142	1,810,389	1,694,412	1,947,528
- floating rate	from 2018 to 2031	2,435,610	2,472,094	2,326,865	2,358,420
		4,074,752	4,282,483	4,021,277	4,305,948
Other borrowings					
- floating rate	2018	5,379	5,379	6,024	6,024
- non-interest bearing	from 2019 to 2020	290,494	290,494	303,124	303,124
		295,873	295,873	309,148	309,148
Medium/long-term borrowings		4,370,625	4,578,356	4,330,425	4,615,096
Derivative liabilities		612,189	612,189	565,575	565,575
Accrued expenses on medium/long-term financial liabilities		182,802	182,802	276,722	276,722
Other financial liabilities		38,661	38,661	34,457	34,457
Other medium/long-term financial liabilities		221,463	221,463	311,179	311,179
Total		17,699,005	18,665,111	17,687,770	19,197,067

(1) The amounts shown in the table for medium/long-term financial liabilities include both the non-current and current
(2) The fair value shown is classified in level 2 of the fair value hierarchy.

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;

€000	30 JUNE 2018 FACE VALUE	30 JUNE 2018 CARRYING AMOUNT	30 JUNE 2018 AVERAGE INTEREST RATE APPLIED TO 30 JUNE 2018 (1)	30 JUNE 2018 EFFECTIVE INTEREST RATE AS AT 30 JUNE 20178	31 DECEMBER 2017 FACE VALUE	31 DECEMBER 2017 CARRYING AMOUNT
Euro (EUR)	14,714,598	14,672,248	2.92%	3.12%	14,578,793	14,554,210
Chilean peso (CLP) / Unidad de fomento (UF)	830,730	852,069	4.86%	4.83%	882,457	906,870
Sterling (GBP)	750,000	512,333	6.02%	2.20%	750,000	503,537
Brazilian real (BRL)	574,464	568,548	7.31%	7.87%	451,520	574,130
Yen (JPY)	149,176	201,615	5.31%	3.39%	149,176	195,537
Polish zloty (PLN)	47,351	46,931	3.95%	8.89%	67,503	65,821
US dollar (USD)	11,609	11,609	5.13%	5.13%	10,911	10,911
Total	17,077,928	16,865,353	3.33%		16,890,360	16,811,016

(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 2017	NEW BORROWINGS	REPAYMENTS	CURRENCY TRANSLATION DIFFERENCES AND OTHER CHANGES	CARRYING AMOUNT AS AT 30 JUNE 2018
Bond issues	12,480,591	93,116	-37,291	-41,688	12,494,728
Bank borrowings	4,021,277	201,046	-95,861	-51,710	4,074,752
Other borrowings	309,148	179	-14,201	747	295,873
Total	**16,811,016**	**294,341**	**-147,353**	**-92,651**	**16,865,353**

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), which are classified as cash flow hedges or fair value hedges pursuant to IFRS 9. The fair value of the hedging instruments as at 30 June 2018 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.

Bond issues
(non-current) €10,738,194 thousand (€11,362,089)
(current) €1,756,534 thousand (€1,118,502 thousand)

The item principally refers to: i) bonds issued by Atlantia, totalling €1,732,917 thousand, ii)retail bonds issued by, totalling €997,594 thousand, maturing in 2018, iii) bonds issued by Autostrade per l'Italia, including the issues transferred to the subsidiary as a result of the issuer substitution, totalling €7,955,957 thousand, iv) bonds issued by Aeroporti di Roma, totalling €862,927 thousand, and v) bonds issued by the Chilean and Brazilian subsidiaries, totalling €945,333 thousand.
The overall increase of €14,137 thousand essentially reflects:
a) a new issue by the subsidiary, Triangulo do Sol, in June 2018, totalling €93,116 thousand;
b) a reduction of €65,332 thousand, reflecting the fall in the value of the Brazilian real against the euro.

Medium/long-term borrowings
(non-current) €4,077,591 thousand (€4,011,504 thousand)
(current) €293,034 thousand (€318,921 thousand)

The balance of this item, amounting to €4,370,625 thousand, including the current and non-current portions, is up €40,200 thousand compared with 31 December 2017 (€4,330,425 thousand). This essentially reflects new borrowings, primarily bank borrowings at Telepass SpA (€200,000 thousand), partially offset by repayments (€60,896 thousand) by Autostrade per l'Italia and Stalexport Autostrady (€4,747 thousand), in addition to a reduction in the debt of the Chilean subsidiaries, essentially due to repayments during the period and the fall in the value of the Chilean peso against the euro.

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 Autostrade per l'Italia, the loan agreements with Cassa Depositi e Prestiti (totalling €754,917 thousand as at 30 June 2018) require compliance with a minimum threshold for "Operating Cash Flow available for Debt Service/Debt Service" (DSCR);
b) as regards Aeroporti di Roma, the company's revolving line of credit requires compliance with a maximum leverage ratio (based on the long-term rating assigned to Aeroporti di Roma by the relevant rating agencies) and a minimum Debt Service Coverage Ratio (DSCR). 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 also require the company to ensure that its interest coverage ratio remains within certain limits linked to the company's rating.

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

Non-current derivative liabilities
(non-current) €612,189 thousand (€565,575 thousand)
(current) - (-)

This item represents fair value losses on outstanding derivatives as at 30 June 2018 and primarily includes:

a) fair value losses (€416,032 thousand) on Cross Currency Swap (CCS), linked to both derivative instruments classified as cash flow hedges in accordance with IFRS 9, and to those not qualifying for the application of hedge accounting, 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 €284,310 thousand, and to derivatives entered into by Aeroporti di Roma not qualifying for the application of hedge accounting (with a total value of €131,722 thousand) to hedge the notes with a par value of £215 million issued by Romulus Finance, 99.87% of which were repurchased by Atlantia in 2015.

b) fair value losses (€190,221 thousand) on Interest Rate Swaps (IRSs), classified as cash flow hedges or that do not qualify for hedge accounting under IFRS 9, 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.

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) €35,306 thousand (€30,667 thousand) (current) €186,157 thousand (€280,512 thousand)

The balance of this item, including the current and non-current portions, is down €89,716 thousand. This primarily reflects a reduction in accrued expenses payable, following the payment of accrued interest on bonds issued by the subsidiary, Autostrade per l'Italia.

SHORT-TERM FINANCIAL LIABILITIES €443,214 thousand (€535,901 thousand)

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

€000	30 June 2018	31 December 2017
Bank overdrafts repayable on demand	29,070	17,813
Short-term borrowings	334,821	430,086
Derivative liabilities (1)	6,006	14,372
Other current financial liabilities	73,317	73,630
Short-term financial liabilities	**443,214**	**535,901**

(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 €92,687 thousand compared with 31 December 2017 is due primarily to Atlantia's repayment of short-term current account overdrafts, totalling €100,000 thousand.

The balance also includes fair value losses (€563 thousand) on certain interest rate floors, embedded within certain borrowings, as well as fair value losses on Deal Contingent Hedges with a notional value of €750,000 thousand, hedging the acquisition financing obtained in relation to the Offer for Abertis and classified as non-hedge accounting in accordance with IFRS 9.
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 2018	OF WHICH RELATED PARTY TRANSACTIONS	31 December 2017	OF WHICH RELATED PARTY TRANSACTIONS
Cash		-4,400		-4,840	
Cash equivalents		-367		-784	
Cash and cash equivalents related to discontinued operations		-6		-7	
Cash and cash equivalents (A)		**-4,773**		**-5,631**	
Current financial assets [(1)] (B)	**7.4**	**-762**		**-781**	
Bank overdrafts repayable on demand		29		18	
Current portion of medium/long-term financial liabilities		2,236		1,718	
Other financial liabilities		414		518	
Current financial liabilities (C)	**7.15**	**2,679**		**2,254**	
Current net debt (D=A+B+C)		**-2,856**		**-4,158**	
Bond issues		10,738		11,362	
Medium/long-term borrowings		4,078		4,012	
Other non-current financial liabilities		647		596	
Non-current financial liabilities (E)	**7.15**	**15,463**		**15,970**	
(Net funds) / Net debt as defined by ESMA recommendation (F=D+E)		**12,607**		**11,812**	
Non-current financial assets (G)	**7.4**	**-2,263**	*-22*	**-2,316**	*-24*
Net debt (H=F+G)		**10,344**		**9,496**	

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

7.16 Other non-current liabilities €110,127 thousand (€108,052 thousand)

The balance is substantially in line with 31 December 2017. The following table shows a breakdown of this item.

€000	30 June 2018	31 December 2017
Accrued expenses of a non-trading nature	35,752	37,078
Liabilities deriving from contractual obligations	43,544	40,759
Amounts payable to grantors	2,593	3,840
Payable to staff	14,159	17,822
Taxation other than income taxes	136	359
Social security contributions payable	2,162	2,042
Other payables	11,781	6,152
Other non-current liabilities	**110,127**	**108,052**

7.17 Trading liabilities

€1,563,726 thousand (€1,583,415 thousand)

An analysis of trading liabilities is shown below.

€000	30 June 2018	31 December 2017
Contract liabilities	**2,083**	**1,642**
Amounts payable to suppliers	676,604	819,533
Payable to operators of interconnecting motorways	749,134	664,960
Tolls in the process of settlement	95,939	77,032
Accrued expenses, deferred income and other trading liabilities	39,966	20,248
Trade payables	**1,561,643**	**1,581,773**
Trading liabilities	**1,563,726**	**1,583,415**

The reduction of €19,689 thousand essentially reflects a combination of the following:

a) a reduction in amounts payable to suppliers (€142,929 thousand), essentially reflecting the performance of investment (a reduction in investment in the motorway network in the first half of 2018, compared with the second half of 2017);

b) an increase in amounts payable to the operators of interconnecting motorways (€84,174 thousand) and in tolls in the process of settlement (€18,907 thousand), essentially linked to an increase in toll revenue attributable to third-party operators, in line with standard payment periods;

c) an increase of €19,718 thousand in accrued expenses, deferred income and other trading liabilities, essentially due to the advance billing of Viacard membership fees by Telepass.

7.18 Other current liabilities
€660,961 thousand (€633,803 thousand)

The following table shows a breakdown of this item.

€000	30 June 2018	31 December 2017
Taxation other than income taxes	203,332	164,503
Concession fees payable	63,265	112,825
Payable to staff	103,546	91,935
Social security contributions payable	70,205	55,908
Guarantee deposits from users who pay by direct debit	46,124	46,412
Amounts payable to public entities	2,651	5,924
Amounts payable for expropriations	11,046	9,587
Other payables	160,792	146,709
Other current liabilities	**660,961**	**633,803**

The overall increase of €27,158 thousand is primarily due to a combination of the following:

a) an increase of €38,829 thousand in amounts payable in the form of taxation other than income taxes, primarily linked to VAT payable, which was paid in July 2018;

b) an increase of €25,908 thousand in amounts payable to staff and in social security contributions payable, essentially linked to accrued thirteenth-month pay to be paid by the end of the year;
c) a reduction of €49,560 thousand in concession fees payable, reflecting payments during the first half of 2018, primarily by Autostrade per l'Italia.

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 the first half of 2017 are shown in brackets.
Details of amounts in the consolidated income statement deriving from related party transactions are provided in note 10.5.

8.1 Toll revenue
€2,025,813 thousand (€1,993,576 thousand)

Toll revenue of €2,025,813 thousand is up €32,237 thousand (2%) on the first half of 2018 (€1,993,576 thousand). After stripping out the impact of exchange rate movements, which had a negative impact of €28,773 thousand, toll revenue is up €61,010 thousand, primarily as a result of the following:

a) traffic growth on the Italian network (0.6%), boosting revenue by an estimated €16 million, after taking into account the positive impact of the different traffic mix, and the application of annual toll increases for 2018 on the Italian network (up €25 million, primarily reflecting a 1.08% increase applied by Autostrade per l'Italia from 1 January 2018);
b) an improved contribution from overseas operators (up €17 million), linked to the application of toll increases on the overseas network and traffic growth registered by the Group's operators in Chile (5.0%) and Poland (5.2%).

8.2 Aviation revenue
€387,328 thousand (€369,524 thousand)

Aviation revenue of €387,328 thousand is up €17,804 thousand (5%) on the first half of 2017 (€369,524 thousand), primarily reflecting an increase in non-aviation revenue at Aeroporti di Roma and at the Aéroports de la Côte d'Azur group.

€000	H1 2018	H1 2017	INCREASE/ (DECREASE)
Airport fees	276,684	268,529	8,155
Centralised infrastructure	11,453	11,546	-93
Security services	75,845	71,407	4,438
Other	23,346	18,042	5,304
Aviation revenue	**387,328**	**369,524**	**17,804**

8.3 Revenue from construction services
€158,091 thousand (€212,956 thousand)

An analysis of revenue from construction services is shown below.

€000	H1 2018	H1 2017	INCREASE/ (DECREASE)
Revenue from construction services for which additional economic benefits are received	147,395	181,440	-34,045
Revenue from investment in financial concession rights	10,696	31,153	-20,457
Revenue from construction services provided by sub-operators	-	363	-363
Revenue from construction services	**158,091**	**212,956**	**-54,865**

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.
Revenue from construction services performed during the period is down €54,865 thousand on the first half of 2017, reflecting a decrease of €34,045 thousand in construction services for which additional benefits are received, mainly attributable to Aeroporti di Roma and certain overseas motorway operators.
In the first half of 2018, the Group carried out additional construction services for which no additional benefits are received, amounting to €147,395 thousand, net of related government grants, for which the Group made use of a portion of the specifically allocated "Provisions for construction services required by contract". Uses of these provisions are classified as a reduction in operating costs for the period, as explained in note 8.10.
Details of total investment in assets held under concession during the period are provided in note 7.2.

8.4 Other revenue €490,475 (€468,185)

An analysis of other revenue is provided below.

€000	H1 2018	H1 2017	INCREASE/ (DECREASE)
Revenue from sub-concessions	226,919	216,647	10,272
Revenue from Telepass and Viacard fees	81,270	74,044	7,226
Maintenance revenue	20,786	20,571	215
Other revenue from motorway operation	18,166	20,742	-2,576
Damages and compensation	16,916	15,789	1,127
Revenue from products related to the airport business	27,764	26,621	1,143
Refunds	17,824	13,851	3,973
Revenue from the sale of technology devices and services	11,625	8,913	2,712
Advertising revenue	2,054	2,015	39
Other income	67,151	68,992	-1,841
Other revenue	**490,475**	**468,185**	**22,290**

Other revenue of €490,475 thousand is up €22,290 thousand on the first half of 2017 (€468,185 thousand). This reflects an increase in non-aviation revenue at Aeroporti di Roma and ACA, amounting to €10,272 thousand, and increased revenue at Telepass.

8.5 Raw and consumable materials -€159,083 thousand (-€153,082 thousand)

The cost of raw and consumable materials totals €159,083 thousand, an increase of €6,001 thousand compared with the first half of 2017 (€153,082 thousand). This broadly reflects a combination of the following:

a) an increase of €20,549 thousand in the cost of other raw and consumable materials, primarily due to the increased costs incurred by Autostrade per l'Italia as a result of the start of work on the *Gronda di Genova* (the Genoa Bypass);
b) an increase of €7,212 thousand in the cost of electrical and electronic materials;
c) a reduction of €21,037 thousand in the cost of construction materials, primarily due to the reduced volume of work carried out by Pavimental in the first half of 2018, compared with the same period of 2017.

€000	H1 2018	H1 2017	INCREASE/ (DECREASE)
Construction materials	-69,295	-90,332	21,037
Electrical and electronic materials	-14,497	-7,285	-7,212
Lubricants and fuel	-15,631	-19,692	4,061
Other raw and consumable materials	-61,794	-41,245	-20,549
Cost of materials	**-161,217**	**-158,554**	**-2,663**
Change in inventories of raw, ancillary and consumable materials and goods for resale	**1,455**	**3,595**	**-2,140**
Capitalised cost of raw materials	**679**	**1,877**	**-1,198**
Raw and consumable materials	**-159,083**	**-153,082**	**-6,001**

8.6 Service costs -€540,035 thousand (-€579,688 thousand)

An analysis of service costs is provided below.

€000	H1 2018	H1 2017	INCREASE/ (DECREASE)
Construction and similar	-252,653	-308,168	55,515
Professional services	-84,390	-78,519	-5,871
Transport and similar	-32,858	-31,617	-1,241
Utilities	-24,511	-24,927	416
Insurance	-18,600	-17,028	-1,572
Statutory Auditors' fees	-800	-734	-66
Other services	-126,585	-121,945	-4,640
Gross service costs	**-540,397**	**-582,938**	**42,541**
Capitalised service costs for assets other than concession assets	362	3,250	-2,888
Service costs	**-540,035**	**-579,688**	**39,653**

Service costs are down €39,653 thousand in the first half of 2018, compared with the same period of 2017. The change mainly reflects a combination of a reduction in construction and similar services of €55,515 thousand, reflecting the reduced volume of investment in assets held under concession, and an overall increase in the cost of professional and other services, amounting to €10,511 thousand, as a result of the design work carried out by Spea Engineering in relation to the *Gronda di Genova* project.

8.7 Staff costs -€497,142 thousand (-€497,662 thousand)

An analysis of staff costs is shown below.

€000	H1 2018	H1 2017	INCREASE/ (DECREASE)
Wages and salaries	-346,727	-347,006	279
Social security contributions	-103,116	-100,673	-2,443
Payments to supplementary pension funds, INPS and post-employment benefits	-17,997	-18,643	646
Directors' remuneration	-2,998	-3,617	619
Other staff costs	-27,477	-33,000	5,523
Gross staff costs	**-498,315**	**-502,939**	**4,624**
Capitalised staff costs for assets other than concession assets	1,173	5,277	-4,104
Staff costs	**-497,142**	**-497,662**	**520**

Staff costs are broadly in line with the figure for the first half of 2017.
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 2018	H1 2017	INCREASE/ (DECREASE)
Senior managers	292	288	4
Middle managers and administrative staff	8,113	8,100	13
Toll collectors	2,993	3,055	-62
Manual workers	4,314	4,315	-1
Total	15,712	15,758	-46

8.8 Other operating costs -€300,241 thousand (-€292,364 thousand)

Other operating costs in the first half of 2018, analysed in the following table, are broadly in line with the figure for the same period of the previous year.

€000	H1 2018	H1 2017	INCREASE/ (DECREASE)
Concession fees	**-247,454**	**-243,578**	**-3,876**
Lease expense	**-10,880**	**-11,369**	**489**
Grants and donations	-12,828	-13,287	459
Direct and indirect taxes	-19,316	-18,541	-775
Other	-9,763	-5,589	-4,174
Other operating costs	**-41,907**	**-37,417**	**-4,490**
Other costs	**-300,241**	**-292,364**	**-7,877**

8.9 Operating change in provisions -€7,759 thousand (-€11,505 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 negative balance of €7,759 thousand reflects a combination of the following:

a) the net negative change in the provisions for the refurbishment of airport infrastructure, amounting to €80,027 thousand, primarily due to provisions made during the period following an updated estimate of the present value of airport refurbishment work to be carried out by ACA in the future;
b) the net positive change in the provisions for the repair of motorway infrastructure, amounting to €79,452 thousand, linked primarily to an updated estimate of the value of the work to be carried out by Autostrade per l'Italia;
c) other provisions of €7,184 thousand.

8.10 Use of provisions for construction services required by contract €147,400 thousand (€174,897 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. The reduction of €27,497 thousand is essentially linked to reduced investment in the upgrade of the A1 Milan-Naples between Bologna and Florence. Further information on construction services and capital expenditure during the period is provided in notes 7.2 and 8.3.

8.11 (Impairment losses) and reversals of impairment losses -€537 thousand (-€7,964 thousand)

The figure for the first half of 2018 essentially regards the impairment of trade receivables arising in past years, reflecting the risk of partial non-collection.

8.12 Financial income/(expenses) -€262,804 thousand (-€231,572 thousand)

Financial income €186,587 thousand (€186,029 thousand)
Financial expenses -€462,949 thousand (–€429,024 thousand)
Foreign exchange gains/(losses) €13,558 thousand (€11,243 thousand)

An analysis of financial income and expenses is shown below.

€000	H1 2018	H1 2017	INCREASE/ (DECREASE)
Financial income accounted for as an increase in financial assets deriving from concession rights and government grants	**37,467**	**36,866**	**601**
Dividends received from investees	**4,189**	**3,569**	**620**
Income from derivative financial instruments	62,200	49,078	13,122
Financial income accounted for as an increase in financial assets	25,526	41,760	-16,234
Interest and fees receivable on bank and post office deposits	8,183	12,755	-4,572
Other	49,022	42,001	7,021
Other financial income	**144,931**	**145,594**	**-663**
Total financial income (a)	**186,587**	**186,029**	**558**
Financial expenses from discounting of provisions for construction services required by contract and other provisions	**-22,234**	**-21,650**	**-584**
Interest on bonds	-226,966	-237,282	10,316
Losses on derivative financial instruments	-80,074	-64,201	-15,873
Interest on medium/long-term borrowings	-49,071	-53,143	4,072
Interest expense accounted for as an increase in financial liabilities	-7,386	-5,158	-2,228
Impairment losses on investments accounted for at cost or fair value and non-current financial assets	-33	-4,001	3,968
Interest and fees payable on bank and post office deposits	-1,013	-951	-62
Other	-76,172	-42,638	-33,534
Other financial expenses	**-440,715**	**-407,374**	**-33,341**
Total financial expenses (b)	**-462,949**	**-429,024**	**-33,925**
Foreign exchange gains/(losses) (c)	**13,558**	**11,243**	**2,315**
Financial income/(expenses) (a+b+c)	**-262,804**	**-231,752**	**-31,052**

Net other financial expenses, totalling €295,784 thousand, are up €34,004 thousand compared with the first half of 2017 (€261,780 thousand).
The increase essentially reflects the following:

a) recognition, in the first half of 2018, of €24,392 thousand in financial expenses, linked primarily to the fees payable on the acquisition financing obtained in relation to the tender offer for Abertis;
b) an increase in financial expenses of €10,667 thousand, primarily linked to financial expenses on bonds issued in 2017, having a par value of €750,000 thousand (maturing in 2025 and paying coupon interest of 1.625%) and €1,000,000 thousand (maturing in July 2027 and paying coupon interest of 1.875%), under the Company's €10 billion Euro Medium Term Note Programme finalised in November 2017.

8.13 Share of profit/(loss) of investees accounted for using the equity method -€2,392 thousand (-€1,679 thousand)

The "Share of profit/(loss) of investees accounted for using the equity method" for the period amounts to a loss of €2,392 thousand. This reflects the Group's share of the profit or loss of its associates and joint ventures.

8.14 Income tax expense -€256,928 thousand (-€329,486 thousand)

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

€000	H1 2018	H1 2017	INCREASE/ (DECREASE)
IRES	-153,971	-192,506	38,535
IRAP	-43,496	-40,322	-3,174
Income taxes attributable to foreign operations	-51,261	-42,139	-9,122
Current tax benefit of tax loss carry-forwards	4,387	1,368	3,019
Current tax expense	**-244,341**	**-273,599**	**29,258**
Recovery of previous years' income taxes	8,742	3,734	5,008
Previous years' income taxes	-378	-2,449	2,071
Differences on current tax expense for previous years	**8,364**	**1,285**	**7,079**
Provisions	61,019	62,515	-1,496
Releases	-131,333	-147,916	16,583
Changes in prior year estimates	-12	-2,968	2,956
Deferred tax income	**-70,326**	**-88,369**	**18,043**
Provisions	-30,195	-33,060	2,865
Releases	79,575	63,918	15,657
Changes in prior year estimates	-5	339	-344
Deferred tax expense	**49,375**	**31,197**	**18,178**
Deferred tax income/(expense)	**-20,951**	**-57,172**	**36,221**
Income tax (expense)/benefit	**-256,928**	**-329,486**	**72,558**

Income tax expense amounts to €256,928 thousand and is down €72,558 thousand compared with the first half of 2017 (€329,486 thousand). The reduction in tax expense compared with the comparative period is essentially due to recognition, in the first half of 2017, of the estimated tax expense of €45,361 thousand on Autostrade per l'Italia's distribution of a special dividend in kind and of available equity reserves to Atlantia.

8.15 Profit/(Loss) from discontinued operations €188 thousand (-€881 thousand)

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

€000	H1 2018	H1 2017	INCREASE/ (DECREASE)
Operating costs	-134	-	-134
Financial income	322	-	322
Tax benefit/(expense)	-	-881	881
Contribution to net profit from discontinued operations	**188**	**-881**	**1,069**
Profit/(Loss) from discontinued operations	**188**	**-881**	**1,069**

8.16 Earnings per share

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

	H1 2018	H1 2017
Weighted average number of shares outstanding	825,783,990	825,783,990
Weighted average number of treasury shares in portfolio	-7,938,269	-8,104,973
Weighted average of shares outstanding for calculation of basic earnings per share	**817,845,721**	**817,679,017**
Weighted average number of diluted shares held held under share-based incentive plans	135,725	719,836
Weighted average of all shares outstanding for calculation of diluted earnings per share	**817,981,446**	**818,398,853**
Profit for the year attributable to owners of the parent (€000)	531,074	520,252
Basic earnings per share (€)	**0.65**	**0.64**
Diluted earnings per share (€)	**0.65**	**0.64**
Profit from continuing operations attributable to owners of the parent (€000)	530,958	521,133
Basic earnings per share from continuing operations (€)	**0.65**	**0.64**
Diluted earnings per share from continuing operations (€)	**0.65**	**0.64**
Profit from discontinued operations attributable to owners of the parent (€000)	116	-881
Basic earnings/(losses) per share from discontinued operations (€)	-	-
Diluted earnings/(losses) per share from discontinued operations (€)	-	-

9. OTHER FINANCIAL INFORMATION

9.1 Notes to the consolidated statement of cash flows

Consolidated cash flow in the first half of 2018, compared with the first half of 2017, is analysed below. The consolidated statement of cash flows is included in the "Consolidated financial statements".
Cash flows during the first half of 2018 resulted in a decrease of €869,056 thousand in cash and cash equivalents, versus a net cash outflow of €443,374 thousand in the first half of 2017.

Operating activities generated cash flows of €1,254,679 thousand in the first half of 2018, up €41,016 thousand on the figure for the first half of 2017 (€1,213,663 thousand). The increase is attributable to an increase in operating cash flow of €50,641 thousand compared with the first half of 2017, essentially in relation to the reduction in tax expense compared with the comparative period, when additional tax was paid on Autostrade per l'Italia's distribution of a special dividend in kind and of available equity reserves to Atlantia.

Cash used in investing activities, totalling €1,458,918 thousand, reflects the following:

a) the acquisition of a 100% interest in Aero I, which owns 15.49% of Getlink, for a total of €1,056,124 thousand;
b) capital expenditure after the related government grants, totalling €338,101 thousand.

Net cash used in financing activities amounts to €641,661 thousand and essentially reflects the dividends paid to the Group's shareholders and to non-controlling shareholders, totalling €654,430 thousand. Net cash used in financing activities in the first half of 2017, totalling €1,080,967 thousand, essentially reflected the fact that repayments of financial liabilities and bonds exceeded new borrowings during the period.

The following table shows net cash flows generated from discontinued operations, including the contributions of Ecomouv and Tech Solutions Integrators 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 2018	H1 2017
Net cash generated from/(used in) operating activities	-5	-1
Net cash generated from/(used in) investing activities	-	-
Net cash generated from/(used in) financing activities	-	-

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 2018 are classified, in accordance with IFRS 9, either as cash flow or fair value hedges, depending on the type of risk hedged.
As at 30 June 2018, the Group's portfolio also includes non-hedge accounting transactions, including the derivatives embedded in certain short-term borrowings obtained by Autostrade Meridionali and Pavimental, with a notional value of €278,532 thousand and fair value losses of €563 thousand.
Non-hedge accounting transactions also include Deal Contingent Hedges, linked to Atlantia's voluntary public tender offer for all of the issued shares of Abertis Infraestructuras SA. These have a total notional value of €750 million and fair value losses of €5,442 thousand as at 30 June 2018.
Further details are provided in note 7.15.
The residual average term to maturity of the Group's debt as at 30 June 2018 is approximately six years and two months. The average cost of medium to long-term debt for the first six months of 2018 was approximately 3.3% (3.1% for the companies operating in Italy, 4.9% for the Chilean companies and 7.3% 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. New Forward-Starting IRSs with a total notional value of €2,000 million were entered into by the Group in the first half of 2018. Fair value losses on these instruments amount to €40,983 thousand as at 30 June 2018, and they have a duration of 12 years and are subject to a weighted average fixed rate of approximately 1.136%, having been entered into to hedge highly likely future financial liabilities to be assumed by Atlantia through to 2019;
b) fair value risk: the risk of losses deriving from an unexpected change in the value of the fixed rate financial assets and liabilities following an unfavourable shift in the market yield curve. As at 30 June 2018, the Group reports transactions classifiable as fair value hedges in accordance with IFRS 9, relating to IPCA x CDI Swaps entered into by the Brazilian companies, Triangulo do Sol and Rodovia das Colinas, with the aim of converting the real IPCA rate bonds issued to a floating CDI rate. Changes in the fair value of these instruments are recognised in profit or loss and are offset by matching changes in the fair value of the underlying liabilities. In addition, an Offset Swap transaction has been entered into to crystallise the fair value of the IPCA vs CDI Swaps at the Offset transaction date; the discounted value of the cash flows from the IPCA vs CDI derivatives as at 30 June 2018, net of the discounted value of the Offset Swaps, is negative and totals €4,236 thousand. For a complete view of the value of the instrument, it is necessary to take into account the accruals component resulting from the change in the notional component due to changes in the IPCAs and CDIs, amounting to approximately €43,569 thousand. When added to the fair value component, this results in a positive value for the instrument of approximately €39,333 thousand.

As a result of the hedges entered into, 88% 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 prime objective of the Group's currency risk management strategy is to minimise transaction exposure through the assumption of liabilities in currencies other than the Group's functional currency. With the aim of eliminating the currency risk associated with the sterling and yen denominated bonds transferred to Autostrade per l'Italia as a result of the issuer substitution, the Group has entered into Cross Currency Swaps (CCS) with notional values and maturities equal to those of the underlying financial liabilities. The sterling swaps qualify as cash flow hedges and tests have shown that they are fully effective. The yen swaps, whilst from an operational viewpoint hedging exposure to currency risk, do not meet all the formal requirements for classification as hedges under IFRS 9. As a result these swaps are classified, from an accounting point of view, as non-hedge accounting.
Following Atlantia's buyback of 99.87% of the sterling-denominated notes, amounting to £215 million, issued by Romulus Finance (the special purpose entity controlled by Aeroporti di Roma) in 2015, 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.

14% 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 (approximately 9%), the Group is effectively not exposed to currency risk on translation.

The following table summarises outstanding derivative financial instruments as at 30 June 2018 (compared with 31 December 2017) and shows the corresponding market and notional values of the hedged financial asset or liability.

€000		30 June 2018		31 December 2017	
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	-258,106	750,000	-260,459	750,000
Interest Rate Swaps	Interest rate risk	-140,632	7,826,004	-78,519	5,768,623
Cash flow hedges		**-398,738**	**8,576,004**	**-338,978**	**6,518,623**
Fair value hedges [1]					
IPCA x CDI Swap [5]	Interest rate risk	-4,236	151,439	5,042	129,347
Fair value hedges		**-4,236**	**151,439**	**5,042**	**129,347**
Non-hedge accounting derivatives [1]					
Cross Currency Swaps	Currency and interest rate risk	-105,427	760,877	-124,372	760,877
Interest Rate Swaps [2]	Interest rate risk	-6,771	778,906	-13,511	2,500,000
FX Forwards [4]	Currency risk	341	39,775	528	37,308
Derivatives embedded in loans [3]	Interest rate risk	-563	278,532	-860	278,532
Non-hedge accounting derivatives		**-112,420**	**1,858,090**	**-138,215**	**3,576,717**
Total derivatives		**-515,394**	**10,585,533**	**-472,151**	**10,224,687**
of which					
	fair value (asset)	**102,801**		**107,796**	
	fair value (liability)	**-618,195**		**-579,947**	

(1) The fair value of derivatives excludes accruals at the measurement date.
(2) Fair value losses include non-hedge accounting derivatives linked to Deal Contingent Hedges, with a total notional amount of €750,000 in 2018 and €2,500,000 thousand in 2017, hedging the acquisition financing obtained in relation to the Tender Offer for Abertis.
(3) Floors in Pavimental's borrowing and embedded derivatives attributable to Autostrade Meridionali.
(4) Fair value, classified as short-term assets.
(5) This amount represents the present value of future cash flows from the IPCA vs CDI and offset swaps at the measurement date; it is necessary to increase the effective value of these derivatives at the measurement date by the capitalised portion of the notional value of the IPCA and CDI swap, amounting to €45 million and resulting in a total value of the instrument of €39 million.

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 2018 and on equity as at 30 June 2018. 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

2018, totalling €2,722 thousand, and on other comprehensive income for the same period, totalling €61,847 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 €11,416 thousand and on other comprehensive income, totalling €260,674 thousand, due respectively 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 2018, project debt allocated to specific overseas companies amounts to €1,479 million. At the same date the Group has estimated cash reserves of €7,349 million, after excluding the financing raised to fund the investment in Abertis Infraestructuras, consisting of:

a) €4,655 million in investments in financial assets and cash maturing in the short term;
b) €489 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) €2,205 million in undrawn committed lines of credit.

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

On 4 July 2018, Atlantia signed a new loan agreement, under which it has obtained a Revolving Facility of €1,250 million, with a bullet repayment in the third quarter of 2023. This facility is to be used for general corporate purposes.

€M				30 JUNE 2018		
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 2018	15 Sept 2037	200	-	200
Autostrade per l'Italia	Committed medium/long-term facility from CDP (Term Loan 2017)	31 Dec 2021	13 Dec 2027	1,100	400	700
Autostrade per l'Italia	Revolving line of credit from CDP 2017	2 Oct 2022	31 Dec 2022	600	-	600
Autostrade Meridionali	Short-term loan from Banco di Napoli	31 Dec 2018	31 Dec 2018	300	245	55
Aeroporti di Roma	EIB Loan 2018	23 Mar 2021	23 Mar 2021	200	-	200
Aeroporti di Roma	EIB "Aeroporti di Roma – Fiumicino South"	13 Dec 2019	20 Sept 2031	150	110	40
Aeroporti di Roma	CDP "Aeroporti di Roma – Fiumicino South"	13 Dec 2019	20 Sept 2031	150	40	110
Aeroporti di Roma	Committed Revolving Facility	11 Apr 2023	11 July 2023	250	-	250
Aéroports de la Côte d'Azur	Medium/long-term committed EIB line 2014 "Airport Upgrade"	30 Mar 2019	13 June 2036	100	50	50
			Lines of credit	3,050	845	2,205

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 about 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 composition of the Atlantia Group's operating segments as at 30 June 2018 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, 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 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;
    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.

    Following the transfer of Infoblu from Autostrade per l'Italia to Atlantia, this company is included in the "Atlantia and other activities" segment, also for the comparative period.
    In addition, this segment also includes Aero I, the Luxembourg-registered investment vehicle that holds the 15.49% interest in Getlink.

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

H1 2018								
€M	ITALIAN MOTORWAYS	OVERSEAS MOTORWAYS	ITALIAN AIRPORTS	OVERSEAS AIRPORTS	ATLANTIA AND OTHER ACTIVITIES	CONSOLIDATION ADJUSTMENTS	UNALLOCATED ITEMS	TOTAL CONSOLIDATED AMOUNTS
External revenue	1,884	308	439	143	129	-	-	2,903
Intersegment revenue [(a)]	17	-	-	-	181	-198	-	-
Total operating revenue [(b)]	**1,901**	**308**	**439**	**143**	**310**	**-198**	**-**	**2,903**
EBITDA [(c)]	**1,193**	**205**	**266**	**61**	**18**	**-**	**-**	**1,743**
Amortisation, depreciation, impairment losses and reversals of impairment losses							-565	-565
Provisions and other adjustments							-41	-41
EBIT [(d)]								**1,137**
Financial income/(expenses)							-262	-262
Profit/(Loss) before tax from continuing operations								**875**
Income tax (expense)/benefit							-257	-257
Profit/(Loss) from continuing operations								**618**
Profit/(Loss) from discontinued operations							-	-
Profit for the period								**618**
Operating cash flow [(e)]	**821**	**192**	**202**	**44**	**4**	**-**	**-**	**1,263**
Capital expenditure [(f)]	**207**	**27**	**86**	**25**	**18**	**14**	**-**	**377**

H1 2017								
€M	ITALIAN MOTORWAYS	OVERSEAS MOTORWAYS	ITALIAN AIRPORTS[(1)]	OVERSEAS AIRPORTS[(2)]	ATLANTIA AND OTHER ACTIVITIES	CONSOLIDATION ADJUSTMENTS	UNALLOCATED ITEMS	TOTAL CONSOLIDATED AMOUNTS
External revenue	1,842	316	425	127	122	-	-	2,832
Intersegment revenue [(a)]	17	-	-	-	236	-253	-	-
Total operating revenue [(b)]	**1,859**	**316**	**425**	**127**	**358**	**-253**	**-**	**2,832**
EBITDA [(c)]	**1,149**	**242**	**257**	**51**	**37**	**-**	**-**	**1,736**
Amortisation, depreciation, impairment losses and reversals of impairment losses							-551	-551
Provisions and other adjustments							-37	-37
EBIT [(d)]								**1,148**
Financial income/(expenses)							-232	-232
Profit/(Loss) before tax from continuing operations								**916**
Income tax (expense)/benefit							-329	-329
Profit/(Loss) from continuing operations								**587**
Profit/(Loss) from discontinued operations							-1	-1
Profit for the period								**586**
Operating cash flow [(e)]	**770**	**202**	**196**	**38**	**7**	**-**	**-**	**1,213**
Capital expenditure [(f)]	**243**	**87**	**105**	**18**	**34**	**-1**	**-**	**486**

(1) Application of the new accounting standard, IFRS 15 - Revenue from Contracts with Customers, from 1 January 2018, has resulted in the different classification of certain types of contract in operating revenue and costs. In particular, operating revenue and costs attributable to the "Italian airports" segment have been reduced by €3m, with EBITDA remaining unchanged.
(2) The ACA group's figures for the first half of 2017 have been restated with respect to the published amounts, as described in greater detail in the introduction to the section, "Group financial review".

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 €158 million for the first half of 2018 and €213 million for the first half of 2017;
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 €3 million for the first half of 2018 and €1 million for the first half of 2017;
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 and have not, therefore, been audited. Finally, it should be noted that in the first half of 2018, the Group did not earn revenue from any specific customer in excess of 10% of the Group's total revenue for the year.

The disaggregation of revenue, depending on whether it is recognised at a point in time or over time, is shown below, as required by IFRS 15.

H1 2018

€M	ITALIAN MOTORWAYS				OVERSEAS MOTORWAYS				ITALIAN AIRPORTS				OVERSEAS AIRPORTS				ATLANTIA AND OTHER ACTIVITIES				TOTAL CONSOLIDATED AMOUNTS
	IFRS 15 At a point in time	IFRS 15 Over time	Outside scope of IFRS 15	Total	IFRS 15 At a point in time	IFRS 15 Over time	Outside scope of IFRS 15	Total	IFRS 15 At a point in time	IFRS 15 Over time	Outside scope of IFRS 15	Total	IFRS 15 At a point in time	IFRS 15 Over time	Outside scope of IFRS 15	Total	IFRS 15 At a point in time	IFRS 15 Over time	Outside scope of IFRS 15	Total	
Net toll revenue	1,740	-	-	1,740	286	-	-	286	-	-	-	-	-	-	-	-	-	-	-	-	
Aviation revenue	-	-	-	-	-	-	-	-	307	4	-	311	76	-	-	76	-	-	-	-	
Other revenue	28	4	112	144	6	5	11	22	3	29	96	128	22	-	45	67	6	123		129	
Total external revenue	1,768	4	112	1,884	292	5	11	308	310	33	96	439	98	-	45	143	6	123	-	129	2,903

H1 2017

€M	ITALIAN MOTORWAYS				OVERSEAS MOTORWAYS				ITALIAN AIRPORTS				OVERSEAS AIRPORTS				ATLANTIA AND OTHER ACTIVITIES				TOTAL CONSOLIDATED AMOUNTS
	IFRS 15 At a point in time	IFRS 15 Over time	Outside scope of IFRS 15	Total	IFRS 15 At a point in time	IFRS 15 Over time	Outside scope of IFRS 15	Total	IFRS 15 At a point in time	IFRS 15 Over time	Outside scope of IFRS 15	Total	IFRS 15 At a point in time	IFRS 15 Over time	Outside scope of IFRS 15	Total	IFRS 15 At a point in time	IFRS 15 Over time	Outside scope of IFRS 15	Total	
Net toll revenue	1,696	-	-	1,696	298			298	-			-	-			-	-	-	-	-	
Aviation revenue	-	-	-	-	-			-	293	5	-	298	72	-	-	72	-	-	-	-	
Other revenue	26	2	118	146	9	-	9	18	3	30	94	127	16	-	39	55	6	115	1	122	
Total external revenue	1,722	2	118	1,842	307	-	9	316	296	35	94	425	88	-	39	127	6	115	1	122	2,832

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 2018	H1 2017	30 June 2018	31 December 2017
Italy	2,528	2,472	21,885	22,126
Poland	39	39	168	184
France	160	132	3,796	2,770
Portugal	1	1	40	40
Other European countries	12	8	4	4
Sub-total Europe	2,740	2,652	25,893	25,124
Brazil	136	172	841	1,002
Chile	156	187	1,754	1,828
USA	29	34	45	44
India	-	-	3	4
Total	3,061	3,045	28,536	28,002

(*) 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 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) Autostrade per l'Italia and its subsidiaries;
b) the Brazilian sub-holding company, AB Concessões, and its subsidiaries;
c) the Chilean sub-holding company, Grupo Costanera, and its direct and indirect 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) non-controlling interests in Autostrade per l'Italia break down as follows:
   1) Appia Investments Srl (a company directly and indirectly owned by Allianz Capital Partners, EDF Invest and DIF), which holds a 6.94% interest;
   2) Silk Road Fund, which holds 5%;
b) the non-controlling interest in AB Concessões is held by a sole shareholder (a Bertin group company from Brazil);
c) the non-controlling interest in Grupo Costanera (49.99%) is held by the Canadian fund, Canada Pension Plan Investment Board;
d) 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 52.69% and 7.76%, by the Principality of Monaco, which has a 20.15% and by EDF Invest, which has a 19.40% interest. The Atlantia Group's total interest amounts to 60.40%, representing the sum of Atlantia's interest (52.69%) and the Aeroporti di Roma group's interest (7.71%).

A full list of the investments and related ownership interests held by the Group and non-controlling shareholders as at 30 June 2018 is provided in Annex 1 "The Atlantia Group's scope of consolidation and investments".
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	AUTOSTRADE PER L'ITALIA AND DIRECT SUBSIDIARIES [3]	AB CONCESSOES AND DIRECT SUBSIDIARIES		GRUPO COSTANERA AND DIRECT AND INDIRECT SUBSIDIARIES		AZZURRA AEROPORTI AND DIRECT SUBSIDIARIES	
	H1 2018	H1 2018	H1 2017	H1 2018	H1 2017	H1 2018	H1 2017
Revenue [1]	1,966	136	170	136	156	164	135
Profit for the period [2]	484	8	20	76	68	-47	4
Profit/(Loss) for the period attributable to non-controlling interests [2]	64	**4**	**10**	**38**	**34**	**-28**	**3**
Net cash generated from operating activities [2]	893	13	27	94	91	32	-1
Net cash used in investing activities [2]	-202	-30	-8	-20	-41	-25	-18
Net cash generated from/(used in) financing activities [2]	-680	71	18	-23	-100	-49	9
Effect of exchange rate movements on cash and cash equivalents [2]	-	-13	-	-5	-1	-	-
Increase/(Decrease) in cash and cash equivalents [2]	11	**41**	**36**	**46**	**-51**	**-42**	**-10**
Dividends paid to non-controlling shareholders	69	5	4	-	-	40	19

€M	AUTOSTRADE PER L'ITALIA AND DIRECT SUBSIDIARIES		AB CONCESSOES AND DIRECT SUBSIDIARIES		GRUPO COSTANERA AND DIRECT AND INDIRECT SUBSIDIARIES		AZZURRA AEROPORTI AND DIRECT SUBSIDIARIES	
	30 June 2018	31 December 2017	30 June 2018	31 December 2017	30 June 2018	31 December 2017	30 June 2018	31 December 2017
Non-current assets [2]	18,404	18,653	1,880	2,160	3,047	3,121	4,110	4,120
Current assets [2]	4,269	4,269	224	170	583	542	128	127
Non-current liabilities [2]	15,340	15,320	1,095	1,239	1,653	1,694	1,494	1,457
Current liabilities [2]	4,786	4,806	288	275	157	177	166	105
Net assets [2]	**2,796**	**2,796**	**720**	**816**	**1,820**	**1,792**	**2,579**	**2,685**
Net assets attributable to non-controlling interests [2]	**641**	**642**	**361**	**408**	**924**	**910**	**861**	**930**

Notes

(1) This item includes toll revenue, aviation revenue, contract revenue and other operating revenue.

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

(3) Data for the comparative period is not shown, given that, as at 30 June 2017, Autostrade per l'Italia was wholly owned by the Atlantia Group.

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 were no material developments relating to this company in the first half of 2018.

10.3 Guarantees

The Group has certain personal guarantees in issue to third parties as at 30 June 2018. These include, listed by importance:

a) the guarantee issued by Atlantia in favour of credit institutions on behalf of Strada dei Parchi as a safeguard against the impact on cash flow hedges of movements in interest rates. The amount of the guarantee, based on the fair value of the hedges, has been capped at €40,000 thousand, which corresponds to the value as at 30 June 2018. This guarantee was renewed for a further 12 months in February 2018. 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 2018;
b) bank guarantees provided by Tangenziale di Napoli (€26,150 thousand) to the Ministry of Infrastructure and Transport, as required by the covenants in the relevant concession arrangement;
c) the guarantees issued by the subsidiary, Electronic Transaction Consultants (Performance Bonds and Maintenance Bonds, totalling approximately €57,377 thousand), to guarantee projects in progress;
d) the guarantee issued by Autostrade dell'Atlantico, guaranteeing the 215 million Brazilian real bond issue by Autostrade do Brasil through Planner Trustee Distribuidora de Títulos e Valores Mobiliários LTDA, coordinated by Banco Santander, with the funds to be used by the operator, Nascentes das Gerais;
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 (€38,600 thousand) to certain French operators in connection with the company's operations in France;
g) a bank guarantee issued on behalf of Autostrada Tirrenica pa in favour of the Grantor (€14,200 thousand), guaranteeing performance of the operator's obligations under its concession.

As at 30 June 2018, 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, i) all of Azzurra Aeroporti's shares and ii) this company's shareholding in shareholding in Aèroports de la Côte d'Azur (ACA) have been pledged as collateral to the providers of Azzurra Aeroporti's project financing.

10.4 Reserves

As at 30 June 2018, Group companies have recognised contract reserves quantified by contractors in relation to:

a) investing activities, totalling €1,242 million (€1,235 million as at 31 December 2017). 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;
b) non-investing activities, amounting to approximately €41 million, the estimated future cost of which is covered by existing provisions in the consolidated financial statements.

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		Expenses				
	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 2018							H1 2018						
Sintonia	-	6.7	6.7	-	-	-	-	-	-	-	-	-	-	-
Largest shareholder	-	6.7	6.7	-	-	-	-	-	-	-	-	-	-	-
Biuro Centrum	-	-	-	-	-	-	-	-	-	-	0.4	-	-	0.4
Bologna & Fiera Parking	0.9	-	0.9	-	-	-	-	-	-	-	-	-	-	-
Aeroporto Guglielmo Marconi di Bologna	0.1	-	0.1	0.1	-	-	0.1	-	-	-	-	-	-	-
Total associates	1.0	-	1.0	0.1	-	-	0.1	-	-	-	0.4	-	-	0.4
Pune Solapur Expressways Private	0.1	-	0.1	-	-	-	-	0.3	0.3	-	-	-	-	-
Total joint ventures	0.1	-	0.1	-	-	-	-	0.3	0.3	-	-	-	-	-
Autogrill	16.3	-	16.3	3.4	-	-	3.4	41.7	41.7	-	0.6	-	0.4	1.0
Benetton Group	-	-	-	0.1	-		0.1	0.3	0.3	-	-	-	-	-
Total affiliates	16.3	-	16.3	3.5	-	-	3.5	42.0	42.0	-	0.6	-	0.4	1.0
ASTRI pension fund	-	-	-	-	6.1	-	6.1	-	-	-	-	4.7	-	4.7
CAPIDI pension fund	-	-	-	-	3.3	-	3.3	-	-	-	-	3.0	-	3.0
Total pension funds	-	-	-	-	9.4	-	9.4	-	-	-	-	7.7	-	7.7
Key management personnel	-	-	-	-	5.3	5.7	11.0	-	-	-	-	8.5	-	8.5
Total key management personnel (1)	-	-	-	-	5.3	5.7	11.0	-	-	-	-	8.5	-	8.5
TOTAL	17.4	6.7	24.1	3.6	14.7	5.7	24.0	42.3	42.3	-	1.0	16.2	0.4	17.6
	31 December 2017							H1 2017						
Sintonia	-	6.7	6.7	-	-	-	-	-	-	-	-	-	-	-
Largest shareholder	-	6.7	6.7	-	-	-	-	-	-	-	-	-	-	-
Biuro Centrum	-	-	-	-	-	-	-	-	-	-	0.3	-	-	0.3
Bologna and Fiere Parking	1.2	-	1.2	-	-	-	-	-	-	-	-	-	-	-
Aeroporto Guglielmo Marconi di Bologna	-	-	-	0.1	-	-	0.1	-	-	-	-	-	-	-
Total associates	1.2	-	1.2	0.1	-	-	0.1	-	-	-	0.3	-	-	0.3
Pune Solapur Expressways Private	0.1	-	0.1	-	-	-	-	0.2	0.2	-	-	-	-	-
Total joint ventures	0.1	-	0.1	-	-	-	-	0.2	0.2	-	-	-	-	-
Autogrill	32.8	-	32.8	1.7	-	-	1.7	40.8	40.8	0.4	0.5	-	-	0.9
Benetton Group	0.1	-	0.1	-	-	-	-	0.4	0.4	-	-	-	-	-
Verde Sport	-	-	-	-	-	-	-	-	-	-	0.1	-	-	0.1
Total affiliates	32.9	-	32.9	1.7	-	-	1.7	41.2	41.2	0.4	0.6	-	-	1.0
ASTRI pension fund	-	-	-	-	6.5	-	6.5	-	-	-	-	8.0	-	8.0
CAPIDI pension fund	-	-	-	-	2.5	-	2.5	-	-	-	-	3.9	-	3.9
Total pension funds	-	-	-	-	9.0	-	9.0	-	-	-	-	11.9	-	11.9
Key management personnel	-	-	-	-	6.6	6.5	13.1	-	-	-	-	9.4	-	9.4
Total key management personnel (1)	-	-	-	-	6.6	6.5	13.1	-	-	-	-	9.4	-	9.4
TOTAL	34.2	6.7	40.9	1.8	15.6	6.5	23.9	41.4	41.4	0.4	0.9	21.3	-	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 include contributions of €2.6 million paid on behalf of Directors, Statutory Auditors and other key management personnel in the first half of 2018 and liabilities of €3.4 million payable to such persons as at 30 June 2018.

€M	PRINCIPAL FINANCIAL TRANSACTIONS WITH RELATED PARTIES									
	Assets				Liabilities		Income		Expenses	
	Financial assets				Financial liabilities		Financial income		Financial expenses	
	Other non-current financial assets	Current financial assets deriving from government grants	Other current financial assets	Total	Other current financial liabilities	Total	Other financial income	Total	Other financial expenses	Total
	30 June 2018						H1 2018			
Pedemontana Veneta (in liquidation)	-	-	0,2	0,2	-	-	-	-	-	-
Società Infrastrutture Toscane (in liquidation)	-	-	-	-	3,4	3,4	-	-	-	-
Aeroporto Guglielmo Marconi di Bologna	-	-	-	-	-	-	0,1	0,1	-	-
Total associates	-	-	0,2	0,2	3,4	3,4	0,1	0,1	-	-
Rodovias do Tietê	22,1	-	-	22,1	-	-	1,3	1,3	-	-
Total joint ventures	22,1	-	-	22,1	-	-	1,3	1,3	-	-
Autogrill	-	0,5	-	0,5	-	-	-	-	-	-
Total affiliates	-	0,5	-	0,5	-	-	-	-	-	-
Gemina Fiduciary Services	-	-	0,1	0,1	-	-	-	-	-	-
Pavimental Est	-	-	0,4	0,4	-	-	-	-	-	-
Total other companies	-	-	0,5	0,5	-	-	-	-	-	-
TOTAL	22,1	0,5	0,7	23,3	3,4	3,4	1,4	1,4	-	-
	31 December 2017						H1 2017			
Pedemontana Veneta (in liquidation)	-	-	0,2	0,2	-	-	-	-	-	-
Società Infrastrutture Toscane (in liquidation)	-	-	-	-	3,5	3,5	-	-	-	-
Total associates	-	-	0,2	0,2	3,5	3,5	-	-	-	-
Rodovias do Tietê	23,6	-	-	23,6	-	-	1,9	1,9	-	-
Total joint ventures	23,6	-	-	23,6	-	-	1,9	1,9	-	-
Autogrill	-	0,5	-	0,5	-	-	-	-	-	-
Total affiliates	-	0,5	-	0,5	-	-	-	-	-	-
Gemina Fiduciary Services	-	-	0,1	0,1	-	-	-	-	-	-
Pavimental Est	-	-	0,4	0,4	-	-	-	-	-	-
Total other companies	-	-	0,5	0,5	-	-	-	-	-	-
TOTAL	23,6	0,5	0,7	24,8	3,5	3,5	1,9	1,9	-	-

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 2018, the Group is owed €6.7 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 2018, the Atlantia Group did not engage in material trading or financial transactions with Sintonia and Edizione.

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 2018, Autogrill operates 109 food service concessions at service areas along the Group's motorway network and 14 food service concessions at the airports managed by the Group. During the first half of 2018, the Atlantia Group earned revenue of approximately €41.7 million on transactions with Autogrill, including €36.6 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 2018, trading assets due from Autogrill amount to €16.3 million.

10.6 Disclosures regarding share-based payments

There were no changes, during the first half of 2018, in the share-based incentive plans already adopted for Group companies as at 31 December 2017. 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 2017.
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 are provided in the Remuneration Report for 2017 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 2018, 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 2018. The table also shows the fair value (at the grant date) of each option or unit awarded, as determined by a specially appointed expert, using the Monte Carlo model and other assumptions. The amounts have been adjusted for the amendments to the plans originally approved, which were required to ensure plan benefits remained substantially unchanged despite the dilution caused by the bonus issues approved by the shareholders on 20 April 2011 and 24 April 2012.
The Annual General Meeting of Atlantia' shareholders, held on 20 April 2018, also approved a number of changes to the supplementary phantom share option plan for a limited number of core people, who will be heavily involved in the process of building and creating value at the new Group that will be formed as a result of the joint investment in Abertis alongside ACS and Hochtief. This plan was originally approved by the General Meeting of 2 August 2017. The plan is subject to successful completion of the above transaction and entails the award of phantom share options free of charge, being options that give

beneficiaries the right to payment of a gross amount in cash, computed on the basis of the increase in the value of Atlantia's ordinary shares over a determinate period. At the date of preparation of these condensed consolidated interim financial statements, none of the related options have been awarded.

	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 2018									
- 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	-2,442,675								
- options lapsed	-329,832								
Total	**227,376**								
Changes in options in H1 2018									
- options exercised	-130,669								
- options lapsed	-5,189								
Options outstanding as at 30 June 2018	**91,518**								
2011 SHARE GRANT PLAN									
Units outstanding as at 1 January 2018									
- 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 converted into shares on 15 June 2017	-136,572								
- units converted into shares on 13 November 2017	-77,159								
- units lapsed	-159,629								
Total	**97,336**								
Changes in units in H1 2018	-								
Units outstanding as at 30 June 2018	**97,336**								
2014 PHANTOM SHARE OPTION PLAN									
Options outstanding as at 1 January 2018									
- 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	-811,474								
- options exercised	-884,316								
Total	**7,061,896**								
Changes in options in H1 2018									
- options exercised	-1,598,683								
- options lapsed	-879,740								
Options outstanding as at 30 June 2018	**4,583,473**								
2017 PHANTOM SHARE OPTION PLAN									
Options outstanding as at 1 January 2018									
- 12 May 2017 grant	2,111,351	15 June 2020	1 July 2023	N/A (***)	2.37	3,13 - 6,13	1.31%	25.6%	4.40%
- options lapsed	-40,631								
	2,070,720								
Changes in options in H1 2018									
- options lapsed	-15,333								
Options outstanding as at 30 June 2018	**2,055,387**								
2017 PHANTOM SHARE GRANT PLAN									
Units outstanding as at 1 January 2018									
- 12 May 2017 grant	196,340	15 June 2020	1 July 2023	N/A (***)	23.18	3,13 - 6,13	1.31%	25.6%	4.40%
- options lapsed	-4,045								
Total	**192,295**								
Changes in units in H1 2018									
- units lapsed	-1,526								
Units outstanding as at 30 June 2018	**190,769**								

(*) 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 2018.

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 2018. This entailed the allocation to them of Atlantia's ordinary shares held by the parent as treasury shares. This resulted in the transfer of:

a) 17,862 of Atlantia's ordinary shares to beneficiaries in connection with the second cycle; as at 30 June 2018, all the options awarded under this cycle have thus lapsed. Moreover, 6,946 phantom options awarded in 2015 were exercised;
b) 47,591 of Atlantia's ordinary shares to beneficiaries in connection with the third cycle; moreover, 58,270 phantom options awarded in 2016 were exercised.

As at 30 June 2018, after taking into account lapsed options at that date, the remaining options outstanding total 91,518, including 44,722 phantom options awarded under the third cycle (the unit fair values of which, as at 30 June 2018, was remeasured as €13.76, in place of the unit fair values at the grant date).

2014 Phantom Share Option Plan

The vesting period for the second cycle of the Plan expired on 8 May 2018. From this date until 30 June 2018, a total of 1,069,240 phantom options awarded under the first award cycle were exercised.
In addition, 529,443 phantom options awarded under the first cycle were exercised in the first half of 2018, following expiry of the vesting period on 9 May 2017.
Thus, as at 30 June 2018, after taking into account lapsed options at that date, the remaining options outstanding amount to 4,583,473. The unit fair values of the options awarded under the first, second and third award cycles were remeasured as at 30 June 2018 as €6.01, €3.17 and €2.94, respectively.

2017 Phantom Share Option Plan

15,333 options lapsed in the first half of 2018. As a result of this change, as at 30 June 2018, the remaining options outstanding total 2,055,387 (the unit fair value of which, as at 30 June 2018, was remeasured as €2.95, in place of the unit fair value at the grant date).

2017 Phantom Share Grant Plan

The only changes in the related units in the first half of 2018 regard the lapse of 1,526 units. As a result, units outstanding as at 30 June 2018 have been reduced to 190,769 (the unit fair value of which, as at 30 June 2018, was remeasured as €25.68, in place of the unit fair value at the grant date).

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

a) price as at 30 June 2018: €25.24;
b) the weighted average price for the first half of 2018: €25.95.

In accordance with the requirements of IFRS 2, as a result of the existing plans, in the first half of 2018, the Group recognised staff costs of €8,397 thousand, based on the accrued fair value of the options and units awarded at that date, including €47 thousand accounted for as an increase in equity reserves. In contrast, the liabilities represented by "phantom" share options outstanding as at 30 June 2018 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 disputes outstanding 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 2018.

Italian motorways

Toll increases with effect from 1 January 2018

The Minister of Infrastructure and Transport and Minister of the Economy and Finance issued decrees on 29 December 2017, determining toll increases with effect from 1 January 2018. These are as follows:

a) Autostrade per l'Italia was to apply an overall toll increase of 1.51%, including 0.49% as the inflation-linked component, 0.64% to provide a return capital expenditure via the "X" tariff component and -0.04% to provide a return on investment via the "K" tariff component (the shortfall in the increase awarded for 2017 was recouped almost in full for both these components) and 0.43% to recover the reduction in revenue earned in the period from June 2014 to 2017 as a result of the discounted tolls for frequent motorway users, introduced by the Memorandum of Understanding entered into with the Ministry. Regarding the shortfall in the increase with respect to the requested amount, equal to 0.01% (relating to the "X" component), the Grantor, following submission of additional documentation by Autostrade per l'Italia on 12 March 2018, deemed that the request was largely warranted, and therefore to be taken into account when determining the toll increase for 2019. Application of the remaining amounts was suspended, pending an update of the financial plan;

b) Raccordo Autostradale Valle d'Aosta was to apply a toll increase of 52.69%, compared with the 81.12% requested. The company has challenged this determination before the Regional Administrative Court;

c) Autostrade Meridionali was to apply a toll increase of 5.98%, compared with the 9.9% requested;

d) Società Autostrada Tirrenica was to apply a toll increase of 1.33%, compared with the 36.51% requested. The company has challenged this determination before the Regional Administrative Court;

e) Tangenziale di Napoli was to apply a toll increase of 4.31%, including recovery of amounts not applied in previous years, compared with the 1.93% requested. This application was granted on the basis of the new operating and financial plan attached to the Addendum, signed first on 8 September 2017 and, subsequently, at the Grantor's request, by digital signature on 22 February 2018. This came into effect with the approval of Ministry of Infrastructure and Transport and Ministry of the Economy and Finance Decree 131 of 16 March 2018, registered at the Court of Auditors on 23 April 2018.

In the case of Traforo del Monte Bianco, which operates under a different regulatory regime, the Intergovernmental Committee for the Mont Blanc Tunnel gave the go-ahead for a toll increase of 1.09%. This is based on the average of the inflation rates registered in Italy and France from 1 September 2016 to 31 August 2017, in addition to an extra 0.95% increase determined by the mentioned Committee. From 1 April 2018, the toll for all Euro 3 heavy goods vehicles, of more than 3.5 tonnes, was increased by 5%.

Decision of the European Commission regarding the extension of Autostrade per l'Italia's concession

In July 2017, the Ministry of Infrastructure and Transport reached an agreement with the European Commission. The agreement sets out the key conditions to be met in order to grant Autostrade per l'Italia a 4-year extension to its concession in return for pre-determined toll increases and recognition of a takeover right on expiry.

On 27 April 2018, the European Commission announced that the Commission had given its approval for the "plan for investment in Italian motorways". In view of the implementation of Autostrade per l'Italia's investment plan of approximately €7.9 billion, the approval envisages extension of the concession term by four years (from 31 December 2038 to 31 December 2042), a cap on toll increases and introduction of a takeover right on expiry of the concession. The European Commission's decision was published on its website.

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 court's decision is awaited.

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

On 4 November 2015, the First Civil Section of the Supreme Court handed down judgement no. 22563, rejecting Autostrade per l'Italia's appeal regarding the fact that Craft's patent should be declared null and void and partially annulling the earlier sentence of the Court of Appeal in Rome, referring the case back to this court, to be heard by different judges, following the reinstatement of proceedings by one of the parties. The Court of Appeal was asked to provide logical grounds for finding that Autostrade per l'Italia has not infringed Craft's patent.

On 6 May 2016, Craft notified Autostrade per l'Italia of an application for the reinstatement of proceedings before the Court of Appeal, requesting the court, among other things, to rule that Autostrade per l'Italia has infringed Craft's patent and to order the former to pay Craft compensation for the resulting damage to its moral and economic rights, calculated by the plaintiff to be approximately €3.5 million, with this sum to be reduced or increased by the court depending on the "economic benefits obtained by the defendant". At the first hearing, held on 11 October 2016, the court scheduled a hearing for admission of the facts for 14 March 2017.

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.

On 10 April 2018, the Court of Appeal of Rome handed down judgement no. 2275/2018, ruling, without the aid of expert evidence, that the TUTOR system installed by Autostrade per l'Italia constitutes an infringement (due to its equivalence to) Craft's patent.

The Court also ordered Autostrade per l'Italia to remove and destroy all existing equipment installed on the motorways it operates that is in violation of Craft's patent (prohibiting it future sale or use), and imposing a civil penalty of €500.00 to be paid by Autostrade per l'Italia for every day it fails to comply with the above order.

The Court also rejected Craft's claim for economic damages and its claim for the return of any profits as, in the Court's opinion, the Tutor system does generate earnings for the road operator, even in terms of cost savings. There was no award of non-economic damages as there is no proof that the infringement has damaged Craft's image.

Autostrade per l'Italia has appealed the judgement before the Supreme Court, believing it to be unlawful, and requesting suspensive relief before the Court of Appeal of Rome and requesting an *ex parte* decision by the court.

On 28 May 2018, Court of Appeal of Rome rejected the request for suspensive relief.

The judges ruled that motorway safety was not a question of Autostrade per l'Italia's interest, but the interests of the institutions (the police) and, as such, the safety of road users cannot, in Autostrade per l'Italia's case, constitute serious prejudice pursuant to art. 373 of the code of civil procedure.

In addition, the judges stated that within the scope of the responsibilities assigned by art. 14 of the highway code, the operator is under no obligation to install speed check systems, but is responsible for the safety of the infrastructure (as Autostrade per l'Italia is solely responsible for its maintenance).

The judges ruled that there were no grounds to pass the case on to the public prosecutor in relation to Craft's claim that the Company had infringed its patent, given that the various judgements had so far failed to agree and that the appeal was pending before the Supreme Court.
Faced with the need to comply with the judgement, the SICVE software used in Autostrade per l'Italia's systems was uninstalled, subject to independent certification of compliance, and based on the needs of the traffic police, recognised as the only legitimate entity in this regard, alternative solutions were examined. A new system for conducting speed checks (SICVe-PM) has already been made available to the traffic police.

Overseas motorways

Chile

From January 2018, Grupo Costanera's motorway operators have applied the following annual toll increases, determined on the basis of their concession arrangements:
a) +5.5% for Costanera Norte, Vespucio Sur and Nororiente, reflecting a combination of the increase linked to inflation in 2017 (1.9%) and a further increase of 3.5%;
b) +3.4% for AMB, reflecting a combination of the increase linked to inflation in 2017 (1.9%) and a further increase of 1.5%;
c) +1.9% for Litoral Central, reflecting the increase linked to inflation in 2017.

From January 2018, the tolls applied by Los Lagos have risen 3.4%, reflecting a combination of the increase linked to inflation in 2017 (1.9%) and a further increase in the form of a bonus relating to safety improvements in 2018 (5.0%), less the bonus for safety improvements awarded in 2017 (3.5%). On 9 May 2018, Nororiente finalised an addendum with Chile's Ministry of Public Works regarding implementation of a free flow tolling system with compensation, at a pre-set rate, for loss of revenue due to toll evasion and unregistered motorway journeys. Compensation will, at the Ministry's discretion, take the form of a 10-month extension of the concession term and/or a cash payment after the application of overdue interest on the amounts due, discounted at a real interest rate of 5%.

Award of the new AVO II urban motorway concession

Through its Chilean subsidiary, Grupo Costanera, Atlantia has been awarded the concession for the Américo Vespucio Oriente II project, which regards the construction and operation of a section of the orbital motorway in the city of Santiago, consisting of a 5-km long tunnel using a free-flow tolling system. The estimated cost of construction is approximately 380 billion Chilean pesos (€500 million). The concession was awarded in July 2017, while on 5 April 2018 the Supreme Decree awarding the concession, and signed by the President of the Republic of Chile, was published in the Official Gazette, following prior approval by the Chilean Court of Auditors. This date marks the beginning of the concession term, which is linked to the achievement of specific pre-set revenue milestones (discounted at a rate defined in the concession arrangement). The term may not, in any event, exceed 45 years.

Award of the new "Vial Ruta 78-68 Connection" urban motorway concession

Atlantia has been awarded the contract for the Vial Ruta 78-68 Connection project through its Chilean subsidiary, Grupo Costanera. The project will involve construction and operation of a new 9.2-km section of urban, free-flow toll motorway in the city of Santiago. The new road will link Ruta 78 with Ruta 68, the two main roads connecting Santiago with the ports of Valparaiso and San Antonio, which will be connected with the section operated under concession by Costanera Norte. The estimated cost of the project is approximately €200 million. The concession, with a duration depending on achievement of specific pre-set revenue milestones (discounted at a rate defined in the concession arrangement), may not, in any event, exceed 45 years. The concession term started on 21 April 2018, the date on which the

Supreme Decree awarding the concession, and signed by the President of the Republic of Chile, was published in the Official Gazette, following prior approval by the Chilean Court of Auditors.

Brazil

From 1 July 2017, Triangulo do Sol and Rodovias das Colinas applied their annual toll increase of 1.6% based on the rate of general price inflation in the period between 1 June 2016 and 31 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 (3.6%).

From 1 July 2018, Triangulo do Sol and Rodovias das Colinas have applied their annual toll increase of 2.9% based on the rate of general price inflation in the period between 1 June 2017 and 31 May 2018, 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 (4.3%). The difference will be adjusted for in accordance with the concession arrangement.

From 1 February 2017, later than the contractual deadline of 13 June 2016[(1)], Rodovia MG050 applied an annual toll increase of 9.3% based on the rate of general price inflation in the period between 1 May 2015 and 30 April 2016. The loss of income due to the above delay was adjusted for to compensate the operator, as provided for in the addendum to the TA-07 concession contract.

The tolls applied by the operator, Rodovia MG050, were raised by 4.1% from 13 June 2017, based on the rate of consumer price inflation in the period between 1 May 2016 and 30 April 2017, as provided for in the concession arrangement.

The tolls applied by the operator, Rodovia MG050, were raised by 2.8% from 13 June 2018, based on the rate of consumer price inflation in the period between 1 May 2017 and 30 April 2018, as provided for in the concession arrangement.

From 31 May 2018, the toll exemption for vehicles with raised axles was extended to the State of Sao Paulo. This measure was adopted by the federal government to settle the truck drivers' strike that began on 21 May 2018. The lost income will be adjusted for to compensate the operator.

[(1)] In June 2016, Rodovia MG050, which operates in the State of Minas Gerais, did not proceed 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. 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.

Italian airports

Tariff proposal for 2018

The process of consulting with airport users came to a conclusion on 10 November 2017 and, on 22 December 2017, the Civil Aviation Authority (*ENAC*) announced the final amounts payable as airport fees for Fiumicino and Ciampino.
The review of fees for the period 1 March 2018 - 28 February 2019 envisages that the fees for Fiumicino and Ciampino will fall by an average of 0.7% and 4%, respectively, compared with the fees for 2017 [2].

Fire at Fiumicino airport's Terminal 3

With regard to the fire that broke out at Fiumicino airport during the night between the 6 and the 7 of May 2015, affecting a large area within Terminal 3, the Public Prosecutor's Office in Civitavecchia has brought criminal charges relating to 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 they had been committed for trial. 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 and this process continued at the subsequent hearing on 18 May 2017. On this occasion, 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 continued on 9 November 2017, when the above three people testified that they had been compensated in full and, therefore, had withdrawn their civil suit and the claim against the parties alleged to be liable in civil law.
At the same hearing, the process of ascertaining the identities of the various parties to the civil proceedings and/or of the plaintiffs continued and, at the end, the court asked the parties to give their evidence before a decision on whether to commit the accused for trial or to acquit them.
The hearing was adjourned until 15 February 2018 to complete the above process. On this occasion, the court committed the defendants for trial for the offence of negligent arson (in addition to injury through negligence of the persons who had withdrawn their actions), scheduling the start of the trial for 15 October 2018.
Recently, a fourth plaintiff (again a member of the police force), who had previously not presented a claim, has submitted a request for compensation to ADR. Following completion of the appropriate medical and legal procedures, ADR is considering whether or not to negotiate a settlement of the claim.

[2] Based on the ratio between the maximum permitted revenue and fee-paying passengers for the twelve months from 1 March.

Overseas airports

On 14 July 2018, a decree was published by the French Minister of Transport who, within the scope of the Minister's powers, has established the criteria for determining the fees payable in return for the airport services provided by Nice-Côte d'Azur and Cannes-Mandelieu airports.
Specifically, the decree:

- defines and differentiates the scope of regulated and non-regulated activities (essentially commercial and real estate activities, with the exception of car parks that come under regulated activities);
- establishes a tariff regulation mechanism for activities regulated by a price cap system (*plafond tarifaire*) linked to inflation, notwithstanding the limit on the allowed return on invested capital.

The decree thus establishes a stable and predictable regulatory framework for the period of the airport concession term, which may be reflected both in annual tariff increases and in the context of annual regulatory agreements lasting five years, which in any event are subject to 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, other expenses and damages for breach of contact.
In January 2018, the court ruled that MDX was in breach of contract, awarding ETC damages of US$43 million plus accrued interest of approximately US$10 million. The total amount of approximately US$53 million will continue to accrue interest until it has been paid.
The right of ETC to reimbursement of reasonable costs and legal fees incurred was also recognized (an estimated amount of US$8 million).
On 25 April 2018, MDX appealed the judgement at first instance issued in January 2018 in ETC's favour. The judgement at second and final instance is expected to be issued in 12-18 months.

10.8 Events after 30 June 2018

Refinancing of Abertis and Hochtief acquisition completed

On 4 July 2018, Atlantia agreed a new five-year Term Loan worth €1,750 million to refinance the bridge loan obtained in May 2018 to finance the acquisition of investments in Abertis and Hochtief. The new Term Loan is in addition to the similar five-year loan of €1,500 million previously entered into for the same purposes in May 2018 and completes the refinancing of the above acquisition financing.
On the same date, Atlantia obtained a five-year Revolving Facility of €1,250 million for general corporate purposes.

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

On 6 July 2018, the European Commission approved the new structure of the acquisition of Abertis in the form of a joint offer with ACS-Hochtief.
The process of obtaining the remaining consents needed before the transaction can complete is in progress.
On 25 July 2018, an extraordinary general meeting of Abertis's shareholders approved the company's delisting from the Barcelona, Madrid, Bilbao and Valencia stock exchanges, subsequently authorised by Spain's market regulator, the *Comisión Nacional del Mercado de Valores* (the "CNMV") with effect from 31 July 2018.
On the same date, the extraordinary general meeting of Abertis's shareholders also approved cancellation of all the shares held in treasury. Following settlement of the public tender offer and Hochtief's issue of a standing purchase order in preparation for the delisting, the latter holds a 97.75% interest in Abertis.

Sale of 29.9% interest in Cellnex Telecom SA

On 13 March 2018, as part of the preliminary agreement concerning the joint investment in Abertis, Atlantia SpA was granted a call option by Hochtief and ACS on Abertis's investment in Cellnex Telecom SA ("Cellnex").
On 23 March 2018, Atlantia's Board of Directors decided to partially exercise the call option on a 29.9% stake in Cellnex (the "Stake"), designating Edizione Srl as the purchaser of the Stake, subject to the prior consent of the Committee of Independent Directors with responsibility for Related Party Transactions, in accordance with the Company's Procedure for Related Party Transactions, and to completion of the competitive procedure designed to search for potential buyers of the Stake. The above process was subject to the terms and conditions described in greater detail in the Information Document relating to transactions of greater significance with related parties, prepared in accordance with art. 5 of CONSOB Regulation 17221/2010 (as amended) and published on 30 March 2018.
On 12 July 2018, following the positive outcome to the public tender offer for Abertis's shares launched by Hochtief, Edizione – via ConnecT SpA, a newly established, wholly-owned subsidiary of Sintonia (a sub-holding in turn a wholly-owned subsidiary of Edizione) – thus completed the purchase of the Stake from Abertis.
On 24 July 2018, Atlantia, ConnecT, Sintonia and Edizione entered into a specific co-investment agreement in accordance with the commitments set out in the above Information Document.

ANNEXES TO THE CONSOLIDATED FINANCIAL STATEMENTS

ANNEX 1

THE ATLANTIA GROUP'S SCOPE OF CONSOLIDATION AND INVESTMENTS AS AT 30 JUNE 2018

THIS ANNEX HAS NOT BEEN AUDITED

ANNEX 1
THE ATLANTIA GROUP'S SCOPE OF CONSOLIDATION AND INVESTMENTS AS AT 30 JUNE 2018

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2018 (IN SHARE/UNITS)	HELD BY	% INTEREST IN SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2018	% OVERALL GROUP INTEREST	% OVERALL NON-CONTROLLING INTEREST	NOTE
PARENT									
ATLANTIA SpA	ROME	HOLDING COMPANY	EURO	825,783,990					
SUBSIDIARIES CONSOLIDATED ON A LINE-BY-BASIS									
AB CONCESSÕES SA	SAO PAULO (BRAZIL)	HOLDING COMPANY	BRAZILIAN REAL	738,652,989	Autostrade Concessões e Participações Brasil limitada	50.00%	50.00%	50.00%	(1)
ACA C1 SAS	NICE (FRANCE)	-	EURO	1	Aéroports de la Côte d'Azur	100%	38.66%	61.34%	
ACA HOLDING SAS	NICE (FRANCE)	HOLDING COMPANY	EURO	17,000,000	Aéroports de la Côte d'Azur	100%	38.66%	61.34%	
AD MOVING SpA	ROME	ADVERTISING SERVICES	EURO	1,000,000	Autostrade per l'Italia SpA	100%	88.06%	11.94%	
ADR ASSISTANCE Srl	FIUMICINO	PRM SERVICES	EURO	4,000,000	Aeroporti di Roma SpA	100%	99.38%	0.62%	
AERO 1 GLOBAL & INTERNATIONAL S.à.r.l.	LUXEMBOURG	HOLDING COMPANY	EURO	6,670,862	Atlantia SpA	100%	100%		
AEROPORTI DI ROMA SpA	FIUMICINO	MANAGEMENT AND DEVELOPMENT OF ROME AIRPORT SYSTEM	EURO	62,224,743	Atlantia SpA	99.38%	99.38%	0.62%	
AÉROPORTS DE LA CÔTE D'AZUR SA	NICE (FRANCE)	MANAGEMENT AND DEVELOPMENT OF NICE AND CANNES -MANDELIEU AIRPORTS	EURO	148,000	Azzurra Aeroporti SpA	64.00%	38.66%	61.34%	
AÉROPORTS DU GOLFE DE SAINT TROPEZ SA	SAINT TROPEZ (FRANCE)	GESTIONE E SVILUPPO DELL'AEROPORTO DU GOLFE DE SAINT TROPEZ	EURO	3,500,000	Aéroports de la Côte d'Azur	99.94%	38.63%	61.37%	

(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 2018 (IN SHARE/UNITS)	HELD BY	% INTEREST IN SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2018	% OVERALL GROUP INTEREST	% OVERALL NON-CONTROLLING INTEREST	NOTE
AIRPORT CLEANING Srl	FIUMICINO	CLEANING AND MAINTENANCE SERVICES	EURO	1,500,000	Aeroporti di Roma SpA	100%	99.38%	0.62%	
ADR MOBILITY Srl	FIUMICINO	MANAGEMENT OF AIRPORT CAR PARKING AND CAR PARKS	EURO	1,500,000	Aeroporti di Roma SpA	100%	99.38%	0.62%	
ADR SECURITY Srl	FIUMICINO	AIRPORT SCREENING AND SECURITY SERVICES	EURO	400,000	Aeroporti di Roma SpA	100%	99.38%	0.62%	
ADR SVILUPPO Srl	FIUMICINO	PROPERTY MANAGEMENT	EURO	100,000	Aeroporti di Roma SpA	100%	99.38%	0.62%	
ADR TEL SpA	FIUMICINO	TELECOMMUNICATIONS	EURO	600,000		100%	99.38%	0.62%	
					Aeroporti di Roma SpA	99.00%			
					ADR Sviluppo Srl	1.00%			
AUTOSTRADE CONCESSÕES E PARTICIPACÕES BRASIL LIMITADA	SAO PAULO (BRAZIL)	HOLDING COMPANY	BRAZILIAN REAL	729,590,863		100%	100.00%	0.00%	
					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%	100.00%	0.00%	(2)
					Autostrade dell'Atlantico Srl	100.00%			
					Autostrade per l'Italia SpA	0.00%			

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2018 (IN SHARE/UNITS)	HELD BY	% INTEREST IN SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2018	% OVERALL GROUP INTEREST	% OVERALL NON-CONTROLLING INTEREST	NOTE
						100%	100%		
AUTOSTRADE INDIAN INFRASTRUCTURE DEVELOPMENT PRIVATE LIMITED	MUMBAI - MAHARASHTRA (INDIA)	HOLDING COMPANY	INDIAN RUPEE	500,000	Atlantia SpA	99.99%			
					Spea Engineering SpA	0.01%			
AUTOSTRADE MERIDIONALI SpA	NAPLES	MOTORWAY OPERATION AND CONSTRUCTION	EURO	9,056,250	Autostrade per l'Italia SpA	58.98%	51.94%	48.06%	(3)
AUTOSTRADE PER L'ITALIA SpA	ROME	MOTORWAY OPERATION AND CONSTRUCTION	EURO	622,027,000	Atlantia SpA	88.06%	88.06%	11.94%	
AUTOSTRADE PORTUGAL Srl	ROME	HOLDING COMPANY	EURO	30,000,000	Autostrade dell'Atlantico Srl	100%	100%		
AUTOSTRADE TECH SpA	ROME	INFORMATION SYSTEM AND EQUIPMENT FOR THE CONTROL AND AUTOMATION OF TRAFFIC AND ROAD SAFETY	EURO	1,120,000	Autostrade per l'Italia SpA	100%	88.06%	11.94%	
						60.45%	60.40%	39.60%	(4)
AZZURRA AEROPORTI SpA	ROME	HOLDING COMPANY	EURO	3,221,234	Atlantia SpA	52.69%			
					Aeroporti di Roma SpA	7.76%			
CONCESSIONÁRIA DA RODOVIA MG050 SA	SAO PAULO (BRAZIL)	MOTORWAY OPERATION AND CONSTRUCTION	BRAZILIAN REAL	380,878,027	AB Concessões SA	100%	50.00%	50.00%	
						100%	85.38%	14.62%	
CATTERICK INVESTMENTS SPÓLKA Z O.O.	WARSAW (POLAND)	PROJECT COMPANY	POLISH ZLOTY	5,000	Autostrade Tech SpA	90.00%			
					Stalexport Autostrady SA	10.00%			
ECOMOUV SAS (IN LIQUIDATION)	PARIS (FRANCE)	FINANCING/DESIGN/CONSTRUCTION/OPERATION OF EQUIPMENT REQUIRED FOR ECO-TAXE PROJECT	EURO	6,000,000	Autostrade per l'Italia SpA	70.00%	61.64%	38.36%	

(3) The company is listed on Borsa Italiana SpA's Expandi market.
(4) The issued capital is made up of €2,500,000 in ordinary shares and €721,234 in preference shares.vilegiate.

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2018 (IN SHARE/UNITS)	HELD BY	% INTEREST IN SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2018		% OVERALL GROUP INTEREST	% OVERALL NON-CONTROLLING INTEREST	NOTE
ELECTRONIC TRANSACTION CONSULTANTS Co.	RICHARDSON (TEXAS - USA)	MANAGEMENT OF AUTOMATED TOLLING SERVICES	US DOLLAR	16,264	Autostrade dell'Atlantico Srl		64.46%	64.46%	35.54%	
ESSEDIESSE SOCIETÀ DI SERVIZI SpA	ROME	GENERAL AND ADMINISTRATIVE SERVICES	EURO	500,000	Autostrade per l'Italia SpA		100%	88.06%	11.94%	
FIUMICINO ENERGIA Srl	FIUMICINO	ELECTRICITY PRODUCTION	EURO	741,795	Atlantia SpA		87.14%	87.14%	12.86%	
GIOVE CLEAR Srl	ROME	CLEANING AND MAINTENANCE SERVICES	EURO	10,000	Autostrade per l'Italia SpA		100%	88.06%	11.94%	
GRUPO COSTANERA SpA	SANTIAGO (CHILE)	HOLDING COMPANY	CHILEAN PESO	328,443,738,418	Autostrade dell'Atlantico Srl		50.01%	50.01%	49.99%	
INFOBLU SpA	ROME	TRAFFIC INFORMATION	EURO	5,160,000	Telepass SpA		75.00%	75.00%	25.00%	
JETBASE Ltda	CASCAIS (PORTUGAL)	HANDLING SERVICES	EURO	50,000	Aca Holding SAS		100%	38.66%	61.34%	
K-MASTER Srl	ROMA	GPS FLEET MANAGEMENT	EURO	10,000	Telepass SpA		93.40%	93.40%	6.60%	
LEONARDO ENERGIA – SOCIETA' CONSORTILE a r.l.	FIUMICINO	ELECTRICITY PRODUCTION	EURO	10,000			100%	88.36%	11.64%	
					Fiumicino Energia Srl	90.00%				
					Aeroporti di Roma SpA	10.00%				
PAVIMENTAL POLSKA SP.ZO.O.	WARSAW (POLAND)	ROAD, MOTORWAY AND AIRPORT CONSTRUCTION AND MAINTENANCE	POLISH ZLOTY	3,000,000	Pavimental SpA		100%	96.89%	3.11%	

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2018 (IN SHARE/UNITS)	HELD BY	% INTEREST IN SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2018		% OVERALL GROUP INTEREST	% OVERALL NON-CONTROLLING INTEREST	NOTE
PAVIMENTAL SpA	ROME	MOTORWAY AND AIRPORT OPERATION AND CONSTRUCTION	EURO	10,116,452			99.40%	96.89%	3.11%	
					Atlantia SpA Autostrade per l'Italia SpA Aeroporti di Roma SpA	59.40% 20.00% 20.00%				
RACCORDO AUTOSTRADALE VALLE D'AOSTA SpA	AOSTA	MOTORWAY OPERATION AND CONSTRUCTION	EURO	343,805,000	Società Italiana per Azioni per il Traforo del Monte Bianco		47.97%	21.54%	78.46%	(5)
RODOVIAS DAS COLINAS SA	SAO PAULO (BRAZIL)	MOTORWAY OPERATION AND CONSTRUCTION	BRAZILIAN REAL	226,145,401	AB Concessões SA		100%	50.00%	50.00%	
SCI LA RATONNIÉRE SAS	NICE (FRANCE)	PROPERTY SERVICES	EURO	243,918	Aéroports de la Côte d'Azur		100%	38.66%	61.34%	
SKY VALET FRANCE SAS	LE BOURGET (FRANCE)	HANDLING SERVICES	EURO	1,151,584	Aca Holding SAS		100%	38.66%	61.34%	
SKY VALET SPAIN S.L.	MADRID (SPAIN)	HANDLING SERVICES	EURO	231,956	Aca Holding SAS		100%	38.66%	61.34%	
SOCIEDAD CONCESIONARIA AMB SA	SANTIAGO (CHILE)	MOTORWAY OPERATION AND CONSTRUCTION	CHILEAN PESO	5,875,178,700			100%	50.01%	49.99%	
					Grupo Costanera SpA Sociedad Gestion Vial SA	99.98% 0.02%				
SOCIEDAD CONCESIONARIA AUTOPISTA NORORIENTE SA	SANTIAGO (CHILE)	MOTORWAY OPERATION AND CONSTRUCTION	CHILEAN PESO	22,738,904,654			100%	50.01%	49.99%	
					Grupo Costanera SpA Sociedad Gestion Vial SA	99.90% 0.10%				
SOCIEDAD CONCESIONARIA AUTOPISTA NUEVA VESPUCIO SUR SA	SANTIAGO (CHILE)	MOTORWAY OPERATION AND CONSTRUCTION	CHILEAN PESO	166,967,672,229			100%	50.01%	49.99%	
					Grupo Costanera SpA Sociedad Gestion Vial SA	100.00% 0.00%				
SOCIEDAD CONCESIONARIA AMERICO VESPUCIO ORIENTE II SA	SANTIAGO (CHILE)	MOTORWAY OPERATION AND CONSTRUCTION	CHILEAN PESO	11,500,000,000			100%	50.01%	49.99%	
					Grupo Costanera SpA Sociedad Gestion Vial SA	100.00% 0.00%				

(5) 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.

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2018 (IN SHARE/UNITS)	HELD BY	% INTEREST IN SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2018		% OVERALL GROUP INTEREST	% OVERALL NON-CONTROLLING INTEREST	NOTE
SOCIEDAD CONCESIONARIA CONEXION VIAL RUTA 78 - 68 SA	SANTIAGO (CHILE)	MOTORWAY OPERATION AND CONSTRUCTION	CHILEAN PESO	6,600,000,000	Grupo Costanera SpA Sociedad Gestion Vial SA	100.00% 0.00%	100%	50.01%	49.99%	
SOCIEDAD CONCESIONARIA COSTANERA NORTE SA	SANTIAGO (CHILE)	MOTORWAY OPERATION AND CONSTRUCTION	CHILEAN PESO	58,859,765,519	Grupo Costanera SpA Sociedad Gestion Vial SA	100.00% 0.00%	100%	50.01%	49.99%	
SOCIEDAD CONCESIONARIA DE LOS LAGOS SA	LLANQUIHUE (CHILE)	MOTORWAY OPERATION AND CONSTRUCTION	CHILEAN PESO	53,602,284,061	Autostrade Holding Do Sur SA Autostrade dell'Atlantico Srl	99.95% 0.05%	100%	100.00%	0.00%	
SOCIEDAD CONCESIONARIA LITORAL CENTRAL SA	SANTIAGO (CHILE)	MOTORWAY OPERATION AND CONSTRUCTION	CHILEAN PESO	18,368,224,675	Grupo Costanera SpA Sociedad Gestion Vial SA	99.99% 0.01%	100%	50.01%	49.99%	
SOCIEDAD GESTION VIAL SA	SANTIAGO (CHILE)	CONSTRUCTION AND MAINTENANCE OF ROADS AND TRAFFIC SERVICES	CHILEAN PESO	397,237,788	Grupo Costanera SpA Sociedad Operacion y Logistica de Infraestructuras SA	99.99% 0.01%	100%	50.01%	49.99%	
SOCIEDAD OPERACION Y LOGISTICA DE INFRAESTRUCTURAS SA	SANTIAGO (CHILE)	CONCESSION CONSTRUCTION AND SERVICES	CHILEAN PESO	11,736,819	Grupo Costanera SpA Sociedad Gestion Vial SA	99.99% 0.01%	100%	50.01%	49.99%	
SOCIETÀ AUTOSTRADA TIRRENICA p.A.	ROME	MOTORWAY OPERATION AND CONSTRUCTION	EURO	24,460,800	Autostrade per l'Italia SpA		99.93%	88.06%	11.94%	(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%	44.91%	55.09%	
SOLUCIONA CONSERVACAO RODOVIARIA LTDA	MATAO (BRAZIL)	MOTORWAY MAINTENANCE	BRAZILIAN REAL	500,000	AB Concessões SA		100%	50.00%	50.00%	

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2018 (IN	HELD BY	% INTEREST IN SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2018		% OVERALL GROUP INTEREST	% OVERALL NON-CONTROLLING INTEREST	NOTE
SPEA DO BRASIL PROJETOS E INFRA ESTRUTURA LIMITADA	SAO PAULO (BRAZIL)	INTEGRATED TECHNICAL AND ENGINEERING SERVICES	BRAZILIAN REAL	1,000,000	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%	97.49%	2.51%	
					Atlantia SpA	60.00%				
					Austostrade per l'Italia SpA	20.00%				
					Aeroporti di Roma SpA	20.00%				
STALEXPORT AUTOROUTE SAR.L.	LUXEMBOURG (LUXEMBOURG)	MOTORWAY SERVICES	EURO	56,149,500	Stalexport Autostrady SA		100%	61.20%	38.80%	
STALEXPORT AUTOSTRADA MAŁOPOLSKA SA	MYSŁOWICE (POLAND)	MOTORWAY OPERATION AND CONSTRUCTION	POLISH ZLOTY	66,753,000	Stalexport Autoroute SAr.l.		100%	61.20%	38.80%	
STALEXPORT AUTOSTRADY SA	MYSLOWICE (POLAND)	HOLDING COMPANY	POLISH ZLOTY	185,446,517	Atlantia SpA		61.20%	61.20%	38.80%	(7)
TANGENZIALE DI NAPOLI SpA	NAPLES	MOTORWAY OPERATION AND CONSTRUCTION	EURO	108,077,490	Autostrade per l'Italia SpA		100%	88.06%	11.94%	
TECH SOLUTIONS INTEGRATORS SAS	PARIS (FRANCE)	CONSTRUCTION, INSTALLATION AND MAINTENANCE OF ELECTRONIC TOLLING SYSTEMS	EURO	2,000,000	Autostrade per l'Italia SpA		100%	88.06%	11.94%	
TELEPASS SpA	ROME	AUTOMATED TOLLING SERVICES	EURO	26,000,000	Atlantia SpA		100%	100%		

(7) The company is listed on the Warsaw Stock Exchange.

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2018 (IN	HELD BY	% INTEREST IN SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2018	% OVERALL GROUP INTEREST	% OVERALL NON-CONTROLLING INTEREST	NOTE
TELEPASS BROKER Srl	ROME	INSURANCE BROKER	EURO	500,000	Telepass SpA	100%	100%		
TELEPASS PAY SpA	ROME	DEVELOPMENT, ISSUE AND MANAGEMENT OF ELECTRONIC MONEY INSTRUMENTS AND POSTPAID SERVICES	EURO	702,983	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%	50.00%	
URBANnext SA	CHIASSO (SWITZERLAND)	DESIGN, PRODUCTION AND DEVELOPMENT OF MOBILE TELECOMMUNICATIONS APPLICATIONS FOR URBAN MOBILITY	SWISS FRANC	100,000	Telepass SpA	70.00%	70.00%	30.00%	
VIA4 SA	MYSŁOWICE (POLAND)	MOTORWAY SERVICES	POLISH ZLOTY	500,000	Stalexport Autoroute SAr.l.	55.00%	33.66%	66.34%	

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2018 (IN SHARE/UNITS)	HELD BY	% INTEREST IN SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2018		NOTE
INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD								
Associates								
AEROPORTO GUGLIELMO MARCONI DI BOLOGNA SpA	BOLOGNA	MANAGEMENT OF BOLOGNA AIRPORT	EURO	90,314,162	Atlantia SpA		29.38%	
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%	
GETLINK SE	PARIS (FRANCE)	OPERATION OF THE CHANNEL TUNNEL	EURO	220,000,000	Aero 1 Global & International S.à.r.l.		15.49%	(1)
PEDEMONTANA VENETA SpA (IN LIQUIDATION)	VERONA	MOTORWAY OPERATION AND CONSTRUCTION	EURO	6,000,000	Autostrade per l'Italia SpA		29.77%	
SOCIETA' INFRASTRUTTURE TOSCANE SpA (IN LIQUIDATION)	ROME	MOTORWAY OPERATION AND CONSTRUCTION	EURO	15,000,000			46.60%	
					Autostrade per l'Italia SpA	46.00%		
					Spea Engineering SpA	0.60%		
Joint ventures								
A&T ROAD CONSTRUCTION MANAGEMENT AND OPERATION PRIVATE LIMITED	PUNE - MAHARASHTRA (INDIA)	OPERATION AND MAINTENANCE, DESIGN AND PROJECT MANAGEMENT	INDIAN RUPEE	100,000	Autostrade Indian Infrastracture 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%	

(1) The Company holds 26.66% of the company's voting rights.

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2018 (IN SHARE/UNITS)	HELD BY	% INTEREST IN SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2018	NOTE
INVESTMENTS ACCOUNTED FOR AT FAIR VALUE							
Unconsolidated subsidiaries							
DOMINO Srl	ROME	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 2018 (IN SHARE/UNITS)	HELD BY	% INTEREST IN SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2018	NOTE
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	3,526,846	Atlantia SpA	6.52%	
DIRECTIONAL CAPITAL HOLDINGS (IN LIQUIDATION)	CHANNEL ISLANDS (USA)	FINANCE COMPANY	EURO	150,000	Atlantia SpA	5.00%	
EMITTENTI TITOLI SpA (IN LIQUIDATION)	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%	
LUSOPONTE - CONCESSIONARIA PARA A TRAVESSIA DO TEJO	SA MONTIJO (PORTUGAL)	MOTORWAY OPERATOR	EURO	25,000,000	Autostrade Portugal - Concessoes de Infraestructuras SA	17.21%	
LIGABUE GATE GOURMET ROMA SpA (INSOLVENT)	TESSERA	AIRPORT CATERING	EURO	103,200	Aeroporti di Roma SpA	20.00%	
KONSORCJUM AUTOSTRADA ŚLĄSK SA (IN LIQUIDATION)	KATOWICE (POLAND)	MOTORWAY OPERATION AND CONSTRUCTION	POLISH ZLOTY	1,987,300	Stalexport Autostrady SA	5.43%	

NAME	REGISTERED OFFICE	BUSINESS	CURRENCY	SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2018 (IN SHARE/UNITS)	HELD BY	% INTEREST IN SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2018		NOTE
Other investments								
SACAL. SpA	LAMEZIA TERME	AIRPORT MANAGEMENT	EURO	13,920,225	Aeroporti di Roma SpA		9.23%	
SOCIETA' DI PROGETTO BREBEMI SpA	BRESCIA	MOTORWAY OPERATION AND CONSTRUCTION	EURO	113,336,332	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		18.14%	(1)
UIRNET SpA	ROME	OPERATION OF NATIONAL LOGISTICS NETWORK	EURO	1,061,000	Autostrade per l'Italia SpA		1.51%	
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 2018 (IN SHARE/UNITS)	HELD BY	% INTEREST IN SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2018	
CONSORTIA							
CONSORCIO ANHANGUERA NORTE	RIBERAO PRETO (BRAZIL)	CONSTRUCTION CONSORTIUM	BRAZILIAN REAL	-	Autostrade Concessoes e Participacoes Brasil		13,13%
CONSORZIO AUTOSTRADE ITALIANE ENERGIA	ROME	ELECTRICITY PROCUREMENT	EURO	113.949			35,50%
					Autostrade per l'Italia SpA	27,30%	
					Tangenziale di Napoli SpA	2,00%	
					Società Italiana per Azioni per il Traforo del Monte Bianco	1,90%	
					Raccordo Autostradale Valle d'Aosta SpA	1,10%	
					Società Autostrada Tirrenica p.A.	0,30%	
					Autostrade Meridionali SpA	0,90%	
					Aeroporti di Roma SpA	1,00%	
					Pavimental SpA	1,00%	
CONSORZIO COSTRUTTORI TEEM	TORTONA	MOTORWAY CONSTRUCTION AND ACTIVITIES	EURO	10.000	Pavimental SpA		1,00%
CONSORZIO E.T.L. – EUROPEAN TRANSPORT LAW (IN LIQUIDATION)	ROME	STUDY OF EUROPEAN TRANSPORT LEGISLATION	EURO	1.144	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 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. (IN LIQUIDATION)	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%
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. (IN LIQUIDATION)	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 2018 (IN SHARE/UNITS)	HELD BY	% INTEREST IN SHARE CAPITAL/ CONSORTIUM FUND AS AT 30 JUNE 2018
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%
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

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. 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 2018.

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 2018 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.

3 August 2018

Giovanni Castellucci

Chief Executive Officer

Giancarlo Guenzi

Manager responsible for financial reporting

Report of the Indipendent Auditors

Deloitte.

Deloitte & Touche S.p.A.
Via della Camilluccia, 589/A
00135 Roma
Italia

Tel: +39 06 367491
Fax: +39 06 36749282
www.deloitte.it

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, 2018 and the consolidated income statement, consolidated statement of comprehensive income, statement of changes in consolidated equity and consolidated statement of cash flow 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, 2018 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 8, 2018

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

Legal information and contacts

Registered office

Via Antonio Nibby 20 - 00161 Rome
Tel. +39 06 44172652
www.atlantia.it

Legal information

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

Investor Relations

e-mail: investor.relations@atlantia.it

Media Relations

e-mail: media.relations@atlantia.it

Atlantia

www.atlantia.it