Atlantia

Press Release

# BOARD APPROVES REPORT FOR Q1 2014

## Consolidated results

- Operating results for Q1 2014 benefit from contribution of former Gemina group companies[1], consolidated from 1 December 2013
- Revenue for Q1 2014 totals €1,111m, up €191m (20.8%) on Q1 2013 (up 6.2% at constant exchange rates and on like-for-like basis)
- In first three months of 2014 traffic on Group's Italian motorway network up 0.7%. After stripping out calendar-related effects (Easter), traffic is up 1.6% in Q1 2014. Traffic on overseas network up 6.4% in Q1 2014[2]
- Airport passenger traffic up 4.4% on Q1 2013 at two airports operated by Aeroporti di Roma (domestic traffic up 1.2%, EU traffic up 7.0% and non-EU traffic up 3.7%)
- Gross operating profit (EBITDA) of €674m up 23.2% on first three months of 2013 (up 9.5% at constant exchange rates and on like-for-like basis)
- Profit attributable to owners of parent for Q1 2014 (€128m) up 13.3% on same period of 2013 (up 3.5% at constant exchange rates and on like-for-like basis)
- Group capital expenditure during period totals €186m

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(1) Aeroporti di Roma and this company's subsidiaries responsible for supporting and developing the airports business, in addition to Fiumicino Energia and Leonardo Energia.
(2) The increase has been calculated excluding the Brazilian operator, Rodovias do Tieté, which is 50%-owned.

- **Operating cash flow for Q1 2014 totals €463m (up 17.7% at constant exchange rates and on like-for-like basis)**
- **Group's net debt at 31 March 2014 totals €10,524m, down €245m on €10,769m at 31 December 2013**

Rome, 9 May 2014 – Today's meeting of the Board of Directors of Atlantia SpA, chaired by Fabio Cerchiai, has approved the quarterly report for the three months ended 31 March 2014 ("Q1 2014"). The consolidated accounts presented in the quarterly report have been prepared in accordance with the IFRS in effect at 31 March 2014 and are unaudited.

## Group operating review

Key performance indicators for each of the Group's operating segments are shown below [3].

| ATLANTIA GROUP - Q1 2014 | | | | | | |
|---|---|---|---|---|---|---|
| €m | Italian motorways | Italian airports | Overseas motorways | Atlantia and other activities | Eliminations and consolidation adjustments | Total consolidated amounts |
| External revenue | 794 | 160 | 125 | 33 | -1 | 1.111 |
| Intersegment revenue | 3 | - | - | 69 | -72 | - |
| **Total revenue** | 797 | 160 | 125 | 102 | -73 | 1.111 |
| **EBITDA** | 494 | 94 | 93 | -7 | - | 674 |
| **Operating cash flow** | 313 | 78 | 76 | -4 | - | 463 |
| **Capital expenditure** | 126 | 14 | 20 | 14 | 12 | 186 |

### Italian motorways

- **Traffic up 0.7% overall compared with Q1 2013**
- **Total revenue for Q1 2014 of €797m up 2.7% on Q1 2013**
- **EBITDA of €494m for Q1 2014 up €39m (8.6%) on same period of 2013**

#### Traffic

Traffic on the Group's Italian network rose 0.7% overall in the first three months of 2014.

[3] A detailed description of the operating segments is provided in the attachment, "Operating segments", below.

Vehicles with 2 axles are up 0.5% and those with 3 or more axles are up 1.9%.

## Capital expenditure

Capital expenditure by Group companies in Italy in the first three months of 2014 totals €154m, down €28m (15.4%) on the same period of 2013, primarily due to completion of a number of works on the network.

Capital expenditure in Italy

| *€m* | Q1 2014 | Q1 2013 | % inc./(dec.) |
|---|---|---|---|
| Autostrade per l'Italia -projects in Agreement of 1997 | 37 | 63 | -41,3% |
| Autostrade per l'Italia - projects in IV Addendum of 2002 | 48 | 62 | -22,6% |
| Investment in major works by other operators | 2 | 1 | 100,0% |
| Other capital expenditure and capitalised costs (staff, maintenance and other) | 55 | 50 | 10,0% |
| **Total investment in infrastructure operated under concession** | **142** | **176** | **-19,3%** |
| Investment in other intangible assets | 5 | 2 | 150,0% |
| Investment in property, plant and equipment | 7 | 4 | 75,0% |
| **Total capital expenditure in Italy** | **154** | **182** | **-15,4%** |

## Overseas motorways

- **Revenue from the Group's overseas motorways business amounts to €125m for Q1 2014, down 8.1% on Q1 2013, reflecting decline in value of Chilean and Brazilian currencies (down 17.5% and 18.6%, respectively); volume of traffic is, in terms of kilometres travelled, actually up (an overall rise of 6.4%[4])**
- **EBITDA totals €93m (down 4.1% on Q1 2013)**

## Traffic

Traffic trends on the networks operated by the Group's overseas subsidiaries during the first quarter of 2014 were largely positive compared with the same period of 2013: up 7.3% in Chile, up 5.0% in Brazil[4] and up 12.6% at the Polish operator, Stalexport.

[4] The increase has been calculated excluding the Brazilian operator, Rodovias do Tieté, which is 50%-owned. This operator recorded traffic growth of 3.4% in the first quarter of 2014.

### Chile

The Chilean operators generated total revenue of €41m in the first quarter of 2014 (including toll revenue of €37m), marking a reduction of 8.2% (an increase of 11.2% at constant exchange rates) compared with the same period of 2013 (€44m). EBITDA of €29m is down €2m on the first quarter of 2013 (at constant exchange rates EBITDA is up 14.4%). Adjusted EBITDA[5] amounts to €47m.

The investment programme named "*Programma SCO*" (*Santiago Centro Oriente*) is now fully effective, following its publication in the Official Gazette of the Chilean State on 12 March 2014. The programme covers seven projects designed to eliminate the principal bottlenecks on the section operated under concession. The total value of the work to be carried out is around 230bn pesos (approximately €320m, with €40m already completed at 31 March 2014). The agreement envisages that the operator will receive specific payment from the grantor in return for the above construction services.

### Brazil

The Brazilian operators generated total revenue of €71m in the first quarter of 2014 (including toll revenue of €69m), marking a reduction of 9.5% (an increase of 11.2% at constant exchange rates) compared with the same period of 2013 (€78m). EBITDA of €54m is down €4m on the same period of 2013 (at constant exchange rates EBITDA is up 15.3%).

### Poland

In Poland, the Stalexport Autostrady group recorded total revenue of €12m (including toll revenue of €11.6m), marking an increase of 13.9% (14.7% at constant exchange rates) on the same period of 2013. The strong traffic growth is in part due to extraordinary maintenance on one of the alternative roads, carried out from May 2013. EBITDA of €10m is up €2m on the same period of 2013 (at constant exchange rates EBITDA is up 24.2%).

## Airports

**The roman airport system reports following performance in Q1 2014:**

- **Passenger traffic up 4.4% on Q1 2013**

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(5) Calculated by stripping out the impact of financial items recognised by the Group's motorway operators in application of IFRIC 12 when, under their concession arrangements, they have an unconditional right to receive contractually guaranteed cash payments, regardless of the extent to which the public uses the service.

- **Revenue of €160m (up 30.1% on Q1 2013). In particular, aviation revenue of €102m for Q1 2014 is up following increase in fees resulting from Planning Agreement. This contrasts with slight downturn in non-aviation revenue, reflecting decline in revenue from property management and advertising**
- **EBITDA of €94m up €35m on the same period of 2013 (up 59.3%)**

## Traffic

The Roman airport system handled 8.4m passengers in the first quarter of 2014, registering an increase of 4.4% compared with the same period of the previous year, and confirming the signs of gradual stabilisation and improvement seen in 2013. The EU segment was the main driver of growth for the Roman airport system in the first quarter of 2014, rising 7.0% and accounting for 46.4% of total traffic. The non-EU and domestic segments also saw significant growth, rising 3.7% and 1.2%, respectively. Passenger traffic at Fiumicino airport is up 1.4% on the first three months of 2013.

Alitalia, the main carrier operating at Fiumicino, reports a 1.1% reduction in the number of passengers transported, accompanied by a 4.8% decline in the number of available seats and substantially stable movements. A breakdown by destination reveals that there was growth in both the EU international (up 9.1%) and non-EU international (up 2.6%) segments. The fact that the reduction in available seats was greater that the reduction in passengers transported has led to an increase in the load factor (67.8%, marking an increase of 2.5 percentage points).

## Capital expenditure

The Aeroporti di Roma group's capital expenditure totalled €15m in the first quarter of 2014 (including €1m financed by the Civil Aviation Authority, ENAC). The principal works regarded:

- terminals and piers, involving continued work on the final design for the Eastern Hub
- further progress on the construction of departure area E/F
- modernisation of the baggage handling system in Terminal 3
- the upgrade of runways, taxiways and aprons
- technology and networks: development and implementation of the new FIDS (Flight Information Departure System) was completed, enabling a greater amount of information to be provided to passengers and interaction with multimedia content.

## Other activities

### Ecomouv

Having announced the rollout of the system for 1 January 2014, following violent protests by road hauliers in Brittany, on 29 October 2013 the government decided to delay its introduction in order to consider changes to the scope of application of the tax, as demanded by road hauliers' associations, farmers and politicians in the Brittany region. Postponement of introduction of the tax has had a serious impact on fulfilment of the contract. Two parliamentary committees were set up to look into the ecotax in December 2013, one of which, the *Mission d'Information* at the National Assembly, with the main purpose of establishing if the conditions are right for a renewed attempt to introduce the tax.

The French Ministry of Transport called a meeting with Ecomouv and the lending banks on 16 January 2014, at which it formally announced the results of system acceptance testing (*Vérification d'Attitude au Bon Fonctionnement* or "*VABF*"), and its intention to initiate negotiations with Ecomouv in order to determine the conditions for suspending the contract until such time as the parliamentary committees had concluded their work, safeguard the government's rights and provide Ecomouv with appropriate guarantees in view of its rights under the Eco-Taxe project and Contract.

On 17 January 2014, after having received the results of the *VABF* and a notice of default by Ecomouv, which had provided the government with the report on the user acceptance test that concluded that the Equipment was in working order, which is the contractual condition precedent to the acceptance of the Equipment.

A Senate committee hearing was held on 11 March 2014, at which the representatives of CAP Gemini, the government's technical advisor, who had tested the Equipment, testified under oath that the Equipment was in working order and the User Acceptance Test Report made no mention of a "serious defects". In fact, even though the government had taken two months to analyse the User Acceptance Test Report, it had made no comment on the existence of serious defects that could have prevented it from accepting the system. Despite this, and although the Equipment is undeniably ready and compliant with the related contract specifications and applicable laws, in a letter of 20 March 2014, the date the government considered to be the deadline for taking a position on the final user acceptance test, the Ministry of Transport advised Ecomouv that the government was of the opinion that there were grounds for terminating the contract. The reason given being that delivery of the Equipment had taken place over six months later than the delivery date foreseen by the contract (20 July 2013). At the same time, however, in the same letter the Ministry expressed its hope to restart negotiations with Ecomouv, as subsequently happened on 22 March. Whilst agreeing to the meeting, in letters dated 21 March and 4 April 2014, Ecomouv, with the support of its legal advisors, firmly and formally rejected the legitimacy of the Ministry of Transport's claims and in particular: (i) the delay of over six months caused by Ecomouv, (ii) the ability of the government to terminate the contract due to the lack of harm caused to the government by the alleged delay, and (iii) maintained that the purpose of the proposed sanction together with the request to meet with Ecomouv to negotiate an agreement, was to gain an unfair advantage over Ecomouv in the negotiations. Ecomouv stated that its letter was without prejudice to its the right to raise its own claims and to proceed against the government to protect its rights. At the same time, Ecomouv also initiated the obligatory conciliation procedure provided for in the Contract, in order to arrive at an amicable solution of disputes between the parties prior to any legal action being taken.

Negotiations between Ecomouv and the General Directorate of Transport (the *DGTIM*), appointed to conduct the negotiations by the Interministerial Committee, have resulted in preparation of a draft Memorandum of Understanding, which the *DGTIM* submitted for political approval by the Interministerial Committee at the beginning of April 2014.

The outcome of local elections held at the end of March and the ensuing government reshuffle have delayed the decision-making process. Above all, the new Ecology Minister, who is now in charge of the Department of Transport, has stated during public hearings of the Senate committee holding an inquiry into the partnership agreement and of the *Mission d'Information* at the National Assembly, held on 29 and 30 April, respectively, that she will await the conclusion of the two committees' inquiries before taking any decision. Both committees are expected to report by the end of May 2014 at the latest.

The company, in part based on its consultants' advice, considering that there are no grounds whatsoever for the previously announced termination of the contract, has stated that for reasons of prudence in these circumstances it would, on the one hand, not recognise any profit on the project, whilst, on the other hand, refraining from making provisions in its accounts.

The tax remains politically and socially unpopular in France and its application is uncertain and subject to change. This situation may necessitate application of the safeguards provided for in the relevant contract and/or the memorandum of understanding in the process of being negotiated.

# Consolidated financial review

## Introduction

The accounting standards applied in preparing this interim report for the three months ended 31 March 2014 are consistent with those adopted for the consolidated financial statements for the year ended 31 December 2013, in that the new standards and interpretations that have come into effect from 1 January 2014 have not had a material impact on the consolidated accounts. The scope of consolidation at 31 March 2014 is unchanged with respect to the consolidated financial statements for the year ended 31 December 2013. However, the results of operations for the first quarter of 2014 benefit from the contribution of the former Gemina group companies consolidated from 1 December 2013. The term "at constant exchange rates and on a like-for-like basis", used in the following review, thus indicate that changes with respect to the comparative period have been determined by eliminating the following from the consolidated amounts for the first quarter of 2014:

- the difference between foreign currency amounts for the first quarter of 2014 converted using average rates for the period under review and the conversion of the same amounts using average rates for the first quarter of 2013;
- the above contribution of the former Gemina group companies.

In addition, following manifestations of interest in the subsidiary, TowerCo, and the subsequent start-up of negotiations aimed at concluding the sale of Atlantia's 100% interest in the company to third parties, this company's contribution to the operating results for the first quarters of 2014 and 2013 is accounted for in "Profit/(Loss) from discontinued operations", as required by IFRS 5. The consolidated accounts for the first quarter of 2013, therefore, reflect the above reclassification of TowerCo's contribution and the effects of the completion, in 2013, of identification of the fair value of the assets and liabilities of the Chilean and Brazilian companies acquired in 2012.

## Operating results

### Revenue

Revenue for the first quarter of 2014 amounts to €1,111m, up €191m (20.8%) on the same period of 2013 (€920m). At constant exchange rates and on a like-for-like basis, total revenue is up €57m (6.2%).

Toll revenue of €802m is up €23m (3.0%) on the first quarter of 2013 (€779m). At constant exchange rates, toll revenue is up €47m (6.0%), primarily reflecting a combination of:

- application of annual toll increases for 2014 by the Group's Italian operators (a rise of 4.43% for Autostrade per l'Italia from 1 January 2014), boosting toll revenue by an estimated €25m;
- a 0.7% improvement in traffic on the Italian network, accounting for an estimated €5m increase in toll revenue (including the impact of the different traffic mix);
- an increase in toll revenue at overseas operators (up €15m), reflecting traffic growth, toll charge increases applied by the Chilean operators and the measures (tolls for vehicles with suspended axles) introduced by ARTESP (Brazil's public transport regulator) to compensate the operators, Triangulo do Sol and Rodovia das Colinas for the decision not to apply annual toll increases from 1 July 2013.

Aviation revenue of €102m corresponds with the contribution of the former Gemina group companies, consolidated from 1 December 2013.

Contract revenue and other operating income, totalling €207m, is up €66m on the same period of 2013 (€141m). After stripping out the contribution of the former Gemina group companies for the first quarter of 2014 (€58m) and the negative effect of adverse exchange rate movements, contract revenue and other operating income is up €10m, primarily due to an increase in work carried out by Pavimental for external customers.

### Operating costs

Net operating costs of €437m are up €64m (17.2%) on the first quarter of 2013 (€373m). At constant exchange rates and on a like-for-like basis, net operating costs are up €5m (1.3%), essentially reflecting the following factors:

- an increase of €3m in the cost of materials and external services compared with the first quarter of 2013, due to:
  - a decrease in motorway maintenance costs, primarily due to a reduction in winter operations, partially offset by an increase in road surfacing work, in part following a rescheduling of works during the period, and an increase in other maintenance work on the network;
  - an increase in other costs, essentially due to lower margins on the Eco-Taxe contract, the reduced contribution from the Group's own technical units and an increase in costs due to the greater volume of work carried out by Pavimental for external customers;

- staff costs, before deducting capitalised expenses (down €4m) amount to €168m, reflecting the following changes compared with the first quarter of 2013, which have substantially offset each other:
  - a reduction of 64 in the average workforce (down 0.6%);
  - an increase in the average unit cost (up 0.6%), primarily due to salary rises at motorway operators and industrial companies (above all at overseas motorway operators).

Results

Gross operating profit (EBITDA) of €674m is up €127m (23.2%) on the first quarter of 2013 (€547m). The contribution of the former Gemina group companies, consolidated from 1 December 2013, is €94m. At constant exchange rates and on a like-for-like basis, gross operating profit is up €52m (9.5%).

Operating profit (EBIT) of €417m is up €45m (12.1%) on the first quarter of 2013 (€372m). At constant exchange rates and on a like-for-like basis, operating profit is up €23m (6.2%). This reflects the above increase in EBITDA, partially offset by a rise in provisions and other adjustments of €30m, primarily reflecting:

- an €18m increase in provisions for the repair and replacement of assets to be handed over at the end of concession terms, essentially due to the impact of changes in the discount rates applied in the two comparative periods;
- an increase of €9m in other provisions in relation to outstanding disputes.

Financial income recognised as an increase in financial assets deriving from concession rights and government grants, totalling €21m, is in line with the figure for the first quarter of 2013.

Financial expenses from discounting of provisions for construction services required by contract and other provisions amount to €29m and are up €5m on the first quarter of 2013, primarily due to an increase in interest rates.

Net other financial expenses of €179m are up €8m on the first quarter of 2013 (€171m). At constant exchange rates and on a like-for-like basis, the increase is €3m (1.8%).

Capitalised financial expenses of €15m are substantially in line with the figure for the first quarter of 2013 (€14m).

Income tax expense for the first quarter of 2014 totals €96m, up €14m (17.1%) primarily due to the improved profit before tax.

Profit from continuing operations amounts to €146m, up €18m (14.1%) on the figure for the first quarter of 2013. At constant exchange rates and on a like-for-like basis, profit from continuing operations is up €10m (7.8%).

Profit for the period attributable to owners of the parent (€128m) is up €15m (13.3%) on the first quarter of 2013 (€113m). At constant exchange rates and on a like-for-like basis, profit attributable to owners of the parent is up €4m (3.5%) to €117m.

Operating cash flow for the first quarter of 2014 amounts to €463m, up €117m (33.8%) on the first quarter of 2013. At constant exchange rates and on a like-for-like basis, operating cash flow is up €61m (17.7%), essentially reflecting the improvement in operating profit.

Equity attributable to owners of the parent totals €6,562m at 31 March 2014, having risen €77m compared with 31 December 2013 (€6,485m), essentially as a result of comprehensive income for the period.

The Group's net debt at 31 March 2014 totals €10,524m and is down €245m (€10,769m at 31 December 2013). At 31 March 2014 the Group has cash reserves (cash, term deposits and undrawn committed lines of credit) of €7,734m.

## Events after 31 March 2014

### Corporate officers

Paolo Zannoni had today resigned from the Company's Board of Directors.

## Outlook

Despite the continuing weakness of the Italian economy, motorway and airport traffic trends in the early part of the year show signs of stabilising.

Traffic on the Group's Italian network is up 1.5% in the first four months of the year, compared with the same period of 2013, with the "heavy" component rising 2.3%. The number of passengers using the Roman airport system during the same period is up 4.5% on first four months of the previous year.

The operating performances of the overseas motorway operators are expected to benefit from stronger traffic growth, above all in South America, although their contribution to the Group's results is dependent on movements in the respective currencies.

The results for 2014 will also reflect the full-year contribution of ADR.

## Operating segments

With effect from the Annual Report for 2013, information is provided about the Group's identified operating segments.

It should be noted that, compared with the breakdown of consolidated amounts by operating segment used for the first time in the Annual Report for 2013, the operating segments referred to in this interim report have been modified. Information is now provided on the basis of 3 main operating segments and a fourth residual segment that includes the Parent Company, Atlantia, and other activities of lesser importance. Details of the Group's operating segments are as follows:

- **Italian motorways**: this includes the Italian motorway operators (Autostrade per l'Italia, Autostrade Meridionali, Tangenziale di Napoli, Società italiana per azioni per il Traforo del Monte Bianco and Raccordo Autostradale Valle d'Aosta), whose core business consists of the management, maintenance, construction and widening of the related motorways operated under concession. In addition, this segment also includes Telepass, the companies that provide support for the motorway business in Italy and the Italian holding company, Autostrade dell'Atlantico, which holds investments in South America;
- **Italian airports**: this essentially includes the subsidiary, Aeroporti di Roma, which holds the concession to operate and develop the airports of Rome Fiumicino and Rome Ciampino, in addition to the companies responsible for supporting and developing the airports business;
- **overseas motorways**: this operating segment includes the holders of concessions in Chile, Brazil and Poland, and the companies that provide operational support for these operators and the related foreign-registered holding companies;
- **Atlantia and other activities**: this segment includes:
  - 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;
  - the subsidiaries that produce and operate free-flow tolling systems in France, traffic and transport management systems, public information and electronic payment systems. The most important companies are Autostrade Tech, Ecomouv and Electronic Transaction Consultants;
  - the companies whose business is the design, construction and maintenance of infrastructure, essentially referring to Pavimental and Spea Ingegneria Europea.

** * **

*The manager responsible for financial reporting, Giancarlo Guenzi, declares, pursuant to section 2 of article 154 bis of the Consolidated Finance Act, that the accounting information contained in this release is consistent with the underlying accounting records.*

*In addition to the conventional financial indicators required by IFRS contained in this press release, certain alternative performance indicators have been included (e.g., EBITDA) in order to permit a better appraisal of the Company's results and financial position. These indicators have been calculated in accordance with market practice.*

*The Group's net debt, as defined in the European Securities and Market Authority – ESMA (formerly CESR) Recommendation of 10 February 2005 (which does not entail the deduction of non-current financial assets from debt), amounts to €12,931m at 31 March 2014, compared with €13,098m at 31 December 2013.*

*The Atlantia Group's reclassified income statement and statement of financial position, the statement of comprehensive income and the statement of cash flows at and for the three months ended 31 March 2014 are attached hereinafter.*

**Reclassified consolidated income statement**

| (€m) | Q1 2014 | Q1 2013 | INCREASE (DECREASE) ABSOLUTE | % |
|---|---|---|---|---|
| Toll revenue | 802 | 779 | 23 | 3.0 |
| Aviation revenue | 102 | - | 102 | n.s. |
| Contract revenue | 19 | 7 | 12 | n.s. |
| Other operating income | 188 | 134 | 54 | 40.3 |
| **Total revenue** | **1,111** | **920** | **191** | **20.8** |
| Cost of materials and external services (1) | -161 | -132 | -29 | 22.0 |
| Concession fees | -99 | -95 | -4 | 4.2 |
| Personnel expense | -195 | -168 | -27 | 16.1 |
| Capitalised personnel expense | 18 | 22 | -4 | -18.2 |
| **Total net operating costs** | **-437** | **-373** | **-64** | **17.2** |
| **Gross opearting profit (EBITDA)** | **674** | **547** | **127** | **23.2** |
| Amortisation, depreciation, impariment losses and reversals | -204 | -169 | -35 | 20.7 |
| Provisions and other adjustments | -53 | -6 | -47 | n.s. |
| **Operating profit (EBIT)** | **417** | **372** | **45** | **12.1** |
| Financial income to increase financial concession rights and financial assets for government grants | 21 | 20 | 1 | 5.0 |
| Financial expenses from discounting of provisions for construction services required by contract | -29 | -24 | -5 | 20.8 |
| Other financial income (expenses) | -179 | -171 | -8 | 4.7 |
| Capitalised financial expenses | 15 | 14 | 1 | 7.1 |
| Share of profit (loss) of associates and joint ventures accounted for using the equity method | -3 | -1 | -2 | n.s. |
| **Profit (Loss) before tax from continuing operations** | **242** | **210** | **32** | **15.2** |
| Income tax (expense)/benefit | -96 | -82 | -14 | 17.1 |
| **Profit/(Loss) from continuing operations** | **146** | **128** | **18** | **14.1** |
| Profit/(Loss) from discontinued operations | 2 | 2 | - | - |
| **Profit for the period** | **148** | **130** | **18** | **13.8** |
| (Profit)/Loss attributable to non–controlling interests | -20 | -17 | -3 | 17.6 |
| **Profit/(Loss) attributable to ownersof the parent** | **128** | **113** | **15** | **13.3** |

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

| | Q1 2014 | Q1 2013 | INCREASE/ (DECREASE) |
|---|---|---|---|
| **Basic earnings per share attributable to the owners of the parent (€)** | **0.16** | **0.17** | **-0.01** |
| of which: | | | |
| - continuing operations | 0.16 | 0.17 | -0.01 |
| - discontinued operations | - | - | - |
| **Diluted earnings per share attributableto the owners of the parent (€)** | **0.16** | **0.17** | **-0.01** |
| of which: | | | |
| - continuing operations | 0.16 | 0.17 | -0.01 |
| - discontinued operations | - | - | - |

| | Q1 2014 | Q1 2013 | INCREASE/ (DECREASE) |
|---|---|---|---|
| **Operating cash flow (€m)** | **463** | **346** | **117** |
| of which: | | | |
| - continuing operations | 461 | 344 | 117 |
| - discontinued operations | 2 | 2 | - |
| **Operating cash flow per share (€)** | **0.57** | **0.53** | **0.04** |
| of which: | | | |
| - continuing operations | 0.57 | 0.53 | 0.04 |
| - discontinued operations | - | - | - |

**Consolidated statement of comprehensive income**

| (€m) | Q1 2014 | Q1 2013 |
|---|---|---|
| **Profit for the period (A)** | **148** | **130** |
| Fair value gains/(losses) on cash flow hedges | -29 | 21 |
| Fair value gains/(losses) on net investment hedges | - | -3 |
| Gains/(Losses) from translation of transactions in functional currencies other than the euro | -46 | 123 |
| Gains/(losses) from translation of transactions in functional currencies other than theeuro concluded by investee companies accounted for using the equity method | - | 1 |
| **Other comprehensive income for the period that will be reclassified to profit or loss, after related taxation (B)** | **-75** | **142** |
| Gains/(losses) from actuarial valuations of provisions for employee benefits | - | -1 |
| **Other comprehensive income for the period that will not be reclassified to profit or loss, after related taxation (C)** | **-** | **-1** |
| **Total other comprehensive income for the period, after related taxation (D=B+C)** | **-75** | **141** |
| **Comprehensive income for the period (A+D)** | **73** | **271** |
| *Of which attributable to owners of the parent* | *77* | *191* |
| *Of which attributable to non-controlling interests* | *-4* | *80* |

**Reclassified consolidated statement of financial position**

| (€m) | 31/03/2014 | 31/12/2013 | INCREASE/ (DECREASE) |
|---|---|---|---|
| **Non–current non–financial assets** | | | |
| Property, plant and equipment | 199 | 233 | -34 |
| Intangible assets | 24,994 | 25,081 | -87 |
| Investments | 158 | 159 | -1 |
| Deferred tax assets | 1,805 | 1,821 | -16 |
| Other non–current assets | 7 | 8 | -1 |
| **Total non–current non–financial assets (A)** | **27,163** | **27,302** | **-139** |
| **Working capital (1)** | | | |
| Trading assets | 1,318 | 1,332 | -14 |
| Current tax assets | 69 | 69 | - |
| Other current assets | 166 | 154 | 12 |
| Non–financial assets held for sale and related to discontinued operations (2) | 50 | 17 | 33 |
| Current portion of provisions for construction services required by contract | -565 | -434 | -131 |
| Current provisions | -471 | -464 | -7 |
| Trading liabilities | -1,445 | -1,447 | 2 |
| Current tax liabilities | -91 | -40 | -51 |
| Other current liabilities | -455 | -507 | 52 |
| Non-financial liabilities related to discontinued operations (2) | -16 | - | -16 |
| **Total working capital (B)** | **-1,440** | **-1,320** | **-120** |
| **Invested capital less current liabilities (C=A+B)** | **25,723** | **25,982** | **-259** |
| **Non–current non–financial liabilities** | | | |
| Non–current portion of provisions for construction services required by contract | -3,609 | -3,729 | 120 |
| Non–current provisions | -1,310 | -1,267 | -43 |
| Deferred tax liabilities | -1,908 | -1,910 | 2 |
| Other non–current liabilities | -92 | -94 | 2 |
| **Total non–current non–financial liabilities (D)** | **-6,919** | **-7,000** | **81** |
| **NET INVESTED CAPITAL (E=C+D)** | **18,804** | **18,982** | **-178** |

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

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

**Reclassified consolidated statement of financial position**

| (€m) | 31/03/2014 | 31/12/2013 | INCREASE/ (DECREASE) |
|---|---|---|---|
| **Equity** | | | |
| **Equity attributable to owners of the parent** | **6,562** | **6,485** | **77** |
| **Equity attributable to non–controlling interests** | **1,718** | **1,728** | **-10** |
| **Total equity (F)** | **8,280** | **8,213** | **67** |
| **NET DEBT** | | | |
| **<u>Non–current net debt</u>** | | | |
| **Non–current financial liabilities** | **14,388** | **14,457** | **-69** |
| Bond issues | 10,280 | 10,191 | 89 |
| Medium/long–term borrowings | 3,537 | 3,729 | -192 |
| Derivative liabilities | 529 | 496 | 33 |
| Other non-current financial liabilities | 42 | 41 | 1 |
| **Non-current financial assets** | **-2,407** | **-2,329** | **-78** |
| Non–current financial assets deriving from concession rights | -1,290 | -1,297 | 7 |
| Non–current financial assets deriving from government grants | -249 | -247 | -2 |
| Non-current term deposits | -354 | -333 | -21 |
| Derivative assets | - | -5 | 5 |
| Other non–current financial assets | -514 | -447 | -67 |
| ***Non–current net debt (G)*** | **11,981** | **12,128** | **-147** |
| **<u>Current net debt</u>** | | | |
| **Current financial liabilities** | **3,145** | **3,858** | **-713** |
| Bank overdrafts | 7 | 7 | - |
| Short–term borrowings | 8 | 3 | 5 |
| Current account balances payable to unconsolidated companies | 11 | 14 | -3 |
| Current portion of medium/long–term borrowings | 3,104 | 3,530 | -426 |
| Other financial liabilities | 15 | 304 | -289 |
| **Cash and cash equivalents** | **-3,760** | **-4,414** | **654** |
| Cash in hand at bank and post offices | -1,862 | -2,436 | 574 |
| Cash equivalents | -1,898 | -1,978 | 80 |
| **Other current financial assets** | **-842** | **-803** | **-39** |
| Current financial assets deriving from concessions | -414 | -413 | -1 |
| Current financial assets deriving from government grants | -18 | -19 | 1 |
| Current term deposits | -183 | -192 | 9 |
| Current portion of medium/long–term financial assets | -84 | -51 | -33 |
| Other current financial assets | -141 | -126 | -15 |
| Financial assets held for sale or related to discontinued operations (2) | -2 | -2 | - |
| ***Current net debt (H)*** | **-1,457** | **-1,359** | **-98** |
| **Net debt (I=G+H)** | **10,524** | **10,769** | **-245** |
| **NET DEBT AND EQUITY (L=F+I)** | **18,804** | **18,982** | **-178** |

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

**Consolidated statement of cash flows**

| (€m) | Q1 2014 | Q1 2013 |
|---|---|---|
| **CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES** | | |
| **Profit for the period** | **148** | **130** |
| **Adjusted by:** | | |
| Amortisation and depreciation | 206 | 169 |
| Provisions | 53 | 6 |
| Financial expenses from discounting of provisions for construction services required by contract | 29 | 24 |
| Share of (profit)/loss of associates and joint ventures accounted for using the equity method | 3 | 1 |
| Net change in deferred tax (assets)/liabilities recognised in profit and loss | 26 | 21 |
| Other non–cash items | -1 | -3 |
| Change in working capital and other changes | -14 | -207 |
| **Net cash generated from/(used in) operating activities [a]** | **450** | **141** |
| **CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES** | | |
| Investment in motorways and airports infrastructures | -172 | -268 |
| Government grants related to motorways infrastructures | 6 | 14 |
| Increase in financial assets deriving from concession rights (related to investment in motorways infrastructures) | 17 | 89 |
| Purchases of property, plant and equipment | -7 | -6 |
| Purchases of intangible assets | -7 | -3 |
| Purchase of investments, net of unpaid called–up issued capital | - | -1 |
| Net change in other non–current assets | 2 | - |
| Net change in current and non–current financial assets not held for trading purposes | -146 | -178 |
| **Net cash generated from/(used in) investing activities [b]** | **-307** | **-353** |
| **CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES** | | |
| Dividends paid | -289 | - |
| Contribution from non-controlling shareholders | 1 | - |
| New shareholder loans | 3 | - |
| Issuance of bonds | 72 | 254 |
| Increase in medium/long term borrowings (excluding finance lease liabilities) | - | 159 |
| Bond redemptions | -375 | -240 |
| Repayments of medium/long term borrowings (excluding finance lease liabilities) | -273 | -32 |
| Payment of finance lease liabilities | -1 | - |
| Net change in other current and non–current financial liabilities | 66 | 70 |
| **Net cash generated from/(used in) financing activities [c]** | **-796** | **211** |
| Net effect of foreign exchange rate movements on net cash and cash equivalents [d] | 2 | 6 |
| **Increase/(Decrease) in cash and cash equivalents [a+b+c+d]** | **-651** | **5** |
| **Net cash and cash equivalents at beginning of period** | **4,393** | **2,786** |
| **Net cash and cash equivalents at end of period** | **3,742** | **2,791** |

**Additional information on the statement of cash flows**

| (€m) | Q1 2014 | Q1 2013 |
|---|---|---|
| Income tax paid | 18 | 20 |
| Interest income and other financial income | 13 | 17 |
| Interest expense and other financial expenses | -150 | -121 |
| Foreign exchange gains collected | - | 1 |

**Reconciliation of net cash and cash equivalents**

| (€m) | Q1 2014 | Q1 2013 |
|---|---|---|
| **Net cash and cash equivalents at beginning of period** | **4,393** | **2,786** |
| Cash and cash equivalents | 4,414 | 2,811 |
| Bank overdrafts | -7 | - |
| Current account balances payable to unconsolidated companies | -14 | -25 |
| **Net cash and cash equivalents at end of period** | **3,742** | **2,791** |
| Cash and cash equivalents | 3,760 | 2,826 |
| Bank overdrafts | -7 | -10 |
| Current account balances payable to unconsolidated companies | -11 | -25 |

**CASH FLOWS RELATED TO DISCONTINUED OPERATIONS**

| (€m) | Q1 2014 | Q1 2013 |
|---|---|---|
| Net cash generated from (used in) operating activities | 7 | 11 |
| Net cash generated from (used in) investing activities | -1 | - |
| Net cash generated used in (from) financing activities | -6 | -5 |