Atlantia

Press release

ATLANTIA GROUP'S QUARTERLY RESULTS ANNOUNCEMENT FOR THREE MONTHS ENDED 31 MARCH 2019

Consolidated results for Q1 2019(1)

- Atlantia Group's operating results for Q1 2018 include consolidation of the Abertis group following completion of the acquisition of Abertis Infraestructuras on 29 October 2018
- Traffic on motorway network: up 1.9% in Italy, up 5.1% in Spain, up 1.6% in France, up 2.8% in Poland, up 3.0% in Chile, up 2.3% in Brazil
- Passenger traffic: up 3.5% at Aeroporti di Roma, up 4.0% at Aéroports de la Côte d'Azur
- Operating revenue of €2,591m up €1,255m (up 4% on like-for-like basis, after stripping out contribution from Abertis group, consolidated from end of October 2018, up 6% on pro forma like-for-like basis, assuming consolidation of Abertis group from 1 January 2018(2))

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(1) In addition to the reported amounts in the consolidated financial statements, this press release also presents and analyses alternative performance indicators ("APIs"), including EBITDA, operating cash flow and capital expenditure. A detailed description of the principal APIs used in the following consolidated financial review, including 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.

(2) The "Explanatory notes" include a table showing the reconciliation of certain consolidated financial indicators on a like-for-like basis for the two comparative periods.

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- Gross operating profit (EBITDA) of €1,561m up €756m (up 3% on like-for-like basis excluding Abertis group and up 7% on pro forma like-for-like basis including Abertis group[(3)])
- Operating cash flow of €1,103m up €537m, essentially due to contribution from Abertis group, and after charges relating to collapse of a section of Polcevera road bridge during period (up 7% on like-for-like basis excluding Abertis group)
- Profit attributable to owners of parent totals €249m, up €32m on Q1 2018[(4)] after increased financial expenses linked to the Abertis acquisition
- Capital expenditure amounts to €335m
- Net debt as at 31 March 2019 totals €38bn, broadly stable compared with 31 December 2018

Rome, 10 May 2019 – Today's meeting of the Board of Directors of Atlantia SpA, chaired by Fabio Cerchiai, has approved the Atlantia Group's quarterly results announcement for the three months ended 31 March 2019 ("Q1 2019")[(5)].

	ITALIAN MOTORWAYS		OVERSEAS MOTORWAYS		ITALIAN AIRPORTS		OVERSEAS AIRPORTS		ATLANTIA AND OTHER ACTIVITIES		ABERTIS GROUP (**)		CONSOLIDATION ADJUSTMENTS		TOTAL ATLANTIA GROUP	
	Q1		Q1		Q1		Q1		Q1		Q1		Q1		Q1	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
REPORTED AMOUNTS																
External revenue	883	865	168	156	198	191	60	62	69	62	1.213	-	-	-	2.591	1.336
Intersegment revenue	13	7	-	-	-	-	-	-	92	83	-	-	-105	-90	-	-
Total operating revenue	896	872	168	156	198	191	60	62	161	145	1.213	-	-105	-90	2.591	1.336
EBITDA(*)	483	539	127	118	113	109	22	25	16	14	800	-	-	-	1.561	805
Operating cash flow	245	371	98	95	87	84	17	19	-19	-3	675	-	-	-	1.103	566
Capital expenditure	126	93	11	15	45	40	15	17	14	8	117	-	7	5	335	178

(*) The amount for gross operating profit (EBITDA) for the first quarter of 2018 differs from the amount published in the results announcement for the first quarter of 2018, reflecting the different basis of presentation for this indicator adopted with effect from the Annual Report for 2018 and described in detail in the section, "Group financial review".

(**) Abertis HoldCo financials are included in Abertis Group data.

(3) The "Explanatory notes" include a table showing the reconciliation of certain consolidated financial indicators on a like-for-like basis for the two comparative periods.

(4) As permitted by IFRS 3, the acquisition of the Abertis group has been recognised by provisionally allocating the purchase price, recognising in full the difference between the purchase cost and the net assets acquired in goodwill.

(5) In accordance with art. 82-*ter* of CONSOB Regulation 11971/1999 (the "Regulations for Issuers"), Atlantia has chosen to publish additional periodic information for the first quarter and first nine months of each year on a voluntary basis, through publication of a specific results announcement.

Italian motorways[6]

- **Traffic up 2% overall in Q1 2019**
- **Operating revenue of €896m up €24m (3%)**
- **EBITDA of €483m down €56m (10%), primarily reflecting increase in present value of provisions for repair and replacement and increased net provisions (down 1% on like-for-like basis)**
- **Capital expenditure totals €126m**

Traffic on the motorway network operated by Autostrade per l'Italia rose 2.0% in the first quarter of 2019, compared with the same period of 2018. The number of kilometres travelled by vehicles with 2 axles is up 1.6%, with the figure for those with 3 or more axles up 3.8%.
The comparison with the first quarter of 2018 is influenced by the negative impact of the heavy snowfall seen between the end of February and early March 2018, partially offset by the fact that Easter week was earlier in 2018 (Easter Sunday was on 1 April in 2018). After stripping out these factors, traffic on Autostrade per l'Italia network in up 1.4%.

The Group's Italian motorway operations generated operating revenue of €896m in the first quarter of 2019, an increase of €24m (3%) on the same period of 2018. Net toll revenue of €814m is up €18m compared with the first quarter of 2018. The increase is primarily due to traffic growth (boosting toll revenue by an estimated €16m, taking into account the positive impact of the different traffic mix[7]). Autostrade per l'Italia's decision to exempt road users in the Genoa area from the payment of tolls resulted in an estimated reduction in toll revenue of approximately €5m.
EBITDA for the first quarter of 2019 amounts to €483m, a reduction of €56m (10%) compared with the same period of 2018. On a like-for-like basis, EBITDA for the period is down €6m (1%). The decline in EBITDA partly reflects the performance of the interest rates used to adjust the present value of the provisions for the repair and replacement of Autostrade per l'Italia's motorway infrastructure (an increase of €44m), partially offset by an updated estimate of the repairs to be carried out on the network over the concession term (an increase of €13m). The

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(6) The results of the Abertis group's Italian motorway businesses, presented on an aggregate basis in the operating segment named "Abertis group" and consolidated from the last two months of 2018, are not included.

(7) Reflecting the different rates of increase for traffic in the individual categories of vehicle, each having their own pricing structure.

result also reflects increased network maintenance, including resurfacing work, which in 2018 was impacted by new and more complex tender procedures (launched in 2017).

Capital expenditure by Autostrade per l'Italia and its subsidiaries in the first quarter of 2019 amounts to €126m. Autostrade per l'Italia invested a total of €117m in upgrading the network operated under concession in the first quarter of 2019. Work on the following projects continued:

- widening the A1 to three lanes between Barberino and Florence North and between Florence South and Incisa, where work is in progress on Lot 1 North;
- construction of link roads serving the Municipality of Fano, connected with the widening of the A14 motorway to three lanes, already opened to traffic;
- 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.

With regard to the new road and motorway system serving Genoa (the so-called "*Gronda di Genova*"), for which the final design was approved by the Grantor in September 2017, the related detailed designs for all the 10 lots forming the project were submitted to the Ministry of Infrastructure and Transport between February and August 2018. Preparations for the start-up of work are in progress (expropriations, the movement of existing services interfering with construction, surveys, etc.) whilst awaiting the Grantor's approval of the designs.

Overseas motorways[8]

- **Traffic up 5.9% in Chile, 2.9% in Brazil and 2.8% in Poland in Q1 2019**
- **Operating revenue of €168m up €8% (up 12% at constant exchange rates)**
- **EBITDA of €127m up 8% (up 13% at constant exchange rates)**
- **Capital expenditure totals €11m**

Chile

The Group's Chilean operators recorded traffic growth of 5.9% in the first quarter of 2019, measured in terms of kilometres travelled, compared with the first quarter of 2018.

Chilean operators' total operating revenue for the first three months of 2019 amounts to €95m, up €15m (19%) on the first quarter of 2018. At constant exchange rates, revenue is up €17m (21%), reflecting traffic growth and toll increases applied from January 2019. EBITDA of €68m is up €13m (24%) compared with the first quarter of 2018 (up 27% at constant exchange rates).

Capital expenditure in the first three months of 2019 totals €6m. In this regard:

- work began, in March 2019, on the last part of the *Santiago Centro Oriente* upgrade programme, which involves investment of approximately €255bn pesos (equal to approximately €350m[9]) in the section of motorway operated by Costanera Norte;
- design work has begun for the investment programmes for the new Americo Vespucio Oriente II and Conexión Vial Ruta 78 hasta Ruta 68 concessions, awarded through the Chilean subsidiary, Grupo Costanera, in April 2018.

Brazil

The Group's Brazilian operators recorded traffic growth of 2.9% in the first quarter of 2019, measured in terms of kilometres travelled, compared with the first quarter of 2018.

Operating revenue for the first three months of 2019 amounts to €67m, down €2m (3%) compared with the same period of 2018. At constant exchange rates, revenue is up €3m (4%) due to traffic growth and toll increases applied in 2018, partially offset by the exemption from tolls for vehicles with raised axles in the State of Sao Paulo with effect from 31 May 2018.

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(8) The results of the Abertis group's overseas motorway businesses, presented on an aggregate basis in the operating segment named "Abertis group" and consolidated from the last two months of 2018, are not included.

(9) The amounts for already completed works are converted using the average exchange rate for the relevant year; amounts for future works have been converted using the average exchange rate for the first three months of 2019.

EBITDA of €53m is up €3m (6%) compared with the first three months of 2018 (up 14% at constant exchange rates).

Capital expenditure amounted to €5m in the first three months of 2019, primarily in relation to progress in implementing Rodovia MG050's investment programme.

Poland

The operator, Stalexport Autostrada Malopolska, registered traffic growth of 2.8% in the first quarter 2019, measured in terms of kilometres travelled, compared with the same period of 2018.

The Stalexport Autostrady group's operating revenue for the first three months of 2019 amounts to €19m, an increase of €1m compared with the same period of 2018. This reflects traffic growth and the new tolls for heavy vehicles introduced from March 2019.

EBITDA of €6m is down €8m, with the reduction entirely attributable to recognition in operating costs of the increase in concession fees linked to the entry into effect of the new profit-sharing mechanism agreed with the Grantor as part of Stalexport Autostrada Malopolska's concession arrangement. At constant exchange rates and after adjusting for this factor, EBITDA is up by approximately €1m.

Italian airports

- **Roman airport system handles 10.2m passengers in Q1 2019, up 3.5%**
- **Operating revenue of €198m up €7m (4%)**
- **EBITDA of €113m up €4m (4%)**
- **Capital expenditure totals €45m**

The Roman airport system handled 10.2m passengers in the first three months of 2019, marking an increase of 3.5% compared with the same period of the previous year.
The EU segment, which accounts for 51% of total traffic, is up 3.4%, whilst the Non-EU segment is up 6.6% due to continued growth in long-haul flights since 2018. Finally, the Domestic segment is slightly up (an increase of 0.6%).

Operating revenue for the first three months of 2019 amounts to €198m, an increase of €7m (4%) compared with the same period of the previous year. Aviation revenue of €138m is up €6m (5%) due to the greater volume of traffic. Other operating income of €60m is up €1m (2%) compared with the first quarter of the previous year, primarily due to the positive performance of non-aviation revenue, which benefitted from the increase in passengers and a higher spending traffic mix. EBITDA of €113m is up €4m (4%) compared with the same period of the previous year.

Capital expenditure totalled €45m in the first quarter of 2019. At Fiumicino airport, as part of plans to upgrade the Eastern area, work continued on the new boarding area A and on a new wing for Terminal 1. Work also began on the westward expansion of Terminal 1, occupying the area that previously hosted the former Terminal 2, whilst work on the upgrade of boarding area C and the link to boarding area D also began. Work on expanding the aircraft aprons for the western area and on the new aprons adjacent to Pier A under construction continued.

Overseas airports

- **Nice airport handled 2.5m passengers in Q1 2019, up 4.0%**
- **Operating revenue of €60m down €2m (up €3m after stripping out one-off items[10])**
- **EBITDA of €22m down €3m (up €2m after stripping out one-off items[10])**
- **Capital expenditure totals €15m**

Nice airport handled 2.5m passengers in the first quarter of 2019, an increase of 4.0% compared with the same period of the previous year.

The Domestic segment, which accounts for 44% of total traffic, is up 6.8% compared with the same period of the previous year. The EU segment, accounting for 39% of total traffic, is up 1.4%, whilst the Non-EU segment is up 3.2%.

The Group's overseas airports segment generated operating revenue of €60m in the first quarter of 2019, down €2m compared with the same period of the previous year (up €3m after stripping out one-off items[10]). 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 €33m, an increase of €2m compared with the same period of the previous year after benefitting from strong traffic growth (4%). Other operating income of €27m is down €4m compared with the first quarter of 2018[10] (up €1m after stripping out one-off items[10]). EBITDA of €22m is down €3m compared with the same period of the previous year (up €2m after stripping out one-off items[10]).

The Aéroports de la Côte d'Azur group's capital expenditure amounts to €15m for the first quarter of 2019, including €5m on initiatives designed to expand capacity.

[10] After stripping out €5m relating to 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 in the first quarter of 2018.

Abertis group

- **Traffic growth was as follows in the first quarter of 2019: up 5.1% in Spain, up 1.6% in France, up 1.2% in Italy, up 2.2% in Brazil, up 1.7% in Chile and down 5.7% in Argentina**
- **EBITDA of €801m is up 3% to €26m (up 10% on like-for-like basis)**
- **Capital expenditure totals €117m**

As indicated in the introduction to the "Group financial review", the results include the contribution of Abertis Infraestructuras and its subsidiaries (the Abertis group), consolidated by Atlantia solely from October 2018. For information purposes, this section reports on the Abertis group's key performance indicators for the first quarter of 2019, compared with the same period of the previous year.

Traffic growth was positive in the main markets in which Abertis operates. The comparison with the same period of the previous year benefitted from the negative impact of adverse weather conditions in Spain and France the first quarter 2018, as well as from the application of discounted tolls for heavy vehicles introduced by the Spanish operators, Acesa and Aumar, from September 2018. In Argentina, traffic was affected by the country's economic situation and toll increases. The differing positions of Easter week in the calendar also had an impact on traffic trends.

Country	TRAFFIC - Km Travelled		
	Q1 2019	Q1 2018	% increase/ (decrease)
Spain	2.613	2.486,2	5,1%
France	3.657	3.600,8	1,6%
Italy	1.275	1.259,4	1,2%
Brazil	5.408	5.289,0	2,2%
Chile	2.140	2.103,7	1,7%
Puerto Rico	562	554,2	1,4%
Argentina	1.231	1.305,3	-5,7%
India	300	284,9	5,3%
Total Abertis	17.185	16.884	1,8%

Total operating revenue for the first quarter 2019 amounts to €1,213m, up €11m compared with the same period of 2018 (up 1%). The figure benefitted primarily from traffic growth and toll increases, partially offset by currency movements (above all the weaker Argentine peso) and the change in the scope of operations of Brazilian operators (the expiry of Vianorte's concession in May 2018 and the entry into effect of Via Paulista's concession from January 2019). After stripping out these two factors, operating revenue is up 8% on a like-for-like basis.

Country	OPERATING REVENUE (€M)		
	Q1 2019	Q1 2018	% increase/ (decrease)
Spain	315	299	5%
France	406	388	5%
Italy	99	97	2%
Brazil	146	162	-10%
Chile	147	140	5%
Puerto Rico	38	32	19%
Argentina	32	54	-40%
India	8	7	6%
Holding & others	22	22	2%
Total Abertis	1.213	1.202	1%

EBITDA for the first quarter of 2019 amounts to €801m, an increase of €26m (3%) compared with the same period of the previous year. On a like-for-like basis, EBITDA is up 10%. The performance in Argentina benefitted from the accounting effects linked to the transfer to the financial assets model for concessions from July 2018, following the entry into effect of new concession arrangements.

Country	EBITDA (€M)		
	Q1 2019	Q1 2018	% increase/ (decrease)
Spain	229	211	9%
France	280	270	4%
Italy	49	42	17%
Brazil	77	94	-18%
Chile	118	112	5%
Puerto Rico	28	21	33%
Argentina	8	22	-64%
India	5	5	0%
Holding & others	7	-2	n/s
Total Abertis	801	775	3%

The group's capital expenditure amounted to €117m in the first quarter of 2019. This included the investment programmes being carried out by the Brazilian operators and the *Plan de Relance* investment programme being implemented by the French operators, Sanef and Sapn.

Country	CAPITAL EXPENDITURE (€M)	
	Q1 2019	Q1 2018
Spain	2	1
France	20	13
Italy	7	2
Brazil	72	66
Chile	10	14
Puerto Rico	4	0
Argentina	1	0
India	0	0
Abertis Mobility Services	3	0
Holding	0	0
Total Abertis	117	97

Simplification of the structure of the acquisition of Abertis and refinancing

On 15 March 2019, the parent, Abertis Participaciones, was merged with and into Abertis Infraestructuras and, on 8 April 2019, Abertis Infraestructuras assumed €9,824m of Abertis HoldCo's debt. At the same time, Abertis Infraestructuras effected early repayment of the bridge-to-disposal facility, using the proceeds from the sale of Cellnex, and a part of the bridge-to-bond facility using the proceeds from bond issues in March 2019, amounting to €3,070m.

Other information

Transport Regulator – Tariff regimes

On 29 March 2019, Autostrade per l'Italia, alongside other operators (both members and non-members of Aiscat), filed a legal challenge with Piedmont Regional Administrative Court contesting resolution 16 issued by the Transport Regulator ("ART") on 18 February 2019. The legal action challenges the legality of the resolution, alleging that the regulator has exceeded its powers and does not have the authority to establish tariff regimes in connection with Autostrade per l'Italia's Single Concession Arrangement, as well as accusing ART of violating EU and constitutional norms regarding legal certainty and legitimate expectations. In addition, the company also took part in the relevant consultation process, contesting the scope of application of the tariff regime devised by ART on the basis of the same arguments presented in the above legal challenge, and submitting its observations on the related financial aspects.

Based on the terms of the consultation, the procedure is scheduled to be completed by 28 June 2019.

For the purposes of full disclosure, on 2 April 2019, Autostrade per l'Italia lodged an extraordinary appeal with the President of Italy against the memorandum issued by the Ministry of Infrastructure and Transport on 4 December 2018, in which the Ministry brought an indefinite halt to the process of revising the company's financial plan, in view of the authority assigned to ART.

Aéroports de la Côte d'Azur – Tariff regimes – Challenge before the French Council of State

Aéroports de la Côte d'Azur has brought an urgent legal challenge before the French Council of State, contesting the decision of the Independent Supervisory Authority (ASI), dated 3 April 2019, regarding the criteria for determining the fees applicable to Nice-Côte d'Azur and Cannes-Mandelieu airports, claiming that the criteria are unlawful. On 7 May 2019, the request for injunctive relief with regard to ASI's ruling was turned down and the dispute referred to a hearing on the merits. The operator, ACA – partly on the basis of the legal arguments lodged by the Direction General Aviation Civil (France's civil aviation authority and the Grantor), fully confirming the legality of ACA's position and of the fees applied to date – is confident that it will be able to have the ruling annulled by the end of 2019 and to proceed with recovery of any sums due.

Correspondence with the Ministry of Infrastructure and Transport regarding the procedure initiated following the collapse of a section of the Polcevera road bridge

On 3 May 2019, Autostrade per l'Italia responded to the requests for clarification received from the Grantor on 16 August and 20 December 2018 and on 5 April 2019. The document, which has been presented within the deadline set by the Ministry, repeats the company's belief that it has acted properly and reiterates its concerns and objections regarding the procedure initiated. Autostrade per l'Italia expressed a willingness to provide further information if requested to do so.

Group financial review

Introduction

This section presents and analyses the Atlantia Group's reclassified income statement and changes in net debt for the first quarter of 2019, compared with amounts for the same period of the previous year, and the reclassified statement of financial position as at 31 March 2019, compared with the corresponding amounts as at 31 December 2018.
The international financial reporting standards (IFRS) endorsed by the European Commission and in effect as at 31 March 2019 were used in the preparation of the accounts for the first quarter of 2019.
The reclassified consolidated income statement includes certain differences with respect to the information published in the results announcement for the three months ended 31 March 2018, reflecting changes already adopted in the consolidated financial statements for the year ended 31 December 2018. These regard:

a) the different presentation of the impact on profit or loss of certain renewal work on the infrastructure operated under concession by Aéroports de la Côte D'Azur (ACA) and Società Italiana per il Traforo del Monte Bianco, deemed to improve the related financial statement presentation and increasing EBITDA by €6m;
b) the different classification of provisions and the uses of provisions for the repair and replacement of motorway infrastructure and provisions for risks and charges in EBITDA, resulting in an improvement in EBITDA of approximately €2m, in line with the approach adopted in the consolidated financial statements for the year ended 31 December 2018 in order to eliminate differences in financial statement presentation with the Abertis group.

As a result of the different presentation of the impact on profit or loss of certain renewal work on the infrastructure operated under concession by ACA, in addition, net cash from operating activities and net cash used for investment in non-financial assets have been increased by €2m in the consolidated statement of changes in net debt for the first quarter of 2018.

The operating results and cash flows for the first quarter 2018 do not include the contribution of the Abertis group, which was consolidated from the end of October 2018.
Moreover, in line with the approach adopted in preparing the consolidated financial statements for the year ended 31 December 2018, as permitted by IFRS 3, the acquisition of the Abertis group

has been recognised by provisionally allocating the purchase price, recognising in full the difference between the purchase cost and the net assets acquired in goodwill. Further information on the acquisition of Abertis Infraestructuras SA is provided in the Annual report for 2018.

The new accounting standard, IFRS 16 "Leases", came into effect from 1 January 2019. The new standard has introduced a single approach to accounting for lease arrangements, removing the distinction between operating and finance leases for the lessee. On first-time adoption, the Atlantia Group elected to avail itself of the simplifications allowed by the standard, recognising the cumulative effects deriving from adoption of the standard in the statement of financial position as of 1 January 2019, without any change in the comparative income statement. The following table shows the impact of adoption of IFRS 16 on the reclassified consolidated statement of financial position.

€M	31 December 2018	Impact of adoption of IFRS 16	1 January 2019
Non-current non-financial assets (A)	63,656	145	63,801
Working capital (B)	-176	-	-176
Gross invested capital (C=A+B)	63,480	145	63,625
Non-current non-financial liabilities (D)	-9,217	-	-9,217
NET INVESTED CAPITAL (E=C+D)	54,263	145	54,408
Equity attributable to owners of the parent	8,442	-	8,442
Equity attributable to non-controlling interests	7,890	-	7,890
Equity (F)	16,332	-	16,332
Non-current net debt (G)	39,614	139	39,753
Current net funds (H)	-1,683	6	-1,677
Total net debt (I=G+H)	37,931	145	38,076
NET DEBT AND EQUITY (L=F+I)	54,263	145	54,408

A description of the key assumptions used on first-time adoption of the new accounting standard is provided in the Annual report for 2018.

Consolidated operating results

"**Operating revenue**" for the first quarter of 2019 totals €2,591m, an increase of €1,255m compared with the first quarter of 2018 (€1,336m). After stripping out the Abertis group's contribution, consolidated from the end of October 2018, operating revenue is up €42m (3%).

"**Toll revenue**" of €2,095m is up €1,154m compared with the first quarter of 2018 (€941m). After stripping out the impact of exchange rate movements, which had a negative impact of €7m, and the Abertis group's contribution, amounting to €1,124m, toll revenue is up €37m, primarily due to the following:

a) traffic growth on the Italian network (up 2.0%), boosting revenue by an estimated €16m after taking into account the positive impact of the different traffic mix;
b) an improved contribution from overseas operators (up €19m), linked to both the application of toll increases and traffic growth registered by the operators in Chile (up 5.9%), Brazil (up 2.9%) and Poland (up 2.8%).

"**Aviation revenue**" of €171m is up €8m (5%) compared with the first quarter of 2018 (€163m), primarily due to traffic growth at Aeroporti di Roma (passenger traffic up 3.5%) and at the Aéroports de la Côte d'Azur group (passenger traffic up 4.0%).

"**Other operating income**", totalling €325m, is up €93m on the first quarter of 2018 (€232m). After stripping out the Abertis group's contribution, amounting to €89m, other operating income is up €4m.

Reclassified consolidated income statement(*)

€M	Q1 2019	Q1 2018	INCREASE/ (DECREASE) ABSOLUTE	%
Toll revenue	2,095	941	1,154	n/s
Aviation revenue	171	163	8	5
Other operating income	325	232	93	40
Total operating revenue	**2,591**	**1,336**	**1,255**	**94**
Cost of materials and external services and other expenses	*-588*	*-210*	*-378*	*n/s*
Intercompany margin on capital expenditure (1)	*6*	*5*	*1*	*20*
Cost of materials and external services	-582	-205	-377	n/s
Concession fees	-139	-113	-26	23
Net staff costs	-358	-218	-140	64
Operating change in provisions	49	5	44	n/s
Total net operating costs	**-1,030**	**-531**	**-499**	**94**
Gross operating profit (EBITDA)	**1,561**	**805**	**756**	**94**
Amortisation, depreciation, impairment losses and reversals of impairment losses	-611	-282	-329	n/s
Provisions for renewal work and other adjustments	-31	-17	-14	82
Operating profit (EBIT)	**919**	**506**	**413**	**82**
Net financial expenses	-311	-120	-191	n/s
Share of profit/(loss) of investees accounted for using the equity method	6	-2	8	n/s
Profit/(Loss) before tax from continuing operations	**614**	**384**	**230**	**60**
Income tax expense	-183	-116	-67	58
Profit/(Loss) from continuing operations	**431**	**268**	**163**	**61**
Profit/(Loss) from discontinued operations	-5	-	-5	-
Profit for the period	**426**	**268**	**158**	**59**
(Profit)/Loss attributable to non-controlling interests	177	51	126	n/s
(Profit)/Loss attributable to owners of the parent	**249**	**217**	**32**	**15**

(1) 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).

	Q1 2019	Q1 2018	INCREASE/ (DECREASE)
Basic earnings per share attributable to the owners of the parent (€)	**0.30**	**0.26**	**0.04**
of which:			
- from continuing operations	0.30	0.26	0.04
- from discontinued operations	-	-	-
Diluted earnings per share attributable to the owners of the parent (€)	**0.30**	**0.26**	**0.04**
of which:			
- from continuing operations	0.30	0.26	0.04
- from discontinued operations	-	-	-

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

"**Net operating costs**" of €1,030m are up €499m on the first quarter of 2018 (€531m). After stripping out the Abertis group's contribution (€412m), net operating costs are up €87m.

The "**Cost of materials and external services and other costs**" amounts to €588m, an increase of €378m compared with the first quarter of 2018 (€210m). This primarily reflects a combination of the following:

a) an increase in motorway maintenance costs at Autostrade per l'Italia, reflecting a greater volume of work on the network, partly in relation to the new and more complex tender procedures (launched back in 2017), which limited the amount of resurfacing work carried out in the first quarter of 2018;
b) the costs connected with the collapse of the Polcevera road bridge, almost entirely covered by use of the provisions made in the previous year;
c) the Abertis group's contribution (€238m).

The "**Intercompany margin on capital expenditure**" in the first quarter of 2019 has resulted in income of €6m, an increase of €1m compared with the first quarter of 2018 (€5m).

"**Concession fees**", totalling €139m, are up €26m compared with the first quarter of 2018 (€113m). After stripping out the Abertis group's contribution (€15m), concession fees are up €11m, primarily due to recognition in operating costs of the concession fees payable by Stalexport Autostrada Malopolska (€8m) to the grantor under the existing concession arrangement.

The **"Operating change in provisions"** generated income of €49m in the first quarter of 2019 (income of €5m in the first quarter of 2018). After stripping out the Abertis group's contribution (expense of €19m), the operating change in provisions in the two comparative periods is a positive €63m, primarily due to use of the provisions made by Autostrade per l'Italia in order to fund work on reconstruction of the Polcevera road bridge. This was only partially offset by increased provisions made during the period essentially linked to a reduction in the interest rate used to discount provisions for the repair and replacement of motorway infrastructure, mainly attributable to Autostrade per l'Italia.

"**Net staff costs**" of €358m are up €140m (€218m in the first quarter of 2018), corresponding with the Abertis group's contribution.

“**Gross operating profit**” **(EBITDA)** of €1,561m is up €756m on the first quarter of 2018 (€805m). On a like-for-like basis, EBITDA is up €25m (3%).

“**Amortisation and depreciation, impairment losses and reversals of impairment losses**”, totalling €611m is up €329m on the same period of 2018, primarily reflecting the Abertis group’s contribution (€318m).

“**Operating profit**” **(EBIT)** of €919m is up €413m compared with the same period of 2018 (€506m).

“**Net financial expenses**” of €311m are up €191m compared with the same period of 2018 (€120m). This essentially reflects the Abertis group’s contribution (€124m) in addition to the financial expenses incurred on the financing obtained to fund the acquisition of control of the Abertis group (€59m).

“**Income tax expense**” of €183m is up €67m on the first quarter of 2018 (€116m). After the Abertis group’s contribution (€102m), income tax expense is down due to the reduction in pre-tax profit linked to the above increase in financial expenses.

“**Profit from continuing operations**” of €431m is up €163m on the first quarter del 2018 (€268m).

“**Profit for the period**”, amounting to €426m, is up €158m on the first quarter of 2018 (€268m). On a like-for-like basis, profit for the period is up €4m (2%).
“**Profit for the period attributable to owners of the parent**” (€249m) is up €32m compared with the first quarter of 2018 (€217m). On a like-for-like basis, profit for the period attributable to owners of the parent is unchanged with respect to the comparative period.
“**Profit attributable to non-controlling interests**” (€177m) is up €126m on the first quarter of 2018 (€51m), essentially due to profit attributable to the Abertis group’s non-controlling shareholders, amounting to €140m.

Consolidated financial position

As at 31 March 2019, "**Non-current non-financial assets**", totalling €63,888m, are up €232m compared with 31 December 2018, essentially due to a fair value gain on the investment in Hochtief, amounting to €190m.

"**Working capital**" reports a negative balance of €92m, marking a reduction of €84m compared with the balance of €176m of 31 December 2018. This essentially reflects an increase in trading assets linked to a delay in the collection of motorway tolls billed by Telepass to the beginning of April 2019.

"**Non-current non-financial liabilities**", totalling €9,235m, are up €18m compared with 31 December 2018.

"**Equity attributable to owners of the parent and non-controlling interests**" totals €16,668m (€16,332m as at 31 December 2018).

"**Equity attributable to owners of the parent**", totalling €8,765m, is up €323m compared with 31 December 2018. This primarily reflects:

a) profit for the period attributable to owners of the parent, totalling €249m;
b) fair value measurement of the investment in Hochtief, resulting in an after-tax gain of €188m;
c) a €70m increase in the foreign currency translation reserve, essentially due to the performance of exchange rates for the Chilean peso and the Brazilian real against the euro as at 31 March 2019, compared with 31 December 2018;
d) a reduction in the cash flow hedge reserve, after the related taxation amounting to €182m, essentially connected with the decline in interest rates during the period.

"**Equity attributable to non-controlling interests**" of €7,903m is up €13m compared with 31 December 2018 (€7,890m).

"**Net debt**" as at 31 March 2019 amounts to €37,893m, a reduction of €38m compared with 31 December 2018 (€37,931m).

A detailed analysis is provided below in the section, "Consolidated cash flow".

As at 31 March 2019, the Group has cash reserves of €17,659m, consisting of:

- €8,022m in cash and/or investments maturing in the short term;
- €774m in term deposits allocated primarily to part finance the execution of specific construction services and to service the debt of the Chilean companies;
- €8,863m in undrawn committed lines of credit with an average residual term of approximately three years and six months and a weighted average residual drawdown period of approximately two years and four months.

Reclassified consolidated statement of financial position(*)

€M	31 March 2019	31 December 2018	INCREASE/ (DECREASE)
Non-current non-financial assets (A)	63,888	63,656	232
Working capital (B)	-92	-176	84
Gross invested capital (C=A+B)	63,796	63,480	316
Non-current non-financial liabilities (D)	-9,235	-9,217	-18
NET INVESTED CAPITAL (E=C+D)	54,561	54,263	298
Equity attributable to owners of the parent	8,765	8,442	323
Equity attributable to non-controlling interests	7,903	7,890	13
Equity (F)	16,668	16,332	336
Non-current net debt (G)	41,545	39,614	1,931
Current net funds (H)	-3,652	-1,683	-1,969
Total net debt (I=G+H)	37,893	37,931	-38
NET DEBT AND EQUITY (L=F+I)	54,561	54,263	298

(*) 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".

Consolidated cash flow

"**Net cash from operating activities**" amounts to €1,086m, an increase of €623m compared with the same period of 2018 (€463m). This reflects an increase in operating cash flow of €537m, primarily attributable to the Abertis group's contribution (€701m), partially offset by the outflow for the period linked to the collapse of a section of the Polcevera road bridge (€140m). On a like-for-like basis, operating cash flow is up €39m (7%) on the first quarter of 2018, primarily due to an increase in cash from operating activities.

"**Cash used for investment in non-financial assets**" amounts to €305m for the first quarter of 2019, essentially reflecting capital expenditure during the period (€335m). The figure for the comparative period essentially reflected the acquisition of a 100% interest in Aero 1 Global & International Sàrl for a total of €1,056m.

"**Net equity cash outflows**" amount to €174m for the first quarter of 2019, essentially reflecting dividends declared by other Group companies for payment to their shareholders, including the special dividend paid to non-controlling shareholders (€126m) by Abertis Infraestructuras as part of the reallocation of debt with the parent, Abertis HoldCo.

"**Other changes in net debt**" have increased net debt by €569m, essentially reflecting a combination of the following:

1) an increase in fair value losses on derivative financial instruments linked to the general reduction in interest rates during the period, totalling €347m;
2) the impact of first-time adoption of the new accounting standard, IFRS 16, which has resulted in the recognition of financial liabilities of €145m;
3) an increase in net debt due to the impact of exchange rates on financial assets and liabilities denominated in currencies other than the euro, amounting to €62m, essentially relating to the performances of the Chilean peso and the Brazilian real.

The above cash flows for the period have resulted in an overall decrease in net debt of €38m.

Consolidated statement of changes in net debt(*)

€M	Q1 2019	Q1 2018
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Operating cash flow	1,103	566
Change in operating capital	-331	-129
Other changes in non-financial assets and liabilities	314	26
Net cash generated from/(used in) operating activities (A)	1,086	463
NET CASH FROM/(USED IN) INVESTMENT IN NON-FINANCIAL ASSETS		
Capital expenditure	-335	-178
Government grants related to assets held under concession	4	-
Increase in financial assets deriving from concession rights (related to capital expenditure)	6	6
Purchases of investments	-4	-10
Investment in consolidated companies, including net debt assumed	-4	-1,056
Proceeds from sales of property, plant and equipment, intangible assets and unconsolidated investments	3	-
Net change in other non-current assets	25	1
Net cash from/(used in) investment in non-financial assets (B)	-305	-1,237
NET EQUITY CASH INFLOWS/(OUTFLOWS)		
Dividends declared by Atlantia and Group companies and payable to non-controlling shareholders	-171	-52
Return of capital to non-controlling shareholders	-3	-
Net equity cash inflows/(outflows) (C)	-174	-52
Increase/(Decrease) in cash and cash equivalents during period (A+B+C)	607	-826
Change in fair value of hedging derivatives	-347	2
Financial income/(expenses) accounted for as an increase in financial assets/(liabilities)	-15	23
Effect of foreign exchange rate movements on net debt and other changes	-62	35
Impact of first-time adoption of IFRS 16 as at 1 January 2019	-145	-
Other changes in net debt (D)	-569	60
Increase/(Decrease) in net debt for period (A+B+C+D)	38	-766
Net debt at beginning of period	-37,931	-9,496
Net debt at end of period	-37,893	-10,262

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

Pro forma reclassified consolidated income statement

The following pro forma disclosure is provided in order to present the material effects of the acquisition of the Abertis group on the Atlantia Group's reclassified consolidated income statement down to "Gross operating profit" (EBITDA), had the transactions been effective from 1 January 2018. A description of the key assumptions used in preparation of the pro forma data is provided in the Annual Report for 2018 ("Pro forma reclassified consolidated income statement").

The following statement presents:

a) the Atlantia Group's results for the first quarter of 2018, after stripping out the Abertis group's contribution, in the column headed "Atlantia";

b) the results for the first quarter of 2018 extracted from the reporting package prepared by the Abertis group in the column headed "Abertis";

c) the sum of the consolidated results of Atlantia and the Abertis group for the first quarter of 2018 in the column headed "Combined pro forma amounts";

d) the operating costs incurred in the first quarter of 2018 in order to complete the acquisition by Atlantia in the column headed "Pro forma adjustments";

e) the pro forma reclassified consolidated results for the first quarter of 2018, following the acquisition, in the column headed "Atlantia pro forma".

Pro forma reclassified consolidated income

€M	ATLANTIA Q1 2018 (A)	ABERTIS Q1 2018 (B)	COMBINED PRO FORMA AMOUNTS Q1 2018 (C) = (A) + (B)	PRO FORMA ADJUSTMENTS (D)	ATLANTIA PRO FORMA Q1 2018 (E) = (C) - (D)
Total operating revenue	1,336	1,202	2,538		2,538
Total net operating costs	-531	-427	-958	-1	-957
Gross operating profit (EBITDA)	805	775	1,580	-1	1,581

Comparison of the reclassified income statement for Q1 2019 with pro forma amounts for Q1 2018

€M	Q1 2019	ATLANTIA PRO FORMA Q1 2018	INCREASE/ (DECREASE) ABSOLUTE	%
Total operating revenue	2,591	2,538	53	2%
Total net operating costs	-1,030	-957	-73	8%
Gross operating profit (EBITDA)	1,561	1,581	-20	-1%

"**Operating revenue**" for the first quarter of 2019 amounts to €2,591m, an increase of €53m (2%) compared with the first quarter of 2018 (€2,538m). On a like-for-like basis, the increase is 6%.

"**Net operating costs**" amount to €1,030m and are up €73m on the first quarter of 2018 (€957m).

"**Gross operating profit**" (EBITDA) of €1,561m is down €20m compared with the first quarter of 2018 (€1,581m). On a like-for-like basis, EBITDA is up €103m (7%).

Outlook and risks or uncertainties

The Atlantia Group's operating performance leads us to expect a positive overall operating performance in 2019, with the Italian motorway segment expected to be broadly stable, subject to the potential impact on the full-year results of movements in exchange rates and interest rates and changes to the operations of Italy's flag carrier airline.

The integration of the Abertis group will also contribute, having been consolidated for the full 12 months in 2019.

Finally, we feel it is necessary to reiterate the potential risks resulting from the letter of complaint sent to Autostrade per l'Italia by the Ministry of Infrastructure and Transport on 16 August 2018, alleging serious breaches of the company's contractual obligations in relation to the tragic events in Genoa, from the subsequent letter of 20 December 2018 and, latterly, from the letter of 5 April 2019, in which the Ministry (the Grantor of the company's concession) detailed its allegations regarding the operator's alleged failure to meet its obligations relating to the safety and maintenance of the road bridge. Autostrade per l'Italia replied to this latest letter on 3 May 2019, stating its belief that it has provided ample evidence that it has acted correctly and reiterating its concerns and objections regarding the procedure initiated.

Explanatory notes

Like-for-like changes

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

€M	Note	Q1 2019				Q1 2018			
		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)		1.561	426	249	1.103	805	268	217	566
Adjustments for non like-for-like items									
Change in scope of consolidation	*(1)*	801	255	114	701	-	-	-	-
Exchange rate movements	*(2)*	-6	-3	-2	-4	-	-	-	-
Impact connected with collapse of a section of the Polcevera road bridge	*(3)*	-11	-8	-8	-140	-	-	-	-
Charges pertaining to corporate transactions	*(4)*	-2	-46	-36	-53	-1	-2	-2	-2
Change in discount rate applied to provisions	*(5)*	-38	-33	-28	-	6	5	5	-
Concession fees incurred by Stalexport group	*(6)*	-8	-8	-5	-8	-	-	-	-
Sub-total (B)		736	157	35	496	5	3	3	-2
Like-for-like amounts (C) = (A)-(B)		825	269	214	607	800	265	214	568

Notes:

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

1) from consolidated amounts for the first quarter of 2019, the contribution of the Abertis group, consolidated from the end of October 2018;
2) from consolidated amounts for the first quarter of 2019 alone, the difference between foreign currency amounts for the first quarter 2019 for companies with functional currencies other than the euro, converted at average exchange rates for the period, and the matching amounts converted using average exchange rates for the same period of 2018;
3) for the first quarter of 2019, the reduced toll revenue, expenses and uses of provisions recognised in the income statement, after the related taxation, in relation to the collapse of a section of the Polcevera road bridge;
4) for both comparative periods, the operating costs and financial expenses incurred in relation to the acquisition of the Abertis group, after the related taxation;
5) for both comparative periods, the after-tax impact of the difference in the discount rates applied to the provisions accounted for among the Group's liabilities;
6) for the first quarter of 2019, the operating costs linked to the accrued amount payable for the period under a profit-sharing mechanism and that the Polish operator, Stalexport Autostrada Malopolska, must hand over to the Polish government under specific agreements in the concession arrangement.

Pro forma like-for-like changes

To present the pro forma scenario, the following table shows the reconciliation of like-for-like consolidated amounts, for the two comparative periods, for gross operating profit (EBITDA) extracted from the reclassified statement shown previously.

€M	Note	Q1 2019 GROSS OPERATING PROFIT (EBITDA)	Q1 2018 GROSS OPERATING PROFIT (PRO FORMA EBITDA)
Reported amounts (A)		**1,561**	**1,580**
Adjustments for non like-for-like items			
Exchange rate movements	*(1)*	-46	-
Impact connected with collapse of a section of the Polcevera road bridge	*(2)*	-11	-
Charges pertaining to corporate transactions	*(3)*	-2	-1
Change in discount rate applied to provisions	*(4)*	-38	6
Concession fees incurred by Stalexport group	*(5)*	-8	-
Change in scope (Via Paulista - Vianorte)	*(6)*	-2	10
Sub-total (B)		**-107**	**15**
Like-for-like amounts (C) = (A)-(B)		**1,668**	**1,565**

Notes:

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

1) from consolidated amounts for the first quarter of 2019 alone, the difference between foreign currency amounts for the first quarter 2019 for companies with functional currencies other than the euro, converted at average exchange rates for the period, and the matching amounts converted using average exchange rates for the same period of 2018;
2) for the first quarter of 2019, the reduced toll revenue, expenses and uses of provisions recognised in the income statement, after the related taxation, in relation to the collapse of a section of the Polcevera road bridge;
3) for both comparative periods, the operating costs and financial expenses incurred in relation to the acquisition of the Abertis group, after the related taxation;
4) for both comparative periods, the after-tax impact of the difference in the discount rates applied to the provisions accounted for among the Group's liabilities;
5) for the first quarter of 2019, the operating costs linked to the accrued amount payable for the period under a profit-sharing mechanism and that the Polish operator, Stalexport Autostrada Malopolska, must hand over to the Polish government under specific agreements in the concession arrangement;
6) for the first quarter of 2019, the contribution of the Brazilian operator, Via Paulista, which began operating in January 2019; for the first quarter of 2018, essentially linked to the contribution of the Brazilian operator, Vianorte, which terminated its concession arrangement in May 2018.

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

€M	Q1 2019		Q1 2018	
	EBITDA	Operating cash flow	EBITDA	Operating cash flow
Reported amounts	1,561	1,103	805	566
Increase in revenue for guaranteed minimum revenue	57	57	21	21
Grants for motorway maintenance	10	10	5	5
Reversal of financial income deriving from discounting of financial assets deriving from concession rights	-	-34	-	-11
Reversal of financial income deriving from discounting of financial assets deriving from government grants for motorway	-	-2	-	-1
Total adjustments	67	31	26	14
Adjusted amounts	1,628	1,134	831	580

€M	NET DEBT AS AT 31 MARCH 2019	NET DEBT AS AT 31 DECEMBER 2018
Reported amounts	37,893	37,931
Reversal of financial assets deriving from:		
- takeover rights	408	408
- guaranteed minimum revenue	653	642
- grants for motorway maintenance	141	139
- other financial assets deriving from concession rights	399	394
Total adjustments	1,601	1,583
Adjusted amounts	39,494	39,514

(*) The method used in calculating the adjusted alternative performance indicators is the same used and described in the Annual Report for 2018, to which reference should be made.

Alternative performance indicators

The Group's performance is assessed on the basis of a number of alternative performance indicators ("APIs"), calculated on the same basis used in the Group's Annual Report for 2017, to which reference should be made. 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 composition of each indicator and reconciliations with reported amounts are provided below:

- **"Operating revenue"** includes toll revenue, aviation revenue and other operating income, and differs from revenue in the statutory consolidated income statement in that revenue from construction services, recognised on the basis of the cost of materials and external services, service costs, staff costs, other operating costs and financial expenses relating to construction services incurred, is presented in the reclassified income statement as a reduction in the respective items under operating costs and financial expenses;
- "**Gross operating profit (EBITDA)**" is the synthetic indicator of gross profit from operations, calculated by deducting operating costs, with the exception of amortisation, depreciation, impairment losses and reversals of impairment losses, provisions for the renewal of assets held under concession and other adjustments, from operating revenue;
- "**Operating profit (EBIT)**" is the indicator that measures the operating return on the capital invested in the business, calculated by deducting amortisation, depreciation, impairment losses and reversals of impairment losses, provisions for the renewal of assets held under concession and other adjustments from EBITDA. Like EBITDA, EBIT does not include the capitalised component of financial expenses relating to construction services, which is shown in a specific item under financial income and expenses in the reclassified statement. This component is, however, included in revenue in the statutory consolidated income statement, thereby representing the sole difference with respect to operating profit;
- "**Net invested capital**", showing the total value of non-financial assets, after deducting non-financial liabilities;
- "**Net debt**", being the indicator of the portion of net invested capital funded by net financial liabilities, which consist of "Current and non-current financial liabilities" after deducting "Current and non-current financial assets" and "cash and cash equivalents";
- "**Capital expenditure**", being the indicator of the total amount invested in development of the Group's businesses, calculated as the sum of cash used in investment in property, plant and equipment, in assets held under concession and in other intangible assets, not including investments in investees;
- "**Operating cash flow**", being the indicator of cash generated by or used in operating activities. Operating cash flow is calculated as profit for the period + amortisation/depreciation +/- impairments/reversals of impairments of assets +/- provisions/releases of provisions in excess of requirements and uses of provisions + other adjustments + financial expenses from discounting of provisions + dividends received from investees accounted for using equity method +/- the share of profit/(loss) of investees accounted for using equity method in profit or loss +/- (losses)/gains on sale of assets +/- other non-cash items +/- deferred tax assets/liabilities recognised in profit or loss.

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

a) "**Like-for-like changes**", used in the analysis of changes in gross operating profit (EBITDA), profit for the year, profit for the year attributable to owners of the parent and operating cash flow, and calculated by excluding, where present, the impact of: (i) changes in the scope of consolidation; (ii) changes in exchange rates on the value of assets and liabilities denominated in functional currencies other than the euro; and (iii) events and/or transactions not strictly connected with operating activities that have an appreciable influence on amounts for at least one of the two comparative periods. The reconciliation of the like-for-like indicators and the corresponding amounts in the reclassified financial statements is provided in the section, "Explanatory notes – Like-for-like performance indicators", in this announcement, in addition to details of the adjustments made;

b) "**Adjusted consolidated results of operations and financial position**", which present adjusted amounts for consolidated gross operating profit (EBITDA), operating cash flow and net debt. These amounts are adjusted by stripping out, from the reported amounts in the reclassified consolidated financial statements, the impact of application of the "financial model", introduced by IFRIC 12, by certain of the Group's operators. Details of the adjustments made and the reconciliation with the corresponding reported amounts are provided in the section, "Explanatory notes - Adjusted consolidated results of operations and financial position and reconciliation with reported consolidated amounts", in this announcement.

c) **"Pro forma reclassified consolidated income statement"**, in which, given the fact that the Abertis group was only consolidated for the last two months of 2018, the Atlantia Group's estimated pro forma operating revenue, operating costs and EBITDA for the first quarter of 2018 are presented after assuming that the Abertis Group was consolidated from 1 January 2018. The pro forma information is presented in the section, "Pro forma reclassified consolidated income statement", in this announcement.

Reconciliation of the reclassified and statutory financial statements

Reconciliations of the income statement, statement of financial position and statement of cash flows, as prepared under IFRS, with the corresponding reclassified financial statements presented in the “Group financial review” are shown below.

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

€M	Q1 2019						Q1 2018					
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			2.095			2.095			941			941
Aviation revenue			171			171			163			163
Revenue from construction services			184						72			
Revenue from construction services - government grants and cost of materials and external services	*(a)*	*167*					*(a)*	*62*				
Capitalised staff costs - construction services for which additional economic benefits are received	*(b)*	*11*					*(b)*	*9*				
Revenue from construction services: capitalised financial expenses	*(c)*	*6*					*(c)*	*1*				
Other revenue	*(d)*		325				*(d)*		232			
Other operating income				*(d)*		325				*(d)*		232
Total revenue			**2.775**						**1.408**			
TOTAL OPERATING REVENUE						**2.591**						**1.336**
Raw and consumable materials			**-222**		-222				**-75**		-75	
Service costs			**-511**		-511				**-236**		-236	
Gain/(Loss) on sale of elements of property, plant and equipment			**1**		1				**-**		-	
Other operating costs			**-244**						**-141**			
Concession fees	*(e)*		-139				*(e)*		-113			
Lease expense			-9		-9				-6		-6	
Other costs			-96		-96				-22		-22	
Use of provisions for construction services required by contract				*(j)*	*78*					*(j)*	*57*	
Revenue from construction services: government grants and capitalised cost of materials and external services				*(a)*	*167*					*(a)*	*62*	
Use of provisions for renewal of assets held under concession				*(h)*	*10*					*(h)*	*15*	
COST OF MATERIALS AND EXTERNAL SERVICES						**-582**						**-205**
CONCESSION FEES				*(e)*		**-139**				*(e)*		**-113**
Staff costs	*(f)*		**-386**				*(f)*		**-243**			
NET STAFF COSTS				*(b+f+k)*		**-358**				*(b+f+k)*		**-218**
OPERATING CHANGE IN PROVISIONS				*(g+i)*		**49**				*(g+i)*		**5**
TOTAL NET OPERATING COSTS						**-1.030**						**-531**
GROSS OPERATING PROFIT (EBITDA)						**1.561**						**805**
PROVISIONS FOR RENEWAL WORK AND OTHER ADJUSTMENTS						**-31**						**-17**
Operating change in provisions			**34**						**3**			
(Provisions)/ Uses of provisions for repair and replacement of motorway infrastructure	*(g)*		49				*(g)*		7			
(Provisions)/ Uses of provisions for renewal of assets held under concession			-15						-2			
Provisions for renewal of assets held under concession		-25			-25			-17			-17	
Use of provisions for renewal of assets held under concession	*(h)*	*10*					*(h)*	*15*				
Provisions for risks and charges	*(i)*		-				*(i)*		-2			
(Impairment losses)/Reversals of impairment losses				*(m)*	-6					*(m)*	-	
Use of provisions for construction services required by contract			**95**						**73**			
Use of provisions for construction services required by contract	*(j)*	*78*					*(j)*	*57*				
Capitalised staff costs - construction services for which no additional economic benefits are received	*(k)*	*17*					*(k)*	*16*				
Amortisation and depreciation	*(l)*		**-611**				*(l)*		**-282**			
Depreciation of property, plant and equipment			-47						-18			
Amortisation of intangible assets deriving from concession rights			-537						-247			
Amortisation of other intangible assets			-27						-17			
(Impairment losses)/Reversals of impairment losses			**-6**						**-**			
(Impairment losses)/Reversals of impairment losses	*(m)*	-6					*(m)*	-				
AMORTISATION, DEPRECIATION, IMPAIRMENT LOSSES AND REVERSALS OF IMPAIRMENT LOSSES				*(l)*		**-611**				*(l)*		**-282**
TOTAL COSTS			**-1.850**						**-901**			
OPERATING PROFIT/(LOSS)			**925**						**507**			
OPERATING PROFIT/(LOSS) (EBIT)						**919**						**506**
Financial income			**164**						**146**			
Financial income accounted for as an increase in financial assets deriving from concession rights and government grants	*(n)*		67				*(n)*		19			
Dividends received from investees accounted for at fair value	*(o)*		5				*(o)*		4			
Other financial income	*(p)*		92				*(p)*		123			
Financial expenses			**-557**						**-270**			
Financial expenses from discounting of provisions for construction services required by contract and other provisions	*(q)*		-20				*(q)*		-11			
Other financial expenses	*(r)*		-537				*(r)*		-259			
Foreign exchange gains/(losses)	*(s)*		**76**				*(s)*		**3**			
FINANCIAL INCOME/(EXPENSES)			**-317**						**-121**			
Other financial expenses, after other financial income				*(n+o+p+q+r+s+c)*		**-311**				*(n+o+p+q+r+s+c)*		**-120**
Share of (profit)/loss of investees accounted for using the equity method			**6**			**6**			**-2**			**-2**
PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS			**614**			**614**			**384**			**384**
Income tax (expense)/benefit			**-183**			**-183**			**-116**			**-116**
Current tax expense			-180						-101			
Differences on tax expense for previous years			2						-			
Deferred tax income and expense			-5						-15			
PROFIT/(LOSS) FROM CONTINUING OPERATIONS			**431**			**431**			**268**			**268**
Profit/(Loss) from discontinued operations			**-5**			**-5**			**-**			**-**
PROFIT FOR THE PERIOD			**426**			**426**			**268**			**268**
of which:												
Profit attributable to owners of the parent			**249**			**249**			**217**			**217**
Profit attributable to non-controlling interests			**177**			**177**			**51**			**51**

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

€M	31 March 2019				31 December 2018			
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)	791		791	(a)	696		696
Intangible assets	(b)	57.542		57.542	(b)	57.627		57.627
Investments	(c)	3.790		3.790	(c)	3.597		3.597
Deferred tax assets	(d)	1.657		1.657	(d)	1.607		1.607
Other non-current assets	(e)	108		108	(e)	129		129
Total non-current non-financial assets (A)				**63.888**				**63.656**
Working capital								
Trading assets	(f)	2.600		2.600	(f)	2.387		2.387
Current tax assets	(g)	823		823	(g)	899		899
Other current assets	(h)	577		577	(h)	603		603
Non-financial assets held for sale or related to discontinued operations			(w)	1.476			(w)	1.522
Current portion of provisions for construction services required by contract	(i)	-464		-464	(i)	-428		-428
Current provisions	(j)	-1.190		-1.190	(j)	-1.324		-1.324
Trading liabilities	(k)	-2.038		-2.038	(k)	-2.140		-2.140
Current tax liabilities	(l)	-374		-374	(l)	-233		-233
Other current liabilities	(m)	-1.285		-1.285	(m)	-1.239		-1.239
Non-financial liabilities related to discontinued operations			(x)	-217			(x)	-223
Total working capital (B)				**-92**				**-176**
Gross invested capital (C=A+B)				**63.796**				**63.480**
Non-current non-financial liabilities								
Non-current portion of provisions for construction services required by contract	(n)	-2.689		-2.689	(n)	-2.787		-2.787
Non-current provisions	(o)	-2.742		-2.742	(o)	-2.658		-2.658
Deferred tax liabilities	(p)	-3.242		-3.242	(p)	-3.238		-3.238
Other non-current liabilities	(q)	-562		-562	(q)	-534		-534
Total non-current non-financial liabilities (D)				**-9.235**				**-9.217**
Net invested capital (E=C+D)				**54.561**				**54.263**
Total equity (F)		**16.668**		**16.668**		**16.332**		**16.332**
Net debt								
Non-current net debt								
Non-current financial liabilities	(r)	46.341		46.341	(r)	44.151		44.151
Non-current financial assets	(s)	-4.796		-4.796	(s)	-4.537		-4.537
Total non-current net debt (G)				**41.545**				**39.614**
Current net debt								
Current financial liabilities	(t)	5.407		5.740	(t)	4.071		4.386
Bank overdrafts repayable on demand		*51*		*51*		*-*		*-*
Short-term borrowings		*324*		*324*		*294*		*294*
Current derivative liabilities		*34*		*34*		*11*		*11*
Current portion of medium/long-term borrowings		*4.388*		*4.388*		*3.271*		*3.271*
Other current financial liabilities		*610*		*610*		*495*		*495*
Current financial liabilities related to discontinued operations			(y)	*333*			(y)	*315*
Cash and cash equivalents	(u)	-7.990		-8.022	(u)	-5.032		-5.073
Cash in hand		*-6.190*		*-6.190*		*-3.884*		*-3.884*
Cash equivalents		*-1.800*		*-1.800*		*-1.148*		*-1.148*
Cash and cash equivalents related to discontinued operations			(z)	*-32*			(z)	*-41*
Current financial assets	(v)	-1.348		-1.370	(v)	-996		-996
Current financial assets deriving from concession rights		*-539*		*-539*		*-536*		*-536*
Current financial assets deriving from government grants		*-80*		*-80*		*-74*		*-74*
Current term deposits		*-428*		*-428*		*-245*		*-245*
Current derivative assets		*-*		*-*		*-2*		*-2*
Current portion of other medium/long-term financial assets		*-137*		*-137*		*-109*		*-109*
Other current financial assets		*-164*		*-164*		*-30*		*-30*
Financial assets held for sale or related to discontinued operations			(z)	*-22*			(z)	*-*
Total current net debt (H)				**-3.652**				**-1.683**
Total net debt (I=G+H)				**37.893**				**37.931**
Net debt and equity (L=F+I)				**54.561**				**54.263**
Assets held for sale or related to discontinued operations	(-z+w)	1.530			(-z+w)	1.563		
Liabilities related to discontinued operations	(+y-x)	550			(+y-x)	538		
TOTAL NON-CURRENT ASSETS	(a+b+c+d+e-s)	**68.684**			(a+b+c+d+e-s)	**68.193**		
TOTAL CURRENT ASSETS	(f+g+h-u-v-z+w)	**14.868**			(f+g+h-u-v-z+w)	**11.480**		
TOTAL NON-CURRENT LIABILITIES	(-n-o-p-q+r)	**55.576**			(-n-o-p-q+r)	**53.368**		
TOTAL CURRENT LIABILITIES	(-i-j-k-l-m+t+y-x)	**11.308**			(-i-j-k-l-m+t+y-x)	**9.973**		

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

€M		Q1 2019				Q1 2018			
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			426	426			268	268	
Adjusted by:									
Amortisation and depreciation			611	611			282	282	
Operating change in provisions, after use of provisions for renewal of assets held under concession			-58	-58			11	11	
Financial expenses from discounting of provisions for construction services required by contract and other provisions			20	20			11	11	
Impairment losses/(Reversal of impairment losses) on financial assets and investments accounted for at cost or fair value			25	25			-	-	
Dividends received and share of (profit)/loss of investees accounted for using the equity method			-1	-1			2	2	
Impairment losses/(Reversal of impairment losses) and adjustments of current and non-current assets			7	7			-	-	
(Gains)/Losses on sale of non-current assets			-1	-1			-	-	
Net change in deferred tax (assets)/liabilities through profit or loss			20	20			14	14	
Other non-cash costs (income)			54	54			-22	-22	
Operating cash flow					1.103				566
Change in operating capital	(a)				-331				-129
Other changes in non-financial assets and liabilities	(b)				314				26
Change in working capital and other changes	(a+b)		-17				-103		
Net cash generated from/(used in) operating activities (A)			1.086		1.086		463		463
NET CASH FROM/(USED IN) INVESTMENT IN NON-FINANCIAL ASSETS									
Investment in assets held under concession			-287	-287			-160	-160	
Purchases of property, plant and equipment			-31	-31			-8	-8	
Purchases of other intangible assets			-17	-17			-10	-10	
Capital expenditure					-335				-178
Government grants related to assets held under concession			4		4		-		-
Increase in financial assets deriving from concession rights (related to capital expenditure)			6		6		6		6
Purchase of investments			-4		-4		-10		-10
Cost of acquisition	(c)	-4		-4		-1.056		-1.056	
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)		-4				-1.056		
Purchases of interests in consolidated companies, including net debt assumed	(c+d+e)				-4				-1.056
Proceeds from sales of property, plant and equipment, intangible assets and unconsolidated investments			3		3		-		-
Proceeds from disposals of consolidated companies, after cash and cash equivalents transferred			-		-		-		-
Net change in other non-current assets			25		25		1		1
Net change in current and non-current financial assets	(f)		-603				-74		
Net cash from/(used in) investment in non-financial assets (B)	(g)				-305				-1.237
Net cash generated from/(used in) investing activities (C)	(f+g-e)		-908				-1.311		
NET EQUITY CASH INFLOWS/(OUTFLOWS)									
Dividends declared by Atlantia and Group companies and payable to non-controlling shareholders	(h)				-171				-52
Dividends paid	(i)		-123				-23		
Return of capital to non-controlling shareholders			-3		-3		-		-
Net equity cash inflows/(outflows) (D)					-174				-52
Net cash (used)/generated during the period (A+B+D)					607				-826
Issuance of bonds			3.202				-		
Increase in medium/long term borrowings (excluding lease liabilities)			1.224				-		
Increase in lease liabilities			10				-		
Bond redemptions			-606				-		
Repayments of medium/long term borrowings (excluding lease liabilities)			-1.265				-88		
Repayments of lease liabilities			-7				-		
Net change in other current and non-current financial liabilities			260				1.132		
Net cash generated from/(used in) financing activities (E)			2.692				1.021		
Change in fair value of hedging derivatives	(j)				-347				2
Financial income/(expenses) accounted for as an increase in financial assets/(liabilities)	(k)				-15				23
Effect of foreign exchange rate movements on net debt and other changes	(l)				-62				35
Impact of first-time adoption of IFRS 16 as at 1 January 2019					-145				-
Other changes in net debt (F)					-569				60
Net effect of foreign exchange rate movements on net cash and cash equivalents (G)			28				-5		
Increase/(decrease) in net debt for period (A+B+D+F)					38				-766
Net debt at beginning of period					-37.931				-9.496
Net debt at end of period					-37.893				-10.262
Increase/(Decrease) in cash and cash equivalents during period (A+C+E+G)			2.898				168		
NET CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD			5.073				5.613		
NET CASH AND CASH EQUIVALENTS AT END OF PERIOD			7.971				5.781		

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 when purchasing 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 notes f) and e) that do not have an impact on net debt;

h) "Dividends declared by Atlantia and Atlantia Group companies and payable to non-controlling shareholders" regard the portion of dividends declared by the Parent Company and other Atlantia 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 hedging derivatives, before the related taxation;

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;

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 Atlantia Group companies.

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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.

The Group's net debt, as defined in the European Securities and Market Authority – ESMA (formerly CESR) Recommendation of 10 February 2005, subsequently amended by ESMA on 20 March 2013 (which does not entail the deduction of non-current financial assets from debt), amounts to €42,689m as at 31 March 2019, compared with €42,468m as at 31 December 2018.