



Press release

ATLANTIA GROUP'S RESULTS ANNOUNCEMENT FOR NINE MONTHS ENDED 30 SEPTEMBER 2018

Consolidated results for 9M 2018⁽¹⁾

- Traffic on Group's Italian motorway network up 0.3%⁽²⁾
- Traffic using Group's overseas motorway network up 2.3%
- Passenger traffic at Aeroporti di Roma up 3.6%
- Passenger traffic at Nice airport up 4.2%
- Gross operating profit (EBITDA) amounts to €2,913m, up 3% (up 4% on like-for-like basis⁽³⁾)
- Profit attributable to owners of parent of €733m down 15%, reflecting approximately €350m posted to cover initial estimate of costs directly linked to collapse of section of Polcevera road bridge in Genoa

⁽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⁾ An increase of 0.7% after stripping out the negative impact of major snowfall between the end of February and early March 2018 from Autostrade per l'Italia's traffic performance.

⁽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.

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- Total capital expenditure amounts to €634m
- Operating cash flow of €2,103m up 8% (up 7% on like-for-like basis)
- Net debt at 30 September 2018 totals €9,907m, up €411m compared with 31 December 2017, essentially reflecting acquisition of 15.49% interest in Getlink for €1,056m

Rome, 9 November 2018 – Today’s meeting of the Board of Directors of Autostrade per l’Italia SpA, chaired by Fabio Cerchiai, has approved the Atlantia Group’s results announcement for the nine months ended 30 September 2018 (“9M 2018”).

Events of 14 August 2018, involving the collapse of a section of the Polcevera road bridge in Genoa

A section of the Polcevera road bridge on the A10 Genoa–Ventimiglia motorway operated by Autostrade per l’Italia SpA collapsed on 14 August 2018, resulting in the deaths of 43 people.

Deeply shocked by the tragedy, and sharing the sense of grief for the victims and the distress felt by their families, Autostrade per l’Italia immediately put in place plans to provide support for the local community, considering the need to help the people of Genoa overcome the emergency to be its number one priority.

Steps were quickly taken to provide aid for families forced to abandon their homes, to whom Autostrade per l’Italia provided financial support to enable them to pay for basic necessities.

Without prejudicing any determination of liability, Autostrade per l’Italia has voluntarily begun the process of compensating the families of the victims and is also meeting the financial needs of shop owners, small businesses and firms directly affected by the collapse of the road bridge. This has been done in spite of a dispute with the insurance company regarding its liability for the incident under the relevant third party liability policy, which Autostrade per l’Italia believes to provide cover.

In collaboration with Genoa City Council and Liguria Regional Authority, Autostrade per l’Italia also took immediate action to restore the city’s road network to normal, working with Pavimental to provide alternative arrangements (such as the Via del Papa and Via 30 giugno 1960) and exempting road users from the payment of tolls on motorways serving the Genoa area.

Finally, believing that it is in any event essential to restore the connection provided by the Polcevera road bridge in the shortest time possible and with particular regard for the needs of the

⁽⁴⁾ 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 and third quarters of each year on a voluntary basis, through publication of a specific results announcement.

local community in Genoa, on 15 October 2018, Autostrade per l'Italia sent the Extraordinary Commissioner a plan for demolition and reconstruction of the bridge, drawn up in accordance with the provisions of its Concession Arrangement. The work is to be carried within nine months of the plan's approval and of gaining access to the related areas.

Convinced that Autostrade per l'Italia has complied with its concession obligations and whilst awaiting the outcome of the ongoing investigation into the causes of the collapse of a section of the Polcevera road bridge, Atlantia has prepared its accounts for the nine months ended 30 September 2018 taking into account Autostrade per l'Italia's initial estimates of the costs directly linked to the collapse, without prejudicing any determination of liability. Specifically, these costs regard the cost of demolition and reconstruction of the road bridge, with the related costs of expropriation and of compensation payable to people, businesses and firms directly affected by the collapse, and compensation payable to victims' families and to the injured.

The above initial estimates, amounting to approximately €350m, conservatively without taking account of any insurance proceeds. They are reflected in the accounts for the nine months ended 30 September 2018 in the form of provisions for liabilities totalling approximately €345m, and of expenses of approximately €5m already incurred and recognised in operating costs.

Key performance indicators by operating segment

	ITALIAN MOTORWAYS ⁽⁴⁾		OVERSEAS MOTORWAYS		ITALIAN AIRPORTS ⁽²⁾		OVERSEAS AIRPORTS ⁽³⁾		ATLANTIA AND OTHER ACTIVITIES ⁽⁴⁾		CONSOLIDATION ADJUSTMENTS		TOTAL ATLANTIA GROUP ⁽¹⁾	
	9M		9M		9M		9M		9M		9M		9M	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
REPORTED AMOUNTS														
External revenue	3,017	2,965	465	482	710	683	238	215	195	182	-	-	4,625	4,527
Intersegment revenue	28	26	-	-	1	-	-	-	283	348	-312	-374	-	-
Total operating revenue	3,045	2,991	465	482	711	683	238	215	478	530	-312	-374	4,625	4,527
EBITDA	1,989	1,903	322	369	450	428	110	97	42	39	-	-	2,913	2,836
Operating cash flow	1,382	1,260	299	294	342	323	79	70	1	1	-	-	2,103	1,948
Capital expenditure	390	343	46	136	124	145	34	26	30	55	10	14	634	719

(1) Information on the principal consolidated amounts and the related changes is provided in the "Group financial review".

(2) Application of the new accounting standard, IFRS 15 - Revenue from Contracts with Customers, from 1 January 2018, has resulted in the different classification of certain types of contract in operating revenue and costs. In particular, operating revenue and costs attributable to the "Italian airports" segment have been reduced by €5m, with EBITDA remaining unchanged.

(3) Compared with the published amounts, the figures for the first nine months of 2017 reflect a different presentation of certain airport refurbishment work carried out by ACA, as described in detail in the Interim Report for the six months ended 30 June 2018.

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

For details of the composition of the Group's operating segments, reference should be made to the "Explanatory notes".

Operating review for the principal Group companies

Italian motorways

- Traffic up 0.3% in 9M 2018
- Operating revenue of €3,045m up €54m (2%)
- EBITDA of €1,989m up €86m (5%)
- Capital expenditure totals €390m

Traffic

Traffic on the Group's motorway network in the first nine months of 2018 is up 0.3% on the first nine months of 2017. The number of kilometres travelled by vehicles with 2 axles is broadly in line with the figure for 2017, whilst the figure for those with 3 or more axles up 2.4%.

The performance for the first nine months of 2018, compared with the same period of 2017, reflects the negative impact of the heavy snowfall seen between the end of February and early March. After stripping out this factor, traffic on the Autostrade per l'Italia Group's network in the first nine months of 2018 is up 0.7%⁽⁵⁾.

Traffic performance

OPERATOR	KM TRAVELLED (IN MILLIONS)		
	9M 2018 ⁽¹⁾	9M 2017	% CHANGE
Autostrade per l'Italia	36,804.6	36,675.6	0.4%
Autostrade Meridionali	1,282.5	1,280.8	0.1%
Tangenziale di Napoli	689.0	689.7	-0.1%
Società Autostrada Tirrenica	252.3	255.3	-1.2%
Raccordo Autostradale Valle d'Aosta	88.0	90.3	-2.6%
Società Italiana per il Traforo del Monte Bianco	9.1	9.1	-0.1%
Total Italian operators	39,125.5	39,000.8	0.3%

(1) The figures for August and September 2018 are provisional. The figures are in millions of kilometres travelled, after rounding to the nearest decimal place.

⁽⁵⁾ After stripping out the negative impact of major snowfall between the end of February and early March 2018 from Autostrade per l'Italia's traffic performance.

Operating results

The Group's Italian motorway operations generated operating revenue of €3,045m in the first nine months of 2018, an increase of €54m on the same period of 2017 (up 2%). Net toll revenue of €2,800m is up €63m on the first nine months of 2017. The increase is primarily due to traffic growth (boosting toll revenue by an estimated €17m, taking into account the positive impact of the different traffic mix⁽⁶⁾) and application of annual toll increases from 1 January 2018 (boosting revenue by approximately €39m).

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 revenue of approximately €2m.

EBITDA for the Italian motorways segment in the first nine months of 2018 amounts to €1,989m, up €86m (5%) on the same period of 2017.

This is partly due to a reduction of approximately €32m in net operating costs, primarily due to the following:

- a reduction in the cost of resurfacing work at Autostrade per l'Italia during the period (to be made up in the coming months), following the work's rescheduling as a result of the time needed to comply with new and more complex tender procedures (launched in 2017);
- a reduction in staff costs, essentially linked to a reduction in the fair value of long-term management incentive plans.

Capital expenditure

Capital expenditure at the Group's Italian motorway operators in the first nine months of 2018 amounts to €390m.

€M	9M 2018	9M 2017
Autostrade per l'Italia: projects in Agreement of 1997	145	145
Autostrade per l'Italia: projects in IV Addendum of 2002	93	49
Autostrade per l'Italia: other capital expenditure (including capitalised costs)	112	112
Other operators (including capitalised costs)	13	21
Total investment in infrastructure operated under concession	363	327
Investment in other intangible assets	20	9
Investment in property, plant and equipment	7	7
Total capital expenditure	390	343

⁽⁶⁾ Reflecting the different rates of increase for traffic in the individual categories of vehicle, each having their own pricing structure.

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

In terms of the works contained in the IV Addendum of 2002, work on construction of link roads and on mitigation works in the Municipality of Fano, connected with work on the AI4 motorway, proceeded in the first nine months of 2018. The designs for the 10 lots forming the overall Detailed Design for the new road and motorway system serving Genoa (the so-called "*Gronda di Genova*") were sent to the Ministry of Infrastructure and Transport between February and early August 2018. In the meantime, preparations for the start-up of work are in progress whilst awaiting the Grantor's approval of the designs.

Autostrade per l'Italia's other capital expenditure includes approximately €40m invested in major works, primarily construction of the fourth free-flow lane for the A4 in the Milan area, improvements to feeder roads for the Tuscan stretch of the AI and work on the design for the new Bologna Interchange.

Overseas motorways

- **Traffic up 2.3% overall in 9M 2018 (up 5% after excluding Brazil, which was affected by protests and strikes by local truck drivers)**
- **Operating revenue of €465m up 6% at constant exchange rates (down 4% at actual exchange rates)⁽⁷⁾**
- **EBITDA of €322m down 5% at constant exchange rates (down 13% at actual exchange rates). On like-for-like basis⁽⁸⁾, EBITDA up 4%**
- **Capital expenditure totals €46m**

⁽⁷⁾ The Brazilian real has fallen by approximately 18% against the euro, based on average exchange rates for the period January-September in each of the comparative years.

⁽⁸⁾ 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.

Traffic

The Group's overseas operators registered the following traffic growth in the first nine months of 2018, compared with the same period of 2017: Chile up 4.3%, Brazil in line and Poland up 5.3%.

OPERATOR	KM TRAVELLED (IN MILLIONS)		
	9M 2018	9M 2017	% CHANGE
Grupo Costanera			
Costanera Norte	967.6	925.4	4.6%
Nororient	73.6	68.5	7.6%
Vespucio Sur	712.6	713.2	-0.1%
Litoral Central	104.5	98.2	6.4%
AMB	20.6	19.5	5.5%
Los Lagos	825.7	767.8	7.5%
Total Chile	2,704.6	2,592.6	4.3%
Brazil			
Triangulo do Sol	1,070.3	1,058.0	1.2%
Rodovias das Colinas	1,477.9	1,483.6	-0.4%
Rodovia MG050	620.7	627.0	-1.0%
Total Brazil	3,168.9	3,168.6	0.0%
Poland			
Stalexport Autostrada Malopolska	767.1	728.5	5.3%
Total Poland	767.1	728.5	5.3%
Total overseas operators	6,640.6	6,489.7	2.3%

Operating results

The Group's overseas motorways segment generated operating revenue of €465m in the first nine months of 2018, down €17m (4%) compared with the same period of 2017. This reflects the impact of the sharp fall in the value of the Brazilian real. At constant exchange rates, operating revenue is up €30m (6%), primarily reflecting toll increases and movements in traffic, albeit the Brazilian performance was impacted by the truck drivers' strike of May 2018 and the federal government's subsequent decision to extend the exemption from tolls for vehicles with raised axles to the State of Sao Paulo⁽⁹⁾. EBITDA of €322m for the first nine months of 2018 is down €47m (13%) compared with the same period of 2017. On a like-for-like basis⁽¹⁰⁾, EBITDA is up €17m (4%). Financial and operational data is provided below for each country.

⁽⁹⁾ The lost revenue resulting from the exemption of vehicles with raised axles in the State of Sao Paulo from the payment of tolls will be compensated for in accordance with the related concession arrangements.

⁽¹⁰⁾ 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.

Chile

Chilean operators' total operating revenue for the first nine months of 2018 amounts to €244m, down €4m (2%) compared with the first nine months of 2017. At constant exchange rates, operating revenue is up €4m (2%), primarily reflecting traffic growth and toll increases applied from January 2018, partially offset by reduced turnover at the in-house construction company, Gesvial. EBITDA of €167m is up €4m compared with the same period of 2017⁽ⁱⁱ⁾. At constant exchange rates, EBITDA is up €9m (6%). The Chilean operators invested a total of €24m in the first nine months of 2018, primarily linked to the *Santiago Centro Oriente* upgrade programme being carried out by Costanera Norte (around 95% of the project has been completed as at 30 September 2018).

Brazil

Operating revenue for the first nine months of 2018 amounts to €197m, down €35m (15%) compared with the same period of 2017 as a result of the sharp fall in the value of the Brazilian real. At constant exchange rates, operating revenue is up €7m (3%). The increase in toll revenue in the first nine months of 2018 benefited from toll increases, partially offset by the impact of the truck drivers' strike of May 2018 and regulator's subsequent decision to exempt vehicles with raised axles in the State of Sao Paulo from the payment of tolls from 31 May 2018. Operators will be compensated for the lost revenue in accordance with their existing concession arrangements. EBITDA of €110 is down €54m (33%) compared with the first nine months of 2017. This is partly due to planned resurfacing work on the network operated by Triangulo do Sol and Rodovias das Colinas. On a like-for-like basis, EBITDA is up €5m (3%). Capital expenditure in the first nine months of 2018 amounted to €19m, primarily in relation to widening work carried out by Rodovia das Colinas and progress in implementing Nascentes da Gerais's investment programme.

Poland

The Stalexport Autostrady group's operating revenue for the first nine months of 2018 amounts to €61m, an increase of €4m (7%) on the same period of 2017. This reflects traffic growth and toll increases for heavy vehicles applied from March 2017. EBITDA of €48m is up €4m (9%). Capital expenditure during the first nine months of 2018 totals €3m and primarily regards the installation of noise barriers and development of the new tolling system.

⁽ⁱⁱ⁾ The Chilean peso has fallen by approximately 3%, based on average exchange rates for the period January-September in each of the comparative years.

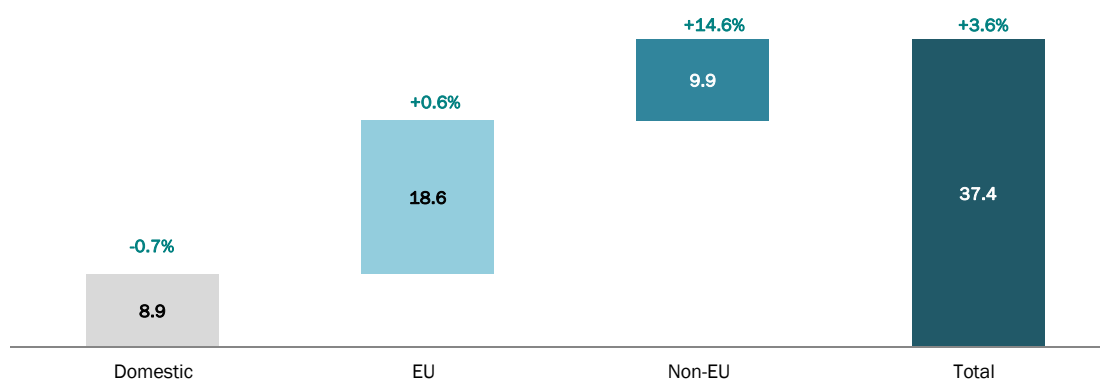
Italian airports

- Roman airport system handles 37m passengers in 9M 2018, up 3.6%
- Operating revenue of €711m up €28m (4%)
- EBITDA of €450m up €22m (5%)
- Capital expenditure totals €124m

Traffic

The Roman airport system handled 37.4m passengers in the first nine months of 2018, marking an increase of 3.6% on the same period of the previous year. The Non-EU segment saw particularly strong growth of 14.6%, whilst Domestic segment was down 0.7%. The EU segment, which accounts for 50% of total traffic, was slightly up, rising 0.6% compared with the first six months of the previous year.

Breakdown of traffic using the Roman airport system in 9M 2018
(millions of pax and change 9M 2018 versus 9M 2017)



Operating results

The Italian airports business generated operating revenue of €711m in the first nine months of 2018, an increase of €28m (4%) compared with the same period of the previous year. Aviation revenue of €508m is up €22m (5%) due to the positive performance of traffic and the related mix, partially offset by a reduction in airport fees at Fiumicino and Ciampino. Other operating income totals €203m, an increase of €6m compared with the same period of the previous year. This is the result of the positive performance of non-aviation revenue across all lines of business, partly as a

result of the entry into full operation of the retail plaza in Boarding Area E (opened in December 2016), and revenue from the sub-concession of space. This is partially offset by the fact that the first half of 2017 benefitted from the greater amount of provisions released. EBITDA of €450m is up €22m (5%) compared with the same period of the previous year.

Capital expenditure

Capital expenditure totalled €124m in the first nine months of 2018. At Fiumicino airport, as part of plans to upgrade the Eastern area, which is to be used primarily for domestic and Schengen flights, work continued on the new boarding area A and on a new wing for Terminal I. Preparations for work to begin on Lot 2 (the extension of Terminal I, a new hub for boarding area D and the restructuring of boarding area C) also continued.

The construction of aircraft aprons for the western area (phase 2) and for the *Piazzali 300* (“300 Aprons”) project continued, as did work on flood defences for the western area. Work on the new transformer substation (HV/MV) and on the new electricity system serving the runways is also ongoing.

€M	9M 2018	9M 2017
Work on terminals and piers	19	46
Terminal system for Eastern area	32	5
Work on runways and aprons	22	42
Work on technical systems and networks	11	13
Work on baggage handling sub-systems and airport equipment	5	8
Other	35	31
TOTAL	124	145

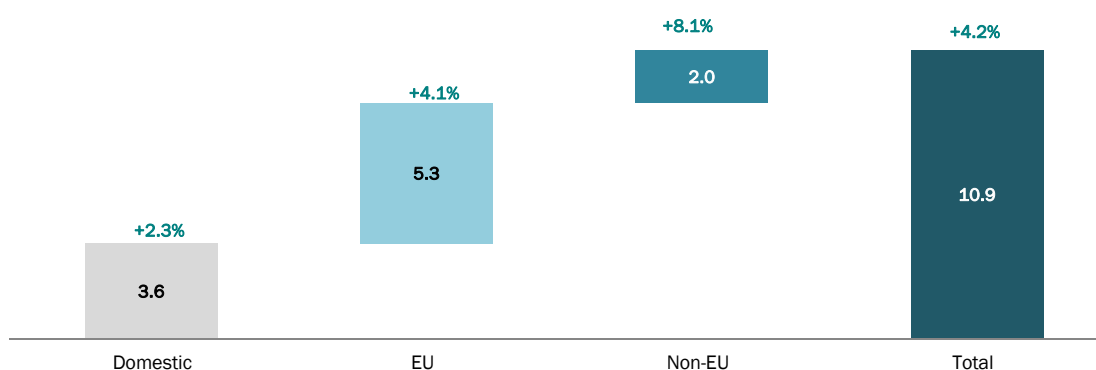
Overseas airports

- Nice airport handles 10.9m passengers in 9M 2018, up 4.2%
- Operating revenue of €238m up €23m (11%)
- EBITDA of €110m up €13m (13%)
- Capital expenditure totals €34m

Traffic

Nice airport handled 10.9m passengers in the first nine months of 2018, marking an increase of 4.2% compared with the same period of the previous year. In terms of general aviation, movements were up 2.7% in the first nine months of 2018⁽¹²⁾.

Breakdown of traffic using Nice airport in 9M 2018
(millions of pax and change 9M 2018 versus 9M 2017)



Operating results

The Group's overseas airports segment generated operating revenue of €238m in the first nine months of 2018, up €23m (11%) on the same period of the previous year. Aviation revenue, primarily consisting of fees and airport tax earned by the airports of Nice, Cannes and Saint-Tropez, in addition to the contribution from the Sky Valet FBO network, amounts to €129m. This is up €6m on the same period of the previous year and reflects the significant increase in traffic (up 4.2%) and in general aviation movements (up 2.7%). Other operating income of €109m is up €17m compared with the first nine months of 2017, reflecting the positive performance of non-aviation and parking revenue and the impact of the sale of an area belonging to Nice airport under agreements regarding the exchange of areas in relation to property development schemes. EBITDA of €110m is up €13m (13%) on the same period of the previous year.

⁽¹²⁾ The figures refer to the airports of Nice, Cannes and Saint-Tropez.

Capital expenditure

The Aéroports de la Côte d'Azur group's capital expenditure amounts to €34m for the first nine months of 2018, including €27m on initiatives designed to expand capacity. This primarily regarded improvements to aircraft aprons, the purchase of new land to be developed for real estate purposes and for a fuel farm and the development in a tram line providing access to Nice airport. A further €1m has been invested in landside security at the airports.

Significant legal and regulatory aspects

On 16 August 2018, the Ministry of Infrastructure and Transport sent Autostrade per l'Italia a letter of complaint, alleging that the subsidiary had committed serious breaches of its contractual obligations regarding routine and extraordinary maintenance and of its obligation to ensure that the road was in good working condition. As a result, the Ministry declared that it was appropriate "to activate the procedures provided for in articles 8, 9 and 9 *bis* of the Concession Arrangement".

In its response dated 31 August 2018, and in the subsequent letter dated 13 September 2018, Autostrade per l'Italia presented its counterarguments, rejecting the accusation that it had failed to meet its contractual obligations and, in addition, asserting that any decision by the Ministry to activate the procedures provided for in articles 8, 9 and 9 *bis* of the Concession Arrangement would be inadmissible and without effect.

The Inspection Committee appointed by the Ministry of Infrastructure and Transport then published its report on the collapse of a section of the Polcevera road bridge on 25 September 2018. A subsequent letter from Autostrade per l'Italia, dated 5 October 2018, contained criticism of both procedural aspects and the merits of the Committee's conclusions.

The collapse has resulted in criminal action before the Court of Genoa against 9 Autostrade per l'Italia SpA personnel, including executives and other people employed at the Company's Rome headquarters and the relevant area office in Genoa.

Autostrade per l'Italia SpA is also under investigation, pursuant to art. 25-*septies* of Legislative Decree 231/2001.

Subsequently, on 12 September 2018, the preliminary investigating magistrate (*Giudice per le Indagini Preliminari*) requested a pre-trial hearing to appoint experts to prepare a report on conditions at the disaster scene, to assess the state of repair and maintenance of the infrastructure that did not collapse and of the parts of the road bridge that did collapse and have yet to be

removed, and to identify and reach agreement with the relevant authorities on procedures for the removal of debris and for demolition, so as to preserve the evidence needed for the purposes of the investigation.

The work of the experts began on 2 October 2018 and is still in progress.

Finally, Law Decree 109, published on 28 September 2018, contains a range of urgent measures for the city of Genoa. Among the various provisions, the legislation:

- appoints a Special Commissioner to oversee the reconstruction, who may act in derogation of the law other than criminal law, save for the binding restrictions imposed by membership of the European Union;
- requires the operator, within 30 days of receipt of the Extraordinary Commissioner's request, to pay the sum necessary for the reconstruction in the amount to be provisionally determined by the Commissioner, without prejudice to any subsequent findings regarding liability for the event;
- excludes all toll road operators and their associates or subsidiaries from involvement in the reconstruction.

During the Decree's conversion into law, the Chamber of Deputies (Italy's lower house) approved the draft law converting the Decree with certain amendments, including:

- the exclusion from the reconstruction solely of Autostrade per l'Italia and its associates or subsidiaries;
- assignment to the Commissioner of responsibility for the sections of motorway linked to the road bridge whose operation will be affected by work on the reconstruction.

The draft legislation is to be discussed in the Senate (the upper house) from 13 November 2018 and the Decree must be converted into law by 27 November 2018.

At this time, the decree appointing the Commissioner announced in the above Law Decree has yet to be published.

Events after 30 September 2018

Closing of joint investment in Abertis

On 29 October 2018, Atlantia, ACS and Hochtief finalised implementation of the agreement signed on 23 March 2018 regarding a joint investment in Abertis Infraestructuras SA ("Abertis").

The parties have established Abertis Participaciones SA, a Spanish-registered company that has acquired 98.7% of Abertis from Hochtief, and which is in turn owned by Abertis HoldCo SA, a newly established Spanish-registered company owned by the following shareholders: Atlantia 50% (plus one share), ACS 30% and Hochtief 20% (less one share).

To acquire the 98.7% interest in Abertis, the parties have invested a total of €16.5bn. This amount has been financed via the injection of €6.9bn in equity into Abertis HoldCo, with the remaining amount funded through a debt financing package, consisting of an amortising term loan of €3.0bn (with maturities spanning from 4 to 5 years), a €4.7bn bridge-to-bond facility maturing after 18.5 months, a €2.2bn bridge-to-disposal facility (of which €1.7bn is to be repaid from the proceeds of the previously completed sale of Abertis's stake in Cellnex).

In a separate transaction covered by the same agreement, Atlantia has acquired 23.9% of Hochtief from ACS at a price of €143.04 per share, making a total consideration of €2.4bn.

Group financial review

Consolidated results of operations

"**Operating revenue**" for the first nine months of 2018 totals €4,625m, up €98m (2%) on the same period of 2017 (€4,527m).

"**Toll revenue**" of €3,229m is up €40m (1%) compared with the first nine months of 2017 (€3,189m). After stripping out the impact of exchange rate movements, which had a negative impact of €45m in the first nine months of 2018, toll revenue is up €85m, primarily as a result of the following:

- a) traffic growth on the Italian network (up 0.3%), boosting revenue by an estimated €17m after taking into account the positive impact of the different traffic mix, and the application of

annual toll increases for 2018 on the Italian network (up €39m, primarily reflecting a 1.08% increase applied by Autostrade per l'Italia from 1 January 2018⁽¹³⁾);

- b) an improved contribution from overseas operators (up €23m), linked to the application of toll increases on the overseas network and traffic growth registered by the operators in Chile (4.3%) and Poland (5.3%).

“**Aviation revenue**” of €637m is up €28m (5%) compared with the first nine months of 2017 (€609m), primarily due to traffic growth at Aeroporti di Roma (passenger traffic up 3.6%) and at the Aéroports de la Côte d’Azur group (passenger traffic up 4.2%).

“**Other operating income**”, totalling €759m, is up €30m compared with the first nine months of 2017 (€729m). This primarily reflects an increase in non-aviation revenue at the Aéroports de la Côte d’Azur group and at Aeroporti di Roma, as well as increased revenue at Telepass.

⁽¹³⁾ Toll increase awarded by the Ministry of Transport net of 0.43% as reimbursement for discounts granted to commuters in the period 2014-2017. This component has not had an impact on toll revenue in 2018, as the related revenue and receivables have been allocated to the annual reporting periods in which the discounts were applied.

Reclassified consolidated income statement ^(*)

€M	9M 2018	9M 2017	INCREASE/ (DECREASE)	
			ABSOLUTE	%
Toll revenue	3,229	3,189	40	1
Aviation revenue	637	609	28	5
Other operating income	759	729	30	4
Total operating revenue	4,625	4,527	98	2
Cost of materials and external services and other expenses	-684	-679	-5	1
Intercompany margin on capital expenditure ⁽¹⁾	12	39	-27	-69
Cost of materials and external services	-672	-640	-32	5
Concession fees	-398	-391	-7	2
Net staff costs	-642	-660	18	-3
Total net operating costs	-1,712	-1,691	-21	1
Gross operating profit (EBITDA)	2,913	2,836	77	3
Amortisation, depreciation, impairment losses and reversals of impairment losses	-856	-832	-24	3
Operating change in provisions and other adjustments	-403	-99	-304	n.s.
Operating profit (EBIT)	1,654	1,905	-251	-13
Net financial expenses	-396	-402	6	-1
Share of profit/(loss) of investees accounted for using the equity method	-3	1	-4	n.s.
Profit/(Loss) before tax from continuing operations	1,255	1,504	-249	-17
Income tax expense	-375	-509	134	-26
Profit/(Loss) from continuing operations	880	995	-115	-12
Profit/(Loss) from discontinued operations	-	-1	1	n.s.
Profit for the period	880	994	-114	-11
(Profit)/Loss attributable to non-controlling interests	147	131	16	12
(Profit)/Loss attributable to owners of the parent	733	863	-130	-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).

	9M 2018	9M 2017	INCREASE/ (DECREASE)
Basic earnings per share attributable to the owners of the parent (€)	0.90	0.99	-0.09
of which:			
- from continuing operations	0.90	0.99	-0.09
- from discontinued operations	-	-	-
Diluted earnings per share attributable to the owners of the parent (€)	0.90	0.98	-0.08
of which:			
- from continuing operations	0.90	0.98	-0.08
- 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 €1,712m are up €21m (1%) on the first nine months of 2017 (€1,691m). The “Cost of materials and external services” amounts to €684m, up €5m compared with the first nine months of 2017 (€679m). After stripping out the impact of exchange rate movements, the increase is €19m, primarily due to a combination of the following:

- a) an increase in maintenance costs, primarily due to planned resurfacing work on motorways, above all, in 2018, those operated by the Brazilian operators, Triangulo do Sol and Rodovias das Colinas. The increase was partially offset by a reduction in the cost of resurfacing work on the Italian network during the period (to be made up in the coming months), following the

work's rescheduling as a result of the time needed to comply with new and more complex tender procedures (launched in 2017);

- b) an increase in costs at Telepass and at the Aéroports de la Côte d'Azur group linked essentially to the increase in other operating income;
- c) a reduction in the costs incurred for external consultants in the first nine months of 2018, compared with the same period of 2017, which included the costs incurred on the sale of a non-controlling interest in Autostrade per l'Italia, completed in July 2017.

The “**Intercompany margin on capital expenditure**” in the first nine months of 2018 has resulted in income of €12m, a reduction of €27m compared with the first nine months of 2017 (€39m). This reflects the reduced volume of work carried out by the Group's own in-house technical units, linked to application of the new legislation governing tenders.

“**Concession fees**” of €398m are up €7m (2%) compared with the first nine months of 2017 (€391m), primarily due to traffic growth reported by the Group's Italian motorway operators.

“**Net staff costs**” of €642m are down €18m (€660m in the first nine months of 2017), primarily reflecting the impact of exchange rate movements and a reduction in the fair value of management incentive plans.

“**Gross operating profit**” (EBITDA) of €2,913m is up €77m on the first nine months of 2017 (€2,836m). On a like-for-like basis, gross operating profit is up €117m (4%).

“**Amortisation and depreciation, impairment losses and reversals of impairment losses**” amount to €856m, marking an increase of €24m compared with the figure for the first nine months of 2017 (€832m).

The “**Operating change in provisions and other adjustments**” have resulted in expense of €403m, marking an increase of €304m compared with expense of €99m for the first nine months of 2017. This essentially reflects the impact of provisions to cover initial estimates of the costs directly linked to the collapse of a section of the Polcevera road bridge.

“**Operating profit**” (EBIT) of €1,654m is down €251m (13%) compared with the first nine months of 2017 (€1,905m). This is primarily due to the above operating change in provisions.

“**Net financial expenses**” of €396m in the first nine months of 2018 are down €6m compared with the same period of 2017 (€402m).

“**Income tax expense**” amounts to €375m, a reduction of €134m compared with the first nine months of 2017 (€509m). This essentially reflects the reduction in pre-tax profit, in addition to the tax expense of €46m recognised in the first nine months of 2017 as a result of the Group’s restructuring.

“**Profit from continuing operations**” amounts to €1,255m, a reduction of €249m compared with the first nine months of 2017 (€1,504m). This primarily reflects the decline in “**Operating profit**” (EBIT).

“**Profit for the period**”, amounting to €880m, is down €114m compared with the first nine months of 2017 (€994m). This essentially reflects the impact of provisions made to cover initial estimates of the costs directly linked to the collapse of a section of the Polcevera road bridge.

“**Profit for the period attributable to owners of the parent**” (€733m) is down €130m compared with the first nine months of 2017 (€863m). The reduction is primarily due to the above impact of the events of 14 August and the difference in the contributions from Autostrade per l’Italia in the two comparative periods, following the sale of a minority interest in the company to non-controlling shareholders in July 2017.

“**Profit attributable to non-controlling interests**” amounts to €147m, up €16m on the first nine months of 2017 (€131m). The figure has benefitted from the difference in the contributions from Autostrade per l’Italia to profit attributable to non-controlling interests in the two comparative periods, following the above sale.

Consolidated financial position

As at 30 September 2018, “**Non-current non-financial assets**”, totalling €29,713m, are up €453m compared with 31 December 2017. This essentially reflects the acquisition of a 15.49% interest in Getlink (a carrying amount of €1,056m) following the Group’s acquisition of a 100% interest in Aero I Global & International Sàrl in March 2018.

“**Working capital**” reports a negative balance of €1,660m, compared with a negative €1,112m as at 31 December 2017.

This primarily reflects the following:

- a) an increase of €622m in the current portion of provisions, essentially due to:
 - 1) the provisions made in relation to the collapse of a section of the Polcevera road bridge in August 2018;
 - 2) a net increase in provisions for construction services required by contract, essentially reflecting the effect of reclassification of the current portion;
- b) an increase net current tax liabilities of €96m due to recognition of tax expense for the period, after payment of the balance due for the previous year and payments on account for the current year;
- c) a net increase in trading assets of €168m, primarily due to trends in the billing of motorway tolls and an increase in amounts due from airport customers linked to traffic during the peak season.

“**Non-current non-financial liabilities**”, totalling €6,318m are down €571m compared with 31 December 2017, primarily due to reclassification of the current portion of provisions for construction services required by contract, totalling €549m.

“**Equity attributable to owners of the parent and non-controlling interests**” totals €11,828m (€11,763m as at 31 December 2017). **Equity attributable to owners of the parent**”, totalling €8,903m, is up €131m overall compared with 31 December 2017, essentially reflecting:

- a) profit for the period (€733m);
- b) payment of the final dividend for 2017 to Atlantia’s shareholders (€532m);
- c) a reduction in the reserve for the translation of assets and liabilities of consolidated companies denominated in functional currencies other than the euro (€102m), reflecting falls in the value of the Brazilian real and the Chilean peso against the euro;

d) the positive impact of first-time adoption of the new IFRS 9 (amounting to €29m) as at 1 January 2018.

“**Equity attributable to non-controlling interests**” of €2,925m is down €66m compared with 31 December 2017. This primarily reflects dividends declared by other Group companies and payable to non-controlling shareholders (€123m) and the reduction in the reserve for the translation of assets and liabilities of consolidated companies denominated in functional currencies other than the euro (€94m), partially offset by profit for the period attributable to non-controlling interests (€147m).

“**Net debt**” as at 30 September 2018 amounts to €9,907m, an increase of approximately €411m compared with 31 December 2017 (€9,496m). A detailed analysis of this change is provided in the following section, “Consolidated cash flow”.

As at 30 September 2018, the Group has cash reserves of €12,148m, consisting of:

- a) €8,888m in cash and/or investments maturing in the short term;
- b) €480m in term deposits allocated primarily to part finance the execution of specific construction services and to service the debt of the Chilean companies;
- c) €2,780m in undrawn committed lines of credit.

Reclassified consolidated statement of financial position^(*)

€M	30 September 2018	31 December 2017	INCREASE/ (DECREASE)
Non-current non-financial assets (A)	29,713	29,260	453
Working capital (B)	-1,660	-1,112	-548
Gross invested capital (C=A+B)	28,053	28,148	-95
Non-current non-financial liabilities (D)	-6,318	-6,889	571
NET INVESTED CAPITAL (E=C+D)	21,735	21,259	476
Equity attributable to owners of the parent	8,903	8,772	131
Equity attributable to non-controlling interests	2,925	2,991	-66
Equity (F)	11,828	11,763	65
Non-current net debt (G)	16,305	13,654	2,651
Current net funds (H)	-6,398	-4,158	-2,240
Total net debt (I=G+H)	9,907	9,496	411
NET DEBT AND EQUITY (L=F+I)	21,735	21,259	476

(*) 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 €2,010m, an increase of €112m on the comparative period (€1,898m), essentially reflecting a €155m increase in operating cash flow. On a like-for-like basis, operating cash flow is up €151m (7%) compared with the first nine months of 2017. This primarily reflects the increase in cash from operating activities (EBITDA).

"Cash used for investment in non-financial assets" amounts to €1,817m for the first nine months of 2018, essentially reflecting the acquisition of a 100% interest in Aero I Global & International Sarl, which owns 15.49% of Getlink, for a total of €1,056m and capital expenditure of €634m.

"Net equity cash outflows" amount to €654m for the first nine months of 2018, essentially reflecting dividends payable to the shareholders of Atlantia and other Group companies.

The above cash flows have resulted in an overall increase in net debt of €411m in the period.

Consolidated statement of changes in net debt^(*)

€M	9M 2018	9M 2017
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Operating cash flow	2,103	1,948
Change in operating capital	-177	-324
Other changes in non-financial assets and liabilities	84	274
Net cash generated from/(used in) operating activities (A)	2,010	1,898
NET CASH FROM/(USED IN) INVESTMENT IN NON-FINANCIAL ASSETS		
Capital expenditure	-634	-719
Government grants related to assets held under concession	-	1
Increase in financial assets deriving from concession rights (related to capital expenditure)	18	51
Purchases of investments	-28	-169
Investment in consolidated companies, including net debt assumed	-1,056	-99
Proceeds from sales of property, plant and equipment, intangible assets and unconsolidated investments	5	-
Proceeds from sales of consolidated investments, including net debt transferred	-	1,870
Net change in other non-current assets	-122	14
Net cash from/(used in) investment in non-financial assets (B)	-1,817	949
NET EQUITY CASH INFLOWS/(OUTFLOWS)		
Purchase of treasury shares	-	-84
Dividends declared by Atlantia and Group companies and payable to non-controlling shareholders	-655	-473
Proceeds from exercise of rights under share-based incentive plans	1	9
Return of capital to non-controlling shareholders	-	-95
Net equity cash inflows/(outflows) (C)	-654	-643
Increase/(Decrease) in cash and cash equivalents during period (A+B+C)	-461	2,204
Other changes in net debt (D)	50	142
Increase/(Decrease) in net debt for period (A+B+C+D)	-411	2,346
Net debt at beginning of period	-9,496	-11,677
Net debt at end of period	-9,907	-9,331

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

Outlook and risks or uncertainties

The Group's operating performance in Italy and overseas registered an improvement in the first nine months of 2018, leading us to expect growth in gross operating profit, which will also benefit from line-by-line consolidation of the Abertis group in the last 2 months of the year.

Whilst awaiting the outcome of the ongoing investigation into the collapse of the Polcevera road bridge in Genoa, the results for 2018 reflect the expected cost of reconstruction of the bridge and the cost of the resulting initiatives put in place by Autostrade per l'Italia in support of the city of Genoa (amounting to an initial estimate of €350m as at 30 September 2018).

Consolidated net debt at the end of 2018 will reflect the impact of completion, on 29 October 2018, of the acquisition and consolidation of the Abertis group and of the investment in Hochtief.

With regard to the potential risks resulting from the Ministry of Infrastructure and Transport's claim, following the events of 14 August 2018, that Autostrade per l'Italia was in serious breach of its concession obligations and from the eventual activation of the procedures provided for in articles 8, 9 and 9 *bis* of the Concession Arrangement, Autostrade per l'Italia has already responded by noting that the claim is groundless and has also asserted that the Ministry's activation of such procedures is inadmissible and without effect.

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 for the comparative periods and the corresponding amounts presented in the reclassified consolidated financial statements shown above.

€M	Note	Amounts for 9M 2018				Amounts for 9M 2017			
		GROSS OPERATING PROFIT (EBITDA)	PROFIT FOR THE PERIOD	PROFIT FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE PARENT	OPERATING CASH FLOW	GROSS OPERATING PROFIT (EBITDA)	PROFIT FOR THE PERIOD	PROFIT FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE PARENT	OPERATING CASH FLOW
Reported amounts (A)		2,913	880	733	2,103	2,836	994	863	1,948
Adjustments for non like-for-like items									
Exchange rate movements	(1)	-29	-8	-5	-17	-	-	-	-
Extraordinary maintenance work (Brazil)	(2)	-47	-	-	-31	-12	-	-	-8
Charges pertaining to corporate transactions	(3)	-11	-30	-30	-58	-35	-39	-39	-39
Change in discount rate applied to provisions	(4)	-	13	10	1	-	21	19	-
Tax on transactions involved in Group restructuring	(5)	-	-	-	-	-	-46	-46	-46
Impact on profit or loss of issue and accompanying partial repurchase of certain bonds (September 2017)	(6)	-	-	-	-	-	-16	-14	-16
Change in non-controlling interests	(7)	-	-	-	-	-	-	58	-
Sub-total (B)		-87	-25	-25	-105	-47	-80	-22	-109
Like-for-like amounts (C) = (A)-(B)		3,000	905	758	2,208	2,883	1,074	885	2,057

Notes:

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

- 1) the difference between foreign currency amounts for the first nine months 2018 for companies with functional currencies other than the euro, converted at average exchange rates for the period, and the matching amounts converted using average exchange rates for the first nine months of 2017;
- 2) the extraordinary maintenance work carried out by the Brazilian operators, uses of the same amount of the provisions for the repair and replacement of motorway infrastructure made for this purpose in previous years, and the related current and deferred taxation. As opposed to being cyclical, this maintenance work regards short sections of motorway, is carried out only in certain years and is of a variable entity. To provide a like-for-like basis for comparing EBITDA and operating cash flow for the two comparative periods, the accounting effects of this work have been eliminated;
- 3) for both comparative periods, the costs incurred in relation to the acquisition of Abertis Infraestructuras SA, after the related taxation, and, for the first nine months of 2017 alone, the costs linked to measurement of the Italian motorway assets connected with the sale of a stake in Autostrade per l'Italia;
- 4) the after-tax impact of the change in the discount rates applied to provisions;
- 5) tax expense on Autostrade per l'Italia's distribution of a special dividend in kind to Atlantia via the transfer of its entire interests in Autostrade dell'Atlantico and Autostrade Indian Infrastructure Development (February and March 2017);
- 6) the after-tax effect of the net financial expenses linked to the issue and accompanying partial repurchase of certain bonds by Autostrade per l'Italia in September 2017;
- 7) the estimated impact on profit attributable to owners of the parent resulting from the sale of 11.94% of Autostrade per l'Italia, the sale of 12.50% of Azzurra Aeroporti and the acquisition of a further 2.65% of Aeroporti di Roma as if such transactions had taken place as at 1 January 2017.

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

€M	9M 2018		9M 2017	
	EBITDA	Operating cash flow	EBITDA	Operating cash flow
Reported amounts	2,913	2,103	2,836	1,948
Increase in revenue for guaranteed minimum revenue	63	63	61	61
Grants for motorway maintenance	13	13	12	12
Grants related to investment in motorways	1	1	-	-
Reversal of financial income deriving from discounting of financial assets deriving from concession rights (guaranteed minimums)	-	-31	-	-34
Reversal of financial income deriving from discounting of financial assets deriving from government grants for motorway maintenance	-	-4	-	-5
Total adjustments	77	42	73	34
Adjusted amounts	2,990	2,145	2,909	1,982

€M	NET DEBT AS AT 30 SEPTEMBER 2018	NET DEBT AS AT 31 DECEMBER 2017
	Reported amounts	9,907
Reversal of financial assets deriving from:		
- takeover rights	400	400
- guaranteed minimum revenue	570	602
- grants for motorway maintenance	69	79
Total adjustments	1,039	1,081
Adjusted amounts	10,946	10,577

^(*) The method used in calculating the adjusted alternative performance indicators is the same used and described in the Annual Report for 2017, 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:

- "**Gross operating profit (EBITDA)**" is the synthetic indicator of gross profit from operations, calculated by deducting operating costs, with the exception of amortisation, depreciation, impairment losses and reversals of impairment losses, the operating change in provisions and other adjustments, from operating revenue;
- "**Operating profit (EBIT)**" is the indicator that measures the operating return on invested capital, calculated by deducting amortisation, depreciation, impairment losses and reversals of impairment losses, the operating change in provisions and other adjustments from EBITDA. 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, whilst being included in revenue in the consolidated income statement prepared on a reported basis;
- "**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, calculated by deducting "Current and non-current financial assets" from "Current and non-current financial liabilities";
- "**Capital expenditure**", being the indicator of the total amount invested in development of the Group's businesses, calculated as the sum of cash used in investment in property, plant and equipment, in assets held under concession and in other intangible assets, excluding investments in investees;
- "**Operating cash flow**", being the indicator of cash generated by or used in operating activities. Operating cash flow is calculated as profit for the period + amortisation/depreciation +/- impairments/reversals of impairments of assets +/- provisions/releases of provisions + other adjustments + financial expenses from discounting of provisions +/- share of profit/(loss) of investees accounted for using equity method +/- (losses)/gains on sale of assets +/- other non-cash items +/- 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 two 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", included 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", included in this announcement.

Reconciliation of the reclassified and statutory financial statements

Reconciliations of the consolidated income statement, the consolidated statement of financial position and the statement of cash flows for the nine months ended 30 September 2018, 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

CM	9M 2018				9M 2017					
	Reported basis		Reclassified basis		Reported basis		Reclassified basis			
	Ref.	Sub-items	Main entries	Ref.	Sub-items	Main entries	Ref.	Sub-items	Main entries	
Reconciliation of Items										
Toll revenue			3,229				3,189			
Aviation revenue			637				609			
Revenue from construction services			255				307			
Revenue from construction services - government grants and cost of materials and external services	(a)	220					(a)	270		
Capitalised staff costs - construction services for which additional economic benefits are received	(b)	31					(b)	28		
Revenue from construction services: capitalised financial expenses	(c)	4					(c)	2		
Revenue from construction services provided by sub-operators	(d)	-					(d)	7		
Other revenue	(e)	759					(e)	722		
Other operating revenue				(e+d)		759			(e+d)	729
Total revenue			4,880				4,827			
TOTAL OPERATING REVENUE									4,827	
Raw and consumable materials			-249				-231			
Service costs			-802				-873			
Gains/(Losses) on sale of elements of property, plant and equipment			1				1			
Other operating costs			-498				-478			
Concession fees	(p)		-398				(p)		-391	
Lease expense			-17				-15		-18	
Other			-83				-69		-69	
Use of provisions for construction services required by contract				(h)		209		(h)	222	
Revenue from construction services: government grants and capitalised cost of materials and external services				(a)		220		(a)	270	
Use of provisions for refurbishment of airport infrastructure				(g)		49		(g)	58	
COST OF MATERIALS AND EXTERNAL SERVICES									-640	
CONCESSION FEES									-391	
Staff costs	(f)		-723				(f)		-732	
NET STAFF COSTS				(b+f+i)					-860	
TOTAL NET OPERATING COSTS									-1,691	
GROSS OPERATING PROFIT (EBITDA)									2,836	
OPERATING CHANGE IN PROVISIONS AND OTHER ADJUSTMENTS									-99	
Operating change in provisions			-353				-32			
(Provisions)/ Uses of provisions for repair and replacement of motorway infrastructure			-194				-24			
(Provisions)/ Uses of provisions for refurbishment of airport infrastructure			-82				6			
Use of provisions for refurbishment of airport infrastructure	(g)	-131					-52		-52	
Other provisions			-77				-14		-14	
(Impairment losses)/Reversals of impairment losses				(k)		-1		(k)	-9	
Use of provisions for construction services required by contract			289				288			
Use of provisions for construction services required by contract	(h)	209					(h)	222		
Capitalised staff costs - construction services for which no additional economic benefits are received	(i)	50					(i)	44		
Amortisation and depreciation			-856				-832			
Depreciation of property, plant and equipment			-56				-49			
Amortisation of intangible assets deriving from concession rights			-741				-737			
Amortisation of other intangible assets			-59				-46			
(Impairment losses)/Reversals of impairment losses			-1				-9			
(Impairment losses)/Reversals of impairment losses on property, plant and equipment and intangible assets	(k)									
(Impairment losses)/Reversals of impairment losses	(k)	-1					(k)	-9		
AMORTISATION, DEPRECIATION, IMPAIRMENT LOSSES AND REVERSALS OF IMPAIRMENT LOSSES				(j)				(j)	-832	
TOTAL COSTS			-3,222				-2,920			
OPERATING PROFIT/(LOSS)			1,658				1,907			
OPERATING PROFIT/(LOSS) (EBIT)									1,906	
Financial Income			274				277			
Financial income accounted for as an increase in financial assets deriving from concession rights and government grants	(l)	56					(l)	55		
Dividends received from investees	(m)	4					(m)	4		
Other financial income	(n)	214					(n)	215		
Financial expenses			-695				-689			
Financial expenses from discounting of provisions for construction services required by contract and other provisions	(o)		-33				(o)		-32	
Other financial expenses	(p)		-662				(p)		-657	
Foreign exchange gains/(losses)	(q)		21				(q)		8	
FINANCIAL INCOME/(EXPENSES)			-400				-404			
Net financial expenses								(i+m+n+o+p+q+r)	-402	
Share of (profit)/loss of investees accounted for using the equity method			-3						1	
PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS			1,255				1,504		1,504	
Income tax (expense)/benefit			-375				-509		-509	
Current tax expense			-441				-457			
Differences on tax expense for previous years			13				2			
Deferred tax income and expense			53				-54			
PROFIT/(LOSS) FROM CONTINUING OPERATIONS			880				995		995	
Profit/(Loss) from discontinued operations			-				-1		-1	
PROFIT FOR THE PERIOD			880				994		994	
of which:										
Profit attributable to owners of the parent			733				863		863	
Profit attributable to non-controlling interests			147				131		131	

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

CM	30 September 2018				31 December 2017			
Reconciliation of Items	Reported basis		Reclassified basis		Reported basis		Reclassified basis	
	Ref.	Main entries	Ref.	Main entries	Ref.	Main entries	Ref.	Main entries
Non-current non-financial assets								
Property, plant and equipment	(a)	276		276	(a)	303		303
Intangible assets	(b)	26,724		26,724	(b)	27,424		27,424
Investments	(c)	1,314		1,314	(c)	267		267
Deferred tax assets	(d)	1,271		1,271	(d)	1,258		1,258
Other non-current assets	(e)	128		128	(e)	8		8
Total non-current non-financial assets (A)				29,713				29,260
Working capital								
Trading assets	(f)	2,130		2,130	(f)	1,798		1,798
Current tax assets	(g)	244		244	(g)	79		79
Other current assets	(h)	226		226	(h)	187		187
Non-financial assets held for sale or related to discontinued operations			(w)	4			(w)	5
Current portion of provisions for construction services required by contract	(i)	-716		-716	(i)	-427		-427
Current provisions	(j)	-713		-713	(j)	-380		-380
Trading liabilities	(k)	-1,747		-1,747	(k)	-1,583		-1,583
Current tax liabilities	(l)	-412		-412	(l)	-151		-151
Other current liabilities	(m)	-676		-676	(m)	-634		-634
Non-financial liabilities related to discontinued operations			(x)	-			(x)	-6
Total working capital (B)				-1,860				-1,112
Gross invested capital (C=A+B)				28,053				28,148
Non-current non-financial liabilities								
Non-current portion of provisions for construction services required by contract	(n)	-2,449		-2,449	(n)	-2,961		-2,961
Non-current provisions	(o)	-1,578		-1,578	(o)	-1,566		-1,566
Deferred tax liabilities	(p)	-2,180		-2,180	(p)	-2,254		-2,254
Other non-current liabilities	(q)	-111		-111	(q)	-108		-108
Total non-current non-financial liabilities (D)				-6,318				-6,889
Net invested capital (E=C+D)				21,735				21,259
Total equity (F)		11,828		11,828		11,763		11,763
Net debt								
Non-current net debt								
Non-current financial liabilities	(r)	18,621		18,621	(r)	15,970		15,970
Non-current financial assets	(s)	-2,316		-2,316	(s)	-2,316		-2,316
Total non-current net debt (G)				16,305				13,654
Current net debt								
Current financial liabilities	(t)	3,283		3,283	(t)	2,254		2,254
Bank overdrafts repayable on demand		36		36		18		18
Short-term borrowings		292		292		430		430
Current derivative liabilities		6		6		14		14
Current portion of medium/long-term borrowings		2,895		2,895		1,718		1,718
Other current financial liabilities		54		54		74		74
Cash and cash equivalents	(u)	-8,965		-8,971	(u)	-5,624		-5,631
Cash in hand		-8,524		-8,524		-4,840		-4,840
Cash equivalents		-441		-441		-784		-784
Cash and cash equivalents related to discontinued operations			(y)	-6			(y)	-7
Current financial assets	(v)	-710		-710	(v)	-781		-781
Current financial assets deriving from concession rights		-451		-451		-447		-447
Current financial assets deriving from government grants		-20		-20		-70		-70
Current term deposits		-133		-133		-179		-179
Current derivative assets		-		-		-1		-1
Current portion of other medium/long-term financial assets		-77		-77		-71		-71
Other current financial assets		-29		-29		-13		-13
Total current net debt (H)				-6,398				-4,158
Total net debt (I=G+H)				9,907				9,496
Net debt and equity (L=F+I)				21,735				21,259
Assets held for sale or related to discontinued operations	(y+w)	10			(y+w)	12		
Liabilities related to discontinued operations	(x)	-			(x)	6		
TOTAL NON-CURRENT ASSETS	(a+b+c+d+e-s)	32,029			(a+b+c+d+e-s)	31,576		
TOTAL CURRENT ASSETS	(f+g+h-u-v+y+w)	12,285			(f+g+h-u-v+y+w)	8,481		
TOTAL NON-CURRENT LIABILITIES	(-n-o-p-q+r)	24,939			(-n-o-p-q+r)	22,859		
TOTAL CURRENT LIABILITIES	(-i-j-k-l-m+tx)	7,547			(-i-j-k-l-m+tx)	5,435		

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

€M	9M 2018		9M 2017		
Reconciliation of items	Note	Consolidated statement of cash flows	Changes in consolidated net debt	Consolidated statement of cash flows	Changes in consolidated net debt
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES					
Profit for the period		880	880	994	994
Adjusted by:					
Amortisation and depreciation		855	855	832	832
Operating change in provisions, after use of provisions for refurbishment of airport infrastructure		402	402	97	97
Financial expenses from discounting of provisions for construction services required by contract and other provisions		33	33	32	32
Impairment losses/(Reversal of impairment losses) on financial assets and investments accounted for at fair value		-	-	4	4
Dividends received and share of (profit)/loss of investees accounted for using the equity method		33	33	7	7
Impairment losses/(Reversal of impairment losses) and adjustments of current and non-current assets		1	1	2	2
(Gains)/Losses on sale of non-current assets		-1	-1	-1	-1
Net change in deferred tax (assets)/liabilities through profit or loss		-53	-53	57	57
Other non-cash costs (income)		-47	-47	-76	-76
Operating cash flow			2.103		1.948
Change in operating capital	(a)		-177		-324
Other changes in non-financial assets and liabilities	(b)		84		274
Change in working capital and other changes	(a+b)	-93		-50	
Net cash generated from/(used in) operating activities (A)		2.010	2.010	1.898	1.898
NET CASH FROM/(USED IN) INVESTMENT IN NON-FINANCIAL ASSETS					
Investment in assets held under concession		-563	-563	-623	-623
Purchases of property, plant and equipment		-32	-32	-56	-56
Purchases of other intangible assets		-39	-39	-40	-40
Capital expenditure			-634		-719
Government grants related to assets held under concession		-	-	1	1
Increase in financial assets deriving from concession rights (related to capital expenditure)		18	18	51	51
Purchase of investments		-28	-28	-169	-169
<i>Cost of acquisition</i>	(c)	-1.056	-1.056	-99	-99
<i>Cash and cash equivalents acquired</i>	(d)	-	-	-	-
<i>Net financial liabilities assumed, excluding cash and cash equivalents acquired</i>	(e)	-	-	-	-
Acquisitions of additional interests and/or investments in consolidated companies, net of cash acquired	(c+d)	-1.056		-99	
Investment in consolidated companies, including net debt assumed	(c+d+e)		-1.056		-99
Proceeds from sales of property, plant and equipment, intangible assets and unconsolidated investments		5	5	-	-
Proceeds from sales of consolidated investments, including net debt transferred		-	-	1.870	1.870
Net change in other non-current assets		-122	-122	14	14
Net change in current and non-current financial assets	(f)	-41		-104	
Net cash from/(used in) investment in non-financial assets (B)	(g)		-1.817		949
Net cash generated from/(used in) investing activities (C)	(f+g)	-1.858		845	
NET EQUITY CASH INFLOWS/(OUTFLOWS)					
Purchase of treasury shares		-	-	-84	-84
Dividends declared by Atlantia and Group companies and payable to non-controlling shareholders	(h)		-655		-473
Dividends paid	(i)	-669		-469	
Proceeds from exercise of rights under share-based incentive plans		1	1	9	9
Return of capital to non-controlling shareholders		-	-	-95	-95
Net equity cash inflows/(outflows) (D)			-654		-643
Net cash generated during the period (A+B+D)			-461		2.204
Issuance of bonds		182		2.237	
Increase in medium/long term borrowings (excluding finance lease liabilities)		4.104		229	
Bond redemptions		-108		-709	
Repayments of medium/long term borrowings (excluding finance lease liabilities)		-221		-186	
Payment of finance lease liabilities		-		-3	
Net change in other current and non-current financial liabilities		-91		-1.367	
Net cash generated from/(used in) financing activities (E)		3.198		-438	
Change in fair value of hedging derivatives	(j)		1		95
Financial income/(expenses) accounted for as an increase in financial assets/(liabilities)	(k)		51		51
Effect of foreign exchange rate movements on net debt and other changes	(l)		-2		-4
Other changes in net debt (F)			50		142
Net effect of foreign exchange rate movements on net cash and cash equivalents (G)		-28		-17	
Increase/(decrease) in net debt for period (A+B+D+F)			-411		2.346
Net debt at beginning of period			-9.496		-11.677
Net debt at end of period			-9.907		-9.331
Increase/(Decrease) in cash and cash equivalents during period (A+C+E+G)		3.322		2.288	
NET CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		5.613		3.386	
NET CASH AND CASH EQUIVALENTS AT END OF PERIOD		8.935		5.674	

Notes:

- a) the "Change in operating capital" shows the change in trade-related items directly linked to the Group's ordinary activities (in particular: inventories, trading assets and trading liabilities);
- b) "Other changes in other non-financial assets and liabilities" shows the change in items of a non-trading nature (in particular: current tax assets and liabilities, other current assets and liabilities, current provisions for construction services required by contract and other provisions);
- c) "Cost of acquisitions" shows the cost incurred for investments in consolidated companies;
- d) "Cash and cash equivalents acquired" includes the cash acquired as a result of the acquisition of 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 companies;
- f) the "Net change in current and non-current financial assets" is not shown in the "Statement of changes in consolidated net debt", as it does not have an impact on net debt;
- g) "Net cash from/(used in) investment in non-financial assets" excludes changes in the financial assets and liabilities referred to in note f) that do not have an impact on net debt;
- h) "Dividends declared by Group companies" regard the portion of dividends declared by the Parent Company and other Group companies attributable to non-controlling interests, regardless of the reporting period in which they are paid;
- i) "Dividends paid" refer to amounts effectively paid during the reporting period.

* * *

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 €12,223m as at 30 September 2018, compared with €11,812m as at 31 December 2017.