

PRESS RELEASE

The Board of Directors approves the Separate Financial Statements and the Consolidated Financial Statements as at 31 December 2017

INCREASE IN NET PROFIT (+58.9%), EBITDA (+8.5%), REVENUES (+19.2%)

Key highlights of consolidated economic and financial results

- **Net profit:** €149.6 million (+58.9% compared to €94.2 million in 2016)
- **EBITDA:** €719.1 million (+8.5% compared to €663.1 million in 2016)
- **Revenues:** €1,436.1 million (+19.2% compared to 1,205.1 million in 2016)
- **Net financial indebtedness:** €1,333.1 million (down 18%)

Motorway concession sector

- **Italy:** +7.3% EBITDA motorway sector (€693 million)
+2.2% traffic on the motorway network controlled by Sias ("light vehicles" +1.69%, "heavy vehicles" +3.69%)
+8.5% motorway investments (€190 million)
- **Brazil¹:** +48.4% net profit Ecorodovias (BRL 400 million)
+15.0% pro-forma EBITDA Ecorodovias (BRL 1,749 million)
+3.8% traffic on the motorway network
+ 850 km of roads through the award/acquisition of new concessions in the first quarter of 2018

Construction Sector

- **Itinera:** Value of production of €400 million
Order backlog: €3.5 billion - of which 51.6% abroad
Net financial indebtedness: €21 million

FINAL DIVIDEND OF €0.255 PER SHARE DECIDED

TOTAL DIVIDEND FOR 2017 €0.469 PER SHARE (+4.1%) FOR A TOTAL AMOUNT OF €43.4 MILLION

Tortona, 14 March 2018. The ASTM Board of Directors, in today's meeting chaired by Prof. Gian Maria Gros-Pietro, reviewed and approved the Separate Financial Statements and the Consolidate Financial Statements as at 31 December 2017.

¹ the group operates in the Brazilian market through its joint subsidiary Ecorodovias Infraestrutura e Logística SA.

ANALYSIS OF ECONOMIC AND FINANCIAL HIGHLIGHTS

CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP¹

In 2017, “**revenues**” exceeded EUR 1.4 billion, with a growth of **19.2%** compared to the previous year.

The “*motorway sector revenue*” totalled EUR 1,047.4 million (EUR 1,007.1 million in 2016), broken down as follows:

- “*net toll revenue*” of EUR 1,017.3 million, up EUR 38.4 million (+3.92%) as a result of the rise in traffic volumes (EUR + 23.3 million) and the payment of toll adjustments (only and in part for the Turin-Milan, Turin – Piacenza, Parma – La Spezia and Turin - Savona sections) effective from 1 January 2017 (EUR +15.1 million);
- “*rental income - royalties from service areas*” of EUR 30.1 million.

“*Construction sector revenue*” totalled EUR 287 million with a positive change of EUR 181.3 million mainly due to (i) consolidation of the Itinera Group and the ACI for the full year (the operating results of these Groups in 2016 were consolidated only for the second half of 2016) and (ii) the consolidation of Halmar Group's production as from 5 July 2017.

“*Engineering sector revenue*” totalled EUR 8.1 million and reflects a decline in activities carried out for third parties, due to the competitive and strategic repositioning of the “business unit”. It should be noted that the reorganization and restructuring plan started in 2016 and aimed at restoring profitability, continues to move forward according to schedule.

“*Technology sector revenue*” totalled EUR 39.4 million, reflecting a decline in activities carried out with Group companies, offset by significant growth in production for third parties.

“**Operating costs**”, in the amount of EUR 716.9 million, increased EUR 174.9 million mainly as a result of the full year consolidation of the Itinera Group and ACI Group, as well the Halmar Group as from 5 July 2017. This increase related to the change in the scope of consolidation benefited from the saving and cost efficiency activities implemented by the Group in 2017.

In light of the foregoing, the “**gross operating margin (EBITDA)**” came to EUR 719.1 million and showed an increase of EUR 56 million (+8.5%), reflecting the changes occurred in the business segments in which the Group operates. In particular, this result reflected the growth of the gross operating margin of the “motorway sector” for EUR 693.3 million (EUR +47.7 million), of the “construction sector” for EUR 19.6 million (EUR +9.1 million), of the “engineering sector” for EUR 5.4 million (EUR +1 million) and the “technology sector” for EUR 19.4 million (EUR +0.7 million), to which corresponds a decline in the “services sector” with a negative result of EUR 18.5 million (EUR -2.5 million).

The entry “**non-recurring items**” negative by EUR 12.8 million is the result of accrued expenses in the period for the reorganisation, optimisation of procedures and resource rationalisation.

The entry “**net amortisation/depreciation and provisions**” totalled EUR 333.9 million (vs. EUR 312.6 million in 2016); The change compared to the previous year is the result of the following: (i) higher amortisation of non-compensated revertible assets of EUR 10.4 million², (ii) higher depreciation and amortisation of tangible and intangible assets of EUR 3.7 million (mainly due to the consolidation of the Itinera Group for 12 months and the Halmar Group for the second half of 2017), (iii) the change in the “provision for restoration, replacement and maintenance” of non-compensated revertible assets of EUR 4.4 million and (iv) higher provisions for risks and charges of EUR 2.8 million.

The entry “**financial income**” totalled EUR 57.5 million with a change of EUR 13.2 million due to higher capital gains resulting – mainly - from the disposal of the equity investments in the parking sector (EUR 27.2 million) and in FNM S.p.A. (EUR 6.2 million) partially offset by the reduction of interest arising from the investment of cash.

“**Financial charges**” – including the charges for interest rate swap agreements – decreased due to (i) the reduction in the average financial indebtedness compared to the same period the previous year, mainly due to repayment of the SIAS 2005-2017 convertible bond loan on 30 June 2017, (ii) the process of improving the efficiency of financial resources and financing sources and (iii) the interest-rate trend on the variable-rate portion of net financial indebtedness.

The **portion of profit for the period assigned to the Parent Company's Shareholders** amounted to EUR 149.6³ million (vs. EUR 94.2 million in 2016).

¹ The analysis of the revenue and expenditure items for 2017 reflects the inclusion of the Itinera group for the full year (limited to the second half of 2016) and the Halmar Group as from 5 July 2017, as a result of acquiring the majority share- holding in Halmar.

² Please note that in calculating the amortisation of non-compensated revertible assets, the so-called “takeover” values set out in the economic-financial plans approved by the Granting Body in September 2017, and the agreements signed with them regarding the A21 section were taken into account.

³ The portion of profit for the period assigned to the Parent Company's Shareholders does not take into account the portion attributable to “discontinued operations” which totalled EUR 0.3 million in 2017 and EUR 1.4 million in 2016.

Consolidated income data summary table

<i>(amounts in thousands of EUR)</i>	2017	2016 ¹	Changes
Motorway sector revenue – operating activities ⁽¹⁾	1,047,394	1,007,127	40,267
Construction sector revenues ⁽²⁾	286,900	105,635	181,265
<i>Engineering</i> sectors revenues	8,093	10,292	(2,199)
Technology sector revenue	39,449	36,072	3,377
Other revenue ⁽³⁾	54,216	45,988	8,228
Total turnover	1,436,052	1,205,114	230,938
Operating costs ⁽¹⁾⁽²⁾⁽³⁾	(716,912)	(542,037)	(174,875)
Gross operating margin (EBITDA)	719,140	663,077	56,063
Non-recurring items	(12,835)	(1,844)	(10,991)
"Reported" gross operating margin (EBITDA)	706,305	661,233	45,072
Net amortisation/depreciation and provisions	(333,928)	(312,580)	(21,348)
Operating income	372,377	348,653	23,724
Financial income	57,499	44,348	13,151
Financial charges	(104,097)	(116,999)	12,902
Capitalised financial charges	19,699	21,316	(1,617)
Write-down of equity investments	(1,824)	(12,672)	10,848
Profit (loss) of companies accounted for by the equity method	10,992	(13,890)	24,882
Net financial income	(17,731)	(77,897)	60,166
Profit before tax	354,646	270,756	83,890
Income taxes (current and deferred)	(91,689)	(96,321)	4,632
Profit (loss) for the period from ongoing activities (Continued operations)	262,957	174,435	88,522
Profit (loss) for the period of "assets held for sale net of taxes" (<i>Discontinued Operations</i>)	516	2,183	(1,667)
Profit (loss) for the period	263,473	176,618	86,855
• Profit assigned to minority interests (<i>Continued operations</i>)	113,353	80,278	33,075
• Profit assigned to the Parent Company's Shareholders (Continued operations)	149,604	94,157	55,447
• Profit assigned to minority interests (<i>Discontinued Operations</i>)	192	813	(621)
• Profit assigned to the Parent Company's Shareholders (Discontinued Operations)	324	1,370	(1,047)

(1) Amounts net of the fee/additional fee payable to ANAS (EUR 75.9 million in 2017 and EUR 74.1 million in 2016).

(2) With regard to concession holder companies, the IFRIC12 requires full recognition, in the Income Statement, of costs and revenues for "construction activity" concerning non-compensated revertible assets; In order to provide a clearer representation in the table above, these components – amounting to EUR 227.4 million for the FY 2017 – of which EUR 190 million relating to the motorway sector and EUR 37.4 million relating to the construction sector (EUR 187.1 million in 2016, of which EUR 175.2 million relating to the motorway sector and EUR 11.9 million relating to the construction sector) – were reversed for the same amount from the corresponding revenue/cost items.

(3) Amounts net of cost/revenues reversals of EUR 5.6 million in 2017 (EUR 5.6 million in 2016).

¹ The comparative data of the previous year have been restated as a result of the classification pursuant to IFRS 5, of Fiera Parking S.p.A. as a result of the sale of the entire shareholding in November 2017.

CONSOLIDATED FINANCIAL DATA OF THE GROUP

"Adjusted" net financial indebtedness" amounted to EUR 1,333.1 million, an increase of some EUR 288.4 million compared to 31 December 2016.

The change in the financial year was mainly due to: (i) the payment of dividends (FY 2016 final and FY 2017 interim) by the Parent Company (EUR 42.9 million), (ii) the payment of dividends, advances and reserves by Subsidiaries to Minority Shareholders (EUR 38.6 million), (iii) the implementation of enhancement works on the Group's motorway infrastructure (EUR 198.6 million), (iv) the realisation of other tangible and intangible assets (EUR 10.4 million), (v) the purchase of investments in Primav Infrastruttura S.A. and Ecorodovias Infrastruttura e Logistica S.A. (EUR 53.4 million), (vi) the acquisition of the Halmar Group (EUR 51.8 million) and other equity investments and *minorities* (EUR 2 million), (vii) the debt resulting from the consolidation of the Halmar Group (EUR 3.6 million), (viii) the payment of the instalment due with respect to the payable due to ANAS Central Insurance Fund (EUR 31.4 million) and (ix) the change in net working capital and other minor changes (for EUR 21.7 million), offset by (i) the "operating cash flow" (EUR 533.4 million), (ii) the liquidity generated from the disposal of the equity investment in the "parking sector", in FNM S.p.A and other equity investments (EUR 71.6 million) and (iii) lower net debt as a result of the sale of Fiera Parking S.p.A. (EUR 18 million).

The change in "non-current financial receivables" is the result of: (i) the accrual- by the subsidiary SATAP S.p.A.- of financial receivables in the amount of EUR 111.3 million regarding the so-called "takeover value" for the "A21 Turin – Piacenza" section, for which the concession expired on 30 June 2017 and (ii) the reversal of "receivables from guaranteed minimum amounts" for Fiera Parking S.p.A. following the sale thereof (EUR -47.5 million).

The reduction in the "discounted value of the payable due to ANAS – Central Insurance Fund" is due to above payment of the instalments due and the assessment of the charges for discounting the payable.

"Net financial indebtedness" also includes the positive difference accrued (EUR 32.4 million), for the fair value of IRS agreements (no cash item).

It is noted that the "net financial position" does not include units of "investment funds" for approximately EUR 11 million subscribed during the year in order to invest cash.

Summary table of consolidated financial data

<i>(amounts in thousands of EUR)</i>	31/12/2017	31/12/2016	Changes
A) Cash and cash equivalents	554,936	877,185	(322,249)
B) Securities held for trading	5,915	11,660	(5,745)
C) Liquidity (A) + (B)	560,851	888,845	(327,994)
D) Financial receivables	486,002	451,848	34,154
E) Bank short-term borrowings	(34,846)	(44,913)	10,067
F) Current portion of medium/long-term borrowings	(273,770)	(486,831)	213,061
G) Other current financial liabilities	(46,355)	(282,820)	236,465
H) Short-term borrowings (E) + (F) + (G)	(354,971)	(814,564)	459,593
I) Current net cash (C) + (D) + (H)	691,882	526,129	165,753
J) Bank long-term borrowings	(950,801)	(956,785)	5,984
K) Hedging derivatives	(55,092)	(87,466)	32,374
L) Bonds issued	(994,062)	(992,744)	(1,318)
M) Other long-term payables	(2,363)	(2,346)	(17)
N) Long-term borrowings (J) + (K) + (L) + (M)	(2,002,318)	(2,039,341)	37,023
O) Net financial indebtedness^(*) (I) + (N)	(1,310,436)	(1,513,212)	202,776
P) Non-current financial receivables	113,595	49,787	63,808
Q) Discounted value of the payable due to ANAS – Central Insurance Fund	(136,273)	(158,073)	21,800
R) "Adjusted" net financial indebtedness (O) + (P) + (Q)	(1,333,114)	(1,621,498)	288,384

(*) Pursuant to ESMA Recommendation

RESULTS OF THE PARENT COMPANY– ASTM S.P.A.

The items contained in the Parent Company's income statement reflect the industrial holding activity carried out by it. In particular, "income from equity investments" refers to dividends and interim dividends collected in 2017, mainly by SIAS S.p.A. (EUR 46.4 million) and by Sina S.p.A. (EUR 1.6 million). The profit in 2017 totalled EUR 43.4 million.

The Company's "net financial indebtedness" as at 31 December 2017 amounted to EUR 28.9 million (EUR 104.5 million as at 31 December 2016), improved by EUR 75.5 million, due to the payment of bonds held, regarding the SIAS 2005-2017 convertible bond for an amount of EUR 102.8 million.

The main *revenue and expenditure items* of the Company may be summarised as follows:

<i>(amounts in thousands of EUR)</i>	2017	2016	Changes
Income from equity investments	48,732	53,441	(4,709)
Other financial income	3,173	6,381	(3,208)
Interest and other financial charges	(1,290)	(3,050)	1,760
Financial income and charges	50,615	56,772	(6,157)
Value adjustments of financial assets	(897)	(5,127)	4,230
Other operating income	2,553	2,097	456
Other operating costs	(10,089)	(10,169)	80
Pre-tax profit	42,182	43,573	(1,391)
Income taxes	1,233	2,114	(881)
Profit (loss) for the period	43,415	45,687	(2,272)

MOTORWAY CONCESSION SECTOR

Motorway traffic performance and toll adjustments

Traffic in 2017, compared to 2016 **grew 2.17%**, further strengthening – with regard to both "light vehicles" (+1.69%) and "heavy vehicles" (+3.69%) – the positive trend already experienced in previous years.

As regards the toll adjustments for 2018, it should be noted that - based on provisions set out in the Italian Interministerial Decrees - average adjustment for the motorway segments managed by the Group was **3.02%**.

Furthermore, in September 2017, subsidiaries SALT p.A., Autostrada dei Fiori S.p.A., Autocamionale della Cisa S.p.A., Autostrada Torino Savona S.p.A.¹ and SAV S.p.A.² signed with the Ministry of Infrastructure and Transport ("MIT") riders to their existing agreements to implement the updated Financial Plans ("PEF"). The signing of the riders and the toll adjustments provide for therein ended the period of regulatory uncertainty, also providing for the recovery of lower toll income at licensees due - in previous years - to the late approval of the companies' updated Economic-Financial Plans by MIT.

Increase in the Group's Italian motorway network

The A21 Piacenza-Cremona-Brescia motorway concession came into effect on 1 March 2018; the 25-year concession was awarded by tender to the subsidiary Autovia Padana S.p.A. in 2015.

¹ Note that Autocamionale della Cisa S.p.A. was merged into SALT p.A. as from 1 November 2017

² Note that Autostrada Torino-Savona S.p.A. was merged into Autostrada dei Fiori S.p.A. as from 1 November 2017

Ecorodovias

As regards Ecorodovias Infraestrutura e Logística S.A., one of the largest players among Brazilian motorway operators on which the group has joint control and is listed on the Novo Mercado BOVESPA ("Ecorodovias"), the company reported in **2017**:

- a **net profit** of BRL 400.1 million, an **increase of 48.4%**
- pro-forma **EBITDA** of BRL 1,748.8 million, an **increase of 15.0%**
- an **increase in motorway sector revenue** of **12.2%** which totalled BRL 2,618.9 million (vs. BRL 2,334.3 million in 2016)
- an **increase** in traffic **volumes** of **3.8%**
- **new awards/acquisition** of an additional **850 km** of motorway sections in the first three months of 2018

In the first quarter of 2018, as part of its strategy to focus on the concessions sector and extending the average duration of its highway concessions portfolio, Ecorodovias (i) was awarded concessions "**Rodoanel Norte**" (northern section of Brazil's São Paulo ring road) and **BR-135/MG** and acquired the licensee "**Rodovias Minas Gerais Goiás**" (MGO) (thereby increasing its motorway concession portfolio to a total of 850 km of roads), (ii) acquired all "minorities" relating to the subsidiaries Eco101 and Ecosul and (iii) divested 100% of Elog S.A., a logistics company.

CONSTRUCTION SECTOR - ITINERA GROUP

The ItineraGroup, as a result of its international expansion process started in recent years, is a global player operating in various regions around the world. The international business development plan continued during the year through the participation in tenders, opening of new branches and hiring personnel, the incorporation of new companies and making direct investments in companies already operating in the sector.

The main areas of operation, besides the domestic market in which the Group operates-and in particular in the north-west of Italy due to the synergies linked to the same Group, especially active in the sector of motorway licensee companies, are represented by Central and Northern Europe (Denmark, Romania, Austria), USA, Brazil, Gulf countries (UAE, Kuwait, Oman), and Southern Africa (Kenya, Botswana).

As part of the international expansion process, it should be noted that, on 5 July 2017, the transaction for the acquisition of 50% of the quotas in the share capital of Halmar International LLC, a construction company in the New York metropolitan area and the East Coast that operates in the transport infrastructure sector (roads, motorways, railways, undergrounds, airports, bridges and viaducts) was perfected. Moreover, the Brazilian company Itinera Construcoes LTDA was incorporated in 2017, to carry out maintenance and construction work for the motorway licensee company Ecorodovias.

Itinera Group's "**value of production**" came to some **EUR 400 million** in 2017 (vs. EUR 381 million in 2016).

The "**net financial indebtedness**" as at 31 December 2017, amounted to **EUR 21 million** (vs. EUR 7.7 million as at 31 December 2016).

The "**order backlog**" of the Itinera Group as at 31 December 2017, as a result of the updates to the investment plans to which the single operations refer, amounted to around **EUR 3.5¹ billion**, of which **51.6%** abroad. To date, taking into account the other contracts secured in January and February 2018 by the subsidiaries Itinera S.p.A. and Halmar International LLC, the portfolio has increased to **EUR 4.0 billion**.

The "**profit for the period assigned to Parent Company's Shareholders**" amounted to around **EUR 4.7 million**.

¹ Figures resulting from the application of currency translation differences at 31.12.2017 for contracts denominated in currencies other than euro

BUSINESS OUTLOOK

As regards the concession sector, signs of pick up in traffic volumes and the efficiency policies implemented by the company - in the implementation of the regulatory framework which stabilized and became effective following the signing of the riders - should enable further consolidation of the Italian subsidiaries operating in the motorway sector results for the current year. The results for the year of the Group should also reflect, positively, the effects of management— starting from 1 March 2018 - the Piacenza-Cremona-Brescia section, of the Brazilian company in the Ecorodovias Group, as well as the effects of the agreements concerning the "Sistema Tangenziale Esterna-Brebem".

As regards the construction sector, a significant increase in turnover is expected, also in view of the important organisational and operational developments resulting from the acquisition of controlling interest in the US company Halmar International LLC and the contracts awarded in foreign countries during the year which will become operational during the year.

Lastly, the Group expects to continue its international expansion and geographical diversification process through its subsidiaries in the various areas of operation (concession, construction, engineering and technology).

PROPOSAL FOR ALLOCATION OF THE NET PROFIT

Regarding the allocation of the profit for the year, the proposal formulated by the Board of Directors entails the distribution of a final dividend of EUR 0.255 per share, totalling approximately EUR 23,6 million.

The total amount of the dividend for the year 2017, taking account of the distribution last November of an interim dividend of EUR 0.214 per share, comes to EUR 0.469 per share, for a total amount of around EUR 43.4 million (+4,1%).

Pursuant to the regulations issued by Borsa Italiana S.p.A., the dividend can be paid from 30 May 2018 (in such event, the shares shall be quoted ex-dividend from 28 May 2018, against detachment of coupon no. 47).

Entitlement to payment of said dividend will be determined by reference to the accounting records indicated in art. 83-quater, paragraph 3 of Italian Legislative Decree 58 of 24 February 1998 as at the end of the business day 29 May 2018 (the record date).

NOTICE OF ORDINARY SHAREHOLDERS' MEETING

[The Board of Directors, in today's meeting, resolved to convene on the Ordinary Shareholders' Meeting in Single Call on 20 April 2018, to (i) approve the Separate Financial Statements as at 31 December 2017, (ii) approve the allocation of profit for the year and dividend distribution, (iii) the provisions pursuant to art. 2386 of the Italian Civil Code, (iv) approve Section I of the Remuneration Report, and (v) approve the request for the authorisation to purchase and dispose of treasury shares.

2017 CONSOLIDATED NON-FINANCIAL STATEMENT (2017 SUSTAINABILITY REPORT)

The Company's Board of Directors reviewed and approved, as part of the sustainability initiatives undertaken, the "Consolidated non-financial statement as at 31 December 2017". Approval gives a strong signal of the Board's commitment and awareness of the significance of full integrating social and environmental issues with financial issues.

The **Separate Financial Statements** and the **Consolidated Financial Statements** (inclusive of relevant reports by the Independent Auditors and the Board of Statutory Auditors), the "**Annual Report on Corporate Governance and Ownership Structures**", as well as the **Consolidated non-financial statement** shall be made available to the public and published on the Company's website (www.astm.it), in accordance with the Law.

The manager in charge of drawing up the corporate accounting documents, Ms. Lucia Scaglione hereby declares, pursuant to paragraph 2 of Article 154 bis of Legislative Decree no. 58 of 24 February 1998, that the accounting information contained in this press release corresponds to the documented results, books and accounting records.

It should be noted that the audit of the Financial Statements that are the subject of this press release is yet to be completed at the date of writing.

On 15 March 2018, at 10:30 CET, the Company shall hold a Conference Call to present its economic and financial results for 2017 to the financial community. Shortly before the conference call, a presentation shall be available for download at www.astm.it in the investor relations/presentations section.

Ann.: - Separate Financial Statements
- Consolidated Financial Statements

ASTM S.p.A.

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ALTERNATIVE PERFORMANCE MEASURES

Pursuant to Consob Communication of 3 December 2015, implementing in Italy the guidelines on Alternative Performance Measures (hereinafter also "APM") issued by the European Securities and Markets Authority (ESMA), which are mandatory when publishing regulated information or prospectuses after 3 July 2016, the criteria used to develop the main APMs published by the ASTM Group are described below.

The APMs presented in the "Management Report" are considered relevant for assessing the overall operating performance of the Group, the operating segments and the individual Group companies. In addition, the APMs are considered to provide better comparability over time of the same results, although they are not a replacement or an alternative to the results provided in the "Consolidated Financial Statements" according to the IAS/IFRS (official or reported data).

With reference to the APMs relating to the consolidated results, it should be noted that, in the "Economic, equity and financial data" section, the ASTM Group presents reclassified financial statements that differ from those envisaged by the IAS/IFRS included in the Condensed Consolidated Half-yearly Financial Statements; therefore, the reclassified consolidated income statement, consolidated statement of financial position and net financial indebtedness contain, in addition to the economic-financial and equity data governed by the IAS/IFRS, certain indicators and items derived therefrom, although not required by said standards and therefore called "APMs".

The main APMs presented in the Management Report and a summary description of their composition, as well as a reconciliation with the corresponding official data, are provided below:

- a) "Revenues": differs from "Total revenues" in the Consolidated Financial Statements as it does not include (i) revenue for the planning and construction activities relating to non-compensated revertible assets, (ii) the toll/surcharge payable to ANAS, (iii) reversal of costs/revenues for consortia (iv) and "non-recurring" revenue items that the Company does not deem can be replicated.
- b) "Gross operating margin" (EBITDA): is the summary indicator of operating performance and is determined by subtracting from the "Total revenue" all recurring operating costs, excluding amortisation and depreciation, provisions and write-downs of intangible and tangible assets. The "Gross operating margin" does not include the balance of non-recurring items, the balance of financial items and taxes.
- c) "Reported" gross operating margin": is calculated by adding/subtracting "non-recurring" operating costs and revenue from the "gross operating margin".
- d) "Operating income": measures the profitability of total capital invested in the company and is determined by subtracting the amortisation and depreciation, provisions and write-downs of intangible and tangible assets from the "gross operating margin".
- e) "Net invested capital": shows the total amount of non-financial assets, net of non-financial liabilities.
- f) "Adjusted net financial indebtedness": is the indicator of the net invested capital portion covered by net financial liabilities and corresponds to "Current and non-current financial liabilities", net of "Current financial assets", "Insurance policies" and "Financial receivables from guaranteed minimum amounts (IFRIC 12)". Note that the "Adjusted net financial indebtedness" differs from the net financial position prepared in accordance with the ESMA recommendation of 20 March 2013, as it includes the "Present value of the amount due to ANAS – Central Insurance Fund" and "Non-current financial receivables". The adjusted net financial indebtedness statement contains an indication of the value of the net financial position prepared in accordance with the aforementioned ESMA recommendation.
- g) "Operating cash flow": is the indicator of the cash generated or absorbed by operations and was determined by adding to the profit for the year the amortisation and depreciation, the adjustment of the provision for restoration, replacement and maintenance of non-compensated revertible assets, the adjustment of the employee severance indemnity provision, the provisions for risks, the losses (profits) of companies accounted for by the equity method and the write-downs (revaluations) of financial assets, and by subtracting the capitalisation of financial charges.



ASTM S.p.A.
Separate Financial Statements
as at 31 December 2017

Balance Sheet

(amounts in thousands of EUR)

31 December 2017

31 December 2016

Assets

Non-current assets

Intangible assets	41	80
Tangible assets	6,412	6,633
Non-current financial assets		
equity investments in subsidiaries	1,815,196	1,814,921
equity investments in associated companies	9,547	9,547
equity investments in other businesses – available for sale	9,257	8,872
receivables	28,059	159
other	-	101,923
Total non-current financial assets	1,862,059	1,935,422
Deferred tax credits	2,757	3,364
Total non-current assets	1,871,269	1,945,499

Current assets

Inventories		
Trade receivables	1,200	1,178
Current tax credits	255	291
Other receivables	828	241
Assets held for trading	-	-
Assets available for sale	-	-
Financial receivables	-	2,752
Total current assets	2,283	4,462
Cash and cash equivalents	6,255	42,808
Total current assets	8,538	47,270
Total assets	1,879,807	1,992,769

Shareholders' equity and liabilities

Shareholders' equity

Shareholders' equity		
share capital	46,250	46,250
reserves and earnings	1,794,735	1,793,373
Total shareholders' equity	1,840,985	1,839,623

Liabilities

Non-current liabilities

Provisions for risks and charges and employee severance indemnity	874	321
Trade payables	-	-
Other payables	-	-
Bank debt	34,983	-
Hedging derivatives	-	-
Other financial liabilities	-	-
Deferred tax liabilities	4	3
Total non-current liabilities	35,861	324

Current liabilities

Trade payables	1,171	1,390
Other payables	814	749
Bank debt	11	149,773
Other financial liabilities	192	251
Current tax liabilities	773	659
Total current liabilities	2,961	152,822
Total liabilities	38,822	153,146
Total shareholders' equity and liabilities	1,879,807	1,992,769

Income statement

<i>(amounts in thousands of EUR)</i>	FY 2017	FY 2016
Financial income and charges		
Income from equity investments:		
from subsidiaries	47,965	46,561
from other businesses	767	6,880
Total income from equity investments	<u>48,732</u>	<u>53,441</u>
Other financial income	3,173	6,381
Interest and other financial charges	(1,290)	(3,050)
Total financial income and charges (A)	<u>50,615</u>	<u>56,772</u>
Value adjustments of financial assets		
Revaluations	-	-
Write-downs	(897)	(5,127)
Total value adjustments of financial assets (B)	<u>(897)</u>	<u>(5,127)</u>
Other operating income (C)	2,553	2,097
Other operating costs		
payroll costs	(1,762)	(1,370)
costs for services	(7,288)	(7,309)
costs for raw materials	(3)	(4)
other costs	(774)	(1,223)
amortisation, depreciation and write-downs	(262)	(263)
other provisions for risks and charges		
Total other operating costs (D)	<u>(10,089)</u>	<u>(10,169)</u>
Profit (loss) before taxes (A+B+C+D)	42,182	43,573
Taxes	1,233	2,114
Profit (loss) for the period	<u>43,415</u>	<u>45,687</u>

Note: To take into account the activity of ASTM S.p.A. as an "industrial holding company", we have used the format required by CONSOB Communication no. 94001437 of 23 February 1994 for that type of Company. For this reason, it differs from the one used for the ASTM Group.

Other comprehensive income

<i>(amounts in thousands of EUR)</i>	FY 2017	FY 2016
Profit (loss) for the period (a)	43,415	45,687
Actuarial profit (loss) on employee benefits (Employee Severance Indemnity)	12	58
Tax effect on profit (loss) that will not be subsequently reclassified in the Income Statement	-	-
Profit (loss) that will not be subsequently reclassified in the Income Statement (b)	12	58
Profit (loss) posted to "reserves for revaluation to <i>fair value</i> " (financial assets available for sale)	855	(1,115)
Tax effect on profit (loss) that will be subsequently reclassified in the Income Statement when certain conditions are met	-	5
Profit (loss) that will be subsequently reclassified in the Income Statement when certain conditions are met (c)	855	(1,110)
Comprehensive income (a) + (b) + (c)	<u>44,282</u>	<u>44,635</u>

Cash flow statement

<i>(amounts in thousands of EUR)</i>	FY 2017	FY 2016
Beginning cash and cash equivalents (a)	42,808	150,077
Business operations:		
Profit	43,415	45,687
Adjustments		
Amortisation and depreciation	262	263
Updating Employee Severance Indemnity	673	37
Financial charges (income)	-	(6,363)
Capital gain on sale of investments	(394)	-
Write-down/(revaluation) of the "option component" of the SIAS convertible bond loan	897	(3,421)
Changes in the "credit component" of the SIAS convertible bond loan	(1,792)	5,128
	<i>Operating cash flow (I)</i>	<i>41,331</i>
Net change in deferred tax credits and liabilities	608	(2,070)
Change in net working capital	(613)	(647)
Other changes from operating activity	(108)	(924)
	<i>Change in net working capital and other changes (II)</i>	<i>(3,641)</i>
Cash generated (absorbed) by operating activity (I+II) (b)	42,948	37,690
Investment activity:		
Investments in intangible assets	(2)	-
Investments in property, plant, machinery and other assets	-	-
Net investments in non-current financial assets - equity investments		
<i>Acquisition SINA</i>	(275)	-
<i>Sale of IGLI shares</i>	-	25,834
<i>Sale of Investments and other assets</i>	864	1,149
Net investments in other financial assets	-	-
<i>Repayment of Convertible bond loan</i>	102,818	-
<i>Loan to IGLI</i>	(27,900)	-
Net divestiture of property, plant, machinery and other assets	-	-
Cash generated (absorbed) by investment activity (c)	75,505	26,983
Financial activity:		
Change in bank debt	(114,779)	149,773
Change in other financial liabilities	(59)	(275,749)
Investments in non-current financial assets	-	-
Divestiture of non-current financial assets	2,752	10,164
Expenses linked to share capital increase	-	(1,349)
Purchase of treasury shares	-	(15,602)
Dividend distribution	(42,920)	(39,179)
Cash generated (absorbed) by financial activity (d)	(155,006)	(171,942)
Ending cash and cash equivalents (a+b+c+d)	6,255	42,808



ASTM Group
Consolidated Financial Statements
as at 31 December 2017

Consolidated balance sheet

(amounts in thousands of EUR)

31 December 2017

31 December 2016

	31 December 2017	31 December 2016
Assets		
Non-current assets		
Intangible assets		
goodwill	82,865	42,034
other intangible assets	14,685	16,080
concessions – non-compensated revertible assets	2,909,419	3,124,903
Total intangible assets	3,006,969	3,183,017
Tangible assets		
property, plant, machinery and other assets	103,109	98,269
financial lease assets	7,590	6,317
Total tangible assets	110,699	104,586
Non-current financial assets		
investments accounted for by the equity method	1,007,179	1,034,450
unconsolidated investments – available for sale	123,917	140,984
receivables	111,744	208,302
other	364,999	226,998
Total non-current financial assets	1,607,839	1,610,734
Deferred tax credits	151,079	156,981
Total non-current assets	4,876,586	5,055,318
Current assets		
Inventories	156,334	117,068
Trade receivables	208,267	193,065
Current tax credits	29,340	28,036
Other receivables	55,385	47,046
Assets held for trading	5,915	11,660
Assets available for sale	-	-
Financial receivables	243,688	235,722
Total	698,929	632,597
Cash and cash equivalents	554,936	877,185
Subtotal Current assets	1,253,865	1,509,782
Discontinued operations/Non-current assets held for sale	46,942	-
Total current assets	1,300,807	6,565,100
Total assets	6,177,393	6,565,100
Shareholders' equity and liabilities		
Shareholders' equity		
Shareholders' equity attributed to the parent company		
share capital	46,221	46,221
reserves and earnings	1,812,865	1,771,976
Total	1,859,086	1,818,197
Capital and reserves attributed to Non-Controlling Interests	1,006,954	925,323
Total shareholders' equity	2,866,040	2,743,520
Liabilities		
Non-current liabilities		
Provisions for risks and charges and Employee benefits	211,831	232,410
Trade payables	-	-
Other payables	203,234	213,667
Bank debt	950,801	956,785
Hedging derivatives	55,092	87,466
Other financial liabilities	996,425	995,090
Deferred tax liabilities	59,501	66,161
Total non-current liabilities	2,476,884	2,551,579
Current liabilities		
Trade payables	241,795	241,637
Other payables	213,746	189,835
Bank debt	308,616	531,744
Other financial liabilities	46,355	282,820
Current tax liabilities	23,957	23,965
Subtotal current liabilities	834,469	1,270,001
Liabilities directly related to Discontinued operations/Non-current assets held for sale	-	-
Total current liabilities	834,469	1,270,001
Total liabilities	3,311,353	3,821,580
Total shareholders' equity and liabilities	6,177,393	6,565,100

Consolidated income statement

<i>(amounts in thousands of EUR)</i>	FY 2017	FY 2016 Restated(*)
Revenues		
motorway sector – operating activities	1,123,298	1,081,205
motorway sector – planning and construction activities	190,032	175,222
construction sector - planning and construction activities	37,381	11,908
construction sector	286,900	105,635
engineering sector	8,093	10,292
technology sector	39,449	36,072
Other	59,708	49,999
Total revenue	1,744,861	1,470,333
Payroll costs	(253,170)	(209,649)
Costs for services	(570,127)	(404,451)
Costs for raw materials	(79,211)	(57,590)
Other costs	(137,230)	(138,732)
Capitalised costs on fixed assets	1,182	1,322
Amortisation, depreciation and write-downs	(336,282)	(322,187)
Adjustment of the provision for restoration, replacement and maintenance of non-compensated revertible assets	9,948	14,419
Other provisions for risks and charges	(7,594)	(4,812)
Financial income:		
from unconsolidated investments	35,632	1,182
other	21,867	43,166
Financial charges:		
interest expense	(78,602)	(87,965)
other	(5,796)	(7,718)
write-down of equity investments	(1,824)	(12,672)
Profit (loss) of companies accounted for by the equity method	10,992	(13,890)
Profit (loss) before taxes	3546,46	270,756
Taxes		
Current taxes	(97,054)	(104,622)
Deferred taxes	5,365	8,301
Profit (loss) for the period for continued operation	262,957	174,435
<i>Profit (loss) for assets held for sale net of taxes (Discontinued Operation)</i>	516	2,183
Profit (loss) for the period	263,473	176,618
• portion assigned to Non-Controlling Interests (<i>Continued Operation</i>)	113,353	80,278
• portion assigned to Parent Company's Shareholders (<i>Continued Operation</i>)	149,604	94,157
• portion assigned to Non-Controlling Interests (<i>Discontinued Operation</i>)	192	813
• portion assigned to Parent Company's Shareholders (<i>Discontinued Operation</i>)	324	1,370
Earnings per share		
Earnings (euro per share) (<i>Continued Operation</i>)	1,600	0,989
Earnings (euro per share) (<i>Discontinued Operation</i>)	0,003	0,023

Other comprehensive income

<i>(amounts in thousands of EUR)</i>	FY 2017	FY 2016 Restated(*)
Profit (loss) for the period (a)	263,473	176,618
Actuarial profit (loss) on employee benefits (Employee Severance Indemnity)	595	(1,547)
Actuarial profit (loss) on employee benefits (Employee Severance Indemnity) – companies accounted for by the equity method	(281)	22
Tax effect on profit (loss) that will not be subsequently reclassified in the Income Statement	(125)	385
Profit (loss) that will not be subsequently reclassified in the Income Statement (b)	189	(1,140)
Profit (loss) posted to "reserve for revaluation to fair value" (financial assets available for sale)	(2,008)	1,701
Profit (loss) posted to "reserve for cash flow hedge" (interest rate swap)	42,845	12,012
Profit (loss) posted to "reserve for cash flow hedge" (foreign exchange hedge)	(2,053)	38,053
Portion of other profit/(loss) of companies accounted for by the equity method (reserve for foreign exchange translations)	(98,133)	101,591
Tax effect on profit (loss) that will be subsequently reclassified in the Income Statement when certain conditions are met	(6,948)	(6,624)
Profit (loss) that will be subsequently reclassified in the Income Statement when certain conditions are met (c)	(66,297)	146,733
Comprehensive Income (a) + (b) + (c)	197,365	322,211
• share attributable to Non-Controlling Interests (<i>Continued operation</i>)	109,342	103,109
• share attributable to Parent Company's Shareholders (<i>Continued operation</i>)	84,670	216,437
• share attributable to Non-Controlling Interests (<i>Discontinued operation</i>)	1,248	992
• share attributable to Parent Company's Shareholders (<i>Discontinued operation</i>)	2,105	1,673

(*) The comparative data of the previous year have been restated as a result of the classification pursuant to IFRS 5 of Fiera Parking S.p.A. as at 31 December 2017 following the sale programme started in November 2017.

Consolidated cash flow statement

<i>(amounts in thousands of EUR)</i>	2017	2016
Beginning cash and cash equivalents	877,185	1,176,540
Changes to the scope of consolidation	13,509	77,020
Beginning cash and cash equivalents, adjusted (a)	890,694	1,253,560
Profit (loss)	263,473	176,618
Adjustments		
Amortisation and depreciation	335,250	321,746
Amortisation and depreciation of other assets	575	4,253
Adjustment of the provision for restoration, replacement and maintenance of non-compensated revertible assets	(9,948)	(14,419)
Adjustment of the provision for employee severance indemnities	1,219	4,071
Provisions for risks	11,879	4,895
Other non-cash income/charges	(8,336)	-
Profit (loss) of companies accounted for by the equity method (net of dividends collected)	5,941	22,612
Other financial income/charges	(33,996)	-
(Revaluations) write-downs of financial assets	1,824	12,672
Foreign exchange differences	-	(8,157)
Other capitalised financial charges (income)	(14,792)	(15,113)
Capitalisation of financial charges	(19,699)	(21,316)
<i>Operating cash flow (I)</i>	533,390	487,862
Net change in deferred tax credits and liabilities	(4,399)	(14,713)
Change in net working capital	(26,201)	(35,568)
Other changes from operating activity	(27,998)	(8,648)
<i>Change in net working capital and other changes (II)</i>	(58,598)	(58,929)
Cash generated (absorbed) by operating activity (I+II) (b)	474,792	428,933
Investments in revertible assets	(227,577)	(196,625)
Divestiture of revertible assets	-	245
Grants related to revertible assets	32,394	22,543
<i>Net investments in revertible assets (III)</i>	(195,183)	(173,837)
Investments in property, plant, machinery and other assets	(10,133)	(8,313)
Investments in intangible assets	(2,549)	(2,888)
Net divestiture of property, plant, machinery and other assets	2,052	1,944
Net divestiture of intangible assets	185	827
<i>Net investments in intangible and tangible assets (IV)</i>	(10,445)	(8,430)
Acquisition of equity investments	(727)	(19,525)
(Investments)/divestiture in non-current financial assets	(960)	(3,163)
Loan to Primav Construções e Comércio SA	-	(27,150)
Divestiture in non-current financial assets – equity investments	-	1,149
<i>Purchase of Primav Infraestrutura SA and Ecorodovias Infraestrutura e Logistica SA shares</i>	<i>(53,385)</i>	<i>-</i>
<i>sale of parking sector</i>	<i>61,500</i>	<i>-</i>
<i>sale of other investments</i>	<i>11,929</i>	<i>-</i>
<i>Net investments in non-current financial assets (V)</i>	18,357	(48,689)
<i>Purchase of Halmar Group(VI)</i>	<i>(51,837)</i>	<i>-</i>
<i>Capital increase of Primav Infraestrutura SA (VII)</i>	<i>-</i>	<i>(476,268)</i>
Cash generated (absorbed) by investment activity (III+IV+V+VI+VII) (c)	(239,108)	(707,224)
Net change in bank debt	(222,462)	7,128
Change in financial assets	(12,092)	9,513
(Investments)/Divestiture of capitalisation policies	(20,671)	26,986
(Investments)/Divestiture of assets held for trading	5,745	(9,963)
Change in other financial liabilities (including Central Insurance Fund)	(239,544)	(20,221)
Changes in capital and reserves attributed to Non-Controlling Interests	(854)	(17,283)
Changes in shareholders' equity attributed to the Parent Company – purchase of treasury shares	-	(15,602)
Changes in shareholders' equity attributed to the Parent Company	-	(1,024)
Dividends (and interim dividends) distributed by the Parent Company	(42,920)	(39,179)
Dividends (and interim dividends) distributed by Subsidiaries to Minority Shareholders	(38,645)	(38,439)
Cash generated (absorbed) by financial activity (d)	(571,442)	(98,084)
Ending cash and cash equivalents (a+b+c+d)	554,936	877,185