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ASTM GROUP

Interim Financial Report

as at 30 June 2020

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Board of Directors and Board of Statutory Auditors

ASTM

Public Limited Company
Share capital EUR 70,257,447.50 fully paid-up
Tax code and registration with the
Turin Register of Companies no: 00488270018
Registered Office in Turin – Corso Regina Margherita 165
Website: <http://www.astm.it>
e-mail: astm@astm.it
Management and coordination: Nuova Argo Finanziaria S.p.A.

MEMBERS OF THE BOARD OF DIRECTORS

Chairman

Alberto Rubegni

Vice Chairman

Franco Moschetti ⁽²⁾

Chief Executive Officer

Umberto Tosoni ⁽¹⁾

Directors

Caterina Bima ⁽⁵⁾

Giulio Gallazzi ⁽²⁾

Giuseppe Gatto ⁽³⁾

Patrizia Michela Giangualiano ⁽³⁾

Venanzio Iacozzilli

Fabiola Mascardi ⁽⁴⁾

Rosario Mazza

Valentina Mele ⁽⁴⁾

Andrea Giovanni Francesco Pellegrini ⁽³⁾

Barbara Poggiali ⁽⁴⁾

Giovanni Quaglia

Micaela Vescia ⁽²⁾

BOARD OF STATUTORY AUDITORS

Chairwoman

Paola Camagni

Statutory Auditors

Piera Braja ⁽⁵⁾

Pellegrino Libroia

Alternate Auditors

Andrea Bonelli

Roberto Coda

Gasparino Ferrari

(1) Director responsible for the Internal Audit and Risk Management System

(2) Member of the "Appointments and Remuneration Committee"

(3) Member of the "Audit and Risk Committee"

(4) Member of the "Sustainability Committee"

(5) Member of the "Supervisory Body"

INDEPENDENT AUDITORS

PricewaterhouseCoopers S.p.A.

TERM OF OFFICE

The Board of Directors were appointed for three financial years by the Ordinary Shareholders' Meeting on 12 February 2020 and its term of office will expire with the Shareholders' Meeting that will be held for the approval of the 2022 Financial Statements. The Board of Statutory Auditors were appointed for three financial years by the Ordinary Shareholders' Meeting on 25 May 2020 and its term of office will expire with the Shareholders' Meeting that will be held for the approval of the 2022 Financial Statements. The Independent Auditors were appointed by the Ordinary Shareholders' Meeting on 28 April 2017 and are in office for nine financial years. Their term of office will expire with the Shareholders' Meeting that will be held for the approval of the 2025 Financial Statements.

POWERS OF COMPANY OFFICERS

The Chairman, appointed by the Board of Directors on 18 February 2020, exercises the powers conferred on them on the same date. The Vice-Chairman (appointed by the Board of Directors on 18 February 2020) was granted powers to be exercised in case of absence or impediment of the Chairperson. The Chief Executive Officer was appointed by means of a Board resolution dated 18 February 2020 and exercises the management powers granted to them by law and the Articles of Association.

FOREWORD

This interim financial report of the ASTM Group as at 30 June 2020 was prepared pursuant to the combined provisions of article 2428 of the Italian Civil Code, and of article 154-ter of the Consolidated Law on Finance (TUF), paragraphs 2, 3 and 4. The report also implements the CONSOB provisions on financial statements and company information representation, with Resolution no. 15519 of 27 July 2006 and Communication no. DEM/6064293 of 28 July 2006.

The Interim Financial Report includes:

- the Interim Management Report;
- Condensed Consolidated Interim Financial Report;
- Certification of the Condensed Consolidated Interim Financial Report pursuant to Art. 154-*bis* of Italian Legislative Decree 58/98.

The Condensed Consolidated Interim Financial Report is subject to limited auditing.

To allow improved assessment of economic management trends and the equity and financial situation, in addition to the conventional financial benchmarks established in the IAS/IFRS international accounting standards, the ASTM Group also uses some Alternative Performance Measures (hereafter, also “APM”).

The APMs presented in the Interim 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 “Condensed Consolidated Interim Financial Report” 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 separate financial statements that differ from those envisaged by the IAS/IFRS included in the Condensed Consolidated Interim Financial Report; therefore, the reclassified consolidated income statement, consolidated balance sheet 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) “Turnover”: differs from “Total revenues” in the schedule of the Condensed Consolidated Interim Financial Report in that it does not consider (i) revenues for design and construction of non-compensated revertible assets and (ii) the fee/additional fee payable to ANAS.
- b) “Value of production”: the value of production for the EPC sector represents revenues for works and planning, changes to works to order, revenues for sales of materials and the provision of services.
- c) “Gross operating margin (EBITDA)”: is the summary indicator of profitability deriving from operating activities 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. “Gross operating margin (EBITDA)” does not include the balance of financial items and taxes.
- d) “EBITDA margin motorway sector”: this is the ratio between “gross operating margin (EBITDA)” and turnover in the motorway sector
- e) “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 (EBITDA)”.
- f) “Net invested capital”: shows the total amount of non-financial assets, net of non-financial liabilities.
- g) “Backlog”: the orders not yet performed by the EPC sector.
- h) “Net financial indebtedness”: the net financial position prepared in compliance with the ESMA Recommendation of 20 March 2013.
- i) “Operating cash flow”: indicates the cash generated or absorbed by operating activities and is calculated by adding to the profit for the period the amortisation and depreciation, adjustment to the provision for restoration/replacement of non-compensated revertible assets, the adjustment of the employee benefits provision, the provisions for risks, the loss (profit) of companies accounted for by the equity method and the write-downs (revaluations) of financial assets, and by deducting the capitalisation of financial expenses.

MAIN INCOME AND FINANCIAL DATA

Below are the main consolidated income and financial data as at 30 June 2020:

(amounts in millions of EUR)	1HY 2020	1HY 2019
Turnover	860.0	989.2
Net toll revenue	400.5	540.5
EPC sector revenues	416.6	391.1
Gross operating margin (EBITDA)	185.5	362.2
Result of the Parent Company for the period under review	33.7	75.4
Operating cash flow	115.6	288.3
Motorway network investments	142.3	115.7

(amounts in millions of EUR)	30 June 2020	31 December 2019
Net financial indebtedness	848.7	1,352.2

- ✓ **Turnover: EUR 860 million** - Turnover in the first half of 2020 suffered significantly from impacts deriving from the Covid-19 pandemic, essentially with regards to motorway sector revenues, showing a reduction of EUR 129.2 million.
- ✓ **Net toll revenue: EUR 400.5 million** - The restrictions on mobility adopted by national and local government authorities starting at the end of February, intended to combat the spread of the epidemic, led to a reduction in motorway traffic for both light vehicles and, to a lesser extent, heavy vehicles. The decrease in traffic volumes was reflected in toll revenues which saw a decline of EUR 140 million¹ (-25.9%).
- ✓ **EPC sector revenues: EUR 416.6 million** - While the spread of the pandemic and the consequent containment measures adopted by government authorities led to the temporary suspension of activities in the main construction sites in Italy, the EPC sector showed an increase of production of around EUR 25.5 million (+6.5%), thanks to constant growth in turnover abroad where the effects of the pandemic in the countries in which the Group operates were much less significant during the half in question.
- ✓ **Gross operating margin (EBITDA): EUR 185.5 million** - the decrease in EBITDA, totalling EUR 176.7 million, is mainly due to the motorway sector, where the drop in net toll revenue was inevitably mirrored in the Gross operating margin (EBITDA). The EBITDA margin for the motorway sector, also due to the measures adopted by the Group to limit the economic effects of the epidemic while still guaranteeing full usability of the infrastructure managed and compliance with safety regulations for users and employees, showed a decrease in revenue of 13 percentage points, from 58.8% in the first half of 2019 to 45.8% in the first half of 2020.
- ✓ **Result of the Parent Company for the period under review: EUR 33.7 million** - the decrease in the gross operating margin (EBITDA), net of the change in amortisation and depreciation and in financial income, is reflected in the result for the period, which fell by EUR 41.7 million.
- ✓ **Motorway network investments: EUR 142.3 million** - Despite the operating difficulties which arose as a consequence of the Covid-19 pandemic, motorway network investments made during the half show a EUR 26.6 million increase (+23%).
- ✓ **Net financial indebtedness: EUR 848.7 million** - the improvement in net financial indebtedness, equal to EUR 503.5 million, is substantially attributable to the recognition among financial receivables of receivables from takeovers accrued on the expired concessions of the subsidiaries ATIVA S.p.A., SATAP S.p.A. (A21 Section) and SALT p.A. (A12 Section); these receivables (equal to EUR 621.6 million at 30 June 2020) refer to the value of motorway investments not depreciated as of the day the concessions

¹ -183.4 million on a like-for-like basis (net of ATIVA S.p.A. tolls, for which income statement figures were consolidated as of 1 January 2020).

² -33.9% on a like-for-like basis (net of tolls from ATIVA S.p.A., for which income statement figures are consolidated as of 1 January 2020).

expired, as well as receivables accrued for investments made after the expiration of the concessions, which must be paid to the outgoing licensee company by the incoming licensee. These takeover values are included in the documents of the tenders issued by the MIT for renewal of the cited concessions, for which the deadline for presentation of the bids, after the end of the Covid-19 emergency, was set for the month of July 2020. Awarding is expected to occur shortly. For the remainder, the change in net financial indebtedness is the direct consequence of lower toll revenues, the significant investment programme and greater activities carried out by the companies working in the EPC sector.

COVID-19 PANDEMIC

Relative to the progressive spread of the Covid-19 pandemic in Italy and in the foreign countries in which the Group's main investees operated during the half, the Company, in line with the directives issued by the national and local health authorities, adopted prevention and containment measures, issuing instructions for all its subsidiaries, coordinating communications and actions in order to mitigate the impacts of the pandemic on the health of its employees and other workers, as well as its business operations; more specifically:

- ✓ during February, the ASTM Crisis Committee was established, specifically with reference to the epidemiological emergency associated with Coronavirus – Covid 19;
- ✓ in the various central and operating offices and work sites, both in Italy and abroad, all necessary measures were adopted to protect the health and safety of employees and contractors, in compliance with the instructions issued by the authorities in the individual companies, while also guaranteeing, as much as possible, continuity in the execution of work which is, in any case, essential for communities and clients;
- ✓ in particular, the necessary safeguards to protect health and safety in the workplaces were adopted, specifically distribution of adequate personal protective equipment, intensification of workplace cleaning activity, adoption of appropriate measures to guarantee interpersonal distance during work. Additionally, smart working methods were adopted, particularly with reference to staff, implementing the needed digital tools, both in terms of hardware and software, with only operating personnel and other staff for which remote work was not possible excepted;
- ✓ operationally and, in particular, with regards to management of the motorway network granted in concession, all user services relative to the road network were guaranteed, and actions relative to maintenance and non-deferrable investment activities also continued, given that these were necessary to maintain and, in some cases, increase the safety standards for infrastructure and operations despite the complex situation, taking into account the difficulties faced by subcontractor companies, above all during the initial stage of the epidemic;
- ✓ as the end of the "lockdown" period and before re-opening began, ASTM adopted and issued a safety protocol and Phase 2 Regulations, based around its organisation, through which it and its subsidiaries adopted specific safety and regulation operating instructions to protect worker health. In highlighting the importance of responsible behaviour, the document also emphasises, among other things, basic behavioural rules, providing instructions with regards to entering the company, personal hygiene actions, the use of personal protective equipment and disinfecting products, cleaning of working environments, management of symptomatic staff within the company, etc.

Also note that to show its support during the Covid-19 health emergency and to demonstrate its closeness to all the communities and to everyone working daily to fight the epidemic, the ASTM Group gave EUR 3 million to benefit the Piedmont region and donated two ambulances to the Italian Red Cross during the initial months of the year.

While the most dramatic stages of the epidemiological crisis have been over for some time, and the crisis is now under the control of the health authorities and relevant bodies the Group continues with constant control activities with regards to the health of their employees and other workers, in line with the instructions issued by the authorities and institutions.

Relative to its business areas, during the half efforts were aimed identifying and implementing all possible measures to contain the impacts of the health crisis on the Group's financial and economic results, protecting in particular financial solidity and availability of liquid funds, so as to maintain them at an adequate level, consisting with existing commitments and operating plans, as has always occurred.

To that end, note that in the initial months of the current year, funding and refinancing projects were carried out to further strengthen the financial structure and to increase average maturity. These actions, together with the Group's already prudent and disciplined financial strategy, make it possible, between cash and bank lines, to meet its maturities on payables for the next 3/4 years or so.

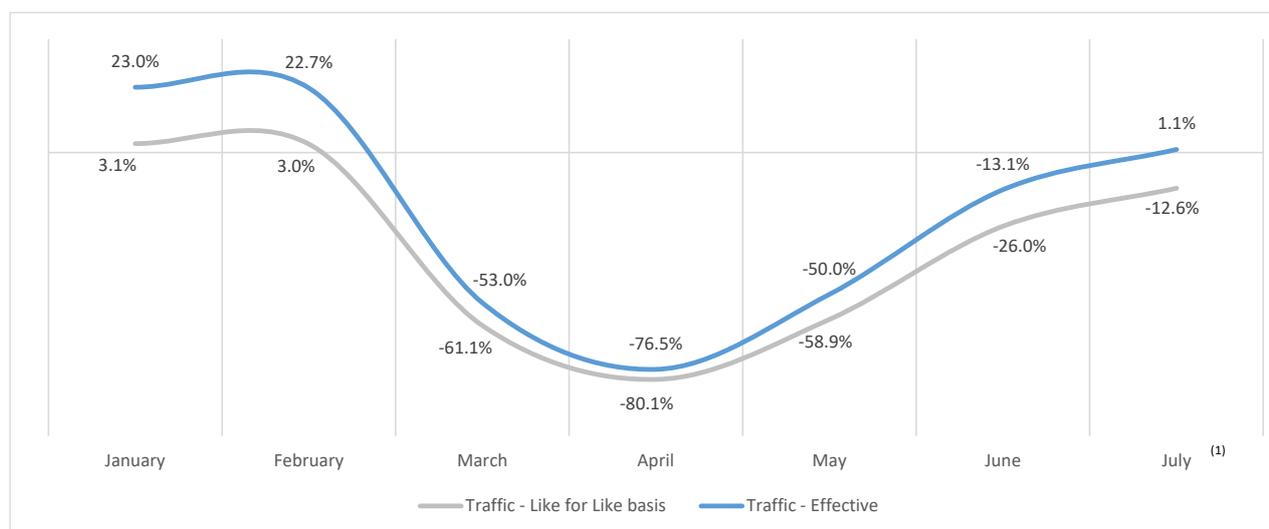
MOTORWAY SECTOR

As established in the 2019 Annual Financial Report, the epidemic had significant impacts on the results of the half in terms of traffic volumes and, consequently, toll revenues.

As is known, the large majority of the Group's operating margins and cash generation comes from the regulated motorway sector. For this reason, it should also be noted that the current Agreements establish contractual mechanisms to restore economic financial balance in the face of force majeure events such as the one in question.

Below is analysis of **motorway traffic**¹ performance, both effective and on a like-for-like basis² during the initial months of 2020.

MONTHLY TRAFFIC



⁽¹⁾ Figure relative to first 28 days

Progressive traffic performance as of 28 July 2020 showed a decrease of **-22.4%**³ compared to the same period of 2019.

Following the growth observed in January and part of February, the provisions implemented by the authorities in order to limit the spread of COVID-19, in particular with the "lockdown" phase decided as from 10 March, led to an average reduction of around 53% in traffic volumes in March, which reached -76% in April.

Due to the loosening of virus containment measures beginning in May ("Phase 2"), May saw a **recovery of traffic volumes**, with the reduction amounting to -50%, which fell further in June to -13%, after the restrictions on movements outside of the region of residence and between Schengen countries were lifted.

¹ For details regarding traffic performance by individual concession holder, as well as for toll revenues, please see the section "Results of Operations".

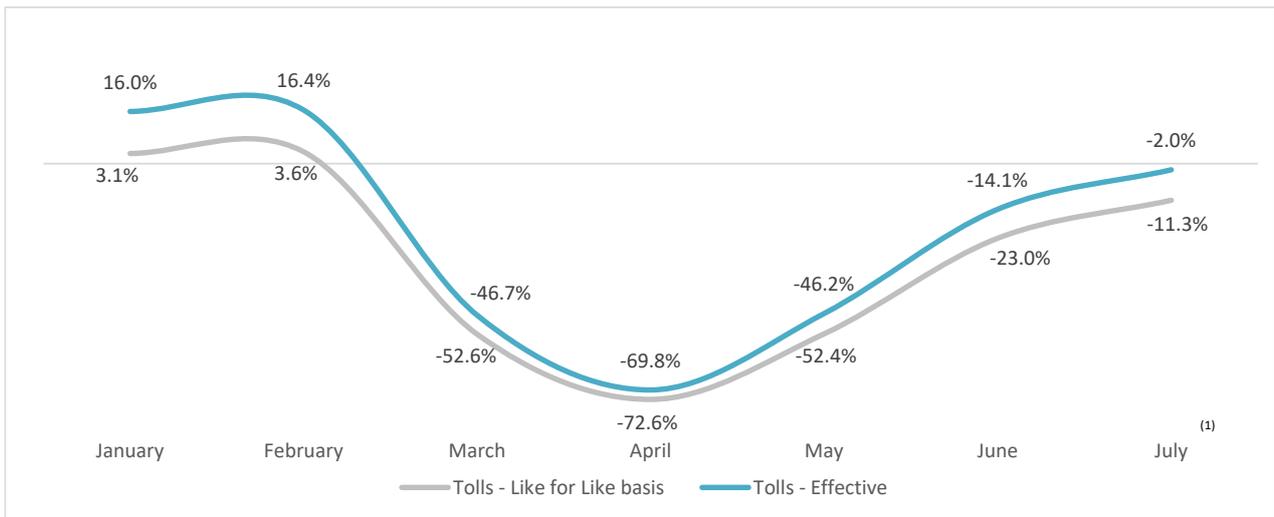
² Amounts net of traffic figures for ATIVA S.p.A., for which income statement figures are consolidated as of 1 January 2020.

³ -34.5% on a like-for-like basis.

The recovery continued in July, showing a change in traffic with respect to the same month of 2019 equal to +1.1%.

Below is toll revenue performance, both effective and on a like-for-like basis¹ during the initial months of 2020.

MONTHLY TOLL REVENUES

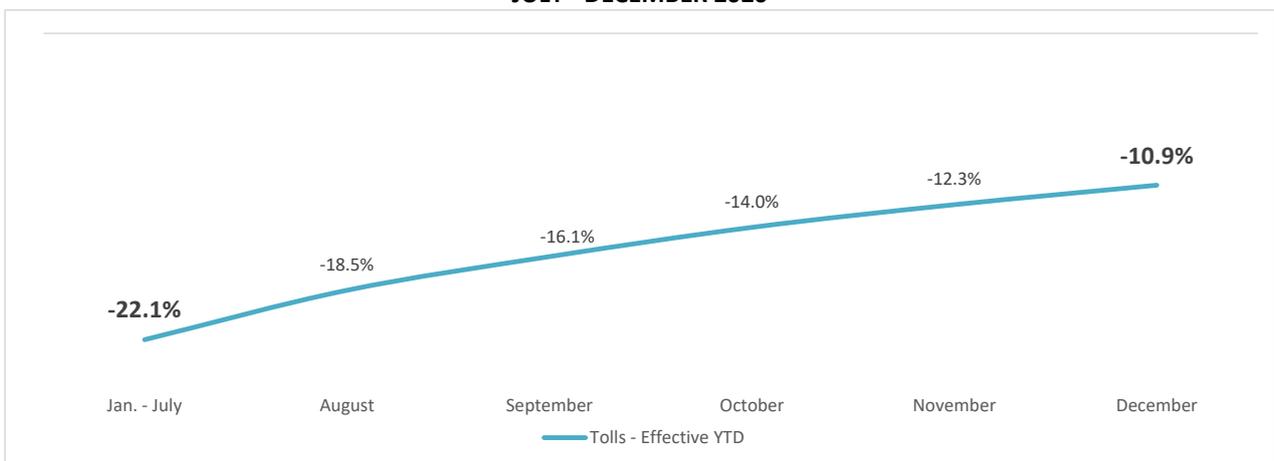


⁽¹⁾ Figure relative to first 28 days

The decrease in traffic previously described was reflected in “net toll revenue” which as of 28 July 2020 showed a decrease of 22.1% (-30.3% on a like-for-like basis¹).

The decrease in tolls is proportionally lower than that of traffic, essentially because of the traffic/toll mix - the reduction in heavy traffic was lower than the reduction in light traffic. The contribution made by the toll adjustments which took effect as of 1 January 2020 was limited, applying solely to the concession holder Autovia Padana S.p.A.

ESTIMATED CHANGE IN TOLL REVENUES JULY - DECEMBER 2020



Toll revenues for 2020 are expected to drop **10.9%** compared to 2019, with a gradual recovery from the -22.1% recorded at 28 July 2020.

¹ Amounts net of toll figures for ATIVA S.p.A., for which income statement figures are consolidated as of 1 January 2020.

EPC SECTOR

For the entire sector, production volumes achieved, although higher than the figure recorded in the first half of 2019, were lower than those forecasted in the budget, suffering from impacts deriving from the Covid-19 pandemic. In particular, the Itinera Group saw heavy slowdowns or even full blockage of activities for certain projects under way within Italy. In Italy, the decrease in volumes during the first 5 months of the year, with respect to expectations, was over 35%, while in June production was in line with forecasts, after the reopening.

Abroad, the decrease in volumes with respect to the budget was more limited. In fact, all construction sites were able to continue with activity, although with slowdowns.

The extension of timeframes in almost all the main construction sites, (not only in Italy, but also in Denmark, Romania, Austria and the Middle East) inevitably gave rise to additional costs during the half. The problems which arose are being discussed with the customers, given that payment for additional time is generally recognised, although not all additional costs paid.

All this involved a decrease in the margins recognised for work orders in progress, with a consequent lower coverage of fixed and non-operating structural costs.

Regarding the impact of the Covid-19 epidemic on Group activities, note that the largest companies operated in the regulated motorway sector, for which the current Agreements establish for events like the one in question contractual mechanisms to restore economic/financial balance. They also operate in the EPC sector where the multi-year word contracts for which the consequences of the epidemic are mainly limited to a decrease in the margins of the contracts due to additional costs arising from delays in production which, in most cases, will be able to be negotiated with the customers. This being established, given the significance of the internal and external impairment indicators attributable to the pandemic, the Company has in any case carried out an internal analysis in order to quantify the effects of the pandemic on the main drivers behind its business lines. This analysis did not identify any issues which as of the reporting date would lead to write-downs on assets.

Interim Management Report

SIGNIFICANT OPERATIONS

Having covered the Covid-19 pandemic, which represents a negative event of exceptional import in terms of dimension and impact, above all in humanitarian terms, not seen in recent times, as well as the heavy consequences which it has had and will continue to have, threatening the global economic system, it is considered appropriate and necessary to speak briefly in this section about the significant transactions carried out by the Group during the half in the context of its growth and development plan and other equally transactions still in progress.

The fact that it made concrete and completed significant operations for the future of the Group during the initial part of 2020, which in and of itself is notable, is even more important when taking into account the overall global economic scenario which had been created due to the pandemic in which these operations were carried out.

As stated, all these operations represent important steps forward in the path towards Group growth and development, based on the guidelines established in the current Business Plan, which outline a strategy intended to strengthen its leadership in the area of motorway concessions, both on the domestic market (SITAF tenders, A21-A5 and A12-A10), and internationally (Ecorodovias operation and US and Northern European PPP tenders), with an eye to “qualitative” growth and geographically diversifying risk. Additionally, with regards to the EPC sector, the objective is to strengthen its position as a major player on the construction market and support activities provided to the concessions sector (acquisition of Tubosider).

The operations carried out domestically serve to demonstrate the faith the Group has in the country, despite the extremely difficult economic situation, together with its awareness of the strategic role that infrastructure plays in relaunching the economy and the responsibility the Group feels in terms of its position as a major operator in managing infrastructural networks.

BRAZIL – Agreement finalised for Ecorodovias capitalisation and subsequent consolidation of control

Ecorodovias Infraestrutura e Logística S.A. (“EcoRodovias”), a company listed on the San Paolo stock exchange and one of the main players in Brazil in the construction and management of motorway infrastructure, with a 3,087 km network along the main commercial corridors in the rich areas of the south and south-east Brazil.

On 30 July 2020, IGLI S.p.A. (“IGLI”), a fully held subsidiary of ASTM S.p.A. (“ASTM”), and, as the guarantor, ASTM itself, signed with Primav Construções, Primav, Participare - Administração e Participações and EcoRodovias (as defined herein), a dissociation agreement (the “**Agreement**”) with the goal of reorganising its equity investments in EcoRodovias Infraestrutura e Logística S.A. (“EcoRodovias”) and, finally, to capitalise EcoRodovias.

As an effect of the operations established in the Agreement, taking into account the final issue price for EcoRodovias shares and the adherence to the EcoRodovias capital increase by other shareholders, establishes that IGLI will consolidate control over EcoRodovias as part of the capital increase or, in any case, through subsequent operations on the equity market.

Reason for the operation:

- The operation falls within the development and internationalisation process promoted by the ASTM Group, which has accelerated significantly since 2017, with the presentation of the strategic plan and which today sees the Group present in Italy, Europe, Brazil and the United States, where recently, as the sole Italian player, it qualified for two important PPP motorway projects;
- Since 2016, ASTM has developed in-depth knowledge of the Brazilian infrastructural market and in particular about EcoRodovias, which over these years has allowed it, among other things, to successfully handle growth through the awarding of new important tenders;
- EcoRodovias is a strategic platform for developing the Group’s business in Brazil and Latin America, and completion of the operation will strengthen ASTM’s position among the main infrastructure operators in Italy and the world;

- the Brazilian market includes significant privatisation plans, in particular in the motorway sector, which plan estimated investments of around R\$ 147 billion from 2020-2022. The planned Ecorodovias capital increase, with ASTM subscribing the largest part, will allow the company to optimise the resources needed to participate in these calls for tenders and to take advantage of the opportunities offered by the market;
- it is expected that IGLI will consolidate control of EcoRodovias as part of the capital increase or, in any case, through subsequent operations on the equity market, strengthening the results and contributing to increasing the average duration of Group concessions by an additional 25 years¹, in addition to the current 22 years of residual life including the acquisition of Sitaf and the Asti-Cuneo cross-financing. The planned consolidation, if calculated making use of the final results recognised in 2019 by ASTM and EcoRodovias, would have led to proforma EBITDA in 2019 for ASTM and Ecorodovias of € 1,242.6 million (at the exchange rate of 31 December 2019, equal to 4.5157 €/Reais);
- the completion of the operation will allow EcoRodovias to further integrate with the other Group companies, improving operating efficiency and effectiveness during development stages, with an eye to “One Company”.

The operation:

Currently, IGLI holds (a) 50% of the ordinary shares and 100% of preferred shares with no voting rights of Primav Infraestrutura S.A. (“Primav”), representing as a whole [69.1%] of Primav share capital which, in turn, holds 64.1% of EcoRodovias and (b) directly holds 4.99% of EcoRodovias shares in circulation. The remaining 50% of shares with voting rights, representing the remaining 30.9% of Primav share capital is held by the Almeida family, through the company Participare - Administração e Participação, which, in turn, holds Primav Construções e Comércio S.A. (“Primav Construções”). Primav and, consequently, EcoRodovias, are currently subject to joint control by IGLI and Primav Construções.

Upon completion of the operations established in the Agreement, subordinate to achievement of the usual conditions precedent for similar operations, including obtaining necessary authorisations from antitrust authorities and government entities which granted the concessions to EcoRodovias, it is expected that IGLI will consolidated control over EcoRodovias in the context of a capital increase or, in any case, through subsequent operations on the equity market.

The Agreement establishes the following operations, to be carried out in two distinct stages.

Phase 1 - Capital increase and demerger of Primav

The Agreement establishes that Primav resolve a capital increase fully reserved for IGLI (or, at IGLI’s choice, a Brazilian company entirely controlled by the latter, “IGLI Brazil”), the profits of which will be used to repay Primav’s financial debt which, as of the date the Agreement was signed, was equal to around R\$ 850 million (€ 141 million²).

It also establishes that, immediately after subscription of the capital increase, Primav will resolve a partial demerger, through which it will assign to IGLI (or IGLI Brasile), 232,504,226 EcoRodovias shares and 135,923,941 shares of Vem ABC - Monotrilho Linha 18 – Bronze S.A., a company which operates in the urban mobility sector. Following the demerger, IGLI will no longer hold any Primav shares (either directly or through IGLI Brasile) but only EcoRodovias and Vem ABC shares.

Phase 2 - EcoRodovias capital increase

The Agreement also establishes that after completion of the Primav demerger, shareholders of EcoRodovias will resolve a capital increase of between at least R\$ 1,200 million (approximately € 200² million) and R\$ 1,800 million (approximately € 300² million), intended to strengthen the equity of EcoRodovias, also in view of the new investment opportunities expected on the market. The capital increase will be carried out through a “follow-on public offer with restricted distribution efforts” or, if it is not possible to complete the public offer by 30 September 2021 due to market conditions, through a private capital increase to be approved by 31 December 2021. The subscription price of the shares issued as part of the capital increase will be determined after a normal bookbuilding process (in the case of a public offer) or by the EcoRodovias Board of Directors on the basis of the average weighted price for the volume weighted average price (VWAP) of EcoRodovias shares over a period of 90 days (in the case of a private capital

¹ Calculated as a multiplier of EBITDA of the concessions sector for the ASTM Group as at 31 December 2019.

² At the exchange rate of 29 July 2020, equal to 6.0149 €/Reais.

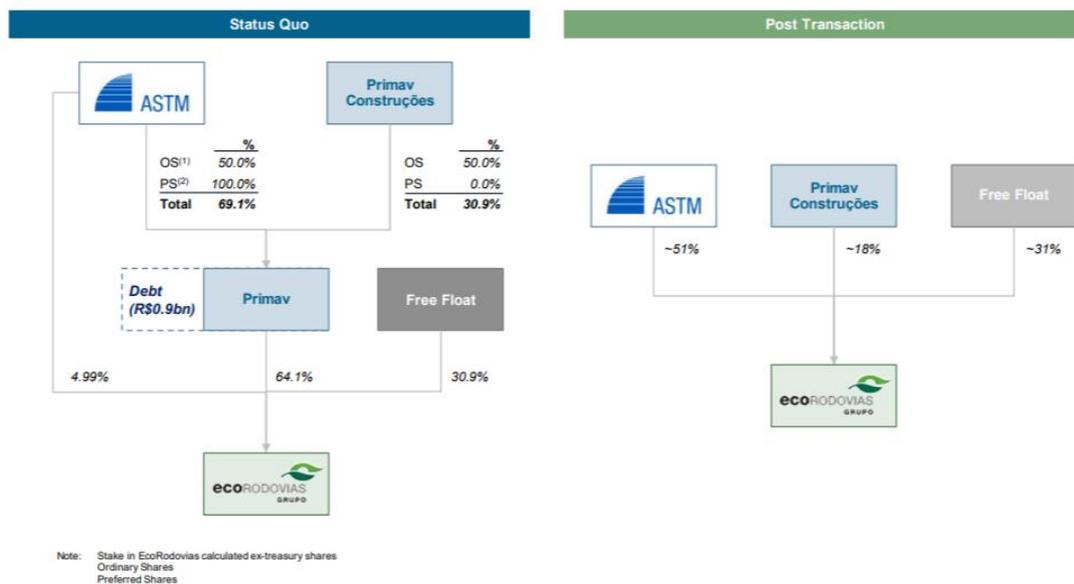
increase). Finally, taking into account the final issue price for EcoRodovias shares and the adhesion to the EcoRodovias capital increase by other shareholders, it establishes that IGLI will consolidate control over EcoRodovias.

Pursuant to the Agreement, IGLI has undertaken to subscribe the new shares deriving from the EcoRodovias capital increase for a total amount of at least R\$ 1,200 million out of R\$ 1,800 million, unless, if it is necessary to carry out a private capital increase and a material adverse effect occurs relative to macroeconomic events, the total amount of the private capital increase is reduced to a maximum of R\$ 1,200 million and IGLI's commitment is reduced to subscribing solely the pro-rata portion. Primav has undertaken to not exercise or sell its option rights and rights of first refusal in relation to the capital increase, without prejudice to the ability of other EcoRodovias shareholders to adhere to the increase.

Corporate governance

The Agreement establishes that at the same time as the demerger of Primav, the current shareholders' agreement between IGLI and Primav Construções will be amended to maintain the existing joint control relationship for EcoRodovias until the first of the following dates: (i) the date the capital increase in EcoRodovias is carried out; (ii) 31 December 2021, if this increase is not carried out and some of conditions precedent established in the Agreement are not met by that date; and (iii) 4 May 2026, the date of expiry of the shareholders' agreement between IGLI and Primav Construções.

Below is a graph which illustrates the expected change in the Group's structure following the operations established in the Agreement. As previously indicated, taking into account the final issue price for EcoRodovias shares and the level of adhesion to the EcoRodovias capital increase by other shareholders, it establishes that IGLI will consolidate control over EcoRodovias as part of the capital increase or, in any case, through subsequent operations on the equity market.



SITAF

ASTM was provisionally awarded the tender of 23 July 2020 for the acquisition of the 19.347% stake in the share capital of SITAF (Società Italiana Traforo Autostradale del Frejus), bringing it to a 67.22 % total, direct and indirect, share capital holding.

SITAF is the owner of the concession, expiring in 2050, for the design, construction and management of the Frejus tunnel (about 13 km long) and the connector to the tunnel, the A32 Torino-Bardonecchia motorway (73 km long).

ASTM submitted the best offer (EUR 272 million) in the public auction promoted by Finanziaria Città di Torino Holding S.p.A. and the Metropolitan City of Turin for the sale of their respective stakes held in SITAF equal to 10.653 % and 8.694%, in execution of the Council of State judgement 7393/2019.

The acquisition of the majority stake by ASTM allows it to consolidate the SITAF shareholding structure and provide a stable foundation for management, with investments in innovation, user service quality, technology and info-mobility for a national strategic asset in terms of international connections with France, which as of 2021 will also see doubling of transport capacity through the opening of the second carriageway, the only Alpine tunnel with this feature, obtaining a competitive advantage with respect to alternative motorway routes, in particular for heavy traffic.

As noted for the Ecorodovias operation, the awarding of the tender makes it possible to activate significant levers in terms of value creation, through:

- extension of the average proforma duration of the Group's concessions by around 11 years, following approval of Asti-Cuneo cross-financing by CIPE;
- the inclusion of SITAF in ASTM's "One Company" business model, which will allow the development of significant potential synergies, making particular use of the Group's expertise in the EPC and technology sectors;
- the potential strengthening of relations with the French institutions controlling the French portion of the Frejus Tunnel, also with a view to the potential relaunch of the privatisation of SFTRF (Société Française du Tunnel Routier du Fréjus), the company that manages the French stretch of the Tunnel;
- the potential future integration of the Alpine tunnel system.

Tubosider

On 27 July 2020 the subsidiary Itinera S.p.A. acquired a 90% stake in the share capital of Tubosider S.p.A., a company in which the ASTM Group and Itinera itself had already held minority stakes; the value of the transaction was equal to EUR 11.9 million, financially almost offset by receivables of the same value due from the seller. Tubosider S.p.A. produces, installs and sells items for use in road, rail, civil and industrial construction, including road barriers, pipes, tanks and other items, mainly made of steel.

Acquisition of control occurs as the completion of an in-depth process to restore health to the investee which began in 2019, involving restructuring of bank debt (reducing the amount by around 60% through renunciation by the relative banks), covering previous losses with control being transferred from the previous majority shareholder (Ruscalla S.p.A. Group) to the Aurelia Group and, above all, by beginning an operational restructuring process intended to rationalise the production cycle by making significant investments to replace ancient systems with up to date ones, centralising production in a single location and fully revising personnel organisation, from production to office workers.

The decision to acquire control over Tubosider was determined after analysing the situation of the market segment which represents the company's core business, that is the production of safety barriers, in which at present there are few competitors, and a context in which there is heavy growth in demand due to the need for large safety investments by all infrastructure operators, whether public or private.

Acquisition of control over Tubosider hence allows the Group to further expand its operations and increase its knowledge of the O&M sector, covering an area which at present is reserved for third party operators, with Tubosider assisting Group companies already active in these areas, such as Itinera S.p.A., SEA Segnaletica Stradale S.p.A., Euroimpianti S.p.A. and Sinelec S.p.A..

Milano Serravalle

On 29 July 2020, ASTM S.p.A. and the subsidiaries Autostrada dei Fiori S.p.A. and SATAP S.p.A. sold the shares they held in the share capital of Milano Serravalle – Milano Tangenziali S.p.A. ("MI-SE"), representing 13.6% of the same, to FNM S.p.A., a subsidiary of the Regione Lombardia, currently the majority shareholder of MI-SE.

The total value of the transaction was EUR 85.7 million, with capital gains of EUR 19.6 million with respect to the book value of EUR 66.1 million, with the shares valued at EUR 3.5 each. At closing, the amount of EUR 78.3 million was collected, equal to EUR 3.2 per share, while the residual amount of EUR 7.3 million will be paid by 31 January 2021.

The decision to leave the MI-SE shareholding structure was due to divergences in opinion with regards to the concession holder's strategic plan, in particular with reference to the project to create new stretches by its subsidiary Autostrada Pedemontana Lombarda S.p.A., the concession holder for the creation and management of the A36 motorway, due to the uncertainties involved in this project.

Cross-Financing SATAP A4 - Asti-Cuneo Motorway A33

On 14 May 2020, the CIPE approved the updating/revision of the concession relationships and the EFPs of the subsidiaries **SATAP (A4 stretch)**, whose EFP expired on 31 December 2017, and **Autostrada Asti-Cuneo (A33 stretch)**, linked to each other by a cross-financing operation aimed at completing the construction work on the A33 Asti-Cuneo motorway. These EFPs ensure that SATAP (A4 stretch) will be responsible for the investments already made and the further investments for the said completion.

In particular, on the basis of the new EFPs, SATAP (A4 stretch) will bear total investments for approximately EUR 740 million, of which approximately EUR 630 million relating to the rebalancing and completion of the Asti-Cuneo motorway.

A predetermined toll manoeuvre is planned with the recognition of a terminal value at the expiry of the respective concessions (31 December 2026 for SATAP A4 stretch and 31 December 2031 for Asti-Cuneo A33 stretch).

The procedure now provides for the subsequent signing by the two companies of two new Additional Deeds with the Ministry of Infrastructure and Transport (MIT), which will be added to their respective Conventions in order to update their respective concession relations.

OTHER INITIATIVES IN PROGRESS

Tender for the concession of the A21 Torino-Alessandria-Piacenza stretch and A5 Torino-Ivrea-Quincinetto stretches, A4/A5 Ivrea-Santhià link road, Torino-Pinerolo fork and Sistema Autostradale Tangenziale Torinese

On 20 September 2019, the MIT published the European call for tenders to identify a new concession holder for the motorway stretches "A21 Torino-Alessandria-Piacenza" - for which the concession expired on 30 June 2017 - and "A5 Torino-Ivrea-Quincinetto", the link road "A4/A5 Ivrea-Santhià", the "Torino-Pinerolo" fork and the "Sistema Autostradale Tangenziale Torinese" - for which the concessions expired on 31 August 2016, currently respectively managed by the Group companies SATAP S.p.A. and ATIVA S.p.A.

The Temporary Consortium consisting almost entirely of Group companies, with the subsidiary SALT p.A. serving as the agent, presented by the deadline established for the tender procedure (10 July 2020) its bid to obtain the concession to manage the activities, as well as, limited to safety projects for existing infrastructure, design, construction and management of the same.

At present, the procedure to evaluate the bids has begun. It is expected that the tender will be awarded shortly.

Tender for the concession of the A12 Sestri Levante-Livorno stretches, A11/A12 Viareggio-Lucca, A15 fork towards La Spezia and A10 Ventimiglia-Savona stretch

On 27 December 2019, the MIT published the European call for tenders to identify the new concession holder for the motorway stretches A12 Sestri Levante-Livorno, A11/A12 Viareggio-Lucca and A15 La Spezia fork - for which the concessions expired on 31 July 2019 - and for A10 Savona-Ventimiglia (French border) - for which the concession will expire on 30 November 2021 - currently managed by the Group companies SALT p.A. and Autostrada dei Fiori S.p.A..

The subsidiary Itinera S.p.A. presented by the deadline established for the tender procedure (20 July 2020) its bid to obtain the concession to manage the motorway stretches, as well as to design and carry out work intended to improve the safety conditions of the road infrastructure.

At present, the procedure to evaluate the bids has begun. It is expected that the tender will be awarded shortly.

Tender for SR 400 Express Lane (Georgia - USA)

As part of its international growth plan, the ASTM Group has been pre-qualified in the United States for a project worth around USD 1.3 billion for the construction and operation of a highway stretch in the state of Georgia called "SR 400 Express Lane", part of the road system around the city of Atlanta. The project involves modernising the highway with the addition of two toll lanes for each direction of travel, for a distance of around 25 km. The initiative is a Public-Private Partnership (PPP) in which the Client pays an availability fee to build, maintain and operate the highway stretch for 35 years.

The ASTM Group has formed a joint venture with the ACS Group and the BBGI fund.

Tender for Capital Beltway (Maryland - USA)

Also with reference to the US market, the ASTM Group has also been pre-qualified for a PPP project in the State of Maryland for the modernisation, construction and relative 50-year operation of additional new toll lanes on an initial 60 km section of the "Capital Beltway", a motorway system which connects the city of Washington D.C.

Norway Tender

The ASTM Group has also pre-qualified for a Norwegian tender on a 25-year concession project to plan, build and manage a motorway stretch of approximately 10 km, which will involve building a 900 m long suspension bridge in the south of the country near the city of Bergen.

ECONOMIC, EQUITY AND FINANCIAL DATA

GROUP ECONOMIC DATA

As already outlined in the financial statements as at 31 December 2019, as part of the operating reorganisation of the ASTM Group following the merger by incorporation of SIAS into ASTM, the companies operating in the “construction” and “engineering” sectors and the company Euroimpianti S.p.A., operating in the sector of electrical and electronic systems previously included with the companies in the “technology” sector, were concentrated into one single “EPC” sector. This structure of operating segments reflects the method of representing information used by Management in its decision-making processes. The figures relative to the first half 2019 were reclassified to allow for better comparison.

Also note that, effective as of 1 January 2020, the economic figures of the ATIVA Group are included in the scope of consolidation, as control was acquired at the end of the previous year.

The **revenue and expenditure items** of the first half of 2020 (compared with those of the corresponding period in 2019) are shown below:

<i>(amounts in thousands of EUR)</i>	1HY 2020	1HY 2019	Changes
Motorway sector revenue – operating activities ⁽¹⁾ ⁽²⁾	407,446	556,095	(148,649)
“EPC” sector revenue ⁽²⁾	416,637	391,157	25,480
Technology sector revenue	8,231	12,604	(4,373)
Other revenues	27,726	29,406	(1,680)
Total turnover	860,040	989,262	(129,222)
Operating costs ⁽¹⁾ ⁽²⁾	(674,531)	(627,069)	(47,462)
Gross operating margin (EBITDA)	185,509	362,193	(176,684)
Net amortisation/depreciation and provisions	(103,073)	(151,410)	48,337
Operating income	82,436	210,783	(128,347)
Financial income	8,551	10,375	(1,824)
Financial expenses	(51,689)	(46,295)	(5,394)
Capitalised financial expenses	8,124	7,782	342
Profit (loss) of companies accounted for with the equity method	17,489	(5,494)	22,983
Net financial income (expense)	(17,525)	(33,632)	16,107
Profit before tax	64,911	177,151	(112,240)
Income taxes (current and deferred)	(24,558)	(43,413)	18,855
Profit (loss) for the period	40,353	133,738	(93,385)
• Profit assigned to Non-Controlling Interests	6,667	58,368	(51,701)
• Profit assigned to the owners of the parent company	33,686	75,370	(41,684)

⁽¹⁾ Amounts net of the fee/additional fee payable to ANAS (EUR 32.5 million in the first half of 2020 and EUR 41.5 million in the first half of 2019).

⁽²⁾ With regard to motorway licensees, the IFRIC 12 sets out 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 146.3 million in the first half of 2020 and EUR 126.1 million in the first half of 2019 respectively – were reversed for the same amount from the corresponding revenue/cost items.

The results of the first half of 2020 suffered significantly from impacts deriving from the **Covid-19 pandemic: turnover** in fact fell by **EUR 129.2 million (-13.1%)** falling to a total of **EUR 860 million**.

The item “*motorway sector revenue*” totalled EUR 407.4 million (EUR 556.1 million in the first half of 2019) and breaks down as follows:

<i>(amounts in thousands of EUR)</i>	1HY 2020	1HY 2019	Changes
Net toll revenue	400,522	540,545	(140,023)
Rental income and other accessory revenues	6,924	15,550	(8,626)
Total motorway sector revenue	407,446	556,095	148,649

The decrease seen in “*net toll revenue*” - equal to EUR 140 million (-25.9%) - is the result of decreased traffic volumes due to the COVID-19 pandemic (EUR -184.4 million) counteracted by (i) the increase due to consolidation as of the current half of toll revenues from ATIVA S.p.A. (EUR +43.4 million) and (ii) the increase due to recognition as of 1 January 2020 of toll adjustments (EUR 1 million) limited to the concession holder Autovia Padana S.p.A..

The change in “*rental income and other accessory revenues*” reflects the reduction seen in consumption (oil and food) at service areas and, consequently, in the associated royalties.

As anticipated in previous sections, despite the slowing of activities at construction sites due to the pandemic, the “*EPC*” sector showed increased production, thanks to constant growth in turnover abroad, where the effects of the pandemic were less significant.

The reduction in production relative to third parties in the “*technology*” sector is in part due to consolidation as of the current half of the ATIVA Group's income statement figures.

The increase seen in “*operating costs*” is the result of: (i) greater production by companies in the EPC sector, (ii) consolidation as of the current half of the income statement figures of the ATIVA Group, partially compensated for by a decrease in the costs of other motorway companies and companies operating in the technology sector as a consequence of decreased activities.

With regard to the above, the “*gross operating margin (EBITDA)*” was equal to EUR 185.5 million and shows a decrease of EUR 176.7 million that reflects the changes in the Group's business segments, as follows:

<i>(amounts in millions of EUR)</i>	1HY 2020	1HY 2019	Changes
· Motorway Sector	196.2	341.5	(145.3)
· EPC sector	(5.4)	21.6	(27.0)
· Technology Sector	6.7	7.2	(0.5)
· Services Sector (<i>holdings</i>)	(12.0) ¹	(8.1)	(3.9)
Total	185.5	362.2	(176.7)

“*Net amortisation/depreciation and provisions*” is equal to EUR 103.1 million (EUR 151.4 million in the first half of 2019); the change compared to the first half of the previous year is due to: (i) lower amortisation and depreciation for EUR 75.5 million², (ii) higher net provisions in the “*provision for restoration and replacement*” of non-compensated revertible assets for EUR 14.7 million³ and (iii) higher provisions for risks and charges for EUR 12.5 million.

The item “*financial income*” totalled EUR 8.6 million (EUR 10.4 million in the first half of 2019). The change compared to the corresponding period of the previous year is the result of lower dividends distributed by investees and lower income coming from cash investments.

“*Financial expenses*” - including charges for Interest Rate Swap contracts - show an increase of EUR 5.4 million, mainly due to greater expenses due to exchange differences on Brazilian Bank Deposit Certificates. The change in “*capitalised financial expenses*” is mainly related to the performance of the investments made.

The item “*profit (loss) of companies accounted for by the equity method*” included the share of profits from jointly controlled entities and associated companies. The change seen during the half, with respect to the same period the previous year, is the result of greater contributions coming from the Brazilian investee companies, lower losses recognised by the Special Purpose Company Mill Basin Bridge Constructors LLC, operating in the EPC sector, partially compensated for by the decrease in results contributed by associated companies in the motorway sector and the lack of contributions from the ATIVA Group after consolidation of the same on a line-by-line basis.

¹ Amount inclusive of EUR 3 million in donations to the Piedmont Region relative to the health emergency.

² This change reflects the reduction seen in traffic volumes, as well as the presence during the first half of 2019 of depreciation for the SALT A12 stretch, for which the concession expired on 31 July 2019.

³ The figure in the first half of 2019 included the partial release of the provision for restoration and replacement of non-compensated revertible assets against no new provisions, given that expiration of the concession was very near.

With reference to the amount of *“income taxes”* in the first half of 2020, note that the amount recognised includes additional 3.5% corporate income tax (IRES) deriving from activities carried out on the basis of the motorway concessions, established under Italian Law 160 of 27.12.2019. Also recall that the amount of *“income taxes”* in the first half of FY 2019 benefited - for an amount equal to EUR 13.6 million - from the positive outcome of an *“ACE”* tax clearance application in FYs 2013-2018.

In view of the above, the portion attributable to the Group of the *“profit for the period”* was EUR 33.7 million (EUR 75.4 million in the first half of 2019).

GROUP EQUITY AND FINANCIAL DATA

The main items of the consolidated balance sheet as at 30 June 2020, compared with the corresponding figures as at 31 December 2019, may be summarised as follows:

(amounts in thousands of EUR)	30/06/2020	31/12/2019	Changes
Net fixed assets	3,199,899	3,159,047	40,852
Equity investments and other financial assets	1,097,184	1,765,025	(667,841)
Working capital	20,521	(12,807)	33,328
Invested capital	4,317,604	4,911,265	(593,661)
Payable to ANAS – Central Insurance Fund	(180,726)	(180,726)	-
Employee severance indemnity and other provisions	(431,028)	(418,432)	(12,596)
Invested capital less provisions for medium- and long-term risks and charges	3,705,850	4,312,107	(606,257)
Shareholders' equity and profit (loss) (including minority interests)	2,857,141	2,959,877	(102,736)
Net financial indebtedness	848,709	1,352,230	(503,521)
Equity and minority interests	3,705,850	4,312,107	(606,257)

Net financial indebtedness

The net financial indebtedness of the ASTM Group, at 30 June 2020, prepared according to the schedule included in ESMA Recommendation 2013/319, is made up as follows:

(amounts in thousands of EUR)	30/06/2020	31/12/2019	Changes
A) Cash and cash equivalents	1,262,919	1,197,537	65,382
B) Securities held for trading	-	-	-
C) Liquidity (A) + (B)	1,262,919	1,197,537	65,382
D) Financial receivables	1,074,369	574,161	500,208
E) Bank short-term borrowings	(193,577)	(147,038)	(46,539)
F) Current portion of medium/long-term borrowings	(411,079)	(347,617)	(63,462)
G) Other current financial liabilities	(572,967)	(571,062)	(1,905)
H) Short-term borrowings (E) + (F) + (G)	(1,177,623)	(1,065,717)	(111,906)
I) Current net cash (C) + (D) + (H)	1,159,665	705,981	453,684
J) Bank long-term borrowings	(898,625)	(952,502)	53,877
K) Hedging derivatives	(21,069)	(20,729)	(340)
L) Bonds issued	(1,040,923)	(1,040,228)	(695)
M) Other long-term payables	(47,757)	(44,752)	(3,005)
N) Long-term borrowings (J) + (K) + (L) + (M)	(2,008,374)	(2,058,211)	49,837
O) Net financial indebtedness (I) + (N)	(848,709)	(1,352,230)	503,521

As at 30 June 2020, the "net financial indebtedness" totalled EUR 848.7 million (EUR 1,352.2 million as at 31 December 2019). This amount does not include (i) the fair value of "investment funds" subscribed in previous years to invest cash, equal to € 18.8 million (€ 19.4 million at 31 December 2019), (ii) the discounted value of medium/long-term receivables for "guaranteed minimums" of € 2.6 million (€ 2.3 million at 31 December 2019) and (iii) the discounted value of the "payables due to ANAS-Central Guarantee Fund" of € 133.2 million (€ 129.2 million at 31 December 2019).

The improvement in net financial indebtedness, equal to EUR 503.5 million, is substantially attributable to the recognition among current financial receivables of receivables from takeovers accrued on the expired concessions of the subsidiaries ATIVA S.p.A., SATAP S.p.A. (A21 section) and SALT p.A. (A12 Section); these receivables (equal to EUR 621.6 million) refer to the value of motorway investments not depreciated as of the day the concessions expired, as well as receivables accrued for investments made

after the expiration of the concessions, which must be paid to the outgoing licensee company by the incoming licensee. These takeover values are included in the documents of the tenders issued by MIT for renewal of the cited concessions, for which the deadline for presentation of the bids, after the end of the Covid-19 emergency, was set for the month of July 2020, and awarding for which is expected to occur shortly.

The remaining part of the change in net financial indebtedness is due to (i) the execution of enhancement works on the Group's motorway infrastructure (EUR 142.3 million), (ii) the payment of advances with reference to revertible assets and investments in other works net of grants received (EUR 38.8 million), (iii) the acquisition of treasury shares (EUR 11.7 million), (iv) investments in equity investments and granting of loans (EUR 5.4 million), (v) the payment of dividends from subsidiaries to minority shareholders (EUR 0.2 million), (vi) the change in net working capital and other minor changes (EUR 35 million); these outflows were counteracted by "operating cash flow" (EUR 115.6 million).

"Net financial indebtedness" as at 30 June 2020 also includes the negative difference accrued during the half year (EUR 0.3 million) for the fair value of IRS agreements (no cash item).

With reference to the "structure" of the item "net financial indebtedness", the following is noted:

- the change in the item "*cash and cash equivalents*" - in addition to the aforementioned changes - also refers to: (i) the payment of interest on bond loans for around EUR 25.8 million (corresponding to a reduction in "other financial liabilities (current)"), (ii) the payment of instalments due with respect to the "current portion of medium/long-term borrowings" (EUR 203.2 million) and (iii) the provision of a loan to the jointly held subsidiary Prima Infrastruttura SA (EUR 5.3 million). These outlays were offset by repayments/pay-offs of insurance capitalisation policies (EUR 31.4 million) taken out in prior periods, (ii) the redemption of cash investments made in previous years by the subsidiaries IGLI S.p.A., Itinera Costrucoes Ltda and the companies of the Halmar Group (EUR 23.9 million), the granting of new loans net of early repayments (EUR 214 million) and by the utilisation of short-term credit lines (totalling EUR 45.1 million);
- the increase in the item "*financial receivables*" (equal to EUR 500.2 million) is due to: (i) recognition of the cited takeover receivables (EUR 621.6 million), (ii) the loan granted by the subsidiary IGLI S.p.A. to Primav Infrastruttura SA (EUR 5.3 million), partially compensated for (iii) by the decrease in interconnection receivables (EUR 71.4 million), (iv) redemption of the aforementioned cash investments made in previous years by the subsidiaries IGLI S.p.A., Itinera Costrucoes Ltda and the companies of the Halmar Group (EUR 23.9 million), (v) repayments/pay-offs of insurance capitalisation policies stipulated in previous years (EUR 31.4 million);
- the change seen in the item "*bank short-term borrowings*" (equal EUR 46.5 million) is due, for EUR 45.1 million, to Autostrada Asti Cuneo S.p.A., Itinera S.p.A., Halmar International LLC and Storstroem Bridge JV for available credit lines and, for EUR 1.4 million, to new loans granted to Halmar International LLC;
- the change in the item "*current portion of medium/long-term borrowings*" is due to (i) the reimbursement of the instalments due in the first half of 2020 (EUR -203.2 million), (ii) the reclassification from the item "*bank long-term borrowings*" of the instalments due in the following 12 months (EUR +213.8 million), (iii) the granting of new loans (EUR +53.3 million) and (iv) the differential for the interest accruals and so-called amortised cost (EUR -0.4 million);
- the change in "*other current financial liabilities*" was mostly attributable to: (i) the aforementioned payment of interest on bond loans (EUR -25.8 million), (ii) interest accrued in the period (EUR +24.5 million), (iii) higher payables for the interconnection system (EUR +0.9 million) and (iv) higher other short-term financial liabilities following the adoption of IFRS 16 and other changes (EUR +2.3 million);
- The change in "*bank long-term borrowings*" is due to: (i) the reclassification to the item "current portion of medium/long-term borrowings" of the instalments falling due in the following 12 months (EUR -213.8 million), (ii) early repayments of certain loan contracts (EUR -50 million), (iii) the granting of new loans (EUR +209.3 million) and (iv) the effects of the so-called amortised cost and other minor changes (EUR +0.6 million);

- "hedging derivatives" amount to EUR 21.1 million, as the negative difference concerning the fair value of IRS agreements. As at 30 June 2020, approximately 69% of medium-long term consolidated debt was "fixed rate/"hedged";
- the change to the item "bonds issued" is attributable to the effects of the so-called amortised cost;
- the item "other long-term payables" substantially refers to the non-current portion of payables due for leasing contracts, recognised in compliance with IFRS 16. The change seen during the half is the result of the new contracts signed during the period and the reclassification as current of the portion maturing in the next twelve months.

The **financial resources available** as at 30 June 2020 are broken down as follows:

(amounts in millions of EUR)

• Cash and financial receivables		2,337
• Investment funds ¹		19
• Cassa Depositi e Prestiti loan (in favour of SATAP S.p.A.)	350 ²	
• Pool loan (in favour of ASTM S.p.A.)	110 ²	
• "Uncommitted" credit lines (in favour of ASTM S.p.A. and its consolidated companies)	421 ²	
• Back up committed facilities (in favour of ASTM S.p.A.)	250 ²	
	Subtotal	1,131
	Total financial resources as at 30 June 2020	3,487

¹ The amount relating to investment funds is included in the adjusted net financial position under the item "non-current financial receivables".

² For the breakdown of the item refer to the note "Other information – (ii) Financial risk management"

RESULTS OF OPERATIONS - Motorway sector

As at **30 June 2020**, the Group was managing a motorway network of approx. 4,594 km; this network is located in Italy for 1,423 km, while 3,171 km are located abroad.

Motorway Sector – Italy

In Italy, the Group operates in the north-western area of the country.



The extension of the overall **motorway network** managed through subsidiaries and associated companies in Italy was as follows:

Company		%	Managed stretch	kilometres in operation	kilometres in construction	kilometres total
SATAP	SOCIETÀ AUTOSTRADA TORINO ALESSANDRIA PIACENZA S.P.A.	99.87%	A4 TORINO-MILANO	130.3	-	130.3
			A21 TORINO-PIACENZA	167.7	-	167.7
			A12 SESTRI LEVANTE-LIVORNO, VIAREGGIO-LUCCA AND FORNOLA-LA SPEZIA	154.9	-	154.9
SALT	SOCIETÀ AUTOSTRADA LIGURE TOSCANA P.A.	95.23%	A15 LA SPEZIA-PARMA	101	81 ⁽¹⁾	182.0
SAV	SOCIETÀ AUTOSTRADE VALDOSTANE S.P.A.	71.28%	A5 QUINCINETTO-AOSTA	59.5	-	59.5
ADF	AUTOSTRADA DEI FIORI S.P.A.	73.00%	A10 SAVONA-VENTIMIGLIA	113.2	-	113.2
			A6 TORINO-SAVONA	130.9	-	130.9
AT-CN	SOCIETÀ AUTOSTRADA ASTI-CUNEO S.P.A.	65.00%	A33 ASTI-CUNEO	55.0	23.0	78.0
AUTOVIA PADANA	Società di Progetto Autovia Padana S.p.A.	51.00%	A21 Piacenza-Cremona-Brescia	100.1	11.5	111.6
ATIVA	AUTOSTRADA TORINO-IVREA-VALLE D'AOSTA S.P.A.	72.34%	A55 TANGENZIALE DI TORINO, TORINO-PINEROLO, A5 TORINO-QUINCINETTO AND IVREA-SANTHÌA	155.8	-	155.8
TOTAL AMOUNT MANAGED BY SUBSIDIARIES (A)				1,168.4	115.5	1,283.9
SITAF	SOCIETÀ ITALIANA TRAFORO AUTOSTRADALE DEL FREIUS S.P.A.	47.87%	A32 TORINO-BARDONECCHIA, T4 FREIUS TUNNEL	94.0	-	94.0
SITRASB	SOCIETÀ ITALIANA TRAFORO DEL GRAN SAN BERNARDO S.P.A.	36.50%	T2 TRAFORO GRAN SAN BERNARDO	12.8	-	12.8
TE	TANGENZIALE ESTERNA S.P.A.	24.45% ⁽²⁾	A58 TANGENZIALE EST ESTERNA DI MILANO	32.0	-	32.0
TOTAL MANAGED BY ASSOCIATED COMPANIES (B)				138.8	-	138.8
TOTAL (A+B)				1,307.2	115.5	1,422.7

(1) The current EFP does not provide for the completion of the motorway link to Nogarole Rocca (81 km), but only the construction of a first functional lot at Trecasali-Terre Verdiane of approximately 12 km.

(2) Investee company of TEM S.p.A. (48.4% of the share capital), in which the Group holds 49.99% of the share capital.

Motorway Sector - Italy – Subsidiaries

The table shows the trends in effective traffic data, broken down by vehicle category for the first half of 2020, compared with the same period the previous year.

MONTHLY TRAFFIC DATA									
(millions vehicle/km)	1/1-30/6/2020			1/1-30/6/2019			Changes		
	Light	Heavy	Total	Light	Heavy	Total	Light	Heavy	Total
January	690	241	931	543	214	757	27.2%	12.4%	23.0%
February	638	248	886	507	214	721	25.7%	15.7%	22.7%
March	214	193	407	624	242	866	-65.7%	-20.3%	-53.0%
April	77	135	212	669	235	904	-88.5%	-42.3%	-76.5%
May	242	197	439	621	257	878	-61.1%	-23.0%	-50.0%
June	629	239	868	754	244	998	-16.6%	-2.1%	-13.1%
Total 1/1 – 30/6	2,490	1,253	3,743	3,718	1,406	5,124	-33.0%	-10.8%	-27.0%

Below is **traffic performance** for the individual concession holder companies, broken down by managed stretch.

TRAFFIC DATA BY COMPANY										
(millions vehicle/km)	1/1-30/6/2020			1/1-30/6/2019			Changes			
Company	Light	Heavy	Total	Light	Heavy	Total	Light	Heavy	Total	
SATAP S.p.A. – A4 Section	466	247	713	849	299	1,148	-45.1%	-17.6%	-37.9%	
SATAP S.p.A. – A21 Section	337	274	611	636	343	979	-47.0%	-20.0%	-37.6%	
SAV S.p.A.	74	30	104	127	40	167	-41.7%	-24.8%	-37.6%	
Autostrada dei Fiori S.p.A. – A10 Section	216	121	337	415	156	571	-47.9%	-22.3%	-40.9%	
Autostrada dei Fiori S.p.A. – A6 Section	207	69	276	352	85	437	-41.2%	-19.2%	-36.9%	
SALT p.A. – A12 Section	375	146	521	683	189	872	-45.1%	-22.7%	-40.3%	
SALT p.A. – A15 Section	144	75	219	286	98	384	-49.9%	-22.8%	-42.9%	
Autostrada Asti-Cuneo S.p.A.	33	15	48	56	19	75	-41.8%	-17.2%	-35.6%	
Autovia Padana S.p.A.	167	143	310	314	177	491	-46.8%	-19.7%	-37.0%	
ATIVA S.p.A.	471	133	604	-	-	-	-	-	-	
Effective total	2,490	1,253	3,743	3,718	1,406	5,124	-33.0%	-10.8%	-27.0% (*)	

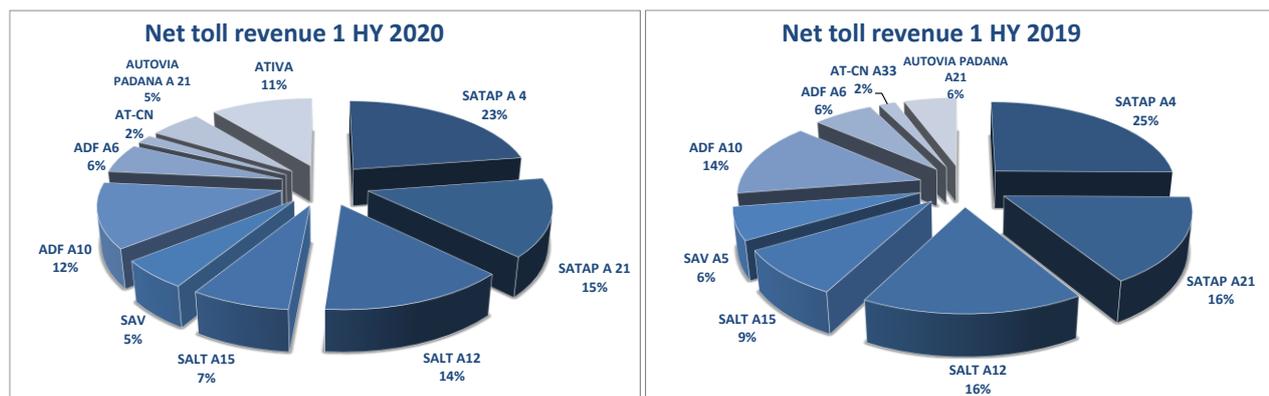
(*) -38.7% on a like-for-like basis (net of traffic figures from ATIVA S.p.A., for which income statement figures are consolidated as of 1 January 2020).

The amount of **net toll revenue** for the individual subsidiary concession holders (broken down by managed stretch) for the first half of 2020, compared with the same figure from the previous year, is indicated below:

amounts in thousands of EUR		1HY 2020	1HY 2019	Changes	%
SATAP S.p.A.	A4 Torino-Milano Stretch	90,410	135,978	(45,568)	
SATAP S.p.A.	A21 Torino-Piacenza Stretch	59,147	87,174	(28,027)	
SALT p.A.	A12 Sestri Levante-Livorno, Viareggio-Lucca and Fornola-La Spezia Stretch	56,250	88,287	(32,037)	
SALT p.A.	A15 La Spezia-Parma Stretch	29,666	47,320	(17,654)	
SAV S.p.A.	A5 Quincinetto-Aosta Stretch	21,684	32,952	(11,268)	
ADF S.p.A.	A10 Savona-Ventimiglia Stretch	49,262	75,388	(26,126)	
ADF S.p.A.	A6 Torino-Savona Stretch	22,361	33,873	(11,512)	
AT-CN S.p.A.	A33 Asti-Cuneo Stretch	6,687	9,526	(2,839)	
AUTOVIA PADANA S.p.A.	A21 Piacenza-Cremona-Brescia Stretch	21,629	30,047	(8,418)	
ATIVA S.p.A.	A55 Tangenziale di Torino and Torino-Pinerolo, A5 Torino-Quincinetto and Ivrea-Santhià	43,426	-	43,426	
Effective total		400,522	540,545	(140,023)	-25.9% (*)

(*) -33.9% on a like-for-like basis (net of toll revenues from ATIVA S.p.A., over which control was acquired at the end of the previous years, meaning income statement figures are consolidated as of 1 January 2020).

The **impact** of individual stretches on total **net toll revenue** is indicated below:

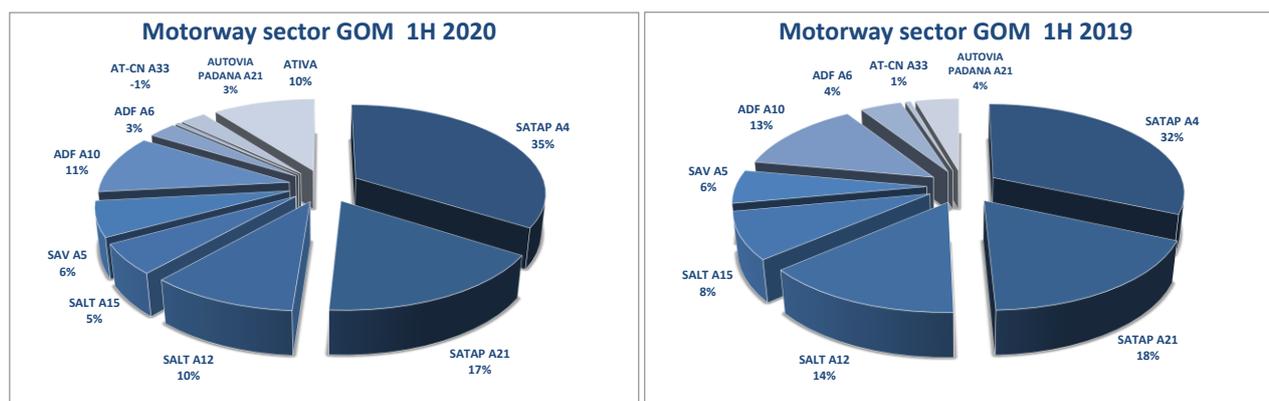


The decrease in net toll revenue was inevitably reflected in the **gross operating margin (EBITDA)** for individual concession holders, despite measures adopted to contain costs, which, as noted, in any case ensured full usability of infrastructure managed and compliance with safety requirements for users and employees. Below the details of the **gross operating margin (EBITDA)** (broken down by managed stretch), compared with the same figure from the previous year, are provided:

GROSS OPERATING MARGIN (EBITDA)		1HY 2020	1HY 2019	Changes
amounts in thousands of EUR				
SATAP S.p.A.	A4 Torino-Milano Stretch	67,621	108,189	(40,568)
SATAP S.p.A.	A21 Torino-Piacenza Stretch	33,516	60,693	(27,177)
SALT p.A.	A12 Sestri Levante-Livorno, Viareggio-Lucca and Fornola-La Spezia Stretch	20,689	48,301	(27,612)
SALT p.A.	A15 La Spezia-Parma Stretch	10,737	28,702	(17,965)
SAV S.p.A.	A5 Quincinetto-Aosta Stretch	12,583	20,475	(7,892)
ADF S.p.A.	A10 Savona-Ventimiglia Stretch	20,951	44,412	(23,461)
ADF S.p.A.	A6 Torino-Savona Stretch	5,587	14,083	(8,496)
AT-CN S.p.A.	A33 Asti-Cuneo Stretch	(986)	1,888	(2,874)
AUTOVIA PADANA S.p.A.	A21 Piacenza-Cremona-Brescia Stretch	5,139	14,786	(9,647)
ATIVA S.p.A.	A55 Tangenziale di Torino and Torino-Pinerolo, A5 Torino-Quincinetto and Ivrea-Sanità	20,322	-	20,322
Effective total		196,159	341,529	(145,370)
Motorway sector EBITDA margin		45.8%	58.8%	

(*) -48.5% on a like-for-like basis (without the figures for ATIVA S.p.A., over which control was acquired at the end of the previous years, meaning income statement figures are consolidated as of 1 January 2020).

The **impact** of individual stretches on the **gross operating margin (EBITDA)** total for the motorway sector is shown below:



For individual **licensee subsidiaries**, a summary is provided of the main **revenue and expenditure items** for the first half of 2020, compared with those from the first half of 2019, as well as the **net financial indebtedness** balance at both 30 June 2020 and 31 December 2019:

<i>(amounts in thousands of EUR)</i>	1HY 2020						
	SATAP	SALT	SAV	ADF	AT-CN	AUTOVIA	ATIVA
Net toll revenue ⁽¹⁾	149,557	85,916	21,684	71,623	6,687	21,629	43,426
Other motorway sector revenue ⁽²⁾	2,605	2,449	316	1,869	24	224	1,032
Other revenues	9,362	3,271	2,946	3,474	603	695	1,846
Turnover (A)	161,524	91,636	24,946	76,966	7,314	22,548	46,304
Operating costs ⁽¹⁾⁽²⁾ (B)	(60,387)	(60,210)	(12,363)	(50,428)	(8,300)	(17,409)	(25,982)
Gross operating margin (EBITDA) (A-B)	101,137	31,426	12,583	26,538	(986)	5,139	20,322
Net financial indebtedness as at 30 June 2020	(124,518)	79,564	(36,398)	(68,443)	(242,928)	(161,093)	252,867

⁽¹⁾ Amounts net of the fee/additional fee payable to ANAS

⁽²⁾ Amounts net of revenue and costs for construction activities of non-compensated revertible assets

<i>(amounts in thousands of EUR)</i>	1HY 2019						
	SATAP	SALT	SAV	ADF	AT-CN	AUTOVIA	ATIVA ³
Net toll revenue ⁽¹⁾	223,152	135,607	32,952	109,261	9,526	30,047	63,598
Other motorway sector revenue ⁽²⁾	7,427	5,718	419	3,145	26	374	2,361
Other revenues	8,810	4,141	3,231	3,685	564	3,069	1,869
Turnover (A)	239,389	145,466	36,602	116,091	10,116	33,490	67,828
Operating costs ⁽¹⁾⁽²⁾ (B)	(70,507)	(68,463)	(16,127)	(57,596)	(8,228)	(18,704)	(28,875)
Gross operating margin (EBITDA) (A-B)	168,882	77,003	20,475	58,495	1,888	14,786	38,953
Net financial indebtedness as at 31 December 2019	(327,860)	(172,140)	(42,279)	(44,297)	(237,486)	(139,891)	82,230

⁽¹⁾ Amounts net of the fee/additional fee payable to ANAS

⁽²⁾ Amounts net of revenue and costs for construction activities of non-compensated revertible assets

⁽³⁾ The income state figures for ATIVA, over which control was acquired at the end of the previous year, have been consolidated as of 1 January 2020

Investments

With regards to investments, note that despite the cited difficulties which arose due to the Covid -19 pandemic, investments carried out during the first half of 2020 amounted to around EUR 142.3 million, an **increase of over 23%** compared to the same period the previous year. Below are the details, by section managed, of motorway investments made during H1 2020, compared with the figures from the same period the previous year.

<i>(amounts in millions of EUR)</i>	Section	1HY 2020	1HY 2019
SATAP S.p.A.	A4 Torino-Milano	3.1	2.6
SATAP S.p.A.	A21 Torino-Piacenza	15.2	3.5
SALT p.A.	A15 La Spezia-Parma	13.1	30.9
SALT p.A.	A12 Sestri Levante-Viareggio-Lucca and Fornola-La Spezia	25.2	22.8
Autostrada Asti-Cuneo S.p.A.	A33 Asti-Cuneo	0.9	4.2
Autostrada dei Fiori S.p.A.	A10 Savona-Ventimiglia	14.8	9.2
Autostrada dei Fiori S.p.A.	A6 Torino-Savona	42.8	30.3
SAV S.p.A.	A5 Quincinetto-Aosta	5.0	3.8
Autovia Padana S.p.A	A21 Piacenza-Cremona-Brescia	11.1	8.4
ATIVA S.p.A.	A55 Tangenziale di Torino and Torino-Pinerolo, A5 Torino-Quincinetto and Ivrea-Santhià	11.1	-
	Total motorway network	142.3	115.7

Motorway Sector - Italy – Associated companies

TANGENZIALE ESTERNA S.p.A.

The main *revenue and expenditure items*⁽¹⁾ of the Company may be summarised as follows:

<i>(amounts in thousands of EUR)</i>	1HY 2020	1HY 2019
Net toll revenue ⁽²⁾	22,435	33,939
Other revenues ⁽³⁾	638	702
Turnover (A)	23,073	34,641
Operating costs ⁽²⁾⁽³⁾ (B)	(11,197)	(12,823)
Gross operating margin (EBITDA) (A-B)	11,876	21,818

(1) Figures prepared in accordance with the International Accounting Standards IAS/IFRS

(2) Amounts net of the fee/additional fee payable to ANAS

(3) Amounts net of revenue and costs for construction activities of non-compensated revertible assets

As at 30 June 2020, net financial indebtedness totalled EUR 1,081.9 million (EUR 1,067.5 million as at 31 December 2019).

SITAF – Società Italiana per il Traforo Autostradale del Frejus S.p.A.

The main *revenue and expenditure items*⁽¹⁾ of the Company may be summarised as follows:

<i>(amounts in thousands of EUR)</i>	1HY 2020	1HY 2019
Net toll revenue ⁽²⁾	57,607	72,379
Other revenues ⁽³⁾	23,156	22,858
Turnover (A)	80,763	95,237
Operating costs ⁽²⁾⁽³⁾ (B)	(29,974)	(35,782)
Gross operating margin (EBITDA) (A-B)	50,789	59,455

(1) Figures prepared in accordance with the International Accounting Standards IAS/IFRS

(2) Amounts net of the fee/additional fee payable to ANAS

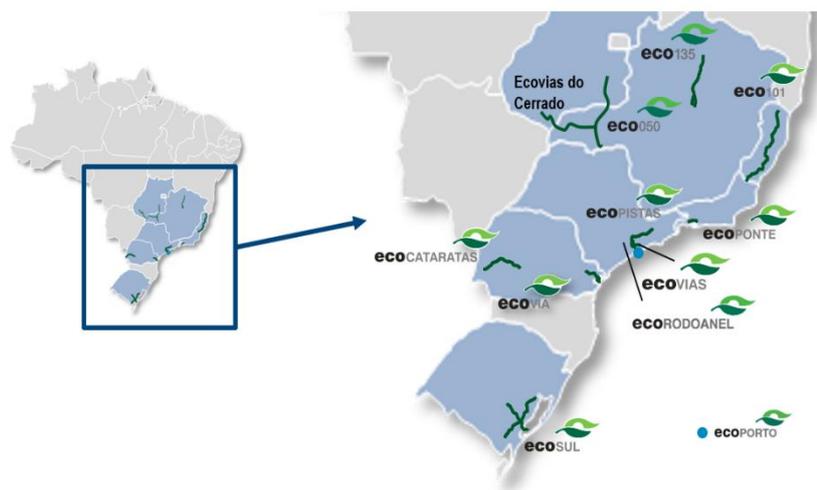
(3) Amounts net of revenue and costs for construction activities of non-compensated revertible assets

At 30 June 2020, net financial indebtedness, including the discounted value of the payable due to ANAS-Fondo Centrale di Garanzia, was equal to EUR 787.9 million (EUR 766.9 million as at 31 December 2019).

Motorway Sector – Outside Italy

Brazil

The Group operates in one of the wealthiest areas of Brazil through the jointly controlled company Primav Infraestrutura S.A.¹, a Brazilian company that controls the listed sub-holding company EcoRodovias Infraestrutura e Logística S.A. (“Ecorodovias”).



The extension of the **motorway network** as at 30 June 2020, managed in Brazil through the subsidiaries EcoRodovias Infraestrutura e Logística S.A. (“Ecorodovias”) was as follows:

Company	%	Managed stretch	km
Concessionária Ecovia CaMinho Do Mar S.A.	100%	Curitiba metropolitan area – Port of Paranagua	136.7
Rodovia das Cataratas S.A. – Ecocataratas	100%	Paraná – “triple border” (Brazil, Argentina and Paraguay)	387.1
Concessionária Ecovias dos Imigrantes S.A.	100%	Sao Paulo metropolitan area – Port of Santos	176.8
Concessionária das Rodovias Ayrton Senna e Carvalho Pinto S.A. - Ecopistas	100%	Metropolitan São Paulo – Vale do Rio Paraíba industrial area	143.8
Concessionária Ponte Rio-Niterói S.A. – Ecoponte	100%	Rio de Janeiro Noterói – State of Rio de Janeiro	23.3
Empresa Concessionaria de Rodovias do Sul S.A. – Ecosul	100%	Pelotas – Porto Alegre and Rio Grande Port	457.3
Eco 101 Concessionaria de Rodovias S.A.	100%	Macuri/BA Rio de Janeiro border	475.9
Concessionária do Rodoanel Norte S.A. – Ecorodoanel ⁽¹⁾	100%	Sao Paulo Northern Ring Road	47.6
Concessionaria de Rodovias Minas Gerais Golas S.A. (MGO) ⁽²⁾	100%	Cristalina (Goias) - Delta (Minas Gerais)	436.6
Eco135 Concessionária de Rodovias S.A. ⁽³⁾	100%	Montes Claros (Minas Gerais)	364.0
Ecovias do Cerrado ⁽⁴⁾	100%	Jatai (Goias) – Uberlandia (Minas Gerais)	437.0
Total amount managed by subsidiaries			3,086.1

⁽¹⁾ Company not yet operational as it is awaiting the signing of the concession agreement. On 6 June 2019, the granting body announced the suspension of the bidding procedure until 31 December 2020.

⁽²⁾ On 30 May 2019 the transfer of the “Eco 050 (MGO)” concession to the Ecorodovias Group was completed; the figures of said licensee were therefore consolidated as of 1 June 2019.

⁽³⁾ The company began operating as of 1 July 2018 and collected tolls as of 1 April 2019.

⁽⁴⁾ On 27 September 2019, EcoRodovias won the tender for the 30-year management of the “BR-364/BR-365” motorway system, which links the states of Goias and Minas Gerais. The concession contract was signed on 19 December 2019 and the assets were transferred on 20 January 2020. The 30-year concession will expire on 19 January 2050.

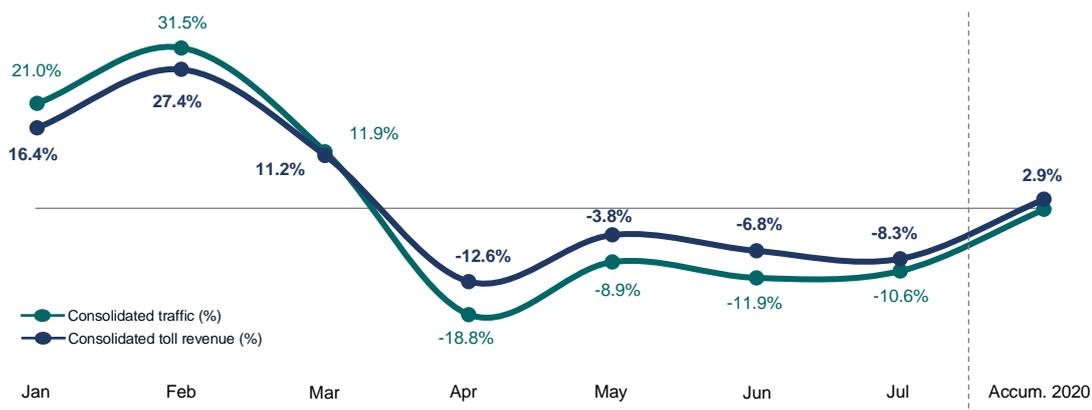
¹ Primav Infraestrutura S.A. (investee company via the subsidiary IGLI S.p.A.) is consolidated with the “equity method” as a company subject to joint control and, therefore, not subject to reporting in these financial statements. Nevertheless, given the importance of the investment, below is some information on income performance, as well as data related to traffic and revenue in the first half of 2020, compared with the corresponding figure of the first half of 2019.

The figures for the first half of 2020 for the Ecorodovias Group suffered from the effects of the progressive spread of the Covid-19 pandemic in Brazil. The companies of the Ecorodovias Group, in line with the directives issued by national and local health authorities, adopted prevention and containment measures to mitigate the impacts of the pandemic on the health of their employees and on their business operations.

Note that, from a regulatory point of view, the concession contracts of Ecorodovias Group companies contain clauses relative to force majeure events and/or unforeseen circumstances and, therefore, the Group believes that its concessions will have the right to restore their economic balance with regards to the impacts caused by the Covid-19 epidemic, a force majeure event.

Below is traffic and toll revenues performance in 2020 up to 28 July:

MONTHLY TRAFFIC AND TOLL REVENUES PERFORMANCE ¹ (2020 VS. 2019)



Financially, during the initial months of the current year funding and refinancing projects were carried out to extend the maturity of debts and strengthen the financial structure. In particular:

- in April Ecorodovias Infraestrutura e Logística S.A. issued promissory notes for 1.2 billion Reais (EUR 196 million²) with a duration of two years;
- in June Ecosul S.A. issued Bank Credit Notes for 250 million Reais (EUR 40.9 million²) with a duration of one year;
- in June BNDES issued tranches A and B of a loan to Eco 135 S.A. for 106.6 million Reais (EUR 17.4 million²);
- in July Ecorodovias Concessões e Serviços (ECS) S.A. issued a bond loan for 1 billion Reais (EUR 163.6 million²).

¹ Eco 135 included from April 2019 and Eco 050 from June 2019.

² Based on the Euro/Reais exchange rate of 6.1118 as at 30 June 2020.

As regards the financial performance of the Ecorodovias Infraestrutura e Logística Group, in the first half of 2020 the Company recorded:

- traffic volume growth of 3.2%¹;
- 4.9% growth in revenue from motorway management totalling 1,460.4 million Reais (EUR 238.9 million²);
- pro-forma EBITDA² equal to 960.8 million Reais (EUR 157.2 million³), up by 3.8%;
- proforma net profit⁴ equal to 187.5 million Reais (EUR 30.7 million²), up by around 32.7%.

Traffic volumes for each Brazilian licensee in the first half of 2020, as compared to the corresponding period of 2019, are detailed below:

<i>(in thousands of equivalent paying vehicles)¹</i>	1/1-30/6/2020			1/1-30/6/2019			Changes		
Company	Light	Heavy	Total	Light	Heavy	Total	Light	Heavy	Total
Ecovia Caminho Do Mar	2,233	6,719	8,952	2,367	5,538	7,905	-5.7%	21.3%	13.2%
Ecocataratas	4,151	8,398	12,549	5,213	7,989	13,202	-20.4%	5.1%	-4.9%
Ecovias dos Imigrantes	13,111	12,973	26,084	17,751	12,267	30,017	-26.1%	5.8%	-13.1%
Ecopistas	21,836	10,685	32,521	30,337	12,777	43,114	-28.0%	-16.4%	-24.6%
Ecoponte	9,305	1,712	11,017	12,368	2,082	14,450	-24.8%	-17.8%	-23.8%
Ecosul	2,826	10,038	12,864	3,508	9,256	12,763	-19.4%	8.5%	0.8%
Eco 101	6,693	14,947	21,640	8,058	15,515	23,573	-16.9%	-3.7%	-8.2%
Eco135 ²	2,996	11,736	14,732	1,544	6,379	7,923	94.0%	84.0%	85.9%
Eco050 (MGO) ³	5,370	15,618	20,988	1,029	2,431	3,460	-	-	-
Total	68,522	92,827	161,347	82,175	74,234	156,409	-16.6%	25.0%	3.2%
Adjusted total ⁴	60,156	65,473	125,627	79,602	65,424	145,026	-24.4%	0.1%	-13.4%

⁽¹⁾ Traffic volumes are expressed in "equivalent paying vehicles", the basic reference unit in toll statistics on the Brazilian market. Light vehicles (such as cars) correspond to an equivalent vehicle unit. Heavy vehicles (such as lorries and buses) are converted into equivalent vehicles by a multiplier applied to the number of axles per vehicle, established in the terms of each concession contract.

⁽²⁾ Period from 1 April 2019.

⁽³⁾ Period from 1 June 2019.

⁽⁴⁾ Figure on a like-for-like basis (does not include traffic figures from the concession holders Eco 135 and Eco 050).

The decrease can mainly be attributed to social distancing measures adopted by Authorities as of the second half of March, intended to limit the spread of the Covid-19 pandemic.

¹ -13.4% on a like-for-like basis, with the exception of the traffic of the licensees Eco135 and Eco050 (MGO), subject to tolls since 1 April and 1 June 2019 respectively.

² Excluding revenues and construction costs, allocations to the provisions for maintenance and costs relative to the Non-Prosecution Agreement.

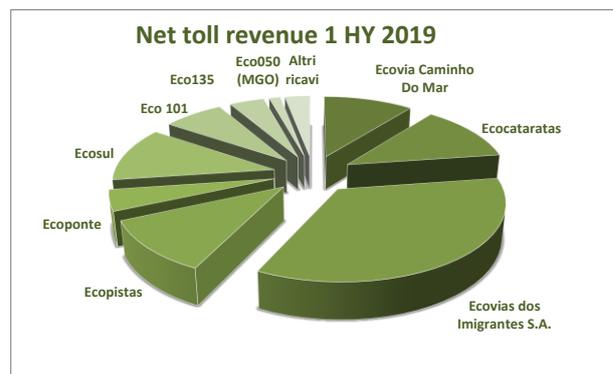
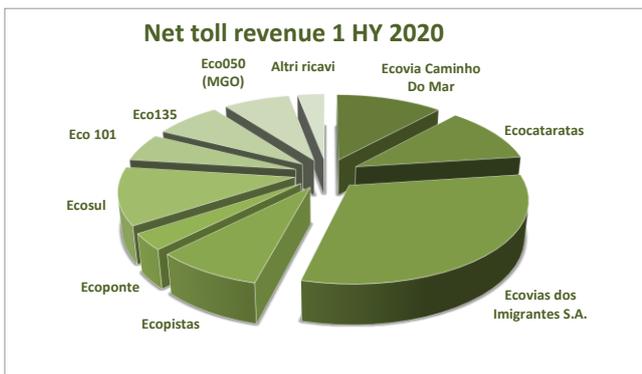
³ Based on the Euro/Reais exchange rate of 6.1118 as at 30 June 2020.

⁴ Excluding costs relative to the Non-Prosecution Agreement and inflation adjustments relative to the Leniency Agreement and the Non-Prosecution Agreement.

The **motorway sector revenue** relating to the first half of 2020 - compared with the corresponding values of 2019 - broken down by licensee is as follows:

(amounts in BRL millions)	1HY 2020	1HY 2019	changes
Ecovia Caminho Do Mar	170.9	147.1	16.2%
Ecocataratas	163.8	169.6	-3.4%
Ecovias dos Imigrantes	454.2	479.2	-5.2%
Ecopistas	122.5	155.1	-21.0%
Ecoponte	47.4	62.1	-23.8%
Ecosul	165.6	162.8	1.7%
Eco 101	80.7	99.2	-18.7%
Eco135	106.1	57.0	n.a.
Eco050 (MGO)	106.1	18.4	n.a.
Other motorway sector revenue	43.0	41.3	4.0%
TOTAL MOTORWAY SECTOR REVENUE	1,460.4	1,391.9	4.9%
Total in millions of EUR (*)	238.9	227.7	

(*) Based on the Euro/Reals exchange rate of 6.1118 as at 30 June 2020



Great Britain

Through the investee company Road Link Holdings Ltd (20% of the share capital), the Group holds a stake in Road Link (A69) Ltd., which manages the 84 km-long Newcastle-Carlisle motorway stretch in the United Kingdom.

The concession is due to expire in 2026.

During the half year, it contributed EUR 0.5 million to the Group's profit.



RESULTS OF OPERATIONS – EPC Sector

The Group operates in the EPC sector mainly through Itinera S.p.A. (investee company with 100% of the share capital) and their respective subsidiaries, namely:

- SEA Segnaletica Stradale S.p.A. (investee with 100% of the share capital held)
- Argo Costruzioni Infrastrutture S.c.p.A. (investee with 100% of the share capital held)
- Halmar International LLC (50% of the share capital) and its subsidiaries - active in the USA - held through the US holding company Itinera USA Corp (100% of the share capital)
- Itinera Construções Ltda (100% owned) active in Brazil.

In addition to the aforementioned Itinera Group “Construction” companies:

- SINA S.p.A. (100% owned) operating in engineering, design, works management and monitoring services.
- Euroimpianti S.p.A. (100% owned) active in the production of electrical and electromechanical systems.
- Sicogen S.r.l. (investee with 85% of the share capital held).
- Ativa Engineering S.p.A. (investee with 100% of the share capital held).

ITINERA GROUP

The companies in the Itinera Group operate in the construction sector and their main activities are the construction and maintenance of road, motorway and railway infrastructures, building works (hospitals and shopping centres), maritime works, as well as works related to underground works such as tunnels and railways.

The first half of 2020 shows a slight increase in the Group’s value of production, which amounted to EUR 480.2 million, compared to EUR 464 million in the first half of 2019. Production volumes achieved, although higher than the figure recorded in the first half of 2019, were lower than those forecasted in the budget, suffering from impacts deriving from the Covid-19 pandemic. In fact, the Group saw heavy slowdowns or even full blockage of activities for certain projects under way within Italy, with volumes reduced overall by around 30% with respect to the same period the previous year, in particular with reference to construction and maintenance work for motorway companies.

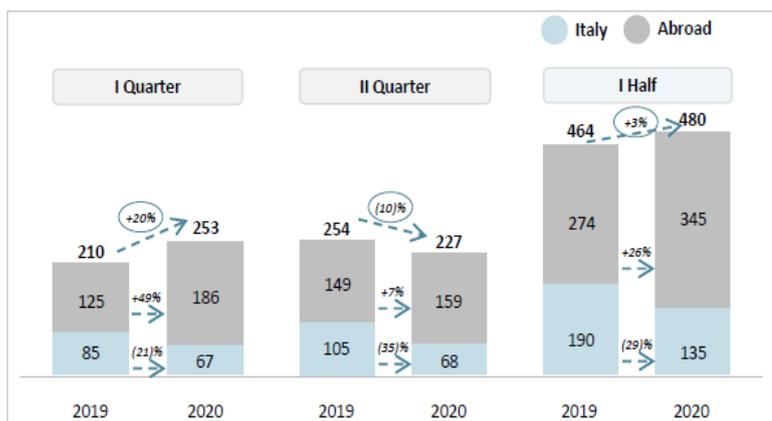
Abroad, the decrease in volumes with respect to the budget was more limited. In fact, all construction sites were able to continue with activity, although with slowdowns.

The extension of timeframes in almost all the main construction sites, (not only in Italy, but also in Denmark, Romania, Austria and the Middle East) inevitably gave rise to additional costs during the half. The problems which arose are being discussed with the customers, given that payment for additional time is generally recognised, although not all additional costs paid.

All this involved a decrease in the margins recognised for work orders in progress, with a consequent lower coverage of fixed and non-operating structural costs.

The breakdown of production by geographic area shows production growth achieved abroad, in contrast to that seen in Italy, which was particularly affected by the pandemic.

Abroad, on the other hand, the figures as a whole show increased production with respect to the same period in 2019, due exclusively to the start of new projects. Compared to a notable increase seen in the first quarter (+49% with respect to the first quarter of 2019), in the second quarter growth was more limited, due to the spread of Covid-19 effects, and the production increase was +7%. In any case, all foreign construction sites continued their activities without interruption.

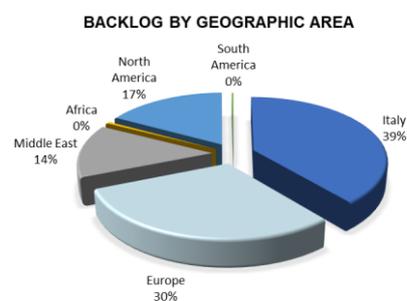


As regards the “**financial position**”, a summary of its components is provided below:

(amounts in thousands of EUR)	30/06/2020	31/12/2019	Changes
A) Cash	146,212	137,289	8,923
B) Financial receivables	21,409	36,648	(15,239)
C) Short-term borrowings	(216,307)	(147,150)	(69,157)
D) Current net cash (A) + (B) + (C)	(48,686)	26,787	(75,473)
E) Long-term borrowings	(69,368)	(91,755)	22,387
F) Net financial indebtedness (D) + (E)	(118,054)	(64,968)	(53,086)

Net financial indebtedness amounted to EUR 118 million (EUR 65 million at 31 December 2019). The change is mainly due to resources absorbed by operating activities for EUR 30.4 million, to investment for EUR 8.7 million and financial activities for EUR 14 million.

The Company’s “**backlog**” as of 30 June 2020 amounts to around EUR 4 billion (figures deriving from the use of exchange rates as at 30 June 2020 for contracts in currencies other than the euro), compared to the figure of EUR 4.4 billion as at 31 December 2019, of which 3.3 billion for the parent company Itinera S.p.A., 0.6 billion for Halmar and 0.1 billion for Itinera Construcioes e Sea Segnaletica Stradale. New acquisitions during the period amount to EUR 0.1 billion.



SINA S.p.A.

This Company operates in the study, design and works management areas for railway and motorway works.

During the half in question, turnover showed an increase of around EUR 5 million, reaching EUR 31.2 million (EUR 26.2 million during the first half of 2019). The increase can mainly be attributed to greater production during the period relative to Group companies.

Following the growth in turnover, the “*operating costs*” showed an increase equal to around EUR 2.9 million, amounting to EUR 23.1 million (EUR 20.2 million in the first half of 2019).

The “*gross operating margin*” totalled EUR 8.2 million (EUR 6 million in the first half of 2019).

The “*net financial position*” as at 30 June 2020 showed net cash of around EUR 7.7 million (EUR 15.2 million as at 31 December 2019).

SINA holds 100% of the share capital of [Siteco Informatica S.r.l.](#), a company operating in the development of technological software (in particular, application software managing road databases) and in the engineering and integration of technologies and instruments to carry out high-performance tools for photographic, geometric and topographic surveys of infrastructures.

In the first half of 2020, revenue totalled EUR 0.9 million (EUR 0.5 million in the first half of 2019), compared with operating costs of EUR 0.6 million (EUR 0.6 million in the first half of 2019); the gross operating margin was EUR 0.3 million (negative for EUR 0.1 million in the first half of 2019).

The “*financial position*” as at 30 June 2020 showed net debt equal to EUR 81 thousand (cash funds of EUR 9 thousand as at 31 December 2019).

EUROIMPIANTI S.p.A.

The company operates in the area of design and production of electrical, electronic and electromechanical systems.

As part of the “One Company” project, which involves supporting Itinera S.p.A. in the execution of projects in course, in February 2020 the company opened a branch in Denmark in order to carry out systems works in the hospitals which Itinera is building in the country.

During the half in question, turnover showed a decrease of around EUR 0.3 million, reaching EUR 35.1 million (EUR 35.4 million in the first half of 2019). The decrease can mainly be attributed to lower production during the period relative to Group companies.

Following the drop in turnover, the “*operating costs*” showed a decrease equal to EUR 0.6 million, amounting to EUR 32.9 million (EUR 33.5 million in the first half of 2019).

The “*gross operating margin*” totalled EUR 2.2 million (EUR 1.9 million in the first half of 2019).

The “*financial position*” as at 30 June 2020 showed net cash equal to EUR 5.5 million (net cash equal to EUR 6.6 million as at 31 December 2019).

RESULTS OF OPERATIONS – Technology Sector

Activities in the technology sector are carried out by the Group through Sinelec S.p.A. (investee company with 98.914% of the share capital).

SINELEC S.p.A.

This Company is active in the field of Information & Communication Technology: it designs, implements and manages advanced systems for the processing of data relating to mobility, transport and toll collection, as well as the development and implementation of new technologies in the service of safety and assisted driving of vehicles. It also operates in the lease sector of both fibre optics and sites for the positioning of transmission devices for companies operating in the mobile telephony sector.

During the half in question, turnover showed a decrease of around EUR 4.2 million, falling to EUR 33.9 million (EUR 38.1 million in the first half of 2019); the decline can mainly be attributed to lower production during the period relative to Group companies.

Following the drop in turnover, the “*operating costs*” showed a decrease equal to around EUR 3.8 million, amounting to EUR 27 million (EUR 30.8 million in the first half of 2019).

The “*gross operating margin*” totalled EUR 6.9 million (EUR 7.3 million in the first half of 2019).

The “*financial position*” as at 30 June 2020 showed net cash funds equal to EUR 12.6 million (net cash funds of EUR 11 million as at 31 December 2019).

RISK FACTORS AND UNCERTAINTIES

The main risks¹ and uncertainties to which the Company is exposed are detailed below:

Covid-19 Pandemic

With reference to the main uncertainties identifiable as of the date this Interim Financial Report was prepared, associated with the spread of the health emergency connected to the Covid-19 pandemic, both domestically and internationally, please refer to that reported in the previous section "*Covid-19 Pandemic*".

Renewal and approval of the economic and financial plans of motorway companies and new toll regime proposed by the Transport Regulation Authority

With regards to issues related to the renewal and approval of the economic and financial plans for motorway concessions and the relative impacts on toll trends, recall that the current regulations for the motorway sector establish that the Economic Financial Plan (PEF) is to be updated every five years, by 30 June of the first year of the new regulatory period.

To that end, note that the PEF for the Piacenza-Cremona-Brescia stretch managed by the subsidiary **Autovia Padana (A21)** is fully in effect, while the PEFs for the motorway stretches managed by the subsidiaries **SAV (A5)**, **ADF (A10 and A6)** and **SALT (A15)** and those of the associate **SITAF (A32)** expired on 31 December 2018, and that of the associate **Tangenziale Esterna di Milano (A58)**² expired during the first half of 2019. Although the above concession holders took action in accordance with the calendar indicated in the regulations, the PEF update process is still in progress.

As reported in previous publications, recall that during 2019 the Transport Regulation Authority (ART) issued specific resolutions, which were challenged by the Group's concession holder companies, intended to define, among other things, a toll rate system different from those currently established in the concession contracts, an action to be judged illegitimate in that the ART, which serves only as support to the Ministry, cannot impact contracts already stipulated by the parties to them. Nonetheless, solely for the purpose of complying with the requests of the Granting Body, avoiding in any case any effects of acquiescence with regards to both the Granting Body and ART, in June 2020 subsidiaries SAV (A5), ADF (A10 and A6) and SALT (A15) sent their respective PEFs, prepared in compliance with the aforementioned ART resolutions.

The Ministry of Infrastructure and Transport (MIT) sent instructions to all relevant concession holders to not consider the change in traffic due to Covid-19 in their PEF updates, given that the effects of the pandemic, which MIT recognises as a force majeure event, will be compensated as part of the update.

Lapsed motorway concessions

As noted in previous reports, with Resolution No. 38/2019 of 24 July 2019 (published in the Official Journal of 30 October 2019), the Italian Interministerial Committee for Economic Planning ("CIPE") approved the "*general criterion for ascertaining and defining the economic relationships pertaining to the motorway licensee companies limited to the period between the date of expiry of the concession and the date of effective takeover of the new licensee (transitional period)*", as presented by the MIT. The criterion established by the MIT and approved by the CIPE affects, and amends, the regulatory regime of the transitional period previously and precisely provided for by the agreements and said law (Art. 178 of Italian Legislative Decree No. 50/2016).

Within the Group, as already stated, concessions expired on 30 June 2020 which are managed by the subsidiaries ATIVA S.p.A. (of which the concession expired on 31 August 2016), SATAP S.p.A. - A21 Section (of which the concession expired on 30 June 2017) and SALT p.A. - A12 Section (of which the concession expired on 31 July 2019). For these, while awaiting the identification of a new licensee and at the request of the Granting Body, the following subsidiaries continue to manage their concessions under an

¹ With regard to "financial risk" management, reference should be made to the "Other information" section included in the Explanatory Notes of the "condensed interim financial report".

² The PEF for Tangenziale Esterna di Milano was sent to the granting body CAL, which - with note of 3 July 2020 - has indicated that it has approved it and sent it to MIT for its relevant responsibilities.

extension (continuing to apply the concession agreements).

The companies in question reacted negatively to the MIT requests to prepare the Transitional Financial Plan provided for by CIPE Resolution No. 38/2019 and appealed before the Regional Administrative Court of Lazio, as regards SATAP S.p.A. and SALT p.A., and before the Regional Administrative Court of Piedmont, as regards ATIVA S.p.A., both Resolution 38 - and the consequent acts -, claiming that the adoption of the new regime established by the CIPE resolution was unlawful from several points of view, essentially resulting in the unilateral imposition on the outgoing licensee company of conditions other than those set out in agreements and by law.

The aforementioned subsidiaries therefore assessed, with support from their legal, administrative and technical consultants, and taking into account the contractual obligations in force, the risks related to said current and potential lawsuits with the Granting Body.

Having assessed these risks as "probable", the companies in question then quantified them and allocated specific provisions in their respective financial statements. The total amount of the funds allocated in the financial statements as at 30 June 2020 relating to the so-called "concession risk" totalled EUR 223.8 million, of which an amount of EUR 7.3 million was allocated during the first half of 2020.

In addition, given that this is an assessment made by the individual companies with support from their own consultants and with no cross-examination with the counterparty, and considering the estimate as adequate for the existing risk, there is still a possibility of incurring additional charges on top of the amounts of the provisions posted.

For further details, please refer to the Explanatory Notes to the Condensed Consolidated Interim Financial Report under "*Provisions for risks and charges and Employee benefits*".

Claims

Specific disputes are pending for several companies operating in the "EPC sector" with buyers which have given rise to claims by these buyers and, in some cases, lawsuits initiated by these buyers to protect their interests.

It should be noted, however, that specific adjusting provisions have been recognised for the portion of the amounts recognised in the financial statements, which are deemed to be at "risk" as a result of pronouncements, sentences, judgements handed down in arbitration or judicial proceedings called to decide on the lawsuit.

Ecorodovias Infrastruttura e Logistica S.A.

With reference to the potential risks associated with investigations involving certain companies of the Ecorodovias Group, please refer to the section "*Other information*" in the Explanatory Notes to the Condensed Consolidated Interim Financial Report.

SEGMENT INFORMATION

Pursuant to CONSOB Communication No. 98084143 of 27 October 1998, it should be underlined that – as already pointed out in the previous section “Business segments and Group composition” – the Group’s main areas of activity are the management of motorway networks under concession, and the design and construction of major infrastructure works, as well as technology applied to transport mobility. As a consequence, the economic-financial components of the Condensed Consolidated Interim Financial Report are mainly attributable to these types of activity.

In the Explanatory Notes, an analysis of the results by business segment is included in the related section "Operating segments", pursuant to IFRS 8.

OTHER INFORMATION REQUIRED BY CURRENT LEGISLATION

Treasury shares

On 25 May 2020, the Ordinary Shareholders’ Meeting approved the request to authorise the purchase and disposal of treasury shares; it will be possible to purchase shares, up to a maximum of 21,000,000 ordinary shares, up until the approval date of the 2020 financial statements and, in any case, for no more than 18 months from the resolution date. The Board of Directors, which met after the Shareholders’ Meeting, following careful evaluation of the applicable regulatory framework and the compatibility of a buyback programme with the Group’s operating requirements (considering the changes in the economic situation as a result of the COVID-19 emergency), unanimously decided not to launch the buyback plan.

To execute the prior treasury share buy-back plan approved by the Board of Directors on 2 August 2019, relative to the Ordinary Shareholders' Meeting resolution of 16 May 2019, in the initial months of 2020 a total of 777,012 treasury shares were purchased, for a total of EUR 11.7 million.

As of today, the Parent Company holds 10,741,948 treasury shares (corresponding to about 7.645% of the share capital), of which directly 8,571,040 and indirectly 2,170,908 shares (2,149,408 through the subsidiary SINA S.p.A. and 21,500 through the subsidiary ATIVA S.p.A.).

Relationships with subsidiaries, associated companies, parent companies and with companies subject to control of these latter companies

The economic and financial relationships with subsidiaries, associated companies, parent companies and companies subject to the control of the latter are provided separately, for individual items, in a specific paragraph in the Explanatory Notes, "*Other information - Related-party transactions*", in the Condensed Consolidated Interim Financial Report.

Compliance with the regulatory simplification process adopted by CONSOB Resolution No. 18079 of 20 January 2012

Pursuant to Art. 3 of CONSOB Resolution No. 18079 of 20 January 2012, on 6 December 2012 the Board of Directors of ASTM S.p.A. – with reference to the provisions set out in Article 70, paragraph 8, and Article 71, paragraph 1-*bis* of CONSOB Regulation No. 11971/99 – approved to make use of the power to derogate from the obligations concerning publication of the information documents set out in the said CONSOB Regulation in case of significant merger, split-off, share capital increase through contribution in kind, acquisition and disposal transactions.

SIGNIFICANT SUBSEQUENT EVENTS

Other than the above, no significant events occurred after 30 June 2020.

BUSINESS OUTLOOK

• FINANCIAL YEAR 2020

The results for the period show the Group's ability to react to extraordinary events like the COVID-19 pandemic, as well as its ability to continue the internationalisation process, showing a marked improvement in its balance sheet and financial position.

With regards to the **motorway sector**, traffic volumes have recovered quickly since the second half of May. The most recent estimates coming from sector analysts suggest, if an unforeseen return of the epidemic does not occur, a gradual recovery during the remaining months of the year, which should lead to the achievement of volumes in line with those of December 2019, by December of this year.

On the basis of the cited forecasts it can be hypothesised that traffic volumes and toll revenues for the whole of financial year 2020 will show a decrease within of range of 9% to 11% (-20%/-22% on a like-for-like basis).

In the **EPC sector**, after the suspension of activities in the main construction sites domestically, activities are also progressively returning to normal, although the delays accumulated during the first half will still generate operating inefficiencies, which may negatively impact margins on work orders.

On the basis of the cited forecasts¹ for traffic and toll revenues, in addition to the expected performance of the Group companies operating in the EPC and Technology sectors based on the latest versions of the operating budgets, which take into account the final results in the first half of the current year, the estimates regarding the main economic and financial ratios for the whole of financial year 2020 are as follows:

- ✓ Aggregated Group revenues²: stable compared to 2019;
- ✓ Profit pertaining to the owners of the parent company: increase of over 35% compared to 2019;
- ✓ Net financial indebtedness: decrease of over 40% compared to 2019³
- ✓ Network investments increased by around 30%.

• MEDIUM/LONG-TERM STRATEGY AND OBJECTIVES

The manifestation of the epidemiological crisis has not changed the Group's medium/long-term strategy and objectives, whose guidelines, set out in the Business Plan 2017-2021, have emerged as further consolidated.

These objectives include, with regards to the motorway concessions sector, strengthening leadership in both the domestic and international markets, with an eye to "qualitative" growth and the geographic diversification of risk. On the other hand, with reference to the EPC sector, the goal is to strengthen the Group's position as a major player in the construction market, strengthening the support activities provided to the concession holder sector, while maintaining a balanced financial structure.

¹ In a market context still characterised by great uncertainty regarding economic/financial prospects as a result of the Covid-19 epidemic, the provisional figures and information are considered "forward-looking statements" and, therefore, since they are not based on mere historical events, by nature have an element of risk and uncertainty. They also depend on the occurrence of future events and developments not under the control of the Company, such as: changes in traffic, the risk of undertaking orders and projects (including those related to current investments), changes in the exchange rate, and changes in business conditions in general. Therefore, the final figures may vary substantially from the forecasts. The provisional figures and information refer to the information available at the date of their distribution and are based – among other things – on the scope of consolidation of the ASTM Group as at 30 June 2020; they assume that there will be no return of the Covid-19 pandemic and that no travel restrictions will be issued to stop the spread of the virus, similar to the measures taken in the first half of the year.

² Before intergroup eliminations.

³ This amount does not take account of the outlay of the payment for the acquisition of SITAF shares, equal to € 272 million, the payment times of which cannot be precisely estimated at present.

ABROAD – Despite the difficult international financial framework caused by the COVID-19 pandemic, the agreement reached with reference to Ecorodovias holds enormous value for the Group’s future, considering that in coming years Brazil will implement a major infrastructure development plan, in particular in the motorway sector, in which ASTM intends to participate.

As regards entry onto new markets, the successful completion of the pre-qualification stage, obtaining entry to further bid stages for tenders in Maryland and Georgia in the United States is a pleasing result, considering the extremely recent entry into the USA PPP market through the EPC subsidiary Halmar International LLC - acquired just three years ago in July 2017 - and, together with a similar initiative in Norway, demonstrate the commitment and widespread efforts in recent years to develop the role of ASTM as a global player in some of the most important infrastructural initiatives at international level.

ITALY – The acquisition of control over SITAF demonstrates the Group’s ability to win new tenders, creating value for shareholders in a competitive context in which it has always been able to make use of its skills and know how. This is further testified to by the successes in recent years in tenders for Asti-Cuneo, Tangenziale Esterna, Bre.be.mi. and Autovia Padana, in which its efficiency, industrial capacity and financial solidity have been rewarded.

The acquisition of the majority stake in SITAF makes it possible to expand its control of a strategic transnational asset, which could also lead to new growth opportunities linked to the strengthening of relations with French institutions and the potential future integration of the Alpine tunnel system.

The planned consolidation of Ecorodovias – following the capital increase or subsequent operations on the equity market – together with the acquisition of control over SITAF and the cross-financing for the A4 and A33, will make it possible to achieve the following significant objectives:

- a sharp growth in revenues and EBITDA¹
 - proforma revenues in 2019: EUR 3.1 billion (approximately +50%);
 - proforma EBITDA in 2019: EUR 1.45 billion (approximately +80%);
- an extension of the average duration of Group concessions of 36 years².

These results will allow ASTM to further strengthen its leading position in the sector of industrial licensees.

Accompanying its growth objectives, the Group continues to pay constant attention to managing its infrastructure network, with the goal of continuously improving quality and security standards offered to its users, elevating the technological standard of the network it manages and implementing significant investments, demonstrated by the continued growth in these seen over the course of the years.

Tortona, 3 August 2020

on behalf of the Board of Directors
The Chairman
(Mr Alberto Rubegni)

¹ Aggregated data for proforma revenues and EBITDA in 2019 obtained by adding the revenues and Gross operating margin in 2019 for ASTM to the similar figures in 2019 for Ecorodovias (converted at the average exchange rate for 2019), SITAF and ATIVA

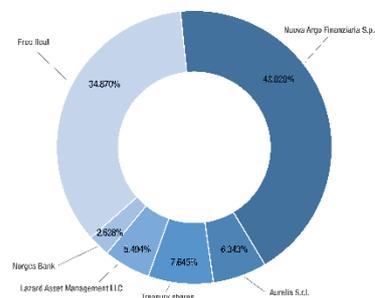
² Calculated as a multiplier of EBITDA of the concessions sector for the ASTM Group as at 31 December 2019.

INFORMATION FOR INVESTORS

ASTM S.p.A. Shareholding

As at 30 June 2020, the number of ordinary shares contributing to share capital was equal to 140,514,895. On the basis of communications received pursuant to article 120 of Italian Legislative Decree 58/1998 and other available information, the entities which hold significant equity investments in the Company, directly or indirectly, with voting rights, are:

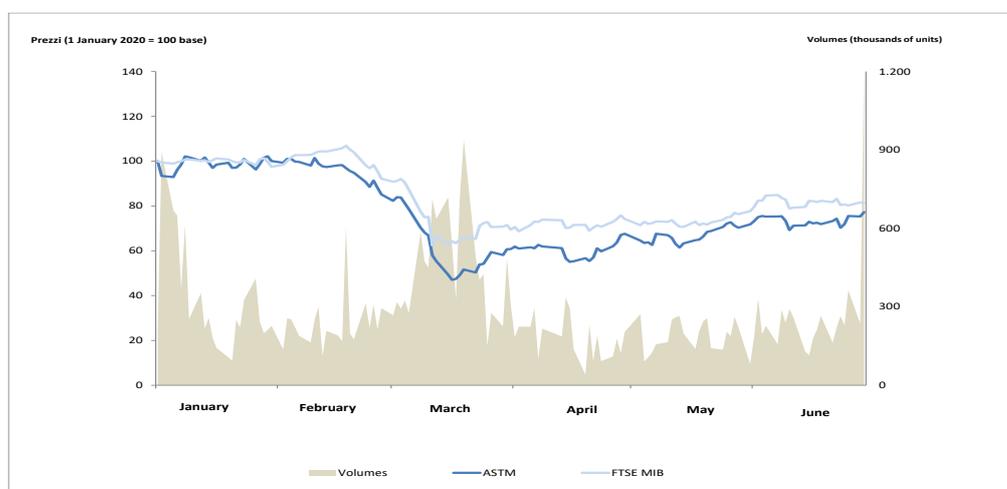
Nuova Argo Finanziaria S.p.A. ⁽¹⁾	43.020%
Aurelia S.r.l.	6.343%
Treasury shares ⁽²⁾	7.645%
Lazard Asset Management LLC	5.494%
Norges Bank	2.628%
Outstanding shares	34.870%
TOTAL	100.000%



⁽¹⁾ of which 1.386% through Nuova Codelfa S.p.A.

⁽²⁾ ASTM S.p.A. 6.100%, Sina S.p.A. 1.530% and Ativa S.p.A. 0.015%

ASTM S.p.A. on the stock exchange - security performance in the first half of 2020



Information on the security

No. of shares as at 30 June 2020	140,514,895
Treasury shares as at 30 June 2020	(10,741,948)
Outstanding shares as at 30 June 2020	129,772,947
Market capitalisation as at 30 June 2020 (million EUR)	2,858
Market capitalisation as at 30 June 2020 – net treasury shares – (million EUR)	2,639
Listing as at 30 June 2020	20.34
Maximum price in the period 1 January - 30 June 2020 (10 January 2020)	26.85
Minimum price in the period 1 January - 30 June 2020 (19 March 2020)	11.92
Average daily volumes in the period 1 January – 30 June 2020 (thousands of shares)	281

Group credit rating

Moody's	Baa2 (stable outlook)
Fitch	BBB (stable outlook)

**Condensed consolidated
interim financial report**

Consolidated Financial Statements

Consolidated balance sheet

<i>(amounts in thousands of EUR)</i>	Note	30 June 2020	31 December 2019
Assets			
Non-current assets			
Intangible assets	1		
goodwill		121,623	121,492
other intangible assets		21,578	21,518
concessions – non-compensated revertible assets		2,846,715	2,810,379
Total intangible assets		2,989,916	2,953,389
Tangible assets	2		
property, plant, machinery and other assets		141,311	142,889
rights of use		68,672	62,769
Total tangible assets		209,983	205,658
Non-current financial assets	3		
equity accounted investments		781,713	887,135
other equity investments		108,506	114,820
other non-current financial assets		360,425	947,956
Total non-current financial assets		1,250,644	1,949,911
Deferred tax assets	4	174,621	175,436
Total non-current assets		4,625,164	5,284,394
Current assets			
Inventories and contract assets	5	331,219	286,096
Trade receivables	6	271,046	284,840
Current tax assets	7	39,254	30,459
Other receivables	8	134,810	125,555
Current financial assets	9	920,909	389,275
Total		1,697,238	1,116,225
Cash and cash equivalents	10	1,262,919	1,197,537
Total current assets		2,960,157	2,313,762
Total assets		7,585,321	7,598,156
Shareholders' equity and liabilities			
Shareholders' equity			
Shareholders' equity attributed to owners of the parent company	11		
share capital		64,886	65,274
reserves and earnings		2,431,443	2,537,587
Total		2,496,329	2,602,861
Shareholders' equity attributed to minority interests		360,812	357,016
Total shareholders' equity		2,857,141	2,959,877
Liabilities			
Non-current Liabilities			
Provisions for risks and charges and employee benefits	12	431,028	418,432
Trade payables	13	362	-
Other payables and contract liabilities	14	204,299	205,823
Bank debt	15	898,625	952,502
Hedging derivatives	16	21,069	20,729
Other financial liabilities	17	1,088,680	1,084,980
Deferred tax liabilities	18	57,936	50,553
Total non-current liabilities		2,701,999	2,733,019
Current liabilities			
Trade payables	19	444,547	447,864
Other payables and contract liabilities	20	364,231	345,213
Bank debt	21	604,656	494,655
Other financial liabilities	22	572,967	571,062
Current tax liabilities	23	39,780	46,466
Total current liabilities		2,026,181	1,905,260
Total liabilities		4,728,180	4,638,279
Total shareholders' equity and liabilities		7,585,321	7,598,156

Consolidated income statement

<i>(amounts in thousands of EUR)</i>	Note	1HY 2020	1HY 2019
Revenue	24		
motorway sector – operating activities	24.1	439,958	597,563
motorway sector - planning and construction activities IFRIC 12	24.2	142,315	115,692
EPC sector	24.3	416,637	391,157
EPC sector - planning and construction activities IFRIC 12	24.4	4,039	10,453
technology sector	24.5	8,231	12,604
Other	24.6	27,726	29,406
Total Revenues		1,038,906	1,156,875
Payroll costs	25	(215,077)	(187,190)
Costs for services	26	(475,891)	(429,703)
Costs for raw materials	27	(95,190)	(101,829)
Other costs	28	(67,759)	(76,156)
Capitalised costs on fixed assets	29	520	196
Amortisation, depreciation and write-downs	30	(89,070)	(164,631)
Adjustment of the provision for restoration/replacement of non-compensated revertible assets	31	(1,499)	13,249
Other provisions for risks and charges	32	(12,504)	(28)
Financial income:	33		
from unconsolidated investments		359	1,482
other		8,192	8,893
Financial expenses:	34		
interest expense		(35,761)	(37,192)
other		(7,804)	(1,321)
Profit (loss) of companies accounted for with the equity method	35	17,489	(5,494)
Profit (loss) before taxes		64,911	177,151
Taxes:	36		
Current taxes		(14,604)	(38,840)
Deferred taxes		(9,954)	(4,573)
Profit (loss) for the period		40,353	133,738
• share attributed to minority interests		6,667	58,368
• share attributed to owners of the parent company		33,686	75,370
Earnings per share			
Earnings (euro per share)	37	0.255	0.819

Consolidated Statement of comprehensive income

	1HY 2020	1HY 2019
Profit (loss) for the period (a)	40,353	133,738
Profit (loss) allocated to "reserves for revaluation at fair value"	(6,278)	7,254
Tax effect on profit (loss) that will not be subsequently reclassified in the Income Statement when certain conditions are met	291	(163)
Profit (loss) that will not be subsequently reclassified in the Income Statement (b)	(5,987)	7,091
Profit (loss) allocated to "cash flow hedge reserve" (interest rate swaps)	(3,898)	508
Exchange gains/(losses) on translating foreign operations	(124,553)	12,671
Tax effect on profit (loss) that will be subsequently reclassified in the Income Statement when certain conditions are met	1,595	(1,646)
Profit (loss) that will be subsequently reclassified in the Income Statement when certain conditions are met (c)	(126,856)	11,533
Comprehensive income (a) + (b) + (c)	(92,490)	152,362
• share attributed to minority interests	4,062	61,944
• share attributed to owners of the parent company	(96,552)	90,418

Consolidated cash flow statement

<i>(amounts in thousands of EUR)</i>	Note	1HY 2020	1HY 2019
Cash and cash equivalents – opening balance		1,197,537	1,087,633
Change in the scope of consolidation		-	(226)
Cash and cash equivalents, adjusted – opening balance (a)		1,197,537	1,087,407
Profit (loss)		40,353	133,738
Adjustments			
Amortisation, depreciation and write-downs		89,070	164,631
Adjustment to the provision for restoration/replacement of non-compensated revertible assets		1,499	(13,249)
Adjustment to the provision for employee benefits		614	589
Provisions for risks		12,504	28
Profit (loss) of companies accounted for by the equity method (net of dividends collected)		(17,100)	17,187
Other financial expenses (income)		(3,232)	(6,814)
Capitalisation of financial expenses		(8,124)	(7,782)
<i>Operating Cash Flow (I)</i>		<u>115,584</u>	<u>288,328</u>
Net change in deferred tax credits and liabilities		10,084	3,569
Change in net working capital	38.1	(41,404)	39,767
Other changes from operating activities	38.2	(612)	(3,448)
<i>Change in net working capital and other changes (II)</i>		<u>(31,932)</u>	<u>39,888</u>
Cash generated (absorbed) by operating activities (I+II) (b)		83,652	328,216
Investments in revertible assets		(159,376)	(143,383)
Divestiture of revertible assets		-	-
Grants related to revertible assets		1,391	9,933
<i>Net investments in revertible assets (III)</i>		<u>(157,985)</u>	<u>(133,450)</u>
Net investments in property, plant, machinery and other assets		(6,695)	(21,889)
Net investments in intangible assets		(1,449)	(2,132)
<i>Net investments in intangible and tangible assets (IV)</i>		<u>(8,144)</u>	<u>(24,021)</u>
(Investments)/Divestiture in non-current financial assets - equity investments		(62)	8,388
(Investments)/Divestiture in non-current financial assets		(3,658)	(4,235)
<i>Loans purchased TE</i>		-	(11,277)
<i>Shares purchased TE/TEM</i>		-	(22,779)
<i>Net investments in non-current financial assets (V)</i>		<u>(3,720)</u>	<u>(29,903)</u>
Cash generated (absorbed) by investment activity (III+IV+V) (c)		(169,849)	(187,374)
Net change in bank debt		53,384	(49,659)
Change in financial assets		81,315	(66,830)
(Investments)/Divestiture of capitalisation insurance policies		32,695	34,708
(Investments)/Divestiture in other financial assets		7,198	(9,124)
Change in other financial liabilities (including payable due to ANAS - Central Insurance Fund)		(11,122)	(6,123)
Changes in shareholders' equity attributed to minority interests		-	(4,816)
(Purchase)/sale of treasury shares		(11,658)	(746)
Changes in shareholders' equity attributed to the owners of the parent company		-	-
Dividends (and interim dividends) distributed by the Parent Company		-	(27,593)
Dividends (and interim dividends) distributed by Subsidiaries to minority interests		(233)	(68,363)
Cash generated (absorbed) by financial activity (d)		151,579	(198,546)
Cash and cash equivalents – closing balance (a+b+c+d)		1,262,919	1,029,703
Additional information:			
• Taxes paid during the period		15,856	1,702
• Financial expenses paid during the period		32,900	40,842

The Group's "net financial indebtedness" is described in the related paragraph in the Management Report.

Statement of changes in consolidated shareholders' equity

(amounts in thousands of EUR)	Share capital	Share premium reserve	Revaluat. Reserves	Legal reserve	Reserve for the purchase of treasury shares	Purchased treasury shares	Reserve for revaluation at fair value	Cash flow hedge reserve	Exchange rate difference reserve	Reserve for discounting effect of Employee Severance Indemnity	Retained earnings (losses)	Profit (loss) for the period	Total shareholders' equity attributed to owners of the parent company	Shareholders' equity attributed to minority interests	Total shareholders' equity
1 January 2019	45,704	147,361	9,325	10,538	91,076	(87,281)	(1,295)	10,493	(49,019)	(1,267)	1,604,622	145,499	1,925,755	1,151,140	3,076,895
Allocation of 2018 profits											117,906	(117,906)	-		-
Distribution of 2018 final dividend (EUR 0.302 per share)												(27,593)	(27,593)	(68,363)	(95,956)
Purchase/sale of treasury shares	(20)				745	(725)					(745)		(745)		(745)
Acquisition of minorities and other changes											(1,831)		(1,831)	(3,003)	(4,834)
Comprehensive income							5,072	(641)	10,618			75,370	90,418	61,944	152,362
30 June 2019	45,684	147,361	9,325	10,538	91,821	(88,006)	3,777	9,852	(38,401)	(1,267)	1,719,951	75,370	1,986,004	1,141,718	3,127,722
(amounts in thousands of EUR)	Share capital	Share premium reserve	Revaluat. Reserves	Legal reserve	Reserve for the purchase of treasury shares	Purchased treasury shares	Reserve for revaluation at fair value	Cash flow hedge reserve	Exchange rate difference reserve	Reserve for discounting effect of Employee Severance Indemnity	Retained earnings (losses)	Profit (loss) for the period	Total shareholders' equity attributed to owners of the parent company	Shareholders' equity attributed to minority interests	Total shareholders' equity
1 January 2020	65,274	147,361	9,325	10,538	96,344	(92,447)	4,897	17,653	(54,522)	(2,126)	2,324,286	76,279	2,602,861	357,016	2,959,877
Allocation of 2019 profits				3,513							72,766	(76,279)	-		-
Distribution of dividend balance													-	(233)	(233)
Purchase/sale of treasury shares	(388)				11,658	(11,270)					(11,658)		(11,658)		(11,658)
Acquisition of minorities and other changes											1,677		1,677	(33)	1,644
Comprehensive income ⁽¹⁾							(5,843)	(1,383)	(123,012)			33,686	(96,552)	4,062 ⁽²⁾	(92,490)
30 June 2020	64,886	147,361	9,325	14,051	108,002	(103,717)	(946)	16,270	(177,534)	(2,126)	2,387,071	33,686	2,496,329	360,812	2,857,141

(1) The breakdown of this item is included in the related "statement of comprehensive income" (at the bottom of the "consolidated income statement").

(2) Comprehensive income assigned to minority interests:

Minority interests' profit	6,667
Cash flow hedge – IRS, pro-rata share	(2,432)
Adjustment of the exchange rate difference reserve, pro-rata share	(29)
Adjustment to fair value, pro-rata share	(144)
"Comprehensive" income attributable to minority interests	<u>4,062</u>

Principles of consolidation,
valuation criteria and explanatory notes

General information

ASTM S.p.A. is organised according to the laws of the Italian Republic.

ASTM S.p.A. operates as an industrial holding company and through its subsidiaries, mainly in the management of motorway networks under concession, in the planning and construction of major infrastructure works and in technology applied to transport mobility.

The Parent Company's registered office is at Corso Regina Margherita 165 - Torino, Italy. Pursuant to the Articles of Association, the duration of the Company is established to 31 December 2050.

The ordinary shares are listed on the MTA [electronic stock market] operated by Borsa Italiana S.p.A. and are included in the FTSE Italia Mid Cap index.

The "interim financial report" is drawn up in Euro, which is the current currency in the economy in which the Group mainly operates. Pursuant to art. 5, paragraph 2 of Legislative Decree no. 38 of 28 February 2005 and in accordance with paragraph 46 of IAS 1, these financial statements have been prepared in thousands of euro.

The "interim financial report" of the ASTM Group was favourably examined, by the Board of Directors of ASTM S.p.A., on 3 August 2020.

Preparation criteria and contents of the condensed interim financial report

The 2020 condensed interim financial report has been prepared on a going concern basis since there is reasonable expectation that the ASTM Group will continue its business operations in the foreseeable future and in any case for a time period greater than 12 months.

Based on the provisions of article 3, paragraph 1 of Legislative Decree no. 38 of 28/2/2005, this condensed interim financial report was prepared in accordance with the **international accounting standards (IAS/IFRS)** issued by the International Accounting Standards Board (IASB) and approved by the European Commission, with particular reference to the provisions of the IAS 34 international accounting standard. IFRS means all revised international accounting standards ("IAS") and all interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), formerly the Standing Interpretations Committee ("SIC"). Consequently, the comparative data referring to the corresponding period of the previous financial year also comply with the cited accounting standards.

The condensed interim financial report comprises the balance sheet, the income statement, the statement of comprehensive income, the cash flow statement, the statement of changes in shareholders' equity and these explanatory notes and apply the provisions contained in IAS 1 "Presentation of Financial Statements", as well as the general cost method. The balance sheet has been prepared by distinguishing between current and non-current assets and liabilities, while in the income statement costs have been presented and classified based on their nature. The cash flow statement has been prepared using the "indirect method".

Principles of consolidation, scope of consolidation and valuation criteria

Principles of consolidation

This condensed interim financial report includes, in addition to the financial statements of the parent company, ASTM S.p.A., the reporting package prepared by each of the subsidiaries as of the reporting date, in compliance with the IFRS adopted by the Group. Control occurs when the Parent Company has the power to direct the relevant activities of the company and is exposed to the variability of its results. The financial statements of subsidiaries are included in the consolidated financial statements starting from the date upon which control is assumed until the moment control ceases to exist.

Joint arrangements can be classified as (i) "interests in joint ventures" if the Group holds the rights to net assets under the arrangement, e.g. for a company with its own legal status, or (ii) "jointly controlled entities" if the Group holds the right to assets and obligations on liabilities underlying the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. The classification of ASTM Group agreements is based on analysis of the contractual rights and obligations. In particular, based on current agreements, the ASTM Group holds rights to net assets of the agreement classified as "interests in joint ventures" (accounted for using the "equity method") or in "joint operations" (recognising the portion of rights and obligations of the holder in the condensed interim financial report).

Companies over which "significant influence" is exercised are assessed according to the "equity method". Significant influence is the power to participate in the financial and operating decisions of the investee but is not control or joint control of those policies. Significant influence is presumed when the Group holds at least 20% of the voting rights.

In the paragraph "Scope of consolidation" below, consolidated equity investments and the changes to them are shown in detail.

* * *

Consolidation on a "line-by-line basis"

In brief, consolidation by the line-by-line method involves taking the assets and liabilities, costs and revenue of the consolidated companies, regardless of the amount of investment held, and attributing to minority shareholders the share of profits and provisions applicable to them in a dedicated heading of Shareholders' Equity called "Shareholders' equity attributed to minority interests".

The main consolidation adjustments made were the following:

1. Elimination of the carrying amount of equity investments consolidated on line-by-line basis and the corresponding fractions of shareholders' equity attributing the current value as at the date of acquiring control to the individual elements of the statement of financial position; if the requirements are met, any positive difference is posted to the asset item "Goodwill"; a negative difference is recognised in the income statement.

The premium/lower price paid for a corresponding fraction of shareholders' equity, from the acquisition of additional shares of subsidiaries, increased/decreased the shareholders' equity by the same amount.

The acquisitions of controlling equity investments as part of the same Group (i.e. "business combinations under common control") are accounted for according to ongoing value.

2. Elimination of receivables and payables between businesses included in the scope of consolidation, as well as income and expenses related to transactions between the businesses themselves. Significant profit and loss from transactions between these companies and related to amounts included in the balance sheet and the income statement were eliminated, except only for those related to the planning and construction activities of non-compensated revertible assets which are entered at fair value pursuant to IFRIC 12, as described later on. Intercompany losses are not eliminated if they reflect an impairment in value

of the underlying asset.

3. Reversal of dividends approved by the consolidated companies.

Valuation of equity investments with the "equity method"

The equity investments are initially entered at cost and the book value is increased or decreased to record the share of profits and losses of the investee company accruing to the holding company, which are realised after the acquisition date. Any goodwill included in the value of the investment is subject to an impairment test, at least annually. The acquisition cost is attributed to the pro-rata amount of the fair value of the identifiable assets and liabilities of the associated companies or joint ventures, and the difference as goodwill. The portion of operating profits of the investee company accruing to the holding company is posted to the income statement of the holding company, except for the effects relating to other changes to shareholders' equity of the investee other than transactions with shareholders, which are entered directly in the statement of comprehensive income of the Group. For any losses exceeding the book value of the equity investments, the excess is recognised to a special provision under liabilities to the extent to which the investor is committed to legal or implicit obligations to the investee or in any event to cover its losses.

Dividends received from an investee company reduce the book value of the equity investment.

Scope of consolidation

The list of subsidiary companies included in the scope of consolidation is shown below.

Parent Company

Name	Registered office
ASTM S.p.A.	Torino - Corso Regina Margherita 165

Subsidiaries – consolidated on a "line-by-line basis"

Name	Registered office	Share capital	% of the group ¹	Directly-held %
Argo Costruzioni Infrastrutture S.c.p.a.	15057 Tortona (AL), Strada Statale per Alessandria 6/a	130,000	100.000	
Ativa Engineering S.p.A.	10156 Torino, Strada della Cebrosa 86	200,000	100.000	
Crispi S.c.a r.l., with single shareholder, in liquidation	15057 Tortona (AL), Strada Statale per Alessandria 6/a	10,000	100.000	
Euroimpianti S.p.A.	15057 Tortona (AL), Strada Statale per Alessandria 6/a	5,000,000	100.000	
Finanziaria di Partecipazioni e Investimenti S.p.A.	15057 Tortona (AL) – S.S. 211 Loc. San Guglielmo 3/13	22,680,725	100.000	
Halmar International Trucking Inc	421 East Route 59, Nanuet, NY 10954-2908	-	100.000	
Halmar Transportation System LLC	421 East Route 59, Nanuet, NY 10954-2908	-	100.000	
HIC Insurance Company Inc.	421 East Route 59, Nanuet, NY 10954-2908	USD 200,000	100.000	
IGLI S.p.A.	20135 Milano - Viale Isonzo 14/1	37,130,000	100.000	100.000
Itinera Construcoes Ltda	Vila Nova Conceição, São Paulo (Brazil)	BRL 1,000,000	100.000	
Itinera S.p.A.	Tortona (AL) – Via Balustra 15	86,836,594	100.000	66.117
Itinera USA Corp	2140 S Dupont Highway Street, Camden Delaware	USD 55,100,000	100.000	
Itinera Infrastructure and Concessions Inc.	New York, 1 Blue Hill Plaza	USD 2,500,000	100.000	100.000
Logistica Tirrenica S.p.A.	55041 Lido di Camaiore (LU) – Via Don Tazzoli 9	12,000,000	100.000	
Marcallo S.c.ar.l.	15057 Tortona (AL), Strada Statale per Alessandria 6/a	50,000	100.000	
SEA Segnaletica Stradale S.p.A.	15057 Tortona (AL) Regione Ratto	500,000	100.000	
SINA S.p.A.	20135 Milano - Viale Isonzo 14/1	10,140,625	100.000	100.000
Sinelec USA INC	509 Madison Avenue, Suite 1510, New York, New York	USD 50,000	100.000	
Sinergie S.c.ar.l. in liquidation	15057 Tortona (AL), Strada Statale per Alessandria 6/a	10,000	100.000	
Siteco Informatica S.r.l., sole proprietorship	20135 Milano - Viale Isonzo 14/1	13,784	100.000	
Società Attività Marittime (SAM) S.p.A.	15057 Tortona (AL), Strada Statale per Alessandria 6/a	500,000	100.000	
Urbantech S.p.A. with single shareholder	15057 Tortona (AL), Strada Statale per Alessandria 6/a	130,907	100.000	
Storstrøm Bridge JV	4760 Vordingborg (Denmark) - Faergegaardsvej 15 L	-	99.980	
Torre di Isola S.c.ar.l.	15057 Tortona (AL), Strada Statale per Alessandria 6/a	10,000	99.900	
Autostrada Albenga Garesio Ceva S.p.A.	Cuneo - Corso Giolitti 17	600,000	99.875 ⁽²⁾	
SATAP S.p.A.	10144 Torino – Via Bonzanigo 22	158,400,000	99.874	99.874
Cornigliano 2009 S.c.ar.l.	15057 Tortona (AL), Strada Statale per Alessandria 6/a	10,000	99.800	
SINELEC S.p.A.	Tortona (AL) – S.S. 211 Loc. San Guglielmo 3/13	7,383,435	98.914	86.789
Lambro S.c.ar.l.	15057 Tortona (AL), Strada Statale per Alessandria 6/a	200,000	97.210	
Agognate S.c.ar.l. in liquidation	15057 Tortona (AL), Str. Priv. Ansaldi 8	10,000	96.900	
Biandrate S.c.ar.l. in liquidation	15057 Tortona (AL), Str. Priv. Ansaldi 8	10,000	96.900	
Carisio S.c.ar.l., in liquidation	15057 Tortona (AL), Via Balustra 15	10,000	96.000	
Taranto Logistica S.p.A.	15057 Tortona (AL), Strada Statale per Alessandria 6/a	13,000,000	96.000	
Società Autostrada Ligure Toscana p.A.	55041 Lido di Camaiore (LU) – Via Don Tazzoli 9	160,300,938	95.229	95.229
Impresa Costruzioni Milano S.c.ar.l. - I.CO.M. in liquidation	15057 Tortona (AL) - Strada per Alessandria 6/a	10,000	93.000	
Si.Co.Gen. S.r.l.	10156 Torino, Strada della Cebrosa 86	260,000	85.000	
Diga Alto Cedrino S.c.ar.l.	15057 Tortona (AL), Via Balustra 15	50,000	80.000	
Mazze' S.c.ar.l.	15057 Tortona (AL), Strada Statale per Alessandria 6/a	10,000	80.000	
Sistemi e Servizi S.c.ar.l.	Tortona (AL) S.S. 211 Loc. San Guglielmo 3/13	100,000	80.000	28.000
Autostrada dei Fiori S.p.A.	18100 Imperia – Via della Repubblica 46	325,000,000	73.003	
A.T.I.V.A. S.p.A.	10156 Torino, Strada della Cebrosa 86	44,321,250	72.340	72.340
SAV S.p.A.	Châtillon (AO) – Strada Barat 13	24,000,000	71.275	65.085
Atlantic Coast Foundations LLC	421 East Route 59, Nanuet, NY 10954-2908	-	70.000	
Safe Road S.c.ar.l.	15057 Tortona (AL), Strada Statale per Alessandria 6/a	10,000	65.840	
Autostrada Asti-Cuneo S.p.A.	Roma – Via XX Settembre 98/E	200,000,000	65.000	
Pedemontana Lombarda Manutenzioni S.c.ar.l. (P.L.M.) in liquidation	15057 Tortona (AL), Strada Statale per Alessandria 6/a	10,000	64.600	
Halmar International - LB Electric LLC	421 East Route 59, Nanuet, NY 10954-2908	-	60.000	
Consorzio Sintec	20135 Milano - Viale Isonzo 14/1	20,000	60.000	
Halmar-A Servidone - B Anthony LLC	421 East Route 59, Nanuet, NY 10954-2908	1,600,000	60.000	
Potomac Yard Constructors	421 East Route 59, Nanuet, NY 10954-2908	-	60.000	
S.G.C. S.c.ar.l., in liquidation	15057 Tortona (AL), Strada Statale per Alessandria 6/a	10,000	60.000	
Cervit Impianti Tecnologici Consortile a Responsabilità Limitata (C.I.T. S.c.ar.l.)	15057 Tortona (AL), Strada Statale per Alessandria 6/a	10,000	58.790	
Società di Progetto Autovia Padana S.p.A.	15057 Tortona (AL) S.S. 211 Loc. San Guglielmo 3/13	163,700.00	51.000	
A 7 barriere S.c.ar.l., in liquidation	15057 Tortona (AL), Strada Statale per Alessandria 6/a	10,000	51.000	
Ponte Meier S.c.ar.l.	15057 Tortona (AL), Strada Statale per Alessandria 6/a	10,000	51.000	
Ramonti S.c.ar.l., in liquidation	15057 Tortona (AL), Strada Statale per Alessandria 6/a	10,000	51.000	
CRZ01 S.c.ar.l., in liquidation	15057 Tortona (AL), Strada Statale per Alessandria 6/a	10,000	50.750	
HINNS JV	421 East Route 59, Nanuet, NY 10954-2908	-	50.000	
Halmar International LLC	421 East Route 59, Nanuet, NY 10954-2908	27,080,000	50.000	

¹ The percentage indicates the sum of percentages of equity investments held by individual companies of the Group.

² Net of treasury shares held by the company.

List of Joint Operations

Name	Registered office	% of the group ¹
Koge Hospital Project Team I/S	2900 Hellerup (Denmark) - Tuborg Havnevej 18	80.00
Itinera Agility JV	Emirate of Abu Dhabi, UAE	75.00
Itinera/Cimolai JV	Gaborone/Republic of Botswana	72.23
Itinera - Ghantoot JV	Emirate of Abu Dhabi, UAE	50.00
Consultoria - Eco 135	AV DOM Pedro II, 801, Centro, Curvelo/MG	50.00
Consultoria - Novos Negócios	Rodovia Dos Imigrantes-SP 160, S/N, Km 28,5, Sala 01 Anexo dtc, Jardim Represa, São Bernardo do Campo/SP	50.00
Consortium Baixada Santista	Sao Paulo (Brazil) - Via Nova Conceicao	50.00
Consortio Binario Porto de Santos	Rodovia Anchieta, S/N, KM 64 e 65, Bairro Alemao, Município de Santos, Estado de São Paulo(SP)	50.00
MG-135 Consortium	Avenida Dom Pedro II, número 801, Bairro Centro, Município de Curvelo, Estado de Minas Gerais (MG)	50.00
Consortio BR -050	Avenida José Severino, n. 3050, Lotamento Santa Terezinha Quadra 66 Cidade de Catalo, Estado De Gois	50.00
Alcas da Ponte Consortium	Rua Carlos Seidl, número 576, Bairro Cajú, Município do Rio de Janeiro, Estado do Rio de Janeiro (RJ)	50.00
Arge H51	A110 Vienna, Absberggasse 47, Austria	44.99
Odense Hospital Project Team Joint Venture I/S	2900 Hellerup (Denmark) - Tuborg Havnevej 18	49.00
ECS MEP Contractor I/S	2750 Ballerup (Denmark) - Industriparken 44 A	40.00
MEP JV	Emirate of Abu Dhabi, UAE	33.33
3RD Track Constructors	New York (USA), 810 Seventh Avenue, 9th floor	23.00

List of equity investments in subsidiaries, jointly controlled entities and associated companies accounted for by the "equity method"

Name	Registered office	Share capital	% of the group ¹	Directly-held %
Jointly controlled entities				
Primav Infraestrutura S.A. (*)	Sao Paulo, Rua Doutor Eduardo de Souza Aranha,387	Reais 2.224.010.500	69,100	
Grugliasco S.c.a.r.l.	Tortona (AL) - Strada Statale per Alessandria 6/a	10.000	60,600	
Cervit S.c. a r.l.	Milano, Via Antonio Cechov 50	10.000	51,000	
Federici Stirling Batco LLC (**)	Muscat (Oman) - P.O. Box 1179 Al Athaiba, 130	RIA 300.000	34,300	
Ecorodovias Infraestrutura e Logistica S.A.	San Paulo, Rua Gomes de Carvalho, 1510 3 andar cj 31/32 Vila Olimpia	Reais 360.900.000	4,990	
(*) of which 30.9% ordinary shares and 38.2% preferred shares – equal to 50% of the voting rights				
(**) of which 34.3% ordinary shares – equal to 49% of the voting rights				
Associated companies				
Aurea S.c. a r.l.	Milano - Via Fabio Filzi, 25	10.000	99,000	
Colmeto S.c. a r.l.	Tortona (AL) - Strada Statale per Alessandria 6/a	10.000	51,000	
Consortio Siciliano Lavori Ferroviari - CON.SI.L.FER.	Roma - Via Indonesia 100	5.164	50,000	
Europa S.c. a r.l.	Parma - Via Anna Maria Adorni 1	10.000	50,000	
Lissone S.c. a r.l.	Milano - Via Marcello Nizzoli 4	10.000	50,000	
Malco S.c. a r.l.	Vicenza - Viale dell'Industria 42	10.000	50,000	
Mill Basin Bridge Contractors LLC	421 East Route 59 Nanuet, Ny 10954-2908	USD 12.755	50,000	
Nichelino Village S.c. a r.l.	Tortona (AL) - Strada Statale per Alessandria 6/a	10.000	50,000	
Ponte Nord S.p.A.	Parma - Via Anna Maria Adorni 1	1.667.000	50,000	
Serravalle Village S.c. a r.l.	Tortona (AL) - Strada Statale per Alessandria 6/a	10.000	50,000	
Tunnel Frejus S.c. a r.l.	Tortona (AL) - Strada Statale per Alessandria 6/a	50.000	50,000	
Interconnessione S.c. a r.l.	Tortona (AL) - Strada Statale per Alessandria 6/a	10.000	49,900	
Asta S.p.A.	Torino - Via Bonzanigo 22	6.000.000	49,002	
CMC Itinera JV S.c.p.A.	Ravenna - Via Trieste 76	100.000	49,000	
Letimbro S.c. a r.l.	Tortona (AL) - Strada Statale per Alessandria 6/a	100.000	49,000	
Tangenziali Esterne di Milano S.p.A.	Milano - Via Fabio Filzi, 25	220.344.608	49,999	12,947
Rivalta Terminal Europa S.p.A.	Tortona (AL) – Fraz. Rivalta Scriveria – Strada Savonesa 12/16	14.013.412	48,160	
SITAF S.p.A.	Susa (TO) - Fraz. S. Giuliano, 2	65.016.000	47,872	46,723
Smart Mobility Systems s.c. a r.l. (SMS S.c. a r.l.)	Tortona (AL) - Strada Statale per Alessandria 6/a	10.000	45,500	
Telese S.c. a r.l.	Roma - Via Pietro Borsieri 2/A	10.000	45,300	
Asci Logistik GMBH	Thalerhofstrasse 88 8141 Premstatten	35.000	45,000	
Cis Beton GMBH	Thalerhofstrasse 88 8141 Premstatten	35.000	45,000	
Mose Bocca Di Choggia S.c. a r.l.	Padova - Via Belgio 26	10.000	42,500	
ATIVA Immobiliare S.p.A. ⁽²⁾	Torino – Strada Cebrosa 86	1.100.000	49,995 ⁽³⁾	49,995
Vetivaria S.r.l.	Milano – Via Spallanzani Lazzaro 67	72.000	40,326	
Mose Operae S.c. a r.l.	Padova - Via Belgio 26	10.000	40,220	
Cova S.c. a r.l.	Bologna - Viale Antonio Silvani 6	10.000	40,000	
Edilrovaccio 2 S.r.l. in liquidazione	Torino – Via M. Schina 5	45.900	40,000	20,000
SP01 società consortile a responsabilità limitata	Torino - Via Vincenzo Vela 42	10.000	40,000	
C.T.E. Consorzio Tangenziale Engineering	Milano – Via Girolamo Vida 11	20.000	39,999	
Fondo Valle S.c.a r.l. in liquidazione	Tortona (AL) - Strada privata Ansaldi 8	10.000	39,330	
Tessera S.c.a.r.l.	Tortona (AL) - Strada Statale per Alessandria 6/a	10.000	39,240	
SITRASB S.p.A.	Aosta - Saint Rhémey En Bosses Località Praz-Gentor	11.000.000	36,500	
S.A.C. S.c.r.l. in liquidazione	Carini (PA) - S.S. 113 Zona Industriale	10.329	35,000	
Consortio Costruttori TEEM	Tortona (AL) - Strada Statale per Alessandria 6/a	10.000	34,999	
Consortio Cancelli Frasso Telesino	Parma - Via Madre Anna Maria Adorni 1	15.000	33,330	
Frasso S.c. a r.l.	Parma - Via Madre Anna Maria Adorni 1	10.000	33,000	
Autostrada Nogare Mare Adriatico S.c.p.A. in liquidazione	Verona - Via Flavio Gioia 71	120.000	29,000	
Interporto di Vado Intermodal Operator S.p.A.	Vado ligure (SV) – Via Trieste 25	3.000.000	28,000	
SABROM S.p.A. - Società Autostrada Broni-Mortara	Milano - Via dei Missaglia 97	28.902.600	26,841	
Brescia Milano Manutenzioni S.car.l.	Courniè - Località Bandone 1/G	10.000	26,000	
Confederazione Autostrade S.p.A. in liquidazione	Verona - Via Flavio Gioia, 71	50.000	25,000	
D.N.C. S.c. a r.l.	Roma - Piazza Fernando De Lucia, 65	20.000	25,000	
Tangenziale Esterna S.p.A.	Milano - Via Fabio Filzi, 25	464.945.000	24,455	22,736
C.I.M. S.p.A. Novara - Centro Interportuale Merici	Novara - Via Carlo Panzeri 118	24.604.255	24,313	
Mose Treporti S.c. a r.l.	Padova - Via Belgio 26	10.000	22,540	
Igea Romagna S.c. a r.l.	Ravenna - Via Pier Traversari, 63	20.000	20,330	
Formazza S.c. a r.l. in liquidazione	Tortona (AL) - Str. Priv. Ansaldi, 8	10.200	33,330	
Road Link Holdings Ltd.	Northumberland - Stocksfield NE43 7TN	GBP 1.000	20,000	20,000

¹ The percentage indicates the sum of percentages of equity investments held by individual companies of the Group

² Net of treasury shares held by the company.

List of other equity investments

Name	Registered office	Share capital	% of the group ⁽¹⁾	Directly-held %
Daita S.c.a.r.l.	Caltanissetta - Via N. Colajanni 314/E	10,328	80.000	
Siteco BG OO D	Sofi Kniaz Boris I 55, Bulgaria	5,215	48.993	
Abesca Europa S.r.l.	Morbegno (SO), Via Vanoni 24	100,000	19.523	
iOne Solutions S.r.l.	Tortona (AL) - Corso Romita 10	10,200	19.000	
Consorzio Autostrade Italiane Energia	Roma - Via A. Bergamini 50	113,949	16.640	
Codelfa S.p.A.	Tortona (AL) - Strada Statale per Alessandria 6/a	2,500,000	16.423	
Nuova Codelfa S.p.A.	Tortona (AL) - Corso Romita 10	2,500,000	16.423	
Milano Serravalle - Milano Tangenziali S.p.A.	Assago (MI) - Via del Bosco Rinnovato 4/A	93,600,000	13.595	10.703
Società per azioni Autostrade Centropadane	Cremona - Via Colletta 1	30,000,000	11.095	
C.R.S. - Centro Ricerche Stradali S.p.A.	Mestre (VE) - Piazzale Leonardo da Vinci, 8/A	26,850	11.081	
CSI - Consorzio Servizi Ingegneria	Verona - Via Cattaneo 20	10,000	11.000	
Pedelombarda S.c.p.A.	Milano - Via dei Missaglia 97	5,000,000	11.000	
Passante Dorico S.p.A.	Milano - Via dei Missaglia 97	24,000,000	11.000	
Cons. Costr. Veneti San Marco	Via Trieste 37, Padova, Italy	51,646	10.000	
Spedia S.p.A. in liquidation	La Spezia - Via delle Pianazze 74	2,413,762	7.971	
Form Consult S.p.A. (former IRI Management)	Roma - Via Piemonte 60	1,560	6.045	
Agenzia di Pollenzo S.p.A.	Bra - Fraz. Pollenzo (CN) - Piazza Vittorio Emanuele 13	24,319,920	5.746	
Restart SiiQ (former Aedes S.p.A.)	Via Tortona 37, Milano, Italy	5,004,129	5.300	
Aedes SiiQ S.p.A.	Via Tortona 37, Milano, Italy	210,000,000	5.300	
Tunnel Gest S.p.A.	Arcugnano (VI) - Via dell'Industria n. 2	500,000	5.000	
Interporto Rivalta Scrivia S.p.A.	Rivalta Scrivia (AL) - Strada Savonese 12/16	11,848,200	4.340	4.320
Eurolink S.c.p.A.	Roma - Via dei Crociferi 44	150,000,000	2.000	
Parco Scientifico e Tecnologico in Valle Scrivia S.p.A. - P.S.T. S.p.A.	Rivalta Scrivia (AL) - Strada Comunale Savonese 9	5,271,936	1.957	
Seveso S.c. a r.l. in liquidation	Milano - Via Valtellina 17	10,000	1.500	
MN 6 S.c.a.r.l.	Napoli - Via Galileo Ferraris 101	51,000	1.000	
SOGEAP Aeroporto di Parma S.p.A.	Parma - Via Ferretti Licinio 50/A	17,893,000	0.762	
Banca Alpi Marittime Credito Cooperativo Carrù	Carrù (CN) - Via Stazione 10	14,358,170	0.069	
Alitalia - Compagnia Aerea Italiana S.p.A.	Fiumicino, Roma - Piazza Almerico da Schio Pal RPU	3,526,846	0.404	
Interporto Toscano A. Vespucci S.p.A.	Guasticce (Collesalveti - LI) - Via delle Colline 100	22,458,263	0.345	
PLC S.p.A. (former Industria e Innovazione S.p.A.)	Milano - Via Lanzene 31	25,000,000	0.228	
C.e.P.I.M. S.p.A. - Centro Padano Interscambio Merci S.p.A.	Binconese di Fontevivo (PR) - Piazza Europa, 1	6,642,928	0.211	
Milano Depur S.p.A.	Milano - Via Lampedusa 13	1,900,000	0.100	
Vettabbia S.c.a.r.l.	Milano - Via Lampedusa 13	100,000	0.100	
Mediobanca S.p.A.	Milano - Piazzetta Enrico Cuccia 1	443,608,089	0.034	
Argentea Gestioni S.c.p.A.	Brescia - Via Somalia 2/2	120,000	0.030	
Assicurazioni Generali S.p.A.	Trieste - Piazza Duca degli Abruzzi 2	1,569,773,403	0.022	0.022
C.A.A.F. IND. E.C. S.p.A.	Bologna - Via San Domenico, 4	377,884	0.014	
Società cooperativa elettrica Gignod	Saint-Christophe (AO) - Loc. La Croix-Noire - Rue Croix-Noire, 61	281,000	0.010	
Banco Popolare BPM S.p.A.	Milano - Piazza Meda, 4	7,100,000,000	0.007	
Uirnet S.p.A.	Roma - Via Francesco Crispi 115	1,142,000	0.001	
Tra.De.Civ S.c.ar.l.	Napoli - Via G. Ferrari 101	156,000	0.001	
Banca Carige S.p.A.	Genova - Via Cassa di Risparmio 15	1,915,163,696	0.000	
Webuild S.p.A. (former Salini Impregilo) ⁽¹⁾	Milano - Via dei Missaglia 97	600,000,000	-	
Atlantia (former Autostrade S.p.A.)	Roma, Via Antonio Nibby 20	825,783,990	-	

⁽¹⁾ The percentage indicates the sum of percentages of equity investments held by individual companies of the Group

⁽²⁾ The Group only owns saving shares

Changes in the scope of consolidation

With regard to changes in the scope of consolidation:

- in February 2020, the company Sias Parking S.r.l., sole proprietor ship, in liquidation, was removed from the register of companies following the completion of the liquidation in December 2019; therefore, the Company is de-consolidated as of 1 January 2020;
- as of the first half of 2020, the joint operations Consultoria - Novos Negócios, Consultoria - Eco 135 and ECS MEP Contractor I/S are included within the scope of consolidation.

Valuation criteria

The valuation criteria applied in preparing the condensed interim financial report at 30 June 2020 is the same as that used to prepare the consolidated financial statements as at 31 December 2019.

Intangible assets

Goodwill

As an intangible asset, this is not subject to amortisation. An impairment test is conducted at least annually, and in any case when events arise that may indicate a reduction in value. This check is carried out at the level of the individual cash generating unit (CGU) to which goodwill has been allocated and based on which Management evaluates the profitability of the investment. Write-downs are not subject to reversal.

Concessions – introduction

Based on contractual agreements (Concessions) included in the scope of application of IFRIC 12, the licensee operates as service provider with regard to (i) the construction and/or improvement of the infrastructure used to provide public service and (ii) its management and maintenance for a specific time frame. As a result, the construction and improvement activities of the infrastructure can be compared to those of a construction company. Therefore, in the period during which these services are provided, construction revenue and costs are recorded in the income statement, pursuant to IFRS 15.

As provided for in IFRIC 12, for construction and/or improvement services rendered by the licensee, the granting body pays an amount to the licensee, to be recorded at its fair value, which can consist of rights to:

- a) a financial asset (the so-called financial asset model); or
- b) an intangible asset (the so-called intangible asset model).

The financial asset model is applied when the licensee has an unconditional right to receive contractually guaranteed cash flows (“guaranteed minimum amount”) for construction services, regardless of the actual use of the infrastructure.

On the other hand, in the intangible asset model the licensee acquires the right to charge users with a fee for the use of the infrastructure, in return for construction and improvements services on the infrastructure. Therefore, the licensee's cash flows are not guaranteed by the granting body, but are related to the actual use of the infrastructure by users, thus implying a demand risk for the licensee. This risk implies that revenue from the exploitation of the right to charge users for the use of the infrastructure is not enough to ensure an adequate remuneration margin for the investments made.

We talk about a mixed accounting model if the licensee is paid for construction and improvement services on the infrastructure partly by means of a financial asset and partly through an intangible asset. In this case, it is necessary to separate the parts of the agreement referring to the financial asset and those referring to the intangible asset. In this event, IFRIC 12 sets out that the licensee firstly calculates the part concerning the financial asset and then the amount referring to the intangible asset in a residual way (as compared to the value of the construction and/or improvement services rendered).

With regard to the concession agreements held by **motorway companies** and the **EPC companies**, the intangible asset model applies, while the agreements held by the other companies are subject to the financial asset model.

Concessions – non-compensated revertible assets

"Non-compensated revertible assets" represent the right of the Licensee to use the asset under concession, given the costs incurred for planning and construction activities of the asset. The value corresponds to the fair value of the planning and construction activities plus financial expenses capitalised during the construction phase, in adherence with the requirements set forth in IAS 23; the book value of these assets is represented net of "capital grants" (the receivable related to these capital grants is posted – in compliance with the financial model of the Interpretation IFRIC 12 – among "financial receivables"); capital grants, as interpreted by IFRIC 12, are deemed as the right to obtain a prearranged amount (financial asset) against the costs incurred to carry out the works.

These assets are amortised on the basis of the expected traffic (kilometres) over the term of the individual concessions, a method that reflects the way in which the future economic benefits deriving from the asset are expected to be used by the Licensee. In determining the amortisation and depreciation of revertible assets of some investee companies, the "takeover values" set out in current agreements, or in the financial plans approved/presented to the Granting Body and/or the agreements signed with the same, have been taken into account for these investments.

Concerning non-compensated revertible assets, the amortisation and depreciation reserve and the provisions for restoration and replacement, considered overall, provide adequate coverage of the following expenses:

- free alienation to the Granting Body, at the end of the concession, of revertible assets with a useful life greater than the duration of the concession;
- recovery and replacement of components of revertible assets, which are subject to wear;
- recovery of the investment also in relation to new works scheduled in the financial plans.

When events arise that indicate a reduction in value of intangible assets, the difference between the book value and the associated recovery value is imputed to the income statement.

The cost of "non-compensated revertible motorway fixed assets" includes the value of the stretches in operation built by third parties and given to the Group to operate. The "provision for capital grants" was increased by an equivalent amount.

Other intangible assets

"Other intangible assets" are posted at cost. They are systematically amortised over the period in which the assets are expected to be used by the business.

Costs associated with development activities are posted to the balance sheet assets when: (i) the expense related to the intangible asset can be reliably determined; (ii) there is the intention, the availability of financial resources and the technical ability to make the asset available for use or sale; (iii) it can be proved that the asset can produce future economic benefits. These intangible assets are amortised over a period not to exceed five financial years.

When events arise that indicate a reduction in value of intangible assets, the difference between the book value and the associated recovery value is imputed to the income statement.

Expenses for research activities are posted to the income statement of the period in which they are incurred.

Tangible assets

Property, plant, machinery and other assets

These assets are posted at purchase cost or production cost (including directly imputable auxiliary costs) and include the related directly imputable financial expenses needed to make the assets available for use.

Depreciation rates used to distribute systematically the value of tangible assets based on their useful life are as follows:

<u>Category</u>	<u>Rate</u>
Land	not depreciated
Non-industrial and industrial buildings	3% - 4%
Plant, machinery and vehicles	4% - 5% - 8% - 10% -15%- 20%
Light structures	10% - 12.5%
Technical equipment	12% - 15% - 25%
Facilities and light structures	10% - 12% - 25% - 40%
Metal formwork	25%
Excavators and mechanical diggers	20%
Radio and alarm equipment	25%
Automobiles and motor vehicles	20% - 25%
Office furniture and machines	12% - 20% - 40%
Electromechanical and electronic machines	20%

Rights of use

On the basis of the provisions of IFRS 16, the lease contracts payable (which do not constitute the provision of services) are accounted for by posted a financial liability to the equity-financial position, represented by the present value of future lease payments, against the posting of the right of use of the leased asset to the assets.

IFRS 16 introduces the “right of use” concept, which determines - independently of the contractual form - the obligation to post the right of use to the balance sheet assets with the corresponding payable at the present value of future lease payments as a contra-item in the liabilities.

The assets and liabilities are posted at the current value of the contractually due lease payments, taking account of any option for extension/resolution where there is reasonable certainty to exercise/not exercise it.

The portion of amortisation and depreciation of the right of use posted to the assets and the interest expense originating from the financial liabilities of the lease are recognised in the income statement at amortised cost.

For contracts expiring within 12 months (short-term leases) and the contracts for which the underlying assets are configured as low-value assets (i.e. the assets of the leasing that do not exceed the value of EUR 5,000 / USD 5,000 when new), the introduction of IFRS 16 does not result in the recognition of the financial liability of the lease and the related right of use, but the lease payments are posted to the income statement on a straight-line basis for the duration of the respective contracts.

Inventories

Raw materials, ancillary materials, consumables, semi-finished goods, finished goods and merchandise

These are valued at the lesser of the cost – determined with the "average weighted cost" method – and the “net realisable value”.

Contract assets

Construction contracts in progress are measured on the basis of the contractual consideration accrued with reasonable certainty in view of the progress of the work by using the percentage of completion approach, determined as the ratio between costs incurred and total estimated costs, so as to allocate the revenue and profit/loss deriving from the contract to the individual financial years pertaining to individual years in proportion to the progress made with the work. The positive or negative difference between the amount of the consideration accrued and the amount of the advance payments is entered respectively under assets or liabilities in the statement of financial position, also taking into account any write-downs made for risks connected with non-recognition of work carried out on behalf of customers.

In addition to the contractual consideration, contract revenue includes claims, price revisions and any requests for additional payments provided that it is highly probable that there will be no significant adjustment to them in the future.

If the performance of the contract activities is expected to generate a loss, this is immediately recognised in the income statement regardless of the progress of the contract.

Revenue for construction and/or improvement services in favour of the Granting Body and relating to concession contracts held by certain Group companies are recognised in the income statement based on the progress of the work. In particular, these revenues represent the consideration due for the activities performed and are measured at fair value, based on the total costs incurred (mainly consisting of costs for materials and external services, costs of benefits for employees dedicated to these activities, relevant financial expenses for construction and/or improvement services relating to works expected to yield additional economic benefits), as well as any margin on services carried out with structures within the Group (as this represents the fair value of these services). The balancing entry to these revenues for construction and/or improvement services is financial assets (concession rights) or concession rights under intangible assets, as described in this paragraph.

Financial assets

In accordance with IFRS 9, financial assets are classified in the following three categories:

- Financial assets measured at amortised cost (AC) using the effective interest method: these assets fall under a “hold to collect” business model and generate contractual cash flows of a principal and interest nature. This category includes financial assets other than derivatives such as loans and receivables with payments that are fixed or can be determined, and that are not listed in an active market. Discounting is omitted when the effect is insignificant. This category includes cash, trade receivables and receivables from connected companies for tolls collected on behalf of Group licensee companies, which had not yet been allocated by the end of the period, and interest-bearing loans granted.
- Financial assets measured at fair value with changes in fair value recognised in the statement of comprehensive income (“FVOCI”): these assets fall under a hold to collect and sell business model and generate contractual cash flows of a principal and interest nature. This category also includes minority interests, irrevocably designated as such under IFRS 9, other than equity instruments not held for trading and not a potential consideration arising from a business combination. For minority interests, contrary to what generally happens with financial assets at FVOCI, the gains and losses recognised in the statement of comprehensive income are not subsequently transferred to the income statement, although the cumulative profit or loss may be transferred to shareholders’ equity; in addition, such minority interests are not subject to impairment accounting. The dividends arising from these are still recognised in the income statement, unless they clearly represent a recovery of part of the investment cost.
- Financial assets measured at fair value with changes in fair value recognised in profit and loss (“FVPL”): this category covers the remainder and includes all financial assets other than those measured at amortised cost and at fair value with changes in fair value recognised in the statement of comprehensive income (“FVOCI”). This category includes financial assets without an interest component, including investments in investment funds.

Non-current assets held for sale/discontinued operations

Non-current assets held for sale or disposal groups whose book value will be mainly recovered through sale rather than through continuous use, are classified as held for sale and presented separately from the other consolidated balance sheet assets and liabilities. The corresponding statement of financial position values of the previous period were not reclassified in the consolidated balance sheet, but are indicated in the comment of the individual items of the explanatory notes when these are significant.

A “discontinued operation” is a component of an entity that either has been disposed of or classified as held for sale and that meets any of the following criteria, and:

- it represents a major line of business or geographical area of operations;
- it is part of a coordinated disposal plan of a major line of business or geographical area of operations;
- it is a subsidiary acquired solely for the purpose of being sold.

The results of discontinued operations—whether disposed of or classified as held for sale—are entered separately in the consolidated income statement net of fiscal effects. The corresponding values for the previous period, where present, are reclassified and entered separately in the consolidated income statement, net of fiscal effects, for the purposes of comparison. Non-current assets held for sale or disposal groups classified as held for sale are initially recognised in compliance with the specific IFRS of reference applicable to each asset and liability and then are recognised at the lesser of the carrying amount and related fair value, net of the sale costs.

Any following impairment losses are recognised directly to adjust the non-current assets or disposal groups classified as held for sale with contra-entry in the consolidated income statement.

A reversal is recognised for each subsequent increment of the fair value of an asset net of the sale costs, but only up to the loss for the overall impairment previously recognised.

Cash and cash equivalents

Cash includes cash on hand, including cheques, and bank demand deposits. Cash equivalents are represented by financial investments with a maturity of three months or less (from the date of purchase), readily convertible into cash and with an insignificant risk of change in value.

Cash and cash equivalents are recognised at nominal value or amortised cost, depending on their nature.

Financial liabilities

Pursuant to IFRS 9, financial liabilities are divided into two categories: 1) financial liabilities measured at amortised cost using the effective interest rate upon expiry ("AC"); 2) financial liabilities measured at fair value with changes in fair value recognised in profit and loss ("FVPL"), which are in turn divided into the two sub-categories "held for trading" and "FVPL at inception".

Financial liabilities include loans, bond loans, lease liabilities, trade payables, other liabilities and financial derivatives. These instruments are recorded at fair value when opened, net of any costs that can be ascribed to them. Subsequently, the financial liabilities in question are measured at amortised cost using the effective interest method, with the exception of derivative financial instruments (other than derivative financial instruments designated as effective hedging instruments) and any financial liabilities designated at FVPL, which are accounted for at fair value through profit or loss.

Payables to ANAS – Central Insurance Fund

These payables refer to operations undertaken by ANAS and the Central Insurance Fund during earlier accounting periods on behalf of a number of motorway companies for the payment of loan instalments and trade payables. To facilitate the economic and financial equilibrium of the respective concessions, the financial plans attached to them require repayment of these liabilities based on the duration of the concession, in the absence of related interest payments.

Therefore, these payables have been discounted based on a specific interest rate for each licensee. In compliance with IFRS, this interest rate is established using as a reference financial instruments with essentially the same conditions and features (the discounting rates that have been used vary between 6.18% and 6.22%). The difference between the original amount of the debt and its current value is posted among liabilities to "deferred income".

The charge from the discounting process is imputed to the income statement among "financial expenses". At the same time, the amount previously deferred (and included in "deferred income") is posted to the item "other income".

Provisions for risks and charges

Provisions for risks and charges concern costs and charges of known type and of certain and probable existence, the amount and date of occurrence of which was not known at the closing date of the accounting period. Provisions are recorded when: (i) a current, legal or implied obligation probably exists from a past event; (ii) it is probable that meeting the obligation will be burdensome; (iii) the amount of the obligation can be reliably estimated.

The provisions to reserves represent our best estimate of the amount needed to extinguish the obligation or to transfer it to third parties as at the closing date of the financial statements. When the financial impact of time is significant and the dates for paying off the obligations can be reliably estimated, the provisions are discounted.

The explanatory notes also explain any contingent liabilities represented by: (i) possible (but not probable) obligations from past events, the existence of which will be confirmed only upon the occurrence of one or more uncertain future events not completely under the control of the Group; (ii) current obligations from past events, the total of which cannot be reliably estimated or the fulfilment of which is probably not costly.

Provision for restoration, replacement or maintenance of non-compensated revertible assets

Consistent with the contractual obligations in the financial plans attached to current agreements, as at the reporting date, the "Provision for restoration, replacement or maintenance of non-compensated revertible assets" receives the provisions needed to carry out maintenance to ensure the due functionality and safety of the non-compensated revertible assets during later accounting periods.

Employee benefits

The Employee Severance Indemnity ("TFR") takes the form of a defined benefit plan, measured with actuarial techniques using the Projected Unit Credit Method. It should be noted that from 1 January 2007 this liability refers exclusively to the portion of severance indemnities accrued up to 31 December 2006, which following the reform of the supplementary pension scheme (Legislative Decree no. 252 of 5 December 2005) continues to constitute an obligation for the company. Following the entry into force of the above reform by operation of Law 296 of 27 December 2006 (2007 Finance Act), as the liability refers to a benefit now fully accrued, has been recalculated without application of the pro-rata of the service provided and without considering the component relating to future salary increases in the actuarial calculation. The recognition of changes in actuarial profit/(loss) is recognised in other components of the Statement of Comprehensive Income. The cost of labour for Group companies with less than 50 employees, as well as the interest expense relating to the "time value" component in actuarial calculations, continue to be recognised in the income statement. The portion of employee severance indemnities paid to supplementary pension funds and the INPS treasury fund is considered a defined-contribution fund because the company's obligation to the employee ceases with the payment of the accrued contributions to the pension funds.

In the case of multi-employer pension plans the Group recognises them as defined benefit plans or defined benefit plans under the terms of the plan. In this case, when sufficient information is not available to use defined benefit accounting for a multi-employer defined benefit plan, these plans are recognised as defined contribution plans.

Treasury shares

Treasury shares are posted at purchase cost, as a reduction in shareholders' equity. The nominal value of the treasury shares held is deducted directly from share capital. The value resulting from their transfer is posted with a contra-item in shareholders' equity and no entry in the income statement.

Revenue

Revenue is the gross inflow of economic benefits during the period arising in the course of the ordinary activities of an entity.

Revenue is recognised at a specific point in time or over time, when the Group meets its performance obligations by transferring the goods and services to its customers; the process underlying the recognition of revenue follows the five steps required by IFRS 15: (i) identification of the contract with the customer; (ii) identification of the performance obligations in the contract; (iii) determination of the transaction price; (iv) allocation of the price to the various performance obligations and (v) recognition of revenue as each performance obligation is satisfied. In particular:

Proceeds from tolls

These are posted based on the related transits. In particular, the net toll revenue was calculated by multiplying the kilometres travelled by users on the relevant sections by the tariff in force and approved by the Granting Body for each motorway stretch.

Rental income and royalties

Rental income and royalties are valued based on the payment indicated in the underlying contracts with the respective counterparties. In particular, royalties relating to the service areas on the motorway networks managed are quantified on the basis of a (fixed) percentage of revenues from the economic use of sub-concession areas (normally the sale of food and oil products).

Revenues from product sales

The Group recognises the revenue from product sales when it transfers control of the asset to its customers; this moment generally coincides with the Group obtaining the right to payment and the transfer of material possession of the asset, which incorporates the transfer of the significant risks and rewards of ownership.

Revenues for services

Revenues for services are recognised based on the accrued payment, calculated by reference to the stage of completion of the service.

Contract revenue

Revenues from construction contract work in progress are recognised using the percentage of completion method. The percentage of completion is determined using the cost-to-cost method, calculated by applying the percentage of completion to the total expected revenue, as calculated by the ratio between the contractual costs incurred and the total expected costs.

Financial income

Interest income is calculated on the value of the related financial assets at the effective interest rate.

Dividends

Dividends paid by unconsolidated companies are posted when the right to receive them is established, which corresponds to the date that the Shareholders' Meeting of the investee companies approves the distribution.

Any interim dividends are recorded when the distribution is approved by the Board of Directors of the investee company.

Grants

Grants are recognised when there exists a reasonable certainty that they will be received and that all the conditions for their

disbursement will be met. Capital grants are posted to the balance sheet as an adjustment entry to the book value of the asset to which they refer. Operating grants are imputed as income and systematically allocated to the cost related to them using the matching principle.

Financial expenses

Financial expenses are recorded, on an accrual basis, as a cost in the accounting period in which they are incurred except for those which are directly imputable to the construction of non-compensated revertible assets and other assets, which are capitalised as an additional part of the cost of production of the asset. Capitalisation of financial expenses begins when activities are under way to prepare the asset for use, and it ends when these activities are essentially completed.

Income taxes

Current and deferred taxes are posted to the income statement when they do not relate to transactions directly posted to shareholders' equity.

Income taxes are posted based on an estimate of the taxable income for the period, in compliance with current regulations.

In accordance with IAS 12, "deferred tax liabilities" and "deferred tax assets" are calculated based on the temporal differences between the recognised value for tax purposes of an asset or a liability and its value in the balance sheet, when it is probable that these differences will cancel themselves out in the foreseeable future. The amount of the "deferred tax liabilities" or "deferred tax assets" is determined based on tax rates that are expected to apply to the period in which the tax credit is realized or the tax liability is extinguished. The tax rates are those established in current fiscal legislation as at the reference date of the individual accounting entries.

Deferred tax assets are posted when their recovery is likely.

Deferred tax assets and deferred tax liabilities are offset when it is legally allowed.

Furthermore, tax effects have been considered, deriving from the adjustments made to the financial statements of consolidated businesses while applying uniform Group valuation criteria.

Derivatives

Derivatives are assets and liabilities recognised at fair value. The fair value of derivatives is determined by discounting the expected net cash, using the market interest rate curves for the date of reference and the listed credit default swap curve of the counterparty and the group companies, to include the risk of non-performance explicitly envisaged in IFRS 13.

Derivatives are classified as hedging instruments when the relationship between the derivative and the subject of the coverage is formally documented and the coverage is highly effective, which is verified periodically. When hedging derivatives cover the risk of changes to the fair value of the instruments being covered (a "fair value hedge", for example, covering the variability of the fair value of assets/liabilities at a fixed rate), the derivatives are recognised at fair value and their effects are recognised to the income statement. At the same time, the instruments hedged are updated to reflect the changes to their fair value associated with the underlying risk. When derivatives cover the risk of changes in net cash from the instruments being covered (cash flow hedge, (e.g. hedging the variability of cash flows from assets/liabilities at variable rates), changes in the fair value of derivatives are recognised in the statement of comprehensive income and included in the cash flow hedge reserve in shareholders' equity and subsequently charged to the income statement in line with the economic effects produced by the hedged transaction or in the event of total or partial ineffectiveness of the hedge. Changes to the fair value of derivatives that do not satisfy the conditions to be classified as hedges are posted to the income statement.

Impairment test

When impairment is detected, an impairment test is carried out to estimate the recoverable value of the asset. Impairment is accounted for in the income statement when the book value of an asset or of a cash generating unit exceeds the recoverable value. The book values of the Company's assets are still assessed at the end of each annual reporting period.

Intangible assets with indefinite useful life are assessed every year and whenever there is an indication of potential impairment, in order to ascertain if such impairment effectively exists.

The *recoverable value of non-financial assets* corresponds to the highest between their fair value net of sale costs and their useful life. In order to establish their useful life, the estimated future cash flows are discounted at a rate that reflects the current market valuation of the money value and the risk related to that type of asset. If the assets do not generate incoming cash flows deemed as widely independent, the recoverable value of the cash generating unit to which the asset belongs is calculated.

The losses posted in the income statement are written back in case of changes in the valuation criteria used to determine the recoverable value. A value write-back is recorded in the income statement by aligning the book value of the assets to its recoverable value. The latter cannot exceed the value that would have been determined, net of amortisation and depreciation expense, if impairment had not been posted in the previous years.

With reference to the impact Covid-19 had on the Group activity, note that the largest companies operated in the regulated motorway sector, for which the current Agreements establish for events like the one in question contractual mechanisms to restore economic/financial balance. Moreover, they operate in the EPC sector where the multi-year word contracts for which the consequences of the epidemic are mainly limited to a decrease in the margins of the contracts due to additional costs arising from delays in production which, in most cases, will be able to be negotiated with the customers. This being established, given the significance of the internal and external impairment benchmarks attributable to the pandemic, the Company has carried out internal analysis in order to quantify the effects of the pandemic on the main drivers behind its business lines. This analysis did not identify any issues which as of the reporting date would lead to write-downs on assets.

Earnings per share

The basic earnings per share are calculated by dividing the Group share of profit by the weighted average of outstanding Parent Company shares during the year.

Estimates and valuations

The preparation of this condensed interim financial report and the related notes required estimates and assumptions that had an effect on the values of the assets and liabilities in the report and on the information related to potential assets and liabilities as at the reporting date. Actual results achieved may differ from these estimates. Among other things, the valuation used the fair value to appraise financial assets and liabilities, to perform the impairment test, for the actuarial appraisals and to record the amortisation/depreciation, the write-downs of assets and the provisions for risks. The outcomes of assessments by independent experts were also used to calculate the estimates. The estimates and assumptions are reviewed periodically and the effects of any changes are reflected immediately in the income statement or statement of comprehensive income.

Generally, some valuation processes – in particular the most complex ones, such as the assessment of any loss in value of fixed assets – are completely carried out only upon drawing up of the financial statements, when all necessary information is available. However, in case there is evidence of potential losses in value, an impairment test is carried out and the potential loss is reflected in each single book value.

Translation of foreign currency items

The statement of financial position and income statement of each consolidated company are prepared using the functional currency of the economy in which each company carries out its operations. Transactions in foreign currencies other than the

functional currency are recorded at the exchange rate prevailing at the transaction date. Monetary assets and liabilities denominated in a currency other than the functional currency are subsequently adjusted to the exchange rate at the reporting date with any exchange differences recognised through the income statement. Non-monetary assets and liabilities denominated in foreign currencies and recorded at historical cost are translated using the exchange rate prevailing at the time the transaction was first recognised.

For the purpose of consolidation in the Group accounts, the income statement and statement of financial position of consolidated companies with functional currencies other than the Euro are translated by applying the exchange rate prevailing as at the reporting date to assets and liabilities, including goodwill and adjustments made upon consolidation, and the average exchange rates for the year or for the consolidation period, whichever is less, to income statement items. The resulting foreign exchange differences are recognised directly in the statement of comprehensive income and reclassified to the income statement upon loss of control of the equity investment and, therefore, upon de-consolidation.

The main exchange rates applied during the period to translate the income statements and statements of financial position with functional currency other than the Euro, are those published by the Bank of Italy and presented in the following table:

Currency	2020		2019	
	Spot exchange rate as at 30 June	Average interim exchange rate	Spot exchange rate as at 31 December	Average interim exchange rate
EUR/GBP	0.91243	0.87463	0.8508	0.87363
EUR/BRL	6.1118	5.4104	4.5157	4.3417
EUR/USD	1.1198	1.102	1.1234	1.1298
EUR/Kuwaiti Dinar	0.3447	0.339	0.3405	0.3433
EUR/Omani Rial	0.4306	0.4237	0.4319	0.4344
EUR/Angola - Reajustado Kwanza	646.933	586.63	540.037	361.777
Euro/Botswana - Pula	13.2052	12.6866	11.913	12.0366
Euro/South Africa - Rand	19.4445	18.3112	15.7773	16.0434
Euro/Romania - Ron	4.8397	4.8173	4.783	4.7418
EUR/Saudi Arabia - Saudi Ryal	4.1993	4.1327	4.2128	4.2367
EUR/United Arab Emirates - Arab Emirates Dirham	4.1125	4.0473	4.1257	4.1491
EUR/Zambia - Zambian Kwacha	20.3207	18.424	15.7409	14.0149
EUR/Kenya - Kenyan Shilling	119.314	114.8266	113.8986	114.1377
EUR/Denmark - Danish Krone	7.4526	7.4648	7.4715	7.4651
EUR/Sweden - Swedish Krona	10.4948	10.6599	10.4468	10.5181

New accounting standards and interpretation adopted by the EU and effective from 1 January 2020

- **Amendments to IAS 1 and IAS 8 - Definition of materiality.** The document introduced a change to the definition of “material” contained in IAS 1 and in IAS 8. This amendment aims to make the definition of “material” more specific and introduces the concept of “obscured information” alongside the concepts of omitted or incorrect information already present in the two amended standards. The amendment clarifies that information is “obscured” if it has been described in such a way as to have an effect on primary readers of financial statements similar to that which would have occurred if such information had been omitted or incorrect.
- **Amendments to references to “Conceptual Framework” in the IFRS,** that defines the fundamental concepts for financial reporting. The document helps to guarantee the Standards are conceptually consistent and that similar transactions are treated in the same way, so as to provide useful information to investors, lenders and other creditors. The Conceptual Framework helps companies in developing accounting standards when none of the standard IFRS apply to a particular transaction and, more generally, help interested parties in understanding and interpreting the Standards.
- **On 26 September 2019, the IASB published an amendment titled “Amendments to IFRS 9, IAS 39 and IFRS 7: Interest Rate Benchmark Reform”, that amends IFRS 9 - Financial Instruments and IAS 39 - Financial Instruments: Recognition and Measurement, as well as IFRS 7 - Financial Instruments: Disclosures.** More specifically, the amendment modifies certain of the requirements established for application of hedge accounting, establishing temporary derogations for the same, in order to mitigate the impact deriving from uncertainties relative to the IBOR reform (still under way) for future cash flows in the period before they are achieved. The amendment also requires companies to provide addition

information in financial reporting with regards to hedging relationships directly affected by the uncertainties generated by the reform, and to which the above derogations apply.

- **Amendments to IFRS 3 - Business combinations.** The document provides some clarifications regarding the definition of “business” for the purposes of applying IFRS 3 correctly. In particular, the amendment clarifies that, while a business usually produces an “output”, the presence of an output is not strictly necessary in order to identify a business where there is a set of activities/processes and assets. However, in order to satisfy the definition of “business”, a set of activities/processes and assets must include, at a minimum, an input and a substantive process that together contribute significantly to the ability to create an output. To this end, the IASB replaced the term “ability to create outputs” with “ability to contribute to the creation of outputs” in order to clarify that a business can exist even without the presence of all the inputs and processes necessary to create outputs. The amendment also introduced an optional test (“concentration test”) that makes it possible to exclude the presence of a business if the price paid is substantially attributable to an individual asset or group of assets.

The above had no effect on the condensed interim financial report of the Group as at 30 June 2020

New accounting standards and interpretations issued by the IASB and not adopted yet by the EU

At the reporting date of this document, the competent bodies of the European Union had not yet concluded the approval process required for the adoption of the amendments and principles described above.

- On 28 May 2020, the IASB published an amendment titled “**Covid-19 Related Rent Concessions (Amendment to IFRS 16)**”. The document grants lessees the possibility of recognising reductions in rent associated with Covid-19 without having to evaluate, through contract analysis, whether the definition of a lease modification established under IFRS 16 is respected. Hence, lessees that make use of this possibility can recognise the effects of reductions in rent directly in the income statement, as of the date the reduction takes effect. Although it applies to financial statements as of 1 June 2020, with the possibility for companies to make use of early application for financial statements as of 1 January 2020, this amendment has not yet been approved by the European Union and hence was not applied by the Group as at 30 June 2020.
- On 18 May 2017 the IASB issued **IFRS 17 - Insurance Contracts**. The new standard, applicable as of annual reporting periods beginning on or after 1 January 2023, governs the accounting treatment of insurance contracts issued and reinsurance contracts held.
- On 23 January 2020, the IASB published an amendment titled “**Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current**”. The document is intended to clarify how to classify short or long-term payables and other liabilities. The amendments take effect as of 1 January 2022, but the IASB issued an exposure draft to postpone efficacy to 1 January 2023. In any case, early application is allowed.
- On 14 May 2020, the IASB published the following amendments, effective from annual reporting periods beginning on or after 31 January 2022:
 - **Amendments to IFRS 3 Business Combinations:** the amendments are intended to update the reference to the Conceptual Framework in its revised version in IFRS 3, without this leading to amendments to the provisions of IFRS 3.
 - **Amendments to IAS 16 Property, Plant and Equipment:** the amendments are intended to define that revenues from the sale of goods produced by an asset before it is ready for its intended use are charged to the income statement together with the related production costs, rather than deducted from the cost of the asset.
 - **Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets:** the amendment clarifies that when estimating the possible costs of a contract all costs directly attributable to the contract must be

considered, including not only incremental costs (e.g. the cost of material directly involved in processing), but also all the costs the company cannot avoid given that the contract has been signed (e.g. the portion of payroll costs, depreciation of machinery used to fulfil the contract).

- **Annual Improvements 2018-2020:** the amendments apply to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IAS 41 Agriculture and the Illustrative Examples for IFRS 16 Leases. All amendments take effect as of 1 January 2022.

- On 25 June 2020, the IASB issued amendments to IFRS 17 "**Amendments to IFRS 17**" and IFRS 4 "**Extension of temporary exemption from applying IFRS 9**", relating to insurance activities, providing, among other things, for the deferral of the entry into force of the provisions of IFRS 17 to 1 January 2023.

The Group is currently evaluating the possible effects of the introduction of these changes on its consolidated financial statements.

Explanatory Notes – Operating segments

Recall that in 2019, as part of the operating reorganisation of the ASTM Group following the merger by incorporation of SIAS into ASTM, the companies operating in the “construction” and “engineering” sectors and the company Euroimpianti S.p.A., operating in the sector of electrical and electronic systems, previously included with the companies in the “technology” sector, were concentrated into one single sector (the engineering, procurement and construction (“EPC”) sector. This structure of operating segments reflects the method of representing information used by Management when making its decisions. Therefore data relative to the first half of 2019 was reclassified to allow for better comparison.

The activity of the group is divided into five main sectors:

- Motorway sector (operating activities)
- Motorway/EPC sector planning and construction activities - IFRIC 12
- EPC sector
- Technology sector
- Services sector

The financial and equity data for each sector are shown in the table below. Transactions between sectors are reversed in the "eliminations" column.

(amounts in thousands of EUR)	Business segment										Eliminations		Consolidated		
	Motorway sector (operating activities)		Motorway/construction sector (planning and construction activities)		EPC sector		Technology sector		Services sector		H1 2020	H1 2019	H1 2020	H1 2019	
	H1 2020	H1 2019	H1 2020	H1 2019	H1 2020	H1 2019	H1 2020	H1 2019	H1 2020	H1 2019					
Revenues from third parties:															
Motorway (tolls)	433,034	582,013	-	-	-	-	-	-	-	-	-	-	-	433,034	582,013
Other motorway revenues	6,924	15,550	-	-	-	-	-	-	-	-	-	-	-	6,924	15,550
Motorway revenues - planning and construction activities	-	-	142,315	115,692	-	-	-	-	-	-	-	-	-	142,315	115,692
EPC sector	-	-	-	-	416,637	391,157	-	-	-	-	-	-	-	416,637	391,157
EPC sector - planning and construction activities	-	-	4,039	10,453	-	-	-	-	-	-	-	-	-	4,039	10,453
Technology Sector	-	-	-	-	-	-	8,231	12,604	-	-	-	-	-	8,231	12,604
Other	18,806	20,996	-	-	7,061	6,434	679	397	1,180	1,579	-	-	-	27,726	29,406
Total revenues from third parties	458,764	618,559	146,354	126,145	423,698	397,591	8,910	13,001	1,180	1,579				1,038,906	1,156,875
Inter-segment revenues	4,575	4,002	-	-	150,448	150,179	25,405	25,443	3,638	3,899	(184,066)	(183,523)	-	-	-
Total revenues	463,339	622,561	146,354	126,145	574,146	547,770	34,315	38,444	4,818	5,478	(184,066)	(183,523)		1,038,906	1,156,875
Operating costs	(267,180)	(281,032)	(146,354)	(126,145)	(579,579)	(526,176)	(27,571)	(31,246)	(16,363)	(13,185)	183,650	183,102	(853,397)	(794,682)	
Segment EBITDA	196,159	341,529	-	-	(5,433)	21,594	6,744	7,198	(11,545)	(7,707)	(416)	(421)		185,509	362,193
Amortisation/depreciation and provisions	(85,652)	(140,865)	-	-	(15,421)	(8,919)	(1,916)	(1,607)	(442)	(384)	358	365	(103,073)	(151,410)	
Operating profit	110,507	200,664	-	-	(20,854)	12,675	4,828	5,591	(11,987)	(8,091)	(58)	(56)		82,436	210,783
Financial income	8,317	8,626	-	-	1,513	1,377	42	134	45,363	46,671	(46,684)	(46,433)	8,551	10,375	
Financial expenses	(48,831)	(50,067)	-	-	(2,350)	(1,522)	(104)	(31)	(39,059)	(33,433)	46,779	46,540	(43,565)	(38,513)	
Profit (loss) of companies accounted for with the equity method	(538)	37	-	-	(1,163)	(4,688)	184	-	19,006	(843)	-	-	17,489	(5,494)	
Pre-tax profit (loss)	69,455	159,260	-	-	(22,854)	7,842	4,950	5,694	13,323	4,304	37	51		64,911	177,151
Income taxes	-	-	-	-	-	-	-	-	-	-	-	-	(24,558)	(43,413)	
Net profit gross of the minority interests														40,353	133,738

(amounts in thousands of EUR)	Business segment								Eliminations		Consolidated	
	Motorway sector (operating activities)		EPC sector		Technology sector		Services sector		30 June 2020	31 December 2019	30 June 2020	31 December 2019
	30 June 2020	31 December 2019	30 June 2020	31 December 2019	30 June 2020	31 December 2019	30 June 2020	31 December 2019				
Fixed assets	3,372,558	3,915,253	350,658	338,432	17,440	15,666	4,442,640	4,437,254	(3,711,592)	(3,607,103)	4,471,704	5,099,502
Current assets	155,597	144,912	896,802	827,441	48,897	44,147	29,448	34,671	(355,415)	(324,215)	776,329	726,956
Total assets											5,248,033	5,826,458
Short-term liabilities	340,495	349,183	777,558	728,068	27,257	23,615	28,350	34,955	(325,102)	(296,278)	848,558	839,543
Medium-term liabilities and provisions	621,594	602,781	63,239	63,132	5,166	4,609	3,626	4,286	-	-	693,625	674,808
Net financial indebtedness (cash found)	264,849	848,046	104,872	43,548	(13,454)	(12,085)	492,442	472,721	-	-	848,709	1,352,230
Shareholders' equity											2,857,141	2,959,877
Total liabilities											5,248,033	5,826,458
Equity accounted investments	129,148	129,551	5,550	6,679	712	528	646,303	750,377			781,713	887,135

Explanatory Notes – Concessions

Business operations are mainly represented by the construction and management of motorway infrastructures and a logistics platform for which the Group companies are the licensees.

The motorway companies that are subsidiaries, jointly controlled or associated companies of the Group operate in accordance with specific concession agreements signed with the Granting Body, which govern the rights and obligations of the parties. In this respect, the licensees are in fact obliged, under their own responsibility and at their own expense, to arrange the planning, construction, maintenance and management of the motorway infrastructure until expiry of the concession agreement and the right to collect tolls from users (calculated and updated according to the methods specified in the agreement), which guarantees that the investments made are remunerated fairly. On expiry of the concessions, all motorway works completed (the "revertible assets") by the licensee must be transferred free of charge and in good condition to the Granting Body, except for concessions involving payment by the incoming licensee of the residual book value of the revertible assets (the "terminal value").

The following table provides details of the motorway concessions, with breakdown by licensee:

Licensee <i>(amounts in thousands of EUR)</i>	Motorway stretch	Expiry of the concession
Subsidiaries – Italy		
SATAP S.p.A.	Torino-Milano	31 December 2026
SATAP S.p.A.	Torino-Piacenza	30 June 2017 ⁽¹⁾
SAV S.p.A.	Quincinetto-Aosta	31 December 2032
SALT p.A.	Sestri Levante-Livorno, Viareggio-Lucca and Fornola-La Spezia	31 July 2019 ⁽¹⁾
SALT p.A.	La Spezia-Parma (and road link with Autostrada del Brennero)	31 December 2031
ADF S.p.A.	Savona-Ventimiglia	30 November 2021
ADF S.p.A.	Torino-Savona	31 December 2038
Asti-Cuneo S.p.A.	Asti-Cuneo	⁽²⁾
Società di Progetto Autovia Padana S.p.A.	Piacenza-Cremona-Brescia	28 February 2043
ATIVA S.p.A.	Tangenziale di Torino (Turin bypass), Torino-Quincinetto, Ivrea-Santhià and Torino-Pinerolo	31 August 2016 ⁽¹⁾
Associated companies – Italy		
SITAF S.p.A.	Torino-Bardonecchia, Frejus Tunnel	31 December 2050
Sitrasb S.p.A.	Trafo Gran San Bernardo	31 December 2034
Tangenziale Esterna S.p.A.	Tangenziale Est Esterna di Milano	30 April 2065
Jointly controlled and associated companies – International		
Road Link	A69 Carlisle-Newcastle (UK)	31 March 2026
Ecovia Caminho do Mar ⁽³⁾	Curitiba metropolitan area – Port of Paranaguá	November 2021
Ecocataratas ⁽³⁾	Paraná – "triple border" (Brazil, Argentina and Paraguay)	November 2021
Ecovias dos Imigrantes ⁽³⁾	Sao Paulo metropolitan area – Port of Santos	June 2026
Ecosul ⁽³⁾	Pelotas – Porto Alegre and Rio Grande Port	March 2026
Eco 101 ⁽³⁾	Macuri/BA Rio de Janeiro border	May 2038
Ecopistas ⁽³⁾	Metropolitan São Paulo – Vale do Rio Paraíba industrial area	June 2039
Ecoponte ⁽³⁾	Rio de Janeiro Niteroi – State of Rio de Janeiro	May 2045
Ecorodoanel ⁽³⁾	Sao Paulo Northern Ring Road	December 2050 ⁽⁴⁾
ECO 050 - MGO ⁽³⁾	Cristalina (Goias) - Delta (Minas Gerais)	January 2044
BR-135 ⁽³⁾	Montes Claros (Minas Gerais)	June 2048
Ecovias do Cerrado ⁽³⁾	Jatai (Goias) – Uberlandia (Minas Gerais)	January 2050

⁽¹⁾ A management "extension" has been granted, pending the appointment of a new licensee.

⁽²⁾ For this stretch, still pending completion, the duration of the concession is 23.5 years as from the infrastructure's completion date. On 14 May 2020, the CIPE approved the updating/revision of the concession relationships and the EFPs of the companies SATAP A4 and Asti-Cuneo (A33), which will both be involved in a cross-financing operation aimed at completing the construction work on the A33 Asti-Cuneo motorway. These EFPs ensure that SATAP A4 will be responsible for the investments already made and the further investments needed to complete the Asti-Cuneo motorway and the expiry of the concession on 31 December 2031.

⁽³⁾ Investee via IGLI S.p.A.

⁽⁴⁾ The expiry date is subject to review based on the start date of the activities.

As regards the profit and loss figures of the individual motorway stretches managed by the licensees, reference should be made to the information provided in the Management Report in the section "Results of Operations" - Motorway Sector.

TARANTO LOGISTICA

The company **Taranto Logistica S.p.A.** operates as a licensee, by virtue of the agreement signed with the granting body, the Taranto Port Authority, for the executive design and the execution of the Taranto Port infrastructure node – Integrated Logistics Facilities, as well its management after execution.

Explanatory Notes – Information on the balance sheet

Note 1 – Intangible assets

1.a) Goodwill and other intangible assets

This item breaks down as follows:

	Goodwill		Other intangible assets		Total
			In operation	In process	
Cost:					
as at 1 January 2019	86,026	48,209	3,171	137,406	
Change in the scope of consolidation	34,695	1,691	5,958	42,344	
Investments	-	2,536	938	3,474	
Reclassifications and other changes	-	2,251	(2,405)	(154)	
Divestitures	-	(1,865)	-	(1,865)	
Write-downs	-	-	-	-	
Foreign exchange differences	771	2	-	773	
at 31 December 2019	121,492	52,824	7,662	181,978	
Accumulated depreciation:					
as at 1 January 2019	-	(34,527)	-	(34,527)	
Change in the scope of consolidation	-	(1,543)	-	(1,543)	
2019 amortisation and depreciation	-	(3,497)	-	(3,497)	
Drawdowns	-	114	-	114	
Foreign exchange differences	-	(1)	-	(1)	
Other changes	-	486	-	486	
at 31 December 2019	-	(38,968)	-	(38,968)	
Net book value:					
as at 1 January 2019	86,026	13,682	3,171	102,879	
at 31 December 2019	121,492	13,856	7,662	143,010	

	Goodwill		Other intangible assets		Total
			In operation	In process	
Cost:					
as at 1 January 2020	121,492	52,824	7,662	181,978	
Change in the scope of consolidation	-	-	-	-	
Investments	-	306	1,207	1,513	
Reclassifications and other changes	-	713	(636)	77	
Divestitures	-	-	(64)	(64)	
Foreign exchange differences	131	(2)	-	129	
as at 30 June 2020	121,623	53,841	8,169	183,633	
Accumulated depreciation:					
as at 1 January 2020	-	(38,968)	-	(38,968)	
Change in the scope of consolidation	-	-	-	-	
Amortisation and depreciation 1H 2020	-	(1,446)	-	(1,446)	
Drawdowns	-	-	-	-	
Foreign exchange differences	-	1	-	1	
Reclassifications and other changes	-	(19)	-	(19)	
as at 30 June 2020	-	(40,432)	-	(40,432)	
Net book value:					
as at 1 January 2020	121,492	13,856	7,662	143,010	
as at 30 June 2020	121,623	13,409	8,169	143,201	

The "goodwill" values are summarised below:

Cash Generating Unit	Amount as at 30/06/2020
SALT p.A.	38,435
Autostrada dei Fiori S.p.A.	313
SATAP S.p.A.	2,907
Halmar International LLC	44,355 ⁽¹⁾
Sinelec S.p.A.	379
SEA Segnaletica Stradale S.p.A.	539
ATIVA S.p.A.	34,695
Total	121,623

⁽¹⁾ amount converted using the exchange rate as at 30 June 2020

With reference to goodwill relative to the acquisition of control over ATIVA S.p.A. at the end of 2019, the Group made use of the option provided by the revised IFRS 3 in order to make a provisional allocation of the cost of aggregation at fair value of the individual net assets acquired.

Below follow the main disclosures relating to the investment in ATIVA S.p.A.

(amounts in millions of EUR)

Carrying value in the consolidated financial statements of ASTM of the stakes previously held in ATIVA S.p.A.	45.5	
Purchases of stakes in ATIVA S.p.A. in 2019 (31.17% of share capital)	49.4	
Fair value adjustment of the stakes previously held in ATIVA S.p.A.	19.5	
Carrying value of the equity investment in ATIVA S.p.A.	114.4	A
Pro-rata share of shareholders' equity	79.7	B
Goodwill	34.7	A-B

Below follow the main disclosures relating to the investment in Halmar International LLC

(amounts in millions of EUR)

Company	Main Activity	Date of purchase	Percentage of voting rights acquired	Percentage acquired	Acquisition Cost
Halmar International LLC	Industrial holding operating in the construction sector, in the metropolitan area of New York	05/07/2017	50%	50%	56.3

The acquisition cost (inclusive of potential future payments) was calculated at EUR 56.3 million, and paid for an amount equal to EUR 51.8 million at the closing of the transaction.

	<u>05/07/2017</u>
<u>Determination of goodwill resulting from acquisition</u>	
Acquisition cost of Halmar International LLC	56.3
(-) Book value of the net assets and liabilities acquired - pro rata	(12.3)
Goodwill	<u>44.0⁽¹⁾</u>

⁽¹⁾ equal to EUR 44.4 million at the exchange rate as at 30 June 2020

In accordance with IAS 36, goodwill is not subject to amortisation but-since it is an intangible asset with an indefinite useful life-to an impairment test at least once a year or when events arise that may indicate impairment. For the purposes of said test, goodwill has been allocated on the cash generating units shown above.

The item "other intangible assets" includes the capitalisation of basic and application software expenses and licences for software programmes. The increase during the period is mainly due to costs incurred for the development of an accounting and management software system.

Concessions – non-compensated revertible assets

1.b) Concessions – non-compensated revertible assets

	Motorway in operation	Motorway under construction	Other non-compensated revertible assets under construction	Total
Cost:				
as at 1 January 2019	8,482,630	983,391	190,143	9,656,164
Investments	10,324	245,209	17,751	273,284
Divestitures and other changes	-	-	-	-
Reclassifications	(1,291,557)	(161,239)	-	(1,452,796)
at 31 December 2019	7,201,397	1,067,361	207,894	8,476,652
Advances:				
as at 1 January 2019	-	18,398	-	18,398
Increases	-	39,974	-	39,974
Divestitures and other changes	-	-	-	-
Reclassifications	-	(30,230)	-	(30,230)
at 31 December 2019	-	28,142	-	28,142
Capital grants:				
as at 1 January 2019	(1,201,218)	(200,065)	(147,571)	(1,548,854)
Increases	-	-	(18,640)	(18,640)
Reclassifications	69,648	-	-	69,648
at 31 December 2019	(1,131,570)	(200,065)	(166,211)	(1,497,846)
Accumulated depreciation:				
as at 1 January 2019	(5,045,427)	-	-	(5,045,427)
Reclassifications and other changes	1,143,410	-	-	1,143,410
2019 amortisation and depreciation	(294,552)	-	-	(294,552)
at 31 December 2019	(4,196,569)	-	-	(4,196,569)
Net book value:				
as at 1 January 2019	2,235,985	801,724	42,572	3,080,281
at 31 December 2019	1,873,258	895,438	41,683	2,810,379

	Motorway in operation	Motorway under construction	Other non-compensated revertible assets under construction	Total
Cost:				
as at 1 January 2020	7,201,397	1,067,361	207,894	8,476,652
Investments	500	98,635	4,039	103,174
Divestitures and other changes	-	-	-	-
Reclassifications	-	-	-	-
as at 30 June 2020	7,201,897	1,165,996	211,933	8,579,826
Advances:				
as at 1 January 2020	-	28,142	-	28,142
Increases	-	11,289	-	11,289
Divestitures and other changes	-	-	-	-
Reclassifications	-	(6,253)	-	(6,253)
as at 30 June 2020	-	33,178	-	33,178
Capital grants:				
as at 1 January 2020	(1,131,570)	(200,065)	(166,211)	(1,497,846)
Increases	-	-	(1,391)	(1,391)
Reclassifications	-	-	-	-
as at 30 June 2020	(1,131,570)	(200,065)	(167,602)	(1,499,237)
Accumulated depreciation:				
as at 1 January 2020	(4,196,569)	-	-	(4,196,569)
Reclassifications and other changes	-	-	-	-
Amortisation and depreciation 1H 2020	(70,483)	-	-	(70,483)
as at 30 June 2020	(4,267,052)	-	-	(4,267,052)
Net book value:				
as at 1 January 2020	1,873,258	895,438	41,683	2,810,379
as at 30 June 2020	1,803,275	999,109	44,331	2,846,715

The gross value of the motorway network – equal to EUR 8,368 million – includes EUR 1,083.1 million of capitalised financial expenses, of which EUR 8.1 million capitalised during the half year (EUR 1,075 million as at 31 December 2019).

The item “*advances*” of the motorway network, equal to EUR 33.2 million, refers to the advances paid on the works; the change during the period equal to EUR 5.1 million is the result of (i) the advances paid by the licensee companies to the suppliers during the half (EUR +11.3 million) and (ii) the reclassification to the “*investments*” of the advances paid in previous years (EUR -6.2 million) following execution of the works.

As detailed in the “*valuation criteria*”, in order to assess the amortisation of non-compensated revertible assets, the so-called “*takeover*” values set out in the current agreements and in the financial plans which are currently being examined by the Granting Body have been taken into account.

As at 30 June 2020, the item "concessions – non-compensated revertible assets" broke down as follows:

Motorway concessions

Licensee <i>(amounts in thousands of EUR)</i>	Motorway stretch	Net value
SATAP S.p.A.	Torino-Milano	726,856
SAV S.p.A.	Quincinetto-Aosta	272,965
SALT p.A.	La Spezia-Parma (and road link with Autostrada del Brennero)	519,151
ADF S.p.A.	Savona-Ventimiglia	174,992
ADF S.p.A.	Torino-Savona	415,720
Asti-Cuneo S.p.A.	Asti-Cuneo	364,431
Autovia Padana S.p.A.	Piacenza-Cremona-Brescia	328,269
Motorway concessions – Total non-compensated revertible assets		2,802,384

Other concessions

Licensee <i>(amounts in thousands of EUR)</i>	Concession object	Net value
Taranto Logistica S.p.A.	Logistics platform at the port of Taranto	44,331
Total non-compensated revertible assets		44,331

Note 2 – Tangible assets

2.a) Property, plant, machinery and other assets

	Land and buildings	Plant and mach.	Industrial and commercial equip.	Other assets	Assets under construction and advance payments	Assets in financial lease	Total
Cost:							
as at 1 January 2019	130,849	69,042	58,468	55,219	2,353	31,632	347,563
Change in the scope of consolidation	2,279	5,715	3,329	1,268	-	-	12,591
Investments	2,311	5,611	9,604	3,642	10,462	-	31,630
Reclassifications and other changes	1,162	(502)	1,231	(2,121)	(2,291)	(31,709)	(34,230)
Foreign exchange differences	80	101	297	103	26	77	684
Divestitures	(453)	(4,113)	(3,295)	(1,607)	-	-	(9,468)
at 31 December 2019	136,228	75,854	69,634	56,504	10,550	-	348,770
Accumulated depreciation:							
as at 1 January 2019	(42,805)	(56,905)	(46,462)	(45,665)	-	(25,707)	(217,544)
Change in the scope of consolidation	(168)	(5,494)	(2,941)	(1,267)	-	-	(9,870)
2019 amortisation and depreciation	(3,125)	(3,449)	(5,334)	(2,668)	-	-	(14,576)
Reclassifications and other changes	435	942	462	560	-	25,743	28,142
Foreign exchange differences	(13)	(11)	(166)	(47)	-	(36)	(273)
Reversals	255	3,573	3,128	1,284	-	-	8,240
at 31 December 2019	(45,421)	(61,344)	(51,313)	(47,803)	-	-	(205,881)
Net book value:							
as at 1 January 2019	88,044	12,137	12,006	9,554	2,353	5,925	130,019
at 31 December 2019	90,807	14,510	18,321	8,701	10,550	-	142,889

	Land and buildings	Plant and mach.	Industrial and commercial equip.	Other assets	Assets under construction and advance payments	Total
Cost:						
as at 1 January 2020	136,228	75,854	69,634	56,504	10,550	348,770
Investments	17	1,267	2,872	1,285	2,462	7,903
Write-downs	-	-	-	-	-	-
Reclassifications and other changes	(3)	(22)	40	(11)	(76)	(72)
Foreign exchange differences	29	(274)	(408)	(35)	28	(660)
Divestitures	(6)	(4,006)	(1,651)	(639)	-	(6,302)
as at 30 June 2020	136,265	72,819	70,487	57,104	12,964	349,639
Accumulated depreciation:						
as at 1 January 2020	(45,421)	(61,344)	(51,313)	(47,803)	-	(205,881)
Amortisation and depreciation 1H 2020	(1,596)	(1,720)	(2,878)	(1,587)	-	(7,781)
Reclassifications and other changes	-	(2)	(98)	136	-	36
Foreign exchange differences	-	62	136	6	-	204
Drawdowns	-	3,179	1,326	589	-	5,094
as at 30 June 2020	(47,017)	(59,825)	(52,827)	(48,659)	-	(208,328)
Net book value:						
as at 1 January 2020	90,807	14,510	18,321	8,701	10,550	142,889
as at 30 June 2020	89,248	12,994	17,660	8,445	12,964	141,311

With regard to the item “land and buildings”, there was a mortgage guarantee in favour of UBI Banca (former Banca Regionale Europea) on the land on which a business district was built, owned by SEA - Segnaletica Stradale S.p.A. as guarantee for a loan, for which the residual debt as at 30 June 2020 totalled EUR 1.8 million, in addition to the mortgage guarantees issued by the Halmar Group in favour of M&T Bank on the land and buildings owned by Halmar International LLC to guarantee loans with a total outstanding debt as at 30 June 2020 of EUR 5 million.

2.b) Rights of use

	Rights of use - Property	Rights of use - Vehicles	Rights of use - Machinery	Rights of use - Other assets	Total
Cost:					
Initial balance pursuant to IAS 17	3,373	3,389	15,951	8,919	31,632
Effect of first-time adoption	17,033	4,274	1,461	-	22,768
Investments	7,522	4,276	21,410	9,436	42,644
Change in the scope of consolidation	5,771	487	-	-	6,258
Divestitures	-	(92)	(4,379)	(1,228)	(5,699)
Reclassifications and other changes	-	-	-	-	-
Foreign exchange differences	(13)	(15)	-	(6)	(34)
at 31 December 2019	33,686	12,319	34,443	17,121	97,569
Accumulated depreciation:					
Initial balance pursuant to IAS 17	(817)	(1,556)	(14,720)	(8,614)	(25,707)
Effect of first-time adoption	-	-	-	-	-
2019 amortisation and depreciation	(4,622)	(3,490)	(2,702)	(1,258)	(12,072)
Change in the scope of consolidation	(558)	(239)	-	-	(797)
Drawdowns	-	72	2,578	1,109	3,759
Other changes	3	(4)	6	-	5
Foreign exchange differences	(2)	9	5	-	12
at 31 December 2019	(5,996)	(5,208)	(14,833)	(8,763)	(34,800)
Net book value:					
as at 1 January 2019 (pursuant to IAS 17)	2,556	1,833	1,231	305	5,925
at 31 December 2019	27,690	7,111	19,610	8,358	62,769

	Rights of use - Property	Rights of use - Vehicles	Rights of use - Machinery	Rights of use - Other assets	Total
Cost:					
as at 1 January 2020	33,686	12,319	34,443	17,121	97,569
Investments	3,241	1,928	9,886	861	15,916
Divestitures	(1,307)	(944)	(233)	(472)	(2,956)
Reclassifications and other changes	(20)	(763)	760	-	(23)
Foreign exchange differences	(31)	20	(90)	9	(92)
as at 30 June 2020	35,569	12,560	44,766	17,519	110,414
Accumulated depreciation:					
as at 1 January 2020	(5,996)	(5,208)	(14,833)	(8,763)	(34,800)
Amortisation and depreciation 1H 2020	(3,235)	(2,062)	(2,835)	(1,168)	(9,300)
Drawdowns	685	879	233	472	2,269
Reclassifications and other changes	(28)	1,095	(1,073)	-	(6)
Foreign exchange differences	33	(15)	80	(3)	95
as at 30 June 2020	(8,541)	(5,311)	(18,428)	(9,462)	(41,742)
Net book value:					
as at 1 January 2020	27,690	7,111	19,610	8,358	62,769
as at 30 June 2020	27,028	7,249	26,338	8,057	68,672

In accordance with IFRS 16, the item "rights of use" contains the lease contracts payable that do not constitute the provision of services.

Note 3 – Non-current financial assets

3.a – Equity accounted investments

Changes during the period to investments in businesses accounted for by the "equity method" were as follows:

	31 December 2019	Purchases/ Increases	Sales/ Decreases	Change in the scope of consolidation	Reclass. and other changes	Adjustments to "shareholders' equity"			Exchange differences	30 June 2020
						Profit/(loss)	Dividends	Other ^(*)		
Equity investments:										
a) in jointly controlled entities										
Ecorodovias Infrastruttura e Logistica S.A.	47,341	-	-	-	-	2,799	-	203	(12,803)	37,540
Federici Stirling Batco LLC	9,687	-	-	-	-	(649)	-	-	36	9,074
Primav Infrastruttura S.A.	402,983	-	-	-	-	17,138	-	1,796	(108,199)	313,718
Grugliasco S.c.ar.l.	6	-	-	-	-	-	-	-	-	6
CERVIT S.c.ar.l.	5	-	-	-	-	-	-	-	-	5
b) in associated companies										
Asci Logistik GMBH	21	-	-	-	-	-	-	-	-	21
Asta S.p.A.	4,019	-	-	-	-	(177)	-	-	-	3,842
ATIVA Immobiliare S.p.A.	487	-	-	-	-	-	-	-	-	487
Aurea S.c.ar.l.	10	-	-	-	-	-	-	-	-	10
Autostrada Nogare Mare Adriatico S in liquidation	33	-	-	-	-	-	-	-	-	33
Brescia Milano Manutenzioni S.c.ar.l.	4	-	-	-	-	-	-	-	-	4
C.I.M. S.p.A. Novara Centro Portuale Merci	5,813	-	-	-	(26)	-	-	-	-	5,787
Cis Beton GMBH	-	-	-	-	-	-	-	-	-	-
CMC Itinera JV S.c.p.A.	49	-	-	-	-	-	-	-	-	49
Colmeto S.c.ar.l.	5	-	-	-	-	-	-	-	-	5
Confederazione Autostrade S.p.A. in liquidation	-	-	-	-	200	(200)	-	-	-	-
Consorzio Siciliano Lavori Ferroviari - CON.SI.L.FER.	3	-	-	-	-	-	-	-	-	3
Consorzio Cancellò Frasso Telesino	-	-	-	-	4	-	-	-	-	4
Consorzio costruttori TEEM	4	-	-	-	-	-	-	-	-	4
Cova S.c.ar.l.	4	-	-	-	-	-	-	-	-	4
C.T.E. Consorzio Tangenziale Engineering	84	-	-	-	-	-	-	-	-	84
D.N.C. S.c.ar.l.	4	-	-	-	-	-	-	-	-	4
Edilrovacco S.r.l. in liquidation	-	-	-	-	-	-	-	-	-	-
Europa S.c.ar.l.	5	-	-	-	-	-	-	-	-	5
Fondo Valle S.c.ar.l. in liquidation	4	-	-	-	-	-	-	-	-	4
Formazza S.c.ar.l., in liquidation	2	-	-	-	-	-	-	-	-	2
Frasso S.c.ar.l.	-	5	-	-	-	-	-	-	-	5
Igea Romagna S.c.ar.l.	4	-	-	-	-	-	-	-	-	4
Interconnessione S.c.ar.l.	5	-	-	-	-	-	-	-	-	5
Interporto di Vado Intermodal Operator S.p.a.	6,974	-	-	-	-	(85)	-	-	-	6,889
Letimbro S.c.ar.l.	-	-	-	-	-	-	-	-	-	-
Lissone S.c.ar.l.	5	-	-	-	-	-	-	-	-	5
Malco S.c.ar.l.	5	-	-	-	-	-	-	-	-	5
Mill Basin Bridge Constructors LLC	942	-	-	-	-	(42)	-	-	3	903
Mose Bocca di Chioggia S.c.ar.l.	4	-	-	-	-	-	-	-	-	4
Mose Operae S.c.ar.l.	2	-	-	-	-	-	-	-	-	2
Mose Treporti S.c.ar.l.	2	-	-	-	-	-	-	-	-	2
Nichelino Village S.c.ar.l.	5	-	-	-	-	-	-	-	-	5
Ponte Nord S.p.A.	755	-	-	-	-	-	-	-	-	755
Rivalta Terminal Europa S.p.A.	5,524	-	-	-	-	-	-	-	-	5,524
Road Link Holdings Ltd	2,705	-	-	-	-	486	(389)	-	(52)	2,750
SABROM S.p.A.	6,815	-	-	-	-	(212)	-	(14)	-	6,589
S.A.C. S.c.ar.l., in liquidation	-	-	-	-	-	-	-	-	-	-
Serravalle Village S.c.ar.l.	5	-	-	-	-	-	-	-	-	5
SITAF S.p.A.	211,872	-	-	-	-	4,388	-	(2,861)	-	213,399
SITRASB S.p.A.	12,585	-	-	-	-	(335)	-	-	-	12,250
Smart Mobility System S.c.ar.l. (SMS S.c.ar.l.)	4	-	-	-	-	-	-	-	-	4
SP01 S.c.ar.l.	4	-	-	-	-	-	-	-	-	4
Tangenziale Esterna S.p.A.	88,624	-	-	-	-	(2,812)	-	(411)	-	85,401
Tangenziali Esterne di Milano S.p.A.	79,624	-	-	-	-	(2,810)	-	(407)	-	76,407
Telese S.c.ar.l.	-	4	-	-	-	-	-	-	-	4
Tessera S.c.ar.l.	4	-	-	-	-	-	-	-	-	4
Tunnel Frejus S.c.ar.l.	25	-	-	-	-	-	-	-	-	25
Vetivaria s.r.l.	68	-	-	-	-	-	-	-	-	68
Total	887,135	9	-	-	178	17,489	(389)	(1,694)	(121,015)	781,713

(*) This mainly regards the pro-rata portion of the fair value adjustments carried out by the investee companies in relation to the IRS agreements.

The main changes during the first half of 2020 refer to:

- on 16 June 2020, the subsidiary Itinera S.p.A. subscribed 45.3% of the share capital of the newly incorporated company Telese S.c.ar.l., for EUR 4 thousand;

- on 25 June 2020, the subsidiary Itinera S.p.A. subscribed 33% of the share capital of the newly incorporated company Frasso S.c.ar.l., for EUR 5 thousand.

The item “*adjustments to shareholders' equity*” incorporates the pro-rata share of the profit/loss, the dividend distribution and the adjustments posted with “shareholders' equity” as contra-item, of the investee companies. The item “*other*” includes the difference accrued in the period with regard to the fair value of interest rate swap agreements.

The item “*exchange differences*” includes the changes during conversion, to EUR, of the financial statements of the associated companies and jointly held entities Primav Infrastruttura S.A., Ecorodovias Infrastruttura & Logistica S.A., Federici Stirling Batco LLC, Road Link Holdings Ltd. and Mill Basin Constructors LLC.

As at 30 June 2020, 107,498,423 shares of the investee company Tangenziale Esterna S.p.A. were pledged in favour of the lending banks as part of a project financing operation.

The main income and financial data of the companies accounted for by the equity method are shown below (jointly controlled entities and associated companies)

The investees Primav Infrastruttura S.A. and Ecorodovias Infrastruttura & Logistica S.A. are jointly controlled by the ASTM Group and by the CR Almeida Group by virtue of the agreements signed by ASTM S.p.A. with CR Almeida.

The company Federici Stirling Batco LLC is jointly controlled through the subsidiary Itinera S.p.A. (34.30%) and BATCO HOLDING S.A.L. - a Lebanese company (35.70%) by virtue of shareholders' agreements. In particular, on 20 October 2015, the subsidiary Itinera S.p.A. signed an agreement with BATCO HOLDING S.A.L. for the acquisition of 34.30% of the shares, representing 49% of the financial interests, of the Omani company FEDERICI STIRLING BATCO LLC with registered office in Muscat, the capital of the Sultanate of Oman, which operates in the construction industry. The remainder of the share capital (30%) is held by a company incorporated in Oman, pursuant to local regulations.

The main economic/equity and financial ratios as at 30 June 2020 are shown below:

With regard to the equity-financial situation:

(amounts in thousands of EUR)	Assets		Assets non-current	Liabilities Current		Liabilities non-current	
	Current	of which cash and cash equivalents		of which financial	of which financial		
Primav Infrastruttura S.A. ^{(1) (2)}	297,151	236,610	1,780,898	500,793	369,883	1,412,367	1,122,334
Ecorodovias Infrastruttura & Logistica S.A. ^{(1) (2)}	296,741	236,376	1,578,648	405,444	279,826	1,369,270	1,079,237
Federici Stirling Batco LLC ^{(1) (2)}	76,379	697	360	55,892	13,913	35,209	34,861
Grugliasco S.c.ar.l.	1,300	51	-	1,290	-	-	-
CERVIT S.c.ar.l.	12,951	956	260	13,134	-	59	-

(1) Information added based on the financial statements of the companies, prepared in accordance with IFRS/IAS.

(2) Figures converted using the exchange rate as at 30 June 2020

With regard to profit and loss:

	Revenue	Profit (loss) for the year	Total other comprehensive income	Dividends received
Primav Infrastruttura S.A. ^{(1) (2)}	347,070	13,890	13,890	-
Ecorodovias Infrastruttura & Logistica S.A. ^{(1) (2)}	347,070	24,977	24,977	-
Federici Stirling Batco LLC ^{(1) (2)}	2,587	(5,325)	(5,325)	-
Grugliasco S.c.ar.l.	341	-	-	-
Cervit S.c.ar.l.	24,118	-	-	-

(1) Information added based on the financial statements of the companies, prepared in accordance with IFRS/IAS.

(2) Figures converted using the average exchange rate for the first half of 2020.

Note also that:

- Joint venture agreements do not envisage significant restrictions or limitations on the use of resources of the companies under joint control.
- However, the agreements envisage lock up clauses (blocking the disposal of joint arrangements) and exit mechanisms from the agreements mentioned above.

Below follow the main disclosures relating to the investment in Primav Infraestruturas S.A.

Company	Main Activity	Date of purchase	Percentage of voting rights acquired	Percentage acquired	Acquisition Cost
Primav Infraestruturas S.A.	Industrial holding active in motorway company management, urban mobility, ports and logistics	04/05/2016	50%	64.10%	512,378
		25/04/2017	0%	5.00%	54,627

The cost of acquisition was paid in full at the closing of the relevant transactions and does not comprise potential future fees.

	<u>04/05/2016</u>		<u>25/04/2017</u>	
<i>Determination of goodwill resulting from acquisition</i>				
Consideration paid	512,378		54,627	
(-) Book value of the net assets and liabilities acquired - pro rata difference to allocate	<u>(131,119)</u>		<u>(11,825)</u>	
	<u>381,259</u>		<u>42,802</u>	
<i>Allocation to fair value of acquired assets</i>				
Concessions – non-compensated revertible assets	503,227		46,954	
Equity investments - VEM	16,535		1,543	
Deferred taxes	<u>(171,097)</u>		<u>(15,964)</u>	
Allocation	348,665	} 381,259	32,532	} 42,802
Goodwill (included in the value of the investment in Primav Infraestruturas S.A.)	32,594		10,270	

Below follow the main disclosures relating to the investment in Ecorodovias Infraestruturas & Logística S.A.

Company	Main Activity	Date of purchase	Percentage of voting rights acquired	Percentage acquired	Acquisition Cost
Ecorodovias Infraestruturas e Logística S.A.	Industrial holding active in the management of motorway licensees, ports and logistics	2017	2.51%	2.51%	36,966
		2018	2.48%	2.48%	30,150

The cost of acquisition was paid in full at the closing of the relevant transactions and does not comprise potential future fees.

	<u>2017</u>		<u>2018</u>	
<i>Determination of goodwill resulting from acquisition</i>				
Consideration paid	36,966		30,150	
(-) Book value of the net assets and liabilities acquired - pro rata 2.48% difference to allocate	<u>(2,776)</u>		<u>(3,866)</u>	
	<u>34,190</u>		<u>26,284</u>	
<i>Allocation to fair value of acquired assets</i>				
Concessions – non-compensated revertible assets	35,402		29,719	
Deferred taxes	<u>(12,037)</u>		<u>(10,105)</u>	
Allocation	23,365	} 34,190	19,614	} 26,284
Goodwill (included in the value of the investment in "Ecorodovias Infraestruturas & Logística S.A.")	10,825		6,670	

3.b – Other equity investments

Changes to investments in “other equity investments” during the period were as follows:

	31 December 2019			Changes during the period					30 June 2020		
	Original value	Adj. to fair value	Total	Purchases/Increases	Sales/Decreases	Change to scope of consolidation	Reclass. and other changes	Adjustments to fair value	Original value	Adj. to fair value	Total
Equity investments:											
Restart SiiQ S.p.A.	6,532	(5,474)	1,058	-	-	-	-	(183)	6,532	(5,657)	875
AEDS SiiQ S.p.A.	-	1,837	1,837	-	-	-	-	(477)	-	1,360	1,360
Assicurazioni Generali S.p.A.	4,013	2,335	6,348	-	-	-	-	(1,699)	4,013	636	4,649
Banca CA.RI.GE. S.p.A.	29	(29)	-	-	-	-	-	-	29	(29)	-
Banco Popolare BPM	301	(80)	221	-	-	-	-	(76)	301	(156)	145
PLC S.p.A. (former Industria e Innovazione S.p.A.)	152	(72)	80	-	-	-	-	(8)	152	(80)	72
Webuild S.p.A. – savings shares	4,668	(209)	4,459	-	(52)	-	-	(715)	4,616	(924)	3,692
Mediobanca S.p.A.	1,333	1,610	2,943	-	-	-	-	(1,027)	1,333	583	1,916
Total Level 1	17,028	(82)	16,946	-	(52)	-	-	(4,185)	16,976	(4,267)	12,709
Abesca Europa S.r.l.	158	-	158	-	-	-	-	-	158	-	158
Agenzia di Pollenzo S.p.A.	1,349	-	1,349	-	-	-	-	-	1,349	-	1,349
Alitalia - Compagnia Aerea Italiana S.p.A.	-	-	-	-	-	-	-	-	-	-	-
Argentea Gestioni S.c.p.a.	-	-	-	-	-	-	-	-	-	-	-
Autostrade Centro Padane S.p.A.	9,328	-	9,328	-	-	-	-	-	9,328	-	9,328
Banca Alpi Marittime Credito cooperativo- Carru	10	-	10	-	-	-	-	-	10	-	10
C.A.A.F. IND. E.C. S.p.A.	-	-	-	-	-	-	-	-	-	-	-
C.e.P.I.M. S.p.A. - Centro Padano Interscambio Merce S.p.A.	14	-	14	-	-	-	-	-	14	-	14
Codeffa S.p.A.	2,513	2,088	4,601	-	-	-	-	-	2,513	2,088	4,601
Società Confederazione Autostrade S.p.A.	1,237	(1,237)	-	200	-	-	(1,437)	1,237	-	-	-
Consorzio Autostrade Italiane Energia	17	-	17	-	-	-	-	-	17	-	17
Cons. Costr. Veneti San Marco	14	-	14	-	-	-	-	-	14	-	14
CRS - Centro Ricerche Stradali S.p.A.	3	-	3	-	-	-	-	-	3	-	3
CSI - Consorzio Servizi Ingegneria	1	-	1	-	-	-	-	-	1	-	1
Daita S.c.ar.l.	8	-	8	-	-	-	-	-	8	-	8
Eurolink S.c.p.a.	3,000	-	3,000	-	-	-	-	-	3,000	-	3,000
Form Consult S.p.A. (former IRI Management)	-	-	-	-	-	-	-	-	-	-	-
Interporto Rivalta Scivia S.p.A.	576	-	576	-	-	-	-	-	576	-	576
Interporto Toscano A. Vespucci S.p.A.	77	-	77	-	-	-	-	-	77	-	77
iOne Solutions S.r.l.	2	-	2	-	-	-	-	-	2	-	2
Milano Serravalle-Milano Tangenziali S.p.A.	65,873	198	66,071	-	-	-	-	-	65,873	198	66,071
Milano Depur S.p.A.	-	-	-	-	-	-	-	-	-	-	-
MN 6 S.c.ar.l.	1	-	1	-	-	-	-	-	1	-	1
Nuova Codeffa S.p.A.	3,705	4,989	8,694	-	-	-	-	(2,071)	3,705	2,918	6,623
Passante Dorico S.p.A.	2,623	(2)	2,621	-	-	-	-	(6)	2,623	(8)	2,615
Pedelombarda S.c.p.a.	550	-	550	-	-	-	-	-	550	-	550
P.S.T. S.p.A.	166	-	166	-	-	-	-	-	166	-	166
Seveso S.c.ar.l. in liquidation	-	-	-	-	-	-	-	-	-	-	-
Società Cooperativa Elettrica Gignod	-	-	-	-	-	-	-	-	-	-	-
Siteco BG ODD	10	-	10	-	-	-	-	-	10	-	10
SOGEAP Aeroporto di Parma S.p.A.	189	(47)	142	-	-	-	-	-	189	(47)	142
Spedia S.p.A. in liquidation	376	-	376	-	-	-	-	-	376	-	376
Tunnel Gest S.p.A.	75	-	75	-	-	-	-	-	75	-	75
TRA.DE.CIV Consorzio tratta Determinate Città Vitale	-	-	-	-	-	-	-	-	-	-	-
Vettabbia S.c.ar.l.	-	-	-	-	-	-	-	-	-	-	-
Uirnet S.p.A.	10	-	10	-	-	-	-	-	10	-	10
Total Level 3	91,885	5,989	97,874	200	-	-	(1,437)	(840)	90,648	5,149	95,797
Total	108,913	5,907	114,820	200	(52)	-	(1,437)	(5,025)	107,624	882	108,506

Fair value measurement hierarchy

Level 1: fair value calculated on the basis of the security listing on active markets.

Level 2: (not present) fair value determined based on different inputs other than the listing price described for Level 1, which can be directly (price) or indirectly (price derivatives) observed on the market.

Level 3: fair value, not based on observable market data, determined based on the price reflected in recent appraisals or transactions, cost, shareholders' equity, models/financial plans

The main changes during the first half of 2020 refer to:

- during January 2020, following the zeroing and re-establishment of share capital, resolved on 3 December 2019 by the Società Confederazione Autostrade S.p.A., the subsidiaries SALT p.A. and SATAP S.p.A. respectively subscribed 12.50% of the share capital for a total value of EUR 0.2 million. Following this acquisition, the company is classified as an associate and consequently the equity investment was reclassified among equity accounted investments;
- during the half, the company IGLI S.p.A. sold 8,150 shares of Webuild S.p.A. savings shares (savings shares for the former Salini Impregilo S.p.A.) equal to 0.001651% of the share capital, for EUR 49 thousand;
- the fair value adjustment of equity investments based on market prices.

As at 30 June 2020, the value of the other equity investments included a total positive amount (Group and minority interests) of approximately EUR 0.9 million (positive for EUR 5.9 million as at 31 December 2019) which related to the fair value adjustment of the investments.

3.c – Other non-current financial assets

These consist of:

	30 June 2020	31 December 2019
Loans:		
• Loans to investees and other loans	142,525	137,790
Receivables:		
• financial receivables due from the Granting Body for "minimum guaranteed amounts"	2,625	2,321
• to INA	7,645	8,576
• as collateral on fidejussory policies	20,618	20,922
• from suppliers as security deposits	6,185	3,706
Other financial assets:		
• insurance policies	153,460	184,886
• takeover	-	561,596
• other financial assets	27,367	28,159
Total	360,425	947,956

“Loans to investees and other loans” mainly refer to (i) the interest-bearing loans granted to Tangenziale Esterna S.p.A. (EUR 111.6 million), to Federici Stirling Batco LLC (EUR 18.4 million), to Sa.Bro.M. S.p.A. (EUR 5 million), Edilrovaccio 2 S.r.l. in liquidation (EUR 0.2 million) and (ii) the non-interest bearing loans granted to Tunnel Frejus S.c.a r.l. (EUR 3.3 million) and to Nichelino Village S.c.ar.l. (EUR 1 million). The increase in the item in question, of around EUR 4.7 million, is substantially due the additional loan granted to Federici Stirling Batco LLC (EUR 1.5 million) and interest accrued during the period, partially compensated for by repayment of loans (EUR 1.3 million).

In accordance with IFRIC 12, the item “financial receivables due from the Granting Body for minimum guaranteed amounts” represents the present value of the medium-long term portion of the minimum amount guaranteed by the Granting Body to Euroimpianti S.p.A.

“Receivables from INA” represent the provisions during previous periods to the employee severance indemnity of motorway companies.

The item “receivables as collateral on fidejussory policies” represents the value of the pledge issued against fidejussory policies by the Insurance Institutes on behalf of Autostrada Asti-Cuneo S.p.A., with regard to the bidding competition for the Asti-Cuneo stretch concession.

The item “capitalisation insurance policies” refers to insurance capitalisation policies with single premium and guaranteed capital. The capital appreciates according to the higher of minimum guaranteed return (where provided for by the contract) and the return of the separate management of the underlying fund to which the policy refers. In particular, the amount equal to EUR 153.5 million

relates to insurance capitalisation policies signed (i) by the subsidiary SALT p.A. (EUR 145.4 million) with Crédit Agricole Vita, Reale Mutua Assicurazioni, Compagnia Italia di previdenza and UnipolSai Assicurazioni, and (ii) by the subsidiary SATAP (EUR 8.1 million) with Reale Mutua Assicurazioni. The change in the half year is attributable to (i) repayments/redemptions of insurance capitalisation policies (EUR -32.7 million) and (ii) interest income accruing (EUR +1.3 million).

Said amount includes the interests accrued and not yet collected as at the reporting date.

These agreements represent a temporary investment of excess liquidity and expire beyond next year. However, there is the option of turning the investment into cash in the short term.

The item “takeover” fell to zero after reclassification of the balance to the item “current financial assets”.

The change in the item “other financial assets” is mainly due to the fair value adjustment made to investment funds at 30 June 2020 (EUR -0.6 million).

Note 4 – Deferred tax assets

This item totalled EUR 174,621 thousand (EUR 175,436 thousand as at 31 December 2019); for the breakdown of this item, please refer to Note 36 – Income taxes.

Note 5 - Inventories and contract assets

These consist of:

	30 June 2020	31 December 2019
Raw materials, ancillary materials and consumables	36,052	33,402
Work in progress and semi-finished goods	7,609	7,554
Contract work in progress - Contract assets	245,892	222,708
Finished products and merchandise	4,241	4,340
Advance payments	37,425	18,092
Total	331,219	286,096

Contract work in progress - contract assets - breaks down as follows:

	30 June 2020	31 December 2019
Gross value of the orders	2,348,302	1,889,334
Advance payments on work progress	(2,031,397)	(1,610,516)
Advance payments on reserves and price changes	(24,692)	(22,855)
Provisions to guarantee work in progress	(46,321)	(33,255)
Net value	245,892	222,708

The most significant amounts within the item “inventories and contract assets” refer to Italian worksites, worksites related to the Middle East, Europe and the United States.

The adjusted provisions are against possible risks on some entries in the assets due to ongoing lawsuits with clients and losses that may be incurred as the works continue on some orders undergoing completion; their amount is considered consistent with the risks and potential liabilities that could be incurred in relation to the value of the orders.

The increase is mainly attributable to the higher production in the EPC sector.

Note 6 – Trade receivables

Trade receivables totalled EUR 271,046 thousand (EUR 284,840 thousand as at 31 December 2019), net of the provision for bad debts of EUR 5,935 thousand (EUR 5,875 thousand as at 31 December 2019). Receivables derive from the execution of work, supply of materials, technical, administrative and other services, mainly carried out by Group companies operating in the EPC sector.

Note 7 – Current tax assets

This item totalled EUR 39,254 thousand (EUR 30,459 thousand as at 31 December 2019) and refers to receivables for VAT, regional production tax (IRAP), corporate income tax (IRES) and other tax credits.

Note 8 – Other receivables

This item breaks down as follows:

	30 June 2020	31 December 2019
Advances to suppliers	26,402	30,760
To others	87,587	76,788
Prepaid expenses	20,821	18,007
Total	134,810	125,555

The item “*advances to suppliers*” mainly refers to advances paid to suppliers with reference to the motorway and EPC sectors.

The receivables item “*to other*” mainly refers to receivables due from Letimbro S.c.a.r.l. in liquidation (EUR 18.4 million, Rivalta Terminal Europa S.p.A. (EUR 17 million), Argo Finanziaria S.p.A. (EUR 11.8 million), Aurelia S.r.l. (EUR 2.1 million) and to Vado Intermodal Operator S.c.p.a. (EUR 1.4 million).

Note 9 – Current financial assets

These consist of:

	30 June 2020	31 December 2019
From connected companies	187,620	259,059
Receivables from ANAS for capital grants	281	281
Deposit - pledged current accounts	79,454	79,414
Other financial receivables	27,227	37,150
Financial receivables for "minimum guaranteed amounts"	63	56
Takeover	621,647	-
Other current financial assets	4,617	13,315
Total	920,909	389,275

The item “*receivables from connected companies*” refers to receivables from connected companies not belonging to the Group for tolls collected on behalf of Group licensees, which had not yet been allocated by the end of the period.

“*Deposit - pledged current accounts*”, equal to EUR 79.5 million (EUR 79.4 million as at 31 December 2019), refer (i) for EUR 70.3 million to the temporary investment of cash in a deposit account made by SALT p.A. and (ii) for EUR 9.2 million to the “reserve account” servicing the payable connected to a loan entered into by the subsidiary Autostrada dei Fiori S.p.A. (A6 Stretch).

“*Other financial receivables*”, totalling EUR 27.2 million (EUR 37.1 million at 31 December 2019), mainly refer (i) for EUR 21.4 million to temporary cash investments made by the Halmar Group and by Itinera Construcoes LTDA and (ii) for EUR 5.3 million, to the loan issued by the subsidiary IGLI S.p.A. to the jointly held subsidiary Primav Infrastruttura SA. The change seen during the period results from (i) redemption of cash investments made in previous years (EUR -15.2 million) and (ii) the issuing of the aforementioned loan in favour of the jointly held subsidiary Primav Infrastruttura SA. (EUR +5.3 million).

The item “takeover” refers to receivables relative to the value of motorway investments not depreciated as of the expiration date of the concessions of the subsidiaries ATIVA S.p.A., SATAP S.p.A. (A21 section) and SALT p.A. (A12 section), as well as receivables accrued for investments made after the expiration of the same which must be paid to the outgoing concession holder by the incoming one. These takeover values are included in the tender documentation, for which the deadline for presentation of the bids, after the end of the Covid-19 emergency, was set for the month of July 2020. Given the execution of the tender procedure and the expectation that the cited concessions will be awarded shortly, this item was reclassified from “other non-current financial assets” to “current financial assets”.

More specifically, as at 30 June 2020 this item is as follows:

- terminal value related to the A21 Torino-Piacenza Stretch for EUR 160.7 million of which EUR 107.9 million for the value of the works as at 30 June 2017 (concession expiry date) subject to the takeover and EUR 52.8 million for investments and advances to suppliers made after that date;
- terminal value related to the A12 Sestri Levante-Livorno, Viareggio-Lucca and Fornola-La Spezia Stretch for EUR 290.2 million of which EUR 241.8 million for the value of the works as at 31 July 2019 (concession expiry date) subject to the takeover and EUR 48.4 million for investments and advances to suppliers made after that date;
- terminal value related to the ATIVA concession “Tangenziale di Torino, Torino-Quincinetto, Ivrea-Santhià and Torino-Pinerolo” for EUR 170.7 million of which around EUR 100 million for the value of the works as at 31 August 2016 (concession expiry date) subject to the takeover and EUR 70.7 million for investments and advances to suppliers made after that date.

“Other current financial assets”—equal to EUR 4.6 million (EUR 13.3 million as at 31 December 2019)—refers to the balance of the Brazilian Bank Deposit Certificate (BDC) inclusive of the interest accrued as at 30 June 2020. The change in the item, totalling EUR 8.7 million, is the result of (i) the redemption of the BDCs subscribed in previous years (EUR -15.7 million), (ii) subscription of new BDCs (EUR +8.4 million) and (iii) exchange rate changes (EUR -1.4 million).

Note 10 – Cash and cash equivalents

These consist of:

	30 June 2020	31 December 2019
Bank and postal deposits	1,248,639	1,182,948
Cheques	731	34
Cash and cash equivalents on hand	13,549	14,555
Total	1,262,919	1,197,537

For a detailed analysis of the changes in this item, please see the cash flow statement.

Note 11 – Shareholders' equity

11.1 – Share capital

As at 30 June 2020, the share capital consisted of 140,514,895 ordinary shares with no nominal value, for a total value of EUR 70,257 thousand, entirely subscribed and paid in.

The share capital includes an amount of EUR 11.8 million consisting of revaluation reserves pursuant to Italian Law 72/83. In case of distribution, these reserves will represent the Company's income, pursuant to current tax regulations.

Pursuant to IAS 1, the nominal value of treasury shares is posted as an adjustment to the share capital; the balance as at 30 June 2020 is provided in the table below:

	No. of shares	Nominal value (in EUR)	% Share Capital	Average unit value (in EUR)	Total countervalue (thousands of EUR)
31 December 2019	9,964,937	4,982,469	7.09%	13.41	133,584
Purchases	777,012	388,506	0.55%	15.00	11,658
30 June 2020	10,741,949	5,370,975	7.64%	13.52	145,242

With regard to the above-mentioned aspects, the share capital as at 30 June 2020 is as follows (amounts in thousands of EUR):

Share capital	70,257
Treasury shares held	(4,285)
Treasury shares held by SINA S.p.A.	(1,075)
Treasury shares held by ATIVA S.p.A.	(11)
"Adjusted" share capital	64,886

11.2 – Reserves

11.2.1 – Share premium reserve

This item totalled EUR 147,361 thousand (EUR 147,361 thousand as at 31 December 2019).

11.2.2 – Revaluation reserves

This item totalled EUR 9,325 thousand (EUR 9,325 thousand as at 31 December 2019).

In the event of distribution, the revaluation reserves will constitute income for the Parent Company and the Shareholders.

11.2.3 – Legal reserve

This item, of EUR 14,051 thousand (EUR 10,538 thousand at 31 December 2019), increased by EUR 3,513 thousand, following the destination of 2019 profits.

11.2.4 – Reserve for the purchase of treasury shares

This "unavailable" reserve was created to purchase treasury shares, in execution of Shareholders' Meetings resolutions. It totalled EUR 108,002 thousand (EUR 96,344 thousand as at 31 December 2019). The change during the year refers to the purchase of additional treasury shares.

11.2.5 – Purchased treasury shares

This item represents the contra-item paid to purchase treasury shares, adjusting the shareholders' equity reserves in the amount of EUR 103,717 thousand (net of the nominal value of treasury shares, amounting to EUR 5,371 thousand, which is deducted directly from the "share capital").

11.2.6 – Reserve for revaluation at fair value

This item was essentially established and moved as a direct contra-entry to the fair value measurement of equity investments and other financial assets. As at 30 June 2020, this reserve shows a negative balance of EUR 946 thousand, net of the related deferred tax effect (positive balance of EUR 4,897 thousand at 31 December 2019).

11.2.7 – Cash flow hedge reserve

This item was established and moved as a direct contra-entry to the fair value measurement of interest rate swap agreements and of the effect of foreign exchange hedge derivatives. As at 30 June 2020, this item showed a balance of EUR 16,270 thousand, net of the related deferred tax effect (EUR 17,653 thousand as at 31 December 2019). This amount also reflects the pro-rata share of amounts related to companies consolidated using the "equity method", for which reference is made to the comments in Note 3 "Non-current financial assets". More specifically, the change in the period was negative for EUR 1,383 thousand and is detailed below:

(amounts in thousands of EUR)

Adjustment to IRS (Companies consolidated on a "line-by-line basis")	(341)
Tax effect on IRS adjustment (Companies consolidated on a "line-by-line basis")	83
IRS adjustment (consolidated companies accounted for by the equity method)	(3,557)
Total	(3,815)
Of which:	
Share attributed to minority interests	(2,432)
Share attributable to Parent Company's Shareholders	(1,383)
Total	(3,815)

11.2.8 – Exchange rate difference reserve

This reserve was negative EUR 177,534 thousand (negative for EUR 54,522 thousand as at 31 December 2019) and mainly includes the foreign exchange differences relative to Itinera S.p.A. and its subsidiaries, the jointly controlled investees Primav Infrastruttura S.A. and Ecorodovias Infrastruttura e Logistica S.A. and to the associated company Road Link Holdings Ltd. More specifically, the change in the period, amounting to EUR 123,012 thousand, is detailed below:

(amounts in thousands of EUR)

Foreign exchange adjustment effect Primav Infrastruttura S.A. and Ecorodovias Infrastruttura e Logistica S.A.	(121,003)
Foreign exchange adjustment effect Road Link Holdings Ltd.	(51)
Foreign exchange adjustment effect Itinera Infrastructure and Concession Inc.	13
Foreign exchange adjustment effect (other companies accounted for on a line-by-line basis)	(3,512)
Tax effect on foreign exchange adjustment	1,512
Total	(123,041)
Of which:	
Share attributed to minority interests	(29)
Share attributable to Parent Company's Shareholders	(123,012)
Total	(123,041)

11.2.9 – Reserve for discounting Employee Severance Indemnity

This reserve – which is negative for an amount of EUR 2,126 thousand (unchanged compared to 31 December 2019) – includes the actuarial differences arising from the remeasurement of liabilities relating to “Employee benefits”.

11.2.10 – Retained earnings

This item totals EUR 2,387,071 thousand (EUR 2,324,286 thousand as at 31 December 2019). It includes the prior-year profits/losses of consolidated companies and also includes amounts related to the differences in accounting treatment that arose on the date of transition to IFRS (1 January 2004), which can be traced to the adjustments made to the financial statements that were prepared up to that date in compliance with national accounting standards.

The increase in this item - EUR 62.8 million - is attributable to (i) the allocation of the pro-rata share of the net profit for 2019 (EUR 72.8 million), (ii) the purchase of treasury shares and the consequent reclassification to “Reserve for the purchase of treasury shares” (EUR -11.7 million) and (iii) purchases/sales of minorities and other changes (EUR +1.7 million).

11.3 – Profit for the period

This item refers to profits/losses for the period and totalled EUR 33,686 thousand (EUR 75,370 thousand in the first half of 2019).

11.4 – Capital and reserves attributed to non-controlling interests

As at 30 June 2020, this item totalled EUR 360,812 thousand (EUR 357,016 thousand as at 31 December 2019).

The increase during the period - equal to EUR 3.8 million - is due to: (i) the result for the period (for EUR 6.7 million), partially compensated for (i) by the distribution of dividends (totalling EUR -0.2 million), (ii) the acquisition of minorities (EUR -0.1 million), (iii) the pro-rata portion of the IRS valuation reserve (EUR -2.4 million), (iv) fair value changes (EUR -0.2 million).

The *Reserves attributed to minority interests* including significant minority interests are shown in detail below:

<i>(amounts in millions of EUR)</i>	% attributed to minority interests		Reserves	Profit/(loss)	Equity Shareholders'
	directly-held	mediated			
Autostrada dei Fiori S.p.A.	27.00	30.39	127.0	1.3	128.3
Società di Progetto Autovia Padana S.p.A.	49.00	49.07	79.9	(1.2)	78.8
SAV S.p.A.	28.73	30.44	43.6	0.6	44.2
SALT p.A.	4.77	4.77	31.8	0.3	32.0
ATIVA S.p.A.	27.66	27.66	25.5	2.2	27.7
Halmar Group	50.00	50.41	21.7	3.7	25.4
Autostrada Asti-Cuneo S.p.A.	35.00	37.90	19.2	(0.3)	18.9
Other companies			5.4	0.0	5.5
		Total	354.1	6.7	360.8

The above-mentioned equity investments were deemed significant on the basis of quantitative parameters (impact of the related minority quota on the shareholders' equity of third parties at the reporting date) and qualitative parameters (activities carried out by third parties – motorway concessions).

As more extensively illustrated in the Management Report, (to which reference should be made), the main economic-financial figures of the subsidiaries with significant minority interests are summarised below:

(amounts in thousands of EUR)	Autostrada dei Fiori S.p.A.	Autovia Padana S.p.A.	SAV S.p.A.	SALT p.A.	ATIVA S.p.A.	Halmar Group	Autostrada Asti-Cuneo S.p.A.
Net toll revenue ⁽¹⁾	71,623	21,629	21,684	85,916	43,426	-	6,687
Other motorway sector revenue ⁽²⁾	1,869	224	316	2,449	1,032	-	24
EPC sector revenue	-	-	-	-	-	166,441	-
Other revenues	3,474	695	2,946	3,271	1,846	-	603
Turnover (A)	76,966	22,548	24,946	91,636	46,304	166,441	7,314
Operating costs ⁽¹⁾⁽²⁾ (B)	(50,428)	(17,409)	(12,363)	(60,210)	(25,982)	(156,417)	(8,300)
Gross operating margin (EBITDA) (A-B)	26,538	5,139	12,583	31,426	20,322	10,024	(986)

⁽¹⁾ Amounts net of the fee/additional fee payable to ANAS

⁽²⁾ Amounts net of revenue and costs for construction activities of non-compensated revertible assets

(amounts in thousands of EUR)	Autostrada dei Fiori S.p.A.	Autovia Padana S.p.A.	SAV S.p.A.	SALT p.A.	ATIVA S.p.A.	Halmar Group	Autostrada Asti-Cuneo S.p.A.
A) Cash	42,422	2,343	5,866	309,671	72,563	46,374	1,119
B) Financial receivables	97,782	12,568	10,358	545,277	189,767	14,197	2,967
C) Short-term borrowings	(18,918)	(10,859)	(12,593)	(474,918)	(6,271)	(26,717)	(196,978)
D) Current net cash (A) + (B) + (C)	121,286	4,052	3,631	380,030	256,059	33,854	(192,892)
E) Long-term borrowings	(189,729)	(165,145)	(40,029)	(300,466)	(3,192)	(14,010)	(50,036)
F) Net financial indebtedness (D) + (E)	(68,443)	(161,093)	(36,398)	79,564	252,867	19,844	(242,928)

With reference to the provisions of paragraphs 12 and 13 of IFRS 12 and taking into account the fact that the concession assets are governed by specific contractual arrangements with the Granting Body (as indicated in the paragraph "Concessions" in the explanatory notes) there are no significant restrictions or limitations to report on the use of certain assets or the settlement of liabilities.

The articles of association of a number of the motorway companies envisage qualifying majority approval for extraordinary transactions (transformation, merger, share capital increases, etc.).

Note 12 – Provisions for risks and charges and Employee benefits

	Provision for restoration	Other provisions	Benefits for employees	Total
1 January 2020	133,509	240,943	43,980	418,432
Provisions	46,895	13,939	614	61,448
Drawdowns	(45,396)	(1,275)	(2,301)	(48,972)
Transfers from other companies not in the scope of consolidation	-	-	(60)	(60)
Reclassifications and other changes	-	30	150	180
30 June 2020	135,008	253,637	42,383	431,028

12.1 Provision for restoration or replacement of non-compensated revertible assets.

The change in the "provision for restoration or replacement of non-compensated revertible assets" is due to (i) provisions made for EUR 46.9 million and (ii) drawdowns, represented by total maintenance projects for EUR 45.4 million.

12.2 Other provisions

This item totalled EUR 253.6 million (EUR 240.9 million as at 31 December 2019) and changed due to (i) provisions for the period (EUR 13.9 million) and (ii) drawdowns (EUR 1.2 million).

For an amount equal to EUR 223.8 million (EUR 216.5 million at 31 December 2019) this item refers to the "provision for concession risks", which refers to the risk related to lawsuits in process or that might arise with the Granting Body including with reference to the management of motorway stretches that has expired for the period between the expiry date of the individual concessions and the reporting date.

To that end, as already indicated in the Interim Management Report, as at 30 June 2020, in the wake of the identification of a new licensee and at the request of the Granting Body, the following subsidiaries continue to manage their concessions under an extension (continuing to apply the concession agreements) ATIVA S.p.A. (of which the concession expired on 31 August 2016), SATAP S.p.A. - A21 Stretch (of which the concession expired on 30 June 2017) and SALT p.A. - A12 Stretch (of which the concession expired on 31 July 2019).

The aforementioned subsidiaries therefore assessed, with support from their legal, administrative and technical consultants, and taking into account the contractual obligations in force, the risks related to said current and potential lawsuits with the Granting Body. Having assessed these risks as "probable", the companies in question then quantified them and allocated specific provisions in their respective financial statements.

In addition, given that this is an assessment made by the individual companies with support from their own consultants and with no cross-examination with the counterparty, and considering the estimate as adequate for the existing risk, there is still a possibility of incurring additional charges on top of the amounts of the provisions posted.

The remainder (equal to approximately EUR 29.8 million) of "other provisions" mainly refers to:

- EUR 5.5 million set aside for possible risks and charges borne by SALT p.A.; these risks mainly refer to the charges for work on behalf of ANAS on the Ghiare di Berceto-Bivio di Bertorella stretch and provisions;
- EUR 0.2 million set aside by Società di Progetto Autovia Padana S.p.A. for lawsuit expenses;
- EUR 4.0 million set aside by the subsidiary Autostrada dei Fiori S.p.A. for pending lawsuits and possible lawsuits;
- EUR 0.3 million set aside by Sinelec S.p.A. for lawsuit expenses;
- EUR 11.9 million set aside by the subsidiary Itinera S.p.A. for risks related to investments, for lawsuit expenses and for risks related to waste disposal;
- EUR 0.2 million refers to the provision for contractual risks made by the subsidiary Sina S.p.A.;
- EUR 6.9 million for bonuses related to the "managerial incentive system".

12.3 – Employee benefits (Employee Severance Indemnity)

As at 30 June 2019, this item totalled EUR 42,383 thousand (EUR 43,980 thousand as at 31 December 2019). Changes during the period were as follows:

31 December 2019	43,980
Period contributions	614 (*)
Indemnities advanced/liquidated during the period	(2,301)
Transfers from other companies not in the scope of consolidation	(60)
Reclassifications and other changes	150
30 June 2020	42,383

(*) The period contributions do not include the portion of actuarial profit/(loss) deriving from discounting the payable, according to the provisions of IAS 19, as the parameters used for it were in line with those used as at 31 December 2019.

The tables below show the economic/financial and demographic assumptions respectively used for the actuarial appraisal of these liabilities.

Economic/financial assumptions

Annual discount rate	1.04%
Annual inflation rate	1.20%
Annual rate of increase in severance pay	2.40%
Annual rate of salary increases (for Companies with less than 50 employees)	From 1% to 2.5%

Demographic assumptions

Mortality	RG 48 tables
Disability	INPS tables by age and gender
Retirement age	Requirements met
% of frequency of advances	From 1% to 4%
Turn-over	From 1% to 10%

Through its American subsidiaries and associated companies operating in the construction sector, the Group contributes to Multi-Employer Pension Plans that use the aggregate of the assets contributed to the plan in order to provide benefits to the employees of the various entities, determining the levels of contributions and benefits independently of the identity of the entity that employs the employees. As envisaged by IAS 19, the Group accounts for these plans in the same way as the defined contribution plans.

Note 13 – Trade payables (non-current)

The item “*non-current trade payables*”, for EUR 362 thousand (zero at 31 December 2019) includes medium/long-term trade payables relative to the foreign companies.

Note 14 – Other payables and contractual liabilities (non-current)

These consist of:

	30 June 2020	31 December 2019
To ANAS – Central Insurance Fund	121,279	117,272
Deferred income related to discounting the payable to ANAS – Central Insurance Fund	47,547	51,554
To others	35,473	36,997
Total	204,299	205,823

The item payable “*to ANAS - Central Insurance Fund*” refers to operations undertaken by the parties in question in favour of the licensees SALT p.A. (A15 Stretch) and SAV S.p.A to make instalment payments and for payables to suppliers. The amount of the payable has been discounted based on the repayment plans set out in the respective agreements.

The breakdown by licensee of payables discounted as at 30 June 2020 and their developments until fully repaid is as follows:

(amounts in millions of EUR)	30/06/2020	2020	2021	2022	2023	2024	2025	2026	2027
SAV	77.8	68.7	56.8	43.8	29.9	15.2	-	-	-
SALT- A15 stretch	55.4	56.6	59.6	62.7	66.1	69.7	73.5	74.0	26.4
TOTAL	133.2 (*)	125.3	116.4	106.5	96.0	84.9	73.5	74.0	26.4

(*) of which EUR 121.3 million as the non-current portion and EUR 11.9 million as the current portion (Note 20)

The item “*deferred income related to discounting the payable to ANAS – Central Insurance Fund*” collects the difference between the original amount of the payable and its discounted value. The charge from the discounting process is imputed to the income statement among “*financial expenses*”. At the same time, the amount previously deferred is posted to the item “*other income*”.

The item payables “to others” includes – for EUR 35.3 million – advances on works, from clients in accordance with law and to be recovered on the issue of interim payment certificates in proportion to the percentage of the work order carried out, only after 30 June 2020. The change is mainly due to recoveries made following the issue of interim payment certificates.

The payables shown above are broken down by maturity as follows:

	Between one and five years	Beyond five years	Total
Payables to ANAS – Central Insurance Fund	68,367	52,912	121,279
Deferred income related to discounting the payable to ANAS – Central Insurance Fund	31,219	16,328	47,547
Other payables	35,473	-	35,473
Total	135,059	69,240	204,299

Note 15 – Bank debt (non-current)

Borrowings from banks totalled EUR 898,625 thousand (EUR 952,502 thousand as at 31 December 2019).

The change during the period is due to: (i) the reclassification to the item “current portion of medium/long-term borrowings” of the instalments falling due in the following 12 months (EUR -213.8 million), (ii) early repayments of certain loan contracts (EUR -50 million), (iii) the granting of new loans (EUR +209.3 million) and (iv) the effects of the so-called amortised cost and other minor changes (EUR +0.6 million).

The tables below show medium-term bank debt as at 30 June 2020 and 31 December 2019, indicating the related balance due (current and non-current portion) and summarizing the principal conditions applied to each liability.

30 June 2020									
Lending bank	Company	Maturity	Initial amount	Interest rate	Balance as at 30 June 2020	Within 1 year	1 to 5 years	Beyond 5 years	
Unicredit Pool	ASTM	28/06/2024	199,099	Variable	199,099	45,793	153,306	-	
Unicredit Pool	ASTM	28/06/2024	35,000	Variable	35,000	8,050	26,950	-	
BPM	ASTM	14/11/2024	50,000	Variable	50,000	-	50,000	-	
CAIXA	ASTM	01/11/2020	50,000	Variable	50,000	50,000	-	-	
BPM	ASTM	30/04/2021	30,000	Variable	30,000	30,000	-	-	
BPM	ASTM	30/04/2021	20,000	Variable	20,000	20,000	-	-	
BPM	ASTM	14/11/2024	50,000	Variable	50,000	-	50,000	-	
Unicredit Intesa Cariparma pool	ASTM	15/12/2033	137,000	IRS	137,000	-	12,193	124,807	
Unicredit Intesa Cariparma pool	ASTM	15/12/2033	6,000	Variable	6,000	-	534	5,466	
Unicredit Intesa Cariparma pool	ASTM	15/12/2033	6,000	Variable	6,000	-	534	5,466	
Unicredit Intesa Cariparma pool	ASTM	15/12/2033	5,000	Variable	5,000	-	445	4,555	
Mediobanca, UniCredit and UBI (BEI funding)	ASTM	15/12/2024	24,500	Variable	15,750	3,500	12,250	-	
Mediobanca, UniCredit and UBI	ASTM	15/12/2024	143,500	Variable/IRS	92,250	20,500	71,750	-	
BEI	ASTM	15/12/2024	77,000	Variable	49,500	11,000	38,500	-	
BEI	ASTM	15/12/2020	25,000	IRS	2,083	2,083	-	-	
Mediobanca, UniCredit and UBI (BEI funding)	ASTM	15/12/2020	15,000	Variable	1,250	1,250	-	-	
Banca Intesa	ASTM	06/03/2023	150,000	Variable	150,000	-	150,000	-	
Unicredit Intesa Cariparma pool	ASTM	15/12/2033	6,000	Variable	6,000	-	534	5,466	
UBI	ASTM	14/05/2021	50,000	Variable	50,000	50,000	-	-	
BNL	ASTM	03/11/2021	50,000	Variable	50,000	-	50,000	-	
Banca Passadore	ITINERA	30/12/2022	10,000	Variable	5,024	2,004	3,020	-	
Banca Bper	ITINERA	15/12/2021	30,000	Variable	11,250	7,500	3,750	-	
Banca BPM	ITINERA	31/01/2021	20,000	Variable	20,000	20,000	-	-	
Banca UBI	ITINERA	23/12/2022	30,000	Variable	26,250	7,500	18,750	-	
UBI Banca (former Banca Regionale Europea)	SEA Segnaletica Stradale	10/04/2022	8,000	Variable	1,752	866	886	-	
M&T Bank	HALMAR	02/08/2029	5,900 ^(*)	Variable	5,049	263	1,054	3,732	
M&T Bank	HALMAR	01/04/2023	5,000 ^(*)	Variable	2,530	893	1,637	-	
G&M Bank	HALMAR	Various	Various	Variable	2,181	785	1,396	-	
M&T PPP thru SBA	HALMAR	14/04/2022	7,331 ^(*)	Variable	6,548	3,253	3,294	-	
Banca Intesa Sanpaolo (formerly OPI)	SATAP	15/06/2024	75,000	Variable/IRS	19,355	4,839	14,516	-	
Mediobanca (BEI funding)	SATAP	15/03/2022	15,000	Variable/IRS	2,400	1,200	1,200	-	
Mediobanca (BEI funding)	SATAP	15/06/2024	59,450	Variable/IRS	15,341	3,835	11,506	-	
Mediobanca	SATAP	15/12/2021	400,000	Variable/IRS	120,000	80,000	40,000	-	
Mediobanca	SATAP	31/12/2021	180,000	Variable/IRS	72,000	36,000	36,000	-	
			Total		1,314,612	411,115	754,005	149,492	
			Accruals and deferrals			(36)	(3,948)	(924)	
			Total			411,079	750,057	148,568	
Total bank debt (non-current)							898,625		

(*) Original amount in USD

Almost all the medium- and long-term loan contracts in place as at 30 June 2020 require compliance with certain economic and financial parameters (covenants) that are normal for loans of this type. These parameters, up to 30 June 2020, were met.

The interest on the loans is essentially tied to the EURIBOR (i.e. the reference IRS) plus an average weighted spread of 0.960% for an average residual duration of the payable of approximately 4 years.

The table below shows the average spread broken down between fixed rate borrowings (IRS parameter for the period) and variable rate borrowings (Euribor parameter for the period).

	% Average spread
Fixed rate borrowings	1.203
Variable rate borrowings	0.840

As part of the financial structure that involves the centralisation of the Group's funding activities under the subsidiary ASTM S.p.A., the debt contracted by ASTM S.p.A. is supported by a special security package in order to guarantee its creditors effective access to the operating companies benefiting from the intercompany loans.

The following note "Other information – Financial risk management" contains the description of the financial risks of the Group and the management policies for them.

31 December 2019								
Lending bank	Company	Maturity	Initial amount	Interest rate	Balance as at 31 December 2019	Within 1 year	1 to 5 years	Beyond 5 years
Unicredit Pool	ASTM	28/06/2024	199,099	Variable	199,099	-	199,099	-
Unicredit Pool	ASTM	28/06/2024	35,000	Variable	35,000	-	35,000	-
BPM	ASTM	14/11/2024	50,000	Variable	50,000	-	50,000	-
CAIXA	ASTM	01/11/2020	50,000	Variable	50,000	50,000	-	-
BPM	ASTM	30/04/2021	30,000	Variable	30,000	-	30,000	-
BPM	ASTM	30/04/2021	20,000	Variable	20,000	-	20,000	-
BNL	ASTM	16/06/2020	50,000	Variable	50,000	50,000	-	-
UBI	ASTM	30/06/2020	50,000	Variable	50,000	50,000	-	-
BPM	ASTM	14/11/2024	50,000	Variable	50,000	-	50,000	-
Unicredit Intesa Cariparma pool	ASTM	15/12/2033	137,000	IRS	137,000	-	7,672	129,328
Unicredit Intesa Cariparma pool	ASTM	15/12/2033	6,000	Variable	6,000	-	336	5,664
Unicredit Intesa Cariparma pool	ASTM	15/12/2033	6,000	Variable	6,000	-	336	5,664
Unicredit Intesa Cariparma pool	ASTM	15/12/2033	5,000	Variable	5,000	-	280	4,720
Mediobanca, UniCredit and UBI (BEI funding)	ASTM	15/12/2024	24,500	Variable	17,500	3,500	14,000	-
Mediobanca, UniCredit and UBI	ASTM	15/12/2024	143,500	Variable/IRS	102,500	20,500	82,000	-
BEI	ASTM	15/12/2024	77,000	Variable	55,000	11,000	44,000	-
BEI	ASTM	15/12/2020	25,000	IRS	4,167	4,167	-	-
Mediobanca, UniCredit and UBI (BEI funding)	ASTM	15/12/2020	15,000	Variable	2,500	2,500	-	-
Banca Passadore	ITINERA	30/12/2022	10,000	Variable	6,022	2,000	4,022	-
Banca Bper	ITINERA	15/12/2021	30,000	Variable	15,000	7,500	7,500	-
Banca BPM	ITINERA	31/01/2021	20,000	Variable	20,000	-	20,000	-
Banca UBI	ITINERA	23/12/2022	30,000	Variable	30,000	7,500	22,500	-
UBI Banca (former Banca Regionale Europea)	SEA Segnaletica Stradale	10/04/2022	8,000	Variable	2,177	856	1,321	-
M&T Bank	HALMAR	02/08/2029	5,900 ^(*)	Variable	5,165	263	1,050	3,852
M&T Bank	HALMAR	01/04/2023	5,000 ^(*)	Variable	2,967	890	2,077	-
G&M Bank	HALMAR	Various	Various	Variable	2,134	699	1,435	-
Banca Intesa Sanpaolo (formerly OPI)	SATAP	15/06/2024	75,000	Variable/IRS	21,774	4,839	16,935	-
Mediobanca (BEI funding)	SATAP	15/03/2022	15,000	Variable/IRS	3,000	1,200	1,800	-
Mediobanca (BEI funding)	SATAP	15/06/2024	59,450	Variable/IRS	17,259	3,835	13,424	-
Mediobanca	SATAP	15/12/2021	400,000	Variable/IRS	160,000	80,000	80,000	-
Mediobanca	SATAP	31/12/2021	180,000	Variable/IRS	90,000	36,000	54,000	-
Cassa Depositi e Prestiti	SATAP	31/12/2025	60,000	Variable	60,000	10,000	40,000	10,000
			Total		1,305,264	347,249	798,787	159,228
				Accruals and deferrals		368	(3,806)	(1,707)
			Total			347,617	794,981	157,521
					Total bank debt (non-current)		952,502	

(*) Original amount in USD

Note 16 – Hedging derivatives

This item amounts to EUR 21,069 thousand (EUR 20,729 thousand as at 31 December 2019) and refers to the fair value as at 30 June 2020 of the Interest Rate Swap contracts concluded by Group companies in order to prevent the risk deriving from changes in interest rates.

Note that on 22 January 2020, the subsidiary Società di Progetto Autovia Padana S.p.A., stipulated three Interest Rate Swap contracts with major credit institutions for a nominal value of EUR 137 million, to prevent risks deriving from interest rate changes.

Note 17 – Other financial liabilities (non-current)

These consist of:

	30 June 2020	31 December 2019
2014-2024 bond loan	497,908	497,638
2018-2028 bond loan	543,015	542,590
Other payables	47,757	44,752
Total	1,088,680	1,084,980

The item “2014-2024 bond loan” refers to the senior secured bond loan of EUR 500 million issued in February 2014. The bonds issued have a minimum unit of EUR 100 thousand and were placed at an issue price (“below par”) of EUR 99.466 only with qualified investors. These bonds are governed by English law and traded at the Irish Stock Exchange.

In compliance with IFRS, this item was posted net of the cost incurred for the issue/listing and of the issue discounts.

The bonds have the following principal features:

- duration: 10 years;
- coupon: 3.375% per year, gross;
- redemption: bonds will be redeemed upon maturity (13 February 2024) in a lump sum at par value.

The item “2018-2028 bond loan” refers to the senior secured bond loan of EUR 550 million issued in February 2018. The bonds issued have a minimum unit of EUR 100 thousand and were placed at an issue price (“below par”) of EUR 98.844 only with qualified investors. These bonds are governed by English law and traded at the Irish Stock Exchange.

In compliance with IFRS, this item was posted net of the cost incurred for the issue/listing and of the issue discounts.

The bonds have the following principal features:

- duration: 10 years;
- coupon: 1.625% per year, gross;
- redemption: bonds will be redeemed upon maturity (8 February 2028) in a lump sum at par value.

The item “other payables” can mainly be attributed to the non-current portion of payables relative to leasing contracts recognised in compliance with IFRS 16. The change during the half is the result of new contracts signed during the period and the reclassification to current of the portion coming due in the next twelve months.

Note 18 – Deferred tax liabilities

This item totalled EUR 57,936 thousand (EUR 50,553 thousand as at 31 December 2019). For the breakdown of this item, please refer to Note 36 – Income taxes.

Note 19 – Trade payables (current)

Trade payables totalled EUR 444,547 thousand (EUR 447,864 thousand as at 31 December 2019).

Note 20 – Other payables and contract liabilities (current)

These consist of:

	30 June 2020	31 December 2019
Advances/Advance payments	148,894	119,286
Payables to welfare organisations	19,938	18,178
Payables due to employees	41,088	32,613
Payables for concession fees	7,289	27,072
Payables to ANAS – Central Insurance Fund	11,900	11,900
Payables for cross charges from consortium companies	76,558	73,332
Payables to Autostrada dei Fiori shareholders for option	10,341	10,341
Deferred income	13,548	8,975
Other payables	34,675	43,516
Total	364,231	345,213

The item *“advances/advance payments”* includes advances received from buyers in accordance with the law and intended to be recovered based on the progress of the work. The change with respect to 31 December 2019 mainly reflects the increase to the advance payments received from the EPC sector companies on overseas works.

“Payables for concession fees” represent the payable related to the concession fees to be paid to ANAS and to the Ministry of Economy and Finance, calculated on the motorway tolls and on the royalties received from service area operators. The change with respect to 31 December 2019 reflects the decrease in traffic volumes as a consequence of the Covid- 19 pandemic.

The item *“payables to ANAS – Central Insurance Fund”* represents the portion of the debt maturing during the next accounting period.

“Payable for cross charges from consortium companies” refers to the cross charge made by the consortium companies of the EPC sector and is posted net of the invoiced advance payments.

As part of the share capital increase of the subsidiary Autostrada dei Fiori S.p.A., which was approved by the Shareholders' Meeting on 23 October 2012, the subsidiary SALT p.A. granted a put option to some shareholders of Autostrada dei Fiori S.p.A. on 1,988,585 shares (equal to 2.45% of the share capital) subscribed by them. The item *“payables to Autostrada dei Fiori shareholders for option”* represents the estimate of the price to be paid to the shareholders if the latter decide to exercise the put option for the above-mentioned shares.

The *“deferred income”* includes prepaid fees made for easements, grants received by SATAP S.p.A. from TAV S.p.A. and RFI S.p.A., and grants received by SAV S.p.A. from RAV S.p.A. and the Regione Autonoma Valle D'Aosta.

Note 21 – Bank debt (current)

These consist of:

	30 June 2020	31 December 2019
Current account overdrafts and advances	192,134	146,984
Short-term loans	1,443	54
Maturing portion of medium- and long-term loans	411,079	347,617
Total	604,656	494,655

The change to the item “*current account overdrafts and advances*” is mainly attributable to the use, by Autostrada Asti-Cuneo S.p.A., Itinera S.p.A., Halmar International LLC and Storstrom Bridge JV of the available credit lines.

The change in the item “*short-term loans*” is mainly due to new loans obtained by the company Halmar International LLC (EUR +1.4 million).

The change in the item “*maturing portion of medium- and long-term loans*” is due to (i) the reimbursement of the instalments due in the first half of 2020 (EUR -203.2 million), (ii) the reclassification from the item “*bank debt (non-current)*” of the instalments due in the following 12 months (EUR +213.8 million), (iii) the granting of new loans (EUR +53.3 million) and (iv) the differential for the interest accruals and so-called amortised cost (EUR -0.4 million).

Note 22 – Other financial liabilities (current)

These consist of:

	30 June 2020	31 December 2019
2010-2020 bond loan	515,006	503,349
2014-2024 bond loan	6,409	14,887
2018-2028 bond loan	3,516	8,007
Payables to connected companies	12,858	11,955
Other payables	35,178	32,864
Total	572,967	571,062

The item “*2010-2020 bond loan*” refers to the interest accrued as at that date on the “*liability component*” of the bond loan for EUR 500 million issued in October 2010, traded on the Irish Stock Exchange. As established in the bond loan regulation, the bonds will be redeemed at maturity (26 October 2020) in a lump sum.

The items “*2014-2024 bond loan*” and “*SIAS 2018-2028 bond loan*” refer to the payable due to the bondholders for interest accrued as at 30 June 2020.

The item “*payables to connected companies*” refers to payables to connected companies not belonging to the Group for tolls collected on behalf of Group licensees, which had not yet been allocated by the end of the period.

The item “*other payables*” mainly refers to (i) the payable related to the higher contribution received by the subsidiary Autostrada dei Fiori S.p.A. (A6 Torino-Savona stretch) related to Law 662/96 for investments in non-compensated revertible assets (EUR 14.1 million) and (ii) the current portion of the financial payable relating to the rights of use pursuant to IFRS 16 (EUR 20.1 million).

Note 23 – Current tax liabilities

Current tax liabilities totalled EUR 39,780 thousand (EUR 46,466 thousand as at 31 December 2019) and refer to liabilities for corporate income tax (IRES), regional production tax (IRAP), VAT and personal income tax (IRPEF) withheld. The change during the period can mainly be attributed to greater IRES and IRAP payables and VAT payables.

Explanatory Notes – Information on the income statement

As already outlined in the financial statements as at 31 December 2019, as part of the operating reorganisation of the ASTM Group following the merger by incorporation of SIAS into ASTM, the companies operating in the “construction” and “engineering” sectors and the company Euroimpianti S.p.A., operating in the sector of electrical and electronic systems previously included with the companies in the “technology” sector, were concentrated into one single “EPC” sector. This structure of operating segments reflects the method of representing information used by Management in its decision-making processes. The figures relative to the first half 2019 were also reclassified to allow for better comparison.

Also note that, effective as of 1 January 2020, the economic figures of the ATIVA Group are included in the scope of consolidation, as control was acquired at the end of the previous year. In order to allow the effects of this last change to be assessed, when these are significant specific notes have been added below.

Note 24 – Revenue

24.1 – Motorway sector revenue – operating activities

This item breaks down as follows:

	1HY 2020	1HY 2019
Net toll revenue	400,522	540,545
Fee/additional fee payable to ANAS	32,512	41,468
Gross toll revenue	433,034	582,013
Other accessory revenues	6,924	15,550
Total motorway sector revenue	439,958	597,563

The decrease seen in “*net toll revenue*” - equal to EUR 140 million (-25.9%) - is the result of decreased traffic volumes due to the Covid-19 pandemic (EUR -184.4 million) counteracted by (i) the increase due to consolidation as of the current half of toll revenues from ATIVA S.p.A. (EUR +43.4 million) and (ii) the increase due to recognition as of 1 January 2020 of toll adjustments (EUR 1 million) limited solely to Autovia Padana S.p.A..

The change seen in the item “*fee/additional fee payable to ANAS*” (EUR -9 million) is the result of (i) the decrease in traffic on the stretches managed by other concession holder companies (-13.4 million) and (ii) the fee/additional fee to be paid to ANAS by the concession holder ATIVA S.p.A. (EUR +4.4 million). Based on the fact that the fees had been collected on behalf of ANAS, this decrease wholly affected the item “*operating costs*”.

“*Other accessory revenues*”, mainly refers to rental income for service areas and crossing fees. The reduction seen in the item in question is due to a decrease in traffic volumes and net toll revenue (EUR -9.6 million) as well as the change in the scope of consolidation following the inclusion of the income statement figures of ATIVA S.p.A. as of 1 January 2020 (EUR +1 million).

24.2 – Motorway sector revenue – planning and construction activities IFRIC 12

This item totalled EUR 142,315 thousand (EUR 115,692 thousand in the first half of 2019) and refers to the “planning and construction” activity of non-compensated revertible assets that – according to IFRIC 12 – are booked among revenue with regards to both the portion obtained by Group companies and that of Third Parties. A similar amount of costs was booked against these revenues under the item “Other costs for services”.

24.3 – EPC sector revenue

This revenue breaks down as follows:

	1HY 2020	1HY 2019
Revenue for works and planning and changes in contract work in progress	405,103	377,644
Other revenues	11,534	13,513
Total	416,637	391,157

The change to the item “revenue for works and planning and changes in contract work in progress” is mainly attributable to the growth in volumes achieved overseas by the Itinera Group. In particular, during the first six months overseas production of the EPC sector was equal to EUR 345.8 million (EUR 274 million in 2019), of which EUR 166.4 million in the United States (through the American subsidiaries of the Halmar Group), EUR 74.6 million in Europe, EUR 78.5 million in the Middle East, EUR 13.6 million in Africa and EUR 12.7 million in Brazil. This amount was net of the intercompany "production" related to maintenance and expansion services performed on the motorway network by the cited Companies for the Group motorway companies.

24.4 – Construction sector revenue – planning and construction activities IFRIC 12

This item totalled EUR 4,039 thousand (EUR 10,453 thousand in the first half of 2019) and refers to the “planning and construction activities” of the Taranto port platform (infrastructure node of the Port of Taranto – Logistics Platform) that – according to IFRIC 12 – is recognised among revenues with regards to both the portion implemented internally and that implemented by Third Parties. A similar amount of costs was booked against these revenues under item “Other costs for services”.

24.5 – Technology sector revenue

This revenue breaks down as follows:

	1HY 2020	1HY 2019
Revenues and change in contract work in progress, work in progress, semi-finished products, finished goods and other revenue	8,081	12,475
Other revenues	150	129
Total	8,231	12,604

This is the total amount of “production” carried out for third parties by the subsidiaries Sinelec S.p.A. and Safe Road S.c.ar.l., of which approximately EUR 0.3 million carried out overseas. The above-mentioned amounts are recognised net of intergroup "production" related to maintenance and enhancement activities for the motorway network, which were carried out by said Companies in favour of the Group’s motorway companies.

The decrease in the item “technology sector revenue” with respect to the same period the previous year is mainly attributable to lower work carried out for third parties by the subsidiary Sinelec S.p.A. This reduction also included the reversal of production carried out in the first half of 2020 with regards to ATIVA S.p.A., after the ATIVA Group entered the scope of consolidation.

24.6 – Other revenues

This revenue breaks down as follows:

	1HY 2020	1HY 2019
Claims for damages	4,129	4,876
Recovery of expenses and other income	15,094	15,835
Share of income resulting from the discounting of the payable due to ANAS – Central Insurance Fund	4,007	4,121
Works on behalf of third parties and cost reversal	3,539	4,276
Operating grants	957	298
Total	27,726	29,406

The item *“claims for damages”* includes the refunds – by insurance companies – of the costs incurred by the motorway companies for repair to the motorway network following accidents and other damages, as well as the requests made by the construction companies with reference to existing contracts.

The item *“recovery of expenses and other income”* mainly relates to the recovery of collection costs, recovery of exceptional transit costs, capital gains from disposals and contingent assets.

The item *“share of income resulting from the discounting of the payable due to ANAS – Central Insurance Fund”* refers to the share related to the difference – which was previously deferred – between the original amount of the payable and its present value.

The decrease in the item *“works on behalf of third parties and cost reversal”* mainly refers to lower revenues for works on behalf of third parties recognised by the motorway companies.

Note 25 – Payroll costs

This item can be broken down as follows:

	1HY 2020	1HY 2019
Salaries and wages	154,554	132,125
Social security contributions	37,774	35,027
Adjustment to the provision for personnel	18,854	14,190
Other costs	3,895	5,848
Total	215,077	187,190

The total increase seen in “payroll costs” is the result of the consolidation effective as of 1 January 2020 of the income statement figures of the ATIVA Group (EUR 11.2 million) and the increase in the number of employees in the EPC sector.

Average employee staffing breaks down by category as follows:

	1HY 2019	Change in the scope of consolidation	Other changes	1HY 2020
Executives	157	8	22	187
Middle managers	239	14	67	320
Office workers	2,737	250	296	3,283
Workers	1,294	70	457	1,821
Total	4,427	342	841	5,610

Note 26 – Costs for services

This expense item breaks down as follows:

	1HY 2020	1HY 2019
Maintenance of non-compensated revertible assets	26,281	31,328
Other costs related to non-compensated revertible assets	8,674	9,259
Subcontracting	179,261	144,166
Overhead on consortium costs	33,038	50,347
Works on behalf of third parties	35,399	32,798
Technical design activities	16,972	16,235
Seconded personnel and contract workers	10,558	13,942
Other personnel costs	7,184	7,292
Transport	4,787	5,275
Insurance	8,511	9,029
Utilities	10,937	9,594
Costs for construction activities carried out by third parties non-compensated revertible assets (IFRIC 12)	78,945	58,738
Other costs for services	55,344	41,700
Total	475,891	429,703

The change seen in “costs for services” with respect to the previous period is mainly due (i) to greater costs paid by companies in the EPC sector due to the increase in production, (ii) greater costs for construction activity for non-compensated revertible assets (IFRIC 12) and (iii) consolidation of the income statement figures of the ATIVA Group as of 1 January 2020.

The item “*maintenance of non-compensated revertible assets*” is recognised net of intercompany “production” carried out by Group companies operating in the “EPC” and “technology” sectors in favour of motorway companies. The total amount of **maintenance and other costs relative to non-compensated revertible assets** sustained during the period in question (gross of intergroup eliminations) amounts to **EUR 91.6 million** (EUR 93.6 million in the first half of 2019).

Note 27 – Costs for raw materials

This expense item breaks down as follows:

	1HY 2020	1HY 2019
Raw materials	61,765	77,613
Consumables	34,539	27,385
Changes in inventories of raw materials, consumables and merchandise	(1,114)	(3,169)
Total	95,190	101,829

This item refers to production materials, ancillary materials and consumables and mainly relates to the subsidiaries forming part of the EPC and Technology sectors.

Note 28 – Other operating costs

This expense item breaks down as follows:

	1HY 2020	1HY 2019
Concession fee pursuant to article 1, par. 1020 of Italian Law No. 296/06	9,745	13,165
Fee pursuant to article 19, par. 9-bis of Italian Law Decree no. 78/09	32,512	41,468
Sub-concession fee	1,334	3,044
Leases and rental expenses	8,699	8,323
Other operating expenses	15,469	10,156
Total	67,759	76,156

The item “concession fee pursuant to article 1, paragraph 1020 of Italian Law no. 296/06” has been calculated according to 2.4% of “net toll revenue”; the change in the half year is the result of the decrease in toll revenue and the greater concession fee for the licensee ATIVA S.p.A. (EUR +1 million).

The item “fee pursuant to article 19, paragraph 9 of Italian Law Decree No. 78/09” has been calculated according to EUR 0.0060 vehicle/km for light vehicles and EUR 0.0180 vehicle/km for heavy vehicles; the change compared to the first half of 2019 was due to both the decrease in traffic on the stretches operated by the licensees and the higher concession fee for the licensee ATIVA S.p.A. (EUR +4.4 million).

The change in the “sub-concession fee” - calculated on the royalties received from service areas - was mainly due to the decrease in royalty income.

Following the application of the new IFRS 16 (Lease), the “leases and rental expenses” only refer to contracts maturing within 12 months or to contracts for which the underlying assets are configured as low-value assets. The change seen with respect to the previous period is mainly due to consolidation of the income statement figures of the ATIVA Group as of 1 January 2020.

The change in “other operating expenses” with respect to the previous period is due (i) for EUR 3.1 million to the disbursement made by the Group in favour of the Piedmont Region to help with the Covid-19 health emergency (EUR 3 million) and the donation of two ambulances to the Italian Red Cross (EUR +0.1 million), (ii) for 1.7 million to greater contingent liabilities and other expenses, (iii) for EUR 0.5 million to consolidation of the income statement figures of ATIVA S.p.A.

Note 29 – Capitalised expenses for internal works

This item, amounting to EUR 520 thousand in the first half of 2020 (EUR 196 thousand in the first half of 2019), refers to internal works carried out within the Group and capitalised as an increase to tangible assets.

Note 30 – Amortisation and depreciation

This item breaks down as follows:

	1HY 2020	1HY 2019
Intangible assets:		
• Other intangible assets	1,446	1,702
• Non-compensated revertible assets	70,483	151,181
Tangible assets:		
• Buildings	1,596	1,537
• Plant and machinery	1,720	1,649
• Industrial and commercial equipment	2,878	2,404
• Other assets	1,587	1,621
• Rights of use	9,300	4,537
Total amortisation and depreciation	89,010	164,631
Write-down of goodwill and other write-downs	60	-
Total amortisation, depreciation and write-downs	89,070	164,631

Depreciation of non-compensated revertible assets is associated with expected development in traffic on managed stretches. The reduction with respect to the same period the previous period reflects both the decrease in traffic seen during the half and the elimination of depreciation relative to the SALT A12 stretch, as the concession expired on 31 July 2019.

Note 31 – Adjustment of the provision for restoration/replacement of non-compensated revertible assets

The adjustment of the provision for restoration/replacement of non-compensated revertible assets is detailed as follows:

	1HY 2020	1HY 2019
Drawdown of provision for restoration/replacement of non-compensated revertible assets	(45,396)	(67,761)
Allocation to provision for restoration/replacement of non-compensated revertible assets	46,895	54,512
Net adjustment of the provision for restoration and replacement of non-compensated revertible assets	1,499	(13,249)

Drawdown of the provision for restoration, replacement or maintenance of non-compensated revertible assets represents all maintenance costs borne by the motorway companies during the period. The provision includes the amount needed to update the fund to meet scheduled maintenance programmes in the financial plans attached to the individual concessions in later accounting periods, in order to ensure the appropriate functionality and safety of the respective motorway infrastructures. The net adjustment of the provision for restoration and replacement of non-compensated revertible assets reflects, among other things, the change in the maintenance work programme.

Note 32 – Provisions for risks and charges

The provisions for risks and charges for the first half of 2020 amount to EUR 12.5 million (EUR 28 thousand in the first half of 2019); for an amount equal to EUR 7.3 million, this item refers to the provisions made during the first half of the year by the subsidiaries SATAP S.p.A. (A21 section) and ATIVA S.p.A. (Tangenziale di Torino, Torino Quincinetto, Ivera-Santhia and Torino-Pinerolo) for “concession risk”, which refers to the risk related to lawsuits in process or that might arise with the Granting Body including with reference to the management of motorway stretches that has expired for the period between the expiry date of the individual concessions and the reporting date. To that end, as already indicated in previous sections of these financial statements, as at 30

June 2020, in the wake of the identification of a new licensee and at the request of the Granting Body, the aforesaid companies continue to manage their concessions under an extension (continuing to apply the concession agreements).

For the remainder, EUR 5.2 million, this item refers to provisions carried out by licensees (EUR 3.1 million) and by companies operating in the EPC sector (EUR 2.1 million) for existing and potential lawsuits.

Note 33 – Financial income

This item breaks down as follows:

	1HY 2020	1HY 2019
Income from equity investments:		
• dividends from other businesses	359	1,482
• capital gain on sale of investments	-	-
Total	359	1,482
Interest income and other financial income:		
• from credit institutions	285	399
• from financial assets	5,971	6,141
• exchange differences	905	563
• other	1,031	1,790
Total	8,192	8,893
Total financial income	8,551	10,375

The item “*dividends from other businesses*” refers to the dividends approved by the investee companies Assicurazioni Generali S.p.A. (EUR +0.2 million) and Webuild S.p.A. (EUR +0.2 million).

The item interest income “*from credit institutions*” refers to interest income accrued on the cash holdings at credit institutions.

The item interest income “*from financial assets*” includes financial income from insurance policies for EUR 1.6 million (EUR 2 million in the first half of 2019), interest on the loans to investees for EUR 4 million (EUR 3.7 million in the first half of 2019) and interest from financial assets for EUR 0.4 million (EUR 0.4 million in the first half of 2019).

The item “*exchange differences*” equal to EUR 0.9 million (EUR 0.6 million in the first half of 2019) includes the exchange rate adjustments related to the first half of 2020 and shows growth linked to the increased activities carried out overseas by the companies operating in the EPC sector.

Note 34 – Financial expenses

This item breaks down as follows:

	1HY 2020	1HY 2019
Interest expense:		
• on loans	6,251	5,557
• on current accounts	526	293
Miscellaneous interest expense:		
• from interest rate swap agreements	7,150	9,196
• from financial discounting	4,149	4,432
• from 2010-2020 bond loan	11,657	11,604
• from 2014-2024 bond loan	8,666	8,627
• from 2018-2028 bond loan	4,873	4,849
• from leases (IFRS16)	613	416
Other financial expenses:		
• exchange differences	4,185	258
• other financial expenses	3,619	1,063
Total	51,689	46,295
Capitalised financial expenses ⁽¹⁾	(8,124)	(7,782)
Total	43,565	38,513

⁽¹⁾ As reported in Note 1 – Intangible assets, an amount equal to EUR 8.1 million was capitalised under the item “non-compensated revertible assets”.

The increase in the item “*interest expense on loans*” is due to the lower “average” debt to credit institutions compared to the first half of 2019.

Interest expense related to “*financial discounting*” of non-current liabilities refers to payables to the Central Insurance Fund and ANAS for EUR 4 million and, for EUR 0.1 million, to the “financial component” of the provision for the employee severance indemnity.

The interest expense on the “*2010-2020 bond loan*” represents the expenses accrued in the period on the bond loan issued on 19 October 2010.

The interest expense on the “*2014-2024 bond loan*” represents the expenses accrued in the period on the bond loan issued on 6 February 2014.

The interest expense on the “*2018-2028 bond loan*” represents the expenses accrued in the period on the bond loan issued in February 2018.

The change seen in the item “*exchange differences*” is due, for EUR 2.1 million, to exchange losses realised after the disposal of Brazilian Bank Deposit Certificates and, for EUR 1.5 million, to the adjustment at 30 June 2020.

The change seen in the item “*other financial expenses*” is mainly due (i) to the reversal of accessory expenses, suspended in previous years, on the Cassa Depositi e Prestiti loan repaid in advance by the subsidiary Satap S.p.A. (EUR 1.6 million) and (ii) adjustment of the JP Morgan and Pharus investment funds (EUR 0.6 million).

Note 35 – Profit (loss) of companies accounted for by the “equity method”

The details of this item are as follows:

	1HY 2020	1HY 2019
Revaluations (write-downs) of equity investments:		
• Asta S.p.A.	(177)	(137)
• ATIVA S.p.A.	-	1,423
• CIM S.p.A.	-	(301)
• Confederazione Autostrade S.p.A. in liquidation	(200)	-
• EcoRodovias Infraestrutura e Logística S.A.	2,799	492
• Federici Stirling Batco LLC	(649)	(535)
• Mill Basin Bridge Constructors	(42)	(4,020)
• Primav Infraestrutura S.A.	17,138	(4,476)
• Road Link Holding Ltd.	486	589
• SABROM S.p.A.	(212)	(144)
• SITAF S.p.A.	4,388	5,832
• SITRASB S.p.A.	(335)	486
• Tangenziale Esterna S.p.A.	(2,812)	(2,382)
• Tangenziali Esterne di Milano S.p.A.	(2,810)	(2,321)
• Vado Intermodal Operator S.p.A.	(85)	-
Total	17,489	(5,494)

The item “*profit (loss) of companies accounted for by the equity method*” included the share of profits from jointly controlled entities and associated companies. The change seen during the half, with respect to the same period the previous year, is the result of greater contributions coming from the Brazilian investee companies, lower losses recognised by the Special Purpose Company Mill Basin Bridge Constructors LLC, operating in the construction sector, partially compensated for by the decrease in results contributed by associated companies in the motorway sector and the lack of contributions from the ATIVA Group after consolidation of the same on a line-by-line basis.

Note 36 – Taxes

This item can be broken down as follows:

	1HY 2020	1HY 2019
Current taxes:		
• Corporate income tax (IRES)	10,136	43,796
• Regional production tax (IRAP)	3,923	8,920
	14,059	52,716
Taxes (prepaid)/deferred:		
• Corporate income tax (IRES)	7,718	3,734
• Regional production tax (IRAP)	2,236	839
	9,954	4,573
Taxes related to prior years:		
• Corporate income tax (IRES)	1,032	(13,897)
• Regional production tax (IRAP)	(487)	21
	545	(13,876)
Total	24,558	43,413

The balance of the item “*taxes related to prior years*” in the first half of 2019 included, for EUR 13.6 million, the favourable outcome of the tax clearance application submitted to the Financial Administration regarding the non-application of the anti-avoidance provision of art. 10 of the ACE Decree.

During the period, with “shareholders’ equity” as contra-item, “deferred taxes” were credited for approximately EUR 1.9 million, related to the fair value measurement of both “other equity investments” and interest rate swaps, as well as the effects related to exchange differences.

In compliance with paragraph 81 (c) of IAS 12, we provide below the reconciliation of the “effective” and “theoretical” income taxes posted to the financial statements as at the first half of 30 June 2020 and 2019.

Reconciliation between “effective” and “theoretical” rates (IRES - Corporate income tax):

	1HY 2020		1HY 2019	
Period income before taxes	64,911		177,151	
Effective income taxes	17,854	27.51%	47,530	26.83%
Lower taxes (compared to the theoretical rate):				
• lower taxes on dividends	82	0.13%	338	0.19%
• adjustment of equity accounted investments	4,197	6.47%	-	-
• other changes	2,167	3.34%	-	-
Higher taxes (compared to the theoretical rate):				
• taxes on intercompany dividends, non-deductible write-downs and other changes	-	-	(3,060)	-1.73%
• effect of increased concession rate for H1 2020	(2,449)	-3.77%	-	-
• adjustment of equity accounted investments	-	-	(1,319)	-0.74%
• non-deductible write-downs and other changes	(6,273)	-9.66%	(972)	-0.55%
Theoretical income taxes	15,578	24.00%	42,517	24.00%

Reconciliation between “effective” and “theoretical” rates (Regional production tax (IRAP)):

	1HY 2020		1HY 2019	
Value added (Regional production tax taxable base - IRAP)	82,436		210,811	
Effective income taxes	6,159	7.47%	9,759	4.63%
Higher/Lower taxes (compared to the theoretical rate):				
• Net miscellaneous non-deductible expenses	(2,944)	-3.57%	(1,537)	-0.73%
Theoretical income taxes	3,215	3.90%	8,222	3.90%

The table below shows the total amount of deferred tax income and expenses (posted to the income statement and shareholders' equity) and the total deferred tax credits and liabilities (posted to the balance sheet).

	31/12/2019	Changes entered in the income statement (*)	Changes entered in the statement of comprehensive income	Difference in scope and other changes	30-Jun-20
Deferred tax credits related to: (*)					
- intangible assets not capitalised in accordance with IAS/IFRS	4	-	-	-	4
- provisions to tax deferral reserves	27,401	(537)	-	-	26,864
- maintenance costs exceeding deductible share	4,421	898	-	-	5,319
- fair value measurement of financial assets - IRS	5,125	-	329	-	5,454
- effects of the recalculation of amortisation of non-compensated revertible assets (IFRIC 12)	51,834	(8,941)	-	-	42,893
- maintenance costs restoration provision (IRES)	44,670	(4,376)	-	-	40,294
- maintenance costs restoration provision (regional production tax - IRAP)	8,000	100	-	-	8,100
- actuarial appraisal of the Employee Severance Indemnities Reserve	819	6	-	-	825
- leased assets (IFRS 16)	23	26	-	-	49
- other	33,139	11,686	-	(6)	44,819
Total deferred tax assets	175,436	(1,138)	329	(6)	174,621
Deferred tax liabilities related to: (-*)					
- leased assets (IFRS 16)	(998)	(19)	-	-	(1,017)
- valuation of work in progress	(1,790)	(211)	-	-	(2,001)
- valuation of financial assets at fair value	(1,586)	29	1,557	-	-
- actuarial appraisal of the Employee Severance Indemnities Reserve	(635)	7	-	-	(628)
- effects of the recalculation of amortisation of non-compensated revertible assets (IFRIC 12)	(45,284)	(8,423)	-	-	(53,707)
- other	(260)	(199)	-	(124)	(583)
Total deferred tax liabilities	(50,553)	(8,816)	1,557	(124)	(57,936)

(*) Deferred tax credits and liabilities are accounted for based on tax rates in effect at the time that their repayment is expected

Note 37 – Earnings per share

In accordance with IAS 33, basic earnings per share are calculated by dividing the Group share of net profit/loss by the average number of outstanding shares during the period. The average number of shares is calculated taking into account the average number of treasury shares held by the Parent Company and its Subsidiaries.

<i>(amounts in thousands of EUR)</i>	1HY 2020	1HY 2019
Net profit – Group share	33,686	75,370
Average number of outstanding shares during the period	132,342,673	92,072,718
Earnings per share (euro per share)	0.255	0.819
Number of ordinary shares	140,514,895	98,998,600
Weighted average of treasury shares held during the period	(8,172,222)	(6,925,882)
Weighted average of ordinary shares in circulation during the period	132,342,673	92,072,718

During the first half of 2020 and the first half of 2019, no options, warrants or equivalent financial instruments on dilutive “potential” ordinary shares were recorded.

Note 38 – Information on the cash flow statement

38.1 – Change in net working capital

	1HY 2020	1HY 2019
Inventories	(46,103)	(59,183)
Trade receivables	13,734	(75,946)
Current tax assets	(8,795)	(10,230)
Receivables due from others	(9,255)	87,909
Current trade payables	(3,317)	49,559
Other payables and contract liabilities	19,018	(17,239)
Current tax liabilities	(6,686)	64,897
Total	(41,404)	39,767

The change in the item “inventories” and in the “trade receivables” is mainly due to the increased activities carried out for third parties by the companies operating in the EPC sector.

The change seen in the items “*current tax assets*” and in “*current tax liabilities*” is mainly due to a greater VAT receivable, as well as greater advances paid with respect to taxes accruing during the period.

The item “*other payables and contract liabilities*” is mainly attributable to advances received from buyers in accordance with the law and intended to be recovered based on the progress of the work. The change mainly reflects the increase to the advance payments received from the EPC sector companies on overseas works.

38.2 – Other changes from operating activities

	1HY 2020	1HY 2019
Drawdown of Employee Severance Indemnity provision	(2,301)	(2,310)
Drawdown of provisions for risks and other changes	1,689	(1,138)
Total	(612)	(3,448)

Note 39 – Significant non-recurring events and transactions

Without prejudice to the effects deriving from the Covid-19 pandemic, outlined in the Management Report, the first half of 2020 was not affected by significant non-recurring events and transactions, as defined in Consob Communication DEM/6064293¹.

Note 40 – Atypical and/or unusual transactions

Pursuant to CONSOB Communication no. DEM/6064296 of 28 July 2006, in the first half of 2020 the Group did not carry out any atypical and/or unusual transactions, as defined in the Communication, according to which an atypical and/or unusual transaction is one for which the significance/materiality, nature of the counterparty, subject matter of the transaction, transfer pricing mechanism used and timing of the event (e.g. close to year end) could raise doubts about: the accuracy/completeness of information in the financial statements, conflict of interest, asset protection and the protection of minority interests.

¹ Significant non-recurring transactions are transactions or events that are not frequently repeated as part of normal business activities.

Other information

Information is shown below with regard to (i) the commitments undertaken by the Group Companies, (ii) fair value measurement, (iii) financial risk management, (iv) related-party transactions and (v) Ecorodovias Infraestructura e Logistica S.A. For information about the Group, “**Significant subsequent events**” and the “**Business outlook**”, please see the “Management Report”.

(i) Commitments undertaken by the Companies of the Group

In this regard, please note the following:

Performance bonds

- Performance bonds, equal to EUR 119 million, issued by several banks and insurance companies, in the interest of motorway companies¹ in favour of the Ministry of Infrastructures and Transport to guarantee the good management of concession operating activities, as provided for by the current Standard Agreements. The amount of these performance bonds, initially 3% of the total monetary operating costs included in the financial plans annexed to said agreements, is untied on an annual basis with regards to the amount of the pro-rata of each year of the concession.
- The performance bond, equal to EUR 1.1 million, issued by several insurance companies on behalf of SALT p.A. (A15 stretch) in favour of the Ministry of Infrastructures and Transport to guarantee the proper execution of the final design under the Standard Agreement of 3/03/2010.
- Performance bonds amounting to EUR 0.9 million issued by SATAP S.p.A. in favour of Concessioni Autostradali Lombarde in the interest of Aurea S.c.ar.l., to guarantee the commitments undertaken by it.
- The performance bond, amounting to EUR 7.9 million (pro-rata share), issued in favour of SACE BT Credit & Surety, through which SATAP S.p.A. guarantees - pro-rata - the commitments undertaken by the associated company S.A.Bro.M. S.p.A. following the signing of the agreement related to the Broni-Mortara motorway stretch on 16 September 2010.
- Performance bonds equal to EUR 0.7 million, issued in favour of the Municipality of Bernate Ticino and Parco Lombardo della Valle del Ticino, according to which SATAP S.p.A. guarantees the commitments undertaken for the construction of the Bernate Bypass.
- The performance bond, amounting to EUR 1.1 million, issued by SATAP S.p.A. in favour of the Piedmont Region to guarantee the interventions in terms of environmental monitoring and territorial input, environmental protection, mitigation and compensation in the Torino-Novara Est motorway stretch.
- Performance bonds issued by Autostrada Asti-Cuneo S.p.A., SINELEC S.p.A., Euroimpianti S.p.A. Autostrada dei Fiori S.p.A. (A6 Torino-Savona stretch), SALT p.A. (A15 La Spezia-Parma stretch), Società di Progetto Autovia Padana S.p.A., Sina S.p.A., Siteco Informatica S.r.l., Consorzio Sintec S.c.ar.l., to guarantee the proper execution of the works for EUR 116.4 million.
- The performance bond issued by an insurance company on behalf of the company SAV S.p.A. in favour of the Autonomous Region of Valle d'Aosta in accordance with the concession 168/2010 – for the permanent occupation of areas in the public domain for EUR 0.1 million.
- The guarantee issued by ASTM S.p.A. in favour of the Danish client *The Danish Road Directorate* on behalf of the subsidiary Itinera S.p.A. for works for the construction of the Storstrøm Bridge for a total amount of DKK 172 million (equal to EUR 23.1 million converted at the exchange rate of EUR 7.4526 as at 30 June 2020). This guarantee, issued for the good execution of the works, is reduced according to the progress of the works, subject to achievement of the milestones defined within the contract.

¹ With regard to Autostrada Asti-Cuneo S.p.A., as indicated in “Note 3.c – Other non-current financial assets”, financial receivables include the receivable for the pledge amounting to EUR 20 million against fidejussory policies by insurance institutes with reference to the bidding competition for the Asti-Cuneo concession.

- The Itinera Group issued pro-rata and non-solidary corporate guarantees to financial institutions for credit lines in the interest of operating companies for a maximum of EUR 139.4 million; as at 30 June 2020, the effective commitment/use was equal to EUR 18.2 million.
- The Itinera Group issued, through credit and insurance institutions, commercial guarantees (trade finance) for EUR 535.8 million to clients for the good execution of works (performance bonds), contract advances (advance bonds), release of guarantee withholdings (retainment bonds) and instalments for settlement and clearance of tender-related expenses (bid bonds) as part of its ordinary business operations and sales activities.
- Lastly, Itinera S.p.A. became guarantor for the American insurance companies that support Halmar International LLC in the issue of commercial bonds (bid bonds, performance bonds, etc.) and signed specific Indemnity Agreements totalling USD 1,416 million (EUR 1,264.7 million); as at 30 June 2020, the quota of works still to be completed totalled EUR 561.4 million.

Commitments and guarantees

Sistema Tangenziale Esterna

Following the agreements for investments in the Sistema Tangenziale Esterna, the subsidiaries ASTM S.p.A. and SATAP S.p.A. issued to the benefit of Tangenziale Esterna S.p.A., in the form of autonomous first demand performance bonds, EUR 33.5 million to guarantee their commitments pursuant to the Equity Contribution Agreement, including the increase in equity reserve guarantees.

Euroimpianti S.p.A.

The agreement for the sale in 2017 of the equity investment held by Euroimpianti S.p.A. in Aton S.r.l. includes - as per industry practices - the possibility for the purchaser to resell the equity investment to Euroimpianti S.p.A. in the five years following the purchase, if the feed in tariff from GSE based on an ongoing agreement, is permanently withdrawn due to causes attributable to the previous operator.

Commitments undertaken with the Revenue Office regarding payment of Group VAT

ASTM S.p.A. provided guarantees to the Revenue Office – for a total amount of EUR 49.5 million – related to the excess credit recognised as a result of the Group's VAT payment in the prior year with regard to Società di Progetto Autovia Padana S.p.A.

On 3 December 2004, an “additional agreement” was signed between ANAS, ASTM S.p.A. and SATAP S.p.A. according to which – following the transfer to SATAP of the agreement for the “Torino-Milano” stretch – over time ASTM S.p.A. would maintain shareholding control of SATAP S.p.A. and would assume a guarantee towards ANAS S.p.A. equal to EUR 75.1 million, which corresponds to the value of the assets in the ASTM cash funds that are not included in the business segment being allocated, exceeding 10% of the shareholders’ equity of ASTM as stated in the financial statements as at 31 December 2004”.

(ii) Assessing the fair value: additional information

Concerning the valuation of the fair value of financial instruments, we specify the following in compliance with IFRS 7:

Assets

- non-current financial assets - receivables: the value posted to the financial statements represents their fair value
- cash and cash equivalents: the value posted to the financial statements corresponds to their fair value
- equity investments in other businesses: the value posted to the financial statements corresponds to their fair value

Liabilities

- variable rate loans: the value posted to the financial statements represents their fair value
- trade payables: the value posted to the financial statements represents their fair value

* * *

The “2010-2020 bond loan”, issued on 26 October 2010, is posted to the financial statements at nominal value net of issue charges. As this involves a listed financial instrument, shown below is a comparison between its market value and the corresponding values posted to the financial statements:

2010-2020 bond loan <i>(amounts in millions of EUR)</i>	30 June 2020	31 December 2019
• value posted to the financial statements	515 ⁽¹⁾	503
• official market listing	506	518

(1) Payable: EUR 499 million + interest: EUR 16 million

The “2014-2024 bond loan”, issued on 6 February 2014, is posted to the financial statements at nominal value net of issue charges. As this involves a listed financial instrument, shown below is a comparison between its market value and the corresponding values posted to the financial statements:

2014-2024 bond loan <i>(amounts in millions of EUR)</i>	30 June 2020	31 December 2019
• value posted to the financial statements	504 ⁽¹⁾	513
• official market listing	525	551

(1) Payable: EUR 498 million + interest EUR 6 million

The “2018-2028 bond loan”, issued on 8 February 2018, is posted to the financial statements at nominal value net of issue charges. As this involves a listed financial instrument, shown below is a comparison between its market value and the corresponding values posted to the financial statements:

2018-2028 bond loan <i>(amounts in millions of EUR)</i>	30 June 2020	31 December 2019
• value posted to the financial statements	546 ⁽¹⁾	551 ⁽¹⁾
• official market listing	519	551

(1) Payable: EUR 543 million + interest: EUR 3 million

Derivatives

As at 30 June 2020, hedging transactions were in place (IRS-based). These contracts, signed by the subsidiaries SATAP S.p.A., Società di Progetto Autovia Padana S.p.A. and SAV S.p.A., were classified as hedging instruments because the relationship between the derivative and the subject of the coverage (maturity, rates) is formally documented. These financial instruments are valued at fair value and changes are imputed completely to a specific reserve in shareholders' equity.

The fair value of derivatives is determined by discounting the expected net cash, using the market interest rate curves for the date of reference. The features of the derivative contracts in place as at 30 June 2020 and the related fair value are summarised below (amounts in thousands of EUR).

Company	Type	Purpose of hedging	Counterparts	Currency	Duration of the derivative contract		30-Jun-20		Hedged financial liability		
					From	To	Notional reference	Fair Value	Description	Amount nominal	Maturity
SATAP	Interest Rate Swap	Interest Rate Swap	Mediobanca	EUR	31/12/2008	31/12/2021	37,500	-1,786	Loan	120,000	31/12/2021
SATAP	Interest Rate Swap	Interest Rate Swap	Mediobanca	EUR	30/06/2009	31/12/2021	33,000	-1,254	Loan		31/12/2021
SATAP	Interest Rate Swap	Interest Rate Swap	Morgan Stanley	EUR	30/06/2009	31/12/2021	33,000	-1,225	Loan		31/12/2021
SATAP	Interest Rate Swap	Interest Rate Swap	Mediobanca	EUR	30/06/2009	31/12/2021	16,500	-589	Loan		31/12/2021
SATAP	Interest Rate Swap	Interest Rate Swap	Morgan Stanley	EUR	15/06/2009	15/06/2024	15,342	-1,327	Loan	15,342	15/06/2024
SATAP	Interest Rate Swap	Interest Rate Swap	Morgan Stanley	EUR	15/06/2009	15/06/2024	19,355	-1,729	Loan	19,355	15/06/2024
SATAP	Interest Rate Swap	Interest Rate Swap	Morgan Stanley	EUR	30/06/2009	31/12/2021	72,000	-3,384	Loan	72,000	31/12/2021
SATAP	Interest Rate Swap	Interest Rate Swap	Morgan Stanley	EUR	15/06/2009	15/03/2022	2,400	-86	Loan	2,400	15/03/2022
SATAP	Interest Rate Swap	Interest Rate Swap	Mediobanca	EUR	07/05/2012	15/12/2024	13,500	-779	Loan	27,000	15/12/2024
SATAP	Interest Rate Swap	Interest Rate Swap	Unicredit	EUR	11/05/2012	15/12/2024	13,500	-757	Loan		15/12/2024
SATAP	Interest Rate Swap	Interest Rate Swap	SOGE	EUR	05/07/2012	15/12/2024	9,000	-482	Loan	9,000	15/12/2024
SATAP	Interest Rate Swap	Interest Rate Swap	NOMURA	EUR	18/10/2012	15/12/2024	9,000	-440	Loan	9,000	15/12/2024
SATAP	Interest Rate Swap	Interest Rate Swap	BNP PARIBAS	EUR	15/12/2014	15/12/2024	24,750	-711	Loan	24,750	15/12/2024
AUTOVIA PADANA	Interest Rate Swap	Interest Rate Swap	Credit Agricole	EUR	22/01/2020	15/12/2033	15,070	-719	Intercompany loan	15,070	15/12/2033
AUTOVIA PADANA	Interest Rate Swap	Interest Rate Swap	Banca Intesa	EUR	22/01/2020	15/12/2033	52,000	-2,449	Intercompany loan	52,000	15/12/2033
AUTOVIA PADANA	Interest Rate Swap	Interest Rate Swap	Unicredit	EUR	22/01/2020	15/12/2033	69,930	-3,340	Intercompany loan	69,930	15/12/2033
SAV	Interest Rate Swap	Interest Rate Swap	Mediobanca	EUR	17/12/2012	15/12/2020	833	-4	Intercompany loan	833	15/12/2020
SAV	Interest Rate Swap	Interest Rate Swap	Banca Akros	EUR	17/06/2013	15/12/2020	1,250	-8	Intercompany loan	1,250	15/12/2020
Total								-21,069			

(iii) Financial risk management

In compliance with IFRS 7, we specify that in the normal conduct of its business operations, the ASTM Group is potentially exposed to the following financial risks:

- “market risk” mainly from exposure to interest rate fluctuations and to the changes in foreign exchange rates;
- “credit risk” deriving from the exposure to potential losses arising from the failure of the counterparty to meet its obligations;
- “liquidity risk” from a lack of financial resources suitable for business operations and repayment of liabilities assumed in the past.

The risks cited above are broken down in detail below:

Market risk

With regard to the risks connected with the *fluctuation of interest rates*, the ASTM Group strategy has been designed to contain this risk mainly by carefully monitoring the dynamics associated with interest rates. More specifically, this risk has been strongly reduced by signing “hedging agreements”: at present, about 69% of the medium/long-term debt of the Group is at “fixed rate/hedged”.

With regard to the above, the “sensitivity analysis” concerning the changes in interest rates is not significant.

Counterparty creditworthiness risk for hedging agreements

As reported above, the Group licensees signed hedging transactions with major financial institutions in order to prevent the risks arising from the changes in the benchmark interest rates.

With regard to these transactions, note that there could be risks related to the strength/creditworthiness of the counterparties with which said hedging agreements were signed.

Foreign exchange risk

The Group is exposed to foreign exchange risk arising from various factors including (i) cash inflows and outflows in currencies other than the functional currency (economic foreign exchange risk); (ii) net invested capital in investees whose functional currency is not the Euro (translation exchange rate risk); (iii) deposit and/or financing transactions in currencies other than the functional currency (transaction exchange rate risk).

The Group implements a hedging policy against exchange rates fluctuations by making use of the financial instruments available on the market.

Nevertheless, as at 30 June 2020, there were no foreign exchange hedging transactions in place.

Credit risk

Credit risk is the Group's exposure to potential losses arising from the failure of the counterparty to meet its obligations.

This risk can derive both from factors of a strictly technical-commercial or administrative-legal nature and from factors of a typically financial nature, i.e. the “credit standing” of the counterparty. In particular, the type of clients in the EPC sector essentially includes public entities, which are creditworthy by nature, and public and private clients with a high credit standing. This leads to the consideration that credit risk is unlikely, whereas cases of extension to collection times beyond the contractual terms and requests for dilution of debt are more likely and in practice, much more frequent. Also note that for the construction companies the credit risk exposure analysis based on the overdue payments is scarcely significant since the receivables are measured jointly with the other working capital items that represent the net exposure to clients in relation to all ongoing works (inventories of works in progress, advance payments, any advances, etc.) and in particular to the payables due to sub-contractors and suppliers in general as a result of which, as part of the management of the operating leverage, the maturities were aligned as much as possible with collection from the clients.

Nevertheless, all companies forming part of the Group constantly monitor the trade receivables and write down positions for which partial or total default is identified. The amount of the write-downs takes account of an estimate of the recoverable cash flows and the related collection date, future expenses and costs for recovery and the value of guarantees and deposits received from customers. For a breakdown of the provision for write-downs of trade receivables, refer to note 6. Unfortunately, it should be noted that in recent years, the number of financial defaults and related collective procedures involving companies operating in the construction sector and the related supply chain has increased considerably, including companies of primary credit standing.

Unfortunately, this has affected a number of companies operating in partnerships with the subsidiary Itinera S.p.A. on a number of works contracts, with inevitable negative consequences in operating terms, as well as economic and financial terms considering the many commercial relationships and the related accounting entries of receivables and liabilities that arise in particular with regard to the consortium companies in Italy and the JVs overseas, which are typical operating instruments used for the joint execution of works.

Credit risk arising from open positions in financial derivative transactions can be considered marginal as the counterparties used are primary credit institutions.

Individual write-downs are instead made for credit positions which are individually significant and show objective status of partial or complete uncollectibility.

Liquidity risk

The "liquidity risk" is the risk that financial resources available may be insufficient to cover maturing obligations. The ASTM Group believes that the generation of cash flow, together with the planned diversification of financing sources and the current debt maturity, guarantee being able to satisfy scheduled financial requirements.

The table below shows the breakdown of financial liabilities in place as at 30 June 2020 by maturity date. The amounts shown below also include interest payments (we clarify that the interest on variable-rate loans is calculated based on the last available rate as at the reference date, keeping it constant to maturity).

Company	Total financial flows (**)		Maturity (*)					
	Capital	Interest	Within 1 year		2 to 5 years		Beyond 5 years	
			Capital	Interest	Capital	Interest	Capital	Interest
ASTM	199,099	2,968	45,793	1,233	153,306	1,735	-	-
ASTM	35,000	522	8,050	217	26,950	305	-	-
ASTM	50,000	1,313	-	396	50,000	917	-	-
ASTM	50,000	103	50,000	103	-	-	-	-
ASTM	30,000	152	30,000	152	-	-	-	-
ASTM	20,000	101	20,000	101	-	-	-	-
ASTM	50,000	1,313	-	396	50,000	917	-	-
ASTM	137,000	23,668	-	2,272	12,193	8,668	124,807	12,728
ASTM	6,000	1,153	-	117	534	464	5,466	572
ASTM	6,000	1,153	-	117	534	464	5,466	572
ASTM	5,000	961	-	98	445	386	4,555	477
ASTM	15,750	594	3,500	234	12,250	360	-	-
ASTM	92,250	1,996	20,500	811	71,750	1,185	-	-
ASTM	49,500	2,035	11,000	799	38,500	1,236	-	-
ASTM	2,083	22	2,083	22	-	-	-	-
ASTM	1,250	10	1,250	10	-	-	-	-
ASTM	150,000	28	-	28	150,000	-	-	-
ASTM	6,000	1,153	-	117	534	464	5,466	572
ASTM	50,000	224	50,000	224	-	-	-	-
ASTM	50,000	272	-	-	50,000	272	-	-
ITINERA S.p.A.	5,024	30	2,004	17	3,020	13	-	-
ITINERA S.p.A.	11,250	32	7,500	23	3,750	9	-	-
ITINERA S.p.A.	20,000	64	20,000	60	-	5	-	-
ITINERA S.p.A.	26,250	214	7,500	97	18,750	116	-	-
SEA SEGNALETICA STRADALE S.p.A.	1,752	10	866	4	886	6	-	-
HALMAR INTERNATIONAL LLC	5,049	843	263	96	1,054	373	3,732	373
HALMAR INTERNATIONAL LLC	2,530	156	893	61	1,637	96	-	-
HALMAR INTERNATIONAL LLC	2,181	112	785	63	1,396	49	-	-
HALMAR INTERNATIONAL LLC	6,548	82	3,253	49	3,294	33	-	-
SATAP S.p.A.	19,355	2,237	4,839	853	14,516	1,384	-	-
SATAP S.p.A.	2,400	141	1,200	92	1,200	49	-	-
SATAP S.p.A.	15,341	1,718	3,835	655	11,506	1,063	-	-
SATAP S.p.A.	120,000	8,298	80,000	5,876	40,000	2,422	-	-
SATAP S.p.A.	72,000	6,514	36,000	4,193	36,000	2,321	-	-
Total loans	1,314,612	60,192	411,115	19,586	754,005	25,311	149,492	15,294
ASTM	500,000	22,500	500,000	22,500	-	-	-	-
ASTM	500,000	67,500	-	16,875	500,000	50,625	-	-
ASTM	550,000	71,501	-	8,938	-	35,750	550,000	26,813
Total bond loans	1,550,000	161,501	500,000	48,313	500,000	86,375	550,000	26,813
ASTM GROUP (IFRS 16)	67,840	3,871	20,137	1,210	41,118	2,109	6,585	552
Total financial liabilities	2,932,452	225,564	931,252	69,109	1,295,123	113,795	706,077	42,659

(*) Distribution upon maturity is based on current residual contract duration.

(**) The above-mentioned hedging agreements on interest rate fluctuations have been included when calculating the flow of interest on loans.

It is also worth highlighting that the payable due to ANAS - Central Insurance Fund as at 30 June 2020 amounts to EUR 180.7 million. The discounted value of said payable totals EUR 133.2 million (this payable is not included in the data provided above).

Details are provided below of the amount payable to ANAS – Central Insurance Fund and its developments until fully repaid. In relation to the discounted value of this payable, reference should be made to the illustration provided in Note 14 – *Other payables (non-current)*:

<i>(amounts in millions of EUR)</i>	30/06/2020	2020	2021	2022	2023	2024	2025	2026	2027
SAV	93.5	82.1	65.9	49.3	32.8	16.2	-	-	-
SALT A15 stretch	87.3	86.8	86.3	85.8	85.3	84.8	84.3	80.2	28.0
TOTAL	180.7	168.8	152.2	135.1	118.0	100.9	84.3	80.2	28.0

The **credit lines** of the ASTM Group companies can essentially be broken down as follows:

1. Bond loans issued as part of the EMTN Programme;
2. Medium- and long-term loans used as investment support;
3. Uncommitted credit lines referring to current account overdraft/receivables conversion facilities to support working capital needs;
4. "Committed" credit lines to cover the operating needs of the companies.

With reference to the bond loans issued as part of the EMTN Programme, reference should be made to the description in *Note 17 – Other financial liabilities (non-current)* and *Note 22 – Other financial liabilities (current)*.

The "medium- and long-term loans" of Group companies had all been disbursed as at the reporting date, except for:

- a loan granted to the ASTM S.p.A. by Cassa Depositi e Prestiti S.p.A.
- a loan granted to ASTM S.p.A. by UniCredit S.p.A., Intesa SanPaolo S.p.A. and Cariparma S.p.A.

For each ASTM Group company, the following table illustrates the total of medium- and long-term loans granted, with an indication of (i) the amount used (book value) and (ii) the amount available, not yet disbursed as at 30 June 2020.

Medium- and long-term loans		
<i>(amounts in thousands of EUR)</i>	<u>amount used</u>	<u>amount available</u>
	as at 30 June 2020	as at 30 June 2020
SATAP S.p.A.	229,096	
ASTM S.p.A.	1,004,932	460,000
Itinera S.p.A.	62,525	
Halmar International LLC	16,307	
SEA Segnaletica Stradale S.p.A.	1,752	
Total	1,314,612	460,000

For each ASTM Group company, the following table illustrates the total of uncommitted credit lines – set up mainly for current account overdrafts and good till cancelled – with an indication of (i) the amount used (book value) and (ii) the amount available as at 30 June 2020.

Uncommitted credit lines		
Company	amount used	amount available
	as at 30 June 2020	as at 30 June 2020
Autostrada Asti Cuneo S.p.A.	17,858	12,151
Autostrada dei Fiori S.p.A.		33,500
Euroimpianti S.p.A.		7,500
SALT p.A.	530	21,778
SATAP S.p.A.		33,000
SAV S.p.A.	8,601	34,400
Sinelec USA INC		4,000
Società di Progetto Autovia Padana S.p.A.	10,000	-
ASTM S.p.A.		118,500
Itinera Group	156,588	155,107
SITECO Informatica S.r.l. unipersonale		150
SINA S.p.A.		1,400
Total	193,577	421,487

Also note that ASTM S.p.A. was granted back-up facilities credit lines equal to EUR 250 million issued by Unicredit S.p.A. and UBI Banca S.p.A. (EUR 200 million) and Caixa Bank (EUR 50 million).

(iv) RELATED-PARTY TRANSACTIONS

The main transactions of the Company with related parties, identified according to criteria set out in the related-party transactions procedure, in compliance with article 2391-bis of the Italian Civil Code/IAS 24 and the Regulation adopted by Consob with resolution no. 17221 of 12 March 2010 as amended, are described below. This procedure, which is published in the sector "Procedures and documents" available on the website www.astm.it, sets out the rules governing the approval, management and public disclosure of related-party transactions carried out by the ASTM Group, directly or through Subsidiaries, in order to guarantee the transparency and procedural and substantive fairness of transactions.

The table below shows the commercial and financial income statement figures arising from related-party transactions.

BALANCE SHEET:

<i>(amounts in thousands of EUR)</i>	30 June 2020	Parent companies	Subsidiaries of parent companies	Jointly controlled and associated companies	Other related parties (1)	TOTAL RELATED PARTIES	% IMPACT OF FINANCIAL STATEMENT ITEMS
Assets							
Non-current assets							
Intangible assets							
goodwill	121,623	-	-	-	-	-	0.0%
other intangible assets	21,578	-	-	-	-	-	0.0%
concessions – non-compensated revertible assets	2,846,715	-	-	-	-	-	0.0%
Total intangible assets	2,989,916						
Tangible assets							
property, plant, machinery and other assets	141,311	-	-	-	-	-	0.0%
rights of use	68,672	1,957	3,956	4,933	-	10,846	15.8%
Total tangible assets	209,983						
Non-current financial assets							
equity accounted investments	781,713	-	-	-	-	-	0.0%
other equity investments	108,506	-	-	-	-	-	0.0%
other non-current financial assets	360,425	-	-	140,986	-	140,986	34.1%
Total non-current financial assets	1,250,644						
Deferred tax assets	174,621	-	-	-	-	-	0.0%
Total non-current assets	4,625,164						
Current assets							
Inventories and contract assets	331,219	-	1,332	15,163	-	16,495	5.0%
Trade receivables	271,046	138	10,116	51,508	908	62,670	23.1%
Current tax assets	39,254	-	-	-	-	-	0.0%
Other receivables	134,810	2,071	12,093	37,182	-	51,346	38.1%
Current financial assets	920,909	-	-	5,818	-	5,818	0.6%
Total	1,697,238						
Cash and cash equivalents	1,262,919	-	-	-	-	-	0.0%
Total current assets	2,960,157						
Total assets	7,585,321						
Shareholders' equity and liabilities							
Shareholders' equity							
Shareholders' equity attributed to owners of the parent company							
share capital	64,886	-	-	-	-	-	0.0%
reserves and earnings	2,431,443	-	-	-	-	-	0.0%
Total	2,496,329						
Capital and reserves attributed to minority interests	360,812	-	-	-	-	-	0.0%
Total shareholders' equity	2,857,141						
Liabilities							
Non-current liabilities							
Provisions for risks and charges and employee benefits	431,028	-	-	-	441	441	0.1%
Trade payables	362	-	-	-	-	-	0.0%
Other payables and contract liabilities	204,299	-	-	-	-	-	0.0%
Bank debt	898,625	-	-	-	-	-	0.0%
Hedging derivatives	21,069	-	-	-	-	-	0.0%
Other financial liabilities	1,088,680	1,525	3,473	4,708	-	9,706	0.9%
Deferred tax liabilities	57,936	-	-	-	-	-	0.0%
Total non-current liabilities	2,701,999						
Current liabilities							
Trade payables	444,547	-	9,943	24,238	75	34,256	7.7%
Other payables and contract liabilities	364,231	-	1,098	79,191	731	81,020	22.2%
Bank debt	604,656	-	-	-	-	-	0.0%
Other financial liabilities	572,967	478	487	509	-	1,474	0.3%
Current tax liabilities	39,780	-	-	-	-	-	0.0%
Total current liabilities	2,026,181						
Total liabilities	4,728,180						
Total shareholders' equity and liabilities	7,585,321						

(1) Amounts include relations with Directors, Statutory Auditors and other key management personnel of the Group

The main relationships between the companies of the Group, arranged by items in the financial statements, are the following:

- recording the right of use of property, following the application of the IFRS 16 accounting standard, relating to the parent company Aurelia S.r.l. for EUR 2 million and to the companies subject to the control of the parent company for EUR 4 million (mainly from Appia S.r.l. for EUR 2 million, Codelfa S.p.A. for EUR 1.4 million and Argo Finanziaria S.p.A. for EUR 0.5 million) and for jointly controlled and associated companies for EUR 5 million relative to Ativa Immobiliare S.p.A.;
- receivables recognised as non-current financial assets from jointly controlled and associated companies for EUR 141 million; in particular from Tangenziale Esterna S.p.A. for EUR 111.6 million against loans granted by ASTM S.p.A. and SATAP S.p.A., from Federici Stirling Batco LLC for EUR 18.4 million, from Tunnel Frejus S.c.ar.l. for EUR 3.3 million and from Nichelino Village S.c.ar.l. for EUR 1 million against loans granted by Itinera S.p.A. and from SABROM S.p.A. against loans granted by the Group companies for an overall EUR 5 million;
- inventories and contract assets for EUR 16.5 million of which:
 - EUR 1.3 million from the companies controlled by parent companies in particular from G&A S.p.A. for EUR 0.7 million and Codelfa S.p.A. for EUR 0.3 million;
 - EUR 15.2 million from jointly controlled and associated companies, in particular from Consorzio Canello-Frasso Telesino for EUR 8.5 million, SITAF S.p.A. for EUR 3.3 million and Tessera S.c.ar.l. for EUR 1.4 million;
- trade receivables for EUR 62.7 million, specifically:
 - for services provided by Itinera S.p.A. to companies controlled by parent companies for EUR 4.7 million of which EUR 2.2 million from Baglietto S.p.A., EUR 1.2 million from Codelfa S.p.A. and EUR 1 million from Tomato Farm S.r.l.;
 - trade receivables for services provided by Sinelec S.p.A. to companies controlled by parent companies for EUR 3.4 million in particular from Truck Rail Container S.p.A. for EUR 1.1 million and from ASG S.c.ar.l. for EUR 1.1 million;
 - trade receivables for services provided by SEA Segnaletica Stradale S.p.A. to companies subject to the control of the parent companies for around EUR 1 million, in particular from Autosped G S.p.A.;
 - trade receivables for services provided by Itinera S.p.A. to jointly controlled and associated companies for EUR 33 million, of which EUR 7.6 million from Letimbro S.c.ar.l., EUR 6.4 million from Consorzio Canello-Frasso Telesino Consorzio CFT, EUR 4.7 million from Aurea S.c.ar.l., EUR 4.3 million from Consorzio Costruttori TEEM S.c.ar.l., EUR 2.6 million from Tunnel Frejus S.c.ar.l., EUR 2.3 million from Cervit S.c.ar.l., EUR 1.5 million from Federici Stirling Batco LLC and EUR 1 million from Ponte Nord S.p.A.;
 - trade receivables for services to SATAP S.p.A. from the associated companies, in particular Aurea S.c.ar.l. for EUR 3.2 million;
 - trade receivables for services provided by SINA S.p.A. to jointly controlled and associated companies for EUR 2.4 million, in particular from SA.BRO.M. S.p.A. for EUR 0.7 million;
 - trade receivables recognised by Halmar International LLC to the associated company Mill Basin Bridge Constructors for EUR 3.9 million;
 - trade receivables for services provided by Lambro S.c.ar.l. to Consorzio Costruttori TEEM for EUR 4.3 million;
 - trade receivables from the associated company Sitaf S.p.A. for services provided to Euroimpianti S.p.A., Sina S.p.A. and Sinelec S.p.A. totalling EUR 0.8 million;
- other receivables for EUR 51.3 million, specifically:
 - receivables from the parent company Aurelia S.r.l. for EUR 2.1 million, of which EUR 1.5 million from ASTM S.p.A. and EUR 0.5 million from SINA S.p.A.;
 - receivables due to Itinera S.p.A. from the company subject to the control of the parent company Argo Finanziaria S.p.A. for EUR 11.8 million following the transfer of receivables previously due from Tubosider S.p.A.;
 - other receivables to Itinera S.p.A. from the associated company Letimbro S.c.ar.l. for EUR 18.4 million;
 - receivables for loans granted by Autostrada dei Fiori S.p.A. to Rivalta Terminal Europa S.p.A. for EUR 17 million and Vado Intermodal Operator S.p.A. for EUR 1.4 million;

- current financial assets relative to jointly held and associated companies for EUR 5.8 million, of which around EUR 5.3 million relative to the loan granted by the subsidiary IGLI S.p.A. to the jointly held Primav Infrastruttura SA and for EUR 0.5 million relative to the loan granted by ASTM S.p.A. to Ativa Immobiliare S.p.A.;
- other financial liabilities attributable to the application of the new IFRS 16 to the operating leasing contracts existing with the parent company Aurelia S.r.l. (EUR 1.5 million long-term portion and EUR 0.5 million for the short-term portion) and with the companies subject to the control of the parent companies for an overall EUR 4 million (EUR 3.5 million long term and EUR 4.7 million short term), as well as with jointly controlled and associated companies for a total of EUR 5.2 million (EUR 4.7 million long term and EUR 0.5 million short term);
- trade payables for a total of EUR 34.3 million related to:
 - services provided by the company subject to the control of the parent companies Autosped G S.p.A. to ASTM Group companies totalling EUR 2.4 million;
 - services provided to Itinera S.p.A. by companies controlled by parent companies for EUR 5.1 million, of which EUR 1.9 million from Codelfa S.p.A., EUR 1.7 million from Tubosider S.p.A. and EUR 1.2 million from Gale S.r.l.;
 - services provided to Itinera S.p.A. by jointly controlled and associated companies for EUR 14.1 million, of which EUR 9.5 million from Consorzio Cancellò-Frasso Telesino, EUR 2.7 million from Tessera S.c.ar.l. and EUR 1 million from Tunnel Frejus S.c.ar.l.;
 - amounts posted by Società Attività Marittime S.p.A. to the associated company Darsene Nord Civitavecchia S.c.ar.l. for EUR 3.9 million;
 - amounts posted by SATAP S.p.A. for EUR 2.9 million to the associated company Aurea S.c.ar.l.;
 - services provided by the jointly controlled company Consorzio Costruttori TEEM to the associated company Lambro S.c.ar.l. for EUR 1.5 million;
- other payables and contract liabilities for EUR 80.3 million, of which:
 - EUR 74.5 million related to payables of Itinera S.p.A. to jointly controlled and associated companies (EUR 20 million to Letimbro S.c.ar.l., EUR 17.7 million to CMC Itinera JV S.c.p.A., EUR 8.2 million to Tunnel Frejus S.c.ar.l., EUR 5.1 million to Consorzio Costruttori TEEM, EUR 4.9 million to Consorzio Cancellò-Frasso Telesino, EUR 3.6 million to Tangenziale Esterna S.p.A., EUR 3.3 million to Tessera S.c.ar.l., EUR 3 million to Cervit S.c.ar.l., EUR 3 million to Malco S.c.ar.l. and EUR 2.7 million to Aurea S.c.ar.l.);
 - EUR 4.1 million related to payables of Società Attività Marittime S.p.A. to the associated companies (to Mose Bocca di Chioggia for EUR 2.9 million and Mose Treporti for EUR 1.2 million);
 - EUR 3.5 million related to payables of Itinera S.p.A. to other related parties following the acquisition and subsequent incorporation of Interstrade S.p.A. in the 2018 financial year.

INCOME STATEMENT

<i>(amounts in thousands of EUR)</i>	H1 2020	Parent companies	Subsidiaries of parent companies	Jointly controlled and associated companies	Other related parties (1)	TOTAL RELATED PARTIES	% IMPACT OF FINANCIAL STATEMENT ITEMS
Revenue							
motorway sector – operating activities	439,958	-	-	-	-	-	0.0%
motorway sector – planning and construction activities	142,315	-	-	-	-	-	0.0%
EPC sector	416,637	-	1,755	23,179	239	25,173	6.0%
EPC sector – planning and construction activities	4,039	-	-	-	-	-	0.0%
technology sector	8,231	-	710	520	-	1,230	14.9%
Other	27,726	42	233	6,025	7	6,307	22.7%
Total Revenues	1,038,906						
Payroll costs	(215,077)	-	-	-	(1,029)	(1,029)	0.5%
Costs for services	(475,891)	-	(5,002)	(39,855)	(1,602)	(46,459)	9.8%
Costs for raw materials	(95,190)	-	(4,171)	-	(67)	(4,238)	4.5%
Other Costs	(67,759)	(5)	(118)	(136)	(3)	(262)	0.4%
Capitalised costs on fixed assets	520	-	-	-	-	-	0.0%
Amortisation, depreciation and write-downs	(89,070)	(245)	(267)	(280)	-	(792)	0.9%
Adjustment of the provision for restoration/replacement of non-compensated revertible assets	(1,499)	-	-	-	-	-	0.0%
Other provisions for risks and charges	(12,504)	-	-	-	-	-	0.0%
Financial income:							
from unconsolidated investments	359	-	-	-	-	-	0.0%
other	8,192	-	1	4,136	-	4,137	50.5%
Financial expenses:							
interest expense	(35,761)	(32)	(64)	(74)	-	(170)	0.5%
other	(7,804)	-	-	-	-	-	0.0%
Profit (loss) of companies accounted for by the equity method	17,489	-	-	-	-	-	0.0%
Profit (loss) before taxes	64,911						
Taxes	(24,558)	-	-	-	-	-	0.0%
Profit (loss) for the period	40,353						

(1) Amounts include relations with Directors, Statutory Auditors and other key management personnel of the Group

More specifically, the main relationships between the companies of the Group, arranged by items in the financial statements, are the following:

- EPC sector services provided by the Group totalling EUR 25.2 million, including:
 - to companies subject to the control of the parent companies for EUR 1.8 million, provided by Itinera S.p.A., in particular to Codelfa S.p.A. (for EUR 1.1 million) and to Baglietto S.p.A. (for EUR 0.6 million);
 - to jointly controlled and associated companies for EUR 20 million provided by Itinera S.p.A., in particular to Consorzio Canello-Frasso Telesino for EUR 9.6 million, to Aurea S.c.ar.l. for EUR 6 million, to Sitaf S.p.A. for EUR 2 million and to Cervit S.c.ar.l. for EUR 0.7 million;
 - to jointly controlled and associated companies (for EUR 1 million) provided by SINA S.p.A., in particular to Aurea S.c.ar.l., Sitaf S.p.A. and Colmeto S.c.ar.l.;
 - to jointly controlled and associated companies (for EUR 2.3 million) provided by Euroimpianti S.p.A., in particular to Tessera S.c.ar.l. (EUR 1.4 million);
- IT support services provided by Sinelec S.p.A. (technology sector) for EUR 1.2 million, of which EUR 0.5 million to ASG S.c.ar.l. and EUR 0.3 million to Sitaf S.p.A.;
- other services totalling EUR 6.3 million, of which:
 - EUR 3.3 million related to services provided by SATAP S.p.A. to the associated company Aurea S.c.ar.l.;
 - EUR 2.7 million related to services provided by Group companies or cross charges of costs due by other jointly controlled and associated companies (CMC Itinera JV S.c.p.A. for EUR 0.7 million, Cervit S.c.ar.l. for EUR 0.5 million, Tessera S.c.ar.l. for EUR 0.3 million, Tunnel Frejus S.c.ar.l. for EUR 0.3 million, EcoRodovias Infraestrutura e Logística S.A. for EUR 0.2 million and Ecorodovias Concessoes e Serviços S.A. for EUR 0.1 million);
- costs for services for EUR 44.9 million related to:
 - provision of services provided by the companies controlled by the parent company for EUR 5 million, of which EUR 3.6 million from Tubosider S.p.A. and EUR 0.8 million from Autosped G S.p.A.;

- services from jointly controlled and associated companies totalling EUR 39.9 million, in particular from Consorzio Cancell-Frasso Telesino (EUR 9.5 million), from Tessera S.c.ar.l. (EUR 5 million), from Cervit S.c.ar.l. (EUR 4.1 million), from Tunnel Frejus S.c.ar.l. (EUR 3 million) and from CMC Itinera JV (EUR 1.7 million) in favour of Itinera S.p.A.; from Tecnositaf S.p.A. (EUR 3 million) and Ok-Gol S.r.l. (EUR 3.2 million) in favour of Autostrada dei Fiori S.p.A.; from Aurea S.c.ar.l. in favour of SATAP S.p.A. for EUR 2.7 million; from Aurea S.c.ar.l. in favour of Itinera S.p.A. for EUR 2.7 million;
- costs incurred for the purchase of raw materials from companies subject to the control of the parent companies for EUR 4.2 million for purchases by Group companies, mainly from Tubosider S.p.A. for EUR 1.7 million, Gale S.r.l. for EUR 1.6 million and Autosped G S.p.A. for EUR 0.7 million;
- financial income from related parties for a total of EUR 4.1 million of which EUR 3.8 million from Tangenziale Esterna S.p.A.

In addition to the above, note that costs for services includes expenses incurred by the ASTM Group for insurance premiums brokered by the related company PCA. S.p.A. totalling EUR 10.3 million.

Note also that the subsidiaries SINA S.p.A. and ATIVA S.p.A. held 2,149,408 and 21,500 shares respectively of the parent company ASTM S.p.A. as at 30 June 2020.

In addition to what is shown above, there are relationships between the businesses of the Group concerning transactions in the system that interconnects motorway tolls.

The transactions indicated above were carried out under normal market conditions.

(v) Ecorodovias Infraestrutura e Logistica S.A.

With reference to investments in the motorway sector in Brazil, ASTM holds, directly and indirectly (through the company Primav Infraestrutura S.A.), 49.21% of Ecorodovias Infraestrutura e Logistica S.A. ("Ecorodovias"). In the consolidated financial statements of the ASTM Group, these investments are accounted for using the "equity method".

(a) Eco 101 | State of Espírito Santo

With reference to events relative to ECO 101 Stato di Espírito Santo, please see the information included in the ASTM Group 2019 Consolidated Financial Statements in that, as reported by Ecorodovias in its interim report as at 30 June 2020, there have not been any other significant developments which merit reporting.

(b) Ecovias | State of São Paulo

On 6 April 2020, Ecorodovias published a Material Fact, informing the market and its shareholders that, on the same date, Ecorodovias, its indirect subsidiary Ecorodovias Concessões e Serviços S.A. ("ECS") and its subsidiary Concessionária Ecovias Dos Imigrantes S.A. ("Ecovias") had signed a civil Non-Prosecution Agreement ("*acordo de não persecução cível*", or, more simply "NPA") with the 3rd Prosecution Office of Public and Social Assets of the State of São Paulo ("MP-SP"), against the consensual termination of the investigations PJPP-CAP no. 1.071/2014, 295/2018 and 489/2018.

This was outlined in the ASTM Group's 2019 Consolidated Financial Statements, approved by the Board of Directors on 14 April 2020.

With the publication of its financial results for the half ended on 30 June 2020, Ecorodovias emphasised that, based on the terms of the NPA (also detailed by ASTM in its financial statements for the year ending at 31 December 2019), Ecovias takes on responsibility for a total amount of R\$ 638,000,000.00, divided up based on the agreements between the MP-SP, the *Secretaria de Estado de Logística e Transportes de São Paulo* and Ecovias, of which R\$ 38,000,000.00 is to be paid by Ecorodovias. The NPA also includes provisioning for a total amount of R\$ 12,000,000.00 deriving from other commitments, which will again be paid by Ecorodovias. The amounts in the NPA relative to additional work to be included in the Ecovias concession contract will be recognised in accordance with the international accounting standards.

In order to allow for the continuation of the activities of Ecovias and support the public's interest, pursuant to the NPA, the MP-SP has undertaken to suspend all civil, administrative or criminal proceedings and investigations – including proceedings pursuant to the Administrative Improbability Act – involving Ecovias and the other Ecorodovias Group companies, in order to avoid imposing further sanctions on those companies in relation to the same illegal events based on the NPA and other information received from the MP-SP.

At present, the NPA has been submitted for approval by the Superior Council of the Public Prosecution Service of the State of São Paulo (“CS-MP”). Once this approval is obtained from CS-MP, the agreement will also be submitted for approval to the Lower Treasury Court of the Capital of the State of São Paulo.

Certification pursuant to
article 154-bis of Legislative
Decree 58/98

Certification pursuant to article 154-bis of Legislative Decree 58/98

- The undersigned Umberto Tosoni as Managing Director and Alberto Pernigotti as Manager in charge of drawing up the corporate accounting documents of the ASTM Group, taking into account the provisions of article 154-bis, paragraphs 3 and 4 of Legislative Decree no. 58 of 24 February 1998, hereby certify:
 - the adequacy with regard to the characteristics of the business and
 - the actual implementation,of the administrative and accounting procedures for preparing the condensed interim financial report for the first half of 2020.

- Furthermore, it is attested that:
 - the condensed interim financial report:
 - a) are prepared in compliance with the international accounting standards approved by the European Community pursuant to EC Regulation no. 1606/2002 of the European Parliament and the Council dated 19 July 2002;
 - b) correspond to the books and accounting entries;
 - c) provide a true and correct representation of the equity, economic and financial position of the issuer and all the businesses included in the consolidation;

 - the interim management report contains at least references to the significant events that took place in the first six months of the financial year and to their impact on the condensed interim financial report, alongside a description of the main risks and uncertainties for the remaining six months of the year. The interim management report also contains information regarding significant related party transactions.

Tortona, 3 August 2020

Chief Executive Officer

Umberto Tosoni

The Manager in charge of drawing up
the corporate accounting documentation

Alberto Pernigotti

Independent Auditors' Report



ASTM GROUP

**REVIEW REPORT ON CONSOLIDATED CONDENSED
INTERIM FINANCIAL STATEMENTS**



REVIEW REPORT ON CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

To the Shareholders of
ASTM SpA

Foreword

We have reviewed the accompanying consolidated condensed interim financial statements of ASTM SpA and its subsidiaries (the "ASTM Group") as of 30 June 2020, comprising the balance sheet, the income statement, the statement of comprehensive income, the cash flow statement, the statement of changes in shareholders' equity and the related explanatory notes. The directors of ASTM SpA are responsible for the preparation of the consolidated condensed interim financial statements in accordance with International Accounting Standard 34 applicable to interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on these consolidated condensed interim financial statements based on our review.

Scope of review

We conducted our work in accordance with the criteria for a review recommended by Consob in Resolution No. 10867 of 31 July 1997. A review of consolidated condensed interim financial statements consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than a full-scope audit conducted in accordance with International Standards on Auditing (ISA Italia) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the consolidated condensed interim financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated condensed interim financial statements of the ASTM Group as of 30 June 2020 are not prepared, in all material respects, in accordance with International Accounting Standard 34 applicable to interim financial reporting (IAS 34) as adopted by the European Union.

Turin, 4 August 2020

PricewaterhouseCoopers SpA

Signed by

Piero De Lorenzi
(Partner)

This report has been translated into English from the Italian original solely for the convenience of international readers

PricewaterhouseCoopers SpA

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