

BOARD OF DIRECTORS APPROVES ADDITIONAL PERIODIC FINANCIAL REPORTING AS AT 31 MARCH 2019

Motorway concessions sector

- **Italy:**
 - +7.09%¹ motorway sector revenue (EUR 258.9 million)
 - +10.19%² traffic on the motorway network controlled by SIAS ("light vehicles" +9.67%, "heavy vehicles" +11.52%)
 - Adjusted net financial indebtedness as at 31 March 2019: EUR 1,180.3 million (down EUR 58.8 million compared to 31 December 2018)

- **Brazil³:**
 - R\$ 680.5 million motorway sector revenues managed by Ecorodovias
 - +0.6%⁴ traffic on the motorway network
 - toll collection started on 1 April 2019 for the motorway licensee ECO 135, on a 364-kilometre arterial road in the State of Minas Gerais

Torino, 14 May 2019. The Board of Directors of SIAS met today, examined and approved the additional periodic financial reporting as at 31 March 2019.

MOTORWAY CONCESSIONS SECTOR – PERFORMANCE INDICATORS

Revenue

In the first three months of 2019, revenue from the "motorway sector" amounts to EUR 258.9 million (EUR 241.8 million in the first three months of 2018), up 7.09% (+3.14% on like-for-like basis).

| <i>(amounts in thousands of EUR)</i> | 1st quarter 2019 | 1st quarter 2018 | Change | % change |
|---|------------------|------------------|---------------|--------------|
| Net toll revenue | 251,383 | 234,098 | 17,285 | 7.38% |
| Rental income and other accessory revenue | 7,519 | 7,667 | (148) | -1.93% |
| Total | 258,902 | 241,765 | 17,137 | 7.09% |

The increase in "net toll revenue" - equal to EUR 17.3 million (+7.38%) - was due (i) EUR 9.6 million (+4.09%) to the revenue of the licensee Società di Progetto Autovia Padana S.p.A. (whose concession became effective on March 1, 2018 and whose motorway revenue were, therefore, consolidated only for the month of March in the first quarter of 2018), (ii) EUR 6.8 million (+2.89%) to the growth of traffic volumes, and (iii) EUR 0.9 million (+0.40%) to the recognition of toll adjustments starting from 1 January 2019.

"Rental income and other accessory revenue" mainly derives from *service area royalties*.

¹ +3.14% on like-for-like basis, net of changes in revenue from the Piacenza-Cremona-Brescia stretch, the concession for which is held by the subsidiary Società di Progetto Autovia Padana S.p.A. ("Autovia Padana") and became effective as of 1 March 2018.

² +3.0% on like-for-like basis (+2.21% heavy vehicles, +3.31% light vehicles), net of changes in traffic on the Piacenza-Cremona-Brescia stretch, the concession for which is held by Autovia Padana and became effective as of 1 March 2018.

³ The group operates on the Brazilian market through its jointly held subsidiary Ecorodovias Infraestrutura e Logística SA.

⁴ +0.6% on a like-for-like basis, -1.9% taking into account the effects of toll rates on "suspended axes".

The following table shows the net toll revenue for each licensee:

| Licensee | Motorway stretch | Q1 2019 | Q1 2018 | Change | % change |
|--|---|----------------|----------------|---------------|--------------|
| <i>(amounts in thousands of EUR)</i> | | | | | |
| SATAP S.p.A. | A4 (Torino-Milano) stretch | 66,640 | 64,569 | 2,071 | 3.21% |
| SATAP S.p.A. | A21 (Torino-Piacenza) stretch | 41,153 | 40,458 | 695 | 1.72% |
| SAV S.p.A. | A5 (Quincinetto-Aosta) stretch | 16,795 | 16,153 | 642 | 3.98% |
| ADF S.p.A. | A10 (Savona-Ventimiglia) stretch | 33,916 | 33,353 | 563 | 1.69% |
| ADF S.p.A. | A6 (Torino-Savona) stretch | 15,453 | 14,461 | 992 | 6.86% |
| SALT p.A. | A12 (Sestri Levante-Livorno, Viareggio-Lucca and Fornola-La Spezia) stretch | 38,840 | 38,052 | 788 | 2.07% |
| SALT p.A. | A15 (La Spezia-Parma) stretch | 19,689 | 17,954 | 1,735 | 9.66% |
| Asti-Cuneo S.p.A. | A33 (Asti-Cuneo) stretch | 4,562 | 4,339 | 223 | 5.14% |
| Subtotal on like-for-like basis | | 237,048 | 229,339 | 7,709 | 3.36% |
| Autovia Padana S.p.A. ^(*) | A21 (Piacenza-Cremona-Brescia) stretch | 14,335 | 4,759 | 9,576 | n/a |
| Total | | 251,383 | 234,098 | 17,285 | 7.38% |

() The subsidiary Autovia Padana S.p.A. effectively took over the concession from 1 March 2018; consequently, the comparative data for the first quarter of 2018 include only the month of March.*

Traffic performance

Overall traffic performance in the first three months of 2019, compared with the same period of 2018, saw growth of **10.19%** (+3.00% on like-for-like basis) as shown in the tables below:

| <i>(millions vehicle/km)</i> | 1/1-31/3/2019 | | | 1/1-31/3/2018 | | | Change | | |
|--|---------------|------------|--------------|---------------|------------|--------------|--------------|---------------|---------------|
| | Light | Heavy | Total | Light | Heavy | Total | Light | Heavy | Total |
| January | 495 | 187 | 682 | 496 | 182 | 678 | -0.31% | 2.99% | 0.57% |
| February | 462 | 187 | 649 | 458 | 182 | 640 | 1.07% | 2.37% | 1.44% |
| March | 570 | 211 | 781 | 524 | 208 | 732 | 8.68% | 1.38% | 6.61% |
| Subtotal on like-for-like basis | 1,527 | 585 | 2,112 | 1,478 | 572 | 2,050 | 3.31% | 2.21% | 3.00% |
| Autovia Padana ^(*) | 147 | 85 | 232 | 48 | 29 | 77 | n/a | n/a | n/a |
| Total 1/1 – 31/3 | 1,674 | 670 | 2,344 | 1,526 | 601 | 2,127 | 9.67% | 11.52% | 10.19% |

() The subsidiary Autovia Padana S.p.A. effectively took over the concession from 1 March 2018; consequently, the comparative data for the first quarter of 2018 include only the month of March.*

As shown by the table above, the first quarter 2019 traffic figures benefitted from the inclusion for the entire quarter of the traffic data relative to the licensee Autovia Padana, whose concession became effective as of 1 March 2018. A comparison on a like-for-like basis (excluding data for Autovia Padana) shows, in any case, a significant increase in traffic of around 3% (+3.31% for "light vehicles" and +2.21% for "heavy vehicles").

Traffic performance by single licensee is shown below:

| <i>(millions vehicle/km)</i> | 1/1-31/3/2019 | | | 1/1-31/3/2018 | | | Change | | |
|---|---------------|------------|--------------|---------------|------------|--------------|--------------|---------------|---------------|
| | Light | Heavy | Total | Light | Heavy | Total | Light | Heavy | Total |
| SATAP S.p.A. – A4 stretch | 415 | 147 | 562 | 399 | 143 | 542 | 3.81% | 2.22% | 3.39% |
| SATAP S.p.A. - A21 stretch | 291 | 165 | 456 | 286 | 162 | 448 | 1.71% | 1.70% | 1.71% |
| SAV S.p.A. | 66 | 19 | 85 | 63 | 19 | 82 | 4.68% | 2.46% | 4.17% |
| Autostrada dei Fiori - A10 stretch | 176 | 73 | 249 | 176 | 72 | 249 | -0.22% | 1.22% | 0.20% |
| Autostrada dei Fiori - A6 stretch | 157 | 40 | 197 | 147 | 40 | 187 | 6.58% | 0.80% | 5.34% |
| SALT p.A. - A12 stretch | 289 | 87 | 376 | 284 | 84 | 368 | 1.90% | 2.85% | 2.12% |
| SALT p.A. - A15 stretch | 108 | 45 | 153 | 98 | 43 | 141 | 9.84% | 5.27% | 8.46% |
| Autostrada Asti-Cuneo S.p.A. | 27 | 9 | 36 | 25 | 9 | 34 | 5.91% | 4.56% | 5.56% |
| Subtotal on like-for-like basis | 1,527 | 585 | 2,112 | 1,478 | 572 | 2,050 | 3.31% | 2.21% | 3.00% |
| Autovia Padana S.p.A. ^(*) | 147 | 85 | 232 | 48 | 29 | 77 | n/a | n/a | n/a |
| Total with Autovia Padana S.p.A. | 1,674 | 670 | 2,344 | 1,526 | 601 | 2,127 | 9.67% | 11.52% | 10.19% |

() The subsidiary Autovia Padana S.p.A. effectively took over the concession from 1 March 2018; consequently, the comparative data for the first quarter of 2018 include only the month of March.*

Investments in motorway assets

Investments in motorway assets made in the period amounted to EUR 49.3 million.

Regulatory framework

Starting 1 January 2019, the licensees of the SIAS Group were authorised to apply the requested toll adjustments, which are detailed as follows:

- +1.86% for SALT p.A. - A15 stretch
- +0.71% for Autostrada dei Fiori S.p.A. – A10 stretch
- +2.22% for Autostrada dei Fiori S.p.A. – A6 stretch
- +0.10% for Autovia Padana

Starting from September 2018, following the publication of Decree Law 109 (Genova Decree Law), converted by Law 130 of 16 November 2018, the Transport Regulatory Authority (ART) identified new tariff models for the motorway sector based on the price cap method, with determination of the productivity indicator X every five years. Consequently, with Resolution 16/2019 of 18 February 2019, ART (i) initiated a procedure aimed at establishing the new toll system for each of the concessions concerned and (ii) called a public consultation, with the procedure to be completed by 28 June 2019.

Following the opening of the above-mentioned consultation procedure, in addition to making a series of critical comments on the subject, most of the SIAS Group's licensees lodged an administrative appeal against Resolution 16/2019, contesting, inter alia, the jurisdiction of ART with regard to various aspects of the impugned resolution.

Ecorodovias

With reference to Ecorodovias Infraestrutura e Logística S.A., one of the major motorway operators in Brazil, which is under the group's joint control and is listed on Novo Mercado Bovespa ("Ecorodovias"), the Company recorded the following results for **the first quarter of 2019**:

- **traffic volume growth of +0.6%⁵**;
- **"motorway sector revenue" totalled R\$ 680.5⁶ million (R\$ 695 million in the first quarter of 2018)**:

In addition, on 1 April 2019, the licensee **"Eco135"** (which is managing 364 km of motorways in the State of Minas Gerais for 30 years), a subsidiary of Ecorodovias, officially started toll collection at its six toll plazas, with payment possible manually, via transponder and by debit card.

⁵ +0.6% on a like-for-like basis, -1.9% taking into account the effects of toll rates on "suspended axles".

⁶ The change in revenue was due R\$ 30.8 million to the effects of tolls on "suspended axles", which will be subject to contractual rebalancing.

GROUP FINANCIAL DATA

The international accounting standard "IFRS 16 – Leases" was applied as from 1 January 2019; the standard establishes a single model for the recognition and measurement of lease contracts for the lessee, which provides for the leased asset, including operating assets, to be recognised as an asset but with a balancing entry under financial liabilities. In the first-time adoption, the Group has chosen to apply the "simplified retrospective method", recognising the cumulative effect of applying the standard in equity as at 1 January 2019⁷, and therefore not modifying the comparative figures for the previous year.

The application of this standard has led to the recognition in adjusted net financial indebtedness as at 31 March 2019 (under the items "Other current financial payables" and "Other long-term payables") of additional financial payables of approximately EUR 13 million.

The breakdown of **adjusted net financial indebtedness** is provided below:

| <i>(amounts in thousands of EUR)</i> | 31/03/2019 | 31/12/2018 | Change |
|---|--------------------|--------------------|-----------------|
| A) Cash and cash equivalents | 1,014,426 | 963,044 | 51,382 |
| B) Securities held for trading | - | - | - |
| C) Liquidity (A) + (B) | 1,014,426 | 963,044 | 51,382 |
| D) Financial receivables | 488,974 | 481,061 | 7,913 |
| E) Bank short-term borrowings | (15,028) | (19,182) | 4,154 |
| F) Current portion of medium/long-term borrowings | (278,486) | (322,442) | 43,956 |
| G) Other current financial liabilities | (42,558) | (50,478) | 7,920 |
| H) Short-term borrowings (E) + (F) + (G) | (336,072) | (392,102) | 56,030 |
| I) Current net cash (C) + (D) + (H) | 1,167,328 | 1,052,003 | 115,325 |
| J) Bank long-term borrowings | (770,721) | (721,015) | (49,706) |
| K) Hedging derivatives | (32,219) | (35,730) | 3,511 |
| L) Bonds issued | (1,537,740) | (1,537,183) | (557) |
| M) Other non-current liabilities | (11,483) | (1,252) | (10,231) |
| N) Long-term borrowings (J) + (K) + (L) + (M) | (2,352,163) | (2,295,180) | (56,983) |
| O) Net financial indebtedness^(*) (I) + (N) | (1,184,835) | (1,243,177) | 58,342 |
| P) Non-current financial receivables | 139,434 | 136,952 | 2,482 |
| Q) Discounted value of the payable due to ANAS – Central Insurance Fund | (134,890) | (132,830) | (2,060) |
| R) Adjusted net financial indebtedness (O) + (P) + (Q) | (1,180,291) | (1,239,055) | 58,764 |

(*) Pursuant to ESMA Recommendation

As at 31 March 2019, "**adjusted net financial indebtedness**" totalled EUR **1,180.3 million**. Despite the significant programme of motorway investments made during the period and the effects of accounting for lease/rental agreements in accordance with IFRS 16, the positive trend in operating cash flow in the quarter led to an **improvement** of approximately EUR **58.8 million** in adjusted net financial indebtedness.

The **financial resources available** as at 31 March 2019 are broken down as follows:

(amounts in millions of EUR)

| | |
|--|---|
| • Cash and cash equivalents and Current financial receivables | 1,503 |
| • Investment funds ⁸ | 18 |
| • Loan from Cassa Depositi e Prestiti (in favour of SATAP S.p.A.) | 290 |
| • Syndicated loan (in favour of SIAS S.p.A.) for the purposes of Autovia Padana S.p.A. capex | 127 |
| • "Uncommitted" credit lines (in favour of SIAS S.p.A. and its consolidated subsidiaries) | 274 |
| • Back up committed facilities (pertaining to SIAS S.p.A.) | 80 |
| | Subtotal |
| | 771 |
| | Total financial resources as at 31 March 2019 |
| | 2,292 |

⁷ In accordance with paragraphs C7-C13 of IFRS 16

⁸ The amount relating to investment funds is included in the adjusted net financial position under the item "non-current financial receivables".

ALTERNATIVE PERFORMANCE INDICATORS

The SIAS Group uses alternative performance indicators in its financial reporting; said indicators, while being widely used, are neither defined nor specified in the accounting standards applicable to the preparation of the annual financial statements or the periodic financial reporting. In accordance with Consob Communication no. 92543/2015 and ESMA/2015/1415 guidelines, the definition of such indicators is provided below.

- **"Net toll revenue"**: toll revenue net of the fee/surcharge payable to ANAS.
- **"Adjusted net financial indebtedness"**: is the indicator of the net invested capital portion covered by net financial liabilities and corresponds to "Current and non-current financial liabilities", net of "Current financial assets", "Insurance policies", "Investment funds", "Receivables for the takeover value" and "Financial receivables from minimum guaranteed amounts (IFRIC 12)". Note that the "Adjusted net financial indebtedness" differs from the net financial position prepared in accordance with the ESMA recommendation of 20 March 2013, as it includes the "Present value of the amount due to ANAS – Central Insurance Fund (FCG)" and "Non-current financial receivables". The adjusted net financial indebtedness statement contains an indication of the value of the net financial position prepared in accordance with the aforementioned ESMA recommendation.

The manager in charge of drawing up the corporate accounting documents, Mr. Sergio Prati, declares - pursuant to Paragraph 2, Article 154 bis of the Consolidated Law on Finance - that the accounting disclosure contained in this press release corresponds to the Company's documentary records, ledgers and accounting entries.

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