

PRESS RELEASE

The Board of Directors of SIAS approves the Interim Financial Report as at 30 June 2019

- Total revenue growth: +6.1%
- Increase in motorway traffic in Italy and Brazil
- CIPE gives the green light to the financing scheme for the completion of Asti-Cuneo motorway

Key highlights of consolidated economic and financial results:

• Turnover:	€ 613 million (€ 577.6 million in the first half of 2018)
• Net toll revenue:	€ 540.5 million (523.7 million in the first half 2018)
• EBITDA:	€ 347 million (€ 349.9 million in the first half of 2018)
• "Normalised" EBITDA ¹ :	€ 354,4 million
• Net profit:	€ 124.6 million (€ 127.8 million in the first half of 2018)
• Operating cash flow:	€ 275.1 million (268.7 million in the first half 2018)
• Net financial indebtedness:	€ 1,213.6 million (EUR 1,239.1 million at 31 December 2018)

Key highlights - motorway concessions sector:

- Italy
 - Motorway sector revenues: € 556 million
 - Motorway sector EBITDA: €342 million
 - Traffic performance: +3.74%² ("light vehicles" +2.98%, "heavy vehicles" +5.78%)
- Brazil³
 - Motorway sector revenues: 1,392 million reais
 - Proforma EBITDA: 923 million reais (+2.6%)
 - Traffic performance: +8.9%⁴ ("light vehicles" +7.4%, "heavy vehicles" +10.6%)

Tortona, 2 August 2019. The SIAS Board of Directors, which met today under the chairmanship of Paolo Pierantoni, reviewed and approved the "Interim Financial Report at 30 June 2019".

¹ "Normalised" EBITDA – amounting to EUR 7.4 million – takes into account the effects of the advancement to the first half of the maintenance work programme planned for the full year of 2019.

² +0.68% on a like-for-like basis (+1.57% heavy vehicles, +0,37% light vehicles), net of traffic for the period from March to June 2018 related to the Piacenza-Cremona-Brescia stretch, of which the concession managed by the subsidiary Autovia Padana became effective on 1 March 2018.

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

⁴ -0.2% on a like-for-like basis - with the exception of (i) the traffic of the licensees Eco135 and Eco050 (MGO), subject to tolls since 1 April and 1 June 2019 respectively, and (ii) the effects of "suspended axles", including - for the first half of 2018 - the effects of the truck drivers' strikes that affected the period between 21 May and 3 June 2018.

ANALYSIS OF ECONOMIC AND FINANCIAL HIGHLIGHTS

CONSOLIDATED GROUP ECONOMIC DATA

The overall **“turnover”** was equal to EUR **613** million (EUR 577.6 million in the first half of 2018), with an overall growth of 6.1% compared to the same period in the previous year.

“Motorway sector revenue” totalled EUR 556.1 million (EUR 539.2 million in the first half of 2018) and breaks down as follows:

- *“Net toll revenues”*, equal to EUR 540.5 million, an increase of EUR 17 million (+3.2%) due to higher revenues from the licensee Autovia Padana¹ (EUR +9.6 million), the growth in traffic volumes (EUR +5 million) and the recognition as at 1 January 2019 of toll adjustments (EUR +2.2 million);
- *“rental income and other accessory revenues”* equal to EUR 15.6 million.

“Technology sector revenue” totalled EUR 36.8 million (EUR 21.8 million in the first half of 2018).

“Operating costs”, totalling EUR **266** million, show an increase of EUR 38.3 million, attributable for EUR 8 million for higher costs relating to the licensee Autovia Padana S.p.A.¹, for EUR 18.4 million for increased costs of the other companies operating in the motorway sector (this change of around EUR 7.4 million is mainly due to the advancement to the first half the maintenance work programme planned for the entire current year) and, for the remaining part, the increase is attributable to the higher production carried out for third parties by the companies operating in the “technology” sector”.

With regard to the above, the “Gross operating margin (EBITDA)” amounted to EUR 347 million, showing a decrease of EUR 2.9 million, reflecting the growth of the “Technology sector” (EUR 2.3 million) and the “Services sector” (EUR 1.4 million), which is offset by the decrease in the gross operating margin of the “Motorway sector” (approximately EUR 6.6 million) mainly due to the above advancement, to the first half, of the maintenance work programme planned for the entire year under way. The **“Normalised EBITDA”** resulting from this advancement has therefore **grown by EUR 4.5 million**, settling at an amount equal to **EUR 354.4 million**.

“Net amortisation/depreciation and provisions” is equal to EUR 142.9 million (EUR 141.7 million in the first half of FY 2018); the change is due to: (i) higher amortisation and depreciation for EUR 16.1 million², (ii) lower net provisions in the “provision for restoration and replacement” of non-compensated revertible assets for EUR 14.9 million and (iii) lower provisions for risks and charges for EUR 0.1 million.

“Financial income” amounted to EUR 7.8 million, with a decrease of EUR 2.1 million as a result of lower dividends distributed by investee companies and higher income resulting from cash investments.

The item **“financial expenses”** – including the expenses for Interest Rate Swap contracts – decreased by EUR 3.1 million due to the process to streamline financial resources and funding sources. 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 results from jointly controlled entities and associated companies. The change in the half, compared to the same period the previous year, is mainly attributable to the lower contribution of certain investee companies operating in the motorway sector (ATIVA S.p.A., SITAF S.p.A., Brazilian licensees).

The amount of **“income taxes”** of 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 the FYs 2013-2018.

The **share attributed to owners of the parent company of the “profit for the period”** – substantially in line with the same period the previous year – amounted to EUR 124.6 million.

¹ The concession to Autovia Padana became effective as from 1 March 2018. Consequently, the revenues and costs related to the management of the A21 Piacenza-Cremona-Brescia motorway stretch in 2018 related only to four months (March to June).

² In determining the amortisation and depreciation of non-compensated revertible assets, the “takeover values” in the PEFs approved by the Granting Body in September 2017 and the agreements signed with the body with reference to the A21 stretch, were also considered.

Summary table of consolidated earnings data

<i>(amounts in thousands of EUR)</i>	1HY 2019	1H 2018⁴	Changes
Motorway sector revenue – operating activities ^{1,2}	556,099	539,236	16,863
Technology sector revenue	36,763	21,791	14,972
Other revenue ³	20,094	16,579	3,515
Total turnover	612,956	577,606	35,350
Operating costs ^{1,2,3}	(265,985)	(227,720)	(38,265)
Gross operating margin (EBITDA)	346,971	349,886	(2,915)
Net amortisation/depreciation and provisions	(142,916)	(141,682)	(1,234)
Operating income	204,055	208,204	(4,149)
Financial income	7,806	9,877	(2,071)
Financial expenses	(44,842)	(47,942)	3,100
Capitalised financial expenses	7,782	6,385	1,397
Profit (loss) of companies accounted for by the equity method	1,004	16,599	(15,595)
Net financial income (expense)	(28,250)	(15,081)	(13,169)
Profit before tax	175,805	193,123	(17,318)
Income taxes (current and deferred)	(40,210)	(53,483)	13,273
Profit for the period	135,595	139,640	(4,045)
• Profit assigned to Non-Controlling Interests	10,960	11,792	(832)
• Profit assigned to the Parent Company's Shareholders	124,635	127,848	(3,213)

(1) Amounts net of the fee/additional fee payable to ANAS (EUR 41.5 million in the first half of 2019 and EUR 39.7 million in the first half of 2018).

(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 115.7 million in the first half of 2019 and EUR 68 million in the first half of 2018 respectively – were reversed for the same amount from the corresponding revenue/cost items.

(3) Amounts net of cost/revenue reversals of EUR 2.8 million in the first half of 2019 (EUR 3.3 million in the first half of 2018).

(4) With reference to the data relating to the first half of 2018, note that the concession granted to the subsidiary Autovia Padana took effect as of 1 March 2018; consequently, its management of the A21 Piacenza-Cremona-Brescia stretch contributed to the profit/(loss) of the first half of 2018 for four months only.

GROUP CONSOLIDATED FINANCIAL DATA

The “**adjusted net financial indebtedness**” showed at 30 June 2019 a balance equal to EUR **1,213.6** million. Despite the significant programme for motorway investments made in the period (as provided by the PEFs), the payment of the final of dividends relating to the year 2018 and the effects relating to the accounting of lease contracts pursuant to IFRS 16¹, the increased operating cash flow led to an improvement in the half year of around EUR 25.5 million of the “adjusted” net financial indebtedness.

The change in the half year to the “net financial indebtedness” (equal to EUR 25.1 million) was due to: (i) the payment of dividends by the Parent Company (EUR 121.7 million), (ii) the payment of dividends by subsidiaries to minority shareholders (EUR 22.9 million), (iii) the execution of enhancement works on the Group's motorway infrastructure (EUR 115.7 million), (iv) investments in other works and the payment of advances with reference to revertible assets (EUR 20.4 million), (v) the acquisition of equity investments, the purchase of minorities and loans (EUR 34 million), (vi) the above-mentioned effect relating to the accounting of the lease contracts pursuant to IFRS 16 (EUR 11.6 million). These outflows were offset by: (i) “operating cash flow” (EUR 275.1 million), (ii) the change in net working capital (EUR 69.7 million) and (iii) other minor changes (EUR 0.5 million).

“Net financial indebtedness” as at 30 June 2019 also includes the positive difference accrued during the half year (EUR 6.3 million) for the fair value of IRS agreements (no cash item).

The item “*non-current financial receivables*” includes (i) receivables of EUR 120.7 million at the so-called “takeover value” for the A21 Torino-Piacenza stretch, the concession for which expired on 30 June 2017, (ii) EUR 18.5 million relative to “*investment funds*” subscribed as an investment of liquidity in previous financial years and (iii) EUR 2.3 million that represent – as provided for in IFRIC 12 – the discounted value of the medium/long term portion of cash flows related to the so-called “minimum amount guaranteed by the Granting Body”.

The change in the “*discounted value of the payable due to ANAS - FCG*” is due to the charges for discounting the payable itself.

Financial resources available as at 30 June 2019 totalled EUR 2,191 million.

Summary table of consolidated financial data

<i>(amounts in thousands of EUR)</i>	30/06/2019	31/12/2018	Changes
A) Cash and cash equivalents	899,186	963,044	(63,858)
B) Securities held for trading	-	-	-
C) Liquidity (A) + (B)	899,186	963,044	(63,858)
D) Financial receivables	506,186	481,061	25,125
E) Bank short-term borrowings	(27,713)	(19,182)	(8,531)
F) Current portion of medium/long-term borrowings	(274,762)	(322,442)	47,680
G) Other current financial liabilities	(59,255)	(50,478)	(8,777)
H) Short-term borrowings (E) + (F) + (G)	(361,730)	(392,102)	30,372
I) Current net cash (C) + (D) + (H)	1,043,642	1,052,003	(8,361)
J) Bank long-term borrowings	(682,934)	(721,015)	38,081
K) Hedging derivatives	(29,475)	(35,730)	6,255
L) Bonds issued	(1,538,306)	(1,537,183)	(1,123)
M) Other long-term payables	(11,006)	(1,252)	(9,754)
N) Long-term borrowings (J) + (K) + (L) + (M)	(2,261,721)	(2,295,180)	33,459
O) Net financial indebtedness^(*) (I) + (N)	(1,218,079)	(1,243,177)	25,098
P) Non-current financial receivables	141,470	136,952	4,518
Q) Discounted value of the payable due to ANAS – FCG	(136,951)	(132,830)	(4,121)
R) “Adjusted” net financial indebtedness (O) + (P) + (Q)	(1,213,560)	(1,239,055)	25,495

^(*) Pursuant to ESMA Recommendation

¹ From 1 January 2019, the “IFRS 16 - Leases” international accounting standard has applied; the standard establishes a single model for the recognition and measurement of lease contracts for the lessee, which calls for the leased asset, including operating assets, to be recognised as an asset but with a balancing entry under financial payables. When transitioning to the new standard, the Group choose to apply the “simplified retrospective method”, recognising in shareholders equity the cumulative effect of applying the standard as at 1 January 2019 and, therefore, not amending the comparative data relating to the previous period. The application of this standard resulted in the recognition in Adjusted net financial indebtedness as at 1 January 2019 (under “Other current financial liabilities” and “Other long-term payables”) of financial debt increased by around EUR 11.6 million.

MOTORWAY CONCESSIONS SECTOR

Motorway traffic performance – Italy

As regards performance in the motorway concessions sector, general traffic performance for the first half of 2019, compared to the corresponding period in 2018, **grew by 3.74%** (+0.68% on like-for-like basis), as detailed in the following table:

(millions vehicle/km)	1/1-30/6/2019			1/1-30/6/2018			Changes		
	Light	Heavy	Total	Light	Heavy	Total	Light	Heavy	Total
Total Q1: 1/1 – 31/3	1,527	585	2,112	1,478	572	2,050	3.31%	2.21%	3.00%
April	614	206	820	622	197	819	-1.30%	4.40%	0.07%
May	567	224	791	612	225	837	-7.37%	-0.60%	-5.55%
June	696	214	910	680	215	895	2.47%	-0.42%	1.77%
Total Q2: 1/4 - 30/6	1,877	644	2,521	1,914	637	2,551	-1.91%	1.01%	-1.18%
Subtotal 1/1 – 30/6 on like-for-like basis	3,404	1,229	4,633	3,392	1,209	4,601	0.37%	1.57%	0.68%
Autovia Padana (*)	314	177	491	219	120	339	n/a	n/a	n/a
Total 1/1 – 30/6	3,718	1,406	5,124	3,611	1,329	4,940	2.98%	5.78%	3.74%

(*) The concession granted to the subsidiary Autovia Padana took effect as at 1 March 2018; as a result, the comparative data relating to the first half of 2018 includes the traffic as of 1 March 2018.

As shown by the table above, the traffic figures from the first half of 2019 benefited from the calculation for the entire half year of the traffic data relating to the licensee Autovia Padana, whose concession took effect as of 1 March 2018. The comparison on a like-for-like basis (excluding the data relating to Autovia Padana) nevertheless shows a growth in traffic equal to approximately 0.68% (+1.57% of “heavy vehicles” and +0.37% of “light vehicles”). The drop recorded in the second quarter is attributable to (i) adverse weather conditions during the second half of April and more intensely in May 2019 and (ii) the night-time closure of some motorway stretches due to works.

The traffic performance by single Licensee is shown below:

(millions vehicle/km)	1/1-30/6/2019			1/1-30/6/2018			Changes		
	Light	Heavy	Total	Light	Heavy	Total	Light	Heavy	Total
SATAP S.p.A. – Stretch A4	849	299	1,148	835	295	1,130	1.75%	1.45%	1.67%
SATAP S.p.A. – Stretch A21	636	343	979	635	337	972	0.15%	1.16%	0.51%
SAV S.p.A.	127	40	167	123	39	162	2.95%	3.01%	2.97%
ADF – Stretch A10	415	156	571	424	154	578	-2.06%	1.16%	-1.20%
ADF – Stretch A6	352	85	437	356	86	442	-1.14%	-0.85%	-1.08%
SALT p.A. – Stretch A12	683	189	872	683	184	867	0.02%	2.47%	0.54%
SALT p.A. – Stretch A15	286	98	384	281	95	376	1.72%	3.63%	2.20%
Autostrada Asti-Cuneo S.p.A.	56	19	75	55	19	74	1.84%	3.43%	2.24%
Subtotal 1/1 – 30/6 on like-for-like basis	3,404	1,229	4,633	3,392	1,209	4,601	0.37%	1.57%	0.68%
Autovia Padana (*)	314	177	491	219	120	339	n/a	n/a	n/a
Total 1/1 – 30/6	3,718	1,406	5,124	3,611	1,329	4,940	2.98%	5.78%	3.74%

(*) The concession granted to the subsidiary Autovia Padana took effect as at 1 March 2018; as a result, the comparative data relating to the first half of 2018 includes the traffic as of 1 March 2018.

Regulatory framework – Italy

With Resolution 16/2019 of 18 February 2019, the **Transport Regulatory Authority** (hereinafter also referred to as the Authority or ART) had decided to initiate the consultation procedure intended to define the toll rate system, based on the price-cap method, with determination of the productivity indicator “X” every five years.

Upon conclusion of the preliminary investigation, on 19 June 2019 ART adopted specific resolutions for each licensee with the PEF being updated; as regards the SIAS Group, the specific resolutions related to the subsidiaries SATAP S.p.A. (Stretch A4), Asti-Cuneo S.p.A., SALT p.A. (Stretch A15 and Stretch A12), Autostrada dei Fiori S.p.A. (Stretch A10 and Stretch A6) and SAV S.p.A., in addition to the associated company SITAF S.p.A. in terms of the A32 motorway only (as the Fréjus T4 tunnel is regulated by a specific intergovernmental convention between Italy and France).

Reference to the content of the specific resolutions shows that the new toll rate system, as from 1 January 2020, requires the distinction of the toll rate in two main components (i) the management fee and (ii) the construction fee.

The resolutions in question also define a safeguard mechanism designed to ensure that the licensees recover the capital costs related to investments already made or yet to be made, in accordance with the level of profitability resulting from the application of the rate system previously in force.

In turn, the licensee companies of the SIAS Group filed an appeal through said ART resolution no. 16/2019. In addition, the Companies subject to the Resolutions of 19 June 2019 are assessing their contents in order to file an opposition, where applicable, in the relevant forums, including through these measures. In this context, it is noted, however, that the validity of the amendments proposed by ART is subject to their recognition in specific additional acts to be signed jointly by the licensee and by the granting body, the MIT, and submitted for approval according to the administrative procedure in force, which requires - among other things - their registration by the Court of Auditors.

Additionally, it is noted that as of 1 January 2019, the licensees of the SIAS Group were authorised to apply the requested increases in tolls, broken down as follows:

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

A33 Asti-Cuneo: CIPE gives the green light to the financing scheme for the completion of the motorway

On August 1st, the Italian Interministerial Committee for Economic Planning (CIPE, Comitato Interministeriale per la Programmazione Economica) approved a new financing scheme regulation the completion of the Asti – Cuneo motorway. According to said financing scheme, the investments already made and the additional investments required to complete the motorway shall be charged to SATAP A4 Torino-Milano. In exchange for said charges, SATAP A4 shall be awarded with a terminal value upon the expiry of its concession on 31st December 2026, likewise the company Asti-Cuneo upon expiry of its concession in 2031.

The Group has worked together with all the institutional stakeholders to achieve a common goal that will now allow the start of works on a project of great strategic importance for Piedmont and for the entire area of North-west Italy.

Ecorodovias

With reference to Ecorodovias, one of the main operators of Brazilian motorways of which the group has jointly-held control and which is listed on the Novo Mercado Bovespa (“Ecorodovias”), the Company posted the following in the **first half of FY 2019**:

- **traffic volume growth** of 8.9%¹;
- **6.9% growth in revenues from motorway management** totalling 1,392 million Reais (EUR 319.9 million²);
- a pro-forma **EBITDA** equal to **922.6** million Reais (EUR 212 million²), **up by 2.6%**;
- a **net profit equal** to **142.7** million Reais (EUR 32.8 million²).

Note that (i) on 1 April 2019 the licensee “Eco135” officially opened all six toll stations and (ii) on 30 May 2019 the transfer of the “Eco 050 (MGO)” concession to the Ecorodovias Group was completed.

¹ -0.2% on a like-for-like basis - with the exception of (i) the traffic of the licensees Eco135 and Eco050 (MGO), subject to tolls since 1 April and 1 June 2019 respectively, and (ii) the effects of “suspended axes”, including - for the first half of 2018 - the effects of the truck drivers’ strikes that affected the period between 21 May and 3 June 2018.

² Based on the Euro/Reais exchange rate of 4.3511 as at 28 June 2019.

BUSINESS OUTLOOK

On 13 June 2019 the Board of Directors of SIAS S.p.A. and the Board of Directors of ASTM S.p.A. convened their respective Shareholders' Meetings for 16 October of this year to deliberate on the merger by incorporation project of SIAS S.p.A. into ASTM S.p.A., which, in the absence of events beyond the control of the Companies, should be completed by the end of 2019.

This operation, in addition to streamlining the corporate structure and further strengthening the industrial and financial synergies, will establish a Group characterised as one company capable of expressing specific knowledge of the sectors of motorway concessions, construction, engineering and technological innovation.

The know-how it has built up allows the Group to present itself on the domestic motorway concessions market as a true standard-bearer in terms of operational abilities and financial capacity, in addition to being able successfully take part in upcoming tenders. As regards the management of its own infrastructures, the Group intends to continue to invest in improving the service offered to its customers, raising the technological standards of its network to help improve safety.

Similarly, the Group's objective is to develop its activities on the international markets with a high potential for growth. In Brazil, it will do so through the jointly held subsidiary Ecorodovias (which already manages around 2,650 km of motorway network), by successfully participating in significant investment plans and envisaged tenders. In the USA and North America, it will do so through the newly incorporated Itinera Infrastructure and Concession Inc., which is continuing the development of important greenfield concession projects.

Again in the technology sector, the Group - through the subsidiary SINELEC S.p.A. - is implementing its strategic plan for growth overseas, in particular in the American market. The company also continues to develop the "Smart Road" project, flanked by continuous and constant research intended to identify the most suitable technological solutions to enable the innovative and long-term digitalisation plan launched by ANAS (such as solutions for infrastructure-vehicle communications). Another process was launched for the evolution of collection solutions based on the gradual adoption of new technologies like Artificial Intelligence and Edge Computing.

OTHER INFORMATION

With reference to the merger by incorporation of SIAS S.p.A. into ASTM S.p.A., note that on 5 July 2019, CONSOB approved the offer document relating to the voluntary partial public tender offer submitted by ASTM, pursuant to art. 102 of the TUF, regarding a maximum number of 11,377,108 SIAS shares, equal to 5% of the subscribed and paid share capital of SIAS. The consideration for each SIAS share tendered to the offer and purchased by ASTM is equal to EUR 17.50.

The tender period, agreed with Borsa Italiana S.p.A., began on 8 July and ended on 26 July 2019. During the tender period, 24,356,361 shares were tendered, amounting to about 214.082% of the shares subject to the offer and approximately 10.704% of the share capital. Since the number of SIAS shares tendered was greater than the maximum number of shares subject to the offer, the tendered shares were allocated according to the "pro-rata" method described in the offer document (the applicable allocation coefficient was equal to 46.711%). On 2 August 2019 - taking into account the rounding effect of the allocation coefficient - ASTM withdrew a total of 11,376,796 SIAS shares (amounting to approximately EUR 199.1 million) and arranged for the renewed availability to their respective owners (without the charging of fees or costs to them) of 12,979,565 shares that were not acquired under the tender.

For further information, please refer to the press releases issued on 5 July by SIAS and on 26, 31 July and 1 August 2019 by ASTM S.p.A..

The Interim Financial Report at 30 June 2019 will be made available, as provided by law, at the registered office of the company and is available on the Company's website: www.grupposias.it, on the website of Borsa Italiana S.p.A.: www.borsaitaliana.it and on the authorised storage platform: www.emarketstorage.com

The manager in charge of drawing up the corporate accounting documentation, Mr Sergio Prati, hereby declares – pursuant to Paragraph 2, Article 154 bis of the Legislative Decree no. 58 of 24 February 1998 – that the accounting disclosure contained in this press release corresponds to the Company's documentary records, books and accounting entries.

Att.: - Condensed Consolidated Interim Financial Report Schedules as at 30 June 2019



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ALTERNATIVE PERFORMANCE MEASURES - APM

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

The APMs presented in the "Management Report" are considered relevant for assessing the comprehensive income 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 SIAS Group presents restated financial statements that differ from those envisaged by the IAS/IFRS included in the Condensed Consolidated Interim Financial Report; therefore, the restated consolidated income statement, consolidated financial position and the 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 Consolidated Financial Statements as it does not include (i) revenue for the planning and construction activity of non-compensated revertible assets, (ii) the fee/surcharge payable to ANAS and (iii) reversals of costs/revenue for consortium companies (iv).
- b) "Value of production": value of production in the construction sector refers to revenue for works and planning and changes in works to order.
- c) "Gross operating margin" (EBITDA): is the summary indicator of profitability deriving from operating activities and is determined by subtracting from the "Total revenues" 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) "Normalised gross operating margin (EBITDA)": exposes the "Gross operating margin" normalised to account for the effects of the advancement - to the first half - of the programme of maintenance work planned for the full period 2019.
- 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) "Adjusted net financial indebtedness": is the indicator of the net invested capital portion covered by net financial liabilities and is determined by "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 "Discounted value of the payable 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.
- h) "Operating cash flow": indicates the cash generated or absorbed by operating activities and was calculated by adding to the profit for the period the depreciation, amortisation, adjustment of the provision for restoration/replacement of non-compensated revertible assets, the adjustment of the provision for employee severance indemnities, the provisions for risks, the loss (profits) of companies accounted for by the equity method and the (revaluations) write-downs of financial assets, and by deducting the capitalisation of financial expenses.



SIAS Group
Condensed Interim Financial Report Schedules
as at 30 June 2019

Consolidated balance sheet

<i>(amounts in thousands of EUR)</i>	30 June 2019	31 December 2018
Assets		
Non-current assets		
Intangible assets		
goodwill	36,414	36,414
other intangible assets	15,173	14,628
concessions – non-compensated revertible assets	3,024,067	3,037,709
Total intangible assets	3,075,654	3,088,751
Tangible assets		
property, plant, machinery and other assets	53,262	54,252
rights of use	14,721	2,463
Total tangible assets	67,983	56,715
Non-current financial assets		
equity accounted investments	688,523	676,222
other equity investments	99,687	95,195
other non-current financial assets	501,061	540,973
Total non-current financial assets	1,289,271	1,312,390
Deferred tax assets	125,498	131,075
Total non-current assets	4,558,406	4,588,931
Current assets		
Inventories and contract assets	42,361	29,690
Trade receivables	73,896	63,740
Current tax assets	30,773	20,186
Other receivables	55,554	142,726
Current financial assets	322,762	264,570
Total	525,346	520,912
Cash and cash equivalents	899,186	963,044
Total current assets	1,424,532	1,483,956
Total assets	5,982,938	6,072,887
Shareholders' equity and liabilities		
Shareholders' equity		
Shareholders' equity attributed to owners of the parent company		
share capital	113,771	113,771
reserves and earnings	2,162,421	2,150,260
Total	2,276,192	2,264,031
Shareholders' equity attributed to minority interests	307,195	319,316
Total shareholders' equity	2,583,387	2,583,347
Liabilities		
Non-current liabilities		
Provisions for risks and charges and employee benefits	185,407	200,482
Trade payables	-	-
Other payables and contract liabilities	180,904	180,904
Bank debt	682,934	721,015
Hedging derivatives	29,475	35,730
Other financial liabilities	1,549,312	1,538,435
Deferred tax liabilities	51,509	51,529
Total non-current liabilities	2,679,541	2,728,095
Current liabilities		
Trade payables	179,086	166,558
Other payables and contract liabilities	110,254	193,042
Bank debt	302,475	341,624
Other financial liabilities	59,255	50,478
Current tax liabilities	68,940	9,743
Total current liabilities	720,010	761,445
Total liabilities	3,399,551	3,489,540
Total shareholders' equity and liabilities	5,982,938	6,072,887

Consolidated income statement

<i>(amounts in thousands of EUR)</i>	1HY 2019	1HY 2018
Revenues		
motorway sector – operating activities	597,567	578,925
motorway sector – planning and construction activities	115,692	67,988
technology sector	36,763	21,791
other	22,878	19,937
Total revenues	772,900	688,641
Payroll costs	(98,989)	(89,646)
Costs for services	(235,395)	(173,343)
Costs for raw materials	(24,790)	(11,406)
Other Costs	(66,780)	(64,487)
Capitalised costs on fixed assets	25	127
Amortisation, depreciation and write-downs	(156,155)	(140,011)
Adjustment of the provision for restoration/replacement of non-compensated revertible assets	13,249	(1,609)
Other provisions for risks and charges	(10)	(62)
Financial income:		
from unconsolidated investments	484	3,178
other	7,322	6,699
Financial expenses:		
interest expense	(36,225)	(40,147)
other	(835)	(1,410)
Profit (loss) of companies accounted for by the equity method	1,004	16,599
Profit (loss) before taxes	175,805	193,123
Taxes		
Current taxes	(36,366)	(50,824)
Deferred taxes	(3,844)	(2,659)
Profit (loss) for the period	135,595	139,640
<ul style="list-style-type: none"> • share attributed to minority interests • share attributed to owners of the parent company 	10,960 124,635	11,792 127,848
Earnings (euro per share)	0.548	0.562

Statement of comprehensive income

<i>(amounts in thousands of EUR)</i>	1HY 2019	1HY 2018
Profit (loss) for the period (a)	135,595	139,640
Actuarial profit (loss) on employee benefits (Employee Severance Indemnity)	-	-
Actuarial profit (loss) on employee benefits (Employee Severance Indemnity) – companies accounted for by the equity method	-	-
Profit (loss) allocated to "Reserves for revaluation at fair value"	5,435	2,803
Tax effect on profit (loss) that will not be subsequently reclassified in the Income Statement when certain conditions are met	(159)	54
Profit (loss) that will not be subsequently reclassified in the Income Statement (b)	5,276	2,857
Profit (loss) posted to "cash flow hedge reserve" (interest rate swaps)	508	10,931
Share of other profit/(loss) of companies accounted for by the equity method (reserve for foreign exchange translations)	4,948	(27,820)
Tax effect on profit (loss) that will be subsequently reclassified in the Income Statement when certain conditions are met	(1,499)	(1,993)
Profit (loss) that will be subsequently reclassified in the Income Statement when certain conditions are met (c)	3,957	(18,882)
Comprehensive Income (a) + (b) + (c)	144,828	123,615
<ul style="list-style-type: none"> • share attributed to minority interests • share attributed to owners of the parent company 	11,168 133,660	12,021 111,594

Consolidated cash flow statement

<i>(amounts in thousands of EUR)</i>	1HY 2019	1HY 2018
Cash and cash equivalents – opening balance	963,044	441,275
Change in the scope of consolidation	(226)	-
Cash and cash equivalents, adjusted – opening balance (a)	962,818	441,275
Profit (loss)	135,595	139,640
Adjustments		-
Amortisation and depreciation	156,155	140,011
Adjustment to the provision for restoration/replacement of non-compensated revertible assets	(13,249)	1,609
Adjustment to the provision for employee benefits	468	462
Provisions for risks	10	62
Profit (loss) of companies accounted for by the equity method (net of dividends collected)	10,689	(406)
Other capitalised financial expenses	(6,814)	(6,274)
Capitalisation of financial expenses	(7,782)	(6,404)
<i>Operating Cash Flow (I)</i>	<u>275,072</u>	<u>268,700</u>
Net change in deferred tax credits and liabilities	3,838	2,409
Change in net working capital	69,635	6,385
Other changes from operating activities	(3,405)	(1,491)
<i>Change in net working capital and other changes (II)</i>	<u>70,068</u>	<u>7,303</u>
Cash generated (absorbed) by operating activities (I+II) (b)	345,140	276,003
Investments in revertible assets and related advances	(132,930)	(367,750)
Divestiture of revertible assets	-	-
Grants related to revertible assets	-	-
<i>Net investments in revertible assets (III)</i>	<u>(132,930)</u>	<u>(367,750)</u>
Investments in property, plant, machinery and other assets	(1,342)	(787)
Investments in intangible assets	(1,940)	(2,368)
Net divestiture of property, plant, machinery and other assets	108	-
Net divestiture of intangible assets	-	-
<i>Net investments in intangible and tangible assets (IV)</i>	<u>(3,174)</u>	<u>(3,155)</u>
(Investments)/Divestiture in non-current financial assets	(355)	(17,328)
(Investments)/Divestiture of non-current financial assets - equity investments	-	1,629
<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>(34,411)</u>	<u>(15,699)</u>
Cash generated (absorbed) by investment activity (III+IV+V+VI) (c)	(170,515)	(386,604)
Net change in bank debt	(77,233)	49,806
Issue/(Reimbursement) of bond loans	-	541,023
Change in financial assets	(58,192)	(40,783)
(Investments)/Divestiture of capitalisation insurance policies	34,708	38,454
Change in other financial liabilities (including Central Insurance Fund)	7,244	20,134
Changes in shareholders' equity attributed to minority interests	(172)	61,581
Changes in shareholders' equity attributed to owners of the parent company	-	-
Dividends (and interim dividends) distributed by the Parent Company	(121,735)	(45,508)
Dividends (and interim dividends) distributed by Subsidiaries to Non-controlling Interests	(22,877)	(19,867)
Cash generated (absorbed) by financial activity (d)	(238,257)	604,840
Cash and cash equivalents – closing balance (a+b+c+d)	899,186	935,514
Additional information:		
Taxes paid during the period	1,702	4,951
Financial expenses paid during the period	41,133	39,564
Operating Free Cash Flow		
<i>Operating Cash Flow</i>	275,072	268,700
<i>Change in net working capital and other changes</i>	70,068	7,303
<i>Net investments in revertible assets</i>	(132,930)	(66,750)
<i>A21 Piacenza-Cremona-Brescia concession-takeover</i>	-	(301,000)
<i>Free Operating Cash Flow</i>	<u>212,210</u>	<u>(91,747)</u>