

## PRESS RELEASE

### THE BOARD OF DIRECTORS APPROVES THE SEPARATE FINANCIAL STATEMENTS AND THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2016

#### *Highlights of consolidated economic and financial results*

- Total revenues of EUR 1.1 billion
- Net profit: EUR 162 million
- Increase in traffic of 1.85%
- EBITDA: EUR 661.7 million (+2.4%)
- Investments in motorway infrastructures: EUR 175 million
- Net financial debt: EUR 1,648 million

#### *Dividend:*

- final dividend, of EUR 0.18 per share
- **total dividend for 2016** of EUR 0.32 per share, for a total amount of approximately EUR 73 million (considering the interim dividend – equal to EUR 0.14 per share – paid in November 2016).

**Shareholders' Meeting:** convened on 27 April 2017 (single call).

Tortona, 13 March 2017. The SIAS Board of Directors, in today's meeting chaired by Prof. Stefania Bariatti, reviewed and approved the "Separate Financial Statements and the Consolidated Financial Statements as at 31 December 2016".

#### HIGHLIGHTS

Group "**turnover**" for the FY 2016 amounted to **around EUR 1.1 billion**.

"**EBITDA**" for the year amounted to EUR **661.7 million**, with an increase of EUR 15.8 million (+2.4%) reflecting a growth of the gross operating margin for the "motorway sector" (approximately EUR 32.6 million) and a decrease in the so-called "non-core sectors" (-EUR 16.8 million).

The year 2016 ended with a "**result of the Parent Company**" amounting to about EUR 162 million (EUR 160.7 million in 2015). This result, net of net of any "extraordinary" items (capital gains from the disposal of investments in FY 2015, higher write-downs of equity investments in FY 2016, variances for "non-recurring" operating income and costs) shows **an increase in the "adjusted" profit**<sup>1</sup> of approximately EUR 13 million (**+8.5%**) compared to the figure for 2015.

"**Adjusted net financial indebtedness**" at 31 December 2016 amounted to EUR **1,648.1 million** and reflects, in particular, the equity share in Ecorodovias (third largest Brazilian motorway operator) completed during 2016.

The Board of Directors proposed to the Shareholders' Meeting convened on 27 April a **final dividend of EUR 0.18 per share**. The **total dividend for 2016**, therefore, was of **0.32 per share**, for a total value of around EUR 73 million.

<sup>1</sup> A description of the key performance indicators (KPI), including the definition of "adjusted" profit, is reported below.

## ANALYSIS OF MAIN ECONOMIC AND FINANCIAL FIGURES

### GROUP INCOME DATA

The comparison of **income items** for the years 2016 and 2015 is shown below:

(amounts in thousands of EUR)	2016	2015	Changes
Motorway sector revenue – operating activities <sup>(1)</sup>	1,007,127	974,317	32,810
Construction and engineering sector revenue <sup>(2)</sup>	1,047	1,577	(530)
Technology sector revenue	38,986	67,095	(28,109)
Parking sector revenue <sup>(3)</sup>	3,087	6,368	(3,281)
Other revenues <sup>(4)</sup>	39,866	38,532	1,334
<b>Total turnover</b>	<b>1,090,113</b>	<b>1,087,889</b>	<b>2,224</b>
Operating costs <sup>(1),(2),(4)</sup>	(428,451)	(441,970)	13,519
<b>Gross operating margin</b>	<b>661,662</b>	<b>645,919</b>	<b>15,743</b>
	61%	59%	
Non-recurring items	(224)	5,836	(6,060)
<b>"Adjusted" gross operating margin</b>	<b>661,438</b>	<b>651,755</b>	<b>9,683</b>
Net amortisation/depreciation and provisions	(306,187)	(293,274)	(12,913)
Write-down of goodwill	-	(1,619)	1,619
<b>Operating income</b>	<b>355,251</b>	<b>356,862</b>	<b>(1,611)</b>
Financial income	21,115	28,420	(7,305)
Financial charges	(117,288)	(127,085)	9,797
Capitalised financial charges	21,316	24,566	(3,250)
Write-down of equity investments	(5,162)	(2,633)	(2,529)
Profit (loss) of companies accounted for by the equity method	2,925	(1,342)	4,267
<b>Net financial income</b>	<b>(77,094)</b>	<b>(78,074)</b>	<b>980</b>
<b>Profit before tax</b>	<b>278,157</b>	<b>278,788</b>	<b>(631)</b>
Income taxes (current and deferred)	(93,776)	(96,167)	2,391
<b>Profit (loss) for the period</b>	<b>184,381</b>	<b>182,621</b>	<b>1,760</b>
• Profit assigned to minority interests	22,424	21,931	493
• <b>Profit assigned to the Parent Company's Shareholders</b>	<b>161,957</b>	<b>160,690</b>	<b>1,267</b>

(1) Amounts net of the fee/additional fee payable to ANAS (EUR 74.1 million in 2016 and EUR 72.4 million in 2015).

(2) With regard to motorway companies, the IFRIC12 sets out full recognition in the Profit and Loss Account 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 175.1 million in 2016 and EUR 208.4 million in 2015 – were reversed for the same amount from the corresponding revenue/cost items.

(3) Given the acknowledgement of a "minimum guaranteed amount" by the Granting Body, IFRIC12 requires: (i) the recognition in the financial statements of a financial receivable for the discounted amount of minimum cash flows guaranteed by the Granting Body; (ii) the decrease in revenues with regard to the portion attributable to the guaranteed minimum amount; and (iii) the recognition of financial income against said financial receivable. With regard to above, proceeds from parking activities and the gross operating margin of the subsidiary Fiera Parking S.p.A. were reduced by EUR 4 million in 2016, due to the so-called "guaranteed minimum amount".

(4) Amounts net of cost/revenues reversals of EUR 5.6 million in 2016 (EUR 7.1 million in 2015).

### Group "turnover" for the FY 2016 amounted to around EUR 1.1 billion

In particular, the item "motorway sector revenue" totalled EUR 1,007.1 million (EUR 974.3 million in FY 2015) and is broken down as follows:

(amounts in thousands of EUR)	2016	2015	Changes
Net toll revenues	978,864	945,445	33,419
Rental income – Royalties from service areas	28,263	28,872	(609)
<b>Total motorway sector revenue</b>	<b>1,007,127</b>	<b>974,317</b>	<b>32,810</b>

The increase in "net toll revenue", equal to EUR 33.4 million (+3.53%) was due to the growth in traffic volumes for EUR 19.6 million (a 1.85% increase which had a 2.07% effect on "net toll revenue" considering the traffic/toll mix) and to a +1.46% increase in tolls as of 1 January 2016 (EUR 13.8 million), partially limited to the Turin-Milan section.

The decrease in "rental income - royalties from service areas" was due to the decrease in consumption in service areas.

Revenues in the "construction and engineering" amounted to EUR 1 million; the decrease was mainly due to lower activities carried out for third parties by Group companies. The reduction reflects the persistent uncertainty in this sector and, especially, the delayed approval of the licensees' economic-financial plans.

Technology sector revenue amounted to EUR 39 million and showed a decrease in activities with third parties, mainly attributable to the completion of certain contracts in the previous year. This reduction is only partially reflected in "operating costs".

Parking sector revenue" of EUR 3.1 million refers to the payments received (net of the "guaranteed minimum amount") by Fiera Parking S.p.A.; The figure for FY 2015 benefits from higher revenue from the EXPO 2015 event (Milan, 1 May – 31 October).

"Operating costs" totalling EUR 428.5 million fell by EUR 13.5 million as a result of (a) the reduction in motorway sector costs (for a total of EUR 1.7 million) as a result of a decrease both in costs for "winter services" (EUR -1.2 million) related to lower snowfall, and in costs for services and other operating costs (EUR -0.5 million), and (b) the decrease in operating costs of companies operating in "ancillary sectors" (equal to approximately - EUR 11.8 million) due to reduction in production carried out for third parties.

With regard to the above, the "gross operating margin (EBITDA)" showed an increase of EUR 15.8 million and reflects the changes in the Group's operating sectors. More specifically:

(amounts in millions of EUR)	FY 2016	FY 2015	Changes
· Motorway sector	645.5	612.9	32.6
· Construction/engineering sector	4.7	5.0	(0.3)
· Technology Sector	18.7	30.9	(12.2)
· Parking Sector	1.4	2.8	(1.4)
Services Sector (holding companies)	(8.6)	(5.7)	(2.9)
<b>Total</b>	<b>661.7</b>	<b>645.9</b>	<b>15.8</b>

The entry "non-recurring items", negative by EUR 0.2 million, is the result of: (i) success and discretionary fees paid to the advisors following the acquisition of joint control over Ecorodovias Infrastruttura e Logística S.A.. (EUR -1.1 million) and (ii) the payment to the subsidiary Autostrada dei Fiori S.p.A. of compensation for the occupation in the years 2014 and 2015 of the areas relating to Ventimiglia vehicle terminal (EUR 0.8 million).

The item "net amortisation/depreciation and provisions" totalled EUR 306.2 million (EUR 293.3 million in 2015). The increase in this item is the result of an increase in depreciation for non-compensated revertible assets<sup>2)</sup> of EUR 27 million, (iii) an increase in provisions for risks and charges and write-downs of EUR 0.1 million, and (iv) the positive variance of the "provision for restoration, replacement and maintenance" of non-compensated reversible assets for EUR 14 million.

The decrease in "financial income" was due for EUR 4.1 million to lower gains on sale of investments (in the previous year had sold its stake in Autostrada Tirrenica p.A.) and the reduction of interest arising from the investment of cash.

The item "financial charges" – including the charges for interest rate swap agreements – decreased due to (i) the reduction in the average financial indebtedness compared to the same period the previous year and (ii) the effect of the interest-rate trend on the variable-rate portion of net financial indebtedness.

The item "write-down of equity investments" mainly refers to the "fair value" measurement of the investment in Banca Ca.Ri.Ge. S.p.A. (EUR 5 million).

The item "profit of companies accounted for by the equity method" included the share of profits from jointly controlled entities and associated companies. More specifically, it reflects the profits recorded by SITAF S.p.A. (EUR 8.9 million), ATIVA S.p.A. (EUR 8.6 million), Road Link Holding Ltd. (EUR 1.1 million), SITRASB S.p.A. (EUR 0.8 million), the companies operating in the parking sector (EUR 1 million), Itinera S.p.A. (EUR 0.6 million), partially adjusted as a result of the inclusion of pro-rata shares of losses attributable to TEM S.p.A./TE S.p.A. (EUR 10.2 million), Autostrade Lombarde S.p.A. (EUR 6.8 million), IGLI S.p.A. (EUR 0.8 million) and OMT S.p.A. (EUR 0.3 million).

With regard to the above, the portion of "profit for the period" assigned to the Parent Company's Shareholders amounted to EUR 162 million (EUR 160.7 million in FY 2015). This result, net of any "extraordinary" items ( capital gains from the disposal of investments in FY 2015, higher write-downs of equity investments in FY 2016, variances for "non-recurring" operating income and costs) shows and **improvement** compared to the figure for FY 2015, **equal to around EUR 13 million (+8.5%)<sup>3)</sup>**.

<sup>2)</sup> Starting from the FY 2016, in accordance with the amendment to IAS 38, the amortisation of non-compensated revertible assets was calculated based on expected traffic development (kilometres) rather than on expected revenue growth (traffic x rate) over the term of the concessions: this new calculation method resulted in a EUR 6.5 million increase in amortisation/depreciation compared to the amount that would have resulted using the previous method. Please note that in calculating the amortisation/depreciation, reference has been made, among other things, to the so-called "takeover" values set out in the Economic-Financial Plans which are currently being examined by the Granting Body.

<sup>3)</sup> The table below shows the reconciliation of the profit assigned to the Parent Company's shareholders as per the consolidated financial statements and the relevant "adjusted" value of "extraordinary" items":

(amounts in millions of EUR)	2016	2015	Difference
Profit assigned to the Parent Company's Shareholders - consolidated financial statements	161.9	160.7	1.2
Non-recurring items for operating activity (pro rata)	0.4	(5.2)	5.6
Capital gains for FY 2015 (pro rata)	-	(3.9)	3.9
Write-down of equity investments	4.9	2.5	2.4
<b>"Adjusted" profit assigned to the Parent Company's Shareholders</b>	<b>167.2</b>	<b>154.1</b>	<b>13.1</b>

## GROUP EQUITY AND FINANCIAL DATA

The main items of the consolidated financial position at 31 December 2016, compared with the corresponding figures of the previous year, may be summarised as follows:

(amounts in thousands of EUR)	31/12/2016	31/12/2015	Changes
Net fixed assets	3,212,435	3,330,243	(117,808)
Equity investments and other financial assets	912,473	645,394	267,079
Working capital	(28,644)	(63,187)	34,543
<b>Invested capital</b>	<b>4,096,264</b>	<b>3,912,450</b>	<b>183,814</b>
Provision for restoration, replacement and maintenance of non-compensated revertible assets	(159,175)	(173,594)	14,419
Employee severance indemnity and other provisions	(56,131)	(54,167)	(1,964)
<b>Invested capital less provisions for medium- and long-term risks and charges</b>	<b>3,880,958</b>	<b>3,684,689</b>	<b>196,269</b>
Shareholders' equity and profit (loss) (including minority interests)	2,155,180	2,015,184	139,996
"Adjusted" net financial indebtedness	1,648,142	1,581,031	67,111
Other long-term payables – Deferred income of the payable due to Central Insurance Fund	77,636	88,474	(10,838)
<b>Equity and minority interests</b>	<b>3,880,958</b>	<b>3,684,689</b>	<b>196,269</b>

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The item **net financial indebtedness** breaks down as follows:

(amounts in thousands of EUR)	31/12/2016	31/12/2015	Changes
A) Cash and cash equivalents	757,514	953,990	(196,476)
B) Securities held for trading	-	-	-
<b>C) Liquidity (A) + (B)</b>	<b>757,514</b>	<b>953,990</b>	<b>(196,476)</b>
<b>D) Financial receivables</b>	<b>448,358</b>	<b>469,950</b>	<b>(21,592)</b>
E) Bank short-term borrowings	(24,932)	(18,130)	(6,802)
F) Current portion of medium/long-term borrowings	(325,417)	(176,166)	(149,251)
G) Other financial liabilities	(386,497)	(46,264)	(340,233)
<b>H) Short-term borrowings (E) + (F) + (G)</b>	<b>(736,846)</b>	<b>(240,560)</b>	<b>(496,286)</b>
<b>I) Current net cash (C) + (D) + (H)</b>	<b>469,026</b>	<b>1,183,380</b>	<b>(714,354)</b>
J) Bank long-term borrowings	(927,183)	(1,208,745)	281,562
K) Hedging derivatives	(87,466)	(107,018)	19,552
L) Bonds issued	(992,744)	(1,317,749)	325,005
M) Other long-term payables	(1,489)	(1,657)	168
<b>N) Long-term borrowings (J) + (K) + (L) + (M)</b>	<b>(2,008,882)</b>	<b>(2,635,169)</b>	<b>626,287</b>
<b>O) Net financial indebtedness<sup>(*)</sup> (I) + (N)</b>	<b>(1,539,856)</b>	<b>(1,451,789)</b>	<b>(88,067)</b>
P) Non-current financial receivables	49,787	49,237	550
Q) Discounted value of the payable due to ANAS – Central Insurance Fund	(158,073)	(178,479)	20,406
<b>R) "Adjusted" net financial indebtedness (O) + (P) + (Q)</b>	<b>(1,648,142)</b>	<b>(1,581,031)</b>	<b>(67,111)</b>

(\*) Pursuant to ESMA Recommendation

As at 31 December 2016, the item "**net financial indebtedness**" totalled EUR **1,539.9** million (EUR 1,451.8 million as at 31 December 2015).

The change in the financial year was mainly due to: (i) the purchase of IGLI S.p.A. shares and its capital increase (for a total of EUR 208.3 million), connected to the investment in Ecorodovias, (ii) the payment of dividends (balance 2015 and advance payment 2016) by the Parent Company (EUR 72.8 million) and by subsidiaries to minority Shareholders (EUR 11.8 million), (iii) the implementation of enhancement works on the Group's motorway infrastructure (EUR 175.2 million), (iv) the acquisition of holdings and *minorities* (EUR 18.5 million), (v) the deconsolidation of ABC Costruzioni SpA (EUR 15.3 million), (vi) the payment of the instalments of the debt maturing toward ANAS-Central Insurance Fund (EUR 31 million), (vii) the change in net working capital (EUR 36.2 million) and (viii) investment in fixed assets and other minor variations (EUR 13.4 million), offset by the "operating cash flow" (amounting to EUR 473.5 million) and the liquidity held by Autostrada Albenga Garesio Ceva S.p.A. (EUR 1.3 million), which is consolidated with effect from this period.

The "net financial position" also includes the positive difference accrued during the year (EUR 19.6 million) with regard to the fair value of the IRS contracts (no cash item).

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With respect to the "adjusted net financial position", in addition to the above it is noted that:

- the item "*non-current financial receivables*" (EUR 49.8 million) represents, as provided for in IFRIC 12 Interpretation, the discounted value of the medium/long-term portion of cash flows related to the so-called "minimum amount guaranteed by the Granting Body" with regard to concession agreements signed by Fiera Parking S.p.A. and Euroimpianti Electronic S.p.A.;
- the change in the item "*discounted value of the payable due to ANAS - Central Insurance Fund*", equal to EUR 20.4 million, is due to the payment of the instalments falling due (EUR 31 million) and the charges for discounting the payable itself (EUR 10.6 million).

It is noted that the "net financial position" does not include units of "investment funds" for approximately EUR 10 million subscribed during the year in order to invest cash.

**Maturing bonds** - The "2005-2017 convertible bond loan", issued by SIAS S.p.A. and posted on 31 December 2016 for an amount of EUR 340.3 million, shall be due on 30 June 2017. While not excluding the possibility of the effective conversion into SIAS shares, the company has identified the modalities for the full repayment thereof.

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**Financial resources available** at 31 December 2016 amounted to EUR 2.2 billion and were as follows:

(amounts in millions of EUR)

Cash and financial receivables		1,206
• Cassa Depositi e Prestiti loan (pertaining to SATAP S.p.A.)	350	
• Pool loan (pertaining to SIAS S.p.A.)	270	
• VAT loan (pertaining to Autovia Padana S.p.A.)	66	
• "Uncommitted" credit lines (pertaining to SIAS S.p.A. and consolidated companies)	327	
	Subtotal	1,013
<b>Total financial resources at 31 December 2016</b>		<b>2,219</b>

## FINANCIAL STATEMENTS OF THE HOLDING COMPANY – SIAS S.p.A.

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

(amounts in thousands of EUR)	2016	2015	Changes
Income from equity investments	107,489	102,924	4,565
Other financial income	67,487	69,469	(1,982)
Interest and other financial charges	(71,214)	(71,951)	737
<b>Financial income and charges</b>	<b>103,762</b>	<b>100,442</b>	<b>3,320</b>
<b>Value adjustments of financial assets</b>	<b>(4,146)</b>	<b>(5,358)</b>	<b>1,212</b>
<b>Other operating income</b>	<b>6,154</b>	<b>6,400</b>	<b>(246)</b>
<b>Other operating costs</b>	<b>(15,093)</b>	<b>(12,931)</b>	<b>(2,162)</b>
<b>Amortisation/depreciation and provisions</b>	<b>(1,603)</b>	<b>(592)</b>	<b>(1,011)</b>
<b>Pre-tax profit (loss)</b>	<b>89,074</b>	<b>87,961</b>	<b>1,113</b>
Income taxes	1,673	735	938
<b>Profit (loss) for the period</b>	<b>90,747</b>	<b>88,696</b>	<b>2,051</b>

The items contained in the Parent Company's income statement reflect the industrial holding activity carried out by it. More specifically, the item "income from equity investments" (amounting to EUR 107.5 million, in line with the previous year) was due to the dividends paid during the financial year by SATAP S.p.A. (EUR 52.2 million), SALT S.p.A. (EUR 31.2 million), SINELEC S.p.A. (EUR 11.5 million), SAV S.p.A. (EUR 4.4 million), SIAS Parking S.r.l. sole shareholder (EUR 0.4 million), ATIVA S.p.A. (EUR 5.9 million), Road Link Holdings Ltd (EUR 1.4 million) and Assicurazioni Generali S.p.A. and FNM S.p.A. (for a total amount of EUR 0.5 million).

The items "other financial income" and "interest and other financial charges" reflect the centralisation of the financial funding activities within SIAS S.p.A., with the subsequent transfer of funds to operating companies, by means of specific intercompany loans.

The item "value adjustments to financial assets" was due to the writedown of the investment in Road Link Holdings Ltd after specific impairment.

The item "other operating income" reflects the accounting, administration and financial consultancy activities provided by SIAS S.p.A. to Group companies.

The increase in "other operating costs" is mainly attributable to higher costs for services also incurred in relation to the consultancy and assistance services provided to Group companies and the investment in Brazil (for a total of EUR 3 million) offset by a reduction in other operating costs (EUR 0.9 million).

"Amortisation/depreciation and provisions" essentially refer to the allocation to the tax "risks provision", which was prudentially made in relation to the deductibility of interest expense calculated on the "liability component" of the "SIAS 2.625% 2005-2017" convertible bond loan. In the year 2015, the provision allocated also took account of the fund recalculation as a result of the planned reduction of the IRES rate from 27.5% to 24%.

The item "income taxes" reflected the peculiarity of the activity carried out by the company and included the "income" related to the so-called "tax consolidation".

The "net financial indebtedness" as at 31 December 2016 showed a balance of EUR 1,679.3 million (EUR 1,559.8 million as at 31 December 2015). This amount does not include receivables for "intercompany loans" granted, as part of the financial structure at holding level, to the investee companies SALT S.p.A., SATAP S.p.A., Autocamionale della Cisa S.p.A., SAV S.p.A., Autostrada dei Fiori S.p.A., Autostrada Asti Cuneo S.p.A., Autostrada Torino-Savona S.p.A. and Tangenziale Esterna S.p.A., amounting to EUR 1,516 million (EUR 1,580 million as at 31 December 2015).

Liquidity generated from both operating activities (equal to approximately EUR 93.2 million) was used in order to pay dividends for a total amount of EUR 72.8 million (EUR 40.9 million as balance dividend for 2015 and EUR 31.9 million as interim dividend for 2016). The Company also proceeded to the purchase of shares and the payment of the share capital increase approved by Igi S.p.A. (for a total amount of EUR 208.3 million) and the purchase of shares in SALT S.p.A. (EUR 0.1 million).

During the financial year under review, the Company also collected an amount of EUR 67.7 million, net of disbursements, as medium/long-term intercompany loans from its subsidiaries and companies under joint control.

### **MOTORWAY TRAFFIC PERFORMANCE**

The general traffic performance for the first half of 2016, as compared to the same period in 2015, is detailed below:

(millions vehicle/km)	2016			2015			Changes		
	Light	Heavy	Total	Light	Heavy	Total	Light	Heavy	Total
<b>Total Q1: 1/1 – 31/3</b>	1,527	532	2,059	1,423	516	1,939	7.33%	3.07%	6.19%
<b>Total Q2: 1/4 – 30/6</b>	1,818	606	2,424	1,869	587	2,456	-2.72%	3.41%	-1.26%
<b>Total Q3: 1/7 - 30/9</b>	2,277	584	2,861	2,236	573	2,809	1.75%	1.79%	1.76%
<b>Total Q4: 1/10 - 31/12</b>	1,642	571	2,213	1,622	557	2,179	1.31%	2.45%	1.60%
<b>Total 1/1 – 31/12</b>	<b>7,264</b>	<b>2,293</b>	<b>9,557</b>	<b>7,150</b>	<b>2,233</b>	<b>9,383</b>	<b>1.59%</b>	<b>2.67%</b>	<b>1.85%</b>
								Effect of leap year	-0.24%
								<b>Adjusted change in traffic</b>	<b>1.61%</b>

As shown in the table above, traffic data for FY 2016 (the period which also benefits from the extra day of February, given it was a leap year) showed – with reference to the categories of "light vehicles" and "heavy vehicles" – further consolidation in the positive trend already witnessed in the previous year.

With respect to each transit category, in the first nine months of FY 2016 there was growth in traffic volumes for "heavy vehicles" (+2.67%) and "light vehicles" (+1.59%). The uneven trend between individual quarters of the growth in "light vehicles" was affected by the Easter holidays in March (April in 2015) and the adverse weather conditions that affected the north western regions in May and June 2016, as well as by some important events that took place in 2015, such as the Exposition of the Shroud (Turin 19 April – 24 June) and the EXPO 2015 (Milan, 1 May – 31 October).

Despite the recovery that began in 2014, "traffic volumes" are lower than pre-crisis figures (for example, 2007) by approximately 7.2%, as shown in the table below<sup>(4)</sup>:

<sup>(4)</sup> Changes in the scope of consolidation for the period 2005-2016 have not been taken into account. Therefore, "traffic volumes" concerning Ativa S.p.A., Autostrada Asti-Cuneo S.p.A. and Autostrada Torino-Savona S.p.A. have not been considered.



The traffic performance by single Licensee is shown below:

(millions vehicle/km)	1/1-31/12/2016			1/1-31/12/2015			Changes		
Company	Light	Heavy	Total	Light	Heavy	Total	Light	Heavy	Total
SATAP S.p.A. – A4 section	1,656	548	2,205	1,653	535	2,188	0.24%	2.41%	0.77%
SATAP S.p.A. – A21 section	1,359	648	<b>2,008</b>	1,327	626	1,953	2.44%	3.46%	2.77%
SAV S.p.A.	276	74	350	268	73	341	3.01%	0.94%	2.57%
Autostrada dei Fiori S.p.A.	957	282	1,239	956	270	1,226	0.07%	4.51%	1.05%
SALT S.p.A.	1,524	363	1,887	1,477	357	1,834	3.19%	1.73%	2.91%
Autocamionale della Cisa S.p.A.	631	185	816	618	185	803	2.06%	0.48%	1.69%
Autostrada Torino-Savona S.p.A.	753	159	911	747	155	902	0.69%	2.38%	0.98%
Autostrada Asti-Cuneo S.p.A.	108	33	141	104	32	136	3.67%	4.73%	3.92%
<b>Total</b>	<b>7,264</b>	<b>2,293</b>	<b>9,557</b>	<b>7,150</b>	<b>2,233</b>	<b>9,383</b>	<b>1.59%</b>	<b>2.67%</b>	<b>1.85%</b>
								Effect of leap year	-0.24%
								<b>Adjusted change in traffic</b>	<b>1.61%</b>

\*\*\*\*\*

## INVESTMENT IN ECORODOVIAS

With reference to the investment in EcoRodovias Infraestrutura e Logística SA ("Ecorodovias"), it is noted that in FY 2016 EcoRodovias consolidated its activities and, despite a reduction in traffic volumes (-2.1% compared to FY 2015), it showed an improvement in profitability with a pro-forma EBITDA increased from 1,389.3 million Reais to 1,520.2 million Reais (+ 9.4% compared to FY 2015).

On 18 November 2016, EcoRodovias paid the dividend balance for FY 2015 and an interim dividend for FY 2016 for a total amount of about 146.5 million Reais (approximately EUR 40.9 million).

In early 2017, following discussions with CR Almeida SA Engenharia e Construções ("CR Almeida") regarding, among other things, the possible early repayment of the loan granted at the "closing" date to CR Almeida, IGLI concluded an agreement under which - against the extinction of the aforementioned financing and a payment of 55 million Reais (about EUR 17 million at current exchange rates) - will acquire all of the Primav preferred shares indirectly held by CR Almeida.

Based on the above agreement, the subsidiary IGLI will hold 69.1% of the share capital of Primav Infraestrutura SA which corresponds, in transparency, to approximately 44.2% of the share capital of Ecorodovias.

Finally, it should be highlighted that the current price of Ecorodovias security (9.30 Reais per share) rose by over 67% compared to the share price on the acquisition "signing" date (18 December 2015). In the same period, the Brazilian Real grew against the euro by about 25%.

## **REGULATORY FRAMEWORK AND TOLL RATES**

As mentioned in previous reports, based on provisions set out in the Italian Interministerial Decrees issued on 31 December 2015 by the Ministry of Infrastructure and Transport ("MIT") in agreement with the Ministry of Economy and Finance ("MEF"), from 1 January 2016 the following toll increases were approved for the concession holders in which the ASTM Group holds investments, specifically:

- +6.50% for SATAP SpA (A4 Turin–Milan section), whose Economic-Financial Plan ("PEF") is fully operational following the registration by the Court of Auditors of the second Addendum entered into with the MIT in December 2013;
- +0.03% for ATIVA SpA;
- +2.10% for Tangenziale Esterna SpA.

For all the other motorway stretches managed by subsidiaries (including jointly controlled companies) of the Group – and, in particular, by SATAP S.p.A. (A21 Turin-Piacenza stretch), Autostrada Torino Savona S.p.A. (A6), Autostrada dei Fiori S.p.A. (A10), SALT S.p.A. (A12), Autocamionale della Cisa S.p.A. (A15), SAV S.p.A. (A5) and Società di Progetto BreBeMi S.p.A. (A35) – the toll adjustments were provisionally suspended considering that the relevant Economic-Financial Plans were currently in the inquiry phase with the competent Ministries.

In this regard, according to the related year-end Italian Interministerial decrees:

- (i) the MIT was to request (and effectively did) that the proposed Economic-Financial Plans formulated by the aforementioned licensees be registered with the CIPE by 1 February 2016 for the related opinion,
- (ii) the final toll adjustment for 2016 was to be determined through Italian Interministerial Decrees approving the Economic-Financial Plans and would be immediately applicable,
- (iii) the recovery of the toll adjustment for the period of suspension from 1 January 2016 to the issue date of the Decrees approving the Economic-Financial Plans was to be recognised on approval of the toll adjustment for 2017.

All the subsidiary licensees have duly taken legal action both against the alleged illegitimate suspension decrees on the grounds that they subordinate the suspended toll adjustments to a process that is still underway (approval of the Economic-Financial Plan) and falls within the competence of the Ministry itself and against the “non-response of the Public Administration” to the failure to approve the Economic-Financial Plans within the legal time limits. As regards the undue suspension of toll adjustments, in October a favourable judgement was reached on the action brought by SAV S.p.A. before the Regional Administrative Court of Valle d’Aosta. The court accepted the appeal, declaring the suspension of the toll rate adjustment for 2016 to be illegitimate and giving the granting body 60 days to comply, giving SAV S.p.A. the right to request the appointment of an Acting Commissioner if the Ministries fail to comply by the deadline. In addition, regarding the appeal filed by the subsidiary Autostrada dei Fiori SpA in relation to the failure to update the Economic-Financial Plan, the Liguria Regional Administrative Court has ruled that the state administration was in breach, setting a deadline of 30 days for it to comply, giving Autostrada dei Fiori SpA the right to request the appointment of an Acting Commissioner if the Ministries fail to comply by the deadline. Regarding the appeals filed by the subsidiaries SALT SpA, Autocamionale della Cisa SpA, Autostrada Torino Savona SpA and SATAP SpA (A21 Section) in relation to the failure to update the Economic-Financial Plan, the Lazio Regional Administrative Court has ruled (in judgments published on 2 and 3 November 2016) that the state administration was in breach, setting a deadline of 30 days for it to comply, giving the aforesaid companies the right to request the appointment of an Acting Commissioner if the MIT (Ministry for Infrastructure and Transport) and the MEF (Ministry for the Economy and Finance) fail to comply by the deadline.

At the date of this report, the process of approval of the PEF of the Subsidiaries is not yet completed, while it is worth noting that during 2016, the PEF of Bre.Be.Mi. was re-balanced.

However, it should be noted in this regard that CIPE, in its meeting of last 10 August, expressed a favourable opinion, with observations and recommendations, on the updating of the PEFs.

During the period, negotiations continued with the MIT to identify compensatory measures, in the form of the redetermination of concession terms and amendments to some concession clauses, which can support the necessary investments, in the absence of state aid, and with socially sustainable tolls.

As highlighted in previous reports, the foregoing initiatives were launched when the Italian government, along the precedent set in France, announced its intention to file with the competent European Union authorities a stimulus plan for the sector which involved the licensee companies belonging to the SIAS Group. The plan contemplated compensatory and viability measures granted in exchange for infrastructure investments in disadvantaged stretches of motorways. More specifically, cross support/financing solutions between the following stretches are currently being assessed: (i) the Asti-Cuneo (A33), Turin-Piacenza (A21) and Turin-Milan (A4) stretches, in order to functionally complete the Asti-Cuneo stretch, and (ii) the Sestri Levante-Livorno (A12 – SALT) and Parma-La Spezia (A15 – Autocamionale della Cisa) motorway sections, to enable, among others, the completion of Lot 1 of TI-BRE without the contractually agreed toll increases. As mentioned, the negotiations are ongoing and, at this time, it is not possible to predict their outcome.

The lack of progress of the aforementioned project of integration/cross-financing is delaying the opportunity for the subsidiary Asti-Cuneo SpA to accomplish its corporate purpose.

In this respect, it should be noted that in May 2014 the Company prepared and submitted to the Granting Body a proposal for the PEF review, to which the Company is still awaiting for a reply and an assessment of competent Bodies; The continuation of this impasse situation required the identification of which actions, including legal ones, need to be taken in order to protect the company and the Concession activity. In particular, it should be noted that, in the non-desirable scenario in which no agreement on the rebalancing of the PEF is reached, the Company shall be entitled to terminate the concession contract, with the payment of the net value of the works

executed and fully financed by the concession holder (equal to around EUR 318 million, as per the Financial Statements at 31 December 2016) and the relevant accessory costs (including penalties and other costs incurred or to be incurred as a result of contract termination). In this case, the Company would also put in place the necessary actions aimed at compensation for the failure to recognize the adequate return on invested capital, which - as mentioned above - amounts to EUR 318 million (on this matter, the sole value of the figurative entries updated at the end of 2016 amounted to about EUR 180 million), in addition to the request relating to the non-collection of the return on capital still to be invested (at least in relation to design lots approved so far by the granting Ministry).

It should also be noted that, in order to avoid losing the administrative permits obtained, the licensee – in view of the non-approval of the executive plan for lot II.6 by the MIT, delivered in October 2015 – has brought administrative proceedings before the Piedmont Regional Administrative Court to obtain an order to compel the Ministry to issue the decree approving said project. With ruling 1075/2016 published on 27 July 2016, the Piedmont Regional Administrative Court declared the silence of the ministry on the approval of the executive plan presented by the Granting Body to be illegitimate. The Ministry submitted an appeal to the Council of State for the said judgment to be amended. In ruling 4725/2016 published on 20 October, the Council of State rejected the application for precautionary relief submitted by the Ministry, confirming the judgment of the Regional Administrative Court of Piedmont. The MIT subsequently notified the licensee not to proceed with the approval of the executive project for lack of funding, and Asti Cuneo SpA consequently appealed the refusal to grant the approval during 2017.

At this stage, the situation of the Auto via Padana S.p.A. SPV subsidiary should be highlighted. To this end, on 13 May 2015, the MIT had notified the final award to the temporary grouping of companies consisting of SATAP (with a 70% share) and Itinera (with a 30% share) of the concession for the "A21 Piacenza-Cremona-Brescia" motorway, with a duration of 25 years, whose tender was held in 2012 e for which an invitation to take part in the restricted procedure was received in November 2014. On 2 December 2015 shareholders SATAP SpA (70%) and Itinera SpA (30%) set up the project company Autovia Padana SpA which, pursuant to Art. 156 of Italian Legislative Decree no. 163/06, automatically took over from the above-mentioned temporary grouping of companies in managing the awarded tender. Despite the time that has elapsed, we must unfortunately note that, at the date of these financial statements, the license contract has not yet been signed, due to delays beyond the control of the Group, which are causing damage to the Company and the Group. In particular, the main reason for the non conclusion of the procedure seems to be the in-depth investigation that the granting authority initiated with respect to the implementation of European Directive no. 1999/62/EC and subsequent amendments and additions (Eurovignette Directive), provided for by the tender call. This legislation is grounded in a precise Community obligation laid down for new licenses, stipulating that motorway Licensees of Member States must introduce a variability in the charge for the infrastructure (toll) based on the pollutant emission category (EURO) of heavy vehicles (classes 3, 4 and 5). As mentioned, the delay causes damage to the group, which as far back as December 2015, in order to fund the initiative, signed a loan agreement for EUR 270 million, in addition to a VAT line of EUR 66 million, loans that have already reached maturity and have been renewed twice. It is clear that for some time the Group has been forced to use resources in an unproductive way, taking away lines of credit from other gainful employment and sustaining costs related to the availability of lines. Actions are therefore being considered to resolve the situation for the protection of the acquired rights.

By 15 October 2016, the above-mentioned Group concession holders also reported to the Granting Body the toll rate increase requests for the year 2017, involving the recovery of the toll increase not paid in 2015 and 2016, and no change in the financial effects.

On the basis of what was established by the Intergovernmental Decrees issued on 30 December 2016 by the MIT in conjunction with the MEF, from 1 January 2017 toll rate increases have been recognized for the licensees affiliated with the SIAS Group, with different criteria in relation to the effectiveness or otherwise of the new PEF.

In particular, the subsidiary SATAP SpA (A4 Turin-Milan section), whose PEF is fully effective following the registration - by the Court of Auditors - of the second Addendum signed with MIT in December 2013, was recognized a toll rate increase amounting to + 4.60%.

As for the Company with the Economic-Financial Plan in progress, the following toll rate increases have been recognized:

- +0.85% for SATAP SpA - A21 Turin-Piacenza section;
- +0.24% for Autocamionale della Cisa SpA;
- +2.46% for Autostrada Torino Savona SpA;
- 0% for Autostrada dei Fiori SpA, SALT pA. and SAV SpA.

With respect to joint ventures, the two with an updated PEF, Tangenziale Esterna S.p.A. and Brebemi S.p.A., received a toll adjustment in line with their requests, of 1.90% and 7.88% respectively; ATIVA S.p.A., whose concession contract expired in August 2016, achieved a toll increase of 0.88%.

With reference to the Companies with PEF in progress, please note that the related ministerial decrees show that: (i) the approval procedure is still underway for the PEF update, which provides for the recovery of not yet recognised toll increases; (ii) pending finalisation of the PEF, the toll increase for 2017 was determined based on the currently applicable PEF, without prejudice to any recovery; (iii) any positive or negative toll recovery required, including those pertaining to previous years, shall be determined after the finalisation of the PEF.

In relation to the above, the Group's subsidiaries have triggered legal action in the appropriate forums against the MIT decrees.

With reference to the failed recognitions of toll rates by MIT for Licensees with PEF in progress, please note that:

- for FY 2015, the MIT and the Group companies had signed a memorandum of understanding providing for the application of increases capped at 1.50%, and the recovery of the reduced receipts under the PEF pending approval, for equivalent financial effects;
- for 2016, as previously mentioned, the MIT had unilaterally suspended the toll rate increases, given the fact that the related PEFs were still under investigation by the relevant ministries.

In this regard, concerning the above-mentioned years, the difference between actually implemented increases and requested increases amounts to about EUR 51 million, as can be seen from the following table:

<i>(amounts in millions of EUR)</i>	2015	2016	Total
SATAP A21	(6.4)	(10.4)	(16.8)
SALT	(3.5)	(4.7)	(8.2)
CISA	(4.6)	(6.4)	(11.0)
ADF	(3.1)	(5.9)	(9.0)
ATS	(1.2)	(3.1)	(4.3)
SAV	(0.9)	(1.0)	(1.9)
<b>Total</b>	<b>(19.7)</b>	<b>(31.5)</b>	<b>(51.2)</b>

## BUSINESS OUTLOOK

From 1 January 2017 the toll rate adjustments of the subsidiaries operating in the motorway sector have been recognized partially and limited to certain companies. Despite uncertainty in the implementation of the "regulatory framework", signs of pick up in traffic volumes and the efficiency policies implemented by the company should enable the consolidation of SIAS Group results for the current financial year.

The result for the financial year will also reflect the performance of the Brazilian companies belonging to the EcoRodovias Group, whose co-controlling interest was acquired in the course of 2016.

## PROPOSAL FOR ALLOCATION OF PROFIT FOR THE YEAR

Regarding the allocation of the profit for the year, the proposal formulated by the Board of Directors entails the distribution of a final dividend of EUR 0.18 per share, totalling approximately EUR 41 million.

The total amount of the dividend for the year 2016, taking account of the distribution last November of an interim dividend of EUR 0.14 per share, comes to EUR 0.32 per share, for an total amount of around €73 million.

Pursuant to the regulations issued by Borsa Italiana S.p.A., the dividend can be paid from 24 May 2017 (in such event, the shares shall be quoted ex-dividend from 22 May 2017, against detachment of coupon no. 31).

Entitlement to payment of said dividend will be determined by reference to the accounting records indicated in art. 83-quater.3 Legislative Decree 58 of 24 February 1998 as at the end of the business day 23 May 2017 (the record date).

The "pay-out" - in line with the *dividend policy* of the Group - is approximately 45% of group consolidated profit.

## NOTICE OF ORDINARY SHAREHOLDERS' MEETING

The Board of Directors, in today's meeting, resolved to convene on the Ordinary Shareholders' Meeting in **Single Call** on **27 April 2017** to (i) approve the Separate Financial Statements at 31 December 2016, (ii) approve the allocation of profit for the year and dividend distribution, (iii) approve Section I of the Remuneration Report, (iv) appoint the Board of Directors, (v) appoint the Board of Statutory Auditors and (vi) approve the granting of an audit for the financial years 2017-2025.

\* \* \* \* \*



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

\* \* \* \*

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

\* \* \* \*

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

\* \* \* \*

*On 14 March 2017, at 15:00 CET, SIAS shall hold a Conference Call to present its economic and financial results for 2016 to the financial community. A presentation shall be available for download from the website [www.grupposias.it/section\\_investor\\_relations/presentation](http://www.grupposias.it/section_investor_relations/presentation).*

Ann.: - Annual Financial Statements  
- Consolidated Financial Statements

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## ALTERNATIVE PERFORMANCE MEASURES

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

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

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

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

- a) "Revenues": differs from "Total revenues" in the Consolidate Financial Statements as it does not include (i) revenue for the design and build of non-compensated revertible assets, (ii) the toll/surcharge payable to ANAS, (iii) reversal of costs/revenues for consortium companies (iv) and "non-recurring" revenue items that the Company does not deem can be replicated.
- b) "Gross operating margin": is the summary indicator of operating performance and is determined by subtracting from the "Total revenue" all recurring operating costs, excluding amortisation and depreciation, provisions and write-downs of intangible and tangible assets. The "Gross operating margin" does not include the balance of non-recurring items, the balance of financial items and taxes.
- c) "Adjusted gross operating margin": is calculated by adding/subtracting "non-recurring" operating costs and revenue from the "gross operating margin".
- d) "Operating income": measures the profitability of total capital invested in the company and is determined by subtracting the amortisation and depreciation, provisions and write-downs of intangible and tangible assets from the "gross operating margin".
- e) "Net invested capital": shows the total amount of non-financial assets, net of non-financial liabilities.
- f) "Adjusted net financial indebtedness": is the indicator of the net invested capital portion covered by net financial liabilities and corresponds to "Current and non-current financial liabilities", net of "Current financial assets", "Insurance policies" and "Financial receivables from 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" and "Non-current financial receivables". The adjusted net financial indebtedness statement contains an indication of the value of the net financial position prepared in accordance with the aforementioned ESMA recommendation.
- g) "Operating cash flow": is the indicator of the cash generated or absorbed by operations and was determined by adding to the profit for the year the amortisation and depreciation, the adjustment of the provision for restoration, replacement and maintenance of non-compensated revertible assets, the adjustment of the employee severance indemnity provision, the provisions for risks, the losses (profits) of companies accounted for by the equity method and the write-downs (revaluations) of financial assets, and by subtracting the capitalisation of financial charges.
- h) "Adjusted" profit assigned to the Parent Company's Shareholders: it shows the profit attributed to the Parent Company's Shareholders, net of "extraordinary" items (capital gains from the disposal of equity investments in FY 2015, higher write-downs of equity investments in the FY 2016, difference of "non-recurring" operating costs and income).



**SIAS S.p.A.**  
**Annual Financial Statements**  
**as at 31 December 2016**

## Balance Sheet

<i>(amounts in thousands of EUR)</i>	31 December 2016	31 December 2015
<b>Assets</b>		
<b>Non-current assets</b>		
Intangible assets	1	0
<b>Tangible assets</b>	6	7
Non-current financial assets		
equity investments in subsidiaries	1,700,059	1,700,014
investment in jointly controlled entities and associated companies	464,902	260,756
equity investments in other businesses – available for sale	64,949	65,775
receivables	1,395,673	1,530,209
other	130,309	127,039
<b>Total non-current financial assets</b>	<b>3,755,892</b>	<b>3,683,793</b>
Deferred tax credits	150	280
<b>Total non-current assets</b>	<b>3,756,049</b>	<b>3,684,080</b>
<b>Current assets</b>		
Inventories		
Trade receivables	2,856	4,878
Current tax credits	5,971	5,612
Other receivables	7,384	28,829
Financial receivables	203,962	134,292
<b>Total current assets</b>	<b>220,173</b>	<b>173,611</b>
Cash and cash equivalents	152,370	179,148
<b>Total current assets</b>	<b>372,543</b>	<b>352,759</b>
<b>Total assets</b>	<b>4,128,592</b>	<b>4,036,839</b>
<b>Shareholders' equity and liabilities</b>		
<b>Shareholders' equity</b>		
Shareholders' equity		
a. share capital	113,768	113,754
b. reserves and retained earnings	1,950,659	1,933,048
<b>Total shareholders' equity</b>	<b>2,064,427</b>	<b>2,046,802</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Provisions for risks and charges and severance indemnities	12,082	10,062
Bank debt	341,094	482,034
Other financial liabilities	992,744	1,317,749
Deferred tax liabilities	126	60
<b>Total non-current liabilities</b>	<b>1,346,046</b>	<b>1,809,905</b>
<b>Current liabilities</b>		
Trade payables	3,985	4,950
Other payables	8,994	9,249
Bank debt	181,848	112,091
Other financial liabilities	519,611	27,893
Current tax liabilities	3,681	25,949
<b>Total current liabilities</b>	<b>718,119</b>	<b>180,132</b>
<b>Total liabilities</b>	<b>2,064,165</b>	<b>1,990,037</b>
<b>Total shareholders' equity and liabilities</b>	<b>4,128,592</b>	<b>4,036,839</b>

## Income statement

<i>(amounts in thousands of EUR)</i>	FY 2016	FY 2015
<b>Financial income and charges</b>		
Income from equity investments:		
from subsidiaries	99,800	98,458
Jointly controlled and associated companies	7,211	4,019
from other businesses	478	447
capital gains from the disposal of investments	-	-
Total investment income	107,489	102,924
Other financial income	67,487	69,469
Interest and other financial charges	(71,214)	(71,951)
<b>Total financial income and charges (A)</b>	<b>103,762</b>	<b>100,442</b>
<b>Value adjustments of non-current financial assets</b>		
Revaluations		
Write-downs	(4,146)	(5,358)
<b>Total value adjustments of financial assets (B)</b>	<b>(4,146)</b>	<b>(5,358)</b>
<b>Other operating income (C)</b>	<b>6,154</b>	<b>6,400</b>
<b>Other operating costs</b>		
payroll costs	(1,027)	(964)
costs for services	(12,631)	(9,630)
costs for raw materials	-	(1)
other costs	(1,435)	(2,336)
amortisation, depreciation and write-downs	(3)	(2)
other provisions for risks and charges	(1,600)	(590)
<b>Total other operating costs (D)</b>	<b>(16,696)</b>	<b>(13,523)</b>
<b>Profit (loss) before taxes (A+B+C+D)</b>	<b>89,074</b>	<b>87,961</b>
Taxes		
Current taxes	-	-
Deferred taxes	(131)	(21)
Taxes related to prior years	54	-
Income from "tax consolidation"	1,750	756
<b>Profit (loss) for the period</b>	<b>90,747</b>	<b>88,696</b>

*Note:* in consideration of the "industrial holding" activity performed by SIAS SpA, the format used is that required by CONSOB Communication no. 94001437 of 23 February 1994 for this type of Company, which differs, for these reasons, from that used for the SIAS Group.

## Comprehensive income statement

	FY 2016	FY 2015
<b>Profit for the period (a)</b>	<b>90,747</b>	<b>88,696</b>
Actuarial gains (losses) on employee benefits (TFR)	6	(8)
Tax effect on profit (loss) that will not be subsequently reclassified in the Income Statement		
<b>Profit (loss) that will not subsequently be reclassified in the Income Statement (b)</b>	<b>6</b>	<b>(8)</b>
Profit (loss) posted to "reserves for revaluation to fair value" (financial assets available for sale)	(549)	(1,149)
Tax effect on profit (loss) that will be subsequently reclassified in the Income Statement when certain conditions are met	(65)	(17)
<b>Profit (loss) which will be subsequently reclassified to the Income Statement when certain conditions are met (c)</b>	<b>(614)</b>	<b>(1,166)</b>
<b>Comprehensive income (a) + (b) + (c)</b>	<b>90,139</b>	<b>87,522</b>

## Cash flow statement

<i>(amounts in thousands of EUR)</i>	FY 2016	FY 2015
<b>Beginning cash and cash equivalents</b>	<b>179,148</b>	<b>247,808</b>
<b>Operating activity:</b>		
<b>Profit</b>	<b>90,747</b>	<b>88,696</b>
<b>Adjustments</b>		
Updating Employee Severance Indemnity	16	10
Provisions	1,600	1,021
Other finance income (expense)	(3,767)	(3,203)
Impairment of financial assets	4,146	5,576
<i>Operating cash flow (I)</i>	<u>92,742</u>	<u>92,100</u>
Net change in deferred tax credits and liabilities	131	14
Change in net working capital (note 24)	(380)	(557)
Other changes from operating activity	704	(1,571)
<i>Change in net working capital and other changes (II)</i>	<u>455</u>	<u>(2,114)</u>
<b>Cash generated by operating activity (I+II) (b)</b>	<b>93,197</b>	<b>89,986</b>
<b>Investment activity:</b>		
Investments in tangible and intangible assets	(2)	-
Equity investments - Subsidiaries		
- IGLI	(208,292)	-
- SALT	(45)	(16,723)
Equity investments - MET SpA and TE SpA		
- TEM	-	(9,932)
- TE	-	(14,512)
<b>Cash generated (absorbed) by investment activity (c)</b>	<b>(208,339)</b>	<b>(41,167)</b>
<b>Financial activity:</b>		
Change in bank debt	(71,183)	(98,948)
Change in current and non-current financial receivables	72,353	47,510
Investments in non-current financial assets	-	(10,000)
Change in financial assets held for trading	-	10,268
Change in other current and non-current financial debts	160,000	6,493
Dividend distribution	(72,806)	(72,802)
<b>Cash generated (absorbed) by financial activity (d)</b>	<b>88,364</b>	<b>(117,479)</b>
<b>Ending cash and cash equivalents (e=a+b+c+d)</b>	<b>152,370</b>	<b>179,148</b>
<b>Additional information:</b>		
Taxes paid during the period	98,112	40,255
Financial charges paid during the period	62,631	63,528
Dividends collected during the period	107,489	103,085



**SIAS Group**  
**Consolidated Financial Statements**  
**as at 31 December 2016**

## Consolidated balance sheet

<i>(amounts in thousands of EUR)</i>	31 December 2016	31 December 2015
<b>Assets</b>		
<b>Non-current assets</b>		
Intangible assets		
goodwill	36,414	36,414
other intangible assets	13,327	14,071
concessions – non-compensated revertible assets	3,099,800	3,214,497
<b>Total intangible assets</b>	<b>3,149,541</b>	<b>3,264,982</b>
Tangible assets		
property, plant, machinery and other assets	60,737	62,592
financial lease assets	2,157	2,669
<b>Total tangible assets</b>	<b>62,894</b>	<b>65,261</b>
Non-current financial assets		
investments accounted for by the equity method	691,042	425,131
unconsolidated investments – available for sale	101,647	105,603
receivables	159,049	153,652
other	226,648	238,068
<b>Total non-current financial assets</b>	<b>1,178,386</b>	<b>922,454</b>
Deferred tax credits	142,970	132,652
<b>Total non-current assets</b>	<b>4,533,791</b>	<b>4,385,349</b>
<b>Current assets</b>		
Inventories	22,007	31,091
Trade receivables	68,852	84,637
Current tax credits	16,884	17,094
Other receivables	34,576	39,222
Assets held for trading	-	-
Assets available for sale	-	-
Financial receivables	232,232	242,127
<b>Total</b>	<b>374,551</b>	<b>414,171</b>
Cash and cash equivalents	757,514	953,990
<b>Total current assets</b>	<b>1,132,065</b>	<b>1,368,161</b>
<b>Total assets</b>	<b>5,665,856</b>	<b>5,753,510</b>
<b>Shareholders' equity and liabilities</b>		
<b>Shareholders' equity</b>		
Shareholders' equity attributed to the Parent Company		
share capital	113,768	113,754
reserves and earnings	1,805,010	1,651,818
<b>Total</b>	<b>1,918,778</b>	<b>1,765,572</b>
Capital and reserves attributed to minority interests	236,402	249,612
<b>Total shareholders' equity</b>	<b>2,155,180</b>	<b>2,015,184</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Provisions for risks and charges and Employee benefits	215,306	227,761
Trade payables	-	-
Other payables	213,336	244,533
Bank debt	927,183	1,208,745
Hedging derivatives	87,466	107,018
Other financial liabilities	994,233	1,319,406
Deferred tax liabilities	62,796	57,341
<b>Total non-current liabilities</b>	<b>2,500,320</b>	<b>3,164,804</b>
<b>Current liabilities</b>		
Trade payables	142,880	164,312
Other payables	111,187	129,792
Bank debt	350,349	194,296
Other financial liabilities	386,497	46,264
Current tax liabilities	19,443	38,858
<b>Total current liabilities</b>	<b>1,010,356</b>	<b>573,522</b>
<b>Total liabilities</b>	<b>3,510,676</b>	<b>3,738,326</b>
<b>Total shareholders' equity and liabilities</b>	<b>5,665,856</b>	<b>5,753,510</b>

## Consolidated income statement

<i>(amounts in thousands of EUR)</i>	FY 2016	FY 2015
<b>Revenue</b>		
motorway sector – operating activities	1,081,205	1,046,763
motorway sector – planning and construction activities	175,222	208,390
construction and engineering sector	1,048	1,577
technology sector	38,986	67,095
parking sector	3,087	6,368
Other	46,598	52,475
<b>Total revenue</b>	<b>1,346,146</b>	<b>1,382,668</b>
Payroll costs	(162,658)	(156,878)
Costs for services	(364,289)	(402,558)
Costs for raw materials	(36,739)	(52,476)
Other costs	(122,141)	(120,548)
Capitalised costs on fixed assets	1,119	1,547
Amortisation, depreciation and write-downs	(318,171)	(292,566)
Adjustment of the provision for restoration, replacement and maintenance of non-compensated revertible assets	14,419	400
Other provisions for risks and charges	(2,435)	(2,727)
Financial income:		
from unconsolidated investments	585	4,647
other	20,530	23,773
Financial charges:		
interest expense	(91,913)	(96,581)
other	(4,059)	(5,938)
write-down of equity investments	(5,162)	(2,633)
Profit (loss) of companies accounted for by the equity method	2,925	(1,342)
<b>Profit (loss) before taxes</b>	<b>278,157</b>	<b>278,788</b>
Taxes		
Current taxes	(99,810)	(100,325)
Deferred taxes	6,034	4,158
<b>Profit (loss) for the year</b>	<b>184,381</b>	<b>182,621</b>
• Profit assigned to minority interests	22,424	21,931
• <b>Profit assigned to the Parent Company's Shareholders</b>	<b>161,957</b>	<b>160,690</b>
<b>Earnings per share</b>		
Earnings (euro per share)	0.712	0.706
Diluted earnings per share (euro per share)	0.664	0.659

## Consolidated statement of comprehensive income

<i>(amounts in thousands of EUR)</i>	FY 2016	FY 2015
<b>Profit for the period (a)</b>	<b>184,381</b>	<b>182,621</b>
Actuarial gains (losses) on employee benefits (TFR)	(1,446)	1,032
Actuarial profit (loss) on employee benefits (Employee Severance Indemnity) – companies accounted for by the equity method	22	55
Tax effect on profit (loss) that will not be subsequently reclassified in the Income Statement	372	(260)
<b>Profit (loss) that will not subsequently be reclassified in the Income Statement (b)</b>	<b>(1,052)</b>	<b>827</b>
Profit (loss) posted to "reserves for revaluation to fair value" (financial assets available for sale)	741	(5,783)
Profit (loss) posted to "reserve for cash flow hedge" (interest rate swap)	11,688	28,458
Profit (loss) posted to "reserve for cash flow hedge" (foreign exchange hedge)	14,963	-
Portion of other profit/(loss) of companies accounted for by the equity method (reserve for foreign exchange translations)	39,958	44
Tax effect on profit (loss) that will be subsequently reclassified in the Income Statement when certain conditions are met	(4,760)	(10,185)
<b>Profit (loss) that will be subsequently reclassified in the Income Statement when certain conditions are met (c)</b>	<b>62,590</b>	<b>12,534</b>
<b>Comprehensive income (a) + (b) + (c)</b>	<b>245,919</b>	<b>195,983</b>
☒ portion assigned to minority interests	22,460	22,165
☒ <b>portion assigned to the Parent Company's shareholders</b>	<b>223,459</b>	<b>173,818</b>

## Consolidated cash flow statement

(amounts in thousands of EUR)

	FY 2016	FY 2015
<b>Beginning cash and cash equivalents</b>	<b>953,990</b>	<b>1,080,227</b>
Changes to the scope of consolidation <sup>(1)</sup>	(13,577)	-
<b>Beginning cash and cash equivalents, adjusted (a)</b>	<b>940,413</b>	<b>1,080,227</b>
<b>Profit</b>	<b>184,381</b>	<b>182,621</b>
<b>Adjustments</b>		
Amortisations	317,847	292,466
Adjustment of the provision for restoration, replacement and maintenance of non-compensated revertible assets	(14,419)	(400)
TFR provision adjustment	1,469	1,013
Provisions for risks	2,435	2,727
Profit (loss) of companies accounted for by the equity method (net of dividends collected)	5,797	6,014
(Revaluations) write-downs of financial assets	5,162	(1,494)
Other capitalised financial (income)/charges	(7,878)	-
Capitalisation of financial charges	(21,316)	(24,566)
<i>Operating cash flow (I)</i>	<u>473,478</u>	<u>458,381</u>
Net change in deferred tax credits and liabilities	(10,337)	(4,040)
Change in net working capital	(36,229)	(58,174)
Other changes from operating activity	(4,234)	(6,021)
<i>Change in net working capital and other changes (II)</i>	<u>(50,800)</u>	<u>(68,235)</u>
<b>Cash generated (absorbed) by operating activity (I+II) (b)</b>	<b>422,678</b>	<b>390,146</b>
Investments in revertible assets	(175,222)	(208,678)
Divestiture of revertible assets	245	(6)
Grants related to revertible assets	1,426	7,845
<i>Net investments in revertible assets (III)</i>	<u>(173,551)</u>	<u>(200,839)</u>
Investments in property, plant, machinery and other assets	(4,477)	(6,366)
Investments in intangible assets	(2,599)	(1,462)
Net divestiture of property, plant, machinery and other assets	(101)	577
Net divestiture of intangible assets	760	-
<i>Net investments in intangible and tangible assets (IV)</i>	<u>(6,417)</u>	<u>(7,251)</u>
Investments in shareholdings	(956)	(4,917)
(Investments)/divestiture in non-current financial assets	225	(50,972)
Divestiture of non-current financial assets - equity investments	-	10,481
<i>Net investments in non-current financial assets (V)</i>	<u>(731)</u>	<u>(45,408)</u>
Purchase of shares/Igli S.p.A. capital increase (VI)	(208,292)	-
<b>Cash generated (absorbed) by investment activity (III+IV+V+VI) (c)</b>	<b>(388,991)</b>	<b>(253,498)</b>
Net change in bank debt	(125,509)	(160,493)
Change in financial assets	9,895	37,777
(Investments)/Divestiture of capitalisation policies	16,768	-
Change in other financial liabilities (including Central Insurance Fund)	(15,844)	(19,134)
Changes in capital and reserves attributed to minority interests (2)	(17,283)	(30,787)
Changes in shareholders' equity attributed to the Parent Company	-	-
Dividends (and interim dividends) distributed by the Parent Company	(72,806)	(72,802)
Dividends (and interim dividends) distributed by Subsidiaries to Minority Shareholders	(11,807)	(17,446)
<b>Cash generated (absorbed) by financial activity (d)</b>	<b>(216,586)</b>	<b>(262,885)</b>
<b>Ending cash and cash equivalents (a+b+c+d)</b>	<b>757,514</b>	<b>953,990</b>

<sup>(1)</sup> cash held by Albenga Garessio Ceva SpA (1,323 thousand EUR) net of cash held by ABC Costruzioni SpA (14,900 thousand EUR).

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### Additional information:

• Taxes paid during the period	123,061	70,691
• Financial charges paid during the period	95,388	97,933
• Operating free cash flow		
Operating cash flow	473,478	458,381
Change in net working capital and other changes	(50,800)	(68,235)
Net investments in revertible assets	(173,551)	(200,839)
<i>Operating free cash flow</i>	<u>249,127</u>	<u>189,307</u>